# Revision memo (manuscript reference: AER-2023-1277)

# **“The (perceived) quality of agricultural technology and its adoption: Experimental evidence from Uganda”**

This revision memo provides a detailed response to the concerns from two reviewers regarding our manuscript “The (perceived) quality of agricultural technology and its adoption: Experimental evidence from Uganda,” initially submitted to the American Economic Review. Text in regular font is the original text from the editor and the two reviewers. Our response is in italic. Indented paragraphs present text that was inserted into the manuscript.

## **Editor**

Dear Dr. Van Campenhout:

I am writing to you about your AER submission above. I thought that your paper was very promising and so I sent the paper to three very knowledgeable referees, whose reports are below.

I am afraid that I do not have great news to share, as both referees recommend rejection. Both note that it is a well-done experiment, but they both have concerns about the contribution to the literature given what the paper is able to measure. Having read the paper, I agree with the referees, and I will have to pass on the paper. Both referees provide really thoughtful and constructive reports that I hope can be useful to you as you decide on the next steps on the paper. My own read is that the paper may make a very nice fit for a journal such as Review of Economics and Statistics or AEJ: Policy if you are able to address some of the comments of the referees.

Again, I am very very sorry to convey this disappointing news. I thank you for giving us the opportunity to consider your work, and hope that the outcome of this specific submission will not discourage you from the submission of future manuscripts. Good luck with the project!

Sincerely,

Prof. Rema Hanna

Coeditor, American Economic Review

## **Reviewer 1**

This paper is concerned about the low adoption of improved maize seeds sold by agro-dealers. The authors argue that low adoption could be due to agro-dealers not knowing how to store or handle the seeds, or to misperceptions by farmers, thinking that the seeds are of lower quality than in reality. The authors design two interventions to test these two hypotheses: a training of agro-dealers and a rating system about the quality of each agro-dealer disseminated to participating farmers. They find that the training had no effect but that the rating system led to higher take-up of seeds, especially among farmers that were not using improved seeds at baseline.

The paper covers an important topic, but I feel like the treatments could be better motivated, and that sharper tests should be provided for the various mechanisms that could drive the results. In what follows I try to provide suggestions of issues that should be clarified to rule out some pathways.

*In addition to the possibility that agro-dealers lack knowledge or farmers misperceive quality, we also argue that agro-dealers may deliberately sell low quality seed. In fact, the information asymmetry between sellers and buyers provided the main motivation for the clearinghouse intervention. The fact that the reviewer seemed to have missed this prompted us to reread and rewrite the article to makes sure that this is clear. We feel that this sufficiently clear as we mention this already in the abstract:*

*In a second hypothesis, we randomly introduce an information clearinghouse similar to popular crowd-sourced review platforms such as yelp.com or trustpilot.com to test whether information asymmetries crowd out quality seed.*

*And discuss this also in the introduction:*

*However, we recognize that providing information only to agro-dealers may not necessarily remedy the fact that seed quality cannot easily be observed by farmers. Furthermore, we expect that small scale agro-dealers are subjected to less regulation and oversight than their larger counterparts in manufacturing, import, or wholesale operations that are situated further up the seed supply chain. This means that agro-dealers may still be incentivized—even with training—to underinvest in quality management and preservation. In a context similar to ours, Hoffman (2021) examine maize (grain, not seed) in rural Kenyan markets and find an absence of incentives for sellers to address food safety problems because they are not observable to their buyers. The same issue carries into seed markets, and in a worst-case scenario, agro-dealers may intentionally sacrifice quality to reduce costs and increase profits, e.g., by mixing improved or fresh seed with local or old seed, or even with grain.*

### Reviewer 1, major comment 1: Agro-dealer handling and storing of seeds

The paper suggests that agro-dealers are unable to properly store or handle the seeds due to a combination of lack of knowledge and/or poor storage facilities. This claim should be backed by clear evidence. While 65% of agro-dealers had pests and 16% had opened bags in the storage facility, the paper also reports that the amount of maize seed lost/wasted is only a small share of the amount of maize seed sold. There might be under-reporting but agro-dealers, but wastage does not seem to be an issue, prima facie.

*Indeed, wastage does not seem to be a major issue, but we do not necessarily agree that a larger reported amount of maize seed lost/wasted would be a symptom of incorrect seed storage and handling. Instead, agro-dealers that lack knowledge might not be able to identify seed that should be disposed of, might not pay attention to shelf-life, packaging/expiry dates, etc., and unknowingly sell spoiled seed to farmers, leading to low average wastage.*

*To back our claim that agro-dealer knowledge is lacking and to further motivate our hypothesis as the reviewer requested, we provide baseline information on knowledge in Table A6, which we add to the appendix of the manuscript and we add the following paragraph:*

*“These (standardized) knowledge indices are useful to test if there is a significant differences in overall knowledge between treatment groups. However, they are less useful for assessing agro-dealer knowledge at baseline, and indices may mask subtle differences in effects on individual topics. In Appendix A.5., we thus therefore provide baseline means and effects on the different knowledge variables included in the indices. Baseline knowledge is low with only 5% of agro-dealers knowing which variety to recommend if a farmer complains about lack of rain. Highest knowledge is recorded when asked about repackaging seed: 64% of agro-dealers know that this practice should be avoided. This low baseline knowledge suggests ample room for improvement.”*

*We also mention that this lack of agro-dealer knowledge may lead to sub-optimal seed storage and handling in two descriptive paragraphs:*

*“Information was also collected to provide an initial assessment of the quality of maize seed sold at the sampled agro-dealers. This included specific questions on seed storage and handling. Furthermore, with the shop manager's permission, enumerators—drawing on training provided to them at the outset of the study—inspected the area where seed was stored and carefully recorded the conditions. Baseline data reveals various signs that seed storage and handling are sub-optimal and may affect seed quality in line with the first hypothesis. For example, we find that 65% of agro-dealers had problems with pests such as rats or insects, while 16% store maize seed in open containers, thus exposing the seed to a range of pests and contaminants. Not surprisingly, two thirds of the agro-dealers sampled reported that they had received at least one complaint about seed they sold from a customer during the prior season.*

*Turning to the seed samples obtained from the agro-dealers, our measurements of moisture content in the bag indicated an average of 13.6%, with a minimum of 10.3% and a maximum of 17.4%. On average, these moisture rates were above the recommended rate of 13%, suggesting potential for the growth of molds and pests that can negatively affect seed quality and performance. In terms of labeling for quality, 68% of the purchased seed bags contained a printed packaging date, only 18% had an expiry date, and only 8% displayed a quality indication label issued by the National Seed Certification Services (NSCS).”*

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Of course, farmers could still be purchasing damaged seeds that will not germinate. To their credit, the authors proceed to purchase one bag of seeds from each agro-dealer and check for its moisture content, finding that the average moisture was higher than the recommended one. We do not know, however, the share of bags above the moisture threshold nor the probability that a bag of seeds with excess moisture will not germinate properly if planted.

*The share of bags above the moisture threshold is 49% at baseline, 35% at midline, and 44% at endline. To address this comment, we added the binary variable “Moisture exceeds recommended level (13%)” to Table A1.*

*We also added the following footnote in the Descriptive Statistics section where we discuss moisture measurement of the seed samples:*

*“Moisture is a powerful predictor of maize seed performance. For instance, Afzal et al (2017) report germination rates of about 85% for seed with a moisture content of 12.74% versus germination rates of only 50% for the same seed with a moisture content of 15.64% in a study in Pakistan. A rule of thumb used by the experts we consulted to develop the training on proper seed handling and storage is that an increase of moisture by 1 percentage points reduces shelf-life by half.”*

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Related, moisture should presumably be more of an issue for repackaged seeds, that is, seeds sold in smaller bags repackaged by the agro-dealer from the original one manufactured by the seed provider. The paper should be clear about the share of agro-dealers that repackage seeds, whether the seeds purchased at random came from a repackaged bag, and finally, the share of farmers that actually purchase repackaged seeds.

*While we agree with this statement about repackaging, the random bag of seed was never a repackaged one, implying that moisture is also an issue for seeds that have not been repackaged. To clarify this for the reader and to report the share of agro-dealers that repackage seeds, we add footnote 13:*

“*Even though repackaging seed from original larger bags from seed companies into smaller bags to offer quantities that are convenient and affordable to their clients is common (around half of the agro-dealers in our sample report to do so), the sample bags that enumerators bought were all original sealed bags.”*

Finally, and perhaps more importantly, one reason why the agro-dealer training was ineffective is that agro-dealers were already knowledgeable about how to store and handle seeds. To check that, Table 11 should report the raw score for the different questions that make up the index, since in the current version, both indexes are standardized, and one cannot assess actual knowledge.

*We can confidently eliminate the reviewer’s concern, as the new Table A6 (also above) now reports the raw scores for the different questions in the knowledge indices, showing substantial room for improvement in terms of agro-dealers knowledge about seed storage and handling at baseline.*

### Reviewer 1, major comment 2: Mechanisms

The paper correctly outlines the multiple pathways through which the ratings system could have an effect on purchases of improved seeds. First, the treatment may correct (mis)perceptions about seed quality that farmers have at baseline. Second, the treatment provides information about who the high- quality agro-dealers are, and so treated farmers switch to these agro-dealers after receiving the ratings. Finally, the ratings may increase the average quality by fostering competition across agro-dealers.

The paper tries to provide evidence to distinguish between these different mechanisms, but it should provide additional context and information.

#### Farmer mis-perceptions

To assess if initial mis-perceptions are driving the results, the paper should clarify if, given differences in clime, soil and cultivation practices of the farmer, there is an “optimal” seed variety. (As an aside, in a footnote or appendix the paper should also provide details about the pros and cons of hybrid seeds relative to OPV seeds, and between different varieties of hybrid seeds -Longe7H vs Longe 10H- and OPV seeds -Longe 4vs Longe 5).

If an optimal variety does exists for each farmer, are they aware of it? To address this, the paper should provide farmers’ baseline knowledge about the quality of different seed varieties and the suitability of each to their plots. Do they know, for example, the average yield of each seed variety in their plots given normal weather conditions?

*Farmers in the study area are likely to know that different varieties perform differently in terms of yield and other traits. They are also likely to know that hybrid maize seed is likely to out-perform seed saved from a prior harvest of hybrid maize, and open pollinated varieties of maize.[[1]](#footnote-1) On the other hand, they may not know exactly which hybrid or OPV is optimal for their specific climatic, farm, or economic conditions. That is because there are important interaction effects between climate, soil, technologies, inputs, and cultivation practices, so that it is difficult for farmers to try out all possible combinations and learn about their optimal seed variety, at least within a reasonable time frame. Furthermore, the optimal choice is a dynamic problem since all these conditions—temperature and precipitation, soil health, input and commodity prices, and household income—change from season to season. If there is little rain in one season, the optimal seed variety might be Wema, if the farmer is late for planting in the next, Myezi mitatu (mm3) might be the better choice. Moreover, farmers may face certain behavioral constraints that inhibit their ability to learn if, for example, they pay attention to minor or tangential attributes and miss the more important ones.[[2]](#footnote-2)*

Related, the paper reports that 2/3 of farmers think that seeds from the agro-dealer are counterfeit or adulterated and use it as evidence of mis-perceptions about seed quality, particularly among farmers that did not purchase improved seeds. It is unclear, however, whether this question asked about seeds in general sold by the agro-dealer or about arguably the more relevant seed variety that the farmer purchased (or would likely purchase if they did not purchase improved seeds).

*The result that the reviewer is referring to here derives from a question that was asked to obtain a general picture of farmers’ perception of agro-input dealers and counterfeiting: “Do you think that maize seed that you can buy at agro-input dealers is counterfeit/adulterated?”. There are other questions that go into much more detail, asking about seed sold by specific dealer and about specific characteristics of the seed (drought tolerance, yield premium,...). We have made this clearer in the text:*

*“We intentionally kept this question general, about maize seed that you can buy at any agro-dealer, without specifying a particular seed variety or agro-dealer, to obtain an overall idea about farmers’ sentiments regarding maize seed at agro-dealers.”*

To be clear, perceptions of seed quality should depend on the seed variety used, how they are packaged, the reputation of the seed provider (manufacturer brand) and the reputation of the agro-dealer. For example, if repackaged seeds are of lower quality because of agro-dealer mishandling, a farmer that never purchased repackaged seeds would have different perceptions about seed quality used than a farmer that only purchases repackages seeds.

Since agro-dealers appear to stock up different seed varieties (according to Table 6, the mean is 2.8), and presumably some have better protection against droughts, pests and diseases, but are likely more expensive, the single rating given per agro-dealer, will likely mask differences in the type of seeds sold by the agrodealer with differences in the quality of the storage facilities.

In addition, some farmers might be willing to trade-off lower quality for a lower price, and yet pricing is not reflected in the ratings. Finally, ratings are also silent about how seeds were actually sold, whether in the original packages as sold by the manufacturer, or in smaller bags repackaged by the agro-dealer.

In short, the authors should explain why they decided to use a “generic” ratings system (one rating per agro-dealer), instead of an alternative one that was explicit about the seed variety and how it was sold (i.e. Longe 10H manufactured by X sold by agro-dealer Y in the original package).

*It is true that agro-dealers stock different seeds with potentially different attributes, that different attributes may be traded-off against each other, and how the use of a single rating may mask differences in the type of seeds sold by the agrodealer with differences in the quality of the storage facilities. As such, it would indeed have been better to iterate over all seed types, and even differentiate on other dimensions too (eg. “Bazooka” produced by Naseco in an original 2 kg bag versus “Bazooka” produced by Naseco, repackaged in a 0.5kg polyethylene bag). However, that would have made the rating by farmers much more tedious.*

*The main reason why we use a generic rating system is that the aim is not to have an accurate measure of quality of each individual seed type, but rather a signal of the quality of products and services sold at the agro-dealer level. This is also how existing clearinghouse systems work (eg in tripadvisior you are asked to rate a restaurant, not each and every meal that is on the menu). In short, we wanted to test a scalable solution.*

*That said, we did think about some of the issues mentioned by the reviewer and used the following strategies to deal with it:*

*First, we agree that maize varieties differ in seed quality characteristics, which could potentially be traded-off to each other. This is why we asked many of the rating questions relative to how a particular quality attribute was advertised, see Table 1:*

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*Second, we only calculated ratings for an agro-dealer if they were rated by a minimum number of farmers. This should mitigate the problem that the rating is driven by a particular product or service (eg a farmer that only purchases repackages seeds), as we want to get a signal for the overall quality of seed sold in general.*

*To address this comment, we added footnote 10:*

*“We acknowledge that agro-dealers stock different varieties, and so asking farmers to assess the quality of seed in general may mask some of the trade-offs that farmers may make. It would have been better to ask farmers to rate agro-dealers conditional on variety, manufacturer and form sold (eg to rate “Bazooka” produced by Naseco in an original 2 kg bag). However, this would also make the rating more tedious and time consuming. That is, we wanted to test a scalable solution that can generating a signal of seed quality in general at the agro-dealer level.”*

#### Agro-dealer quality

To assess if the ratings system identified the agro-dealers of high quality, the paper should clarify the relationship between farmers and agro-dealers. We are told that there are between one and three agro- dealers in each of the study’s catchment areas. With multiple agro-dealers, do farmers purchase seeds from the same agro-dealer every year? Since farmers could tell their peers that the seeds sold by their agro-dealer were of poor quality, it seems like reputational effects could play a role in this context. And if so, is it the reputation of the agro-dealer that matters, or that of the manufacturer of the seeds?

*There are actually between 1 and 18 agro-dealers in a catchment area (with 3 on average). This is indicated in section 5.1:*

*“This procedure led to an average of three agro-dealers per catchment area, ranging from a minimum of 1 to a maximum of 18.”*

*Farmers are fairly loyal to agro-dealers. We report that*

*“Results (Table 14) indicate that only 17% of farmers reported switching at baseline.”*

*The clearinghouse is designed to make information publicly available (not only to farmers that were sampled). For instance, agro-dealers are encouraged to show their score in their shops using a “certificate of excellence”. As such, the reputation of the agro-dealer and how it changes through the clearing house are central in this study. See also “other comment 6” below.*

Related, seed characteristics such as germination time, yield, resistance against droughts, pests and diseases and duration relate to the quality of the product made by the manufacturer, so long as the maize is properly stored. In this sense, knowing that a given agro-dealer carries seeds from a particular manufacturer, and that seeds have not been repackaged should be enough to convince farmers of the quality of the seeds.

*We agree that seed quality is not the agro-dealer’s responsibility alone. If the manufacturer provides seed of low quality and the dealer sells it without being aware, our clearinghouse could solve another information asymmetry by informing the dealer about this surprisingly low quality.*

*On the other hand, we suspect that seeds being a) from a manufacturer with a good reputation and b) in the original package are insufficient signals for quality. Otherwise, farmers would simply need to pay attention to these two dimensions (and there is only a limited number of seed manufactures), seed quality would be better observable, the lemon’s problem would be less significant, and our clearinghouse would indeed be less useful. Instead, in our sample of random* ***not repackaged*** *seed bags, the average moisture is above 13%. This result is in line with the literature showing that deterioration in maize seed quality is consistent with mishandling and poor storage, instead of with repacking as a bad practice alone.[[3]](#footnote-3)*

More broadly, the paper should report how well farmers knew the number of agro-dealers operating in their catchment area and their quality at baseline. Since knowledgeable treated farmers should not switch agro-dealers, the degree to which farmers are knowledgeable at baseline, can inform the likelihood of switching. In addition, it should make the result that the increase in the number of clients and in the usage of improved seeds is the result of the ratings (and not of the dissemination telling farmers about the existence of agro-dealers) more credible.

*We find that farmers knew an agro-dealer in their proximity in 36% of the cases, and this is likely to be balance between treatment and control due to the randomization.*

*We also designed to experiment in such a was that we can differentiate between the effect of the ratings and an effect that arises from simply informing farmers about the existence of agro-dealers. This is indicated in various parts of the manuscript:*

*“A potential concern arises from asking treated farmers to rate agro-dealers because it may increase awareness among farmers of the existence of all agro-dealers in the area, so that this awareness effect could confound the clearinghouse effect. To address this concern, we also iterated through the agro-dealers in the catchment areas with farmers in the control group to make them similarly aware of the existence of agro-dealers in their vicinity. […]*

*To isolate the effect of the ratings from more general effects that may arise from sending SMS messages, we also use a placebo for the control group that consisted of an "empty" SMS that only pointed out the existence of the agro-dealers in the control farmer's catchment area. This also makes it more difficult for farmers to identify if they are being treated or not, thus reducing the likelihood of reactivity effects and experimenter bias.”*

As an aside, I’d be curious to learn whether treated farmers were more accurate about the quality of agro-dealers over time and in general whether there was a lot of intra-market differences in quality.

*Here some descriptive statistics regarding moisture (as our quality proxy) and quality perceptions:*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Moisture in bag of maize seed in %** | | | | | | |
| Min. | 1st Qu. | Median | Mean | 3rd Qu. | Max. |  |
| Baseline: | | | | | | A graph of a function  Description automatically generated |
| 10.30 | 12.50 | 13.10 | 13.58 | 14.50 | 17.40 |
| Midline: | | | | | | A graph of a number of objects  Description automatically generated with medium confidence |
| 10.80 | 12.40 | 12.80 | 12.97 | 13.30 | 17.20 |
| Endline: | | | | | | A graph of a line  Description automatically generated |
| 11.00 | 12.40 | 12.80 | 13.26 | 13.70 | 18.20 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Agro-dealer ratings** | | | | | | |
| Min. | 1st Qu. | Median | Mean | 3rd Qu. | Max. |  |
| Baseline: | | | | | | A graph of a graph  Description automatically generated |
| 2.000 | 3.238 | 3.440 | 3.428 | 3.643 | 5.000 |
| Midline: | | | | | | A graph of a function  Description automatically generated |
| 2.000 | 3.357 | 3.595 | 3.581 | 3.789 | 4.667 |
| Endline: | | | | | | A graph of a function  Description automatically generated |
| 2.429 | 3.443 | 3.629 | 3.634 | 3.841 | 4.714 |

#### Competition

The authors see an increase in registrations of treated agro-dealers with UNADA (the association of agro-dealers, as well as a significant increase in inspections. Do farmers value that agro-dealers are registered with UNADA? Do they know which agro-dealer is registered and who is not? Do they rate agro-dealers that are registered higher? Finally, did the ratings system lead to the opening of new agro- dealers in the catchment area?

*To address this comment, we add the following to the manuscript:*

*“Agro-shops often display their UNADA certificates, potentially to inform inspectors and customers about this registration, perhaps to signal professionalism and quality. Registered agro-dealers do receive significantly higher ratings from farmers, but this correlation should be interpreted with care, as the relationship is clearly endogenous.”*

### Reviewer 1, major comment 3: Differential attrition

The authors report differential attrition, perhaps due to a larger share of control agro-dealers going out of business and then go on to conjecture that the unadjusted estimates likely provide lower bounds because the attritors are likely the ones that would have benefited the most from the treatment. I have two comments on this issue. First, the authors should check this claim using existing data. How do the characteristics of attritors in the control group compare to treated agro-dealers that benefit the most from treatment? And to those of treated agro-dealers that benefit the least?Second, the literature suggests different methods to deal with differential attrition. One is to construct bounds following Lee (2009).

*To examine the differential attrition and address this comment, we added the following paragraph to the text and Table 22 to Appendix A.6 and below.*

*“To examine this differential attrition, we run regressions with the variables that were pre-registered to test balance (see Table 3) as dependent variables and a binary variable that takes the value one if an agro-dealer left the sample, a binary variable that takes the value one if an agro-dealer belongs to the clearinghouse control group, and the interaction between these two indicators as independent variables. The results can be found in Appendix A.6. Column (2) shows that dealers who left the sample at midline operate closer to the nearest tarmac road. This is the only significant difference between agro-dealers who attrited and those who did not at midline, when differential attrition was most pronounced, see Table 5. At endline however, agro-dealers who left the sample are younger, more likely to be female, and their shops are less long in business, more likely to be specialized, and operate closer to the nearest tarmac road, see Column (5). This implies that agro-dealers who attrited are different from the ones that stayed, independent of whether they have been exposed to the clearinghouse or not. We conjecture that these agro-dealers were more vulnerable when COVID-19 hit and went out of business. Columns (3) and (6) show that clearinghouse control and treated agro-dealers do not differ much, as also described in Subsection 5.3. When we look at the interaction between the two indicators, we observe that there are few differences between agro-dealers who attrited* and *belong to the clearinghouse control group and those who do not, so we conclude that differential attrition is unlikely to bias our estimates.”*

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### Reviewer 1, other comments

1. Table 4 should also report the number of maize varieties in stock, since this outcome variable appears in Table 6.

*We added this variable to Table 3.*

1. A rough back of the envelope calculation from Tables 6-8 suggests that 56% of revenues come from sales of Longe 10H while 41% from Longe 5 leaving the remaining 3% of revenues from the sale of the other two varieties… Is this true?

*Table 7 reports the mean quantity sold of Longe 10H only for agro-dealers who had Longe 10H in stock (see footnote 1 of Table 7). Table 8 reports the mean quantity sold of Longe 5 only for agro-dealers who had Longe 5 in stock (see footnote 1 of Table 8). On the other hand, Table 6 reports the mean quantity sold for all agro-dealers. Hence the tables cannot be compared using a simple back of the envelope calculation.*

1. Table 6-8 could be run as a pooled regression, adding a dummy for whether data was collected at endline, as well as interactions with the treatment dummies. The midline and endline coefficients from this pooled regression could still be reported separately, but standard errors should be smaller given the larger number of observations in the pooled regression.

*We appreciate the suggestion but registered this main regression in a pre-analysis plan and the associated econometric analysis in a mock report[[4]](#footnote-4) in the AEA RCT Registry. As these are our main results, we feel that it is more appropriate and transparent to stick to what we have pre-registered. We also think that Tables 6-8 are already quite convincing, despite the smaller samples and larger standard errors.*

1. Related, when reporting the treatment effects on individual variables, the authors should also include the standard errors computed using multiple hypothesis testing corrections (see for example List et al. 2019).

*We aggregate different outcomes within each family into summary indices following Anderson[[5]](#footnote-5), and only zoom in on individual outcomes within a family to explore which variables drive significant impacts on indices. We never interpret a treatment effect on an individual variable without finding a significant treatment effect on the respective overall Anderson index. Hence, we feel that we already account sufficiently for multiple hypothesis testing.*

1. Table 12 suggests that agro-dealers put more effort as they become more aware of the rating system. However, the ratings system only increases agro-dealer effort and services at midline and not at endline. Why? Should not the impacts be amplified over time? Or are agro-dealers able to make all the improvements by midline?

*At endline, the overall efforts and practices index remains positively and significantly affected and the treatment effects on all individual outcome variables that constitute this index are positive. This implies that agro-dealers in the clearinghouse treatment group invest more effort and provide better services than control agro-dealers, also at endline. We acknowledge that the treatment effect size at endline is smaller than the one at midline but can only speculate about reasons for this. As midline data was collected in January and February 2022, and endline data was collected in July and August 2022, one potential explanation could be that the Ugandan President eased the COVID restrictions and fully reopened the economy in the beginning of 2022. Perhaps agro-dealers were busier due to that and paid less attention to their practices and services.*

1. The paper states that rating system led to an increase in the number of customers. Is this increase fully accounted for by study participants or did it come from other individuals outside the experiment? Put differently, were ratings shared among farmers in treated catchment areas?

*As part of the clearinghouse treatment, enumerators delivered SeedAdvisor certificates to agro-dealers and encouraged them to prominently display these in their shop, like a “certificate of excellence” from TripAdvisor. Hence ratings were also accessible to individuals outside the experiment, and we are confident that these individuals contribute to the increased number of maize seed customers. We also think it is likely that farmers shared the rating information with their neighbors, etc. in treated catchment areas.*

1. It would be interesting to check if treated farmers were less likely to buy repackaged bags, (ie smaller quantities of seeds from opened bags)

*We agree but do not have the data to look into this, unfortunately.*

1. Feel free to ignore this comment, but I’m not a fan of the label clearinghouse for the ratings treatment, in part because clearinghouse refers to an institution that collects and disseminates information. The paper collects ratings and sends SMS with those ratings to participating farmers, but it does not create an institution or mechanism that can continue beyond the duration of the study. I would simply refer to the treatment as “ratings”.

*Because the treatment does collect and disseminate information, we decided to keep the label “clearinghouse.”*

1. There are several typos throughout the paper so it would benefit from a review by a copy editor.

*The paper was reviewed by a copy editor.*

### References

Lee, D. S. 2009. Training, wages, and sample selection: Estimating sharp bounds on treatment effects. Review of Economic Studies 76: 1071–1102.

List, J.A., Shaikh, A.M. & Xu, Y. 2019. Multiple hypothesis testing in experimental economics. Experimental Economics 22: 773–793.

## **Reviewer 2**

This paper aims to study how the (perceived) quality of agricultural technology affects its adoption. They are using maize seeds embodying genetic gain as a case and randomly train agro-dealers in how to conduct simple tests for quality of the maize seeds and study whether under-adoption by farmers is caused by low quality due to sellers' lack of knowledge about proper storage and handling. In a second hypothesis, they randomly inform the farmers and the agro-dealers with information on how the farmers rank the quality of seeds at the different agro- dealers. The authors find a positive impact from the clearinghouse treatment that works primarily through changing farmers' perceptions of quality and they find no impact from the training intervention.

Understanding why farmers in low-income countries are under-utilizing high quality agricultural products is a pressing and important topic. This paper implements two treatment arms using factorial design to test whether farmers and agro-dealers change their behaviour for using high-quality seeds. However, the paper has some issues, and I will comment on those below.

### Reviewer 2, major comment 1

The main concern relates to the fact that the authors do not measure the quality of the agricultural product (the maize seeds). They use the word “quality” already in the title and talk about observing how farmers adopt more high-quality products, but then they do not measure the quality of the seeds. They measure observable quality by looking at the date on the package, moisture, etc., but there is no real quality check.

*It is unclear what the reviewer means by “real quality check” and how it differs from “observable quality”. I a way, once measured, quality becomes observable. For instance, we measure moisture content, which is not readily observable, but an extremely powerful predictor for germination rates (Afzal et al 2027), which in turn determines what matters for farmers: yields and profits.*

*Perhaps the reviewer is hinting at establishing varietal purity of a particular seed, which is complicated, expensive, and some would even argue that it is not even possible (even with the best methods there is still considerable measurement error)[[6]](#footnote-6). We think that farmers care more about seed performance (e.g., germination rate, vigor, and yield) than about varietal purity, which may only be weakly correlated. The opinion of peers who are familiar with the heterogeneous conditions smallholder farmers face, and their perceptions of how seed performs, may be more useful for them than the result of a DNA test.*

*Even though we do not test varietal purity of the seeds agro-dealers sell or farmers plant, we do find that clearinghouse treated farmers are more likely to turn to formal seed systems: they are more likely to report to have planted a hybrid or open pollinated variety, and seed of varieties Longe 4/ 5/ 6H/ 7H/ 7R/ 10H, Bazooka, Panner, Wema, KH series, or other hybrid/ OPV (as opposed to local farmer-saved seed).*

Hence, we do not know whether the agro dealers sold bad quality products to start with. They found that the moisture levels, on average, were 13.6% at baseline, which is just above the 13% threshold for excessively high moisture levels. As the paper is written today, it does not study what it purports to study – farmers and agro-dealers switching to high quality maize seeds following training and information. Therefore, the authors must rewrite the paper and be upfront with what they are measuring – output, perceptions, and preferences for agro-dealers but not measure of quality of seeds.

*After carefully re-reading the paper, we do not feel that we overpromise or claim to have improved quality: we claim to find that the information clearinghouse increases efforts and business of agro-dealers, and quality perceptions, use of purchased maize varieties, and yields of farmers. We openly communicate that we are not sure whether improving quality is the relevant impact pathway, or whether changes in perceptions increased adoption and subsequent yield. We even mention that we think changes in perceptions has been more important: “[…] most of the impact on farmer outcomes seems to be driven by the fact that the clearinghouse improved the opinions that farmers held about agro-dealers and their products.” (in conclusion)*

*While we believe that the paper does deal with quality, not only with quality perceptions (especially the training aims at changing quality itself through improved seed handing, not at changing perceptions), we agree that perceptions are at the heart of the clearinghouse treatment mechanism. Indeed, we are interested in behavior change as a result of our interventions, which is largely driven by perceptions related to quality. To be more upfront with what we can and cannot measure, we rewrote some parts of the text. However, we do not know how much more explicit we can make the text when even the title states that we are concerned with the perceived quality of agricultural technology and its adoption.*

### Reviewer 2, major comment 2

The authors find an impact of the clearinghouse treatment arm, where they have asked farmers to rate different agro-dealers and then provide this information to other farmers and dealers so everyone is aware of the farmers' perceptions of the different agro- dealers. They find that at endline, farmers in the clearinghouse treatment arm are more likely to use improved maize, and they have higher yields. However, the authors cannot credibly say that this is because the agro-dealer sells better quality seeds or has improved their seeds. Another explanation for this result is that these agro-dealers now have more customers (they find that they have 31% more customers, 6 more per day). This implies that the dealer sells off their seeds faster (the seeds are stored for a shorter period of time in a humid and hot climate), and therefore, the yield increases. This has nothing to do with the dealer changing the quality of the seed; it is only because the seeds are sold faster due to higher demand. This is a different channel from the one discussed in the paper.

*First, as already mentioned in the previous comment, we do not say that agro-dealer sells better quality seeds or has improved their seeds.*

*However, this comment clearly shows that the reviewers’ definition of seed quality is different from ours. They illustrate how higher turnover could lead to better seed performance and take this as an argument that the clearinghouse does not necessarily improve seed quality, while we understand seed performance to be a dimension of seed quality. The reviewer seems to define seed quality much more narrowly, e.g., as varietal purity (indicating whether the seed embodies the genetic characteristics of a specific variety) which clearly would not change if storage time decreases. To avoid similar misunderstandings in the future, we added a new footnote in the introduction:*

*“It is important to note that our definition of maize seed quality extends beyond narrow criteria such as varietal purity (i.e., confirming the seed is of the expected variety) to include broader dimensions like seed germination and plant vigor. This is because, while some storage and handling practices may affect varietal purity (eg mixing seed, mislabeling,...), most practices we will focus on in our study will not. Furthermore, we think that farmers care more about seed performance than about varietal purity, which may only be weakly correlated.”*

### Reviewer 2, major comment 3

The clearinghouse treatment is also a mixed treatment where both buyers and sellers are informed about the ranking of the agro-dealers in the vicinity. The authors cannot say whether it is information to buyers or sellers that is important for the impact.

*Indeed, the complexity of real-world conditions often necessitates multifaceted interventions (sometimes called Socio-Technical Innovation Bundles (STIBS) in Food Systems Research – see eg. Barrett et al. Socio-technical innovation bundles for agri-food systems transformation. Springer Nature, 2022.), which can make it challenging to isolate the specific elements of the treatment that drive the observed impact. However, such comprehensive approaches are sometimes essential to effectively address the intricate dynamics at play. In a market characterized by asymmetric information, targeting the interaction between buyers and sellers and making information available to all partners seemed like a promising approach.*

*We do our best to disentangle ex-post how the intervention works, and which aspect of the treatment made the difference by illustrating the different impact pathways in Section 7. Our findings suggest that informing informing both buyers and sellers is important: Informing buyers seems to increase customer base, suggesting perceptions is an important impact pathway. Informing sellers prompts agro-dealers to expand service provision and signal quality to farmers to outperform their competitors.*

*Digging into these issues further, for instance with a design that also randomizes who gets feedback on the ratings (only farmers, only dealers, both farmers and dealer), would be interesting for future studies, we add to the conclusion:*

*“While the complexity of real-world conditions and the intricate dynamics involved necessitate comprehensive, multifaceted approaches, it is challenging to isolate the specific components of the intervention that drive the observed outcomes. The clearinghouse treatment targets the interaction between buyers and sellers and makes information available to all partners. Future research could differentiate between the actors receiving the ranking information to determine whether the impact is primarily driven by the information provided to smallholder farmers or to agro-dealers.”*

### Reviewer 2, other comments

1. Attrition was 14% at the endline of the agro-dealers. Did they attrit because they exited the market? Were these the worst-rated farmers that exited?

*To address this comment, we added footnote 17:*

*“If an agro-dealer could not be found at endline, we investigated why: eleven shops closed, ten relocated, eight were located but sell different products now, three merged with other shops, one dealer did not want to be interviewed, 17 agro-dealers reported another (4) or no reason (13).”*

1. Please test whether the attrited sample is different from the non-attrited sample in baseline characteristics.

*For 1. and 2., please see Appendix A.6 and Reviewer 1, major comment 3: Differential attrition. We find that:*

* *Agro-dealers who left the sample at midline do not differ much from agro-dealers who did not leave the sample at midline*
* *Agro-dealers who left the sample at endline differ from agro-dealers who did not leave the sample at endline, independent of their clearinghouse treatment status*
* *Agro-dealers who belong to the clearinghouse control group and agro-dealers who belong to the clearinghouse treatment group do not differ much*
* *Agro-dealers who left the sample and belong to the clearinghouse control group (interaction between these two indicators) and the rest do not differ much*

1. Compliance with treatment was 84%. They could try to estimate TOT to study the impact on those who actually were treated.

*Even if we use the attendance indicator instead of the treatment indicator (the least conservative most selection-biased comparison), we find no effects of the training treatment on agro-dealer operations at midline (in January/February 2022, after the training took place in May 2021):*

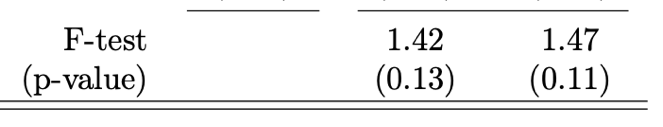
A white paper with numbers and black text

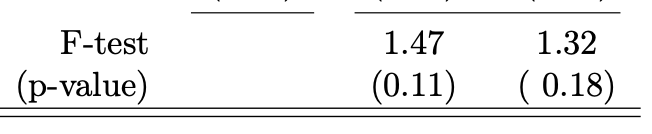
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1. Joint f-test on the balance tables (both agro-dealers and farmers).

*We added joint F-tests to Tables 3 and 4 and the following to the text:*

*“In addition, we run linear regressions with the treatment status (training or clearinghouse) on the left-hand side and the set of 17 and 16 variables in Tables 3 and 4 respectively on the right-hand side to test for joint orthogonality with an F-test.[[7]](#footnote-7) We find no indications of problematic imbalance.”*

*Agro-dealers:* 

*Farmers:* 

1. Sheahan, M., & Barrett, C. B. (2017). Ten striking facts about agricultural input use in Sub-Saharan Africa. [Food Policy, 67, 12-25](https://doi.org/10.1016/j.foodpol.2016.09.010). [↑](#footnote-ref-1)
2. Hanna, R., Mullainathan, S., & Schwartzstein, J. (2014). Learning through noticing: Theory and evidence from a field experiment. [The Quarterly Journal of Economics 129, 3, 1311-1353](https://doi.org/10.1093/qje/qju015). [↑](#footnote-ref-2)
3. Barriga, A. and N. Fiala. 2020. “The supply chain for seed in Uganda: Where does it go wrong?” [World Development 130: 104928](https://doi.org/10.1016/j.worlddev.2020.104928). [↑](#footnote-ref-3)
4. Humphreys, M., R. S. De la Sierra, and P. Van der Windt. 2013. “Fishing, commitment, and communication: A proposal for comprehensive nonbinding research registration.” *Political Analysis* 1–20. [↑](#footnote-ref-4)
5. Anderson, M. L. 2008. “Multiple inference and gender differences in the effects of early intervention: A reevaluation of the Abecedarian, Perry Preschool, and Early Training Projects.” *Journal of the American Statistical Association* 103 (484): 1481–1495. [↑](#footnote-ref-5)
6. *Maize seed quality encompasses several dimensions**, e.g., analytical purity, germination, and varietal purity. Varietal purity, indicating whether the seed is the variety that it is supposed to be, is probably the most relevant quality dimension in this context. Beegle, Karachiwalla, Lybbert, Michelson, Sanabria, Stevenson, and Tjernstrom describe in their* [*“Devil in the details: measuring seeds” blog*](https://blogs.worldbank.org/en/impactevaluations/devil-details-measuring-seeds) *(2021) how only specialized tests of DNA fingerprinting in genotyping laboratories can measure it, and these kinds of laboratories are scarce and expensive. Furthermore, to quantify the varietal purity of our samples, we would need samples of breeders’ seeds of the varieties in question as genetic reference material for the DNA tests, which are difficult to get access to.* [↑](#footnote-ref-6)
7. The amount of maize seed that the farmer bought at the agro-shop was not included in the regression because the question was only asked if a farmer bought seed at an agro-dealer, leading to 2406 missing observations for this variable. [↑](#footnote-ref-7)