

Research on the Success Path of Disney in Media and Entertainment

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Abstract: Over the course of the last few years, there has been a discernible shift in both the media and entertainment industries. One company that has continually innovated over the course of its existence, Disney, is responsible for the production of a wide variety of high-quality goods and services. Over the past century and a half, Disney has grown primarily as a result of its commitment to diversification and a strong intellectual property strategy. These two factors have worked together to reduce the risks that the company is exposed to and to maintain Disney's position as the industry leader. This article investigates and contrasts the qualities that Disney and its competitors possess in a variety of fields, including amusement parks, television, and the film industry, among others. It has been suggested that in order for Disney to encourage future growth, the company should give priority to environmental sustainability as a way to cultivate a positive societal image, as well as retain and grow its fan base for a sustained income by gaining significant attention, supporting localized content, and embracing multi culture in areas where Disney has not yet entered. Additionally, Disney should give consideration to retaining and growing its fan base for a sustained income by gaining significant attention.

Keywords: fan base, diversification, significant attention, creative content, global

1. Introduction

The Walt Disney Company, more commonly referred to as Disney, is recognized as one of the most influential, well-known, and diverse media, entertainment, and media companies in the entire world. Walt Disney and his brother Roy O. Disney laid the groundwork for what would become the Disney Brothers Cartoon Studio on October 16, 1923 [1]. Over the course of its history, Disney has established itself as a leading brand in the entertainment sector on a global scale. The Walt Disney Company is well-known for originating well-known characters such as Mickey Mouse, playing a pivotal role in the establishment of the animation industry, and developing cherished animated classics such as "Snow White and the Seven Dwarfs," "The Lion King," and "Beauty and the Beast." In addition to animated films, Disney ventured into other types of entertainment such as live-action films, television, theme parks, and a great many other forms of entertainment. Despite supplying a diverse range of goods and services throughout numerous entertainment industry sectors, including significant competitors Netflix in the entertainment industry and Universal Studios in the theme park industry, Disney competes in these related business categories despite the fact that they are in direct competition with one another.

2. Current Strategy

Disney's current two primary goals are to broaden its product offerings and strengthen its intellectual property protection strategies. Specifically, The Disney Company is the owner of a large array of businesses and brands that are involved in a variety of industries, including the film and television industries, theme park industries, and other industries. This method of diversification can reduce the amount of risk that the company is exposed to, which means that even if there are problems in one area, the corporation can still earn money in other areas. In addition, Disney has a long history of firmly enforcing stringent intellectual property rights, in particular with regard to the copyright protection of its characters such as Mickey and Minnie. By proactively protecting the brand image and fending off infringement, Disney will be able to maintain its leading position in the market, where it currently enjoys a significant competitive advantage.

When looking at Disney's business strategy, it becomes clear that the company's focus is primarily on creating, acquiring, and capitalizing on intellectual property rights across a wide range of entertainment-related businesses. Disney makes substantial investments in the production of high-quality content, and the company monetizes that material in a variety of ways, including through receipts from the box office, retail sales, and admissions to theme park attractions [2]. The business strategy that Disney employs has undergone significant change throughout the course of its history, primarily as a response to alterations in customer behavior and technological developments. With the launch of its streaming service, Disney+, Disney has reduced its reliance on cable TV and other third-party distributors by making it possible for the company to communicate directly with viewers all over the world. Through the acquisition of companies such as Pixar and Marvel, Disney has been able to expand its intellectual property portfolio, which has paved the way for the diversification and development of cross-brand content. A survey found that Disney maintained its position as the top-grossing film studio in 2016, despite the fact that under Iger's leadership, the company had dropped to the position of second-to-last in 2005 [3]. Iger, who started extending the market for digital animated films after purchasing Pixar in 2006 for \$7.4 billion, should be given credit for this achievement because he was the one who started expanding the industry. When Disney made the \$4 billion purchase of Marvel Entertainment in 2009, it came with a slew of superhero titles, including "Iron Man" and "Deadpool," among many others. Because of this, Disney was able to start the extremely popular "Avengers" franchise. As a consequence of this, Disney's general tendencies may play a role in the company's future performance based on the innovations and improvements made to its business model and strategy.

3. Main Competitors

Despite the fact that Disney has been successful in developing its brand value and image, Disney and Universal Studios remain direct competitors in the entertainment industry. As two of the most significant competitors in the amusement park and entertainment industries, they engage in fierce competition with one another on a regular basis for customers and market share in this particular sector. Disney, for instance, is well-known for its large collection of one-of-a-kind intellectual properties (IPs), whereas Universal Studios relies primarily on well-known movie franchises as the inspiration for many of its attractions. While Disney places a greater emphasis on narratives and the connections between its characters, Universal Studios is more concerned with cutting-edge technology and immersive experiences [4]. It is still uncertain which of the two theme parks is the market leader because both of them offer distinctive attributes. It's possible that Disney will also have to compete with other streaming services, such as Netflix, Apple TV, Amazon Prime Video, and others. For example, Disney is well-known for producing entertainment that is appropriate for all ages and draws the majority of its programming from its vast library of properties, which includes

Pixar, Marvel, and Star Wars. Netflix, on the other hand, provides a broad selection of content, including movies, documentaries, and original programs, which means that it appeals to a wider audience [5]. This allows Netflix to cater to a greater range of preferences than its competitors. Disney quickly expanded its operations overseas, but in comparison to Netflix, it initially had less worldwide reach because of the extensive localization efforts it made. These efforts included the production of original content in a number of different languages. Disney encompasses a number of aspects of the market, some of which may draw new competitors in the future in addition to the key competitors indicated above. One significant illustration of this can be found in Warner Bros, which is a well-known film and entertainment firm that is well-acknowledged for the enormous contributions it has made to the fields of film and television production. Notably, Warner Bros. has made important contributions to both the DC Extended Universe and the “Harry Potter” series, both of which have enjoyed a great deal of commercial success. Disney uses digital media as a form of advertising; nevertheless, it faces competition in the domain of digital advertising from Facebook, which possesses a sizable user base and powerful advertising capabilities. Digital advertising is used by Disney. Therefore, Disney’s competitive advantage is frequently dependent upon the company’s capacity to utilize its intellectual property, develop appealing content, and respond to growing client tastes as well as technology advancements. Disney is required to continually participate in innovative practices in order to maintain its market position due to the fluid nature of the competitive landscape that exists across a variety of industries.

4. Business model

The SWOT analysis sheds light on both the effective and ineffective business tactics employed by The Walt Disney Company. The success of the Disney brand can be attributed to a variety of the company’s qualities. For example, Disney owns a huge collection of well-known intellectual properties, including Disney, Pixar, Marvel, Star Wars, and National Geographic [6]. These properties are collectively referred to as “Disney”. This huge collection not only provides a range of information suitable for a diverse range of viewers, but it also helps to cultivate a sizeable following. In addition, Disney has developed resorts and theme parks, both of which significantly contribute to the company’s revenue and welcome millions of visitors annually. Disney is also a leader in the media networks industry, where it manages a diverse portfolio of well-known television networks to cater to a large number of viewers. The issue that Disney faces of being unduly dependent on the development of content, particularly during the COVID-19 outbreak, has the potential to quickly disrupt the company’s revenue streams coming from theme parks and movie releases. In addition, the substantial operating expenditures that Disney must bear in order to run its theme parks and produce high-quality content contribute to the significant increase in the risk of a break in the capital chain. Given its existing position and circumstances, Disney has opportunities for additional development, such as focusing on the development of franchises to create a library of material and commodities that will improve sales. One such opportunity is outlined below. In the end, Disney should always be on the lookout for potential threats, such as competition from other companies that put its market share and pricing power at risk, as well as economic downturns that drive consumers to spend less money on entertainment.

5. Recommendation to Assure Future Success

In light of the findings of my strategic analysis, I have come up with the following suggestions for how the company might improve its chances of being successful in now and in the future. First and foremost, Disney needs to maintain the strength of its audience and fan bases in order to preserve the high level of interest that contributes to the company’s global influence and financial success as well

as its competitiveness with other businesses and brands operating in the same industry. Additionally, it is of the utmost importance to focus on expanding Disney's impact in developing nations like as India, Southeast Asia, and South America based on the existing fan base in those regions. In the meanwhile, Disney might generate and advertise regional content in order to engage with local audiences by drawing inspiration from the strategy taken by Netflix, which has the ability to appeal to a diverse spectrum of viewers. The next step is to incorporate sustainability into theme parks. One way to do this is to reduce the amount of single-use plastics used in product packaging and props. Additionally, amusement parks should invest money in renewable energy sources in order to preserve guests' safety. This idea might fit nicely with the shifting priorities of today's consumers. Last but not least, Disney may decide to make use of the significant social power it possesses in order to launch programs that have a beneficial impact on society and are consistent with the company's core values. These initiatives may include activities that support diversity, equity, and inclusion both inside the corporation and in the production of content. The impact of Disney will grow after it has successfully stirred up social resonance and has received a favorable response to its efforts.

6. Conclusion

In general, over the course of the previous century and a half, Disney has developed from a little animation studio into what it is today: the most successful media and entertainment company in the world with the exceptional ability to make people happy and content. Based on Disney's present performance and its capacity to endure the volatility brought on by COVID-19, I believe that Disney will have greater success in the near future. This prediction is based on the data.

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