Case study disney essay

Art & Culture, Music



A Case Study on 02/11/08 02/11/08 Agenda > About Disney > Divisions of Disney > A bit of History > About the CASE > SWOT Analysis > Its Current Executive Management > Recommended Organizational structures ? Model 1 ? Model 2 ? Model 3 02/11/08 About Disney > > > The Walt Disney Company (most commonly known as Disney) (NYSE: DIS) is one of the largest media and entertainment corporations in the world. Founded on October 16, 1923 by brothers Walt and Roy Disney as a small animation studio Today it is one of the largest Hollywood studios and also owns eleven theme parks, two water parks and several television networks, including the American Broadcasting Company (ABC). Disney's corporate headquarters and primary production facilities are located at the Walt Disney Studios in Burbank, California, USA.

The company is a component of the Dow Jones Industrial Average. It had revenues of \$31. 9 billion in 2005 02/11/08 Continued.....

> OnJune 12, 2006 Disney Mobile phone service is launched > On January 23, Disney announces a deal to purchase Pixar Animation Studios in an all-stock transaction worth \$7. 4bn > In July 2006, the Disney film Pirates of the Caribbean 2 is the highest grossing movie in opening weekend history at \$135, 000, 000 USD > Employees: 133, 000 (2006) 02/11/08 Divisions of Disney 02/11/08 Divisions of Disney Media and Entertainment ? ? ? ? ? ? American Broadcasting Company Buena Vista Distribution Buena Vista Motion Pictures Group Walt Disney Studio Entertainment Walt Disney Parks and Resorts Disney Consumer Products 2/11/08 A bit of History For more than eight decades, the name Walt Disney has been preeminent in the field of family entertainment. From humble beginnings as a cartoon studio in the

1920s to today's global corporation, The Walt Disney Company continues to proudly provide quality entertainment for every member of the family, across America and around the world? Disney Legends The Disney Legends program was established in 1987 to acknowledge and honor the many individuals whose imagination, talents, and dreams have created the Disney magic. Since its inception, the program has honored many gifted animators, Imagineers, song writers, actors and business leaders as having made a significant impact on the Disney legacy? The Walt Disney Family Museum The Disney Family Museum Web site is produced and maintained by the Walt Disney Family Foundation, a nonprofit organization. Founded in 1995, the Foundation strives to promote education, writing, and scholarship about Walt Disney To read more on history of Disney you can visit: http://corporate.disney.go.com/corporate/complete history.

Standardization Target Customer: Children Creative Process Popular Brand Name Diversification Disruption WEAKNESSES • • • • • High sunk cost Excessive Research & Development Constant Up gradation High Investment High Risk Factor 02/11/08 SWOT Analysis...OPPORTUNITIES • Merchandise • Global Localization: Think global, Act Local • Characters of national or regional appeal • Cheaper alternatives to soft toys • Disney Music Channel • Disney School of Management/Training Institute • Competitors: National, Regional & Global • Employee Retention • Highly Demanding in terms of Sales, Creativity and Innovation • Unprofitable or hasty acquisition • Brand Consistency 02/11/08 • Product Differentiation THREATS Factors Internal • • Creativity Management Resource Management Task specific work culture Target oriented approach Buying Behavior Preferences Psychology Marketing Pattern Differentiation Sales Turnover Customer Satisfaction External • • • • • • 02/11/08 Its Current Executive Management Robert A. Iger - President and Chief Executive Officer, The Walt Disney Company CORPORATE BUSINESS UNIT Walt Disney International: President The Walt Disney Company: Senior Vice President, Senior Executive Vice President, Executive Vice President Disney Media Networks: Co-Chairman The Walt Disney Studios: ChairmanABC: Co-Chairman and President Disney Consumer Products: Chairman Walt Disney Parks and Resorts: Chairman 02/11/08 Walt Disney Internet Group: President Ways to Structure a Business > By function: arranging the business according to what each section or department does > By product or activity: organising according to the different products made > By area: geographical or regional structure > By customer: where different customer groups have different needs > By

process: where products have to go through stages as they are made 02/11/08Functional Structure Advantages > > Specialisation - each department focuses on its own work Accountability - someone is responsible for the section Clarity - know your and others' roles > > > Disadvantages Closed communication could lead to lack of focus Departments can become resistant to change Coordination may take too long Gap between top and bottom 02/11/08 Organisation by Product/Activity Advantages > > 02/11/08 Clear focus on market segment helps meet customers' needs Positive competition between divisions Better control as each division can act as separate profit centre > > Disadvantages Duplication of functions (e.g. different sales force for each division) Negative effects of competition Lack of central control over each separate division Organisation by Area Advantages > Serve Disadvantages > etter > Positive competition > More effective communication between firm and local customers 02/11/08 local needs > Conflict between local and central management Duplication of resources and functions Recommended Organizational structures 02/11/08 Model 1 - SBU Chief Executive President and Board of Directors SBU 1 SBU 2 SBU 3 SBU 4 SBU n Geographical Functional 02/11/08 Model 2 - Matrix structure 02/11/08 Model 3 - Cross Functional 02/11/08 Questions??? 02/11/08 Thank You!!! 02/11/08