Business and Management
eISSN. 2809-4611 | pISSN .XXXX-XXXX
Vol. 3. No 3 Page 40-54, August Year 2024

The Effect of Growth Opportunity and Profitability on Value of Cosmetic Sub-Sector Companies Listed on IDX in 2018-2022 Period

Ninda Aulia Fitri[1], Fanlia Prima Jaya[2*]
[1,2]STIMI Banjarmasin
[*]Email: primajayaphone@gmail.com

Received: July,2024; Accepted: August, 2024; Published: August, 2024

Abstract

The purpose of this study is to determine whether growth opportunity and profitability affect the value of cosmetic sub-sector companies listed on IDX for the 2018-2022 period. Growth opportunity is measured by GO or Total Assets (TA) and Price Earning Ratio (PER). Profitability is measured by financial ratios, including Return On Asset (ROA) and Return On Equity (ROE). Company Value is measured by Price Book Value (PBV) and Tobins' Q. The population in this study is all cosmetic sub-sector companies listed on IDX. The sample was taken based on the technique purposive sampling and based on the predetermined criteria, a sample of 6 companies was obtained with a total of 8 companies observed. The analysis method used is multiple linear regression analysis with the SPSS (Statistical Product and Service Solutions) tool. The research results show that growth opportunity significant effect on company value. Profitability does not have a significant negative effect on company value. Growth opportunity and profitability have a significant effect on company value.

Keywords: Growth Opportunity, Profitability, Company Value.

INTRODUCTION

Background

Financial management is a process of managing planning, organizing, controlling, and supervising the use of financial resources of a company or organization, with the aim of achieving a predetermined level of financial health. Financial management can be defined as the activity of managing a company's finances related to efforts to find and use funds efficiently and effectively to achieve the company's goals. Financial management activities cover many things, including cash flow management, financial risk management, investment decision making from investors, working capital management and financing.

In the era of globalization and modern industry like today, business developments from all sectors are growing, including the cosmetics industry sector. The development of the cosmetics industry in Indonesia is quite good and even increasing from year to year. This increasing trend in the use of cosmetics is a demand for someone to appear attractive in front of the public, one of the reasons the cosmetics industry is developing well in Indonesia. With the increasing market demand for cosmetics, it causes cosmetic companies to compete fiercely to create and offer products that can meet the expectations of prospective buyers.

Hut publication Business and Management
eISSN. 2809-4611 | pISSN .XXXX-XXXX
Vol. 3. No 3 Page 40-54, August Year 2024

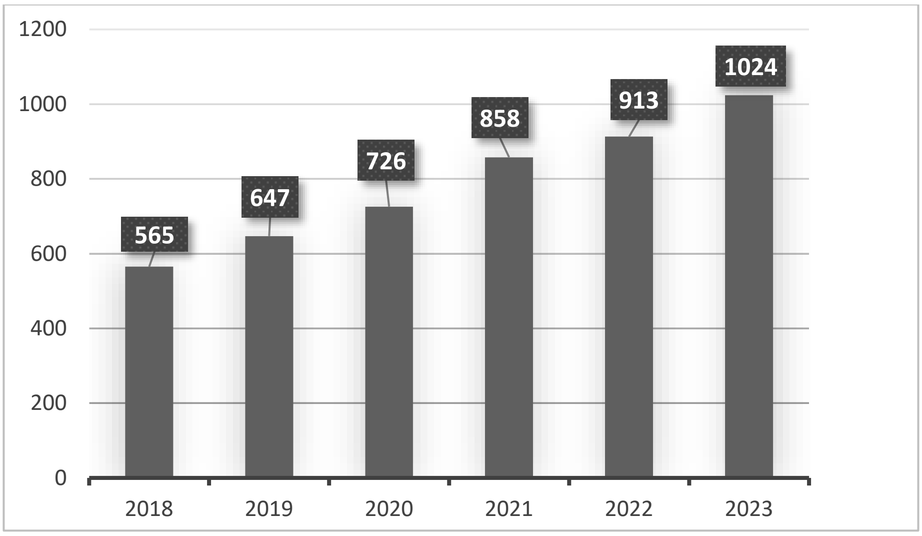

Figure 1
Development of Cosmetic Business Actors in Indonesia 2018-2023

Source: Directorate of Cosmetics Supervision, 2023 (processed)

Based on the data in Figure 1 of the Directorate of the Ministry of Industry, the development of cosmetic industry players has always increased every year. In 2018, the number of cosmetic industry players in Indonesia was 565 industries, and continued to increase until 2021 to 858 industries, in 2022 it increased again by 6.4% to 913 industries. Even as of June 2023, the number of cosmetic industries continued to increase by 12.16% from 2022 which amounted to 1024 industries. This shows that the growth of the cosmetic industry in Indonesia is very exciting. The Directorate of the Ministry of Industry predicts that business players will continue to grow until 2028 (waskos.pom.co.id).

The company will try to realize its goals by optimizing funds and performance. How the company's financial performance improves can certainly be seen from the preparation of financial reports. From the financial report, it can be seen how the value of the company is.

Corporate value is a measure of the total economic value after the company, be it a public company, private company, or other organization (Keown, 2003:74). Corporate value reflects the total amount of assets, future earnings potential, the company's reputation, and other factors that affect the company's value. High corporate value is reflected in high stock prices, thus increasing market confidence in the company's performance and also increasing confidence in the company's prospects in the future. Therefore, companies try to increase corporate value by maximizing their stock prices.(Setianingtiyas & Gantino, 2022). The achievement of optimal company value is based on the company's financial management that runs well so that it will have an impact on the value of the company itself. Whether a company is good or not is seen from the stock price which is a reference for investors.

There are several factors that affect the value of a company, including Growth Opportunity, which is the opportunity for a company to grow as high as possible in the future (Mai, 2006:53). Growth Opportunity is how much a company is able to place itself in the overall economic environment.(Burhanuddin & Yusuf,

Hut publication Business and Management
eISSN. 2809-4611 | pISSN .XXXX-XXXX
Vol. 3. No 3 Page 40-54, August Year 2024

2019). The company certainly wants to grow over time. Companies that are expected to grow rapidly will always use their shares to raise funds for their business, while companies with low growth rates will use long-term debt. This is especially taken into account by managers in the financial sector when making decisions. The presence of investment space certainly increases the value of growth opportunities for the company. Companies with good growth opportunities will attract investors and provide signals to invest so that it will have a positive impact on the company's value.

Another factor that affects the value of a company is Profitability. Profitability is the ability of a company or business to generate profits from their operations related to the amount of capital or investment they have used. This is an important measure in assessing the financial health and performance of a company. Profitability is the end result of the number of policies and management decisions that exist in a company (Brigham and Houston, 2001). There are several factors that affect the profitability of a company, including operational efficiency, production costs, selling prices of products or services, marketing strategies, market competition, and financial management policies. A high level of profitability indicates that the company is able to generate more profit from its operations, while a low level of profitability may indicate problems that need to be addressed, such as inefficient costs or strong competition in the market.

The cosmetic sector was chosen because the cosmetic industry is on the rise and is one of the right choices for promising investment because it provides great benefits. So the cosmetic sector can be a good investment target because its business prospects are very promising because the cosmetic industry has become an important need that will always be purchased continuously by its users. Based on the background above, researchers are interested in conducting research with the title: "The Effect of Growth Opportunity and Profitability on the Value of Cosmetic Sub-Sector Companies Listed on IDX for the 2018-2022 Period".

LITERATURE REVIEW

Signaling Theory

Signaling theory is a theory related to the opinions of other investors in measuring the prospects or performance of a company that will be chosen in investing its shares. This theory is a way for companies to give investors an idea of how a company is managed (Brigham and Houston, 2015:517). Signaling Theory explains that companies that have good quality will provide market signals, therefore the market is expected to be able to distinguish quality companies.(Asmeri et al., 2022). Signals effectively separate strong firms from weak firms (so that strong firms can signal their type to the market). It becomes costly for a weak firm to imitate the actions of a strong firm (Megginson, 2010:493).

Growth Opportunity

Growth Opportunityis a company's growth opportunity in the future. Another definition of growth is the change in total assets owned by a company. Growth opportunities can be a benchmark in determining how far a company's growth rate will be in the future (Mai, 2006:53).

Company growth is a company's effort to maintain its stability amidst economic growth and other sectors, which...growth opportunitycan be a reference in seeing the growth of a company from the level of performance success in a company in a certain period. Companies that have high growth will have a large investment value (Brigham and Houston, 2006:107).

Growth Opportunityis a company's opportunity to grow, companies with high opportunities mostly choose to use shares to make capital for their company. Growth is usually in the form of an increase and decrease in the company's total assets over a certain period of time. The company certainly has hopes to grow along with the times. Companies that are predicted to grow rapidly will finance the company's operations with invested shares, and vice versa for companies with low growth will use long-term debt(Ramadhanti & Cipta, 2022).

There are various factors that can influence growth opportunities in a company, including Total Assets and PER (Price Earning Ratio) (Brigham and Houston, 2006:200).

1. Total Assetsis an indicator to measure the financial market's assessment of company management as a going concern. Measurement of the growth opportunity variable or company opportunity is measured using the quotient between the difference in total asset value in year t and year t-1.

$$\text{Total Aset} = \frac{\text{Total Aset}_{\text{y}} - \text{Total Aset}_{\text{y}-1}}{\text{Total Aset}_{\text{y}-1}}$$

2. PER (Price Earning Ratio) is an indicator used to compare the market price of a share with earnings per share (EPS).

$$\text{PER} = \frac{\text{Stock Price}}{\text{EPS}}$$

Profitability

Profitability ratio is a variable to assess a company's ability to gain profit (Hery. 2015:192). Profitability is the net result of a series of policies and decisions set by calculating various relevant benchmarks. One of these benchmarks is the financial ratio as one of the analyses in analyzing the financial condition, operating results and level of profitability of a company (Brigham & Houston, 2006:25).

Profitability is a theory in measuring the amount of profit that is very important in knowing whether a company has run its business efficiently. The efficiency of the company is known after comparing the profit obtained with the assets or capital that generate the profit.(Zidane & Suwarti, 2022).

The company's ability to generate profit in a certain period is profitability (Munawir, 2002:89). Profitability is an indicator that is highly considered by investors. Profitability itself is the ability to measure a company to generate profit from a certain level.incomeor own capital(Marshi & Suwitho, 2023).

There are various factors that can influence profitability in a company, including ROA (Return On Assets) and ROE (Return On Equity) (Kasmir, 2019:201).

1. ROA (Return On Assets) is where the company is able to gain profits from the assets and capital that have been used, the higher the ROA value, the better the company value.

$$ROA = \frac{\text{Net Profit}}{\text{Total Aset}}$$

2. ROE (Return On Equity) functions to show how much the company is able to generate profits for shareholders' equity returns.

$$ROE = \frac{\text{Net Profit After Tax}}{\text{Equity}}$$

Company Values

Company value is a value that will be a reflection of a company's performance which will change investors' perceptions (Hery, 2015:555).

Company value is a reference from investors to the success of a company in managing existing resources. The high stock price means the high value of the company, and vice versa if the stock price is low then the company value is also low and has an impact on the company's value which is not good. Company value can be measured through the value of stock prices on the market (Keown, 2003:74).

Company value is a reference for investors to the success of a company in managing existing resources. The high stock price means the high value of the company, and vice versa if the stock price is low then the company value is also low and has an impact on the company's value which is not good. Company value can be measured through the stock price value on the market (Keown, 2003:74). Company value can be easily seen through the stock price, because the stock price is related to the company's value.Stock valuation is important information about how and what stock investors should do before investing in the capital market.(Asmeri et al., 2022)

Researchers use two methods to measure company value, namely PBV (Price Book Value) and Tobin's Q ratio or q ratio.

1. PBV is the ratio between market value and book value per share. PBV has advantages in terms of accuracy than other metrics so it is considered good for measuring company value (Sugiono, 2016:71). PBV shows a company is able to build and create company value(Markonah et al., 2020). PBV is a picture of how much a stock's price is compared to its book value. Here is the Price Book Value (PBV) formula.

$$PBV = \frac{\text{Market Price Per Share}}{\text{Book Value Per Share}}$$

2. Tobin's Q is considered to be the ratio that is able to provide the best information because this ratio is able to explain various phenomena in a company's activities. Tobin's Q can also describe the effectiveness and efficiency of a company in utilizing all resources in the form of assets owned by the company.(Dzahabiyya et al., 2020). Tobin's Q includes all elements of debt and equity of the company, by including all the company's assets it means that it is not only focused on one type of investor. The greater the value of Tobin's Q, the better the company's growth prospects. The greater the market value of the

company's assets compared to the book value, the greater the investor's confidence in investing in the company.(Dzahabiyya et al., 2020).

$$\text{Tobin's Q} = \frac{\text{Stock Price} + \text{Total Debt}}{\text{Total Aset}}$$

Research Hypothesis

H1: Growth Opportunityinfluence on company value in the cosmetics sub-sector for the 2018-2022 period.

H2: Profitability affects the company value in the cosmetics sub-sector for the 2018-2022 period.

H3: Growth Opportunityand Profitability simultaneously affect the company value in the cosmetics sub-sector for the 2018-2022 period.

RESEARCH METHODS

Research Design

This study uses a quantitative research method with a causal research type. Causal research is used to explain how the relationship between two variables, which is causal, where there are variables that influence and are influenced.

Research Location and Period

This research was conducted on cosmetic sub-sector companies listed on IDX for the period 2018-2022 and on the company's website for the period 2018-2022. The research was conducted for 5 months starting from February to July 2024.

Population and Sample

The population in this study is cosmetic sub-sector companies listed on IDX and the company's official website for the period 2018-2022. There are 8 companies, namely:

PT. Akahsa Wira Internasional Tbk, PT. Kino Indonesia Tbk, PT. Cottonindo Tbk, PT. Martina Berto Tbk, PT. Mustika Ratu Tbk, PT. Mandom Indonesia Tbk, PT. Unilever Indonesia Tbk and PT. Victoria Care Indonesia Tbk. Then the research sample was taken using the purposive sampling method or using criteria that had been determined by the researcher so that the number of samples was 6 companies, namely: PT. Akasha Wira Internasional Tbk, PT. Kino Indonesia Tbk, PT. Martina Berto Tbk, PT. Mustika Ratu Tbk, PT. Mandom Indonesia Tbk and PT. Unilever Indonesia Tbk.

Data collection technique

The data collection technique used is data in the form of annual financial reports downloaded from the IDX website and the company's official website to conduct research and observation in the cosmetics sub-sector company sector for the 2018-2022 period.

Data Analysis Techniques

The analysis technique used in this study is multiple linear regression analysis technique with the SPSS (Statistical Package for Social Sciences) version 19 program tool.

Hut publication Business and Management
eISSN. 2809-4611 | pISSN .XXXX-XXXX
Vol. 3. No 3 Page 40-54, August Year 2024

RESULTS AND DISCUSSION

Descriptive Company Variables

Table 1
Descriptive Research Variables

N	TA	PER	GO	ROA	ROE	PROF	PBV	Tobins' Q	NP
1	1.01	9.68	10.69	5.25	0.11	5.36	1.12	4.54	5.7
2	1.22	0.73	1.95	6.9	0.15	7.05	1.08	2.68	3.8
3	1.04	0.63	1.67	1.3	0.19	1.49	12.37	3.07	15.4
4	7.67	0.73	8.40	3.47	0.27	3.74	20.06	1.03	21.1
5	6.08	1.16	7.24	6.01	0.27	6.28	31.74	1.1	32.8
6	2.78	2.67	5.45	5.39	0.07	5.46	18.3	6.48	24.8
7	2.13	0.94	3.07	2.42	0.19	2.61	18.14	1.08	19.2
8	1.9	3.40	5.30	5.97	0.04	6.01	15.11	1.55	16.7
9	1.87	2.67	4.54	5.23	0.04	5.27	10.7	1.56	12.3
10	2.14	0.22	2.36	4.44	0.62	5.06	14.2	1.61	15.8
11	1.54	1.19	2.73	7.4	0.38	7.78	0.45	1.3	1.8
12	1.69	0.15	1.84	3.96	0.28	4.24	0.42	1.28	1.7
13	1.02	0.67	1.69	2	0.34	2.34	0.22	1.46	1.7
14	1.4	1.05	2.45	9.97	0.31	10.28	0.35	1.26	1.6
15	1.39	0.32	1.71	3.06	0.10	3.16	0.33	1.3	1.6
16	1.95	0.34	2.29	1.15	0.01	1.16	0.2	5.02	5.2
17	1.88	0.49	2.37	7.03	0.00	7.03	0.17	5.15	5.3
18	1.79	1.07	2.86	3.79	0.02	3.81	0.21	5.49	5.7
19	1.73	0.33	2.06	2.07	0.00	2.07	0.34	5.64	6.0
20	1.44	4.84	6.28	4.66	0.16	4.82	0.79	6.29	7.1
21	4.09	0.20	4.29	4.23	0.10	4.33	94.26	1.36	95.6
22	2.92	0.15	3.07	4.87	0.05	4.92	60.1	2.02	62.1
23	4.28	1.30	5.58	2.34	0.04	2.38	36.91	1.3	38.2
24	4.35	1.42	5.77	1.76	0.01	1.77	31.47	1.31	32.8
25	4.2	0.58	4.78	4.31	0.01	4.32	26.22	1.45	27.7
26	4.92	1.91	6.83	1.85	1.00	2.85	229.29	4.08	233.4
27	4.84	1.65	6.49	1.53	1.36	2.89	231.88	4.13	236.0
28	4.87	3.91	8.78	1.47	1.17	2.64	569.76	4.14	573.9
29	5.24	2.72	7.96	1.1	1.24	2.34	36.37	4.1	40.5
30	5.46	3.33	8.79	9.83	1.20	11.03	45.1	4.08	49.2
Mean	**2.96**	**1.68**	**4.64**	**4.15**	**0.33**	**4.48**	**50.25**	**2.89**	**53.2**
Std Dev	**1,807**	**1,955**	**2,609**	**2,439**	**0.421**	**2.426**	**113,997**	**1,822**	**114,287**

Source: processed data, 2024

Based on table 1 above,Total Asset(TA) of 6 companies for 5 years is 2.96 with a standard deviation of 1.807. The average Price Earning Ratio (PER) of 6 companies for 5 years is 1.68 with a standard deviation of 1.955. The average Growth Opportunity (GO) of 6 companies for 5 years is 4.64 with a standard deviation of 2.609.

AverageReturn On Assets(ROA) of 6 companies for 5 years is 4.15 with a standard deviation of 2.439. The average Return On Equity (ROE) of 6 companies for 5 years is 0.33 with a standard deviation of 0.421. The average Profitability of 6 companies for 5 years is 4.48 with a standard deviation of 2.426.

AveragePrice Book Value(PBV) of 6 companies for 5 years is 50.25 with a standard deviation of 113.997. The average Tobins' Q of 6 companies for 5 years is

2.89 with a standard deviation of 1.822. The average Firm Value of 6 companies for 5 years is 53.2 with a standard deviation of 114.287.

Normality Test

Table 2
Normality Test Results

One-Sample Kolmogorov-Smirnov Test	
	Standardized Residual
N	30
Test Statistics	1.005
Asymp. Sig. (2-tailed)	0.264

Source: processed data, 2024

Based on table 2 resultsnormality test using the One Sample Kolmogorov-Smirnov Test with a significance level of 0.05, the results of the normality test showed a significance value of 0.264, meaning it is greater than 0.05 (0.264 > 0.05), in other words, the data population used in this study has a normal distribution.

Multicollinearity Test

Table 3
Multicollinearity Test Results

Variables	Tolerance	VIF	Conclusion
Growth Opportunity (X1)	0.994	1,006	Free from Multicollinearity symptoms
Profitability (X2)	0.994	1,006	Free from Multicollinearity symptoms

Source: processed data, 2024

Based on table 3, the results of the multicollinearity test show that the growth opportunity variable (X1) has a tolerance value of 0.994 which is greater than 0.10 (0.994>0.10) and the VIF value on the growth opportunity variable 1.006 is smaller than 10.00 (1.006<10). So it can be concluded that the growth opportunity variable is free from multicollinearity symptoms. The profitability variable (X2) has a tolerance value of 0.994 which is greater than 0.10 (0.994>0.10) and the VIF value on the profitability variable 1.006 is smaller than 10.00 (1.006<10). So it can be concluded that the profitability variable is free from multicollinearity symptoms.

Autocorrelation Test

Table 4
Autocorrelation Test Results

Runs Test	
	Unstandardized Residual
Z	-1.301
Asymp.Sig. (2-tailed)	0.193

Source: processed data, 2024

Based on table 4, the results of the autocorrelation test using the runs test are the significance value > 0.05, so it is free from autocorrelation symptoms. Based on table 4.12, the Asymp.Sig value is 0.193, which is greater than 0.05 (0.193> 0.05), so it can be interpreted that there are no autocorrelation symptoms.

Heteroscedasticity Test

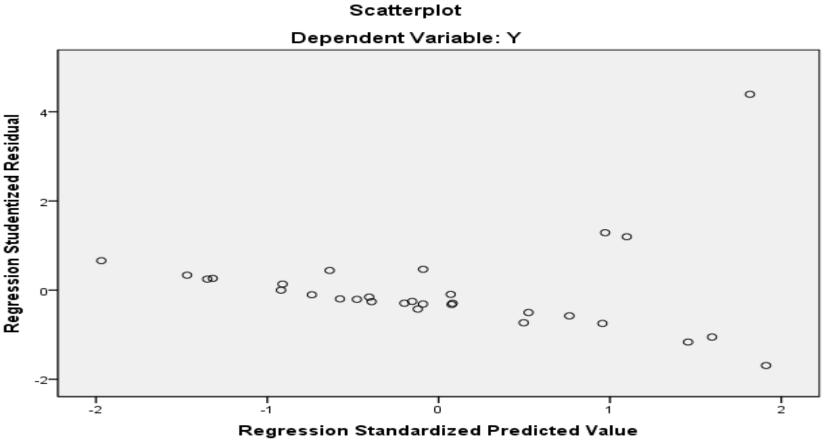

Figure 2
Heteroscedasticity Test Results
Source: SPSS, 2024 (processed)

Based on Figure 2, the results of the heteroscedasticity test data processing is distributed above and below the origin point. Data points do not form a particular pattern. Thus, it can be concluded that the regression equation is free from heteroscedasticity symptoms.

Partial Testing (t-Test)
Growth OpportunityAgainst Company Value

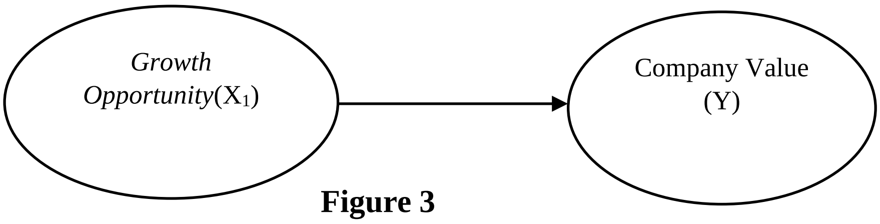

Figure 3
Constellation of Growth Opportunity Variables Against Company Values
Source: processed data, 2024

Information:
Y $=\alpha + \beta X_1 + ei$
Y = -32,686 + 18,489 + ei
S = 7,504
R = 0.442
R2 = 0.178
Thitung = 2,464 T_{table} = 1,701

Based on Figure 3 constellation and regression analysis above, it is known that the Tcount value is 2.464 and when compared with the Ttable value of 1.701, it can be stated that the Tcount value > Ttable, meaning it has a significant effect, so it can be stated that the Growth Opportunity Variable has a significant effect on Company Value.

Profitability Against Company Value

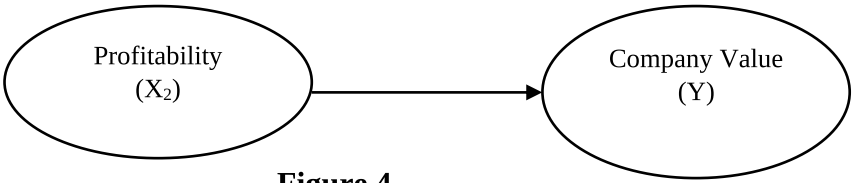

Figure 4
Constellation of Profitability Variables Against Company Values
Source: processed data, 2024

Information:

Y $=\alpha + \beta X_2 + ei$
Y = 97,980 + (-)9,999 + ei
S = 8,699
R = 0.212
R2 = 0.045
Thitung = -0.212 **T_{table}= 1,701**

Based on Figure 4, the constellation and regression analysis above show that the Tcount value is -1.149 and when compared with the Ttable value of 1.701, it can be stated that the Tcount value > Ttable means that it does not have a significant effect, so it can be stated that the Profitability Variable does not have a significant effect on Company Value.

Simultaneous Testing (F Test)
Growth Opportunityand Profitability Against Company Value

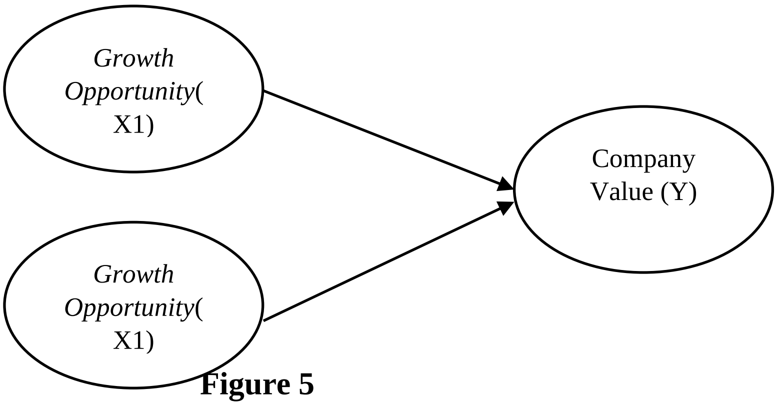

Figure 5
Constellation of Growth Opportunity and Profitability Variables Against Company Value
Source: processed data, 2024

Information:

Y =α + βX_1 + βX_2+ ei
Y = 15,557 + 19,351 + (-)11,654 + ei
S = 7,376 7,933
R = 0.489
R2 = 0.239
Fcount = 4,240 F_{table}= 4.21

Based on Figure 5 constellation and regression analysis above, it is known that the F count value is 4.240 and when compared with the F table value of 4.21, it can be stated that the T count value <T table means that it has a significant effect, so it can be stated that the Growth Opportunity and Profitability variables have a significant effect on Company Value.

Hypothesis Testing

Table 5
Hypothesis Testing Results

Hypothesis	R2	count	table	Sig	Information
X1 → Y	0.178	2,464	1,701	0.020	Significant
X2 → Y	0.045	-0.212	1,701	0.260	Not Significant
X1 X2 → Y	**R2**	**Fcount**	**Ftable**	0.025	Significant
	0.239	4,240	4.21		

Source: processed data, 2024

Based on table 5 above, the results of the hypothesis testing can be explained as follows:

1. The First Hypothesis (H1) is accepted, it can be seen that the t-value is 2.464 with a significance level of 0.020, meaning that t-value> t-table (2.464> 1.701) and Growth Opportunity <significance level (0.020 <0.05) indicates that the Growth Opportunity variable partially has a significant effect on Company Value in Cosmetic Sub-Sector Companies listed on the IDX for the 2018-2022 Period, with an R2 value of 0.178, in other words, Growth Opportunity has a 17.8% effect on Company Value, while the remaining 82.2% is influenced by other factors.
2. The Second Hypothesis (H2) is rejected, as can be seen from the t-value of -0.212 with a significance level of 0.260, meaning that t-value <t-table (-0.212 <1.701) and Profitability <significance level (0.260> 0.05) indicates that the Profitability variable partially has a significant effect on Company Value in Cosmetic Sub-Sector Companies Listed on IDX for the 2018-2022 Period, with an R2 value of0.045 in other words, Profitability has an influence of 0.45% on Company Value while the remaining 99.55% is influenced by other factors.
3. Hypothesis Three (H3) is accepted, as can be seen from the calculated F value of4.240 with a significance level of 0.025 meansFcount > Ftable (4,240 >4.21) and Growth Opportunity < significance level (0.025 < 0.05) indicate that the variables Growth Opportunity and Profitability simultaneously have a significant effect on Company Value in Cosmetic Sub-Sector Companies Listed on IDX for the 2018-2022 Period. The coefficient of determination obtained an R2 value of0.239 which means that Growth Opportunity and Profitability affect

Company Value by 23.9% while the remaining 76.1% is influenced by other factors not explained in this study.

DISCUSSION

The Influence of Growth Opportunities on the Value of Cosmetic Sub-Sector Companies Listed on IDX for the 2018-2022 Period

Based on the research results, it has been shown that the variablesgrowth opportunity(X1) has a positive effect on the company value variable (X2), because companies that generate high growth opportunities can increase the company's value. Based on the growth opportunity variable with the Total Asset (TA) and Price Earning Ratio (PER) indicators, the indicator that has the highest average of the two indicators is Total Asset (TA) so that it can affect the company's value where growth opportunity is influenced by the assets owned by the company to manage funding for operational activities using shares if growth opportunity has high prospects. The company is required to be able to maintain the profits obtained so that it results in an increase in retained earnings in order to be able to maintain the profit, the company's option to maintain it is by taking a loan.

The results of this study support the theory of Brigham and Houston (2006:107) who stated that companies with high growth will have a large investment value and Mai (2006:53) who stated that growth opportunities can be a benchmark in determining how far a company's growth rate will be in the future. In the sense that growth opportunity is one of the factors that determines the success or failure of a company. Growth opportunity in theory is positively related to company value. The higher the growth opportunity, the higher the investment value and vice versa, the lower the growth opportunity, the lower the company value. High asset capability will have an impact on the company's ability to maintain the stability of a company which will have a positive impact on the company's value.

HasThis study strengthens previous studies conducted by Asmeri (2020), Nurwahyuni (2020), Zidane (2022) with research results that growth opportunity or company growth has a significant effect on company value. The results of this study do not strengthen previous research conducted by Ani (2022) with research results that growth opportunity does not have a significant effect on company value.

The Influence of Profitability on the Value of Cosmetic Sub-Sector Companies Listed on IDX for the 2018-2022 Period

Based on the results of the study, it has been shown that profitability (X2) does not affect the value of the company where the value of profitability can increase the value of the company (Y). Based on the profitability variable with the Return On Assets (ROA) and Return On Equity (ROE) indicators, the indicator that has the highest average of the two indicators is Return On Assets (ROA) but cannot affect the value of the company. This can happen because the development of the profitability variable with the Return On Assets (ROA) and Return On Equity (ROE) indicators for five years in the cosmetics sub-sector company can be said to be less than good, which in several years was due to a decline caused by the spread of the Covid-19 virus in 2019-2021, causing the country's economy to weaken and attack many industrial sectors including the cosmetics industry in Indonesia.

The results of this study do not support Hery's theory (2015:192), which states that profitability is a ratio to assess a company's ability to make a profit and Munawir's theory (2002:89) which states that profitability is a company's ability to generate profit in a certain period. With a high level of profitability in the cosmetics sub-sector company, the company's value will increase, a high company value will create investor confidence in the company's value which will increase.

The results of this study strengthen previous studies conducted by Puta (2021), and Ratag (2021) with research results that profitability has no effect on company value. The results of this study do not strengthen previous studies conducted by Aeni (2022) and Haryanto (2020) with research results that profitability has an effect on company value.

The Influence of Growth Opportunity and Profitability on the Value of Cosmetic Sub-Sector Companies Listed on IDX for the 2018-2022 Period

Based on the results of the study, it has been shown that the variables of growth opportunity (X1) and profitability (X2) simultaneously have a significant effect on the variable of company value (Y). This means that the company's ability to generate high profits for shareholders is reflected in the Total Asset (TA) indicator which is an indicator of the growth opportunity variable that has the ability to manage assets so that it can generate profits without high liabilities so that it can affect the value of the company in the cosmetic sub-sector company. Likewise with profitability to increase profitability, the company must maximize profits to be processed as capital both from investors and its own capital that has been generated from existing assets so that the company's income continues to increase, this can make the company's value good.

As Keown (2004:74) said that if the stock price is higher, the company value will be higher and vice versa if the stock price is low, the company value will also be low and will have an impact on the company value which is not good which is triggered by investors who do not invest their capital in companies that have bad company values. So it can be concluded that the higher the stock price, the higher the prosperity of shareholders (Oktavia, 2019). The company's ability to optimize company assets will have an impact on the stability of the company's performance and have a positive impact on the company's value in the cosmetics sub-sector company.

The results of this study strengthen previous research conducted by Ramadhanti (2022) and Hani (2023) with research results thatgrowth opportunityand profitability affects the company's value.

CONCLUSION

1. Growth Opportunityinfluence on Company Value in Cosmetic Sub-Sector Companies for the 2018-2022 Period.
2. Profitability does not affect Company Value in Cosmetic Sub-Sector Companies for the 2018-2022 Period.
3. Growth Opportunityand Profitability simultaneously affect Company Value in Cosmetic Sub-Sector Companies for the 2018-2022 Period.

REFERENCES

Aritkulo. (2006). Prosedur Penelitian Suatu Pendekatan Praktek. Jakarta: PT. Rineka Cipta.

Asmeri, R., Putri, S. Y. A., & Hasbi, M. H. (2022). Pengaruh Profitabilitas dan Growth Opportunity Terhadap Nilai Perusahaan pada Perusahaan Manufaktur Sektor Industri Barang Konsumsi yang Terdaftar di Bursa Efek Indonesia (BEI) Periode 2015-2019. Journal of Social and Economics Research, 4(1), 28–43.

Brigham, E. F dan Houston. (2006). Fundamental of Financial Management: Dasar-Dasar Manajemen Keuangan. Edisi 10. Jakarta: Salemba Empat.

Brigham, E. F., & Houston, J. F. (2015). Manajemen Keuangan. Jakarta; Erlangga.

Burhanuddin & Yusuf, D. (2019). Pengaruh Struktur Modal dan Growth Opportunity Terhadap Nilai Perusahaan (Effect of Capital Structure and Growth Opportunity Against Company Value). Jurnal Sinar Manajemen. Vol 6. No 1. E-ISSN: 2598-398X.

Burhanuddin, & Yusuf, D. (2019). Pengaruh Struktur Modal dan Growth Opportunity terhadap Nilai Perusahaan. Jurnal Sinar Manajemen, 6(1), 1–11.

Clarinda, L. C., Susanto, L., & Dewi, S. (2023). Pengaruh Profitabilitas, Struktur Modal, Pertumbuhan Perusahaan, Dan Ukuran Perusahaan Terhadap Nilai Perusahaan. Jurnal Paradigma Akuntansi, 5(1), 96–105. https://doi.org/10.24912/jpa.v5i1.22173

Dzahabiyya, J., Jhoansyah, D., & Danial, R. D. M. (2020). Analisis Nilai Perusahaan Dengan Model Rasio Tobin's Q. JAD : Jurnal Riset Akuntansi & Keuangan Dewantara, 3(1), 46–55. https://doi.org/10.26533/jad.v3i1.520

Hery. (2015). Analisis Kinerja Manajemen. Cetakan Pertama. PT Grasindo. Jakarta.

Kasmir. (2011). Manajemen Perbankan. Jakarta: Rajawali Pers.

Kasmir. (2016). Analisis Laporan Keuangan, Jakarta: Raja Grafindo.

Kasmir. (2019). Analisis Laporan Keuangan. Edisi Pertama. Cetakan keduabelas. PT Raja Grafindo Persada. Jakarta.

Keown, A. J. (2003). Basic Financial Management, Alih Bahasa, Chaerul D. Dan Dwi Sulisyorini, Dasar-dasar Manajemen Keuangan. Cetakan kedua. Salemba Empat. Jakarta.

Mai, Muhammad Ummar. (2006). Analisis Variabel-variabel yang Mempengaruhi Struktur Modal Pada Perusahaan-Perusahaan LQ-45 di Bursa Efek Jakarta, Ekonomika, Hal. 228-245. Politeknik Negeri, Bandung.

Markonah, M., Salim, A., & Franciska, J. (2020). Effect of Profitability, Leverage, and Liquidity To the Firm Value. Dinasti International Journal of Economics, Finance & Accounting, 1(1), 83–94. https://doi.org/10.38035/dijefa.v1i1.225

Marshi, F. F., & Suwitho. (2023). Pengaruh Profitabilitas, Leverage, dan Ukuran Perusahaan terhadap Harga Saham pada Perusahaan Property dan Real Estate yang terdaftar di Bursa Efek Indonesia. Jurnal Ilmu Dan Riset Manajemen, 12(5), 1–15.

Megginson, W.L. (1997). Corporate Finance Theory. Addison Wesley.

Munawir. S. (2002). Akuntansi Keuangan dan Manajemen. Edisi Revisi. Penerbit BPPE: Yogyakarta

Oktavia, R., & Fitria, A. (2019). Pengaruh Profitabilitas, Growth Opportunity, dan Struktur Modal Terhadap Nilai Perusahaan. Jurnal Ilmu Dan Riset Akuntansi,

8(6), 1–20.
Pusat Kajian Anggaran. (2023). Buletin APBN. Vol 8.
Raharjo, S. (2019). Cara Mudah Melakukan Uji F Simultan dalam Analisis Regresi Linear Berganda.
Raharjo, S. (2019). Cara Mudah Melakukan Uji T dengan SPSS.
Ramadhanti, S., & Cipta, W. (2022). Pengaruh Growth Opportunity dan Profitabilitas Terhadap Nilai Perusahaan pada Perusahaan Sub Sektor Makanan dan Minuman yang Terdaftar di Bursa Efek Indonesia. Vokasi : Jurnal Riset Akuntansi, 11(02), 203–212. https://doi.org/10.23887/vjra.v11i02.48156
Sartono, Agus. (2010). Manajemen Keuangan Teori dan Aplikasi. Edisi 4. BPFE : Yogyakarta.
Setianingtiyas, S., & Gantino, R. (2022). Pengaruh Profitabilitas, Struktur Modal dan Growth Opportunity Terhadap Nilai Perusahaan. SINTAMA: Jurnal Sistem Informasi, Akuntansi Dan Manajemen, 2(2), 204–215.
Sugiono, A dan Untung, E. (2016). Panduan Praktis Dasar Analisa Laporan Keuangan. Edisi Revisi. PT Grasindo. Jakarta.
Sugiyono. (2011). Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Bandung: Alfabeta.
Zidane, R., & Suwarti, T. (2022). Pengaruh Profitabilitas, Growth Opportunity, Capital Structure dan Size Terhadap Nilai Perusahaan Real Estate dan Property yang Terdaftar di BEI Tahun 2018-2021. JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi), 13(03), 1013–1023.