**ONLINE APPENDIX:** Table 10: Extended baseline regression by income group

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | (1) | (2) | (3) | (4) | (5) |
|  | ln(SX) | ln(SX) | ln(SX) | ln(SX) | ln(SX) |
|   | Digital | + Fin. | + Bus. | + Distr. | + Pers. |
|  |  |  |  |  |  |
| Software intense ≥ 2009 \* H | 0.028 | 0.032\* | 0.032\* | 0.015 | 0.083\*\*\* |
|  | (0.176) | (0.085) | (0.062) | (0.359) | (0.000) |
| Software intense ≥ 2009 \* UMC | 0.095\*\*\* | 0.129\*\*\* | 0.140\*\*\* | 0.128\*\*\* | 0.086\*\* |
|  | (0.010) | (0.000) | (0.000) | (0.000) | (0.010) |
| Software intense ≥ 2009 \* LMC | 0.051 | 0.044 | 0.037 | 0.022 | -0.101 |
|  | (0.450) | (0.445) | (0.496) | (0.675) | (0.159) |
| Software intense ≥ 2009 \* L | -0.327 | -0.216 | -0.026 | -0.086 | -0.077 |
|  | (0.173) | (0.263) | (0.872) | (0.535) | (0.453) |
|  |  |  |  |  |  |
| FE Country-Sector | Yes | Yes | Yes | Yes | Yes |
| FE Country-Year | Yes | Yes | Yes | Yes | Yes |
| FE Income-Group-Year | Yes | Yes | Yes | Yes | Yes |
| Period | 05-15 | 05-15 | 05-15 | 05-15 | 05-15 |
|  |  |  |  |  |  |
| Observations | 10054 | 10054 | 10054 | 10054 | 10054 |
| R2 | 0.976 | 0.976 | 0.976 | 0.976 | 0.976 |

Note: \* p<0.10; \*\* p<0.05; \*\*\* p<0.01. P-values are given in parenthesis. The dependent variable the log of services exports ln(SX) using data from the OECD TiVA database. Fixed effects are applied at the country-sector, country-year and income-group-year level. Period of regressions is 2005-2015. Regressions are estimated with robust standard error clustered by country-sector-year. Column titles correspond to the sector specification as presented in Table 2.

Figure 5: Trade impact from extended baseline regression by income group



Note: Results correspond to the coefficient estimates from column “+ Bus.” reported in Table 10.

**ONLINE APPENDIX:** Table 11: Extended baseline regression by RCA

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | (1) | (2) | (3) | (4) | (5) |
|  | ln(SX) | ln(SX) | ln(SX) | ln(SX) | ln(SX) |
|   | Digital | + Fin. | + Bus. | + Distr. | + Pers. |
|  |  |  |  |  |  |
| Software intense ≥ 2009 \* RCA super | 0.051 | 0.054\* | 0.052\* | 0.019 | 0.023 |
|  | (0.109) | (0.057) | (0.068) | (0.472) | (0.239) |
| Software intense ≥ 2009 \* RCA strong | 0.075\*\*\* | 0.066\*\*\* | 0.074\*\*\* | 0.015 | 0.070\*\*\* |
|  | (0.001) | (0.003) | (0.000) | (0.383) | (0.000) |
| Software intense ≥ 2009 \* RCA medium | -0.043\*\* | -0.047\*\* | -0.015 | -0.024 | 0.038\*\* |
|  | (0.043) | (0.016) | (0.356) | (0.104) | (0.028) |
| Software intense ≥ 2009 \* RCA weak | 0.115\*\*\* | 0.129\*\*\* | 0.117\*\*\* | 0.111\*\*\* | 0.176\*\*\* |
|  | (0.000) | (0.000) | (0.000) | (0.000) | (0.000) |
|  |  |  |  |  |  |
| FE Country-Sector | Yes | Yes | Yes | Yes | Yes |
| FE Country-Year | Yes | Yes | Yes | Yes | Yes |
| FE RCA Group | Yes | Yes | Yes | Yes | Yes |
| Period | 05-15 | 05-15 | 05-15 | 05-15 | 05-15 |
|  |  |  |  |  |  |
| Observations | 10054 | 10054 | 10054 | 10054 | 10054 |
| R2 | 0.983 | 0.983 | 0.983 | 0.983 | 0.983 |

Note: \* p<0.10; \*\* p<0.05; \*\*\* p<0.01. P-values are given in parenthesis. The dependent variable the log of services exports ln(SX) using data from the OECD TiVA database. Fixed effects are applied at the country-sector, country-year and RCA-group level. Period of regressions is 2005-2015. Regressions are estimated with robust standard error clustered by country-sector-year. Column titles correspond to the sector specification as presented in Table 2.

Figure 6: Trade impact from extended baseline regression by RCA group



Note: Results correspond to the coefficient estimates from column “+ Bus.” reported in Table 11.

**ONLINE APPENDIX:** Table 12: Extended baseline regression by Internet usage

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | (1) | (2) | (3) | (4) | (5) |
|  | ln(SX) | ln(SX) | ln(SX) | ln(SX) | ln(SX) |
|   | Digital | + Fin. | + Bus. | + Distr. | + Pers. |
|  |  |  |  |  |  |
| Software intense ≥ 2009 \* Internet super | 0.007 | 0.026 | 0.046\* | 0.018 | 0.013 |
|  | (0.832) | (0.373) | (0.090) | (0.500) | (0.620) |
| Software intense ≥ 2009 \* Internet high | 0.088\*\*\* | 0.081\*\*\* | 0.065\*\* | 0.045 | 0.050 |
|  | (0.006) | (0.006) | (0.026) | (0.122) | (0.110) |
| Software intense ≥ 2009 \* Internet medium | 0.076\*\* | 0.084\*\*\* | 0.092\*\*\* | 0.091\*\*\* | 0.040 |
|  | (0.030) | (0.005) | (0.001) | (0.001) | (0.135) |
| Software intense ≥ 2009 \* Internet weak | -0.001 | 0.039 | 0.051 | 0.040 | -0.008 |
|  | (0.975) | (0.292) | (0.137) | (0.230) | (0.814) |
|  |  |  |  |  |  |
| FE Country-Sector | Yes | Yes | Yes | Yes | Yes |
| FE Country-Year | Yes | Yes | Yes | Yes | Yes |
| FE Internet Group | Yes | Yes | Yes | Yes | Yes |
| Period | 05-15 | 05-15 | 05-15 | 05-15 | 05-15 |
|  |  |  |  |  |  |
| Observations | 9922 | 9922 | 9922 | 9922 | 9922 |
| R2 | 0.976 | 0.976 | 0.976 | 0.976 | 0.976 |

Note: \* p<0.10; \*\* p<0.05; \*\*\* p<0.01. P-values are given in parenthesis. The dependent variable the log of services exports ln(SX) using data from the OECD TiVA database. Fixed effects are applied at the country-sector, country-year and internet-group level. Period of regressions is 2005-2015. Regressions are estimated with robust standard error clustered by country-sector-year. Column titles correspond to the sector specification as presented in Table 2.

Figure 7: Trade impact from extended baseline regression by Internet group



Note: Results correspond to the coefficient estimates from column “+ Bus.” reported in Table 12.

**ONLINE APPENDIX:** Table 13: Extended baseline regression by employment (services)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | (1) | (2) | (3) | (4) | (5) |
|  | ln(SX) | ln(SX) | ln(SX) | ln(SX) | ln(SX) |
|   | Digital | + Fin. | + Bus. | + Distr. | + Pers. |
|  |  |  |  |  |  |
| Software intense ≥ 2009 \* Service empl. super | 0.025 | 0.047\* | 0.053\*\* | 0.054\*\* | 0.071\*\* |
|  | (0.406) | (0.084) | (0.045) | (0.043) | (0.013) |
| Software intense ≥ 2009 \* Service empl. high | 0.017 | 0.064\*\* | 0.069\*\* | 0.046\* | 0.037 |
|  | (0.592) | (0.027) | (0.010) | (0.074) | (0.168) |
| Software intense ≥ 2009 \* Service empl. medium | 0.064\* | 0.034 | 0.036 | 0.023 | -0.019 |
|  | (0.050) | (0.218) | (0.148) | (0.326) | (0.423) |
| Software intense ≥ 2009 \* Service empl. weak | 0.066 | 0.088\*\* | 0.097\*\*\* | 0.073\*\* | 0.012 |
|  | (0.126) | (0.018) | (0.005) | (0.028) | (0.719) |
|  |  |  |  |  |  |
| FE Country-Sector | Yes | Yes | Yes | Yes | Yes |
| FE Country-Year | Yes | Yes | Yes | Yes | Yes |
| FE Employment Group | Yes | Yes | Yes | Yes | Yes |
| Period | 05-15 | 05-15 | 05-15 | 05-15 | 05-15 |
|  |  |  |  |  |  |
| Observations | 9922 | 9922 | 9922 | 9922 | 9922 |
| R2 | 0.976 | 0.976 | 0.976 | 0.976 | 0.976 |

Note: \* p<0.10; \*\* p<0.05; \*\*\* p<0.01. P-values are given in parenthesis. The dependent variable the log of services exports ln(SX) using data from the OECD TiVA database. Fixed effects are applied at the country-sector, country-year and employment-group level. Period of regressions is 2005-2015. Regressions are estimated with robust standard error clustered by country-sector-year. Column titles correspond to the sector specification as presented in Table 2.

Figure 8: Trade impact from extended baseline regression by employment (services) group



Note: Results correspond to the coefficient estimates from column “+ Bus.” reported in Table 13.

**ONLINE APPENDIX:** Table 14: Extended baseline regression by human capital

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | (1) | (2) | (3) | (4) | (5) |
|  | ln(SX) | ln(SX) | ln(SX) | ln(SX) | ln(SX) |
|   | Digital | + Fin. | + Bus. | + Distr. | + Pers. |
|  |  |  |  |  |  |
| Software intense ≥ 2009 \* HC super | 0.054 | 0.035 | 0.062\*\* | 0.037 | 0.090\*\*\* |
|  | (0.101) | (0.247) | (0.030) | (0.189) | (0.009) |
| Software intense ≥ 2009 \* HC high | 0.076\*\* | 0.051\* | 0.051\* | 0.018 | 0.100\*\*\* |
|  | (0.026) | (0.078) | (0.051) | (0.459) | (0.000) |
| Software intense ≥ 2009 \* HC medium | 0.100\*\*\* | 0.139\*\*\* | 0.130\*\*\* | 0.136\*\*\* | 0.166\*\*\* |
|  | (0.005) | (0.000) | (0.000) | (0.000) | (0.000) |
| Software intense ≥ 2009 \* HC weak | -0.063 | -0.009 | -0.009 | -0.022 | -0.101\*\*\* |
|  | (0.106) | (0.782) | (0.767) | (0.452) | (0.004) |
|  |  |  |  |  |  |
| FE Country-Sector | Yes | Yes | Yes | Yes | Yes |
| FE Country-Year | Yes | Yes | Yes | Yes | Yes |
| FE Employment Group | Yes | Yes | Yes | Yes | Yes |
| Period | 05-15 | 05-15 | 05-15 | 05-15 | 05-15 |
|  |  |  |  |  |  |
| Observations | 10054 | 10054 | 10054 | 10054 | 10054 |
| R2 | 0.976 | 0.976 | 0.976 | 0.976 | 0.976 |

Note: \* p<0.10; \*\* p<0.05; \*\*\* p<0.01. P-values are given in parenthesis. The dependent variable the log of services exports ln(SX) using data from the OECD TiVA database. Fixed effects are applied at the country-sector, country-year and human capital-group level. Period of regressions is 2005-2015. Regressions are estimated with robust standard error clustered by country-sector-year. Column titles correspond to the sector specification as presented in Table 2.

Figure 9: Trade impact from extended baseline regression by human capital group



Note: Results correspond to the coefficient estimates from column “+ Bus.” reported in Table 14.

**ONLINE APPENDIX:** Table 15: Baseline regression results using TiVA dataset for imports

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | (1) | (2) | (3) | (4) | (5) |
|  | ln(SM) | ln(SM) | ln(SM) | ln(SM) | ln(SM) |
|   | Digital | + Fin. | + Bus. | + Distr. | + Pers. |
|  |  |  |  |  |  |
| Software intense ≥ 2009 | 0.101\*\*\* | 0.093\*\*\* | 0.104\*\*\* | 0.074\*\*\* | 0.109\*\*\* |
|  | (0.000) | (0.000) | (0.000) | (0.000) | (0.000) |
|  |  |  |  |  |  |
| FE Country-Sector | Yes | Yes | Yes | Yes | Yes |
| FE Country-Year | Yes | Yes | Yes | Yes | Yes |
| Period | 05-15 | 05-15 | 05-15 | 05-15 | 05-15 |
|  |  |  |  |  |  |
| Observations | 10560 | 10560 | 10560 | 10560 | 10560 |
| R2 | 0.991 | 0.991 | 0.991 | 0.991 | 0.991 |

Note: \* p<0.10; \*\* p<0.05; \*\*\* p<0.01. P-values are given in parenthesis. The dependent variable the log of services imports ln(SM) using data from the OECD TiVA database. Fixed effects are applied at the country-sector and country-year level. Period of regressions is 2005-2015. Regressions are estimated with robust standard error clustered by country-sector-year. Column titles correspond to the sector specification as presented in Table 2.

**ONLINE APPENDIX:** Table 16: Extended baseline regression using TiVA dataset by income group for imports

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | (1) | (2) | (3) | (4) | (5) |
|  | ln(SM) | ln(SM) | ln(SM) | ln(SM) | ln(SM) |
|   | Digital | + Fin. | + Bus. | + Distr. | + Pers. |
|  |  |  |  |  |  |
| Software intense ≥ 2009 \* H | 0.101\*\*\* | 0.079\*\*\* | 0.099\*\*\* | 0.071\*\*\* | 0.101\*\*\* |
|  | (0.000) | (0.000) | (0.000) | (0.000) | (0.000) |
| Software intense ≥ 2009 \* UMC | 0.132\*\*\* | 0.146\*\*\* | 0.159\*\*\* | 0.129\*\*\* | 0.138\*\*\* |
|  | (0.000) | (0.000) | (0.000) | (0.000) | (0.000) |
| Software intense ≥ 2009 \* LMC | 0.109\* | 0.134\*\*\* | 0.100\*\* | 0.064\* | 0.111\*\*\* |
|  | (0.060) | (0.005) | (0.016) | (0.088) | (0.000) |
| Software intense ≥ 2009 \* L | -0.491\* | -0.533\*\* | -0.635\*\*\* | -0.726\*\*\* | -0.108 |
|  | (0.097) | (0.027) | (0.003) | (0.000) | (0.569) |
|  |  |  |  |  |  |
| FE Country-Sector | Yes | Yes | Yes | Yes | Yes |
| FE Country-Year | Yes | Yes | Yes | Yes | Yes |
| FE Income-Group-Year | Yes | Yes | Yes | Yes | Yes |
| Period | 05-15 | 05-15 | 05-15 | 05-15 | 05-15 |
|  |  |  |  |  |  |
| Observations | 10560 | 10560 | 10560 | 10560 | 10560 |
| R2 | 0.990 | 0.990 | 0.990 | 0.990 | 0.990 |

Note: \* p<0.10; \*\* p<0.05; \*\*\* p<0.01. P-values are given in parenthesis. The dependent variable the log of services imports ln(SM) using data from the OECD TiVA database. Fixed effects are applied at the country-sector, country-year and income-group-year level. Period of regressions is 2005-2015. Regressions are estimated with robust standard error clustered by country-sector-year. Column titles correspond to the sectors presented in Table 2.

Figure 10: Trade impact from extended baseline regression using TiVA data by income group for imports



Note: Results correspond to the coefficient estimates from column “+ Bus.” reported in Table 16.

**ONLINE APPENDIX:** Figure 11: Map of countries exhibiting economic characteristics with internet usage



Note: Results correspond to the coefficient estimates reported in Tables 1-16.

**ONLINE APPENDIX:** Figure 12: Map of countries exhibiting economic characteristics with skills



Note: Results correspond to the coefficient estimates reported in Tables 1-16.