



BASIL'S BAKERY REPORT

Business Problem Analysis and Recommendations for Basil's Bakery



MODULE NAME: Problem Solving and Decision Making

MODULE CODE: LCLM4004

STUDENT NAME: Melsew Alemayehu

STUDENT ID: 2532851

LECTURER: Richard Ashaye

AUGUST 2026

Table of Contents

Title	page no.
1. Introduction-----	2
2. Proposed Solutions-----	2
3. Evaluation of solutions-----	3
4. Risk analysis and feasibility-----	5
5. Plan implementation-----	6
6. KPI and SMART objectives -----	7
7. Key findings-----	8
References	

1. Introduction

Basil's Bakery is a small artisan bakery located in a retail park in Coventry. Since opening in 2015, the business has achieved consistent growth through the sale of high-quality organic breads, pastries and cakes. However, since the COVID-19 pandemic, sales have remained approximately 25% below 2019 levels despite the removal of lockdown restrictions. The bakery faces several challenges, including reduced retail park footfall, increased remote working, shop closures within the retail park, customer demand for delivery services and rising operating costs. Research indicates that retail footfall across UK shopping destinations continues to decline as consumer shopping habits change and online purchasing increases (British Retail Consortium, 2026). Consequently, Basil must adapt his business model to improve sales and long-term sustainability.

2. Proposed solutions

I. Introduce an Online Ordering and Delivery Service

One possible solution is to develop an online ordering and delivery service. Customers could place orders through a website or mobile application, with deliveries completed through third-party delivery platforms such as Deliveroo, Uber Eats or local courier services.

This solution would allow Basil to reach customers who no longer regularly visit the retail park due to hybrid working arrangements or redundancy. Furthermore, delivery services would extend the bakery's geographical reach and make purchasing more convenient for customers. Increased accessibility may generate additional sales and improve customer retention.

However, implementation costs could be high due to platform fees, packaging requirements and commission charges from delivery providers. There is also the risk that product quality may deteriorate during delivery, potentially affecting the bakery's reputation.

II. Implement a Digital Click-and-Collect Pre-Ordering System

A second solution involves implementing an online click-and-collect ordering system. Customers would be able to browse products online and reserve items for collection at a specified time.

This solution directly addresses one of the primary issues identified in the case study: long waiting times and the inability of Basil to answer customer calls consistently. Customers would be able to secure products without queuing, and Basil would gain better insight into daily demand patterns.

The system would improve operational efficiency by reducing customer congestion during peak periods while supporting production planning. It would also require significantly less investment than a full delivery service and could be implemented relatively quickly using existing digital ordering platforms.

3. Evaluation of solutions

APPENDIX 1: GRID ANALYSIS

Criteria	Weighting	Delivery service	Click and collect
Setup Cost	1	2	4
Ease of implementation	1	2	5
Sales Growth Potential	1	5	4
Customer Convenience	1	5	4
Operational control	1	2	5
Risk Level	1	2	4
Total		18	26

APPENDIX 2: RISK ANALYSIS MATRIX

Risk	Likelihood	Impact	Mitigation
Technology failure	Medium	Medium	Conduct system testing and secure support agreement
Customer resistance	Low	Medium	Provide customer guidance and promotion
Order errors	Medium	Medium	Implement order verification procedures
Staff capability issues	Low	Low	Deliver appropriate training
Data security breach	low	High	Conduct system testing and secure support agreement

a) Evaluation of the Proposed Solutions Using Grid Analysis

The two solutions have been evaluated using a Grid Analysis technique based on six criteria: implementation cost, ease of implementation, sales growth potential, customer convenience, operational complexity and risk level.

The analysis in Appendix 1 indicates that the Click-and-Collect system achieved a total score of 26, while the Delivery Service achieved 18.

The Click-and-Collect system performed particularly well in relation to implementation costs, ease of implementation and operational control. The Delivery Service scored highly for customer convenience and growth potential but received lower scores due to increased complexity and financial costs.

Consequently, the Grid Analysis suggests that the Click-and-Collect system offers the most balanced and practical solution for Basil's current situation.

b) Preferred solution

Based on the Grid Analysis, the preferred solution is to implement a Digital Click-and-Collect Pre-Ordering System.

Although a delivery service may eventually create greater growth opportunities, it requires substantial financial investment and introduces additional operational

challenges. Such challenges include delivery coordination, third-party commission fees and maintaining product quality throughout transportation.

Conversely, the Click-and-Collect solution directly addresses customer complaints concerning waiting times and pre-ordering difficulties. It also allows Basil to continue focusing on baking activities while improving customer experience.

As the bakery is experiencing declining sales and rising costs, a low-risk, cost-effective solution is the most appropriate option. Therefore, the Click-and-Collect system represents the most realistic and sustainable strategy for improving performance.

4. Risk analysis and feasibility

a) Risk analysis of the selected solution

Risk analysis helps identify potential barriers to implementation and determine appropriate mitigation strategies.

The primary risks associated with introducing a Click-and-Collect system include technical failures, customer resistance to new technology, order processing errors and data security concerns.

There is a moderate probability that technical problems could disrupt customer ordering. Similarly, some customers may initially be reluctant to adopt a digital system. However, these risks can be managed through staff support, system testing and effective user guidance.

The most significant risk involves customer data security because the ordering system will process personal information. Compliance with UK General Data Protection Regulation (GDPR) requirements will therefore be essential.

b) Feasibility of the Selected Solution

The Click-and-Collect solution appears highly feasible for Basil's Bakery.

Financially, implementation costs are relatively low because commercially available ordering platforms can be purchased on a subscription basis. This avoids the need for expensive custom software development. Operationally, the solution fits naturally within the bakery's existing processes because orders can be integrated into daily production planning.

The system also aligns with consumer demand. The case study specifically highlights customer requests for pre-ordering facilities, suggesting there is already market demand for the service.

From a technical perspective, implementation requirements are straightforward and can be completed within a short timeframe. Therefore, the selected solution represents a realistic and achievable opportunity for improving customer service and increasing sales.

5. Plan implementation

a) Implementation plan

The introduction of the Click-and-Collect system should follow a structured implementation process over eight weeks.

During Week 1, Basil should identify suitable online ordering providers and compare pricing, functionality and support services. During Week 2, the preferred supplier should be selected and contractual arrangements completed.

Weeks 3 and 4 should focus on configuring the online platform. Product listings, prices, images and collection times should be uploaded. The system should then undergo comprehensive testing to identify any issues before launch.

Week 5 should involve employee training. Although Basil manages most bakery operations personally, all staff members should understand how to process and fulfil online orders accurately.

A pilot launch should take place during Week 6. Existing customers can be invited to use the new system and provide feedback.

Any issues identified should be corrected during Week 7 before full implementation occurs. Finally, Week 8 should involve marketing activities including social media promotion, in-store advertising and email communications.

This phased approach will minimise disruption while ensuring successful adoption.

b) Justification of Activities, Timings and Responsibilities

The implementation sequence follows a logical progression designed to minimise risk and support successful execution.

Supplier selection must occur before system configuration because technology choices determine available functionality. Testing is completed before launch to ensure reliability and reduce customer dissatisfaction. Training is scheduled before implementation to ensure staff competence.

A pilot phase allows operational weaknesses to be identified without affecting all customers. This reduces the likelihood of widespread service failures after launch.

Responsibility rests largely with Basil because he manages the business directly. However, technical support providers should assist with software installation and system maintenance. The eight-week timeframe provides sufficient opportunity for planning, testing and adaptation while allowing benefits to be realised quickly.

6. KPI and SMART objectives

a. Average Number of Online Pre-Orders Received Per Week SMART Objectives

1. Increase weekly online pre-orders to 50 orders within six months.
2. Reduce average customer waiting times by 40% within three months.
3. Increase monthly sales revenue by 15% within six months.
4. Achieve a customer satisfaction rate of at least 90% within six months.
5. Ensure 95% of click-and-collect orders are completed accurately within six months.

b. Monitoring and Evaluation

The KPI and SMART objectives provide measurable indicators for assessing the effectiveness of the Click-and-Collect system.

Weekly monitoring of pre-order volumes will reveal whether customer adoption is increasing. Monthly sales reports can be compared with historical performance figures to determine the impact on revenue growth.

Customer satisfaction surveys should be conducted regularly to assess the convenience and usability of the service. Operational data can also be collected to monitor order accuracy rates and waiting times.

If targets are not achieved, corrective actions such as additional marketing, revised collection procedures or further staff training can be

implemented. Continuous monitoring will therefore support informed decision-making and continuous improvement.

7. Key findings

- Basil's Bakery continues to experience sales approximately 25% below pre-pandemic levels.
- Reduced retail park footfall remains a significant challenge for retailers throughout the UK. [\[brc.org.uk\]](https://www.brc.org.uk), [\[brc.org.uk\]](https://www.brc.org.uk)
- Hybrid working arrangements have reduced demand from office-based customers.
- Rising business costs are placing additional pressure on profitability.
- Customers have expressed demand for both delivery and pre-ordering services.
- Two solutions were proposed: Delivery Service and Click-and-Collect.
- Grid Analysis identified Click-and-Collect as the strongest option.
- Risk analysis showed implementation risks are low to moderate and manageable.
- The solution is financially achievable and operationally practical.
- KPIs and SMART objectives will assist monitoring and continuous improvement.

References

- Problem-solving and decision-making module (LCLM4004)
- British Retail Consortium (2026) Footfall Falters as Shoppers Hold Out for Sales. Available at: <https://www.brc.org.uk> (Accessed: 9 August 2026). [\[brc.org.uk\]](https://www.brc.org.uk)
- British Retail Consortium (2025) Six Months of Falling Footfall Shows Need for Government Action. Available at: <https://www.brc.org.uk> (Accessed: 9 August 2026). [\[brc.org.uk\]](https://www.brc.org.uk)
- Office for National Statistics (2026) UK Retail Footfall Dataset. Available at: <https://www.ons.gov.uk> (Accessed: 9 August 2026). [\[ons.gov.uk\]](https://www.ons.gov.uk)