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Strategies and Segments on the Performance of Retail Companies in Indonesia during the Covid Pandemic

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Keywords
Diversification Strategy, Number of Segments, Managerial Ownership, COVID Pandemic, Company Performance

ABSTRACT
The abstract contains a brief description of the purpose: describes the objectives and hypotheses of the research. Methods: describes the essential features of the research design, data, and analysis. It may include the sample size, geographic location, demographics, variables, controls, conditions, tests, descriptions of research design, details of sampling techniques, and data gathering procedures. Results: describes the key findings of the study, including experimental, correlational, or theoretical results. It may also provide a brief explanation of the results. Implications: show how the results connect to policy and practice and provide suggestions for follow-up, future studies, or further analysis. Additional materials: notes the number of references, tables, graphs, exhibits, test instruments, appendixes, or other supplemental materials in the paper. Also, the abstract must be written in a single paragraph in English, max 250 words.

INTRODUCTION

The outbreak of COVID-19 in various parts of the world has had negative consequences on health, society, and, of course, the economy. The implementation of Large-Scale Social Restrictions (PSBB) policies has led to reduced purchasing power, which in turn can result in a decline in the financial performance of retail companies. Data from Market Line Research (2010) indicates that the turnover in the global retail business reached US$ 10.5 trillion in 2010, with a predicted annual growth rate of 5%. The food and beverage business dominated with a 65% share. The modern retail business in Indonesia has been growing rapidly.

The financial performance of retail companies, as measured by Return on Assets (ROA), showed a decrease from 2018 to 2019, but it remained positive overall. However, from 2019 to 2020 (the onset of the pandemic), not only was there a significant decline but also a negative performance trend. Similarly, in 2021, the performance declined even further compared to 2020, with increasing negative trends.

Wildan (2020) stated that to create value for a company, financial managers must make appropriate investment decisions, financing decisions, dividend decisions, and decisions on net working capital investment. Meanwhile, Modigliani and Miller (MM) argue that the value of a company is determined by its ability to generate profits from its assets or its investment policies and that the allocation of earnings into dividends and retained earnings does not affect the company's value.

Business diversification is one of the strategies chosen by managers to improve financial performance. Many companies implement diversification strategies to enhance the overall value of the company (Chriselly, 2016).

Many companies diversify as a means of defense and business expansion. Furthermore, the manufacturing sector has many advantages in becoming an economic growth engine, making

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diversification in the Indonesian manufacturing sector important in achieving upper-middle-income economic targets.

Business diversification is intended not only to add business diversity but also to improve company performance, both financially and overall, by incorporating the market value of the company's outstanding shares. Good financial performance is indicated by maximum profit, resulting in a high return on assets (ROA) ratio. Tobin's Q can be used to measure market performance.

In Karanja's (2013) research, the diversification strategy of oil companies was found to affect the company's performance through increased sales volume, net profit, and shareholder equity. However, the same study concluded that the strategy did not have a positive effect on owner equity returns.

In Manyuru et al.'s (2017) research, they examined 38 companies listed on the NSE in Kenya. The study concluded that managers need to be cautious in diversification because the costs are higher than the benefits.

In Rishi, Rudra, and Vinay's (2014) study, they sampled 44 companies in India and used Tobin-Q, Ulton, and Entropy Indexes to measure diversification. The research results showed that companies engaged in product diversification were more profitable and increased their tangible assets compared to non-diversified companies.

Due to the inconsistency in previous research results regarding the relationship between diversification and company performance, it is suspected that other variables may also influence it. In this study, the variable used to moderate the relationship between diversification and company performance is managerial ownership. Therefore, it is essential to conduct research by analyzing and testing the differences before and after the COVID-19 pandemic on the financial performance of retail organizations using the ROA ratio to determine the impact of COVID-19 on company financial performance. Furthermore, to strengthen the regression equation's quality related to the influence of business diversification and the number of segments on company performance, the control variables of company age and size are added.

Based on the phenomenon, cases, and empirical evidence from previous researchers, the researcher addresses the issue with the title "The Impact of the Covid Pandemic and the Role of Managerial Ownership in the Influence of Strategy and Segment Number on the Performance of Retail Companies in Indonesia."

LITERATURE REVIEW

A. Agency Theory

Jensen & Meckling (1976) defined agency theory as the contractual relationship between the principal (owner) and the agent (manager) who is tasked with managing the company's resources, carrying out operational activities, and making strategic decisions to facilitate business development. Agency problems arise in all business industries as long as there are contracts binding principals and agents. Agency conflicts cannot be entirely avoided but can be minimized. Efforts to minimize agency conflicts can be done through supervision processes or incurring monitoring costs for the activities undertaken by agents.

B. Financial Accounting

Financial accounting, also known as general accounting, is the field of accounting that deals with recording a company's transactions and preparing periodic financial statements based on accounting principles. The process of preparing financial statements is used by companies to demonstrate their financial performance and position to external parties, including investors, creditors, suppliers, and customers.

C. Company Performance

Company performance is a representation of a company's financial condition. It can be analyzed using financial analysis tools, allowing investors and companies to assess the financial health and performance over a specific period. Additionally, it helps management predict the company's financial condition for future periods and informs decision-making, serving as a guide for companies to adapt to changing environments. The assessment of financial performance is one way management fulfills its responsibility to be accountable for the resources provided by investors.

D. Relationship of Diversification Strategy to Company Performance

Business diversification involves varying types of businesses, whether related or unrelated. Business lines that align with the core business are referred to as related business, while those significantly different from the core business are unrelated business (Kurniasari, 2019). According to Berger & Ofek (1995), companies that diversify can benefit from greater operational efficiency, fewer incentives to abandon projects with positive Net Present Value (NPV), increased debt capacity, and lower taxes.

However, previous research suggests that most diversified companies tend to perform less favorably compared to companies with a single segment. This view is supported by Mulyani (2020), who found that multi-segment companies exhibit lower performance.

H1: Diversification strategy has a positive impact on company performance.

E. Number of Segments

The Association for Investment Management and Research (AIMR) states that segment reporting is vital for investment analysis, as it observes user demand for segment information. Segment business is defined by PSAK No.5 (2012) as components of a company that can be differentiated in terms of producing products or services, with different risks and rewards compared to other segments. According to Mulyani's (2020) research, companies with multiple segments tend to exhibit a decrease in performance as the number of segments increases.

H2: The number of segments affects company performance.

Conflicting interests held by managers can lead to a decrease in excess value. Managers might open multiple business segments solely for short-term gains, such as increasing revenue for personal incentives. However, long-term consequences are often ignored, especially if some segments incur losses, leading to cross-subsidization from profitable to unprofitable segments and a subsequent decrease in excess value.

H4: Managerial ownership strengthens the influence of the number of segments on company performance.

F. Managerial Ownership

Managerial ownership is a mechanism of good corporate governance (GCG) that helps control agency conflicts arising from the separation of ownership and management of a company. With managerial ownership, managers have a stake in the company and are motivated to improve performance as they are part owners of the company. The higher the managerial ownership, the more incentive managers have to work in the best interest of shareholders (Chriselly, 2016).

Based on the relationship between managerial ownership and diversification, when managerial and ownership roles align, the impact of management decisions directly affects the manager in question. This alignment is expected to lead to better future company performance.

H3: Managerial ownership strengthens the influence of company diversification on company performance.

G. The Impact of Diversification Strategy on Company Performance Moderated by the Covid-19 Pandemic

The Covid-19 pandemic began in 2019 and continued until 2022, although there was a decline in cases. In Indonesia, restrictions on activities, reduced demand, and decreased aggregate supply due to the pandemic led to a drastic economic downturn. The Covid-19 pandemic has prompted all sectors to diversify their businesses to withstand uncertain conditions. Some companies had already employed diversification strategies before the pandemic, albeit on varying scales. Although the revenue portion may not have become dominant, these companies sought to improve their performance through diversification during the pandemic.

H5: The Covid-19 pandemic strengthens the influence of company diversification on company performance.

H. Company Age

Company age refers to the length of time a company has been established, developed, and survived. The longer a company has been in existence, the more it has experienced the ups and downs of business, including both progress and challenges. A company's ability to resolve various issues arising during its management period strengthens its presence.

I. Company Size

Company size indicates the scale of a company, which can be measured by total assets, total sales, average sales levels, and average total assets. Larger companies have excess capital that can be diversified, potentially improving company performance.

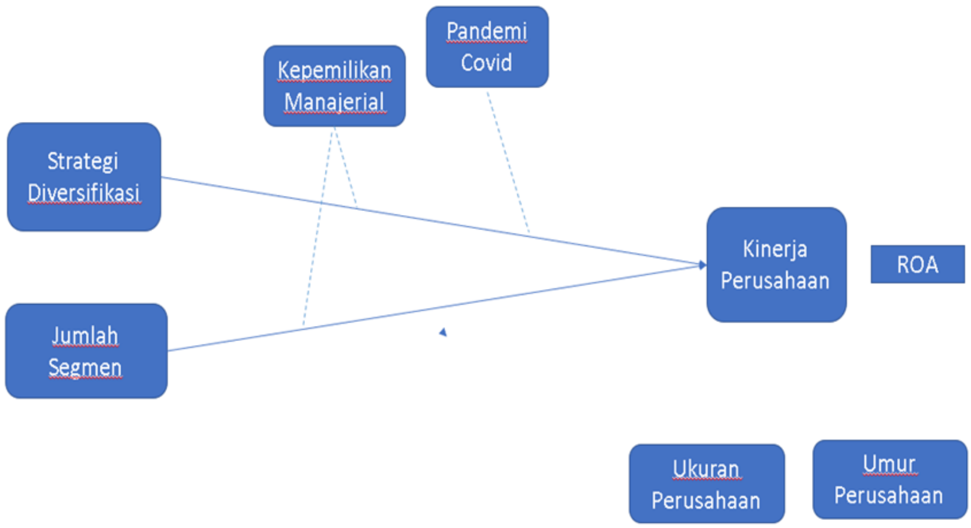

Figure 1. Research Thinking Framework

METHODS

The research methodology employed in this study is quantitative research. In quantitative research, descriptive statistics are used for testing and analyzing the research variables. This research aims to examine how the independent variables, namely Diversification Strategy (DS), Number of Segments (NS), as well as the moderating variables Managerial Ownership (MO) and Covid-19 Pandemic (CP), affect the dependent variable, which is Company Performance (CP).

The researcher opted for a quantitative research design because the data needed for the study primarily consists of numerical values, and statistical analysis will be conducted using Smart PLS4 software.

The type of data used in this research is quantitative data. The data source is secondary data, which includes research data indirectly obtained from companies. The data used in this study comprises annual financial reports from 2018 to 2021 of retail companies listed on the Indonesia Stock Exchange (Bursa Efek Indonesia or BEI). These data were retrieved from the official BEI website at www.idx.co.id and the respective websites of the individual companies.

Table 1
Operational Variables

No	Variable	Definition	Formula	Scale Uranium trap
depend				
1	Company performance	A view of the overall state of the company during a certain period of time	**LENGTH =**Net Income Total Asset	**R**add it

Independent				
1	Diversification Strategy	Total sales/revenue of the company's business segments in terms of products and operations		Ratio
2	Number of Segments	This variable is used to control for the effect of the number of business segments owned by the company	The number of segments owned by the company.	Number of Segments
Moderation				
1	Managerial ownership	ownership of company shares by the manager or in other words the manager is also a shareholder	KM = Number of managerial sharesThe total number of ordinary shares	Ratio
2	The Covid 19 pandemic	The COVID-19 pandemic this being the first and caused by the corona virus that has been around since the end of 2019	Rated 0 for 2018-2019 (before the pandemic), rated 1 for 2020 and rated 2 for 2021 (period pandemic)	*Dummy*
Variable Control				
1	Company Size	size is the size of the company which is calculated from the total value of the company's assets	Size = Ln (Total Acet)	Ratio
2	Company Age	Age is used to measure the effect of how long the company has been operating on the company's performance.	AGE = Last financial reporting year – the year the company was founded	Ratio

Conceptualization of the Research Model

In this research, there are direct relationships between the independent variables, namely Diversification Strategy (DS) and Number of Segments (NS), and the dependent variable, which is Company Performance (CP), moderated by Managerial Ownership (MO) and Covid-19 Pandemic (CP). Conceptually, the impact of independent variables and moderating variables on the dependent variable can be categorized as follows:

1. If the managerial ownership moderating variable (MO) is related to the dependent variable Company Performance (CP) and/or the independent variable Diversification Strategy (DS) but does not interact with the independent variable (DS), then managerial ownership is not a moderating variable but rather an intervening, exogenous, or predictor variable (independent).
2. The type of managerial ownership moderating variable (MO) in quadrant 2 affects the strength of the relationship but does not interact with the independent variable Diversification Strategy (DS) and is not significantly related to either the independent variable Diversification Strategy (DS) or the dependent variable Company Performance (CP). This type is referred to as a homogenizing moderator.
3. Managerial ownership moderating variable (MO) that can function as an independent variable (independent) and simultaneously interact with other independent variables is referred to as a quasi-moderator (pseudo-moderator) and is located in a particular quadrant.
4. In Quadrant 4, the managerial ownership moderating variable (MO) is not related to the dependent variable (CP) and the independent variable Diversification Strategy (DS), but it directly interacts with the independent variable Diversification Strategy (DS). This type of moderator is called a pure moderator (genuine moderator).

Table 2
Descriptive statistics

	MAX	MIN	MEAN	Std.Dev
Diversification Strategy	1.000	0.000	0,4625	0,240
Number of Segments	7.000	1.000	3.076	1.115

Company performance	39.840	- 28.210	2.429	7.998
Company Size	30.888	25.095	28.412	1.330
Company Age	63.000	3.000	22.543	14.664
Managerial ownership	0,867	0.000	0,158	0,267
Pandemic COVID	2.000	0.000	0,750	0,829

Algorithm Analysis Method and Resampling Method

This research employs the Partial Least Squares (PLS) algorithm analysis in Mode B, often referred to as the formative mode. This mode is suitable for modeling latent variables in both reflective and formative forms.

The resampling method utilized in this study is bootstrapping, which involves resampling the entire original sample to generate new samples (Ghozali, 2016).

Structural Model Evaluation

To obtain the best model from the analysis of the research variables, this study employs three analysis models with the following equations:

KP = β1.SD + β2.JS + β3.KM + β4.PC + β5.SD.KM + β6.JS.KM + β7.SD.PC

Where:
KP (Y) = Company Performance (ROA)
β1, β2, β3, β4, β5, β6, β7 = Regression Coefficients of Independent Variables
SD (X1) = Diversification Strategy
JS (X2) = Number of Segments
KM (M1) = Managerial Ownership
PC (M2) = Covid-19 Pandemic
SD.KM = Interaction between Diversification Strategy and Managerial Ownership on Company Performance
JS.KM = Interaction between Number of Segments and Managerial Ownership on Company Performance
SD.PC = Interaction between Diversification Strategy and Covid-19 Pandemic on Company Performance

RESULTS

Descriptive Statistic

Table 3
Descriptive statistics

	MAX	MIN	MEAN	Std.Dev
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Goodness of Fit Model

Table 4
Nilai R^2 Endogenous Variables

	R-square	R-square adjusted
Managerial ownership	0.201	0.134

Source: PLS4 Smart Result Data, 2023

Results of the SD and JS Influence on KP

The model assessing the influence of SD and JS on KP yields an R-squared value of 0.2. This can be interpreted as 20% of the variation in the KP construct is explained by the SD and JS constructs, while the remaining 80% is explained by other unexamined variables.

C. Hypothesis Testing Results

Hypothesis testing is conducted to determine the influence between exogenous and endogenous variables using the bootstrapping resampling method. Decision-making regarding hypothesis acceptance in this study is based on the one-tailed t-table value, which is set at 1.96 for a significance level of 0.05. In this research, prior to establishing the five hypotheses mentioned above, for optimal results, the researcher conducted bootstrapping tests on analysis models 1, 2, and 3 to determine the values of R-squared and R-squared Adjusted, as well as to address the results of testing the five hypotheses. Below are the test results:

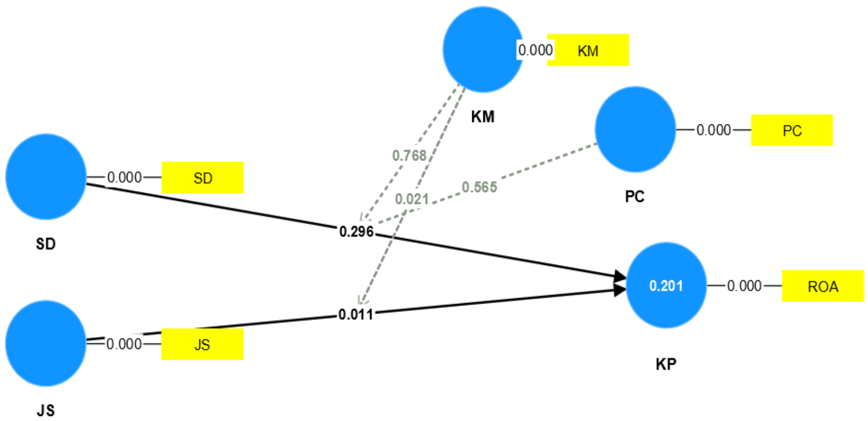

Figure 2. Analysis Model Test Results 1

Table 5
Bootstrapping Test Results (Path Coeffcient) Analysis Model 1

Variable	Original sample	T statistics (|O/STDEV|)	P values	R Square	R Square Adjusted	Results	Conclusion
JS -> KP	0,1458333	2.538	0.011**			Accepted	The number o segments affect the company' performance
KM -> KP	0,1715278	2.168	0.030**			Accepted	Managerial ownership affect the company' performance
PC -> KP	-0.231	2.108	0.035**	0,139583	0,09305556	Accepted	The covi pandemic ha affected th company's performance
SD -> KP	-0.101	1.046	0,205555556			Rejected	The diversificatio strategy has n effect on compan performance
SD x PC -> KP	0.050	0,4	0,392361111			Rejected	The covi pandemic did no moderate th

					effect of the diversification strategy on company performance
SD x KM -> KP	-0.042	0,204861111	0,533333333	Rejected	Managerial ownership moderates the effect of diversification strategy on firm performance
JS x KM -> KP	0,1909722	2.317	0.021**	Accepted	Managerial ownership moderates the influence of the number of segments on company performance

Source: Data results

Here are the interpretations of the results:

1. Company performance (KP) decreases by 0.101 units if Diversification Strategy (SD) increases by one unit.
2. Company performance (KP) increases by 0.210 units if the Number of Segments (JS) increases by one unit.
3. Company performance (KP) decreases by 0.231 units if Covid-19 Pandemic (PC) increases by one unit.
4. Company performance (KP) decreases by 0.042 units if SD, moderated by Managerial Ownership (KM), increases by one unit.
5. Company performance (KP) increases by 0.275 units if JS, moderated by Managerial Ownership (KM), increases by one unit.
6. Company performance (KP) increases by 0.050 units if SD, moderated by Covid-19 Pandemic (PC), increases by one unit.

Analysis Model 2

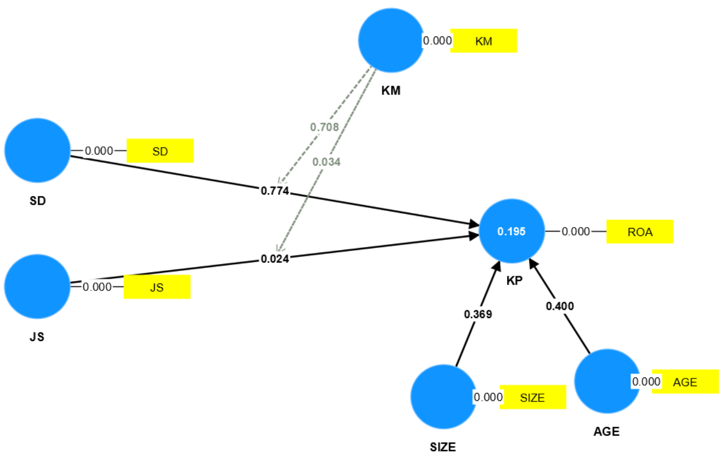

Figure 3. Analysis Model Test Results

Table 6

Analysis Model 2

Variable	Original sample	T statistics (|O/STDEV|)	P values	R Square	R Square Adjusted	Results	Conclusion
AGE -> KP	0.150	0.842	0.400	0.195	0.128	rejected	Firm age has no effect on firm performance
JS -> KP	0.199	2.261	0.024**			accepted	The number of segments affects the company's performance
KM -> KP	0.287	2.570	0.010*			accepted	Managerial ownership affects the company's performance
SD -> KP	-0.032	0.287	0.774			rejected	The diversification strategy has no effect on company performance
SIZE -> KP	0.116	0.898	0.369			rejected	Company size has no effect on company performance
SD x KM -> KP	-0.057	0.375	0.708			rejected	Managerial ownership does not moderate the effect of diversification strategy on firm performance
JS x KM -> KP	0.266	2.124	0.034**			accepted	Managerial ownership moderates the influence of the number of segments on company performance

KP = -0.032SD + 0.199JS + 0.287KM - 0.050SD.KM + 0.266JS.KM

1. Company performance (KP) decreases by 0.032 units when diversification strategy (SD) increases by one unit.
2. Company performance (KP) increases by 0.199 units when the number of segments (JS) increases by one unit.
3. Company performance (KP) increases by 0.287 units when managerial ownership (KM) increases by one unit.
4. Company performance (KP) decreases by 0.050 units when diversification strategy (SD) moderated by managerial ownership (KM) increases by one unit.
5. Company performance (KP) decreases by 0.266 units when the number of segments (JS) moderated by managerial ownership (KM) increases by one unit.

Discussion

A. Influence of Diversification Strategy on Company Performance

Based on the conducted tests, it is evident that diversification strategy does not have an influence on company performance. Therefore, it can be concluded that hypothesis H1 is rejected. The degree of diversification, whether high or low, does not affect the level of a company's financial performance.

In this research, the author gathered and classified data from the sample retail companies based on the types of diversification. The results indicate that the majority of diversification is concentric, meaning that companies add new products that are related to their existing products at the time. There are also some cases of horizontal diversification, where companies introduce new products that are unrelated to their existing products but are sold to the same customers.

Table 8
Company Segment Data and Types of Diversification

No.	Code	Company Name	Segment	Types of Diversification
1	coin	Sturdy Inti Arebama Tbk	ceramics Cement Sak Granite Light Brick Concrete Cement Other Other	Concentric Diversification
2	AMRT	PT Sumber Alfaria Trijaya Tbk.	Food Non Food Service	Diversifix Horizontal
3	ONE	Duta Intidaya Tbk	-	
4	HERO	Hero Supermarket Tbk	Food Non Food	Diversifix Horizontal
5	MIDI	Midi Utama Indonesia Tbk	Food Fresh Food Non Food	Diversifix Horizontal
6	MPPA	Matahari Putra Prima Tbk	Retail Wholesaler	Concentric Diversification
7	RANC	Supra Boga Lestari Tbk	Barat area Timur area	Concentric Diversification
8	ACES	Ace Hardware Indonesia Tbk	Home Improvement Lifestyle Games	Diversifix Horizontal
9	TAP	Chess Sentosa Adiprana Tbk	Distribution Retail	Concentric Diversification
10	ECIII	Electronic City Indonesia Tbk	Electronic Rent Other Other	Concentric Diversification
11	THERE ARE	Erajaya Swasembada Tbk	Mobile Phones & Tabs Carrier Products Computers & other Electronic Devices Accessories and others	Concentric Diversification
13	LPPF	Matahari Department Store Tbk	Java Sumatra Kalimantan, Sulawesi, Maluku Other	Concentric Diversification
14	MAP	Map Active Adiperkasa Tbk	Retail/retail Non Retail	Concentric Diversification
15	MAPI	Mitra Adiperkasa Tbk	Retail	Diversifix Horizontal

			Department Store Cafe & Restaurant Other Other	
16	MKNT	Nusantara Communication Partners Tbk	Tablet & handset Prime Cards & Top Up Vouchers Modems & Accessories	Concentric Diversification
17	RALS	Ramayana Lestari Sentosa Tbk	Sumatra Java, Bali, Nusa Tenggara Borneo Sulawesi & Papua	Concentric Diversification
18	END	Sona Topas Tourism Industry Tbk	Travel Business Duty Free Shop Retail Store	Concentric Diversification
19	A LOT	Tiphone Mobile Indonesia Tbk	Cellphone Voucher Repair Media Application Services	Concentric Diversification
20	TRIO	Trikomsel Oke Tbk	Cellphone Top up vouchers Content & More	Concentric Diversification
21	DIVA	Distribution of Nusantara Vouchers Tbk	Digital Products & Services Travel & Tourism Financial Digital Services	Diversifix Horizontal
22	STALL	Kioson Commercial Indonesia Tbk	Digital Products PPOB (Payment Poin Online bank) Ecommerce Other Other	Diversifix Horizontal
23	MCAS	M Cash Integration Tbk	Digital Product Aggregator Digital Products Digital Cloud Based Advertising Internet Of Thing	Concentric Diversification
24	NFCX	NFC Indonesia Tbk	Digital Product Aggregator Cloud Based Advertising	Concentric Diversification
25	SKYB	PT Northcliff Citranusa Indonesia Tbk.	Solar panel Battery Solar System Inverter LED Product Support	Concentric Diversification

B. Influence of the Number of Segments on Company Performance

Based on the conducted tests, it is known that the number of segments has an influence on company performance. Therefore, it can be concluded that hypothesis H2 is accepted. The higher the market concentration in specific business segments, the more competitive advantage the company gains compared to its competitors. This provides the company with an opportunity to generate higher income, ultimately leading to an improvement in the financial performance of the company (ROA).

These research findings are consistent with the results of studies conducted by Mulyani (2020) and Roslita & Anggraeni (2019), which also found that the number of segments has an impact on company performance (ROA). According to Mulyani's research (2020), the application of multiple segments allows losses in one segment to be offset by profits in other business segments.

C. Influence of Diversification Strategy on Company Performance Moderated by Managerial Ownership

The interaction between company diversification and managerial ownership resulted in a significance level of 0.768, which means the probability is above the 0.05 significance level. This suggests that managerial ownership does not prove to moderate the impact of diversification on company performance. Therefore, hypothesis three, stating that managerial ownership significantly moderates the influence of diversification on company performance, is rejected.

These research findings align with the studies conducted by Chriselly (2016) and Rani (2015), which concluded that managerial ownership does not significantly affect the performance of diversified companies.

D. Influence of the Number of Segments on Company Performance Moderated by Managerial Ownership

The test results indicate that the influence of the Number of Segments on Company Performance (KP) moderated by Managerial Ownership has a significant positive effect at the 5% level, with a coefficient of 0.034. Consequently, hypothesis four is accepted. However, this significance level is weaker compared to when the managerial ownership moderation variable was not included.

These findings are consistent with the research conducted by Roslita & Anggraeni (2019) and Wisnuwardhana & Diyanty (2015), which found that the Number of Segments has a positive impact on the financial performance of companies (ROA).

E. Influence of Diversification Strategy on Company Performance Moderated by the COVID-19 Pandemic

The test results indicate that the influence of the Diversification Strategy on company performance (ROA) moderated by the COVID-19 pandemic is not significant. Therefore, hypothesis five is rejected. It appears that the COVID-19 pandemic does not moderate the relationship between diversification strategy and company performance (ROA), and the results remain consistent with those without the moderation variable, indicating no significant impact. This is consistent with the findings of Rani (2015) but differs from the results of Aziz & Rossieta (2016) and Chriselly (2016).

F. Results Before and During the Pandemic

Overall, the results from the period before the pandemic are similar to those from the full period (2018-2021), indicating that the variable "Number of Segments" has a significant positive effect on company performance, and managerial ownership can moderate the relationship between the number of segments and company performance, although the significance level is weaker. In the four-year period (2018-2021), the significance of the Number of Segments on Company Performance is 0.011, whereas it weakens to 0.024 during the period before the pandemic (2018-2019), still maintaining significance at the 5% level. During the pandemic period (2020-2021), only the control variable, company size (Size), influences company performance. Interestingly, during the pandemic, diversification strategy continues to have no impact on company performance, and managerial ownership still does not moderate the relationship between diversification strategy and company performance. The Number of Segments variable, which had an impact during the full period (2018-2021) and the period before the pandemic, loses its impact on company performance during the pandemic period. Managerial ownership also does not moderate the relationship between the number of segments and company performance during the pandemic, despite its moderating effect in the full period (2018-2021) and the period before the pandemic. This indicates that the results can vary during the pandemic, with variables that were previously significant becoming insignificant during this period. Diversification strategy, which was expected to have an impact on company performance during the pandemic, does not prove to do so.

CONCLUSION

This research aims to examine and analyze the influence of diversification strategies and the number of segments on company performance (ROA) moderated by managerial ownership and the COVID-19 pandemic in retail companies listed on the Indonesia Stock Exchange from 2018 to 2021. (1) Research findings indicate that diversification strategy (SD) does not have a significant influence on company performance (KP). (2) Research findings indicate that the number of segments (JS) has a significant influence on company performance (KP). (3) Research findings indicate that managerial ownership does not moderate the relationship between diversification strategy (SD) and company performance (KP). (4) Research findings indicate that managerial ownership can moderate the relationship between the number of segments (JS) and company performance (KP). (5) Research findings indicate that the COVID-19 pandemic does not moderate the relationship between diversification strategy (SD) and company performance (KP).

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