

# The Art of War and Strategic Management of Enterprises: Taking Competitive Marketing Strategy as an Example

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**Abstract:** In the context of increasingly fierce market competition, enterprises' strategic management is moving towards a stage of high-quality development. As a guiding ideology, The Art of War's strategic wisdom has important guiding significance for enterprise management. We aim to examine the application of The Art of War in strategic business management, especially for competitive marketing, and provide strategic management proposals that better meet the real needs of enterprises. First, this paper analyzes the integration process of The Art of War and the strategic management of the enterprise. It constructs the theoretical analysis framework of strategic management of enterprise based on The Art of War. This framework explains the operation mechanism of The Art of War and the strategic management of enterprise and discusses how enterprises can achieve high-quality development. In addition, this paper proposes a set of competitive marketing strategies that meet the expected standards, aiming to enhance the competitiveness of enterprises and meet their long-term development needs. This paper argues that integrating the practice of The Art of War with strategic business management can contribute to the high-quality development of enterprises and optimize competitive marketing strategies to meet the needs of enterprises' long-term development.

## 1. Introduction

This research focuses on the importance of strategic management of enterprise and demonstrates that The Art of War provides a new perspective for strategic management of enterprise. The Art of War's strategic ideas, such as "Know yourself and your enemy", apply to the strategic management of modern enterprises. This paper proposes that the application of The Art of War to strategic management is a necessary condition for achieving high-quality development of enterprises, and there are still deficiencies in this regard. Therefore, this paper aims to optimize competitive marketing strategies and solve enterprise problems in market competition by combining The Art of War with modern strategic business management. It covers the construction and application of strategic management techniques based on the art of war and effective response to market competition risks and has theoretical and practical significance.

## 2. The Art of War-Based Concept for Strategic Management of Enterprise

### 2.1 Definition and Scope of Strategic Management of Enterprise

Strategic management of enterprise is a concept developed with modern enterprise management [1]. It reflects the philosophy of the Art of War, emphasizes the strategic direction of enterprises' long-term development, and the strategy of enterprises to deal with the complex market environment since the reform and opening up. However, if we use the standards of Western management theory to construct the definition and essence of strategic management, it is not easy to obtain a unified and generally accepted theoretical framework.

## **2.2 The Information of Strategic Management of Enterprise and Its Characteristic Classification**

### **2.2.1 The Perspective of Strategic Management of Enterprise**

Strategic management of enterprise is an essential measure of enterprise competitiveness, which expresses the strategic intention of enterprises. Scholars define strategic management of enterprise from many angles, including resource allocation, competitive advantage, ability to adapt to environmental changes, and the planning process to achieve enterprise goals. Strategic management of enterprise is forward-looking and purposeful. At the same time, it is a management science aimed at promoting enterprise development. Its activities include market analysis, resource allocation, and risk assessment, which are closely related to the progress of information technology. In addition, information technology makes strategic management of enterprise an essential means to enhance core competitiveness. The main contribution of the strategic theory in the classical management period is the measurement of strategic management of enterprise based on efficiency, which initially focused on management's efficiency [2].

### **2.2.2 The Perspective of Strategic Management of Enterprise Layout**

Compared with the traditional management mode, strategic management of enterprise emphasizes the relationship between internal resources and the external environment and has the characteristics of dynamic adaptation. Although some scholars question that strategic layout is not necessarily directly related to market success, most believe that an enterprise's long-term development can be rationally evaluated through strategic management. From the perspective of strategic management of enterprise layout, some experts put forward a strategic management model with five elements, which provides a comprehensive framework for enterprises to ensure the effective formulation and implementation of strategies. Five key factors of the model include environmental analysis, strategy formulation, strategy implementation, monitoring and evaluation, strategic adjustment, and renewal. The five-factor model provides companies with a comprehensive view from strategy formulation to implementation, helping them to deal appropriately with market competition changes and the external environment. The strategic direction results from the combined influence of a company's internal and external factors. In addition, some scholars summarize strategic management of enterprise into two models: the resource-based model and the market-based model. The former focuses on integrating internal resources, while the latter focuses on external market adaptation, that is, market orientation. Although strategic business management has experienced some failures, it can help enterprises deal with market changes in the long run. Strategic layout has gradually become a consensus in the study and practice of enterprise strategies.

## **2.3 Some Unique Aspects of Strategic Management of Enterprise in the Art of War**

Utilizing The Art of War in technology for strategic management of enterprise demonstrates its distinctive competitive edge. Applying ancient military strategies to contemporary business challenges aims to surpass the constraints of conventional management theories and emerge as an alternative model in research. The core of the framework concerning The Art of War is to ensure that the enterprise strategy can effectively realize the competitive advantage, and its uniqueness is reflected in the following aspects: First, it is to realize competitive advantage effectively. Second, strategic performance must meet professional standards. Third, it is the application of scenario analysis techniques. Fourth, engineers employ quantitative methods to assess the strategic impacts. Fifth, it increases strategic flexibility. Sixth, it has improved market sensitivity, resource integration, strategic adaptability, and forward-looking decision-making. Seventh, The Art of War framework reconstructs the concept and method of strategic management of enterprise through these unique features and provides strategic support for enterprises in the fierce market competition [3].

Many principles and concepts from The Art of War are widely used in modern business management, and they contain many examples of applying The Art of War tactics to market and business environments. Here are some examples. First, the art of war is governed by five constant factors. Sun Tzu stressed that in war, one must carefully consider five factors: (1) The Moral Law, (2)

Heaven, (3) Earth, (4) The Commander, and (5) Method and discipline. In business, it means that companies need to consider their mission and values before developing a strategy. Whether the company's mission is aligned with market policies and consumer needs to enable the company to appropriately respond to and manage uncertain market risks and changes in consumer demand; they are not afraid of any distress (Moral Law), market environment (Heaven and Earth), leadership (The Commander), and organizational structure and management systems and processes (Method and discipline). Second, it is necessary to know yourself and your enemy. For business management, the principle of "Know the enemy and know yourself, and you can fight a hundred battles without defeat" in The Art of War is to deeply understand your enterprises (including advantages and disadvantages), competitors, and market environment. It helps companies develop effective strategies and predict and respond to competition. Third, invincibility lies in defense, while the possibility of victory is in the offense. This principle emphasizes protecting one's strength in war so that it can be brought into full play when necessary. It means that enterprises should ensure that their core business is stable while seeking opportunities for growth and expansion in business. Moreover, troops should charge forward like the flow of water. Sun Tzu mentioned that "Troops should charge forward like water. Water takes its shape by flowing from high to low; troops attack weak points and avoid the strong." In business, this means that companies need to be flexible in adapting to market conditions and identifying and exploiting competitor weaknesses. These principles act as a guide for companies in formulating and executing strategies, helping them to act flexibly and strategically in tough market competition.

### 3. The Construction Process of the Art of War Strategic Management Technology

Figure 1 illustrates the art of war strategic management technology construction process.



Figure 1 The Art of War Strategic Management Technology Construction Process

#### 3.1 The Construction of a Knowledge Framework for Strategic Enterprise Management

The construction of a knowledge framework for strategic enterprise management is a key part of strategic management based on "the art of war", which mainly embodies the hierarchy of strategic management. The knowledge framework directly reflects the matching between the internal resources and the external environment. Some elements of the development of the knowledge framework of enterprise management are gradually taking shape, and the combination of theory and practice and the evaluation system is being paid attention to. However, from a practical point of view, some enterprises' strategic management remains at the superficial stage, contrary to the logical framework and generation mechanism of The Art of War. As a result, strategy implementation is out of touch with theory [4].

#### 3.2 Information Extraction Mode of Strategic Management of Enterprise

Information extraction mode of strategic management of enterprise plays a vital role in applying The Art of War. It is the basis for building a strategic management framework and embodies the core

value of the Art of War in enterprise management. The wisdom in The Art of War has become the main generation logic of strategic management of enterprise, and its importance is reflected in the following aspects: information screening, information standardization, and process reengineering [5]. Although enterprises have made progress in information extraction, compared with The Art of War, the rigor of information extraction of current strategic management of enterprise needs further improvement. The importance of in-depth analysis and long-term vision highlighted in The Art of War should be better implemented in gathering strategic management information for businesses.

### **3.3 Information Aggregation Methods for Strategic Management of Enterprise**

#### **3.3.1 Entity Matching Strategy for Strategic Management of Enterprise**

The entity matching strategy in the strategic management of an enterprise refers to identifying and selecting the best partner or strategic alliance by analyzing the correlation between internal and external entities of the enterprise. The entity matching strategy usually involves the following steps: data collection and analysis, relevance assessment, risk assessment, and long-term cooperation planning.

The establishment of the knowledge framework in the strategic management of an enterprise is a vital element that demonstrates how internal resources align with the external environment of companies. The logical framework and generating mechanism of The Art of War play a key role, but in practice, the strategy implementation is divorced from the theory. By optimizing, businesses can improve their analysis of the market environment and develop more powerful strategies, helping them gain a competitive edge.

#### **3.3.2 Entity Correlation Technology of Strategic Management of Enterprise**

The information extraction mode of strategic management of enterprise is the basis of building a strategic management framework, which involves information screening, standardization, and information process re-engineering. The wisdom of The Art of War is embodied in comprehensive analysis and foresight. However, managers need to improve the rigor of information extraction [6].

The information-gathering mode of strategic management of enterprise emphasizes the necessity of knowing yourself and your opponents. Conventional techniques fall short in collecting information, so businesses need to implement successful approaches like market research and competitive intelligence analysis. In short, managers use modern information technology to improve the efficiency and accuracy of information gathering, which is conducive to formulating good strategies.

### **3.4 Information Searching Methodology**

The acquisition of strategic management of enterprise information is the key to The Art of War strategic management technology, which is crucial to formulating and implementing strategies. Effective information acquisition reflects the internal and external strategic matching of the enterprise, involving market research, competitive intelligence analysis, customer feedback, and data analysis.

Although relevant theories and evaluation systems have been valued, some practices are in the primary stage, with low efficiency and low accuracy. To improve the efficiency and quality of information collection, enterprises need to establish efficient information collection and processing systems, introduce advanced data analysis technologies, strengthen monitoring of market trends, and train employees' awareness and skills. These measures help to improve the effectiveness and better respond to market competition and changes in the external environment.

## **4. The Art of War and the Practice of Integrating Strategic Management: Taking Competitive Marketing Strategy as A Sample**

### **4.1 Information Collection on Competitive Marketing Strategy**

Information collection of competitive marketing strategies is the central link in integrating The Art of War and strategic management in enterprises. The Art of War emphasizes the importance of information collection in the decision-making of competitive marketing strategy, and information

collection is the basis for formulating and implementing strategies.

Enterprises improve their competitive marketing strategy through various forms, including market intelligence screening, information standardization, and information process re-engineering. They help to ensure the quality and consistency of information and improve the reliability of competitive marketing strategy. Although enterprises have made progress in information collection, there is still room for improvement compared with the systematic nature of The Art of War [7].

The comprehensive analysis and foresight of The Art of War should be integrated and applied in competitive marketing strategy information gathering. Through rigorous information collection, enterprises can more accurately grasp the market dynamics and formulate effective competitive marketing strategies, thus gaining an advantage in the competition.

## **4.2 The Knowledge Extraction of Competitive Marketing Strategy**

The knowledge extraction of competitive marketing strategy is to extract key information and methodology from market data, enterprise experience, and industry trends to create systematic knowledge for guiding enterprises in market competition. It includes market analysis, competitor analysis, product differentiation, cost leadership, market positioning, marketing and sales strategy, and continuous innovation.

The fundamental difference between The Art of War and competitive marketing strategy lies in the strategic attribute. The Art of War aims at winning, emphasizing accurate judgment, flexible response, resource integration, and continuous innovation. A competitive marketing strategy embodies competitiveness and adaptability. The diversity of competitive marketing strategies and the difference in enterprise resources lead to the complexity of strategy implementation. Although The Art of War provides rich strategic ideas, its practice and application are imperfect. Moreover, the competitive marketing strategy lacks an effective evaluation mechanism, which is a "short board" and harms the overall efficiency.

## **4.3 Knowledge Summary of Competitive Marketing Strategy**

### **4.3.1 The Logic of Structural Design of Strategic Management of Enterprise**

According to The Art of War's strategic management perspective, the conventional strategic management structure is insufficient for the precise management needed for competitive marketing strategies. At the same time, there are deficiencies in obtaining market dynamic information and feedback mechanisms in strategic management of enterprise, which may be the fundamental problem in structural design logic. "Know yourself and your enemy" mentioned in The Art of War by Sun Tzu means that a deep understanding of market conditions is the key to measuring the effectiveness of strategic management. Nevertheless, managers mainly have access to internal data and have limited information about market trends. Usually, competitors' intentions and strategies are difficult to obtain or evaluate. Enterprises encounter challenges in market competition due to information asymmetry and flawed structural design logic.

### **4.3.2 Functional Component Arrangement of Strategic Management of Enterprise**

The typical functional component arrangement consists of market research and analysis, product development and innovation, production and operations management, marketing and brand building, human resource management and organizational development, financial planning and risk management, information technology, and data management. In the strategic management of The Art of War, the arrangement of functional components needs to consider integrity, flexibility, and adaptability. It entails organizations adapting their functional components based on external changes and creating effective communication and coordination mechanisms to ensure alignment toward achieving strategic goals. However, there are challenges, such as technological limitations, organizational structure, and data integration. Businesses must constantly adjust their functional component layouts to conquer these obstacles, making sure they support strategic objectives and adapt to market fluctuations.

#### 4.4 Competitive Marketing Strategies and Strategic Management in the Art of War

Under the strategic management framework of The Art of War, competitive marketing strategy is the core of strategy implementation. We use information acquisition as an effective tool, which is crucial for a competitive marketing strategy. Competitive marketing strategy is related to technology and follows the principle of "Know yourself and your enemy" to guide enterprises to compete effectively.

Competitive marketing strategy is derived from The Art of War, involving gathering information and extracting knowledge to establish a strategic path. This approach seeks to improve the strategic impact and respond to market needs. Nevertheless, a lack of information balance can result in delayed implementation of competitive marketing tactics, posing a challenge for strategic management.

Enhancements are required for the competitive marketing strategy by improving information gathering and knowledge extraction, as well as refining the application of theory. This task is crucial for creating a competitive marketing strategy, as companies must consistently explore, implement, and adjust to the evolving market conditions.

#### 5. Conclusion

Integrating The Art of War and strategic management of enterprise has achieved remarkable results, which puts forward new challenges and requirements for enterprise competitive marketing strategy. The Art of War is the assistance of strategic management of the enterprise, and it is the key means to realize the sustainable development of enterprises and maintain core competitiveness, which essentially reflects the internal demand for strategic management of the enterprise. Under the guidance of modern enterprise strategy, we have constructed the theoretical analysis framework and practical mechanism of strategic management based on The Art of War. In recent years, with the advancement of modern information technology, such as big data and artificial intelligence, the strategic management of enterprises using information technology has been strengthened, and the accuracy and science of enterprise strategic decision-making and competitive marketing strategies have been improved. The value of these technologies is consistent with the internal logic of corporate strategic management. Therefore, it opens up a new way for the competitive marketing strategy based on The Art of War.

To sum up, the combination of The Art of War and strategic management of the enterprise will constantly improve and develop, helping to meet the needs of the enterprise's competitive marketing strategy and promote the high-quality development of strategic management of the enterprise.

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