THE ROLE OF CUSTOMER VALUE MEDIATE THE RELATIONSHIP OF MARKETING STRATEGY TO MARKETING PERFORMANCE ON RUBBER FARMERS IN SENTAJO RAYA DISTRICT, KUANTAN SINGINGI REGENCY

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Abstract: This study aims to analyze the role of customer value as an intervening variable/mediation of the influence of marketing strategy on the marketing performance of smallholder rubber farmers in Sentajo Raya District, Kuantan Singingi Regency. Sampling in this study was 15% of the population as many as 36 smallholder rubber farmer respondents with each sample must be taken proportionally according to the population in two villages, namely Jalur Patah Village and Parit Teratak Air Hitam Village in Sentajo Raya District. The sampling technique was done by random sampling. The data analysis tool used in this research is SmartPLS 3.0 Sobel test and VAF calculation. The results of this study indicate that the customer value variable cannot mediate the relationship between market strategy and marketing performance. While the customer value variable can mediate the relationship of marketing mix strategy to marketing performance where the role of the mediating effect of customer value is partial mediation of 0.540 or 54.0%.

Keywords: Market Strategy, Marketing Mix, Customer Value, Marketing Performance

http://dx.doi.org/10.21777/ub.agrise.2022.022.3.7

INTRODUCTION

The agricultural sector in Indonesia is important for economic development in Indonesia. This can be seen in the country’s foreign exchange earnings from the non-oil and gas sector, the number of people who work in the agricultural sector, and their contribution to Gross Domestic Product (GDP) (BPS-Statistics Indonesia, 2020).

One of the agricultural sub-sectors that have an important role is the plantation sub-sector, namely the rubber commodity because it is one of Indonesia's mainstay export commodities. According to Apriansyah and Gama (2019), exports are one of the efforts to increase economic growth.

Based on data on rubber production in Indonesia, there are 6 (six) production center provinces that have the largest contribution, one of which is Riau Province with a contribution rate of 8.79% or 344.43 thousand tons (Center for Agricultural Data and Information Systems, 2019). The district in Riau Province which is the largest rubber producing district is Kuantan Singingi Regency. The Sentajo Raya District is one of the rubber-producing districts in the Kuantan Singingi Regency which has low productivity and reaches...
0.43 Tons/Ha/Year with a rubber production yield of 2,575.04 Tons in 2019 and the area of rubber plantations in the same year which is 5,958.35 Ha (BPS-Statistics of Kuantan Singingi Regency, 2020).

The majority of smallholder rubber farmers in Sentajo Raya District do rubber farming because it is their main job and income to meet their daily needs. However, the rubber business faces several problems that hinder its performance. The problem of limited land owned by farmers, the factor of rubber prices that are still fluctuating, farmers' rubber production results are not optimal, knowledge or technology in the rubber business is low, the quality of natural rubber produced by farmers, and the relationship between farmers and customers (companies/factories) is low causing marketing performance low farmers. Marketing performance is a metric used to analyze the effectiveness of a company unit over a given time period. Understanding marketing performance is supported by several variables, ranging from consumer knowledge of the market, knowledge of the latest strategies, risk-taking capacity, and learning process orientation (Haryanto et al., 2017).

So far, smallholder rubber farmers carry out rubber business activities regardless of market conditions so marketing performance is not stable. Therefore, in this case, you need to observe the marketing strategy that is, the market strategy and the marketing mix strategy. The importance of paying attention to marketing strategies on smallholder rubber plantations can increase farmers' income (Khaswarina, 2020). If a company chooses the right strategy to analyze the market, it will easily achieve performance and achieve success (Ningrum et al., 2020).

In addition, smallholder rubber farmers need to improve their advantages according to customer needs and desires to create customer satisfaction. According to Tejantara & Sukawati (2018), this satisfaction is an impression for customers of a product or service. Customers will be happy if the performance or quality of the product meets or exceeds their standards; conversely, customers will be dissatisfied if the performance falls short of the standard. To get the customer satisfaction that farmers need to meet the value itself, where all successful smallholder rubber can be ensured from a good understanding of the business being carried out/developed is to create value for its customers. Customer value is the value that customers get for what the company provides and the extent to which it fulfills customer desires. Customer value can affect the impact of sales or marketing because customers who have received value can be trusted so that repeat purchases occur which can improve marketing performance (Mooi et al., 2019). According to Brege et al. (2019) the basic point of marketing is that a company is preferred to create superior customer value to achieve superior company performance. Therefore, in marketing activities based on smallholder rubber marketing strategies, it is necessary to increase customer value to achieve superior marketing performance.

Based on this, the purpose of this study was to analyze the role of the mediating effect of customer value variables in the influence of market strategy and marketing mix strategy on the marketing performance of rubber farmers in Sentajo Raya District, Kuantan Singingi Regency.

**RESEARCH METHODS**

The research was carried out in Sentajo Raya District with the consideration that the Sentajo Raya district is one of the sub-districts that has the lowest rubber productivity in Kuantan Singingi Regency (BPS-Statistics of Kuantan Singingi Regency, 2020). Two villages were chosen, namely the Jalur Patah Village and Parit Teratak Air Hitam Village, because they are villages in Sentajo Raya District that use the auction rubber marketing system and have the highest rubber productivity. The research population refers to all rubber farmers in Sentajo Raya District who are members of the rubber farmer group and 242 smallholder rubber farmers in auction marketing. Sampling in this study was 15% of the population as many as 36 respondents of smallholder rubber farmers (Arikunto, 2013). The sampling technique was carried out by random sampling, which is a method of taking samples randomly without regard to certain strata because the population is homogeneous.

The primary data utilized in this study were from interviews and closed questionnaires with a five-statement scale and a Likert scale. Secondary data was gathered through the analysis of documents and libraries from various sources related to the research objectives. Such as journals, books, and statistical data from BPS, the plantation office, and other relevant agencies.

**Data analysis**

SmartPLS 3.0 software was employed as an analysis tool. Then tested with the procedure developed by Sobel (Ghozali, 2018) to assess the mediating role of the customer value variable:

\[ S_{ab} = \sqrt{(b^2S_{a^2}) + (a^2S_{b^2}) + (S_{a^2}S_{b^2})} \]

Information:
The Role of Customer Value Mediate The Relationship of Marketing Strategy

Agricultural Socio-Economics Journal
Volume 22 Number 3 (2022): 207-215

a: Independent variable path with the intervening variable
b: Intervening variable path with the dependent variable
Sa: Standard error coefficient a
Sb: Standard error coefficient b

To evaluate the role of the indirect effects, use the following formula to get the t-value of the coefficient ab:

\[ t = \frac{ab}{S_{ab}} \]

If the value of t count > the value of t table, it means that there is a mediation effect.

VAF Calculation
To find out whether there is complete or partial mediation, the mediation effect is tested by calculating the variance accounted for (VAF) with the following formula:

\[ VAF = \frac{Indirect \text{ Effect}}{Total \text{ Effect}} \]

The VAF value can be calculated as (path a x path b) / path c + (path a x path b). According to Sholihin & Ratmono (2013), the criteria for assessing the mediation effect are based on the VAF value, namely the mediation variable is perfect (full mediation) if the VAF is >80%; the mediation variable is partial if 20% VAF 80%; and the mediating variable is not a mediator (no mediation) if VAF < 20%.

The hypotheses proposed in this study are as follows:
H1: Market strategy affects customer value
H2: Marketing mix strategy affects customer value
H3: Market strategy affects marketing performance
H4: Marketing mix strategy affects marketing performance
H5: Customer value affects marketing performance
H6: Market strategy affects marketing performance through customer value as an intervening variable
H7: Marketing mix strategy affects marketing performance through customer value as an intervening variable

RESULTS AND DISCUSSION
Characteristics of Respondents
Farmer characteristics are farmer identities which include gender, age, education, number of family members, employment status, rubber business experience, and the area of land cultivated by farmers.

Table 1. Characteristics of Respondents

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Person (n)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender Male</td>
<td>32</td>
<td>89</td>
</tr>
<tr>
<td>Female</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Age Group 18 - 40 years</td>
<td>11</td>
<td>31</td>
</tr>
<tr>
<td>41 – 60 years</td>
<td>21</td>
<td>58</td>
</tr>
<tr>
<td>&gt;60 years</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Primary School</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Junior High School</td>
<td>9</td>
<td>25</td>
</tr>
<tr>
<td>Education Level</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior High School</td>
<td>21</td>
<td>58</td>
</tr>
<tr>
<td>School Diploma</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>College</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Number of Family 1 - 3 People</td>
<td>28</td>
<td>78</td>
</tr>
<tr>
<td>4 - 6 people</td>
<td>5</td>
<td>14</td>
</tr>
<tr>
<td>Employment Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main Job</td>
<td>34</td>
<td>94</td>
</tr>
<tr>
<td>Side Job</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Rubber</td>
<td>3</td>
<td>83</td>
</tr>
<tr>
<td>3 - 22 years</td>
<td>23</td>
<td>64</td>
</tr>
<tr>
<td>1 - 2 ha</td>
<td>30</td>
<td>83</td>
</tr>
<tr>
<td>&gt;3 ha</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Primary Data Processed, 2021

Measurement Model Test (Outer Model)
Reliability and Validity Test
The reliability value of a construct and the average variance extracted (AVE) value of each construct provide the reliability and validity requirements. If the value is 0.70 and the AVE is greater than 0.50, the construct is considered to be highly reliable.

Table 2. Reliability and Validity Test

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Strategy</td>
<td>0.982</td>
<td>0.983</td>
<td>0.61</td>
</tr>
<tr>
<td>Marketing Mix</td>
<td>0.963</td>
<td>0.966</td>
<td>0.55</td>
</tr>
<tr>
<td>Customer Value</td>
<td>0.945</td>
<td>0.952</td>
<td>0.64</td>
</tr>
<tr>
<td>Marketing Performance</td>
<td>0.916</td>
<td>0.935</td>
<td>0.70</td>
</tr>
</tbody>
</table>

Source: Primary Data Processed, 2021

Based on Table 2, it is possible to infer that all constructs meet the reliable and valid criteria as recommended.
Structural Model Test (Inner Model)

R² Analysis

R² is used to used to calculate the contribution of the independent variable's effect on the dependent variable.

Table 3. Value of R²

<table>
<thead>
<tr>
<th>Structure</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Value</td>
<td>0.576</td>
<td>0.556</td>
</tr>
<tr>
<td>Marketing Performance</td>
<td>0.683</td>
<td>0.660</td>
</tr>
</tbody>
</table>

Source: Primary Data Processed, 2021

Table 3 shows that the R-Square value for the customer value variable is 0.576, which means the model can explain 57.6% of the variables that affect customer value. The marketing performance variable is 0.683, which means the model can explain 68.3% of the variables that affect marketing performance.

Analysis Q²

The calculation results from the Q² analysis are as follows:

\[ Q² = 1 - (1 - R₁²)(1 - R₂²) \]
\[ = 1 - (1 - 0.576)(1 - 0.683) \]
\[ = 1 - (0.424)(0.317) \]
\[ = 1 - 0.134 \]
\[ = 0.866 \]

Based on these calculations, the value obtained is 0.866. This suggests that 86.6 percent of the model can be described by the variables analyzed, while the remaining 13.4 percent is explained by additional factors. The constructor endogenous latent variable in this research model has a Q² greater than 0 (zero), indicating that the model's predictions are relevant (Ghozali, 2018).

Analysis of Direct and Indirect Effects

Direct Effects

The direct effect aims to analyze how strong the influence of one variable is on another. Table 4 displays the results of the direct effect test based on SmartPLS version 3.0 computation.

Table 4. Direct Effect

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Original Sample</th>
<th>STDEV</th>
<th>T Statistics</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Strategy → Customer Value</td>
<td>0.424</td>
<td>0.27</td>
<td>3.343</td>
<td>0.001</td>
</tr>
<tr>
<td>Marketing Mix Strategy → Customer Value</td>
<td>0.389</td>
<td>0.127</td>
<td>3.065</td>
<td>0.002</td>
</tr>
<tr>
<td>Market Strategy → Marketing Performance</td>
<td>0.304</td>
<td>0.171</td>
<td>1.777</td>
<td>0.076</td>
</tr>
<tr>
<td>Marketing Mix Strategy → Marketing Performance</td>
<td>0.161</td>
<td>0.127</td>
<td>1.262</td>
<td>0.208</td>
</tr>
<tr>
<td>Customer Value → Marketing Performance</td>
<td>0.486</td>
<td>0.138</td>
<td>3.516</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Primary Data Processed, 2021

According to the table above, there are three (three) acceptable hypotheses out of the five presented hypotheses, namely H1, H2, and H5. While H3 and H4 are not accepted. The hypothesis test result can be accepted if the t-statistic is more than the t-table 1.96 and the p-value is less than the probability value of 0.05.

Indirect Effects

The indirect effect attempts to assess the strength of a variable's influence on other variables through an intervening variable. The results of the indirect effect test are based on the Sobel test analysis as follows:

1. Market strategy through customer value on marketing performance

Where obtained the following values:

a: 0.424
b: 0.486
Sa: 0.27
Sb: 0.138

\[ Sab = \sqrt{(b^2Sa^2) + (a^2Sb^2) + (2SbSaab)} \]

\[ Sab = \sqrt{(0,424^2 \times 0,27^2) + (0,486^2 \times 0,138^2) + (2 \times 0,27 \times 0,138 \times 0,424 \times 0,486)} \]

\[ Sab = 0,148 \]

To evaluate the role of the indirect effects, use the following formula to get the t-value of the coefficient ab:

\[ t = \frac{ab}{Sab} \]
\[ t = \frac{0,424 \times 0,486}{0,148} \]
\[ t = \frac{0,206}{0,148} \]
Thus it is known that $t$-count (1.392) < 1.96 which means that the hypothesis is rejected. The customer value variable cannot mediate the relationship between market strategy and marketing performance.

2. Marketing mix strategy through customer value on marketing performance

Where obtained the following values:

- $a$: 0.389
- $b$: 0.486
- $S_a$: 0.127
- $S_b$: 0.138

\[
S_{ab} = \sqrt{(b^2S_a^2) + (a^2S_b^2) + (Sa^2Sb^2)}
\]

\[
S_{ab} = \sqrt{(0.486^2x0.127^2) + (0.389^2x0.138^2) + (0.127^2x0.138^2)}
\]

\[
S_{ab} = \sqrt{0.0038 + 0.0029 + 0.0003}
\]

\[
S_{ab} = 0.084
\]

To evaluate the role of the indirect effects, use the following formula to get the t-value of the coefficient $ab$:

\[
t = \frac{ab}{S_{ab}}
\]

\[
t = \frac{0.389 \times 0.486}{0.084}
\]

\[
t = 2.250
\]

Thus it is known that $t$ count (2.250) > 1.96 which means that the hypothesis is accepted. The customer value variable can mediate the relationship between marketing mix strategy and marketing performance.

### VAF Calculation

In this case, the role of the mediating effect of customer value is carried out between the marketing mix strategy and marketing performance because it has a significant influence on smallholder rubber farmers in Sentajo Raya District, Kuantan Singingi Regency.

#### Table 5. VAF Calculation

<table>
<thead>
<tr>
<th>Effect</th>
<th>Formula</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>$VAF = \frac{Indirect<del>Effect}{Total</del>Effect}$</td>
<td>0.54</td>
</tr>
<tr>
<td>Indirect</td>
<td>$VAF = \frac{Marketing<del>Mix</del>Strategy \times Customer<del>Value}{Marketing</del>Performance}$</td>
<td>0.35</td>
</tr>
<tr>
<td>Total</td>
<td>$VAF = \frac{Marketing<del>Mix</del>Strategy \times Customer<del>Value \times Marketing</del>Performance}{(0.189 + 0.161)}$</td>
<td>0.486</td>
</tr>
</tbody>
</table>

Source: Primary Data Processed, 2021

The VAF calculation table for testing the effect of the customer value variable as a mediator between the influence of marketing mix strategy on marketing performance is 0.540 or 54.0%, which means that the customer value variable mediates partial mediation (Sholihin & Ratmono, 2013).

### Discussion

#### The Effect of Market Strategy on Customer Value

Based on the processed data, the original sample value is 0.424 and the t-statistic value is 3.343 or the p-value is 0.001, implying that the influence of market strategy on customer value is positive and significant. The better farmers carry out market strategies based on market formation, customer engagement, and technology leadership, the more customer value they will increase.

The application of market strategies carried out by rubber farmers in Sentajo Raya District based on indicators of the use of mobile communication technology and WhatsApp applications as long-distance communication tools can build closer direct and emotional relationships between rubber farmers and customers (companies/factories). According to Matarazzo et al. (2021), digital transformation has changed the way companies do business and build customer connections, resulting in the production of customer value. In addition, all smallholder rubber farmers in Sentajo Raya District who participate in the auction market have followed the Standard Operating Procedure (SOP) rules where rubber products must be clean from waste, must not be soaked, and have been left for one night. Quality standards/quality of rubber products is an important requirement in maintaining and improving the quality of rubber. Production according to the factory’s desired standards can create customer satisfaction and added value to collaborative/partners on an ongoing basis.

This study is consistent with previous studies by Hapsari & Madiawati (2015) showing that market strategy has a positive and significant effect on customer value because most of the market strategies carried out by the company are well
received by customers or in other words customers are satisfied, with the market strategy that has been implemented by the company. Then, Brege & Kindström (2019) say that market strategy is no longer just a proactive and well-coordinated task aimed at increasing customer satisfaction.

The Effect of Marketing Mix Strategy on Customer Value

According to the processed data, the original sample value is 0.389 and the t-statistic value is 3.065 or the p-value is 0.002, implying that the influence of the marketing mix strategy on customer value is positive and significant. The better the marketing mix technique, the more the value for customers.

The implementation of the strategy of rubber farmers in the form of a collection location for rubber production in one place (warehouse) where the placement of a strategic warehouse location with road conditions is easily accessible by trucks transporting rubber products so that it can be reached by the company/factory. Then, the strategy of temporarily storing rubber products in warehouses by grouping them according to shelf life, placing them in a clean, dry, not flooded area, and not exposed to direct sunlight (covered) resulted in the quality resistance of rubber not decreasing. This can provide satisfaction for customers (companies/factories) who buy farmers' rubber products. According to Nguyen & Nguyen (2016), the marketing mix of marketing activities reflects the expectations that customers have and involves everything a company uses to influence consumer perceptions of its services and goods.

Deng et al. (2019) states that the implementation of a marketing mix strategy brings a greater impact on consumers, satisfies consumer demand for different products, and increases the perceived value of consumers.

The Effect of Market Strategy on Marketing Performance

Based on the processed data, the original sample value is 0.161 and the t-statistic value is 1.262 or the p-value is 0.208, so it can be interpreted that the influence of marketing mix strategy on marketing performance is positive and not significant. If the marketing mix strategy increases, the marketing condition increases as well, and the insignificant value indicates that the marketing mix strategy has no meaningful effect on marketing performance.

A marketing mix strategy is important in marketing because it is to achieve marketing goals and objectives. The condition of farmers' ability to provide loading and unloading services and assist in the weighing process of rubber products cannot change the price of rubber to a higher level because the price has been agreed upon through auction market activities. According to Heng & Afifah (2020) that better service or flexible business processes to meet consumer expectations are attractive incentives for potential customers and this has the potential to improve the company's market performance.

This also means that increasing the marketing mix strategy in terms of the frequency with which farmers tap to produce rubber latex, may not necessarily improve marketing performance for rubber farmers. This condition occurs because the tapping of rubber sap is done every day by farmers when the weather is sunny. Farmers cannot produce high rubber production in the rainy season. The results of Tran research (2020) state that the risk of bad weather has the biggest impact that can reduce the profits of rubber farmers.

According to (Risal & Salju, 2017; Harini & Yulianeu, 2019) which proves that if the marketing mix increases it will encourage high marketing performance. It can also be said that the indicators
in the marketing mix will have implications for marketing performance, thereby encouraging better marketing performance.

The Effect of Customer Value on Marketing Performance

Based on the processed data, the original sample value is 0.486 and the t-statistic value is 3.516, or the p-value 0.000, so it can be interpreted that the influence of customer value on marketing performance is positive and significant. The better the customer value it will increase sales or marketing performance.

The findings of this study indicate that to achieve marketing performance, customer value is needed in the form of a large volume of rubber products and good quality is the main factor for smooth sales to companies/factories. The price offered will be high if the quality of the rubber product is good according to the customer's wishes. According to Mooi et al. (2019) that customers who have received value from suppliers are more likely to have repeat purchases which improves marketing performance.

Communicating directly with the company/factory in marketing activities to create good relationships that can help farmers to gain insight and information regarding customer (company/factory) needs. So that the better the relationship between farmers and the company/factory can improve the quality and bargaining price of farmers' rubber products. According to Ateke & Amangala (2020) communication of customer value is positively related to marketing productivity in terms of revenue, customer retention, and expansion.

According to Jasmani's (2018), customer value affects increasing marketing performance. This is because the company can retain customers by fulfilling customer wants and needs so that both of them feel that they are quite profitable for the purchases made. Then according to (Af Hami et al., 2016) the company's business is to deliver customer value with the basic mission of a business company no longer being profit, but creating value and adding value to customers while profit is a consequence of providing customer value.

The Role of Customer Values in Mediating the Effects between Market Strategy and Marketing Performance

Based on the results of data processing using the Sobel test, it can be concluded that customer value is proven to have a significant moderate effect (mediation) between marketing mix strategies on marketing performance. This means that farmers who have a high level of customer value from the offered marketing mix strategy have a good level of marketing performance.

Based on research findings farmers can improve rubber products both in terms of shape and quality, this is done by monitoring the cleanliness of rubber products that must be free of waste, maintaining water levels, and the use of coagulation materials. Rubber farmers use the recommended agglomerating materials in the form of doerub, gum vinegar, and formic acid, the better the coagulating material used, the better the customer value. According to Vachlepi et al. (2016) that the coagulant plays a very important role in determining the quality of the natural rubber produced. Before being marketed, rubber is processed into lumps using wooden box molds or plastic tubs. Both types of molds will produce a cleaner rubber product than using a hole in the ground.

The marketing mix strategy in the form of an organized marketing channel with an auction system with a short marketing chain, namely from farmers or farmer groups or a combination of farmer groups directly to factories/companies can create a small marketing margin and can benefit farmers. According to Azmi et al. (2018) in an organized marketing system by determining the quality of clean rubber products, a predetermined selling time and a lack of knowledge to access the internet. Farmers prefer to ask questions and know cultivation methods/techniques from other fellow rubber farmers. However, good and correct rubber cultivation techniques are only known to some farmers, so knowledge and information from various reliable sources that are easily accessible are needed. The activity of farmers to obtain information provides more value to the quality of rubber and is indispensable in the process of adopting technology in improving the quality of rubber products to increase the selling price of the rubber they produce. According to Tadesse & Bahiigwa (2015) that the use of smartphones greatly influences farmers in making decisions which subsequently receive superior prices for their products. Brege & Kindström (2019) states that market strategy aims to create superior customer value to achieve superior business performance, which means that market strategies that create value for companies are at the center of their efforts to become more advanced.
with a short trading system causes the price of rubber products to be quite competitive.

Then the attitude of the marketing mix strategy can increase customer value and in the end, will be able to improve marketing performance for smallholder rubber farmers in Sentajo Raya District. These results are following Deng et al. (2019), the higher the customer response given by an entrepreneur, the more motivated customers are to buy and the greater the wages they are willing to pay thereby increasing marketing performance.

Meanwhile, to see whether the customer value has the effect of perfect mediation (full mediation) or partial mediation (partial mediation). Then the calculation of the VAF value is carried out. The VAF value of 54.0% means that the customer value variable partially mediates the relationship (partial mediation) between the marketing mix strategy and marketing performance. Where customer value is not the only mediating variable that affects the relationship between marketing mix strategy and marketing performance. By involving customer value as a mediator variable, the goal of improving marketing performance is not easy to achieve because to provide more value to customers, a good and regular marketing mix strategy is needed so that marketing performance can increase.

**CONCLUSION**

Based on the analysis conducted, it shows that for the rubber business, better customer value depends on the market strategy and marketing mix strategy of smallholder rubber farmers. Furthermore, improved marketing performance is not dependent or related to the quality of the market strategy and marketing mix strategy of rubber farmers. However, customer value is related to marketing performance. So it is found that the customer value variable has not been able to mediate the relationship between market strategy and marketing performance. Meanwhile, the customer value variable can mediate the relationship between market strategy and marketing performance where the role of the mediating effect of customer value is partial mediation of 0.540 or 54.0%.

The advice that can be given by researchers is to improve marketing performance and farmers’ income, rubber farmers are anticipated to be able to maintain and increase the quality of their products and can increase the use of smartphone technology as a medium of information and knowledge in farming to provide excellence and satisfaction for customers (company/ factory). Then, the government of the plantation office or related agencies to pay more attention to and improve extension programs and processing technology development (downstream rubber) for smallholder rubber farmers so that they can compete.

**REFERENCES**


