

# The impact of internet use on the performance of agricultural cooperatives in Vietnam

Nguyen, Trung Thanh and Do, Manh Hung and Rahut, Dil and Nguyen, Viet Hung and Chhay, Panharoth

Leibniz University Hannover, Leibniz University Hannover, Asian Development Bank Institute, Institute of Policy and Strategy for Agriculture and Rural Development, Asian Development Bank Institute

2023

Online at https://mpra.ub.uni-muenchen.de/117274/ MPRA Paper No. 117274, posted 11 May 2023 13:52 UTC

## The impact of internet use on the performance of agricultural cooperatives in Vietnam

Trung Thanh Nguyen <sup>a,\*</sup>, Manh Hung Do<sup>a</sup>, Dil Bahadur Rahut<sup>b</sup>, Viet Hung Nguyen<sup>c</sup>, Panharoth Chhay<sup>b</sup>

<sup>*a</sup></sup> Leibniz University Hannover, Hannover, Germany;* <sup>*b*</sup> Asian Development Bank Institute, 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo, Japan; <sup>*c*</sup> Institute of Policy and Strategy for Agriculture and Rural Development, Hanoi, Vietnam</sup>

\* Corresponding author: thanh.nguyen@iuw.uni-hannover.de.

#### Abstract

Supporting agricultural cooperatives might contribute to the livelihood improvement of many small-scale farmers in developing countries. This research examined the factors affecting the internet use of agricultural cooperatives with a focus on female leadership, its effects on cooperatives' economic, social, and innovative performance, and the distributional effects of internet use on economic performance. Our analysis relied on the data of 3,512 agricultural cooperatives collected in 2021 from Vietnam. We addressed the endogeneity issue of internet use in impact assessment by employing an instrumental variable approach. Our results showed that female leadership was positively and significantly associated with internet use and that internet use had a positive and significant effect on returns on assets, returns on equity, labour productivity, payment per labourer, contribution to labour union and insurance per labourer, and innovation in products of agricultural cooperatives. In addition, unconditional quantile regressions showed that internet use in agricultural cooperatives exacerbated income inequality. Enhancing female leadership and promoting rural education were recommended to improve agricultural cooperatives' performance.

Keywords: internet use; performance; endogeneity; heterogeneity; instrumental variable.

# 1. Introduction

Many of the world's poor depend on agriculture for their livelihoods; most of them are small-scale farmers and live in developing countries where they face various constraints that impede them from taking advantage of market opportunities (Fischer and Qaim, 2012). Small-scale farmers often live in poor areas with limited infrastructure and face high transaction costs for both agricultural input and output exchange (Barrett, 2008). Farmer organizations, cooperatives, and other forms of collective action are thus expected to be a venue to reduce high transaction costs (Valentinov, 2007), improve the economies of scale (Hoang et al., 2021; Ma et al., 2023), and increase the bargaining power of their members (Su and Cook, 2020). They also play an important role in facilitating agricultural technology adoption and innovations among their members (Ma, Zheng, and Yuan, 2022; Jabbouri et al., 2022; Zhang et al., 2020). Other advantages of agricultural cooperatives might include, for example, increases in farm productivity and income, farm sustainability, and gender equality (Candemir et al., 2021; Govindapuram et al., 2022; Ferguson and Kepe, 2011; Fischer and Qaim, 2012; Ho et al., 2017; Lijia and Xuexi, 2014; Nguyen et al., 2017; Ma, Zheng, Zhu, and Qi, 2022; Sarpong-Danquah et al., 2022; Zheng et al., 2023). In this regard, supporting agricultural cooperatives might improve the livelihoods of many small-scale farmers in developing countries.

In several developing countries, agricultural cooperatives face challenges that significantly affect their performance. From the production side, the development of cooperatives mainly relies on the expansion of production resources (e.g., using more land and/or more labour) rather than the improvement of productivity (e.g., using more advanced technologies) (Grashuis and Su, 2019). From the market side, cooperatives struggle to market their products, contact business partners, and inform customers (Cristobal-Fransi et al., 2020). One of the opportunities that might be useful for improving the performance of agricultural cooperatives in developing countries is the rapid development of information and communication technology (ICT) in general and the internet in particular, which is becoming available to an increasing share of the global population (Goldfarb and Tucker, 2019; Nguyen et al., 2023). Using these new ICTs such as the internet might benefit agricultural cooperatives by reducing transaction and information costs, providing them with better access to information, knowledge, and technology (Ma, Qiu, and Rahut, 2022; Nguyen et al., 2021; United Nations, 2018), improving the efficient use of agricultural inputs such as fertilizers, and promoting the adoption of sustainable farming practices (Kaila and Tarp, 2019; Ma and Wang, 2020). These would help improve their performance by increasing productivity and improving market coordination (Galperin and Fernanda Viecens, 2017; FAO, 2018; Lio and Liu, 2006). However, the number of cooperatives adopting these new ICTs, including the internet, appears to be low (Bastida et al., 2022). This raises the need to examine the factors affecting internet use of agricultural cooperatives.

Women in several developing countries are often considered disadvantaged with low literacy rates, poor access to education, and limited economic and social mobility (Lechman, 2019). They have to devote more of their time to family obligations (unpaid work) such as household chores, and taking care of children than men. At the same time, they might also have to engage in paid activities (Nguyen and Do, 2022). The burden of work is even heavier for those women with leading positions in their workplaces. In recent years, the expansion of internet access has brought broad opportunities for women to improve literacy, education, and skills which help them gain better access to the formal economy (Lechman, 2019). Collective business models such as cooperatives have been found to be more suitable for women as an entrepreneurial activity (Bastida et al., 2022). Internet use can help female leaders save time in several activities such as looking for and contacting business partners, and reducing costs of trade settlement (Nguyen and Do, 2022; Zanello et al., 2014). However, the association between female leadership and internet use in collective businesses such as agricultural cooperatives has not been adequately studied. In addition, previous studies on the factors affecting internet use and its welfare impact in rural areas of developing countries focused on rural individuals

or households (Kaila and Tarp, 2019; Ma and Wang, 2020; Nguyen et al., 2022). This is because it is easy to know whether these individuals or households have used the internet. The issue has been paid less attention when it is a group of rural individuals or households such as agricultural cooperatives because each cooperative usually consists of several members and is managed by a group of people such as a management board.

Against the above background, our research aims at addressing the following research questions: (i) How is female leadership associated with internet use of agricultural cooperatives? (ii) How does internet use influence their performance? and (iii) How are the economic benefits of internet use distributed among agricultural cooperatives? Addressing these questions provides useful information for policy responses to design development programs to stimulate efficient and inclusive economic growth. Our study contributes to the current literature in several ways. First, the association between internet use and female leadership of agricultural cooperatives as a form of collective business models has been ignored in the previous studies. This is accounted for in our study as one of the factors affecting internet use of agricultural cooperatives. Second, previous studies focused on economic performance. Third, previous studies focused more on the economic gains from internet use, but largely ignored how the gains were distributed. Our study evaluates the distribution of the gains and thus is able to identify who benefits more from internet use.

We use the data of agricultural cooperatives from Vietnam, an emerging economy in Southeast Asia, because of several reasons. First, Vietnam is among the fastest-growing economies in the world, but a large proportion of its population still lives in rural areas and relies mainly on agriculture for their livelihoods (Nguyen et al., 2021). Second, Vietnam used to belong to a former communist bloc with a centrally planned economic system in which all agricultural cooperatives were state-owned. The poor performance of the former state-owned agricultural cooperative system in the past and the fact that Vietnam is still a communist country means that an examination of the current agricultural cooperatives is needed, especially after the amendment of the national cooperative law in 2012 (Hong, 2017). Third, a cooperative in Vietnam is usually led by a management board in which the president is the highest position and is chosen by their members. Therefore, examining the gender aspect of this top position is significant in supporting women empowerment in developing countries. Fourth, internet development has been very rapid in Vietnam during the last decade. The share of internet users in 2019 was more than 70% of its population (ITU, 2020), and the internet has been available and affordable in many rural areas in Vietnam (Kaila and Tarp, 2019). Thus, it is interesting to see how agricultural cooperatives take this opportunity to improve their performance.

The remaining parts of this paper are organized as follows. Section 2 presents the conceptual framework and reviews the previous literature to highlight the contributions of our study. Section 3 describes the data and methodology. Section 4 presents and discusses the empirical results. Section 5 concludes with policy implications and the outlook for future studies.

#### 2. Conceptual framework and literature review

# 2.1. Conceptual framework

We start with the potential factors determining internet use of an agricultural cooperative. The management board led by its president of the cooperative decides to use the internet if the perceived net (social) benefit from using the internet for the cooperative is positive. This perception depends, theoretically, on several factors, including the characteristics of the management board. One of the benefits from using the internet is that it helps users save time (and probably also money) from looking for information needed for business activities and contacting business partners. Therefore,

in addition to the fact that the age and education level of management board members have been found to be important in affecting internet use (Khanal et al. 2015; Ojo et al., 2019; Yang et al., 2021), female leadership is expected to be positively associated with internet use because female leaders understand more the benefit of using the internet in saving their time, which is relatively more constrained than men's time. In fact, women are also well-known for being constrained from economic and social mobility due to the "double burden" created by their responsibilities for unpaid family obligations and paid working activities (Lechman, 2019; Nguyen and Do, 2022). This burden is heavier for cooperative's female leaders. Internet use in the working places, therefore, can help female leaders save time and money in business activities such as governing and managing their cooperatives, looking for and contacting business partners, and reducing costs of trade settlement (Nguyen and Do, 2022; Zanello et al., 2014).

The potential mechanism through which internet use can help improve the performance of the cooperative is that it can reduce transaction costs (Garicano and Kaplan, 2001; Goldfarb and Tucker, 2019) via better market coordination and increase productivity via more efficient use of inputs and adoption of sustainable farming practices (Ma and Wang, 2020). Without internet use, the costs for communication, search, price discovery, and trade settlement are relatively higher (Lee and Clark, 1996). For instance, when the marketing shifts to online platforms by using the internet, the cooperative can lower its search costs, replication costs, tracking costs, and verification costs (Goldfarb and Tucker, 2019). Using internet banking for financial transactions can also help the cooperative reduce its operation costs (e.g., going to the bank to make a financial transaction or withdraw money to pay their purchase). Internet users can reduce their costs for search and trade settlement (Lee and Clark, 1996; Troy and Michael, 1999). Internet use can also provide more and rapid information on new technologies and thus facilitate the adoption of innovations (FAO, 2018; Lio and Liu, 2006; Ma, Qiu, and Rahut, 2022; Ma and Wang, 2020; Nguyen et al., 2021). Further, it might increase the awareness of the cooperative's leaders to act in a more socially acceptable manner, such as to care more about the welfare of their employees and to understand better the benefits of innovations. These mean that internet use is expected to improve the performance of the cooperatives in all economic, social, and innovative terms. However, as the ability to take the opportunities brought by internet use is different among individuals, farmers, and organizations, there might be heterogeneities in the gains from internet use among agricultural cooperatives. For instance, large cooperatives might be able to benefit more than small ones. Several previous studies showed that these heterogeneities existed for farmers in Vietnam (Nguyen et al., 2023) or in China (Ma and Wang, 2020).

In summary, we expect that (i) female leadership is positively associated with internet use of agricultural cooperatives, (ii) internet use has a positive effect on the performance of agricultural cooperatives, but (iii) the benefits from using the internet are heterogeneous among agricultural cooperatives.

# 2.2. Literature review

Regarding the factors affecting internet use, empirical evidence is available with household data (for example, Chang and Just, 2009; Mishra and Park, 2005; Nguyen and Do, 2022; Nguyen et al., 2022; Yang et al., 2021), but only a few with cooperative data (Cristobal-Fransi et al., 2020; Dholakia and Kshetri, 2004). These studies showed that fixed assets, the number of labourers (size), and the fields of business were key variables affecting cooperatives' digitalization, while external factors such as regional indicators did not have a significant correlation with the digitalization (Hejkrlik et al., 2021; Yueh et al., 2013). Khanal et al. (2015) found that the operator's age had a negative correlation, while the operator's education was positively correlated with internet adoption. Lack of computer skills and knowledge could be a significant constraint for internet use (Briggeman and Whitacre, 2010;

Yang et al., 2021). These studies revealed that the decision to use the internet depended on the availability of internet connection and the characteristics of adopters. Since the internet connection in Vietnam is available throughout the country, agricultural cooperatives have a choice to use or not to use the internet; hence their characteristics and resources are the major factors determining their use of the internet.

Even though the literature shows that there is a difference in the purpose of internet use between males and females (Ojo et al., 2019) and the impact of internet use has also been found to be different between males and females (Nguyen and Do, 2022), there are only a few studies accounting for the gender aspect in examining the association between internet use and the performance of cooperatives (Ferguson and Kepe, 2011; Bastida et al., 2022), and their findings are inconclusive. On the one hand, Campbell and Mínguez-Vera (2008) found that the share of female leaders on the board of directors positively affected firms' financial performance. On the other hand, Carter et al. (2010) concluded that no significant relationship existed between female leadership and firms' financial performance. However, the role of female leadership in adopting the internet in the operation of agricultural cooperatives has been largely ignored (Campbell and Mínguez-Vera, 2008; Dholakia and Kshetri, 2004).

Empirical evidence on the impacts of internet use on the performance of agricultural cooperatives in developing countries is limited (Khanal et al., 2015) and their findings are also inconclusive. Some studies found that internet use positively affected firms' productivity and innovation capacity (Paunov and Rollo, 2014), while some other studies pointed out that ICTs had causal effects on firms' scale but did not affect firms' productivity (DeStefano et al., 2018). Besides, internet use, such as email and internet banking, had no significant influence on productivity (Colombo et al., 2013).

In addition, several other research gaps need further attention. First, while women belong to disadvantaged groups in using the internet (Goldfarb and Prince, 2008; Lassithiotaki and Roubakou, 2014), the aspect of gender has been ignored in previous studies, especially when women take leadership. In our study, two gender-related variables, namely the gender of cooperatives' presidents and the share of female labour in cooperatives, are taken into account in the estimations of the factors affecting internet use in cooperatives and the impacts of internet use on cooperatives' performance. The results from these estimations are expected to enrich the literature on the role of women in agricultural cooperatives in developing countries. Second, we consider several aspects of cooperatives' performance instead of only a single indicator of productivity. Notably, we examine the impact of internet use on (i) economic performance and productivity; (ii) social performance; and (iii) innovative performance. The evidence on the effects of internet use contributes to the fulfilment of the so-called "productivity paradox" (Galperin and Fernanda Viecens, 2017). Third, we assess the distribution of economic benefits from internet use for agricultural cooperatives to enrich the literature regarding the problem of inequality. Last, we overcome the endogeneity problem of internet use in impact assessment by using an internal instrumental variable approach.

In this study, we use the cross-sectional data from 3,512 agricultural cooperatives collected in Vietnam to examine those issues. We first use a Probit model to identify the factors affecting the internet use of agricultural cooperatives. Next, we use the heteroscedasticity-based instrumental variable (IV) approach proposed by Lewbel (2012) to examine the effects of internet use on different indicators of cooperatives' performance. Last, we use an unconditional quantile regression (UQR) model to capture the heterogeneous impacts of internet use on the economic benefits of agricultural cooperatives. Since cooperatives are important to many developing countries where the farm size is small (Eastwood et al., 2010), the findings from our study could also be relevant to other developing countries with similar characteristics as Vietnam.

## 3. Data and methodology

## 3.1. Source and description of data

We use the data from the Economic Census 2021 from the General Statistics of Vietnam (GSO) (see <u>https://www.gso.gov.vn/en/economic-census/</u> for further information). The data in this round include the operational information in the year 2020 of (i) firms and cooperatives; (ii) individual businesses in the non-agricultural sector; (iii) state-owned businesses; (iv) associations; and (v) non-governmental organizations. Those groups are engaged in 19 different economic sectors in Vietnam, for example, agriculture-forestry-aquaculture, manufacturing, transportation, retailing, communication and technology, and education. This economic census is conducted every 5 years. In this study, we use the cross-sectional data of the most recent wave of the economic census in 2021 due to the availability of internet use information.

Roughly 15,300 cooperatives participated in the economic census 2021 (GSO, 2022) of which about 7,000 cooperatives are in the agricultural sector (including those in agriculture, forestry, and aquaculture). Their main function is to support their members by providing the services needed for agricultural production, such as input supply, irrigation, and access to credit. We use the data from three sections (i) information of cooperatives' management boards (gender, age, and education of presidents and other members of management board) and the number of cooperatives' members, (ii) information of cooperatives' resources such as land areas, equipment and machines, and if they use the internet for the operation, and (iii) information of cooperatives' performance (see Appendix 1 for the detailed name, definition, and measurement of variables). Among these 7,000 agricultural cooperatives, 2,000 were reported to be inactive at the time of the census (temporarily shut down, already shut down but still waiting for a dissolution, or already declared bankruptcy). From the remaining 5,000 active agricultural cooperative, about 1,500 were further excluded as they did not fully report their performance data. Hence, the final sample includes 3,512 agricultural cooperatives across Vietnam (see Appendix 2 for the distribution of active agricultural cooperatives by geographical region). Since the attrition rate is high, our empirical results should be interpreted with care.

Table 1 stacks the descriptive statistics of agricultural cooperatives' performance in the three aspects of interest, namely economic, social, and innovative performance, by the status of internet use and the gender of the president. Regarding economic performance, it appears that cooperatives with internet use have higher revenue, higher total assets, higher labour productivity, and higher total equity than those without internet use. However, the returns on assets (ROA) and returns on equity (ROE) of the former are lower than those of the latter. Regarding the gender aspect of the presidents, the descriptive statistics of male-presided and female-presided cooperatives show that the differences in all economic performance, cooperatives with internet use have a higher payment and higher contribution to labour union funds and insurance per labourer. Female-presided cooperatives have a higher payment per labourer. Regarding innovative performance, cooperatives with internet use and female-presided cooperatives are more likely to conduct innovations in the production process and products.

Table 1:	Descriptive sta	itistics of agricultural	cooperatives'	performance
		0		1

	<b>W</b> /h = 1 = = = = = 1 =	By inte	ernet use	By gender of	By gender of president	
Variables	(n=3512)	No (n = 1887)	Yes (n = 1625)	Male (n = 3299)	Female $(n = 213)$	
A. Economic performance						
Revenue (mil. VND) <sup>c</sup>	1340.24	890.76	1862.20 <sup>***, a</sup>	1343.42	1291.06 <sup>a</sup>	

	(3887.97)	(2145.28)	(5179.63)	(3977.96)	(2042.73)
Profit (mil. VND)	87.28	98.01	74.82 <sup>a</sup>	87.15	89.20 <sup>a</sup>
	(644.64)	(383.44)	(852.86)	(657.68)	(391.37)
Total assets (mil. VND)	2390.36	1811.30	3062.79***, a	2392.17	2362.37 <sup>a</sup>
	(7336.58)	(7849.23)	(6631.41)	(7325.79)	(7519.29)
Total equity (mil. VND)	1828.78	1368.47	2363.31***, a	1841.33	1634.42 <sup>a</sup>
	(5324.00)	(5973.18)	(4394.69)	(5201.85)	(6959.82)
Returns on assets (%)	16.56	22.71	9.43 <sup>***, a</sup>	16.76	13.48 <sup>a</sup>
	(73.95)	(78.84)	(67.15)	(74.57)	(63.62)
Returns on equity (%)	23.59	32.60	13.12***, a	23.73	21.46 <sup>a</sup>
	(100.27)	(108.79)	(88.26)	(100.35)	(99.33)
Labour productivity	277.29	184.74	384.75 <sup>**, a</sup>	278.96	251.39 <sup>a</sup>
(mil. VND per labourer)	(2934.96)	(772.07)	(4231.93)	(3025.39)	(518.84)
B. Social performance					
Payment per labourer	23.62	20.35	27.41 <sup>***, a</sup>	23.21	29.95 <sup>***, a</sup>
(mil. VND per labourer)	(23.28)	(20.29)	(25.82)	(22.97)	(26.87)
Contribution to union and insurance	1.55	1.05	2.13***, a	1.55	1.65 <sup>a</sup>
(mil. VND per labourer)	(3.61)	(3.07)	(4.08)	(3.60)	(3.76)
C. Innovative performance					
Innovation in production process	0.11	0.06	0.17 <sup>***, b</sup>	0.10	0.16 <sup>**, b</sup>
(yes = 1)	(0.31)	(0.23)	(0.37)	(0.31)	(0.37)
Innovation in products	0.08	0.04	0.13 <sup>***, b</sup>	0.08	0.14 <sup>***, b</sup>
(yes = 1)	(0.27)	(0.20)	(0.34)	(0.27)	(0.35)

Standard deviations in parentheses; <sup>a</sup>: Two-sample t-test; <sup>b</sup>: Non-parametric two-sample rank-sum test; <sup>c</sup>: 1 US\$ is approximately 23,125 Vietnam Dong (VND) in December 2020; \*\*p < 0.01, \*\*p < 0.05, \*p < 0.1.

Table 2 reports the descriptive statistics of agricultural cooperative characteristics. Only 6% of agricultural cooperatives have a female president, and the figure is slightly higher in cooperatives using the internet. Those with a younger president or a higher education level of the presidents or management board members are more likely to use the internet. Cooperatives with a higher share of female labourers, a higher number of labourers, and a higher number of members tend to use the internet more. Presidents and management board members of female-presided cooperatives are better educated and younger. In addition, although female-presided cooperatives have a lower number of labourers and a lower number of members, they have a higher share of female labourers. Cooperatives engaging in livestock are more likely to use the internet, while those engaging in aquaculture than male-presided ones. There are no significant differences in internet use between cooperatives in delta and coastal regions. The differences in productive assets are significant in the numbers of boats, water pumps, tractors, combine harvesters, vehicles, and other equipment and machines. There are no significant differences in the numbers of productive assets between the two groups of male and female-presided cooperatives.

	Whole comple By in		met use	By gender of	f the president
Variables	(n= 3512)	No (n = 1887)	Yes (n = 1625)	Male (n = 3299)	Female $(n = 213)$
A. Demographic characteristics					
Gender of cooperative's president	0.06	0.05	$0.07^{**, b}$		
(female president $= 1$ )	(0.24)	(0.22)	(0.25)		
President with vocational training	0.26	0.19	0.34 <sup>***, b</sup>	0.26	0.38 <sup>***, b</sup>
degree or higher (yes $= 1$ )	(0.44)	(0.40)	(0.48)	(0.44)	(0.49)
Age of president (years old)	53.29	54.07	52.39***, a	53.67	47.52 <sup>***, a</sup>
	(9.82)	(9.62)	(9.98)	(9.68)	(10.24)
Training of management board	0.51	0.48	0.56 <sup>***, b</sup>	0.51	0.48 <sup>b</sup>
members (yes $= 1$ )	(0.50)	(0.50)	(0.50)	(0.50)	(0.50)
Management board members with	0.10	0.06	0.14 <sup>***, b</sup>	0.09	0.16 <sup>***, b</sup>
vocational training degrees	(0.30)	(0.24)	(0.34)	(0.29)	(0.37)
(ves = 1)					

Share of female labourers (%)	21.66	19.71	23.94***, a	19.93	48.53 <sup>***, a</sup>
	(21.14)	(21.13)	(20.94)	(19.32)	(28.67)
Number of labourers	9.68	8.65	10.88 <sup>***, a</sup>	9.83	7.37 <sup>***, a</sup>
	(9.58)	(8.15)	(10.90)	(9.73)	(6.52)
Number of members	458.72	338.89	597.86 <sup>***, a</sup>	471.47	261.13***, a
	(868.95)	(738.15)	(981.64)	(881.43)	(614.12)
B. Cooperative type and land area					
Total land areas (ha)	1124.72	1534.30	649.10 <sup>a</sup>	1187.96	145.23 <sup>a</sup>
	(43224.50)	(58292.27)	(9626.97)	(44597.16)	(892.19)
Livestock cooperative (yes $= 1$ )	0.02	0.02	0.03 <sup>b</sup>	0.02	0.05 <sup>***, b</sup>
	(0.15)	(0.15)	(0.16)	(0.15)	(0.22)
Aquaculture cooperative (yes $= 1$ )	0.02	0.03	$0.02^{***, b}$	0.02	0.04 <sup>b</sup>
	(0.15)	(0.17)	(0.13)	(0.15)	(0.19)
C. Geographical characteristics					
Delta region (yes $= 1$ )	0.48	0.48	0.48 <sup>b</sup>	0.49	$0.34^{***, b}$
	(0.50)	(0.50)	(0.50)	(0.50)	(0.48)
Coastal region (yes $= 1$ )	0.38	0.37	0.39 <sup>b</sup>	0.38	0.34 <sup>b</sup>
	(0.48)	(0.48)	(0.49)	(0.49)	(0.47)
D. Productive assets					
Number of boats	0.10	0.15	0.04 <sup>***, a</sup>	0.10	0.01 <sup>a</sup>
	(1.00)	(1.30)	(0.43)	(1.03)	(0.15)
Number of electric generators	0.28	0.24	0.32 <sup>a</sup>	0.27	0.32 <sup>a</sup>
	(1.60)	(1.31)	(1.88)	(1.61)	(1.53)
Number of water pumps	2.88	2.13	3.76 <sup>***, a</sup>	2.94	2.06 <sup>a</sup>
	(10.44)	(5.70)	(14.01)	(10.59)	(7.64)
Number of seed-sowing machines	0.12	0.08	0.16 <sup>a</sup>	0.12	0.04 <sup>a</sup>
	(1.52)	(1.28)	(1.76)	(1.57)	(0.24)
Number of tractors	0.08	0.06	0.10 <sup>**, a</sup>	0.09	0.02 <sup>a</sup>
	(0.62)	(0.55)	(0.69)	(0.64)	(0.22)
Number of combine harvesters	0.08	0.05	0.10 <sup>**, a</sup>	0.08	0.03 <sup>a</sup>
	(0.69)	(0.48)	(0.88)	(0.71)	(0.42)
Number of vehicles	0.04	0.03	0.06 <sup>**, a</sup>	0.04	0.08 <sup>a</sup>
rumber of venicies	(0.34)	(0.28)	(0.40)	(0.34)	(0.31)
Number of other equipment and	5.51	4.14	7.10 <sup>**, a</sup>	5.64	3.54 <sup>a</sup>
machines	(29.58)	(21.13)	(36.98)	(30.41)	(9.98)

Standard deviations in parentheses; <sup>a</sup>: Two-sample t-test; <sup>b</sup>: Non-parametric two-sample rank-sum test; \*\*p < 0.01, \*\*p < 0.05, \*p < 0.1.

# 3.2. Methodology 3.2.1. Identifying the factors affecting internet use of agricultural cooperatives

In the first step, we identify the factors affecting internet use of agricultural cooperatives. As conceptualized and reviewed in Section 2, when the internet is available, the use of the internet of agricultural cooperatives is mainly affected by their internal characteristics rather than external ones. A dummy variable (R) represents whether a cooperative uses the internet. R is equal to one if the cooperative uses the internet in its operation and equal to zero otherwise. Thus, the probability of internet use of cooperative i can be estimated using a Probit regression as:

$$P(\mathbf{R}_i = 1) = \alpha_0 + \alpha_1 F E_i + \alpha_2 X_i + \varepsilon_i \tag{1}$$

where *P* is the probability of internet use; *FE* represents the female leadership which is equal to 1 if the president is a female, and 0 otherwise; *X* is a vector representing the characteristics such as demographic characteristics, geographical characteristics, and productive assets; and  $\varepsilon$  is the error term. Demographic characteristics included in our studies are: the education and age of the president, the education and training participation of management board members, the share of female labourers, the number of labourers (in logarithm), and the number of cooperatives' members (in logarithm). We also include the total land area (in logarithm) and control for the cooperative categories (livestock or aquaculture with crop production as the bases) and geographical locations (delta or coastal region with the mountainous region as the base). We include important physical assets for production, such as the number of boats, electric generators, water pumps, seed-sowing machines, tractors, combine harvesters, vehicles, and other equipment and machines. The choice of these assets is based on previous studies (Cristobal-Fransi et al., 2020; Dholakia and Kshetri, 2004; Khanal et al., 2015; Yueh et al., 2013).

Furthermore, we examine the combined effect of gender and education of the president by including an interaction term between these two variables as follows:

$$P(\mathbf{R}_i = 1) = \beta_0 + \beta_1 F E_i + \beta_2 F E_i * E D U_i + \beta_3 X_i + \epsilon_i$$
(2)

where EDU is the education of the president and  $\epsilon$  is the error term; other variables are defined as in Equation 1. We check for the potential multicollinearity problem among independent variables in our model. The Variance Inflation Factor (VIF) values show that there are no severe multicollinearity problems (see columns (1) and (2) in Appendix 3 for the VIF values of Equations 1 and 2, respectively). We bootstrap and cluster our estimations at the provincial level to obtain robust standard errors and to prevent spatial autocorrelation.

#### 3.2.2. Examining the effects of internet use on agricultural cooperatives' performance

In the second step, we examine the effects of internet use on agricultural cooperatives' performance as follows:

$$Y_i = \gamma_0 + \gamma_1 R_i + \gamma_2 F E_i + \gamma_3 X_i + \eta_i \tag{3}$$

where  $Y_i$  represents a measure of the cooperative *i*'s performance and  $\eta_i$  is the error term. We use three groups of indicators representing the performance of agricultural cooperatives, namely (i) economic performance, (ii) social performance, and (iii) innovative performance. For economic performance, we use three indicators, namely returns on assets (ROA), returns on equity (ROE), and labour productivity (in logarithm). For social performance, we use two indicators, namely the payment per labourer (e.g., wages and extra payment to labourers) and contribution per labourer (e.g., contribution to the budget of labour union, social insurance, medical insurance, and unemployment insurance). Both of these social indicators are converted into logarithms. For innovative performance, we use two dummies, one is whether the cooperative had an innovation in the production process, and the other one is whether the cooperative had an innovative product in the last year.

Estimating equation 3 is challenging because  $R_i$  is endogenous, as explained in Equation 1. Further, there might be a reversed causality between internet use and performance. We address these issues by employing an instrumental variable (IV) approach, which follows the heteroscedasticity-based identification strategy developed by Lewbel (2012) and Baum et al. (2012). In this approach, the endogenous variable (internet use denoted as  $R_i$ ) is regressed in the first stage as:

$$R_i = \delta_0 + \delta_2 Z_i + \xi_i \tag{4}$$

where Z includes both X and FE defined above and  $\xi_i$  is the error term. Theoretically, this heteroscedasticity-based IV method employs the estimated residuals of independent variables  $(Z_i)$ from the first stage to create internal IVs for the second stage. Lewbel (2012) and Baum et al. (2012) propose to employ the estimated residuals  $[Z_i - E(Z_i)]\hat{\xi}_i$  as internal IVs for  $R_i$  in estimating Equation 3, where  $\hat{\xi}_i$  is the predicted residuals obtained from the estimation of Equation 4. These internal IVs are valid because  $[Z_i - E(Z_i)]\hat{\xi}_i$  is uncorrelated with  $\eta_i$  in Equation 3 (Nguyen et al., 2021). This approach assumes there is an existence of heteroscedasticity in  $\xi_i$ . We check for the presence of heteroscedasticity in our model (Equation 3) using the Pagan-Hall statistic for homoskedastic, the Breusch-Pagan/Cook-Weisberg test for heteroscedasticity, and the White's test for homoscedasticity. The results of these tests (in Appendix 4) confirm the presence of heteroscedasticity. Next, we conduct several quality tests, namely the under-identification test (a LM test based on Kleibergen and Paap (2006)), the weak identification test (Kleibergen-Paap rk Wald F statistics), and the over-identification test (Hansen J statistic test) to check for the appropriateness of these internal IVs. The results of these tests presented in Tables 4 and 5 show that these IVs are valid. Then, we check for the problem of multicollinearity by using the VIF values. The results of VIF values of the independent variables in Equation 3 do not show a problem of multicollinearity (see Column (3) of Appendix 3). The robust standard errors are clustered at the provincial level to prevent spatial autocorrelation.

# 3.2.3. Determining the distributional effects of internet use on agricultural cooperatives' economic performance

The economic effects of internet use determined from Equation 3 only provide a mean-based estimation of the economic performance of agricultural cooperatives. Hence, we further examine who benefit(s) more in the last step with regard to economic performance. We use an unconditional quantile regression (UQR) model proposed by Firpo et al. (2009) to estimate the distribution. This UQR model estimates unconditional partial effects of changes in the distribution of independent variables (the economic performance of agricultural cooperatives) on the distributional statistic of the outcomes (Rios-Avila, 2020). Furthermore, the UQR model not only includes robust and clustered standard errors but also considers the effects of independent variables on unconditional quantiles of dependent variables (Baltagi and Ghosh, 2017). The procedure of this UQR model includes two steps (Borgen, 2016). In the first step, the re-centered influence function (RIF) is calculated as follows:

$$RIF(P; q_{\tau}, F_P) = q_{\tau} + \frac{\tau - 1\{P \le q_{\tau}\}}{f_P(q_{\tau})}$$
(5)

where  $q_{\tau}$  is the value of the economic performance, P, at the quantile  $\tau$ . In our case, P denotes three economic outcomes of cooperatives, namely (i) revenue, (ii) profit, and (iii) labour productivity.  $F_P$  presents the cumulative distribution function of outcome variable P, and  $f_P(q_{\tau})$  is the density of P at  $q_{\tau}$ . In equation 5,  $1\{P \le q_{\tau}\}$  is an indicator function that identifies whether the value of outcome variable P is below  $q_{\tau}$ .

In the second step, the impacts of internet use on three indicators of cooperatives' economic performance is estimated by:

$$I[RIF(P_i; q_\tau)|X, FE, R] = \theta_0 + \theta_1 R_i + \theta_2 FE_i + \theta_3 X_i + \mu_i$$
(6)

where  $\mu$  is the error term. To facilitate the interpretation of UQR models, we calculate the unconditional partial effects of internet use as explained by Rios-Avila (2020) as follows:

$$\phi = \frac{\partial v(F_P)}{\partial \bar{R}_k} \tag{7}$$

We address the endogeneity concerns in Equation 6 using the same procedure as in estimating Equation 3. First, we estimate Equation 3 and generate the internal IVs using the heteroscedasticity-based method. We then include these generated internal IVs in Probit models to predict the probability of internet use. In the final step, the instrumented and predicted probabilities of internet use are included as  $R_i$  in regressing Equation 6.

#### 4. Results and discussion

# 4.1. Factors affecting the internet use of agricultural cooperatives

Table 3 reports the results from Probit estimations of the factors affecting internet use of agricultural cooperatives, including female leadership. While the coefficient in Model 1 (without interaction between gender and education of presidents) is not significant, the coefficient of the female president variable in Model 2 (with the interaction between gender and education of presidents) is significant and implies that cooperatives with female presidents are more likely to use the internet by 5.6%. Regarding the share of females, results from Models 1 and 2 denote that an increase of 1% in the share of female labourers leads to an increase of 0.2% in internet use by agricultural cooperatives.

The education of presidents and management board members is essential for internet use in cooperatives. Our results show that presidents with vocational training degrees or higher have a higher probability of using the internet in their cooperatives by about 10%. Cooperatives with all management board members having vocational training degrees or higher and participating in training courses are more likely to use the internet in their cooperatives by approximately 10.5% and 6.0%, respectively. Our results of education are in line with the results for individuals from Lera-López et al. (2011), for farm businesses from Miranda et al. (2015) and Khanal et al. (2015), for rural households from Nguyen et al. (2022), and for countries from Poushter (2016).

Table 3	: Factors	affecting	the internet	use of	agricultural	cooperatives
					0	

	Model 1: without interaction		Model 2: with	Model 2: with interaction		
—	Internet use	Marginal effects	Internet use	Marginal effects		
Female president <sup>†</sup>	0.059	0.022	0.150*	0.056*		
1	(0.087)	(0.032)	(0.089)	(0.033)		
Education of president <sup>†</sup>	0.263***	0.098***	0.280***	0.104***		
*	(0.085)	(0.030)	(0.082)	(0.030)		
Female president*education of			-0.244	-0.091		
president <sup>†</sup>			(0.177)	(0.066)		
Age of president	-0.008***	-0.003***	-0.008***	-0.003***		
	(0.003)	(0.001)	(0.003)	(0.001)		
Training of management board	0.159***	$0.059^{***}$	0.161***	$0.060^{***}$		
members <sup>†</sup>	(0.043)	(0.016)	(0.044)	(0.016)		
Education of management board	$0.280^{***}$	$0.104^{***}$	$0.285^{***}$	$0.106^{***}$		
members <sup>†</sup>	(0.085)	(0.030)	(0.086)	(0.031)		
Share of female labourers	$0.006^{***}$	$0.002^{***}$	$0.006^{***}$	$0.002^{***}$		
	(0.002)	(0.001)	(0.002)	(0.001)		
Number of labourers (ln)	$0.132^{**}$	$0.049^{**}$	0.131**	$0.049^{**}$		
	(0.055)	(0.020)	(0.055)	(0.020)		
Number of members (ln)	$0.080^{***}$	$0.030^{***}$	$0.080^{***}$	$0.030^{***}$		
	(0.027)	(0.010)	(0.027)	(0.010)		
Total land areas (ln)	-0.001	-0.000	-0.001	-0.000		
	(0.014)	(0.005)	(0.014)	(0.005)		
Livestock cooperative <sup>†</sup>	0.194	0.072	0.181	0.067		
	(0.164)	(0.061)	(0.163)	(0.061)		
Aquaculture cooperative <sup>†</sup>	-0.164	-0.061	-0.159	-0.059		
	(0.219)	(0.081)	(0.215)	(0.080)		
Delta region <sup>†</sup>	-0.086	-0.032	-0.086	-0.032		
	(0.178)	(0.066)	(0.178)	(0.066)		
Coastal region <sup>†</sup>	-0.029	-0.011	-0.028	-0.010		
	(0.134)	(0.050)	(0.134)	(0.050)		
Number of boats	-0.093	-0.034	-0.093	-0.034		
	(0.065)	(0.024)	(0.065)	(0.024)		
Number of electric generators	0.008	0.003	0.007	0.003		
	(0.019)	(0.007)	(0.019)	(0.007)		
Number of water pumps	0.019*	0.007*	0.019*	0.007*		
	(0.010)	(0.004)	(0.010)	(0.004)		
Number of seed-sowing machines	0.019	0.007	0.019	0.007		
	(0.037)	(0.014)	(0.038)	(0.014)		
Number of tractors	0.030	0.011	0.030	0.011		
	(0.051)	(0.019)	(0.051)	(0.019)		
Number of combine harvesters	0.020	0.007	0.020	0.007		
	(0.057)	(0.021)	(0.057)	(0.021)		
Number of vehicles	0.087	0.032	0.086	0.032		
	(0.172)	(0.064)	(0.172)	(0.064)		
Number of other equipment and	-0.000	-0.000	-0.000	-0.000		
machines	(0.003)	(0.001)	(0.003)	(0.001)		
Constant	-0.592***		-0.597**			
	(0.279)		(0.276)			
Number of observations	3512		3512			
Likelihood	-2274.34		-2273.49			
Pseudo R2	0.062		0.062			
Wald chi2	303.93		303.98			
Prob. > $ch_12$	0.000		0.000			

Robust standard errors bootstrapped and clustered at provincial level in parentheses; †: Dummy; ln: natural logarithm; \*\*\* p<0.01, \*\* p<0.05, \*p<0.1.

The results from our estimations further show that the older the cooperative president is, the lower the likelihood of using the internet by the cooperative is. An increase in age by one year leads to a decrease in the probability of using the internet by 0.3%. This result is consistent with that of Fang and Yen (2006), Khanal et al. (2015), Penard et al. (2015), and Nguyen et al. (2022). We further find that larger-scale cooperatives, in terms of labourers and members, appear to be more likely to use the internet. These results align with the findings from Yueh et al. (2013) on the size of farmers' associations. The variables representing productive characteristics, geographical location, and productive assets do not show a significant correlation with internet use in agricultural cooperatives.

(except for the number of water pumps). These results imply that, since the internet connection in Vietnam is available throughout the country, the major factors affecting internet use in agricultural cooperatives are their demographic factors.

#### 4.2. Effects of internet use on agricultural cooperatives' performance

Table 4 summarizes the results of the effects of internet use on the economic performance of agricultural cooperatives from the heteroscedasticity-based IV method (full results in Appendix 5). It appears that internet use positively and significantly affects the returns on assets, equity, and labour productivity. While the results of the effects of internet use on the returns on assets and returns on equity are new in the literature, our results of the effects on labour productivity are consistent with the previous studies that internet use has a positive impact on adopters' productivity (Chen et al., 2020; Galperin and Fernanda Viecens, 2017; Paunov and Rollo, 2014). The results of the effects of internet use remain unchanged when we include the interaction between the gender and the education of cooperatives' presidents (see Appendix 6).

We further find that the gender of the president and the share of female labourers do not have a significant effect on the returns on assets and labour productivity of cooperatives, while only the share of female labourers has a negative and significant impact on the returns on equity of cooperatives. These results, to some extent, are similar to those from Adams and Ferreira (2009), Campbell and Mínguez-Vera (2008), Carter et al. (2010), and Rose (2007). However, these findings are expected because women lack adequate access to resources such as education, knowledge, and business experience (Nippierd, 2012), especially in developing countries such as Vietnam (Tran et al., 2019). The two education-related variables, namely the president with vocational training degrees or higher and the training of management board members, show a positive and significant effect on cooperatives' labour productivity. However, the education of management board members shows a negative and significant effect on the returns on equity of cooperatives. Our findings, hence, imply that female leadership should be promoted simultaneously with the improvement of women's knowledge of business to increase agricultural cooperatives' economic performance.

	Economic indicators				
	Returns on assets	Returns on equity	Labour productivity (ln)		
Internet use in cooperative <sup>†</sup>	0.519**	0.837***	$0.728^{**}$		
	(0.236)	(0.272)	(0.305)		
Female president <sup>†</sup>	-0.073	-0.057	0.102		
	(0.051)	(0.072)	(0.089)		
Education of president <sup>†</sup>	-0.049	-0.115	0.124**		
	(0.056)	(0.072)	(0.060)		
Age of president	$0.004^{***}$	$0.005^{**}$	-0.000		
	(0.001)	(0.002)	(0.003)		
Training of management board members <sup>†</sup>	-0.009	0.016	0.123*		
	(0.028)	(0.035)	(0.072)		
Education of management board members <sup>†</sup>	-0.025	-0.155**	-0.023		
	(0.067)	(0.062)	(0.093)		
Share of female labourers	-0.002	-0.004**	0.000		
	(0.001)	(0.002)	(0.002)		
Number of labourers (ln)	-0.012	-0.061	-0.490***		
	(0.046)	(0.060)	(0.048)		
Number of members (ln)	-0.062	-0.0/8***	0.10/***		
	(0.020)	(0.027)	(0.024)		
Control of productive characteristics	Yes	Yes	Yes		
Control of geographical characteristics	Yes	Yes	Yes		
Control of productive assets	Yes	Yes	Yes		

Table 4: Effects of internet use on the economic performance of agricultural cooperatives

Constant	1.408 (0.962)	3.545* (1.932)	4.300*** (0.277)
Number of observations	3512	3512	3512
F(22, 46)	9.63	10.14	42.64
Prob > F	0.000	0.000	0.000
Under-identification	0.000	0.000	0.000
Over-identification	0.498	0.130	0.066
Weak identification	10.148	10.148	10.148

Robust standard errors clustered at provincial level in parentheses;  $\dagger$ : Dummy variable; ln: natural logarithm; \*\*\* p < 0.01, \*\* p < 0.05, \*p < 0.1; The underidentification test is an LM test based on the rk LM statistics in which the null hypothesis indicates that the model is under-identified. The overidentification test relied on the Hansen J test with the null hypothesis indicating all instruments are valid in the model. The reported values of these under-identification and over-identification tests are p-values. The reported test of weak identification is the Kleibergen-Paap rk Wald F statistics. Full results are presented in Appendix 5.

Table 5 summarizes the results of the effects of internet use on the social and innovative performances of agricultural cooperatives (full results in Appendix 7). Internet use in agricultural cooperatives has a positive and significant effect on the two indicators of social performance: payment per labourer and contribution to labour union funds and insurance per labourer. The impact of internet use on workers' earnings is strong (DiMaggio and Bonikowski, 2008). Our results are also in line with the findings from Chen et al. (2020), indicating the positive effect of internet use on social effects in the form of workers' welfare. These findings are still consistent when we include the interaction between the gender and the education of cooperatives' presidents (see Appendix 8).

	Social in	ndicators	Innovative indicators		
	Payment per	Contribution per	Innovation in	Innovation in	
	labourer (ln)	labourer (ln)	production process	products	
Internet use in cooperative <sup>†</sup>	$0.512^{*}$	1.172***	0.076	0.119**	
	(0.270)	(0.443)	(0.053)	(0.054)	
Female president <sup>†</sup>	-0.171**	0.106	0.019	0.032	
	(0.080)	(0.122)	(0.024)	(0.026)	
Education of president <sup>†</sup>	0.130***	0.458***	0.024*	0.015	
	(0.048)	(0.090)	(0.013)	(0.013)	
Age of president	-0.002	0.001	0.000	-0.000	
Training of management board	(0.002)	(0.004)	(0.001)	(0.001)	
mambara <sup>†</sup>	(0.009)	(0.005)	(0.051)	(0.024)	
Education of management board	0 179***	-0.011	0.099***	0.054**	
members <sup>†</sup>	(0.067)	(0,100)	(0.028)	(0.024)	
Share of female labourers	0.005***	0.002	0.000	0.000	
	(0.001)	(0.002)	(0.000)	(0.000)	
Number of labourers (ln)	-0.211***	0.185***	0.022**	0.004	
	(0.035)	(0.056)	(0.009)	(0.007)	
Number of members (ln)	$0.052^{***}$	0.249***	-0.002	-0.006**	
	(0.020)	(0.036)	(0.004)	(0.003)	
Control of productive characteristics	Yes	Yes	Yes	Yes	
Control of geographical characteristics	Yes	Yes	Yes	Yes	
Control of productive assets	Yes	Yes	Yes	Yes	
Constant	2.866***	-3.440***	0.012	0.046	
	(0.150)	(0.333)	(0.035)	(0.030)	
Number of observations	3512	3512	3512	3512	
F(27,46)	32.65	22.44	20.16	12.68	
Prob. > F	0.000	0.000	0.000	0.000	
Under-identification	0.000	0.000	0.000	0.000	
Over-identification	0.965	0.762	0.899	0.691	
Weak identification	10.148	10.148	10.148	10.148	

Table 5: Effects of internet use on the social and innovative performance of agricultural cooperatives

Robust standard errors clustered at provincial level in parentheses;  $\dagger$ : Dummy variable; ln: natural logarithm;  $\cdots p < 0.01$ ,  $\cdots p < 0.05$ ,  $\cdot p < 0.1$ ; The underidentification test is an LM test based on the rk LM statistics in which the null hypothesis indicates that the model is under-identified. The overidentification test relied on the Hansen J test with the null hypothesis indicating all instruments are valid in the model. The reported values of these under-identification and over-identification tests are p-values. The reported test of weak identification is the Kleibergen-Paap rk Wald F statistics. Full results are presented in Appendix 7.

We further find that a female president is associated with a lower payment per labourer, while the share of female labourers has a positive and significant effect on this indicator. These results imply that female-presided cooperatives pay less to labourers, and cooperatives with a higher share of female labourers pay more. These results are plausible because women in power positions have a negative and significant correlation with gender segregation (Stainback et al., 2016) and might reduce the unequal pay gap between male and female labourers (which male labourers are being paid higher than female ones). Furthermore, these results also support the findings from Magnusson (2013), suggesting that payments to labourers increase when the percentage of females rises, especially in female-dominated occupations. Therefore, female leadership positively affects social performance (Périlleux and Szafarz, 2015). Again, the effects of education-related variables show the important role of education in agricultural cooperatives. The education level of the president positively and significantly influences the payment and contribution per labourer. The education of cooperatives' management board members also has the same effect on the payment per labourer.

Regarding the effect of internet use on cooperatives' innovation, our results show that the use of the internet has a positive and significant effect on the innovation of cooperatives' products. This result is reasonable because the internet facilitates product innovation via an improved channel for customer feedback (Sawhney et al., 2005). Our finding is consistent with that of Bertschek et al. (2013) and Paunov and Rollo (2016), indicating that internet use positively and significantly impacts innovation activities. The education level of presidents appears to have a positive and significant effect on the innovation of the production process. Furthermore, the two education-related variables of management board members, namely the training and education level of management board members, positively and significantly impact cooperatives' innovations in both the production process and products. Hence, promoting innovations in cooperatives should start with the education improvement of their members (Ma, Zheng, and Yuan, 2022).

#### 4.3. Distributional effects of internet use on agricultural cooperatives' economic performance

We further examine the distribution of economic impact from internet use in agricultural cooperatives. We take a closer examination of three economic indicators, including (i) revenue, (ii) profit, and (iii) labour productivity. We summarise the results of all these estimations with regard to the effects of internet use on these economic indicators in Table 6 (full results in Appendices 9-11). Regarding revenue, internet use appears to have positive and significant effects in all quintile groups. In absolute terms, the gain in the revenue from internet use is proportional to the revenue of agricultural cooperatives. This means agricultural cooperatives with larger revenue benefit more. However, in relative terms, the effect is highest in the 10<sup>th</sup> group when each 1% increase in the probability of internet use results in about 6.05% increase in revenue, and the effect decreases in higher quintile groups. This effect is similar for labour productivity. Although internet use has a positive and significant effect on labour productivity across all quintile groups, the largest impact in relative term is for the 10<sup>th</sup> group.

Regarding the profit, the effect of internet use is only significant for the 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> groups. Each 1% increase in the probability of internet use leads to an increase of 6.78%, 5.58%, and 5.26% of the profit of these groups, respectively. This means that these groups probably can reduce their costs relatively more than the other groups. It also implies that internet use in agricultural cooperatives might exacerbate income inequality (Paunov and Rollo, 2014; Galperin and Fernanda Viecens, 2017; Nguyen and Do, 2022; Nguyen et al., 2022).

	Quintile groups					
	10 <sup>th</sup> group	25 <sup>th</sup> group	50 <sup>th</sup> group	75 <sup>th</sup> group	90 <sup>th</sup> group	
Revenue (mil. VND)						
Internet use in cooperative	4.891*** (1.719)	9.318 <sup>***</sup> (2.488)	25.252*** (5.508)	50.330*** (13.066)	108.421** (47.820)	
Sample mean RIF of revenue	80.802	197.320	534.500	1234.200	2621.900	
Impact magnitude on revenue	6.05%	4.72%	4.72%	4.08%	4.14%	
Profit (mil. VND)						
Internet use in cooperative	0.068 (0.117)	0.065 (0.095)	1.191*** (0.253)	3.724 <sup>***</sup> (1.326)	10.736** (4.243)	
Sample mean RIF of profit	-3.803	9.617	17.568	66.679	203.960	
Impact magnitude on profit	-	-	6.78%	5.58%	5.26%	
Labour productivity (mil. VND per labourer)						
Internet use in cooperative	0.786 <sup>***</sup> (0.203)	1.393*** (0.344)	1.918 <sup>***</sup> (0.712)	5.254 <sup>***</sup> (1.745)	21.727 <sup>***</sup> (5.950)	
Sample mean RIF of labour productivity	12.857	29.414	69.381	163.24	413.740	
Impact magnitude on labour productivity	6.11%	4.74%	2.76%	3.22%	5.25%	

Table 6: Distributional effects of internet use on the economic performance of agricultural cooperatives

Robust standard errors clustered at provincial level in parentheses; \*\*\* p<0.01, \*\* p<0.05, \*p<0.1; Full results are presented in Appendices 9 - 11.

#### 5. Conclusion and policy implications

Understanding the drivers and effects of internet use in agricultural cooperatives is essential to take advantage of ICT development and support small-holder farmers in developing countries. In this study, we examine the factors affecting the use of the internet in agricultural cooperatives, the effects of internet use on cooperatives' performance, and the distribution of the effects on economic performance. We use a dataset of 3,512 agricultural cooperatives across Vietnam to investigate these research issues. We use a Probit model to examine the factors affecting internet use, a heteroscedasticity-based approach to account for the endogeneity concern to investigate the effects of internet use on cooperatives' performance, including three aspects of economic, social, and innovative indicators, and an unconditional quantile regression model to examine the distributional effects of internet use on revenue, profit, and labour productivity of agricultural cooperatives. Our study pointed out some important findings and policy implications.

First, female leadership is a driver of internet use in agricultural cooperatives. Female-presided cooperatives and cooperatives with a higher share of female labourers are found to have a positive and significant correlation with internet use. These findings imply that female leadership should be promoted to improve the internet use. Regarding the effects of these gender-related variables on cooperatives' performance, the results of female leadership are less pronounced in all three aspects of cooperative performance. This finding calls for a policy response to improve women's knowledge and experience in business operations. In addition, we find a positive and consistent role of education in affecting internet use and the performance of cooperatives in three different aspects of economic, social, and innovative indicators. The effect of education is significant when management board members have a vocational training degree or higher. Therefore, education should also be developed.

Second, we find that internet use positively and significantly affects the returns on assets, equity, and labour productivity. This indicates a positive association between internet use and economic

performance of agricultural cooperatives. Regarding social and innovative performances, our results show that internet use has a positive and significant effect on the two indicators of social performance, namely the payment per labourer and contribution to labour union funds and insurance per labourer. The effect of internet use on the innovative performance of agricultural cooperative is pronounced only for product innovation. These findings reveal that the promotion of internet use in agricultural cooperatives is recommended.

Last, our findings regarding the distributional effects of internet use on revenue, profit, and labour productivity of agricultural cooperatives show that internet use increases the problem of income inequality. This should be accounted for, for example, by supporting cooperatives with lower levels of efficiency. Furthermore, public support should also put more emphasis on cooperatives which are willing to adopt sustainable innovations and technologies (e.g., environmentally-friendly technologies and climate-smart agricultural practices) to improve their performance and, at the same time, enhance sustainable development.

Although our paper has provided several important insights, it still has some limitations. First, our data are cross-sectional, and we are unable to account for unobservable factors of agricultural cooperatives. Extending the temporal coverage of the data is thus recommended. Second, a high attrition rate of the sample due to data un-reporting means that our empirical results should be interpreted with care. Third, the effects of agricultural equipment and machines on the performance of agricultural cooperatives need to be reexamined as we have only the data on the quantity but not on the quality of these equipment and machines. Last, we could not find an external instrumental variable for our heteroscedasticity-based model. Thus, our evidence on the impact of internet use would be more associative rather than causal. These issues should be taken into account in future studies.

#### References

- Adams, R. B., & Ferreira, D. (2009). Women in the boardroom and their impact on governance and performance. *Journal of Financial Economics*, *94*(2), 291-309.
- Baltagi, B. H., & Ghosh, P. K. (2017). Replication of unconditional quantile regressions by Firpo, Fortin and Lemieux (2009). *Journal of Applied Econometrics*, *32*(1), 218-223.
- Barrett, C. B. (2008). Small-holder market participation: Concepts and evidence from eastern and southern Africa. *Food Policy*, *33*(4), 299-317.
- Bastida, M., Olveira, A., & Vázquez Taín, M. Á. (2022). Are cooperatives gender sensitive? A confirmatory and predictive analysis of women's collective entrepreneurship. *Annals of Public and Cooperative Economics*. https://doi.org/10.1111/apce.12405
- Baum, C. F., Lewbel, A., Schaffer, M. E. & Talavera, O. (2012). Ivreg2h: Stata module to perform instrumental variables estimation using heteroscedasticity-based instruments. *Statistical Software Components* S457555, Boston College Department of Economics.
- Bertschek, I., Cerquera, D., & Klein, G. J. (2013). More bits-more bucks? Measuring the impact of broadband internet on firm performance. *Information Economics and Policy*, 25(3), 190-203.
- Borgen, N.T. (2016). Fixed effects in unconditional quantile regression. *The Stata Journal 16*(2), 403-415.
- Briggeman, B.C. & Whitacre, B.E. (2010). Farming and the internet: Reasons for nonuse. *Agricultural and Resource Economics Review* 39(3), 571-584.
- Campbell, K., & Mínguez-Vera, A. (2008). Gender diversity in the boardroom and firm financial performance. *Journal of Business Ethics*, 83(3), 435-451.
- Candemir, A., Duvaleix, S., & Latruffe, L. (2021). Agricultural cooperatives and farm sustainability–A literature review. *Journal of Economic Surveys*, *35*(4), 1118-1144.

- Carter, D. A., D'Souza, F., Simkins, B. J., & Simpson, W. G. (2010). The gender and ethnic diversity of US boards and board committees and firm financial performance. *Corporate Governance: An International Review*, 18(5), 396-414.
- Chang, H. H., & Just, D. R. (2009). Internet access and farm household income–empirical evidence using a semi-parametric assessment in Taiwan. *Journal of Agricultural Economics*, 60(2), 348-366.
- Chen, S., Liu, W., & Song, H. (2020). Broadband internet, firm performance, and worker welfare: Evidence and mechanism. *Economic Inquiry*, 58(3), 1146-1166.
- Colombo, M. G., Croce, A., & Grilli, L. (2013). ICT services and small businesses' productivity gains: An analysis of the adoption of broadband Internet technology. *Information Economics and Policy*, 25(3), 171-189.
- Cristobal-Fransi, E., Montegut-Salla, Y., Ferrer-Rosell, B., & Daries, N. (2020). Rural cooperatives in the digital age: An analysis of the Internet presence and degree of maturity of agri-food cooperatives'e-commerce. *Journal of Rural Studies*, *74*, 55-66.
- DeStefano, T., Kneller, R., & Timmis, J. (2018). Broadband infrastructure, ICT use and firm performance: Evidence for UK firms. *Journal of Economic Behavior and Organization*, *155*, 110-139.
- Dholakia, R. R., & Kshetri, N. (2004). Factors impacting the adoption of the Internet among SMEs. *Small Business Economics*, 23(4), 311-322.
- DiMaggio, P., & Bonikowski, B. (2008). Make money surfing the web? The impact of Internet use on the earnings of US workers. *American Sociological Review*, 73(2), 227-250.
- Eastwood, R., Lipton, M., & Newell, A. (2010). Farm size. *Handbook of Agricultural Economics*, 4, 3323-3397.
- Fang, X. & Yen, D. C. (2006). Demographics and behavior of Internet users in China. *Technology in Society* 28(3), 363-387.
- FAO (2018). Tackling poverty and hunger through digital innovation. https://www.fao.org/3/ca1040en/CA1040EN.pdf (Accessed: July 19 2022)
- Ferguson, H., & Kepe, T. (2011). Agricultural cooperatives and social empowerment of women: a Ugandan case study. *Development in Practice*, 21(3), 421-429.
- Firpo, S., Fortin, N.M. & Lemieux, T. (2009). Unconditional quantile regressions. *Econometrica* 77, 953–973.
- Fischer, E., & Qaim, M. (2012). Linking small-holders to markets: determinants and impacts of farmer collective action in Kenya. *World Development*, 40(6), 1255-1268.
- Galperin, H., & Fernanda Viecens, M. (2017). Connected for development? Theory and evidence about the impact of internet technologies on poverty alleviation. *Development Policy Review*, *35*(3), 315-336.
- Garicano, L., & Kaplan, S. N. (2001). The effects of business-to-business e-commerce on transaction costs. *The Journal of Industrial Economics*, 49(4), 463-485.
- Goldfarb, A. & Tucker, C (2019). Digital economics. Journal of Economic Literature, 57, 3-43.
- Goldfarb, A., & Prince, J. (2008). Internet adoption and usage patterns are different: Implications for the digital divide. *Information Economics and Policy*, 20(1), 2-15.
- Govindapuram, S., Bhupatiraju, S., & Sirohi, R. A. (2022). Determinants of women's financial inclusion: evidence from India. *Annals of Public and Cooperative Economics*, 1–28. https://doi.org/10.1111/apce.12376
- Grashuis, J., & Su, Y. (2019). A review of the empirical literature on farmer cooperatives: Performance, ownership and governance, finance, and member attitude. *Annals of Public and Cooperative Economics*, 90(1), 77-102.
- GSO (2022). Vietnam Economic Census of 2021. The General Statistics Office of Vietnam (GSO). <u>https://tongdieutrakinhte2021.gso.gov.vn/</u> (in Vietnamese)
- Hejkrlik, J., Chaloupkova, P., & Sokolska, T. (2021). The role of transformational leadership and leaders' skills for new agricultural cooperatives in post-soviet countries. *Annals of Public and Cooperative Economics*, 1–21. <u>https://doi.org/10.1111/apce.12353</u>

- Ho, T. Q., Hoang, V. N., Wilson, C., & Nguyen, T. T. (2017). Which farming systems are efficient for Vietnamese coffee farmers? *Economic Analysis and Policy*, *56*, 114-125.
- Hoang, V. N., Nguyen, T. T., Wilson, C., Ho, T. Q., & Khanal, U. (2021). Scale and scope economies in small household rice farming in Vietnam. *Journal of Integrative Agriculture*, 20(12), 3339-3351.
- Hong, H. N. (2017). Factors affecting sustainable development of agricultural cooperatives in the Mekong river delta, Vietnam. *American Journal of Applied Sciences*, 14(10), 1005-1010.
- ITU. (2020). *World telecommunication/ICT indicators database 2020*. International Telecommunication Union (ITU). <u>https://www.itu.int/en/ITU-</u>D/Statistics/Pages/publications/wtid.aspx (Accessed: July 19 2022)
- Jabbouri, I., Jabbouri, R., Bahoum, K., & El Hajjaji, Y. (2022). E-commerce adoption among Moroccan agricultural cooperatives: Between structural challenges and immense business performance potential. *Annals of Public and Cooperative Economics*. <u>https://doi.org/10.1111/apce.12406</u>
- Kaila, H., & Tarp, F. (2019). Can the Internet improve agricultural production? Evidence from Viet Nam. *Agricultural Economics*, *50*(6), 675-691.
- Khanal, A. R., Mishra, A. K., & Koirala, K. H. (2015). Access to the Internet and financial performance of small business households. *Electronic Commerce Research*, *15*(2), 159-175.
- Kleibergen, F. & Paap, R. (2006). Generalized reduced rank tests using the singular value decomposition. *Journal of Econometrics* 133(1), 97-126.
- Lassithiotaki, A., & Roubakou, A. (2014). Rural women cooperatives at Greece: A retrospective study. *Open Journal of Business and Management*, 2(02), 127.
- Lechman, E. (2019). Still 'few, slow and low'? On the female dimension of technology, labour markets and economic activity: Evidence for the period of 1990-2017. *Economics and Sociology*, *12*(1), 11-38.
- Lee, H. G., & Clark, T. H. (1996). Impacts of the electronic marketplace on transaction cost and market structure. *International Journal of Electronic Commerce*, 1(1), 127-149.
- Lera-López, F., Billon, M. & Gil, M. (2011). Determinants of Internet use in Spain. *Economics of Innovation and New Technology*, 20(2), 127-152.
- Lewbel, A. (2012). Using heteroscedasticity to identify and estimate mismeasured and endogenous regressor models. *Journal of Business and Economic Statistics*, 30, 67-80.
- Lijia, W., & Xuexi, H. (2014). Transaction costs comparison between cooperatives and conventional apple producers: A case study of Northwestern China. *Annals of Public and Cooperative Economics*, 85(2), 233-255.
- Lio, M., & Liu, M. C. (2006). ICT and agricultural productivity: evidence from cross-country data. *Agricultural Economics*, *34*(3), 221-228.
- Ma, W., & Wang, X. (2020). Internet use, sustainable agricultural practices and rural incomes: evidence from China. *Australian Journal of Agricultural and Resource Economics* 64(4), 1087-1112.
- Ma, W., Hong, S., Reed, W. R., Duan, J., & Luu, P. (2023). Yield effects of agricultural cooperative membership in developing countries: A meta-analysis. *Annals of Public and Cooperative Economics*. <u>https://doi.org/10.1111/apce.12411</u>
- Ma, W., Qiu, H., & Rahut, D. B. (2022). Rural development in the digital age: Does information and communication technology adoption contribute to credit access and income growth in rural China? *Review of Development Economics*. <u>https://doi.org/10.1111/rode.12943</u>
- Ma, W., Zheng, H., & Yuan, P. (2022). Impacts of cooperative membership on banana yield and risk exposure: Insights from China. *Journal of Agricultural Economics*, 73(2), 564-579.
- Ma, W., Zheng, H., Zhu, Y., & Qi, J. (2022). Effects of cooperative membership on financial performance of banana farmers in China: a heterogeneous analysis. *Annals of Public and Cooperative Economics*, 93(1), 5-27.
- Magnusson, C. (2013). More women, lower pay? Occupational sex composition, wages and wage growth. *Acta Sociologica*, *56*(3), 227-245.

- Miranda, J., Mäkitalo, N., Garcia-Alonso, J., Berrocal, J., Mikkonen, T., Canal, C., & Murillo, J. M. (2015). From the Internet of Things to the Internet of People. *IEEE Internet Computing*, 19(2), 40-47.
- Mishra, A. K., & Park, T. A. (2005). An empirical analysis of Internet use by US farmers. *Agricultural and Resource Economics Review*, *34*(2), 253-264.
- Nguyen, T., Nguyen, T.T., & Grote, U. (2023). Internet use and agricultural productivity in rural Vietnam. *Review of Development Economics* <u>https://doi.org/10.1111/rode.12990</u>.
- Nguyen, T. T., & Do, M. H. (2022). Female rural-urban migrants and online marketplaces in emerging economies: Evidence from Thailand and Vietnam. *Asia & the Pacific Policy Studies*. <u>https://doi.org/10.1002/app5.359</u>
- Nguyen, T. T., Nguyen, L. D., Lippe, R. S., & Grote, U. (2017). Determinants of farmers' land use decision-making: Comparative evidence from Thailand and Vietnam. *World Development*, *89*, 199-213.
- Nguyen, T. T., Nguyen, T. T., & Grote, U. (2022). Internet use, natural resource extraction and poverty reduction in rural Thailand. *Ecological Economics*, *196*, 107417.
- Nguyen, T. T., Tran, V. T., Nguyen, T. T., & Grote, U. (2021). Farming efficiency, cropland rental market and income effect: evidence from panel data for rural Central Vietnam. *European Review of Agricultural Economics*, 48(1), 207-248.
- Nippierd, A. B. (2012). *Gender issues in cooperatives*. The International Labor Organization (ILO).

https://microfinancelessons.com/files/media\_subdomain/resources/gender\_issues\_coops.pdf (Accessed: July 19 2022)

- Ojo, A. O., Arasanmi, C. N., Raman, M. & Tan, C. N. L. (2019). Ability, motivation, opportunity and sociodemographic determinants of Internet usage in Malaysia. *Information Development*, 35(5), 819-830.
- Paunov, C., & Rollo, V. (2016). Has the internet fostered inclusive innovation in the developing world? *World Development*, 78, 587-609.
- Penard, T., Poussing, N., Mukoko, B., & Piaptie, G. B. T. (2015). Internet adoption and usage patterns in Africa: Evidence from Cameroon. *Technology in Society*, *42*, 71-80.
- Périlleux, A., & Szafarz, A. (2015). Women leaders and social performance: evidence from financial cooperatives in Senegal. *World Development*, 74, 437-452.
- Poushter, J. (2016). Smartphone ownership and internet usage continues to climb in emerging economies. *Pew Research Center*, 22(1), 1-44. https://www.diapoimansi.gr/PDF/pew\_research%201.pdf (Accessed: July 19 2022)
- Rios-Avila, F. (2020). Recentered influence functions (RIFs) in Stata: RIF regression and RIF decomposition. *The Stata Journal*, 20(1), 51-94.
- Rose, C. (2007). Does female board representation influence firm performance? The Danish evidence. *Corporate Governance: An International Review*, 15(2), 404-413.
- Sarpong-Danquah, B., Adusei, M., & Magnus Frimpong, J. (2022). Effect of board gender diversity on the financial performance of microfinance institutions: Does judicial efficiency matter? *Annals of Public and Cooperative Economics*, 00, 1–24. <u>https://doi.org/10.1111/apce.12396</u>
- Sawhney, M., Verona, G., & Prandelli, E. (2005). Collaborating to create: The Internet as a platform for customer engagement in product innovation. *Journal of Interactive Marketing*, *19*(4), 4-17.
- Stainback, K., Kleiner, S., & Skaggs, S. (2016). Women in power: Undoing or redoing the gendered organization? *Gender & Society*, *30*(1), 109-135.
- Su, Y., & Cook, M. L. (2020). Advances in agricultural cooperative research since 2007: A review of Chinese Agricultural Economics literature. *Annals of Public and Cooperative Economics*, 91(4), 519-543.

- Tran, V. T., Nguyen, T. T., & Tran, N. T. (2019). Gender difference in access to local finance and firm performance: Evidence from a panel survey in Vietnam. *Economic Analysis and Policy*, 63, 150-164.
- Troy, J. S., & Michael, J. S. (1999). Consumer cost differences for traditional and Internet markets. *Internet Research: Electronic Networking Applications and Policy*, 9(2), 82-92.
- United Nations (2018). Achieving universal and affordable Internet in the least developed countries. <u>https://www.un.org/ohrlls/sites/www.un.org.ohrlls/files/ict-ldcs-and-sdgs.pdf</u> (Accessed: July 19 2022)
- Valentinov, V. (2007). Why are cooperatives important in agriculture? An organizational economics perspective. *Journal of Institutional Economics*, *3*(1), 55-69.
- Yang, L., Lu, H., Wang, S., & Li, M. (2021). Mobile Internet Use and Multidimensional Poverty: Evidence from A Household Survey in Rural China. *Social Indicators Research*, 158(3), 1065-1086.
- Yueh, H. P., Chen, T. L., & Chen, C. T. (2013). A spatial exploration of factors affecting digitalization of farmers' associations in Taiwan. In Aslib Proceedings: New Information Perspectives, 65(6).
- Zanello, G., Srinivasan, C. S., & Shankar, B. (2014). Transaction costs, information technologies, and the choice of marketplace among farmers in northern Ghana. *Journal of Development Studies*, *50*(9), 1226–1239.
- Zhang, S., Sun, Z., Ma, W., & Valentinov, V. (2020). The effect of cooperative membership on agricultural technology adoption in Sichuan, China. *China Economic Review*, 62, 101334.
- Zheng, H., Vatsa, P., Ma, W., & Rahut, D. B. (2023). Does agricultural cooperative membership influence off-farm work decisions of farm couples? *Annals of Public and Cooperative Economics*. <u>https://doi.org/10.1111/apce.12417</u>

#### Appendix 1: Name, definition, and measurement of variables

Name	Measurement	Definition	
A. Cooperative performance			
Revenue	Million Vietnam Dong (VND)	Total revenue of cooperative from production and business activities	
Profit	Million VND	Total profit of cooperative (tax and production costs excluded) from production and business activities	
Total assets	Million VND	Total assets of cooperative	
Total equity	Million VND	Total equity of cooperative	
Returns on assets (ROA)	Ratio	The ratio of profits to total assets	
Returns on equity (ROE)	Ratio	The ratio of profits to total equity	
Labour productivity	Million VND per labourer	The amount of revenue per labourer of the cooperative	
Payment per labourer	Million VND per labourer	Total payment of cooperative (wages and extra payment) for labourers	
Contribution to union and insurance	Million VND per labourer	Total contribution of cooperative to labour union funds and insurance	
Innovation in the production process	Dummy	If the cooperative had conducted any innovations in the production process in last year = 1; otherwise = $0$	
Innovation in products	Dummy	If the cooperative had conducted any innovations in products in last year = 1; otherwise = $0$	
B. Cooperative characteristics			
B1. Demographic characteristics			
Gender of president	Dummy	If the cooperative has a female president = 1; otherwise $= 0$	
Education of president	Dummy	If the president has a vocational training degree or higher (college, university) = 1; otherwise = $0$	
Age of president	Years of age	Age of the cooperative's president	
Training of management board members	Dummy	If the leading members of cooperative's management board (president, director, and moderators) participated in a training course last year = 1; otherwise = $0$	
Education of management board members	Dummy	If all leading members of cooperative's management board (president, director, and moderators) have a vocational training degree or higher) = 1; otherwise = 0	
Share of female labourers	Percentage (%)	The share of female labourers on total number of labourers working in cooperatives throughout the year	
Number of labourers	Persons	The total average number of labourers working in cooperatives throughout the year	
Number of members	Members	The total number of individuals/organisations having memberships in the cooperatives	
B2. Productive characteristics			
Total land areas	Hectares (ha)	The total land areas that the cooperatives are managing and using for productive activities	
Livestock cooperative	Dummy	If the cooperative engages in livestock production = 1; otherwise = $0$	
Aquaculture cooperative	Dummy	If the cooperative engages in aquaculture production = 1; otherwise = 0	
B3. Geographical characteristics			
Delta region	Dummy	If the cooperative is located in delta region = 1; otherwise = $0$	
Coastal region	Dummy	If the cooperative is located in coastal region = 1; otherwise = $0$	

B4. Productive assets

Number of boats	Quantity	The number of boats that the cooperative owns
Number of electric generators	Quantity	The number of electric generators that the cooperative owns
Number of water pumps	Quantity	The number of water pumps that the cooperative owns
Number of seed-sowing machines	Quantity	The number of seed-sowing machines that the cooperative owns
Number of tractors	Quantity	The number of tractors that the cooperative owns
Number of combine harvesters	Quantity	The number of combine harvesters that the cooperative owns
Number of vehicles	Quantity	The number of vehicles for transportation that the cooperative owns
Number of other equipment and machines	Quantity	The number of other equipment and machines that the cooperative owns

## Appendix 2: Distribution of active agricultural cooperatives by geographical region

	Number of cooperatives	Average number of cooperatives per km2	Number of cooperatives per 1000 persons
Whole sample	3,512	0.026	0.054
Delta region	1,683	0.048	0.058
Coastal region	1,324	0.015	0.078
Others	505	0.006	0.030

Source: Own calculation from the data of GSO (2022).

# Appendix 3: Variance Inflation Factor (VIF) values of independent variables in the models of factors affecting internet use and the effects of internet use on agricultural cooperatives' performance

	Factors affecting internet use (without interaction)	Factors affecting the internet use (with interaction)	Effects of internet use
	(1)	(2)	(3)
Internet use in cooperative <sup>†</sup>			1.09
Female president*education <u>of</u> president <sup>†</sup>		1.72	
Female president <sup><math>\dagger</math></sup>	1.14	1.74	1.14
President with vocational training degrees or higherEducation of president <sup>†</sup>	1.68	1.75	1.69
Age of president	1.32	1.32	1.32
Training of management board members <sup>†</sup>	1.03	1.03	1.04
Education of management board members <sup>†</sup>	1.47	1.48	1.48
Share of female labourers	1.23	1.23	1.24
Number of labourers (ln)	1.23	1.23	1.23
Number of members (ln)	1.44	1.44	1.46
Total land areas (ln)	1.08	1.08	1.08
Livestock cooperative $^{\dagger}$	1.06	1.07	1.06
Aquaculture cooperative $^{\dagger}$	1.22	1.22	1.22
Delta region <sup>†</sup>	2.94	2.94	2.94
Coastal region <sup>†</sup>	2.66	2.66	2.66
Number of boats	1.21	1.21	1.21
Number of electric generators	1.15	1.15	1.15
Number of water pumps	2.20	2.20	2.20
Number of seed-sowing machines	1.04	1.04	1.04
Number of tractors	1.11	1.11	1.11
Number of combine harvesters	1.27	1.27	1.27
Number of vehicles	1.09	1.09	1.09
Number of other equipment and machines	2.38	2.38	2.38
Mean VIF	1.47	1.52	1.46

†: Dummy variable; ln: natural logarithm.

I

# Appendix 4: Tests for heteroscedasticity in the model of the internet use's effects on agricultural cooperatives' performance

	chi2(1)	Prob > chi2
Pagan–Hall statistic ( <i>White/Koenker nR2 test statistic</i> ) (Ho: Disturbance is homoskedastic)		
Internet use in cooperative <sup>†</sup>	251.653	0.000
Breusch-Pagan/Cook-Weisberg test for heteroscedasticity (Ho: Constant variance)		
Internet use in cooperative <sup>†</sup>	117.130	0.000
White's test for homoscedasticity (Ho: homoscedasticity)		
Internet use in cooperative <sup>†</sup>	601.090	0.000

	Economic indicators			
	Returns on assets	Returns on equity	Labour productivity (ln)	
Internet use in cooperatives <sup>†</sup>	0.519**	0.837***	0.728**	
	(0.236)	(0.272)	(0.305)	
Female president <sup>†</sup>	-0.073	-0.057	0.102	
	(0.051)	(0.072)	(0.089)	
President with vocational training degrees or	-0.049	-0.115	0.124**	
higherEducation of president	(0.056)	(0.072)	(0.060)	
Age of president	0.004	0.005**	-0.000	
	(0.001)	(0.002)	(0.003)	
I raining of management board members	-0.009	0.016	0.123	
	(0.028)	(0.035)	(0.072)	
Education of management board members	-0.025	-0.155	-0.023	
Shara of famala labourara	(0.007)	(0.062)	(0.093)	
Share of female labourers	-0.002	-0.004	0.000	
Number of labourary (In)	(0.001)	(0.002)	(0.002)	
Number of fabourers (iii)	-0.012	-0.001	-0.490	
Number of members (In)	0.040	0.078***	0.107***	
Number of members (m)	-0.002	-0.078	(0.024)	
Total land areas (ln)	0.004	0.004	0.007	
Total faile areas (iii)	(0.004)	(0.007)	(0.008)	
Livestock cooperative <sup>†</sup>	0.054	0.030	1 104***	
Ervestoek cooperative	(0.117)	(0.149)	(0.219)	
Aquaculture cooperative <sup>†</sup>	-0.032	0.059	0.501**	
· Manourare cooperative	(0.055)	(0.131)	(0.209)	
Delta region <sup>†</sup>	0.038	0.032	-0.255	
201111021011	(0.096)	(0.151)	(0.164)	
Coastal region <sup>†</sup>	0.014	-0.052	-0.007	
	(0.070)	(0.105)	(0.159)	
Number of boats	0.030***	0.032	0.014	
	(0.009)	(0.022)	(0.023)	
Number of electric generators	0.007	0.008	0.059***	
Ŭ	(0.006)	(0.009)	(0.016)	
Number of water pumps	-0.003*	-0.002	0.009*	
	(0.002)	(0.002)	(0.005)	
Number of seed-sowing machines	0.022	0.000	$0.040^{***}$	
	(0.015)	(0.005)	(0.013)	
Number of tractors	0.004	$0.048^{**}$	0.041	
	(0.019)	(0.024)	(0.035)	
Number of combine harvesters	-0.029*	-0.042**	-0.006	
	(0.015)	(0.018)	(0.033)	
Number of vehicles	-0.007	-0.033	0.303***	
	(0.034)	(0.042)	(0.117)	
Number of other equipment and machines	0.001	0.001	0.002	
	(0.001)	(0.001)	(0.002)	
Constant	0.028	0.139	4.348***	
	(0.125)	(0.196)	(0.257)	
Number of observations	3512	3512	3512	
F(22, 46)	9.63	10.14	42.64	
Prob > F	0.000	0.000	0.000	
Under-identification	0.000	0.000	0.000	
Over-identification	0.498	0.130	0.066	
Weak identification	10 148	10 148	10 148	

#### Appendix 5: Effects of internet use on the economic performance of agricultural cooperatives

Robust standard errors clustered at provincial level in parentheses;  $\dagger$ : Dummy variable; ln: natural logarithm; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1; The underidentification test is an LM test based on the rk LM statistics in which the null hypothesis indicates that the model is under-identified. The over-identification test relied on the Hansen J test, with the null hypothesis indicating all instruments are valid in the model. The reported values of these under-identification and overidentification tests are p-values. The reported test of weak identification is the Kleibergen-Paap rk Wald F statistics. Appendix 6: Effects of internet use on the economic performance of agricultural cooperatives with the interaction between gender and education of cooperative's presidents

	Economic indicators			
	Returns on assets	Returns on equity	Labour productivity (ln)	
Internet use in cooperative <sup>†</sup>	0.515**	0.839***	0.714**	
	(0.236)	(0.271)	(0.306)	
Female president <sup>†</sup>	-0.088	-0.097	0.170	
	(0.054)	(0.080)	(0.132)	
Education of president	-0.055	-0.123	0.138	
Female president*education of president <sup>†</sup>	0.036	0.112	-0.176	
remaie president education of president	(0.121)	(0.170)	(0.216)	
Age of president	0.004***	0.005**	-0.000	
	(0.001)	(0.002)	(0.003)	
Training of management board members <sup>†</sup>	-0.009	0.015	$0.127^{*}$	
	(0.028)	(0.035)	(0.072)	
Education of management board members <sup>†</sup>	-0.024	-0.159**	-0.024	
	(0.067)	(0.062)	(0.093)	
Share of female labourers	-0.002	-0.004	0.000	
Number of lob oursers (lp)	(0.001)	(0.002)	(0.002)	
Number of labourers (III)	-0.013	-0.000	-0.489	
Number of members (ln)	-0.062***	-0.078***	0.108***	
Number of memoers (m)	(0.020)	(0.027)	(0.024)	
Total land areas (ln)	0.004	0.004	0.007	
	(0.003)	(0.007)	(0.008)	
Livestock cooperative <sup>†</sup>	0.055	0.034	1.096***	
	(0.117)	(0.149)	(0.212)	
Aquaculture cooperative <sup>†</sup>	-0.034	0.058	0.495**	
	(0.054)	(0.131)	(0.209)	
Delta region <sup>†</sup>	0.038	0.033	-0.263	
	(0.095)	(0.152)	(0.165)	
Coastal region	0.014	-0.055	-0.016	
Number of hoats	0.030***	(0.100)	0.015	
Number of boats	(0.009)	(0.022)	(0.023)	
Number of electric generators	0.008	0.008	0.058***	
6	(0.006)	(0.009)	(0.016)	
Number of water pumps	-0.003*	-0.002	$0.009^{*}$	
	(0.002)	(0.002)	(0.005)	
Number of seed-sowing machines	0.023	0.000	$0.040^{***}$	
	(0.015)	(0.005)	(0.013)	
Number of tractors	0.005	0.048	0.041	
Number of combine harvesters	-0.029**	-0.043**	-0.006	
Number of combine natvesters	(0.029)	-0.043	(0.033)	
Number of vehicles	-0.006	-0.033	0.300**	
	(0.034)	(0.042)	(0.117)	
Number of other equipment and machines	0.001	0.001	0.002	
	(0.001)	(0.001)	(0.002)	
Constant	0.033	0.142	4.345***	
	(0.125)	(0.198)	(0.256)	
Number of observations	3512	3512	3512	
F(23, 46)	9.23	9.47	42.25	
Prod > F Under identification	0.000	0.000	0.000	
Onder-identification	0.000	0.000	0.000	
Weak identification	10,104	10.104	10.104	

Robust standard errors clustered at provincial level in parentheses;  $\dagger$ : Dummy variable; ln: natural logarithm; \*\*\* p < 0.01, \*\* p < 0.05, \*p < 0.1; The underidentification test is an LM test based on the rk LM statistics in which the null hypothesis indicates that the model is under-identified. The over-identification test relied on the Hansen J test, with the null hypothesis indicating all instruments are valid in the model. The reported values of these under-identification and over-identification tests are p-values. The reported test of weak identification is the Kleibergen-Paap rk Wald F statistics.

	Social in	dicators	Innovative indicators		
-	Payment per	Contribution per	Innovation in the	Innovation in	
	labourer (ln)	labourer (ln)	production process	products	
Internet use in cooperative <sup>†</sup>	$0.512^{*}$	1.172***	0.076	0.119**	
	(0.270)	(0.443)	(0.053)	(0.054)	
Female president <sup>†</sup>	-0.171**	0.106	0.019	0.032	
	(0.080)	(0.122)	(0.024)	(0.026)	
Education of president <sup><math>\dagger</math></sup>	0.130***	0.458***	$0.024^{*}$	0.015	
	(0.048)	(0.090)	(0.013)	(0.013)	
Age of president	-0.002	0.001	0.000	-0.000	
	(0.002)	(0.004)	(0.001)	(0.001)	
Training of management board members <sup>†</sup>	0.009	0.104	0.051***	$0.024^{***}$	
	(0.042)	(0.095)	(0.012)	(0.008)	
Education of management board	$0.179^{***}$	-0.011	$0.099^{***}$	$0.054^{**}$	
members <sup>†</sup>	(0.067)	(0.100)	(0.028)	(0.025)	
Share of female labourers	$0.005^{***}$	0.002	0.000	0.000	
	(0.001)	(0.002)	(0.000)	(0.000)	
Number of labourers (ln)	-0.211***	$0.185^{***}$	$0.022^{**}$	0.004	
	(0.035)	(0.056)	(0.009)	(0.007)	
Number of members (ln)	$0.052^{***}$	0.249***	-0.002	-0.006**	
	(0.020)	(0.036)	(0.004)	(0.003)	
Total land areas (ln)	$-0.010^{*}$	-0.006	0.002	$0.002^{**}$	
	(0.006)	(0.014)	(0.001)	(0.001)	
Livestock cooperative <sup>†</sup>	0.139	-0.303**	0.022	0.028	
	(0.158)	(0.148)	(0.049)	(0.036)	
Aquaculture cooperative <sup>†</sup>	0.453***	0.145	0.038	0.035	
	(0.124)	(0.166)	(0.048)	(0.044)	
Delta region <sup>†</sup>	-0.443***	-0.035	-0.056*	-0.037	
	(0.143)	(0.229)	(0.030)	(0.024)	
Coastal region <sup>†</sup>	-0.247*	-0.113	-0.014	-0.009	
	(0.131)	(0.172)	(0.029)	(0.024)	
Number of boats	0.020	-0.042***	-0.006	-0.004	
	(0.015)	(0.019)	(0.006)	(0.006)	
Number of electric generators	0.024**	0.012	0.001	0.007	
	(0.010)	(0.017)	(0.005)	(0.005)	
Number of water pumps	0.004	-0.008	-0.002*	0.000	
	(0.004)	(0.006)	(0.001)	(0.001)	
Number of seed-sowing machines	-0.017	-0.017	-0.005	-0.003	
	(0.010)	(0.013)	(100.0)	(0.001)	
Number of tractors	0.033	-0.022	0.007	0.003	
	(0.019)	(0.055)	(0.008)	(0.005)	
Number of combine narvesters	(0.001	0.130	-0.012	-0.018	
Number of vehicles	(0.022)	(0.033)	(0.003)	(0.007)	
Number of venicles	(0.074)	-0.043	(0.017)	(0.039	
Number of other equipment and machines	(0.074)	(0.130)	(0.017)	(0.024)	
Number of other equipment and machines	-0.001	(0.000)	0.001	(0,000)	
Constant	2.866***	(0.003)	(0.000)	(0.000)	
Constant	2.800	-3.440	(0.035)	(0.040)	
Number of observations	(0.150)	(0.333)	(0.055)	(0.050)	
E(22, 46)	3312	3312	<u> </u>	3312	
$\frac{\Gamma(22, +0)}{Prob > F}$	32.03	22.44 0.000	20.10	12.08	
Under-identification	0.000	0.000	0.000	0.000	
Over-identification	0.000	0.000	0.000	0.000	
Weak identification	10.148	10.148	10.148	10.148	

#### Appendix 7: Effects of internet use on the social and innovative performance of agricultural cooperatives

Robust standard errors clustered at provincial level in parentheses;  $\dagger$ : Dummy variable; ln: natural logarithm; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1; The underidentification test is an LM test based on the rk LM statistics in which the null hypothesis indicates that the model is under-identified. The over-identification test relied on the Hansen J test, with the null hypothesis indicating all instruments are valid in the model. The reported values of these under-identification and overidentification tests are p-values. The reported test of weak identification is the Kleibergen-Paap rk Wald F statistics. Appendix 8: Effects of internet use on the social and innovative performance of agricultural cooperatives with the interaction between gender and education of cooperative's presidents

	Social indicators		Innovative indicators	
-	Payment per	Contribution per	Innovation in the	Innovation in
	labourer (ln)	labourer (ln)	production process	products
Internet use in cooperative <sup>†</sup>	$0.502^{*}$	1.173***	0.077	0.119**
	(0.275)	(0.444)	(0.053)	(0.053)
Female president <sup>†</sup>	-0.130	0.060	-0.016	0.010
	(0.108)	(0.147)	(0.021)	(0.023)
Education of president <sup>†</sup>	0.137***	0.451***	0.018	0.011
	(0.050)	(0.091)	(0.013)	(0.014)
Gender president*education of president <sup>†</sup>	-0.109	0.117	0.085	0.053
	(0.198)	(0.220)	(0.060)	(0.060)
Age of president	-0.002	0.001	0.000	-0.000
	(0.002)	(0.004)	(0.001)	(0.001)
Training of management board members	0.010	0.104	0.050	0.024
	(0.042)	(0.095)	(0.012)	(0.008)
Education of management board	0.183	-0.013	0.098	0.053
Shara of famala labourara	(0.008)	(0.100)	(0.028)	(0.024)
Share of female fabourers	(0.003)	(0.002)	0.000	(0,000)
Number of labourers (In)	-0.212***	0.185***	(0.000)	(0.000)
Number of labourers (iii)	(0.035)	(0.056)	(0.022)	(0.007)
Number of members (In)	0.052***	0 249***	-0.002	-0.006**
runder of memoers (m)	(0.020)	(0.036)	(0.002)	(0.003)
Total land areas (ln)	-0.010*	-0.006	0.002	0.002**
	(0.006)	(0.014)	(0.001)	(0.001)
Livestock cooperative <sup>†</sup>	0.135	-0.294*	0.030	0.032
	(0.157)	(0.151)	(0.049)	(0.036)
Aquaculture cooperative <sup>†</sup>	0.457***	0.144	0.038	0.033
	(0.125)	(0.164)	(0.048)	(0.044)
Delta region <sup>†</sup>	-0.444***	-0.036	$-0.056^{*}$	-0.036
	(0.143)	(0.230)	(0.030)	(0.024)
Coastal region <sup>†</sup>	$-0.248^{*}$	-0.114	-0.015	-0.009
	(0.131)	(0.172)	(0.029)	(0.024)
Number of boats	0.020	-0.042**	-0.006	-0.004
	(0.016)	(0.019)	(0.006)	(0.006)
Number of electric generators	0.024**	0.011	0.001	0.006
	(0.010)	(0.017)	(0.005)	(0.005)
Number of water pumps	0.004	-0.008	-0.002	0.000
Number of and accessing marking.	(0.004)	(0.006)	(0.001)	(0.001)
Number of seed-sowing machines	-0.017	-0.017	-0.003	-0.003
Number of tractors	(0.010)	(0.013)	(0.001)	(0.001)
Number of tractors	(0.033)	(0.055)	(0.007	(0.005)
Number of combine harvesters	0.001	0 131***	-0.011**	-0.018**
runder of comonic harvesters	(0.022)	(0.036)	(0.005)	(0.007)
Number of vehicles	0.228***	-0.043	0.073***	0.059**
	(0.074)	(0.156)	(0.018)	(0.025)
Number of other equipment and machines	-0.001	0.000	0.001***	0.000
	(0.002)	(0.003)	(0.000)	(0.000)
Constant	2.868***	-3.437***	0.013	0.048
	(0.150)	(0.333)	(0.035)	(0.030)
Number of observations	3512	3512	3512	3512
F(23, 46)	29.82	24.10	17.85	12.41
Prob > F	0.000	0.000	0.000	0.000
Under-identification	0.000	0.000	0.000	0.000
Over-identification	0.968	0.776	0.858	0.661
Weak identification	10.104	10.104	10.104	10,104

Robust standard errors clustered at provincial level in parentheses;  $\dagger$ : Dummy variable; ln: natural logarithm; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1; The underidentification test is an LM test based on the rk LM statistics in which the null hypothesis indicates that the model is under-identified. The over-identification test relied on the Hansen J test, with the null hypothesis indicating all instruments are valid in the model. The reported values of these under-identification and overidentification tests are p-values. The reported test of weak identification is the Kleibergen-Paap rk Wald F statistics.

#### Appendix 9: Distributional effects of internet use on the revenue of agricultural cooperatives

_	Quintile groups of revenue (mil. VND)				
	10 <sup>th</sup> group	25 <sup>th</sup> group	50 <sup>th</sup> group	75 <sup>th</sup> group	90 <sup>th</sup> group
Internet use in cooperative	4.891***	9.318***	25.252***	50.330***	108.421**
	(1.719)	(2.488)	(5.508)	(13.066)	(47.820)
Female president <sup>†</sup>	-28.740	-51.242	-77.125	-70.455	364.739
	(32.309)	(34.623)	(58.901)	(142.449)	(742.517)
Education of president <sup>†</sup>	-38.186*	-47.666	-124.311*	-320.086*	-368.318
	(19.049)	(34.268)	(72.135)	(162.128)	(638.382)
Age of president	0.868	1.233	3.228	5.224	26.861
	(1.134)	(1.673)	(2.764)	(5.823)	(18.427)
Training of management board	-16.096	-17.461	-65.504*	-148.840	-353.543
members <sup>†</sup>	(18.410)	(22.941)	(38.420)	(101.546)	(355.823)
Education of management	-72.920***	-53.751	-179.034***	-209.662	-300.795
board members!	(27.394)	(33.549)	(64.725)	(141.511)	(716.258)
Share of female labourers	-0.548	-0.452	-3.584	-9.659	-13.039
	(0.554)	(1.219)	(1.956)	(3./31)	(11.945)
Number of labourers (In)	90.655	112.911	124.927	157.245	3/8.814
	(14./64)	(21./64)	(31.341)	(54.548)	(206.239)
Number of members (In)	-0.896	3.4/5	-3.5/6	-46.528	-22/.6//
Tetal land arrest (la)	(8.013)	(13.994)	(20.804)	(48.398)	(176.102)
Total land areas (In)	-4.492	-3.187	(5.415)	34.302	5/.112
Livesteels as an anotive <sup>†</sup>	(2.343)	(3.777)	(3.413)	(0.329)	(39.431)
Livestock cooperative	J0.0/1 (56 517)	100.232	209.097	J / 0.030 (206, 152)	(012 591)
A que quiture acoperative <sup>†</sup>	(30.317)	(08.403)	(123.024)	(290.132)	(915.581)
Aquaculture cooperative	40.310	(68,072)	(120.776)	(248 622)	(1197, 147)
Delta region <sup>†</sup>	-68 589	-101.029	-32 879	-286 920*	(1107.147) -1305 520***
Dena region	(53,160)	(82,780)	(110.205)	(156 520)	(482.268)
Coastal region <sup>†</sup>	18 556	(82.780)	60.973	-110 303	-317 606
Coastal legion	(39,929)	(49 984)	(76734)	(141 318)	(496 230)
Number of boats	15 276***	8 291	21 230	32,637	129 376
Tumber of bouts	(5 589)	(17453)	(28 885)	(51, 391)	$(177\ 884)$
Number of electric generators	-0.956	-1.588	4.726	46.554**	306.929***
i tunic el	(2.921)	(5.845)	(10.129)	(20.187)	(79.248)
Number of water pumps	-0.392	-0.053	-2.361	-4.489	-0.095
r r	(0.403)	(0.872)	(2.184)	(3.934)	(21.969)
Number of seed-sowing	-0.938	0.264	-7.164	1.911	93.016
machines	(2.262)	(3.071)	(10.731)	(26.868)	(98.396)
Number of tractors	4.129	3.159	7.538	94.028	142.812
	(5.257)	(16.322)	(24.001)	(57.961)	(282.182)
Number of combine harvesters	3.615	8.948	-16.182	-21.972	-343.620*
	(5.084)	(9.125)	(30.615)	(59.076)	(179.593)
Number of vehicles	-27.487	-16.753	66.230	311.642**	1966.508***
	(18.606)	(21.592)	(43.188)	(127.473)	(582.846)
Number of other equipment and	0.091	-0.028	-0.107	-0.303	3.060
machines	(0.100)	(0.341)	(0.979)	(1.431)	(7.902)
Constant	-308.482***	-476.026***	-864.586***	-889.859*	-2378.199
	(97.181)	(107.525)	(195.556)	(504.369)	(1711.247)
Number of observations	3512	3512	3512	3512	3512
F(22, 46)	28.79	66.84	30.00	21.90	13.38
Prob > F	0.000	0.000	0.000	0.000	0.000
R <sup>2</sup>	0.097	0.152	0.171	0.134	0.091
Sample mean RIF	80.802	197.320	534.500	1234.200	2621.900

Robust standard errors clustered at provincial level in parentheses; †: Dummy variable; ln: natural logarithm; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1.

#### Appendix 10: Distributional effects of internet use on the profit of agricultural cooperatives

	Quintile groups of profit (mil. VND)				
	10 <sup>th</sup> group	25 <sup>th</sup> group	50 <sup>th</sup> group	75 <sup>th</sup> group	90 <sup>th</sup> group
Internet use in cooperative	0.068	0.065	1.191***	3.724***	10.736**
	(0.117)	(0.095)	(0.253)	(1.326)	(4.243)
Female president <sup>†</sup>	1.799	3.099	0.583	-10.022	-16.798
	(2.406)	(2.127)	(2.811)	(10.493)	(38.267)
Education of president <sup>†</sup>	-3.435**	-2.649*	-16.092***	-39.732**	-102.174**
	(1.641)	(1.331)	(2.884)	(16.210)	(50.093)
Age of president	0.078	0.075	0.164	0.477	1.939
	(0.051)	(0.052)	(0.115)	(0.610)	(2.367)
Training of management board	-1.192	-1.120	-4.900	-24.242**	-30.734
members <sup>†</sup>	(1.317)	(1.176)	(2.930)	(9.899)	(35.107)
Education of management	-2.952	-2.377	-8.775***	-43.095**	-150.192***
board members	(2.352)	(2.085)	(3.582)	(18.449)	(51.916)
Share of female labourers	-0.119	-0.123	-0.352	-0.973	-2.705
	(0.040)	(0.036)	(0.072)	(0.371)	(1.030)
Number of labourers (In)	0.565	0.907	-3./30	-4.9/1	-21.531
	(1.001)	(0.899)	(1.912)	(6.893)	(20.731)
Number of members (In)	0.757	0.705	-1.983	-11.799	-48./18
	(0.509)	(0.480)	(1.252)	(5.823)	(14.639)
Total land areas (In)	-0.072	-0.092	0.942	5.058	8.0/4
Line to the second in the	(0.102)	(0.092)	(0.223)	(0.819)	(2.950)
Livestock cooperative	1.709	0.287	/.454	65.396	150.255
A 14	(3.353)	(3.331)	(0.851)	(24.680)	(72.428)
Aquaculture cooperative	2.102	3.479	11.559	72.900	203.275
Dalta maion <sup>†</sup>	(3.019)	(2.570)	(7.599)	(38.474)	(87.094)
Dena region	2.255	(2,567)	4.398	-12.002	-33.733
Constal region <sup>†</sup>	(5.307)	(5.307)	(0.929)	(22.450)	(32.402)
Coastar region	(2, 206)	(2, 222)	12.140	(22,462)	-52.501
Number of boots	(3.300)	0.551**	(0.809)	(23.402)	(32.213)
Number of boats	(0.378)	(0.250)	4.650	10.904	(24,272)
Number of electric generators	(0.291)	(0.230)	-0.180	(8.772)	(24.372)
Number of cleance generators	(0.156)	(0.138)	(0.574)	(2 060)	(0.880)
Number of water numps	-0.009	0.011	-0.053	0.048	-0.434
runneer of water pumps	(0.057)	(0.050)	(0.126)	(0.748)	(1.792)
Number of seed-sowing	-0.024	-0.028	-0.615	-0.987	1 670
machines	(0.191)	(0.168)	(0.626)	(3.117)	(11 757)
Number of tractors	-0.120	0.108	-0.239	-5.564	-8.891
	(0.526)	(0.425)	(1.588)	(6.521)	(15.853)
Number of combine harvesters	1.048	0.809	-1.535	-7.629*	-19.669*
	(0.663)	(0.557)	(1.450)	(4.168)	(9.857)
Number of vehicles	-3.855**	-3.375**	-2.065	0.607	6.309
	(1.707)	(1.453)	(2.155)	(12.220)	(37.575)
Number of other equipment and	0.003	0.002	-0.029	0.023	0.233
machines	(0.012)	(0.011)	(0.042)	(0.232)	(0.562)
Constant	-14.390**	-1.388	-20.370	-16.238	20.340
	(5.356)	(5.183)	(12.611)	(54.727)	(210.766)
Number of observations	3512	3512	3512	3512	3512
F(22, 46)	11.42	8.45	28.85	15.70	11.70
Prob > F	0.000	0.000	0.000	0.000	0.000
R <sup>2</sup>	0.039	0.044	0.067	0.062	0.063
Sample mean RIF	-3.803	9.617	17.568	66.679	203.960

Robust standard errors clustered at provincial level in parentheses; †: Dummy variable; ln: natural logarithm; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1.

Appendix 11: Distributional effects of internet use on the labour	productivity of agricultural cooperatives
	productivity of agricultur cooperatives

	Quintile groups of labour productivity (mil. VND per labourer)				
	10 <sup>th</sup> group	25 <sup>th</sup> group	50 <sup>th</sup> group	75 <sup>th</sup> group	90 <sup>th</sup> group
Internet use in cooperative	0.786***	1.393***	1.918***	5.254***	21.727***
	(0.203)	(0.344)	(0.712)	(1.745)	(5.950)
Female president <sup>†</sup>	4.248	-7.340*	-10.450	-5.674	-40.133
•	(2.969)	(4.102)	(6.704)	(25.460)	(110.734)
Education of president <sup>†</sup>	-5.221*	-4.166	-1.022	-34.264	-162.523**
	(2.843)	(4.753)	(8.849)	(22.225)	(78.846)
Age of president	0.144	0.223	0.177	0.327	3.037
	(0.136)	(0.158)	(0.341)	(1.071)	(4.409)
Training of management board	-0.597	-3.968	-2.141	-8.097	-94.511*
members <sup>†</sup>	(2.320)	(3.369)	(5.852)	(12.846)	(50.281)
Education of management	-8.864**	-13.991***	-14.685*	-27.797	-45.209
board members <sup>†</sup>	(3.557)	(4.350)	(8.409)	(24.996)	(117.025)
Share of female labourers	-0.127*	-0.101	-0.105	-0.911	-4.272**
	(0.075)	(0.140)	(0.264)	(0.554)	(1.691)
Number of labourers (ln)	-7.828***	-16.516***	-35.818***	-100.586***	-383.053***
	(1.707)	(3.219)	(5.592)	(11.222)	(40.846)
Number of members (ln)	1.398	1.265	0.913	-5.112	-63.338***
	(1.148)	(1.803)	(3.353)	(6.728)	(19.950)
Total land areas (ln)	-0.398	-0.011	0.364	$2.727^{*}$	20.985***
	(0.436)	(0.592)	(0.556)	(1.526)	(5.877)
Livestock cooperative <sup>†</sup>	8.185**	$11.057^{*}$	20.686	$104.097^{*}$	525.302**
	(4.035)	(6.242)	(17.451)	(59.276)	(211.256)
Aquaculture cooperative <sup>†</sup>	2.910	26.863***	55.544***	169.289***	667.849**
	(7.639)	(9.422)	(17.935)	(44.853)	(252.226)
Delta region <sup>†</sup>	-8.067	-15.932*	-20.706	-52.531*	-175.925
	(6.472)	(9.425)	(15.316)	(30.270)	(111.714)
Coastal region <sup>†</sup>	1.063	2.609	11.797	18.740	-175.700
	(5.504)	(5.839)	(9.807)	(29.258)	(109.289)
Number of boats	3.456***	0.828	2.530	-3.441	-17.794
	(0.560)	(1.951)	(3.405)	(6.428)	(31.847)
Number of electric generators	0.306	0.772	1.584	9.029***	26.601
	(0.366)	(0.604)	(0.973)	(2.717)	(20.088)
Number of water pumps	0.018	0.028	0.028	-0.262	-2.838
	(0.059)	(0.141)	(0.375)	(0.707)	(2.597)
Number of seed-sowing	0.238	0.270	0.158	4.271	29.730*
machines	(0.207)	(0.439)	(1.442)	(4.628)	(17.656)
Number of tractors	1.697**	1.563	2.026	-1.810	2.350
	(0.747)	(2.206)	(3.223)	(9.354)	(25.814)
Number of combine harvesters	-0.249	1.492	-2.181	-4.372	-45.878
	(0.770)	(1.312)	(3.172)	(7.797)	(38.411)
Number of vehicles	-0.957	1.104	12.757**	60.374	328.119**
	(2.205)	(3.211)	(4.895)	(20.817)	(152.521)
Number of other equipment and	-0.025	-0.053	-0.040	-0.059	0.802
machines	(0.027)	(0.073)	(0.121)	(0.202)	(1.101)
Constant	-15.465	-8.569	44.693	107.042	602.370
Number of observations	3512	3512	3512	3512	3512
F(22, 46)	17.69	9.10	24 25	49 55	23 77
Proh > F	0.000	0.000	0.000	0.000	0.000
D <sup>2</sup>	0.000	0.000	0.000	0.000	0.000
	0.040	0.098	0.127	0.128	0.115
Sample mean RIF	12.857	29.414	69.381	163.24	413.740

Robust standard errors clustered at provincial level in parentheses; †: Dummy variable; ln: natural logarithm; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1.