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**BRAND VALUATION METHOD OF
INSURANCE ENTERPRISES IN VIETNAM**

Major : Finance - Banking

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SUMMARY OF THE DOCTORAL THESIS

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Reviewer 2:

**The thesis is defended in front of Thesis Judgment Committee at
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**The thesis may be searched in National Library and
Library of Academy of Finance**

PREAMBLE

1. The urgency of the thesis topic

Currently, the insurance industry is one of the industries that have played an important role in social stability and economic development. After more than two years of the Covid-19 pandemic spreading around the world as well as in Vietnam, the global economy has suffered enormous negative impacts. Looking at this situation will clearly see the role of the insurance industry and the need to develop the insurance industry in general and insurance enterprise in particular in order to contribute to stability and socio-economic development. Besides, the demand for equitization and mergers and acquisitions of insurance enterprise in recent years is much higher than previous years in both quantity and quality. big. Brand in insurance enterprise also becomes a key factor for insurance enterprise to achieve success; With a good brand, insurance enterprise will gain a large number of traditional customers, gain the trust of regulators, the respect of competitors and the love of the whole society. Therefore, the brand value of insurance enterprise becomes increasingly important in areas such as: brand valuation as a valuable asset on the balance sheet, mergers and acquisitions. insurance enterprise, methods of accounting and tax payment, issuance of securities to raise capital for franchising insurance enterprise...

It is very important to research and propose a standard and accurate concept of the brand, to study the theory as the basis for the determination of brand value, to detail the methods of determining the brand value necessary. So how to determine the brand value of insurance enterprise with a specific financial figure, while accepting the presence of the economic value of the insurance enterprise's brand quite widely is an open question. Many managers are interested. The current brand valuation methods still have many incomplete points such as not much information for valuation, there is still a lack of objectivity and accuracy in forecasting financial indicators for brand valuation...

From those urgent values in practice, the author has chosen the problem "*Brand valuation method of insurance enterprises in Vietnam*" for the thesis research topic.

2. Overview of research related to the topic

When referring to the method of brand valuation of insurance enterprise, the author focuses on such contents as: brand, brand valuation and brand valuation method. On this basis, the author will summarize according to the main array mentioned above, but in order to closely assess the research situation

as well as in accordance with the research scope, the author will summarize in two research groups: research by a group of foreign authors and research by a group of domestic authors. For each research group, the author will summarize under two main contents: brand - brand valuation and brand valuation method.

3. Research purpose

3.1 General Objectives

Research on the current situation of insurance enterprise's brand valuation method in vietnam, find out the incompleteness of each method when applying it in practice, and propose solutions to improve the trade value method brand insurance enterprise in vietnam.

3.2 Specific goals

- Systematize the theory on the method of valuation of brand insurance enterprise.
- Analysis of the current situation of the method of brand valuation of insurance enterprise in Vietnam.
- Test the impact of factors affecting the application of the method of brand valuation of insurance enterprise in Vietnam.
- Assessment of the current status of the method of brand valuation of insurance enterprise in Vietnam.
- Proposing some solutions to improve the method of brand valuation of insurance enterprise in Vietnam.

4. Object and scope of research

4.1 Research object

The research object of the thesis is the method of brand valuation of insurance enterprise in Vietnam.

4.2 Research scope

- About the content: the thesis studies on the method of brand valuation insurance enterprise in Vietnam.
- About space: research thesis on brands and methods of brand valuation in insurance enterprise throughout the territory of Vietnam. Especially, case study method of brand valuation Bao Viet Group follows the advanced valuation model in the world Interbrand.
- About time: the thesis limits the scope of research from 2010 to 2021 and proposed solutions with a vision to 2030.

5. Research Methods

- ***Methodology:*** The thesis is researched and implemented based on dialectical materialism, historical materialism combined with logical thinking and science.

- ***Technical method:*** The thesis uses a combination of qualitative and quantitative research methods, in which, qualitative methods are used to analyze the current situation of brand valuation method of insurance enterprise in Vietnam.

**** For documentary research***

Using the method of overview research: Collecting and systematizing documents and research works on theory and practice at home and abroad related to the topic; evaluate and generalize the achievements and outstanding problems to find gaps in research; provides proofs of the non-duplication of the research topic and is a new, independent research work of the author.

**** For qualitative method***

The purpose of the qualitative research is to study the current status of the insurance enterprise brand valuation method in Vietnam. To conduct qualitative research, conduct in-depth interviews with individuals and experts and conduct group discussions.

Using the case study method, the thesis uses this method to apply valuation for a specific insurance enterprise that is Bao Viet Group.

Using group discussion tools and consulting experts to calibrate the scale and complete the survey questionnaire.

Using the in-depth interview tool to meet and directly interview subjects who are managers at all levels in the business, appraisers to collect information more specifically.

Using the document review tool to synthesize secondary theoretical data related to the brand value method to build a theoretical basis for research and survey content.

**** For quantitative method***

Formal quantitative research, this is the final stage of the research process. Accordingly, the author conducts a formal investigation by surveying the opinions of financial experts and appraisers about the factors that affect the application of the method of brand valuation of insurance enterprises in Vietnam. The survey information will be evaluated by the author for the reliability of the scales again through Cronbach's alpha coefficient and EFA factor analysis. Next, the author also carried out statistical analysis methods to evaluate and analyze the influence of factors on the application of the method of brand valuation of insurance enterprises in Vietnam.

6. Theoretical and practical significance

*** *Theoretically***

In Vietnam today, there are very few studies on brand valuation in general and brand valuation of insurance enterprises in particular. The thesis systematizes and further clarifies the theoretical issues related to brand valuation and the content of the brand valuation method. Especially clarifying the factors affecting the application of this method in practice as well as learning lessons learned from some developed countries in the world and in the region.

*** *On the practical side***

+ The thesis has systematically reflected and analyzed the current situation of the brand valuation method of insurance enterprises in Vietnam, testing the impact of factors on the level of application of the brand valuation method. insurance industry in Vietnam.

+ Proposals and recommendations on orientations and solutions to improve the brand valuation method of insurance enterprises in particular in Vietnam in the coming time.

7. Thesis structure

In addition to the introduction, conclusion, list of tables, illustrations and list of references, the thesis is designed into 03 chapters:

Chapter 1: General theory on brand valuation methods of insurance enterprises and international experience

Chapter 2: Actual situation of brand valuation method of insurance enterprises in Vietnam

Chapter 3: Solutions to complete assessment methods of insurance enterprises in Vietnam

Chapter 1

GENERAL THEORY ON BRAND VALUATION METHODS OF INSURANCE ENTERPRISES AND INTERNATIONAL EXPERIENCE

1.1. Brand valuation of insurance companies

1.1.1. Overview of insurance companies

1.1.1.1. Insurance business concept

Insurance enterprise means an enterprise established, organized and operating under the provisions of the Law on Insurance Business 2022 and other relevant laws for insurance business, reinsurance business, and reinsurance transfer. insurance enterprise offers many different types of insurance to protect individuals and businesses against the risks of financial loss by pooling the risks of many policyholders.

1.1.1.2 The role of insurance enterprises

Insurance and insurance enterprises have always played an important role, with two main roles being economic and social.

a. Economic role of us insurance enterprises

(1) Insurance contributes to financial stability of organizations and individuals participating in insurance

(2) Insurance acts as a financial intermediary, mobilizing capital and meeting capital needs for the economy.

(3) Insurance supports foreign investment in Vietnam, promoting international economic integration.

(4) Insurance contributes to stabilizing the State budget

b. Social role of us insurance enterprises

(1) Insurance contributes to avoiding risks, limiting losses, and ensuring safety for the economy and society.

(2) Insurance enterprise creates more jobs for employees

(3) Insurance creates a thrifty lifestyle and brings a state of mental security to society.

1.1.1.3 Characteristics of us insurance enterprise

Firstly, insurance enterprise is a type of business with specific characteristics, having financial business activities, mainly regular and professional in insurance business.

Secondly, insurance enterprise has diverse business objects, corresponding to different types of insurance enterprises, the objects of insurance business are also different.

Third, insurance enterprise is a type of business enterprise with large capital resources and must always have an insurance reserve.

Fourth, business activities of insurance enterprises must comply with the provisions of relevant laws and international treaties.

To manage the insurance business, most countries in the world assign it to a certain state management agency. This is also the feature that distinguishes insurance enterprise from other businesses in the economy.

1.1.2. Insurance company brand

1.1.2.1. Insurance business brand concept

a. Us insurance enterprise brand

b. Insurance company brand

1.1.2.2. Meaning of the us insurance enterprise brand

a. For the us insurance enterprise- help insurance

- enterprise have a large and loyal customer base
- Help insurance enterprise reduce risk
- Help insurance enterprise reduce costs
- Help insurance enterprise attract dedicated and talented employees

b. For customers

- Brand helps customers distinguish good brands
- A brand has the role of affirming the personality, personality, and unique image of each individual using that brand in the eyes of others.

1.1.3. Brand valuation of insurance companies

1.1.3.1. Brand value of insurance enterprises

"Brand value of an insurance enterprise is the financially meaningful value that customers are willing to pay when purchasing a brand or part of a brand associated with the brand's products or services. brand, etc. With insurance enterprise, brand value is the guarantee of the brand's own income streams to the insurance corporation".

1.1.3.2. Brand valuation of insurance companies

a. Concept

The framework of the study concurs with the view that the ultimate goal of brand valuation is to determine the financial value of the brand based on the economic benefits that the brand generates now and in the future. . Therefore, brand valuation of insurance enterprise is conceptualized:

"Valuation of an insurance company's brand is a set of tasks aimed at calculating the financial value of an insurance enterprise's brand".

b. Principles of brand valuation in insurance enterprises

Principles of brand Valuation are opinions and concepts that have been universally and widely recognized in socio-economic life, are rules - behavioral standards that price appraisers need to adhere to in the process. valuation

process. There are quite a few pricing principles out there, but there are a few key fundamentals:

- Principles of best and most effective use
- Principle of predicting future benefits
- Substitution principle
- Principle of contribution
- Principle of supply and demand

c. Valuation process

The valuation process is a systematic sequence of activities that a valuer usually follows to estimate and arrive at a final conclusion about the value of a property that is reasonable and reliable. trust.

Step 1: Determine the general property to be valued and determine the market or non-market value as a basis for valuation

Step 2: Make a pricing plan

Step 3: Field survey and information collection

Step 4: Analyze the information

Step 5: Determine the value of the assessed property

1.2. Brand valuation method

Branding of insurance enterprise and brand valuation of insurance enterprise is a new issue, understanding the brand insurance enterprise's to provide a standard and appropriate method for brand valuation is necessary. An insurance enterprise is also a common service business, so the methods used in brand valuation of insurance enterprise also apply the usual valuation methods like other businesses. Some basic methods like insurance enterprise are based on market approach, cost approach, income approach.

1.2.1. Brand valuation method based on market approach

a. Method content

The market-based brand valuation method is a good approach because the brand value is established based on the information available in the brand market, the brand value is only established when the demand side price The offered brand is equal to the supply side price of the desired brand.

b. Advantages, limitations and conditions of application

- Advantage

Relying solely on the presence of market transactions to provide an indication of value, this valuation method has no fixed formula or model. Technically, this method does not require formulating or computational modeling, just finding recognized evidence of comparable brand value in the marketplace.

Being objectively assessed by the market, through clear evidence, and recognized in reality about the brand value, it should have a solid basis for recognition by customers and authorities.

- Limit

+ There must be transactions of buying and selling similar brands in the market to have a basis for comparison.

+ Unlike real estate valuation, many expenses and incomes in implementation research are difficult to separate clearly for tangible assets, especially brands.

- Conditions apply

Information quality must ensure that it is relevant, complete, reliable and verifiable.

+ Must ensure the stability of the brand's market, when the market fluctuates, it will lead to large errors, even though the comparison objects may be similar in many aspects.

+ Using a number of methods in valuing the insurance enterprise's brand based on the market approach: comparison method, average ratio method, transaction price method.

1.2.2. Brand valuation method based on the cost approach

a. Method content

The method, initiated by Aaker in 1991, is considered the easiest to implement because brand equity is measured by the total marketing costs to create or replace a brand.

b. Advantages, limitations and conditions of application

- Advantage

+ This method is used when the market does not have suitable evidence for comparison.

+ Applying this method requires the expertise and experience of the appraiser, if the appraiser has a high level of expertise and experience.

- Limit

+ the brand valuation of the insurance enterprise based on the cost approach must also rely on market data, so the limitations of the market approach are also limited of the brand valuation based on the cost approach.

+ Appraisers using this method require a lot of experience, professional qualifications and especially proficiency in construction techniques.

- Conditions apply

When detailed data on the costs of creating a brand are available, especially when appropriate for the purposes of determining the non-market value of the brand.

1.2.3. Brand valuation method based on income approach

a. Method content

Derived from Aswath Damodaran's discounted cash flow method of valuing assets in 1996. This valuation method is suitable when the brand is not

or has no intention to buy and sell, the results of the method reflect the potential of the brand. trademark to future owners. The results from this method also have a reference value when the brand has its own market and is traded on it.

Determine the financial value of the brand based on the net present value of the superior benefits or profits of the insurance enterprise or value

b. Advantages, limitations and conditions of application

- Limit

This method requires valuing current assets and forecasting future earnings. Therefore, it is also not immune to the limitations of asset valuation techniques, such as: valuation of special assets, not available on the market, potential liabilities... and the ability to pay attention when estimating parameters such as future profits, present ratio ...

- Advantage

+ Clearly, the parameters have a reliable and reasonable basis for evaluation and prediction.

- Conditions apply

When valuing brand assets, they combine with other assets in an asset class to generate cash flow. In which, the brand that needs to be appraised has a major impact on the income stream, the contribution from other assets is not major.

1.3. Factors affecting the application of brand valuation methods of insurance enterprises

The process of applying the brand valuation method in insurance enterprises is influenced by many objective and subjective factors. Reviewing and evaluating these factors is necessary in providing solutions to improve the quality of brand valuation of insurance enterprises. Normally, the brand valuation of the insurance enterprise is influenced by the following factors:

1.3.1. Group of subjective factors

1.3.1.1. Qualification of the appraiser

The key factor that determines the quality application of the methods of brand valuation of insurance enterprise is the human factor, especially the valuer, who directly conducts the appraisal, with a high level of competence. Professional competence is one of the prerequisite and basic requirements.

1.3.1.2. Enterprise size

Gordon et al. (1981) argue that firms with large revenues and assets tend to set prices higher than competitive prices while small firms tend to price competitively. . Guiding et al. (2005) when considering the relationship

between firm size and valuation, argue that cost-based pricing is only suitable for firms that set prices, mainly those with large scale and high-quality products. distinctive.

1.3.1.3. Level of information collection

Valuation of brand value of insurance enterprises is conducted on the basis of information collected from many sources. In particular, when applying the brand value valuation methods, it is required to analyze a very large amount of input information, from macro information to information about the internal information of the insurance enterprises to be valued. . Therefore, information is an important factor that has a great impact on the application of the brand value valuation method. The collection of correct, sufficient and reliable information will create conditions for the appraiser to make objective and accurate assessments. On the contrary, if the information is not accurate, the whole validation process from beginning to end makes no sense even using modern computational methods; or lack of information will lead to poor appraisal quality or impossible to conduct valuation.

1.3.1.4. Business strategy of the enterprise

Business strategy: Porter (1985) argues that differentiation leads to efficiency. In a market where the product is differentiated from other similar products, cost-plus pricing approach will become important in setting selling prices to ensure the company's revenue. differentiated products or services will outweigh the costs of creating that difference.

1.3.2. Group of objective factors

1.3.2.1. Legal system

The legal environment for business is institutionalized into rights and obligations for both business entities and state management agencies; including the legal regulations in guiding documents and the effectiveness of the organization and implementation of the legal provisions through the activities of the State management agencies. The basis for valuation activities must be based on legal documents to ensure standardization as well as minimize risks in this field. Therefore, the timely issuance of legal documents is an indispensable and objective requirement for activities in the economy in general and valuation activities in particular.

1.3.2.2. The level of competition

Competition is a law of the market economy, not only a driving force for economic development and regulation of the market system, but also an important factor in healthy social relations. for insurance enterprises too, the

competition between insurance enterprises takes place fiercely to find customers, expand market share and thereby the goal is to earn more profits.

1.4. International experience related to brand valuation methods and lessons learned for Vietnam

This content presents different brand valuation methods used by brand valuation service providers from around the world and models developed by renowned scholars in the field. This area. Each model is described according to its methodology, as well as its advantages and disadvantages, where appropriate, the different applications of each method are described in this section.

CONCLUSION CHAPTER 1

Chapter 1 of the thesis has systematized the theory of the method of brand valuation of insurance enterprises in Vietnam. NCS has given a conceptual point of view, thereby clarifying the nature and role of the brand, brand valuation, brand valuation method of insurance enterprises in Vietnam. With the orientation to perfect the method of brand valuation of insurance enterprises in Vietnam, the author has analyzed the basic contents of the method of brand valuation of insurance enterprises in Vietnam: brand identity, price. brand value, determining the method of determining brand value in insurance businesses. The thesis has also studied the factors affecting the application of the method of brand valuation of insurance enterprises in Vietnam. In addition, the thesis has studied the experience of three developed countries in the world on brand valuation methods, how to determine brand value. of these countries. From there, lessons learned for Vietnam in the application of the brand valuation method can be drawn.

Chapter 2

ACTUAL SITUATION OF BRAND VALUATION METHOD OF INSURANCE ENTERPRISES IN VIETNAM

2.1. Overview of insurers and the need for valuation of insurers in Vietnam

2.1.1 Overview of insurance enterprises in Vietnam

2.1.1.1 The process of formation and development of the insurance enterprise system in Vietnam

Compared to the birth and general development of the world insurance industry, the insurance industry in Vietnam was born quite late due to many

different objective and subjective reasons. In the process of renewing the country's economy, opening up to attract foreign investment, along with the introduction of many types of insurance, there has also been a diversified and strong development and an increasingly important role. in life as well as affecting other professions in society, gradually catching up with the general development trend of regional and international insurance.

2.1.1.2 Characteristics of insurance enterprises in Vietnam

In the context that the world and domestic economies still have many unpredictable and unstable developments due to the covid-19 pandemic, the Vietnamese insurance market still maintains its growth momentum and increasingly shows its important role and position. important to the economy and society.

In the context that the world and domestic economies still have many unpredictable and unstable developments due to the Covid 19 pandemic, insurance enterprises in Vietnam still maintain their growth momentum and increasingly show their role and position. important role for the economy and society.

insurance enterprise in Vietnam has some key characteristics as follows:

- The number of enterprises participating in the Vietnamese insurance market is increasing, especially the big-name insurance companies in the world such as Manulife Vietnam, Prudential, Dai-ichi Life, AIA... This is creating to create a vibrant insurance market, bringing many competitive and diverse products to all participants. The number of insurance enterprises from 2015 is 61 enterprises, by 2021 there will be 15 new insurance enterprises entering the market (both domestic and foreign) demonstrating the attractiveness of the Vietnamese market and the greatness of the market. development of insurance enterprises.

- The scale of assets of insurance enterprises also increased strongly, increased from more than 202,378 billion VND to more than 700,000 billion VND, tripled after the year of operation and development

2.1.2 Demand for brand valuation of insurers in Vietnam

Although building and developing the brand has been interested and focused by Vietnamese insurance enterprises in recent years, brand valuation of insurance enterprise is still an open issue. State legal documents in the field of insurance enterprises have not mentioned the insurance enterprise brand in general and the insurance enterprise brand valuation in particular.

In the growing wave of M&A, the M&A demand of vietnam insurance enterprises in recent years has also increased in volume and value of deals. The

common feature of these mergers and acquisitions is that a foreign company acquires a part of the capital of an insurance enterprise in Vietnam. The purchase value is often higher than the book value of the insurance enterprise, which indicates the strong presence of the insurance enterprise's brand value.

2.2. Actual situation of brand valuation method of insurance enterprises in Vietnam

The methods of valuing brand names of enterprises in general and of insurance enterprises in particular when valued by companies in Vietnam are the methods promulgated in the standard system of Vietnamese valuation. Before the new standard system of approaches in the valuation of cultural assets, the valuer applied a combination of different valuation methods.

2.2.1 Actual situation of brand valuation method of insurance enterprises based on the approach from the market

2.2.1.1 Current status of legal regulations

The market approach in valuation is mainly guided in the Vietnam Valuation Standard No. 13 of the Ministry of Finance. The Vietnam Valuation Standard No. 13 stipulates the contents of the market approach, reference information when applying the market approach, and the cases in which the market approach is applied.

- The content of the approach is based on the approach from the market

The value of the brand to be appraised is determined based on the comparison and analysis of information of similar brands with transactional prices in the market. Select and analyze in detail the characteristics and similarities of the brand compared with the brand to be appraised

- Reference information when applying the approach from the market

The successful transaction price, the asking price, the bid price... of the brand is similar to the brand to be appraised; The location and market conditions at the time of the transaction, the motives of the buyer and seller, the payment terms and other factors relevant to the transaction; Adjustments are needed for prices and adjustment factors to reflect the difference between the brand under appraisal and similar brands for comparison.

- In case of applying the market approach:

When there is information about a similar brand that is traded or licensed to use or has a trading market; When it is necessary to compare results with other valuation methods. In addition, other specific contents of the market approach are carried out in accordance with the appropriate content guided in other Valuation Standards.

2.2.1.2 Actual situation of method application

brand valuation method is chosen by 33% of appraisers when it is used to value businesses in general and brand valuation in particular.

The methods in the brand valuation method are based on the market approach used when valuing the insurance brands including the average ratio method, the transaction price method. During the survey, companies and valuers most often use the average ratio method with the use rate up to 49%, followed by the transaction price method with the usage rate of 35%, In addition, companies and valuers use a combination of both the weighted average and the proportional transaction price method.

2.2.2. Actual situation of brand valuation method of insurance enterprises based on the approach from cost

2.2.2.1 Current status of legal regulations

- The content of the approach from cost

The current system of Vietnamese valuation standards considers the cost approach as one of the most basic approaches in property valuation in general and brands in particular. The cost approach estimates brand equity based on the cost of recreating the prototype-like brand with the asset to be valued or the replacement cost of creating a similar brand with the same function, use at current market prices.

Information required to apply:

+ For the regeneration cost method: information on the cost required to recreate the brand that is similar to the brand under appraisal; For the alternative cost method: Information about the cost required to create a brand that functions similarly to the brand under appraisal;.

- Applicable cases:

+ For the renewable cost method: When there is information, detailed data on the cost of creating a cultural asset, especially when it is suitable for the purpose of determining the non-market value of the intangible asset to be valued; For the replacement cost method: When there is information, detailed data on the cost of creating the brand, when the asset continues to be used by the owner.

2.2.2.2 Actual situation of method application

The cost-based brand valuation method is one of the most basic methods in valuing assets in general and brands in particular because the Vietnamese market often does not have enough information or accuracy. low accuracy of information in the market to apply the market approach and the income approach.

This is the method chosen by 49% of companies and valuers when valuing businesses in general and brand valuation in particular. The determination of the brand value in enterprises is usually determined when determining the enterprise value of insurance enterprise.

Through a survey of 185 valuers in general, the majority of companies and valuers use the asset method as one of the important methods when valuing brands.

2.2.3 Actual situation of brand valuation method of insurance enterprises based on income-based approach

2.2.3.1 Current status of legal regulations

The brand valuation based on income is stipulated in the Vietnam Valuation Standard No. 12 and the Vietnam Valuation Standard No. 13.

2.2.3.2 Actual situation of method application

The brand valuation method based on the income approach is the method used by large companies and corporations in the world specializing in brand valuation. However, in Vietnam, the rate of using this method is still quite low, specifically at 18%.

There are three main methods of higher education in the approach to income, including the pre-use method of cultural assets, the excess profit method and the incremental income method. But because the data to calculate the pre-use method is difficult to estimate, it is rarely used in brand valuation with the percentage of users less than 3%. For the excess profit method and the rising income method, the data can be applied, so the application rate of these two methods when valuation is up to 97%.

2.3. Actual situation of factors affecting the use of brand valuation method of insurance enterprises in Vietnam

The purpose of studying the factors affecting the level of application of the brand valuation method in insurance enterprises in Vietnam is to see the influencing factors and how much or little influence on the application of brand valuation. using the brand valuation method.

2.3.1 Basis for choosing research model

According to the study of Hair et al (1998), for EFA exploratory factor analysis, the minimum sample size is 5 times the total number of observed variables and is considered appropriate in the case of research using the analysis. factor accumulation.

2.3.2 Quantitative research results

This is done through the following steps:

Step 1: Check the conditions for EFA

Step 2: Extract factors to discover EFA and analyze the results of factor extraction

Step 3: Check the reliability of the factors using Cronbach's alpha and the correlation coefficient of the total variable.

Step 4: Pearson Linear Correlation Analysis

Step 5: Regression model

The dependent variable is called the variable F_PPDG. This variable is calculated as the simple average of the indicators. The independent variables are the factors F_QL => F_CT calculated by the average method. Consider the linear correlation relationship through the coefficient of determination R². According to the research results, the adjusted R² (Adjusted R Square) is 0.477, which means that 47.7% of the change in the ability to apply the brand value method in insurance enterprises is explained by the remaining 5 independent variables. again.

The normalized regression variance model is:

$$PP = 0.151F_{PL} + 0.013F_{CL} + 0.230F_{TD} + 0.134F_{TT} + 0.256F_{QM} + 0.129F_{CT}$$

2.3.3 Discussion of the results

2.3.3.1 About the influencing factors

Through the synthesis of theoretical bases on the factors that affect the level of application of the brand valuation method in insurance enterprises, the research has synthesized 6 representative factors which are: Legal (PL), Business Strategy (CL), Level of Valuation (TD), Level of Information Collection (TT), Size of Business (QM), Level of Competition (CT).

2.3.2.2. About the influence of the factors

The research results show that there are 6 factors affecting the application of the brand valuation method in insurance enterprises in vietnam and all have positive signs, which means that these factors have a great impact on the application of brand valuation. Method of brand valuation in insurance enterprises in Vietnam. According to the level of impact from high to low, the factors are arranged in the following order: Enterprise size, level of valuer, legal system, information system, business strategy, level compete.

2.4. General assessment of the current situation of applying the brand valuation method of insurance enterprises.

brand valuation is becoming more and more important and is considered an effective brand management tool, helping to calculate the economic value of the brand, contributing to support financial decisions and marketing investments.

2.4.1. Advantages of applying the brand valuation method of insurance enterprises

Taking a look at the situation on corporate value valuation methods in general and insurance enterprise brand value valuation in particular, it can be seen that the work of brand valuation of insurance enterprise has made significant progress:

- Firstly, the brand valuation method of insurance enterprises is increasingly interested in, this contributes to the more accurate valuation of insurance enterprise. Accurate brand valuation of insurance enterprise will contribute significantly to the development of the insurance industry in particular and of Vietnam's economy in general.

- Secondly, although the method of brand valuation has not yet been clearly defined, the legal framework system related to brands is generally improving, contributing to meeting practical needs. in the demand for brand valuation of insurance businesses for the purpose of merger, acquisition, divestment...

- Thirdly, methods of valuation of insurance enterprise's brand are used flexibly. Through investigation and actual survey, it is shown that the use of brand value methods has certain compliance with current legal documents.

- Fourth, the awareness of insurance enterprises in Vietnam in branding is very clear, almost all insurance enterprises think that branding is extremely necessary.

2.4.2. Limiting the application of the brand valuation method of insurance enterprises

In addition to the content that has been achieved as mentioned above, in the process of applying brand valuation methods, there are many limitations. Specifically:

2.4.2.1 For the brand valuation method based on the market approach

- Legally, the guidelines in the valuation standard 13 are basically only suitable for intangible assets in general, there is no valuation method based on the market-specific approach to assets. is the brand.

- When pricing is based on the market approach, the valuer often uses the average method to calculate the average market value indexes. However, due to the characteristics of different sizes and large differences such as charter capital and net revenue, the average market value index is not really accurate.

- Should mention the past price of the brand itself to be valued as a basis for determining the brand value based on the approach from the market. The

comparison method uses information about successful transactions, but because of the small number of deals, there is no data to compare options.

- The brand of the insurance enterprise is unique, there is no similar product and the exchange price does not reflect the real supply and demand relationship in the market. The degree of uncertainty in properly determining the value of a brand is very high.

- Brand value is determined when determining corporate value, and this value is only reflected at the present time: Because the comparison is based on actual market prices, investors have ignored factors about growth potential as well as possible risks in the future of the business.

2.4.2.2 For the brand valuation method based on the cost approach

- The instructions in the valuation standard 13 and part of the valuation standard 12 are basically only suitable for intangible assets in general, there is no valuation method based on the cost-based approach. fees are exclusive to trademark assets.

- The method of brand valuation according to the approach from cost has some complicated contents that not any appraiser can easily do, such as determining the market value of assets. operational intangibles or long-term operating assets.

2.4.2.3 For the brand valuation method based on the income approach

Through studying the experience of the UK and the US, it can be seen that the main method used in brand valuation is the income-based approach. However, in Vietnam, the valuation method based on the income approach is not really widely used.

- The guidelines in the valuation standard 13 are basically only suitable for intangible assets in general, there is no valuation method based on the income-only approach for brand assets...

2.4.2.4 Other limitations

- There are many shortcomings in the legal framework related to trademarks

- Information collection, processing and analysis
- Difficulty in accessing data

2.4.3 Causes of limitations

There are many reasons leading to the limitations as analyzed above, including both objective and subjective reasons. Pointing out these causes is an important basis for proposing feasible and synchronous solutions.

2.4.3.1 Objective reasons

Firstly, the macroeconomic policies are not stable, the legal framework on valuation, the system of valuation standards are not really complete, so the application in practice is still difficult, especially intangible categories such as brand valuation.

Second, there are still many systems of legal documents and regulations on pricing that have many shortcomings

Third, the source of reference information for brand value methods in Vietnam is almost nonexistent.

Fourth, TSVH inherently has special elements. Re-branding of intangible assets is unique and difficult to calculate compared to other intangible assets. Therefore, it is not easy to develop and give detailed and specific instructions in relevant legal documents.

2.4.3.2 Subjective causes

- Firstly, the training and retraining of expertise in valuation has not been paid much attention

- Second, because the valuation organizations themselves do not fully and properly realize the importance of brand valuation activities of insurance enterprise.

- Third, the database system on prices has not been built yet.

CONCLUSION CHAPTER 2

Chapter 2 has overviewed the current situation of insurance enterprises and method of brand valuation of insurance enterprises in Vietnam. The main content of this chapter is to analyze the current situation of the method of brand valuation of insurance enterprises in Vietnam. In particular, the thesis studies from both angles, that is: studying the legal regulations on trade valuation promulgated in relevant current legal documents and practically applying the definition method. brand prices of insurance enterprises in Vietnam today.

In addition, the quantitative research method shows that the application of brand valuation methods to insurance enterprise depends on 6 basic representative factors. Due to the limitation of research scope and time, the above research model only reflects 47% of the influence of 6 representative factors. Chapter 2 gave a general assessment of the application of the brand valuation method of insurance enterprises on both success and limitations, the causes leading to those limitations. Pointing out both objective and subjective causes is very important in proposing solutions to perfect the method of brand valuation of insurance enterprises in Vietnam.

Chapter 3

SOLUTIONS TO COMPLETE ASSESSMENT METHODS OF INSURANCE ENTERPRISES IN VIETNAM

3.1. The economic - political - cultural - social context affects the completion of the brand valuation method

3.1.1 Advantages

First, the Vietnamese economy sets a target of continuing to grow at a high rate with an average growth rate of gross domestic product (GDP) in five years of about 6.5-7% per year;

Second, the Vietnamese market still has a lot of potential for development.

Thirdly, in the era of globalization, international integration has become a common trend of all countries for development, Vietnam has integrated more and more deeply into the world, has diplomatic and economic relations with Vietnam. nearly 200 countries and territories around the world

Fourth, the fourth industrial revolution is the combination of technology in the fields of physics, digital technology and biology, creating entirely new production possibilities and having a profound impact on people's lives. economic, political and social world in various fields.

3.1.2 Difficulties

Firstly, the situation of epidemics, wars of countries in the region, natural disasters, and climate change is increasingly complicated and difficult to predict. In recent years alone, natural disasters have caused great damage to the economy in general and to the insurance industry in particular with an increasing tendency.

Second, the development of Vietnam's economy is not really stable and sustainable

Third, the industrial revolution 4.0 is taking place strongly, having a profound impact on the financial sector in general and the insurance business.

Fourthly, with international integration deepening and deepening, Vietnam faces the challenge of being directly and quickly affected by economic fluctuations from the outside, from fluctuations in the regional and world markets in terms of economic growth. prices, interest rates, exchange rates of currencies

3.2. Orientation and development goals to complete the method of brand valuation of insurance enterprises in Vietnam

3.2.1 Orientation and development goals of insurance enterprises in Vietnam

After more than 20 years of establishment and development, Vietnam's insurance market has constantly improved and grown, contributing to the country's socio-economic development in mobilizing effective long-term capital of the economy. People's demand for insurance is increasing day by day.

3.2.2 Orientation and goal of perfecting the method of brand valuation of insurance enterprises in Vietnam

Brands are of great importance to businesses, especially those providing service companies such as insurance enterprise. Determining the brand value of the insurance enterprise annually will help the company's managers to have an overall picture of their company's brand, determine the exact position of the company. in the market, from which to have the orientation and decisions that are most suitable for the company, how to attract the largest number of customers with the greatest revenue.

3.3. Some solutions to improve the method of brand valuation of insurance enterprises in Vietnam

Developing brand valuation methods is one of the important activities to be able to properly determine the value of a business brand, from which to evaluate the success and competitiveness of the enterprise in general and the business. insurance industry in particular in the market. Enterprises do not have a long-term vision, but often only invest in a certain number of times. Therefore, perfecting the brand valuation method to calculate the most accurate brand value is extremely important for insurance enterprise.

3.3.1. Main solution group

3.3.1.1 Solution on brand valuation method based on the approach from the market

Firstly, legally, it is necessary to issue more clearly on the method of brand valuation based on the market approach and brand valuation processes. The guidelines on collecting and verifying brand information in detail need to be improved, since there are no public advertisements for suppliers on the Internet, the survey evidence is the quotations of the suppliers. suppliers or financial advisors when the insurance enterprise performs M&A or according to international organizations Interbrand or Brand Finance publicize the brand value of the business.

Second, the fact shows that due to difficulties in information gathering when collecting transaction prices, appraisers often use the average ratio method to indirectly calculate brand value through the value of insurance business.

Third, supplementing the regulation on the application of past transaction prices of the brand, this provision is necessary and also in line with international practice, whereby transactions can be considered within a certain period of time. from 1-2 years to the time of valuation to serve as a basis for determining the value of the property.

Fourth, add principles or guidelines for adjusting for differences between comparable and brand-named valuations for the differentiating factors of large-lot discounting or market liquidity and profitability. control benefits.

Fifth, amend the guidelines on the comparative method in a general way, applicable to all assets, specific technical notes can be found in the asset valuation standards. specific or technical manuals, you can first see the content of instructions on the comparator adjustment table.

3.3.1.2 Solution on brand valuation method based on the approach from cost

From a basic theoretical perspective, the cost approach according to the current Vietnamese valuation standard system is consistent with international practices on valuation. However, there is still a large number of appraisers who do not fully understand and are confused in some specific cases, so there should be clearer promulgation from the practice of brand valuation methods. insurance enterprise approaches from costs such as: economic life, effective life of intangible assets, method of estimating the total market value of identifiable intangible fixed assets...

3.3.1.3 Solution on brand valuation method based on income approach

When valuing the insurance enterprise's brand, it is necessary to determine which method is appropriate to use. The choice of method has an important meaning to the collection of documents, data and related data. Which method to choose depends a lot on the opinion of the appraiser. In fact, choosing different methods will make the final result in terms of brand value will also change significantly.

Research and test the Interbrand method for brand valuation at Baoviet Insurance Group

The author uses the brand valuation method according to Interbrand's pricing model. Interbrand's brand valuation methodology is a combined market and earnings methodology used by Interbrand for its annual global brand valuation. Interbrand is the No. 1 reputable company for performing global brand valuations. interbrand's brand valuation results are recognized by many world magazines and are a reliable document of most investors in the world. Through calculation, the commercial value of Baoviet in 2021 is 17,239,175.49 million VND.

3.3.2 Some other supporting solutions to perfect the method of brand valuation of insurance enterprises

- Solutions for collecting, processing and analyzing information in brand valuation
- Improve brand awareness and brand value in insurance businesses
- Solution to complete the quality control system in brand valuation activities
- Improve macro forecasting and micro forecasting, transparent and healthy financial statements of insurance enterprises

3.4. Recommendations for state management agencies

Firstly, to build a national information database system for brand valuation activities.

Second, facilitate human resource development, form consulting centers and help enterprises in building brand value.

Third, develop a brand training system

3.5. Conditions for implementing the solution

The state management agency is a market participant, ensuring that market members comply with regulations. Therefore, improving the management and supervision capacity of the state means ensuring the market develops in a healthy way, protecting the legitimate interests of both customers and insurance enterprises, helping insurance business brand valuation work is more accurate and up-to-date.

CONCLUSION CHAPTER 3

Chapter 3 presented the economic - political - cultural - social context affecting the improvement of the brand valuation method; orientation and development goals of insurance enterprises, the goal of perfecting the brand valuation method in insurance enterprises in Vietnam. At the same time, chapter 3 gave the author's point of view in perfecting the method in the brand valuation method. Based on the point of view and development orientation, chapter 3 has proposed solutions to perfect the brand valuation method, these solutions are divided into main groups and groups of complementary solutions, specifically: : (1) The main solutions include: Solution on brand valuation method according to the approach from the market; Solution on brand valuation method according to the approach from cost; Solution on the method of brand valuation according to the income approach, in which the study applies the Interbrand model to brand valuation of Baoviet insurance enterprise; and (2) Other supporting solutions. Besides, the thesis also makes some recommendations on the conditions for implementing the solution.

CONCLUDE

insurance enterprise is a special type of enterprise in the banking and finance industry. With the positive meanings in helping customers to transfer risks, spread losses, and help insurance buyers feel secure, the development of insurance enterprise is getting stronger and stronger. As the insurance enterprise grows, the need to enhance the brand value of the business is also higher. Therefore, the study of the method of brand valuation of insurance enterprises in Vietnam is a new issue, which has important significance both in theory and in practice. Stemming from that importance, the thesis "The method of brand valuation of insurance enterprises in Vietnam" has accomplished the following contents:

Firstly, systematize and clarify the theory of brand valuation method of insurance enterprises in Vietnam.

Secondly, the thesis has studied the experience of applying the brand valuation method of insurance enterprises of 3 countries with very developed brand valuation activities in the world, namely the UK, the US, and Germany.

Third, through the survey on brand valuation methods of insurance enterprises in Vietnam, the thesis has systematically, clearly and objectively reflected on the status of brand valuation methods.

Fourthly, on the basis of research on brand valuation method of insurance enterprises in Vietnam, the thesis has researched the requirements for improvement and proposed solutions to complete the method of brand valuation of insurance enterprise In Vietnam.

Fifth, the thesis has proposed the basic conditions on the side of the State. It is also the recommendations to implement the proposed solutions.

The entire content of the thesis shows the theory and practice in the most general way about the method of brand valuation of insurance enterprises in Vietnam. Although I have tried my best, but due to limited personal knowledge, the thesis cannot avoid limitations and shortcomings, the author hopes to receive additional comments and suggestions from experts and scientists to The thesis is more complete.

LIST OF WORKS PUBLISHED BY AUTHOR RELATED TO THE THESIS

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4. Le Thi Mai Huong (2022), *Trademark and Brand Valuation Agriculture Bank Insurance Joint Stock Company*, Financial Review, Issue 2 - June (779), pp.101-104.
5. Le Thi Mai Huong (co-author) (2022), “*Research method of Brand Finance valuation and applications to brand valuation of Da Nang rubber joint stock company*”, Proceedings of the 4th International conference on Finance and Accounting for the promotion of sustainable in Private sector (FASPS-4), pages 1131-1137.