

'It is about creating change before it creates you'

Michael Eisner, Disney CEO,
on innovation at Disney

Another view from the gates

'Back in the 1930s, Walt Disney, the grandfather of modern synergy ... remarked that every Mickey Mouse product or toy doubled as an advertisement for his cartoons'

Naomi Klein, *No Logo*,
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This journal is becoming provocative and is no worse for that. The origins of this issue's endearingly quirky hero PY Gerbeau and the first Brandwatch commentary (see pages 10–11) have together provoked this observer to consider the phenomenon that is Disney. In this spirit of provocation, let us review recent coverage of this Californian superbrand and wonder if it is ready for the trials that lie ahead. This observer is prepared to wager a bag of Caesar's favoured coinage that those are Visigoths clambering the gates of the studios and theme parks over there. Are Disney's defences in good order?

However, conclusions on Disney are hard to come by. Invariably, the articles, analyses and books that cover Disney display a strange duality. On the one hand, commentators find it nigh impossible to avoid oozing respect. On the other, there is a cooling in the air, often calibrated by the same writers. Let us explore the source of this schizoid mentality.

Inevitably, our search starts as consumers, very young consumers. How many Western children grow up unfamiliar with a Disney cartoon character? Ignatius Loyola has nothing on Walt Disney when it comes to influencing impressionable young minds. The affection born of early film exposure is today multiplied by Disney TV channels, Disney theme parks and Disney retailing. Uncle Walt was known to have remarked that every Mickey Mouse product or toy doubled as an advertisement for his cartoons. Naomi Klein, the spiky author of *No Logo*, gushes on about Disney as 'the grandfather of modern synergy'. Early affections evolve into considered respect.

As professionals in the destination game, many readers will have found themselves seduced by the customer (sorry, 'guest') focus of every Disney 'cast member' met, at every Disney destination visited. This attitude to delighting guests is driven by Disney's mission 'to make people happy'.

Listen to a Disney alumnus like PY Gerbeau if you want to hear this anthem sung out loud. This is the 'Forty Years On' of Destination College. It is the message running through Disney's stick of rock. When parties leave the Club Disney birthday experience, they are no longer waved goodbye with the now depreciated 'Have a nice day' but with a perfectly Disney feedback prompt: 'Did you have fun today?' (Club Disney birthday parties started, four years ago, at \$250 for a dozen children and adults, so we trust that fun was indeed had by all.)

Disney is that rare phenomenon which garners respect from operations managers and marketers alike. As the former quote Disney on 'delighting our guests', the latter stare open-mouthed as the Disney brand stretches far and wide, carried by the Disney Magic cruise ship to Disney Island at Castaway Bay in the Bahamas. These Disney chaps built their own town, you know. Celebration, Florida. Naomi Klein calls this 'the ultimate goal of lifestyle branding: for the brand to become life itself'. She, the ultimate brand critic, calls Disney 'the inventor of modern branding' and observes 'virtually every superbrand openly modelling itself after Disney'. She mirrors our own experience as she travels from childhood and Disneyland guest to adulthood and brand observer, from affection to respect.

Yet this is not a simple story and the schizoid mindset on Disney has its darker side to reveal. For Naomi Klein this is manifest in her coverage of 'the most publicized of the synergy-censorship cases ... in September 1998 when ABC News killed a Disney-related story'. An investigation of lax security at theme parks turned into a sex-and-scandal expose of Disney World and never made the airwaves. CEO Michael Eisner went on record with the short but incriminating statement five years after the Disney-ABC merger: 'I would prefer ABC not cover Disney'. Were Uncle Walt's progeny tampering with the news?

Earlier, in 1991, Disney forced a group of New Zealand parents in a remote country town to remove their amateur renditions of Pluto and Donald Duck from a playground mural. In this exemplification of modern multinational copyright harassment, Ms Klein

*'The greatest happiness
of the greatest number is
the foundation of morals
and legislation'*

Jeremy Bentham (1748-1832)

puts Disney on the same (back) footing as McDonalds and Nike. She speaks for many in resenting their control.

Recognition dawns. During this observer's first visit as an adult to Disneyland, professional admiration was swiftly usurped by a slight but worrying sensation of paranoia. My wife and I were reminded of that spooky early TV serial called *The Prisoner*. We, like its hero played by Patrick McGoohan, felt trapped. Someone else, imagineer or puppeteer or marketeer, was in control.

Another, darker piece in the jigsaw was furnished by a recent TV documentary on Victorian spies. This featured an invention of one Jeremy Bentham called the Panopticon; a penitentiary for the reformation of criminals, this building allowed the prison governor to monitor all the occupants. Now most of us will remember Bentham more for his alliance with John Stuart Mill and the subsequent theory of 'utilitarianism', whereby one measured anything for its 'utility', its usefulness in increasing the total sum of human happiness. Memories of Bentham from early history lessons are somewhat rose-tinted, since he took reason to extremes (more appealing in post-revolutionary France than Britain) and, via his Panopticon, virtually fathered modern methods of surveillance. As with Bentham, so with Disney: the pursuit of universal happiness connects with a ceding of control by the individual.

Of this threat we are wary. On this issue anarchists fill the streets of Seattle and Genoa. For this reason Naomi Klein blames brands for providing multinationals with their armoury. She may be wrong in linking so umbilically the power of multinationals and the power of brands. If brands break their promises, they lose their potency. Ask Marks and Spencer. But Esso's grip on oil production and distribution is what consumers resent; they fear its corporate will to exploit the planet and its populations, not its brand credentials, which are, comparatively, negligible. Ms Klein's confusion is common enough. Most of us confuse brands with scale at one time or another, when in truth it is scale that we fear and brands that earn our trust. When the two are seen in unison, when multinational corporate succeeds with global brand, that is when fear overtakes trust.

This is Disney's new challenge. Scale and the fear it engenders. Not the economic slowdown, blamed for wiping 3% off its \$6 billion sales in the third quarter. Its spread across categories and continents protects its eggs as no single basket ever could. Not the dive in TV advertising revenues, either. Disney just goes out and buys the best (British) talent to increase market share. (Paul Robinson, who launched Playhouse Disney and Toon Channel in the UK, has just become Senior Vice-President for worldwide programming strategy at Disney TV, and John Hardie has moved from marketing and commercial director at ITV to managing director, Walt Disney branded TV, Europe and Middle East. Smart moves for all concerned.) No. Disney should fear the prospect of ordinary consumers resenting both its control and its erosion of individuality.

It should fear an angry brigade of parents in the high street and theme park almost more than anti-capitalists in the capital. Disney should fear fear itself.

In Disney's 1996 Annual Report, Michael Eisner famously defined Disney's successful approach to innovation: 'It is about creating change before it creates you', he said. (A more attractive example of the Great Controller at work than many others. Yet Jeremy Bentham's words on universal happiness sound attractive, at a distance, and he was the control freak to freak them all.)

What these bold words mean for Disney in the twenty-first century may prove beyond even Mr Eisner's imagineering. It may well be that, to continue making everybody happy, Disney will have to separate its brand from its scale. To fend off the Visigoths now marching on Hollywood, Disney may have to atomise, break up, reinvent, and start all over again. Destroy the branded superstore? Cut the integrated branded loop? Are you mad? No, just prepared to think the unthinkable, Mr Disney. When Disney puts its faith not in scale but in its skills, it may show the way for capitalism itself to survive. Quite a few of us in the destination business would be happy to lose a wager and gain that result.

Editor's note

CUSTOS is an independent observer of the destination industry. His views are not necessarily those of Locum Destination Consulting.

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