

PENGARUH JALUR PENETRASI BANK ASING TERHADAP STRUKTUR PERSAINGAN INDUSTRI PERBANKAN INDONESIA

Oleh : Alexander Kevin

This study discussed the influence of foreign bank penetration mode of entry on a particular scope of banking industry competition in Indonesia. The data used is from financial report and balance sheet from period of 2002 – 2016 quarterly. The number of samples are 44 banks listed in Bank Indonesia. This research aims to examine whether the increasing number of foreign bank penetration through merger and acquisition and de novo affects the competition structure of banking industry in Indonesia. The statistics used to analyse are non-linear least square to estimate non-linear model and ordinary least square to estimate the linear model. The non-linear model used to estimate the dependent variable on the linear model. Panel data on non-linear model were used to identify foreign bank and estimate the competition level. Time-series data on the linear model were used to measure banking industry competition that was affected by foreign bank penetration. This paper found that higher penetration through merger and acquisition weaken the degree of banking competition. In addition, the researcher also found that de novo penetration also affected the competition level. De novo penetration was proven significant in affecting the competition in Indonesia. It drives the degree of banking competition tend to be more monopolistic.

Keywords: Foreign bank, Competition, Industry