

Adoption and Impact of Mobile Health Services: Experimental Evidence from Bangladesh

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Abstract

In this paper, I provide experimental evidence that the adoption of a beneficial healthcare technology can be increased by nudging people to try it once. Though mobile health services (MHS) are freely available from trained health professionals in Bangladesh, very few rural households use this service. I conduct a cluster randomized controlled trial where households randomly receive information about the MHS, are encouraged to save phone numbers of MHS providers, and are encouraged to try the service once. I find that all treatments improve awareness, but only experimentation leads to higher adoption of MHS both in the extensive and intensive margins. Using random assignment into treatments that lead to higher adoption of MHS as an instrument, this paper shows that the adoption of MHS decreases households' health expenditure, mostly due to the reduction in medicine expenditure. This happens because households, who adopted MHS, are also less likely to visit informal providers who often overprescribe medicine.

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