**Section 1:**

**Requirement: Answer the question more than 300 words.**

Review/Analyze Case 20 – Walt Disney and share your thoughts on the following questions.  Please organize your response by the question number.

Q1. What is Walt Disney Company’s corporate strategy?

Q2. What actions do you recommend that Walt Disney Company’s management take to improve the company and increase shareholder value? Your recommended actions must be supported with a convincing, analysis- based argument.

Q3. After reading several of these case studies, briefly compare and contrast them.  Do you believe you would have the knowledge and skills once this course is complete the write one yourself?

**Section 2:**

**Requirement: response and common on answer 1 and answer 2 separately, 250 words for each one.**

Answer 1:

Q1. What is Walt Disney Company’s corporate strategy?

          Walt Disney Company’s corporate strategy was to create high-quality family content, exploit technological innovations to make entertainment experiences more memorable, and international expansion (Thompson, Peteraf, Gamble, Strickland, 2014, p. 276).  The Walt Disney Company decided to enter the industry of gaming by acquisition of Playdom for its capabilities (Thompson, et al., 2014, p. 277).  The Walt Disney Company also acquired marvel and Pixar to enhance its resources and capabilities of animation (Thompson, et al., 2014, p. 277).  The company also purchased television networks to support international growth in India, China, Russia, and Turkey (Thompson, et al., 2014, p. 277).  The Walt Disney Company invested more capital into its core businesses such theme parks and resorts and cruise lines.  The company utilized this capital to enhance Disney California Adventure park and purchase two new cruise ships (Thompson, et al., 2014, p. 278).  The company leveraged cross-business value chain relationships by showcasing their highest grossing films within the theme parks (Thompson, et al., 2014, p. 278).  Lastly, international expansion was pursued by increasing the reach of Disney Channel and opening a new attraction in Hong Kong Disneyland and developing Shanghai Disney Resort (Thompson, et al., 2014, p. 278).

Q2. What actions do you recommend that Walt Disney Company’s management take to improve the company and increase shareholder value? Your recommended actions must be supported with a convincing, analysis- based argument.

          Overall, the Walt Disney Company is doing well with developing corporate strategy and implementing this strategy throughout its businesses.  The revenues from 2011 show a continuing increase at $40.8 billion (7.4%) (Thompson, et al., 2014, p. 278).  The current ownership of some of the most popular and profitable networks such as ABC, ESPN and its sister stations, A&E, and Disney are good assets (Thompson, et al., 2014, p. 279).  I would not recommend divesting any of these at the present.  The operating income from the media networks has continued to increase to $6.1 billion in 2011 (Thompson, et al., 2014, p. 180).   I would recommend the continued growth and innovation into media streaming for these networks.  It might be interesting to have pay-per-view for media streaming for customers who want to watch a game live but have no access to a television.  This idea could be expanded to include the availability sneak peeks of television shows from the networks for purchase via media streaming.  The highest profits are realized from Disney’s theme parks and resorts at $9.3 billion in 2011 with operating expenses as high as $7.3 billion (Thompson, et al., 2014, p. 282).  The operating expenses are a good investment in that they help the company maintain its brand.  One recommendation would be to further capitalize off these characters from the Disney brand by creating an opportunity for hiring the characters.  The Disney stores could begin to offer the hiring of characters for events and parties.  This would be especially popular for children’s birthday parties.  I would recommend more international expansion in the form of more theme parks.  However, considering the price of real estate in Europe and the unstable political environments of some, the current expansion will suffice.  I would recommend enhancing the current theme parks rather than building a new park.

Q3. After reading several of these case studies, briefly compare and contrast them.  Do you believe you would have the knowledge and skills once this course is complete the write one yourself?

          The cases assigned thus far have highlighted different companies in various states of establishment with varying issues to address.  Mystic Monk Coffee was in the infancy stages of development and had not really even addressed an adequate mission, vision, and values.  This company was just trying to establish a business strategy to become more profitable to meet a goal of purchasing land.   This company was unique in that making profits for the sake of making money was not their ultimate goal.  Costco was a well-established and profitable company with a large geographic range.  Its primary issues were strategizing to address competitors such as BJ’s Wholesale and Sam’s club.  Costco already had a good, thorough strategy with a developed culture throughout its organization.  This case highlighted the goal of assessing the external environment.  The Panera Bread case focused on the evaluation of resources, capabilities, and competitiveness of a company.  It highlighted the competitive strategies, and how a company could leverage its capabilities into a good competitive strategy.  Walt Disney Company case described corporate strategy.  It specifically emphasized the concept of diversification and strategic fit.

Answer 2:

**Q1. What is Walt Disney Company’s corporate strategy?**

Walt Disney is a broadly diversified and brand focused organization with a corporate strategy that centers on creating high family content, making entertainment experiences memorable through the exploitation of technological innovations, and international expansion. Corporate strategy also sought to sustain their advantage in the industry through sufficient resource allocation of capital in their theme parks. The corporate strategy also focused on the synergistic success that can be obtained by showing Disney’s highest grossing films at the theme parks.

**Q2. What actions do you recommend that Walt Disney Company’s management take to improve the company and increase shareholder value?**

In looking at the revenue and assets of Walt Disney Company they have experienced growth each year after a slight decline in 2009. Their strategy of an opportunistic approach and large capital allocation in multiple directions has been a successful one and has led to a very diverse organization.

Disney is a place many children do not get to experience due to financial barriers or distance barriers, maybe a combination of both. To attempt to increase shareholder value I would recommend a Disney hotel line that is in strategic cities across the country. The idea would be to offer a Disney like experience for the kids while on vacation. Activities such as: breakfast with the characters, gift shop with Disney consumer products, kid/family friendly activities, Disney restaurant on site, and media room for viewing Disney movies and/or shows. I would start this hotel line with a few locations in cities such as Padre Island, Hot Springs, and Denver. This would be a way to give the Disney experience although on a small scale to a larger population as well as entertain the kids while at the hotel.

**Q3. After reading several of these case studies, briefly compare and contrast them.  Do you believe you would have the knowledge and skills once this course is complete the write one yourself?**

The case studies that have been completed thus far have done a great job in giving an oversight of the organization as well as highlighting their business mission and strategy. The cases also give us an indication as to the success of the strategy retrospectively and prospectively. In each case the business operations and strategy get larger by comparison. Mystic Monk was a small coffee company with a mission to raise money to buy land, Costco being a multi-billion dollar warehouse company whose price strategy allowed them to outperform their rivals, Panera Bread was a multi-billion dollar company looking for continued growth, and Walt Disney a widely brand recognized company that has sustained growth to outperform their rivals through diversification.

I am not sure that I will be able to write a case study at the end of this course but I know that I am better prepared to evaluate the different perspectives that present challenges to the operational success of a business.