

The strategy of art

If you've ever ambled through a staid museum with classic paintings on the wall, you probably did not think that behind those aged canvases and ornate frames lie the stories of some pitched *strategic* battles. **Joerg Reckhenrich, Jamie Anderson, and Costas Markides** found 21st century wisdom in the competition between two artistic titans.

“ The art of strategy” is a phrase often spoken in business schools, but there's much to be learned as well from the strategy of art.

Let's first talk about the art of strategy. Strategic innovation is the discovery of a fundamentally different strategy or way of competing in an existing industry. Strategic innovation takes place when a company identifies gaps in competitors' positions via an industry-positioning map, goes after these competitors, and exploits these gaps to grow their own company, the marketplace, or both.

These gaps have been identified as:

- a new *who* – emerging customer segments or existing customer segments that other competitors have neglected
- a new *what* – emerging customer needs or existing customer needs not served well by other competitors;
- a new *how* – ways of promoting, producing, delivering or distributing existing (or new) products/services to existing or new customer segments

Strategic innovators are most successful when they invade existing markets, either by introducing products or services that emphasize radically different value propositions from those emphasized by established competitors, or by adopting radically different value chain configurations from those

prevailing in the industry. Not surprisingly, the more innovative the strategy that a new entrant adopts relative to established firms, the higher the probability that the challenger will succeed.

Strategic innovation is not a new concept but has deep historical roots. While the vast majority of research on strategic innovation has focused on firm strategies over the past two decades, we would like to step back several centuries to discuss strategic innovation in the art world of Venice in the 16th century, in which the artist Tintoretto was able to create new market space in a “mature” industry dominated by the grand art master, Titian.

The rise of Venice

Between the 9th and 12th centuries, Venice became a city-state. Its strategic position on the Adriatic Sea made its naval and commercial power almost invulnerable. A centre of the spice and silk trade, the city developed into a flourishing trade hub with business relations extending far into the Byzantine Empire and the Islamic World.

Venice achieved imperial power through its support of the Fourth Crusade, which ultimately led to expansion of the city-state's realm of political influence. Doge Enrico Dandolo strategically led the crusade to the Byzantine Empire and conquered Constantinople in 1204. He founded the Latin Empire, expanded the sphere of influence and →

→ thus achieved the first peak of power and wealth of Venice. At the height of the Fourth Crusade, the city employed 36,000 sailors, operated 3,300 ships and dominated Mediterranean commerce.

The political structure of Venice facilitated trade and commerce. The Great Council was the core governmental institution of Venice and was elected by Venice's most influential families. The Great Council appointed all public officials and a Senate consisting of 200 to 300 members. The Senate, in turn, elected the Council of Ten; and this secretive group directed the administration of the city-state. One member of the great council was elected Doge, or Duke, the ceremonial head of the city who was endowed with executive power.

The political and economic conditions of the 16th Century provided the foundation for a flourishing art market in Venice, with the city-state's great wealth and desire for status leading to massive investment in public buildings and grand palaces. There was also extravagant competition among prominent Venetian families to demonstrate their personal wealth and status. Venice regarded itself as a political institution on the same level as that of the Emperor in Augsburg and the Pope in Rome, and therefore architecture and the arts in Venice were more than an expression of culture. Architecture and art in Venice had a functional purpose for the Great Council – to emphasize the status of the city-state as equal to any other power base of the time.

Emergence of the grand master, Titian
As did the other great powers of the time, the city-state of Venice needed grand paintings in order to underscore its political and economic status, and the market situation was highly conducive to the



Titian, "Self portrait", 1550

created the blueprint for the Madonna paintings in the Renaissance, Titian learned the delicate use of colours creating a warm and harmonious style.

Bellini died in 1516, and thereafter Titian had no rival in the Venetian art market. His rise as a well-known and very successful artist began in 1518,

Titian was able to build a dominant position in the Venetian art world that lasted for more than 60 years.

development of the arts throughout the 16th century. There was sufficient wealth, competition among the Venetian bourgeois class and other city-states, and – last, but not least – the right technological conditions to meet the demands of great and representative projects.

Titian (1490–1576) is widely accepted as the dominant master of the Venetian art world at the height of the city-state's rise. Deeply rooted in the famous Venetian Colourism school, Titian's style dramatically increased the use of colours compared to paintings from earlier periods. Titian had been an apprentice of Giovanni Bellini (1430–1516), who was the leading artist of his time. From Bellini, who

when one of the most incredible objects of artwork in the history of art was unveiled: "The Ascension of Maria" ("Assunta") for the Frari Church in Venice. When the painting was delivered to the Church's Franciscan monks, they were sceptical about the radical new approach presented by Titian – the huge size of the canvas, the brilliant colours and the freedom of composition. Only when an ambassador of the emperor came and asked to buy the painting and to forward it to Vienna did they decide to keep it.

Titian's success with "The Ascension of Maria" was aided by his mastery of new technology and production processes. After using tempera paint (a mixture of egg, oil and water) for more than →



Titian, "The Ascension of Maria" ("Assunta"), 1518



Titian, "Karl V", 1548 [EDITOR'S NOTE: Our source shows this as titled "Charles V", with date of painting as 1548]



Titian, "Philip II", 1551

800 years, artists such as Bellini experimented with pure oil paints that could permit the use of up to 150 layers of thin colour, thus creating a soft and very natural impression. Artists were now able to divide the painting process into clear working steps, and Titian was one of the first grand masters to open a workshop staffed with many assistants. Each

These huge canvases met the grand requirements of the wealthy elite. Furthermore, the new technology was well suited for the difficult weather conditions in Venice with its extremely high humidity, and the oil paintings of the Venetian masters are in good condition even today.

With the wide acclaim for this outstanding painting, Titian was able to build a dominant position in the Venetian art world that lasted for more than 60 years. Titian was *the* portrait painter of his time and served clients belonging to the highest level of society. From the moment he had finished the "The Ascension of Maria", his fame spread among the political and religious leaders of his time. Very close relations existed between the power centres of Venice, Rome, Naples, Ferrara, Madrid and Augsburg; and, in 1530, Titian started to paint for Emperor Karl V. This royal patronage lasted for more than 20 years and helped him to establish relations with nobles of other wealthy states. During the last 26 years of his life, the artist worked mainly for Philipp II, the son of Karl V, who followed his father to the throne.

Titian painted the likenesses of the Doge of Venice, the Farnese Family, Pope Paul III and many other prominent religious figures and aristocrats of the time. The art historian Vasari wrote in 1568: "There was nearly no person of a high rank, neither princes nor noble ladies, whose portrait Titian was not painting; in that part of his art work he was an absolutely perfect master".

Given Titian's status and the closed circle of aristocratic clients who dominated patronage of Venetian arts, it is perhaps not surprising that it was difficult for any other artist to challenge his position as the grand master of Venice. There were only two options for working on grand art projects in Venice during Titian's time. One was to join the workshop

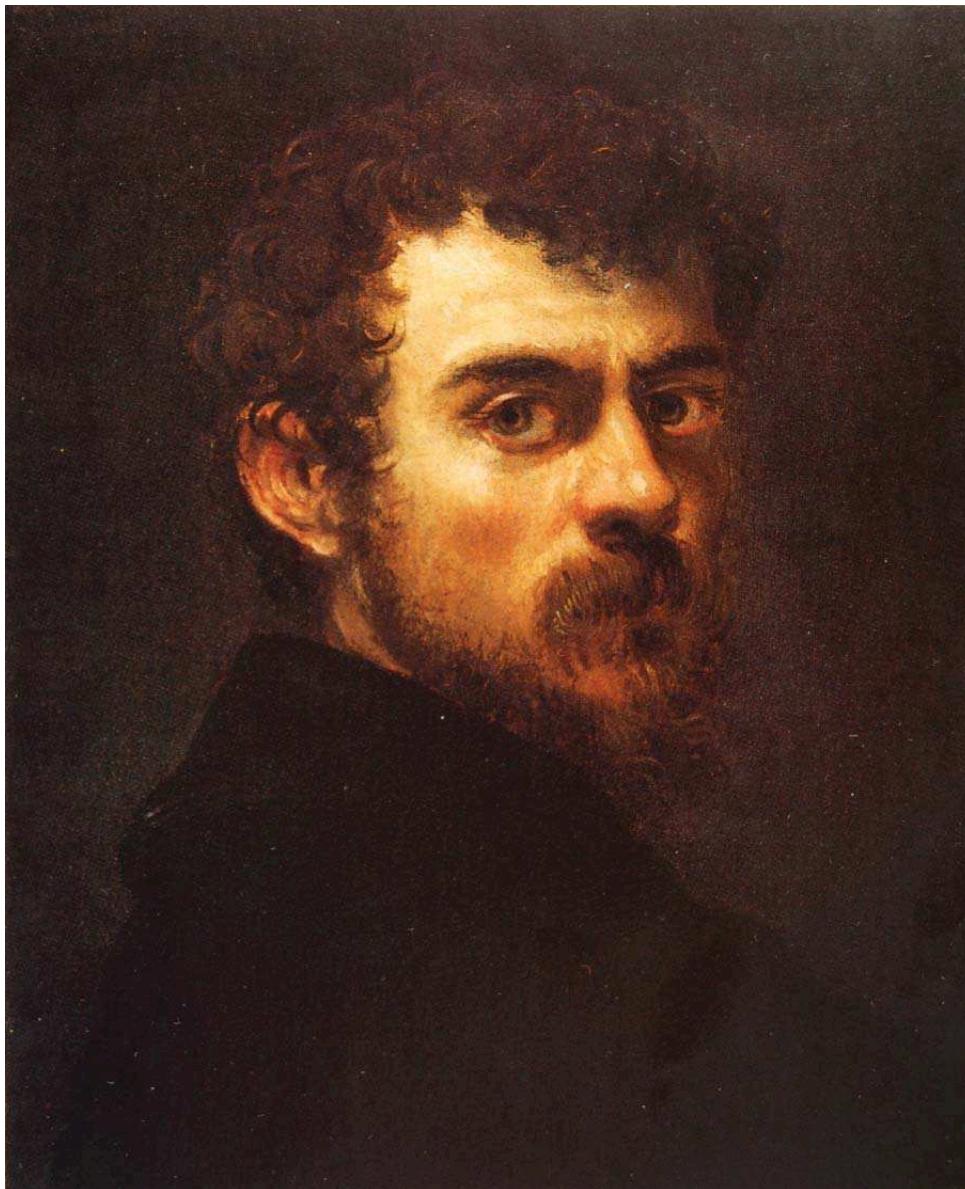
Not surprisingly, the more innovative the strategy that a new entrant adopts relative to established firms, the higher the probability that the challenger will succeed.

assistant was responsible for a different step in the production process, such as building the canvas, preparing the painting and colours, transferring the concept sketches of the master to the canvas, painting the background and executing less important parts of great compositions. The master himself was responsible for closely controlling the overall process and for personally painting critical pieces of the composition.

The new technology and production approach also allowed painting on huge canvases. "The Ascension of Maria" measured 3.90 x 6.90 metres, a format that had never before been seen in the art world.

of Titian by working as an assistant. The other, almost unimaginable, option was to work in a way that challenged Titian, and the only painter who succeeded in realizing this option was a radical young painter named Tintoretto.

The unorthodox intruder, Tintoretto
 Tintoretto (1519–1594) is probably one of the most ambiguous figures of the 16th century Venetian art world. Tintoretto's radically unorthodox paintings cannot easily be classified, and his approach to entering a virtually closed, or mature, Venetian art market was something never before witnessed. →



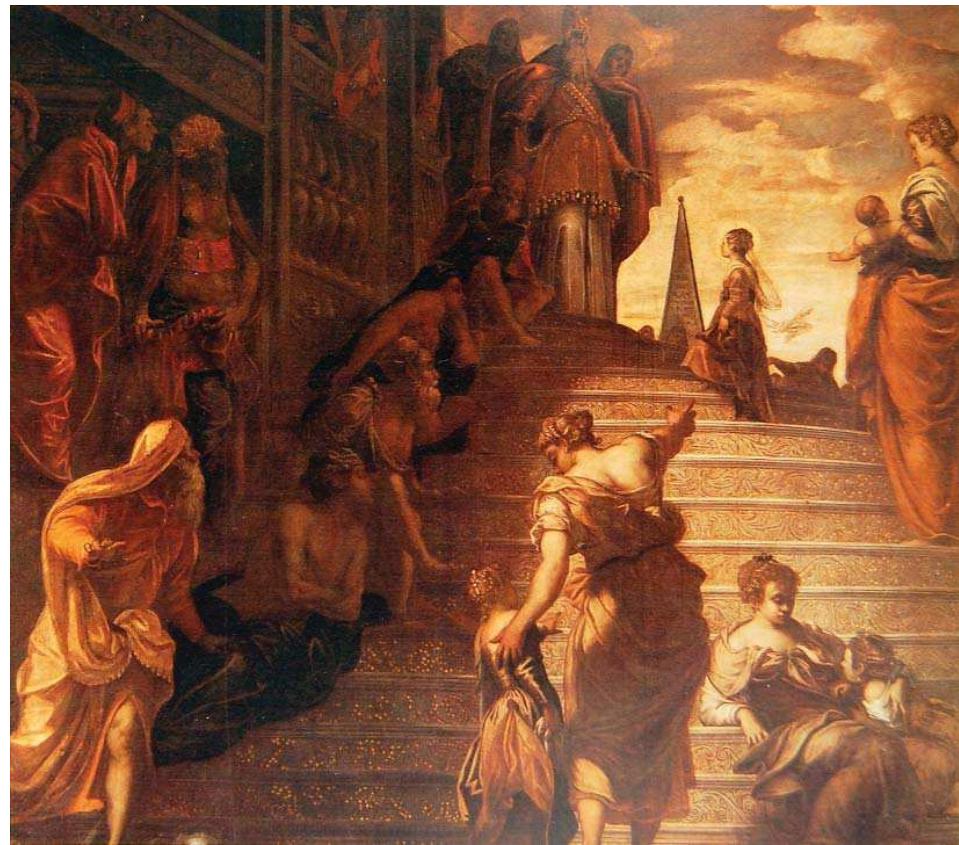
Tintoretto, "Self portrait", 1546

→ Born in Venice as the eldest of 21 children, Tintoretto was raised in the booming art world of his home town. His father took him, at the age of 15, to the studio of Titian to see whether he might be trained as an artist. But after just 10 days, Titian expelled the young pupil from his premises, supposedly jealous of a promising scholar and fearful of a possible future competitor. Titian was absolutely right: within a decade Tintoretto was a rising talent in the Venetian art world.

After his ejection from Titian's studio, Tintoretto embarked upon his independent career by exhibiting his paintings in the street on Rialto Bridge, not hesitating to copy the style of his rivals. Rather than positioning his work as high art, he

offered his ability to paint as a form of craftsmanship and became accustomed to meeting the demands of a wide spectrum of customers. From the very beginning, he learned to adapt his art to customer demands and economic capacity, and he had minor commissions including furniture paintings, façade frescos and even minor jobs for the trade organization of the Fishmongers.

The technique Tintoretto developed early in his career came to be known as Mannerism and was very different from the traditional style. The new approach enabled him to paint much more quickly than Titian and other contemporaries of the Venetian art world. Based on *prestezza* technology, the technique followed three general steps. First,



Tintoretto, "Presentation of the Virgin in the Temple" [Date?]

the artist painted a brown undercoat on the canvas. Next, he made a rough drawing using white colour, very often like a sketch, and then the actual painting process started. Contrary to Titian's technique of painting many layers of thin colour, Tintoretto used a more relaxed way of painting, sometimes working with rough brushstrokes. Influenced by Michelangelo, the characters in Tintoretto's paintings showed lots of abbreviation, again enhancing the speed of production.

There was an economic rationale for the speed of Tintoretto's painting technique. Contrary to his wealthy competitor, Tintoretto was poor at the beginning of his career. In order to make a living, he pursued customers who could not afford the price and status of Titian's paintings. This is one of the reasons that it is possible to find so many Tintoretto paintings, even in less important places in Venice. While Titian started his career with a well-paid contract painting frescos at the Fondamente Tedesco with his famous colleague Giorgione, Tintoretto initially accepted nearly every commission, and to fulfil his customers' orders, needed a much faster production process. During his long career, and in addition to many of his earlier minor pieces of work, Tintoretto produced more than 650 commissions for the Venetian

market – more than twice the number of works of art completed by the workshop of Titian.

There were other compelling business reasons for Tintoretto's path-finding, innovative role in developing the Mannerism style in the Baroque epoch of art history. Direct competition with Titian for portrait commissions among the Venetian aristocracy was almost pointless, so Tintoretto had to make visible differences in his own technique in order to drive demand for a different artistic style.

In order to succeed in the Venetian art market, Tintoretto adopted other unorthodox practices. Sometimes the artist delivered paintings even if customers had not asked for them in order to create demand. Tintoretto offered paintings well below the price level of Titian's workshop, an approach that was both determined by and reflected in the growing demands of his customers, who tended to be drawn from the patrician rather than aristocratic classes. Instead of risking direct competition with Titian, who constantly raised the prices of his paintings, Tintoretto maintained the prices of his own workshop at an affordable level.

Tintoretto moved progressively up-market throughout his career and eventually challenged Titian for projects that the Grand Master might have considered to be at the low end of his own elite →

→ market. Tintoretto's breakthrough in winning major commissions happened in 1564. "Scuole Grandi" were the institutions responsible for the professional and social life of Venice, and one of the most famous was the Scuola Grande di San Rocco, dedicated to the plague saint, San Rocco. The Scuola's building was perfectly suited for a great scheme of pictorial adornment; and in 1560 Tintoretto and four other principal painters were invited to a competition. They were asked to present trial designs for the centre painting in the smaller hall; but, instead of producing sketches, Tintoretto delivered a finished version and inserted it into its frame at the ceiling. His competitors protested

arts and spoiling price levels, but one might assume that Tintoretto was well aware that he was growing the total art market.

Besides the patrician clients who ordered smaller paintings to furnish parts of their houses, the Scuole projects that his workshop came to dominate were much more important and also provided him an entry to bigger projects. In addition to the projects for churches and Scuoles, many of the topics of Tintoretto's other work dealt with Christian or mythological motifs.

Even if Tintoretto was innovative in terms of technique and style, he did not claim artistic invention in every painting. He recombined figures

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about such an unfair procedure, but the artist knew how to play his own game. He donated the painting to the Saint and gave it to the Scuola as a gift, being well aware of the fact that the foundation of the Order prohibited rejecting a gift. In addition, he proposed to decorate the entire building of the Scuola, and the church of San Rocco next to it, at half the price of his competitors should he win the commission. This daring approach led to Tintoretto winning the commission for the complete decoration of the Scuola San Rocco, widely acknowledged as the most spectacular project of his life. It also delivered Tintoretto's desired outcome – to be accepted as a member of the Scuola, knowing this would help to increase his reputation as an artist and citizen of Venice.

Tintoretto's unorthodox pricing approach meant that he had a much wider range of commissions than Titian, which was definitely the cornerstone of his success. For example, in 1583 Tintoretto painted an altarpiece for a wealthy client for which he was paid 400 Ducats. In the following year he worked for the Scuola of the linen weaver trade and delivered a painting for only 20 Ducats. Tintoretto's business manner, using a price range or letting the customer decide the sum in question, was in full accordance with the habits of other Venetian artists or craftsmen. But the way he understood and handled this widely used practice was far more aggressive than that of any other prominent Venetian artist of his era. Many artist colleagues were irritated and upset about Tintoretto's approach. They thought he was ruining the reputation of the

and compositions from other paintings and did not hesitate to use compositions similar to the work of his strongest competitor, Titian. This behaviour was, as well, a strategic point in Tintoretto's business manner, offering clients something similar to the work of his competitor but still in a unique style and at a more reasonable price. Tintoretto did do portraits, but portrait painting was not his core business. In this field he was a direct competitor to Titian, and he was not able to compete with the grand master's reputation.

Titian's response to Tintoretto

Despite Tintoretto's fame later in his career, he still stood in the shadow of Titian. He was not appointed state painter of Venice until after Titian died. Indeed, Titian was relatively successful in defending his dominance against the rise of Tintoretto, and he responded in many ways to his audacious rival.

His first act of defence had been expelling the teenage Tintoretto from his workshop. Titian had seen the incredible potential of the young artist and tried to cut off learning opportunities and distance the potential challenger from the reputation of his own studio. From that time, Tintoretto had been forced to build his own career; and, during the early years of exhibiting paintings on the street and offering his artistic talent as craftsmanship, he did not importune the grand master. By quickly expelling him from his workshop, Titian successfully prevented Tintoretto from becoming known to the nobility, for whom he was painting. As evidence, the few portraits included in Tintoretto's work show



Tintoretto, "San Rocco in Glory", 1564

customers mostly in the second echelon of Venetian society.

Another tactic that effectively controlled the high end of the market was Titian's close relationship with the influential writer Pietro Aretino. With his sophisticated writing ability, Aretino had access to the highest ranks of nobles in Venice. Aretino was feared for his writing, and he could be described as one of the first society journalists. He had the power to argue for or against people and didn't hesitate to write a satiric treatise against the Pope in Rome. During Tintoretto's career, there was wide discussion of his painting technique, *prestezza*. Many in the art establishment had been suspicious about the technique, because they thought it cheapened the reputation of art. These critics favoured the "mature" Venetian style of Titian, and Aretino was one of the prominent supporters of his friend, the grand master. Indeed, Aretino had been dead almost four years by the time Tintoretto was able to win the commission for the Scuola Grande di san Rocco. And it took more than 10 years after Titian's death for Tintoretto to achieve the commission for the crown of his work, the huge "Paradiso" in the great hall of the Doge's palace that he completed in 1592.

Building a successful relationship with his most important clients, Karl V and Philipp II, also helped Titian control the high end of the market, especially for commissions for local and international nobility. But it should also be recognized that in response to Tintoretto's success, Titian progressively withdrew from what might be described as mid-level contracts in the Venetian market in which his challenger was particularly strong. Despite being invited, Titian did not participate in the competition for the Scuola San Rocco in 1560. Already in his 70s, he chose instead to focus his energy on lucrative and almost certainly higher-margin projects for his royal patrons.

It could be argued that Titian lost market share to Tintoretto later in his career, but this loss of market share should be viewed in the context of a growing Venetian art market, especially for the mid-level and minor projects in which Tintoretto's innovations expanded overall demand. It should also be acknowledged that, as state painter of Venice until his death at the age of 86, Titian held the most important office an artist could have in the city-state – and his workshop remained a highly profitable venture throughout his career.

Tintoretto vs Titian

Titian	Tintoretto
WHO <ul style="list-style-type: none"> Targeted Venetian and international nobility and political leaders, major church projects and city-state projects commissioned by the Great Council 	WHO <ul style="list-style-type: none"> Initially targeted the mass market through street sales before moving to develop the market for the Venetian bourgeois class
WHAT <ul style="list-style-type: none"> Painting as high art to communicate status and power Predominantly portraits of the aristocracy and political and religious elite such as the Doge of Venice, the Farnese Family and Pope Paul III 	WHAT <ul style="list-style-type: none"> Painting as form of craftsmanship Initially produced smaller paintings to furnish homes, before moving on to commissions including furniture paintings and façade frescos, and projects for minor churches and commercial organizations such as the Scuole
HOW <ul style="list-style-type: none"> Deeply rooted in the refined Colourism school Artistic invention and uniqueness a key differentiator Maintained strong control over the output of workshop assistants Workshop geared towards low-volume, highly detailed portrait painting, with modest number of commissions completed each year New business won through close personal ties and networks High prices 	HOW <ul style="list-style-type: none"> Developed the Mannerism school that leveraged new <i>prestezza</i> technology Did not claim artistic invention in every piece Guided rather than dictated the artistic output of workshop assistants Workshop geared towards low-cost, high volume production of a range of art works New business often won through unorthodox sales and marketing techniques Spectrum of prices depending on client

→ Lessons for the 21st Century

Research has shown that strategic innovation is a particularly effective strategy for small firms or newcomers in an industry. Because these firms have to compete against entrenched, established competitors, they cannot simply attack head-on, hoping to "outcompete" their bigger rivals. They must employ guerrilla tactics to avoid direct competition. Tintoretto's success in entering a "mature" Venetian art market in the 16th century demonstrates the tactics that a new entrant can use to strategically innovate.

Tintoretto's first insight was his understanding that it was not only the aristocracy who wanted to own art of high quality – he discovered a new "who". Patricians, scuole and churches also demanded works of art, but they were unable to afford the high prices of the grand master, Titian. By seeing the potential of these underserved or non-consuming customers, he was able to create a new market space for his own work and at the same time significantly broaden the overall art market.

Tintoretto also introduced a new "what" – affordable, but high-quality, works of art with relatively short delivery times. Previously, high-

quality art involved refined style and significant expense; but, through his mastery of *prestezza* technology, he educated customers to accept rough brushstrokes and a certain level of artistic abbreviation but compensated through the enhanced use of vibrant colours at significantly lower cost. In doing so, he created new dimensions of value for customers who were willing to make tradeoffs and break from tradition. While this departure from the artistic and pricing status quo was derided by many of his contemporaries, the resulting value proposition was compelling for many art buyers.

For Titian, major commissions had come through personal connections and a reputation that had taken years to develop. Tintoretto was able to fast-track his success through a new "how" – flooding the market with a large number of high-quality works of art – even if these art works had not been asked for by their intended recipients. His coup in winning the commission for the Scuola San Rocco was indicative of his use of guerrilla tactics to build his visibility in Venice and eventually led to his appointment as state painter of Venice after Titian's death.

Tintoretto also innovated along the “how” that was the traditional value chain of art production. Contrary to Titian, who had strict control of the outcome of his workshop, Tintoretto was more relaxed about his workshop’s production and gave greater artistic freedom to his assistants in order to handle the enormous amount of production. He also

highest echelons of public position until well after his death. Titian increasingly avoided head-on competition with Tintoretto by focusing his efforts on serving the Venetian nobility and expanding his reputation with the wider European aristocracy – a demanding and status-conscious customer base with whom Tintoretto never truly gained acceptance.

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eliminated certain steps in the painting process and, through this new technique, was able to significantly reduce the time required to complete works of art. This also resulted in a new artistic style (the new “what” mentioned above), thereby avoiding head-to-head competition with Titian’s dominance of the Venetian portrait scene.

Titian’s response to Tintoretto also provides relevant lessons for 21st century firms. Titian retarded Tintoretto’s rise to fame by excluding him from learning skills in his own workshop and closing any access to his established client base. He leveraged his relationship with the writer Aretino to undermine the credibility of Tintoretto’s painting style in the Venetian art establishment, and he used his political influence to exclude Tintoretto from the

In summary, evidence suggests that Titian fought back to retard Tintoretto’s growth as a competitor but, at the same time, focused on his core business of grand projects and portrait painting for the nobility to avoid head-on confrontation in market segments in which his higher-cost approach put him at a disadvantage.

Finally, the success of Tintoretto in 16th century Venice might provide a lesson in humility for 21st century managers. While Titian and Tintoretto always kept a certain distance from each other, Tintoretto remained a professed and ardent admirer of his rival, the grand master, expressed in the inscription he placed at the entrance of his studio: *Il disegno di Michelangelo ed il colourito di Titiano* (“Michelangelo’s drawing and Titian’s colour”). ■

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