

Enterprise Strategic Management and Enhancement of Market Competitiveness

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Abstract: Against the backdrop of accelerating globalization and constant changes in the business environment, the enhancement of enterprise strategic management and market competitiveness is particularly crucial. This paper aims to delve into the key elements of enterprise strategic management, analyze its inherent connection with market competitiveness, and propose a series of effective strategic management methods to assist enterprises in enhancing market competitiveness and achieving sustainable development.

Keywords: strategic management; market competitiveness; strategic positioning; competitive advantage; sustainable development

Introduction

With the rapid development of technology and the advancement of globalization, businesses are facing unprecedented market competition. In order to stand out in the intense business environment, enterprises must formulate and implement effective strategic management plans. Strategic management is not only about the survival and development of enterprises but also the core means to enhance market competitiveness. This paper will explore in detail the key elements of enterprise strategic management and how strategic management can effectively enhance the market competitiveness of enterprises.

1. Strategic Management: Theoretical Foundations and Key Elements

1.1 Theoretical Foundations

The theoretical foundations of strategic management

primarily include three components: strategic formulation, strategic implementation, and strategic evaluation. Strategic formulation involves determining the development goals and directions of a company based on analysis of its internal and external environments. Strategic implementation is the process of translating strategies into specific actions, including resource allocation, organizational structure adjustments, and business process optimization. Strategic evaluation entails monitoring and assessing the effectiveness of strategy implementation to facilitate timely adjustments in strategic direction.

1.2 Key Elements

Key elements of strategic management comprise strategic positioning, competitive advantage, and synergistic effects. Strategic positioning involves determining a company's position and role in the



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market based on market conditions, competitors, and the company's own strengths. Competitive advantage refers to the unique advantages and capabilities possessed by a company relative to its competitors, such as cost advantage, quality advantage, and technological innovation advantage. Synergistic effects involve the collaborative interactions between various departments within a company and between the company and its external environment to maximize overall benefits.

2. Strategic Management and the Enhancement of Market Competitiveness

2.1 Precise Strategic Positioning as the Cornerstone of Market Competitiveness Enhancement

In the fierce competition of the market, for a company to stand out, the primary task is to clearly define and adhere to its strategic positioning. Strategic positioning not only concerns the company's market role but also influences key business decisions such as resource allocation, product development, and marketing strategies. Therefore, precise strategic positioning undoubtedly forms the cornerstone for companies to enhance market competitiveness. Precise strategic positioning stems from deep market insights. Companies need to comprehensively understand the needs, characteristics, and development trends of their target markets, analyze consumer purchasing behaviors and preferences, and thus identify gaps or unmet needs in the market. Additionally, thorough analysis and understanding of competitors are indispensable. Companies should study competitors' strengths and weaknesses, clarify their points of differentiation from competitors, in order to establish unique competitive advantages in the market. Furthermore, an objective evaluation of one's own strengths is equally important. Companies need to be clear about their core capabilities and resources, identifying potential strengths and possible challenges they may face in the market. Based on these analyses, companies can determine their unique position and role in the market, and consequently formulate strategic positioning that aligns with their characteristics and market demands.^[1] Precise strategic positioning helps companies focus on core business, optimize resource allocation, and improve operational efficiency. Moreover, it enables companies to better meet customer needs, enhance brand image, and thus

gain a favorable position in competition. For example, through precise positioning, companies can develop products or services that better meet market demands, devise more effective marketing strategies, and attract and retain target customers.

2.2 Building and Sustaining Competitive Advantage: Key to Enhancing Market Competitiveness

Upon establishing clear strategic positioning, the next important task for businesses is to build and maintain their competitive advantage. This is crucial for companies to stand out in the market competition and is the core element for achieving sustainable development. Building competitive advantage first requires businesses to innovate differentially in their products and services. Technological innovation is a crucial support for differentiation strategy; by developing new products, new processes, or improving existing products, companies can offer unique value in the market, thereby attracting and retaining customers. Furthermore, quality improvement is also a key aspect; high-quality products and services can win consumer trust and loyalty, thereby enhancing brand image and market share. In addition to product and service innovation, cost control is also an important means to build competitive advantage. Through refined management, optimized procurement strategies, and improved production efficiency, companies can reduce operating costs, thereby gaining a favorable position in price competition. This cost advantage can be translated into a price advantage in the market, attracting more price-sensitive consumers. However, building competitive advantage is not achieved overnight; it requires continuous attention and investment from companies. The constant changes in market dynamics require companies to maintain sharp market insights, adjust strategic direction timely to adapt to changes in consumer demands and challenges from competitors.

^[2] This flexibility and adaptability are key to sustaining the longevity and stability of competitive advantage. At the same time, companies should also focus on internal management and talent development. An efficient management system and an excellent team are the foundation for continuous innovation and development of a company. By continuously optimizing management processes, improving employee skills, and motivating employee enthusiasm, companies can

ensure the continuous construction and maintenance of competitive advantage.

2.3 Achieving Synergistic Effects to Enhance Overall Market Competitiveness

In today's increasingly complex and dynamic market environment, the notion of businesses operating in isolation no longer meets the demands of the times. Achieving synergistic effects, whether it's the close cooperation among various departments within an enterprise or strategic alliances with external entities, is crucial. This synergy can significantly enhance the overall market competitiveness of a company. Firstly, the synergy among various departments within a company forms the foundation for efficient operations. In day-to-day operations, departments need to strengthen communication and collaboration to ensure resource sharing and complementarity. For example, close collaboration between the research and development (R&D) and sales departments can ensure that product design is closely aligned with market demands, thereby reducing market risks after new product launches. Collaboration between the production and procurement departments can optimize inventory management, reducing inventory costs. This internal synergy not only improves operational efficiency but also accelerates the company's response to market changes. Secondly, collaboration between the company and the external environment is equally important. In supply chain management, establishing long-term stable partnerships with suppliers ensures stable supply of raw materials and cost control. Strategic cooperation with distributors helps expand sales channels and increase market share. Additionally, through collaboration with research institutions and universities, companies can continuously introduce new technologies and processes, maintaining a leading position in technological innovation. Finally, strategic alliances are also important means to achieve synergistic effects. Faced with fierce market competition, individual companies may find it challenging to cope with various challenges alone. By forming strategic alliances with other companies, they can jointly develop new products, explore new markets, and complement each other's resources and capabilities. Such strategic alliances not only reduce operational risks but also enable rapid responses to

market changes, seizing market opportunities.

3. Strategic Management Implementation and the Path to Enhancing Market Competitiveness

3.1 Developing Comprehensive and Flexible Strategic Planning

Developing comprehensive and flexible strategic planning is the primary step in implementing strategic management for businesses, providing clear direction and path for the company's future development. This planning requires in-depth analysis of the market environment, understanding industry trends, and clarifying the company's resources and capabilities to ensure that the strategic planning aligns with market demands while leveraging the company's strengths. Firstly, defining the company's development goals is the core of strategic planning. Companies should set short-term and long-term development goals based on their vision and mission, combined with the market environment. These goals should be measurable for the company to evaluate its progress and achievements. Secondly, accurate market positioning is a crucial part of strategic planning. Companies should understand the needs and preferences of target customers and the competitive landscape through market research and data analysis, determining their position and role in the market. The accuracy of market positioning directly affects the market competitiveness of the company's products and services. Furthermore, product line planning is also an important part of strategic planning. Companies should plan product lines that align with market trends and customer needs based on market demand and their own strengths. This includes identifying flagship products, auxiliary products, and potential new products to ensure the company's sustained competitiveness in the market. Finally, developing marketing strategies is an indispensable aspect of strategic planning. Companies should formulate corresponding marketing strategies and promotional methods based on market positioning and product planning to increase brand awareness and market share.^[3] Marketing strategies should include aspects such as advertising, promotions, and channel selection to ensure that the company's products and services effectively reach target customers. Additionally, strategic planning should be flexible

enough to adjust strategic direction timely according to market changes. The market environment is constantly changing, and companies should continuously monitor market dynamics and adjust relevant content in strategic planning to ensure its alignment with market demands. This flexibility not only helps companies respond to emergencies and market fluctuations but also allows them to maintain a leading position in the constantly changing market.

3.2 Strengthening Strategic Execution and Real-Time Monitoring

After formulating comprehensive and flexible strategic planning, effective execution of the strategy and real-time monitoring become critical to ensuring the achievement of the company's strategic objectives. Companies need to not only establish a sound strategic execution system but also ensure timely identification of problems and make adjustments during execution to maintain the timeliness and market adaptability of the strategic planning. Establishing a comprehensive strategic execution system firstly requires clarity on the specific execution steps and responsibility allocation for each strategic plan. Companies should establish a dedicated strategic management department or team responsible for breaking down the strategic planning into actionable short-term goals and tasks, and clarifying the responsibilities of each department and individual. This ensures that every department and employee understands their role and expectations in achieving strategic goals, thereby fostering a culture of full participation in strategic execution. Real-time monitoring of the strategic execution process is also crucial. Companies should establish an effective monitoring mechanism to track the progress and effectiveness of strategic execution through regular evaluations, data analysis, and market research. This monitoring not only helps companies identify deviations and problems in the strategic execution process in a timely manner but also provides strong data support for strategic adjustments. During the strategic execution process, companies should also focus on establishing incentive and evaluation mechanisms. A reasonable incentive mechanism can stimulate employees' enthusiasm and creativity, enabling them to be more engaged in achieving strategic goals. Meanwhile, an evaluation mechanism ensures that the work of

employees and departments revolves closely around strategic goals, maintaining the organization's strategic focus as a whole. Additionally, companies should cultivate a culture of flexibility and adaptability during the strategic execution process. Market environment changes are normal, and companies need to have the ability to respond and adjust quickly. This requires companies to not only strictly follow the plan during strategic execution but also have sufficient flexibility to adapt to market changes and even revise strategic planning when necessary.

3.3 Continuous Optimization and Innovation-Driven Development

In the rapidly changing market environment, for a business to maintain sustainable competitiveness, it must adhere to continuous optimization and innovation. This not only involves adjustments to products, marketing strategies, and organizational structures but also includes keen insights into and rapid application of new technologies and business models. Regarding adjustments to product lines, companies should regularly evaluate the market performance and customer feedback of existing products. For products that are not popular in the market or have low profit margins, gradual phasing out or upgrades should be considered. At the same time, based on market trends and customer demands, introducing new products or services to meet the constantly changing market demands is essential. This dynamic adjustment of product lines helps companies stay synchronized with the market and enhances customer satisfaction. In terms of marketing strategies, companies need to continuously experiment with new promotional methods and sales channels. With the development of the Internet and social media, digital marketing and precision marketing have become trends. Companies should utilize big data to analyze customer behavior, formulate more precise marketing strategies, and enhance marketing efficiency and effectiveness. Optimization of organizational structure is also an important aspect of continuous optimization. As companies expand and market environments change, existing organizational structures may no longer meet the new development requirements. Therefore, companies should adjust their organizational structures according to the needs of business development,

such as establishing new departments, optimizing management processes, and improving decision-making efficiency. Furthermore, companies should actively pay attention to the development of new technologies and business models. Currently, new technologies such as artificial intelligence, big data, and cloud computing are profoundly changing various industries.^[4] Companies should track the development trends of these technologies in a timely manner, explore their application scenarios in business, and drive innovation to promote the company's development. For example, improving products and services through the introduction of artificial intelligence technology to enhance production efficiency and service quality; optimizing supply chain management through big data analysis to reduce costs; and enhancing the processing capabilities and flexibility of enterprise information systems through cloud computing.

Conclusion

Enterprise strategic management is crucial for enhancing market competitiveness. Through precise strategic positioning, building and maintaining competitive advantages, and achieving synergies,

companies can effectively enhance their market competitiveness. In future market competitions, companies should continuously monitor market dynamics and technological development trends, continuously optimize and innovate strategic management methods and measures, to adapt to the ever-changing market environment, and achieve sustainable development.

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