CHAPTER 4
ANALYSIS FRAMEWORK AND EMPIRICAL STUDY

4.1 Analysis framework
This article uses and refers to Geert Hofstede’s five dimensions of cultural differences: individualism & collectivism; power distance; uncertainty avoidance; sexism & feminism; long-tern orientation & short orientation. The five dimensions and Zheng Fan are based on system civilization of ice model as a theoretical basis for analysis. Based on the research framework, this paper focus on the Disney theme parks in the overseas markets: Tokyo Disneyland in Japan, Disneyland Paris in France, Hong Kong Disneyland and China Shanghai Disneyland in the brand operation and make an empirical analysis of the cross-cultural management.

Five dimensions of cultural differences of Geert Hofstede
Individualism & Collectivism
Individualism refers to a loose social structure, each person only care about their own personal interests and free to choose their own Action. Assuming that the people only cares about himself and his closest family members; And collectivism is a close group of people in social group which they are divided into internal and external. Everyone must take their interests into account, and they are expecting to take care of themselves in that group, whereas that they should absolute loyalty to the internal groups.
From the point of management, in the company which is collective tendency, managers will encourage employees to take an active part in decision-making when decision-making. It takes a long time to achieve decision-making, but the execution and implement decisions rapidly. It’s derived from every employee takes participate in decision-making process, then they will understand the content and aim of decision-making. However, in a company with individualism tendency, managers always be arbitrary. Though decision-making is rapidly, execution implementation need to spend a lot of time. That’s managers have to spend more time to explain the purpose and content of their decisions.

Power Distance
Power distance refers to degree of unequal distribution of power, such as a social organization for the distribution of power would be acceptable. Large power distance culture, representing the subordinates for the superior has a strong dependence. People wants their boss is an open, and benevolent dictator, on the contrary, in small power distance culture, participation and decision-making autonomy under the degree is higher, there are corresponding autonomy within the category of the duties.
Uncertainty Avoidance.

The tendency of uncertainty avoidance influences an organization to make its activities which need the degree of structure, it is an influence to attitude when faces risk. In the organization of a high uncertainty avoidance, organizations always build complex working conditions, to process and specification to cope with the uncertainty, management is mainly for work and task oriented, managers make decisions to go routing. In a weak uncertainty avoidance organization, less emphasis on control, work rules and the process of standardization’s degree is low.

Sexism & Feminism

Male and female degrees and long-term orientation on two dimensions also affect the tube in different extent Richard’s decision in cultural values. Masculine culture is beneficial the social behavior, such as power, control, access and social behavior. As opposed to temperament culture, there more conducive to personal, emotional and quality of life.

Long-term Orientation & Short Orientation.

The long-term and short-term explorative will indicate a country and the nationality to the long-term and the short-term benefit values.

A long-term oriented culture and society mainly oriented to future which more emphasis on considering future, approach things with investigate dynamic point; pay attention on saving; thrift and reserves; Leave room to do anything. Such as saving habits and adhere to the force. Short-term orientation of culture and society is geared to needs the past and present which focusing on the immediate interests, pay more attention on respect for tradition, certain social responsibility; the most importance is interests of the current in management; the superior performance of subordinate’s cycle is short, hope to be able to immediately, more eager. (Hofstede, 2001)

Zheng Fan’s Vertical "Ice Model" Theory

According to the study by vertical "ice model" of Zheng Fan, that’s describe a kind of management model which survival of the environment civilization, as well as management pattern based on a system of civilization. In turn, respectively is revealed in "layer" snow outside; As if a secret "frozen layer"; Hidden in the deep of the water layer. As the ice melts mutual penetration between them; Civilization, pattern is also existing between mutual penetration, rejection, or impose.
Different management mode or civilizations always existing three kinds of relationships: repel each other, mutual penetration or imposed. Therefore, there are three basic ways in cross-cultural management: “parallel/coexist” that is “localization” strategy, “include/cover” namely “the global standardization” strategy, “cross/fusion” is the strategy of “globalization”. The first way is “localization” strategy, multinational companies will be as a heterogeneous market around the world. According to the characteristics of each segment of market and consumers' needs, they will design and product different productions or provide different services. The Second way is “global standardization” strategy, multinational companies will be regarded as a homogeneous global market which products and sales standardized products and services all over the world to pursue the scale of competitive advantage economies. The third way is “global localization” strategy refers to the multinational companies to invest abroad which with local social and cultural integration. They will use the method of both sides can accept. (Zheng, 2010)

About Disney company in overseas markets such as Japan, Paris, Hong Kong and Shanghai, and you’ll see the research of these Disneyland brand management and cross-cultural management in later empirical analysis. This article from the local consumers' consumption psychology and behavior analysis to discuss different ways in Japan, Paris, Hong Kong and Shanghai Disney market which is based on cultural considerations and theme park in the relationship between globalization and localization, and it also based on cultural characteristics are analyzed. In the fifth chapter, it sums up the development of cross-cultural management problems Shanghai Disneyland faced and put forward solutions.

4.2 The empirical research
4.2.1 The characteristics of consumer culture
Japanese Consumers Agree with American Culture

Japan is a nation with strong comprehensive which combines traditional oriental culture and modern western culture. Japanese can accept modern culture is mainly due to the decision by Japanese nationalism. They are good at learning other countries, such as at the period of Meiji restoration era, they absorb and accept western culture that makes modern Japan towards a rich way. By this we can see that Japanese has highly agree with American culture. For example, after the second world war, United States help Japan to rebuild so that Japan's economic development rapidly and become the world's economic power country. Japanese people are sincerely grateful to the United States in this respect, thus they have worship and identity for the United States by inside and outside. They
think United States is the hero who save Japan. In this environment, Disney choose Japan as the first Disney theme park in the countries overseas is a typical representative of American culture. Disney company can easily expand the market in Japan.

Though when Disney settled in Tokyo, many Japanese didn’t understand Disney animated character. It’s a new experience for them of theme park. But Disney on behalf of American culture, the theme park was quickly accepted by the Japanese. This is one of the main park success factors.

Besides, Japanese advocates collectivism, children loves to attend activities organized by school.

This cultural tendency also promotes consumption of cultural characteristics which bring large profits for Disney. It makes Disney's success in Japan is an inevitable trend.

The accomplishment of Ocean Park brings the tourists’ interest to revisit Disneyland. According to the statistics, Tokyo Disneyland revisit rate more than 90%, more than ten times tourists make up about half, even there are tourists revisit 30 times accounted all the tourists for 16%. And domestic tourists are generally accounted for about 95% of the total. The reason why Tokyo Disneyland revisit rate is so high that they like travel with family. It also lay Tokyo Disney’s location of the first in Asia

French Consumer Rejection of American Culture

France is a country with rich cultural heritage, so it has always keep its unique cultural superiority in western world. Looking from the history, French has a strong sense of national pride, with noble and strong self-esteem. The acceptance of foreign affairs and product is not very high. French government strengthen the protection and support for their own culture vigorously, just liking protect France as his own native language away from the infringement of outside world. The Frenchman's “anti-American sentiment” has profound ideological, cultural origin and social basis. In their eyes, mass culture is “common culture” or “culture”. They cannot delimit equal-sign point between think globalization and Americanization. French excludes American culture from the deep heart, they think American Culture is commercial or fast food culture and Euro Disney is a kind of cultural imperialism which may impact their own culture to be instead.

There is a big distinction between French culture and American culture. In personality, French is more perceptual, freedom and advocate romantic life, they pay attention to the quality of life and affection between people. The Americans are more
rational, practical and efficient to do things, and their pace of life is relatively fast. Under this kind of difference, Disney company wants to use their habits to constraint French, there is no doubt that it will contribute conflict and contradiction between France and United States Culture. And the values, eating habits and daily communication is difficult to accepted by French. At the same time, the Disney company does not do the study and research of French, rather than comply with American model.

Cultural differences causing failure of Disneyland Paris business, show as following aspects:

Verbal Communication
Disneyland in Paris requires staff to speak English, but French think French has been the gentlest language in the word. So, it causes communication disorders between French and Staff.

Tourists Stay Time is Different
The Walt Disney company thinks the paid holiday of European countries is more, but average staying in Paris Disney of Europeans always or two day and a night. They basically arrive to the morning and left in the second day. While the average of American tourists stays always for four days. This difference is mainly caused by the number of the parking lot. Compared with United States has more than one parking lot, Euro Disney is only one parking lot, and plus with high parking fees, European tourists come and go in a hurry.

Eating Habits
Disney company thinks Europeans don't have the habit of eating breakfast, and fewer restaurants and fast food in the park can't meet most French people who needs nutritious breakfast. And in the area, there is not allowed to provide alcohol and alcoholic beverages which do not conform to the life habits of Europeans. Unlike American, wine is an essential part of everyday life in Europe that don’t drink is considered to be incomplete. While American thinks that drinking is a sign of indulgence, underage drinking is a illegal behavior. Disneyland does not provide the behavior of alcoholic drinks is considered by French that American don't respect the traditional culture and human rights violations of them.

Disney French exist on the details of the cultural conflict
Why the Walt Disney company backlash by French, the reason is that cultural conflict harms to Frenchman's self-esteem. French attaches great importance to history and tradition and has a deep feeling on the land. But at that time, Disney company bought
the best farmland with below-market prices. French with strong national complex think this kind of behavior is a cultural imperialism invasion. In addition, there exists some detail problems with improper handling to make French misunderstand and reject Disney culture. Especially at the beginning contract negotiation stage about the terms of garden, American use lawyers to insure business of rights and obligations are clear. But French business is based on mutual affection and trust with each other, they cannot easily use a lawyer in the business activities. In this aspect, French thinks American has distrust attitude. The Walt Disney company ask employee to requirement with standards, such as the strict dress code, requirements, hair and jewelry. But French think that kind of requirement is a contempt of French fashion.

Chinese and Western Values

Main culture advocate Confucian doctrine, they think people are alive in relationship with others. As a result, they attach great importance to others for their own behavior of expectation and reaction. While western culture emphasis on individual, centered on “I”. We should think and make decisions for our own and live the way on his own. In these two distinct cultural aspects of their consumption idea is mainly manifested in the following aspects:

Full conformity with the pursuit of personality

Chinese eating, wearing, using and other consumption are to follow the local customs, culture and social norms. To consistent with the corresponding social class. The motivation of buying consumer goods is no longer to meet the needs of their own but liking others. Many Chinese consumers embodied in the actual life consumption idea is to compare. While westerners’ spending habits show individual character and pursuit unique.

"Face" consumption and meet the self

In Chinese mind, self-esteem occupies a very important position. That shows up through other people’s respect and recognition. Therefore, Chinese makes no effort to hang on consumption with face. Westerners self-centered, consumption generally start from meet the needs of their own, they pay attention to the convenient and practical.

Conformism and New Adventures

Routine work and take risks are Chinese cultural characteristic. The Chinese isn’t willing to propose something new and different. In Consumption, they always embody on pay attention to experience and to brand. They need a period of time to accept new things.
it is likely they accept the opinions of others, let others to make their own decisions. Westerners have adventurous spirit, willing to come out on top. Treatment of fresh things more trust their own judgment, rarely considering the experience of others. Think humans in constant progress, new things are better than the old together, to be advanced.

Thrift and enjoy life

Thrift is the traditional virtue of Chinese nation, and luxury consumption is regarded as consumption of shortcomings in life, that rise to the problem of moral quality. The consumption idea of the west think that life is to enjoy, they attach great importance to the current consumption, and enjoys in a timely manner.

Live within your means and consumption in advance

Living within your means is the Chinese consumer criterion. They carry out in a planned way according to their own ability. Westerners have optimism confident to future. In their view, its right thing that consumption and liabilities are very normal in advance. Therefore, Chinese for future to spend the money now, while westerners consumes in advance the money in the future.

Heavy practical with form

Affected by the idea of frugality, Chinese pays more attention to practical value and use value of the products value on the consumption. To compare the value of inner practical value goods and not to care about it whether the external form of beauty. Westerners are very note heavy form, especially as the aesthetic value of the goods, the exterior packaging quality is very important for them.

4.2.2 The way of Disney enters overseas markets

The Disney Franchise Ways in Japan

Different from the local Disney in United States, Tokyo Disneyland is the first Disney company franchise of the theme park which from transaction such as site selection, construction and investment are not made by decision of the Walt Disney company. Its ownership and management rights are not belonging to the Walt Disney company, the Walt Disney company gains from just a year from licensing fees.

In Anaheim and Orlando, Disney company are "out-of-pocket" to pay for the huge cost of construction. Disneyland in Tokyo Disney franchise, not investing in a cent, but it got 10% of Tokyo Disneyland tickets income, food, drinks, souvenirs and other products sales income of 5%, this brought considerable economic benefits for Disney. “Way of
franchising" is undoubtedly a significant innovation, this method greatly reduces the risk of investment in Disneyland.

Disney in France Take the Way of the Method of Joint Venture

The Disney company looking to Europe when Disney succeeded in Japan. After a long period of investigation and research more than two hundred places, they determined the Paris, France finally. Disneyland was the first independent expansion that from beginning of the location to development and construction are authorized by the Walt Disney company.

The geographical position of Marne Valley in Paris is superior, and Paris is remarkable tourist city, so the popularity of visitors is guaranteed. At the same time, French government provided land, finance, infrastructure, such as a full range of preferential and support to be settled in Disneyland in Paris. In 1995, two sides of them signed an agreement, French government allowed the Walt Disney company to buy 1943 hectares of land with 19.7 billion francs and to provide $7.5 billion in low-interest loans to the Walt Disney company. In addition, French government to undertake construction of high-speed railway, subway extension suburb to improve the park facilities such as a number of infrastructure projects. The Disney company has property rights. The Disney company owns a 49% stake in Disneyland Paris, the right of profit sharing, and get 10% of the total annual franchise fee and 5% of sales revenue.

“Homer sometimes nods.” The Walt Disney company after careful consideration and careful decision but ignored the cultural factors only. The same as operation overseas, it is because cultural differences and conflicts, led to the Paris Disney failed.

Disney in Hong Kong and Shanghai to Joint Venture with the Government and the Way of Franchising

Through the difference situation of Japan and Paris made the Walt Disney company realized that they cannot simply copy United States operation model.

According the agreement signed with Hong Kong Special Administrative Region and Disney company, the SAR government's profit is partly based on tickets income section, however in the process of ticket part that tickets for tourists account for only about fifty percent. In addition, Hong Kong government needs to pay high deduction of royalty each year. Based on this situation, Hong Kong Disneyland with successive years deficit since the opening. Needless to say, dividends to shareholders. Secondly, other affiliated businesses of Disney company, such as Disney hotel, charge Disney channel as
a package of project introduction, and this part of the profit also has nothing to do with the SAR government. Hong Kong's legislative council by the financial arrangement of the Disneyland expansion plans on July 10, 2009, Hong Kong government will be in debt exchange disguised capital injection for 6.25 billion Hong Kong dollars, and the bonus also changed slightly. Disney stationed senior management team at the project of Hong Kong Disneyland, they provided the right to use brand, but they scraped 7% fee of this brand. China provides all of the middle managers and ordinary employees that is a joint venture of the theme park to the United States to pay royalties, production costs, etc.

As for the Shanghai Disneyland, they choose to make a concession. In addition to Shanghai municipal government have a say in the operation, The Disney hands over its 57% stake to Chinese government, it includes hotel, restaurant and merchandise sales income in the gardens. Chinese government has run the management of the company's 30% stake in the Disney resort area. And at the same time in the Disney Channel (Disney Channel) to make concessions on exclusivity.

Disney company in order to avoid a repeat from the former experience of Paris Disneyland. They make a fully considered in the process of operation to the cultural factors which using the "localization strategy".

4.2.3 The combination of globalization and localization of the theme park
Japanese Disney for Localization

Tokyo Disney's business model is mainly to build a kind of Japanese atmosphere. The success of Tokyo Disney is a direct result of the park transformation in a way. The transformation makes Disney cartoon image of the Japanese and American style as part of the country. Tokyo Disneyland renames the United States street as the market in the world, it is catered to Japanese keen to buy souvenirs as gifts for family and friends.

In the traditional Disney amusement project, “Disney castle mystery tour” is in accordance with Japanese pop haunted houses and other historical legends. The mysterious journey in the city "Cinderella" fort is exclusive to Tokyo Disneyland which is a story about hero and the wicked. Cartoon characters in the Tokyo Disneyland will hold mitzvah for Tokyo teenagers, this can do in Rome as Rome is also reflects the Japanese localization. The climate of Japan is mainly with wet rain master more. Therefore, many buildings in Disney World are suited with the top, and it convenience for tourists to corridor between buildings. In order to fully reflect the Japanese characteristic in the process of operation, the choice of the design of the rides are painstakingly. People are
used to watch the cherry blossoms in Japan, for whole family picnic and watch the scenery. Thus, the theme park opens up a large picnic area meet the demand of Japanese tourists.

Tokyo Disneyland has made adapt to the local diet adjustment. The Japan's first Disneyland hotel opening in 2000, this hotel designed the style of Japanese traditional wedding hall especially.

In order to solve some older Japanese tourists doesn't seem to agree with western fast food, after adjustment of the diet culture that paradise with different styles of restaurants and cafes to satisfy the tastes of different visitors.

In Tokyo Disneyland, each travel guide or street has two kinds of Japanese and English which adjust for some certain amusement attractions. Near doorway, it also adds with characteristic of Japanese etiquette culture bow smile a respectful etiquette. That is to say, Disneyland concept of perfect fusion with Japanese characteristics at the same time.

The French Disney Positive Improvement Strategies

The Walt Disney company made style and management to continuously improve and perfect.

Starting in 1999, Disney company management of the park have done many cultural adjustments.

Changing the Disneyland from Europe to Paris. Paris is on behalf of the romantic and fashionable city name for the French people's sense of self-identity.

Increasing the French as working language, at the same time equipped with multilingual tour guide service to tourists in other European countries.

Intensifying the building of localization to launch project with French and European culture characteristic. Fading the color appropriate to the local culture and French fusion, whether the design of the castle, streets, structure of the vulture ACTS the role of the flowerbeds and trees, with other Disney World is different, it has the feeling of European medieval royal garden. Liking according to the French science fiction writer Jules Verne’s works to rename the campus facilities.
Between meals to sell wine. In order to cater to the eating habits of people in Europe, in the park of American restaurants specialized in food, alcoholic drinks and suitable for European tastes rich breakfast, etc. which meets the demand of European garden. Taking these measures, Paris Disneyland business conditions gradually improved, finally it turn a profit in 1995, the park hotel occupancy is increasing constantly. At the same time, make the operating costs of tourists also fell 20%. The operations of Disneyland Paris in step by step out of the woods.

Hong Kong Disneyland Localization Improvement Measures

Adjust the marketing plan

The sale campaign which called as “hail to the Hong Kong” has held in November 2005, and it provided price reduction 50 Hong Kong dollars for one month. There are three important holidays on the Chinese mainland "golden week": The Spring Festival, May Day and eleven. That is the best time to go out for travelling. We will do our best to help mainland tourists consumption potential during the holidays, students together with parents to join amusement park is a lot of a group of potential visitors. Hong Kong Disneyland should change marketing plan, strengthen the communication with the travel agency. Chinese mainland tourists prefer for decades in organized way to travel through a travel agency, the American and European travel mode is quite different. Hong Kong Disneyland's target audience: A third of the local passengers, there are about more than 80% of the ticket booking are made by local residents. A third mainland tourist, as key areas in south China, influenced by Hong Kong; Most visitors will choose other parts of the group travel, a small part will choose to travel by myself, China meeting, and incentive travel will account for the proportion of a few percentage points. One-third of the southeast Asia tourist: Hong Kong Disneyland has some corresponding strategies to transfer part of Tokyo Disneyland visitors. The customer demand for different region, the Disney company also continue to take appropriate management measures, in order to increase the number of visitors, to improve the operation ability of Hong Kong Disneyland.

Increase the garden area and add new entertainment project to attract local visitors and tourists.

As the world's fifth Disney theme park, Hong Kong Disneyland is the world's smallest. It covers area of 1.26 square kilometers with four theme parks, twenty-one projects in the beginning.

And Los Angeles Disneyland has eight, Orlando Disney World and Tokyo has seven, Paris Park has five theme parks. The project facilities are much more than the
Hong Kong Disneyland. Therefore, during the period of 2006-2008, Hong Kong Disney added new infrastructure projects in succession, in order to attract more visitors from local residents, some inland and southeast Asia, to increase the revisit rate.

The traditional culture of fusion with Chinese characteristics.

Culture as an important factor in the Disney brand localization which is needed to construct and manage of Hong Kong Disneyland as a aspect of the important considerations. In order to adapt to Chinese, especially the characteristics of local culture in Hong Kong, Hong Kong Disney made a lot of cultural adjustment in a timely manner. Because of the Hong Kong people convinced that the geomantic learn, therefore, in the park at the entrance of site selection, the distribution of the theme park, the design of the paradise of the streets, shops, even restaurants towards the doors, Windows, and even where the cash register, it takes Feng Shui Master. In the park, with characteristics of China's cultural tradition, park in the style of Chinese architecture. Especially in Hong Kong designer after Beijing, Suzhou, on-the-spot investigation and inspiration, had the Hong Kong Disneyland walks in scene of Chinese garden style. Tourists from the mainland on the other side, taking into consideration the diet needs, eight in the park there are two restaurants serving Chinese food restaurant.

Hong Kong Disneyland shows other style with Chinese characteristics which is cooperating with Chinese traditional festivals, such as the lunar New Year and Mid-Autumn festival, Hong Kong Disneyland specially designed a series of "tradition and innovation in the New Year" activities, embodies the "Chinese elements" everywhere. Obviously, Hong Kong Disney's purpose is to make a strong culture theme park in the United States more with Chinese cultural characteristics.

And Shanghai is different from other five Disney are set Yingbin avenue "main street USA, Shanghai Disneyland is replaced with" mickey street "for the first time. Everyone and Disney have classic landmarks--castle, version "fantasy fairy tale castle" in Shanghai, the top is a symbol of wealth in Chinese traditional gold peony. In the "twelve friends garden", Disney and Disney Pixar animation stars to deduce the Chinese zodiac. In stage performances have Chinese dialogue and lyrics, let the Chinese audience to sing together. Disney also recruited a retired PLA general guidance stage performance "Tarzan: the call of the jungle". More than 85 million people in the world have watched the Broadway musical "the lion king" the first Chinese version also in Shanghai performance. Because most of the visitors are Chinese, Shanghai Disneyland park to sell food, according to the Chinese taste allocate seventy percent. Disney's forecast will sell 12 million cabbages in every year. Before the official opening of people complain about
the food in the park is too expensive, so Disney decided to allow visitors packaged food and drinking water. Obviously, Shanghai and Hong Kong Disney's purpose are to make a strong culture theme park in the United States more with Chinese cultural characteristics.

It is not hard to see through the above analysis, Disney theme park in brand management and the relationship of cross-cultural management uses the third way--global localization strategy. Disney overseas markets in the process of brand management is a variety of cross-cultural management problems, encountered in these cultural exclusion and conflict is bound to improve strategy and business model can't completely copy operation mode in the United States. To according to the local consumer culture characteristic makes the corresponding adjustment and improvement timely. Therefore, in this section summarizes well explain the Disney better operation and expansion in overseas markets will do globalization strategy.