Walt disney company marketing

The Walt Disney Company (the Company) was founded by the brothers Walt and Roy Disney as a small animation studio on October 16, 1923. Since then, it has become one of the biggest Hollywood studios, and has expanded its business to include several television networks, including the American Broadcasting Company (ABC) and ESPN, and eleven theme parks.

The Company is the second largest media and entertainment corporation in the world, after Time Warner, with its corporate headquarters and primary production facilities located at The Walt Disney Studios in Burbank, California.

Environmental Factors Since the Company engages in both domestic and global operations, its marketing decisions are affected by environmental factors at both levels. The Company considers the political and legal, economic, social and cultural and technological environment at both the domestic and global levels. Legal and legislative forces are usually identified as being negative factors to a company. Ironically, in Disney's case, the French government contributed greatly in the Euro Disneyworld project by investing over USD 1.

2 billion in the project, building communication facilities, and giving Disney tax relief's on cost of goods sold accounts.

Economic activities in our country, as well as abroad, affect the performance of the Company. If there is a depression in Europe, Euro Disneyland may operate on a loss, meanwhile, the operations in Japan would be able to cover-up the losses by boosting operating revenues. The four P's of marketing are adjusted to minimize the threats and take advantage of opportunities arising from the economic environment.

In 1997, The Southern Baptist Convention (SBC) votes to boycott the Company over opposition to the latter offering equal health and other benefits to gays and lesbians, as well as Disney allowing outside organizers to have " Gay and Lesbian Days" at Walt Disney World (Gay. Com, 2005).

This is an example of how a socio-cultural factor affects the Company's marketing strategies. In this particular case, the Company chose to ignore this threat which led to the eventual surrender of the SBC (Gay. Com, 2005). The impact of technology will be further discussed later in this paper.

These factors present opportunities and threats. How the Company deals with these external factors ultimately affect their marketing decisions. Impact of Technology Technology has a huge impact on the Company's marketing decisions, since they are engaged in the media and entertainment business. Technological factors such as efficiency of infrastructure, new services of competitors, cost and accessibility of electrical power, as well as any new technology relevant to the company influence the Company's strategic and operational marketing decisions. Taking advantage of these factors spells success for the Company.

In its animation business, the Company has taken advantage of the new animation technology offered by Pixar, which transformed Disney " whose own animated films have been less than spectacular in recent years, into the animation dynasty it was during the early 1990s, when it turned out such hits as Beauty and the Beast and Lion King” with films such as Toy Story, Monsters, Inc.

, and The Incredibles (BusinessWeek, 2006). The new technology has enabled Disney to offer fresh, new animation films to its consumers who have apparently shifted its preference to this new type of animated films.

The Company has a strategy of “ leveraging technology to create and deliver high-quality entertainment around the world,” and consistent with this, has taken over Club Penguin, “ one of the fastest-growing online virtual worlds for kids” (CNW Group, 2007). Technology has also created a marketing advantage for the Company in terms of the distribution of its products, especially because they engage in global operations. Through access to thousands of subscribers, the Company is better able to distribute its products, and has also an opportunity to offer new services through this online virtual world.

Technology affects the four P’s of marketing, as well as the industry landscape.

Seizing opportunities technology has to offer and responding to the threats it presents are the keys to successfully promoting the Company’s products and services. Importance of Social Responsibility and Ethics Social responsibility is defined as the ethical or ideological theory that an entity has a responsibility to society, which may either be “ negative,” meaning that the entity should desist from doing something or “ positive,” which means that such entity should accomplish something.

A discernment of ethics, which is a system of moral values, and a sense of social responsibility are important because they ensure that an organization's marketing is morally sound. The objective of marketing is to be successful in selling a product or service that people not only desire, but are willing to buy. In order to do this, the Company must not only be able to deliver quality, prompt services, but also gain a competitive advantage relative to its competitors. There are many ways of going about this, some of which are shady practices, such as smear campaigns against the Company's rivals, and false advertising claims.

Usually, such devious practices are the easiest way to achieve the entity's goal. Having a sense of social responsibility and ethics serves as a moral compass which points the organization towards the proper way of formulating and executing their marketing plans to achieve success. Walt Disney Company remains committed to the " the highest standards of corporate responsibility, which includes a continual focus on environmental issues" through the Environmentality™ initiative which " began 16 years ago and thrives today as a Company-wide effort that promotes environmental initiatives throughout our various businesses" (Disney, 2006).

In 2006, the Company hosted the inaugural Environmentality Summit, " bringing together more than 50 of Disney's environmental leaders to encourage solutions-oriented discussions about environmental issues," as well as " reduced energy consumption by nearly 57 million kilowatt hours at the Walt Disney World Resort" (Disney, 2006). The Company has consistently incorporated these values in the marketing of their business, specifically brand management.

References

BusinessWeek (2006). Disney-Pixar: It’s a Wrap. Retrieved May 22, 2008, from http://www. businessweek. com/technology/content/jan2006/tc20060124_959402.

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