

Report on Bachelor / Master Thesis

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

Student:	Bc. Veronika Kračmerová t
Advisor:	Petr Polák, MSc.
Title of the thesis:	Determinanty šíření mobilních telefonů a Internetu

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

This master thesis is looking at determinants of technology diffusion for i) fixed broadband internet services and ii) mobile services both globally and with particular focus on the evolution of these technologies in the Czech Republic. Overall, the thesis meets the standard of quality required at our Institute, but there are specific areas where the thesis could be significantly improved. Therefore, I recommend the grade 2 [Good].

The author starts by setting out her research question which appears to be mainly understanding the key drivers of internet/mobile diffusion, a topic already well explored in the academic literature. The author clearly sets three hypotheses that will be tested empirically, although the author incorrectly assumes it may be possible to 'prove' these hypotheses based on the results of the empirical analysis (rather than test if they can be rejected).

What is less clear, however, is the author's motivation to focus on these specific questions. In particular, it would be useful to understand why the author decided to test whether the level of unemployment has an impact on the take up of mobile services. Even if there is a link, it's not clear what the relevant policy recommendation would be.

The overview of existing literature appears to be reasonably comprehensive and provides a good summary of the key publications. I was a bit surprised to see only three references to articles from Telecommunications Policy, a leading journal when it comes to empirical studies on diffusion of telecommunications technologies.

With regards to the empirical analysis, the author works with an extensive dataset and applying standard econometric techniques. The author presents her approach in a clear and structured way, and the empirical analysis appears to be sufficiently robust and the author undertakes necessary sensitivity tests.

Where I see the potential limitation of the empirical analysis is the selection of the variables used in the model. The author seems to sufficiently cover demand side variables (e.g. income or education), but less attention is given to supply side factors that may influence the cost of rollout of telecommunications networks, and thus have a constraining effect on the availability (and take up) of the relevant technologies. One example would be population density, a factor commonly used in similar empirical studies, used as a proxy for the cost of network rollout (i.e. it's more costly to rollout fixed broadband networks in less densely populated areas).

Another important determinant of diffusion are likely to be the level of competition and prices for broadband/mobile services, again usually considered in similar empirical studies. The quality of regulation is another one, although clearly more challenging to measure and incorporate in the empirical analysis.

With regards to results and conclusions, I believe the author could have spent more time explaining the intuition behind some of its key findings, and drawing clear policy recommendations that would further increase the added value of this study. At the moment, the conclusion comes across largely as a dry description of the results of coefficients of different econometric models tested, and there is only a limited discussion of the link between the results and the original three hypotheses tested.

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	18
<i>Methods</i> (max. 30 points)	20
<i>Contribution</i> (max. 30 points)	15
<i>Manuscript Form</i> (max. 20 points)	18
TOTAL POINTS (max. 100 points)	71
GRADE (1 – 2 – 3 – 4)	2

NAME OF THE REFEREE: PhDr. Goran Serdarevic M.A.

DATE OF EVALUATION: 15/09/2015

Referee Signature

