**The Result of Panel Model Estimation**

Dependent Variable: CR4?

Total pool (unbalanced) observations: 1295

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Common Effect | | | ***Fixed Effect*** | | | Random Effcet | | |
| Variable | Coefficient | t-Statistic | Prob. | Coefficient | t-Statistic | Prob. | Coefficient | t-Statistic | Prob. |
| C | 64.8812 | 33.7606 | 0.0000 | 83.2297 | 44.2298 | 0.0000 | 64.8812 | 39.7926 | 0.0000 |
| CAR? | -0.00106 | -2.01006 | 0.0446 | -0.00193 | -3.59686 | 0.0003 | -0.00106 | -2.36919 | 0.0180 |
| LDR? | -0.00472 | -4.14452 | 0.0000 | -0.00471 | -3.42388 | 0.0006 | -0.00472 | -4.88502 | 0.0000 |
| DIBA? | -0.01345 | -4.42970 | 0.0000 | -4.75465 | -2.95519 | 0.0032 | -0.01345 | -5.22115 | 0.0000 |
| OBC? | 0.03278 | 4.82257 | 0.0000 | -0.02367 | -4.36259 | 0.0000 | 0.03278 | 5.68421 | 0.0000 |
| BSZ? | -0.00970 | -2.89942 | 0.0038 | -3.86093 | -27.3554 | 0.0000 | -0.00970 | -3.41746 | 0.0007 |
| MS? | -1.09954 | -13.3394 | 0.0000 | 0.86706 | 6.04492 | 0.0000 | -1.09954 | -15.7227 | 0.0000 |
| ADVI? | 0.24258 | 7.32196 | 0.0000 | 0.01664 | 2.64348 | 0.0083 | 0.24259 | 8.63017 | 0.0000 |
| COEF? | -5.98299 | -3.29239 | 0.0010 | -0.01926 | -5.47182 | 0.0000 | -5.98299 | -3.88065 | 0.0001 |
| ROE? | 0.01284 | 4.173802 | 0.0000 | 0.00806 | 2.74096 | 0.0062 | 0.01284 | 4.91953 | 0.0000 |
| GDPR? | -0.90602 | -10.39641 | 0.0000 | -0.98421 | -13.2777 | 0.0000 | -0.90602 | -12.2539 | 0.0000 |
| INF? | 0.18928 | 10.59525 | 0.0000 | 0.12009 | 7.78073 | 0.0000 | 0.18928 | 12.4883 | 0.0000 |
|  | R2 = 0,255  F-statistic = 40.03  Prob. F-statistic = 0,000 | | | R2 = 0.502  F-statistic = 9.939  Prob. F-statistic = 0,000 | | | R2 = 0.255  F-statistic = 40.03  Prob. F-statistic = 0,000 | | |
|  | Cross-section Chi-square = 539.631985  Prob. Cross-section Chi-square - 0,000 | | | | | | Hausman Test = 605.31484  Prob. Hausman Test = 0,000 | | |

Note: *Dependent Variable: CR4= The four larger bank asset concentration. Independent Variables CAR= Capital adequacy ratio, LDR = Loan to deposit ratio, DIBA = Dummy variable Indonesian Banking Architecture Policy, OBC = Office bank chanelling, BSZ = Banking size, MS = Market share, ADVI = advertising intensity, COEF = Cost efficiency, ROE = Retun on investment, GDPR = Real growth of GDP. INF = Inflation.*

Based on Chow-test of 5.62 with probability 0.00, and redundant fixed effect test of 519.8, the appropriate model is a fixed effect. Hausman test probility = 0,000 <0.05, ho rejected, then the proper fixed model. Estimated results of the market structure equation as stated in Table 1 are good enough to be reflected by a deterministic coefficient (R2) of 0.50 percent. Based on the t-statistical probability of all independent variables at a level of α = 1 percent and only significant ROE in the level of α = 5 percent. The F-statistic value of 9,9939 and Probability of F = 0,000, which means that all predetermined variables together significantly affect the endogenous variable of the market structure at a level of α = 1 percent.