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HBS → ISC → Strategy → Corporate Strategy

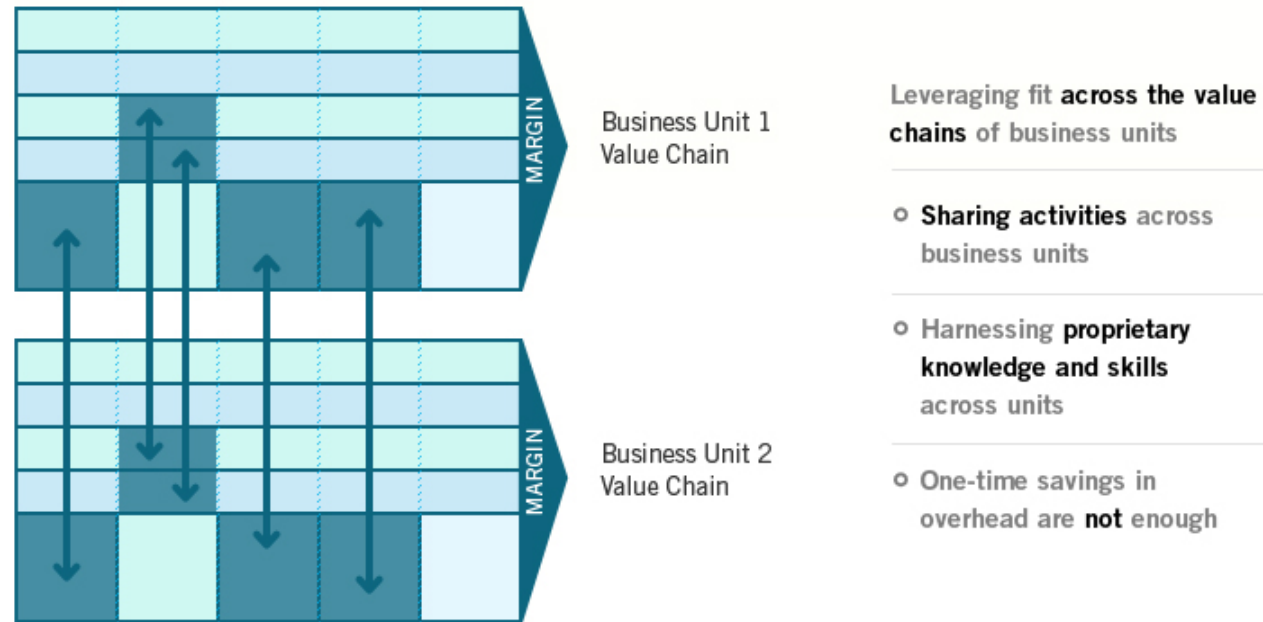
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Corporate Strategy

Big companies aren't necessarily more successful than small ones. Growing, acquiring, diversifying—none of these actions guarantees superior economic performance. Companies compete at the level of individual businesses, where strategic positioning within an industry creates value for customers. Successful strategy at the corporate level must produce a clear and significant benefit to the **competitive advantage of business units**.

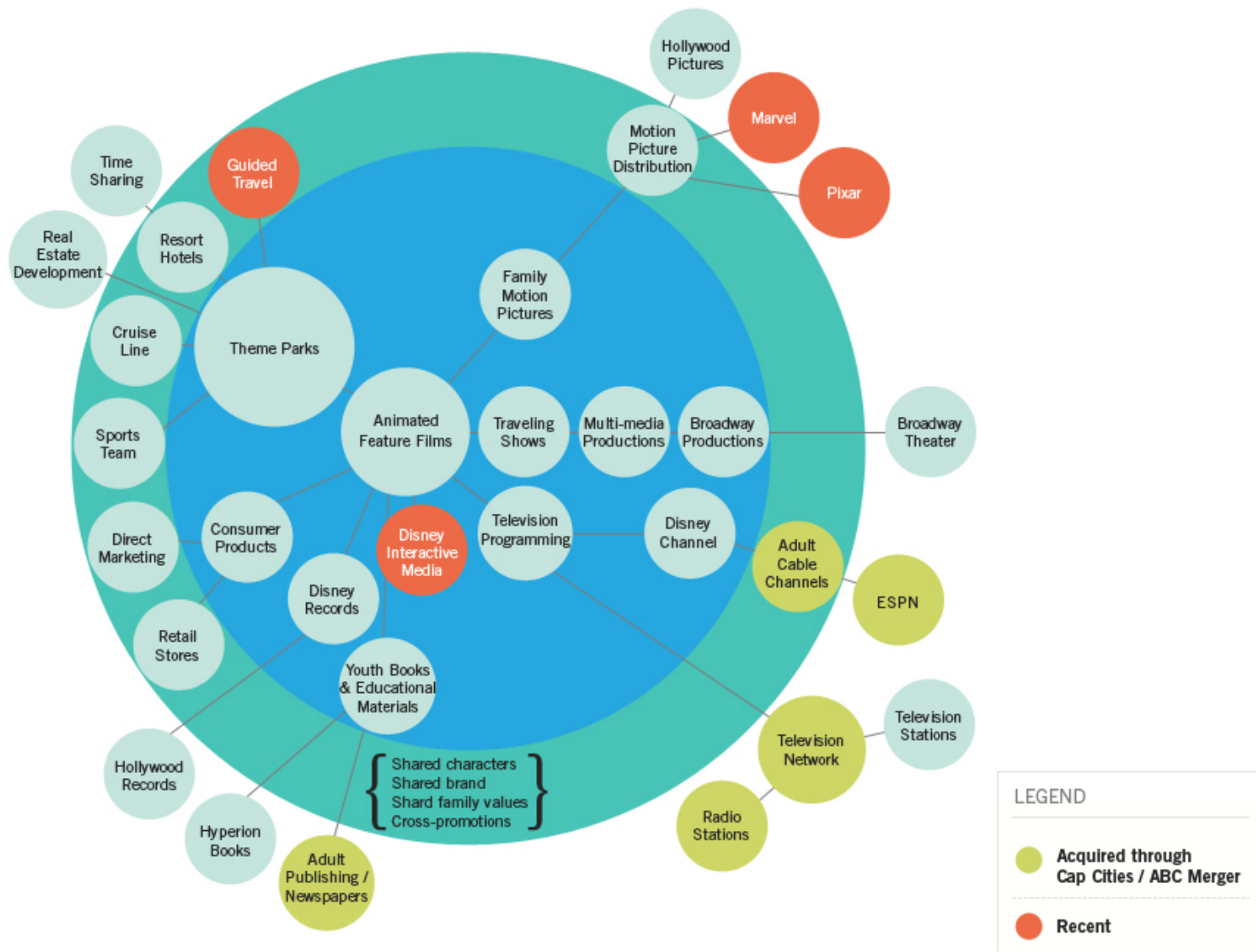
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Creating Corporate Value Added



In diversified companies, corporate leaders can enhance competitive advantage by capturing synergies and harnessing fit across the value chains of business units within the corporate portfolio.

The Walt Disney Company



The Walt Disney Company creates corporate value by harnessing fit across the value chains of its multiple business units.

- Compete in theme parks and resorts, video entertainment, and consumer product divisions leveraging the Disney name and wholesome family entertainment positioning

- Pervasive activity sharing and supporting coordination in every part of the value chain:
 - e.g., Central Imagineering Division creates special effects for films, then matching characters, attractions, and products for theme parks, retail stores, and catalogs
 - Active cross marketing of the array of Disney products and services
 - Limited-edition merchandise from Consumer Products offered through theme parks and catalogs
- Horizontal mechanisms enable highly effective coordination and sharing
 - “Synergy department” coordinates projects across divisions
 - Corporate Events department coordinates special events across divisions (e.g., Mickey’s birthday)
 - Disney University provides consistent training for employees across the company
 - Credit card and catalog designed to capture customer data across divisions
 - Senior personnel transferred across divisions
- Recent acquisitions and start-ups involve much weaker interrelationships



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