

Report on Bachelor / Master Thesis

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

Student:	Kristián Koliáš
Advisor:	Ladislav Křišťoufek
Title of the thesis:	The Impact of Counter Strike 2 Release on the Intra-Game Item Prices

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

Please provide a short summary of the thesis, your assessment of each of the four key categories, and an overall evaluation and suggested questions for the discussion. The minimum length of the report is 300 words.

Short summary

The thesis analyzes the determinants of in-game item prices, specifically focusing on the release of Counter Strike 2 (CS2) and its impact on the market for these items. The study uses data collected from the SkinBaron trading website over four different months and employs a Tobit model to examine the effects on both the lowest listed price and the actual selling price. The findings indicate a significant decrease in item prices following the release of CS2, with prices not recovering to pre-release levels within the first six months.

Contribution

The thesis contributes to the niche field of virtual economies by providing an in-depth analysis of how a significant game update affects the market for in-game items. This focus on the economic impact of a game release is novel and valuable. However, the practical implications of the findings could be explored more thoroughly. The thesis would benefit from discussing how these insights might be useful for game developers, economists, or investors in digital assets.

Methods

The application of the Tobit model is suitable for the censored nature of the price data, and the use of monthly API responses ensures that the data is relevant and current. However, the methodology could be strengthened by incorporating additional models or robustness checks to validate the results. The reliance on a single type of model may limit the depth of the analysis and its applicability to different contexts. Yet, it needs to be noted that for a bachelor's thesis, the Tobit model can be still considered an advanced model. Still, usefulness or potential of other models could have been discussed in more detail.

Literature

The literature review covers a range of relevant topics, including investing, alternative investments, and the market for video game items. The comparison to NFTs is a strong point, adding contemporary relevance to the study. However, the review lacks a critical assessment of the sources used.

Manuscript form

The thesis is well-structured and clearly written, with a logical progression from introduction to conclusion. The use of tables and figures is effective in illustrating the data and results. However, there are minor typographical and formatting issues. Additionally, some sections could benefit from clearer explanations or more detailed discussions to enhance readability and comprehension.

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Overall evaluation and suggested questions for the discussion during the defense

Overall, the thesis provides a valuable analysis of the impact of CS2 on in-game item prices using appropriate econometric methods. However, the analysis could be more robust and, more importantly, with more interpretation and „storytelling“. The practical implications and broader relevance of the findings could be better articulated.

The Turnitin control has not identified any systematically problematic parts and the similarity level is reasonable to low (16 %).

Suggested Questions:

- How might the findings of the thesis be applied to other video games with similar in-game economies?
- Discuss any potential limitations of using the Tobit model in your analysis and how this might be addressed in future research.
- How do you think the market for in-game items will evolve with the increasing prevalence of blockchain and NFT technologies?
- Were there any external factors (e.g., broader economic trends, changes in player demographics) that you considered when analyzing the price changes?
- How would you suggest game developers manage in-game economies to maintain stability in item prices following major updates?

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

CATEGORY	POINTS
<i>Contribution</i> (max. 30 points)	23
<i>Methods</i> (max. 30 points)	22
<i>Literature</i> (max. 20 points)	17
<i>Manuscript Form</i> (max. 20 points)	16
TOTAL POINTS (max. 100 points)	78
GRADE (A – B – C – D – E – F)	C

NAME OF THE REFEREE: *Ladislav Krištoufek*

DATE OF EVALUATION: 30. 5. 2024

Referee Signature