

Macro Analysis based on Boston Matrix Analysis

-- Take a Entertainment Company as an Example

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Abstract

19 big report points out that the social principal contradictions of our country the growing demand for a better life for the people and not balance the contradiction between the development of fully, as the "Internet +" and the coming of the era of big data, the domestic market consumption level and structure, consumer demands for cultural enterprises to improve gradually, in the entertainment culture industry in the process of the IP market in succession, The entertainment culture industry has exposed many unbalanced and inadequate development, so it is very important to analyze the entertainment culture industry. In this paper, the limited company of An Entertainment Company is analyzed by Boston matrix, focusing on its existing problems and putting forward future development strategies according to its problems.

Keywords

Boston Matrix Analysis; A Entertainment Company.

1. Boston Matrix Analysis

1.1. Problematic Products in the Field of Mobile Cultural Travel Projects and Animation Derivatives

Problem products are those with low market share but high growth potential that are the starting point for most businesses and have the potential to gain market share, become star products, and eventually become cash cows. It has a small cash balance, unable to meet the needs of rapid business growth.

At the present stage, the market share of mobile cultural travel projects and animation derivatives is low, but the development potential is huge in the future. As long as the investment is increased and the development continues, it is likely to become a star product, or even finally become a cash cow product.

(1) Mobile cultural travel project

Mobile culture and tourism projects are relatively late in development, but they are growing rapidly. A cartoon star entertainment company as A carnival entertainment theme commercial key "mobile" project, is A concentration of amusement facilities, doll tour, catering, derivatives, retail sales in the integration of parent-child interaction and Shared large amusement rides, as the first development of the theme park business, entertainment, A happy world after 3 years of development have A complete business system, Make use of IP and animation flow of theme business to create all kinds of theme activities, and integrate the composite format into the segmented consumption field. The subject business is progressing well. In July 2018, the company signed a strategic cooperation agreement with Mountain Hydrology Park Group, and will join forces with Six Flags Group to create a high-quality immersive theme park with "Super Flying Hero" cartoon image as the theme in Haiyan, Zhejiang province. At present, several

theme park projects are under negotiation. It is expected to become another pillar industry of A Entertainment company.

(2) Animation derivatives

As animation derivatives become the main source of income of animation industry, large space of the derivatives market is open, as a the most profitable part of the animation industry, derivatives based on IP has been pay more and more attention to the core of entertainment industry chain, used to rely on derivatives of big companies are now emphasizes the "ecological" entertainment, Alibaba, Baidu, Tencent, Wanda and various well-known film and television companies have begun to lay out derivatives industry. The scale of animation users is increasing. The value reached 45 billion yuan in 2016. Animation derivatives to animation toys, animation clothing and animation publications, the scale of 2017 than 2016 almost expanded 10 billion yuan, combined with positive factors and the overall situation of industry development, is expected to future animation derivatives industry market size in accordance with the speed of 20%-25% growth. It is estimated that the market size of China's animation derivatives industry will reach nearly 65 billion yuan in 2018, and will reach 100 billion yuan in 2020.

A Entertainment company vigorously develops its own derivative boutique brands. Relying on its own boutique IP, the company launched A series of toys such as "Blowout Racing 3" and "Super Flying Hero 5" in 2018 to promote and sell new plays. In addition to its own IP, it has also cooperated with overseas well-known IP "Peppa Pig" and "Little Hero of Pajamas" to expand product categories through authorization cooperation. Spin-off boutiques broaden their target audience to all ages, directly to mature consumers. With the continuous expansion of China's animation derivatives market and the free derivative boutique brand of A Entertainment Company, the development potential of animation derivatives market is huge.

1.2. Toys and Maternal and Child Products as Well as Children's Films -- "Cash Cow" Products

A "cash cow" product is one that generates a large cash balance and becomes the company's main base. Enterprises should adopt a stable development strategy for them.

(1) Toy sales

Today, A company that started out as A toy still sells half of its toys. The strength of the toy business of A Entertainment Company (mainly including the derivative products related to cartoon images independently created by Pleasant Goat, Big Big Wolf, Super Flying Man, Blowout Speed, Fire Boy King and so on) is attributed to "relying on the product quality strategy and constantly strengthening the product innovation ability". According to reports, during the period of only popular IP Super Flying hero, the new development of toys reached 43 SKU, super flying hero toy products accumulated 150 SKU listed, sales volume accumulated up to 48 million.

In terms of sales channels, on the basis of maintaining the advantages of traditional channels, modern supermarkets have made breakthroughs in channel sales. The international toy sector continues to expand, with subsidiaries set up in Canada, the Netherlands, the United Kingdom, the Middle East and South America to accelerate the development and direct control of local channels. As of March 2018, overseas issuance has covered more than 130 countries and authorized markets in more than 250 countries, and the overseas market continues to maintain a momentum of rapid development.

According to data from China and Abroad Toy.com, as of 2017, toy sales still accounted for the highest proportion of A Entertainment company's current operating income. In 2017, the revenue reached 1.955 billion yuan, accounting for 53.67%, which is the basic business of A Entertainment company.

(2) Maternal and child products

China is ushering in a new baby boom due to the two-child policy. The number of births in China reached 17.86 million in 2016, according to the National Bureau of Statistics. Second, the per capita disposable income of urban and rural residents continued to grow from 2010 to 2017. Income growth has led to increased consumption capacity and a shift in consumption concepts, and more refined child-rearing patterns. Meanwhile, new consumption concepts and consumption patterns for mothers and infants are expanding from first-tier cities to second- and third-tier cities. These are the mother and child consumption demand is another driving force.

A entertainment company timely seize the opportunity to take an important step in the layout of the baby products market - - invested 20 million yuan to establish A wholly-owned subsidiary "Guangzhou A entertainment company baby products Co., LTD." (A entertainment company baby), fully into the baby products market. Through the acquisition of Baby Trend and Dongguan Jinwang, the company expanded the maternal and child products market and overseas markets, and the authorized and infant products business increased 22.15% year-on-year to 104 million yuan in the reporting period. At present, the backstage manufacturing factory Dongguan Jinwang and the sales team in the United States have been well integrated into A Entertainment company's own business management system. Since the acquisition in 2016, Baby Trend has achieved stable performance over the years. As of 2017, the revenue of baby and child products is 869 million yuan, accounting for 23.86%, which is another pillar industry of A Entertainment Company.

(3) Children's films

A entertainment company has A high market position in children's film and television with high profitability, which can create A lot of profits for the company.

According to China's regulations on administration of radio, film and television, every day must be shown on television every 10 minutes of animation (province Taiwan more than 30 minutes), 60% of which must be domestic animation, it urged the development of China's animation industry, especially the development of children's film and television, to say the Chinese children's film and television market contains huge potential. As the main business of A Entertainment Company after its transformation, the operating income of children's film and television was 364,199.97 (ten thousand yuan) from 2004 to 2006. Through international cooperation, gradually improve the company's toys and animation integration ability. Independent development of animation image, clear industrial operation and animation image creation of the combination of development strategy. A entertainment company culture investment production of the animation film "Fire King i " in the country's major TV stations. Opened the era of independent development of animation.

Only if the main children's film business continues to achieve excellent results will it be possible to support the development of other businesses. In order to make children's film and television business more successful, A Entertainment company has A very clear path, establishing the strategy of "IP+ entertainment" and developing VR technology. To some extent, the two-dimensional crowd will be the earliest group of users of virtual reality applications. IP resources of A Entertainment company can be applied to THE VR field to the maximum extent. At present, A Entertainment Company has invested in A number of VR companies, covering hardware, content and technology, and has initially built A complete VR ecosystem.

To sum up, A entertainment company's toys, maternal and child products and children's films have A high market share, which has reached A relatively stable and high level and is difficult to increase significantly. Therefore, A Entertainment company's toys, maternal and child products and children's films are "cash cow" products.

1.3. Game Design and TV Media -- Thin Dog Products

Thin-dog products refer to products and businesses with low market share and low growth rate. These business departments usually break even and can hardly generate enough cash flow to maintain business and market share. Enterprises generally liquidate or implement exit strategy in this field.

The game company invested by A Entertainment company has been in A loss state, so A Entertainment company should reduce its investment in the future and its market share in the game industry will decrease. In terms of user size. In the first half of 2018, the number of game users in China reached 527 million, with A year-on-year growth of 4.0%. With the fading of demographic dividend, the growth rate of users in China's game market will gradually stabilize and reach saturation, which is not conducive to the continued development of A Entertainment company in the game industry.

The TV media business of A Entertainment Company has low market share and growth rate, and can bring low economic benefits to the company.

So, A entertainment's game design and TV media businesses are thin dog products.

1.4. Intelligent Assembly, Smart Home and New Energy Fields -- Problem Products

Problem products are those with low market share but high growth potential that are the starting point for most businesses and have the potential to gain market share, become star products, and eventually become cash cows. It has a small cash balance, unable to meet the needs of rapid business growth.

(1) Intelligent assembly field

Intelligent equipment has become an important strategic direction of national development and one of the pillar industries gree Electric Appliances focuses on. Gree Intelligent Equipment Co., Ltd. was founded in 2013, gree Electric Appliances independent research and development products cover more than 10 fields, such as servo manipulator, industrial robot and CNC machine tools, more than 100 specifications of products.

Gree electric Appliances intelligent equipment system also includes integrated injection molding automation, sheet metal factory automation, processing automation, testing automation, AGV intelligent logistics system, heat exchanger automatic production integration, etc. Gree industrial robot system includes robot body processing, robot assembly plant, and robot reducer processing and other core parts manufacturing. Gree electric Appliances is still expanding its product line of intelligent equipment, and it will be involved in more fields.

From the product revenue composition of Gree Electric Appliances in 2017, intelligent equipment accounted for 1.43% of the total revenue. The proportion of intelligent equipment is significantly higher than 0.15% in 2016. Gree said that intelligent equipment has become one of the pillar industries gree focuses on.

(2) Smart home

Smart home, gree in the annual report says it has intelligent connection, intelligent interaction, intellisense, intelligent cloud platform, intelligent energy management system, six key technologies such as artificial intelligence, a wisdom energy, air, water, wisdom food four management system, improve home security, convenience, comfort, artistry, achieve environmental protection and energy saving living environment. Not only strives to achieve the intelligence of each single product, but also takes the server or home wireless router as the center to connect the whole intelligent household appliances into a complete and intelligent Internet of things system, in order to solve the three core problems of energy, air and water that consumers care most. Gree has independently developed an intelligent cloud platform and deployed multiple cloud service centers around the world to rapidly serve global users. Users

can realize intelligent control of all products and enjoy intelligent services through the "Gree +" APP.

(3) New energy

In terms of new energy, In 2017, Gree focused on product line research and industrial layout. Based on photovoltaic air conditioning products and systems, gree further upgraded energy supply and overall consumption solutions, developed G-IEMS local energy Internet system, and developed g-HIEMS household smart energy management system. G-hiems system realizes a high degree of integration of solar power generation, energy storage, home electricity consumption and electricity sale. It makes full use of solar energy and energy storage during off-peak periods for use in peak periods, and the surplus can be sold to the power grid.

At present, pv air conditioning system customers have covered 22 countries and regions, covering the Middle East, North America, Southeast Asia and other regions, widely used in factories, schools, buildings, farms and other different occasions, in 2017, the main demonstration projects include the World Trade Center project in Phoenix, the United States and the Mosque in Riyadh, Saudi Arabia.

As income levels increase, consumers pay more and more attention to the appearance of the products, fashionable and products of environmental protection, comfort and convenience degree, intelligent household and the green energy field just started, the market share is low, but they are in the future development potential is huge, as long as the increasing investment, continue to develop, is likely to become a star product, and eventually become a cash cow products.

2. Strategy and Implementation Plan of a Entertainment Company

2.1. Develop Brand Private Domain Traffic Value

2.1.1. Continuously Expand the Private Domain Traffic Pool and Improve the Online Liquidity Capacity

A Entertainment company has rich animation IP resources and A large fan base. It should constantly activate its original online members through a series of marketing activities, and continuously attract new members, expand the flow pool of private domain, and provide more fan base for online realization through interactive mini-games of online entertainment, theme discussion salon, and bargain activities of rapid fission spread in cooperation with numerous online e-commerce platforms.

2.1.2. Set up Exclusive Member Clubs to Meet the Social Needs of IP Fans

At present, A Entertainment company has more than 10,000 community members and more than 50,000 fans of the public account. It can build A communication platform based on the derivative content social needs of IP fans, so as to carry out traffic conversion business. To create a one-stop cultural consumption online club integrating animation viewing, toy sales, social networking, distribution and promotion of derivatives. Form the "content + social" member club operation mode, and then play the role of traffic transfer station in the subsequent IP content derivative, advertising cooperation and physical derivative.

2.1.3. Develop the Value of Brand Private Domain Traffic and Carry out Multi-format Transformation

The theme business of A Entertainment Company takes THE IP matrix of A Entertainment Company as the core, and includes multiple business matrices such as theme business authorization, derivative retail, indoor park, large-scale animation theme carnival and so on. A entertainment company should develop the value of brand private domain traffic, further deepen the operation of online clubs, and continue to dig into the value of members. By customizing group purchase preferential packages, providing relevant activity planning, and

increasing online ticket sales, the rights and interests of online members are empowered, so as to transport traffic to various offline businesses in the theme business of A Entertainment Company, carry out Multi-format transformation, realize the flow cycle between business segments, and complement online and offline advantages.

2.2. Universal Content Payment Model

2.2.1. Famous IP Animation Pay to Watch, Providing Steady Cash Flow

The upgrading of entertainment industry, the increase of consumption value and the arrival of user payment era. A entertainment company, "has the need to" cartoon network platform, take the VIP to pay annual fee members and comic two pay mode, while holding A "super fly xia", "pleasant goat", "pig" page, and so on popular IP animation, if implemented users pay to watch it would be A entertainment, the most direct and stable source of income, can provide enterprises with steady cash flow.

2.2.2. Explore New Boutique IP with Payment as the Value Test Orientation

With the formation of users' willingness to pay and habits, more and more people are willing to pay membership fees for access to quality content and experience. Pay-per-view is a more intuitive way to test the value of IP, which can be value-oriented. The revenue sharing that comes with paying to watch at the same time encourages authors to create more quality content that appeals to the masses.

A Entertainment company signed A contract with popular authors through its leading UGC cartoon platform "Youboqi" in China, selected appropriate cartoon images and obtained IP authorization. Again based on A theme commercial entertainment company to IP resources as the core content, the upstream products research and development and production, the middle reaches of broadcast channels and downstream derivatives sales, through games, film and television, literature, etc. The contents of different forms, meet the demand of the diversity of the fans, and the extensive entertainment chain, shaping high-quality goods IP, create new profit point.

2.3. Feature Marketing based on IP Focuses on Traffic + Feelings

2.3.1. Closely Follow the Phenomenon-level Trend of Internet Celebrities and Increase Traffic with Cross-Border Joint Names

(1) Explore the commercial value of the same customers and different industries and develop new consumer groups. Reference "White Rabbit creamy candy and smell library" jointly launched perfume, "Happy tea and holilai" jointly launched new food. At present, the trend of "European bags" and "drinks" is popular. A Entertainment company can launch limited European bags or drinks with the original cartoon images under the joint name of Xicha, Nai Xue's Tea, Le Le Tea and other popular online food brands.

(2) Fast fashion brands co-branded, refer to "Wangtsai Co-branded Fashion brand" to launch hoodwear, KWAS co-branded with Uniqlo, A entertainment company's nine offline IP can co-branded with fashion brand, and explore the fashion gene of its IP by combining ALPHA COLLECTION, its own derivative boutique brand, to examine the core elements of each IP from A new perspective. Give unique artistic style.

2.3.2. Re-develop Boutique IP to Arouse Childhood Feelings

This marketing is targeted at mature customer groups to create emotional transmission and carry out "feelings" marketing. "Pleasant Goat and The Big Big Wolf", "Ghost Street" and other animated series, starting with "Do you remember it?". Carried out topic marketing on weibo, edited memorial videos at station B, and shot a micro film with the theme of recalling childhood.

3. Summary

The main research conclusions of this paper are as follows :(1) as an early listed company in China, A entertainment company has A certain brand effect, so we need to develop the value of brand flow;(2) The upgrading of the entertainment industry and the change of consumption value promote the arrival of the payment era. A Entertainment Company should keep pace with the development of The Times and popularize the content payment mode;(3) In recent years, the development model of A entertainment company has not been determined, and its development fields are extensive, which makes it make many strategic mistakes. It should pay attention to brand image and clear product positioning.(4) At present, the product upgrading speed of A Entertainment Company is slow, which cannot meet the market demand for cultural entertainment. Therefore, A Entertainment Company should launch differentiated products to create diversified experience.

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