

# Kodak- marketing myopia analysis flashcard



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Soda's story of failing has its roots in its success, which made it resistant to change. Its insular corporate culture believed that its strength was in its brand and marketing, and it underestimated the threat of digital. Kodak did not fail because it missed the digital age. It actually invented the first digital camera in 1975. However, instead of marketing the new technology, the company held back for fear of hurting its lucrative film business, even after digital products were reshaping the market.

Unfortunately, the company had the nearsighted view that it was in the film business instead of the story telling business, and it believed that it could protect its massive share of market with its marketing. Kodak thought that its new digital technology would cannibalize its film business. Sony and Canon saw an opening and charged ahead with their digital cameras. When Kodak decided to get in the game it was too late. The company saw its market share decline, as digital imaging became dominant. This blind faith in marketing's ability to overcome the wreath from the new technology proved fatal.

Kodak failed to adapt to a new marketplace and new consumer attitudes. The essence of marketing is asking first, " what business are we in? " and not " how do we sell more products? " Had early 20th Century railroad executives seen themselves as being in the transportation business rather than the railroad business, or had Hollywood moguls in the sass understood that they are in the entertainment business, not just the movie business, their industries wouldn't have been decimated by air travel and TV shows, respectively.

Kodak made a classic mistake: it didn't ask the right question. It focused on selling more products, instead of the business that it was in, storytelling.

What's the lesson to other companies on how to avoid Soda's fate?

Companies have to adapt to the requirements of the market, even if that means competing with themselves. Technology has the potential to be disruptive of markets and companies, at the same time that it is benefiting consumers. Survival is not a likely strategy in today's marketplace.

In this environment, marketers should strive for entrepreneurial greatness and innovation, not to just determine preference among existing options.

Marketing is not the art of selling products, as Kodak thought. Smart marketing is about providing a company's customer base value satisfaction.

In short, marketing is tasked with keeping the company relevant to their customers' needs. In an age in which the consumer is in charge, approaching marketing from the perspective of products or services alone is not enough to make consumers want to engage.