

MODULE NAME
MODULE CODE
STUDENT NAME
STUDENT ID
LECTURER
Assignment 1:
Presentation



OVERVIEW

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Introduction

Purpose of the presentation

- To examine the main business problem faced by Basil's Bakery.
- To analyse the external factors affecting the business using the PESTLE framework.
- To identify the root causes of the problem with a Fishbone Diagram.
- To recommend practical solutions to improve business performance.

Key concepts

PESTLE Analysis – a framework used to analyse the external environment that can influence a business.

Fishbone Diagram – a tool used to identify the possible root causes of a business problem.

Business Problem – an issue that negatively affects a company's performance, productivity or growth.



Company background

Basil's Bakery

Founded in: 2015

Owner: Basil – an experienced artisan baker

Sells: Fresh organic breads, handmade cakes and pastries

Location: Shopping retail park, Coventry, UK

Customers: Local shoppers, retail employees, office and warehouse workers

Current situation: Sales have remained around **25% below 2019 levels** since 2023

Problem: nature and scope

5W2H

What: Sales have stagnated and remain around **25% below 2019 levels**.

Who: Basil, the bakery, loyal customers, retail workers and office employees.

Where: Basil's Bakery, shopping retail park, Coventry, UK.

When: Since the COVID-19 pandemic; sales have stayed low from **2023–2025**.

Why: Lower footfall, more people working from home, shop closures, no delivery service and rising operating costs.

How: Reduced customer visits and higher expenses have lowered profitability and threaten the bakery's long-term sustainability.

How much: Sales are approximately **25% lower than in 2019**, while utility bills, rent and ingredient costs have increased.

PESTLE ANALYSIS: Basil's Bakery

POLITICAL

- Basil's Bakery must comply with government food safety and hygiene regulations to operate legally and maintain customer trust.
- Changes in taxation or government policies can increase operating costs and reduce the bakery's profitability.

ECONOMIC

- Rising inflation increases the cost of key ingredients such as flour, butter, and sugar, which may reduce Basil's Bakery's profit margins.
- During periods of lower consumer spending, customers may buy fewer premium bakery products, affecting sales.

SOCIAL

- Consumers are becoming more interested in healthier products, such as wholemeal, low-sugar, and gluten-free baked goods, creating new opportunities for Basil's Bakery.
- Social media platforms and online customer reviews strongly influence purchasing decisions and help attract new customers.

PESTLE ANALYSIS: Basil's Bakery

➤ TECHNOLOGICAL

- Modern baking equipment can improve production efficiency, reduce waste, and ensure consistent product quality.
- Online ordering systems, digital payments, and delivery services make it easier for customers to purchase products from Basil's Bakery.

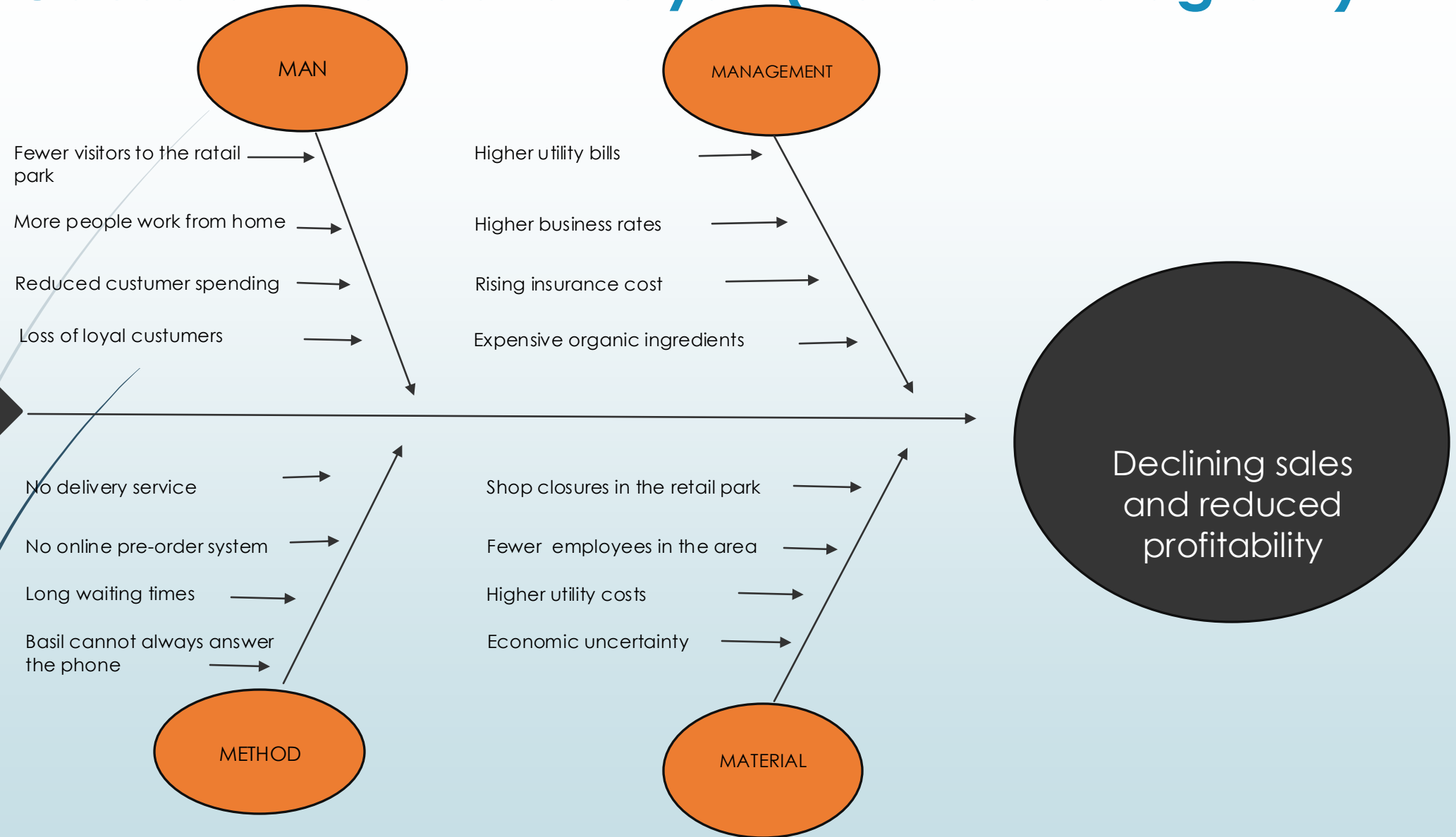
➤ LEGAL

- Basil's Bakery must follow food labelling, food hygiene, and health and safety legislation to avoid legal penalties.
- The business must also comply with employment laws, including minimum wage requirements, working hours, and workplace safety regulations.

➤ ENVIRONMENTAL

- Climate change and poor harvests can affect the supply and prices of baking ingredients.
- Using recyclable packaging and reducing food waste can improve Basil's Bakery's environmental performance and strengthen its reputation among environmentally conscious customers.

Cause and effect analysis (Fishbone diagram)





sales have remained around 25% below 2019 levels since 2023.

The main causes are lower customer footfall, remote working, shop closures and rising operating costs.

The bakery is also affected by higher ingredient prices and increasing overheads.

Introducing online ordering, delivery and pre-order services could help attract more customers.

A stronger digital presence and better customer convenience would improve Basil's long-term sustainability.

Conclusion

References

University of Wales Trinity Saint David (2026). *Basil's Bakery Case Study*.

Department for Environment, Food & Rural Affairs (2024).

Food Standards Agency (2025).

Office for National Statistics (2025/2026).

UK Government (2025). *Employment rights and employer responsibilities*.

ALL PHOTOGRAPHS USED IN THIS PRESENTATION WERE TAKEN BY THE AUTHOR

Three chocolate cupcakes are arranged on a metal tray. Each cupcake has a thick layer of white frosting and is topped with four fresh raspberries. The cupcakes are placed on a piece of brown parchment paper. The background features a large, stylized, teal-colored word 'Thank' with decorative stars and swirls.

Thank

Questions