

# Analysis and value chain analysis essay sample



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The report provides knowledge about strategic management of Disney. In addition to this, the report provides knowledge towards industry with the help of porter five force analysis. The internal business atmosphere is analyzed based on VRIO frame work. And the external business of the company analyzed by the PESTEL framework.

Disney is everywhere these days, but almost hundred years ago it all started with one idea, cartoons. The Disney company have five major divisions which are Media Networks, Parks and Resorts, The Walt Disney Studio, Disney Consumer Products and Disney Interactive. Strategy is defined as the plan of action for a long term goal. Disney aim is to gain global dominance in producing and providing entertainment and information by making the advantage of wide variety of brands to be unique in our products and services (Walt Disney, 2017).

The mission statement represents that they have a clear goal to achieve best entertainment in the Future. The main strategy of Disney is to develop the best and innovative products in the entertainment industry. The vision of Disney to satisfy and make happy their customers and stakeholders by providing better product and services . The net income of the Walt Disney company in the year 2016 is about 9. 39 billion U. S dollars which is higher than the previous year.

Entertainment operations, led by the Disney is comprised of more than 50 positions in several departments including adults and family programming, Youth activities, Port Adventures and recreations, Technicians, Main stage and characters performers and musicians. The top strategies of Disney to

create a customized media advertising plan for all segments of entertainment. Next is to target three new markets and develop expansion plan around consumer products. Bank marketing strategies and promotions are the other ventures of the company for their adverse conditions or slow periods.

Competitors are very high for Disney across its various Markets. The key competitors are Viacom (VIA), Time Warner (TMC), 21st Century Fox (FOX), CBS and Com-cast. The competition of Disney's products mainly through TV, cable and other media markets. The political environment has a major role in the entertainment and amusement industry. If a country is politically unstable all the sectors have a negative effect. The international political and military environment also have major impact on the working of an organization like Disney (Walt Disney, 2012).

For example, Disney working in China is very dependent on the government regulation and it is also under government control (China Daily, 2011) The economy is the main element for whole tourism industry. Economic factors such as exchange rate, recession are the major stream elements for a company like Disney. The income from Walt's Disney theme park declined up to 4% while net income for the company was around \$1. 4 billion which was lower than \$4. 7 billion earned in the year before.

Consumers life style has a strong role in tourism industry. Disney mainly operates by focusing on the development of entertainment content. The difference in the economy will affect the purchase behavior of the

people. Walt Disney has faced lower income when economic pressure affects the people (Walt Disney, 2012)

Technologies and innovations have a major role for a company like Walt Disney. The introduction of Blu-ray causes the producers to offer the version in Blu-ray (Walt Disney, 2012). The entry of mobile games is another main change in the technical field of the company. In the field of advertisements such as search engine or social media are new marketing techniques.