

# Report on Bachelor Thesis

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

<b>Student:</b>	<b>Bruno Baránek</b>
<b>Advisor:</b>	<b>Martin Gregor</b>
<b>Title of the thesis:</b>	<b>Sales Design in Online Auctions: Evidence from iPad 2 Sales on eBay</b>

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

With a recent proliferation of auction portals and increasing popularity of bidding online, the study of online auctions has become an attractive research agenda. With structured item descriptions, controlled and stable environment, and a large number of active bidders and sellers, it is feasible to generate and analyze a relatively clean and large dataset to observe regularities on sides of bidders and sellers. Bruno Baránek has set an ambitious goal to contribute to this stream of very active research in empirical IO. In particular, he investigated the role of the sales design options on iPad2 sales at eBay. The feature of this particular market is that it contains many professional sellers (e.g., e-shops) and the market is very competitive.

The thesis is one of the best crafted empirical undergraduate theses I've ever supervised. Bruno has picked own product based on careful consideration of homogeneity and thickness of the market, collected the data, and conducted the analysis using the techniques that are well above the standard of an undergraduate thesis (mainly following Anderson et al. 2008). The survey is inspiring and it covers relevant contributions to all his specific hypotheses. His results show that for this particular item, basic sales design options (fixed price or auction) are not generating different prices, but at the same time Bruno finds significant determinants for the sales design. This opens avenue for further thinking about the nature of selling in the context of a market with a predominant share of arguably profit-oriented sellers.

A very original result is that BIN option (Buy It Now option = a possibility to directly buy a product even if an auction is running) is not affecting either price or probability for which there is to date only very scarce evidence. Additionally, minimum bids behave in line with received wisdom which is a good check of the quality of the data and the method. Of course, there are numerous other specific results which I do not cover in this report. What is especially valuable is Section 5 which separately discusses the results in the context of previous studies in the field.

I must admit that cooperation with Bruno was a pleasant and stimulating experience. Bruno has closely followed my advice and in detail responded to my comments. I recommend this thesis for **Dean's Award for Outstanding Thesis**.

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

<b>CATEGORY</b>	<b>POINTS</b>
Literature (max. 20 points)	20
Methods (max. 30 points)	29
Contribution (max. 30 points)	29
Manuscript Form (max. 20 points)	20
<b>TOTAL POINTS</b> (max. 100 points)	<b>98</b>
<b>GRADE</b> (1 – 2 – 3 – 4)	<b>1</b>

**NAME OF THE REFEREE:** PhDr. Martin Gregor, PhD  
**DATE OF EVALUATION:** June 3rd, 2013

**Referee Signature**