

The impact of enterprise brand equity on customer purchase intention through brand preference



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ABSTRACT

This study investigates how different elements of brand equity influence customers' intention to buy Hanwha Life Insurance in Vietnam, with a focus on brand preference as a mediating factor. A mixed-methods approach was used. Qualitative data were gathered through in-depth interviews, and quantitative data were collected from a convenience sample of 200 customers. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) to test the proposed relationships. The results show that brand equity components not only have a direct effect on purchase intention but also have an indirect effect through brand preference. This study adds to the existing literature by highlighting the important role of brand preference in linking brand equity to purchase intention in the life insurance sector. It helps to better explain how customer preferences influence their buying behavior, especially in the context of Vietnam. The study also offers practical suggestions for insurance companies and agents to improve brand value in ways that increase customer preference and encourage them to choose their brand in a competitive market.

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1. Introduction

In today's competitive market landscape, brand equity has emerged as a cornerstone of successful marketing strategies across various industries. Recognized as one of the most extensively researched concepts in the marketing literature (Datta et al., 2017), brand equity plays a crucial role in shaping how companies approach their branding efforts. To effectively harness brand equity, companies invest significant resources in understanding and building strong brand value. This investment ultimately influences consumer brand preference and purchase intention, critical drivers of business success (Tolba and Hassan, 2009).

Consumers favor strong brands because such choices reduce the risks and uncertainties associated with product selection, thereby minimizing doubts and enhancing their overall purchasing experience. Furthermore, strong brands provide emotional and

social benefits (Fischer et al., 2010), fostering deeper connections with consumers. Consequently, brands that possess strong brand equity enjoy several competitive advantages, including positive customer evaluations, selective attention, and a higher likelihood of inclusion in the final consideration set. This increased visibility ultimately enhances the chances of being chosen at the point of purchase, which is the critical touchpoint between customer and brand (Hoeffler and Keller, 2003).

To deepen our understanding of how brand equity influences consumer decisions, it is essential to scrutinize the factors that contribute to brand value. Since its inception in the 1980s, the concept of brand equity has evolved significantly, drawing on foundational interpretations from eminent scholars such as Aaker (2009) and Keller (1993). These scholars have established a robust framework that elucidates the multifaceted nature of brand equity, providing a comprehensive lens through which to analyze its implications.

At its core, brand equity is defined as a composite of intangible assets and liabilities (Aaker, 2009), wherein brand value is enhanced by positive assets and diminished by negative liabilities. Aaker's (2009) model identifies four key components: perceived quality, brand awareness, brand loyalty, and brand associations. This model is particularly

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relevant in today's marketplace, especially within the service industry, where consumer perceptions often take precedence over tangible attributes. This focus on intangible assets is especially pertinent to the life insurance sector, where trust and reliability are paramount in influencing consumer choices.

Numerous studies have examined the antecedents and consequences of brand equity to sharpen the analysis, providing evidence on the multidimensionality of brand equity, conceptual construction, and interpretation (Aaker, 2009; Keller, 1993); the impact of marketing costs on brand equity (Stahl et al., 2012); factors promoting brand equity through brand extensions (Bottomley and Holden, 2001); brand equity outcomes related to product and market performance, such as price and revenue premiums, market share, and profit premiums (Goldfarb et al., 2009); and brand equity outcomes linked to financial market objectives, such as profitability, risk, and market value (Rego et al., 2009). However, despite the breadth of research on brand equity in Western contexts and various industries, the life insurance sector in emerging markets, such as Vietnam, remains underexplored. This study aims to bridge this gap by examining brand equity in the life insurance sector in Vietnam, a rapidly growing market with unique characteristics and challenges.

Vietnam's insurance market presents a unique case study for exploring the role of brand equity in purchase decisions. With a population of 99,461,204 as of June 10, 2024, Vietnam ranks 15th globally, making it a promising market for the life insurance industry. Despite this potential, there is a notable lack of comprehensive studies evaluating brand equity within the Vietnamese insurance context. In this market, consumer trust is paramount, and brands must adeptly manage both financial and cultural considerations to build loyalty and retention. Among the 19 companies currently operating in this sector, Hanwha Life Insurance Vietnam stands out as one of the leading firms, boasting substantial financial strength. The company has outlined a sustainable development strategy that places customers at the core of its operations, demonstrating a keen focus on brand building and development. Hanwha Life Insurance views corporate brand equity as an invaluable asset for attracting and retaining customers.

Based on integrating insights from Ajzen's (1991) theory of planned behavior to capture the influence of subjective norms and perceived behavioral control to enhance the explanatory power of brand preference in the context of purchase intention (Ajzen, 1991). This research concentrates on measuring the impact of brand equity components on purchase intention for Hanwha Life Insurance, Vietnam, through the mediating role of brand preference via both qualitative and quantitative approaches. From the findings, the research will provide strategic recommendations for brand development tailored to the life insurance sector in

Vietnam as well as offering practical insights to strengthen brand management practices.

2. Literature review and hypothesis development

2.1. Brand equity

Brand equity has been approached from multiple perspectives, each offering unique insights into how brand value impacts both consumers and firms. Among these, two primary perspectives stand out: the customer-based and financial-based approaches (Keller, 1993). The financial perspective asserts that brand equity represents the financial asset value associated with brands or manufacturers, which must be appropriately maintained and managed to ensure profitability and market competitiveness (Chang and Liu, 2009). In contrast, the customer-based perspective emphasizes the role of consumer perception in shaping brand equity. According to Aaker (2009), brand equity is defined as "a set of brand assets and liabilities linked to a brand, its name, and symbol, which add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers." Similarly, Keller (1993) described brand equity as the differential effect of brand knowledge on consumer responses to brand marketing activities, highlighting the importance of consumer perceptions in building brand value.

When comparing these two perspectives, many scholars favor the customer-based view of brand equity, as it centers on consumer perceptions that drive brand loyalty and ultimately influence purchase behaviors. Alternative definitions have a limited impact if the brand does not account for appropriate customer representation (Cobb-Walgren et al., 1995). Understanding brand equity from this customer-centered perspective is particularly crucial for the life insurance sector, where consumer trust and perception are vital for long-term engagement.

2.2. The relationship between brand awareness, brand preference, and life insurance purchase intention

Brand awareness is the ability of a brand to get recognized by customers before they make a purchase intention (Civelek and Ertemelb, 2019). In the insurance industry, brand awareness serves as a critical assurance to consumers about the quality of service provided, effectively reducing buyer risk and simplifying decision-making processes. To mitigate perceived risks, consumers naturally tend to favor brands that are familiar to them. As such, brand awareness becomes the essential foundation for establishing brand preference (Rizwan et al., 2021).

Many researchers consider brand awareness a key factor influencing consumer brand choice, highlighting its importance in driving purchase decisions. This is supported by ample empirical

evidence demonstrating that brand awareness significantly impacts consumer purchase decisions (Lin and Chang, 2003). Specifically, brand awareness is closely tied in memory to a particular brand, fostering a reliable brand image that consumers can trust (Rizwan et al., 2021). Aaker (2009) suggested that once brand awareness is formed in the customer's mind, it can be evaluated at various stages, including brand recognition, recall, top-of-mind awareness, brand dominance, and brand knowledge. Building on these insights, brand awareness plays a critical role in transactional contexts, such as insurance, where it enhances both brand trust and credibility (Sugiyarti and Mardiyono, 2021). Brand awareness is closely linked with purchase intention since it portrays important information related to a brand in a customer's mind. Customers buy only those brands that they know, and they know only brands that they consider good. Furthermore, Irshad and Irshad (2010) argued that a higher level of brand awareness correlates with increased consumer interest in purchasing branded products, particularly because the brand remains at the forefront of consumers' minds. In this way, brand awareness not only allows consumers to differentiate a brand from others but also facilitates its incorporation into their consideration set, resulting in positive purchasing attitudes and behaviors (Wang et al., 2021).

From these compelling findings, the hypotheses of relationships between brand awareness, brand preference, and life insurance purchase intention are as follows:

- **H_{1a}**: Brand awareness has a positive impact on brand preference.
- **H_{1b}**: Brand awareness influences life insurance purchase intention.

2.3. The relationship between brand association, brand preference, and life insurance purchase intention

Another critical element of brand equity is brand association, which encompasses all elements connected to a brand in consumers' memories (Tong and Hawley, 2009). This aspect is often considered the most intricate facet of brand equity, as it interweaves various consumer perceptions and experiences (Ahirrao and Patil, 2017). Specifically, brand associations comprise a wide array of thoughts, emotions, perceptions, images, experiences, beliefs, and attitudes linked to a brand (Kotler and Keller, 2012). In the context of life insurance, brand association takes on heightened importance, as consumers frequently base their choices on emotional connections and factors related to trust. This emotional resonance can significantly sway decision-making processes (Hassan et al., 2021). Notably, brand associations have been shown to play a pivotal role in influencing purchase decisions and fostering brand loyalty (Thamtarana

and Sornsaruht, 2024). These associations can be categorized into two primary types: organizational associations and product-related associations (Ahirrao and Patil, 2017). Product-related associations are further divided into functional and non-functional attributes. Functional attributes consist of tangible product characteristics that consumers evaluate by linking their performance to the brand (Ahirrao and Patil, 2017). Conversely, if a brand fails to deliver on its promised functionality, its brand equity can suffer as a result. Non-functional attributes include symbolic traits, which fulfill consumers' needs for social approval, self-expression, and self-esteem.

Numerous studies have established that purchase intention is a critical area of exploration within the realm of brand equity, with brand association serving as a fundamental reflection of this concept (Thamtarana and Sornsaruht, 2024). Furthermore, consumer responses to brand-related contexts are essential research topics, particularly in Vietnam's service sector, including insurance, where trust and perception dramatically influence purchasing decisions. Consequently, this study proposes the following hypotheses regarding the relationships between brand association, brand preference, and life insurance purchase intention:

- **H_{2a}**: Brand association positively influences brand preference.
- **H_{2b}**: Brand association significantly affects life insurance purchase intention.

2.4. The relationship between perceived quality, brand preference, and life insurance purchase intention

Perceived quality, which refers to a customer's evaluation of a product's overall superiority, is distinct from objective quality and rooted in the customer's subjective perceptions (Tong and Hawley, 2009). It stands as a key antecedent of customer satisfaction and exerts a positive influence on purchase intention (Szymanski and Henard, 2001). Moreover, perceived quality is regarded as a crucial element of brand equity, as it is closely connected to consumers' overall brand evaluations (Aaker, 2009).

Research, including studies by Tran et al. (2021), highlighted that perceived quality reflects a customer's assessment of a product's overall superiority, serving as a signal for the brand's quality, functionality, and reliability. Furthermore, higher perceived quality significantly strengthens the consumer's positive connection with the brand (Marques et al., 2020). Similarly, Aquinia et al. (2021) found that when consumers hold positive attitudes toward a brand, their purchase intentions generally become more favorable, demonstrating the direct link between perceived quality and consumer behavior. Thamtarana and Sornsaruht (2024) concluded that perceived quality is directly linked

with purchase intention, and it influences it in many ways.

Considering these findings, this study proposes the following hypotheses to examine how perceived quality relates to brand preference and life insurance purchase intention in the context of Hanwha Life Insurance:

- **H_{3a}**: Perceived quality positively influences brand preference.
- **H_{3b}**: Perceived quality significantly impacts life insurance purchase intention.

2.5. The relationship between brand ethics, brand preference, and life insurance purchase intention

Ethical behavior is a complex and context-dependent concept, especially within service sectors like insurance, where trust is fundamental. Currently, there is no universal definition of ethical behavior, as it varies significantly based on the specific context in which it is applied (Tolba and Hassan, 2009). In the insurance sector, ethical behavior generally refers to the provision of honest service to customers, prioritizing customer satisfaction even at the expense of potential sales. By implementing ethical selling practices, companies can not only reduce transaction costs but also foster customer trust and cultivate a loyal client base, all of which are essential for the sustainable growth of an insurance company (Chakraborty, 2019).

In the life insurance industry, the significance of ethical conduct is magnified due to the inherent uncertainty surrounding customers' future purchasing decisions (Reddy and Czepiel, 1999). While companies aim to leverage brand ethics as a strategic tool to enhance purchasing behavior and build customer loyalty, studies examining the direct impact of brand ethics on consumer behavior have produced mixed results. For instance, Limbu et al. (2012) found that brand ethics did not directly affect customer loyalty; however, Chen and Mau (2009) suggested that brand ethics can positively influence customer behavior by fostering trust in sales staff and the company itself.

Given the limited research on brand ethics within the insurance industry and its potential implications for consumer behavior, this study seeks to fill this gap and proposes the following hypotheses:

- **H_{4a}**: Brand ethics positively influence brand preference.
- **H_{4b}**: Brand ethics positively impact life insurance purchase intention.

2.6. The influence of brand preference on life insurance purchase intention

Ebrahim et al. (2016) highlighted that various factors, including brand knowledge and brand experience, play a pivotal role in shaping brand preference. These factors not only influence

customer attitudes but also lead to repeat purchases, illustrating the direct link between brand preference and consumer loyalty. Brand preference reflects a customer's inclination toward a specific brand (Soenyoto, 2015), and Myers (2003) emphasized the importance of building brand value, which provides companies with a competitive advantage by enhancing consumer brand preference and purchase intention.

According to Puspaningrum (2022), brand preference can be defined as the degree to which customers favor a particular service offered by their current provider in comparison to similar services available from competing companies within their consideration set. Meanwhile, purchase intention is defined as a customer's plan to buy a specific brand and has become a focal point in contemporary consumer research. In the context of service branding, this study specifically defines purchase intention as the willingness to continue utilizing services provided by specific providers (Alwi et al., 2017).

The interplay between brand equity, brand preference, and purchase intention has been substantiated by numerous studies. O'Cass and Lim (2001) conducted a study among Southeast Asian youth, focusing on the relationship between brand preference and purchase intention, particularly regarding non-product brand associations as suggested by Keller (2003). Their findings reveal a nuanced effect of brand associations on both consumer brand preference and purchase intention. Similarly, Chang and Liu (2009) proposed a positive correlation between brand equity, brand preference, and purchase intention.

Building on this extensive literature, this study proposes the following hypothesis:

- **H₅**: Brand preference has a significantly positive effect on purchase intention.

2.7. The mediating role of brand preference in the relationship between brand equity and life insurance purchase intention

Previous literature indicates that brand equity has a significant influence on brand preference (Bashir, 2019; Chang and Liu, 2009). Additionally, other studies suggest that brand equity directly affects purchase intention (Poturak and Softic, 2019; Chakraborty, 2019). Furthermore, several works posit that brand preference plays a crucial role in impacting purchase intention (Dam, 2020; Charton-Vachet et al., 2020; Puriwat and Tripopsakul, 2021; Ebrahim et al., 2016).

Taken together, these findings imply that brand equity may indirectly influence purchase intention through brand preference, highlighting the potential mediating role of brand preference in this relationship. However, despite the existing body of research, there are notable limitations and inconsistencies in the findings regarding this topic, which warrant further investigation to clarify the

mediating role of brand preference. This study aims to examine the mediating effect of brand preference on the relationship between brand equity and purchase intention by testing the following hypothesis:

- **H₆**: Brand preference mediates the relationship between brand equity and purchase intention, specifically:
- **H_{6a}**: Brand awareness influences life insurance purchase intention through brand preference.
- **H_{6b}**: Brand association influences life insurance purchase intention through brand preference.

- **H_{6c}**: Perceived quality influences life insurance purchase intention through brand preference.
- **H_{6d}**: Brand ethics influence life insurance purchase intention through brand preference.

2.8. Proposed research model

Drawing on the customer brand equity perspective, the literature review presented above, [Aaker's \(2009\)](#) foundational theoretical model, and the current landscape of Vietnam's life insurance industry, the authors propose the research model as shown in [Fig. 1](#).

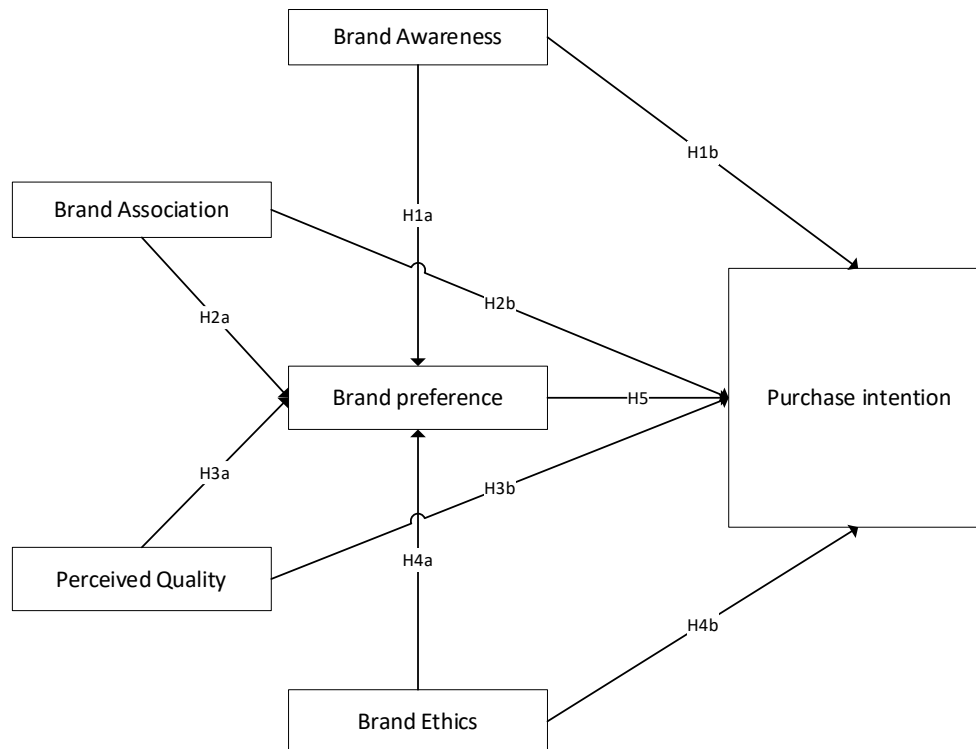


Fig. 1: Proposed research model

3. Methodology and measurement scales

To thoroughly address the research objectives, this study adopts a mixed-method approach, integrating both qualitative and quantitative methods for a comprehensive analysis. The study began with a qualitative phase, where in-depth interviews were conducted with 10 experts in corporate brand development within the life insurance industry to explore and refine the measurement scales of the factors included in the model.

Following the qualitative phase, quantitative research was carried out by analyzing primary data collected through surveys. These surveys were distributed directly to customers who had attended customer seminars and were familiar with the Hanwha Life Insurance brand, using a convenience sampling method. Out of 200 questionnaires distributed, 169 valid responses were retained after screening. These responses were then analyzed to examine the influence of brand equity components

on life insurance purchase intention, with brand preference acting as a mediating factor.

The survey data collected were processed and analyzed using SMART PLS 3.0 software. The analysis included several steps: testing the reliability of the measurement scales using Cronbach's alpha and composite reliability coefficients; assessing convergent and discriminant validity through AVE and Heterotrait-Monotrait ratio (HTMT) values; checking for collinearity of observed variables via outer VIF/inner VIF coefficients; and evaluating the structural model using Partial Least Squares Structural Equation Modeling (PLS-SEM) to test the research hypotheses. Based on prior research and qualitative findings, this study compiled measurement scales for six factors within the model, as shown in [Table 1](#). Observed variables were rated on a 5-point Likert scale, with responses ranging from strongly disagree (1 point) to strongly agree (5 points). This structured methodology provides a strong foundation for testing and validating the proposed model and hypotheses.

Table 1: Measurement scales of variables in the research model

Items	Scales	Source
BAW	Brand awareness	
BAW1	I know about Hanwha Life Insurance.	
BAW2	I can easily distinguish the logo and name of the Hanwha Life Insurance brand from other life insurance brands.	Wang et al. (2021)
BAW3	I can quickly visualize the name and logo of the Hanwha Life Insurance brand.	
BAW4	When I think of life insurance, the Hanwha Life Insurance brand is one of the first brands that I remember.	
BAW5	The Hanwha Life Insurance brand is mentioned by many people when they need to buy life insurance.	
BAS	Brand association	
BAS1	Hanwha Life Insurance's name and logo are unique in comparison with its competitors.	Based on the expert's suggestion
BAS2	Hanwha Life Insurance makes me feel safe.	Airrao and Patil (2017)
BAS3	Hanwha Life Insurance brand has many product packages for customers in comparison with its competitors.	Tong and Hawley (2009)
BAS4	When mentioning the Hanwha Life Insurance brand, I immediately think of dedicated and thoughtful customer care service.	Ahirrao and Patil (2017)
BAS5	Hanwha Life Insurance brand makes me think of its country of origin, Korea.	Based on the expert's suggestion
PQ	Perceived quality	
PQ1	Hanwha Life Insurance's brand quality is higher than that of its competitors.	
PQ2	Hanwha Life Insurance is known for providing high-quality services.	
PQ3	Hanwha Life Insurance is known for its attractive promotions and attentive, thoughtful customer care.	Tong and Hawley (2009) and Tran et al. (2021)
PQ4	The procedures and processes for receiving support from Hanwha Life Insurance are very simple and easy to understand.	
BAE	Brand ethics	
BAE1	Hanwha Life Insurance is very concerned about the customers' rights.	
BAE2	Hanwha Life Insurance always complies with the terms of the contract.	
BAE3	Hanwha Life Insurance employees are required to advise on the benefits and disadvantages of buying life insurance.	Chakraborty (2019)
BAE4	The terms of Hanwha Life Insurance's contracts are very easy to understand, not creating ambiguity or confusion for customers.	
BAP	Brand preference	
BAP1	I find Hanwha Life Insurance's policies very attractive.	Chen and Chang (2008); Stahl et al. (2012)
BAP2	I prefer the Hanwha Life Insurance brand to other life insurance brands.	
BAP3	I prefer buying Hanwha Life Insurance over other life insurance brands.	Soenyoto (2015)
BAP4	Overall, I like the Hanwha Life Insurance brand.	Stahl et al. (2012)
PI	Purchase intention	Based on the expert's suggestion
PI1	I will buy life insurance from the Hanwha Life Insurance brand.	
PI2	I will seriously consider buying life insurance from Hanwha Life Insurance.	Wang et al. (2021)
PI3	I will most likely buy life insurance from Hanwha Life Insurance.	
PI4	I will buy other insurance packages from the Hanwha Life Insurance brand.	Based on the expert's suggestion

4. Research results

4.1. Reliability of measurement scales

Cronbach's alpha and composite reliability values were analyzed to assess the reliability of the measurement scales. According to Hair et al. (2022), values of Cronbach's alpha between 0.6 and 0.7 are considered acceptable, while values between 0.7 and 0.9 indicate satisfactory reliability. Constructs with values below 0.6 lack internal consistency and reliability. The results in Table 2 show that all constructions have Cronbach's alpha and composite reliability values above 0.7, confirming the

consistency and reliability of the measurement scales.

4.2. Evaluation of convergent and discriminant validity of measurement scales

To further assess validity, convergent validity was evaluated using the AVE index. Hair et al. (2022) suggested that an AVE value of ≥ 0.5 indicates that a latent variable explains at least 50% of the variance in each observed indicator, confirming convergent validity. Table 3 shows that all constructions have AVE values above 0.5, thereby affirming the convergent validity needed for further analysis.

Table 2: Reliability and composite consistency

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (CR)	Average variance extracted (AVE)
BAE	0.822	0.829	0.881	0.650
BAP	0.785	0.794	0.861	0.609
BAS	0.868	0.877	0.904	0.654
BAW	0.872	0.881	0.907	0.663
PI	0.836	0.837	0.891	0.671
PQ	0.852	0.857	0.900	0.692

Discriminant validity was assessed using the HTMT method. A high HTMT value indicates possible problems with discriminant validity, which ensures that constructs are clearly different from each other. According to Henseler et al. (2015), an HTMT value below 0.90 confirms adequate discriminant validity.

As shown in Table 3, all HTMT values in this study are below the 0.90 threshold. These results indicate that the measurement scales used meet the required standard for discriminant validity, confirming that the constructs in the study are appropriately distinct from one another.

Table 3: Discriminant validity-HTMT

	BAE	BAP	BAS	BAW	PI	PQ
BAE						
BAP	0.555					
BAS	0.085	0.419				
BAW	0.078	0.403	0.467			
PI	0.455	0.787	0.550	0.599		
PQ	0.440	0.559	0.077	0.063	0.457	

4.3. Multicollinearity check of independent variables (inner VIF)

Before analyzing the structural model, it is essential to assess multicollinearity among the independent variables using the Variance Inflation Factor (VIF) values. A VIF value greater than 5 indicates potential multicollinearity, which could compromise the model's reliability for hypothesis testing, while values between 3.3 and 5 suggest a moderate multicollinearity risk (Hair et al., 2022). In this study, all VIF values were below 3, indicating that multicollinearity is not an issue among the variables in the structural model.

4.4. Evaluation of independent variables' explanatory power on dependent variables

The explanatory power of the independent variables on the dependent variables was assessed. As shown in Table 4, the R^2 value for the brand preference (BAP) variable is 0.488, indicating that

the factors within the model explain 48.8% of the variance in brand preference, while the remaining 51.2% can be attributed to systemic error and external factors. Similarly, the R^2 value for the purchase intention (PI) variable is 0.583, meaning that the model's factors account for 58.3% of the variance in customer purchase intention, with the remaining 41.7% resulting from systemic error and influences outside the model.

Table 4: R-squared overview

	R-squared	R-squared adjusted
BAP	0.488	0.482
PI	0.583	0.579

4.5. The results of model estimation

In this study, the structural model was estimated using a maximum of 5000 iterations, with a stopping criterion set at 0.00000001. The results indicate that the algorithm converged in fewer iterations than initially anticipated (Fig. 2).

The empirical results, which display regression coefficients and R^2 values within each circle, provide valuable insights into the strength of the relationships among the variables. Notably, the strongest relationships are found between perceived quality (PQ) and BAP, as well as between brand preference and PI, together accounting for 35.3% of the total variance.

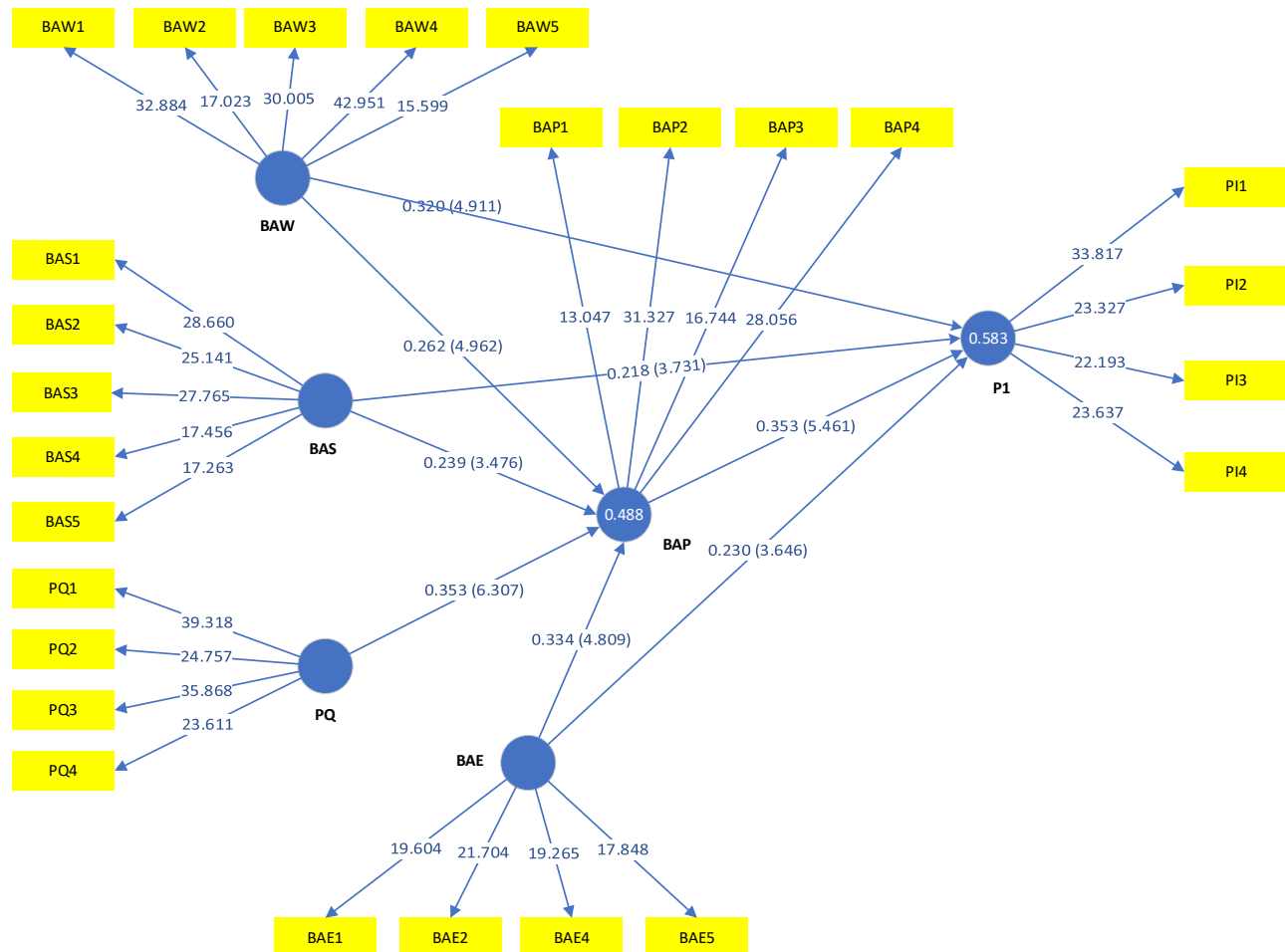


Fig. 2: Model estimation results

Following this, brand ethics (BAE) significantly impacts brand preference, with a coefficient of 0.334, contributing 33.4% to the total variance. Similarly, brand awareness (BAW) affects purchase intention with a coefficient of 0.320, explaining 32% of the total variance. In addition, brand awareness also influences brand preference, showing a coefficient of 0.262, which accounts for 26.2% of the total variance.

Moving on to the other relationships, brand association (BAS) impacts brand preference with a coefficient of 0.239, explaining 23.9% of the total variance. Furthermore, brand ethics directly influences purchase intention with a coefficient of 0.230, contributing to 23% of the total variance. Finally, brand association also affects purchase

intention, evidenced by a coefficient of 0.218, which explains 21.8% of the total variance.

4.6. Hypothesis testing results

The results of hypothesis testing for the model are summarized in Table 5. After conducting the PLS-SEM model analysis, all 13 hypotheses were accepted, with statistical tests achieving a 95% confidence level. In terms of their influence on brand preference, the factors are ranked in descending order of impact as follows: PQ, BAE, BAW, and BAS. Moreover, the findings indicate that brand preference serves as a mediating factor in all four relationships between the independent variables and life insurance purchase intention.

Table 5: Research hypothesis testing results

Hypothesis	Beta (β)	t-value	p-value	Result
Direct effects				
H1a BAW -> BAP	0.262	4.962	0.000	Support
H1b BAW -> PI	0.413	6.861	0.000	Support
H2a BAS -> BAP	0.239	3.476	0.001	Support
H2b BAS -> PI	0.302	4.899	0.000	Support
H3a PQ -> BAP	0.353	6.307	0.000	Support
H3b PQ -> PI	0.125	3.785	0.000	Support
H4a BAE -> BAP	0.334	4.809	0.000	Support
H4b BAE -> PI	0.348	6.108	0.000	Support
H5 BAP -> PI	0.353	5.461	0.000	Support
Indirect effects				
H6a BAW -> BAP -> PI	0.093	3.553	0.000	Support
H6b BAS -> BAP -> PI	0.084	3.020	0.003	Support
H6c PQ -> BAP -> PI	0.125	3.785	0.000	Support
H6d BAE -> BAP -> PI	0.118	3.587	0.000	Support

Thus, after conducting the PLS-SEM analysis, all 13 hypotheses were accepted and demonstrated statistical significance at both the 5% and 1% levels. When comparing the influence of the variables on brand preference, the factors are ranked in descending order of impact as follows: PQ, BAE, BAW, and BAS. Furthermore, the research findings indicate that brand preference acts as a mediator for all four relationships between the independent variables and life insurance purchase intention. In other words, each of the four brand equity components influences life insurance purchase intention indirectly through brand preference.

5. Discussion

5.1. The impact of corporate brand equity components on brand preference

The research results reveal that all four components positively influence brand preference. Each of these components plays a pivotal role in shaping customers' perceptions of a brand, albeit with varying degrees of influence. Among these components, perceived quality has the strongest impact on brand preference ($\beta = 0.353$, $P < 0.05$). This finding underscores the critical importance of perceived quality in explaining variations in brand preference. The results confirm that customers who perceive a brand as high quality are more inclined to favor it, as brands viewed as high quality tend to be more attractive to consumers (Aquinia et al., 2021).

Following perceived quality, brand ethics emerges as the second most influential factor affecting brand preference ($\beta = 0.334$, $P < 0.05$). In the life insurance sector, brand ethics exert a substantial and direct impact on brand preference. Life insurance is a unique product associated with a company's long-term responsibility toward its clients and their families. This responsibility necessitates transparency, honesty, and ethical behavior to build trust and maintain lasting relationships. Given that life insurance inherently involves long-term financial security for clients and their loved ones, consumers need to seek a trustworthy brand that demonstrates a commitment to responsibility. An ethical insurance company that upholds its promises, maintains transparency, and promptly addresses client concerns fosters trust and increases customer preference for the brand.

Third in significance, brand awareness positively influences brand preference ($\beta = 0.262$, $P < 0.05$). Brand awareness enables customers to differentiate Hanwha Life Insurance from other brands in the market. Consumers who recognize and recall Hanwha Life among various brands are more likely to develop a favorable impression and feel encouraged to consider purchasing. This result aligns with the findings of Sugiyarti and Mardiyono (2021), who asserted that brand awareness is critical in transactional settings, and with Irshad and Irshad (2010), who found that higher brand awareness correlates with greater consumer interest in purchasing due to top-of-mind recall.

Finally, brand association significantly impacts brand preference ($\beta = 0.239$, $P < 0.05$). This finding indicates that brand association meaningfully contributes to variations in brand preference. Consumers with strong and positive associations toward a brand are more likely to prefer it. This conclusion is bolstered by O'Cass and Lim (2001), who argue that brand associations, including past experiences, influence consumer perception, brand preference, and overall choice. In a crowded market, a brand's inclusion in the consumer's consideration set (and ultimately their choice) relies heavily on its associations within the product category. Furthermore, brand associations create distinctive mental images, effectively setting the brand apart from competitors within the category.

5.2. The impact of corporate brand equity components on life insurance purchase intention

The analysis reveals a clear hierarchy of influence among brand equity components on purchase intention for Hanwha Life Insurance, emphasizing the significance of each component in shaping consumer intentions. Leading this hierarchy, brand awareness exerts the strongest effect on purchase intention ($\beta = 0.413$, $P < 0.05$). This finding suggests that Hanwha Life is a highly recognized brand among Vietnamese consumers, thereby significantly influencing their consideration of the company's products and services. This result aligns with the assertions made by Aaker (2009) and Keller (1993), who emphasized that increased brand awareness enhances consumer confidence in the product, ultimately boosting purchase intention.

Moreover, brand preference plays a significant role in shaping consumers' intentions to purchase Hanwha Life Insurance ($\beta = 0.353$, $P < 0.05$). This finding indicates that brand preference positively explains variations in purchase intention, supporting the notion that customers who favor a brand are more likely to consider buying its products and services. Notably, O'Cass and Lim (2001) recognized brand preference as a key determinant of consumer purchase behavior, while Bashir (2019) and others confirmed its positive effect on purchase intentions. Furthermore, other studies have highlighted brand preference as essential in fostering a strong connection between a brand and consumers' purchasing decisions (Chang and Liu, 2009; Soenyoto, 2015).

Third in impact, brand ethics emerges as an influential factor in life insurance purchase intention ($\beta = 0.348$, $P < 0.05$). This finding suggests that when consumers view Hanwha Life as an ethical brand, they are more likely to favor it and exhibit positive purchasing behavior, such as intending to buy life insurance. This ethical perception can lead consumers to choose Hanwha Life over competing brands, thereby fostering positive emotional connections with the brand. Similar conclusions have been drawn in previous studies, noting that the perception of business ethics is more impactful than

that of corporate social responsibility in shaping consumer decisions, as ethics promote consumer loyalty and support future purchasing behaviors (Singh et al., 2012).

Following brand ethics, brand association also significantly influences purchase intention ($\beta = 0.302$, $P < 0.05$), indicating that brand associations help shape consumers' decisions to purchase life insurance. Finally, perceived quality has a comparable impact on purchase intention ($\beta = 0.302$, $P < 0.05$). Consumers recognize the quality and attributes associated with the Hanwha Life brand as motivating factors in their choice. These evaluations suggest that customers value the distinctive aspects of the Hanwha Life Insurance brand, such as contract terms, customer service, and community involvement, effectively distinguishing it from other life insurance brands.

5.3. The mediating role of brand preference in the relationship between corporate brand equity and life insurance purchase intention for Hanwha Life

The acceptance of hypotheses H6a, H6b, H6c, and H6d strongly supports the role of brand preference as a mediator in the relationship between brand equity components and life insurance purchase intention among Vietnamese customers for Hanwha Life. This finding significantly reinforces prior studies by Chen and Chang (2008) and Stahl et al. (2012), which suggested that brand preference acts as a critical bridge between brand equity and purchase intention.

Understanding brand preference as a mediator implies that brand equity indirectly influences consumers' purchase intentions by fostering a strong brand preference, which then shapes their decision to purchase. In this context, consumers' knowledge, associations, and perceptions of a brand actively foster certain biases that lead them to prefer one brand over another. According to Ajzen's (1991) theory of planned behavior, this preference (or favorable attitude) serves as a crucial motivator that strengthens the intention to purchase.

However, the results of this study indicate that brand preference plays only a partial mediating role. This suggests that brand equity can impact consumer purchase intention both directly and indirectly, with or without brand preference. Notably, consumers' knowledge, associations, and perceptions of a brand may independently drive purchase behavior. This phenomenon aligns with Ajzen's (1991) theory of planned behavior, which introduces two additional constructs in behavioral intention: subjective norms (the perceived social pressure to perform or not perform a behavior) and perceived behavioral control. Thus, even in cases where brand preference is not fully established, consumers with positive associations and perceptions of a brand, along with supportive social norms and sufficient resources, may still be significantly inclined to proceed with a purchase.

6. Conclusion and implications

This study set out to examine the impact of brand equity components on purchase intention within the life insurance industry, with a particular focus on Hanwha Life Insurance Vietnam. By employing a mixed-method approach, the study combined qualitative and quantitative research methods to provide a comprehensive understanding of the factors influencing consumer behavior. In the qualitative phase, in-depth interviews with industry experts were conducted to refine and validate the measurement scales. The quantitative phase then analyzed primary data from a convenience sample of 200 customers. Utilizing PLS-SEM, the study evaluated the influence of brand equity, including brand awareness, brand association, perceived quality, and brand ethics, on life insurance purchase intention, with brand preference acting as a mediating factor. The findings reveal that these brand equity components not only directly impact purchase intention, but brand preference further mediates this relationship.

6.1. Theoretical implications

In terms of theoretical contributions, this study adds to the literature by incorporating “brand ethics” as a vital component of brand equity and confirming its significant effect on both brand preference and purchase intention for life insurance among individual customers. Additionally, the research enriches the theoretical framework by highlighting the partial mediating role of brand preference in the relationship between brand equity components and purchase intention. This insight suggests that brand preference serves as an intermediary step, shaping the extent to which brand equity components influence customer behavioral intentions. By examining the combined effects of brand equity components and brand preference on purchase intention, this study provides a more nuanced understanding of the brand equity customer preference customer behavior process, which had not been previously explored in the specific context of Vietnam’s insurance market.

6.2. Practical implications

From a practical standpoint, the findings offer valuable implications for managers in insurance companies. Specifically, the study emphasizes the importance of continually strengthening brand awareness, brand association, perceived quality, and brand ethics to maintain a competitive advantage in the insurance market. Based on these findings, it is recommended that managers view brand building not only as a competitive asset but as a key driver of customer purchase decisions.

For insurance companies, they should build a strong brand by creating a professional brand identity (logo, colors, slogan, visuals, etc.) while also

developing brand stories that resonate emotionally with customers. Additionally, they should enhance customer experience and build long-term relationships by simplifying the purchasing and claims processes, providing 24/7 customer support, and personalizing products by offering solutions tailored to each customer’s specific needs. Subsequently, transparency and honesty in contract terms, insurance policies, and the claims process are crucial to building customer trust. Finally, they should establish an ethical and responsible brand image by launching financial education programs to help people better understand insurance, committing to environmental protection and sustainable development, and regularly publishing transparent reports on business operations and social impact. Concentrating on the four key dimensions of brand equity can significantly increase customer brand preference, making consumers more likely to select their brand in a competitive insurance landscape.

List of abbreviations

AVE	Average variance extracted
BAE	Brand ethics
BAP	Brand preference
BAS	Brand association
BAW	Brand awareness
CR	Composite reliability
HTMT	Heterotrait-Monotrait ratio
PI	Purchase intention
PLS-SEM	Partial least squares structural equation modeling
PQ	Perceived quality
VIF	Variance inflation factor

Compliance with ethical standards

Ethical considerations

This research was conducted in accordance with the ethical principles for research involving human participants. Participation in both the qualitative interviews and quantitative survey was voluntary, and informed consent was obtained from all respondents prior to data collection. Respondents were assured that their information would remain confidential, used solely for research purposes, and reported only in aggregated form.

Conflict of interest

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

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