Research on the Optimizing Analysis of WarnerMedia's Industry Value Chain

Zeyu Li(✉)

College of Literature and Journalism, Sichuan University, Chengdu 610000, China
2018141043176@alu.scu.edu.cn

Abstract. Through mergers and acquisitions, Warner Media has gradually formed an industrial value chain with film and television works as the core driving force. However, although WarnerMedia has created countless brilliance, it is still at a disadvantage in the competition with international media groups such as Disney, Amazon, and Comcast. Therefore, this study aims to analyze how to improve WarnerMedia's industrial value chain and enhance its market competitiveness according to WarnerMedia's group composition, competitors, and current shortcomings, and how to make use of existing resources and film and television IP to become the industry leader in the future and give optimization suggestions on the industrial value chain. In the research, research methods such as survey method, case analysis, and comparative analysis are mainly used. The industry leader Disney is used as the main case for analysis by investigating the relevant data of film and television works. Then WarnerMedia and its main competitors in different fields are horizontally analyzed. Through comparative analysis, we found various shortcomings of WarnerMedia in the industry value chain. This paper suggested reorganizing the superhero series of movies, using the Chinese mainland market as a breakthrough point, investing more efforts in the streaming media market, and maximize the value of IP through theme parks, etc. This research can enable WarnerMedia's current services to gain more users and benefits, further improve WarnerMedia's industrial value chain.

Keywords: Global media · Industrial value chain · WarnerMedia · Media group

1 Introduction

1.1 Research Background

In April 2022, AT&T-owned WarnerMedia and Discovery Communications officially completed a $43 billion merger to create a new media and entertainment company called Warner Bros. Discovery. The new company, which has two streaming platforms, HBO Max and Discovery+, will leverage its strong group assets and diversified business model to provide consumers with a differentiation. By offering a full-scale content portfolio across film, TV, and streaming, Warner Bros. Discovery thus competes with Netflix, Amazon Prime Video, and Disney+ for the streaming market.

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In the context of the global industrial integration, WarnerMedia has gradually achieved successful technological and industrial integration through a series of mergers and acquisitions, creating a complete and highly interoperable business ecosystem, formed a cross-media, cross-industry and cross-regional diversified management. Step by step, it has won a more favorable position in today's media competition. For example, Warner Bros. provides rich content for cable channels while gaining a broad distribution channel, while HBO also produces low-budget films, sometimes in theaters first. And WarnerMedia's film companies have their own websites, providing customers with various services with film resources, such as online movies, music, cartoons, games, effectively promoting and promoting the film. The company's films will be based on the good books of the era, at the same time, the release of books will be promoted through the strong appeal of the film. And the music in the film will not be separated from the careful production and packaging of the record company, those excellent musics in the films will greatly enhance the film's quality. Besides, the screening of movies will drive the popularity of musical works; the stars in cartoon movies will promote the sales of cartoon toys and drive the development of the game industry; the scenes, characters, and plots in movies can be also used to create theme parks so that movie resources can be taken advantage of.

However, although WarnerMedia now has AT&T as a backer and has formed a strong cooperative alliance with other companies, it has still misjudged and executed some wrong strategic decisions. For example, when WarnerMedia and Discovery Media cooperated and established Warner Bros. Discovery, their goal was to build a super streaming service platform that integrates entertainment and news and then competed with streaming giants such as Netflix, Amazon, and Disney. However, just a week before the cooperation, it launched CNN+. which was the streaming version of CNN, obviously does not match the strategic direction of WarnerMedia. As a result, CNN+ announced its shutdown on April 30 just a month later, making it perhaps the shortest-lived streaming service platform in history. At the same time, to bring CNN+ online, WarnerMedia has invested nearly 300 million US dollars and plans to invest much more money to enrich related services of it in the next few months to years. However, when CNN+ was launched, its daily new users were only about 10,000. Although it has always been difficult for traditional news media to transform into streaming media, there are many successful cases in the industry. For example, Fox News Network, CNN's old rival, has successfully transformed the subscription service Fox Nation into a streaming media business. The current number of subscribers has stabilized at over one million. It can be seen that the failure of CNN+ has an inseparable relationship with WarnerMedia's wrong decision at a critical moment.

Therefore, this research aims to study how to improve WarnerMedia's industrial value chain and enhance its market competitiveness according to WarnerMedia's group composition, competitors, and current shortcomings, and provide guidance on how to utilize its abundant resources and intellectual properties, so as to provide some optimal suggestions from the perspective of the industrial value chain for it to become the leader among its competitors in the future.

1.2 Literature Review

Chinese scholar Laifeng analyzed the development and evolution of WarnerMedia from the perspective of the industrial value chain, taking into account the changes in public media needs, the emergence of new technologies and emerging alternative products, and the strong competitors of WarnerMedia such as Netflix, Amazon, and YouTube. He comprehensively reveals the essence of the merger and reorganization of the media industry, especially the media industry in the digital communication era;

Chinese scholars Han Xiaoning and Yang Yi sorted out WarnerMedia's past financial data and business measures, focusing on four strategic directions of WarnerMedia in the new era: high-quality content strategy, digital leadership strategy, internationalization strategy and capital-efficient operation strategy, and analyzing the corresponding measures.

Liu took Disney's IP-based ecological empire construction as an example and analyzes how Disney has been taking the brand value as its long-term appeal and using a series of online distribution channels, offline stores, parks, games, peripheral consumer goods to maximize the brand value and form its unique IP ecology.

Taking "Harry Potter" as an example, Zhao analyzed how to maximize the brand value and maximize the value conversion from products to commodities for literary works relying on large media groups. Besides, she pointed out that the story's universality is also the key to whether a series of stories can form an industry value chain and be successful in addition to the branding of the entire value industry chain.

1.3 Research Gap

Judging from the existing relevant research and literature, most scholars are still based on the macro-perspective of learning from the successful ones. On the contrary, few scholars research its strategic flaws and deficiencies or give relevant optimization suggestions.

1.4 Research Framework

First of all, based on a macro perspective, the research will summarize and analyze the development status and challenges of the media industry in the post-epidemic era.

Secondly, this paper will summarize the recent acquisitions, mergers, acquisitions, and cooperation projects of WarnerMedia, and conduct a vertical analysis of its existing advantages and disadvantages based on its existing communication strategies, marketing strategies to establish a well-developed industrial value chain.

Thirdly, this article will select WarnerMedia's main competitors, such as Amazon, Disney, Netflix, etc. And count the relevant data of itself and its competitors, analyze their respective development status, strategic direction, advantages and disadvantages.

Finally, based on the analysis of the macro industry background, combined with those vertical and horizontal comparative analysis above, the optimization direction of Warner Media's industrial value chain will be concluded. Specifically, related improvement measures and suggestions are given from a micro perspective.

2 Methods

2.1 Survey Method

Survey method refers to the research method of obtaining relevant materials and statistics directly through investigation, understanding of the objective situation, and analyzing these statistics and materials. In this paper, by analyzing the box office of Marvel and DC in the mainland China market, it will find out the significance of the Chinese market and design specific strategies for WarnerMeida to obtain more users and benefits to lay a solid foundation for its future development.

2.2 Case Study

Case analysis is a scientific method that conducts thorough and careful research on representative things to obtain a general understanding. This paper will choose WarnerMedia and analyze its representative failure cases of in the past few years to draw relevant experience and avoid repeating the same mistakes in the future. At the same time, the successful cases of WarnerMedia's main competitors will be selected for analysis to provide reference and imitative experiences to optimize WarnerMedia's industrial value chain in the coming decades.

2.3 Comparative Analysis

Comparative analysis method is an analysis method that compares two or more objects to find out the similarities and differences between or among them. This paper will choose WarnerMedia's competitors as the research object, such as Disney, Amazon, and Netflix. By comparing the competition strategies among WarnerMedia and its competitors in different fields, the advantages and disadvantages of WarnerMedia at present will be summarized, so as to make targeted thinking and innovation for the optimization of WarnerMedia's future industrial value chain.

3 Results

3.1 Concepts Related to the Industrial Value Chain

When the analysis object of the value chain theory changes from a specific enterprise to the whole industry, the industrial value chain thinking is formed. Each component of the industrial value chain is interlinked, restricted and interdependent, and each link is composed of a large number of similar enterprises. The exchange of a large amount of information, material, and capital is a process of increasing value. At the same time, the industrial value chain is intertwined, often showing a multi-level network structure. In the new competitive environment, the competition in the industry is not only the competition among individual enterprises, the competition is actually among one industry value chain and others, and even the competition among one enterprise cluster and others [1].

Since its birth, the media industry has always been a development-oriented industry with "organization" as its core development. However, in today's highly mature and popularized Internet applications, with the strong stimulus after the epidemic outbreak, the "individual" has become more prominent than ever. Individuals' content, dissemination, and influence value have been magnified unprecedentedly. However, for this "magnification", it is obvious that human beings are not fully prepared. In the post-epidemic era, how to guide, manage and standardize the "individual media industry" will become an important issue. And large media groups like WarnerMedia are typical representatives of countless "individual media industries" cohesive. The competition among WarnerMedia, Disney, Amazon, and other peers has also become a competition among multiple industrial value chains [2].

3.2 WarnerMedia vs Disney

Disney is the world's largest entertainment media company. Founded in 1926, it has created many vivid animated images, such as Mickey Mouse and Snow White. It is also committed to creating high-quality entertainment experiences, which has been being a leading diversified and international family. Disney has formed a complete media ecology, including film and television entertainment, the media network, theme park, consumer goods, and interactive entertainment around its intellectual properties. Its industrial value chain layout has highly completed: in the field of film and television, Disney, Pixar, Marvel, Lucas; in the field of game, it has Playdom, which is the world's third largest SNS; in the field of radio and television, it has American television broadcaster, cable network operator ESPN; Disney publishing in the publishing industry; HULU in the Internet field; and in the field of offline channel, it has Disney theme parks. In comparison, other media groups do not have such a comprehensive layout. News Corp, Viacom, and WarnerMedia all lack games and theme parks, Comcast lacks book publishing, and Sony lacks broadcast channels. Therefore, Disney can be described as the most complete and typical representative in constructing the industrial value chain [3].

In contrast to the development history of WarnerMedia's companies, Warner Bros. made a fortune in film production. The company entered the entertainment industry through acquisitions of distribution, production, recording, cable TV, and a small number of video game industries, theme parks, and other industries, including Turner Radio and Television Network. Starting from the advertising industry, it has formed a famous brand by acquiring a series of radio stations and TV stations. By integrating these horizontal and vertical diversified industrial chains, WarnerMedia has formed various aspects from raw material supply to user development, product manufacturing, distribution, and sales. It has become a media giant that has taken over the industry and has an industrial value chain with a high degree of integrity. After Time Warner was acquired by AT&T and changed its name to WarnerMedia, each of WarnerMedia's subsidiaries has a stronger resource background. At the same time, it also provides a better way to maximize the commercial value of its intellectual property—the basics [4].

But now, WarnerMedia does not seem to have a firm advantage in the competition among the various media giants. One of WarnerMedia's main market competitors, Disney, has a better, stronger, more advanced and more complete industrial value chain layout, which can be described as a real industry leader. Its current marketing strategies seem to have strong momentum to expand its leading edge further [5].

When it comes to movies, the Hollywood box-office crown has been firmly held by Disney since 2016. In 2018, Disney earned a total of $7.3254 billion worldwide, accounting for 14.2% of the global market. In 2019, just one “Avengers 4” brought Disney nearly $2.8 billion in box office revenue. After completing the acquisition of Fox, Disney’s global share has reached 22% based on 2018 data. Ten years ago, Disney bought Marvel for $4 billion, and a decade later, Disney earned more than $18.2 billion at the global box office from Marvel Studios. This is almost a new level of commercial superhero film for Marvel Studios, but not the full height of Disney’s ambitions.

At the box office, Disney has few competitors. “Make a movie and make money instantly” seems to be the business’s supreme law and ultimate victory. However, during the awards season, Disney’s status in the arena is not respected by the bigwigs of the academy. Oscar’s taste has always been tricky, it naturally hates “popcorn”, and often prefers some “small but beautiful” films. However, Fox, acquired by Disney, still won four Oscars with the guidance of its “Searchlight” company. It can be seen that at the film level, Disney is the absolute biggest winner of this era, both from a commercial and artistic point of view, as well as from a box office and honor point of view. Through the success of film and television, Disney has driven the benefits of the entire industry value chain step by step and has continuously accumulated into today’s business empire.

However, WarnerMedia has also had numerous blockbuster series with excellent box office and reputation, such as the “Lord of the Rings” series, “Harry Potter” series, “The Matrix” series, and other film and television works, each series has an indelible contribution and role in the history of world cinema. Also, “Superman”, “Batman” and “Joker” in the superhero series have won lots of honors. These superhero films have accompanied the growth of countless people, conveyed positive energy, and provided people of different ages with spiritual healing or behavioral guidance, many characters in these movies have also become the firm belief in the hearts of its loyal fans. At the same time, Warner Media also has an industrial value chain that is well-established and capable of self-hematopoiesis. Its subsidiaries, from movies, music, and news, to today’s streaming media, are all over the links that a complete industrial value chain should have. However, WarnerMedia, which controls a huge media empire, has been unable to achieve Disney’s current dominance through the success of previous film works and establishing a strong industrial value chain like Disney. The main reason is that WarnerMedia’s ability to develop and utilize its intellectual properties is far behind Disney’s. In many cases, the films launched by Disney can achieve both artistic and market success, making them have many excellent intellectual properties that are well-known to every household. Taking movies and animations as the source products, it has evolved different industrial links such as film and television entertainment, theme parks, and consumer products into an interlinked wealth production chain. When it comes to the growth logic of Disney’s IP industry chain and brand, it is roughly from ideas or creativity, to cultural products, such as movies and TV series, to the industry chain, and finally to the formation of a brand. And a big brand can attract more people with creative talents, so that they can generate more ideas. Also, they aim to turn people’s dreams into reality, forming a positive cycle of self-renewal, with strong self-hematopoietic ability [6].

Apart from that, in Disney's entire business structure, retail is not the most important segment. Disney's revenue structure includes four major segments: TV and Internet business, Disneyland resorts, film entertainment, derivatives, and games, with revenue accounting for 44%, 30.8%, 14%, and 11.2%, respectively. It can be seen from the above data that Disney's profits come from the entire cultural industry chain, of which IP has played an absolute role in promoting [5].

Therefore, WarnerMedia needs to maintain the production level of its film and television works at a high level, strengthen the strategic layout of the streaming media market, and maximize the value of its intellectual properties. This way, Warner Media's global industrial value chain can be more complete and have a stronger self-hematopoietic ability like Disney.

4 Discussion

4.1 Reorganization of the Superhero Series of Film and Television Works

Regarding the history and achievements of film production, DC Comics, a subsidiary of WarnerMedia, can be said to be the true pioneer of superhero blockbusters. It has created countless screen classics. However, the superhero movies it launched in recent years seem to be no longer able to continue their proud achievements. The market response to new hero movies such as "Green Lantern" is extremely general. After the highlights of "Wonder Woman", the quality of the sequel also declined sharply. Aside from the blip of Aquaman and the highlight reappearance of the new Batman in 2022, DC has had nothing to rival Marvel in recent years. Now, after years of reserve and foreshadowing, Marvel has won the throne of the global box office through "Avengers 4", creating countless impressive new characters. And DC still has only so few superheroes. The "Justice League", launched in 2017, assembled most box-office appealing characters of DC universe, such as Superman, Batman, Aquaman, Wonder Woman, and the Flash and Cyborg who are about to release their own independent superhero movies in the future, still could not save DC's decline in the past few years, and even disappointed fans seriously, which has also led it to repeatedly remake and reuse these superheroes before the new heroes are widely welcomed and recognized. Although it has a very rich treasure trove of superheroes, it is still faced with the dilemma that it has no cards to play and has no choice but to live off its old characters. This seems to be the same question that Marvel Comics once faced in the early 2000s when Marvel had no representative works other than Spider-Man. Today, the development gap between the two companies has become very obvious.

However, the reason why the DC superhero series has been criticized in recent years is not because of the lack of its heroic characters. The deeper reason lies in its lack of a long-term and stable plan for creating superhero movie content, DC's superhero movie content creation layout is difficult to continue to promote. After the "Marvel Cinematic Universe" plan was launched, it was gradually pulled away and coupled with the disagreement of internal stakeholders and frequent scandals. This series of reasons makes the development of DC superhero movies very bumpy and questionable.

The future direction of the DC Superhero universe, one of WarnerMedia's most lucrative, high-profile, and influential intellectual properties, will largely determine the reputation and interests of the entire WarnerMedia. If they don't regroup and try their best to fight for this superhero market, WarnerMedia will be left farther away in the competition with Disney and other media giants. The situation where DC and Marvel are competing for hegemony will also completely evolve into Marvel's dominance. Therefore, WarnerMedia should solve internal problems as quickly as possible, concentrate resources and experience to reorganize and vigorously develop the DC superhero series, and reproduce the glory of the pioneer of superhero blockbusters. Especially after the acquisition by AT&T, DC Entertainment has stronger financial resources, richer publicity resources and channels than ever before. It should take this opportunity to invest more money in the DC superhero series, enable more superheroes, create a more interactive, closely connected and detailed storyline, select better screenwriters, directors, and actors. If WarnerMedia wants to beat Disney and DC wants to beat Marvel, then they must develop a more long-term and stable production style and plan, do their best to make the DC superhero franchise get a new lease of life.

At the process of reorganizing the DC superhero series and enabling more superheroes who have not yet appeared on the screen, DC's "dark" style, which has long been the most obvious difference from Marvel, will also be its key to future success. Looking at the current market of superhero film and television works, the unique dark style has been being favored by lots of consumers. They are different from the normal state of bright sunshine, family-friendly and no bloody killing in Marvel superhero blockbusters. Instead, they match the life experience and growth background of superheroes by deeply portraying the dark side of humanity, artistically express and elevate the film's theme in the struggle of the heroic characters, the new Batman in 2022 and the upcoming "Black Adam" will continue this dark aesthetic. The same dark superhero style has also been a big hit in one of the most popular TV series this year, the "The Boys". It broke people's stereotype that superheroes always represent justice and protection. At the same time, with the wonderful storyline and character creation, it has gained a high degree of attention.

On the other hand, Disney's core goal is to produce "family-friendly" films, and television works with common global values for all ages. Warner Bros.'s dark-style superhero blockbuster is aimed at a more limited audience. It requires the audience to have a certain aesthetic foundation, artistic attainments and dialectical thinking ability to more completely accept, understand, and feel the connotation of the film. This leads to a certain production risk in the dark-style DC film. Therefore, in addition to making long-term movie plans like Marvel, DC can also try to divide the "dark series" into the whole superhero series as a specific product that differentiates it from its competitors. It not only launched a series of superhero movies that represent absolute justice and are oriented to all ages, like "Wonder Woman", but also launched a dark-style movie that shaped the villain hero like "Joker". While the two complementary parts go hand in hand, ensuring each line's careful integration and details is also necessary. When the storyline is gradually enriched in the future, and the heroes of justice and evil are all on the stage, DC can further explore the combination of the various storylines and create a hero assembly blockbuster with DC characteristics that truly belong to itself. At that time, it will be a super-complex and evenly-matched struggle between light and darkness, full of unique highlights, rather than the fragmentation and suspense presented by Marvel's "Justice League".

4.2 Use the Chinese Mainland Market as a Breakthrough Point for the Reorganization of the Superhero Series

In 2019, Marvel's "Captain Marvel" became the last superhero film and television work released in mainland China. The reason is that Marvel has repeatedly included politically sensitive plots involving the history of the Chinese nation in "Shang Qi", "The Eternals" and "Doctor Strange 3". This has also led to the failure of many Marvel superhero movies, including "Spider-Man 3", to be approved for release in the mainland Chinese market. Although an internal Marvel spokesperson said: "We can survive well without the Chinese market." However, from the data point of view, the Chinese mainland market has made a huge contribution to the box office of superhero films and television works. And in the huge entertainment consumer market with a population of 1.4 billion, other commercial values derived from films and television works are even more incalculable. Table 1 shows that the mainland Chinese market has contributed a huge share of the main Marvel superhero film and television works in the past ten years.

Now, with the release of Marvel superhero movies being banned in the Chinese mainland market, this part of the market share that should belong to Marvel has been in an unclaimed state, so that there has been a huge vacancy in the superhero market in mainland China. No matter who originally had more fans and paid more attention on this land, the Chinese mainland film market has shown a greater demand for superhero movies than ever before. For DC, which has been fighting Marvel for a long time, it has no competitors in this land at this moment. This is undoubtedly the best time to grab more market share of superhero movies and market share of consumer products derived from film and television. At the same time, it is also the perfect time to use the revamped superhero movies to reshape the reputation and status of the DC superhero franchise among fans. Regardless of whether Marvel movies can resume in mainland China in the future, the box office revenue, word-of-mouth revenue, and derivative consumer goods revenue contributed by the mainland Chinese market at this stage will make DC Universe more competitive in the future [7].

4.3 Put More Effort into the Streaming Market

In the post-pandemic era, WarnerMedia should invest more in streaming platforms. The epidemic has caused heavy damage to the offline industry, but it has also brought new development space to the online industry. Comcast's NBC Universal, AT&T's WarnerMedia, ViacomCBS, Discovery, and other traditional media companies have launched streaming video services during the pandemic. Driven by the stay-at-home order, hundreds of millions of subscribers poured into major streaming platforms, causing a surge in subscription services on this market. However, as the COVID-19 outbreak was controlled, western countries gradually began to ease travel restrictions, and some theaters began to reopen. This means the disappearance of dividends for the streaming media giants who have benefited from the epidemic.

Table 1. Box office of the main Marvel superhero film and television works in the past ten years

Movies	Release Date	Worldwide Box Office (100m $)	Mainland China Box Office (100m $)	Mainland China's share of the whole global box office	Mainland China Box Office Ranking Among All Markets
The Avengers	2012	15.18	0.86	3.6%	2
Thor 2	2013	6.44	0.55	8.5%	2
Iron Man 3	2013	12.14	1.21	9.9%	2
Captain America 2	2014	7.14	1.15	16.1%	2
Guardians of the Galaxy	2014	7.73	0.86	11.1%	2
The Avengers 2	2015	14.02	2.40	17.1%	2
Ant-Man	2015	5.19	1.05	20.2%	2
Captain America 3	2016	11.53	1.80	15.6%	2
Doctor Strange	2016	6.77	1.09	16.1%	2
Thor 3	2017	8.54	1.12	13.1%	2
Guardians of the Galaxy 2	2017	8.63	1.00	11.5%	2
Spider man	2017	8.80	1.16	13.2%	2
Black Panther	2018	13.47	1.05	7.8%	2
Ant-Man 2	2018	6.22	1.21	19.5%	2
The Avengers 3	2018	20.48	3.59	17.5%	2
The Avengers 4	2019	27.97	6.29	22.6%	2
Spider man 2	2019	11.31	1.98	17.5%	2
Captain Marvel	2019	11.28	1.54	13.6%	2

The streaming wars are generally seen as a competition for data between large global traditional media companies such as Disney, Comcast, AT&T (the parent company of WarnerMedia) and the Internet video platforms like Netflix and Amazon. There are similar video content products respectively, such as movies, TV series, live news, sports programs, etc. However, as more and more video content floods the Internet, the lines between traditional media companies and social media such as TikTok, YouTube, and

Instagram are blurring. Although there are still differences between them in the form of user-generated content (UGC) and professionally-generated content (PGC), free payment, content duration, etc., and use this as a selling point to attract users. However, TikTok's change of extending the 60-s video limit to the 180s is enough to show that these differences are bound to dissipate over time. Based on this product upgrade, TikTok users will create higher-quality, more entertaining, story-based content for the platform, which will further shorten the distance between TikTok and traditional media. "While consumers and industry executives still see cable and streaming video services as 'television' and platforms like TikTok, Facebook and Instagram as 'social media', they're really the same thing," according to Kobe, founder of 43Twenty, a strategic consulting and digital marketing firm for the streaming video industry, "the meaning of TV, social media, these labels is diminishing every day [8].

Last year, Netflix listed TikTok as a competitor for the first time. TikTok started out as a platform for user-generated content, but with its fragmented short videos, modern interface, and amazing algorithms, TikTok has quickly become a top player in the social media game. When tens of thousands of creators create content through TikTok, become influential self-media people and even make huge profits, there is a business crossover between TikTok and Netflix, and the competition between them begins. It also means that competition between TikTok and other platforms offering streaming services is also quietly unfolding, and WarnerMedia is among them.

As traditional media companies pivot their businesses to streaming, TikTok, Instagram and YouTube become closer competitors to traditional media, and competitors that don't have enough content or global scale have begun to consolidate. AT&T's decision to merge WarnerMedia with Discovery and Amazon's $8.5 billion acquisition of MGM are the latest two examples. In April 2022, Discovery and WarnerMedia officially completed their cooperation to create a new media entertainment company called "Warner Bros. Discovery". WarnerMedia should take this opportunity to expand the content coverage of HBO Max and Discovery+ vigorously, take advantage of its rich group assets and diversified business models to provide consumers with a differentiated and full-form content product portfolio across movies, TV, and streaming media. Thus, so that it can compete with traditional media streaming platforms such as Netflix, Amazon Prime Video, and Disney+, as well as social media platforms such as TikTok and Facebook, which are rapidly entering the market. The success of streaming market will largely determine the perfection of WarnerMedia's future industrial value chain and the direction of its interests [8].

4.4 Maximize the Value of Intellectual Properties (IP) by Building More Theme Parks

The Walt Disney Company was founded in Los Angeles in 1955. Its business is to integrate theme parks, movies, and commodity sales, making full use of cultural resources for re-creation, then create products such as theme parks, derivative consumer goods, audio-visual products, musicals, etc., so that it can transform their cultural resources into cultural capital and realize added value. Disneyland not only brings considerable economic benefits, but also becomes an iconic brand of the United States and a symbol of

American culture. It is a role model for the global cultural tourism industry, which provides the best experience and inspiration for the integration and development of culture and tourism [9].

Theme parks, experiences, and entertainment products are the direct derivatives of Disney's film and television content. They are also an important part of Disney's film and television products to achieve global dissemination, which were once the main source of income for Disney. Disney has deployed theme parks and experiential products worldwide, attracting people of all ages from all over the world to consume. They are not only maximizing the extension of the value chain of content products, expanding the consumer population, but also improving its content products' influence and brand image, it can be described as achieve many things at one stroke.

Disneyland adheres to the business philosophy of "giving visitors joy", which is an extension of its content product and core value. It has built an imaginative, tactile, and joyful entertainment kingdom together with Disney's films and TV series on the screen. Disney theme parks provide a variety of "joy", but the cartoon image of Disney's film and television programs are its core and top priority. It is the basis for creating "joy" for tourists and provides the core of value and touch for the "joy" experience. The image of the theme park, in turn, is concretized into a touchable physical play item in the theme park. The cartoon image and the theme park can be said to complement each other and promote each other.

In 2019, the number of visitors to Disney's theme parks worldwide reached 253 million, of which the number of visitors to the Disneyland in United States reached 20.96 million, ranking first in the world, the number of visitors to Tokyo Disneyland in Japan was 17.91 million, Shanghai Disneyland was 11.21 million. In 2020, despite the impact of the COVID-19 outbreak, the business generated $16.5 billion in revenue. By the end of 2021, Disney has built 12 theme parks in Florida, California, Paris, Hong Kong, and Shanghai, and nine resorts in Tokyo and other places. In addition, Disney has also mobilized its park business and built 5 Disney cruise ships, 2 of which are under construction. Disney's second-quarter fiscal 2022 earnings report shows that the most rapid recovery is in theme parks, experiences, and products, which account for about 33% of Disney's total revenue.

In addition to Disney, Universal Studios, a subsidiary of Comcast, has also deployed in Hollywood, Orlando, Sentosa, Singapore, Osaka, Japan, and Beijing, China. Although its influence and attention are not as great as the overlord Disneyland, it may be the only theme park in the world that can be in the first echelon with Disneyland, far ahead of other media groups, including Warner Brothers Theme Park, which belongs to WanerMedia.

Compared with Disney and Comcast, WarnerMedia has opened only the Warner Bros theme park in Abu Dhabi, UAE. In the face of many well-known film and television intellectual properties under the group, Disneyland and Universal Studios have become the main profit sources of their respective groups. WarnerMedia's lag in the layout of theme parks has caused it to lose the value extension ability of its abundant content products [10].

With the slowdown of the epidemic prevention and control policies in various countries, WarnerMedia can build theme parks in more developed cities and international tourist cities worldwide. It will not only cater to the excess entertainment needs and desires of people in the early post-epidemic era, but also integrate movies, music, magazines, books, games, streaming media, and other content through theme parks, which gives WarnerMedia more chances and spaces to continue to excavate the value of well-known intellectual properties, such as the previous DC superhero series, Harry Potter series, Lord of the Rings series, and Inception series. At the same time, it will also lay a better distribution foundation for new films to be released in the future. With the rapid deployment of Disney, Netflix, and even TikTok and Facebook in the online streaming media market, WarnerMedia needs to try other fields to compete with the major media giants for market share. To further improve its industrial value chain layout and obtain more long-term and stable income in the next decade or even decades, offline theme parks have become an area for which WarnerMedia has to strive [11].

5 Conclusion

5.1 Conclusion of Key Findings

Through the comparison among WarnerMedia, Disney and other large international media groups, it can be found that although they each have a relatively complete industrial value chain, on the basis of film and television works as the core driving force, the quality of Warner Media's film and television works has continued to be sluggish in recent years, internal differences of opinion and frequent scandals, the lack of value extension ability of content products and intellectual properties have become the main reasons why Warner Media is gradually losing its leading edge in the industry. Therefore, WarnerMedia should take a specific market as a breakthrough point, use its rich resources brought by a series of mergers and acquisitions in recent years, introduce more high-quality actors, producers and directors, formulate long-term and meticulous film and television plans, quickly reorganize its superhero series movies and try their best to create high-quality movie series like "The Lord of the Rings", "Harry Potter" and "Inception", covering various types, themes and age groups, so as to provide a steady stream of impetus for the continuous optimization of its industrial value chain. In addition, WarnerMedia should further use the acquisition of other media companies to impact the streaming media market, and build more boutique theme parks around the world to further promote the all-round coverage of its industrial value chain.

5.2 Research Limitations

The limitation of this research is mainly that the research data are mostly second-hand data obtained from movie and box office websites, and the acquisition channels of internal data of related companies are relatively lacking. In addition, although the analysis of Disney, WarnerMedia's biggest competitor, is more detailed, comparisons and analysis of other media groups are relatively inadequate. In the future, first-hand data such as consumers' real feelings can be obtained through questionnaires, interviews, etc., at the same time, the competition and comparative analysis of WarnerMedia and other competitors such as Comcast, Netflix and Amazon in different fields will be further deepened, so as to get more valuable optimization suggestions.

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