Managing brand associations to drive customers' trust and loyalty in Vietnamese banking

Kim Ngoc Phan and Nabil Ghantous
*Faculté d'Economie et de Gestion, CERGAM (EA 4225),
Aix Marseille Université, Aix en Provence, France*

Abstract

Purpose – Vietnamese banks have relied in the past on short-term promotional techniques and attractive interest rates instead of developing strong brands. This research investigates how customers' perceptions of bank brands drive their trust and loyalty. It also addresses how customers' experience and their social compliance moderate the impact of their brand perceptions on their trust and loyalty.

Design/methodology/approach – Customers' perceptions are measured through brand associations based on the bank's functional elements, its personnel and its overall image. A structural equation model linking brand associations to customers' trust and loyalty is tested using data from a sample of 557 Vietnamese bank customers.

Findings – The results indicate that the personnel-based brand associations are the strongest driver of trust and have a negative direct impact on loyalty, while functional and corporate-based associations have a stronger impact on loyalty. Trust strongly mediates brand associations' impact on loyalty. In addition, corporate-based associations have a stronger impact on trust and loyalty for customers with little direct experience with the bank and personnel-based associations have a stronger impact for socially compliant customers.

Practical implications – The findings indicate how different brand associations can be leveraged to trigger customers' trust and loyalty in the Vietnamese banking sector. Moderating effects of the extent of customers' experience imply that bank brand managers should integrate the customer relationship lifecycle in their segmentation/targeting and in their customer-brand relationship management.

Originality/value – This study highlights the potential of branding in the Vietnamese banking industry as a strategy to build strong customer relationships. It also strongly points out the need for brand managers to take into consideration the Vietnamese context and more precisely customers' lack of banking experience and their tendency to social compliance.

Keywords Brand associations, Trust, Loyalty, Customers' experience, Corporate, Social compliance, Vietnam, Brands

Paper type Research paper

1. Introduction

The Vietnamese banking sector is transforming at a rapid pace and is expected to show a higher growth rate than most of its counterparts in neighboring Asian countries (Ho and Baxter, 2011). This trend has been mainly shaped by state-led economic reforms since the end of the 1980s and the creation of several State-Owned Commercial Banks (SOCB). It has accelerated recently with the country's accession to the World Trade Organization in 2007, leading to a progressive liberalization of the banking sector that allows more foreign banks to operate fully in the local market. The government also gave an important impulse to the development

of the industry through its decision to pay its public servants no longer in cash but through bank transfers. This move highlights the government's commitment to shifting from a cash-based economy to an economy where retail banking plays a central role in economic growth. These reforms and the tremendous economic development of the country during the last two decades (Breu and Dobbs, 2012) are creating important opportunities for both national and foreign banks operating in Vietnam, mainly in retail banking which presents a low penetration rate (20 percent at the end of 2009; Ho and Baxter, 2011).

One strategic tool that banks can use to attract new customers and develop strong relationships is the bank brand (de Chernatony and Cottam, 2006; Devlin, 2004; O'Loughlin and Szmigin, 2005). Nguyen *et al.* (2011) underline, however, that branding practices in the Vietnamese market in general are still recent and underdeveloped, especially when contrasting the marketing approach of Vietnamese firms to that of foreign companies operating in Vietnam. Moulins *et al.* (2012) add that the dominant marketing approach in Vietnamese banking has emphasized interest rates and promotional techniques instead of developing clear brand reputation and relationships. This over-emphasis on interest rates in the race for deposit in recent years and the low switching costs have fostered opportunistic behavior by Vietnamese banking customers. The general aim of the present research is thus to investigate how bank brands drive positive consumer responses, and more specifically brand loyalty, on the Vietnamese market.

To this aim, we first build on the psycho-cognitive perspective of branding that considers brands as clusters of associations in consumers' minds, adding value to consumers' experience and hence driving their positive reactions toward the company (Keller, 1993). This approach, which mainly originated from the study of product brands, also applies to services (Berry, 2000). Previous literature highlights that services brand associations derive to a great extent from two main sources: customers' service experience and their overall perceptions of the service company (Berry and Lampo, 2004; de Chernatony and Segal-Horn, 2003; McDonald *et al.*, 2001; O'Cass and Grace, 2004). It also highlights the greater perceived risk associated with services, emphasizing the specific function of the brand as a risk-reducing device through the trust it conveys (de Chernatony and Dall'Olmo Riley, 1999). With this in mind, we set out to study the links between experience-based brand associations, corporate-based brand associations and brand trust and their different roles in driving brand loyalty in the Vietnamese banking industry.

Second, we take a contingency approach, integrating two contextual specificities of Vietnamese bank consumers and their behavior as moderators of the impact of the different antecedents of brand loyalty included in the research. On the one hand, we investigate the moderating effect of the recency of Vietnamese consumers' relationships with their banks, a contextual factor deriving from the emerging nature of the Vietnamese banking industry. On the other hand, we also explore the role of consumers' tendency to comply with social influence from other people. This last moderator goes beyond the banking sector and reflects at the individual consumer level the cultural trait of collectivism (Gupta, 2011) which is highly present in the Vietnamese culture.

The rest of the paper is organized as follows. First, we present a literature review of the relevant research in branding and services marketing, leading to the formulation of a set of hypotheses on the direct, indirect and moderating effects linking bank brand associations and brand trust to brand loyalty in the Vietnamese context. Next, we describe the methodology of a quantitative survey conducted with 557 Vietnamese

bank customers before presenting the main findings from the data analysis. Finally, we conclude the paper with a discussion of the results, highlighting their main implications as well as some limitations and future research venues.

2. Theoretical background and hypotheses development

2.1 Brand trust in banking services

Service offerings are often associated with higher perceived risk than manufactured goods (Mitchell and Greatorex, 1993; Murray and Schlacter, 1990). This is mainly due to services' characteristics such as their physical and mental intangibility (Laroche *et al.*, 2004), as well as the associated heterogeneity that makes it harder to maintain a steady level of service quality. Perceived risk is usually evaluated through two aspects: the uncertainty associated with one's choice and the outcome or consequence of a bad choice (Laroche *et al.*, 2004). Risk can hence be higher in banking and financial services than in other service industries for several reasons. Many banking services are high on credence attributes and some offerings such as financial placements can be evaluated difficultly by customers even after purchase, thus augmenting the associated uncertainty. Moreover, the negative consequences of consumers' choice of a financial services provider can be very important given that what is being processed in the transaction is consumers' money and savings. Finally, the banking sector has suffered from several important financial crises in the last decades that could add to consumers' perceived uncertainty.

This potentially high perceived risk associated with banking services highlights the brand's role in reassuring the consumers by acting as a risk-reducing device (de Chernatony and Dall'Olmo Riley, 1999; de Chernatony and Cottam, 2006). Brand trust can play an important role in this framework. The importance of brand trust has been strongly highlighted with the development of research on relationship marketing (Morgan and Hunt, 1994; Sheth and Parvatiyar, 1995) and brands' role in fostering long-term relationships with customers (Fournier, 1998). Brand trust has been conceptualized in two interrelated ways. The first one is a general conceptualization where brand trust refers to consumers' willingness to rely on the brand (e.g. Chaudhuri and Holbrook, 2001; Moorman *et al.*, 1993). The second one refers to the underlying reasons of this willingness to rely on the brand, and that are represented in the brand's perceived capacity and intention in fulfilling its promises to the consumers (e.g. Dalziel *et al.*, 2011; Delgado-Ballester and Munuera-Alemán, 2001; Gurviez and Korchia, 2002).

Brand trust plays a particularly important role in building long-term relationships between consumers and their goods/services providers in the presence of high perceived risk (Fischer *et al.*, 2004; Sichtmann, 2007). More precisely, brand trust acts as a major antecedent of customers' commitment toward a brand and subsequently of customers' loyalty. This antecedence link has been supported in many empirical studies in different contexts and cultures (e.g. Ball *et al.*, 2004; Chaudhuri and Holbrook, 2001; Morgan and Hunt, 1994). More importantly, trust has been found to play an important role in maintaining service relationships with one's bank (Lewis and Soureli, 2006; Ndubisi *et al.*, 2007). Similarly, Sweeney and Swait (2008) report from an empirical study in retail banking that brand credibility has an important impact on brand loyalty. It is noteworthy here that, though sometimes brand credibility is presented as referring exclusively to the brand's expertise and capability to deliver the expected performance (e.g. Gurviez and Korchia, 2002), Sweeney and Swait (2008) conceptualize credibility based on earlier work by Erdem and Swait (1998) as comprising two aspects. The first aspect mirrors the brand's expertise and technical

capability, while the second aspect refers to the brand's intentionality in delivering the promised service. As such, their work on credibility lies within the second conceptualization of brand trust presented earlier. Hence, it lends support to the link between brand trust and loyalty in the banking sector. Finally, brand trust has also been reported in a recent study as having a strong impact on customers' commitment toward their bank in the Vietnamese banking sector (Moulins *et al.*, 2012). Thus, we propose the following hypothesis:

H1. Brand trust has a direct positive impact on brand loyalty in the banking sector.

2.2 Corporate-based brand associations
In his seminal work on brand equity, Keller (1993) builds on a psycho-cognitive perspective and argues that what adds (or subtracts) value for consumers and hence triggers their responses to the brand is the brand knowledge. According to Keller, brand knowledge has two components that are brand awareness and brand image, the latter being constituted of all the associations to the brand held in consumers' memory. Though brand awareness is a necessary condition for brand equity to develop, the value added by the brand for consumers and the subsequent consumer responses it triggers mainly derive from the brand associations. Berry (2000) adds that the same approach also applies to services. Brand associations can be categorized in different ways. For instance, the psycho-cognitive approach categorizes associations based on their nature and more precisely their level of abstraction (Keller, 1993). In the present research, we take on an alternative perspective by distinguishing between the different associations according to their focal object. Specifically, we distinguish brand associations that are related to the service company's image as whole – corporate-based associations – from those associations that are based on customers' service experience – experience-based associations.

The importance of the corporate-based associations in services is linked according to Berry (2000) to the fact that the company itself becomes the brand in consumers' eyes. Berry builds his argument to a large extent on one of the most defining characteristics of services: intangibility. He contends that customers' experience in services is no longer with a tangible offering but with the company itself. Hence, the locus of the brand in services shifts from the market offering to the offering organization (Berry and Lampo, 2004). Berry's idea finds echo both in academia (e.g. de Chernatony and Segal-Horn, 2003; McDonald *et al.*, 2001) and in practice. However, in practice, the development of branding at the corporate level is very unequal across service industries. The hotel industry, for example, traditionally adopts a line-branding approach, developing separate international brands to target separate customer segments. In the banking industry, on the other hand, brands are most often defined at the organization level (Devlin, 2004). Hence, in the context of the present research, the corporate-based associations become particularly relevant to study since the company delivering the services – here the bank – represents the brand in consumers' eyes (Berry, 2000).

The overall image of the service company has been shown to have a positive impact on consumer responses toward the company, including their loyalty, in such sectors as telecommunications and education (Nguyen and Leblanc, 2001), food retailing (Juhl *et al.*, 2002) as well as banking and financial services (Nguyen and Leblanc, 1998). Corporate-based brand associations can commend positive responses from consumers in the banking industry for three main reasons. The first one relates to the complexity of the offering. Banks often offer a wide variety of services, many of which can be

highly technical and, as such, difficult to evaluate and compare by customers. The bank's overall image can play here as a proxy that helps customers save time and effort in evaluating the bank's offering especially under high complexity (Devlin, 2004). The second reason relates to the risk perceptions associated with banking services. Corporate image has been shown to play a significant role in driving consumers' trust both in traditional and internet banking (Flavián *et al.*, 2005). This is highly due to the fact that corporate reputation on the market signals service quality at the level of credence attributes and the company's capability and willingness to keep the promises made to its customers (Dall'Olmo Riley and de Chernatony, 2000). Finally, the third reason relates to the difficulty faced by many banks and financial service providers, especially in highly competitive markets, in differentiating themselves on the service characteristics that can be easily imitated in many cases (O'Loughlin and Szmigin, 2005). Strong corporate associations can positively affect customers' perceived differentiation (Chun and Davies, 2006) and as such drive customers' loyalty to the services brand (Davies *et al.*, 2003).

Hence, we propose the following hypotheses:

H2. Corporate-based brand associations have a direct impact on brand trust.

H3. Corporate-based brand associations have a direct impact on customers' loyalty.

H4. Corporate-based brand associations have an indirect impact on customers' loyalty through brand trust.

2.3 Experience-based brand associations

In addition to the corporate-based brand associations, service consumers also form brand associations derived from their own service experience. The importance of the service experience as a major source of brand associations is documented in several empirical studies (e.g. de Chernatony and Cottam, 2006; O'Loughlin and Szmigin, 2005). From a psycho-cognitive perspective, customers' experiences result in cognitive and emotional traces in consumers' memory (Edvardsson, 2005; Zomerdijk and Voss, 2010) and these traces become brand associations in the case of a services brand (Berry, 2000). Experience-based associations are generally considered to be clearer, more stable and easier to encode and recall than those deriving from communication (Keller, 1993). In fact, consumers set a sort of hierarchy between the sources of information, with information based on their own experience being evaluated as more believable than information based on other sources (Berry, 2000). As such, Berry contends that customers' own service experience is the main source of brand knowledge.

More specifically, experience-based associations derive from the clues encountered by customers during their service experience (Berry *et al.*, 2006). These clues can be of different nature and vary according to the context of the experience. Clues can hence be functional and refer to the perceptions related to the technical performance. In this regard, it is very important that companies deliver an excellent service outcome if they want to build strong services brands (de Chernatony and Cottam, 2006). Other clues can relate to customers' sensory experience with the service environment and its tangible elements. O'cass and Grace (2004) report in their empirical study that banks' physical environment is one of the most important sources of brand associations and that it is strongly correlated to brand attitude and usage intention. Previous research also underlines the importance of what Berry *et al.* (2006) call "humanic" clues,

deriving from the contact personnel's appearance and behavior during the service encounters. In addition to delivering the service, the contact personnel are the incarnation of the brand in customers' eyes (Ostrom *et al.*, 2005). Humanic clues are hence depicted as having the strongest impact on customers' overall evaluation of the services brand (Berry and Lampo, 2004; de Chernatony and Segal-Horn, 2003).

Over time, consumers' experience with these different clues encountered during the service delivery participates in forging the overall image of the service company (Andreassen and Lindestad, 1998; Aydin and Özer, 2005; Ryu *et al.*, 2012). In this framework, several empirical studies in different service sectors reveal that the company's overall image is directly affected by consumers' perceptions of the contact personnel (e.g. Nguyen and Leblanc, 2002, 2011), the physical environment (e.g. Nguyen and Leblanc, 2002; Ryu *et al.*, 2012), as well as the technical and functional aspects of service delivery (Aydin and Özer, 2005; Lai *et al.*, 2009; Ryu *et al.*, 2012).

Given the multifaceted nature of the clues encountered by service customers and hence of the resulting brand associations, we propose the following:

H5. The dimensions of experience-based brand associations have a direct impact on corporate-based brand associations.

Customers' experience plays also a prominent role in establishing sound service relationships, mainly by building trust and loyalty. In fact, the service experience represents the "moment of truth" when the promises made by the company to the customer and embodied in the brand are fulfilled or on the contrary disconfirmed (Berry, 1995). Hence, the relationships that customers develop with the services brand "are built and promises are kept one encounter at a time" (Bitner, 1995, p. 246). In this regard, the services marketing literature highly emphasizes the role played by the company's personnel, and more precisely frontline employees, during the service encounters. This can be illustrated through the traditional framework of the services marketing triangle that posits that the company's promises made to its customers through external marketing come to life during the interaction between customers and frontline employees through what is termed here as interactive marketing (Kotler, 1991). This relationship from interaction with employees to trust and from trust to loyalty through the fulfillment of promises has been also supported empirically. For instance, in a recent study in a retailing context, Ghantous (2012) found that customers' interaction with frontline employees directly affects their perception of the services brand trustworthiness in keeping its promises, and indirectly affects loyalty through the brand's perceived trustworthiness and expertise. In addition, beyond the delivery of the service promise, service relationships are also affected by all the other clues encountered during the service experience and that participate in the overall assessment of the service. This can be explained by the "process nature" of services, where "how" the service is delivered is at least as important from customers' standpoint as "what" is delivered (Grönroos, 1998).

Building on this, we propose the following:

H6. The dimensions of experience-based brand associations have a direct impact on brand trust.

H7. The dimensions of experience-based brand associations have a direct impact on customers' loyalty.

H8. The dimensions of experience-based brand associations have an indirect impact on brand trust through corporate-based associations.

H9. The dimensions of experience-based brand associations have an indirect impact on customers' loyalty through corporate-based associations and brand trust.

The full research model depicting all the aforementioned hypotheses is depicted in Figure 1.

2.4 The moderating effects of contextual factors in Vietnamese banking

Within the psycho-cognitive perspective where the brand is presented as a cluster of associations in consumers' minds (Keller, 1993), all associations can potentially drive consumers' reactions toward the brand. However, the literature presented in the previous paragraphs suggests an implicit hierarchy of effects between brand associations in a service context. More precisely, the strongest impact on consumers' reactions would derive from experience-based associations, and even inside this cluster, the associations linked to humanic clues would play the major role in comparison to associations linked to more functional aspects of the service (e.g. Berry, 2000; Berry and Lampo, 2004; de Chernatony and Segal-Horn, 2003). However, this general hierarchy of effects could be questioned. For instance, the role of associations linked to the bank's personnel and service environment could be altered by various supply-driven elements such as the introduction of automated- or e-banking or by demand-driven elements such as customers' tendency to interact or not with the bank's personnel. In the following paragraphs, we suggest that the relative importance of the different kinds of bank brand associations could be moderated by two contextual aspects of Vietnamese banking that are the extent of customers' direct experience with their bank and their individual tendency to social compliance.

2.4.1 The extent of customers' direct experience with the bank. A first potential moderator of the relationships depicted in the research model portrayed in Figure 1 derives from the specificity of the banking sector in Vietnam as an emerging industry. The Vietnamese banking sector is still in an early stage of development compared to western banking systems. As such, large chunks of the Vietnamese population remain today outside the banking system. Many Vietnamese continue to handle their savings and finances through other traditional circuits such as personal networks, relying for instance on family lending. Recent statistics on the Vietnamese banking industry

Figure 1.
The research model for bank brand associations' impact on brand trust and loyalty
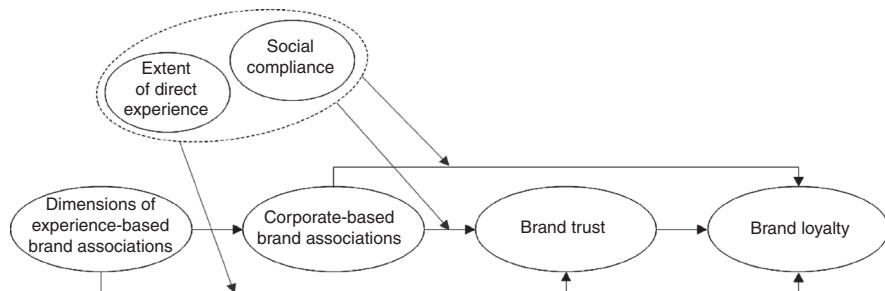
report that only 20 percent of the population had a bank account by the end of 2009, with half this figure actively using retail banking services (*Vietnam Financial Review* (*VFR*), 2011). In addition, most of those who take part in the banking system are relatively new users of banking services (Andrade *et al.*, 2008). A direct implication of this contextual specificity of Vietnamese emerging banking sector is that consumers enjoy a small level of familiarity with the product category (i.e. banking services) and have accumulated little direct experience with banking services in comparison to western consumers.

In the previous paragraphs, we have proposed that customers' trust in and loyalty to bank brands are affected by both experience-based and corporate-based brand associations. Given the lack of experience of many Vietnamese customers with banking services in general, it is interesting to consider whether the extent of customers' direct experience with their bank can moderate the relative impact of each category of brand associations on the two dependent variables. More precisely, we propose that customers' reliance on the experience-based associations in comparison to corporate-based ones would grow with customers' extent of direct experience with the bank. In other words, the more experienced customers would rely more heavily on the associations accumulated from their past experience with the bank, while the less experienced customers would rely more on the overall image of the bank. Such a proposition echoes previous work on the moderating role of customers' experience and brand familiarity. In his work on services brand equity, Berry (2000) implicitly introduced the extent of customer experience, suggesting that communications – and not customer experience – would have the strongest impact on brand assessment by new customers or customers with little direct experience with the company. Berry's proposition also echoes previous findings from research on brand familiarity. For instance, Sundaram and Webster (1999) found that word-of-mouth has more impact on brand evaluations for unfamiliar brands than for familiar ones. Hence, we propose the following hypothesis:

H10. Experience-based brand associations will have a stronger impact than corporate-based ones for customers with more direct experience with the bank.

2.4.2 Customers' tendency to social compliance. The second contextual moderator that we propose derives from the Vietnamese culture in general and not the Vietnamese banking industry. An important characteristic of the Vietnamese cultural context is a high level of collectivism, similarly to other neighboring countries such as China and Thailand[1]. Collectivism – as opposed to individualism – is one of Hofstede's (1980) four cultural dimensions. It refers to the importance of the group for the members of one culture and this importance translates at the level of their intentions and behaviors. From a consumer behavior standpoint, the collectivist cultural context translates into consumers' tendency to comply with social influence (Dogerlioglu-Demir and Tansuhaj, 2011; Gupta, 2011). However, even though the link between collectivism at the group level and social compliance at the individual level has been empirically documented in several studies (e.g. Kropp *et al.*, 2005; Mourali *et al.*, 2005), it does not rule out individual differences in the extent to which consumers are influenced by other members of the group. Indeed, consumers' influenceability and social compliance are traditionally conceptualized as individual traits varying across consumers even within the same cultural group (Bearden *et al.*, 1989; McGuire, 1968).

In the consumer behavior literature, social compliance is considered through consumers' tendency or susceptibility to interpersonal influence (Bearden *et al.*, 1989), defined by Kropp *et al.* (2005, p. 8) as "a measure of the degree to which a person is influenced by real or imagined others, specifically with regard to his or her consumption choices." The majority of research on consumers' social compliance builds on the pioneer work of Deutsch and Gerard (1955) in social psychology, who point out that individuals can be susceptible to other people's influence in two distinct ways. Consumers can be influenced by others in their process of seeking information about products and services as well as in their final decision, by choosing products and services that would be approved by others. These two mechanisms, referred to, respectively, as informational and normative influence, are not mutually exclusive: an individual shows social compliance when he is influenced normatively and/or informatively by others (Bearden *et al.*, 1989).

Applications of social compliance to the study of consumer behavior lend strong support to the impact of compliance on different consumer responses such as brand purchase intentions (e.g. Dogerlioglu-Demir and Tansuhaj, 2011) and consumers' reactions to marketing mix elements like price (e.g. Gupta, 2011) and advertising (e.g. Lascu and Zinkhan, 1999). However, these studies also reveal two limitations. First, most research on social compliance has concentrated exclusively on normative influence (e.g. Batra *et al.*, 2001; Kropp *et al.*, 2005; Mourali *et al.*, 2005). Second, little research has been carried out in service settings, though Mourali *et al.* (2005, p. 164) contend that "social influences are particularly salient in a service context." Dogerlioglu-Demir and Tansuhaj (2011) collected data from customers of coffee shops, but did not integrate services' specificities in their conceptualization of social influence and compliance, nor in their interpretation of the results. Furthermore, some research in services marketing has used the terms of social influence to refer to employees' friendliness and service-oriented behavior (e.g. Butcher, 2005; Butcher *et al.*, 2002), far from the original conceptualization of social psychology and consumer behavior adopted in the present research.

In this paper, we propose an alternative use of social compliance in services marketing, based on two points. First, unlike the previously mentioned papers which conceptualize social compliance as conformity to the influence of other customers, we argue that social influence can also have the frontline personnel as a source. Such conceptualization lies within the aforementioned definitions of social compliance referring indeterminately to the influence of others (e.g. Bearden *et al.*, 1989; Kropp *et al.*, 2005). It is also consistent with the services marketing literature where people – one of the additional three Ps of the extended marketing mix – refer both to other customers and the company's personnel. Second, we propose to focus on the informational social influence instead of the traditionally studied normative influence. According to Kropp *et al.* (2005, p. 9), the informational influence derives from "observing or directly seeking information from other people." Yet, our literature review on experience-based associations previously revealed that an important part of these associations derives from customers' observations of and interaction with the company's personnel. In this framework, we argue that customers' individual tendency to social compliance will moderate the impact of brand associations on brand trust and loyalty in a way that the more socially compliant customers will be more influenced by the humanic clues than the less socially compliant ones. Hence, we propose the following:

H11. Experience-based brand associations related to the bank's personnel will have a stronger impact on brand trust and loyalty in the case of the more socially

compliant clients than they would in the case of the less socially
compliant ones.

3. Data collection

A quantitative survey was devised to test the research model. Measurement scales
were chosen from previous research in the banking sector. Brand loyalty was measured
with five items adapted from Lewis and Soureli (2006), covering the cognitive (e.g. "this
bank is my first choice when I need to use banking services"), affective (e.g. "I prefer
my main bank to other banks") and behavioral (e.g. "I intend to continue using this
bank's services in the upcoming years") aspects of customers' loyalty. Brand trust was
tapped through eight items adapted from Gurviez and Korchia (2002). Consistent with
the conceptualization of brand trust presented earlier, this scale covers the three
conventionally accepted aspects of trust that are the brand's integrity, benevolence and
credibility (Dalziel *et al.*, 2011) and has been applied in the Vietnamese banking sector
by Moulins *et al.* (2012). Corporate-based associations were measured with three items
adapted from Lewis and Soureli (2006). Experience-based associations were
represented by eight items chosen to reflect different kinds of clues encountered
during the bank service experience, adapted mainly from Moulins *et al.* (2012) and
Chandon *et al.* (1997). Social compliance was measured with three items from a scale of
susceptibility to interpersonal influence by Bearden *et al.* (1989). Finally, the extent
of customers' direct experience with the bank was assessed by two items. The first one
refers to the length of customers' ongoing relationship with their bank and has four
modalities: less than one year, one to two years, three to five years and more than five
years. The second one refers to the frequency of customers' visits to their bank branch
and has five modalities: more than once a week, once to twice a month, once to twice
per three months, once or twice a year and exceptionally/never.

The final questionnaire was translated into Vietnamese, pretested with ten
Vietnamese bank customers and finally back-translated to English/French by
bilingual Vietnamese residing abroad. The survey was conducted in Hanoi, the
capital of Vietnam. The city is one of the two economic centers of the country and is
home for several banks and financial institutions, both national and foreign. Data
collection was conducted through face-to-face interviews with customers of 21 banks
operating in Vietnam and randomly selected from the web site of the State Bank of
Vietnam. The survey finally yielded 557 usable questionnaires (56.6 percent females).
In some Asian countries, women tend to manage the family's financial resources,
which explains the higher rate of women in the sample. 70 percent of the respondents
were under 35 years old while only 2 percent were above 60. These figures reflect the
Vietnamese banking context where many clients are still very young (Andrade *et al.*,
2008) and a number of retired people do not use banking services or only come
to banks to withdraw or deposit their money at the end of the month.

4. The measurement model

The data were first subject to exploratory and confirmatory factor analyses (CFA).
A first principal component analysis (PCA) of the 11 items selected to measure brand
associations indicated three separate dimensions, accounting for 71.1 percent of the
total variance. The three items representing corporate-based associations joined in one
dimension as expected. The eight items reflecting experience-based associations
clustered in two dimensions after deleting two items due to very low communalities.

The first dimension clearly represents the contact personnel-based associations. The second one regroups other associations linked mainly to functional aspects of the service (e.g. "the bank offers innovative products") as well as, though to a lesser extent, to mechanic aspects of the service delivery (the bank's equipments are adapted). This second dimension is termed functional associations. A CFA is next carried out for the three dimensional model including the three items of functional associations, those of personnel-based associations and those of corporate-based associations. The measurement model shows satisfactory fit ($\chi^2_{(df)} = 106.94_{(24)(p=0.00)}$, SRMR $= 0.04$, RMSEA $= 0.08$, CFI $= 0.97$, TLI $= 0.95$) and acceptable psychometric quality (Table I).

A second PCA of the eight items representing brand trust indicated three dimensions, accounting for 82.7 percent of the total variance. The CFA of this three dimensional model results in satisfactory fit ($\chi^2_{(df)} = 62.45_{(17)(p=0.00)}$, SRMR $= 0.02$, RMSEA $= 0.07$, CFI $= 0.99$, TLI $= 0.98$) and psychometric quality (Table I). Brand trust is finally modeled as a second-order concept for several reasons. First, Gurviez and Korchia (2002) included their original scale in a larger model as a second-order measure. Second, our research hypotheses address the role of brand trust and not its different aspects. Third, though the first- and second-order models show equal fit indices, the empirical results support the second-order modeling. The first-order dimensions were indeed highly correlated and showed unsatisfactory discriminant validity. Furthermore, the regression weights of the second-order variable on its first-order variables are all significantly higher than 0.8 and the second-order variable has a high level of convergent validity and reliability (Table I), giving further support to the second-order modeling (Kline, 2011).

Another CFA conducted on the five brand loyalty items also indicates very good fit ($\chi^2_{(df)} = 10.57_{(5)(p=0.06)}$, SRMR $= 0.03$, RMSEA $= 0.045$, CFI $= 0.99$, TLI $= 0.99$) and psychometric quality (Table I). Finally, the full measurement model, including all the latent variables and measured items, was also estimated using the Maximum Likelihood procedure in AMOS 18. The model fits well the data ($\chi^2_{(df)} = 604.41_{(217)(p=0.00)}$, SRMR $= 0.04$, RMSEA $= 0.05$, CFI $= 0.95$, TLI $= 0.95$). Discriminant validity between the constructs was established by estimating a series of models where the correlation for every pair of constructs was fixed to one, then comparing the fit of each constrained model to that of the unconstrained model. A significantly different fit between the two models indicates discriminant validity (Hair *et al.*, 2010). Discriminant validity is supported for all the variables in the model. The correlation matrix of the different constructs is reported in Table II.

5. Main findings

H1-H9 are tested with structural equation modeling using the Maximum Likelihood procedure in AMOS 18. Bootstrapping ($n = 200$ resampling) is applied for the test of all the causal links. Bootstrapping is a resampling technique that results in significance levels for all the estimated parameters based on an empirical distribution instead of the theoretical normal distribution that is rarely encountered in social sciences (Kline, 2011). Moreover, it is one of the most robust techniques for mediation tests as it generates robust significance levels for the indirect effects (Zhao *et al.*, 2010). The model fits the data very well ($\chi^2_{(df)} = 604.41_{(217)(p=0.00)}$, SRMR $= 0.04$, RMSEA $= 0.05$, CFI $= 0.95$, TLI $= 0.95$). It also shows high explanatory power, accounting for 60.2 percent of the variance in corporate-based associations, 68.1 percent in brand trust and 72.9 percent in brand loyalty. A summery model depicting the significant total effects

Construct	Composite reliability	AVE[a]	Measurement items	Factor loadings[b]
Brand loyalty	0.86	0.55	I intend to continue using this bank's services in the upcoming years	0.755
			I recommend this bank to my friends and relatives	0.753
			I prefer my main bank to other banks	0.799
			I will continue to be a customer of this bank even if it moderately raises its fares	0.685
			This bank is my first choice when I need to use banking services	0.721
Brand trust (second-order)	0.9	0.76	Integrity (first-order dimension)	0.900
			Benevolence (first-order dimension)	0.849
			Credibility (first-order dimension)	0.867
Brand integrity	0.87	0.68	This bank is always sincere with its customers	0.815
			This bank shows interest for its customers	0.834
			This bank is attentive to customers' problems	0.837
Brand benevolence	0.84	0.72	I think this bank regularly renews its offer to take into consideration the evolution of banking service	0.808
			I think this bank continuously seeks to better answer customers' needs	0.895
Brand credibility	0.89	0.73	This banks' services bring me security	0.835
			I trust the quality of this banks' services	0.866
			Choosing the services of this bank is a guarantee	0.870
Corporate-based associations	0.82	0.61	This bank has a good reputation	0.813
			This bank has a better image than its competitors	0.853
			This bank is very useful for the Vietnamese society	0.665
Functional associations	0.74	0.49	This bank is really well located	0.617
			The bank's equipments are adapted	0.734
			This bank offers innovative products	0.747
Personnel-based associations	0.87	0.69	The personnel is ready to help you to get a fast service	0.843
			The personnel is welcoming	0.873
			The personnel is competent	0.777
Customers' social compliance	0.78	0.54	I often consult other people to help choose the best alternative available from a product class	0.842
			I frequently gather information from other people about a product before I buy	0.727
			I often observe what others are buying and using	0.637

Notes: [a]AVE, average variance extracted. AVE $\geqslant 0.5$ indicate convergent validity; [b]standardized factor loadings, all significant at $p < 0.01$; NB, all items were measured with five-point Likert scales

Table I.
Measurement scales
composition, reliability,
convergent validity
and standardized
factor loadings

(i.e. the sum of direct and indirect effects) between the different research variables is presented in Figure 2.

Table III indicates the path coefficients and their significance level for all the direct and indirect effects. Ten out of the 11 hypotheses are fully supported while only *H7* receives partial support. The three categories of brand associations have different

	Functional associations	Personnel-based associations	Corporate-based associations	Brand trust	Brand loyalty
Functional associations	3.65/0.77				
Personnel-based associations	0.713	3.64/0.85			
Corporate-based associations	0.765	0.638	3.79/0.79		
Brand trust	0.734	0.761	0.710	3.49/0.75	
Brand loyalty	0.657	0.585	0.706	0.830	3.42/0.87

Note: Figures on the diagonal indicate the mean/standard deviation for every construct

Table II.
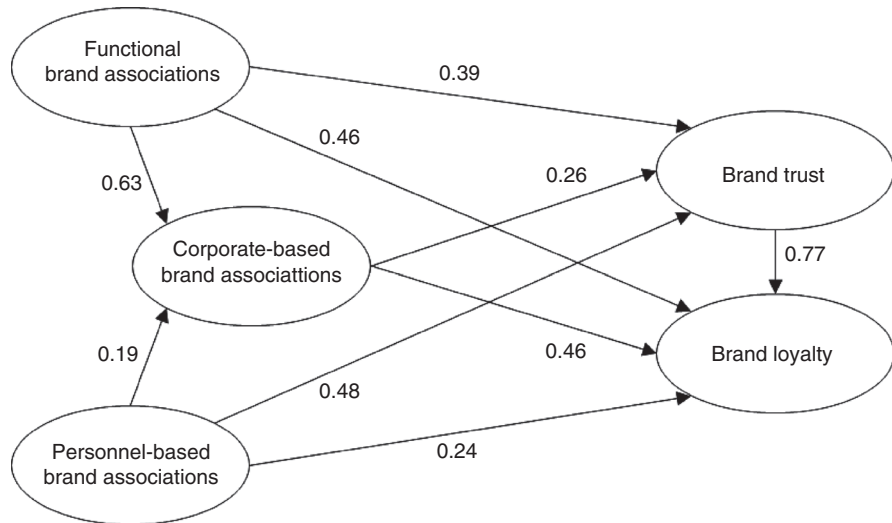The correlation matrix of the model's constructs

Figure 2.
Summery model of the significant total effects (sum of direct and indirect effects)

Note: All path coefficients are significant at $P < 0.05$

effects on the model's dependent variables. Functional associations exert their strongest impact on corporate-based associations (path coefficient = 0.630), personnel-based associations are the main driver of brand trust (path coefficient = 0.484) and corporate-based associations mainly affect brand loyalty (path coefficient = 0.457). Two other results are also noteworthy. First, functional associations do not have any direct impact on loyalty. Rather, they act indirectly by enhancing corporate-based associations and trust. Second, personnel-based associations exert a positive total effect on brand loyalty, but their direct impact on loyalty is negative. This result is surprising at first glance and will be more thoroughly discussed in the discussion section. Finally, in addition to being the strongest driver of loyalty (path coefficient = 0.766), brand trust mediates the impact of functional, personnel-based and corporate-based associations on loyalty. To assess the importance of brand trust and the extent of its mediating role, we re-estimated the model excluding brand trust. The new model accounts for 54 percent of the variance in loyalty against 72.9 percent in the initial model. This drop indicates a value of Cohen's (1988) f^2 of 0.69, by far higher than the cutoff value of 0.35 necessary to consider trust's mediating effect as "substantial" (Cohen, 1988).

Paths			Direct path coefficient	p-value[a]	Indirect path coefficient	p-value[a]	Total effect
Functional associations	$\rightarrow$	Corporate-based associations	0.630	0.013			0.630
Personnel-based associations	$\rightarrow$	Corporate-based associations	0.189	0.018			0.189
Functional associations	$\rightarrow$	Brand trust	0.224	0.039	0.165	0.007	0.389
Personnel-based associations	$\rightarrow$	Brand trust	0.435	0.007	0.049	0.016	0.484
Corporate-based associations	$\rightarrow$	Brand trust	0.261	0.013			0.261
Functional associations	$\rightarrow$	Brand loyalty	*0.027*	*0.642*	0.460	0.006	0.460
Personnel-based associations	$\rightarrow$	Brand loyalty	−0.182	0.018	0.420	0.006	0.238
Corporate-based associations	$\rightarrow$	Brand loyalty	0.257	0.020	0.200	0.009	0.457
Brand trust	$\rightarrow$	Brand loyalty	0.766	0.009			0.766

Note: [a]Significance levels derived from the bootstrapping ($n = 200$ resampling)

Table III.
Direct, indirect and total
effects in the research
model excluding the
moderators

5.1 The moderating effect of the extent of customers' experience

The moderating effect of the extent of customers' experience is tested with two multiple-group analyses based on the length of customers' relationship with their bank and the frequency of visits to the bank. The item measuring the length of customers' relationship includes four modalities as mentioned earlier. However, respondents are unequally distributed over the four modalities, with 80 respondents having been customers for less than one year, 156 for one to two years, 225 for three to five years and 96 for more than five years. In order to reach sub-samples with an adequate size for structural equation modeling, respondents are finally grouped in two categories of relatively close size: new customers, with a service relationship of less than two years ($n = 236$) and old customers whose service relationship goes beyond three years ($n = 321$). The invariance of the measurement model across the two groups is first established before testing for the moderating effect[2]. Next, the structural model is estimated twice using data from both groups simultaneously: once without any constraints on the structural paths and the second time while constraining the path coefficients between the constructs to equality. The χ^2 difference between the two structural models is significant ($\Delta\chi^2_{(\Delta df)} = 56.08_{(27)}$, $p = 0.001$), indicating that the equality constraint on the path coefficients across the two groups is not supported and hence that the two groups' path coefficients are different. In other words, a general moderating effect of the length of the service relationship is supported.

Table IV indicates the direct, indirect and total effects for the two groups. For the sake of clarity only significant effects ($p < 0.05$) are reported in this table. For old customers, brand trust is only driven by experience-based associations. Conversely, corporate-based associations have a moderate impact on new customers' trust, whereas they exert no statistically significant impact on old customers' trust. As for

Paths			Old customers ($n = 321$)			New customers ($n = 236$)		
			Direct effect	Indirect effect	Total effect	Direct effect	Indirect effect	Total effect
Functional associations	→	Corporate-based associations	0.578		0.578	0.719		0.719
Personnel-based associations	→	Corporate-based associations	0.251		0.251			
Functional associations	→	Brand trust	0.356		0.356		0.253	0.253
Personnel-based associations	→	Brand trust	0.446		0.446	0.403		0.403
Corporate-based associations	→	Brand trust				0.352		0.352
Functional associations	→	Brand loyalty		0.447	0.447		0.432	0.432
Personnel-based associations	→	Brand loyalty		0.359	0.359	−0.315	0.410	
Corporate-based associations	→	Brand loyalty	0.335		0.335		0.324	0.324
Brand trust	→	Brand loyalty	0.564		0.564	0.922		0.922

Note: Only the significant effects at $p < 0.05$ (derived from the bootstrapping) are reported

Table IV.
Significant direct, indirect and total effects for old and new customers

brand loyalty, both categories of experience-based associations exert a stronger total effect in the case of old customers than do the corporate-based associations. Moreover, in the case of new customers, the total effect of personnel-based associations is not statistically significant. Overall, these results highlight that for the more experienced customers, experience-based associations have a stronger effect than corporate-based associations on brand trust and loyalty. Furthermore, corporate-based associations are more predictive of trust and loyalty in the case of new customers than old customers. Hence, they partially corroborate *H10*. They should, however, be cautiously interpreted since they are not totally probing.

The other proxy used to measure the extent of customers' direct experience with the bank is the frequency of visits. In all, 71 respondents declared visiting their bank branch more than once a week, 242 once to twice a month, 127 once to twice per three months, 57 once or twice a year and 60 exceptionally/never. As in the previous case, two groups are formed covering the respondents who visit their bank branch on average at least twice a month (high visiting frequency, $n = 313$) vs those who visit their bank at most twice every three months on average (low visiting frequency, $n = 244$). The same procedure as earlier is applied to study the invariance of the measurement model first then of the structural model across the two groups. The χ^2 difference between the constrained and unconstrained structural models reveals once again to be significant ($\Delta\chi^2_{(\Delta df)} = 48.79_{(27)}$, $p = 0.006$), indicating a moderating effect for the frequency of visit.

The significant effects for the two groups are presented in Table V. They show stronger support for *H10* than in the previous case of the length of customers' relationship with the bank. More specifically, in the case of high visiting frequency, corporate-based associations do not exert any significant impact, while trust is driven by personnel-based associations and loyalty is driven by trust and functional associations.

Paths			High visiting frequency (n = 313)			Low visiting frequency (n = 244)		
			Direct effect	Indirect effect	Total effect	Direct effect	Indirect effect	Total effect
Functional associations	→	Corporate-based associations	0.737		0.737	0.544		0.544
Personnel-based associations	→	Corporate-based associations				0.298		0.298
Functional associations	→	Brand trust					0.158	0.158
Personnel-based associations	→	Brand trust	0.414		0.414	0.476	0.087	0.563
Corporate-based associations	→	Brand trust				0.290		0.290
Functional associations	→	Brand loyalty	0.263	0.410	0.673		0.450	0.450
Personnel-based associations	→	Brand loyalty	−0.327	0.360			0.523	0.523
Corporate-based associations	→	Brand loyalty				0.482	0.195	0.677
Brand trust	→	Brand loyalty	0.831		0.831	0.673		0.673

Note: Only the significant effects at $p < 0.05$ (derived from the bootstrapping) are reported

Table V.
Significant direct, indirect and total effects under high and low visiting frequency

Conversely, in the case of low visiting frequency, corporate-based associations exert a moderate impact on brand trust and are the strongest driver of brand loyalty.

5.2 The moderating effect of social compliance

Multiple-group analysis is also used to test the moderating effect of social compliance on the impact of personnel-based associations. An average social compliance score is computed over the three selected items and two groups are formed around the mean compliance score (low social compliance $n = 304$; high social compliance $n = 253$). The significant χ^2 difference ($\Delta\chi^2_{(\Delta df)} = 41.08_{(27)}$, $p = 0.04$) between the free and constrained structural models indicates a moderating effect of social compliance. The moderating effect of social compliance should, however, be analyzed in a different manner than in the case of the two previous moderators. In effect, *H10* consists of comparing the impact of experience-based and corporate-based associations within each group of customers, whereas *H11* consists of comparing the impact of personnel-based associations across groups. As such, this comparison should be based no longer on the standardized path coefficients but on the unstandardized coefficients as should be done for cross-group comparisons (Kline, 2011). In the present case, personnel-based associations have a total impact of 0.184 ($p = 0.03$) on corporate-based associations for high socially compliant customers, and no statistically significant impact for low socially compliant customers ($p = 0.20$). Similarly, personnel-based associations drive brand loyalty for high socially compliant customers (path coefficient = 0.253; $p = 0.02$) but are not a significant antecedent of low socially compliant customers' loyalty ($p = 0.07$). Finally, personnel-based associations have a significant impact on brand trust for both groups, but their impact is stronger for high socially compliant customers (path coefficient = 0.389) than for low socially compliant customers (path coefficient = 0.319). These results corroborate *H11*, as personnel-based brand

associations have a stronger impact in the case of the more socially compliant customers on corporate-based brand associations, brand trust and brand loyalty.

6. Discussion and managerial implications
The present research set out to investigate the role of brand associations in driving customers' trust and loyalty in the Vietnamese banking sector, a particular context marked by important institutional changes in recent years and where branding activities have traditionally been secondary to price- and promotion-based marketing activities. The hypotheses developed based on previous research mainly in western economies are predominately corroborated by the quantitative survey. Both experience-based and corporate-based brand associations drive brand loyalty directly and indirectly through the mediation of brand trust. However, the strength of the different paths toward brand loyalty is moderated by the extent of customers' experience with the bank and the individual trait of social compliance. Three sets of empirical findings bearing particular attention are further discussed in the following paragraphs.

6.1 The role of trust and corporate associations
The empirical findings show that brand trust is by far the strongest antecedent of brand loyalty among the different antecedents included in the study. Trust's strong impact on loyalty also holds under the different investigated moderators. Moreover, corporate-based associations exert a moderate to strong impact on loyalty and are, under some moderators, loyalty's strongest antecedent (for low visiting frequency customers). These findings reflect results of the previous literature presented in this paper. Yet, they are extremely important given the current Vietnamese banking context as an emerging industry. With the progressive liberalization of the Vietnamese economy, the establishment of new national and foreign banks in Vietnam will probably accelerate and further develop. Moulins *et al.* (2012) advance that SOCBs, due to their public status and long presence on the market, benefit from a positive image and are perceived by customers as presenting little risk. New private banks trying to establish their business in Vietnam will suffer in this context from a reputation deficit when competing with the SOCB. The lack of reputation could result in higher information asymmetry since the customers have little knowledge about the new banks. This context and our findings have implications for the newly established banks and those who suffer from brand awareness deficit and/or a fuzzy image. These new players should not pursue the dominant marketing approach on the Vietnamese market by focussing on short-term customer benefits and overusing promotional techniques. Instead, they should strive to establish a clear and strong corporate image focussed on the bank's integrity, credibility and benevolence to enhance brand trust.

6.2 The nuanced impact of personnel-based associations and the moderating role of social compliance
A noteworthy contribution of the present study to previous literature, both in services marketing (e.g. Berry, 1995; Bitner, 1995; Grönroos, 1998) and services branding (e.g. Berry and Lampo, 2004; de Chernatony and Segal-Horn, 2003; Morhart *et al.*, 2009), is the nuanced role of frontline employees and personnel-based associations in shaping customers' overall perceptions of the bank brand and their relationship with it. Whereas the aforementioned literature considers the brand building role of service personnel in general terms, our findings indicate that personnel-based associations have a different impact on the different aspects of customers' perceptions of and

relationship with the services brand, as can be seen in two points. First, among the different brand associations, personnel-based associations are the major driver of customers' trust in the bank brand. This effect also holds under the three moderators included in the present study. It corroborates the traditional emphasis in services marketing on frontline employees' role in delivering the brand promise and building trust in return. However, when considering the whole customer sample in the study, personnel-based associations have much less impact than functional associations on the overall image of the company and are the associations with the least impact on brand loyalty. These findings imply that, though personnel-based associations play as an important driver of services brand relationships, their role needs further investigation to delineate the relationship areas where they can best be leveraged.

Second, the impact of personnel-based associations is highly contingent on the individual tendency of consumers to social compliance. In fact, while personnel-based associations have only a significant impact on brand trust for customers with low social compliance tendencies, they drive corporate-based associations, brand trust and loyalty in the case of consumers who exhibit high levels of social compliance. This finding has implications for service companies' brand building efforts and more specifically in the banking sector, as well as for research on services branding. Several authors have pointed out that western companies trying to establish their brands in Asian markets tend to overemphasize the role of cultural traits such as collectivism and treat their consumers in an undifferentiated way in this regard (Dogerlioglu-Demir and Tansuhaj, 2011; Gupta, 2011). The moderating role of social compliance at the individual level shows that important differences exist between Vietnamese bank consumers in the importance they give to other people's opinions, and that those differences have an impact on the way consumers construe their relationship with their bank brand. From a managerial standpoint, foreign banks trying to establish their business in Vietnam should beware of placing too much emphasis on the collectivistic aspect of the Vietnamese culture and, in turn, overusing the collectivistic character in the design of their brand positioning and communications. The importance of the variations in social compliance at the individual level calls for a finer consideration of the group role and a finer segmentation of customers.

Beyond the managerial implications of social compliance and its role, the present study offers two general contributions to consumer behavior research on social compliance. On the one hand, unlike most previous work on social compliance addressing normative interpersonal influence from other customers, our findings indicate the need to further investigate the informational interpersonal influence from the service personnel. On the other hand, the importance of the present findings on the moderating effect of social compliance goes beyond the Vietnamese banking context and should be considered more carefully in future research on services branding even in western contexts. For instance, Mourali *et al.* (2005) report that the individualistic trait of Canadian consumers does not have any significant impact on consumers' individual tendency to social compliance. As such, the general assumptions on personnel-based associations' role in building brand relationships should be reconsidered by including the role of individuals' tendency to be influenced by other people, even in the more individualistic western countries.

6.3 The negative direct impact of personnel-based associations on brand loyalty
Our findings indicate a surprising link between the personnel-based brand associations and brand loyalty. While the total effect of personnel-based associations

on loyalty and their indirect effect through trust are significantly positive as hypothesized, their direct effect is significantly negative. This negative direct impact does not depend on any of the investigated moderators, since significant variations across groups relate to the magnitude of the impact and not to its sign (i.e. positive or negative). We cautiously propose in what follows two possible explanations for this effect.

Significant direct and indirect effects that are of opposite signs can reveal a case of competitive mediation, indicating that it is highly likely that an omitted mediator exists in the direct path (Zhao *et al.*, 2010). Stated differently, since the overall impact of personnel-based associations on loyalty is positive, the negative direct impact could hide a mediator that was not included in the model and that is linked positively to personnel-based associations and negatively to loyalty or vice-versa. The existence of non-tested mediators in the present relationship is very likely as several psychological variables in addition to trust, such as commitment or attachment, can explain brand loyalty. One possible mediator that could carry negative impact from personnel-based associations to brand loyalty is customers' satisfaction. The latter is traditionally conceptualized through the disconfirmation model, where satisfaction/dissatisfaction results from the fit/discrepancy between customers' expectations and their experience-based perceptions. Positive perceptions of the personnel that are lower or different from customers' expectations could still result in customer dissatisfaction leading to a drop in loyalty. Such a situation could occur in an evolving competitive context like the current Vietnamese banking sector, where companies that are focussed on short-term benefits instead of long-term brand building are tempted to overpromise to attract new customers, hence setting unrealistic expectations. Similar effects have been reported in research on customers' relationships in the banking sector (Dalziel *et al.*, 2011), showing that it is the fit between the expected and experienced style of relationship – and not just the quality of the latter – that drives customers' satisfaction/dissatisfaction.

The second possible explanation relates to the conceptualization of loyalty in services contexts. Palmatier *et al.* (2007) propose the concept of salesperson-owned loyalty to distinguish between customers' loyalty to the service organization and their loyalty to the contact personnel. Empirical findings indicate that, in regular situations, customers' loyalty to frontline employees has a positive impact on their loyalty to the organization (Brexendorf *et al.*, 2010; Jones *et al.*, 2008). However, high levels of loyalty to an employee could be dangerous if this employee leaves the company, and even worse if he goes to the competitors. This case could be very relevant in banking where financial advisors pour a lot of energy into developing interpersonal relationships with their customers. For instance, Tax and Brown (1998) quote a study by American Express according to which 30 percent of customers would switch to a new service provider to follow their financial advisor. If this explanation holds true for the results of the present study, Vietnamese banks should strive to focus their relational efforts clearly on the customer-brand dyad. This could be done by reinforcing the apparent "belongingness" of the personnel to the bank. Indeed, Palmatier *et al.* (2007) report that the perceived consistency between the personnel, communication and other functional attributes and their clear association with the brand decreases relationship-enhancing activities' impact on salesperson loyalty, which would ultimately reinforce the organization's part in customers' loyalty. Banks desiring to foster real brand loyalty instead of personnel-based loyalty could use traditional services marketing techniques such as service scripts and tangible evidence to reinforce the brand's presence during

the service encounter. Internal branding techniques could also be deployed to help employees internalize the brand, develop their commitment toward it and to align them with its identity (de Chernatony and Dall'Olmo Riley, 1999).

6.4 The role of customers' extent of service experience
The moderating effects of customers' length of relationship and visiting frequency to the bank branches, though they do not fully corroborate *H10*, lend support to the idea that the extent of customers' experience with the bank affects the relative importance of the different types of brand associations in driving trust and loyalty. Customers displaying shorter relationships with the bank or lower visiting frequency to its branches tend to rely more on the corporate-based associations and on the company's trustworthiness than on the experience-based associations. These findings should be interpreted in relationship to the Vietnamese banking context and more precisely the emerging nature of the industry. In fact, our results imply that, as customers become more knowledgeable about the service with time and direct experience, the brand's role as a proxy providing information and reducing risk diminishes (Gill *et al.*, 2006). The rapid changes in the emerging Vietnamese banking sector exacerbate the importance of these findings, as more and more Vietnamese will be having increasing experience with banks. In recent years for example, the number of issued credit and debit cards doubled between 2008 and 2010, while the number of ATMs was six times higher in 2010 than in 2005 (Ho and Baxter, 2011).

Brand managers should hence consider a dynamic perspective for the management of their bank brand by taking into account the customer relationship lifecycle. In other words, managers should leverage different brand associations in their efforts to build and sustain brand relationships according to customers' direct experience with the bank. The two proxies used in the present research to approach the extent of customers' experience can be easily used as segmentation variables in order, for example, to craft different brand communications. Furthermore, in the case of banks that are just entering the Vietnamese emerging market, customers' experience with such banks would inherently be shorter than it could be with long established banks. In the light of our findings, newly established banks should hence put much emphasis on developing brand awareness and strong, reassuring corporate-based brand associations.

7. Limitations and future research venues
The present work has a number of limitations offering several future research venues. The competitive mediation scheme discussed in the previous section implies that other mediators of bank brand associations' impact on brand loyalty are needed to supplement the mediating effect of brand trust. In their study of service quality's impact on brand commitment in the Vietnamese banking sector, Moulins *et al.* (2012) included brand attachment in addition to brand trust. If Vietnamese banks choose to carry a more symbolic positioning, customer-brand self-congruity could also be investigated. Other brand associations should also be included in future research, such as the perceptions of foreignness or country-of-origin for international banks operating in Vietnam. An additional limitation stems from the research design. Data collection only took place in Hanoi, the country's capital and one of its two major cities. Like many other developing Asian countries, Vietnam shows important interregional differences on many grounds such as education, income or openness to foreign cultures. Rural populations in such countries, often living at the bottom of the pyramid,

have been called the "next billion" to describe their potential as a future growth segment. However, little is known about their banking habits and further research is needed at this level.

Finally, the moderating effects highlighted in the present study should alert researchers within the psycho-cognitive perspective on the need to refine this framework to take more into consideration the influence of consumers' individual traits and consumption contexts. More precisely, while a certain hierarchy of effects between the different brand associations according to their source (e.g. personnel-based, functional-based and corporate-based) can be implied from previous literature, our findings indicate that such hierarchy does not hold for all customers. The study of other moderators of the relative importance of different types of brand associations would not only help refine the psycho-cognitive perspective on branding in a service context, but would also allow brand managers to better leverage their brand associations based on a finer segmentation of their customers.

Notes

1. For a detailed presentation of Vietnam's cultural setting using Hofstede's classical cultural dimensions, including individualism, see www.geert-hofstede.com/vietnam.html

2. The technical details on measurement models' invariance are not presented here as they are thoroughly explained in data analysis textbooks (e.g. Hair *et al.*, 2010). Details and figures about the invariance in the present research can be obtained by contacting the authors.

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About the authors

Kim Ngoc Phan is a PhD student in services marketing at CERGAM, Aix Marseille University in France. Her research focuses on drivers of brand loyalty in services contexts and more precisely in the banking sector. Kim Ngoc Phan is the corresponding author and can be contacted at: Kim.phan@univ-amu.fr

Nabil Ghantous is an assistant professor of marketing at CERGAM, Faculté d'Economie et de Gestion of Aix Marseille Université in France. His main research areas are in services marketing and brand management.