



THE OFTEN-OVERLOOKED THIRD DIMENSION

SIGNIFICANCE assesses the future value of technologies and innovations, ensuring that strategic planning is not only reactive to current market conditions but is also proactively preparing for future shifts. The concept of significance should be seen as a blend of the following elements:

- **TECHNOLOGICAL RELEVANCE:** Evaluating whether the current technology will remain pertinent as market demands evolve.
- **FUTURE READINESS:** The ability of a business to adapt and integrate emerging technologies or methodologies that could potentially disrupt their market.
- **INNOVATION POTENTIAL:** Recognizing opportunities for innovation that may not yet be fully realized or appreciated within the current market framework.

By integrating Significance as a third dimension in the Strategic Agility Matrix, your organization can assess its positioning not just in terms of current competitive advantages and speed of innovation, but also in terms of its preparedness for future technological shifts.

Kodak Moments

Kodak's Fall from Grace: A Strategic Misalignment in an Evolving Digital Landscape

Kodak, at its peak, would have been in the Dominance Zone — a position of high significance with a strong competitive advantage and slow market evolution. However, as the market's speed of evolution accelerated due to digital technology and the significance of traditional photography started to decline, Kodak failed to adapt.

As mobile networks and digital technologies rapidly evolved, increasing the value of instant digital photo sharing, Kodak needed to transition into the Adaptive Zone or, ideally, the Innovation Zone. Instead, they remained in what became their Sunset Zone. This strategic failure made Kodak's celluloid moments lose their significance.

In terms of the 3D matrix, Kodak needed to move vertically upwards, adapting to the increase in market evolution speed, and horizontally towards the left, acknowledging the declining significance of their traditional market. They didn't make these moves, missing the opportunity to capitalize on its photographic expertise in the digital realm.

By not moving along the axes toward innovation and adaptation, Kodak's once strong position quickly eroded, demonstrating the importance of agility and responsiveness to both technological advancement and changing market demands.

This matrix can serve as a tool to prevent similar strategic missteps by continuously assessing and realigning organizational focus according to market dynamics and technological significance.