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Comment on Soap Operas, Trust and Financial Inclusion: Experimental Evidence from Peruvian Rural areas

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Summary

This paper studies the effects of the offer to attend soap opera viewing sessions with specific pro-savings content and aspirational role models, on CCT-female beneficiaries' knowledge about and attitudes towards savings, female empowerment and savings behavior.

To this aim, the authors design a 3-armed RCT in 150 rural villages in one department in Peru, and survey 2,273 women at follow-up. They also merge CCT-beneficiaries to BN accounts for all eligible women, to assesses intent-to-treat effects.

Results

The authors report:

1. Significant positive changes on pro-saving attitudes and better understanding of the precautionary motive for saving that is sustained over a long period.
2. Significant positive effects on bank account balances but only in periods with higher income than average due to harvest season.
3. Positive and statistically significant effects on reported trust in financial institutions and female empowerment.

Interesting contributions of the paper

1. The intervention aims at behavioral changes by carefully thinking about the context, the characteristics of beneficiaries, how to relate to their aspirational models in a credible way and a culturally appropriate design (effectiveness of public policy).
2. It seeks synergies with other social programs (CCT + financial inclusion programs) to: potentiate impacts and take cost-effectiveness and scalability into consideration..
3. The intervention intertwines (builds on) with social capital and community-solidarity issues which are quite relevant in certain vulnerable populations.
4. Can use objective measures of financial behavior changes.

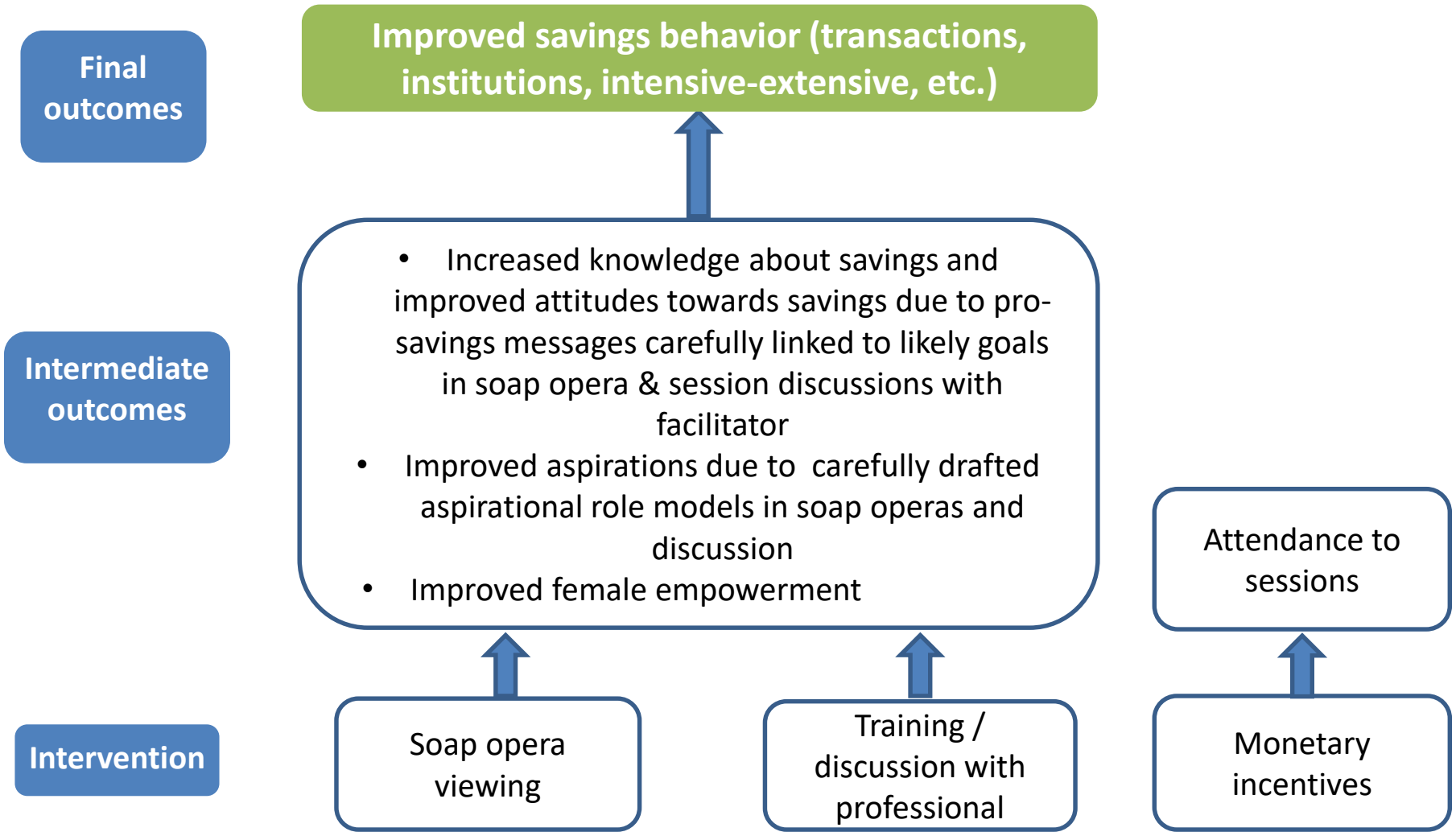
Suggestions and recommendations

1. What exactly is the intervention? What is the counterfactual?
2. What is the theory of change that guides this RCT?
3. How should the hypotheses be stated and results interpreted?
4. Cost-effectiveness & scalability issues
5. Methodological issues

The intervention and counterfactual

- The intervention is described in different ways throughout the text:
  - Use of soap operas
  - A soap opera […] close to the reality of the targeted audience […] and with clear pro-saving message
  - Having been invited to watch [a soap opera]
- However, the intervention might be more appropriately described as a *training session on pro-saving themes that uses the soap opera as a visual aid* (page 9). The training component of the session facilitated by trained professionals seems to be crucial. But the text does not emphasize it.
- Counterfactual: It seems that the control does not receive anything. However, the paper does not fully clarify this. Is this session in the treatment group substituting "business-as usual" CCT training sessions (page 9, footnote 13)? Could possibly compare attendance to the intervention sessions and typical CCT training sessions?

Theory of Change



Hypotheses and Interpretations

1. Should be grounded on an explicit TOC.
2. Should clearly state intermediate outcomes, final outcomes and potential mediators in line with TOC.
3. Avoid ambiguity in the interpretation of estimates. For example:
    - The impacts of *Josefa* on [….] are […]. *Ambiguous*
    - The impacts of having been offered a viewing session of *Josefa* and a discussion session after the viewing on […]. *Not ambiguous*.
4. Results, tables and text should clarify this as ITT (not necessarily same as ATE). Why TOT not presented? Could even look into duration of exposure (# or sessions attended).

Cost-effectiveness and scalability

1. It would be useful to report the cost of the intervention. And ideal to have something to say about cost-effectiveness. How does it compare to other financial inclusion initiatives?

2. Scalability:

   - The design takes advantage of the CCT-program's infrastructure and local human resources (good!). But how replicable /scalable is it?
   - How different is the training sessions with respect to trainings in the "business as usual" CCT model? (duration, format, facilitator,…)
   - Why couldn't the *madre lider* or *gestor* be trained? Is a professional facilitator required?
   - Could the training required to deliver the sessions be scalable?
   - Focusing on the soap opera only might be misleading in this sense.

Methodological issues

1. 3-arm RCT designed but 2-arm RCT used. It seems as if treatment # 2 did use the incentives but in a way that is different from original protocol. But still different from treatment # 1.
2. Power calculations not shown.
3. The methodological description discusses the OLS estimates presented in tables but not the FE which are ultimately the ones interpreted and stated in the conclusions (mainly). FE= village FE? Not clear.
4. Gestor= village? Why are *gestor* FE crucial in the specification? Not clear from intervention description.
5. Multiple hypotheses testing might need to be used in addition to Kling et al. summary indices. Particularly in quarter-by-quarter saving balances.
6. Re-randomization until sample balanced is usually not desirable
7. Show that subsample surveyed is not systematically different from universe.