

# STUDY ON THE FACTORS AFFECTING THE LEVEL OF BRAND AWARENESS OF HONG DUC PENNYWORT TEA BAGS BY CUSTOMERS IN THANH HOA PROVINCE

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## Abstract

This study aims to determine and evaluate the influence of factors on the level of awareness of the Hong Duc tea bag brand. The authors used the random sampling method from customers visiting the startup market at Hong Duc University. 400 surveys were distributed and 358 valid questionnaires were collected for analysis. Data obtained through the survey were cleaned, coded and analyzed using SPSS 22.0 software. Cronbach alpha reliability coefficients, rotated factor matrices (EFA), and multivariate regression analyzes were performed. The results show that brand image, product quality, promotional activities, perceived price and distribution activities all have a positive impact on the level of brand awareness of Hong Duc pennywort tea bags; in which brand image and products have the greatest influence while distribution activities have the smallest influence on awareness of the Hong Duc Pennywort tea bag brand. These findings are essential to help Hong Duc tea bag brand managers develop appropriate strategies to raise customer awareness of the Hong Duc pennywort tea brand such as improving product quality, strengthen marketing activities to promote images, and establish appropriate promotion strategies, pricing policies and distribution activities; thereby improving the competitiveness of Hong Duc pennywort tea bag brand in the market.

**Keywords:** Brand Awareness, Brand Image, Pennywort, Perceived Price, Product Distribution, Product Quality, Promotion Activities.

## I. Introduction

Branding is one of the topics that has been prioritized for research in recent times (Kotler & Armstrong, 2011). Many brands have become global brands with high value. Brand is the most valuable and essential asset for the survival and development of a business. In the context of integration, competition is inevitable, and the question is how to develop and strengthen the brand. Building a brand is difficult, but developing a brand will be even more difficult. To maintain and build a reputation, businesses must be proactive and creative in their brand development strategy.

In Vietnam, the branding of pennywort tea products has been happening very actively in recent years. Centella asiatica tea products have changed their brand identity twice to make the brand more professional, friendly, and distinct to customers. However, building a good brand and being accepted by the market takes time. However, it requires research investment from organizations and businesses and a long period of deployment and maintenance for customers to evaluate and accept the new brand.

After a period of research, to contribute to introducing and promoting the culture and people of Thanh Hoa in general and Hong Duc University in particular to domestic and international friends, the authors have researched, created, and introduced Hong Duc pennywort tea bags to customers. In addition, in order to bring the pennywort tea brand to the market, create brand awareness of this type of tea in people's minds to maintain and develop the brand in Thanh Hoa province in particular and the Vietnamese market in

general, the authors conducted research to identify and evaluate factors affecting brand awareness and thereby proposed recommendations to maintain and develop the Hong Duc pennywort tea bag brand in the future.

## **Theoretical Basis and Proposed Research Model**

### **Brand Perspective**

There are many views on brands built from many different angles. According to Aaker (1991), a brand is usually a name or a specific symbol (logo, trademark, or packaging design) attached to each product. Thanks to that, it is possible to distinguish and identify between products or services. According to Kotler and Gertner (2002), a brand is defined as a name, term, symbol, or unique composition combining all the above elements and always contributing Unique effects and unique recognition for products, services, and sellers. In general, the above definitions include two concepts of branding as follows: (i) brands are unique identifying signs for products or services to distinguish and demonstrate ownership of that product or service between an individual or a selling organization; (ii) Brand is also one of the factors that create diverse differences between products, making it easier for consumers to choose between products in a diverse business market.

For products that are services, with the characteristic that they cannot be seen, handled, smelled, or felt before use, the brand plays an even more critical role in the business's success (Berry, 2000). At that time, the brand brings more peace of mind to customers when deciding to buy products/services, and the purchasing tendency of branded businesses is often higher than that of businesses that are not well-known in the market (Zeithaml, Mary, & Dwayne, 2013). Brands include two main components: functional components and emotional components (Aaker, 1991).

Functional components provide functional benefits of the brand to target customers; they include functional attributes (use value of the product) such as product uses, quality, features, and additional symbols. Emotional components include symbolic value elements to create psychological benefits for target customers, such as brand personality, symbolism, and position.

### **Brand Awareness**

Brand awareness is the level of memory of target customers about the products and services that a business wants to target (Keller, 2009). In other words, brand awareness is what businesses want customers to talk about. Brand awareness is considered one of the first and most essential steps for future marketing strategies.

Brand awareness does not require customers to remember the brand name and exact brand image. Sometimes, it is just a reminder and familiarity when they need to use that product or service.

### **Research Model and Proposed Research Hypothesis**

A brand is a set of signs to identify and distinguish products (or businesses) and is the image of the product (or business) in the minds of consumers. Thus, a brand is not simply a sign to differentiate a product or business, but more importantly, a feeling, an image that is saved in the memory and mind of customers. Consumers are the ones who are best able to recognize and associate brands because when they use a product and believe in the quality it brings, they will try to store that brand image in their minds (Boonghee, Naveen, & Sungho, 2000). Therefore, the higher the quality of a brand's products, the faster they will recognize that brand (Aaker, 1991; Keller, 1993). Therefore, hypothesis H1 is stated as follows:

H1: Product quality has a positive impact on the level of awareness of the Hong Duc pennywort tea bag brand.

Price is an important criterion to consider in the purchasing process, dramatically impacting customers' company evaluation. According to Zeithaml et al. (2013), perceived price is what a customer must pay or sacrifice to get something. Campbell (1999) shows that price fairness significantly impacts a company's image; Therefore, if the price is perceived as

unfair, it can cause bad behavior, such as saying negative things and switching to another brand's product. Higher prices also result from solid brands (Aaker, 1991). However, extremely high pricing (cheap or expensive) often increases awareness and association during the branding stage by creating brand differentiation. Therefore, this study expects the price to impact brand awareness and associations. The following hypothesis H2 is proposed as follows:

H2: Customer perception of product price positively impacts the level of awareness of the Hong Duc pennywort tea bag brand. When a product is distributed in large quantities at stores and supermarkets, customers will feel more satisfied because they can buy it anywhere, anytime, without much effort.

Therefore, as distribution intensity increases, customers will perceive more value from the distributed product (Boonghee et al., 2000). The impact of distribution channels in building brands is usually in two ways: First, it increases brand accessibility, and brand love can convert into shopping decisions. However, it is more important because it helps the product appear more, increasing brand awareness among consumers. Big companies worldwide, such as Coca-Cola, Starbucks, Apple, and others, rely on this as a critical element of brand success. Therefore, the study proposes the hypothesis:

H3: Product distribution activities have a positive impact on the level of awareness of the Hong Duc pennywort tea bag brand.

Promotions strategies help create awareness for a business's brand and products. By using advertising, media, PR, and promotional activities, help bring their messages to target customers, creating brand awareness in their minds. Many studies have shown that advertising and promotional activities can increase customer awareness of the brand (Boulding, Lee, & Staelin, 1994). Repeated promotional information will increase the ability to retain brand images and create brand associations in consumers' minds (Shimp, 1997). Therefore, product promotion intensity positively impacts awareness and associations, increasing brand value (Aaker, 1991). Therefore, hypothesis H4 is proposed as follows:

H4: Product promotion activities positively impact the awareness level of the Hong Duc pennywort tea bag brand.

Brand Image is each customer's impression of the corporate brand (Keller, 1993). Brand image can be anything that connects the brand's attributes in the customer's mind. The impression is an interactive system of thoughts, opinions, emotions, visual images, and intentions toward the brand. Depending on each person's experience, customers will have different feelings. The brand image is considered complete when it achieves consistency in all aspects (slogan, advertising signs, logo, style, etc.) and is well received by customers when launched on the market. Therefore, hypothesis H5 is stated as follows:

H5: Brand image has a positive impact on the level of awareness of the Hong Duc pennywort tea bag brand.

Based on consultation with experts and previous research, the author proposes a model to research factors affecting the level of brand awareness of Hong Duc pennywort tea bags, as shown in Figure 1.

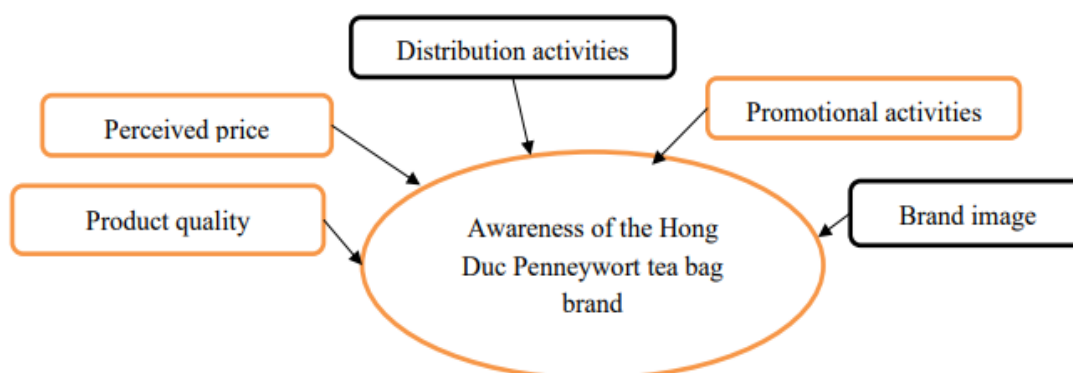


Figure 1. Conceptual framework.

Based on the analysis and construction of scales on factors affecting brand awareness of Hong Duc pennywort tea bags, the authors synthesized the observed variables in the model, as shown in Table 1.

Table 1. Sources of scales for component variables in the research model.

Factors	Sym	Number of variables	Source
	bol		
Product quality	PRO	5	Boonghee et al. (2000); Nezami (2013); Keller (1993); (Boulding et al., 1994) and Aaker (1991)
Perceived price	D	5	
	PRI		
Distribution activities	PLA	5	
Promotional activities	PRO	5	
Brand image	BI	4	
Brand awareness	BA	4	

## II. Research Methods

### Research Design

The research was conducted through interviews with questionnaires of customers who have experienced Hong Duc pennywort tea bag products (including lecturers, learners, and some customers who have the habit of using this type of tea bag) at startup markets introducing products organized by Hong Duc University's Startup and Innovation regularly from May 2023 - August 2023. The scale used is a 5-point Likert scale, with points 1 being completely disagree and five being completely agree; all factors are unidirectional scales.

### Sample Size

Hair, Black, Babin, and Anderson (2010) suggest that if the sample size is about 100, the factor loading standard must be greater than 0.5; Bollen (1989) recommends a ratio of 5:1 for choosing a sample size for several parameters in multivariate analysis. The author's research model has identified 28 observed variables using the 5-likert scale. The initial number of calculated samples is  $28 \times 5 = 140$ . To ensure requirements and generalizability, the authors used a convenient method to survey 400 customers who used Hong Duc pennywort tea bags. The total number of valid ballots collected and included in the analysis was 358.

### Data Analysis Method

After collecting all primary data, the authors analyzed SPSS 22 software. The author uses Cronbach's alpha, EFA exploratory factor analysis, and multiple linear regression analysis to test the scale's reliability.

## III. Results and Discussion

### Descriptive Statistics of the Study Sample

The study surveyed the opinions of 400 customers, including lecturers, students, and some customers who came to participate in startup markets and was organized by the Center for Entrepreneurship and Innovation of Hong Duc University, resulting in a total of 358 valid questionnaires collected and processed. Information about respondents is presented in Table 2.

Table 2. Description of respondent information.

Indicators	Frequencies	Percentage (%)
Gender		
Male	115	32.12
Female	243	67.88
Total	358	100
Age		
Under 18	11	3.07

From 19-30	112	31.28
From 31- 50	212	59.22
Over 50	23	6.42
Total	358	100
Monthly personal income		
Under 5 million VND	77	21.51
From 5-10 million VND	180	50.28
From 11-15 million VND	78	21.79
Above 15 million VND	23	6.42
Total	358	100
Occupation		
Pupil, student	80	22.35
Officers and Lecturers of Hong Duc university	230	64.25
Others	48	13.41
Total	358	100

### Cronbach's Alpha Reliability Analysis

The first Cronbach's Alpha analysis's results eliminated PRI and PLA5 because these variables have a total correlation coefficient of less than 0.5 (Hair, Hult, Ringle, & Sarstedt, 2017). The second Cronbach's Alpha data processing results show that all observed variables have a total variable correlation greater than 0.5 and Cronbach's Alpha coefficient greater than 0.7. The results of testing the reliability of variables eligible for inclusion in subsequent studies are shown in Table 3.

Table 3. Results of the 2nd cronbach alpha coefficient test.

Item	Scale mean if item deleted	Scale variance if item deleted	Corrected item-total correlation	Cronbach's alpha if item deleted
Product quality		0.872		
BI1	11.42	5.606	0.753	0.827
BI2	11.49	5.293	0.785	0.812
BI3	11.45	5.660	0.709	0.843
BI4	11.43	5.556	0.664	0.862
Perceived price		0.866		
PROD1	15.24	8.672	0.629	0.852
PROD2	15.31	8.668	0.619	0.855
PROD3	15.25	8.421	0.718	0.830
PROD4	15.27	8.308	0.718	0.830
PROD5	15.28	8.270	0.758	0.820
Distribution activities		0.901		
PRO1	14.96	10.065	0.707	0.890
PRO2	15.08	9.202	0.776	0.876
PRO3	14.99	9.776	0.799	0.871
PRO4	15.12	9.723	0.688	0.896
PRO5	15.00	9.583	0.821	0.866
Promotional activities		0.871		
PLA1	11.15	6.160	0.689	0.850
PLA2	11.04	5.996	0.758	0.821
PLA3	10.95	6.784	0.679	0.854
PLA4	11.15	5.746	0.780	0.812
Brand image		0.895		
PRI1	11.31	6.210	0.788	0.857

PRI2	11.27	5.831	0.813	0.847
PRI3	11.13	6.565	0.771	0.865
PRI4	11.34	6.208	0.709	0.888
Brand awareness		0.85		
BA1	11.46	5.022	0.701	0.808
BA2	11.32	5.816	0.681	0.816
BA3	11.40	5.188	0.778	0.772
BA4	11.51	5.702	0.615	0.841

### Exploratory Factor Analysis (EFA) Results

The standard of the factor analysis method is that the KMO (Keiser-Meyer-Olkin) index must be greater than 0.5 (Hair et al., 2010), and Barlett's test has a significance level of  $\text{sig} < 0.05$  to prove that the data is used for factor analysis is appropriate, and the variables are correlated. Factor analysis results show that the KMO index is  $0.873 > 0.5$ , and Barlett's test result is 5125.675 with a Sig level of significance. =  $0.000 < 0.05$  proves that the data used for factor analysis is entirely appropriate.

Table 4 present the results of the rotated matrix of independent factors.

Table 4. Factor analysis (Rotated matrix) for independent variables.

	Component				
	1	2	3	4	5
PRO5	0.891				
PRO3	0.862				
PRO2	0.851				
PRO1	0.811				
PRO4	0.740				
PROD5		0.870			
PROD3		0.835			
PROD4		0.737			
PROD1		0.717			
PROD2		0.630			
PLA2			0.845		
PLA4			0.840		
PLA1			0.774		
PLA3			0.728		
PRI2				0.821	
PRI3				0.812	
PRI4				0.795	
PRI1				0.782	
BI2					0.827
BI1					0.817
BI3					0.804
BI4					0.779
KMO = 0.873					
Approx. Chi-square = 5125.675;			df = 231		

### Check for Multicollinearity

The variance inflation factor (VIF) and the Tolerance factor are often considered to check for multicollinearity. The research results show that the Tolerance coefficients are all greater than 0.0001, and the VIF variance inflation factors of each independent variable are more significant than 2, so all variables meet the acceptance standards. That means that multicollinearity did not occur in the study.



### Check Residuals

The Histogram graph in Figure 2 tests the normal distribution of the residuals, showing that the mean value of the normal distribution is 5.79E-15, which is close to 0.

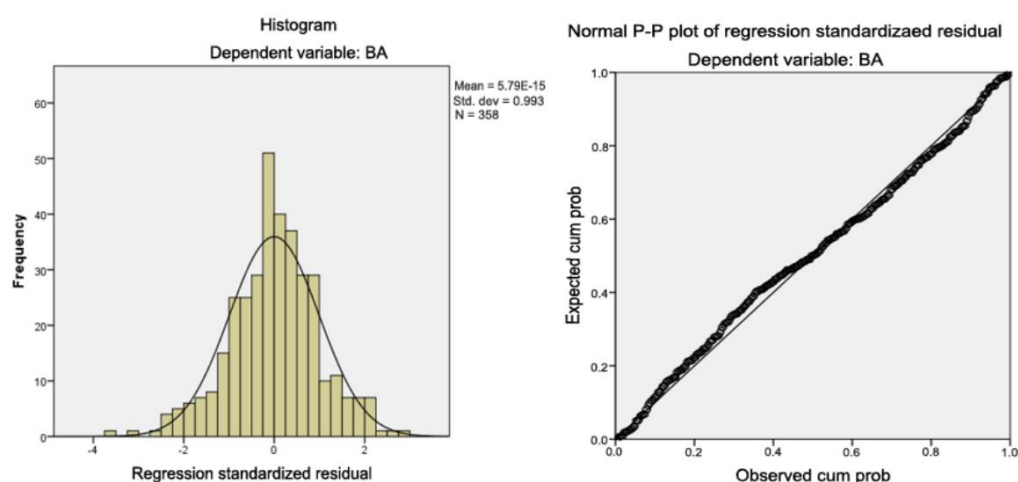


Figure 2. Test of residuals.

Along with that, the standard deviation Std. Dev = 0.993 approaches 1, and the curve shape of the normal distribution is superimposed on the histogram. In addition, the distribution points of the residuals are primarily distributed in straight lines and do not have a specific shape. Therefore, the above assumption of constant residual variance is not violated.

### Regression Results

The author uses a multivariate regression model to evaluate each factor's influence on customers' awareness of the Hong Duc pennywort tea bag brand. After running SPSS.22 software, the results are as follows:

Table 5. Model fit test.

Model	R	R squared	Adjusted R-squared	Standard error	Durbin-Watson
1	0.780a	0.608	0.602	0.489	1.722

Note: a. Predictors: (Constant), PROD, PLA, PRI, PRO, BI.

Table 5 presents that the significance level Sig. is very small (Sig. = 0.000), and the coefficient of determination  $R^2 = 0.608$  (adjusted  $R^2 = 0.602$ ) is greater than 0.500, which means there is over 50% awareness of the Hong Duc pennywort tea bag brand of customers is explained by the above 5 independent variables. Durbin-Watson coefficient 1.722 ( $>1$ ) indicates no autocorrelation between variables. The results of multiple regression analysis are as follows:

Table 6. The results of multiple regression analysis.

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. error	Beta		
1	(Constant)	-0.427	0.186		-2.293	0.022
	PROD	0.278	0.043	0.258	6.425	0.000
	PLA	0.131	0.040	0.130	3.296	0.001
	PRI	0.184	0.036	0.185	5.061	0.000
	PRO	0.241	0.041	0.242	5.872	0.000
	BI	0.285	0.040	0.281	7.110	0.000

Not Dependent

e. variable: BA.

Table 6 presents that all independent variables have Sig. less than 0.05 means that all independent factors impact the level of awareness of the Hong Duc pennywort tea bag

brand. The importance of each factor depends on the standardized Beta coefficient (in terms of the absolute value of the coefficient); that is, any factor with a significant standardized Beta coefficient substantially impacts the level of awareness of the Hong Duc pennywort tea bag brand. We have the regression equation as follows:

$$= 0.258 + 0.130 + 0.185 + 0.242 + 0.281 -$$

In which: BA: Brand awareness; PROD: Product quality; PRI: Perceived price; PLA: Distribution activities; PRO: Product promotion activities; and BI: Brand image.

Among the variables, Brand Image (BI) has the most substantial impact on the independent variable (BA), with a standardized correlation coefficient of 0.281. This means when increasing 1 point of customer evaluation of product brand image, the level of awareness of the Hong Duc pennywort tea bag brand will increase by 0.281 points, followed by the following variables: Product quality (PROD); Product promotion activities (PRO); Perceived price (PRI); and Product Distribution Activities (PLA). These factors are also considered similarly, and all positively impact the level of awareness of the Hong Duc pennywort tea bag brand among customers. The results show that research hypotheses H1 to H5 are all accepted.

#### IV. Conclusion and Management Implications

Research has proven that the following factors: product brand image, product quality, product promotion activities, Perceived price, and product distribution activities have the same impact on the level of awareness of the Hong Duc pennywort tea bag brand. From the research results, the authors propose some solutions to help improve the brand value of Hong Duc pennywort tea bags as follows:

Firstly, promote the brand image of Hong Duc pennywort tea bags to customers. The brand image of Hong Duc pennywort tea is expressed through the symbol, typical colors, Slogan, and name of pennywort tea. The research results show that most customers are impressed with Hong Duc pennywort tea bags and always keep them in their minds. Hong Duc pennywort tea bags have given customers a close, familiar, and sustainable brand image. Therefore, designing packaging designs and diversifying types of Pennywort Tea to meet customer needs is extremely necessary in developing the brand image.

Second, promote the quality of customers' brand perception. This is the second factor in customers' awareness of the Hong Duc pennywort tea bag brand. Therefore, to promote the quality of brand perception from customers, the first thing that should be done is to improve the quality of Hong Duc pennywort tea bags by focusing on improving the quality of tea ingredients, ensuring that tea products are made from the best possible ingredients, in addition, there need to be many solutions to diversify products from Hong Duc pennywort tea bags, to increase the competitiveness of Hong Duc pennywort tea products in general and pennywort tea bags in particular.

Third, improve product quality: This is also a factor that significantly impacts Hong Duc pennywort tea bag brand recognition; therefore, it is necessary always to ensure product quality, increasing its usefulness to customers' health and bringing the best trust to customers.

Fourth, strengthen distribution and product promotion activities; choose appropriate communication channels in convenient locations such as supermarkets and fairs so that more customers can know about products from Hong Duc pennywort tea more easily. The more attractive and practical the promotional activities are, the more they will stimulate their purchasing behavior towards environmentally friendly products.

Besides, it is necessary to maintain a stable relationship between product price and quality brought to customers, ensuring that the product's value is commensurate with the cost that customers have spent.

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