

CASE STUDY 1 – KODAK

About Kodak



Figure 9: Kodak

[Source: <http://dsim.in/blog/2017/01/06/case-study-big-brand-failures-lessons-learn/>].

The American technology company, Kodak, was built on the culture of innovation and change in 1888. The company was invented and marketed by George Eastman who was a former bank clerk from New York. At that time, it used to be a simple box camera, loaded with 100-exposure roll of film.

Kodak held a dominant position in photographic film in its time. Its tagline “Kodak Moments” was so famous that it was used for promoting events.

Marketing Strategy of Kodak

The real genius of founder Eastman lied in his marketing strategy. He launched an advertising campaign which featured children and women operating the camera with a slogan, “You press the button, we do the rest.”

- In 1935, produced the first mass-market color film in 16 and 8mm.
- Kodak owned the film market with 90% market share in 1970s.
- Created the first digital camera in 1975.

How Kodak Failed?

The first digital camera was designed by a Kodak engineer, Steve Sasson in 1975. It was a filmless photography at that time so they didn't want to threaten their film business so did not do the marketing of the Digital camera. Whereas, other digital companies like Sony, Nikon, Fujifilm took the full advantage of the situation.

Kodak missed the opportunities in the technology, they themselves invented.

- Kodak could not get on the nerve of the modern technology and remained in denial for long about digital photography while all the other brands adapted the change by introducing electronic cameras.
- Even before the digital photography they were failing to keep up as its rivalry Fujifilm started doing a better job than them.

In January 2012, the big name went bankrupt because of not making the smart move into the digital world fast enough.

On February 9, 2012, Kodak announced that it will exit the digital image capture business.

What Went Wrong?

The Kodak failed due its slowness in transition. The world moved ahead with digital cameras, SD cards and USB cables but the company remained stuck with films. They did not know how to respond in time and technology eventually killed the Kodak films.

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