



Euro Attractions Show
January 23-25, 2008

Friday, January 25, 2008

11:00 - 12:15

How to Reconnect With Consumers

Euro Attractions Show

January 23 -25, 2008 Nice France

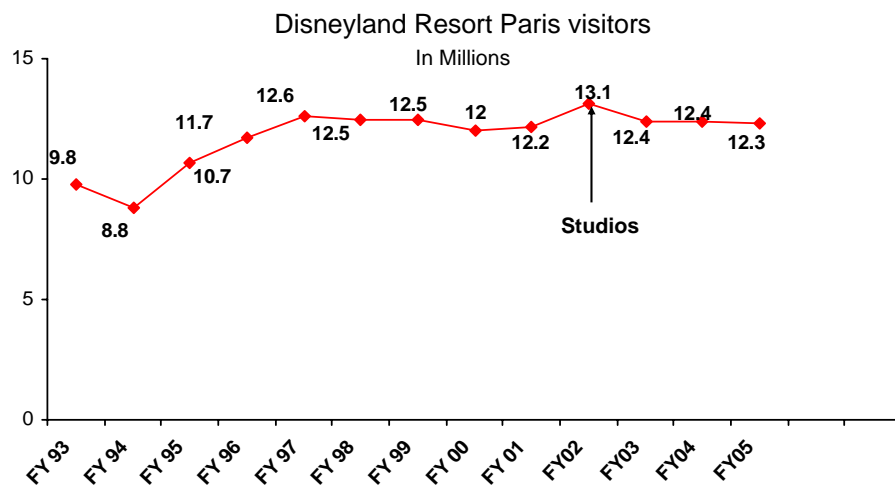
Presentation material is also available at: www.iaapa.org

The Disneyland Paris Story: A Business Stepchange

Simplified



Attendance is Flat



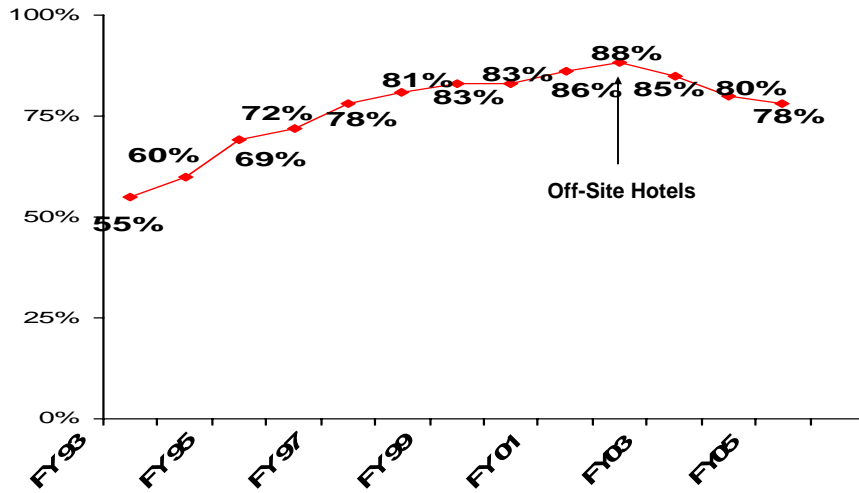
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Source: DLRP - Rev. Dev. - 2006



Occupancy is decreasing...

Disneyland Resort Paris Hotel Occupancy
In %

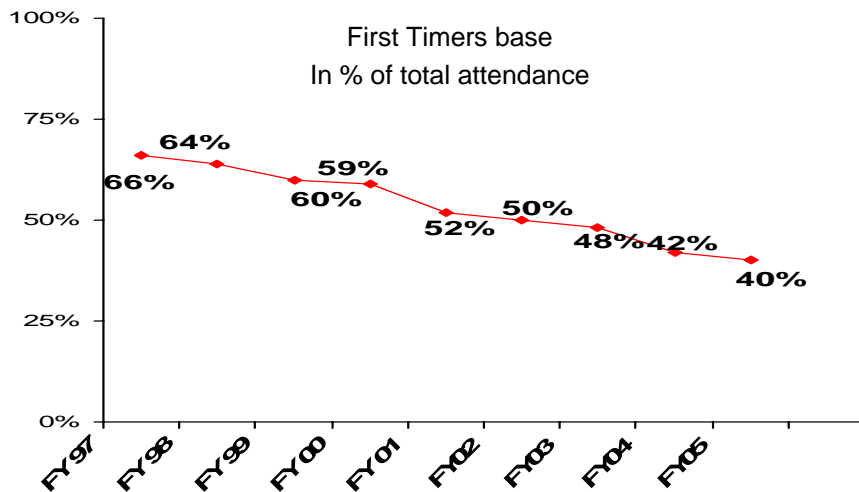


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Source: DLRP - Rev. Dev. - 2006

A shrinking First Timers base

First Timers base
In % of total attendance



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Source: DLRP - Consumer Knowledge Yearbook - 2006

A critical question:

***Do we have the right product
And/or
Do we market it to it's full potential ?***



The Before/After Perception

Non-visitors see us with skepticism and list numerous barriers to their visit:

- ✓ Expensive
- ✓ Stressful
- ✓ Children are too young"

• While for visitors: nothing compares to DLRP:

- ✓ Unmatched Satisfaction score: 80 % of visitors are completely / very satisfied
- ✓ High Intention to revisit: 66 % will definitely revisit the Parks & Hotels
- ✓ Intention to recommend : 90 % will definitely recommend Disneyland Resort Paris

Which demonstrates that the problem is not the experience, it is eventually our capacity to market it in a relevant way



So....

We needed to understand



*“What is the experience
consumers are looking for”
versus:
“What is the product we have”*

*“What drives visitation”
versus:
“What drives satisfaction”*



Step change #1:

Re-build the fundamentals of an Experience-based marketing program



The Target Segmentation

- WHO is the target we should focus on? Those we are after / those we are NOT after.
- WHAT are their motivations and barriers? What message will resonate for them? What are the barriers we need to unlock ?
- WHAT would drive urgency to visit?



What would drive urgency to visit?

- **Magic, excitement and sharing special moments with your kids should continue to be the heart of the Disneyland message**
 - Messages which resonate everywhere (including Disney Adults) and alienate no-one
- **Two high-impact “triggers” to test in-market emerge**
 - Reducing the typical child age of first visit from around 7 to around 6; more than half of parents claim to be ‘waiting’ on their children
 - Create unique products which drive urgency to visit in the “next 12 months”
- **Perception of a more stress-free experience would drive substantial demand**
 - Communications should show how Disneyland helps to ‘de-stress’ your experience (e.g. highlighting relevant resort features; recommending an ideal length of stay; providing information and planning support) and balancing action with more relaxed enjoyment (e.g. avoid a feel of ‘cramming things in’)
 - ‘De-stressing’ the experience also implies investment in resort product (e.g. restaurant service; queues; check in; information boards and signing; quiet areas; greenery; play areas; adults-only zones...) and in the experience outside the resort (e.g. travel; pre-arrival planning)
- **All-inclusive packages (i.e. transport, F&B) are an obvious stress-reducer across segments**



The Pricing study

- To identify the key bottlenecks along the purchasing process: when do we lose potential guests ?
- To understand pricing elasticity: what type of offer will they respond to ?
- To review packaging what kind of short-break packages would they like to experience ?



Step change #2:

Re-shape the Marketing & Sales organization to implement the turnaround

Marketing & Sales Reorganisation

1. A Strategic Marketing Department

Fewer but bigger and more strategic programs

2. A Communication Department

A Centralized approach (vs. by-country)

An Integrated approach of all communication touchpoints

Communication “experts” in each discipline

3. A Call-center re-organization

A Front-Office with a trained sales forces / A back office for reservations follow-up

4. Full integration of Marketing and Sales both at Central and at Market levels

5. An operational marketing team at local level empowered to execute

6. Clear local – central roles and responsibilities

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Step change #3:

Re-allocate resources strategically

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Re-allocate resources strategically

- **Rebalance media investments by target** vs. by country, taking into account the potential responsiveness of each market, creating specific plans against specific targets (e.g. Paris Tourists Market, Local Market)
- Rebalance investment mix between a “**core**” **message** vs. a product message: keep communicating on product only when relevant to target (e.g. Local France)
- Rebalance media mix based on **media actionability** study (implementation of the Target Segmentation to media)
- Provide the right package / pricing incitation to unlock demand structurally



Step change #4:

Entirely review the
Communication Strategy



Back to our DNA

- **What defines Disney ?**
 - ✓ Before Disney: Walt Disney: one man, his personal history, his vision
 - ✓ Disney is as essential today as storytellers were in the past
 - ✓ Disney is about universal myths that structure human psyche and play a key role in a child's development
- **From Disney to Disneyland:**
 - ✓ To believe that your dreams can become reality gives people the energy and optimism to achieve great things in life: This is the **Power of Dreams**
 - ✓ **Disneyland is the only place where the Disney myths, imaginary, and dreams can meet reality: *It is The Place Where Dreams Come True***



The New Brand Vision

« We at disneyland Resort Paris believe in the power of dreams: that's how great things in life always start.

When you have dreams and you believe in them, you go much further, you can move the world.

Disneyland Resort Paris is the place where guests leave the world of today and enter the world of yesterday, tomorrow and fantasy: it is the place where dreams can come true »



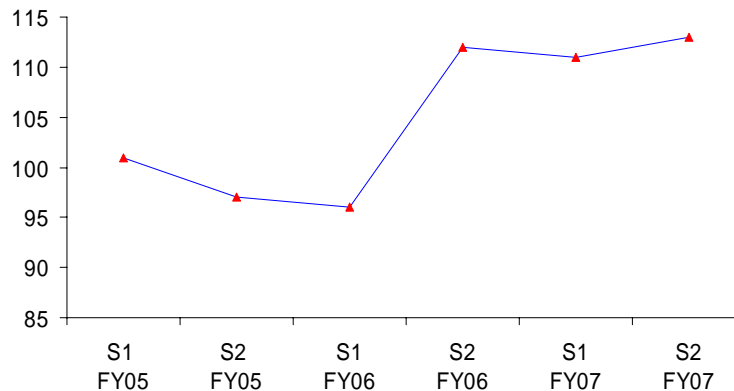
The New Vision:

- **Advertising: Elevate our Brand promise and make it our territory**
 - ✓ New approach to advertising : focused on genuine emotions vs. attractions
 - ✓ New photography style and imagery: fresh, authentic, true to life
- **Media: Re-loaded**
 - ✓ Shift towards new media: when the media becomes a Disney experience
 - ✓ Media Actionability
- **Direct Marketing: An ambition**
 - ✓ Centralization of resources for a Pan European Disney Families reach plan
 - ✓ A contact policy from recruitment to loyalty: The Dream Life Cycle
- **Internet: From rags to riches**
 - ✓ A new website built around consumers (e.g. itinerary planner) and re-engineered to be a direct selling tool (new booking engine, affiliation ...)
 - ✓ Internet as a major media: online, keywords
 - ✓ Mini-sites redesigned to be "pre-experiences"
- **Publishing: "The little book of Big Dreams"**
 - ✓ Experience focused: De-stress the experience of trip organization
- **PR: From « bringing journalists to the Park » to « bringing the Park to journalists »**
 - ✓ Aiming BIG and keeping the Disney Magic
 - ✓ But better targeted: implementation of the media actionability to PR
 - ✓ And above all: knowing what hooks journalists: Finding new and original angles for our stories - Anchor ourselves in the news: e.g Rugby World Cup event - Leverage new communication technologies (e.g. Blogs)

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The implementation of a new communication / new marketing plan in identified high potential markets and new pricing plans are delivering sustaining growth since Semester 2, 2006...

Business Growth vs year ago



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Going Beyond: The 15th Anniversary

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Going « Consumer-Centric » the whole way

- Step 1: **Eliminate irrelevant seasons** to visit (not building incremental, not build on consumer insights): Carnival, Easter, some special events (e.g. Chinese New Year)
- Step 2: **Re-think our product** in order to address specific barriers from our core target
- Step3: Focus the investments where the potential is

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Disneyland's 15th Anniversary

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Disneyland's 15th: The ultimate Experience Marketing Program

- A Product Designed to conquer Disney Families:
 - ✓ Barrier 1: No urgency=> One year celebration window: "15th Anniversary"
 - ✓ Barrier 2: Children are too young => New Parade and attractions just for them / "Kids below seven play and stay for free"
 - ✓ Barrier 3: Too stressful, from planning / booking to the experience itself => Tailor Made Dreams packages (extranights, meal plans, discounts on longer stays) / A new website with easier planning tools
 - ✓ Improved experience in the Studios
- With investments focus accross all countries in Disney Families/Disney Adults and extra efforts in local market and Paris Tourist Market
- Implemented strategically and consistently
 - ✓ One Big Idea / Four Strategic Principles:
 - « It's our biggest celebration ever... and you are invited »
 - Dominate
 - Captivate
 - Innovate
 - Engage

See Video
Part 6

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Results

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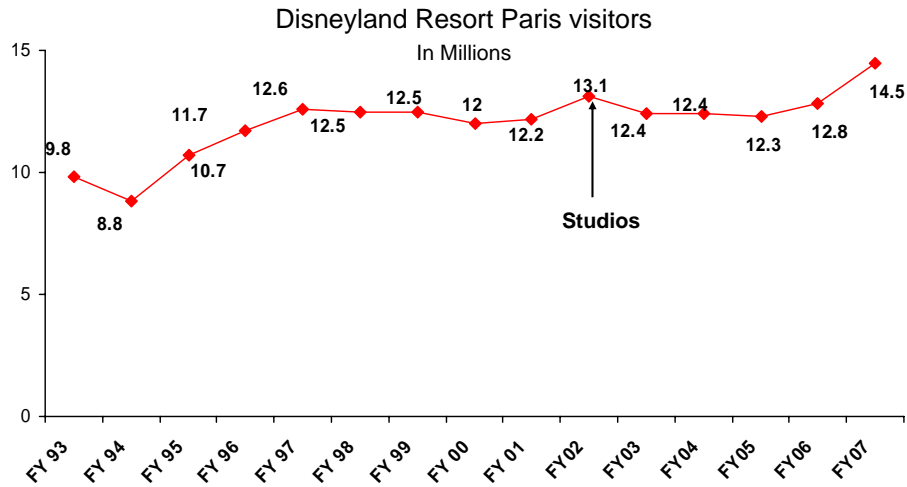
The Step-change is starting to pay back

- Fiscal Year 06: A take-off
 - ✓ Increased attendance: + 500K (+4%), 2nd record year after WDS launch
 - ✓ Reconnection with our local target achieved: + 12% attendance
 - ✓ Occupancy recovery: 83,5%
- First Semester Fiscal Year 07: Acceleration
 - ✓ Increased attendance / revenue: + 11%/ +10%
 - ✓ Becoming a regular leisure activity of our proximate target: +35% attendance on the Own Home market
 - ✓ High-g geared occupancy: 83,1% vs. 78% in last year's first semester
- Marketing Key indicators recovery:
 - ✓ First Timers base recovery: 42% in FY06 vs. 40% in FY05
 - ✓ Overall Brand Image stabilized

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Source: DLRP – Rev. Dev. - 2006

What has driven the success of the 15th

1. The 15th Anniversary answered the key consumer needs identified in the segmentation Research

Consumer need

- I want to go but I do not feel the urgency to come this year
- I don't have a reason to save for it « now »
- I am waiting for the kids to be older (current age at 7 vs 5 in USA)

Answers

- Unified, relevant, for all family members, limited to a 12 month period promise
- Promise substantiated with a mix of temporal (more characters, party atmosphere) and permanent fixed assets (Cars/Crush/Parade)
- Incentive to bring Kids below 7

2. Being « limited in time » has produced a significant stepchange in promotional support from trade partners all over Europe, all lines of business and participants. All executions have consistently been focused on Disneyland 15th Anniversary

3. Communication execution leveraging Classic Disney Magic as seen in the segmentation as key motivator for Disney Families... (The Mouse, The Castle, The characters)

4. Strategic split of investment in high potential Distant France markets.

Note: Business results are in line with what both Parker and quantitative research showed in testing

Some Learnings

1. Marketing owns the responsibility to drive demand.
2. Avoid “Beliefs”. Bring consumers into the discussion. Research is critical.
3. Both Strategy and Execution are critical.
4. You get the results you are organised to get. So adapt the organisation to what you want to get.



*“Disneyland will never be completed.
It will continue to grow as long as there is imagination left in the world”
Walt Disney*

