BACHELOR THESIS

KEYWORDS

- Digital Services Tax (Digitalsteuer)
- Online advertising & platform pricing (Google Ads)
- Tax pass-through & advertising budgets
- Advertiser/agency decision-making
- Survey research (Qualtrics) & descriptive analytics

TOPIC: EFFECTS OF THE AUSTRIAN DIGITAL ADVERTISING TAX (DIGITALSTEUER) ON ADVERTISERS' BUDGETS AND PLATFORM SPENDING

Austria levies a 5% digital tax on online advertising services (Digitalsteuer), in force since 1 January 2020. Major ad platforms may pass this cost on to advertisers via invoice surcharges. For example, Google announced a country-specific fee for ads served in Austria starting 1 November 2020. This creates a unique setting to study whether advertisers are aware of the policy and how they react once the tax is effectively passed through into their ad prices.

The main goal of this thesis is to understand (i) advertisers' awareness/knowledge of the tax and (ii) how advertisers and agencies reacted once the tax was passed on (e.g., budget increases to maintain reach, reallocations to other channels/platforms, or no change). We are especially interested in differences by company size, role (in-house vs. agency), and budget responsibility.

METHOD & YOUR TASKS

Online survey (Qualtrics): the survey questions are already prepared.

Your tasks will include:

- Building the questionnaire in Qualtrics (structure, answer options, logic/skip rules, and a clean layout).
- Supporting outreach: we will distribute mainly via our contact network; optional LinkedIn outreach within our reach.
- Analyzing the survey results (data cleaning, descriptive statistics, segment comparisons, and clear figures/tables).
- Summarizing the key findings in the thesis (results section + concise managerial/policy implications).

LITERATURE & LINKS:

- Austrian Federal Ministry of Finance (BMF): Digital Tax Act 2020:
https://www.bmf.gv.at/en/topics/taxation/digital-tax-act.html
- Austrian Federal Economic Chamber (WKO): Digitalsteuer:
https://www.wko.at/steuern/digitalsteuer
- Google Ads Help: Jurisdiction-specific surcharges: https://support.google.com/google-ads/answer/9750227
- Search Engine Land (2020): Google passing digital services taxes to advertisers (incl. Austria 5% fee from 1 Nov 2020): https://searchengineland.com/advertisers-to-absorb-googles-digital-services-taxes-in-uk-austria-turkey-340065
- Lassmann, A. (2025). Global spillovers of taxation in the online advertising market. Journal of Public Economics.
- Weyl, E. G., & Fabinger, M. (2013). Pass-through as an economic tool: Principles of incidence under imperfect competition. Journal of Political Economy, 121(3), 528–583.
- Working paper (WU Vienna, 2025): Navigating the Amazon: The incidence of digital service taxes (DST) on platform prices and consumers. (Link in
https://research.wu.ac.at/ws/portalfiles/portal/76680012/2025_05_DST_2_.pdf

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APPLICATIONS:

You can apply for this topic by filling in the **application form** (available here) and sending it to Isin Acun (isin.acun@wu.ac.at).