MASTER THESIS OBJECTOR REVIEW

Name of the student:

…Toghrul Mammadov……………………………………………………………………………………

Name of the Master Thesis:

…Valuation of User-Based Internet Companies – Main Growth and Value Drivers………
…

Objective of the Master Thesis:

… This Thesis examines the value that each subscriber brings to an Internet company. The practical part covers the analysis of Netflix. The aim of this project is to compare the "new economy" and the "old economy" models in order to make reasonable assumptions about the main growth and value drivers. The ultimate goals of the Thesis are double: 1) Uncovering the reasons behind today's valuations of modern Internet companies. 2) Improving the accuracy of forecasting key financial metrics of a modern company by breaking the metrics down to its users………
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Assessment criteria:

A. Style and formal requirements
   Editing and layout is quite poorly presented. The tables and formulae systematically lack a reference………………………………………………………………………
   …
B. Formal requirements
   The overall extent of the Master Thesis is remarkably short…………………………
   …
C. Bibliographical resources
   The citations are not correct. Please, consider applying one of standardised forms of citation. …………..
   …
D. Logics and depth of the analysis (practical part)
   The topic is well selected and of actuality. The Conclusion is extremely short and in the need of further development.………………………...........................
   …

E. Fulfilment of Master Thesis goals

The goals have been fulfilled although the extent of the presented Thesis is of concern. …………...
...

F. Strong points

"Empirical studies of valuing tech companies" is a valuable part of the presented Thesis. Also, "Nature of the high-growth internet and tech company industries" can be considered a contribution to the actual theoretical knowledge within the field treated... ...

Questions:

1) Describe in detail the method used to project the number of new subscribers. Which other approaches could have been used. Develop.

2) Present as accurate definition of an "internet" company as you can. What is the main difference from the "tech" companies? What are the common points (from the valuation perspective)?

Conclusion:

I recommend the presented Master Thesis for defence and I suggest the overall grading 2 (Very good) to 3 (Good) subject to the performance delivered.

Prague, 7th June 2019   Ing. Silvie Jeřábková, MSc.