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A Strategic Analysis of Marvel Entertainment, LLC.

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ABSTRACT

The following thesis presents a strategic study of Marvel Entertainment, LLC. The company will be referred to as "Marvel" across several places for the ease of the analysis. Three strategic blocks are depicted in the study. It begins with thorough information on Marvel's present strategic position, as well as an examination of the current market, environment, and industry in which the firm operates. Second, strategic choices based on the company's resources and capabilities will be addressed shortly. Finally, examples of strategic activities will be presented. The final block is an assessment of Marvel's implemented strategy and whether the projected goals have been met.

Key Words: Marvel, Strategy, Entertainment Industry, MCU, Movies, Comics

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1 MARVEL ENTERTAINMENT, LLC

Marvel Entertainment, LLC (previously Marvel Enterprises) is an American entertainment corporation based in New York City, New York, that was formed in June 1998 when Marvel Entertainment Group and ToyBiz merged. It is one of the most well-known companies in the field of character-based entertainment. The corporation is a wholly-owned subsidiary of The Walt Disney Company and is most known for its Marvel Comics and Cinematic Universe.

Marvel has reinvented the franchise film, in part by striking the proper balance between generating innovative movies and maintaining enough persistency to make them all seem like they are part of a big harmonious family.

The company's portfolio is divided into three market categories: comics, tv shows and movies. As it will be seen in the following chapters, Marvel is enriching its offering including more products in any of the three categories. Global lines are centralized; therefore, they are administered from the US headquarters, which is also in charge of strategy and product development.

Over the years, the firm has entered into a number of collaborations with a variety of companies across different industries. Marvel has distribution agreements with Sony Pictures (for Spider-Man films) and Universal Pictures (for any future Hulk films produced by Marvel Studios). Theme park licensing agreements with IMG Worlds of Adventure and Universal Parks & Resorts. In addition to its cooperation with Universal Parks & Resorts, Marvel's characters and trademarks that have appeared at Disney Parks.

Marvel is distinguished from its competition by its twenty-two-film franchise, which have grossed over \$17 billion, more than any other film franchise in history. At the same time, they have an 84% approval rating on Rotten Tomatoes (compared to 68 % for the top 15 grossing franchises) and an average of 64 nominations and awards for each film.

1.1 Stakeholders

Tens of millions of fans across the globe are dedicated to Marvel franchise. They are vital players for Marvel because their power is enormous. “Super fans”, Victoria Alonso as the executive vice president of physical production for Marvel Studios calls them, are a macro-

group which is divided by age and geography but there is no specific diversification of products for this macro group other than putting some “easter eggs” for them in the movies and tv shows. To keep customers satisfied, Marvel regularly views the comments of fans to understand how people are incorporating Marvel Universe into their lives beyond the traditional movie going and consuming merchandise.

Marvel Entertainment was bought for \$4 billion by The Walt Disney Company in 2009, and it has been a limited liability company (LLC) since then. Marvel Studios has been primarily reported as part of Disney's Consumer Products segment for financial reporting purposes since its reorganization from Marvel Entertainment to Walt Disney Studios.

In addition to being a parent company, the Walt Disney Company is also a distributor. On Disney+, you may watch shows like Loki, Hawkeye, and WandaVision. Daredevil, Jessica Jones, and Luke Cage are now available on Netflix, but they will soon be transferred to Disney+ and streamed with the other Marvel franchise television programs. Original Marvel merchandise is available for purchase in Disney stores both online and on-site. Comics, on the other hand, can be purchased through the Marvel website, Disney's platforms, and local comic book shops. As a result, The Walt Disney Company must be "rewarded" for the money invested in the company's success. Marvel will have to live up to Disney's expectations by making strategic moves that will be scrutinized in further sections of the analysis.

The board of directors, which includes Isaac Perlmutter (Chairman), Dan Buckley (President), Joe Quesada (Creative Director), and Kevin Feige (Chief Creative Officer), are very important figures to be kept informed as they make major decisions. As a result, a significant amount of attention must be focused on them.

The personnel of Marvel are the ones who make the company's aims a reality. Employees of Marvel Studios (subsidiary of Marvel Entertainment), in particular, are the driving force behind the company's success. They must be kept pleased in terms of salary and rights, as well as labor unions that represent their interests, in order to maintain good production.

2 INDUSTRY OVERVIEW

This chapter of the study will begin with an overview of the entertainment industry, followed by a more in-depth examination utilizing the PESTEL framework, which employs six criteria to identify macro-environmental factors as these elements are the vector of the company's long-term growth prospects. It shows both market and non-market conditions. As a result, it's crucial to figure out what kind of influence those circumstances might have on the business.

The study on the industry will be followed by Porter's Five Forces analysis, which provides for a better knowledge of the sector in terms of its attractiveness and the amount of rivalry, which is closely linked to the company's profitability. The comic book, media and film industries will be the emphasis of this section. Each area will be investigated independently in order to acquire a thorough understanding of these three sectors in which Marvel operates.

2.1 Origins of Entertainment

The term "entertainment" refers to any activity that engages and entertains an audience while also providing pleasure and delight. It could be an idea or a task, but it's more likely to be one of the actions or events that have evolved through thousands of years to maintain an audience's attention.

Modern entertainment dates back to the early 1800s, when the theater was the most popular form of entertainment. Actors would play on makeshift theaters as they traveled between towns and cities. Vaudeville, a form of variety entertainment that blends music, comedy, and dancing, was also popular at the time. The very first movie theater appeared in 1905, while radio and television broadcasts began in 1920 and 1939, respectively. Video games, home theaters, large-budget blockbuster films, portable music players, smartphones for learning about new content on the move, and satellite technology for television transmissions were just a few of the developments that occurred during 70s, 80s and 90s.

Today, the entertainment industry is more widely present than it has ever been. Given people's ability to enjoy video games, TV shows, and movies on their own 180-inch giant HDTV screen with theater-quality sound and an interactive gaming system at home, it is not surprising.

2.2 PESTEL Framework

This phase examines the outermost layer of an organization, the macro-environment, which is made up of numerous environmental elements that affect many organizations, businesses, and sectors to some degree or another. When constructing an acceptable strategy for Marvel, ongoing technical progress and industry-specific trends must be highly considered.

Regulations and policies enacted by the government that may hinder or enhance a company's performance. Not just global business firms, but also companies like Marvel, rely heavily on political concerns in their investment decisions. As a significant American firm, Marvel is influenced by decisions made by the United States Congress and Capitol. For the past 20 years, the United States government has worked to strengthen intellectual property rights (IP). Such success figures like Iron Man, Captain America, and Thor are among the 8,000 characters represented by the company. Until the financial crisis that the company faced in the mid 1990s, the concept of licensing was not taken too seriously by the firm.

In 2005, the firm no longer wished to license its characters to other studios. The objective was to be able to fund its own films. In 2007, Marvel Studios secured a seven-year funding with Merrill Lynch on the company's intellectual property. After producing some individual movies and the success that came with those caught the Walt Disney Company's attention, and soon after Marvel became its subsidiary.

The Walt Disney Company spent millions of dollars securing trademarks and copyrights to protect its intellectual property. As a result, it generated noticeable opportunities for limiting Marvel's intellectual property infringement and enforcing copyright laws worldwide. As a result, they are safeguarding themselves against a non-sanctioned cash stream.

The potential attractiveness of a market is directly influenced by the economic characteristics of a country and region. While guaranteeing the copyrights of their significant firms, the US government made trade policies that may pose a threat to Marvel. The United States and China, the world's two largest economies, are currently engaged in a trade war. During his presidency, Donald Trump accused China of unfair trade practices and intellectual property theft. Thus, the US placed \$360 billion in tariffs on Chinese goods. As a result, intensifying this trade war could put Marvel in jeopardy. For example, the pace of inflation may have an impact on the demand for Marvel merchandise. Higher inflation may force Marvel to increase prices in lockstep with

inflation, resulting in poorer brand loyalty and persistent cost-cutting efforts. In these circumstances, Cost-Based Pricing may be a poor technique.

Furthermore, on economical factors, greater GDP growth rate indicates that the economy is experiencing increased demand. Marvel may take advantage of this trend by expanding its product line and focusing on new markets. One place to begin is to track changes in consumer purchasing behavior and emerging value propositions.

The social patterns of the industry in which the company operates have a direct impact on the strategy. Before entering the market, demographic trends, gender composition, educational level, attitude, and societal norms of the population of a country where they will undertake activities must all be considered. Because of these social elements, Marvel may be able to draw new customers to their dedicated fan group or lose some of the existing ones.

Technological factors play a huge role since the entertainment industry and technology are inextricably linked. The media sector is dominated by technology, from black and white television to multicolored images. It has changed the way items are made, how they are priced, and how they are distributed. The increasing use of digital media has compelled businesses all over the world to invest more in technology advancement and fundamental strategies. The growing usage of technology is changing the way content is created.

When it comes to developing visual effects in films, Marvel benefits greatly from sophisticated technologies. With each new addition to its movie sequel, technological developments in their films are immediately discernible. In addition to improved graphics in movies, growing use of technology contributes to the ability to produce more movies with high quality effects, which is critical given the hyper fictitious nature of the Marvel universe, and the ability to appeal to a wider audience as the storyline becomes more diverse with the growing number of films produced by the firm. Furthermore, better utilization of visual effects allows viewers to feel immersed in the Marvel universe when watching a Marvel film. The plot appeals to both younger and older client segments, owing to the company's ability to generate more visually appealing films while remaining true to the original comic story.

Technology has an impact on the comic book industry as well. In this market, digital technology is being more widely adopted, and it is playing an increasingly important role in the growth of

comic content consumption. This is due to readers being able to access their favorite comics from anywhere globally, thanks to digital technology. Furthermore, the growing number of smartphone ownership is anticipated to boost digital comics consumption.

Covid-19 pandemic as an environmental issue resulted in financial losses and forced the studio to postpone the distribution of films such as Black Widow and Shang-Chi and the Legend of the Ten Rings that were scheduled to be released at the start of and during the pandemic.

Strict laws and regulations that are indicated in the industry are among the legal factors. Companies have the right to purchase copyrights and patents to safeguard their content, and infringement can result in hefty fines. Lastly, imaginary characters may have a harmful influence on viewers and because of that the entertainment sector is heavily regulated by the government. The government's strict laws and regulations, such as health and safety regulations, may increase the costs of producing goods, reducing profit margins.

2.3 Five Forces Framework

The focus here is on the industry and sector layers, including central actors such as competitors, consumers or clients, and suppliers who influence an organization's long-term survival and success.

In 2020, the global comic book market was worth \$ 8.49 billion. During the period 2021-2028, the market is expected to develop at a compound annual growth rate of 4.8%, reaching \$12.81 billion in 2028. In 2020, Asia Pacific had the largest market share in this business, valued at \$4.01 billion. It's to be expected, given the size of Japanese Manga enthusiasts and the region's weighted population over the globe. With a market value of \$1.39 billion, the North American region came in second. As per the distribution of comic store sales in the United States in the fourth quarter of 2021, Marvel led with 31.7% of the shares, followed by DC Comics with 27.1%.

Manga and Western comics share a considerable portion of the same readership. They do, however, differ to a significant degree. Mangas, rather than being a direct competitor to superhero comics, can be considered as a distinct genre of comics. As a result, DC Comics becomes the most significant competitor of Marvel Comics in this area.

In the American comic book business, the rivalry is fierce, as the substitutes offer almost the exact same products to their customers so it's critical for the company to come up with unique and creative services since customers are increasingly interested in such cutting-edge innovations. However, in today's world, comic books are a more traditional form of entertainment for "old school" fans, and the company is now concentrating on producing sequel films based on the comics. As a result, simply continuing to print the classics as well as new editions would be a viable option.

When it comes to online streaming services, Disney+, as previously said, broadcasts Marvel television shows, but there is a major rival in this sector, Netflix. Disney+ rivals Netflix in terms of content quality, and its cheaper subscription. Netflix has a strong catalog with frequent content turnover. Disney+ might be thought of as a "playground" for children, Marvel fans, and nostalgics. However, this is where the issue emerges. If you are not a huge Marvel fan but still appreciate the series to some extent, Disney+ might not be the best option for you because Netflix has a wider range of material.

Diehard marvel fans will benefit more from the platform than others. Given that it is attempting to attract a large client segment to its streaming platform, the Walt Disney Company's plan for itself may be a solid one. However, in the case of Marvel, its content only being available on Disney+ may not appeal to as many customers. It's worth noting that Marvel's Daredevil, Jessica Jones, and Luke Cage will soon be transferred from Netflix to Disney+, causing the company to lose some of its viewers.

Regarding movies, American cinema (or Hollywood as it is more generally known) has dominated the global film business for decades. The global film market is somewhat consolidated, with only a few international firms operating. The Walt Disney Company, Time Warner, 21st Century Fox, Comcast, Sony, and Viacom form an oligopoly that dominates Hollywood and the film industry.

As a subsidiary of the Walt Disney Company, Marvel stands to gain a lot from this acquisition, given that the Walt Disney Company is one of the industry giants. Marvel also cooperated with Sony, another major industry player. The film rights to all Spiderman films are owned by Sony. Acquisitions and alliances, on the other hand, will be addressed in the following chapters.

Marvel has 26 films in the top 10 of all-time global box office for action films, with six of them being in the top ten. Spider-Man: No Way Home, which was released in 2021 as a standalone superhero film, dethroned James Cameron's 2009 sci-fi epic Avatar to become the third-highest-grossing film of all time at the domestic box office, with a total of \$760.988 million, behind 2015's Star Wars: The Force Awakens (\$936.6 million) and Avengers: Endgame (\$858.3 million). DC Films as a Warner Bros subsidiary, on the other hand, has ten films in the top 100 global charts, with Aquaman ranking first on the list as a DC produced film in fourteenth place. (See Table 1.)

Table 1.

Rank	Released	Movie	Worldwide Box Office	Domestic Box Office	International Box Office
1	2009	Avatar	\$2,845,899,541	\$760,507,625	\$2,085,391,916
2	2019	Avengers: Endgame	\$2,797,800,564	\$858,373,000	\$1,939,427,564
3	2018	Avengers: Infinity War	\$2,048,359,754	\$678,815,482	\$1,369,544,272
4	2021	Spider-Man: No Way Home	\$1,850,476,678	\$780,418,859	\$1,070,057,819
5	2015	Jurassic World	\$1,669,979,967	\$652,306,625	\$1,017,673,342
6	2015	Furious 7	\$1,516,881,526	\$353,007,020	\$1,163,874,506
7	2012	The Avengers	\$1,515,100,211	\$623,357,910	\$891,742,301
8	2015	Avengers: Age of Ultron	\$1,395,316,979	\$459,005,868	\$936,311,111
9	2018	Black Panther	\$1,336,494,321	\$700,059,566	\$636,434,755
10	2018	Jurassic World: Fallen Kingdom	\$1,308,334,005	\$417,719,760	\$890,614,245
11	2017	The Fate of the Furious	\$1,236,703,796	\$225,764,765	\$1,010,939,031
12	2013	Iron Man 3	\$1,215,392,272	\$408,992,272	\$806,400,000
13	2016	Captain America: Civil War	\$1,151,918,521	\$408,084,349	\$743,834,172
14	2018	Aquaman	\$1,143,758,700	\$335,061,807	\$808,696,893
15	2019	Spider-Man: Far From Home	\$1,132,532,832	\$390,532,085	\$742,000,747

Despite the fierce competition in the action film industry, Marvel has a stronghold on the global box office with its sequels. However, one concern that arises at this point is whether the company can maintain its current level of success by simply continuing with its sequel production.

Threat of new entries into the industry is quite low. All comic book, online streaming and movie industries have significant entrance costs. In general, the entertainment business requires a substantial amount of capital since companies that provide entertainment services have higher start-up costs, which include legal fees, marketing expenses, distribution fees, and license fees.

Though, the development of internet-based platforms has been perceived as lowering the barriers to entry in the business, as the start-up expenses of an internet company are lower than when physical assets and location penetration were required for content distribution. Another important aspect is the level of competition among the major market players, which makes newcomers hesitant to enter the market. In addition, the media industry's technology and patterns evolve on a constant basis, which is modified by market competitors. Gaining a competitive advantage would necessitate provider agreements, capital expenditure, and networking, all of which would be difficult for newcomers to follow.

The market's risk of alternatives is at an all-time high. The firm is competing against a slew of competitors who provide comparable services. The gap in domestic shares between Marvel Comics and DC Comics is not significant in the comic book industry. They practically provide the same service, but with different story lines, and the more enticing plot is purely a matter of personal preference. In terms of online streaming services, Disney+ is attempting to cater to superhero fans with Marvel series, while Netflix is developing a large amount of material to appeal to every type of customer. In the realm of films, as shown in Table 1, Marvel is a dominant force in the action picture market. In the film industry, there will always be alternatives. However, in Marvel's situation, this isn't a major issue.

Moreover, suppliers have a lot of negotiating power in the marketplace. This is due to the limited number of companies that generate movies, comic books and original online content streaming. Another thing to consider is that technology-based products increase reliance on suppliers. In this scenario, Marvel is heavily reliant on the Walt Disney Company in general, as well as Sony for Spiderman films.

Finally, the industry's dynamics give consumers a lot of bargaining power. Clients can explore different providers due to the low cost of switching. Furthermore, increased customer demand, particularly in the action movie industry and online streaming platforms, increases customers' negotiating leverage because they are the driving force behind the sales and play a significant role in the popularity of a movie or comic book considering that none of the entertainment products are true client needs, and they are consumed to satisfy their desires. In the case of Marvel, it's critical since the company's 22-movie franchise has established a passionate fan base and increased the desire for more.

3 RESOURCES AND CAPABILITIES

The focus of this section of the study will be on Marvel's resources and competencies, as these factors contribute to a company's long-term survival and, potentially, its competitive advantage. While resources are important, how an organization uses and deploys them is vitally valuable.

VRIO Analysis will be conducted as it uses four aspects (value, rarity, imitability and being organized to exploit) to evaluate a firm's capabilities and resources to see how competitive the firm is and whether its advantages are sustainable. Understanding this section is essential as the competition in the industries in which Marvel operates is exceptionally high.

3.1 VRIO Analysis

The most fundamental point is to be valuable. Resources and capabilities need to address opportunities and threats that arise in an organization's environment. This points to an important complementarity with the external environment of an organization. Using a resource and capability that do not exploit opportunities or neutralize threats does not create value and even risks decreasing revenues and increasing costs.

The parent company's support is a huge asset. Given that the company works in multiple highly competitive markets, it may pose a threat to the company's sustainable growth. Marvel highly benefits from the Walt Disney Company's global brand value, operational presence, financial resources, and strategic alliances as a subsidiary. The firm operates through Disney's media outlets, parks, experiences, and goods, as well as studio entertainment. Competition will find it exceedingly difficult to mimic the company's distribution network. This has been gradually evolved throughout the years. If competitors want to copy a comparable distribution system, they'll have to invest heavily.

Marvel has a good business model since it taps into a variety of markets in the international entertainment and media industry. Characters from the firm are licensed for a variety of uses and applications. It makes it easier to use characters in entertainment projects and a wide range of consumer products. It's not uncommon, however, because the corporation competes with companies like DC Entertainment, DreamWorks Animation, LLC, and others that possess intellectual property rights to their characters. The company licenses its characters for usage in shopping malls, theme parks, special events, movies, and other venues. In addition, the

company creates and publishes comic books. Through its online networks, the company also sells merchandise. As a result of this business approach, it is less vulnerable to market swings. The company's market position, however, is contingent on its ability to obtain the previously discussed patents. The company's competitive position and financial condition could be jeopardized if it fails to safeguard its patent rights.

Marvel places a great deal of emphasis on their brand identity. It gives the firm a competitive advantage over its competitors while also recruiting and keeping a loyal consumer base. Around the course of 75 years, the firm has amassed a character library of over 8.000 fictional characters who have appeared in various media.

4 STRATEGY ANALYSIS

With the information obtained from previous chapters and extra data added in this chapter, Marvel's strategy will be assessed in four realms in this final section of the analysis. The emphasis will be on the movie sector covering the comic book and streaming platforms to some extent, with some comparisons to its competitors. The data acquired by Harvard Business Review's research of the 22 film sequels will be extremely relevant in the analysis. At the end, strategic evaluation will be carried out using SAF analysis.

4.1 Talent Acquisition

In movies, who you recruit has a significant impact on the final product. "The strongest predictor of future performance is prior performance," as the adage goes. Marvel Studios defies this rule in a bizarre way: when selecting directors, the studio hunts for experience in a field in which it lacks competence.

Only one of the 15 Marvel Cinematic Universe (MCU) filmmakers had prior experience with superhero films: Joss Whedon, who had helped write the scenerio for the movie X-Men and had developed a critically acclaimed comic book arc for Marvel. They were experts in other genres, such as Shakespeare, horror, spy, and humor. They were frequently from the indie scene. They were able to offer a distinct vision and tone to each film as a result of their experience: Thor: The Dark World is a Shakespearean adaptation, Ant-Man is a heist film, Captain America: The Winter Soldier is an espionage drama, and Guardians of the Galaxy is a

joyous space opera. Furthermore, the majority of the filmmakers were accustomed to dealing with limited resources as their pre-MCU film budgets were roughly a seventh of what their MCU budgets were.

Iron Man (2008), Marvel Studios' debut film, was a double gamble on Favreau as director and Robert Downey Jr. as the starring actor. Favreau came from a modest but critically praised indie film background, with films like *Swingers*, *Elf*, and *Zathura: A Space Adventure*. He was well-known for his ability to create compelling characters and witty banter.

He had no prior experience working on blockbuster superhero action films, which are known for their stunning visual effects. Downey had shown himself as a superb actor, maybe most memorably in Chaplin. However, the combination was successful. "Tony Stark is constructed from the persona Downey has fashioned through many movies: irreverent, funny, self-deprecating, wise-cracking," said film critic Roger Ebert of the experience side of the equation.

Marvel has taken similar decisions with its other films. James Gunn, who had previously made a name for himself with low-budget horror films, directed *Guardians of the Galaxy*. Gunn cast Chris Pratt, the self-described "pet big guy" from *Parks and Recreation*, as a superhero and based the film around 1970s music. *Thor: Ragnarok* was directed by Taika Waititi, who came from a background in quirky humor and character studies and had no prior experience with the superhero genre. He set the new film apart from the original two Thor films, using a sizzle reel with Led Zeppelin's "Immigrant Song" as a backdrop. "[Waititi], arriving with a résumé of little and lovely indies, launches one of Marvel's blandest characters on a candy-colored interstellar adventure," wrote the New York Post critic.

Marvel Studios gives directors a lot of power, especially in areas where they've worked before. Favreau, Gunn, and Waititi all talk of being given unexpected creative freedom and support. At the same time, Marvel retains tight control over the film's blockbuster elements, giving detailed instructions on special effects and logistics. The partnership works for both parties: between their previous picture and their MCU feature, directors' Rotten Tomatoes ratings increased by an average of 18% points.

4.2 Building the Marvel Cinematic Universe and the Plot

In film franchises, universe building is the process of creating a shared storyline across numerous films and mediums, allowing the series to release individual films with a complete plot without supplying "recaps" for all prior or parallel events in the fictitious universe.

The concept of universe building was already a notion utilized by Star Wars and Star Trek franchises. In addition, DC Entertainment already had superheroes like Batman and Superman on the scene. Sony and Fox Entertainment had purchased Marvel's popular characters Spiderman and the X-Men for their use in independent films. With a proprietary library of over 8,000 characters, Marvel focused on lesser-known characters like Thor, Iron Man, and Captain America at the start of the Marvel Cinematic Universe (MCU). These characters were not nearly as well-known as they are now.

Marvel took a calculated approach, employing each superhero film as a building brick in the creation of a multi-franchise cinematic universe that connects all of the superhero story arcs together in one engaging story instead of the one movie at a time method adopted by the previous serieses. MCU gained numerous intrinsically positive features as a result of this. Marvel's audience has grown fond of its peculiarities. Gags that span numerous films, familiar characters, one-liners, and easter eggs have all become standard in Marvel films.

Marvel has two audiences to appeal to: comic book fans and non-comic book fans. The company has drawn on its nearly 60 years of source material to not only bring the best of their storylines into their films, but also to offer nostalgia to the legendarily loyal and obsessive fanboys and girls, as the characters were not created from the ground up. The dialogue was occasionally lifted directly from the comics.

Marvel realized that in order to attract new blood, these films would have to be approachable to fans who were unfamiliar with the comics' established world. As a result, shortly after *The Avengers* was released, Marvel produced *Volume 4 of Hawkeye* to capitalize on the character's role in the film and to keep Hawkeye in the public eye. In addition, Marvel released the *Marvel NOW*, *Guardians of the Galaxy* comic book series around the same time as the *Guardians of the Galaxy* casting announcements. Finally, right before the release of *Thor* and *Captain America: The First Avenger*, Marvel published *Fear Itself*, a series of comics focusing on *Thor*, *Captain America*, and *Iron Man*.

DC's characters were far more popular than Marvel's Thor, Iron Man, and Captain America. DC, on the other hand, attempted to catch up by releasing ensemble movies with Batman and Superman without giving the other heroes proper origin stories. This was a tactical decision that turned out to be a strategic miscalculation, costing DC a string of disappointing big-budget blockbusters such as Suicide Squad and Justice League.

Marvel keeps a tiny number of people from one film to the next in order to balance the new talent, voices, and ideas it brings to each one. Marvel can build consistency across products and create an appealing ecosystem for new talent because to the stability they bring.

According to Harvard Business Reviews' examinations, there is an overlap across movies in the core creative group's staff with an overlap in the entire crew and found that the core had substantially more. On average, around 25% of a core group overlaps from one film to the next, and the entire team has a 14% overlap. Predictably, movies in a series have more core-group overlap: For instance, it was 68% from Captain America: The Winter Soldier to Captain America: Civil War, and 55% from Iron Man to Iron Man 2.

Because it has a gravitational influence, a stable core encourages rejuvenation. People who aren't part of the core are eager to join. Superhero movies, for example, were once thought to be the sentence of death for actors with great aesthetic goals. Gwyneth Paltrow, Anthony Hopkins, Forest Whitaker, and Lupita Nyong'o, all Oscar winners, have all appeared in the MCU.

Even those who may have had a bad experience with Marvel appear to be willing to working with them again. Zak Penn, a well-known screenwriter, is a good example. When he was hired to write the script for The Incredible Hulk, he found himself in a battle with the film's star actor, Edward Norton, for screenwriting credits. Penn then spent several years creating a screenplay for The Avengers, only for Whedon to join in the project as director and rebuild it from the ground up. After such encounters, many creatives would refuse to collaborate again.

4.3 Experimental Innovative Differentiation

Organizations are frequently hesitant to discard what made an innovative product successful in the first place. However, all of Marvel Studios' directors have expressed a readiness to let go of the winning ingredients from previous MCU films.

With the first glance, it appears that this is not the case. All MCU films have superheroes, villains, and a third act with climactic battles that frequently rely heavily on CGI effects. Stan Lee, the late writer of many of the original comic books, makes a cameo appearance in each film.

However, a deeper look reveals something more complicated. We are moved by movies because of the tension they create as much as the visual story they tell. Harvard Business Review used a computerized text analysis of each movie's script and a visual analysis of its pictures to better grasp those dimensions. They also looked at the qualities that top critics identified as challenging or rejuvenating the superhero film genre.

According to their script analysis, Marvel movies feature a variety of emotional tones (the balance between positive and negative emotion verbally expressed by the characters). Iron Man 2, for example, has a lot of humor. The following film, Thor, is darker and sadder, as it revolves around Thor disappointing his father and being exiled out of his presence.

Visually, the films again appear to be distinct. Captain America: The Winter Soldier, Guardians of the Galaxy, and Avengers: Age of Ultron are among the most varied. The first and third films take place on Earth, whilst Guardians of the Galaxy is set in space and on other planets.

Furthermore, the films with the highest critical (and audience) scores are those that are considered to be breaking the superhero genre. Critics have regarded The Incredible Hulk and the first two Thor films as "boringly formulaic" and "only fascinating for the youth," with the audience being "hammered with one cliché after another" and an exhausting "visual extravaganza."

Iron Man, on the other hand, was praised by critics for introducing realism and unusual depth and authenticity in the lead character, Guardians of the Galaxy for its refreshing use of 1970s songs and celebration of misfits, Doctor Strange for his artsy visuals and cerebral tone, Spider-Man: Homecoming for welcoming fantasies of neighborhood liability instead of intergalactic ultraviolence, and Black Panther for its social critique and characters with political awareness.

Not only do viewers appear to tolerate Marvel's continuous experimentation, but it has also become an important part of the MCU experience: fans anticipate the next picture in anticipation of something new. Franchises that have stayed true to a winning formula, on the other hand, have problems renewing themselves.

Take, for example, *Star Wars: The Last Jedi*. It received critical accolades for visuals that were dramatically different from those of previous films in the franchise, as well as a willingness to deviate from the previous films' emotional arc. However, long-time fans of the franchise considered these infractions as sacrilege. As a result, over 100,000 people signed a Change.org petition requesting Disney to remove the film from the Star Wars canon. On social media, actors representing some of the new personas have been attacked and tormented. The Star Wars films had followed a pattern that limited the capacity of directors to bring new ideas to the public. Because the franchise's fans weren't looking for something new, trying something fresh resulted in a backlash. The Marvel Cinematic Universe experience demonstrates that franchises benefit from constant experimentation.

4.4 Continuously Increased Customer Demand and Curiosity

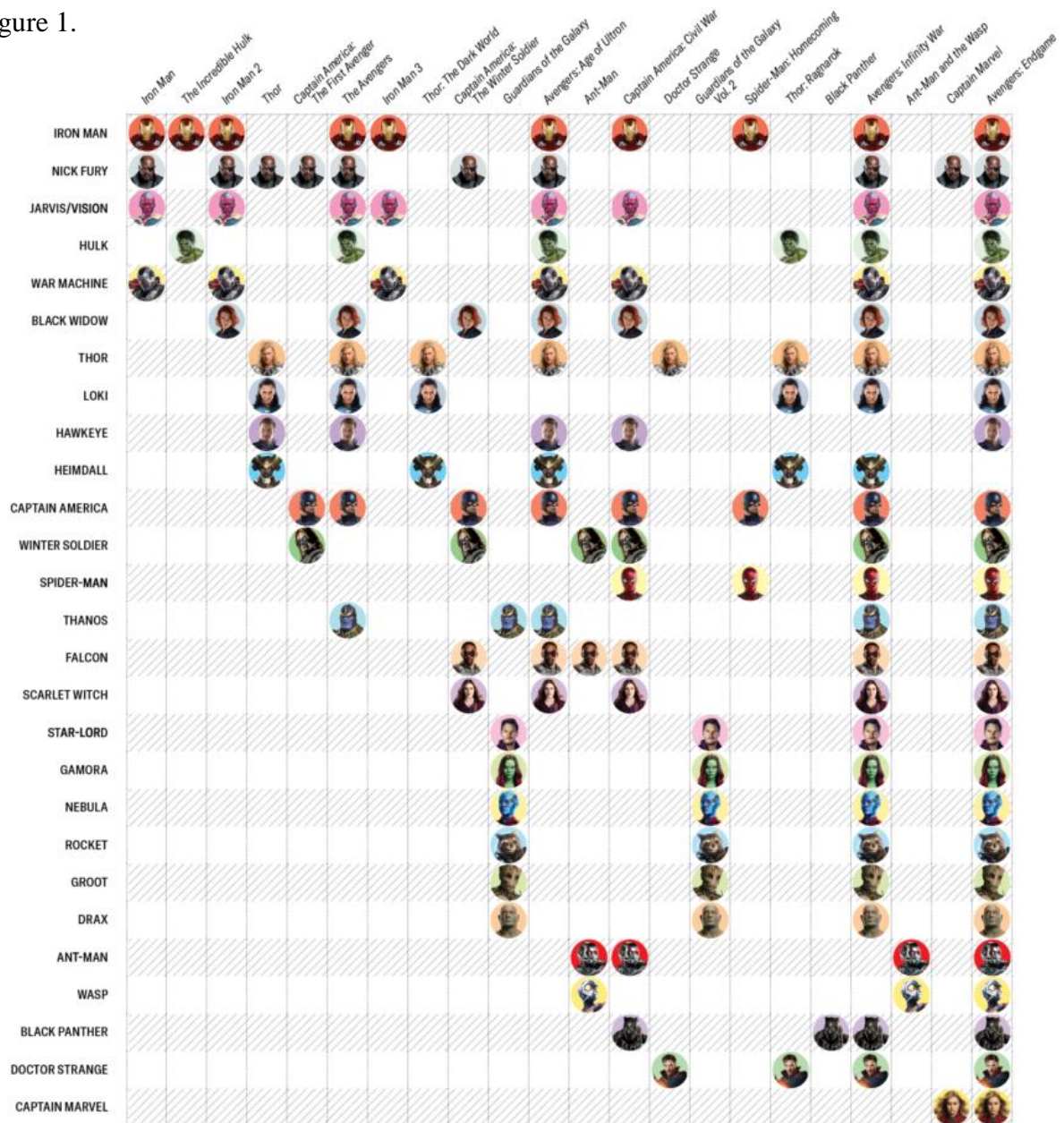
Marvel Studios, at its finest, piques viewers' interest in characters, plotlines, and completely new universes. Its entire universe resembles a puzzle that anyone can crack. People who attend to the movies become active participants in a more extraordinary affair.

Marvel encourages people to be curious in a variety of ways. One way is to use social media interactions to indirectly engage customers as coproducers. This strategy is based on a long Marvel practice of fostering fan communities by inserting letters sections in the back of comic books. The columns allowed fans to act in front of an audience while also allowing creators to respond to fan comments. In keeping with tradition, Favreau and other Marvel directors make a point of using social media to stay in touch with the comic book's dedicated fans, gathering information from chat rooms and message boards.

Marvel develops anticipation for upcoming films by including "Easter eggs" in current releases that hint at a future project without giving too much away about the plot. The classic post-credits scenes are the most obvious example. The first was featured at the end of *Iron Man*, when S.H.I.E.L.D.'s Nick Fury, played by Samuel L. Jackson, was introduced, hinting at the possibility that *Iron Man* is part of a bigger universe.

The films also have semi-hidden onscreen features and references that only super fans would detect, as well as story threads and character development that span multiple films and merchandise. The Infinity Gauntlet, for example, which appears prominently in the 19th film, can be seen in the background of Thor, the fourth movie. The distribution of significant characters across 22 feature films is seen in Figure 1. The figure depicts a harmony of continuity and regeneration.

Figure 1.



Marvel went above and beyond the bloated Star Wars and Star Trek franchises by incorporating all extra material into its master plan. Instead of having retcons and continuity concerns like Star Wars Legends and Star Trek, Marvel employed its various TV shows like Agents of SHIELD, Loki, and WandaVision to fill out its infinity storyline, taking use of the longer run time available.

Devoted comic book readers will notice a slew of other references, as well as subtle and overt connections to other films, both within and outside the universe. Plenty of blogs and specialized sites cater to die-hard fans who want to get even more involved.

4.5 Strategy Evaluation

The SAF analysis is used to determine if a company's planned strategy addresses the primary opportunities and threats it confronts, if it meets anticipated expectations, and if it actually works in practice. Suitability, Acceptability, and Feasibility are the three factors used in the examination.

The strategy Marvel follows addresses its opportunities quite well. It continues to strengthen its position among the general public by expanding their content generation and other services in order to attract a larger audience, which is in line with the company's need to maintain its market leadership. It engages in differentiating its plot line. Being a full subsidiary of the Walt Disney Company helps the company operate more successfully in motion picture and online streaming markets and preserve a dominant position globally.

The strategies have been recently implemented to differentiate and widen the product portfolio. Shareholders are satisfied with the results of Marvel's operations and the strategy meets their expectations. Turnover rates are satisfactory, indicating that the company's current strategy is working well.

Strategies are feasible from both a financial and from a resources point of view. Furthermore, the acquisitions and innovations increase the feasibility of the strategy in terms of quality and quantity. At no point during the investigation did it appear that the company lacked resources or was having difficulty attracting them. Marvel can count on a strong workforce that require diversified knowledge and "inexperienced experience" for the application of the strategy thanks to the acquisition that the company makes to enrich the set of competences.

5 CONCLUSION

Marvel Entertainment, LLC appears to be functioning very successfully, according to the report. The "infinity arc" (the overall plot) was extensively thought out. The company has complete control over its cinematic universe thanks to the decade-long timeline and strategy. DC Entertainment has not been able to emulate the same level of movie success. Even with the complete availability of its beloved characters like Batman, Superman, and Wonder Woman.

The majority of methods for sustaining creativity and innovation center on either creating a culture or following a procedure. Those approaches are helpful, but they overlook one important fact: in many cases, a successful product imposes limits on what comes next.

The four Marvel Cinematic Universe realms will aid the firm in breaking free from those restrictions, but they must be used in tandem. Marvel has movies planned out until 2028, and it is this forethought that allows them to succeed.

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