

To reduce the impact of its rising costs, Good and Proper Tea is considering two options:

Option 1: Buying cheaper ingredients from different suppliers.

Option 2: Charging higher prices for its tea.

(d) Justify which **one** of these two options Good and Proper Tea should choose.

(9)

I think that Good and Proper Tea should charge higher prices for each tea. This is because ~~charging~~ people will not mind paying extra for a good quality tea. A USP of Good and Proper Tea is that the teas are sourced internationally from Kenya or India and this appeals to the tea consumer so a few more pounds wouldn't mean much for the product they are receiving.

Buying Cheaper ingredients from different suppliers will damage Good and Proper Tea's brand as the teas are no longer high - quality teas. Emilié will suffer a huge loss in sales revenue from teas as less people would want to buy low quality. As a result ~~profits~~ total revenue decreases. Therefore profits decrease.

In conclusion, Good and Proper Tea should choose option 2 as the mobile business will not lose its reputation as badly as option 1.