



## Stock Price Difference Test Before and After Stock Split Decision

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### Abstract

This study aims to test and analyze whether there is a significant difference in stock prices before and after the stock split at PT. Unilever Indonesia Tbk on the Indonesia Stock Exchange. The research approach uses instantaneous observation using the purposive sampling technique. The population in this study is the annual financial report data of companies in the cosmetics and household equipment sub-sector, while the sample taken is 30 data. The analytical method used is a different test analysis using SPSS software. Based on the study results, it was shown that the results of the hypothesis test of the research variables contained significant differences in stock prices before and after the announcement of the stock split. The difference in the average share price indicates that the market reacted to a stock split announcement. The difference in the average share price also shows that the company's stock price has changed.



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## Introduction

Indonesia's economic progress, of course, is through the capital market. A capital market is a meeting place between parties with excess funds and those who need funds by conducting securities buying and selling activities (Soewito & Machrus, 2020). The classification of the capital market industry consists of services and manufacturing. Manufacturing companies generally dominate issuers listed on the Indonesia Stock Exchange. Manufacturing companies consist of several sub-sectors: the automotive sub-sector, the pharmaceutical sub-sector, the food and beverage sub-sector, the cigarette sub-sector, the cosmetics, household goods sub-sector, and the metals sub-sector, the chemical sub-sector, the cement sub-sector, and others. Based on several sub-sectors, one important sub-sector is the cosmetics and household goods sub-sector. The cosmetics and household goods sub-sector is a

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sector that is quite important for the needs of the community, as well as being one of the sub-sectors that has a significant contribution to the national economy, along with the growing demand for the cosmetics and household appliances industry, the cosmetic company sub-sector. And household goods are part of one of the consumer goods industry sectors listed on the Indonesia Stock Exchange, which is engaged in producing cosmetics, fragrances, hair care, food and beverage products, home care products, and body care products (Armelia & Ruzikna, 2016).

Field facts show that industrial growth in Indonesia from year to year is very calculated, especially in the cosmetic industry and household goods. This is because the total population of Indonesia is projected to reach 271 million in 2020. This number is an increase of about 4.8% compared to the total population of Indonesia in 2016. Currently, the lifestyle of the Indonesian people is increasingly modern, so the Indonesian people appear with a distinctive style. And different starting from accessories, fashion to appearance. According to the Ministry of Industry, cosmetic products have become a primary need for women and are even now innovating products for men and children (Pea, 2020).

Thus, this people's lifestyle becomes an opportunity for businesses in the cosmetics and household needs sub-sector. Seeing the increasing trend of people's needs for beauty and body care products, companies in the cosmetic and household sub-sectors are competing to increase their profits. One of them is developing a strategy to make investors interested in investing their shares, so that is the reason researchers conduct thesis research on cosmetic and domestic industrial companies. Claims are one of the capitals for companies in carrying out their business activities (Novianti & Hakim, 2019). The stock price is one indicator of the management of increasing success in providing profits and satisfaction for investors who invest their shares on the Indonesia Stock Exchange (IDX). The strategy used by the company so that investors are interested in investing in their claims is to increase earnings per share (Mudawanah, 2019). So that many requests attract investors to invest in these sub-sectors, evidenced by the many people who enter the capital market, one the evidence of the development of the capital market in Indonesia. Changes in stock prices depend on the strength of supply and demand; stock prices themselves can change up to or down from one time to another. Based on changes in stock prices from one time to another, investors or potential investors must be observant in-stock selection.

In the capital market, especially on the Indonesia Stock Exchange, there is a lot of information obtained by investors, both publicly available and private information. The report includes, among others, mergers, acquisitions, consolidations, joint venture formation, stock splits, and stock dividend distributions. This study takes stock split information because the stock split is a corporate action carried out by a public company (issuer) to maximize the level of profit from its shareholders (investors) (Saputra, 2017). The definition of corporate action generally refers to the activities of issuing rights, stock splits, bonus shares, and distribution of dividends in the form of stock dividends and cash dividends. In addition to these types, there are other types of corporate action, such as initial public offerings (IPOs) and additional listings, such as direct placements (private placements, conversion of shares from warrants, rights, and bonds (Darmadji & Fakhrudin, 2012). According to Hartono (2013) share price is the price of a share that occurs on the stock market at a particular time determined by market participants and is determined by the demand and supply of the shares

concerned in the capital market. Meanwhile, according to Aziz (2015), the stock price is the price of the actual market and is a price is the easiest to determine because it is the price of a stock in the ongoing need, or if the market is closed, then the market price is the closing price. According to Hartono (2010), several factors can affect stock prices, one of which is funding announcements in reports of stock splits. According

to Hartono (2013), a stock split is a par value of shares into a smaller par value. Meanwhile, according to (Pancawati & Reni 2012; Astuti & Riawan, 2018), a stock split is a form of corporate action that a company can take by splitting its shares into more shares so that the price per share becomes cheaper than the previous price. Thus, the number of shares outstanding will increase proportionally to the decrease in the nominal value of the claims. The stock split will not change the amount of capital and does not affect the company's cash flow. Because the stock split decision, when viewed from the total amount of funds owned, will not change, only the value is made smaller. The reasons for the company doing a stock split are the first so that all investors can also enjoy or can buy the shares, and the second is so that the share price is not too high so that the stock price is not too high, which will increase trading liquidity (Hartono, 2013).

Stock split events are also considered a positive signal because company managers will convey good prospects of the company to the public who do not know it. This signal is supported by the fact that companies that carry out stock splits are companies that have good performance. One of the objectives of the stock split decision for the company's management is to accommodate public aspirations so that they have a representative or affordable share price to buy. For the public, when the stock price is considered too high, the desire to own the stock becomes difficult (Fahmi, 2013). The following are companies in the cosmetics and household goods sub-sector manufacturing sector listed on the Indonesia Stock Exchange (IDX); seven companies joined as members of the Indonesia Stock Exchange at different times in these sub-sectors, including PT. Kino Indonesia Tbk with the code KINO, PT. Akasha Wira International Tbk with code ADES, PT. Mandom Indonesia Tbk with TCID code, PT. Unilever Indonesia Tbk with code UNVR, PT. Martina Berto Tbk with code MBTO, PT. Mustika Ratu Tbk with the code MRAT and PT. Cottonindo Ariesta Tbk with the code KPAS. One of the companies in the manufacturing sector for the cosmetics and household goods sub-sector listed on the Indonesia Stock Exchange (IDX) that is conducting a stock split is PT. Unilever Indonesia Tbk.

The reason for the management of PT Unilever Indonesia Tbk confirmed that the company's plan to change the par value of the shares (stock split) is to make UNVR's share price more affordable for most retail investors. "In addition, this stock split is also expected to support the growth of the Indonesia Stock Exchange due to an increase in trading liquidity of UNVR shares," said Sancoyo Antarikso, Director and Corporate Secretary of Unilever Indonesia, in a press release quoted by CNBC Indonesia (Fauzi & Mutasowifin, 2020). According to PT. Unilever Indonesia Tbk will conduct a stock split down (split par value of shares) with a ratio of 1:5 to further expand ownership and enable trading on the stock exchange floor. If it is assumed that the company will conduct a 1:10 stock split, the share price will be at the level of Rp 4,700/unit. However, if the ratio is 1 to 5, the share price is IDR 9,400/share (<https://www.cnbcindonesia.com> accessed on September 30, 2019).

Research conducted by (Prasetyo et al., 2016) states that there is no difference in stock prices

significant after the stock split to changes in overall stock prices. The same study conducted by (Mahala, 2015) also stated that there was no significant difference in stock prices after the stock split to changes in stock prices. This is refuted by research conducted by (Swari & Wiksuana, 2015) which states that there is a difference in stock prices after the stock split, but it is not significant. So based on the description of the background that has been described, it is one of the reasons the author conducts this research to find out the difference in stock prices after the stock split.

## **Theoretical Framework and Hypotheses**

Financial management is a combination of science and art that discusses, studies, and analyzes how a financial manager uses all company resources to seek funds, manage funds, and distribute funds to be able to provide profit or profit and prosperity for shareholders and sustainability—business for the company (Fahmi, 2018). Meanwhile, according to other experts, financial management is a science that broadly explores two scopes of activities carried out by company owners, namely: First, getting the cheapest source of capital; this function includes various activities of finding, analyzing, and deciding which source of money to use. will be selected and taken and how much. Second, using it for investments that can benefit the company, meaning that it is used for effective, efficient, and productive assets, is its effort to generate profits (Gendro Wiyono, 2017). And lastly, the notion of financial management is all activities related to efforts to obtain funds and use or allocate these funds (Bambang, 2001). Based on the experts' opinions that have been explained, it can be concluded that financial management is a combination of science and art by planning, organizing, implementing, and controlling. Financial management explores the two scopes of activities carried out by the owner of the company's management, namely obtaining cheap or low sources of capital and using it for profitable investments to generate the highest profit for the company.

According to Sutrisno (2007), there are three main financial management functions: investment decisions, financing decisions, and asset management decisions. The three financial decisions are implemented in daily activities to earn a profit. The profits obtained are expected to be capable of financial planning and budgeting (Budgeting). All company activities related to company budget funds need to be well planned. So that activities that are not profitable, the budget can be cut or trimmed. The allocation of funds needs to be considered for things that can maximize company profits.

Investment Decision (Investment Decision) is a decision on what assets to be managed by the company. This investment decision is the most critical decision among the three functions. This is because this investment decision directly affects the profitability of the investment and the company's cash flow for the future. Investment profitability (return on investment) is the company's ability to obtain profits generated from an investment. The Financing Decision focuses on two things. First is the decision regarding determining the source of funds needed to finance the acquisition. Sources of funds used to finance these investments can be short-term debt, long-term debt, and own capital. Second, the best balance of spending is often referred to as the optimum capital structure. Therefore, it is necessary to determine whether the company will use external sources of funds originating from debt by issuing new shares so that the cost of capital borne by the company will be minimal. Asset

Management Decisions, financial managers, together with other managers in a company, are responsible for various levels of operation of existing assets. The allocation of funds used for procurement and asset restrictions is the financial manager's responsibility. This responsibility requires financial managers to pay more attention to the management of current assets than fixed assets. In financial management, then every year, there will be financial reporting helpful in analyzing the company's profit and loss statement ratios.

According to (Brigham & Hutson, 2015; Badruzaman, 2020), signal theory illustrates that a signal or cue is an action taken by company management that provides instructions for investors about how management views the company's prospects. This theory reveals that investors can distinguish between companies with high values and companies with low weights. The signaling approach is used when stock prices cannot increase to reflect the company's performance. According to the company's performance, the stock price needs to be broken down to rise from the new stock price. So, according to signaling theory, only companies with good prospects can do a stock split. The market reaction occurred not because of the stock split event but because the company's performance was increasing (Agoes & Trisnawati, 2016; Irham, 2012b). Trading Range Theory states that stock splits will increase stock trading liquidity; based on trading range theory, the level of high stock prices is the company's motivation to make stock prices (Irham, 2012a).

According to Fahmi, (2012) stocks are one of the most sought-after capital market instruments by investors because they can provide an attractive rate of return. Shares are papers that clearly state the nominal value and company name and are followed by rights and obligations explained to each holder. According to Darmadji & Fachruddin, (2012) Stock is a sign of participation or ownership of a person or entity in a company or limited liability company. Shares are in the form of a piece of paper that explains that the paper's owner is the owner of the company that issued the securities. Based on the experts above, it can be concluded that shares are proof of ownership of a company in which the nominal value, company name, and rights and obligations are explained to each holder.

Stocks are the most popular and widely known securities in the community. According to Darmadji & Fachruddin (2012), there are several types of shares: 1) In terms of ability to claim rights or claims, the shares are divided into a) Common stock, which is a stock that places the most junior owner in the distribution. Dividends and rights to company assets if the company is liquidated. b)

Preferred Stock is a stock that has the characteristics of a combination of bonds and ordinary shares because it can generate fixed income (such as bond interest) but also can not bring the results desired by investors. 2) Judging from the way of maintenance, shares are divided into a) Bearer stock, meaning that the owner's name is not written on the Stock so that it can be easily transferred from one investor to another. b) Shares in the name (registered Stock) are shares written who owns it and where the transfer method must go through specific procedures. 3) In terms of trading performance, stocks can be categorized into a) Blue-chip stocks, namely ordinary shares of a company with a high reputation, a leader in similar industries, and stable and consistent income in paying dividends. b) Income stock, namely ordinary shares of an issuer, can pay dividends higher than the average dividend paid in the previous year. c) Growth stocks (well-known), namely stocks from issuers with high revenue growth, as leaders in similar industries with a high reputation. In addition, there are also lesser-known growth stocks, namely stocks from issuers that are not leaders in the industry but have

growth stock characteristics. d) speculative stocks, namely shares of a company that cannot consistently earn high incomes in the future, although it is not sure. e) cyclical stocks (counter-cyclical stocks), namely stocks that are not affected by macroeconomic conditions or the general business situation.

The stock price is the closing price of the stock market during the observation period for each type of Stock sampled, and investors constantly observe its movement. According to Brigham & Houston (2015), the share price is the share price that determines shareholder wealth. Maximizing shareholder wealth translates into maximizing the company's share price. At any given point in time, the stock price will depend on the cash flows expected to be received in the future by the "average" investor if the investor buys the Stock. Sartono (2008) states that stock prices are formed through supply and demand in the capital market. If a stock experiences excess demand, the stock price tends to rise. On the other hand, if there is an excess supply, the stock price tends to fall. According to Hartono (2013), the notion of the share price is the price of a share that occurs on the stock market at a particular time determined by market participants and determined by the demand and supply of the shares concerned in the capital market. Based on the experts' understanding, it is concluded that the stock price is the price formed according to the demand and supply in the stock trading market and is usually the closing price.

According to Widodoatmojo (2012), share prices include 1) Nominal Price, the price listed in the share certificate determined by the issuer to value each share issued. The nominal price amount gives importance to the Stock because the minimum dividend is usually set based on the small value. 2) Initial Price, this price is when the share price is listed on the stock exchange. The underwriter and the issuer usually set stock prices on the primary market. Thus, at what price the issuer's shares will be sold to the public, usually to determine the initial price. 3) Market Price, if the initial price is the selling price of the issuance agreement to investors, then the market price is the selling price from one investor to another. This price occurs after the shares are listed on the stock exchange. The transaction here no longer involves the issuer of the underwriter, this price is referred to as the price in the secondary market, and this price truly represents the price of the issuing company because, in transactions on the secondary market, there is minimal negotiation of the price between the investor and the issuing company. Prices that are announced daily in newspapers or other media are market prices. 4) The opening price is the price requested by the seller or buyer when the exchange is opened. It could happen that at the start of the Nurse Day, a transaction has taken place on a share, and the price follows what was requested by the seller and the buyer. In such circumstances, the book price may be the market price, and vice versa, the market price may also be the opening price. But it doesn't always happen. 5) Closing Price is the price requested by the seller or buyer at the end of the trading day. In such circumstances, it could happen at the end of the stock exchange day suddenly a transaction occurs on a share because there is an agreement between the seller and the buyer. If this happens, then the closing price has become the market price. However, this price remains the closing price on the exchange day. 6) Highest Price the highest share price is the highest price that occurs on the stock exchange day. This price can occur on a share transaction more than once, not at the same price. 7) Lowest Price, the lowest price of a stock is the lowest price that occurs on the stock day. This price can occur if there is a transaction on a share more than once, not at the same price. In other words, the

lowest price is the opposite of the highest price. 8) The average price smoothing the highest and lowest prices.

A stock split is an increase in the number of shares outstanding by reducing the nominal value of the claims; for example, the little matter of one share is divided into two so that there are two shares, each of which has a nominal value of half of the initial nominal value (Fahmi, 2013). According to Riyanto (2001), a stock split splits the number of shares into more shares by reducing the nominal price per share proportionally. Meanwhile, according to (Sartono, 2016; Silaban & Purnawati, 2016), a stock split splits the small value of shares into a smaller nominal value. Thus, the number of shares outstanding will increase proportionally to the decrease in the little matter of the claims. Therefore, a stock split does not add value to the company. In other words, a stock split has no economic value.

According to (Riyadi & Andrefa, 2013) said, basically there are two types of Stock splits, namely: 1) Split up (split up shares). Split up is a decrease in par value per share, increasing the number of outstanding shares. For example, split up with a split factor of 2:1, 3:1, 4:1, and others. Split up with a 2:1 split factor means that shareholders will get two new shares for everyone's old share. 2) Split down (split down Stock). Split down increases par value per share and reduces the number of shares outstanding. For example, split down with a split factor of 1:2, 1:3, 1:4, and others. A split down with a 1:2 split factor means that shareholders will get one new share for every two old shares.

According to (Fahmi, 2018), there are several reasons why company managers do stock splits, including 1) So that shares are not too expensive to increase the number of shareholders and increase stock trading liquidity. 2) To return the Stock's price and average trading size to the targeted range. 3) To bring information about investment opportunities in the form of increased profits and cash dividends. There are several purposes for a company to do a stock split (Irham 2013: 58), namely: 1) To avoid stock prices that are too high so that it is burdensome for the public to buy/own the shares. 2) Maintaining the level of stock liquidity. 3) Attract investors who have more potential to own the shares. 4) Attract small investors to own the shares because if they are too expensive, then the ownership of funds from small investors will not be affordable. 5) Increase the number of outstanding shares. 6) Minimize the risk that will occur, especially for investors who want to own the shares with low stock price conditions; because it has been split, there has been investment diversification. 7) Implement investment diversification.

**H1:** There is a positive and significant difference in stock prices after the stock split to changes in stock prices

## Research Method

This research is an event study. This study aims to assess the impact of a particular event on the market reaction. The events tested in this study are on the effect of stock split announcements on stock prices. The window used in this study is the period before, during, and 15 months after (t-15, at, and t+15). The selection of the observation period is based on previous research and considering that a stock split event is an event where the economic value can easily be determined by investors so that investors react quickly and appropriately. The population of this study is the company PT Unilever Indonesia Tbk, one of the companies listed on the Indonesia Stock Exchange in the 2018-2021

observation year. The sample in this study is the stock price of the company PT. Unilever Indonesia Tbk, 15 months before the announcement of the stock split (t-15 to t-1) and 15 months after (t+1 to t+15) the announcement of the stock split. In carrying out this research, the type of data used is quantitative data; it is said to be quantitative because the data are numerical or numbers that can be analyzed using statistics (Sugiyono, 2015).

The data needed in this research is secondary data, which is obtained from Published Financial Reports published by the Indonesia Stock Exchange through IDN Financial. The technique used to collect data is the documentation method, which contains records. It reviews secondary data in financial statements of manufacturing sector companies listed on the Indonesia Stock Exchange through [www.economic.co.id](http://www.economic.co.id). The data collected will be analyzed by descriptive statistical analysis method, classical assumption test consisting of normality test, inferential statistical analysis using a different test. According to Ghazali (2011), the t-test difference test is used to test whether there is a difference in the mean of two unrelated samples.

## Data Analysis and Discussion

### Data Analysis

The description of the data on the company PT Unilever Indonesia Tbk observation year 2018-2021 based on the variables in the study (stock prices before and after the stock split), it can be seen based on stock movements per month for 15 months before the announcement and 15 months after the report.

**Table 1. Stock Prices Before and After Stock Split**

Month Description	Stock price	Month	Month Description	Stock price	Month		
15 months before stock split	B-15	Rp 43025	Oct-18	15 months after stock split	B+1	Rp 6950	Feb-20
	B-14	Rp 42400	Nov-18		B+2	Rp 7250	Mar-20
	B-13	Rp 45400	Dec-18		B+3	Rp 8275	Apr-20
	B-12	Rp 49875	Jan-19		B+4	Rp 7750	May-20
	B-11	Rp 48750	Feb-19		B+5	Rp 7900	Jun-20
	B-10	Rp 49225	Mar-19		B+6	Rp 8400	Jul-20
	B-9	Rp 45125	Apr-19		B+7	Rp 8250	Aug-20
	B-8	Rp 43850	May-19		B+8	Rp 7975	Sep-20
	B-7	Rp 45000	Jun-19		B+9	Rp 7825	Oct-20
	B-6	Rp 43625	Jul-19		B+10	Rp 7750	Nov-20
	B-5	Rp 48775	Aug-19		B+11	Rp 7350	Dec-20
	B-4	Rp 46400	Sep-19		B+12	Rp 7075	Jan-21
	B-3	Rp 43525	Oct-19		B+13	Rp 6775	Feb-21
	B-2	Rp 42225	Nov-19		B+14	Rp 6575	Mar-21
	B-1	Rp 42150	Dec-19		B+15	Rp 6000	Apr-21
<i>Event Date</i>	Rp 8000			Jan-20			

Based on the data in table 1, there are stock prices fluctuated, both 15 months before the stock split and 15 months after the stock split. Descriptive statistical analysis is a statistic that provides an overview or description of data seen from the average value and standard deviation. Descriptive statistics describe data into information that is clearer and easier to understand.

**Table 2. Descriptive Statistical Analysis  
Paired Samples Statistics**

		Mean	N	Std. Deviation
Pair 1	Before	45290.0000	15	2708.13589
	After	7473.3333	15	695.80803

Based on table 2 shows that before the stock split, the average share price was Rp. 45,290, with a standard deviation of 2708,13589. So, this indicates that the average is greater than the standard deviation, meaning that the stock price before the stock split has an excellent contribution to the company. The table also explains that after the stock split, the average share price is Rp. 7,473, with a standard deviation of 695,80803. So, this shows that the average is greater than the standard deviation, meaning that the stock price after the stock split has an excellent contribution to the company.

Before determining what test is most suitable for two paired samples, a data normality test is performed to see the data distribution. Data that are normally distributed use the paired sample t-test or t-test. If the data results are not normally distributed, then the Wilcoxon signed-rank test is used. The normality test data processing results with the one-sample Kolmogorov-Smirnov if it produces asymptotic significance  $> 0.05$ , the data is usually distributed; if the asymptotic significance value  $< 0.05$  implies the information is not normally distributed.

**Table 3. Normality Test**

	Kolmogorof-Smirnov	Shapiro-Wilk
	Sig.	Sig.
Before	.200	.067
After	.162	.531

Table 3 shows the stock price before and after the stock split with a sig value in the period before the announcement of 0.067 and a sig value after the information of 0.531. Based on these results, the asymptotic significance value before and after is more significant than 0.05, which means that the data is normally distributed. The normality test results using the Kolmogorov-Smirnov show that the stock price data before and after the stock split are normally distributed, so the hypothesis testing used is the Paired Sample T-Test. The results of testing stock prices before and after the stock split can be seen in table 4.

**Table 4. Results of Paired Samples Statistics  
Paired Samples Statistics**

		Mean
Pair 1	Before	45290.0000
	After	7473.3333

Table 4 shows that the average share price before the stock split is Rp. 45,290, while the average share price after the stock split is Rp. 7,473. Table 5 will present the results of the different tests.

**Table 5. Different Test Results Before and After Stock Split  
Paired Samples Test**

		T	df	Sig. (2-tailed)
Pair 1	Before - After	54.869	14	.000

Table 5 shows the testing of stock prices for the period before and after the stock split announcement resulted in a p-value of 0.000. Because the p-value  $< 0.05$ , H1 is supported by empirical facts and rejects Ho, which means that there is a significant difference in stock prices before and after the stock split announcement.

### Discussion

Based on the results of hypothesis testing, there are positive and significant differences in stock prices after the stock split to changes in stock prices. The difference test shows a significance value of 0.000 and is smaller than (0.05). This indicates that the stock split event causes the average stock price to differ between 15 months before and 15 months after the stock split. The difference resulting from the data processing shows a positive direction. Based on table 4, the average stock price before the stock split is Rp. 7,473, while the average share price after the breakup is Rp. 45,290. If the two average share prices are compared, then the stock split decreases the average share price. The decline in stock prices is caused by the market responding negatively to the stock split event; investors tend to perceive the information as bad news. This is following the purpose of doing a stock split so that stock prices that are too high can be lowered. This means that the information on the stock split is helpful for investors and provides an opportunity for investors who do not have too high a capital to buy the split shares.

The capital market in Indonesia is not very developed compared to the foreign capital market. This can be seen from the behavior of investors who act as buyers of the shares offered. The attitude adopted by Indonesian investors is to wait and see, meaning that investors in Indonesia do not dare to take high risks in buying shares. Hence, they wait for other investors to buy the shares first. These results obtained the same results as research conducted by (Swari & Wiksuana, 2015) which stated that the difference in stock prices after the stock split was significant. However, this is refuted by research conducted by (Mahala, 2015; Prasetyo et al., 2016), which states no considerable difference in stock prices after the stock split to changes in stock prices.

### Conclusions

Based on the results of the tests and discussions described, the results show a significant difference in the average share price between before and after the announcement of the stock split. The difference in the average share price indicates that the market reacted to a stock split announcement. The difference in the average share price also shows that the company's stock price has changed. There are suggestions from researchers related to this research: information that occurs in the capital market is not all valuable information; therefore, capital market participants must correctly sort and analyze relevant information to be considered in making decisions, and investors

should not be in a hurry. To carry out buying and selling actions and be more rational in making decisions.

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