COMPARATIVE STUDY OF FINANCIAL PERFORMANCE IN LISTED INDONESIA FRIED CHICKEN COMPANIES: CASE STUDY IN FAST FOOD INDONESIA AND PIONEERINDO GOURMET INTERNATIONAL

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ABSTRACT

The demand for fast food, especially fried chicken, increases every year. The halal certification owned by the companies gave convenience to the majority of Islam consumers in Indonesia. The fried chicken business grew significantly in the last five years before the Covid19 pandemic occurred in Indonesia. This study aims to measure the financial performance of listed fried chicken companies in Indonesia and make a comparative study of the company's financial performance. This study considers five years period (2015-2019) of financial statement and stock performance from two selected companies listed on the Indonesia Stock Exchange: Fast Food Indonesia (FAST/KFC) and Pioneerindo Gourmet International (PTSP/CFC). Financial performance analysis was carried out by financial ratio analysis (liquidity, solvency, activity, and productivity). The study found that FAST was significantly more liquid than PTSP and FAST was significantly more efficient than PTSP in using its inventory to generate sales. This study gives insight for managers and investors in foodservice business about implementation of financial performance analysis which could be a consideration to make a decision.

Keywords: Financial Performance, Fried Chicken, KFC, CFC

INTRODUCTION

Expenditure in the restaurant and hotel sector has increased in the last five years, from Rp 451,79 trillion in 2015 to Rp 561,97 trillion in 2019 (BPS, 2020). It was quite stable in the range of 5% of the Gross Domestic Product from 2015 to 2019. One subsector in the restaurant and hotel sector which has been increasing year by year is the foodservice business. Foodservice business from 2015 to 2019 was growing from 5,03% to 6,92% annually. The demand for fast food, especially fried chicken was increasing every year.

The Halal certification owned by the companies gave convenience (Tafjirah, 2017; Samad, 2019) to the majority of Islam consumers, approximately 87,18% (BPS, 2010) in Indonesia. The fried chicken business affected by the growing tourism industry and middle class as well as new generations of consumers, before the Covid19 pandemic occurred in Indonesia.

There are 3 (three) companies listed on Indonesia Stock Exchange (IDX) whose main business is fried chicken. They are PT Fast Food Indonesia Tbk. which was listed in 1993, PT Pioneerindo Gourmet International Tbk. which was listed in 1994, and PT Cipta Selera Murni Tbk. which has already listed in 2020 (Indonesia Stock Exchange, 2020).

Table 1: Fried chicken Company Listed in IDX

Company	Listing Date	Main Business
PT Fast Food Indonesia Tbk. (FAST)	May 11, 1993	Kentucky Fried Chicken (KFC)
PT Pioneerindo Gourmet International Tbk. (PTSP)	May 30, 1994	California Fried Chicken (CFC)
PT Cipta Selera Murni Tbk. (CSMI)	April 09, 2020	Texas Chicken

The two companies that listed in IDX for more than five years are FAST and PTSP. FAST was founded in 1978 after Gelael Group acquired the franchise rights of the KFC brand for the whole of Indonesia from Kentucky Fried Chicken Corporation (now: Yum! Restaurant International, a company under Yum!Brands). In 1979, the company opened KFC Melawai, the first KFC Indonesia restaurant, in South Jakarta. By 2019, FAST managed about 748 outlets in Indonesia (Annual report 2019 of PT Fast Food Indonesia Tbk., 2020). As of September 30, 2020, its shareholders were PT Gelael Pratama (40%), PT Indoritel Makmur Internasional (35.84%), and the public (24.16%) (PT Saham Raya Registra, 2020).

PTSP was founded in 1983. Initially, the company held the rights of California Pioneer Chicken, Pioneer Take Out from the United States, but in 1989, the Company decided to change its status from franchisee to franchiser to produce and market its brand, the California Fried Chicken (CFC). The company expanded its business by founding Cal Donuts (provided donuts and bread products) in 1993, Sapo Oriental (family restaurant) in 1996, and Sugakiya (provided ramen product) in 2017. By 2019, PTSP managed about 287 CFC outlets, 30 Cal donat outlets, 11 Sapo Oriental outlets, and 4 Sugakiya outlets (Annual report 2019 of PT Pioneerindo Gourmet International Tbk., 2020). As of September 30, 2020, its shareholders were PT Graha Sentosa Persada (26,88%), Standard Chartered Bank SG S/A VP Bank A/C VP Bank (Singapore) Ltd (ID005464400004) (21,84%), Suyanto Gondokusuma (10,68%), PT Bayu Buana Tbk (8,90%), Bank of Singapore Limited (5,86%), and the public (25,83%) (PT Edi Indonesia, 2020).

Table 2: Fried Chicken Business Growth from 2015 to 2019

	Revenue (in million rupiah)*					Growth (%)	CAGR** (%)
	2015	2016	2017	2018	2019		
FAST	4.475.061	4.883.307	5.302.684	6.017.492	6.706.376	49,86	8,43
PTSP	402.329	473.544	536.444	626.810	720.999	79,21	12,38

   *)   Based on the financial statement of FAST and PTSP from 2015-2019

  **)   CAGR (Compounded Annual Growth Rate) was calculated from revenue in the financial statement

FAST and PTSP have grown their business significantly over five years at amount 49,86% and 79,21% respectively.

OBJECTIVE

This study aims to measure and analyze the financial performance of FAST and PTSP during 2015-2019 and to analyze whether there is a significant difference on the financial performance during 2015-2019 between FAST and PTSP.

LITERATURE REVIEW

Comparing two companies in the same sector can be conducted by financial performance analysis. Analysis of financial performance is conducted to evaluate business performance for decision-making purposes and also as a monitoring tool for managing finance. One of the tools to analyze financial performance is the financial ratio. The financial ratio is a comparison of the figures contained in the financial statements. It is the most widely used tool to analyze the strengths and weaknesses of the company that can provide detailed information about profitability, liquidity, activity, and solvency. Using financial ratios, investors can develop a feel for a company's attractiveness based on its competitive position, financial strength and profitability (Lan, 2012).

There are a lot of studies around the world related financial ratio in different industries. However, the study which evaluate the financial performance by financial ratio in Indonesia foodservice business is limited. Mao & Gu (2008) found that the performance of the restaurant firm is significantly affected by debt leverage. Borhan, Mohamed, & Azmi (2013) found that liquidity ratio, leverage ratio, and profitability ratio have impact on the company's financial performance where net profit margin (profitability ratio) has the most impact on the financial performance. Khaldun & Muda (2014) found that current ratio, quick ratio, cash ratio, gross profit margin, return on assets, and return on equity have significant influence towards the growth of profit in Indonesia food and beverage companies. Erdoğan, Erdoğan, & Omurbek (2015) found that the current ratio and company size have a positive impact on a company's performance, while the level of debt has a negative impact on a company's performance. Daryanto (2018) considered profitability, liquidity, solvency, and activity ratios in her study to measure the financial performance of state-owned enterprises in the aviation industry. Daryanto & Nurfadilah (2018) considered profitability, liquidity, solvency, and activity ratios in their study to analyze financial Performance in oil and gas Industry. Kim (2018) found that the debt-to-equity ratio, growth in shareholders' equity, net profit margin, and stock price trend can be used to predict financial distress in the restaurant business.

a.   Liquidity Ratio
     Liquidity ratios are financial ratios that demonstrate the company's ability to repay short-term debt. This ratio helps define whether a company can cover its current liabilities using its current assets. Financial ratios used to analyze liquidity are:

     Current Ratio
     The current ratio is a financial ratio that demonstrates the company's ability to use its current assets in paying current liabilities (Anthony, Hawkins, & Merchant, 2012). It measures how efficiently the company manages its finances. A higher current ratio is better than a lower because it indicates that the company can make repayment of its short-term debt.

$$Current\ Ratio = \frac{Current\ Assets}{Current\ Liabilities}$$

     Quick Ratio
     The quick ratio or acid test ratio is a financial ratio that demonstrates the company's ability to use its monetary current assets (exclude prepaid items and inventories from current assets) in paying its current liabilities. A higher quick ratio is better than a lower because it indicates that the company has more quick assets than current liabilities.

$$Quick\ Ratio = \frac{Monetary\ Current\ Assets}{Current\ Liailities}$$

b.   Solvency/Leverage Ratio
     Solvency ratios or Leverage ratios are financial ratios that measure the company's ability to meet long-term obligations by comparing debt levels with equity or assets.
     Financial ratios used to measure solvency ratio are :

Debt to Equity Ratio

The debt-to-equity ratio is a financial ratio that compares a company's total liabilities to shareholders' equity. This ratio indicates that the company used more creditors (bank loans) or investors (shareholders) in financing the company assets.

$$Debt\ to\ Equity\ Ratio\ = \frac{Total\ Liabilities}{Shareholders'\ Equity}$$

Debt to Asset Ratio

Debt to Asset Ratio is a financial ratio that compares a company's total liabilities to its total assets. The company can be rated stable in business if has a lower debt ratio.

$$Debt\ to\ Asset\ Ratio\ = \frac{Total\ Liabilities}{Total\ Assets}$$

c. Activity/Efficiency ratio

Activity ratios or efficiency ratios are financial ratios that indicate how efficiently a company uses its assets to generate revenue. Financial ratios used to measure activity ratio are :

Asset Turnover

The asset turnover ratio is a financial ratio that compares a company's sales revenue to its total assets. A higher ratio indicates that the company is more efficient in using its asset to generate revenue.

$$Asset\ Turnover\ = \frac{Sales\ Revenue}{Total\ Assets}$$

Inventory Turnover

The inventory turnover ratio is a financial ratio that compares a company's cost of goods sold of its inventory for a period. A higher ratio indicates that the company is more efficient in controlling its inventory.

$$Inventory\ Turnover\ = \frac{Cost\ of\ Goods\ Sold}{Inventory}$$

d. Profitability Ratio

Profitability ratios are financial ratios that show a company's ability to generate profit from sales, assets, and equity. It can be used to indicate how well the company makes a profit from its operations. Financial ratios used to measure profitability ratio are:

Return on Sales

Return on sales is a financial ratio that compares a company's net income to its sale revenue. Net income is earned after the company issues all variable costs during operation. A higher ratio indirectly indicates that the company can well manage its expenses relative to its net sales revenue.

$$Return\ of\ Sales\ = \frac{Net\ Income}{Net\ Sales\ Revenue}$$

Return on Asset

The return on assets ratio is a financial ratio that compares a company's net income to its total assets. A higher ratio indicates that the company can well manage its assets to generate profit.

$$Return\ on\ Asset\ = \frac{Net\ Income + Interest\ (1 - Tax\ Rate)}{Total\ Assets}$$

Return on Equity

The return on equity ratio or ROE is a financial ratio that compares a company's net income to its total shareholders' equity. It demonstrates the efficiency of equity use. A higher ratio indicates that the company can well manage its equity to generate profit.

$$Return\ on\ Equity\ = \frac{Net\ Income + Interest\ (1 - Tax\ Rate)}{Total\ Shareholders'Equity}$$

Return on Invested Capital

Return on Invested Capital (ROIC) is a financial ratio that compares a company's net income to its total invested capital. This ratio indicates how well a company is using the capital to generate profit.

$$Return\ on\ Invested\ Capital\ = \frac{Net\ Income + Interest\ (1 - Tax\ Rate)}{Long - Term\ Liabilities + Shareholders'Equity}$$

METHODOLOGY

Figure 1: Model of Study
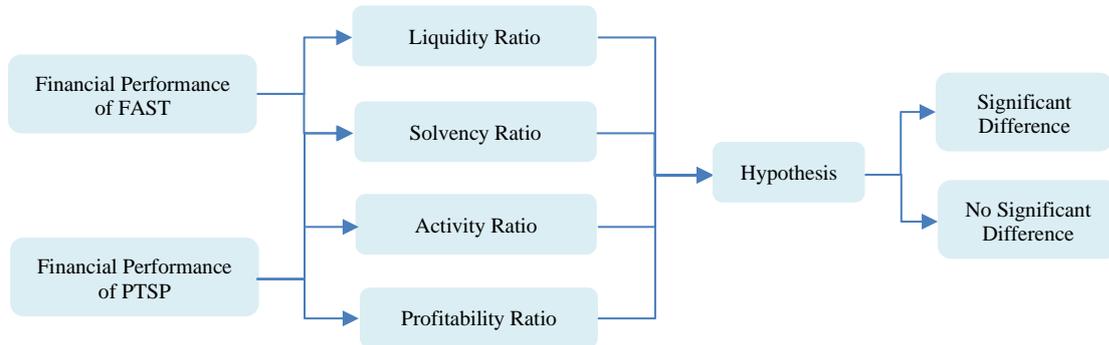
FAST and PTSP was selected in this study since both are the fried chicken companies which has been listed on IDX for more than five years. In this study, based on data were collected from the company's financial statement from 2015 to 2019, we calculated the financial ratios. The financial ratios which consist of liquidity ratio (current ratio and quick ratio), solvency ratio (debt to equity ratio and debt to asset ratio), activity ratio (asset turnover and inventory turnover), profitability ratio (return on sales, return on asset, return on equity, and return on invested capital), were been used to measure, describe and analyze the financial performance of the fried chicken company in Indonesia from 2015 to 2019. The financial ratios were tested by Kolmogorov-Smirnov method to determine whether it is normally distributed. Independent sample t-test was used to compare the financial performance between FAST and PTSP by testing following hypothesis:

H1: Using current ratio, there is a significant difference in financial performance between FAST and PTSP.
H2: Using quick ratio, there is a significant difference in financial performance between FAST and PTSP.
H3: Using debt to equity ratio, there is a significant difference in financial performance between FAST and PTSP.
H4: Using debt to asset ratio, there is a significant difference in financial performance between FAST and PTSP.
H5: Using asset turnover, there is a significant difference in financial performance between FAST and PTSP.
H6: Using inventory turnover, there is a significant difference in financial performance between FAST and PTSP.
H7: Using return on sales, there is a significant difference in financial performance between FAST and PTSP.
H8: Using return on asset, there is a significant difference in financial performance between FAST and PTSP.
H9: Using return on equity, there is a significant difference in financial performance between FAST and PTSP.
H10: Using return on invested capital, there is a significant difference in financial performance between FAST and PTSP.

LIMITATION

This study focuses on financial performance in 2015-2019, it neglects the current condition in 2020 during the Covid19 pandemic. Apart of that, his study also only focuses on the financial aspect. It is suggested to measure the financial performance of fried chicken companies during the Covid19 pandemic and also in other aspects, like the operational aspect.

RESULT AND ANALYSIS

1. Financial Ratio Analysis
    1.1. Liquidity Ratio
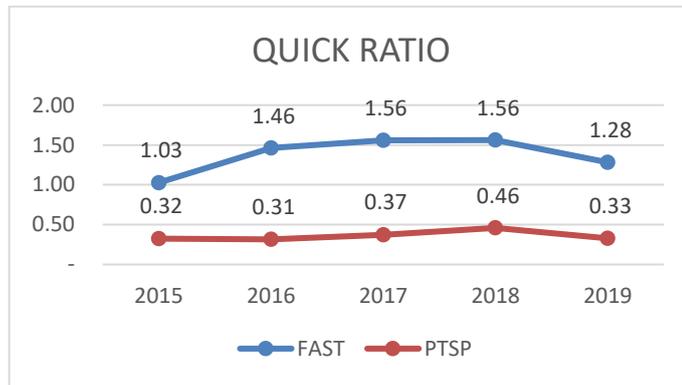   1.1.1. Current Ratio

Figure 2: Current Ratio of FAST and PTSP from 2015 to 2019
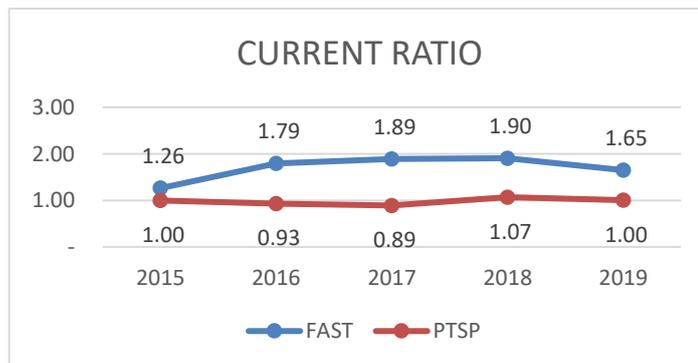
The current ratio of FAST increased gradually from 1,26 in 2015 to 1,90 in 2018, but decreased to 1,65 2019. The average current ratio of FAST in the last five years was 1,70. Meanwhile, the current ratio of PTSP decresed from 1,00 in 2015 to 0,89 in 2017 and had risen to1,07 in 2018 before finally back to 1,00 in 2019. The average current ratio of PTSP in the last five years was 0,98. It is important for the company to maintain its liquidity by ensuring its current ratio equal to or more than 1,00. FAST has maintained its liquidity by ensuring its current ratio above 1,00 for five years, while PTSP has been trying to maintain its liquidity for the last five years. Based on the current ratio, FAST was more liquid than PTSP.

1.1.2. Quick Ratio

**Figure 3: Quick Ratio of FAST and PTSP from 2015 to 2019**

The quick ratio of FAST increased gradually from 1,03 in 2015 to 1,56 in 2017, but eventually it went down to 1,28 in 2019 after successfully keeping the quick ratio on 1,56 in 2018. The average current ratio of FAST in the last five years was 1,38. Meanwhile, the quick ratio of PTSP was stable below 0,50 at 0,31 to 0,46 for five years. The average current ratio of PTSP in the last five years was 0,36. FAST has maintained its liquidity by ensuring its quick ratio above 1,00 for five years, while PTSP's quick ratio was low in the last five years. PTSP has to manage its quick ratio to maintain its liquidity. Based on the quick ratio, FAST was more liquid than PTSP.

Based on the current ratio and quick ratio, FAST was more liquid than PTSP in the last five years.

1.2. Solvency Ratio
1.2.1. Debt to Equity Ratio

Figure 4: Debt to Equity Ratio of FAST and PTSP from 2015 to 2019
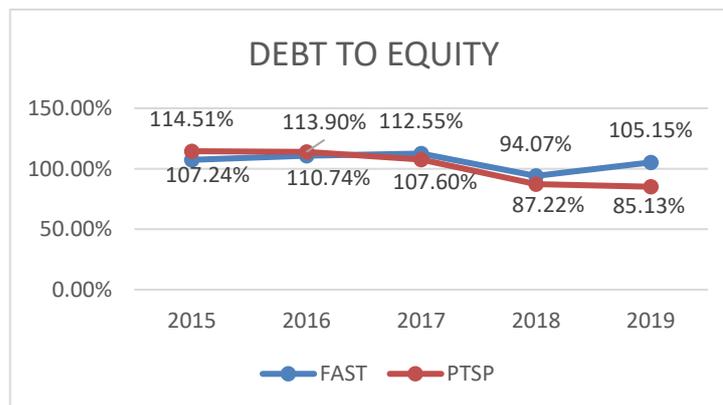
The Debt to Equity Ratio (DER) of FAST was fluctuating but tend to decrease from 114,51% in 2015 to 105,15% in 2019. The average DER of FAST in the last five years was 105,95%. (Pefindo, 2020) gave FAST an IdAA rating with the outlook for the corporate rating is stable. The DER of PTSP tend to decrease from 107,24% in 2015 to 85,13% in 2019. The average DER of PTSP in the last five years was 101,67%. The DER of PTSP was lower than the DER of FAST. Based on DER, FAST has a higher solvency risk than PTSP.
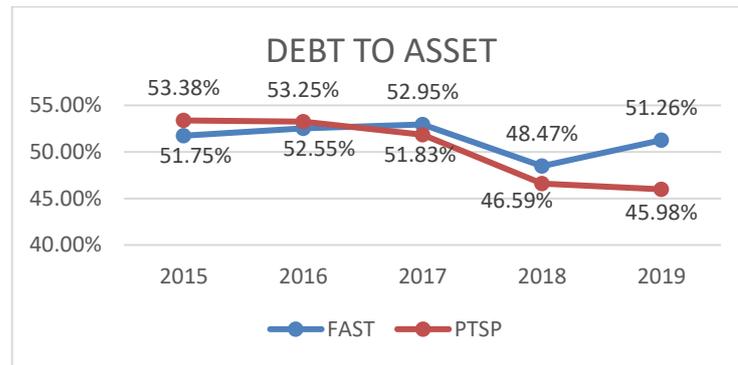
1.2.2. Debt to Asset Ratio

**Figure 5: Debt to Asset Ratio of FAST and PTSP from 2015 to 2019**

The Debt to Asset Ratio (DAR) of FAST was fluctuating but tend to be stable near its five years average at 51,40%. The DAR of PTSP decreased from 53,38% in 2015 to 45,98% in 2019. The average DAR of PTSP in the last five years was 50,21%. The DAR of PTSP was lower than the DAR of FAST. Based on DAR, FAST has a higher solvency risk than PTSP.

Based on DER and DAR, FAST has a higher solvency risk than PTSP in the last five years.

1.3. Activity Ratio
1.4.1. Asset Turnover

Figure 6: Asset Turnover of FAST and PTSP in 2015-2019
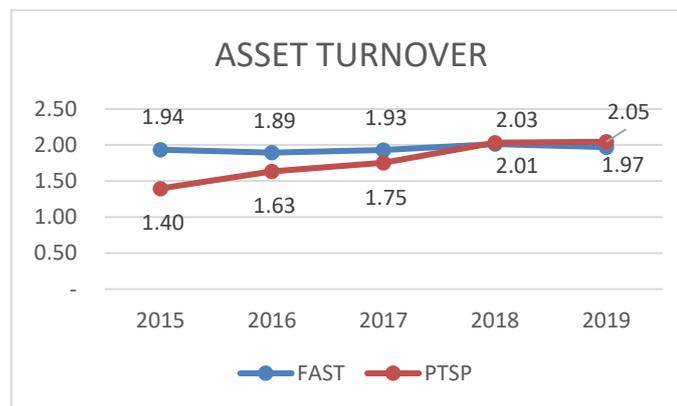
The Asset Turnover of FAST tend to stable near its five years average 1,97 times. The Asset Turnover of PTSP increased from 1,40 in 2015 to 1,97 in 2019. The average asset turnover of PTSP in the last five years was 1,77. Both FAST and PTSP have the similar asset turnover ratio at around 2 times. FAST was as efficient as PTSP in using the asset to generate sales.

1.4.2. Inventory Turnover

Figure 7: Inventory Turnover of FAST and PTSP from 2015 to 2019
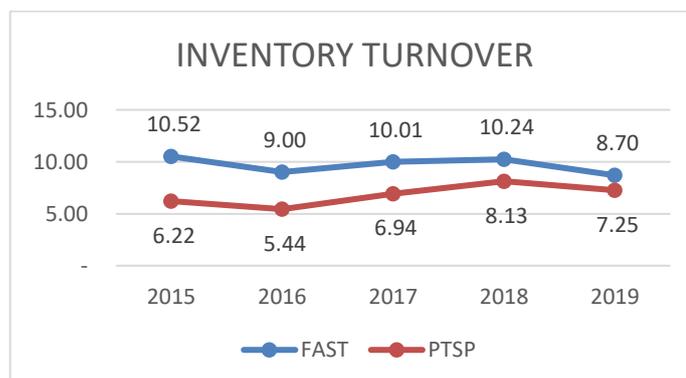
The Inventory Turnover of FAST and PTSP was fluctuating in the last five years. The average inventory turnover of FAST in the last five years was 9,69. The average inventory of PTSP in the last five years was 6,80. The inventory turnover of FAST was higher than the inventory turnover of PTSP. Based inventory turnover, FAST was more efficient to generate sales than PTSP.

Based on asset turnover and inventory turnover, FAST was slightly more efficient than PTSP in generating sales.
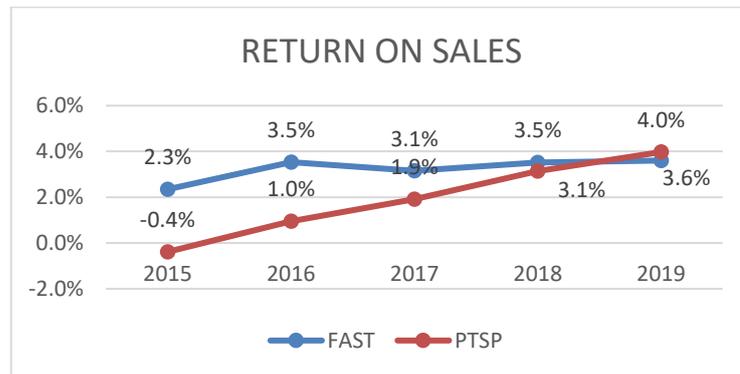
1.4. Profitability Ratio
　2.2.1. Return on Sales

Figure 8: Return on Sales Profit of FAST and PTSP from 2015 to 2019

The return on sales or profit margin of FAST was fluctuating but tend to stable near its five fears average at 3,2%. PTSP made a loss in 2015, but then it made profit in 2016. The profit margin significantly increased from 1,0% in 2016 to 4,0% in 2019. The average profit margin of PTSP in the last five years was only 1,9%, but the profitability of PTSP is interesting to watch in the next following years. Based on the profit margin of FAST and PTSP in the last five years, FAST was more profitable than PTSP.

　2.2.2. Return on Asset

Figure 9: Return on Asset of FAST and PTSP from 2015 to 2019
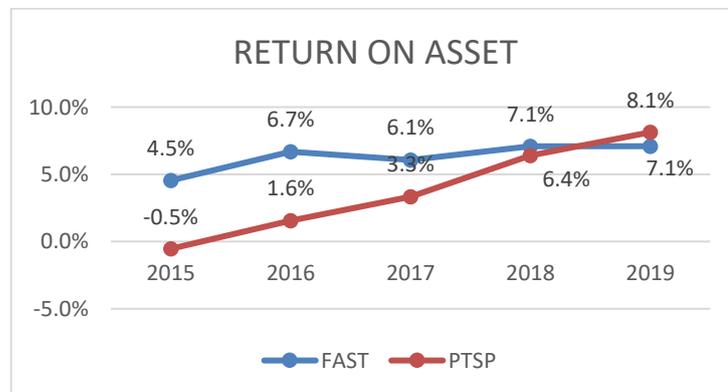
The Return on Asset (ROA) of FAST was fluctuating but tend to increase from 4,5% in 2015 to 7,1% in 2019. The average ROA of FAST in the last five years was 6,3%. The ROA of PTSP increased significantly after made loss in 2015, from 1,6% in 2016 to 8,1% in 2019. The average ROA of PTSP in the last five years was 3,8%. The average ROA of FAST was higher than the average ROA of PTSP. Based on ROA in the last five years, FAST was more profitable than PTSP.
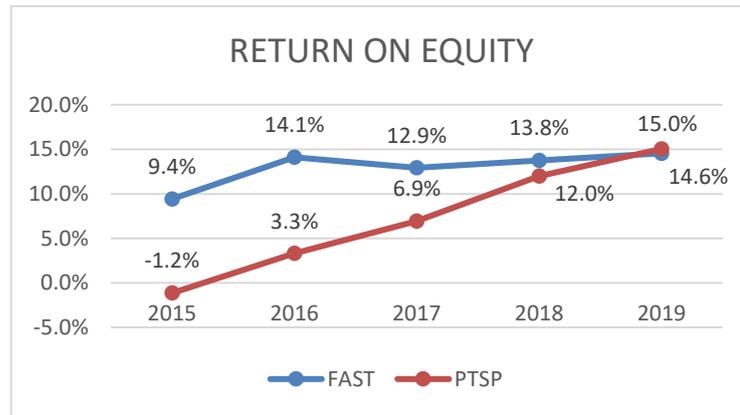
2.2.3. Return on Equity

Figure 10: Return on Equity of FAST and PTSP from 2015 to 2019

The Return on Equity (ROE) of FAST was fluctuating but tend to increase from 9,4% in 2015 to 14,6% in 2019. The average ROA of FAST in the last five years was 13,0%. Meanwhile, The ROA of PTSP increased significantly from 3,3% in 2016 to 15,0% in 2019 after record a loss in 2015. The average ROA of PTSP in the last five years was 7,2%. The average ROE of FAST was higher than the average ROE of PTSP. Based on ROE in the last five years, FAST was more profitable than PTSP.

2.2.4. Return on Invested Capital

Figure 11: Return on Invested Capital of FAST and PTSP from 2015 to 2019
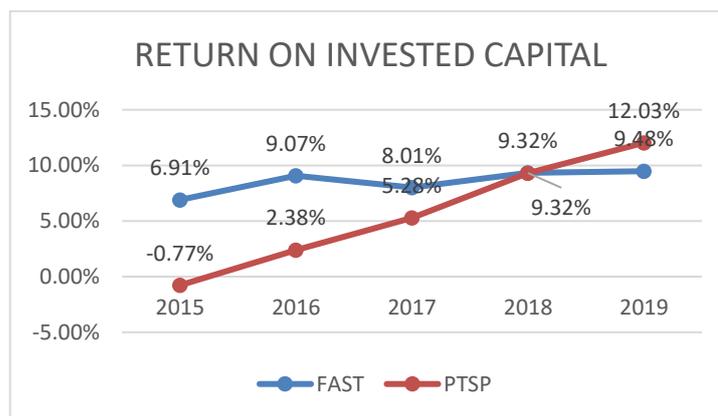
The Return on Invested Capital (ROIC) of FAST was fluctuating but tend to increase from 6,91% in 2015 to 9,48% in 2019. The average ROIC of FAST in the last five years was 8,6%. Meanwhile, After PTSP experienced loss in 2015, the ROIC of PTSP increased significantly from 2,38% in 2016 to 12,03% in 2019. The average ROIC of PTSP in the last five years was 5,6%. The average ROIC of FAST is higher than the average ROIC of PTSP. Based on ROIC in the last five years, FAST was more profitable than PTSP.

Based on Return on Sales, Return on Asset, Return on Equity, and Return on Invested Capital in the last five years, FAST was more profitable than PTSP.

2. Hypothesis Testing
    2.1. Kolmogorov-Smirnov test
    Before the comparative hypothesis been tested, financial ratios were tested to determine whether the data distribution of each financial ratio is normal.

Table 4 : Kolmogorov-Smirnov test of FAST and PTSP's financial ratios

One-Sample Kolmogorov-Smirnov Test

		Current Ratio FAST	Quick Ratio FAST	Debt to Equity FAST	Debt to Asset FAST	Asset Turnover FAST	Inventory Turnover FAST	Return on Sales FAST	Return on Asset FAST	Return on Equity FAST	Return on Invested Capital FAST
N		5	5	5	5	5	5	5	5	5	5
Normal Parameters[a,b]	Mean	1.6980	1.3780	105.9500	51.3960	1.9480	9.6940	3.2000	6.3000	12.9600	8.5580
	Std. Deviation	.26471	.22565	7.24470	1.76436	.04494	.79842	.53852	1.08628	2.08399	1.08502
Most Extreme Differences	Absolute	.236	.242	.256	.269	.171	.254	.311	.244	.289	.281
	Positive	.223	.210	.181	.189	.171	.208	.229	.231	.216	.198
	Negative	-.236	-.242	-.256	-.269	-.144	-.254	-.311	-.244	-.289	-.281
Test Statistic		.236	.242	.256	.269	.171	.254	.311	.244	.289	.281
Asymp. Sig. (2-tailed)		.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.128[c]	.200[c,d]	.200[c,d]	.200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

One-Sample Kolmogorov-Smirnov Test

		Current Ratio PTSP	Quick Ratio PTSP	Debt to Equity PTSP	Debt to Asset PTSP	Asset Turnover PTSP	Inventory Turnover PTSP	Return on Sales PTSP	Return on Asset PTSP	Return on Equity PTSP	Return on Invested Capital PTSP
N		5	5	5	5	5	5	5	5	5	5
Normal Parameters[a,b]	Mean	.9780	.3580	101.6720	50.2060	1.7720	6.7960	1.9200	3.7800	7.2000	5.6480
	Std. Deviation	.06979	.06140	14.42201	3.63704	.27517	1.02188	1.72829	3.49385	6.51422	5.15314
Most Extreme Differences	Absolute	.224	.276	.259	.272	.226	.156	.153	.173	.169	.162
	Positive	.176	.276	.242	.240	.156	.128	.114	.155	.125	.137
	Negative	-.224	-.217	-.259	-.272	-.226	-.156	-.153	-.173	-.169	-.162
Test Statistic		.224	.276	.259	.272	.226	.156	.153	.173	.169	.162
Asymp. Sig. (2-tailed)		.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]	.200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

From the Kolmogorov-Smirnov test to financial ratios of FAST and PTSP, it found that the distribution is normal. This result means that the data can be used in parametric test, which in this study is independent sample t-test.

2.2. Independent sample t-test
2.2.1. Current ratio comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Current Ratio	Equal variances assumed	4.083	.078	5.881	8	.000	.72000	.12243	.43769	1.00231
	Equal variances not assumed			5.881	4.553	.003	.72000	.12243	.39578	1.04422

Based on current ratio test above, Sig. F from equal variances assumed is 0,078 (above 0,05) means that the variances assumed equal is accepted. Therefore, the value been used for comparing current ratio is from the equal variances assumed (t = 5,881 with Sig. (2-tailed)=0,00). Since the Sig. (2-tailed) < 0,05, therefore the first hypothesis (H1) is accepted. There is a significant difference in financial performance (current ratio) between FAST and PTSP.

2.2.2. Quick ratio comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Quick Ratio	Equal variances assumed	7.165	.028	9.753	8	.000	1.02000	.10458	.77883	1.26117
	Equal variances not assumed			9.753	4.589	.000	1.02000	.10458	.74375	1.29625

Based on quick ratio test above, Sig. F from equal variances assumed is 0,028 (below 0,05) means that the variances assumed equal is rejected. Therefore, the value been used for comparing quick ratio is from the equal variances not assumed (t = 9,753 with Sig. (2-tailed)=0,00). Since the Sig. (2-tailed) < 0,05, therefore the second hypothesis (H2) is accepted. There is a significant difference in financial performance (quick ratio) between FAST and PTSP.

2.2.3. Debt to equity ratio comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Debt to Equity Ratio	Equal variances assumed	7.413	.026	.593	8	.570	4.27800	7.21776	-12.36618	20.92218
	Equal variances not assumed			.593	5.898	.575	4.27800	7.21776	-13.45760	22.01360

Based on debt to equity ratio test above, Sig. F from equal variances assumed is 0,026 (below 0,05) means that the variances assumed equal is rejected. Therefore, the value been used for comparing debt to equity is from the equal variances not assumed (t = 0,593 with Sig. (2-tailed)=0,575). Since the Sig. (2-tailed) > 0,05, therefore the third hypothesis (H3) is rejected. There is no significant difference in financial performance (debt to equity ratio) between FAST and PTSP.

2.2.4. Debt to asset ratio comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Debt to Asset	Equal variances assumed	8.437	.020	.658	8	.529	1.19000	1.80782	-2.97883	5.35883
	Equal variances not assumed			.658	5.784	.536	1.19000	1.80782	-3.27395	5.65395

Based on debt to asset ratio test above, Sig. F from equal variances assumed is 0,020 (below 0,05) means that the variances assumed equal is rejected. Therefore, the value been used for comparing debt to asset is from the equal variances not assumed (t = 0,658 with Sig. (2-tailed)=0,536). Since the Sig. (2-tailed) > 0,05, therefore the fourth hypothesis (H4) is rejected. There is no significant difference in financial performance (debt to asset ratio) between FAST and PTSP.

2.2.5. Asset turnover comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Asset Turnover	Equal variances assumed	8.662	.019	1.411	8	.196	.17600	.12469	-.11154	.46354
	Equal variances not assumed			1.411	4.213	.228	.17600	.12469	-.16340	.51540

Based on asset turnover test above, Sig. F from equal variances assumed is 0,019 (below 0,05) means that the variances assumed equal is rejected. Therefore, the value been used for comparing asset turnover is from the equal variances not assumed (t = 1,411 with Sig. (2-tailed)=0,228). Since the Sig. (2-tailed) > 0,05, therefore the fifth hypothesis (H5) is rejected. There is no significant difference in financial performance (asset turnover) between FAST and PTSP.

2.2.6. Inventory turnover comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Inventory Turnover	Equal variances assumed	.130	.727	4.997	8	.001	2.89800	.57995	1.56063	4.23537
	Equal variances not assumed			4.997	7.558	.001	2.89800	.57995	1.54689	4.24911

Based on inventory turnover test above, Sig. F from equal variances assumed is 0,727 (above 0,05) means that the variances assumed equal is accepted. Therefore, the value been used for comparing inventory turnover is from the equal variances assumed (t = 4,997 and Sig. (2-tailed)=0,01). Since the Sig. (2-tailed) < 0,05, therefore the sixth hypothesis (H6) is accepted. There is a significant difference in financial performance (inventory turnover) between FAST and PTSP.

2.2.7. Return on sales comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Return on Sales	Equal variances assumed	4.294	.072	1.581	8	.153	1.28000	.80957	-.58687	3.14687
	Equal variances not assumed			1.581	4.769	.177	1.28000	.80957	-.83168	3.39168

Based on return on sales test above, Sig. F from equal variances assumed is 0,072 (above 0,05) means that the variances assumed equal is accepted. Therefore, the value been used for comparing return on sales is from the equal variances assumed (t = 1,581 with Sig. (2-tailed)=0,153). Since the Sig. (2-tailed) > 0,05, therefore the seventh hypothesis (H7) is rejected. There is no significant difference in financial performance (return on sales) between FAST and PTSP.

2.2.8. Return on asset comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Return on Asset	Equal variances assumed	6.608	.033	1.540	8	.162	2.52000	1.63628	-1.25326	6.29326
	Equal variances not assumed			1.540	4.766	.187	2.52000	1.63628	-1.74901	6.78901

Based on return on asset test above, Sig. F from equal variances assumed is 0,033 (below 0,05) means that the variances assumed equal is rejected. Therefore, the value been used for comparing return on asset is from the equal variances not assumed (t = 1,540 with Sig. (2-tailed)=0,187). Since the Sig. (2-tailed) > 0,05, therefore the eighth hypothesis (H8) is rejected. There is no significant difference in financial performance (return on asset) between FAST and PTSP.

2.2.9. Return on equity comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Return on Equity	Equal variances assumed	5.200	.052	1.883	8	.096	5.76000	3.05869	-1.29336	12.81336
	Equal variances not assumed			1.883	4.810	.121	5.76000	3.05869	-2.19682	13.71682

Based on return on equity test above, Sig. F from equal variances assumed is 0,052 (above 0,05) means that the variances assumed equal is accepted. Therefore, the value been used for comparing return on equity is from the equal variances assumed (t = 1,883 with Sig. (2-tailed)=0,096). Since the Sig. (2-tailed) > 0,05, therefore the ninth hypothesis (H9) is rejected. There is no significant difference in financial performance (return on equity) between FAST and PTSP.

2.2.10. Return on invested capital comparison between FAST and PTSP from 2015 to 2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Return on Invested Capital	Equal variances assumed	7.541	.025	1.236	8	.252	2.91000	2.35509	-2.52084	8.34084
	Equal variances not assumed			1.236	4.354	.279	2.91000	2.35509	-3.42436	9.24436

Based on return on invested capital test above, Sig. F from equal variances assumed is 0,025 (below 0,05) means that the variances assumed equal is rejected. Therefore, the value been used for comparing return on invested capital is from the equal variances not assumed (t = 1,236 with Sig. (2-tailed)=0,279). Since the Sig. (2-tailed) > 0,05, therefore the tenth hypothesis (H10) is rejected. There is no significant difference in financial performance (return on invested capital) between FAST and PTSP.

CONCLUSION

This study found that there are three financial ratios which have significant differences between FAST and PTSP in 2015-2019. They are Current Ratio, Quick Ratio, and Inventory Turnover. This study also found that in 2015-2019, there is no significant differences between FAST and PTSP in Debt-to-Equity Ratio, Debt to Asset Ratio, Asset Turnover, Return on Sales, Return on Asset, Return on Equity, and Return on Invested Capital. It can be concluded that:

- FAST was more liquid significantly than PTSP in term of its current ratio and quick ratio; and
- FAST was more efficient significantly than PTSP in using its inventory to generate sales.

This study has added the knowledge in the financial literature. It also gives insight for managers and investors in foodservice business about implementation of financial performance analysis which could be a consideration to make a decision.

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