The Influence of Capital Structure and Dividend Policy on the Value of Packaged Food and Beverage Companies Listed on the Indonesia Stock Exchange

Muhamad Adittyia Nugraha[1*], Nazwa Ayudiya[2]
[1,2]Universitas Nusa Putra
Email: muhamad.adittyia_ak24@nusaputra.ac.id, nazwa.ayudiya_ak24@nusaputra.ac.id

This study aims to analyze the effect of capital structure and dividend policy on firm value in packaged food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the 2022–2024 period. The independent variables used in this study are capital structure, proxied by the Debt to Equity Ratio (DER), and dividend policy, proxied by the Dividend Payout Ratio (DPR). The dependent variable is firm value, proxied by the Price to Book Value (PBV). This research employed a quantitative approach with a causal research design. The sampling technique used was purposive sampling, resulting in 13 companies with a total of 39 observations. Data analysis was conducted using multiple linear regression analysis with IBM SPSS Statistics. The results indicate that capital structure does not have a significant effect on firm value, while dividend policy has a positive and significant effect on firm value. Simultaneously, capital structure and dividend policy significantly affect firm value. Furthermore, the coefficient of determination shows that capital structure and dividend policy are able to explain 43.2% of the variation in firm value, while the remaining 56.8% is influenced by other factors outside the research model. This study is expected to contribute to the development of financial management literature and provide insights for companies and investors in making financial and investment decisions.
Keyword: Capital_structure1, Dividend_Policy2, Firm_Value3

This is an open access article under the CC BY-NC license

Corresponding Author:
Muhamad Adittyia Nugraha
Universitas Nusa Putra
muhamad.adittyia_ak24@nusaputra.ac.id

1. Introduction

The Indonesian business world is showing quite rapid growth, particularly in the food and beverage sector, which is listed on the Indonesia Stock Exchange (IDX). This sector makes a significant contribution to the national economy because it produces products that are considered basic necessities, thus maintaining stable demand despite changing economic conditions. These characteristics make companies in the food and beverage sector an attractive investment option for investors, offering relatively good growth prospects and the ability to maintain long-term performance. Furthermore, increasing consumer consumption, lifestyle changes, and product innovation encourage companies to continuously improve their competitiveness to maintain their value amidst increasingly fierce market competition.

Facing increasingly fierce business competition, companies are required to improve their financial performance while maximizing their value. Company value is an indicator that reflects investors' perceptions of a company's future prospects and is often linked to its stock price in the capital market. The higher the company's value, the greater the investor confidence in the company's ability to generate future profits. According to Brigham and Houston (2019), increasing stock prices reflect increasing company value, which ultimately maximizes shareholder welfare. In line with this, Dwimahyu and Candraningrat (2025) explain that firm value not only represents a company's current financial condition but also reflects investors' expectations regarding the company's future performance sustainability.

One factor suspected of influencing firm value is capital structure. Capital structure is the combination of debt and equity used to finance a company's operational and investment activities. Optimal capital structure management is a strategic decision because it relates to the balance between the expected rate of return and the risks the company must bear. While the use of debt can provide benefits in the form of tax shields that can increase firm value, excessive debt use can also increase the risk of bankruptcy and the company's financial burden. According to Modigliani and Miller (1963), financing decisions can influence firm value when considering the tax benefits of debt use. Research by Bui, Nguyen, and Pham (2023) also explains that an optimally managed capital structure can improve a company's financing efficiency, thus sending a positive signal to investors regarding the company's prospects.

In addition to capital structure, dividend policy is also an important factor that can influence firm value. Dividend policy relates to a company's decision to distribute profits to shareholders or retain them as retained earnings to support business expansion. Investors often use this decision as a signal to assess a company's financial condition and prospects. Companies that consistently pay dividends are generally considered to be financially sound, thus boosting investor confidence. Gordon's (1963) Bird-in-the-Hand theory explains that investors prefer current dividends to capital gains, which are inherently uncertain. Bakri's (2021) research also shows that dividend policy plays a crucial role in shaping market perceptions of company value, particularly in developing countries with relatively high levels of information asymmetry.

The relationship between capital structure and firm value continues to show inconsistent research results. Some studies find that capital structure has a positive effect on firm value because the use of debt can improve funding efficiency and provide tax benefits. Conversely, other studies indicate that excessive debt use actually increases financial risk, negatively impacting firm value. For example, Bui et al. (2023) found that capital structure has a positive effect on firm value in Vietnamese companies, while Siregar, Toni, and Ariesa (2023) found that capital structure had no significant effect on firm value in the consumer goods sector in Indonesia. These differing results indicate that the effect of capital structure on firm value still depends on company characteristics and economic conditions and therefore merits further study.

Inconsistencies have also been found in research on dividend policy and firm value. Some studies suggest that dividend policy has a positive effect because it can increase investor confidence and signal a company's prospects. However, other studies find that dividend policy is not always a primary consideration for investors in assessing a company, especially when investors are more focused on profitability and growth opportunities. Siregar et al. (2023) found that dividend policy had a positive effect on firm value, while research by Yuliana et al. (2026) on ASEAN mining companies showed that dividend policy actually had a negative effect on firm value. These differences in findings indicate a research gap that requires further empirical evidence, particularly in the food and beverage sector in Indonesia.

The selection of food and beverage companies as research subjects was based on the relatively stable characteristics of the industry, its high demand, and its significant contribution to the growth of the national manufacturing industry. Furthermore, companies in this sector consistently attract investors due to their ability to generate relatively stable cash flows compared to other sectors. Therefore, an analysis of the factors influencing firm value in the food and beverage sector is crucial to provide an overview of the effectiveness of financing decisions and dividend policy in increasing firm value.

Based on this description, this study aims to analyze the effect of capital structure and dividend policy on firm value in food and beverage companies listed on the Indonesia Stock Exchange. This research is expected to contribute to the development of knowledge in the field of financial management, particularly regarding the factors influencing firm value. Furthermore, the research findings are expected to serve as

considerations for company management in determining funding and dividend distribution policies, as well as provide useful information for investors in making investment decisions.

Note: To comply with the requirement of "references within the last 5 years," classical theory (Modigliani & Miller, Gordon, Brigham & Houston) should only be used as a theoretical basis in the literature review chapter, while the introduction should utilize more empirical references from 2021–2025, such as Bakri (2021), Bui et al. (2023), Siregar et al. (2023), Khorita (2024), and Natsir (2025). This will strengthen the introduction and meet current scientific article standards.

Research Hypothesis

Based on the theoretical description and previous research results, the research hypotheses are formulated as follows:
H1: Capital structure affects firm value
H2: Dividend policy affects firm value
H3: Capital structure and dividend policy affect firm value

2. Method

This study uses a quantitative approach with a causal associative method. The aim is to analyze the effect of capital structure and dividend policy on firm value in food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the 2022–2024 period. The quantitative approach was chosen because this study focuses on testing the relationship between variables using numerical data analyzed through statistical techniques, thus providing empirical evidence regarding the influence of independent variables on the dependent variable.

The population in this study was all 25 companies in the food and beverage sector listed on the Indonesia Stock Exchange during the 2022–2024 period. The sample was determined using a purposive sampling technique, a sampling technique based on specific criteria tailored to the research objectives. The criteria used included companies publishing complete financial reports during the study period, consistently distributing dividends, not experiencing losses, and having complete data in accordance with the research requirements. Based on this selection process, 11 companies did not meet the criteria because they did not distribute dividends during the study period, and 1 company was excluded due to losses. Meanwhile, no companies were excluded due to incomplete data. Thus, 13 companies met all the criteria for the study sample. With a three-year observation period, 2022–2024, the study used 39 observations.

The data used in this study were secondary data obtained from the companies' annual financial reports, financial reports published on the official website of the Indonesia Stock Exchange (IDX), and the official websites of each company. Data collection techniques used documentation and literature review. The documentation method was used to obtain quantitative data related to capital structure, dividend policy, and firm value, while the literature review was conducted to obtain relevant theories, concepts, and previous research findings as a basis for the research.

The dependent variable in this study was firm value, proxied by Price to Book Value (PBV), which is the ratio between the stock price and the book value per share. The independent variables consist of capital structure, proxied by the Debt-to-Equity Ratio (DER), which is the ratio of total debt to total equity, and dividend policy, proxied by the Dividend Payout Ratio (DPR), which is the ratio of dividends per share to earnings per share. These three proxies were selected based on their widespread use in financial management research to measure the relationship between financing decisions, profit distribution policies, and firm value.

Data analysis was performed using IBM SPSS Statistics software. The analysis began with descriptive statistics to provide an overview of the characteristics of the research data. Next, classical assumption tests were conducted, including normality tests, multicollinearity tests, heteroscedasticity tests, and autocorrelation tests to ensure the regression model met the required assumptions. Hypothesis testing was conducted using multiple linear regression analysis with partial tests (t-tests) to determine the effect of each independent variable on the dependent variable, simultaneous tests (F-tests) to determine the joint effect of both independent variables, and the coefficient of determination (R^2) to measure the extent to which capital structure and dividend policy explain variations in firm value. The regression model used in this study is formulated as follows:

$$PBV = \alpha + \beta_1 DER + \beta_2 DPR + e$$

Note: PBV is firm value, α is a constant, β_1 and β_2 are regression coefficients, DER is capital structure, DPR is dividend policy, and e is the error term.

3. Results And Discussion

Descriptive Statistical Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
DER	39	,11	1,61	,6497	,39793
DPR	39	,10	2,49	,5974	,51014
PBV	39	,56	22,80	3,6210	3,96020
Valid N (listwise)	39				

Figure 1. Descriptive Statistics

Source: Data processed using IBM SPSS Statistics, 2026

According to Figure 2, 39 observations were used in this study. The capital structure (DER) variable had a minimum value of 0.11 and a maximum value of 1.61, with an average of 0.6497 and a standard deviation of 0.39793. This indicates that the level of debt-to-equity ratio in the sample companies tends to be relatively low.

The dividend policy (DPR) variable had a minimum value of 0.10 and a maximum value of 2.49, with an average of 0.5974 and a standard deviation of 0.51014. These results indicate variation in dividend distribution policies between companies during the study period.

Meanwhile, the firm value (PBV) variable had a minimum value of 0.56 and a maximum value of 22.80, with an average of 3.6210 and a standard deviation of 3.96020. The high maximum PBV value indicates that some companies receive market valuations significantly higher than their book values, resulting in significant variation in company values across the sample companies.

Normality Test

A normality test is conducted to determine whether the residual data in the regression model is normally distributed. The test uses the Kolmogorov-Smirnov and Shapiro-Wilk methods on the residuals generated from the regression model.

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Unstandardized Residual	,088	39	,200*	,962	39	,202

Figure 2. Normality Test Results
Source: Data processed using IBM SPSS Statistics, 2026

Based on the results of the normality test in Table 3, the Kolmogorov-Smirnov significance value was 0.200 and the Shapiro-Wilk significance value was 0.202. Both significance values are greater than 0.05. Therefore, it can be concluded that the residual data is normally distributed, thus the regression model meets the assumption of normality and is suitable for further analysis.

Multicollinearity Test

The multicollinearity test aims to determine whether there is a high correlation between the independent variables in the regression model. The test is performed by examining the Tolerance and Variance Inflation Factor (VIF) values.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-,473	1,065		-,444	,660		
	DER	1,654	1,218	,166	1,358	,183	,998	1,002
	DPR	5,053	,950	,651	5,317	,000	,998	1,002

a. Dependent Variable: PBV

Figure 3. Multicollinearity Test Results
Source: Data processed using IBM SPSS Statistics, 2026

Based on the multicollinearity test results in Table 5, the capital structure variable, proxied by the Debt to Equity Ratio (DER), has a tolerance value of 0.998 and a VIF value of 1.002. Meanwhile, the dividend policy variable, proxied by the Dividend Payout Ratio (DPR), has a tolerance value of 0.998 and a VIF value of 1.002. The tolerance values for all variables are greater than 0.10, and the VIF values are less than 10. Therefore, it can be concluded that the regression model does not experience multicollinearity, making the independent variables in this study suitable for regression analysis.

Heteroscedasticity Test

The heteroscedasticity test was conducted to determine whether there is inequality in the residual variances in the regression model. In this study, heteroscedasticity testing was conducted using the Glejser method by regressing the absolute value of the residuals against the independent variables. The results of the heteroscedasticity test are presented in Figure 4.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	,211	,369		,572	,571		
	DER	,190	,422	,040	,449	,656	,998	1,002
	DPR	3,101	,330	,841	9,411	,000	,998	1,002

a. Dependent Variable: ABS_RES

Figure 4. Heteroscedasticity Test ResultsGlejser
Source: Data processed using IBM SPSS Statistics, 2026

According to Figure 4, the capital structure variable, proxied by the Debt to Equity Ratio (DER), has a significance value of 0.656. This value is greater than 0.05, indicating that the DER variable does not exhibit heteroscedasticity. Meanwhile, the dividend policy variable, proxied by the Dividend Payout Ratio (DPR), has a significance value of 0.000. This value is less than 0.05, indicating heteroscedasticity in the DPR variable.

Therefore, it can be concluded that the regression model still exhibits heteroscedasticity in one of the independent variables. This result indicates that the residual variance is not completely constant across all observations, so the results of the regression analysis should be interpreted with caution.

Multiple Linear Regression Analysis

Multiple linear regression analysis was conducted to determine the effect of capital structure and dividend policy on firm value in packaged food and beverage companies listed on the Indonesia Stock Exchange for the 2022–2024 period. The results of the multiple linear regression test using IBM SPSS Statistics are presented in Figure 5.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,679[a]	,462	,432	2,98550	1,147

a. Predictors: (Constant), DPR, DER
b. Dependent Variable: PBV

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	275,086	2	137,543	15,431	,000[b]
	Residual	320,875	36	8,913		
	Total	595,961	38			

a. Dependent Variable: PBV
b. Predictors: (Constant), DPR, DER

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			95,0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	-,473	1,065		-,444	,660	-2,634	1,688		
	DER	1,654	1,218	,166	1,358	,183	-,917	4,125	,998	1,002
	DPR	5,053	,950	,651	5,317	,000	3,126	6,981	,998	1,002

a. Dependent Variable: PBV

Figure 5. Multiple Linear Regression Results
Source: Data processed using IBM SPSS Statistics, 2026

Figure 5 shows the regression coefficients for the capital structure (DER) variable of 1.654 and dividend policy (DPR) of 5.053. The resulting regression equation is:

$$PBV = -0.473 + 1.654DER + 5.053DPR \quad (2)$$

This equation indicates that capital structure and dividend policy have a positive influence on firm value. This means that increases in DER and DPR tend to be followed by increases in firm value, assuming other variables are held constant.

Partial Test (t-Test)

A partial test (t-test) was conducted to determine the effect of each independent variable on firm value individually. The results of the partial test are presented in Table 1.

Table 1. Partial Test Results (t-Test)

Varable	T Count	Sig.
DER	1,358	0,183
DPR	5,317	0,000

Source: Data processed by the author, 2026

Based on Table 1, the capital structure (DER) variable has a significance value of 0.183, which is greater than 0.05. These results indicate that capital structure does not significantly influence firm value, therefore, the first hypothesis (H1) is rejected. Meanwhile, the dividend policy (DPR) variable has a significance value of 0.000, which is less than 0.05. These results indicate that dividend policy has a positive and significant effect on firm value, therefore, the second hypothesis (H2) is accepted.

Simultaneous Test (F Test)

A simultaneous test (F test) was conducted to determine the joint effect of capital structure and dividend policy on firm value. The results of the simultaneous test are presented in Table 2.

Table 2. Simultaneous Test Results (F Test)

F Count	Sig.
15,431	0,000

Source: Data processed by the author, 2026

Based on Table 2, the calculated F-value is 15.431 with a significance level of 0.000. This value is less than 0.05, so it can be concluded that capital structure and dividend policy simultaneously influence firm value. Therefore, the third hypothesis (H3) is accepted.

Coefficient of Determination (R^2)

The coefficient of determination is used to measure the ability of the independent variable to explain the dependent variable. The results of the coefficient of determination test are presented in Table 6.

Table 3. Results of the Coefficient of Determination (R^2)

R Square	Adjusted R Square
0,462	0,432

Source: Data processed by the author, 2026

Table 3 shows that the Adjusted R Square value is 0.432. This indicates that capital structure and dividend policy explain 43.2% of the variation in firm value. The remaining 56.8% is explained by other factors outside the research model that were not examined in this study.

4. Conclusion

This study aims to analyze the effect of capital structure and dividend policy on firm value in packaged food and beverage companies listed on the Indonesia Stock Exchange for the 2022–2024 period. Based on the results of the multiple linear regression analysis, it can be concluded that capital structure, as measured by the Debt to Equity Ratio (DER), does not significantly influence firm value, as measured by Price to Book Value (PBV). These results indicate that the level of corporate debt utilization is not yet a primary factor considered by investors when assessing a company.

Conversely, dividend policy, as measured by the Dividend Payout Ratio (DPR), has been shown to have a positive and significant impact on firm value. This finding suggests that companies that consistently distribute dividends tend to receive a positive response from investors, thereby increasing firm value. These

results also support the Bird-in-the-Hand Theory, which states that investors prefer guaranteed returns in the form of dividends over potential future returns that are still uncertain.

Simultaneously, capital structure and dividend policy significantly influence firm value. Furthermore, the coefficient of determination results indicate that these two variables explain 43.2% of the variation in firm value, while the remaining 56.8% is influenced by factors outside the research model.

This study still has limitations because it only uses two independent variables: capital structure and dividend policy, and over a relatively short observation period. Furthermore, the test results indicate signs of heteroscedasticity in one of the independent variables, requiring careful interpretation. Therefore, further research is recommended to add other variables such as profitability, liquidity, firm size, and firm growth, as well as extend the observation period to obtain more comprehensive results.

5. References

Aliyasari, K. D., & Burhanudin. (2025). Struktur Modal dan Nilai Perusahaan: Bukti Empiris pada Perusahaan Manufaktur di Indonesia. *Jurnal Ekonomi dan Bisnis*, 15(2), 101–115.

Anggriani, S. (2021). Pengaruh Struktur Modal terhadap Nilai Perusahaan pada Perusahaan yang Terdaftar di Bursa Efek Indonesia. *Jurnal Manajemen dan Bisnis*, 8(2), 112–121.

Bakri, M. H. (2021). Dividend Policy and Firm Value: Evidence from Emerging Markets. *International Journal of Economics and Financial Issues*, 11(5), 96–104.

Brigham, E. F., & Houston, J. F. (2019). *Fundamentals of Financial Management* (15th ed.). Boston: Cengage Learning.

Bui, T. H., Nguyen, T. T., & Pham, Q. H. (2023). Capital Structure and Firm Value: Evidence from Listed Companies in Vietnam. *International Journal of Economics and Financial Management*, 9(5), 48–59.

Fitriana, A., & Gresya, H. (2024). Pengaruh Kebijakan Dividen terhadap Nilai Perusahaan pada Perusahaan Manufaktur di Indonesia. *Jurnal Riset Akuntansi dan Keuangan*, 12(1), 25–38.

Ghozali, I. (2021). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 26* (10th ed.). Semarang: Badan Penerbit Universitas Diponegoro.

Gordon, M. J. (1963). Optimal Investment and Financing Policy. *The Journal of Finance*, 18(2), 264–272.

Kasmir. (2021). *Analisis Laporan Keuangan*. Jakarta: PT RajaGrafindo Persada.

Khorita, D., & Candraningrat, I. R. (2025). Pengaruh Profitabilitas, Struktur Modal, dan Kebijakan Dividen terhadap Nilai Perusahaan. *International Journal of Economics, Business and Accounting Research*, 9(1), 1–15.

Kusuma, N. M. C. P. (2021). Pengaruh Kebijakan Dividen terhadap Nilai Perusahaan pada Perusahaan Publik di Indonesia. *Jurnal Akuntansi dan Keuangan*, 13(1), 45–54.

Modigliani, F., & Miller, M. H. (1963). Corporate Income Taxes and the Cost of Capital: A Correction. *American Economic Review*, 53(3), 433–443.

Riyadanti, A., dkk. (2025). Pengaruh Struktur Modal dan Kebijakan Dividen terhadap Nilai Perusahaan. *Jurnal Manajemen Keuangan*, 9(1), 55–69.

Siregar, N., Toni, N., & Ariesa, Y. (2023). Pengaruh Struktur Modal, Kebijakan Dividen, dan Profitabilitas terhadap Nilai Perusahaan pada Perusahaan Consumer Goods di Indonesia. *Jurnal Ekonomi Bisnis dan Manajemen*, 11(2), 120–134.

Sugiyono. (2022). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta.

Utari, I. A. S., & Yadnya, I. P. (2021). Pengaruh Struktur Modal terhadap Nilai Perusahaan dengan Profitabilitas sebagai Variabel Moderasi. *E-Jurnal Manajemen*, 10(5), 567–580.

Yuliana, R., Hartono, S., & Prasetyo, A. (2025). Dividend Policy and Firm Value: Evidence from ASEAN Mining Companies. *Journal of Economics, Business, and Law*, 4(2), 87–101.