

# Report on Bachelor / Master Thesis

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

<b>Student:</b>	<b>Tereza Koudelková</b>
<b>Advisor:</b>	<b>Doc. Ing. Tomáš Cahlík, CSc.</b>
<b>Title of the thesis:</b>	<b>Czech telecommunication Market before the Entry of the Fourth Player: Strategic Analysis</b>

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

The bachelor thesis of Tereza Koudelková deals with the current situation on the Czech telecommunication market. Planned entrance of the fourth operator is expected to stipulate sharper competition in telecommunication services and behavior of the remaining players is worth to analyze. This thesis offers an analysis of the current situation as well as the preview to future developments. The attempt to analyze this issue from the perspective of one of the biggest players on the market – Telefonica O2 found its boundaries in accessibility of internal information about company strategy. Therefore, only publicly available sources were used which partially decreases the value added of the thesis. Nevertheless, this is a kind of external factor that author could not influence, so further I comment the thesis as it is.

The first part of the thesis includes theoretical introduction into the strategic management decision-making. The work with literature is satisfactory with relevant sources used. However, adding the theoretical framework of the market organization would help to better analyze the Czech telecommunication market which is often referred as „collusive oligopoly“ of three main players which generates high prices on satiated market. This would better capture the further development of radical decrease in prices introduced by Telefonica O2 in 2013.

The second part of the thesis introduces the phases of strategic planning. This part is well structured and comprehensively written. It serves as the base for the practical analysis of the strategic planning of Telefonica O2 on the Czech market with respect to the expected new entrant coming soon.

The third part of the thesis is the analysis itself. Since this part should contain most of the author's contribution I devote the rest of this referee report to it.

Description of macroeconomic environment offered in the first part of the third section is not satisfactory. Description of macroeconomic conditions, even the brief one, should serve as the orientation for the reader to understand conditions of the market. So usually, such analysis is provided with respect to the subject of interest, in this case the telecommunication sector. Therefore, information about the market size, its development since 1990s in terms of number of users as well as providers, the technological changes and, if available, profit figures, should have been mentioned. Of course, social and political factors belong here, too. For instance, privatization of the former Český telecom is definitely worth to mention since Telefonica O2 is the successor of this formerly publicly owned company. Moreover, Telefonica O2 gained its position on the market thanks to this acquisition rather than through systematic expansion on the market.

The next section is devoted to the analysis of competitive environment in the telecommunication sector. Profound analysis of competitors and illustration of current issues in the sector are provided with high standard. However, introduction of the new topic, such as LTE auction on p.41 should be done earlier than in the last paragraph of the section 3.1.2.2. Also some judgmental sentences should be avoided. e.g. the one on the page 40-41: „However, I could not have come with any reasonable explanation for this TMCZ's step...“ Either explanation should be offered or such a judgment should be supported by somebody's else opinion through citation.

SWOT analysis in the section 3.2.offers deep insight into company's strengths, weaknesses, threats and opportunities. However, it is not clear with respect to what the SWOT analysis is conducted. I guess it is with respect of the new entrant (or better say enhanced competition) but explicitly written aim should be mentioned.

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Conclusion part provides satisfactory summarization of the thesis with further questions to be discussed and analyzed such as the pre- and post- auction market or changes after the fourth operator launch its services.

Further, I would like to point out some methodological comments to the proposed thesis which are meant as advice for the future academic works of Mrs. Tereza Koudelková:

- Try to support your statements with citations. In the second and third part of the thesis, there are very few references and citations. Also your literature does not contain much of the academic resources.
- The usage of abbreviations is enormous in this thesis with some of them not explained (e.g. LTE roll-out, ARPU, etc.). In this case the vocabulary along with the list of acronyms should be introduced, especially in the case of such specific sector as the telecommunication is.
- Beginnings of the concluding paragraphs in the bold are rarely used in the academic works

In the case of successful defense, I recommend **“výborně” (excellent, 1)**.

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

<b>CATEGORY</b>	<b>POINTS</b>
<i>Literature</i> (max. 20 points)	15
<i>Methods</i> (max. 30 points)	25
<i>Contribution</i> (max. 30 points)	25
<i>Manuscript Form</i> (max. 20 points)	20
<b>TOTAL POINTS</b> (max. 100 points)	<b>85</b>
<b>GRADE</b> (1 – 2 – 3 – 4)	<b>1</b>

**NAME OF THE REFEREE:** Ing. Monika Martišková

**DATE OF EVALUATION:** 10/06/2013

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**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	<b>1</b>	= excellent	= výborně
61 – 80	<b>2</b>	= good	= velmi dobře
41 – 60	<b>3</b>	= satisfactory	= dobře
0 – 40	<b>4</b>	= fail	= nedoporučuji k obhajobě