

Eastman Kodak:

Can the company Win the War Against Digital Convenience?

Eastman Kodak, Inc., the 130-year old imaging company located in Rochester, N.Y., has been in decline since the unprecedented proliferation of digital photography during the 1990's. Now that cell phones have the ability to take pictures with image quality that rivals traditional print film, Kodak is struggling to remain viable in a market where digital convenience trumps the time-consuming analog process.







Ironically, Kodak invented and built the first digital camera in 1975, but company executives were not forward-thinking enough to realize digital technology's overwhelming convenience factor. In 2012, Kodak entered bankruptcy proceedings and sold many of its patents and intellectual property totaling $525 million to become a leaner company. Exiting bankruptcy in September of 2013, Kodak has been attempting to stage a comeback in the midst of critics who believe Kodak's demise is a foregone conclusion.



Kodak's First Digital Camera

RadioShack®

A&P

Toys "R" Us®

SEARS

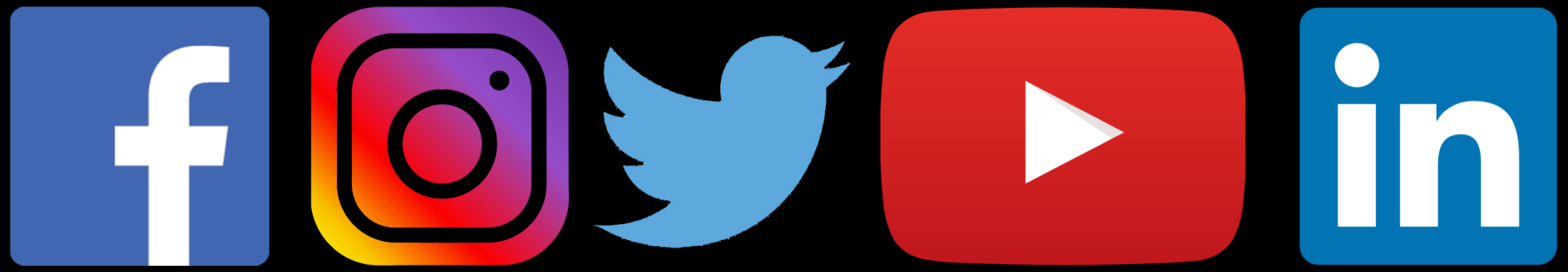
Other companies that have not changed with the times are either a shell of their former selves, no longer in business or facing certain extinction.



Kodak Strategies: Are they plans for growth or simply stopgap measures?

While Kodak still has a loyal base of customers, they are admittedly of an older generation. In an attempt to reverse this, Kodak has instituted various public relations and marketing efforts to help reintroduce the concept of analog image acquisition to a younger demographic. One effort has been to increase their presence on social media platforms.





(Click the icons to visit Kodak's social media channels)

Kodak has also created The Reel Deal, a monthly email newsletter that extolls the benefits of shooting Hollywood motion pictures using film rather than digital photography.



The Reel Deal (click)

To that end, the Kodak has struck a deal with Hollywood ensuring the studios commit to purchasing a certain amount of film from Kodak every year for their productions. According to the Wall Street Journal, Kodak sold 12.4 billion feet of film in 2006 compared to an estimated 449 million in 2014. This contract allows the production of motion picture film to survive, at least in the short-term.



Kodak has also resurrected their internal newsletter, The Kodakery and retooled it as a monthly podcast which can be heard on Youtube and at Kodak.com. The Kodakery presents interviews with industry experts who feel analog technologies are making a comeback, and Kodak hopes to ride the wave of this perceived phenomenon known as the “analog renaissance.”



THE KODAKERY

The Kodakery (click)

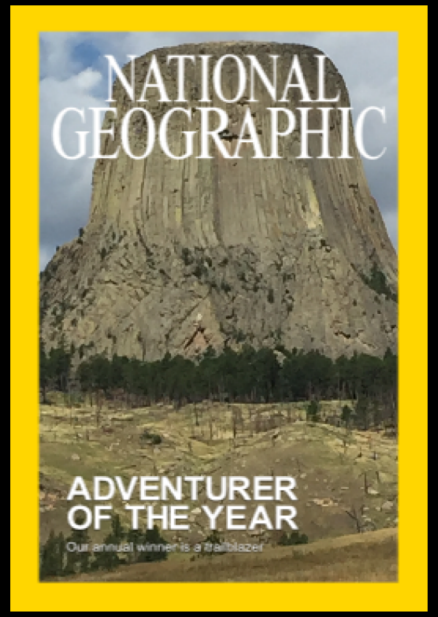


SHOT ON KODAK FILM

New Kodak Super 8 Test Footage (click)

Taking aim at this perceived resurging market, Kodak unveiled the prototype for an updated Super 8 camera at the 2018 Consumer Electronics Show (CES) in Las Vegas. Super 8 was the dominant home-recording format during the mid-60's to late-80's. However, by the early-90's, video technology became more affordable and eventually exceeded sales of Super 8 film. With the re-introduction of the Super 8 camera, which combines the analog process with the latest in digital technology, Kodak hopes to reinvigorate the format.

Coinciding with the reintroduction of the Super 8 camera, Kodak announced the relaunch of film formats which it ceased production of in 2010, most notably, Ektachrome. Known for its fine grain, natural tones and defining contrast, the film has been used by National Geographic photographers for decades, and there is a resurgence of interest for the film according to Diane Carroll-Yacoby, Kodak's worldwide portfolio manager for motion picture films.



"It is a complicated project for us to bring it back but because our customers are telling us that they want it, we're very excited to do this again," said Yacoby. "It's kind of a really special time for us."



Fans Celebrate the Reintroduction of Ektachrome (click)

Along with the revival of Ektachrome film, Kodak partnered with Bullitt Group Limited to introduce the branded Ektra Smartphone, a phone designed with an emphasis on taking pictures. Utilizing a 21-megapixel rear camera and an app that evokes nostalgia for Kodak's famous handheld camera, Kodak hopes to win over customers with a retro marketing approach. An included Prints app allows you to order physical copies of your photos and have them sent straight to your door.



"Bullitt will be hoping it can revive the Kodak brand as a cool retro product offering," said Ben Wood of CCS Insight Consultancy. "That's a tough challenge, particularly when most smartphones already have a great camera."





Kodak Scholarships (click)

Kodak is also offering two college scholarships – The Kodak Student Scholarship Award and the Kodak Student Cinematography Award – both available to film students at undergraduate and graduate levels. Kodak believes these scholarships will increase brand awareness with the younger generation, as well as increase sales of movie film since one of the awards requires 50% of a submitted work be shot on Kodak film.

In late 2018, Kodak partnered with Forever21, the teen-clothing manufacturer, to produce a 26-piece collection of t-shirts, polos and loungewear that will feature the company's logo. Kodak's chief branding officer, Dany Atkins, feels the way to gain notoriety is by tapping into the teen generation.

"I have this ambition to return Kodak to being one of the world's best-known, best-loved brands," said Atkins, who went on to point out that Kodak needed an Instagram account to become more "hip."













See the Collection at Forever 21! (click)





Kodak has also recently partnered with AMB Media to introduce the Digitizing Box, a modern version of the company's traditional yellow envelope used for mailing film to a developing lab. The Digitizing Box is used for consumers who have old photographs, slides and home movies that need to be digitized into modern formats such as MP4 and JPEG files. Kodak Digitizing Box is a rebranded version of an existing service called Legacybox, except at a lower price point. While Legacybox charges $88 for a 3-piece box and $1,100 for a 40-piece box, Kodak Digitizing charges $60 and $560, respectively.



Kodak Kiosk Video (click)

Since the late 90’s, Kodak has also produced the Kodak Photo Kiosk found in most CVS, Rite-Aid and other well-known pharmacy stores. The kiosk enables consumers to print pictures from a USB drive, SD card, Facebook or directly from their smartphones. Branding is on high order: the kiosk is painted in the trademark Kodak color, and the Kodak name is prominently displayed on the monitor and software interface.

Finally, Kodak has recently entered into the growing and controversial cryptocurrency arena with KodakCoin and KODAKOne, a rights management platform that will allow photographers to create unchangeable records of ownership for their photographs. Following the announcement of Kodak's blockchain strategies, the company's stock rose more than 200% and has largely remained at that level. Other artists such as musicians and filmmakers have been eager to adopt the blockchain technology to protect their intellectual property as well.



https://kodakone.com/

By employing a myriad of PR and marketing strategies, the skeptics might think that the company is in its final death throes against the digital onslaught of convenience. But to the optimists, if company executives have reasoned the strategies thoroughly and know how their intended audience will respond, then perhaps Kodak can combat the naysayers and ride the wave of the analog renaissance to success.



Questions

1. What can Kodak do to increase their followers on social media?

2. Do you think “going retro” or taking the “what is old is new again ” approach is the way to engage a younger audience? Is curiosity in “what once was” enough to drive sales? Why or why not?

3. If you were in charge of Kodak’s public relations, what strategy would you employ to combat the critics who think Kodak is now a relic of the past?

4. Considering the instant gratification nature of our society today, what marketing strategy would be effective in convincing consumers to try Kodak film knowing that it takes about a week to receive developed photos?

5. Since cell phones have made the process of taking pictures cheaper and easier, and therefore blasé, how should Kodak go about convincing consumers that taking time and effort in the pictures they take is now fashionable? What would your marketing strategy be?

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