ABSTRACT

This study aims to analyze the effect of technology investment, firm performance (ROA, ROE, ROI), general firm characteristics (firm size and leverage), and banking-specific characteristics (loans to assets ratio, deposits to assets ratio, and deposits to liabilities ratio) on the market value of banking companies listed on the Indonesia Stock Exchange for the period 2020-2024. Market value is proxied using Tobin's Q. This study employs a quantitative approach using panel data regression. The case study in this research focuses on 10 Indonesian banking companies that met the sampling criteria throughout the study period. The theoretical foundations used are the Resource-Based View (RBV) and Signaling Theory. The results show that technology investment does not significantly affect firm market value, while firm size, ROA, ROE, ROI, and deposits to assets ratio are proven to have a significant positive effect. Loans to assets ratio has a significant negative effect, while leverage and deposits to liabilities ratio have no significant effect. Simultaneously, all independent variables are proven to significantly affect firm market value. These findings indicate that banking market value is not determined by a single factor, but rather is formed through the complex interaction of various dimensions of financial performance and fundamental bank characteristics that collectively shape investor perception in the capital market.

Keywords: Technology Investment, Firm Market Value, Tobin's Q, Firm Performance, Firm Size, Leverage, Banking-Specific Characteristics