

Hollywood and porter diamond model essay



**ASSIGN
BUSTER**

Hollywood is the biggest film industry in the world and for over six decades it has been a benchmark in film making and entertainment marketing in the world. Number of reasons has contributed to Hollywood success over the years, to highlight them this paper will categorize them as per porter diamond model. Factor Conditions – The recent Oscar awards illustrated the contribution of factor condition in the success of Hollywood. All the four top acting awards were won by foreign actors in the movie made by Americans. Hollywood is the center stage for best talent across the world and everyone wants to come to Hollywood to prove themselves as an artist. This makes Hollywood a meeting point of brilliant minds which results in brilliant creation. Related and Supporting Industries – Hollywood today is more recognized as entertainment hub rather than a tradition art hub. The reason for it is the competitiveness of art and entertainment industry in United States. To be a success in United States a movie not only has to be good but it also has to be backed by strong marketing strategy.

Presence of record companies and big production houses provide Hollywood to produce goods which are universal in appeal. (Porter, 1990) Demand Condition – The demand for entertainment in United States is huge and one of the binding factor is English language. Unlike Europe where even though domestic demand in each country is strong but movies have to be language specific. In United States the domestic market provide enough scope for people to experiment and make different product to cater to different segments. Firm Strategy and Rivalry – There are six major production houses in the world and all are present in Hollywood.

Their presence not only depicts the strength of Hollywood but also amount of competition in the industry which push players to come up with new and creative products. Finally the support of government also played an important role in growth of Hollywood as the industry is always perceived as an exporter of American way of life to the rest of the world. (Kotler, 2006) 2- Select an entrepreneurial firm you are familiar with in your local Research the company and discuss how it has positioned itself relative to its close competitors.

Does it have a unique strategic advantage? Disadvantage Explain The entrepreneurial firm in my neighborhood is known as ‘Cool Couture’ and it sells high fashion men clothing. Unlike most specialty retailers like Gap it manufactures its clothes in United States and the unique selling proposition of the company is that its collection is reflection of latest fashion. All the Stock Keeping Units are for maximum four weeks in the store. To keep such high turnover rate the company manufactures in very low quantity and only established and latest fashion trends.

The clothes which are not sold in four weeks are taken off the shelf and there are no season ending sales in the store. The store is positioned as one selling only the latest fashion and is very popular among high fashion conscious customers. The store's customers are very loyal breed as they don't get the same clothes anywhere else, secondly they pay high price for the exclusivity of the products. The disadvantage of such strategy is that it can upscale such operation on big scale and enjoy the economies of scale. (Kjeldsen-Kragh, 2002)