

## Analysis of Income and Feasibility of Rice Farming in Kepuhdoko Village Jombang

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### ABSTRACT

*This study aims to analyze the income level and financial feasibility of rice farming in Kepuhdoko Village, Tembelang District, Jombang Regency. Rice farming is the primary livelihood of most rural communities and plays a significant role in supporting household income. However, farmers face various challenges such as rising production costs, limited labor, and fluctuating selling prices. This research employed a survey method with a simple random sampling technique involving 30 rice farmers. Primary data were collected through structured interviews, while secondary data were obtained from related institutions and literature. Data analysis included production cost analysis, revenue analysis, income calculation, and business feasibility using the Revenue Cost Ratio (R/C Ratio). The results indicate that the average total revenue per planting season is IDR 15,771,609 with total production costs of IDR 3,310,455, resulting in a net income of IDR 12,461,154 per season. The R/C Ratio value of 4.95 shows that rice farming in the study area is economically feasible and highly profitable. These findings confirm that small-scale rice farming remains financially viable when managed efficiently and supported by good productivity and favorable market prices.*

**Keywords:** Income; Feasibility; Rice Farming; R/C Ratio

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### INTRODUCTION

The agricultural sector plays a strategic role in Indonesia's economic development, particularly as a provider of food and a source of rural household income. Rice is the main staple food consumed by the majority of Indonesians, making rice farming an essential component of national food security. Therefore, ensuring the sustainability and financial feasibility of rice farming is crucial for maintaining farmer welfare and economic stability.

Despite government policies aimed at increasing rice production, farmers still encounter structural problems such as increasing input costs, limited productive labor, and fluctuating selling prices. These challenges require efficient farm management to maintain profitability. Inefficiency in cost allocation and production management can reduce farmers' income and weaken the economic resilience of rural communities.

Kepuhdoko Village in Tembelang District, Jombang Regency is one of the rice production centers with relatively small land ownership and dominated by elderly farmers. Nevertheless, the productivity potential of rice farming in this area remains high. Empirical studies focusing specifically on income and feasibility analysis of small-scale rice farming in this location are still limited. Therefore, this research is conducted to provide empirical evidence regarding the income level and economic feasibility of rice farming in Kepuhdoko Village.

The objective of this study is to determine the income level of rice farmers and analyze the feasibility of rice farming using financial indicators.

## **METHOD (font size 12pt)**

This study was conducted in Kepuhdoko Village, Tembelang District, Jombang Regency, from October to November 2025. The research location was selected purposively due to its status as a rice production center. The population consisted of 90 rice farmers, and the sample was determined using simple random sampling with an error rate of 16%, resulting in 30 respondents. The data used consisted of: Primary data obtained through structured interviews using questionnaires covering production costs, yields, and selling prices. Secondary data obtained from related institutions and supporting literature Data analysis included: production cost analysis (fixed and variable costs), revenue analysis, income calculation, feasibility analysis using the Revenue Cost Ratio (R/C Ratio), where  $R/C > 1$  indicates a feasible business.

## **RESULT AND DISCUSSION**

### **Result**

The average total production cost of rice farming per planting season is IDR 3,310,455. Variable costs dominate the cost structure, particularly labor costs, which are influenced by limited family labor due to the aging farmer population.

The average revenue per planting season is IDR 15,771,609, derived from an average production of 2,145.45 kg with a selling price of IDR 7,336.36 per kg. The difference between total revenue and production cost results in a net income of IDR 12,461,154 per planting season.

The feasibility analysis shows an R/C Ratio of 4.95, meaning that every IDR 1.00 spent generates IDR 4.95 in revenue

### **Discussion**

The findings indicate that rice farming in Kepuhdoko Village is highly profitable despite the relatively small land scale. The high R/C Ratio demonstrates efficient farm management and good productivity levels. These results align with previous studies stating that labor costs dominate rice farming expenses but can be offset by high yields and favorable selling prices. The high income level contributes significantly to farmers' household welfare and supports rural economic sustainability. The study also confirms that small-scale farming can remain economically viable when supported by efficient resource allocation and appropriate cultivation techniques. Furthermore, the integration of efficient cost management and productivity improvement strategies can enhance farm profitability. The results of this study contribute to the existing body of knowledge by providing empirical evidence that small-scale rice farming remains feasible under proper management. In addition, the results imply that improving production efficiency is more important than merely expanding cultivated land. Farmers with relatively small landholdings can still achieve high profitability by optimizing input use, applying appropriate cultivation practices, and minimizing unnecessary production costs. This finding highlights the importance of continuous agricultural extension services, access to improved seed varieties, balanced fertilizer application, and better farm management practices. Strengthening farmers' knowledge and technological capacity is expected to enhance productivity, increase income, and improve the long-term competitiveness of rice farming in the study area.

## **CONCLUSIONS**

Rice farming in Kepuhdoko Village is financially feasible and highly profitable despite its smallscale nature. The average net income earned by farmers per planting season is IDR 12,461,154. The R/C Ratio of 4.95 indicates that the farming business is highly feasible, where each IDR 1.00 of expenditure generates IDR 4.95 of revenue. The high feasibility is influenced by optimal productivity and favorable selling prices, even though farmers face high labor costs. These findings suggest that rice farming has strong economic prospects and can continue to support rural livelihoods. Future research is recommended to examine the impact of technology adoption and labor efficiency on farm profitability.

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