



## Upcoming Seminars

### **Monday, 17.6.2024**

13.30-14.30  
AWI room 00.010

### **Departmental Seminar**

Michaela Pagel, Washington University's Olin Business School  
"Cookies and Shopping"  
(Host: Sebastian Ebert)

### **Wednesday, 19.6.2024**

12.15-13.15  
AWI room 00.010

### **Internal Seminar**

Alex Roomets, Franklin & Marshall College  
"Noisy hypothesis testing"  
(Host: Jörg Oechssler)

### Departmental Seminar

Michaela Pagel, Washington University's Olin Business School

"Cookies and Shopping"

This study examines the impact of enhanced data privacy on online shopping and financial health. Specifically, we analyze the staggered adoption of cookie permission and compliance systems by US retailers in response to the European Union's data protection standards and the California Privacy Act. We combine information on when specific retailers implemented a cookie compliance system with individual-level bank and credit card transaction data from a US data aggregation and analytics provider. We find that online spending at retailers decreases significantly after they introduce cookie compliance systems. To address potential selection into who and when individuals shop with enhanced privacy, we also use exposure to cookie compliance systems based on pre-policy shopping baskets in a reduced form IV specification. Our IV specification results confirm the initial findings with respect to spending and show that individuals incur less overdraft and late fees, rollover less credit card debt, and borrow less in other high-interest unsecured credit such as payday loans when they are treated with enhanced privacy. We discuss targeted advertising, third-degree price discrimination, and shopping convenience as the three main channels behind these results. Our findings provide insights into the relationship between data privacy regulations and consumer actions, informing policy considerations at the state and federal levels.

### Internal Seminar

Alex Roomets, Franklin & Marshall College

"Noisy hypothesis testing"

We discuss the implications of a push for larger sample sizes in an environment where measurements are noisy. We outline specific issues that may lead to errors in hypothesis testing, and potential remedies. The remedies include careful design decisions to mitigate bias in the noise distribution as well as the potential to perform statistical robustness checks in cases where biased noise may be present. Here we present robustness checks for binomial tests and preliminary work on Chi-squared tests.

## New Working Papers

Julian Matthes and David Piazzolo: "Don't Put All Your Legs in One Basket: Theory and Evidence on Competition in Road Cycling", AWI Discussion Paper Series No. 750, June 2024.

Manuel Schick: "Real-time Nowcasting Growth-at-Risk using the Survey of Professional Forecasters", AWI Discussion Paper Series No. 750, June 2024.

Editorial deadline for issue 16/2024 of the newsletter:  
Wednesday, June 19th, 2024, 12 p.m.  
[newsletter@awi.uni-heidelberg.de](mailto:newsletter@awi.uni-heidelberg.de)