### Conquesting Tactic

\*\*Conquesting\*\*:

- \*\*Definition\*\*: Conquesting is a marketing strategy where a brand targets customers of a competitor to win them over. This often involves advertising in close proximity to a competitor's product or service, or offering incentives to switch.

- \*\*Strategies\*\*:

- \*\*Targeted Advertising\*\*: Placing ads in search results or social media feeds that specifically appear when users search for or mention a competitor's brand.

- \*\*Promotional Offers\*\*: Providing discounts, free trials, or exclusive deals to users who can prove they are customers of a competitor.

- \*\*Competitive Analysis\*\*: Understanding the weaknesses and strengths of competitors to tailor your messaging and offers effectively.

- \*\*Customer Testimonials and Case Studies\*\*: Showcasing success stories of customers who switched from competitors to highlight the advantages of your product.

- \*\*Retargeting Campaigns\*\*: Using cookies to target users who have shown interest in competitors' products but haven't converted.

### Product Cannibalization

\*\*Product Cannibalization\*\*:

- \*\*Definition\*\*: Cannibalization occurs when a new product eats into the sales of one of your existing products, rather than generating new sales or reaching a new customer base.

- \*\*Scenarios Prone to Cannibalization\*\*:

- Launching a new product that is very similar to an existing one.

- Introducing a lower-priced version of a premium product.

- Offering promotions on a new product that make the existing product less attractive.

\*\*Strategies to Manage and Analyze Cannibalization\*\*:

1. \*\*Market Segmentation\*\*:

- \*\*Definition\*\*: Dividing your market into distinct groups of buyers with different needs or behaviors.

- \*\*Goal\*\*: Identify which segments the new product is targeting and ensure it does not overlap significantly with existing products.

2. \*\*Differentiation\*\*:

- \*\*Definition\*\*: Clearly distinguishing the new product from existing products.

- \*\*Goal\*\*: Highlight unique features, benefits, or use cases to attract a different segment of the market.

3. \*\*Pricing Strategies\*\*:

- \*\*Definition\*\*: Setting prices to minimize the impact on existing products.

- \*\*Strategies\*\*: Price skimming (high initial price) or penetration pricing (low initial price) depending on market conditions.

4. \*\*Portfolio Analysis\*\*:

- \*\*Definition\*\*: Analyzing the performance of all products in your portfolio.

- \*\*Tools\*\*: BCG Matrix (Boston Consulting Group), which classifies products into stars, cash cows, question marks, and dogs based on market growth and market share.

5. \*\*Sales and Revenue Analysis\*\*:

- \*\*Definition\*\*: Tracking sales data to see if the new product is reducing sales of existing products.

- \*\*Metrics\*\*: Year-over-year sales comparison, sales cannibalization rate (percentage of new product sales that are actually shifted from existing products).

6. \*\*Customer Feedback and Surveys\*\*:

- \*\*Definition\*\*: Gathering insights directly from customers about their purchasing decisions.

- \*\*Goal\*\*: Understand why customers are choosing one product over another and if the new product meets different needs.

7. \*\*A/B Testing\*\*:

- \*\*Definition\*\*: Testing different variations of marketing strategies or product features.

- \*\*Goal\*\*: Measure the impact of the new product on existing product sales in a controlled environment.

8. \*\*Regression Analysis\*\*:

- \*\*Definition\*\*: Statistical method to understand the relationship between variables.

- \*\*Goal\*\*: Determine the impact of introducing a new product on the sales of existing products.

By applying these strategies and analyses, you can effectively manage and mitigate the risks of product cannibalization while leveraging conquesting tactics to grow your market share.