

Utilization *E-Commerce* for Business *Virgin Coconut Oil* Nagrak Village, Sumedang Regency

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Abstract

E-Commerce is a way to market a product using technology. *Small and Medium Enterprises* is an entrepreneurial activity to increase employment, increase community income, and encourage economic growth. *Virgin Coconut Oil* is a coconut-based business product that is processed into hygienic oil and has many benefits. In this era of technology utilization, many businesses have the potential to advance but are constrained because they are still stuttering with increasingly sophisticated technology. The purpose of the research conducted was to determine and analyze the use of *E-Commerce* in the *Virgin Coconut Oil* business in Nagrak Village, Buahdua District, Sumedang Regency. The method used in this research is qualitative research. The techniques used in data collection are interview techniques, observation, and documentation. With a strategy to increase the competitiveness of *Virgin Coconut Oil* SMEs through the use of *E-Commerce*-based marketing technology and good branding. It is hoped that the research conducted can bring development to SMEs *Virgin Coconut Oil* in Nagrak Village can make a positive contribution in advancing the competitiveness of SMEs.

Keywords: *E-Commerce: Virgin Coconut Oil.*

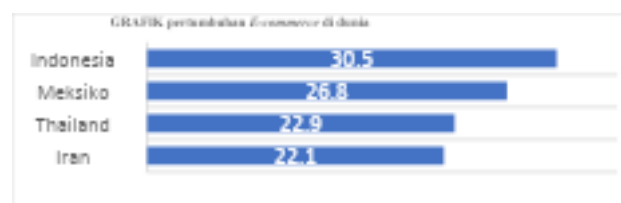
INTRODUCTION

This century's technology has entered every aspect of human life, from how to communicate to how to work. This fairly rapid technological development is capable of changing paradigms and significant transformation of viewpoints in global society. Technological developments, especially in the information sector, can provide enormous benefits. Starting from the social sector to business. (Ministry of Communication and Information, 2023)

The Ministry of Communication and Information (Kemkominfo) stated that the use of internet technology in Indonesia has now reached 82 million people. With these achievements, Indonesia is ranked 8th in the world. Of the number of internet technology users, 80 percent of them are teenagers aged 15-19 years. In 2016, the Ministry of Communication and Information (Kemenkominfo) recorded that there were around 93.4 million internet users in Indonesia. And smartphone users are around 80 million. (Ministry of Communication and Information, 2023)

Because this is the business sector that benefits most from internet technology, many people want to be connected to shopping services simply by shopping from home. Because of this, many shopping services have emerged *online*

which we usually call *E-Commerce*. *E-Commerce*, is an abbreviation for electronic commerce which refers to the sale of physical goods through digital channels to consumers. *E-commerce* has also received full attention from the government. Indonesia's medium-term target for 2020 sets its vision as a digital economy country. (Islami, 2023)



Graph 1. 1 Projection of Indonesian *E-Commerce* Growth in the World

Above is a graph of research conducted by research institutions *E-Commerce* from Germany (ECDB), in its graph, Indonesia is a country with growth *E-Commerce* highest in the world in 2024. The growth rate reaches 30.5%. This figure is almost 3 times higher than the global average of 10.4%. In Asia itself, Indonesia has average growth *E-Commerce* fastest in angka more than 30% in 2024. (Katadata, 2024)

Director of Informatics Empowerment, Directorate General of Informatics Applications of the Ministry of Communication and

Information, Septriana Tangkary stated that the growth of E-Commerce in Indonesia has reached 78%, this is the highest in the world. This condition is also able to show that the online trading or E-Commerce business sector itself has good economic value. So micro, small and medium business actors must be able to take advantage of momentum like this. (Ministry of Communication and Information, 2023)

According to the Central Statistics Agency (BPS), in its survey there were 8.89% *E-Commerce* which has been selling via the internet since operating commercially in 2022. The survey shows that not all businesses *eCommerce* able to adapt to quickly switch from *offline* the *online*. It is recorded that 76.38% of E-Commerce businesses are on the island of Java. And the highest number of E-Commerce is in West Java Province, namely 21.45%. Then followed by the province of East Java with a percentage of 19.09%. (Goodstats, 2022)

Villages play an important role in determining the policies that will be used to develop the economy of village communities and manage their natural resources. The ability to manage natural resources is greatly influenced by how the community and village officials participate in village government operations. The more activities and innovations carried out by village governments will make them better able to utilize the natural resources they have to produce economic value that can improve the welfare of their citizens and produce advanced and independent villages.

Nagrak Village is one of the villages in Buahdua District, Sumedang Regency, West Java Province. Precisely at the foot of Mount Tampomas, part of the area is an agricultural area. The area of Nagrak village is recorded as 489,864 hectares, consisting of 3 hamlets, namely: Cigalagah Hamlet, Nagrak Hamlet, and Tanjakan Hamlet. Nagrak Village is a lowland area with an average height of 700 meters above sea level. The potential natural resources of Nagrak village are rice, coconut, bananas, etc. The population of Nagrak village is 2,221 people. Consisting of 1,127 men and 1,094 women with a total of 856 family heads. Nagrak village is one of the locations for integrated real work lectures

in collaboration between the Sumedang Regional Government and LLDIKTI-4 West Java and Banten.

Therefore, in this research, researchers aim to examine efforts to build advanced MSMEs. This of course involves all interested parties starting from the government, community and also students in creating MSMEs that are able to have competitiveness in today's sales. Based on the description above, the researcher will conduct research with the title "**Utilization E-Commerce for Business Virgin Coconut Oil Nagrak Village, Sumedang Regency.**"

IMPLEMENTATION METHOD

This research method uses qualitative methods. (Sugiyono, 2023:104) in his book entitled "Qualitative Research Methods" if data collection techniques are a strategic step taken in research, because the main aim of research is to obtain data. From the definition above, it can be concluded that data collection techniques can be used by researchers to obtain the data needed for research from sources. The data analysis used in the research is the Miles and Huberman Model. At the time of the interview, the researcher had carried out an analysis of the interviewee's answers. Miles and Huberman (1984), stated that the qualitative data analysis process is carried out interactively and continuously until the data becomes saturated. This process includes *data collection, data condensation, data display, dan verification* (Sugiyono, 2023:132).

Data analysis is a process of systematically compiling data obtained from interviews, field notes and documentation, by organizing data into categories, explaining it into units, synthesizing it, arranging it into patterns, choosing what is important and what is important. will be studied, and make conclusions that are easily understood by oneself and others (Sugiyono, 2023). Miles and Huberman in Sugiyono (Sugiyono, 2023:133) state that activities in qualitative data analysis are carried out interactively and continue continuously until completion. Activities in data analysis, namely:

1) Data Collection

According to (Sugiyono, 2023:134) Data collection is the main activity in research, where the qualitative method is different

from the quantitative method which collects data by filling in questionnaires. In the qualitative method, data is collected by combining three data, namely by observation, interviews and documentation.

2) Data Reduction

According to (Sugiyono, 2023:135) Data reduction is the most important selection stage by focusing on important points from the large amount of data obtained, to provide a clearer picture and facilitate further data collection. breadth and depth of insight.

3) Data Presentation

At this data presentation stage, the researcher presents the data in the form of a brief explanation of the relationship between theory and practice. The presentation of the data is intended to make it easier for the researcher to understand what is happening and plan further work. (Sugiyono, 2023:137)

4) Conclusion

The conclusions put forward are still temporary and will change if strong evidence is not found at the next stage of data collection. Findings are in the form of descriptives or images that were previously still gray so that after research they can be clearer, they can be in the form of hypothetical relationships or theories.

RESULTS AND DISCUSSION

The Mutual Cooperation College Program for Building Villages is a form of collaboration carried out by the Sumedang Regional Government with LLDIKTI region 4 West Java and Banten. One of the programs aimed at is One Village One Innovation, where students from various universities must provide innovation for the progress of the village. Pertiwi University and Widyatama University, which are located in Nagrak Village, chose the One Village One Innovation program by advancing the sales system for Nagrak Village's superior products, namely *Virgin Coconut Oil*. By prioritizing a sales system through *E-Commerce* so that Des's superior products Nagrak can penetrate markets outside Sumedang Regency and even to Java Island.

Virgin Coconut Oil Nagrak Village is a superior product from Nagrak Village which is

made from coconut. Initially this business was initiated in 2023 by Mr Jejen Jaenudin in 2023. This idea arose because natural resources in the form of old coconuts in Nagrak Village were very abundant but they were just left alone. It is a shame that old coconuts which have a high oil and coconut milk content were not exploited. well. *Virgin Coconut Oil* Nagrak Village already has the Indonesian halal label with ID 32110017180210424 and P-IRT with Number 1-202405020914230958240. So, the product can be guaranteed because it has a business permit.

Before implementing the One Village One Innovation program, we made several observations regarding regional conditions and the potential for superior businesses in Nagrak Village. The observations carried out were by making direct observations in the field before carrying out the interview process. The results of the observations we made in Nagrak Village are:

1. Nagrak Village has superior business potential, namely
 - a. Batu Sahiyang Tourist Site

This stone site was discovered by residents during the clearing of agricultural land. The rectangular stone is known to be more than thousands of years old. This stone site went viral in 2019 and was broadcast on several television stations. But because of the epidemic *Covid-19* This place has become neglected, apart from that, the difficult road access is also a factor in the lack of visitors to the Batu Sahiyang site.



Figure 4. 1 Observation of the Batu Sahiyang Tourist Site

b. Kolor Convection

Kolor convection is under the auspices of Bumbung Desa but its activities will only run when orders are received. And the large amount of competition in the convection business is a problem for the Kolor convection business in Nagrak Village.

c. *Virgin Coconut Oil*

Business *Virgin Coconut Oil* This business has been around since 2023. This business was created because of the large number of natural resources, namely old coconuts, which are scattered throughout the Nagrak Village area. This potential is utilized as a business field. However, this business is experiencing difficulties in the sales sector where sales are only in village and sub-district areas.



Figure 4. 2 Observations on Virgin Coconut Oil

After visiting several potential businesses, we held a discussion with the Village Government and the Head of BUMDes to discuss which superior products we would focus on to register on the platform. *E - Commerce*. There are weaknesses in these businesses, the chairman of BUMDes suggests choosing *Virgin Coconut Oil* because in terms of materials and innovation it is very worthy of being a superior product. Furthermore, we also made an agreement to carry out further observations of business actors *Virgin Coconut Oil* namely Jejen Jaenudin's father. The results of this observation are:

- a. Business *Virgin Coconut Oil* was founded in 2023 with the reason that natural resources in the form of coconuts are abundant but are left without utilizing them, which means the condition of natural resources is safe on a long-term scale
- b. *Virgin Coconut Oil* is made without chemical processes and without heating. Making *Virgin Coconut Oil* is still done manually and carries out a filtering process.
- c. Business *Virgin Coconut Oil* This is experiencing problems in marketing the product.
- d. Business *Virgin Coconut Oil* These experienced problems in packaging and product design.

Researchers describe and explain the results of research that was carried out for 4 months starting from February 2024 to June 2024.

Researchers describe and explain the results of program implementation on products *Virgin Coconut Oil* "LOENYOE" in Nagrak Village as follows:

1. Change the old packaging and stickers to become new and more attractive.



Figure 4. 3 Photos of old Virgin Coconut Oil packaging



Figure 4. 4 Images of old packaging and stickers with new packaging and stickers

2. Carrying out socialization and launching of products held at the Nagrak village hall which was attended by village officials, MSMEs, PKK, RT and RW members as well as the Nagrak Village Community.



Figure 4. 5 socialization and launching activities for Virgin Coconut Oil products

3. Installing banners and distributing browsers as a form of marketing. The banner installation was carried out in 3 places, namely: at the production house, and Bumbung Desa.



Figure 4. 6 Banner installation at production houses and in BUMDes

Implementation of innovation programs in SMEs *Virgin Coconut Oil* namely "LOENYOE" which was implemented in Nagrak Village, Buahdua District, Sumedang Regency, went smoothly. Based on the results of observations carried out by researchers, UKM *Virgin Coconut Oil*, namely "LOENYOE" has advantages and disadvantages. The advantages of SMEs *Virgin Coconut Oil*, namely, natural resource reserves in the form of coconuts are very abundant, especially in Sumedang and especially in Nagrak Village *Virgin Coconut Oil*. This is an innovative product because there are not many competitors.

According to Mr. Jejen Jenudin in an interview, UKM *Virgin Coconut Oil*. This was founded in 2023. The reason Mr Jejen founded UKM *Virgin Coconut Oil* is because the resources of old coconuts are quite abundant, it would be a shame if these old coconuts were not utilized, especially when making them *Virgin Coconut Oil* just use old coconut. Equipment used in production includes coconut grater machines, basins, mixers and filters. The capital used for each production is Rp. 180,000 was obtained from purchasing coconuts, with the price per coconut being IDR 3,000 and not counting anything else. For one production, UKM *Virgin Coconut Oil* requires 60 old coconuts and produces 3 liters of oil or 12 bottles if packaged in 250ml containers.

Complaints regarding the product *Virgin Coconut Oil*. This is still the same as our observation results, namely product packaging and marketing that is not extensive enough so that the people of Nagrak Village themselves do not know about the existence of this UKM. To overcome this problem, researchers collaborated by working together. collaborative collaboration

with several stakeholders to support the running of the innovation program in Nagrak Village, UKM *Virgin Coconut Oil* collaborating with Bumbung Desa "Barokah Jaya" as a partnership that can provide additional income and broad marketing access.

Apart from BUMDes, one of the partners in this program is Bank BJB, which in this collaboration provides stimulus funds, but before disbursement you must create a group account and must submit a proposal containing the application for funds and submit it to the nearest Bank BJB office. After fulfilling these requirements, the stimulus funds will be disbursed and what is done is to spend the funds to support the development of SMEs *Virgin Coconut Oil* especially in the field of product marketing.

Next is an interview conducted with Mrs. Lilis Juariah who is a consumer *Virgin Coconut Oil* "LOENYOE". He explained the reason for buying the product *Virgin Coconut Oil* is when finding out the benefits of *Virgin Coconut Oil*. So far, Mrs. Lilis has had complaints such as not defecating smoothly, getting sick easily and catching colds, and having high cholesterol and thickened stomach fat. Then after consuming the product *Virgin Coconut Oil* The complaints that Mrs. Lilis had been feeling have decreased. This is in accordance with research conducted by (Rumtutuly et al., 2023) on *Virgin Coconut Oil* about Manufacturing, Advantages, Marketing and Utilization Potential which explains that *Virgin Coconut Oil* increases body metabolism, maintains immunity, protects against atherosclerosis and cardiovascular disease, and functions as a therapy for Alzheimer's, cancer, obesity and stress. *Virgin Coconut Oil* can increase the content of high-density cholesterol (HDL) or good cholesterol, reduce the absorption of free radicals, and act as an antiviral and antibacterial.

CONCLUSION

Based on the research that has been carried out, researchers can conclude that the implementation of this Innovation Program is one way to develop superior products owned by areas, especially rural areas. Apart from that, the Innovation program aims to advance industry in

the region. Innovation program targeting SME products *Virgin Coconut Oil* which has the product name "LOENYOE" which was implemented in Nagrak Village, Buahdua District, Sumedang Regency, went smoothly. The series of activities started from observations, interviews, collaboration with Bumbung Desa and Bank BJB, the production process to socialization and product launch at the village hall which was attended by village officials, PKK women, business actors, RT and RW and the community as the initial introduction and marketing product.

There are several conclusions that can be drawn from the discussion as follows:

1. The One Village One Innovation program is an innovation program implemented in Nagrak Village to provide benefits in the economic sector which can increase income from the use of natural resources.
2. Established collaboration with Bumbung Desa Nagrak and Bank BJB Sumedang as basic capital in developing business and sustainability of Innovation programs for SMEs *Virgin Coconut Oil* "LOENYOE"
3. Product *Virgin Coconut Oil* This is a superior product that has many benefits, but the public doesn't know about it because the marketing and packaging selection is still not appropriate.

SUGGESTION

This research examines the extension of digital literacy-based poverty alleviation strategies qualitatively. Based on the research that has been conducted, the researcher outlines several suggestions as follows:

1. For Village Government
 - a. It is best to always create planned, gradual and sustainable programs, especially for the development of small and medium businesses.
 - b. It is best to always support the development of small and medium enterprise products that have added value and be more aggressive in upgrading and educating about the importance of technology for entrepreneurship.
2. For micro, small and medium enterprises (MSMEs)

- a. Determine the selling price of the product, because at this time the product price *Virgin Coconut Oil* This is only done as an estimate.
 - b. Reserve coconut stock so as not to hamper the production process.
 - c. Doing more planned and systematic marketing.
3. For Society
We recommend that you increase your enthusiasm for mutual success and support the business actors around you.

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