



Perceived ESG and Brand Loyalty in the Fashion Industry: The Mediating Role of Brand Love

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This study explores the impact of perceived Environmental, Social, and Governance (ESG) practices on brand loyalty in the fashion industry, with a focus on the mediating role of brand love. Using a survey of 270 young Vietnamese consumers, the research employs structural equation modeling (SEM) to analyze the effects of ESG on customer loyalty and love for the fashion brands. The results show that perceived ESG significantly affects both brand love and brand loyalty, confirming that customers are more loyal to brands they perceive as environmentally and socially responsible. Additionally, the study finds that brand love partially mediates the relationship between perceived ESG and brand loyalty, indicating that emotional attachment strengthens customer loyalty when a brand is seen as committed to sustainable practices. The findings emphasize the strategic importance of ESG initiatives for fashion brands aiming to build strong, long-term customer relationships.

Keywords: ESG, Brand loyalty, Brand love, Fashion, Consumer perception

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INTRODUCTION

Environmental, social, and governance (ESG) have recently been gaining attention as important keywords for corporate management strategies worldwide. Companies excelling at ESG are more likely to increase market share, reduce operational costs, and enhance labor productivity (Henisz, Koller, & Nuttall, 2019). Additionally, companies with strong ESG tend to have a 25 percent higher customer retention rate than those that do not focus on ESG (Axidio, 2024). As a result, ESG has become a top priority for corporate managers. Implementing ESG not only helps businesses better comply with government regulations regarding environmental protection, labor safety, and sustainable production but also aids in building and strengthening customer loyalty.

In Vietnam, consumers are increasingly concerned with social and environmental issues. Additionally, the government has been implementing strategies and programs such as the National Green Growth Strategy for the 2021-2030 period, with a vision towards 2050, and the National Action Plan on Sustainable Production and Consumption for the 2021-2030 period to promote sustainable development. These policies not only put pressure on but also encourage businesses to adopt sustainable production and business practices. As a result, more and more companies are focusing on and adopting the ESG criteria to meet stakeholder expectations.

In the fashion industry, which has a significant impact on the environment and society, the need for sustainable development becomes even more urgent. Fashion brands have increasingly emphasized the application of ESG.

For example, H&M aims to become a sustainable fashion brand with a commitment to using 100 percent recycled or sustainably sourced materials by 2030. Zara has implemented a clothing recycling program at its stores globally, including in Vietnam. Adidas has developed sustainable product lines such as Adidas Parley, which uses recycled ocean plastic.

However, there is still no clear evidence regarding the benefits that ESG can bring to fashion businesses. Theoretically, there have been many studies on ESG, but most of these studies have only explored the impact of ESG on customers' purchasing decisions (Arachchi & Samarasinghe, 2022; Bian & Panyagometh, 2023; García de los Salmenes et al., 2005; Song et al., 2024). Very few studies have been conducted to clarify the impact of perceived ESG on customer loyalty in the fashion industry.

The aim of this paper was to examine the influence of three dimensions such as environmental, social and governance of ESG (from the customers' perception) on brand loyalty through the mediation of brand love. To this end, we surveyed the consumers' perception of the ESG practices in the Vietnamese fashion industry to analyze whether perceived ESG affects brand love and brand loyalty using PLS-SEM. This analysis helps companies to understand how efficient ESG management could promote brand love, then brand loyalty.

This study is organized as follows: First, the conceptual model is described along with the associated research hypotheses. This is followed by the research methodology and findings. This study concludes with a general discussion including implications, limitations and suggestions for further research.

THEORETICAL BACKGROUND

ESG and Perceived ESG

The term ESG was first reported in "Who Cares Wins—Connecting Financial Markets to a Changing World," published by the 2004 UN Global Compact. This report emphasized that a systematic response to non-financial factors is also essential for a company to achieve sustainable growth. However, ESG is believed to derive from a more familiar concept of Corporate Social Responsibility (CSR), which was introduced in the book *"Social Responsibilities of the Businessman"* by Howard Bowen (1953). In the research literature, these terms are often used interchangeably (Koh et al., 2022; Puriwat & Tripopsakul, 2022).

ESG is a set of activities associated with an organization's relationship with its ecological surroundings, its co-existence and interaction with people, and its corporate system of internal controls (Whitelock, 2015). ESG is composed of three elements: Environment (E), Social (S), and Governance (G). Environmental factors (E) refer to activities that benefit the natural ecological environment surrounding the company and are related to climate change and carbon emissions, environmental pollution, environmental regulation, ecosystems and biodiversity, resource and waste management, energy efficiency, responsible purchasing and procurement, etc. Social factors (S) refer to activities that benefit society or people. These factors are related to customer satisfaction, data protection and privacy, community relations, supply chain management, worker safety, etc. The last element of ESG, Governance (G), is related to internal decision-making (Bae et al., 2023, Kim & Kim, 2021).

Perceived ESG can be described as the client's assessment of how good a firm is able to target the expectations of the stakeholder and obligations in the society through engaging in various spontaneous initiatives (Koh et al., 2022). Since consumers are the largest and the most important stakeholder group of a company, it is important to understand consumers' perceptions of ESG.

Brand Loyalty

One of the earliest uses of the term "brand loyalty" can be traced to marketing studies in the 1940s and 1950s. At that time, brand loyalty was studied through "brand preference" or the attitudinal aspect of loyalty (Guest, 1944,

1955). Later, Tucker (1964) defined brand loyalty as a repeat purchasing behavior that a consumer exhibits towards a brand. His definition primarily focused on the behavioral aspect of loyalty, suggesting that if a consumer continues to purchase the same brand over time, they can be considered loyal. In 1999, Oliver developed a comprehensive and widely accepted conceptualization of brand loyalty that goes beyond simple repeat purchasing behavior. Oliver's concept of loyalty integrates both behavioral and attitudinal dimensions, offering a more holistic understanding of how and why consumers remain loyal to a brand. He defined loyalty as: "A deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behavior."

Oliver's (1999) portrays loyalty as a multi-dimensional and progressive construct, beginning with cognition (cognitive loyalty), evolving into emotional attachment (affective loyalty), and culminating in active (conative loyalty) and committed loyalty (action loyalty). This framework is highly influential in contemporary marketing research.

Brand Love

Brand love refers to the degree of emotional attachment a satisfied customer has towards a particular brand (Carroll & Ahuvia, 2006). Ahuvia et al. (2008) define brand love as consisting of three key components: 1) cognitive brand love, which involves brand-related beliefs; 2) affective brand love, which refers to emotions associated with the brand; and 3) conative brand love, which reflects the willingness to invest in the brand and the desire to use it. Rauschnabel and Ahuvia (2014) further categorized brand love as a higher-order concept that strengthens and enhances positive consumer-brand relationships.

Direct Effect of ESG on Brand Loyalty

There is limited research examining the impact of ESG on customer brand loyalty, with most studies focusing in the service sector. In the hospitality industry, Kim and Lee (2015) found that customers who perceive a hotel as socially responsible tend to be more loyal, which benefits brand equity. Similarly, studies by Ajour El Zein et al. (2019), Bansal and Pruthi (2021), and Guan et al. (2021) reveal that ESG activities in the service sector foster customer loyalty. In the context of rural banks in Ghana, integrating ESG practices through digitalization can influence stakeholder perceptions and engagement with the bank, which can also impact customer loyalty and the overall brand value (Sarpong et al., 2023).

Today, building strong, long-term, and close relationships with customers has become a priority for businesses. In addition, businesses need to meet customer expectations regarding corporate environmental, social, and governance activities (Raza, Rather, et al., 2020; Raza, Saeed, et al., 2020). Maignan (2001) found that customers tend to support socially responsible organizations in different countries.

The impact of ESG on customer loyalty is reflected in customer attitudes and behaviors. A study by Mandhachitara and Poolthong (2011) on the impact of ESG activities on customer brand loyalty in the Thai retail banking sector provides insight into this relationship. The study showed that ESG activities positively impact customers' attitudinal loyalty, while having a less significant effect on behavioral loyalty. This suggests that ESG activities can foster positive customer feelings and attitudes toward a brand, though these factors may not necessarily lead to repeat purchases. Additionally, perceived service quality has been shown to impact both attitudinal and behavioral loyalty, highlighting the importance of quality service in building and maintaining customer loyalty.

Indirect Effect of ESG on Brand Loyalty

Previous studies show that ESG activities affect customer brand loyalty through mediating factors such as brand image, customer satisfaction, and brand love. Studies have frequently examined the mediating role of brand image

and customer satisfaction (Aslam et al., 2023; Lee, 2019; Park & Kim, 2019). ESG activities enhance brand image, thereby increasing customer loyalty (Puriwat & Tripopsakul, 2023). Likewise, Koh et al. (2022) illustrate this relationship.

Recently, brand love has been found as a significant mediator between ESG and customer loyalty. The impact of ESG activities on customer loyalty through brand love is a relatively new area of focus but remains under-researched. Increased awareness of social and environmental issues has spurred companies to adopt ESG practices more actively. These actions not only meet regulatory and ethical demands but also aim to strengthen relationships with customers. Research shows that ESG activities substantially improve customer loyalty, especially by fostering brand love. By exploring brand love in depth, we gain a more comprehensive understanding of consumer emotions toward the brand (Carroll & Ahuvia, 2006). In this study, the authors will focus on the mediating role of brand love in the relationship between perceived ESG and customer brand loyalty.

Hypothesis Development

Perceived ESG and Brand Loyalty

Previous empirical studies have indicated the impact of perceived ESG on brand loyalty. Bansal and Pruthi (2021) showed that banks could enhance customer loyalty when actively engaging in ESG. Furthermore, Kim and Lee (2015) found that in the hospitality industry, ESG activities such as minimizing adverse impacts on ecosystems and the environment and using recycled materials, contributed to increased customer loyalty, making customers to return more frequently and use hotel services more often. Therefore, the following research hypothesis was established to verify the correlation between perceived ESG and brand loyalty:

H1. Perceived ESG has a positive impact on brand loyalty.

Perceived ESG and Brand Love

Perceived ESG has been demonstrated to have a positive impact on brand love. For example, Bhattacharya and Sen (2004) proposed a framework to explore when, why, and how CSR initiatives lead to consumer internal responses (e.g., awareness, attitudes, attachment), then external ones (e.g., word of mouth, purchase, and loyalty). In a similar vein, Puriwat and Tripopsakul (2023) indicated that ESG is significantly and positively related to brand love and loyalty. The effects of ESG on brand love and loyalty are larger for low-product-involvement respondents than for high-product-involvement respondents. In addition, the effect of ESG on brand love was found to be stronger among younger age groups than among older age groups. Based on this reasoning, we propose the following hypothesis:

H2. Perceived ESG has a positive impact on brand love.

Brand Love and Brand Loyalty

Brand love is “the degree of passionate emotional attachment a satisfied consumer has” for a brand (Carroll & Ahuvia, 2006: 81). As multi-faceted construct, brand love includes a range of consumer emotions, behaviors and cognitions. Extant research has identified brand loyalty, word of mouth, resistance to negative information about the brand and consumer willingness to pay a premium as the key consequences of brand love (Albert & Merunka, 2013; Batra et al., 2012; Thomson et al., 2005). Nawaz et al. (2020) found that brand love is one of the significant antecedents of brand loyalty. The more customers love a brand, the more loyal they become to it. Moreover, for brands they love, customers have a positive attitude towards the brand and exhibit repeat purchasing behavior,

which increases brand loyalty (Albert et al., 2008; Carroll & Ahuvia, 2006; Robertson et al., 2022). Based on the above arguments, we propose the following hypothesis:

H3. Brand love has a positive impact on brand loyalty.

Brand Love as Mediator Between Perceived ESG and Brand Loyalty

Previous studies have shown that ESG improves brand loyalty, particularly through fostering brand love. Lee and Rhee (2023) found that social and governance activities affect brand loyalty through brand image, brand attitude, and brand attachment. Moreover, Puriwat and Tripopsakul (2023) revealed that brand love partially mediates the effect of ESG on brand loyalty. Based on the above arguments, we propose the following hypothesis:

H4. Brand love mediates the relationship between perceived ESG and brand loyalty.

Figure 1 presents the research model and hypotheses of the study.

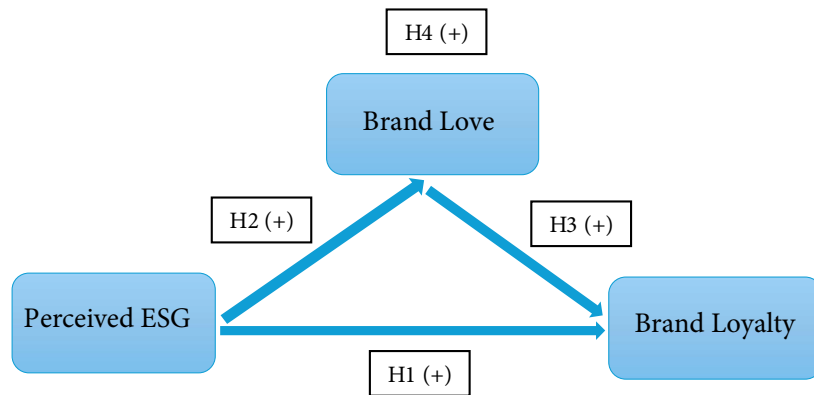


Fig. 1. Research model: perceived ESG, brand love, and brand loyalty

Source: Diagram by the authors

METHODOLOGY

Research Context

The context for this study is the fashion industry in Vietnam. In recent years, Vietnam fashion market has experienced steady growth and is forecasted to continue expanding in the future. According to AZ's research, the average spending by Vietnamese people on fashion accounts for 13.9 percent of their total spending, ranking only behind spending on food (32.9 percent) and savings (14.9 percent). In 2022, following recovery from the Covid-19 pandemic, the fashion market generated 2.23 billion US dollars, with an expected annual growth rate of nearly 15 percent. This development is driven by multiple factors, especially the increase of middle class consumers, rising demand, the growing popularity of online shopping, and international fashion brands expanding into Vietnam.

In addition, there has been a growing interest in sustainable fashion in Vietnam. Consumers are increasingly shifting toward minimalist and environmentally friendly products. Fashion enterprises are working to reduce their environmental impact by using recycled materials, reducing waste, and improving labor conditions. This shift not only aims to meet increasingly strict legal regulations but also attracts environmentally conscious consumers.

Data Collection

We conducted a survey of 270 Vietnamese consumers aged 18-30, primarily residing in Hanoi and Ho Chi Minh City. This group of consumers was selected because they have a strong understanding of and special interest in environmental and social issues. Moreover, this group plays an important role in shaping trends in the fashion industry. Meanwhile, the middle-aged group, aged 31-35, may have more established fashion tastes and are less likely to change their shopping choices.

The survey questionnaire consisted of questions using a 5-point Likert scale: ESG encompasses three main pillars: environmental, social, and governance. While there are not many studies utilizing scales to measure customer perceptions of a company's ESG activities, a few notable studies exist. The scale for measuring customers' perceived ESG was adapted from the studies by Lee and Rhee (2023). Additionally, this scale has been referenced, modified, and widely used in various studies, including those by Galbreath (2013), Min and Kim (2019), Kim (2018), and assessment categories from the U.S. Dow Jones Sustainability Index (DJSI) (2022), the MSCI ESG Index (2022), and the K-ESG Guidelines from South Korea (2021).

To measure brand love, the scales from Carroll and Ahuvia (2006) and Mohammadian and Karimpour (2014) were referenced. This study adopts the approach of Rodrigues and Costa (2017), which formed a six-item scale for measuring brand love.

Brand loyalty is typically measured through two components: behavioral loyalty and attitudinal loyalty. Previous studies on these components include those by Jacoby and Chestnut (1978), Maignan et al. (1999), Walsh et al. (2009), Zeithaml et al. (1996), and Selnes (1993). For measuring attitudinal loyalty, the scale from Maxham (2002) is commonly used. For behavioral loyalty, the scale by Reynolds and Arnold (2003) is frequently referenced. In this study, the author employs the six-item scale developed by Walsh et al. (2009). The survey questionnaire is presented in Appendix 1.

Data Analysis

The analysis of variance (ANOVA) was used to describe the differences between groups in terms of customers' perceived ESG and their brand loyalty across demographic variables. This analysis was conducted using SPSS 26.0 software. For the purpose of hypothesis testing, structural equation modeling (SEM) was applied. Before testing the research hypotheses, the scales were evaluated through Cronbach's Alpha Analysis, Exploratory Factor Analysis (EFA), and Confirmatory Factor Analysis (CFA).

RESEARCH RESULTS

Descriptive Statistics

A self-completed online survey was utilized to obtain the data. Consumers were asked to recall their most recent experience with any firm's attempts to implement or advertise their environmental, social, and good governance policies. They were then given a questionnaire to complete regarding their opinions of various ESG initiatives. Demographic characteristics were analyzed using descriptive statistics in SPSS. The survey sample consisted of 270 young customers, aged 18 to 30, mainly living in big cities such as Hanoi and Ho Chi Minh City. The 18-30 age group, a demographic notable for its frequent internet use, demonstrated active interest in fashion trends and consistently kept up with both domestic and international styles. The majority of respondents have educational qualifications ranging from vocational to university level and an above-average income. According to Table 1, males made up 40 percent of participants, while females provided 55.6 percent of total responses. The majority of respondents (53.7 percent) were between the ages of 18 and 24, with a college or university bachelor (67.4 percent). This distribution highlights the diversity in educational backgrounds and occupations among the customers

participating in the study, providing a comprehensive basis for analyzing their perceptions and behaviors. In terms of monthly spending on fashion, the majority of customers reported spending between 1 to 2 million VND, accounting for 38.5% (104 participants) of the total. Following this, 30.7% of customers spent between 500,000 and 1 million VND per month. Additionally, 23.3% of respondents reported spending over 2 million VND, while only 7.4% spent less than 500,000 VND per month. These figures indicate that a significant portion of customers have a sufficiently large spending capacity to meet their fashion shopping needs, reflecting the economic potential of this demographic for fashion brands.

Cronbach's Alpha Analysis

To test the reliability of the scales used in the study, we calculate the Cronbach's Alpha coefficient for each variable. The results show that all scales have Cronbach's Alpha values above 0.7, indicating high reliability of the measurement variables. This ensures that variables such as perceived ESG, brand love, and brand loyalty are evaluated accurately and consistently.

Table 1. Demographic profile of respondents

	Variables	N	Percentage
Gender	Male	108	40.0
	Female	150	55.6
	Other	12	4.4
Age	18-24	145	53.7
	25-30	125	46.3
Education	High school	7	2.6
	College / University bachelor	182	67.4
	Postgraduate	81	30.0
Residential area	Ha Noi	93	34.4
	Ho Chi Minh City	91	33.7
	Other city	71	26.3
	Rural area	15	5.6
Monthly Income (VND)	Less than 5 million	62	23.0
	5–10 million	48	17.8
	10–15 million	123	45.6
	More than 15 million	37	13.7
Monthly spending on fashion (VND)	Less than 500,000	20	7.4
	500,000–1 million	83	30.7
	1–2 million	104	38.5
	More than 2 million	63	23.3

Source: Survey of the authors

Table 2. Cronbach's Alpha coefficient of the variables

Code	Variable	Cronbach's Alpha
ES	Perceived ESG	0.913
BLV	Brand love	0.93
BLY	Brand loyalty	0.9

Source: Authors' analysis

Exploratory Factor Analysis (EFA)

EFA was conducted to identify and group the observed variables into latent factors. Based on the factor analysis results, the variables were reduced to three main factors. The KMO index reaches 0.874, indicating that the model is suitable for exploratory factor analysis. Bartlett's test is significant with Sig. = 0.000, demonstrating that the observed variables are correlated. In the EFA, only factors with an Eigenvalue greater than 1 are retained, and the total variance explained is 71.915 percent, indicating that the model is appropriate.

Evaluation of the Measurement Model

A bootstrapping method with 270 samples was employed to test the assumptions. The measurement model's findings for internal consistency reliability, convergent validity, and discriminant validity are presented in Table 4. the factor loadings ranged from 0.668 to 0.854, all exceeding 0.5 (Hair et al., 2010). The observed variables are statistically significant.

Confirmatory Factor Analysis (CFA)

CFA analysis was conducted to test the model fit. CFA results indicate that the model's indices are all within acceptable ranges with $CMIN/df = 1.247 < 3$; $GFI = 0.942 > 0.9$; $CFI = 0.991 > 0.95$; $TLI = 0.989 > 0.9$; $RMSEA = 0.030 < 0.06$; and $PCLOSE = 0.988 > 0.05$ (Hu & Bentler, 1999). Therefore, we can conclude that the model is fully appropriate.

Table 3. Results of exploratory factor analysis

KMO	0.926
Sig	0.000
Eigenvalues	7.236; 7.236; 2.126
Total variance explained	71.915 percent

Source: Authors' analysis

Table 4. Rotated component matrix

	Rotated Component Matrix ^a		
	Component		
	1	2	3
BLV4	.846		
BLV2	.838		
BLV6	.836		
BLV1	.829		
BLV5	.823		
BLV3	.800		
BLY4		.854	
BLY5		.820	
BLY2		.814	
BLY1		.811	
BLY3		.803	
BLY6		.668	
ES2			.845
ES4			.831
ES1			.815
ES3			.812
ES5			.805

Extraction Method: Principal Component Analysis;

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Source: Authors' analysis

Table 5. Standardized regression coefficients

	Estimate	P
BLV <--- ES	.511	***
BLY <--- ES	.268	***
BLY <--- BLV	.218	.003

Source: Authors' analysis

Structural Equation Modeling (SEM)

The SEM analysis was used to examine the relationships between ESG factors and the brand loyalty of young customers. All p-values were less than 0.05, indicating that all effects were significant, including the impacts among the variables and the effect of each indicator on their latent variables. We can conclude that the effects of perceived ESG on brand love, perceived ESG on brand loyalty, and brand love on brand loyalty are all statistically significant. Regarding the estimates, all coefficients are positive, indicating that the corresponding effects are all in the same direction.

Based on Table 5, we have the following regression equations:

- $BLV = 0.511 \cdot ES + \varepsilon$
- $BLY = 0.268 \cdot ES + \varepsilon$
- $BLY = 0.218 \cdot BLV + \varepsilon$

Table 5 shows the standardized regression coefficients, indicating that all estimated coefficients are positive, suggesting that hypotheses H1, H2, and H3 are all supported. In addition, to determine whether brand love functions as a mediator in the relationship between perceived ESG and brand loyalty, Baron and Kenny's (1986) recommendations were applied. Since all three effects are statistically significant and the product of the coefficients of all three effects is positive, brand love partially mediates the relationship between perceived ESG and brand loyalty. Therefore, hypothesis H4 is accepted.

DISCUSSION AND IMPLICATIONS

Discussion

The findings demonstrate the effect of perceived ESG on brand love and brand loyalty in the following aspects. *First*, the findings indicate that customers' perception of ESG significantly and positively affect customers' brand loyalty (H1), consistent with previous studies (Jung et al., 2020; Puriwat & Tripopsakul, 2023). In the fashion industry, customers are likely to be more loyal to a fashion brand if they perceived that this brand has implemented ESG initiatives.

Second, perceived ESG has a positive effect on brand love, consistent with previous studies (Amegbe et al., 2021; Baena, 2018; Do et al., 2022; Kim & Hwang, 2023). Although the mediating role of brand love has been previously studied, prior research has not clearly addressed its mediating role in the relationship between perceived ESG and brand loyalty. In this study, the author has explored a new relationship and tested it within the fashion industry in Vietnam, which previous research may not have addressed. Specifically, the author examined the mediating role of the variable "customer brand love" in the relationship between "ESG activities" and "customer loyalty". While previous studies explored this impact in sectors such as sports, banking and airline industry; however, our study examines the relationship between perceived ESG and brand love in the fashion industry. A fashion brand can engage in ESG practices such as organic production of raw materials, reducing pollution generated during

production, use of recycled materials and respect of workers' rights and health. Thus, customers' perception of ESG activities could foster their love toward the brand.

Third, the results indicate that brand love predicted brand loyalty (H3), consistent with previous studies (Ghorbanzadeh, 2024; Ho, 2017). Brand love represents emotional attachment for a fashion brand over others and induces fashion customers to repeat their purchase (Carroll & Ahuvia, 2006; Robertson et al., 2022). Thus, brand love can strengthen brand loyalty. The more customers love a brand, the more loyal they are to this brand (Nawaz et al., 2020).

Additionally, this study not only fills a critical gap in existing literature but also serves as a foundation for future research into how ESG activities influence consumer behavior in developing markets, offering strategic insights for businesses aiming to expand in Vietnam. Most ESG research has largely focused on developed markets such as North America and Europe, leaving a significant gap in understanding its implications in developing markets like Vietnam. While prior studies, such as those by Puska et al. (2020) in Europe and Bhattacharya and Sen (2004) in the U.S., have highlighted the link between sustainability and customer loyalty in industries like automotive and retail, limited attention has been given to emerging economies. In Vietnam, this study stands out as it evaluates the role of ESG in the fashion industry, particularly foreign fashion enterprises. While research like Puriwat & Tripopsakul (2023) in Thailand and Lu & Zhang (2023) in China provides evidence of ESG's potential to enhance brand love and loyalty, there has been no comprehensive investigation into this relationship within the Vietnamese context.

Finally, the results indicate that brand love partially mediated the relationship between perceived ESG and brand loyalty (H4), in line with the findings in the literature (Kim et al., 2020; Puriwat & Tripopsakul, 2023). This finding was not surprising, since the fashion sector is facing increasing customer expectations of fashion businesses to take responsibility for the impact of their activities on society and the environment (Biswas et al., 2024; Vătămănescu et al., 2021). Customers who perceive the fashion brand's environmental, social, and good governance actions as highly positive develop a strong love for the brand, which in turn makes them loyal to the brand.

Theoretical Implications

Theoretically, this study provides several implications *First*, the literature on ESG has been an important area of study in management, and the literature on brand loyalty is critical in marketing that should not be overlooked. There is limited research on the direct and indirect relationships between ESG and brand loyalty in both fields. This study represents an intersection of the two fields of study, contributing to enrich research on ESG and brand loyalty.

Second, while ESG has been extensively studied for a long time, much of the research has primarily focused on the concept of Corporate Social Responsibility. There is a lack of research on ESG from the perspective of customers. This study adds empirical evidence regarding perceived ESG and its impact on customers' brand loyalty.

Third, the study clarifies the mediating role of brand love in the relationship between perceived ESG and brand loyalty.

Fourth, while many studies have tested causal relationship between variables individually. In this study, structural equation modeling was used to test relationships simultaneously. This method is considered superior, however, it has not been widely adopted in research in Vietnam. In addition, we tested the proposed model in the context of the Vietnamese fashion industry. There has been no similar research on the same topic conducted in Vietnam.

Practical Implications

First, this study provided managers with insights into perceived ESG. There have not been many studies clarifying "what customers think" about the ESG activities of companies.

Second, the results of this study show the benefits of making customers perceive ESG activities positively. Perceived ESG will foster brand love; consequently, this positively impacts brand loyalty. Therefore, investing in ESG activities can be seen as a "long-term investment" for the enterprise. Thus, these activities should be conducted regularly and consistently to build brand loyalty.

LIMITATIONS AND FUTURE RESEARCH

This research has certain limitations. The perceptions of other stakeholders, such as suppliers, employees, and partners, etc., of ESG activities have not been explored in this study. Furthermore, the sample consisted of young consumers aged 18 to 30 in the fashion industry, and other age groups have not been addressed. Moreover, the study has not directly examined the mediating effect of brand love.

In future studies, researchers may focus on several directions to enhance the research topic, including expanding the surveyed sample and research scope. Regarding the surveyed sample, not only young customers but also middle-aged and high-income customers could be included. Simultaneously, a cross-country study on the impact of perceived ESG on brand love and brand loyalty will provide further insights into ESG activities. This could provide a basis for fashion brand managers operating in different countries, targeting various customer groups.

Additionally, beyond the practical applicability of ESG in marketing, future studies should address potential situations that may invite critical perspectives, such as ESG-washing, to ensure a balanced approach. Investigating how negative customer perceptions, such as skepticism toward ESG efforts, might mitigate the positive effects of brand love and loyalty.

In particular, understanding the mediating role of other factors in the relationship between ESG and brand loyalty is essential. Variables such as customer trust, brand image, and corporate reputation may play a crucial role in generating customer brand loyalty. Conducting further research on these factors will provide valuable information to help fashion enterprises better understand how to optimize their ESG activities to attract and retain customers.

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Appendix 1. Survey Questionnaire

For the fashion brand you most recently purchased from or frequently use, please indicate your level of agreement with the following statements.

Scale:

1. Strongly Disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly Agree

No.		Observed Variables	1	2	3	4	5
PERCEIVED ESG							
1	ES1	I believe this brand is doing a great job in environmentally friendly production, particularly in terms of energy use.					
2	ES2	I think this brand is performing well in meeting environmental management standards, including environmental protection activities and compliance with environmental laws.					
3	ES3	I believe this brand excels in sustainable production and consumption, such as waste management and recycling, as well as using eco-friendly materials.					
4	ES4	This brand seems to be doing well in fostering relationships with employees, ensuring job security, providing social welfare, and avoiding the use of child labor, among other practices.					
5	ES5	his brand appears to make significant contributions to the community, such as supporting community activities and promoting local economic development.					
BRAND LOVE							
1	BL1	I feel that this is an amazing brand.					
2	BL2	This brand makes me feel satisfied.					
3	BL3	This brand brings me happiness and joy.					
4	BL4	This brand is my only choice.					
5	BL5	I would buy this brand's products again, even if I heard negative things about it.					
6	BL6	I am willing to defend this brand in any situation.					
BRAND LOYALTY							
1	BLY1	I often say positive things about this company.					
2	BLY2	I would recommend this company to my friends and family.					
3	BLY3	If my friends are looking for a new company in this field, I would suggest they try this company's products.					
4	BLY4	I am a loyal customer of this company.					
5	BLY5	I have developed a good relationship with this company.					
6	BLY6	I intend to continue being a customer of this company.					

인식된 ESG와 패션 산업에서의 브랜드 충성도: 브랜드 사랑의 매개 역할

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이 연구는 패션 산업에서 인지된 환경, 사회, 지배구조(ESG) 관행이 브랜드 충성도에 미치는 영향을 탐구하며, 브랜드 애호도의 매개 역할에 중점을 둡니다. 270명의 젊은 베트남 소비자를 대상으로 설문조사를 통해 ESG가 고객 충성도와 패션 브랜드에 대한 애호도에 미치는 영향을 구조 방정식 모델링(SEM)을 사용하여 분석합니다. 결과에 따르면, 인지된 ESG는 브랜드 애호도와 브랜드 충성도 모두에 유의미한 영향을 미치며, 소비자들이 환경적, 사회적으로 책임감 있는 브랜드에 더 충성한다는 점을 확인했습니다. 또한, 연구 결과 브랜드 애호도가 인지된 ESG와 브랜드 충성도 간의 관계를 부분적으로 매개함을 보여주었으며, 이는 브랜드가 지속 가능한 관행에 헌신한다고 여겨질 때 감정적 애착이 고객 충성도를 강화한다는 것을 나타냅니다. 이 연구는 강력하고 장기적인 고객 관계를 구축하고자 하는 패션 브랜드에게 ESG 이니셔티브의 전략적 중요성을 강조합니다.

주제어: 환경-사회-거버넌스, 브랜드 충성도, 브랜드 사랑, 패션, 소비자 인식

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