

# Optimization Of VCO (Virgin Coconut Oil) Development As A Local Product At UMKM Dua Puteri In Abbokkongang Village, Sidrap Regency

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## Abstract.

*Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in the regional economy, including improving community welfare through the development of local products. One potential product that can be developed is Virgin Coconut Oil (VCO), which has high economic value and extensive health benefits. UMKM Dua Puteri in Abbokkongang Village, Sidrap Regency, is one of the businesses focused on VCO production. However, it still faces various challenges, such as production efficiency, marketing, and business management. This Student Creativity Program (PKM) aims to optimize the development of VCO as a local product by enhancing production capacity, implementing quality standards, and adopting more effective marketing strategies. The methods used include technical training on VCO processing, mentoring in production standard implementation, and digital marketing to expand market reach. Through this optimization, UMKM Dua Puteri is expected to improve its product competitiveness, expand its marketing network, and contribute to the economic growth of the Abbokkongang Village community.*

**Keywords:** VCO; MSME; optimization; marketing and local product.

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## I. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in Indonesia's economy, particularly in developing local products that enhance community welfare. One highly potential local product is Virgin Coconut Oil (VCO), known for its health benefits and wide applications in various industries, including cosmetics, healthcare, and food. VCO, derived from pure coconut, has a high market value when produced with top quality and managed effectively. Abbokkongang Village, located in Sidrap Regency, has significant coconut resources and has initiated VCO production through the Dua Puteri MSME. However, to optimize VCO as the village's flagship product, strategic steps are needed to improve product quality, expand marketing networks, and enhance competitiveness in local and global markets.

Limited knowledge and resources within Dua Puteri MSME pose challenges in maximizing the potential of VCO products. Therefore, assistance is required in efficient processing, managerial skill development, and understanding the importance of branding and effective marketing. This Community Service Program (PKM) aims to provide practical solutions for VCO product development, thereby improving the welfare of the Abbokkongang Village community and strengthening Dua Puteri MSME's position in the market. This PKM program aims to optimize VCO development as a superior local product through production quality improvement, managerial skill enhancement, and more efficient and effective marketing development. The program is also expected to serve as a model for other MSMEs in surrounding villages to transform natural resources into high-value and competitive products.

## II. METHODS

This Community Service Program (PKM) will be carried out through several strategic stages to optimize the development of VCO as a local product at Dua Puteri MSME. The implementation phases include:

### 1. Observation and Problem Identification

- a. Conducting an initial survey to assess the current state of Dua Puteri MSME.
- b. Identifying issues in production, marketing, and business management related to VCO.
- c. Interviewing business owners and relevant stakeholders to obtain in-depth data.

2. Training and Technical Assistance
  - a. Production Quality Improvement: Training entrepreneurs on more hygienic, efficient, and standardized VCO production techniques.
  - b. Basic Financial and Accounting Management: Assisting in structured and transparent financial recording.
  - c. Digital Marketing Strategies: Training on social media and e-commerce utilization to enhance product marketing.
3. Implementation and Evaluation of Production Technology
  - a. Analyzing and applying appropriate technology in the production process.
  - b. Testing the effectiveness of new production methods and comparing results before and after implementation.
4. Branding and Product Certification
  - a. Assisting in the development of attractive and market-standard packaging designs.
  - b. Educating MSME entrepreneurs on the importance of obtaining halal certification, BPOM registration, and other distribution permits.
5. Monitoring and Evaluation
  - a. Conducting regular monitoring of business progress after training implementation.
  - b. Evaluating the impact of activities on VCO production and marketing improvement.
  - c. Engaging in discussions with MSME entrepreneurs for feedback and continuous improvement.

### III. RESULTS AND DISCUSSION

Dua Puteri MSME is a micro-enterprise engaged in the production of Virgin Coconut Oil (VCO) in Abbokkongang Village, Sidrap Regency. The business was established to empower the local community by utilizing coconuts as the primary raw material. However, in its operations, the MSME still faces various challenges, such as limited production technology, lack of market access, and minimal understanding of product quality standards.

To ensure the smooth implementation of this Entrepreneurship-Based Community Service Program (PKM), the PKM Team carried out the following activities:

- a. Socialization of PKM Activities through Focus Group Discussion (FGD)

Before implementing the optimization program, Dua Puteri MSME still used traditional methods in VCO production. Therefore, the PKM team held discussions with Dua Puteri MSME management on January 22, 2025, identifying key challenges, including:
- b. Manual extraction methods, still relying on pressing and fermentation techniques, which take a long time.
- c. Inconsistent product quality, particularly in terms of clarity and moisture content.
- d. Low production efficiency, due to limited and untrained labor.
- e. Conventional marketing strategies, with sales limited to the village and a few traditional markets.



**Fig 1.** Focus Group Discussion with UMKM Dua Puteri

### Training and Assistance

In order to improve the quality and production capacity of VCO at UMKM Dua Puteri:

#### Training and Assistance

To enhance the quality and production capacity of VCO at UMKM Dua Puteri, various optimization steps were undertaken, including:

#### Training and Mentoring

- Providing guidance on hygienic and efficient production techniques.
- Educating on quality standards and food certification.
- Training in business management, including financial record-keeping and marketing strategies.

#### Digital Marketing Strategies

- Developing brand identity and more attractive packaging.
- Marketing through social media platforms such as Instagram, Facebook, and online marketplaces.
- Collaborating with souvenir shops and resellers to expand market reach.



**Fig 2.** Brand Identity of VCO Product

#### 4. Impact of Optimization on UMKM Dua Puteri

After the optimization program was implemented, various positive impacts were observed, including:

- a. Market Expansion: Sales increased by 40% in the first three months after optimization.
- b. Product Entry into New Markets: Products began to enter markets outside the village, even attracting interest from consumers outside the region.
- c. Increased Consumer Interest in Local Products: There was a growing interest from consumers in locally produced goods.
- d. Improved Welfare of Business Actors:
  - The income of the MSME has experienced a significant increase.
  - New job opportunities have opened up for the surrounding community.
  - The skills and confidence of business actors in developing their businesses have increased.

#### 5. Challenges and Recommendations for the Future

Although the optimization program has had a positive impact, several challenges still need to be addressed, including:

- Capital Constraints to increase production capacity.
- Improved Access to Broader Markets, including expansion into modern retail outlets.
- The Need for Halal Certification and BPOM distribution permits to enhance competitiveness at the national level.



**Fig 3.** Photo of VCO Product

#### IV. CONCLUSION

This Entrepreneurship PKM Program aims to optimize the development of VCO (Virgin Coconut Oil) as a local product at UMKM Dua Puteri in Abbokkongang Village, Sidrap Regency. Various improvement efforts were made, starting from the implementation of simple technology in the production process, strengthening financial management, to digital-based marketing strategies. The results of this program showed an improvement in VCO product quality, production cost efficiency, and market expansion, which positively impacted the MSME's revenue. Thus, this optimization not only strengthens the competitiveness of local products but also drives economic growth in the Abbokkongang Village community.

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