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The Art of Victory: Sun Tzu's Philosophy and Porter's Framework in the UFC

In today's fiercely competitive sports and entertainment industry, the Ultimate Fighting Championship (UFC) has emerged as a dominant powerhouse, transforming mixed martial arts (MMA) and establishing itself as a global brand. Since its creation, the UFC has not only grown in popularity but has also demonstrated remarkable strategic insight in managing complex market dynamics, digital media transitions, and competitive pressures from rival organizations such as ONE Championship (GroundedMMA). Understanding the factors behind UFC's success requires a theoretical lens that transcends conventional business analysis, one that captures both strategic foresight and tactical execution. Sun Tzu's *The Art of War*, though conceived in a military context over two millennia ago, offers such a perspective. As David Brim writes, "Strategy without tactics is the slowest route to victory. Tactics without strategy are the noise before defeat" (Brim). This principle highlights the importance of linking operational efforts to advanced strategy, a concept especially relevant to modern corporate environments.

Sun Tzu's teachings emphasize several key concepts such as understanding oneself and one's competitors, exploiting the terrain of the competitive landscape, meticulous planning, and seizing opportunities as they arise (Brim). These principles, while originating in warfare, can be applied to the business setting to analyze organizational decision-making, market positioning,

and resource allocation. Scott A. Boorman further elaborates on this framework, illustrating how the conceptual unity of Sun Tzu's strategic thought can inform contemporary approaches to information and market competition (Boorman). When these enduring principles are applied to the UFC, they help illuminate the organization's strategic advantages in market position, social-media outreach, and increases in revenue. This essay will critically analyze the UFC's business strategy through the dual lens of Sun Tzu's principles and Michael Porter's competitive frameworks. It will demonstrate how the UFC has strategically challenged other MMA organizations and made it the sole winner of the professional MMA organization. Additionally, the essay will consider the limitations of applying Sun Tzu's ancient strategies to modern, data-driven and social-media heavy landscapes. In turn, this approach provides a comprehensive view of how traditional strategic principles align with contemporary business practices.

In addition to Sun Tzu's strategic mindset, this analysis is inspired by Porter's Five Forces framework. This paper from Porter has become one of the leading tools in strategic management. First written by Porter in 1979, the outline provides an approach to evaluating industry attractiveness through competitive rivalry, buyer power, supplier power, the threat of substitutes, and barriers to entry (Pangarkar & Prabhudesai, 2024). Michael Dobbs comments that a common misapplication of Porter's Five Forces is treating it solely as a tool for assessing industry attractiveness, rather than as a guide for strategic action. For example, Dobbs text says, "Perhaps Porter's (2008) biggest disappointment in the misapplication of the five forces framework is the perception that the framework is primarily a tool to assess the attractiveness levels of industries rather than gain strategic insight as to how a firm can compete more effectively within its industry" (Dobbs). This reinforces the relevance of the framework to the competitive industry of professional MMA. Contemporary research continues to affirm the framework's continued

relevance across industries, highlighting its usefulness in explaining how structural forces shape profitability and competitive behavior (Pangarkar & Prabhudesai, 2024). By placing firm performance within wider industry dynamics, the Five Forces model aligns with Sun Tzu's emphasis on strategic positioning and preparation before conflict. Applied to professional MMA, the organizations that secure structural control over talent, media distribution, and market access tend to be the most successful by sustaining dominance and deterring rivals.

Despite being written over two millennia ago, Sun Tzu's *The Art of War* continues to influence because its principles mirror universal competitive dynamics found in today's business world. Although it was originally written for military leaders in the Warring States time period, Sun Tzu's main ideas translate effectively into corporate strategy. This is so because Scott Boorman claims that Tzu's work is molded by an “Axiom of Conceptual Unity,” meaning the text contains consistent strategic themes that transcend cultural and technological change (Boorman). This unity of ideas makes it possible to apply Tzu's principles to marketing, competitive strategy, and digital innovation, all of which have shaped the UFC's development as a worldwide sports brand.

One of Sun Tzu's foundational principles is knowing yourself and knowing your enemy. In a competitive market, this refers to a company's ability to evaluate its own internal capabilities while analyzing the strengths, weaknesses, and strategic intentions of competing businesses. As Parent and Ruetsch (2021) observe, organizations must, “take a close look at the competitors and accurately identify those organisations or events which could be considered as competition,” including alternative entertainment options such as theatres, concerts, and other events that vie for consumers’ attention (113). For example, Brim emphasizes this connection when he writes that “strategy without tactics is the slowest route to victory. Tactics without strategy is the noise

before defeat” (Brim). This claim highlights how a business must evaluate its own long-term goals and competitive resources while also anticipating competitor's moves. For MMA organizations, this means monitoring and assessing rival organizations' broadcasting deals, fighter contracts, television deals, and promotions to determine the trajectory of the growth or decline of the company. Boorman adds analytical depth to this principle by arguing that Sun Tzu assumes leaders who can dynamically integrate intelligence into planning rather than relying on fixed or static strategies (Boorman 43–45). This insight is particularly relevant in volatile entertainment markets, where misjudging a rival’s position or overestimating one’s own strength can result in costly strategic missteps.

Another main concept is strategic positioning or *shih*. This concept refers to the advantageous alignment of resources and forces before conflict begins. Boorman explains that Sun Tzu's value lies in the ability to reveal “underlying commonality of many of the problems faced by strategists, transcending particulars of time, place and technology” (Boorman).

In corporate contexts, this translates into shaping industry structures, securing advantageous partnerships, and controlling distribution channels. The UFC’s expansion into digital platforms exemplifies this logic. Recognizing that younger demographics increasingly consume sports content online, the UFC positioned itself where “the 18 to 34... audience” already spends significant time (Muncey). By aligning its content strategy with existing consumer behavior, the UFC gained a positional advantage before rival organizations could effectively respond. By doing this, the UFC aligned its content with the natural flow of digital consumer behavior, pushing positional advantage before rival organizations could react. As recently as January, the UFC took this method one step further a few months ago and diverted from the traditional Pay-Per-View model and signed a seven-billion-dollar deal with

Paramount+. This was to make it easier for people to access the fights while merging with a huge company such as Paramount. Instead of buying individual fights using the traditional pay-per-view model, fans “sign up to paramount+... and automatically get all the UFC fights” with their paramount subscription (Sherman).

Another important principle in Sun Tzu’s philosophy is deception, which Boorman reframes not as dishonesty but as the management of information and perception. Sun Tzu’s assertion that “all warfare is based on deception” anticipates modern struggles over narrative control and informational asymmetry. He also connects this with modern information warfare, arguing that control over information networks can be more powerful than direct force in modern times (Boorman 187).

The UFC uses this strategy today to gain viewers into their network versus rival companies. When discussing the franchise's early success with YouTube, UFC Vice President Edward Muncey notes that YouTube’s algorithm plays a key role in shaping audience consumption by repeatedly recommending similar fight content. He states that “when we post UFC videos of certain athletes... you’ll start seeing more of that type of video” (Muncey). The UFC's strategy also capitalizes on the innate conciseness and shareable nature of digital content, producing short clips that audiences can quickly consume and recirculate. O’Gara notes, “tiny and snappy media products are easier to create, to send, to receive, to collect, or to consume instantly at any computer in any part of the world” (O’Gara 37-38). Through the strategic use of platform algorithms such as YouTube’s, the UFC developed a competitive informational advantage that subtly shaped consumer behavior, setting it apart from rival promotions reliant on traditional exposure strategies.

Another relevant message is attacking weaknesses while avoiding strength. Sun Tzu warns against engaging an opponent where they are strongest, instead advocating for the exploitation of vulnerabilities in their formation. In business terms, this means identifying underserved audiences, underused platforms, or operational inefficiencies in rival organizations. Modern strategic frameworks, such as Porter's analysis of industry forces reinforce this by urging firms to differentiate themselves and reduce exposing themselves to their competitor's strongest capabilities (Strategy Institute). The UFC's decision to expand aggressively into digital and social media rather than directly compete on similar models as its rivals exemplifies Tzu's idea.

Boorman reinforces this interpretation by arguing that Sun Tzu's leadership model prioritizes coherence between strategy and execution, as well as the disciplined management of information and organizational rhythm (Boorman 43). This principle is clearly reflected in the UFC's digital strategy. As Edward Muncey explains, UFC programming remains effective because it is carefully curated to stay "relevant" and to "follow the rhythm of the events," allowing the organization to adapt its content distribution to audience behavior and technological shifts (Muncey). Such adaptability mirrors Sun Tzu's insistence that leadership must be dynamic rather than rigid. Altogether, Tzu's strategic principles viewed through Boorman's analytical framework offer a powerful lens for understanding contemporary competitive environments. The theoretical basis from *The Art of War* provides a critical framework for analyzing how the UFC has attacked the MMA landscape and established dominance in the professional fighting industry.

The UFC's dominance in the professional MMA landscape embodies a refined application of strategic principles reminiscent of those outlined by Sun Tzu. One of Tzu's main doctrines, "know your enemy and know yourself," (Sun Tzu) translates into contemporary

business as a company's ability to comprehend both its internal strengths and the surrounding competitive landscape (Brim). In the UFC's context, this involves leveraging its control over fighter talent, media rights, and fan interaction that creates a market scheme that is difficult for rivals to counter. Research by Caves, Tatos, and Urschel outlines how the UFC functions within a quasi-monopsonistic labor market, enabling the organization to keep fighter compensation lower than it would be in a fully competitive market (Caves et al.). By strategically controlling fighter contracts and clauses, the UFC can pin down the best fighters to sustain a high reputation of brand dominance while limiting unnecessary costs. This strategy is parallel to Sun Tzu's emphasis on exploiting strength while avoiding disadvantageous confrontations (Boorman 43–45). As both a martial arts practitioner and a viewer, I find it concerning from a fan perspective that many UFC fighters appear to be undercompensated for their talents. While acknowledging the organization's decisions as strategic business choices, it is difficult not to empathize with the fighters who generate substantial revenue and viewership yet receive a very little share of the financial returns.

Fan behavior and accessibility further highlight the UFC's use of strategic positioning to sustain its competitive advantage and strategic positioning. Nearly 60% of sports fans report difficulty accessing or discovering games from their preferred leagues, with younger fans disproportionately affected; only 30% of younger viewers report no difficulty, compared to 43% of older fans (Altman Solon 2023). This fragmented access creates an opportunity for organizations that can streamline content delivery and integrate platforms. The UFC has capitalized on this challenge by strategically aligning its digital presence to meet modern audience behavior. First, through YouTube channels and subscriptions targeting the younger demographic (Muncey), and most recently through the Paramount+ deal that merges all UFC

fights and events under a single platform (Sherman). By offering a more centralized and accessible fan experience, the UFC enhances engagement and builds loyalty, exemplifying Sun Tzu's principle of shaping the battlefield prior to confrontation, as it strategically positions itself to dominate the consumer landscape before rival firms can respond.

Revenue streams in the modern sports industry also reveal the UFC's upper hand. Research shows that 44% of fans feel overwhelmed by the number of platforms needed to follow their favorite teams, and 56% would watch more sports if content were more readily available (Deloitte 2023; Altman Solon 2023). From my experience as a consumer, I have also found it challenging and inconvenient to find not only MMA events but also other overseas sporting events on convenient platforms, reinforcing the importance of simple, centralized content accessibility. By reducing these issues and providing easy access through strategic digital partnerships, the UFC directly addresses these market shortcomings. The franchise's strategy outlines Sun Tzu's insight that effective leadership anticipates market conditions, while optimizing its resources and leveraging systemic advantages.

Lastly, the UFC's control over both talent and media demonstrates a cohesive understanding of its business environment (Caves et al.). By combining labor market power with strategic media deals, the organization maximizes its ability to shape competitive outcomes without direct confrontation, reflecting Sun Tzu's principle that the best victory is one achieved without fighting (Boorman 187). The UFC has not only anticipated consumer demand with its viewing platforms but also structured its contracts to reinforce its preeminence, creating a structural advantage that competitors find difficult to counter. This combination of labor management, media strategy, and audience engagement demonstrates the continued relevance of ancient strategic principles. When interpreted through Boorman's analytical framework, these

principles remain a valuable lens for understanding corporate dominance in the contemporary entertainment landscape.

Beyond digital expansion, the UFC has tactically placed itself in the global MMA market by leveraging structural advantages and selectively analyzing competitive dynamics. Applying Porter's Five Forces underlines the ways the organization has reduced rival threats and strengthened its market dominance. By managing access to elite fighters and securing broadcasting deals, the UFC reduces the risk of new opponents challenging them while creating obstacles that smaller fighting organizations find difficult to match (Strategy Institute). Simultaneously, the UFC limits supplier power by managing its athlete's contracts and incentives within a quasi-monopsonistic labor market (Caves et al.), ensuring that its talent can not switch to rival MMA promotions. With fans worldwide dependent on exclusive access to UFC events, their negotiating power is significantly restricted. On top of this, the organizations' strategic control of modern media content and fan engagement decreases the threat of substitutes. By maintaining a strong global presence and a consistent event schedule, the UFC turns heightened rivalry among competitors into a strategic advantage (Strategy Institute).

Sun Tzu's strategic positioning (shih) complements Porter's framework by emphasizing the importance of creating a battlefield that prioritizes its own strengths before engaging competitors (Boorman 15–16). For the UFC, this has pursued expansion into global markets by hosting regional events throughout the globe. For example, throughout the year the company has multiple events held in Brazil, Abu Dhabi and Asia to gain popularity and attract worldwide audiences (GroundedMMA). By deliberately shaping market dynamics, the UFC secures strategic positions that reinforce its global dominance while minimizing the need for direct confrontations with other organizations.

By expanding geographically by holding global events, the UFC addresses any potential market gaps while simultaneously building brand recognition and following internationally. This strategy exemplifies Sun Tzu's perspective that victory comes from preparation, positioning, and exploiting structural advantages, rather than relying only on reactive tactics (Boorman 17–18). Overall, applying Porter's framework alongside Sun Tzu's enduring strategic insights proves that the UFC's global expansion is methodical and deliberate. It is a calculated effort to shape competitive landscapes, secure market share, and consolidate advantages in the best talent, media, and audience engagement before rivals can react. In doing so, the UFC maintains its dominance in the global MMA market, demonstrating that ancient military wisdom can greatly benefit modern business decisions.

While Sun Tzu's foundations provide valuable guidance for leadership, strategic positioning, and market dominance, their direct application in modern business contexts is not without limitations. For instance, the UFC's quasi-monopsonistic labor structure, which restricts access to world-class fighters and limits competition from rival promotions and poses significant ethical and regulatory challenges (Caves et al.). Unlike ancient military conflicts, contemporary corporations operate under labor laws, public outcry, and ethical standards. This reveals a key constraint. Business strategies that are designed to maximize structural control and information asymmetry can produce significant market advantages but are also left open to legal challenges and reputational risk. Sun Tzu's Recommendations to capitalize on strengths and avoid unfavorable engagements rest on an assumption of strategic freedom that modern corporate governance often limits (Boorman 43–45).

Similarly, global expansion demonstrates the limitations of strategic positioning (shih) when applied outside a domestic context. Throughout its history, the UFC has held events in

countries such as Brazil, UAE, and Asia which have increased its popularity globally and revenue (GroundedMMA). However, cultural differences, local regulations, and competition from local MMA promotions limit the straightforward application found in *The Art of War*. Whereas a battlefield offers relatively predictable conditions, international markets are shaped by volatile conditions as well as strategic flexibility beyond Tzu's foundations. Thorough planning alone can not eliminate risks arising from geopolitical instability, local fan preference, and unexpected logistical problems.

The reliance on modern digital platforms, while strategically advantageous, also has its inevitable vulnerabilities. While YouTube and other social media offer leverage in shaping algorithms and consumer behavior. The common tactic of piracy as well as platform changes can quickly undermine control over information flow (Muncey; Sherman). This undermines that Sun Tzu's insights on information dominance are context-dependent, and modern technologies introduce levels of uncertainty not present in ancient warfare.

Despite these potential modern limitations, Sun Tzu's values remain conceptually robust. Scott Boorman emphasizes that the enduring significance of *The Art of War* is found in its insight into universal competitive dynamics applicable to modern corporate environments (Boorman 17-18). When combined with Porter's analytical frameworks, these doctrines enable companies like the UFC to maintain long term leads over rivals while adapting to any legal or ethical shortfalls. Recognizing these limits lets ancient strategic wisdom guide decisions in complex global markets.

In conclusion, the UFC's rise to global dominance depicts the relevance of Sun Tzu's strategic foundations when applied thoughtfully to modern business landscapes. By carefully analyzing its competitive environment and strategically positioning itself, the UFC has gained a

considerable edge in the market. It has also managed media, talent, and global operations tactically to outmaneuver rival organizations. Integrating Sun Tzu's concepts, including knowing oneself and its competitors, exploiting terrain and shaping the battlefield, as well as Porter's analytical frameworks provides a comprehensive understanding of how the UFC has strengthened its market power while expanding its worldwide reputation. Concurrently, a deep evaluation reveals the boundaries of these ancient doctrines. Ethical, cultural, regulatory, and technological factors impose constraints that did not exist in Sun Tzu's original military context. The UFC's quasi-monopsonistic labor model, reliance on digital platforms, and global expansion strategies demonstrate the importance of strategic foresight. These revelations must be sober, flexible, and in accordance with legal regulations while responding to any volatility in the market. Acknowledging these limitations underlines the need to adapt classical strategic thinking to the realities of modern corporate environments. Ultimately, the case of the UFC demonstrates how Sun Tzu's insights remain a powerful example for understanding competitive dynamics. However, they only reach their fullest potential when combined with modern analytical tools and contextual awareness. By combining ancient strategic wisdom with contemporary business, franchises can not only navigate complex competitive markets but also secure advantages in ever-changing global markets.

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