

Module Title: Problem Solving and Decision Making

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Introduction

A drop in sales refers to a decrease in the number of products sold or the revenue generated by a business over a period of time. Recently, Green Haven Florists has experienced a significant decline in sales, which has become a major concern for the owners. This report will analyse the causes of this problem using findings from previous analysis, including external and internal factors. It will then propose two possible solutions and evaluate them to determine the most effective option. The report will also justify the selected solution, assess potential risks, and explain how its success can be measured.

Brief Explanation of the Specific Business Problem

Green Haven Florists has experienced a 30% decline in in-store sales over the past 12 months. This issue is caused by a combination of external and internal factors identified in the presentation. From a PESTLE analysis, economic factors such as inflation and rising flower costs have increased prices, while social and technological changes have shifted customer behaviour towards online shopping. Political factors, including Brexit, have also increased import costs and affected supply chains.

Internal factors identified through the fishbone diagram include weak digital marketing, limited social media presence, and strong competition from both local florists and large online retailers. Customers are increasingly choosing more convenient and lower-cost alternatives, such as supermarkets or online delivery services.

These factors have reduced customer foot traffic, sales revenue, and overall profitability. If the problem is not addressed, it may affect the long-term sustainability of the business. Therefore, Green Haven Florists must adapt to changing market conditions and customer preferences to remain competitive.

Suggested Two Alternative Solutions

Solution A

Implementing a digital marketing strategy can help Green Haven Florists increase its online visibility and attract new customers. This includes improving social media activity, running targeted promotions, and highlighting the shop's unique

selling points such as eco-friendly packaging and bespoke arrangements. By strengthening its online presence, the business can reach a wider audience and compete with online retailers. Digital marketing also allows performance tracking, enabling the owners to adjust strategies based on results. This solution directly addresses the issue of weak marketing identified in the analysis and helps increase both online and in-store sales.

Plus	Minus	Interesting
Reaches a large audience and increases brand awareness	Supports business growth through online sales	Campaign results can be tracked using analytics
Attracts new customers and increases visibility	High competition from other online businesses	Allows targeting of specific customer groups
Supports business growth through online sales	May require spending money on advertising	Strategies can be adjusted quickly

Justification:

This solution increases customer reach and visibility, directly addressing declining sales.

Solution B

Introducing a loyalty and subscription program can strengthen customer retention and provide predictable revenue for Green Haven Florists. This program could include a points-based reward system for repeat purchases, seasonal subscriptions for fresh flower deliveries, and exclusive offers for loyal clients. By incentivising repeat business, Green Haven can maintain connections with existing customers and encourage higher spend per transaction. Subscription services could be particularly effective for corporate clients or households wanting regular deliveries, providing convenience and ensuring a steady cash flow. Additionally, integrating the program with online ordering can modernise the shopping experience and compensate for reduced foot traffic. Promotional campaigns for the program can leverage social media, email newsletters, and in-

store signage to attract both new and existing clients, aligning with the shop's eco-friendly and community-focused branding.

Plus	Minus	Interesting
Encourages repeat purchases and customer loyalty	Requires system setup and management	Helps build long-term customer relationships
Provides predictable income	Initial costs may be required	Can offer personalised deals
Strengthens relationships with customers	Does not strongly attract new customers	Can be combined with online services

Justification:

This solution improves customer retention and financial stability.

Justification for Selected Solution

Solution	Customer	Cost	Long-Term	Ease of use	Total
Weight	5	3	4	2	
Solution A	5	3	4	3	56
Solution B	3	3	5	2	48

Solution A is selected because it achieves a higher total score and is more effective in attracting new customers and increasing sales.

Risk Analysis of the Selected Solution

The Digital Marketing Strategy may face risks such as lack of staff expertise, strong online competition, and advertising costs without guaranteed results. There is also a risk that marketing efforts may not reach the target audience effectively. The criteria used to assess these risks include likelihood, impact, and cost. These criteria are appropriate because they measure how probable each risk is, how seriously it could

affect the business, and whether it is financially manageable. By identifying these risks, the business can take actions such as improving digital skills and adjusting campaigns to reduce negative outcomes.

Plan to Implement the Selected Solution

The implementation of the Digital Marketing Strategy will follow a structured process. First, Liam and Priya will review their current online presence to identify weaknesses, such as limited social media activity. This step is important to establish a clear starting point.

Next, they will develop a content plan, including regular posts, promotions, and campaigns. Tasks will be scheduled daily to ensure consistency, as frequent activity is essential for engagement. The owners will be responsible for these tasks to reduce costs and maintain control.

After planning, the business will launch targeted campaigns to attract local customers. This stage follows preparation to ensure effectiveness. Monitoring will take place continuously to track engagement and performance.

Finally, adjustments will be made based on results. This flexible approach allows the business to improve strategies over time. The order of tasks ensures logical progression, while responsibilities are clearly assigned to keep implementation simple and cost-effective.

Action plan

Action	Description	Time Frame	Staff Responsible
Review current online presence	Analyse existing social media accounts and identify weaknesses	01/04/2026 – 05/04/2026	Liam & Priya
Create content plan	Plan social media posts, promotions, and marketing messages	06/04/2026 – 12/04/2026	Liam & Priya
Set up social media improvements	Improve profiles, add business info, upload content templates	13/04/2026 – 18/04/2026	Liam & Priya
Launch social media activity	Begin regular posting and interacting with customers	19/04/2026 – 01/06/2026 (ongoing)	Liam & Priya

Run online promotions	Start targeted ads and special offers to attract customers	25/04/2026 – 01/06/2026	Liam & Priya
Monitor performance	Track engagement, feedback, and sales results	01/05/2026 – 01/06/2026	Liam & Priya
Adjust strategy	Improve campaigns based on performance and feedback	15/05/2026 – 01/06/2026	Liam & Priya

Monitoring:

The implementation of the social media and online marketing strategy for Green Haven Florists will be closely monitored throughout the project timeline. Liam and Priya will regularly track key performance indicators such as social media engagement, website traffic, and online sales. Weekly checks will be carried out using platform analytics (e.g., Instagram insights and Google Analytics) to ensure progress is being made. Customer feedback will also be monitored through reviews, comments, and short surveys. This ongoing monitoring allows the business to identify early issues and make quick adjustments if performance is below expectations.

Evaluation:

The effectiveness of the strategy will be evaluated at the end of the implementation period (01/06/2026). Results will be compared with baseline data collected before the changes were introduced. The evaluation will focus on whether there has been an increase in online sales, customer engagement, and overall customer satisfaction. If the targets (such as 20% website traffic growth and improved engagement) are met, the strategy will be considered successful. If not, the business will analyse weaknesses in content, advertising, or customer targeting and revise the approach to improve future performance.

Means of Measuring Effectiveness of Implementation of Selected Solution

The Key Performance Indicators (KPIs) include social media engagement, online sales growth, and customer feedback. These KPIs are appropriate because they

directly measure improvements in visibility, customer interaction, and revenue, which were identified as key issues in the analysis. Increased engagement indicates that marketing content is reaching customers, while higher sales demonstrate business improvement. Customer feedback provides insight into satisfaction and areas for improvement.

The SMART objectives provide clear and measurable targets, such as increasing online sales by a specific percentage within three months. These objectives are specific, measurable, achievable, relevant, and time bound. They are realistic given the use of digital marketing tools and directly address the problem of declining sales. Together, KPIs and SMART objectives allow the business to monitor progress effectively and make informed decisions.

Conclusion:

Green Haven Florists is experiencing a significant decline in sales due to factors such as increased competition, rising costs, and changing customer behaviour. Analysis using PESTLE and the fishbone diagram identified both external and internal causes of the problem. Two solutions were proposed, but the Digital Marketing Strategy was selected as the most effective based on the decision table.

This solution addresses the key issue of weak online presence and helps attract new customers. Although there are risks, they can be managed through careful planning and monitoring. The implementation plan provides a clear structure for applying the solution, while KPIs and SMART objectives ensure that progress can be measured.

Overall, adopting a digital marketing strategy will improve visibility, increase sales, and support the long-term sustainability of the business.

Key Findings

The analysis identified several key findings contributing to the decline in sales at Green Haven Florists. Firstly, economic factors such as inflation and rising flower

costs have increased prices, reducing customer spending. Secondly, there has been a shift in customer behaviour towards online shopping and convenience, driven by technological and social changes. Thirdly, the business has weak digital marketing and a limited social media presence, making it less competitive compared to online retailers. Additionally, strong competition from supermarkets and new florists offering lower prices has reduced customer loyalty. Finally, Brexit-related supply issues have increased costs and affected product availability. These findings highlight the need for the business to improve its online presence and adapt to changing market conditions.

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