

International strategies of Disney

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1. Introduction

Since 1955, Disney has established six theme parks in the USA, France, Tokyo, Hong Kong, and Shanghai (Table 1). These are quite popular paradises for young people because of their fantasy, perfection of performance, excellence of service, beautiful landscapes, and interesting programs. Disney's success in international marketing, promotion, brand image development, and cooperation with other companies attracts scholarly attention. According to Liang (2018), the company ranks eighth on the Forbes Global Brand Value List, and its brand value is approximately \$475 billion. Its research and statistics department conducts more than 800 marketing surveys and consulting projects every year to try to understand customers' needs.

Many scholars have analyzed Disney's localization strategies (Awata, 2001; Fu, 2020), Intellectual Property (IP) stream media business (Zhao, 2022; Sun and Gao, 2021; Liu, 2021), branding effect, and other facets of the company (Ma, 2020; Hu, 2021; Zhang, 2021; Li and Liu, 2022). They have investigated the key factors of Disney's success in the international market. However, the

Table 1: Disney resorts in the world

	City	Year	Area (Acre)	Theme parks	Disney hotels
Disneyland resort	California	1955	512	2	3
Walt Disney World	Orlando	1971	30500	4	22
Tokyo Disney resort	-	1983	494	2	7
Tokyo Disney Sea	-	2001			
Disneyland Resort Paris	-	1992	4800	2	7
Hong Kong Disneyland	-	2005	310	1	2
Shanghai Disney	-	2016	287	8	2

Source: Liang, 2010; made by the author.

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differences in localization strategies between the emerging market and developed countries are unclear. Moreover, when entering the stream media business of the entertainment industry as a newcomer, what should be paid the most attention? This study aims to decrypt the above-mentioned issues by analyzing the case of Disney with a qualitative approach. We hope our findings will help Disney continue to succeed and serve, both online and offline, and positively influence the international strategies of other companies in the tourism and entertainment industries.

2. Previous Literature

2-1 Tokyo Disney's SWOT analysis

Disney is a name that most people have heard at least once. Disney animations are loved by people across the world. There are Disney theme parks throughout the world and all are immensely popular. The parks vary somewhat in theme from country to country, and each has its own unique appeal. In this paper, using SWOT analysis we aim to find the factors behind the success of Disney resorts compared to other theme parks, focusing primarily on Tokyo Disney Resort in Japan. This section includes a SWOT analysis of Disney resorts followed by a discussion of their differences from other theme parks.

Tokyo Disney Resort is operated by The Oriental Land Company (OLC), whose primary business activities are the management and operation of theme parks as well as real estate leasing. The Oriental Land Company was established in 1960 for the purpose of "carrying out land reclamation works off the coast of Urayasu, Chiba Prefecture, to develop commercial and residential lands and to build large-scale leisure facilities, thereby contributing to the culture, welfare and well-being of the nation (Site 1, 2022)." Following the reclamation of land in Urayasu and negotiations for the establishment of a theme park, Tokyo Disneyland, the first Disneyland outside of the United States, was opened in 1983. Tokyo Disney Sea was opened in 2001, the only "sea" themed Disney theme park in the world, alongside a Disney Hotel, large commercial complexes, and a monorail, which together comprise the Tokyo Disney Resort in today's Maihama area (Site 1, 2022).

The "land of dreams" was thus born. The following is a close analysis of Tokyo Disney Resort's strengths, weaknesses, opportunities, and threats (Table 2). Tokyo Disney Resort has many strengths. Among these are the multitude of wildly enthusiastic Disney fans across the globe, the sheer number of "dreams" throughout not just the theme park but the resort as a whole, and the many special events and merchandise available only at special times throughout the year (Site 2). Since Disney is known worldwide, it has enthusiastic fans everywhere. Amongst Disney fans, there are probably many who would love to visit the parks. Known as "D-fans," such fans visit the parks time and time again to meet their favorite characters and experience the Disney worldview. Tokyo Disney Resort now also has a total of five Disney hotels, each with its own particular theme and each an expression of the Disney universe, and which have now amassed considerable popularity in their own right. The Disney Resort Line travelling around the resort has a Mickey Mouse theme and is charming both inside and out. The most captivating aspect of the theme park is the hospitality of the cast of Disney characters who work at Disney Resort. Each day, the cast welcome guests to the resort with smiles, bestowing the sense of "dreams and magic." The hospitality of the cast at Tokyo

Table 2: Tokyo Disney’s SWOT analysis

<p>Strength</p> <p>Many fans, dreams and magic, hospitality and care, service quality and spatial presentation,</p>	<p>Weakness</p> <p>Long time to wait, rising price</p>
<p>Opportunity</p> <p>Increasing foreign tourists, introduction of new areas, attractions, and characters</p>	<p>Threat</p> <p>Aging population, domestic competitors</p>

Disney Resort exceeds that of other Disney theme parks, which is another secret behind its success. Moreover, care is taken to ensure that guests remain captivated by the resort with ever-changing seasonal events, decorations, and merchandise communicating a sense of the seasons, in addition to character costumes that can only be seen at certain times of the year.

Weaknesses include the long time it takes to build new attractions and areas, the rising price of park tickets, and the length of wait times for attractions (Site 2). A lot of time is spent on building attractions in order to realize the authentic Disney experience. If the functionality of machinery were to improve, this weakness might be improved over time. The increase in cost is evidence of the rising value of Tokyo Disney Resort with the construction of new areas and attractions. The effect of the temporary shutdown of the park in 2020 as a result of the COVID-19 pandemic was also significant. Disney Resort has many attractions, the most popular of which are currently “Soarin” and “Beauty and the Beast,” for which many will wait over 100 minutes to ride just once. Though perhaps not as long, other popular attractions also have significant wait times. While currently not available, the “Fast Pass” system used prior to the COVID-19 pandemic may ameliorate this problem.

Opportunities include the likely increase in foreign tourists and the introduction of new areas, attractions, and characters (Site 2). From 2020 to 2021, the spread of COVID-19 around the globe made it difficult to travel from country to country. After the gradual relaxation of foreign entry restrictions in 2022, however, overseas travel is slowly returning to pre-pandemic levels. Accordingly, there will likely be a large number of Disney fans and travel enthusiasts coming to Japan. Recently, walking outside one can notice foreigners here and there who are not international students but overseas tourists. As touched upon in relation to weaknesses, new areas, attractions, and characters will ensure that guests will not grow tired of the park and that their emerging needs will be met.

Threats include the contraction of the domestic market due to an aging population and the rise of domestic competitors such as Universal Studios Japan (Site 2). Guests to Tokyo Disney Resort are comparatively young, being mostly families and elementary school, junior high school, and university students. When I visited the park, I mostly did not see any elderly guests, which may be due to the physical exertion involved. Tokyo Disney Resort is open from 9am to 9pm, and most guests stay from morning until nighttime. This would be a considerable effort for many elderly people. Japan is

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Table 3: Top 5 Theme Parks in Eastern Japan

Rank	Name	Score
1 st	Tokyo DisneySea	76.33
2 nd	Tokyo Disneyland	75.62
3 rd	Sanrio Puroland	72.03
4 th	Funabashi Andersen Park	71.74
5 th	Spa Resort Hawaiians	71.17

Table 4: Top 5 Theme Parks in Western Japan

Rank	Name	Score
1 st	Universal Studios Japan	70.73
2 nd	Huis Ten Bosch	69.68
3 rd	Harmonyland	69.27
4 th	Shima Spain Village	68.68
5 th	Toei Kyoto Studio Park	67.55

* Theme parks ranked 6th and below are shown on the website.

Source: Site 3, 2022.

Table 5: Theme Parks in Eastern Japan – Item Scores

Overall rank	Theme park	Ticket cost	Staff	Amenities	Spatial presentation	Food and beverage	Merchandise	Ease of access
1 st	Tokyo DisneySea	73.71	80.99	77.45	79.96	70.46	72.72	76.98
2 nd	Tokyo Disneyland	73.13	80.09	76.78	79.13	69.41	72.36	76.37
3 rd	Sanrio Puroland	72.32	76.28	71.33	73.02	66.37	70.17	73.00
4 th	Funabashi Andersen Park	73.73	76.58	73.15	71.41	67.07	67.64	70.88
5 th	Spa Resort Hawaiians	72.48	74.64	69.08	73.76	66.07	68.33	72.20

* Theme parks ranked 6th and below are shown on the website.

* Yellow indicates the highest-ranked scores

Source: Site 3, 2022.

currently experiencing an aging population and a declining birth rate, such that the number of young people is declining. In the midst of this contracting domestic market, as mentioned above, it will be important to focus on foreign tourists in the future. In addition, Disney Resort's domestic competitor Universal Studios Japan is likewise continually developing new attractions, many of which are high-adrenaline rides that cater to guests keen on more intense experiences. Tokyo Disney Resort is, on the other hand, an expression of the Disney worldview, and does not have many thrill-seeking guests. However, providing high-intensity thrills that nonetheless encapsulate the Disney universe may increase customer satisfaction amongst guests to Disney Resort.

Tokyo Disney Resort is Japan's most popular theme park, thanks to the "dreams and magic" that Disney conjures. Data on customer satisfaction at domestic theme parks in 2020 are summarized below (Table 3-6).

As can be seen, Tokyo Disney Resort holds the top ranking. It is particularly well regarded for its service quality and spatial presentation. Both the manifestation of the Disney worldview and the responsiveness of the cast, Tokyo Disney Resort's most appealing points, unsurprisingly yield high marks from various guests. It loses out, however, to Funabashi Andersen Park with regard to ticket cost. Undoubtedly, as already mentioned, ticket prices have gradually increased over time to the

Table 6: Theme Parks in Western Japan – Item Scores

Overall rank	Theme park	Ticket cost	Staff	Amenities	Spatial presentation	Food and beverage	Merchandise	Ease of access
1 st	Universal Studios Japan	69.04	74.70	72.19	74.01	64.13	66.08	72.73
2 nd	Huis Ten Bosch	68.71	72.63	71.07	70.93	65.12	67.31	70.55
3 rd	Harmonyland	70.62	74.47	68.52	71.30	63.81	66.73	67.59
4 th	Shima Spain Village	69.45	72.86	71.13	69.42	63.62	65.22	67.26
5 th	Toei Kyoto Studio Park	66.36	70.60	69.05	68.29	62.71	66.67	67.86

* Theme parks ranked 6th and below are shown on the website.

* Yellow indicates the highest-ranked scores

Source: Site 3, 2022.

point where they are now no longer easily affordable. The secret to Tokyo Disney Resort's popularity is the fact that guests can experience services and worldviews unlike any other theme park. Upon stepping inside the park, guests leave the real world behind and are transported to a land of dreams. We are always impressed by the cast of characters who make this possible. Many people have visited Tokyo Disney Resort many times since they were children and have watched the changes in the park and its cast. The Disney Resort cast always approached each guest with such warm smiles that we wondered how they were able to provide such fantastic customer service and even wanted to be able to provide such service myself. Disney Resort itself has also made progress over the years, with new attractions and hotels being built so that guests never grow tired of its pleasing atmosphere, and we remember wondering just how many "dreams" have been woven into the park.

While Tokyo Disney Resort has many strengths, it also, at least to some extent, has weaknesses. The future progress of Disney Resort will mean that its strengths make its guests even happier. Its weaknesses, meanwhile, will cease to be a problem as the strengths of the park gradually grow. Both the opportunities and threats facing Tokyo Disney Resort will require a focus on overseas tourists. Compared to other theme parks, Tokyo Disney Resort offers a unique experience that simply cannot be had anywhere else. Disney Resort, in the words of Walt Disney, "will never be completed. It will continue to grow as long as there is imagination left in the world." It will not be finished but rather will be continually reborn through daily progress and will continue to fill its guests with "dreams and magic."

2-2 Cultural localization of Tokyo Disney

According to Alan (2008), the main purpose of “Main story USA” is not only to exhibit attraction but also to build an excellent shopping environment. A hallmark of the leisure culture in Japan is that people frequently buy presents and enjoy local food when travelling. Hence, in Tokyo Disney, many character goods are arranged in the theme park, which are very popular and contribute to the revenue of the resort to a great extent.

Awata (2001) explains that during the establishment of Tokyo Disney, one of the targets was to build a film theme park because Americans love to consume films, and many wonderful and attractive films are produced in the USA every year. However, in the Japanese culture, films are not deeply rooted among people. Hence, this plan was not implemented in Tokyo Disney in the end.

Tokyo Disney has considered Japanese feelings and sensibilities and built correspondent facilities and attractions, such as the “Disney Sea Aqua sphere,” the symbol of Disney Sea (Awata, 2001). Many Japanese customers take pictures here first before they enter the park. Additionally, a light house was planned to be constructed because, in American culture, it represents future prosperity. However, in Japan it reminds people of loneliness and dark things. This is the difference between the cultures of the USA and Japan. Finally, both parties agreed on the earth model, the representative planet of water (Awata, 2001).

2-3 Hong Kong Disney’s SWOT analysis

Hong Kong Disney’s strengths, weaknesses, opportunities, and threats, as pointed out by Baidu (2022), have been presented in Table 7. The strengths of Hong Kong Disney lie in its human resource management system and the Disney brand culture. Hong Kong Disney has adopted an internal and external recruiting approach and happiness incentive styled performance evaluation system. Recruiting talents from within the company reduces organizational conflicts and contributes to building and maintaining the corporate culture. It also facilitates knowledge sharing and utilization in the organization. However, recruiting new employees from the external environment benefits the

Table 7: Hong Kong Disney’s SWOT analysis

<p>Strengths</p> <p>Human resource management system; Disney brand culture</p>	<p>Weaknesses</p> <p>Lower numbers of customers; insufficient space; lack of innovation</p>
<p>Opportunities</p> <p>Proximity to Pearl River Delta</p>	<p>Threats</p> <p>Shanghai Disney and other local theme parks in Hong Kong and Shenzhen</p>

innovative capabilities of the organization in terms of the corporation culture, technological improvement, and business development (Baidu, 2022).

Hong Kong Disney's success in terms of the brand culture lies in its brand image, diversified promotion channel, and the co-facilitation of the corporate and brand culture (Baidu, 2022). The brand image of Hong Kong Disney, which is characterized by innovation, quality, community, storytelling, optimism, and decency, has attracted many travelers and customers. The brand positioning of experiencing happiness has created pleasurable experiences in terms of performance and services. Many customers have visited the place multiple times. Its diversified promotional strategy also contributes to its success. It has built liaison with stations, tourism companies, airport companies, and credit card companies, which not only brings more business but also contributes to the innovative and increasing use of the promotion channels. Its brand culture of promoting happiness and enjoyment has positive influences on its corporate culture and makes internal communication smoother. Likewise, its long history and corporate culture helps the company to be progressively more open to foreign cultures and styles, which have been incorporated into the culture of the brand and the performance and services of the theme park.

Regarding the weaknesses of Hong Kong Disney, issues such as the unexpectedly low footprint of customers, inadequate space, and the lack of innovation must be discussed (Baidu, 2022). The number of guests visiting Hong Kong Disney is declining. Compared with other Disney resorts, the space of Hong Kong Disney is the least, which results in limitations such as the ability to attract more customers, build more beautiful landscapes, and provide more wonderful performances or services, as well as large crowds and extended waiting time. With less customers and revenue, it is not easy or realistic for the park to invest in extensive innovations.

The advancement of the Internet has made it possible for Hong Kong Disney to engage in promotional activities for mainland Chinese customers. Particularly, the Pearl River Delta is close to Hong Kong, which makes it easier to attract customers from Shenzhen, Zhuhai, Guangzhou, and other South China regions. As the brand image is exponentially being instilled in the minds of young people, more couples want to have a fantastic and dreamlike wedding at Disney. A few famous personalities established this trend, which has become extremely popular among ordinary citizens.

Nevertheless, Hong Kong Disney also has its own set of threats. One of them is the establishment of the Shanghai Disney in 2018, which allows mainland customers in large numbers to enjoy their leisure time in its heavenly grounds, without having to travel long distances to Hong Kong or going overseas. In Shanghai Disney, traditional Chinese culture has been intertwined with the Disney culture, which offers wonderful and novel experiences to mainland customers. Moreover, local theme parks have also cropped up in Hong Kong and Shenzhen. They also occupy a part of the market share of theme parks and have their unique characteristics and attractions for customers, thereby offering strong competition to Hong Kong Disney.

2-4 Literature on Shanghai Disney

In recent years, Chinese scholars have analyzed Shanghai Disney from various perspectives, such as the tourist experience (Ma, 2020), stream media and digitalization (Zhang, 2020), the impact of the film *Mulan* (1998, 2021) (Hu, 2021; Zhang, 2021), IP related innovation (Zhao, 2022; Sun and

Gao, 2021), and the theme-park hotel's corporate culture (Li and Liu, 2022). From the perspective of the grounded theory, Ma (2020) analyzes the impact of tourist experience by investigating the case of Disney theme park. It was found that the emotional effects of tourist experience include environment, service, interpersonal interaction, activity participation, excitement seeking, and challenging skills. Tourist experience is characterized by attraction, interest, and the enjoyment dimensions. The emotional effects and tourist experience evaluation results vary based on the differences in the personalities and visiting times of customers (Ma, 2020).

Using a quantitative analysis approach, Li and Liu (2022) analyzes the corporate culture's influences on the organizational identity of the employees of two Shanghai Disney hotels. This study finds that corporate culture indeed has significant influences on the organizational identity of the employees. Specifically, corporate strategy and employee management have positive significant effects on the dimensions of recognition, emotion, and behavior. Moreover, corporate culture also has

Table 8: World box office returns of Disney live-action films

No.	Live-action films	World box office returns	Year	Original works	Year
1	101 Dalmatians	320,689,294	1996	One Hundred and One Dalmatians	1961
2	102 Dalmatians	183,611,771	2000	One Hundred and One Dalmatians	1961
3	Alice in Wonderland	1,025,468,216	2010	Alice in Wonderland	1951
4	OZ: The Great and Powerful	493,311,825	2013	The Wizard of Oz	1939
5	Maleficent	758,411,779	2014	Sleeping Beauty	1959
6	Cinderella	542,358,331	2015	Cinderella	1950
7	The Jungle Book	966,554,929	2016	The Jungle Book	1967
8	Alice Through the Looking Glass	299,820,798	2016	Alice in Wonderland	1951
9	Peter's Dragon	143,695,338	2016	Peter's Dragon	1977
10	Beauty and the Beast	1,273,576,220	2017	Beauty and the Beast	1991
11	Christopher Robin	197,744,377	2018	The Many Adventures of Winnie the Pooh	1977
12	Dumbo	353,284,621	2019	Dumbo	1941
13	Aladdin	1,050,693,953	2019	Aladdin	1992
14	The Lion King	1,662,899,439	2019	The Lion King	1994
15	Maleficent: Mistress of Evil	491,730,089	2019	Sleeping Beauty	1959
16	Mulan	66,800,000	2020	Mulan	1998
17	Cruella	233,274,812	2021	One Hundred and One Dalmatians	1961

Source: Sun and Gao (2022).

positive significant impact on emotion, evaluation, and behavior with regard to organizational identity (Li and Liu, 2022).

In September 2020, Disney produced a film named “Mulan,” which is based on the well-known Chinese story “Hua Mulan.” This film is well produced and has won several prestigious awards in Hollywood. However, from the viewpoint of culture transcendence, several mistakes have been made in the representation of history and culture while interpreting this ancient story (Hu, 2021; Zhang, 2021). This has left some serious negative impact on the evaluation of the film.

According to Zhao (2022), and Sun and Gao (2022), Disney has adopted the IP Deviation and cross-media business model of live-action films to extend its products’ life cycle and raise its brand value. In Disney resorts, animation films such as “Mulan” are regularly shown and highly enjoyed by the guests. However, every product has its own life cycle and must face the degenerating stage. To extend the period of being well received, it is a good idea to make a live-action version of the original work. This not only brings box office returns but also reinforces the brand’s culture and impact on the guests (Table 8).

2-5 China Disney’s localization

From the perspective of marketing, culture, and service, Fu (2020) analyzed the marketing localization and innovation strategies of China Disney. According to Fu (2020), marketing strategies for China are determined by the fact that there are around 25 million university students in the country within the age range of 18–25 years old. This is one of the most important target consumer groups for Disney. Unlike students in other countries, they have a lot of leisure time.

In terms of culture, Disney has adapted itself with China’s cultural environment, with particular attention to food, the landscape design of the park, theme-based performance, and cultural promotional activities (Fu, 2020). China Disney uses peony, the national flower of China, as the pattern details of its representative building. It has also adopted the symbols of traditional Chinese zodiac to build the Twelve Friends Park. Additionally, there is a Chinese-styled garden area in Shanghai Disney, where the color red, which is traditionally considered lucky by the Chinese, has been utilized. About 70% of the food items available at Shanghai Disney, including the Shanghai Fresh Fried Bun and Steamed Bun, capture the regional varieties of the Chinese cuisine. Traditional Chinese leather-silhouette show and Sun Wukong are also important elements in the performance activities of the park. In the promotional activities, famous Chinese Olympic championships act as brand agencies for Shanghai Disney.

Fu (2020) explains that consumer experiences in Shanghai Disney are faced with the problems of comparatively high price of food and tools, and short working time of employees. If the number and working time of employees are limited, it has a negative impact on the average service time and consumer experience. Hence, effective solutions for these issues may be to recruit more professional employees and to adopt a flexible working-hour system, such as part time job.

Regarding the localization of the brand, some of the brand spokespersons of Shanghai Disney are famous Chinese film and sports stars. Its’ food menu includes many famous and delicious Chinese food. It has also translated the contents of the pamphlet into the Chinese language (Fu, 2020).

Table 9: SWOT Analysis of Disney’s stream media

<p>Strengths</p> <p>Diversified IP content; 4 big websites: Hulu, ESPN+, Disney+, and Magic moments</p>	<p>Weaknesses</p> <p>Nostalgic content</p>
<p>Opportunity</p> <p>Decrease of cable TV users; partnership with France, UK, India, and Asian countries</p>	<p>Threat</p> <p>Piracy and account sharing</p>

2-6 SWOT Analysis of Disney’s stream media

According to Liu (2021), the SWOT of Disney’s stream media are as following (Table 9). First, as its strength, diversified IP content is their core competitive resource. Furthermore, Disney has 3 big websites: Hulu (contributes to audit customers), Disney + (provides content for all ages, including children), ESPN + (provides sports related content to sports fans). Moreover, the subscription price is cheaper than other platforms. Disney’s price is 4.99–11.99 \$ per month, which is cheaper than HBOMax and Netflix (Liu, 2021). The Brand effect of Disney+ is greater than HBOMax and AppleTV. Forty four percent of customers in USA know Disney+, while the proportion of other brands (HBOMax and AppleTV) are 33% and 25%. Additionally, in the first quarter of 2020, Disney+ had 26.5 million users (Liu, 2021), and ESPN + had more than 1 million users in its first 5 months. According to Yan (2020), Disney has a strong power to adapt to the changing environment. While facing the COVID-19 pandemic, it opened the website “Magic Moments,” which not only provides videos of the theme park but also other content concerning leisure programs. This helps users spend their spare time better when they could not go out.

However, Disney has its weaknesses. In Disney+, many content is nostalgic (Liu, 2021). Compared with other stream media platforms, such as Amazon and Netflix, the investment on content production is not that high, although it has some budget of content making for Disney+. Furthermore, there is often something wrong with the link function of Disney+ and users can’t download content smoothly at certain times. Competitors, such as Amazon, Apple, and Netflix, have better technical support in this facet. Additionally, the unclear management direction is also a weakness (Liu, 2021). Disney transferred the copyright of a popular documentary on the ESPN TV website to Netflix and lost the opportunity of obtaining streaming for its own platforms.

Regarding the opportunities of Disney’s stream media, the increasing number of users departing from traditional cable television is an important factor (Liu, 2021). More users are enjoying their leisure time on stream media instead of television. Moreover, Disney+ has built partnerships with Sky of UK, CanalPlus of France, Star channel of India, and some Asian medias, which will help it to

have more market share in the future (Liu, 2021).

According to Liu (2021), the biggest threat for Disney is the increasingly fiercer competition with Netflix, AppleTVPlus, Youtube, and Amazon. The second threat is piracy and account sharing, which brings tremendous loss to stream media suppliers (Liu, 2021).

3. Propositions

From the above review of previous literature, it is evident that the localization strategies in Shanghai and Tokyo Disney are similar. That is, the localization of culture. Both parks have changed some of their elements and adapted to the local cultures according to local people's preferences. All the 4 factors (product, price, place, and promotion) of the Marketing Theory have been adjusted according to local cultures. Compared with Multi-National Corporations of the manufacturing industry, Disney has adopted more cultural elements into its Asian localization strategies. Automobile or household electronics makers may adjust the product design, price, and some technical indexes according to local customers and government systems. Food makers will also change their menu and pricing according to local people's taste preference and food habits. Beauty makers may change their product quality, price, and promotion methods according to the characteristics of local people's skin and consumption habits. However, Disney not only change the product, price, place, and promotion style but also uses some local cultural elements directly in the whole park. This is because, in the tourism industry, consuming environment and consumer experience are more important than in other industry. Hence, the first proposition of this study is as follows.

Proposition 1:

In the tourism industry, a localization strategy needs to respect a country's culture more.

However, in Shanghai, the items changed for Chinese customers are more than those changed in Tokyo Disney. In Shanghai Disney, the following Chinese items are used: Chinese peony flower, ticket system, Chinese animal zodiac, garden style, food (Shanghai Fresh Fried Bun and Steamed Bun, etc.), leather-silhouette show, famous popular character Sun Wukong, Olympic championships, and so on. According to Enatsu, Ota, and Fujii (2013), western countries are relatively low context communication environments, while Japan and China are high context communication environments. Japan's culture has the highest context characteristics. The culture distance between Japan and the USA is bigger than that between China and the USA. However, Japanese customers accept Disney's original elements better. Hence, culture is not the only factor that has an impact on the degree of Disney's localization.

China's "Reform and opening-up" policy was implemented only around 40 years ago, even though it is a big emerging market. In the past 40 years, China has tried to learn from developed countries to improve every facet of its society. However, the average economic situation, regulations system environment, and people's values has some distance with the USA or Japan. Hence, while Disney is using localization strategies in the Chinese market, it not only needs to adapt to Chinese

traditional and modern culture but also considers some other facets of China, such as the economic situation, system environment, and people's values. Therefore, this study suggests the second proposition on localization strategy in international business as follows.

Proposition 2:

In emerging markets, not only culture but also the economic situation, regulations system environment, and people's values are also very significant for the tourism industry's localization strategies.

Regarding Disney's world stream media business, with the development of digital transformation and advancement of the Internet, it is much easier for companies to supply content to customers online. Especially during the COVID-19 pandemic, watching interesting and attractive content through the internet became an important part of people's leisure time. However, the result of the SWOT analysis indicates that Disney's content is nostalgic; Disney will face fierce competition from other strong companies, such as Netflix, Amazon, and Apple (Liu, 2021). Disney has cheaper pricing and has built partnerships with several channels in various countries, such as France, India, the UK, and other Asian countries. From the perspective of the 4Ps of marketing theory, the strategy concerning production is its weakness and needs innovation.

Netflix has more than 20 years' history in the content industry, while Disney started its stream media business recently in 2017 via M&A. In this industry, it is younger than its competitors. However, it plays an important role in the tourism industry. In the entertainment industry, its products, such as attraction performances and film programs, need to be diversified. New content products with novelty and stream media technical support have become significant concerns. Meanwhile, Netflix is constantly promoting new content to customers. Hence, in this study, we suggest the 3rd proposition as follows.

Proposition 3:

For a young and new entrant company, improving its innovation capabilities is significant and necessary to win the fierce competition with existing players.

4. Conclusion

Based on the literature review and qualitative analysis, this study discusses the localization strategy and stream media business of Disney. The results show that cultural localization is important for the tourism industry. Furthermore, through a comparison between Tokyo and Shanghai Disney, it is found that in emerging markets, such as China, besides culture, other factors, such as economic situation, system environment, and customers' values, need to be considered more in localization than in developed countries like Japan. Additionally, in the new stream media industry, it is found that a new entrant like Disney needs to be more innovative in its content/product development and technical support to solve issues (such as the issue pertaining to its links).

This study not only contributes to theoretical research on localization and innovation in the

tourism industry and stream media business, it also provides some constructive references for business practice. The live-action film of *Mulan* (2021) from the famous Chinese story has succeeded in USA. However, reproducing this story with a better understanding and deduction of the Chinese traditional culture may improve Chinese customers' acceptance and enjoyment of the film (Hu, 2021; Zhang, 2021). In the ticket system of Shanghai Disney, the following categories are available: kids, standard tickets, and aged tickets (Fu, 2020). However, there is no ticket category or discount for university students. To mitigate this, Shanghai Disney could establish a university student ticket category and reduce its price appropriately. Moreover, setting up a group discount price category would also be an effective method as university students prefer going to theme parks with several friends. Another issue is that the facilities in Disney fit younger consumers better. Hence, it could perform more detailed marketing segmentation and develop more interesting programs and facilities for university students, such as interactive activities such as singing (Fu, 2020).

In addition, western festivals, such as Halloween and Christmas are celebrated in Disney (Fu, 2020). If Chinese traditional festivals can also be celebrated in Shanghai or Hongkong Disney, it may attract more customers and provide more interesting experiences, further improving the effectiveness of the localization policy. The celebration of Chinese traditional festivals could also be incorporated into its online programs, developing new content.

Since 2019, China has been considered an aging society. The number of older people enjoying their leisure time is increasing, and in China, many grandparents spend their spare time with their grandchildren. In Disney, there are some products aimed at kids that could be further updated, and some programs or content for kids to enjoy with their grandparents together could be developed. This may be a potential market to focus the innovation of new content development, for Shanghai Disney. In Shanghai and Tokyo Disney, common weaknesses are the large crowds and long waiting times for services. Disney may recruit more staff and adopt a flexible working time system to provide good services in a shorter time effectively.

There are some limitations to this study. First, introducing localization or global marketing theories and stating the conclusions in the relevant literature would have been beneficial. Second, strategies deployed in other countries (USA and France) are worthy of discussion. Particularly, the cultural localization in Paris would be a good reference. It would be interesting to compare Disney's cultural localization between western and Asian countries.

In future research, the following topics should be focused on: how to compete with increasingly emerging local theme parks; what strategy will be effective for Tokyo Disney to attract foreign customers; how to better understand local culture and reproduce famous local stories, especially in the IP industry; in the emerging stream media business, how to improve technical conditions and promote innovation to provide better network link effect to customers; what should Hongkong Disney focus on to increase its customer base; and what is important for the innovation of Disney's stream media business.

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