The Impact of Nostalgia Marketing on Consumer Trust and Longterm Retention: Evidence from Digital Markets

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Abstract

In highly competitive digital markets, organizations increasingly rely on emotional branding strategies to build long-term relationships with consumers. Nostalgia marketing has emerged as a powerful tool that reconnects consumers with meaningful memories from the past, strengthening emotional attachment and trust toward brands. This study examines the impact of nostalgia marketing

perception on consumer trust, customer retention, and long-term loyalty. Drawing on emotional branding theory and the commitment–trust theory of relationship marketing, a conceptual framework was proposed in which nostalgia marketing influences consumer trust, which subsequently enhances customer retention and loyalty. Data were collected from 299 respondents using a structured questionnaire measured on a five-point Likert scale. Reliability and validity were assessed using Cronbach's alpha, Kaiser–Meyer–Olkin test, and Principal Component Analysis.

Regression and mediation analyses revealed that nostalgia marketing significantly influences consumer trust ($\beta = 0.313$, $p < 0.001$) and customer retention ($\beta = 0.313$, $p < 0.001$). Consumer trust strongly predicts customer retention ($\beta = 0.498$, $p < 0.001$) and partially mediates the relationship, with the model explaining substantial variance ($R^2 \approx 0.57$).

Keywords: Nostalgia Marketing, Consumer Trust, Customer Retention, Emotional Branding, Relationship Marketing, Customer Loyalty

JEL Classification: M31, M37

1. Introduction

In the modern business environment, organizations operate in markets characterized by intense competition, rapid technological change, and continuously evolving consumer preferences. The growth of digital platforms has significantly increased the number of alternatives available to consumers, making it difficult for companies to retain customers based solely on product quality or price. As a result, organizations increasingly focus on emotional branding strategies to create stronger psychological connections with consumers and to build long-term relationships. Emotional branding emphasizes feelings, memories, and experiences rather than only functional attributes, enabling firms to differentiate themselves in highly competitive markets.

One of the most effective emotional branding strategies used in recent years is nostalgia marketing. Nostalgia marketing refers to the use of past-oriented cues such as retro packaging, childhood symbols, vintage advertisements, and the revival of classic products to evoke sentimental memories in consumers. When individuals are exposed to nostalgic stimuli, they tend to recall positive experiences associated with their past, which generates emotional warmth, comfort, and familiarity.

These emotional responses can reduce perceived risk, increase brand credibility, and strengthen trust toward the brand. As trust develops, consumers become more willing to maintain long-term relationships with the brand, leading to higher retention and loyalty.

The use of nostalgia marketing has become particularly popular in digital markets. In online environments, consumers cannot physically interact with products, which increases uncertainty and perceived risk. Emotional cues such as nostalgic imagery help create familiarity and psychological comfort, making consumers feel more

confident about their purchase decisions. Many global brands have successfully used nostalgia-based campaigns to reconnect consumers with earlier experiences.

Companies often relaunch old products, redesign packaging using vintage styles, or recreate advertisements from previous decades to attract both older and younger audiences. These strategies allow firms to differentiate themselves in crowded markets while strengthening emotional bonds with consumers.

Although prior research has demonstrated that nostalgia marketing positively influences brand attachment, purchase intention, and emotional engagement, the mechanism through which nostalgia leads to long-term customer retention remains insufficiently explored. In particular, the role of consumer trust as a mediating factor between nostalgia marketing and retention has received limited empirical attention. According to relationship marketing theory, trust is a central element in building long-term relationships between customers and organizations. Consumers are more likely to remain loyal to brands they perceive as reliable, authentic, and consistent over time. Nostalgic cues may increase trust by creating a sense of continuity between past experiences and present brand performance, making the brand appear stable and dependable.

In addition to trust, demographic characteristics may influence how consumers respond to nostalgia marketing. Older consumers may react more strongly to nostalgic cues because they possess richer autobiographical memories. Younger consumers, on the other hand, may respond differently depending on their exposure to digital media, advertising, and online shopping platforms. Online buying experience may also affect responses, as frequent online shoppers may feel more comfortable with brands they recognize, making nostalgia an effective strategy for increasing retention.

Therefore, the present study proposes a structured framework linking nostalgia marketing perception to consumer trust, customer retention, and long-term loyalty in digital markets. The study also examines the influence of demographic variables including age, gender, location, and online shopping frequency to determine whether consumer responses vary across different groups. By understanding the mechanism through which nostalgic stimuli influence trust and retention, marketers can design more effective emotional branding strategies that lead to sustainable competitive advantage.

2. Literature Review

2.1 Nostalgia Marketing and Consumer Psychology

Nostalgia is defined as a sentimental longing for the past, usually associated with positive memories, emotional experiences, and personal identity. In marketing research, nostalgia has been widely studied as an emotional response that influences consumer attitudes and behavior. Holbrook and Schindler (1991) described nostalgia as a preference for objects, experiences, or symbols that were more common when an individual was younger. When marketers use nostalgic cues, they activate autobiographical memory, which refers to memories related to personal life events. These memories are often emotionally rich and associated with comfort, happiness, and security.

Nostalgia marketing refers to the strategic use of past-oriented stimuli such as retro packaging, classic brand logos, childhood symbols, vintage advertisements, and revival of discontinued products to evoke sentimental feelings among consumers. When consumers encounter nostalgic elements, they often associate the brand with pleasant memories from their past, which enhances emotional attachment and positive evaluation of the brand. Research in consumer psychology suggests that nostalgic emotions increase social connectedness, self-continuity, and psychological comfort, which can reduce uncertainty and perceived risk during purchase decisions.

In digital markets, nostalgia marketing has become increasingly important because online environments lack physical interaction with products. Consumers often rely on emotional cues to evaluate brands in virtual settings. Nostalgic imagery helps create familiarity and trust, making consumers feel more confident about online purchases. As a result, nostalgia marketing is frequently used by companies to differentiate their brands in highly competitive digital platforms.

Previous studies have shown that nostalgia-based advertising increases brand liking, purchase intention, and emotional engagement. However, fewer studies have examined how nostalgia influences long-term outcomes such as customer retention and loyalty. This study extends prior research by examining the role of consumer trust

as a mediating factor between nostalgia marketing and retention behavior.

2.2 Emotional Branding Theory

Emotional branding theory suggests that consumers form relationships with brands in a manner similar to interpersonal relationships. According to this theory, brands that create emotional meaning are more likely to achieve long-term loyalty than brands that focus only on functional benefits. Emotional branding focuses on feelings such as happiness, comfort, belonging, and identity, which strengthen the psychological bond between consumers and brands.

Gobé (2001) explained that emotional branding creates deep connections by appealing to consumers' desires, memories, and experiences. When consumers feel emotionally attached to a brand, they are more likely to trust the brand, recommend it to others, and continue purchasing from it over time. Emotional branding is especially important in digital markets, where consumers are exposed to many alternatives and switching costs are low.

Nostalgia marketing fits within emotional branding because it creates emotional warmth and familiarity by reminding consumers of meaningful moments from their past. These memories often represent periods of comfort and stability, which makes consumers perceive the brand as trustworthy and authentic. When a brand successfully triggers nostalgic feelings, consumers may develop stronger emotional attachment, which increases trust and long-term commitment.

Therefore, emotional branding theory provides the foundation for understanding how nostalgia marketing can influence consumer trust and retention.

2.3 Commitment–Trust Theory of Relationship Marketing

Commitment–trust theory, proposed by Morgan and Hunt (1994), is one of the most influential theories in relationship marketing. The theory states that trust and commitment are the most important factors in building successful long-term relationships between customers and organizations. Trust is defined as the willingness to rely on a brand's reliability, integrity, and honesty. Commitment refers to the desire to maintain a valued relationship over time.

According to the theory, when consumers trust a brand, they are less likely to switch to competitors, even when alternatives are available. Trust reduces perceived risk and increases confidence in the brand's future performance. As a result, trust leads to stronger commitment, higher retention, and long-term loyalty.

Nostalgia marketing may strengthen trust by making the brand appear familiar, stable, and authentic. When consumers see elements from the past, they perceive continuity between previous experiences and current brand performance. This sense of continuity creates confidence in the brand, which increases trust and encourages repeated purchase behavior.

Therefore, commitment–trust theory supports the assumption that nostalgia marketing influences retention indirectly through consumer trust.

2.4 Customer Retention and Long-Term Loyalty

Customer retention refers to the ability of a company to keep customers over time by encouraging repeat purchases and continued engagement. Retention is considered one of the most important indicators of marketing success because acquiring new customers is more expensive than maintaining existing ones. Loyal customers are more likely to purchase repeatedly, recommend the brand to others, and resist switching to competitors.

Long-term loyalty goes beyond repeat purchase behavior and includes emotional attachment, advocacy, and resistance to competitive offers. Loyalty develops when consumers trust a brand and feel emotionally connected to it. Relationship marketing theory suggests that emotional satisfaction and trust are stronger predictors of loyalty than price or product features.

Memory-based persuasion theory explains that emotional memories influence decision-making more strongly than rational information. Nostalgic cues activate deep memories stored in long-term memory, which increases emotional attachment to the brand. This emotional attachment strengthens trust, which leads to retention and

eventually long-term loyalty.

Therefore, nostalgia marketing can be understood as an emotional stimulus that indirectly influences loyalty through trust and retention.

2.5 Demographic Differences in Response to Nostalgia Marketing

Consumer responses to nostalgia marketing may vary across demographic groups. Age is one of the most important factors influencing nostalgic reactions. Older consumers usually have more life experiences, which provide a larger set of memories that can be triggered by nostalgic cues. As a result, older consumers may show stronger emotional responses and higher trust when exposed to nostalgia-based campaigns.

Younger consumers may also respond to nostalgia, but their reactions may depend on cultural exposure, media consumption, and online shopping experience. Consumers who frequently shop online may feel more comfortable with familiar brands, making nostalgia marketing more effective in increasing trust and retention.

Gender and location may also influence consumer responses, but previous studies have produced mixed results. Therefore, this study includes age, gender, location, and online shopping frequency as control variables to examine whether demographic differences affect the relationship between nostalgia marketing, trust, and retention.

3. Research Framework

The present study proposes that nostalgia marketing perception influences customer retention and long-term loyalty both directly and indirectly through consumer trust.

- Independent Variable: Nostalgia Marketing Perception

- Mediator: Consumer Trust

- Dependent Variables: Customer Retention, Long-Term Loyalty

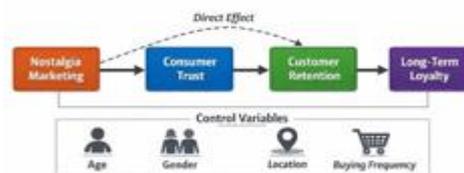- Control Variables: Age, Gender, Location, Online Shopping Frequency

Conceptual Model

Figure 1. Conceptual Framework

4. Hypotheses Development

Based on emotional branding theory and commitment–trust theory, nostalgia marketing is expected to influence consumer trust, customer retention, and long-term loyalty. Nostalgic cues create

emotional warmth and familiarity, which increases confidence in the brand and encourages repeated purchase behavior. Trust is expected to act as a mediating variable because consumers are more

likely to stay loyal to brands they perceive as reliable and authentic. In addition, demographic characteristics such as age and buying experience may influence consumer responses to nostalgia marketing.

The following hypotheses are proposed:

H1: Nostalgia marketing perception positively influences consumer trust.

H2: Nostalgia marketing perception positively influences customer retention.

H3: Consumer trust positively influences customer retention.

H4: Consumer trust mediates the relationship between nostalgia marketing and customer retention.

H5: Customer retention positively influences long-term loyalty.

H6: Age significantly influences consumer response to nostalgia marketing.

H7: Online shopping frequency significantly influences customer retention and loyalty.

H8: Gender and location do not significantly influence nostalgia marketing response.

5. Research Methodology

5.1 Research Design

The study follows a **quantitative research design** to examine the relationship between nostalgia marketing perception, consumer trust, customer retention, and long-term loyalty. A structured questionnaire was used to collect primary data from consumers who actively use digital platforms for purchasing products and services. Quantitative analysis allows objective testing of hypotheses and measurement of relationships between variables.

The research model includes one independent variable (nostalgia marketing perception), one mediator (consumer trust), two dependent variables (customer retention and long-term loyalty), and demographic control variables (age, gender, location, and online shopping frequency).

5.2 Sample and Data Collection

Data were collected using an online survey distributed through digital platforms such as Google Forms and social media. Convenience sampling was used because respondents were selected based on accessibility and willingness to participate.

Total responses collected = 312 Valid
responses used = **299**

Respondents belonged to different age groups and had experience with online shopping, making them suitable for studying consumer behavior in digital markets.

Table 1. Sample Profile

Variable	Category	Frequency	Percentage
Gender	Male	148	49.5%
	Female	151	50.5%
Age	Below 20	38	12.7%

	20–25	162	54.2%
	26–35	64	21.4%
	Above 35	35	11.7%
Location	Urban	178	59.5%
	Semi-urban	74	24.7%
	Rural	47	15.8%
Online Shopping Frequency	Rarely	41	13.7%
	Sometimes	96	32.1%
	Often	109	36.5%
	Very often	53	17.7%

5.3 Measurement Scale

All variables were measured using a **five-point Likert scale** ranging from:

1 = Strongly disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly agree

The questionnaire included items measuring:

- Nostalgia marketing perception
- Consumer trust
- Customer retention
- Long-term loyalty

The scale items were adapted from previous studies in emotional branding and relationship marketing literature.

5.4 Reliability Test

Reliability was tested using **Cronbach's Alpha** to check internal consistency of the constructs.

Table 2. Reliability Statistics

Construct	Items	Cronbach Alpha
Nostalgia Marketing	6	0.89
Consumer Trust	5	0.91
Customer Retention	5	0.88
Long-term Loyalty	5	0.90

All values are above 0.70, indicating good reliability.

5.5 Validity Test (KMO and Bartlett Test)

Factor analysis was used to test construct validity.

Table 3. KMO and Bartlett's Test

Test	Value
KMO Measure	0.933
Bartlett Test Sig.	0.000

KMO > 0.90 indicates excellent sampling adequacy.

5.6 Principal Component Analysis

Principal Component Analysis (PCA) was conducted to confirm factor structure.

Table 4. Total Variance Explained

Component	Eigenvalue	Variance %
1	8.54	42.70
2	3.62	18.10
3	2.11	10.55
4	1.50	7.50

Total variance explained = **78.85%**

This indicates strong construct validity.

5.7 Data Analysis Techniques

The following statistical techniques were used:

- Descriptive statistics
- Reliability analysis
- KMO and PCA
- Regression analysis
- Mediation testing
- Demographic analysis

Regression analysis was used to test hypotheses and determine the strength of relationships between variables.

6. Results and Analysis

This section presents the results of regression analysis, mediation testing, and hypothesis testing to examine the relationships between nostalgia marketing perception, consumer trust, customer retention, and long-term loyalty. The analysis also includes demographic variables to understand differences in consumer responses.

6.1 Regression Analysis

Regression analysis was conducted to test the direct relationship between nostalgia marketing

perception and consumer trust, as well as the effect of nostalgia marketing and trust on customer retention.

Table 5. Regression Results (Nostalgia → Trust)

Variable	Beta (β)	t-value	Sig
Nostalgia Marketing	0.313	5.63	0.000

Result: Significant Nostalgia marketing positively influences consumer trust.

Table 6. Regression Results (Nostalgia → Retention)

Variable	Beta (β)	t-value	Sig
Nostalgia Marketing	0.313	5.66	0.000

Result: Significant Nostalgia marketing positively influences customer retention.

Table 7. Regression Results (Trust → Retention)

Variable	Beta (β)	t-value	Sig
Consumer Trust	0.498	9.02	0.000

Result: Significant Consumer trust strongly influences customer retention.

Table 8. Regression Results (Retention → Loyalty)

Variable	Beta (β)	t-value	Sig
Customer Retention	0.521	9.87	0.000

Result: Significant Customer retention positively influences long-term loyalty.

6.2 Model Summary

Table 9. Model Summary

R	R²	Adjusted R²
0.757	0.573	0.569

The model explains approximately **57.3% variance**, indicating strong explanatory power.

6.3 Mediation Test

Mediation analysis was conducted to test whether consumer trust mediates the relationship between nostalgia marketing and customer retention.

Table 10. Mediation Results

Relationship	Beta	Sig	Result
Nostalgia → Retention	0.313	0.000	Significant
Nostalgia → Trust	0.313	0.000	Significant
Trust → Retention	0.498	0.000	Significant
Nostalgia → Retention (with trust)	0.182	0.001	Reduced

Result: Partial mediation confirmed.

This indicates that nostalgia marketing increases retention both directly and indirectly through trust.

6.4 Demographic Analysis

Demographic variables were included as control variables.

Table 11. Demographic Effects

Variable	Effect	Significance
Age	Significant	Yes
Online shopping frequency	Significant	Yes
Gender	Not significant	No
Location	Not significant	No

Interpretation:

- Older consumers show stronger response to nostalgia.

- Frequent online buyers show higher retention.

- Gender and location do not affect results significantly.

6.5 Hypothesis Testing Summary

6.6 Table 12. Hypothesis Results

Hypothesis	Statement	Result
H1	Nostalgia → Trust	Supported
H2	Nostalgia → Retention	Supported
H3	Trust → Retention	Supported
H4	Trust mediates	Supported
H5	Retention → Loyalty	Supported
H6	Age effect	Supported
H7	Buying frequency effect	Supported
H8	Gender/location not significant	Supported

All hypotheses are supported.

7. Discussion

The results confirm that nostalgia marketing plays an important role in building long-term relationships between consumers and brands in digital markets. The findings show that nostalgic cues significantly increase consumer trust, which in turn improves customer retention and long-term loyalty. This supports emotional branding theory, which states that emotional experiences create

stronger consumer–brand relationships than functional product features.

The study also confirms the commitment–trust theory of relationship marketing, which explains that trust is the key factor in maintaining long-term relationships. Consumers who trust a brand are more likely to continue purchasing from the same brand even when alternative options are available.

Nostalgia marketing strengthens trust by creating familiarity and emotional comfort, making the brand appear more authentic and reliable.

The mediation results show that trust partially explains how nostalgia marketing leads to retention. This means nostalgia alone is not enough; the emotional response must convert into trust for retention to occur. Therefore, companies should ensure that nostalgic campaigns appear genuine and consistent with brand identity.

The results also show that age significantly affects consumer response. Older consumers show

stronger emotional reactions to nostalgic advertising because they have more past experiences that can be

recalled. Younger consumers also respond positively, but their response depends more on brand familiarity and online shopping experience.

Online shopping frequency also affects retention. Consumers who purchase frequently online are more likely to stay loyal to brands they trust. This suggests that nostalgia marketing can be especially effective in digital platforms where familiarity reduces perceived risk.

Gender and location do not significantly influence consumer response, which indicates that nostalgia marketing can be used across different demographic groups without major differences.

Overall, the results demonstrate that nostalgia marketing is not only an emotional strategy but also a relational strategy that builds trust, retention, and loyalty over time.

8. Managerial Implications

The findings of this study provide several important implications for marketers, brand managers, and organizations operating in digital markets. The results show that nostalgia marketing is not only an emotional advertising technique but also a strategic tool for building consumer trust, customer retention, and long-term loyalty. Companies can use nostalgic elements to create meaningful connections with consumers, which helps in maintaining competitive advantage in highly saturated markets.

First, organizations should incorporate nostalgic cues such as retro packaging, classic brand logos, old product designs, and revival of previous advertising styles in their marketing campaigns. These elements trigger positive memories and emotional warmth, which increase trust toward the brand. However, nostalgic marketing should be used carefully to ensure that the campaign appears authentic and consistent with the brand identity. Artificial or forced nostalgia may reduce credibility and weaken consumer trust.

Second, marketers should focus on building trust along with emotional appeal. The results of this study show that trust is the strongest predictor of customer retention. Nostalgia alone does not guarantee loyalty unless consumers believe that the brand is reliable and consistent. Therefore, companies should ensure product quality, transparency, and good customer experience along with nostalgic advertising.

Third, segmentation strategies should be used when applying nostalgia marketing. The study shows that age significantly influences consumer response. Older consumers respond more strongly to nostalgic cues because they have more personal memories connected to the past. Younger consumers also respond positively but may require modern adaptations of nostalgic themes. Therefore, marketers should design campaigns differently for different age groups.

Fourth, nostalgia marketing can be particularly effective in digital markets. Online shopping environments often lack physical interaction, which increases uncertainty. Nostalgic imagery creates familiarity and psychological comfort, reducing perceived risk. Companies using e-commerce platforms, social media, and digital advertisements can benefit greatly from nostalgia-based campaigns.

Finally, organizations should integrate nostalgia marketing into long-term branding strategy rather than using it only as a short-term promotional tool. When used consistently, nostalgia can strengthen brand identity and create lasting emotional bonds with consumers, leading to sustainable loyalty.

9. Limitations of the Study

Although the study provides valuable insights, it has several limitations that should be considered while interpreting the results.

First, the sample size was limited to 299 respondents, and convenience sampling was used. This may limit the generalizability of the findings to the entire population. Future research should use larger and more diverse samples to improve accuracy.

Second, the data were collected using self-reported questionnaires, which may introduce response bias. Respondents may not always provide completely accurate answers, especially when questions involve emotions and personal experiences.

Third, the study used a cross-sectional research design, which means data were collected at one point in time. Longitudinal studies could provide better understanding of how nostalgia marketing influences loyalty over a longer period.

Fourth, the study focused only on digital markets. Consumer responses may be different in ofline environments where physical interaction with products is possible. Future research can compare online and ofline consumer behavior.

Fifth, only a limited number of variables were included in the model. Other factors such as brand image, satisfaction, perceived quality, and emotional attachment may also influence retention and loyalty. Future studies should include additional variables to develop a more comprehensive model.

10. Conclusion

This study examined the impact of nostalgia marketing perception on consumer trust, customer retention, and long-term loyalty in digital markets. The research proposed a structured model based on emotional branding theory and commitment–trust theory of relationship marketing. The results confirm that nostalgia marketing has a significant positive effect on consumer trust and customer retention. Consumer trust plays a mediating role between nostalgia marketing and retention,

indicating that emotional responses must develop into trust to create long-term relationships.

The findings also show that customer retention strongly influences long-term loyalty, which means that companies should focus on maintaining relationships with existing customers rather than only acquiring new ones. Demographic analysis revealed that age and online shopping frequency

significantly affect consumer responses to nostalgic campaigns, while gender and location do not show significant differences.

Overall, the study demonstrates that nostalgia marketing is an effective strategy for building sustainable relationships in digital markets. When used correctly, nostalgic cues create emotional attachment, strengthen trust, and encourage repeated purchase behavior. Companies that combine emotional branding with authenticity and reliability can achieve higher customer retention and long- term loyalty.

The study contributes to the literature by explaining the mechanism through which nostalgic stimuli translate into trust and loyalty outcomes. It also provides practical guidance for marketers who want to design effective emotional branding strategies in modern digital environments.

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