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Module Title: LCLM4004

Module Title: Basils Bakery Component 2

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1. Basils Bakery is an independent bakery based in Coventry that has struggled with decline in sales since the Covid 19 Pandemic. Despite sales recovering after the pandemic lockdown, they remained 25% below pre covid 2019 levels. This is mainly due to reduced customer footfall in the retail park, shop closures, remote working and less people visiting the retail park etc. Customer preferences changed as people adapted to using online food apps which were convenient. Basils Bakery could not meet these demands due to instead focusing on sales in the bakery shop.

2. Firstly, using a delivery app may benefit Basir's Bakery, but it is not guaranteed to solve the problem of falling sales. While it could reach customers working from home, commission fees and packaging costs may significantly reduce profit margins, especially if the bakery already has low profits. In addition, customers may choose cheaper competitors on the app, making it difficult to increase sales enough to cover the extra costs. Overall, the delivery app is only likely to be successful if the additional sales outweigh the higher costs and Basir regularly monitors its profitability and customer demand.

Secondly, Basil's Bakery could look at reducing its expenses by talking to suppliers and reducing costs, as post covid pandemic prices have soared. Other ways to reduce costs would be food wastage, using energy efficient equipment. Basil's Bakery could also look at reducing the impact of rising rents, utility, insurance and ingredient costs etc. By looking at these options, this would strengthen the Bakery's financial position, improve long term sustainability and competitiveness, as well as help to protect profit margins.

3a Please see Appendix 1 for PMI tables

3b After evaluating the PMI tables, my preferred solution is using a delivery app. Although delivery apps charge commission and reduce profit margins, they provide the greatest opportunity to increase sales. Basil's main problem is that fewer customers visit the retail park because many people now work from home. A delivery app allows customers to order fresh bakery products without travelling, helping Basil's reach a much wider market. It also responds directly to customer requests for delivery, improving convenience and customer satisfaction. While reducing expenses is important, it does not solve the issue of declining sales and could affect the quality of Basil's organic products if costs are cut too much. Maintaining high quality is important for keeping loyal customers. Therefore, using a delivery app is the strongest option because it has the potential to increase revenue, attract new customers, and improve the bakery's long-term sustainability, despite the extra costs involved. (Proctor, 2019, p.262; Newcastle University.n.d.)

4a Please see Implementation Plan Appendix 2

4b the implementation begins with creating the delivery app account and submitting business documents because approval is required before trading. These tasks are scheduled in day 1 and are the responsibility of the restaurant owner, who has legal authority over the business. Setting up the restaurant profile and uploading the menu follow, as customers need accurate information before ordering. In day 2, and 3 delivery settings and POS integration are completed to ensure efficient order processing. Staff training is then carried out on days 4, 5 and 6 so employees understand how to manage incoming orders and maintain service quality. Test orders are performed before launch to identify and fix any issues, reducing the risk of customer dissatisfaction. The restaurant goes live in day 7 only after all systems are functioning correctly. Marketing begins after launch to attract customers,

while ongoing monitoring and menu updates remain the restaurant manager's responsibility to maintain performance, customer satisfaction, and business growth. (Institute of Leadership & Management, 2013, p.102)

5a. Please see Appendix 3 for KPI and Smart Objective's

5b KPI sales growth will be monitored through monthly sales reports, allowing management to compare actual sales against the target of a 15% increase within

six months. Analysing sales trends over time will help determine whether activities such as introducing new products, improving product displays, and implementing promotional campaigns are contributing to increased revenue.

Using these metrics together provides a balanced evaluation of the bakery's performance. Sales figures demonstrate the financial impact of the implemented strategies, while customer satisfaction measures the quality of the customer experience. A critical analysis of both indicators allows management to determine whether increased sales are being achieved sustainably or at the expense of customer satisfaction. Conversely, high customer satisfaction without corresponding sales growth may suggest that additional marketing or pricing strategies are required.

Overall, continuous monitoring of these KPIs supports evidence-based decision-making and promotes continuous improvement. By regularly reviewing performance against established targets and critically evaluating the reasons behind successes or shortfalls these actions would make it competitive and increase profitability. (Elyea, 2023; Think Marketing, 2012)

6. The summary showed that Basil's Bakery could expand its customer base and increase sales by introducing an online food delivery service. After reviewing the available options, partnering with one of the big Delivery apps was identified as the most suitable choice because it involves lower upfront

costs, can be implemented quickly, and provides access to an established customer network. This assessment indicated that the project is technically possible using existing restaurant systems, financially viable due to the minimal initial investment, and operationally manageable with appropriate staff training and workflow adjustments. Some of the risks identified such as order mistakes, delivery delays, and platform fees; however, these can be

reduced through staff training, quality control measures, and ongoing performance monitoring. Overall, the findings suggest that implementing a delivery service is a

practical and effective strategy that will improve customer convenience, strengthen Basil's competitive position, and support long-term business growth.

Appendix 1

PMI Evaluation Table

Option A – Using Delivery Apps

Makes the bakery look good for convenient requests for delivery +4	More orders online will increase pressure and quality will go down -4	Delivery apps could increase expansion in new areas +3
Plus	Minus	Interesting
Increase sales by customers who work from home +3	Delivery Apps charge commission of 20% -3	Promotions on delivery apps could attract new customers +3
Attracts new customers outside the shopping park +3	Packaging costs will increase to make sure orders arrive in good time -2	Data from apps will show which products sell best and when demand is very high +2
Helps the business compete with other local businesses	Company becomes independent from a third	Customer reviews on the app could improve

+4	party and has no control over the operations -3	the bakery's reputation if ratings are high +4 +4
TOTAL: 14	TOTAL: - 12	TOTAL: 12

Overall Total = 14

Option B - Reducing Basils Bakery Costs

Plus	Minus	Interesting
No need to hire delivery drivers because the app provides them +4	Customers may be unhappy if quality or service declines -3	Basil's could focus on reducing waste instead of lowering product quantity +3
Makes the business more sustainable during busy period of low sales +4	Basil's cutting staff or opening hours could reduce customer satisfaction -4	Switching to more energy efficient equipment could lower bills over time +4
Reduces operating costs increases +3	Some cost saving measures may require small investment measures -3	Basil's regularly reviewing expenses may identify unnecessary spending +3

Helps the business cope with rent and bills +3	Cutting staff or opening hours could reduce customer satisfaction -3	Negotiating with suppliers could reduce costs without affecting quality +3
TOTAL: 14	TOTAL: - 13	TOTAL: 16

Overall Total = 17

Appendix 2

Implementation Plan

Name the problem you are solving: Basil's Bakery Delivery App

Name the solution you are implementing: Setting up a Delivery App

	Task	WHAT	WHEN	WHO	Done
1	Create Delivery Account	Register Basil's as a partner on the delivery app	17 July 2026 (1 day)	Restaurant Owner	Ensure delivery is registered fully
2	Submit Business Documents	Provide business registration and bank details	17 July 2026 (1 day)	Restaurant Owner	Ensure all documents are confirmed

3	Upload Menu	Add menu items, descriptions and pricing	17/18 July 2026 (2 days)	Restaurant Owner	Menu prices checked and confirmed
4	Configure Delivery and App	Set Delivery Radius and preparation times	17/18 July 2026 (2 days)	Restaurant Owner	Ensure delivery preparation times confirmed
5	Staff Training	Train Staff to receive, prepare and manage delivery app	19/07/2026 to 22/07/2026 (3 days)	Restaurant Owner	Restaurant evaluates training and considers consolidation, if need be

Appendix 3

Key Performance Indicator: Increase monthly sales revenue

Specific	Measurable	Attainable	Relevant	Time-Bound
Introduce 3 or 4 new bakery products, improve product display and promotions	Track monthly sales 15% and also track them with the previous months revenues	Train staff and offer weekly promotions to attract more customer in order to increase sales	Higher sales would increase the Bakery's revenues and also customer base online and also in the shop	Achieve 15% increase in sales in six months

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References

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