Boohoo is an online business where you can purchase clothes, shoes and accessories worldwide with the product delivered to your door. Covid-19 has affected everyone across the world, this has resulted in many shops having to temporally close down to help reducing the spread of covid-19. This is having a detrimental effect on business financial circumstance, but helping online business and shops that have stayed open as there was a smaller choice of shops to go to when essential purchases can be made.

It has been said by a report that Covid-19 has contributed to Boohoo’s revenue increasing 44.1% as more people are turning to online shopping as they are unable to shop for non-essentials such as clothing in stores as many are closed. Boohoo was criticised for keeping their warehouse open whilst lockdown was in place, they had responded to this by ensuring us that social distancing is being used with their employees. While other retail stores have cancelled stock and have delayed payments to suppliers Boohoo have not done this and is attempting to have stronger connections with their suppliers which will hopefully help Boohoo in the future. No staff had been fur loaded however all staff are required to stay two meters apart. As well as the most majority of the workers are staying at home to work and are being flexible with workers needs and requirements.

Boohoo will have to think about finance when making decisions to make sure they make the correct decision for their business to continue succeeding. Before any decision is made the business should look at their cash flow forecast, this is so they can see if it is a sensible decision to make or if it will put the business in great risk. The cash flow forecast is a table predicting their money in the future months. It contains expenses and incomes they should receive and gives Boohoo an idea of what their bank account will look like. For example if they have lots of money in their closing balance they are more likely to take a risk for the company than if they are in negative numbers when they will stay safe and try to make it through the month. They will also look at how their revenue looks as they are less likely to make drastic decisions if it will put them in risk. They could make a decision to take out a loan if they are in negative numbers at the end of the month or very near to negative numbers. Boohoo will need to look at where their income is coming from as well as where their expenses are going and if it is beneficial to the business.

Covid-19 is a major factor in decision making at the moment, this is because not as many people can visit stores however for online business such as Boohoo they are seeing the benefits quickly as many people want new clothes for the nice weather we were receiving. Boohoo is more likely to make risky decision in the current situation as many people are using online business to purchase clothes, shoes and accessories. Boohoo have a supply chain at the moment that will hopefully benefit them in the future as all payments are made on time, which will mean more people will be able to buy of Boohoo as they have more stock than other online clothing websites. More decisions from Boohoo have to be made quickly during this uncertain time and new advice is being put in place very regularly, it was announced overnight about social distancing, lockdown and shops closing. Boohoo have to be able to quickly make a decision so that they business won’t be harmed and so they are following government guidance. Boohoo and several other online company’s similar have many discounts quite regularly. During Covid-19 lockdown we are seeing many discounts from Boohoo possibly as they are seeing an increase in revenue, this is to encourage more sales as people will want to save money, buy clothes and could be used for birthday gifts.