



Public Trust and Corporate Transparency in Shaping Corporate Reputation Through Corporate Image

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Abstract

Background: In an increasingly transparent digital business environment, Public Trust and Corporate Transparency have emerged as critical antecedents of Corporate Reputation. However, prior studies have predominantly examined these variables as direct determinants of reputation, with limited attention to Corporate Image as a mediating mechanism, particularly in state-owned enterprises (SOEs) in emerging economies.

Objective: This study aims to examine the influence of Public Trust and Corporate Transparency on Corporate Reputation, with Corporate Image acting as a mediating variable, in the context of PT Pupuk Kalimantan Timur.

Methods: This study utilizes Structural Equation Modeling (SEM) through WarpPLS, relying on primary data gathered from 400 participants. The primary data were obtained through an online survey disseminated via Pupuk Kaltim's official Instagram account.

Results: The results show that both Public Trust and Corporate Transparency have a significant positive effect on Corporate Image, and Corporate Image, in turn, has a significant effect on Corporate Reputation. However, the direct effects of Public Trust and Corporate Transparency on Corporate Reputation were found to be insignificant. The mediation analysis confirms that Corporate Image plays a significant mediating role, indicating that Public Trust and Corporate Transparency influence Corporate Reputation primarily through the formation of a positive Corporate Image. Overall, these findings emphasize that Corporate Reputation is largely shaped by trust-based perceptions and transparent corporate practices that are consolidated through consistent and credible corporate image management.

Conclusion: This study highlights the strategic importance of aligning trust-building and transparency initiatives with image management to achieve a sustainable Corporate Reputation.

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INTRODUCTION

The transformation of organizational communication in the digital age has fundamentally changed the way companies interact with stakeholders. The development of information technology and increasing internet penetration allow the communication process to take place more openly, quickly, and interactively (Bilan et al., 2023; Kahfi & Mahmudi, 2024). In these conditions, companies no longer play the role of a one-way conveyor of information, but as an actor who must be able to build a sustainable dialogue with the public through various digital platforms. Social media is a strategic communication space that dynamically shapes public perception because it allows the public to respond directly to company activities and evaluate the consistency between the message conveyed and the actual actions of the organization (Otter & Robinson, 2024).

The high intensity of social media use globally also strengthens the role of the digital space in shaping public opinion of companies (Fadillah et al., 2023; Frihatini et al., 2026; Nugroho et al., 2023). Reports Digital 2025 Global Overview shows that platforms such as Facebook, YouTube, Instagram, and WhatsApp are the main sources of information for the public in assessing various institutions, including corporations. This condition encourages organizations to improve the quality of digital communication that is not only informative, but also transparent and participatory. In this context, Corporate Transparency be a strategic element that reflects the extent to which the company is willing to disclose relevant, accurate, and accountable information to the public. Transparency serves as a mechanism to reduce information asymmetry while strengthening the social legitimacy of the organization (Bulck et al., 2025).

In line with the increasing demands for information disclosure, Public Trust emerge as an intangible asset that determines the sustainability of the relationship between the company and its stakeholders. Public trust is not only related to product quality or operational performance, but also reflects public confidence in the integrity, competence, and goodwill of the company in carrying out its business activities (Zhao et al., 2021). Sustainable Research Lestari (2024) Affirming that openly communicated compliance with environmental and labor regulations can reduce public skepticism and increase the level of trust in companies. Thus, the interaction between Public Trust and Corporate Transparency It is an important foundation in building a positive perception of the organization in the era of digital communication.

In the process of forming these perceptions, Corporate Image It acts as a psychological and relational construct that translates signals of transparency and trust into the public's initial assessment of the company. Corporate image reflect the collective interpretation of stakeholders regarding the credibility, responsibility, and integrity of the organization formed through direct and indirect experience (Hatch & Schultz, 2010). Ajayi (2021) It shows that communication transparency, service quality, and social commitment are the main determinants of corporate image formation, especially in developing countries. Corporate image The positive ones then serve as a basis for a more stable evaluation in the formation Corporate Reputation, i.e. a thorough assessment Squirrel against the company based on the organization's past actions and future prospects (Fombrun, 2018).

PT Pupuk Kalimantan Timur (Pupuk Kaltim) as one of the largest fertilizer producers in Indonesia operates in a strategic sector that is highly dependent on the level of public trust. The company's relationship with the issues of food security, environmental sustainability, and social responsibility makes transparency and accountability the main demands of stakeholders. The ESG assessment by Sustainalytics shows that Pupuk Kaltim is in the medium risk category with a relatively good position at the global level, which reflects the importance of sustainable reputation management through consistent and transparent communication. In this context, corporate reputation is not only built through operational achievements, but also through the company's ability to build public trust and a positive image in the digital communication space.

Despite the importance of Public Trust, Corporate Transparency, and Corporate Image in the formation of Corporate Reputation It has been widely recognized in the literature, empirical studies that explicitly test the integrative relationship between these variables are still relatively limited, especially in the context of SOEs in Indonesia. Most previous research has tended to place transparency or social responsibility as a direct determinant of reputation, without examining its role Corporate Image as a mediation mechanism that bridges the influence of public trust on the company's reputation (Esenyel, 2020; Song et al., 2019). In addition, some studies have also

shown that relevant and timely transparency can serve as an integrity signal that directly improves an organization's reputation (Baraibar-Diez & Sotorri o, 2018; Yu et al., 2022).

Based on these gaps, this study aims to analyze the influence of public trust and corporate transparency on corporate reputation, both directly and indirectly through corporate image as a mediating variable. This research is expected to make a theoretical contribution to the development of the corporate communication and reputation management literature, as well as provide practical implications for companies in designing communication strategies that emphasize transparency and trust building as the foundation of a sustainable corporate reputation.

METHOD

This study uses primary data obtained through an online questionnaire to followers of the official Instagram account of Pupuk Kaltim. The use of Instagram followers as the sampling frame constitutes a limitation of this study. Respondents are exclusively individuals who follow Pupuk Kaltim's official Instagram account, which likely over-represents digitally engaged, brand-aware stakeholders and under-represents the broader public including offline communities, rural agricultural stakeholders, and non-social media users. This restricts the generalizability of findings to the broader stakeholder population. Future studies should employ multi-platform or mixed-mode sampling.

From a population of about 68,000 followers, with the Slovin formula at a 5% error rate, a sample size of at least 398 respondents was obtained. In this study, 400 respondents were used to exceed the required minimum limit, so that the results of the study were considered more representative and valid. While Slovin's formula provides a straightforward sample size calculation, its limitations in modern research are acknowledged: it assumes a homogeneous population and does not account for effect size or statistical power. A G*Power analysis ($f^2=0.15$, $\alpha=0.05$, $\text{power}=0.80$, $\text{predictors}=3$) confirms a minimum $N=77$, which our $N=400$ substantially exceeds, providing adequate statistical power for SEM-based hypothesis testing

Data Analysis Techniques

This research employs the Structural Equation Modeling technique utilizing Partial Least Squares (PLS-SEM) to investigate the causal relationships among latent variables within the proposed research model. This methodology was selected due to its capability to simultaneously assess structural relationships and its appropriateness for research models that are both predictive and focused on theoretical development. Furthermore, PLS-SEM facilitates parameter estimation for complex models with a relatively small number of indicators.

Conceptually, PLS-SEM is comprised of two primary components: the measurement model (outer model) and the structural model (inner model). The measurement model serves to elucidate the connections between latent variables and their observable indicators, while the structural models are employed to evaluate the causal relationships among latent variables within the research framework. The estimation of path coefficients in this methodology is executed using the Ordinary Least Squares method, which aims to maximize the variance explained in the endogenous latent variables.

Approach PLS-SEM can only be applied to models that are Recursive, i.e. relationships between variables that do not form simultaneous feedback. The path model used in this study was developed based on the principle Path Analysis, thus enabling the testing of direct and indirect influences between variables in a single, integrated analysis framework (Hair et al., 2011). Through this approach, research can comprehensively evaluate the influence of Public Trust and Corporate Transparency against Corporate Reputation, either directly or through Corporate Image as a mediation variable.

The assessment of convergent validity was conducted through the use of Average Variance Extracted ($\text{AVE} > 0.50$) and Composite Reliability ($\text{CR} > 0.70$). The outer loading values reported in Table 6 show all indicators are statistically significant ($p < 0.05$). However, it is acknowledged that several loading values fall below 0.70 (e.g., Ability: 0.505; Awareness: 0.501). These values meet the minimum acceptable threshold of 0.50, but are below the ideal threshold of 0.70

recommended by (Hair et al., 2011). These items are retained because their p-values are statistically significant, they contribute unique theoretical content to the construct, and composite reliability at the construct level remains adequate.

Research Hypothesis

This study involved five variables, namely Public Trust and Corporate Transparency as independent variables, Corporate Reputation as dependent variables, and Corporate Image as mediator variables. The relationships between these variables were examined using Structural Equation Modeling (SEM) to capture direct and indirect effects within the framework of an integrated analysis. The proposed model is based on corporate communication and reputation management theory, which positions trust as a basic antecedent of evaluation and the image of the organization as a cognitive mechanism by which trust is translated into reputation outcomes.

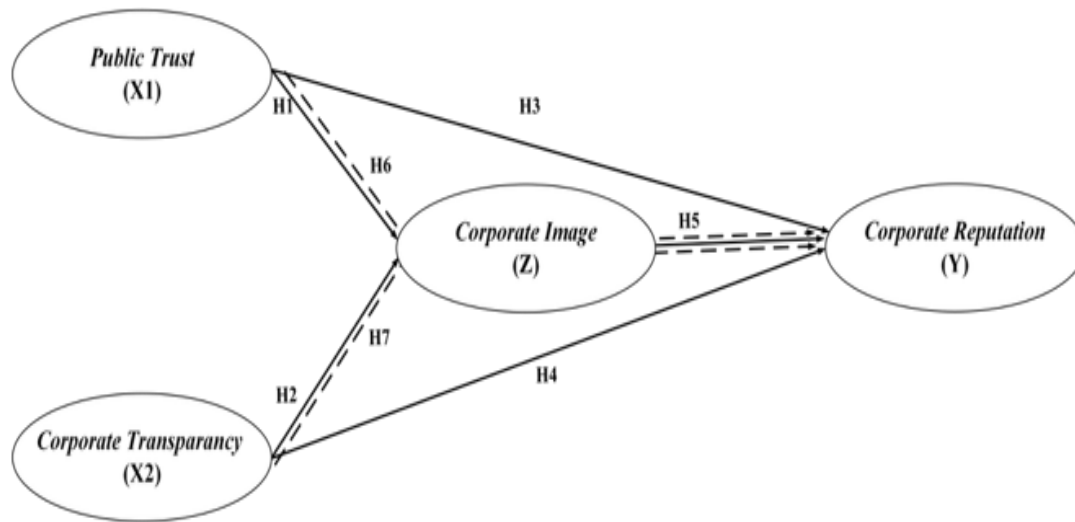


Figure 1. Research model. Solid lines show the direct relationship, and dashed lines show the indirect relationship.

H1: Public Trust has a significant influence on Corporate Image

Based on the research of Chen (2021), Public Trust has proven to have a positive and significant influence on Corporate Image, especially in the context of the service industry and crisis situations. The results of the PLS-SEM analysis show that customer trust plays an important antecedent in the formation of a company's image, where companies that are perceived to be able to fulfill promises, act honestly, and show integrity and social care tend to have a more positive image in the eyes of the public. The study confirms that Public Trust not only reflects stakeholders' psychological evaluations of companies, but also serves as a key foundation that strengthens perceptions of the company's overall credibility, reputation, and attractiveness. Thus, the higher the level of public trust in the company, the stronger the corporate image that is formed and sustainable.

H2: Corporate Transparency has a significant influence on Corporate Image

Research conducted by Chua and Chan shows that Corporate Transparency as one of the main indicators in Corporate Social Responsibility (CSR) communication has a positive and significant influence on Corporate Image. Transparency realized through the company's openness in conveying CSR information, including honest and consistent disclosure of facts, has been proven to be able to increase trust and reduce consumer skepticism towards the company. These findings confirm that companies that transparently communicate their social responsibility activities and commitments will be perceived as more credible, integrity, and responsible, so that the Corporate Image can be formed and maintained sustainably in the eyes of stakeholders.

H3: Public Trust has a significant influence on Corporate Reputation

The research conducted by Zhao (2021) provides strong empirical evidence that Public Trust has a positive and significant influence on Corporate Reputation. Based on the results of the

SEM-PLS test on the banking sector in Pakistan, trust has been shown to play a direct role in improving the company's reputation, with a statistically significant path coefficient. These findings show that when companies are able to build and maintain public trust through responsible and consistent behavior, the perception of stakeholders of the company's reputation will be more positive. Thus, trust serves as a key mechanism in the formation and strengthening of Corporate Reputation.

H4: Corporate Transparency has a significant influence on Corporate Reputation

Research conducted by Baraibar (2018) shows that Corporate Transparency plays an important role as a mediator that companies need to communicate CSR actions not only by disclosing information, but in a transparent way: relevant, easy to understand, and timely. Good transparency makes stakeholders more trusting and judges the company more positively, thereby increasing the corporate reputation.

H5: Corporate Image has a significant influence on Corporate Reputation

Based on a conceptual study conducted by Esenyel (2020) Corporate Image has a significant influence on Corporate Reputation, where the company's image is seen as the initial stage in the process of building a long-term reputation. Corporate image reflects individual and stakeholder perceptions of the company formed through communication, symbols, and experiences, while corporate reputation is the accumulation of collective evaluations of these various images over a period of time. Thus, a positive and consistent company image will strengthen the company's overall reputation.

RESULTS AND DISCUSSION

Results

Description of Public Trust Variables

The Public Trust (X1) variable is measured using 3 indicators, namely Ability (X1.1), Benevolence (X1.2), and Integrity (X1.3). Descriptions of Public Trust variables are presented in Table 1.

Table 1. Description of Public Trust Variables

Indicator	Item	STS	TS	N	S	SS	Average		
		%	%	%	%	%	Item	Indicator	Variable
X1.1	X1.1.1	0	16,25	18	33,25	32,5	3,82	3,84	3,86
	X1.1.2	0	17,75	15	34,75	32,5	3,82		
	X1.1.3	0	14,75	18	33,25	34	3,87		
	X1.1.4	0	15,75	17,50	33,50	33,25	3,84		
	X1.1.5	0	16,00	18,00	32,75	33,25	3,83		
	X1.1.6	0	14,50	18,25	34,00	33,25	3,86		
X1.2	X1.2.1	0	11,5	19,25	31,25	38	3,96	3,85	
	X1.2.2	0	16,25	19,75	31,75	32,25	3,80		
	X1.2.3	0	15,50	19,00	31,50	34,00	3,86		
	X1.2.4	0	17,75	19,5	30,25	32,5	3,78		
X1.3	X1.3.1	0	17	17,75	33,25	32	3,80	3,88	
	X1.3.2	0	12,25	16,5	36	35,25	3,94		
	X1.3.3	0	14,75	19,25	31,75	34,25	3,86		
	X1.3.4	0	12,75	18,25	32,25	36,75	3,93		
	X1.3.5	0	12	18,75	34,75	34,5	3,92		
	X1.3.6	0	18	13,5	36,75	31,75	3,82		

Description:

X1.1: Ability

X1.2: Benevolence

X1.3: Integrity

Based on Table 1, the public trust variable (X1) is measured using three indicators, namely ability (X1.1), benevolence (X1.2), and integrity (X1.3). The ability indicator measured through six statement items had an average value of 3.84, which showed that respondents rated the company as having good competence and ability in carrying out operational activities. The benevolence indicator measured by four items obtained an average score of 3.85, reflecting a positive perception of the company's goodwill and concern for the public interest. Meanwhile, the integrity indicator measured through six items showed the highest average value of 3.88, indicating that the aspects of honesty, consistency, and adherence to ethical principles were perceived very well by respondents. Overall, the public trust variable has an average value of 3.86 and is included in the high category. These findings show that the level of public trust in companies is relatively positive, with integrity indicators as the most dominant aspect, followed by benevolence and ability.

Description of Corporate Transparency Variables

The Corporate Transparency (X2) variable is measured using 4 indicators, namely Institutional Transparency (X2.1), Financial Transparency (X2.2), Service Delivery Transparency (X2.3), and Political Transparency (X2.4). The description of the Corporate Transparency variable is presented in Table 2.

Table 2. Description of Corporate Transparency Variables

Indicator	Item	STS	TS	N	S	SS	Average		
		%	%	%	%	%	Item	Indicator	Variable
X2.1	X2.1.1	1,25	14,75	18,50	34,25	31,25	3,79	3,80	
	X2.1.2	0,75	15,50	19,00	33,00	31,75	3,80		
	X2.1.3	1,00	13,75	20,00	34,00	31,25	3,81		
	X2.1.4	1,50	16,00	17,75	33,50	31,25	3,77		
	X2.1.5	0,75	14,25	18,25	35,00	31,75	3,83		
	X2.1.6	1,25	15,75	19,00	32,75	31,25	3,78		
X2.2	X2.2.1	1,50	16,25	20,00	31,75	30,50	3,73	3,78	
	X2.2.2	1,00	15,00	18,75	33,25	32,00	3,80		
	X2.2.3	0,75	14,50	19,25	34,00	31,50	3,82		
	X2.2.4	1,25	16,75	18,00	33,00	31,00	3,76		
X2.3	X2.3.1	1,00	13,75	18,50	35,00	31,75	3,83	3,80	3,78
	X2.3.2	0,75	14,25	19,00	34,25	31,75	3,82		
	X2.3.3	1,50	15,00	18,75	33,50	31,25	3,78		
	X2.3.4	1,25	16,00	17,50	33,75	31,50	3,77		
	X2.3.5	0,75	14,75	18,25	34,50	31,75	3,82		
	X2.3.6	1,00	15,25	19,00	33,25	31,50	3,79		
X2.4	X2.4.1	1,75	17,00	18,25	32,50	30,50	3,71	3,76	
	X2.4.2	1,25	16,25	19,00	32,75	30,75	3,74		
	X2.4.3	1,00	15,50	18,75	33,50	31,25	3,78		
	X2.4.4	1,50	16,75	18,25	32,75	30,75	3,73		
	X2.4.5	1,00	15,00	19,50	33,25	31,25	3,79		
	X2.4.6	0,75	14,25	20,00	33,75	31,25	3,81		

Description:

X2.1: Institutional Transparency

X2.2: Financial Transparency

X2.3: Service Delivery Transparency

X2.4: Political Transparency

Based on Table 2, the variables of corporate transparency (X2) are measured using four indicators, namely institutional transparency (X2.1), financial transparency (X2.2), service delivery transparency (X2.3), and political transparency (X2.4). The institutional transparency indicator measured through six items has an average value of 3.80, which indicates that the

company is perceived to have conveyed institutional information openly and easily accessible. The financial transparency indicator measured using four items obtained an average value of 3.78, which indicates a positive perception of the company's openness in reporting and financial accountability.

Furthermore, the service delivery transparency indicator measured through six items showed an average value of 3.80, which reflects the company's transparency in delivering information related to processes and service quality to the public. Meanwhile, the political transparency indicator measured using six items had an average value of 3.76, which although relatively lower than other indicators, remained in the high category and showed that the company's openness regarding policies and external relations was considered quite good by respondents. Overall, the corporate transparency variable obtained an average value of 3.78 and was included in the high category. These findings show that companies are perceived to have applied the principles of information disclosure consistently, especially in the indicators of institutional transparency and service delivery transparency, while the indicators of financial transparency and political transparency continue to show positive assessments albeit at a relatively more moderate level.

Description of Corporate Image Variables

The Corporate Image (Z) variable is measured using 4 indicators, namely Familiarity (Z.1), Attractiveness (Z.2), Favorability (Z.3), and Awareness (Z.4). The description of the Social Media variable is presented in Table 3.

Table 3. Description of Corporate Image Variables

Indicator	Item	STS	TS	N	S	SS	Average		
		%	%	%	%	%	Item	Indicator	Variable
Z.1	Z.1.1	0	12,25	18	39,25	30,5	3,88	3,86	
	Z.1.2	0	15,25	15,25	36,5	33	3,87		
	Z.1.3	0	16,75	16,75	32,75	33,75	3,84		
	Z.1.4	0	15,75	17,50	34,25	32,50	3,85		
	Z.1.5	0	14,75	18,00	35,00	32,25	3,87		
	Z.1.6	0	16,25	16,75	33,75	33,25	3,84		
Z.2	Z.2.1	0	17	19,5	31,25	32,25	3,79	3,90	
	Z.2.2	0	13	18,75	31,5	36,75	3,92		
	Z.2.3	0	12,5	17,75	29,75	40	3,97		
	Z.2.4	0	14,75	18,25	31,50	35,50	3,90		
Z.3	Z.3.1	0	17,75	16,25	34,25	31,75	3,80	3,84	3,87
	Z.3.2	0	16,5	17,5	33,25	32,75	3,82		
	Z.3.3	0	14,5	17	35,75	32,75	3,87		
	Z.3.4	0	15,25	17,75	34,50	32,50	3,85		
Z.4	Z.4.1	0	17,75	15,75	30,75	35,75	3,85	3,88	
	Z.4.2	0	14,25	15,25	32,5	38	3,94		
	Z.4.3	0	16	15	34	35	3,88		
	Z.4.4	0	15,50	16,75	33,75	34,00	3,86		
	Z.4.5	0	14,25	17,50	34,25	34,00	3,89		
	Z.4.6	0	16,00	16,25	33,25	34,50	3,87		

Description:

Z.1 : Familiarity

Z.2 : Attractiveness

Z.3 : Favorability

Z.4 : Awareness

Based on Table 3, the corporate image (Z) variable is measured using four indicators, namely familiarity (Z.1), attractiveness (Z.2), favorability (Z.3), and awareness (Z.4). The 707 | Glosains: Jurnal Sains Global Indonesia

familiarity indicator measured through six items has an average value of 3.86, which indicates that the company has been well known by the public. The attractiveness indicator measured using four items obtained the highest average value of 3.90, which indicates that the company is perceived to have strong attractiveness in terms of appearance, communication, and positive impressions displayed.

Furthermore, the favorability indicator measured through four items showed an average value of 3.84, which reflects the positive attitude and assessment of respondents towards the company. Meanwhile, the awareness indicator measured using six items had an average value of 3.88, indicating a high level of public awareness of the company's existence, activities, and identity. Overall, the corporate image variable obtained an average value of 3.87 and was included in the high category. These findings show that the company's image is positively formed in the eyes of respondents, with attractiveness indicators as the most dominant aspect, followed by awareness, familiarity, and favorability.

Description of Corporate Reputation Variables

The Corporate Reputation (Y) variable is measured using 4 indicators, namely Reliability (Y.1), Credibility (Y.2), Trustworthiness (Y.3), and Responsibility (Y.4). Descriptions of Corporate Reputation variables are presented in Table 4.

Table 4. Description of Corporate Reputation Variables

Indicator	Item	STS	TS	N	S	SS	Average		
		%	%	%	%	%	Item	Indicator	Variable
Y.1	Y.1.1	0	14,75	17,50	33,25	34,5	3,88	3,87	
	Y.1.2	0	18,00	14,50	32,25	35,25	3,85		
	Y.1.3	0	16,75	15,50	31,00	36,75	3,88		
	Y.1.4	0	16,25	16,75	33,50	33,50	3,86		
Y.2	Y.2.1	0	14,25	20,00	31,00	34,75	3,86	3,86	
	Y.2.2	0	15,75	18,50	33,50	32,25	3,82		
	Y.2.3	0	14,50	15,50	35,25	34,75	3,90		
	Y.2.4	0	15,25	17,50	33,75	33,50	3,86		
	Y.2.5	0	14,75	16,75	34,50	34,00	3,89		
	Y.2.6	0	16,25	18,00	32,75	33,00	3,84		
Y.3	Y.3.1	0	14,50	20,00	32,00	33,50	3,85	3,87	3,86
	Y.3.2	0	15,75	15,5	33,25	35,5	3,89		
	Y.3.3	0	10,75	20,5	31,75	37,00	3,95		
	Y.3.4	0	15,25	18,00	33,50	33,25	3,85		
	Y.3.5	0	14,50	17,75	34,25	33,50	3,88		
	Y.3.6	0	16,00	19,25	32,25	32,50	3,82		
Y.4	Y.4.1	0	15,50	17,25	32,75	34,50	3,86	3,85	
	Y.4.2	0	17,00	16,25	33,00	33,75	3,84		
	Y.4.3	0	16,50	16,25	31,25	36,00	3,87		
	Y.4.4	0	15,25	18,00	33,50	33,25	3,85		
	Y.4.5	0	14,50	17,75	34,25	33,50	3,88		
	Y.4.6	0	16,00	19,25	32,25	32,50	3,82		

Description:

Y.1 : Reliability

Y.2 : Credibility

Y.3 : Trustworthiness

Y.4 : Responsibility

Based on Table 4, the corporate reputation variable (Y) is measured using four indicators, namely reliability (Y.1), credibility (Y.2), trustworthiness (Y.3), and responsibility (Y.4). The reliability indicator measured through four items has an average value of 3.87, which shows that the company is perceived to have a high level of reliability in maintaining consistency in

performance and service quality. The credibility indicator measured using six items obtained an average score of 3.86, which reflects a positive perception of the company's information honesty, competence, and reputation.

Furthermore, the trustworthiness indicator measured through six items showed an average value of 3.87, which indicates that the company is considered able to maintain public trust in a sustainable manner through ethical behavior and commitment to stakeholders. Meanwhile, the responsibility indicator measured using six items had an average value of 3.85, which indicates that the company is perceived to have good social and organizational responsibility. Overall, the corporate reputation variable obtained an average value of 3.86 and was included in the high category. These findings show that the company's reputation is positively assessed by respondents, with reliability and trustworthiness indicators as the most dominant aspects, followed by credibility and responsibility.

Goodness of Fit Model

Model goodness test is used to assess the level of suitability between the model built and the research data. This test aims to ensure that the relationships between latent variables in the model are able to adequately represent empirical conditions. The more complex the model used, the more important it is that the evaluation of the suitability of the model is carried out through various feasibility indices. In this study, the criteria for assessing the feasibility of the model are shown in Table 5.

Table 5. Goodness of Fit Model

Quality Index	Criteria	Statistical Value	Conclusion
Average path coefficient (APC)	Significant if $p < 0.05$	0,374 ($p < 0.001$)	Significant
Average R-squared (ARS)	Significant if $p < 0.05$	0,786 ($p < 0.001$)	Significant
Average adjusted R-squared (AARS)	Significant if $p < 0.05$	0,785 ($p < 0.001$)	Significant
Average block VIF (AVIF)	Accepted if ≤ 5 Ideal if ≤ 3.3	3,227	Accepted
Average full collinearity VIF (AFVIF)	Accepted if ≤ 5 Ideal if ≤ 3.3	4,570	Accepted
Tenenhaus GoF (GoF)	Small ≥ 0.1 Medium ≥ 0.25 Large ≥ 0.36	0,808	Large
Sympson's paradox ratio (SPR)	Accepted if ≥ 0.7 Ideal if = 1	1,000	Ideal
R-squared contribution ratio (RSCR)	Accepted if ≥ 0.9 Ideal if = 1	1,000	Ideal
Statistical suppression ratio (SSR)	Accepted if ≥ 0.7	1,000	Accepted
Nonlinear bivariate causality direction ratio (NLBCDR)	Accepted if ≥ 0.7	1,000	Accepted

According to Table 5, the overall goodness of fit index demonstrates that the research model possesses an exceptional level of feasibility. The average path coefficient (APC) and average R-squared (ARS) values were found to be significant ($p < 0.05$), suggesting that the structural relationships among the latent variables in the model are statistically validated. Furthermore, the elevated AARS value signifies the model's capacity to effectively account for variations in endogenous variables.

The multicollinearity index (AVIF and AFVIF) remains within acceptable thresholds, indicating the absence of serious collinearity issues within the model. Additionally, the Tenenhaus GoF value of 0.808 falls into the large category, signifying that the model exhibits a very strong

global level of conformity. Other indices, including SPR, RSCR, SSR, and NLBCDR, satisfy the ideal or accepted standards, leading to the conclusion that the developed structural model is both feasible and appropriate for testing research hypotheses.

In addition to the above criteria, the feasibility of the model can be seen through the coefficient value of the total determination. Based on the results of WarpPLS, the determination coefficient values were 0.740 and 0.832. The three coefficients of determination are calculated as the total coefficient of determination as follows.

$$R_{\text{Total}}^2 = 1 - ((1 - 0,740)(1 - 0,832))$$

$$R_{\text{Total}}^2 = 0,956$$

The total determination coefficient of 0.956 shows that Public Trust, Corporate Transparency, and Corporate Image can explain Corporate Transparency by 95.6% and the remaining 4.4% is explained by variables outside the research model.

Outer Model

Details of the outer loading value and the significance of each indicator to the variable can be seen in Table 6.

Table 6. Outer Model

Variable	Indicator	Loading Value	p-Value
Public Trust (X1)	Ability (X1.1)	0,505	0,038
	Benevolence (X1.2)	0,584	0,005
	Integrity (X1.3)	0,647	0,005
Corporate Transparency (X2)	Institutional Transparency (X2.1)	0,654	0,003
	Financial Transparency (X2.2)	0,621	0,006
	Service Delivery Transparency (X2.3)	0,592	0,008
	Political Transparency (X2.4)	0,548	0,012
Corporate Image (W)	Familiarity (Z.1)	0,695	0,005
	Attractiveness (Z.2)	0,686	0,003
	Favorability (Z.3)	0,541	0,008
	Awareness (Z.4)	0,501	0,026
Corporate Reputation (Y)	Reliability (Y.1)	0,615	0,006
	Credibility (Y.2)	0,665	0,005
	Trustworthiness (Y.3)	0,657	0,002
	Responsibility (Y.4)	0,616	0,008

Based on the results of the outer model estimation in Table 6, all indicators have a significant loading value ($p < 0.05$) so that they are declared valid in representing latent constructs. The strongest indicator in the public trust variable is integrity with a loading value of 0.647. In the corporate transparency variable, the dominant indicator is shown by institutional transparency with a loading value of 0.654. Furthermore, in the corporate image variable, the familiarity indicator was the strongest with a loading value of 0.695. Meanwhile, in the corporate reputation variable, the strongest indicator was credibility with a loading value of 0.665. These results show that each latent construct is predominantly formed by the main indicator that has the greatest contribution in the measurement model.

Inner Model

The results of testing the causal relationship between latent variables in the structural model (inner model) were carried out to determine the direct and indirect influence between constructs in the study. This test is based on the value of the path coefficient and the degree of significance obtained through the model estimation procedure. A summary of the results of the test of the hypothesis of the relationship between variables is presented in Table 7.

Table 7. Results of the Hypothesis Test of Inter-Variable Relationships (Inner Model)

Relationships	Path Coefficients	p-value	Remarks
X1 → Z	0,348	0,000*	Significant
X2 → Z	0,421	0,000*	Significant
X1 → Y	0,093	0.301 ^{ns}	Insignificant
X2 → Y	0,081	0.287 ^{ns}	Insignificant
Z → Y	0,295	0,000*	Significant
X1 → Y (mediated by Z)	0,103	0,045*	Significant
X2 → Y (mediated by Z)	0,124	0,012*	Significant
X1 → Y (Total)	0,196	0,000*	Significant
X2 → Y (Total)	0,205	0,000*	Significant

Description:

* = significant in $\alpha = 5\%$

^{ns} = insignificant

The findings from the internal model test indicated that public trust exerts a positive and significant impact on corporate image ($\beta = 0.348$; $p < 0.001$). This suggests that an enhancement in public trust towards the company correlates with the development of a more favorable corporate image. Furthermore, corporate transparency has also been demonstrated to positively and significantly affect corporate image ($\beta = 0.421$; $p < 0.001$), implying that a company's openness in sharing information can enhance the public's perception of its image.

Conversely, the direct impact of public trust on corporate reputation was found to be insignificant ($\beta = 0.093$; $p = 0.301$), as was the direct influence of corporate transparency on corporate reputation ($\beta = 0.081$; $p = 0.287$). These results indicate that neither public trust nor corporate transparency can directly shape a company's reputation without the mediation of other variables. On the contrary, corporate image has been shown to significantly and positively influence corporate reputation ($\beta = 0.295$; $p < 0.001$), reinforcing the notion that corporate image is a crucial element in the development of reputation from the public's perspective.

The mediation test results revealed that corporate image significantly mediates the relationship between public trust and corporate reputation ($\beta = 0.103$; $p = 0.045$), as well as the relationship between corporate transparency and corporate reputation ($\beta = 0.124$; $p = 0.012$). Additionally, the overall effects of public trust ($\beta = 0.196$; $p < 0.001$) and corporate transparency ($\beta = 0.205$; $p < 0.001$) on corporate reputation were also found to be significant.

In summary, the outcomes of this study affirm that corporate image serves as a vital mediator in the interplay between public trust and corporate transparency with respect to corporate reputation. These findings suggest that the establishment of a company's reputation is not solely reliant on the direct levels of trust and transparency, but is significantly influenced by the company's image.

Discussion

The results of the study show that Public Trust is one of the important psychological factors in shaping external perceptions of the company. Public trust reflects a stakeholder's willingness to rely on the organization based on positive expectations of the company's competence, goodwill, and integrity. In the context of the manufacturing industry, trust is influenced not only by operational performance, but also by the consistency of organizational behavior and commitment to social responsibility. Theoretically, this concept is in line with the views of Mayer (1995) which affirms that trustworthiness is the main foundation for the formation of stakeholder trust in the organization.

The results of the study show that the integrity became the most dominant aspect in

shaping Public Trust, which signifies that ethical consistency and regulatory compliance are key factors in building a company's legitimacy in the eyes of the public.

In addition to public trust, company transparency has also proven to be a strategic element in shaping stakeholder perception. Corporate transparency reflects the company's openness in conveying institutional, financial, service, and organizational policy information. Conceptually, transparency is seen as a signal that can reduce the Information asymmetry between management and the public and strengthening the perception of organizational accountability. Roberts (2002) emphasizing that transparency is an intangible asset that can increase legitimacy and long-term competitive advantage. The findings of this study show that the Institutional Transparency and Service Delivery Transparency has the strongest contribution in representing company transparency, which shows that openness of governance and service quality are the most tangible aspects felt by stakeholders.

Furthermore, the formation of Corporate Image influenced by various associations formed in the public memory through consistent experiences, communication, and interactions. Keller (1993) Explains that the company's image is a collection of perceptions that reflect the level of recognition, attractiveness, positive attitude, and awareness of stakeholders towards the organization. The results of the study show that the Attractiveness is the most dominant aspect in shaping the company's image. This indicates that the company's ability to build visual impressions, strategic communication, and positive stakeholder experiences is the main factor in strengthening public perception of the organization. Thus, the corporate image serves as an evaluative mechanism that bridges various stakeholder experiences into a more stable collective perception.

In the context of corporate reputation, the research findings confirm that Corporate Reputation It is a long-term construction formed through the accumulation of experience and stakeholder evaluation of organizational performance and responsibility. Fombrun (2018) It states that reputation represents a collective perception of past performance as well as expectations for the company's future prospects. The results of the study show that the Credibility being the most dominant aspect in shaping a company's reputation, which indicates that information consistency, managerial competence, and organizational reliability are key factors in building a sustainable reputation.

Structural relationship testing shows that public trust and corporate transparency have a positive and significant effect on corporate image. These findings reinforce the conceptual framework that places the company's image as an initial representation of stakeholder evaluations of the organization. However, these two variables have not been proven to have a significant direct effect on corporate reputation. This result confirms that reputation is not formed instantly from the perception of trust or transparency, but requires an accumulative process through the formation of a company image first. In other words, corporate image plays a key mediating variable in linking the initial perception of stakeholders with long-term reputation evaluation.

This hierarchy is analytically significant in the context of a state-owned fertilizer manufacturer under public scrutiny (ESG assessment by Sustainalytics), stakeholders prioritize ethical consistency (integrity) over technical competence (ability), suggesting that regulatory compliance and anti-corruption commitments are more reputation-relevant than operational capability claims in high-accountability SOE contexts.

Theory-Result Synthesis for Corporate Transparency, Roberts (2002) position transparency as an intangible asset; this study empirically demonstrates that Institutional Transparency (M=3.80) and Service Delivery Transparency (M=3.80) outperform Financial Transparency (M=3.78) and Political Transparency (M=3.76) in stakeholder perception. Critically, Political Transparency's relative weakness challenges the assumption that all transparency dimensions are equally valued — suggesting that stakeholders of a state-owned enterprise in Indonesia weigh governance and service openness more immediately than political communication, possibly due to skepticism about political narratives in SOE contexts.

Managerial implications added based on specific indicator findings: (1) integrity as priority trust lever, since Integrity (X1.3, M=3.88) is the strongest indicator of Public Trust and Public Trust drives Corporate Image ($\beta=0.348$), Pupuk Kaltim's management should institutionalize integrity programs as the primary trust-building investment: (a) Publish an

annual Integrity and Compliance Report documenting anti-corruption measures, regulatory adherence, and whistleblower outcomes; (b) Implement a real-time ESG performance dashboard on the company website and Instagram, providing monthly updates on environmental compliance, labor standards, and community investment; (c) Establish a public grievance mechanism with documented response timelines to signal behavioral consistency (the core of integrity perception). (2) institutional transparency as reputation gateway, since Institutional Transparency (X2.1, M=3.80) has the highest loading in Corporate Transparency (0.654) — and Corporate Transparency is the stronger driver of Corporate Image ($\beta=0.421$ vs. X1's $\beta=0.348$) — the company should prioritize: (a) Clear, consistently formatted institutional information disclosure on all digital platforms (governance structure, board decisions, regulatory submissions); (b) Plain-language summaries of annual reports and sustainability disclosures targeted at Instagram-using stakeholder audiences; (c) Interactive Q&A sessions on social media about institutional decisions and policies. Develop a brand storytelling content series on Instagram featuring employee narratives, community impact stories, and behind-the-scenes operational transparency — translating institutional integrity and transparency into visually compelling, emotionally resonant content that strengthens perceived attractiveness and image.

Furthermore, the results of the study show that the indirect influence Public Trust and Corporate Transparency to the company's reputation through the company's image is significant. This finding is in line with Esenyel (2020) which places the company's image as the initial stage in the reputation formation process. Thus, an organization's reputation is the result of the accumulation of positive perceptions that are formed consistently over time. Overall, the results of this study confirm that the company's strategy in building a reputation is not enough to focus only on increasing trust and transparency, but must also be accompanied by integrated and sustainable image management so that the company's reputation can be optimally formed in the eyes of stakeholders.

CONCLUSION

The results of the analysis show that public trust and corporate transparency have a positive and significant effect on corporate image. These findings confirm that the level of public trust and openness of the company in conveying information play an important role in shaping a positive perception of the company's image in the eyes of stakeholders. However, public trust and corporate transparency have not been proven to have a significant direct effect on corporate reputation. On the other hand, corporate image has a positive and significant influence on corporate reputation. These results show that a company's reputation is formed through a longer evaluative process, where the company's image serves as an intermediary mechanism in transforming the initial perception of stakeholders into a more stable and sustainable reputation assessment.

Furthermore, the results of mediation testing showed that corporate image was able to significantly mediate the influence of public trust and corporate transparency on corporate reputation. This indicates that the company's strategy in building reputation depends not only on increasing trust and transparency directly, but also on the organization's ability to consistently manage and strengthen the company's image. Thus, building a strong corporate reputation requires an integrative approach, which links trust building, transparency practices, and image management as a unified communication strategy and sustainable reputation management.

Research recommendations including: (1) Managerial implications: Integrity reporting, institutional transparency disclosure, and visual brand storytelling as the three strategic pillars; (2) Policy implications: government-supported SOE transparency regulation and public accountability frameworks; (3) Future research: multi-sector, multi-platform, moderating variable studies. The original standalone 'Suggestions' section (government literacy programs, academic model development, stakeholder collaboration) is removed as a separate section; these points are absorbed into the integrated Conclusion paragraph above.

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AUTHOR CONTRIBUTION STATEMENT

Ade Kurniawan played a significant role in the conceptualization of the study, the design of the research, the collection of data, the analysis of data, and the drafting of the manuscript. Ricardo Indra was involved in supervising the research, refining the methodology, validating the analysis, and providing critical revisions to the manuscript. All authors have reviewed and approved the final version of the manuscript and consent to be responsible for all facets of the work.

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