

CUSTOMER-BASED BRAND EQUITY OF RETAIL BANKS IN VIETNAM

Vu Minh Tu^{a*}

^a*Vietcapital Bank, Hochiminh City, Vietnam*

*Corresponding author: Email: tuvm@vietcapitalbank.com.vn

Article history

Received: May 23rd, 2018

Received in revised form: June 18th, 2018 | Accepted: June 29th, 2018

Abstract

Developing customer-based brand equity (CBBE) for retail banks in Vietnam is still questionable, and the subject has not been properly investigated due to the fact that Vietnam is a young developing country. To extend a study of CBBE to Vietnam, this research conducts a survey to interview 157 respondents who are customers of one or more banks. Based on Exploratory Factor Analysis and a Structural Equation Model (SEM), findings confirm that there are significant relationships between satisfaction, quality, and uniqueness, meaning that an increase in perceived quality causes a rise in brand satisfaction. Similarly, an increase in brand uniqueness increases brand satisfaction. Brand satisfaction significantly enhances brand loyalty, while perceived quality and brand uniqueness have indirect effects on brand loyalty. As a result, this paper suggests that perceived quality and brand uniqueness must be formed before brand satisfaction in order to enhance brand loyalty. Furthermore, the direct effects of perceived quality and brand uniqueness on brand loyalty are lower than their indirect influences on brand loyalty via brand satisfaction.

Keywords: Brand equity; Brand loyalty; Retail banking.

Article identifier: <http://tckh.dlu.edu.vn/index.php/tckhdhdl/article/view/472>

Article type: (peer-reviewed) Full-length research article

Copyright © 2019 The author(s).

Licensing: This article is licensed under a CC BY-NC-ND 4.0

VỐN THƯƠNG HIỆU TRÊN NỀN TẢNG KHÁCH HÀNG CỦA CÁC NGÂN HÀNG BÁN LẺ VIỆT NAM

Vũ Minh Tú^{a*}

^aNgân hàng Thương mại Cổ phần Bản Việt, TP. Hồ Chí Minh, Việt Nam

*Tác giả liên hệ: Email: tuvmm@vietcapitalbank.com.vn

Lịch sử bài báo

Nhận ngày 23 tháng 05 năm 2018

Chỉnh sửa ngày 18 tháng 06 năm 2018 | Chấp nhận đăng ngày 29 tháng 06 năm 2018

Tóm tắt

Việc phát triển vốn thương hiệu trên nền tảng khách hàng (Customer-based brand equity - CBBE) với các ngân hàng bán lẻ ở Việt Nam vẫn chưa rõ ràng và chủ đề này chưa được nghiên cứu đầy đủ vì Việt Nam là một quốc gia đang phát triển. Để thực hiện nghiên cứu về CBBE ở Việt Nam, bài nghiên cứu này thực hiện khảo sát 157 đối tượng là khách hàng của một hoặc nhiều ngân hàng. Dựa trên phương pháp phân tích cấu trúc tuyến tính và kỹ thuật phân tích nhân tố khám phá, các phát hiện cho thấy có mối quan hệ giữa sự hài lòng, chất lượng và tính độc đáo của thương hiệu, nghĩa là chất lượng cảm nhận tăng sẽ dẫn đến sự hài lòng về thương hiệu tăng. Tương tự, tính độc đáo của thương hiệu tăng cũng dẫn đến tăng sự hài lòng. Sự hài lòng về thương hiệu làm tăng sự trung thành với thương hiệu. Nghiên cứu này cũng cho thấy chất lượng cảm nhận và sự độc đáo của thương hiệu phải hình thành trước sự hài lòng để làm tăng sự trung thành với thương hiệu. Hơn nữa, tác động trực tiếp của chất lượng cảm nhận và sự độc đáo của thương hiệu đối với sự trung thành của thương hiệu thấp hơn tác động gián tiếp thông qua sự hài lòng về thương hiệu.

Từ khóa: Lòng trung thành với thương hiệu; Ngân hàng bán lẻ; Vốn thương hiệu.

Mã số định danh bài báo: <http://tckh.dlu.edu.vn/index.php/tckhdhdl/article/view/472>

Loại bài báo: Bài báo nghiên cứu gốc có bình duyệt

Bản quyền © 2019 (Các) Tác giả.

Cấp phép: Bài báo này được cấp phép theo CC BY-NC-ND 4.0

1. INTRODUCTION

Vietnam has improved retail banking services impressively since the country joined the World Trade Organization in 2007. As a result, improving service quality and/or banking technology to keep and attract more customers for Vietnamese banks is indispensable. Based on that perception, branding is one of the most important competitive activities that the Vietnamese banks should take into account.

Despite the important role of bank branding, there has been limited research regarding brand equity in the banking industry of developing countries. Therefore, this study aims to fill the gap by applying the Customer-based brand equity model developed by Netemeyer et al. (2004) in the context of Vietnamese retail banking.

2. LITERATURE REVIEW

In marketing literature, brand equity is conceptualized and measured from two major viewpoints: The customer-based perspective and the financial perspective. Customer-based brand equity focuses largely on the knowledge and relations that customers have with the brand (Keller, 1993).

2.1. Customer-based brand equity (CBBE)

2.1.1. CBBE's definition and history

Brand equity is an invaluable asset of a business, because it can enhance the customer's trust in buying products or services, and simultaneously can help the customer to visualize the intangible features of the product or service (Berry, 2000). Brand equity has been measured by brand value received by not only the consumers but also the companies. Brand equity denotes the differences in customer responses to the brand's pricing, distribution, advertising, and promotion activities.

Models by Aaker (1996) and Keller (1993) are highly popular. These models mainly focus on brands for consumer goods, with just a very few empirical tests in a services context. On the other hand, the marketing literature also has defined branding as a cornerstone of service marketing for the twenty-first century (Berry, 2000). Accordingly, there are four important conditions for a firm to take into account: (i) Involvement and decision processes; (ii) The visibility of goods or service; (iii) Customer's experience; and (iv) The evaluation of the quality of the goods or services.

Netemeyer et al. (2004) employed several consumer-based theories (i.e., memory theory, choice theory, and pricing theory) to construct a famous CBBE model. Three years later, Taylor, Hunter, and Lindberg (2007) developed the brand equity model of Netemeyer et al. (2004) in the context of financial services. It proposes that the dependent variable should be customer's attitudinal loyalty instead of purchase intention. Taylor et al. (2017) found that satisfaction fully mediates the relationship

between CBBE and loyalty intentions. These results supported the role of customer satisfaction with the other CBBE dimensions as mediating variables.

Recently, some other studies have also employed a CBBE model in the service context with some modifications. For example, Mitsis and Patrick (2008) modified the model of Netemeyer et al. (2004) in the context of university education, while Hong, Swinder, and Siva (2010) modified it in the Korea banking context. Abdoli, Danaee, Haghtalab, and Khalili (2012) uses six dimensions, such as brand image, salience, performance, judgments, feelings, and resonance, to evaluate brand equity in banking. As pointed out previously, all of these studies give empirical evidence that the CBBE model maintains its validity.

2.1.2. Dimensions of retail banking CBBE

Table 1 is a summary of the dimensions of CBBE derived by previous studies. Some of these studies were done in developing countries. Those dimensions are considered for the research model below.

Table 1. Previous CBBE studies in the Retail Banking Industry

Authors	CBBE Dimensions	Data from	Adopted from
de Chernatony, Harris, and Christodoulides (2004)	Brand loyalty, Satisfaction and Brand Reputation	UK banks	Grounded theory
Taylor et al. (2007)	Brand uniqueness, brand attitude, satisfaction	US firms	Netemeyer et al. (2004)
Martensen and Grønholdt (2006)	Satisfaction, Emotional evaluations, and Customer relationship	Danish banks	Grounded theory
Chang and Liu (2009)	Brand attitude and Brand Image	China banks	Cobb et al. (1995, cited in Chang and Liu (2009))
Hong et al. (2010)	Brand associations, Perceived quality, Satisfaction, and Loyalty	Korea banks	Grounded theory
Aziz and Yasin (2010)	Brand resonance, Performance, Judgment, Feelings, and Salience	Malaysia banks	Keller (1993)
Pushpender and Anupam (2011)	Familiarity, Perceived quality, Brand loyalty, and Associations	India banks	Grounded theory

Source: The author's summary.

2.2. Perceived quality

Perceived quality is considered the primary dimension of CBBE (Aaker, 1996; Keller, 1993; Martensen & Grønholdt, 2006; & Netemeyer et al., 2004). It involves the overall judgment of customers when comparing alternative brands and is also formed from experience with a brand. This experience-derived judgment is stronger and more easily “accessed” from memory. According to Zeithaml (1988), a customer holds brand-related abstract information in memory.

Perceived value for the cost (PVC) is the customer’s overall assessment of the brand utility. PVC involves the trade-off of “what I get” (the benefits or assets) for “what I give” (the resources or liabilities) (Kirmani & Zeithaml, 1993). In addition, customers evaluate PVC by considering this trade-off in comparison with the trade-off for other alternative brands.

Perceived quality reflects an overall value judgment. Though perceived quality has been viewed at a higher level of abstraction, expectancy-value models suggest that combining attributes and benefits, including perceived quality, result in an overall perceived value for the cost (Keller, 1993). The perceived quality or perceived value for the cost arises from the difference between performance and expectations. In general, many researchers have suggested that perceived quality could have a positive effect on brand satisfaction and brand loyalty (Netemeyer et al., 2004; Taylor et al., 2007).

2.3. Brand uniqueness

Aaker (1996) defines brand uniqueness as the degree of brand difference in comparison to the competing brands. The customers perceive brand uniqueness through advertising campaigns or from experience with a brand. Brand uniqueness could be explained by choice theory. When there are choices among alternative brands, customers should pay attention to their differentiation, with unique characteristics of products that are best suited for them.

Uniqueness is proposed by Netemeyer et al. (2004) as a single dimension of brand equity, in contrast to Aaker (1996) framework where uniqueness is one of several brand associations. Brand uniqueness might lead to brand purchase intention or loyalty intention. Further, uniqueness is likely related to perceived quality in that consumers may suppose that unique aspects of a brand have “value or quality” (Netemeyer et al., 2004).

2.4. Brand satisfaction

Brand satisfaction is always a serious expectation of companies. It is generally defined as an emotional evaluation. Brand satisfaction results from a comparison between judgments on outcomes and the customer’s expectations (Oliver, 1999). According to Krishnan and Hartline (2001), consumer satisfaction with brands results in a willingness to pay a price premium, using the brand frequently, and loyalty to the

brand. Satisfaction is conceptualized as an attitude-like judgment after a purchase or an interaction with a services provider.

2.5. Brand loyalty

As depicted in Figure 1, brand loyalty is a dependent variable. Because all of the respondents interviewed already had a bank account and were using retail banking services, brand purchase intention is considered as loyalty intention. This suggestion corresponds with arguments of Taylor et al. (2007) and Hong et al. (2010). In sum, brand loyalty, measured from a consumer perspective, is a key variable in brand equity management, and is viewed as the attachment that the customer has to a brand.

Brand loyalty is a multidimensional construct which includes attitudinal and behavioral dimensions (Oliver, 1999). The behavioral perspective of loyalty focuses on a consumer's actual purchase behavior of a certain brand over time. On the other hand, attitudinal loyalty focuses on a consumer's attitudes toward a brand, and these attitudes lead to the intention to recommend and the intention to repurchase.

This paper will study attitudinal brand loyalty. Attitudinal brand loyalty represents a favorable attitude toward a specific brand. Therefore, attitudinal loyalty, which represents the nature of loyal customers, is specified by what people express rather than what people really do. Researchers measure attitudinal loyalty based on several factors, such as a customer's intention of making a repeat purchase, recommendations to others, infrequent switching to better competitors, attachment, or willingness to pay a price premium (Zeithaml, Berry, & Parasuraman, 1996).

2.6. The proposed model and research hypotheses

Based on arguments made previously, CBBE's dimensions should be brand loyalty, brand satisfaction, brand uniqueness, and perceived quality. Among the dimensions, brand loyalty is a dependent variable because the customers could not be loyal to a brand without using the brand and having formed specific attitudes to the brand.

The first independent variable that has an effect on brand loyalty is perceived quality (Martensen & Grønholdt, 2006; Netemeyer et al., 2004). In the context of retail banking, research in other countries has shown this relationship. As it may also hold in Vietnam, the first hypothesis is:

- H1: Perceived quality has a positive effect on brand loyalty.

On the other hand, in the original model of Netemeyer et al. (2004) and Taylor et al. (2007), brand uniqueness has a positive effect on brand loyalty. However, in other research, brand uniqueness has not shown a positive effect on brand loyalty. But in Vietnam, there are more than 60 local and international banks operating throughout the

country, so banks must distinguish themselves by the uniqueness of their products, services and ways of doing business. For this reason, the second hypothesis is:

- H2: Brand uniqueness has a positive effect on brand loyalty.

Furthermore, as mentioned in the many studies shown in Table 1 above, brand satisfaction has been studied as a dimension of CBBE in the banking context, especially in other Asian countries. In these researches, brand satisfaction not only has an effect on brand loyalty, but also plays a role as an intermediate variable that transfer the effects of brand uniqueness and perceived quality to brand loyalty (Aziz & Yasin, 2010; Hong et al., 2010). Therefore, the last three hypotheses will be:

- H3: Perceived quality has a positive effect on brand satisfaction;
- H4: Brand uniqueness has a positive effect on brand satisfaction;
- H5: Brand satisfaction has a positive effect on brand loyalty.

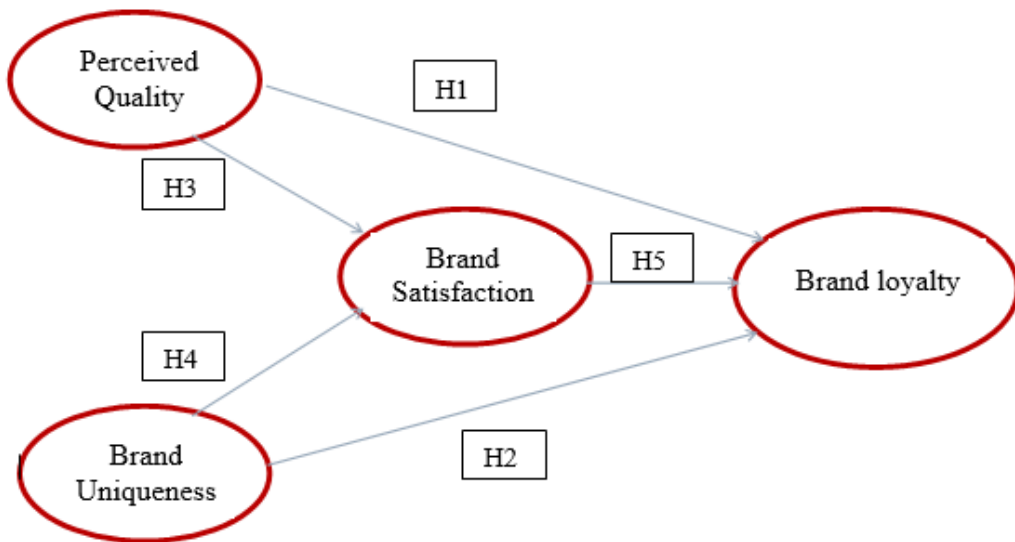


Figure 1. The current study’s proposed model

Source: Adopted from Netemeyer et al. (2004).

3. RESEARCH METHODOLOGY AND DATA COLLECTION

Before doing the main survey, two mini-group discussions were conducted. In the first discussion, four bank experts from different banks were invited to the discussion. The bank experts were two branch directors and two managers fts, consisting of two males and two females. The second discussion was conducted by a group of five bank customers, with three males and two females. We need those two mini-group discussions because their results contribute to exploring dimensions of CBBE. In particular, the research questionnaire was developed through face-to-face

discussions. The results of the two detailed mini-group discussions were mostly taken into account to reach the complete questionnaire shown in Table 2 below.

Table 2. The modified questionnaire after group discussion

The original questionnaire	Change after group discussion
Perceived quality	
PQ1: Compared to other retail banks, X-Bank is of very high quality.	Compared to other brands of retail banking, X-Bank is of very high quality.
PQ2: X-Bank is the best brand in Vietnamese retail banking.	Remained the same.
PQ3: X-Bank consistently performs better than all other retail banks.	X-Bank consistently performs better than all other brands of retail banking.
PQ4: I can always count on X-Bank service for consistent high quality.	Remained the same.
PQ5: What I get from X-Bank brand of retail banking is worth the cost.	Remained the same.
PQ6: With the same cost and fee, X-Bank is a good buy.	All things considered (price, time, and effort), X-Bank is a good buy.
PQ7: Compared to other banks, X-Bank is a good value for the money.	Remained the same.
PQ8: When I use X-Bank's services, I feel I am getting my money's worth.	Excluded.
Brand uniqueness	
UNI1: X-Bank is "distinct" from other banks.	Remained the same.
UNI2: X-Bank really "stands out" from other banks.	Remained the same.
UNI3: X-Bank is very different from other banks.	Remained the same.
UNI4: X-Bank is "unique" from other banks.	Remained the same.
Brand satisfaction	
SAT1: In general, I satisfy with X-Bank.	Excluded

Table 2. The modified questionnaire after group discussion (cont.)

The original questionnaire	Change after group discussion
SAT2: I satisfy with X-Bank's products/services.	I satisfy with X-Bank's sales/service staff.
SAT3: I satisfy with X-Bank's services.	Remained the same.
SAT4: I satisfy with X-Bank's technology.	Remained the same.
SAT5: I satisfy with X-bank's branch network.	Remained the same.
SAT6: I am treated warmly by X-Bank's staff.	Excluded.
SAT7: X-Bank always responds timely to its customer's feedback.	X-Bank always responds positively to its customer's feedback.
Brand loyalty	
LOY1: Next time I will definitely use X-bank's service again.	Remained the same.
LOY2: I will recommend X-bank to other people.	Remained the same.
LOY3: I will consider using more services by X-bank.	I will consider using other services by X-bank.
LOY4: I consider myself to be loyal to X-bank.	Remained the same.
LOY5: I will deposit my saving money in X-bank.	Excluded.

For data collection, convenience sampling has been applied by interviewing 200 customers from 17 Vietnamese banks (of 60 retail banks in Vietnam). The retail banks where data were collected are: Vietcombank (accounting for 18%), Asia Commercial Bank (15%), Techcombank (12%), Dong A Commercial Bank (6.4%), Sacombank (5.7%), HSBC Vietnam (5%), and other banks (18.5%) such as Southern Bank, SCB, and OCB. The final sample is 157 observations because 43 interviewees chose not to answer one or more questions in the questionnaire. All the interviews were conducted from December 2017 to March 2018 in Hochiminh City. According to an overview of the output, most of the respondents are accountants or company salesmen ranging in age between 25 and 52.

4. RESEARCH ANALYSES

4.1. Reliability of the measurement instrument

Exploratory factor analysis (EFA) is employed. Items considered in the questionnaire are measured by a seven-point scale from complete disagreement (1) to

complete agreement (7). There are three factors considered, due to their eigenvalues being greater than one, and their total explained variance is 82.57, together with KMO= 0.87. As a result, EFA is appropriately applied.

To test the reliability of the items, Cronbach's alpha test is considered. As shown in Table 3, most items meet the requirement of reliability, because their Cronbach's alpha is above 0.9 (Hair, Black, Babin, Anderson, & Tatham, 2006).

Table 3. Reliability of the measurement instrument

Scales	Corrected item-total correlation	Cronbach's alpha if item deleted
Perceived quality scale ($\alpha = 0.963$)		
PQ1: Compared to other brands of retail banking, X-Bank is of very high quality.	0.877	0.956
PQ2: X-Bank is the best brand in Vietnamese retail banking.	0.865	0.957
PQ3: X-Bank consistently performs better than all other brands of retail banking.	0.853	0.958
PQ4: I can always count on X-Bank service for consistent high quality.	0.884	0.956
PQ5: What I get from X-Bank brand of retail banking is worth the cost.	0.854	0.958
PQ6: All things considered (price, time, and effort), X-Bank is a good buy.	0.865	0.957
PQ7: Compared to other banks, X-Bank is a good value for the money.	0.880	0.956
Brand uniqueness scale ($\alpha = 0.920$)		
UNI1: X-Bank is "distinct" from other banks.	0.846	0.885
UNI2: X-Bank really "stands out" from other banks.	0.826	0.892
UNI3: X-Bank is very different from other banks.	0.815	0.896
UNI4: X-Bank is "unique" from other banks.	0.777	0.909

Table 3. Reliability of the measurement instrument (cont.)

Scales	Corrected item- total correlation	Cronbach' s alpha if item deleted
Brand satisfaction ($\alpha = 0.939$)		
SAT2: I satisfy with X-Bank's sales/service staff.	0.872	0.918
SAT3: I satisfy with X-Bank's services.	0.866	0.919
SAT4: I satisfy with X-Bank's technology.	0.772	0.936
SAT5: I satisfy with X-bank's branch network.	0.847	0.923
SAT7: X-Bank always responds positively to its customer's feedback.	0.821	0.928
Brand loyalty ($\alpha = 0.949$)		
LOY1: Next time I will definitely use X-bank's service again.	0.870	0.936
LOY2: I will recommend X-bank to other people.	0.904	0.925
LOY3: I will consider using other services by X-bank.	0.841	0.944
LOY4: I consider myself to be loyal to X-bank.	0.896	0.928

4.2. Validity of the measuring model

The measuring model is tested by confirmatory maximum likelihood factor analysis. According to Hair et al. (2006), the Maximum Likelihood method can improve parameter estimates to minimize errors to a specified fit function. The goodness of fit of the measurement model is acceptable because $\chi^2 = 166.7$, $df = 101$, $\chi^2/df = 1.65$, Root Mean Square Error of Approximation (RMSEA) = 0.065, Tucker-Lewis Index (TLI) = 0.97, and the Comparative Fit Index (CFI) = 0.975.

To test the model's convergent validity, factor loadings, composite reliability and the average of variance-extracted estimates (AVE) is calculated. As a result, all factor loadings are over 0.7 and significant. The model's composite reliability and the average of variance-extracted estimates exceed 0.50 and are acceptable (Hair et al., 2006) (Table 4).

Table 4. Composite reliability and variance extracted of the scales

Scales	Composite reliability	Variance extracted
Perceived quality	0.963	0.788
Brand uniqueness	0.938	0.755
Brand satisfaction	0.920	0.742
Brand loyalty	0.949	0.826

Discriminant validity of the scale is guaranteed, because as shown in Table 5, all average variance-extracted estimates are greater than the corresponding inter-construct squared correlation estimates.

Table 5. Correlations among latent construct (squared)

Measure	Perceived quality	Brand uniqueness	Brand satisfaction	Brand loyalty	Variance extracted
Perceived quality	1.00				0.788
Brand uniqueness	0.63 (0.40)	1.00			0.755
Brand satisfaction	0.78 (0.61)	0.70 (0.49)	1.00		0.742
Brand loyalty	0.83 (0.69)	0.71 (0.51)	0.90 (0.81)	1.00	0.826

4.3. Structural Equation Modeling (SEM)

In order to test the degree of the relationships between constructs of the hypothesized theoretical model, Structural Equation Modeling (SEM) is used (Hair et al., 2006). Therefore, the Maximum Likelihood (ML) estimation method is applied to test SEM. Based on the estimated result, the goodness of fit of the measurement model is acceptable, due to $\chi^2 = 252.7$, $df = 164$, $\chi^2/df = 1.54$, Root Mean Square Error of Approximation (RMSEA) = 0.059, Tucker-Lewis Index (TLI) = 0.971, and the Comparative Fit Index (CFI) = 0.975 (Table 6).

Table 6. The model fit statistics of the proposed model

Goodness of fit statistic	The proposed model	Desired value for good fit
χ^2/df	1.54	< 2.0
RMSEA	0.059	< 0.08
TLI	0.971	> 0.90
CFI	0.975	> 0.90

As shown in Figure 2, the SEM model confirms that there is a significant relationship between satisfaction, quality, and uniqueness.

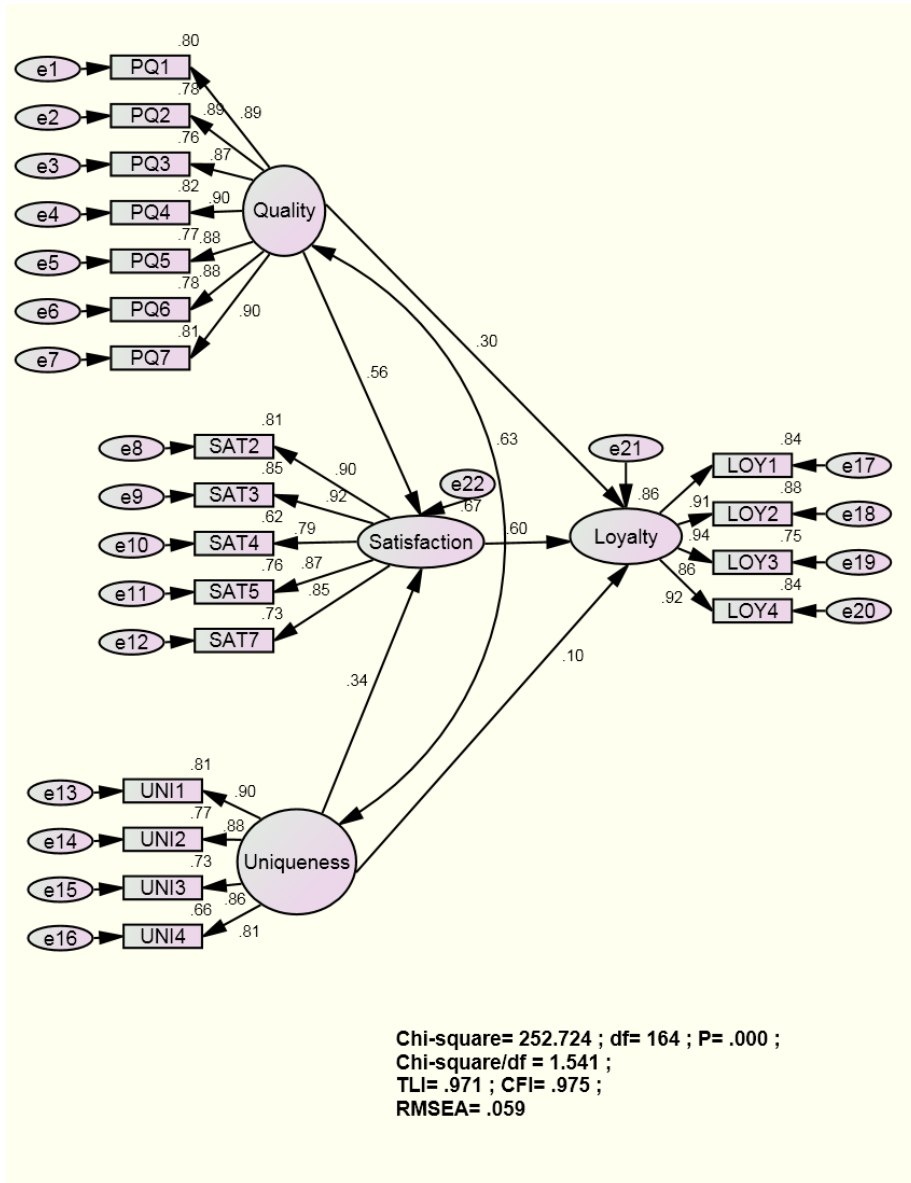


Figure 2. Structural equation model

The regression analysis results are shown in Table 7. Firstly, the hypothesis H3 and the hypothesis H4 are not rejected. Secondly, we also found evidence of brand satisfaction impacting brand loyalty, while perceived quality and brand uniqueness have indirect effects on brand loyalty. As a result, the hypotheses H1, H2, and H5 are accepted, meaning that perceived quality, brand uniqueness, and brand satisfaction all have a positive effect on brand loyalty. In conclusion, all of the CBBE's dimensions have a direct or indirect effect on brand loyalty.

Table 7. Nonstandardized and standardized regression weights

Nonstandardized regression weights					Standardized regression weights
	Estimate	S.E.	C.R.	P-Label	
Satisfaction \leftarrow Quality	0.629	0.086	7.284	***	0.560
Satisfaction \leftarrow Uniqueness	0.411	0.090	4.592	***	0.344
Loyalty \leftarrow Satisfaction	0.735	0.099	7.440	***	0.596
Loyalty \leftarrow Uniqueness	0.148	0.085	1.739	0.082	0.101
Loyalty \leftarrow Quality	0.421	0.092	4.569	***	0.304
PQ7 \leftarrow Quality	1.000				0.898
PQ6 \leftarrow Quality	0.994	0.059	16.881	***	0.884
PQ5 \leftarrow Quality	1.009	0.061	16.518	***	0.876
PQ4 \leftarrow Quality	1.044	0.059	17.837	***	0.904
PQ3 \leftarrow Quality	1.003	0.061	16.313	***	0.872
PQ2 \leftarrow Quality	1.007	0.059	16.975	***	0.886
PQ1 \leftarrow Quality	1.037	0.060	17.339	***	0.894
SAT7 \leftarrow Satisfaction	1.000				0.854
SAT5 \leftarrow Satisfaction	1.017	0.070	14.602	***	0.873
SAT4 \leftarrow Satisfaction	0.923	0.076	12.184	***	0.787
SAT3 \leftarrow Satisfaction	1.086	0.067	16.203	***	0.921
SAT2 \leftarrow Satisfaction	1.101	0.071	15.577	***	0.903
UNI4 \leftarrow Uniqueness	1.000				0.810
UNI3 \leftarrow Uniqueness	1.126	0.090	12.521	***	0.856

Table 7. Nonstandardized and standardized regression weights (cont.)

Nonstandardized regression weights					Standardized regression weights
	Estimate	S.E.	C.R.	P-Label	
UNI2 ← Uniqueness	1.155	0.089	12.974	***	0.878
UNI1 ← Uniqueness	1.269	0.094	13.436	***	0.900
LOY1 ← Loyalty	1.000				0.916
LOY2 ← Loyalty	0.975	0.047	20.871	***	0.937
LOY3 ← Loyalty	0.868	0.052	16.553	***	0.863
LOY4 ← Loyalty	0.935	0.048	19.499	***	0.917

These findings reveal the mediating role of brand satisfaction as perceived quality and brand uniqueness' indirect effects are stronger than their direct effects (Table 8). This can be explained if perceived quality and brand uniqueness enhance customers' satisfaction and, in turn, brand satisfaction enhances brand loyalty. These findings are consistent with the empirical studies of Taylor et al. (2007) and Hong et al. (2010). According to Taylor et al. (2007), brand uniqueness does not have a direct impact on brand loyalty, but an indirect effect via brand satisfaction. Hong et al. (2010) found that perceived quality does not have a direct impact on brand loyalty, but does have an indirect effect via brand satisfaction. Hence, perceived quality must be formed first, and then it could help to develop brand satisfaction.

Table 8. Direct effects and indirect effects for each of CBBE's dimensions

Independent variables	Dependent variables	Direct effects	Indirect effects	Total effects
Perceived quality	Brand loyalty	0.303	0.335	0.639
Brand uniqueness	Brand loyalty	0.099	0.205	0.306
Brand satisfaction	Brand loyalty	0.598		0.596

5. CONCLUSION

5.1. Findings

To extend a study of CBBE to Vietnam, the paper conducts a survey to interview 157 respondents, who are customers of one or more banks. Based on Exploratory Factor Analysis and a structural equation model (SEM), our findings

confirm that there is a significant relationship between satisfaction, quality, and uniqueness, meaning that an increase in perceived quality causes a rise in brand satisfaction. Similarly, an increase in brand uniqueness increases brand satisfaction.

As a result, this paper suggests that perceived quality and brand uniqueness must be formed before brand satisfaction in order to enhance brand loyalty. Furthermore, the direct effects of perceived quality and brand uniqueness to brand loyalty are lower than their indirect influences to brand loyalty via brand satisfaction.

The findings suggest that the proposed model is supported with goodness of fit. Brand equity has been empirically studied since 1990s, with some pioneer models developed by Aaker (1991) and Keller (1993). However, since the traditional model is suggested for goods only, a lot of previous studies to adjust the CBBE model have been suggested for services in general and for a particular service in detail. This study provides an alternative CBBE model with empirical evidence from retail banking in Vietnam.

This study also contributes empirical evidence to the marketing literature of CBBE's consequence – brand loyalty. There were many studies of brand loyalty as CBBE's consequence in banking context in China, Malaysia and India, such as Aziz and Yasin (2010); Chang and Liu (2009); and Pushpender and Anupam (2011). However, there is no such empirical study for Vietnam. Hence, this study contributes to the empirical marketing literature related to retail banking in Vietnam.

5.2. Managerial implications

For managerial implications, the study provides an empirical model for retail banks to improve their brand equity. To maximize a retail bank's brand in Vietnam, where more than 60 local and international retail banks operate, the most important activities are keeping and improving the bank's uniqueness and service quality. With durable high uniqueness and quality, their customers might have higher satisfaction whenever making transactions or having discussions about their bank. Consequently, brand satisfaction and loyalty will be improved and customers will be loyal to the bank brand. Otherwise, if the brand uniqueness is low, then the customers' expectations will not be met and the customers' perceived quality will be low. Consequently, the customers' satisfaction will be reduced and these customers will not be loyal to the bank brand.

5.3. Limitations and recommendations for further research

Samples were selected by the convenience method, based solely on the customer list. This can provide biased information. Respondents live only in Hochiminh City and are individuals only.

As mentioned, previously, to find out the relation between CBBE dimensions and brand loyalty, observations must be collected from loyal customers only. However,

the percentage of loyal customers (those who have transacted with the bank for more than three years) count for just 58%.

Based on the findings of this study, future research might be conducted by expanding the data set to other banks and to the other provinces in Vietnam, or even with data from neighboring countries, such as Thailand and Cambodia. However, the observations must be collected from the loyal customers only. In addition, other future research on this topic could study the effects of CBBE's dimensions on tangible brand benefits, such as higher fees and prices. Such future research will give new insights to the brand equity literature.

REFERENCES

- Aaker, D. A. (1991). *Managing brand equity*. New York, USA: The Free Press.
- Aaker, D. A. (1996). Measuring brand equity across products and markets. *California Management Review*, 38(3), 102-120.
- Abdoli, M., Danaee, H., Haghtalab, H., & Khalili, M. (2012). Evaluating brand equity from the view of the customers in banking. *Journal of Basic and Applied Scientific Research*, 2(8), 7466-7472.
- Aziz, N. A., & Yasin, N. M. (2010). Analyzing the brand equity and resonance of banking services: Malaysian consumer perspective. *International Journal of Marketing Studies*, 2(2), 180-189.
- Berry, L. L. (2000). Cultivating service brand equity. *Journal of the Academy of Marketing Science*, 28(1), 128-137.
- Chang, H. H., & Liu, Y. M. (2009). The impact of brand equity on brand preference and purchase intentions in the services industries. *The Service Industries Journal*, 29(12), 1687-1706.
- de Chernatony, L., Harris, F. J., & Christodoulides, G. (2004). Developing a brand performance measure for financial services brands. *The Service Industries Journal*, 24(2), 15-33.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2006). *Multivariate data analysis* (6th ed.). New Jersey, USA: Prentice Hall Press.
- Hong, Y. H., Swinder, J., & Siva, M. (2010). Development of brand equity: Evaluation of four alternative models. *The Service Industries Journal*, 30(6), 911-928.
- Keller, K. L. (1993). Conceptualizing, measuring and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1-22.
- Kirmani, A., & Zeithaml, V. A. (1993). Advertising, perceived quality, and brand image. In D. A. Aaker, & A. L. Biel (Eds.), *Brand equity & advertising: Advertising's role in building strong brands* (pp. 143-162). New Jersey, USA: Lawrence Erlbaum Associates.

- Krishnan, B. C., & Hartline, M. D. (2001). Brand equity: Is it more important in services? *Journal of Services Marketing*, 15(5), 328- 342.
- Martensen, A., & Grønholdt, L. (2006). A brand equity measurement and management system. *Journal of Management Systems*, 18(1), 54-65.
- Mitsis, A., & Patrick, F. (2008). *An empirical examination of referentially modified quality and value for cost scale items*. Paper presented at The 2008 ANZMAC Conference, Australia.
- Netemeyer, R. D., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., Ricks, J., & Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. *Journal of Business Research*, 57(2), 209-224.
- Oliver, R. L. (1999). Whence customer loyalty? *Journal of Marketing*, 63, 33-44.
- Pushpender, N., & Anupam, B. (2011). Measurement of brand equity of services - Scale construction and validation. *Journal of Services Research*, 11(2), 135-154.
- Taylor, S. A., Hunter, G. L., & Lindberg, D. L. (2007). Understanding (customer-based) brand equity in financial services. *Journal of Services Marketing*, 21(4), 241-252.
- Zeithaml, V. A., Berry, L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31-46.
- Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing*, 52(3), 2-22.