

CHAPTER V

CONCLUSION AND SUGGESTION

5.1 Conclusion

This study aims to determine how the effect of environmental performance, environmental disclosure, and media exposure on stock performance at beauty companies in Indonesia, Malaysia, and Singapore. This research was conducted on companies listed on the Indonesia Stock Exchange, Bursa Malaysia, and Singapore Exchange in 2015-2019. The total samples tested in this study were 65 samples. Based on the research that has been done, it can be concluded that:

1. Environmental performance affects the company's stock performance for beauty companies listed in Indonesia, Malaysia, and Singapore Stock Exchange by using the proxy cumulative abnormal return (CAR), this is evidenced by a significance value of $0.026 < 0.05$. This is because companies that have a good performance will attract many investors so that the company's stock performance is also good.
2. Environmental disclosure affects the company's stock performance for beauty companies listed in Indonesia, Malaysia, and Singapore Stock Exchange, this is explained by a significance value of $0.00 < 0.05$. This is because a company that is good at disclosing its environment will attract many investors so that the company's stock performance is also good.

3. Media exposure for beauty companies listed in Indonesia, Malaysia, and Singapore Stock Exchange does not have a significant effect on the company's stock performance with the results are $0.568 > 0.05$, meaning that the effectiveness of media exposure has not been optimally utilized by each company in conveying information about environmental activities. Most company also do not reporting on an ongoing basis on company's websites about the social activities related to the environmental.

5.2 Limitations of Research

The limitations in this study are as follows:

1. This study only uses a sample of companies listed on the Indonesia Stock Exchange, Bursa Malaysia, and Singapore Exchange. Then, beauty companies reporting environmental disclosures during the research period is very limited. The sample in this study includes only 13 companies and has a period from 2015-2019.
2. This study only four variables are used, which are environmental performance, environmental disclosure, and media exposure on stock performance so that it cannot detect other factors that can also affect the stock performance variables.
3. There is an element of subjectivity in measuring the environmental disclosure index so that the determination of the index for the same indicator may differ between researchers and companies.

5.3 Suggestions or Further Research Implication

From the conclusions and limitations in this study, for the further research implication, the next researcher can improve the research with similar topic in term of:

1. Widen the samples spread include of beauty sector or different sector on industrial companies that have more related to the environment impact in the operation.
2. The next study can observe longer period so that research can describe a long term affect and predict the long term events that may occur related with the environmental disclosures factor.
3. This research can be carried out in the same industrial sector with the same research model and topic but there is an expansion of the variable towards actual company performance. Related with the environmental disclosure, the company becomes more interested and will add value to their product. This will have an impact on the increasing of company performances itself, so that the next research can attempt to see how far of these factors affect the company's performance directly on the beauty industry which could be represented by the variables related to profitability, liquidity, etc.

