

Module Title: Problem Solving and Decision Making

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Introduction

This report focuses on the problem of decreasing sales at Green Heaven Florists and suggests possible solutions to improve business performance. Sales refer to the number of products sold by a business over a period and are an important measure of success (Kotler and Keller, 2016). In recent years, customer behaviour has changed, and many people now prefer to shop online because it is more convenient and faster (Chaffey, 2020). As a result, businesses with a weak online presence may struggle to attract customers and maintain their sales levels.

This report will analyse the main causes of the problem and evaluate possible solutions. It will also recommend the best option and provide an action plan to help the business improve its performance.

Brief Explanation of the Specific Business Problem

Green Heaven Florists has experienced a noticeable decrease in in-store sales over the last year, with sales dropping by around 30%. This issue influenced by several factors.

Online flower delivery services have become very popular, offering fast and convenient options for customers. As a result, many people prefer buying flowers online instead of physical shops. Business has limited online activity, such as an outdated website and weak social media presence, which reduce its ability to attract new customers. Rising costs of flowers and materials are putting pressure on profits. Customers behaviour is also changing as people now expect quick service and easy online ordering. Online shopping has become more popular in recent years (Smith, 2020).

To deal with this situation there are two possible solutions:

The first solution focuses on improving digital presence.

The second solution focuses on promotions and discounts.

Both solutions aim to improve sales but they approach the problem in different ways.

Two Alternative Solutions

To address the problem, two alternative solutions are proposed below.

Solution A

The first solution is to improve the online presence of Green Heaven Florists.

One way to improve online presence is through social media marketing, which helps business reach more customers (Jones, 2021).

To better evaluate the advantages and disadvantages of this solution, a PMI analysis is presented below.

PMI analysis

Advantages(pluses)	Disadvantages(minuses)	Interesting
To attract new customers	High cost of digital marketing	More people will know the shop
Easy to order online	Staff may need training of how to use digital marketing tools	Can build long-term relationships with customers
Better online visibility	Takes time to see results	Opportunity to collaborate with influencers
Helps compete with online shops	Needs to update website often	Can expand business in the future

The business could update its website and add a simple online ordering system. This would allow customers to order flower from home more easily. In addition, shop could also use some social media platforms such as Instagram, Facebook and TikTok to show for the customers what they are selling and provide. Better idea to find some influencers and collaborate with to attract more people and reach a lot of followers.

However, there is also another possible solution.

Solution B Another solution is to offer promotions and new services to attract more customers.

Advantages(pluses)	Disadvantages(minuses)	Interesting
Attract more customers	Reduced profit margins	Customers may return again
Increase sales	Discounts may reduce overall revenue	Good for special events
Keep regular customers	Additional costs for promotions	Can test new ideas
Easy to start		Improve brand image

Another solution is to offer promotions and new services to attract more customers. Green Heaven Florists could provide gift offers for special occasions (Valentine's day or Woman's day). The shop could also introduce loyalty cards for regular customers. This could encourage customers to buy flowers more often.

The business could also add new services, such as flower subscription and local delivery. This would make it easier and more convenient for customers to buy flowers.

Overall, these actions could help Green Heaven Florists attract more customers and improve sales in the future.

After analysing both solutions it is very helpful to select the most important option for the business.

Justification for Selected Solution

To support this decision a weighted decision matrix is used to compare both solutions.

Weighted Decision Matrix (Solution A vs B)

Factors	Customer reach	Costs	Long-term Benefits	Easy of use	Total
Weights	5	4	5	3	
Solution 1	3 15	2 8	3 15	2 6	44
Solution 2	2 10	1 4	2 10	2 6	30

Based on the weighted decision matrix, Solution A is considered the most suitable option as it has the highest score (44) and provides stronger long-term benefits.

After selecting the most suitable solution, it is important to consider the potential risks associated with its implementation

Risk Analysis of the Selected Solution

There are several risks associated with the selected solution:

First risk is the cost because to create website and bring more followers to the social media can be expensive.

Second risk is that staff members might not have enough experienced in digital skills so than the company must provide training to prepare the staff.

To analyse these risks, four criteria were used:

Cost, Customers reach, Long-term benefits, Ease of use

These criteria help to understand how difficult and useful the solution is for the business.

Overall, even though there are some risks, they are not very serious and can be controlled.

Plan to Implement the Selected Solution

Problem: Decrease in sales at Green Haven Florists due to low online presence and increased competition from online flower delivery services.

Chosen Solution: Improve the online presence by updating the website, using social media and offering online ordering to attract more customers and increase sales.

Action plan

Actions	Description	Time frame	Staff responsible
Update website	Improve website design and add online ordering system so customers can buy flowers easily. Green Haven Florist should improve its website by adding an online ordering system. This is important because many customers prefer to buy online.	1-2 weeks	IT specialist (to be hired) Management(owners)
Create Social media pages	Business should focus on social media marketing (post the pictures of products, special offers and promotions on the most popular platforms Facebook, Instagram) This will help to attract new customers	2 weeks	Marketing Staff (to be hired)
Post Content regularly	Share pictures, offers and new products. Business should focus on social media marketing (post the pictures of products, special offers and promotions on the most	Ongoing	Marketing staff (to be hired)

	popular platforms Facebook, Instagram) This will help to attract new customers		
Staff training	Staff should be trained to use digital tools and manage online orders. This will help ensure that the system works smoothly and customers receive good service.	3 weeks	Liam and Priya Patel
Run online promotions	Offer discounts, special offers and seasonal deals to attract more customers. For example, offer discounts on occasions like Valentine's Day or Woman's Day. The business can also create bundle deals (flowers with chocolates) and limited-time offers to encourage quick purchases. Promotions can be shared on social media and the website to reach more people and increase online sales.	4 weeks	Marketing Team (to be hired)
Monitor Performance	The business should monitor results by tracking online sales. This will help the company understand if the solution is successful and make improvements	Ongoing	Liam and Priya Patel

SAMPLE MONITORING AND EVALUATION PLAN

To understand if that solution is working, Green Heaven Florists will regularly check its results. First the business will look at online sales to see if more people are buying flowers through the website. If sales increase, it means the changes are helping.

The company will also check social media, for example how many likes, comments and shares their posts get. This shows if customers are interested in the business. They will also check how many people visit the website each week.

Customer feedback is also important. The business will read reviews and comments to see if customers are happy or if there are any problem.

To evaluate the results, the business will compare what they achieved with their goals, such as increasing sales. If they reach their targets, the solution is successful. If not, they can make changes and improve. Customers feedback is important for improving services (Brown, 2019)

Conclusion:

In conclusion there are some Key Findings:

Green Heaven Florists has experienced with 30% decline in-store sales due to weak online presence

Customer behavior has changed towards online shopping, increasing competition

Improving online presence is the most effective solution compared to promotions

Selected solution provides long-term benefits despite some manageable risks.

Monitoring and evaluation are essential to ensure the success of the implemented strategy

Reference List

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