

Report on Bachelor / Master Thesis

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

Student:	Vojtěch Chalupa
Advisor:	Mgr. Josef Kurka
Title of the thesis:	Determinants of football players' market value during the season: Discrepancies between TOP 5 and the rest of the leagues

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

Short summary

This thesis examines the discrepancies in the mechanisms of player market value formation between the top 5 European leagues and other competitions. The author discovers that the pricing mechanisms substantially differ across the leagues of different quality as well as across positions. The leagues outside the top 5 display a more significant effect of skill measures like successful passes, successful dribbles or expected goals on subsequent market value. The results regarding the differences among positions are less striking as attackers and midfielders register an expectedly larger effect of offensive statistics like goals scored, assists and successful dribbles while defender values are much harder to determine using observable statistics and characteristics. Such comprehensive analysis of the differences in pricing mechanisms inside and outside of the TOP 5 leagues presents a viable contribution to the literature.

Contribution

The author contributes to the existing literature on determining footballers' market value by comprehensive analysing the differences in pricing mechanisms inside and outside of the TOP 5 leagues. Moreover, different effects of the studied variables within the TOP 5 leagues themselves are analyzed, as well as discrepancies in pricing factors between defenders, midfielders and attackers. This research is relevant for academics as well as for football fans and managers as it discovers substantial differences in the factors influencing market values of the distinct groups of players.

Methods

The methods are adequate to the task and level of author's studies. Multiple OLS regression are estimated on different subsamples of the data to establish the differences between the groups of players in question. Due to the high number of explanatory variables, LASSO method is also employed for regularization purposes. The study addresses multicollinearity and heteroscedasticity assumption in detail. It is assumed that the potential endogeneity issue will be solved by controlling for the player value at the beginning of the season, although a formal test is not conducted.

Literature

The literature review describes the relevant strands of literature and connects them well to the analyzed topic. Some sections would benefit from being written in a more clear and reader-friendly fashion.

Manuscript form

The overall form of the manuscript is appealing, it is well structured and contains all the expected sections. Presentations of Tables and Figures corresponds to the academic standards, and they are

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referred to in a standard fashion. Some sections of the could be written more clearly. Especially the description of the results fails to pinpoint the most important findings of the research.

Overall evaluation and suggested questions for the discussion during the defense

The results of the Turnitin analysis do not indicate significant text similarity with other available sources. In my view, the thesis fulfills the requirements for a bachelor thesis at IES, Faculty of Social Sciences, Charles University, I recommend it for the defense and suggest a grade B.

Below, I suggest questions and comments to be addressed at the defense.

- Elaborate on the potential sources and consequences of endogeneity. How would you formally test for endogeneity?
- Highlight the main results of your thesis in terms of discrepancies between individual leagues and positions. What are their practical implications?

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

CATEGORY	POINTS
<i>Contribution (max. 30 points)</i>	25
<i>Methods (max. 30 points)</i>	24
<i>Literature (max. 20 points)</i>	17
<i>Manuscript Form (max. 20 points)</i>	15
TOTAL POINTS (max. 100 points)	81
GRADE (A – B – C – D – E – F)	B

NAME OF THE REFEREE: Mgr. Josef Kurka

DATE OF EVALUATION: 28.5.2024

**Digitally signed (28.5.2024):
Josef Kurka**

Referee Signature