Positioning Strategies Effectively Minimize Cannibalization of a Legacy Brand When Expanding a Product Portfolio

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CHAPEL HILL, N.C., Sept. 14, 2012 /PRNewswire/ -- Many leading bio-pharmaceutical organizations have had to overcome the challenge of managing multiple brands for the same indication. While a new product can increase a company's footprint in a therapeutic area, it also can erode the market share of an organization's legacy product. The most common problem associated with marketing multiple brands for the same indication is creating product confusion among internal and external stakeholders.

To help companies to meet the challenge of marketing multiple brands in the same therapeutic area, Best Practices, LLC has published "Expanding a Product Portfolio without Cannibalizing an Established Brand [1]." The 61-page report provides superior marketing and branding strategies for expanding a product portfolio without cannibalizing existing brands.

While it can be a complex decision, having more than one brand in a therapeutic area clearly pays off for an organization - 96 percent of the study participants realized positive benefits of introducing a new brand treating an indication for which it had an existing product.

Participants in the study successfully used a range of positioning strategies to prevent or control cannibalization. After a company introduces a new product in the same area a legacy brand exists, there should be a shift in the marketing activities for the legacy brand, study participants agreed. Activities that most often increase in importance for the legacy brand are sampling, coupons/discounts and direct mail. Those that lose impact are ad boards, speaker training and class building.

Topics covered in this study include:

- Effective methods of differentiating multiple brands
- Positioning strategies that minimize product cannibalization
- Operational changes that drive success when introducing a new brand into '/>"/>

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Links:
[1] http://www3.best-in-class.com/rr1177.htm