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## **The Most Powerful Mouse in the World : The Globalization of the Disney Brand**

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**The Most Powerful Mouse in the World : The Globalization of the Disney Brand.**

**Michaela J. Robbins**

**The University of Tennessee, Knoxville, TN**

**Chancellors Honors Research Thesis**

**2013 Spring Semester**

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## **I. Abstract**

A company's brand may be one of the most important marketing tools in order to have a successful product. Research and academic interest in branding has greatly increased due to the impact branding can have on a product (Hudson & Hudson, 2006). As defined by Wood (2000), brand equity is the "measure of the strength of consumers' attachment to a brand and the description of the association and beliefs the consumer has about the brand". A brand can elicit emotions, memories, and a connection between the product and the consumer (Hudson & Hudson, 2006). Brands should be regarded as valuable, long-term corporate assets due to their importance in promoting one's product (Wood, 2000). Global brands have an even larger impact worldwide. Globalization and branding are both a growing and expanding part of business ventures. As globalization has accelerated, the importance of positive branding has become crucial to having a competitive product globally (Hsieh, 2002). The Disney Company is at the forefront of globalized entertainment branding. In order to understand the process and importance behind globalization and branding, this study will look into the development of the Disney Company and its brand. The purpose of this study is to examine the history behind the Disney Company in order to understand what has enabled them to have a brand with such positive equity on a global scale. In order to accomplish this purpose, this paper will cover important research about branding, marketing, and globalization. Historical, descriptive, and narrative facets will all be employed in discussion of the literature. Also, this project will cover important facets of the Disney Company in order to understand what has enabled them to develop their positive global brand. Most of the information in this paper will come from refereed journal articles and the Disney website.

Through an interesting study on the Disney Company, this research sheds light on the growing importance of positive branding and globalization in an ever-changing business world.

## **II. Introduction**

### **Statement of Purpose**

The purpose of this research is to further illuminate the research already conducted on the Disney Company. This paper will use the format used by Martinez, Stinson, Kang & Jubenville (2010) to analyze the Disney Company through cross referencing previous literature on branding, globalization, and leadership in relation to the Disney company. The first way in which this will be done is through the examination of branding and how the Disney brand has enabled such success for Disney in the entertainment industry. Research involving branding, brand equity, corporate culture, and corporate image will be brought together to develop further knowledge on the Disney Company's success. The second way in which this will be done is through the examination of the constructs of globalization and how the Disney Company has become one of the most global entities in all of business. Research on the expansion of Disney Theme Parks, movies, and merchandise in foreign markets and the reaction and success in those markets will further develop knowledge of the concept of globalization in regards to the Disney Company. Its established brand equity associated with value is critical within this analysis. Lastly, the discussion of leadership will be included to develop the scholarship conducted around the Disney Company's prowess, and in regards to other company's success when implementing the strategies that the Disney Company uses. Through cross-referencing these literatures, I will find patterns, consistencies, and connections between the articles. This will allow for further analysis and interpretation in relation to The Disney Company.

### **Significance of the Study**

Further knowledge into the Disney Company's success through branding, globalization, and leadership will significantly add to the field of study. This study will connect much of the literature regarding the Disney Company. Making connections between the literatures will provide greater knowledge and insight. Understanding the success of the Disney Company can enable future businesses and business owners to try the same strategies within their own companies. This could help create more successful and global companies, which in turn could help the international and domestic economy.

### **Definition of Terms**

Brand- stimulus in the mind of the consumer that should create trust (Berry, 2000)

Brand Equity- “measure of the strength of consumers’ attachment to a brand and the description of the association and beliefs the consumer has about the brand” (Wood, 2000)

Vertical Extension- expanding by creating new products under the same brand name in a different given area (Kim & Chhajed, 2001)

Disneyization- “a process by which the principles of the Disney theme parks dominate more and more sectors of society” (Bryman, 1999)

Globalization- “a trend towards increased economic and political interdependence, which at once fosters and is fostered by cultural homogenization.” (Hochschild, 2006)

Leadership- the process of influencing members of a group in order to attain goals (Loughead, Hardy, & Eys, 2006)

Formal Leader- an individual who was prescribed their position by the organization (Loughead, Hardy, & Eys, 2006)

Informal Leader- leader that emerges as a result of the interactions among group members (Loughead, Hardy, & Eys, 2006)

### **Introduction to the Disney Company**

The Disney Company has been a premier entertainment company for over ninety years. Starting at the very beginning, October 16, 1926, Walt Disney signed a contract with M.J. Winkler thus establishing the Disney Company, which was at the time known as The Disney Brothers Studio. The company rapidly began to expand and in the years to come has grown exponentially. In November 1928, the first *Steamboat Willie* cartoon was created, introducing the world to Mickey and Minnie Mouse. The cartoon established the image that the Disney Company now relies on for the majority of its branding. The following decade Disney stepped into the movie realm with the first full length animated film, *Snow White and the Seven Dwarfs*. A few years later, in 1940 Disney issued its first stock, signifying its growth as a company. The Disney Company began to expand beyond the world of television and written entertainment with the opening of a theme park. July 17, 1955 was the opening day for Disneyland, the first Disney theme park in Anaheim, California. Just 11 years later, the greatest inspiration and leader behind the Disney Company, Walt Disney, died on December 15, 1966. Despite the loss of the great visionary behind the company, Disney continued to grow in the years to come. Just five years later, in 1971, Walt Disney World Resort opened in Orlando, Florida (Disney History).

The Disney Company was growing to be a real giant in the US, therefore in the 80's they began to expand internationally. They opened their first international Disney theme park, Tokyo Disneyland, in 1983. Later that decade, they agreed to build Euro

Disneyland, later renamed Disneyland Paris, further expanding their global presence. Also in 1983 the Disney Channel began programming with 18 hours of broadcasting a day. The 1990's were a time of unprecedented growth in the Disney Company. They began to expand their influence across many areas through purchasing companies and sports teams. In 1992 Euro Disneyland was opened to the public. In 1995 they purchased ABC and a fourth of the California Angels baseball team, which they completely acquired in 1999. Disney, always keeping up with the latest technological trends, opened its first website in 1996. That year they also continued expansion through the creation of their own radio network, Radio Disney. Disney launched the ESPN magazine in the late nineties and opened their Wide World of Sports, increasing their audience to include sports fans. In 1998, Disney launched the first ship in their cruise line in a further attempt to grow in the industry of tourism. Throughout the nineties the Disney Company expanded more than Walt Disney likely ever imagined. The precedent set in the 90's was upheld with further growth in the 2000's. In 2001, Disney acquired Fox family channel and renamed it ABC Family. They also acquired the rights to the Muppets and *Bear in the Big Blue House*. In 2005 Disney continued its global expansion with the opening of Hong Kong Disneyland. In the 2000's Disney acquired many prestigious brands and companies. In 2006, Disney acquired Pixar Animation Studios and then Marvel Entertainment in 2009. Most recently in 2012, Disney completed its acquisition of Lucasfilm Ltd. LLC and gained the rights to the legendary Star Wars Franchise. From the humble beginnings of a cartoon studio in the 20's to an international business giant today, the Disney Company continues to grow and change on a daily basis to provide quality entertainment around the world for all members of the family (Disney History).

Through its great expansion and growth as a company, Disney has divided its company into five main business segments. These consist of media networks, parks and resorts, studio entertainment, consumer products and interactive media. The media network division of Disney is comprised of broadcast, cable, radio, publishing and digital businesses within the two main subsets of Disney/ABC and ESPN Inc. Walt Disney Parks and Resorts division has grown into one of the world's leading providers for family vacations. The parks and resorts division includes 11 theme parks and 43 resorts across the globe, Disney's cruise line with its four ships, and Adventures by Disney, which is guided family vacations of locations around the world. The Walt Disney Studios segment has been the foundation of the company for over 85 years. The studio is in charge of bringing the world quality family movies, music, and stage plays. Feature Films are released through many different ways under the umbrella of Disney, including Disney, Pixar, Marvel Studios, Dreamworks, and Touchstone Pictures. The Disney music group includes Walt Disney Records and Hollywood Records. The business section of Disney is in the Disney Consumer Products, which range from selling apparel, toys, home décor, books and magazines to foods and beverages, stationary, electronics, and fine art. The main retail chain, The Disney Store, is located in North America, Europe, and Japan. The most recently founded segment in 2008, Disney Interactive, push the boundaries of technology and imagination to entertain children and families around the world. Disney Interactive uses a variety of ways to do this, through mobile, social, and console games, online virtual worlds, and top ranked web destinations. Together all five of these segments create the global corporation that Disney has become today (Company Overview).

### **III. Literature Review**

#### **Branding: Definition and Explanation**

Building a company's brand is an important aspect of a company's success, whether it is in goods or services. A brand should increase a customer's trust towards the company they are purchasing from. Especially in the world of service, where there is no tangible product, the importance of a positive brand is key. If a company trusts the brand, when they see the brand they will feel less monetary or social risk.

There are many components that establish a company's brand. It is a compilation of what the company says it is, what people think it is, and the experience the customers have from the company. First, the presented brand is what the company displays in its advertisements, such as its logo, company name, and any slogans that accompany them. These things are created to establish brand awareness, which bonds a person's feelings and emotions to a particular brand. Second, the external brand communications refers to the things that are exchanged about a company through people's discussions, what we refer to as word of mouth. In an ever-changing world of technology, an increasingly important area of external communications is online through discussion boards and online reviews. Third, the brand meaning includes the main feelings and experiences that people have had with the company. This involves what comes to mind when you first mention a company. The brand meaning people develop from experiencing a company's product is by far the most important component in developing a brand. No matter how positive a company's marketing and branding may be, if the service the customer experiences is disappointing that is what will stick with them rather than the advertising

and marketing techniques that the company employs (Berry, 2000). This is the challenge for marketers, to ensure that customers have the right experiences that positively influence the brand that they have advertised (Hoeffler & Keller, 2002). All of these things also help to develop a brand's equity. Brand equity refers to the value that one company has over another because of their brand name. It includes the marketing advantage one company would hold over another simply because of their brand name (Berry, 2000).

Companies are increasingly using corporate social marketing (CSM) in order to help develop their brand. CSM involves linking your brand with a company or cause that helps others. Companies use CSM to build very strong emotional connections with their customers in order to set their company apart from the competition. An important aspect of this is to understand the profile of the customers that use your product. In understanding customer profiles, companies can understand what links customers to their company and their products and can use those connections to better choose what cause to support. Another important aspect is establishing brand credibility, in order to accomplish this a company's brand needs to be perceived as credible in three dimensions: expertise, trustworthiness, and likability. If companies can prove to have positive credibility in those three areas their brand credibility and equity will increase dramatically. Through CSM, a brand can also elicit feelings towards how people are viewed socially when using the product. If the customer feels that others react positively to the use of the product, or personally, if using the product gives the customer some self-satisfaction and respect for themselves. By partnering with companies that help those in need or through donating money to research, companies can establish their brands in the minds of their customers

in a positive light. Companies must also ensure that their customers are aware and knowledgeable on the cause that their company has partnered with. This marketing strategy can help both the company selling the product or service, and the nonprofit organization or cause that they have partnered with (Hoeffler & Keller, 2002).

Another way a company can expand its brand is through vertical extension. This involves expanding by creating new products under the same brand name in a different given area. This can include offering the same product but with different improvements. This is most easily seen in the car industry. A basic vehicle costs much less than the same vehicle with a sunroof, heated seats, and navigation included. It typically involves using the original product the company is used for but in a new way. Another example, Rice Krispies cereal is the main ingredient used to make rice krispy treats, so Kellogg decided to sell ready made rice crispy treats through vertical extension. Vertical extension is becoming increasingly popular, but can have negative effects. If the product has too many similarities to the original or too many differences from the original product people may not value the products or the brand as much. Understanding the feelings and value that the product brings to the customer is key when using vertical product extension (Kim & Chhajed, 2001).

### **Branding of The Disney Company**

The Disney Company has developed a brand with such positive equity that it has become a premiere leader in the family entertainment industry. Disney has cultivated a brand of high customer service with family values relating to goodness, kindness, and innocence for children (Brockus, 2004). The Disney Company is one of the top two media conglomerates, Time Warner being the other (Tracy, 1999). Some suggest that

Disney's success exists in its ability to speak to both children and adults. The Disney Company speaks to children by constructing and reliving elements of lived experiences, while providing adults with nostalgic fantasies about the past (Carson, 2004). Disney's "corporate image" is one of the ideal American institution (Forman, 1998). Disney participates in corporate social marketing (CSM) through its partnerships with the Make-A-Wish Foundation, Boys and Girls Clubs, UNICEF, and others (Company Overview). This helps to create more positive brand equity for the Disney Company through connection with charities that support children. Disney's brand is one that is constant but always evolving.

Disney has even created its own brand of management, known as "Goofy Management" (Middaugh, Grissom & Satkowski, 2008). Disney now markets its philosophy, beliefs, and values to other companies who wish to be successful in the workplace. The public can most easily see this applied through Disney's theme parks. At the theme parks, Disney pays great attention to detail, entertainment, and customer service. The four main components that make up Disney's service standards, also known as "The Disney Way," are safety, courtesy, show, and efficiency. Another very important aspect of the corporate culture at Disney is treating the guests like royalty. They teach their employees to "walk the talk" so that the employees can take pride in the excellence of the parks and their work that makes it so. One of the most important pieces of the Disney Way is the belief that "everyone makes a difference" and everyone is important. "Goofy Management" works in other workplaces as proved through Middaugh, Grissom, and Satkowski (2008) showing an example of the Disney Model being used in Hospital settings. Arkansas Children's Hospital, University of Chicago Hospitals, and Woman &

Infants Hospital of Rhode Island all used the Disney Model and all increased employee productivity, satisfaction and loyalty. This further shows that the values and corporate culture of the Disney Company create a brand with positive equity for not only the consumer but for the employees as well.

One way that Disney uses its brand name is through cultivation and creation of many of America's cultural objects. Disney generated over 50% of its revenue in 1996 from films and product licensing. A majority of this comes from "the licensing agreements that Disney makes with manufacturers for its intellectual property and images licensed from specific films". Disney's leap into merchandise can be considered a form of vertical extension. This is vertical extension because it represents a move into a new area with the same brand or logo. The company, originally a cartoon studio, now makes a large percentage of its revenue through the sale of merchandise. Disney uses its merchandise to further advertise for its films. The films, in turn, stimulate a demand for merchandise with the film's images. This creates a circular rotation that proves to be very beneficial for Disney. Disney uses all forms of merchandise including books, jewelry, toys, clothes, and almost anything that you can put an insignia on to generate more revenue (Tracy, 1999). Today Disney can be considered a cultural machine, creating new products and cycling through old ones in order to maintain a consumer base including generations young and old. Disney's success in this streams from the fact that Disney holds a strategic grasp on key cultural objects, including the characters we all know and love, and the means by which to upkeep and promote them. Disney's marketing of their products also provides great assistance in creating and maintaining cultural objects. Disney uses each holiday and season as a way to present themed merchandise of the

Disney characters that alter but do not change the core subject. This entices consumers who enjoy particular characters or who is a collector to buy a whole new toy every season or holiday. Disney also created the “Disney Vault” in which they place the Disney classics and re-release them in increments with new behind the scenes footage, better film clarity, and on the newest technology. This encourages consumers to buy films that they may already own over and over again so that they can have the most up to date version. Disney’s marketing system’s greatest strength lies in the ability to build customers from the bottom up, retain them for generations, and encourages ever-greater investment (Brockus, 2004).

Some scholars even suggest that the Disney brand and culture are beginning to overtake and spill into other aspects of American life. This is what can be referred to as “Disneyization.” As explained by Alan Bryman (1999), “Disneyization is depicted as a process by which the principles of the Disney theme parks dominate more and more sectors of society.” According to Bryman (1999), Disneyization consists of four aspects: theming, dedifferentiation of consumption, merchandising, and emotional labour. Theming, perhaps the most obvious example of Disneyization, is where areas have a specific theme. Today we have themed restaurants, hotels, hotel rooms, shopping malls, and even airports. The second aspect, dedifferentiation of consumption refers to the lines between different forms of consumption are becoming blurred. In the case of Disney this can be seen through the amount of merchandise and food that is sold through the theme parks. Malls today have begun to do the exact opposite; they are starting to build theme parks within their walls to keep customers there longer in order to make more money. Las Vegas is one of the best examples of dedifferentiation of consumption due to the casinos

and theme parks that are attached to all of the hotels. The third aspect, merchandising, refers to the promotion of goods with company logos and images. This ties into the previously mentioned notion of Disney's success through merchandise and licensing. Through the concept of Disneyization we now see restaurant chains, such as The Hard Rock Café, creating their own line of merchandise. Another example of this is through sports, almost every sport team now has their own line of merchandise that can be purchased through the team or the local university where they compete. The fourth and final aspect is emotional labour; this refers to the requirement of the employees to have a certain emotional demeanor about them the entire time they are at work. In Disney theme parks employees are required to portray the impression that they are having so much fun too, that they are really not even working. This idea has spread and is now emphasized in a number of management texts because of the success the Disney Company has had with it, which brings back the concept of "Goofy Management" being spread throughout several different workplaces. The concept of Disneyization takes the idea of branding to a whole new level. This concept takes the Disney brand and claims that it has become so powerful that its influence is spreading into areas that we do not readily notice (Bryman, 1999).

### **Globalization: Definition and Explanation**

Globalization is a term that is very hard to define. It is loosely characterized as "a trend towards increased economic and political interdependence, which at once fosters and is fostered by cultural homogenization." Globalization is a form of change that involves many factors including economic, legal, technological, political, and cultural. It is the product of both individual and corporate agents increasing the international

infusion throughout many aspects of life. Some scholars see globalization as “a confirmation of freedom and a reason to continue expanding freedom.” Globalization also has its criticisms often for being shortsighted, greedy and centered around building empires. On the other side, it is protested against international trade organizations. Globalization consists of several cliché’s such as the world is getting smaller, suggesting not that the world is shrinking but rather that everything is becoming more familiar. This makes it not only easier to travel but also to not return home. Globalization also increases the amount of ideas, technology, people, and capital that are transferred from one country to another. This can be considered both positive and negative; it is negative in that it implies a loss of tradition, individualism, and culture. The entire world starts to become more secular. The positive of globalization is the increased freedom in all areas of life, due to life not being dictated by the local or national norm. As globalization increases it also increases the ability to adapt and transform in times of change. This positive can also be seen as a negative. For example, throughout time children have been taken care of by their parents and when grown the same children take care of their elderly parents. Through the changes associated with globalization children are more often being sent to day cares and elderly are being sent to nursing homes or assisted living homes. This has evolved through the importance we place on work and competition, which has increased because of globalization. Political and economic entities have begun to take over the basic local social functions that were once done by individuals. This gives the larger economic and political forces great power over individuals because individuals are now depending on them for their basic needs. This also gives those forces the ability to manipulate individuals because of their power over them (Hochschild, 2006). Individuals

are affected by globalization on a daily basis whether or not we are aware of it. The speed with which technology is allowing integration creates great wealth for some and great poverty for others. Globalization is often times also referred to as Americanization due to the expansion of American companies such as Coke, Disney, CNN, McDonalds, and others. Whether or not we like globalization it is occurring at all times through the Internet, satellites, and other types of technology. It is clear that globalization is supported and detracted by many. Perhaps the key to globalization is just to keep it within a certain border, because if allowed to run rampant it will dissolve all forms of community and individuality. If tamed, globalization can increase efficiency and be a force of positive change socially (Evans, 2002).

### **Globalization of The Disney Company**

The Disney Company has become a globalized company, starting its global expansion in Tokyo. In the 1990's Disney started a European initiative, which included the establishment of a European headquarters in France. Disney also expanded in Europe with its theme parks and the establishment of Euro Disney. Euro Disney was opened in April of 1992 about twenty miles outside of Paris, France. The establishment of Euro Disney created much turmoil from the French press. This turmoil was created because, unlike other companies who expand globally, Disney changed little to nothing when entering the international market. The French place great value on their language and culture, and due to this the press made the Disney venture out to be one of American cultural imperialism. The French feared that Disney characters would soon overtake the French literary masterpiece characters in the mind of French citizens. Disney made very minor changes upon building Euro Disney, the main language at the park was French and

the Disney tales that were based on European fairy tales would have more prominence in the park. Otherwise, few changes were made and the French press felt that Disney's whole point and purpose was to glorify America. They claimed the whole message portrayed at the parks was the glorification of America's past, power, way of life, and its future. This form of globalization links with Americanization: that American companies and culture are starting to take over the globe (Forman, 1998).

The site on which Disney decided to build Euro Disney also created much turmoil. Marne-la-Vallée was the small town on which the park was built. The park destroyed the region, some protested that it caused them to lose their livelihood, and caused the breakup of French pastoral setting that was in place before Disney's arrival. Disney's arrival also caused many of the surrounding towns to increase to 2/3 Disney employees. Another complaint made by the French press was that many of the procedures for employment were not changed to accommodate French culture. The mandates on personal hygiene and conduct, the expectations of the company, and the dress code all are at odds with the typical employment practices of the French. The French press also made the training process out to be one of "suffering through four days of indoctrination at Disney University." This Anti-American sentiment that is often shared by the French can be linked to the fear that their national identity can be threatened by America's economic, cultural, and political dominance. Disney's entrance into France represented a sort of onslaught of American culture and values that took up a physical place on French soil. The French press created a very negative image of Euro Disney through odd cultural analyses of Disney to dramatized personal testimonies. They did not tell any of the positive stories that included the number of jobs that would be brought to the area and the

France-based Disney park that would attract consumers from all over Europe. Despite the negative image constructed by the French press, Euro Disney was and always has been very successful. Euro Disney has over one million visitors a month, in fact, the French are the largest consumers of Disney products in all of Europe. The decision made by Disney to keep its American ways proved to be a successful one in Europe and in its future expansion (Forman, 1998).

Similarly, Disney brought its global theme parks to Hong Kong and retained its American themes. Through retaining the American culture within the walls of the theme park it allows people from mainland China a chance to engage in global consumption and a sense of international travel that would normally be prevented by their state. When Disney was in negotiations with the government of Hong Kong, the government “suggested that Chinese culture could be incorporated into the park but Disney argued that visitors should have an authentic Disney experience.” Disney saw the Hong Kong park as a chance to give locals a sample of an American park that would make them want to travel to America to see the real ones. Disney recognizes that the locals want an experience untainted by their own culture. Disney built the park as a smaller Disneyland just located in Hong Kong. Similarly to the initial reactions in France, the press of Hong Kong highly criticized Disney’s decision to build in Hong Kong. They criticized the small scale of the park and questioned whether or not the partnership between Disney and the government was a sound one. Yet, the park was and still is successful and enjoyed by many visitors. When people from mainland China travel to Hong Kong Disneyland, they receive a global experience without going overseas. This allows them to experience a

very different, free, and individualist atmosphere in contrast to the repressive state in which they live (Fung & Lee, 2009).

Another way in which the Disney Company participates in globalization is through the global division of labor. In the article by James Tracy, Disney is highly criticized for taking advantage of international labor to increase its profits. How Disney does this is through subcontracting practices that take advantage of human labor in developing countries. The phrase “division of labor” comes from the fact that the mental work is completely separate from the physical work, resulting in decreased wages for those doing the physical labor. They, mostly women, have no say in the products that they manufacture, are poorly compensated, and lack the ability to control their work environment. The Disney Company therefore does all of the intellectual conception and planning then subcontracts the physical labor to developing countries where they can take advantage of lower wages to increase profit. This relationship can be seen as an example of economic imperialism because the industrialized nations have all of the power and control in this relationship. In some cases, the developing countries welcome this business. In places like Indonesia and China, they have conditioned their women to be subservient to men and to do what they are told at all times. These international practices that Disney partakes in greatly contrasts their domestic practices. In the United States, Disney has earned a reputation as a socially liberal company that includes all types of people with good will towards all employees. Internationally, the reality is far less flattering. In comparison of products produced in industrialized nations versus dependent nations, the dependent nations average annual wages per worker are almost \$30,000 less than in industrialization nations. Tracy points out, “while Disney does not directly

negotiate the subcontracts discussed, it licenses the rights to use its intellectual property to contractors at such high prices that they must seek the least expensive subcontractors to manufacture these products.” The power of the Disney Company is tremendous, Disney controls a large amount of popular culture and through this it influences our daily lives. As the economy becomes increasingly globalized, more and more industries are partaking in the division of labor. Disney is therefore a step ahead and will only continue to rely on workers in developing countries despite the negative impact it could have on the Disney brand (Tracy, 1999).

Through all three of these examples, we see the power that Disney has in the global economy and the influence it has internationally. Disney is often met with great criticism when participating in global ventures, yet it remains successful and profitable. We may not all agree on the practices by which Disney makes its profit, but one cannot deny the influential global power that Disney has become.

### **Leadership: Definition and Explanation**

Longhead, Hardy, and Eys (2006) conducted a study on leadership within teams in order to attempt to examine how the roles of formal and informal leaders impact the team they are on. Leadership is defined in many ways, but overall it is a process that involves influencing members of a group to achieve goals. Within leadership there can be formal and informal leaders. A formal leader is someone who was given the position by the organization. Simply because someone is given a formal title it does not ensure that their leadership will be effective. This is often where informal leaders emerge. Informal leaders are born out of interactions that occur between the team members. Leaders can occupy several various roles within a team, this is known as differentiation. As a part of

differentiation, a leader may be considered a combination of task leader, social leader, and external leader. Task leaders help the team to keep focused, helps to clarify responsibilities, assists in making decisions, and offers instruction when needed. A social leader contributes to the team harmony, ensures everyone is included and involved, helps solve interpersonal conflicts, and offers support and trust to teammates. External leaders promote the team from within the community, represent the team's interests in meetings, attempt to secure resources for team, and buffer team members from outside distractions. Being able to work in more than one area helps to make more effective leaders through differentiation. In the business world, informal leaders play an important role in leading groups even when there is a formal leader (Loughead, Hardy & Eys, 2006).

### **The Disney Company: Worldwide Example of Leadership**

According to The Walt Disney Company website, Disney was most recently named America's Most Reputable Company. Disney earned this through citizenship efforts, amazing business performance, world-class theme park experiences, and innovative storytelling. The Disney Company strives to win over the hearts of America and through its continuous protection of its very positive brand it has clearly done so. This is just one example of the leadership position that The Disney Company has taken over in the world of entertainment and business. If we look back at the definition of leadership, it is the ability to motivate others to achieve a set of goals (Loughead, Hardy & Eys, 2006). It is clear through many of the preciously discussed articles that Disney has the ability to motivate others. Through its fair employment practices and large network of employees, Disney maintains its brand and positive equity. Because of this, many other businesses outside of the entertainment world have started to model

themselves after The Disney Company (Middaugh, Grissom & Satkowski, 2008). In this setting we see The Disney Company taking a more informal leadership role because they have not been formally given a title that allows them to push their practices on other businesses. Instead, Disney has created a positive reputation through interactions with businesses and consumers and has positioned itself in such a way that other companies go to Disney for management and other business related advice and leadership (Middaugh, Grissom & Satkowski, 2008). The Disney Company has also set itself apart as a company with the powerful ability to lead by differentiation. The Disney Company holds many different roles within its business and has managed to become a leader in all of them (Company Overview). Differentiation consists of task leadership, social leadership, and external leadership (Middaugh, Grissom & Satkowski, 2008). First, The Disney Company exhibits task leadership in each business segment through the top and middle level managers who make sure that all employees know which tasks they must accomplish. Second, The Disney Company exhibits social leadership through the experience that Disney creates for each customer. This is especially true in the Parks and Resorts Segment of The Disney Company. Lastly, Disney exhibits external leadership through its branding. Disney has created a positive brand equity that follows its products out into the world. Disney's external leadership can also be tied into its philanthropic associations and in giving back to the community (Company Overview). Through The Disney Company's ability to lead by differentiation, it is evident that all together these leadership components have made Disney the worldwide business leader that they are today.

#### IV. Methodology

The methodology used for this paper is based off of the meta-analysis conducted by Martinez, Stinson, Kang & Jubenville (2010). The initial research for journal articles relevant to this subject was conducted utilizing available Internet-based research databases through The University of Tennessee's libraries databases including: EBSCO Electronic Journal Service and Academic Search Premier as well as the google scholar search engine. Among key terms included were combinations of *brand*, *globalization*, *leadership*, *brand equity*, *marketing*, *culture*, and *The Disney Company*. Articles published from 1998 to 2010 were included in this selection process. The initial search resulted in more than 23 relevant articles. Throughout reading the 23 articles, six were eliminated due to their inability to fit with the other relevant articles. A summary table of the included studies is included below.

<b>Study</b>	<b>Year</b>	<b>Journal</b>	<b>Content</b>	<b>Commonalities Related to Disney Co.</b>
Berry	2000	<i>Journal of the Academy of Marketing Science</i>	Importance of branding for company's providing a service and not a good	Disney is a service company that understands the importance of positive branding.
Brockus	2004	<i>POPULAR COMMUNICATION</i>	Disney's grasp on America's cultural objects	Disney uses its control of cultural objects to make profit and ensure future generations of fans.
Bryman	1999	<i>The Editorial Board of The Sociological Review</i>	Concept of Disneyization: Disney brand flowing into other	The Disney Company/brand has become so successful that

			aspects of life	its practices are overflowing into other business.
Carson	2004	<i>Ethnomusicology Forum</i>	Use of music within Disney Theme Parks	Includes aspects of branding, globalization, and Disneyization.
Evans	2002	<i>Primary Health Care Research and Development</i>	Globalization positives and negatives	Controversies of globalization and expansion of American companies (Disneyization).
Forman	1998	<i>Technical Communication Quarterly</i>	Controversial establishment of Euro Disney	Disney's first global amusement park, positives and negatives.
Fung & Lee	2009	<i>Continuum: Journal of Media &amp; Cultural Studies</i>	Disney's lack of change while entering Hong Kong	Localization and globalization of Disney theme parks, many connections to Forman (1998)
Hochschild	2006	<i>The Intercollegiate Review</i>	Definition of globalization in modern and ancient context	Changes of the world because of globalization, Disney's ability to keep up.
Hoeffler & Keller	2002	<i>Journal of Public Policy &amp; Marketing</i>	Using CSM to improve brand equity	Linking brand to philanthropic organizations, Disney's ties to make-a-wish foundation and others.
Hsieh	2002	<i>Journal of International Marketing</i>	Perception of brands in international/global setting	Importance of Disney's global branding and how it remains positive

Hudson & Hudson	2006	<i>Journal of Marketing Management</i>	Convergence of branding and entertainment	Importance of studies conducted on branding and Disney's understanding of this importance
Kim & Chhajed	2001	<i>The Journal of Product Innovation Management</i>	Discussion of vertical product extension	Disney expanding products from just cartoons and films to every product imaginable.
Loughead, Hardy & Eys	2006	<i>Journal of Sport Behavior</i>	Definition of informal and formal leaders in context of athletics	Disney employing the characteristics of a leader as a whole company.
Martinez, Stinson, Kang & Jubenville	2010	<i>Sport Marketing Quarterly</i>	Fundraising in Intercollegiate Athletics	(Format used for article review and methodology)
Middaugh, Grissom & Satkowski	2008	<i>MEDSURG Nursing</i>	Applying Disney's style of management to other workplaces	Disney's brand and global impact has made it an example for other businesses to follow.
Tracy	1999	<i>Journal of Communication Inquiry</i>	Global division of labor, Disney exploiting workers	Negative outlook on The Disney Company's international dealings.
Wood	2000	<i>Management Decision</i>	Definition of brand and brand equity	Understanding definition of brand to better understand Disney's prowess.

## **V. Results/Conclusions**

This cross-referencing of articles on the globalization and branding of The Disney Company has helped elucidate what makes Mickey Mouse the most powerful mouse in the world. This paper has helped to shed light on the growing importance of positive branding and expanding the globalization of that brand in a constantly changing world. In understanding the importance that Disney places on the creation, marketing, and protection of their brand it is clear that this is one of the techniques that sets The Disney Company apart from others. In learning about Disney's historic ventures into the global economy it is clear that globalization is a key component to the success of the company and that it is not always a pretty or easy task entering into the global environment. The most important connection between every article included in this paper is the importance of branding and creating positive brand equity through all parts of the business. Disney is a master at this practice and has become such an innovative leader that their practices are employed in all types of companies now. From this research, understanding the importance and the history behind The Disney Company's success can influence and guide other companies to employ these same strategies. Overall, this knowledge can be used to improve any and all businesses through understanding the globalization of the Disney brand.

## VI. References

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