

Introduction and Development Strategy of Walt Disney Company

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Abstract. As a world-renowned entertainment company, Walt Disney Company has exerted an important influence on the development of the world's entertainment industry. This paper introduces the development status of Walt Disney Company and analyzes the development strategy of Walt Disney Company. This paper argues that although Walt Disney Company faces fierce competition, it has a good foundation for development and comprehensive entertainment products. Finally, this paper puts forward some suggestions, hoping to contribute to the sustainable development of Walt Disney Company.

Keywords: Walt Disney Company; Fierce Competition; Suggestions.

1. Introduction

The Walt Disney Corporation is a massive American media and entertainment company with headquarters in the Disney Studios in Burbank, California. The organization, now popular as Walt Disney, has had a huge impact on the entertainment industry and is now one of the leading media conglomerates in the world. Before adopting the name, Walt Disney in 1986, the business had conducted business as Walt Disney Productions (Chytry, 2012). Disney's marketing goal is to keep attracting customers who help the company expand. Disney will be able to generate income at a steady rate if it can draw these same kinds of clients. As a result, it is essential to evaluate how a corporation will succeed or fail in the future.

Walt Disney needs to consider some recommendations for its future success. The people and expertise of Disney are its most valuable strategic assets. They need to continue to be the most creative organization to stay competitive, thus their staff is crucial. The Disney Company should use the tactics stated to be flexible and ever-changing to the wants and demands of the consumer. The business should prepare to adapt to satisfy expanding customer interests in international nations in addition to catering to the demands and wishes of consumers. The business should also have authorized merchandise all over the globe. To satisfy the company's expanding needs and to contain expenses, they should employ the international outsourcing method. The business should also continue to abide by the laws and policies of the nations where it has established operations. Disney ought to account for this cost as a required one.

The contribution of this paper is mainly reflected in the following two points. On the one hand, the existing literature has not fully paid attention to the development strategy of Walt Disney Company. The analysis of this topic is conducive to our more scientific thinking about the development of entertainment industry and media enterprises and provides some references for subsequent research. On the other hand, this paper provides some implications. Although Walt Disney Company has many competitors, its strategy can promote the sustainable development of Walt Disney Company.

2. Company Background

The Walt Disney Corporation is a massive American media and entertainment company with headquarters in the Disney Studios in Burbank, California. Walt and his brother, Roy, created the Disney Brothers Comics Workshop in Hollywood, California, on October 16, 1923. The organization, now popular as Walt Disney, has had a huge impact on the entertainment industry and is now one of the leading media conglomerates in the world. Before adopting the name, Walt Disney in 1986, the

business had conducted business as Walt Disney Productions (Chytry, 2012). With the invention of the extensively recognized comic Mickey Mouse, the firm's symbol, and the beginning of comic movies, the business rapidly strengthened its position in the American cartoon business.

When the company started to turn a profit in the early 1950s, it started to branch out into action pictures, theatre, and theme parks. After Walt died in 1966, the business's profitability instigated to deteriorate, particularly in the animation department. After its shareholders chose Michael Eisner as the firm's president in 1984, Disney had unparalleled prosperity during a period known as the Disney Renaissance. In 2005, the company started to expand and make acquisitions under the direction of new president Bob Iger (Scott, 2022). In 2020, Iger announced his retirement, and Bob Chapek succeeded him as Disney's President (Clark, 2001). Since the 1980s, Disney has established corporate divisions and bought rival businesses to market material that is more mature than that traditionally associated with its family-friendly trademarks.

3. Current Strategy

Disney's marketing goal is to keep attracting customers who help the company expand. Disney will be able to generate income at a steady rate if it can draw these same kinds of clients. Divisions in theme park resorts, broadcasting, streaming media, television, consumer goods, printing, and external processes are amongst Disney's key commercial sections. Disney manages the ABC broadcast network as well as cable TV networks like Disney Station and National Geographic through these many subsidiaries. Along with direct-to-consumer viewing services like Disney+ and ESPN+, it also has divisions for printing, marketing, music, and auditorium (Clark, 2001). The Walt Disney Company also owns a collection of fourteen theme parks, vacation properties, and shipping companies known as Disney Parks, Experiences, and Products.

The firm has been a part of the Dow Jones Industrial Average since 1991 and trades on the NYSE with the ticker code DIS. As of August 2020, major monetary organizations owned slightly under two-thirds of the stock (Liedtka et al., 2006). The Generic Competitive Advantage Strategy of The Walt Disney Company Product diversification is Disney's main strategy for acquiring a competitive edge. This strategy, as per Michael Porter's model, calls for providing unique products to various market segments. Creating consumer marketplaces for all of Disney's classics, from Mickey Mouse to Snow White to recent hits like Kim Possible, is the aim of their marketing strategy. Each brand is tailored to a certain age range and delivery technique.

Disney sells its exports on the global market using a cost-plus pricing model. This approach accounts for the price of manufacturing and selling a product to a certain market. It permits the business to avoid having to sell its goods at a deficit in other markets (Scott, 2022). The Walt Disney Company accomplishes three goals: producing top-notch family content, utilizing technological advancements to make entertainment encounters more unforgettable, and growing abroad. In addition to the daily posts on websites, Disney's digital marketing strategy also involves discharging content that engrosses supporters and invites them to leave comments. Disney's social media marketing strategy also makes an effort to keep fans interested by purposefully creating content for a variety of audiences.

4. Why Walt Disney Company will be Dominant in the Future

Walt Disney company is competent enough to grow rapidly in the market in the present and the future. Since the Disney business model developed the Mickey Mouse cartoon character, the corporation has established itself as a household name in the world of movies. The business plan of Disney is adaptable: Its brands power numerous value propositions and produce a variety of revenue sources (Lynch, 2008). Disney's business involves building and maintaining brands in addition to producing movies. Through the production of films, theme parks, and characters like Mickey Mouse,

Disney is revolutionizing the entertainment industry. Disney built Disneyland, a destination that is ideal for families and altered the entertainment industry.

Disney's ability to evolve from an abstemiously fruitful cartoon studio to a comprehensive entertainment product with merchandise, cruise ships, and other lures was only possible thanks to constant innovation and pushing the boundaries of both animation and what Disney could be as a company (Lynch, 2008). The fact that Disneyland is a location for both kids and adults is their unique selling pitch. This makes sense from a consumer standpoint and broadens the target population to the extent where they can draw many times as many visitors as rival theme parks. This makes the company prosper in the future as its consumers are readily available.

The Corporation is a media and family entertainment company with a wide range of offerings. Major Media outlets, Studio Entertainment, Consumer Products, and Interactivity are its five business divisions (Patrocínio et al., 2018). Each of these discrete segments generates revenue for the business. Disney's online gaming and entertainment are covered in this section. This includes the growth of branded online facilities, the making and sales of multi-platform video games, and the licensing of game material. Sales of games, subscriptions to the internet and mobile games, online advertising, and sponsorships all contributed to the segment's revenue. These factors are key to the company's success in the future.

Disney faces competition from a wide range of media corporates in all of its business segments. Disney is an innovator and a market leader in its primary business sectors. Unique content that cannot be licensed or broadcast by other media networks is available on ESPN, ABC, and the Disney Channels (Scott, 2022). Disney outperforms its rivals in terms of revenue generation through advertising and affiliate fees thanks to the quality and exclusivity of this material. For customers to interact with the same characters from video games, consumer goods, theaters, and other media, the corporation also connects a number of its divisions. One of Disney's assets is the familiarity of its brand, which has become well-known around the world.

Walt Disney's strategies are very appropriate. For products like movies, Disney uses the market-oriented pricing approach, with prices set in conformity with acknowledged industry standards. Meanwhile, the industry's parks and resorts practice the value-based pricing model for a diversity of products, counting souvenirs. The company's vulnerabilities are its recent struggles with two strategic challenges, its opportunities are growth prospects, and its risks are fierce competition. The decline in ESPN subscribers is one of the strategic problems that Walt Disney has been dealing with.

5. Recommendations to Assure Success

Walt Disney needs to consider some recommendations for its future success. The people and expertise of Disney are its most valuable strategic assets. They need to continue to be the most creative organization to stay competitive, thus their staff is crucial. To keep guests safe and content, their park personnel must be attentive, upbeat, and sociable. The Walt Disney Company must accomplish three goals: producing top-notch family content, utilizing technological advancements to make entertainment encounters more unforgettable, and growing abroad.

The Disney Company should use the tactics stated to be flexible and ever-changing to the wants and demands of the consumer. The business should prepare to adapt to satisfy expanding customer interests in international nations in addition to catering to the demands and wishes of consumers. Their theme parks are now well-known around the world and are located on three continents. By adhering to their norms and paying their taxes there, the company intends to continue developing its methods for reaching worldwide markets.

The business should also have authorized merchandise all over the globe. To satisfy the company's expanding needs and to contain expenses, they should employ the international outsourcing method. Given the company's international business, they should be able to adapt to diverse cultures since they are retaining their American identity while adopting many local traditions. The business should

also continue to abide by the laws and policies of the nations where it has established operations. Disney ought to account for this cost as a required one.

6. Conclusion

In conclusion, it is essential to evaluate how a corporation will succeed or fail in the future. The Walt Disney Firm has had a noteworthy effect on the entertainment corporate and is recently one of the major media companies around the globe. Although Disney faces competition from a wide range of media corporates in all of its business segments, Disney uses the market-oriented pricing approach, with prices set in conformity with acknowledged industry standards. The company should also take into account some recommendations to assure its success in the future.

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