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Analysis of Stock Price Performance Based on Return on Investment for Indonesian Airline Companies

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A B S T R A C T
The primary objective of this study is to examine the impact of Return on Investment (ROI) on the stock prices of airline businesses that are publicly traded on the Indonesia Stock Exchange (IDX). The used approach involves the utilisation of regression analysis, which relies on secondary data derived from the financial accounts of the organisation over a specified timeframe. The research sample comprises many airline businesses that are listed on the IDX. The findings of the research indicate that the return on investment (ROI) exerts a substantial impact on the stock price of airline corporations. The findings of this study indicate a positive correlation between an increase in a company's return on investment (ROI) and a subsequent increase in its stock prices. This observation suggests that investors tend to assign greater importance to companies that are capable of generating a high return on investment (ROI). Furthermore, this study elucidates that the stock price of airline businesses can be influenced by various elements, including but not limited to economic growth, industry competitiveness, and macroeconomic considerations. Nevertheless, the primary emphasis of this study pertains to the correlation existing between return on investment (ROI) and stock prices. This study enhances comprehension regarding the significance of return on investment (ROI) in assessing the worth of a firm and its stock price within the aviation industry.

A B S T R A C T
Tujuan utama dari penelitian ini adalah untuk menguji pengaruh Return on Investment (ROI) terhadap harga saham perusahaan penerbangan yang diperdagangkan secara publik di Bursa Efek Indonesia (BEI). Pendekatan yang digunakan melibatkan pemanfaatan analisis regresi, yang mengandalkan data sekunder yang berasal dari rekening keuangan organisasi selama jangka waktu tertentu. Sampel penelitiannya adalah banyak perusahaan penerbangan yang terdaftar di BEI. Temuan penelitian menunjukkan bahwa laba atas investasi (ROI) memberikan dampak besar terhadap harga saham perusahaan penerbangan. Temuan penelitian ini menunjukkan adanya korelasi positif antara peningkatan laba atas investasi (ROI) suatu perusahaan dan kenaikan selanjutnya pada harga sahamnya. Pengamatan ini menunjukkan bahwa investor cenderung lebih mementingkan perusahaan yang mampu menghasilkan laba atas investasi (ROI) yang tinggi. Lebih lanjut, penelitian ini menjelaskan bahwa harga saham bisnis penerbangan dapat dipengaruhi oleh berbagai elemen, termasuk namun tidak terbatas pada pertumbuhan ekonomi, daya saing industri, dan pertimbangan makroekonomi. Namun demikian, penekanan utama dari penelitian ini berkaitan dengan korelasi yang ada antara laba atas investasi (ROI) dan harga saham. Studi ini meningkatkan pemahaman mengenai pentingnya laba atas investasi (ROI) dalam menilai nilai suatu perusahaan dan harga sahamnya dalam industri penerbangan.

INTRODUCTION

In the stock market, stock prices are important indicators that reflect a company's value in the eyes of investors. One of the factors that affect stock prices is Return on Investment (ROI), which is the ratio of profits that a company earns from investments made. In the context of the aviation industry, ROI can be a significant measure of financial performance, given that the sector has high risks and fierce competition. However, there is still a lack of research that focuses

on the effect of ROI on the share prices of airline companies listed on the Indonesia Stock Exchange (IDX).

In the financial industry, stock price is one of the important indicators to evaluate a company's performance. In the stock market, investors often use fundamental analysis to predict stock price movements. One metric used in fundamental analysis is Return on Investment (ROI), which measures the efficiency of a company's use of capital in generating profits (Priantono et al., 2018). However, although ROI is recognized as an important indicator in investment decision making, there is still a lack of information about the effect of ROI on share prices in airline companies listed on the Indonesia Stock Exchange (IDX). There is a need for in-depth research to understand the relationship between ROI and stock price in the context of the airline industry in Indonesia.

Research results of Dian Indah Sari (2020) also stated that the variable Return on Investment (ROI) has a significant effect and has a positive effect on the share price of pharmaceutical industry companies listed on the Indonesia Stock Exchange for the period 2016 – 2019. Likewise, the results of Priantono's research (2018) which states that the variables Current Ratio (CR), Debt to Equity Ratio (DER), Net Profit Margin (NPM), and Return on Investment (ROI) have a significant effect simultaneously on stock prices.

Objectively, this study aims to understand the effect of ROI on stock prices in the context of the aviation industry in Indonesia. This research will fill this knowledge gap by investigating those relationships and identifying whether ROI has a significant influence on share prices in the sector.

Financial management is a process that includes planning, organizing, controlling, and making decisions in the use of financial resources to achieve company goals. This includes various activities such as cash management, investment management, financial risk management, and long-term investment decision making. According to Brigham and Houston (2021), financial management is the management of assets, liabilities, and equity of a company with the goal of achieving maximum profit." management of the company's own assets, debt, and capital with the aim of achieving maximum profit". While according to Gitman and Zutter (2019), financial management is the decision-making process that is oriented towards the goals of the company in managing financial resources. In general, it can be concluded that financial management involves managing an organization's financial resources effectively and efficiently to achieve organizational goals. The latest reference adds that financial management also involves financial planning, risk management, and financial management in a global context

Financial Statement Analysis Theory is a method to understand and evaluate the financial condition of a company based on information contained in the financial statements. According to Gibson (2021), Financial Statement Analysis is a process to examine the financial statements of a company with the aim of evaluating the company's financial performance. This process of financial statement analysis involves the use of various financial analysis techniques and tools, such as financial ratio analysis, vertical analysis, horizontal analysis, and cash flow analysis

The main purpose of financial statement analysis is to understand the financial condition of the company, including financial performance, ability to generate sustainable profits, risks and opportunities, and company value. In this case, financial statement analysis can help investors, creditors, management, and other related parties in making better financial decisions (Cashmere, 2014). According to Fridson and Alvarez (2022)Financial statement analysis is the process of evaluating a company's financial performance by examining its financial statements and finding out what is behind the numbers. This analysis includes understanding and

interpretation of the company's financial data, both in the form of balance sheets, income statements, and cash flow statements. Fridson and Alvarez also stressed that financial statement analysis cannot be done in isolation from economic and industrial factors. Analysts must consider the economic conditions, market, and competitive environment of the company in analyzing financial statements.

The Indonesia Stock Exchange (IDX) is a market where securities trading (stocks, bonds, and other money market instruments) is carried out by market participants such as investors, companies, and the government. IDX acts as a meeting place between sellers and buyers of securities, with the aim of facilitating securities trading in an efficient, fair, and transparent manner (Ponggohong, 2016). According to the book "Quick Ways to Invest in Beginner Stocks" by Widioatmodjo (2019), IDX is "the place to trade stocks and other securities in Indonesia". IDX has an important role in developing the capital market in Indonesia and supporting the country's economic growth. According to Darmadji, in his book entitled "Indonesian Capital Market" (2012), Indonesia Stock Exchange is an institution that regulates and supervises securities trading in Indonesia. This is in line with Law Number 8 of 1995 concerning Capital Market which states that the Indonesia Stock Exchange is a legal entity that functions as a meeting place between sellers and buyers of securities issued by issuers.

ROI (Return on Investment) is a ratio used to measure the profit or return obtained from the investment that has been made. ROI is calculated by comparing the total profit earned from an investment with the amount of capital invested for that investment. ROI can be calculated for investments in different types of assets, such as stocks, bonds, or real estate (Goetzel et al., 2015). According to Martin Fridson and Fernando Alvarez (2022)ROI is one of the most frequently used metrics in financial analysis to evaluate investment performance. ROI can be calculated using the formula: ROI = (Net Profit / Capital Invested) x 100%. The net profit in the formula can be calculated by subtracting the total income from the total costs incurred for the investment. The invested capital can include initial investment, maintenance costs, and replacement or sales costs. ROI can be used to compare the performance of different investments in the same time period, or to compare the performance of the same investment in different time periods. However, ROI does not provide information about the risks associated with an investment, and needs to be considered in conjunction with other metrics such as expected rate of return and level of risk associated with an investment (Masters et al., 2017). While ROI according to Brigham (2020), "ROI is a ratio often used by decision makers in evaluating the performance of an investment. This ROI ratio gives an idea of how much profit can be generated from an investment in relation to the cost of the investment.

Stephen H. Penman (2018) "ROI is one of the simplest and most popular measures of profitability in financial analysis. ROI can be used to compare the profitability of different investments and assist investors in making investment decisions." Penman also explains that ROI can have drawbacks in its use, especially if used as a long-term performance measure. This is because ROI does not take into account different factors of time, risk, and cost of capital. Therefore, Penman suggests that ROI be used in conjunction with other profitability measures such as ROA (Return on Assets) and ROE (Return on Equity) to get a more complete picture of a company's financial performance. Internal factors affecting ROI according to Friedlob (2016) can be explained as follows: a. Investment Strategy: The success of an investment depends largely on the investment strategy used. A good investment strategy can increase ROI. b. Financial Management: Management's ability to manage investment funds greatly affects ROI. Good financial management will ensure that investments are made in the right place and

expenses made can be kept to a minimum. c. Risk Level: The higher the risk taken, the higher the potential ROI. However, the higher the risk, the greater the likelihood of losing the investment. d. Investment Period: The investment period also affects ROI. Long-term investments usually have a greater ROI compared to short-term investments.

External factors affecting ROI according to Friedlob (2016) can be explained as follows: a. Market Conditions: Market conditions can affect ROI. A rising market can increase ROI while a declining market can decrease ROI. b. Economic Conditions: Economic conditions can affect ROI. When the economy is good, ROI tends to increase and vice versa. c. Competition: Competition in an industry can affect ROI. The fiercer the competition, the harder it is to achieve a high ROI. d. Government Policy: Government policy can also affect ROI. Policies that support investment can increase ROI, while policies that do not support can decrease ROI.

According to Brealey (2017) dan Bodie (2018), which is concluded that the factors that affect ROI are: 1. Investment risk: The greater the risk taken in an investment, the greater the likelihood of high ROI, but high risk can also increase the possibility of loss. In this case, the risk can be market risk, credit risk, liquidity risk and so on. Investment duration: The longer the investment time, the greater the likelihood of a high ROI. This is because time provides an opportunity for investment value to grow and generate profits. Diversification: Investment diversification can reduce risk and increase the chances of high ROI, as investments are divided into several assets with different risk characteristics. Investment size: The larger the investment size, the greater the likelihood of a high ROI. This is due to the scale effect, that is, the greater the investment, the greater the chance of profit. 2. Investment manager expertise: The quality of investment management can also affect ROI. Investment managers who have good abilities can make the right decisions in managing investments, so that ROI becomes higher.

The definition of stocks can be found in the book "Investments" by Zvi Bodie, Alex Kane, and Alan J. Marcus (2018), explaining that a stock is a certificate of ownership or a small part of a company traded on the capital market. Shares entitle their owners to a share of the company's profits derived from the company's business activities, as well as voting rights in the general meeting of shareholders. While the definition of stocks can be found in the book "Fundamentals of Corporate Finance" by Stephen A. Ross, Randolph W. Westerfield, and Bradford D. Jordan (2018) Explaining that shares are a form of securities that show ownership of a company. In more detail, shares are units of ownership recorded in the company's books and traded in the capital market. Each share represents a small portion of ownership of the company that issued it. Shareholders have the right to obtain dividends and voting rights in the general meeting of shareholders (Sinaga et al., 2020).

The way the sale and purchase of shares from the capital market is calculated involves several factors, such as stock prices, transaction costs, and taxes. As for the general way of calculating the purchase and sale of shares according to Zulfikar (2016), among others: a. The purchase or sale price of shares: The purchase or sale price of shares is determined by the capital market. Stock prices can change at any time depending on demand and supply in the market. b. Transaction costs: Transaction costs are costs that must be incurred to make stock buying and selling transactions. Transaction fees include brokerage or agent fees, clearing and settlement fees, and other costs associated with transactions. c. Tax: Tax is a fee imposed by the government on profits derived from stock transactions. Taxes on stock gains may vary depending on the country and applicable tax policy.

According to Jogiyanto (2013), the stock price is the price of a share in the stock exchange market at a certain time, which is set by market participants and is also influenced by the supply

and demand of relevant shares in the capital market. Widoatmodjo in Widayanti (2017) states that stock prices can be classified in several ways, including: 1) Nominal Price, the price indicated in the issuer's share certificate to assess each share issued. 2) Initial Price, which is the price of a stock when it is listed on a stock exchange as part of a public offering of initial share sale, also known as an IPO. The initial price is usually set by the issuer or underwriter. 3) Market price, or selling price between investors

RESEARCH METHOD

This study uses the regression method to examine the effect of Return on Investment (ROI) on stock prices in airline companies listed on the Indonesia Stock Exchange (IDX) in the 2017-2021 time frame. Regression is used to measure the extent to which the independent variable (ROI) affects the dependent variable (stock price). The independent variable in this study is ROI, while the dependent variable is stock price. ROI can be calculated by dividing a company's net profit by its total investment. Stock prices can be measured using the closing price of shares at the end of each period. The data used in this study was obtained from airline companies listed on the IDX and related to their ROI and share prices during the period 2017-2021. Data can be obtained from the company's financial statements, IDX website, or other financial data sources. The data that has been collected will be analyzed through several stages of testing. The first stage is to perform a descriptive statistical test. The second stage is the classical assumption test consisting of normality test, heteroscedasticity test, autocorrelation test. The third stage is to test all hypotheses proposed in this study and will be proven through partial tests (t tests) and determination coefficient tests.

RESULTS AND DISCUSSION

Return On Investment (ROI) is an indicator used to evaluate a company's ability to generate profits based on the use of its total assets. ROI can be calculated by dividing the net profit after tax by the company's total assets. Here are the results of the ROI calculation obtained.

Table 1. Return on Investment (ROI) Calculation Results

Code	Year	Profit After Interest &; Tax (Rp)	Total Assets (Rp)	Return On Investment (ROI)
GIAA	2017	213.389.678,00	3.763.292.093,00	0,056702927
	2018	257.729.864,00	4.155.474.803,00	0,062021761
	2019	756.202.982,00	4.455.675.774,00	0,169716788
	2020	1.332.007.214,00	10.789.980.407,00	0,123448529
	2021	939.028.939,00	9.421.554.435,00	0,099668154
CMPP	2017	3.817.860.941.246,00	3.091.133.957.757,00	1,23510045
	2018	4.232.768.047.707,00	2.845.045.212.353,00	1,487768289
	2019	6.708.800.607.590,00	2.613.070.074.932,00	2,567401721
	2020	2.803.061.345.665,00	6.080.516.085.752,00	0,460990697
	2021	487.427.976.902,00	5.337.572.636.540,00	0,091320158
HELI	2017	9.144.632.257,00	219.559.904.224,00	0,041649828
	2018	47.633.769.832,00	264.566.083.938,00	0,180044884
	2019	54.937.061.483,00	193.198.983.272,00	0,284354817
	2020	32.432.194.832,00	335.775.952.688,00	0,096588796
	2021	150.835.744,00	370.032.418.875,00	0,000407628
IATA	2017	16.103.374,00	4.606.668,00	3,495666282
	2018	4.005.552,00	68.442.839,00	0,058524048
	2019	1.606.120,00	61.101.287,00	0,026286189
	2020	160.180,00	53.890.353,00	0,002972332
	2021	53.639.133,00	77.755.290,00	0,68984545

Source: IDX data, and reprocessed 2022

Furthermore, the data in table 1 is processed using SPSS, to determine the average value of ROI from year to year shown in table 2.

Table 2. Average ROI calculation result

No.	Company Name	Code	Return On Investment				
			2017	2018	2019	2020	2021
1	Garuda Indonesia (Persero) Tbk.	GIAA	6,0%	6,0%	17,0%	12,0%	10,0%
2	PT. AirAsia Indonesia Tbk.	CMPP	124,0%	149,0%	257,0%	46,0%	9,0%
3	PT. Jaya Trishindo Tbk.	HELI	4,0%	18,0%	28,0%	10,0%	0,4%
4	PT. Indonesia Transport & Transport	IATA	34,0%	6,0%	3,0%	0,3%	6,0%
Average			42%	45%	76%	23%	6%
Max.			124%	149%	257%	46%	10%
Min.			4%	6%	3%	0,30%	0,4%
Standard Deviation			56.536	69.370	120.934	19.948	10.208

Source: table 1 and processed with SPSS, 2022

Table 2 shows that a company's average Return on Investment (ROI) varies. The company's ROI reached 42% in 2017. Then it increased to 45% in 2018. ROI increased 76% in 2019. However, ROI plummeted to 23% in 2020. This has steadily declined to 6% in 2021. CMPP companies had the highest ROI of 124% in 2017, while HELI companies had the lowest ROI of 4%, each with a standard deviation of 56,536. CMPP companies had the highest ROI of 149% in 2018, while IATA had the lowest ROI of 6% with a standard deviation of 69,370. CMPP companies had the highest ROI of 257% in 2019, with a standard deviation of 120,934. IATA companies have the lowest ROI of 3%, with a standard deviation of 120,934. CMPP achieved the highest corporate ROI in 2020 with 46%, while IATA had the lowest ROI of 0.3% with a standard deviation of 19,948. Finally, GIAA's ROI was highest at 10% in 2021, while GIIA's ROI was lowest at 0.4%, with a standard deviation of 10,208.

The stock price is a number that shows the value of the company issuing the shares, and how the price changes and changes affected by supply and demand in the stock exchange market or secondary market. The stock price in this study is calculated using Market Value, or market price. The stock prices discussed in this study are described in table 3.

Table 3. Results of Stock Price Calculation through Market Value

No.	Company Name	Code	Share Price (Rp)				
			2017	2018	2019	2020	2021
1	Garuda Indonesia (Persero) Tbk.	GIAA	300	256	476	269	222
2	PT. AirAsia Indonesia Tbk.	CMPP	240	282	199	184	184
3	PT. Jaya Trishindo Tbk.	HELI	147	147	157	198	326
4	PT. Indonesia Transport & Transport	IATA	50	50	50	50	65
Average			184	184	220	175	199
Max.			300	282	476	269	326
Min.			50	50	50	50	65
Standard Deviation			109.417	106.635	181.517	91.416	107.76

Source: table 1 and processed with SPSS, 2022

Table 3 shows that the average stock price increases and decreases each year. In 2017 and 2018, the company's share price averaged Rp.184, but rose to Rp.220 in 2019. Furthermore, in 2020 it dropped to Rp.175, and in 2021 it rose again to Rp.199.

The highest share price in 2017 was GIAA's stock of Rp.300, and IATA's share price of Rp.50, with a standard deviation of 109,417. CMPP shares cost Rp.282 in 2018 and IATA shares

worth Rp.50 with a standard deviation of 106,635. The highest share price in 2019 was GIAA at Rp.476, and the lowest price was IATA at Rp.50, each with a standard deviation of 181,517. In 2020, the highest share price is still GIAA at IDR 269, with a standard deviation of 91,416, and the lowest share price is still IATA at IDR 50. With standard deviation, the highest share price in 2021 is HELI at IDR 326, and the lowest share price is still IATA at IDR 65.

Furthermore, a classical assumption test will be carried out consisting of testing normality, heteroscedasticity and autocorrelation. A normality test is performed to determine if the residual values are normally distributed. Researchers used the Kolmogorof-Smimof statistical test in this study. If the significant value of the Kolmogorof-Smimof test is greater than 0.05, the regression equation is said to pass normality.

Table 4. Kolmogorov-Smirnov Normality Test, One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		20
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	109,28568903
Most Extreme Differences	Absolute	.082
	Positive	.082
	Negative	-.080
Test Statistic		.082
Asymp. Sig. (2-tailed)		.200c,d

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance
Source: Data processing results from SPSS version 25, year 2022

Based on the results of processing SPSS data with Kolmogorof-Smimo One Sample testing, the significance value of Asymp. Sig. (2-tailed) of 0.200, a value greater than 0.05, indicates that the data is normally distributed.

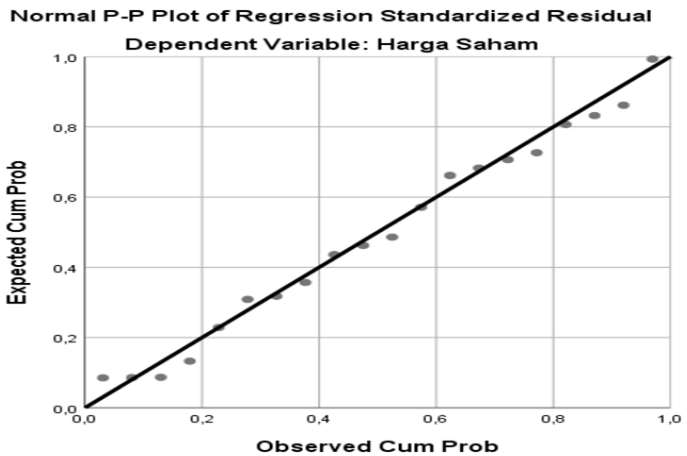

Figure 1. Result of Normal Probability Plot Test

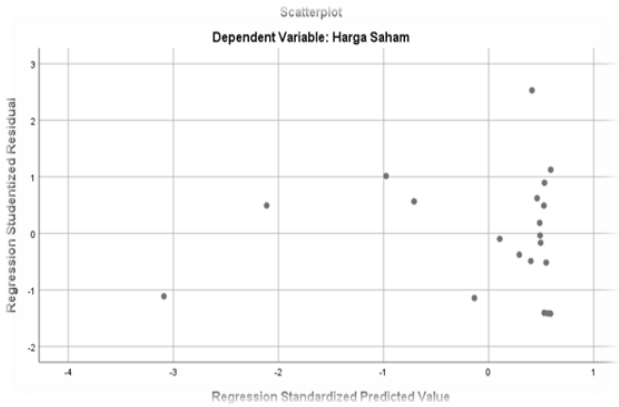

Figure 2. Scatterplot Test Results

Based on the graph in figure 1, the normality utilizing probability plot of the normal test shows that the data is normally distributed. Since the data is scattered around the diagonal line and follows the direction of the diagonal line both above and below the diagonal line, it shows a normal distribution pattern. In figure 2, heteroscedasticity testing with scatterplot test shows that the data points are widely spread and are below the number 0. Likewise, heteroscedasticity did not occur in this simple linear regression study. The error of the confounding year t and the error of the confounding of the previous year t are associated with this autocorrelation test. This study used the Breusch-Godfrey test to test for autocorrelation. The following Table 5 shows the calculation results.

Table 5. R Square Test

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,592a	,350	,269	93,35340121

a. Predictors: Ut_2, Ut_1

b. For regression through the origin (the no-intercept model), R Square measures the proportion of the variability in the dependent variable about the origin explained by regression. This CANNOT be compared to R Square for models which include an intercept.

Source: Data processing results from SPSS version 25, year 2022

Table 6. Simple Linear Regression Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficie nts			Collinearity Statistics	
		B	Std. Error	Beta	t	Itself.	Tole rancid	BRIGHT
1	(Constant)	203,908	29,367		6,944	,000		
	KING	-20,138	27,128	-,172	-,742	,467	1,000	1,000

a. Dependent Variable: Stock Price

Source: Data processing results from SPSS version 25, year 2022

According to the results of processing SPSS data with the Breusch-Godfrey test, shown in table 5, the probability value of chi-squared Obs*R-squared is 0.350, which means the value is greater than 0.05. As a result, it can be concluded that in the regression model there is no autocorrelation problem. After the results of the classical assumption test are carried out and the overall results show that the regression model meets the classical assumptions, the next stage is to evaluate and interpret the multiple regression model. Multiple linear regression tests are performed to determine the functional relationship between independent variables to dependent variables. Based on the results of SPSS data processing in table 6, a simple linear regression equation can be arranged as follows.

$$Y = 203.908 + -20.138X$$

From the regression equation, it can be interpreted that the constant value = 203.908, meaning that if the ROI does not change / remain, then the stock price will also remain. The magnitude of B is -20.138 indicating the direction of the negative (opposite) relationship between Return on Investment and stock price. This means that if the variable Return on Investment rises, the stock price will fall and vice versa.

The t test is performed to determine how the independent variable (ROI) is affected by the dependent variable, namely the stock price. This is the testing process. Based on table 6 can be stated with the level of significance = 0.05, it can be concluded that the effect test of the variable Return on Investment results in a calculated t of -0.742 which is lower than the table t of 2.101, with the significance of the variable Return on Investment of 0.467 which is greater than 0.05. This shows that Return on Investment does not have a major impact on stock prices partially.

The coefficient of determination test is used to see how far the model is able to explain the dependent variable. The condition in this test is that the value of the coefficient possessed by the research variable is 0 and 1. The test results are presented in table 7.

Table 7. R Square Test

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,172a	,030	-,024	112,28037	,769

a. Predictors: (Constant), ROI

b. Dependent Variable: Stock Price

Source: Data processing results from SPSS version 25, year 2022

The results of the coefficient of determination test in table 7 show that the value of the R square is 0.030, which shows that return on investment, the independent variable, affects the dependent variable of stock price by 3%. Other factors not included in the study affected 97% of the total.

Discussion

Results of ROI and Share Price calculation at Garuda Indonesia (Persero) Tbk

Table 8. The results of the calculation of ROI and Share Price of Garuda Indonesia (Persero) Tbk.

Company Code	Year	Return On Investment (ROI)	Share Price (Rp)
GIAA	2017	0,056702927	300
	2018	0,062021761	256
	2019	0,169716788	476
	2020	0,123448529	269
	2021	0,099668154	222
Average		0,102311632	304,6
Max		0,169716788	476
Min		0,056702927	222

Source: Data reprocessed, 2022

The company's share price fluctuates from year to year, as shown by the data in table 8. Very similar to return on investment (ROI), which also changes according to the company's stock price. The company's ROI increased rapidly in 2019 and the company's stock price also increased rapidly compared to the previous year. In 2020 and 2021, the company's ROI declined, and the company's stock price also declined. Thus, it can be concluded that changes in ROI affect the company's share price. If the company's ROI increases, its stock price will also increase, otherwise if the ROI decreases, its stock price will also fall.

The results of the calculation of ROI and Share Price in the company PT. AirAsia Indonesia Tbk

Table 9. The results of the calculation of ROI and Share Price of PT. AirAsia Indonesia Tbk.

Company Code	Year	Return On Investment (ROI)	Share Price (Rp)
CMPP	2017	1,23510045	240
	2018	1,487768289	282
	2019	2,567401721	199
	2020	0,460990697	184
	2021	0,091320158	184
Average		1,168516263	217,8
Max		2,567401721	282
Min		0,091320158	184

Source: Data reprocessed, 2022

A company's ROI changes from year to year, as shown by the data in table 9. The company's ROI increased in 2017, 2018 and 2019, but dropped dramatically the following year. Unlike a company's stock price which shows an annual decline. The company's share price tends to be stable and steady, even when the company's ROI plummeted in 2019 and 2020. This shows that the company's ROI does not affect the price of shares offered in the capital market.

The results of the calculation of ROI and Share Price in the company PT. Jaya Trishindo Tbk for the period 2017-2021

Table 10. The results of the calculation of ROI and Share Price of PT. Jaya Trishindo Tbk.

Company Code	Year	Return On Investment (ROI)	Share Price (Rp)
HELI	2017	0,041649828	147
	2018	0,180044884	147
	2019	0,284354817	157
	2020	0,096588796	198

	2021	0,000407628	326
Average		0,120609191	195
Max		0,284354817	326
Min		0,000407628	147

Source: Data reprocessed, 2022

Based on the data in table 10, the company's ROI increased from 2017 and 2018 to 2019. However, declines occurred in 2020 and 2021. While the company's stock price continues to increase from year to year. If the company's ROI drops dramatically in 2021, its share price actually increases sharply from the previous year. This shows that the price of shares offered in the capital market is not affected by an increase in the company's ROI.

The results of the calculation of ROI and Share Price in the company PT. Indonesia Transport &; Infrastructure Tbk for the period 2017-2021

Table 11. The results of the calculation of ROI and Share Price in the company PT. Indonesia Transport &; Infrastructure Tbk

Company Code	Year	Return On Investment (ROI)	Share Price (Rp)
IATA	2017	3,495666282	50
	2018	0,058524048	50
	2019	0,026286189	50
	2020	0,002972332	50
	2021	0,68984545	65
Average		0,85465886	53
Max		3,495666282	65
Min		0,002972332	50

Source: Data reprocessed, 2022

The company's ROI continues to decline from year to year, as shown by the data in table 11. Unlike the company's stock price which showed constant prices from 2017 to 2020. However, the company's ROI increased slightly in 2021, and its share price also increased. This shows that the ROI on the company has no impact on the company's share price in the capital market. ROI does not change, whether the price of the offered stock increases or decreases.

Analysis of the Effect of Return on Investment (ROI) on Stock Prices

Based on the results of the calculation of return on investment (ROI) and stock price calculations during the 2017-2021 period from the four airlines above, it can be concluded that the company's ROI does not have a significant impact on the share price it offers on the Indonesia Stock Exchange. The results of the analysis show that return on investment (ROI) has an insignificant and negative impact on the company's stock price. These results do not match the researchers' hypothesis, which states that ROI has a major impact on stock prices.

A company's share price is not affected by how big or small the company's ROI is. It is pointed out that the change in ROI each year does not keep pace with the increase or decrease in stock price. It is proven that the stock price will fall if the company's ROI increases and vice versa. As the company seeks to increase its value, an increase in profits will have a positive impact on its financial performance. Investors will like an increase in demand for company shares, which will result in an increase in stock price. The investors obviously don't like this.

This is due to the fact that the data obtained from the study are inconsistent and not of high quality. As a result, ROI does not have a significant impact on the company's stock price.

According to the analysis of this variable, if the ROI decreases, investors' interest in investing in companies will also decrease, and they will not be interested in buying stocks in this sector. Although the company experiences increases and decreases in return on investment, the change in the company's stock price is not proportional to the increase and decrease in ROI. This shows that in addition to the Return on Investment variable, other variables affect the stock price more.

Research conducted by Julianto Fernando (2021) entitled The Effect of Return on Investment, Net Profit Margin, Dividend Per Share, and Asset Growth on Share Prices of Manufacturing Companies Listed on the Indonesia Stock Exchange" according to the findings of this study. As a conclusion of the study, the variable Return on Investment does not have a significant impact on stock prices. In this case, the study conducted by Erviva Fariantin (2019) with the title Analysis of the Effect of Return on Investment, Return on Equity, and Debt to Equity Ratio on Share Prices in Textile and Garment Companies, Tbk Listed on the Indonesia Stock Exchange, also found that the variable Return on Investment does not have a significant impact on stock prices, This is because companies utilize their assets less effectively and efficiently. The study concluded that ROI has an influence on stock prices. However, since the effect of ROI on stock prices is not significant, it cannot be used as a reference when choosing investments.

However, Dian Indah Sari's study (2020) with the title The Effect of Quick Ratio of Total Asset Turnover and Return on Investment on Share Prices of Pharmaceutical Industry Companies Listed on the Indonesia Stock Exchange for the 2016-2019 period is different. The results showed that the variable Return on Investment has a significant and positive impact on the company's stock price. In addition, Lavenia Nuraeni Pratami's research (2019), found that return on investment (ROI) partially affects a company's share price.

CONCLUSIONS

Based on the results of research that have been described, it can be concluded that the Return on Investment Variable and the stock price variable have a negative, or opposite, relationship according to the Simple Linear Regression Analysis Test. This indicates that Return on Investment affects the company's share price. According to the Partial Test (Test t), Return on Investment does not have a significant impact on the company's stock price partially. Therefore, it can be concluded that from 2017 to 2021, Return on Investment did not have a significant negative impact on the share price of airline companies listed on the Indonesia Stock Exchange. To reduce risk, both shareholders and prospective shareholders (investors) must understand and analyze the company's performance before investing. Choose a company with good performance prospects. The company must maintain financial performance, especially in terms of asset utilization and return on investment on assets used. Because this shows whether the business is in good or bad shape. to be a reference to improve the company's performance in the future.

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