

AUDIT SERVICES QUALITY AND CUSTOMER LOYALTY: THE CASE OF LISTED COMPANIES' GOVERNANCE

Thi Thuan Nguyen ^{*}, Thi Hong Ngan Luong ^{**},
Nguyen Bich Hien Tran ^{**}

^{*} Corresponding author, Faculty of Business and Economics, Phenikaa University, Hanoi, Vietnam

Contact details: Faculty of Business and Economics, Phenikaa University, Yen Nghia, Ha Dong, 12116 Hanoi, Vietnam

^{**} Faculty of Accounting and Auditing, Thuongmai University, Hanoi, Vietnam



Abstract

How to cite this paper: Nguyen, T. T., Luong, T. H. N., & Tran, N. B. H. (2025). Audit services quality and customer loyalty: The case of listed companies' governance [Special issue]. *Journal of Governance & Regulation*, 14(2), 244–253.
<https://doi.org/10.22495/jgrv14i2siart3>

Copyright © 2025 The Authors

This work is licensed under a Creative Commons Attribution 4.0 International License (CC BY 4.0).
<https://creativecommons.org/licenses/by/4.0/>

ISSN Online: 2306-6784

ISSN Print: 2220-9352

Received: 29.07.2024

Revised: 25.10.2024; 25.11.2024; 17.04.2025

Accepted: 19.05.2025

JEL Classification: G39, M19, M29, M39, M42

DOI: 10.22495/jgrv14i2siart3

The study aims to explore the impact of service quality on customer loyalty, with customer trust and satisfaction serving as intermediary variables performed by independent auditing firms in Vietnam by structural equation modeling (SEM) (Kumar & Kumar, 2017; Nguyen & Hung, 2019; Mahato & Goet, 2020; Peštović et al., 2021). Data was collected via structured questionnaires with the board of directors and the administrative council/board of members of 731 companies listed on the Vietnam Stock Exchange in three months from March to May 2024. The research indicates that assurance, empathy, and reliability are key drivers of customer loyalty in auditing services. These factors not only directly influence loyalty but also indirectly contribute to it by enhancing customer trust and satisfaction, which in turn further strengthen loyalty. Assurance, responsiveness, and tangibility have a positive impact on customer trust, while assurance, empathy, and tangibility affect customer satisfaction and have a positive impact on customer loyalty. This study offers valuable recommendations for policymakers, future researchers, and business managers on strengthening the link between auditing service quality and customer loyalty in audit firms.

Keywords: Customer Loyalty, Audit, Services, Listed Companies, Vietnam

Authors' individual contribution: Conceptualization — T.T.N.; Methodology — T.T.N.; Software — T.H.N.L.; Validation — T.T.N.; Formal Analysis — T.H.N.L.; Investigation — T.T.N.; Data Curation — N.B.H.T.; Writing — Original Draft — T.T.N.; Writing — Review & Editing — T.T.N.; Visualization — T.T.N.; Project Administration — N.B.H.T.

Declaration of conflicting interests: The Authors declare that there is no conflict of interest.

Acknowledgements: The Authors are grateful to Phenikaa University and Thuongmai University for funding this research.

1. INTRODUCTION

Fostering customer loyalty not only creates a competitive advantage (Lin & Wang, 2006) but also drives significant benefits, including lower customer acquisition costs, increased word-of-mouth referrals, and higher purchase frequency and value (Gilmore & McMullan, 2009; Tsoukatos & Rand, 2006), and improving firm profitability, growth, and

performance (Reichheld & Teal, 1996). In other words, just like any other business, the growth and survival of independent auditing firms hinge on the loyalty of their customers, whether they provide audit or non-audit services. Today, more and more businesses consider customer loyalty as a top priority in their mission statements, marketing strategies, and public relations (Leninkumar, 2017; Bambale et al., 2023). Many researchers from

different countries have been interested in studying customer loyalty towards services in general and services of auditing firms in particular. These researches have consistently demonstrated a positive link between customer satisfaction and loyalty, as well as between service quality, customer satisfaction, trust, and loyalty (Chodzaza & Gombachika, 2013; Bambale et al., 2023).

As a special service, the service quality of the auditing companies is always the top concern of auditing activities. According to our survey of listed companies in Vietnam, high-quality auditing services are a key factor in attracting and retaining customers. When audit firms provide high audit service quality that are satisfied and trusted by their customers, these customers will reuse these services in the next years. Over 30 years of formation and development, an independent audit has affirmed its indispensable role in Vietnam's economy. It has become an important part of the system of macroeconomic management tools, playing an active role in serving economic and societal development in Vietnam. As audit service providers, independent auditing companies need constantly expand and diversify the types of services for their customers. In addition, according to statistics from the Vietnam Association of Certified Public Accountants (VACPA), the number of independent audit firms has grown in both quantity and quality. As of May 15, 2024, Vietnam has 220¹ independent audit companies operating in the audit services market as audit service providers. The increasing number of audit firms leads to an increase in opportunities to choose auditing companies and auditing services of customer auditees, while it also creates competition among them (Pringviriya, 2015). Audit firms need a customer-focused strategy and high-quality service delivery to satisfy customers and build loyalty. However, independent audit firms face a significant challenge in retaining customers, as evidenced by the frequent customer switching reported in the study's interviews. Many customers have chosen reputable independent auditing companies such as member companies of audit firms in the world or Big Four (Deloitte, Ernst & Young (EY), PricewaterhouseCoopers (PwC), and KPMG) auditing companies due to the expectation of high quality. This means that if independent internal auditing companies want to maintain their market shares, they need to improve their competitiveness to gain trust and confidence for the establishment and maintenance of customer loyalty.

Although studies on this topic carried out in many countries around the world, including Vietnam, there is a limited amount of research examining the impact of service quality on customer satisfaction, trust, and loyalty. Solutions from these researches have not met customers' expectations of increasing the frequency of reusing the audit services. Therefore, research related this topic is extremely necessary in the context of an increasingly fierce and deepening market among independent auditing companies. To be specific, this study employs a mixed-methods approach, including the SERVQUAL model and survey data from 731 listed companies in Vietnam, to investigate the impact of service quality on customer loyalty in independent auditing firms, considering the mediating

roles of customer trust and satisfaction, to answer the following questions:

RQ1: What is the impact of factors belonging to audit service quality according to the SERVQUAL model on customer satisfaction, customer trust, and customer loyalty?

RQ2: What is the impact of customer satisfaction and customer trust on customer loyalty?

RQ3: What is the mediating effect of customer satisfaction and trust on the relationship between audit service quality and customer loyalty?

This research offers valuable insights into service quality, customer satisfaction, trust, and loyalty, particularly relevant for audit firms in developing countries like Vietnam, seeking to improve their services.

The paper is structured as follows. Section 2 examines pertinent research and formulates hypotheses and a research model. Section 3 discusses the study's methodologies. Section 4 provides data analysis. Section 5 has implications, and Section 6 concludes the paper.

2. LITERATURE REVIEW

Quality of audit service, customer satisfaction, trust, and loyalty are interconnected concepts that play crucial roles in the success and growth of audit businesses. Therefore, this topic receives special attention from researchers.

2.1. Quality of auditing services

Service quality and its impact on customer satisfaction are receiving growing scholarly attention. This is the main key to gaining competitive advantages against its competitors. According to Parasuraman et al. (1988), to some extent, quality service meets the needs or expectations of customers. Developing the concept of previous research in a user-based approach, the study argues that quality corresponds to satisfaction. Specifically, the highest quality meets consumer preferences (Munusamy et al., 2010; Yarimoglu, 2014). The auditing sector is no exception. Moreover, auditing is a special type of service with many stakeholders who are auditors (independent auditing companies), auditees (listed companies using audit services), and users of financial statements and audit reports (including investors, partners, competent management agencies, and analysts). Audit service quality is the level of satisfaction with the objectivity and reliability of audit opinions of audit service users (Lai & Pham, 2020).

Service quality is measured using the SERVQUAL model, which includes five dimensions and 22 observed variables (Parasuraman et al., 1988). After many subsequent empirical studies, SERVQUAL is acknowledged by researchers as a scale with theoretical and practical value. It is also applied in the study of various service industries (Pekkaya et al., 2019; Fuchs & Fangpong, 2021; Peštović et al., 2021; Ali et al., 2021; Azzari et al., 2024). According to Parasuraman et al. (1988), the scale consists of five elements:

1. *Tangible*: facilities, equipment, and appearance of employees.

2. *Reliability*: the ability to deliver the committed service reliably and accurately.

¹ https://vacpa.org.vn/files/ecm/source_files/2024/06/07//Danh-sach-DN-kiem-toan-du-dieu-kien-hanh-nghe-den-15.5.2024.pdf

3. *Responsiveness*: taking care of customer issues and providing prompt service.

4. *Assurance*: perception of courtesy, security, and assurance of employee competence.

5. *Empathy*: how companies and their employees show interest, care, and understanding of customer needs.

2.2. Customer satisfaction

Customer satisfaction is the main to achieving an organization's goal (Anderson & Fornell, 2000; Gilmore & McMullan, 2009; Jiang & Zhang, 2016). The result is increased sales, higher profits, and a growing customer base. Therefore, companies consider customer satisfaction as an important factor for survival and development (Anderson & Fornell, 2000). It is the feeling of pleasure or disappointment that customers experience when a product's performance meets or fails to meet their expectations (Ellitan & Suhartatik, 2023). Consumers can experience one of three levels of satisfaction. The first level is if the performance of the product is lower than expected, consumers will feel disappointed. The second one is if the effectiveness of the product is in line with expectations, the customer will be satisfied. The third one is if the effect exceeds expectations, consumers will feel very satisfied (Wulanjani & Derriawan, 2017). Customer satisfaction is a post-purchase evaluation. It is gained by high-quality services, and this affects customer loyalty (Kotler & Keller, 2006).

2.3. Customer trust

The next term is customer trust, which has also been widely used in marketing studies in many countries over several decades. This concept refers to the anticipated outcomes resulting from another party's actions (Thompson, 2009). Other researchers defined it as the belief that service providers will honor their commitments and prioritize the customer's best interests (Sitorus & Yustisia, 2018). Bhandari and Rodgers (2019) claimed that trust only forms when the company's promises become a reality. Customer trust is developed when the perceived quality and actual quality are the same, and they do not see quality being compromised in any aspect. By developing trust, the company will minimize all types of risks, acquiring the required products (Chaudhuri & Holbrook, 2001). To some extent, this term is beneficial for both service providers and their customers as while these companies benefit through their revenues and profits, the customers gain are results and benefits that they desire from services.

2.4. Customer loyalty

Companies recognize that cultivating customer loyalty is essential for success (Jahmani et al., 2020). The two components of loyalty include attitude and behavior (Anderson & Srinivasan, 2003). Caruana (2002) links customer loyalty to long-term commitment, while Russell-Bennett et al. (2007) further defined it as encompassing both brand commitment and repurchase intention. From a behavioral perspective, loyalty is described as repetition (Oliver, 1999; Gajanova et al., 2019). However, loyalty can be seen from two elements of customer loyalty, which are loyalty in acquisition and giving referrals to other

customers. Some researchers argue that this concept is related to the behavioral aspect and is more important than the attitude one (Gunawan, 2022).

For the field of auditing services, especially with auditing services of financial statements, the Law on Independent Audit of Vietnam stipulates that listed companies must change the person signing the audit report every three years. In addition, in the case of an enterprise in the field of credit, the auditing company must be changed every five years. Thus, according to the Law on Independent Audit of Vietnam, an enterprise that has been using the audit services of an auditing company for many years must change to another auditing company after 3-5 years. It is much more difficult to measure the loyalty of the enterprise to the auditing company than other types of buying and selling. Therefore, this study will approach customer loyalty on both attitudes and behaviors.

2.5. Link among audit service quality, satisfaction, trust, and loyalty

Studies have established a link between service quality and customer loyalty, with customer satisfaction and trust acting as intermediaries.

A key finding is a significant positive correlation between service quality and customer loyalty (Coelho & Henseler, 2012; Kumar & Kumar, 2017; Zebgra & Zaveri, 2020). Researchers found that quality is also an important predictor of customer loyalty (Kumar & Kumar, 2017). Coelho and Henseler (2012) examined and affirmed this relationship in the data with banking and cable TV customers.

Besides, service quality can significantly affect customer satisfaction and trust, which then have influences on customer loyalty (Nguyen & Hung, 2019; Mahato & Goet, 2020; Peštović et al., 2021). If the service that customers receive is expected, it will lead to customer satisfaction and vice versa (Bryland & Curry, 2001). Increasing satisfaction results in an increase in loyalty, which leads to an increase in return purchases and a decrease in customer conversions to other stores (Wicks & Roethlein, 2009). According to Kumar and Kumar (2017), a significant positive impact can be found between empathy, reliability, assurance, responsiveness, and both customer satisfaction and loyalty (Kumar & Kumar, 2017). This study found an insignificant impact of tangibility on customer satisfaction and loyalty. Scholars view that highly satisfied customers are more likely to recommend a company's services or products to others (Russell-Bennett et al., 2007). Therefore, customer satisfaction is considered a key factor in achieving customer loyalty (Akbari et al., 2019; Slack & Singh, 2020).

In terms of the relationship between service quality, customer trust, and customer loyalty, previous researchers showed that the former has definite effects on customer trust, thereby affecting customer loyalty. Trust is a momentous factor in maintaining a long-lasting relationship between companies and their customers. Service quality is the best indicator of customer satisfaction, which helps to develop a level of trust in the customer's mind (Kalia et al., 2021). Similar results as the existence of a positive relationship with the four dimensions of service quality: 1) responsiveness, 2) assurance, 3) tangibility, and 4) empathy have been found in researches by Sitorus and

Yustisia (2018), Kalia et al. (2021), Hung (2022), and Phan and Nguyen (2024).

In conclusion, service quality is a key driver of customer satisfaction, trust, and loyalty. These elements are interconnected, with service quality positively influencing satisfaction and trust, which then lead to increased loyalty.

These relationships have been researched and tested in Vietnamese and foreign studies. However, the studies are mostly related to industries such as telecommunications and healthcare. Research needs to expand its scope to other professions, other geographical regions, or other countries to see similarities and differences. The aim of this study was to explore the interconnections between service quality, customer satisfaction, trust, and loyalty. Five hypotheses and a theoretical research model (Figure 1) were tested in these correlations. These were:

H1a: Service quality in terms of assurance has a positive impact on customer loyalty.

H1b: Service quality in terms of responsiveness has a positive impact on customer loyalty.

H1c: Service quality in terms of empathy has a positive impact on customer loyalty.

H1d: Service quality in terms of reliability has a positive impact on customer loyalty.

H1e: Service quality in terms of tangibility has a positive impact on customer loyalty.

H2a: Service quality in terms of assurance has a positive impact on customer satisfaction.

H2b: Service quality in terms of responsiveness has a positive impact on customer satisfaction.

H2c: Service quality in terms of empathy has a positive impact on customer satisfaction.

H2d: Service quality in terms of reliability has a positive impact on customer satisfaction.

H2e: Service quality in terms of tangibility has a positive impact on customer satisfaction.

H3a: Service quality in terms of assurance has a positive impact on customer trust.

H3b: Service quality in terms of responsiveness has a positive impact on customer trust.

H3c: Service quality in terms of empathy has a positive impact on customer trust.

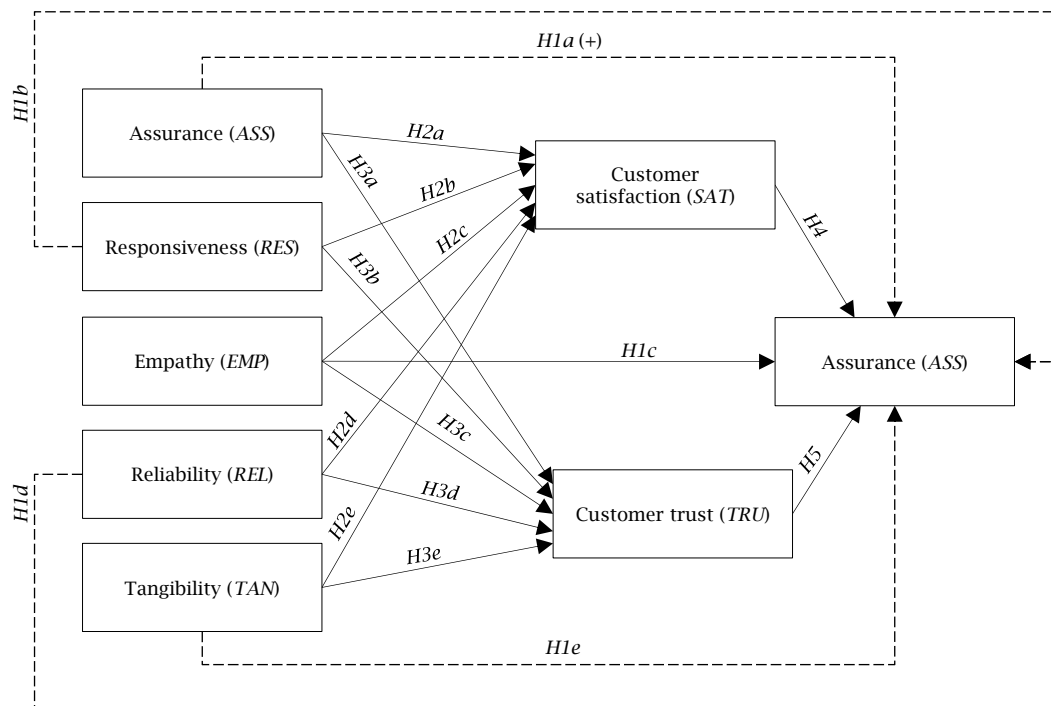
H3d: Service quality in terms of reliability has a positive impact on customer trust.

H3e: Service quality in terms of tangibility has a positive impact on customer trust.

H4: Customer satisfaction has a positive impact on customer loyalty.

H5: Customer trust has a positive impact on customer loyalty.

Figure 1. Model and hypotheses



3. RESEARCH METHODOLOGY

3.1. Methods

In this study, there are several methods to consider, including both qualitative and quantitative research methods.

This is a form of exploratory research; the sample of qualitative research was selected according to the purpose of building theory (Olaogun & Fatoki, 2009). First, qualitative research is conducted audit services quality and its influence to customer loyalty. Based on the collected documents, the author synthesizes, evaluates, and

classifies the mentioned factors as a basis for establishing the research problem. In the next step, this method was also used to check the suitability of the research model, add new variables to the research model, and consider the data collection ability of the survey questionnaire through small-scale pilot surveys. The authors conducted interviews with experts as board of directors or board members in several Vietnam's listed firms in turn. The number of interviews was conducted until no new factors were found (to the saturation point), and the process was ended (Nguyen, 2014). In this way, the authors conducted the seven interviews and did not discover any new points compared to

the previous interviews. However, to be sure, another interview was conducted continuously, and the result was similar compared to the previous result, so the author stopped the interview after conducting eight interviews. Expert interviews, combined with insights from previous research, played a crucial role in defining the study's model, variables, and measurement scales. The interviews focused on identifying the key factors influencing the research topic and their associated attributes.

Data was collected through official large-scale surveys after expert surveys, which were also encoded into a tool of quantitative research methods (SPSS 26 and AMOS 24) to test the reliability of the scale, test research hypotheses for further analysis of descriptive analysis, and inference. Specifically, a descriptive analysis was used to analyze the correlation between variables. To rigorously evaluate the proposed theoretical model and hypotheses, this study utilized both descriptive and inferential statistical analysis. Specifically, descriptive analysis examined correlations between variables, while structural equation modeling (SEM) was employed to analyze the complex relationships within the model (Sarstedt et al., 2014). Partial least squares (PLS) provide an alternative approach when working with observed indicators and limited sample sizes. Instead of using latent variables, PLS focuses on block variables and employs ordinary least squares (OLS) regressions to estimate model parameters, maximizing the explained variance for endogenous constructs.

3.2. Sample size and data collection

To achieve the research objective, a convenient sampling method was used, in which data was collected from 731 companies listed on the Vietnam Stock Exchange (including 402 listed firms on

the Ho Chi Minh Stock Exchange (HOSE) and 329 firms on the Hanoi Stock Exchange (HNX)) in three months from March to May 2024 (State Securities Commission of Vietnam [SSC], n.d.). Data was collected through face-to-face interviews and questionnaires distributed via mail, email, and Google Docs. Of the 1,462 forms sent to 731 firms, 879 were returned, representing a 60% response rate. After data cleaning to remove incomplete or inaccurate responses, 785 valid samples remained for analysis. This large sample size ensures the reliability of the findings.

3.3. Measurement construct

The dependent variable (loyalty, *LOY*) is measured by five criteria: 1) Does the company introduce its independent auditing company to other companies? 2) If it can be re-decided, does the company re-select the hired independent auditing company? 3) Does the company intend to continue to use the auditing service of the independent auditing company of the previous year that audited? 4) Does the company determine a long-term attachment to the auditing service of the independent auditing company that is choosing? 5) Does the company prefer the independent auditing company that it chooses over other auditing companies that are eligible to perform the financial auditing service according to regulations? (Gunawan, 2022; Mita & Saputro, 2022). The assessment criteria are based on a Likert scale, in which ranging from 1 = "strongly disagree" to 5 = "strongly agree".

Independent and intermediate variables are also measured by observational variables (Table 1). The above Likert scale was also used to measure evaluation observations for independent and intermediate variables.

Table 1. Final draft questionnaire (Part 1)

<i>Factors</i>	<i>Code</i>	<i>Statement</i>	<i>Source</i>
Assurance	ASS1	The audit team directly performs with high knowledge, capacity, and understanding.	Parasuraman et al. (1988), Shah et al. (2006), and Peštović et al. (2021)
	ASS2	The direct audit team is experienced, mature, and communicates well.	
	ASS3	The audit team directly performs the ability to communicate, interpret, and persuade the issues.	
	ASS4	Senior personnel of the auditing firm with deep expertise, high education, and a wide understanding.	
	ASS5	The auditing firm has sufficient scale, expertise, and personnel to provide services to the customer.	
Responsiveness	RES1	Customers can contact auditors easily and quickly.	Parasuraman et al. (1988), and Fuchs and Fangpong, (2021)
	RES2	The auditing company can provide timely handling of transactions and transactions according to the wishes of customers.	
	RES3	Technicians are always ready to provide professional instructions to customers.	
	RES4	Auditing firms often discover problems, creating added value for customers.	
Empathy	EMP1	The audit firm cares about the best interests of its customer.	Jiang and Zhang (2016), Kalia et al. (2021), Gunawan (2022), and an expert opinion survey
	EMP2	The auditing company plans to perform the service at times convenient for customers.	
	EMP3	The audit business notifies the customer of the precise time when the services will be performed.	
	EMP4	The audit firm has sufficient appropriate documents on the performance of services for the customer.	
	EMP5	My organization easily understands the reports prepared by the audit firm.	
Reliability	REL1	The auditing company always performs the work by the agreed time.	Shah et al. (2006), Sitorus and Yustisia (2018), Peštović et al. (2021), and an expert opinion survey
	REL2	Technicians guide customers fully and in detail about the regulations and procedures for implementation.	
	REL3	The auditing company always implements the highest level of information security.	
	REL4	A reputable audit firm.	

Table 1. Final draft questionnaire (Part 2)

Factors	Code	Statement	Source
Tangibility	TAN1	The equipment and tools of the auditing company are very modern.	Shah et al. (2006), Sitorus and Yustisia (2018), Peštović et al. (2021), and an expert opinion survey
	TAN2	Employees of the auditing company are neatly and politely dressed.	
	TAN3	The auditing company is fully equipped with material means in the performance of services.	
	TAN4	The report and other documents of the auditing company are presented very professionally and scientifically.	
Customer trust	TRU1	I believe that the audit firm's auditors acting in my best interest.	Shah et al. (2006), Slack and Singh (2020), and an expert survey
	TRU2	I believe that my audit firm's service is beneficial for me.	
	TRU3	I have great confidence in the staff of the auditing firm.	
	TRU4	I am sure that the price given by the auditing firm is very reasonable.	
	TRU5	I believe I have confidence in my auditing firm.	
Customer satisfaction	SAT1	I feel the audit firm's staff is ready to handle my needs.	Yang and Peterson (2004), Nguyen and Hung (2019), Tuan and Ly (2020), and an expert survey
	SAT2	I feel the audit firm's employees benefit me.	
	SAT3	I am contented with the company's audit services.	
	SAT4	I believe that the audit fee is reasonable with given the audit service.	
	SAT5	If people ask, I would recommend an auditing firm and the audit services that they provide.	
	SAT6	I am contented with the services of the auditing company.	

4. RESEARCH RESULTS

Data validity was assessed using Cronbach's alpha reliability testing in SPSS 26. As shown in Table 2, all Cronbach's alpha values exceeded 0.6, indicating satisfactory reliability (Khan et al., 2020). The ASS factor had the highest Cronbach's alpha (0.912), while the TRU factor had the lowest (0.792).

Furthermore, the composite reliability (CR) index exceeded 0.7, and the average variance extracted (AVE) index exceeded 0.5, confirming convergent validity. Exploratory factor analysis (EFA) yielded a Kaiser-Meyer-Olkin (KMO) value of 0.882 and a significant Bartlett's test ($p < 0.05$), indicating sufficient correlation between variables for factor analysis.

Table 2. Construct reliability and validity

No.	Variable	Variable item	Alpha value	CR	AVE
1	LOY	5	0.861	0.861	0.555
2	REL	4	0.843	0.844	0.575
3	RES	4	0.889	0.890	0.668
4	ASS	5	0.912	0.913	0.676
5	EMP	5	0.846	0.876	0.639
6	TAN	4	0.845	0.846	0.578
7	TRU	5	0.792	0.859	0.685
8	SAT	6	0.865	0.866	0.520

The model incorporated the following variables: ASS, LOY, RES, EMP, REL, TAN, TRU, and SAT. SEM was employed to analyze the complex, multidimensional relationships between these variables (Haenlein & Kaplan, 2004). Figure 2

illustrates the model's indicators, which demonstrate a good fit with the market data: Chi-square/df = 2.333; comparative fit index (CFI) = 0.953; root mean square error of approximation (RMSEA) = 0.041.

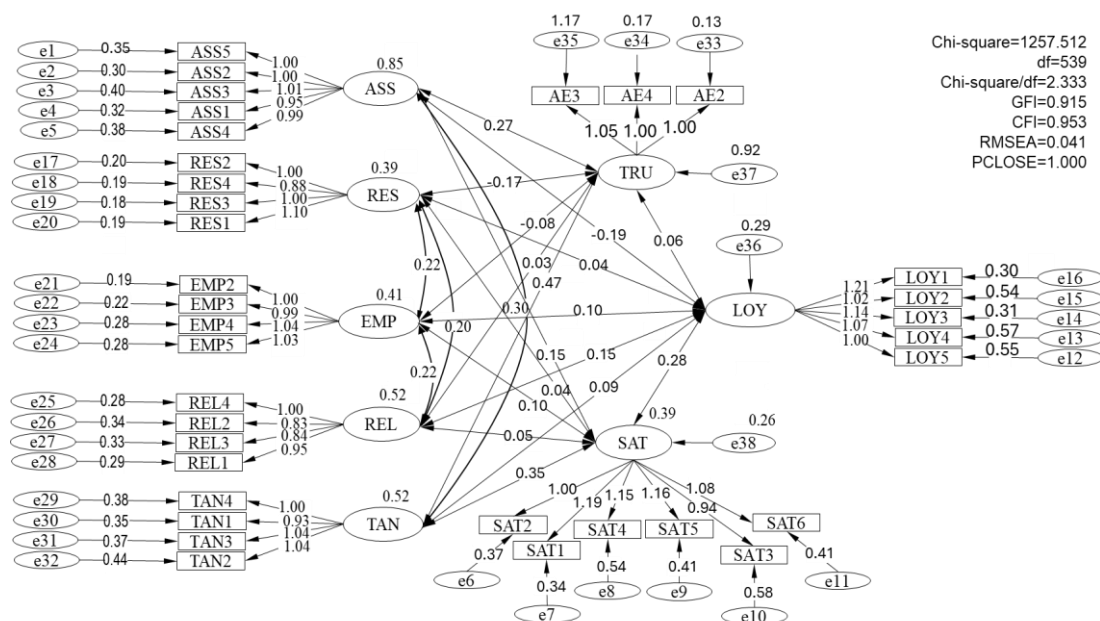
Figure 2. Structural equation modeling theoretical analysis result

Table 3. Model test results

Factor	Estimate	Std. error	CR	p-value
TRU \leftarrow ASS	0.272	0.049	5.537	***
SAT \leftarrow ASS	0.152	0.029	5.344	***
TRU \leftarrow RES	-0.174	0.086	-2.029	0.042
SAT \leftarrow EMP	0.096	0.045	2.150	0.032
SAT \leftarrow TAN	0.358	0.042	8.562	***
TRU \leftarrow TAN	0.466	0.069	6.797	***
SAT \leftarrow RES	0.043	0.049	0.873	0.383
SAT \leftarrow REL	0.045	0.043	1.053	0.292
TRU \leftarrow EMP	-0.023	0.078	-0.291	0.771
TRU \leftarrow REL	0.031	0.074	0.413	0.680
LOY \leftarrow TRU	0.058	0.024	2.435	0.015
LOY \leftarrow SAT	0.282	0.051	5.544	***
LOY \leftarrow ASS	0.187	0.032	5.909	***
LOY \leftarrow EMP	0.098	0.047	2.087	0.037
LOY \leftarrow REL	0.151	0.045	3.344	***
LOY \leftarrow RES	0.038	0.052	0.736	0.461
LOY \leftarrow TAN	0.089	0.046	1.924	0.054

Note: *** $p < 0.05$.

The analysis revealed that the RES factor had the weakest impact on TRU (-0.174), while the TAN factor had the strongest (0.466). Figure 2 and

Table 3 illustrate the statistically significant relationships between variables, with detailed results provided in Table 4.

Table 4. Hypothesis test results

Hypotheses	Testing results	Comparison with previous research results
H1a	Proved ($\beta = 0.18$, $p < 0.05$)	Results support the findings of Kuma and Kuma (2017) and Tabash et al. (2019).
H1b	Disproved ($\beta = 0.03$, $p > 0.05$)	Results support the findings of Tabash et al. (2019). Disagree with the results of Kuma and Kuma (2017).
H1c	Proved ($\beta = 0.09$, $p < 0.05$)	Results support the findings of Kuma and Kuma (2017) and Tabash et al. (2019).
H1d	Proved ($\beta = 0.15$, $p < 0.05$)	Results support the findings of Kuma and Kuma (2017) and Tabash et al. (2019).
H1e	Disproved ($\beta = 0.08$, $p > 0.05$)	Disagree with the research results of Kuma and Kuma (2017).
H2a	Proved ($\beta = 0.15$, $p < 0.05$)	Results support the findings of Tabash et al. (2019) and Peštović et al. (2021).
H2b	Disproved ($\beta = 0.04$, $p > 0.05$)	Disagree with the research results of Kuma and Kuma (2017).
H2c	Proved ($\beta = 0.09$, $p < 0.05$)	Results support the findings of Kuma and Kuma (2017) and Fida et al. (2020).
H2d	Disproved ($\beta = 0.04$, $p > 0.05$)	Results support the findings of Tabash et al. (2019). Disagree with the research results of Kuma and Kuma (2017) and Tabash et al. (2019).
H2e	Proved ($\beta = 0.35$, $p < 0.05$)	Results support the findings of Kalia et al. (2021). Disagree with the research results of Kuma and Kuma (2017).
H3a	Proved ($\beta = 0.27$, $p < 0.05$)	Results support the findings of Kalia et al. (2021).
H3b	Proved ($\beta = -0.17$, $p < 0.05$)	Results support the findings of Kalia et al. (2021).
H3c	Disproved ($\beta = -0.02$, $p > 0.05$)	Disagree with the research results of Chodzaza and Gombachika (2013), Kalia et al. (2021), and Bambale et al. (2023).
H3d	Disproved ($\beta = 0.03$, $p > 0.05$)	Disagree with the research results of Kalia et al. (2021).
H3e	Proved ($\beta = 0.46$, $p < 0.05$)	Results support the findings of Chodzaza and Gombachika (2013), Kalia et al. (2021), and Bambale et al. (2023).
H4	Proved ($\beta = 0.28$, $p < 0.05$)	Consensus with Nguyen and Hung (2019), Tuan and Ly (2020), Kalia et al. (2021), Hung (2022), and Phan and Nguyen (2024).
H5	Proved ($\beta = 0.05$, $p < 0.05$)	Results support the findings of Sitorus and Yustisia (2018), Slack and Singh (2020), Kalia et al. (2021), Hung (2022), and Phan and Nguyen (2024).

5. DISCUSSION

These research findings are validated by the opinions of experienced auditors in Vietnam. Indeed, the first hypothesis is H1e, H1b that tangibility and responsiveness do not impact on audit customer loyalty. This means that audit customer realized that whether they return to use or choose an audit firm or not does not depend on the audit firm's equipment, tools, and fully equipped with materials. This choice also does not rely on easy contact with the auditor or their professional guidance. Hypotheses H1a, H1c, and H1d suggest that reliability, assurance, and empathy have a positive impact on audit customer loyalty. This means that if the audit team has knowledge, capacity, high understanding, experience, and good communication maturity, customers will be loyal to the audit company. In addition, the fact that the auditing company always practices the highest level of information security and looks out for

the best interests of its customers will have a positive influence on customer loyalty.

Hypotheses H2b and H2d suggest that each aspect of audit service quality (service quality in terms of responsiveness and service quality in terms of reliability) does not impact on customer satisfaction. Service quality in terms of responsiveness refers to the willingness to resolve problems that have occurred and to provide timely service to customers. If customer requests are not met in a timely manner, an enterprise may receive complaints from customers. Service quality in terms of reliability is the ability to provide appropriate and timely service. It is the implementation of commitments on service, price, handling of complaints, and customer comments, indicating the ability to perform appropriate and timely services the first time, which is a measure of service quality. However, according to the research results, reliability has a negative impact on audit customer satisfaction. This may be explained by the fact that reliability, which means "doing it right the first

time", has not met the initial expectations enough to bring about trust and satisfaction from audit customers. Hypotheses *H2a*, *H2c*, and *H2e* suggest that service quality in terms of tangibility, assurance, and empathy has a positive impact on customer satisfaction. Thus, service quality in terms of tangibility increases by one unit, and customer satisfaction with service quality will increase by 0.35 units. This means that when customers perceive the tangibility of the service, such as the appearance, uniforms of staff, and facilities, they will feel satisfied with the service. Next, service quality in terms of assurance increases by one unit, and customer satisfaction with service quality will increase by 0.15 units. This means that when customers receive assurance from the company, including courtesy, trust, respect, and professional competence, they will feel satisfied. Next, service quality in terms of empathy increases by one unit, and customer satisfaction with service quality will increase by 0.09 units. This means that when customers feel that the company's employees understand their needs, through customer understanding and effective communication, they will feel satisfied.

Hypotheses *H3e*, *H3b*, and *H3a* show that tangibility, responsiveness, and assurance have a positive effect on customer trust. The customers' trust increases when service quality in terms of service assurance, responsiveness, and tangibles increases. Hypotheses *H3c* and *H3d* demonstrate that service quality in terms of reliability and service quality in terms of empathy have no impact on customer trust. In other words, customer trust does not necessarily depend on the customer organization easily understanding the reports prepared by the audit firm or the audit firm planning to perform the service at convenient times for customers.

Hypothesis *H4* states that customer satisfaction has a positive impact on audit loyalty. Thus, if customer satisfaction increases by 1 unit, loyalty will increase by 0.35 units. This means that customers will continue to use audit services and are willing to recommend the audit firm to others when they are satisfied with the audit services of the firm or satisfied with the staff and audit fees. The next hypothesis, *H5*, is that customer trust has a positive impact on loyalty. Thus, if customer trust increases by 1 unit, loyalty will increase by 0.05 units. This means that the more customers trust that the auditors of the audit firm act in their best interests, trust that the audit firm's services are beneficial to the customers, trust the audit firm's

staff, or trust that the prices offered by the audit firm are reasonable, the more loyal they will be to the audit firm.

6. CONCLUSION

This study examined the relationship between audit service quality and customer loyalty, mediated by customer trust and satisfaction, within the context of listed companies' governance. A mixed-methods approach, combining qualitative and quantitative research, was employed to achieve this objective. The results of the study explore the factors of audit service quality directly and indirectly impact through customer trust, customer satisfaction to customer loyalty. The study confirms that when listed enterprises on the Vietnamese Stock Exchange have created trust and customer satisfaction, loyalty will be maintained and become closer in the long term. The quality of audit services with aspects including assurance, responsiveness, empathy, reliability, and tangibility and customer satisfaction are extremely vital issues to determine the existence and the development of independent auditing companies. Businesses need to innovate themselves to enhance audit service quality, which is a chief key to creating customer trust and customer satisfaction, and the ultimate destination being customer loyalty.

Although the study has certain theoretical and practical contributions, due to limited resources (time and finance), some shortcomings are inevitable. On the one hand, the study was only conducted at independent auditing companies listed on the HNX and the HOSE with a sample size of 731 observations selected by the convenience method, so the representativeness of the study sample is not high. If this study were repeated at all independent auditing companies listed across Vietnam with a larger sample size, the generalizability of the study would be higher. On the other hand, the research results were only viewed from the perspective of the audit subjects who are members of the board of directors or the board of members, not from the perspective of customers using audit services and users of audited financial statements. From the limitations of the study, the research team proposed that future research direction should be to expand the scope of research to all Vietnamese Stock Exchanges and at the same time expand the survey subjects to both customers using auditing services and users of audited financial statements.

REFERENCES

- Akbari, M., Mehrali, M., Seyyedamiri, N., Danesh, M., & Ramezanpour Nargesi, G. (2019). The effect of corporate social responsibility on customer loyalty and brand position: The mediating role of customer value. *Journal of Tourism and Development*, 8(4), 1-22. https://www.itsairanj.ir/article_100357.html
- Ali, B. J., Gardi, B., Othman, B. J., Ahmed, S. A., Ismael, N. B., Hamza, P. A., Aziz, H. M., Sabir, B. Y., Sorguli, S., & Anwar, G. (2021). Hotel service quality: The impact of service quality on customer satisfaction in hospitality. *International Journal of Engineering, Business and Management*, 5(3), 14-28. <https://doi.org/10.22161/ijebm.5.3.2>
- Anderson, E. W., & Fornell, C. (2000). Foundations of the American customer satisfaction index. *Total Quality Management*, 11(7), 869-882. <https://doi.org/10.1080/09544120050135425>
- Anderson, R. E., & Srinivasan, S. S. (2003). E-satisfaction and e-loyalty: A contingency framework [Special issue]. *Psychology & Marketing*, 20(2), 123-138. <https://doi.org/10.1002/mar.10063>
- Azzari, V., Mainardes, E. W., & Beiruth, A. X. (2024). ACCOUNTQUAL: A scale for measuring accounting service quality. *Journal of Accounting & Organizational Change*, 20(1), 130-152. <https://doi.org/10.1108/JAOC-07-2022-0112>

- Bambale, S. A., Qing, N. M., Kamselem, K. M., Lateef, S. A., & Liman, A. M. (2023). The determinant factors of customer loyalty of SMEs business in Malaysia with moderating effect of customer perceived value. *The Journal of Management Theory and Practice*, 4(1), 86-93. <https://journal.unisza.edu.my/jmtp/index.php/jmtp/article/view/297/133>
- Bhandari, M., & Rodgers, S. (2019). What does the brand say? Effects of brand feedback to negative eWOM on brand trust and purchase intentions. In S.-C. Chu, J. Kim, & C. R. Taylor (Eds.), *Electronic word of mouth as a promotional technique* (1st ed., pp. 125-141). Routledge. <https://doi.org/10.4324/9780429432897-8>
- Bryceland, A., & Curry, A. (2001). Service improvements in public services using SERVQUAL. *Managing Service Quality: An International Journal*, 11(6), 389-401. <https://doi.org/10.1108/09604520110410601>
- Caruana, A. (2002). Service loyalty: The effects of service quality and the mediating role of customer satisfaction. *European Journal of Marketing*, 36(7-8), 811-828. <https://doi.org/10.1108/03090560210430818>
- Chaudhuri, A., & Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *Journal of Marketing*, 65(2), 81-93. <https://doi.org/10.1509/jmkg.65.2.81.18255>
- Chodzaza, G. E., & Gombachika, H. S. H. (2013). Service quality, customer satisfaction and loyalty among industrial customers of a public electricity utility in Malawi. *International Journal of Energy Sector Management*, 7(2), 269-282. <https://doi.org/10.1108/IJESM-02-2013-0003>
- Coelho, P. S., & Henseler, J. (2012). Creating customer loyalty through service customization. *European Journal of Marketing*, 46(3-4), 331-356. <https://doi.org/10.1108/03090561211202503>
- Ellitan, L., & Suhartatik, A. (2023). Increasing repurchase intention through product quality, service quality, and customer satisfaction. *International Journal of Research*, 10(10), 25-36. <https://doi.org/10.5281/zenodo.8434079>
- Fida, B. A., Ahmed, U., Al-Balushi, Y., & Singh, D. (2020). Impact of service quality on customer loyalty and customer satisfaction in Islamic banks in the Sultanate of Oman. *Sage Open*, 10(2). <https://doi.org/10.1177/2158244020919517>
- Fuchs, K., & Fangpong, K. (2021). Using the SERVQUAL framework to examine the service quality in higher education in Thailand. *Education Quarterly Reviews*, 4(2), 363-370. <https://doi.org/10.31014/aior.1993.04.02.286>
- Gajanova, L., Nadanyiova, M., & Moravcikova, D. (2019). The use of demographic and psychographic segmentation to creating marketing strategy of brand loyalty. *Scientific Annals of Economics and Business*, 66(1), 65-84. <https://saeb.feaa.uaic.ro/index.php/saeb/article/view/1115/146>
- Gilmore, A., & McMullan, R. (2009). Scales in services marketing research: A critique and way forward. *European Journal of Marketing*, 43(5-6), 640-651. <https://doi.org/10.1108/03090560910946972>
- Gunawan, I. (2022). Customer loyalty: The effect of customer satisfaction, experiential marketing, and product quality. *KINERJA: Jurnal Manajemen Organisasi dan Industri*, 1(1), 35-42. <https://pdfs.semanticscholar.org/bbbf/dae1f8110bf27bd849d110a02c6478f69395.pdf>
- Haenlein, M., & Kaplan, A. M. (2004). A beginner's guide to partial least squares analysis. *Understanding Statistics*, 3(4), 283-297. https://doi.org/10.1207/s15328031us0304_4
- Hung, P. H. (2022). Audit service quality and loyalty to audit firms: Empirical evidence from Vietnam. *Journal of Positive School Psychology*, 6(7), 5266-5281. <https://journalppw.com/index.php/jpsp/article/view/12681/8228>
- Jahmani, A., Bourini, I., & Jawabreh, O. A. (2020). The relationship between service quality, client satisfaction, perceived value and client loyalty: A case study of Fly Emirates. *Cuadernos de Turismo*, 45, 219-238. <https://doi.org/10.6018/turismo.426101>
- Jiang, H., & Zhang, Y. (2016). An investigation of service quality, customer satisfaction and loyalty in China's airline market. *Journal of Air Transport Management*, 57, 80-88. <https://doi.org/10.1016/j.jairtraman.2016.07.008>
- Kalia, P., Kaushal, R., Singla, M., & Parkash, J. (2021). Determining the role of service quality, trust and commitment to customer loyalty for telecom service users: A PLS-SEM approach. *The TQM Journal*, 33(7), 377-396. <https://doi.org/10.1108/TQM-04-2021-0108>
- Khan, H., Rehmat, M., Butt, T. H., Farooqi, S., & Asim, J. (2020). Impact of transformational leadership on work performance, burnout and social loafing: A mediation model. *Future Business Journal*, 6, Article 40. <https://doi.org/10.1186/s43093-020-00043-8>
- Kotler, P., & Keller, K. L. (2006). *Marketing management* (12th ed.). Pearson Prentice Hall.
- Kumar, R., & Kumar, A. (2017). Assessment of customer satisfaction and behavioural intentions in terms of customer service quality perception towards technology-based banking services provided by selected commercial banks operating in India. *IIMS Journal of Management Science*, 8(2), 229-246. <https://doi.org/10.1177/ims.2017.8.2.229>
- Lai, T. T. T., & Pham, D. H. (2020). The quality of audit services: An assessment from FDI clients in Vietnam. *Accounting*, 6, 1071-1076. <https://doi.org/10.5267/j.ac.2020.7.012>
- Leninkumar, V. (2017). The relationship between customer satisfaction and customer trust on customer loyalty. *International Journal of Academic Research in Business and Social Sciences*, 7(4), 450-465. <https://doi.org/10.6007/IJARBS/v7-i4/2821>
- Lin, H.-H., & Wang, Y.-S. (2006). An examination of the determinants of customer loyalty in mobile commerce contexts. *Information & Management*, 43(3), 271-282. <https://doi.org/10.1016/j.im.2005.08.001>
- Mahato, S., & Goet, J. (2020). Service quality, customer satisfaction, and customer loyalty in the Nepalese restaurant industry. *International Journal of Innovative Science and Research Technology*, 5(12), 1255-1261. <https://ijisrt.com/assets/upload/files/IJISRT20DEC653.pdf>
- Mita, D., & Saputro, S. (2022). Analisis pengaruh service quality, visibility, access to service, perceived value dan customer satisfaction pada customer loyalty terhadap restoran cepat saji [Analysis of the influence of service quality, visibility, access to service, perceived value and customer satisfaction on customer loyalty to fast food restaurants]. *SEIKO: Journal of Management & Business*, 4(3), 180-194. <https://journal.stieamkop.ac.id/index.php/seiko/article/view/2537>
- Munusamy, J., Chelliah, S., & Mun, H. W. (2010). Service quality delivery and its impact on customer satisfaction in the banking sector in Malaysia. *International Journal of Innovation, Management and Technology*, 1(4), 398-404. <https://ijimt.org/papers/71-M461.pdf>

- Nguyen, D. T. (2014). *Giáo trình: Phương pháp nghiên cứu khoa học trong kinh doanh* [Textbook: Scientific research methods in business]. NXB Tài Chính.
- Nguyen, H. T., & Hung, N. H. (2019). Determinants of customer satisfaction in commercial banks: A case study in Quang Nam province, Vietnam. *AGU International Journal of Sciences*, 7(2), 42–55. <https://apps.agu.edu.vn/qlkh/storage/app/agu/1575013966-template5-part-b-21-ckp24-bai-dich-huynh-tan-nguyen-and-nguyen-hoang-hungpdf.pdf>
- Olaogun, J. A., & Fatoki, O. I. (2009). Theory building approach using qualitative data analysis. *Social Sciences*, 4(1), 12–23.
- Oliver, R. L. (1999). When consumer loyalty? *Journal of Marketing*, 63(4suppl1), 33–44. <https://doi.org/10.1177/00222429990634s105>
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12–40. <https://surl.li/sgbhio>
- Pekkaya, M., Pulat İmamoglu, Ö., & Koca, H. (2019). Evaluation of healthcare service quality via SERVQUAL scale: An application on a hospital. *International Journal of Healthcare Management*, 12(4), 340–347. <http://doi.org/10.1080/20479700.2017.1389474>
- Peštović, K., Milicevic, N., Djokic, N., & Djokic, I. (2021). Audit service quality perceived by customers: Formative modelling measurement approach. *Sustainability*, 13(21), Article 11724. <https://doi.org/10.3390/sul32111724>
- Phan, T. H. N., & Nguyen, K. Q. T. (2024). Service quality, customer satisfaction and loyalty: A case study in Vietnamese SMEs. *Cogent Business & Management*, 11(1), Article 2377769. <https://doi.org/10.1080/23311975.2024.2377769>
- Pringviriya, N. (2015). *Relationship between service quality and customer loyalty: Mediating effect of customer satisfaction and customer trust in Thailand's audit firms* [Doctoral dissertation, Universiti Utara Malaysia]. https://etd.uum.edu.my/5750/1/s91340_01.pdf
- Reichheld, F. F., & Teal, T. (1996). *The loyalty effect: The hidden force behind growth, profits, and lasting value*. Harvard Business School Press.
- Russell-Bennett, R., McColl-Kennedy, J. R., & Coote, L. V. (2007). Involvement, satisfaction, and brand loyalty in a small business services setting. *Journal of Business Research*, 60(12), 125–1260. <https://doi.org/10.1016/j.jbusres.2007.05.001>
- Sarstedt, M., Ringle, C. M., & Hair, J. F. (2014). PLS-SEM: Looking back and moving forward. *Long Range Planning*, 47(3), 132–137. <https://doi.org/10.1016/j.lrp.2014.02.008>
- Shah, D., Rust, R. T., Parasuraman, A., Staelin, R., & Day, G. S. (2006). The path to customer centricity. *Journal of Service Research*, 9(2), 113–124. <https://doi.org/10.1177/1094670506294666>
- Sitorus, T., & Yustisia, M. (2018). The influence of service quality and customer trust toward customer loyalty: The role of customer satisfaction. *International Journal for Quality Research*, 12(3), 639–654. <https://doi.org/10.18421/IJQR12.03-06>
- Slack, N. J., & Singh, G. (2020). The effect of service quality on customer satisfaction and loyalty and the mediating role of customer satisfaction: Supermarkets in Fiji. *The TQM Journal*, 32(3), 543–558. <https://doi.org/10.1108/TQM-07-2019-0187>
- State Securities Commission of Vietnam (SSC). (n.d.). *Thống kê thị trường chứng khoán* [Stock market statistics]. https://ssc.gov.vn/webcenter/portal/ubck/pages_r/m/thngtinthtrng/thngkthtrng
- Tabash, M. I., Albugami, M. A., Salim, M., & Akhtar, A. (2019). Service quality dimensions of e-retailing of Islamic banks and its impact on customer satisfaction: An empirical investigation of Kingdom of Saudi Arabia. *The Journal of Asian Finance, Economics and Business*, 6(3), 225–234. <https://doi.org/10.13106/jafeb.2019.vol6.no3.225>
- Thompson, E. R. (2009). Individual entrepreneurial intent: Construct clarification and development of an internationally reliable metric. *Entrepreneurship Theory and Practice*, 33(3), 669–694. <https://doi.org/10.1111/j.1540-6520.2009.00321.x>
- Tsoukatos, E., & Rand, G. K. (2006). Path analysis of perceived service quality, satisfaction and loyalty in Greek insurance. *Managing Service Quality: An International Journal*, 16(5), 501–519. <https://doi.org/10.1108/09604520610686746>
- Tuan, N. A., & Ly, N. T. V. (2020). Factors affecting customers' satisfaction on service quality — The case of Duong Vy service trading limited company. *Science & Technology Development Journal — Economics — Law and Management*, 4(3), 881–896. <https://doi.org/10.32508/stdjelm.v4i3.649>
- Wicks, A. M., & Roethlein, C. J. (2009). A satisfaction-based definition of quality. *The Journal of Business and Economic Studies*, 15(1), 82–97. <https://digitalcommons.bryant.edu/manjou/6/>
- Wulanjani, H., & Derriawan. (2017). Dampak utilitarian value dan experiential marketing terhadap customer satisfaction dan revisit intention [The impact of utilitarian value and experiential marketing on customer satisfaction and revisit intention]. *Jurnal Riset Manajemen dan Bisnis (JRMB) Fakultas Ekonomi UNIAT*, 2(2), 121–130. <https://media.neliti.com/media/publications/259329-dampak-utilitarian-value-dan-experientia-75359489.pdf>
- Yang, Z., & Peterson, R. T. (2004). Customer perceived value, satisfaction, and loyalty: The role of switching costs. *Psychology & Marketing*, 21(10), 799–822. <https://doi.org/10.1002/mar.20030>
- Yarimoglu, E. K. (2014). A review on dimensions of service quality models. *Journal of Marketing Management*, 2(2), 79–93. https://jmm.thebrpi.org/journals/jmm/Vol_2_No_2_June_2014/5.pdf
- Zebrga, F. W., & Zaveri, B. (2020). Effect of service quality on customer loyalty: A study of hotels in Ethiopia. *International Journal of Management*, 11(3), 668–677. https://iaeme.com/MasterAdmin/Journal_uploads/IJM/VOLUME_11_ISSUE_3/IJM_11_03_068.pdf