

KingaAdriennKocsis
FRANCHISING THEME PARKS
Disneyland Paris in Focus

Thesis
CENTRIA UNIVERSITY OF APPLIED SCIENCES
Degree Programme in Tourism
March 2014

ABSTRACT

| | | |
|---|---------------------------|-------------------------------------|
| CENTRIA UNIVERSITY OF APPLIED SCIENCES | Date March 2014 | Author KingaAdriennKocsis |
| Degree programme Tourism Degree Programme | | |
| Name of thesis FRANCHISING THEME PARKS In Focus of Disneyland Paris | | |
| Instructor | | Pages 47+ 9 |
| Supervisor Katarina Broman | | |
| <p>The report consisted of the analysis of theoretical frameworks of franchise and using franchising as a promotional method of theme parks. The definition of franchise and the use, right and regulations of it are essential knowledge to understand the base of franchise based theme parks. Also it was analyzed how franchising affects tourism in specific fields of existing franchises. The role of a franchise in our society and its values was also taken into consideration. The values and the role of the Walt Disney company were under analysis in the thesis. Also the franchising techniques and the success of the Walt Disney company are included.</p> <p>The goal of the thesis was to show that a franchise can be used as a promotional technique for a tourist destination, especially for theme parks. It was also important to show how theming can influence specific products or spaces. Furthermore the history of theme parks and how it formed our society is elaborated in the thesis. The importance of theming in nowadays society is discussed in the focus of the Walt Disney company and how it can create further business possibilities as much as the purchase procedure of a franchise.</p> <p>The topic consisted of the future aspects and the possible rise of Disneyland Paris, and an overall view of the Disney franchise. It was analyzed through a survey how franchise based theme parks can be more successful. The target group was Disneyland Paris's castmembers. The questions of the survey were to determine that what are the methods to improve the attendance rate and how to improve the theme experience in their view.</p> | | |
| Key words Disney, Disneyland Paris, franchise, report, survey , quantitative research method | | |

ABSTRACT

TABLE OF CONTENTS

| | |
|--|-----------|
| 1 INTRODUCTION | 1 |
| 2 FRANCHISING | 3 |
| 2.1 Structure of franchising | 3 |
| 2.2 Rights and regulations | 5 |
| 2.3 Being successful | 6 |
| 3 THEME PARKS | 9 |
| 3.1 Effect of Theme Parks on society | 9 |
| 3.2 Global theme park attendance rate | 12 |
| 3.3 Conclusion | 21 |
| 4 THE WALT DISNEY COMPANY | 22 |
| 4.1 History of Disney | 22 |
| 4.2 Disney Revenues | 25 |
| 4.3 Cultural effects on Euro Disney | 29 |
| 4.4 Conclusion | 31 |
| 5 FRANCHISING IN TOURISM SURVEY | 33 |
| 5.1 Data analysis | 33 |
| 5.2 Conclusion of the Questionnaire | 43 |
| 6 CONCLUSION | 45 |
| REFERENCES | 48 |
| APPENDIX 1 | |

GRAPHS

| | |
|---|----|
| GRAPH 1. Disney's Seventh Preliminary Master Plot Plan hand sketch, 1966. | 23 |
| GRAPH 2. Age Group | 34 |
| GRAPH 3. Gender | 34 |
| GRAPH 4. Rate of nationality | 34 |
| GRAPH 5. The location of Disneyland Paris is ideal | 35 |
| GRAPH 6. The Halloween franchise attracts more visitors than the 20th Anniversary franchise. | 36 |
| GRAPH 7. The constant marketing of a Disney franchise would appeal to the visitors. | 37 |
| GRAPH 8. If Disney would open new franchises that would attract more visitors. | 37 |
| GRAPH 9. If there would be new rides there would be more visitors. | 38 |
| GRAPH 10. With airing more Disney related material in the media; people would be more interested in visiting the park. | 39 |
| GRAPH 11. A tourist site would be heavily affected by opening Disney related attraction. | 39 |
| GRAPH 12. The amount of visitors between seasons decreases visibly. | 40 |
| GRAPH 13. A franchise based theme park attracts more tourists than amusement parks | 41 |

TABLES

| | |
|--|----|
| TABLE 1. Top 10 theme park groups worldwide | 14 |
| TABLE 2. Top 25 amusement/theme parks worldwide | 17 |
| TABLE 3. Top 20 amusement/theme parks in Europe | 19 |
| TABLE 4. Selected Financial Data Fiscal Year 2013 | 27 |

1 INTRODUCTION

Franchising to promote tourism in specific areas has not been widely used. It is generally used by businesses to broaden their markets, and promote their brand. The case of this thesis is to take a look at how franchising can affect tourism, and how it can promote tourism at a destination. In order to analyze this topic a franchise-related company was chosen, which also happens to own theme parks as a tourism destination. Theme parks became the core of the thesis, in order to introduce franchising in and themed space it is essential to understand the formation of theme parks. Also the process of 'theming' is included in the chapter of history of theme parks.

The Walt Disney Company has a long history in successful franchising, and they have built theme parks around the world. The reason why the Walt Disney Company became widely successful is rather an interesting topic, especially their growth process. Exactly what strategies and methods did they use to become a widely known business. This growth was only possible because of franchising and of course by Disney's passion for magic and making people happy. This process of 90 years has been tough to create one of the world's biggest enterprises, and to bring happiness to everyone.

The goal of the thesis is to show that a franchise can be used as a promotional technique for a tourist destination, especially for theme parks. It is also important to show how theming can influence specific products or spaces. The Walt Disney Company has several parks around the world, which will help to get a more thorough view on this topic. The topic consists of the future aspects and the possible rise of Disneyland Paris, and an overall view at the Disney franchise.

The thesis is built up to a relevant structure starting with the general definition; proceeding to how a successful licensing relation is built up, and how it can be used to widen the market. The following chapter will concentrate on theme parks, their

history construction and most importantly how they are themed. This chapter also includes an analysis of the 2011-2012 attendance rates. After the discussion of theme parks the history and elaboration of the Walt Disney Company is described, and what cultural effects the theme park had on France. The chosen research method will discuss how the licensing of a theme can encourage the promotion of a theme park in reference of Disneyland Paris. A conduction of a questionnaire would target Disney employees, to give a better view of how they see the future of the park, and about their experiences, and of course how franchising affects the number of visitors. Finally the last chapter concludes the finding of this thesis.

2 FRANCHISING

Franchising seems to become essential for businesses seeking success. But to fully understand its mechanics one has to understand its operation. These steps were taken into consideration and are elaborated in the following chapter. Furthermore the rights and regulations are elaborated in detail. It is important to understand the official side of franchising and the regulations that are needed to be kept by the franchisee. As for a final thought the keys to success are also noted.

2.1 Structure of franchising

Franchising is the license or the common agreement between two independent forms. This agreement gives each party rights. The franchisee receives the right to market a specific service or product in the name of the original business also known as the franchisor. The franchisee can use the operating methods of the original company, so it can copy its aims and marketing methods legally. But of course in these kinds of relations there is a fee hidden, which the franchisee is obligated to pay to the franchisor to own these rights. Since there is an agreement between the two parties, each side has its obligations to fulfill. The franchisor has to provide the rights and support towards the franchisee. In this support advertising and marketing, occasional financial support, and training is included. The franchisee in return expands the business of the franchisor. Of course the franchisor owns the company and its trademark, but the franchisee has the right to use it legally. (Beshel 2001,1.)

There are two forms of franchises, one is the product distribution and the other one is business format franchises. In the product distributional franchise the franchisee is allowed to sell the franchisor's product. So the franchisee has the right to use the trademark and the logo of the franchisor. But the franchisor does not pro-

vide any additional services or information, such as how does the entire system runs or it does not provide his future plans, strategies.

An example of a typical franchising relationship is where the franchisor lets its franchisee risk to expand their market share upon the development of capital resources and by the setup of satellite locations on the model of the franchisor.

In the business format franchises the franchisee has access to the franchisor's product and can also use the marketing strategies, service and trademark. The franchisee has access to the complete "armory" of the franchisor to conduct business with other forms, such as marketing plan and operation manuals, these forms of franchises are the most common.

The segment of the franchisors has been divided into two separate groups. That way it is easier to categorize the franchise for the business owner. The first category is single unit franchise also known as 'direct unit franchise'. It consists of an agreement where the franchisee is granted rights to open and operate only one franchise unit by the franchisor. As its name indicates this is the simplest form of a franchise, and the most common. Also the franchisee can purchase additional single unit franchises, if the original franchise starts to flourish. If that occurs, the franchise can be considered a multiple single unit relationship. The other type of franchise is called: multi-unit franchise. It happens to be the opposite with the previous type of franchise. In this one the franchisee can operate more than one unit. To achieve more than two additional units the franchisee needs to achieve the following goals: It must be successful in the area development franchise; and has to own a master franchise. By area development franchise it is meant that the franchisee is able to open a specific amount of franchises adjacent with the time set within a specific area. For example one franchisee opens 3 units over a 3 year period in a specific area. (Beshel 2001, 2-3.)

Under the master franchise agreement the franchisee is equipped with more rights than the previous type of franchise. It is basically the same as the previous type of franchise, but it has the additional attribute of selling the franchises in the area. Those locals who buy these franchises are called sub-franchises. So now in this case, the now master franchisee receives additional tasks and further benefits

from the original franchisor. From this point on the master franchisee will support the sub franchise financially, with training, and with other royalties. (Beshel 2001, 3.)

2.2 Rights and regulations

Franchising is a determined contract between the two parties, where they have to look at what is best for the other party. If the other party is successful, so are they. This kind of agreement affects both parties closely. This concept is shown in the following quote.

“Franchising is a partnership that has been compared to a marriage because of the close interdependence of the two parties. As in marriage, the successful franchisors are those who are focused on making the other party successful instead of only asking ‘What’s in it for me?’” (Norman 2006, 41.)

Of course nowadays this relation is looser, which is providing more independence to the franchisee. These contracts allow the franchisee to develop their own way of operation in order to improve the pre-existing strategy. This is the case between the American and the French Disneyland. The American Disney franchisor allows 51% liberty to the French franchisee(Liu& Wong 1999 Legislative Council Secretariat IN 1/99-00). That is also due to the juridical differences, and the cultural difference. In international cases we have to take a close look at the possible cultural differences, and the difference in perspectives. If the franchisor does not research the needs, and the culture of the new franchisee, and set up objectives for them, things might go wrong. That is what happened with the French Disneyland.

By a reasonable agreement which for both the franchisor and the franchisee can ensure a long term contract for both party, the franchisors have the responsibility of providing as much support to the franchisee as they can. That is one way of ensuring that the franchisee believes in the royalties and will consider that the fees that they pay are reasonable for doing business. It can also be determined in the contract what the regulations of the franchisor are. The franchisor must provide value to the franchisees. The franchisees will not consider cancelling the contract if they

are encouraged to develop the brand. Not only will they just feel passionate about improving the company, they will more likely feel important. That can be ensured of happening, when the franchisor encourages the franchisees to be active in decision making roles in their partnership. Of course this requires that the franchisor gives some independence to the franchisee. (Meaney 2006, 9-11.)

The trade market of franchises are regulated by both federal and state levels in the USA. In the first group of the Federal Trade Commission's (FTC) the most important regulation is the number 436. This FTC Rule notes that the minimum amount of disclosure is required to be made to the prospective franchisee in any of the 50 states. The second category is the registration states, in which several states have created their own regulations of sale and offer of franchises for example California and New York. The previously mentioned states follow a more detailed format known the Uniform Franchise Offering Circular – UFOC. The UFOC is revised by the North American Security Administrators Associations. The regulations of the UFOC are yet again have their own version which are different in each registration state. These differences have to be checked by both future and current franchisors. This also effects those who seek a purchase of a franchise opportunity in the United States. It is obligatory to do a full registration for those who are selling and offering a franchise no matter in which state they are located. (Sherman 2003, 59.)

2.3 Being successful

A successful franchise needs a set of certain characteristics. That franchise is required to prove their concept with a successful and profitable prototype store. The public and the potential franchisee need to see that the business is strong and there is a big potential in franchising it. This business must have a well-established system enabling it to work in every aspect. Furthermore the business must be equipped with a strong marketing strategy, have to have connections and most importantly has to be prepared. Also the formal business has to be able to be replicated into the other fields of the market. It should also have a distinctive niche, and a well recognizable brand, so that the public can differentiate it from other competitive brands.

Another essential step for making future franchising easier is the need for documentation. For example, when building a business you document every step; how the company is built up, what the marketing plans are, and how the company itself operates. This step will allow you to convert the documentation into a guidebook for the future franchisee. (Norman 2006, 1,4-6.)

“A franchise with the best system in the world with repeated proven successes has little value if the franchisor does not set up the means to document and share the best practices for duplicating that success. The process of writing those documents helps improve and formalize the system, which improves it even more.”(Norman 2006, 5.)

As mentioned above franchising is about the duplication of an existing success. With a precise duplication of the company's success, others have the possibility in the creation of their franchise company. Evidently there is no successful business without proper marketing; it is essential in making and keeping a business going, and growing. In franchising there is a constant need for improvement. Since the franchisor is not only responsible for their company, but also to the franchisee. Of course both the franchisor and the franchisee are needed to be updated and that is why annual meetings are required and is essential in order to keep the businesses going flawless and have the strategies adjusted to the current situation. Also it is the franchisor's duty to develop a network and a plan that will attract future franchise buyers to keep the business going. As was mentioned above in the quote, a quality documentation of how the company became successful is needed in this case. Of course time is needed to time adjustments with the latest strategies to keep the franchisee up to date.

The franchisor should always select the franchisee carefully, considering if their ideology is similar, and if they can work together. Getting to know the other party before getting into business is certainly a good idea. The risks are of course the lack of flexibility. If the franchisor cannot adjust to the current situation, that can cause the crash of both the former business and their franchisor. Moreover the lack of skills in negotiation can cause serious trouble between the franchisor and the franchisee. When there is a disagreement, compromises are the best solutions. A common agreement on the marketing strategy validated by both parties can help in avoiding future disagreements. The risks of a potential fail of a franchi-

see is lowered due to the agreement made between the two firms. (Norman 2006, 33-35.)

In the following steps the purchase of a franchise is explained upon the work of Sherman, 2003. A complete research about the future partner is recommended in order to make a successful partnership. This also means that business experiences from the franchisor primary leaders are essential, such as litigation history of the franchisor. In order to monitor the possible risks about associating with another company a look at their bankruptcy history is needed. After a thorough research of the franchisor which ensures that there are minimal risks, it is ensured that the partner is ideal. A description of the desired franchise must be made and agreement royalties and other fees must be paid to the franchisor to commence the franchise operation. The franchisee must keep paying the expenses and the royalties which are payable in whole or part to the franchisor. The list of future business partners is required in order to be successful which is provided by both the franchisor and are acquired individually by the franchisee. For further development the franchisee is required to purchase realty in the form of rent or lease, hire staff and provide services. These expenses must be dealt with on the budget of the franchisee. Purchases of third parties must be arranged by the payment made to the franchisor. The assistance of the franchisor in financing must be elaborated and noted down. The agreement noted that the franchisee has specific restrictions in conduction of individual business; the plan of conducting new businesses must be negotiated with the franchisor. This step requires personal participation by the franchisee. The franchise agreements are time limited and must be renewed or terminated upon the wish of the franchisor. After a year statistical fiscal are expected to monitor the number of franchises and their termination rate by the franchisor. It is also the right of the franchisor to approve a site for the franchise offered by any of the franchisees. At the successful approval the franchisee receives a training program to ensure their success. A franchise cannot be completely successful without interaction with the media. The involvement of a celebrity is a perfect way of marketing. (Sherman 2003, 62.)

3 THEME PARKS

Before venturing off to the land of theme parks, there is one point to be cleared; the difference between theme parks and amusement parks. These two forms of parks are not similar, although they share a set amount of values. Theme parks as the name states are based upon a theme, an extent of a franchising agreement. On the other hand amusement parks don't share this trait, they are stand-alone, and have their individual operator; carnivals, thrill parks and any other attractions without a theme are counted here. The distinction of these two might not be clear in all cases. (Difference Between 2014.)

In the following chapter the history of theme parks and the global attendance rate is taken into account and is analyzed. The history of theme parks reveal essential information which provides further understanding of theme parks. But not only the history influences theme parks nowadays, but theme parks have become an essential part of our daily life. Another perspective arises and is elaborated; how theme parks and media influence our daily life. To support this statement it is necessary to take a look at the attendance rate globally and see what the most visited parks around the globe are. Furthermore an overview of the top 10 Theme Park Groups is included to understand their formation, both about their park's operation and their origin. Also the top 20 list of the most visited theme parks is analyzed and included into the conclusion.

3.1 Effect of Theme Parks on society

To completely understand the diversity of theme parks, we have to take a look at its history first. It has all began in the 16th century Europe, when the persuasion of the gardens started in France, in the search of activities and sports. Later on of course these gardens have been equipped with facilities serving entertainment and refreshments. In the United Kingdom at the time when the industrial revolution hit, in the 18th century inns, hostels moved surrounding gardens. The gardens

have developed into complex landscape offered entertainment. Theatres holding concerts and plays were moved to be held in gardens. As the time passed they have added more attractions such as fireworks, hot air balloon rides and illuminations. Gardens have been formed into a social and cultural hub. Free time became a central component in the contemporary society. The need also rose for these kinds of facilities, since they have been rather unique and one of the early ways of mass entertainment. This way leisure activities took over and became a fundamental element of the society. The landscape offered space is transformable, making it adaptable in ways to reflect the needs and interests of people. As an example a well-known garden that has been created into a social meeting point is Les Versailles or Chantilly. The structure tells us that it has a significant reflection of Descartes's Meditations and the influence of Louis XIV showing his power throughout majestic buildings. (Salvador 2007, 5-7.)

Contemporary theme parks on the other hand reflect the needs and interests of nowadays society. They function like mirrors of infinity showing us a picture of collectiveness. Mass media and its role in advertisement magnify franchises, and other marketing based products which determine our needs and wants. Once this has been determined the services would be transformed to be adapted to our set of interests. This also meant the rising of the leisure enterprises on a world scale. As the leisure facilities developed, the demand for comfort, security and safety rose just as adjacent. Based on these factors, the development of theme parks has grown itself into a worldwide phenomenon. Furthermore, parks have shown that cultural capital (investment in the production of cultural forms) has become a distinct resource in both accumulation and the capacity to break into the market and to create more forms of investments. This phenomenon is explained by the multiplication of the initiatives of the media entertainment industry. The operators of parks have created their own landscapes, consumption and the generations of symbols, icons aid in the popularization of their product via the mass media in their control. In other words, theme parks form the contents and the form of mass media. (Salvador2007, 155-157.)

Attraction theme parks or in other words Disney type theme parks are based on their attractions and the performance of both the rides and the characters develops a unique way of experience. The name of Disney type theme parks come from their originality. The first theme park was under the name of the Walt Disney Company. These unique spaces create a so called theme environment, due to its use of everyday space with the combination of theming technologies and the transformation of that specific space to create attractive experience for the consumers. These spaces are transformed via reconstruction, theme and regulation to finally achieve the state of spaces of illusion specialized on entertainment, shopping and catering. The theming of landscapes is also created for the purposes of mass entertainment.

Pop culture, especially TV, require a unique landscape over the everyday landscape. Fictional scripts generate a character to those places that have been everyday like before. Later on these spaces can be used as a tourist attraction. A great example of this kind of tourism J.R.R. Tolkien's Lord of the Rings in New Zealand, or the Harry Potter's Hogwarts castle that captured in several British Cathedrals. These destinations become a portal to a magical fictional world. By the theming of landscapes these locations acquire an instant form of marketing, by the combination of history and the fictional world. The theming can also occur in any market, an example of this would be Starbucks, themed shopping malls and of course malls with themed attraction inside (West Edmonton mall, Canada). There are other forms of themed entertainment like museums, art galleries, festival markets (Quincy, Boston), casinos and finally cruise ships. (Salvador 2007, 169-170.)

A highly successful park can be achieved if the following steps are taken into consideration; high quality service for the satisfaction of all visitors and an experience that effects every sense, performances, environment, theme correspondent exhibits, eating facilities and of course the quality of the rides. A full success cannot be achieved without a constant upgrade matching with the latest technologies and needs. Not only a completely transformed environment is essential in the creation of the perfect illusion of being in another world, but also the employees must have a clear understanding of the roles they are playing. Human resources managers

have to provide their employees with clear guidelines and indications about the qualities and characteristics. These guidelines include being relaxed, smiley and treating the visitors as their special guests. Also the employees have their obligation of protecting the visitors from seeing “the backstage” – the non-decorated worker pass-through. An important step is the provision of training in each park so that the workers could identify the values and discipline of the provision of the perfect experience in the park. There is another concept that Disney has developed is the negative choices of consumption, for those who has interest in expressing their disagreement. Disney has provided a solution in opening their Disney Villains Shop for “naughty boys and girls”. Disney has opened a new market to those with Anti Disney sentiments matching their needs. (Salvador 2007, 178-180.) The achievement in this act is that to Disney every visitor is a consumer. In the end, controlling the client just means: “Being able to hold and direct his or her attention and manage the minuscule details of each person's life experiences”(Salvador 2007, 176).

3.2 Global theme park attendance rate

Now about statistics, the main interest zone is for Europe, a glance would be taken at North America due to be having several Disney related theme parks and Asia who have shown a consistent growth in the industry. Also the analysis would be upon the difference between the years of 2011 and 2012. According to Global Attractions Attendance Report of 2011, Asia represents about one-third of global theme park attendance (103.3 million). We do not stop here since each time a new theme parks is built, the attendance rate increases. Well that would not be so surprising due to that Asia seems to be developing in their economic situation. Another strategic element that has helped this attendance rate is that they have incorporated casinos, cultural facilities, retail and accommodation along with theme parks. This new destination resort mix is called integrated resort. This novelty shows a big success in their market. The concept is that the high cash flow will support the lower cash flow in the cultural elements. This method would also increase the attendance rate in other countries if implemented correctly. (Global Attractions Attendance Report 2011, 6-9.)

Asia is building other theme parks (103 million attendance rate), North America is not (to North America's 127 million attendance rate). This newly created gap is closing due to this phenomenon; once Shanghai Disney opens at the end of 2015 this gap will close. It is also expected that the Shanghai Disneyland will have 10 million visitors in its first year. Furthermore other 5-10 parks are under construction or are planned to be added to Asia's already existing list. With this development the Asian theme park attendance will catch up to their counterpart. Europe did not do so well in 2011 in an overall economic standpoint, but still could manage a 2,8% growth in theme parks. It is understandable in the given economic circumstances, and consumer conditions. Europe hit 57,8 million visitors in the year of 2011. In the global view there has been a growth of 3,8%. On the other hand that rate grew by 5,2% in 2012. (Global Attractions Attendance Report 2011, 6-9.)

In the example of Euro Disney, it has a strong local presence and that what makes a difference in the other theme parks where the rate of foreigners is larger. In parks it is essential to be able to bring those specific services to the global community. But to attract the audience, they need a strong local presence. By having local presence the true potential is exploited, and it is an encouraging force to the company to produce strategic studies, reports and to have resources about the markets. (Global Attractions Attendance Report 2012, 6-9.)

Top 10 theme park groups worldwide

| | PARK , location | change | 2012 | 2011 |
|----|------------------------------------|--------|-------------|-------------|
| 1 | WALT DISNEY ATTRACTIONS | 4.7% | 126,479,000 | 121,821,000 |
| 2 | MERLIN ENTERTAINMENTS GROUP | 16.4% | 54,000,000 | 46,400,000 |
| 3 | UNIVERSAL STUDIOS RECREATION GROUP | 7.9% | 34,515,000 | 31,990,000 |
| 4 | PARQUES REUNIDOS | 3.5% | 27,130,000 | 26,220,000 |
| 5 | SIX FLAGS INC. | 6.0% | 25,750,000 | 24,300,000 |
| 6 | SEAWORLD PARKS & ENTERTAINMENT | 3.0% | 24,310,000 | 23,600,000 |
| 7 | CEDAR FAIR ENTERTAINMENT COMPANY | 0.9% | 23,600,000 | 23,400,000 |
| 8 | OCT PARKS CHINA | 7.5% | 23,359,000 | 21,731,000 |
| 9 | HAICHANG GROUP | 24.5% | 9,400,000 | 7,550,000 |
| 10 | COMPAGNIE DES ALPES | 1.0% | 9,300,000 | 9,210,000 |

Figure 1



TABLE 1. Top 10 theme park groups worldwide (adapted from Jeffers 2012, 13.)

Table 1 would give us the top 10 list of the world's theme park groups. The specific group in this list owns several theme parks and the attendance rate is an annual summary counting all the owned parks by that group. It also gives an insight in the other theme park companies around the globe. There has been a 6,7% worldwide growth in attendance compared to the previous year up to 357,8 million visitors in 2012. For a complete understanding about these companies a short description about the top 4 is presented below.

Walt Disney Company is an American operated company and Disneyland is in their property. Although having 8 theme parks and 23 resorts including hotels and spas only in the USA, 7 in France, 3 in Japan, 2 in Hong Kong, they also own a cruise line, two entertainment complexes, two water parks. Upon owning this amount of parks and resorts their attendance rate is not surprising its leading the list with having 126 479 000 visitors in 2012. There has been a significant rise in

the attendance rate compared to the year of 2011. (The Walt Disney Company, 2014.)

Merlin Entertainments Group is a British operated company with the headquarters of London, with having six theme parks including Gardaland the biggest theme park in Italy, Alton Towers of the UK and Heidepark the third biggest park in Germany. The list does not end here, Merlin also owns LEGOLAND with six parks in the UK, USA, Germany and Malaysia. Furthermore they have quite a few midway attractions, including Sea Life aquariums and Madame Tussauds, The Dungeons and LEGOLAND Discovery Center. They have become the second with 54 million visitors. It is also surprising that they have achieved a 16,4% increase compared to the year of 2011. They also achieved a 33% increase in Merlin's Legolands. (Merlin Entertainments Group, 2014.)

Universal Studios Recreational Group is exclusively only found in the USA, with three theme parks. Harry Potter themed rides became a successful hit at Universal Studios Orlando and it is one reason behind the increase of 7,9% since their opening date. Due to be having three theme parks it is impressive to be having 34 515 000 visitors compared to the other counterparts previously mentioned. To be noted that Universal Studios operate most of the TV series, movies what are shown nowadays. (Universal Studios, 2014.)

ParquesReunidos is an international entertainment operator based in Spain. The group operates over 50 parks in several countries across the globe including theme and theme parks, zoos, water parks, family entertainment centers. These facilities are located in Spain, Belgium, Norway, Denmark, France, Italy, UK, Argentina, and the United States. They have 27 million visitors across their properties in 2012. (ParquesReunidos, 2014.)

As we follow the chart the following groups are occupying the 5th, 6th and 7th place are: Six Flags INC, Seaworld Parks & Entertainment and Cedar Fair Entertainment Company of the USA. Six Flags leads this trio with the attendance of 25 750 000. Of course to attract this large amount of visitors, they ought to have a few parks all across the continent. To be exact they have 16 parks in nine states (three in Cali-

ifornia, two in Georgia, one in Illinois, one in Maryland, one in Massachusetts, one in Missouri, two in New Jersey, two in New York, three in Texas), also they own two parks in Mexico City and in Montreal Canada making Six Flags one of the largest regional theme park group with \$1,1 billion revenue. It is a notable achievement that they have increased their attendance rate by 6%. They do not only provide world class entertainment just in theme parks, but have waterparks, up close animal encounter with customizable events. (Six Flags, 2014)

Seaworld Parks & Entertainment as the name states mostly operates water theme parks in San Diego, San Antonio and in Orlando. However they seem to have nine other parks in the USA besides the three mentioned above. Seaworld Parks have the success of an increased 24 310 000 by 3% compared to 2011. (Seaworld Parks & Entertainment, 2014)

Cedarfair Entertainment Company is yet again a USA based theme park group, have 12 theme parks, 11 in America and 1 major in Canada. Furthermore they own 3 waterparks. 23 600 000 visitors showed a slight improvement of 0,9% to the prior year The final countdown has soon come to an end with the remaining 8th, 9th and 10th theme park group: OCT Parks China, Haichang Group and Compagne Des Alpes. (Cedarfair Entertainment Company, 2014.)

Number eight on the list is the OCT Parks China (Shenzhen Overseas Chinese Town Holding Company). Their 7,5% increase is explained by the sudden growth in the Chinese economy, making their attendance rate to 23 359 000. They own 10 parks, resorts and attractions. It is said that OCT is only starting to tap out their true potential that lies in the hands of the group (OCT Group, 2014). Since the growth of cities are linked with the growth of the theme park industry. China has a great terrain with 30 provinces, which offers opportunity in the tourism industry. It is hoped that their attendance rate would reach 30 million by 2018. (OCT Group, 2014.)

The follow-up of yet remains in China with Haichang Group on place number nine. Originally Haichang Group started their operation in 1992 with petrochemicals trade. They are mostly involved in other essential industries like petroleum trade,

shipment, real estate and finally commercial tourism. They have built up a rather diverse role in the various industries, including the theme park industry with 9 400 000 visitors. They have an impressive improvement compared to 2011 with whopping 24,5%, with 8 theme parks combined with water parks and actual theme park resorts including all these elements. Their other notable project is Chongqing Guangyang Island Project of which combines leisure tourism, health club, business tourism, botanical and theme park. The other park complexes combine the same elements with a theme park. (Haichang Group, 2014.)

Last but not least is Compagnies Des Alpes with not much of an increase (1%) but with 9 400 000 visitors. They are an operator of Ski paradises and leisure parks. Compagnies Des Alpes as the name suggests a French origin, but have several parks in Belgium, three to be exact and they also have two parks in the Netherlands and one in Germany. Altogether they own 15 parks, including ParcAstérix. Some key figures on Compagnies Des Alpes are that over the 5 years they had 6,1% growth (0,6% organic, 4,3% from acquisitions), an income of €678 million, broken down to €379 million from Ski areas and €296 million from Leisure parks. They have become a leader in European leisure activities combining theme parks and ski areas. (Compagnies Des Alpes 2014.)

| PARK, location | change | 2012 | 2011 |
|---|--------|------------|------------|
| 1 MAGIC KINGDOM at Walt Disney World, Lake Buena Vista, Florida | 2.3% | 17,536,000 | 17,142,000 |
| 2 DISNEYLAND Anaheim, California | -1.1% | 15,963,000 | 16,140,000 |
| 3 TOKYO DISNEYLAND Tokyo, Japan | 8.5% | 14,847,000 | 13,683,000 |
| 4 TOKYO DISNEY SEA Tokyo, Japan | 8.5% | 12,656,000 | 11,664,000 |
| 5 DISNEYLAND PARK AT DISNEYLAND PARIS Marne-La-Vallée, France | 1.9% | 11,200,000 | 10,990,000 |
| 6 EPCOT at Walt Disney World, Lake Buena Vista, Florida | 2.2% | 11,063,000 | 10,825,000 |
| 7 DISNEY'S ANIMAL KINGDOM at Walt Disney World, Lake Buena Vista, Florida | 2.2% | 9,998,000 | 9,783,000 |
| 8 DISNEY'S HOLLYWOOD STUDIOS at Walt Disney World, Lake Buena Vista, Florida | 2.2% | 9,912,000 | 9,699,000 |
| 9 UNIVERSAL STUDIOS JAPAN Osaka, Japan | 14.1% | 9,700,000 | 8,500,000 |
| 10 ISLANDS OF ADVENTURE at Universal Orlando, Florida | 4.0% | 7,981,000 | 7,674,000 |
| 11 DISNEY'S CALIFORNIA ADVENTURE Anaheim, California | 22.6% | 7,775,000 | 6,341,000 |
| 12 OCEAN PARK Hong Kong SAR | 6.9% | 7,436,000 | 6,955,000 |
| 13 EVERLAND Gyeonggi-Do, South Korea | 4.3% | 6,853,000 | 6,570,000 |
| 14 HONG KONG DISNEYLAND Hong Kong SAR | 13.6% | 6,700,000 | 5,900,000 |
| 15 LOTTE WORLD Seoul, South Korea | 10.4% | 6,383,000 | 5,780,000 |

| PARK, location | change | 2012 | 2011 |
|--|--------|-----------|-----------|
| 16 UNIVERSAL STUDIOS at Universal Orlando, Florida | 2.5% | 6,195,000 | 6,044,000 |
| 17 UNIVERSAL STUDIOS HOLLYWOOD Universal City, California | 15.0% | 5,912,000 | 5,141,000 |
| 18 NAGASHIMA SPA LAND Kuwana, Japan | 0.5% | 5,850,000 | 5,820,000 |
| 19 SEAWORLD FLORIDA Orlando, Florida | 3.0% | 5,358,000 | 5,202,000 |
| 20 WALT DISNEY STUDIOS PARK AT DISNEYLAND PARIS Marne-La-Vallée, France | 1.9% | 4,800,000 | 4,710,000 |
| 21 EUROPA PARK Rust, Germany | 2.2% | 4,600,000 | 4,500,000 |
| 22 SEAWORLD CALIFORNIA San Diego, California | 3.5% | 4,444,000 | 4,294,000 |
| 23 BUSCH GARDENS TAMPA BAY Tampa, Florida | 1.5% | 4,348,000 | 4,284,000 |
| 24 DE EFTELING Kaatsheuvel, Netherlands | 1.8% | 4,200,000 | 4,125,000 |
| 25 OCT EAST Shenzhen, China | 7.9% | 4,196,000 | 3,890,000 |

Figure 2B

TABLE 2. Top 25 theme parks worldwide (adapted from Jeffers 2012, 16-17.)

In order to take a closer view on the leading theme parks and their attendance, it is necessary to take into account Table 2 the top 25 list of theme parks worldwide. The following chapter will be analyzing the contents of Table 2. As seen in Table 2, the list is led by Disney parks followed by a couple of familiar parks owned by the previously mentioned groups, such as number 9,15,16 owned by Universal studios. Starting with number one is Magic Kingdom in Florida Walt Disney World. As the name states it is owned by the Walt Disney Company, just as the following parks in the list. Magic Kingdom is leading the list with over 17 million visitors with a 2,3% increase in 2012. Anaheim Disneyland showed a decrease, but still came in second in the list with 15 963 000 visitors. On the 11th place as a co-park of Disneyland we have Disney's California Adventure in Anaheim. They have gotten the highest increase with 22,6% and 7,7 million visitors, which somewhat balanced out the decrease of Disneyland. These two parks are located at the same place, but counted as two different parks, due to their difference in attractions and theme.

The same phenomena can be found in France. Japan took over the third and fourth place with the Tokyo Disneyland and Disney Sea. Both showed the same amount of increase of 8,5% with 14,8 million and 12,6 million visitors. The French Disneyland has acquired the fifth place with 11,2 million visitors and a 1,9% increase, not counting their sister park of the twentieth place Walt Disney Studios Paris. It is rather good news for the Euro Disney S.C.A. thus having a new ride of Ratatouille opening in the summer of 2014 would give another boost to the rate (DLRP Today. What's New 2013). Following with more USA based Disney Parks of EPCOT, Animal Kingdom and Hollywood Studios with the shared increase of 2,2% and 11 million, 9,98 million and 9,912 million visitors. That leaves two more Disney Parks on the list, Hong Kong with an impressive increase of 13,6% and 6,7 million attendance. The 20th is notable of being the sister park of Disneyland Paris; Walt Disney Studios Park. It has achieved almost 5 million visitors with a 1,9% increase. If we add the entire listed Disney attendance rate we get only 122 450 000 visitors without counting the remaining Disney Park's rate for the rest of 4 million.

On the other hand, the Universal Studios Japan have gotten an increase of 14,1% compared to the year before making their rate reach 9,7 million. Universal Studios Hollywood is joining the increase with the great rate of 15%, 5,9 million visitors. Although the Studios of Orlando have shown a bigger rate of 6,19 million than

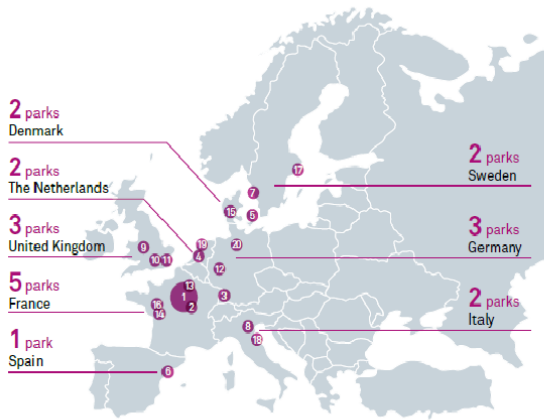
Studios Hollywood it had an increase of 2,5%. With the joint rate of Universal Studios Recreation Group counting Japan, Orlando and California we get 21 807 000 as the number of visitors. Their annual rate was 31,515 million counting their remaining parks, which has not made it to the top 20 list.

A small segment of the Asian parks has gotten the place of number 12,13, 15, 18 of Ocean Park, Everland, Lotte World, and Nagashima Spa Land. Ocean Park has gotten an increase of 6,9% having an attendance of 7,43 million. Everland of South Korea gained 4,3% of increase and the rate of 6,85 million visitors. Lotte world on the other hand has gained a bigger increase of 10,4% with more than 6million visitors. It is rather impressive for two theme parks to show a combined attendance of 12 million for South Korea. Upon these rates Asia seems to take over their own theme park industry. On the other hand, the Japanese Nagashima Spa Land has a steady rate with only a minor increase. This also shows that not much has happened within those two years. Finally number 25 of Asia is OCT East China. Although the operator company is originally a petroleum trade company, it is evident that they have further success in other industries, in this case of OCT East, of Shenzhen, China.

Number 19, 22and 23 are made up ofSeaworldOrlando, Seaworld California and Busch Gardens Tampa show the sum of 14 150 000 visitors altogether.Seaworldbeing the 6th in the list of the biggest theme park groups, they have already covered half of their attendance rate which is over 24 million.A small gain of 2,2% and 4 600 000 visitors shows a small peak of hope in the raise of European theme park industry with the 21st Europa Park. Adding number 24 De Efteling of the Netherlands, with yet again a minor increase of 1,8%.In the next section a couple of words of the European Theme park top 20 list is to be told.

Top 20 amusement/theme parks in Europe

Where are the top 20 amusement/theme parks in Europe?



Visitors (Millions)



Figure 9A

| | | |
|--|---|---|
| -0.3% | 58m | 58.2m |
| 2012-11 Europe top 20 amusement/theme parks growth | 2012 Europe top 20 amusement/theme parks attendance | 2011 Europe top 20 amusement/theme parks attendance |

| PARK, location | change | 2012 | 2011 |
|---|--------|------------|------------|
| 1 DISNEYLAND PARK AT DISNEYLAND PARIS Marne-La-Vallée, France | 1.9% | 11,200,000 | 10,990,000 |
| 2 WALT DISNEY STUDIOS PARK AT DISNEYLAND PARIS Marne-La-Vallée, France | 1.9% | 4,800,000 | 4,710,000 |
| 3 EUROPA PARK Rust, Germany | 2.2% | 4,600,000 | 4,500,000 |
| 4 DE EFTELING Kaatsheuvel, Netherlands | 1.8% | 4,200,000 | 4,125,000 |
| 5 TIVOLI GARDENS Copenhagen, Denmark | 1.8% | 4,033,000 | 3,963,000 |
| 6 PORTAVENTURA Salou, Spain | 0.5% | 3,540,000 | 3,522,000 |
| 7 LISEBERG Gothenburg, Sweden | -3.4% | 2,800,000 | 2,900,000 |
| 8 GARDALAND Castelnuovo del Garda, Italy | -10.0% | 2,700,000 | 3,000,000 |
| 9 ALTON TOWERS Staffordshire, U.K. | -9.4% | 2,400,000 | 2,650,000 |
| 10 LEGOLAND WINDSOR Windsor, U.K. | 5.3% | 2,000,000 | 1,900,000 |
| 11 THORPE PARK Chertsey, U.K. | -10.0% | 1,800,000 | 2,000,000 |
| 12 PHANTASIALAND Brühl, Germany | 0.0% | 1,750,000 | 1,750,000 |
| 13 PARC ASTERIX Plailly, France | 8.0% | 1,723,000 | 1,595,000 |
| 14 FUTUROSCOPE Jaunay-Clan, France | -2.4% | 1,700,000 | 1,741,000 |
| 15 LEGOLAND BILLUND Billund, Denmark | 3.1% | 1,650,000 | 1,600,000 |
| 16 PUY DU FOU Les Epesses, France | 6.7% | 1,600,000 | 1,500,000 |
| 17 GRONALUND Stockholm, Sweden | -3.8% | 1,408,200 | 1,464,000 |
| 18 MIRABILANDIA Savio, Italy | -6.1% | 1,390,000 | 1,481,000 |
| 19 DUINRELL/ATTRAKTIEPARK Wassenaar, The Netherlands | -0.1% | 1,360,000 | 1,362,000 |
| 20 HEIDE PARK Soltau, Germany | -7.1% | 1,300,000 | 1,400,000 |

Figure 9B — 2011 numbers have changed since previous issue of the report due to new information released by Merlin Entertainments Group

TABLE 3. Top 20 amusement/theme parks in Europe (adapted from Jeffers 2012, 50-51.)

As we can see it on the Table 3 above Disneyland takes over the lead in Europe followed by Europa Park Germany, and then followed by De Efteling of the Netherlands. Overall in Europe's theme parks there has been an average decrease of -0.3% in year 2012. It is also shown that the attendance rate has been quite static in the recent years, due to both recession, climate in the form of cold, rainy weather throughout the year. The weather problem mostly affected Northern European countries. Italy has especially suffered from economic troubles with the introduction of a new kind of property tax and the INU has cut the discretionary spending. This action also required homeowners to pay a sum on a specific day of the year (this also applies to secondary homes). This is also occurring in other European countries cutting the funds of citizens that they could have spent on leisure activities. These factors had their effects on the attendance rate making it around 58 million in the top 20 parks. On the other hand, the top parks are growing consistently, but slowly. The rate shows a decline in the attendance of 2012, but

there are bright points of the year. These points show how parks face the recession. ParcAsterix, Puy du Fou and LEGOLAND Windsor have achieved accomplishments in their growth. To sum it up it has been a good year for both extreme rollercoasters and family attractions. (Jeffers 2012, 50-51.)

3.3 Conclusion

In the end theme parks have proved themselves to be a major part of contemporary entertainment. Theme parks have passed through a notable transformation from the 16th century parks, and were also formed by the needs of visitors. This trend continued onto nowadays society, while entertainment and media took over a bigger space, via opening new markets of the entertainment industry. As technology improves the parks will improve themselves and the future of parks is upon those who can create the imaginary. As the theme park industry is related to the media our daily life can be linked with them. Furthermore not just only the media determine our everyday conversation topics, but the same is relevant for theme parks. In the example of Disney, which was present for most of our childhood, it attached certain values about what is to be followed and is sought through visiting Disneyland and most importantly being a Disney consumer. People tend to seek their realistic representation of magic, illusion and the feeling that they are in another world, yet they don't want to travel far. It is essential in the creation of theme parks to understand the specific needs and dreams of people and to perfectly recreate them. This recreation is provided by themed spaces, and themed entertainment.

As seen in the attendance rate of 2012 and 2011 it can be said that overall those were successful years. Asia has shown its capabilities and will concentrate on a further growth, while it is closing the gap between North America. The Walt Disney Company has gained an amount of growth around the globe, and their series of parks will not end soon. Globally the attendance rate rose, unfortunately Europe has been static for most of these years, but soon that is to be changing. A brighter future is to be foreseen in the theme park industry.

4 THE WALT DISNEY COMPANY

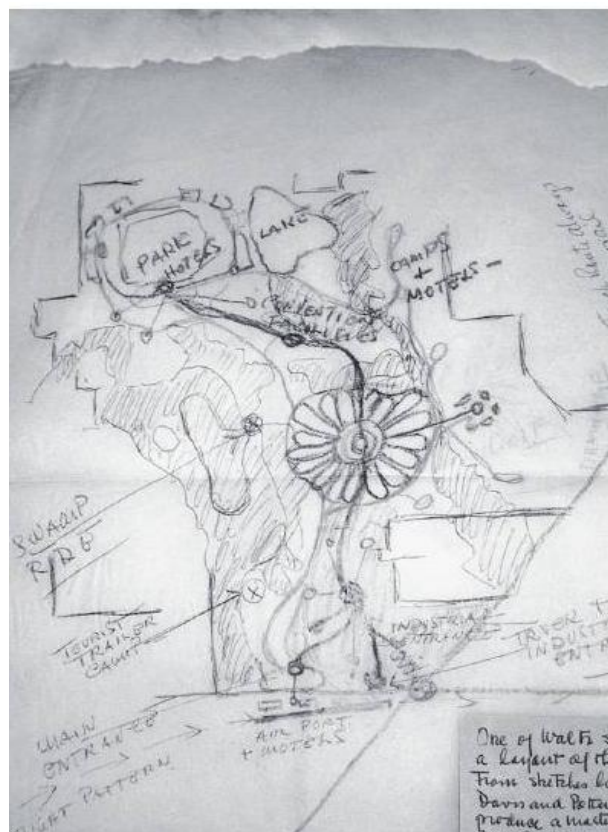
The Walt Disney Company is one of the biggest companies in the entertainment industry and likewise in the theme park industry. The analysis of the work of Walt Disney is crucial in the view of the thesis since it shows an important step of the usage of franchising. They also have influenced the entertainment industry. It is a company that has brought the first motion cartoon and developed into worldwide known enterprise. On following chapter is introduced the history of the company and gives an insight in their revenue, then finally the cultural issue of Disneyland Paris. The case of the Walt Disney Company is used to show an example of the success that can be achieved through imagination and innovation.

4.1 History of Disney

The history of the Walt Disney Company is rather diverse and is actually a tale about two men. One was Walt Elias Disney with impressive innovation while the other one was rather a man of business, Michael Eisner. In the beginning Walter Elias Disney left to pursue his vision and arrived in Los Angeles in 1923 with only \$40 and his art supplies. Walter and his brother borrowed \$500 from their relative and opened their animation studio in the same year. While Walt was responsible of the creation, Roy his brother handled all the finances of their company. After a couple of years they created the most famous mouse in the world, Mickey Mouse with a movie as an introduction. The cartoon was Steamboat Willie, debuted in 1928 and was the first fully synchronized sound cartoon in the world. Walt provided Mickey's falsetto in the cartoon.

Innovations bloomed from Disney's imagination and continued to flourish. He was responsible for the invention of Technicolor animation, and a system which added 3D depth to his drawings. Snow White was the first cartoon where he utilized this technique, and was Hollywood's first full length animated musical. Surprisingly it cost \$1,5 million to produce, that cost is about one-third of the annual income of

Columbia Pictures. After his first success other famous movies followed the line: Pinocchio, Bambi, Cinderella, and Peter Pan. Finally in 1955 the first Disneyland was opened in Anaheim California, to provide the society with a real life magic kingdom. Disney had some sort of perfectionism inside him and he wanted to deliver an extraordinarily high level of customer service in the park. He implemented an extensive training program for the workers, and had strict rules including the ban of facial hair for male workers. These rules are still valid for workers in any Disneyland. The opening of the second park of Florida's Walt Disney World was an incredibly big step for Disney and his successors in 1971. This trend was followed by the opening of other parks from Tokyo to Paris. (Rothman 2001, 126.)



Graph 1. Disney's Seventh Preliminary Master Plot Plan hand sketch, 1966. (Mannheim, 2002, 23)

In 1965 Disney's attention turned towards other heights. America had urban life problems and as a solution Disney has begun the design of EPCOT - Experimental Prototype Community of Tomorrow. With this the quest for community has begun. First with the purchase of 111.37km² of land, which is nearly twice the size of

Manhattan. The urban development of EPCOT was based on the increase of the density at an urban core node. People started to migrate to bigger cities and as a reaction an experimental community was forming. With the decision of the state of Florida which sanctioned the site with its own independent government and all the power to create a community. EPCOT had all the facilities that a typical community of 20 000 would require, and its town center had an internationally themed retail space. The philosophy behind the development of EPCOT was to combine company and town, both visitor's attraction and a device to help urban problems. Disney would focus his peers in the American industry on the urban crisis. In the meantime he was seeking prototype products that he could use in the experimental community. Walt Disney passed away in 1966 in cancer. He has achieved 48 Oscars, seven Emmys and unlimited global recognition in his life. (Mannheim 2002, 22.)

The second man of the story is Michael Eisner who became the CEO and chairman of the Walt Disney Company in 1984. The vice chairman remained Roy Disney beside Michael Eisner. The tightly budgeted Disney movies seemed profitable on the market. Eisner opened new divisions such as Touch-Stone and Hollywood Pictures in order to be able to produce movies for an older audience. He revered Walt Disney and recognized himself in the founder, targeting videos. He found great value in the company and grasped for material to exploit. It included the re-release of classic animated Disney features with heavy PR in any theatrical premier. Furthermore the introduction of new Disney movies like The Lion King annually became a cultural milestone and a notable financial income for the company. Eisner modernized and personified what Walt had dreamed of in earlier days. Also the old version of several short cartoons was upgraded, and appeared on TV. He also focused on theme parks by opening new ones and the implementation of massive upgrades on the already existing parks. Numerous CGI (computer generated imagery) family movies hit the market and became instant success, such as Toy Story. The acquisition of ABC network and cable channels like ESPN has broadened their market. The list would not end there since there were other acquisitions, and with those Disney remain substantial in the entertainment industry. To

conclude the story is just about two men, one who dreamed big, and one who upped the dream. (Rothman 2001, 128-130.)

4.2 Disney Revenues

In the following section a look at the revenues of the Disneyland parks was taken. The building costs was taken into account to determine their construction. The Anaheim Disneyland was the first theme park by the Walt Disney Company, and was opened in 1955. The Orlando Disney World was opened in 1971, and was the largest Disney Property and was the most popular vacation hotspot in America. The Orlando Disney hotels made a large proportion of the Disney revenues with having the incredible occupancy rate of 92%, unlike the industry's average of 66%. On the other side of the world, the Tokyo Disneyland opened 12 years later than the Orlando one. It was outstanding in the major expansions of Disney in a foreign country. The park itself was 1,5 times the size of Anaheim Disney and Euro Disney is smaller in several dimensions. The owner and operator differed since the Tokyo Disney was owned by the Oriental Land Company with the license to pay 10% admission for the usage of Disney characters and 5% for souvenirs and food revenues. The results were quite encouraging since the Walt Disney Company did no equity in the project, neither invested in the construction. Also Tokyo Disney was considered a prospering success from the beginning with the attendance rate of 16 million in 1991. That year became a record and was kept up with around 10 million attendance annually ever since. Tokyo Disneyland was actually surrounded by 30 million Japanese living in 48 km range. This density would be three times more than in Anaheim's Disneyland. The revenue of Tokyo Disneyland's fiscal year of 1990 was \$988 million and was originally \$768 million in 1989. Tokyo Disneyland has gone through further expansion including a second theme park and an MGM studio. On the final note in the 1990s The Walt Disney Companies revenues came from theme parks (71%), hotels (21%) and other sources (8%). The latest revenues of 2013 will be discussed later in this chapter. (Liu & Wong 1999 Legislative Council Secretariat IN 1/99-00.)

In order to understand the diversity of Disneyland Paris, an overview of the recent years is needed. The overview starts from 1992 from the construction of the park. The building of the park cost was \$4,4 billion in Marne la Vallée, France situated only 26 km to the west of Paris. Although the original budget was surpassed, the results of the opening year were successful. The attendance rate has been over 250 million since 1992, with the record attendance of 15,6 million visitors in 2011. Also the park has provided a great support for the French government by providing 55 000 jobs each year, and this number has decreased the unemployment rate from 10%. (Liu& Wong 1999 Legislative Council Secretariat IN 1/99-00.)

However the first two years of the opening of the park seemed to have their negative effect upon posing a \$4 billion debt on the park. The interest rates were double the estimate and the recession hit Europe making tourists spend less. Furthermore the fore projected revenue did not arrive from real estate and caused the collapse of the property market in France. In addition the French currency of francs was strong making it expensive for visitors to visit. In 1994 a financial restructuring of \$1 billion was decided for Disney to reduce the debt. This aid gave Euro Disney 24 months forgiveness of paying the interest on \$3 billion on the loans. They also earned a three year postponement on paying back the loan. The agreement was made that the only possible way to reduce the debt is by selling 51% of a \$1,2 billion rights of Euro Disney, leaving 49% to the Walt Disney Company. It was successful to raise the funds the following way: 10% of the original, and 49% equity was bought by a Saudi Prince who also bought 14% of supplementary shares from the market, who became the second largest investor in the project. Furthermore Disney agreed in cutting the management fees to 1% from the original 6% between 1992 and 1998, but the fees would regain 6% in 2018. Disney also planned to build a second Disney Park beside the one built in 1992. The second Park of Walt Disney Studios was opened in 2002, on the 10th anniversary of Disneyland Paris. The total investment was \$645 million. (Liu& Wong 1999 Legislative Council Secretariat IN 1/99-00.)

The Walt Disney Company has an effective ownership interest in Disneyland Paris. The relation between The Walt Disney Company and the French Governmental authorities has been developed pursuant to a master agreement. The Walt

Disney Company is responsible for the management of Disneyland Paris, making Euro Disney S.C.A. obligated to pay royalties and management fees to the Company upon their performance of the resort. Euro Disney S.C.A. is a publicly traded French entity which is the holding company for Euro Disney Associés S.C.A. which is also the primary operating company of the parks both Disneyland Paris and Walt Disney Studios. The parks include seven themed hotels, two convention centers; a shopping and dining, entertainment complex – Disney Village, and a 27 hole golf facility. Disney Village is approximately 46 452m² and located between the two Disney parks. A number of Disney Village facilities are operated by a third party, and required to pay a rent to a subsidiary of Euro Disney S.C.A. (Fiscal Year 2013 Annual Financial Report and Shareholder letter 2014, 11.)

Although having 22 298 178.887 square meter comprising the site, only half have been developed to date, including Val'd Europe. Val'd Europe is a planned community built around Disneyland Paris. The development is completed in phases to include all the facilities required in a community, including regional train station, hotels, town center consisting of a shopping center, offices and both residential and commercial space. Third parties operates these developments which are leased or purchased from Euro Disney S.C.A.. The planned community of Val'd Europe has already completed most of their projects, and offers the same services as any establishment. In 2012 Euro Disney has received €1,3 billion aid from the Walt Disney Company and was used to repay the outstanding debt to a third party. This aid has eliminated certain debts which were to be paid to the Walt Disney Company (operating covenants, expenditure limitations, royalties and management fees). (Fiscal Year 2013 Annual Financial Report and Shareholder letter 2014, 10.)

Euro Disney had a rocky start, but did not become a catastrophe in the theme park industry, unlike Universal's Florida with technical difficulties upon their opening. The daily attendance was over 30 000 and seemed a success. Surprisingly visitors from Europe were running higher than expected, and is making up around 60% of

the visitors, leaving 40% of the visitors French. One problem remains to be unsolved and that is that Euro Disney has to find an affordable way to promote the park which also attracts visitors no matter what the weather might be. (Liu & Wong 1999 Legislative Council Secretariat IN 1/99-00.)

ITEM 6. Selected Financial Data

(in millions, except per share data)

| | 2013 ⁽¹⁾ | 2012 ⁽²⁾ | 2011 ⁽³⁾ | 2010 ⁽⁴⁾ | 2009 ⁽⁵⁾ |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Statements of income | | | | | |
| Revenues | \$ 45,041 | \$ 42,278 | \$ 40,893 | \$ 38,063 | \$ 36,149 |
| Net income | 6,636 | 6,173 | 5,258 | 4,313 | 3,609 |
| Net income attributable to Disney | 6,136 | 5,682 | 4,807 | 3,963 | 3,307 |
| Per common share | | | | | |
| Earnings attributable to Disney | | | | | |
| Diluted | \$ 3.38 | \$ 3.13 | \$ 2.52 | \$ 2.03 | \$ 1.76 |
| Basic | 3.42 | 3.17 | 2.56 | 2.07 | 1.78 |
| Dividends | 0.75 | 0.60 | 0.40 | 0.35 | 0.35 |
| Balance sheets | | | | | |
| Total assets | \$ 81,241 | \$ 74,898 | \$ 72,124 | \$ 69,206 | \$ 63,117 |
| Long-term obligations | 17,337 | 17,876 | 17,717 | 16,234 | 16,939 |
| Disney shareholders' equity | 45,429 | 39,759 | 37,385 | 37,519 | 33,734 |
| Statements of cash flows | | | | | |
| Cash provided (used) by: | | | | | |
| Operating activities | \$ 9,452 | \$ 7,966 | \$ 6,994 | \$ 6,578 | \$ 5,319 |
| Investing activities | (4,676) | (4,759) | (3,286) | (4,523) | (1,755) |
| Financing activities | (4,214) | (2,985) | (3,233) | (2,663) | (3,111) |

TABLE 4. Selected Financial Data of the Walt Disney Company (Fiscal Year 2013 Annual Financial Report and Shareholder letter 2014, 26.)

In Table 4 above The Walt Disney Company's 2013 Annual Financial Report is visible. The revenues of the recent years have been constantly growing for Disney from \$36,149 million in 2009 to the recent \$45,041 million which was only the income for the American Disneylands. If we take a look at the total assets we get 81,241 million which is built up by the Disney shareholders and Long term obligations. Disney shareholder's equity is what Disney receives from their parks around the globe: Tokyo Disneyland (15% of their total revenues), Euro Disney (51% of their total revenues) and Hong Kong Disneyland (48% of their revenues). Their total assets are directly proportional with the raise that is visible in their revenues. Since 2009 there has been a \$20 billion growth in their revenues. This growth is visible in all of their assets. The operating activities have reached 9,452 million,

and so did their financing activities rise to \$4 214 million, although the investing activities decreased. This rise on revenues is straight adjacent to the expansion of brands that has been making Disney successful. As we know Disney has recently bought Lucasfilm which brought a \$4,1 billion stock and cash acquisition. Also there has been a charge in relation of Celador litigation and further charges in equity redemption by Hulu. Gains consist of sale of their equity interest in ESS and favorable tax adjustments in relation to an increase of prior year's foreign earnings that are to be reinvested outside the USA. (Fiscal Year 2013 Annual Financial Report and Shareholder letter 2014, 26.)

4.3 Cultural effects on Euro Disney

The cultural effects on Euro Disney is a rather tricky topic. The diversity of cultures that Disney has to take into account is crucial. It is a worldwide franchise, and in order to spread the Disney magic there are several steps which are needed to be taken seriously. What happened when the American Disneyworld wanted to expand their franchise towards Europe, was that their choice of France seemed as a good idea, but somewhere the idea set off track and resulted in a sea of problems. It all started with one offset idea, the misinterpretation of the European culture, or simply a lack of research as it was written by Wenhe. It might have been the latter. Of course there were other destinations which were considered, upon the weather, culture and how that specific destination is a hot tourist spot. The French government was ready to spend hundreds of million dollars on the expansion of the public traffic lines, such as building a Channel Tunnel between London and France. By that people can easily access Euro Disney in 3 hours and 10 minutes from London. This was a big factor why the Euro Disneyland was placed in France. Although the location of the park was quite good, there were still problems with for example the weather, and with the false analysis of the European culture. Since the temperature is lower in France than in California, the park cannot attract as many tourists as in California. That is essentially a problem, the amount of visitors of the Euro Disney is limited, it is difficult to have visitors waiting in line in wind and

rain. But on the other hand discounts have been made to keep visitors coming even in off season.(Wenhe 2009,Vol 1, No 2.)

The second biggest issue was the misunderstanding of the European culture. Executives of Disney had the attitude of knowing what they were doing, and they emphasized their views on the European culture. This led to various other problems. Walt Disney Company's policy was that they refuse to serve alcoholic beverages. They extended this policy to Florida California and Tokyo and tried to extend it to France too. However this resulted in astonishment and the rebellion of the French. In France a glass of wine is a recognized part of the lunch, rather than alcohol. In 1993 the Walt Disney Company revised this policy and allowed the serving of beer and wine in Euro Disney. The line of issues does not stop at this point. The other misunderstanding was the European breakfast norms. The general assumption of the Walt Disney Company was that Europeans do not eat big breakfast. This resulted in the arrangement of a small amount of seating for serving breakfast. This was a problem when a large amount of guests wanted to have breakfast at once.(Wenhe 2009,Vol 1, No 2.)

It was also difficult for the Americans to realize that Europeans eat at a set time. Unlike the Americans, they do not wander around the park while having burgers in their hands. This caused that the lines to the restaurants were long. Due to this, rush hours were formed several times a day. This phenomenon still exists, and there has to be more workers organized in order to successfully serve everyone fast. This latter still might be a tricky question since the rush hours last long. This is usually resulting in having long lines and dissatisfied customers, and exhausted Disney cast members. This problem is mostly visible in Café Hyperion, the rush hour starts from 12:00 till 13:00, then second rush from 16:00-17:00, the third wave of rush is between 19:30-20:00. This problem will be solved with the reconstruction of the "comptoir's" and the kitchen. "Comptoir" is the French word for the work station where the food was stored when workers gave it out to the customers. Of course most of these problems have been solved or they are in progress. Euro Disney received financial aid from the Walt Disney Company to reconstruct the park. This also means that there will be a rise in the park with the upcoming attraction of Ratatouille. With the opening of the new attraction based upon a Eu-

rope wide successful movie of Ratatouille the expectations show that there will be more than 40 000 visitors daily in the upcoming summer. Furthermore with the new hiring of 8 000 castmembers the summer upholds a great potential in the attraction of visitors. (Wenhe 2009, Vol 1, No 2.)

In conclusion on the cultural effect, most of these problems arose because the Americans were convinced that they could Americanize the European habits. They failed and Euro Disney had to face the consequences. Of course this could have come from a bad analysis of the European culture and habits. Luckily most of these problems have been solved, or are currently being solved. The breakfast problem has been solved, but the rush hour problem is still there, especially in the most visited restaurant, Café Hyperion. As mentioned before that problem was to be solved with the reconstruction starting from February 2014, but was cancelled. With a reasonable reason, Disney just simply cannot close down the biggest and most visited restaurant. The average amount of visitors in July and August is 30 000 daily. Things seem to show a new potential which lies in Euro Disney which are to be discovered.

4.4 Conclusion

To sum up this chapter the Walt Disney Company has been a company, which has created value and has a strong culture behind it. It all started with the creation of the Disney animation studios which opened in 1923. The urban crisis of the USA has been a motivation force for Walt Disney in a creation of an experimental community of EPCOT. This step proves that Disney wanted to create a solution for the current problem with the development of an artificial community. He wanted to create something for the people. Upon the opening of the first Disneyland in 1955 he had made strict guidelines for the workers so they can create the best Disney experience as if the visitors would be in a magical world. These guidelines exist nowadays and are taken seriously among new recruits. Slowly the Walt Disney Company grew up to be one of the leading companies in the entertainment market with the lead of Michael Eisner. He kept the original values and visions of Walt Disney and has created much more of them. With the building of the cultural val-

ues and the correct exploitation of them Disney has become a major factor in today's media. Their further acquisitions, investments and purchases of other companies such as Lucasfilm and Marvel bring them closer to an ultimate success. That is one reason why their revenue rose in the year of 2013. Furthermore the Disney owned theme parks fulfill their obligation on paying the royalties to their franchisor.

The company is achieving a bigger role in the media; as a result it is essentially becoming a bigger part of our daily life. It is really interesting to see how a company outgrows itself and becomes a dominating force in the media. Of course it was upon their innovations, the capability to dream big and the initiative in making the dream come true. As a paradox the start of a theme park can be a bit catastrophic and yet be solved after a couple of years. The opening of Euro Disney - later renamed to Disneyland Paris due to complaints- was a rough ride, but eventually after realizing the issues that caused the malfunction were successfully corrected. Although Euro Disney is living the difficulties caused by the recession in Europe, the upcoming summer offers a potential change in the situation due to the opening of the new ride - Ratatouille. This also brings an expected rise in the attendance rate. The start of the park might have been rocky but things seem to change in a positive direction over time. The future of Disney is bright in the entertainment industry just as in the theme park industry.

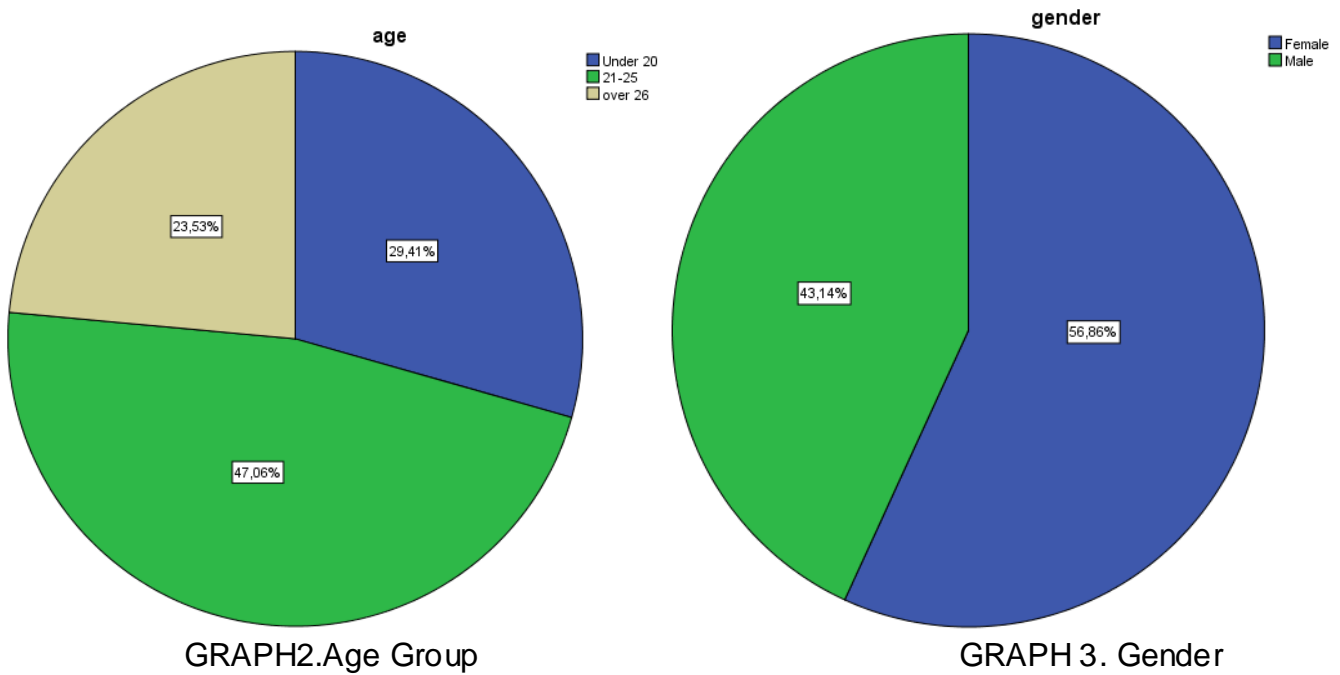
5FRANCHISING IN TOURISM SURVEY

Depending the choice of topic it the theory behind the scenes has to be considered, the theory behind this survey plan. First, the different types of research methods will be presented and then further details. The main research can be based upon a central question or a hypothesis. Once there is an idea for the survey, we have to decide the research procedures. The validity, the reliability of the questionnaire has to be determined. The first type is the validity, which is upon what the survey appears to be measuring. There are further subcategories of validity, one is the 'face validity', which measures the extent of the survey. The second is 'Content validity', which measures the extent of which items are representative of the domain of the survey. The third is 'construct validity', measures the structure under the study. Then finally there is 'criterion validity', in which the survey was already accepted in the field of research. The other concept of the research is reliability. In reliability the reliability of the questionnaire is measured, how much the survey is reliable and how much it would show precise data. It can be divided into two kinds of reliability, which are internal and test-retest reliability. In internal reliability the relativity of the same construct is measured. In test-retest reliability it is determined if the survey gets the same results under different circumstances. There is another perspective considered which is responsiveness, if change can be seen by the questions. It is essential to conduct a survey several times in different circumstances if a genuinely reliable result is expected. (Veal 2006, 5-8.)

5.1 Data analysis

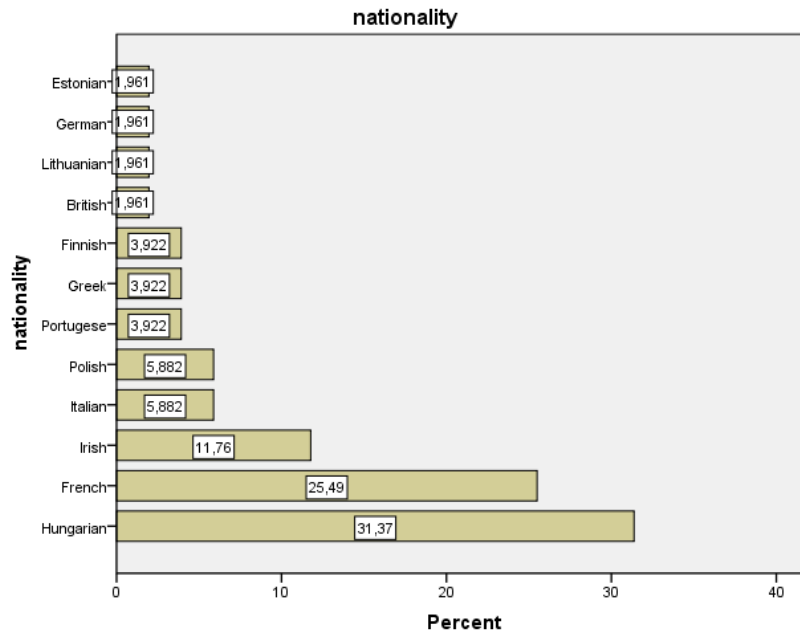
The Survey was conducted to determine whether franchising could be used as a marketing method and can be used to promote the attendance rate in theme parks. It was under consideration that what are the possible methods of increasing the attendance rate. Furthermore it was asked from the target group what can be done to reconstruct a theme park. The target group were cast members of Disneyland Paris. The survey targeted the operation and the opinions of workers of

Euro Disney. The target group consisted of Disney Cast members, those who work in Disneyland Paris either in a CDD, CDI contract. CDD – seasonal contract can vary from 2 weeks until 6 months. CDI – long term contract with other benefits, can vary from 16 hours and 35 hours weekly. Out of the collected answers, the response rate hit whopping 98%, with led this survey into a success. But for further understanding we have to take a look at the responses. The graphs are explaining the results of the questionnaire in a correspondent order. The results will be analyzed over the nationalities and compared those in reference with the answers. The information will be taken into account how a franchise based theme park effects the amount of visitors arriving, and specifically does a direct franchise attract more guests. Another thing to get a view of is seasonal franchises are more successful.



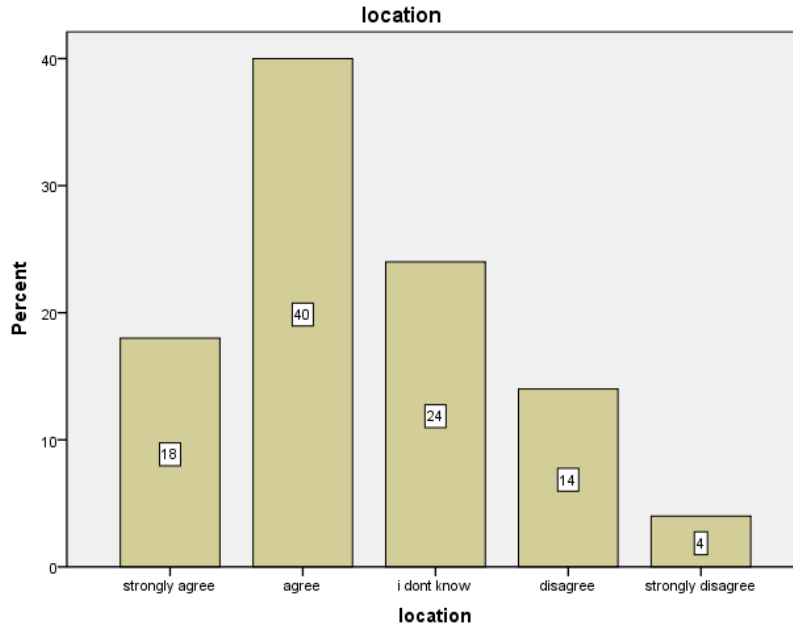
As we can see in Graph 2 most of our respondents were between the age of 21 and 25. From this the conclusion can be drawn to the conclusion of most of the Disney castmembers are between 21-25, furthermore Disney interests mostly young adults. On the other hand, the determination of the gender, this one is a quite black and white question. Most of the respondents were female, which can

also mean there are more female cast members than male as it can be seen in Graph 3.



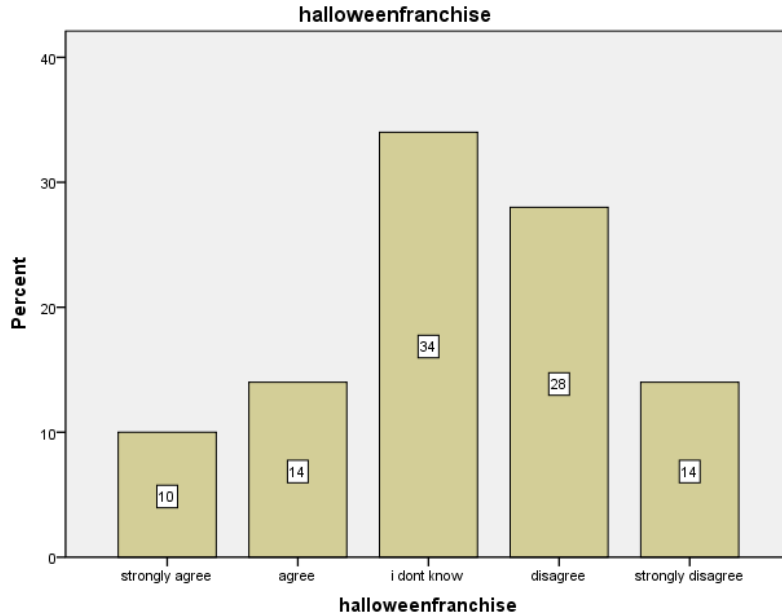
Graph 4. Rate of nationality

Nationality is rather a versatile question, as we can see it from the diversity of the responses in Graph 4. Most of the targets were Hungarians and French, followed by the Irish in the responses. The percentages don't stop at this point, but continue with 6% percent of Italian and Polish respondents. This survey gives a further understanding of the views of the previously mentioned nationalities.



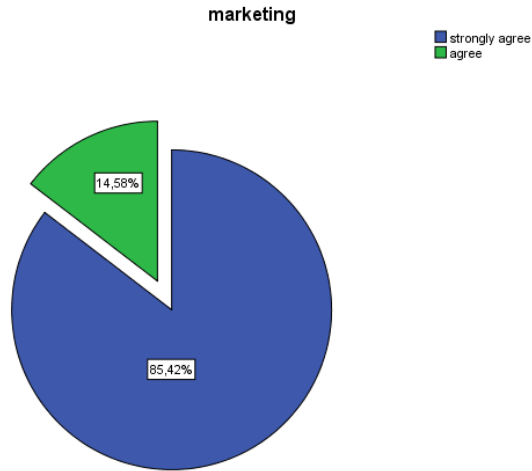
GRAPH5. The location of Disneyland Paris is ideal.

The question of Graph 5 was a reference to an article written by Wenhe Yue 2009 if the location of Disneyland Paris is ideal. It was written that Paris might not have been the best place for Euro Disney initially. But now 40% of the workers thinks Paris is the ideal location of the park. This decision of choosing Paris as the location will increase the tourism in the city. It influences tourists to visit Paris due to the location of Disneyland, but also influences other visitors who specifically go to Paris to visit the park. It is like a double standard, good for the economy of the city and good for the Disney Associations S.C.A. due to an increased attendance rate.



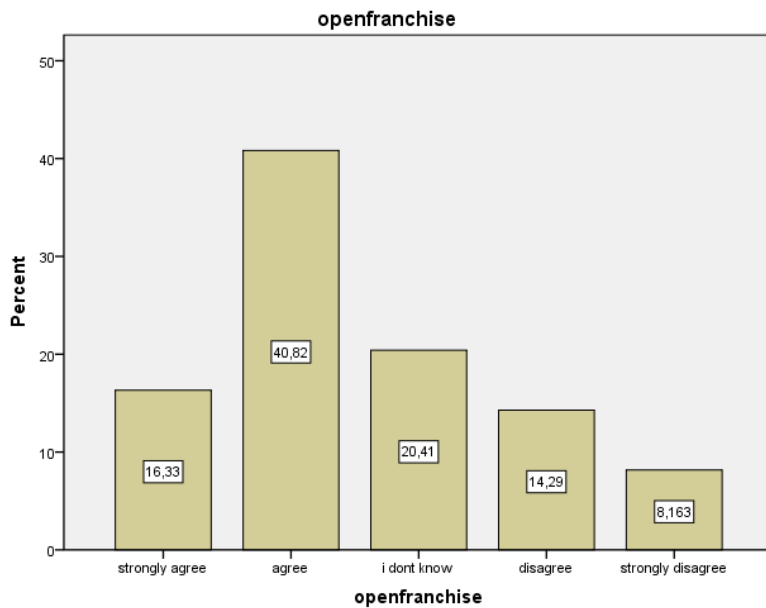
GRAPH 6. The Halloween franchise attracts more visitors than the 20th Anniversary franchise.

In question 6 it was asked if the Halloween franchise attracted more visitors than the 20th Anniversary. In the summer there was the franchise of 20th anniversary of Disneyland Paris, in the autumn there was the Halloween franchise. Upon the responses 28% think that the 20th Anniversary attracted more tourists as seen in Graph 6. We have to take it into account the duration of each franchise. The former franchise lasted for over a year, making the 20th Anniversary Celebration vivid, but the latter Halloween lasted for 2 weeks only. Of course the summer warmth is more appealing to guests, and a lower price is more budget friendly in the summer season. The weather is a big problem for Euro Disney especially in the mid seasons when it the weather is usually poor.



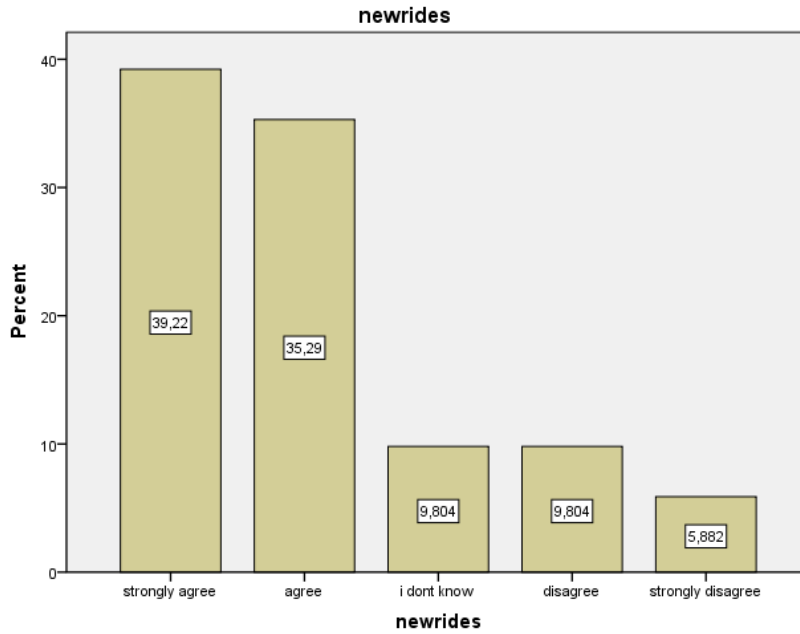
GRAPH 7. The constant marketing of a Disney franchise would appeal to the visitors.

A proper marketing reaches out to people and attract them towards the desired destination. As it works in other cases, a thorough marketing can make the difference as it is shown in Graph 7 as well, everyone asked agrees. People tend to base their conversation on what they have viewed on either TV or the internet. If the subject of the advertisement is appearing in all forms of media it is a factor which is discussed by people. Once it is discussed it reaches its goal, and people are becoming motivated in becoming Disney product consumers.



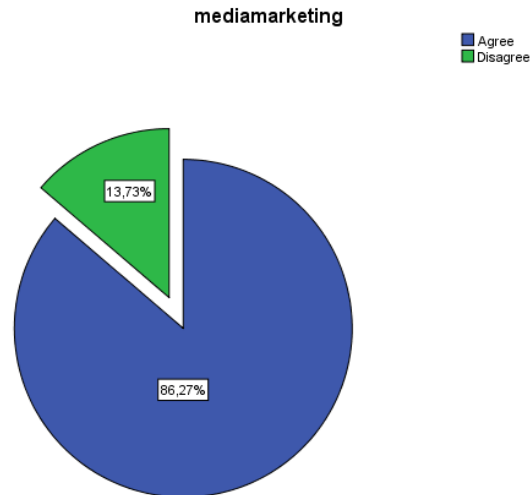
GRAPH8.If Disney would open new franchises that would attract more visitors.

Novelties attract people more, when it comes to new franchise based unique rides,if it can be only found in that specific location. The same relates if a new ride is introduced to the park. In order to keep up the attention, renewing is essential either if we are talking about franchise or a theme park. The opening of new franchises clearly increases the amount of visitors and 40% agree with this statement. This concept is clearly shown in Graph 8.



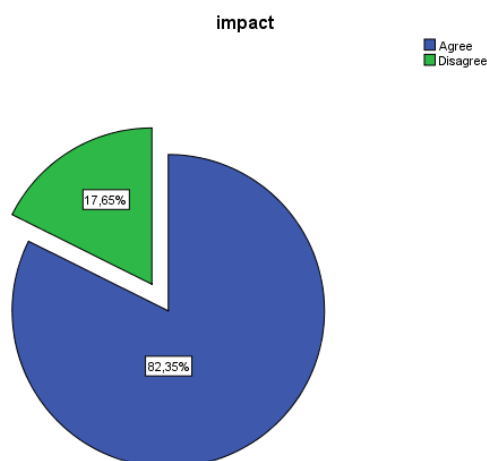
GRAPH9. If there would be new rides there would be more visitors.

The question of Graph 9 captures an upcoming happening of opening a new ride. Upon the answers the results are positive and show it in Graph 9 that 39,22 strongly agree and 35,29 agree with the statement of opening of new rides attract tourists. Novelties tend to attract visitors and Disney is aiding the park with the opening of the new ride.



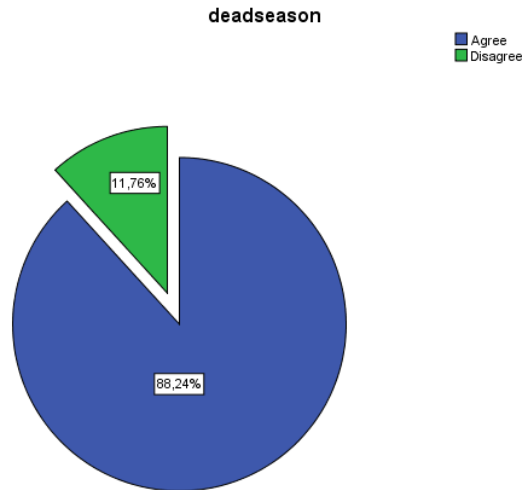
GRAPH 10. By airing more Disney related material in the media; people would be more interested to visit the park.

In Graph 10 it was asked if a marketing of a Disney product would raise interest in the park. The promotion of the park and its franchise purpose will improve the rates. If people are held up to date with fresh news they will consider visiting the park. Another good technique is to target nostalgia to attract a different segment of the target group.



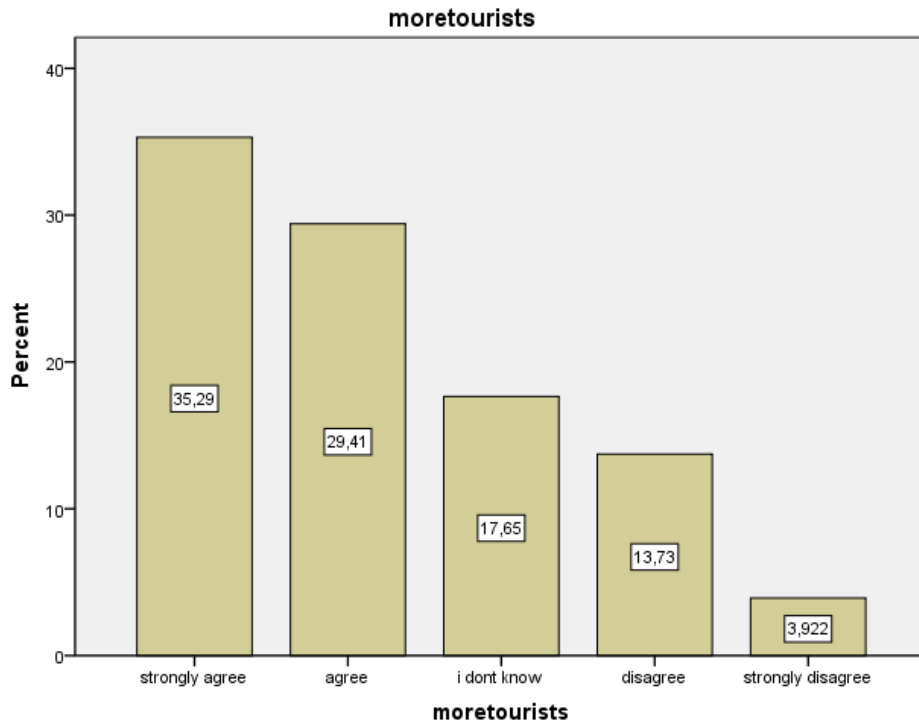
GRAPH 11. A tourist site would be heavily affected by opening Disney related attraction.

Rather an interesting question was stated in Graph 11 if a tourist site would be affected if a Disney related attraction is opened. The results show that 82% agree that if a tourist attraction is given a Disney related attraction, tourists would visit that site. Disney themselves take up a lot of space in the media, and it is quite certain that there would not be many people who might not be familiar with Disney.



GRAPH 12. The amount of visitors between seasons decreases visibly.

Rather a clear question which states that the amount of visitors decrease in the dead season when there is no direct franchise or a marketed season. 88% of the respondents agree that the attendance rate decreases in the dead season. This is also determined by the fact bythat it is tricky to travel mid-year when most people are occupied by school or work.



GRAPH13. A franchise based theme park attracts more tourists than amusement parks.

The most important question is last in Graph 13, which asked if a franchise based theme parks attracts more tourist than amusement parks. The opinion of the asked state that 35% strongly agree and 29% agrees that a franchise based theme park attracts more tourists than normal theme parks. Amusement parks are fewer in numbers than their counterpart. It is no surprise to say they do attract more tourists in numbers.

Few of the respondents of the survey have expressed their opinion about Disney- and Paris. These comments were anonymous and are added in the final section. An analysis of these comments is included.

“Although the main target are children, I think Disney lacks some more strong-sensation rides, as well as water rides, especially if we compare the nearby Parc Asterix or Europa Park.”

“Disney should be more organized when it comes to everything in my opinion.”

In the first comment it is stated that the target group of Disneyland Paris is children. The original target group of the Disneyland parks is families which of course include child friendly rides and entertainment. However the second park of Walt Disney Studios is targeting an older audience. It is also true that both Disneyland Paris and Walt Disney Studios do not have any water themed rides, unlike ParcAsterix. The type of the rides explain the difference, but if we take a look at the 2012 attendance rate we see that Disneyland Paris and Walt Disney studios have gotten 11,2 million and 4,8 million visitors unlike their counterpart of ParcAsterix of 1,7million. The contents of the second comment is irrelevant to the topic of the thesis.

5.2 Conclusion of the Questionnaire

Considering the findings of the questionnaire it can be concluded that a franchise based theme park is attracting more tourists. In the beginning of the questionnaire it was asked if the location was ideal and examining the answers the respondents approve of this statement. This decision of choosing Paris as the location of Euro Disney will increase the tourism in the city. It does influence tourists to visit Paris, but also influences other visitors who specifically go to Paris to visit the park. It is like a double standard, good for the economy of the city and good for the Disney Associations S.C.A. This rate is also influenced by the correct marketing and the success of each franchise created by Disney. The seasonal attendance rate was rather clear: there are not many visitors in low season due to other activities, such as school or work. There is a distinction between the different seasonal franchises in Disneyland, the 20th anniversary and the Halloween franchise. Summer seemed more attractive to visitors with a steady 34 000 visitors daily for the duration of three months. During the Halloween franchise which lasted two weeks and on the day of Halloween the attendance rate hit of 90 000, although the other days had 30 000. It is clear to see that a steady attendance rate for a longer duration can be more flourishing.

Success also depends on marketing, which can be achieved via a constant marketing in most forms of media. Daily conversations tend to be based on the viewed

material on TV or the internet. If the subject of advertisement is appearing in each form of media, it is a factor which is discussed by people. Of course the execution and the message of the advertisement have to be appealing to the viewers and have the goal to make them Disney consumers. For example a newly opening attraction would raise attention and has a good potential to attract visitors. In order to keep people interested in a specific park, novelties have to arrive from time to time, preferably in main season. Promoting the park, and its franchise purpose will improve the rates. Being able to adapt to new trends and new technologies in a place is essential in making a themed space worth a visit. Furthermore another technique is to recall an older audience to visit the park by offering a possibility for them to relive their childhood memories.

Disney has created values which have formed the society and has a tool which they can reuse to attract audience. Upon a heavy culture which people tend to recognize, a tourist site which would be afflicted with Disney would be visited due to their themed attraction. Of course this statement does not mean a Disney logo would instantly attract tourists, that specific site has to have its own values. With this the last aspect is up for examination: do franchise based theme parks attract more tourists than amusement parks? The answer seems quite clear, because franchise based parks have one essential common part, which is a themed space. The result of the questionnaire: people tend to share a bigger interest in themed spaces, due to their nature compared to other parks.

6 CONCLUSION

Franchising is becoming essential even in tourism. Just taking the other franchise based theme parks into account, there are countless around the world. Let's just imagine an already existing tourist destination, an ancient one to be exact. Now just play with the idea, in reality a franchise based product is essential for any tourist site. If one would travel to a tourist attraction, the first thing to be seen is the billboard of a local shop offering a franchise product (Coca Cola for example). That would inevitably attract the thirsty tourists to invest their earnings and receive the so desired refreshment. This example is farfetched and yet is true in a way. A specific product may have an attached meaning to it, which is popularized by the media and is recognized by people.

The case of theme parks is a bit more diverse, not just one product is based upon a franchise, but several. That factor is what differs between product distribution franchise and business format franchising. Product distribution franchise concentrates on a specific product that customers consume. It is easier to attach values to something physical. Once a product is built up, it is not difficult to attach a specific culture to it. This product can be anything, from a pen to theme parks. The emphasis is on the 'theming'. The same concept runs through the creation of themed spaces and entertainment and in the creation of consumer product. This product can be part of any franchise but it is not based on the type of franchise but its theme. This is one reason behind why tourists visit themed spaces in the first place, to experience the magic in being in another world far from reality. People tend to have a need that makes them astonished and to provide them with the feeling of being in another reality. This is why themed spaces are more successful than any other space. Walt Disney was the first one who created a 'themed' park when he decided to build a magical world of Disney for the society. Globally the attendance rate closed a great year in 2012. According to the founding's Asia and North America were flourishing in the past years, unlike Europe, going through a bumpy road and remaining static. A global growth is foreseen and will bring a better future for theme parks.

The survey has shown that a franchise based theme park is attracting more tourists. The location of Euro Disney proved to be a good decision although there has been critics who not agree. Furthermore the existence of Euro Disney increase the tourism in the city, since the visitors have the possibility to visit a famous capital by staying in the magical world of Disney. The respondents of the questionnaire have agreed with this statement. One cannot reach success without a thorough marketing, which can be achieved via a constant marketing in most forms of media. People tend to rely on these sources, what they view on the TV or the internet in their daily conversations. If the subject of advertisement is appearing in each form of media, it is a factor which is discussed by people. Of course the execution and the message of the advertisement have to be appealing to the viewers and have the goal to make them Disney consumers. Franchise itself is a form of promotion, since the franchisor sells the right to duplicate their existing success. The creation of new rides in theme parks and the creation of theme parks itself make this possible. Not only marketing would encourage people to visit a theme park, but being able to adapt to new trends and new technologies in a place is essential in making a themed space worth a visit. This also means a constant improvement of the park and even the franchising method. A great improvement would be to recall an older audience to visit the park by offering a possibility for them to relive their childhood memories. Not only Walt Disney has created values to the people, but these values have formed our society. A heavy culture what Walt Disney has created is recognized by people and further a tourist site afflicted with Disney would be visited due to their themed attraction. In general once a product have an attached value to it and is recognized by the future audience, it will most likely to attract visitors if a tourist site is built around it. Theme parks share this concept. If a theme park for example is built, it needs a theme to be successful, a concept which adds value to the park. The value has to be known by people, and can be any type of franchise. This is the base of parks like Disneyland, Legoland, ParcAsterix etc... On the other hand, there are parks what create their value with the opening of a park, like Gardaland, Europa Park, Der Efterling etc...

As a final statement, usage of franchising to createa themed entertainment product is essential, such as using a specific franchise based theme to satisfy the needs of consumers. People tend to share a bigger interest in themed spaces, due

to their nature of having a themed space compared to other parks. The emphasis is on the theming of a space and that people tend to prefer to visit a magical world. There clearly is a need for people to be in a world so close, and yet so far from what we live in.

REFERENCES

Beshel, B. 2001. An introduction to Franchising, USA, Washington: IFA Educational Foundation

Boroian, D. D.& Boroian, P. J. 2009. The Franchise advantage, USA: Chicago Review

Cedarfair Entertainment Company, 2014 Available: <http://www.cedarfair.com/> Accessed: 2014 March 10

Compagnies Des Alpes, 2014 Available: <http://www.compagniedesalpes.com/en/key-figures/consolidated-sales> Accessed: 12 February 2014

Difference Between 2014, Difference Between Amusement Park and Theme Park Available: <http://www.differencebetween.net/miscellaneous/difference-between-amusement-park-and-theme-park/> Accessed: 2 February 2014

DLRP Today. What's New, What's Next at Disneyland® Paris 2013 Available: <http://www.dlrptoday.com/2013/12/31/ratatouille-ride-first-official-press-release-for-laventure-totalement-toquee-de-remy/> Accessed: 15 January 2014.

Haichang Group 2014, Available: <http://www.haichanggroup.cn/en/Tourism.htm> Accessed: 12 February 2014

Jeffers G. TEA/AECOM 2011 Theme Index: The Global Attractions Attendance Report Available: http://www.aecom.com/deployedfiles/Internet/Capabilities/Economics/_documents/Theme%20Index%202011.pdf Accessed: 27 January 2014

Jeffers G. TEA/AECOM 2012 Theme Index: The Global Attractions Attendance Report Available: http://www.aecom.com/deployedfiles/Internet/Capabilities/Economics/_documents/2012%20Theme%20Index%20Combined_1-1_online.pdf Accessed: 27 January 2014

Liu E.& Wong E. 1999 Legislative Council Secretariat IN 1/99-00 Available: <http://www.legco.gov.hk/yr99-00/english/sec/library/990in01.pdf> Accessed: 27 January 2014

Mannheim, S. 2002. Walt Disney and the Quest for Community, USA, California: Ashgate Publishing

Meaney, J. A. 2006. How to Buy a Franchise, USA, IL, Naperville: Sphinx Publishing, an Imprint of Sourcebooks, Inc.

Merlin Entertainments Group, 2014 Available:
<http://www.merlinentertainments.biz/brands> Accessed 2014 March 10

Norman, J. 2006. What No One Ever Tells One about Franchising : Real-Life Franchising Advice from 101 Successful Franchisors and Franchisees. USA, Chicago: Dearborn Trade, A Kaplan Professional Company

OCT Group 2014, Available:
<http://www.octhongkong.com/hhk/english/about/index.aspx?id=5002> Accessed 2014 March 10

ParquesReunidos,2014 Available: <http://www.parquesreunidos.com/parques-de-atracciones.php> Accessed: 2014 March 10

Rothman, H. 2001. 50 Companies That Changed the World: Incisive Profiles of the 50 Organizations - Large and Small - That Have Shaped the Course of Modern Business, USA, NJ, Franklin Lakes: Career Press, Incorporated

Salvador, A. C., 2007. Global Theme Park Industry, GBR, Oxon: CABI Publishing

Seaworld Parks & Entertainment, 2014 Available: <http://seaworldparks.com/> Accessed: 2014 March 10

Sherman, A. J. 2003. Franchising and Licensing : Two Powerful Ways to Grow Your Business in Any Economy, USA, New York: AMACOM Books

Six Flags, 2014 Available: <https://www.sixflags.com/national/groups> Accessed: 2014 March 10

The Walt Disney Company, 2014 Available:
<http://thewaltdisneycompany.com/disney-companies/parks-and-resorts> Accessed: 2014 March 10

The Walt Disney Company, Fiscal Year 2013 Annual Financial Report and Shareholder letter 2014 Available:
<http://thewaltdisneycompany.com/sites/default/files/reports/10k-wrap-2013.pdf>
 Accessed: 21 February, 2014

Universal Studios Recreational Group, 2014 Available:
<http://www.universalstudios.com/> Accessed: 2014 March 10

Veal, A.J. 2006. Research Methods for Leisure and Tourism,USA: Prentice Hall.

Wenhe, Y. 2009. November, Vol. 1, No. 2 International Journal of Marketing Studies. The Fretful Euro Disneyland. Available: <http://www.ccsenet.org/journal/index.php/ijms/article/view/4214/6427>. Accessed 5 November 2013.

Hello!

APPENDIX 1/1

I am currently writing my thesis on the impact of franchising on tourism. I would like to ask you for your help by filling out this short questionnaire. This survey is of course done anonymously, and I will only analyze the data to get a picture of how the franchising of a business affects the amount of tourists visiting a destination. This survey will take maximum 5 minutes.

Thank you

KingaAdriennKocsis

Student

Centria University of Applied Sciences

kinga.kocsis@cou.fi

Mark with X, one answer per question.

| | | | | |
|--|-----------------|--------------------------------------|--------------|----------------|
| Age | Under 20 () | 21-25 () | 26-30 () | Over 30 () |
| Sex | Male () | Female () | | |
| Nationality | | | | |
| Is this your first time working in Disney? | Yes () | No, I have worked here before () | | |
| Are you willing to return to Disney to work? | Yes() | No () | | |

| | Strongly agree | Agree | Disagree | Strongly disagree | I don't know |
|--|----------------|-------|----------|-------------------|--------------|
| 1. The location of Disneyland and Paris is ideal | () | () | () | () | () |
| 2. The park is attractive enough to have visitors all year long | () | () | () | () | () |
| 3. The park is great to visit several times. | () | () | () | () | () |
| 4. The prices are affordable in the Disneyland park | () | () | () | () | () |
| 5. It would be better to renovate the rides, than to open new ones | () | () | () | () | () |
| 6. There have been more visitors in the summer season | () | () | () | () | () |

| | | | | | |
|---|-----|-----|-----|-----|-----|
| 7. The Halloween franchise attracts more visitors than the 20 th anniversary franchise | () | () | () | () | () |
| 8. If Disney would open new franchises that would attract more visitors | () | () | () | () | () |
| 9. The constant marketing of a Disney franchise would appeal to the visitors | () | () | () | () | () |
| 10. With airing more Disney related movies, people would be interested in visiting the park. | () | () | () | () | () |
| 11. The tourist site would be heavily impacted by opening a Disney related attraction | () | () | () | () | () |
| 12. The upcoming ride of Ratatouille will attract more visitors | () | () | () | () | () |
| 13. If there would be new rides and/or new restaurants there would be more visitors. | () | () | () | () | () |
| 14. Without a seasonal marketing of a Disney franchise the park would still have visitors | () | () | () | () | () |
| 15. Disneyland is barely visited between seasons. | () | () | () | () | () |
| 16. With a well-aimed marketing of a Disney franchise the park will be visited all year long | () | () | () | () | () |
| 17. As a Disney worker I am satisfied with the working conditions | () | () | () | () | () |
| 18. Paris is visited due to having the location of Disneyland | () | () | () | () | () |
| 19. A franchise based theme park would attract more tourists than a theme less park. | () | () | () | () | () |
| 20 Comments? | | | | | |

Thank you for answering!