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The Effect of Profitability and Liquidity on the Firm Value in Consumer Goods Companies on the Indonesia Stock Exchange, 2019-2023

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Abstract: Firm value serves as a crucial indicator in the capital market, representing the level of investor confidence in a company's long-term growth potential. Within the consumer goods industry, profitability and liquidity play pivotal roles in determining a firm's investment appeal. This research investigates the influence of profitability and liquidity on the firm value of 30 consumer goods companies listed on the Indonesia Stock Exchange during the period 2019 to 2023, resulting in 150 panel data observations. Profitability is measured using Return on Assets, liquidity is proxied by the Current Ratio, and firm value is assessed through Price to Book Value. Employing a quantitative associative approach, the data were processed via multiple linear regression analysis on panel data, with the sample selected through a purposive sampling technique. The results reveal that Return on Assets exerts a positive and statistically significant effect on firm value, whereas the Current Ratio demonstrates a negative yet statistically insignificant impact. Simultaneously, both independent variables jointly exhibit a significant influence on firm value. These findings indicate that investors in the consumer goods sector are more responsive to enhancements in asset utilisation efficiency than to excessive liquidity levels.

Keywords: Profitability, Liquidity, Firm Value, Consumer Goods.

INTRODUCTION

The consumer goods sector plays a vital role in Indonesia's economy, as it directly addresses the population's essential needs and demonstrates strong resilience to economic shocks (Setiawan & Widjaja, 2022). Its substantial contribution to the national GDP and rapid recovery following crises highlight its strategic importance as a stable and defensive investment option (Hassan et al., 2020). This durability is evident in the positive stock performance of consumer goods companies on the Indonesia Stock Exchange (BEI) amid volatile economic conditions, positioning it as one of the most reliable sectors for investors. International studies further confirm that the consumer goods industry maintains steady demand, making it appealing to investors during fluctuating economic periods (Nguyen & Pham, 2024; Khan & Baloch, 2024). These dynamics underscore the significance of investor

perceptions and confidence in determining the sector's attractiveness, as a company's market value is heavily influenced by expectations regarding its growth prospects and fundamental stability (Chen & Huang, 2023; Nguyen et al., 2024; Zhou & Su, 2024).

Investor confidence is mirrored in firm value, which serves as a primary indicator of a company's ability to generate wealth for its shareholders. Global research indicates that firm value reflects market belief in a company's capacity to deliver long-term returns (Ali et al., 2022; Jin & Xu, 2022). A high firm value signals strong investor faith in the business outlook and the company's effectiveness in managing resources (Liu & Wang, 2023). In capital markets, firm value is commonly assessed using the Price to Book Value (PBV) ratio, which measures equity valuation (Saddam et al., 2021; Zhang & Lee, 2020). Higher PBV levels indicate greater investor conviction in the company's potential for future earnings, as this ratio reveals how the market appreciates growth prospects and asset productivity (Shil & Das, 2024; Zhou & Su, 2024). In essence, rising PBV reflects positive views of the company's performance and financial health, influenced by various underlying factors (Mukherjee et al., 2023; Al-Najjar & Al-Najjar, 2021).

Numerous elements can affect firm value, ranging from external factors like macroeconomic conditions to internal ones such as profitability and liquidity (Fauziah & Harahap, 2020). Profitability illustrates how effectively a company generates earnings from its assets, while liquidity shows its capability to meet short-term obligations (Kumar & Pandey, 2021). Apriliana et al. (2025) demonstrate that profitability is closely tied to market perceptions of firm value, as it highlights operational efficiency and long-term competitiveness. Conversely, liquidity's impact on firm value varies; excessive liquidity might suggest suboptimal asset use (Setiawan & Widjaja, 2022; Kieschnick et al., 2020).

Despite this, the effects of profitability and liquidity on firm value remain inconsistent across studies. Prior research suggests profitability often has a significant positive influence on firm value (Pranata & Sutrisno, 2024; Puspitasari & Prasetyono, 2021), yet other investigations report opposing or insignificant results, depending on economic contexts and industry traits (Khoza, 2025; Dahmash et al., 2023). A similar pattern emerges with liquidity; some findings indicate positive effects (Hussain & Ali, 2022), while others show insignificant or negative outcomes (Kieschnick et al., 2020). These discrepancies call for further exploration, particularly in the resilient consumer goods sector, which, despite its robustness against crises, is still affected by market dynamics and consumer behavior.

This study aims to contribute meaningfully to understanding the roles of profitability and liquidity as determinants of firm value in Indonesia's consumer goods industry (Wijaya & Gunawan, 2023). Furthermore, its results are expected to serve as a key reference for managers and investors in formulating financial policies and business development plans, enabling companies to sustain and elevate firm value amid intensifying competition in the consumer goods sector (El Sayed, 2025; Zhang et al., 2023).

Firm value stands as a critical metric that illustrates how well management utilizes company assets to maximise shareholder welfare. It also represents market expectations for future performance (Chen & Huang, 2023; Ali et al., 2022). From a contemporary finance perspective, elevated firm value signals a business entity's ability to provide optimal investment returns through profit maximisation and more efficient asset management (Zhou & Su, 2024; Li & Tang, 2020). Among various evaluation metrics, the Price to Book Value (PBV) ratio is the most widely used, as it depicts market appreciation of a company's book assets (Saddam et al., 2021). PBV analyses how stock prices represent book value, comparing market capitalisation to book value to gauge investor appreciation of owned assets (Li & Wang, 2021; Yuliani & Putra, 2022). Thus, PBV discloses whether the market places a premium or discount on company equity, acting as a gauge of investor views on expansion prospects and business risks (Zhang & Lee, 2020; Zhou & Su, 2024).

In the consumer goods sector context, firm value mirrors business stability capable of maintaining growth amid economic fluctuations. International research shows this sector as defensive, with low sensitivity to economic cycles, leading to more stable valuations (Nguyen & Pham, 2024; Chen & Huang, 2023). Santoso and Dewi (2023) note that firm value not only depicts fundamental conditions but also market perceptions of management's efficiency in asset handling and creating sustainable profits (Li et al., 2022). Therefore, internal factors like profitability and liquidity play key roles in shaping firm value in capital markets.

According to finance theory, profitability reflects a company's capacity to earn profits by leveraging available resources, serving as a core benchmark for basic performance health (Li & Tang, 2020; Ali et al., 2022). The most common ratio for measuring profitability is Return on Assets (ROA), which reveals efficiency in converting assets to net income (Tarihoran & Endri, 2021). ROA offers a comprehensive view of management's optimisation of assets for earnings generation. High ROA indicates solid operational efficiency and managerial excellence in asset utilization for net profits, whereas low ROA suggests underutilised assets (Hassan et al., 2020; Al-Ghamdi & Al-Amri, 2021; Cai & Zhang, 2023).

Changes in profitability levels, particularly ROA, are driven by two main components: Net Profit Margin and Asset Turnover. Profitability rises if a company boosts its margins, for instance, through significant reductions in production and operational costs relative to revenue, or by raising prices for differentiated products or services. Tarihoran and Endri (2021) emphasise that asset utilisation efficiency is crucial; improvements like faster inventory turnover or better machinery use also elevate profitability. Conversely, profitability declines with rising raw material or labour costs unaccompanied by price increases, compressing margins. Hassan et al. (2020) further stress that declines occur from large investments in non-productive fixed assets, inflating total assets without proportional net income growth.

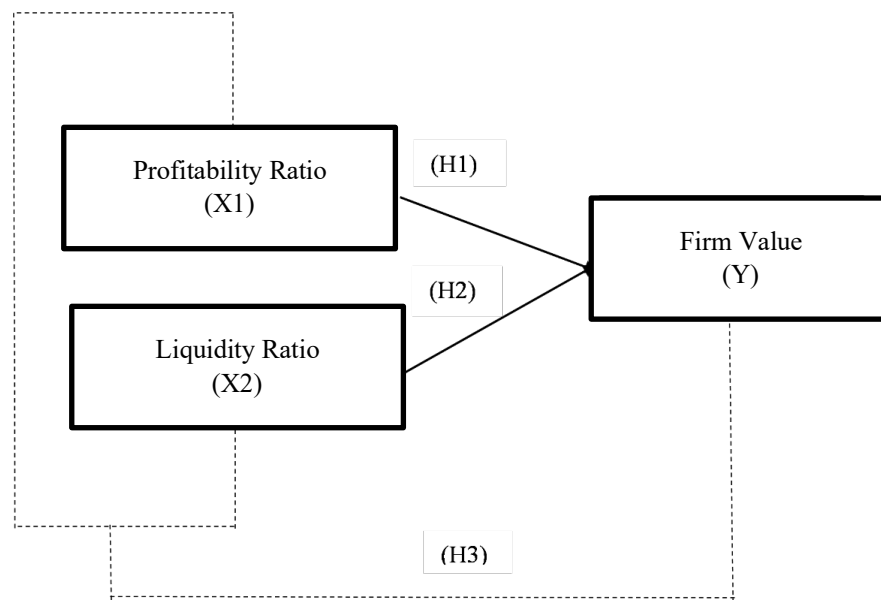
Empirical studies reveal that profitability positively influences firm value. Pranata and Sutrisno (2024) found significant effects on firm value in Indonesia's consumer goods sector, as profit growth drives stock price rises. Similar results from Apriliana et al. (2025) show high-profitability firms gaining investor trust for optimal returns. However, Mukherjee et al. (2023) explain that in unstable economies, profitability's impact on firm value may weaken as markets prioritise macroeconomic risks. Thus, while generally positive, profitability's influence on firm value is contextual.

Beyond profitability, another internal factor affecting firm value is liquidity. Liquidity indicates a company's ability to cover short-term obligations using current assets (Kumar & Pandey, 2021). A common ratio for assessing liquidity is the Current Ratio (CR), which measures cash adequacy to cover current liabilities (Liu & Wang, 2023). This ratio reflects management's efficiency in balancing current assets and liabilities, portraying short-term financial security. Higher CR values signify better capacity to maintain cash stability and meet obligations without liquidating fixed assets (Sinaga & Malau, 2020; Setiawan & Widjaja, 2022). Company liquidity can substantially improve through accelerated receivable collections, converting debts to cash, or refinancing short-term debt into long-term obligations, directly reducing current liabilities. Liu and Wang (2023) highlight that significant non-operational cash inflows, like new stock issuances or long-term debt draws, also strengthen liquidity. In contrast, liquidity drops with large short-term trade or bank debts unmatched by adequate current asset increases. Declines are also triggered by cash use for fixed asset investments (non-current assets) and slow-selling inventory buildup, tying up funds in hard-to-liquidate assets.

Previous studies show mixed findings on liquidity's link to firm value. Azzahra and Hasan's (2021) research concludes that liquidity positively impacts firm value by reflecting financial stability and operational smoothness. Conversely, Kieschnick et al. (2020) argue excessive liquidity signals unproductive assets, reducing capital efficiency. Meanwhile,

Soetjanto and Thamrin (2020) found positive but statistically insignificant effects on firm value in consumer goods, suggesting investors prioritise profitability over liquidity in investment decisions.

From a finance theory viewpoint, liquidity ties closely to agency theory, where management must balance cash needs with investment optimisation. Too-low liquidity raises default risks, while excessive levels diminish asset efficiency. Management achieving optimal liquidity tends to earn greater market trust, positively affecting firm value (Li & Wang, 2021). Firm value increases, reflecting market expectations for future cash flows are driven by sustainable profitability and risk management. Value rises with projections of stable, high future earnings supported by enduring competitive advantages. Per Pranata and Sutrisno (2024) and Apriliana et al. (2025), positive earnings expectations primarily fuel stock price gains. Additionally, reduced financial and operational risks, partly shown by healthy liquidity (as measured by Sinaga & Malau, 2020), and lower investor-required discount rates. Conversely, firm value falls with rising systematic risks (e.g., benchmark interest rate hikes), increasing required returns, ethical or legal scandals damaging reputation, and future profitability uncertainties from competitors. Ultimately, both profitability and liquidity serve as fundamental indicators supporting market perceptions of a company's prospects, determining whether firm value rises or falls.



Source: (Pranata and Sutrisno, 2024; Azzahra and Hasan, 2021)

Figure 1. Research Framework

Based on the theoretical and empirical analyses discussed above, the research hypotheses can be formulated as follows:

- H1: Profitability exerts a positive influence on firm value.
- H2: Liquidity exerts a positive influence on firm value.
- H3: Profitability and liquidity simultaneously influence firm value.

METHOD

This study employs an associative quantitative method aimed at examining the presence and magnitude of the impact from two independent variables profitability (X1) and liquidity (X2) on the dependent variable of firm value (Y), both individually and collectively. The research adopts a descriptive quantitative approach, where all data are processed and statistically tested to validate the pre-formulated hypotheses. The data utilised consists of panel

data, combining time-series information over five consecutive years (2019–2023) with cross-sectional data involving 30 companies from the consumer goods sector as the sample. Panel data was selected for its ability to produce more reliable and comprehensive estimates, as this method allows for observing company performance dynamics over time, comparing across firms, and controlling for unmeasured individual company characteristics.

The population for this research encompasses all issuers in the consumer goods sector listed on the Indonesia Stock Exchange, totaling 131 companies. Sample selection applied purposive sampling to ensure the chosen entities align precisely with the study's requirements. The selected sample spans various subsectors within the consumer goods industry, including food and beverages, pharmaceuticals, personal care and household products, as well as tobacco, thereby providing a holistic representation of the sector's traits. The applied sampling criteria include: (1) consumer goods companies continuously listed on the BEI throughout 2019 to 2023, and (2) companies that provide complete annual financial reports during that period and consistently record positive net profits from 2019–2023. Following the screening process based on these criteria, 30 companies were identified as qualifying for the sample. Given the observation span covers five years (2019–2023), the total number of panel data observations analysed in this study amounts to 150 (30 companies × 5 years of observations).

In this study, the variables employed include firm value as the dependent variable (Y), measured through the Price to Book Value (PBV) ratio; profitability as the first independent variable (X₁), expressed via Return on Assets (ROA) as the ratio of after-tax net profit to total assets; and liquidity as the second independent variable (X₂), calculated using the Current Ratio (CR) as current assets divided by short-term liabilities. The analytical approach involves multiple linear regression with the formula $PBV_{it} = \alpha + \beta_1(ROA_{it}) + \beta_2(CR_{it}) + \varepsilon_{it}$, where α represents the constant term, β_1 and β_2 denote the regression coefficients, and ε_{it} is the error term. Data processing was conducted using SPSS software version 26, encompassing classical assumption tests such as normality, multicollinearity, heteroscedasticity, and autocorrelation to ensure the model's validity. Subsequently, multiple linear regression testing was performed to assess the combined and individual effects of ROA and CR on PBV. The t-test was used to evaluate the influence of each independent variable on the dependent variable separately, while the F-test aimed to verify the joint impact of both independent variables. Additionally, the coefficient of determination (R²) was calculated to measure the proportion of variation in firm value explained by the independent variables.

RESULTS AND DISCUSSION

The research data encompasses 150 observations from verified consumer goods sector companies listed on the Indonesia Stock Exchange over the period from 2019 to 2023. The analysis was conducted to examine the effects of profitability (measured by ROA) and liquidity (measured by CR) on firm value (measured by PBV). Within the context of Indonesia's consumer goods industry, PBV is often highly responsive to profitability, as it mirrors market expectations for sustained earnings growth. Meanwhile, the role of liquidity requires careful interpretation, since excessively high liquidity might signal underutilised assets. Therefore, the regression coefficients for each variable will be explored in depth to offer a thorough theoretical understanding, particularly in identifying which factor predominantly shapes firm value during the study period. Before hypothesis testing, the model underwent classical assumption checks.

Overall, the regression model employed in this study satisfies all fundamental requirements (classical assumptions) and is deemed suitable for further analysis. First, the normality test (Kolmogorov-Smirnov) on the 150 sample data points yielded a significance value of 0.067, indicating that the residual data is normally distributed. This condition ensures the data aligns with statistical principles and is ready for processing. Next, the multicollinearity test was performed to confirm that no overly strong or overlapping relationships exist between

the profitability (ROA) and liquidity (CR) variables. With a Tolerance value of 0.950 (exceeding 0.10) and a VIF value of 1.053 (well below 10), it is concluded that both variables are independent, with no multicollinearity issues present. Additionally, the heteroscedasticity test (which assesses whether error variance is stable) revealed high significance values for ROA (0.545) and CR (0.961). Since both surpass 0.05, the error distribution (residuals) in the model is confirmed to be stable, free from deviations, and thus the regression model is unaffected by heteroscedasticity. Finally, the autocorrelation test (which verifies the absence of hidden patterns in data errors over time) produced a Durbin-Watson value of 2.281, falling between the upper bound (DU=1.7602) and the limit (4-DU = 2.2398). This confirms no autocorrelation problems in the model, meaning the data errors are independent and the analysis results remain unbiased. Consequently, with all classical assumptions met, the multiple linear regression outcomes from this model can be relied upon.

Table 1. Multiple Linear Regression Test Output

Variable	Coefisien (β)	Std. Error	t	Sig.
Constant	0,307	0,145	2,177	0,036
ROA (X ₁)	0,288	0,085	3,401	0,001
CR (X ₂)	-0,207	0,187	-1,108	0,272

Source: SPSS Data Processed, 2025

From the multiple linear regression test results presented in Table 1, the equation model obtained is $Y = 0.307 + 0.288X_1 - 0.207X_2$. The constant value of 0.307 implies that if both independent variables namely ROA (X₁) and CR (X₂) are at zero, the PBV value (Y) is projected to reach 0.307. The positive coefficient for ROA (β₁) at 0.288 illustrates a direct relationship, where a one-unit increase in ROA leads to a 0.288-unit rise in PBV, assuming CR remains unchanged. On the other hand, the CR coefficient (β₂) of -0.207 reflects an inverse effect, meaning that each one-unit rise in CR results in a 0.207-unit decline in PBV, provided ROA stays constant, ultimately confirming that CR has a negative impact on PBV.

Table 2. T-Test Output

Variable	Coefisien (β)	Std. Error	t	Sig.
Konstanta	0,307	0,145	2,177	0,036
ROA (X ₁)	0,288	0,085	3,401	0,001
CR (X ₂)	-0,207	0,187	-1,108	0,272

Source: SPSS Data Processed, 2025

According to Table 2, the profitability variable, represented by ROA (X₁), yields a calculated t-value of 3.401, which significantly surpasses the t-table value of 1.68195. This is further reinforced by a significance level of 0.001, well below the 0.05 threshold. As a result, it can be concluded that ROA exerts a positive and statistically significant effect on firm value (PBV), leading to the acceptance of the first hypothesis. In contrast, the liquidity variable (CR or X₂) produces a calculated t-value of -1.108, with its absolute value falling short of the t-table (1.68195) and a probability value of 0.272 exceeding 0.05. These findings indicate that CR has no substantial impact on PBV, thereby requiring the rejection of the second hypothesis.

Table 3. F-Test Output

Model	F	F Table	Sig.
1	5,846	3,06	0,05

Source: SPSS Data Processed, 2025

As shown in Table 3, the calculated F-value reaches 5.846, with degrees of freedom for the regression (df1) at 2 and for the residuals (df2) at 63, while the F-table value stands at just 3.06. Since the calculated F far exceeds the F-table and the probability value (Sig.) of 0.005 falls below the 0.05 significance threshold, it is clear that the two independent variables ROA and CR collectively exert a significant influence on the dependent variable PBV (Y). Therefore, the hypothesis proposing a joint effect from these independent variables on firm value is accepted.

The multiple linear regression model employed in this study has proven valid, having successfully passed all classical assumption tests. In the partial testing (t-test), the profitability variable, measured via ROA, achieved a calculated t-value of 3.401 with a significance level of 0.001. Given that this value surpasses the t-table (1.68195) and its probability is well under 0.05, the first hypothesis (H1) is strongly accepted. Profitability demonstrates a positive and significant impact on firm value (PBV), as evidenced by the regression coefficient of 0.288, which suggests that a one-unit increase in ROA triggers a corresponding rise in PBV. This elevation in profitability has been shown to genuinely drive higher firm value, since a strong return on assets reflects efficient resource management and robust profit-generating capabilities, qualities highly valued by investors. This conclusion aligns with Signaling Theory, where high profits serve as a positive signal to the market, and it is supported by recent findings from Pranata & Sutrisno (2024) and Apriliana et al. (2025).

Conversely, the research results indicate that liquidity (CR) does not significantly affect firm value (PBV), leading to the rejection of the second hypothesis (H2). The liquidity variable (CR) yields a calculated t-value of -1.108 and a significance value of 0.272 (greater than 0.05). Although not significant, the CR regression coefficient of -0.207 reveals a negative relationship. This negative coefficient is consistent with studies by Setiawan & Widjaja (2022) and Azzahra & Hasan (2021), reinforcing the argument that excessive liquidity may be interpreted by the market as "idle assets," signaling operational inefficiencies and ultimately dampening perceptions of firm value. In the context of Indonesia's capital market, investors tend to respond more to long-term profitability as a basis for investment decisions rather than liquidity ratios, thus favouring a trade-off between short-term security and profit growth potential in favour of the latter. Although ROA and CR play differing roles individually, the simultaneous test (F-test) reveals that together they significantly influence PBV, resulting in the acceptance of the third hypothesis (H3). The F-test yields a value of 5.846 with a significance of 0.005. However, this combined effect has a relatively small coefficient of determination (R-squared) of 15.6%. The modest contribution from ROA and CR indicates that the majority (84.4%) of variations in firm value within the consumer goods sector are explained by other factors beyond these two variables.

The primary limitation of this study lies in the scope of the independent variables selected for analysis. Specifically, the model presented does not incorporate fundamental control variables commonly employed within the finance literature to explain Firm Value (PBV). This research did not examine the impact of Firm Size, Leverage (Capital Structure), and Sales Growth. These variables are, however, known to play a crucial role in valuation, as Firm Size often reflects stability, Leverage indicates financial risk, and Sales Growth mirrors long-term prospects. Consequently, the low coefficient of determination (15.6%) is largely attributable to the exclusion of these key variables. Future research is strongly encouraged to integrate these control variables to develop a more comprehensive understanding and a model with stronger predictive power for Firm Value.

Given the limited explanatory power of this research model in accounting for variations (changes) in firm value (PBV), this study offers fresh contributions by bolstering the view that in the dynamic consumer goods sector, investment decisions are heavily shaped by external and non-financial variables. Specifically, other factors such as dividend policies, sales growth,

company size, and capital structure may contribute more substantially to PBV variations. Additionally, a novel emphasis here is that in the long term, investor perceptions are profoundly influenced by earnings management quality and financial reporting transparency. Furthermore, non-financial aspects like brand reputation, corporate governance quality, product innovation, and Environmental, Social, and Governance (ESG) performance are increasingly factored into market evaluations of fast-moving consumer goods companies. Overall, these findings reinforce the conclusion that profitability remains the primary fundamental indicator (similarity), while liquidity takes a secondary and often negative role (difference), and they underscore the importance of integrating non-financial factors for more comprehensive firm valuation models.

Firm value, manifested in stock prices on the capital market, fundamentally reflects investors' confidence in future earnings and growth potential. At its core, investors purchase assets capable of generating sustainable wealth, and within this logic, profitability holds a central position. Profitability serves as a core performance indicator that provides tangible evidence of a company's efficiency in generating net profits. When a firm can consistently maintain or boost profits from every asset it manages, this reassures the market of a sustainable business model and reliable cash flows. Strong and stable profits are an essential resource for funding strategic expansions, product innovations, and returns to investors. Bright and consistent profit prospects directly enhance a company's prospective valuation, as they validate the market's belief in ongoing future returns. Market logic is straightforward: high profit potential means lower long-term investment risk, prompting investors to pay a premium for such stocks, which in turn directly elevates firm value.

That said, liquidity (the ability to meet short-term obligations) is treated by the market merely as a minimum safety requirement. Liquidity's function is to ensure the company avoids near-term default risks. Investors simply need confirmation that liquidity ratios are at safe and reasonable levels. Once this safety threshold is met, further additions to cash or current assets do not add value to stock prices. In fact, excessive liquidity can signal inefficient capital allocation by management, as those funds should ideally be deployed in productive investments that could enhance profitability. Thus, while liquidity is crucial for short-term operational stability, it is not a fundamental driver of firm value growth.

The examination of these two variables' effects cannot be isolated partially. Although profitability individually acts as the main driver and liquidity is seen as just a prerequisite, together they provide a solid foundation for investor confidence in a company's prospects. High profitability without adequate liquidity would create the risk that a profitable firm could still default on short-term obligations a scenario that would clearly erode firm value. Conversely, strong liquidity mitigates operational risks that might disrupt future profitability. An optimal combination of profitability and liquidity fosters dual trust in the market: the company not only generates profits (assured by profitability) but also manages short-term obligations and crises (assured by liquidity). Therefore, when these factors move positively and in harmony, they collectively strengthen signals of stability and growth potential, convincing the market of the company's full financial health and thereby maximizing firm value in investors' eyes.

CONCLUSION

Superior performance in generating profits from a company's utilized assets has proven to be the primary determinant that convincingly influences the market in assessing firm value or stock prices. Essentially, the more adept management is at producing returns from the capital invested (profitability), the greater the confidence investors place in the company, which is directly reflected in an elevated market value. Meanwhile, a firm's capacity to fulfill short-term obligations (liquidity) turns out not to be a pressing factor in determining firm value. In fact, if a company maintains excessively high liquidity, the market often views it negatively,

perceiving such funds as idle capital or underutilised assets that fail to generate additional profits optimally. This situation highlights that investors prioritize proven efficient profitability over mere liquidity or the availability of reserve funds. Although liquidity may not stand out on its own, when profitability and liquidity are considered together, these two financial conditions still provide crucial support to firm value. However, the overall impact from these internal factors contributes only a minor portion to the total firm value, indicating that the majority of the value assigned by the market to a company is driven by various other elements beyond the observed internal metrics.

Drawing from these findings, we offer several practical recommendations. Management in consumer goods companies is advised to prioritize strategies for achieving efficient profit generation while maintaining cash levels at an appropriate balance (avoiding excess) to ensure assets remain productive. Additionally, investors are encouraged to use profit performance as their main benchmark for investment decisions and to reduce reliance on the extent of a company's short-term cash holdings. For advancing scholarly work, future researchers are recommended to expand this study by incorporating additional factors such as corporate debt, profit distribution policies, and sales growth, enabling the development of models that better explain firm value. More importantly, researchers should begin integrating non-financial elements, such as brand reputation, product innovation, or the company's social and environmental performance (ESG), to offer a more holistic understanding of the true drivers shaping firm value in this highly dynamic sector.

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