
The Walt Disney Company: Strategic Challenges and Competitive Positioning in the Global Entertainment Industry

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DOI: <https://doi.org/10.70670/sra.v4i1.1895>

Abstract

This paper is a critical analysis of the strategic problems of The Walt Disney Company and specifically, the issues of dwindling profitability, brand image, and growing competition in the entertainment and streaming sectors globally. To evaluate the internal and external forces affecting the operations of Disney, the research involves the use of secondary data analysis, which will involve PESTLE analysis, value chain analysis and financial performance evaluation. The results suggest that changing consumer behavior, increased cost of production, and competition in the market especially by online streaming services pose a significant threat to financial stability and positioning of Disney in the market. Moreover, based on the stakeholder analysis, it can be noted that investors, workers, and consumers have increasing concerns about the strategic direction of the company. Some of the strategic recommendations that are suggested in the study are content diversification, investment in technology, improved engagement with customers, and expansion in the global market. These actions should help to regain the competitive edge of Disney and guarantee its sustainability in the ever-changing entertainment environment.

Keywords: Walt Disney Company, Streaming Competition, PESTLE Analysis, Value Chain, Stakeholder Management, Financial Performance

Introduction

This paper is a critical analysis of the strategic issues facing The Walt Disney Company in the fast-changing entertainment world around the world. Although Disney has dominated the market for long and has strong brand equity, it is currently experiencing diminishing profitability, decreasing popularity in the opinion of the public, and growing competition by digital streaming providers (Osman, 2024). The shift into on-demand digital content consumption of media has considerably upset the conventional business model. The presence of the competitors, including Netflix and Amazon Prime, has transformed the industry due to their systems of delivering the content in a cost-effective and personalized manner, thereby putting significant pressure on Disney in its strategic positioning (Zhou, 2024). Therefore, the move of Disney to streaming services, especially Disney+, has provided both developmental opportunities and financial challenges because of high production costs on content and complexities in the operations (Helmore, 2024).



Figure 1: (South, 2024)

Moreover, according to recent evidence, Disney has lost its popularity among people, and stakeholders are becoming more concerned about the approach to the company and labor relations, as well as its brand image (South, 2024). Such changes underscore the need to carry out an in-depth analysis of the internal and external environment of Disney.

Thus, the purpose of this research is to examine the strategic issues that Disney is faced with through combining the analysis of macro-environment, operational efficiency and financial performance. The study also aims at offering strategic knowledge that can be used to improve long-term sustainability and competitive advantage.

Literature Review

The current literature identifies the disruptive nature of digital disruption in the entertainment industry across the world. The concept of streaming platforms has completely changed the way people consume content but gave them the ability to do it on-demand and in a personalized manner, which has threatened the industry of traditional media firms (Zhou, 2024). Researchers believe that Disney has a good intellectual property base that gives it a competitive advantage; yet, it is essential to maintain the audience attention in the market that is becoming saturated (Osman, 2024). Also, an increase in the cost of production and the stiff competition has had a considerable impact on profit margins, especially in the streaming part (Chen et al., 2023).

Financially, there is an augmented capital spending and operational perils associated with the transition to direct-to-consumer business models. Despite the presence of subscriber growth, profitability is limited given that there is a significant investment in original content and technology infrastructure (Lu, 2024). In addition, the stakeholder theory also focuses on the need to align organizational strategies with the expectation of stakeholders. The key determinants of corporate performance are employee dissatisfaction, customer perception, and investor confidence (Li and Hu, 2022). Nevertheless, these dimensions are usually analyzed separately, without a comprehensive analytical approach, as observed in previous studies.

Research Gap and Contribution

Although the topic of media and entertainment companies has been widely researched, it is interesting to note that there is a deficiency in research that incorporates macro-environmental, operational efficiency, stakeholder dynamics and financial aspects performance as a single analytical tool. The majority of the literature today concentrates on single elements like monetary results or competitive approach. This research paper fills this gap through the multidimensional method of integrating the PESTLE analysis, value chain analysis, stakeholder analysis, and financial analysis. The study adds value as it provides an in-depth insight into the strategic issues that Disney faces and offers some realistic suggestions on how to grow sustainably.

Hypothesis Development

Based on the literature, the following hypotheses are proposed:

- **H1:** Streaming competition negatively affects Disney's profitability.
- **H2:** Brand perception significantly influences Disney's financial performance.

- **H3:** Technological investment positively impacts customer engagement.
- **H4:** Operational inefficiencies negatively affect Disney’s overall performance.

Methodology

The research design embraced in this study is a qualitative-based research design that is based on the analysis of secondary data. The scholarly literature, company reports, and financial reports, as well as databases, including Statista, were used to gather the data (Statista, 2024). The study uses various analytical techniques such as PESTLE analysis, value chain analysis, stakeholder analysis, and financial analysis in order to evaluate the external and internal forces affecting the performance of Disney. These analytical frameworks are very useful in offering a systematic and in-depth analysis of the strategic issues facing Disney. This approach to research will improve the validity and reliability of the results because it combines several views (Ahmed et al., 2022).

Data Analysis and Findings

Challenges Facing Disney

Declining Public Approval and Profitability

The Walt Disney Company is one of the oldest and most established entertainment providers and, unfortunately, it experiences the sharp decline in the level of public approval that has found its reflection in the financial situation of the company. The recent polls rank Disney unfavorability at 21, which is among the least popular entertainment companies in the US. This is more concerning considering that Disney has a huge holding comprising of theme parks, media networks, and digital content (Tuttle, 2024). Others of these issues are business issues of core areas of concern like the drop in high-performer content, and the intense competition presented by other streaming giant players like Netflix, etc., that have not only raised serious questions marks on the profitability of the company, but also serious concerns amongst its shareholders over brand dilution and future revenues (Maruf, 2024).

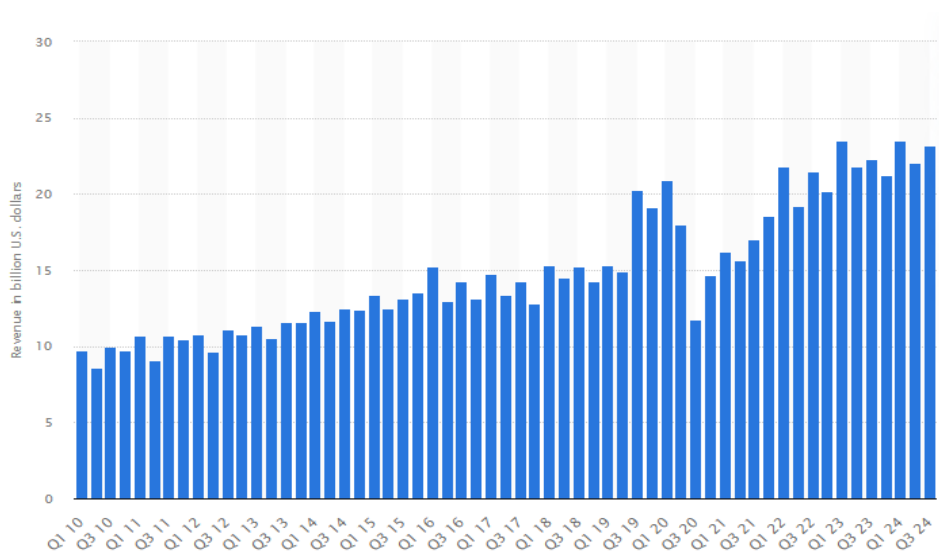


Figure 2: Disney Revenue (Maruf, 2024)

Secondary Issue: Financial Strain from Streaming Competition

The second risk facing Disney in the secondary level is a financial strain in the form of Disney+. Disney+ was supposed to be a direct competitor to streaming service that focused on the Disney content and exclusiveness. Nevertheless, it has experienced some challenge in its perpetual expansion of the subscriber base and management of the cost of producing content of its shows (Helmore, 2024).

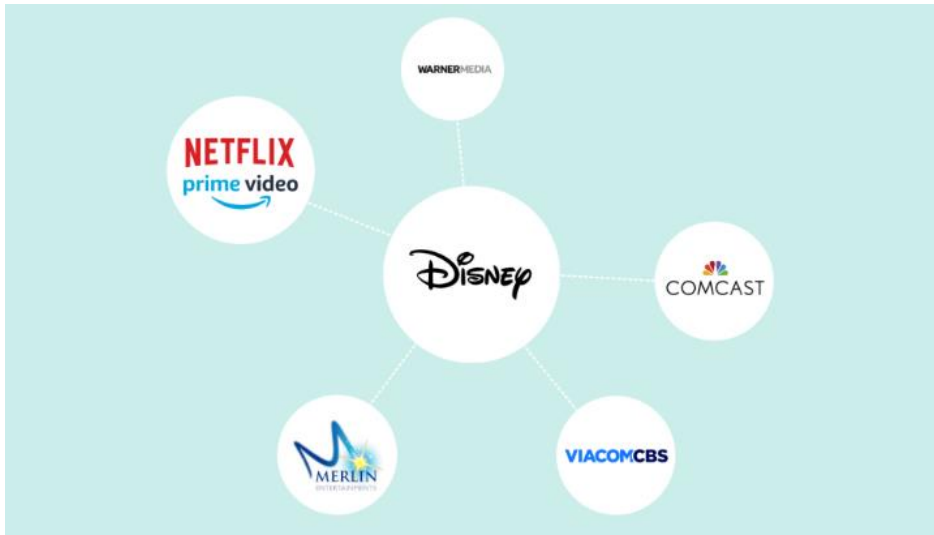


Figure 3: Disney Competitors (Helmores, 2024)

According to Zhou (2024), Netflix, Amazon Prime, and other competitors in the free and fixed-line video streaming industry increasing their scale and green-blue ocean windows with affordable prices are free and fixed-line video streaming competitors. Although Disney has changed to streaming, which is a sound strategic move, it has caused it to incur high operating costs and exert more pressure on its profitability, which has impacted its financial health and the capacity to invest in new content.

Future Issues: Potential Revenue Decline and Brand Dilution

In the future, Disney risks losing more revenues and brand reputation, as long as its problems are not solved. Among these issues, long-term brand dilution can result in the case of unpopular decisions during the strategy process of the company. This will be magnified considering that Disney has failed to produce culturally normal content that can appeal to a high number of viewers as it was evident in the dismal performances of movies like *The Little Mermaid* remake (Zilber, 2024). Besides this, there is another future issue of the likelihood of employee relations issues. It is against this reason that the recent creation of a workers union proves that people are still concerned with wages and labor and failure to take care of the plight of workers may lead to higher turnover and lower morale which may not only impact the quality of service that Disney delivers but also the efficiency of its operation. Secondly, the Disney brand can also suffer as a result of the publicity concerning those labor practices because the moral side of how workers are treated becomes increasingly significant to the customers (Zhou, 2024).

Impact of Research on Stakeholders

Internal and External Stakeholders of Disney

Stakeholder	Type	Description
Employees	Internal	Park staff, customer service, studio creatives, and executives
Shareholders	Internal	Institutional and retail investors
Management Team	Internal	Executives and senior leadership
Content Creators	Internal	Writers, animators, directors involved in Disney productions
Customers	External	Disney+ subscribers, theme park visitors, merchandise buyers
Regulatory Bodies	External	FCC, SEC, and international regulatory agencies
Media Partners	External	Companies partnering with Disney for content distribution
Suppliers and Vendors	External	Merchandise suppliers, tech vendors for streaming
Unions and Advocacy Groups	External	Workers' unions at theme parks, advocacy for fair wages

Mendelow Matrix for Disney's Stakeholders

POWER	INTEREST	
	High Power, High Interest <ul style="list-style-type: none"> • Shareholders • Management Team 	High Power, Low Interest <ul style="list-style-type: none"> • Regulatory Bodies • Major Media Partners
Low Power, High Interest <ul style="list-style-type: none"> • Employees • Unions • Customers 	Low Power, Low Interest <ul style="list-style-type: none"> • Minor suppliers • Smaller vendors 	

High Power, High Interest: Shareholders and Management Team

The shareholders and the management team is an important group and has a significant impact on the strategic choice and finances of Disney. Both stakeholders are highly powerful because they influence the approval of strategic initiatives relating to the financial development of Disney and are heavily interested in matters of public concern pertaining to Disney like a decline in the reputation of Disney. The management will insist on the need to make cost-cutting decisions under pressure by shareholders, how to reposition the content standards and enhance the brand image (Lin, 2022).

High Power, Low Interest: Regulatory Bodies and Major Media Partners

The FCC and SEC whose main concern is regulations and data privacy are the government agencies that can significantly affect the business activity of Disney. They might not show a significant level of intrinsic interest in what Disney has to offer, but also, they might make their negligence have an impact on the operation and the legal measures. Although business partners have assignments in the content distribution strategy of Disney, they are not usually involved in the internal affairs of the company unless they are interested on the operational stability of the partnership (Mna, 2022).

Low Power, High Interest: Employees, Unions, and Customers

The reason why employees and unions are very active is because of special interest on labour relations, wages, and employment since customers are served by engaged employees. Although these groups hold minimal power, they have high expenses and they are faithful to Disney and therefore any unpleasant experiences with the services provided by the organization will have a big negative impact on the Disney organization financially. The emphasis of profitability and public perception in the study is an essential aspect of taking care of the problems directly concerned with these groups and what can be improved by the organization in regard to the expectations of the customers and employees (Zhang, 2023).

Low Power, Low Interest: Minor Suppliers and Smaller Vendors

The majority of them are small vendors or minor suppliers that offer the company support services and, as a result, have insignificant power and are usually not that interested in the overall strategic plans of Disney. However, the prevention of the disruption of supply by operations caused by suppliers might be ensured by the long-term supplier relations, and, consequently, it suggests the indirect positive effect on the customers. Though the given group is not the primary focus of the research, the formulation of the key issues can help to tackle problems indirectly and positively affect the steady operation of suppliers in the outcomes of the organisational effectiveness of Disney (Silva et al., 2023).

Impact of Research on Disney's Stakeholders

Shareholders and Management Team

The insights of the study provide a way to stabilize the decreasing value of Disney in terms of approval and profitability, which directly affects the shareholder confidence and financial decision-making. The study offers evaluation and recommendations to the leadership in order

to make adjustments that could ease the worries of shareholders and guarantee the continued participation of the investors (Fischer, 2022).

Employees and Unions

Suggestions that are expected to enhance the workplace practices and reputation of Disney will be beneficial to both employers and unions. During the consideration of the employee welfare and wage structure classification, the research has a special meaning of promoting job stability by providing employees with fair wages and job satisfaction by providing favorable working conditions at theme parks (Li and Hu, 2022).

Customers

The recommendations made in the research to rebrand Disney image and improve the quality of its content have a great effect on customers. Therefore, addressing some of the criticisms on the selection of content and the improvement of the experience in the park, the study helps to restore the trust and satisfaction of customers as the key value drivers. Such alignment helps Disney to enhance its competitive edge, reacting to the changes in the demands of the wide heterogeneous consumer audience (Li and Hu, 2022).

Regulatory Bodies and Media Partners

To ensure that the company maintains positive relations with regulatory authorities and media organizations, it is vital to address the possible discontent of the population and increase obedience to the practices in Disney. The research discussing the ways in which Disney may enhance its operational and public credibility create the premises of the compliance development that subsequently can assist the Disney in obtaining the goodwill of the regulatory agencies and strengthening the confidence of the media partners in the further cooperation of Disney (Cheng, 2023).

Secondary Data Evaluation

PESTLE Analysis of Disney Corporation



Figure 4: (Michelle, 2023)

Political Factors

Disney operates in a politically sensitive environment, and the company is faced with the various types and forms of pressure that affect various matters like labour relations, taxes, international trade etc. Disney is a multinational corp, operating in politically sensitive locations and has to contend with various challenges that are country-specific as it draws on contents and parks situated in different countries. The domestic environment has influenced Disney in the recent past due to political forces such as wage laws and labor union concerns that impact on the employees of the theme park (Michelle, 2023).

Economic Factors

The economy has also affected the growth trend of Disney, such as consumption and inflation index. Global inflation has also impacted the costs of operations which include cost of content production and operation of the theme parks. Consumer spending has remained robust in the

entertainment sector but due to the economic shocks; consumer spending has been diverted to include revenue troubles that Disney is facing in streaming services as well as the park services. The increasing cost of production in the entertainment sector and quite low switching costs by consumers towards Netflix and Disney+ have established a certain balance between the number and quality of content provided and its price (Disney, 2024).

(\$ in millions, except per share amounts)	Quarter Ended			Nine Months Ended		
	June 29, 2024	July 1, 2023	Change	June 29, 2024	July 1, 2023	Change
Revenues	\$ 23,155	\$ 22,330	4 %	\$ 68,787	\$ 67,657	2 %
Income (loss) before income taxes	\$ 3,093	\$ (134)	nm	\$ 6,621	\$ 3,762	76 %
Total segment operating income ⁽¹⁾	\$ 4,225	\$ 3,559	19 %	\$ 11,946	\$ 9,887	21 %
Diluted EPS	\$ 1.43	\$ (0.25)	nm	\$ 2.46	\$ 1.14	>100 %
Diluted EPS excluding certain items ⁽¹⁾	\$ 1.39	\$ 1.03	35 %	\$ 3.83	\$ 2.94	30 %
Cash provided by operations	\$ 2,602	\$ 2,802	(7)%	\$ 8,453	\$ 5,064	67 %
Free cash flow ⁽¹⁾	\$ 1,237	\$ 1,637	(24)%	\$ 4,530	\$ 1,469	>100 %

Figure 5: Disney Financial Statement (Disney, 2024)

Social Factors

The changing brand strategy at Disney is dependent on social preferences and demographics. There is the propensity towards the democratization of the material that the company produces and there is a demand of more gender, ethnic, and culturally diverse material. This however notwithstanding, the choices of programming material in the recent years have brought polarizing feelings on the part of the general population; some critics have in fact stated that efforts by Disney are more of a simple posturing. The control over these social undertones is essential as the shift Disney has taken in the direction of the diverse society does directly affect the customer following and the company image and needs a deliberate attempt at making it interesting to the contemporary world (Rice, 2023).

Technological Factors

The Disney Company has adopted technology to a greater extent in the streaming platform referred to as Disney+. It has established strong foundations in streaming sector. Nonetheless, the threat of substitutes offered by the streaming service providers such as Netflix and Amazon is an issue that is here to stay. In the course of current competition, technology is another area where Disney needs to invest in to improve the quality of streaming, customer experience, and platform security. Moreover, the idea of artificial intelligence (AI) and a system architecture that enables different data to be analyzed and displayed to the users in accordance with their preferences are also being applied to the development of the content (Ahmed et al., 2022).

Legal Factors

One of the legal threats that Disney must face on an ongoing basis is the IP protection issues, labour laws, and data protection laws. The fact that the entertainment industry claims IP laws to protect legendary brands and characters is particularly important to Disney. Nevertheless, the transition of regulations in various countries require a significant degree of data protection success with the help of Disney, specifically, Disney+ as well as other online services (McTigue, 2024).

Environmental Factors

The responsibility toward the environment has become a new aspect of Disney that is required by the law and customer requirements toward green policies. To a modern ecological consumer, some of the efforts by Disney such as reduction of carbon footprint in its parks and

resorts and adoption and procurement of renewable power are seen as positive and are regarded as regional and global environmental agendas. Sustainable operations in Disney are costly to implement, and they assist in maintaining the brand image of the company that complies with the sustainability standards of the company in the global market and, therefore, establish good precedence in corporate sustainable responsibility (Reddy et al., 2024).

Value Chain Analysis of Disney Corporation

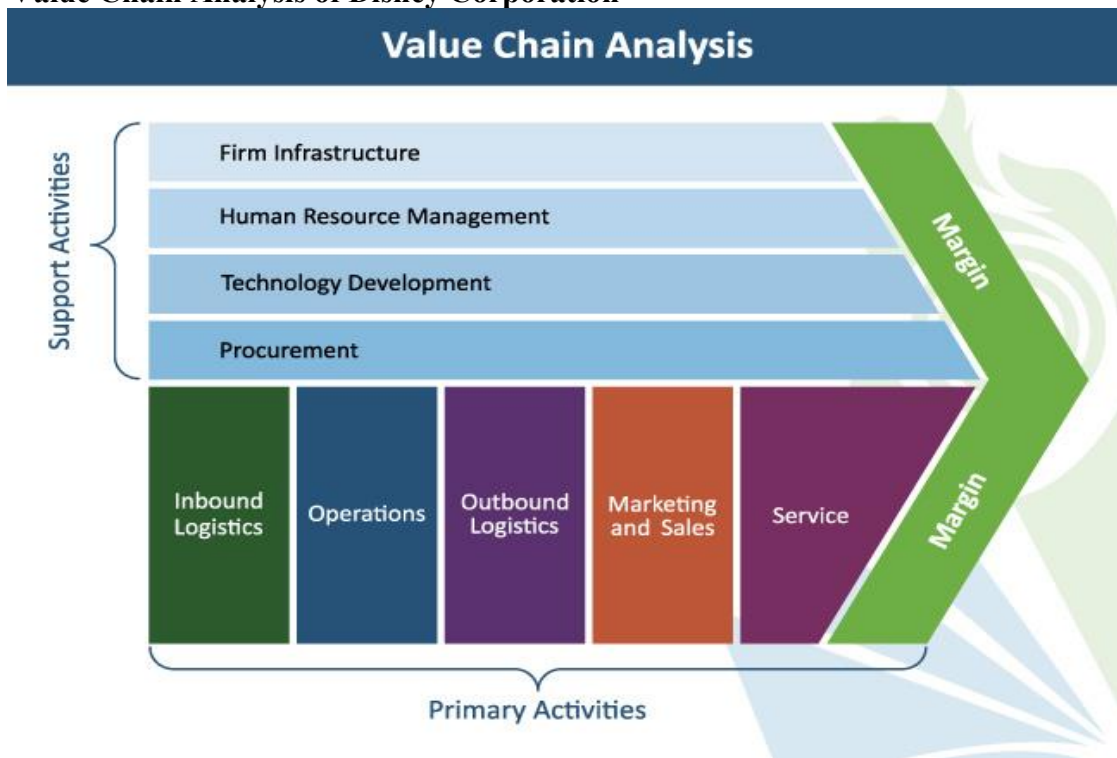


Figure 6: (Bemis, 2022)

Inbound Logistics

The inbound logistics of Disney include the procurement of materials and content in the Disney media industries and support of the theme parks of the company. Despite the fact that viewing habits have drastically changed, and will further change in the future, Disney-plus is still a necessity that Disney focuses on, although it requires high-episodes, series, or movie acquisitions, either through production or the acquisition of other studios and content creators. The operation of the company is based on the production of an inexhaustible amount of content that needs to be properly coordinated to align with the timely appearance of new content to be streamed (Bemis, 2022).

Operations

The creative production combined with smooth technological distribution is the source of strength in the functioning of Disney the most significant of which is Disney+. The implication of this is that the business should be efficient in its operation, particularly in its operation processes to maintain and expand the subscriber base considering that the market is currently very competitive. Disney has recently approached the enhancement of updated analyses in the applicable algorithms suggesting content with the potential to provide customers with a personalized perspective. The parks also have operational risks, and the wage rise along with the other operational expenses have continued to jeopardize the company margins (Desai and Pearlman, 2024).

Outbound Logistics

The outbound logistics of Disney entail transferring various experiences through coverage, streaming, quality merchandise, etc. In the case of Disney+, nothing is more important than the

appropriate type of digital distribution, which fans anticipate to be uninterrupted, smooth, and flawless when streaming the content or when anticipating an update to the catalogue of this company. Emerging requirements, such as the need to support additional traffic during peak releases have only strengthened Disney in a high-stress environment to offer the requisite server capacity simultaneously maximizing the content posting to ensure that the end user is satisfied (Marconi, 2023).

Marketing and Sales

Disney is a master at leveraging its brand name, as well as IP property in the marketing and selling business, ensuring that new movies or theme park attractions will garner a lot of attention. Disney has not recently advertised Disney+ by developing initiatives that encompass diversity and choice of culture and enhance the popularity of the platform internationally. In addition, a data analysis approach, personalized suggestions of films/programs on Disney+, and localized advertising promotions of parks are viewed not as a mass marketing strategy to satisfy diverse needs of buyers (Hou, 2024).

Service

The approach to the after sales service by Disney is aimed at sustaining customer satisfaction by maintaining constant touch and ensuring quality. In fact, Disney+ uses user data to provide recommendations and improve customer feedback and exploitation of opportunities in the form of problems like the quality of streaming to content offerings as soon as possible. Moreover, Disney parks/resorts rely on the comments left by their customers to improve the experiences of the customers. The more recent example is the improved customer service in recreational parks with the application of apps that enhance the customer flow of service processes and results. All these proactive service actions play a key role in ensuring that Disney has high customer loyalty and most of its diversified products are microphone (Hou, 2024).

Financial Analysis of Disney Corporation Regarding Streaming and Content Acquisition Challenges

Overview of Financial Performance

The shift to the direct-to-consumer digital solutions that Disney+ has triggered is also a significant alteration of the financial paradigm of the company among others. Regarding the number of monthly subscribers to Disney, they vary according to the most recent quarterly reports that indicate the shifts as a result of various factors including raising the cost of content, rivalry with other streaming sites, and macroeconomic influences. An example is that the operating income of Disney experienced a slight decline but the company attributed it to increased spending on content, which increased by 14 percent with the same period of the previous year (Zhou, 2022).

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Figure 7: Disney Financial Statement (Disney, 2024)

Revenue Streams

Disney has segmented revenues model that are divided into parks and resorts, media networks, and direct to consumers. In the recent financial releases, the direct-to-consumer unit that consists of Disney+, ESPN+, and Hulu earned about 5 billion dollars in income. Nonetheless, this segment has also reported a loss largely because of high costs of operation and content creation this segment reported a loss of more than 1 billion in the previous fiscal year. Disney+ recorded a huge growth in its subscription to more than 146 million subscribers around the world, but it remains an issue whether to maintain the funding of original programming. As an example, the future spending on commissioned content can be up to 30bn and an annual increase every year by an average of more than that of all streaming services in need of a re-evaluation of content approaches and payback projections (Disney, 2024).

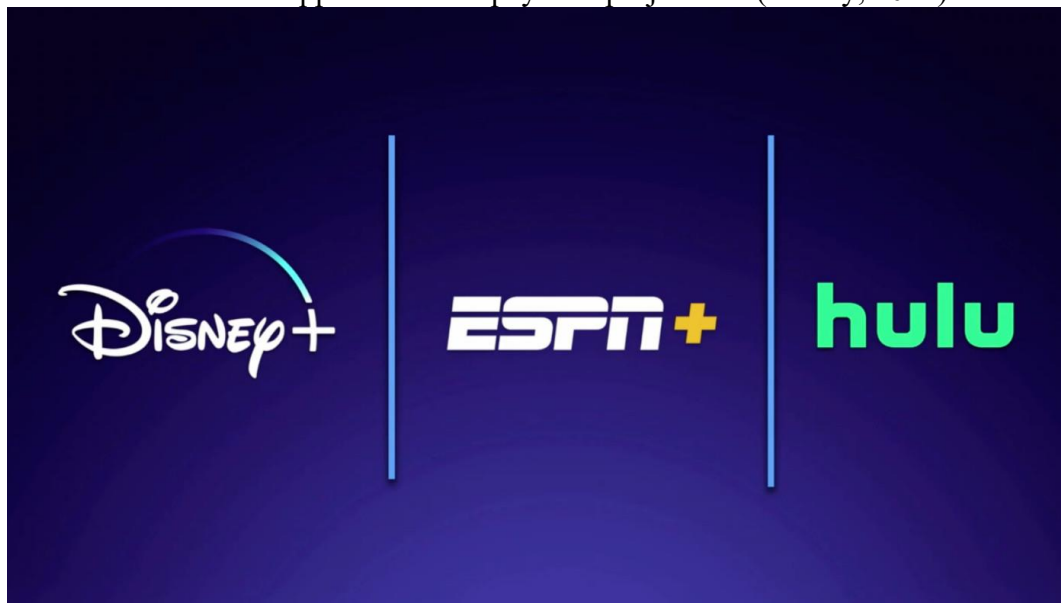


Figure 8: Disney Competitors (Disney, 2024)

Cost Structure and Profit Margins

The cost structure of Disney is always related to the high expenditures it had on original content, which is a pivotal factor in its streaming strategy. It is revealed that the average value the company spends on the content per subscriber has been increasing and the cost of production is continuously increasing and the company cannot easily make good profit margins. Such expenses are important due to the trend of more popular franchise organization requiring multimillion investments to achieve success, so the payback period of investments is now being negotiated to avoid adverse effects on the budget in the long term (Chen et al., 2023).

Impact of Economic Conditions

These external factors that are developed without the operation of Disney influence this business greatly due to inflation and availability of materials. Greater costs of the feedstock have forced higher costs of the product, greater wage costs to the employees, higher marketing costs, which have heightened the margins of the company in its various operations. The latest financial documents show that the park revenue has been restored to about 7 billion dollars, however, operating costs were enhanced by 20 percent over the last fiscal year because of it, efficiency and cost-cutting measures have become the highest priority (Disney, 2024).

Debt Management

This control has been among the major causes of funding the ongoing operations and expansion of Disney. The total debt of the company as it currently stands is approximated at approximately \$46 billion and the incrementation is largely attributed to the acquisition of content and technology companies to upgrade the streaming strategy. Disney has been able to

record strong total assets of 30 billion, but the debt-to-equity ratio this year is recorded to be 1.4, and this implies that the company uses borrowings to carry out expansion operations. Although this financial leverage has been critical in realizing the growth the question which arises is with regard to the sustainability of the utilization of cash flows to finance growth and how to deal with changes in interest rates. The credit rating agencies have adequately reflected and realised these issues by advising that: 200 organisations have been marked down due to the necessity to be more optimistic about future borrowing and capital expenditures (Lu, 2024).

Strategic Financial Decisions

Consequently, amid the financial crises that have continued to rise, the management of Disney has incorporated the following among several strategic financial decisions aimed at handling the crises. One of the changes that the company is performing is the adjustment in price of its streaming services. Disney Company announced an extension plan of Disney+ in June 2022 with commercial ads to reach more people and have more revenues. It is presumed that this step will lead to incremental sales of up to 3 billion dollars in the coming two years, with this demographic of budget savers being the main focus since the advertisement revenue will be used to finance the content cost (Lu, 2024).

Future Financial Outlook

The projections of the future and the existing streaming services by the Disney blueprint are a little optimistic. Disney has elaborated on the quality and captivating content and strives to satisfy the customers with tailored data analytics to enhance the retention of the viewership. There is also the fact that the streaming aspect of the company is projected to become profitable in 2024 depending on the number of subscribers more on the multiplicity of revenue action such as ad revenue and merchandise (Statista, 2024).

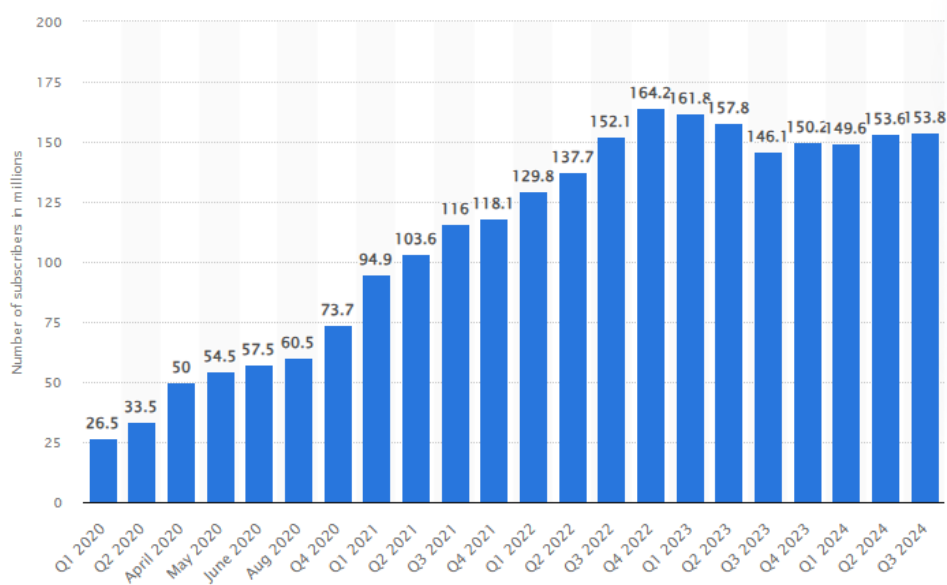


Figure 9: Disney+ Subscribers (Statista, 2024)

Limitations of Analysis

The analyses presented such as the PESTLE, value chain, and financial analysis have limitations which are inherent and they can influence their comprehensiveness. The PESTLE analytical tool is applicable in illustrating the external conditions but tends to provide a rather limited perspective of interaction of political, economic, and social factors. The value chain analysis mainly focuses on the activities within an organization and the external impact of organizations may not be put into consideration. Moreover, financial analysis, to a good extent, is on the basis of previous data and can hardly give a good estimate of the present market position or future risks. These limitations require a cautious examination of the impacts and further evaluation in the dynamism of activities of the contemporary business society.

Discussion

The results show that the problems facing Disney are complex as they include external forces in the market and internal inefficiencies. The findings confirm the assumption that streaming competition has a great influence on profitability because it decreases financial margins due to rising costs and competitive prices (Chen et al., 2023). Also, the deterioration of brand perception seems to impact customer interaction and turnover, which is why it is necessary to preserve a high brand image (Osman, 2024). Although technological investment leads to improved user experience, it raises the financial pressure, and this presents a growth-profitability trade-off. Altogether, the paper highlights the necessity of a combined strategic plan that will be able to coordinate operational efficiency, the use of new technology, and stakeholder involvement.

Recommendations and Conclusions

Recommendations

Revitalize Content Strategy and Quality

The other key to Disney being successful, which as of late has appeared to have a lackluster content library, goes to the root. To expand, Disney must find a way of developing superior quality and diversified contents that can cater to all the Demographics. It does not only imply increasing the portion of the original content of the Disney Plus but also enhancing the plot and production procedures. Based on the data gained through the application of analytics alone, Disney will be able to create content that applies to the entire audience, and even those generations, who saw the initial Disney cartoons. The collaboration with well-known directors and creative specialists, in its turn, will result in the quality content being even more advanced to make the offers stronger when compared with the market leaders that will always be there (Susca & Alkhallouf, 2024).

Enhance Marketing and Brand Positioning

It will be acutely experienced that Disney should radically alter its marketing strategy to conform to the consumer trends and needs. A brand visibility can be properly promoted through an integrated marketing campaign that incorporates both the traditional and online channels. With an accent on the storyline and an appeal to feeling and attachment to Disney characters and tales, it is possible to remind consumers about a specific brand. Moreover, active advertising in social networks and contacting the target audience can also benefit the brand image and develop a new image related to the current population. All these will not only aide in the subscription of Disney+ but also win the affections of consumers who previously consumed Disney products (Liang, 2024).

Strengthen Customer Experience and Engagement

It is the problem of refining the experiences of the customers on all Disney platforms and services, it is a critical problem to Disney. The number of Disney+ subscribers would be retained with a better user experience, achieved through enhancing the user interface and better recommendation based on the behaviour of the consumer. Moreover, the expansion of the loyalty programs as the incentives to receive early and exclusive access to releases, merch and events is a decent method of establishing a closer relationship with the audience. It implies that both online and real interaction can enhance the interaction and create memorable experiences that will form brand loyalty (Li and Hu, 2022).

Expand Global Market Reach

Emerging global markets represent a significant growth opportunity since the existing markets are at their maturity, thereby drawing more customers. It implies that Disney ought to start airing their shows with a slice of local colour, taste, and tongue, and in the process penetrate such new markets more effectively. Thus, the establishment of relations with the local

production companies can be used to push towards the creation of locally oriented content and marketing campaigns. Moreover, localized promotions will enable Disney to be relevant to various target groups and, therefore, expand the company to reach as many customers as possible during the process (Hou, 2024).

Invest in Technological Advancements

This study aims at discussing how integration of information technology in service delivery in Disney can enhance customer satisfaction and how it can also enhance the internal procedures. The application of the artificial intelligence and augmented analytics improves the adequate content recommendation on the Disney+ that leads to more engagement. Furthermore, the theme space expansion with augmented reality and/or virtual reality appears to be another opportunity to give Disney customers what they cannot find in the other parks. Investment in new technology will help to enhance the efficiency of the business and be the solution to many fears and problems raised about the provision of the service (Lin, 2022).

Engage Stakeholders through Continuous Feedback

The stakeholder advisory panel will be formed where members are selected among the customers, employees and the community and will provide insight on the perception of the society. Particular to the stakeholders, opinion giving mechanisms such as surveys and forums will allow Disney to be more responsive to the concerns of the officials of the stakeholders. Therefore, having an open and transparent dialogue over the issues with the stakeholders, and above all, the portrayed dedication to socially responsible acts on behalf of Disney will enable the latter to regain the lost trust (Liang, 2024).

Conclusion

This paper will take a detailed examination of the strategic issues confronting The Walt Disney Company in the fast-changing entertainment industry. The results show that waning profitability, heightened competition, and changing consumer preferences can be a major threat to the long-term sustainability of the company. This study provides useful information on the correlation between external, internal, and financial performance as one can integrate various analytical models. The study then concludes that to remain competitive, strategic adjustments, innovation, and alignment of the stakeholders are critical. Primary data and comparative analysis should be added to the future research to increase the generalizability of the findings.

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