**Hong Kong Disney Case Review**

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***How could HKD steer through the cultural minefield to ensure Hong Kong Disneyland’s success?***

Opening successful American based attractions abroad can sometimes yield negative responses. However, it makes obvious sense why Disney would expand to Hong Kong given its culturally diverse population with a high focus on tourism. It is imperative that management stay as closely to the company mission as possible but make the necessary adaptions to accommodate the cultural differences in the respective country. Disney should consider a management and consulting team that is integrated into the local culture, but able to adapt Disney’s core principals.

The rocky start for HKD (Hong Kong Disney) could also be attributed by poor planning on the behalf of management. Upon opening HKD set the park capacity at 30K and sold nearly 29K tickets during the first season. The average line in the park was almost 45 minutes which brought down customer satisfaction immensely. Since Hong Kong is known as a tourist hub, HKD could have planned their opening strategy in accordance to the local demand and limited ticket sales or increased the park size. HKD also failed to recognize local holidays, in which ticket stipulations prevented their patrons from enjoying the park on these publicly recognized holidays. As a tourist attraction, it is imperative that HKD understand these cultural practices to maintain customer satisfaction and retention. HKD also experienced a large turnover in staff and executive management due to salary disputes and working hours. The U.S. employment culture is very different from that of HK and local considerations concerning salaries and working hours should have been determined before opening.

The study states that there are similar successfully run parks in the region including; Victoria Peak, Repulse Bay, and Statue Square. HKD should have studied these organizations extensively conducting audits on the strengths and weaknesses of each entity. After understanding the competition market, they should benchmark themselves against the existing organizations. HKD should then improve upon their strategies and performance. Imitating already successful organizations within a foreign market is the easiest way to ensure that the mistakes made by HKD in the beginning, will not repeat themselves.

***How well had Disney achieved its goal of translating its strategic assets to the Chinese cultural context?***

There has been some criticism of Disney’s Hong Kong Disneyland because Disney has not provided much transparency to the Hong Kong Government officials. A survey was conducted by Hong Kong Polytechnic University that showed the dissatisfaction of the government and that 70 percent of respondents had a negative impression of the public investment in Hong Kong Disney (Young & Liu, 2007). People wonder would Hong Kong Disneyland sink or swim and that depended on Disney translating its strategic assets such as products, practices, and ideologies to the Chinese culture.

Hong Kong Disneyland set the admission price to HK $295.00 during the weekdays and HK $350.00 on the weekends (Young & Liu, 2007). This was the lowest price amongst the rest of the Disney team parks around the world. Hong Kong Disneyland worked closed with the Hong Kong Government to promote the team park. This allows the government to have more visibility into what was going on and have better collaboration between the two parties. Hong Kong Disneyland made special characters available for photos which is unique for Hong Kong. Hong Kong Disneyland also catered to residents that were time-pressed by offering them a way to by pass lines for their favored rides. Hong Kong Disneyland and the Hong Kong Government collaborated to promote the park. Hong Kong Disneyland would promote in Hong Kong, China, and Southeast Asia. They would hire celebrities to talk about behind the scene stories about Hong Kong Disney. This was a great marketing accomplishment. Hong Kong Disney felt to provide the best experience to customers, they had to make sure the services provided were amazing. Hong Kong Disneyland treated human resource management as one of the main focus points in the company. Hong Kong Disneyland launched the city’s largest recruiting event that it has ever seen (Young & Liu, 2007). Hong Kong Disneyland wanted to get local talent to bring in so that they can make sure that the culture fits. Hong Kong Disneyland wanted to cater to the Chinese culture, so they continued doing a great job and asked the feng shui masters for advice on the park layout and design (Young & Liu, 2007). Hong Kong Disneyland also had a variety of food from American food to Chinese food. Hong Kong Disneyland believed in catering to the Chinese culture and Disney provided them with the assets to do so.

**What could HKD do to ensure a successful outcome along the lines of Tokyo Disney and avoid the type of embarrassment experience with Disneyland Paris?**

Disney was effective in Japan though, it has confronted numerous issues in Paris. A stumble into Tokyo's Disney resembled a remote visit to Japanese. The “Americana” represented by Disney was also a great asset to Tokyo’s Disneyland. The Japanese were in particular (Michael N.y., 2007) fond of western culture and this helped Disney in being fruitful. It is likewise detectable from the article that the Tokyo's Disney gotten a considerable measure of help from the neighborhood government and authorities. It was additionally a joint wander by both the Disney and the nearby Japanese corporate world. This helped Disney in being fruitful in Tokyo.

As opposed to Tokyo's Disney, Paris Disney was not all that successful. The way of life distinction amongst Europe and American style was a noteworthy issue which drove the Paris Disney into misfortunes. The social and dialect boundaries caused the significant issue. From these two encounters, Disney must guarantee making an interpretation of its vital advantages for HKD. It should take awesome consideration in esteeming the nearby Chinese culture and customs in showing the Hong-Kong Disney. It must remember the inclinations of the neighborhood individuals and act as per that. It ought to beat social hindrances as well as dialect boundaries. It must take after the neighborhood effective promoting methodologies in pulling in the guests and give careful consideration giving them the best administration. HKD ought to give every one of the offices they have in Disney Tokyo and should try endeavors to enhance them as indicated by the way of life. They need to acquaint of characters concurring with their way of life to draw in the clients.

The administration needs to spur every one of the representatives to work in a viable approach to convey the accomplishment to the recreation center. Following every one of these measures will guarantee the accomplishment of HKD.

***What could the company do to rescue the park from the onslaught of continuing negative publicity?***

One of the biggest problems with the park management is that they did not do the proper research about the Chinese holidays; they were giving away discounted ticket not taking into consideration that in 2006 the Chinese started on a Saturday and ended on on Tuesday. Management failed to consider that the following days were a holiday. This allowed the people that purchased discounted prices to use on that holidays after the 31st. The commissioner of the Hong Kong said that Disney failed to learn about the cultural tradition and consumption habits.

I believe that the client is always right. If a company made a mistake they have to provide the service to the customer and assume the cost. It is important not to have a bad publicity because that can harm the reputation of the company, which will hurt their revenue. The company also should learn more about their clients, customs, and culture to avoid this type of issue. The company should invest money updating their ticketing system to prevent this kind of incidents.

Business perception is one of the most important pieces of a successful business. After this incident, the company should stay away from more controversy. If the company is careful, with time and good customer service the perception will change over time. The company should provide a quick and direct response to the client about the issue and also give some incentive to the travelers for their inconvenience.

The company should hire a community manager to handle this type of cases. We should hire a community manager to take care of the clients and connect with the community; this will give the company an understanding of what the community wants, and it will keep the company alerted. It is important for the company to learn from others' people mistakes and try to avoid them; that is an intrinsically element of preparing for the unknown.

**Source:**

