

# CANADIAN BUSINESS

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## **MIGHTY MOUSE - Disney teaches how to be loved.**

The Walt Disney Co. was built on the back of a certain mouse and the Magic Kingdom, but its future success depends on much more. Since 2005, the company has expanded to include the animated magic of Pixar, Marvel's superpowers and, in late 2012, Lucasfilm's Star Wars universe. That's a lot of movies, toys and theme-park-ride potential. These acquisitions have helped the company grow revenues from \$32 billion in 2005 to \$42 billion last year. But Disney's ability to translate its businesses into something consumers love and trust goes well beyond its beloved cast of characters.

Reputation Institute director Rob Jekielek says the key to Disney's success is how it delivers its products and services. "They as a company have a lot of direct touch-points with people, whether that's the movies and toys, or the theme parks and vacations," he says. "There are a lot of visceral experiences that have a lot of high emotional potential, and delivering really consistently across the board is a huge standout factor for them."

It's this consistency that allows it to quickly rebound from missteps. The blockbuster flop John Carter cost the company \$200 million in 2012, but two months later came the year's top-grossing film, *The Avengers*.

This is no accident. Sure, having the creative might to have more than one blockbuster bet on the table plays a role, but it's Disney's almost fanatical obsession with delivering a positive experience that allows it to rebound so effectively. A consumer-centric approach has been baked into its corporate culture from the beginning. Doug Lipp, author of *Disney U: How Disney University Develops the World's Most Engaged, Loyal, and Customer-centric Employees*, says it started with Mr. Disney himself. One story Lipp tells comes from a former director at the company's training centre. "He said Walt Disney got on the Jungle Cruise one day and was upset because the ride operators weren't acting surprised when the hippos jumped out of the water," says Lipp. "Disney said, 'We've invested millions of dollars in the audio animatronic figures, the boats, costumes, soundtrack and all the other stuff for this, but it's no good if the skipper of the boat is just yawning his way through it all—I want my crew members to be as surprised as my guests even though they've seen it 5,000 times this summer.' What does that cost to improve that ride? Nothing, but it had a significant impact."

The company's staff training and professional development strategies have been so successful that the Disney Institute now acts as a consultant to others, including Canada's own Tim Hortons. Over the past year, General Motors sent more than 2,300 of its Chevy dealers to Disney Institute training sessions in Orlando, Fla., and Anaheim, Calif.

Lipp says one of its defining factors is how the company is just as vigilant in making its employees' experience as consistent with the Disney philosophy as the customers'. "If in training all they talked about was teamwork, smiling and picking up the trash, but once you got to your job cast members were snarling at each other and everybody ignored the garbage and talked in disparaging tones about the guests, that would undermine all this fancy stuff," says Lipp. "It's about the philosophy and the heart. And if it isn't reflected in the reality of your company's operations, it's worthless."

