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Determinant of Firm Value in Consumer Non Cyclicals Sector Companies

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Abstract. *The purpose of this research is to assess and empirically understand the influence of companies in the consumer non-cyclicals sector on company value in terms of capital structure, investment decisions, and Good Corporate Governance. This research involves all companies in the consumer non-cyclicals sector listed on the Indonesia Stock Exchange from 2019 to 2023, with a sample size of 64 companies. This study employs a quantitative approach using panel data regression analysis, assisted by Eviews version 13. The findings of this research indicate that capital structure does not empirically contribute to an increase in company value, investment decisions positively influence the increase in company value, and Good Corporate Governance does not contribute to an increase in company value. Research on company value has been widely conducted, but studies from the perspective of investment decisions using Tobin's q theory in non-cyclical consumer sector companies have not been explored much. With this research, companies can enhance their value through good company performance conditions with increased profitability, which will gain additional investment value and can be beneficial for investors.*

Abstrak. Tujuan penelitian ini adalah untuk mengkaji dan memahami secara empiris pengaruh perusahaan pada sektor consumer non-cyclicals terhadap nilai perusahaan ditinjau dari struktur modal, keputusan investasi, dan Good Corporate Governance. Penelitian ini melibatkan seluruh perusahaan pada sektor consumer non-cyclicals yang terdaftar di Bursa Efek Indonesia selama periode 2019–2023, dengan jumlah sampel sebanyak 64 perusahaan. Penelitian ini menggunakan pendekatan kuantitatif dengan analisis regresi data panel yang dibantu menggunakan EViews versi 13. Hasil penelitian menunjukkan bahwa struktur modal secara empiris tidak berkontribusi terhadap peningkatan nilai perusahaan, keputusan investasi berpengaruh positif terhadap peningkatan nilai perusahaan, sedangkan Good Corporate Governance tidak berkontribusi terhadap peningkatan nilai perusahaan.

Penelitian mengenai nilai perusahaan telah banyak dilakukan, namun penelitian dari perspektif keputusan investasi menggunakan teori Tobin's Q pada perusahaan sektor consumer non-cyclicals masih belum banyak dilakukan. Melalui penelitian ini, perusahaan dapat meningkatkan nilai perusahaan melalui kondisi kinerja perusahaan yang baik dengan peningkatan profitabilitas, yang pada akhirnya dapat meningkatkan nilai investasi dan memberikan manfaat bagi investor.

Keywords:
Capital Structure;
Investment Decision;
Good Corporate Governance;
Firm Value

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Introduction

One aspect of community life that has been significantly impacted by the COVID-19 pandemic is the economic aspect. The Indonesian economy has certainly experienced a decline due to this pandemic. This has also been felt in Indonesia's non-cyclical consumer sector. Issues that have occurred in various companies in the non-cyclical consumer sector from 2019 to 2023 have been reflected in the fluctuations of company value, which can be seen from stock prices. A company's value will decline if profits also decrease because stock prices will also fall. There are several companies in the non-cyclical consumer sector that are problematic in this research.

Table 1. Profit and Loss of Non-Cyclical Consumer Sector Companies (in millions of rupiah)

YEAR	ADES	KINO	MRAT	TCID	UNVR
2019	83.885	520.444	131	145.150	7.392.837
2020	135.789	113.697	-6.767	-54.777	7.163.536
2021	265.758	105.042	359	-75.681	5.758.148
2022	363.972	-957.025	67.812	18.109	5.364.761
2023	395.798	77.244	-14.113	38.116	4.800.940

Source: Data processed by the author (2025)

In the table 1 above, PT Kino Indonesia Tbk (KINO) saw its profits decline from 2020 to 2022. Similarly, PT Mustika Ratu Tbk (MRAT) also experienced a profit decrease, resulting in a loss of IDR 6,767,000,000 in 2020, and faced another loss in 2023 amounting to IDR 14,113,000,000. PT Mandom Indonesia Tbk (TCID) also incurred losses from 2020 to 2021. Meanwhile, PT Unilever Tbk (UNVR) had fluctuating profits, experiencing an increase in profits in 2023 but a decline in profits from 2020 to 2022. This was triggered by the impact of the COVID-19 pandemic, which led to a decrease in sales and company profits.

Based on this phenomenon, the occurrence of a decline in profits in a company can lead the company to a condition of financial difficulty or capital constraints. When the growth of the manufacturing industry increases, the company has the potential for increased profits. However, based on processed data, there are several

companies that experienced a decline in profits resulting in losses. Companies that incur losses in the long term may face financial difficulties that could lead to bankruptcy. To avoid such conditions, companies must pay more attention to their performance in facing competition. Companies are required to continuously improve effectiveness and efficiency in managing the company, both in sales activities to generate profits and in managing their operational activities.

There are several aspects that influence the firm value, one of which is the Capital Structure. Capital structure is the ratio or balance of long-term financing of a company, indicated by the ratio of long-term debt to equity. The need for company funds from equity sources comes from share capital, retained earnings, and reserves. If there is still a shortfall (deficit) in funding from equity capital, it is necessary to consider external financing, which comes from debt. However, in fulfilling funding needs, companies must seek efficient funding alternatives. Efficient funding will occur if the company has an optimal capital structure. An optimal capital structure can be defined as a structure that minimizes the overall cost of capital or average cost of capital, thereby maximizing the company's value (Septriani & Arianti, 2025).

The second aspect that influences Company Value is Investment Decisions. According to the opinion expressed by Siringo-Ringo et al., (2023) Investment Decisions can be defined as a policy that contains decisions to allocate various forms of external and internal costs for capital investment. Company value and share prices will increase if investment decisions are made correctly to achieve optimal performance and provide good news to the investors.

The third aspect that influences company value is Good Corporate Governance (GCG). According to Saifaddin (2020), GCG can be interpreted as a set of rules that govern the relationships between company managers, shareholders, the government, employees, creditors, and anyone representing internal or external interests concerning various rights and obligations they have. Another meaning is that it is a system that conducts control and regulation of the company. In influencing Company Value, GCG is a very important and effective aspect.

Signal Theory and Trade-off Theory

According to Modigliani & Miller (1958), the trade-off theory is a theory that discusses the relationship between Capital Structure, Investment Decisions, and Good Corporate Governance (GCG) in relation to the company's value, which can be analyzed through the exchange between risks and benefits of each managerial decision. On the other hand, appropriate Investment Decisions will enhance the efficiency of asset allocation and create added value for the company. Meanwhile, the application of Good Corporate Governance (GCG) supports transparency and accountability in strategic decision-making, thus enhancing investor trust and reinforcing the Company's Value. Meanwhile, Wijayanti et al. (2016) state that the trade-off theory or exchange theory is where companies exchange the tax benefits of debt financing with the issues arising from the potential for bankruptcy.

Capital Structure

Capital structure is the collaboration between personal capital and debt used by a company to fund its operational activities or capital investments. The precision of capital structure policy decisions can be good news for investors. Ross (1977) expressed his opinion regarding signaling theory that a company’s value will increase when a company that uses debt wisely is viewed as a company with an optimistic outlook on future cash flows. However, research by Osok & Hwihanus (2021) explains that company value is positively influenced by capital structure, while research by Noviania et al. (2019) explains that there is a negative influence on company value. This capital structure can be measured using the Long Term Debt to Equity Ratio (LtDER) proxy (Arianti & Yatiningrum, 2022).

$$LtDER = \frac{\text{Long Term Debt}}{\text{Total Equity}}$$

Investment Decision

Investment decisions reflect a company's commitment to long-term growth. A company's profitability will improve, and shareholders will gain additional value if the right investments are made. However, making investment decisions also carries high risks, especially in unstable economic conditions. Research by Osok & Hwihanus (2021) mentions a negative influence, and Arsyada et al. (2022) found a positive influence of investment decisions on company value. This discrepancy indicates the need for further exploration to ensure the consistency of findings. Investment Decisions are proxied by Total Asset Growth (TAG) (Arianti & Yatiningrum, 2022), which is:

$$\textit{Total Asset Growth} = \frac{TA_t - TA_{t-1}}{TA_{t-1}}$$

Good Corporate Governance

Good Corporate Governance is a form of protection for investors regarding dividend payments and firm value (Hidayat et al., 2018; Jiraporn & Ning, 2011; Jusriani & Rahardjo, 2013). Signaling theory explains that the existence of corporate governance serves as a tool to assure investors that shareholders will receive returns on the funds invested. Corporate governance is related to how investors trust that managers will generate profits and will not misappropriate funds detrimental to the investments made by investors (La Porta et al., 2000; Shleifer & Vishny, 1989). Companies that implement corporate governance can significantly enhance dividend payments and firm value (Kowalewski et al., 2007). Good Corporate Governance is measured by the percentage of independent commissioners, namely:

$$KID = \frac{\text{Total Independent Commisioners}}{\text{Total Members of the Board Comisioners}}$$

Firm Value

The value of a firm is a representation of the market value perception of managerial success and the company's prospects. The Tobin's q ratio is used as an indicator because it reflects the market value of the company's book assets. Investors will trust the managerial efficiency and long-term growth prospects of a company if its value increases. This study uses Tobin's q theory, which is a comparison of market value to a company's net investments, such that if the company's stock value increases, there will also be an increase in the company's value (Arianti & Yatiningrum (2022). There is a formula designed to calculate the company value proxied by Tobin's Q, namely:

$$q = \frac{((\textit{Current Price} \times \textit{Total Outstanding Share}) + \textit{Total Liability})}{\textit{Total Assets}}$$

Hypothesis Development

Capital Structure and Firm Value

A company can take advantage of debt if the benefits—such as tax savings and reduced costs—outweigh the sacrifices, such as interest payments. This is also in line with signaling theory**,** which states that when managers are confident about the company's future prospects and aim to increase the firm's stock price, the use of higher debt levels can serve as a credible signal to potential investors. Investors tend to perceive that when a company uses debt financing, it indicates that the company is capable of expanding its operations and meeting its debt obligations. Moreover,

this aligns with the trade-off theory**,** which suggests that an optimal capital structure is achieved by balancing the benefits and costs of debt usage. By using debt wisely, a company can reduce its tax burden through the tax deductibility of interest payments.

According to research conducted by Osok & Hwihanus (2023), it is stated that Capital Structure has a positive and significant effect on Company Value. Meanwhile, research conducted by Noviani et al. (2019) states that Capital Structure has a negative and significant effect on Company Value. In addition, research conducted by Wardhani et al. (2021) states that Capital Structure has no effect on Company Value. Based on these research findings and the conjecture made, a first hypothesis can be formulated. H1 = It is suspected that Capital Structure has an effect on Firm Value

Investment Decisions and Firm Value

Rajagukguk et al. (2019) explained that investment decisions can be defined as a commitment of a certain amount of funds invested in one or more assets with the expectation of generating positive income in the future. The main objective is to obtain high returns with minimal risk, thereby optimizing the firm's value. When a company makes sound investment decisions, it can increase its firm value, especially when the amount of funds invested is substantial. In such cases, the company is more likely to generate higher profits. The higher the profits earned by the company, the higher the firm value will be, enabling the company to achieve its desired level of profitability.

This statement aligns with signaling theory**,** which suggests that investment expenditures provide a positive signal regarding the company's future growth prospects. It also supports the trade-off theory, which states that investment decisions should also consider the optimal capital structure. If the investment is financed through debt, the company must balance the benefits of the investment with the additional risks associated with debt usage, such as interest expenses and the possibility of bankruptcy.

According to a study conducted by Osok & Hwihanus (2023), investment decisions have a positive and significant effect on firm value. Meanwhile, research by Komaria et al. (2023) found that investment decisions have a negative and significant effect on firm value. Based on these previous studies and the assumptions made, the second hypothesis can be formulated as follows:

H2: It is suspected that investment decisions affect firm value.

Good Corporate Governance and Firm Value

Good corporate governance (GCG) is also the key for a company that can connect the managers, the board of commissioners, shareholders, and other stakeholders. If the proportion of Independent Commissioners of the company increases, then the Company Value decreases. Ideally, a higher proportion of Independent Commissioners should reduce the potential for expropriation by majority shareholders (controllers) because in the context of public companies. This is in accordance with signaling theory which states that companies will convey positive signals to the market through the disclosure of good governance practices, such as the appointment of Independent Commissioners, to demonstrate that management acts in the interest of all shareholders. This is also in line with the trade-off theory which states that an increase in the number of Independent Commissioners may also lead to higher monitoring costs, obstacles in decision-making, or internal conflicts that slow down management's response to business opportunities.

According to a study by Handayani & Ibrani (2023), corporate governance significantly affects firm value. This supports the idea that good corporate governance has a direct impact on firm value. A high firm value builds market confidence in the company's future prospects. This is also in line with the interests of the company's

owners, as a high firm value reflects greater shareholder wealth (Jiraporn & Lee, 2018). Based on these findings and the assumptions made, the third hypothesis can be formulated as follows:

H3: It is suspected that Good Corporate Governance affects firm value.

Research Method

This type of research employs a quantitative approach with a descriptive method to provide an objective depiction of the actual conditions of the research object. The quantitative approach emphasizes numerical data and uses statistical analysis in its processing. The type of data used in this research is secondary data, which allows the researcher to utilize previously available information. The data analysis model used is panel data regression with the assistance of Eviews 13 program, which is a combination of time series and cross-section. There is a formula used for the general regression model, as shown below:

$$Yit = \alpha + \beta 1X1it + \beta 2X2it + \beta 3X3it + \epsilon it$$

The chow test is intended to make comparisons between the ability to select models among the Common Effect Model (CEM) against the Fixed Effect Model (FEM). Then, to compare the fixed effect model against the random effect model, a Hausman test can be used. The population used consists of 130 companies in the non-cyclical consumer sector listed on the Indonesia Stock Exchange during the years 2019 - 2023, with the number of samples determined by purposive sampling technique being 64 companies in the non-cyclical consumer sector.

Table 2. Sample Selection Criteria

No	Sample criteria	Samples meeting the criteria
1	Non-cyclical consumer sector companies listed on the Indonesia Stock Exchange (IDX)	130
2	Companies in the non-cyclical consumer sector that publish financial reports.	67
3	Companies in the non-cyclical consumer sector that publish financial statements in IDR	65
4	Companies in the non-cyclical consumer sector that have an Independent Board of Commissioners.	64
Sample: 64 companies × 5 years = 320 observations		

Results and Discussion

This research was conducted using panel data regression with the help of EViews version 13. The best model was selected through the Chow test and the Hausman test. The Chow test yielded a probability value of 0.0000 (< 0.05), indicating that the Fixed Effect model is better than the Common Effect model. Furthermore, the Hausman test yielded a probability value of 0.0000 (< 0.05), indicating that the Fixed Effect model is better than the Random Effect model. Therefore, the Fixed Effect model is used in this research.

Table 3. Results of the Panel Data Model Selection Test

Chow Test	Prob. 0,0000 < 0,05	*Fixed Effect Model*
Hausman Test	Prob. 0,0000 < 0,05	*Fixed Effect Model*

Based on the results in the table above, the Chow test indicates that the Fixed Effect Model is appropriate, and the Hausman test also supports the Fixed Effect Model. Since the Fixed Effect Model was selected in both tests, the Lagrange

Multiplier test was not conducted, because it only compares the Common Effect and Random Effect models.

Table 4. Results of the Panel Data Regression Test

Dependent Variable: Y
Method: Panel Least Squares
Date: 05/13/25 Time: 20:05
Sample: 2019 2023
Periods included: 5
Cross-sections included: 64
Total panel (balanced) observations: 320

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	36.58324	133.6681	0.273687	0.7845
X1	0.230402	16.18094	0.014239	0.9887
X2	-0.717781	0.109187	-6.573878	0.0000
X3	1.145505	315.7215	0.003628	0.9971

Effects Specification

Cross-section fixed (dummy variables)

R-squared	0.463767	Mean dependent var	30.11496
Adjusted R-squared	0.323880	S.D. dependent var	369.7133
S.E. of regression	304.0024	Akaike info criterion	14.45577
Sum squared resid	23381614	Schwarz criterion	15.24476
Log likelihood	-2245.923	Hannan-Quinn criter.	14.77083
F-statistic	3.315300	Durbin-Watson stat	2.121311
Prob(F-statistic)	0.000000		

In the table above, based on the results of the F-test, the F-statistic or calculated F value for all independent variables, namely Capital Structure (X1), Investment Decision (X2), and Good Corporate Governance (X3), is 3.315300 compared to the F-table value of 2.633182, with a significance probability value of 0.000000 at a standard error significance level of 5% (0.05) that was previously determined. It is stated that the value of 3.315300 is greater than 2.633182 (3.315300 > 2.633182), indicating that the calculated F value > F-table. Furthermore, the significance probability value is 0.000000 < 0.05. Therefore, the hypothesis provides a significant effect because H0 is rejected and Ha is accepted.

In this model, the coefficient of determination (adjusted R2) obtained an adjusted R-squared value of 0.323880, indicating that Capital Structure, Investment Decisions, and Good Corporate Governance explain the dependent variable, namely Firm Value, by 32.3880%, while the remaining 67.6120% is influenced by other aspects outside the study. Meanwhile, the results of the panel data regression test can use the regression formula as follows:

Y = 36.58324 + 0.230402*X1 – 0.717781*X2 + 1.145505*X3 + [CX=F].

Based on the formula above, the constant value obtained is 36.58324, meaning that the Corporate Value variable (Y) will increase by 3658.324%, while the coefficient value of Capital Structure (X1) is 0.230402, meaning the Corporate Value variable (Y) will increase by 23.0402%. The coefficient value of Investment Decision (X2) is -0.717781, meaning the Corporate Value variable (Y) will decrease by 71.7781%, while the coefficient value of Good Corporate Governance (X3) is 1.145505, indicating that the Corporate Value variable (Y) will increase by 114.5505%.

Based on table 4 above, the results of the partial testing decision (t-test) in the table yielded a t-statistic or t-count value from the Capital Structure variable (X1) of 0.014239 with a t-table value of 1.9675, and a probability significance value of 0.9887

with a standard error significance level of 5% or 0.05, which was determined by the author beforehand. Through this statement, a value of 0.014239 < 1.9675 is obtained, meaning that the t-count value < t-table value, and then a value of 0.9887 > 0.05 is obtained. Therefore, the hypothesis result indicates no effect on the increase in company value. Thus, H0 is accepted and H1 is rejected.

The results of the partial testing decision (t-test) in table 4 above show that the t-statistic value, also known as t-calculated, from the Investment Decision variable (X^2) is 0.014239, with a t-table value of 1.9675, and a sig. probability value of 0.0000 with a standard error significance level of 5% or 0.05 as determined previously by the author. Based on this statement, a value of -6.573878 < 1.9675 is obtained, indicating that the t-calculated value < t-table value, and also, 0.0000 < 0.05 is obtained. Thus, the hypothesis result indicates an impact on increasing company value. Therefore, H0 is rejected and H2 is accepted.

The results of the partial test decision (t-test) in table 4 above show that the t-statistic value, also known as t-count, from the Good Corporate Governance (X^3) variable is 0.002638 with a t-table value of 1.9675, and a significance probability value of 0.9971 with a standard error significance level of 5% or 0.05, as determined previously by the author. Based on this statement, a value of 0.003628 < 1.9675 is obtained, indicating that t-count < t-table, and a value of 0.9971 > 0.05 is obtained, thus the hypothesis result does not have an effect on the increase in company value. Therefore, H0 is accepted and H3 is rejected.

Capital structure on Firm Value

Based on the t-test results, the capital structure shows a value of 0.014239 < 1.9675, meaning that the calculated t-value < the table t-value. Then a value of 0.9887 > 0.05 is obtained, which means that the significance probability value is > the standard error significance level of 0.05. Therefore, the result is that the hypothesis does not affect the increase in the value of the company, or H0 is accepted and H1 is rejected.

The results of this research are not in line with the trade-off theory which states that companies will strive to find an optimal capital structure considering the benefits of use such as tax savings, as well as the risks of bankruptcy that accompany it. In the consumer non-cyclicals sector, companies tend to be conservative in their use of long-term debt, or their financing structure is relatively less stable, thus it is no longer a primary concern for investors. The results of this study also do not align with the signaling theory which states that a company's use of debt can be a signal that management is confident about future cash flows and able to meet debt obligations. This may occur because, in a post-pandemic environment, investors may be more focused on aspects of liquidity and short-term profitability rather than long-term financing structure.

The results of this research activity align with the research conducted by (Purba & Hasyim, 2024; Sobiroh & Kadarningsih, 2023; Susetyo & Werdaningtyas, 2019) stating that company value will increase if there is a positive correlation with the increase in the use of company funds. In this study, the results show a positive relationship between capital structure and company value, but it is not significant. This statement means that company value is not affected by the amount of debt a company has.

Investment Decisions on Firm Value

Based on the results of the analysis using the *t*-test (partial test), the outcome shows a value of -6.573878 < 1.9675, meaning that the *t*-calculated is less than the *t*-table value. Furthermore, the obtained p-value is 0.0000 < 0.05, indicating that the significance probability is below the standard error significance level of 0.05. Therefore, it can be concluded that H2 is accepted and H0 is rejected, which means

the Investment Decision variable has a significant negative effect on the Firm Value of companies in the consumer non-cyclicals sector in Indonesia. Thus, hypothesis 2 (H2) is accepted.

The relationship of this research result with signal theory explains that the company's investment decision becomes a positive signal for investors regarding the prospects for growth and business expansion. However, when the growth of assets does not yield optimal results or is not accompanied by an improvement in financial performance, that signal will be perceived as a negative signal by the market. This is also in line with the trade-off theory, which explains that investment decisions that are not selective or are made aggressively without considering the company's internal capabilities can increase the risk of investment project failure.

This finding is supported by previous studies conducted by Arsyada et al. (2022), Azzahra & Mulya (2025), and Komaria et al. (2023). The test results show a negative relationship, as the increase in total assets leads to higher depreciation expenses, which in turn reduces profits. High investor attention to a company can enhance its firm value.

Good Corporate Governance on Firm Value

Based on the results of the analysis using the *t*-test (partial test), the obtained significance probability value is 0.9971, with a significance level of 5% or 0.05 as predetermined by the author. This indicates that the *t*-test results show the hypothesis does not have a significant effect. Therefore, H0 is accepted and H4 is rejected, which means that the Good Corporate Governance variable does not significantly affect the firm value of companies in the consumer non-cyclicals sector in Indonesia, despite the positive coefficient direction.

This finding relates to signaling theory, which suggests that the presence of independent commissioners may be a positive signal to investors that the company has a strong internal monitoring system and that shareholder interests are being protected. However, this signal might not be strong enough or effectively captured by the market because the role of independent commissioners may not be optimally performed or may only fulfill formalities (compliance-based), without contributing meaningfully to strategic decision-making in the company.

Moreover, the findings are inconsistent with trade-off theory, which posits that the trade-offs faced by a company are not limited to financing decisions but also involve a balance between managerial control and operational efficiency. When companies add governance structures such as independent commissioners, there is an expectation of improved decision-making quality and oversight. However, this can also lead to increased bureaucratic burden or slower managerial response, especially if the role of commissioners does not align with the dynamics of the industry. These research results are consistent with the findings of Anggraini & Fidiana (2021), Sobiroh & Kadarningsih (2023), and Wardhani et al. (2021), but are not in line with the study by Handayani & Ibrani (2023), which concluded that Corporate Governance significantly affects firm value.

Conclusion and Recommendations

Based on the results of the data analysis and the discussion presented in the previous chapter, it can be concluded that capital structure, as proxied by the Long-Term Debt to Equity Ratio, has no significant effect on firm value. This confirms the application of signaling theory and trade-off theory in consumer non-cyclicals sector companies in Indonesia. It suggests that these companies tend to be conservative in using long-term debt, or that their financing structures are already relatively unstable and thus no longer attract significant investor attention.

Moreover, this study provides empirical evidence that the Corporate Governance (CG) index is one of the factors that can explain a company's market value. Investment decisions are empirically proven to influence firm value. A company's investment decision can serve as a positive signal to investors regarding its growth prospects and business expansion. However, when asset growth fails to yield optimal results or is not accompanied by improved financial performance, and when good corporate governance does not influence firm value, these factors lose their signaling effectiveness.

The presence of Good Corporate Governance, measured by the proportion of independent commissioners, could serve as a positive signal to investors that the company has a strong internal control system and that shareholder interests are protected. However, this signal is not strong enough or effectively captured by the market, possibly because the role of independent commissioners is not yet optimal or is merely formalistic (compliance-based), without any meaningful contribution to strategic decision-making within the company.

Overall, this study provides an important understanding that not all aspects theoretically believed to affect firm value will behave accordingly in practice. Therefore, management must thoroughly evaluate their financing, investment, and governance policies to ensure that corporate strategies truly reflect the added value expected by shareholders and investors.This study has several limitations that may weaken the findings. For instance, the Tobin's Q indicator from the study by Arianti & Yatiningrum (2022) may not yet fully capture the market value of companies, particularly in the context of Indonesia. Additionally, this study only used companies in the consumer non-cyclicals sector as the research sample, without considering the distinction between long-term and short-term investments.Therefore, future research is highly recommended to extend the observation period to produce more comprehensive and accurate results that better reflect actual conditions. Future studies could also expand the research scope by including long-term investments. A high firm value can potentially mask poor corporate governance, unchecked asset growth, and minimize long-term debt—ultimately harming investors. However, for short-term investors, an increase in firm value could still represent a profitable opportunity.

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