

Reducing Information Barriers to Solar Adoption: Experimental Evidence from India*

Meera Mahadevan[†] Robyn Meeks[‡] Takashi Yamano[§]

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Abstract

Off-grid solar technologies hold promise for unelectrified and low-quality electricity settings; however, their adoption remains low. Important barriers to adoption, such as incomplete information remain relatively unexplored in developing countries. In collaboration with a solar company, a randomized experiment was implemented in three Indian states to test whether alleviating information asymmetries between sales agents and potential customers improved predictors and other indicators of adoption of solar rooftop systems. The company's sales agents were randomly assigned to receive a tablet consisting of an application designed to ensure potential customers received accurate information on the solar products during the sales process. Post-treatment, prospective customers approached by the treated sales agents report greater knowledge of the solar products and a better impression of sales agents' product knowledge and professionalism. The treatment significantly increased potential customers' intent-to-adopt, a stated preference measure, by 15%. Actual adoption did not significantly increase, likely due to the additional income and credit constraints imposed due to the COVID-19 pandemic.

Keywords: Solar, energy, technology adoption, information, development

JEL Codes: C93, D8, O1, O13, Q56

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[†]Department of Economics, University of California, Irvine. Email: meera.m@uci.edu.

[‡]Sanford School of Public Policy, Duke University. Email: robyn.meeks@duke.edu.

[§]Asian Development Bank. Email: tyamano@adb.org

1 Introduction

Worldwide, around 840 million people lack electricity access and another 1 billion are connected to unreliable grids that provide poor quality services with frequent outages and voltage fluctuations (World Bank, 2020). Off-grid solar technologies, which are less polluting than electricity generated via burning fossil-fuels, can serve as a stopgap by either providing electricity services until the grid is extended or by smoothing consumption of electricity until quality improves (Sharma et al., 2020). The latter is particularly relevant in South Asia, where unreliable electricity service is widespread (Pargal and Banerjee, 2014) resulting in more power outages than any other region of the world (Zhang, 2019).

The adoption of off-grid solar, however, remains low. Studies have examined barriers to take-up among low-income households, including low willingness-to-pay relative to prices (Burgess et al., 2020; Grimm et al., 2020; Rom and Günther, 2019; Sievert and Steinbuks, 2020), liquidity constraints (Grimm et al., 2020), and preferences either for the centralized grid broadly (Burgess et al., 2020) or specific appliances that are more feasibly powered by the grid (Lee et al., 2016). A number of other factors, however, likely also impact adoption and require further study (Girardeau et al., 2021). For example, industry reports indicate that incomplete information on solar products and their suitability for different appliances drives low adoption among middle-income households and small firms (Chaudhary, 2018; Trivedi et al., 2017). Although research has shown that information interventions increase the adoption of other environmental technologies (and with more lasting impacts on adoption than credit interventions) (see, e.g., Aker and Jack, 2021), such interventions in the context of solar products remain understudied.

Through a randomized experiment with an Indian solar rooftop company, we study the role of information in off-grid solar adoption within the Indian states of Bihar, Uttar Pradesh, and Odisha. Prior to the experiment, the solar company highlighted information constraints as a barrier to adoption. Ex-ante, access to credit did not appear to be the main constraint

slowing adoption in this context, as the solar company already provided financing options via a pay-as-you-go model prior to the experiment.¹ Additionally, this company relies on sales agents to sell their solar products; a business model common in developing countries (Ashraf et al., 2013), yet vulnerable to information asymmetries between sales agents and potential customers. Sales agents may use potential customers’ incomplete information to their advantage by either over-promising on the capacity of a particular solar product or upselling solar products, a finding confirmed by a pre-experiment survey of past purchasers (Sambodhi Research, 2018).

The study tests whether an algorithmic mobile application – designed to reduce information asymmetries between sales agents and prospective customers, loaded onto electronic tablets, and used during the sales process – improved consumer knowledge of these solar products and their returns, thereby increasing adoption. The randomized experiment builds upon the company’s existing sales structure, in which a single sales agent was assigned to a census block as their sales territory. The intervention proceeded as follows: within the solar company’s sales regions, 74 census blocks were randomly assigned to either treatment or control status. Sales agents operating in treated census blocks were equipped with a tablet containing a mobile interface (the “treatment app”) which was employed during the initial sales visit to collect information about the potential customer (e.g., ability to pay and electricity needs). Information on the most suitable solar product, including details of the appliances feasibly-powered by the product and a product image, were provided. Control group sales agents also used an electronic tablet, but theirs contained only a standard version of the product catalogue without the information guide designed to ensure complete and correct information would be delivered.

Our analyses use the solar company’s data on sales agents, the census blocks to which they are assigned, and their historical sales records, all of which are complemented by baseline

¹A pay-as-you-go model allows customers to make a down payment on the product, followed by regular payments (e.g. monthly) until the cost of the technology is repaid in full (World Bank, 2020).

and follow-up surveys. Surveys were implemented by phone due to the government’s COVID-19 lockdowns and were therefore brief. Nevertheless, the surveys collected data on customers’ (whether they were households or firms) characteristics, their experiences with electricity and solar products, their knowledge of the solar products, and impressions of the sales’ agents knowledge and professionalism. In total, 2,246 existing solar company customers were surveyed for the baseline in June 2020 and 2,328 potential customers (those approached by both the treated and control sales agents) were surveyed for the follow-up during October and November 2020.

We find three main results. First, potential customers approached by sales agents in the treatment group were significantly better informed about their purchase options relative to those in the control group. Second, the tool led to a perceived higher level of sales agents’ professionalism and product knowledge. These effects occur despite the control sales agents also utilizing tablets in the sales process. Third, the information treatment led to increases in two indicators of demand for solar. Potential customers in the treatment group report a strong interest in adopting solar home systems that is 6 percentage points higher than the control group. Given multiple visits from a sales agent are typically required prior to a purchase, a reported plan to adopt solar in the near future is a strong predictor of later purchases (in a pre-experiment survey, 46% of consumers who showed an interest in the product went on to purchase it ([Sambodhi Research, 2018](#))).² Further, we find only a 1 percentage point increase in actual adoption, which is statistically insignificant, among the treatment group.

By focusing on lower-middle and middle-income households, the study provides insights on a relatively understudied, yet important, demographic group. The global middle class is expected to play a substantial role in driving the purchases of energy-using assets ([Gertler et al., 2016](#)) and government policies ([Government of India, 2018](#)). Further, this consumer

²The COVID lockdown and resulting income constraints likely lengthened the average time between the first sales pitch and the purchase.

demographic may use solar home-systems explicitly for smoothing consumption of electricity services, not only as a substitute for grid electricity.

With the treatment intended to affect potential consumers' information on the returns to solar adoption, our study contributes to both an extensive literature on the microeconomics of technology adoption (see e.g., [Foster and Rosenzweig, 2010](#)), as well as the role of information on the returns to investments, such as schooling ([Jensen, 2010](#)). In examples specific to energy, high-frequency information on residential electricity usage has been shown to affect consumer price elasticity ([Jessoe and Rapson, 2014](#)) and simple information campaigns can impact clean fuel adoption ([Afridi et al., 2021](#)). Further, like the digital tool utilized in this intervention, other digital technologies have provided important information channels to a variety of small businesses, such as in the fisheries ([Jensen, 2007](#)) and agricultural sectors ([Fabregas et al., 2019](#)).

Additionally, this study contributes to our understanding of the barriers to solar adoption in developing countries. By exploring information constraints, this study complements existing evidence on the low take-up of decentralized solar ([Burgess et al., 2020](#); [Lee et al., 2016](#)). We do not detect a large effect on solar adoption (although we cannot rule out an effect), but we do observe a large increase in intent to adopt. While the drop-off in actual adoption may be explained by the pandemic-related lockdown, credit barriers may remain a significant deterrent.

The paper proceeds as follows: Section 2 provides some background to electrification in India, and the market for solar home products. Section 3 describes the intervention and data collected, while Section 4 presents results. Section 5 concludes.

2 Background

In this section, we provide background on the electricity sector in India, specifically gaps in electrification and reliable service delivery, which provide a role for off-grid solar to fill. We then provide a framework for conceptualizing the barriers to solar adoption in the study context.

2.1 Electrification in India

Official government sources characterize all three states in our study as having 100% electrification (Ministry of Power, India); however, large numbers from our study sample report having no connection to the national grid.³ Those who are grid connected often face unreliable power supplies. More than 40% of the surveyed subjects report outages of at least 3 hours in the summer. Additionally, 13% of the sample report being dissatisfied (or very dissatisfied) with the reliability of the grid’s power supply. In such settings, off-grid sources of electricity, such as rooftop solar, can fill a gap by smoothing consumption during grid outages.

The Government of India set a target of 40 GW to be achieved through the deployment of decentralized rooftop systems, particularly in rural areas (Government of India, 2015). As of 2018, only 14% of the total solar installed was from these rooftop systems (Gulia and Garg, 2020). Since then, uptake of solar has remained relatively low. A number of private actors have entered the market to independently supply households and businesses with decentralized off-grid solar; our partner firm is one such company.

2.2 Conceptual Framework: Barriers to Solar Adoption

Prior to the information intervention, the partner solar company had addressed credit barriers to adoption by implementing a pay-as-you-go purchase model. Through prior consumer

³In Bihar and Uttar Pradesh a portion of our study sample – 9% and 13%, respectively – report not being connected to the electricity grid. At 1%, the portion in Odisha is much smaller.

segmentation surveys and customer interviews, the solar company determined that limited information on the returns to rooftop solar – and the potential for sales agents to use these information asymmetries to their advantage – remained a substantial barrier to adoption.

There are both financial and non-financial returns to adopting the solar rooftop system. A lot of these returns depend on the number and type of appliances that can be powered by the solar product, as that determines the types of services potentially consumed. Examples of services consumed include lighting, cooking (kettles, electric cookers), cooling (fans), and entertainment (televisions, radios).⁴ Solar products vary in the extent to which they may power these appliances. When faced with the purchase of a solar rooftop system, potential consumers may have incomplete information as to which of these services can be powered by different solar products. Additionally, potential customers may not be aware that a rooftop solar panel in conjunction with a battery could smooth their electricity consumption when a grid outage occurs. As a result, potential consumers may lack sufficient information to invest in a solar product that provides power sufficient for their homes' needs.

With incomplete information, the returns to the solar technology may be uncertain to potential buyers even after interacting with a sales agent. The sales agents may provide accurate information, yet the potential customer may not trust or believe the information provided by them. Alternatively, the sales agent may provide incorrect information due to their own misunderstanding or due to incentives to either upsell to a more expensive solar product beyond the potential customers' needs or to overstates the services feasibly provided by a given solar product.

3 Randomized Experiment with Sales Agents

In the sub-sections that follow, we explain the randomized experiment that was designed to address information constraints, detail the data collection processes, and provide results of

⁴Non-financial returns include e.g. improved social status in one's community from adopting the solar technology

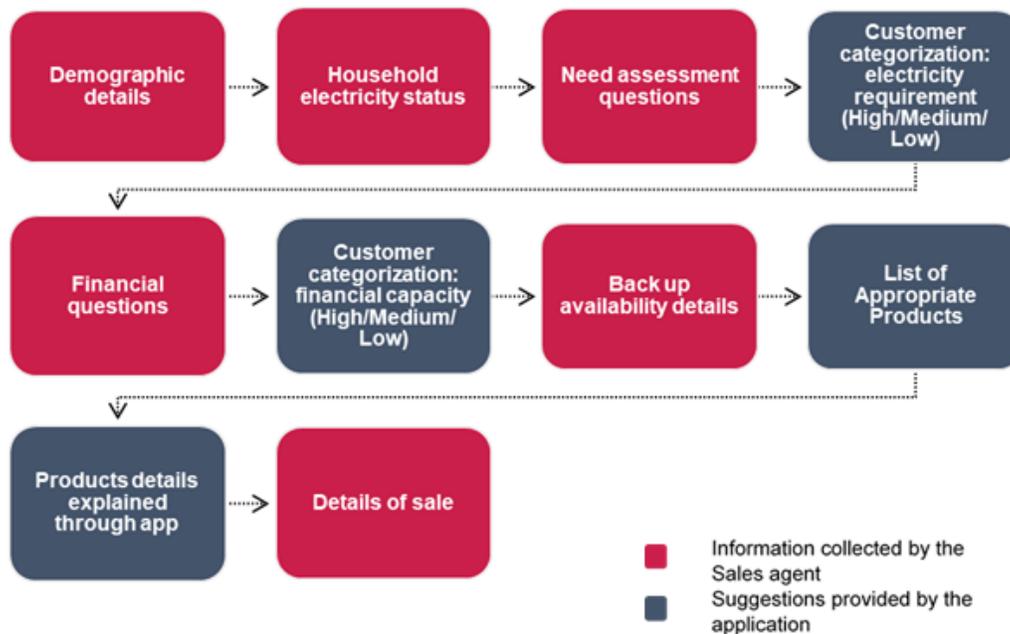
balance tests using those data.

3.1 Intervention and Experimental Design

In collaboration with the solar company, a mobile application, the Sales Support App (SSA or simply, app), was developed using past sales data and pre-experiment surveys of prior customers. The aim of this app was two-fold: first, to provide consumers with accurate information on the solar products and how they each meet different energy needs and, second, to build customers' confidence in the information provided by the sales agent.

The app and the tablets are relatively low cost and simple for sales agents to use. The app guides sales agents through a questionnaire to collect information from consumers, after which they are presented with images and information on appropriate solar products. This process of both collecting and providing information is detailed in Figure 1.

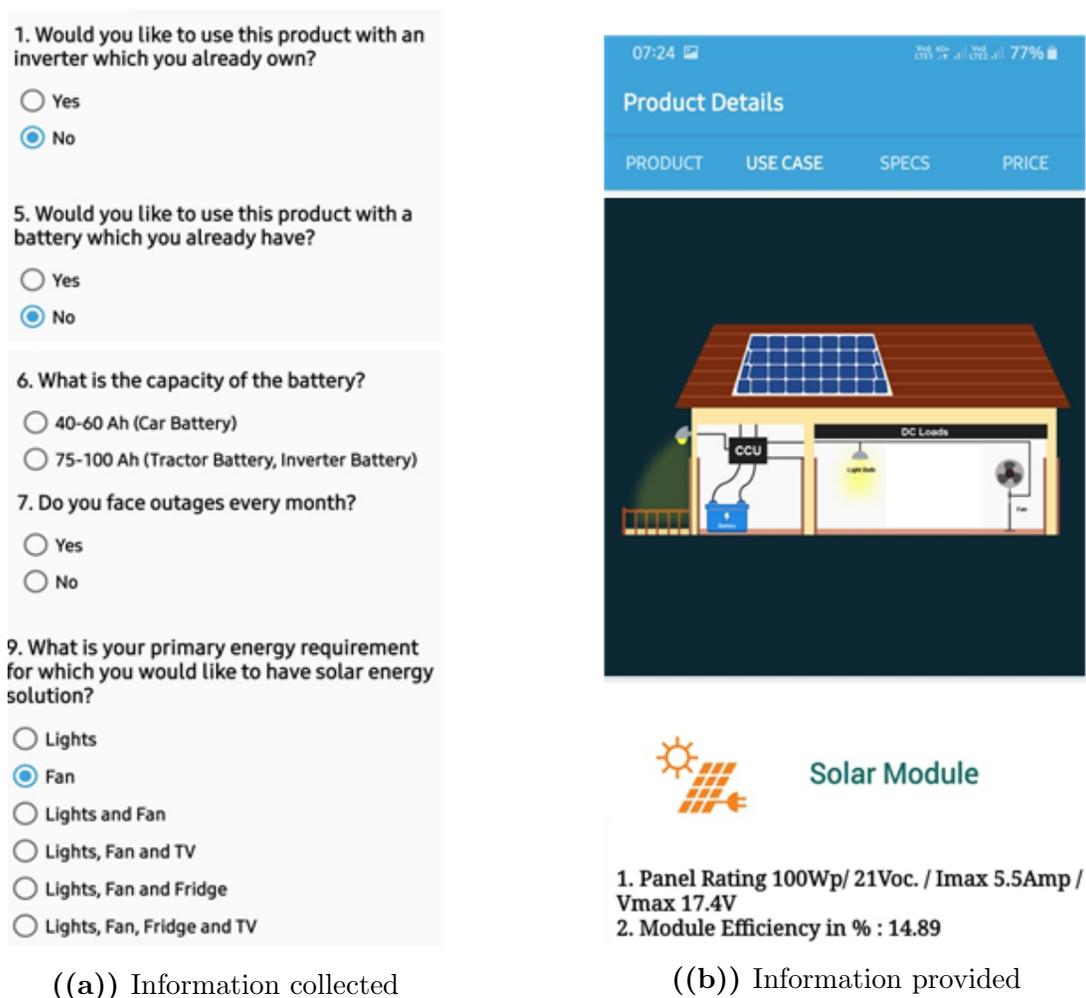
Figure 1: Description of data collection with app



Note: The flowchart above describes how the app guides the interaction between the sales agent and the customer. After collecting bits of information, the app makes various recommendations on how to categorize the consumer in terms of their electricity usage, financial capabilities and finally a list of appropriate products with their details.

Further, images of application screen examples through which either information is collected or provision are also shown in Figures 2(b) and 2(a), respectively.

Figure 2: Examples of information collected and provided by the mobile application



Note: These images are screenshots from the mobile app. The left panel shows the kinds of questions that sales agents ask of respondents, while the right hand side panel is an example of a recommendation made by the app

The intervention was designed to isolate the effect of information. First, in order to avoid conflating the treatment app’s impact with the potential prestige of having a tablet, a parallel control app, with only the old basic product catalog, was also developed and loaded onto tablets for sales agents in the control group to use. Second, in order to avoid the treatment sales agents targeting systematically different potential customers, both treatment and control sales agents continued to follow the company’s sales model that was in place

long before the intervention, approaching potential customers from a list generated by the company’s network of local village contacts (called an “urja mitra”).

The randomized experiment was implemented in 25 districts across the three states of Bihar, Odisha, and Uttar Pradesh (shown in Appendix Figure A.1). Within these states, the 74 census blocks in which the company was operating were randomly assigned to treatment and control groups. The sales agents operating in treatment group census blocks received a tablet with the SSA and the training required to use it. The sales agents operating in control group census blocks were provided access to the Control app and were trained separately.

The training of sales agents began in February 2020, with interruptions due to India’s rapidly developing COVID-19 travel restrictions. Lock-downs affecting company staff movement both interrupted training and decreased the number of potential customers that the sales agents could approach, thereby reducing our study sample. This was particularly the case in Bihar and Uttar Pradesh, where lockdown restrictions were more strict than Odisha. Although the app was designed for sales agents to approach consumers in person, in a few cases, due to lockdown restrictions, the first approach was by phone. This was possible given the customer contact lists generated locally by the urja mitras.

3.2 Data

There are three sources of data used for the analyses in this paper: data collected from the solar company, those available via the 2011 Indian Population Census, and those collected through our baseline and follow-up surveys. The solar company’s data included information on sales agents such as their assigned sales territory (census block). The 2011 Indian Population Census data provide baseline information at the census block level, such as the population as well as their educational attainment.

We implement both baseline and follow-up surveys for this study. A baseline survey was

conducted in June 2020 by telephone to assess existing customers’ take-up and satisfaction with both the sales process and the solar product that they had purchased. This survey was conducted with the company’s customers who had bought products prior to the intervention between August 2019 to January 2020. A total of 2246 consumers were surveyed, with 1185 in the subsequent treatment census blocks, and 1061 in the control census blocks, across the states of Uttar Pradesh, Bihar and Odisha.

For the endline, we surveyed customers approached by the treatment and control sales agents following the start of intervention, between February and October 2020. In total, 1539 potential customers were surveyed, comprised of 856 customers from 40 control blocks and 683 potential customers from 34 treatment blocks. The two surveys examined different respondents, creating a stacked panel. The treatment and control block assignments stayed consistent across the surveys and the experiment. The proportion of potential customers surveyed across evaluation groups was similar to the proportion of potential customers approached using the SSA and the Control app. Approximately 73% of the surveyed sample was from the state of Odisha, followed by 15% and 12% from the states of Bihar and Uttar Pradesh, respectively. The distribution of surveys across states was driven by differences in the COVID restrictions across states, which impacts the extent to which sales agents were able to approach potential customers during the study period.

3.3 Baseline Balance Checks

We test for baseline balance across treatment and control census blocks using a combination of data from the baseline and endline surveys and the 2011 Indian Population Census. Table 1 presents these results. We do not find any statistically significant baseline differences between our treatment and control groups. These baseline figures however do provide a sense of the population we are studying. Approximately one-third of our subjects own some form of electricity backup to account for outages, while about three-quarters are connected to the electrical grid. In terms of income, the respondents are not amongst the poorest

populations, with over \$3000 in annual income. Further, the sample is well educated, with over half reporting higher education, while under 1-2% report only primary or below primary education.

Table 1: Balance of characteristics across treatment and control blocks

Panel A: Baseline Survey

Variable	(1) Control	(2) Treatment	(3) Difference
Own backup	0.36 (0.48)	0.39 (0.49)	0.03 (0.11)
Connected to grid	0.79 (0.41)	0.77 (0.42)	-0.02 (0.28)
% of residential customers	0.78 (0.42)	0.80 (0.40)	0.02 (0.18)
% of enterprise customers	0.22 (0.42)	0.20 (0.40)	-0.02 (0.18)
Income (Rs.)	211,450.00 (230,353.52)	229,166.83 (294,800.03)	17,716.83 (0.18)
Correctness of info. from agent	0.87 (0.34)	0.86 (0.34)	-0.00 (0.80)
Happy with purchase	0.87 (0.34)	0.86 (0.35)	-0.01 (0.35)
Buyer understood features	0.73 (0.44)	0.76 (0.43)	0.03 (0.16)
Agent product knowledge	0.89 (0.31)	0.89 (0.31)	-0.00 (0.91)
Observations	1,061	1,185	2,246

Panel B: Population Census

Variable	(1) Control	(2) Treatment	(3) Difference
Share of female pop.	0.49 (0.01)	0.49 (0.01)	0.00 (0.55)
Education: primary or below	0.02 (0.12)	0.01 (0.09)	-0.01 (0.24)
Higher education	0.58 (0.49)	0.60 (0.49)	0.02 (0.36)
Observations	856	683	1,539

Notes: We do not find any economically or statistically significant differences in characteristics of households across treatment and control groups. The above variables are sourced from the baseline and endline surveys, and the last Indian Population Census of 2011 for the relevant blocks. The baseline survey shows results from consumer experiences with sales agents in treatment and control blocks before the use of tables and the treatment application.

4 Analysis and Results

In this section, we present the regression specifications employed, followed by the results.

4.1 Regression Specification

To measure the effect of the treatment on potential customers' perception of agent professionalism and product knowledge, the potential consumers' own knowledge and assessment of the suitability of the product recommendation, and whether they report intending to purchase a solar product or have made any actual purchase in the short-run, we estimate the following regression:

$$Y_{avb} = \beta Treatment_{vb} + \epsilon_{avb}, \quad (1)$$

in which $Treatment_{vb}$ is an indicator variable for potential customer a in village v and block b that equals 1 if the customer is located in a treated census block in which the sales agent was assigned to receive the SSA and equals 0 if located within a control census block. We interpret the coefficient on the treatment variable as an Intent-to-Treat (ITT) estimate, as sales agents may not comply with treatment.

A characteristic of the COVID lockdown in India was restricted movement across villages within blocks. For this reason, there is likely limited correlation between outcomes across villages within a block. Clustering standard errors at the village level, therefore, is a reasonable choice in presenting our regression results, following the discussion in [Abadie et al. \(2017\)](#). Nevertheless, given randomization was at the block level, we also report block level clustered standard errors. In most cases, the results are the same or less than village level clustered estimates.

4.2 Experimental Results

Tables 2 and 3 present the estimated impacts of the informational tool, with the former including impacts on the perceived professionalism of sales agents, their knowledge on solar products, and the knowledge that potential consumers gained from interacting with sales agents. The latter table presents impacts on outcomes such as take-up and intention to adopt the solar products.

We first examine whether the tool indeed decreased information gaps. Table 2 presents the informational tool’s estimated impact on consumer perceptions. We find a significant increase in the perceived knowledge (Column 1) and professionalism (Column 2) of sales agents. Perhaps most importantly, the app led to greater product knowledge among potential customers (Column 3). The treatment, however, did not significantly affect potential customers’ perception regarding the product suitability (Column 4).

Table 2: Impact of intervention on knowledge and perceptions

	(1) Agent product knowledge β / SE	(2) Agent professionalism β / SE	(3) Buyer product knowledge β / SE	(4) Product Suitability β / SE
Treatment	0.027*** (0.008)	0.030*** (0.008)	0.031*** (0.009)	0.017 (0.015)
Constant	0.966*** (0.005)	0.966*** (0.005)	0.955*** (0.006)	0.926*** (0.010)
Observations	1396	1399	1396	1110
SE (Block clustered)	0.006	0.006	0.009	0.018

Notes: This table presents Intent-to-Treat (ITT) results from the main estimating equation of the effect of the informational tool on various outcomes. Standard errors are clustered at the village level. The bottom row also presents standard errors clustered at block the level for the treatment variable. *Significant at 10%, **Significant at 5%, ***Significant at 1%.

Next, Table 3 presents insights as to whether the greater knowledge led to changes in adoption or planned adoption, which are revealed and stated preference measures of demand, respectively. Column 1 indicates that the informational mobile application loaded on the tablet increased take-up or strong interest (pooled together) in buying a solar home-system

Table 3: Impact of informational tool on indicators of adoption

	(1)	(2)	(3)
	Adoption or Interest in Solar	Adoption of Solar	Interest in purchasing after COVID lockdown
	β / SE	β / SE	β / SE
Treatment	0.069** (0.030)	0.010 (0.015)	0.060** (0.029)
Constant	0.487*** (0.020)	0.090*** (0.010)	0.397*** (0.019)
Observations	1539	1539	1539
SE (Block clustered)	0.061	0.021	0.059

Notes: This table presents Intent-to-Treat (ITT) results from the main estimating equation of the effect of the informational tool on various outcomes. Standard errors are clustered at the village level. The bottom row also presents standard errors clustered at block the level for the treatment variable. *Significant at 10%, **Significant at 5%, ***Significant at 1%.

in the near future by almost 7 percentage points over a baseline of 49%. Breaking this apart and analyzing the two measures separately, we find an effect on actual adoption to be only a 1 percentage point or 11% increase that is not statistically significant (Column 2). The treatment did lead to a statistically significant 6 percentage point increase in the probability that a potential customer reports a strong interest in purchasing the solar technology at a later date, after the COVID lockdown ends (Column 3).

We consider this last measure – the intent-to-adopt outcome – to be particularly relevant for our study for multiple reasons. Our pre-intervention studies indicated that 46% of potential customers reporting a strong interest in purchasing a solar product, eventually went on to do so. However, even before 2020, sales agents typically would visit potential customers multiple times before a sale. With COVID-19 reducing incomes in the short-term and related lockdown restrictions limiting movement, it is reasonable that the sales process would take longer than the short-run time period of our study.

Lastly, in an effort to better understand the potential mechanisms through which the impacts occurred, we investigate potential heterogeneous treatment effects. Results are in Table 4. We find no large differences in rates of purchase or intent to purchase the solar products across a number of factors, such as respondents’ own grid connection (Column

1), their ownership of either backup generation sources (Column 2), or across firms versus households (Column 3). However, these figures are suggestive of the fact that the demand for solar is not driven by people who do not have grid access or do not own backup energy sources: in fact, these groups adopt solar to an equal degree. Finally, we find that households and firms also adopt solar products at similar rates.

Table 4: Heterogeneous impact of informational tool on purchase decision or interest in future purchase (ITT Results)

	Purchase/Intent (1) Heterogeneity 1=Grid Connection 0=No β / SE	Purchase/Intent (2) Heterogeneity 1=Own backup 0=No β / SE	Purchase/Intent (3) Heterogeneity 1=Household 0=Firm β / SE
Treatment	0.067 (0.141)	0.063* (0.034)	0.002 (0.088)
Treat X Heterogeneity	0.004 (0.143)	0.011 (0.053)	0.067 (0.090)
Heterogeneity	-0.118 (0.084)	0.032 (0.037)	0.072 (0.055)
Constant	0.600*** (0.083)	0.474*** (0.022)	0.426*** (0.054)
R^2	0.01	0.01	0.01
Observations	1528	1528	1539

Notes: This table presents Intent-to-Treat (ITT) results from the main estimating equation of the effect of the informational tool on various outcomes. Standard errors are clustered at the village level. The bottom row also presents standard errors clustered at block the level for the treatment variable. *Significant at 10%, **Significant at 5%, ***Significant at 1%.

4.3 Discussion

To better understand the gap between the stated and revealed preference measures, we analyze responses to a survey question asking potential customers for reasons as to why they had not adopted yet adopted the solar rooftop system. Results are presented in Table 5. We find that 68% of households are reporting financial constraints, either inability to afford the payment (18%) or general lack of funds (49%) as the main reason that they have not adopted a rooftop solar product. Only 22% of respondents report that the solar products

offered do not fit their preferences or meet their energy needs. Another 6% of respondents report that electricity or these products are not a priority or are not expected to provide them with much value.

Table 5: Why did respondents not adopt solar rooftop systems?

	Proportion of respondents
Financial constraints	
Cannot afford the payment	0.18
Do not have the funds currently	0.49
Different preferences or needs	
Products do not meet my energy requirement	0.03
I want to run heavier equipment like refrigerator, cooler, TV	0.01
Other company has cheaper solar products	0.02
Prefer other electricity back up sources	0.16
Low priority or value	
None of these products add any incremental value to my life	0.04
Expenditure on electricity is not a priority	0.02
Other	0.06
Observations	1393

Notes: This table presents descriptive evidence from the endline survey conducted on respondents from both the control and treatment groups in our sample.

We interpret the persistence of financial constraints reported in these results and the difference between the stated intent-to-purchase measure and the actual purchase numbers is likely the result of the COVID-19 shock on labor mobility and income in the study regions. The COVID-19 induced lockdown severely affected mobility across states and villages. Millions of the workforce were rendered unemployed due to the halting of infrastructure and manufacturing activities leading to unavailability of both skilled and unskilled jobs, closure of shops and services and disruptions in the supply chain. Approximately 85% of the solar company’s customers surveyed reported a fall in their incomes. Almost 70% of customers report a loss of 50% or more due to the COVID-19 induced restrictions. These dramatic declines were exacerbated for firms and enterprises with 93-96% of enterprise customers reported decreases in income.

5 Conclusion

We contribute to a burgeoning literature studying the demand for off-grid energy in developing countries that are either without universal grid access or where electricity service quality is poor. In India, as well as other countries, solar mini-grids and home-systems are touted for their potential to address energy gaps. But, adoption of these technologies remains low.

We investigate the potential to alleviate information constraints, which may be one of the large barriers to solar adoption. To some extent, alleviating the information constraints showed promise. The greater perceived degree of professionalism and knowledge of the treated sales agents, relative to the control agents, matters for the adoption of this technology. Additionally, by presenting a set of products customized to the household's energy needs, the app improved the potential customer perception of the sales agents themselves, and by extension, the products.

We find that relaxing such constraints increases intent-to-adopt, our stated preference measure of demand. It is possible that such an information intervention could also increase actual purchases. We did not find significant effects on this revealed preference measure during the short-run period of our study; however, given the number of sales visits and length of time typically required for purchases of roof-top solar to be completed, it is quite plausible that sales are impacted in the longer-run. Further, this difference between our stated and revealed preference measures also may be indicative that income and credit constraints remain a main barrier to solar adoption, particularly as the COVID-19 pandemic continued to interrupt labor mobility and earnings.

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A Appendix

A.1 Map of Study Area: Uttar Pradesh, Bihar and Odisha



Note: The above map shows the three states, as well as districts covered by our study area.