

THE ROLE OF BRAND LEGITIMACY FOR CUSTOMER FORGIVENESS

Patcharee Hongthong^{1*}

Pensri Jaroenwanit²

James E. Nelson³

Bilal Khalid⁴

Received 28 June 2025

Revised 31 July 2025

Accepted 21 August 2025

Abstract

This research examines the impact of Brand Legitimacy on consumer forgiveness following brand failure, with Brand Nostalgia as a mediating process. Based on the Institutional Theory, the study develops and tests a structural model where Brand Legitimacy positively influences Brand Nostalgia and Brand Forgiveness, and Brand Nostalgia has a positive impact on Brand Forgiveness in return. The data were compiled from 1,286 Thailand consumers who had been exposed to a brand failure in the airline and smartphone service industries. Confirmatory factor analysis (CFA) and structural equation modeling (SEM) supported the three hypothesized relationships at a good level of model fit and ability to explain variance. Brand Legitimacy was found to be a significant predictor, both directly and indirectly via nostalgia influencing Brand Forgiveness. Some misspecifications regarding AVE and discriminant validity were identified, however model fit improved reliability. The findings offer implications on the emotional and cultural salience of legitimacy in post-crisis recovery, that is, brands that align with the values held by consumers and bring back nostalgic memories may regain consumer trust. This study also complements branding literature by linking institutional congruence with affective routes of brand recovery and forgiveness.

Keywords: Brand Legitimacy, Brand Nostalgia, Brand Forgiveness, Institutional Theory, Structural Equation Modeling, Brand Failure

^{1 2} Faculty of Business Administration and Accountancy, Khon Kaen University, 123 Mittraphap Road, Nai Mueang, Mueang, Khon Kaen, 40002 Thailand

³ Leeds School of Business at the University of Colorado Boulder, 995 Regent Dr, Boulder, CO 80309 United States

⁴ King Mongkut's Institute of Technology Ladkrabang, 1 Chalong Krung, 1 Alley, Lat Krabang, Bangkok 10520 Thailand

Email: ² penjar@kku.ac.th , ³ james.Nelson@colorado.edu , ⁴ bilal.kh@kmitl.ac.th

* Corresponding author email: patcharee_ho@kkumail.com

Introduction

Brand-building in Thailand and throughout the world has gone beyond rational standards to an emotional, ethical, authentic level. Today, consumers gauge brands not just by the quality of products but also by whether a company's actions align with its declared values and broader social standards. Brand authenticity and ethical positioning are, likewise, growing significantly and increasingly predictive of long-term consumer trust and loyalty (Beverland & Farrelly, 2010; Morhart et al., 2015). Now consumers want true. They desire to be told. They seek for compatibility with other cultures attributes that partiality and functional benefits now expand into decisions on buying and patronizing a brand.

Other emotional processes: nostalgia and brand attachment — post-crisis contexts. Likewise, it has been demonstrated that brand attachment elicits consumer forgiveness after failures (Thomson et al., 2005). Yet, although there is an increasing focus on emotions and branding, research examining how brand legitimacy—a consumer's belief that a brand acts appropriately within societal and moral norms—can emotionally influence post-failure forgiveness, notably through nostalgia. The social network amplification pushing individual dissatisfaction into widespread crises. When brand actions do not follow its ostensibly professed values, doubts about legitimacy quickly arise. Authenticity attempts, once taken as points of pride, might as well now be taken as points of suspicion. The question of how brands might emotionally recover from such defeats especially through procedures like brand forgiveness and nostalgia is critical. In order to differentiate the research value, this research paper investigates specifically how the lack of previous studies can be supplemented in future research- with regard to the emotional channels connecting general esteem for a brand with consumer forgiveness.

This research examines how consumers, through emotional processes, grasp branded failures in a new light. Brand forgiveness – where consumers willingly give a second chance to brands they have already given up on – is now being seen increasingly as an active emotional choice rather than just passive counteraction. In the same way, brand nostalgia is a psychological stress buffer to help consumers through their disappointments: it brings back positive memories from the past associated with brands. Despite growing academic attention to authenticity and trust, little research has been done on how brand nostalgia and legitimacy influence forgiveness. Through incorporating these emotional dimensions into a structural model, this research provides timely insights into consumer-brand healing and recovery. Therefore, the object of this study is to examine how brand legitimacy affects the forgiveness mechanism after a brand failure-primarily through brand nostalgia.

Literature Review

Theoretical Background: The Theory of Institutions

Influence Institutional Theory is the theoretical rationale for how brands become legitimized by adhering to societal norms, values and cultural expectations. Institutions consist of regulative, normative, and cultural-cognitive elements, which provide both stability and meaning in social life (Scott, 2001). This more abstract perspective identifies legitimacy as being the “a generalized perception or assumption that the actions of an entity are desirable. Proper or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (Suchman, 1995). With regards to branding, this means that consumers evaluate a brand in terms of its 'functional' performance. But also, in light of whether it symbolically corresponds to the anticipated role of a product. Brand as a symbol of cultural authenticity is expected to result in positive attitudes towards the brand, trust, loyalty and forgiveness towards the brand in the case of brand failure (Choi & Wang, 2009).

Recent studies have expanded this theoretical lens to show that brand legitimacy is not only institutional but also emotionally constructed. For example, in digital branding recovery frameworks that emphasize legitimacy, emotional credibility must be integrated with the consumer's belief system. Morhart et al. (2015) proposed that brand authenticity involves not only consistent practices but also emotional resonance and symbolic alignment with consumers' self-concept. Similarly, Beverland and Farrelly (2010) emphasized the purposeful choice of authentic cues by consumers to construct personally meaningful experiences that support trust. Weingarten and Wei (2023) found that emotionally charged dimensions such as nostalgia act as psychological buffers, allowing consumers to reconcile brand transgressions. These recent contributions have amplified Institutional Theory by emphasizing the emotional and symbolic dimensions in which legitimacy functions among contemporary brands.

Brand legitimacy and brand nostalgia

Brand authenticity allows for emotional bonding with nostalgia by way of cultural kinship. Nostalgia is described as affective longing for the past (time or place) associated with positive affect and emotional closeness (Holbrook & Schindler, 2003). There is a match when a brand coincides with the kind of values and institutions that people are already used to, leading them to remember early stages of life and established institutions or local customs. Consumers who consider a brand as part of their cultural identity are more prone to experience nostalgia toward it (Merchant & Rose, 2013). Similar findings were observed in heritage branding. The authenticity of a brand's past and heritage evokes a lasting relationship tied to time and emotion (Urde et al., 2007). Additionally, slips in communication, where brand meaning becomes embedded, may extend nostalgic resonance (Brown et al., 2003). These findings highlight the affective underpinning of legitimacy and memory-based attachment. Therefore, this study posits:

H1: There is a positive relationship between Brand Legitimacy and Brand Nostalgia.

Brand legitimacy and brand forgiveness

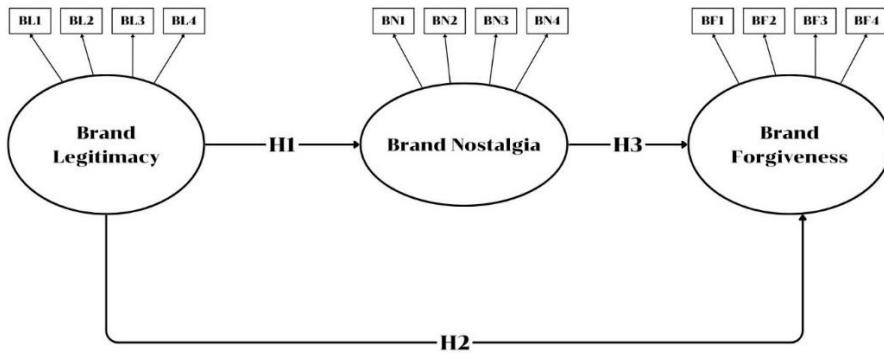
Forgiveness in consumer-brand relationship is characterized by the trust restoration process. Defined as the attitude of letting go of negative emotions and restoring trust after offense occurs (Xie & Peng, 2009). This is legitimate over an above the forgiveness through elevating moral goodness of the brand and making sure the cultural value is a good fit too. When people believe that an organization has similar standards as the individuals, then they are also less likely to perceive that the failure was intentional, or to perceive that the company. In some way deserves blame, and therefore people are also more willing to forgive the organization (Coombs & Holladay, 2006). Organizational and brand legitimacy reflects a generalized perception that a firm's actions are desirable, proper, and appropriate within a socially constructed system of norms and values (Scott, 2001; Suchman, 1995). When firms cultivate strong, long-term relationships with key stakeholders, this legitimacy is reinforced and translated into a favorable reputation that can sustain performance over time (Choi & Wang, 2009). In times of crisis, a positive reputational halo can buffer negative reactions to failures, because stakeholders are more likely to interpret the firm's response as fair, sincere, and consistent with its prior conduct (Coombs & Holladay, 2006). Moreover, when customers perceive that a company acts with competence, integrity, and benevolence, they are more inclined to repair trust and extend forgiveness after negative publicity or transgressions (Xie & Peng, 2009). Based on these arguments:

H2: There is a positive correlation between Brand Legitimacy and Brand Forgiveness.

Nostalgia branding and forgiveness branding

Nostalgia offers psychological base and positive resources that can work as a buffer realm against the negative effect of brand failure. Nostalgics should indeed show more motivated reasoning, being less influenced by negative event since they can discount them, keeping a favorable brand image (Kessous et al., 2015). It has been evidenced that Nostalgic brand memories can increase levels of tolerance and forgiveness (Hegner et al., 2017). Nostalgia-evoking brand cues can trigger affect-rich autobiographical memories that strengthen emotional bonds between consumers and brands, fostering a sense of continuity and psychological safety (Holbrook & Schindler, 2003; Kessous et al., 2015; Weingarten & Wei, 2023). In brand transgression contexts, nostalgia can operate as an emotional buffer that attenuates negative affect and maintains relational ties, thereby encouraging consumers to reappraise the offense and remain open to reconciliation with the brand (Gu et al., 2021; Weingarten & Wei, 2023). These processes suggest that brand nostalgia may act as a protective affective shield that enables consumers to mitigate negative experiences with brands in a forgiving manner.

H3: Brand Nostalgia and its correlation with Brand Forgiveness are positive.

**Figure 1** The Conceptualization of the Research

Source: Adapted and developed by the authors (2025)

Methodology

Research Design, this study adopts a quantitative research methodology based on a cross sectional survey approach to test the developed hypotheses. Brand legitimacy, brand nostalgia, and brand forgiveness were analyzed through structural equation modelling (SEM). SEM has been chosen to examine direct and indirect effects among latent variables on one hand, and enabling to create measurement and structural models with high fit.

Sample and Data Collection

This study have tested on Thai consumer who had ever experienced a perceived service failure from either the service provider of a smartphone or an international airline brand. This study used a purposive sampling approach to achieve respondents who are more likely to have some level of brand engagement and failure. These questions had been pre-screened as a method of determining if the subject was eligible. A set of 1,620 valid responses was obtained, and 1,286 of them were finally utilized for the SEM data analysis following data cleaning and outlier removal.

Measurement Instruments

These constructs were assessed with established multiple-item scales that were adapted and assessed with a 5-point Likert type scale (strongly disagree=1 to strongly agree=5). Brand-by-four comments and suggestions that demonstrate how Brand by four encountered on the following (Fritz et al., 2017) regarding the moral and cultural fit. The items were: (1) The brand is consistent with the moral value in the culture I define myself as a part of, (2) The brand is consistent with my cultural point of view, (3) The brand is consistent with the values and norms of the community that belong to, and (4) The brand's performance is satisfactory.

Brand Nostalgia was measured using four items adapted from Shields and Johnson's (2016) fame nostalgia scale, measuring affective bonding with the past. Items included (1) White brand reminisces time in my life (2) White brand reminds me of someone special in my life (3) I have good memories about White brand and (4) I still feel good about white brands today. Brand Forgiveness: Four items borrowed from Fetscherin and Sampedro (2019)

are utilized to evaluate consumers' tendency to forgive a brand after failure. The four items were: (1) This brand I could forgive for anything it may ever have done wrong, (2) There is the possibility of me forgiving this brand, (3) Even if this brand were disapproved, I could still find something in forgiveness for it, and (4) This brand's response would have me applauding it.

To ensure that the content was valid, three scholars in branding and client behaviour reviewed it. Through pilot tests ($n = 50$) the clarity and context were assured by language. The internal consistency was established at reliability, with Cronbach's Alpha values greater than .79 and Composite Reliability (CR) values higher than .77 for all characters. This exceeded the recommended 0.70 threshold in several areas (Hair et al., 2019). Construct validity was confirmed by Confirmatory Factor Analysis. Factor loadings between .60 - .78 meant that the minimum acceptable level of .50 (Hair et al., 2019) was met. Except for these two areas, which means that in many cases high values are possible even if they do not reach 0.50 AVEs exceed the threshold of 0.40 (Fornell & Larcker, 1981). The Fornell-Larcker criterion, comparing the AVE square root with interfactor correlations, has been used to confirm Discriminant validity. The Model Fit Indices showed that the overall measurement model is well-fitting, consistent with widespread norms in this field (Hu & Bentler, 1999).

Data Analysis Procedures

Two steps were applied in the analysis. This study examined construct validity and the measurement model was verified by Confirmatory Factor Analysis (CFA). The model fit was tested by the fit indices: RMSEA, CFI, TLI and SRMR. Second, the structural model was tested through SEM in IBM SPSS AMOS 28.0.0, using Maximum Likelihood Estimation (MLE), which is commonly applied in SEM (Lomax, 2004). The mediating effect was examined through indirect approach and sign of relationships was tested at 0.05 level afterwards. In the analysis, multiple-testing-adjusted p-values are family-wise error rate corrected and Bonferroni adjusted.

Ethical Considerations

The study received ethical approval from the Center for Ethics in Human Research, Khon Kaen University (HE673144). Informed consent was obtained and the clinic staff's privacy was protected. Participation was on a volunteer basis, and volunteers were free to withdraw at any time without any consequence. All women provided written informed consent and their responses were handled with confidence. In addition, participation was voluntary and participants were free to withdraw from the study at any time without negative consequences.

Results

Confirmatory Factor Analysis for Brand Legitimacy

Confirmatory Factor Analysis (CFA) of the Brand Legitimacy The validity of the construct of Brand Legitimacy was tested using a confirmatory factor analysis (CFA) with four observed variables (BL1, BL2, BL3, and BL4), which are each loaded into a common latent

construct. The model represented the data well: $\chi^2(2) = 3.852$, $p = .146$, suggesting that departure from the observed covariance was minimal. Fit indices indicated that the model fit was strong: CMIN/DF = 1.92, GFI = 0.99, AGFI = 0.99, CFI = 0.99, TLI = 0.99, RMSEA = 0.02, SRMR = 0.01—each of which was better than the recommended cut-off points. Standardized factor loadings varied from 0.58 (BL4) to 0.73 (BL3), indicating that each of them substantially explained the latent variable. Finally, the squared multiple correlations (R^2) for each item varied from 0.33 (BL4) to 0.53 (BL3), indicating moderate predictive validity for the items. The coherence of the construct showed satisfactory internal consistency (composite reliability (Cr) = 0.771, and Cronbach's Alpha (α) = 0.76). However, the AVE was low at 0.459, which is lower than the suggested cut-off 0.50. The square root of AVE was also less than some inter-construct correlations, which was indicative of a lack of evidence of discriminant validity according to the Fornell-Larcker criterion. To mediate this effect, BL4 was sequentially removed on the basis of modification indices. This removal was aimed at improving model coherence and enhancing convergent validity by raising the AVE closer to the recommended threshold. After deleting this item, the AVE reached 0.499 which was close to the threshold, and CR and α were stable at 0.749 and 0.748, respectively. The revised model was thus marketed by an optimal trade-off between reliability and convergence validity.

Confirmatory Factor Analysis for Brand Nostalgia

The measurement model for Brand Nostalgia, with four observed variables (developed by BN1, BN2, BN3, and BN4), was tested with Confirmatory Factor Analysis (CFA). The chi square value was $\chi^2(2) = 10.545$ ($p < .05$), the CMIN/DF was 5.27, indicating a marginal but acceptable fit. Fit indices indicated the adequacy of the model: GFI = 0.996, AGFI = 0.980, CFI = 0.992 and TLI = 0.977 (although RMSEA = 0.058 and SRMR = 0.019). BN1 to BN4 had standardized loadings ranging from 0.59 to 0.70 and squared multiple correlations of 0.35 to 0.49. 0.75 and 0.81 for CR and Cronbach's Alpha respectively, implying good internal consistency. Yet, AVE = 0.429 and $\sqrt{AVE} = 0.655$, which were less than the correlations with Brand Nostalgia ($r = 0.86$) and Brand Forgiveness ($r = 0.91$), indicating the absence of discriminant validity. BN4 was deleted afterwards because of low R^2 and high modification indices. All three items were deleted from the model, which resulted in a perfectly fitting model (e.g., GFI = 1.000, CFI = 1.000), as should be expected with only three indicators. Loadings and R^2 s increased (R^2 s range: 0.403–0.556), and AVE moved closer to the threshold of 0.50. CR was still satisfactory and the new model was key factors constructed with more credibility and reliability.

Confirmatory Factor Analysis for Brand Forgiveness

Measurement validity of CFA model for Brand Forgiveness Measurement validity of CFA model for Brand Forgiveness was tested using four observed variables (BF1, BF2, BF3, and BF4). The chi-square value was $\chi^2(2) = 55.557$ with a CMIN/DF of 27.779—also above the recommended limit and indicating bad model fit. Although goodness of fit was acceptable for

GFI (.978) and CFI (.953), considerable misfitting was evident for AGFI (.889), TLI (.858), and RMSEA (.144), most notably for item BF4. Loadings varied from 0.571 to 0.714. Loading of BF4 was least strong ($\lambda = 0.571$; $R^2 = 0.326$) and the modification indices indicated redundancy of BF4 and BF3. CR for the construct was 0.74 and Cronbach Alpha was 0.812 but AVE = 0.43 was less than threshold, which showed poor convergent validity. Because of these problems, BF4 was dropped for a reanalyzed model with three signs (BF1–BF3). The fit indices of the modified model looked perfect (GFI = 1.000, CFI = 1.000, RMSEA = 0.000), but this was anticipated due to the reduced scheme.

Internal consistency remained satisfactory (CR = 0.821), while AVE increased to 0.459. However, the Cronbach's Alpha went slightly down to 0.692 which is still borderline acceptable for the short scales. In summary, the Brand Forgiveness CFA results suggested that the original four-item models did not completely satisfy the necessary psychometric criteria, especially concerning model fit and convergent validity. Deletion of BF4 resulted in substantial improvement in both the fit indices and scale reliability. While there is still some room for improvement related to the AVE being just below 0.50 and the low number of parcels, the revised three-item model is acceptable for further structural analysis. Such findings suggest the value of refinement of items and theoretical adherence in assessing emotional constructs as forgiveness.

Structural Equation Modeling (SEM)

A structural equation model (SEM) was developed to examine the hypothesized relationships between Brand Legitimacy, Brand Nostalgia, and Brand Forgiveness. Standardized path coefficients were estimated to evaluate direct and indirect effects in the model. First of all, discriminant validity was evaluated by calculating the Hetero Trait-Mono Trait Ratio (HTMT). The values shown in Table 1 were all less than 0.90, indicating that there is good discriminant validity between the three constructs (Henseler et al., 2015). This implies that Brand Legitimacy, Brand Nostalgia, and Brand Forgiveness, which are all moral emotions, are empirically distinct. They are thus suitable for further structural tests.

Table 1 Heterotrait-Monotrait Ratio (HTMT)

Constructs	BL	BN	BF
BL	1.00		
BN	0.85	1.00	
BF	0.82	0.87	1.00

Note: All HTMT values are below 0.90, indicating acceptable discriminant validity (Henseler et al., 2015).

The model demonstrated an acceptable fit to the data: $\chi^2(17) = 56.783$, $\chi^2/df = 3.340$, GFI = 0.989, CFI = 0.987, RMSEA = 0.043, and SRMR = 0.0243. These fit indices are equal or greater than the respective threshold, validating that the total model fits the observed

covariance structure. Results for the path coefficients showed high significant relationships between the constructs. Brand Legitimacy positively predicted Brand Nostalgia ($\beta = 0.88$), thus H1 was supported. Also, there was a positive direct relation between Brand Legitimacy and Brand Forgiveness ($\beta = 0.62$), which confirmed H2. Brand Nostalgia also had a positive impact on Brand Forgiveness ($\beta = 0.32$), providing support to H3. The findings indicate Brand Legitimacy affects Brand Forgiveness directly and indirectly through Brand Nostalgia. The mediation pathway elucidates an emotional process in which Brand Legitimacy cultivates acceptance by activating consumers' nostalgic memories of the brand. This emotional recall generates both a sense of continuity and shared identity which can dilute consumers' reactions to a brand's sins and promote their willingness to forgive.

The model -predicts 77% variance in Brand Nostalgia and 84% in Brand Forgiveness, indicating that the predictors have a significant explanatory power. The results offer empirical evidence for the replication of the conceptual model built on the foundation of Institutional Theory and a support for the mediation of nostalgia in post failure brand recovery.

Table 2 Structural Equation Modeling (SEM) Results

Hypothesized Path	Standardized Estimate (β)	Significance	Supported
H1: Brand Legitimacy → Brand Nostalgia	0.88	p < .001	Yes
H2: Brand Legitimacy → Brand Forgiveness	0.62	p < .001	Yes
H3: Brand Nostalgia → Brand Forgiveness	0.32	p < .001	Yes

Model Fit Indices

Chi-Square (χ^2) = 56.783, df = 17, $\chi^2/df = 3.340$ GFI = 0.989, CFI = 0.987, RMSEA = 0.043, SRMR = 0.0243 were obtained, indicating that the original four-factor model did not completely meet the psychometric criteria needed. Particularly in terms of model fit and convergent validity. Eliminating BF4 resulted in significant increases in the fit indices and scale reliability. However, given coolness, the fact that the AVE is just below 0.50 and the small number of items. The new three-item model is judged adequate for further structural analysis. These findings underscore the need for construct refinement and theoretical parsimony in the assessment of emotional constructs like forgiveness.

An indirect effect of Brand Legitimacy on Brand Forgiveness was examined for mediation through Brand Nostalgia using a bootstrapping approach involving 5,000 resamples. The fact that the indirect route was significant, with a coefficient ($\beta = 0.28$, $p < .001$), proves only partial mediating effects. This suggests that Brand Nostalgia is crucial for the emotional transmission of legitimacy to forgiveness.

Discussion

The observations in this study support all three of the suggested hypothesis H1 was supported, as Brand Legitimacy had a significant positive effect on Brand Nostalgia ($\beta = 0.88$). This is consistent Holbrook and Schindler (2003) who stressed the affective nature of nostalgic experiences, and suggests the relevance of the brand to the cultural and moral values of the consumer, and under these circumstances it can evoke strong nostalgic memories from the past. This finding suggests that legitimacy also stimulates memory based emotional connections.

In addition, Brand Legitimacy had a positive impact on Brand Forgiveness ($\beta = 0.62$) and supported H2. Consistent with findings of Xie and Peng (2009) that perceived brand authenticity and moral fit are associated with increased consumer forgiveness following service failure. Such a finding highlights that legitimacy is both symbolic in nature and a psychological tool, which constructs consumer beliefs and responses.

Third, Brand Nostalgia was a significant predictor of Brand Forgiveness ($\beta = 0.32$), thus Hypothesis 3 was supported. This is consistent with the results of Kessous et al. (2015) who reported nostalgia as an emotion that can mitigate consumer responses to transgressions through reinvigorating positive affect and emotional attachment. Nostalgia in this study serves as a mediator to direct the former emotional connection to the willingness to forgive by stimulating the latter; this extends existing theory for emotional recovery in branding.

Taken together, these findings provide empirical evidence for the theoretical assumption of Institutional Theory (Scott, 2001) in that cultural fit and perceived appropriateness help maintain legitimacy. Results are also consistent with prior research but provide new knowledge by exploring direct and indirect links of legitimacy with forgiveness through nostalgia. Whereas past literature has predominantly investigated legitimacy within an institutional or CSR framework. This study position legitimacy within the context of emotional branding and consumer forgiveness—a theoretical domain that has been underexplored empirically.

The study thus concludes that brands aiming to rebuild trust following transgression should be not only responsive, but also demonstrate compatibility with norms and values. Nostalgia (such as via heritage or emotional messaging), when done right, can magnify this. Such results are congruent with previous emotional branding research and provide a subtle, culture-based approach for recovery around forgiveness to understand consumers reactions to brand failure: as an aid and because of its useful refractive properties. Brand Legitimacy is one of the key antecedents in the generation of Brand Nostalgia which also contributes in establishing a direct and indirect relationship toward Brand Forgiveness. This further supports the idea of the importance of cultural compatibility and perceived moral acceptability in building consumers trust.

In addition, the intermediate role of Brand Nostalgia in the relationship means that the emotional route of legitimacy's influence is highlighted. It seems that a sense of nostalgia may actually serve as a buffer against negative responses, and may lead to an increased

willingness to forgive. Which is consistent with previous research that indicates the emotional nature of brand relationships. In terms of management implications, the results indicate that, in order to rehabilitate their brand from a failure, brands need to establish and demonstrate their cultural and moral fit with their target customers. To the extent that this study evoke positive brand memories and accentuate brand heritage. This study can attenuate backlash and facilitate forgiveness. In conclusion, the research demonstrates the influence of legitimacy and emotion in the restoration of brand-consumer relations.

CFA for Brand Legitimacy, Brand Nostalgia and Brand Forgiveness The results of CFA for brand legitimacy, brand nostalgia, and brand forgiveness confirm both the overall reliability and partial validity of the measurement models. Although all constructs showed adequate composite reliability ($CR > 0.74$), the AVE of Brand Nostalgia and Brand Forgiveness were slightly weaker than the minimum threshold of 0.50 suggesting some shortcoming in terms of convergent and discriminant validity. Refining each construct by dropping one item from Brand Nostalgia and Brand Forgiveness substantially improved the model fit and the underlying factors of the constructs.

The SEM results supported all three proposed relationships. Brand Legitimacy exerted significant positive effects on Brand Nostalgia (H1) and Brand Forgiveness (H2), and Brand Nostalgia also positively influenced Brand Forgiveness (H3). The generated good fitting indexes, and high explanatory power for 77% of the variance for Brand Nostalgia and 84% for the variance for Brand Forgiveness. These results serve as empirical validations for the conceptual model based on it. This highlighting the emotional process through which culturally fit brands can restore consumer confidence following service failures.

Conclusion

It is a study of the importance of Brand Legitimacy in determining emotionally resilient consumer responses after brand failure. According to the findings, not only can legitimacy directly shape thinking about forgiveness, but also through Brand Nostalgia, it piles up an accumulation of emotive batteries which provide the consensual support for tolerating and mending damage to consumer morale. Rooted in Institutional Theory, the results suggest that brand deeds which are congruent with the culture and values encourage a more profound emotional attachment and pave the way for post-crisis recovery. The findings also confirm that Brand Nostalgia functions as a partial mediator in the relationship between Brand Legitimacy and Brand Forgiveness. This indicates that while legitimacy directly affects forgiveness, a significant portion of this effect is transmitted indirectly through nostalgic emotional pathways.

From the perspectives of both theory and management, combining legitimacy with nostalgia engenders a potent framework for understanding brand forgiveness. Brands seen as legitimate-aligned they are with cultural traditions the more likely is consumer memory to

pull up nostalgic images of their products. And in consequence greater leniency on consumer attitudes toward such products. Hence, to create brand legitimacy through value-based and memory-activating product stories may carry over as a long-term method of controlling trust recovery and continuance while laboring in this emotionally volatile environment.

Research Contributions

This study fills a gap in the literature by integrating Brand Legitimacy with constructs of emotional recovery—Brand Nostalgia and Brand Forgiveness in the context of consumer response to brand failure. While previous studies have probed legitimacy in institutional or corporate social responsibility (CSR) frameworks, few have tested its emotional consequences in branding, especially in structural models. This research extends Institutional Theory by showing that legitimacy is not just a normative and symbolic judgement but also a forerunner to affective responses such as nostalgia and forgiveness.

In addition, the study pushes forward emotional branding literature by uncovering nostalgia as a crucial bridging mechanism in the recovery after failure. Nostalgia was usually taken in earlier research as an outcome or a branding tool. This study puts it into function manner and so tells us how culturally aligned brands can recover their connection with being trusted by consumers. Hence the report forms a completely novel theoretical link between moral alignment and psychological recovery, enriching our knowledge base for insights into brand resilience strategies. Our study confirmed the crucial role of Brand Legitimacy in shaping emotionally resilient consumer responses following brand failures. The empirical results demonstrated that legitimacy not only has a direct impact on forgiveness but also works as an intermediary through Brand Nostalgia, reinforcing these emotional routes that lead to consumer toleration and remediation. Grounded in Institutional Theory, the study finds more evidence that culturally congruent and morally aligned brand behaviors promote a deeper emotional tie and facilitate the post-crisis rebound.

To make these findings implementable branding strategies, firms need to integrate brand legitimacy and nostalgia in every part, from message to experiencing. First, in order to heighten the legitimacy of their brand, companies can align their cultural footprint along guideposts consistent with accepted morality by: Advocating for decent behavior (e.g., humane treatment of labor, open checking on where materials are sourced). Promoting local roots (e.g., use of Thai ingredients, preservation of traditional crafts), and burnishing institutional prestige (e.g., government awards or prestigious certification from respected institutions).

Second, to stimulate a feeling of nostalgia in their brand, companies may consider: Restoring old packaging, reviving classic products, or Creating campaigns which invite people to share memories (e.g., “The first time you visited us something truly special but don't remember”).

These two strategies increase emotional attachment and help restore consumer trust after failure. They combine a rational brand recognition factor with an emotional investment to delight consumers that has been generating profits for decades.

Limitations and Future Improvements

There are, however, several limitations of this model. First, the data were gathered in a single cultural context-Thailand--which may limit the applicability of findings. Second, one framework (Brand Nostalgia) and two constructs (Brand Nostalgia and Brand Forgiveness) reported average variance extracted (AVE) values slightly below suggested minimum criteria for acceptable measures. This implies that future studies need either to sharpen their item content or devise new instruments altogether in order to increase convergent validity. Third, the current model did not account for situational or behavioral moderators such as brand use frequency, or customer experience over the last few months, which might affect how likely one is to show forgiveness. Consequently, future research needs to adopt a cross-cultural comparative approach, introduce other behavioristic variables and enhance scale development in order both strengthen the robustness and wide-reaching relevance of this framework on branding scenarios.

References

- Beverland, M. B., & Farrelly, F. J. (2010). The quest for authenticity in consumption: Consumers' purposive choice of authentic cues to shape experienced outcomes. *Journal of Consumer Research*, 36(5), 838–856. <https://doi.org/10.1086/615047>
- Brown, S., Kozinets, R. V., & Sherry, J. F. Jr. (2003). Teaching old brands new tricks: Retro branding and the revival of brand meaning. *Journal of Marketing*, 67(3), 19–33. <https://doi.org/10.1509/jmkg.67.3.19.18657>
- Choi, J., & Wang, H. (2009). Stakeholder relations and the persistence of corporate financial performance. *Strategic Management Journal*, 30(8), 895–907. <https://doi.org/10.1002/smj.759>
- Coombs, W. T., & Holladay, S. J. (2006). Unpacking the halo effect: Reputation and crisis management. *Journal of Communication Management*, 10(2), 123–137. <https://doi.org/10.1108/13632540610664698>
- Fetscherin, M., & Sampedro, A. (2019). Brand forgiveness. *Journal of Product & Brand Management*, 28(5), 633–652. <https://doi.org/10.1108/JPBM-04-2018-1845>
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39–50. <https://doi.org/10.2307/3151312>
- Fritz, K., Schoenmueller, V., & Bruhn, M. (2017). Authenticity in branding—exploring antecedents and consequences of brand authenticity. *European Journal of Marketing*, 51(2), 324–348. <https://doi.org/10.1108/EJM-10-2014-0633>

- Gu, Q., Li, M., & Kim, S. (2021). The role of nostalgia evoking stimuli at nostalgia themed restaurants in explaining benefits, consumption value and post purchase behavioral intention. *International Journal of Hospitality Management*, **96**, 102955. <https://doi.org/10.1016/j.ijhm.2021.102955>
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate data analysis* (8th ed.). Cengage.
- Hegner, S. M., Fetscherin, M., & van Delzen, M. (2017). Determinants and outcomes of brand hate. *Journal of Product & Brand Management*, **26**(1), 13–25. <https://doi.org/10.1108/JPBM-01-2016-1070>
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, **43**(1), 115–135. <https://doi.org/10.1007/s11747-014-0403-8>
- Holbrook, M. B., & Schindler, R. M. (2003). Nostalgic bonding: Exploring the role of nostalgia in the consumption experience. *Journal of Consumer Behaviour*, **3**(2), 107–127. <https://doi.org/10.1002/cb.127>
- Hu, L. T., & Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling*, **6**(1), 1–55. <https://doi.org/10.1080/10705519909540118>
- Kessous, A., Roux, E., & Chandon, J. L. (2015). Consumer–brand relationships: A contrast of nostalgic and non-nostalgic brands. *Psychology & Marketing*, **32**(2), 187–202. <https://doi.org/10.1002/mar.20772>
- Lomax, R. G. (2004). *A beginner's guide to structural equation modeling*. Psychology Press.
- Merchant, A., & Rose, G. M. (2013). Effects of advertising-evoked vicarious nostalgia on brand heritage. *Journal of Business Research*, **66**(12), 2619–2625. <https://doi.org/10.1016/J.JBUSRES.2012.05.021>
- Morhart, F. M., Malär, L., Guèvremont, A., Girardin, F., & Grohmann, B. (2015). Brand authenticity: An integrative framework and measurement scale. *Journal of Consumer Psychology*, **25**(2), 200–218. <https://doi.org/10.1016/j.jcps.2014.11.006>
- Scott, W. R. (2001). *Institutions and organizations* (2nd ed.). Sage.
- Shields, A. B., & Johnson, J. W. (2016). Childhood brand nostalgia: A new conceptualization and scale development. *Journal of Consumer Behaviour*, **15**, 359–369. <https://doi.org/10.1002/cb.1578>
- Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, **20**(3), 571–610. <https://doi.org/10.2307/258788>
- Thomson, M., MacInnis, D. J., & Park, C. W. (2005). The ties that bind: Measuring the strength of consumers' emotional attachments to brands. *Journal of Consumer Psychology*, **15**(1), 77–91. https://doi.org/10.1207/s15327663jcp1501_10

- Urde, M., Greyser, S. A., & Balmer, J. M. T. (2007). Corporate brands with a heritage. *Journal of Brand Management*, 15(1), 4–19. <https://doi.org/10.1057/palgrave.bm.2550106>
- Weingarten, E., & Wei, Z. (2023). Nostalgia and consumer behavior. *Current Opinion in Psychology*, 49, 101555. <https://doi.org/10.1016/j.copsyc.2022.101555>
- Xie, Y., & Peng, S. (2009). How to repair customer trust after negative publicity: The roles of competence, integrity, benevolence, and forgiveness. *Psychology & Marketing*, 26(7), 572–589. <https://doi.org/10.1002/MAR.20289>