

# Walt Disney's Company SWOT Analysis

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**Abstract.** This article discusses the background of Disney by collecting their various materials from the Internet, and some of their marketing and business means. analyzed some methods and their recent financial statement information, can find each period has different stock prices related to the event and the new products and services as well as the results and findings also illustrated the future development and current strategy. This found that their strategies still have some problems and can be improved. Using the method of doing some real experiments such as some questionnaires given to strangers and writing their real ideas about the Walt Disney's lack and how this company can improve and something the consumers like also something they do not like is also very crucial This research significance can help Disney do better and stronger in the future, not only in the entertainment industry but also in other industries.

**Keywords:** film; movie industry; entertainment; business; and marketing strategy.

## 1. Introduction

The background of Walt Disney is a man called Walt Disney was keen on making the cartoon when he was young in 1922 he and his brother create a cartoon studio. They hire a worker called laugh O'Brien who successfully creates the first cartoon film [1]. Disney is facing more competition on many fronts and, like other media and entertainment companies, must continue to adapt to a changing technological and social environment. However, because of many debts and money flow problems, they shut down the company and start a new studio with their friends in California. In 1971, the first California amusement park opened and then spread all around the world, the Walt Disney industry has more profit and become more commercial [2]. Disney and its spectacularly successful theme parks are analyzed through the lens of its consumers. We focus on how Disney manages the consumption experience and discuss Disney strategies from several perspectives. Disney provides a paradigm for contemporary consumption. A framework is presented to understand consumption in Disney and Disneyesque settings. Finally, we offer cautions and critiques regarding such strategies—a guide for the informed consumer [3]. The organization's customer service philosophy was established over 35 years ago by its founder. In 1983, another marketing plan is to have Disney movies expand into the TV industry, people should pay and subscriptions, which make the company even more profitable [4]. we have investigated the efficiency of two valuation models, discounted cash flow method and residual income method respectively. Some companies such as tourism: Tourism can be said to be one of the most important sources of income and foreign exchange, and it is growing rapidly. However, national and international crises can have huge negative economic consequences. The crisis management of tourism aims to explain the theory and actions that can be taken to better understand consumers, the economy, and the environment So that relevant enterprises can prepare for such events and how to deal with business during the crisis.

Overall, this article is all about the analysis of the company now and future, including film description, commercial analysis, SWOT analysis, conclusion, and some personal opinions and suggestions. In addition, this article provides the stock price and has some diagrams to illustrate the following development between 1968 to 2022, as the picture shows the stock price has gone up drastically. Finally, the conclusion summary that the whole article's strengths and drawbacks, also some of the contents lack and can improve next time.

## 2. Firm description

### 2.1 Background information

In 1932 Walt Disney created his cartoon film *Flowers and trees* to win the first Oscar. After that, they decide to develop a new area they have not tried before, which is one of the strategies. They invite an actor to dub the movie called Mickey mouse and this is the first try of the whole industry. Then, they realize the movie industry can have expanded products to become more entertainment and commercial. They start to combine the famous actor and visual characters and make the film *Mary Poppins*. A few years later, they expand their industry and try different areas like DVD and some theme park which is very popular nowadays.

### 2.2 Business, financial situation

Walt Disney had enough money to purchase famous companies like Pixar for 7.4 billion and Marvel for 4 billion to attract more consumers and fans. In 2019, Walt Disney had a huge achievement in the movie industry, they occupied 40% of America's box office. In addition, they expand some other services like DVD and so on. This made Walt Disney a great success in the entertainment industry. However, the publisher hire many workers from the Walt industry and the contract said he does not have the copyright to publish the movie, this leads to reduce the majority of workers from the Walt Company, and as the result, it may cause a problem for increasing the unemployment rate.

### 2.3 Stock price

In 1968, the Walt Disney company remain at 10 until 1986, at that time they have not made many products or services just concentrate on the movie industry. According to the diagram, after 1986, between 1992 to 2000, the theme park has open all around the world, after that the Disney theme park received a lot of fans and attracts more consumers. Then between 2004 to 2022, they have a huge increase during that time, the company starts to realize they have to purchase other competitors to increase the areas of entertainment, which is reaching a peak at above 125. As we can see the following data show a lot of investors invest in Disney because they found that they will have more profit after a few years as they found Disney has many prospective to expand their original product-movie.

Walt Disney transaction name is Post-IPO Debt, Investor has 1, Funding rounds is 2, Total funding account is approximately 11 billion US dollars, Number of investments is 50, Number of lead investments is about 35 and Diversity investment is 5.

## 3. Market and business strategies

The first is to increase network visibility. Disney will invite some celebrities or Internet celebrities to carry out large-scale publicity to increase their popularity [5].

The second is to build a strong brand, and it starts with popularity. A strong brand can sell anything, just like Disney's watches and clothing are now loved by their fans.

Third, many products need to be integrated, and adapting to society is also one of their strategies. Because different countries have different religious beliefs and laws, they should adapt to the tastes of urban people and make changes [6].

Fourth, Disney has very good translations. The languages in different countries are different. With good translations, they can translate their movies better and gain fans.

Fifthly, Disney has many advertisements, which is one way to improve its popularity. Advertising can let people know more about Disney, and the current situation of Disney has been pursued by many young people, and it is a fashion behavior that people understand [7-9].

Sixth, Disney employees have a strong corporate culture and social responsibility. Disney's corporate culture is to reduce the adverse impact on the community environment. This is why Disney is famous.

Seventh, consider the legal and cultural differences in the region. The culture of each country is different. Disney needs to modify their films to conform to the local culture.

## **4. SWOT analysis**

### **4.1 Strength**

Disney's advantage is that it has a good brand image. As Disney publishes some new products and services has a strong impression and more popularity than other brands and the majority of people will like it because the brand is Disney and this is the kind of fashion trend that most people are following mentioned above, some reduce the impact on the environment, so it is very good for people's view of Disney. In addition, the increase in tourism is also due to Disney, because many people will choose to visit Disney during summer or winter vacation, so this is also very good for the tourism industry [10].

### **4.2 Weakness**

Disney's disadvantage is that every country has censorship, and it is very strict with the culture of foreign countries. Therefore, foreign theme parks or films entering different countries have different legal provisions and some prohibited things. The second is market crowding out, because, in some countries, many film industries account for the proportion of their countries. More, the market share will be occupied by most of the local film industry, so Disney does not have much advantage in this. The third is a very large enterprise, and the risk is relatively high because once Disney invests in this city, but fails to achieve the target profit, they will also lose money.

### **4.3 Opportunity**

Their opportunity is that Disney can introduce private equity. The introduction of private equity is to find some suitable investors and invest in Disney to solve some capital problems and management team issues. This will make Disney develop better, open more overseas markets and increase their profits. For example, some funds and charity programs may encourage people to go to Disney like watch Disney movies or go to the Disney theme park to consume, because Disney has more infrastructure or a better environment and new ideas compared to other brands. Doing more charity work will increase their popularity and people will think Disney is a very good brand and may consume more in Disney.

### **4.4 Threat**

At the same time, there are also some great risks. For example, the pressure of competition is great, because they do not have a large share in the market. For example, Disneyland is an entertainment industry, and there are many other theme parks such as Universal Studios and Harry Potter are their competitors. They need to make constant changes in the environment to attract more consumers. Become their fans. Otherwise, some business inferences and financial analyses made by them are useless. Therefore, there will be some great competitiveness and great pressure on Disney.

## **5. Future suggestion**

In the future, Disney can develop its own brokerage company and train artists to shoot Disney films. This not only saves the cost of hiring actors but also opens a new field. What say is that more fields can be developed, not only in the entertainment industry but also in furniture related to Disney, so that their turnover can be higher. [8]The last point is that there are many ways to solve the problem. Often, large companies will encounter a financial crisis or financial crisis. They should prepare more plans to solve such problems, not only an emergency plan. They can consider the problems from multiple perspectives, which will be more comprehensive [9-10].

## 6. Conclusion

This article is about the analysis of Walt Disney Company, and it includes some strategies that this company use. A lot of research shows that marketing and business plan are all based on Walt Disney's interest in cartoons in the first place and then his brave to try entertainment as the result he is a success. His team can do many marketing plans like some advertisements and purchasing the competitor to reduce the amount of peer pressure during that time.

A lot of research and find out that Disney company has a lot of choices and some expanded products such as some amusement parks, some Disney clothes, and so on. However, although the company has great popularity and is a well-known brand, it must share with other competitors, especially in the foreign market. Disney may have the monopoly to increase the profit and expand a lot more ranges of products and increase its effectiveness to people who consume Disney also, different countries have different laws and beliefs, so Disney should change the taste of every single country to ensure that they are profitable and be able to expand some other services in that country in the future.

The data and some part of the article are not very completely researched because this analysis may have many effective factors and some external effects have not thought about it such as some natural disasters, which we cannot avoid it. So that will be an unsure factor in the future.

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