

Green Haven Florists – Business Problem-Solving Report Student

Name: MARIANA PRISCILA CASTRO NOGUEIRA

**Student ID: 2439864 Assignment Title: Component 2 Case-study
Report**

Module Name: PROBLEM SOLVING AND DECISION MAKING

Module Code: LCLM4004 Lecturer's Name: CHARLES OHAM

■ Contents Page

Introduction	3
Explanation of the Business Problem	4
Information Gathering	5
Alternative Solutions	6
Evaluation of Solutions (PMI + Grid Analysis)	7
Selected Solution and Justification	8
Risk Analysis	9
Implementation Plan	10
Measuring Effectiveness	11
Incorporating Planning Theory	12
Conclusion	13
References	15
Appendices	16
Appendix A – PMI Analysis Tables	17
Appendix B – Grid Analysis Table	18
Appendix C – Risk Matrix	19

1 .Introduction

Green Haven Florists is a small independent florist in Norwich, UK, known for creative arrangements, friendly service, and commitment to sustainability. The company has developed a loyal customer base thanks to attention to detail and personal service. However, over the past year, the business has faced challenges, including declining foot traffic, rising online competition, and increased operational costs. These factors require a review of strategies to maintain profitability and market position.

This report applies problem-solving techniques to understand the issues at Green Haven Florists and propose practical solutions. It outlines the business problem, two alternative solutions, evaluates them using PMI and Grid Analysis, selects the most appropriate solution, analyses risks, presents a step-by-step implementation plan, and identifies metrics to monitor effectiveness. Structured problem-solving enhances clarity and reliability in decision-making (Weiss, 2021).

2 .Explanation of the Business Problem

Green Haven Florists experienced a 30% drop in in-store sales over the past 12 months. The high street location has become less busy, and customers increasingly prefer online shopping, where prices are lower, delivery is faster, and promotions are frequent. Consumer behaviour has shifted towards convenience, speed, and comparison of online options.

Two new competitors have entered the market: a boutique florist with strong social media presence and a national chain offering competitive pricing and broad delivery coverage. Customer feedback indicates satisfaction with the shop's sustainability and quality, but complaints about the outdated website, poor navigation, and limited delivery options show the company is not meeting modern digital expectations. Additionally, flower and sustainable material costs have increased by up to 20% due to inflation and supply chain disruptions. The root issue is the business's slow adaptation to digital change while customer expectations continue to evolve (Kotler et al., 2021).

3 .Information Gathering

Accurate information prevents decisions based on assumptions (Hammond, Keeney & Raiffa, 2015).

- Customer feedback: Users want an easy-to-use website, more delivery options, and subscription services. Recurring weekly or monthly deliveries were highlighted as desirable.
- Competitor benchmarking: Competitors invest in Instagram, online advertising, and automated ordering, showing digital presence is crucial.
- Industry trends: Demand for online flower delivery and subscription-based services is rising. Customers pay premiums for convenience and sustainability online.
- Internal discussions: Owners Liam and Priya feel overwhelmed by digital marketing, concerned about costs, complexity, and staff resistance.

Data shows Green Haven is falling behind in digital capabilities, which is critical for long-term competitiveness.

4 .Alternative Solutions

Solution 1 – Full Digital Transformation:

Redesign the website, add online ordering and delivery, offer subscriptions, improve social media marketing, and update brand identity.

Solution 2 – Diversification of Products and Services:

Offer workshops, seasonal events, gift baskets, wedding packages, and collaborations with local artists or small businesses.

Digital transformation expands reach beyond the local street, while diversification strengthens brand reputation and community engagement (McKeown, 2019).

5 .Evaluation of Solutions (PMI + Grid Analysis)

Solution 1 – Digital Transformation:

Advantages: Increased competitiveness, attracts younger customers, improves convenience, aligns with market trends.

Disadvantages: High initial cost, staff require digital training.

Interesting points: Long-term scalability, potential growth from subscriptions.

Solution 2 – Diversification:

Advantages: New income opportunities, stronger community presence, partnership opportunities.

Disadvantages: Does not solve digital weakness, highly dependent on local demand.

6. Selected Solution and Justification

Solution 1, Full Digital Transformation, was chosen to tackle the main problem: lack of digital capability. Without modern systems, Green Haven risks losing more customers. Digital transformation helps the company reach a wider audience, improve customer experience, offer secure payments and personalized recommendations, analyze customer data for marketing and inventory, and support sustainability by reducing paper orders and optimizing deliveries (Bazerman & Moore, 2013).

A redesigned website with online ordering makes purchases easier and attracts new customers, while subscription services provide steady recurring revenue.

7. Risk Analysis

A probability and impact assessment identified potential risks:

- **Budget overrun (High probability, high impact):**

Mitigation – add 20% contingency budget.

- **Digital skills gap (High probability, high impact):**

Mitigation – staff training, workshops, and ongoing support.

- **Technical issues (Medium probability, high impact):**

Mitigation – comprehensive system testing before launch.

- **Customer resistance (Low probability, medium impact):**

Mitigation – simple guides, introductory discounts.

Effective risk management increases chances of successful implementation (Kaplan, 2020).

8 .Implementation Plan

The implementation will take place over six months:

Months 1–2 (Preparation):

- * Redesign brand identity
- * Hire a web developer
- * Train staff in digital tools

Months 3–4 (Development):

- * Build and test the website
- * Add secure payment systems
- * Create digital marketing content
- * Improve delivery processes

Month 5 (Launch):

- * Launch the new website
- * Begin online marketing
- * Offer introductory discounts

Month 6 (Evaluation):

- * Collect customer feedback
- * Fix technical issues
- * Introduce a loyalty programme

Structured planning reduces confusion and increases control (Larson & Gray, 2021)

9 . Measuring Effectiveness

The effectiveness of the solution will be measured using the following Key Performance Indicators (KPIs):

- * Website traffic increase (target: +40%)
- * Conversion rate (target: 3–5%)
- * Subscription sign-ups
- * Social media growth (target: +25%)
- * Customer satisfaction rating (target: 4.5/5)
- * Revenue growth within six months

Tracking these indicators shows if digital transformation meets goals. Customer feedback, social media, subscriptions, and revenue guide improvements (Marr, 2017).

10. Incorporating Planning Theory

Planning requires deciding what, how, when, and who:



- **What to do** - modernise digital systems and update the website.



- **How to do it**

Hire developer, redesign brand, train team, create online services.



- **When to do it** - over a six-month period, divided into clear phases.



- **Who will do it** - owners, or web developer, or marketing consultant, or trained team.

Structured planning reduces confusion, improves coordination, and ensures each stage is executed correctly. It also allows anticipation of obstacles and preparation of solutions in advance, fostering continuous learning and improvement (Larson & Gray, 2021).

11 .Implementation Plan



Months 1–2: Preparation

- . Hire web developer
- . Redesign brand identity
- . Train staff in digital tools
- . Plan subscription service



Months 3–4: Development

- . Build and test website Add secure payment features Create digital marketing content
- . Improve delivery operations



Month 5: Launch

- . Launch website Begin online marketing Offer introductory discounts



Month 6: Evaluation

- . Collect customer feedback
 - . Fix technical issues
 - . Introduce loyalty programme
- (Larson & Gray, 2021)

12 .Incorporating Planning Theory

In the first six months, the company will track website performance, customer feedback, social media, and sales to see if the digital strategy is working. They'll also check revenue, customer loyalty, and staff workflow to use these insights and adjust the strategy for better results

13 .Conclusion

Green Haven Florists faces challenges from changing customer habits, rising competition, and limited digital presence, leading to declining sales and financial pressure. Full digital transformation was selected because it addresses the root causes and enables sustainable growth.

Structured implementation, risk management, and KPI monitoring allow the business to adapt and improve. Investing in technology and staff skills strengthens the brand, increases profitability, and ensures long-term success. This strategy enables exploration of new revenue streams, such as subscriptions, seasonal promotions, and virtual workshops.

The transformation demonstrates commitment to innovation and continuous improvement, enhancing customer experience, loyalty, and digital engagement, and securing a competitive position in both local and online floral markets.

14 .References

Bazerman, M. & Moore, D. (2013) Judgment in Managerial Decision Making. Wiley.

De Bono, E. (2017) Lateral Thinking. Penguin.

Hammond, J., Keeney, R. & Raiffa, H. (2015) The Hidden Traps in Decision Making. Harvard Business Review Press.

Kaplan, R. (2020) Project Risk Management. Kogan Page.

Kotler, P., Kartajaya, H. & Setiawan, I. (2021) Marketing 5.0. Wiley.

Larson, E. & Gray, C. (2021) Project Management: The Managerial Process. McGraw-Hill.

Marr, B. (2017) Key Performance Indicators. Pearson.

McKeown, M. (2019) Solution-Focused Leadership. Routledge.

Robbins, S. & Judge, T. (2020) Organizational Behaviour. Pearson.

Weiss, R. (2021) Business Problem Solving and Decision Making. Sage.

15 .Appendices

Appendix A - PMI Analysis Tables PMI Table for **Solution 1 - Digital Transformation**

PLUS (P)

Increases competitiveness

- Attracts younger customers
- Improves convenience and accessibility
- Aligns with digital market trends

MINUS (M)

- High initial investment cost
- Staff require digital training
- Possible delays in implementation

INTERESTING (I)

- Creates long-term scalability
- Allows subscription services
- Enables data-driven marketing

PMI Table for Solution 2 - Diversification

PLUS (P)

Generates new revenue streams

Strengthens community presence

Encourages creative brand identity

MINUS (M)

Does not address digital weaknesses

Depends on local demand

Increases operational workload

INTERESTING (I)

Creates potential for seasonal events

Supports collaboration with local partners

2 .Appendix B – Grid Analysis Table

GRID ANALYSIS –Comparison of Solutions

Criteria	Weight	Sol. 1 Score	Sol. 1 Weighted	Sol. 2 Score	Sol. 2 Weighted
Addresses root cause	5	5	25	2	10
Cost-effectiveness	4	3	12	3	12
Long-term growth potential	5	5	25	3	15
Customer demand alignment	5	5	25	3	15
Competitive advantage	4	5	20	3	12

Total Weighted Score – Solution 1: 107

Total Weighted Score – Solution 2: 64

3 .Appendix C – Risk Matrix

Risk Matrix – Digital Transformation

Risk	Probability	Impact	Risk Level	Mitigation
Budget overrun	High	High	Critical	Add 20% contingency budget
Digital skills gap	High	High	Critical	Provide staff digital training
Technical website issues	Medium	High	High	Test systems before launch Offer guides
Customer resistance to change	Low	Medium	Moderate	and introductory discounts