

# **The Role of Innovative Design in Improving the Competitiveness of Local Products in the Era of Globalization**

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**Abstract** - *In this era of globalization, local products are required to be able to compete in the international market, by examining the role of product innovation in increasing increasingly fierce corporate competition. In overcoming increasingly intense competition, companies need to adapt and develop products that can meet the changing needs of consumers. Innovative design is one of the main elements in increasing the competitiveness of local products, product innovation not only provides added value for consumers but also strengthens the company's position by differentiating it from competitors. Technology plays a role as the main driving factor in the innovation process, which allows companies to respond to market changes more quickly. However, the implementation of innovation faces various challenges, such as limited resources and a less supportive organizational culture. This article discusses the role of innovative design in increasing product-added value, building brand identity, and attracting the attention of global consumers. This article was created using the literature method. Companies can understand global market trends and consumer preferences more deeply, by designing more effective innovation strategies that are by market needs.*

**Keywords** – Local products, Innovation Design, Global Competition.

## **INTRODUCTION**

The impact of globalization has had a major impact on various aspects of daily life, especially in the economic and industrial sectors. In this case, domestic products are faced with a major challenge to continue to be competitive and adapt to an increasingly growing market filled with international products. Companies are not only faced with challenges from local competitors, but also from various multinational companies operating throughout the world. In this context, product innovation is one of the core strategies that can be adopted by companies to increase competitiveness [1]. The success of a local product is not only determined by the quality of the material or competitive prices, but also by the design that is able to attract the attention of global consumers. Innovative design

is one of the main keys to creating unique added value, while increasing the competitiveness of local products in the era of globalization. Innovative design not only functions as a tool to beautify products, but also as a medium to convey local identity, culture, and values that are able to differentiate these products in the global market. In this case, design becomes a bridge between local traditions and global modernity. For example, traditional motifs adapted with a contemporary design approach can produce products that are not only aesthetic, but also have a stronger story and meaning. This is in line with the global consumer trend that increasingly appreciates products with authentic and sustainable values.

However, the adoption of innovative design in local product development is not free

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from various obstacles, such as a lack of understanding of the importance of design, lack of resources, and access to technology. Therefore, collaboration between designers, manufacturers, and the government is important to encourage sustainable design innovation. Support in the form of training, access to modern technology, and promotion of local products at the international level are also major factors in building an ecosystem that encourages the development of competitive local products. With technological advances, companies can have easier access to research and development, allowing them to produce more innovative, superior, and efficient products [2].

### **OBJECTIVES OF THE STUDY**

An innovative design approach is expected to be able to answer the growing needs of global consumers, while strengthening the position of local products in the world market. This article aims to explore the role of innovative design in increasing the competitiveness of local products, identify the challenges faced, and provide strategic recommendations to maximize the potential of local products in the era of globalization. Therefore, the author hopes that this article can provide a significant contribution in supporting the development of local products that are of high quality and have high competitiveness.

### **MATERIALS AND METHOD**

This literature study method aims to collect, analyze, and synthesize relevant information regarding the role of innovative design in increasing the competitiveness of local products in the era of globalization. This stage consists of the following steps [3]:

#### **Determining Topics and Questions**

The first step is to determine the topic and formulate clear questions. In this case, the main question to be answered is: "How does innovative design contribute to increasing product competition in the international market?" This question will be a guideline in searching for relevant literature.

### **Collection of Literature Sources**

At this stage, the author will collect literature from various academic sources, such as Google Scholar, JSTOR, and ScienceDirect. The literature collected includes journal articles, books, and policy documents related to the topic.

### **Literature Selection**

The author will filter the collected literature based on the criteria of relevance, credibility, and the latest information. The selected literature must reflect various perspectives and contexts, including local and global contexts. These sources will be the basis for in-depth analysis.

### **Analysis and Synthesis**

At this stage, the author will analyze the literature to identify related to innovative design and local product competitiveness. The synthesis process will connect findings from various sources, resulting in a deep understanding of the role of innovative design in creating competitive advantage.

### **Conclusion and Recommendation**

The author will formulate conclusions based on the results of the analysis and provide practical recommendations. These recommendations may include the development of local culture-based designs, the application of the latest design technology, and collaboration with professional designers in improving domestic production at an international level.

### **RESULTS AND DISCUSSION**

Innovative design plays an important role in strengthening the competitiveness of local products in the global market. Based on the results of the literature analysis, there are several categories that can be grouped as follows:

#### **Innovative Design Concept**

Innovative design is a creative approach in designing products that not only prioritizes aesthetics but also function, efficiency, and

uniqueness. Innovation in design includes the integration of new technologies, sustainable approaches, and a deep understanding of consumer needs and preferences. In local products, innovative design often combines cultural or traditional elements with modern technology, resulting in products that are authentic but relevant to the needs of the global market.

### **The Importance of Innovative Design in the Competitiveness of Local Products**

#### 1) Product Differentiation

Innovative design allows local products to have unique added value, both in terms of form, function, and concept. This helps products to be more easily recognized and appreciated in the highly competitive global market.

#### 2) Strengthening Local Identity

Products with innovative designs that integrate local cultural elements can become symbols of the identity of a region or country. This not only increases the attractiveness of the product in the eyes of international consumers but also supports the promotion of local culture.

#### 3) Increasing Economic Value

Products with innovative designs tend to have higher selling prices because they offer something new and more valuable to consumers. This can increase the income of local producers and strengthen the local economy.

#### 4) Responding to Global Market Challenges

Innovative design helps local products stay relevant in the ever-changing global market, especially in terms of technology, consumer preferences, and market trends.

#### 5) Encouraging Sustainability

Innovation in design allows the creation of more environmentally friendly products, which are increasingly becoming a major concern for global consumers. Local products that prioritize sustainability aspects can improve brand image and attract environmentally conscious markets.

### **Strategy to Encourage Innovation**

To strengthen local products that are increasingly competitive amidst global

competition, the implementation of a planned innovative design strategy, such as the development of creative design teams, investment in research and development (R&D), and collaboration with external partners, can encourage the creation of relevant and competitive innovations. The open innovation approach as expressed [4], is very important, where collaboration with external parties allows the design and innovation process to run faster, more effectively, and is able to create products that have high added value in the global market.

### **Impact of the Globalization Era on Innovation**

The role of innovative design is key to increasing the competitiveness of local products in the era of globalization. In an increasingly connected world, innovative design allows local companies to compete in the international market by designing products that are not only aesthetic, but also in line with global trends and meet the needs of local consumers. Research shows that companies that utilize market research to understand consumer preferences in different countries tend to be more successful in presenting competitive innovative products.

Innovative design also plays a role in creating added value for local products, making them superior to competing products. Through the development of creative designs, improving product quality, and implementing the latest technology, local companies can meet global consumer expectations while strengthening local cultural identity. By continuing to innovate, companies are not only able to face the challenges of globalization but also take advantage of opportunities to expand market share and create sustainable competitive advantages.

Innovative design plays a very vital role in increasing the competitiveness of local products in the era of globalization. With creative design, local products not only provide added value to consumers, but are also able to appear superior in facing global competition. In the context of an increasingly competitive market, the ability to present products with high uniqueness and relevance is key. For example, creative and functional design can make local

products more attractive to global consumers, while building a strong brand image. Innovative design can also increase customer loyalty, as consumers tend to choose and recommend products that offer different experiences and advantages. Thus, innovative design serves as a strategic tool to strengthen the position of local products in the international market [5]-[6].

However, product innovation is not without challenges. Many companies face obstacles in implementing effective innovation. Limited resources, less supportive organizational culture, and difficulties in managing change are often barriers [6]. Therefore, innovative design plays a very important role in strengthening the competitiveness of local products in the era of globalization. Companies need to create structures that support sustainable innovation, including building a work environment that encourages creativity, providing training to improve design skills, and facilitating open communication between design and development teams. In addition, visionary leadership plays a key role in building a positive culture of innovation, so that local product designs can compete in the global market with unique and relevant advantages.

With the right information, the Company is able to produce products that are more relevant to market needs and increase efficiency in the product development process. This is very relevant in the context of global competition, where speed and responsiveness are key factors in achieving success [8].

Globalization also plays an important role in influencing the way companies innovate. In an increasingly connected environment, Companies not only face competition with domestic players, but also with global companies. Therefore, understanding the international market and consumer behavior in various regions is very important [9]-[10]. Innovative design plays an important role in increasing the competitiveness of local products in the era of globalization. Companies that are able to integrate innovative design into their products can not only reach the global market but also adapt their products to the specific needs of

consumers in various countries. This approach allows local products to compete effectively and significantly expand their market share. The results of the literature conducted by the author can show that the application of innovative design is a key element in the company's strategy to strengthen the competitiveness of local products in the global market. Although there are challenges in its implementation, with the right strategy and adaptability, companies can create sustainable competitive advantages. The author can further review the innovative design models that have been successful in various industrial sectors, and identify some that can be applied by local companies in the midst of increasingly fierce global competition.

## **CONCLUSION AND RECOMMENDATION**

Innovative design plays an important role in the strategy of increasing local product competition in the era of globalization. Through aesthetic, functional, and sustainable design, local products can attract global consumers, build a strong brand image, and increase the added value of the product. Collaboration between business actors, designers, and the government is the key to realizing sustainable local product competitiveness.

The author suggests that companies focus more on developing a culture of innovation that supports creativity and collaboration. By understanding global market trends and paying attention to consumer appeal, companies can better design effective and targeted innovation strategies.

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