ABSTRACT

Indonesia's cultural heritage and traditional values contain many local wisdom that needs to be preserved or developed more widely. Kriya Nusantara is one of the SMEs that combine elements of local wisdom on its products. Its products are Cawang Art has been marketed to international area. This shows that Kriya Nusantara tries to preserve and develop wider local wisdom. The product has a uniqueness with a variety of ornaments and patterns that have elements of traditional Indonesian motifs craft. The uniqueness is a form of creativity and innovation owned by Cawang Art, Kriya Nusantara. Creativity is how to create new ideas that are useful and can be innovative for business success.

This study aims to determine the effect of creativity and innovation simultaneously on the success of Cawang Art, Kriya Nusantara SMEs. In addition to know the effect of creativity and innovation partially to the success of Cawang Art, Kriya Nusantara SMEs.

The method used in this study is a quantitative method by distributing questionnaires to 85 employees Cawang Art, Kriya Nusantara directly. Sampling method used is probability sampling technique for data collection. In addition, this research uses descriptive analysis and multiple linear regression test.

After performing the data processing, the researcher found that the assessment of Cawang Art, Kriya Nusantara employee on creativity, innovation, and business success showed good and high value. This mean showing good perceptions on the three variables. In addition to the assessment, the results of the research can be concluded that creativity and innovation affect simultaneously to the success of Cawang Art, Kriya Nusantara SMEs. Creativity affects business success and innovation also affects the success of the SMEs. Creativity and innovation affect the success of Cawang Art, Kriya Nusantara SMEs by 86%, while the rest of 32% explained by other variables outside this study.

Based on the results of the research, Cawang Art, Kriya Nusantara SMEs is expected to increase employee participation in business decision making, , increase the implementation of creative solutions to develop your business and increase the number of employees each period.

Keywords: Small Medium Enterprise (SME), Creativity, Innovation, Business Success.