

Ho Chi Minh City, Dec 3, 2025

INFORMATION PAGE ON NEW SCIENTIFIC AND PRACTICAL CONTRIBUTIONS OF THE THESIS

Thesis title: Impact of banking market structure on the banking performance of Vietnamese commercial bank

Specialization: Finance - Banking

Code: 9340201

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Course: 2017

Training institution: University of Finance – Marketing

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1. New scientific contributions

This dissertation makes several notable academic contributions, reflected in the following key points:

Firstly, the thesis constructs an integrated empirical analytical framework with 24 System GMM models, simultaneously combining three groups of factors: the degree of concentration of the banking market, internal market power, banking operational efficiency, and institutional quality within a single dynamic model framework based on a solid and multidimensional theoretical framework, surpassing the classical SCP model. It incorporates Porter's Competitiveness Theory (1998, 2008), the Corporate Behavior Theory (Cyert & March, 1963), the Agency Cost Theory (Jensen and Meckling, 1976), and the Transaction Cost Theory (Coase, 1960; Williamson, 2000) to justify complex hypotheses about internal governance behavior and institutional mechanisms. This approach allows for a consistent description of the impact of market structure and pricing power on the operational efficiency of Vietnamese commercial

banks under institutional regulation, while simultaneously controlling for endogenous ROA and ROE and other macroeconomic factors. This is a significant development compared to many previous studies that only considered individual groups of factors or static models.

Secondly, the thesis provides detailed empirical evidence on the differential impact of concentration levels across different operational aspects: assets, deposits, and loans. Instead of using only one CR4 or HHI index at a general level, the thesis simultaneously constructs and estimates concentration variables across three channels: lnCR4_Assets, lnCR4_Deposits, lnCR4_Loans, lnHHI_Assets, lnHHI_Deposits, and lnHHI_Loans. The results show that the impact of market concentration is completely heterogeneous across aspects. Concentration in the mobilization aspect and partly in the asset aspect tends to increase operational efficiency, while concentration in credit tends to decrease efficiency, especially in terms of ROE. This channel-based approach clarifies the segmented competitive structure in the Vietnamese banking system and adds a new theoretical and empirical perspective to the relationship between market concentration and banking performance.

Thirdly, the thesis clarifies the regulatory role of institutional quality in the relationship between market concentration, market power, and banking performance, using simultaneously three components of institutional quality: public governance efficiency (GE), rule of law (LR), and regulatory quality (RQ). Through the interaction variables between CR4, HHI, Lerner with GE, LR, RQ, the thesis shows that institutions not only change the magnitude but also the direction and transmission channel of the impact of market structure and market power on the operational performance of commercial banks. In particular, the results indicate that good institutions can amplify the benefits of asset concentration and mobilization, emphasize the risks of credit concentration, and simultaneously restrain the ability to transform market power into returns on assets, while directing this power towards the channel that optimizes equity efficiency. The clear difference between ROA and ROE in interaction with Lerner and institutional indicators is a novel contribution compared to most international studies which usually consider the role of institutions at a general level and rarely analyze it according to efficiency measures.

Fourth, the thesis clarifies the role of Vietnam's market specifics in the mechanism of impact from market structure, market power, and institutions on banking efficiency, thereby adding new evidence to the international academic debate on banking competition in emerging economies. The Vietnamese context, with its banking system restructuring, bad debt resolution, digital transformation, and institutional framework improvement, has been integrated into the

empirical interpretation, showing that banking performance is simultaneously determined by three interconnected mechanisms: concentration in terms of area, pricing power, and institutional quality. The thesis's demonstration that concentration is only beneficial in certain low-risk areas, that market power has a clear positive impact on equity efficiency, and that institutional quality is a central factor shaping these impacts, constitutes a significant theoretical, methodological, and empirical contribution, while also laying the groundwork for further research on banking market structure, operational efficiency, and institutions in the context of developing economies.

2. New practical contributions

Besides its academic contributions, the thesis also provides important practical values for the Vietnamese commercial banking system, the State Bank of Vietnam, and policymakers in the context of restructuring, handling bad debts, and strong digital transformation.

Firstly, the thesis provides a detailed quantitative basis for reassessing the structure of the Vietnamese banking market in terms of assets, deposits, and loans. The simultaneous use of the indices $\ln\text{CR4_Assets}$, $\ln\text{CR4_Deposits}$, $\ln\text{CR4_Loans}$, $\ln\text{HHI_Assets}$, $\ln\text{HHI_Deposits}$, and $\ln\text{HHI_Loans}$ allows for clear identification of market segments by channel for mobilization, asset management, and lending. It also shows that concentration of mobilization and a portion of asset concentration can support efficiency, while concentration of lending reduces efficiency. This provides an empirical basis for each bank to adjust its business strategy in various aspects: assets, lending, and deposits, as well as choosing competitive targets that match its advantages. It also helps regulatory authorities build a more realistic market structure management strategy, rather than relying solely on aggregate concentration indicators.

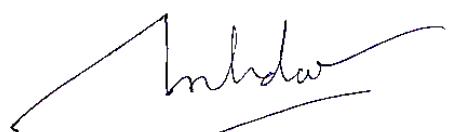
Secondly, the thesis provides direct empirical evidence for designing competitive management and risk monitoring policies based on credit concentration and market power. The results show that high credit concentration is associated with lower efficiency, especially for equity efficiency and in the context of improved institutions, while the Lerner index has a clearly positive impact on ROE. This provides the State Bank of Vietnam and regulatory agencies with additional grounds to design tools for centralized credit supervision, limiting systemic risks from a few banks or sectors with high credit concentration, while using market power indicators such as Lerner to identify early groups of banks with strong pricing power that need close supervision regarding interest rates, fees, and competitive behavior. This evidence supports the gradual shift towards a risk-oriented supervisory model, combining concentration and market power indicators.

Thirdly, the thesis clarifies the central role of institutional quality in shaping the impact of market structure and market power on banking efficiency, thereby providing practical guidance for reforming financial and banking institutions. Quantifying the impact of GE, LR, and RQ indices on interacting variables shows that institutional improvement not only amplifies the benefits of asset concentration and mobilization but also exposes and clarifies the risks of credit concentration, while adjusting the channel of market power from return on assets to equity efficiency. This helps the State Bank of Vietnam and policymakers clearly identify reform priorities such as improving public governance efficiency, strengthening the rule of law, improving the quality of regulations and enforcement, perfecting the mechanism for handling bad debts, protecting creditor rights, and increasing information transparency. Thus, institutional reform is not only seen as a long-term goal but also becomes a proactive tool for regulating the impact of market structure and competition on the efficiency and stability of the system.

Fourth, for commercial banks themselves, the thesis provides specific practical suggestions for sustainable governance and development strategies. The results emphasize that scale, channel-centric structure, market power, and institutional compliance are core factors determining long-term efficiency. Based on this, banks can use channel-centric indicators and the Lerner index as an internal set of indicators to review their strategies for fundraising, lending, equity management, and technology investment, while adjusting risk appetite, provisioning policies, and compliance levels with international standards such as Basel II, Basel III, and financial reporting standards. This helps banks shift their growth strategies from purely expansion-oriented to one that prioritizes efficiency, safety, and adaptability to a changing institutional environment.

Tp.HCM, ngày 3 tháng 12 năm 2025

Người thực hiện ký tên



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