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- LCLM4004 Component 1
 - Assignment - problem solving and decision making making



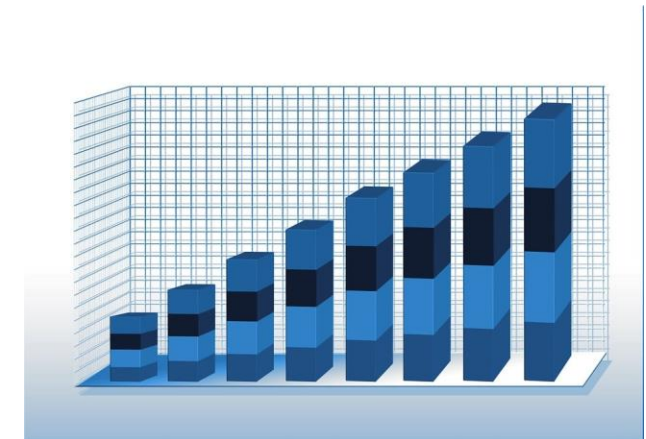
THE OLIVE TREE BISTRO

Identifying and solving a business problem



Introduction and business overview

- A family run Mediterranean bistro based in Bristol
- Known for homemade dishes and friendly services
- 25% drop in sales over the past year, mainly on weekdays
- Facing issues like rising costs, declining customer base, and new competition.
- Goal: identify key problems and suggest realistic solutions.



Identifying the problem – 5W2H

- What? 25% decline in sales
- Why? Shift to cheaper, faster alternatives
- Where? Dine-in service, especially weekdays
- When? Gradual drop in over the past 12 months
- Who? Owner, staff, loyal customers affected
- How? Menu stagnation, slow service, rising costs
- How much? Threatening financial stability



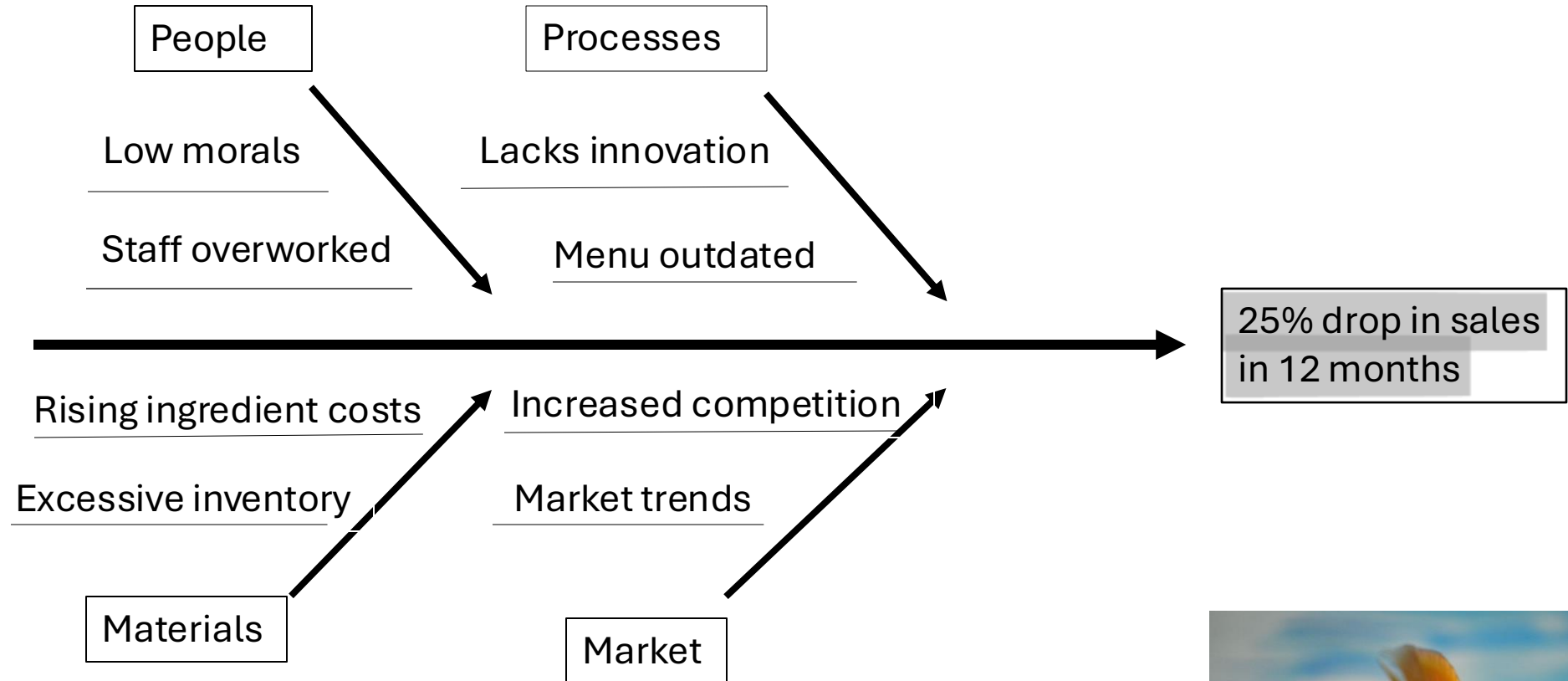
External factors - PESTEL

- Political: Brexit impacted import costs and supply delays
- Economic: Inflation reduces consumer spending (Mintel, 2024)
- Social: shift towards fast, casual, and healthy dining
- Technological: Competitors use delivery apps and digital marketing
- Environmental: Sustainability matters more to customers
- Legal: Strict food safety and hygiene compliance



Causes:

Effect:



Summary of key issues

- 25% decline in weekday sales
- Rising ingredient costs and overhead costs
- Static, outdated menu
- Slow service and staff are overloaded
- Increased local competition
- Changing customer habits and preferences

Published Issues

Possible solutions

- Introduce seasonal or limited-time menus
- Offer weekday lunch deals and loyalty schemes
- Partner with delivery apps (e.g., deliveroo, uber eats)
- Hire part-time staff for peak hours
- Highlight sustainability and freshness in marketing
- Use social media to boost local engagement



references

- Kotler, P. & Armstrong, G. (2020). Principles of Marketing. 18th ed. Pearson.
- • Mintel (2024). UK Eating Out Market Report.
- • GOV.UK (2024). Import and Food Regulation Guidelines.
- Johnson, G., Scholes, K., & Whittington, R. (2017). Exploring Strategy. 11th ed. Pearson.
- • British Hospitality Association (2023). Trends in UK hospitality.

Thank you for listening :0 Any questions?

