

Module Title: Problem Solving and Decision Making

Module Code: LCLM 4004

Assessment: Component 2 Report – Basil's Bakery

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Task 1: Overview of Case-study

Basil's Bakery is a small independent bakery located in Coventry, UK. It was established in 2015 and became successful by selling high-quality organic bread, cakes and pastries. However, since 2023, sales have remained around 25% below the 2019 level. The root problem is the stagnation of sales, which threatens the future of the business. Several issues contribute to this problem, including fewer customers visiting the retail park, more people working from home, the closure of nearby shops, rising operating costs, and the lack of online ordering and delivery services. These factors have reduced customer demand and affected the bakery's profitability.

Task 2: Two Proposed Solutions

Solution A: Online Ordering and Delivery;

A suitable solution for Basil's Bakery is to introduce an online ordering and delivery service. Customers would be able to order bread, cakes and pastries through a website or mobile app and have them delivered to their homes or workplaces. This solution would help Basil reach customers who now work from home or no longer visit the retail park. It would also improve customer convenience and increase sales opportunities. By expanding the customer base and making products easier to access, the bakery could increase revenue, improve customer satisfaction and reduce the impact of declining footfall.

Solution B: Pre Order Service:

Another suitable solution is to introduce a reliable pre-order service. Customers could place their orders in advance and collect them at a convenient time without waiting in long queues. The case study states that customers have requested this service, but Basil is often unable to answer the phone because he is busy baking. By introducing a simple online or digital pre-order system, customers would receive faster service and a better experience. This solution would reduce waiting times, improve customer satisfaction, encourage repeat purchases, and help increase sales by making the bakery more efficient.

Task 3b) Evaluation Results and Justifications

Based on the results of the PMI Evaluation in Appendix 1, Solution A (Online Ordering and Delivery Service, is the most appropriate solution for Basil's Bakery). This solution received the highest score because it addresses the main causes of declining sales. The evaluation criteria included cost, feasibility, customer satisfaction, and impact on sales. These criteria were selected because they are important for improving the bakery's performance. Higher weighting was given to impact on sales and customer satisfaction, as increasing revenue and meeting customer needs are the main priorities. This solution will help Basil reach customers who work from home, increase convenience, attract more customers, and improve long-term business growth.

Task 4b) Justifications for the Implementation Plan

The implementation plan has been organised in a logical order to ensure that each task is completed successfully. The first step is to research suitable online ordering and delivery systems because this forms the foundation of the project. The second step is to develop and test the online platform before launching the service. Staff training is scheduled before implementation to ensure employees understand how to

manage customer orders and deliveries. Marketing activities take place before the official launch to inform customers about the new service and encourage them to use it. Responsibilities are assigned according to each person's expertise. Basil oversees the project and quality of products, while the website developer creates the online platform and delivery staff manage customer orders. This structured plan reduces risks, improves efficiency, and increases the likelihood of successfully introducing the new service.

Task 5b) Justifications for the KPI and SMART Objectives

The Key Performance Indicator (KPI) chosen for this project is monitoring website visitors, online orders and customer reviews after introducing the online ordering and delivery service. This KPI is appropriate because the main problem identified in the case study is the stagnation of sales. Monitoring sales each month will allow Basil to measure whether the new service is improving business performance and attracting more customers.

The SMART objectives support this KPI. The first objective is Specific because it focuses on introducing an online ordering and delivery service. It is Measurable by tracking the number of online orders and monthly sales. It is achievable because the bakery can implement the service using available technology and delivery support. It is relevant because it directly addresses the decline in customer numbers and changing shopping habits. Finally, it is Time-bound because the objective should be achieved within a six-month period after implementation.

Together, the KPI and SMART objectives provide a clear method for measuring success, monitoring progress, and evaluating whether the proposed solution has improved sales, customer satisfaction, and the overall performance of Basil's Bakery.

Task 6) Key Findings

- The main problem affecting Basil's Bakery is the stagnation of sales caused by reduced customer footfall, changing shopping habits, and increasing business costs.
- The PESTEL and Fishbone analyses identified both external and internal factors that are impacting the business.
- Two solutions were evaluated: an Online Ordering and Delivery Service and a Pre-order Service.
- The PMI evaluation showed that the Online Ordering and Delivery Service is the preferred solution because it can reach more customers, increase sales, and improve customer convenience.
- The implementation plan, KPI, and SMART objectives provide a structured approach to monitor progress and measure the success of the proposed solution.

Reference List

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Kotler, P. and Keller, K.L. (2022) *Marketing Management*. 16th edn. Harlow: Pearson.

Mind Tools (2025) Cause and Effect Analysis (Fishbone Diagram). Available at: <https://www.mindtools.com> (Accessed: 12 July 2026).

University of Wales Trinity Saint David (2026) LCLM4004 Problem Solving and Decision Making: Basil's Bakery Case Study Module Learning Materials.

Appendices

PMI Evaluation Table

<u>Online Ordering and Delivery / Solution A</u>		
Plus	Minus	Interesting
Reaches customers who work from home by allowing them to order bakery products without visiting the retail park	High setup cost.	May attract new customers outside the retail park.
increases sales opportunities by making products available to customers who cannot visit the bakery regularly	Delivery needs extra staff or transport.	Can improve the bakery's reputation.
Improves customer convenience by allowing customers to order from home work.	Requires an online ordering system.	Could support future business growth.
Expands the customer base by reaching people who no longer work in the retail park	Delivery may increase operating costs.	May increase repeat customers.
Can help recover some lost customers who now work from home		
Provides customers with an alternative way to purchase Basil's products when they cannot visit the bakery		

<u>Pre-order and collection / Solution B</u>		
Plus	Minus	Interesting
Reduces customer waiting time by allowing customers to order before arriving at the bakery	Basil may still be busy baking.	Customers can collect orders quickly.
Responds directly to customer requests for a pre-order service	Only benefits collection customers.	Could be combined with delivery in the future.
Makes the bakery more efficient by allowing orders to be prepared in advance	May not attract new customers.	Improves customer experience.
Improves customer satisfaction by reducing waiting times during busy periods	Requires a booking system.	Better planning of daily production.
Improves daily production planning because Basil can prepare products according to pre-order		
Give customers greater convenience while keeping the existing bakery collection service		

Appendix 2 – Task 4a

Implementation Plan

Name the problem you are solving: Stagnation of sales at Basil's Bakery.

Name the solution you are implementing: Introduce an Online Ordering and Delivery Service.

	WHAT	How	WHEN	WHO
1	Research and choose a suitable online ordering and delivery system.	Compare different online platforms and select the most suitable one for the bakery.	1st August-5th August 2026	Basil
2	Develop and test the online ordering system.	Create the website,set up online ordering, and test the ordering and delivery process.	6th August – 15th August 2026	Website Developer and Basil
3	Train staff to manage online orders and delivery procedures.	Train staff to manage online orders, customer enquiries,and deliveries.	16th August – 22nd August 2026	Basil and Staff
4	Launch the online ordering and delivery service.	Promote the service, begin accepting online orders, and collect customer feedback.	23rd August – 31st August 2026	Basil and Staff

Appendix 3 – Task 5a

The Key Performance Indicator is:

Specific	Measurable	Attainable	Relevant	Time-Bound
Questionnaire	20 Question	Yes because	Because will help to understand whether the employees are better prepared	1 hour
Introduce an online ordering and delivery service for Basil's Bakery	Increase the number of website visitors, online orders, and positive customer reviews.	The bakery can achieve this using an online ordering platform and a local delivery service.	The objective addresses declining customer numbers and stagnant sales identified in the case study.	Achieve the objective within six months of launching the new service.