

Authors Rema Hanna Harvard University

Sendhil Mullainathan Harvard University

Joshua Schwartzstein Joshua Schwartzstein

Learning Through Noticing: Theory and

Experimental Evidence in Farming*

Rema Hanna

Sendhil Mullainathan

Harvard University, NBER and BREAD Harvard University and BREAD

Plarvalla Universi

Joshua Schwartzstein Durtmouth College

March 9, 2014

Abstract

Existing learning models suggest that the availability and informativeness of data determine the pace of learning. However, in learning to use a technology, there are often a stuggering number of potentially imposture input dimension. People with limited attaction must choose which dimensions to attend to and subsequently learn about from available data. We use this model of "learning through noticing" to shed light on stylized facts about technology adoption and use. We show how agents with a grant datal of experience may persistently be off the production frontist, simply because they failed to notice impostant features of the data that they posses. The model also allows for precision on whom these learning failures are likely to occur. We text some of these predictions on when these learning failures are likely to occur. We text some of these predictions in a field experiment with nearested farmers. The survey data reveal that these farmers do not attend to pol size, a particular input dimension. Furthermore, consistent with the model, we find that simply having access to the experiment data does not induce learning. Instead, behavioral changes occur only diver the farmers are presented with summaries that highlight previously unstended-to relationships in the data.

"We thank Daniel Benjamin, Matthew Gentokov, Marina Halac, Andy Newman, Ted O'Donoghne, Tim Opden Matthew Rabin, and Andrei Shkifer for helpfal comments, as well as sentiare participants at the Behavioural Dacidos Theory Conference, Berkeles, BREAD, BU, Chicago Booth, Cornell, Dake, HarwardMIT, the NBER Organizational Economics Meeting, and STTE.

1

Learning Through Noticing: Theory and Experimental Evidence in Farming

Existing learning models suggest that the availability and informativeness of data determine the pace of learning. However, in learning to use a technology, there are often a staggering number of potentially important input dimensions. People with limited attention must choose which dimensions to attend to and subsequently learn about from available data. We use this model of "learning through noticing" to shed light on stylized facts about technology adoption and use. We show how agents with a great deal of experience may persistently be off the production frontier, simply because they failed to notice important features of the



data that they possess. The model also allows for predictions on when these learning failures are likely to occur. We test some of these predictions in a field experiment with seaweed farmers. The survey data reveal that these farmers do not attend to pod size, a particular input dimension. Experimental trials suggest that farmers are particularly far from optimizing this dimension. Furthermore, consistent with the model, we find that simply having access to the experimental data does not induce learning. Instead, behavioral changes occur only after the farmers are presented with summaries that highlight previously unattended-to relationships in the data.

March 09, 2014