

WHAT IMPEDES EFFICIENT ADOPTION OF PRODUCTS? EVIDENCE FROM RANDOMIZED SALES OFFERS FOR FUEL-EFFICIENT COOKSTOVES IN UGANDA

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Abstract

Many consumers do not adopt products with health and wellbeing benefits apparently far greater than their costs. A sales offer combining a free trial, time payments, and the option of returning the product can overcome barriers such as liquidity constraints and poor information about benefits and usability. We tested this sales offer (and alternatives) in an experiment with a fuel-efficient charcoal stove in urban Uganda and a fuel-efficient wood stove in rural Uganda. Consistent with the importance of these barriers, this offer dramatically increased uptake—in urban Kampala, from 4% to 46%, and in rural Mbarara, from 5% to 57%. (JEL: I12, O12, O33, Q56)

The editor in charge of this paper was M. Daniele Paserman.

Acknowledgments: We received funding from the Goggio Family Foundation, the National Institute of Child Health and Human Development (NICHD R21 HD056581), the Silicon Valley Community Foundation, the Institute for Research on Labor and Employment, the International Institute for Impact Evaluation (3IE), the Haas School of Business, the United States Agency for International Development (Translating Research into Action, Cooperative Agreement No. GHS-A-00-09-00015-00), the Atkinson Center for a Sustainable Future, the Institute for the Social Sciences, and the Cornell Population Center. Data collection was carried out by the Center for Integrated Research and Community Development (CIRCODU), and the project's success depended greatly on its managers—Joseph Arinietwe Ndemere, Juliet Kyaesimira, Vastinah Kemigisha—and field supervisors—Innocent Byaruhanga, Fred Isabirye, Michael Mukembo, Moreen Akankunda, and Noah Kirabo. Stephen Harrell and Dow-Li Kou (of IPA) expertly oversaw field operations. We thank Impact Carbon, Evan Haigler, Caitlyn Hughes, Matt Evans, Jimmy Tran, Johanna Young, Rashad Korah Thomas, Adam Galinsky, Andy Weiss and the USAID TRAction Technical Advisory Group. The views expressed in this paper solely reflect those of the authors, and these opinions are not necessarily those of the institutions with which the authors are affiliated. All errors are our own.

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