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### Standardization (globalization) and Customization (localization) in International business

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#### Abstract

In international business, the concepts of standardization and customization are business-oriented concepts that are expanding their roles to new markets. Since its appearance, it has been a hot topic and attracted the debate of many scholars around the world. The goal of this essay is to help people better understand the above concepts, their roles and interrelationships in international business. In addition, it is

necessary to go deeper into presenting the results of motivation, strengths and weaknesses of each type of concept to draw practical theories about the relationship between them and also provide important insights. individual points of the group in the application and practice of two general concepts, including the Vietnamese market.

**Keywords:** Standardization, Customization, External Factors, Internal Factors, Vietnam, Business Tactics, 4Ps, International Business

#### 1. Introduction to the research problem

With the trend of globalization in manufacturing business, trade promotion between countries and territories is increasing rapidly. Followed by the development of large multinational corporations in the world. Therefore, international business enterprises are always looking for new and potential markets to expand the scale and model of the company. In particular, the analysis of the market on aspects such as growth opportunities, cost reduction and risks of differentiation in the context of having to satisfy the contradictory needs between global linkage and local responsiveness. In order to gain a business advantage in new markets, international businesses often use a variety of tactics to suit each country. Thereby increasing the popularity of the brand while minimizing production costs on the product. Reducing financial pressure on businesses when entering new markets.

However, international businesses need to carefully consider strategies before entering new markets. The role of product localization and understanding of national standardization are essential when strategizing to attack new markets. Depending on the needs, laws and culture of each country, businesses will plan to market their products to suit the local market. To implement these strategies, large enterprises often establish independent subsidiaries or joint ventures, depending on the different markets.

The biggest barrier that international business faces in the process of entering new markets is understanding the tastes as well as the differences in concepts, views, and preferences of consumers. In addition, production policies and product standards are also things that businesses need to pay attention to. Working against regulations or not understanding the ways as well as processes and working culture of the host country will create a huge barrier for businesses on the journey to expand the market. In terms of international trade, each industry in each country has too many different standards, so they will be obstacles to transactions. In order to "match orders" for cross-border goods purchase and sale requirements, manufacturers and importers will have to reconcile many different standards, increasing costs and risks in transactions. It can be said unequivocally that the deeper the economic integration, the more attention must be paid to standardization. In fact, slow standardization is a major barrier to integration.

However, localization and standardization are two separate aspects that are different but necessary or can be called a standard for a domestic business to step out into the world and vice versa.

A simple example of this is Adidas or Nike when they treat the global market as a single market, so they produce standardized, homogenous and similar products.

In contrast, some brands of electronic equipment such as computers, laptops, and mobile phones, when penetrating the domestic market of each country, for example, Vietnam. These firms will launch appropriate versions for each country, which can reduce performance and quality, leading to cutting production costs, thereby reducing the cost per product. In addition, are versions using Vietnamese language or supporting Vietnamese writing software such as Unikey. This is a form of localization, making an international product suitable for each locality and country.

## 2. Theoretical basis of the problem

### 2.1 What is standardization? Classify? Purpose? Subject? Principles of standardization

Due to the continuous development of businesses as companies start operating in many different countries. When they were called global or international companies, development in other countries made improving business strategy a necessity for many businesses. At that time, it is necessary to have a global business strategy, even if it is not possible to achieve the set goals in the international market, enterprises can also apply those strategies themselves in their own country and at the same time, it also needs to meet the short and long term goals of the organization, short term goals can be cash flow management, revenue goals, market share and cost management and long term goals can be have a sustainable competitive advantage and build brands that lead to continued profits and growth. One of the key strategies for developing such goals is standardization. Standardization has been used since the early days of production, the basic principle of this strategy is to create a standardized product or service for every target market, the entire marketing plan remains the same. being one and the same for different market segments, this strategy has one building block. the idea that all human beings have the same need and that this need can be satisfied with a standard product regardless of region and is not affected by geographical location (Abey Francis, 2014).

There are different definitions of standardization in international business. Standardization is considered an important element of globalization, a document established by agreements approved and recognized by international bodies that set out rules, guidelines or basic characteristics. In activities, the results of activities are for general and cyclical use in order to achieve the most optimal levels of order in a given context (Truong Hoang Hoa Duyen, 2013). In another definition according to the *Standardization Organization (ISO)* Standardization is the activity of establishing terms for common and repeated use over actual or potential problems, in order to achieve a optimal order in a given scene.

#### ▪ **Classification Standardization in business**

Standardization is divided into two basic categories: Standardization of products and Standardization of production processes.

➤ **Product standardization:** To expand the business model across countries requires businesses to bring to the market products that are consistent in quality and brand image regardless of which country is consumed, and are also suitable for respective cultural and international standards. Consumption of product items is strongly driven by cultural factors, consumer tastes, habits and income, the interest of this study is only in the product factors of the mix. marketing. According to

Doole and Lowe (2008), the assessed marketing mix consists of 4 Ps:

- ✓ Product (product)
- ✓ Price (price)
- ✓ Place (location)
- ✓ Promotion (promotion)

➤ **Standardization of the production process:** essentially standardization of the production process occurs when a business establishes a set of rules governing how people in a business must complete a task or sequence of tasks. certain. When the process is done well, standardization can reduce ambiguity and increase accuracy, ensure quality, improve productivity, and increase employee morale (Benjamin Brandall, 2018).

#### ▪ **Objects of Standardization**

Standardization is a business tactic often used to target markets that have many similarities with the country of origin of the enterprise, where the enterprise has applied it very successfully to gain market share (Jingyan *et al.*, 2014). Besides, Standardization is also an important concept targeting high-tech industries with strict quality requirements and little room for customization: automobiles, machinery, and equipment.

#### ▪ **Purpose of Standardization**

The growing trend of promoting business to international markets has led to the demand for a standardized strategy among enterprises. For the purpose of ensuring uniformity for certain activities in the industry. By standardizing focus on product creation processes, accelerating business operations, the technology in use and the way in which specific required processes are provided to achieve optimum in a given environment. certain scene. From that:

- Facilitating the exchange of information (understanding): from which professional definitions or terms of a certain field arise
- Ensuring hygiene and safety for users and consumers: this is a standard built based on legal documents to protect the interests of consumers (environment, product quality, standards). standards of hygiene and safety...)
- Simplify and unify: create convenience when assigning or cooperating in production, increasing labor productivity, convenience in use and cooperation.
- Promotes global trade: the remarkable development of economies in countries has led to the integration of standards between exporting and importing countries to facilitate global trade: reduce or eliminate certain taxes; build free trade zones with low tariffs or no exchange of goods, products, and information. In the previous centrally planned economy, it was said that Standardization was born with the aim of promoting socio-economic development, improving labor productivity, ensuring human health, stabilizing and improving labor productivity. Besides, product quality also contributes to improving the limitations of management in the national economy, developing science and technology, promoting import and export.

#### ▪ **Principles of standardization**

##### 1. **Consensus**

The basic principle of standardization is consensus - mutual agreement, characterized by the absence of sustained opposition to issues of importance by any significant part of the interest involved and by a process involving seeking

consideration views of all parties involved and mediate any conflicting arguments (Consensus need not imply consensus).

## 2. *Involvement of all stakeholders*

The democratic procedure of preparing standards envisages the participation of all stakeholders, who have the right to participate in and contribute to the preparation of standards, which they will voluntarily adopt. This suggests that all stakeholders are invited and should be represented in standardization work at all levels.

## 3. *Modern and open to the public*

The standards preparation process must be open to the public from the outset and at all its stages. The public must be appropriately informed about the beginning of the preparation of a standard, about the body preparing it, about the documentation on which the preparation is based, and about the stages of preparation (public inquiry, problem of standards). This is the stage of development of technical competence at a given time in relation to products, processes and services, based on relevant consolidated findings of science, technology and experience.

## 4. *Transparency*

The development stage of technical competence at a given time is based on the relevant consolidated findings of science, technology and experience. This indicates that prior to publication, a normative document must be submitted as a draft standard for disclosure requirements. Justifiable objections must be reviewed by the responsible Technical Standards Committee.

## 5. *Coherence of standards*

A collection of standards must be consistent, i.e., must not contain conflicting standards (by applying a new standard on a subject on which the old standard was withdrawn). This is the preparation of every single standard that requires attention to the coherence and homogeneity of both, at the national and European level. For European standardization, this implies: Conflicts of national standards must be withdrawn. Thus, body uniformity of standards and continuity are protected for the benefit of the user

## 2.2 Customization? Classify? Purpose? The subject of customization?

A global business strategy is a good and ideal tactic. However, although the two countries are similar in many aspects from economic position, geography, population, there are still different factors such as taste or culture. Thus, customization is another essential tactic to reach new markets. Customization refers to the application of marketing strategies from the customer's point of view. These organizations build products according to the needs of individual customers. Customization refers to the selection of processes that deliver goods and services according to customer needs. Customization is achieved by modifying, assembling and modifying the standard product according to the needs of the customer rather than rigidly following a certain set of frameworks. Customization is also associated with the goals set out in the international market of the business. Often businesses pursuing customization will aim to make unique products or put the goal of satisfying customer needs first instead of producing goods in large, standard quantities. Unlike standardization, customization is only mentioned later when the world market has been expanded and multinational companies are increasing. Recognizing the differences and limitations in applying one

strategy to all markets, a different trading theory and tactic needs to be developed and applied in some markets. That's when customization comes into play, and in this age of globalization, it's becoming increasingly important for businesses.

In addition to the importance of customization as a strategy in international business, it also plays an important role in promoting product improvement, production line enhancement and business strategy through innovative ideas. innovation in business operations.

### ▪ *Categories Customization*

As with Standardization, customization is also divided into product customization and production customization. Product customization is about changes aimed at changing elements of the 4Ps: it can be as simple as:

- Change the design, packaging or product quality to more or less match the current market (Product)
- Offer discounts, credit installment policies or special product offers (Price)
- Changing the market and the way products are distributed and displayed (place)
- Change ads to fit the culture and needs of the host country (Promotion)

Customization of the production process can be due to objective reasons, depending on the technology and resources available in foreign countries in case production facilities are located in those countries, or simply for changes to suit the requirements of the government in the host country for policy reasons, management. In addition, enterprises can also proactively customize the production process to suit people, cultures and products in different countries to achieve the highest productivity (For example, designing machines that are suitable for size). Asian figure...)

### ▪ *Customization Objects*

The object of metamorphosis is countries with different cultures, tastes, and geographical locations from the original country in which the business operates. school. Between the US and China, for example, adopting a global tactic that has been successful in the US will not guarantee the same success in China. Businesses need to change products and processes to capture the common needs of this group of customers. In addition, industries that focus on consumer goods often have a higher need for customization than the technology or machinery industries mentioned above.

### ▪ *The Purpose of Customization*

In the end, the purpose of each type of strategy is to maximize the profits obtained when operating in a foreign environment. However, unlike standardization, customization maximizes profits through:

- Satisfying the needs of customers, which may be just a small group of customers but with distinct needs, through which can capture niche markets where businesses pursue standardization often omitted. Through this tactic, the enterprise also aspires to become the leader in the industry (Meyer and Bernier, 2010).
- Create innovations in products and business processes through which market share can be increased through differentiation in product quality and design.

## 3. Research methods

This study mainly uses theoretical research methods, information gathering, namely: theoretical analysis and

synthesis method, historical method, comparative and contrasting method.

- **Methods of analysis and synthesis of theories**

This research topic has collected scientific information, conceptual theories about customization and standardization and conducted synthesis. Then link each side, each piece of information has been analyzed to create a new complete and profound theoretical system about the object.

- **Logical method and history**

This method helps to find the origin of the problem, the theoretical and conceptual formation of customization and standardization, and the reasons for the formation of these concepts. How to apply in practice of businesses around the world.

- **Compare and contrast methods**

In addition to the above-mentioned methods, this study also uses comparative and contrasting methods to see the differences as well as strengths and rationality of the theories outlined in the topic.

#### 4. Research results

Basically, to decide how a company should apply a strategy to penetrate the market, the company needs to first grasp the benefits as well as the disadvantages that each tactic brings. through which you can see the strengths and weaknesses of your business (internal factors) when applying either method as well as understand the impact of that tactic in a certain environment (weaknesses). external factors). Therefore, the group's results focus on analyzing the benefits and disadvantages of standardization as well as customization in international business, thereby discussing and making inferences, strategies and The proposal is well-founded and persuasive.

#### 4.1 Standardize

##### 4.1.1 Benefit

- ❖ **For Businesses:**

The benefits of standardization for businesses, especially multinational enterprises, are also the motivation for enterprises to pursue standardization tactics. Besides, the benefits also show the importance of standardization and help to better understand why standardization has become so popular and discussed in international business. Important drivers include:

- Cut costs: economic benefits are the first and key reason why a business wants to expand into the domestic market. Standardization of products or production lines plays an important role in saving production costs. This reduction in production costs is achieved through a number of notable channels including:
  - Production costs: being able to have a single marketing model or type of packaging in most markets will significantly reduce the costs associated with production and improve corporate profitability. (Keegan and Green, 2000).
  - Through maintaining a simple, transparent tactic to significantly cut down on operating costs of the apparatus and organization. In addition, mass production of standard products makes it possible for firms to achieve economies of scale, that is, when a required large amount of output is achieved, production costs will decrease. decrease sharply, thereby maximizing profits (Levitt, 1983).

- Reducing product costs (Backhaus and van Doorn, 2007): As an inevitable system, cutting production costs enables manufacturers to sell products at cheaper prices.
- Competitive advantage: Reducing costs directly increases a business's competitive advantage. This makes standardization even more significant in industries with less product differentiation (Kustin, 1994).
- Helps the company to maintain the image and brand system (Papavassiliou and Stathakopoulos, 1997): Standardization increases the ability of a company to identify products that can contribute to the brand value of the business.
- High bargaining power and persuasion: With a large distribution system and brands, global product distribution brands often have greater brand power and greater persuasion when releasing new products, as well as greater negotiating power than local brands in distribution and business negotiation. (Loukakou and Membe, 2012)
- Easily manage and operate the business and organize personnel (Gibb and Isack, 2001)

- ❖ **For stakeholders: (stakeholders)**

Customers: in addition to enjoying a relatively comfortable price thanks to the company's low production costs, standardized products make it easier for customers to compare and less confused in deciding which products to buy (General), 2007).

Supplier: For suppliers, product process standardization contributes to increased supply efficiency by reducing lead times and standardizing input requirements.

Government: Standardization makes it easier for the state to issue regulations related to quality as well as to check the quality or production process of enterprises.

##### 4.1.2 Disadvantage

- ❖ **For Businesses**

One of the biggest weaknesses of globalization lies in its practical application because the most necessary assumption for standardization to be universally applicable is that the environment everywhere in this world must be nearly is one, i.e., there is no variation from place to place. However, the world is one block, but it is very diverse in all aspects: from people to thinking, culture, geography... A common strategy to satisfy all markets is almost non-existent. Jain, 1989). A business enterprise with a global scale will certainly face difficulties due to the difference in demand stemming from micro and macro factors (part 3). The application of each standardization is likely to lead an enterprise to the following disadvantages:

- Loss of business advantage due to suboptimal product, which in turn can lead to loss of market share
- Less innovation due to lack of motivation and over-reliance on standardization leads to:
  - Product lacks innovation, lacks creativity
  - Outdated operational tactics and strategic thinking lead to poor productivity, thereby causing a lot of waste (Aki and Harri, 2014).

- ❖ **For stakeholders**

Customers: It is difficult to choose a product that is satisfactory and suitable for individual needs. Not to mention because the product lacks innovation, consumers are disadvantaged.

Society, technology, supply chain (logistics): Slow to



innovate because of the lack of business innovation ideas (innovations) needed to drive growth.

## 4.2 Customization

### 4.2.1 Benefit

#### ❖ For Businesses

Because of the above disadvantages, customization is often seen as an alternative to standardization in expanding businesses to international markets. Although many previous studies have shown that standardization enhances business results, recent studies have concluded that this is not the case in all cases. The diversity and rapid change of the world that requires adaptation and customization is the answer to the shortcomings of standardization. Benefits for businesses can include

- Bring innovation to the forefront: One of the brightest points of customization is to stimulate innovation and improve product quality and continuous production rather than using a product or process from year to year.
- Bringing competitive advantages to companies, especially small and retail companies that do not have a brand advantage. Customization can be as simple as changing the logo or changing the product's design or material, but it can bring great benefits if it really suits the majority of consumers (Valdez, 2011).
- Make the company image special, can become a market leader thanks to industry innovations or new business lines (like Apple). According to Meyer and Bernier (2010), this is one of the main driving forces behind Agatha's pursuit of customization tactics.
- Improve and strengthen corporate operating tactics (McKee and Konell, 1993): a business that adapts to many environments and has many operational tactics will have more experience in international as well as international environments. how to deal with each particular case
- Increasing export value (Zaiem and Zghidi, 2011)

#### ❖ For stakeholders

Customers: Customers are the first to benefit from improving quality or innovating products for the better. Besides, in contrast to standardization when customers do not have to think much about product selection but at the same time lack suitable choices, customization will create conditions for products to suit individual needs. thereby enhancing customer experience and satisfaction (Jingyan *et al.*, 2014).

Society, technology, supply chain: benefit from innovative ideas that lead to rapid development in these areas and promote competition in businesses. From there, it motivates businesses to come up with new ideas to improve their competitive position.

### 4.2.2 Disadvantage

#### ❖ For Businesses

The disadvantages of customization are also inevitable when adopting this tactic and it seems to be the reverse of standardization. According to Otuedon (2016), the disadvantages for businesses can include:

- It seems that the increase in costs is most obvious when businesses have to change their models, production methods, and marketing methods when applying customization. That leads to
- Increased costs incurred, research and product

development

- Increased operating costs, management fees
- Difficult to manage when there are too many tactics in too many countries, so the product quality may suffer
- The transmission of known knowledge and application to different business environments is difficult, requiring separate studies for each market.
- Easy to lose image, difficult to manage brand and difficult to recognize when there are too many products and product lines

#### ❖ For stakeholders

Customers: are the first to be affected by the product price increase. Depending on the manufacturing industry as well as each country, that cost is significant or not. Besides, having many products also makes it difficult to choose the right product for your needs, not to mention the quality of the product may also be poor.

State: Having many business models and many types of products will make quality management difficult as well as making policies suitable for each enterprise.

## 4.3 Factors influencing the choice of standardization and customization

The strategic decision of a company can be considered based on internal and external factors as well as its influence on the marketing mix or 4Ps in business: products (products), price (price), distribution (place) and advertising (promotion). These factors can be divided into:

Macro factors:

- ❖ The market segment that the enterprise participates in (Hassan *et al.*, 2005) such as:
  - Which group of countries: developed or undeveloped, eastern or western countries.
- ❖ Technology, natural resources available in the host country
- ❖ The strength of the economy, income and purchasing power of the people in that country
- ❖ Geographical location
- ❖ Politics
- ❖ Culture: a country with a long-standing culture and know how to preserve culture will tend to use products associated with tradition more. That is especially true in Asian countries, where cultural identity is highly valued
- ❖ ...

Micro factor:

- Micro factors include those related to the business such as:
  - Business size
  - Experience in operating in an international environment
  - Industry: often high-tech or heavy industry sectors are better suited for standardization than consumer products. Zaiem and Zghidi (2011) also stated that the automotive industry is basically standardized regardless of differences in culture, language or tradition.
- ❖ Consumer lifestyles, preferences and tastes (Hassan *et al.*, 2005)

## 5. Discussion

### 5.1 The choice between standardization and customization

From the above results, the group found that standardization and customization are not in conflict with each other but are complementary and mutually beneficial. This statement is consistent with the study of Mc. Donald (Loukakou and

Membe, 2012) when they point out that neither standardization nor customization is enough to lead large businesses like Mc. Donald came to succeed in foreign markets, but instead they had to find a balance between these two tactics. If they focus too much on standardization, they will fail to meet market demand and lose market share. Conversely, if you only focus on customization, businesses cannot achieve a cost-effective level as well as potentially lose their own brand if they change too much. In a word, the team sees standardization as a horizontal direction, expanding the market and optimizing production costs, while customization is more about going into depth, optimizing quality and satisfying customers products in a given market. So it is safe to say that the choice of standardization or customization is not an option either to pursue. Instead, a business needs to find a balance between the two to suit its business, promoting product and brand development in new markets.

To achieve the above goal, a number of external as well as internal factors of a business should be taken into consideration. An enterprise first needs to recognize the strengths and weaknesses within the enterprise (industry, production costs, human resources) as well as understand the market (cultural needs, environment, quality, etc.) product quantity). The main goal is to understand what aspects the business can standardize (e.g. production lines, internal organization, etc.) and which aspects need customization (such as products, services, marketing) to both cut production costs and reduce costs without losing competitive advantages. One thing to emphasize is that each country and each industry has its own characteristics, so the tactics and balance points are unique. For example, an open cultural and very high-income country like the United States, the demand for specific products and marketing is still not as great as that of an old cultural and relatively high-income country like China (Freeman and Herring, 2012). The key here is to detect tactical dynamics and design strategies to suit their respective needs based on consideration of the potential benefits that can be achieved and the costs to be incurred (Backhaus and van Doorn, 2007)

## 5.2 Comments on the business environment in Vietnam

Vietnam is a Southeast Asian country with low income, so price sensitivity is very high. Price is a key factor in deciding whether a product is popular or not. In later years, when macro factors are improved such as better economy, increased average income, improved technology and more open business environment than before, the strict demand for prices will also increase. decreased, but other key factors gradually emerged shaping the business environment in Vietnam.

The first is the demand for using foreign brands. Vietnamese people tend and prefer to choose reputable foreign brands over domestic manufacturers. This is a minus point for Vietnamese businesses when they will have difficulty in competing and dealing with foreign brands. Not to mention the fact that many MNCs have wider distribution systems thanks to better brands and lower prices due to the achievement of economies of scale when producing goods on a large scale. Realizing the fact that the Vietnamese market is a mixture of both foreign products and Vietnamese brands, only really big and reputable brands can operate for a long time (Vinamilk).

Besides, because it is an Asian country, the need to use products suitable for Asian tastes and cultural identities is an indispensable condition. This is especially true for businesses dealing in consumer goods, specifically food. Foreign brands when expanding their business in Vietnam will often reap success with oriental dishes (seafood pizza from pizza hut or rice dishes from KFC) and will be more likely to fail if could not meet the taste of our native people. This is really a big advantage for Vietnamese businesses when they better understand and easily understand foreign businesses about current needs and trends in Vietnam. This is where customization comes into play in capturing market share.

Commenting on both sides, for standardization, although domestic enterprises have less advantages than international brands due to the influence of Vietnamese consumer psychology, the persistent pursuit of branding and quality assurance will still make a domestic enterprise not lose its foothold or advantage compared to foreign enterprises. However, this is not a strength that domestic enterprises can exploit, but instead, they need to focus on products to meet domestic demand as well as create real strengths for their businesses.

## 6. Conclusions and recommendations

### 6.1 Conclusion

With the rapid increase of globalization, countries inching closer together also create many conditions and challenges for all companies, such as domestic companies facing competition from foreign countries. Outside, multinational companies need to focus on expanding business markets. Against this backdrop, debates over whether to adopt standardization or customization in international business strategy along with methods of entering global markets continue to be at the heart of academia (Vrontis *et al.*, 2009). Through research bases, research methods, research results and group discussions, theories have been drawn, and valuable research results have been drawn. First of all, the essay helps to understand the definition, role and influence of the concept of standardization and customization in international business. Next, a deeper analysis and results on goals, motivations, pluses and minuses of each type of business strategy have clarified the role of each concept. The team recognizes that both standardization and customization are essential concepts in international business and that the debate surrounding which tactics to use in all cases is incorrect and controversial. It is not reasonable because each concept has the same purpose of expanding the business and expanding the product, but has different motivations and leads to different results as well as goals and effects in the end. The more reasonable question that should be asked in all cases is how the balance between the two tactics is appropriate in the local environment an expanding business is pursuing.

### 6.2 Request

Based on the results and inferences, as well as the knowledge gained from the research background, the team made the following recommendations:

*For enterprises:* enterprises are the main target of the study, especially those that have been, are and intend to expand their business into new markets. First of all, that business needs to know its basic factors, strengths and limitations, clearly define the business industry and then put themselves

in the environment of the host country to understand the target audience, business and consumer needs, besides the micro and macro factors of that market. Next, businesses need to distinguish among the collected factors which can be standardized to save costs, maximize profits and which are required to be customized. Clearly identify the balance between the two tactics that not only bring high business efficiency but also bring image value as well as competitive advantage to the business.

*For the State:* In the environment of internationalization of the economy, the entry of many foreign enterprises creates difficulties in grasping and managing taxes as well as product quality and process. In that context, it is necessary for the State to set minimum requirements for standardization of products and production processes so that product quality can be easily checked and measured. Besides, setting only the minimum standardization requirement does not take away the ability to bring innovation and creative ideas to all kinds of products through customization. Finally, the state also needs to have policies to encourage and support small businesses and domestic enterprises in order to avoid dependence on foreign brands as well as unfair competition from domestic enterprises. Industry has a larger economic position.

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