

Component 2 Case Study Report: Green Haven Florists

Introduction

Green Haven Florists is a small independent flower shop based in Norwich, UK, founded in 2016 by partners Liam and Priya Patel. The business built a strong reputation for bespoke floral arrangements, environmentally friendly practices, and close engagement with the local community. However, in recent years the retail environment has changed significantly, with consumers increasingly favouring online shopping and convenience-driven services. This report analyses the key business problem currently faced by Green Haven Florists, evaluates two alternative solutions using a PMI analysis, and proposes an action plan to implement, monitor, and measure the effectiveness of the recommended solution.

Identification of the Business Problem

The primary business problem facing Green Haven Florists is declining profitability caused by a combination of reduced in-store sales, increased competition, rising operational costs, and an underdeveloped digital presence. Over the past 12 months, the business has experienced a 30% decrease in foot traffic, reflecting wider changes in consumer behaviour and the decline of traditional high-street shopping. While online orders have increased slightly, they have not been sufficient to offset the loss of walk-in customers.

Competition has intensified with the entry of two new local competitors: a boutique florist with a strong social media presence and a national online chain offering aggressive pricing and same-day delivery. These competitors benefit from economies of scale, advanced digital platforms, and wide delivery networks, making it difficult for Green Haven Florists to compete on price and convenience.

In addition, rising operational costs have placed further strain on profit margins. The cost of fresh flowers, particularly imported varieties, has increased due to inflation and supply chain disruptions. The business's commitment to sustainability, including biodegradable packaging and locally sourced materials, while ethically valuable, has also increased expenses. Customer feedback suggests dissatisfaction with the company's outdated website, limited delivery options, and lack of subscription services. Internally, the owners' limited experience with digital marketing has restricted the company's ability to adapt quickly to changing market demands.

Alternative Solution 1: Digital Transformation and Online Expansion

This solution involves investing in a comprehensive digital transformation strategy. Key actions would include redesigning the website to improve usability, introducing flexible delivery and subscription options, and implementing a structured digital marketing strategy across social media and search engines.

PMI Analysis

Plus: A modern, user-friendly website would improve customer experience and increase conversion rates. Expanded delivery options and subscription services would create recurring revenue streams and improve convenience. Digital marketing would increase brand visibility and attract younger, tech-savvy customers beyond the immediate local area.

Minus: This strategy requires upfront financial investment in website development, marketing tools, and possible staff training. Increased online orders may raise logistics and delivery costs. There is also a risk that the business could lose its personalised feel if digital growth is not carefully managed.

Interesting: Online customer data could be used to analyse purchasing behaviour and optimise stock management. Sustainability messaging could be integrated into digital storytelling, reinforcing brand values while reaching a wider audience.

Alternative Solution 2: Local Market Differentiation and Community Engagement

This strategy focuses on strengthening Green Haven Florists' local identity by expanding flower subscription services for homes and businesses, hosting workshops, and forming partnerships with local organisations.

PMI Analysis

Plus: This approach builds on the business's existing strengths, encouraging customer loyalty and repeat purchases. Community engagement can enhance brand reputation and differentiate the business from national competitors. Subscriptions provide predictable income with relatively low technological investment.

Minus: The reach of this strategy is limited to the local market, which may continue to decline. Workshops and events require time, staffing, and planning, potentially diverting focus from core operations. This approach alone may not sufficiently address competition from online retailers.

Interesting: Partnerships with local cafes, offices, and event planners could generate new revenue streams. The shop could position itself as a community hub rather than purely a retail outlet.

Recommended Solution

After evaluating both alternatives, digital transformation and online expansion is recommended as the most sustainable long-term solution. This strategy directly addresses declining foot traffic, increased competition, and changing consumer behaviour. Elements of community engagement and sustainability should be integrated into the digital approach to maintain Green Haven Florists' unique brand identity.

Action Plan

The implementation will begin with a full website redesign to improve navigation, mobile compatibility, and online ordering functionality. This phase should be completed within three months. Next, subscription services will be introduced, offering weekly and monthly options for individuals and corporate clients. Delivery options will be expanded through partnerships with local couriers. Finally, a structured digital marketing strategy will be implemented, focusing on social media engagement, targeted advertising, and local search engine optimisation.

Monitoring and Measuring Effectiveness

Performance will be monitored using key performance indicators including website traffic, online conversion rates, subscription numbers, average order value, and customer feedback. Monthly reviews will allow management to adjust strategies as needed. Success will be measured by achieving a 20% increase in total sales within 12 months, growth in recurring subscription revenue, and improved customer satisfaction ratings.

Conclusion

Green Haven Florists is facing significant challenges due to market changes, rising costs, and increased competition. Failure to adapt to digital trends threatens the long-term sustainability of the business. By investing in digital transformation while maintaining its commitment to sustainability and personal service, Green Haven Florists can reposition itself competitively and achieve long-term growth.

References

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