

Report on Bachelor Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Lucie Schwarzová
Advisor:	PhDr. Michal Hlaváček, Ph.D.
Title of the thesis:	The Impact of the Sharing Economy on Residential Prices in Prague

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

Please provide your assessment of each of the following four categories, summary and suggested questions for the discussion. The minimum length of the report is 300 words.

Contribution

The thesis has a clear contribution regarding the current situation on market for residential property in Prague where the prices have been soaring during last couple of years. And at the same time, Airbnb and similar platforms of the sharing economy have become much more profound worldwide, not excluding Prague. Given these facts, the topic of this thesis is up to date and the author has done a very good job in taking a more rigorous approach to analyse the impact of Airbnb listings on soaring prices of residential property which is commonly presumed, but not yet too deeply analysed.

Methods

The author has conducted the analysis on a unique dataset which she put together from various sources. One suggestion I would have to this part is that maybe in the section describing the Airbnb dataset provided by Mr. Nedvěd should be described more clearly, how the data were collected. (Maybe it could also be considered to provide short paragraph describing how the Airbnb platform works to clarify it for a reader who had never used it so far.) However, I strongly appreciate the effort put into creation of this dataset which allowed her to use the hedonic regression which is a common approach for assesment of the underlying factors influencing the housing prices. As an estimation approach, she uses OLS, which is perfectly fine for the bachelor thesis. However, if author plans to continue with research in this field in her further studies, I would recommend her to consider using other estimation approaches, such as generalized method of moments (GMM) which may be a solution to problems she mentions in her thesis, e.g. endogeneity or heteroscedasticity.

Literature

The author has provided an overview of previous studies divided into studies concerning Czech Republic and foreign studies. The cited literature is relevant to the topic and given the fact that Airbnb and similar platforms are still relatively new phenomenon the scope of provided literature review is sufficient.

Manuscript form

The thesis is well structured and well formatted. I would only recommend adding a numbers of chapters to numbers of figures and tables, e.g. first table in chapter 4 should be named Table 4.1, second table in chapter 5 as Table 5.2, third table in appendix A as Table A.3.

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Summary and suggested questions for the discussion during the defense

This is a very nice thesis which certainly meets the IES requirements and should be defended with a very high grade. The thesis has a clear contribution regarding the current situation on market for residential property in Prague and the rise of the Airbnb phenomenon in recent years.

For defense I propose the commission to ask following additional questions:

- 1) Could you please provide some more inside how the dataset provided by Mgr. Adam Nedvěd described on pp. 23-25 was obtained from the Airbnb website?
- 2) On pp. 31-34 you describe the estimated model and the variables are estimated in logarithms. However, I did not find a clear explanation for this. You only write on p. 33 „The dependent variable is the natural logarithm of the sale price, as well as the main variable of interest Airbnb activity to better interpret the resulting relationship.“ Could you please clarify, how this is meant?

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
<i>Contribution (max. 30 points)</i>	30
<i>Methods (max. 30 points)</i>	28
<i>Literature (max. 20 points)</i>	19
<i>Manuscript Form (max. 20 points)</i>	18
TOTAL POINTS (max. 100 points)	95
GRADE (A – B – C – D – E – F)	A

NAME OF THE REFEREE: *Mgr. Petr Hanzlík*

DATE OF EVALUATION: 26. 5. 2019

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
30	15	0

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
30	15	0

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
20	10	0

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
20	10	0

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F