Are Seminars on Export Promotion Effective?

Evidence from a Randomized Controlled Trial[[1]](#footnote-1)\*

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Abstract

This paper investigates the impacts of informational and motivational seminars on export promotion targeting small and medium enterprises (SMEs) in the traditional apparel and textile clusters in Vietnam. To control for biases due to self-selection, we conducted a randomized controlled trial and invited randomly selected firms to participate in one-day seminars. Because only some of the invited firms participated in the seminars, we employ an instrumental variable approach in which dummies for random invitation are used as instruments for quantifying the effects of participation. We find that the seminars had no significant effect on most firms' preparation for, perception of, or engagement in exporting activity. However, the seminars encouraged large firms and firms with prior export experience, which possibly embody higher productivity and absorptive capacity, to (re-)start exporting. Our results suggest that productivity improvement may be a more effective means to encourage underdeveloped firms to export, whereas the provision of information is more effective for productive firms.

Keywords: export promotion, randomized controlled trial, small and medium enterprises, impact evaluation, Vietnam

JEL classifications: F14; O19; C93

**1. Introduction**

International trade has been recognized as a key factor in economic growth ([Frankel and Romer, 1999](#_ENREF_20)). Exports benefit the economy by expanding production and employment and by improving productivity through increasing returns to scale in addition to learning-by-exporting ([Blalock and Gertler, 2004](#_ENREF_12), [Kimura and Kiyota, 2006](#_ENREF_25)). However, many countries, especially those that are less developed, suffer from various trade obstacles that hinder them from realizing the full benefits of trade ([Stiglitz and Charlton, 2006](#_ENREF_35)).

Low productivity at the firm level is a major obstacle to exporting according to the heterogeneous-firm trade models developed by [Melitz (2003)](#_ENREF_30) because low-productivity firms cannot be profitable in export markets owing to the initial costs of exporting. Apart from productivity, there may be other obstacles to exporting, such as informational and institutional barriers. From their study in Argentina, [Artopoulos et al. (2013)](#_ENREF_6) concluded that knowledge of foreign markets is a more critical hindrance to consistent exports than knowledge of production technologies. Other studies have found that as the number of exporters in a region increases, other firms in the same region are more likely to engage in exporting ([Bernard and Jensen, 2004](#_ENREF_10), [Todo, 2011](#_ENREF_37), [Okubo and Tomiura, 2015](#_ENREF_33)), which suggests that information spillovers from current exporters can drive non-exporters to begin exporting. Moreover, [Nordås et al. (2006)](#_ENREF_32) and [Itakura (2013)](#_ENREF_23) showed that the institutional setting, as quantified in terms of the time for customs procedures and logistics services, strongly affects the trade volume.

Various policy measures have been utilized to ease the supply-side constraints to exporting. The most direct measures are export subsidies and grants. In addition, governments distribute brochures, websites, and seminars that provide information on foreign markets and export procedures to lower informational barriers. They also simplify customs procedures to introduce electronic customs (e-customs) so that most procedures can be completed online.

Several studies have conducted econometric evaluation of policies and programs for export promotion. For example, [Volpe Martincus and Carballo (2008)](#_ENREF_38), [Volpe Martincus and Carballo (2010)](#_ENREF_39) found a positive effect of export promotion agencies (EPAs) on exports using country-level data, whereas [Lederman et al. (2010)](#_ENREF_27) obtained similar results from firm-level data for Peru. Other policy measures, such as the provision of informational materials, e.g., pamphlets about exports in Turkey ([Durmuşoğlu et al., 2012](#_ENREF_18)) and trade shows in the United States ([Wilkinson and Brouthers, 2006](#_ENREF_40)), were also found to improve firms’ export performance. However, the effects of export promotion policies are not always positive. Using firm-level data from Ireland, [Görg et al. (2008)](#_ENREF_21) found that export subsidies and grants drove exporting firms to expand their exports but did not encourage non-exporters to begin exporting. [Alvarez (2004)](#_ENREF_2) used firm-level data regarding Chilean small and medium enterprises (SMEs) and found that trade shows and trade missions did not improve firm performance, whereas exporter committees had a positive impact.

One drawback of the existing studies is that they may not fully correct for possible biases in the estimated effect of export promotion programs due to the self-selection of participants. To avoid such biases, impact evaluations of firm-level training programs, which are not restricted to programs for export promotion, have recently incorporated randomized controlled trials (RCTs) ([Higuchi et al., 2015](#_ENREF_22), [Mano et al., 2012](#_ENREF_28), [Berge et al., 2014](#_ENREF_8), [Nordås et al., 2006](#_ENREF_32), [Bloom et al., 2013a](#_ENREF_13)). RCTs were originally developed in medical science to evaluate the effects of medical treatments and have been widely used to evaluate poverty reduction programs in less-developed countries since the late 1990s ([Duflo et al., 2008](#_ENREF_17)). To the authors’ best knowledge, however, impact evaluations of export promotion programs using RCTs have rarely been conducted. One exception is a study by [Breinlich et al. (2016)](#_ENREF_15) that evaluated the impact of sending brochures developed by an export promotion agency to randomly selected SMEs in the United Kingdom. A shortcoming of their study was its use of brochures, which may not have been an effective means of attracting the attention of firms and disseminating information about exporting. Indeed, among the respondents to their survey, only 16% had read the brochure. Another related study is that of [Atkin et al. (2016)](#_ENREF_7), who provided randomly selected rug manufacturers in Egypt opportunities to export. However, their focus was to evaluate the effect of exports on firm performance in an RCT setting, rather than the effect of export promotion programs on engagement in exporting activities.

To fill this research gap, the present study examines whether seminars on export promotion can encourage exports by conducting an RCT. In the RCT, we held one-day seminars to SMEs in traditional industrial clusters in the apparel and textile industry in Vietnam. We provided information about export activities and conducted firm-level surveys before and three months after the seminars. Seminars are most likely a better measure for export promotion than sending brochures because they can enhance information dissemination through face-to-face communication.

Using data from pre- and post-seminar surveys, we estimated the effects of firms' participation in the seminars about exporting. Because the post-program survey was conducted only three months after the seminars, our outcome variables also include those indicating the extent to which firms prepare for exporting activity, such as accessing websites of trade fairs and e-customs, and the extent to which firms perceive difficulties in exporting.

Although we invited randomly selected SMEs to the seminars, some of the invited SMEs refused to participate. Therefore, we run two-stage least squares (2SLS) estimations in which the dummy variable for participation is treated as endogenous and is instrumented by the dummy for the invitation. That is, we estimated the local average treatment effect (LATE) suggested by [Angrist and Imbens (1995)](#_ENREF_3). Because the participants are limited to invitees to our RCT, it can also be interpreted as the average treatment effect on the treated (ATT) ([Angrist and Pischke, 2008](#_ENREF_5)).

To preview our results, we found that the seminars on export promotion in our study had, on average, insignificant effects on firms' preparation for, perception of, and engagement in exporting activity. However, we find that large firms and firms with prior experience in exporting were encouraged to (re-)start exporting by the seminars. Because larger or experienced firms are more likely to exhibit higher productivity and absorptive capacity, our results suggest that information provision is effective only when firms are equipped with sufficiently high productivity to compete in foreign markets. This is consistent with [Melitz (2003)](#_ENREF_30), who emphasizes the importance of productivity in exporting decisions. Simultaneously, our results suggest that information barriers exist for firms with high productivity, which is consistent with the empirical studies mentioned above. Therefore, our study implies that policies to encourage underdeveloped firms to export should focus on productivity improvement, whereas provision of information is effective for productive firms.

**2. Methodology**

*2.1 Conceptual framework and estimation equation*

We hypothesize that when firms do not have access to information about exporting activity, such as administrative procedures for exporting, access to foreign markets, or preferences of foreign customers, even productive firms may not engage in exporting. If this is the case, seminars that provide such information can facilitate firms' exports.

In this paper’s empirical analysis, we estimate the effect of the seminars on SMEs in the apparel and textile industry in Vietnam on the participants' propensity to export. In addition, because of the short time period between seminars and data collection, we also examine effects on two aspects of preparatory stages, i.e., preparation for and perception of exporting activity.

Thus, our estimation is simply as follows:

, (1)

where is an outcome variable that represents the preparation for, perception of, or engagement in exporting activity of firm *i* at time *t*; *Pit* is a vector of dummy variables for participation in different types of seminars on export promotion; *Xit*-1 is a vector of control variables; and  is an error term. Whenever possible, the outcome variable is replaced with its first difference, *Yit* – *Yit-*1, to control for the time-invariant characteristics of the firm.

In an alternative specification, we incorporate variables that represent the firm’s information exchange partners in the village that participated in the seminars as an independent variable. Information exchange partners are the neighboring firms within the same cluster whose top managers or owners exchange business information with each other. By so doing, we can examine the effects of information spillovers through firm networks and avoid undervaluation of the direct effect of participation in the seminars in the presence of spillovers from peers.

*2.2 Estimation strategy*

Although we are primarily interested in the value of *β*1 in equation (1), the coefficient of the participation dummy, its estimate is biased when participants of seminars are self-selected; thus, *P* is correlated with unobserved firm characteristics. Although we invited randomly selected firms to our seminars, only some of the invited firms participated. Therefore, we employ 2SLS estimations using the dummy for the random invitation as an instrument for the participation, following [Angrist et al. (1996)](#_ENREF_4). This methodology estimates the LATE of seminars given the invited status, which can further be interpreted as the ATT because firms that were not invited were not allowed to participate in any seminar. In addition, because the number of firm *i*’s information exchange partners who participated in the seminars may also be endogenous, it is instrumented by the number of firm *i*’s information exchange partners who were invited to the seminars.

**3. Data and Social Experiment**

*3.1 Sampling and survey*

The target of this study is SMEs in village industrial clusters serving the apparel and textile industry in the Red River Delta surrounding Hanoi, the capital city of Vietnam. We chose SMEs in the apparel and textile industry because they account for a modest yet non-negligible share of current exports, approximately 10 percent. The textile and apparel industry is one of the most common exporting manufacturing industries in most developing countries. We assumed that larger companies have sufficient resources to invest in information-seeking activities on their own. For this reason, the general target of export promotion programs provided by governments is usually SMEs, and we thus focused on SMEs. We limited the location of our target firms to areas near Hanoi so that the invited firms could come to our seminars held in Hanoi.

Village industrial clusters are traditionally developed agglomerations of SMEs, including micro enterprises, in a particular industry, such as apparel, wood furniture, and ceramics, within a village and can often be observed in Vietnam. We targeted village clusters such that we could identify the inter-firm networks within the villages through which firms exchange information.

To identify such village clusters, we utilized data from the Vietnam Enterprise Survey (VES) of 2010. The VES is conducted annually by the General Statistical Office of Vietnam (GSO) and covers all foreign-owned firms, all domestically owned firms with 30 employees or more, and randomly selected domestically owned firms with 10-29 employees. We selected villages or communes, the smallest administrative unit, with more than five registered firms in the textile and apparel industries (i.e., industry codes 13 and 14 of the Vietnamese System of Industry Classifications) in the 10 provinces in the Red River Delta in the VES data. Because not all firms are formally registered and firms in the VES are randomly selected, villages with more than five firms in the apparel and textile industry are most likely to be industrial clusters. This process identified 19 villages in six provinces. Then, we visited the selected villages and found that two villages among the 19 are not apparel and textile clusters in the sense that most manufacturing firms in the villages do not necessarily engage in apparel or textile production. We also omitted one village from our sample because it was found that the apparel and textile firms in the village had already received business management training through another RCT and had been surveyed several times for the impact evaluation ([Higuchi et al., 2015](#_ENREF_22)). We assume that those firms in the village are already systematically different from other firms.

The remaining 16 apparel/textile village clusters in the Red River Delta are the targets of our study. For each of the 16 villages, we obtained the full list of registered firms from the municipal government. The number of registered firms for each village is summarized in Table 1; the total number of firms is 354. In December 2014 and January 2015, we requested face-to-face interviews with owners, managing directors, or highly ranked managers of the 354 firms and obtained responses from 296, corresponding to a response rate of 84 percent. The questionnaire consisted of standard firm characteristics, such as sales, number of workers, main products, and ownership. In addition, we asked questions related to trade activities, such as experiences in exporting, knowledge of e-customs, and the perception of trade. Finally, we showed each firm the full list of registered firms in the village and asked them to note their information exchange partners in the list. Because we surveyed all registered firms within the village, we could identify the whole information-sharing network of registered firms within each village.

We also conducted the second survey of the 296 firms in July and August 2015, approximately four months after the seminars on export promotion explained in detail below. 284 firms, or 96 percent of the sample from the previous round, responded to the second survey. Whereas five of the 12 attritions had been closed in the interim, seven firms refused to respond to the second survey. For the second-round survey, we added new questions regarding the information disseminated during the seminars, asking whether the firms know or practice what they had learned, in addition to the first questionnaire.

*3.2 Seminars on export promotion*

On March 14-16, 2015, we conducted an RCT in which we held three one-day seminars. The main aim of the seminars was to motivate and provide information to the participating managers. Seminars aimed at enhancing exported quantities by existing exporters typically include an explanation of export financing and insurance ([Seringhaus and Rosson, 1991](#_ENREF_34)). However, because our sample was SMEs in village clusters, we focused on the motivational and informational elements of export promotion.

The venue of the seminars was a three-star hotel located in the center of Hanoi that was selected to attract participants. It took minimum of 30 minutes by motorbike to a maximum of 2 hours by bus to travel to the venue from the sample villages. For several villages located far from the hotel, we chartered buses for the participants' transportation. We reimbursed the actual cost to those who used their own means of transportation, such as public buses or motorbikes. No compensation was provided except for meals at the hotel. We did not collect any participation fees from the participants.

Each one-day seminar contained slightly different content so that we could distinguish the effects of each lecture, but the participants did not know the difference between the three types before their participation. The seminar on the first day (March 14) consisted of four classes. First, a business school professor gave a lecture about international business, explaining the overall picture of the global economy in addition to the challenges and opportunities facing Vietnamese firms. He also briefly introduced some modules and methods for firm management. Second, an official from the Vietnam Export Promotion Agency talked about basic steps to build a plan for exporting, how to prepare for exporting activity, how to access overseas markets, and how to meet business partners, customers, and buyers. Third, we invited two officials (one Vietnamese and one Japanese) from the Hanoi office of the Japan External Trade Organization (JETRO), a public institution of the Japanese government that promotes trade and investment with Japan, one of the major destinations for garment exports from Vietnam, as shown later. They explained how to penetrate the Japanese market and how to find Japanese buyers through their online system. Finally, current exporters in the same industry were invited to share their own experiences, including useful tools for overcoming potential obstacles to exporting. They also illustrated how to work with foreign importers and how to gain trust from overseas markets by describing episodes from their personal experience. In the seminar on the second day (March 15), we provided the same four classes and an additional class by an official from the General Department of Vietnam Customs to introduce e-customs to participants and explain steps to register online and procedures for using the website. E-customs were introduced to Vietnam in 2014 as a foreign aid project of Japan ([JICA, 2015](#_ENREF_24)). On the last day (March 16), we provided the same five classes as on the second day and additionally a dinner after all five classes so that the participants could converse with each other and with the lecturers in a more informal setting. On each day, the seminar started at 8:45AM and lasted until 4:00 or 4:30PM. In most classes, the lecturers shared their contact information and related websites such that participants could ask for further information.

*3.3 Selection and participation of firms*

To select firms to be invited to the seminars, we employed a stratified sampling strategy using the village as a stratum. More specifically, we first dropped three firms among the 296 firms that responded to the first survey, because they did not answer most of the questions, including their address and telephone number. Then, from the 293 remaining firms, we randomly selected half of the firms within each village; when the number of firms in a village was odd, we rounded up. This process identified 151 firms. Then, we further randomly divided the 151 firms into three groups, so that we selected 50 or 51 firms for each day of the seminars. We then sent an enumerator of the firm-level survey to each firm for the face-to-face invitation to seminars in early March, giving a formal letter explaining the details of the seminar. In the letter, we noted that only the owner, managing director, or a highly ranked manager could participate in the seminars although the seminar participants and respondents to our surveys may be different. A few days before the seminars, we made phone calls with further invitations. If firms did not agree to participate at the time of the first phone call, we made another phone call a day before the seminar.

However, despite our efforts, only a small number of invited firms actually participated in our seminars. Among the 50 firms invited on the first day, only nine participated, whereas there were 15 out of 50 on the second day and 14 out of 51 on the last day. Note that the seminars were held on Saturday, Sunday, and Monday, but the number of participants did not vary significantly between weekends and weekdays. In total, out of 151 invited firms, 38 firms participated; thus, the participation rate was 25.2 percent. It is often found that the rate of participation in social and business programs is low ([Bertrand et al., 2004](#_ENREF_11), [Currie, 2004](#_ENREF_16), [McKenzie and Woodruff, 2013](#_ENREF_29)). For example, [Bloom et al. (2013b)](#_ENREF_14) provided free consulting on management practices to Indian firms, but only 26 percent of the 66 targeted firms participated in the program. Thus, the low participation rate in our case is comparable to that of [Bloom et al. (2013b)](#_ENREF_14). Table 1 shows the number of firms that were invited and participated by village and seminar date.

*3.4 Quality and difficulty of the seminars*

After each seminar, we asked the participants to evaluate their motivation and the quality and difficulty of the seminar. 93% of participants reported that they participated because they wanted information about exporting activity, and 86% attended because they wanted information about foreign buyers. 69% reported that they in fact learned information about exporting activity, and 62% reported that they learned about foreign buyers. Accordingly, 90% were satisfied with the quality of the seminars. The average score for the quality of the classes for export promotion was 4.4 out of 5. Therefore, it is most likely that the participants were highly motivated and that the quality of the seminars was sufficiently high.

However, the participants had difficulty understanding the seminars to a certain extent. The average score for the difficulty of the classes for export promotion was 3.6, where one indicates “very difficult” and five “very easy.” In other words, the class was not “very easy” or “easy” to many of the participants, although most of them evaluated the class as “good” or “very good.”

*3.5 Construction of variables*

As we mentioned in Section 2.1, our outcome variables can be classified into three categories: variables that measure how much firms prepare for exporting activity, how firms subjectively perceive difficulties in exporting activity, and whether firms export. Obviously, the most direct outcome measure is the amount of exports or whether firms engage in exporting activity. However, because the second survey was conducted only three months after the seminar, the time period may be too short for firms to start exporting. Therefore, this paper also examines how the seminars changed firms' preparation for and perception of exporting activity.

The variables for preparation for exporting activity are based on the following six questions posed to respondent firms: whether they had accessed any website for export exhibitions or trade fairs in the past three months; whether they hired export agencies; whether they made or improved their catalogues or websites to advertise the firm to overseas buyers in the past three months; whether they assigned any person in charge of trade activity; whether they had trade names or brand names to appeal to overseas buyers; and whether they had accessed the e-customs website. From the dummy variables that take a value of one if the answer is yes to the six questions, we construct two measures of preparation for exporting activity. One is a composite index that averages the dummy variables from the first five questions, whereas the other is a dummy variable for the last question regarding the e-customs website to examine the effects of the e-customs class in particular.

The second category of outcome variables measures perceptions of exporting activity and consists of one dummy variable and two categorical variables. The dummy variable indicates whether the firm is willing to export or, if the firm is already an exporter, whether it is willing to continue to export. The second variable is a composite index of perception and is based on five questions regarding perceptions about exporting activity taken from [Breinlich et al. (2016)](#_ENREF_15), including how difficult it is to adapt products to make them suitable for exporting; to comply with legal and tax regulations and standards; to enforce contracts in trade; to identify whom to contact for exporting in the first instance; and to navigate foreign languages and cultures. Five answers, each of which ranges from one (not difficult at all) to five (very difficult), are averaged and standardized such that the possible minimum and maximum are zero and one, respectively. The third perception variable measures the extent to which the top manager thinks customs is an obstacle to trade, ranging from one to five, as above. This variable, after standardization to a score from zero to one, is used to check whether the class about e-customs was effective. We use the first-difference of the variables for willingness to trade and the perception of customs as an obstacle for trade because we asked the same question in the two surveys.

The third category of outcome variables indicates whether firms export. More specifically, we distinguished between direct and indirect exports and constructed a dummy variable for engaging in each of the two types of export. We also take a first-difference for these two variables.

We estimated effects of two treatment dummies. The first dummy takes a value of one if the firm participated in the seminars on any of the three days. The second dummy accounts for participation in the seminar on either the second day or on the third day, i.e., if firms took the additional class on e-customs. The decision to participate in the seminars was made by invited firms. To avoid biases due to endogeneity, these treatment dummies are instrumented by two dummies for random invitation to corresponding treatments as explained in Section 2.2.

We also tested the effect of another treatment dummy for firms participating in the networking dinner on the third day. However, among the 14 participants in the seminar on the third day (Table 1), four did not participate in the dinner; thus, the number of participants in the dinner was only 10. Probably because of this small number, we found that the instruments, including the dummy for invitation to the dinner, were substantially weak in the 2SLS estimation using the dummy for participation in the dinner as a key treatment variable. Therefore, we do not present the dummy for participation in the dinner in our estimation.

To eliminate the effects of other firm attributes that may affect export behaviors, we employed three types of control variables. The first set represents firm size to examine the role of the standard factor related to exporting decisions. There are three size variables: the number of workers, the number of subcontractors, and the dummy variable for firms with more than one establishment. Because many firms refused to report their sales, we could not construct or incorporate any reliable productivity measure. The second set of controls is related to exporting activities, including the share of sales in the domestic market to total sales, an experience dummy variable that takes a value of one if the firm has ever exported, and a dummy representing the export status right before the seminar participation in the year 2014. The third set of independent variables corresponds to the personal characteristics of respondents, who are mostly owners, presidents, or highly ranked managers. A dummy for whether the respondent has lived outside the province in which he or she currently resides captures both external links and outward-oriented attitude. The education level controls the cognitive ability and knowledge level of the respondents. Finally, we asked how many business-related memberships the respondent holds to characterize social capital.

In an alternative specification, we incorporate the number of the firm’s information exchange partners in the village that participated in the seminars as an independent variable, as we mentioned in Section 2.1. In the survey, each firm reported its information exchange partners from the list of all registered firms in the same village. Therefore, the information exchange partners for each firm can be identified. Because this variable is also endogenous, we instrumented it by the number of the firm’s partners that were invited to the seminars.

*3.6 Sample for estimation*

When we created a sample for estimation from the 284 firms that responded to our two surveys, we first dropped two firms, each of which was the only firm in the village (villages 14 and 15 in Table 1). This is because according to our selection strategies described in Section 3.3, these two firms were chosen by design, rather than randomly. In addition, we dropped firms for which any of the control variables described in the next section was missing. Accordingly, most of the subsequent estimations are based on the remaining 246 firms, while some estimations rely on a more restricted sample when using particular outcome variables that are not available for some firms.

*3.7 Descriptive statistics*

Table 2 presents summary statistics regarding the sample firms. The average value of the index that counts the number of activities in export preparation, which ranges from zero to one, is 0.115. This means most firms tried less than one export preparation activity out of the six activities surveyed. Similarly, the share of firms accessing the e-customs website was 9.3%, indicating that most firms did not conduct significant preparation activity related to e-customs. Most firms were interested in exporting activity in 2015, with 69% of firms exhibiting a willingness to export. However, the results indicate that many firms consider export procedures difficult because the average value of the index of perception of difficulties of export procedures from zero to one is 0.451.

In 2014, before the seminars, 21.1% of the firms had at least some export experience, and 14.6% were exporters. This evidence implies that one-fourth of past exporters exited export markets after their entries. This frequent turnover in export markets is often found in other countries ([Eaton et al., 2007](#_ENREF_19)). In 2015, after the seminars, the share of exports increased to 20.3%. Among them, 11.8% engaged in direct exporting, whereas 9.8% engaged in indirect exporting through intermediaries. The top destinations of exports from the sample firms are Japan, South Korea, China, Taiwan, and the United States.

The average number of workers is 35.7. Although the largest firm had 1,000 workers in 2014 and the second largest more than 300,[[6]](#footnote-6) 92% had fewer than 100. Thus, the target firms are mostly SMEs. Because our target villages have traditionally been clusters of the garment and textile industry, a number of subcontractors, mostly unregistered micro-enterprises, are well developed and easily available to downstream firms ([Nam et al., 2010](#_ENREF_31)). Accordingly, some firms effectively utilize subcontractors and minimize the use of their own workers to maximize their profits. 34% of firms utilize subcontractors, and the average number of subcontractors is 20. We use the number of workers and the number of subcontractors as control variables that measure firm size. The average years of schooling of the top managers is 11.6.

*3.8 Balancing Tests*

To check whether our randomized selection of the treatment firms worked well, we examined whether the mean of the key firm attributes differed between the treatment and control groups by *t* tests. The first set of columns in Table 3 shows the mean of the key variables for the invited and not invited firms, the difference between the two, and its *t* statistic. For all variables, we cannot reject the hypothesis that the difference is zero at the 10-percent significance level. Thus, we conclude that the two groups are not systematically different from each other. However, when we compare firms that participated in the seminar and those that did not, we find that the difference in export experiences and the share of domestic sales between the two groups is significantly different from zero at the 10-percent level. In other words, firms with prior export experiences, including current exporters and non-exporters, are more likely to participate in the seminar. Therefore, we need to correct for possible biases due to the selection of participation given an invitation, as we will explain in detail in the next section.

**4. Estimation Results**

*4.1 Benchmark results*

We now examine the effects of the informational and motivational seminars on export promotion by 2SLS, using the dummies for random invitation to the seminars and e-customs class as instruments for participation. Table 4 presents the results from the first stage of the 2SLS. Each invitation dummy has a significant positive effect on the participation in the corresponding seminar. The *F* statistics from the first-stage regressions shown in the bottom row of Table 4, 9.01 and 8.46, are reasonably large. Moreover, the Wald rk *F* statistic ([Kleibergen and Paap, 2006](#_ENREF_26)) is 15.90, which is greater than the critical value for the 15 percent maximal size ([Stock and Yogo, 2002](#_ENREF_36)), 8.96, indicating that the instruments are unlikely to be weak.

Table 5 presents the 2SLS results for the effects of the seminar on the composite index of export preparation activities. In column (1), we simply estimate the effect of the dummy for participation in any seminar without incorporating the dummy for participation in the e-customs class, which we found insignificant. Furthermore, when we incorporate the e-customs dummy in column (2), we find that the effect of seminar participation is negative and insignificant, whereas the effect of the e-customs class is positive and significant. Because the total effect of the seminars with the e-customs class (i.e., the seminars on the second and third day) is the sum of the two effects, we further test the null hypothesis that the total effect is zero using a Wald test. The *p*-value from the Wald test is shown in the bottom row, indicating that we cannot reject the null hypothesis. Thus, the effect of any type of seminar is found to be insignificant.

To examine the effects of the seminar on a more direct outcome that the seminar explicitly addressed, the dummy variable for accessing the website of e-customs is shown in columns (3) and (4) of Table 5. As for the result regarding the composite index, the overall effect of participation in one of the seminars on accessing the e-customs website is insignificant (column [3]). When the dummy for the e-customs class is incorporated, the effect of the participation dummy becomes negative and significant, whereas the effect of the e-customs class is positive and significant. However, the total effect of the seminars with the e-customs class, or the sum of the two effects, is not significantly different from zero, according to the *p*-value from the Wald test shown in the bottom row. Thus, the seminar on the first day without the class on e-customs discouraged participants' access to the e-customs website, whereas the seminar on the second and third days with the e-customs class had no negative or positive effect.

In addition, the effects of the seminars on perceptions of exporting activities are mostly insignificant. Columns (1) and (2), (3) and (4), and (5) and (6) in Table 6, respectively, list the effects of the seminars on the dummy for willingness to trade, the composite index of perception of difficulty of export procedures, and the dummy for perception of customs as an obstacle to exporting. The effect of the participation dummy or the e-customs dummy is always insignificant.

Finally, we estimate the effects of the seminars on the actual export performance, finding them insignificant in any specification, regardless of whether we focus on direct (columns [1] and [2] of Table 7) or indirect exports (columns [3] and [4]).

*4.2 Robustness checks*

To check the robustness of our benchmark results, we employ propensity score matching (PSM) estimations, using the same outcome and control variables. Standard PSM estimations run a probit or logit model to examine how participation in a program is determined and then match each participant with a non-participant of a similar predicted probability of participation. One shortcoming of such PSM estimations is that because the participants are likely to be systematically different from the non-participants, matching may not work well. However, in our case, because we have a group of firms that were not invited to the seminars and thus could not participate in the seminars, we can match each participant with a non-invitee that could be very close to the participant. More specifically, we first ran a probit model using a sample of invited firms and estimated how participation in the seminars was determined. Using the estimated coefficients, we predict the probability of participation for non-invitees. We then matched each participant with the non-invitee of the closest predicted probability. Finally, we test whether the difference in the outcome variables is different between the participants and the matched non-invitees, using bootstrapped standard errors. The results shown in Table 8 indicate no significant effect of participation in the seminars on any outcome, confirming the benchmark results from 2SLS.

*4.3 Information spillovers*

The benchmark results indicate that the effects of the seminars on export promotion in this study were mostly insignificant. One possible reason for this finding is that the effects diffused to non-participants through firm networks. Because our empirical strategy compares participants and non-participants to estimate the effects of the seminars, we underestimate their effects in the presence of such information diffusion. Thus, to check whether this is the case, we incorporate the number of each firm's information exchange partners who participated in any of the three seminars. Because participation of partners is endogenous, we instrument this variable by the number of partner firms that were invited to the seminars and the average number of workers of the invited partner firms. We experimented with several other variables for the average of partner firms' attributes, but because we found that they are not significantly correlated with the number of participating partners, we dropped them from the set of instruments.

The results from the incorporation of this new endogenous regressor are summarized in Table 9. It should be noted that the instruments may be weak in these estimations because the *F* statistics of the excluded instruments in the first-stage regressions are 8.29, 5.65, and 5.26, and the Kleibergen-Paap Wald rk *F* statistic is 3.60, less than the critical value for the 30% maximal size. Therefore, the results may be biased and should be viewed with caution. We find that although the number of participating partners has a significant effect on some of the outcome variables, the effect of the participation dummy and the e-customs class dummy does not change compared with the benchmark results in Tables 5-7. It is somewhat hard to interpret the results because they indicate that the seminars did not directly affect participants but affected non-participants indirectly through information diffusion. Because these inconsistent results may be due to weak instruments, we will not argue further whether information spilled over from participants to non-participants. Rather, we close this sub-section by emphasizing that our benchmark results remain even after incorporating the possibility of information spillovers.

*4.4 Heterogeneous effects across firms*

We have so far estimated the average effect of the seminars. However, the effects of the seminars may be heterogeneous across firms, depending on firm characteristics. To check whether this is the case, we incorporate interaction terms between the dummy for participation in the seminars and a number of variables for firm characteristics prior to the seminars. We find that the interaction terms with two variables, the number of subcontractors (a measure of firm size) and the dummy for prior export experience, result in a significant effect on some outcome variables at the five-percent level. We show the results with any statistical significance using the two variables in Table 10 but omit the other results for brevity. In all specifications, the Kleibergen-Paap Wald rk *F* statistic is greater than its critical value for the 15-percent maximal size, and thus the instruments are not weak.

Column (1) in Table 10 indicates that after incorporating the interaction term with the number of subcontractors in the regression of willingness to export, the coefficient for the participation dummy or the interaction term is significantly different from zero at the five-percent level. We further test the null hypothesis that the total effect of participation is zero for a hypothetical firm of the average size and that of the top 10% firm in terms of the number of subcontractors. The average and the top 10% of the number of subcontractors is 20 and 50, respectively, whereas their logs are 2.99 and 3.91. There are two top-10% firms in our sample that utilize 50 subcontractors, and the number of workers of the two is seven and 22. Therefore, the top-10% firms are very large in our sample but not so in standard classifications. The *p*-values from the Wald tests provided in the middle rows of Table 10 show that the effect of participation on the index of preparation for export for the top-10% firms is significantly different from zero, whereas the effect for the average firm is insignificant.

One concern may be why the number of subcontractors is effective in promoting the impact of the seminars, whereas the number of workers, another measure of firm size, is not. As we explained in   
Section 3.6, a subcontracting system has been historically developed in these traditional apparel clusters such that some firms effectively utilize subcontractors and minimize the use of their own workers to maximize their profits. Therefore, the number of subcontractors may be more closely correlated with what is required for exporting, e.g., the productivity level and absorptive capacity, as we will argue in Section 4.4, than the number of workers within the firm. Furthermore, as shown in columns (1) and (2) of Table 5, companies with a large pool of workers have the ability to prepare for export; thus, the effect of the seminars is not significant. On the other hand, firms with a large number of subcontractors do not rely on their own workers for production and therefore lack human resources to gather information about overseas buyers and markets and prepare for exports. For this reason, the seminar appears to be more effective among firms with large numbers of subcontractors rather than large numbers of workers.

The effect of the interaction term with the number of subcontractors on the perception of customs as obstacles to trade and engagement in direct export is positive and significant at the 5-percent level, whereas the effect of the participation dummy is negative and insignificant (columns [3] and [5] of Table 10). According to the *p* values from the Wald tests, the effect of participation on the perception of and engagement in export is insignificant for average-sized firms but positive and significant for the largest 10 percent of firms at the 5-percent level. These results suggest that our seminars stimulated large firms' perception and willingness to export and promoted engagement in direct exporting.

The effect of the interaction term between the participation dummy and the dummy for export experience on direct exporting is positive and significant (column [6] of Table 10), whereas its effect on indirect exporting is negative and significant (column [8]). We test whether the total effect of participation for experienced firms is zero using the Wald tests; we find that it is positive and significant on direct export but insignificant on indirect export. To be more precise, because we use first-differenced dummies for direct and indirect export, we examine the effects of the seminars on the change in the export status. Therefore, these results suggest that current non-exporters with prior export experience are encouraged to (re-)start direct exporting by participation in the seminars, possibly switching from indirect to direct export. To examine possible substitutions from indirect to direct export, we run a similar 2SLS regression using the dummy variable for preference for direct rather than indirect export and show the result in column (12) of Table 10. The result clearly shows that by participating in the seminars, firms with export experience became more likely to prefer direct export.

*4.5 Discussion*

Based on the empirical results above, we conclude that the seminars on export promotion did not affect most firms but rather affected only large firms and firms with prior export experience. Because the participants were mostly satisfied with the seminars and learned information about exporting activity (Section 3.4), it is less likely that the mostly insignificant effects are due to low quality of the seminars. Why, then, were the seminars effective only for large or experienced firms?

It should be emphasized that our target firms are mostly traditional SMEs in a less developed country. Therefore, most firms in our sample were underdeveloped and not ready for exporting. However, large or experienced firms were more likely to be characterized by high productivity, absorptive capacity, and product quality; thus, once they were provided necessary information, they could overcome informational barriers and (re-)enter export markets. Therefore, our results are consistent with those of [Melitz (2003)](#_ENREF_30), who emphasizes the importance of the productivity level in engagement in exporting activity. Our results also suggest that information provision is helpful to productive firms. This is consistent with the recent empirical studies that found positive effects of information spillovers from neighbors ([Bernard and Jensen, 2004](#_ENREF_10), [Todo, 2011](#_ENREF_37), [Okubo and Tomiura, 2015](#_ENREF_33)) and information provision by public institutions ([Volpe Martincus and Carballo, 2008](#_ENREF_38), [Volpe Martincus and Carballo, 2010](#_ENREF_39)) on exporting activity. In summary, our findings suggest that improvements of productivity, managerial ability, and product quality are more important for underdeveloped firms, particularly in less-developed countries, to enter foreign markets, although information provision should be effective for more advanced firms.

Another interpretation of the positive effect on large firms is that direct export requires a certain production capacity because international clients are less likely to accept an insufficient quantity of products due to initial costs associated with procuring goods from each exporter overseas. One owner told us in an interview that although a potential international client solicited products from him, he could not provide the minimum required quantity to export. This anecdote is consistent with our results.

In addition, this study implies that export procedures are too complicated for most firms. This conjecture is supported by some of our results showing negative effects of the seminars on export promotion in some specifications. For example, the seminar on the first day without the e-customs class decreased the participants' propensity to access the e-customs website (column [4] of Table 5). [Breinlich et al. (2016)](#_ENREF_15) also found that brochures regarding export promotion in the United Kingdom had a negative effect on recipient firms’ perceptions of exporting activity. Their results and ours suggest that when detailed information about exporting is provided, firms that did not know procedures for exporting realized their complications and difficulties and were discouraged from taking actions to start exporting. If the export procedures are too complicated for most firms, the utilization of intermediaries, such as trading firms, should encourage such firms' indirect export. Recent studies such as those of [Ahn et al. (2011)](#_ENREF_1) and [Bernard et al. (2011)](#_ENREF_9) reveal the role of intermediaries in facilitating international trade. Our results imply that policy support to foster indirect export, such as matching producers with intermediaries, rather than giving direct support to producers, may be a more effective means of export promotion when the absorptive capacity of producers is too low.

**5. Conclusions**

This paper investigates the impact of informational and motivational one-day seminars on export promotion in traditional apparel and textile clusters in northern Vietnam. To control for biases due to self-selection, we conducted an RCT and invited randomly selected firms to participate in the seminars. Because only some of the invited firms actually participated in the seminars, we employ a 2SLS approach in which dummies for random invitation are used as instruments for actual participation. In other words, we estimated the LATE.

In summary, we find that the seminars on export promotion had an insignificant effect on most participant firms’ preparation for, perception of, and engaging in exporting activity. However, the seminars encouraged large firms and firms with prior export experience to have a better perception and willingness to export and (re-)start exporting. This finding implies that firms with a larger size, higher productivity, and higher absorptive capacity can effectively utilize information for export promotion, whereas other firms, particularly SMEs in less-developed countries, may not. This implication is consistent with the importance of productivity in exporting decisions that is supported by the results of Melitz (2003), in addition to the existence of information barriers to export found in the empirical literature.

An important policy implication from this study is that provision of information about exporting activity by public institutions works only when the productivity level and absorptive capacity of firms are sufficiently high to penetrate foreign markets. In contrast, for underdeveloped firms, policies for productivity improvement should be developed prior to obtaining informational support. Alternatively, policies should encourage intermediaries for international trade to increase the indirect exports of firms that perceive export procedures as too difficult and complicated.

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Table 1. Number of Observations by Village

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Village | Total register firms | Number of respondents | | Number of Invited | Number of Participants | | | |
| First  survey | Second  survey | Total | Day 1 | Day 2 | Day 3 |
| 1 | 14 | 13 | 13 | 7 | 2 | 0 | 0 | 2 |
| 2 | 19 | 13 | 13 | 7 | 3 | 1 | 0 | 2 |
| 3 | 17 | 13 | 13 | 7 | 5 | 0 | 5 | 0 |
| 4 | 72 | 64 | 64 | 32 | 4 | 1 | 3 | 0 |
| 5 | 74 | 60 | 58 | 30 | 4 | 1 | 0 | 3 |
| 6 | 19 | 18 | 18 | 9 | 6 | 2 | 4 | 0 |
| 7 | 41 | 37 | 37 | 18 | 9 | 2 | 3 | 4 |
| 8 | 29 | 25 | 21 | 13 | 1 | 1 | 0 | 0 |
| 9 | 2 | 2 | 2 | 1 | 0 | 0 | 0 | 0 |
| 10 | 4 | 2 | 2 | 1 | 0 | 0 | 0 | 0 |
| 11 | 15 | 11 | 10 | 5 | 1 | 0 | 0 | 1 |
| 12 | 18 | 17 | 14 | 9 | 1 | 0 | 0 | 1 |
| 13 | 9 | 4 | 3 | 2 | 0 | 0 | 0 | 0 |
| 14 | 1 | 1 | 1 | 1 | 1 | 0 | 0 | 1 |
| 15 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 |
| 16 | 19 | 15 | 14 | 8 | 1 | 1 | 0 | 0 |
| Total | 354 | 296 | 284 | 151 | 38 | 9 | 15 | 14 |

Table 2. Descriptive Statistics

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Variable | *N* | Mean | S.D. | Min. | Max. |
| *Treatment variables* |  |  |  |  |  |
| Dummy for participation in any seminar | 246 | 0.134 | 0.342 | 0 | 1 |
| Dummy for participation in e-customs class | 246 | 0.106 | 0.308 | 0 | 1 |
| Dummy for invitation to any seminar | 246 | 0.516 | 0.501 | 0 | 1 |
| Dummy for invitation to e-customs class | 246 | 0.358 | 0.480 | 0 | 1 |
|  |  |  |  |  |  |
| *Outcome variables* |  |  |  |  |  |
| Index for preparation for exporting activity  (0 = least prepared, 1 = most prepared) | 246 | 0.115 | 0.199 | 0 | 0.800 |
| Dummy for accessing e-customs website | 246 | 0.093 | 0.292 | 0 | 1 |
| Dummy for willingness to export (2015) | 246 | 0.687 | 0.465 | 0 | 1 |
| (2014) | 246 | 0.463 | 0.500 | 0 | 1 |
| (1st differenced) | 246 | 0.224 | 0.635 | -1 | 1 |
| Index of perception of difficulties of export procedures  (0 = least difficult, 1 = most difficult) | 150 | 0.451 | 0.158 | 0.200 | 1 |
| Index of perception of customs as obstacle (2015) | 174 | 0.208 | 0.295 | 0 | 1 |
| (2014) | 246 | 0.028 | 0.116 | 0 | 1 |
| (1st differenced) | 174 | 0.170 | 0.323 | -0.750 | 1 |
| Dummy for engaging in direct/indirect export (2015) | 246 | 0.203 | 0.403 | 0 | 1 |
| (2014) | 246 | 0.146 | 0.354 | 0 | 1 |
| (1st differenced) | 246 | 0.069 | 0.254 |  |  |
| Dummy for engaging in direct export (2015) | 246 | 0.118 | 0.323 | 0 | 1 |
| (2014) | 246 | 0.118 | 0.323 | 0 | 1 |
| (1st differenced) | 246 | 0.016 | 0.127 | 0 | 1 |
| Dummy for engaging in indirect export (2015) | 246 | 0.098 | 0.298 | 0 | 1 |
| (2014) | 246 | 0.061 | 0.240 | 0 | 1 |
| (1st differenced) | 246 | 0.073 | 0.261 | 0 | 1 |
|  |  |  |  |  |  |
| *Firm characteristics in 2014* |  |  |  |  |  |
| Number of subcontractors | 246 | 20.068 | 52.806 | 0 | 450 |
| (log) | 246 | 1.394 | 1.586 | 0 | 6.109 |
| Number of workers | 246 | 35.711 | 81.852 | 1 | 1000 |
| (log) | 246 | 2.732 | 1.197 | 0 | 6.908 |
| Dummy for multi-establishments | 246 | 0.293 | 0.456 | 0 | 1 |
| Number of participating information exchange partners | 246 | 0.336 | 0.727 | 0 | 4 |
| Number of invited information exchange partners | 246 | 0.610 | 1.165 | 0 | 6 |
| Sales from domestic market (%) | 246 | 78.524 | 38.871 | 0 | 100 |
| Dummy for export experiences | 246 | 0.211 | 0.409 | 0 | 1 |
|  |  |  |  |  |  |
| *Manager characteristics in 2014* |  |  |  |  |  |
| Dummy for top manager’s living outside the current province | 246 | 0.411 | 0.493 | 0 | 1 |
| Top manager’s years of education | 246 | 11.569 | 2.620 | 6 | 16 |
| (log) | 246 | 2.423 | 0.226 | 1.792 | 2.773 |
| Dummy for top manager's business-related memberships | 246 | 0.415 | 0.494 | 0 | 1 |

Table 3. Balancing Tests

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (1) | | | | (2) | | | |
|  | Mean | | Diffe-rence | *t* value | Mean | | Diffe-rence | *t* value |
|  | Not invited | Invited | Not partici-pating | Partici-pating |
| Number of subcontractors (log) | 1.22 | 1.41 | -0.19 | -1.02 | 1.26 | 1.69 | -0.43 | -1.57 |
| Number of workers (log) | 2.85 | 2.73 | 0.12 | 0.79 | 2.76 | 3.02 | -0.25 | -1.15 |
| Dummy for multi-establishments | 0.28 | 0.32 | -0.03 | -0.61 | 0.30 | 0.30 | 0.002 | 0.029 |
| Dummy for export experiences | 0.18 | 0.26 | -0.075 | -1.57 | 0.19 | 0.35 | -0.15 | -2.31\*\* |
| Dummy for engaging in export | 0.097 | 0.141 | -0.044 | -1.17 | 0.11 | 0.19 | -0.08 | -1.41 |
| Year of registration | 2006.4 | 2006.2 | 0.13 | 0.19 | 2006.5 | 2005.0 | 1.49 | 1.44 |
| Dummy for top manager’s living outside the current province | 0.41 | 0.40 | 0.004 | -0.07 | 0.40 | 0.46 | -0.063 | -0.72 |
| Top manager’s years of education (log) | 2.43 | 2.41 | 0.019 | 0.72 | 2.43 | 2.38 | 0.050 | 1.25 |
| Dummy for business-related memberships | 0.44 | 0.38 | 0.058 | 0.99 | 0.412 | 0.389 | 0.023 | 0.26 |
| Sales from domestic market (%) | 78.9 | 79.2 | -0.30 | -0.07 | 80.7 | 68.7 | 12.0 | 1.77\* |
| Number of observations | 145 | 149 |  |  | 257 | 37 |  |  |

Note: \*, \*\*, and \*\*\* signify significance at the 10-, 5-, and 1-percent levels, respectively.

Table 4. Results of First-Stage Regressions

|  |  |  |
| --- | --- | --- |
|  | (1) | (2) |
| Dependent variable | Dummy for participation in any seminar | Dummy for participation in e-customs class |
| Dummy for invitation to any seminar | 0.2211\*\*\* | 0.0337 |
|  | (0.0590) | (0.0512) |
| Dummy for invitation to e-customs class | 0.0663 | 0.2542\*\*\* |
|  | (0.0632) | (0.0548) |
| Number of subcontractors (log) | 0.0037 | 0.0014 |
|  | (0.0151) | (0.0131) |
| Number of workers (log) | 0.0205 | 0.0276 |
|  | (0.0213) | (0.0185) |
| Dummy for multi-establishments | -0.0051 | -0.0336 |
| (0.0468) | (0.0407) |
| Dummy for top manager’s living | 0.0571 | 0.0519 |
| outside the current province | (0.0450) | (0.0391) |
| Top manager’s years of education | -0.1005 | -0.1083 |
|  | (0.0927) | (0.0805) |
| Dummy for business-related memberships | 0.0188 | -0.0222 |
|  | (0.0609) | (0.0529) |
| Sales from domestic market in 2014 (%) | -0.0010 | -0.0009 |
|  | (0.0008) | (0.0007) |
| Dummy for export experiences | 0.0292 | 0.0529 |
|  | (0.0896) | (0.0777) |
| Dummy for export in 2014 | -0.1552 | -0.1632\* |
|  | (0.1134) | (0.0984) |
| Number of observations | 246 | 246 |
| F statistics of excluded instruments | 9.01 | 8.46 |

Notes: Clustered robust standard errors by village are in brackets. \*, \*\*, and \*\*\* signify statistical significance at the 10-, 5-, and 1-percent levels, respectively.

Table 5. Impacts of the Seminars on Preparation for Exporting Activity

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (1) | (2) | (3) | (4) |
| Dependent variable | Index for preparation for exporting activity | | Dummy for accessing  e-customs website | |
| Dummy for participation in any seminar | 0.0448 | -0.1716 | 0.0015 | -0.2572\*\* |
|  | (0.0904) | (0.1194) | (0.1014) | (0.1116) |
| Dummy for participation in e-customs class |  | 0.2771\*\*\* |  | 0.3312\*\* |
|  |  | (0.0626) |  | (0.1546) |
| Number of subcontractors (log) | 0.0035 | 0.0036 | -0.0115\*\* | -0.0114\*\*\* |
|  | (0.0091) | (0.0084) | (0.0050) | (0.0038) |
| Number of workers (log) | 0.0301\*\*\* | 0.0295\*\*\* | 0.0562\*\* | 0.0554\*\* |
|  | (0.0063) | (0.0080) | (0.0272) | (0.0234) |
| Dummy for multi-establishments | 0.0369\*\* | 0.0436\* | -0.0236 | -0.0156 |
|  | (0.0171) | (0.0224) | (0.0305) | (0.0260) |
| Dummy for top manager’s living | 0.0036 | -0.0017 | 0.0065 | 0.0002 |
| outside the current province | (0.0195) | (0.0198) | (0.0292) | (0.0285) |
| Top manager’s years of education | -0.0172 | -0.0133 | 0.0157 | 0.0203 |
|  | (0.0672) | (0.0673) | (0.0505) | (0.0513) |
| Dummy for business-related memberships | -0.0115 | 0.0040 | -0.0177 | 0.0008 |
|  | (0.0327) | (0.0323) | (0.0339) | (0.0281) |
| Sales from domestic market in 2014 (%) | -0.0012\*\*\* | -0.0011\*\*\* | -0.0011\* | -0.0010 |
|  | (0.0004) | (0.0004) | (0.0006) | (0.0006) |
| Dummy for export experiences | 0.0648\*\* | 0.0505 | 0.1250 | 0.1079 |
|  | (0.0311) | (0.0341) | (0.0943) | (0.0916) |
| Dummy for export in 2014 | 0.0324 | 0.0453 | 0.1193 | 0.1347 |
|  | (0.0526) | (0.0482) | (0.1702) | (0.1631) |
| Observations | 246 | 246 | 246 | 246 |
| R-squared | 0.190 | 0.217 | 0.188 | 0.202 |
| H0: total effect of participation in seminars with e-customs class = 0 (*p* value) |  | 0.1813 |  | 0.5321 |

Notes: This table presents results from 2SLS estimations. Clustered robust standard errors are quoted in parentheses. \*, \*\*, and \*\*\* signify the statistical significance at the 10-, 5-, and 1-percent levels, respectively.

Table 6. Impacts of the Seminars on the Perception of Export Activity

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | (1) | (2) | (3) | (4) | (5) | (6) |
| Dependent variable | Dummy for willingness to export  (1st differenced) | | Index of perception of difficulties of export procedures | | Dummy for perception of customs as obstacle  (1st differenced) | |
| Dummy for participation in any seminar | 0.1263 | 0.4668 | 0.0482 | 0.1146 | 0.0377 | -0.0827 |
|  | (0.3025) | (0.3069) | (0.0600) | (0.0805) | (0.1281) | (0.1782) |
| Dummy for participation in e-customs class |  | -0.4361 |  | -0.0876 |  | 0.1616 |
|  |  | (0.4108) |  | (0.1222) |  | (0.2367) |
| Number of subcontractors (log) | -0.0282 | -0.0284 | -0.0141\*\*\* | -0.0141\*\*\* | 0.0057 | 0.0047 |
|  | (0.0291) | (0.0273) | (0.0037) | (0.0040) | (0.0153) | (0.0155) |
| Number of workers (log) | 0.0376 | 0.0387 | -0.0055 | -0.0050 | -0.0084 | -0.0080 |
|  | (0.0319) | (0.0298) | (0.0097) | (0.0098) | (0.0212) | (0.0213) |
| Dummy for multi-establishments | 0.0290 | 0.0185 | -0.0410\* | -0.0409\*\* | -0.1099\*\* | -0.1083\*\* |
|  | (0.0985) | (0.1056) | (0.0213) | (0.0207) | (0.0510) | (0.0496) |
| Dummy for top manager’s living | -0.2271\*\* | -0.2188\*\* | -0.0199 | -0.0179 | 0.0877\*\*\* | 0.0840\*\*\* |
| outside the current province | (0.0988) | (0.0997) | (0.0218) | (0.0233) | (0.0317) | (0.0310) |
| Top manager’s years of education | 0.2244 | 0.2184 | -0.0127 | -0.0123 | -0.0772 | -0.0806 |
|  | (0.1676) | (0.1697) | (0.0403) | (0.0404) | (0.0884) | (0.0870) |
| Dummy for business-related memberships | -0.1101 | -0.1345 | 0.0886\*\*\* | 0.0811\*\*\* | -0.0330 | -0.0228 |
|  | (0.1017) | (0.1100) | (0.0279) | (0.0273) | (0.0701) | (0.0727) |
| Sales from domestic market in 2014 (%) | -0.0018 | -0.0019 | 0.0005 | 0.0005 | 0.0019\*\* | 0.0020\*\* |
|  | (0.0018) | (0.0018) | (0.0005) | (0.0006) | (0.0008) | (0.0009) |
| Dummy for export experiences | -0.2161\*\*\* | -0.1937\*\* | 0.0218 | 0.0241 | 0.0252 | 0.0196 |
|  | (0.0704) | (0.0794) | (0.0714) | (0.0677) | (0.0822) | (0.0873) |
| Dummy for export in 2014 | 0.2221 | 0.2019 | 0.0136 | 0.0092 | 0.0864 | 0.0939 |
|  | (0.2226) | (0.2273) | (0.0661) | (0.0606) | (0.1049) | (0.1074) |
| Observations | 246 | 246 | 150 | 150 | 174 | 174 |
| R-squared | 0.052 | 0.045 | 0.073 | 0.081 | 0.057 | 0.055 |
| H0: total effect of participation in seminars with e-customs class = 0 (p value) |  | 0.9295 |  | 0.7419 |  | 0.6189 |

Notes: This table presents results from 2SLS estimations. Clustered robust standard errors are quoted in parentheses. \*, \*\*, and \*\*\* signify statistical significance at the 10-, 5-, and 1-percent levels, respectively. The number of observations is smaller in columns 3 through 7 because many of the firms have never tried exporting; thus, they chose “Don’t know” for perception questions.

Table 7. Impacts of the Seminars on Engaging in Export Activity

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (1) | (2) | (3) | (4) |
| Dependent variable | Dummy for engaging in  direct export  (1st differenced) | | Dummy for engaging in indirect export (1st differenced) | |
| Dummy for participation in any seminar | 0.0465 | 0.1070 | -0.0676 | -0.2116 |
|  | (0.0589) | (0.0996) | (0.0791) | (0.1882) |
| Dummy for participation in e-customs class |  | -0.0776 |  | 0.1844 |
|  |  | (0.1150) |  | (0.2339) |
| Number of subcontractors (log) | 0.0064\* | 0.0063\* | 0.0053 | 0.0054 |
|  | (0.0036) | (0.0036) | (0.0107) | (0.0100) |
| Number of workers (log) | 0.0101 | 0.0103 | 0.0224\* | 0.0220 |
|  | (0.0085) | (0.0091) | (0.0134) | (0.0148) |
| Dummy for multi-establishments | 0.0063 | 0.0044 | 0.0166 | 0.0210 |
|  | (0.0201) | (0.0210) | (0.0369) | (0.0398) |
| Dummy for top manager’s living | -0.0242 | -0.0227 | -0.0078 | -0.0113 |
| outside the current province | (0.0184) | (0.0196) | (0.0217) | (0.0224) |
| Top manager’s years of education | -0.0437 | -0.0448 | -0.0959 | -0.0933 |
|  | (0.0648) | (0.0642) | (0.0720) | (0.0728) |
| Dummy for business-related memberships | -0.0169 | -0.0212 | 0.0620\*\*\* | 0.0723\*\*\* |
|  | (0.0174) | (0.0229) | (0.0188) | (0.0165) |
| Sales from domestic market in 2014 (%) | -0.0008\*\* | -0.0008\*\* | -0.0036\*\*\* | -0.0035\*\*\* |
|  | (0.0003) | (0.0003) | (0.0013) | (0.0013) |
| Dummy for export experiences | 0.1505 | 0.1545 | 0.0179 | 0.0084 |
|  | (0.1077) | (0.1070) | (0.0507) | (0.0580) |
| Dummy for export in 2014 | -0.3173\*\*\* | -0.3209\*\*\* | -0.4809\*\*\* | -0.4723\*\*\* |
|  | (0.1178) | (0.1169) | (0.1362) | (0.1466) |
| Observations | 246 | 246 | 246 | 246 |
| R-squared | 0.213 | 0.201 | 0.245 | 0.220 |
| H0: total effect of participation in seminars with e-customs class = 0 (*p* value) |  | 0.6564 |  | 0.7900 |

Notes: This table presents results from 2SLS estimations. Clustered robust standard errors in parentheses. \*, \*\*, and \*\*\* signify statistical significance at the 10-, 5-, and 1-percent levels, respectively.

Table 8. Propensity Score Matching Estimation

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|  | Index for preparation for exporting activity | Dummy for accessing  e-customs website | Dummy for willingness to export  (1st differenced) | Index of perception of difficulty of export procedures | Dummy for perception of customs as obstacle  (1st differenced) | Dummy for engaging in  direct export  (1st differenced) | Dummy for engaging in indirect export (1st differenced) |
| Dummy for participation in any seminar | 0.0631 | 0.0565 | -0.162 | 0.0418 | 0.0385 | -0.00320 | -0.0508 |
|  | (0.0530) | (0.0729) | (0.140) | (0.0461) | (0.0613) | (0.0408) | (0.0578) |

Notes: This table presents the results from propensity score matching estimations. Bootstrap standard errors are quoted in parentheses. \*, \*\*, and \*\*\* signify significance at the 10-, 5-, and 1-percent levels, respectively.

Table 9. Estimation of Information Spillovers

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|  | Index for preparation for exporting activity | Dummy for accessing  e-customs website | Dummy for willingness to export  (1st differenced) | Index of perception of difficulties of export procedures | Dummy for perception of customs as obstacle  (1st differenced) | Dummy for engaging in  direct export  (1st differenced) | Dummy for engaging in indirect export (1st differenced) |
| Dummy for participation in any seminar | -0.2185\*\*\* | -0.2253\*\*\* | 0.3591 | 0.1162 | -0.1328 | 0.1010 | -0.1340 |
|  | (0.0822) | (0.0594) | (0.3520) | (0.1012) | (0.1216) | (0.0878) | (0.1912) |
| Dummy for participation in e-customs class | 0.2698\*\*\* | 0.3106\* | -0.4311 | -0.0505 | 0.2170 | -0.0298 | 0.2326 |
|  | (0.0710) | (0.1614) | (0.4584) | (0.1528) | (0.2386) | (0.1264) | (0.2403) |
| Number of participating partners | -0.0238 | -0.0171 | -0.0450 | 0.0672\*\*\* | 0.0934 | 0.0489\*\* | 0.0696 |
|  | (0.0392) | (0.0525) | (0.1631) | (0.0257) | (0.1133) | (0.0243) | (0.0430) |
| Observations | 244 | 244 | 244 | 148 | 172 | 244 | 244 |

Notes: This table presents results from 2SLS estimations. Clustered robust standard errors are quoted in parentheses. \*, \*\*, and \*\*\* signify statistical significance at the 10-, 5-, and 1-percent levels, respectively. The F statistics of the excluded instruments from the first-stage regression are 8.29, 5.65, and 5.26.

Table 10. Heterogeneous Effects across Firms

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|  | Dummy for willingness to export  (1st differenced) | | Dummy for perception of customs as obstacle  (1st differenced) | | Dummy for engaging in direct export  (1st differenced) | | Dummy for engaging in indirect export (1st differenced) | | Dummy for preference for direct over indirect export | |
| Participation dummy | -0.1885 | 0.0237 | -0.1021 | 0.0497 | -0.0182 | -0.0313 | -0.2125\* | -0.0230 | -0.4011 | -0.1169 |
|  | (0.3942) | (0.3836) | (0.1846) | (0.1658) | (0.0580) | (0.0594) | (0.1277) | (0.0856) | (0.3625) | (0.3261) |
| Participation dummy | 0.1867\*\* |  | 0.0924\* |  | 0.0384\*\*\* |  | 0.0860 |  | 0.3245\*\*\* |  |
| \* number of subcontractors (log) | (0.0949) |  | (0.0513) |  | (0.0140) |  | (0.0666) |  | (0.1202) |  |
| Participation dummy |  | 0.3401 |  | -0.0348 |  | 0.2580\*\* |  | -0.1478\*\* |  | 0.8719\* |
| \* dummy for export experiences |  | (0.4551) |  | (0.1901) |  | (0.1282) |  | (0.0720) |  | (0.4997) |
| Wald statistic (*p* value) |  |  |  |  |  |  |  |  |  |  |
| H0: Total effect for average firms is 0. | 0.841 |  | 0.859 |  | 0.527 |  | 0.174 |  | 0.858 |  |
| H0: Total effect for top 10% firms is 0. | 0.0919 |  | 0.0193 |  | 0.0354 |  | 0.459 |  | 2.26e-05 |  |
| H0: Total effect for firms with export experience is 0. |  | 0.259 |  | 0.915 |  | 0.0271 |  | 0.162 |  | 0.00281 |
| Observations | 246 | 246 | 174 | 174 | 246 | 246 | 246 | 246 | 246 | 246 |
| R-squared | 0.053 | 0.057 | 0.026 | 0.056 | 0.201 | 0.130 | 0.234 | 0.229 | -0.029 | 0.035 |

Notes: This table presents results from 2SLS estimations. Clustered robust standard errors are quoted in parentheses. \*, \*\*, and \*\*\* signify the statistical significance at the 10-, 5-, and 1-percent levels, respectively.

1. \* This study was conducted as part of a project titled ‘Empirical Analysis on Determinants and Impacts of Formation of Firm Networks,’ which was undertaken at the Research Institute of Economy, Trade, and Industry (RIETI). Financial support from JSPS Kakenhi Grants (Nos. 25101003 and 26245037) and Waseda University is gratefully acknowledged. The authors also thank Andrew Bernard, Emily Blanchard, Masahisa Fujita, Beata Javorcik, Fukunari Kimura, Kozo Kiyota, Yong Suk Lee, Tuan Anh Luong, Masayuki Morikawa, Marc Muendler, Jacob Munch, Kentaro Nakajima, Aya Suzuki, Frederic Warzynski, Makoto Yano, and the seminar participants at Keio University, RIETI, Waseda University, Empirical Investigations in Trade and Investment 2016 at Hanoi, the Hayami Conference, and the 2016 spring meetings of the Japan Society of International Economics for their helpful comments. The opinions expressed and arguments employed in this paper are the sole responsibility of the authors and do not necessarily reflect those of RIETI, Waseda University, the University of Tokyo, or any institution with which the authors are affiliated. [↑](#footnote-ref-1)
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6. When we exclude these two large firms from our sample, our benchmark results did not change. [↑](#footnote-ref-6)