

# Baywatch case study essay



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Question 1 – What are the major strategic factors in the decision to relocate the production of Baywatch? What were the strategic implications of this intended strategy? There were three key strategic factors in the decision to relocate the production of Baywatch. These include: Re-energise the show; save money and improve ratings. After a number of years at the top of the ratings, the show began to experience a decline.

In 1998, the show's producers realised a need for change in order to entice viewers back. After initially looking throughout America for a new location, the producers looked further abroad at areas such as Europe and Australia. Sydney was a key candidate due to its surf beaches and culture as well as being the host for the upcoming Olympic Games. The change of location would not only re-energise the show, however provide significant media coverage, resulting in increased interest upon commencement of the new series.

After so many years at the one location, story lines were wearing thin. Viewers became disinterested and ratings began to decline. Los Angeles was becoming increasingly expensive as the production location. Furthermore, the state of California acknowledged that it could no longer feasibly provide concessions to the local film industry due to the cost involved. For this reason, producers realised that it may be viable to relocate the production to another location, resulting in overall lower costs and potential increased income. The weak Australian dollar was also attractive to the show's producers.

This meant that they could save up to 30% on equipment and other costs. Additionally, the range of potential locations began to realise the advantages of having the production relocated to their area. This meant that the producers were able to command terms of the relocation. A \$2 million payment was requested of the Federal Tourism Minister of Australia to cover relocation costs along with unforeseen costs associated with the move. Similar requests were made from other candidates. The previous year, producers had shot two episodes on Sydney's Avalon Beach and surrounding beaches. The success, both financially and in ratings, made this location first choice. The two pilot episodes shot in the previous year had proven that relocation, not necessarily to Australia, could be the key to re-claiming the ratings that the show once commanded. There were a number of strategic implications of the strategy that was used. Despite the effort and negotiations with N. S. W and the Federal Tourism Minister, Baywatch's bid for Avalon as the new location fell through, due to local outrage and protest.

This resulted in a loss of leverage created by placing N. S. W, QLD and Hawaii into direct competition. After a long and arduous process of negotiating the new location, both N. S.

W and QLD bowed out of the running, leaving Hawaii as the key location. Production in Hawaii did not provide the changes desired and eventually resulted in greater financial issues. David Hasselhoff, the show's star, left Baywatch landing another blow for Baywatch producers. We can see through this Case study that Baywatch Producers attempted to take advantage of nonmarket avenues in order to re-invent their show. This resulted in a mixed

range of reactions from bidders for the show, who were lacking in information, particularly regarding producers claims.

After two strategies failed, the producers chose a quick strategy, resulting in ultimate failure due to lack of planning and foresight.