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## Disney eyes growth in Asia



**Mickey Mouse, a character created by Walt Disney in the late 1920s, never seems to grow old. Today, this talking mouse with his trademark red shorts and white gloves, continues to charm legions of children around the world.**

The secret behind the world's best known cartoon character, according to **Andy Bird**, chairman of Walt Disney International, is having a sound strategy in place – one that continues to evolve with the times.



“The philosophy we have is that we’ve got to treat every market that we do business in, individually. Each market is unique and has a unique set of characteristics. And whilst there may be some common areas in terms of how people consume media, the landscape in which they do it is often very, very different. And so our job and our approach is really to study each market individually and then to tailor-make the products that we’re going to supply in that market to suit the needs of the consumers,” says Bird, who spoke to INSEAD MBA students at the school’s Asia campus in Singapore. Bird says Disney has a three-pronged entry strategy, which takes into account the economic health of a country, the advances in technology made there, and its infrastructure. “When you look at the combination – certainly

of the latter two – that really starts to drive our market entry strategy,” he adds.

China and India, according to Bird, are two very “large and important” markets to Disney, but are contrasting in terms of their regulation and infrastructure, and therefore have to be approached differently.

China, somewhat surprisingly, has a long Disney legacy. “Interestingly one of the great legacies that we've inherited was that Walt was a great traveller. And he really wanted his products to be seen around the world ... So Snow White was released in China for example back in the late 1930s. And Mickey Mouse has been there – Mi Lao Shu as he's known in the country – for many decades.



“We've had that as a base to build on. What we have to do now is ensure the different businesses that we participate in are there in the right structure, in the right offering as I say to the consumers.”

As China also has strict media regulation around television and movies, Bird says the company's entry strategy focuses on consumer products and retail which are very developed in the Chinese market, with a lot of foreign entrants also in the marketplace.

India on the other hand, is almost the opposite, leaning heavily towards television and movies, and led with a nascent organised retail structure. “So what we try and do is adapt the resources we have, the businesses we have to suit the demands of each individual market.”

While Bird admits that Disney has been able to ride on its ubiquitous brand, the company too has benefited from having multiple revenue streams, namely through its theme parks, television, consumer products and studio businesses.

“We have a very healthy licensing business in our consumer products business ... everything from admissions and hotel bookings at one of our theme parks, through to subscription and advertising revenues on one of our television networks or theatrical admissions or DVD sales from any of our movies,” Bird told INSEAD Knowledge, adding that the company is also “the largest publisher of children's magazines and books in the world.”

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