The Impact of Brand Capital on the Stock Price Crash Risk, an Empirical Study

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ABSTRACT

The factors influencing the financial market are rapidly becoming more complex. The impact of non-financial factors on the performance of a company's common stock can increase in ways that were not previously expected. This study investigated how brand capital affects the risk of stock prices in Iraqi private banks listed on the Iraq Stock Exchange failing by identifying the likelihood of a crash caused by a negative deviation in the distribution of returns on ordinary shares. As a result, the current study's concept is to review an analytical knowledge framework of the nature of that relationship, its changes, and its impact on the pricing of ordinary shares of the banks of the researched sector for the years 2009 to 2017, as well as by the 21 banks listed during that time and by the 588 observations using the expanded market model to determine quarterly changes in stock prices. In addition to testing the negative coefficient of skewness and the down-to-up volatility models to test the contribution of brand capital in reducing the risk of stock collapse, The test results showed that brand capital is closely related to the significant and adverse risks of a stock crash. Additionally, the first's impact is inverse, as its content highlights the role that the research sample banks' brand capital played in lowering the dangers of stock price crashes.

INTRODUCTION

Marketing, beyond tangible elements and brand capital, has not received sufficient attention from modern economic literature, particularly in the Arabic context. Moreover, its partial and overall effects on industry structure, productivity, and overall outputs have been poorly identified in studies. For the most part, due to technical reasons, the most surprising aspect was the explicit neglect of the brand. Previously, the concept of brand capital was limited to the responsibilities of marketing executives only. However, this concept has evolved to include the added value it brings beyond the physical value of a product that can be observed or felt by two parties: the first being the customer through their behavior and culture towards a particular brand, and the second being the company considering its brand as a financial existence and a capital value in addition to its visible profits as one of the important intangible assets of the company. It must be emphasized here that brand capital plays a vital role in unleashing the business potentials of the company through expanding its market share, fostering customer loyalty, increasing stakeholder engagement, retaining talented employees, attracting investments, and differentiating the company and its products in the market. Brand capital is one of the essential elements for the success of any company or product in the marketplace. It represents the economic and social value of the brand and the competitive advantages it provides. This kind of capital represents the economic and commercial value of a brand in a competitive market. Brand capital is composed of various factors such as the brand itself, intellectual property, customer relationships, reputation, and financial and human resources. Brand capital is measured based on the strength of the brand and its ability to attract and retain customers. Previous studies, including the study by (Hasan *et al.*, 2022; Hussain *et al.*, 2020; Mousa *et al.*, 2021; K. Wang & Jiang, 2019) indicate that brand capital has a significant impact on the competitiveness and sustainability of companies, with benefits flowing into growth, profitability, and market value. The study by (Qashi & Sufyan, 2015) strategically presented brand capital as a crucial element when entering markets, especially international markets. Additionally, (Ariff *et al.*, 2016; Hall, 2001; Setiadharma & Machali, 2017) suggests that the value of any company is reflected in the value of its tangible capital stock, such as machinery, facilities, and internal and external branches, as well as the value of the intangible capital stock, such as employee skills, brand name, and customer base.

It is worth mentioning that intangible capital can be described as an important component of a company's overall value in the stock market, and its significance has greatly increased in recent decades. Therefore, understanding the impact of intangible capital on company performance is an important question that can help us understand the economic determinants of stock values in that market (Gamayuni, 2015). The previous author mentioned indicates that financial markets take into account the brand equity of all companies in their regular stock valuations. Similarly, (Gourio & Rudanko, 2014) showed that companies with a higher concentration of brand capital in the minds of consumers and clients have a higher average stock return than companies with a lower density of brand capital. (Cui *et al.*, 2018; Hsu *et al.*, 2013) found that brand reputation has a positive impact on stock returns and trading volume. Consistent

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with what has been mentioned, investor sentiment has a positive effect on stock returns while having a negative impact on the trading volume of those stocks, leading to their collapse compared to their counterparts from other companies. The negative investor sentiment decreases positively in response to the impact of brand reputation on stock returns, but it increases negatively due to the influence of brand reputation on low trading volume stocks, which may exacerbate the pace of this decline towards collapse. This may be attributed to the effect of brand reputation and investor emotions on the performance of stocks across companies with different brand values. This phenomenon is more pronounced in companies with high brand values compared to companies with relatively low brand values. Meanwhile, the same study confirms that the negative impact of investor sentiment on stock trading volume is lower in companies with high brand value, highlighting the importance of building brand reputation to improve stock performance and avoid future collapses. In the current paper, we examine the impact of brand capital on the stock price crash risk in the Iraqi Stock Exchange for the period from 2009 to 2017 on a quarterly basis. A sample of banks listed on the Iraqi Stock Exchange was selected to represent the research sample.

LITERATURE REVIEW

When there is an agreement between the brand's perceived position and the customers' purchase objectives for consumers (i.e., between what the company's brand represents and what customers and consumers are looking for), the relationship between a brand's perceived capital and the purchase of its products by customers and consumers emerges (O'Rourke *et al.*, 2022). Consumers are more likely to pay more for a brand's distinctive name than for products with a similar name (Keller *et al.*, 2011). As a result, brand capital is a useful input since it aids in growing consumer loyalty, enticing people to buy more, and other methods of raising sales for companies. As a result, brand capital may be described as an intangible asset that captures how knowledgeable consumers are about the products and services that are offered (Arkolakis, 2010). According to (Vitorino, 2014), brand capital can be defined as one of the company's intangible and important assets, which summarizes the perception of customers and consumers of the company's products and services and their insistence on acquiring them in the long term. Because it increases consumer loyalty or first impressions, brand capital is a production component in the operating profit function of a company (Foroudi *et al.*, 2018). This helps companies grow sales. Additionally, brand capital enables companies to set their products and services apart from those of rivals and is thus potentially advantageous. Thus, it is a potential source of competitive advantage through its impact on cash flows (Belo *et al.*, 2014). Brand capital is likely to have an impact on a company's risk profile, which in turn affects its cost of capital and market capitalization (Vomberg *et al.*,

2015). As an intangible asset, the company's brand capital is challenging to quantify. As a result, the value of the company's shares as a result of its brand capital affects the company's entire market value. Additionally, brand capital influences the company's overall risk and, consequently, the cost of capital through its effect on cash flows. Brand capital is a significant production component since it boosts consumer loyalty, clarity, trustworthiness, quality, and mutual pleasure between the two parties, all of which help to increase sales (Pillai, 2012) . Therefore, through its effect on cash flows, brand capital is expected to affect companies' default risk and their market prices (Fischer & Himme, 2017).

The financial crisis that happened worldwide in the last decade of the twenty-first century had its roots in the financial liberalization policies that many large economies, like the United States of America, for example, had adopted. Some of these policies' outcomes included high capital flows across national borders, which exposed the economies of some nations to weaknesses that led to the occurrence of negative pressure on the capital markets (Al-Nuaimi, 2021). Numerous studies, such as (Kabir, 2023; Moritz *et al.*, 2015; Sivaramakrishnan *et al.*, 2017), show that customer interactions in the product market have an impact on investment choices made in financial markets, which has an impact on stock prices in those markets as a result. Companies that invest in brand capital typically have unusual earnings and better profitability over the long term than their peers operating in the same sector due to the distinctive nature of some brands (Lou, 2014). It was later found that companies that go public with high levels of publicity prior to their initial public offerings (IPOs) are highly valued, both in initial public offerings and after direct sales (Chemmanur & Yan, 2017). In order to launch the company's products and increase its market share, the brand's capital is essential. This initial success has a big impact on the company's competitiveness and long-term viability, which in turn affect the value of its shares on the financial market. Over the past decade, evidence in the media has shown the importance of brand capital to companies' financial performance and credibility and has indicated how the release of negative information about brands can affect share prices. For instance, Facebook's market value decreased by more than 100 billion dollars within days of the discovery that data analytics company Cambridge Analytica had secretly created social profiles of US residents using Facebook data (Tuttle, 2018).

In the period from 2016 to 2018, those interested in many countries began to investigate the data of Volkswagen, which proved the existence of tampering with diesel emissions devices in its manufactured vehicles, and as a result of this event, the company's share price fell by about 33% of the real value of the share in the days that followed the issuance of this news. Notably, there are additional elements that cannot be disregarded that both directly and indirectly influence stock values, such as (economic, political, etc. As a result, investors shift

their funds and investments to other, more stable nations (Tharshiga, 2013; Utonga & Ndoweka, 2023). According to the aforementioned, the risk of stock collapse is the ongoing occurrence of excessively negative returns on the stock's value. The collapse of stock prices is a risk of the utmost importance for any investor and for any company due to its impact on the company's decision-making and risk management, according to (Dang *et al.*, 2018). In the same vein, (J. Kim & Zhang, 2016) found that some businesses implemented a tax avoidance approach and hid unfavorable financial facts, which increased the risk to their stock prices. The theory of Bad News Hoarding (Jin & Myers, 2006), which is based on keeping negative news hidden from investors and other interested parties for as long as possible, up to the tipping point, should be included as one of the hypotheses relating to the dangers of a stock crash. Due to the great value of the bad news relative to the gain received, the company is currently unable to conceal it. The company uses this approach to accomplish certain financial and strategic objectives (Habib *et al.*, 2018).

We should address other explanations for the risks of the crash of stock prices, including the most important of which is the reaction of investors towards the fluctuations in stock prices and the risk of their crash in the financial market as a result of achieving negative distortions. In this context, it can be said that some factors affect the likelihood that stock prices will fall, including factors relating to the financial markets, factors affecting stock market competition, factors affecting the volume of trading, and factors that are closely related to the aforementioned "Bad News Hoarding Theory". Withholding bad news increases the risk of a collapse in the share price of the company, which reduces the value of its brand (Arianwuri *et al.*, 2017; F. Jiang *et al.*, 2020). This is because it causes an increase in information asymmetry, which leads to an increase in short selling. In addition, the greater the negative skewness of the share's return, the greater the risk of a collapse in the share price, which is reflected in the value of the company's brand (de Oliveira Ribeiro, 2017). (Qamouza, 2021) found determinants related to the company itself, including (audit quality, profit determination, financial analyst expectations, and the ambiguity of financial reports). The aforementioned leads us to the conclusion that the collapse of the stock price, which is defined as a rapid and drastic decrease in its prices, is an important subject in financial studies due to its influence on investment choices. As a result, there is an increasing number of specialized literatures in financial management that examines the causes and effects of the risk of stock price crash from many aspects. Numerous studies have examined the correlation between administrative incentives, both moral and financial, to hide some bad news, tax evasion, a lack of financial transparency, and some characteristics given to the CEO (Bayar *et al.*, 2018; Kim *et al.*, 2011; Wang, 2010). This includes excessive confidence, which creates significant risks that result in a crash in stock prices. Based on the

previous discussions and relying on (Christodoulides *et al.*, 2007) ideas in measuring brand capital, we propose the following hypotheses and sub-hypotheses:

H01: Brand capital has a negative effect on reducing the risk of crash stock prices in Iraqi private banks.

H01a: Emotional connection has a negative effect on reducing the risk of crash stock prices in Iraqi private banks.

H01b: Service response nature has a negative effect on reducing the risk of crash stock prices in Iraqi private banks.

H01c: Trust has a negative effect on reducing the risk of crash stock prices in Iraqi private banks.

H01d: Customer satisfaction has a negative effect on reducing the risk of crash stock prices in Iraqi private banks.

MATERIALS AND METHODS
Capital markets in general suffer from continual dynamic changes and fluctuations for a variety of complicated causes, necessitating the need to understand the sources of these changes and strive to enhance the right reaction to them. And in the case where there are many causes of stock price changes and their potential effects, which may extend not only to the capital of the individual institution, but to the entire sector, the importance of researching arises from monitoring these changes and limiting them whenever possible.

Instrument
We relied on multiple sources to gather the data. Primarily, we relied on the annual reports and financial data issued by the Iraqi Securities Commission (ISC) as well as the Iraq Stock Exchange (ISE). On several occasions, we also reviewed the financial statements of the selected banks in the current study. Unfortunately, we were unable to obtain the weekly closing prices of the stocks. Therefore, we have opted for quarterly stock prices throughout the year. We relied on previous theories and measures to measure brand capital through a Likert scale of five points (5 = fully agree, 0= fully disagree). All results of the stability, reliability, and internal consistency tests were acceptable and supportive.

Sampling and Data Collection
The research population represents the listed companies in the Iraq Stock Exchange for the period between 2009 and 2017, totalling 105 companies distributed across 9 diverse sectors. The banking sector was chosen as a purposive sample for the research, consisting of 21 banks out of a total of 46 banks within the overall sector. This decision was made due to various reasons, including the fact that some banks were listed in the market during the specified time period. Additionally, there were difficulties in accessing monthly data for some other banks due to various reasons, such as undisclosed financial reports and suspension of trading for different periods. Thus, the sample represented (45.6%) of the total banking sector,

(20%) of the total companies listed in the market, and the total number of views was (588) views on a quarterly basis per year. A variety of sources were relied upon to obtain the data, the most important of which were the Iraqi Securities Commission, the Iraq Stock Exchange, and the financial reports published on the websites of some banks included in the study sample. The private Iraqi banking sector was chosen as the field of study based on the following justifications: (1) The banking sector is considered a vital component in the development and revival of the Iraqi economy. (2) Investing in the banking sector is highly risky and subject to future uncertainties. (3) Providing detailed financial data about it enriches the analytical research aspect.

Variables and Measures
The role of brand capital in lowering the risk of a stock crash is examined using the extended market model for regression analysis in order to test and analyze the main research hypothesis, and the two models; negative coefficient of skewness and down-to-upvolatility (NCSKEW and DUVOL) are used to measure the stock price crash risk within the environment of the studied sector. Share price movements were calculated on a quarterly basis for each company based on the research period from 2009 to 2017. According to (Callen & Fang, 2015; Hutton *et al.*, 2009; Jiang *et al.*, 2022; Wang & Jiang, 2019), and, the extended market model was used for regression analysis:

$$r_{j,\tau} = \alpha + \beta_1\, rMKT,\tau-2 + \beta_2\, rMKT,\tau-1 + \beta_3\, rMKT,\tau + \beta_4\, rMKT,\tau+1 + \beta_5\, rMKT,\tau+2 + \varepsilon_{j,\tau} \quad (1)$$

Where $r_{(i,\tau)}$ represents the quarterly returns per share according to the value of growth in the market, while r_{MKT} represents the return of the Iraq Stock Exchange index according to the search time period, while $\varepsilon_{j,\tau}$ represents the remainder (error coefficient) of the equation, which is expected to be highly skewed, which necessitates convert it to an approximately symmetric form by adding the natural logarithm of 1 to it:

$$Dj = LN(1+\epsilon_{j,t}) \quad (2)$$

The negative coefficient of skewness method, also known as NCSKEW, and the down-to-up volatility approach, also known as DUVOL, were used to calculate the risk of stock crash. With regard to the first approach (NCSKEW), it bases its analysis on comparing returns with negative values to those with positive ones. As a result, the skewness is transformed into a symmetric distribution by raising its standard deviation values to the third power (3) and as in the formula below (Kim *et al.*, 2016; Zhang, 2010):

$$NSKEW_j = -n(n-1)^{3/2}\sum W^3_{j,\tau} / (n-1)(n-2)(\sum W^2_{j,\tau})^{3/2} \quad (3)$$

Where W (j,t) denotes the quarterly stock returns of the company for the given time period (n). With regard to the second method (DUVOL), the stock returns are split into two groups: the group that includes returns with values that are less than the average returns for the period (nu), and the group that includes returns with values that are higher than the average (nd), after which the value of volatility is calculated. Using the natural logarithm of the deviation between the lower and higher sections as determined by the following equation:

$$DUVOL_{t,k} = Log\{(n_u-1)\sum downW^2_{i,s} / (n_{d-1})\sum upW^2_{i,s}\} \quad (4)$$

Brand capital measurements ranged from those that concentrated on financial data (advertising and promotional expenditure items), as in (Hasan *et al.* 2022: 7233), to those that concentrated on the exteriors of the establishments, particularly those that gave a greater perception of the brand awareness or association with it by outsiders. A series of sub-dimensions, including emotional connection (EC), service response nature (SRN), trust (TR), and customer satisfaction (CS), were used to measure brand capital according to (Christodoulides *et al.*, 2007).

Descriptive Statistics
The descriptive statistics data for the search variables are shown in Table (1). It is evident from this data that the research sample companies' average share price was (1.04) dinars, while the highest share price for the same period was (6.1) dinars, which was the share price of Dar Al Salam Bank for the year 2010. The chart also displays the brand capital variable's high arithmetic averages fell between (4,412 and 4,550), with the variable's overall average coming in at (4,470).

Table 1: Descriptive Statistics

No.	Variable	Sample	Mean	SD	Skewness	lower values	Higher values
1	NSKEW	588	-0.001	0.020	0.189	-0.04	0.09
2	DUVOL	588	-0.403	3.918	-2.112	-0.89	0.67
3	EC	40	4.460	0.805	2.952	1	5
4	SRN	40	4.412	0.758	2.818	1	5
5	TR	40	4.550	0.751	3.195	1	5
6	CS	40	4.450	0.881	2.841	1	5

Correlation Analysis
According to Table (2), which displays the Pearson method's correlation between the search variables, the majority of the correlations between the stock price crash risk according to the two methods (NCSKEW) and (DUVOL) and the brand capital were inverse, meaning that brand promotion, the strength of its spread, and the depth of customer awareness of the brand lower the risk of crashing share prices of study sample companies. Greater customer happiness with banks in general lowers

the probability of a decrease in their common stock values, according to the (NCSKEW) method's strongest negative correlation between customer satisfaction (CS) and the likelihood of a crash in stock prices. The emotional connection (EC) and the danger of stock price crashes for the research sample banks had the strongest negative association, as measured by the (DUVOL) technique. Last but not least, the correlation between the two approaches to estimating the probability of a stock crash was found to be positive and substantial, highlighting the similarities between the approaches.

Table 2: Correlation analysis

Variable		NCSKEW	DUVOL	EC	SRN	TR	CS
NCSKEW	r Pearson	1					
	sig	--					
DUVOL	r Pearson	0.300**	1				
	sig	0.000	--				
EC	r Pearson	-0.233	-0.0168	1			
	sig	0.148	0.199	--			
SRN	r Pearson	-0.219	-0.155	0.927**	1		
	sig	0.174	0.339	0.000	--		
TR	r Pearson	-0.235	-0.125	0.917**	0.941**	1	
	sig	0.144	0.442	0.000	0.000	--	
CS	r Pearson	-0.318	-0.159	0.926**	0.940**	0.924**	1
	sig	0.051	0.328	0.000	0.000	0.000	--

Hypothesis Testing

Tables (3) and (4) summarize the results of analyzing the main research hypothesis as well as the sub-hypotheses according to the two methods (negative torsion coefficient - NCSKEW) and (volatility from bottom to top - DUVOL).

The strength of the regression model is demonstrated by the fact that the determination coefficient (R^2) value was high in both situations (NCSKEW: R^2=0.586) and (DUVOL: R^2 = 0.805). According to the (NCSKEW) and (DUVOL) methods, the stock price crash risk explains a total of (59%) and (81%) of the changes in brand capital, respectively. The remaining explanatory factors are left to variables and factors that were not examined in the current study.

According to the (DUVOL) method, the relationship between confidence and the stock price crash risk had the highest negative regression coefficient value of (-0.761),

Table 3: Regression Model Analysis (NCSKEW)

	Dimensions	β	Std. Error	t	Sig.
NCSKEW	Emotional connection	-0.142	0.477	-1.982	0.040
	Service response	-0.182	0.562	-2.462	0.032
	Trust	-0.200	0.436	-4.480	0.000
	Customer satisfaction	-0.214	0.666	-2.500	0.002
	R	0.765			
	R^2	0.586			
	F	13.075			
	Sig.	0.000			

Table 4: Regression Model Analysis (DUVOL)

	Dimensions	β	Std. Error	t	Sig.
DUVOL	Emotional connection	-0.484	0.207	-2.335	0.025
	Service response	-0.632	0.221	-2.885	0.007
	Trust	-0.761	0.139	-5.459	0.000
	Customer satisfaction	-0.643	0.220	-2.890	0.006
	R	0.897			
	R^2	0.805			
	F	38.080			
	Sig.	0.000			

whereas the highest negative value in the (NCSKEW) method was for the slope Customer satisfaction, which had a negative value of (-0.214). Since more negative values contributed to the regression model, it is evident that the results of the (DUVOL) approach appear to be more significant.

RESULTS AND DISCUSSION

These results indicate, in their content, the rationality of the scientific proposal on which the research was based, which was based on the fact that the relationship between the capital of the brand and the share prices of the banks in the research sample depends on what the company offers to its customers and society mostly through the volume of emotional connection, response to services, trust, customer satisfaction, and the extent of reflection of this on their shares and vice versa. Thus, the strength of the relationship between the two variables increases to greater extents when the brand value of the research sample companies increases, which is accompanied by an increase in the value of the share to greater limits, in exchange for a greater decrease in the risk of their prices crashing.

Descriptive statistics show sharp changes in the stock prices of the banks in the research sample, implying that they face the stock price crash risk in various quantities. It is also clear from the descriptive statistics that the shares of the banks in the research sample fell significantly between 2014 and 2017, a period marked by security failures that had a significant impact on the movement of the commercial and financial markets alike. The research data revealed a considerable delay in responding to the research sample banks' periodic financial disclosure obligations, which resulted in repeated practices of suspending and restarting trade. In contrast to the smaller group of banks in the research sample, the majority of the banks surveyed are still experiencing a decline in the value of their market shares for a variety of reasons, including those mentioned above, as well as instructions from the Iraqi Central Bank requiring banks to increase their capital to much higher levels than are currently in place. The variables (emotional connection and trust) displayed a larger inverse correlation with the risk of the stock price collapse, implying that strengthening and caring for them reduces the chance of stock price collapse. The brand's capital has reduced the risk of the collapse of stock prices for the time period specified in the research, according to the negative skewness method of returns. This favorable result is attributed to the beneficiaries' level of satisfaction with the aforementioned banks to the greatest degree, followed by their confidence in the brand. In accordance with the volatility method of low to high, brand capital has also decreased the stock price crash risk for the time period specified in the research, which is also attributed to the beneficiaries' trust in the banks' brands in the research sample to a higher degree than their satisfaction with it. According to the findings, the levels of customer satisfaction with the services offered by the research sample banks, along with higher levels of confidence in them, contributed the most to lowering the risks of the collapse of stock values. Due to the additional defenses, it helped to provide against the dangers of stock price fluctuations and the potential for their collapse, as well as the failure of the bank as a whole in the end, this strengthened the brand capital of such banks.

In the Iraqi business environment, marketing efforts and campaigns are crucial issues. The private banking sector in Iraq is still in its early stages and has faced numerous failures. This necessitates further marketing initiatives aimed at enhancing trust in banks and establishing their brand in the minds of customers. It is expected that customers' interests will eventually shift from ordinary depositors to shareholders in private Iraqi banks, especially with the accelerated development of the stock market. Until then, which may be very soon, customers will look forward to gaining a deeper understanding of private bank activities, reviewing financial statements, and consequently making investment decisions. Leading branded banks will attract the interest of new investors. New shareholders will also be reassured by the ability to handle risks, including the risk of stock price crash, based on the strength of the brand and customer trust. We focus on the importance of enhancing relationships with current and potential customers based on current research findings that have shown that customer trust and emotional connection to the brand are key factors in mitigating stock price risks. Even in cases where customers will not turn into shareholders, their opinion about banks will be of great importance to potential investors. Some newly established banks have managed to strengthen their brand through smart and effective advertising and promotion campaigns, along with their unique and distinctive services. So far, it continues to achieve outstanding performance and unique growth levels. We conclude here that the Iraqi business environment is uniquely attractive. It is certain that outstanding players will get a larger share of opportunities. However, this would not be sufficient unless it is linked to the sustainability of the brand strength.

CONCLUSION

In this study, we discussed the impact of brand capital on reducing the risks of stock price crashes in Iraqi banks. We relied on a range of theories and previous discussions on measuring brand capital as well as the risks of stock price crashes. According to the study data, there are significant problems with the performance of Iraqi banks. We attribute the causes of these problems to security issues and government measures aimed at reducing money laundering activities. It was not possible to select all private banks, for several reasons, including the fact that some of those banks were recently established and listed in the stock market during the timeframe chosen for testing in the current study. Despite the exclusion of control variables due to a lack of financial data, it

is evident that the brand capital of the Iraqi banks is a significant contributor to reducing the risks of stock prices crashing. Emotional connection and customer trust were the most important factors that enhanced the power of the brand's capital. There is a greater importance for sustaining and continuously strengthening that relationship. We emphasize the need to enhance customer relationship management activities because the Iraqi business environment is volatile and subject to constant drastic changes, which requires extra efforts to maintain good customer relationships. The study stresses the value of releasing financial reports and statements on banks' and listed companies' websites in general, given their significance to both investors and researchers. Despite the fact that the security failures between 2014 and 2017 were unexpected and had a significant impact, the inability of some banks to resume their operations has been attributed to poor risk management practices, including forecasting and how to deal with them. The unique services provided by banks lead to higher levels of satisfaction among the beneficiaries, thus enhancing the brand's capital, increasing its reputation and perception, and improving its overall intangible assets. As a result, it ultimately increases their ability to withstand the risks of market fluctuations or the crash of common stock prices. Naturally, the current study was not without limitations. One of the most significant limitations we encountered was the difficulty of finding up-to-date and consistent data in one place. One of the difficulties we also faced is the lack of customer-related data, such as customer volume, the most requested types of services, promotional offers, and much more. This may represent constraints on realistically identifying customer satisfaction levels. Finally, the current study contributes to enhancing the awareness of executive managers in private Iraqi banks regarding the importance of brand and continuous efforts to strengthen it.

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