ECOSIA | International Conference
Institut Teknologi dan Bisnis Asia Malang
Indonesia, 10 December 2025

The Effect Of Sustainability Reporting, Environmental Performance And Media Exposure On Reputation Of Food And Beverage Sector Companies Listed The Indonesia Stock Exchange

Vivin Lauren Indriyanti[1]
Justita Dura[1]
[1]Affiliation: Department of Accounting, Institut Teknologi dan Bisnis Asia Malang, Indonesia
Email Correspondence: vivin.lauren@gmail.com

Abstract

Introduction/Main Objectives: This study examines the influence of sustainability reporting, environmental performance, and media exposure on corporate reputation in the food and beverage sector listed on the Indonesia Stock Exchange (IDX) during the 2022–2024 period. The topic is relevant due to the growing emphasis on sustainable business practices and the increasing demand from investors for non-financial information reflecting corporate social and environmental responsibility.

Background Problems: The research addresses the question of whether sustainability reporting, environmental performance, and media exposure significantly affect corporate reputation within the food and beverage industry.

Research Methods: A quantitative approach with an explanatory research design was employed. The sample consists of 81 companies selected through purposive sampling for the 2022–2024 period. Data analysis was conducted using classical assumption tests and multiple linear regression with SPSS version 25.

Finding/Results: The findings indicate that sustainability reporting has a positive and statistically significant effect on corporate reputation. In contrast, environmental performance and media exposure do not show a significant influence on corporate reputation.

Conclusion: The study concludes that sustainability reporting plays a crucial role in enhancing corporate reputation, while environmental performance and media exposure are less impactful. These results imply that companies should prioritize transparent sustainability reporting to strengthen their reputation among stakeholders.

Keywords: Sustainability Reporting, Environmental Performance, Media Exposure, Corporate Reputation, Food and Beverage Sector

Introduction

Companies as economic entities do aim to generate optimal profits for their shareholders, but this is not enough to ensure long-term sustainability without consideration for the impact of their activities (Raharja, 2021). Over the past few decades, awareness of social, environmental, and economic impacts has driven companies to implement sustainability practices. This is reflected in sustainability reports that present information related to climate change, natural resource use, and social justice issues (Arifin, 2024). The increasingly intense competition among companies necessitates that each firm possesses a unique advantage and a suitable strategy to survive and adapt to change (Pithaloka, 2024). Companies in the food and beverage sector currently receive considerable public attention due to the expectation that their business activities be oriented toward social responsibility and environmental preservation. Therefore, this sub-sector is relevant for further study, particularly in assessing the extent to which internal company factors can contribute to increasing company value amid growing demands for sustainable business practices (Azahra & Sulistyowati, 2025). In Indonesia, the preparation of sustainability reports is still voluntary and not yet mandatory, with most companies referring to the disclosure standards set by the Global Reporting Initiative (GRI) (Saf'anah & Murtanto, 2024).

Investors and stakeholders generally use financial statements as the main basis for decision making, even though non-financial aspects are often overlooked. In fact, stakeholder satisfaction and loyalty to a company are greatly influenced by the company's ability to build and enhance its reputation (Wibowo & Nur, 2024). Indicators frequently used by investors to assess the feasibility of an investment are Return on Assets (ROA) and Return on Equity (ROE). However, industrial development not only contributes positively to economic growth but also has the potential to cause negative impacts on the environment (Puspitasari, 2025). In addition, investors and stakeholders now increasingly need non-financial information, such as environmental performance, to support more accurate investment decisions (Dura et al., 2021). Environmental performance can reveal the extent to which a company implements and carries out activities related to environmental aspects in its operations (Ratnawati, 2025). Moreover, environmental performance is a form of corporate social responsibility perceived by the community or stakeholders (Rachmawati et al., 2025). By strengthening its reputation through credible and consistent sustainability reporting practices, companies are expected to increase the trust of shareholders and potential investors (Moridu & Posumah, 2025).

In the digital age, media exposure, whether through mass media coverage or social media conversations, plays a significant role in accelerating the formation of public opinion (Putri & Hermi, 2024). Corporate reputation, which is shaped by internal practices and external perceptions, is now increasingly vulnerable to various risks, with negative media coverage being one of the most damaging factors (Das & Vaishnaw, 2024). Various studies and practice reports also confirm that companies in the food and beverage sector still face challenges in ensuring compliance with food safety standards and consistency of disclosure, which can ultimately be exacerbated by media scrutiny (Hartiana, 2025). Conversely, effective communication through various media channels can enhance transparency, build investor trust, and strengthen positive perceptions of the company (Nasution et al., 2025). The current phenomenon in the food and beverage industry shows an increase in consumer awareness and demand for sustainability-oriented business practices. According to the Tridge (2024), 63% of consumers express concern about deforestation issues, 62% about food waste problems, and 58% about the ethical treatment of farmers. Additionally, about 80% of consumers now review the environmental commitments conveyed by brands, although 24% of them still doubt the authenticity of these sustainability claims. This condition can encourage companies to increase the implementation of environmentally friendly practices in all aspects of their operations, from the production process and use of raw materials to packaging design, in an effort to maintain consumer trust and strengthen their competitiveness in the market. However, challenges still arise in the form of greenwashing risks and uncertainty regarding the consistency of consumer behavior towards sustainable products in the long term. Thus, this phenomenon reflects a significant shift in consumer behavior and preferences, making it interesting to further study the impact of sustainability practices on corporate reputation and consumer purchasing decisions in the food and beverage sector.

Previous studies on sustainability reporting in Indonesia still show mixed results. Some studies find that sustainability reporting can increase investor confidence and corporate reputation, such as the research conducted by Arifin (2024) and Saf'anah & Murtanto (2024), while other studies indicate that reporting that is only regulatory compliance does not have a significant impact on reputation. This inconsistency in findings suggests the need for further review on the extent to which the quality of sustainability reporting truly contributes to corporate reputation. Furthermore, research on environmental performance in Indonesia has been mostly focused on the extractive and heavy manufacturing sectors, while empirical studies on the food and beverage sector remain very limited. In fact, this sector has significant environmental risks such as organic waste, plastic use, and food safety issues that can directly affect public image and trust. Additionally, incorporating the media exposure variable can accelerate the formation of public perception, either in the form of appreciation or a reputation crisis. Therefore, this research is expected to fill the gap by analyzing the effect of sustainability reporting, environmental performance, and media exposure on the corporate reputation of food and beverage sector companies listed on the Indonesia Stock Exchange.

Research Methods

This study employs a quantitative research strategy utilizing an explanatory research design. This methodology is based on the principle of using numerical data derived from observations to both describe and clarify the phenomena under investigation (Taherdoost, 2022). Meanwhile, explanatory research is a method used to explain an event by linking variables or factors that influence an event (Saraswati et al., 2022). This approach was specifically chosen because the core objective of the research is to determine the impact of the independent variables namely sustainability reporting, environmental performance, and media exposure on the dependent variable, corporate reputation. The sample for this study consists of 81 companies operating within the food and beverage sector that were listed on the Indonesia Stock Exchange (IDX) between 2022 and 2024. The selection process was carried out using the purposive sampling technique, which involves choosing samples based on predefined criteria highly relevant to the research aims (Awalinda et al., 2025). Thus, the specific criteria used are as follows:

1. Food and beverage companies that maintained their listing on the Indonesia Stock Exchange throughout the 2022-2024 period.
2. Companies that consistently publish both an annual reports and a sustainability reports from 2022 to 2024.
3. Companies that have data on environmental performance and media exposure.
4. Companies that are not delisted during the period 2022-2024.

The assessment of sustainability and environmental performance is measured using the GRI (Global Reporting Initiative) index, which is internationally accepted and utilized by many companies. The calculation for these variables employs a dummy variable approach, where each disclosed indicator is scored as 1, and each non-disclosed indicator is scored as 0. The media exposure variable is measured by the number of media news articles during the period, while corporate reputation was proxied by the total number of awards received by each respective company.

Result

This research used a sample of 81 out of 249 food and beverage companies that were included in the population in 2022-2024. The variables used in this study were sustainability reporting, environmental performance, media exposure, and corporate reputation. The testing of these variables is presented as follows:

Normality Test

The research employed the One-Sample Kolmogorov-Smirnov Test to determine if the residuals were normally distributed. The output of this test provided an Asymptotic Significance (Asymp. Sig.) value of 0.044 and a Monte Carlo Significance value of 0.373. Based on these results, it can be concluded that the residual data follows a normal distribution, thereby successfully satisfying the normality assumption required for the regression model.

Multicollinearity Test

The multicollinearity diagnostic in this research utilized the Tolerance and Variance Inflation Factor (VIF) values. The Tolerance values were recorded as 0.013 for sustainability reporting, 0.091 for environmental performance, and 0.279 for media exposure. Furthermore, the corresponding VIF values were 1.035 for sustainability reporting, 1.044 for environmental performance, and 1.034 for media exposure. Given that the VIF value for all three variables is significantly less than 10 (VIF < 10), the analysis definitively concludes that there is no multicollinearity among the independent variables, confirming the appropriateness of the regression model employed.

Autocorrelation Test

The autocorrelation test in this research utilized the Durbin-Watson (DW) statistic. The obtained DW value is 1.400. This value is below 2, which indicates the possibility of mild positive autocorrelation in the residuals.

Multiple Linear Regression Test

Table 1. Multiple Linear Regression Test

R	R Square	Durbin-Watson
0,389	0,151	1,400

Source: Author's Work, 2025.

The results derived from the multiple linear regression analysis yielded a correlation coefficient (R) of 0.389 and a coefficient of determination (R Square) value is 0.151. These findings collectively indicate that 15.1% of the variability observed in Corporate Reputation can be accounted for by the joint influence of the sustainability reporting, environmental performance, and media exposure. Consequently, the substantial remaining portion, 84.9%, must be attributed to other factors or variables not included within the scope of this research model.

Partial Significance Test (t-test)

Table 2. t-test

Variable	t	Sig	Description
Sustainability Reporting	2,553	0,013	Significant
Environmental Performance	1,713	0,091	Not Significant
Media Exposure	1,089	0,279	Not Significant

Source: Author’s Work, 2025.

Based on the outcomes of the partial significance test, or t-test, it can be concluded that only the sustainability reporting variable demonstrates a positive and statistically significant effect on corporate reputation, given that its significance value is less than 0,05 (Sig. < 0,05). Conversely, the analysis reveals that both the environmental performance and media exposure variables do not have a significant partial impact on Corporate Reputation.

Discussion

The research findings indicate that sustainability reporting has a positive and significant effect on corporate reputation. This means that the better a company prepares and discloses its sustainability report, the better its reputation. This result is consistent with the studies by Arifin (2024) and Saf’anah & Murtanto (2024), which states that sustainability reporting can increase public trust and a company's positive image. Thus, it can be said that sustainability reporting is not only an obligation but also an important strategy for strengthening corporate reputation.

Unlike sustainability reporting, environmental performance does not have a significant effect on corporate reputation. This aligns with Puspitasari (2025) research, which explains that environmental information does not greatly influence public perception due to a lack of effective information dissemination. Therefore, even if a company has good environmental performance, it does not automatically improve its reputation if it is not followed by clear and open communication with the public.

Media exposure also has no significant effect on reputation. These results show that extensive media coverage does not always improve a company's reputation. This may be because not all media coverage has a positive effect, and some members of the public may not trust all the information that is circulated. This finding is consistent with the research by Putri & Hermi (2024) which noted that influence of the media on companies depends on the content and source of the news. Therefore, companies need to ensure that the information appearing in the media is accurate, positive, and factual.

Overall, this research demonstrates that sustainability reporting is the most critical factor in building corporate reputation within the food and beverage sector. Environmental performance and media exposure still do not have a large impact, possibly due to insufficient public attention to these two aspects. These results affirm the importance of transparency and quality in sustainability reports as the foundation for shaping corporate reputation in the era of sustainable business.

Conclusion

Based on the research conducted on food and beverage companies listed on the Indonesia Stock Exchange (IDX) from 2022 to 2024, the primary conclusion is that sustainability reporting positively influences corporate reputation, while environmental performance and media exposure do not show a significant effect. This outcome underscores that a transparent and consistently published sustainability report is an effective strategy for building public trust and strengthening a positive corporate image among stakeholders. The findings also suggest that the current non-significant impact of environmental performance and media exposure indicates a necessity for companies to enhance their communication and public relations strategies so that positive environmental initiatives and media coverage can translate more optimally into reputational gains.

For subsequent studies, it is recommended to expand the research object to include other industry sectors to make the findings more generalized, and to use a longer observation period to better gauge the consistency of the relationships between the variables. Furthermore, to achieve a more comprehensive analysis, future researchers should consider incorporating additional variables, such as corporate social responsibility (CSR), profitability, or good corporate governance (GCG). Finally, the use of more advanced statistical methods, such as panel data regression or Structural Equation Modeling (SEM), is advised to yield more statistically robust and accurate results.

References

Raharja S. THE INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE IN FORMING CORPORATE REPUTATION AND ITS IMPACT TO MARKET PERFORMANCE OF FIRMS IN INDONESIA. 2021;10(2011):1–15.

Arifin S. Analisis Dampak Pengungkapan Sustainability Reporting Terhadap Kepercayaan Investor. J Ekon dan Bisnis. 2024;4(1):213–20.

Pithaloka SA. Pengaruh Sustainability Report , Good Corporate Governance , Dan Profitability Terhadap Nilai Perusahaan Pada Perusahaan Manufaktur Sektor Food And Beverage Yang Terdaftar Di Bursa Efek Indonesia (BEI) Periode 2020 – 2022. 2024;2(1).

Azahra R, Sulistyowati E. Pengaruh Profitabilitas Dan Kinerja Lingkungan Terhadap Nilai Perusahaan: Studi Pada Perusahaan Sub Sektor Food and Beverage. Equilib J Ilm Ekon Manaj dan Akunt. 2025;14(2):545.

Putri Saf’anah A, Murtanto. Pengaruh Pengungkapan Laporan Keberlanjutan terhadap Reputasi Perusahaan dengan Good Corporate Governance Sebagai Variabel Moderasi. J Ekon dan Pendidik [Internet]. 2024;7(2):41–52. Available from: http://ojs.unm.ac.id/JEKPEND

Wibowo BS, Nur B. The Influence of CSR and Investment Risk on Company Reputation Using Profitability as an Intervening Variable (Case Study on Food and Beverage Subsector Companies Listed on the Indonesia Stock Exchange in 2017-2021). J Econ Bussines Account [Internet]. 2024;7(6):905–17. Available from: https://journal.ipm2kpe.or.id/index.php/COSTING/article/view/12605

Erinda Aprilia Puspitasari. Hubungan Antara Kinerja Lingkungan, Pengungkapan Lingkungan dan Leverage terhadap Profitabilitas pada Perusahaan Food Andbeverage yang Terdaftar di Bursa Efek Indonesia Periode 2019-2023. J Rimba Ris Ilmu Manaj Bisnis dan Akuntansi. 2025;3(1):349–266.

Dura J, Chandrarin G, Subiyantoro E. The Effect Of Disclosure Of Economic, Social, Environmental Performance Sustainability On Financial Performance And Its Implications On Company Value With The Triple Bottom Line Approach. Volatiles Essent Oils. 2021;8(6):3642–58.

Ratnawati V. Kata Kunci : Sustainability Performance , Environmental Performance , Environmental Management Accounting , Firm Value. 2025;12(2):223–36.

Rachmawati S, Bhakti ST, Murwaningsari E, Trisakti U. Determinants Of Carbon Emission Disclosure : The Role Of Industry Sensitivity , Media Exposure , And Environmental Performance. 2025;12(2):297–318.

Moridu I, Posumah NH. Company Reputation Mediates Sustainability Reporting on Investor Trust. 2025;13(4):2711–20.
Putri TBC, Hermi H. Pengaruh Tipe Industri, Media Exposure, Kinerja Lingkungan, dan Leverage terhadap Pengungkapan Emisi Karbon. Akad J Mhs Ekon Bisnis. 2024;4(3):996–1010.
Das KK, Vaishnaw Y. Reputation Risk and Adverse Media Exposure : Corporate Mitigation Strategies and Insurance Safeguards. 2024;25(1):1675–80.
Hartiana TIP. Pemberitaan Strategi Respon Perusahaan dalam Isu Boikot di Sosial Media. J Komun. 2025;13(2):165–78.
Nasution MZ, Adwimurti Y, Rahmani HF. Unraveling Firm Value Dynamics: The Moderating Role of Media Exposure in ESG, Leverage, and Capital Structure. 2025;9(1):207–12.
Tridge. Rising Demand for Sustainability in Indonesian Food and Beverage Market: Opportunities and Challenges. 2024; Available from: https://www.tridge.com/stories/rising-demand-for-sustainability-in-indonesian-food-and-beverage-market-opportunities
Taherdoost H. What are Different Research Approaches ? Comprehensive Review of Qualitative , Quantitative , and Mixed Method Research , Their Applications , Types , and Limitations. 2022;05(01):53–63.
Saraswati C, Sabtiawan AA, Nugraha MH. ANALISIS TINGKAT KECELAKAAN KERJA DIVISI KAPAL NIAGA DENGAN METODE EXPLANATORY RESEARCH (Studi Kasus: PT PAL INDONESIA). UMS Libr. 2022;1–23.
Awalinda AJ, Astriani D, Puspitasari M, Buana U, Karawang P. The Effect of Liquidity , Profitability , and Sustainability Reporting on Firm Value with Investment Opportunity as A Moderating Variable in Food and Beverage Companies Listed on The Indonesia Stock Exchange for The Period 2021 – 2023. 2025;3(1).