International Journal of Business Marketing and Management (IJBMM)
Volume 5 Issue 11 November 2020, P.P. 21-33
ISSN: 2456-4559
www.ijbmm.com

The Effect Of Profitability, Growth, And Asset Structure On Company Value With Capital Structure As Mediation On Consumer Goods Companies In Indonesia Stock Exchange

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ABSTRACT : *Company value is a description of the company's performance that can affect investors' assessment of the company. Based on the theory of signaling and previous research, company value can be seen from profitability (Return On Asset), information about the existence of company growth, asset structure, and capital structure. The phenomenon of company value in this study is based on data on the fluctuation of PBV ratios in the Consumer Good industrial companies listed on the Indonesia Stock Exchange. The purpose of this study is to determine: (1) the effect of profitability, growth and asset structure on capital structure; (2) the effect of profitability, growth, and asset structure and capital structure on company value; (3) whether the capital structure is able to mediate the effect of profitability, growth, and asset structure on company value at consumer goods companies in Indonesia stock Exchange. The data used in this research is quantitative data for the period 2014-2019 which is sourced from annual financial reports published by companies listed on the Indonesia Stock Exchange and the Indonesia Capital Market Directory. This research uses path analysis technique. The results showed that profitability had a positive but not significant effect on capital structure. Growth and asset structure had a positive and significant effect on capital structure. Profitability has a positive and significant effect on company value, but Growth had a negative but not significant effect on company value, but asset structure had a positive but not significant effect on capital structure, and capital structure also have a positive and significant effect on company value. In addition, capital structure does not significantly mediate the effect of profitability on company value, but the capital structure is also proven to only significantly mediate the effect of growth and asset structure, on company value in consumer goods companies on the Indonesia Stock Exchange.*
KEYWORDS **-** *company value, capital structure, profitability, growth, asset structure.*

I. INTRODUCTION

Company value is very important in a company, because high corporate value will be followed by high prosperity for its stakeholders. Company value is a description of the company's performance that can affect investors' assessment of the company. Managers must be able to maximize the market value of the shares of the desired shareholders (Brealey *et al.*, 2018: 18). Brigham & Daves (2019: 614) states that a high share price is directly proportional to high company value. A high company value will increase an investor's trust in the company.

The performance of a company can be seen from the analysis of financial ratios used to interpret the situation of a corporation's financial overall performance, which include showing the cost of the corporation. The value of a company is seen from the share price which provides positive benefits for shareholders. The company value of a company can be measured using the Price Book Value Ratio (PBV), which is the value obtained from a comparison between the stock price and the book value of a company's shares. Investors can use the calculation of the price to book value (PBV) ratio to identify stocks that are considered to have fair, undervalued and overvaluded prices. The stock price reflects the estimated performance or book value of the company in the future, because the goal is a long-term investment. (Hartono, 2016).

Signal theory explains that debt can be used as a signal to reveal company characteristics, the characteristics in question are companies with high debt and companies with low debt (Gumanti, 2017: 87). Signaling theory explains that company managers will send signals or signs to investors through the company's capital structure decision. Hossain & Hossain (2015) clarify that signal hypothesis is based on asymmetric information data, directors utilize use arrangements to provide signals to the market since speculators react to obligation financing as a sign or signal of tall future execution and tall corporate cash stream within the future.

The optimal capital structure is a structure that maximizes the share price. Excessive borrowing can hold back the development of a company and make shareholders think before investing. Capital structure is important for companies because the quality of the capital structure can affect the company's financial condition and company value as well. (Setiadharma & Machali, 2017).

Company value can be affected by a few variables, specifically the obligation approach set by a company, the company's capacity to produce benefits, the company's capacity to oversee accounts in financing all company liabilities, the scale of the company, the company's stock cost, the company's income (Sari & Sedana, 2020).

Profitability with the Return On Asset proxy is used as an indicator used by investors to assess the company in the future based on profit growth (Monoarfa, 2018). Investors respond positively to information about company growth, so that it will increase demand for shares which will have an impact on rising share prices and company value (Daughter & Fidiana, 2017). Another factor affecting company value is the asset structure. Asset structure is one of the most important factors in determining decisions on capital structure, because the size of fixed assets can be used as collateral to creditors.

The phenomenon of company value in this study is based on data on the fluctuation of PBV ratios in the Consumer Good industrial companies listed on the Indonesia Stock Exchange. The fluctuation of the Price to Book Value (PBV) occurred in the last year, namely 2014-2019, which took the reason for its use as the research period.

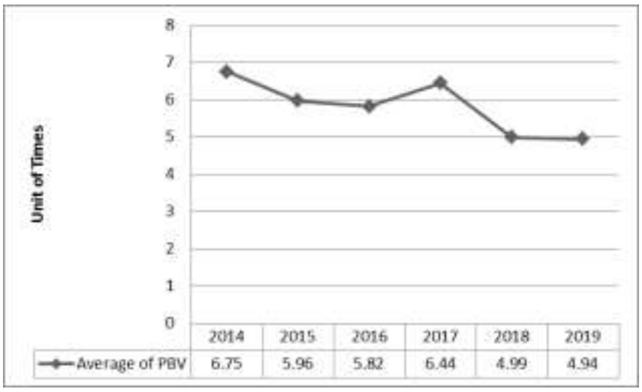

Fig.1: Average of PBV at Companies in the Consumer Good Industry (in units of times)
Source: www.idx.co.id (processed data)

Fig. 1 shows the average PBV of companies in the Consumer Good Industry, in 2014 the average PBV was 6.75 times, in 2015 the average PBV ratio decreased from 6.75 to 5.96, in 2016 the average PBV ratio also decreased to become 5.82. The decline in the value of the company was supported by the article on the research results of Kantar World panel Indonesia and also in line for the Asian market, showing that the growth at Consumer Goods Companies in Indonesia Stock Exchange this year is only 7.4 percent. This growth rate is decreasing when compared to 2014 which grew at 15.2 percent. The reason for this is that Indonesia's macroeconomic conditions are not conducive, namely weakening purchasing power, the income of the lower class people experiencing a very small decline. In 2017 the average PBV of companies began to increase, but in 2018 it decreased again by 4.99 and in 2019 by 4.94. The cause of the increase from 2017 was reported by CNBC Indonesia (www.cnbcindonesia.com) The increase in the social welfare budget by the government should help support the expenditure of low-income households. However, the depreciation of the rupiah, higher interest rates and rising global crude oil prices will continue to erode people's purchasing power. The results of a survey by Bank Indonesia (BI), said that the real sales index shows sluggish growth in recent years, which is in line with the slowdown in the FMCG industry.

The purpose of this study is to determine: (1) the significance of the effect of profitability, growth and asset structure on capital structure; (2) the significance of the influence of profitability, growth, and asset structure and capital structure on company value; (3) whether the capital structure is able to mediate the effect of profitability, growth, and asset structure on company value at consumer goods companies in Indonesia Stock Exchange.

II. LITERATURE REVIEW

4.1 SIGNALING THEORY

According to (Brigham & Daves, 2019: 667) a signal is an movement taken by means of a organization to provide steering to investors about how management perspectives the employer's possibilities. This signal is inside the shape of facts about what control has completed to realise the owner's wishes. signal principle explains that excellent first-rate corporations will intentionally sign the market. as a result, the market is predicted to differentiate between good and awful high-quality organizations.

4.1 THE VALUE OF THE COMPANY

Company value describes how the price must be paid by potential buyers or so-called investors Brigham & Daves (2019). According to Sartono (2015), company value is the objective of maximizing shareholder prosperity, which can be achieved by maximizing the present value or present value of all shareholder profits, which will increase if the price of the shares they own increases.

4.1 CAPITAL STRUCTURE

Capital structure is the proportion or adjust of the company's long-term financing as appeared by the proportion of long-term obligation to value. The capital structure suggests how the optimal debt and equity levels of the company's capital structure are chosen to obtain the maximum benefit from the tax shield as interest costs are considered tax deduction costs. Apart from that, it is also useful in selecting the best level of financing from debt and equity that will save the organization financial problems (*PeiZh et al.*, 2020).

4.1 PROFITABILITY

Brigham & Daves (2019: 293) said that profitability is the final result of a series of policies and decisions made by the company. Profitability ratios show the combined effect of liquidity, asset management, and debt on operating results. Profitability also shows how effective the company's management is in utilizing its resources to generate profits from the company's investment sales activities. Brigham & Daves (2019: 293-296) say there are four kinds of profitability ratios, namely Net Profit Margin, Basic Earning Power (BEP), Return On Assets, and Return On Equity.

4.1 GROWTH

Growth is an increase or decrease in the total assets owned by a company. Company growth can provide a positive signal that is expected by parties inside and outside the company (Brigham & Daves, 2019: 673). The measurement of company growth can be measured by comparing the total assets of the year concerned (year t) minus the total number of the previous year (year t-1) then divided by the total number of the previous year (year t-1) Brigham & Daves (2019).

4.1 TANGIBILITY ASSETS

Asset structure could be a adjust of streams and settled resources. Resource structure appears the collateral esteem of the resource. The intermediary for resource structure is measured by comparing add up to settled resources and add up to resources. Asset structure appears the sum of resources that can be utilized as collateral to lenders. The high asset tangibility ratio offers a high level of security because creditors can liquidate collateral assets in the event of bankruptcy (Joni & Sumiati, 2019).

4.1 PREVIOUS RESEARCH AND HYPOTHESIS

Andres et al. (2014) provide an explanation for that an growth inside the debt ratio will send a signal about the organization's profitability and can lessen information asymmetry among managers and traders. The results of studies at the effect of profitability on capital structure by Morri *et al.*, (2017), Zeb *et al.* (2016), Fumani & Moghadam (2015) which is state that profitability has a positive and significant effect on capital structure.

The faster the company grows, the greater the need for funds to finance expansion. The results of research on the effect of company growth on capital structure conducted by Hamid *et al.*, (2013), Smith *et al.*, (2015), Oino & Ukaegbu (2015), stated that growth has a positive and significant effect on capital structure.

The greater the fixed assets owned by the company, the greater the opportunity to get external funding sources that will affect the company's capital structure. The results of research on the effect of asset structure on capital structure conducted by Frank & Goyal (2009), Yang *et al.*, 2010), Akhtar & Sabeen (2013) Batubara *et* *al.*, (2017), Sharma (2018), Titman & Wessels (1988), Nasution *et al.*, (2017), Nyamasege *et al.*, (2014) and Al-Slehat (2020) Camara (2012), Wellalage & Locke (2012) state that asset structure has a positive and significant effect on capital structure.

The higher the ROA value, the more efficient the use of the company's assets in generating a bigger net profit so that the company's position will be assessed as getting better. The results of research on the effect of profitability on company value conducted by Singla (2020), Iswajuni (2018), Zuhroh (2019) and Tahu *et al.*, (2017), Ngatemin (2018) stated that profitability has a positive and significant effect on company value.

Asset structure/tangibility has a significant positive effect on company value, asset structure determines company value to a high extent. With this asset structure, it can make the company get a high company value by mensuring an asset structure that is increasingly owned by the company. The results of research on the asset structure on company value conducted by Nyamasege *et al.* (2014), Kusumajaya (2011), and Sharma (2018), state that asset structure has a positive and significant effect on company value.

If the capital structure is higher, the value of the company will increase as long as the capital structure has not reached its optimal point, which is when taxes are paid to the government, which means cash outflows. Debt can be used to save taxes, because interest can be used as a tax deduction. By including the tax element, the additional debt will increase the company value where the increase in value is due to tax savings from the interest paid. Company value is also determined by the capital structure. The higher the proportion of debt, the higher the proportion of the capital structure which will increase company value. The results of research on the effect of capital structure on company value conducted by, Hasbi (2015), Hossain & Hossain (2015), Purwohandoko (2017) and Hermuningsih (2012), Handriani & Robiyanto (2018) and Hoque *et al.*, (2014), Rizki *et al.*, (2018) and also Sari & Sedana (2020) state that capital structure has a positive and significant effect on company value.

Viewed from the company side, the requested rate of return is the cost that must be incurred in order to obtain capital from shareholders. So that when a company uses debt financing to be able to increase the rate of return to investors and companies in the form of profit, an increase in the amount of debt that is relatively larger than its own capital will increase the company's value. research conducted through Sabrin et al., (2016), proving that profitability has a high-quality impact on employer value and explains that a high stage of income success in a organisation can justify dividend bills, thereby affecting inventory charge will increase due to a organisation's positive signal concerning its capability to pay dividends.

Positive company growth has an impact on company value because this growing company does not stop investing so that it has a great opportunity to increase the profits it will get in the future. In signal theory, management hopes to provide a signal of prosperity to owners or shareholders in providing financial information. Good growth from the company will encourage the increase in the asset value of a company, so that decisions on the right funding will give a good signal to the company's value which can reflect the success of a company. Large growth companies can use debt or capital structure as additional investment to mark company assets which can be expected to increase company value.

Asset structure is a contributing factor to capital structure. The more tangible assets a company has, the more likely it is they can be used as collateral. The higher the asset structure of the company, the greater the funding a company will receive because of the high collateral to get a loan, with this positive signal it will have an impact on company value to maximize company value.

Based on previous research and research framework as shown as Fig. 2, the hypothesis in this study is:

H1: Profitability has a positive and significant effect on capital structure

H2: Growth has a positive and significant effect on capital structure

H3: Asset structure has a positive and significant effect on capital structure

H4: Profitability has a positive and significant effect on company value

H5: Company growth has a positive and significant effect on company value

H6: The company's asset structure has a positive and significant effect on company value

H7: Capital structure has a positive and significant effect on company value

H8: Capital structure is able to mediate the effect of profitability on company value

H9: Capital structure is able to mediate the effect of growth on company value

H10: Capital structure is able to mediate the effect of asset structure on company value

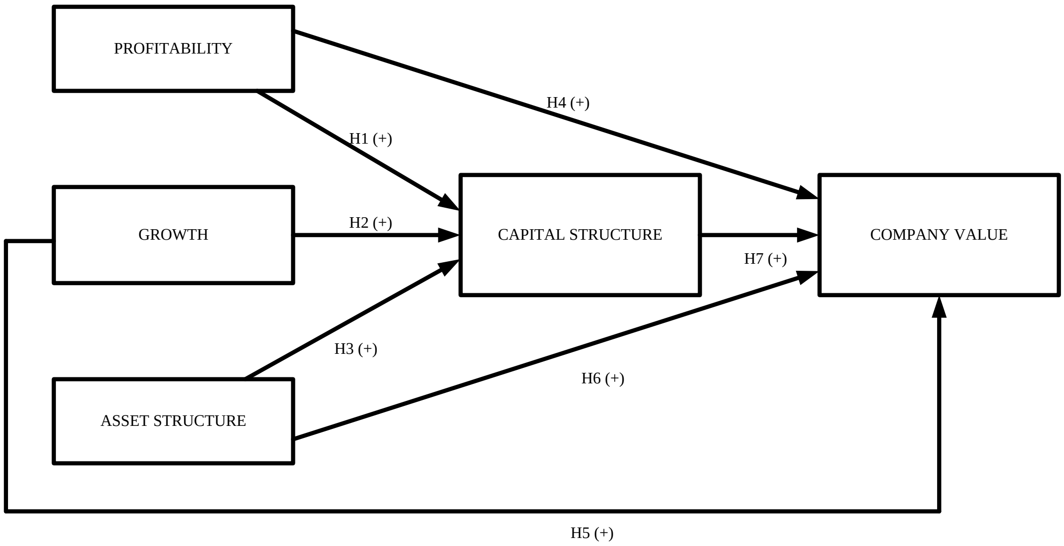

Fig.2: Research Framework

III. METHOD

This research uses an associative quantitative approach. The variables that can be identified in this study are: (1) exogenous variables: profitability (X1), growth (X2), and asset structure (X3); (2) Mediating variables: capital structure (Y1); (3) endogenous variable: company value (Y2). The data used in this research is quantitative data in the 2014-2019 period. This data is secondary data sourced from the Indonesia Stock Exchange and Yahoo! Finance. The data source used in this study is the annual financial statements. Use of financial report data published by companies listed on the Indonesia Stock Exchange and the Indonesian Capital Market Directory. This study uses path analysis techniques.

IV. RESULTS AND DISCUSSION

4.1 DESCRIPTION OF RESEARCH VARIABLES

The data used in this study is data that comes from the company's annual financial statements for the period 2014 to 2019. Based on data from the company's annual financial statements, it can be calculated that the financial ratios used in this study are the profitability ratio (return on assets), growth ratios, asset structure ratios, debt to equity ratios, and company value (price to book value).

Table 1. Descriptive Statistics of Data

	N	Minimum	Maximum	Mean	Std. Deviation
ROA	168	-17,61	92,1	10,7684	13,40944
Growth	168	-28,66	552,97	11,1911	43,72509
Assets Structure	168	0,06	84,99	33,7964	15,94838
Capital Structure (DER)	168	7,00	520,00	87,0494	81,93758
Company Value (PBV)	168	0,00	82,44	6,0981	12,38136
Valid N (listwise)	168				

Table 1 shows the average (mean) value of the profitability variable in the Consumer Goods companies listed on the IDX for the study period 2014-2019.

4.2 PATH ANALYSIS RESULTS

Based on the research results, it can be seen that the relationships between the research variables, which are the path coefficient in this study. Path analysis is performed by regressing two equations, namely the sub-structural equation 1 and the sub-structural equation 2. The regression equation for substructure 1 and substructure 2 is used to determine the direct effect, indirect effect and total effect. The results of the regression test for the sub-structural equation 1 and sub-structure 2 found the path coefficients for each:

Equation Sub Structure 1

$\widehat{Y_1}$ = 0,104X_1 + 0,821X_2 + 2,518X_3

S_b = (0,370) (0,114) (0,312)

t = (0,282) (7,220) (8,076)

sig = (0,778) (0,000) (0,000)

R^2 = 0,400

Sub-structure equation 1 states the relationship between the variables of profitability, growth, and asset structure to capital structure

Equation Sub Structure 2

$\widehat{Y_1}$ = 0,576X_1 – 0,021X_2 + 0,080X_3 + 0,065Y1

S_b = (0,045) (0,016) (0,045) (0,009)

t = (12,891) (-1,342) (1,802) (6,890)

sig = (0,000) (0,182) (0,073) (0,000)

R^2 = 0,619

In equation 2, this sub-structure explains the relationship between the variables of profitability, growth, asset structure, and capital structure on company value

The summary of the regression results of the sub-structure 1 and sub-structure 2 equations can be seen in Table 5.2. The significance of the direct effect can be determined using the test. The t test is used to determine the effect of each independent variable on the dependent variable partially.

Table 2. Results of Equation Regression Test for Sub Structure 1 and Sub Structure 2

Variables Relation	Standardized Coefficient Beta	Standard Error	t	Sig	Results
X1→ Y1	0,104	0,370	0,282	0,778	Non Significant
X2 → Y1	0,821	0,114	7,220	0,000	Significant
X3 → Y1	2,518	0,312	8,076	0,000	Significant
X1 → Y2	0,576	0,045	12,891	0,000	Significant
X2 →Y2	-0,021	0,016	-1,342	0,182	Non Significant
X3 →Y2	0,080	0,045	1,802	0,073	Non Significant
Y1 →Y2	0,065	0,009	6,890	0,000	Significant

The error value (e) needs to be calculated to complete the path diagram. This study has two error values (e), namely e1 which comes from regression of the sub-structure equation 1 and e2 which comes from regression of the sub-structure equation 2. The calculation of the values of e1 and e2 is calculated using R2 from the regression of equation sub structure 1 and sub structure 2.

e1= √(1- r^2)

e1= √(1- 0,400) = 0,774

Whereas for e2 it is calculated by R2 from the substructure equation 2, namely:

e2= √(1- r^2)

e2= √(1- 0,619) = 0,617

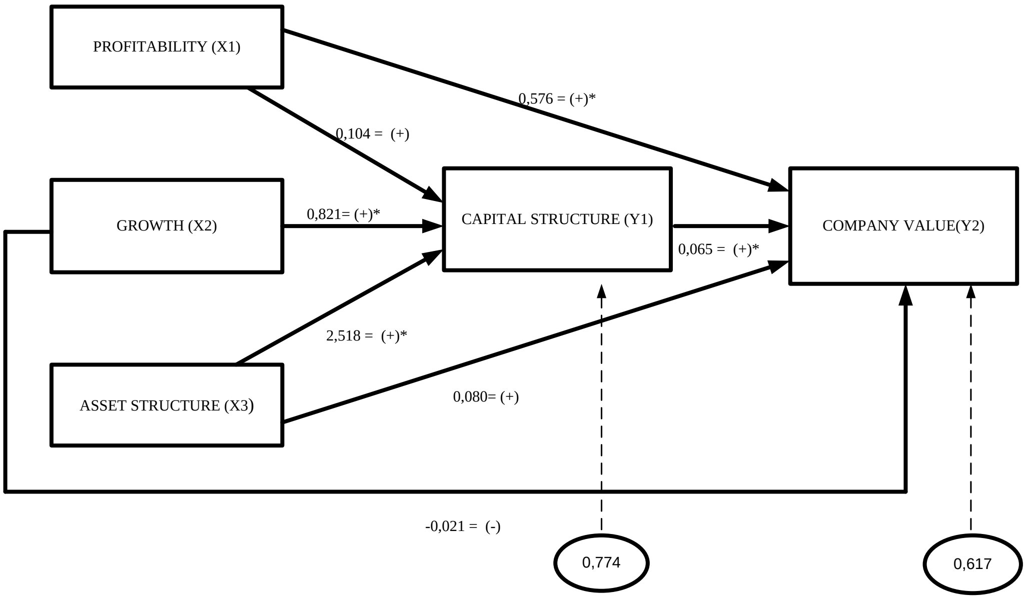

Fig.3: Result of Path Diagram Analysis

Fig. 3 shows the research path diagram that has been equipped with the direct effect coefficient and the error value.

The indirect effect of profitability on company value through capital structure is calculated by multiplying the direct effect of profitability on capital structure and the effect of capital structure on company value. The indirect effect of growth variables on company value through capital structure is calculated by multiplying the influence of growth on capital structure by the effect of capital structure on company value. The indirect effect of the asset structure variable on company value through capital structure is calculated by multiplying the effect of asset structure on capital structure by the effect of capital structure on company value.

Table 3. Direct Effect, Indirect Effect and Total Effect Coefficient

Variables Relation	Effect		Sum
	Direct	Indirect	
X1→ Y1	0,104	-	0,104
X2 → Y1	0,821	-	0,821
X3 → Y1	2,518	-	2,518
X1 → Y2	0,576	0,000	0,576
X2 → Y2	-0,021	0,053	0,032
X3 →Y2	0,080	0,163	0,243
Y1 →Y2	0,065	-	0,065

Table 3 appears the coefficient of the circuitous impact of the productivity variable on the esteem of the company through the capital structure of 0.000. This clarifies that productivity through the capital structure by implication contains a positive impact on company esteem. Based on Table 3, it can be seen that the coefficient of the backhanded impact of development on company esteem through the capital structure is 0.053. The huge coefficient indicates that in a roundabout way development through the capital structure includes a positive impact on company esteem. Table 5.3 appears the impact of the resource structure variable on company value through capital structure, which is 0.163. This implies that the coefficient demonstrates that by implication the resource structure through the capital structure includes a positive impact on company value.

Table 3 shows the whole impact coefficient for the relationship among variables. the whole effect is calculated by including the direct impact and the indirect effect. The coefficient of the effect of general profitability on business enterprise cost thru the capital shape is 0.576. The coefficient of the impact of overall growth on enterprise price through the capital structure is 0.032. The coefficient of the effect of overall asset structure on organization cost through capital structure is .243. The coefficient for the impact of overall profitability, growth, asset structure and capital structure is 0.104, 0.821, and 0.065 respectively. The entire effect coefficient is the same as the direct impact because there are no intermediate variables.

4.4 SOBEL TEST RESULTS

The sobel test is conducted to determine whether the effect is significant or not, the calculation of the standard indirect coefficient error.

Table 4. Results of Sobel Test

	Coefficient of Indirect Effect	Result of Sobel Test
X1→Y2→Y1	0,024	0,281
X2→Y2→Y1	0,010	5,336
X3→Y2→Y1	0,030	5,455

Table 4 appears the comes about of the single test. The noteworthiness of the roundabout impact can be decided by comparing the sobel esteem with the Z Table, which is 1.96. The Sobel test comes about appear a esteem more noteworthy than the Z-table esteem, it is said that the intervention variable plays a noteworthy part, on the contrary, when the Sobel test shows a value smaller than the Z Table, the mediation variable does not play a significant role. Table 4 shows that the profitability does not have a significant effect.on company value through capital structure, but the growth and asset structure variable on company value through capital structure have a significant effect.

4.5 DISCUSSION

The results of the path analysis explain that the profitability variable proxied by return on assets (ROA) has a positive and significant effect on the capital structure at Consumer Goods Companies in Indonesia Stock Exchange during the study period 2014-2019. Companies with high profits are considered to have good prospects so that they need a larger amount of funds to meet expansion needs so that the use of the amount of debt will increase. The existence of a combination of debt and capital from the company is expected to determine the optimal composition to obtain low costs (Sari & Sedana, 2020). Companies with high debt perform better because they produce and sell products in larger quantities. The high rate of return allows the company to finance most of its funding needs with internally generated funds. Andres et al. (2014) clarify that an increment within the obligation proportion will send a flag approximately the company's productivity and can decrease data asymmetry between supervisors and financial specialists. Expanding the sum of obligation is utilized as a more dependable signal since companies that utilize obligation are considered as companies that are sure around the company's future prospects and offer assistance with future cash streams, but partially it does not have a significant effect on capital structure.

The effects of the course analysis provide an explanation for that the growth variable has a advantageous and significant impact on the capital structure at Consumer Goods Companies in Indonesia Stock Exchange during the study period 2014-2019. Growth means the company is performing well, thus creating a positive image for the company. Companies with high growth rates require larger funds to finance their capital, meaning that companies will need external funds in the form of debt to finance their operations and help meet the company's production costs so that the company's capital structure will increase. High growth reflects that the company wants a large profit for the company. The greater the need for future financing, the greater the desire of the company to hold back the profits obtained for obtaining loans. An increase in company sales growth will have an effect on improving the capital structure, for companies with high growth rates, the tendency to use debt is greater than companies with low growth rates. This means that the company will need external funds in the form of debt to finance its operational activities and help meet the company's production costs so that the company's capital structure will increase. Good growth is a signal to investors to be able to invest their money in the company. Research conducted by Smith *et al*. (2015), Oino & Ukaegbu (2015) state that the relationship between growth and capital structure has a positive and significant effect.

The comes about of the way examination clarify that the asset structure variable encompasses a positive and noteworthy impact on the capital structure at Consumer Goods Companies in Indonesia Stock

Exchange during the study period 2014-2019. A large asset structure is a strong guarantee that companies can use when they need external funds. The amount of fixed assets owned by the company can be used as collateral for the company's debt. The greater the fixed assets owned by the company, the greater the opportunity to get external funding sources that will affect the company's capital structure. This means that the bigger the asset structure, the company's capital structure that comes from debt will increase. Alkhazaleh & Almsafir (2015: 93) suggest that tangible assets can be used as collateral, where the asset structure of a company can determine the capital structure of a company. This suggests that a higher proportion of fixed assets to total assets will reduce the problem of asymmetric information and companies will use more debt. Research conducted by Sharma *et al.* (2018), Nasution *et al.* (2017), and Nyamasege *et al.* (2014) stated that the effect of asset structure on capital structure has a positive and significant effect.

The results of the path analysis explain that the profitability variable has a positive and significant effect on company value in consumer goods companies listed on the IDX during the study period 2014-2019. High profitability will increase company value whilst the corporation optimizes the use of assets, increases product sales and increases cost efficiency. Investors believe that with a stable profit owned by the company and showing an increase, the company is worthy of being invested because it has prospects in the future. Signal theory says profitability can positively affect company value. This research presented by Singla (2020), Iswajuni (2018), Zuhroh (2019) states that profitability has a positive and significant effect on company value.

The results of the path analysis explain that the growth variable has a positive but significant effect on company value in consumer goods companies listed on the IDX during the study period 2014-2019. In general, Companies with high growth indicate a decrease in company value, where the higher the company's growth rate, the company's value decreases due to the more retained earnings that the company uses to carry out its expansion activities so that dividend distribution to investors will decrease, indicating value the company experienced a decline. Companies with high growth rates usually do not distribute profits as dividends but use the profits for expansion. If the company retains profits for expansion or financing of the company's operations, the funds to pay dividends to shareholders are reduced. As a result, shareholders do not get returns in the form of dividends and the interest of potential investors to buy shares is low which can lead to low company value. Paminta *et al*. (2016) with the research title "The Effect of Capital Structure, Firm Growth and Dividend Policy on Profitability and Firm Value of the Oil Palm Plantation Companies in Indonesia" said company growth had a negative and insignificant effect on company value. Irawati *et al.* (2019) with research "The Effect of Dividend Policy, Company Growth, And Business Risk On Company Value With Capital Structure As Intervening Variable" said company growth had a negative and insignificant effect on firm value.

The results of the path analysis explain that the asset structure variable has a positive and significant effect on company value in consumer goods companies listed on the IDX during the study period 2014-2019. The existence of a high asset structure will encourage companies with high ratios to show that the greater the proportion of fixed assets in the company, the easier it will be to increase more debt to the company which will become these assets as collateral to debtors. The study used the independent variable of asset structure and the dependent variable of company value which was proxied by Price to Book Value (PBV), an increase in the asset structure would increase the value of the company, by having a lot of assets, the company would be considered to be able to increase company value as well. The asset structure variable has a positive effect on company value, because the asset structure can affect company value because most companies with stable finances have a high investment value in terms of fixed assets. Nyamasege *et al.* (2014) through their research entitled "Effect of Asset Structure on Value of a Firm: a Case of Companies Listed In Nairobi Securities Exchange" Assets form the basis on which investors have the confidence to provide entity loans because they guarantee their return of capital. they. These funds are what allow the company to earn more and increase its level of efficiency. This in turn means an increase in profits for the company, the asset structure determines the value of the company. but partially it does not have a significant effect on company value.

The results of the path analysis found that the capital structure variable proxied by the debt to equity ratio (DER) positively and significantly affects the value at Consumer Goods Companies in Indonesia Stock Exchange during the study period 2014 to 2019. The results support the hypothesis that it means that consumer goods companies with a ratio capital structure can increase company value. With the existence of a higher capital structure, the value of the company will increase as long as the capital structure has not reached its optimal point, which is when taxes are paid to the government. Osazuma & Ayoib (2016) explain that a high level of debt will give a signal to investors, this shows that the company will make investments that are considered profitable and can increase company value. The signal theory states that when a company uses internal funds to fund its business, it will be seen by investors as a significant positive signal because investors' perception when a company uses debt means that the company has the ability to increase capacity and pay off debt (Tunggal & Ngatno, 2018).

Based on Table Based on Table 4, the capital structure is unable to mediate the effect of profitability on company value. In addition, it is also known indirectly that growth has a significant effect on company value through capital. Consumer goods companies listed on the IDX during the study period, namely 2014 to 2019, can produce high company value by increasing company growth. Indirectly, the asset structure has a significant effect on company value through the capital structure of consumer goods companies listed on the IDX during the study period, namely 2014 to 2019.

V. CONCLUSION

The results showed that profitability had a positive but not significant effect on the capital structure, growth, and asset structure had a positive and significant effect on the capital structure of Consumer Goods Companies in Indonesia Stock Exchange. Profitability haves positive and significant effect on company value, but growth have a negative but not significant effect on company value, but asset structure have a positive and not significant effect on company value in consumer goods companies on the Indonesia Stock Exchange. In addition, capital structure is also proven to be able to significantly mediate the effect of growth and asset structure on company value, however, capital structure does not significantly mediate the effect of profitability on company value in consumer goods companies on the Indonesia Stock Exchange.

Consumer goods companies listed on the IDX are advised to improve company performance through good asset management so that they can achieve large profits and determine the right and efficient capital structure policy for the company. Companies with a high increase in profitability at each period will be attractive to investors, investors like companies that are able to provide investment returns quickly and high. By increasing the company's share ownership, it will have an impact on the high demand for shares which will affect the increase in company value.

In further research, it is expected to add other variables such as liquidity, company size, Corporate Social Responsibility, return on equity and liabilities as well as other variables that have not been included in this study, so as to expand the scope of the research and obtain a comparison of results. Researchers are also advised to carry out replication in future studies. Replication can be carried out with the same research object at different periods and in different scopes with the same research period.

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