

MANAGEMENT • INVESTMENT • ECONOMICS • ENTREPRENEURSHIP • TECHNOLOGY

FIVE IMPORTANT TIPS TO HELP NOVICE
ATHLETES IN SPORTS CONFIDENCE

Turmeric & Coffee

The Suprising Ingredient Generating Short-Pulsed Laser

EMAIL CARBON FOOTPRINT

A SOURCE FOR GREENHOUSE GASES EMISSIONS

Creating Happiness

IN WORK AND LIFE IN SOCIETY: A RELIGIOS PERSPECTIVE

Teknik Pengucapan

BARACK OBAMA

eISSN 2600-9811

9 772600 981003
Publication Date
7 November 2023



NOORAZLINA AHMAD
Faculty of Business and Management, UiTM Cawangan Terengganu

KODAK'S FAILURE IN INNOVATION

THE FIRST DIGITAL IMAGING TECHNIQUE 1970

Kodak was one of the most well-known brands in the field and significantly influenced the development of photography. Kodak was at the forefront of digital-image technology in the 1970s and 1980s. The first digital-imaging technique was created by them. In addition to developing the first megapixel sensor in 1986 and the first digital camera in 1975, Kodak also applied to get a patent for the technology, instead of accepting the digital revolution, though. Kodak kept concentrating on its conventional film business because it did not perceive a substantial threat from digital photography. This is because Kodak encountered difficulties switching their business model from film-based to digital photography despite their early success in the field of digital-imaging.

Kodak had concentrated on making high-quality photographic films with modest variations in the colour of the photographs generated and the pricing at which the films were provided before the digital disruption. In an effort to fill a variety of market gaps in the photographic industry, Kodak also produced cameras from inexpensive disposable versions to pricey, high-end, professional models.



Following that, sales of the digital cameras, which peaked in 2007, soon overtook the film cameras, which had previously gained ground.



Figure 1: The evolution of the Kodak logo

Figure 2 below illustrates the approach taken by Fujifilm and Kodak to manage the disruptive innovation, which was the digital camera, and investigate the digital domain with its long-term prospects.

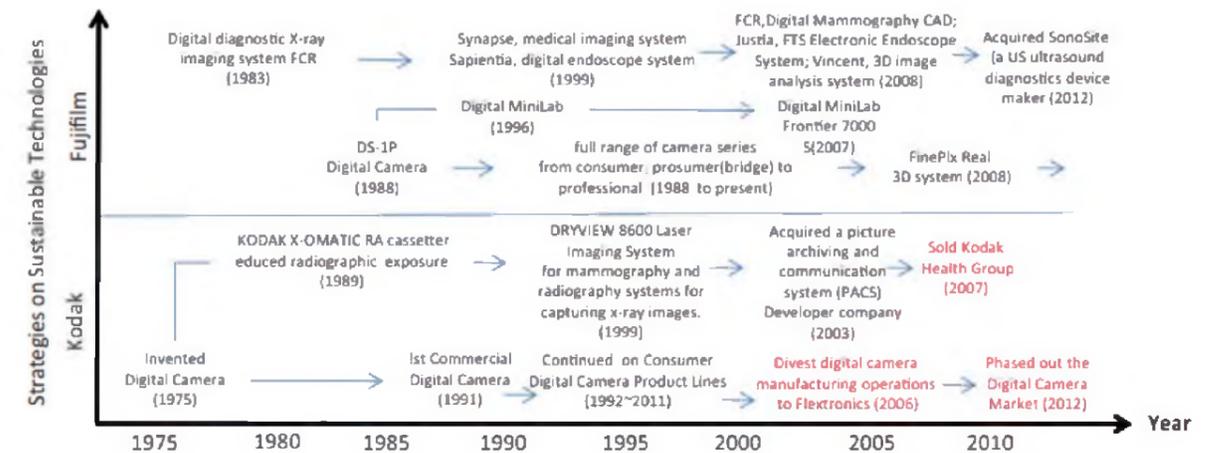


Figure 2 : Kodak and Fujifilm Strategy Paths for Disruptive Technology
Sources: Jonathan C. Ho and Hongyi Chen (2018)

KODAK DECLARED BANCRUPTCY 2012

Kodak declared bankruptcy in 2012 because it was unable to adjust to the way the photographic market was developing. Despite being a pioneer in the industry, Kodak's inability to successfully commercialise its own discoveries and change its business strategy ultimately contributed to its demise. Other businesses like Canon, Sony, and Nikon began to dominate the market for the digital cameras. Kodak's failure was significantly exacerbated by its tardy reaction to the growing digital trend. However, it was already too late for Kodak to catch up to its rivals when it realised the promise of digital photography. This situation should serve as a warning to businesses that neglect to identify disruptive technology and modify their strategies accordingly. Even with a strong history of innovation, a company can still fail if it does not navigate the shifting market dynamics effectively.

Lucas and Goh (2009) has attempted to explain Kodak's failure. They have proposed that middle managers' resistance to change, the company's culture, which was heavily influenced by the idea that "Kodak meant film", and the hierarchical structure at Kodak all contributed to the company's failure to adopt disruptive digital technology (Jonathan Ho & Hongyi Chen, 2018).

Nowadays, when a development is described as disruptive, the implication is that the entire sector has been upended and all technological knowledge has been rendered outdated. It is evident from the aforementioned studies that an innovation can disrupt several competencies in varying degrees. The failure of the Kodak firm has been attributed to a number of factors, such as:

1. Missed opportunities and strategic decisions;
2. Cultural challenges and organisational resistance;
3. Failure to anticipate and respond to market trends; and
4. Financial struggles and bankruptcy.

Kodak is still in business today although with a more constrained concentration on solutions for commercial imaging and printing. The company's history is a cautionary tale in the face of industry transformation because it exhibits both trailblazing breakthroughs and squandered opportunities in integrating digital technologies. These elements were combined to cause Kodak's collapse as it was unable to successfully pivot in the face of digital innovation and missed out new chances in the photography sector. Due to its financial difficulties, Kodak was unable to make enough investments in research and development to maintain its competitiveness.

References:

Jonathan C. Ho & Hongyi Chen, 2018. Managing the Disruptive and Sustaining the Disrupted: The Case of Kodak and Fujifilm in the Face of Digital Disruption. *Review of Policy Research*, Policy Studies Organization, vol. 35(3), pages 352-371, May.

Lucas, H. C., Jr., & Goh, J. M. (2009). Disruptive technology: How Kodak missed the digital photography revolution. *Journal of Strategic Information Systems*, 18(1), 46-55.



A CASE STUDY ON INNOVATION STRATEGIES BY FARM FRESH BERHAD

By Suhaily Maizan Abdul Manaf

Faculty of Business and Management
Universiti Teknologi MARA Cawangan Terengganu

Given the rapid market changes and intense competition, prioritizing innovation is crucial for businesses to remain competitive.

Over the years, Farm Fresh Berhad (FFB) has received feedback, particularly regarding the condition of its milk, for instances of curdling or turning sour. The quality and hygiene of our milk products have been critical concerns, as they can have adverse effects on customer health and perception. As a result, FFB has developed a range of healthy and nutritious products that are free from preservatives, artificial flavorings, coloring, and foreign substances.

Furthermore, we have implemented rigorous inspections and examinations at every stage of our processing

operations to ensure the hygiene and safety of our packaging and handling, preserving the taste and quality of our products.

To tap into a new potential market, FFB has introduced a new product line, Farm Fresh GROW. This decision was based on customer feedback and demand for children's milk that is both nutritious and safe for health. Many existing milk products contain maltodextrin, vegetable oil, and calcium carbonate, which are not suitable for long-term growth in children. The Farm Fresh GROW product line has seen tremendous demand from customers seeking high-quality, nutritious milk for kids at a reasonable price.

Additionally, FFB has experienced high demand from schools and canteen markets for

milk supply, leading to an expansion of its target market and distribution network.

Moreover, FFB has received positive feedback regarding the demand for an increased production of its Yarra Farm product range, which offers milk powder at a lower price point. The company has also achieved success with its best-selling products, including dairy-based Ready To Drink (RTD) chilled yogurt products and plant-based alternatives such as soy, almond, and oat milk.

As recorded, the year 2022 marked FFB's first year as a publicly-listed company on Bursa Malaysia. FFB has provided a comprehensive and detailed account of its operating activities in its inaugural Integrated Annual Report. This report highlights the company's significant achievements, including impressive sales and profits. In 2022, FFB achieved RM501.9 million in sales (compared to RM490.5 million in 2021) and RM78.5 million in profits (compared to RM32.8 million in 2021).





BizNewz 2023
Faculty of Business and Management
Universiti Teknologi MARA Cawangan Terengganu, Kampus Dungun
Sura Hujung, 23000 Dungun, Terengganu, MALAYSIA
Tel: +609-8400400
Fax: +609-8403777
Email: biznewzuitm@gmail.com