ABSTRACT

The Effect of Gross Profit Margin, Net Profit Margin, Return on Assets & Return on Equity on Earning Growth in Telecommunications Companies Listed on Bursa Efek Indonesia

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This research aims to determine the effect of Gross Profit Margin, Net Profit Margin, Return on Assets, and Return on Equity on Earning Growth in telecommunication companies listed on the Indonesia Stock Exchange for the period of 2015-2021. The method used in this study is a quantitative method with a predetermined population and sample through purposive sampling. The data collection technique used secondary data in the form of financial reports, IDX books, and annual reports from telecommunication companies. The data analysis technique used panel data regression analysis through statistical testing with Eviews software. Based on the analysis results of this research, it was found that the Gross Profit Margin variable does not have significant effect on Earning Growth, Net Profit Margin does not have significant effect on Earning Growth, Return on Equity does not have significant effect on Earning Growth. On the other hand, Return on Assets variable has a positive and significant effect on Earning Growth.

Keywords: Gross Profit Margin, Net Profit Margin, Return on Asset, Return on Equity, Earning Growth