

Problem Solving & Decision Making

Why Basil's Bakery Sales Have Stalled

A consultant's diagnosis of a small artisan bakery in a Coventry retail park

Student name: Abdul Maleque

Student ID: 2530806

Module: Problem Solving and Decision Making (LCLM4004)

How this presentation is structured

1

The context

Who Basil is, and what has happened to his sales since 2020

2

Nature & scope

The real issues behind the 25% drop, not just the symptoms

3

5W2H

Framing the problem precisely before trying to fix it

4

PESTEL

Which outside forces actually move the needle here

5

Fishbone

Tracing the stalled sales back to root causes

6

Key findings

What Basil should take away in one slide

Structure follows the six tasks set in the LCLM4004 brief (UWTSD, 2026).

A good baker, a shrinking retail park

Basil opened in 2015 and grew every year until 2019. He bakes well, sources organic, and sits in a Coventry retail park that used to hum with shoppers and nearby office and warehouse staff.

Then 2020 happened. Sales fell during lockdown, which nobody found surprising. What Basil did not expect was that they never climbed back.

Since 2023 they have flatlined at roughly 25% below the 2019 figure. Not a crash. A slow bleed that is arguably harder to spot and easier to ignore until the numbers force the issue.

Sales vs 2019 baseline

-25%

average shortfall, 2023–2025

- Footfall on GB high streets and centres still sits 15–20% below pre-pandemic levels
- A unit in the park closes every couple of months and stays empty
- Loyal customers who worked nearby have been made redundant

PwC (2024) Store openings and closures; case study data (UWTSD, 2026).

The nature and scope of the problem

The stalled sales are one visible number sitting on top of two separate pressures. Revenue is falling while cost is rising, and the two are unrelated causes that happen to be squeezing at once.

Fewer customers coming in

- The park itself is quieter; empty units give shoppers fewer reasons to visit
- Hybrid working means office staff no longer buy lunch five days a week
- No delivery option, so customers who moved away simply stop buying
- No reliable pre-order, so busy-period queues push people elsewhere

Every sale costs more to make

- Utilities, rent, business rates and insurance all well above 2019
- Organic-only sourcing means volatile stock costs that are hard to budget
- Small food producers saw costs rise 5.3% in 2025, above the 4.4% average
- Bakeries are energy-intensive and exposed to spot energy prices

FDF/The Grocer (2026); ONS (2025); case study (UWTSD, 2026).

Framing the problem with 5W2H

5W2H is a simple checklist that forces you to describe a problem fully before jumping to solutions. Seven questions. No analysis yet, just an honest picture of what we are actually dealing with.

Question	Asks	Basil's Bakery
What	What is the problem?	Sales have sat around 25% below 2019 since 2023 and are not recovering on their own.
Why	Why does it matter?	On current margins Basil doubts the business is viable in its present format.
Where	Where is it happening?	A Coventry retail park with rising vacancy and falling footfall.
When	When did it start?	Sales dropped in 2020, rose partially, then stalled from 2023 onward.
Who	Who is affected?	Basil, plus redundant retail workers and hybrid office staff who were loyal buyers.
How	How is it showing up?	Quieter aisles, empty units, unanswered pre-order calls, no delivery service.
How much	How much is at stake?	Roughly a quarter of pre-2020 revenue, against overheads that keep climbing.

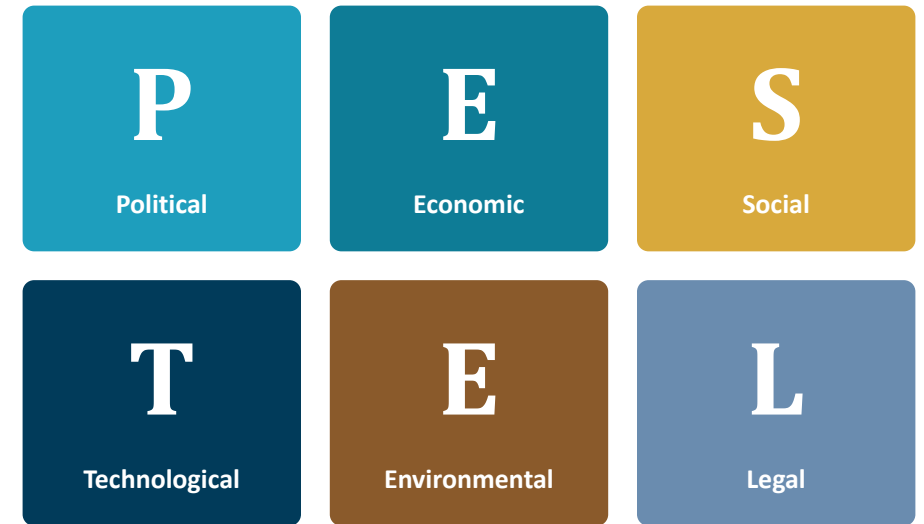
Model after Patel & Patel (2019); applied to case study (UWTSD, 2026).

What PESTEL is, and how to use it well

PESTEL sorts the outside world into six buckets: Political, Economic, Social, Technological, Environmental and Legal. The mistake most people make is treating all six as equally important. A consultant does the opposite, naming the two or three that actually shape the decision and being honest that the rest are background.

Why it helps It stops you fixating on the shop floor and forces a look at forces Basil cannot control.

Where it falls short It lists factors but does not rank or connect them, and it dates quickly. On its own it describes; it does not decide (Oxford College of Marketing, 2023).



Framework after Aguilar (1967); commentary from Oxford College of Marketing (2023).

PESTEL applied to Basil's Bakery

P Political	E Economic	S Social	T Technological	E Environmental	L Legal
– Employer NI rise adds to wage bill – Post-Brexit checks lift import costs – Business-rate relief being trimmed	– Cost-of-living squeeze on treats – Energy, rent, rates all up on 2019 – Small-producer costs +5.3% in 2025	– 28% now hybrid working – Fewer weekday lunch buyers – Shoppers trading down to value	– No online ordering or app – Rivals offer click-and-collect – Card-fee and POS costs rising	– Organic crops hit by weather – Volatile, hard-to-budget stock – Energy-intensive baking process	– Food hygiene & allergen rules – Employment-law obligations – Packaging (EPR) charges

The three that actually move the needle: Economic (rising cost), Social (hybrid working) and Technological (no delivery). The rest matters, but does not explain the stall.

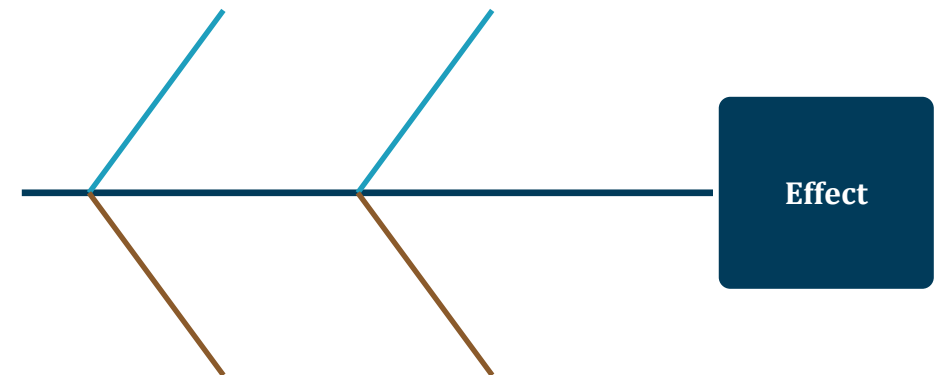
ONS (2025); FDF/The Grocer (2026); Commons Library (2025); case study (UWTSD, 2026).

The Fishbone, and why it fits here

Ishikawa's fishbone (or cause-and-effect) diagram puts the problem at the head of a fish and groups possible causes along the bones. It is built for exactly Basil's situation: a single visible effect with several tangled causes that need separating before anything gets fixed.

Why it helps It stops you blaming one thing. It shows demand-side and cost-side causes side by side.

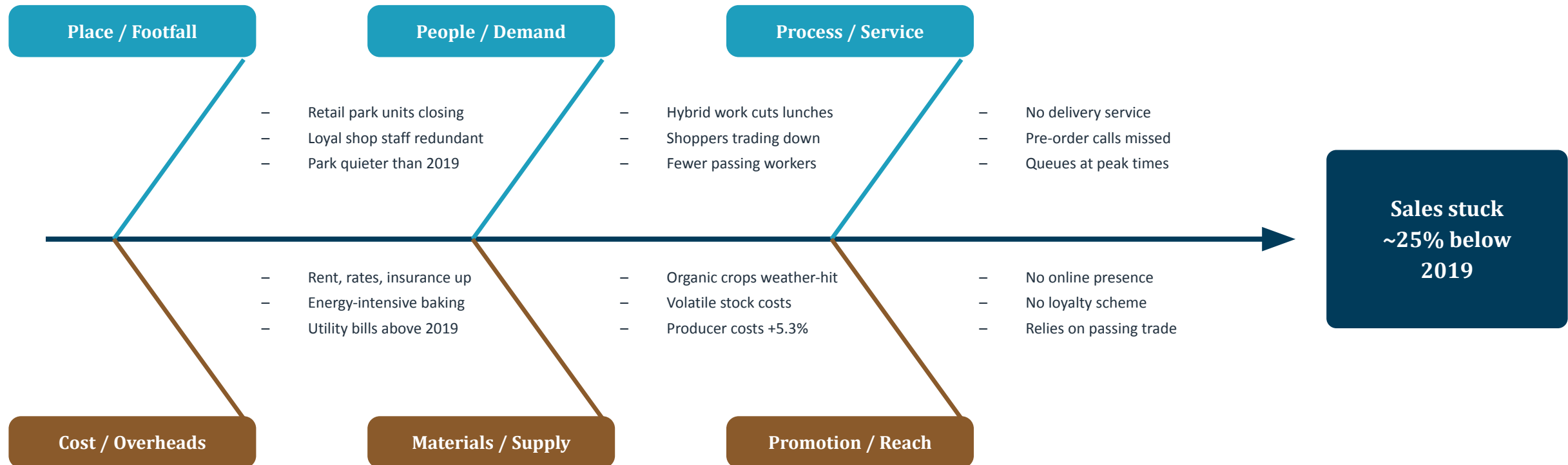
Where it falls short It surfaces possible causes but does not weight them or prove them. It needs data behind it, which is why the PESTEL evidence matters first (Ishikawa, 1985).



Causes branch off a central spine; the effect sits at the head

Ishikawa (1985); ASQ (2023).

Fishbone: why Basil's sales have stalled



Ishikawa (1985); ONS (2025); FDF/The Grocer (2026); case study (UWTSD, 2026).

What the three tools agree on

Three different tools, pointed at the same business, keep landing on the same short list. That convergence is the useful bit. When 5W2H, PESTEL and the fishbone all circle back to the same causes, you can be fairly confident they are the real ones.

1

Demand has structurally shrunk

Hybrid work and a hollowing-out retail park removed weekday buyers who are not coming back

2

Service gaps leak the demand that is left

No delivery and unreliable pre-order push remaining customers to easier options

3

Costs rose while revenue fell

Organic sourcing, energy and overheads climbed together, so thinner sales hurt more

Author's synthesis of the 5W2H, PESTEL and fishbone analyses (UWTSD, 2026).

Six things Basil should take away

1

The 25% drop is structural, not a dip waiting to bounce back on its own.

2

Hybrid working permanently removed a slice of weekday lunch trade.

3

The retail park's decline is dragging footfall down with it.

4

No delivery and shaky pre-order are quietly leaking the customers he still has.

5

Organic-only sourcing lifts quality but makes costs volatile and hard to budget.

6

Rising overheads mean each lost sale hurts more than it did in 2019.

Thank you

Questions & discussion welcome

Happy to talk through any of the three tools, the evidence behind them, or where Basil might go next.

References (1 of 2)

Aguilar, F.J. (1967) Scanning the Business Environment. New York: Macmillan.

ASQ (2023) Fishbone (Ishikawa) Diagram. Milwaukee: American Society for Quality. Available at: <https://asq.org/quality-resources/fishbone> (Accessed: 8 July 2026).

Commons Library (2025) Hybrid working and UK Government policy. London: House of Commons Library. Available at: <https://commonslibrary.parliament.uk/hybrid-working-and-uk-government-policy/> (Accessed: 8 July 2026).

FDF / The Grocer (2026) 'Food manufacturing costs outstripped CPI inflation in 2025', The Grocer, 19 March. Available at: <https://www.thegrocer.co.uk/news/food-manufacturing-costs-outstripped-cpi-inflation-in-2025/716694.article> (Accessed: 8 July 2026).

Food and Drink Federation (2025) Food Inflation Forecast 2025-26. London: FDF. Available at: <https://www.fdf.org.uk/globalassets/resources/publications/reports/fdf-inflation-reforecast.pdf> (Accessed: 8 July 2026).

Ishikawa, K. (1985) What Is Total Quality Control? The Japanese Way. Englewood Cliffs, NJ: Prentice Hall.

References (2 of 2)

- Office for National Statistics (2025) Who has access to hybrid working in Great Britain? Newport: ONS. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/whohasaccesstohybridworkinggreatbritain/2025-06-11> (Accessed: 8 July 2026).
- Oxford College of Marketing (2023) What is a PESTEL Analysis? Oxford: OCM. Available at: <https://blog.oxfordcollegeofmarketing.com/2016/06/30/pestel-analysis/> (Accessed: 8 July 2026).
- Patel, N. and Patel, D. (2019) 'Problem definition using the 5W2H technique', International Journal of Engineering and Management Research, 9(2), pp. 1-5.
- PwC (2024) Store Openings and Closures 2024. London: PwC UK. Available at: <https://www.pwc.co.uk/industries/retail-consumer/insights/store-openings-and-closures.html> (Accessed: 8 July 2026).
- House of Commons Library (2026) The impact of food inflation on the cost of living. London: House of Commons Library. Available at: <https://commonslibrary.parliament.uk/research-briefings/cdp-2026-0004/> (Accessed: 8 July 2026).
- University of Wales Trinity Saint David (2026) LCLM4004 Problem Solving and Decision Making: Component 1 Assessment Brief. Carmarthen: UWTSD.