

## THE IMPACT OF PRODUCT CANNIBALIZATION ON CONSUMER PURCHASING DECISION -AN ATTITUDINAL CONFLICT PARADIGM

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### ABSTRACT

This paper tries to determine the magnitude of the product cannibalization on generic purchasing decision and the consequent effort towards attitudinal conflict regarding the purchasing decision of consumers. This paper contributes a generic framework for analyzing product cannibalization. Although the factors affecting product cannibalization in mature product portfolios have been well studied, issues regarding the attitudinal conflict of consumers and its impact on consumers purchasing decision have not been addressed in the context of cannibalization. Since it is critical to be able to estimate the impact of a new product on purchasing behavior of consumers, this paper presents a descriptive model to discuss the issues associated with product cannibalization, specifically the impact of new product introduction on an existing product portfolio. The information processing model and different qualitative measures that can be used to understand the impact of cannibalization on consumer's purchasing decision are discussed; along with case studies to illustrate the cannibalization effects caused attitudinal conflict to consumers.

**KEYWORDS:** Product Cannibalization, Generic Purchasing Decision, Attitudinal Conflict