

The Impact of New Technologies on Firms and Consumers

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Abstract

New technologies, including extended reality and online gaming, and new promotion formats, such as retail media and influencer marketing, constantly open up new perspectives on existing research issues and raise questions related to new challenges companies face. Within this special session, we address some of these exemplary issues through a series of four presentations covering questions such as the liability of foreignness in immersive technologies, retail media and the customer experience, influencer marketing, and brand safety in online games. In the first presentation (Liability of Foreignness in Immersive Technologies: Evidence from Extended Reality Innovations), Hyoryung Nam, Yiling Li, P.K. Kannan, and Jeonghye Choi explore extended reality (XR) technologies and analyze how companies who leverage XR for international expansion may suffer from liability of foreignness (LOF). By analyzing 257 beauty brands in the Korean beauty industry, they show that LOF in XR innovations may arise from cultural differences in cognitive processing styles. They also highlight that LOF is greater when foreign brands utilize XR innovations that simulate less realistic (and hence presumably more imaginative), more interactive, and more vivid experiences. In the second presentation (Retail Media and the Customer Experience), Koen Pauwels focuses on retail ads, i.e., advertising in retail media, which is expected to represent 15% of total ad revenue but lacks academic research. The author explains the functionality of such retail ads and how they differ from other advertising formats. He subsequently proposes a series of research questions related to consumers, brands, and retailers. In the third presentation (Influencer Marketing: Boon or Bane? Exploring Brand ROI), Margaret Cai and Katrijn Gielens compare influencers directly compensated by brands and those who organically engage with products. They focus on exploring the consequences of (un)intended influencers (who), (un)intended influencer messages (what), and (un)intended platforms (where). Using a comprehensive dataset of 405 intended collaboration influencers from 2021 to 2023 from a Chinese toy company, the authors aim to answer three research questions: How do intentional and unintentional influencers affect brand Return on Investment (ROI)? What influence does content propagate through deliberate versus inadvertent platforms influence brand ROI? And how does deliberate versus inadvertent content impact brand ROI? In the last presentation (Brand Safety in Online Games: When are Toxic Gaming Environments Harmful to Brands?), Stefan Bernritter, Ilias Danatzis, Jana Möller-Herm, and Francesca Sotgiu look into toxic player behavior in online games (e.g., sexism, lack of diversity of avatar characters). Using a series of experiments, the authors investigate the influence of toxic behavior in online games on players' brand perceptions. They equally explore whether Corporate Social Responsibility campaigns initiated by brands addressing gaming-related issues mitigate or exacerbate potential

spillover effects of in-game toxicity on advertising brands.