



ANALYSIS OF THE APPLICATION OF *THE ART OF WAR* PRINCIPLES TO BUSINESS STRATEGY: A LITERATURE-BASED CASE STUDY OF AMAZON

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Abstract

Jeff Bezos has successfully developed Amazon into one of the world's largest e-commerce and technology companies. This success has been influenced by the business strategies it has implemented. *The Art of War*, written by Sun Tzu, is one of the military strategy texts that continues to be widely discussed. Sun Tzu explains various principles that must be applied to achieve victory. These principles are also relevant in a business context. This article explains Amazon's business strategy by using a military strategic perspective, namely *The Art of War*. This article employs a qualitative approach based on secondary data. The analysis process was conducted by mapping the principles of *The Art of War* onto Amazon's strategies, which were derived from Amazon's official publications and academic literature. The literature analysis shows that Amazon's business strategy applies several principles of *The Art of War*, namely terrain and ground, flexibility, maneuvering, opportunism, fiery attack, and energy direct position. This article produces a new analytical framework that maps the six principles of *The Art of War* onto three of Amazon's business strategies, namely product innovation through diversification, supply chain management, and distribution. The application of these principles has helped Amazon adapt quickly to change, achieve competitive advantage, and generate profit.

Keywords: Military Strategy, *The Art of War*, Sun Tzu, Amazon, Business

A. INTRODUCTION

Strategy has long been recognized as a fundamental concept in achieving organizational goals. Although the concept of strategy originally developed in the military domain, it has gradually been adopted in many other fields, including business. Over time, military strategy has become an important analytical lens for understanding how organizations respond to competition, uncertainty, and environmental change. One of the most influential classical works on military strategy is *The Art of War* by Sun Tzu. In this work, Sun Tzu formulates a range of principles considered essential for achieving victory in war. Although these principles were originally designed for military contexts, they remain relevant in other settings, particularly in business, where competition, adaptation, and strategic positioning are equally important.

In the business context, the application of military strategy offers an alternative perspective for understanding how companies build competitive advantage and sustain market leadership. The principles presented in *The Art of War* may be used to interpret how firms identify opportunities, respond to threats, manage resources, and maintain their position in a dynamic market environment. In this sense, business strategy can also be examined through a military lens, especially when a company's growth reflects strong patterns of strategic adaptation, innovation, and control over market competition.

Amazon represents one of the most prominent examples of such a company. Amazon is a technology company engaged in e-commerce and cloud computing and is headquartered in the United States. Founded by Jeff Bezos on July 5, 1994, the company began operating Amazon.com as an official online shopping platform in 1995 (Aversa et al., 2021). Bezos

initially established Amazon as a digital bookstore before gradually transforming it into an e-commerce platform offering a wide variety of products. In its early years of development, Amazon expanded into the music and video industries. Between 1998 and 1999, Bezos focused on strengthening Amazon's warehousing infrastructure and technological capabilities (Aversa et al., 2021). In 2000, Amazon introduced third-party services through Amazon Marketplace in order to diversify the products available on its platform, even though those products belonged to external sellers. Through this development, Amazon positioned itself not only as a retailer but also as a platform through which third parties could market their products. Since 2002, Amazon has further expanded its activities into technology-related services.

At present, Amazon has more than 40 subsidiaries, including Amazon Prime, Amazon Mechanical Turk, Amazon Fulfillment, Amazon Web Services, Amazon Fresh, Amazon Kindle, and Amazon Cloud Drive (Aversa et al., 2021). The company now offers a broad range of products, including electronics, household appliances, beauty products, food, toys, jewelry, and other consumer goods. Alongside its product diversification, Amazon has remained active in innovating its technology-based services. One example is its platform feature that allows customers to search for and purchase products from various sellers and brands in an easy and convenient manner (Hizbandyah et al., 2023). Amazon also provides secure payment services and features that make it easier for customers to track their orders.

Amazon began entering the physical retail sector in 2018, and the company now operates nearly 600 physical stores across the United States and several other countries. This expansion has naturally influenced its revenue growth. The company began with an initial capital of only USD 10,000, yet Bezos successfully developed it into a global business giant. In 2024, Amazon's total revenue reached USD 637.95 billion, with a workforce of 1,551,000 employees (Companies Market Cap, n.d.). Most of this revenue is derived from online sales, third-party seller services, cloud computing services, and subscription-based services, including Amazon Prime (Statista Research Department, 2025). Amazon has grown into the largest e-commerce company and ranks first in terms of online sales in North America and Europe. In 2018, 38% of all online sales in the United States were generated through Amazon transactions (Rodrigue, 2020). At present, Amazon's business scope covers three major areas, namely online retail, internet-based services, and the Kindle ecosystem. It is also recognized as one of the five largest technology companies, alongside Alphabet (Google), Apple, Meta (Facebook), and Microsoft (Onggowidjojo & Ellitan, 2024).

Amazon's success cannot be separated from the business strategies it has implemented. These strategies have transformed the company into a dominant force in global e-commerce. For this reason, Amazon provides a relevant case through which business strategy may be examined from the perspective of military thought. The strategic principles articulated by Sun Tzu offer a useful conceptual framework for interpreting how Amazon has developed its market position, diversified its products and services, and sustained its competitive advantage.

Previous studies on the application of *The Art of War* in business have been widely conducted. However, these studies generally remain broad in scope and tend to discuss business strategy in general terms. Hartanto and Agustini (2020), for example, explain the application of *The Art of War* in marketing strategy, while Novettralita et al. (2019) focus on the application of Sun Tzu's strategy in business information systems. Kılınç et al. (2012) examine its relevance to competitive strategies in business, whereas Dimovski et al. (2012) discuss its implications for leadership in business organizations. Nevertheless, studies that specifically analyze the application of Sun Tzu's military strategy to a single company remain relatively limited. This gap indicates that a more focused discussion is still needed in order to show how the principles of *The Art of War* may operate in the strategy of a particular firm.

Against this background, this article discusses Amazon's business strategy through the perspective of Sun Tzu's *The Art of War*. More specifically, this article pursues three interrelated objectives: (1) to identify the principles of *The Art of War* that are relevant to business strategy; (2) to apply these principles to the business strategies implemented by Amazon; and (3) to provide a conceptual contribution to the formulation of business strategy by demonstrating the continuing relevance of classical military thought in a contemporary business setting. Through these objectives, this article is expected to offer a more focused and coherent understanding of how the principles of *The Art of War* can be used to explain Amazon's strategic development and competitive position. In doing so, the article also seeks to strengthen the discussion on the relevance of classical military principles for interpreting modern business strategy in the digital era.

B. LITERATURE REVIEW

1. The Relevance of *The Art of War* in Business Strategy

In the book written by Sun Tzu, entitled *The Art of War*, which has been translated by many scholars, various strategies that can be used in warfare are explained. Sun Tzu's *The Art of War* is one of the oldest works on military strategy that is still used today. Through this work, which was written approximately 2,000 years ago, Sun Tzu emphasized that state preparation for war must take many factors into account, including weapons ownership, troops, terrain conditions, and logistical support (Wu et al., 2004). Although this work is rooted in a military background, it has been widely used to explain strategies in other fields of study, one of which is business. Sun Tzu's work consists of 13 chapters discussing strategies for winning wars, most of which focus on achieving victory without battle. These thirteen chapters address situational analysis, force distribution, development modeling, simulation of expected procedures, and cost calculation (Hlavatý & Ližbetin, 2021). According to Sun Tzu, a good war strategy is one that secures victory without resistance, but through accurate analysis and calculation. The application of Sun Tzu's strategy in business directs business actors toward the integration of political and economic strategies.

Sun Tzu emphasized that war situations are unstable and can change rapidly. Therefore, the main focus of strategy lies in flexibility and the ability to maneuver (Bhandari, 2019). This is consistent with market conditions, which are uncertain and subject to rapid change. In such dynamic conditions, Sun Tzu emphasized the principles of flexibility and maneuvering. These two principles stress the importance of responding quickly to change through the creativity applied in warfare. In line with this, in business, evaluating the strategies being used becomes essential in order to adjust to the dynamic conditions of the market environment (Wu et al., 2004). Other military terminology that can be translated into a business context includes generals or commanders as managers or management, war as competition, soldiers or troops as company employees, and the enemy as competitors (Lo et al., 1998). According to Sun Tzu, the main principle of war strategy is to know oneself and the enemy (Minford, 2002). In addition, Sun Tzu states that "Know the enemy, know yourself; your victory will never be endangered. Know the ground, know the weather; your victory will be total," meaning that victory in war can be achieved through an understanding of the environment. In *The Art of War*, the environment refers to the geographical conditions of battle. In the business domain, however, the geography of battle includes the market, the firm, competitors, and customers (Macdonald & Neupert, 2005).

Sun Tzu's art of war strategy also shares similarities with marketing strategy in business. Offensive strategy is comparable to profitable strategy in marketing, which focuses on balancing profit and market needs; opportunism can be interpreted as offensive, in which the company acts as the market leader and competitors follow; the power of defense or energy is

comparable to integrated marketing; planning corresponds to strategy; and fighting corresponds to effective application (Bozkurt & Ergen, 2014). The concept of war strategy explained by Sun Tzu is therefore relevant to business situations, especially marketing strategy. Several equivalents of Sun Tzu's concepts in business are as follows: *Laying a plan* corresponds to strategic planning; *Waging a war* corresponds to the marketing budget; *Offensive Strategy* corresponds to marketing strategy; *Tactics* corresponds to marketing tactics; *Energy* corresponds to integrated marketing; *Opportunism* corresponds to portfolio management; *Maneuvering* corresponds to changing tactics; *Marching* corresponds to aggressive marketing strategies; *Terrain* corresponds to market field and market segmentation; *The Nine Battlefields* corresponds to positioning; *Attack by Fire* corresponds to the use of aggressive marketing tools; and *Use of Spies* corresponds to the use of a marketing information system (Bozkurt & Ergen, 2014).

2. Conceptualization of *The Art of War* Principles in the Analysis of Amazon's Business Strategy

Various concepts, principles, and terms in Sun Tzu's *The Art of War* have similarities and comparable meanings in the field of business. However, the implementation of business strategy based on *The Art of War* differs from one business actor to another. These differences are driven by various factors, such as the type of business, the business sector, and its characteristics. Amazon has developed into the largest e-commerce company by implementing business strategies focused on four aspects, namely services, customer connection, supply chain management, and diversification (Amazon Watch, 2012). These strategies are analyzed through six principles of *The Art of War*, namely terrain or ground, flexibility, maneuvering, opportunism, fiery attack, and energy direct position.

Terrain or ground in *The Art of War* refers to the battlefield. In a business context, terrain is interpreted as the market, which includes various aspects. Sun Tzu emphasized the importance of understanding the battlefield in order to achieve victory. Knowing the market includes broad aspects, such as understanding consumers, understanding the workplace, competitors, opportunities, and challenges (Kilinc et al., 2012). In business, terrain can be seen through two indicators, namely *Honor the Customer* and *Organization of Intelligence*. These two indicators aim to identify market conditions as the battlefield in business. Flexibility in Sun Tzu's work refers to the ability to respond quickly to change. Flexibility means using varied tactics. The use of varied tactics is also important in business, especially for future competition. Companies must be able to predict future market competition conditions (Kilinc et al., 2012). Adapting to market conditions is a form of implementing this principle. Such adaptation may take the form of innovation or other responses to changing demand.

According to Sun Tzu, maneuvering is important for leaders in changing strategy during battle. Such changes are made to adjust to battlefield conditions. In business, this is known as changing tactics. Maneuvering in business is carried out in order to turn losses into profits (Hartanto & Agustini, 2020). Changing tactics may be undertaken by applying competition strategies, for example by creating differentiation and developing new elements within a similar market (Kilinc et al., 2012). Diversification may also be used to transform losses into gains in business. Opportunism in *The Art of War* concerns who arrives first on the battlefield. According to Sun Tzu, whoever occupies a position on the battlefield first will have a greater chance of winning. In business, companies must also position themselves as market leaders (Bozkurt & Ergen, 2014). Achieving a leadership position in either the market or the battlefield can be accomplished by taking advantage of opportunities. Companies must be able to identify opportunities and move ahead of others.

Fiery attack in *The Art of War* is interpreted as a tactic for destroying the enemy. Sun Tzu emphasized that attacking the enemy should target the enemy's weakest point. This principle is comparable to the use of aggressive marketing tools in business (Bozkurt & Ergen, 2014). Companies must be bold enough to create surprise for their competitors. This surprise takes the form of a better breakthrough or innovation. Energy direct position in Sun Tzu refers to the ability to win without fighting. Troops must focus on utilizing all the strength they possess. In business, this is known as the concentration of resources. Concentration of resources is a business strategy that focuses on resources. This strategy concentrates resources on profitable markets (Hartanto & Agustini, 2020). Companies focus on maximizing the resources they possess in order to generate profit. One way of doing this is through supply chain integration.

Table 1. Operationalization of *The Art of War* Principles in Business

The Art of War	Implementation in Business	Indicators	References
Terrain	Market	Honor the Customer, Organization of Intelligence	(Hartanto & Agustini, 2020)
Flexibility	Adaptive	Quickly adapt to changing conditions, innovation	(Goh et al., 2025)
Maneuvering	Changing Tactic	Competition Strategies	(Kilinc et al., 2012)
Opportunism	Taking Advantage of Opportunities	First mover	(Teece, 2018)
Fiery attack	Use of aggressive marketing tools	Launch of disruptive new products	(Hartanto & Agustini, 2020)
Energy direct position	Concentration of Resources	Supply chain integration	(Hartanto & Agustini, 2020)

Broadly speaking, Amazon's main strategy is to continue innovating. Innovation is carried out in various aspects, ranging from services and distribution to the products it offers. Therefore, in identifying Amazon's business strategy from the perspective of *The Art of War*, the author uses three strategic dimensions, namely product innovation through diversification, supply chain management strategy, and distribution innovation.

C. RESEARCH METHOD

This article employs a descriptive qualitative research method. The study focuses on explaining the business strategies implemented by Amazon through the perspective of military strategy. It uses secondary data obtained from second-hand information. These secondary data were collected through a literature review. The literature was gathered from Google Scholar and Scopus. Data and information were also obtained from official websites, Amazon's official website, and Amazon's official reports. The process of data and information collection was conducted using keywords relevant to the topic of this article, such as "The Art of War," "implementation of *The Art of War* in business," "the art of war in business," and "Amazon's business strategy." The search process was focused on the 2015–2025 period, while still remaining open to several key sources published outside that range. The data collection process applied inclusion and exclusion criteria in order to select relevant literature. The inclusion criteria covered journal articles or official reports relevant to the topic of the article. The exclusion criteria included articles unrelated to the topic, as well as non-academic publications such as popular opinion pieces or news reports.

The number of articles analyzed in this study was approximately 25 articles relevant to the topic. The analysis process employed qualitative data analysis techniques. Therefore, quantitative data such as figures and graphs were described in the form of sentences and paragraphs. The data analysis process was conducted using a mapping method. The analysis began by identifying Amazon's strategies based on information derived from the literature and

other secondary sources. These findings were then mapped in order to identify the relationship between Amazon's strategies and the principles of *The Art of War*.

D. RESULTS AND DISCUSSION

Based on the mapping process described in the previous section, the discussion in this article identifies the relationship between the principles of *The Art of War* and Amazon's business strategies. The following table summarizes the implementation of Sun Tzu's principles in Amazon's business practices before each strategy is discussed in greater detail.

Table 2. Implementation of Sun Tzu's Principles by Amazon

Principles of <i>The Art of War</i>	Amazon's Strategy	Source	Business Implications
Terrain	Focusing on market needs	(Baboolal-Frank, 2021)	Retaining consumers by fulfilling their needs
Flexibility	Product diversification	(Himawan, 2014)	Increasing productivity
Maneuvering	Changing strategy	(Himawan, 2014)	Maintaining advantage
Opportunism	Innovation in cloud computing technology and Amazon Web Service (AWS)	(Hizbandyah et al., 2023)	Creating new advantages
Fiery Attack	Developing distribution	(Hizbandyah et al., 2023)	Creating greater profit opportunities
Energy Position	Direct Supply chain management	(Livingstone & Knezevic, 2020)	Gaining long-term profit

1. Product Innovation Strategy through Diversification

Sun Tzu strongly emphasizes attention to terrain. Terrain refers to battlefield conditions, which may be understood as the interaction among actors in the market, including the market itself, the firm, competitors, and consumers. Sun Tzu viewed knowledge of terrain as essential for achieving victory in war (Macdonald & Neupert, 2005). In business, the battlefield is the market. The geography of the market consists of the interactions and actors involved in it. One of the most important actors in the geography of warfare in a business context is the consumer or customer. In this regard, Amazon implements a strategy focused on consumer needs. Amazon focuses on what consumers need in the market and carries out innovation and product diversification to meet those needs. Amazon directs the products or services it offers in accordance with market needs (Baboolal-Frank, 2021). Amazon identifies market needs in two ways. First, it uses Amazon Dash, which is embedded in products so that customers can reorder those products. This aims to identify data on repeated purchases made by customers. Second, Amazon uses crowdsourcing through Amazon Mechanical Turk. This feature provides feedback or ideas from customers regarding products or Amazon in particular. By using these two features, Amazon is able to understand consumer needs, both in terms of what is frequently purchased and what is currently needed. Amazon can then realize these needs in order to retain its consumers.

Diversification is one of Amazon's strategies for meeting consumer needs in the market. Diversification refers to increasing the variety or types of products or business activities. Amazon does this by producing such products and by developing the Marketplace system. Amazon does not only offer its own products, but also offers products from other brands. Amazon has approximately 80 brands of its own products (Flamand et al., 2020). At the same time, Amazon also provides the Amazon Marketplace feature for third parties to sell their products through Amazon's services. As a result, the products available on Amazon's e-commerce platform are more varied. One of the principles of victory in *The Art of War* is a rapid response to change (Minford, 2002). Innovation and creativity on the battlefield become

key elements in responding to such change. In business, this is equally important. Responding to changing consumer needs in the market may be done through innovation and diversification of the products and services offered. Amazon, which prioritizes consumer needs, does this by continuously innovating and expanding its lines of business.

Another principle of victory in *The Art of War* is that mastering opportunities will bring advantage in war (Minford, 2002). Amazon has seen major opportunities in increasingly varied market needs and in rapidly developing technology. Technological development has created major opportunities to provide more advanced technology-based services. In response, Amazon has diversified the products and technologies it offers to consumers. The innovations implemented by Amazon are not only intended to meet consumer needs but also to create competitive advantage. Amazon focuses on technological innovation through the integration of technology into its operations (Hizbandyah et al., 2023). This is reflected in various technological innovations, such as artificial intelligence technology and cloud computing technology through Amazon Web Service (AWS). Amazon has developed artificial intelligence technology to monitor its operational processes. This technology detects consumer transactions and can automatically provide discounts and reviews of products (Alshmrani, 2021). Amazon has also developed other artificial intelligence innovations, such as Alexa for assisting everyday tasks, Amazon Q as a virtual assistant, Amazon Transcribe for generating transcripts, and Amazon Polly for converting text into audio (Amazon Web Service, n.d.).

In line with the philosophy of Amazon's founder, Jeff Bezos, namely "Never Stop Innovating," Amazon has consistently continued to innovate (Hahn et al., 2018). Amazon is one of the companies that continuously innovates. Innovation is carried out as a response to market change. The innovations introduced by Amazon are related to its four main strategic areas, namely innovation in services and products. All of these innovations show how Amazon applies the principle of flexibility from Sun Tzu's *The Art of War*. Amazon takes advantage of changes in the market by innovating rapidly in order to adapt to changing market conditions. Such rapid innovation has enabled Amazon to create offerings that are not possessed by other e-commerce firms. As a result, Amazon does not need to compete with other e-commerce firms in terms of the services provided. Amazon's speed in innovating and changing strategy is one of its advantages (Himawan, 2014). *The Art of War* applies the principle of maneuvering in order to maintain a strong position on the battlefield (Wu et al., 2004). In a business situation, changing strategy is likewise important for maintaining competitive advantage. Continuous innovation in the products and technologies offered by Amazon has become the company's strategy for sustaining its competitive position. Amazon's innovations have shaped its business scope into not only an online retail business, but also a provider of various technology-based services. Amazon's diversification strategy has helped the company increase productivity and improve its product sales (Alshmrani, 2021). This, in turn, affects net profit growth and strengthens Amazon's advantage. Sun Tzu emphasized attacking the enemy's weakest point (Minford, 2002). Amazon has taken advantage of technological developments, such as artificial intelligence, to develop products and services that other e-commerce firms do not possess. This strategy places Amazon one step ahead of its competitors and makes it a leader in technological innovation within the e-commerce platform industry.

2. Supply Chain Management Strategy

Victory without battle is the main principle of war strategy according to Sun Tzu. The war strategy in *The Art of War* emphasizes that war is not only about victory, but also about obtaining greater gains (Minford, 2002). Greater gains can be achieved by controlling the opponent's territory without destroying it. In business, this principle is aligned with maximizing profit while still fulfilling consumer needs. It involves taking advantage of

opportunities to create a balance between long-term profit and the fulfillment of consumer needs (Bozkurt & Ergen, 2014). Amazon has implemented supply chain management in order to meet consumer needs and obtain long-term gains. Supply chain management is a system for managing the movement of products from distributors to final consumers.

In the e-commerce business, supply chain management refers to the speed of the delivery process to consumers. Amazon implements this strategy in order to improve its competitive advantage through faster delivery. This strategy helps Amazon meet consumer needs more quickly and efficiently (Hizbandyah et al., 2023). Amazon's supply chain management is carried out in several ways, namely by shifting inventory to third parties; building strategic warehouses according to product types and consumer preferences; using a push strategy for warehouse goods and a pull strategy for goods from third parties; and adjusting the number and location of warehouses (Livingstone & Knezevic, 2020). This strategy also helps Amazon remain consistent in fulfilling consumer needs during spikes in demand. In the product delivery process, Amazon also manages delivery services independently without involving third-party logistics providers. Amazon's supply chain management system uses artificial intelligence technology in inventory, delivery, and stock management processes (Hizbandyah et al., 2023). The use of technology helps Amazon's processes run more quickly and prevents losses caused by product shortages. Amazon's innovative and advanced supply chain management makes it difficult for competing firms to follow.

The Art of War views the maximization of potential energy as important (Minford, 2002). In military warfare, energy refers to the strength of the troops. The strength or energy of troops must be reinforced through cooperation in order to maintain defense (Bozkurt & Ergen, 2014). In the context of e-commerce business, all institutions involved must work together to ensure that consumer needs are fulfilled quickly. Fast delivery, which is a major pillar of Amazon's business, requires control over space in the distribution process (Henaway, 2023). This is why Amazon implements a supply chain management strategy to ensure that the process of distributing goods remains under Amazon's control. This strategy helps Amazon control the market in the long term (Henaway, 2023). Amazon's supply chain management consists of three stages. The first stage is the procurement of ordered products; the second is Amazon's distribution of orders to supporting facilities located near delivery points; and the third is the delivery process to consumers through delivery routes facilitated by Amazon (Rodrigue, 2020).

3. Distribution Innovation Strategy

Sun Tzu classifies ground, or the geographical conditions of the battlefield, into nine types, one of which is open ground (Minford, 2002). Open ground allows the parties involved in warfare to move freely and carry out maneuvers or changes. This condition can also be seen in the e-commerce market environment in which Amazon operates. Amazon and other e-commerce firms can freely change tactics. Amazon's service innovation is closely associated with technological innovation, one example of which is delivery technology. Several of Amazon's delivery technology innovations include the use of robots to retrieve customer orders, the use of drone technology for product delivery, Amazon Prime as premium access to several other Amazon features, and Amazon Go (Hizbandyah et al., 2023). Other Amazon innovations related to delivery services include Amazon Air, Amazon Fresh, and Amazon Pantry, which have operated in several major cities around the world (Rodrigue, 2020).

As an e-commerce company that provides a wide variety of consumer needs, Amazon uses a customer-centered approach. This shows how Amazon focuses on customer satisfaction. Amazon continues to innovate in distribution and services for consumer needs by providing affordable goods, fast delivery, safer payment systems, and quality products. Amazon meets market needs accurately and quickly by building warehouses in major cities as distribution

centers (Onggowidjojo & Ellitan, 2024). This is done in order to speed up the delivery process. In addition, the construction of these distribution centers helps improve the quality of Amazon's product delivery (Alshmrani, 2021). Amazon also established a membership system through Amazon Prime in 2005. This system provides free shipping for Amazon Prime members and unlimited access to Amazon's video site (Reimers & Waldfogel, 2017).

Amazon's position in an open-ground market environment gives it the freedom to maneuver. *The Art of War* views maneuvering as creativity exercised on the battlefield by using all available strength. Sun Tzu emphasizes that direct and indirect war strategies, when used together, can restrain the enemy (Minford, 2002). Amazon not only moves forward continuously through innovation, but also builds defense by controlling the distribution process and providing fast service to consumers. This strategy forms Amazon's defense in maintaining customer loyalty. Building its own distribution system not only supports faster distribution, but also creates greater profit opportunities for Amazon. This strategy reduces delivery costs while at the same time countering rising shipping expenses (Hahn et al., 2018). Within one year, Amazon is able to deliver billions of packages. That volume would reduce Amazon's net profit by 10–15% if it had to be allocated to shipping costs (Hahn et al., 2018).

In *The Art of War*, attacking the enemy is carried out when the enemy is weak, and the attack is directed at the enemy's weakest point (Minford, 2002). E-commerce business depends heavily on delivery services. Delivery service providers act as third parties that facilitate the distribution of products from e-commerce firms to consumers. Partnering with third parties creates the risk that the delivery process may not meet the expectations of the e-commerce business or its customers. Amazon, as an e-commerce platform, initially partnered with delivery service providers. However, seeing the opportunity for faster distribution, Amazon chose to develop its own delivery service. This strategy addresses a weakness in e-commerce by building an independent delivery procedure that guarantees faster delivery. Amazon believes that all forms of service and product offerings will not generate advantage if the delivery process is not completed on time. Amazon uses robotic technology in the product packaging process in distribution warehouses (Hizbandyah et al., 2023). The delivery process is then carried out in various ways depending on distance and product type. For shorter distances, Amazon uses drone technology (Hizbandyah et al., 2023). For longer-distance deliveries, Amazon offers air freight services through Amazon Air. Amazon also provides Amazon Fresh for grocery delivery and Amazon Pantry for household product delivery (Rodrigue, 2020).

According to *The Art of War*, one principle of victory in direct battle is to wait for the opponent from a position closer to the battlefield (Lo et al., 1998). This may be interpreted as occupying the battlefield first in order to tire the opponent through long-distance mobilization. In business, this may be interpreted as competitive advantage. Amazon has expanded its business reach into the delivery sector since 2014. It began by purchasing shares in several delivery companies. These included a 4.2% stake in the British delivery company Yodel and a 25% stake in Colis Privé, a delivery company from France (Hahn et al., 2018). This affected Amazon's control over the delivery facilities of both companies. Amazon was considered to control 6,700 delivery trucks and to handle 17 million deliveries in one year in the United Kingdom and France (Hahn et al., 2018). This strategy of expanding its business line into delivery procedures became Amazon's strategy for achieving competitive advantage in e-commerce business. It positioned Amazon as superior not only in terms of technological innovation, but also in terms of fast and varied delivery processes. To ensure the safety of the delivery process, Amazon developed an application called Amazon Flex. Amazon Flex is the system used by Amazon to recruit drivers for product delivery. Applicants can register for these

positions through the Amazon Flex application. Registered drivers are then matched with the delivery services available at Amazon (Team, 2016).

The character of the war commander is important in Sun Tzu's war strategy (Lo et al., 1998). The commitment of a leader is essential to achieving victory. Bezos's leadership in managing Amazon is also a major element in Amazon's business strategy. Jeff Bezos is a leader who seeks to understand market conditions before carrying out innovation. Bezos focuses on future situations and on preparing Amazon to face future conditions (Strategic Direction, 2019). This has ultimately encouraged Amazon to continue innovating and achieving competitive advantage in e-commerce business.

4. Challenges

All forms of innovation carried out by Amazon also face various challenges. These challenges arise from the development of Amazon's technological services. They are related to data security, labor issues, product quality, product pricing, and environmental problems. Amazon faces challenges concerning the security of its customer data, both for those who purchase products and those who use its cloud services. This is also related to privacy and ethical issues concerning the confidentiality of personal data. Amazon therefore faces the challenge of ensuring that its consumers' data can be properly protected.

Amazon also faces challenges arising from the large number of products it offers. The large volume of products affects the assurance of product quality. Amazon must face the challenge of maintaining product quality in accordance with consumer expectations. Closely related to the products offered, Amazon must also deal with the challenge of high tax costs. High taxes on each product make the prices of products offered by Amazon more expensive (Alshmrani, 2021). The e-commerce business model makes Amazon's business easily accessible to others. This enables competitors to imitate or exploit Amazon's weak points. Amazon must therefore be able to make effective use of the resources it possesses.

Another challenge faced by Amazon concerns labor issues. Amazon has been considered to place its workers in unsafe working situations that threaten worker safety (Alshmrani, 2021). The exploitation of labor through low wages has also become a challenge related to labor issues that Amazon must face (Potiker et al., 2024). This has become a widely discussed issue in relation to Amazon's innovations. Many parties, including Amazon customers, perceive the company as neglecting its workforce. According to the data, Amazon's labor turnover rate reaches 100%, largely due to injuries (Flamand et al., 2020).

In addition, Amazon also faces environmental problems. Amazon's delivery services contribute to carbon emissions (Hizbandyah et al., 2023). Moreover, Amazon's AWS innovation is also known for its high energy use. Although Amazon has shown commitment to environmental issues, the sustainability of that commitment in relation to Amazon's operations remains a challenge. Amazon also faces a highly competitive e-commerce environment. The emergence of competitors such as Alibaba and Walmart presents a challenge for Amazon. Amazon must be able to compete while continuing to maintain its advantage. Maintaining its position as an industry leader requires substantial costs for the continuous innovation process. Amazon's strategy of using supply chain management also creates its own challenges. This system is vulnerable to changes in international trade, stock shortages, increased demand, and unexpected events such as the COVID-19 pandemic (Hizbandyah et al., 2023). These conditions pose challenges for Amazon in maintaining its consistency under various circumstances.

5. Strategic Implications According to *The Art of War*

The challenges faced by Amazon may be addressed by applying the principles of *The Art of War*. The principles proposed by Sun Tzu can help overcome various challenges in wartime

situations. In a business context, these principles can also be used to address the challenges that emerge. In Amazon's case, these challenges may be addressed through the application of several principles. The application of these principles will result in strategies for dealing with the challenges.

Table 3. The Use of *The Art of War* Principles in Addressing Amazon's Challenges

Challenges	Principles of <i>The Art of War</i>	Handling Strategies
Data Security	Terrain	Identifying important data and leakage opportunities
Product Quality and Price	Energy Direct Position	Efficiency
Labor	Leadership	Improving safety, welfare, and working conditions
Environmental Impact	Making of Plans	Designing an appropriate CSR strategy
E-commerce Business Competition	Maneuvering, Opportunism	Identifying opportunities and carrying out innovation
Vulnerability to Crisis	Preparation and Adaptability	Strengthening product supply, logistics automation, and demand prediction systems under all conditions

Addressing data security problems in Amazon's digital service business may be carried out by applying the principle of terrain. Solving this problem begins with a thorough understanding of the digital world. The digital world is the main market for this business. In line with Sun Tzu's principle of terrain, mastering the battlefield is essential for victory. The implementation of this principle may be carried out by mapping important data and identifying opportunities for data leakage (TrustNet, 2021). This strategy allows Amazon to predict threats to important data.

The application of the principle of energy direct position may help Amazon maintain product quality and pricing. The Amazon Marketplace system and the large number of products offered may disrupt product quality control. High tax systems also affect higher product prices. Amazon may maximize the resources it possesses. It may achieve efficiency by maximizing product outcomes and minimizing the use of resources (Charming China, n.d.). Amazon must manage its position and resources effectively. As the first party, Amazon must strictly supervise the quality of every third-party product on its e-commerce platform. This may help Amazon maintain product quality and reduce production costs in order to suppress prices.

Labor issues also arise within Amazon's business environment. Amazon is alleged to practice exploitation and to create unsafe working conditions for workers. Leadership is a crucial element in addressing this problem. In line with Sun Tzu's view, success in war also depends on the leader's capability. In a business context, leadership is equally important for business continuity. Sun Tzu's principle of leadership emphasizes strategic leadership. According to Sun Tzu, a leader is an individual who is able to change situations for advantage rather than merely demanding from subordinates (Dimovski et al., 2012). Amazon's leaders may implement this strategy by improving safety, welfare, and working conditions at Amazon.

Amazon also faces environmental problems resulting from its business activities. Amazon's business activities are considered to have negative environmental impacts. These environmental impacts are related to Corporate Social Responsibility (CSR) in the environmental domain. These environmental problems may be addressed by designing an appropriate CSR strategy. Designing CSR may be carried out by applying Sun Tzu's principle of Making of Plans. Sun Tzu emphasized five important aspects in making a plan, namely The Way, Heaven, Earth, Command, and Discipline. These five points are related to broad matters, such as involving stakeholders, assessing the situation, identifying implementation challenges,

determining the requirements for successful implementation, and controlling the internal organization (Zhang & Nasir, 2022).

Business competition is a challenge frequently faced by every business actor. The development of e-commerce business has created tighter competition for Amazon. In facing this challenge, Amazon may apply the principles of maneuvering and opportunism. Amazon must be able to identify existing opportunities and make changes quickly. These two principles have already been applied by Amazon through innovation. Therefore, similar strategies may also be applied to address emerging competition. Taking advantage of opportunities and making rapid changes will help Amazon maintain its position as a market leader.

Crisis is an external factor that may become a major challenge for business. Sun Tzu states that the highest form of warfare is to defeat the enemy without fighting. This shows the importance of preparation and planning in business (Atuli, 2023). Amazon must recognize all of its own strengths and weaknesses, as well as those of its opponents. Rapid adaptation is also important in facing crises. Sun Tzu states that rapid adaptation is crucial in business. Every crisis still contains opportunities, and these may be utilized by business actors. Amazon must therefore have preparation for facing crises. Amazon may strengthen product supply, increase logistics automation, and improve its demand prediction systems under all conditions.

E. CONCLUSION

Sun Tzu's military strategy, as presented in *The Art of War*, explains various principles that should be applied in situations of war. These principles are also applicable in other contexts, including business. Amazon's business strategy provides an example of how the principles outlined by Sun Tzu may be implemented in order to achieve victory. Based on the mapping results, Amazon applies the principles of terrain and ground, flexibility, maneuvering, opportunism, fiery attack, and energy direct position. The principle of terrain is applied by Amazon through its focus on market needs. Flexibility is reflected in its adaptive product diversification strategy. The principle of opportunism can be seen in Amazon's innovation in cloud computing technology and Amazon Web Service (AWS). Amazon's strategy of developing its e-commerce distribution services demonstrates the application of the principle of fiery attack. Meanwhile, the principle of energy direct position is reflected in Amazon's development of supply chain management. These findings show the relevance of military strategy in a business context. The application of *The Art of War* principles has helped Amazon maintain its advantage and continue generating profit.

This article offers a new contribution by developing an analytical framework that maps military principles onto modern business strategy. This shows the relevance of classical military strategy to digital business strategy. The article may serve as a reference for companies in designing business strategies based on the principles of *The Art of War*. However, this article has limitations in relation to access to more in-depth Amazon data. This limitation is also influenced by the data collection process, which relies solely on digital data. Therefore, future research may employ interviews in order to obtain deeper data on the implementation of Sun Tzu's principles in business. Future studies may also broaden the scope of the research object in order to provide a more comprehensive understanding of the application of classical military strategy principles in modern business.

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