



BASIL BAKERY

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[DATE]
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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, a popular Coventry artisan shop, took a major hit during COVID-19. Unfortunately, post-lockdown sales have flattened, staying stubbornly stuck at 25% below pre-pandemic levels. The core issue is a structural decline in foot traffic. Driven by remote working, retail job cuts, and online delivery trends, this shift has permanently reduced the bakery's traditional consumer base.

The real problem is that Basil is stuck in an outdated, walk-in-only business model that hasn't adapted to how people shop post-pandemic. Relying solely on physical footfall ignores hybrid workers who want delivery and pre-orders. This rigidity, plus rising costs and Basil doing everything himself, makes his current setup completely unsustainable.

This decline is driven by an operational bottleneck. Basil's onsite baking duties out way his capacity to launch requested delivery and pre-order services. Furthermore, his passive reliance on physical footfall ignores permanent hybrid working shifts. Ultimately, soaring overheads and volatile organic supply costs severely erode margins against stagnated post-pandemic sales.

- **Approximately 100 words**

Task 2: Two Proposed Solutions

(third-party delivery integration) Solution A Proposal

To breathe new life into Basil's Bakery, we need two practical, modern solutions: third-party delivery integration and a digital click-and-collect system. Partnering with food delivery platforms directly combats the drop in physical retail park footfall, allowing Basil to reach remote workers and nearby warehouse staff without leaving his kitchen. Handing over delivery logistics to third parties solves his personal bottleneck, keeping him focused on baking. Meanwhile, an automated online pre-ordering platform eliminates the hassle of missed phone calls, cutting down long wait times during rush hours, and recovering lost sales.

Implementing third-party delivery integration actively counters the retail park's footfall decline by directly capturing remote hybrid workers and nearby industrial staff. This outsourced logistics framework resolves the owner-operator bottleneck, allowing Basil to prioritize artisan production while external couriers manage fulfillment. Simultaneously, transitioning from manual phone inquiries to a digital click-and-collect portal automates the pre-ordering process. This operational integration prevents Basil from interrupting production, drastically reducing in-store wait times while capturing previously lost revenue to secure commercial viability.

Implementing third-party delivery integration directly counters the structural decline in retail park footfall by transforming Basil's location-bound business into an agile, highly accessible digital storefront. This strategic pivot allows the bakery to easily re-engage lost local customers, specifically targeting remote hybrid workers and nearby industrial staff offsite. Crucially, outsourcing fulfillment to external courier networks systematically resolves the owner-operator bottleneck. Keeping Basil anchored in the kitchen focusing on artisan production avoids operational strain, unlocking a vital, frictionless revenue stream to successfully offset stagnant post-lockdown sales and his rapidly rising operational overheads.

- **Approximately 100 words**

(digital click-and-collect system) Solution B Proposal

The second proposed solution entails implementing an automated digital click-and-collect pre-ordering system. This web-based platform permits patrons to browse menus, submit orders, and execute secure digital transactions prior to visiting the storefront. Transitioning pre-ordering from manual, telephone-dependent channels to an autonomous digital interface effectively eliminates the operational friction disrupting Basil's artisan workflow. Consequently, this structural adaptation curtails peak-hour queuing,

alleviates in-store congestion, and successfully recaptures lost revenue from time-constrained local professionals.

Implementing an automated digital click-and-collect system resolves key operational inefficiencies by enabling patrons to browse live inventory, order, and prepay online. Shifting pre-orders from manual, phone-dependent channels to a digital interface systematically eliminates the communication bottleneck that constantly disrupts Basil's artisan baking workflow. Scheduled pickup windows stagger customer arrivals, alleviating peak-hour storefront congestion and drastically reducing wait times. This frictionless model successfully recaptures time-constrained local professionals working on rigid schedules. Crucially, advanced order data provides reliable demand forecasting, which optimizes daily production and minimizes the costly waste of volatile organic ingredients.

An online click-and-collect system easily fixes the biggest problems at Basil's Bakery. Since Basil is always too busy baking to answer the phone, the digital system takes pre-orders automatically, so he never misses a sale. It also cuts down long lunch queues. Busy local workers can pay online and quickly grab their fresh food. Best of all, knowing orders in advance helps Basil bake only what is actually needed. This saves money by preventing the waste of expensive organic ingredients, while making visits fast and easy for hybrid commuters.

- **Approximately 100 words**

Task 3b) Evaluation Results and Justifications

Choosing to click-and-collect (Solution A) is best because third-party delivery apps charge massive fees Basil cannot afford. This online system is cheaper and takes pre-orders automatically, so Basil never misses a sale while baking. It also cuts down long peak-hour lunch queues, letting local workers grab food quickly. Finally, advance ordering stops Basil from wasting expensive organic ingredients, which directly protects his tightening profits.

Third-party delivery (Solution B) lets Basil reclaim loyal customers who now work from home or left the retail park. It expands his reach to new customers across Coventry. Since external drivers handle all logistics, Basil can boost sales without ever leaving his kitchen to deliver.

To evaluate Basil's options, four criteria were selected: profit margin protection, operational feasibility, customer convenience, and waste reduction. These safeguard his tightening budget against high delivery commissions, respect his onsite labour limits as a sole baker, resolve peak-hour queue bottlenecks, and utilize pre-order data to minimize expensive organic ingredient waste.

Criteria weightings prioritize mitigating existential threats: profit margin protection is weighted at 35% to safeguard survival against

rising overheads, while operational feasibility receives 30% to respect Basil's kitchen constraints. Customer convenience gets 20% to resolve peak-hour bottlenecks, and waste reduction is allocated 15% as inventory control remains secondary to immediate financial solvency.

Selecting click-and-collect over third-party delivery is highly defensible. For profit margin protection (35%), it avoids steep aggregator commissions, safeguarding Basil's budget from rising overheads. Regarding operational feasibility (30%), the passive digital queue allows Basil to bake undisturbed by phone calls or drivers. To enhance customer convenience (20%), it eliminates peak-hour queues for local workers on strict lunch breaks. Finally, waste reduction (15%) leverages pre-order data to enable a precise "bake-to-order" model, cutting costly organic food waste.

- **Approximately 150 words**

Task 4b) Justifications for the Implementation Plan

The implementation starts with technical setup, followed by staff training, a soft launch, and marketing. Spanning four to six weeks, this timeline ensures everything runs smoothly before opening to the public. Responsibilities are divided to safeguard Basil's time: a software vendor handles the tech setup, Basil focuses on managing inventory and baking adjustments, while front-of-house staff take care of live pickups and customers, preventing bottlenecks without pulling Basil away from his kitchen.

The plan protects Basil's time in the kitchen while making buying easier for customers. Setting up the software first prevents glitches before any big advertising starts. The four-to-six-week timeline gives staff enough time to test everything and practice before opening to the public. An outside tech person handles the website setup, letting Basil focus on baking, managing ingredients, and letting front-of-house staff handle quick customer pickups.

- **Approximately 150 words**

Task 5b) Justifications for the KPI and SMART Objectives

The proposed Key Performance Indicator (KPI) is the Monthly Online Click-and-Collect Revenue Growth Rate (%), which measures the percentage increase in sales coming from the new website each month. This metric directly targets the main problem—sales staying stuck at 25% below 2019 levels because fewer people visit the shopping center. It shows how much money is brought back by targeting remote workers and busy local employees. Tracking online sales proves that customers are using pre-orders instead of walking away due to long queues or missed calls. Most importantly, it builds

profits to cover high rent and energy bills without paying delivery app fees.

The SMART objectives give Basil a simple, clear target to follow. The goal is Specific because it focuses on getting more online pre-orders from local office and warehouse workers. It is Measurable by aiming for a 15% increase in monthly online sales. This target is Attainable because many customers already want to order ahead instead of waiting in line. It is Relevant because it fixes the 25% sales drop without charging delivery app fees. Finally, a six-month Time-Bound limit gives people time to try it while keeping the business moving forward.

- **Approximately 200 words**

Task 7) Key Findings

- Sales Have Dropped: Bakery sales are stuck at 25% lower than before the pandemic because fewer people visit the retail park and many locals now work from home.

- Basil is Too Busy: Being the only baker creates a big problem because Basil cannot answer phone calls or deliver food while he is baking in the kitchen.
- Click-and-Collect is the Best Choice: An online ordering system is better than delivery apps because it saves money on high app fees and lets Basil bake without interruptions.
- Shorter Queues and Less Waste: Pre-ordering lets busy workers pick up food fast, while helping Basil know how much to bake so expensive ingredients do not go to waste.
- Clear Goal for Growth: Aiming to grow online sales by 15% in six months gives the bakery a simple plan to bring back lost profits.
- **Approximately 100 words**

Reference List

- Task 1 & 2 (E-Commerce Adoption & Delivery Models):
 - *Citation:* (Adams, 2020) / (Klein and Popp, 2022)
 - *Usage:* Supports the transition of small brick-and-mortar retail businesses toward digital storefronts and click-and-collect options to capture hybrid workers.
- Task 3b (Third-Party Delivery Commissions Evaluation):
 - *Citation:* (Li and Wang, 2024)
 - *Usage:* Backs up your justification for rejecting third-party delivery apps due to their high 30% commission fees eroding small independent business profit margins.
- Appendix 1 / Task 3a (PMI Technique):
 - *Citation:* (De Bono, 1992)
 - *Usage:* Direct academic citation for the Plus, Minus, and interesting decision-making framework invented by Edward de Bono.
- Task 5b & Appendix 3 (KPIs & Business Optimization):
 - *Citation:* (Gilsing et al., 2021) / (Sishi and Telukdarie, 2025)
 - *Usage:* Provides scholarly evidence on using structured KPIs and SMART targets to align business strategy with operational performance.
- Filimonau et al. (2021): Use this in Task 3b or Appendix 1 when explaining how pre-orders allow a "bake-to-order" approach, which cuts down on wasting expensive organic ingredients.
- Mogaji et al. (2021): Use this in Task 2 or Task 4b to support why adopting simple digital tools (like an online click-and-collect portal) helps small businesses stay competitive when customer habits change.
- **Approximately 100 words**

Appendices

Appendix 1 – Task 3a

PMI Evaluation Table

<u>Provide the Name (for Solution A)</u>		
Plus	Minus	Interesting
Reaches hybrid & offsite workers lost to footfall drop (+4)	Heavy commission fees (25–30%) crush profit margins (-5)	Builds brand awareness across Coventry for future visits (+2)
Outsourced drivers let Basil stay focused on baking (+3)	Risk of food quality dropping during courier transit (-3)	Provides customer data showing peak remote ordering times (+1)
Expands sales reach beyond the quiet retail park (+3)	Kitchen can get overwhelmed during peak rush hours (-2)	App exposure could attract bulk office catering orders (+2)
Takes orders automatically without phone distractions (+2)	Loses direct personal contact with loyal regulars (-2)	Tests if delivery demand justifies hiring an in-house driver later (+1)
TOTAL: 12	TOTAL: 12	TOTAL: 6

Therefore: Overall Total for Name (for Solution A) =
(Solution A) = +6

<u>Provide the Name for Solution B</u>		
Plus	Minus	Interesting
Wins back sales from hybrid workers who need a fast, guaranteed pickup (+3)	Staff need a bit of time and training to get used to it (-2)	People collecting orders often pick up extra items on impulse (+2)
Takes orders automatically so Basil isn't constantly interrupted (+4)	Web glitches could cause mild hiccups during the soft launch (-1)	Let's Basil bake to order, cutting down on wasted ingredients (+3)
Cuts down peak-hour queues so busy customers aren't left waiting (+3)	Upfront software setup and equipment costs money initial setup (-3)	Gives clear data on which products are actually popular (+2)

Zero commission fees mean Basil keeps 100% of his profits (+5)	Only works for people who can physically pop in to collect (-2)	Opens the door to add a loyalty scheme or pre-pay deals later (+1)
TOTAL: -15	TOTAL: -8	TOTAL: +8

Therefore: Overall Total for Name (for Solution B) = +15

- Approximately 200 words

Appendix 2 – Task 4a

Implementation Plan

Name the problem you are solving:

Name the solution you are implementing:

	Task	WHAT	WHEN	WHO	Done
1	Technical & Platform Setup	Purchase software, build the online menu with live stock caps, and set up the kitchen order printer.	Weeks 1–2	External IT Consultant / Software Vendor	pending
2	Staff Training & Workflows	train counter staff on managing online orders, handing over pre-orders, and keeping pickup lines moving fast.	Week 3	Basil & Front-of-House Team	pending
3	Soft Launch & Trial Run	Run a 7-day soft launch with regular customers to test web notifications, kitchen tickets, and peak-hour pickup timing.	Week 4	Basil & Front-of-House Team	pending

4	Marketing & Full Rollout	Launch local social media ads for hybrid workers, put up in-store pickup posters, and offer 10% off first pre-orders.	Weeks 5–6	Basil & Marketing Specialist	pending
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- Approximately 200 words.

Appendix 3 – Task 5a

The Key Performance Indicator is:

Specific	Measurable	Attainable	Relevant	Time-Bound
Achieve a 15% increase in monthly revenue generated exclusively through the online click-and-collect system.	Tracked using automated e-commerce sales analytics and point-of-sale (POS) financial reports.	Feasible by converting existing footfall and capturing local hybrid workers on tight schedules.	Directly targets the 25% post-pandemic sales drop without incurring delivery app fees	Achieved within a 6-month timeframe following full rollout.

- Approximately 200 words