Disney, The Absolutely Dominant of Business

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Abstract. Under the growth of the digital trend and the pressure of the COVID-19 global pandemic, many media and entertainment companies have made strategic changes and adaptations in order to survive and have better development. Disney is one of the companies that successfully survived and would have a great opportunity to become one of the main dominants in the next decade. Analysis including marketing mix 4Ps and SWOT is used to evaluate Disney's possibility to become dominant. After the analysis of the study, the result offers suggestions for other companies in the industry regarding how they could learn from Disney for their own development.

Keywords: Disney; 4Ps; SWOT; Marketing.

1. Introduction

With the change in social lifestyle trends, Internet media and entertainment have gradually become mainstream. In the main time, with the impact of the global pandemic COVID-19, many media and entertainment companies have to make strategic changes to adapt to the changing market environment in order to survive in the digital trend. Lots of them started to expand their business to multi-areas to compete with other companies in the industry as well as to meet the customer's needs. Then, with the developments of the companies, there is a number of companies that are expected to be dominant in the next decade, including the Walt Disney Company because of its advantages and marketing and management strategies.

The Walt Disney Company has gone on to become one of the most diverse entertainment companies, hugely influential in the industry and internationally known, which ascribe to its mission statement "to entertain, inform and inspire people around the globe through the power of unparalleled storytelling, reflecting the iconic brands, creative minds and innovative technologies that make ours the world's premier entertainment company" to a large extent. It is indicated that Disney's ultimate goal is to make human society a better place and what they value the most are the people. Accordingly, in order to reach the goal, they have to strengthen their own power first and then utilize their professional skills, and innovative technologies, to benefit people. Not only the mission statement has led Disney to fulfill its goal, but it is also one of the main "principles" followed by Disney which allows Disney to manage the company and market the products in a unique way.

This paper discusses how Disney has the possibility of becoming a major dominant by offering the results of marketing mix 4Ps and SWOT analysis.

In the first section, the marketing mix 4Ps and its own unique strategies are stated to show how its effectiveness in branding and marketing. Then, in the second section, the SWOT analysis is used to show the status quo of the company's development. And in the last section, some suggestions are provided for the companies in order to consult and refer to Disney's development advantages.

2. Marketing Mix 4Ps

Disney's unique marketing strategy has helped itself to become a "premier entertainment company" in the industry. Its marketing mix is a crucial factor that makes it competitive or even dominant in the industry. Its 4Ps keep evolving.

2.1 Product

First of all, its diversified product is one of the major highlights which helps it to be differentiated from most of its competitors. Disney which started as an animation company has then launched a variety of products. Except for its initial carton productions, it gradually stepped into the media and

entertainment industry. Later, through expansion and diversification, Disney also added the product to the amusement park, resort, and retail industry. Now the company manages diverse product lines including Media Networks including cable, television, and radio programs; Parks and Resorts including Disneyland, Walt Disney World resort, and themed hotels; Studio Entertainments including motion pictures, direct-to-video content, musical recordings, and stage plays; And Customer Products & Interactive Media including books, magazines, video games, merchandise, and online video content. Besides, with the trend of the global market and the strategic change in business, future acquisitions of other companies by the conglomerate could lead to more products and new product lines. In this way, this part of the marketing mix reflects the degree of diversification of Disney's business.

2.2 Place

Then, the Place in Disney's 4Ps is also varied since it has different trade channels to deal with its different kinds of products such as movie theaters, Disney stores, official websites, mobile apps, licensees, and other parties including cable, satellite, and telecommunications service providers. The different distributions help Disney with operating their business in the global market in order to have better management.

2.3 Price

Disney's target customer is always the middle class. The pricing strategy is designed keeping in mind the mass population. Thus, the company chose to use the market-oriented pricing strategy, which is determined by the current market prices for the same or similar products, usually for films, and the value-based strategy, based on a consumer's perceived value of a product or service, for the amusement park and resorts. This part of the marketing mix could send margins soaring, especially if the company's product alternatives are weak.

2.4 Promotion

Finally, the promotion in Disney's 4Ps is also multiple, but the most distinct is still the most traditional way–advertising. They also use other promotion strategies such as direct selling involving communicating directly with other companies to gain access to different opportunities offered by Disney; Sponsorship refers to the company's sponsoring of different activities such as non-profit organizations; Sales such as Disney Outlets; And also public relations efforts which help to maintain a robust image of the brand.

3. SWOT Analysis

The Swot analysis provides a clearer perspective to demonstrate how Disney's management strategy makes the company more competitive, what opportunities can raise the possibility to make Disney dominant, and what weaknesses and threats should Disney address in order to better develop the company.

3.1 Strength

Yet except for the marketing mix strategies, Disney also has its unique marketing concepts. It tells stories that resonate and inspire, uses nostalgia to reinforce customer focus, strategically targets audiences through multiple channels, and remains consistent in its core themes and brand image.

As mentioned earlier, Disney is a pioneer in the industry and has a high reputation because it has many advantages. Disney has a high brand reputation because it has a long history and has produced many household animation stories and well-known characters. Then, it has a strong competency in acquisitions. In order to revitalize Disney Animation and own more IP, it also acquired many animation studios and entertainment companies such as Pixar and Marvel, as well as Hulu and ESPN in order to expand its business in streaming platforms and sports content. Through a series of

acquisitions, Disney has gradually expanded its intellectual property and international market presence to become a globally recognized media and entertainment company. Few other Disney competitors have such a successful acquisition record.

Furthermore, Disney's social accountability and its focus on sustainability are also one of the strengths of the company while marketing. As the sustainable market continues to grow, 73% of the global population is willing to change their consumption habits to reduce their negative impact on the environment. And more people began to care about the human rights of society. So Disney's contribution to sustainable development and public relations and social issues has greatly protected the brand image and reduced itself from damaging events.

3.2 Weakness

However, the company also has weaknesses such as being too dependent on North America, bad financial strategy, racism controversy, Covid-19 crisis, and few opportunities for significant growth through acquisitions. Although Disney operates in more than 200 countries, it relies heavily on the U.S. and Canada for revenue. More than 70 percent of the business's revenue comes from the US alone, while Disney's main rival media and entertainment Corp gets less than 50 percent of its revenue from the US, making it less exposed to changes in the US market.

3.3 Opportunity

With the growth of paid TV industries in emerging economies, Disney's opportunities have increased as well since it has already entered the market and applied more attention to this area in order to adapt to the trend. Besides, Disney has the opportunity to expand its film production to countries such as India or China where the film production industry has developed quality infrastructure. This will lead to lower production costs and more localized films for the Indian and Chinese markets.

3.4 Threat

During the Covid-19 pandemic, Disney is facing a serious threat because one of the main parts of Disney's business is the theme park with the resort. All the Disneyland parks were closed momentarily in March 2020, which caused the company to lose much of its revenue during the closure. As a result, Disney has been left with other businesses to make up for the damage caused by the pandemic. As it has multiple production lines, it could still make income with other areas such as the Media Network or the Customer Products & Interactive Media. While Disney has not suffered a catastrophic impact compared with other theme-park companies, it still has a lot of work to do to stay afloat.

4. Conclusion

With the rapid development of the Internet and digital media, media and entertainment companies have made great efforts to adapt to the development of the times. Different companies have adopted many different strategies to grow better, and some, such as media and entertainment giant Disney, show signs of dominating the industry over the next decade while maintaining steady growth. After using Marketing Mix 4Ps and SWOT analysis, Disney's marketing strategy, management advantages, future opportunities, weaknesses, and threats that need to be addressed are clearly listed. Although Disney is facing a series of problems, few of them pose a serious threat to the company.

Therefore, as long as Disney continues to capitalize on its strengths and seize opportunities, and resolve the problems effectively, Disney is likely to become the dominant brand in the industry in the next decade as its vision statement that "to be one of the world's leading producers and providers of entertainment and information".

As a successful and burgeoning brand, there are absolutely many lessons that many companies in the same industry could take to develop their own companies. The business enterprise has two and

only two functions: marketing and innovations. A business's purpose is to acquire and maintain customers. And Disney's main marketing strategy is to improve customer satisfaction. As mentioned in the Disney Mission Statement, customer focus is the most significant, and more importantly, the business of a media and entertainment company is to entertain the people. Thus, most of an entertainment company's decisions should revolve around people, such as what customers want or enjoy from the company's products, or to set prices based on target customers' expectations in order to make all customers enjoy reasonable prices. Then, innovation is also indispensable. Companies should keep innovating and keep exploring new areas. It is important to constantly develop new applications to meet the customers' needs and bring them new user experiences. Finally, it is extremely necessary to diversify the company's business field since it could help the company acquire and maintain customers with different needs in different areas.

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