

Report on Bachelor / Master Thesis

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

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| Student: | Maximilian Hönig |
| Advisor: | Doc. Julie Chytilová, PhD |
| Title of the thesis: | The correlations of economic changes to the super luxury car sector |

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

In his thesis, Maximilian Hönig studies the link between several macroeconomic indicators and the sales of luxury goods, specifically Ferrari cars. While there has been an extensive literature on luxury goods and how their sales are related to a variety of factors, the contribution of Maximilian's thesis is the specific focus on Ferrari, which is a reasonable contribution for a bachelor thesis. In addition, he compares the results for Ferrari with the results for normal car sales, which is also interesting to see.

Methods

To study his research questions, Maximilian put together a dataset from various sources and used basic econometric methods to analyze the data. The main limitation here is the limited availability of the data. Maximilian hand-collected the data about Ferrari sales from the company reports but the numbers are available only for 14-18 years for each of the four countries. In the main regression which pools all countries together the sample size is rather small but still reasonable (>60), but in the regressions for individual countries it is below 20. There is little what can be done with this. Maximilian acknowledges this important limitation in the thesis, but in my view this could be highlighted even more.

Literature

The thesis provides a review of the literature which focuses on luxury goods and the importance of macroeconomic indicators and Maximilian also does a good job relating his approach and results to the existing literature. At the same time, I would expect the thesis to contain references to important academic work on luxury goods in general and also to learn more about what particular luxury goods the referenced literature focused on in order to be able to better understand the comparison with the results of the thesis. Also, the references in the bibliography do not follow a standard form and often it is difficult to identify the sources as indicators like journal name are missing.

Manuscript form

In general, the thesis reads well and is written in good English, but the structure could be improved. For example, the description of the results is relatively lengthy and rather mechanical, describing the coefficient for each of the variables one by one without providing any interpretation. This discussion follows later on but it might be better to incorporate it into the results section directly.

Summary and suggested questions for the discussion during the defense

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To sum up, I believe the thesis fulfills the requirements for a bachelor thesis at IES, Faculty of Social Sciences, Charles University, and suggest grade D.

Suggested questions for the discussion during the defense:

- In the abstract you say that you study the effect of macroeconomic and societal changes on car sales. What particular societal changes do you have in mind?
- What types of luxury goods does the existing literature typically focus on?

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

| CATEGORY | POINTS |
|---|---------------|
| <i>Contribution (max. 30 points)</i> | 20 |
| <i>Methods (max. 30 points)</i> | 18 |
| <i>Literature (max. 20 points)</i> | 10 |
| <i>Manuscript Form (max. 20 points)</i> | 17 |
| TOTAL POINTS (max. 100 points) | 65 |
| GRADE (A – B – C – D – E – F) | D |

NAME OF THE REFEREE: *Julie Chytilová*

DATE OF EVALUATION: *August 28, 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.*

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|---------------|----------------|-------------|
| <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 |