



## Disneyland Paris: a case analysis demonstrating how glocalization works

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## **Disneyland Paris: a case analysis demonstrating how globalization works**

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This paper analyzes Disneyland Paris and how glocalization theory has been successfully applied to it. Glocalization means interaction of the global and the local. When the park was first opened, it was such a financial debacle that it has become the typical case study on how not to open a theme park. The mistake that Disney made was to use its traditional method to force-feed its US products to local cultures. The main premise of this paper is that even a giant like Disney has to show adaptation to local preferences in order to generate maximal profits and remain competitive.

**Keywords:** adaptation; culture; Disney; globalization; glocalization; marketing

### **Introduction**

This paper analyzes the theoretical concept of glocalization and how it has successfully been applied to Disneyland Paris. **Glocalization refers to the interaction of the global and the local, a cooptation of the global and the local, and the conflation of both universalizing and particularizing tendencies.** Disneyland Paris used to be called Euro Disney. When Euro Disney was opened, it was such a financial disaster that it has become the typical case study on how not to open a theme park. The mistake that Disney made was to use its traditional method to force-feed its US products from its Burbank, CA headquarters to local cultures (Marr & Fowler, 2007). Yet, it did not work in France. The main premise of this paper is that even a transnational firm and a global behemoth like the Walt Disney Company has to show understanding and adaptation to local preferences in order to generate maximal profits and remain competitive in the global arena.

This paper begins with a detailed description of glocalization theory and how the concept exemplifies today's internationalization trends. The paper then proceeds to describe the evolution of the park from Euro Disney, when the European Disney theme park first opened in April 1992, to Disneyland Paris, when glocalization and management changes were brought in. What follows is the heart of this analysis: the glocalization of Disneyland Paris. This section explains, in detail, the **four major glocalizing changes that have made Disneyland Paris more successful: (1) cutting the price; (2) turning shows and settings into French style; (3) change of food menus and eating habits; and (4) change of employee customs and labor policies.** The paper ends with a discussion that also includes suggestions for future research.

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### Glocalization theory: a description

Glocalization is a theoretical concept developed by Robertson (1994). Glocalization is a portmanteau of the words 'globalization' and 'localization' and refers to the interaction of the global and the local (Andrews & Ritzer, 2007), a cooptation of the global and the local (de Nuve, 2007; Swyngedouw, 1997), the dynamics of cultural homogenization and heterogenization (Eric, 2007), and the conflation of both universalizing and particularizing tendencies (Robertson, 1994). While globalization, in and of itself, emphasizes the universality of corporate or cultural processes worldwide, glocalization emphasizes particularism of a global theme, product, or service.

For example, glocalization occurs when McDonald's replicates its corporate philosophy and symbols worldwide, while simultaneously catering to local tastes and preferences. To be more precise, although McDonald's keeps its golden arches and red color the same everywhere, it also makes cultural adjustments and shows to be location-friendly. From this perspective, McDonald's is flexible. McDonald's restaurants in Brazil have 'happy hours' with salsa bands. In New Zealand, they serve kiwiburgers. In Egypt, they have what they call McFalafels (Ritzer, 2007). Falafels are meatballs with beans and chickpeas inside. These examples demonstrate that glocalization constitutes a model that is both global and local at the same time (Ingleby, 2006). These McDonald's examples also mean that glocalization is synonymous with *relocalization, that is, the integration of local elements into global themes, products, or services* (Archer, 2008; Lee, 2003).

What glocalization stresses is that transplanting a theme, product, or service elsewhere has a higher probability to succeed when it is catered to the local region in which it is introduced (Appadurai, 1996; Robertson, 2001). The fundamental assumption behind glocalization is that imposing *our cultural values in other cultures does not always work*. In *The world is flat*, Friedman (2005) argues that if nations want to survive on this planet, they must sacrifice some of their economic imperialism to global processes in order to achieve economic success by western standards. Yet, at the same time, to remain 'local', local cultures must maintain, to a certain extent, their local traditions while going through globalizing processes. Friedman (2005) describes this as glocalization as well. Hence, glocalization is a variety of globalization that is sensitive to and concerned about differences within and between areas of the world (Robertson, 2001). The objective of glocalization is to pursue local market input and break out from the ivory tower. This also means that no single approach is right in all instances.

Glocalization refers to both small changes in global products and more important modifications to those products for a specific local market (Robertson, 2007). From this vantage point, there are direct associations between the local and international levels (Mooney & Evans, 2007). Local forces work to assuage the impact of global institutions (Aliet, 2007). As explained in this paper in detail, one of these global institutions is the economy of global scale set by a behemoth of internationalization: Walt Disney. For the past two decades, one of the chief concerns the Walt Disney Company has faced regarding globalization is assessing the fit of what it wishes to transfer abroad with the new host environment (Bartlett & Ghoshal, 1989, 1997; Kogut, 1989; Kogut & Zander, 1992; Prahalad & Doz, 1987). Since the parent Disney corporation in the USA is significantly foreign from its subsidiaries on other continents, it is well cognizant that the transferred Disney assets may not fit the receiving context in host countries (Hymer, 1976; Kostova, 1999; Kostova & Roth, 2002, 2003).

Glocalization is successful when adaptation to foreignness is successful. By and large, foreignness means dissimilarity – or lack of fit – in operating contexts of a multinational

corporation between home and host environments (Hymer, 1976; Kindleberger, 1969). Adaptation requires flexibility and tolerance, even encouragement of differences. One of the greatest hurdles to effectiveness for managers working outside their home country and culture is a lack of tolerance from the 'locals' that they encounter. Nevertheless, simple tolerance of differences is just the beginning. Authentic adaptation requires managers to generate diversity in response to local conditions (Ulrich & Smallwood, 2006). We think we might know a great deal about foreignness, strategic fit, and differences in host cultural contexts, but there is something about the role of the country environment in the global transfer of corporation assets that we are missing (Brannen, 2004). As this case study on the glocalization of Disneyland Paris will demonstrate, glocalization theory helps fill this gap. Disney experienced unanticipated success in Japan but an equally unanticipated lack of success in France. This illustrates that, one way or another, in the transfer process, the transferred firm assets – as well as the notion of foreignness itself – assume unexpected meanings that directly affect globalization outcomes (Brannen, 2004).

### **From Euro Disney to Disneyland Paris**

In the mid-1980s, with a well-penetrated American market (Finnerty, 2007) and the phenomenal success of Tokyo Disneyland (Bryman, 2006), Disney's further expansion worldwide was deemed necessary in order to achieve optimal market growth. Disney decided on a geographical location to build a fourth amusement park: Europe. In 1987, after considering more than 200 possible sites in the area, Paris was chosen; to be more precise, the Disney theme park would be in the French new town of Marne-La-Vallée (d'Hauterrie, 1999), located just outside of Paris, at 32 kilometers (or 20 miles) from the city (Finnerty, 2007). This location was selected not only for its beauty and history, but also for its vital position in Europe and easy access by train, plane, and cars. While 17 million people lived within a two-hour drive, more than 500 million lived within a six-hour drive – whereas in 2004 almost 600 million lived within that distance (United Nations Population Division, 2004). The theme park was considered to be situated inside the hub of a vast transportation network. As such, the park would be linked to Paris by the RER (the French regional express metro) suburban railroad system. It would also be linked to the other main regions of France and Europe by the A4 motorway and, as it was planned for June 1994, by the *train à grande vitesse* (high-speed train) railroad network (Finnerty, 2007).

In addition, although the northerly French climate, particularly damp and cool in the winter, was less appealing than the alternative location in Spain, the decision to select the Paris area was facilitated by the guarantee of financial incentives and developments of transport systems (Palmer, Cockton, & Cooper, 2007). Regional and national governments, especially from France, agreed to provide helpful financial incentives as they were eager to see the project as urban regeneration (Clarke & Chen, 2007). Disney planned to build the theme park on about 4800 acres of land (Capodagli & Jackson, 2006). Approximately half of the developable land (2115 acres) would be used for entertainment and resort facilities. Another 1994 acres would be exploited for retail, commercial, industrial, and residential uses. The remaining acreage (that is, 691 acres) would be devoted to regional and primary infrastructure, like roads and railway tracks (Finnerty, 2007).

After the partnership between Disney and the French authorities was officially implemented, the Disney theme park was built (Clarke & Chen, 2007). Upon completion, Euro Disney, as it was called then, was the biggest theme park and resort development in

Europe. The workforce that was necessary to build Euro Disney created and attracted many jobs. It also served as the mechanism for the wholesale regeneration of the area. In total, almost 80,000 jobs had been created by 1990, 66.6% of which were in the tertiary sector (Ministère de l'Équipement, 1996). Although such theme parks target middle-class customers, Euro Disney generated many jobs for unskilled and low-skilled employees (Lanquar, 1992).

Euro Disney finally opened on 12 April 1992 (Adekola & Sergi, 2007). At the time, Euro Disney was employing 12,000 people and had predicted that there would be 11 million visitors in the first year. Euro Disney consisted of the park, six hotels, and an entertainment and retail center (Plunkett, 2008). In spite of all the publicity, enthusiasm, and anticipation, the first season that Euro Disney's first chairman, Robert Fitzpatrick, had forecast was unsuccessful. **Although Fitzpatrick spoke French well, earned two awards from the French government, and was married to a French woman, his management style was still too American, with substandard results** (Hartley, 2007). He did not see expected levels in attendance (50,000 people visited the park instead of the projected 500,000), food and souvenir sales were low, occupancy rates in the six hotels were low, and the Disney corporation could not capitalize on its enormous land holdings. Within days, hundreds of Euro Disney employees quit their jobs amid complaints of working conditions (Wiseman, 2005). Within the first four months, over 1000 employees left for the same reasons (Adekola & Sergi, 2007).

Euro Disney's situation was in a predicament. Its stock ownership declined to 39% (Aupperle & Karimalis, 2001). Per person spending in the park was less than 50% of what was spent, per person, at Tokyo Disneyland. Hotel occupancy rates were 37%, a sharp contrast with the rest of Disney's US properties, where occupancy rates were 92%. The French government's appropriation of farmland for Euro Disney was the subject of protests from French farmers (Mobley & Weldon, 2006). The fact that Euro Disney was built on a former sugar beet field in Marne-La-Vallée was severely criticized for being culturally insensitive to its European guests (Holson, 2005). In the summer of 2004, Euro Disney's shares sank by 13% in a single day ('Trouble in le Royaume Magique', 2004). As ticket sales declined, the amount of debt increased (Smith, 2004). Many in the entertainment industry call the opening of Euro Disney an exemplary study on how not to open a theme park (Holson, 2005).

In line with these contentions, **critics in France referred to Euro Disney as a symbol of cultural imperialism that was 'plastic' (Palmer et al., 2007), the new beachhead of American imperialism (Adekola & Sergi, 2007), a transplant of American culture into one of the intellectual centers of Europe (Palmer et al., 2007), the exemplification of all that is wrong with American culture; size, money, and Hollywood (Adekola & Sergi, 2007), cultural wasteland (Aupperle & Karimalis, 2001), cultural Chernobyl (Gitlin, 2007), and 'not Europe's cup of tea' (Morris-Dixon, 1992). Furthermore, critic Jean Cau blatantly described Euro Disney as a horrible constructive design built with cardboard, plastic, and appalling colors, and a chewing-gum construction spiced with idiotic folklore taken directly from comic books and targeted for obese Americans (Palmer et al., 2007). After World War II, the French government (and particularly the intellectual elite) developed a sentiment of anti-Americanism, which escalated during the Vietnam War (Fielding, 2008). They were dismayed, irritated, and even outraged by the power of American culture and its impact on France and the rest of the world. For the past 60 years or so, France's main consolation has been the conviction that their culture is better than anything Walt Disney or Hollywood can offer (Riding, 2006).**

After heavy losses, Euro Disney was doing so poorly that it was believed it would shut down. Although Tokyo Disneyland was making money, Euro Disney went nearly bankrupt ('Year of the mouse', 2005). Robert Fitzpatrick resigned as Euro Disney's first chairman in April 1993, six years after he took the job (Bryman, 1995). Now, Euro Disney's new chairman was Philippe Bourguignon, a Disney insider who was French. After careful reevaluation of its major problems, Disney management realized that the company tried to impose a global strategy rather than a local strategy that could accommodate the needs of Europeans (Rugman & Hodgetts, 2001). Disney committed the mistake of concentrating its entry efforts on negotiating a more advantageous venture contract, thereby leaving the typical Disney theme park design, management style, and employee philosophy untouched (Brannen, 2004).

The Disney corporation was forced to change its approach. The transition from Fitzpatrick to Bourguignon was a radical shift from American-style management to European-style management (White, 2004). Bourguignon spun Euro Disney around completely (Kotabe & Helsen, 2007). By appointing a French manager, top US-based CEOs such as Michael Eisner now recognized the importance of European cultural traditions. The company began making a series of essential modifications. First of all, it renamed Euro Disney 'Disneyland Paris', after two other names had yielded unsuccessful results; that is, 'Euro Disneyland' and 'Euro Disneyland Paris'. The new name, 'Disneyland Paris', was selected as it would help locate the theme park with precision on the map of Europe (Kaikati & Kaikati, 2003).

Second, another major change implemented by the Disney corporation was to change management: the new chairman was Gilles Pelisson, who replaced Philippe Bourguignon in 1997 (Smith, 2006), and later, André Lacroix, a French citizen appointed as the new boss in 2003, who introduced new shows ('Trouble in le Royaume Magique', 2004). Both managers boosted marketing. A third major change, facilitated by the new managers, was to abandon Disney's global approach and substitute one that appealed to local tastes (Rugman & Hodgetts, 2001). In other words, the implementation of glocalization has been the key to success of Disneyland Paris. The next section is the heart of the paper; it demonstrates how glocalization works by focusing on the Disneyland Paris operation, a model of glocalization that had to claim its own independence Bastille-style. Indeed, Parisian independence was the best possibility (Aupperle & Karimalis, 2001).

### **The glocalization of Disneyland Paris**

Glocalization is an example of what changes should be made after a company unsuccessfully tries to impose its entire culture in other countries (Martin, 2007). Following a disappointing beginning, Disneyland Paris was forced to glocalize its corporate philosophy, practices, services, attractions, and products to adapt the park to European tastes (Lainsbury, 2000). The first manager of Euro Disney had low knowledge of French culture (Adekola & Sergi, 2007). For this reason, some tailoring to link into European culture (Palmer et al., 2007) and to understand the fundamentals of French culture (Aupperle & Karimalis, 2001) was implemented.

As O'Brien (1992) remarked, Olivier de Borsedon, president of Parc Astérix, nurtured the idea that Disneyland Paris needed to have a true combination of a French/American park. For Borsedon, this had to be achieved through a better analysis, interpretation, evaluation, and implementation of the French culture's components (Aupperle & Karimalis, 2001). It was only after Disneyland Paris quit turning its staff into American clones and started catering to local tastes that the Paris operation worked passionately and



keenly to distance itself from US Disney interference in an attempt to be more closely rooted to its European/French clientele (Aupperle & Karimalis, 2001). Eventually, the major changes bore fruit: Disneyland Paris became the number-one paid attraction in Europe (Martin, 2007).

This section explains, in detail, the four major glocalizing changes that have made Disneyland Paris more successful: (1) cutting the price; (2) turning shows and settings into French style; (3) change of food menus and eating habits; and (4) change of employee customs and labor policies.

### *Cutting the price*

When Euro Disney opened in April 1992, Europe was still amidst an economic recession (Palmer et al., 2007). So, the high admission prices were, literally, a turn-off to European visitors. The situation was made worse by the high prices on merchandise and menus inside the park, which was reflected through low spending on Euro Disney products and other items. Before the April 1992 opening, a market research survey revealed that the French were unwilling to spend over 200ff (French francs) for a single adult to enter the park. Disney fired the chief executive at that time (an American) and hired a French chief executive who lowered admission prices. Before that, prices were high. There were not only high by European standards; there were also higher than Disney's two American parks (Adekola & Sergi, 2007). So, in 1995, a year after it became 'Disneyland Paris', the admission price for a single adult was cut. As a result, the number of visitors increased by about 23% in 1995. During that year, the park operated at a profit for the first time (Monroe & Cox, 2001). During the 1996 season, the number of visitors increased by 33%. Of equal relevance is the fact that, by the year 1996, 40% of the visitors were from France, half of whom were from the Paris area (Monroe & Cox, 2001).

In addition, when Euro Disney opened in 1992, the American-style hotels built around the park cost \$300 a night, which was not practical for the typical French family taking, on average, a three- to six-week vacation (Jandt, 2007). By the time the park changed its name to Disneyland Paris, it reduced its hotel prices. Disney also misunderstood how Europeans arrange vacations. Unlike Americans, who like to book their trips directly with Disney, Europeans like to go through travel agents. In 1992, Disney did not think about training travel agents, leading to fewer bookings (Holson, 2005). By the same token, Europeans were unlikely to spend the whole of their holiday period at a theme park, preferring to dip in and out for just a day or two to experience the rides or attractions (Palmer et al., 2007). Changes were also made in that regard.

### *Turning shows and settings into French style*

Despite the anti-Americanism sentiment started by the French intellectual elite after World War II, the average French citizen is a passionate consumer of Disney products, particularly comic books (Dobbs, 1986). When the park was opened, France was very familiar with the series of Disney characters (i.e. Mickey Mouse, Donald Duck, Goofy, and others). In addition to Disney characters, shows, settings, and other Disney paraphernalia had been widely experienced by the French when growing up, even long before the entry of the Disney theme park. In other words, there was plenty of pre-existing context for Disney in France (Brannen, 2004). Yet, such Disney experience in the host country did not help.

To begin, most French children's experience with Disney characters comes from reading *Le Journal Mickey* – a comic book series where characters like Mickey are portrayed more cunningly and with a bit more brains than the American Mickey (DeRoo, 2006). So, the perception of Mickey Mouse in France is different. The traditional US virtuous and puritan version of Mickey is considered uninteresting among the French. What this means is that there is a negative semantic fit at a conceptual level. Therefore, Mickey is perceived as bland at Disneyland Paris (Brannen, 2004). Mickey is just an example of many. In general, during the 'Euro Disney' time, French visitors thought that the theme park had an overwhelming American orientation. For instance, it was 'too American' for the French to celebrate Halloween. After realizing this, the new management placed more emphasis on events familiar to Europeans (Adekola & Sergi, 2007). Besides, adult visitors at Euro Disney thought that their children were running the risk of eroding both their culture and their imagination (Champin, 1992). The French did not have a similar context of gift giving to fit into; so Euro Disney souvenirs were much less popular. In fact, still to this day, Disneyland Paris has the lowest sales of souvenirs among all Disney's theme parks. Among the interviewed parents who visit Disneyland Paris with their children, they say that Disney souvenirs are viewed as tacky and a waste of money (Brannen, 2004).

This statement about the 'tackiness' of Disney products brings an interesting point: according to Aupperle and Karimalis (2001), since the French and Europeans are quite content with their own culture overall, they tend to desire more local content in their parks. To the Europeans, it is better to have something that is authentic than something reconstructed from fiberglass. From this vantage point, detail and craftsmanship are more appealing than heart-stopping rides. A setting does not have to be sparkling and impressive or look like it is new. Rather, it should be authentic, that is, made of wood (Jefferson, 1993). Euro Disney was perceived to be too American, too cowboy, and too simplistic. In places like northern France, a theme park needs to be exceptionally cosmopolitan, something that reflects a 'Tapestry of Nations' like the theme of global nations at Disney's Epcot.

As a result, globalization in Disneyland Paris became the key. Proper modifications were made. Today, settings are different from what they were at Euro Disney. The theme park looks less glittering, more authentic. US products have been downplayed; souvenir stores carry sweatshirts with small, underemphasized Disney logos (Jandt, 2007). Since the Walt Disney Company proved capable of incorporating memorable Disney characters, designs, and movies within an environment that progressively became European-Parisian, it turned out to be that American culture was less rejected (Aupperle & Karimalis, 2001). Before, most exhibits and rides did not have a local theme and did not appeal to Europeans (Rugman & Hodgetts, 2001). Now, shows, attractions, and exhibits are more Europeanized. For instance, managers at Disneyland Paris got inspired by Jules Verne's novels and came up with a unique version of the Tomorrowland (Yee, 2006), where the future can be as distant as Mars (Telotte, 2008). The park created other European-specific attractions also based on Jules Verne's stories, that is, history movie shows and a science fiction tour (Rugman & Hodgetts, 2001). Minnie, Mickey's lover, was transformed into a French star, reminiscent of Josephine Baker and other chanteuses of the Moulin Rouge, supplied with flashy dresses and garters (Brannen, 2004).

More importantly, buildings were less painted with US Disney-type colors. As it is the case for all elements of visual identity, it is the local environment within which colors and logos are used that will determine their relevancy (Neal & Neal, 2007). When Euro Disney was launched, Disney faced problems with graphics and colors. Disney's signs used great



amounts of purple – a color widely seen on signs in Disney's US sites. Yet, visitors found purple morbid; in Catholic Europe, purple is considered a symbol of death and crucifixion. Glocalization had to take this religious difference (or even superstition) into account (Hammond, 2008). In a similar vein, the French had issues with an employee who painted a Disneyland Hotel in pink, even before Disney management approved the color. The painter thought pink was the right color and had started painting (Lymbersky, 2008). Pink in Europe does not always have positive connotations. Among many other things, the Nazis ordered homosexuals to wear a pink insignia before killing them in gas chambers (Plant, 1988).

### *Change of food menus and eating habits*

Until glocalization was brought to Disneyland Paris, Disney theme parks around the world were notorious for not serving alcohol, especially in public areas of the parks. This decision was motivated by the belief that alcohol and a safe, fun experience for the family were not a good match. Not surprisingly, **during Euro Disney times, alcohol was not available on any site (Palmer et al., 2007). Although many visitors were habituated to having an alcoholic beverage with lunch or dinner, liquor was not sold** (Rugman & Hodgetts, 2001). Unfortunately, guests at the European theme park complained about the rule (Ulrich & Smallwood, 2006). American puritanical family values jarred with European – especially French – traditions of having wine with their meals (Aupperle & Karimalis, 2001). Not offering wine was more than a culinary *faux pas* among the French; it was an insult (Holson, 2005).

**Additionally, the American habit of eating a little while walking around – a practice called 'grazing' (Wilkins & Wyche, 2008) – conflicted with the French habit of sitting down to eat a massive meal with a glass or two of wine** (Palmer et al., 2007). Since in Disneyland Paris everyone arrives at 9:30 a.m. and leaves at 5:30 p.m., they like to have lunch at 12:30 p.m. This resulted in producing huge crowds of brusque and bad-tempered patrons at the park's restaurants between 12 p.m. and 1 p.m. According to Jefferson (1993), Disney's employees had to engage in some behavior modification in order to cater to the guests' requests during lunchtime. More recently, it appears that the Walt Disney Company has learned its lesson; the appointment of André Lacroix, a French citizen, to run Disneyland Paris and the serving of liquor in the park have eased tensions somewhat (Jandt, 2007).

After alcohol was introduced, Disney hoped to appease visitors by offering more French food (Holson, 2005) and a more international menu in the restaurants (Palmer et al., 2007). The subject of gastronomic universalism, such as US hamburgers, imposed in places like Disneyland Paris is significant in demonstrating the success played by the glocalization of local foods and dishes within the meal-structure system. Indeed, the business model for the production of hamburgers, exported to other theme parks worldwide, to replicate exactly what people eat in Disneyland in California and Disneyworld in Florida did not work in the European theme park (Montanari, 2006). The reason is simple: Disneyland parkgoers like hamburgers sufficiently well, but only at mealtimes, whereas Americans eat them at any time, from morning to evening. Such a scheduling situation posed serious problems to Disney as there were too many people hired to flip and serve hamburgers all day long (very few personnel were needed for morning and afternoon requirements). Yet, at the same time, there were not enough employees at noon, when visitors waiting for lunch formed long queues (Montanari, 2006).

Likewise, rather than only fast-food outlets, Disneyland Paris also offered table-service restaurants (Jandt, 2007). Waiters had to change their attitude toward patrons as well. While in the United States, the 'customer is always right', in France, where waiters like to advise (and take pride in doing so) patrons if their choice of dishes is not a good one, the idea that the 'customer is always right' does not hold water (Brannen, 2004). So, Disneyland Paris management had to consider these things when training waiters. As Holson (2005) argues, although Disney used to be exported on its own terms, for the past 10 years or so US cultural imperialism has been tested. Now Disney had to become more French and European.

### *Change of employee customs and labor policies*

Glocalization implies that strategy and change are inherently linked. When the Walt Disney Company attempted to impose US customs on French workers and management, it was a debacle. Disney lost a great amount of revenue and employee morale was exceptionally low. Strategy and change management go together (Liebowitz, 2006). Labor policies were clashing with worker expectations, which led 3000 employees to leave over pay and working conditions within a month of the opening day (Rugman & Hodgetts, 2001). As Champin (1992) pointed out, Euro Disney was seen as a gigantic shopping center with too few worn-out and underpaid employees.

Besides, Euro Disney was the subject of lawsuits in France because there was a lack of fit between US-imposed personnel policies and French workers charged to enact them (Brannen, 2004; Brannen & Wilson, 1996; Van Maanen, 1991, 1992; Van Maanen & Laurent, 1992). For instance, although French was the first official language, local staff were required to be bilingual (Palmer et al., 2007). Management made it clear that English would be the first language at the theme park (Adekola & Sergi, 2007). Workers were required to speak English at meetings, even if most of them were French (Rugman & Hodgetts, 2001). Later, after new managers came in, French and other European languages were allowed to be used as employees' first language. Competent interpreters were hired. Some attractions were named in French while others kept their original American name. Signs were both in English and in French (Adekola & Sergi, 2007).

In line with these contentions, when Euro Disney opened, it was using the same 'Look Book' (a handbook on how to dress and behave) as the one used in the two Disney theme parks in the United States. This caused a stir because the French do not have the same perceptions of beauty as Americans do. More importantly, they were shocked at what they saw as an invasiveness of Disney's employee grooming policies which specified the length of earrings and colors of mascara (Segalla, 2001). The 'Look Book' also stated that female employees must wear clear nail polish and very little, if any, make-up (Adekola & Sergi, 2007). Fingernails could not be longer than fingertips and hair had to be naturally colored (Neal & Neal, 2007). Female employees needed to wear appropriate undergarments (Green, 2007) – specifically, such items as stockings having the typical color of a person's skin (Adekola & Sergi, 2007), transparent pantyhose (no colors or designs), and skirts at four centimeters above the knee.

The requirements were no less rigorous for men, who were required to have short haircuts, could not wear earrings (Neal & Neal, 2007), and had to shave their beards in keeping with Disney's image. French workers who handed out or received tickets and operated the rides were told to shave off any facial hair and use deodorant. Everything was done the US Disney way. The French considered this requirement as inconsiderate to their cultural norms (Martin, 2007). The Walt Disney Company defended this wholesome

American look as an essential role that employees must play in order to stage the 'Happiest Place on Earth' (Brannen, 2004). Not only did staffing and staff retention prove problematic, but, also, the stringent Disney dress code violated French labor laws (Palmer et al., 2007). In January 1995, the theme park was charged with violating French labor laws (Brannen, 2004). Accordingly, the 'Look Book' was changed to cater to employee customs and labor policies in France. Employees were now allowed to wear colorful nail polish and different colored stockings. At last, they could be themselves and so staff turnover went down (Adekola & Sergi, 2007).

Of equal relevance is the fact that the 'smile factory' so dear to Disney was unsuccessfully transplanted in its European theme park; cast members there could just not smile to the level of Disney University standard (Doz, Santos, & Williamson, 2001). The simple reason is that French workers dislike providing the smiles and friendly greetings so anticipated at any amusement park (Cheney, Christensen, Zorn, & Ganesh, 2004). In fact, they were required to smile at customers in less than 60 seconds of their entering the theme park. This was a real problem because the French are not notorious for their hospitality (Adekola & Sergi, 2007). Faking a smile or overly smiling falls under an overarching concept called 'emotional labor'. Emotional labor has been a major site for resistance (Bryman, 2006). Emotional labor refers to a type of emotional regulation whereby employees display the emotions that they are required to display as part of their job. This is mostly surface acting, because employees suppress their real feelings and, instead, present emotions on the 'surface'; that is, emotions that they do not actually feel (Geist-Martin, Ray, & Sharf, 2003). Surface acting also means that there is an emotional dissonance between inner feelings and outer expression (Guy, Newman, & Mastracci, 2008).

All the difficulties that the Walt Disney Company experienced in its attempt to transfer its US corporate philosophy to France contributed to making Euro Disney a less friendly and less orderly place. It also contributed to a less clean environment. For instance, it was not unusual to see untidy bathrooms, bathrooms with broken stall doors, grounds that were littered, an insufficient number of sidewalk sweepers in sight (a notable feature at other Disney parks), and, in one instance, a quarrel between a food server and a guest over a bill payment (Brannen & Wilson, 1996; Van Maanen, 1992; Van Maanen & Laurent, 1992).

So, Disney rules and regulations with respect to employee behavior were radically altered (Rugman & Hodgetts, 2001). What mostly happened was a shift from ethnocentric staffing to polycentric staffing. Ethnocentric staffing involves sending one of the organization's 'own members' (i.e. of the same background and culture) abroad to manage. As we have seen, American management at Disney had low knowledge of French culture. Because of this, the company lost almost \$1 million in 1992 and 1993. The following season, Disney changed to polycentric staffing (Adekola & Sergi, 2007). Polycentric staffing is a situation in which local managers from within the culture are hired to fill management positions (Scullion, 2006). New managers, for instance, relaxed Disney's traditional top-down managerial style and promoted more individual initiatives. Eventually, managerial staff was cut by 1000 (Mobley & Weldon, 2006).

### **The success of glocalization**

The glocalizing changes have proved successful. Today, Disneyland Paris has generated a lot of profits. Over 12 million visitors a year queue up to get into the theme park (Kapferer, 2008). Disneyland Paris has had so much success that it has contributed to reducing demands for visits to UK theme parks (Davies, 2006). With the new extension of Disneyland Paris, called Walt Disney Studios, and with two theme parks, seven themed

hotels, and a 28-hole golf course, Disneyland Paris has become Europe's premier resort and tourist destination (Clarke & Chen, 2007). The Walt Disney Company continues to draw yearly royalties for the acknowledgement and franchise of its brands and trademarks (all of Disney characters) to Disneyland Paris (Kapferer, 2008). Witnessing significant improvement in sales at Disneyland Paris, the French government recently helped the theme park even more by offering loan concessions and investments (Holson, 2005). Local anti-Disney hostility has faded away. Thus, glocalization was necessary: what works well in the United States cannot be directly transplanted overseas, as is visible through its new regionally focused strategies (Rugman & Hodgetts, 2001).

### Discussion and future directions

What this paper has demonstrated is that even the Walt Disney Company, the epitome of a transnational firm and a global behemoth *par excellence*, has to show understanding and adaptation to local preferences in order to generate maximal profits and remain competitive in the global arena. As have seen, during Euro Disney times, the Walt Disney Company failed to understand not only the French's food preferences, but also their eating habits and meal times, their conception of how much should be spent (or not spent) on Disney souvenirs or admission tickets, their view of Mickey Mouse and what settings and backgrounds should look like, what colors should be used on signs and hotels, employee customs and labor policies, and their version of dress code and even emotional labor.

Truly, this analysis of Disneyland Paris demonstrates that glocalization works: Disney had to be flexible by factoring in French culture and minimizing American culture, as it was considered cultural imperialism. As corporations become global, managers have to balance the efficiency opportunities of global scale with the effectiveness requirements of location adaptation (Ulrich & Smallwood, 2006). With glocalization, scholars may reconsider the concept of globalization and concede that it cannot always be a successful process if it operates entirely at a global scale. Instead, globalization has to be localized through a range of strategies, depending on which region the corporation is located (Rugman & Hodgetts, 2000). Just as managers decide and establish what is core and, thus, common across the corporation's global operations, they must also determine what is noncore and, thus, be open to local adaptation. Planet earth is too gigantic and too diverse to even contemplate the idea that every corporate philosophy, culture, policy, and practice (let alone product, service, or process) can be the same everywhere. Disney demonstrates that it simply does not work (Ulrich & Smallwood, 2006).

The glocalization of Disney also exemplifies that the world is not being transformed into a single homogenized sphere because, across the globe, there are sites of resistance, regardless of the momentum of this revered representative of popular culture (Bryman, 2006). What this means is that we must give due consideration that we cannot subscribe to a monolithic or one-dimensional view of globalization or Americanization, a thesis that portrays icons of American culture spreading by design worldwide and riding roughshod over local conditions and practices. Scholars who have conducted studies on Disney have suggested that it is erroneous to think of globalization as a simple process of subsuming foreign cultures (Bryman, 2006; Zaheer, 2002). Not only has the Walt Disney Company accommodated to Europe's local preferences and dietary requirements, but it has also applied the glocalization model to different cultures, such as the one in Hong Kong after the Hong Kong Disneyland was opened in 2005 (Zhang, 2007).

Understanding glocalization theory is a particularly pressing concern, because Disney's experience is one of the many instances that indicate the current upward trend in

the glocalization of firms that increasingly transfer complex assets abroad. Now, more than ever, corporations are not just adapting ideas, themes, products, and services, but also entire organizations, including corporate philosophies and strategies, operational procedures, models for supervisor–employee relations, and so forth. These have to be ever more closely linked to the contexts and the sociocultural environments in which they are enacted (Kostova & Roth, 2003).

For future research, it might prove interesting to further analyze the concept of glocalization not as a substitute for globalization, but as a process giving globalization a new shape, a fresh angle. Does glocalization mean the end of global strategy, when it was believed that firms could totally impose the global on the local and, therefore, be ultra penetrative to local cultures, to such a point that they would erode those cultures? In other words, is the global getting out while the glocal is getting in? Likewise, does glocalization mean that a company like Disney, or even Wal-Mart, is now required to give more power to local managers in order to successfully tailor its strategies for the local markets? Disneyland Paris demonstrated this when the company replaced Stephen Burke – the new American manager who had generated improvements and profits already – with local French managers like Philippe Bourguignon (Adekola & Sergi, 2007) and André Lacroix ('Trouble in le Royaume Magique', 2004).

Finally, in the case of the Disney expansion worldwide, what would be better for optimal glocalization success: to build equally big or even bigger theme parks on other continents, or to sketch out a string of niche resorts and attractions in other countries? Put it another way, does glocalization work best in small portions worldwide, by catering meticulously to local towns and regions, or in large sections, by catering to larger populations? No matter what, it was long thought that the Walt Disney Company could reach a high profile likely to accelerate the global spread of its underlying principles (Bryman, 2006). Nevertheless, the reality is that Disney's conventional approach to force-feed its US products from its Burbank, CA headquarters to local cultures has somewhat been mollified and mitigated (Marr & Fowler, 2007).

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