

Report on Bachelor / Master Thesis

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

Student:	Václav Berčík
Advisor:	PhDr. Radek Janhuba, M.A., Ph.D.
Title of the thesis:	Competitive Balance in Individual Sports: An Empirical Evidence of Uncertainty of Outcome Hypothesis

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 main aim of Vaclav's thesis is to analyse the determinants of demand for beach volleyball in the context of the uncertainty of outcome theory. The results of his main OLS models suggest that the average beach volleyball fan prefers games with uncertain outcomes, care more about short-term team quality than long-term, and change behaviour in-game according to the development of uncertainty. Specifically, his models show that with an increase of 1 in odds difference, the demand decreases by 5%, or in the case of using winning probabilities, an increase of 1% in winning probability of favourite team causes a 1% decrease in demand. To my knowledge, he is the first one who analyses the fan's demand for watching the volleyball using the live stream data from YouTube. Therefore, there is not a negligible novelty in his thesis.

Methods

For his analysis he use a behavioural model for fans' decision making derived as a variation of the one used by Coates et al. (2014) for home stadium attendance, which is based on reference-dependent preferences to capture the influences of relation between the actual game outcome and the expectation of the consumer prior to the game. To process the model he use the standard OLS regression method. The chosen methodology seems appropriate for this kind of studies. However, I would appreciate better explanation of the results. For example on p.21 he states: „*In practice, this approximately equals to saying that with every 10% added to chances of favourite winning the game, demand for the game decreases by 5%....a game where favourite team has 80% chance of winning attract 10% less fans than when favourite has a winning chance of 60%.*“ Taking into account the correct formula $100 * [\exp(\beta) - 1]$ for the interpretation of the coefficient he would probably receive different results. Especially, when generalizing the results for higher values of independent variable.

Literature

The literature review seems well structured and appropriate for the topic.

Manuscript form

I would appreciate higher level of the manuscript. There are some typos as well as various format of the text within one section (section 3.1 Theoretical Model). I suggest to use Latex.

Summary and suggested questions for the discussion during the defense

To conclude, I appreciate the contribution of Vaclav's thesis. However, I would suggest to improve a bit the manuscript form and work on the interpretation of the results. Also, I a bit confused by the abstract, where Vaclav states that „*volleyball is a fast-growing modern sport that is struggling with popularity despite being one of the most attractive-to-watch sports when...*“ but in the first sentence in the introduction he put that „*Volleyball is one of the most popular sports in the world with over 800*

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million of people actively playing“. This should better explained. I would like to ask Vaclav, how would he use his findings for other sports (where are the drawbacks) as well as on the possible monetization of his findings.

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

CATEGORY	POINTS
<i>Contribution</i> (max. 30 points)	23
<i>Methods</i> (max. 30 points)	20
<i>Literature</i> (max. 20 points)	19
<i>Manuscript Form</i> (max. 20 points)	10
TOTAL POINTS (max. 100 points)	72
GRADE (A – B – C – D – E – F)	C

NAME OF THE REFEREE: *Matěj Opatrný*

DATE OF EVALUATION:

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.*

Strong Average Weak
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.*

Strong Average Weak
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.*

Strong Average Weak
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.*

Strong Average Weak
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