Review Article

Communications, Brand Image and Intention to Use Services of Commercial Banks: A Literature Review

Van Dung Ha*[1], Viet Dung Tran[1], Van Tung Nguyen[1] and Van Hai LE[1]

[1]Banking University Ho Chi Minh City, Vietnam

Abstract: The role of social communications and brand image on intention to use has become more and more important. Marketing in firms has increased the social communications, and more and more organizations approach consummers via social networks. More success can be get when firms employ social communicatons and get familiar with social networks when contacting with customers. Literature on social communications, brand image and intention to use services is summarized in this paper. Customer behavior model, theory of planned model, signaling model, and consumer trend model are main literature mentioned. Previous studies on the communications, brand image and intention to use services of commercial banks are also introduced. These studies included both worldwide and Vietnamese experiences in connecting social network, brad image and intention to use services of banking industry.

Keywords: communications, network, brand, intention, behavior, model.

INTRODUCTION

Social communications have changed the way people searching, and buying goods and services (Garcia-Morales et al., 2018; Correa et al., 2010). In order to control social networking, firms use some social media and communications such as blog, website, and forum. Social communications supply opportunities not only for market interaction (Kaplan & Haenlein, 2010; Hanna et al., 2011) but also for target reach with lowest costs (Felix et al., 2017). Recent research shows that 74% of banks in the US assess themselves as well as search customers via social communications. Other studies indicate that banks use social communications for their media, advertisement, risk management, and customer services (Garanti & Kissi, 2019). In addition, customers affected by social communications will develop larger awareness of goods and services. Higher product awareness may result brand loyalty (Garanti & Kissi, 2019).

Most commercial banks in Hochiminh city now use social communications to expand their brand and image. Increasing social communications can foster bank brand awareness, and thus increasing intention to use bank services (Bravo et al., 2012).

The research on the relationship among communications, brand image, and intention to use can support to current literature. In this paper, we will summarize some literature relating to these relationships as well as some previous studies outside and inside Vietnam.

LITERATURE REVIEW

Customer Behavior Literature
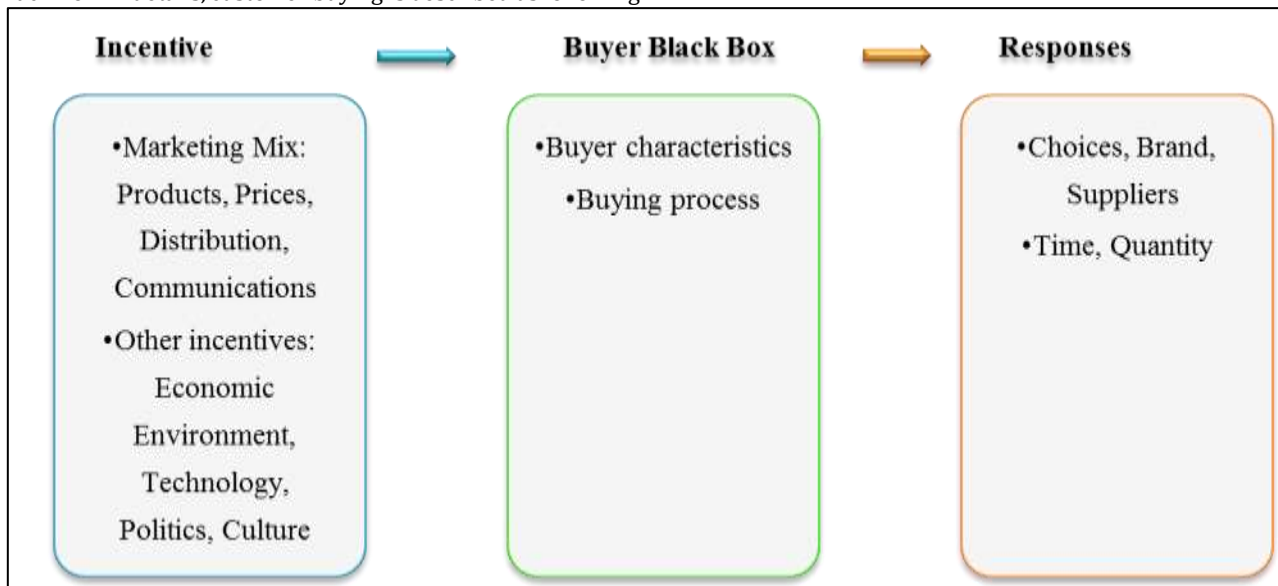### Customer Behavior Model

Research on customer behavior will answer for marketing questions such as: how is the buyer? Which goods and services will be sold? Why does customer buy these goods? When will they buy, how and where? This is very important since marketing is an essential way to fulfill the human needs. In order to sell goods and services, firms will give incentives for customers such as advertising, promotion, sample or selling in different shops. These incentives will receive customer response indifferently (Kotler & Amstrong, 2012).

It is difficult to know exact impacts of each incentive on customer behavior. Human awareness is widely affected by many factors such as culture, society, psychology, etc. Marketing experts propose the definition of buyer black box model to build up the customer behavior model (Kotler & Amstrong, 2012).

Incentives → Buyer Black Box Model → Responses

Figure 2.1: Customer behavior model
Source: Kotler and Amstrong (2012)

In this model, sellers know outside determinants and buyer responses. Sellers do not know the movement inside the Black Box. In details, customer buying is described as following:

Incentive → **Buyer Black Box** → **Responses**

- Marketing Mix: Products, Prices, Distribution, Communications
- Other incentives: Economic Environment, Technology, Politics, Culture

- Buyer characteristics
- Buying process

- Choices, Brand, Suppliers
- Time, Quantity

Figure 2.2: Detailed model of customer behavior
Source: Kotler and Amstrong (2012)

Marketing experts have to know how determinants of customer black box are logically formed. Knowing these determinants will help marketing experts raise suitable incentives as well as receive expected responses.

According to Kotler and Amstrong (2012), customer behavior model can be used to describe the relationship amongs incentives, customer black box, and customer responses.

Incentives: factors that can affect customer behavior. Incentives can be classified into two main groups. Group 1 includes marketing incentives such as products, price, distributions, and promotions. These incentives can be controlled by firms. Group 2 includes incentives out of firm control such as economic environment, competition, politics, culture, society, etc. (Kotler & Amstrong, 2012).

Customer Black box: human brain and its acting procedure in receiving, modifying and solving incentive information. After that, customer black box will response to incentives. Black box includes two parts. The first part is customer characteristics, which strongly affects the ways how customer receives incentives and responses to these incentives (Kotler & Amstrong, 2012). The second part is buying decision of customer. This is the whole process which customer uses to do all activities relation to the needs, searching, buying, and feelings when they get goods and services. The final response of customer is depended on how well this process finishes.

Customer responses: customer responses, which appear during exchange process and can be observed. Some responses can be seen as goods and services searching; brand and supplier choosing; time, location, and quality selecting.

In the customer buying model, it is very important for marketing expert to know what has happened in black box when customers receive incentives, especially, marketing incentives. Whenever, marketing experts know what is happening in black box, it means that marketing experts are in good position to receive expected responses from their customers. This is important issue in the research of customer behavior.

Theory of Planned Behavior (TPB)

Theory of Planned Behavior (TPB) is developed from the Theory of Reasoned Action (TRA). TRA was constructed by Fishbein and Ajzen in 1975 and this theory is considered the pioneering theory in socio-psychological.

TRA model indicates that behavior is decided by its intention. The relationship between intention and behavior has been widely tested in many research fields (Ajzen, 1991; Fishben & Ajzen, 1975; Canary & Seibold, 1984; Sheppard et al. 1988, in Ajzen, 1991). There are two determinant of intention: attitude and subjective norms. Personal attitude can be measured by beliefs and the judgment of behavior. Ajzen (1991) defines Subjective Norms the Beliefs on people who think it should be done or not.
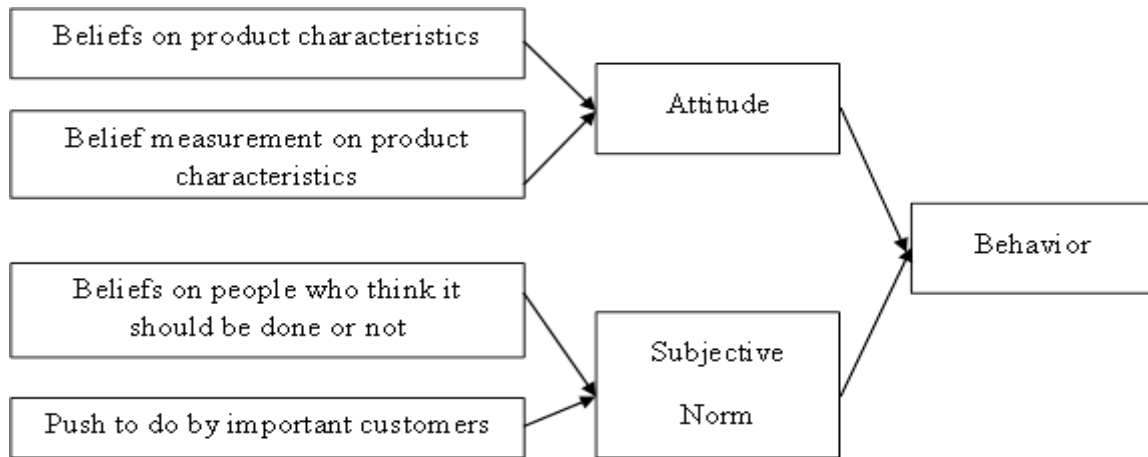
**Figure 2.3:** Theory of Reasoned Action (TRA)
Source: Ajzen (1991)

According to Ajzen (1991), the appearance of Theory of Planned Behavior (TPB) bases on the human constraints, which is less controlled. The third factor that affects customer intention is perceived behavioral control.

Perceived behavioral control reflects the ease or difficulty when people actualize intention when the behavior is controlled or not (Ajzen, 1991). Theory of Planned Behavior is modeled as follow:
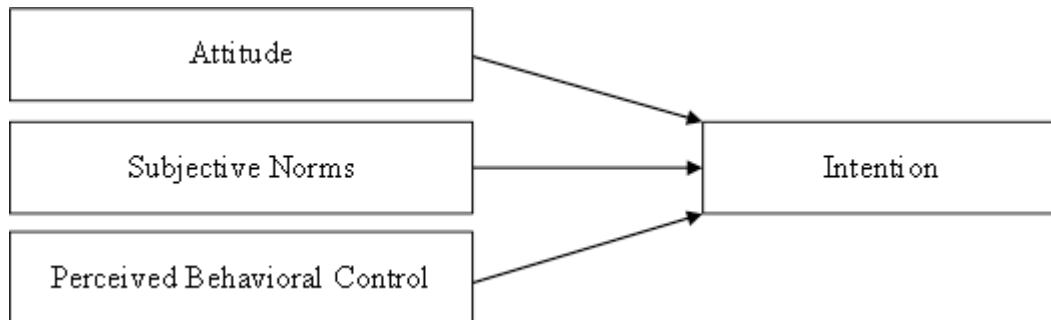
Figure 2.4: Theory of Planned Behavior Model; *Source:* Ajzen (1991)

Signaling model
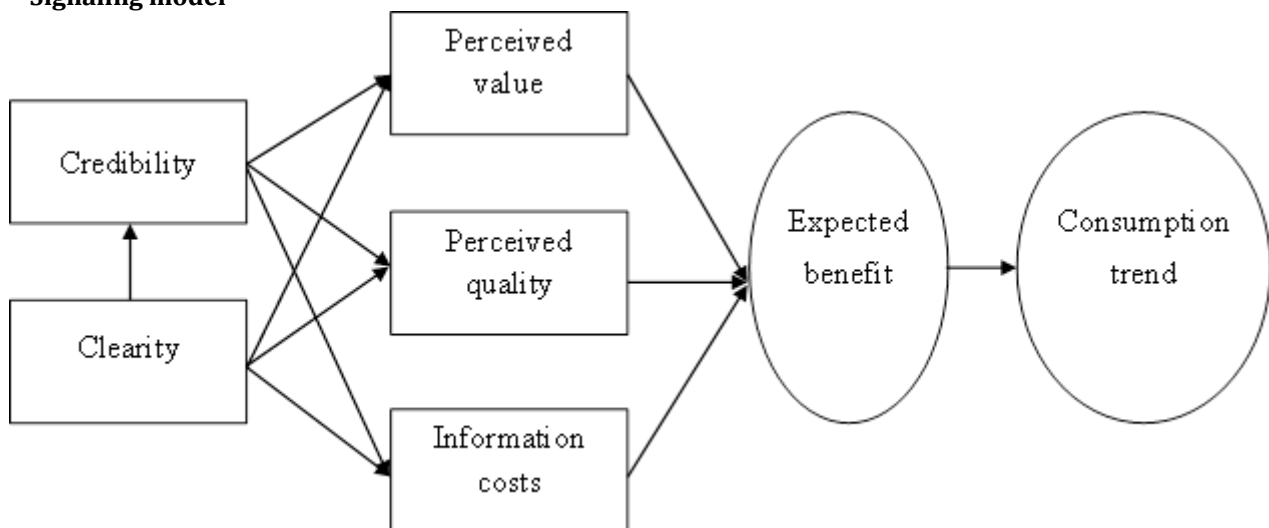
Figure 2.5: Signaling Model; *Source:* Erdem and Swait (1998)

Erdem and Swait (1998) consider the effect of market imperfect and asymmetric information on customer attitude and intention to raise reasonable approach on customer awareness and signal. They emphasize the importance of credibility and clarity on the explanation of perceived value and quality value from customers.

Citation: Van Dung Ha *et al.,* (2020). Communications, Brand Image and Intention to Use Services of Commercial Banks: A Literature Review. Glob Acad J Humanit Soc Sci; Vol-2, Iss-2 pp-22-29.

24

Consumer Trend Model

Basing on the signaling model, Zeithaml (1998) assumes that price and brand are two crucial factors of perceived quality and they have positive impacts on consumption trend. Dodds et al. (1991) propose a model to test direct and indirect impacts of external signals (prices, brand, store name) on customer assessment on factors relating to awareness and consumption trend. The research indicates the important role of customer perceived value. The perceived value can promote or hinder the consumption of specific brand because perceived value is the result of quality received as well as price paid.

Overview of relevant studies

Research of Bravo et al. (2012) indicate that in the banking sector, the brand image is becoming increasingly important. Banks with good brand image will attract new customers and help maintain existing customer sources. Therefore, it is essential to study the role of brand image in increasing customers' intention to use the service in the banking sector. Through the SEM linear structure model from a dataset of 450 survey samples, the study results show that communication in banking activities (including organized and non-organized communication), brand familiarity has a positive impact on the image of the brand and from there the brand image promotes increased service attitudes and intentions.
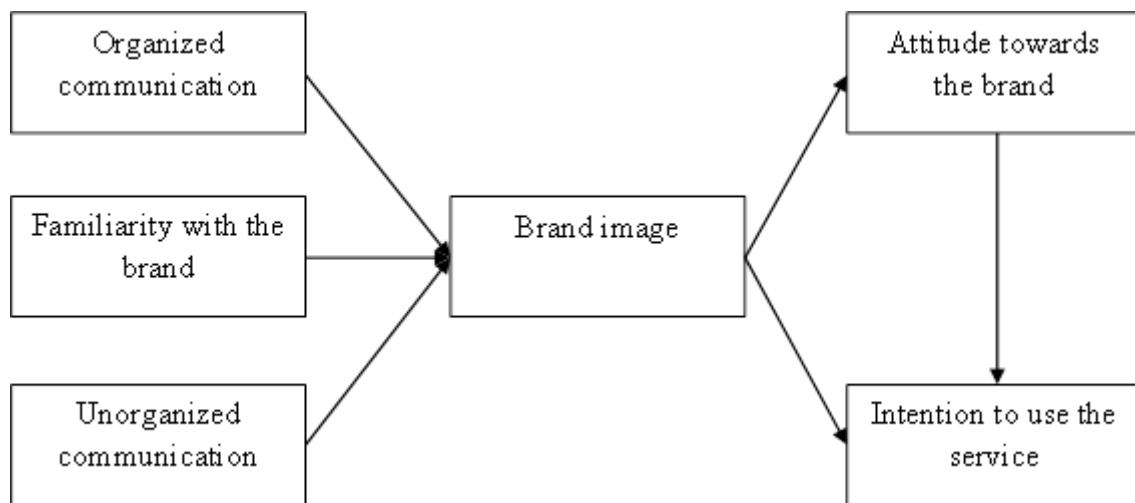

Figure 2.6: Research model of Bravo et al. (2012); *Source:* Bravo et al. (2012)

In the research by Alqasa et al. (2013), the problem of attracting customers to use banking services has been solved in developed countries and in some Middle East countries. However, in Yemen, where most people refuse to use banking services to facilitate their financial needs, this problem is still ongoing. In fact, this is one of the leading issues related to the Yemeni economy. Therefore, the study of the authors tried to minimize the actual and theoretical gap by examining the factors affecting Yemen consumers using banking services. These consumers are different from those in developed

countries, regarding the use of banks influenced by their psychology, culture and behavior on the banking system. Data collection is done through questionnaires distributed to university students and analyzed through SPSS software. In addition, the proposed hypotheses have been tested statistically through factor analysis, correlation analysis and regression analysis. The results highlight the relationship between service quality, banking legal framework, banking communication, and these issues significantly and positively influence the intent of behavior except cultural beliefs.
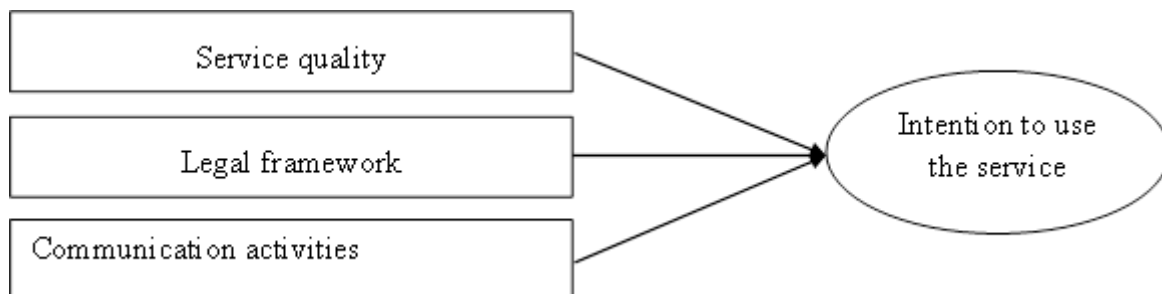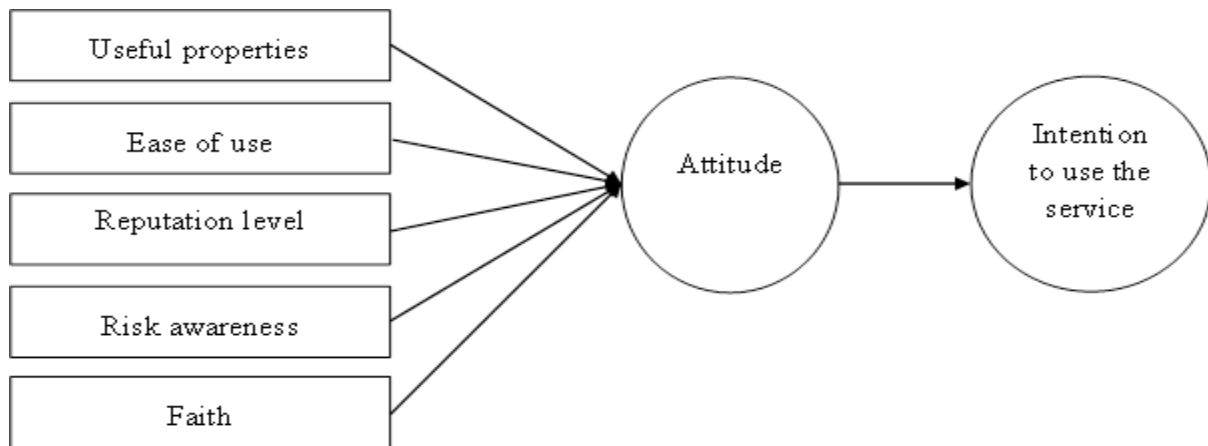

Figure 2.7: Research model of Alqasa et al. (2013); *Source:* Alqasa et al. (2013)

Alkailani (2016) investigates how customers perceive and accept internet banking (IB) in Jordan. An extension model, based on the technology adoption model

(TAM), has been developed earlier. Three more factors have been added to the model, namely: Risk perception, beliefs and credibility.

Citation: Van Dung Ha *et al.*, (2020). Communications, Brand Image and Intention to Use Services of Commercial Banks: A Literature Review. Glob Acad J Humanit Soc Sci; Vol-2, Iss-2 pp-22-29.

25

Figure 2.8: Research model of Alkailani (2016); *Source:* Alkailani (2016)

To test empirically the model to predict customer service intention, a questionnaire was developed and used. A random set of 500 graduates at four Jordanian universities was surveyed. The exploratory factor analysis, correlations and regression models have been used to check the accuracy of the model as well as to examine the proposed relationships between the factors. The results of the study show that the factors of usefulness, ease of use, reputation level, risk perception, trust really have an impact on the attitude towards the bank; in particular, risk perception factors have a negative impact. Along with that, the factor of attitude towards the bank has a positive impact on the customer's intention to use the service.

Recently, Do et al. (2017) estimate the impact of the brand image of a bank (measured through the service provided, accessibility, global impression, location and characteristics of the bank) to the customer intent and people who are not familiar with using banking services. The study is based on questionnaire data from 362 random and unfamiliar customers of 9 banks in Vietnam, from May to July 2017. SPSS 20 and AMOS 20 software have been used to analyze data and experimental model estimates and test hypotheses. The results show that the reputation of the bank and brand attitude affect the intention to use banking services; For non-customers, both the brand image and the brand attitude affect the intention to use the bank's services. The recommendations are proposed to enhance the brand image of banks for the ultimate goal of increasing the use of banking services.
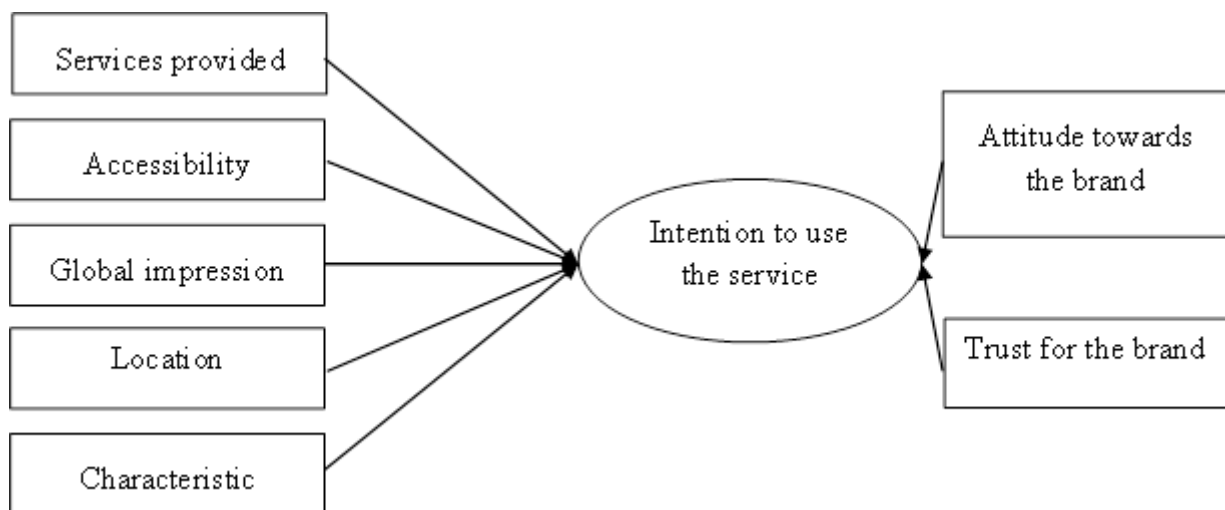
Figure 2.9: Research model of Do et al. (2017); *Source:* Do et al. (2017)

Ramos et al. (2018) collect data via 272 e-banking mobile application users to test the factors affecting the belief and intention to use e-banking applications. Research results of the authors analyzed via SPSS and AMOS software show that factors such as

familiarity, usefulness, ease of use, safety, privacy and innovation have been identified. Moreover, the trust factor has played a role in positively and directly impacting the bank's intention to use services.
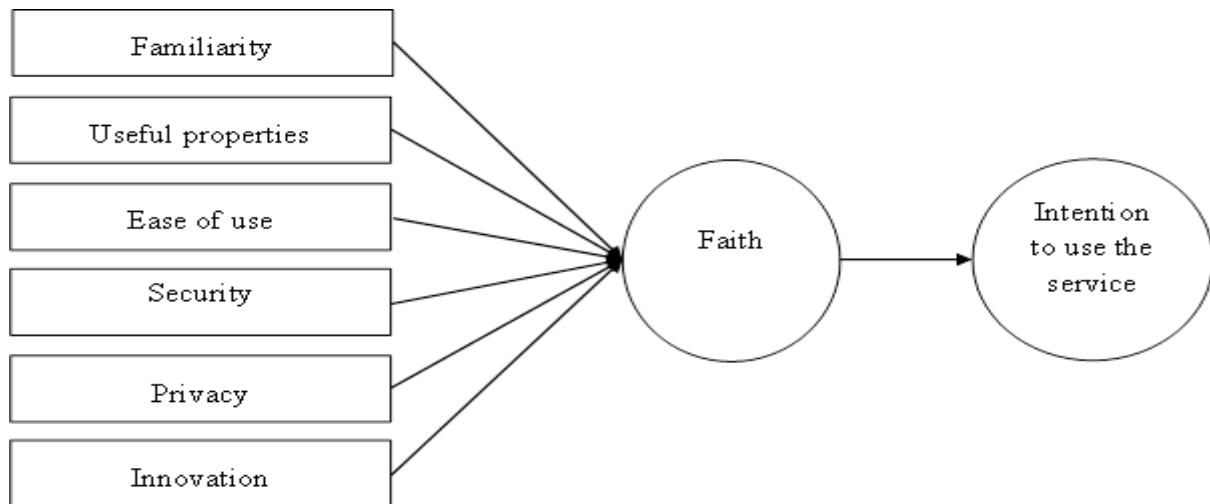
Figure 2.10: Research model of Ramos et al. (2018); *Source:* Ramos et al. (2018)

Domestically, research by Hoang Hai Yen et al. (2017) show that brand equity is a new issue and has not reached a high consensus among marketing scientists as well as business people. Moreover, the models of the components of brand equity and the way they are measured in the world are often not suitable for our country. The study of bank brand is also limited. A number of brand studies in Vietnam in the past only stopped to identify the components that create brand value, build and test the theoretical model of the relationship between attitudes to advertising and promotion with the components of brand value in Vietnam's consumer goods market. The author's team will focus on the bank's brand value, in particular, the research on the composition of brand equity as "bank image" and "perceived bank brand". The study identifies whether or not individual effects, as well as the simultaneous impact of the "bank image" and "perceived bank brand" on the "intent of choosing products and services" of customers. At the same time, the study also measures the impacts (if any) mentioned. The results of the study are expected not only to inform research in the same field, but also to provide managers with an orientation for allocating administrative resources.
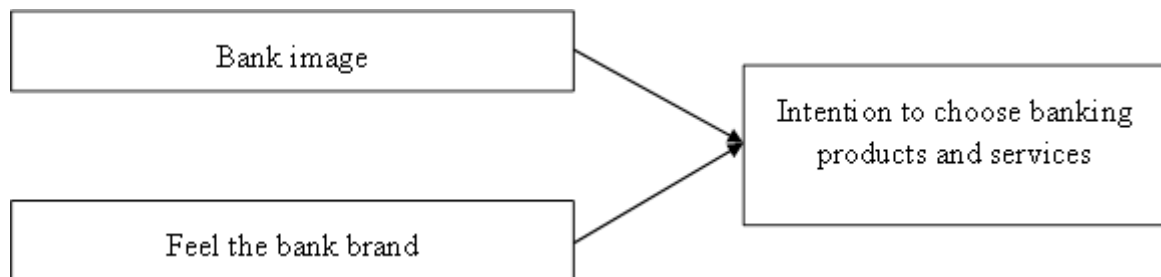
Figure 2.11: Research model of Hoang Hai Yen et al. (2017)
Source: Hoang Hai Yen et al (2017)

Another research by Dam Van Hue and Bui Thi Thuy Duong (2017) conduct a study on customers' intention to use electronic banking services at Vietnamese commercial banks. The authors show that many researchers in Vietnam and many other countries have studied customers' intention to use electronic banking (E-banking) but mainly focused on a separate service or in a specific region. This article was used by qualitative and quantitative methods and SPSS, AMOS software to survey and analyze the factors affecting customers' intention to use E-banking services in Hanoi and Ho Chi Minh. Research results have shown the factors that have a gradual influence on customers' intention to use E-banking services: Brand image, Innovation, Usefulness-Easy to use, Feel risk, social impact, perceived low cost and detect the interaction between a number of factors in the model and also indicate customers with different income levels, living in different regions are affected differently.
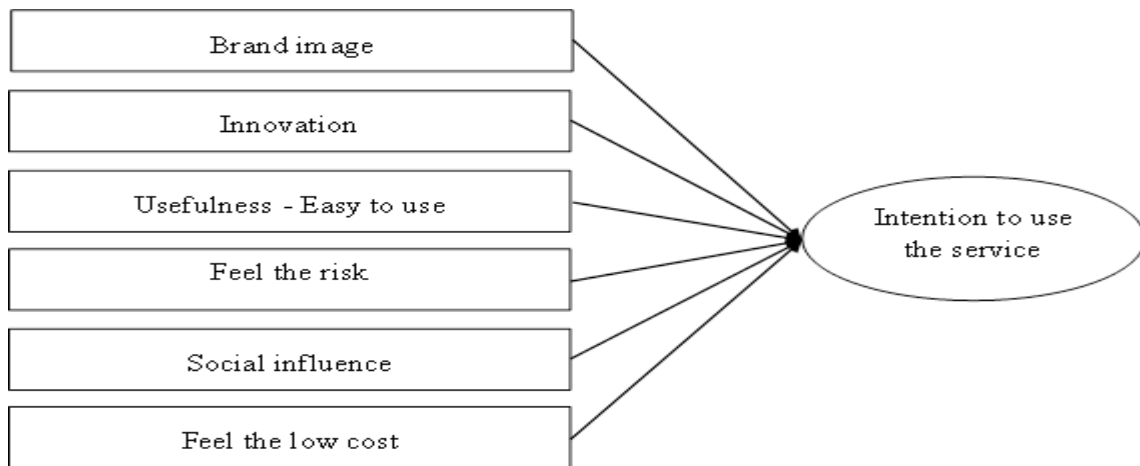
Figure 2.12: Research model of Dam Van Hue and Bui Thi Thuy Duong (2017)
Source: Dam Van Hue and Bui Thi Thuy Duong (2017)

In 2020, Nguyen Van Ven and Pham Tan Cuong do a research on measuring intention to use electronic banking services in Bank for Investment and Development of Vietnam - Binh Duong Branch (BIDV). The study shows that the TRA, TAM scale can be applied in the field of electronic banking at BIDV Binh Duong. However, some adjustments and supplements are needed, the research results show that the intention to use the service is influenced by 5 components: (1) The Awareness factor is useful; (2) Subjective norms factors; (3) Cognitive behavior control factor; (4) Banking image element; (5) Risk perception factor.
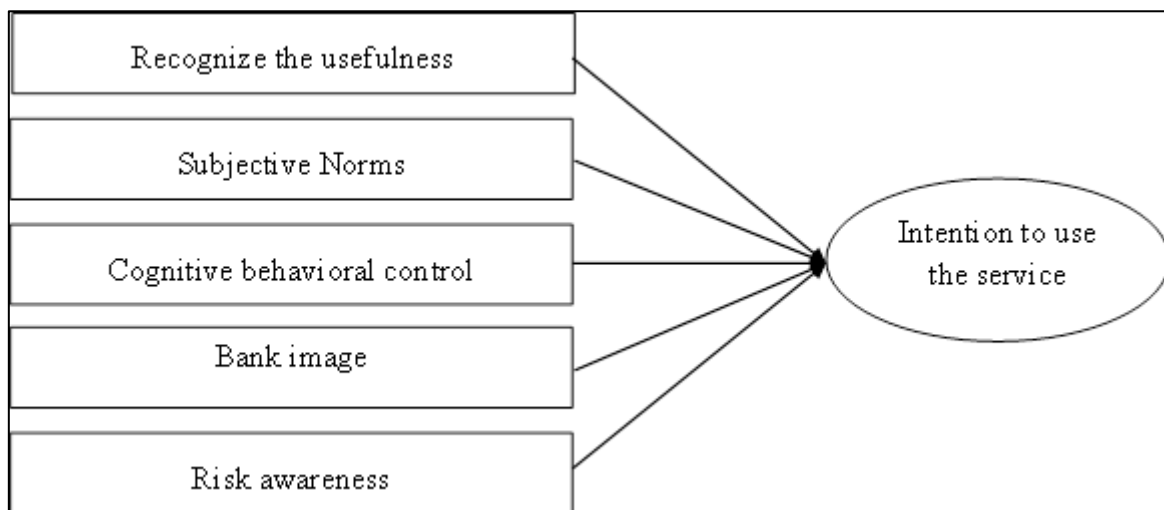
Figure 2.13: Research model of Nguyen Van Ven and Pham Tan Cuong (2020)
Source: Nguyen Van Ven and Pham Tan Cuong (2020)

CONCLUSION

The development of social communications has added to the change of world economy. Social communications can help firm deliver its brand image among current and potential customers. In turn, brand image can encourage consumers increase their intention to use goods and services of firms. The relations among social communications, brand image and intention to use are essential to investigate. This paper has reviewed some literature of this topic. Theoretical literature can be shown in the customer behavior model, theory of planned model, signaling model, and consumer trend model. Some abroad and domestic empirical researches directly relating to customer intention to use bank services have been presented. This review can help researchers develop model as well as do empirical researches in further studies.

REFERENCES

1. Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, *50*(2), 179-211.
2. Alkailani, M. (2016). Factors affecting the adoption of internet banking in Jordan: An extended TAM model. *Journal of Marketing Development and Competitivenes, 10*(1), 39 – 52.
3. Alqasa, K. M., Isa, F. M., Othman, S. N., & Faaeq, M. (2013). Factors affecting intentions to use banking services in Yemen. *Journal of Internetbanking and commerce, 18*(3), 1 – 13.

4. Bravo, R., Montaner, T., & Pina, J. (2012). Corporate brand image of financial institutions: a consumer approach. *Journal of Product & Brand Management, 21*(4), 232-245.

5. Correa, T., Hinsley, A.W. and De Zuniga, H.G. (2010). Who interacts on the Web?: the intersection of users' personality and social media use. *Computers in Human Behavior, 26*(2), 247-253.

6. Do, H. L., Hoang, H. Y., Nguyen, T. H. N., & Le, T. T. (2017). Brand Image on Intention of Banking Services Using: The Case of Vietnam Banks. *International Journal of Sustainability Management and Information Technologies, 3*(6), 63-72.

7. Dodds, W. B., Monroe, K. B., & Grewal, D. (1991). Effects of price, brand, and store information on buyers' product evaluations. *Journal of marketing research*, *28*(3), 307-319. doi: 10.11648/j.ijsmit.20170306.12

8. Erdem, T., & Swait, J. (1998). Brand equity as a signaling phenomenon. *Journal of Consumer Psychology, 7*, 131-57.

9. Felix, R., Rauschnabel, P. A., & Hinsch, C. (2017). Elements of strategic social media marketing: A holistic framework. *Journal of Business Research*, *70*, 118-126.

10. Fishbein, M., & Ajzen, I. (1975). Belief, Attitude, Intention and Behavior: An Introduction to Theory and Research. Reading, MA: Addison-Wesley Publishing Company.

11. Fishbein, M., Bandura, A., Triandis, H. C., Kanfer, F. H., Becker, M. H., & Middlestadt, S. E. (1992). Factors influencing behavior and behavior change (Report prepared for the National Institute of Mental Health). Bethesda, MD: National Institute of Mental Health.

12. Garanti, Z., & Kissi, P. (2019). The effects of social media brand personality on brand loyalty in the Latvian banking industry: The mediating role of brand equity. *International Journal of Bank Marketing, 37*(6), 1480-1503.

13. Garcia-Morales, V.J., Martín-Rojas, R., & Lardón-López, M.E. (2018). Influence of social media technologies on organizational performance through knowledge and innovation. *Baltic Journal of Management, 13*(3), 345-367.

14. Hanna, R., Rohm, A., & Crittenden, V.L. (2011). We're all connected': the power of the social media ecosystem. *Business Horizons, 54*(3), 265-273.

15. http://dx.doi.org/10.2307/1251446.

16. Hue, D.V., & Duong, T.T. (2017). Researching customers' intention to use electronic banking services at Vietnamese commercial banks. *Journal of Economics and Development,* 242, 69-79.

17. Kaplan, A.M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of social media. *Business Horizons, 53*(1), 59-68.

18. Kotler, P, & Armstrong, G. (2012). *Principles of Marketing* (14th Edition). New Jersy: Pearson Education, Inc.

19. Ramos, F. L., Ferreira, J. B., Freitas, A. S., & Rodrigues, J. W. (2018). The effect of trust in the intention to ues m-banking, *Brazilia business review*. 15(2), 175 - 191.

20. Ven, N.V., & Tan Cuong, P. (2020). Measuring intention to use electronic banking services: Research at Bank for Investment and Development of Vietnam - Binh Duong Branch, Journal of Industry and Trade. http://www.tapchicongthuong.vn/bai-viet/do-luong-y-dinh-su-dung-dich-vu-ngan-hang-dien-tu-nghien-cuu-tai-ngan-hang-tmcp- investment-in-service-in-vietnam-in-vietnam-in-military-transit-68073.htm accessed on Feb, 15 2020.

21. Yen, H.H., Hong Nhung, N.T., & Thuy, C.T. (2017). The image of the bank, the perceived brand of the bank and the intention to choose its products and services. *Banking magazine*. http://tapchinganhang.gov.vn/hinh-anh-ngan-hang-cam-nhan-thuong-hieu-ngan-hang-va-y-dinh-lua-chon-san-pham-dich-vu-cua- khach-hang.htm accessed on Feb, 15 2020.

22. Zeithaml, V.A. (1998). Consumer Perceptions of Price, Quality, and Value: A Means-End Model and Synthesis of Evidence. *Journal of Marketing*, 52, 2-22.