

Firm Value and Investor Perception: Tracing the Development and Frontiers of a Growing Research Domain

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Abstract

Over a 26-year span, from 2000 to 2025, this study provides a thorough bibliometric analysis of the research domain pertaining to firm value and investors' perceptions. With an emphasis on business, management, accounting, economics, econometrics, finance, and social sciences, this study attempts to map the intellectual structure, pinpoint important trends, and highlight significant contributors in this interdisciplinary field using data taken from the Scopus database. Publication trends, top sources, most prolific authors, and the geographic distribution of research output are all covered in the analysis. According to the findings, there has been a notable and quick increase in scholarly interest, especially in recent years. This highlights how important it is to comprehend how a company's basic value interacts with the behavioral and psychological elements that affect market valuation. This paper provides a structured overview of the field, serving as a valuable resource for researchers seeking to identify emerging themes and potential research gaps.

Keywords: Firm value, Investors perception, Investment, Finance

1. Introduction

The relationship between a firm's fundamental **value** and the **perception** of its investors is a cornerstone of modern financial economics and corporate strategy. Firm value is the performance of management in completing the tasks that shareholders have given them in relation to the management of the company (Park and Byun 2022). Because it will increase their well-being, shareholders anticipate that the company's value will increase. The goal of maximizing firm value comes at the expense of the long-term maximum firm value received by shareholders (Jensen 2001). One element that can raise a company's value is investment decisions (Fama 1978). Over the last few decades, research on how investment decisions effect business value has sparked much debate in both developing and non-emerging market countries. Investment choices can raise a company's value, according to a number of studies done in the 1990s (Bajo et al. 1998; Dos Santos et al. 1993). Moreover, research conducted in the 2000s showed that investment choices typically restrict increases in company value (Brio et al. 2003; Lin and Kulatilaka 2007). The 2010s saw the emergence of a trend suggesting that investment choices were the primary driver of increases in company value (Efni 2017; Soumaya 2015; Susanti et al. 2019). Our observations led us to conclude that investment choices can increase a company's value. One theory that influences investment choices is signaling theory (Alghifari et al., 2022a). Theoretically, investing in a company results in future growth, greater profitability, and increased value (Sun and Chen, 2017).

Investors are normally more cautious when making investment decisions, and the existence of reason in every investor requires a bigger return at a lower risk, but when markets are efficient, anomalous returns are impossible to achieve. Risk is often connected with negative connotations, such as injury, loss, or unwanted actions, across numerous applications.

For a given level of risk, every judicious investor aims to optimize their investment returns. It is anticipated that diversified funds will greatly reduce market risk. Nowadays, a typical man who saves from his paycheck will only get 8% to 9% from fixed deposits or 3% to 4% in a bank savings account. Investors who have invested in these guaranteed returns products are looking for ever higher returns as the criteria grow each day. Investors have three basic aims before making any investment. These are:

- Safety.
- Return;
- Liquidity

Investors prioritize safety, high returns, and liquidity while making investments. Unfortunately, achieving all three objectives concurrently is quite difficult. One of the objectives will be traded off with another. To get high returns, investors may need to take on risk, while those seeking high liquidity may have to sacrifice on returns.

Firm value, often measured through metrics like market capitalization, Tobin's Q, or discounted cash flow, represents the objective economic worth of a company. In contrast, investors' perception; a complex construct encompassing sentiment, behavioral biases, information asymmetry, and corporate transparency is the subjective lens through which the market interprets this value. The divergence or convergence of these two elements is central to understanding market efficiency, stock price volatility, and the effectiveness of corporate communication and governance.

The academic literature on this topic is vast and multidisciplinary, spanning accounting, finance, management, and social psychology. To systematically map and understand the evolution of this research landscape, a bibliometric approach is essential. Bibliometrics, the statistical analysis of books, articles, and other publications, provides a quantitative methodology to uncover the structural and dynamic patterns of a scientific domain. This study, therefore, undertakes a bibliometric analysis to:

- 1 Quantify the temporal evolution of research output on firm value and investors' perception.
- 2 Identify the most influential journals and document types contributing to the field.
- 3 Determine the leading countries and institutions driving the research agenda.
- 4 Recognize the most prolific authors in this domain.

The findings will offer a structured overview of the field's development from 2000 to 2025, providing a foundation for future scholarly endeavors.

2. Review of Literature

2.1. Conceptual Framework: Investor Perception and Firm Value

The concept of firm value has its roots in financial theory and is largely determined by risk, the cost of capital, and the expectation of future cash flows. The factors that determine firm value, such as profitability, asset structure, corporate governance quality, and strategic competitive advantages, have been thoroughly studied in accounting and finance research.

However, the perception of investors adds a behavioral element to the valuation process. Although behavioral finance has shown that psychological factors, herd behavior, media sentiment, and information processing limitations have a significant impact on investment decisions and, in turn, market prices, traditional finance models frequently assume rational investors. A firm's objective performance and disclosures are translated into subjective market reactions by perception, which serves as a mediating factor. The effects of integrated reporting, earnings management, voluntary disclosure, and corporate social responsibility (CSR) reporting on valuation multiples and investor trust are important research topics.

Author(s) (Year)	Findings
Jensen & Meckling (1976)	Focused on agency theory, defining firm value as an outcome of managerial efficiency and ownership structure. Their work implies that perceptions of good governance (or lack thereof, leading to agency costs) are fundamental to valuation.
Grossman & Hart (1980)	Examined corporate governance and disclosure regulations. They discovered that companies are motivated to reveal all pertinent information in order to increase the value of their stock, and that open disclosure is essential to gaining the trust of investors.
Myers & Majluf (1984)	Examined business funding and investment choices in the context of information asymmetry. They discovered that external investors may undervalue a company when managers possess information that investors do not, highlighting the significance of open communication for equitable valuation.
Epstein & Pava (1994)	Investigated the viewpoint of shareholders regarding the disclosure of social information. According to the study, social information is taken into account by investors, and revealing it is crucial to building trust and a lasting business partnership.
Allayannis & Weston (2001)	Explored firm value and corporate risk management in the UK market. According to their findings, companies that actively manage risks—for example, by using derivatives—generally have higher firm valuations because investors view them as more stable.
Suharli (2006)	Analyzed investor behavior in capital markets. The study highlighted that investor perception is a complex mix of subjective behavioral factors (risk tolerance, expectations, etc.) and objective financial data.
Panaretou (2014)	Examined how investor perception and fair value accounting affect company value in the UK. According to the findings, investors may have a "functional fixation" on specific accounting numbers, which could cause them to overvalue unrealized profits and cause abnormalities in the market.
Tiwari & Kumar (2015)	Studied factors influencing investor perception toward mutual fund investments. They found that demographic factors (age, income) and expectations regarding returns, risk, and consistency significantly shape investor decisions.
Kumar (2017)	Reviewed how investors view potential investment opportunities. According to the study's findings, when making investment decisions, investors frequently prioritize aspects like guaranteed returns, transparency, and historical performance because they are risk averse.
Hirdinis (2019)	Examined how decisions about funding, investments, and dividend policy affected the value of the company. The results confirmed that by influencing investor confidence and expectations, these internal financial decisions collectively affect firm value.
Dziadkowiec & Daszynska-Zygadlo (2021)	Highlighted how corporate wrongdoing has a substantial effect on market value, especially when it is connected to news about governance, and how unfavorable investor perceptions can reduce firm value.

Fahad & Rahman (2020)	as cited in other studies Argued that ESG disclosures reduce information asymmetry. They found that institutional investors, often with long-term horizons, perceive high ESG performance as an indication of better risk management and governance, leading to increased trust and investment.
Hariyani et al. (2021)	Identified financial performance, corporate governance, and corporate social responsibility as major determinants of corporate value in the financial sector, emphasizing that a combination of factors shapes investor perception.
A systematic literature review (2024, in WSEAS)	Identified seven pivotal indicators influencing financial company value based on investor perceptions: Corporate Governance, Dividend Policy, Company Size, Third-Party Funds, Financial Performance, Capital Structure, and Corporate Social Responsibility.

2.2. The Role of Bibliometrics in Mapping the Field

Bibliometric studies are increasingly utilized to synthesize large volumes of literature, especially in interdisciplinary fields like finance and management. By analyzing co-citation networks, keyword co-occurrence, and publication patterns, bibliometrics can reveal the intellectual backbone of a discipline, identify emerging research fronts, and pinpoint the most impactful scholarly works. This method moves beyond a traditional narrative review to offer a quantitative, objective assessment of the field's maturity and trajectory.

3. Methodology

3.1. Data Collection and Scope

The data for this bibliometric study was sourced from the **Scopus** database, one of the largest abstract and citation databases of peer-reviewed literature.

The search was limited to publications released between **2000 and 2025** (inclusive). To ensure relevance to the core subject matter, the search was further constrained to the following Scopus Subject Areas:

- Business, Management and Accounting
- Economics, Econometrics and Finance
- Social Sciences

This filtration yielded a total of **371** documents (after accounting for the primary subject areas), forming the dataset for the subsequent analysis.

3.2. Data Analysis and Visualization

The retrieved data was analyzed using Python, leveraging the pandas library for data manipulation and matplotlib for visualization. The analysis focused on the following metrics:

- 5 **Temporal Trend:** Annual publication volume to illustrate the growth and maturity of the field.
- 6 **Source Analysis:** Identification of the most productive journals and document types.
- 7 **Productivity Analysis:** Ranking of the most prolific authors and contributing countries/territories.

The results of the analysis are presented in the following section through a combination of tables and figures.

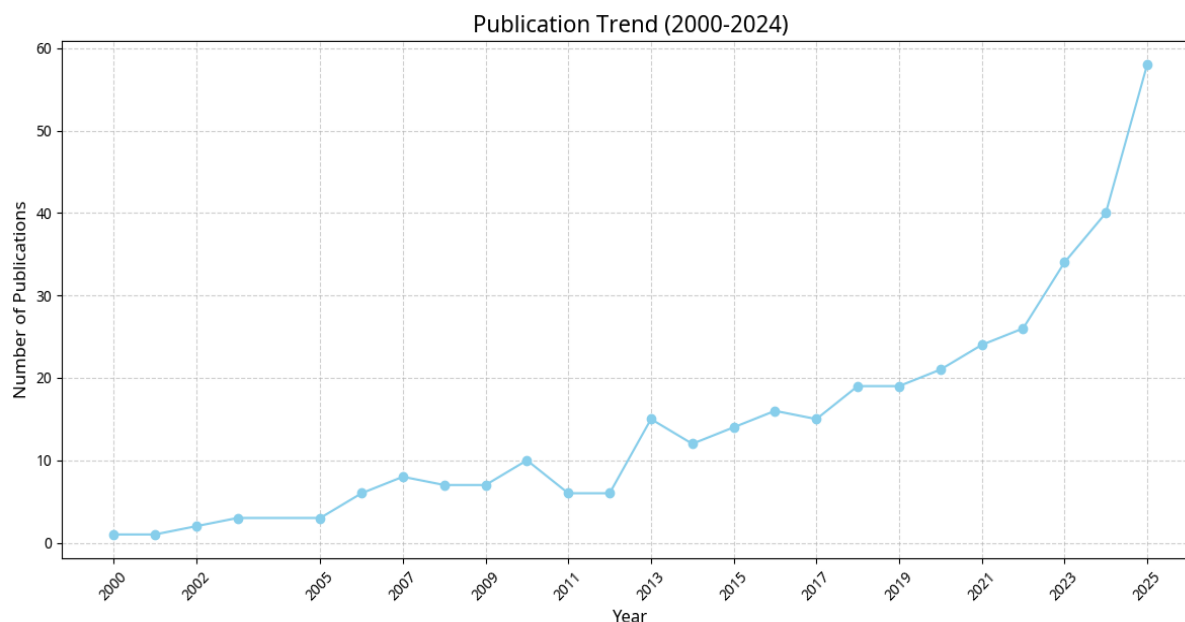
4. Results and Discussion

4.1. Temporal Trend of Publications

The analysis of the annual publication output reveals a clear and accelerating trend in research focusing on firm value and investors' perception. As shown in **Figure 1**, (the number of publications remained relatively low and stable between 2000 and 2010, with an average of approximately 5 publications per year. A noticeable inflection point occurred around 2013, after which the annual output began a steady and significant increase. The number of publications has more than doubled in the last decade, culminating in a peak of 40 publications in 2024 (excluding the incomplete data for 2025 which already shows 58 publications). This exponential growth suggests that the topic has moved from a niche area to a mainstream research focus, likely driven by the increasing complexity of financial markets, the rise of behavioral finance, and the growing importance of non-financial disclosures.

Year	Number of Publications
2000-2009	48
2010-2019	137
2020-2025	203

Figure 1: Publication Trend (2000-2024)



Sources: Elsevier by Scopus

4.2. Subject Area and Document Type Distribution

The initial data filtration limited the scope to three primary subject areas, but the distribution within these areas is informative. **Table 1** shows the concentration of research, confirming the interdisciplinary nature of the field, with a strong foundation in core business and finance disciplines.

Table 1: Distribution by Subject Area

Subject Area	Number of Publications	Percentage
Business, Management and Accounting	304	59.5%
Economics, Econometrics and Finance	211	41.3%
Social Sciences	74	14.5%
Total Documents	371	-

Sources: Elsevier by Scopus

Note: The sum of publications exceeds the total number of documents (371) because a single document can be classified under multiple subject areas.

In terms of document type, **Article** is the dominant format, accounting for 345 out of the total 371 documents, which is approximately 93% of the total output. This suggests that the research is primarily disseminated through peer-reviewed journal articles, the standard format for established academic fields. Other document types, such as **Book Chapter** (12) and **Review** (7), play a minor, supporting role.

4.3. Most Productive Sources and Authors

4.3.1. Leading Sources

The concentration of publications in specific journals indicates the core outlets for this research. **Table 2** and **Figure 2** present the top 10 most productive sources.

Table 2: Top 10 Most Productive Sources

Rank	Source Title	Number of Publications
1	Managerial Finance	12
2	Journal of Financial Reporting and Accounting	10
3	Corporate Governance Bingley	9
4	Sustainability Switzerland	9
5	Review of Accounting and Finance	8
6	Accounting Review	6
7	Corporate Governance an International Review	6

Rank	Source Title	Number of Publications
8	Journal of Applied Accounting Research	6
9	Journal of Business Ethics	5
10	Strategic Management Journal	5

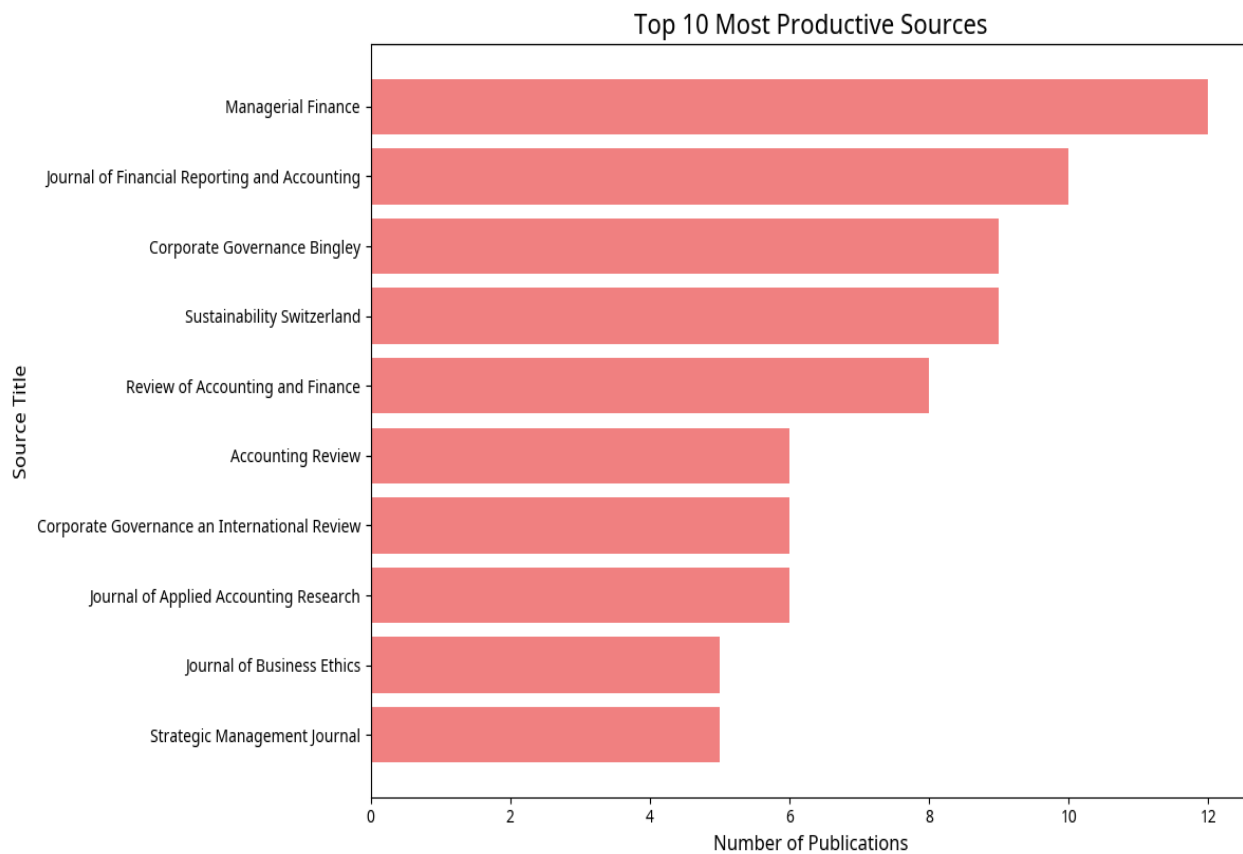
Sources: Elsevier by Scopus

Figure 2: Top 10 Most Productive Sources



Sources: Elsevier by Scopus

The presence of journals focused on **Corporate Governance** (e.g., *Corporate Governance Bingley*, *Corporate Governance an International Review*) and **Accounting/Reporting** (e.g., *Journal of Financial Reporting and Accounting*, *Accounting Review*) highlights the critical role of corporate structure and information disclosure in mediating the relationship between firm value and investor perception. The appearance of *Sustainability Switzerland* also points towards the growing importance of Environmental, Social, and Governance (ESG) factors in investor decision-making.

Figure 3: Top 10 Most Productive Sources

Elsevier by Scopus

Sources:

4.3.2. Most Prolific Authors

Identifying the most prolific authors helps to recognize the key intellectual leaders in the field. **Table 3** lists the top authors based on the number of publications.

Table 3: Top 10 Most Prolific Authors

Rank	Author Name	Number of Publications
1	Suto, M.	4
2	Takehara, H.	4
3	Elamer, A.A.	3
4	Kaplan, S.E.	3
5	Arslan-Ayaydin, Ö.	2
6	Bhuiyan, M.B.U.	2
7	Burton, B.	2

Rank	Author Name	Number of Publications
8	Filatotchev, I.	2
9	Gill, A.	2
10	Guedes, R.	2

Sources: Elsevier by Scopus

The relatively low maximum number of publications (4) for the most prolific authors suggests that the field is highly collaborative and fragmented, with no single author dominating the research output. This is typical for emerging, interdisciplinary fields where researchers from different sub-disciplines contribute their expertise.

4.4. Geographical Distribution

The geographical analysis of the research output reveals the global landscape of knowledge production in this area. **Table 4** and **Figure 3** show the top 10 contributing countries/territories.

Table 4: Top 10 Contributing Countries/Territories

Rank	Country/Territory	Number of Publications
1	United States	117
2	United Kingdom	36
3	China	31
4	Germany	23
5	India	23
6	Canada	22
7	Italy	19
8	Australia	18
9	France	16
10	Hong Kong	13

The **United States** is the clear leader in this research domain, accounting for a significant portion of the total publications, which is consistent with its global dominance in finance and accounting research. However, the strong presence of countries like **China**, **India**, and **Hong Kong** indicates a growing interest and contribution from Asian economies, likely reflecting the unique challenges and opportunities in emerging markets regarding corporate governance, information disclosure, and investor behavior. The substantial representation of European countries (UK, Germany, Italy, France) also confirms the topic's importance in developed market contexts.

Figure 4: Top 10 Contributing Countries/Territories



Sources: Elsevier by Scopus

5. Conclusion and Future Research

This bibliometric study provides a quantitative overview of research connecting firm value and investor perception between 2000 and 2025. The findings show a steady and rapid rise in publications, especially after 2013, highlighting the topic's growing significance in academic research. Most studies are concentrated within the fields of Business, Management and Accounting, along with Economics, Econometrics and Finance, reflecting the area's multidisciplinary scope. The United States stands out as the leading contributor to global research, demonstrating its central role in advancing knowledge on corporate finance and market behavior. Influential journals in this field often address themes such as corporate governance, financial reporting, and sustainability. These themes emphasize that transparency, ethical leadership, and responsible management practices are critical factors shaping investor perception and determining firm value. Overall, the study illustrates how greater attention to financial disclosure and governance standards continues to strengthen scholarly understanding of the relationship between investor confidence and corporate performance.

The analysis also reveals a highly collaborative and non-dominated author landscape, indicating a broad and diverse intellectual community. Future research could extend this analysis by:

- Performing a **co-citation analysis** to identify the most influential papers and intellectual turning points.

- Conducting a **keyword co-occurrence network analysis** to map the thematic evolution of the field and identify emerging research clusters (e.g., the intersection of FinTech, AI, and investor sentiment).
- Investigating the specific characteristics of the research output from emerging economies like China and India to understand regional differences in the firm value/investor perception relationship.

The findings of this study act as a valuable roadmap for researchers, industry professionals, and policymakers interested in the relationship between firm value and investor perception. By identifying the most influential contributors, leading institutions, and emerging themes, it highlights where scholarly attention is most concentrated and where future opportunities lie. This overview not only supports the advancement of theoretical understanding but also helps practitioners and regulators make informed decisions grounded in evidence. Ultimately, it provides direction for shaping future research and policy efforts within this vital area of financial and corporate studies.

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