Motivation
○○

Setting and design
○○○

Results
○○○

Model
○○

Benefit-cost
○

Conclusion
○

FINANCE AND MUTUALITY: EXPERIMENTAL EVIDENCE ON CREDIT WITH PERFORMANCE-CONTINGENT REPAYMENT

FRANCESCO CORDARO (EOM)
MARCEL FAFCHAMPS (STANFORD)
COLIN MAYER (OXFORD)
MUHAMMAD MEKI (OXFORD)
SIMON QUINN (IMPERIAL)
KATE ROLL (UCL)

AEA 2025 San Francisco
Empirical Development Economics

MULTINATIONALS AND THEIR MICRO-DISTRIBUTORS

Multinational firms increasingly use **'route-to-market'** programmes in LMICs, relying on micro-distributors to reach remote and informal markets.

Micro-distributors operate at the firm's **periphery**, but are heavily reliant on the multinational for their income.

Can a multinational facilitate the financing of a productive asset within its supply chain, to the advantage of itself and its distributors?

MULTINATIONALS AND THEIR MICRO-DISTRIBUTORS

Multinational firms increasingly use **'route-to-market'** programmes in LMICs, relying on micro-distributors to reach remote and informal markets.

Micro-distributors operate at the firm's **periphery**, but are heavily reliant on the multinational for their income.

Can a multinational facilitate the financing of a productive asset within its supply chain, to the advantage of itself and its distributors?

MULTINATIONALS AND THEIR MICRO-DISTRIBUTORS

Multinational firms increasingly use **'route-to-market'** programmes in LMICs, relying on micro-distributors to reach remote and informal markets.

Micro-distributors operate at the firm's **periphery**, but are heavily reliant on the multinational for their income.

Can a multinational facilitate the financing of a productive asset within its supply chain, to the advantage of itself and its distributors?

SUPPLY CHAINS AND INNOVATIVE PRODUCTIVE ASSET FINANCING

There is relatively little empirical economic literature on **supply chain financing** in developing countries. Several studies highlight strong **theoretical justifications** for suppliers acting as financial intermediaries. (Supply chain literature)

Fixed asset investments offer **high returns, but increased risk**. We explore whether large firms can use performance-contingent financing — enabled by **FinTech** — to better share risks in productive asset financing. (Microfinance literature)

SUPPLY CHAINS AND INNOVATIVE PRODUCTIVE ASSET FINANCING

There is relatively little empirical economic literature on **supply chain financing** in developing countries. Several studies highlight strong **theoretical justifications** for suppliers acting as financial intermediaries. `Supply chain literature`

Fixed asset investments offer **high returns, but increased risk**. We explore whether large firms can use performance-contingent financing — enabled by **FinTech** — to better share risks in productive asset financing. `Microfinance literature`

A FIELD EXPERIMENT WITH A LARGE FOOD MULTINATIONAL

An ideal setting for testing equity-like financing: (i) **high expected return** on a specific investment, (ii) **homogeneous good** with predictable mark-up, (iii) **administrative data** on purchases to calculate performance-based payments.

We collaborate with one of the world's largest food manufacturers, addressing **credit constraints** among micro-distributors transporting stock on foot.

FoodCo doesn't engage in financing activities; given the organizational constraints, we encouraged a collaboration with a local MFI.

Motivation
○○

Setting and design
●○○

Results
○○○

Model
○○

Benefit-cost
○

Conclusion
○

A FIELD EXPERIMENT WITH A LARGE FOOD MULTINATIONAL

An ideal setting for testing equity-like financing: (i) **high expected return** on a specific investment, (ii) **homogeneous good** with predictable mark-up, (iii) **administrative data** on purchases to calculate performance-based payments.

We collaborate with one of the world's largest food manufacturers, addressing **credit constraints** among micro-distributors transporting stock on foot. (Background)

FoodCo doesn't engage in financing activities; given the organizational constraints, we encouraged a collaboration with a local MFI.

A FIELD EXPERIMENT WITH A LARGE FOOD MULTINATIONAL

An ideal setting for testing equity-like financing: (i) **high expected return** on a specific investment, (ii) **homogeneous good** with predictable mark-up, (iii) **administrative data** on purchases to calculate performance-based payments.

We collaborate with one of the world's largest food manufacturers, addressing **credit constraints** among micro-distributors transporting stock on foot. Background

FoodCo doesn't engage in financing activities; given the organizational constraints, we encouraged a collaboration with a local MFI.

FOUR ASSET FINANCING CONTRACTS WERE RANDOMLY OFFERED

1. **Debt**: Fixed flat monthly repayments (annual interest rate = 15%).

2. **RevShare**: Half the liability of **Debt**, plus 10% of gross profit.

3. **IndexShare**: Payments based on the performance of **other** clients.

4. **Hybrid**: Similar to **RevShare**, until total payments match **Debt**.

For the **control group**, it was '**business as usual**' and no contract offer.

Baseline data   Randomization details

FOUR ASSET FINANCING CONTRACTS WERE RANDOMLY OFFERED

1. **Debt**: Fixed flat monthly repayments (annual interest rate = 15%).

2. **RevShare**: Half the liability of **Debt**, plus 10% of gross profit.

3. **IndexShare**: Payments based on the performance of **other** clients.

4. **Hybrid**: Similar to **RevShare**, until total payments match **Debt**.

For the **control group**, it was '**business as usual**' and no contract offer.

Baseline data   Randomization details

FOUR ASSET FINANCING CONTRACTS WERE RANDOMLY OFFERED

1. **Debt**: Fixed flat monthly repayments (annual interest rate = 15%).

2. **RevShare**: Half the liability of **Debt**, plus 10% of gross profit.

3. **IndexShare**: Payments based on the performance of **other** clients.

4. **Hybrid**: Similar to **RevShare**, until total payments match **Debt**.

For the **control group**, it was '**business as usual**' and no contract offer.

Baseline data   Randomization details

Motivation
○○

Setting and design
○●○

Results
○○○

Model
○○

Benefit-cost
○

Conclusion
○

FOUR ASSET FINANCING CONTRACTS WERE RANDOMLY OFFERED

1. **Debt**: Fixed flat monthly repayments (annual interest rate = 15%).

2. **RevShare**: Half the liability of **Debt**, plus 10% of gross profit.

3. **IndexShare**: Payments based on the performance of **other** clients.

4. **Hybrid**: Similar to **RevShare**, until total payments match **Debt**.

For the **control group**, it was '**business as usual**' and no contract offer.

Baseline data   Randomization details

FOUR ASSET FINANCING CONTRACTS WERE RANDOMLY OFFERED

1. **Debt**: Fixed flat monthly repayments (annual interest rate = 15%).

2. **RevShare**: Half the liability of **Debt**, plus 10% of gross profit.

3. **IndexShare**: Payments based on the performance of **other** clients.

4. **Hybrid**: Similar to **RevShare**, until total payments match **Debt**.

For the **control group**, it was '**business as usual**' and no contract offer.

Baseline data   Randomization details

Motivation
○○

Setting and design
○○●

Results
○○○

Model
○○

Benefit-cost
○

Conclusion
○

CHOICE OF BICYCLES

Motivation
oo

Setting and design
ooo

Results
●oo

Model
oo

Benefit-cost
o

Conclusion
o

(1) OVERALL BENEFIT OF ASSET FINANCING IN THE SUPPLY CHAIN

We find a 58% take-up, and substantial increase in **business profits** from selling (LATE: 132% increase in monthly profits), with no effects on other income. ⇒

This is consistent with **increased business effort** — a doubling of visits to stockpoints each month to purchase inventory. ⇒

They also expanded **geographical reach**, which is consistent with GPS data.

(1) OVERALL BENEFIT OF ASSET FINANCING IN THE SUPPLY CHAIN

We find a 58% take-up, and substantial increase in **business profits** from selling
(LATE: 132% increase in monthly profits), with no effects on other income. ⇒

This is consistent with **increased business effort** — a doubling of visits to
stockpoints each month to purchase inventory. ⇒

They also expanded **geographical reach**, which is consistent with GPS data.

(1) OVERALL BENEFIT OF ASSET FINANCING IN THE SUPPLY CHAIN

We find a 58% take-up, and substantial increase in **business profits** from selling (LATE: 132% increase in monthly profits), with no effects on other income. ⟶

This is consistent with **increased business effort** — a doubling of visits to stockpoints each month to purchase inventory. ⟶

They also expanded **geographical reach**, which is consistent with GPS data.

(2) ADDITIONAL POSITIVE EFFECT OF NOVEL FINANCIAL CONTRACTS

Performance-contingent features improved performance. The Hybrid contract outperformed debt (LATE: 219% vs 77%), despite similar take-up. ⟶

Mechanisms: Hybrid outperformed across measures of effort: asset use for business, intensity of use, geographic sales expansion, management practices, risk-taking via credit extension to customers. Repayments are also higher.

Bounding exercise: difference in profits is driven by effort on intensive margin.

(2) ADDITIONAL POSITIVE EFFECT OF NOVEL FINANCIAL CONTRACTS

Performance-contingent features improved performance. The Hybrid contract outperformed debt (LATE: 219% vs 77%), despite similar take-up. ⇒

Mechanisms: Hybrid outperformed across measures of effort: asset use for business, intensity of use, geographic sales expansion, management practices, risk-taking via credit extension to customers. Repayments are also higher. ⇒

Bounding exercise: difference in profits is driven by effort on intensive margin. ⇒

(2) ADDITIONAL POSITIVE EFFECT OF NOVEL FINANCIAL CONTRACTS

Performance-contingent features improved performance. The Hybrid contract outperformed debt (LATE: 219% vs 77%), despite similar take-up. ⇒

Mechanisms: Hybrid outperformed across measures of effort: asset use for business, intensity of use, geographic sales expansion, management practices, risk-taking via credit extension to customers. Repayments are also higher. ⇒

Bounding exercise: difference in profits is driven by effort on intensive margin. ⇒

Motivation
○○

Setting and design
○○○

Results
○○●

Model
○○

Benefit-cost
○

Conclusion
○

BICYCLE GPS DATA IS CONSISTENT WITH GEOGRAPHICAL EXPANSION

We find no evidence of meaningful **spillover effects**. →

OVERALL

NAIROBI

WESTERN KENYA

Even under implausibly large spillovers, we find very favorable benefit-cost ratios.

BICYCLE GPS DATA IS CONSISTENT WITH GEOGRAPHICAL EXPANSION

We find no evidence of meaningful **spillover effects**. ⟶
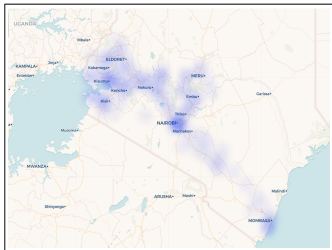
OVERALL	NAIROBI	WESTERN KENYA
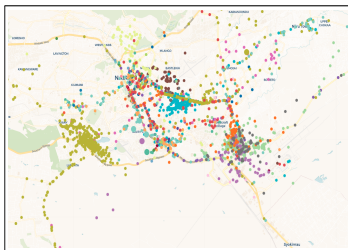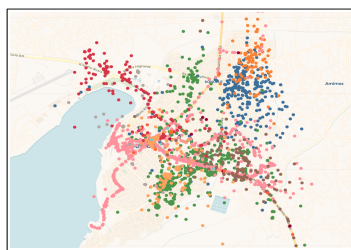
Even under implausibly large spillovers, we find very favorable benefit-cost ratios.

MODELING THE BENEFITS OF THE HYBRID CONTRACT

To interpret results, we develop a dynamic stochastic model — in which a risk-averse distributor decides how much **effort** to exert on selling activities, and whether to accept or reject various financing contracts.

The model formalizes the intuition that distributors are exposed to **greater risk** as they use the fixed asset, notwithstanding its high expected return.

MODELING THE BENEFITS OF THE HYBRID CONTRACT

To interpret results, we develop a dynamic stochastic model — in which a risk-averse distributor decides how much **effort** to exert on selling activities, and whether to accept or reject various financing contracts.

The model formalizes the intuition that distributors are exposed to **greater risk** as they use the fixed asset, notwithstanding its high expected return.

Motivation
oo

Setting and design
ooo

Results
ooo

Model
o●

Benefit-cost
o

Conclusion
o

MODELING THE BENEFITS OF THE HYBRID CONTRACT

The hybrid contract breaks the traditional **trade-off** between implicit insurance and reduced effort by offering repayment flexibility (and implicit insurance mitigating liquidity risk) while **incentivizing effort** to clear the debt sooner. ⟶

The framework aligns with empirical findings of higher effort and profits under the hybrid contract.

MODELING THE BENEFITS OF THE HYBRID CONTRACT

The hybrid contract breaks the traditional **trade-off** between implicit insurance and reduced effort by offering repayment flexibility (and implicit insurance mitigating liquidity risk) while **incentivizing effort** to clear the debt sooner. ⇒

The framework aligns with empirical findings of higher effort and profits under the hybrid contract.

WE FIND LARGE MUTUAL BENEFITS ALONG THE SUPPLY CHAIN

We incorporate the combined impacts across all relevant actors. Benefit-cost assumptions
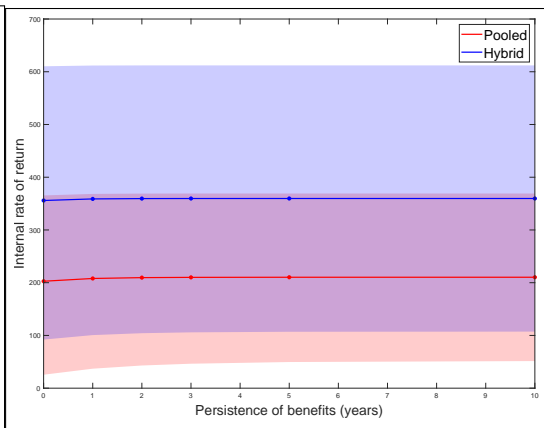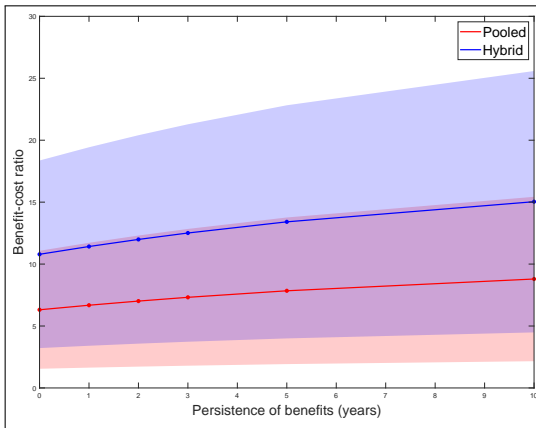
CONCLUSION

We conduct a field experiment within a large multinational food company to help micro-distributors in their supply chain finance a **productive asset**.

We find particularly large benefits to contracts structured with **performance-contingent repayments**.

This suggests exciting potential for designing contracts that leverage developments in monitoring and **financial technology** to facilitate productive asset financing for small firms.

CONCLUSION

We conduct a field experiment within a large multinational food company to help micro-distributors in their supply chain finance a **productive asset**.

We find particularly large benefits to contracts structured with **performance-contingent repayments**.

This suggests exciting potential for designing contracts that leverage developments in monitoring and **financial technology** to facilitate productive asset financing for small firms.

Motivation
○○

Setting and design
○○○

Results
○○○

Model
○○

Benefit-cost
○

Conclusion
●

CONCLUSION

We conduct a field experiment within a large multinational food company to help micro-distributors in their supply chain finance a **productive asset**.

We find particularly large benefits to contracts structured with **performance-contingent repayments**.

This suggests exciting potential for designing contracts that leverage developments in monitoring and **financial technology** to facilitate productive asset financing for small firms.

FINANCE AND MUTUALITY: EXPERIMENTAL EVIDENCE ON CREDIT WITH PERFORMANCE-CONTINGENT REPAYMENT

FRANCESCO CORDARO (EOM)

MARCEL FAFCHAMPS (STANFORD)

COLIN MAYER (OXFORD)

MUHAMMAD MEKI (OXFORD)

SIMON QUINN (IMPERIAL)

KATE ROLL (UCL)

LITERATURE: SUPPLY CHAIN FINANCE IN DEVELOPING COUNTRIES

There is relatively little empirical economic literature on supply chain financing in developing countries, despite the significant potential **benefits** for both host firms and workers.

Other studies highlight strong **theoretical justifications for suppliers acting as financial intermediaries**, given their comparative advantage in assessing client performance and creditworthiness, and their ability to use informal methods for repayment (Breza & Liberman, 2017; Casaburi & Willis, 2024; Cull et al., 2023; Jack et. al, 2021; Klapper et al., 2012; Macchiavello & Morjaria, 2015; Maksimovic & Demirguc-Kunt, 2001; Petersen & Rajan, 1997.) Back

LITERATURE: FINANCE AND DEVELOPMENT

Despite the promise of microfinance and its rapid expansion, a large wave of experimental evaluations identified zero *average* impacts of the classic microcredit product on business profits (Banerjee et al., 2015).

This poses a **puzzle** to the finance and development literature, considering:

1. **Macro-**level associations: financial access and growth (Beck et al., 2007);
2. **Micro-**level evidence: high returns to capital (McKenzie and Woodruff, 2008; De Mel et al., 2008, 2012; Fafchamps et al., 2014; Hussam et al., 2017).

LITERATURE: MICROFINANCE

The classic microcredit contract has theoretically appealing features that alleviate adverse selection and moral hazard (Besley & Coate, 1995; Ghatak & Guinnane, 1999; Genicot & Ray, 2003, 2006; Giné et al., 2011; Giné & Karlan, 2014).

Repayment rigidity instils discipline but it could discourage investment for the many small firms with **high but volatile returns**, and especially for the most **risk-averse** business owners (Fischer, 2013; De Mel et al., 2019).

Repayment **flexibility** can encourage higher-risk, higher-return investments (Field et al., 2013; Barboni & Agarwal, 2023; Battaglia et al., 2024), but likely with higher defaults (Brune, Giné, Karlan, 2024).

CONTRACTUAL INNOVATIONS FOR FINANCING BUSINESS EXPANSION

While there is an extensive theoretical and empirical literature on state-contingent contracts in **agricultural** (Stiglitz and Weiss, 1981; Udry, 1990, 1994; Giné & Yang, 2009; Burchardi et al., 2019), De Mel, Mckenzie, and Woodruff (2019) highlight the **need for more work on microequity**.

A remaining challenge is the **legal enforcement** of ownership claims (de Mel, McKenzie, and Woodruff, 2019).

We therefore focus on sharing claims to an income stream.

FIXED ASSETS AND PERFORMANCE-CONTINGENT FINANCING

Fixed asset investments typically offer **high expected returns** but **increased risk** (Field, Pande, Papp and Rigol, 2013). Small firms can typically only access rigid microcredit at best.

Performance-contingent repayments offer better **risk-sharing**, but are difficult to implement (Townsend, 1979).

In high-income countries, **'FinTech'** firms use administrative data to offer performance-contingent financing to small firms. We explore whether **large firms** can leverage their data similarly for productive asset financing. Back

ROUTE-TO-MARKET PROGRAMME INCENTIVE STRUCTURE

Micro-distributors initially purchase gum at a **discount** to the market price, with the margin varying for six different products. For every bag of gum that they sell, they receive an end-of-month **bonus** via M-Pesa.

There is no obligation for them to sell gum exclusively, but selling FoodCo's product is easy to transport and **profitable**.

OUR INTERVENTION

On the basis of feedback from FoodCo and interviews with micro-distributors, it was clear that bicycle access could substantially improve incomes.

Many micro-distributors, particularly women, had complained of **back problems** from carrying large bags for their distribution work, so bicycles could also be beneficial for other reasons (Muralidharan and Prakash, 2017; Fiala et al, 2022).

However, good-quality work-appropriate bicycles are often too **expensive**.

Our sample consists of micro-distributors who had been involved in the programme for some time and expressed interest in a bicycle. Back

BASELINE DATA

Between 2016 and 2020, an average of 478 micro-distributors per month were active sellers in FoodCo's micro-distribution programme.

We have **daily administrative data on purchases** (from which we can calculate a non-self-reported measure of gross profits) for 1,727 unique micro-distributors over the period, which we use for our spillover regressions.

The actual experiment involved 161 micro-distributors who expressed an interest in expanding their business with the purchase of a bicycle; i.e., **Small N, Large T** (McKenzie, 2012; Bloom, Eifert, Mahajan, McKenzie, Roberts, 2013)

BASELINE DATA

For the experimental sample, the average age was 31, 15% female, 20% had a post-secondary education. At baseline, gross profits from selling FoodCo products were Ks 2,874 per month.

Very few had any business employees (mean 0.16, median 0). 26% of micro-distributors also had a separate form of **income** (casual labour / wage job). Total household income was Ks 14,225 on average, and total household expenditure was Ks 17,375 on average. Baseline balance

The median micro-distributor only extends **trade credit** for 5% of their sales. Even where trade credit is provided, the duration is very short. Back

BASELINE WORKSHOPS AND CONTRACT ASSIGNMENT

Micro-distributors from across Kenya – all of whom had had expressed an interest in a bicycle – attended a baseline **workshop**, where they completed a household survey and behavioural games.

There, they were introduced to the different microfinance contracts that were available to finance the bike purchase.

We offered one of the contracts using a **public randomisation**. Individuals offered a contract that they accepted chose a bicycle from a **menu** (the average bike price was just under $100) and signed a contract with the **MFI** (which provided the financing and bore the contract risk / responsibility for collecting payment via MPesa). Back

SUMMARY STATISTICS AND BALANCE

	Control	Debt	Hybrid	RevShare	IndexShare
Age	30.29	31.32	31.62	29.41	32.31
Married	0.71	0.76	0.85	0.63	0.78
Female	0.14	0.12	0.08	0.20	0.19
Household size	3.21	3.38	3.27	3.17	3.81
Number of earners	1.43	1.44	1.35	1.34	1.56
Education (post-secondary)	0.18	0.15	0.27	0.27	0.09
Number of employees	0.46	0.12	0.15	0.02	0.16
Profits from selling FoodCo products	2,747.89	3,145.39	3,227.11	2,419.66	2,992.38
Business profit (all sources)	13,154.05	12,351.37	13,843.97	10,143.72	15,136.25
Has wage job	0.29	0.18	0.35	0.22	0.28
Wage earnings	1,753.57	1,447.06	1,461.54	1,329.27	2,578.12
Total household income	20,407.14	18,175.00	16,265.38	16,600.85	22,477.38
Consumption expenditure	17,306.79	20,714.12	22,172.31	17,950.49	20,075.62
Management practices	0.73	0.72	0.83	0.77	0.78
Maths score	0.61	0.66	0.65	0.63	0.66
Time preferences index	7.32	6.44	6.23	6.98	6.84
Risk aversion index	4.04	3.71	4.08	4.08	3.84
Loss aversion index	5.64	5.32	6.35	5.56	6.72
Number of individuals	28	34	26	41	32

Back

CONCEPTUAL FRAMEWORK: SETUP

Consider a credit-constrained micro-distributor whose productivity increases with a bicycle. She must answer two questions:

1. **Incentive compatibility**: "under each available contract, how much effort shall I invest in selling FoodCo products?"

2. **Individual rationality**: "given a take-it-or-leave-it decision, which contracts should I accept?"

CONCEPTUAL FRAMEWORK: THE ROLE OF **RISK**

Risk plays two important roles in our conceptual framework:

1. Micro-distributors are **risk averse**; *ceteris paribus*, they value a contract that bundles some degree of risk-sharing.

2. They operate in a **risky environment** – with the risk increasing along with use of the new asset (e.g. asset damage / theft, uncertain new markets).

CONCEPTUAL FRAMEWORK: PRELIMINARIES

$$\pi = \pi_0 + \pi_1;$$

$$\pi_1(e, k, \eta_t) = \eta_t \cdot e \cdot k;$$
$$log(\eta_t) \sim \mathcal{N}(\mu, \sigma^2)$$

$$u(x) = -\exp(-rx)$$

$$\phi \geq 0$$

CONCEPTUAL FRAMEWORK: PRELIMINARIES

$$\pi = \pi_0 + \pi_1;$$

$$\pi_1(e, k, \eta_t) = \eta_t \cdot e \cdot k;$$
$$log(\eta_t) \sim \mathcal{N}(\mu, \sigma^2)$$

$$u(x) = -\exp(-rx)$$

$$\phi \geq 0$$

CONCEPTUAL FRAMEWORK: PRELIMINARIES

$$\pi = \pi_0 + \pi_1;$$

$$\pi_1(e, k, \eta_t) = \eta_t \cdot e \cdot k;$$
$$log(\eta_t) \sim \mathcal{N}(\mu, \sigma^2)$$

$$u(x) = -\exp(-rx)$$

$$\phi \geq 0$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1 - \beta} \cdot \max_{e \geq 0} \; \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $\qquad\qquad V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $\quad V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12}\right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12}\right) \cdot V(k, -0.5F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1-\beta} \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12} \right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12} \right) \cdot V(k, -0.5F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1-\beta} \cdot \max_{e \geq 0} \; \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12}\right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12}\right) \cdot V(k, -0.5F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1-\beta} \cdot \max_{e \geq 0} \; \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5 e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12} \right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12} \right) \cdot V(k, -0.5 F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1-\beta} \cdot \max_{e \geq 0} \; \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $\qquad\qquad\qquad V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $\quad V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12}\right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12}\right) \cdot V(k, -0.5F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1 - \beta} \cdot \max_{e \geq 0} \; \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5 e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1 The value of not taking the contract: $\qquad V^n \equiv V(1, \phi, 1)$;

2 The value of having the bicycle, post-contract: $\quad V^p \equiv V(k, \phi, 1)$;

3 The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12} \right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4 The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12} \right) \cdot V(k, -0.5 F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1 - \beta} \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12}\right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12}\right) \cdot V(k, -0.5F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1 - \beta} \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12} \right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12} \right) \cdot V(k, -0.5F_d, \omega) + \beta^{12} \cdot V^p.$$

CONCEPTUAL FRAMEWORK: A **REPEATED STATIC** PROBLEM

$$V(k, F, \omega) = \frac{1}{1 - \beta} \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left\{ u \left[\underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right]}_{\text{retained earnings}} - \underbrace{0.5e^2}_{\text{effort}} + \underbrace{F}_{\text{fixed payment}} \right] \right\}$$

Four important cases:

1. The value of not taking the contract: $V^n \equiv V(1, \phi, 1)$;
2. The value of having the bicycle, post-contract: $V^p \equiv V(k, \phi, 1)$;
3. The initial value of taking the debt contract:

$$V_0^d = \left(1 - \beta^{12} \right) \cdot V(k, -F_d, 1) + \beta^{12} \cdot V^p;$$

4. The initial value of taking the revenue-sharing contract:

$$V_0^s = \left(1 - \beta^{12} \right) \cdot V(k, -0.5F_d, \omega) + \beta^{12} \cdot V^p.$$

THREE MODEL INSIGHTS ON MICRO-DISTRIBUTOR EFFORT

The model predicts:

1. Greater effort with the bicycle;

2. Similar effort under Debt as owning the bicycle outright;

3. RevShare reduces effort by 'taxing' returns, highlighting the trade-off inherent in performance-contingent repayment structures.

THREE MODEL INSIGHTS ON MICRO-DISTRIBUTOR EFFORT

The model predicts:

1 Greater effort with the bicycle;

2 Similar effort under Debt as owning the bicycle outright; ⇒

3 RevShare reduces effort by 'taxing' returns, highlighting the trade-off inherent in performance-contingent repayment structures. Exception

THREE MODEL INSIGHTS ON MICRO-DISTRIBUTOR EFFORT

The model predicts:

1. Greater effort with the bicycle;

2. Similar effort under Debt as owning the bicycle outright; ⇒

3. RevShare reduces effort by 'taxing' returns, highlighting the trade-off inherent in performance-contingent repayment structures. Exception

THE INDEXSHARE CONTRACT

The **IndexShare** contract offers one way to **break this trade-off**.

Effort under IndexShare is expected to approximate effort under Debt.

$$V_{\text{index}}(k, F_d) = \frac{1}{1-\beta} \cdot \max_{e \geq 0} \ \mathbb{E}_{(\eta,\theta)} \left(u \left\{ \pi_0 + \pi_1(e, k, \eta) - 0.5e^2 - 0.5F_d - \theta \right\} \right)$$

$$= \frac{-1}{1-\beta} \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left(u \left\{ \pi_0 + \pi_1(e, k, \eta) - 0.5e^2 \right\} \cdot \mathbb{E}_{\theta \mid \eta} \left\{ u \left(-0.5F_d - \theta \right) \right\} \right)$$

However, demand depends upon how well the index correlates with the shocks faced by distributors.

THE INDEXSHARE CONTRACT

The **IndexShare** contract offers one way to **break this trade-off**.

Effort under IndexShare is expected to approximate effort under Debt.

$$V_{\text{index}}(k, F_d) = \frac{1}{1 - \beta} \cdot \max_{e \geq 0} \ \mathbb{E}_{(\eta,\theta)} \left(u \left\{ \pi_0 + \pi_1(e, k, \eta) - 0.5e^2 - 0.5F_d - \theta \right\} \right)$$

$$= \frac{-1}{1 - \beta} \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left(u \left\{ \pi_0 + \pi_1(e, k, \eta) - 0.5e^2 \right\} \cdot \mathbb{E}_{\theta \mid \eta} \left\{ u \left(-0.5F_d - \theta \right) \right\} \right)$$

However, demand depends upon how well the index correlates with the shocks faced by distributors.

THE HYBRID CONTRACT

The **Hybrid** contract provides an alternative way of **breaking this trade-off**:

- It offers repayment flexibility (and, thus, some implicit insurance);

- In the case $\phi > 0$, it incentivises additional effort in order to clear the micro-distributor's debt earlier.

Increased effort in any given month can bring forward the date at which the total contract is repaid – and, therefore, change the path of future repayments.

THE HYBRID CONTRACT

The **Hybrid** contract provides an alternative way of **breaking this trade-off**:

- It offers repayment flexibility (and, thus, some implicit insurance);

- In the case $\phi > 0$, it incentivises additional effort in order to clear the micro-distributor's debt earlier.

Increased effort in any given month can bring forward the date at which the total contract is repaid – and, therefore, change the path of future repayments.

THE HYBRID CONTRACT

The **Hybrid** contract provides an alternative way of **breaking this trade-off**:

- It offers repayment flexibility (and, thus, some implicit insurance);

- In the case $\phi > 0$, it incentivises additional effort in order to clear the micro-distributor's debt earlier.

Increased effort in any given month can bring forward the date at which the total contract is repaid – and, therefore, change the path of future repayments.

THE HYBRID CONTRACT

The **Hybrid** contract provides an alternative way of **breaking this trade-off**:

- It offers repayment flexibility (and, thus, some implicit insurance);

- In the case $\phi > 0$, it incentivises additional effort in order to clear the micro-distributor's debt earlier.

Increased effort in any given month can bring forward the date at which the total contract is repaid – and, therefore, change the path of future repayments.

HYBRID CONTRACT: A **DYNAMIC** OPTIMISATION

A **dynamic problem** with **state variable** D_t (outstanding debt).

$$V^h(D_t) = \max_{e \geq 0} \mathbb{E}_\eta \left[u \left(\max \left\{ \underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, \eta; k) \right] - 0.5 F_d}_{\text{contract ongoing}}, \underbrace{\pi_0 + \pi_1(e, \eta; k) - D_t}_{\text{contract ending/ended}} \right\} - 0.5 e^2 \right) \right.$$
$$\left. + \beta \cdot V^h(D_{t+1}) \right],$$

where the law of motion for D_t is:

$$D_{t+1} = \max \left\{ \underbrace{D_t - 0.5 F_d - (1 - \omega) \cdot \left[\pi_0 + \pi_1(e, \eta; k) \right]}_{\text{contract ongoing}}, \underbrace{0}_{\text{contract ended}} \right\}.$$

This can be solved by **backward induction** in D_t, given $V^h(0) = V^p$.

HYBRID CONTRACT: A **DYNAMIC** OPTIMISATION

A **dynamic problem** with **state variable** D_t (outstanding debt).

$$V^h(D_t) = \max_{e \geq 0} \mathbb{E}_\eta \left[u \left(\max \left\{ \underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, \eta; k) \right] - 0.5 F_d}_{\text{contract ongoing}}, \underbrace{\pi_0 + \pi_1(e, \eta; k) - D_t}_{\text{contract ending/ended}} \right\} - 0.5 e^2 \right) \\ + \beta \cdot V^h(D_{t+1}) \right],$$

where the law of motion for D_t is:

$$D_{t+1} = \max \left\{ \underbrace{D_t - 0.5 F_d - (1 - \omega) \cdot \left[\pi_0 + \pi_1(e, \eta; k) \right]}_{\text{contract ongoing}}, \underbrace{0}_{\text{contract ended}} \right\}.$$

This can be solved by **backward induction** in D_t, given $V^h(0) = V^p$.

HYBRID CONTRACT: A **DYNAMIC** OPTIMISATION

A **dynamic problem** with **state variable** D_t (outstanding debt).

$$V^h(D_t) = \max_{e \geq 0} \mathbb{E}_\eta \left[u \left(\max \left\{ \underbrace{\omega \cdot \left[\pi_0 + \pi_1(e, \eta; k) \right] - 0.5F_d}_{\text{contract ongoing}}, \underbrace{\pi_0 + \pi_1(e, \eta; k) - D_t}_{\text{contract ending/ended}} \right\} - 0.5e^2 \right) \right.$$
$$\left. + \beta \cdot V^h(D_{t+1}) \right],$$

where the law of motion for D_t is:

$$D_{t+1} = \max \left\{ \underbrace{D_t - 0.5F_d - (1 - \omega) \cdot \left[\pi_0 + \pi_1(e, \eta; k) \right]}_{\text{contract ongoing}}, \underbrace{0}_{\text{contract ended}} \right\}.$$

This can be solved by **backward induction** in D_t, given $V^h(0) = V^p$.

HYBRID CONTRACT: OPTIMISATION SOLUTION

Three features of the solution:

1. Where $\phi = 0$, average effort under Hybrid lies between effort under Debt and effort under RevShare;

2. Even under $\phi = 0$, Hybrid can be preferred to Debt, owing to its flexibility;

3. If respondents have a strong desire to clear their debt ($\phi \gg 0$), Hybrid additionally incentivises effort to achieve this.

HYBRID CONTRACT: OPTIMISATION SOLUTION

Three features of the solution:

1 Where $\phi = 0$, average effort under Hybrid lies between effort under Debt and effort under RevShare; →

2 Even under $\phi = 0$, Hybrid can be preferred to Debt, owing to its flexibility;

3 If respondents have a strong desire to clear their debt ($\phi >> 0$), Hybrid additionally incentivises effort to achieve this.

HYBRID CONTRACT: OPTIMISATION SOLUTION

Three features of the solution:

1. Where $\phi = 0$, average effort under Hybrid lies between effort under Debt and effort under RevShare; →

2. Even under $\phi = 0$, Hybrid can be preferred to Debt, owing to its flexibility; →

3. If respondents have a strong desire to clear their debt ($\phi >> 0$), Hybrid additionally incentivises effort to achieve this.

HYBRID CONTRACT: OPTIMISATION SOLUTION

Three features of the solution:

1. Where $\phi = 0$, average effort under Hybrid lies between effort under Debt and effort under RevShare; →

2. Even under $\phi = 0$, Hybrid can be preferred to Debt, owing to its flexibility; →

3. If respondents have a strong desire to clear their debt ($\phi >> 0$), Hybrid additionally incentivises effort to achieve this. →

EXTENSION: LIQUIDITY CONSTRAINTS AND INVENTORY FINANCING

A feature of this setting is that distributors require **up-front financing for inventory** before making any sales. Data shows that distributors are unlikely to receive trade credit from stock points, which also lack trade credit from FoodCo.

The model could be extended to incorporate liquidity constraints and inventory financing needs by introducing **cash-on-hand** as an additional state variable.

This extension likely leads to greater inventory financing risk under Debt.

EXTENSION: LIQUIDITY CONSTRAINTS AND INVENTORY FINANCING

A feature of this setting is that distributors require **up-front financing for inventory** before making any sales. Data shows that distributors are unlikely to receive trade credit from stock points, which also lack trade credit from FoodCo.

The model could be extended to incorporate liquidity constraints and inventory financing needs by introducing **cash-on-hand** as an additional state variable.

This extension likely leads to greater inventory financing risk under Debt.

OPTIMAL EFFORT AND THE SHARING RATIO

The monthly consumption (after accounting for the psychic costs of effort and the fixed repayment) is:

$$\omega \cdot \pi_0 + \omega \cdot \eta_t \cdot e \cdot k - 0.5e^2 - F,$$

where $\log(\eta_t) \sim \mathcal{N}(\mu, \sigma^2)$. Under exponential utility (that is, $u(x) \equiv -\exp(-rx)$) – and using a second-order Taylor approximation – the certainty equivalent for monthly consumption is:

$$CE \approx \mathbb{E}\left(\omega \cdot \pi_0 + \omega \cdot \eta_t \cdot e \cdot k - 0.5e^2 - F\right) - 0.5r \operatorname{Var}\left(\omega \cdot \pi_0 + \omega \cdot \eta_t \cdot e \cdot k - 0.5e^2 - F\right)$$
$$= \omega \cdot \pi_0 + \omega \cdot e \cdot \kappa \cdot \mathbb{E}\left(\eta_t\right) - 0.5e^2 - F - 0.5r \cdot \omega^2 \cdot e^2 \cdot \kappa^2 \cdot \operatorname{Var}\left(\eta_t\right).$$

OPTIMAL EFFORT AND THE SHARING RATIO

Now, given the distributional assumption about η_t, we can substitute and say:

$$CE \approx \omega \cdot \pi_0 + \omega \cdot e \cdot \kappa \cdot \exp\left(\mu + \frac{\sigma^2}{2}\right) - 0.5e^2 - F - 0.5r \cdot \omega^2 \cdot e^2 \cdot \kappa^2 \cdot [\exp(\sigma^2) - 1] \cdot \exp(2\mu + \sigma^2).$$

Differentiating, optimal effort is:

$$e^* \approx \frac{\omega \cdot \kappa \cdot \exp\left(\mu + \frac{\sigma^2}{2}\right)}{1 + r\omega^2 \cdot \kappa^2 \cdot [\exp(\sigma^2) - 1] \cdot \exp(2\mu + \sigma^2)}.$$

Using this expression, it can be shown that e^* is increasing in ω unless:

$$r \geq \frac{1}{\omega^2 \kappa^2 [\exp(\sigma^2) - 1] \exp(2\mu + \sigma^2)}.$$

Back

SIMILAR EFFORT UNDER DEBT AS OWNING THE BICYCLE OUTRIGHT

Because of the assumption of constant absolute risk aversion, the model predicts identical effort. This follows straightforwardly from:

$$V(k, F, \omega) = \frac{1}{1 - \beta} \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left(u \left\{ \omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right] - 0.5e^2 + F \right\} \right).$$

which can be rewritten as follows (emphasising that the optimal choice of effort is invariant to the level of fixed repayments):

$$V(k, F, \omega) = \frac{1}{1 - \beta} \cdot \exp\left(r \cdot F \right) \cdot \max_{e \geq 0} \ \mathbb{E}_\eta \left\{ - \exp\left(-r\omega \cdot \left[\pi_0 + \pi_1(e, k, \eta) \right] + 0.5re^2 \right) \right\}.$$

If this assumption were relaxed, the effort may then differ slightly – but our model emphasises that this difference would be due solely to relatively small wealth effects, and not likely to be large.
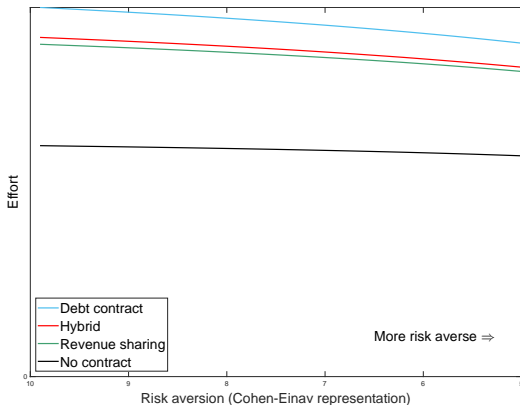
$\phi = 0$: AVERAGE EFFORT UNDER HYBRID LIES BETWEEN **DEBT** AND REVSHARE

Optimal effort for a micro-distributor with monthly $\beta = 0.999$. Hybrid effort is calculated as expected monthly effort over first year of contract.
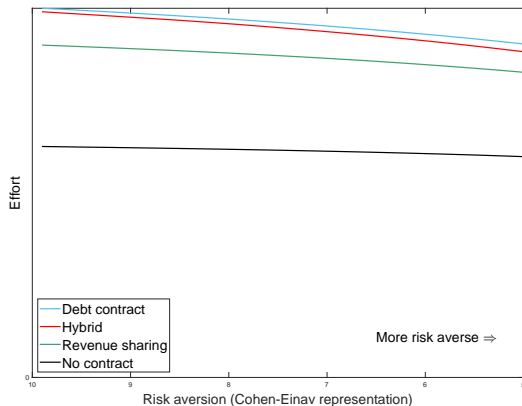
$\phi = 0$: AVERAGE EFFORT UNDER HYBRID LIES BETWEEN DEBT AND **REVSHARE**

$\beta = 0.7$ (annual discount factor $\approx$ 0.014).

EVEN WHEN $\phi = 0$, HYBRID CAN BE PREFERRED TO DEBT

Relative value of contract adoption: 'net discounted CE' is monthly payment a distributor needs (*ad infin.*) to be indifferent between adopting and not ($\beta = 0.97$).
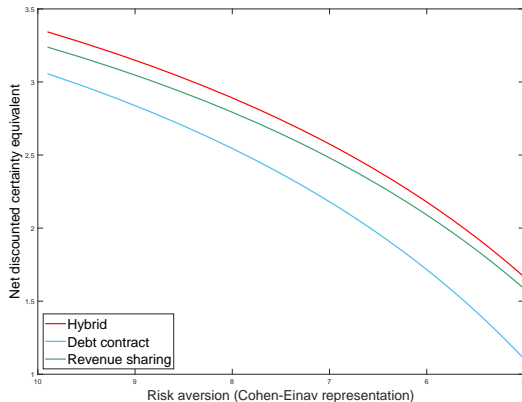
$\phi >> 0$: HYBRID ADDITIONALLY INCENTIVIZES EFFORT TO CLEAR DEBT

A high value of ϕ can even cause effort under Hybrid to exceed effort under Debt.

Back
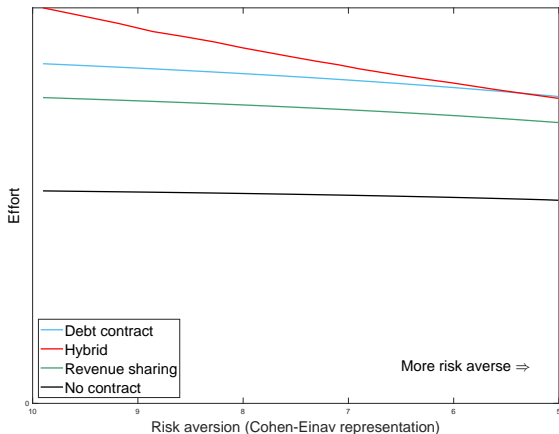
RESULTS

For the main outcome, we construct a monthly panel of **gross profits** using daily administrative data on stock purchases. For all other variables, we use quarterly surveys. We estimate an ANCOVA specification:

$$y_{it} = \beta_0 + \sum_{k \in \{1,\dots,4\}} \beta_k \cdot \mathtt{Contract}_{ik} + \gamma \cdot y_{i0} + \varepsilon_{it}.$$

We cluster at the individual level throughout, and we also estimate using randomisation inference.

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1) Take-up	(2) Asset financing	(3) Household debt	(4) Household debt	(5) Owns a bicycle	(6) Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(1251.883)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1) Take-up	(2) Asset financing	(3) Household debt	(4) Household debt	(5) Owns a bicycle	(6) Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1) Take-up	(2) Asset financing	(3) Household debt	(4) Household debt	(5) Owns a bicycle	(6) Owns a bicycle
			Panel A: Pooled treatment			
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
			Panel B: By contract			
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1) Take-up	(2) Asset financing	(3) Household debt	(4) Household debt	(5) Owns a bicycle	(6) Owns a bicycle
			Panel A: Pooled treatment			
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
			Panel B: By contract			
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1) Take-up	(2) Asset financing	(3) Household debt	(4) Household debt	(5) Owns a bicycle	(6) Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1)	(2)	(3)	(4)	(5)	(6)
	Take-up	Asset financing	Household debt	Household debt	Owns a bicycle	Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1)	(2)	(3)	(4)	(5)	(6)
	Take-up	Asset financing	Household debt	Household debt	Owns a bicycle	Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1)	(2)	(3)	(4)	(5)	(6)
	Take-up	Asset financing	Household debt	Household debt	Owns a bicycle	Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00**	130.27	184.18	0.65***	0.93**
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1) Take-up	(2) Asset financing	(3) Household debt	(4) Household debt	(5) Owns a bicycle	(6) Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1)	(2)	(3)	(4)	(5)	(6)
	Take-up	Asset financing	Household debt	Household debt	Owns a bicycle	Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1)	(2)	(3)	(4)	(5)	(6)
	Take-up	Asset financing	Household debt	Household debt	Owns a bicycle	Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1) Take-up	(2) Asset financing	(3) Household debt	(4) Household debt	(5) Owns a bicycle	(6) Owns a bicycle
			Panel A: Pooled treatment			
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
			Panel B: By contract			
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

FIRST STAGE: TAKE-UP, BIKE OWNERSHIP, & HOUSEHOLD FINANCES

	(1)	(2)	(3)	(4)	(5)	(6)
	Take-up	Asset financing	Household debt	Household debt	Owns a bicycle	Owns a bicycle
Panel A: Pooled treatment						
Any contract	0.57***	8107.21***	-391.78	-640.89	0.52***	0.86***
	(0.043)	(186.769)	(655.929)	(1068.149)	(0.055)	(0.056)
Panel B: By contract						
Debt	0.68***	8475.00***	130.27	184.18	0.65***	0.93***
	(0.080)	(510.500)	(876.349)	(1232.513)	(0.085)	(0.054)
Hybrid	0.69***	8026.58***	-456.64	-596.88	0.66***	0.89***
	(0.091)	(787.637)	(732.582)	(946.409)	(0.092)	(0.048)
RevShare	0.49***	7741.07***	-850.27	-1568.72	0.46***	0.85***
	(0.078)	(872.464)	(673.032)	(1251.883)	(0.085)	(0.067)
IndexShare	0.47***	8190.00***	-309.69	-634.63	0.36***	0.76***
	(0.088)	(755.517)	(831.122)	(1721.770)	(0.092)	(0.084)
Data source	Admin	Admin	Survey	Survey	Survey	Survey
Estimation	Take-up	LATE	ITT	LATE	ITT	LATE
Timeframe	Baseline	Baseline	1m-12m	1m-12m	1m-12m	1m-12m
Observations	161	161	496	496	496	496
Individuals	161	161	161	161	161	161
Control mean	0.00	0	2498.43	2498.43	0.07	0.07
Test: Debt = Hybrid	0.646	0.518	0.439	0.459	0.875	0.228
Test: Debt = RevShare	0.142	0.252	0.166	0.122	0.093	0.056
Test: Hybrid = RevShare	0.061	0.749	0.445	0.274	0.078	0.307

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
			Panel A: Pooled treatment				
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
			Panel B: By contract				
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65*	1181.93**	1125.54**	1143.26**	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65**	1181.93	1125.54**	1143.26	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
			Panel A: Pooled treatment				
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
			Panel B: By contract				
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
			Panel A: Pooled treatment				
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
			Panel B: By contract				
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
Panel A: Pooled treatment							
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
Panel B: By contract							
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Profits:	Profits:	Profits:	Profits:	Profits:	Profits:	Other
	Foodco	Foodco	Foodco	Foodco	Foodco	Foodco	earnings
			Panel A: Pooled treatment				
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
			Panel B: By contract				
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
			Panel A: Pooled treatment				
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
			Panel B: By contract				
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
			Panel A: Pooled treatment				
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
			Panel B: By contract				
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

IMPACTS ON BUSINESS PROFITS

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
			Panel A: Pooled treatment				
Any contract	791.63**	0.65**	1181.93**	1125.54**	1143.26*	865.53	115.39
	(385.626)	(0.308)	(562.082)	(537.083)	(596.041)	(631.056)	(1863.636)
			Panel B: By contract				
Debt	530.38	0.23	692.24	1041.07**	458.68	104.65	803.24
	(434.809)	(0.428)	(562.699)	(483.201)	(513.308)	(724.360)	(2088.872)
Hybrid	1528.51**	1.10***	1967.80**	2238.72***	2230.76***	1636.95*	-794.21
	(609.176)	(0.346)	(818.753)	(742.023)	(854.621)	(881.756)	(1663.076)
RevShare	781.65*	0.67*	1305.30*	967.70	1193.63*	1099.64	-259.21
	(450.003)	(0.364)	(701.126)	(707.937)	(721.622)	(803.888)	(2192.491)
IndexShare	172.65	0.37	300.60	116.26	661.76	-11.78	664.79
	(444.100)	(0.354)	(810.654)	(819.708)	(992.092)	(832.634)	(3201.546)
Data source	Admin	Admin	Admin	Admin	Admin	Admin	Survey
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6905.56
Test: Debt = Hybrid	0.091	0.021	0.108	0.073	0.023	0.096	0.366
Test: Debt = RevShare	0.561	0.263	0.320	0.891	0.200	0.206	0.565
Test: Hybrid = RevShare	0.209	0.144	0.425	0.104	0.213	0.562	0.732

Back

CONTROLLING FOR PROFITS, RISK AVERSION AND LOSS AVERSION

	(1) Profits: Foodco	(2) Profits: Foodco	(3) Profits: Foodco	(4) Profits: Foodco	(5) Profits: Foodco	(6) Profits: Foodco	(7) Other earnings
			Panel A: Pooled treatment				
Any contract	938.32**	1.22***	1361.07***	1381.28**	1569.49***	1139.20**	647.98
	(370.186)	(0.399)	(525.879)	(556.328)	(538.977)	(564.319)	(1994.940)
			Panel B: By contract				
Debt	605.09	0.53	789.65	1288.82**	777.31*	304.84	1339.21
	(374.726)	(0.505)	(487.980)	(519.817)	(464.468)	(537.859)	(2173.250)
Hybrid	1481.16***	1.67***	1869.66**	2231.57***	2300.34***	1500.52**	-165.76
	(564.037)	(0.458)	(737.126)	(712.227)	(757.774)	(699.507)	(1757.993)
RevShare	1098.50**	1.42***	1815.23***	1463.65*	1892.36***	1867.32**	535.96
	(457.052)	(0.466)	(696.630)	(748.026)	(705.841)	(831.617)	(2656.846)
IndexShare	382.15	1.00**	625.13	465.82	1281.18	488.54	827.02
	(456.454)	(0.456)	(749.186)	(791.678)	(908.041)	(805.908)	(2730.512)
Estimation	ITT	ITT-Poisson	LATE	LATE	LATE	LATE	LATE
Observations	2888	2888	2888	785	817	910	496
Individuals	161	161	161	160	145	119	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-6m	7m-12m	13m-24m	1m-12m
Control mean	897.45	897.45	897.45	1388.67	939.52	805.70	6528.46
Test: Debt = Hybrid	0.094	0.002	0.118	0.131	0.033	0.072	0.375
Test: Debt = RevShare	0.236	0.020	0.084	0.738	0.070	0.041	0.702
Test: Hybrid = RevShare	0.499	0.415	0.944	0.307	0.607	0.663	0.694

Back

CONTRACT PAYMENTS OVER TIME

Progress in repaying bike price over time, by contract (average)

TOTAL PERCENTAGE PAID

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
	Panel A: Pooled treatment						
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
	Panel B: By contract						
Debt	0.73***	21.79***	1.65	0.15	0.01	-0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.85	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.85	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.65	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.65	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.65	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
Panel A: Pooled treatment							
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
Panel B: By contract							
Debt	0.73***	21.79***	1.65	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.65	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
Panel A: Pooled treatment							
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
Panel B: By contract							
Debt	0.73***	21.79***	1.65	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.85	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26*	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.85	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26*	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
				Panel A: Pooled treatment			
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
				Panel B: By contract			
Debt	0.73***	21.79***	1.85	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.085)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.85	0.15	0.01	0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
			Panel A: Pooled treatment				
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
			Panel B: By contract				
Debt	0.73***	21.79***	1.85	0.15	0.01	-0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

MECHANISMS: BUSINESS PRACTICES AND EFFORT

	(1) Bike use: business	(2) Bike use: hours	(3) Stockpoint visits	(4) Sales expansion	(5) Management practices	(6) Record keeping	(7) Credit extension
	Panel A: Pooled treatment						
Any contract	0.78***	27.34***	2.28*	0.28**	0.10	0.10	0.03
	(0.030)	(2.046)	(1.345)	(0.119)	(0.077)	(0.098)	(0.028)
	Panel B: By contract						
Debt	0.73***	21.79***	1.85	0.15	0.01	-0.01	0.02
	(0.053)	(2.009)	(1.466)	(0.118)	(0.085)	(0.104)	(0.032)
Hybrid	0.90***	33.33***	3.72*	0.26**	0.13*	0.20**	0.06*
	(0.043)	(5.163)	(1.955)	(0.121)	(0.071)	(0.092)	(0.033)
RevShare	0.71***	24.83***	2.21	0.27*	0.07	0.05	0.03
	(0.060)	(2.270)	(1.677)	(0.161)	(0.100)	(0.125)	(0.037)
IndexShare	0.79***	31.23***	0.58	0.48***	0.21**	0.23	-0.01
	(0.068)	(5.981)	(2.167)	(0.181)	(0.105)	(0.140)	(0.038)
Estimation	LATE	LATE	LATE	LATE	LATE	LATE	LATE
Observations	496	496	2888	496	496	496	496
Individuals	161	161	161	161	161	161	161
Timeframe	1m-12m	1m-12m	1m-36m	1m-12m	1m-12m	1m-12m	1m-12m
Control mean	0.00	0.00	2.57	0.57	0.69	0.66	0.09
Test: Debt = Hybrid	0.014	0.037	0.358	0.298	0.105	0.015	0.246
Test: Debt = RevShare	0.838	0.315	0.822	0.362	0.516	0.574	0.896
Test: Hybrid = RevShare	0.013	0.132	0.413	0.988	0.435	0.113	0.302

Back

TESTING FOR SPILLOVERS (PEER EFFECTS)

We exploit:

1. Administrative data on the universe of micro-distributors in FoodCo's program (regardless of whether they participated in our project);

2. Detailed baseline data for 100 of our experimental respondents, asking about a series of different kinds of dyadic relationship with micro-distributors at their stockpoint.

PEER EFFECTS

We test for peer effects.

One could imagine (for example) peer effects through **side-selling**, and/or through **changes in competition**.

For most of our respondents (i), we have detailed baseline data on dyadic relationships with other participants (j) at the stockpoint.

We estimate:

$$y_{jt} = \beta_0 + \sum_{k \in \{1,\dots,4\}} \sum_i \beta_k \cdot D_{ij} \cdot \texttt{Post\_Offered}_{itk}$$
$$+ \sum_{k \in \{1,\dots,4\}} \sum_i \gamma_k \cdot D_{ij} \cdot \texttt{Ever\_Offered}_{ik} + \sum_i \delta \cdot D_{ij} \cdot \texttt{Post}_{it} + \delta_t + \varepsilon_{jt},$$

PEER EFFECTS: RESULTS

Appendix Table A1: Spillover analysis

				PANEL A: AGGREGATING ACROSS TREATMENTS				
Dyadic relationship:	(1) Knows	(2) Knew before	(3) Spoke in last week	(4) Spoke in last month	(5) Socialised	(6) Other helped with work	(7) Would ask to serve customers	(8) Had lent or borrowed
Any treatment × Connected × Post	-65 (130)	150 (160)	-63 (206)	-91 (147)	-64 (151)	-105 (183)	-162 (205)	132 (247)
Connected × Post	11 (112)	-128 (116)	10 (179)	19 (128)	-4 (131)	76 (171)	214 (193)	-149 (208)
Dyadic observations	16900	16900	16900	16900	16900	16900	16900	16900
Non-project micro-distributors	325	325	325	325	325	325	325	325
Project micro-distributors								
Connection proportion	0.49	0.22	0.33	0.40	0.36	0.29	0.22	0.16
Baseline mean	203	203	203	203	203	203	203	203

Back

HOUSEHOLD CONSUMPTION EXPENDITURE

	(1) Expenditure: Food	(2) Expenditure: Clothing	(3) Expenditure: Schooling
Debt	1230.10*	81.68	-425.07
	(690.67)	(265.59)	(516.16)
Hybrid	706.74	665.89**	535.13
	(725.82)	(306.28)	(564.82)
RevShare	117.43	103.54	283.39
	(826.19)	(386.14)	(725.32)
Index	1545.52	-368.21	71.13
	(985.33)	(392.39)	(674.24)
Data source	Survey	Survey	Survey
Estimation	LATE	LATE	LATE
Observations	496	496	496
Individuals	161	161	161
Timeframe	1m-12m	1m-12m	1m-12m
Control mean	4626.37	908.79	1113.74
Test: Hybrid = Debt	0.471	0.043	0.065
Test: Hybrid = RevShare	0.442	0.121	0.697
Test: RevShare = Debt	0.112	0.945	0.234

ROBUSTNESS: BOUNDING

To recap, we found similar take-up rates between Debt and Hybrid (68% and 69% respectively, and not significantly different), but big differences in impact on profits.

We show robustness of this conclusion using a bounding exercise (Lee, 2009).

We conclude that the difference in profits between Hybrid and Debt is driven by effort on the intensive margin (an increase in profits conditional on adopting the contract) rather than by differences on the extensive margin (contractual take-up).

ROBUSTNESS: BOUNDING

To recap, we found similar take-up rates between Debt and Hybrid (68% and 69% respectively, and not significantly different), but big differences in impact on profits.

We show robustness of this conclusion using a bounding exercise (Lee, 2009).

We conclude that the difference in profits between Hybrid and Debt is driven by effort on the intensive margin (an increase in profits conditional on adopting the contract) rather than by differences on the extensive margin (contractual take-up).

ROBUSTNESS: BOUNDING

We report differences in business profits between those adopting Hybrid and those adopting Debt.

1. As a benchmark, we report OLS comparisons for the full sample – those adopting and those not adopting – limiting to those either offered Debt or Hybrid; the coefficient on 'Dummy: Hybrid' therefore estimates the additional business profits from those in the hybrid treatment.

2. We limit attention to those who adopt.

3. Again limiting attention to adopters, we use Lee (2009) bounds to allow for take-up to correlate with unobserved heterogeneity in potential profitability.

	(1) Months 1-36	(2) Months 1-6	(3) Months 7-12	(4) Months 13-24
PANEL A: FULL SAMPLE (OLS)				
Dummy: Hybrid	1219.61*	1130.05	1892.52***	1408.44*
	(676.47)	(826.75)	(635.44)	(729.48)
Individuals	60	59	54	49
PANEL B: ADOPTERS ONLY (OLS)				
Dummy: Hybrid	784.83	321.92	1420.92**	1065.02
	(830.49)	(1076.90)	(674.97)	(844.42)
Individuals	41	41	39	39
PANEL C: ADOPTERS ONLY (LEE BOUNDS)				
Lee bound: Lower	642.40	153.93	1241.89	905.59
	(888.93)	(1248.89)	(761.08)	(786.65)
Lee bound: Upper	868.87	499.62	1543.61**	1130.93
	(875.38)	(1290.38)	(768.72)	(782.47)
Individuals	41	41	39	39

Back

TOTAL RETURN ANALYSIS

We adjust gross profits for additional costs to calculate net operating income for each stakeholder in the supply chain:

	(1) Distributors	(2) Distributors	(3) Multinational	(4) Multinational	(5) Stockpoints	(6) Stockpoints	(7) Total Return	(8) Total Return
Assignment (ITT)	471**		1534**		449**		2454**	
	(221)		(718)		(210)		(1148)	
Take-up (LATE)		708**		2305**		674**		3687**
		(325)		(1057)		(309)		(1691)
Observations	2888	2888	2888	2888	2888	2888	2888	2888
Individuals	161	161	161	161	161	161	161	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m
Control mean	521	521	1693	1693	495	495	2709	2709

Costs: capital lent minus recovered, salaries, and implementation expenses. Back

TOTAL RETURN ANALYSIS

We adjust gross profits for additional costs to calculate net operating income for each stakeholder in the supply chain:

	(1) Distributors	(2) Distributors	(3) Multinational	(4) Multinational	(5) Stockpoints	(6) Stockpoints	(7) Total Return	(8) Total Return
Assignment (ITT)	471**		1534**		449**		2454**	
	(221)		(718)		(210)		(1148)	
Take-up (LATE)		708**		2305**		674**		3687**
		(325)		(1057)		(309)		(1691)
Observations	2888	2888	2888	2888	2888	2888	2888	2888
Individuals	161	161	161	161	161	161	161	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m
Control mean	521	521	1693	1693	495	495	2709	2709

Costs: capital lent minus recovered, salaries, and implementation expenses. Back

TOTAL RETURN ANALYSIS

We adjust gross profits for additional costs to calculate net operating income for each stakeholder in the supply chain:

	(1) Distributors	(2) Distributors	(3) Multinational	(4) Multinational	(5) Stockpoints	(6) Stockpoints	(7) Total Return	(8) Total Return
Assignment (ITT)	471**		1534**		449**		2454**	
	(221)		(718)		(210)		(1148)	
Take-up (LATE)		708**		2305**		674**		3687**
		(325)		(1057)		(309)		(1691)
Observations	2888	2888	2888	2888	2888	2888	2888	2888
Individuals	161	161	161	161	161	161	161	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m
Control mean	521	521	1693	1693	495	495	2709	2709

Costs: capital lent minus recovered, salaries, and implementation expenses. Back

TOTAL RETURN ANALYSIS

We adjust gross profits for additional costs to calculate net operating income for each stakeholder in the supply chain:

	(1) Distributors	(2) Distributors	(3) Multinational	(4) Multinational	(5) Stockpoints	(6) Stockpoints	(7) Total Return	(8) Total Return
Assignment (ITT)	471**		1534**		449**		2454**	
	(221)		(718)		(210)		(1148)	
Take-up (LATE)		708**		2305**		674**		3687**
		(325)		(1057)		(309)		(1691)
Observations	2888	2888	2888	2888	2888	2888	2888	2888
Individuals	161	161	161	161	161	161	161	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m
Control mean	521	521	1693	1693	495	495	2709	2709

Costs: capital lent minus recovered, salaries, and implementation expenses.

TOTAL RETURN ANALYSIS

We adjust gross profits for additional costs to calculate net operating income for each stakeholder in the supply chain:

	(1) Distributors	(2) Distributors	(3) Multinational	(4) Multinational	(5) Stockpoints	(6) Stockpoints	(7) Total Return	(8) Total Return
Assignment (ITT)	471**		1534**		449**		2454**	
	(221)		(718)		(210)		(1148)	
Take-up (LATE)		708**		2305**		674**		3687**
		(325)		(1057)		(309)		(1691)
Observations	2888	2888	2888	2888	2888	2888	2888	2888
Individuals	161	161	161	161	161	161	161	161
Timeframe	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m	1m-36m
Control mean	521	521	1693	1693	495	495	2709	2709

Costs: capital lent minus recovered, salaries, and implementation expenses. Back