THE WALT DISNEY COMPANY CASE INSTRUCTIONS

Disclaimer: assigned cases are material reserved only for the lessons. You are not allowed to share them or to post them online under any circumstances.

Objective: perform a Corporate Strategy Analysis on the business portfolio of The Walt Disney Company by means of the BCG Matrix.

Rules: the assignment should be performed in groups of 2-6 students. You have at your disposal: the business case, The Walt Disney Company 2022 Report, Newspaper articles. You are supposed to read this material before the September 17th lesson

You also are encouraged to search for other secondary sources before the lesson. During the September 17th lesson, you will have the opportunity to work in group. At the end of the group works sessions some groups will present their analysis.

STEPS OF YOUR WORK

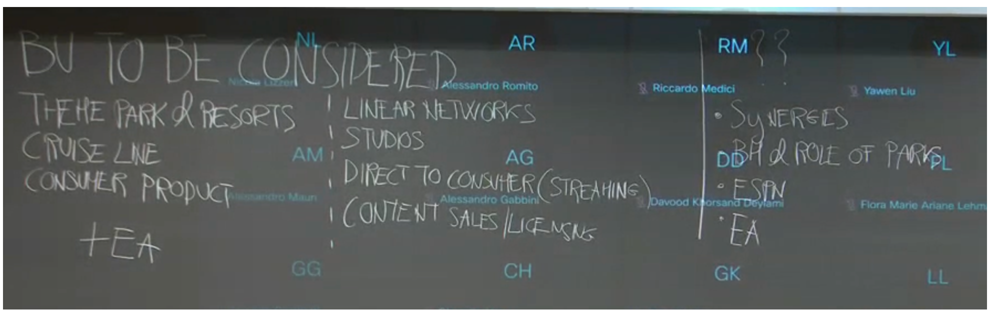
1) Using secondary sources online, determine the market growth rate and the relative market share of the different business units.
2) Build the BCG Matrix, explaining the reasoning behind the positioning of the BU in in the matrix (*Remember! Reasoning is more relevant than positioning)*
3) Develop some strategic considerations stemming from the Corporate Portfolio analysis performed and reading of secondary sources at your disposal.

HINTS

1. We encourage you to make clear assumption from secondary sources to justify your decisions
2. To better and easily develop the case you are supposed to use the following business units. This is a simplified version of the Walt Disney Company.

A) Disney Media and Entertainment Distribution
- Linear Networks (Domestic & International Channel – e.g., ABC, ESPN, Freeform, FX, National Geographic)
- Direct to Consumer (Disney+, Disney+ Hotstar, ESPN+, Hulu and Star+ direct-to-consumer (DTC) video streaming services)
- Content Sales/Licensing
- Studios

B) Disney Parks, Experience and Products
- Theme Parks & Resorts
- Cruise Line
- Consumer Products



ADDITIONAL QUESTIONS:

- One of the drawbacks of the BCG Matrix is that it does not allow the synergies between different business units to be clearly highlighted from the perspective of a corporate strategy. Does the Disney & Fox M&A created new synergies between business units? What happened in your opinion after the launch of Disney+?
- Disney's business model […] is about getting people to recognize [its brand] and then selling them toys, clothing, [tickets to] theme parks […] As long as Disney is able to capture consumers through streaming but not necessarily make a lot of money, that's okay because they can then monetize those consumers and the brand in other ways." (*Hemant Bhargava, chair in technology management at the University of California at Davis*). Comment this quote.
- According to some press releases, Disney has considered the possibility of an ESPN spin-off. The hypothesis was denied by Bob Iger in early 2023. Considering your analysis, what strategic considerations can you draw?

PLEASE CONSIDER THESE ADDITIONAL PRELIMINARY READING

How ESPN Went From Disney's Financial Engine to Its Problem
The Walt Disney Company Announces Strategic Restructuring, Restoring Accountability to Creative Businesses
Hollywood Makes Way for the Disney-Fox Behemoth
Disney Moves From Behemoth to Colossus With Closing of Fox Deal
Disney Makes $52.4 Billion Deal for 21st Century Fox in Big Bet on Streaming
Disney Plans to Expand Parks Investment, Doubling Capital Expenditures Over 10 Years
Disney Financial Report 2022