

Report on Bachelor / Master Thesis

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

Student:	Kryštof Zatloukal
Advisor:	Mgr. Petr Polák, M.Sc., Ph.D.
Title of the thesis:	Transfers and success of football players

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 investigates which factors coincide with a change in the estimated market value of a football player after he is transferred to an English Premier League (EPL) team. The author uses data about 100 players transferring in the 2020 summer transfer window and analyzes the change in estimated market value over one year. He identifies a number of factors correlating with the change.

Contribution

The contribution is unfortunately not explicitly explained in the thesis. The author mentions that the thesis builds on findings from previous studies but does not identify any gap in the existing literature. Neither in the introduction, nor in the literature review chapter. He only describes that some studies already analyze the topic of the thesis and writes that "The aim of this thesis is to identify and then also estimate the determinants of a successful transfer to the EPL and the likelihood of a player's success based on his performance and characteristics." (p. 8). But Kryštof does not explicate any important questions which the thesis is able to answer but were not answered before. I did not even find any implicit contribution, because all the author does is he runs a couple of regressions and comments on the signs, values, and statistical significance of the coefficients.

He motivates the topic in general terms by the commercial importance of football in general and the EPL in particular. But he does not really motivate the specific aspects of his analysis, such as the chosen year, the cross-sectional approach without time dimension, or the choice of explanatory variables.

Methods

The author uses OLS to regress some player- and team-related factors on the change in estimated market value. He checks the assumptions of OLS in order to make sure this method can be used. In this sense, I think the author did a good job. I have a bigger problem regarding the identification strategy itself. The author explicitly mentions that he uses published estimates of market value as his dependent variable. But he doesn't address the issue of how this estimate is obtained, nor does he test (or at least mention studies which test) whether the estimated market value really reflects the market value when a player is traded. And I suspect that the market value is estimated in a very similar fashion to what the author does in this thesis.

Therefore, I think that instead of estimating the impact of various factors on the market value of players, Kryštof finds which factors are used to calculate the market value estimates. This may be a similar exercise, but not necessarily. I think the author should explicitly deal with this issue and be much more careful with the interpretation of his results.

I did not understand what the author means about "comparing data from the seasons 2019/2020 and 2020/2021" (p. 15). I don't know why the author mentions 101 observations in several places but

Report on Bachelor / Master Thesis

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

Student:	Kryštof Zatloukal
Advisor:	Mgr. Petr Polák, M.Sc., Ph.D.
Title of the thesis:	Transfers and success of football players

reports 100 observations in the tables with results (p. 32). I miss an explanation of why the MPA variable is used in the squared form (p. 26).

Literature

The author demonstrates understanding and command of recent literature and quotes relevant literature in a proper way. I only find the literature too narrowly focused only on football players, even though similar characteristics must be relevant also in the context of other sports. I also miss more connection to economics literature.

The results of the Turnitin analysis do not indicate significant text similarity with other available sources.

Manuscript form

The manuscript form suffers from some shortcomings. The references are not written in a consistent style: In some parts, such as the literature review chapter, the author correctly writes, for example, "Ćwiklinski et al. (2021) proposed ..." (p. 10) But in other places, such as the introduction, he puts even the author in parentheses. E.g. the second sentence of the thesis ends with "... as reported by (FIFA, 2023)." (p. 1) Or sometimes the parentheses are not used at all: "Furthermore, when looking at the top 100 football most valuable player, Majewki, 2016 suggest that..." (p. 11). It also would have benefitted from a more thorough proofreading and language editing.

Overall evaluation and suggested questions for the discussion during the defense

To sum up, I have several problems with the thesis, First and foremost, no gap in the existing literature is identified and no contribution is explicitly stated. Second, I am not sure the author estimates what he writes/believes he estimates. And third, I don't like the fact that the only "economics" aspect of the thesis is that it tries to explain some monetary market value estimate. I think that the author could have made more effort to link the topic of his thesis to economics.

But despite my reservations, I believe 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 D.

Questions for the discussion:

1. On p. 22 you mention that you mix permanent transfers and loan transfers. What are the shares? I have to admit I missed some quantitative overview of the used sample.
2. Why not use the full model if the coefficients and the standard errors are practically the same?
3. On p. 33 you write that the results can be considered representative given the fact that you use 100 observations. What do you mean by representative? What constitutes representativeness of a sample?
4. You judge a trade to be fail/success based on a positive or negative change in the estimated market value over one year period after the transfer. But shouldn't you rather focus on a relative change compared to some market average? What if the whole market grows/falls by

Report on Bachelor / Master Thesis

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

Student:	Kryštof Zatloukal
Advisor:	Mgr. Petr Polák, M.Sc., Ph.D.
Title of the thesis:	Transfers and success of football players

some percentage. Then even if a player loses some value, but loses less than the market loses on average, the trade could be a success.

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

CATEGORY	POINTS
<i>Contribution</i> (max. 30 points)	10
<i>Methods</i> (max. 30 points)	20
<i>Literature</i> (max. 20 points)	18
<i>Manuscript Form</i> (max. 20 points)	18
TOTAL POINTS (max. 100 points)	66
GRADE (A – B – C – D – E – F)	D

NAME OF THE REFEREE: *PhDr. Jiří Schwarz, Ph.D.*

DATE OF EVALUATION: 26.5.2023

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

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.*

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.*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

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.*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F