

SCIENTIFIC ADVISOR'S REFERENCE

Program:	Master in Corporate Finance
Student:	Solovieva Yana
Title of thesis:	The impact of financial and non-financial performance measures on online social networks value

Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis. Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.

There is a great deal of literature on financial factors impact on companies' value. Fewer studies are devoted to the company's non-financial measures. But these metrics are those measures that could have a significant impact on the value of internet companies with various business models. This thesis attempts to link financial and non-financial performance metrics and social networks companies' value, the topic that academics did not come to agreement on because of controversial results of research. This study also tries to find out how the impact of these measures differs for companies with different business models. Thus the topic is relevant.

The goal of the research is clearly defined – to determine what financial and non-financial indicators influence market value of Internet companies and to find out whether these measures vary across different types of Internet business models.

A number of objectives stated are consistent with the goal. The topic is fully covered by the thesis content.

Structure and logic of the text flow. Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.

The structure of the paper in general is logical. The first part contains literature review on various internet business models and value drivers. The author summarizes studies on business models and proposes her own classification of internet companies' business models.

It is worth noting that the analysis of internet business models is of a high quality. The analysis of studies is followed by the description of research methodology, hypotheses and data description. The third part presents the results of empirical analysis. The author consequently applies regression analysis methodology to testing hypotheses for companies with a different business model. Theoretical and empirical parts are aligned. Estimation results, theoretical value and managerial implications are substantiated

The critical remark could be stated with regard to the second chapter. It is short enough, and in terms of the contents could be added either to the first or to the third chapter.

Quality of analytical approach and quality of offered solution to the research objectives. Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.

The quality of the thesis content could be evaluated as good. The thesis definitely has a research nature and contains practical implications. Goal and objectives are covered and fulfilled thoroughly. Research question and hypothesis are defined properly. The author uses relevant methodology for testing hypothesis on the impact of financial and non-financial factors on online social networks value.

Thus objectives, hypotheses, methodology are consistent with those used in academic literature. The literature review and conclusions made demonstrate good analytical skills of the author. In general the quality of analytical approach could be evaluated as good.

As there is almost no research in this area, it is worthnoting that the author demonstrated her own independent view on the problem and approach to the analysis. The author's classification of business models is interesting and brings practical implications.

Quality of data gathering and description. Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.

Data are valid and relevant. The methodology, research tools and methods (regression analysis) are relevant for this research, for processing the data collected.

The list of references is relevant, complete and contains adequate papers in this field of studies.
Scientific aspect of the thesis. Independent scientific thinking in solving the set problem/objectives; the extent to which the student contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.
The author demonstrated the scientific thinking in solving research problem, the thesis is conducted independently. The author applied methodology used in existing studies, to meet objectives set. Empirical findings are substantiated. The empirical analysis provided new scientific results on the impact of various indicators on the internet companies, the author fulfilled the task of finding the difference between the impact of various factors on the value of companies with different business models. Thus research results contribute to existing studies.
Practical/applied nature of research. Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.
Theoretical background is related to the practice of internet companies. Empirical results are interpreted properly. Practical recommendations are based on empirical findings. Comparative analysis of results for companies with different business models is given.
Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.
The layout of the thesis meets the requirements for master thesis preparation.

The Master thesis of Yana Solovieva meets the requirements for master thesis of MCF program thus the author of the thesis can be awarded the required degree.

Date
14.06.2013

Scientific Advisor:
Asc. Prof. Yulia Ilina

