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Enhancing Brand Equity and Customers Purchase Intention at Tourism Companies in Ho Chi Minh City: The Role of ESG

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Abstract. The basic theories and previous studies are used in this study, based on a survey conducted with 527 customers of tourism companies in Ho Chi Minh City, to assess and analyze the function of ESG in enhancing brand equity and customer purchase intention. Based on an analytical structure supported by various techniques such as statistical analysis, Cronbach's alpha reliability, EFA factor analysis, and PLS-SEM structural equation modeling, using SPSS and SMART-PLS software, some important facts that come up from this study include the following. The ESG factors, or EN, SO, and GO issues, have a positive effect on Brand Equity. In like manner, these ESG dimensions contribute to positively affecting CDA or PI. Lastly, PI is positively influenced by BE. These results affirm the significant contribution the dimensions of ESG make toward the attitudinal and behavioral change of customers within the tourism industry. Emphasizing environmental, social, and governance issues will help tourism companies enhance their brand equity and improve the purchase intention of customers, adding value toward sustainable development and welfare of society.

Keywords: Brand equity, Environment, Governance, Purchase intention, Social.

1. INTRODUCTION

Ferrell and Ferrell (2021), and Koh et al. (2022) add that, in modern times, ESG has also become an important factor in the development strategy of an organization with the rise of globalization and calls for environmental and social responsibility. Environmental factors (E) are related to minimizing negative impacts on the environment through carbon emission reduction, renewable energy usage, and protection of natural resources, while social factors emphasize the rights of workers, communities, and customers, from the protection of workers' health and safety to community support activities and social development. Governance factors include organizational management processes and structures that ensure transparency, ethics, and accountability in business decisions. According to Ferrell and Ferrell (2021), and Koh et al. (2022), the adoption of ESG standards has long-term financial benefits for businesses apart from being a social obligation. A well-articulated ESG strategy inspires more trust in the eyes of consumers and investors; thus, it is more competitive, with better brand equity developed. Sharma (2019), Ferrell and Ferrell (2021), and Koh et al. (2022) support this idea.

Advantages of ESG implementation include reducing risks and improving financial and long-term growth. ESG will ensure innovation, reinforce the connections with stakeholders, and enable society to keep on growing in a sustainable way. It thus becomes important to include ESG in corporate strategy for sustainable and long-term growth (Sharma, 2019; Koh et al., 2022; Johns et al., 2023).

ESG has indeed been shown to play a vital role in organizational value and the purchasing decisions of consumers. Several pieces of research evidence reveal that an organization that successfully practices ESG strengthens its operations while building a sustained competitive advantage within the market environment. ESG influences organizational value through many ways by consolidating the concepts of investors' and customers' confidence in brand equity. Investors and customers perceive good organizational brand equity when the firm reflects a high level of commitment to the factors of environmental, social, and governance principles (Zhou, 2022; Lestari & Adhariani, 2022; Labore et al., 2021).

ESG also directly influences customer decisions to use services (Koh et al., 2022; Puriwat & Tripopsakul, 2023). In a marketplace where consumers are increasingly concerned with social and environmental values, businesses are scrutinized not only for the quality of their products or services but also for their commitments to environmental protection, social equity, and transparent legal practices (Carrington et al. 2014). An organization showing social responsibility evidently may attract a big clientele base in business ventures related to the environment and social causes (Carrington et al., 2014; Koh et al., 2022; Puriwat & Tripopsakul, 2023).

Besides that, compliance with ESG standards helps a firm to reduce legal and ethical risks, thereby preventing any lawsuits or incidents that will affect brand's reputation. This compliance also enables firms to respond promptly to changes in legal rules and market trends, especially in cases where governments around the world are enforcing stronger environmental and social obligations.

There has been increasing academic attention to the topic of ESG impact on business performance and customer purchase intention such as the studies of Koh et al. (2022) and Puriwat and Tripopsakul (2023), which emphasize the benefits of financial and consumer behavior which arise from ESG strategies. However, there is still significant theoretical gap regarding the understanding of the mechanisms through which ESG creates impact on brand equity and purchase intention, especially within specific sectors and regions such as tourism industry in Vietnam.

Considering the trendy priority of worldwide organisations in managing ESG activities for sustainable

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development, long-term stakeholder relationships, and permanent competitive advantages, it is more necessary investigate the impact of ESG in a service industry such as tourism. This is a sector where customers' trust, customer loyalty and reputation play the vital role as consequences of companies' alignment with environmental and social values (Puriwat & Tripopsakul, 2023). It is suggested that enterprises in tourism can design and implement ESG strategies to enhance their brand image, establish firm connections with eco-conscious consumers, and remain a competitive edge in a market which prefers the prioritization of sustainability (Han et al., 2016; Kumar et al., 2021). In response to these gaps, this study aims to examine the impact of ESG on brand equity and purchase intention in travel companies in Ho Chi Minh City (HCMC), addressing the following research questions:

1. How is the relationship between ESG factors (environmental, social and governance issues) and brand equity?
2. How is the impact of ESG factors (environmental, social and governance issues) on purchase intention?

The theoretical contribution of this research can be recognized via the enhancement of deeper understanding of ESG's role in influencing consumer behavior and brand equity while delivering practical insights of how enterprises can navigate a rapidly changing business landscape.

2. THEORETICAL OVERVIEW AND RESEARCH HYPOTHESES

2.1. Overview of ESG, Brand Equity, and Purchase Intention

2.1.1. Overview of ESG (Environmental, Social, Governance)

ESG (Environmental, Social, and Governance) involves a set of non-financial factors that lately have been quite instrumental in determining the sustainability and responsibility of an organization. It is one of the analytic frameworks applied by investors and organizations to expose an organization's risk and opportunity management relative to environmental and social challenges, including governance norms. According to Koh et al. (2022), ESG generally refers to three key factors that firms should consider, in addition to financial reasons, when making investment decisions: environmental, social, and governance. This will not only help the firms pursue sustainable development but also create long-term value for both shareholders and communities. ESG is often described as the three pillars of corporate social responsibility, highlighting a company's dedication to both society and the environment.

ESG concerns exist in every industry and sector, from industrial production to financial services. When organizations incorporate ESG into their business operations, they not only meet legal requirements but also reap long-term benefits such as lower operating costs, improved operational efficiency, talent attraction, increased shareholder profits, and customer loyalty (Moon et al., 2022). This proves that ESG is not only a social duty but also a business opportunity that assists organizations in enhancing their competitive advantage.

The first letter in ESG stands for environmental, which refers to an organization's operations and policies pertaining to the duty of environmental protection. The environmental challenges include energy management, pollution reduction, climate change mitigation, waste management, and natural resource conservation. With increased restrictions on carbon emission and biodiversity conservation, organizations can no longer skip their environmental responsibilities (Henisz et al., 2019). While the adaptation of sustainable business strategies by firms assists them in minimizing negative environmental impacts, it also creates opportunities for innovation and the development of greener products to meet emerging consumer demand.

The second dimension is social, 'S', that reflects an organization's commitment to its community and people. Social responsibility involves human rights protection, fighting against forced labor, supporting gender equality, enhancing the working conditions of employees, and improvement in the health and safety of workers. Organizations should also engage with community events actively and have better relations with the stakeholders. Koller et al. (2019) emphasize that an organization's responsibility toward communities where the operation is held must extend to other communities in order to contribute to the development of society as a whole. It goes without saying, this will not only enhance the brand's reputation but will also foster the involvement and loyalty of employees and consumers.

The third aspect is governance (G), which refers to how a company creates and maintains a transparent and effective management structure. Governance concerns include board structure, diversity and inclusion, dispute resolution, shareholder protection, and transparency in information sharing. A solid governance structure enables a business to make sensible decisions, resulting in long-term advantages for shareholders and sustained growth (Henisz et al., 2019). Effective governance not only helps firms avoid legal problems but also increases investor and community trust.

In summary, ESG is a useful concept for companies looking for a path to sustainable growth and an effective long-term creation of value. By incorporating ESG considerations into business plans, firms not only create trust with consumers and investors, but also improve their competitiveness in the face of globalization and the ever-changing market (Moon et al., 2022).

2.1.2. Overview of Brand Equity

Aaker (1996) defines brand equity as the mix of assets and liabilities linked to a brand's name and symbol, which can enhance or diminish the value that a product or service offers to both the organization and its customers. According to Keller et al. (2011), brand equity refers to the various consequences of brand knowledge on customer reactions to brand marketing efforts. Brand equity is defined as the collection of consumer beliefs, attitudes, knowledge, and actions that result in improved advantages and allow the brand to create more revenues than without it (Christodoulides & De Chernatony, 2010).

2.1.3. Theoretical background

Signaling Theory offers a framework for better understanding of the impact of ESG initiatives on brand equity and customer purchase intention with the focus on the importance of signals in reduction of information asymmetry between businesses and stakeholders (Connelly et al., 2011). This theory helps to explain how ESG factors can reduce information asymmetry via the delivery of positive signals about firms' values, ethics, and quality perceived by stakeholders. Environmental, social and governance solutions can foster the enhancement of trust and brand reputation. These signals contribute to perceptions of quality, brand differentiation, and customer loyalty, which positions the company brand as reliable and consistent with consumer values. This can strengthen brand equity and increase purchase intention.

Brand Equity Theory provides a rationale of the impact of ESG practices on brand awareness, perceived quality, and customer loyalty. Environmental efforts such as waste reduction can enhance brand distinguishability and positive associations with responsibility (Kim & Stepchenkova, 2018). Social solutions, such as diversity programs, can shape emotional connections, while governance programs can foster trust. Better performance of ESG can send signals of great quality and ethical commitment, which reinforces brand equity and the alignment between the brand and consumer values, leading to higher purchase intentions.

2.2. Research Hypotheses

2.2.1. The impact of ESG (Environmental, Social, and Governance) on Brand Equity (BE)

The impact of ESG on Brand Equity The results of several studies lead to the conclusion that ESG activities enhance an organization's brand equity. Puriwat and Tripopsakul (2023) state that ESG significantly enhances brand equity in both developed and developing markets. More precisely, ESG increases the awareness of the customer about the brand and develops their trust in it, due to which there is a big leap in brand equity. The result thus indicates that those firms which can successfully implement ESG initiatives might have increased reputation and image among consumers.

Correspondingly, Salah and Amar (2022), Niu et al. (2022) show that firms that implement and then follow ESG norms are seen to be socially responsible and reliable. This helps not only in increasing client trust but also retention for long-term brand development. The strong commitment to ESG indeed depicts the sense of responsibility of the organization in practice that raises the value of the brand in the market.

Discussing the topic, the researchers Zhou (2022), Lestari and Adhariani (2022) and Laboure et al. (2021) claim that the extended and systematic going of ESG activities results in more openness and accountability in corporate operations. This helps not only the organization to build a positive image but also adds to long-term brand equity growth. Customers and stakeholders increasingly value firms with clear and effective ESG plans, which foster trust and loyalty.

Moreover, Sarpong et al. (2023) explain that ESG is not a passing trend but an essential requirement for those firms willing to improve their brand equity. ESG, in today's highly competitive world, helps them to promote their transparency, good reputation, and differentiation. It would allow firms to make long-term commitments toward sustainable value creation through ESG operations that would draw the attention of customers and investors.

The author has, therefore, advanced the following hypotheses:

$H_{1:}$ The Environmental issue-ESG positively influences brand equity.

$H_{2:}$ The Social issue-ESG positively impacts brand equity.

$H_{3:}$ The Governance issue-ESG positively influences brand equity.

2.2.2. The Impact of ESG on Purchase Intention

ESG activities, Environmental, Social and Governance, are increasingly recognized as a key influence in consumer views and purchase decisions. ESG is more than a governance plan; it shapes customer behavior and perceptions about a company. As Puriwat and Tripopsakul (2023) argue, ESG issues can be related directly to how consumers assess products or services, impacting their intentions to purchase them.

Likewise, emerging purchasing habits show that more and more people care about society and the environment. In that respect, Cheng et al. (2023) present findings that customers have an interest in approaching sustainable products or services, probably to affect choices for a purchase. As such, commitment to the execution of ESG not only aids an organization in gaining the trust of stakeholders but also in establishing a competitive advantage over its rivals. Such environmentally and socially responsible decisions drive consumer loyalty toward using the organization's products and services (Luchs et al., 2010).

There are studies conducted by Carrington et al. in 2014 and Koh et al. in 2022 that find an association of ESG with customer intention. The survey results indicate that positive ESG judgments by customers affect attitude and purchasing intention. This underlines the need to create and maintain ESG values in improving the customer experience and trust.

Ahn (2020) proved how the actions of an organization in terms of corporate social responsibility lead to increased consumer intentions. If a business is seen participating in community events or enacting environmental initiatives, customers will appreciate it and have a desire to remain loyal. Similarly, the study by Ali et al. (2022)

presents evidence that sustainable practices have a greater influence on the sentiments of consumers, influencing their choice of the business.

Puriwat & Tripopsakul (2023) noticed that ESG activities have a considerable effect on the purchase intentions of customers. Companies performing well in ESG activities will add value not only to the brand but also increase customer loyalty, thus laying a strong foundation for sustainable growth in the times to come.

The author has, therefore, advanced the following hypotheses:

H4: The Environmental issue-ESG positively affects purchase intention

H5: The Social issue-ESG positively affects purchase intention

H6: The Governance issue-ESG positively affects purchase intention

2.2.3. The Impact of Brand Equity on Customer Purchase Intention

Thus, the author suggests *H7:* Brand equity positively affects purchase intention.

Based on the above hypotheses and the incorporation of Signaling Theory and Brand Equity Theory, the author presents the following research model:

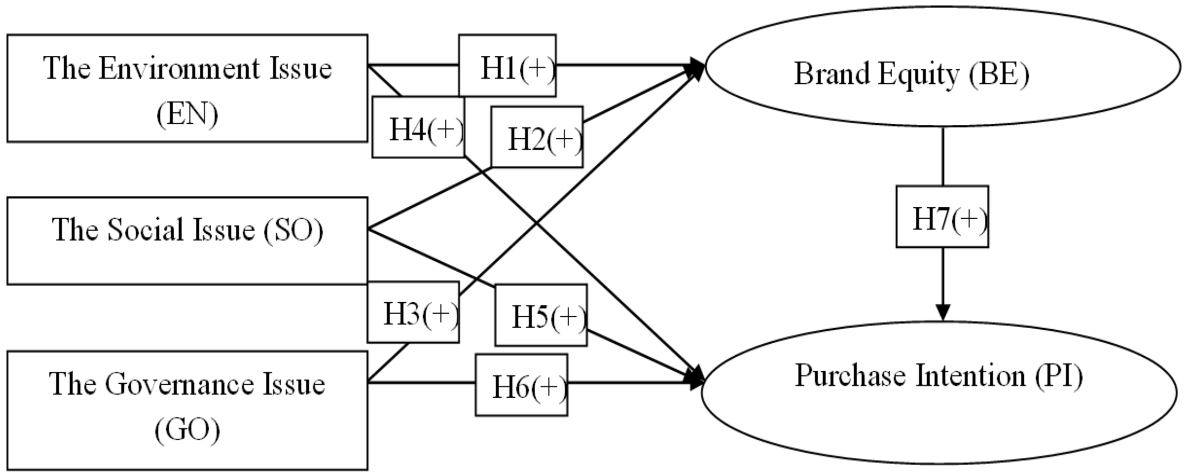

Figure 1: Proposed research model.

3. RESEARCH METHODOLOGY

The research employs specific methods as follows:

Qualitative research involves synthesizing theories and findings from previous studies related to the author's topic to propose hypotheses and develop a research model. The author then engages in discussions with 10 experts to refine and enhance the scales and research model, ensuring they are well-suited to the research context.

Quantitative research was carried out by the author through fundamental analyses, including statistics, Cronbach's alpha reliability assessment, EFA factor analysis, measurement model, and PLS-SEM structural model, based on survey data from 550 customers of travel companies in Ho Chi Minh City, resulting in 527 reliable answers. The results of the quantitative research specifically emphasize the significance of ESG in boosting brand equity and influencing customer purchase intentions at travel companies in Ho Chi Minh City.

Table 1: Scales of Factors in the Research Model.

STT	Factor	Code	Scale	Source
1	Environment-ESG	EN1	The organization that you are engaging with aims to reduce or eliminate negative effects on the environment.	Mandhachitara & Poolthong (2011), Moisescu (2015), Koh et al. (2022)
2		EN2	The organization you are engaging with minimizes resource consumption to the utmost without harming the environment.	
3		EN3	The organization you are engaging with actively adopts eco-friendly tools and materials.	
4		EN4	The organization you are engaging with concentrates on efficiently managing recycling and waste treatment efforts.	
5	Social-ESG	SO1	The organization you are engaging with respects social norms, traditions, and culture.	Mandhachitara & Poolthong (2011), Moisescu (2015), Koh et al. (2022)
6		SO2	The organization you are engaging with provides long-term benefits and contributes to improving people's quality of life.	
7		SO3	The organization you are engaging with contributes to economic and social development.	
8		SO4	The organization you are engaging with supports and actively participates in charitable activities.	
9	Governance-ESG	GO1	The organization you are engaging with fully complies with laws during its operations.	Mandhachitara & Poolthong (2011), Moisescu (2015), Koh et al. (2022)
10		GO2	The organization you are engaging with takes its obligations to partners and shareholders seriously.	
11		GO3	The organization you are engaging with adheres to business ethics.	
12		GO4	The organization you are engaging with is committed to preventing and avoiding corruption in its business activities.	
13	Brand Equity (BE)	BE1	You like the brand of the organization you are engaging with.	Christodoulides & Chernatony (2010)
14		BE2	You would choose this organization's brand even if it had similar attributes to another brand.	
15		BE3	You would still prefer this organization's brand even if there were better options available	
16		BE4	The brand from the organization you are using has better values.	
17	Customer Purchase Intention (PI)	PI1	When needed, you will use the products/services of this organization	Koh et al. (2022)
18		PI2	You prioritize using the products/services of this organization	
19		PI3	You are certain to use the products/services of this organization	

Based on the number of variables in the research model and the sample size theory for studies applying EFA factor analysis, the minimum sample size is determined to be 4 or 5 times the number of variables (Hoang & Chu, 2008). Consequently, the minimum sample size for this study is 5 x 19 = 95 observations. However, to strengthen the validity and increase reliability, the author surveyed 550 observations and collected 527 valid responses.

Table 2: Descriptive Statistics Results.

Variable	Content	Number (n)	Percentage (%)
Gender	Male	299	56.7
	Female	228	43.3
Educational level	Intermediate, college	35	6.6
	Graduate	316	60.0
	Postgraduate	176	33.4
Age	Under 30 years old	81	15.4
	From 30 to 40 years old	227	43.1
	From 41 to 50 years old	157	29.8
	Over 50 years old	62	11.8
Income	Under 8 million per month	34	6.5
	From 8 to 15 million per month	280	53.1
	Above 15 million per month	213	40.4

Out of the 527 individuals surveyed, 228 are female, representing 43.3%, while 299 are male, making up 56.7%. A significant portion, 60.0%, hold a university degree. The predominant age group is between 30 and 40 years old, which accounts for 43.1%. The highest monthly income bracket is between 8 to 15 million VND, with a percentage of 53.1%.

4. RESEARCH RESULTS

The first step in applying the PLS-SEM structural model is to assess the reliability using Cronbach's alpha. The analysis included 19 variables across 5 factor groups: Environmental Issues (EN), Social Issues (SO), Governance Issues (GO), Brand Equity (BE), and Customer Purchase Intention (PI). All variables met the necessary criteria, with total-item correlation coefficients above 0.3. However, the author decided to exclude the EN4 variable from the Environmental Issues factor, resulting in a new Cronbach's alpha coefficient of 0.860, which is an improvement over the initial value of 0.815. Additionally, all Cronbach's alpha coefficients were 0.8 or higher, with the lowest being 0.836 for the Brand Equity factor and the highest at 0.905 for the Purchase Intention factor.

Table 3: Summary of Cronbach's Alpha Coefficients.

Factor	Initial number of variables	Cronbach's alpha	Number of valid variables
Environmental Issues (EN)	4	0.860	3
Social Issues (SO)	4	0.880	4
Governance Issues (GO)	4	0.876	4
Brand Equity (BE)	4	0.836	4
Customer Purchase Intention (PI)	3	0.905	3

Therefore, based on the evaluation of Cronbach's alpha reliability, the study finds 18 pertinent variables within 5 factors that are worthy to be included in the factor analysis of EFA for the examination of the measurement structure of 5 factor groups, which include Environmental Issues (EN), Social Issues (SO), Governance Issues (GO), Brand Equity (BE), and Customer Purchase Intention (PI).

Table 4: EFA Factor Analysis Results.

KMO value		0,903
Bartlett's test of sphericity	Chi-square value	5.475,189
	df	153
	Sig.	0,000

The EFA analysis, which has been marked by the KMO coefficient of 0.903 and hence much higher than the cut-off point of 0.5, implies that the EFA results are incredibly appropriate to examine the structure of the measuring scales. In addition, a Chi-Square statistic of 5,475.189 and a Sig. value smaller than 5%, which is obtained from Bartlett's test, indicate that the results of the EFA factor analysis are statistically significant.

Table 5: Results of Total Variance Explained and EFA Factor Rotation.

	Component				
	1	2	3	4	5
SO2	0.878				
SO1	0.860				
SO4	0.822				
SO3	0.809				
GO3		0.901			
GO4		0.845			
GO2		0.828			
GO1		0.764			
BE1			0.831		
BE4			0.819		
BE3			0.812		
BE2			0.810		
PI1				0.923	
PI2				0.904	
PI3				0.887	
EN1					0.898
EN3					0.880
EN2					0.867
Eigenvalue	6.993	2.415	1.807	1.207	1.055
Extracted Variance (%)	38.849	13.417	10.039	6.707	5.863
Cumulative Extracted Variance (%)	38.849	52.266	62.305	69.011	74.874

Moreover, based on the results of EFA factor analysis, the point at which the scree plot levels off is the 5th row, with an eigenvalue of 1.055, which is greater than 1. It indicates that variables included in this analysis are grouped into 5 factors, and at the 5th row, the total extracted variance is 74.874%, which is more than 50%—hence indicating that 74.874% of the data variability is explained.

The factor rotation results indicate that the 18 variables analyzed can be clearly grouped into five distinct factors: Environmental Issues (EN), Social Issues (SO), Governance Issues (GO), Brand Equity (BE), and Customer Purchase Intention (PI), as shown in Table 5.

Subsequently, the author uses SMART-PLS software to perform the measurement model, focusing on evaluation criteria such as convergent validity, the quality of observed variables, multicollinearity assessment, scale reliability, and discriminant validity.

Table 6: Evaluation of the Quality of Observed Variables

Observed variables	BE	EN	GO	PI	SO
BE1	0.834				
BE2	0.800				
BE3	0.835				
BE4	0.805				
EN1		0.861			
EN2		0.872			
EN3		0.917			
GO1			0.870		
GO2			0.858		
GO3			0.852		
GO4			0.832		
PI1				0.894	
PI2				0.925	
PI3				0.931	
SO1					0.874
SO2					0.876
SO3					0.842
SO4					0.836

According to Hair et al. (2016), an observed variable should have an outer loading coefficient of at least 0.7 to be considered of adequate quality. The results in Table 6 show that all observed variables fulfill this criterion, as their outer loading coefficients are above the threshold of 0.7. Therefore, all the variables from the 5-factor groups, namely Environmental Issues (EN), Social Issues (SO), Governance Issues (GO), Brand Equity (BE), and Customer Purchase Intention (PI), meet the conditions for PLS-SEM structural model analysis.

Table 7: Evaluation of Reliability and Convergent Validity of Factors.

Factor	Scale reliability	Rho_A value	Composite reliability	Average Variance Extracted (AVE)
BE	0.836	0.837	0.890	0.670
EN	0.860	0.882	0.914	0.781
GO	0.876	0.884	0.914	0.728
PI	0.905	0.908	0.941	0.841
SO	0.880	0.881	0.917	0.735

From Table 7, the scale reliability values (Cronbach's alpha) and composite reliability for the factors are all above 0.8, while the average variance extracted (AVE) values exceed 0.7. The constructs and items thus meet the requirements for both reliability and convergent validity to be part of the PLS-SEM measurement model and, hence, structural model analysis.

Lastly, discriminant validity denotes the extent to which any one construct differs from other constructs in the model. It should be pointed out that one more approach to assessing the discriminant validity - through the AVE index. It was introduced by Fornell & Larcker (1981) and considered as a very traditional approach up to now. In this sense, the square root of the AVE should be greater than the correlation coefficient between latent variables.

Table 8: Discriminant Validity Test of Factors

Factor	BE	EN	GO	PI	SO
BE	0.819				
EN	0.263	0.884			
GO	0.366	0.195	0.853		
PI	0.399	0.318	0.540	0.917	
SO	0.308	0.153	0.629	0.554	0.857

As demonstrated in Table 8, all the correlation coefficients between factors are below the square root of the Average Variance Extracted values. That is a signal showing that the factors assure discriminant validity to be included in the analysis of the structural model of the PLS-SEM.

Table 9: PLS-SEM Model Results.

Relationship	Regression coefficient	Sample mean	Standard deviation	T-test	P-value
BE -> PI	0.163	0.162	0.046	3.582	0.000
EN -> BE	0.196	0.198	0.041	4.764	0.000
EN -> PI	0.178	0.176	0.039	4.560	0.000
GO -> BE	0.252	0.250	0.055	4.621	0.000
GO -> PI	0.241	0.241	0.045	5.412	0.000
SO -> BE	0.120	0.121	0.054	2.242	0.025
SO -> PI	0.325	0.326	0.045	7.287	0.000

From the results obtained with the PLS-SEM model, the p-values of the relationships are below 5% for all; that is, the relationships between the factors are significant. Also, the regression coefficients are all over 0, pointing to a positive relationship between factors, that is, a positive impact.

The results of this model show that in this model, the factors that have a positive effect on BE are EN, SO, and GO with regression coefficients of 0.196, 0.120, and 0.252, respectively. This means that, for every 1-unit increase in the levels of the Environmental Issues (EN), Social Issues (SO), and Governance Issues (GO) factors, there is a 0.196, 0.120, and 0.252 unit increase in the Brand Equity (BE) factor, respectively, while the other factors are held constant. The results, therefore, confirm findings by Laboure et al. (2021); Salah and Amar (2022); Niu et al. (2022); Zhou (2022); Lestari and Adhariani (2022); Sarpong et al. (2023); and Puriwat and Tripopsakul (2023).

All the three factors are the Environmental Issues, Social Issues, and Governance Issues which positively influence on customer purchase intention as per regression coefficient as 0.178, 0.325, and 0.241. It means that with every 1-unit increase in the factors of Environmental Issues (EN), Social Issues (SO), and Governance Issues (GO), the factor of Customer Purchase Intention (PI) increases by 0.178, 0.325, and 0.241 units, respectively, while other factors are held constant. This outcome is supportive of the findings from previous studies by Carrington et al. (2014), Ahn (2020), Koh et al. (2022), Puriwat and Tripopsakul (2023), and Cheng et al. (2023).

With a regression coefficient of 0.163, Brand Equity (BE) has a positive effect on Customer Purchase Intention (PI). This infers that with one unit increase in the factor of Brand Equity (BE), the factor of Customer Purchase Intention (PI) increases by 0.163 units, ceteris paribus. It concurs with the studies previously conducted by Pradhan et al. (2016), Ho and Chung (2020), Liao et al. (2020), Wang et al. (2021), and Kim et al. (2023).

Table 10: Multicollinearity Test Results.

Factor	BE	EN	GO	PI	SO
BE				1.220	
EN	1.041			1.088	
GO	1.683			1.761	
PI					
SO	1,657			1.675	

As explained by Hair et al. (2019), a VIF value less than 3 indicates that multicollinearity does not exist in the PLS-SEM structural model. Looking at the results in Table 10, all the VIF values of the factors are less than 3, indicating no multicollinearity in the model.

Table 11: R^2 and Adjusted R^2 Values

	R^2 value	Adjusted R^2 Values
BE	0.181	0.176
PI	0.432	0.428

Moreover, as presented in Table 11, the R^2 value indicates the extent to which the independent variables explain the dependent variable in a specific relationship; hence, the R^2 value related to the Brand Equity (BE) factor is 0.181, which implies that the three factors—Environmental Issues (EN), Social Issues (SO), and Governance Issues (GO)—explain 18.1% of the variance in the Brand Equity (BE) factor. At the same time, the R^2 coefficient for the Customer Purchase Intention (PI) variable is measured at 0.432, indicating that the three factors—Environmental Issues (EN), Social Issues (SO), Governance Issues (GO), and Brand Equity (BE)—explain 43.2% of the variance in the Customer Purchase Intention (PI) variable.

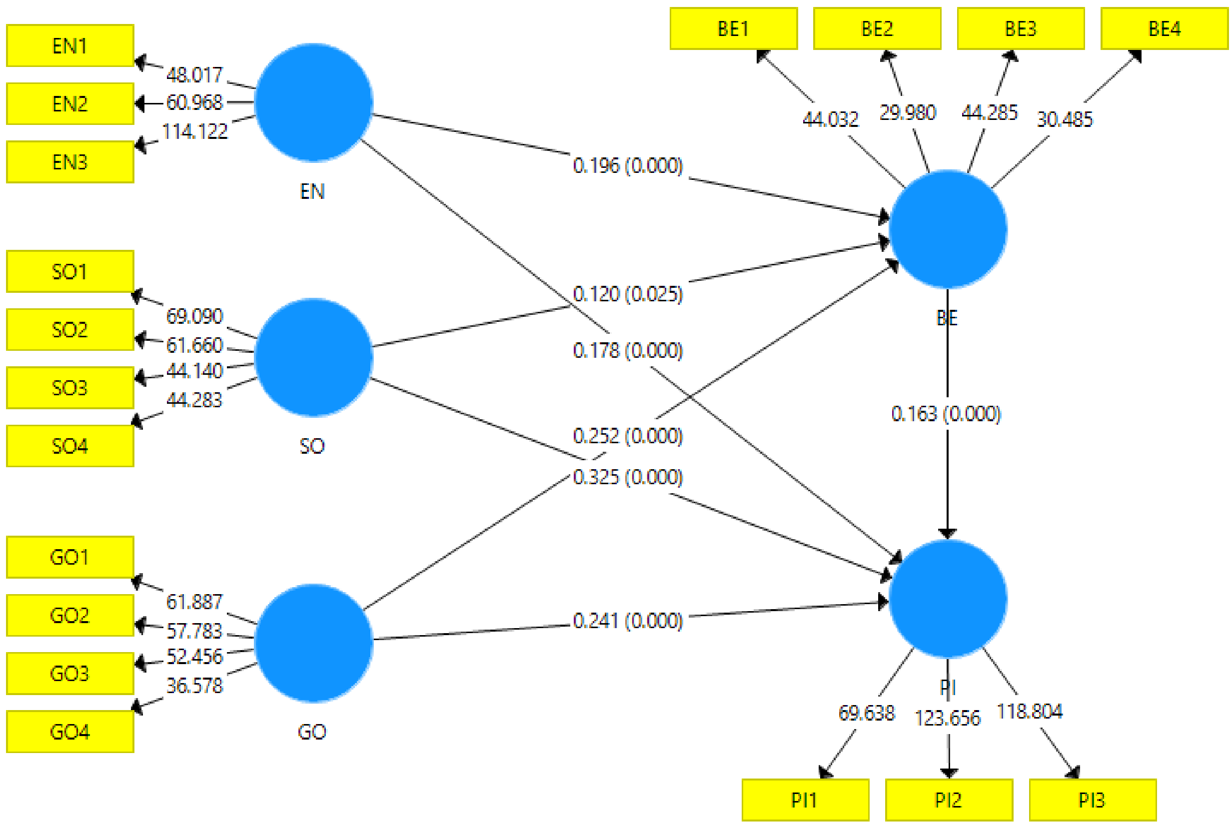

Figure 2: Results of the PLS-SEM structural model illustrate the impact of the factors.

As a result, the analysis conducted using PLS-SEM for the structural model revealed important insights regarding the influence of ESG (Environmental, Social, and Governance) factors on Brand Equity and Customer Purchase Intention within tourism companies. Specifically, the findings indicate that: (1) The components of ESG, which encompass Environmental Issues (EN), Social Issues (SO), and Governance Issues (GO), positively affect Brand Equity (BE); (2) These same ESG components also positively influence Customer Purchase Intention (PI); and (3) There is a positive relationship between Brand Equity (BE) and Customer Purchase Intention (PI).

5. CONCLUSION AND POLICY IMPLICATIONS

5.1. Conclusion

This study emphasizes the function of ESG (including the three aspects: Environmental, Social, and Governance issues) in enhancing Brand Equity and Customer Purchase Intention in tourism companies in Ho Chi Minh City. With the incorporation of Signaling Theory and Brand Equity theory, this study is believed to provide theoretical contribution via the integration of the influences of ESG-related issues on brand equity and purchase intention in the proposed research model and the justification of this research model in a specific context with updated collected data.

The research problem was tackled using a combination of qualitative and quantitative research methods. The qualitative approach involved discussions with experts to modify and enhance the measurement scales and research model, ensuring they were more suitable for the research context. On the other hand, the quantitative method utilized data collected from clients of tourism businesses in Ho Chi Minh City, which included statistical analyses, reliability checks using Cronbach's alpha, exploratory factor analysis (EFA), the measurement model, and the PLS-SEM structural model. The research results explain the function of ESG (involving the three aspects: Environmental, Social, and Governance issues) in enhancing Brand Equity and Customer Purchase Intention in tourism companies in Ho Chi Minh City. Specifically: (1) The ESG components, which include Environmental Issues (EN), Social Issues (SO), and Governance Issues (GO), positively impact Brand Equity (BE); (2) The ESG components, which include Environmental Issues (EN), Social Issues (SO), and Governance Issues (GO), positively impact Customer Purchase Intention (PI); and (3) Brand Equity (BE) positively impacts Customer Purchase Intention (PI).

5.2. Policy Implications

In light of the research findings, several policy implications are suggested to enhance Brand Equity and Customer Purchase Intention in tourism companies in Ho Chi Minh City, specifically as follows:

5.2.1. Regarding Environmental Issues

\+ Tourism companies minimize or eliminate harmful impacts on the environment: Tourism companies can invest in advanced technologies to reduce pollution and negative environmental impacts, such as advanced waste treatment technology, renewable energy, and cleaner production methods; establish carbon emission reduction programs, use energy-efficient transportation and equipment; Tourism companies can implement collection and recycling programs to ensure proper waste management.

+ Tourism companies work to reduce resource consumption to the utmost without compromising the environment: Tourism companies can implement energy-saving measures, such as using LED lights, improving the use of electrical equipment, and applying energy-efficient technologies in production processes; improve water supply systems and minimize water waste by using water-saving devices and reusing water in production processes; focus on recycling and reusing materials.

+ Tourism companies actively adopt eco-friendly tools and materials: Use eco-friendly materials such as recycled paper, bioplastics, or materials from renewable resources instead of plastic, metal, or hazardous chemical materials, and ensure that suppliers and partners are also committed to using environmentally friendly materials; encourage employees to use eco-friendly items such as reusable cups, fabric bags instead of plastic bags, and minimize the use of single-use products.

5.2.2. Regarding Social Issues

- Tourism companies respect social norms, traditions, and cultures: Tourism companies can implement training programs for employees and partners on respecting cultural diversity and social norms, fostering an inclusive work environment that values differences; when operating in different regions, tourism companies need to research and integrate the cultural norms and values of local communities into their business strategies, products, and services; maintain transparent and fair policies in all business decisions and transactions while avoiding discriminatory practices based on gender, race, religion, or any social factors.
- Tourism companies bring long-term benefits and improve the standard of living within society: Tourism companies can implement community development programs, such as providing job opportunities, supporting small businesses, or creating education and skills training programs for residents and students; tourism companies can participate in research projects and social development initiatives, especially those aimed at improving quality of life, such as housing, healthcare, or education for disadvantaged groups.
- Tourism companies contribute to economic and social development: Tourism companies can support innovative initiatives and startups, contributing to the growth of the local economy and creating job opportunities; tourism companies can collaborate with government agencies or international tourism organizations to invest in infrastructure development projects, such as transportation or other public works; participate in local economic development initiatives and support small business development funds in the area.
- Tourism companies support and actively participate in charitable activities: Tourism companies can establish charitable programs focusing on issues such as education, health, poverty alleviation, and environmental protection; Tourism companies can create opportunities for employees to engage in charitable activities through volunteer programs and donations; Tourism companies can collaborate and form community groups to implement charitable projects that positively impact society, especially in the fields of education and healthcare.

5.2.3. Regarding Governance Issues

- Tourism companies fully comply with the law during operations: Tourism organizations should periodically refresh their knowledge of legal requirements pertaining to their industry and organise legal compliance training courses for staff to guarantee all actions correspond to regulations. Set up internal inspection and monitoring systems to detect and prevent legal infractions while assuring compliance with environmental, labor, tax, and consumer protection rules; Collaborate with legal advisors/lawyers to ensure that all contracts, transactions, and operations completely conform with legal rules while avoiding legal risks.
- Tourism companies prioritize fulfilling obligations to partners and shareholders: Tourism companies should regularly and clearly publish financial information, including business performance, financial results, and future plans, to preserve trust and support from shareholders and partners. Guarantee compliance with commitments made to partners and shareholders, such as honoring collaboration agreements, making timely payments, and meeting contractual responsibilities.
- Tourism companies adhere to business ethics: Create and apply a code of ethics to guide the behavior of employees and management in all transactions and decisions, particularly in relations with customers, suppliers, and partners; Encourage staff to perform transactions publicly and honestly, from financial reporting to customer service.
- Tourism companies strive to prevent and avoid corruption in business activities: Tourism companies should have stringent anti-corruption procedures, such as rules governing gifts, benefits, and nontransparent transactions. These regulations must be widely implemented throughout the firm. Establish monitoring and reporting systems to detect corruption, and encourage staff to report non-transparent or corrupt behaviors through secure channels. Organize training workshops for staff on detecting and combating corruption, while improving knowledge of business ethics. Tourism organizations must take harsh action against persons

or departments who violate these regulations, including termination or reporting infractions to relevant authorities, as needed.

While there have been attempts to enhance the research, certain limitations remain due to constraints in time and knowledge. These limitations consist of a small sample size and a focused research approach on tourism businesses in Ho Chi Minh City. Future research could address these challenges by expanding the sample size and widening the research focus to encompass other provinces and cities, thereby improving the relevance of the research findings.

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