

# [A case analysis of cirque du soleil](https://assignbuster.com/a-case-analysis-of-cirque-du-soleil/)

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Cirque Du Soleil is a company that has built its success on its ability to be creative and innovative. It has successfully developed a new market and continued to expand on that market. This makes Cirque Du Soleil an example of a company that has creativity and innovation at its base. The following paper will focus on Cirque Du Soleil as a creative and innovative company. It will consider its product and creative strategy. It will look at the structure of the company and how this enhances creativity.

Finally, it will look at the threats facing Cirque Du Soleil and what the company can do to ensure its ongoing success. Cirque Du Soleil's product is a performing circus. The basis of the company is a show combiningmusic, dance, and theater. The show uses acrobats, gymnasts, clowns, and other performers. The show also uses a type of music based on a created language. The purpose of the music is to transcend cultural boundaries and make the show accessible to everyone. The company's show is also multicultural in nature. It is designed to reach the widest audience possible.

This is done by using the music that is not based on any real language. It is also done by using performers from around the world. The company is global and shows are performed throughout the world. Cirque Du Soleil has also expanded into other areas. This has included releasing two films and a television special. This has also included ventures in publishing and merchandising. Cirque Du Soleil also opened a permanent theater near Disneyland, Florida, in 1998, with the theater including a Cirque Du Soleil store. These expansions show that the company is diversifying in a creative way.

The expansions are all based on ways to increase the value of the Cirque Du Soleil show. This shows creativity, not in creating new things, but in finding new ways to benefit from the basic product of the company. The organizational structure of Cirque Du Soleil is based on recognizing the value of the performers. Thecase studydescribes the former tour director Vincent Gagne stating that he always emphasized to tour staff that they were there to serve the artists. This shows that the artists are recognized as representing the value of the company.

The other services then become support services. This is not a case where the artists are at the top of the organizational hierarchy. However, it is a case where the artists are recognized as delivering the service that allows the organization to succeed. Gagne also suggests a good metaphor for the organizational structure, which is that of a circle. The performers can be considered as being at the center of the circle. They do not have high positions or decision-making authority, however they are the basis of the organization. The support staff are in the next circle.

They have greater decision-making authority, but their work is defined by their need to satisfy the performers. Several of the employees described in the case study are in this level and they all describe their work as being focused on the performers. Gange does this when he states that the tour staff and technical people have to realize that they are there to support the artists. The casting director for Cirque Du Soleil, Cantin, describes how she looks for performers based on whether they will be able to fit in at the company.

This shows that the performers are central to the organization and to the decisions made. In the final outer layer of the circle are the upper management. They have the greatest decision-making authority, but they are also operating based on pleasing the performers. This structure supports creativity because it puts the creative people of the company as central to its functioning. At the same time, the decision-making being at higher levels allows the creative people to be free to create and be innovative, without having any concerns related to how the company functions.

Another key part of the organizational structure is that it is informal. This is seen in the case study, where Gagnon describes the company as not having a handbook on employee conduct. It is also seen in the case study where Gagnon describes employees as being fired and then rehired. Gagnon also describes an employee newsletter where employee's uncensored comments are published. These all show an informal structure and an organizationalculturethat is based on employee freedom and low authority over employees. Schein (2003, p. 121) notes that a culture of freedom increases employee creativity.

Daft (1997, p. 325) also notes that " many organizations today are becoming less formal in order to be flexible and responsive to a changing globalenvironment. " In the case of Cirque Du Soleil, the structure has always been informal and this allows it to encourage creativity and be more flexible and capable of change. One of the key environmental challenges is related to the artists and performers. It has been noted that the artists and performers are central to Cirque Du Soleil's product. This makes ensuring the good performance of the artists a key concern.

There are several factors that are risks for the company. The first is that the artist's may rebel against the company. The case study notes that this occurred in 1987 and 1988, when many performers rebelled over concerns that management was not doing what was best for them and that the company was not operating based on the original spirit of the group. As the company expands furthers, it seems reasonable that the performers may again feel that the company is not operating in the same spirit as before. This is especially likely to occur as the company becomes more focused on finances.

This may lead to either artist rebellion again or to artists leaving the show. Another problem related to performers is the high injury rate. The case study notes that 37 injuries were listed for 57 artists three-quarters of the way into the United States tour of the show Dralion. This shows an ongoing problem that has the potential to reduce the quality of the show produced. Finally, the work of the performer is demanding, with the case study noting that many performers leave because they cannot handle the touring life. These problems related to the performers are critical ones for two reasons.

Firstly, the performers are the basis of the company's product. Secondly, finding, hiring, and training employees is a considerable expense. This makes it crucial that Cirque Du Soleil find a way to manage employees effectively, while promoting their creativity. Another challenge that faces Cirque Du Soleil is based on one of its key success factors, which is its ability to offer a new and unique show that impresses the audience. There are two main reasons that this ability to astonish an audience may be lost. One of them is seen in the experience of the conductor at Cirque Du Soleil, Oberacker.

Oberacker notes in the case study that he is not as highly impressed with the show as the audience is. He links this to his experience on Broadway and notes that he has seen more astonishing things. He also notes that the shows ability to impress is not based entirely on the artists, but on how it is presented with lights, costumes, and music all adding a larger sense of awe. There are two potential problems that this indicates. The first is that other companies may realize the success factors of Cirque Du Soleil and become direct competitors.

Currently, theater companies, drama companies, Broadway shows, and operas are competitors in the entertainment market. However, they target a high social class and tend not to be accessible to the general public. Cirque Du Soleil is offering a similar product, but it is targeted to a more general audience. This leaves the possibility that the competitors mentioned above will adjust their marketing strategy and become direct competitors of Cirque Du Soleil. One source notes that this is a significant problem for companies that are based on one specific product (Kotler, Armstrong, Brown, & Chandler, 1998).

This is true for Cirque Du Soleil since even though they have diversified into new areas, their basic product is the performance they offer. If other companies start to compete with similar shows, Cirque Du Soleil will lose a significant part of their market. The other problem is that audiences may become used to the show and its elements. If this occurred, the show would not create the same sense of astonishment in an audience. This is also related to the perception of the product. Perreault and McCarthy (2000) note that a product's success is not based on the product itself, but on how well it meets or exceed expectations.

For the astonishment factor to be achieved, Cirque Du Soleil need to exceed the expectations of customers. With the excellence and quality of the show is generally recognized, this leads to increasing customer expectations. The end result is that Cirque Du Soleil has to constantly improve to remain impressive. To remain successful, Cirque Du Soleil has to manage creativity and continue to innovate. One change that may be required is to take the emphasis off the performance requirements of the show. The case study notes that the number of shows has increased.

The question this raises is how Cirque Du Soleil can continue to create new shows that will have the astonishment factor. It is suggested that this could be achieved more successfully if the company limited the number of shows produced. This would create a demand for the product. This strategy takes into account that the success of Cirque Du Soleil relies largely on its image, where the show is recognized as something astonishing and unforgettable. If this quality is lost, the entire company will be at risk. This suggests that limiting the amount of productions would be effective.

It would allow artists and performers to concentrate their creativity on creating one show of the highest quality. This strategy would also be an effective way of managing performance staff. Performance staff would be heavily involved in development and be the creative force for the new shows. With a significant amount of time available for development, performers could innovate, experiment, and develop new ideas. At the same time, their energy would be better directed into the shows because the demands would not be as high.

Revenue could then be increased for Cirque Du Soleil by focusing more on merchandising and finding other ways to increase income. This focus is based on recognizing that Cirque Du Soleil's reputation makes it a brand, where a brand's value is not just based on a product or service, but based on a perception about the company overall (Reynolds, 2004). Cirque Du Soleil has a strong brand and could diversify by increasing the number of ways that additions are made to the brand. This would allow the company to continue to grow, but in a way that does not place additional demands on the basic performance product.