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QUALIFICATION PAPER
to obtain an educational degree BACHELOR

in the specialty 073 Management
educational-professional program Management
on the topic:

Strategic management of marketing activities at the enterprise

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The qualifying paper contains the results of own research. The use of ideas, results and texts of other authors are linked to the appropriate source.

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Sumy – 2024

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APPROVED
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**ASSIGNMENT FOR QUALIFICATION PAPER
to obtain an educational degree BACHELOR**

in the specialty 073 Management,
educational-professional program Management
on the topic: Strategic management of marketing activities at the enterprise

Student. M-01an/2y Anzhelika Baieva
(group) (First and last name)

1. The topic of the paper " Strategic management of marketing activities at the enterprise " approved by order 0544-VI dated 16.05.2024.
2. The deadline for submission of the completed paper by the student 28.05.2024.
3. The purpose of the qualification paper: to identify key strategies to improve the effectiveness of marketing activities at the enterprise.
4. Object of study: a system of strategic management of the enterprise's marketing activities.
5. Subject of study: organizational and economic relationships that are formed in the process of planning, organizing and evaluating the effectiveness of marketing activities.
6. Qualification paper is performed on the basis of “Disney”, methodological instructions, scientific publications.
7. Approximate plan of qualification paper, deadlines for submission of sections to the manager and content of tasks to fulfill the set goal.

№	Title of the section	Submission deadline
I	Basic concepts and approaches to strategic management of marketing activities.	10.05.2024
II	Evaluation of current marketing strategy and activities.	15.05.2024
III	Developing and justifying strategic decisions and activities of Disney	20.05.2024

The content of the tasks for fulfilling the set goal of the Bachelor's qualification paper:

In section 1, the student must reveal the essence of the strategic marketing management of an enterprise.

In section 2, the student must develop scientific and methodical approaches to the evaluation of the current marketing strategy.

In section 3, the student must propose the solutions to the identified problems and develop strategic decisions of "Disney".

Consultations on work performance:

Section	Surname, initials and position of the supervisor/consultant	Signature, date	
		Issued the task	I accepted the task
1			
2			
3			

9. Issue date of the assignment 05.04.2024

Supervisor of

qualification paper Assistant, PhD in Economics, Viktoriia SULYM

(position, scientific degree, scientific title, Name and SURNAME)

(Signature)

Tasks to be completed received

Anzhelika BAIEVA

(Name and SURNAME of the student)

(Signature)

ANNOTATION

The structure and length of qualification paper. The paper consists of introduction, three chapters, conclusion, list of references, which includes 47 items. The length of bachelor's thesis is 58 pages including 7 tables and 6 figures, 1 appendices.

The bachelor's thesis is devoted to the study of theoretical and methodological foundations of strategic management of marketing activities at the enterprise. Using systems analysis to study the management of marketing resources and flows of the enterprise, the main reasons for the insufficient use of a strategic approach to managing marketing activities were identified. In addition, the main elements and relationships that form the core of the business marketing system were identified.

The relevance of the study lies in the need to understand the essence and effective management of marketing activities at the enterprise in the context of constant changes in the global economy and rapid development of technologies. Particularly relevant is the fact that marketing is becoming a key factor in the competitiveness of enterprises, and effective management of marketing strategies can significantly improve their financial stability and market positions.

The purpose of the thesis is to identify key strategies to improve the effectiveness of marketing activities at the enterprise.

The main focus is on the analysis of modern methodological approaches to the management and evaluation of marketing activities at the enterprise. The developed recommendations are based on practical experience and modern trends in the development of marketing processes.

The object of the study is the system of strategic management of the enterprise's marketing activities and the subject of the study is organizational and economic relationships that are formed in the process of planning, organizing and evaluating the effectiveness of marketing activities. .

The practical significance of the work lies in the applicability of the proposed systems, methods and recommendations for improving the efficiency of marketing management at enterprises, which will contribute to improving their competitiveness and financial stability.

When writing the work, the following research methods were used: analysis of literary sources, comparative analysis and empirical methods. These approaches made it possible to conduct a comprehensive analysis and develop practical recommendations for improving the efficiency of marketing management at enterprises.

Based on the conducted research, the following recommendations were developed for Disney:

- Attracting investments and optimizing costs by actively searching for investment opportunities to finance marketing projects, developing attractive business plans for potential investors and participating in international exhibitions and forums.
- Diversifying sources of financing by attracting investments through partnerships with other companies, government grants, venture funds and bank loans on favorable terms.
- Improving working capital management to ensure sufficient liquidity.
- Introducing environmentally friendly technologies in production to optimize costs, achieve sustainable development goals and increase competitiveness in the domestic and international markets.
- Developing marketing strategies to expand sales markets.
- Introducing modern information technologies to automate business processes and improve management efficiency, which is recommended to increase productivity and reduce operating costs.

When writing the paper, the following tasks were performed:

- The theoretical foundations for determining the essence of the concept of strategic management of marketing activities at the enterprise are considered.
- The analysis of the components of marketing activities is carried out and scientific approaches to their interpretation are summarized.
- The methodological approaches to strategic management of marketing activities at the enterprise are studied.
- A comparative analysis of various approaches to managing marketing activities is carried out with the definition of the most optimal of them.
- A system of indicators for assessing the marketing activities of the enterprise is developed.
- An algorithm for assessing marketing activities based on the developed system of indicators is proposed.
- Strategic recommendations are developed to improve the efficiency of managing the marketing activities of Disney.

Keywords: STRATEGIC MANAGEMENT, MARKETING ACTIVITIES, ENTERPRISE, EFFICIENCY, COMPETITIVENESS.

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INTRODUCTION

The formation of a competitive environment requires the introduction into the practice of enterprises of new forms and methods of management based on marketing research of the product market. Under these conditions, there is a need to organize management systems for production, sales and marketing of products.

Organization of management of production and sales systems helps the enterprise achieve self-sufficiency and self-financing. The necessary conditions for this are not only the efficient and uninterrupted provision of production with material, labor and financial resources in the required quantity, appropriate quality and at reasonable prices, but also the orientation of production towards the production of products in demand on the market. Marketing management is responsible for solving these problems. It was these provisions that served as the basis for choosing the topic of the thesis research.

It should be emphasized that the researched works do not sufficiently consider the methodological aspects of a comprehensive assessment of the effectiveness of the marketing activities of enterprises, which is of decisive importance in marketing management. The urgency of finding ways to solve this problem is enhanced by a number of other circumstances: the growing influence of transnational companies in the market, the deterioration of the raw material base, the use of certain marketing elements (labeling, packaging, advertising, production methods, etc.) as technical barriers to trade.

All this requires theoretical and methodological support for improving the management of marketing activities of enterprises.

Despite the significant elaboration of the issues of effective organization of marketing activities at enterprises, the specifics of adapting the marketing system to the peculiarities of the functioning of enterprises have not been sufficiently studied in the works of specialists. Therefore, it is extremely relevant to study modern trends in

substantiating the organization of marketing activities of enterprises, which determines the choice and relevance of the topic of the thesis.

The object of the study is the process of organizing the marketing activities of an enterprise.

The subject of the research is the theoretical foundations, scientific and methodological principles, economic and mathematical methods and models of analysis and optimization of marketing organization in an enterprise.

The purpose of the study is to study the theoretical aspects and practical principles of organizing the marketing activities of an enterprise and to develop measures to improve it.

In accordance with the stated purpose of the research, the following tasks were solved in the thesis:

- reveal the role and importance of marketing activities to improve business efficiency;
- determine the features of organizing the marketing activities of the enterprise;
- characterize the methodological aspects of assessing the effectiveness of the marketing system;
- explore the main aspects of Disney's activities;
- characterize the marketing organization at Disney;
- explore Disney's marketing environment;
- justify the marketing strategy of the enterprise;
- develop measures to optimize the structure of Disney's marketing communications budget.

Research methods are based on articles, studies, scientific works on marketing. The methodological basis of the thesis research is a systematic approach, which was used in the study of the general theoretical foundations of the organization of marketing activities and the justification of practical directions for its improvement.

Also used are methods of collecting, analyzing and comparing information, methods of economic analysis, as well as correlation and regression analysis, methods of econometric and optimization modeling, tabular and graphical methods for visual presentation of information.

CHAPTER 1 THEORETICAL AND METHODOLOGICAL FOUNDATIONS OF STRATEGIC MANAGEMENT OF MARKETING ACTIVITIES IN AN ENTERPRISE

1.1 Formation of the marketing management process at the enterprise

In modern conditions of development of a market economy, strategic marketing management plays a key role in achieving competitive advantages and meeting customer needs. Marketing is practiced in almost all countries of the world. Most countries in North and South America, Western and even Eastern Europe, as well as Southeast Asia have well-developed marketing systems. The work of all large commercial companies is based on marketing and the use of its principles and methods. In addition, marketing has recently become an integral part of the strategies of many non-profit organizations, such as colleges and universities, hospitals, clinics and museums. It is becoming increasingly clear and in demand in Ukraine. If earlier this economic phenomenon was a kind of exotic, and the word “marketing” itself seemed strange, today marketing is the most important component of the success of any enterprise, firm and company: large and small, commercial and non-profit, national and international.

“Introduction to Marketing Management is a crucial step for any organization as marketing plays a key role in determining the success of a business in the market. The main goal of marketing management is to satisfy the needs of customers by providing them with goods or services that meet their expectations.” (Bhardawaj, A., 2022)

Organization of marketing activities at any enterprise includes:

- Formation or improvement of the organizational structure of marketing management.
- Selection of qualified specialists in the field of marketing.

- Distribution of tasks, rights and responsibilities in the marketing management system.
- Creating conditions for effective work of marketing service employees.
- Organization of effective interaction of marketing services with other structural divisions of the enterprise. (Bhardawaj, A., 2022)

Since the business environment is dynamic, an organization needs to constantly evaluate its strategies to remain competitive and achieve long-term goals. Marketing activities of an enterprise are a set of activities aimed at (Daniels, R., 2022,):

- Analysis of the external environment of the enterprise, allowing to identify factors that contribute to commercial success or create obstacles to it. The results of the analysis form a database for making informed marketing decisions. (Daniels, R., 2022,)

- Analysis of current and potential consumers, including research into the demographic, economic, geographic and other characteristics of product consumers, their needs, as well as the processes of purchasing both our and competing products. (Daniels, R., 2022,)

- Development of a concept for the creation of new products or modernization of existing ones, including assortment and parametric series, packaging, etc.

- Planning the movement of goods and their sales, including the creation, if necessary, of appropriate sales and agent networks.

- Providing demand generation and sales promotion through a combination of advertising, personal selling, prestigious non-profit (PR) events and various economic incentives aimed at buyers, agents and direct sellers.

- Development of an effective pricing policy.

- Managing marketing activities as a system, assessing risks and profits, as well as the effectiveness of marketing decisions.

Manufacturing enterprises view marketing as a means of achieving goals in each specific market and its segments with the highest economic efficiency. This becomes possible when the manufacturer has the opportunity to systematically adjust its scientific, technical, production and sales plans in accordance with changes in market conditions, maneuver its material and intellectual resources to provide the necessary flexibility in solving strategic and tactical problems, based on the results of marketing research. In these conditions, marketing becomes the basis for long-term and operational planning of the production and commercial activities of an enterprise. (Planning for the enterprise, 2021)

The basic principles of marketing can be formulated as follows:

- Focus on achieving the final result of production and sales activities. “The effective implementation of the planned volume of goods on the market, in essence, means capturing a certain market share in accordance with the long-term goals of the enterprise” (Calhoun, H., 2021).
- The enterprise’s focus is not on the temporary result of marketing activities, but on pursuing a marketing policy that provides for long-term research, forecasting and further development of innovative products, which will ensure highly profitable foreign economic activity.
- Developing strategies and tactics aimed at adapting to the requirements of potential buyers and interacting with them, which happens simultaneously.

Marketing is also based on other principles, the main ones being:

- Careful consideration when making business decisions of the needs, state and dynamics of demand, as well as market conditions. Following this principle presupposes “full knowledge of the market situation regarding the current and projected level of demand, the activities of competitors in the market, consumer behavior and their attitude towards the products of a given enterprise and its competitors. At the same time, consumers often do not know well enough what exactly they need and want” (The concept, 2022). They certainly want to solve their

problems and satisfy their needs as best as possible. Therefore, one of the main tasks of marketing is to understand what consumers want.

- Maximum adaptation of production to market requirements and long-term demand structure. The modern concept of marketing is that “all activities of an enterprise should be based on knowledge of consumer demand and its changes in the future. Marketing makes the production of goods functionally dependent on requests and requires the production of goods in the range and volumes required by consumers. Therefore, one of the tasks of marketing is to identify unsatisfied customer requests in order to orient production to satisfy these requests” (Chesterton, T., 2022). When implementing the marketing concept, the emphasis in making business decisions shifts from the production needs of the enterprise to the needs of the market.

- Informing potential consumers and influencing them using all available communication means (primarily advertising) in order to persuade them to purchase this particular product.

To benefit from marketing management, “it is necessary to monitor current trends, customer behavior and preferences, and conduct market analysis to assess the competitive landscape. Market analysis allows you to identify strengths and weaknesses, identify opportunities for growth and development, and also identify possible threats to the company's activities. The main tools of market analysis include the study of market structure, analysis of trends and proposals, research of competitor strategies, as well as assessment of macroeconomic and sociocultural factors influencing the market.” (Toxboe, A., 2023).

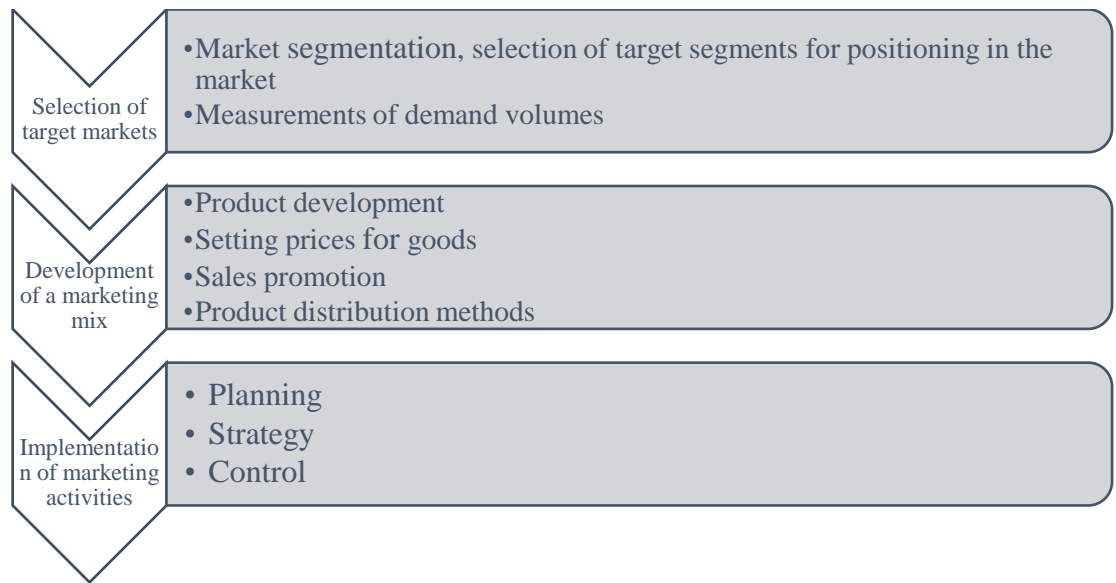


Figure 1.1- Stages of the marketing activity management process

One of the key aspects of marketing management is the development and implementation of a marketing strategy. It is important to consider the following issues:

1. Pricing method. What approach will be used when setting the price for a product or service. The choice of pricing method depends on many factors, such as cost orientation, demand, competitors and others.
2. Organization of a sales system. How to organize a sales system to ensure the required sales volume and distribution of goods and services in the selected target segment.
3. Methods of promoting goods and services. What promotion methods will be used: it is important to determine the ratio and availability of advertising, promotions, bonus programs and other tools.

The result of all these actions, as well as a comprehensive analysis of the market environment, should be the formation of a marketing strategy that will reduce costs and achieve maximum efficiency when planning sales and advertising activities. “In an economic crisis, a company, as a rule, does not have the opportunity to revise

its strategy, so it is necessary to choose among currently relevant marketing strategies.” (Toxboe, A., 2023).

“According to Investopedia, a marketing strategy is a business's overall plan for attracting potential customers and converting them into buyers of the goods or services the company provides. In general, it includes the company's value proposition, key brand messages, target customer demographics, and other high-level elements. A marketing strategy integrates all aspects of the customer journey and provides visibility to every department.” (The Essential Guide., 2019). This allows an organization to focus on existing resources, finding ways to best use them to increase sales and enhance competitive advantage.

Table 1.1- Marketing development strategies

Strategy name	Implementation measures
Strengthening the product's position on the market	Development of a new advertising campaign, attracting consumers by strengthening obvious competitive advantages, rebranding
Market development	Entering new markets through the development of a sales network
Urgent response to market demands	Creating a product that is currently popular among consumers, introducing innovations
Differentiation	Adding a product with different properties compared to competitors' products, targeting a narrow target segment

While a marketing strategy may require regular adjustments, it provides a template to get started and makes it easier to achieve similar or improved results from each campaign without requiring a complete rethink of your approach. It also creates stability and predictability in the marketing department. Thus, after conducting a market analysis, an organization can develop a marketing strategy that defines goals, objectives and methods for achieving competitive advantage in the market. This

includes selecting target segments, branding products or services, creating a marketing mix (product, price, distribution and promotion) and creating a marketing budget. An effective marketing strategy allows a company to effectively use its resources, attract new customers and remain competitive in a dynamic market.

Since technology strategies and tactics are used to help a business succeed in the market and reach new levels of growth, the implementation of marketing management marks an important step in the life cycle of a product or service.

From the point of view of social significance, four alternative marketing goals can be distinguished:

- Maximization of consumption - the desire to increase production, the level of employment and, accordingly, the welfare of society.
- “Maximizing the level of consumer satisfaction - it is important not just to increase consumption, but to strive to increase the level of consumer satisfaction.” (Linton, I., 2017).
- Maximizing consumer choice - providing such a variety of products that consumers can find products that exactly suit their tastes and preferences.
- Maximizing the quality of life is not only the quantity, quality, variety and availability of goods at reasonable prices, but also improving the cultural and physical environment of people's lives.

“Strategic objectives of marketing include the formation of strategic goals and mission of the enterprise in the market, determination of the strategy of behavior in target markets, as well as the creation of its own products and systems for their promotion and sales.” (Fillmore, K., 2024).

“Marketing activity management is a vital part of the overall enterprise management system. The main task of marketing management is to achieve the best coordination of the internal capabilities of the enterprise with the requirements of external factors to ensure the required amount of profit.” (Gimson, I., 2020).

“Marketing management at the enterprise is carried out in the conditions of various

marketing structures, which are part of the entire organizational structure of the enterprise. These structures include a set of enterprise services and organic connections between them, both horizontally and vertically, that is, from the boss to the performer. Currently, there is no universal marketing structure scheme. Marketing departments are created on different bases” (Marketing management, 2020).

1.2 Marketing strategy as a tool for enterprise development.

Marketing strategy is one of the key aspects of enterprise management, which is aimed at establishing relationships with consumers, the effectiveness of which determines sales volumes, profits and, as a consequence, the financial condition of the enterprise. This is due to the fact that “a correctly chosen and skillfully implemented marketing strategy provides the enterprise with advantages manifested in increasing the competitiveness of the enterprise and its products, reducing consumer sensitivity to prices, as well as simplifying access to financial, information, labor and other resources. (Veneris, N., 2023).

The term "marketing strategy" consists of two concepts: "strategy", which means a long-term plan of action, and "marketing", which indicates the scope of this plan. Thus, an enterprise's marketing strategy is a plan of action aimed at achieving the enterprise's marketing goals in the long term, including meeting consumer needs. (Editor, 2022).

Marketing strategies can be built according to various criteria (Table 1.2), and the main one, in our opinion, should be the marketing mix - highlighting product, pricing, distribution and communications strategies. In other words, the marketing strategy turns into an interconnected system of product, pricing, sales and communication strategies, which is necessary because the buyer, when purchasing, considers a product as a combination of all its properties. In contrast to the general

strategy of the enterprise, which determines the main areas of activity, development and functioning of the enterprise, the marketing strategy determines the marketing means of the enterprise's influence on the external environment and, first of all, target audiences. A marketing strategy is not a type of general enterprise strategy, but complements and specifies it, is created as a derivative of it and allows it to be implemented using marketing means. (Team, D. C., 2022).

Table 1.2 - Main types of marketing strategies

Signs of classification	Types of strategies
According to the state of market demand	Conversion marketing strategy, creative marketing strategy, incentive marketing strategy, synchromarketing strategy, supportive marketing strategy, remarketing strategy, demarketing strategy.
Beyond Market Coverage	Strategy of undifferentiated marketing, differentiated marketing, concentrated marketing.
By type of specialization	Product strategy, segmented specialization, single-segmented concentration, selective specialization, full coverage
Behind the elements of the marketing mix	Product strategy (innovation, modification, elimination, maintenance), pricing strategy (cost-oriented or consumer-oriented; penetration strategy, skimming strategy, neutral, etc.); sales strategy (intensive, selective, exclusive sales strategy; push-pull strategy, mixed); communications strategy (advertising strategy, personal selling strategy, sales promotion strategy, propaganda strategy).

The table was created based on data from resource (What is marketing strategy? 2019).

Characteristics of a marketing strategy as a plan of action that distinguishes it from other strategies, such as the overall enterprise strategy or human resource management strategy: (Bhasin, H., 2023).

- The purpose of strategy formation (marketing purpose);

- The nature of the planned actions (actions related to the enterprise's marketing mix); (Bhasin, H., 2023).
- Subordination to strategy (marketing strategy is derived from the overall strategy of the enterprise and is fully consistent with its provisions);
- Features of the formation and implementation of this strategy (involves marketing research, development and implementation based on the results of marketing actions);
- Features of assessing the effectiveness of this strategy (involves the selection and analysis of appropriate criteria that allow assessing the effect of implementing the strategy and the associated costs). (Bhasin, H., 2023).

There are three main areas of marketing strategy used in the activities of enterprises: segmentation, diversification and internationalization. Any business that seeks to capture the market must realize that it cannot satisfy every customer. There are too many consumers, and their wants and needs often conflict with each other. “You shouldn’t even try to conquer the entire market at once; it’s wiser to highlight only that part of it that this particular company is able to effectively serve in a given period of time and in this place. Therefore, one of the first strategic decisions a company makes should be to determine the market in which it wants to compete. This selection of its base market involves dividing the market into parts consisting of consumers with similar needs and behavioral or motivational characteristics that create favorable marketing opportunities for the firm. A firm may choose to address the entire market or focus on one or more specific segments within its core market.” (Market segmentation, 2023). This subdivision of the underlying market is typically performed in two steps. The goal of the first stage, called macro-segmentation, is to identify “product markets,” while the second stage, called micro-segmentation, aims to identify consumer “segments” within each previously identified market.

Segmentation strategy - deepening the degree of saturation with goods and services of all consumer groups, choosing the maximum depth of market demand, studying its smallest shades. The importance of segmentation as an effective tool for marketing activities is explained by its following features (Inspired Economist, 2023).:

- segmentation is a highly effective means of competition, since it is focused on identifying and satisfying the specific needs of consumers;
- focusing the company's activities on a specific market niche, found through successful segmentation, is especially effective for companies that are starting their market activities (Inspired Economist, 2023).;
- market segmentation helps to more reasonably determine the company's marketing directions;
- with the help of segmentation it becomes possible to set realistic marketing goals;
- successful market segmentation affects the effectiveness of marketing as a whole, starting with market and consumer research and ending with the formation of an appropriate sales and promotion system. (Inspired Economist, 2023).

Thanks to segmentation, the company concentrates on a narrow area of activity, which leads to a reduction in costs, promotes the expansion of production and allows for increased costs for advertising and promotional activities. In addition, by occupying a leader position in the chosen segment, the company reduces the payback period for investments. It should be noted that there is no single method of market segmentation. A business needs to test segmentation options based on different modifiable parameters, one or more at a time, to find the most useful innovative approach to looking at market structure.

The diversification strategy is the development of the production of new goods, product markets, as well as types of services, which includes not only the diversification of product groups, but also the expansion of business activities into

new areas not related to the main activities of the company. In other cases, a diversification strategy is a system of measures that is used to ensure that the enterprise does not become too dependent on one strategic division or one product group. It involves the development of new types of products simultaneously with the development of new markets. In this case, the goods may be new to all enterprises operating in the target market, or only to this enterprise. This strategy ensures profit, stability and sustainability of the company in the distant future. It is the most risky and requires significant costs. A number of reasons force companies to engage in diversification, among which one of the main ones is the desire to reduce or distribute risk, as well as the desire to leave the markets. Diversification involves identifying exactly the type of activity in which the competitive advantages of the enterprise can be most effectively realized. (Robinson, J., 2022).

Diversification has its positive and negative sides. The main danger of diversification is associated with the dispersion of forces, as well as with the problems of managing diversified enterprises. This problem led to the development of portfolio analysis methods. A diversification strategy is implemented when a company cannot further develop in a given market within a given industry. In practice, the main factors that determine the choice of diversification strategy are identified (Yefremenko, V., 2021).:

- markets for the business being sold find themselves in a state of saturation or a reduction in demand for products due to the fact that the product is in the stage of extinction (Yefremenko, V., 2021).;

- the current business allows you to increase the need for cash flow, which can be profitably invested in other areas of the business (Yefremenko, V., 2021).;

- a new business can cause a synergistic effect, for example, through better use of equipment, raw materials, etc. (Yefremenko, V., 2021).;

- antimonopoly regulation does not allow further expansion of business within this industry;

- tax losses can be reduced;
- entry into world markets can be simplified;
- new qualified employees can be attracted or the potential of existing managers can be better used (Yefremenko, V., 2021).

“The internationalization strategy is the development of new, foreign markets, using not only the expansion of the export of goods, but also the export of capital, when enterprises are created abroad that produce goods in importing countries, bypassing limiting trade barriers and taking advantage of cheap labor and rich local raw materials.” (Internationalization., n.d.). Organizing a company's international activities involves choosing a method of entering foreign markets. It may focus on exports, joint ventures or direct investments abroad. Each successive strategic approach requires greater commitment and greater risk, but also promises greater returns.

The important role of marketing strategies is also determined by the fact that the nature of marketing has recently changed due to (Why traditional marketing, 2024):

- distribution of poorly differentiated goods and brands;
- decreased level of commitment to a particular brand;
- decrease in advertising effectiveness;
- increased costs for personal communications;
- an increase in the number of stores and shopping centers, etc.
- Due to these factors, traditional mass marketing methods are beginning to lose their effectiveness.

In the context of constant changes in the market, the formation of a marketing strategy helps to predict changes in the market environment and promptly respond to them. (Versatile marketing 2023).

1.3 Methodology for assessing the effectiveness of marketing management at an enterprise

“Marketing activities of an enterprise require significant financial investments, so it is important to determine whether the measures taken have achieved their goals and to what extent. One of the problems that arises in the management process is the lack of a methodically unified set of indicators for assessing the effectiveness of marketing activities for various types of enterprises.” (Measuring performance, 2024). Today, two approaches to measurement are common - as the degree of achievement of set goals and as the ratio of the effect of marketing activities to the costs of its implementation. When assessing the effectiveness of an enterprise's marketing activities, a very important issue is determining what should be understood as the results and costs of such activities.

The results of marketing activities are most often understood as the number of new clients attracted, the number of retained existing clients, the frequency of client requests to the enterprise, the number of successful contacts, etc.

As for the “suppliers” category, it is advisable to use such indicators as the effectiveness of the “architecture” of relationships with suppliers (suppliers’ interest in cooperation with the company, the importance of the company’s sales volume for suppliers, the cost and likelihood of choosing other clients); clarity of compliance with the terms of cooperation; level of quality of supplies.

“The “competitors” category should be assessed based on indicators such as the strengths and weaknesses of each competitor or strategic group; relative market share; characteristics and reasons for the success of the most significant competitors; competitors' positioning strategies” (Decktopus., 2024) and the degree of interest in maintaining existing positions; existing barriers to entry into the market; cost structure and pricing policy; gaps in working with consumers that competitors can use to strengthen their positions; competency of competitors.

When determining the costs of marketing activities, a common approach is that they are identical to the costs of promoting a product. Its limitations are obvious, and, in our opinion, expenses for marketing activities should include (in addition to traditional expenses for wages, materials and energy, depreciation expenses, expenses for current repairs): expenses for organizing the implementation of product, communication, pricing and sales policies; expenses for search (benchmarking), preparation and development of new technologies; costs of ensuring the effectiveness of transactions (negotiations, contracts, etc.); expenses for information support of marketing activities and the functioning of marketing control systems.

When carrying out marketing activities related to capital expenditures, it is advisable to use the return on marketing investment indicator. It allows you to compare and choose from different marketing activities, make informed decisions, and improve the profitability of marketing campaigns, clients and organizations themselves. (Measuring return, 2021).

At Ukrainian enterprises, a popular approach to measuring the effectiveness of marketing activities is using the ROIM (Return on Investment in Marketing) indicator, which is calculated as the ratio of the difference in additional revenue from marketing activities carried out to the cost of goods (services) produced, promoted through marketing activities, to the cost of the goods themselves. marketing activities. Its use allows you to gain a company's competitive advantage, increase profitability, develop better strategies and make effective investment decisions.

The problem of developing marketing indicators covers a fairly wide range of research and practical aspects of marketing, such as assessing the return on marketing investments, describing the structure and relationships between internal marketing and financial indicators, assessing customer assets, brand assets, long-term and short-term effects of marketing expenses, etc. (Guenther, P., Guenther, M., Lukas, B. A., & Homburg, C.,2024).

Table 1.3 lists the marketing metrics most commonly used by European companies.

Table 1.3 - Most Commonly Used Marketing Metrics

Index	Application share, %	Share of information ownership by senior management, %
Awareness	78	28
Market share (volume or value)	78	33
Relative value of the company	70	35
Level of dissatisfaction	69	30
Customer Satisfaction	68	36
Total number of consumers	65	38
Reputation	64	32
Loyalty	64	50

The table shows how different ideas about marketing activities differ among marketers and senior management. The most popular metric among marketers is “awareness,” but it is the least interesting to CEOs. On the contrary, the level of loyalty is of greatest interest to managers. This is not surprising, since this indicator is an indicator of sustainability and prospects for the business as a whole.

Scientists suggest using nine indicators that allow you to comprehensively assess marketing performance (Lincoln, J, 2020):

- Brand awareness - reflects the percentage of consumers who confirm that they are aware of this brand. (Lincoln, J, 2020).
- Consumers who tried the product before purchasing (test-drive); (Lincoln, J, 2020).
- Customer churn rate - the ratio of those customers who left at the end of a certain point in time to those who came at the beginning of this period; (Lincoln, J, 2020).
- Level of satisfaction (CSI, customer satisfaction index) - assessment of the level of customer satisfaction after interaction with the company. The CSI reflects how successful a consumer's customer experience was.
 - Profit;
 - Net present value (NPV);
 - Internal rate of return (IRR);
 - Return on investment (payback);
 - Customer lifetime value (CLTV) is the estimated amount of gross profit that a customer can bring during his or her lifetime. (Lincoln, J, 2020).

These metrics represent classic marketing indicators: 1 to 5 are the most important non-monetary indicators, 6 to 9 are financial indicators. (Marketing management, 2022).

Analysis of approaches to assessing the effectiveness of an enterprise's marketing activities and identifying the most effective methods of marketing allows minimizing the costs of a business entity and achieving maximum results. To do this, it is necessary to evaluate marketing costs, its functions and non-economic indicators using clearly defined algorithms, economic and mathematical methods and models. It is necessary to evaluate the final results of marketing activities (profit, market share, volume of sales of goods or services) and make effective management decisions regarding marketing implementation. (Marketing management, 2022).

CHAPTER 2 ANALYSIS OF DISNEY'S STRATEGIC MANAGEMENT SYSTEM

2.1 Organizational and economic characteristics of Disney

The Walt Disney Company, commonly known as Disney, is a global entertainment conglomerate with a rich history and diverse operations, making it one of the most recognizable and influential brands in the world. Founded on October 16, 1923 by Walt Disney and Roy O. Disney, the company began as a small animation studio and has since grown into a multi-faceted corporation covering various sectors of the entertainment industry. (Author, 2024).

Disney's early success came with animated films and the creation of beloved characters such as Mickey Mouse, who debuted in the short film *Steamboat Willie* in 1928. The character quickly became a cultural icon and laid the foundation for Disney's dominance in animation. The studio continued to innovate and produce breakthrough animated films such as *Snow White and the Seven Dwarfs* (1937), the first feature-length animated film, as well as classics such as *Cinderella* (1950), *The Little Mermaid* (1989), and *Belle The Beast* (1991) and *The Lion King* (1994). (Creating magic, 2023)

Driven by a commitment to excellence and innovation, The Walt Disney Company is built on several key principles that permeate every aspect of its operations and determine its global success. These principles include creativity, quality, innovation, cultural heritage, social responsibility and a constant commitment to improving the customer experience. (The Walt Disney, 2024)

The Walt Disney Company is involved in several key areas of the entertainment and media industry. Major activities include the production of motion pictures and television shows through studios such as Walt Disney Pictures, Pixar, Marvel, Lucasfilm and 20th Century Studios; operating theme parks and resorts such as Disneyland and Walt Disney World; licensing and merchandising business offering products with your favorite characters; as well as managing media networks including

ABC and ESPN, and developing the Disney+ streaming service. These areas create synergies, strengthening Disney's position as a leader in the global entertainment industry. (The Walt Disney Company, 2021).

The Walt Disney Company is a multinational conglomerate in the entertainment industry that uses a hierarchical management system. The Chairman and CEO, now Bob Chapek, is in charge of the company's overall strategy and direction. Several executive officers support him, such as President and Chief Financial Officer Christina McCarthy, who oversees financial matters, and Chief Creative Officer Alan F. Horn, who handles creative pursuits.

Disney has a huge number of employees around the world in positions ranging from theme park operations to film production. The total number fluctuates due to seasonal changes and project needs, but is estimated to be in the hundreds of thousands worldwide. The company places great emphasis on social responsibility and employee well-being, offering benefits such as health insurance and social security in accordance with local laws and regulations.

Disney's organizational structure reflects its diverse business portfolio, which includes media networks, parks and resorts, film studios and consumer products. Each division is headed by an executive director, who reports to the CEO and is responsible for the performance and operations of his segment. This structure allows Disney to effectively manage its diverse businesses and maintain its position as a leader in the entertainment industry. (Cuofano, G., 2024).

The organizational structure of The Walt Disney Company can be described as a matrix structure, with managers responsible for both functional areas and projects. The company's management consists of senior management, including Chairman and CEO, currently Bob Chapek, who appoints executive directors for various business areas such as media networks, parks and resorts, film studios and others. Each is responsible for their own area, but also works with other members of management to

coordinate activities throughout the company. (Walt Disney organizational structure, 2018).

Disney's internal environment is characterized by a high degree of organization and control. The company is actively involved in labor standardization and organization of work processes, which helps to increase labor efficiency and improve product quality. In addition, internal control and audit are at a high level, which helps prevent possible financial problems and ensures the stability of the company's financial results.

A disadvantage of The Walt Disney Company's activities can be considered the company's underdeveloped marketing department. The work of the marketing department is reduced to the functions of the sales department. However, it is advisable to include product sales as part of marketing. To improve marketing activities, it is necessary to present high-quality, diverse products that meet needs on the market. To do this, it is important to establish connections with supplier partners and find new, promising ones. The marketing activities of The Walt Disney Company consist of searching for partners and suppliers, forming customer agreements and organizing the supply of products. The process of organizing transportation, storage and sorting belongs to the functions of the company's logistics specialist. (Marketing, 2018).

2.2 Economic analysis of Disney's activities in the context of marketing

The Walt Disney Company offers a wide range of family-friendly entertainment and content products. The company's main products are: animated films and TV series, films for cinemas, products for amusement parks (attractions, shows, merchandising), games and toys, books and magazines, audio and video products, digital products and multimedia platforms. (Marketing 2018).

The company's main competitive advantages are high quality content, richness of franchises and characters, international recognition and audience loyalty, innovative approaches to entertainment and interactivity. In addition, the company is actively developing a network of retail stores, theme parks and online platforms to maximize audience coverage.

Marty Sklar, as vice president of The Walt Disney Company, played a key role in shaping the company's marketing strategies. "Under his leadership, the so-called "Mickey's 10 Commandments" were developed, Walt Disney's formalized advice and guidelines for the team. These principles are still relevant and applicable even in modern Internet marketing."

- Above all, Sklar emphasized the importance of knowing your audience intimately. He argued that it is necessary to talk to people on equal terms, to understand their needs and aspirations. Without this understanding, it is impossible to create a product that truly solves user problems and brings them joy.

- The second commandment was the ability to look at the situation from the guest's point of view. This allows us to better understand the client and make projects more useful and worthwhile. This approach makes it possible to create a user experience that truly meets the expectations and needs of the audience.

- The third principle was about storytelling, a skill that Sklar believed was essential to successful marketing. Instead of boring lectures, he called for telling captivating stories that could attract and hold the attention of users. This technique helps convince people to buy by making the process of interacting with the product more fun.

- The fourth commandment was to create visual magnets to attract customers. At Disneyland, these objects are called "sausages" - they must be noticeable and interesting to attract the attention of visitors and lead them from one product to another.

- Sklar also emphasized the importance of visual literacy, encouraging the effective use of all nonverbal modes of communication - colors, shapes, textures. Visual perception plays a huge role in shaping impressions of the product and the company as a whole.

- The sixth principle warned against information overload. Sklar believed that users are not able to digest a large amount of information at once, so it should be presented in doses and in a structured manner.

- Telling stories on time was also an important commandment. Sklar noted that structured information is perceived better by people. This allows you to convey key messages to your audience more effectively.

- Avoiding controversy was another important principle. Sklar emphasized the importance of brand identity and uniqueness. Users need to know who you are and how you differ from your competitors. To do this, you need to think about branding not as a final embellishment, but as part of the overall user experience.

- The next commandment called for adding a drop of honey to each spoonful of bitter medicine. Sklar advised providing people with multiple ways to have fun by demonstrating how new experiences can be experienced.

- Finally, the last commandment was about the importance of maintenance. Sklar emphasized that the quality of the show and services must be at the highest level, because users will always notice and comment on any mistake.

These principles, formulated by Marty Sklar, remain relevant today. They help The Walt Disney Company maintain its uniqueness and leadership in the market by providing customers with memorable experiences and quality service.

Disney's demographic segmentation shows that families are a key target audience. However, families come in all shapes and sizes. These could be newlyweds, parents with young children, or multi-generational families with grandparents and grandchildren. Disney caters to all age groups and genders, which is reflected in its wide range of Disney-branded films, television content, merchandise and experiences.

For example, Disney World offers attractions for people of all sizes and ages, clubs and nightlife for adults, and all Disney parks are fully wheelchair and stroller accessible. Disney+'s audience demographics also span all generations. 45% of users are 18 years of age or younger, and another 49% are between the ages of 18 and 54. Only 8% of Disney+ users are over 55 years old.

Although Disney operates a variety of businesses, its media and entertainment segment is by far its largest source of revenue. It outperforms the linear segment (cable networks and broadcast television) by nearly double and generates more than three times the revenue of Disney's popular theme parks. (Pratap, A., 2019).

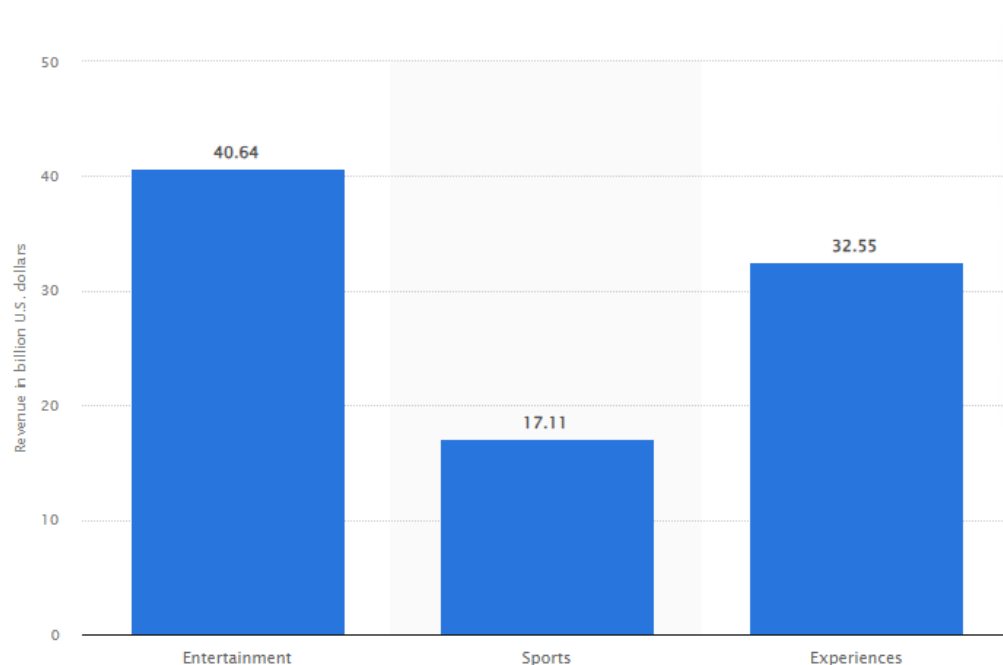


Figure 2.2.1 - Revenue of the Walt Disney Company in the fiscal year 2023, by operating segment (in billion U.S. dollars)

Appendix A provides information on Disney's current competitors in the streaming platform space, and shows the percentage of market share they hold. In film production and distribution, TimeWarner, 21st Century Fox and Comcast are Walt Disney's competitors, while in the theme park segment, Disney's competitors include Universal Studios, Six Flags and China's Chimelong Ocean Kingdom. In the digital

streaming space, Disney's main competitor for market share is Netflix, which held over 41% of the market in 2021. Amazon Prime Video is the next biggest competitor with 11.3% market share compared to Disney+'s 9.9%. (Top Walt Disney competitors, 2024).

2.3 Strategic Analysis of Disney Marketing Activities

Strategic analysis is a way of researching and transforming the database obtained from environmental analysis into a company's strategy. Research is carried out in two main directions: (Strategic analysis., 2023).

- the situation and conditions of competition in the industry where the company operates are studied;
- the situation within the company itself is studied. (Strategic analysis., 2023).

The Walt Disney Company operates in a complex and dynamic environment. Her internal environment is the source of vitality. It contains the potential that allows the company to exist and prosper in the appropriate time interval. The external environment supplies the company with the necessary material, labor, financial and other resources, and also consumes its finished products and services. The company constantly interacts with the external environment, thus providing the opportunity for its further development and success. (Walt Disney Pestle, 2024).

Strategic analysis of The Walt Disney Company is the process of identifying critical key aspects of the external and internal environment that may affect the company's ability to achieve its goals in both the short and long term. To identify the main environmental factors, including political, economic, social and technological aspects that affect the company's activities, as well as for a general assessment of the strategic business climate, it is necessary to conduct a PESTEL analysis. (Strategic planning, 2024).

Table 2.3.1 - PESTEL Analysis of Disney

P Political	E Economics	S Sociologica l	T Technologica l	E Ecological	L Legal
Disney's intellectual property policies support its global expansion by monitoring Marvel movies for potential IP violations.	The steady growth of the mass media and entertainment industry in various developing countries looks promising for the growth of Disney.	Right from the era of silent films till today, the company has adapted to the changes to suit the audience's taste.	Technological advancement plays an essential role in the entertainment industry.	Climate change remains a challenge for the company since it disrupts the functioning of amusement parks and resorts.	The company must monitor the content so that it abides by the content guidelines.
Instability of the trade policies, on the other hand, can threaten the growth of the business.	Company must consider the turbulent economy of the US while reshaping the exiting business strategies.	Peoples' inclination toward online activities, especially during their leisure, benefits the company.	Enhanced use of innovative concepts like augmented reality has a great appeal to the new generation.	Dependence on renewable energy has improved the brand image in the mind of people.	Attention to the environmental laws concerning eco-friendly theme parks and recycling proves beneficial for the company.

Disney PESTEL analysis promises to help the company achieve its mission of entertaining, informing and inspiring people. The company must work on its weaknesses and focus on its strengths using its innovative technology and creativity. Then it will be the world's leading entertainment company. (Detailed Pestel, 2021)

The overall assessment of the condition of The Walt Disney Company is presented in the table of results of the SWOT analysis.

Table 2.3.2 - SWOT Analysis of Disney's Condition

Strengths	Weak sides
<p>1.Brand awareness</p> <p>Disney's brand recognition is a major strength, synonymous with entertainment and childhood memories for generations. Beloved characters and timeless stories create strong emotional connections with consumers, giving Disney a significant competitive advantage. This facilitates entry into new markets and product categories and provides a robust platform for marketing and advertising.</p>	<p>1. Dependence on specific franchises</p> <p>Disney is heavily dependent on franchises like Star Wars and Marvel, which poses risks. Consumer preferences may change, and excessive concentration of resources on these franchises may result in decreased innovation and insufficient attention to new projects.</p>
<p>2. Diversified portfolio</p> <p>Disney's diversified portfolio spans film and television production, theme parks, consumer products, and streaming</p>	<p>2.High operating costs</p> <p>Disney incurs significant costs to operate its theme parks, content production, and technological innovation. These costs</p>

Table 2.3.2 continued

<p>services. This diversity provides stability, allowing the company to weather economic downturns and changes in consumer preferences. By offsetting losses in one industry with gains in another, Disney ensures continued investment in new projects and technologies.</p>	<p>include labor, production equipment, marketing campaigns, and global distribution, which negatively impact a company's profitability.</p>
<p>3.Strong Financial Position Disney's strong financial position sets it apart in the competitive entertainment industry. With a market capitalization of over \$183 billion and annual revenues exceeding \$70 billion, Disney generates consistent profits and cash flows. This financial strength provides a solid foundation for operations and investments, enabling Disney to weather economic downturns better than many competitors. Additionally, it supports strategic acquisitions and partnerships, driving growth and profitability.</p>	<p>3. Dependence on partnerships and licensing agreements Much of Disney's intellectual property is licensed from outside entities, limiting the company's autonomy and flexibility. High licensing costs can reduce profitability, and dependence on licensing agreements limits control over the creative direction of Disney's intellectual property.</p>
<p>Opportunities</p>	<p>Treats</p>
<p>1.Entering new markets As a global entertainment company, Disney has the potential to tap into</p>	<p>1.Tough competition Disney operates in a highly competitive industry where major studios, streaming</p>

Table 2.3.2 continued

<p>untapped markets, attracting new audiences and diversifying revenue streams. Expanding into new geographies will allow us to expand our global presence and take advantage of new trends and cultural shifts. This will also create opportunities for strategic partnerships and reduce dependence on specific regions.</p>	<p>platforms and content creators compete for audience attention. The rise of digital platforms and social media increases competition, forcing Disney to continually create high-quality and innovative offerings.</p>
<p>2.Increased demand for online content The Disney+ streaming service allows the company to take advantage of the growing demand for online entertainment. The rise of digital platforms gives Disney more control over content distribution and monetization. Direct access to audiences through a streaming platform provides flexibility in pricing, release strategies and content formats.</p>	<p>2.Technological failures Rapid technological advances, including VR, AR and AI, have the potential to disrupt traditional business models and change the way content is created, distributed and consumed. If Disney doesn't adapt to these changes, it could result in lower revenues and a loss of audience.</p>
<p>3.Strategic acquisitions Disney can expand its business and capabilities through targeted acquisitions. Strategic acquisitions allow the company to expand its intellectual property portfolio, gain access to new</p>	<p>3.Piracy and unauthorized distribution Disney faces an ongoing problem with piracy, which undermines its revenue streams and reduces the value of its intellectual property. Illegal distribution of content deprives the company of</p>

Table 2.3.2 continued

technologies and distribution channels, and foster synergies and collaborations within the Disney ecosystem. It also helps diversify income and reduce dependence on specific business segments.	revenue from legitimate sales and licensing deals, reducing the exclusivity and perceived value of Disney's brands.
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The table was created based on the analysis of data from resource (Pereira, D.,2023).

The SWOT analysis demonstrates that Disney has major marketing advantages, such as great brand awareness, a diverse portfolio, and financial strength. To preserve and strengthen its market position, the organization must successfully manage its vulnerabilities and threats. This involves broadening franchises, lowering expenses, creating its own intellectual property, and adjusting to technology advancements. Continuous investment in creative marketing techniques and data-driven decision-making will help Disney maintain its position as an entertainment industry leader while also meeting the requirements of current consumers.

CHAPTER 3 WAYS TO IMPROVE DISNEY'S MARKETING ORGANIZATION

3.1 Disney's Dependence on Certain Franchises

Promising areas for improving the strategic management system of Disney's marketing activities include assessing the problems the organization faces, factors that could influence their occurrence, and analyzing the competitive environment and its advantages.

In the previous section, using the SWOT analysis, we identified several key problems that Disney has faced throughout its history. These include: dependence on specific franchises, partnerships, and licensing agreements; high operating costs, piracy, technological failures, and fierce competition. Below, we will consider each of the identified problems:

Speaking of the company's dependence on specific projects, we mean Disney's purchase of such franchises as Marvel and Star Wars. The acquisition of Marvel in 2009 for only 4 billion was one of the most profitable decisions in Disney's history, and for the studio itself, an excellent opportunity, which ultimately brought them that popularity and recognition. Currently, the total profit from the Marvel franchise for 24 films made under the direction of Disney is approximately 22 billion, and according to Forbes, the company's value today is estimated at almost 53 billion (16% of Disney's market value).

The downside of this partnership is that Disney is too involved in projects that concern Marvel, which negatively affects the diversity of their products. Investing in already popular and successful franchises significantly reduces the risk of failure of new projects. As a result, this led to a decrease in interest and resources allocated to the development of new experimental ideas.

To compare the profitability of Marvel franchises under Disney's management and calculate their payback, below in Table 3.1 statistical information on the box

office receipts of each of them, as well as the budget allocated to the project, will be provided.

Table 3.1.1 - Spending and Profits from Popular Marvel Movies

Movie Title	Box office(billion/\$)	Budget(million/\$)
"The Avengers"	\$2,8	\$365
"Guardians of the Galaxy"	\$0,773	\$170
"Spider-Man: No Way Home"	\$1,92	\$200
"Black Panther"	\$1,3	\$200
"Doctor Strange"	\$0,677	\$165

The following chart clearly shows how effectively the funds were used, which films paid for themselves or exceeded expectations.

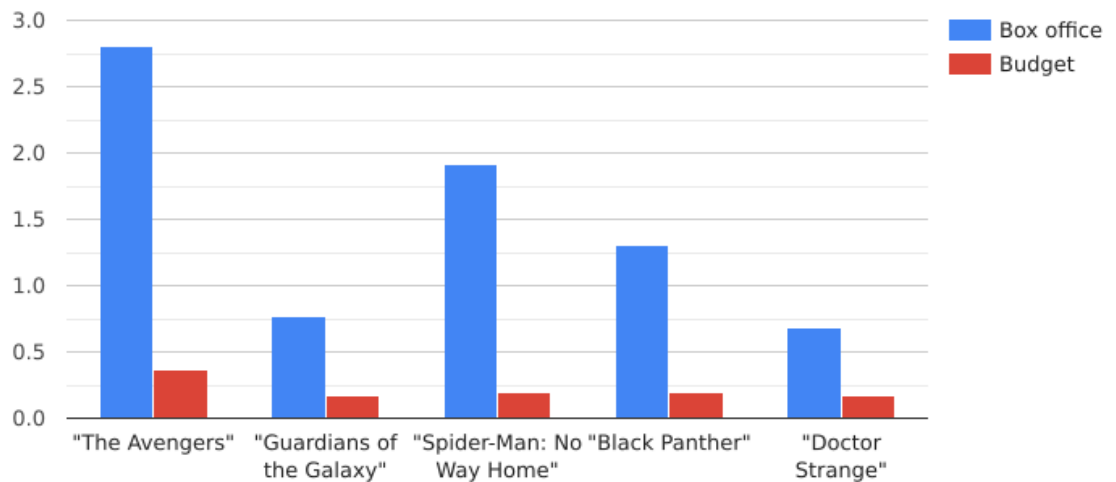


Figure 3.1.1 - Comparative chart of invested and earned funds from produced films

As a result, we can calculate the return on investment (ROI) for each film using the following formula:

$$\text{ROI (Return on Investment)} = \left(\frac{\text{Amount Gained} - \text{Amount Spent}}{\text{Amount Spent}} \right) \times 100$$

**ROI is expressed as a percentage, so for ease of use x100 is added to the above equation.*

Figure 3.1.2 - Return on Investment Formula

1. "The Avengers" = $(2.8 - 0.365) / 0.365 * 100\% = 667\%$
2. "Guardians of the Galaxy" = $(0.773 - 0.17) / 0.17 * 100\% = 355\%$
3. "Spider-Man: No Way Home" = $(1.92 - 0.2) / 0.2 * 100\% = 860\%$
4. "Black Panther" = $(1.3 - 0.2) / 0.2 * 100\% = 550\%$
5. "Doctor Strange" = $(0.677 - 0.165) / 0.165 * 100\% = 310\%$

Thus, all the films showed significant payback, and the high ROI confirms the successful investment and marketing strategy of Disney within the Marvel franchise. The films Spider-Man: No Way Home and The Avengers stand out, having demonstrated the highest profitability rates. From this we can conclude that such an obsession of Disney with certain projects may lead to a loss of interest among the audience, which puts the company's revenue at risk. Focusing on proven brands limits the opportunities for creative development and innovation of Disney.

To solve this problem, Disney should first engage in diversification of its content. Developing new franchises and investing resources in them can attract different audience segments, which will significantly reduce dependence on existing projects. Also, to expand the target audience, you can experiment with film genres. This, in turn, can affect the company's safety from the risk of changing consumer preferences.

3.2 Dependence on license agreements

Licensing agreements have become a key tool for Disney in expanding its product line. Entering into licensing agreements with other companies, such as Hasbro, Lego and Electronic Arts, has enabled the studio to quickly and efficiently produce and distribute merchandise and media content based on popular franchises. However, such agreements create a dependence on external partners.

This decision causes a number of problems, such as limited autonomy and high licensing costs. Dependence on licensing agreements significantly limits Disney's flexibility in managing its marketing and creative processes. External partners may impose restrictions on the use of characters and storylines, which affects the company's strategic decisions. For example, agreements with Hasbro include conditions regarding the release and distribution of certain products, which may limit Disney's ability to change or expand its product line.

Speaking of licensing fees, their size is quite significant and reduces the overall profitability of the studio. Disney does not allocate a separate line item in its financial statements for licensing expenses. However, you can find some indirect information in the "Content Costs" section. In 2023, Disney spent \$33.5 million. This amount includes not only the costs of purchasing licenses, but also other expenses such as the production of films and TV shows. These costs can significantly affect profitability and reduce the company's financial flexibility.

Further, in Figure 3.2.1, data will be provided to compare the volumes of Disney's annual spending on "content"(Appendix A).

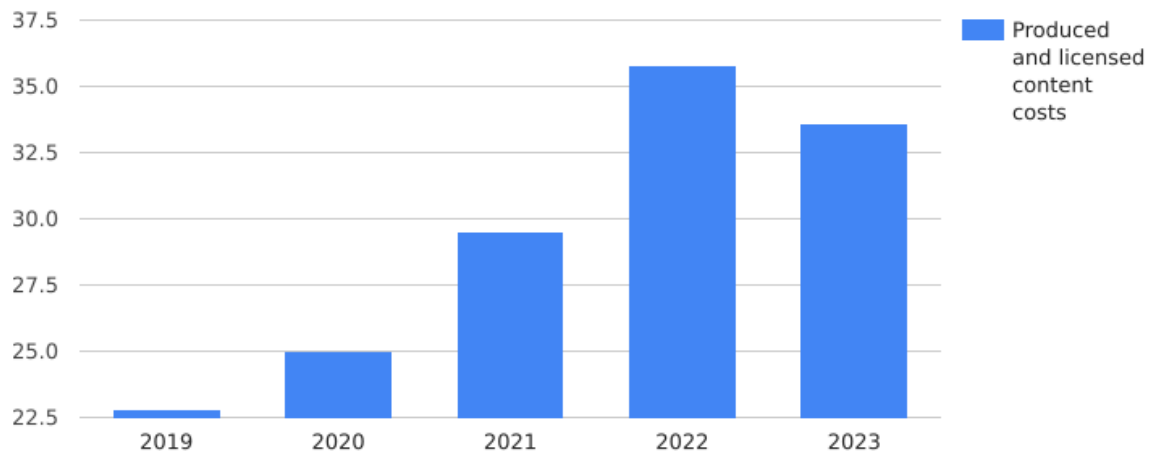


Figure 3.2.1 - Statistics on the costs of producing licensed products

The diagram was generated by analyzing data from resource (Anonymous, 2024).

Licensing agreements often imply quite strict terms and restrictions regarding the use of intellectual property. Companies may be limited in how and where they can use certain characters or brands. In the case of Disney, this mostly concerns the use of Marvel or Star Wars characters in certain marketing campaigns. Such a restriction reduces the company's ability to quickly adapt to changes in the market and effectively respond to various consumer demands.

Dependence on licensing agreements is a serious problem for Disney, despite the significant benefits they bring. Limited autonomy and high licensing costs can reduce the company's flexibility and its financial stability. To address this problem, Disney should consider strategies to diversify its portfolio, invest in its own original projects, and develop new business models that will reduce dependence on external partners and improve the company's financial stability.

3.3 Technological failures and piracy

In the modern world, the topic of piracy is a serious threat to the entertainment industry, and Disney is no exception. Piracy today means the illegal copying, distribution or use of materials that are protected by copyright. For Disney, this problem has long been relevant, it affects revenue streams, brand integrity and efforts to combat it.

Looking at this topic more globally, according to statistics, it can be understood that many large countries, such as the United States, China and India, most often resort to piracy as a way to view content for free. This is due to the fact that for many, a paid subscription is not available, this is especially a problem in low-income countries, which is not typical, for example, for the United States. Also, the factor that drives people to piracy is accessibility. This means content that for one reason or another can be blocked in certain regions, so more and more people are trying to find it on alternative resources. The last thing to mention is, of course, convenience. Our population is becoming more and more lazy every day to provide itself with quality and safe content, therefore, many are increasingly resorting to piracy, simply because such sites offer an extensive library of content, which makes them attractive to those who are looking for pleasure immediately. Further in Picture 3.3.1 you can see comparative statistics of the level of piracy in the world.

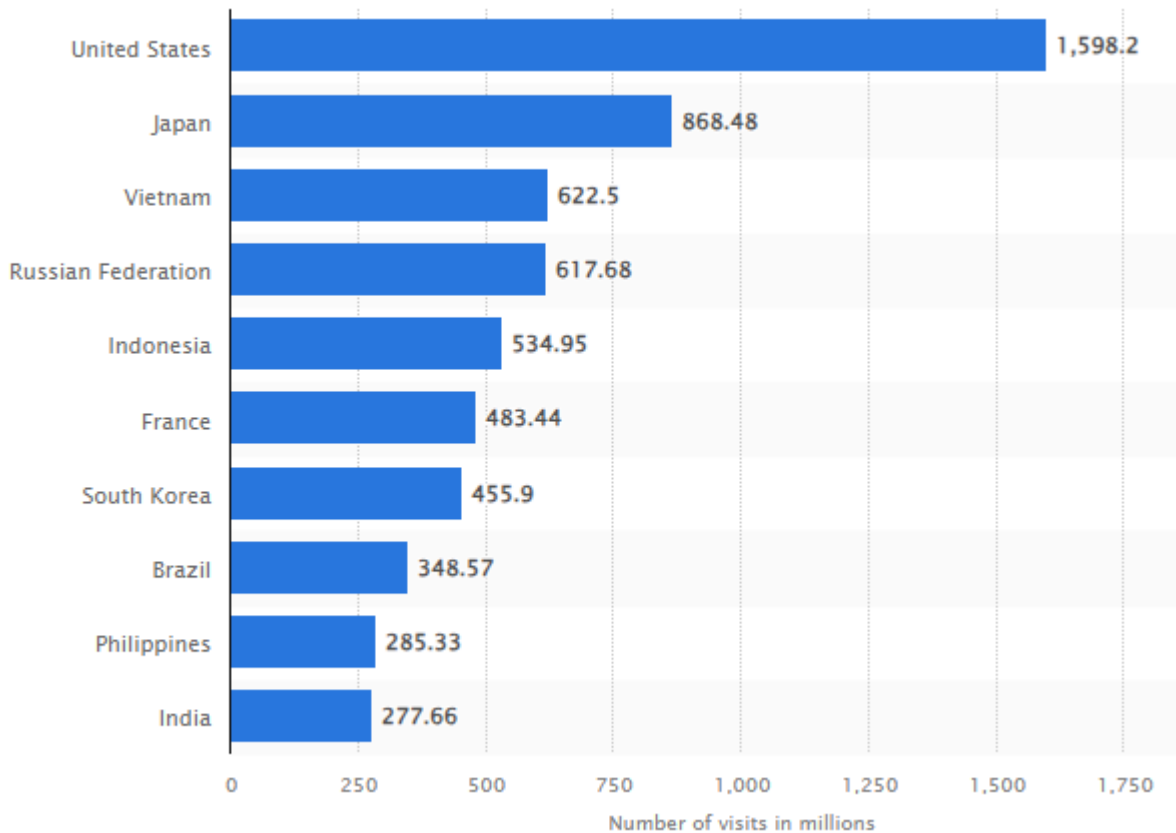


Figure 3.3.1 - Leading countries for the highest number of visits to publishing piracy sites worldwide in 3rd quarter 2021

First and foremost, piracy threatens Disney's revenue streams by diverting funds from authorized sales and distribution channels. Customers deprive Disney of potential money when they access its content illegally through pirate sites or streaming services that host unauthorized versions. This loss of revenue can have far-reaching implications for Disney's ability to fund new initiatives, maintain competitive pricing, and maintain its number one position in the entertainment sector. Picture 3.3.2 shows the percentage of piracy that movies and television products absorb.

Share of 2022 Global Piracy Traffic

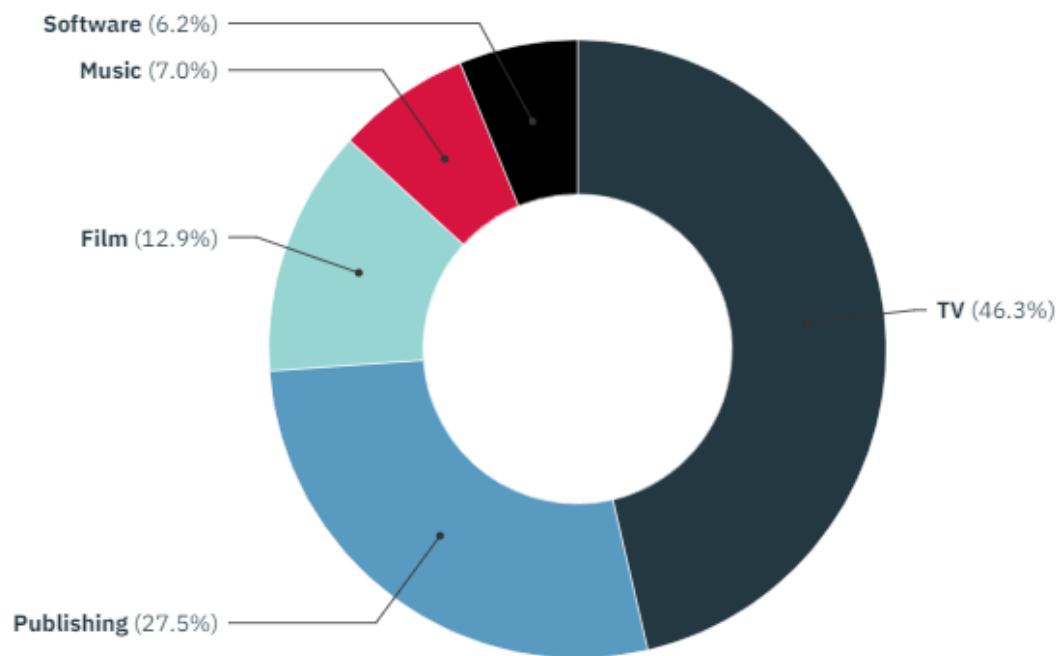


Figure 3.5.2 - Segmentation of Global Piracy Traffic

The integrity and credibility of the Disney brand are also at risk from piracy. The Disney brand is built on the principles of ingenuity, originality, and family-friendly entertainment. However, pirated versions of Disney films and TV shows may be of poor quality, infected with malware or viruses, or even contain offensive material that damages the brand. Moreover, when customers associate Disney with illegal activity, their trust is undermined and the value of genuine Disney products and services is reduced.

Disney's anti-piracy initiatives also often face technological and legal obstacles. The use of digital rights management (DRM) technologies and cooperation with law enforcement to shut down illegal websites has not stopped pirates from coming up with innovative ways to circumvent these controls. In addition, due to the international reach of the Internet, copyright rules are not always consistently enforced, leading to cross-border piracy.

In summary, Disney's commercial operations, brand reputation, and efforts to stop the distribution of unauthorized content are seriously threatened by piracy. Piracy remains a serious problem for Disney and the entertainment sector as a whole, as it threatens revenue sources, undermines brand integrity, and creates ongoing challenges for enforcement efforts. Combating piracy will require a multi-faceted strategy that integrates technological innovation, law enforcement, and consumer education as consumer behavior and technology evolve.

To address this issue, Disney needs to create and implement effective content protection systems to combat piracy. This may include working with law enforcement, as well as using encryption technologies and systems that help the company detect and prevent illegal distribution of content.

Another way that Disney can help reduce piracy is by creating and using new approaches to monetizing content. Investments in paid streaming services, subscription services, and other digital content distribution platforms fall into this category. This can benefit a business by increasing revenue and also protect its intellectual property.

In addition, it is important to focus on the legal protection of its content. Disney should be more active in creating and promoting legislative measures that will help strengthen the protection of its digital content. This decision will contribute to the creation of a legal basis for solving the problem of piracy.

In conclusion, Disney should certainly focus on developing and implementing effective systems for protecting its content, finding ways to protect its rights in order to combat piracy. By taking these steps, the business will be able to protect its income, content and remain competitive.

CONCLUSION

In conclusion, the paper summarizes the results of a study conducted that examined the important aspects of strategic marketing management in the enterprise, using the example of the Disney company. The main focus was to study the theoretical foundations of strategic marketing, analyze the strengths and weaknesses of the company and identify threats and opportunities that affect its activities.

In the theoretical part of the study, the concepts and models of strategic marketing, such as SWOT analysis, competitive strategies and methods of analyzing the external and internal environment, were examined in detail. The main approach to the development and implementation of marketing strategies and their role in achieving the company's long-term goals were studied. Using the Disney example, we analyzed how strategic marketing management can help companies adapt to changing market conditions, use their strengths and overcome existing threats.

During the investigation, key issues facing Disney were identified, including reliance on licensing agreements, high operating costs, technical failures and piracy. These problems require companies to take a proactive approach and develop effective strategies to solve them. Successful management of strategic marketing allows the company not only to cope with these challenges, but also to use them as opportunities for further growth and development.

It is difficult to overestimate the importance of strategic marketing management in the enterprise. It consists not only in analyzing the current situation, but also in the ability of the company to predict future changes, adapt to them and form a competitive advantage. In a rapidly changing market and increasingly competitive environment, strategic marketing is becoming an important tool for achieving sustainable success. It enables the company to develop innovative products and services, effectively place them in the market, attract and retain customers, and strengthen reputation and brand.

Strategic marketing management plays an important role in ensuring a company's competitiveness. It helps to use resources more efficiently, optimize processes and increase profitability. In addition, strategic marketing helps to build long-term relationships with customers, partners and other stakeholders, contributing to sustainable development and growth.

Thus, the studies conducted show that successful strategic marketing management is an integral part of the activities of companies striving for market leadership. Using Disney's example, it was demonstrated how a well-designed marketing strategy allows the company to overcome difficulties, take advantage of opportunities and achieve high results.

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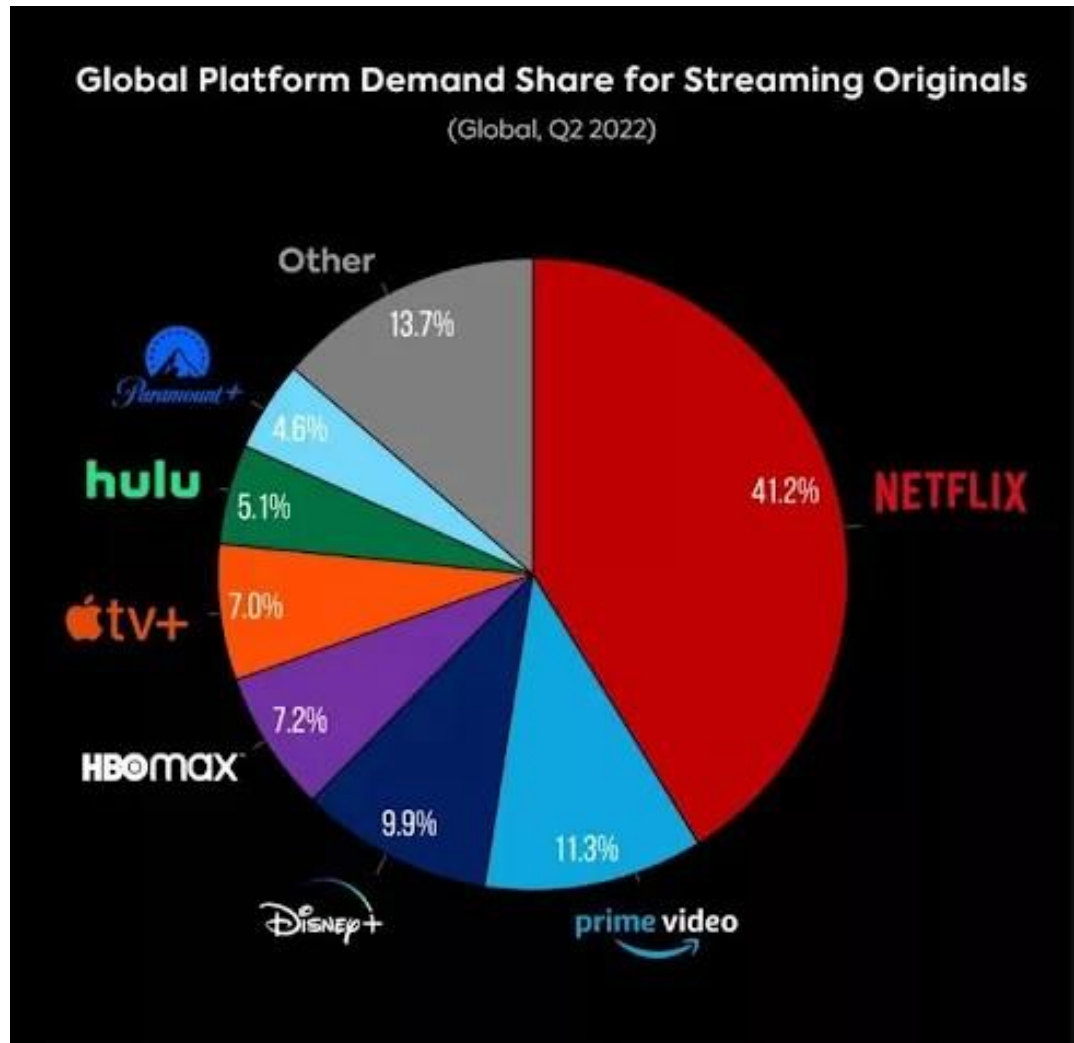
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Appendix A



CONSOLIDATED BALANCE SHEETS
(in millions, except per share data)

	September 28, 2019
<i>ASSETS</i>	
Current assets	
Cash and cash equivalents	\$ 5,418
Receivables	15,481
Inventories	1,649
Television costs and advances	4,597
Other current assets	979
Total current assets	28,124
Film and television costs	22,810

CONTINUATION OF APPENDIX A

CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	October 3, 2020
<i>ASSETS</i>	
Current assets	
Cash and cash equivalents	\$ 17,914
Receivables	12,708
Inventories	1,583
Licensed content costs and advances	2,171
Other current assets	875
Total current assets	35,251
Produced and licensed content costs	25,022

CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	October 2, 2021
<i>ASSETS</i>	
Current assets	
Cash and cash equivalents	\$ 15,959
Receivables, net	13,367
Inventories	1,331
Content advances	2,183
Other current assets	817
Total current assets	33,657
Produced and licensed content costs	29,549

CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	October 1, 2022
<i>ASSETS</i>	
Current assets	
Cash and cash equivalents	\$ 11,615
Receivables, net	12,652
Inventories	1,742
Content advances	1,890
Other current assets	1,199
Total current assets	29,098
Produced and licensed content costs	35,777

CONTINUATION OF APPENDIX A

CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	September 30, 2023
<i>ASSETS</i>	
Current assets	
Cash and cash equivalents	\$ 14,182
Receivables, net	12,330
Inventories	1,963
Content advances	3,002
Other current assets	1,286
Total current assets	<u>32,763</u>
Produced and licensed content costs	33,591