

What do IBM and Kodak have in common? Both are nationally recognized brands, of course, but looking beyond that, one finds that both have had histories with changing market conditions and company success.

When IBM first became a market leader in the computer industry it was with mainframe computers. Slowly, however, the market shifted, and soon the mainframe as we knew it would become obsolete. The company struggled and started to head towards bankruptcy. IBM had failed to forecast this technological change, and thus was caught in the dust.

They slowly recovered, but again in the mid-90s it happened again. They had to move quickly to get out of hardware and get into enterprise software solutions. Once again, they headed towards failure, but quick turnaround by a new management staff brought revival.

Today, after having gone through several transitions and periods of prosperity and hardship, IBM is one of the most powerful names in enterprise software.

The Kodak Difference

Kodak's story is a bit different. Since their beginnings in 1888, Kodak has been a leader in the photography marketplace. They pioneered consumer photographic techniques and developed products and processes that brought the camera home.

We all know the familiar black and yellow Kodak logo on film and many of us regard it as a symbol of quality film and paper, and if you're in the film processing business, of high quality chemicals and equipment. Despite this powerful position, however, Kodak has recently experienced declining sales brought on by a failure to recognize changes in the marketplace.

In the mid to late 90s, digital photographic technology became increasingly popular and today digital cameras are replacing traditional "wet chemistry" techniques at an alarming rate. Kodak is now getting involved with this new technology, but it may be too late. Other dominant players such as Hewlett-Packard

and Canon got into the market much earlier, already establishing themselves as market leaders in digital photography, leaving Kodak with the "old technology" position.

Despite the similarities that both companies share, it is the key difference that is critical. IBM saw the market changing, and changed their strategy accordingly. Kodak saw the market changing and ignored it -- pretended it didn't exist -- hoping that what it didn't know (or at least pretended not to know) wouldn't hurt it. Now they're stuck playing catch-up.

While these two examples are far from the broadcast industry, every day I see this same attitude exhibited in radio. Reluctance to change and fear of trying something new bring with it increased potential for failure.

The Need to Innovate

Innovation is the core of success. Both in corporate environments as well as in the studio, doing something new, different, unique, and memorable are keys to selling your station and maintaining your brand equity and position within the minds of your audience. Innovation = uniqueness = differentiation = powerful positioning strategy.

Innovation is different than change. People generally dislike and resist change. Changes are events -- innovation is a process. Innovating involves changing philosophies, methods, practices, and overall functions of thought.

This is the process by which one can uncover opportunities and exploit them, hopefully before your competition does, but it focuses not on tactics (i.e., "let's move the stopset and add a jingle...") but on the principles that underlie those. Innovation leads to fundamental changes in strategy -- how you operate, and perhaps even why you operate, the way that you do.

Who should think like an innovator? In short -- everyone. From the receptionist to the general manager, your station risks missing opportunities if the staff members aren't thinking like trendsetters.

For the top rated station in a demo: You might be meeting the needs of your listeners now, but what if those needs change? Will you be ready? Will you even know? Think like an innovator.

The Power to Change

Conceptualizing and innovating is only one half of the battle -- implementing the developed strategies as a result of innovation is the next step. Sadly, this is the part that people find difficult, if not impossible, in today's radio environment.

Changing the way you think about something is a big step, and is often quite distressing, but it is a necessary evil of almost any successful venture.

We have said that in order for innovation to be effective, it must have total support of the entire staff. That said, management must recognize the important contributions that their staff can bring to the table. After all, who works with the listeners? Who works with your clients?

By these measures, the most important people in your station are the members of the air staff and the account executives, yet when was the last time their input was solicited at a management meeting?

Adjustments to a strategy require front line analysis, and there is no more effective way to do this than to include those who work the front lines. This will work not only to improve the quality of innovative thought, but also to improve employee morale.

Be Innovative

In order to innovate successfully, everyone must be on board. The power to change has a trickle down effect. If the staff is thinking like innovators, but the management isn't, what motivation is there to continue?

Group owners must trust their market clusters to innovate.

Market clusters must trust their individual stations to innovate.

Stations must trust their staff to innovate.

Staff must trust other staff to innovate.

One missing link and the remarkable power of innovation is lost.

Too often, we become excessively comfortable with our existing ways of doing things. We assume that if it works today, it will work tomorrow, and we have

seen through the IBM and Kodak examples above,
that this is clearly not the case.

Why is radio an exception? It most certainly is not,
however most of us in the industry think that way.
It's a good time to change that thinking. Innovation
begins now.

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