ABSTRACT

MARKET STRUCTURE, FIRM BEHAVIOR, AND PERFORMANCE OF THE MOBILE TELECOMMUNICATIONS INDUSTRY IN INDONESIA: EVIDENCE FROM PANEL DATA PERIOD 2016-2024

by:

SYIFA JENI PUTRI

NPM 223401136

***Supervisor* I : Apip Supriadi**

***Supervisor* II : Jumri**

This study aims to analyze the impact of market share and capital labor ratio on the price cost margin firms of the mobile telecommunications industry in Indonesia from 2016 to 2024. This study employs a quantitative descriptive method using secondary data sourced from the financial statements of companies listed on the Indonesia Stock Exchange. Descriptive analysis is conducted using the Structure-Conduct-Performance (SCP) framework, while quantitative analysis utilizes panel regression. The results of the descriptive analysis indicate that this industry has a tight oligopoly market structure dominated by a single dominant firm; it falls into the category of capital-intensive industries and exhibits relatively high cost-of-sales margins. The results of the quantitative study indicate that, individually, market share and the capital-labor ratio have a significant positive effect on company's price cost margin in Indonesia's mobile telecommunications industry; however, when considered together, all variables have a significant combined effect.

Keywords: Market Share, Capital-Labor Ratio, Price Cost Margin, Structure-Conduct-Performance (SCP), Telecommunication