

Report on Bachelor / Master Thesis

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

Student:	Theodor Petřík
Advisor:	Mgr. Kateřina Chadimová
Title of the thesis:	Impact of free customer credits on purchases: Case of a major discount portal

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

Theodor's thesis scrutinizes the very relevant and current topic of customer loyalty program effectiveness. Although promotional discounts and other types of marketing campaigns are nowadays highly used, their effectiveness often remains uncertain. Therefore, Theodor's evaluation of the free customer credits program represents a valuable insight into the field. The thesis uses a unique data sample on the actual purchase behavior of customers provided by the major Czech discount portal.

Methods

The main two hypotheses of the thesis are that free customer credits given away by the portal have a positive impact on sales and the credits spent. For this purpose, the author creates a subset of the active users consisting of almost 50,000 customers followed for four years. The hypotheses are then examined using the SARIMAX model and the Prophet procedure, which are relevant approaches to the research questions. The results are compared, including their advantages and disadvantages. Importantly the forecasting ability of the chosen models is discussed as well. The methodology is explained in detail and limitations, and suggestions for future work are addressed in the conclusion.

Literature

The literature review is well structured and describes the various types of customer loyalty programs. Although the literature on the marketing campaigns effectiveness is not vast, Theodor mentions the most interesting and relevant studies in the separate chapter. The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way and follows very recent papers.

Manuscript form

The thesis is written in proper English and fulfills all requirements: citations are perfect, tables and graphs well present the findings, the bibliography is complete. What could be improved is the description of several figures and tables.

Summary and suggested questions for the discussion during the defense

Overall, Theodor did an excellent job, and his work is a great example of a bachelor thesis. He was very independent and responsible in his work, but at the same time, he consulted his work regularly.

Suggested questions:

Do you think the results might vary based on the socio-demographic characteristics like e.g., gender, age, or education? How would you include these factors in the analysis?
Based on your work results, would you recommend continuing the customer loyalty program?

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

CATEGORY	POINTS
Contribution (max. 30 points)	30
Methods (max. 30 points)	27
Literature (max. 20 points)	20
Manuscript Form (max. 20 points)	19
TOTAL POINTS (max. 100 points)	96
GRADE (A – B – C – D – E – F)	A

NAME OF THE REFEREE: Mgr. Kateřina Chadimová

DATE OF EVALUATION: May 29, 2020



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.*

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.*

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

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.*

Overall grading:

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