

The Ministry of Education and Science of Ukraine
Ukrainian-American Concordia University
Management and Business Faculty

BACHELOR'S QUALIFICATION WORK

**Digitalization and its influence on international economic relations on the base
of the Walt Disney Company**

Bachelor's student of
Field of Study 292 – International
Economic Relations
Educational Program –
International Economic Relations

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Kyiv - 2022

Abstract:

The modern business world is ever-changing, bringing along new economic benefits and opportunities as well as risks and challenges. We currently live in a new modern digitalized world, which has built worldwide businesses into marketplaces and user communities, offering companies with a large number of prospective customers an effective means to reach them. It develops economies that account for more than half of the global trade flows, with international trade being the fastest-growing kind of relationship.

Digitalization has changed over the years and affects almost every area of our lives, migration has become increasingly connected as societies in both their country of origin and host countries. The use of new digital technologies helps them to maintain ties with their country of origin. Digital transformation has involved multinational companies like The Walt Disney Company by the creativity of business models, and physical and digital purpose to analyze big data. This bachelor thesis analyses theoretical, methodological, and practical approaches to digitalization and its impact on international economic relations, as well as its effect on company activity.

Keywords: Digitalization, Digital Transformation, economic benefits, international trade

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TASK

FOR BACHELOR’S QUALIFICATION WORK

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Topic of the work “**Digitalization and its influence on international economic relations on the base of the Walt Disney Company**”

Supervisor of the work *N. Chaplynska, Ph.D. in Economics, Associate Professor,*

Which approved by Order of University from “**22**” *December 2022 №22-12/2022- 1c*

2. Deadline for bachelor’s qualification work submission “**19**” *May 2022*

3. Data-out to the bachelor’s qualification work *materials received during the internship and consultations with the representatives of Walt Disney Company.*

4. Contents of the explanatory note (list of issues to be developed) *There are 7 main tasks which are covered at the work. They should include analyzing which definition of digitalization is more appropriate for our time; to recognize the impact of digitalization on the economy, migration, and society; to discover several levels employed in digitalization, to review the history of The Walt Disney Company and local and foreign economic activity, to analyze China and France's technological strategies using SWOT and PESTLE analysis for the development of international business; to recommend the best ways for upgrading digitalization in local and foreign markets; to provide recommendations and ideas for improvements of Disney`s technological advancements and increase investments.*

5. List of graphic material (with exact indication of any mandatory drawings)

“The five essential levels of digital transformation”, “Disney's net cash flow from three primary areas, its total assets, so on”, “Disney SWOT analyze of local markets”, “PESTLE analysis of Disney”.

6. Consultants for parts of the work

Part of the project	Surname, name, position	Signature, date	
		Given	Accepted
1	Chaplynska N.M.	+	+
2	Chaplynska N.M.	+	+
3	Chaplynska N.M.	+	+

7. Date of issue of the assignment

Time Schedule

№	The title of the parts of the bachelor's qualification work	Deadlines	Notes
1.	I chapter	14.02-13.03.2022	In time
2.	II chapter	14.03-10.04.2022	In time
3.	III chapter	11.04-24.04.2022	In time
4.	Introduction, conclusions, summary	25.04 – 01.05.2022	In time
5.	Pre-defense	08.06.2022	In time

Student _____

(signature)

Supervisor



Conclusions: The bachelor's qualification work was designed according to the requirement of guidelines, commission, and high school for such type of scientific papers. It contains all necessary chapters and subchapters, describes information in details on the theoretical and practical side, and gives concrete recommendations for the development of innovation networks. The theoretical part includes a deep analysis of scientific research and has a lot of figures and tables with explanations. Conclusion and proposals formulated correctly; all tasks were described. In total, the work can be recommended to the viva with the good grade.

Supervisor



NATALIA Chaplynska

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Abbreviation Table

IOT	Internet of things
AI	Artificial intelligence
GDP	Gross domestic product
CAGR	Compound annual growth rate
ICO	Initial coin offerings
STO	Security token offering
EPS	Earning per share
GAAP	Generally accepted accounting principle
DTC	Direct to consumer
DT	Digital transformation
SMEs	Small and mid-size enterprises
VR	Virtual reality
IT	Information technology
TFCF	Twenty first century fox
HULU	Hrvatske udruge likovnih umjetnika
D2C	Direct to consumer

INTRODUCTION

The role of digitalization in economics has changed by doing businesses across borders, and by slowing down costs in international interactions and transactions. They built worldwide marketplaces and user communities, offering companies with a large number of prospective customers an effective means to reach them. The globe is more linked than ever before. For the first time in history, developing countries and economies have more than half of the world trade flows, with international trade being the fastest-growing kind of relationship.

Digital technologies have changed during the years and also changed businesses all across borders by broadening participation; large multinational companies are using global scales with new markets and suppliers and new ideas that bring forth new strategies for products and assets. Small businesses use digital platform that helps them to find customers and suppliers abroad. Startup companies will use high tech-based that helps them find foreign customers, finances, and suppliers.

A multinational company like The Walt Disney Company with new technologies and the power of narrative by creative minds, there are leading entertainers of the entertainment and inspiration for people worldwide. To become the world's leading entertainment company, Disney executives and directors invest heavily in digital marketing to expand Disney into a powerful brand.

Disney employs a multi-channel marketing approach to promote its brand. That is, promote Disney's brand across different channels, where customers shop and spend their time. Social media such as Facebook, Instagram, YouTube, Amazon, eBay, and websites are some examples of what some businesses use.

The Walt Disney Company uses social media to efficiently interact with its customers. Sharing content on several social media channels, such as Facebook, Twitter, and Instagram, allows the company to communicate with its audience on many

platforms.

The world we live in is becoming increasingly digitalized. Migration is no different. Migrants seek information on the internet on how to relocate, governments investigate new technologies on how to better manage migration, and researchers delve into new data sources to better understand the migration processes and the future of migration services. Digitalization opens up new possibilities, but it also raises new concerns about data security, privacy, and ethics. At a pace, digitalization is transforming the field of migration.

The goal of this study is to merge the preceding themes, which were technological impact on worldwide digitalization in migration and society levels, The Walt Disney Company, and Digitalization and its impact on international economic relations.

The object is based on The Walt Disney Company's business units.

The subject is a set of theoretical, methodological, and practical approaches to digitalization and its impact on international economic relations, as well as its effect on company activity.

Tasks:

- to recognize at least ten distinct meanings of the word digitalization and to analyze which definition is most suitable.
- to recognize the impact of digitalization on the economy, migration, and society.
- to discuss digitalization on migration, the administration of jobs, housing, and documents when relocating to another country.
- to discuss several levels employed in digitalization.
- to review the history of The Walt Disney Company and local and foreign economic activity.
- to analyze China and France's technological strategies using SWOT and PESTLE analysis for the development of international business.
- to recommend the best ways for upgrading digitalization in local and foreign markets.

- to provide recommendations and ideas for improvements of Disney's technological advancements and increase investments.

The **methodological basis** for this work is comprised of research papers, online articles, acclaimed internet websites, and data analysis and calculations.

This paper will be divided into three chapters. The first chapter will look at the theoretical and methodological foundations of digitalization and its impact on economic interactions. Research on the notion of digitalization, the influence of digitalization on the economy, migration, and society, and the various stages of digitalization in global international relations.

The second chapter will look at the economic and digitalization analyses of Walt Disney Company's activities, as well as the company's valuation. The Walt Disney Company's overall characteristics and economic operations are being investigated and analyzed. Research and analysis of The Walt Disney Company's financial situation, as well as an examination of The Walt Disney Company's overseas economic operations in China and France.

The third chapter will end and provide ideas for methods to improve media conglomerates and their development in digitalization and the stage of international economic relations. It will finish with strategies for evaluating the implementation process of priority suggestions and analyzing the impact of proposed changes. I will discover patterns, consistency, and relationships by cross-referencing these many exams. This will provide Walt's Disney Company with better knowledge and study of interpretation in international economic interactions.

Digitalization is a process that converts data into a digital format that allows it to be read via a computer screen, smartphone, and television. This information is organized into bits that are separately organized in groups called bytes. For example, digitalization transforms hard photographs, films, and VHS tapes into high-quality materials that are always in style. Gottfried Wilhelm Leibniz was the first to develop the binary system in 1679. In 1755, Samuel Johnson wrote a book on binary systems from a broader

perspective. In 1948, a mathematician called Claude Shannon laid out the foundations of digitalization in a book called a mathematical theory of communication.

Carla Mónica Santos-Pereira of the Portucalense University, Natércia Duro of the Portucalense University, Fernando Moreira of the Portucalense University, and Bruno Veloso of the Institute for Systems and Computer Engineering all cooperated on the following topics: The importance of digital transformation in international business before and during the COVID-19 outbreak, as well as the influence of technological innovations on international business strategy [34], [35].

The bachelor thesis consists of an introduction, 3 chapters, a conclusion, a list of references, and 1 appendix. Work is carried out of 84 sheets, containing 6 tables, 4 diagrams, and 6 graphs. References include 51 literature sources.

CHAPTER 1. THEORETICAL AND METHODOLOGICAL BASES OF DIGITALIZATION AND ITS INFLUENCE ON ECONOMIC RELATION

1.1 The definition of digitalization

With the arrival of a worldwide pandemic, digitalization has given the world a way to adapt to a socially distanced environment. In many ways digitalization has increased the service quality but also opened up doors to various opportunities such as working remotely and rating services. With the world moving into a more virtual environment digitalization has been a driving force in accomplishing this. In ending one can say that digitalization is very important to our current society because companies without the latest digital equipment seem to fall behind, that said as a person looking for employment, you are very valuable in the market by understanding the digital world.

With the arrival of a global pandemic, digitalization has provided a means for the world to adapt to a socially distant environment. In many ways, digitalization has improved service quality while also creating new opportunities such as remote work and service rating. Digitalization has undoubtedly been a driving force in the world's transition to a more virtual environment. Finally, one can say that digitalization is very important in our current society because companies without the latest digital equipment appear to fall behind, which means that as a job seeker, understanding the digital world will make you very valuable in the market.

Digitalization is important in today's world because it has changed the way we work, learn, and gather information. It provides opportunities for you to work from home and be connected around the world. Digitalization has created a platform for the public to share videos, music, and photos and even raise awareness on social media. Also, promote businesses online.

1. **Digitalization is defined as [23]** the adoption or increase in the use of digital or computer technology by an organization, industry, country, etc. Automation, digitization, and digitalization and their implications for manufacturing processes (By Andreas Schumacher, Wilfred Sihh, and Selim Erol, p 1).

2. The integration of the analog and digital worlds with new technologies enhance customer interactions, data availability, and business process (By Eling and Lehmann, p 448).

3. Digital technology takes information and breaks it down into its smallest components. By transforming an analog signal into discrete pieces, digitalization makes it possible to manipulate information, text, graphics, software code, audio, and video in ways never before thought of, thus it is informing, transforming capabilities (By Maxwell and McCain, p 447).

4. Digitalization is one of the most significant ongoing transformations of contemporary society and encompasses many elements of business and everyday life. Digitalization refers both to a transformation from “analog” to “digital” e.g. a shift from cash to electronic payments and the facilitation of new forms of value creation such as Accessibility, availability, and transparency (By Hagberg, p 447).

5. Digitalization is define as the use of digital technologies and data to create revenue, improve business, transform business processes and create an environment for digital business, whereby digital information is at the core (By Clerck, p 447).

6. The industrial management literature define digitalization as the phenomenon of intelligent connected machines that gives information and digital technologies power Lerch and Gotsch and Parida (By Lenka, p 447).

7. Digitalization means the transformation of all information types (text, sound, visuals, video, and other data from various sources) into the digital language (By Machekhina, p 447).

8. The transformation of existing socio-technical structures that were previously mediated by non-digital artifacts or relationships into ones that are mediated by

digitized artifacts and relationships with newly embedded digital capabilities (By Thorseng and Griot, p 447)

9. Digitalization is the process of spreading general-purpose technology. The last similar phenomenon was electrification. Digitalization of products and services shortens distances between people and things. It increases mobility. It makes network effects decisive. It allows the use of specific data to such an extent that it permits the satisfaction of individual customer needs be it consumers or businesses. It opens up many opportunities for innovation, investment, and the creation of new businesses and jobs (By Devereux and Vella, p 447).

10. Digitalization is defined as the way Digital communication and media infrastructures have reorganized many aspects of social life. In simple terms, digitalization may be defined as the use of digital technologies (By Srari and Lorentz, p 448).

Andreas Schumacher, Wilfred Sihm, and Selim Erol defined digitalization as the adoption or increase in the use of digital or computer technology by an organization in industry and country, and Maxwell and MacCain defined digitalization as the transformation of analog signals into digital pieces, presented the first focused definition. Hagberg, Parviainen, Eling, and Lehmann all agreed with the above description. Whereas Machekhina defined digitalization in a broader sense, identifying it as the conversion of all information kinds to digital language. It should be mentioned that digitalization is the most major ongoing change of modern civilization, encompassing numerous areas of everyday life, including the social, economic, and organizational domains, to generate and harvest value. Eling and Lehmann presented a fairly similar argument over the idea of digitalization in their essay, with the exception that, in the end, they provide a medium ground for con-capitalization, between the wide and the limited. The distinctions between these definitions are that some of them indicate how digitalization also plays an essential part in the business process, and

having digital technology allows for quick accessibility, availability, and transparency [25], p 448).

Similarly, in our opinion, digitalization is the phenomenon of converting analog data into a digital language [1], which may then strengthen commercial connections between customers and companies, therefore adding value to the entire economy and society.

Digitalization may be a nonexclusive phrase for the advanced economic shift. Digitalization refers to the process of converting certain materials – such as images or records – from analog to digital format. In none, these two terms are frequently confused with one another. They are sometimes used interchangeably. Companies can generate ideas from new businesses and activities using the free Analytics computer tool for development and digitalization. Advanced development endeavors can be completed in a timely and efficient manner by utilizing planned advancement forms.

Since approximately the year 2000, several computerized breakthroughs (portable Web, manufactured insights, Web of Things) have been significantly advanced and have made the transition from master applications to people's everyday life. Digitalization has revolutionized the economy and society in the same way as the advent of the steam engine and the diffusion of power sources. Digitalization is driven by technology. Based on underused technological breakthroughs, advanced developments are made. Innovative use cases pushed by established enterprises on the one hand and start-ups and venture funding on the other. This results in the digitalization of separate speeds. Whereas open organizations, for example, are still regularly accepting paper reports and dealing with records, markets are moving considerably faster. The music industry was the first to affect digitalization.

The significant influence on people's daily lives, the Industrial Transformation has been called the most profound revolution in human history. The term industrial revolution is a pithy catchphrase for a historical period beginning in 18th-century Great Britain during which the rate of development appeared to accelerate. This acceleration

of technological progress produced plenty of new tools and equipment. It also included more subtle practical advances in areas such as labor, manufacturing, and resource management. The term technology which means art or craft incorporates both of these aspects of the invention.

The technological revolution, as well as the sensation of constant change, began far earlier than the 18th century and has lasted to the current day. The Industrial Revolution was perhaps most appropriate for its marriage of technology and industry. Key inventions and breakthroughs shaped almost every existing field of human activity along industrial lines, while also spawning a slew of new ones. The forces driving change are highlighted in the following examples.

Agriculture in Western Europe was practiced; it had steadily improved throughout the years. Several variables were combined in the 18th-century by Britain, to result in a significant improvement in agricultural production. These featured new sorts of equipment, such as the seed drill invented in 1701 by Jethro Tull. Crop rotation and land usage were also improved, as were good soil health, the introduction of new crop types, and animal husbandry. As a result, yields increased steadily, allowing a fast-rising population to be fed with better nutrition. A combination of variables resulted in a transition toward large-scale commercial farming, which lasted into the nineteenth century and beyond. The energy was used. Steam power was originally used to extract water from coal mines. Windmills have been used in the Netherlands for generations to drain low-lying flood plains, which is a similar activity. The windmill is still a widely available and renewable energy source but was irregularly regarded as a disadvantage. In most preindustrial Europe, water power was a more prevalent energy source for grinding grain and other forms of mill labor. However, by the final quarter of the 18th century, steam engines had acquired a high degree of efficiency and diversity in their design owing to the efforts of engineer James Watt and partner Matthew Boulton.

Water and steam power were used to mechanize industry during the First Industrial Revolution. The Second used electricity to mass-produce goods. To automate

manufacturing, the Third utilized electronics, and computer technologies. The Fourth Industrial Revolution is now improving on the Third, the digital revolution that has been taking place since the mid-twentieth century. It is distinguished by a convergence of technologies that brings the distinctions between the physical, digital, and biological domains. Technological Revolutions made a big influence on technological development in all societies all over the world. We can see that this development had waves behavior, which was created by the name of scientist Nikolai D. Kondratieff, who made 5 big research about the technological revolution.[27]

A Kondratieff Wave is a long-term economic cycle that is the outcome of technical advancement, resulting in a lengthy period of prosperity. Nikolai D. Kondratieff (sometimes written Kondratiev")[29] developed this idea; as a communist economist who observed long-term cycles in agricultural commodity and copper prices. These cycles, according to Kondratieff, included phases of development and self-correction. Among all the technological and industrial developments that have occurred throughout centuries, these three production revolutions had the most extensive and far-reaching effects on society:

1. The Neolithic or Agrarian Revolution, The result is a shift in food production that is systematic and a complicated social division of labor. The use of new energy sources (such as animal power) and materials are tied to this revolution.

2. The Industrial Revolution, which resulted in the concentration of production in industry and the use of machines, and the division of labor methods, which carried out production. Machines replaced manual labor, but water and steam power replaced biological energy.

3. The cybernetic revolution has already influenced significant information technologies and will in the future encourage the broad adoption of self-regulating systems. Each production revolution represents a fundamentally new production system; the start of each production revolution delineates the boundaries between related production principles.

The Advanced Change is a major shift in the economy and culture that occurred nearly 50 years ago. It began in the early 1990s with the growth of the Internet and the rise of companies such as AOL and CompuServe. Digitalization was expedited by the increase in Web connections at the end of the 1990s and the main buildup around the turn of the millennium. It was processed by high-speed Internet access and varied information access. In the future, a significantly faster flexible Web (5G) combined with Web of Things and counterfeit insights would enable applications with greater use of mechanical technology. Digitalization will have a significant impact on the economy in the long run. Through underutilized versatility notions, digitalization will undoubtedly influence in the long round the automobile business. From autonomous driving to existing sharing models and previously unexplored concepts like the renting of electric scooters, digitalization will enable unexplored modes of use in the future. Digitalization has a long-term influence on the budgeting business. Blockchain advancements enable the untapped forms of business finance and collaboration, in addition to the uses that have received the most attention in the media, such as the virtual currency Bitcoin. For example, today's ICOs (Initial Coin Offerings) and STOs (Security Token Offerings) make a company's ambitions more accessible (Security Token Offerings). These forms are possible through technical breakthroughs, which may expand in the future. The long-standing period of traditional callings is shifting as a part of digitalization. Doctors will be more supported in the future by e-health technologies, notably in diagnostics.

Digitalization provides ideas for projects of all sizes. Businesses must digitalize their internal processes and techniques, so they can develop new administrations and improved trade models. Typically driven by an advanced change in companies that have characterized leading guidance, as well as start-ups. The difficulty for businesses in digitalization is to identify new clients and wants as a head of the expanding array of enhanced administrations and applications. New target groups have also emerged for businesses with the so-called Digital Natives. To accomplish this, a broad marketing and sales process is typically necessary.

Digitalization necessitates that businesses focus their efforts on the growth of technological breakthroughs to remain effective in the face of technological change. The establishment of culture in development promotes the expansion of technology forms and strategies and makes it possible to construct advanced administrations and computerized commerce models. The development of computerized advancement techniques, i.e. an activity plan for the company's digitalization management. Representative training to prepare them for the difficulties of the computerized era and to enable them to take part in computerized change. Digitalization of a company's marketing and sales efforts. Companies must bargain with this address:

- How will we contact our clientele tomorrow?
- What role do trends like substance showcasing and deal computerization play?
- How can we negotiate with our clients' ever-increasing personal needs?

Improvement of computerized processes and forms:

- Saying goodbye to paper records by introducing forms and techniques inside the organization, some of which must be thoroughly reexamined as a part of digitalization.
- Dealing with information that develops within a company, in connection with a company's operations, or with clients.
- Information should be used to develop modern benefit and trade models.

1.2 The impact of digitalization on the economy, migration, and society

The impact of digitalization on the economy is significant because various business operations such as increasing production, lowering costs, and improving operational frameworks have added a significant sustainability benefit to businesses. Businesses and the labor market have benefited from the digital economy. The extensive and diverse range of services provided by the digital economy has developed in the creation of numerous new jobs, affecting both the entrepreneurial and employment markets. The

digital economy makes extensive use of data and information in its operational framework, allowing for more efficient delivery of public services such as health and education.

Digitalization is critical to the existence of any business or country. When implementing all of the essential digitalization measures, it is critical to remember that the ultimate goal is to increase efficiency and make gains in your business management. The rapid change in innovation causes a shift in customers' requirements, preferences, and communication methods. Every business that seeks digitalization must comprehend cutting-edge communication, persons, and computerized data management to match the needs of customers. The long-term digital economy has also influenced social governance mechanisms by improving the quality of interactions between governments and their citizens.

Companies are attempting to implement new technologies to remain competitive, improve efficiency and productivity, and expand profit margins in this fiercely competitive market. Digitalization has taken the trade industry by storm due to its ability to make significant changes in how businesses function by making advancements in their internal trade processes. Digitalization has positive benefits, including increased effectiveness, increased efficiency, lower operational costs, improved client involvement, higher deftness, improved worker assurance, improved communication, increased straightforwardness, increased competitive advantage, and faster decision making. Migration has filled in gaps in both low-skilled and high-skilled roles, and it is an important component of the economic future. Both will be impacted by digitalization. The digitalization of documents, photos, personal data, social networks, and just about everything else has made it possible for learning machines to translate this data and perform tasks that were reserved for humans. This transition is driving changes in everything from retailing procedures and company structures to how we plan cities and treat the sick. Digitalization has given society the process, production, transfer, and sharing of various types of data and information. Despite its rapid pace,

digital transformation has not occurred overnight or as a one-time event. According to Avotra it happened gradually and is being driven by three distinct waves of technological revolution and innovation. Adoption and implementation of sophisticated technologies such as information management systems, automatic reporting, and business performance monitoring systems, as well as broadband, and voice telecommunications that include fixed mobile and support the first wave of digitalization. All of these technologies have given remote access to information.

Digitalization is the use of sophisticated technology to transform a company's demonstration into a plan with an advanced income and value-added prospects. It is a way of recording a computerized business. It helps the process of collecting old models to recognize the potential of sophisticated technology to gather information, identify designs, and make more proper decisions making. The goal of digitalization is to provide the process of empowering, moving forward, and changing trade processes via the use of digitalized information and innovations to change how companies do business and to increase productivity. These tactics and strategies may not be completely progressed.

Data digitalization is required, as organizations cannot embark on the digitalization journey unless they have technological resources, and one of the most compelling methods to do so is through robotization. Organizations throughout the globe are changing their operations to be more consistent. Many companies have already started contributing to the use of business models such as communication, music, eBooks, and internet commerce. This change will stable the industry; companies must constantly adapt to remain viable. Companies in today's digital environment have an option but to go on the technological transition road. A few of the advantages of digitalization in trade include that companies can function more efficiently, expenses can be saved, and revenue can be increased.

In essence, it could be a life or death situation for them. The extensive and diverse range of services provided by the digital economy has resulted in the creation of

numerous new jobs, affecting both the entrepreneurial and employment markets. In its operational framework, the digital economy makes considerable use of data and information, enabling more effective delivery of health care and education. The long-term digital economy has also influenced social governance mechanisms by improving the quality of interactions between governments and their citizens.

The digital economy has had a significant impact on social platforms and human behaviors by facilitating social inclusion and shared communication opportunities. However, it has highlighted that the other side of the coin, reveals that business in digitalization does have some drawbacks. For example, internet fraud and cybercrime, labor disruption, company evaporation, and social isolation on an individual level. These disadvantages take place a greater burden on regulators and policymakers to comprehend the ever-changing process of digitalizing the economy.

The digital economy has long-term E-commerce, which has a great power dynamic between consumers and businesses. The availability of low-cost goods and services is the most significant benefit for consumers, as prices can be compared with different prices. The benefits of e-commerce are not limited to customers. There's no denying that the internet allows for inclusive and responsible business structures, but it also needs the adoption of explicit ethical standards. Customers distrust the current digital economy due to unresolved privacy and security issues associated with online transactions.

SOME IMPACTS OF DIGITAL TRANSFORMATION IN BUSINESS ARE AS FOLLOWED:

Once upon a time, digital transformation was regarded to be only desired. However, as indicated by the most current digital transformation data, many organizations now regard digital transformation as a crucial step in protecting their business after COVID-19 affected corporate processes around the world. Digitalization currently plays a significant role in enhancing business value, owing to the widespread availability of

high-speed internet. The amount of money invested in AI and top business intelligence platforms by organizations, enterprises, and corporations is confirmation of this.

If you haven't yet digitalized your company, you're missing out on a lot. Your competitors, like 46 percent of small firms, are likely to be adopting BI tools. Multi-cloud and connected cloud solutions are also becoming more popular, suggesting that digital technology is constantly enhancing the business landscape.

Today's organizations have embraced digital change, with many adopting a digital strategy. This is increasingly true not only for large corporations but also for startups, resulting in a massive expansion of the digital transformation industry. Various industries have entered the technological world, including financial services and healthcare. Adopting a digital strategy does not imply that your business will develop quickly. Many businesses recognize that it takes years for them to reap the benefits of such a strategy.

- The worldwide digital transformation market will grow at a 16.5 percent compound annual growth rate (CAGR) from \$469.8 billion in 2020.
- Digital firms will account for more than half of the \$53.3 trillion global GDP.
- By 2022, it is expected that 65 percent of global GDP will be digitalized.
- 70% of organizations, enterprises, and businesses have or are developing a digital transformation strategy.
- Digital transformations have helped industrial businesses the most.
- A digital business plan has already been embraced by 55% of startups.
- A digital business strategy has been embraced by 38% of traditional organizations.
- 89 percent of businesses plan to implement or have already implemented a digital business strategy.
- Services (95 percent), financial services (93 percent), and healthcare are among the top digital business strategy adopters (92 percent).

- In 3 to 5 years, 39 percent of CEOs anticipate seeing a return on their digital transformation investments.
- Digital transformation will be completed in 21 percent of North American and European businesses.

TOP BENEFITS OF ADOPTING A DIGITAL MODELS

%	MODEL BENEFITS
40%	Improve operational efficiency
35%	Meet changing customer expectations
26%	Improve new product quality
25%	Increase design re-use
24%	Reduce product development costs
21%	Introduce new revenues streams
14%	Reduce costs of poor quality
5%	Increase first pass yield

Figure: 1.1 Top benefits of adopting digital models

Digital strategies are now being developed by businesses using a variety of technologies. Artificial intelligence (AI), cloud computing, and the Internet of Things (IoT) are at the forefront of the digitalization movement. Meanwhile, have a look at the statistics on digital transformation technology provided below.

- Only 17 percent of companies with lesser digital maturity offer digitally connected products, compared to 58 percent of companies with high digital maturity.
- Digital technology can assist by speeding up progress toward firm goals such as financial returns, labor diversity, and environmental aims by 22 percent.
- 69 percent of higher maturity enterprises utilize digital technology to reduce carbon emissions, while 58 percent of lower maturity organizations use them to reduce natural resource utilization.
- The most effective pandemic-fighting groups reported having a diverse set of technological talents. 75% reported they could fill IT jobs during the crisis, 67 percent claimed they were more tech-savvy than their peers before the crisis, and 56% claimed they were the first to check out digital technologies during the crisis.
- Growth opportunities account for 51% of digital transformation.

- The Internet of Things is important to 60% of companies' digital business strategies.

- The top companies have already incorporated big data/analytics into their operations (58 percent),

- According to executives, the top benefits of digital transformation include increased operational efficiency (40 percent), faster time to market (36 percent), and meeting customer expectations (35 percent).

- Only about a third of technology vendors are active participants in digital transformation programs.

As indicated by the rapid pace of adoption of digital technology, digital transformation is a boom for many firms. However, simply jumping on the digitalization bandwagon does not ensure success. Seventy percent of these projects failed to meet their aims. The issue is perceived to be in the management of such strategies. The advantages of digital asset management software can assist in addressing these issues. Technology managers, on the other hand, frequently disregard elements like business strategy, staff concerns, and customer experience, resulting in less-than-ideal reports. Excellent reports come from proper management.

- Digital transformation has a good influence on growth and innovation, according to 29% of executives from organizations with high digital maturity, while 41% say it has a favorable impact on sales and marketing departments.

- 38% increase their investment in technology to get a competitive advantage.

- Seventy percent of organizations value their CEO's knowledge of emerging technologies.

- Chief information officers make up 28% of the workforce, while chief executive officers make up 23%.

- 37% of IT worldwide are focused on improving customer experience.

- 39% of CEOs placed digital transformation at the top.

- 67% are revenue-generating initiatives is among their job responsibilities.
- 78% of heads of IT communicate with the board of directors.
- The top two impediments to digital transformation are an employee's lack of competence in leading digitalization projects and a lack of resources. [32]

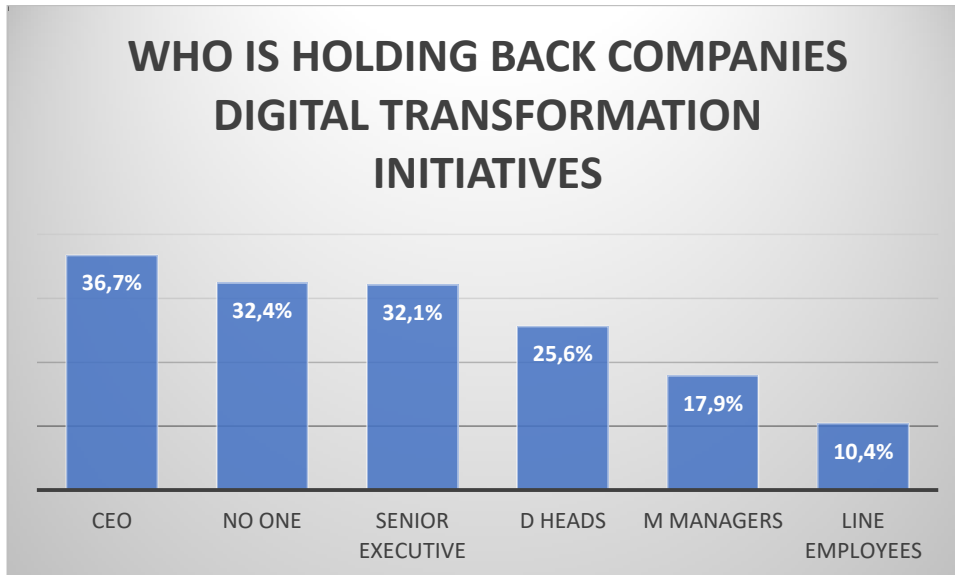


Figure 1.2 Who is holding back companies in digital transformation initiatives

The CEOs, nobodies, and senior executives have the most influence on digital transformation activities. As a result of digital transformation, employees have greater opportunities. With improved automation, more insight, and transparency into critical processes and systems, employees may thrive, grow, and uncover their real talent and contribution. Employees' abilities should be supplemented, not replaced, by digital technology.

DIGITALIZATION AND MIGRATION

Advanced technologies are making it easier for people to access data and connect to people. They provide enormous opportunities to streamline, secure, and accelerate the relocation process for the Asia-Pacific region's growing population of vagrant laborers. The utilization of technological apparatuses and stages has expanded across all segments of our social systems, including the administration of job relocation and the administration of providing to migrant laborers. Transient laborers, both men, and women are using apps and technological venues to find work, connect with their groups,

and trade money. Digital movement administration stages might help lower the distance and time required by filling out formal enrollment forms, which frequently encourage many women and men to travel through informal, undocumented, and use unsafe routes.

When technological administration stages store important reports, for example, job contracts, payment slips, or restorative certifications, they create a record of a digital trail.

When advanced administration stages store critical archives such as employment contracts, payment slips, or restorative certificates they create a record of consent. This might be useful if a dispute arises between a transitory laborer and a management or enlisting agency about contract conditions, reimbursements, or other reasons. Other noteworthy advancements include the utilization of technological frameworks for controlling bolster administrations to transitory employees all through the movement cycle, including genuine health services, welfare support, and online preparation chances. Skilled laborers can use technological innovation to communicate knowledge and data, in addition to making bureaucratic techniques simpler, more reasonable, and uncomplicated. Online platforms can provide peer-to-peer assistance to migrants and assist them in organizing.

Transient experts can evaluate enrollment offices, cash exchange managers, and other benefit providers by utilizing web rating destinations and applications, which can help specialists make proper decisions- making. Digital money-related administrations may likewise help migrant workers handle their pay and invest in funds, and transfer or send cash back home while avoiding the standard keeping money services expense.

Online services can assist skilled laborers in their search for assistance, particularly while working in difficult and tight spaces. More than half of the world's web customers are based in Asia-Pacific. Around two billion people in the Asia-pacific region access the internet, and the majority of them do so by using mobile phones.

Regardless of Asia's degree of the network, services obscure the fact that there are significant gaps in the region, weak signals in the framework, acceptable gadgets, and

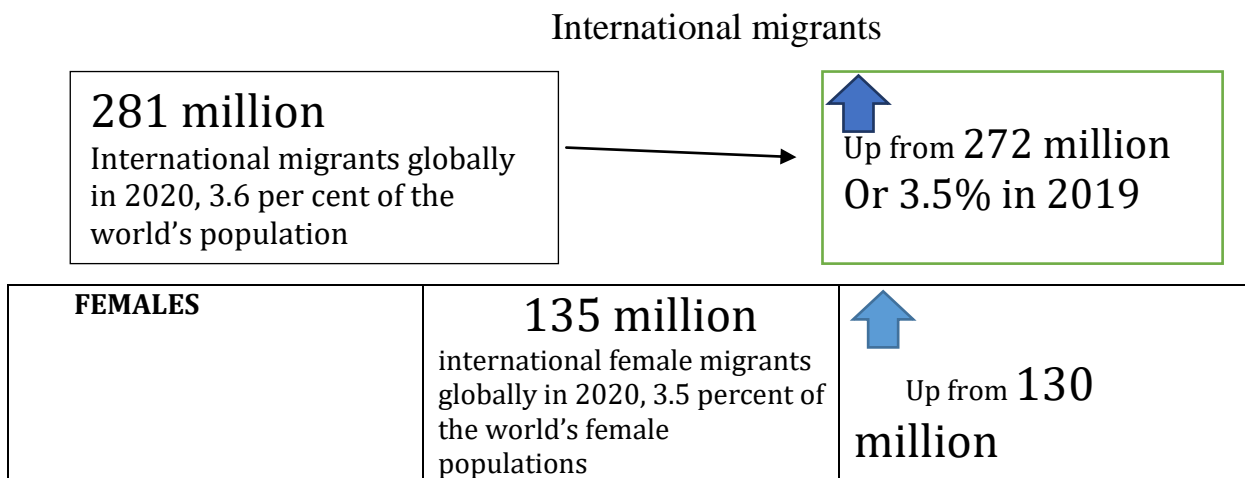
information plans, as well as technological proficiency, ought to be filled to ensure rise to get to services that help achieve reasonable migration.

As digitalization and online technologies become more ingrained in everyday life, the costs of not using them will grow for vulnerable workers – notably female itinerant workers – who already have the most hampered in terms of access to mobile phones and the internet, potentially widening the disparity. Issues include risks associated with the growth of fraud, deceptive online service providers, and little assurance of individual information and online privacy.

Administration levels and advanced administrations acquire and exchange information about skilled labored experts either explicitly, via their profiles, job contracts, and applications, or implicitly, via client information and data that was obtained by the platforms. Regulating, collecting, and sharing this information is critical to protecting security and client privacy, regardless of whether such stages are developed and managed by private enterprises or governmental agencies.

Technology provides several opportunities for the creation of safe and appropriate work movements. Digitalization comes with its risks and problems that must be constantly monitored and managed. Some partnered companies have engaged in a dialogue with all partners to capture advanced opportunities while addressing difficult issues in administration with migrant worker assurance, relocation, and links, with global collaboration.

Table 1.1






		Or 3.4% in 2019
MALES	146 million International male migrants globally in 2020 or 3.7 percent of the world's male population.	 Up from 141 million or 3.6% in 2019
LABOR MIGRANTS	169 million migrant workers globally 2019	 Up from 164 million globally in 2017
MISSING MIGRANTS	About 3,900 dead and missing globally in 2020	 Down from almost 5,400 in 2019

Table 1.2

Displaced persons

89.4 million
People were living in displacement areas globally at the end of 2020 (including refugees, asylum seekers, displaced Venezuelans and IDPs)




Up from **84.8 million** in 2019





REFUGEES	26.4 million refugees globally in 2020	 Up from 26 million in 2019
ASYLUM SEEKERS	4.1 million Asylum seekers globally in 2020	 Down from 4.2 million in 2019
DISPLACED VENEZUELAN	3.9 million Venezuelans were displaced globally in 2020 (not including those who were refugees or asylum seekers)	 Up from 3.6 million in 2019
INTERNALLY DISPLACED PERSONS (IDPs)	55 million IDPs globally in 2020, conflict and violence is 48 million, disasters 7 million	 up from 51 million in 2019

Table 1.1 is based on international migrants from 2019 to 2020. In 2019 there were 272 million international migrants and in 2020 it increased to 281 million migrants.

Females were 130 million in 2019 and increased to 135 million in 2020, males were 141 million in 2019 and increased to 146 million globally. In 2019 5400 missing migrants and in 2020 there were 3900. Table 1.2 represents displaced persons globally, there are 89.4 million people who are displaced worldwide including refugees, asylum seekers, displaced Venezuelans, and internally displaced persons.

While analyzing global migration from different points of view, which include economic, social, and security dimensions must begin with an understanding of fundamental metrics. Human migration has evolved over the centuries. Almost every country and society, on the planet, is changing in significant ways, which examines the shifts in Migration directions, demography, and frequency, which shed light on how migration is evolving while also pointing to long-term trends.

According to current projections, there will be 281 million international migrants in the world in 2020, accounting for 3.6 percent of the worldwide population. The first thing to keep in mind is that this is a relatively small sample size, representing only a small percentage of the world's population, implying that staying in one's original birth country is still the norm. The vast majority of people do not migrate across borders but instead, they migrate within countries in much greater numbers. Pandemic COVID-19 travel restrictions have highlighted the interconnections between migration and mobility. Globally, there has been unprecedented immobility.

When examining international migrant populations by United Nations region, Europe is currently the most popular destination for international migrants, with 87 million migrants (30.9 percent of the international migrant population), closely followed by Asia's 86 million international migrants (30.5 percent). Northern America receives 59 million international migrants (20.9 percent), followed by Africa, which receives 25

million migrants (9 percent). Latin America and the Caribbean have more than doubled their worldwide migrant population in the last 15 years, from about 7 million to 15 million, making it the region with the fastest pace of increase and the destination for 5.3 percent of all international migrants. Oceania is home to approximately 9 million international migrants, for approximately 3.3% of all migrants.

Oceania has the highest proportion of international migrants as a percentage of the total population, with 22% of the population born in another country. Northern America has the second-highest proportion of international migrants (15.9%), followed by Europe (11.6%). In Latin America and the Caribbean, Africa, and Asia, an international migrant has shared, are 2.3, 1.9, and 1.8 percent, respectively [30],[33],[7],[14].

THE IMPACT OF DIGITALIZATION ON SOCIETY

Our perspective on the world has shifted as upgrades in technological advancements. Many of us believe that inventive breakthroughs are a thing of the past and are only relevant in the future, which isn't true. Since the beginning of time, human civilization has made significant advances. As innovation makes a difference in making our lives less demanding, society creates innovation and technical improvements as sense of purpose. So, since humanity learned how to pursue the display time, innovation and technological upgrades have been an indispensable part of human society. Most of our daily activities, such as shopping, locating locations, and paying our bills, are done online. Innovation and mechanical advances have become an important part of our life.

The globe has upgraded to cutting-edge developments in innovation and societal unification, far exceeding our expectations. However, there is still so much more to be discovered in terms of invention! Today, technological innovations dominate every aspect of our daily lives, and we cannot live without them. Digitalization is influencing every business in areas such as financial planning, organizing, and managing. Digitalization is not a technological wonder. For a long time, this idea has included

typical breakthroughs, notably in data technology. India's economy of digitalization has had a variety of effects on our lives.

For example, certain formerly easy administration work and product selection, booking for vacations, selecting music, going to the cinema, interpretations of books or movies, and social media, have now evolved.

You can sit at home and purchase your travel tickets, catch up on the most current movies, or quickly read news updates, all in a blink of an eye. Open transportation services such as taxis, vehicles, and trains may be hired online using several different applications such as Uber & bolt, without even leaving your house. Companies have used technological improvements to develop deliberately evolved technology business structures and other methods to attract client contact.

The modern world is rapidly expanding inside a few organizations, for example, cryptocurrencies in the financial market segment and sophisticated payment methods like UPI, Versatile Wallets, and Web Keeping money, among others.

Our daily lives have also been simplified as a part of digitalization. Today, practically every aspect of our lives, whether it be automobiles, family machines, types of machinery, or installation frameworks, are created with built-in computers and sensors, successfully enhancing our living standards. People eat better, live more comfortably, and dress finer despite high growth and unemployment rates. Digital innovation has a significant influence on many aspects of our society, including health care, law enforcement, craftsmanship, education, mobility, and religion. For example, technological improvement in the healthcare business has enabled professionals to treat patients in a virtual setting by using media such as video conferencing. Video conferencing also plays an important role in the legal environment.

It enables judges to listen in on the cases of hoodlums who are unable to enter courts due to security concerns. Furthermore, digital innovation harms society. For example, upgrade in technological innovation frequently destroy creativity. The presentation of wasted technology can harm the economy. Television, for example, may

take up a few hours of a person's day. Computational innovation's long-term repercussions aren't always predicted. Although technological innovation might harm society, the majority of the time. It does make a difference in making our lives better.

Advanced promoting management has progressed, employing cutting-edge innovations like AI and VR widely in online promoting efforts. It has resulted in increased efficiency, sales, and brand awareness. Technology has made a difference in connecting the globe and tearing down unnecessary barriers.

Cities have undergone tremendous transformations, swiftly integrating them with practically all metropolitan centers. When you visit a city, you'll see that almost every inhabitant now has a touch screen phone that connects them to the rest of the world quickly. Citizens are highly informed on developments in their own country as well as those in other countries.

Overexposure has resulted in citizens overcoming superstitions and customary beliefs and adopting concepts such as Sex Uniformity, Progressivism, and the Balance of All Humans. Even the general availability has not prevented us from obtaining what we want! Many companies went through a completely progressed transformation because of the shutdown, and many small enterprises are now being developed. Despite being under constant lockdown, we continue to watch our favorite tv shows, movies, and documentaries, consume delicious food and live a pleasant existence.

Digitalization is a tremendous worldview shift that has the potential to influence the course of every society. The early 1950s became the formative era for what would ultimately wind up being the perpetually evolved world that we see and interact with every day. The notion of a contemporary world was the portrayal to control that could outperform human skills. After a long period of development, electronic gadgets began to gain popularity, and within three decades, the modern world now heavily relies on computers. After a long time, it appeared to be the beginning of a modern epoch.

As digitalization expanded and improved media, electronics,[4] and other products became common household names, society began to notice the many repercussions.

At the time, preferences were limitless since a completely connected world indicated a free flow of data, information, and assets. The world has witnessed the rise of tech behemoths such as Apple, Facebook, and Google, among others, while on the other hand, there have been genuine suggestions for business, mental health, and the affected culture. From garage start-ups to ubiquitous corporations, technological stages opened up previously untapped markets for economies all over the world. Coupled with globalization, there were now a plethora of opportunities that could be utilized, or even abused in some cases.

The rapidly evolving technology environment fueled rapid progress in innovation, which refuted digitalization, with each successive leap, the increasing use of technological equipment demands less and less human involvement. The rising concerns about the future of mechanization did have downsides for the untalented work around the world. Although each region of the world experienced each of these and other focus points and downsides at different periods, the end consequence was largely the same. Various additional opportunities in the commercial center centered on the technical globe have begun to fill throughout time.

While driving a vehicle or operating a lift no longer requires human input, some processes, such as automated upkeep, did present a challenge, because the nature of progressing jobs and openings is given, and uprooted people's movement isn't as simple as declaring it. The more recent eras are far more prepared to deal with economic changes, but here is where cultural influence enters the picture. Because developing brains are immersed in a digitalized environment, they are more vulnerable to its psychological consequences. Being exposed to health issues around the clock has resulted in a general decline in mental wellness across all age groups, particularly youngsters.

Because digitalization is a two-edged sword, the best way to mitigate its negative effects would be to proficiently oversee and limit the over-entanglement of digitalization with life as innovation improvements. The most recent and current phase

of digitalization is now unfolding the potential outcomes via blockchain. Unlike previous watershed moments, technology has only minor negatives. Blockchain has the potential to accelerate financial growth by decentralizing resource distribution and therefore closing the financial gap.

As the founder of several ventures, I believe digitalization has the potential to significantly boost the global economy. A decentralized environment contains expanded security and the consideration of individuals from all foundations, in addition to the blockchain promotion being supported by traditional budgetary financial markets. A blockchain-based financial market, on the other hand, has obvious and extremely proficient advantages. The potential for faster settlements, lower handling costs, improved capitalization, far superior contracts, and diverse services and solutions offer a compelling argument for blockchain.

Improved revenue and stock prices are just two of the many advantages that digital transformation provides. However, financial benefits outweigh all others because they are the primary goals of any business. Companies that were quick to capitalize on digital technology, such as Target, Best Buy, and Hasbro, have reaped the benefits. As a result, all types of technology vendors have gained significant market share in the digital transformation space.

- Digital transformations are expected to account for 40% of all technology spending [32].
- \$2 trillion – The total amount spent by businesses in 2019 on digital transformations.
 - Digital transformation is seen as costly by 28% of businesses.
 - When it comes to technology efforts, 54 percent of organizations throughout the world say digital transformation is a top priority, while 49 percent say cybersecurity is.
- A total of 6.8 trillion dollars The expected value of direct investments in the digital transformation between 2020 and 2023.
- \$2.3 trillion in global spending on services and digital technologies will enable

\$2.3 trillion in digital transformation.

- The cost of the COVID-19 epidemic has increased the global digital transformation in logistics to \$84.6 billion.
- 5% of the IT budget will be used to combat the COVID-19 epidemic.

Depending on one's point of view, this influence can be either positive or negative. On the bright side, digital transformation cannot take place without employees, which also necessitates the acquisition of highly sought-after digital skills. On the other hand, digitalization is seen as hurting the existing job market. Digitalization has also paved the way for the development of corporate roles that require a unique set of skills. Digital project managers, for example, have a career path that deviates from traditional project management roles.

- 71% of CEOs feel their employees are either very important or vital to their digital transformation strategy.

- Meanwhile, 89 percent of IT leaders said they've had to rely on consultants more in recent years to traverse new technology, procedures, and techniques.

- In the future, 90 percent of employment is expected to require digital capabilities.

- 68 percent of executives believe that human-AI collaboration will be critical to the future of the company.

- In Europe, 44% of workers between the ages of 16 and 74 lack fundamental digital skills.

- Technology integration and implementation are among the talents required to support digital transformation, accounting for 49% of the total.

- 15.7 percent of organizations claim that technological disruption has resulted in job losses.

- When their work configuration switched to a work-from-home arrangement, 41% of remote workers reported cybersecurity incidents.[32]

1.3 LEVELS OF DIGITAL TRANSFORMATIONS IN INTERNATIONAL BUSINESS

Internationalization is defined [34],[36], as a company that acts in one or more foreign markets and develops its activities in an international context. Internationalization with the help of digitalization provides businesses with a competitive advantage when doing business abroad. With the advent of internationalization and digitalization in the economy, this competitiveness advantage appears, allowing the establishment of strategies that increase digitalization in companies, like SMEs. SMEs have limited resources and international experiences. Internationalization has a critical source of growth in the performance of digitalization in the company. For example, there was previously a clustering for internationalization in large organizations, but the digitalization strategy of SMEs begins to increase when digital technologies enable them to gain easy access. As evidence is trended by using the following meanings to promote, communicate, and reach various partners, businesses, and organizations with digital technology that hastened internationalization and create global recognition of opportunities. Internationalization with the help of digitalization has become a great competitive essential for many businesses, allowing them to survive and grow in difficult situations such as globalization and the economy. Most technical Clouds, such as IoT, Bigdata Analytics, and Machine Learning, are used by companies that propose disruptive digital business models, such as Google, Tesla, Apple, Amazon, Netflix, Uber, and Airbnb. Companies such as Uber and Airbnb's business models are digital and it relies on the previously mentioned technologies. An example like the shift in television and film industries companies such as Netflix and HBO that use streaming services. These organizations were able to gain access to the global market because of the use of digital technology strategically using their resources and capabilities in full, the right technologies can create value by allowing them to adapt to changes in customer preferences and market dynamics, as it is happening in

this pandemic moment. Every organization, business, industry, and society has valuable digital assets, which are data and resources such as human and financial has digital capabilities and dynamic resources with strategic assets for initiating or accelerating DT when they can be safely leveraged, reused, combined, and shared with stakeholders. Digital transformation is about more than just using digital technologies, such as launching mobile apps, migrating to clouds, and enjoying machine learning most of the other finite things that people associate with it, but the importance of digital strategic use of resources and capabilities to radically improve an organization and redefine its value for the stakeholder's propositions.

Transformation of the digital business According to Schwertner, digital transformation is the use of technology to build new business models, processes, software, and systems that lead to higher revenues, a stronger competitive edge, and more efficiency. Companies achieve these goals by transforming business processes and models also to increase workforce efficiency and innovation, by personalizing customer or citizen experiences. Without an appropriate view of usage aligned with their strategy, companies, who use the cloud, mobile, social, and big data technologies that are the key pillars of DT are critical parts of their infrastructure, which are already profitable, has higher revenues, and have achieved higher market valuation than competitors. As with new technologies, there are a few challenges associated with the cloud, mobile, social, and big data.

The main risks that prevent its widespread adoption:

- Are data security concerns,
- legal concerns,
- lack of interoperability with existing information technology (IT) systems,
- lack of control, which can be in the early stages and delay the business's digital transformation which will slow its internationalization.

5G wireless communications:

- large-scale complex network connections.
- These networks have much lower transmission latency and download speeds than previous generations (3G and 4G).
- It can increase download speed by 20 times in the second case which significantly improves the service provided to end-users.
- There is an increased interconnection between devices and machines, with connections maintained without direct human intervention.

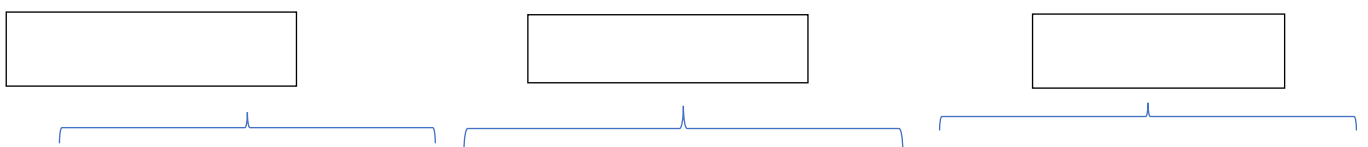
This network is known as the Internet of Things to distinguish it from the regular internet (IoT). This network is of physical objects equipped with sensors that transmit and process data, communicate with other networks or humans, and are frequently automated.

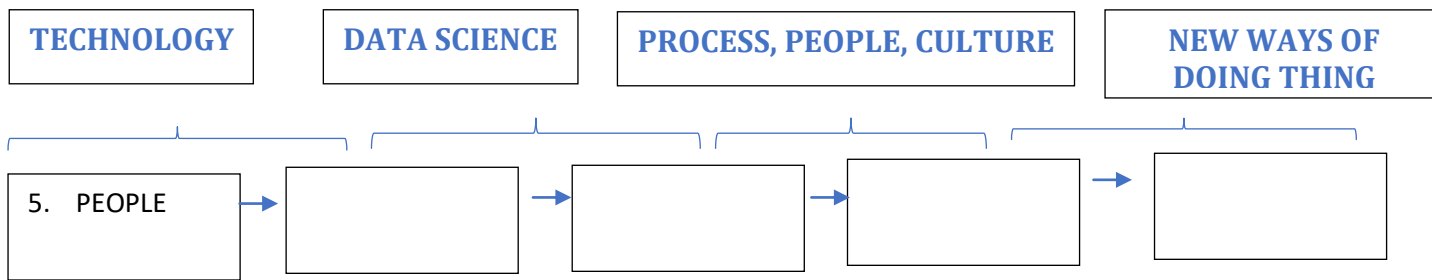
In 1956, McCarthy defined artificial intelligence (AI) as the study is to proceed based on the premise that every characteristic of learning or any other feature of intelligence may, in principle, be so precisely characterized using a machine that can be created to replicate it. Since then, there has been a significant evolution in this activity area. This technique focuses on systems learning automatically from experience rather than being programmed [22],[23],[34],[36].

The new digital revolution has every company, business, and organization restructuring itself on how to do business, large companies invest in projects that will create new technology and digital ideas. The figure below shows the five components of digital transformation essential to having data-driven organizations, which ensures key decisions, action, and process that is influenced by data-driven insight.

Figure: 1.3

The five essential levels of digital transformation





Digital records of 1 and evaluated results of 5

1. People

Customers, employees, and clients serve as reminders that whenever we discuss data, and how beneficial data can be to humans, digital transformation begins with people. The majority of organizations, businesses, and companies believe that digital transformation creates relationships that allow customers, clients, and employees access to information about what they like and want.

2. Data

We require data that is simply accessible and retrievable recordings of interactions with customers, employees, and clients, as well as the ability to replicate it across firms, organizations, and businesses. This is where technology can have the largest impact on what people do, who they are, and what they desire. This can also be referred to as digitalization, which is the process of satisfying human behavior and translating it into signals.

3. Insight

Data plays a critical role in technology, and its worth is determined by its ability to be cleaned, refined, and used to build strong programs. Without a model, a system, a framework, or data science, data with numbers like 0s and 1s will be useless. With the correct technology and systems, data may be translated into insights. This is where analytics and science allow us to make sense of data. A test model is tested by generating a story, a notion of what might be going on and why, and a model, using

prediction to the extent that there are insights. The idea is to develop a better way to be correct rather than to be incorrect.

4.Action

Even the most exciting, captivating, insights will be wasted without a plan to put them into action. Even with the most advanced AI, data science, and analytics, humans must decide what to do with a given result. If data suggests that a certain type of leader is more prone to derail, how can the internal hiring and development process be altered? What if it tells you that a particular product is disliked by customers? What impact will this have on your product development and marketing plan? AI can make predictions and generate data that can reveal insights.

Results

At the end of the procedure, you can assess the outcomes of the procedure; you should read the data given after analyzing the outcomes. The findings become part of a new, database that will be augmented and improved because of the process. The retroactive feedback, allows insights to become more predictive, and valuable, increasing the data's worth. You learn and develop people skills because of this process, with necessitates the synergy between humans and technology [36].

CHAPTER 2. GENERAL CHARACTERISTICS AND ANALYSIS OF ECONOMIC ACTIVITY OF THE WALT DISNEY COMPANY

2.1 General Characteristics of the Walt Disney Company

Walter Elias Disney was a visionary and an entertainer. He was also a fantastic leader. He demonstrated various leadership skills and abilities, which include vision, communication skills, people skills, fearlessness, and a humble heart. His friends and coworkers described him as a perfectionist, inspirational, and fearless. Walter was a visionary architect, he taught people various thought-provoking concepts that the world would be glad to share.

Walt Disney and his brother Roy established the Disney Brothers Cartoon Studio in Hollywood, California on October 16, 1923. The Walt Disney Company, presently known as The Walt Disney Studios, has had an enormous impact on the amusement industry and is presently one of the world's most prominent media aggregates.

Walt Disney was a skilled craftsman who started drawing cartoons for different magazines at an early age and got curious about cell liveliness while working for the Kansas City Film Advertisement Company. Walt migrated to Los Angeles when his studio Laugh-O-Gram Studio went bankrupt in 1923, whereas Roy was recouping from sickness. Whereas he was there

when inevitably sold Alice's Wonderland, a brief film made by Laugh-O-Gram, and secured them a deal to form six more. To make them appear, the brothers set up their possess generation company and persuaded Virginia Davis, who depicted Alice, and their colleague Ub Iwerks to connect them in Hollywood. Disney started working on his most eminent development after the victory of the Alice Comedies and He created a character named Oswald the Fortunate Rabbit. Mickey Mouse begins with, a display opened with the discharge of Steamboat Willie in 1928. The character would go on and end up one of, the foremost, well-known cartoon characters of all time. The victory of Mickey Mouse opened up doors and opportunities for the Walt Disney company that made a full picture of their accomplishment, which he released in 1934. Snow White and the Seven Midgets, was called "Disney's Indiscretion" by a few, went 400 percent over budget, and required nearly 300 illustrators, painters, and partners, however, it was an enormous hit when it was released to the public in the blink of an eye sometime recently Christmas in 1937.

The Walt Disney Company has since made a slew of inventive and acclaimed movies. Since 1955, it has developed into a holding company for an assortment of media and excitement properties, building theme parks over the world and acquiring handfuls of businesses within the 1990s and 2000s. ABC, ESPN, Pixar, Wonder Studios, and Lucas film are right now partners of Disney.

What started as a little gathering of illustrators making brief children's cartoons has developed into one of the world's most recognizable brands. Disney creates unique cartoons and animation movies which are among the foremost popular and enduring works within the American film industry.[37]

Walt Disney was born on December 5, 1901, in Chicago, Illinois, and moved to a farm in Marceline, Missouri, with his family when he was four years old. Disney received his first support for his blossoming enthusiasm for painting from both an aunt and a retired doctor neighbor in Marceline, a small-town community that Disney remembers as idyllic as an adult. However, Disney's father struggled to make a

livelihood in Marceline and sold the farm in 1910, moving the family to Kansas City the next year. Disney's father bought a newspaper store there, and Walt assisted him with delivery for six years, before finding work and helping out on weekends. In 1917, his father sold the newspaper store and moved the family to Chicago to work for a jelly and fruit juice business. Walt dropped out of high school at the age of 16 after being a lazy student who constantly drew, and when World War I broke out, he joined the Red Cross Ambulance Corps by forging his birth certificate to meet the minimum requirements.

Disney came to Kansas City after his Red Cross service, expecting to work as a newspaper cartoonist. Instead, he got a job making advertisements for publications and movie theatres, and eventually, he got into animation. He founded the Laugh-O-Gram film company in 1922, but it struggled financially and closed down in 1923. In the same year, he and his elder brother Roy relocated to Hollywood and founded the Disney Brothers Studio. After a series of short animated cartoons, the studio began creating a large number of series in 1927 based on a character created by Walt named Oswald the Lucky Rabbit. Walt lost the rights to his ponies the next year, which was a significant setback.

In response, he created a new character named Mortimer Mouse, but it was later determined that Mickey would be a better name. Mickey Mouse originally appeared in a short film called Steamboat Willie in 1928, which was one of the first cartoons to have synchronized sound effects. The Mickey Mouse Club, products, and a comic were all created because of the rodent's rapid rise to fame. Walt was dissatisfied with how Mickey sounded when he spoke for the first time in 1929 at the kid's carnival, so he continued to improve his voice techniques until 1947 when he created Mickey and the Beanstalk.

During World War II, Disney created propaganda films for the American government.

In addition, he also created sheet music for *Der Fuehrer's Face*, a Disney film. During WWII, Disney's personnel created instructional films for various government

organizations, including the new spirit, a 1942 animated short commissioned by the treasury department to persuade citizens to pay their income tax as a way to assist the war. The Donald Duck picture was shown in hundreds of cinemas and was even nominated for an award.

The Disney studio also created free-of-charge instructional films for the American military, as well as over a thousand scenes for military units, based on both established and new Disney characters. Although Walt was originally hesitant to risk ruining his reputation as a non-political entertainment by creating political works, his crew ultimately produced animated pieces which mocked the Nazis and included Donald Duck. Furthermore, inspired by his patriotism, Walt decided to use Major Alexander de Sever sky's best-seller to create a live-action-animated film of the same name to gain support for the book's theories about the strategic long-range bombing, which were considered controversial by some US military officials. The images had a tremendous impact on both President Franklin D. Roosevelt and British Prime Minister Winston Churchill.

At the California property, Disney operates a small railroad with passengers.

Trains have always been a source of curiosity for the renowned filmmaker. Walt's father and uncle both worked on railroads, and as a teenager in Kansas City, he sold newspapers and snacks on trains for a short period. Walt began creating this idea for Mickey Mouse on a train ride back to Los Angeles from New York in 1928. Walt later built intricate model train layouts as means to express himself. He constructed himself a one-eighth model steam locomotive in the late 1940s, and after moving into a new house in the Holmby Hills neighborhood in Los Angeles in 1950, he installed rails for his trains around the property. He would dress up as a railway engineer and give people rides on his carol wood pacific railroad, which was named after the street where he lived. His love of railways is mirrored in Disneyland, which has had its railroad since its inception in 1955.

At Disneyland in 1955, flowers were used to design Mickey Mouse's face.

Walt originally wanted to create a modest theme park near his Burbank studio; but, his ideas quickly grew more grandiose, and in 1953, he engaged a research agency to locate the best place for a large-scale theme park in southern California. The group selected the location that would become Disneyland's home after researching issues like population growth, weather trends, and transportation possibilities. The site chosen was a 160-acre tract in Anaheim that was largely covered with orange trees. Disneyland brought it a year later, on July 17, 1955, after construction began in July 1954. However, things did not go smoothly on opening day there were fraudulent tickets that were distributed, resulting in an over-capacity crowd; rides broke; portions of the park were not completed, and Fantasyland was closed due to a gas leak. The opening of Disneyland was commemorated in a live television broadcast, hosted by actor Ronald Reagan and seen by about over 70 million Americans, although technical issues interrupted the presentation. Nonetheless, Disneyland was an instant hit, with more than half a million visitors in the first month, admission to the park costs \$1 for adults and 50 cents for children, plus an additional 10 cents to 25 cents for each attraction. Walt, who was largely engaged in the construction of Disneyland, loved spending time there and even had an apartment there.

Disney has the most individual Oscar nominations and wins (22) of any studio (59). He received his first Academy Award in 1932, during the fifth Academy Awards ceremony. *Flowers & Trees* won the best short subject category. Disney would win the same award at the next Oscars award seven times in a row. He received one of the best picture nominations for *Mary Poppins* in 1964 but lost to *My Fair Lady*. *Mary Poppins* did, win five other Oscars, including best leading actress, which went to Julie Andrews.

Disney got four honorary Academy Awards: one in 1932 for creating Mickey Mouse, another in 1939 for *Snow White and the Seven Dwarfs*, which had seven dwarfs and was presented by child actress Shirley Temple, and the third in 1942 for *Fantasia*, which featured proper sound design. Doctors found out that Disney who was a long-time smoker had lung cancer in November 1966. He died the next month, on December

15, at the age of 65, in Burbank hospital. Reports in the tabloid press spread shortly after his death that the filmmaker had been cryogenically preserved, that he had been frozen in the hope that technology would one day allow him to be brought back to life. Disney was cremated and his remains were placed in a mausoleum at Glendale's Forest Lawn Cemetery, despite claims to the contrary [18].

The Walt Disney Company's economic operations begin with an examination of the company's total assets, which is followed by an examination of the four areas of financial economics. Operating income, net income, total assets, total liabilities, and earnings per share. Disneyland's statistics for July 2020, made its subsidiaries place seventh in the Forbes Global Brand Value 100.

In the new era of digital transformation, Disney has innovated and pursued economic breakthroughs, by creating new room for expansion in sectors such as the internet video industry.

Disney's economic development model has served as a model for our entertainment industry today, and how to better develop it in multiple directions and angles in this new revolution has become an increasingly important part of entertainment companies that pays attention to Disney services. Theme Parks and Customer Products are divided into two categories: Theme Parks and Resorts, which include the various Disney Parks, Disney Resorts, Disney Vacation Clubs, Disney Cruise Line, Disney Adventure, National Geographic Adventure, and others directly operated by the Group and Consumer Products. [19]

The outcome of companies activities is net profit, which is the primary indication of business efficiency.

Operating income management is an essential part of enterprise financial management that is connected to the company's survival and development.

Net profit is the foundation for predicted future cash flow, and the degree of difference between cash flow and net profit can show the net profit's quality.

The balance sheet is one of a company's three primary financial statements, and it is

critical for a sensible or potential investor to study the balance sheet of a business to properly evaluate the enterprise's financial situation and solvency.

Earnings per share are commonly used to reflect an enterprise's operating results, measure the profitability level of common shares, and assess investment risks. It is one of the most important financial indicators for investors and other information users to evaluate an enterprise's profitability, predict its growth potential, and make relevant economic decisions. Using the consolidated income statement below in the appendices that is annex A Selected Items as revenues, operating income (loss), Income (loss) from operations, and net income (loss) attributable to The Walt Disney Company.

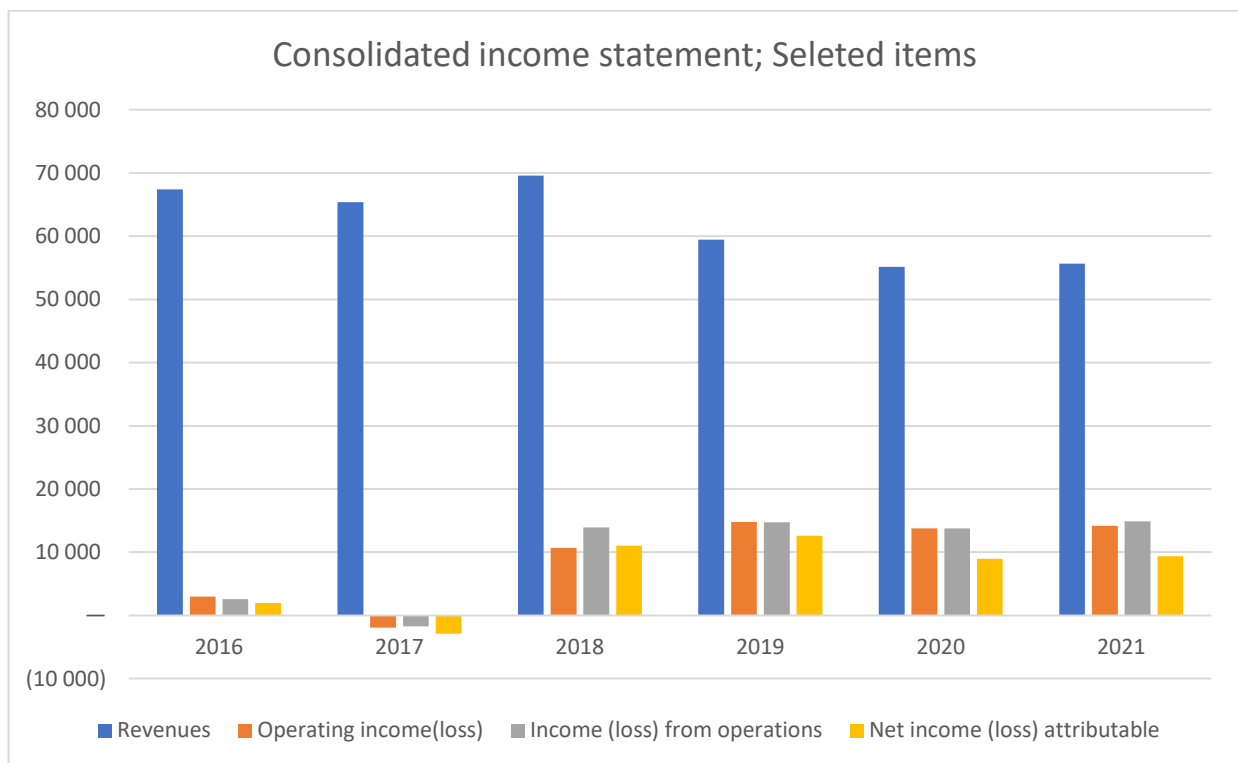


Figure 2.1.1: Consolidated Income Statement, Selected Items

Disney's Revenues, operating income (loss), Income (loss) from operations, and net income (loss) are attributable to The Walt Disney Company.

According to Figure 2.1.1, Disney's revenue decreased from 2019 to 2020, it increased from 2020 to 2021. Operating income (loss) decreased from 2019 to 2020 but

increase slightly from 2020 to 2021. From 2019 to 2020, income (loss) from operations taxes dropped, then grew somewhat from 2020 to 2021. The Walt Disney Company's net income (loss) dropped from 2019 to 2020 but grew from 2020 to 2021.

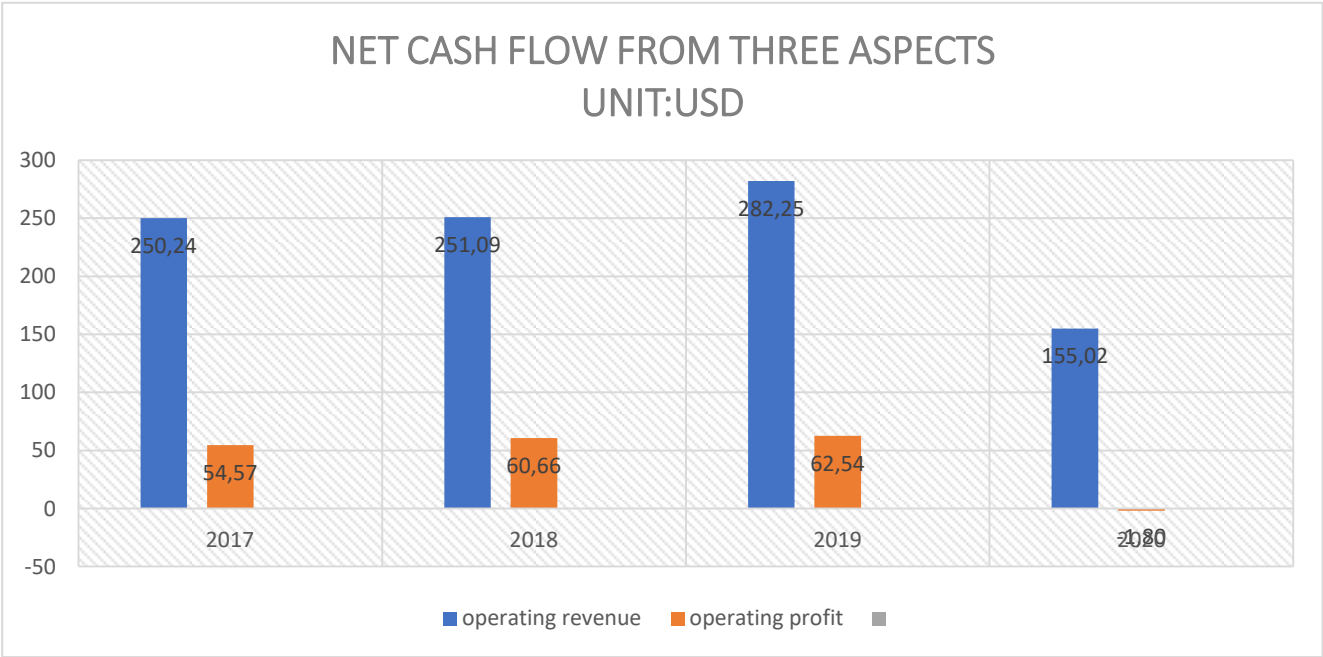


Figure 2.1.2: Disney's net cash flow from three primary areas.

Net cash flow from operating activities from 2010 to 2020 is steady during these years. While net cash flow from investing operations and net cash flow from financing activities have both been negative for a long time, financing cash flow is expected to grow in 2020.

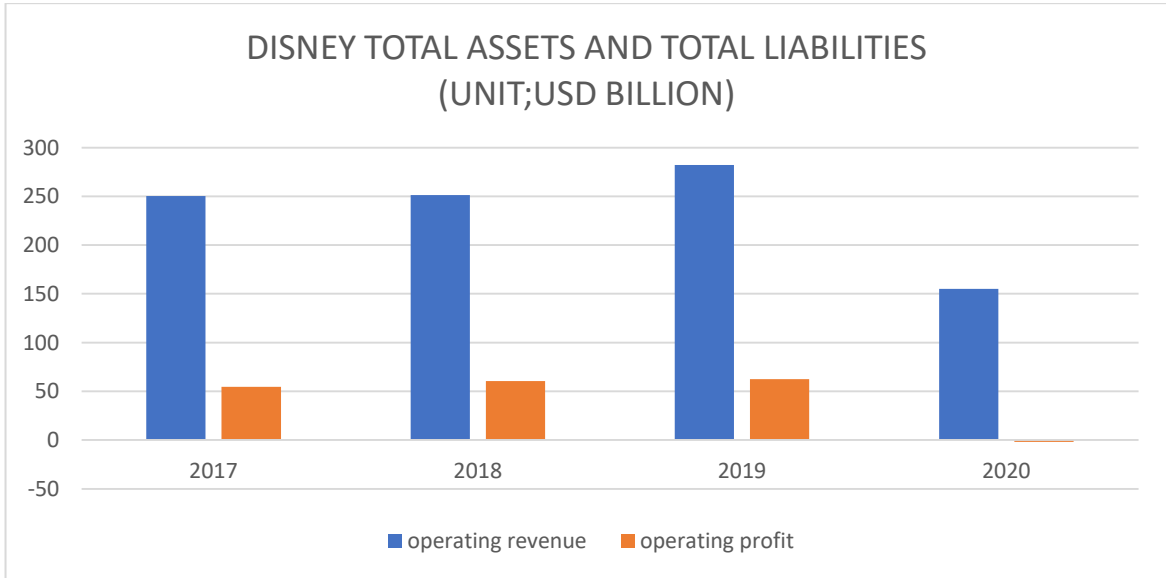


Figure 2.1.3: Disney's total assets and liabilities.

Disney's total assets and total liabilities are both increasing, reaching a peak in both in 2020. Total assets and total liabilities are roughly the same in 2019. Total assets are nearly twice as large as total liabilities between 2010 and 2020.

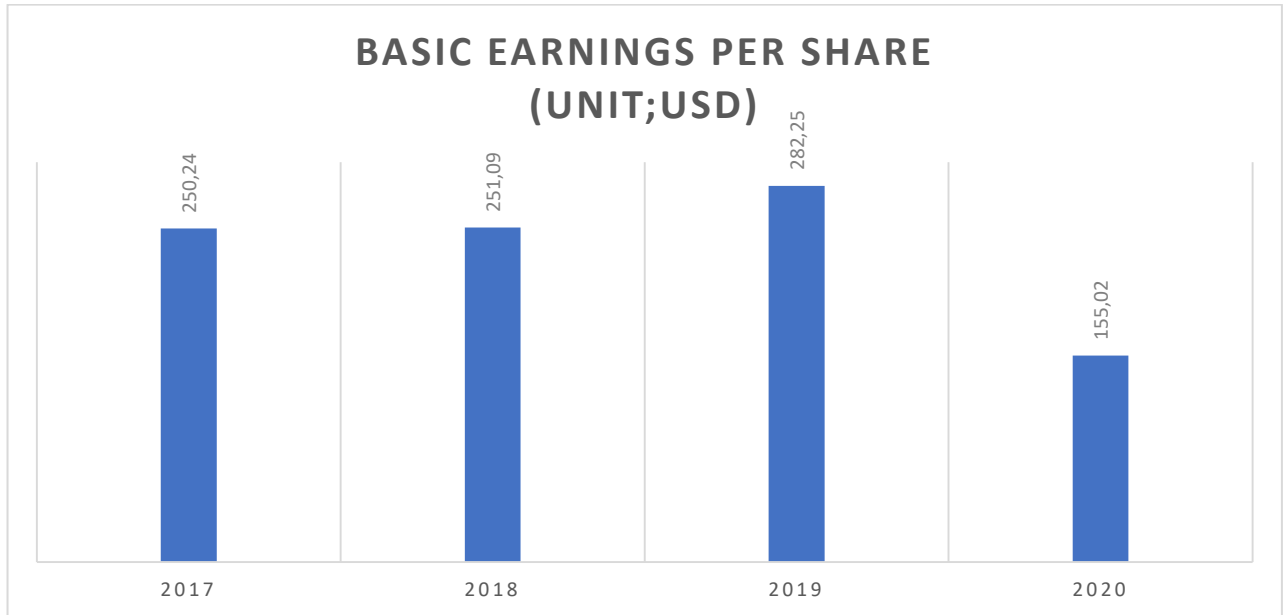


Figure 2.1.4: Earnings per share

Earnings per share increased in 2017 when it hit the peak the highest in 2018. We can see that EPS fell in 2020, due to the pandemic impact.

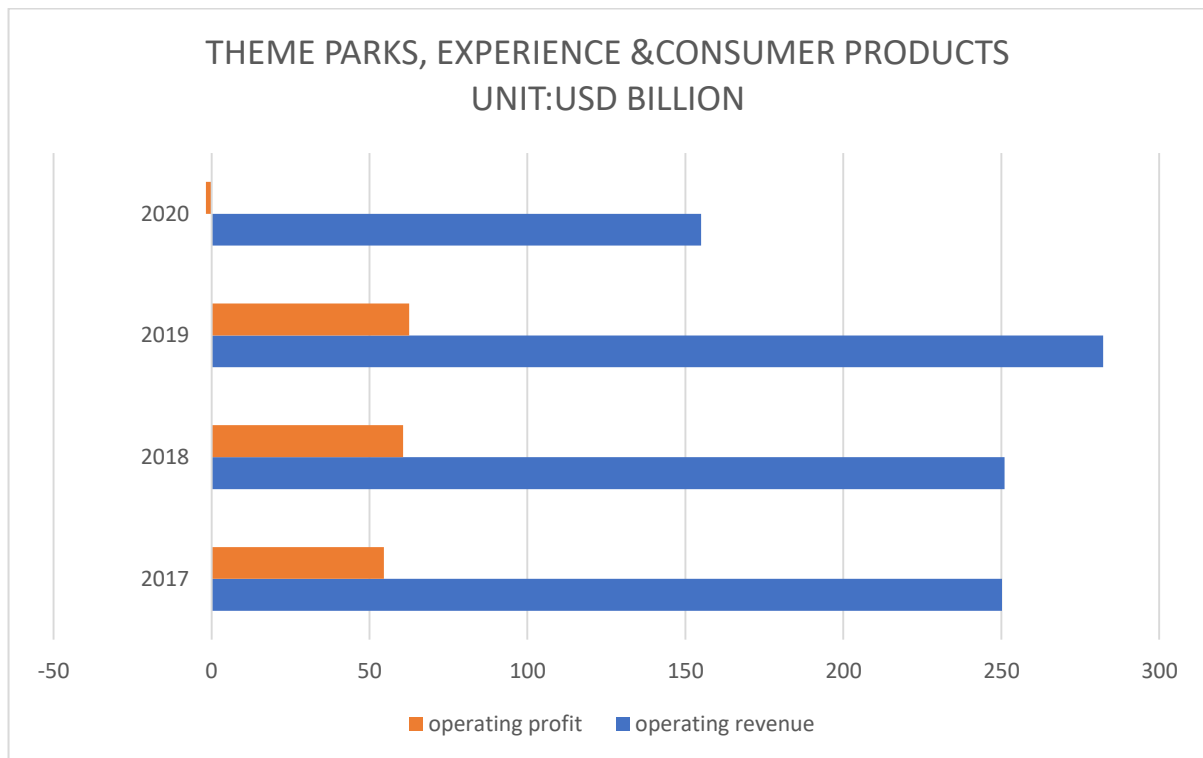


Figure 2.1.5: Theme parks, experiences, and consumer goods.

The pandemic affected theme parks very negatively which impacted Disney's interest.

The epidemic's influenced Disney's theme park fees and theme parks were closed due to the pandemic.

2.2 Research and analysis of the financial state of the Walt Disney company

Profits from the fourth quarter and fiscal year ending October 2, 2021, for the Walt Disney Company. In the quarter, profits per share (EPS) from continuing operations was \$0.09, compared with a loss of \$0.39 in the next following year. Certain items, for EPS for the quarter, were \$0.37, compared with a loss of \$0.20 during the previous year. The end of the fiscal year ended on October 2, 2021, with EPS from continuing operations being \$1.11, compared to a loss of \$1.57 the previous year. Earning per share climbed 13% year on year to \$2.29 from \$2.02 the previous year.

The Walt Disney Company has had a very productive year in 2021, as there have made great strides in reopening businesses while taking meaningful and innovative steps to create Direct-to-Consumer at theme Parks, particularly with the new Disney Genie and Magic Key offerings. With 179 million total subscriptions across the entire DTC portfolio at the end of fiscal 2021, and 60 percent year-over-year subscriber growth for Disney+, the Walt Disney Company is thrilled with the performance of its streaming business. Disney continues to manage their DTC businesses for the long term and is convinced that its high-quality entertainment and growth in other areas across the world will allow them to grow its streaming business even further.

The Walt Disney Company's fiscal year of 2022 earnings per share (EPS) from continuing operations increased to \$0.63 for the quarter, up from \$0.02 in the following year's quarter. Earning per share increased to \$1.06 for the quarter from \$0.32 in the prior year. With revenue and operating income at our domestic parks and resorts, the launch of a new franchise with Encanto, and a significant increase in total subscriptions across our streaming portfolio to 196.4 million, including 11.8 million Disney+ subscribers added in the first quarter, the fiscal year ended with a significant increase in total subscriptions across our streaming portfolio to 196.4 million. This is the last year of The Walt Disney Company's first century, and with a performance like this, along with their unequaled collection of assets and platforms, creative talents, and a unique cultural position, they are poised to be the most successful company in the world. The Walt Disney Company is confident that it will continue to define entertainment for the next 100 years. Coronavirus (COVID-19) and its variations have been wreaking havoc on the world since early 2020. COVID-19 and the measures taken to prevent its spread have harmed Disney parks in a variety of ways, including the Disney Parks, Experiences, and Products segment, where theme parks and resorts were closed, and the Disney Parks, Experiences, and Products segment, where theme parks and resorts were reopened, as well as cruise ship sailings and tours guides. Since May 2020, operations

have resumed at various points, initially with reduced operating capacities due to COVID-19 restrictions.

We continue to manage capacity to address ongoing COVID-19 considerations for guest and cast health and safety in the fiscal year 2022, with Disney's domestic parks and experiences generally operating without significant mandatory COVID-19-related capacity restrictions, such as those in place in the prior-year quarter. Some of our international bands are still impacted by COVID-19-related capacity and travel restrictions. Our film and television productions have mostly resumed at Disney Media and Entertainment, with interruptions due to local circumstances. Even though certain markets continue to restrict theater openings and capacity, Disney was able to release its movie theatrically in the current quarter [40].

SWOT Analysis of the Walt Disney Company

SWOT Analysis is a tool for assessing a company's entire strategic position and surroundings. It can showcase how the company maintains its leading position in a globally competitive market by recognizing its strengths and opportunities. The way Disney employ their strengths mitigates the consequences of its limitations.

Disney SWOT Analysis is to thrive; a company must understand its strengths. They can eventually use their strengths to identify opportunities for improvement. As a well-known broadcasting media company, Disney has several advantages that aid in its ascension to the top.



Disney SWOT analyze of local markets

Strengths

Brand Value: Disney has a solid and unique brand reputation. Their mergers have only increased their dominance. Disney is well known worldwide, for owning its own Disney Channel, Disney Movies, Disney Parks, and Resorts. Disney items are quite popular among customers. They own numerous well-known and famous characters that many of us watched and admired as children.

Multiple Services: Disney's many D2C business divisions offer a diverse range of products and services, which include studio entertainment, movies, parks, activities, and merchandise. You might enjoy watching movies at home by streaming them on Disney+, going to Disney's theme parks and resorts, or seeing Disney movies in theaters.

The Walt Disney Company has one of the most prominent creative teams, which includes story scriptwriters, illustrators, and graphic designers. Disney invests heavily in employee training, resulting in some of the most skilled employees. All of the specialists on the certified teams have extensive experience in the field of mass media.

Social accountability: The organization enjoys providing and maintaining a safe, pleasant, entertaining, and welcoming environment for its audiences, whether adults or children. As a critical component of its development and viability, the corporation emphasizes the importance of variety in its content. The organization has demonstrated its commitment to providing a secure environment for all of its customers. They have also expressed concern about a variety of social issues, such as human rights and water conservation.

Weaknesses: Despite a company's numerous strengths, many constraints limit its growth. Businesses typically find it difficult to overcome flaws. As a top-rated corporation, Disney may have some flaws, but its strengths may help them overcome those flaws faster. The following are some of the Disney SWOT analyses.

Dependent on North America: Disney's most profitable market in North America. However, the business is mostly reliant on the United States, Canada, and other English-speaking nations for movie distribution and product sales. As a result, the corporation is vulnerable to socioeconomic developments in the US. As the demographics of the organization change, it must appeal to a broader range of ages and a more diverse audience. Furthermore, the US market is more developed.

Poor Financial Strategy: Disney is battling a poor financial strategy. According to sources, the company is losing more than a billion dollars. Studio Entertainment, D2C, and Overseas, on the other hand, only made USD 11.13 billion and USD 9.35 billion, respectively. This implies that the corporation's studio entertainment, D2C, and overseas divisions are failing.

Technology is lifting the limits of creativity transforming the entertainment industry. The Walt Disney Company is making magic through digital innovation by

creating magic brands, which are like a card but can do many more. The magic brand is colorful and waterproof it looks like a watch; a touch sensor easily uses the magic brand. You can use the Magic brand for the following; to unlock doors in a Disney hotel resort, to be able to enter theme and water parks, and to pay for food and items purchased.

The COVID-19 outbreak resulted in massive financial losses and significant firm layoffs. During the crisis, Disney's theme parks and other outdoor attractions were closed, which had a significant impact on its finances because these locations generated a significant portion of its revenue. They also lost a significant portion of their workforce as a result of these closures.

Disney faced criticism after it was revealed that a senior executive at Disney's ABC News had a history of making racist statements and engaging in other racially insensitive and improper behavior. Racist executives pose a significant risk in the face of growing anti-racism protests.

Opportunities

Identifying and correctly arranging opportunities while matching them with the company's strengths can benefit and promote growth. Many growth opportunities were discussed in this Disney SWOT Analysis.

Keeping Up With Trends: Disney is always looking for new ways to make its parks more enjoyable for both young and old visitors. Disney is forging ahead by introducing IoT parks. One of Disney's innovations designed to make your vacation more convenient is the Magic Bands. Furthermore, the Play Disney Parks app allows people to enhance their Disney experience online.

Online Video Streaming Service: The corporation may concentrate on its online video streaming service, Disney+, which has the potential to compete with other services such as Amazon and Netflix. They may use this to circumvent the quarantine, which is also a major reason for the global increase in streaming activity. Its extensive library of movies and television episodes could pose a serious challenge to Netflix.

Strategic Purchases: Strategic Acquisitions Disney has made several investments, including Pixar, Marvel, Fox, and others, allowing the company to broaden its reach and capitalize on opportunities in a variety of entertainment industries. Shortly, Disney may make more strategic acquisitions to propel its growth.

Threats

A corporation must deal with growth challenges in a crowded market. Even large corporations may be vulnerable if their cushioning strategies are not implemented. There are a few risks in the Disney SWOT Analysis, but they can be quickly eliminated with proper planning.

Increasing Competition: The competitive environment in the media sector is changing dramatically. News and television are moving online, and new rivals with innovative business models operate more successfully than established media businesses. Local competitors that can supply better-adapted merchandise also pose a significant threat to Disney's parks and resort business units. As a result, the Walt Disney Company is under increasing competitive pressure.

Piracy: With the widespread adoption of streaming services, movies, TV shows, and other content have been packaged together. Customers, on the other hand, do not want to subscribe to all of the content offered by a streaming platform such as Disney+. They want to watch their favorite shows, which has resulted in a surge in piracy via peer-to-peer file sharing. The rise in piracy threatens Disney's profits and long-term viability.

High Cost: Disney has consistently made significant investments in the growth and training of its employees. At the moment, the average starting salary for a new hire at Disney is \$15 per hour. Wages are constantly rising all over the world. Because the country's law requires wage increases, Disney may end up with lower earnings when paying off its overseas labor in foreign countries.

Disney does not belong to the emerging technology industry. As a result, it cannot make technology work primarily for them. Many contents are now available on

smartphones and televisions as a result of technological advancements, which Disney is unable to provide. As a result, to maintain its dominant market position, it must introduce new products and technologies.

The table below highlights the fourth-quarter results for fiscal years 2021 and 2020 (in millions, excluding per share amounts):

Table 2.2.1

	Quarter Ended		Change	Year Ended		Change
	October 2 2021	October 3 2020		October 2 2021	October 3 2020	
Revenues	\$ 18 534	\$ 14 707	26%	\$ 67 418	\$65,388	3%
Income (loss) from continuing operations before income taxes	\$290	-\$580	-	\$2,561	-\$1,743	-
Total segment operating income	\$ 1 587	\$606	>100%	\$7,766	\$8,108	-4%
Net income (loss) from continuing operations	\$160	-\$710	-	\$2,024	-\$2,832	-
Diluted EPS from continuing operations	\$0.09	-\$0.39	-	\$1.11	\$1.57	-
Diluted EPS excluding certain items	\$0.37	-\$0.20	-	\$2.29	\$2.02	13%
Cash provided by continuing operations	\$2,632	\$ 1 667	58%	\$5,566	\$7,616	-27%
Free cash Flow	\$ 1 522	\$938	62%	\$1,988	\$3,594	-45%

Source: Compiled by the author.

The analysis of the fourth-quarter results for fiscal years 2021 and 2020 state shows the Disney company`s revenue increased at the beginning of the quarter to \$ 18 534 and at the end of the quarter, it decreased to \$ 14 707. The change for the quarter beginning

increase to 26% percentage. The year ended increased to \$ 67 418 while at the end it decreased to \$65,388. The year-end change decreased to 3%. Disney change percentages $26\% - 3\% = 23\%$ means that the revenue in the quarter ended was 3% higher.

Non-GAAP financial measurements EPS , (quarter ended = $0.37 + (0.20) = 0.17$) and year ended $2.29 + 2.02 = 4.31$) total segment-operating income,(quarter ended = $1587 + 606 = 2193$) and (year ended $7766 + 8108 = 15,874$) free cash flow(quarter ended $1522 + 938 = 2460$) and (year ended $1988 + 3594 = 5.582$).

The Company's fiscal year lasts fifty-two weeks and finishes on the Saturday closest to September 30, except for a fifty-three-week year every six years. The fiscal year of 2020 began on September 29, 2019, and ended on October 3, 2020. The extra week is estimated to have resulted in a \$200 million increase in pre-tax profits in the prior-year quarter, primarily at Disney Media and Entertainment Distribution.

The Company examines the performance of its operating segments using segment operating income, and management utilizes total segment operating income as a measure of operational business performance apart from non-operating elements. Total segment operating income information, according to the Company, benefits investors by allowing them to evaluate changes in the Company's portfolio of businesses' operating results separately from non-operational factors that affect net income, thereby providing separate insight into both operations and other factors that affect reported results.

The income from continuing activities before income taxes is reconciled to the total segment operating income (in millions) in the table below:

Table 2.2.2

	Quarter Ended		Change	Year Ended		Change
	October 2 2021	October 3 2020		October 2 2021	October 3 2020	

Income (loss) from continuing operations before income taxes	\$ 290	-\$580	-	\$2,561	-\$1,743	-
Add (subtract)						
Corporate and unallocated shared expenses	\$283	\$213	-33%	\$928	\$817	-14%
Restructuring and impairment charges	\$92	\$393	77%	\$654	\$5,735	89%
other (income) expense, net	\$13	-\$656	-	-\$201	-\$1,038	-81%
Interest expense, net	\$317.00	-\$496	36%	\$1,406.00	\$1,491	6%
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs	\$592	\$740	20%	\$2,418	\$2,846	15%
Total Segment Operating income	\$ 1 587	\$606	>100%	\$7,766	\$8,108	-4%

Source: Compiled by the author.

The globe has been and continues to be influenced by the new coronavirus (COVID-19) and its variations since early 2020. COVID-19 and the precautions put in place to prevent its spread have had an impact on our segments in a variety of ways, most notably on the Disney Parks, Experiences, and Products sector, where our theme parks and resorts have been shuttered, as have cruise ship sailings and guided tours. Since May 2020, these operations have restarted, but at reduced capacity. As of March 2020, we have postponed, shortened, or canceled theater releases, and stage play performances have been discontinued. In the first quarter of fiscal 2021, stage play operations resumed, but at a reduced capacity. Theaters have faced capacity constraints

as well as altering government requirements. First-quarter of percentage change was 20% and year-end was 15%.

Significant disruptions in content creation and availability occurred, including the cancellation of most film and television production in March 2020 and the postponing of crucial live sports programming in fiscal 2020 and fiscal 2021. Even though the company's and television production largely resumed in the fourth quarter of fiscal 2020, we continue to experience production delays due to local constraints. The availability of film content to be offered in distribution windows following the theatrical release has been reduced due to fewer theater releases and development delays.

We have incurred and will continue to expend expenses to comply with government requirements and adopt safety measures for our workers, visitors, and artists. The timing, duration, and amount of these expenditures will be determined by the timing and scope of our resumption of operations, as well as regulatory requirements. In fiscal 2021, these expenditures were estimated to be over \$1 billion. Some of these expenses have been capitalized and will be amortized over time.

COVID-19 had an influence on the full current year for both segments, but just a fraction of the preceding year. The Disney Parks, Experiences, and Products division had the greatest impact on operating income owing to revenue loss as a result of closures and/or decreased operational capabilities. Even though the reopening of our parks and resorts enhanced profitability in the second half of fiscal 2021 over the second half of fiscal 2020, we continue to be hampered by a lack of operational skills.

Higher advertising income from the resumption of live sporting events more than offset higher sports programming expenditures in fiscal 2020, according to the Disney Media and Entertainment Distribution unit. Costs averted attributable to a reduction in film cost amortization, marketing, and distribution expenditures in our other film and television distribution companies partially offset revenue lost due to the postponement

or cancellation of major picture releases.

COVID-19's repercussions Goodwill and intangible asset impairments at our International Channels business (\$2.53 per share), amortization expense related to the recognition of TFCF, and Hulu intangible assets and fair value step-up on film and television costs (\$1.17 per share) are included in the fiscal 2020 results, which are in the appendices, table 2.2.3, as are goodwill and intangible asset impairments at our International Channels business (\$2.53 per share), amortization expense related to the recognition of TFCF At the start of fiscal 2020, the Company implemented new lease accounting rules, resulting in a \$3.7 billion increase in total assets and liabilities. On March 20, 2019, the Company bought TFCF in exchange for cash in Disney stocks.

Hulu operates as a steaming service company that offers on-demand tv-series and movies.

The financial results of TFCF and Hulu have been combined since the deal. The purchase has some ramifications. A non-cash gain from pre-measuring our initial 30% stake in Hulu to fair value (\$2.22 per diluted share), amortization expense related to the recognition of TFCF and Hulu intangible assets, a fair value step-up on film and television costs (\$0.74 per diluted share), restructuring and impairment charges (\$0.55 per diluted share), and an adverse impact from TFCF were the most significant of these.

Consolidated financial statement for Walt Disney Company in the appendices: Annex A, Revenues at Walt Disney Company fell from 2019 (\$69.570) to 2020(\$65.388), but then grew significantly from 2020 (\$65.388) to 2021(\$67.418).

The operational income (loss) of Walt Disney Company dropped from 2019(\$10.668) to 2020(-\$1.941) but then climbed significantly from 2020(-\$1941) to 2021(\$3.005).

Walt Disney Company's income (loss) from continuing operations before income taxes fell from 2019(\$ 13.944) to 2020(\$-1.743), but then grew somewhat from 2020(\$-

1.743) to 2021(\$2.561).

The Walt Disney Company (Disney) net income (loss) attributable to The Walt Disney Company (Disney) fell from \$11.054 in 2019 to \$-2.864 in 2020, but then rose from \$-2.864 in 2020 to \$1.995 in 2021. For comparison revenues, 2020 to 2021 were \$67.418-\$65.388=2.03. 2021 increased by an amount of \$2.03. Operational income, 2020 to 2021 was -\$1941-3.005=1937. 2021 increase by an amount of \$1937.

2.3. Analysis of foreign economic activity of the Walt Disney company in digitalization aspects: China and France

Analysis of the economic activity of The Walt Disney Company in China

Hong Kong Disneyland Resort is a themed resort in the Pudong region of Shanghai, China. On June 16, 2016, the resort was opened to the public. It is the first Disneyland on the Chinese mainland. After Disneyland Resort, Walt Disney World Resort, Tokyo Disney Resort, Disneyland Paris Resort, and Hong Kong Disneyland Resort, it is the world's sixth Disney resort. Shanghai Disneyland, an entertainment area, two themed hotels, recreational facilities, a lake, and related parking and transportation hubs are all part of the resort. In the future, two more theme parks will be erected at the resort. The location will be 390 hectares (963 acres) in size in Pudong, about three times the size of Hong Kong Disneyland, and will cost CN 24,500,000,000 (US\$3,700,000,000) for the new theme park and an additional CN 24,500,000,000 (US\$3,700,000,000) for the additional land. The Walt Disney Company owns 43 percent of the resort, while the Shanghai Shendi Group, a joint venture of three Shanghai government-owned enterprises, controls the other 57 percent.

Thousands of people gathered to greet the newest member of the Walt Disney Parks & Resorts family, as well as Disney's first destination resort in Mainland China.

Your destination is Shanghai Disneyland. You are leaving today to travel to

amazing regions of imagination, romance, and adventure that stir the magical dreams that we all harbor. Shanghai Disneyland is uniquely Chinese while remaining true to the Disney brand. It was created with everyone in mind, bringing classic characters and stories to life in a stunning environment.

That will bring future generations joy, inspiration, and memories Disneyland was envisioned by Walt Disney as a place where millions of visitors might connect in new ways with beloved stories and characters, as well as with their families. With the launch of the most technologically proficient theme park, Disney has ever produced, Shanghai Disney Resort maintains its time-honored legacy more than 60 years later.

Adventure Isle, Fantasyland, Gardens of Imagination, Mickey Avenue, Tomorrow Land, and Treasure Cove are the six themed districts within Shanghai Disneyland, each offering a one-of-a-kind experience envisioned and developed specifically for China. Enchanted Storybook Castle, the tallest, largest, and most interactive of all Disney castles worldwide is the park's showpiece. The resort was briefly closed on January 26, 2020, due to the COVID-19 pandemic. The Shanghai Disneyland Hotel, Disney Town, and Wishing Star Park reopened in a limited capacity on March 9, following the implementation of new health and safety measures. On May 11, Disney reopened Shanghai Disney Resort in its entirety, with additional social distancing measures in place as well as temperature checks.

Due to a spike of COVID-19 instances in China, Shanghai Disney Resort and Shanghai Disneyland will be temporarily closed again on March 21, 2022, until further notice[39].

Shanghai Walt Disney Company SWOT Analysis [44]

	Opportunities	Threats

Strengths	Strength Opportunities (SO) Strategies Using Disney Shanghai's strengths to consolidate and expand the market position.	Strength Threats (ST) Strategies Disney Shanghai can use two approaches - building on present strengths, or analyzing the trend and building processes to a two-pronged market penetration approach.
Weaknesses	Weakness Opportunities (WO) Strategies Building strategies based on consumer-oriented product development and marketing approach.	Weaknesses Threats (WT) Strategies Disney Shanghai should just get out of these business areas and focus on the strength and threats box, or the weakness and opportunities box.

Strengths

Disney Shanghai's assets are its capabilities and resources, which it can leverage to establish a long-term competitive advantage. Strengths are derived from positive features of five important resources and capabilities: activities and processes, human resources, financial resources, physical resources like land and buildings, and previous experiences and successes.

The robust balance sheet and financial statements of Disney Shanghai can let it invest in new and diverse projects that will diversify the income stream and enhance Return on Sales and other KPIs.

Managing the Business Environment and Regulations: Disney Shanghai operates in a regulated and enforced environment by the government. By cultivating strong links with lobby groups and political networks, the company can navigate the environment in areas like operations management, sales, and strategy.

Intellectual Property Rights: Through innovation and the purchase of rights from creators, Disney Shanghai has amassed a diverse set of patents and copyrights. This can assist Disney Shanghai in overcoming competitors' challenges in various industries such as operations management, sales, and strategy.

First Mover Advantage: Disney Shanghai has several first-mover advantages. It has experimented in several areas, including operations management, sales, and strategy. The Technology and Operations solutions and strategies have assisted Disney Shanghai in developing a unique solution to tap untapped markets.

Strong Brand Equity and Brand Awareness: Disney Shanghai operates in the domestic market with some of the most well-known brands. Brand recognition is important in attracting new customers seeking solutions in the Operations management, Sales, and Strategy industries.

Diverse Product Portfolio of Disney Shanghai: Disney Shanghai's product and brand portfolio allow it to target multiple segments of the domestic market at the same time. This has allowed Disney Shanghai to develop a diverse revenue and profit mix.

Disney Shanghai has a highly successful track record of both launching new products in the domestic market and catering to the various markets based on insights from local consumers. Disney Shanghai has successfully tested various concepts in various markets and developed successful Technology & Operations solutions.

Weakness

Technology Implementation in Processes: While Disney Shanghai has integrated technology in backend processes, it has yet to harness the power of technology in front-end processes.

Lack of Workforce Diversity: I believe Disney Shanghai's workforce is not diverse enough, given that the majority of its growth has occurred in its domestic market. This may limit Disney Shanghai's ability to succeed in the international market.

Customer Dissatisfaction: Although product demand has not decreased, there is a simmering sense of dissatisfaction among Disney Shanghai customers. The reviews on various online platforms reflect this. Disney Shanghai should concentrate on areas where it can improve the purchasing and post-purchase experiences of its customers.

Low Return on Investment: Despite Disney Shanghai's stable balance sheet, one metric that requires consideration is Return on Invested Capital. In the areas of

operations management, sales, and strategy in which Disney Shanghai operates, the most reliable measure of profitability is Return on Invested Capital, rather than financial analyst's favorites such as Return on Equity and Return on Assets.

I believe that Disney Shanghai is suffering from a significant skills deficit, particularly in the areas of technology and digital transformation. In light of improvements in Artificial Intelligence (AI) and machine learning, Disney Shanghai is attempting to restructure operations.

Inventory Management: We can conclude from the facts in the Walt Disney Company: Mickey Mouse play in the Disney Shanghai's inventory and cash cycle are poorly handled. Inventory management, in particular, has many opportunities for improvement, according to Maiden.

Opportunities

To help boost market expansion, Disney Shanghai can look into related industries including operations management, sales, and strategy, particularly by expanding the functionality of existing products and services.

Market Size and Consumer Preferences Expanding: Over the last half-decade, the market has expanded dramatically. As a result of the influx of new clients, consumer preferences and tastes have changed. This poses two big issues for Disney Shanghai: how to maintain existing customers while attracting new ones. Disney Shanghai has tried to diversify by bringing new brands first, followed by new features depending on client preferences.

Advances in Artificial Intelligence: Disney Shanghai can leverage advances in artificial intelligence to better predict consumer demand, cater to specific segments, and construct better recommendation engines.

Access to International Talent in the Global Market: Due to budget limits, Disney Shanghai is now facing some issues, one of which is limited access to high-level talent markets. By expanding into new markets, Disney Shanghai may tap into the international talent market. It can also aid in the recruitment of talent for the local

market and the expansion of existing businesses into new areas such as operations management, sales, and strategy.

Lowering the barrier to entry into new markets and expanding into new international markets the dangers of entering and marketing in international markets have greatly decreased as a result of globalization and the rise of digital marketing and social media.

Chances in the International Market: digitalization has opened up opportunities in the international market. Disney Shanghai is in a strong position to take advantage of these prospects and grow its market share. Growth in the international market can help Disney Shanghai diversify its risk by lowering its reliance on revenue from the domestic market.

Financing Binge Threatens Following the 2008 Recession: Because easy credit is available at any time, Disney Shanghai should concentrate on lowering its dependency on debt to expand. The celebration has lasted more than a decade, and a Fed cutback may cost Disney Shanghai a lot of money in interest.

Government Legislation and Bureaucracy: As protest groups and non-governmental organizations raise their pressure, particularly on environmental and labor safety issues, Disney Shanghai should keep a careful eye on swiftly changing government regulations.

Increasing costs of doing business in developed markets as a result of environmental regulations: Disney Shanghai must cope with these costs as governments strive to collect greater environmental fees to promote greener alternatives. Disney Shanghai's transportation and packaging expenses may arise as a result.

Growing Inequality in the Developed and Developing Worlds: Growing inequality poses a danger to both globalization and capitalism. With decreasing demand for its products from middle-class customers in the US and EU countries, Disney Shanghai has witnessed the impact directly.

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Growing Inequality in the Developed and Developing Worlds: Growing inequality poses a danger to both globalization and capitalism. With decreasing demand for its products from middle-class customers in the US and EU countries, Disney Shanghai has witnessed the impact directly.

Increasing buyer negotiating power: Disney Shanghai customers' bargaining power has grown dramatically over the years, placing downward pressure on prices. Horizontal integration can be pursued by the corporation to consolidate and boost efficiencies, but I feel this will only be a temporary solution. Rather than cosmetic adjustments, Disney Shanghai needs to rethink its business model from the ground up.

Analysis of the economic activity of The Walt Disney Company in France

Disneyland Paris is a theme park near Chessy, France, 32 kilometers (20 miles) east of Paris. Two theme parks, resort hotels, Disney Nature Resorts, a shopping, dining, and entertainment complex, and a golf course are all part of the resort. Disneyland Park, the complex's first theme park, opened in 1992. Walt Disney Studios Park, a second theme park, opened in 2002. Disneyland Paris celebrated its 25th anniversary in 2017, with 320 million visitors, making it Europe's most visited theme park at the time. It is the second and largest Disney park outside of the United States, following the inauguration of the Tokyo Disney Resort in 1983. In Paris, Disneyland is located. It is now Europe's most popular theme park, with millions of visitors each year. In France, things weren't always that humorous. Walt Disney World was and continues to be one of Disney's most successful ventures: a self-contained vacation destination that dominates the local economy and scenery, with lots of room for expansion. Disney World is the epitome of a theme park from a business aspect. The only difficulty was that, while Disney Globe was immense, the rest of the world was even bigger. In other nations, Disney is well-known. In ways that American audiences may not be aware of. While Disney is well-

known in France, it lacks the cultural resonance that it enjoys in many other nations. This is because France values its cultural production and views cultural imports from other countries with suspicion. In actuality, Euro Disneyland opened during the height of the cultural exceptions debate [12].

PESTLE ANALYSIS OF DISNEY

P POLITICAL	E ECONOMICS	S SOCIOLOGICAL	T TECHNOLOGICAL	E ECOLOGICAL	L LEGAL
<ul style="list-style-type: none"> The intellectual property policies for Disney's expansion in global markets. 	<ul style="list-style-type: none"> Disney should steady growth in mass media and the entertainment industry in developing countries. 	<ul style="list-style-type: none"> To create movies to suit the taste of the audience and to incline people towards online activities. 	<ul style="list-style-type: none"> New technological improvements play a big role in the entertainment industry also the enhancement of digital innovations. 	<ul style="list-style-type: none"> Climate changes can disrupt the functioning of amusement parks and resorts. 	<ul style="list-style-type: none"> Disney monitors its content guidelines and abides by environmental laws.

Political

According to French labor legislation, a person must work a minimum of 35 hours per week and a maximum of 48 hours per week. Overtime is required to be paid for the first eight hours and is worth 25% of their base hourly rate; after that, it is worth 50% of their base hourly wage. To be efficient and not break any labor rules, Disneyland Paris would have to hire two staff for one post in principle.

Economical

Between 2008 and 2014, France experienced five different recessions, the most recent of which occurred at the end of 2013, which explains the decline in revenue. People will spend less on luxury products and services, such as Disneyland Paris, as a result of the recession. This is reflected in the annual report for 2013-2014, which indicates a 6% decrease in revenue.

Social

With a visitor count of 14,9 million in 2013, it is the most frequented tourist site in Europe. Disneyland Paris has become an important part of the French cultural scene. They also provide 55000 jobs to the local communities.

Technological

The internet has had a significant impact on how Disney markets itself, allowing them to promote to its target audience and sell tickets online. It is currently Disney's most important source of ticket sales, thanks to its unique online discounts. Another way they advertise is through social networking, which can be targeted to a certain target market. The Disney D-light that is a magical sequence of video mixing projection e.g. fog, music.

Legal

Because the French government passed a law allowing theme parks to implement their safety systems while still having to submit their results for inspection to an authorized governmental or independent body, Disneyland Paris built its own Safety Management System that processes information for managing safety.

Environmental

Disneyland Paris places a strong emphasis on environmental stewardship in all of its operations. For instance, they provide cash incentives to their employees who take public transportation to cut gasoline pollution. According to French law, a corporation must reimburse 50% of employee transportation costs, however, Disneyland Paris reimburses 80% [42],[43].

CHAPTER III. WAYS OF ENHANCEMENT IN MEDIA CONGLOMERATES AND THEIR DEVELOPMENT IN DIGITALIZATION

3.1. Analysis of the effectiveness of proposed improvements in local markets

Disney company is an American product that is a complex political, economic, and cultural phenomenon in the hearts and minds of the American people. Disney increased wealth for leisure and developed family-oriented entertainment consumption, particularly among the American middle class, which contributed to its success. Disney company uses magic to create digital innovation by creating:

- Disney`s magic brand
- Disney video games
- Disney call center
- Disney store

The impact of digitalization on developing, emerging, and advanced systems have an impact on which influences how efforts are chosen. The primary restriction of technical work is this, to channel politics in a transparent and orderly manner, advanced procedures are being constructed and agreed upon. It will also stimulate the construction of a horizontal structure that will make it easier to access, store, and securely transmit high-quality data. It will also promote the adoption of a horizontal framework that will make it easier to access, store, and securely transmit high-quality data, as well as the development of artificial intelligence, security, and network and infrastructure reinforcement.

One of the main goals of the migration services will be to improve cybersecurity. The COVID-19 pandemic's public health disaster has highlighted our reliance on

networks, emphasizing the importance of boosting each country's cyber resilience by forcing the entire world to change how they function and interact.

It will continue to focus on artificial intelligence regulation as a top priority.

Establish a balanced regulatory framework that permits innovation to thrive while ensuring that basic rights are protected and programs offer a significant potential to provide each country with an innovative, enabling environment for the development of competitive ecosystems and European solutions that may serve as a global benchmark.

The most notable aspect of Disney as a century-old firm is its ongoing innovation, which continuously breaks the original underlying model, expands new economic development modules, and combines its advantages with current hot themes, which inspires conventional media. However, Disney's economic model is unique and may not be replicable; for starters, few media businesses have such a massive and long-lasting IP image of influence.

The Walt Disney Company:

1. Access markets, particularly in developing countries, to profit from their strong growth rates.
2. Diversify the company, even if only it is limited in a way, to expand the product range.

Digital transformation is the process of using digital technology to develop new business models. The goal of this is usually to help Disney face its problems, increase efficiency, and provide a more personalized consumer experience.

Digital transformation is based on the premise that digital tools, such as ERP solutions, may improve every area of a business. In other words, these technologies can help firms improve their processes and culture to stay competitive and relevant.

You can gain the following advantages by traveling in this direction:

- Increased client satisfaction
- useful data
- Inventiveness has all improved.

A highly skilled IT team is at the heart of any successful digital transformation. Assembling this group is becoming more difficult. A workforce shortage is emerging as more businesses embrace new technology.

They lacked knowledge in the following areas:

- Cyber security
- Enterprise architecture Technical architecture
- Advanced data mining

Learning new tools is difficult enough, but adding change aversion to the mix can transform seem impossible.

Fortunately, concentrating on organizational change management can help your company prepare its people for what's ahead. Instead of focusing exclusively on the technical components of digital transformation, create a holistic change management strategy that includes the people who will be directly impacted.

Customer requirements shift with time. In the last year, people have realized how much they can do with their laptops and cellphones. As a result, customers are more demanding and fussy than they've ever been. For example, check-out items such as Touches are no longer optional extras. They're growing more common by the day. Rather than assuming you know what technologies your clients want, we recommend undertaking market research. You'll be able to see what customers want and what your competitors are doing to compete for their business.

Digital transformation is more than a slogan in the absence of a properly defined strategy. Despite this, it is widely used without being defined. This allows firms to plan in rough waters, knowing they must move but not knowing where they will go. Digital transformation will not be able to get off the ground until you have a strategy in place. Budgetary Issues are another problem that arises when you lack a defined strategy in the inability to create and stick to a budget. It's easy to experience scope creep as you respond to modification requests and changing customer needs. You're more likely to make decisions that bring little or no benefit while also increasing your budget and timeline if you don't

have a plan in place. Looking at your transformation's long-term goals and applying these milestones to construct a realistic project plan is something I propose. You'll need a solid understanding of both the digital solutions you're implementing and the culture into which they'll be integrated to accomplish this. Processes in the workplace that are inefficient do your current business procedures support your company's planned growth? Is your current strategy up to the task of helping you achieve your long-term business goals?

If not, you may need to adjust processes, business rules, and data usage in new ways than when your legacy systems were first implemented. One such example is reengineering company procedures [45].

3.2. Analysis of the effectiveness of the proposed improvements in foreign markets

The Disney company in china has a no brand loyalty, Disney is bolstering its strategy among Chinese consumers by beginning operations for theme parks in China the company has made significant investments to gain market shares by licensing its standard cartoon images, such as the Mickey Mouse and Disney Princess series, by opening a chain of English Learning Centers in major cities to respond to increased demand for English language instruction, and by opening a theme park in Shanghai. Even though the company's access to the Chinese market has improved over time, consumer loyalty does not appear to have increased when compared to the United States, where Disney is seen as a symbol of a culture that nurtures generations via memorable experiences. One of Disney's strengths is brand loyalty; it entails not just producing enjoyment through magical experiences, but also developing creativity and providing it through innovation so that experiences can be shared across generations. To ensure loyalty, Disney has carefully balanced a blend of nostalgia and the utilization of present technologies as well as new media. Disney has used a range of techniques to

win customers in China.

These options are external strategic components in Disney's industrial environment that lead to increased revenue in the company's global entertainment division, media, and amusement park operations. Disneyland's operations income can be boosted by expansion opportunities, for example. The following prospects are among the most important managerial issues in expanding The Walt Disney Company:

- Technological progress
- Expansion across a wide range of industries
- Emerging market development

By incorporating new technologies, the Walt Disney Company has the opportunity to strengthen its global business. At amusement parks and resorts, for example, digital technology solutions can improve corporate efficiency and output quality. Disney company has external factors of growth in opportunities to extend the company's diversification and corresponding management initiatives. In this aspect, developing market expansion is an external strategy factor that allows the firm to expand its activities, for example, market penetration in the media sector.

Disneyland Paris is without a doubt one of Europe's most well-known entertainment destinations. With Walt Disney attached to it, no surprise that the theme park is Europe's most popular tourist attraction. Because the company has achieved subsidiary, France has obtained a significant competitive edge in the European entertainment industry market in a relatively short period. The cultural components of Disneyland Paris are critical to comprehending the commercial issue. The analysis, which is based on consumer feedback and comparisons with other big French leisure agencies, emphasizes the importance of socioeconomic and cultural issues in the context of international business. Disney marketers separate the market at Disney Land Paris using the advertisement business, the entertainment industry, and the Disney Brand Products Development. Disney marketers succeed in satisfying everyone in a market

since not everyone enjoys the same product.

Disney's digital technologies have progressed faster than any other invention in history, reaching nearly half of the world's population in less than two decades and transforming society. By enhancing connectivity, financial inclusion, trade access, and access to public services, technology may be a big equalizer.

AI-enabled Disney's frontier technologies are assisting in the saving of lives, the identification of illnesses, and extending life expectancy in the health business, for example. Virtual learning environments and distance learning in education have allowed students who would otherwise be excluded to participate in programs.

The technology employed in advertising and delivery of important products offered to customers has changed at Disney Land Paris. The laws of the advertising industry have evolved, as has the competitive market's access to clients. Innovative advertising strategies, such as electronic advertising, are becoming increasingly important. The Disney company now has to compete with other major companies in the digital entertainment market.

- Because robots are faster, stronger, more exact, and more consistent than humans, they have drastically enhanced productivity on assembly lines in the automobile industry.

- Big data analytics, cloud computing, and the Internet of Things are all being revolutionized by the integration of new sensors, paving the way for self-driving productivity-boosting technologies.

- Breakdowns of automated maintenance which is scheduling made possible by new sensors, artificial intelligence, and machine-to-machine communications.

- 3D printing eliminates the need for assembly in some manufacturing steps by printing pre-assembled systems.

Digital transformation strategy is essential in current technology and multinational business for digital strategy and transformation. A substantial change is typically

followed by a company's transition. This is because technology is not the most significant factor. It's also critical to have a smart digital transformation strategy that aligns with the company's specific strategy. The digital transformation strategy is the foundation for digital technology at a company level. It is concerned with identifying individual success criteria and prioritizing activities. It is always worthwhile to design a digital transformation strategy, even if it is tough. The following are some of them:

- Customer experience: cutting-edge technologies can help improve the customer experience. Customer retention and loyalty are critical in this situation.
- Employees: Technological advancement improves not only the client experience but also the employee experience. Increased productivity and teamwork benefit employees in particular, while extra skill development boosts employee happiness.
- Data analysis: When it comes to digital transformation, having a solid IT strategy is essential. Existing data analysis provides amazing insights into the existing state of the firm. At the same time, it can be utilized to set company goals for the future.

Digital transformation methodologies are important parts of current software solutions, but they aren't the only thing on the minds of digital transformation platform strategists. On the other side, the interaction of hardware, software, and the network helps the organization achieve the best possible alignment. Whatever the company's goals are, the items outlined below are critical components of the digital transformation strategy [46].

CONCLUSIONS

In conclusion, having looked at the overall development of the impact of digitalization on the economy through migration and the society also the development of The Walt Disney Company in examining the company's economic activities using the financial reports from 2019 to 2021. This thesis aimed to analyze how the development of The Walt Disney Company and the impact of digitalization on the economy has become a framework for international business. The goal of this research was to have a better knowledge of digitalization and its influence on international economic relations and the Walt Disney Company. After completing the work, it is possible to conclude that the goal of the project was met by completing all of the tasks. The theoretical and methodological basis for defining digitalization was explored in the first section, by recognizing at least 10 ten distinct meanings and analyzing which definition is most suitable. By delving into the matter of the impact of digitalization on the economy, migration, and society. Digitalization on migration was discussed in the administration of jobs, housing, and documents when relocating to another country.

The second chapter discussed the economic and digitalization analysis of the activity of the Walt Disney Company the framework was the review of the Walt Disney company history, local and foreign economic activities, china and France's technological strategic SWOT, and PESTLE analysis for development in international business was analyzed. Some general comparison calculation was made in table 2.2.1 a comparison of earnings per share.

The third chapter discusses the ways of enhancement in a media conglomerate and its development in digitalization, with the recommendations of best ways for upgrading digitalization in local and foreign markets.

The terms "migration" and "digitalization" have become interchangeable terms. Migrants look for information online, governments look into new technology to better manage migration, and academics investigate new data sources to gain a better

understanding of migration dynamics and the future of migration. Digitalization brings with it new possibilities, but it also presents new questions regarding data security, privacy, and ethics. Digitalization is changing the migration industry at a breakneck speed.

The influence of digitalization on the economy, migration, and society has resulted in increased productivity and production across all sectors, with employment losses in manufacturing and financial services offset by gains in retail and hospitality. Mobile technology may be of great assistance in a variety of areas of social and economic growth. Wireless communications increase information availability, enhance financial access, reduce geographic barriers, and boost market access. Highly skilled migrants make significant contributions to technological innovation and research and development in destination nations, particularly in high-income countries. Migrants and diaspora communities play a major role in transferring technology from destination to origin nations.

The Walt Disney company's overall economic condition is not positive as a result of the epidemic the media network is now the company's sole revenue growth segment; Disney can continue to explore the development of this module in the long run to diversify revenue channels. The consolidated financial statement for Disney from 2019 to 2021 showed that due to the pandemic sales were high in some years and low in other years.

The Walt Disney company recognized that there need a non-cash gain to increase investments in Draftkings to fair the value.

The most notable aspect of Disney as a century-old firm is its ongoing innovation, which continuously breaks the original underlying model, expands new economic development modules, and combines its advantages with current hot themes, which inspires conventional media. However, Disney's economic model is unique and may not be replicable; for starters, few media businesses have such a massive and long-lasting IP image of influence.

Disney has foreign markets outside of the USA, in China and France; both of these countries have different economic, cultures and technology. Looking at china`s SWOT analysis, the Disneyland location in shanghai which is the economic city in china, Disney Shanghai's strong balance sheet and financial statements can help it to invest in new and diverse projects that can diversify the revenue stream and increase Return on Sales and other metrics.

France Pestle analyzes, based on the location it is in the capital city in France where it attracts tourists from all over the world. France is economically stable.

The internal variables listed in the USA SWOT analysis highlight Disney's strengths in continuing to develop its company and maintain one of the market's top positions. For example, the company's powerful and well-known brand is a significant competitive advantage. However, limitations constrain potential expansion. The inadequate diversity of the firm is an internal strategic issue that hinders new business endeavors in high-growth areas. This SWOT analysis highlights external issues that are impeding the company's growth. To enhance The Walt Disney Company's financial performance, managers must handle the external strategic element of development in new areas, such as via market penetration. Furthermore, modifications in strategy can address difficulties in the entertainment and mass media sectors such as competitiveness and digital content piracy.

The recommendations based on Disney's SWOT analysis are aimed at increasing the company's competitiveness and long-term performance in the worldwide market. Changes in management and strategy must focus on leveraging the company's strengths as internal strategic elements to ensure development despite the company's limitations. These strategies must also address the consequences of threats while capitalizing on opportunities based on external strategic variables in the conglomerate's operating industries.

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APPENDICES

Financial Report of Walt Disney

Annex A

Consolidated Income Statement

US\$ in millions

12 months ended:	Oct 2, 2021	Oct 3, 2020	Sep 28, 2019	Sep 29, 2018	Sep 30, 2017	Oct 1, 2016
Services	61,768	59,265	60,542	50,869	46,843	47,130
Products	5,650	6,123	9,028	8,565	8,294	8,502
Revenues	67,418	65,388	69,570	59,434	55,137	55,632
Cost of services, exclusive of depreciation and amortization	(41,129)	(39,406)	(36,450)	(27,528)	(25,320)	(24,653)
Cost of products, exclusive of depreciation and amortization	(4,002)	(4,474)	(5,568)	(5,198)	(4,986)	(5,340)
Cost of revenues, exclusive of depreciation and amortization	(45,131)	(43,880)	(42,018)	(32,726)	(30,306)	(29,993)
Gross profit	22,287	21,508	27,552	26,708	24,831	25,639
Selling, general, administrative, and other	(13,517)	(12,369)	(11,541)	(8,860)	(8,176)	(8,754)
Depreciation and amortization	(5,111)	(5,345)	(4,160)	(3,011)	(2,782)	(2,527)
Restructuring and impairment charges	(654)	(5,735)	(1,183)	(33)	(98)	(156)
Operating income (loss)	3,005	(1,941)	10,668	14,804	13,775	14,202
DraftKings gain (loss)	(111)	973	—	—	—	—
fuboTV gain	186	—	—	—	—	—
German FTA gain	126	—	—	—	—	—
Endemol Shine gain	—	65	—	—	—	—
Hulu gain	—	—	4,794	—	—	—
Insurance recoveries (settlements) related to legal matters	—	—	46	38	(177)	—

Charge for the extinguishment of a portion of the debt originally assumed in the TFCF acquisition	—	—	(511)	—	—	—
Gain on sale of real estate, property rights, and other	—	—	28	560	—	—
Gain related to the acquisition of BAMTech	—	—	—	3	255	—
Other income, net	201	1,038	4,357	601	78	—
Interest expense	(1,546)	(1,647)	(1,246)	(682)	(507)	(354)
Interest income, investment income and other	140	156	268	108	122	94
Interest expense, net	(1,406)	(1,491)	(978)	(574)	(385)	(260)
Equity in the income (loss) of investees	761	651	(103)	(102)	320	926
Income (loss) from continuing operations before income taxes	2,561	(1,743)	13,944	14,729	13,788	14,868
Income taxes on continuing operations	(25)	(699)	(3,031)	(1,663)	(4,422)	(5,078)
Net income (loss) from continuing operations	2,536	(2,442)	10,913	13,066	9,366	9,790
Income (loss) from discontinued operations, net of income tax (expense) benefit	(29)	(32)	671	—	—	—
Net income (loss)	2,507	(2,474)	11,584	13,066	9,366	9,790
Net income attributable to noncontrolling and redeemable noncontrolling interests	(512)	(390)	(530)	(468)	(386)	(399)
Net income (loss) attributable to The Walt Disney Company (Disney)	1,995	(2,864)	11,054	12,598	8,980	9,391