ABSTRACT

Profit is information that attracts investors' attention because earnings information can reflect the company's achievements in a certain period. Earnings information submitted by companies can be the basis of investors in making decisions. There is a difference in market response for each security on announced earnings information. Earnings Response Coefficient (ERC) *can see the market response to a company's earnings information.* ERC *is a large measure of the abnormal return of a security as a response to the element of surprise earnings (unexpected earnings) published by the company around the date of publication of financial statements. This proves that* ERC *is a response or reaction to earnings announced by a company.*

This study aims to examine the effect of corporate social responsibility, default risk, and conservatism on earnings response coefficient, both partially and simultaneously. The population in this study is the food and beverage industry listed on the Indonesia Stock Exchange (IDX) *for the 2015-2018 period. The sample selection is determined by the purposive sampling methode, and the number of samples obtained is 68 samples. The analysis used in this research is descriptive analysis using panel data regression which is processed using the help of Eviews application.*

The results showed that corporate social responsibility, default risk and conservatism have a significant simultaneous effect on earnings response coefficient. Partially, default risk have a negative effect on earnings response coefficient, while corporate social responsibility and conservatism doesn't affect on earnings response coefficient.

Keywords: Corporate Social Responsibility, Default Risk, Conservatism, Earnings Response Coefficient