Disney is the largest media and entertainment company in the world, but more importantly, it has established itself as one of the most respected and beloved organizations as well. They have managed to create an experience with their theme parks, movies, and products that is uniquely Disney and have even expanded that experience internationally. However, after Walt Disney’s death in 1966, it was clear that the company needed a fresh, creative imagination to lead the business towards continued success. Though Eisner brought much success in his early years with the company, he struggled to maintain the growth and perhaps lost sight of the direction that Disney should have taken. With such a large portfolio of businesses, Eisner may have acquired some companies that were not in line with the vision of the company. It seems as though the success of Disney has come in waves, first with Walt, then Eisner initially, and currently with Iger at the helm. Even so, Disney has created such a strong brand loyalty that consumers will undeniably continue to turn to it to find that magical experience.

**SWOT**

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<th>Strengths</th>
<th>Weaknesses</th>
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<td>Brand Name</td>
<td>Eisner's Centralization of Management</td>
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<td>Broad Product/Assets Portfolio</td>
<td>High Costs (Sunk Costs, Operating Costs, and R&amp;D)</td>
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<td>Pixar</td>
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<td>Global Expansion</td>
<td>Criticism from animal welfare groups for animal care in parks, and from other groups for hidden sexual references in movies</td>
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<td>Popular Characters</td>
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<td>Largest Media &amp; Entertainment Company in the World</td>
<td>Target Market Limited to Children</td>
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<td>Imagineers</td>
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<td>Disney Channel Music</td>
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<td>Web Sites</td>
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<td>Continually Develop New Attractions for Theme Parks (Comes with New Successful Movies/TV Shows)</td>
<td>Employee Retention</td>
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<td>High Competition in Media Industry</td>
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<td>Maintain Product Differentiation</td>
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**Porter’s 5 Forces Analysis**

**Rivalry Among Existing Firms - High**
- With its wide product portfolio, Disney competes with numerous other entertainment producers, media outlets, amusement and theme parks, and retail providers. Their major
competitors include Universal Studios, Sea World, luxury hotel chains, and other major film studios.

**Threat of New Entrants – Average**
- It takes a substantial investment to enter into the market

**Threat of Substitutes – Low**
- Zoos and museums can’t match the theme park experience, and the Disney brand name resonates with more consumers than many of its competitors.

**Power of Suppliers – Average**
- These could include equipment manufacturers, construction companies, and vendors. The construction companies or technology suppliers are very capital intensive and require a lot of support. Food, toys, and clothing vendors, on the other hand, don’t have as much power against the large company of Disney and their economies of scale.

**Power of Customers – Relatively Low**
- Disney found that they could increase the prices of their theme park admissions without much fall-off in the number of customers. Many people are willing to spend money to have the Disney experience, and as long as Disney doesn’t do anything to jeopardize this customer experience, they will keep the power of customers low.