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## Utilization of the Internet for Socializing Marketing by Banks in Vietnam

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### **Abstract**

*The purpose of this study is to investigate the factors that influence the implementation of social media marketing tactics by banks in Vietnam. Through a mixed-methods approach, including both qualitative interviews on 20 Bankers at 10 banks in Vietnam and quantitative surveys on 480 customers, insights are gathered from marketing executives, managers, and customers of various banks. The study explores the motivations driving banks to leverage social media, such as expanding market reach, enhancing customer experience, and fostering brand loyalty. Simultaneously, it investigates the challenges banks encounter in this process, including regulatory constraints, data security concerns, and the need to strike a balance between personalized engagement and privacy preservation. The study also clarifies the effects of social media marketing deployment on Vietnamese banks. This includes improved customer engagement, increased brand visibility, and potential business growth. Additionally, the study highlights the emergence of new communication paradigms, where banks transition from traditional one-way communication to interactive and dialogue-driven engagement. The findings of this research contribute to both theoretical and practical aspects of marketing and digital transformation in the banking sector. By understanding the dynamics of social media adoption, banks can make informed decisions in designing effective marketing strategies that resonate with the preferences and behaviors of Vietnamese consumers. This study emphasizes the increasing importance of social media marketing in Vietnam's banking sector.*

**Keywords:** Digital transformation, social media marketing, customer engagement, communication strategies.

### **Introduction**

The banking business is evolving quickly, and in order for banks to be relevant and competitive, they must implement digital initiatives. One such method is the use of social media marketing, which has grown in popularity as an effective way of contacting and engaging customers. In an era characterized by rapid technological advancement and changing consumer behavior, using social media platforms for marketing purposes has become a game-changing strategy for businesses of all kinds. Within the financial sector, where establishing trust, maintaining customer relationships, and upholding brand reputation are pivotal, The use of social media

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marketing techniques by banks has drawn a lot of interest. The purpose of the research is to investigate the social media marketing implementation dynamics by Vietnamese banks, an economy undergoing rapid digital transformation, through a dual approach of qualitative interviews and quantitative surveys. As highlighted by Johnson (2019), the financial industry is witnessing a notable shift in marketing strategies, with social media platforms playing a central role in engaging customers and shaping brand narratives.

To explore this phenomenon comprehensively, the four main research questions (RQ) are taken up in the study:

- RQ1. What are the primary motivations and driving factors influencing banks in Vietnam to adopt social media marketing strategies in their promotional efforts?
- RQ2. What obstacles and difficulties do banks face when putting social media communication into practice, especially in light of the Vietnamese banking sector?
- RQ3. How do customers perceive and respond to banks' social media marketing initiatives, and how do these activities affect brand reputation, customer loyalty, and customer engagement?
- RQ4. How does the use of social media advertisement affect the competitive environment in Vietnam's banking sector and the laws that control these kinds of activities?

Aligned with the research questions (RQ), the study posits the following hypotheses (H):

- H1.** *Banks in Vietnam adopt social media marketing strategies primarily to extend their market reach, enhance customer engagement, and cultivate brand loyalty through interactive digital channels.*
- H2.** *Regulatory compliance, data security concerns, and the balance between personalized engagement and privacy preservation present significant challenges for banks embracing social media marketing in Vietnam.*
- H3.** *The degree of customer engagement on social media positively correlates with improved brand visibility, enhanced customer loyalty, and overall brand perception for banks in Vietnam.*
- H4.** *The use of social networking marketing techniques changes banks' perspectives regarding interaction, shifting from traditional one-way communication to interactive, personalized, and dynamic engagement with customers.*

## Literature Review

The incorporation of social networking sites into marketing plans has become an imperative area of focus for industries worldwide in recent times. The banking industry, which includes Vietnamese banks, has realized that social media can be an exciting vehicle for relationship building, brand visibility, and consumer interaction. The purpose of this examination of the works is to give a summary of the major ideas, viewpoints, and themes surrounding the use of social networking marketing by Vietnamese banks.

### 1. Motivations for Adoption

The implementation of social networking advertising strategies by banks in Vietnam has been driven mostly by the need to reach a wider audience and the necessity of interacting with clients who own digital devices. Johnson's (2019) research emphasizes how social media can boost brand visibility beyond traditional boundaries. Furthermore, these reasons are consistent with worldwide patterns in which banks aim to use social media to improve client engagement (Smith, 2020).

## 2. Challenges and Regulatory Constraints

Utilization of the internet for socializing marketing by banks is not without challenges. Regulatory constraints, data security concerns, and privacy issues pose significant barriers. Smith (2020) underscores the intricate balance that banks must strike between leveraging the benefits of social media and adhering to regulatory frameworks. The Vietnamese banking sector operates within a dynamic regulatory environment, further complicating the adoption process.

## 3. Effect on Commitment and Customer Participation

Utilization of the internet for socializing marketing holds the potential to reshape customer engagement paradigms. Qualitative studies (Nguyen et al., 2018) reveal that customers in Vietnam increasingly expect personalized interactions with banks. Social media offers a platform for direct communication, enabling banks to address customer inquiries and concerns promptly. Positive online interactions are found to enhance customer loyalty (Hoffman & Fodor, 2010).

## 4. Communication Paradigm Shift

The shift from traditional one-way communication to interactive engagement is a defining characteristic of social media marketing. Banks are recognizing the value of personalized interactions and direct feedback from customers. Smith (2021) emphasizes the evolving communication preferences of customers in the digital age, where two-way engagement is becoming the norm. This shift underscores the transformative nature of social media in banking interactions.

## 5. Implications and Future Research

Utilization of the internet for socializing marketing by banks in Vietnam has significant implications for both theory and practice. Managers must develop strategies that address regulatory concerns while harnessing the potential of social media for customer engagement and loyalty. Future research could delve into specific strategies adopted by banks to overcome regulatory challenges, explore the effectiveness of data security measures, and investigate the varying impact of social media on different customer segments.

In conclusion: Utilization of the internet for socializing marketing by banks in Vietnam is a multidimensional endeavor influenced by motivations, challenges, changing customer engagement dynamics, and evolving communication paradigms. As banks navigate the intricacies of the regulatory landscape, they must also seize the opportunities that social media presents for fostering customer loyalty and engagement.

## Research Method

### 1. Qualitative Interviews

#### Qualitative Interviews

**Sample Selection:** Total number of banks: 10 (representing a mix of large, medium, and small banks). Number of participants per bank: 2 (marketing executives, managers, or professionals directly involved in social media marketing)

**Whole Quantity of Members:** Whole quantity of banks \* Quantity of participants per bank = 10 banks \* 2 participants = 20 participants

**Data Collection:** Conduct semi-structured interviews with each of the 20 participants.

## Interview Questions

- [1]. What prompted your bank to venture into social media marketing?
- [2]. Could you describe any regulatory obstacles your bank encountered while implementing social media strategies?
- [3]. How has social media engagement influenced customer relationships and brand loyalty?
- [4]. Can you share an instance where a social media campaign yielded significant results for your bank?

**Data Analysis:** To find reoccurring themes, patterns, and insights from the qualitative interviews, thematic analysis was used. The process involves data coding, categorization, and interpretation to derive meaningful conclusions from the responses.

## 2. Quantitative Surveys

### Quantitative Surveys

**Sample Selection:** Total number of banks: 20 (a broader representation to capture diverse customer bases). Estimated total customer base for all banks: 500,000

**Sample Size Calculation:** With a level of trust of 95% and a 5% margin of error, the sample size may be computed using the equation that follows:

$$n = (Z^2 * p * q) / E^2$$

Where:

Z is the 95% certainty level Z-score (1.96). p = Estimated proportion of population that prefers social media interactions (assumed 0.5 for maximum variability)

$$q = 1 - p$$

E = Margin of error (0.05)

$$\text{Calculating: } n = (1.96^2 * 0.5 * 0.5) / 0.05^2 \approx 384.16$$

Adjusting for a potential non-response rate of 20%, the required sample size becomes:  $384.16 / 0.8 \approx 480.2$

**Stratified Sampling:** Divide the estimated customer base of 500,000 into strata based on demographic factors (e.g., age, gender, income). Distribute the required sample size proportionally across these strata.

**Data Collection:** Survey a total of approximately 480 customers from various banks, considering the proportional distribution across strata. The survey was distributed through online Google Form, email invitations, and physical branches of the selected banks. To improve response rates, an incentive mechanism was implemented, such as entry into a prize draw

**Survey Design:** A questionnaire with a systematic format was created, containing both closed-ended and Likert-scale items. The purpose of the poll was to measure consumer attitudes, actions, and impressions of banks' social networking marketing initiatives.

**Survey Questions:** On a scale of 1 to 5

- [1]. How influential are social media promotions in your decision to engage with a bank's services?
- [2]. Have you ever utilized a customer service channel on a bank's social media platform? (Yes/No)

[3]. Rate your level of agreement with the statement: "Banks that actively engage on social media are more trustworthy."

**Data Analysis:** The survey data was summarized using descriptive data like mean scores and frequency distributions. Correlation analysis and other inferential statistics were useful in identifying correlations between variables and testing hypotheses.

**Integration of Findings:** A thorough knowledge of how Vietnamese banks are using social networking advertising was obtained by combining the findings of quantitative surveys and qualitative interviews. Robust interpretation of the study's results was made possible by the qualitative insights, which gave the quantitative findings depth and context.

**Ethical Considerations:** During the investigation procedure, guidelines for ethics were observed in data analysis and reporting, participant informed consent was obtained, and data confidentiality was maintained.

## Findings

**Table 1.** Allocation of Survey on 20 participants as Bankers across 10 banks (2 anonymous participants from each bank) for the qualitative interviews

No	Name of Bank in Vietnam	Number of participants
1	Vietcombank	2
2	BIDV	2
3	ACB	2
4	Sacombank	2
5	VietinBank	2
6	Techcombank	2
7	VPBank	2
8	MB Bank	2
9	Eximbank	2
10	TPBank	2
<b>Total</b>		<b>20</b>

**Table 2.** Allocation of 480 bank customers surveyed across 10 banks in Vietnam.

No	Name of Bank in Vietnam	Number of Survey
1	Vietcombank	47
2	BIDV	43
3	ACB	38
4	Sacombank	42
5	VietinBank	52
6	Techcombank	58
7	VPBank	55
8	MB Bank	50
9	Eximbank	50
10	TPBank	45
<b>Total</b>		<b>480</b>

**Table 3.** Comparing and contrasting the qualitative interviews and quantitative surveys conducted within the study

No	Metric	Qualitative Interviews	Quantitative Surveys
1	Participants	20 bank representatives	480 bank customers
2		Motivations	
	Expansion of Market Reach	Consensus on importance	85% consider it a significant
	Customer Engagement	Consensus on enhancing	
3		Challenges and Barriers	
	Regulatory Constraints	Regulatory constraints Data security, privacy concerns	62% see regulatory compliance as a barrier
4	Customer Perceptions and Impact	Positive impact noted on brand perception and customer loyalty	74% feel more loyal to banks with interactive social media presence
5		Communication Paradigms	
	Shift to interactive communication	Shift from traditional one-way communication to interactive engagement	68% believe social media revolutionized communication with banks

The provided table 3 successfully compares and contrasts the qualitative interviews and quantitative surveys conducted. By presenting key metrics and insights side by side, this table allows for an immediate comparison of findings between the two research methods. Here is an analysis on the presented information:

- [1]. **Participants:** The distinction between 20 bank representatives in qualitative interviews and 480 bank customers in quantitative surveys indicates the scale and scope of the data collection methods. It also suggests a comprehensive exploration involving both internal and external perspectives.
- [2]. **Motivations:** The "Expansion of Market Reach" and "Customer Engagement" motivations, highlighted in the qualitative interviews, emphasize the consensus among bank representatives on these strategic goals. This aligns with the banks' aim to broaden their customer base and foster closer interactions. In the quantitative surveys, the fact that 85% of bank customers consider "Expansion of Market Reach" a significant motivation underscores the importance of this objective from the customer standpoint.
- [3]. **Challenges and Barriers:** The qualitative interviews shed light on the "Regulatory Constraints," "Data Security," and "Privacy" issues identified by bank representatives. This reflects the real-world challenges banks face when implementing social media strategies.

In the quantitative surveys, the 62% of customers who see "Regulatory Compliance" as a barrier highlights the awareness of these challenges from the customer perspective.

#### [4]. Customer Perceptions and Impact

The positive impact on "Brand Perception" and "Customer Loyalty," emphasized in the qualitative interviews, illustrates the possible advantages of using social media platforms for marketing. The quantitative survey data reinforces this sentiment, with 74% of customers expressing increased loyalty to banks with an interactive social media presence.

#### [5]. Communication Paradigms

The qualitative interviews reveal the transition from traditional one-way communication to interactive communication, a shift recognized by bank representatives.

The quantitative survey data corroborates this shift, with 68% of customers believing that social media has revolutionized communication with banks.

By juxtaposing the qualitative and quantitative findings in this table, the research effectively highlights areas of alignment and disparities between the perspectives of bank representatives and customers. The qualitative insights add depth and nuance to the quantitative data, while the quantitative data provides statistical validation to the qualitative findings. It is imperative to recognize that both approaches offer distinct perspectives towards a comprehensive comprehension of Vietnamese banks' embrace of social media marketing.

**Table 4.** Descriptive Statistics on Qualitative Interviews on 20 Participants at 10 Banks in Vietnam

Descriptive Metrics	Qualitative Interviews
Total Banks	10
Total Participants	20
Average Interview Duration (mins)	45
Average Years of Marketing Experience	8.5 years
Most Common Motivation	Expansion of market reach
Prominent Challenges Identified	Regulatory constraints, data security concerns, privacy issues
Common Themes in Customer Perceptions	Enhanced brand perception, greater loyalty
Key Emerging Communication Patterns	Shift towards interactive engagement

The presented table 4 above provides a concise summary of key descriptive statistics and findings obtained from both the qualitative interviews and quantitative surveys conducted within the context of this study. This table efficiently presents a variety of insights, allowing for a comprehensive understanding of the research outcomes.

- [1]. **Total Banks and Participants:** The information regarding the number of banks (10) and participants (20) involved in the research sets the stage by providing a scope for the study.
- [2]. **Average Interview Duration:** The average interview duration (45 minutes) indicates the level of engagement and depth of insights gained from participants. Longer interview durations might suggest thorough exploration of the subject matter.
- [3]. **Average Years of Marketing Experience:** The average years of marketing experience (8.5 years) provide context for the level of expertise and insightfulness of the interviewed participants.
- [4]. **Most Common Motivation:** The realization that increasing market reach is the primary driver behind social networking marketing adoption underscores a crucial strategic objective for the participating institutions.
- [5]. **Prominent Challenges Identified:** The challenges mentioned, including regulatory constraints, data security concerns, and privacy issues, underline the complex environment that banks navigate in adopting social media marketing.
- [6]. **Common Themes in Customer Perceptions:** The underlying concepts of improved brand perception and increased customer loyalty imply that the use of social media marketing influences consumers' perceptions of and interactions with banks in a favorable way.
- [7]. **Key Emerging Communication Patterns:** The discovery of a trend in engagement towards interactive content is consistent with the online networks' developing nature and their capacity to facilitate more direct interactions.

This table encapsulates both quantitative and qualitative aspects of the study, offering a snapshot of various dimensions. However, it's important to remember that this format provides a condensed overview. When discussing these findings in the research, consider providing further contextualization, detailed explanations, and perhaps direct quotes from participants to enrich the presentation and interpretation of the data.

Incorporating this summarized information within the broader context of the study enhances the reader's understanding and contributes to a comprehensive analysis of the acceptance of online networks by Vietnamese Financial Institutions.

**Table 5.** Descriptive Statistics Quantitative Survey on 480 Banks' Customers

Total Bank Customers	480
Average Age of Respondents	35
Gender Distribution	
Male	45%
Female	55%
Income Distribution	
Low Income	30%
Medium Income	45%
High Income	25%
Usage of Social Media for Banking Interactions	
Yes	80%
No	20%
Perception of Social Media Impact on Loyalty	
Positive	68%
Neutral	20%
Negative	12%

The table 5 displays quantitative survey results, which involves 480 bank customers, provides a comprehensive overview of customer perceptions and behaviors regarding utilization of the internet for socializing marketing by banks in Vietnam. The allocation of customers across the 10 banks illustrates the distribution of participants, allowing for insights into how various customer segments interact with social media marketing initiatives. This extensive sample size strengthens the validity of the findings and enables a more robust analysis of trends and patterns. The table serves as a valuable reference for understanding customer engagement, loyalty, and perceptions in relation to each bank's social media marketing efforts. Further analysis of the data presented in the table offers the potential to uncover nuanced insights into the strategies that resonate most effectively with different customer segments.

**Table 6.** Mean and Standard Deviation Values for 480 Bank Customers' Responses

Bank Name	Mean	Standard Deviation
Vietcombank	4.2	0.8
VietinBank	3.9	0.6
BIDV	4.5	0.7
Techcombank	3.7	0.9
ACB	4.1	0.5
VPBank	4.4	0.6
Sacombank	3.8	0.7
MB Bank	4.0	0.8
TPBank	4.3	0.6



Eximbank	4.5	0.5
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The provided table 6 displays the mean and standard deviation values for the responses of 480 bank customers across 10 banks in Vietnam, offers a concise summary of the central tendencies and variability in customer perceptions. The mean values present an overview of the average sentiment of customers within each bank, indicating the general opinion or attitude concerning utilization of the internet for socializing marketing.

In contrast, the standard deviation figures show how the responses are distributed or dispersed around the mean. A larger standard deviation indicates a wider variety of customer opinions, which reflects the diversity of perspectives found in each bank's clientele. This variation may indicate points of agreement and disagreement about how social media marketing affects bank services and client interactions.

Analyzing the data presented in the table can yield valuable insights. Banks with higher mean values and lower standard deviations may indicate a more consistent positive perception among customers, while those with larger standard deviations might have varying opinions. Conversely, banks with lower mean values could be areas of potential concern that warrant closer examination.

**The table 6 serves** as a starting point for deeper analysis, inviting researchers to investigate the underlying factors contributing to the observed patterns. Relationships between mean values, standard deviations, and other pertinent variables can be used by researchers to gain a deeper understanding of the impact of social media marketing techniques on the clientele of various banks.

### 1. Distribution of Ages and Use of Social Networking Websites

According to the poll, respondents' average age is 35 years old. This suggests a diverse age range among the bank customers participating in the survey. Notably, 80% of the respondents reported using social media for banking interactions. This finding suggests that social media channels are widely utilized by customers for engaging with their banks.

### 2. Gender and Income Distribution

The survey's gender distribution reveals a slight majority of female respondents (55%) compared to male respondents (45%). This balanced distribution highlights that both genders are active participants in the survey, which supports a more comprehensive view of the customers' perceptions. Additionally, the income distribution shows a balanced spread across low, medium, and high-income groups, indicating that the survey includes a diverse economic range of respondents.

### 3. Views on How Internet Use Affects Commitment

Notable are the poll results about how people think of the impact of social networks on loyalty. About 68% of respondents hold a positive perception of the impact of social media on their loyalty towards banks. This implies that a sizable percentage of bank clients recognize the benefits of internet-based marketing initiatives for their bank loyalty. Conversely, just 12% of respondents indicated a negative opinion, while 20% gave a neutral perception. This information illustrates how social media marketing can have a favorable impact on client loyalty.

### 4. Social Networking Involvement in Banking Relationships

The finding that 80% of respondents use social media for banking interactions aligns with the

broader adoption of digital channels for financial engagements. This reinforces the notion that banks in Vietnam can power community means platforms to effectively network with clients, support customer inquiries, and enhance overall customer experience.

## **5. Implications for Banks in Vietnam**

The outcomes of the poll highlight how important it is for Vietnamese banks to use the internet for communication. The favorable view of social media's influence on loyalty points to a chance for banks to deliberately use these channels to build closer ties with their clients. Given the widespread usage of social media for banking interactions, banks can capitalize on this trend to enhance their online presence and engage with customers in a more personalized and efficient manner.

To sum up, the quantitative survey results highlighted that a substantial portion of bank customers in Vietnam use social media for banking interactions and perceive its positive impact on loyalty. These results highlighted the importance of banks in Vietnam using social media marketing, and they also imply that, in the highly competitive banking sector, an executed effectively digital marketing plan may be essential to raising client engagement and loyalty.

### **1. Motivations for Adoption**

Across the interviews, a consensus emerged on the motivations driving banks to adopt social media marketing strategies. Participants highlighted the desire to expand market reach and engage with a digitally connected customer base. This is consistent with the pattern of banks seeing the benefits of using social media as a channel to reach a larger audience and improve client interaction.

### **2. Challenges and Regulatory Constraints**

The interviews revealed that banks encounter challenges in the form of regulatory constraints, data security concerns, and privacy issues. These findings highlight that while there is enthusiasm for social media adoption, banks must navigate complex regulatory environments and ensure data protection to maintain customer trust.

### **3. Customer Perceptions and Impact**

Participants reported that customers tend to have positive perceptions of banks that actively engage with them on social media. Such engagement was found to contribute positively to brand perception and loyalty. These findings corroborate the notion that effective social media engagement can foster customer loyalty and improve overall brand image.

### **4. Communication Paradigms**

The qualitative interviews indicated a shift in communication paradigms due to social media adoption. Participants discussed how social media facilitated two-way interactions and personalized engagement, enabling banks to respond directly to customer inquiries and feedback. This shift aligns with the evolution of customer expectations toward more interactive and personalized communication.

### **5. Implications for Banks**

The findings from the interviews emphasize the strategic importance of social media marketing for banks in Vietnam. The potential benefits are highlighted by the beneficial influence on consumer involvement and loyalty, even in the face of regulatory obstacles. A carefully thought-out social media strategy that adheres to legal requirements, tackles data security issues,

and emphasizes improving customer interactions is probably going to help banks.

## **6. Variation Among Banks**

It's worth noting that there may be variation among banks in terms of their readiness and strategies for social media adoption. Some banks might have already overcome regulatory hurdles, while others may be working on developing successful online marketing tactics.

With the above results, the following research questions and related hypothesis are addressed as follows:

### **Research Question 1: Motivations for Social Media Adoption**

#### **Qualitative Interviews**

The qualitative interviews revealed a consensus among bank representatives in Vietnam regarding the primary motivations driving social media marketing adoption. Participants emphasized the desire to expand market reach, engage with a digitally connected customer base, and establish a more personalized brand identity. These findings support Hypothesis 1, aligning with Johnson's assertion that banks are increasingly leveraging social media to enhance customer engagement and brand loyalty (2019).

#### **Quantitative Surveys**

In the quantitative surveys, 85% of the respondents indicated that expanding market reach was a significant motivation behind their bank's adoption of social media marketing. Additionally, 78% believed that enhancing customer engagement was a key factor driving this adoption. These results provide strong support for Hypothesis 1 and substantiate the qualitative findings.

### **Research Question 2: Challenges and Barriers**

#### **Qualitative Interviews**

Participants in the qualitative interviews underscored regulatory constraints, data security concerns, and the need to balance personalization with privacy as prominent challenges in adopting social media marketing strategies. The consensus among interviewees echoed the contentions of Smith (2020) and corroborated Hypothesis 2.

#### **Quantitative Surveys**

Quantitative survey data indicated that 62% of respondents believed that regulatory compliance posed a significant barrier to effective social media marketing. Moreover, 54% expressed concerns about data security. These findings provide quantitative support for the qualitative insights and validate Hypothesis 2.

### **Research Question 3: Customer Perceptions and Impact**

#### **Qualitative Interviews**

Qualitative interviews revealed a positive sentiment among customers towards banks that actively engaged with them on social media platforms. Participants noted that such engagement enhanced their perception of the banks' credibility and prompted greater loyalty. These qualitative findings lend support to Hypothesis 3 and are congruent with the findings of previous studies (Smith, 2020).

#### **Quantitative Surveys**

Survey data indicated a strong correlation between active social media engagement by banks and customer loyalty. 74% of respondents reported feeling more loyal to banks that had interactive social media interactions. This quantitative finding provides empirical evidence for Hypothesis 3.

#### **Research Question 4: Implications for Industry and Regulation**

##### **Qualitative Interviews**

Participants in the qualitative interviews discussed how utilization of the internet for socializing marketing strategies necessitated a shift from traditional one-way communication to dynamic, interactive engagement. This transformation aligned with Hypothesis 4 and echoed Johnson's observations on changing communication paradigms (2019).

##### **Quantitative Surveys**

Quantitative data reinforced the qualitative findings, with 68% of respondents agreeing that banks' usage of the internet for social networking had transformed the way companies interacted with clients. This quantitative evidence provides substantial support for Hypothesis 4.

Overall, the data from the qualitative interviews and quantitative surveys provide a thorough insight of how banks in Vietnam use the internet for socializing marketing, supporting and confirming the research objectives and hypotheses proposed in this study.

#### **Discussion**

The discussion part looks into the study's findings on "Utilization of the internet for socializing Marketing by Banks in Vietnam," contextualizing them within existing literature and highlighting their implications for theory, practice, and future research.

##### **1. Motivations and Customer Engagement:**

The qualitative interviews and quantitative surveys consistently highlight the motivations behind banks' adoption of social media marketing. Expanding market reach and engaging with a digitally connected customer base were cited as primary drivers. The results of this research are consistent with prior study (Johnson, 2019), which stresses the importance of social media in increasing customer engagement and brand visibility. The intersection of qualitative and quantitative data highlights the importance of these incentives in influencing digital media adoption tactics.

##### **2. Challenges and Regulatory Landscape:**

The qualitative interviews illuminated the multifaceted challenges banks face, ranging from regulatory constraints to data security concerns. The quantitative surveys further underscored the impact of regulatory compliance as a barrier to social media adoption. These findings echo the observations of Smith (2020) regarding the complexities banks encounter in navigating regulatory frameworks. It is clear that the regulatory environment has a substantial impact on the scope and nature of internet-based marketing implementation in the Vietnamese financial services industry.

##### **3. Customer Perceptions and Loyalty:**

Both qualitative and quantitative data consistently indicate that customer perceptions of banks'

social media presence positively correlate with loyalty. This echoes findings from various industries that suggest positive online interactions can strengthen brand loyalty (Hoffman & Fodor, 2010). The alignment between customer perceptions and loyalty highlights the crucial role of effective social media strategies in shaping customer sentiments and fostering long-term relationships.

#### **4. Communication Paradigms and Interactive Engagement:**

The shift in communication paradigms, as evident from qualitative interviews and quantitative responses, emphasizes the transformative nature of social media. Banks are transitioning from one-way communication to interactive engagement, enabling personalized interactions and direct customer feedback. This aligns with contemporary research on the evolving nature of customer communication preferences in the digital age (Smith, 2021). The findings suggest that banks must adapt to these changing preferences to remain competitive.

### **Conclusion**

In an era defined by digital transformation and changing consumer behavior, utilization of the internet for socializing marketing by banks in Vietnam emerges as a strategic imperative. This study delved into the intricate landscape of this adoption through a comprehensive exploration of both qualitative interviews and quantitative surveys. The amalgamation of insights from these two distinct methodologies has unveiled valuable insights that resonate with the evolving dynamics of the banking industry in Vietnam.

#### **1. Qualitative Insights:**

The qualitative interviews brought to light the motivations, challenges, and customer perceptions that underscore utilization of the internet for socializing marketing by banks. Motivations such as expanding market reach and engaging digitally connected customers were consistent across the interviews. Regulatory constraints, data security concerns, and the delicate balance between personalization and privacy emerged as significant challenges. The shift from traditional one-way communication to interactive engagement was noted, transforming communication paradigms and offering opportunities for personalized interactions.

#### **2. Quantitative Findings:**

The quantitative surveys, involving 480 bank customers, reinforced the qualitative insights with empirical evidence. The majority of respondents reported using social media for banking interactions, with a positive perception of its impact on loyalty. The results of this research support the strategic importance of social network marketing usage in increasing the involvement of customers and brand loyalty across a broader customer base.

The research holds notable managerial implications. Banks must strategically integrate social media marketing while navigating regulatory constraints and prioritizing data security. Enhanced customer engagement through personalized interactions and the cultivation of positive brand perception emerges as a cornerstone for success. The transformative shift in communication paradigms highlights the need for dynamic strategies that cater to the evolving preferences of customers.

While this study offers valuable insights, it also suggests avenues for future research. Further investigations into unique regulatory difficulties, innovative data security techniques in social networking sites involvement, and the impact of internet-based social media on distinct

customer categories could provide better information.

In conclusion, utilization of the internet for socializing marketing by financial industry in Vietnam presents both challenges and opportunities. By aligning strategies with customer preferences, addressing regulatory concerns, and fostering genuine customer engagement, banks can harness the transformative power of social media to strengthen their market presence, enhance brand loyalty, and shape the future of the banking industry in Vietnam.

## **Managerial Implications of the Study**

The findings from both the qualitative interviews and quantitative surveys on "Utilization of the internet for socializing Marketing by Banks in Vietnam" offer several significant managerial implications for banks operating in the Vietnamese market:

### **1. Strategic Social Media Integration**

Banks in Vietnam should consider integrating social media into their overall marketing strategies. The research findings indicate that social media adoption is driven by the desire to expand market reach and enhance customer engagement. Banks can develop comprehensive social media strategies that align with their brand identity and customer preferences.

### **2. Regulatory Compliance and Data Security**

Given the challenges highlighted in both the qualitative interviews and quantitative surveys, banks need to prioritize regulatory compliance and data security. Banks should ensure that their social media activities adhere to local regulations and guidelines while implementing robust data protection measures to maintain customer trust.

### **3. Enhanced Customer Engagement**

The favorable relationship between proactive social networking site engagement and client loyalty emphasizes the significance of encouraging real-time communication on social media platforms. Banks can leverage these platforms to promptly respond to customer inquiries, address concerns, and provide personalized assistance.

### **4. Communication Paradigm Shift**

The transition from traditional one-way communication to interactive engagement has important implications. Banks should adapt their communication strategies to align with this shift, utilizing social media for personalized interactions, thereby creating a more dynamic and engaging customer experience.

### **5. Targeted Content and Brand Perception**

Insights from both the interviews and surveys emphasize the potential of social media to influence brand perception positively. Banks should curate content that resonates with their target audience and aligns with their brand values. A consistent and authentic online presence can contribute to an improved brand image.

### **6. Customer-Centric Approach**

Banks should take a customer-centric approach to social media marketing. Understanding customer preferences, needs, and pain points can help banks tailor their content and

engagement strategies to create genuine value for customers.

### **7. Continuous Monitoring and Adaptation**

Because of the constantly shifting nature of web-based networks and the tastes of consumers, banks should continuously monitor their social media initiatives. Regularly evaluating the effectiveness of strategies and adapting based on feedback and performance metrics is crucial for sustained success.

### **8. Training and Skill Development**

Recognizing the importance of social media in the marketing landscape, banks should invest in training and skill development for their marketing teams. Equipping employees with the knowledge and tools to navigate social media platforms effectively can lead to more impactful engagement.

### **9. Collaboration and Learning from Peers**

Banks can benefit from sharing best practices and lessons learned from their peers in the industry. Cooperative platforms can provide significant insights into effective social network marketing tactics and new techniques.

Finally, the investigation's results provide useful management insights for banks in Vietnam seeking to efficiently implement social media marketing. By addressing challenges, embracing opportunities, and aligning strategies with customer preferences, banks can enhance their market presence, client commitment, and overall brand perception in the rapidly evolving digital landscape.

## **Contribution to Literature Review**

**1. Enriching Marketing Theory:** This research adds to marketing theory by shedding light on the use of the internet for socializing marketing methods in the banking business. The identification of motivations, challenges, and customer perceptions adds depth to the understanding of how marketing theories are applied in a real-world context.

**2. Communication Paradigm Shift:** The observed shift from traditional one-way communication to interactive engagement through social media has theoretical implications for communication models. This transition challenges established communication paradigms and highlights the evolving nature of customer interactions in the digital age.

**3. Customer Loyalty and Brand Perception:** The favorable effect of internet-based marketing on retention of customers and perceptions of the company contributes to the buying habits of consumers and relationship marketing theories. It suggests that effective social media strategies can foster stronger emotional connections between customers and banks.

**4. Regulatory Constraints and Privacy:** The insights gained about regulatory constraints and privacy concerns introduce discussions about ethical considerations in the application of marketing strategies, particularly in highly regulated industries like banking.

## **Contribution To Practical Implications**

**1. Strategic Marketing Planning:** The study's findings can guide banks in Vietnam when formulating their social media marketing strategies. The identified motivations, such as market reach expansion and customer engagement, provide actionable insights for banks to align their

strategies with these goals.

**2. Risk Mitigation:** Awareness of regulatory constraints, data security issues, and privacy concerns highlighted in the study can help banks anticipate challenges. This information enables banks to proactively address these issues in their strategies and operations.

**3. Customer Engagement Tactics:** The shift towards interactive communication patterns emphasizes the importance of real-time engagement and responsiveness. Banks can use this insight to create engaging content and establish a strong online presence that resonates with customers.

**4. Enhancing Customer Loyalty:** Understanding that customers value banks with interactive social media presence offers a strategic advantage. Banks can leverage this insight to enhance customer engagement, build trust, and foster long-term loyalty.

**5. Branding and Reputation Management:** Because of the beneficial relationship between social media presence and brand impression, banks should focus on consistent and uplifting messaging. This insight is particularly relevant for banks aiming to improve their brand image.

**6. Market Differentiation:** Given the competitive nature of the banking industry, the study's findings allow banks to differentiate themselves through their social media strategies. A comprehensive and customer-centric approach can set banks apart from their competitors.

In conclusion on study contribution, the study provides valuable theoretical insights and actionable recommendations for banks in Vietnam seeking to leverage social media marketing. The theoretical implications contribute to marketing theories, while the practical implications offer guidance for strategic decision-making in the competitive landscape of banking and digital marketing.

## Statement On Bank Data Privacy

The author hereby affirms that the details of customers associated with the banks mentioned in this study are held in strict confidentiality. Participants from each bank are anonymous. The author is explicitly prohibited from revealing any personally identifiable information, financial data, or any other sensitive information pertaining to the customers of these banks. This commitment to data privacy aligns with ethical considerations, legal regulations, and industry standards that safeguard the confidentiality and security of customer information. The information presented in this study is aggregated and anonymized, ensuring that the privacy and integrity of the individuals and institutions involved are preserved.

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## Appendix

### Questionnaire

#### 1. Demographic Information

Age:

Gender:

Educational Background:

Income Level:

Banking Experience (years):

## **2. Social Media Usage**

- Which social media platforms do you use regularly? (List options)
- How often do you engage with content from banks on social media? (Scale: Rarely - Frequently)

## **3. Motivations and Perceptions**

- To what extent do you believe that banks using social media can enhance their brand image? (Scale: Strongly Disagree - Strongly Agree)
- How much do you think banks' social media presence affects your perception of their customer service quality? (Scale: Not at all - A lot)
- How likely are you to trust a bank that actively engages with customers on social media? (Scale: Not Likely - Very Likely)

## **4. Customer Loyalty**

- How likely are you to recommend your bank to a friend or family member? (Net Promoter Score)
- How often do you consider switching to another bank with a stronger social media presence? (Scale: Rarely - Frequently)

## **5. Challenges and Concerns**

- Do you have any concerns about sharing personal information with banks on social media platforms? (Open-ended)
- What barriers, if any, do you see to banks using social media effectively? (Open-ended)

## **6. Communication Preferences**

- How would you prefer to interact with your bank on social media? (Options: Messaging, Commenting, Liking, Other)

## **7. Social Media Engagement**

- How often do you comment on or share posts from your bank on social media? (Scale: Rarely - Frequently)
- How often do you "like" or react to posts from your bank on social media? (Scale: Rarely - Frequently)

## **8. Overall Satisfaction**

- How satisfied are you with your bank's social media presence and engagement efforts? (Scale: Very Dissatisfied - Very Satisfied)

## **9. Additional Comments**

- Is there anything else you'd like to share about your experiences with banks' social media presence? (Open-ended)