Innovation Cloning to Small Business Success: Entrepreneurial Perspective

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Research

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Abstract

It is challenging to run a business during the Covid-19 pandemic because the owners and the small business leaders must be responsible for success. Leaders need to innovate and look for sources of innovation, including practical inventions such as innovation cloning. In this study, innovation cloning consisting of creativity cloning (CC) and implementation cloning (IC) is analyzed for its relationship to business success, in the form of owner's interest (OI) and financial performance (Fn) perspectives. This study aims to reveal the role of innovation cloning, CC and IC, in achieving business success based on OI and Fn. The study uses an explanatory survey. The number of samples is 155 entrepreneurs/small business leaders in Bandung City, Indonesia. Data processing uses descriptive statistics and multiple regression with the help of SPSS and Amos 23 software. This study found that CC and IC affected OI, and IC was shown to affect Fn. In contrast, CC does not affect Fn. CC and IC are correlated with each other. It is proved CC and IC are one unit or part of cloning innovation. The leadership's expertise in choosing the object to be cloned and adapting it to consumer needs will facilitate company goals. For small businesses, utilizing innovation cloning and modifying it is a practical way to achieve success.

Introduction

Small businesses contribute to the country's economy and employment (Autio, 2005; Ibarra, Bigdeli, Igartua, & Ganzarain, 2020; Nugroho, Utami, Akbar, & Arafah, 2017; Omri, Frikha, & Bouraoui, 2015; Susanto & Meiryani, 2019). Small business is a form of economic activity that is not too large, and its activities can be in the form of retail, production, trade, and services. Generally, small businesses are owned and run by the local communities. The characteristics of a small business are the employees come from immediate families, run independently, using simple technology, and the target market is the local market (Chaniago, 2020b; Ingram, Kraśnicka, & Głód, 2018; Patel, Pieper, & Hair, 2012).

Several studies have shown that small businesses in developing countries, including Indonesia, are much higher than medium and large enterprises. Small business grows naturally, and its growth is in line with population growth. Based on (UU_No_20, 2008), small businesses are divided into formal and non-formal/micro-groups. Non-formal small companies do not have legality and are not registered by the government.

In its activities, many small businesses in Indonesia face obstacles in terms of marketing, raw materials, capital, and technology (Ariani & Utomo, 2017; Maksum, Rahayu, & Kusumawardhani, 2020). Several obstacles come from the quality of human resources, which can be overcome by innovation. Innovation becomes an efficient alternative to solve business problems. (Pullen, Weerd-Nederhof, Groen, and Fisscher (2012). Everyone involved in small businesses needs to innovate, especially owners and leaders. It will increase business competitiveness. Leaders should provide examples of how to use innovation to solve company problems.

Sources of innovation come from the company's internal and external environment. Leaders study, imitate, develop and adapt to consumer needs. Such innovation is also called innovation cloning. Innovation cloning saves research costs, development costs and reduces the risk of failure (Braak & Deleersnyder, 2018). Innovation cloning is a practical way to achieve goals. Innovation cloning on a leader is included in individual innovation. There is little research on individual innovations (Baron & Tang, 2011). Likewise, research on cloning innovations for small business leaders has never been done, and the references are limited. The purpose of this study is to analyze the innovation cloning of small business leaders. However, because there are only a few references, the theories used will be closely related to innovation theories in general and occur in various business groups. The results of this study contribute to the theoretical framework of cloning innovation and its benefits for entrepreneurs.

Literature review

Innovation Cloning, Creativity, and Implementation Cloning.

Innovation and creativity are two interrelated terms. Creativity is defined as the human ability to increase or add value, and it refers to individual abilities (Dobbins & Pettman, 1997). Creativity is a concept, idea, or imagination that has not yet been realized. On the other hand, innovation is an idea that has been applied. There is creative and innovative nature inside every individual. Humans will improve their situation if there is a will to use and develop their creative and innovative traits.

Innovation comes from ideas, past ideas, or people around. People imitate past products and re-engineer them to fit the present and the next few years. This condition continues from time to time based on the needs of the community. But some people do not do it, so they are left behind and are called not innovative. The law of habit reminds us that humans will improve because of practice (Dobbins & Pettman, 1997). The approach means wanting to use it repeatedly in life. Therefore, it is essential to get used to being creative and innovative.

According to (Dobbins & Pettman, 1997), there are three determinants of creativity: experience, present situation, and the self-concept in question. The combination of all three determines whether a small business leader is creative or not. Creativity is the fruit of human thought and imagination in concepts, ideas, plans, or combinations. Creativity is not yet tangible, and it is still a concept. When it is realized or implemented inactions, products, or others, it is called innovation. Therefore, innovation is also called the implementation of creativity.

Researchers often use several innovation terms from the literature, such as radical innovation versus incremental innovation and original innovation versus cloning innovation. Radical innovation is defined as a fundamental, comprehensive, essential, and revolutionary change. The characteristics are: tend to make total changes, use new paradigms, replace technology, markets, and consumer services. Innovation incremental changes only in certain parts and is done gradually, the opposite of the innovation radical. In comparison, original innovation is the originality of ideas, notions, and plans to be implemented in companies and organizations. Original innovation is rarely found. The opposite of original innovation is innovation cloning. Innovation cloning is interpreted as imitating various ideas and innovations outside the company, modifying them to be applied in their respective companies. Researchers also often do innovation cloning.

Leaders who can innovate will look for various ideas, adopt them and see innovation from multiple parties. This activity is called cloning (Braak & Deleersnyder, 2018). No creation is 100% original. Leaders try to perfectly adapt ideas to the conditions and needs of consumers so that it is suitable to be applied to a successful business. In the cloning literature, innovation is concluded as adopting ideas, adapting to needs, and developing them for implementation in the company. (Bhatnagar & Gopalaswamy, 2017; Braak & Deleersnyder, 2018; Dub´ et al., 2014). This study defines innovation cloning as adopting ideas, imitating, and modifying what other people or successful companies have done concerning making products, marketing strategies, sales, developing businesses, fulfilling owner interests, and customer service. Braak and Deleersnyder (2018) said innovation cloning is an attractive strategy with low cost and limited failure risk. Innovation cloning can occur in various technology and human cloning (Haran, Kitzinger, McNeil, & O'Riordan, 2008) and customer service. Cloning activities in the business world can be in the form of ideas, notions, or the implementation of innovations that other companies have carried out.

Innovation cloning needs to be customer-oriented and follow the owner's goals. Cloning innovations that often occur in the business world are related to product attributes (Braak & Deleersnyder, 2018), process, technology, organization, services, market share (Bhatnagar & Gopalaswamy, 2017), and services innovation (Berry, Shankar, Parish, Cadwallader, & Dotzel, 2006). Based on existing explanations and theories, innovation cloning consists of creativity cloning (CC) and implementation cloning (IC). CC is imitating and adopting ideas obtained from other people and other companies. In comparison, IC is defined as an activity to imitate innovation activities made by successful companies and is used in

their own companies. In this research, CC is measured from idea adoption, idea development, and new activities. IC is calculated from the product, product attribute, process, technology, market, organization, and service.

Innovation cloning research in the business field is still rare. It is only found in Braak and Deleersnyder (2018) research. According to the author's knowledge, no study on innovation cloning divides cloning innovation into CC and IC applied to small businesses. In this study, each of these cloning innovations is investigated and linked to a small business's success.

Business Success, Financial and Owner's Interest.

Several researchers have proven that leaders determine business success (Amato, et al., 2016; Cooper, 2011; Huang, et al., 2014; Ibarra, et al., 2020). Business goals are achieved when the company is successful. Therefore, clear criteria for business success are needed. Among researchers, there is no agreement on the requirements for business success (Benzing, Chu, & Kara, 2009; Besser & Miller, 2010; Omri et al., 2015). Gorgievski, Ascalon, and Stephan (2011) proposed using multiple criteria to measure it. The requirements that can be used include finance, business growth, entrepreneurial goals, consumers, entrepreneur satisfaction, etc.

Several studies agreed that finance could measure business success (Carr and Pearson (2002); Cragg and King (1989). Benzing et al. (2009), researching MSME entrepreneurs in Turkey, concluded that the priority of business success is determined by honesty, friendliness, social skills, and customer service. Those findings are included in the consumer's perspective. From the results of their research in Pakistan, Coy, Shipley, Omer, and Khan (2007) concluded that the criteria for the success of small businesses are determined by hard work, good customer service, and product quality. Coy et al., findings are in the interests of the owners. Paige and Littrell (2002) stated that business success is seen from the financial and owner interests, such as profits, business growth, and personal satisfaction. On SMEs in Australia, Walker and Brown (2004) provided information that financial and non-financial factors determine business success. According to him, non-financial factors such as personal satisfaction, pride, independence to be a boss, flexibility of time, and lifestyle are much more valuable.

Gorgievski et al. (2011) has also researched small businesses, and the results explained that the criteria for business success are profitability, personal satisfaction, and stakeholder satisfaction. The same thing was found by Simpson, Padmore, and Newman (2012) in their research on the business success of MSMEs. They concluded that factors from the external environment, the characteristics of owners and leaders, and organizational characteristics determine business success. In their research, Amato et al. (2017) proved business success consists of a financial perspective and an entrepreneur perspective, such as company age, perceived business success, and company performance (sales, shares, company size). Business success is determined by the extent to which goals are achieved. Business objectives include financial and non-financial goals. However, some literature warns not to measure success from the number of employees because Walker and Brown (2004) are not appropriate. Small businesses deliberately do not add employees because of efficiency.

From the literature and explanations of the results of previous researchers, it is concluded that business success can be seen from three perspectives: 1. Focusing on financial and organizational performance; 2. Consumer needs, which are related to consumer desires; 3. The interests of the owner and entrepreneur, in the form of the willingness of the entrepreneur/owner. Financial Perspective (Fn) sees business success in terms of economic and organizational performance (Amato et al., 2017; Carr & Pearson, 2002; Cragg & King, 1989; Gorgievski et al., 2011; Paige & Littrell, 2002; Simpson et al., 2012), such as turnover, profit, capital increase, market competition, planning, etc. Other researchers look at business success from the perspective of consumers, such as product quality, service, honesty, friendliness, price of goods, packaging, warranty, and discounts (Benzing et al., 2009; Chaniago, Mulyawan, Suhaeni, & Jumiyani, 2019; Coy, Shipley, Omer, & Khan, 2007). A group of researchers sees business success from the owner's interest (OI), and the

indicators are owner satisfaction, stakeholder satisfaction, independence, innovative orientation, social impact, self-confidence, flexibility, and lifestyle (Coy et al., 2007; Gorgievski et al., 2011; Simpson et al., 2012; Walker & Brown, 2004).

Business success is defined as achieving the company's goals, owners, and consumers within a certain period. The period in question can be one year, five years, or ten years, adjusting to each company's strategic plans. Measuring a company's success from three aspects at once (company goals, interests of owners, and consumers) takes a lot of time and energy. As in small businesses, the leaders double as owners; it is possible to measure the business's success from a financial perspective (Fn) and the entrepreneur's interests (OI).

Based on the assumptions and the relationship between innovation cloning of small business leaders (creativity cloning and implementation cloning) and business success, the hypothesis to be tested is formulated as follows:

H1: Creativity cloning is positively related to financial performance.

H2: Creativity cloning is positively related to the owner's interest.

H3: Implementation cloning is positively related to financial performance.

H4: Implementation cloning is positively related to the owner's interest.

H5: Creativity cloning is positively related to implementation cloning.

H6: Financial performance is positively related to the owner's interest.

H7: Creativity cloning and implementation cloning simultaneously influencing financial performance.

H8: Creativity cloning and implementation cloning simultaneously affecting the owner's interest.

The relationship between the research concepts is depicted in Fig. 1.

Research Methodology

The research was conducted using an explanatory survey method that can explain the facts and existing data. The study was carried out in the city of Bandung, Indonesia, in 2021. Bandung is one of the big cities in Indonesia. It is also a tourist and trading city that is densely populated. In 2019, there were 3,793 small businesses in Bandung. Due to the COVID-19 pandemic, 60% will collapse in 2021, leaving only 1,516 small businesses (BPS_Kota_Bandung, 2021). This number is used as the research population.

Research respondents are small business owners because they have a double role as owners and leaders too. Some of the questionnaires were distributed directly to the field and distributed through Google form. Persuasively, small business leaders were reminded to fill out the questionnaires. The total research sample is 155 small businesses, as shown in table 1.

Table 1. Sample distribution on small business

Type of small business	Sum of unit*	Sum of the sample (Unit)
Retail	411	42
Wholesaling	49	5
Service	147	15
Manufacture	518	53
Other	391	40
TOTAL	1,516	155

*BPS_Kota_Bandung (2021)

Sampling was done by purposive sampling. The sample taken is adjusted to the criteria for small businesses according to the Indonesian government constitution, namely: maximum asset value of IDR 500 million (35,000 USD) excluding land and buildings and have a maximum of 20 employees. Other criteria include running for at least three years and predominantly operating in Bandung City, Indonesia. Data are processed using descriptive statistics and multiple regression analysis. SPSS and AMOS 23 software are used to speed up the calculating. The source of the measurement instrument is presented in Table 2.

Table 2. Source of instrumentation

Construct	Source
Innovation Cloning	
Creativity Cloning (CC):	
Ideas, imagination, Idea adoption	Bhatnagar and Gopalaswamy (2017); Dub´ et al. (2014)
Idea-development, new activity	Bjo¨rk and Magnusson (2009)
Implementation Cloning (IC):	
Product	Braak and Deleersnyder (2018); Bhatnagar and Gopalaswamy (2017)
Product attribute~~s~~	Braak and Deleersnyder (2018)
Processes	Bhatnagar and Gopalaswamy (2017); Dub´ et al. (2014)
Technology, market share	Bhatnagar and Gopalaswamy (2017);
Organization and services	Bhatnagar and Gopalaswamy (2017); Berry et al. (2006)
Business Success	
Financial performance (Fn): Capital added, profit, sales, market share, planning	Amato et al. (2017); Carr and Pearson (2002); Cragg and King (1989); Gorgievski et al. (2011); Paige and Littrell (2002); Simpson et al. (2012); Walker and Brown (2004)
Owner's Interest (OI): Self-satisfaction, stakeholder satisfaction, social effect, confidence, independence, innovative orientation, flexibilities, and lifestyle	Coy et al. (2007); Gorgievski et al. (2011); Walker and Brown (2004); Simpson et al. (2012); Paige and Littrell (2002)

Source: Compilation of literature, 2021.

Results

The results of descriptive data processing provide information that the majority of respondents are male (59%), are in productive age (30 years), having status as owner and leader (69%). The average education is the graduate degree (70%), and monthly sales are around 1,150 USD. The data are shown in Table 3.

Table 3. Sample characteristics of SMEs entrepreneur in Indonesia (N= 155)

	Frequency	Percent
Entrepreneurial Characteristics		
Gender		
Male	92	59%
Female	63	41%
Average Age of entrepreneur (Years)	30	58%
Level of Education		
Graduate Degree	108	70%
High Scholl	47	30%
Entreprise Characteristics		
The average age of Business (Years)	5	67%
Type of Business		
Retailing	42	27%
Wholesaling	5	3%
Service	15	10%
Manufacture	53	34%
Others	40	26%
Average of Labor/human resources	8	
Occupation		
Manager	48	31%
Owner	107	69%
Source of capital		
Grant	13	8%
Debt	18	12%
Own	124	80%
Market share		
Local	137	88%
National	18	12%
Average of sales (USD/month)	1,150	
Sales		
Fix	57	37%
Decrease	60	39%
Increase	38	25%

Table 3 shows that 67% of the companies' age is around five years, and the business activities are retail (27%) and manufacture (34%). The workforce uses an average of 8 people. Most small businesses are pretty experienced, the leaders are educated, and 80% use their capital (not loaning from banks). Marketing is still at the local level; as a result, sales are not maximized.

Table 4. Mean score for creativity cloning*

Indicators	Mean	Standard Deviation
Ideas	2.935	1.024
Imagination	4.116	0.868
Idea adoption	4.000	0.845
Idea development	3.335	0.840
New activity	3.348	0.641
Average	3.547	0.843

*5 = very-important, 4 = important, 3 = mildly important, 2 = not very-important, 1 = unimportant.

Table 4 shows that the companies leaders scored 3,547 on creativity cloning with a standard deviation of <1; this is a reasonably necessary criterion. It means that these leaders admit that they sometimes clone ideas, adopt ideas from other parties, imitate how to develop ideas, and make it an activity.

Table 5. Mean score for implementation cloning

Indicators	Mean	Standard Deviation
Product	4.355	0.787
Product of attribute	4.265	0.861
Process	4.226	0.894
Technology	4.084	0.987
Market	3.852	0.952
Organization	3.923	0.957
Services	4.084	0.813
Rata-rata	4.112	0.893

Table 5, which consists of 5 indicators, provides information on the average response of small business leaders on implementation cloning (IC). The score is 4,112 with standard deviations <1. Leaders agree on the importance of implementation cloning, and this score is included in the critical criterion. It indicates that IC is indeed essential for the progress of small businesses. Table 6 below shows the average responses of small business leaders on business success from a financial perspective.

Table 6. Mean score business success in financial

Indicators	Mean	Standard Deviation
Increase for capital	4.200	0.841
Profit	4.084	0.882
Omzet	3.916	0.868
Market share	3.923	0.957
Planning	4.084	0.813
Average	4.041	0.872

Table 6 measures business success from a financial and organizational perspective (Fn); the total indicators are 5. The average score of respondents' approval is 4,041, with a deviation of <1. The explanation shows that respondents agree the achievement of Fn is included in the criteria for success (significant). Furthermore, the processing of descriptive data in Table 7 provides information on respondents' answers about business success from an entrepreneurial perspective.

Table 7. Mean score business success in owner's interest

Indicators	Mean	Standard Deviation
Owner satisfaction	4.355	0.787
Stakeholder satisfaction	4.265	0.861
Social impact	4.123	0.870
Confidence	4.000	0.845
Independence	3.948	0.889
Innovative Orientation	4.045	0.784
Flexibylities	4.084	0.897
Life style	4.258	0.844
Average	4.135	0.847

Table 7 shows the mean score of 4,135 and standard deviation <1; this score is included in the critical or good criteria. It means that entrepreneurs and owners (OI) feel that their goals have been achieved and follow their wishes in a suitable category.

In the next step, data from respondents is processed by multiple regression analysis. With the help of Amos software, the first processing found regression weights (coefficient regression) CC to Fn 0.13 and Fn to EW 0.196. This calculated coefficient is not significant, and it is removed from the calculation. Then, reprocessing is carried out. The results of the second processing are as shown in Figure 2 and Table 8.

Table 8. Result of hypotheses test

			P	Standardized Total Effects	Correlations	Squared Multiple Correlations	Notes
Fn	<—	CC	0.130	0.842			Rejected H1
OI	<—	Fn	0.196	-.089			Rejected H6
EW	<—	CC	***	0.151			Accepted H2
Fn	<—	IC	***	0.861			Accepted H3
OI	<—	IC	***	0.845			Accepted H4
CC	<-->	IC			0.284		Accepted H5
Fn						0.741	Accepted H7
OI						0.810	Accepted H8

In Table 8, it can be seen that CC affects Fn 0.842, but not significantly. So the H1 hypothesis is rejected, or it is not proven that creativity cloning influences business success in terms of finance. Likewise, Fn is not proven to affect OI because the significance level is 0.196 or above 0.05. This information causes hypothesis H6 is rejected, or there is no effect of financial success on the owner's interest. This study finds that 1) the company's success in finance does not necessarily satisfy the interests of the company's owners; 2) creativity cloning does not affect the company's success from the perspective of financial performance. Table 8 also shows the findings of this study. The results are proof of influential variables, such as:

1. CC affects OI of 15.1%, significant at 0 or accepts the H2 hypothesis.
2. IC affects FN by 86.1%, significant at 0 or accepts the H3 hypothesis.
3. IC affects OI of 84.5 significant at 0 or accepts the H4 hypothesis.
4. IC is proven to be correlated with CC by 28.4% significant at 0, or hypothesis H5 is accepted.
5. IC and CC simultaneously affect Fn by 74.1%, significant at 0 or hypothesis H7 is accepted.
6. CC and IC simultaneously affect OI by 81% significant at 0, or hypothesis H8 is accepted.

Thus, this study has proven that there are two rejected hypotheses, namely hypotheses H1 and H6. The rest of the assumptions, H2, H3, H4, H5, H7, H8, are accepted. The findings of this study show that cloning innovation consisting of CC and IC has a strong effect on OI. Only IC affects the company's Fn performance, while CC is not proven to affect Fn. It is also proven that CC and IC are correlated. The model testing results using CFA with the help of AMOS software are presented in Table 9.

Table 9. Model feasibility test index

No	Criteria	Cut off Value	Model Result	Explanation
1	Chi-Square (χ2)	Statistics Expected small (< table value)	3.938	A small value expected
2	χ2 Signif. Probability	≥0.05	0.140	No difference between the data and the model
3	Cr	≤2.58	2.408	Normal data distribution
4	CMIN/DF	≤2.00	1.969	Good
5	GFI	≥0.90	0.988	Good
6	RMSEA	≤0.08	0.079	Good
7	AGFI	≥0.90	0.938	Good
8	TLI	≥0.90	0.988	Good
9	CFI	≥0.90	0.996	Good

Source: Hair, Black, Babin, and Anderson (2010)

Table 9 provides information that the feasibility test index of the index value model is > Cut off Value. It means that the proposed model is acceptable, and the relationship between the factors is presented in Figure 2.

Discussion

This study explains that cloning innovation is seen from two variables: creativity cloning (CC) and implementation cloning (IC). Meanwhile, business success is analyzed from two perceptions, namely financial and organizational perceptions (financial/Fn) and owner's interest (OI) perceptions. In addition, this study found that CC and IC affect OI either partially or simultaneously. However, Fn is only influenced by IC. The level of influence is included in the strong criteria (Gursida & Harmon, 2017; Hair et al., 2010). This finding provides information that innovation cloning carried out by small entrepreneurs has proven to affect the success of their businesses. This finding also clarifies that innovation cloning is beneficial in specific ways, especially in carrying out business activities. The benefits of cloning innovation resulting from this study are similar to the findings of (Wang, et al., 2017) They use the term absorptive capacity. The term absorbent is identical to cloning innovation. However, this research is more detailed because it analyzes cloning innovation into two parts: creativity cloning and implementation cloning.

Based on the observations in the field, small business entrepreneurs clone various business ideas and activities from external parties. Clone ideas include product designs, logos, brands, product attributes, processes, technology, markets, and services. Small business leaders can absorb and clone from outsiders because most have a bachelor's degree and are young. Being young and educated makes it easier to imitate innovations from various places, including the Internet.

Cloned products are modified in shapes, logos, brands, and packaging to look almost the same but not identical. Making products that are similar but not the same is intended to avoid legal aspects. Among small businesses, cloning each other has become a habit. The imitators sell for a relatively low price. It is a survival and practical way to thrive. Over time, this habit is considered as something natural.

Small entrepreneurs can imitate not all products. They tend to clone products that sell well in the market but are easy to make or do not require special skills and high technology in the making. Cloning products are mainly marketed at the

local market. Research demographic data (see Table 3) shows that most marketing is at the local level. The average turnover is 1.150 USD/month, using eight people power. During the Covid-19 period, small business turnover fell by 39%. The decline in turnover was due to the low purchasing power of consumers and the restrictions on human movement by the government. In developing countries, including Indonesia, innovation cloning is a practical and cost-effective way to produce and compete for consumers, especially local consumers. Consumers with low purchasing power become their market share, which is higher than those with high purchasing power. A large market share is one of the factors driving the proliferation of cloning among small businesses.

Another cause is mutual cloning occurs because small businesses do not have funds for research and development, and the quality of human resources is still low. Ariani and Utomo (2017); Maksum et al. (2020) reminded that funds and low quality of human resources are obstacles for small businesses. These constraints encourage leaders to take shortcuts to clone, modify and adapt to their business needs, similarly to Braak and Deleersnyder (2018) research. He concluded that economic motives encourage traditional sellers and retailers to engage in cloning innovations.

The results of the descriptive analysis show that small business leaders think that CC is a sufficient criterion. Creativity cloning is related to ideas, imagination, developing ideas, and designing new activities. They can do it and do not entirely depend on cloning from other parties. It is the influence of the leaders' high education.

The average IC value from the results of descriptive analysis illustrates that it is included in the essential criteria. It means that entrepreneurs feel that implementing cloning activities about products, product attributes, technology, markets, and services is very important. The company leader admits that it is necessary to follow the example of implementing the implementation of other companies. IC activities determine the success of the business. This research has proven that implementation cloning is an important activity for small businesses.

Creativity cloning and implementation cloning are innovation cloning activities in the business field. The explanation that has been conveyed shows that both variables are essential. Dobbins and Pettman (1997) stated that innovation cloning occurs as a human right to survive and develop themselves. Humans are born to imitate, including in business. The results of data analysis show that CC and IC are correlated with quite strong criteria. This research proves that CC and IC are one unit and are needed to analyze cloning innovation.

The study results also show that CC and IC simultaneously affect business success from the owner's interest perspective (see Table 8 column 7). The strong criteria include the influence (Gursida & Harmon, 2017; Hair et al., 2010). This strong influence implies that CC and IC activities are critical in achieving business success.

The study results on hypothesis testing provide information that only hypotheses H1 and H6 are rejected. The partial effect of CC on Fn is not proven (H1), while the influence of financial performance on OI was not demonstrated. The other six hypotheses are accepted, and their impact is included in the decisive criteria; the significant level is at 0. It proves that CC and IC variables are essential variables for business success from the owner's perspective. On the other hand, from a financial perspective, only the IC variable affects Fn. The explanation is that IC greatly determines financial performance, such as turnover, profit, capital, and market growth. Seeing the results of data processing and descriptions that have been submitted, this study found that CC and IC are essential variables that can be used to increase business success. Another finding is that IC and CC are proven to be correlated.

For leaders, innovation cloning is a practical way to achieve company goals. Baron and Tang (2011) stated that the owner who doubles as a leader has an excellent opportunity to use various innovations for the company's success. Leaders easily select, modify and determine which innovations will be used. He became the center of the company's progress. In doing innovation cloning, leaders should be oriented to consumer needs (Bhatnagar & Gopalaswamy, 2017; Sundstr€om, Hyder, & Chowdhury, 2020). Leaders should be selective in doing innovation cloning. It is hoped that the

innovations made by the leader can be a factor that encourages the achievement of business success (Omri et al., 2015).

Business success is achieved when the owner's wishes and the company's financial targets are accomplished. One of the company's targets is business sustainability. Business sustainability is related to the circulation of the owner's funds. The demographics of this research show that most of the funding sources come from internal sources, not using bank funds. The cessation of innovation cloning means the death of small businesses or the loss of owner funds. It is inevitable, and the owner/leader does not like this. Conditions like this make innovation cloning a company savior for owners, which is becoming more fertile. Another reason is that several large companies also carry out innovation cloning activities, and they even adopt the ideas, works, and imaginations of small business groups. As big businesses have higher funds and better human resources quality, they quickly develop the innovations and then claim them to be original innovations.

This analysis again reminds us that innovation cloning is essential for small businesses from the previous explanations and descriptions. Small businesses make an enormous contribution to the country's economy and employment (Autio, 2005; Ibarra et al., 2020; Nugroho et al., 2017; Omri et al., 2015; Susanto & Meiryani, 2019). It is very unwise to forbid them from cloning in the business world. The solution that policymakers can take in developing countries is to encourage small businesses to improve the quality of their human resources and not to clone completely/identically.

Conclusions

This study found that business success is influenced by innovation cloning activities from small business leaders. Leaders cloning innovation consisting of creativity cloning (CC) and implementation cloning (IC) is proven to affect business success from the owner's perspective. Only IC was demonstrated to affect business success from a financial performance perspective.

This research contributed to the thought of cloning innovations for leaders to achieve business success. This research combines all small business sectors. In the future, it is recommended to research cloning innovations in each business sector. It is wise for stakeholders and power holders in a country to encourage small businesses to improve human resources skills and not clone work entirely.

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Figures

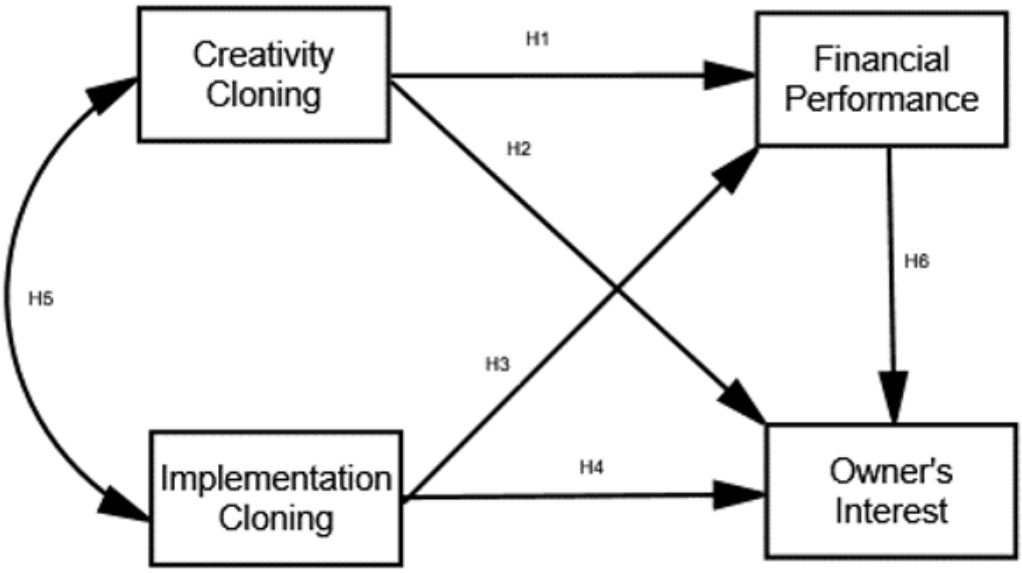

Figure 1

The framework of the study

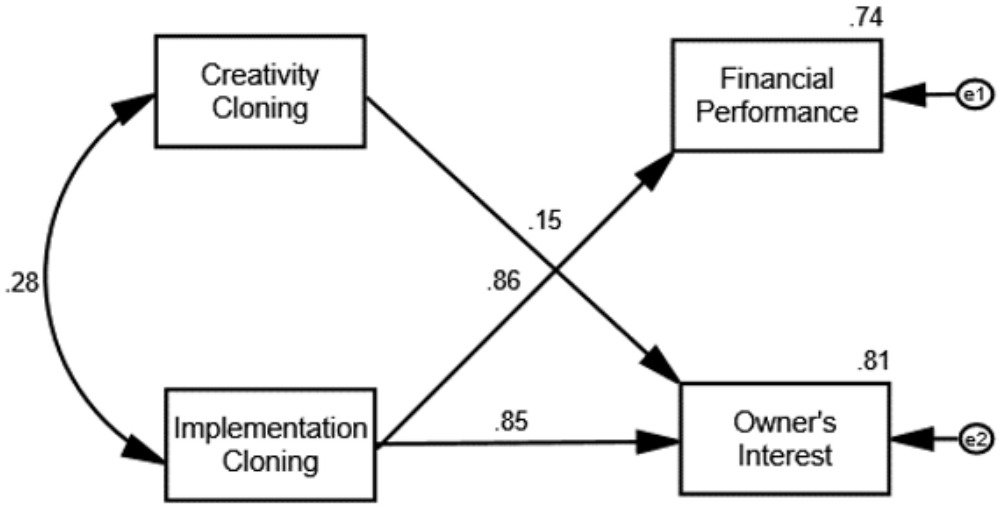

Figure 2

The influence model of innovation cloning and business success