

Report on Bachelor Thesis

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

Student:	Radka Vičková
Advisor:	Adam Kučera
Title of the thesis:	The Key Determinants of Plane Ticket Price Dispersion

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

Contribution

The thesis aims at finding the key factors that cause a variation of plane ticket prices few weeks before the departure. The student finds that few variables are especially important for explaining the variation; however the results differ over the time to departure and over the type of the airline company.

The student managed to find a highly interesting topic and formulate a relevant research question. The second chapter well describes the airline industry and all its aspects important for the research aim. Based on an independently gathered data sample, the student shows an insight into the empirics of the plane ticket price variation. Finally, the econometric model answers the research question, when it identifies the core determinants of the price dispersion.

Although the topic and the research questions are not new, the student brings new elements into its evaluation, which yields interesting new findings. Therefore, I overall evaluate the contribution as sufficient for the bachelor level of studies.

Methods

Methodologically, the analysis builds on related literature. However, the student goes beyond a mere replication of existing research, when she introduces new elements (especially new variables) into the model. The estimation methods themselves are rather basic, however are used properly and allow the student to answer the research question in a sufficient extent. The results are supported by sensitivity testing (specifying the sample in two ways), utilization of robust techniques and testing for alternative model forms.

The dataset has its limitations, which the student admits. Originally, the student was promised to obtain a dataset from a large plane ticket intermediary, which, however, withdrew the promise during the work on the thesis. I appreciate, that the student solved this situation by obtaining her own dataset. I also recommend the student to build on this thesis in her further research, especially in case some alternative source of market data is found.

Literature

The student sufficiently covers the related literature and directly builds on it in the empirical part of the thesis. The quotations are used properly.

Manuscript form

The text is clear and has a logical structure. Quality of the language is very high, with only very few typos.

Overall, I evaluate the thesis as very good. The student has proven the ability to find a topic, gather relevant sources, build on them to evaluate the model with a use of econometric techniques and finally answer the research question in a perfectly sufficient manner. Over the work on the thesis, the student communicated with the advisor and reflected his comments in the final version of the thesis.

I suggest the grade 1 (excellent, výborně).

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For the defense, I suggest the following question:

How could the results be influenced by the period of the year, over which the dataset was collected (a beginning of the summer)?

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

CATEGORY	POINTS
<i>Contribution</i> (max. 30 points)	22
<i>Methods</i> (max. 30 points)	23
<i>Literature</i> (max. 20 points)	20
<i>Manuscript Form</i> (max. 20 points)	17
TOTAL POINTS (max. 100 points)	82
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: Adam Kučera

DATE OF EVALUATION: 5. 9. 2017

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

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

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

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

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 POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě