

# Customer Value as a Key Driver of Trust in Urban Agriculture Public Programs: Evidence from the Buruan SAE Program in Indonesia

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## ABSTRACT

Urban agriculture programs have increasingly been promoted as strategic public initiatives to address food security, environmental sustainability, and community resilience in urban areas. However, the sustainability of such participatory public programs depends not only on technical performance but also on the level of trust citizens place in public institutions. This study aims to examine the role of personal factors, physical evidence, and process in shaping customer value and customer trust within urban agriculture public programs in Indonesia. Drawing on service marketing and public governance perspectives, this study positions customer value as an intervening variable that mediates the relationship between service attributes and customer trust. A quantitative explanatory approach was employed using a cross-sectional survey of participants involved in government-supported urban agriculture programs. Data were analyzed using covariance-based Structural Equation Modeling (SEM) with LISREL. The results indicate that process quality and personal factors have significant positive effects on customer value, while physical evidence shows a relatively weaker influence. Furthermore, customer value demonstrates a

very strong effect on customer trust, confirming its central role as a key psychological mechanism in trust formation. The findings suggest that public trust is primarily driven by citizens' value experiences rather than by institutional attributes alone. This study contributes to the theoretical integration of customer value theory into public sector governance and provides practical insights for designing public programs that prioritize procedural quality and human interaction to strengthen long-term public trust.

**Keywords:** Urban Agriculture; Customer Value; Public Trust; Public Service Quality.

## INTRODUCTION

Urban agriculture has increasingly been recognized as a strategic public policy instrument to address multiple urban challenges, including food insecurity, environmental degradation, and social vulnerability. In many developing and emerging economies, urban agriculture programs are promoted not only as a means of enhancing local food systems, but also as tools for fostering community engagement, improving environmental awareness, and strengthening urban resilience. As cities continue to expand and face mounting pressures from population growth and

climate change, the effectiveness and sustainability of such public initiatives depend not merely on technical implementation, but also on the quality of relationships between public institutions and citizens.

In the context of public governance, trust has long been considered a fundamental determinant of program success. Public trust reflects citizens' beliefs regarding the competence, integrity, and benevolence of public institutions in delivering services and policies that serve collective interests. Higher levels of trust are associated with greater citizen participation, policy compliance, and long-term support for public programs (1,2). Conversely, low trust often leads to skepticism, disengagement, and resistance, which may undermine even well-designed public initiatives.

Despite the central role of trust in public sector performance, existing studies have predominantly examined trust from an institutional or administrative perspective, emphasizing factors such as transparency, accountability, procedural fairness, and service quality (3). While these factors are undoubtedly important, they tend to conceptualize citizens as passive recipients of public services rather than as active evaluators of value. Consequently, limited attention has been paid to how citizens' subjective assessments of value derived from public programs shape their trust toward public institutions.

From a public sector marketing and service-dominant logic perspective, citizens can be viewed as co-creators of value who continuously evaluate public services based on perceived benefits and costs (4,5). In this regard, customer value provides a useful theoretical lens for understanding citizen behavior in public settings. Customer value is generally defined as an individual's overall assessment of the utility of a product or service based on perceptions of what is received relative to what is given (6). Prior studies in the private sector have consistently demonstrated that customer value is a key antecedent of satisfaction, loyalty, and trust.

However, empirical research that applies customer value theory to public sector contexts, particularly in relation to trust in public programs, remains relatively scarce.

In the context of urban agriculture, this gap becomes even more salient. Urban agriculture programs often require sustained citizen participation, behavioral change, and long-term commitment. Unlike conventional public services, their success is highly dependent on how citizens perceive the tangible and intangible benefits of participation, such as improved food access, social interaction, environmental quality, and personal well-being. Yet, most existing studies on urban agriculture focus on technical outcomes, environmental impacts, or socio-economic benefits, while largely overlooking the psychological and relational mechanisms through which these programs generate institutional trust (7,8).

This study seeks to address this theoretical and empirical gap by positioning customer value as a central explanatory variable in understanding public trust toward urban agriculture programs. By conceptualizing citizens as value-driven evaluators rather than passive beneficiaries, this research extends customer value theory into the domain of public sector governance. Specifically, it argues that when citizens perceive high value from their participation in urban agriculture programs, they are more likely to develop trust in the public institutions responsible for designing and implementing such initiatives.

Accordingly, the main objective of this study is to examine the effect of customer value on public trust in urban agriculture public programs in Indonesia. More specifically, this study aims to: (1) analyze the relationship between perceived customer value and citizens' trust in public institutions; (2) identify which dimensions of customer value (such as functional, emotional, and social value) most strongly influence public trust; and (3) contribute to the theoretical integration of marketing-based value concepts into public administration and governance literature. By focusing on

Indonesia as an emerging economy context, this study also provides empirical insights that may be relevant for other developing countries seeking to strengthen public trust through participatory and sustainability-oriented public programs.

## LITERATURE REVIEW

### Personal Factors and Customer Value

Personal factors represent the human element in public service delivery, particularly the role of field officers and extension agents who interact directly with program participants. In service management literature, human resources are considered a critical determinant of perceived service quality and value creation (5,9). The effectiveness of frontline employees in delivering knowledge, motivation, emotional support, and social interaction significantly shape users' experiences and perceptions of service outcomes.

From a cognitive perspective, the competence and knowledge of service providers influence citizens' ability to understand program objectives and benefits, thereby enhancing perceived functional value. Motivational aspects, such as the ability to encourage participation and foster commitment, contribute to emotional and social value, as users feel supported and empowered during the service process (4). Affective dimensions, including empathy and emotional engagement, are also essential in building positive experiences, which are strongly associated with emotional value (10).

Moreover, the social dimension of personal interaction, reflected in warm interpersonal relationships and community support, enhances social interaction value by fostering trust, belonging, and social capital among participants (11). In public sector contexts, such relational qualities are particularly important, as citizens' evaluations are not solely based on technical efficiency but also on the quality of human interaction (12).

Therefore, personal factors are expected to positively influence customer value in urban

agriculture programs, as they shape participants' cognitive understanding of program benefits, emotional engagement with service providers, and social interaction within the community context.

### Physical Evidence and Customer Value

Physical evidence refers to the tangible aspects of service delivery, including facilities, infrastructure, information systems, and service environments. In services marketing theory, physical evidence is a core element of the extended marketing mix (7Ps) and plays a crucial role in shaping users' perceptions of service quality and value (13).

The presence of adequate facilities and infrastructure signals organizational competence and commitment, which enhances perceived functional value (6). Accessible and transparent information also contributes to cognitive clarity and reduces uncertainty, thereby increasing emotional and functional value (10). In public service contexts, physical evidence not only supports operational effectiveness but also serves as a symbolic representation of government credibility and seriousness in delivering public programs (4).

Empirical studies show that tangible service environments significantly influence perceived value and satisfaction in both private and public sectors (12,14). In urban agriculture programs, the availability of training facilities, farming equipment, and informational resources directly affects participants' ability to achieve desired outcomes, such as improved food security and environmental quality, which constitute functional value.

Thus, physical evidence emerges as a key determinant of customer value, as it provides the material and informational resources necessary for participants to realize and evaluate the benefits of urban agriculture programs.

### Process and Customer Value

Process refers to the procedures, policies, and mechanisms through which services are delivered. In public service management,

process quality is central to service effectiveness, as it determines how efficiently and fairly services are accessed and experienced by citizens (4).

Clear policies and well-communicated regulations enhance transparency and reduce ambiguity, which increases perceived value by lowering psychological and informational costs (2). Consistent procedures ensure reliability and predictability, which contribute to functional value and emotional comfort (1). Mechanisms that facilitate participation and feedback also promote co-creation of value, as citizens actively engage in shaping service outcomes (5).

In the context of urban agriculture, process quality determines whether participants can easily register, access training, receive institutional support, and sustain long-term participation. When procedures are perceived as fair, efficient, and inclusive, participants are more likely to perceive high customer value, particularly in terms of functional and social benefits. Therefore, process quality is expected to positively influence customer value in urban agriculture public programs by shaping participants' perceptions of procedural fairness, accessibility, and institutional reliability.

### **Customer Value as a Mediator**

Customer value is defined as individuals' overall assessment of benefits received relative to costs incurred from participating in a service or program (Zeithaml, 1988; Gale, 2017). Customer value is widely recognized as a central construct in explaining behavioral and attitudinal outcomes, including satisfaction, loyalty, and trust (15,16)

Service-dominant logic emphasizes that value is not embedded in services themselves but co-created through interactions between service providers and users (17). In public services, citizens co-create value by investing time, effort, and knowledge, and their evaluations of value depend on both service processes and outcomes (4).

Given its integrative nature, customer value functions as a mediating mechanism that translates service attributes (personal,

physical, and process factors) into higher-level relational outcomes. Rather than directly trusting institutions based on isolated service features, citizens develop trust through accumulated value experiences (12). Thus, customer value is conceptually positioned as an intervening variable that mediates the relationship between service attributes and customer trust.

### **Customer Value and Customer Trust**

Trust is a fundamental element of relational governance and reflects beliefs regarding the competence, integrity, and benevolence of service providers (18). In public sector contexts, trust plays a critical role in enhancing policy acceptance, citizen participation, and long-term program sustainability.

Marketing and relationship management literature consistently demonstrates that perceived value is a key antecedent of trust (14). When individuals perceive that a service delivers meaningful benefits, they are more likely to infer that the provider is reliable and acts in their interest, thereby strengthening trust.

In public services, trust is not only shaped by institutional design but also by experiential evaluations of value (12). Citizens who perceive emotional value (e.g., satisfaction and pride), social interaction value (e.g., recognition and belonging), and functional value (e.g., tangible benefits) are more likely to trust public institutions.

Therefore, customer value is expected to have a positive and significant effect on customer trust in urban agriculture public programs.

### **Integrated Theoretical Model**

Based on the above review, this study proposes an integrated theoretical model in which personal factors, physical evidence, and process influence customer trust both directly and indirectly through customer value. This model extends traditional public trust frameworks by incorporating customer value theory from marketing literature and repositioning citizens as active value

evaluators rather than passive service recipients.

By integrating service attributes, customer value, and trust into a single structural model, this study contributes to a more comprehensive understanding of trust formation in participatory public programs, particularly in the context of urban agriculture in emerging economies.

### Conceptual Framework

This study proposes a conceptual framework that explains the formation of customer trust in urban agriculture public programs through a value-based perspective. The framework is grounded in service marketing and public service logic, positioning personal factors, physical evidence, and process as key service attributes that influence customer value, which in turn shapes customer trust.

Personal factors represent the human dimension of service delivery, including cognitive, motivational, and affective aspects of field officers that directly shape participants' experiences. Physical evidence reflects the tangible resources and service

environment provided by public institutions, such as facilities, information, and service support. Process refers to institutional procedures and mechanisms, including policies, operational processes, and implementation systems that govern program delivery.

These three service attributes are expected to influence customer trust both directly and indirectly through customer value. Customer value is conceptualized as a multidimensional construct consisting of emotional value and social interaction value, which captures participants' subjective evaluations of benefits derived from program participation. Finally, customer trust is represented by honesty, credibility, and benevolence, reflecting citizens' beliefs in the integrity, competence, and goodwill of public institutions.

Overall, the framework positions customer value as a central mediating mechanism that translates service attributes into relational trust, highlighting the role of value experiences in shaping sustainable public trust in urban agriculture programs.

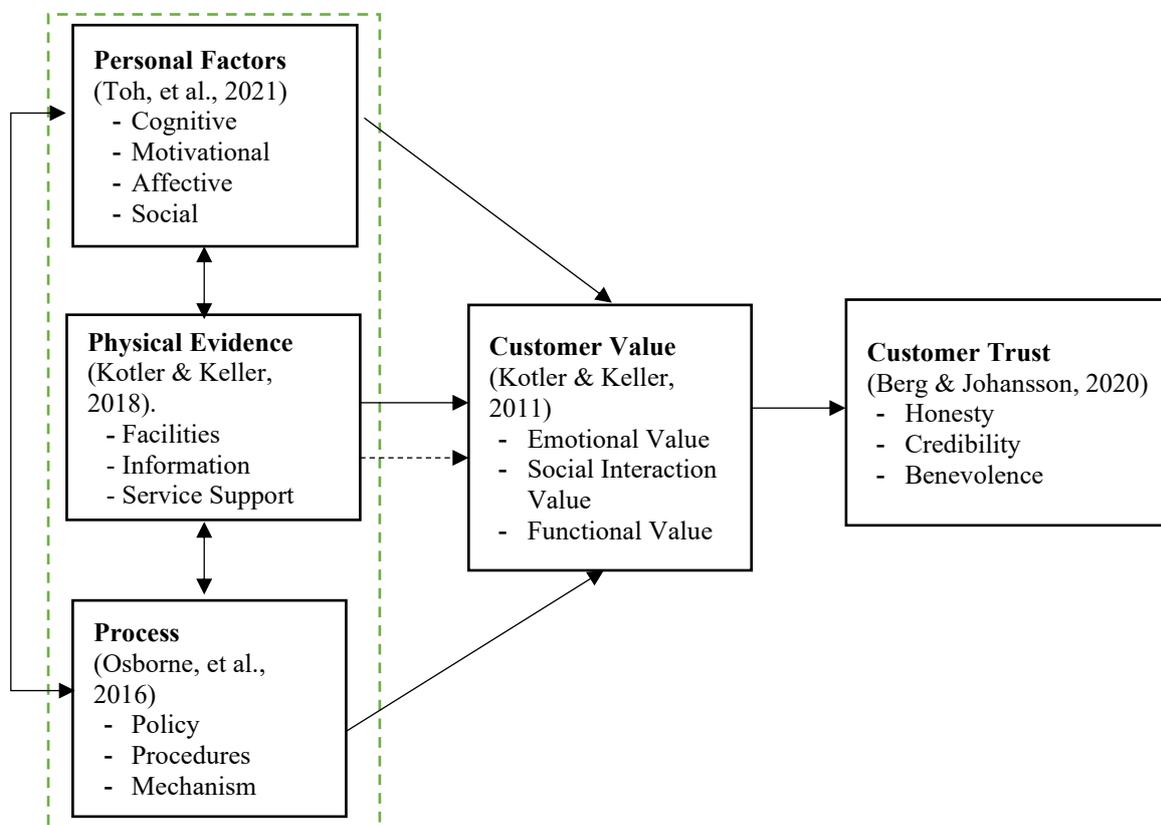


Figure 1. Conceptual Framework

## MATERIALS & METHODS

### Research Design

This study employs a quantitative, explanatory research design using a cross-sectional survey approach to examine the structural relationships among personal factors, physical evidence, process, customer value, and customer trust in urban agriculture public programs in Indonesia. The study aims to test a causal model in which personal factors ( $X_1$ ), physical evidence ( $X_2$ ), and process ( $X_3$ ) act as exogenous variables, customer value ( $Y$ ) serves as an intervening (mediating) variable, and customer trust ( $Z$ ) is the endogenous dependent variable.

A covariance-based Structural Equation Modeling (CB-SEM) approach using LISREL was adopted, as this method is appropriate for theory testing and confirmatory analysis of complex causal relationships among latent constructs (19,20).

### Population and Sample

The population of this study consists of citizens who actively participate in government-supported urban agriculture programs (*Buruan SAE*) in selected urban areas in Indonesia. These programs include community gardening groups and public food security initiatives facilitated by the Department of Food Security and Agriculture (DKPP).

A purposive sampling technique was employed, with the following inclusion criteria respondents must have participated in the program for at least six months, and respondents must be actively involved in program activities such as cultivation, training, or community meetings. A total of  $N = 1875$  valid respondents were included in the final sample. This sample size satisfies the minimum recommended requirements

for covariance-based SEM, which suggest at least 330 observations or a ratio of 10:1 between sample size and estimated parameters (19).

### Data Collection Procedure

Data collection was conducted over a period of 2024 using both online and offline survey methods. Offline questionnaires were distributed directly during community meetings and training sessions, while online questionnaires were distributed via digital platforms such as WhatsApp and Google Forms.

Prior to data collection, respondents were informed about the purpose of the study, the voluntary nature of their participation, and the confidentiality of their responses. Informed consent was obtained from all respondents, and no personally identifiable information was collected.

### Measurement of Variables

All constructs in this study were operationalized as latent variables measured using multiple reflective indicators adapted from established theoretical frameworks and prior empirical studies. The measurement instrument was developed in the form of a structured questionnaire, and all items were assessed using a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree.

Although the measurement scale is ordinal in nature, Likert-scale data were treated as continuous for the purpose of covariance-based Structural Equation Modeling (SEM), which is consistent with common practice in SEM research (19,20).

The operational definitions of the research variables, including their dimensions and sample indicators, are presented in Table 1.

**Table 1. Operational Definition of Variables**

Variable	Definition	Dimensions	Indicators (Sample Items)	Scale
Personal Factors ( $X_1$ )	Individual characteristics of field officers and extension agents perceived by participants in delivering urban	Cognitive ( $X_{1.1}$ )	Knowledge of field officers regarding Buruan SAE; Ability to explain	Likert 1–5

	agriculture programs, including cognitive, motivational, affective, and social aspects (21).		program content accurately	
		Motivational (X <sub>1.2</sub> )	Ability to motivate participants; Use of information technology; Encouraging collaboration	Likert 1-5
		Affective (X <sub>1.3</sub> )	Willingness to interact continuously; Patience in following training processes	Likert 1-5
		Social (X <sub>1.4</sub> )	Professional and friendly relationship; Warm social interaction; Community support	Likert 1-5
Physical Evidence (X <sub>2</sub> )	Tangible elements and physical environment supporting urban agriculture programs provided by government institutions (13).	Facilities (X <sub>2.1</sub> )	Adequacy of infrastructure; Training facilities; Ease of forming groups	Likert 1-5
		Information (X <sub>2.2</sub> )	Accessibility of information; Program socialization	Likert 1-5
		Service Support (X <sub>2.3</sub> )	Quality of services; Availability of competent officers	Likert 1-5
Process (X <sub>3</sub> )	Procedures and mechanisms through which the urban agriculture program is implemented and regulated by public institutions (4).	Policy (X <sub>3.1</sub> )	Clarity of government policies; Policy socialization	Likert 1-5
		Procedures (X <sub>3.2</sub> )	Consistency of implementation procedures; Training procedures	Likert 1-5
		Mechanisms (X <sub>3.3</sub> )	Administrative mechanisms; Operational processes	Likert 1-5
Customer Value (Y)	Citizens' overall evaluation of benefits received relative to costs incurred from participating in urban agriculture programs (13).	Emotional Value (Y <sub>1</sub> )	Pride; Satisfaction; Positive feelings	Likert 1-5
		Social Interaction Value (Y <sub>2</sub> )	Social support; Comfort; Recognition; Self-confidence	Likert 1-5
		Functional Value (Y <sub>3</sub> )	Food availability; Income improvement; Community empowerment; Environmental quality	Likert 1-5
Customer Trust (Z)	Citizens' belief in the competence, integrity, and benevolence of public institutions responsible for urban agriculture programs (22).	Honesty (Z <sub>1</sub> )	Transparency of information; Honest program management	Likert 1-5
		Credibility (Z <sub>2</sub> )	Institutional competence; Reliability in fulfilling needs	Likert 1-5
		Benevolence (Z <sub>3</sub> )	Caring attitude; Willingness to help participants	Likert 1-5

### Data Analysis Technique

Data analysis was performed using covariance-based Structural Equation Modeling (CB-SEM) with LISREL version 8.8. The analysis followed a two-step

approach as recommended by Anderson and Gerbing (23). First, Confirmatory Factor Analysis (CFA) was conducted to evaluate the measurement model. Construct reliability was assessed using Composite Reliability

(CR) and Cronbach’s alpha, with values above 0.70 indicating acceptable reliability. Convergent validity was evaluated using Average Variance Extracted (AVE), with values above 0.50 indicating adequate validity. Discriminant validity was examined using the Fornell–Larcker criterion.

Second, the structural model was assessed by examining goodness-of-fit indices and standardized path coefficients. Model fit was evaluated using multiple indices, including Chi-square/df ( $\leq 3.00$ ), RMSEA ( $\leq 0.08$ ), CFI ( $\geq 0.90$ ), TLI ( $\geq 0.90$ ), and GFI ( $\geq 0.90$ ) (19,20). Hypotheses were tested based on standardized path coefficients and t-values, with a significance level of 0.05.

### Ethical Considerations

This study adheres to ethical research standards. Participation was voluntary, and respondents were informed about their right to withdraw at any time. All data were collected anonymously and used solely for academic research purposes.

## RESULT

### Measurement Model Evaluation

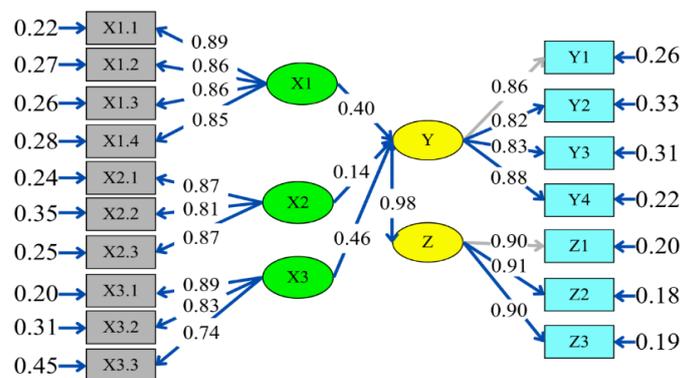


Figure 2. Measurement Model

For the mediating variable, Customer value (Y), all indicators (Y<sub>1</sub>–Y<sub>4</sub>) display strong loadings ranging from 0.82 to 0.88, confirming that emotional, social interaction, functional, and performance values jointly form a robust value construct. Finally, Customer trust (Z) indicators show very high loadings (0.90–0.91), indicating that

The measurement model demonstrates satisfactory convergent validity and construct reliability across all latent variables. All standardized factor loadings exceed the recommended threshold of 0.70, indicating strong relationships between latent constructs and their observed indicators (20).

For the Personal factors (X<sub>1</sub>) construct, factor loadings range from 0.85 to 0.89, suggesting that cognitive, motivational, affective, and social dimensions are strong reflections of the personal construct. This indicates that human-related attributes of extension officers play a coherent and significant role in shaping participants’ perceptions.

The Physical evidence (X<sub>2</sub>) construct shows loadings between 0.81 and 0.87, confirming that facilities, information, and service support are valid indicators of tangible service quality. Similarly, process (X<sub>3</sub>) exhibits high factor loadings (0.74–0.89), indicating that policy clarity, procedural consistency, and implementation mechanisms reliably represent process quality.

honesty, credibility, and benevolence are highly consistent dimensions of trust.

Overall, the measurement model provides strong empirical support for the validity of the constructs used in this study.

### Structural Model Results

The structural model reveals several important findings regarding the

determinants of customer value and customer trust.

### Effects on Customer Value (Y)

The path coefficient from Personal factors ( $X_1$ ) to Customer value (Y) is  $\beta = 0.40$ , indicating a moderate and positive effect. This suggests that the quality of human interaction—such as knowledge, motivation, empathy, and social engagement of field officers—plays a significant role in enhancing perceived value among participants.

The effect of Physical evidence ( $X_2$ ) on Customer value (Y) is relatively weak ( $\beta = 0.14$ ), indicating that tangible facilities and information systems contribute to value perceptions, but to a lesser extent compared to human and procedural factors.

In contrast, process ( $X_3$ ) has the strongest effect on Customer value (Y) ( $\beta = 0.46$ ), suggesting that policy clarity, procedural consistency, and implementation mechanisms are the most influential drivers of perceived value in urban agriculture programs.

These findings imply that while physical infrastructure is important, citizens place greater emphasis on how programs are governed and how interactions are managed in practice.

### Effects on Customer Trust (Z)

The structural path from Customer value (Y) to Customer trust (Z) is extremely strong ( $\beta = 0.98$ ), indicating that perceived value almost entirely determines citizens' trust in the program and its managing institutions.

This result suggests that trust is not formed primarily through direct institutional attributes, but rather through cumulative value experiences. When participants perceive that the program delivers emotional satisfaction, social benefits, and tangible outcomes, they develop strong trust in public institutions.

This finding provides powerful empirical support for customer value as a core mediating mechanism in public trust formation.

## DISCUSSION

### The Dominant Role of Process in Value Creation

One of the most significant findings of this study is that process quality ( $X_3$ ) has the strongest influence on customer value. This suggests that in public sector contexts, especially in participatory programs such as urban agriculture, citizens are highly sensitive to procedural fairness, transparency, and consistency.

This result aligns with public service logic theory, which emphasizes that value is co-created through institutional processes and citizen participation rather than merely through service outputs (4). Clear policies, well-defined procedures, and effective implementation mechanisms reduce uncertainty, enhance perceived fairness, and increase citizens' sense of inclusion, all of which contribute to higher perceived value.

### Human Interaction as a Key Value Driver

The significant effect of personal factors ( $X_1$ ) on customer value confirms the importance of frontline employees in public service delivery. This supports previous studies suggesting that human capital is a critical determinant of service outcomes in the public sector (5,12).

Extension officers do not merely transfer knowledge, but also shape emotional and social experiences of participants. Their ability to motivate, empathize, and engage communities transforms technical programs into meaningful social interventions.

### The Limited Role of Physical Evidence

The relatively small effect of physical evidence ( $X_2$ ) on customer value suggests that tangible resources alone are insufficient to generate strong value perceptions. This finding contrasts with private sector studies where physical environment often plays a dominant role (24), but is consistent with public sector research emphasizing relational and procedural dimensions over material aspects.

In urban agriculture programs, participants may perceive facilities and infrastructure as basic requirements, but not as primary sources of value unless accompanied by effective processes and human interaction.

### Customer Value as the Core Determinant of Trust

The most striking result of this study is the exceptionally strong effect of customer value on customer trust ( $\beta = 0.98$ ). This finding empirically validates customer value as the central psychological mechanism underlying public trust formation.

This supports relationship marketing theory (18) and extends it into the domain of public governance. Trust emerges not simply from institutional design or regulatory authority, but from accumulated positive value experiences.

In other words, citizens trust public institutions not because they are obliged to, but because they perceive real benefits, emotional satisfaction, and social empowerment from participating in public programs.

### Discussion of Direct, Indirect, and Total Effects

Table 1. Direct, Indirect, and Total Effects

Variable	Coefficient	Effect					Total
		Direct	Indirect				
			X <sub>1</sub>	X <sub>2</sub>	X <sub>3</sub>	Sum	
Personal Factors (X <sub>1</sub> )	0,482	23,2%		2,6%	19,8%	22,4%	45,7%
Physical Evidence (X <sub>2</sub> )	0,0564	0,3%	2,6%		2,6%	5,2%	5,5%
Process (X <sub>3</sub> )	0,449	20,2%	19,8%	2,6%		22,4%	42,6%
Total explained variance							93,8%
External variables affecting							6,2%

The results of the structural model indicate that personal factors (X<sub>1</sub>), physical evidence (X<sub>2</sub>), and process (X<sub>3</sub>) jointly explain 93.8% of the variance in customer value (Y), while only 6.2% is explained by external variables not included in the model. This finding demonstrates that the proposed model has very strong explanatory power, suggesting that customer value in urban agriculture programs is largely determined by internal service-related attributes rather than by external contextual factors.

#### The Effect of Personal Factors (X<sub>1</sub>)

Personal factors (X<sub>1</sub>) show a total effect of 45.7% on customer value, consisting of a direct effect of 23.2% and an indirect effect of 22.4% through other variables. This indicates that personal factors are the most influential determinant of customer value in the model.

The substantial indirect effect suggests that personal factors not only influence customer value directly, but also interact with physical evidence and process in shaping value

perceptions. In practical terms, the competence, motivation, emotional engagement, and social interaction skills of extension officers do not operate in isolation. Instead, these human attributes amplify the effectiveness of program processes and the utilization of physical facilities.

This finding supports public service literature emphasizing the central role of frontline employees in value co-creation (4,5). In participatory public programs, citizens' perceptions of value are strongly shaped by how they are treated, guided, and emotionally engaged, rather than merely by what resources are provided.

#### The Effect of Physical Evidence (X<sub>2</sub>)

Physical evidence (X<sub>2</sub>) shows a very small total effect of 5.5% on customer value, with a direct effect of only 0.3% and an indirect effect of 5.2%. This indicates that physical evidence plays a relatively marginal role in shaping perceived value.

Interestingly, the indirect effect of physical evidence is much larger than its direct effect,

suggesting that physical facilities and infrastructure contribute to value only when mediated by personal and process factors. In other words, infrastructure alone does not generate value unless it is effectively managed, communicated, and embedded within proper institutional processes.

This result contrasts with many private-sector studies that emphasize the importance of physical environment (24), but is consistent with public sector research suggesting that citizens perceive physical resources as basic requirements rather than sources of value. In the context of urban agriculture, facilities such as land, tools, and training spaces are perceived as necessary conditions, but not sufficient to create meaningful value experiences.

### **The Effect of Process (X<sub>3</sub>)**

Process (X<sub>3</sub>) exhibits a total effect of 42.6% on customer value, consisting of a direct effect of 20.2% and an indirect effect of 22.4%. This positions process as the second most influential determinant after personal factors.

The strong indirect effect indicates that process quality works synergistically with personal factors and physical evidence. Clear policies, consistent procedures, and effective implementation mechanisms enhance value not only by improving operational efficiency, but also by strengthening human interaction and facilitating the utilization of physical resources.

This finding aligns with public service logic, which argues that value is primarily created through institutional processes and citizen participation, rather than through service outputs alone (4). In urban agriculture programs, procedural fairness, transparency, and accessibility significantly shape citizens' emotional comfort, social engagement, and perceived functional benefits.

### **Simultaneous Effect of X<sub>1</sub>, X<sub>2</sub>, and X<sub>3</sub>**

The simultaneous influence of X<sub>1</sub>, X<sub>2</sub>, and X<sub>3</sub> on customer value reaches 93.8%, which is exceptionally high for social science research. This indicates that the model

captures almost all relevant internal determinants of customer value in the context studied.

The remaining 6.2% explained by external variables may include factors such as individual socio-economic conditions, cultural norms, political perceptions, or environmental constraints. However, the relatively small proportion suggests that service design and delivery factors are far more decisive than contextual variables in shaping customer value.

### **Theoretical Implications**

These findings provide strong empirical support for customer value as a systemic outcome of service governance, rather than as a simple reaction to isolated service attributes. The dominance of personal and process factors highlights the relational and procedural nature of value creation in public sector contexts.

This study therefore extends customer value theory by demonstrating that in public programs, value is primarily generated through human interaction and institutional processes, not through material resources. This challenges traditional infrastructure-oriented policy approaches and reinforces the importance of relational governance.

### **CONCLUSION**

This study investigates the role of personal factors, physical evidence, and process in shaping customer value and customer trust within urban agriculture public programs in Indonesia. By integrating service marketing theory and public governance perspectives, this research positions customer value as a central psychological mechanism through which public services generate institutional trust.

The empirical results demonstrate that among the three service attributes, process quality emerges as the most influential determinant of customer value, followed by personal factors, while physical evidence shows a relatively weaker effect. These findings indicate that citizens place greater emphasis on how public programs are

governed and implemented rather than merely on the availability of physical facilities or infrastructure. Clear policies, consistent procedures, and effective implementation mechanisms significantly enhance citizens' perceptions of value.

Furthermore, the study reveals that customer value has an exceptionally strong effect on customer trust, confirming its role as a dominant mediator in the trust formation process. This suggests that trust in public institutions is not primarily driven by formal authority or regulatory compliance, but by citizens' accumulated value experiences derived from program participation. Emotional satisfaction, social interaction, and tangible benefits collectively shape trust more effectively than institutional attributes alone.

From a theoretical perspective, this study contributes to the literature by extending customer value theory into the domain of public sector governance and by integrating public service logic with relationship marketing frameworks. It redefines citizens as active value evaluators rather than passive recipients of public services, thereby offering a more dynamic and relational understanding of public trust formation.

Practically, the findings imply that policymakers and public administrators should prioritize improving procedural governance and human interaction quality in urban agriculture programs. Investments in institutional processes and frontline human capital are likely to yield greater returns in terms of public trust than investments in physical infrastructure alone. Designing public programs around citizens' value experiences may therefore serve as a strategic approach to strengthening long-term institutional legitimacy and program sustainability.

Despite its contributions, this study is limited by its cross-sectional design, which restricts causal inference over time. Future research may employ longitudinal or experimental designs to capture dynamic changes in value and trust. Additionally, comparative studies across different countries or types of public

programs would further enhance the generalizability of the findings.

Overall, this study concludes that public trust is fundamentally value-driven, and that customer value should be recognized as a strategic governance variable in the design and evaluation of participatory public programs, particularly in emerging economy contexts.

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