**SEMINAR NOTICE**

**Topic:** Passive Learning and Incentivized Communication: A Randomized Controlled Trial in India on Adoption of Solar Lanterns.

**Speaker (s):** Yonas Alam, Department of Economics, University of Gothenburg, Sweden

**Chair:** Prof. Saudamini Das, Institute of Economic Growth

The seminar details are as follows:

**Date & time:** **Friday, December 15, 2017 at 3.30 p.m.**

**Venue:** A.M. Khusro Room
Institute of Economic Growth
University of Delhi Enclave
North Campus, Delhi-110 007

All are welcome.

**(Sabyasachi Kar)**
**Seminar Convenor**

## Abstract

New technologies are important to improve the well-being of poor communities, but many barriers prevent adoption from reaching its socially optimal level. In order to better understand the extent of informational barriers for adoption of a simple household product, we designed a randomized controlled trial on willingness to pay (WTP) for solar lanterns in India. We gave high quality solar lanterns to randomly selected **'seed'** households in a non-electrified region of the state of Uttar Pradesh. Each **seed** household provides the names of three friends whom we randomly assign to one of the three following groups: control, passive learning and incentivized communication. We elicit WTP from the control group exactly when the **seed** receives the lantern. We elicit WTP from the friends in the passive learning and incentivized communication groups thirty days after the **seed** receives the solar lantern. In addition, the seed is given a small reward for arranging a tea meeting with only the friends assigned to the incentivized communication group. During the meeting, the **seed** showcases the usage of the solar lantern and shares his or her user experience. We show that both passive learning and incentivized communication have large positive effects on WTP. Passive learning increases WTP by 90% and incentivized communication by 145% relative to the control group. Our results have important implications for understanding the magnitudes of learning and improved information flow among peers on WTP for new technologies.