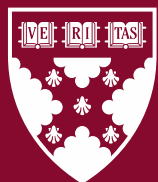


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Public Disclosure of Private Meetings: Does Observing Peers' Information Acquisition Affect Analysts' Attention Allocation?

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Abstract

We investigate the impact of observing peers' information acquisition on financial analysts' attention allocation. Using the timely disclosure mandate by the Shenzhen Stock Exchange as a setting, we find that, when analysts can observe that a firm is visited by other analysts, they allocate less attention to it. This finding is consistent with the conjecture that the timely disclosure reveals the relative information advantage of visiting analysts, leading nonvisiting analysts to reallocate their attention. Further evidence suggests that the timely disclosure has positive externalities in the form of increased attention and improved informational efficiency for nonvisited peer firms, especially those with low analyst following.

Keywords: attention allocation, informational efficiency, corporate site visits, externalities

JEL Codes: G24, G14, M41

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If you know the enemy and know yourself, you need not fear the result of a hundred battles. If you know yourself but not the enemy, for every victory gained you will also suffer a defeat.

– Sun Tzu, The Art of War

1. Introduction

As important information intermediaries, financial analysts acquire information from public and private sources and facilitate communication between firms and investors (Healy and Palepu, 2001; Kadan et al., 2009; Loh and Stulz, 2018). Analysts, like other economic agents, have limited time, energy, and resources, which constrain their acquisition of information (Sims, 2003; deHaan et al., 2015; Harford et al., 2018; Driskill et al., 2020). How they allocate their limited attention across firms has important implications for investors, companies, and the capital market (Blankespoor et al., 2020). Despite the growing literature on limited attention, little research examines how observing peer analysts' activities shapes the allocation of analysts' attention. Competition plays an important role in shaping analyst behavior (e.g., Hong and Kacperczyk, 2010; Merkley et al., 2017), and analysts strive to provide new information to distinguish themselves from their peers (Crawford et al., 2012). Therefore, analysts might change how they allocate attention after observing peers' activities.

This study attempts to fill a gap in the literature by examining how observing information acquisition by peers affects analysts' attention allocation. We employ a unique setting: Since 2012, Chinese firms listed on the Shenzhen Stock Exchange (SZSE) have been required to promptly disclose private meetings, which allows analysts to observe their peers' acquisition of information. Private meetings, such as corporate site visits, enable analysts to acquire information by talking with managers and observing firms' operations and facilities (Soltes, 2014; Brown et al., 2015; Solomon and Soltes, 2015; Chen et al., 2020). However, nonvisiting analysts typically do not

directly observe *when* and *with whom* meetings occur (Soltes, 2014; Solomon and Soltes, 2015). The timely disclosure mandate by SZSE allows these analysts to be aware of visits and respond via their own visits.

Prior studies document that analysts who visit a firm and privately meet with managers gain an information advantage and issue more accurate forecasts (Cheng et al., 2016; Han et al., 2018). When a firm discloses analysts' recent visits promptly, investors and nonvisiting analysts thus recognize that the visiting analysts have gained an information advantage vis-à-vis the visited firm. Investors interested in that firm may then be more likely to demand information from visiting analysts. These analysts may respond by issuing earnings forecasts or privately communicating with investors.¹ Nonvisiting analysts consequently would anticipate a reduction in both investors' demand for their information and their ability to acquire new information through additional visits. Thus, observing other analysts' visits may decrease the expected benefits of visiting the same firm, leading nonvisiting analysts to pay less attention to the visited firm.² In other words, visited firms might lose attention from nonvisiting analysts.

Yet it is not obvious whether nonvisiting analysts will allocate less attention to a visited firm. Corporate site visits often occur when there is value-relevant information that is not yet well known or understood by the public (Cheng et al., 2019).³ Timely disclosure of visits might reveal the existence of value-relevant information. Although visiting analysts might have gathered insights about the visited firm, the mosaic theory suggests that other analysts may still want to conduct visits of their own, because they can form a different information "mosaic" using their

¹ The information acquired by visiting analysts will eventually be revealed as brokerages provide analysts with incentives to satisfy clients' information demand (Brown et al., 2015).

² The theory and evidence of Van Nieuwerburgh and Veldkamp (2009) also suggest that market participants benefit more from knowing what others do not know.

³ Van Nieuwerburgh and Veldkamp (2010) theoretically show that an investor with limited attention is more likely to pay attention to and learn about stocks she is uncertain about.

expertise or private information (Solomon and Soltes, 2015).⁴ Observing other analysts' site visits may thus increase the expected benefits of visiting the same firm, leading nonvisiting analysts to allocate more attention to the visited firm. In other words, visited firms might gain attention from nonvisiting analysts. Given this possibility, it is an open question as to how the timely disclosure of corporate site visits affects the allocation of financial analysts' attention to visited firms versus nonvisited ones.

To address this question, we use the timely disclosure mandate of corporate site visits by the SZSE in China in July 2012 as an empirical setting. Beginning in 2009, SZSE-listed firms were *effectively* required to disclose information about corporate site visits in their regular periodic reports (i.e., annual, semi-annual, and quarterly). Specifically, firms had to disclose participants' identities, meeting dates, locations, and descriptions of meeting topics, but the lag between a site visit and its disclosure could be several months. In July 2012, these firms were required to disclose this information within *two* trading days of a corporate site visit (hereafter referred to as the "timely disclosure mandate"). In other words, the 2012 regulation requires firms to disclose information about corporate site visits more promptly.⁵

We use a difference-in-differences research design, comparing changes in analysts' attention allocated to firms that hosted site visits from 2009–2011 and 2013–2015, relative to concurrent firms that did not. We find that, following the timely disclosure mandate, when a firm hosts corporate site visits during a week, nonvisiting analysts subsequently are less likely to visit

⁴ Value-relevant information does not need to be material information itself. In fact, disclosing material information during private meetings contradicts the framework of Reg FD, which was adopted in China in 2006. However, visiting analysts can become informed by assessing nonmaterial information and forming an information "mosaic" using their expertise or information.

⁵ One potential concern is that, before 2012, visiting analysts might have disclosed in their reports that their earnings forecasts and recommendations were based on the recent site visits. However, in our sample, only 17% of site visits are followed by visiting analysts' earnings forecasts in the month after their site visits. Thus, on average nonvisiting analysts can observe visiting analysts' information acquisition in a timelier fashion after 2012.

this visited firm, compared to nonvisited firms. These results are consistent with the conjecture that the timely disclosure reveals visiting analysts' information advantage, leading nonvisiting analysts to pay less attention to visited firms relative to nonvisited firms.⁶ We also find that, prior to 2012, there are no differential trends in analysts' attention allocated to visited firms, compared to nonvisited ones, supporting the parallel trends assumption. We further document a larger reduction in attention allocated to visited firms, relative to nonvisited ones, if visiting (nonvisiting) analysts have a stronger information advantage (disadvantage).⁷

Motivated by our finding that nonvisiting analysts reduce future attention allocated to visited firms, we next explore whether those analysts increase attention towards nonvisited peer firms. We find that, following the timely disclosure mandate, a nonvisited firm does gain analyst attention when more of its peers have hosted visits.⁸ We then examine whether the change in analysts' attention is associated with consequences for informational efficiency. We document that, following the timely disclosure mandate, a nonvisited firm's stock price reflects greater firm-specific information when more of its industry peers have hosted visits, as reflected in a reduction in stock return synchronicity (Morck et al., 2000; Wurgler, 2000; Durnev et al., 2003; Piotroski and Roulstone, 2004; Chan and Hameed, 2006; Israeli et al., 2017). In addition, we further document that increased analyst attention and the consequent improved information efficiency are concentrated among nonvisited peer firms that were previously neglected by analysts, as proxied by low analyst following. These results suggest that the timely disclosure has positive externalities

⁶ Our results are robust to using the tendency to issue forecast revisions as another proxy for analysts' attention.

⁷ Besides analysts, another important group of market participants—mutual funds—also visit firms. We find our main inferences are unchanged when we include mutual funds along with analysts or focus on mutual funds exclusively as visiting entities.

⁸ The disclosure of a visit may reveal the existence of *industry-level* value-relevant information, which may induce analysts to increase their attention to the nonvisited peer firms from the same industry. However, as we discuss in Section 3.3, untabulated results suggest that the main results do not vary with the extent to which a visit reflects the existence of industry-level information, suggesting that our main results are not driven by this alternative explanation.

in the form of increased attention and improved informational efficiency for nonvisited peer firms, especially those with low analyst following.⁹

We perform several additional analyses to mitigate concerns related to alternative explanations. First, the documented pattern may be attributed to firms' responses. While analysts initiate most visits (Cheng et al., 2016), firms may negotiate the dates. The timely disclosure mandate might increase firms' compliance costs, leading firms to combine several visit requests from multiple analysts into one visit and one visit report. First, we do not find that visits with multiple analysts or firms with busy board secretaries (who handle public disclosure compliance in China) drive our main results. Second, our main inferences are unchanged when we only use firms listed on the Small and Medium-sized Enterprise (SME) Board and the Growth Enterprises Market (GEM) Board, which are less likely to experience an increase in the compliance costs following the timely disclosure mandate as they had been required to timely report the visits to SZSE (but *not* publicly).¹⁰ Relatedly, firms occasionally invite analysts to visit, and these visits typically occur in the month after major corporate events (e.g., earnings announcements) (Cheng et al., 2016, 2019).¹¹ Our inferences are unchanged by excluding these visits from our sample.

Next, although our proposed mechanism primarily relies on firms' timely disclosure of meeting times and visiting analysts' identities, meeting topics also must be disclosed, which could confound our results. To mitigate this concern, we examine whether nonvisiting analysts learn useful information from the timelier topic disclosures. We do not find any evidence suggesting an increase in nonvisiting analysts' forecast accuracy, even for firms that disclose relatively more

⁹ On the contrary, we find a reduction in informational efficiency for visited firms.

¹⁰ SME-listed and GEM-listed firms had been required to report the corporate site visits to SZSE within two trading days and five trading days (but *not* publicly), respectively.

¹¹ Our conversations with analysts who have conducted site visits confirm these claims.

information, following the mandate. These results suggest that nonvisiting analysts do not learn useful information from the timelier topic disclosures.¹²

Our paper contributes to the literature on the attention allocation of financial analysts, which has important implications for investors, companies, and the capital market (Blankespoor et al., 2020).¹³ Cohen et al. (2014) document that analysts are less likely to ask questions during conference calls when they cover more firms. Driskill et al. (2020) find that analysts are less timely and thorough when firms within their coverage portfolios have contemporaneous earnings announcements. Harford et al. (2018) find that analysts strategically allocate more effort to portfolio firms that are relatively more important to their careers.¹⁴ Rather than focusing on firm characteristics, we identify a new factor that affects analysts' attention allocation—information about peer analysts' information acquisition. By documenting this new factor, our paper also contributes to the literature on the strategic interactions among analysts (e.g., Clement and Tse, 2005; Jegadeesh and Kim, 2010; Hong and Kacperczyk, 2010; Merkley et al., 2017). Within the literature on these strategic interactions, our paper most closely relates to the work of Crawford et al. (2012), who study analysts' coverage initiation. Crawford et al. (2012) show that the first analyst to initiate coverage provides low-cost market and industry information, while subsequent

¹² Besides aforementioned confounding factors, analysts may arrange site visits to facilitate better access to firm management for investors. However, these corporate access events do not preclude analysts from gaining better information (Soltes, 2014). To mitigate this concern, we show our results are similar when we exclude site visits conducted jointly by analysts and investors.

¹³ According to rational inattention models, economic agents have limited information processing capacity, so they must decide how to allocate their attention across firms (e.g., Sims, 2003; Sims, 2010; Veldkamp, 2011). Like rational inattention, limited attention can arise for behavioral reasons (e.g., DellaVigna and Pollet, 2009; Hirshleifer et al., 2009). Our arguments are based on the limited information processing capacity of analysts, which is more under the rational inattention framework. (See Blankespoor et al. (2020) for a review of the rational inattention models.)

¹⁴ Using a firm's relative rank within an analyst's portfolio based on three proxies for importance to institutions (i.e., market capitalization, trading volume, and institutional ownership), Harford et al. (2018) document that analysts allocate more effort to firms that are relatively more important to their careers. We also test whether our results vary based on a firm's relative importance in analysts' portfolios. We find some weak evidence suggesting that the reduction in attention to visited firms is smaller when the visited firms are ranked higher on trading volume but not on the other two proxies. We thus cannot draw a consistent and robust conclusion on whether and how our documented main results might vary based on a firm's relative importance in analysts' portfolios.

analysts initializing coverage for the *same* firm typically focus on firm-specific information to distinguish themselves. While our argument also relies on the first-mover advantage of visiting analysts, our results suggest that analysts strategically allocate attention *across* firms.

Our paper also contributes to the literature on the externalities or spillover effects of firms' public disclosures (Dye, 1990; Admati and Pfleiderer, 2000). Leuz and Wysocki (2016) have called for more studies on these kinds of externalities. Shroff et al. (2017) suggest that the peer information environment is negatively associated with a firm's cost of capital. Breuer et al. (2018) document that regulated firms' mandatory disclosures crowd out unregulated firms' voluntary disclosures. De George et al. (2019) find that firms lose investors' attention when their peers choose to report quarterly, instead of semi-annually, and this loss of attention is associated with a decrease in market value and market liquidity. In contrast, we find that public disclosure of private meetings can have positive externalities for peer firms, which gain analysts' attention and experience an improvement in informational efficiency. In this respect, although our study uses a unique setting in China, we believe its findings pertain to capital markets more broadly. There have been discussions on whether the U.S. Securities and Exchange Commission (SEC) should increase the transparency of private meetings (e.g., Bengtzen, 2016). In the United States, analysts also gain information from private meetings with management (Brown et al., 2015; Choy and Hope, 2021), and competition shapes their behavior (e.g., Hong and Kacperczyk, 2010; Merkley et al., 2017). Our results may contribute to the policy debate by providing suggestive evidence on the consequences of mandated timely disclosure of private meetings.¹⁵

¹⁵ Lennox and Wu (2021) have called for more research to examine the consequences of requiring firms to publicly disclose site visits.

2. Institutional Background, Research Design, and Sample Description

2.1 Institutional Background

Aiming to prevent public companies from selectively disclosing important news to certain investors, in August 2006, the SZSE in China proposed Information Fair Disclosure Guidelines, which resemble the 2000 U.S. Regulation Fair Disclosure (Reg FD) rules. The 2006 guidelines recommended that public companies publicly disclose the identities of private-meeting participants in regular periodic reports (e.g., in annual, semi-annual, and quarterly reports). On July 2, 2007, the SZSE explicitly required public companies listed on the mainboard to record private meetings in a recommended format beginning with the 2007 semi-annual reporting period.¹⁶ During the same period, some firms listed on the Small and Medium-sized Enterprises (SME) Board and the Growth Enterprises Market (GEM) Board also voluntarily disclosed the private meeting events. The records are brief and typically include meeting dates and locations, outside participants' affiliations (sometimes their names), and a short summary of meeting topics. More importantly, the information provided in these periodic reports is not timely.¹⁷

In July 2012, the SZSE required all firms listed on the Main, SME, and GEM boards to disclose investor relation activities in a standard format *within two trading days* on the SZSE online investor service platform: *HudongYi*.¹⁸ This standard format includes meeting dates and locations, names of participating institutions and individuals, names of hosting personnel, and descriptions

¹⁶ See the Guidelines on Improving 2007 Semi-annual Reporting issued by SZSE on July 2, 2007. This mandatory public disclosure requirement did not apply to firms listed on the Small and Medium-sized Enterprises (SME) Board and the Growth Enterprises Market (GEM) Board.

¹⁷ During 2007–2008 in our database, we did not observe many firms that *actually* disclosed corporate visits in their annual reports, which indicates that there might have been some delay until the guidance was enforced in 2009, when almost all mainboard firms listed on SZSE began reporting private meetings in their regular periodic reports. Hence, we use 2009 as the first year of our pre-period.

¹⁸ The *HudongYi* platform operates on the website (<http://www.cninfo.com.cn/new/index>) designated by the China Securities Regulatory Commission. The official website of the SZSE's *HudongYi* platform is <http://irm.cninfo.com.cn/szse/>.

of meeting topics. Appendix 1 provides an example of site visit records. In panel A, the firm recorded and disclosed site visits in the periodic reports before 2012. Panel B shows that, after 2012, the firm provides much timelier disclosure of visits on the *HudongYi* platform. Panel C presents detailed records of site visits after 2012. Notably, the disclosure became more detailed after 2012. For example, before 2012, most firms only disclosed the names of institutions but not analysts' names in periodic reports, while after 2012, analysts' names are typically disclosed.

Besides the SZSE, the Shanghai Stock Exchanges (SHSE) is another important stock market exchange in China. The SHSE introduced a similar online investor service platform *SHSE-eHudong* in July 2013 to direct firms to adopt similar timely disclosure practice but did not mandate disclosure, as SZSE did.¹⁹ The SHSE also did not require firms to disclose private meetings in their periodic reports before 2013. Without data for corporate site visits before the SHSE's 2013 timely disclosure guideline, it is impossible to differentiate visiting and nonvisiting analysts, and we cannot adopt a similar design to study how the SHSE's timely disclosure guideline changed nonvisiting analysts' subsequent reactions. Hence, we only use the SZSE's 2012 timely disclosure mandate as our setting.

2.2 Research Design

Our identification strategy exploits the nature of the SZSE's timely disclosure mandate, which triggers timely public disclosure when a corporate site visit occurs after 2012. Specifically, we examine the change in analysts' attention allocated to a visited firm, relative to nonvisited firms, after the mandate is implemented (as only visited firms are treated by the timely disclosure mandate). In other words, in 2009–2011 (the pre-period), visited firms disclose the information about site visits in periodic reports, while nonvisited firms do not. In 2013–2015 (the post-period),

¹⁹ The official website of the SHSE-*eHudong* platform is <http://sns.sseinfo.com/>.

visited firms disclose the information about site visits within *two* trading days after each visit, while nonvisited firms still disclose nothing.

We focus on firm-week-level analyses to capture the short-term responses to the timely disclosure of site visits. The firm-week-level analyses also help avoid misclassifying visiting analysts as nonvisiting ones because some site visits fall on adjacent dates (Cheng et al., 2016). In particular, for each week t , we define visited (nonvisited) firms as those with (without) site visits. We then compare changes in analysts' attention to visited firms relative to nonvisited firms after week t . We adopt the following difference-in-differences design using data in 2009–2011 and 2013–2015:

$$\begin{aligned} Attention_{i,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} \\ & + \beta_4 Other\ Controls + \varepsilon_{i,t}. \end{aligned} \quad (1)$$

$Dvisit_{i,t}$ is an indicator variable that equals one if firm i hosts at least one visit in week t and zero otherwise. $Post_{i,t}$ is an indicator variable that equals one if week t is in year 2013–2015 and zero if week t is in year 2009–2011.²⁰ $Attention_{i,t}$ captures the attention allocated by analysts to firm i after week t . To capture the subsequent attention, we examine whether analysts tend to visit firm i during subsequent weeks. For a visited firm in week t , we measure $DvisitF2_{i,t}$ (where the letter F indicates *Future*) as an indicator variable that equals one if at least one nonvisiting analyst (i.e., an analyst who does not visit the firm in week t) visits the firm during the subsequent two weeks and zero otherwise. For a nonvisited firm i , since none of the analysts visit firm i in week t , we measure $DvisitF2_{i,t}$ as an indicator variable that equals one if at least one analyst visits the firm during the subsequent two weeks and zero otherwise. As some firms might delay the disclosure or the

²⁰ We use a linear probability model, rather than a probit or logit model, because the marginal effects for interaction terms do not have a clear interpretation in such nonlinear models (e.g., Ai and Norton, 2003). In addition, with the inclusion of fixed effects, these models may impose a potential bias or inconsistency on the coefficients and standard errors (Greene, 2010).

nonvisiting analysts might not timely schedule the subsequent visit, we also use $DvisitF4_{i,t}$ as an indicator variable that equals one if at least one nonvisiting analyst visits the firm during the subsequent four weeks and zero otherwise.²¹ We do not use windows beyond four weeks, because visits that occurred more than four weeks after the disclosure are likely driven by factors other than the disclosures themselves. In addition to attention during the subsequent two and four weeks, we also conduct the analysis using attention during the subsequent one or three weeks, and our main inference remains the same. Our main variable of interest, $Dvisit_{i,t} \times Post_{i,t}$, captures how nonvisiting analysts change their attention allocated to visited firms, relative to nonvisited ones, from the pre-period (when visited firms are not required to make timely disclosures in 2009–2011) to the post-period (when visited firms must make timely disclosures in 2013–2015). Figure 1 provides an illustration of the research design. In addition to the firm-week-level test, we also estimate Eq. (1) on the firm-week-analyst level, on which $DvisitF2_{i,t}$ ($DvisitF4_{i,t}$) is an indicator variable that equals one if the *analyst* visits the firm in the subsequent two weeks (four weeks) and zero otherwise. The inference remains qualitatively similar. We report and discuss the results in Section 3.1.

To next examine whether peer firms from the same industry experience positive externalities and gain analysts' attention, we estimate the following regression equation using the sample of nonvisited firm-weeks.

$$\begin{aligned}
 Attention_nonvisit_{i,t} = & \alpha + \beta_1 Peervisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Peervisit_{i,t} \times Post_{i,t} \\
 & + \beta_4 Other\ Controls + \varepsilon_{i,t}.
 \end{aligned} \tag{2}$$

²¹ Before 2012, site visits that occurred close to the periodic reporting dates might have been disclosed promptly. This works against finding any results. The results are similar if we exclude site visits before 2012 that occurred and were disclosed within two weeks in the periodic reports.

$Peervisit_{i,t}$ captures the proportion of peer firms listed on SZSE within firm i 's industry that are visited during week t .²² $Post_{i,t}$ is an indicator variable that equals one if week t is in years 2013–2015 and zero if week t is in years 2009–2011. $Attention_nonvisit_{i,t}$ captures the subsequent attention allocated to a nonvisited firm i by analysts who do not visit any peer firms in week t . To capture the subsequent attention allocated by these nonvisiting analysts, we examine whether they tend to visit firm i during subsequent weeks. Specifically, $DvisitF2_{i,t}$ ($DvisitF4_{i,t}$), is an indicator variable that equals one if at least one of the nonvisiting analysts (i.e., analysts who do not visit any peer firms in week t) visit firm i in the subsequent two weeks (four weeks) and zero otherwise. Our main variable of interest, $Peervisit_{i,t} \times Post_{i,t}$, captures how nonvisiting analysts change attention allocated to a nonvisited firm when a greater proportion of its industry peers host visits from the pre-period (2009–2011) to the post-period (2013–2015).

We also examine the impact of the timely disclosure mandate on the informational efficiency of visited and nonvisited firms. We follow the literature and use return synchronicity to measure the extent to which stock prices reflect firm-specific information (Durnev et al., 2003; Piotroski and Roulstone, 2004). We follow the same difference-in-differences research design and employ the following regressions:

$$\begin{aligned}
 SYNCH_{i,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} \\
 & + \beta_4 Other\ Controls + \varepsilon_{i,t};
 \end{aligned} \tag{3}$$

$$\begin{aligned}
 SYNCH_{i,t} = & \alpha + \beta_1 Peervisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Peervisit_{i,t} \times Post_{i,t} \\
 & + \beta_4 Other\ Controls + \varepsilon_{i,t}.
 \end{aligned} \tag{4}$$

²² We include only SZSE-listed firms, as there is no data for corporate site visits of SHSE-listed firms before the SHSE's 2013 timely disclosure mandate.

$SYNCH_{i,t}$ is the stock return synchronicity for firm i in the subsequent weeks. Specifically, $SYNCH2_{i,t}$ ($SYNCH4_{i,t}$) captures the stock return synchronicity in the subsequent two (four) weeks. To estimate the stock return synchronicity for each firm-week observation, we regress daily stock returns on the current and prior day's market return and the current and prior day's industry return and obtain the adjusted coefficient of determination (adjusted R^2) :

$$RET_{i,d} = \alpha + \beta_1 MKTRET_d + \beta_2 MKTRET_{d-1} + \beta_3 INDRET_d + \beta_4 INDRET_{d-1} + \varepsilon_{i,t}, \quad (5)$$

where $RET_{i,d}$, $MKTRET_d$, and $INDRET_d$ are the daily stock-, market-, and industry-level returns on day d , respectively, during the two (four) weeks after week t . The stock return synchronicity is calculated as the natural logarithm of $\frac{R_{i,t}^2}{1-R_{i,t}^2}$, following prior literature (Piotroski and Roulstone, 2004; Crawford et al. 2012).

Following the analyst literature, we include several control variables (see Appendix 2 for details): firm size ($Size$), leverage ($Leverage$), return on assets (ROA), market-to-book ratio (MB), large blockholder ownership ($Top1$), state-ownership status (SOE), trading volume (TV), market-adjusted stock return over the prior four weeks ($Return$), stock return volatility (STD), and number of following analysts ($Analyst$). To mitigate the endogenous concerns caused by reverse causality, we calculate control variables using the data in the previous quarter. We also include firm fixed effects and year-week fixed effects to control for differences in analysts' attention allocation in different year-weeks and across different firms. In all the tables reported, the coefficients on $Post$ are omitted because of the year-week fixed effects. To alleviate concerns about residual serial correlation and adjust for heteroscedasticity, we two-way cluster standard errors at the firm level and year-week level. The results are qualitatively similar if we cluster standard errors at the firm level.

2.3 Sample Selection and Descriptive Statistics

Our sample consists of SZSE-listed firms in 2009–2011 and 2013–2015 as pre- and post-period samples, respectively. We begin our sample selection in 2009, as the disclosure of corporate site visits in the regular periodic reports could be incomplete before 2009 (Han et al., 2018). We exclude the observations in 2012 in case some firms delayed adoption of the timely disclosure mandate. We exclude firms that had no or poor disclosures about site visits before 2012.²³ We exclude firm-weeks without any market trading (within that week or during one of the following four weeks) to avoid the confounding factors, such as public holidays and trading suspensions. We retain firms with observations available in both the pre- and post-periods. The timely disclosure mandate applies to all investor relations activities, including corporate site visits, conference calls, media interviews, telephone interviews, etc. We retain only corporate site visits, the strongest setting, because these visits demand significant time and resources (Cheng et al., 2019; So et al., 2020). For our main analysis, we keep only site visits conducted by analysts (e.g., Cheng et al., 2016; Han et al., 2018).

Following the literature (Chen et al., 2020; Dong et al., 2020; So et al., 2020), we obtain the data on investor relations activities after July 2012 from the China Listed Firm’s Investor Relations Database under the China Stock Market & Accounting Research Database (CSMAR). CSMAR collects the records of site visits from the *HudongYi* platform.²⁴ For investor relation activities before July 2012, we use the data from the Corporate Site Visit Database (CSVD), developed by Datago Technology Limited, which collects the records of site visits disclosed in

²³ Firms listed on the SME and GEM boards were not mandated to disclose private meetings before 2012. Therefore, in the pre-period, no disclosure by a firm might be due to the fact that it does not have private meetings or it hosts private meetings but does not disclose them. We drop these observations. We also drop the observations when the firm did not disclose the visiting dates in the pre-period.

²⁴ As our arguments are based on the timely disclosure of corporate site visits on the *HudongYi* platform, we use the data from CSMAR that collects the records of site visits from the platform. After 2012, firms still summarize such information in their periodic reports.

firms' periodic reports. Analyst forecast data are obtained primarily from three databases: CSMAR, Chinese Research Data Services (CNRDS), and RESSET. The other variables are all from the CSMAR database. We winsorize continuous variables at the 1% and 99% levels.

The resulting final sample includes 175,161 firm-weeks and 839 distinct firms. Table 1 reports the descriptive statistics. In Panel A, we report the time trend for corporate site visits. The numbers of visiting weeks (column (2)), visits per broker (column (4)), and brokers per visit (column (5)) are higher in the post-period than the pre-period, while the number of visits per firm (column (3)) is lower. This trend may reflect growing sizes of both listed firms on the SZSE and analysts per broker during the examined period.²⁵

Panel B reports the summary statistics of our variables. We find that 7.7% of the firm-week observations are visited firm-weeks and 57.8% of the sample falls in the post-period. The average *ROA* and market-to-book ratio are 2.3% and 4.008, respectively.

[Insert Table 1 Here]

3. Main Results

3.1 Attention Allocated to Visited Firms

Our main analysis compares the change in analysts' attention allocated to visited firms relative to nonvisited firms, following the timely disclosure mandate in 2012. To do so, we estimate Eq. (1) and report the results in Table 2.

[Insert Table 2 Here]

Columns (1)–(2) report the change in attention allocated to visited firms relative to nonvisited firms during the subsequent two weeks (*DvisitF2*) and four weeks (*DvisitF4*), respectively. The coefficients on *Dvisit* are positive across the two columns (coef.= 0.129; t-stat.=

²⁵ Our documented trend is consistent with Chen et al. (2021). This trend might also be driven by firms combining multiple visiting requests into one visit, which we explore as one of alternative explanations in Section 5.1.

13.99 and $\text{coef.} = 0.149$; $\text{t-stat.} = 13.53$, respectively), indicating that, on average, when a firm hosts site visits during a week, it is more likely to host subsequent visits. The coefficients on the variable of interest, $D\text{visit} \times \text{Post}$, are negative and statistically significant ($\text{coef.} = -0.050$; $\text{t-stat.} = -3.91$ and $\text{coef.} = -0.065$; $\text{t-stat.} = -4.43$, respectively), suggesting that, following the timely disclosure mandate, nonvisiting analysts are less likely visit firms that have hosted site visits, relative to those that have not. The results are consistent with the conjecture that following the timely disclosure mandate, nonvisiting analysts tend to reduce attention allocated to visited firms relative to nonvisited firms. The effects we document are economically significant. For example, compared to a nonvisited firm during the same week, analysts decrease their propensity to visit a visited firm during the next four weeks by 0.065, which equals approximately 29% of the sample average.

The key identifying assumption for the consistency of our research design is that the parallel trends assumption is satisfied. That is, absent treatment (that is, the 2012 timely disclosure mandate), visited (treated) and nonvisited (control) firm-weeks should exhibit parallel trends in the outcome variable, that is, *Attention*. While the parallel trends assumption is not directly testable (since the trend in *Attention*, absent the 2012 timely disclosure mandate, is not observable), similar to other difference-in-differences studies we examine the trends in *Attention* prior to the event of interest (Roberts and Whited, 2013). In Figure 2, we plot the difference between $D\text{visit}F2$ for each year between 2009 and 2015 for visited and nonvisited firm-weeks. To do so, we re-run Eq. (1) modified to include separate indicators to capture each year in 2009–2011 and 2013–2015, respectively (interacted with $D\text{visit}$, similar to the indicator Post). We use 2011 as the benchmark year, so each point on the graph shows the difference between visited and nonvisited firm-weeks, relative to the difference in 2011. In Figure 2, there is no evidence showing that visited and nonvisited firm-weeks have different trends leading up to 2012, whereas the tendency of

subsequent visits to visited firm-weeks appears to decrease, relative to nonvisited firm-weeks, after 2012.²⁶ Overall, the parallel trends assumption seems to be satisfied in our setting.

In addition to the firm-week-level test, we also estimate Eq. (1) modified at the firm-week-analyst level. We estimate the following regression.

$$\begin{aligned} Attention_{i,j,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} \\ & + \beta_4 Other\ Controls + \varepsilon_{i,t}. \end{aligned} \quad (6)$$

At the firm-week-analyst level, $DvisitF2_{i,j,t}$ ($DvisitF4_{i,j,t}$), is an indicator variable that equals one if nonvisiting analyst j visits the firm in the subsequent two weeks (four weeks) and zero otherwise. One challenge to the firm-week-analyst-level test is to identify analyst-firm pairs. It is not plausible for us to match all the analysts with every single firm, as the proportion of the observations with $DvisitF2_{i,j,t}$ ($DvisitF4_{i,j,t}$) equal to one is below 1%. Following the literature (e.g., Gu et al., 2019), we thus identify analysts who issued at least one forecast during the most recent year as analysts who might visit the firm.²⁷ We also include the characteristics of analysts as additional control variables, including the number of analysts within the analyst's brokerage (*Brokersize*), the length of the analyst's coverage history (*Firmexperience*), and the number of firms covered by the analyst (*Companies*).²⁸ We report the results in the Panel B of Table 2. The coefficients on the variable of interest, $Dvisit \times Post$, are negative and statistically significant (coef.= -0.008; t-stat.= -2.07 and coef.= -0.013; t-stat.= -2.46, respectively), suggesting that, following the timely disclosure mandate, nonvisiting analysts are less likely to visit firms that have

²⁶ When we use $DvisitF4$ to plot the parallel trends, the inference remains the same.

²⁷ We exclude firms or analysts without any site visits for each year and only keep firm-analysts with at least one observation for both periods before and after 2012.

²⁸ Most firms do not report the names of the visiting analysts before 2012, so we make some assumptions to conduct this analysis. We measure *Firmexperience* and *Companies* by assuming the analyst in a brokerage who has covered the firm during the most recent year is the visiting analyst, as a brokerage typically has one analyst covering a specific firm (Cheng et al., 2019). In case multiple analysts cover the firm within the brokerage, we use the maximum number of these analysts to calculate the additional control variables. We use the natural log of the three additional control variables in our regression.

hosted site visits, relative to those that have not. Therefore, the firm-week-analyst-level test corroborates our main findings using the firm-week-level data.

In the firm-week-analyst-level test, we identify analysts who have issued at least one forecast during the most recent year as those who might visit the firm. Whereas, in our full sample, 63% of analysts who visit a certain firm during a certain week do not have recent forecasting history with the visited firm, and by imposing the restriction, we do not include visits conducted by those analysts in the firm-week-analyst-level test. Therefore, we mostly rely on the firm-week-level analyses without the restriction in the paper.

3.2 The Role of Relative Information Advantage

The results in Table 2 suggest a reduction in analyst attention allocated to visited firms, relative to nonvisited ones, by nonvisiting analysts, following the timely disclosure mandate. In this section, we examine whether the documented differential change in attention varies with the degree of visiting analysts' information advantage, *relative to* nonvisiting analysts. The mechanism underlying our study predicts a larger reduction in attention allocated to visited firms, relative to nonvisited ones, if visiting (nonvisiting) analysts have a stronger information advantage (disadvantage). Lacking a direct measure of information advantage (disadvantage), we use two proxies to capture the extent to which visiting (nonvisiting) analysts have expertise and can process and learn information from visits. If an analyst recently visited a company, we expect that analyst to be better able to assemble an information mosaic from a visit (Soltes, 2014; Cheng et al., 2016). If an analyst is rated as a star analyst, we would expect that analyst can better analyze information from a visit. Therefore, we predict the main results to be more pronounced if, during the most recent year, at least one visiting analyst has (i) visited the visited firm or (ii) been rated as a star

analyst. We also predict the main results to be more pronounced among nonvisiting analysts who have *not*, during the most recent year, (i) visited the visited firm or (ii) been rated as star analysts.

3.2.1 Visiting Analysts' Information Advantage

To test the predictions regarding visiting analysts' information advantage, we estimate two regressions, as follows.

$$\begin{aligned}
Attention_{i,t} = & \alpha + \beta_1 Dvisit_Recent_{i,t} + \beta_2 Dvisit_NonRecent_{i,t} + \beta_3 Post_{i,t} \\
& + \beta_4 Dvisit_Recent_{i,t} \times Post_{i,t} + \beta_5 Dvisit_NonRecent_{i,t} \times Post_{i,t} \\
& + \beta_6 Other\ Controls + \varepsilon_{i,t},
\end{aligned} \tag{7}$$

where $Dvisit_Recent_{i,t}$ equals one if at least one visiting analyst has visited firm i during the most recent year (past 52 weeks) and zero otherwise and $Dvisit_NonRecent_{i,t}$ equals one if none of the visiting analysts have visited the firm during the most recent year and zero otherwise. Both $Dvisit_Recent_{i,t}$ and $Dvisit_NonRecent_{i,t}$ equal zero for nonvisited firms.

$$\begin{aligned}
Attention_{i,t} = & \alpha + \beta_1 Dvisit_Star_{i,t} + \beta_2 Dvisit_NonStar_{i,t} + \beta_3 Post_{i,t} \\
& + \beta_4 Dvisit_Star_{i,t} \times Post_{i,t} + \beta_5 Dvisit_NonStar_{i,t} \times Post_{i,t} \\
& + \beta_6 Other\ Controls + \varepsilon_{i,t},
\end{aligned} \tag{8}$$

where $Dvisit_Star_{i,t}$ equals one if at least one visiting analyst has been rated as a star analyst during the most recent year (past 52 weeks) and zero otherwise and $Dvisit_NonStar_{i,t}$ equals one if none of the visiting analysts have been rated as a star analyst during the most recent year and zero otherwise. Both $Dvisit_Star_{i,t}$ and $Dvisit_NonStar_{i,t}$ equal zero for nonvisited firms. A star analyst is an analyst who has been rated as such by *New Fortune Magazine*.

The results are reported in Table 3. Panels A and B report the results based on whether at least one visiting analyst has visited the firm or been rated as a star analyst during the most recent year, respectively. In Panel A, in columns (1) and (2), the coefficients on $Dvisit_Recent \times Post$ and

Dvisit_NonRecent×*Post* are negative and significant at the 1% or 5% levels, indicating that, for both groups, following the timely disclosure mandate, nonvisiting analysts reduce their attention allocated to visited firms. However, the two coefficients on *Dvisit_Recent*×*Post* and *Dvisit_NonRecent*×*Post* are significantly different at the 5% level (*p*-values = 0.014 and 0.024, respectively). The results suggest that our main results are more pronounced for visited firms that involved analysts who have visited those firms recently. In Panel B, in columns (1) and (2), the coefficients on *Dvisit_Star*×*Post* and *Dvisit_NonStar*×*Post* are negative and significant at the 1% or 5% levels, indicating that, for both groups, following the timely disclosure mandate, nonvisiting analysts reduce their attention allocated to visited firms. However, the two coefficients on *Dvisit_Star*×*Post* and *Dvisit_NonStar*×*Post* are significantly different at the 1% level (*p*-value = 0.000). The results suggest that our main results are more pronounced for visited firms that involved star analysts.

[Insert Table 3 Here]

3.2.2 Nonvisiting Analysts' Information Disadvantage

To test the predictions regarding nonvisiting analysts' relative information disadvantage, we estimate the regression equations below.

$$\begin{aligned} Attention_Recent_{i,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} \\ & + \beta_4 Other\ Controls + \varepsilon_{i,t}; \end{aligned} \quad (9)$$

$$\begin{aligned} Attention_NonRecent_{i,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} \\ & + \beta_4 Other\ Controls + \varepsilon_{i,t}, \end{aligned} \quad (10)$$

where *Attention_Recent_{i,t}* (*Attention_NonRecent_{i,t}*) captures attention to firm *i* after week *t* allocated by analysts who have visited (not visited) firm *i* during the most recent year and zero otherwise. Similar to the main analysis, *DvisitF2_Recent_{i,t}* (*DvisitF4_Recent_{i,t}*) equals one if the

firm is visited during the subsequent two (four) weeks by at least one nonvisiting analyst with recent visiting history and zero otherwise. $DvisitF2_NonRecent_{i,t}$ ($DvisitF4_NonRecent_{i,t}$) equals one if the firm is visited during the subsequent two (four) weeks by at least one nonvisiting analyst without a recent visiting history and zero otherwise.

$$Attention_Star_{i,t} = \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} + \beta_4 Other\ Controls + \varepsilon_{i,t}; \quad (11)$$

$$Attention_NonStar_{i,t} = \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} + \beta_4 Other\ Controls + \varepsilon_{i,t}, \quad (12)$$

where $Attention_Star_{i,t}$ ($Attention_NonStar_{i,t}$) captures the attention to firm i after week t allocated by analysts who have been rated (not rated) as star analysts during the most recent year and zero otherwise. $DvisitF2_Star_{i,t}$ ($DvisitF4_Star_{i,t}$) equals one if the firm is visited during the subsequent two (four) weeks by at least one nonvisiting star analyst and zero otherwise. $DvisitF2_NonStar_{i,t}$ ($DvisitF4_NonStar_{i,t}$) equals one if the firm is visited during the subsequent two (four) weeks by at least one nonvisiting nonstar analyst and zero otherwise.

The results are reported in Table 4. Panels A and B report the results based on whether the nonvisiting analysts have visited the firm or been rated as star analysts during the most recent year, respectively. In Panel A, the coefficients on $Dvisit \times Post$ are negative and significant at the 1% level in columns (2) and (4) but not significant in columns (1) and (3). The differences between columns (1) and (2) as well as columns (3) and (4) are statistically significant at the 1% level (p -value = 0.000), suggesting that the reduction of attention allocated to visited firms is mainly driven by analysts without recent visiting histories. In Panel B, the coefficients on $Dvisit \times Post$ are negative and significant at the 1% or 5% levels across the four columns, but the differences between columns (1) and (2) as well as columns (3) and (4) are statistically significant at the 1%

level (p -value = 0.000), suggesting that the reduction of attention allocated to visited firms is more pronounced among nonstar analysts.

To summarize, the results are consistent with our prediction that, following the timely disclosure mandate, nonvisiting analysts are more likely to pay less attention to visited firms when visiting (nonvisiting) analysts have a relatively stronger information advantage (disadvantage).

[Insert Table 4 Here]

3.3 Externalities on Attention Allocation for Nonvisited Firms

As nonvisiting analysts reduce attention to visited firms, the next question is whether nonvisited peer firms experience positive externalities in the form of increased attention. Once the information advantage is revealed, following the timely disclosure mandate, we expect nonvisiting analysts to be more likely to visit nonvisited peers to gain an information advantage. To test this hypothesis, we estimate Eq. (2), using the sample of nonvisited firm-weeks, and report the results in Panel A of Table 5.

The coefficients on the variable of interest, $Peervisit \times Post$, are positive and statistically significant at the 5% level (coef.= 0.092; t-stat.= 2.38 and coef.= 0.114; t-stat.= 2.19, respectively), suggesting that, following the timely disclosure mandate, a nonvisited firm experiences a relatively larger increase in analysts' attention during subsequent weeks when more of its industry peers hosted visits. We also conduct the analysis on the firm-week-analyst level, for which we identify analysts who have issued at least one forecast during the most recent year as analysts who might visit the firm. Untabulated results indicate that the coefficients on the variable of interest, $Peervisit \times Post$, remain positive and statistically significant at the 5% level.

One possible concern is that the disclosure of a visit might reveal the existence of industry-level value-relevant information, as studies have found that firm disclosures contain information

that is useful for valuing industry-peer firms (e.g., Foster, 1981; Bushee and Leuz, 2005; Shroff et al., 2017). Industry-level information more likely exists when more of a firm’s industry peer firms are visited, which may well explain the results in Panel A of Table 5. Once the visits are disclosed, the revealed existence of industry-level information might attract nonvisiting analysts’ attention to these nonvisited firms. However, it is unclear how the existence of industry-level information could explain the reduction in attention allocated to *visited* firms, as shown in Table 2, as nonvisiting analysts should also increase attention paid to visited firms. Untabulated results also suggest that the main results in Table 2 do not vary based on the extent to which a visit might reflect the existence of industry-level information, as captured by (i) the average signed or unsigned abnormal returns of peer firms to each visit and (ii) whether the disclosure of a site visit mentions any key words related to the industry.

[Insert Table 5 Here]

3.3.1 Attention Allocated to Neglected Nonvisited Firms

Thus far we have documented that a firm gains analysts’ attention when more of its peers have hosted visits. Among the nonvisited peers, it might be easier to gain an information advantage by visiting neglected firms. Thus, we predict that firms that have been previously neglected by analysts (i.e., with low analyst following) could benefit more from the positive externalities. To test this prediction, we estimate the following regression equation.

$$\begin{aligned}
 Attention_Nonvisit_{i,t} = & \alpha + \beta_1 Peervisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Peervisit_{i,t} \times Post_{i,t} \\
 & + \beta_4 Neglected_{i,t} + \beta_5 Peervisit_{i,t} \times Neglected_{i,t} + \beta_6 Post_{i,t} \times Neglected_{i,t} \\
 & + \beta_7 Peervisit_{i,t} \times Post_{i,t} \times Neglected_{i,t} + \beta_8 Other\ Controls + \varepsilon_{i,t}, \quad (13)
 \end{aligned}$$

where $Neglected_{i,t}$ equals one if the number of analysts following the firm is below the sample median during the week t and zero otherwise. A positive β_7 would indicate that neglected firms benefit more from the positive externalities in the form of increased analyst attention.

We report the results in the panel B of Table 5. The coefficients on the variable of interest, $Peervisit \times Post \times Neglected$, are positive and significant at the 1% level (coef.= 0.357; t-stat.= 4.40 and coef.= 0.540; t-stat.= 4.72, respectively), indicating that analysts increase their attention to a neglected nonvisited firm to a greater degree when more of its peers have hosted visits.

In summary, our results suggest that nonvisited peer firms, especially neglected ones, do experience positive externalities from the timely disclosure mandate, in the form of increased analyst attention.

4. Informational Efficiency of Firms

Next, we examine the effects of the timely disclosure on firm informational efficiency as a result of analysts' attention reallocation. We use stock return synchronicity to proxy for informational efficiency, as it reflects the extent to which stock prices reflect firm-specific information.

4.1 Informational Efficiency of Visited Firms

We first examine the effects on stock return synchronicity of visited firms. Visited firms may suffer a reduction in informational efficiency, as nonvisiting analysts reduce attention allocated to them. To investigate this question, we estimate Eq. (3) and report the results in Table 6. The coefficients on the variable of interest, $Dvisit \times Post$, are positive and statistically significant at the 5% level (coef.= 0.069; t-stat.= 2.29 and coef.= 0.065; t-stat.= 2.48, respectively), suggesting that, following the timely disclosure mandate, visited firms experience a reduction in the informational efficiency as a result of a reduction in analyst attention.

[Insert Table 6 Here]

4.2 Informational Efficiency of Nonvisited Firms

We then examine the effects on stock return synchronicity of nonvisited firms. The results in Section 3.3 suggest that, following the timely disclosure mandate, peer firms experience positive externalities in the form of the increased attention, which may improve the informational efficiency of the nonvisited firm. We estimate Eq. (4) and report the results in Panel A of Table 7. The coefficients on the variable of interest, $Peervisit \times Post$, are negative and statistically significant (coef.= -0.246; t-stat.= -1.70 and coef.= -0.352; t-stat.= -2.32, respectively), suggesting that, following the timely disclosure mandate, as more of the peer firms host site visits, the nonvisited firm experiences a larger improvement in informational efficiency, as reflected in a reduction in return synchronicity.

[Insert Table 7 Here]

The results in Section 3.3.1 suggest that neglected firms could benefit more from the positive externalities in the form of increased attention. Thus we predict that the improvement in informational efficiency might be stronger among neglected firms, as proxied by low analyst following. To test this prediction, we re-run Eq. (13) but using stock return synchronicity as the dependent variable. The results are reported in Panel B of Table 7. The coefficients on the variable of interest, $Peervisit \times Post \times Neglected$, are negative and significant at the 1% level (coef.= -0.988; t-stat.= -3.80 and coef.= -1.041; t-stat.= -3.74, respectively), indicating that, following the timely disclosure mandate, as more of the peer firms host site visits, a neglected nonvisited firm experiences a greater improvement in informational efficiency.

In summary, following the timely disclosure mandate, the informational efficiency of a nonvisited firm improves as more its industry peers host visits, and the improvement is mostly driven by neglected firms. Therefore, by influencing the allocation of analysts' attention, the

timely disclosure of corporate site visits has positive externalities in the form of improved informational efficiency.

5. Additional Analyses

5.1 Alternative Explanation: Firms' Impact on Site Visits

5.1.1 Firms Combining Visits

Although most site visits are initiated by analysts or investors and firms are required to accommodate their requests, as suggested in the “Guidelines of Investor Relations Management” issued by the SZSE, firms may negotiate with visitors about the visiting date (Cheng et al., 2019). Firms might strategically use this opportunity to reduce their compliance costs, which otherwise would likely increase, following the timely disclosure mandate. In particular, firms may combine several visit requests that originally had different requested dates (possibly in different weeks) into a single visit on a single date. In this way, instead of having to disclose several times (possibly over several weeks), firms would only need to do it once. This scenario might explain our results, although it is unclear whether analysts and investors would be willing to accommodate firms' visit combination requests and whether the increase in compliance costs is significant enough to drive firms to do this. We attempt to empirically mitigate this concern in several ways. First, during a week, when only one analyst visits a firm, it is unlikely that the firm combined visits to reduce its compliance burden. We therefore re-run Eq. (1) and exclude firm-week observations that involve multiple visiting analysts. We report the results in Panel A of Table 8. The coefficients on $Dvisit \times Post$ are both negative and significant at the 1% level (coef.= -0.037; t-stat.= -2.68 and coef.= -0.053; t-stat.= -3.43, respectively), indicating that, following the timely disclosure mandate, nonvisiting analysts reduce attention allocated to firms that are visited by a single analyst.

Additionally, in China, it is the board secretary who is in charge of public disclosure. A board secretary is responsible for preparing board and shareholder meetings and dealing with information disclosures. Therefore, the busier a board secretary is, more likely it is that this individual would combine several visit requests into one visit, after the timely disclosure mandate. If this alternative explanation drives our results, the results should be stronger with a busy board secretary. We expect a board secretary is busy when the number of board meetings in the prior year is above the sample median. We thus estimate the regression below.

$$\begin{aligned}
Attention_{i,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} \\
& + \beta_4 Busy_{i,t} + \beta_5 Dvisit_{i,t} \times Busy_{i,t} + \beta_6 Post_{i,t} \times Busy_{i,t} \\
& + \beta_7 Dvisit_{i,t} \times Post_{i,t} \times Busy_{i,t} + \beta_8 Other\ Controls + \varepsilon_{i,t}, \quad (14)
\end{aligned}$$

where $Busy_{i,t}$ equals one if the number of board meetings is above the sample median and zero otherwise. We report the results in Panel B of Table 8. The coefficients on $Dvisit \times Busy \times Post$ are not statistically significant (coef.= 0.001; t-stat.= 0.04 and coef.= 0.015; t-stat.= 0.72, respectively), suggesting our results are not driven by firms with busy board secretaries.

Lastly, before the timely disclosure mandate, firms listed on the SME Board and the GEM Board (but not those listed on the mainboard) were required to report the corporate site visits to SZSE within two trading days and five trading days (but *not* publicly), respectively. Therefore, these firms should not experience an increase in the compliance costs, following the timely disclosure mandate. We re-run Eq. (1) only using SME- and GEM-listed firms and report the results in Panel C of Table 8. The coefficients on $Dvisit \times Post$ are both negative and significant at the 1% level (coef.= -0.063; t-stat.= -3.52 and coef.= -0.074; t-stat.= -3.61, respectively),

suggesting that our results hold even for firms that have not experienced an increase in the compliance costs.²⁹

[Insert Table 8 Here]

In summary, our main results are not likely driven by the conjecture that firms tend to combine visits after the timely disclosure mandate.

5.1.2 Firms Inviting Analysts

Although most site visits are initiated by analysts or investors, firms occasionally invite analysts and investors to visit. Cheng et al. (2016, 2019) suggest that site visits that occur in the month after major corporate events (i.e., earnings announcements, M&As, seasoned equity offerings) are likely initiated by firms. We therefore examine whether our conclusions hold after excluding these visits. We re-run regression Eq. (1) and report the results in Panel D of Table 8. The coefficients on $Dvisit \times Post$ are still negative and significant at the 1% level (coef.= -0.063; t-stat.= -3.88 and coef.= -0.079; t-stat.= -4.22, respectively), consistent with our main conclusions.

5.2 Alternative Explanation: Timely Disclosure of Meeting Topics

Although our proposed mechanism relies on firms' timely disclosure of meeting time and visiting analysts' identities, meeting topics also must be disclosed promptly, which could confound our results. To mitigate the concern, we examine whether nonvisiting analysts learn useful information from the timelier topic disclosures.

First, we run the following regression to examine whether nonvisiting analysts issue more accurate forecasts after the timely disclosure mandate.

²⁹ SZSE has required SME- and GEM-listed firms to report the corporate site visits to SZSE (but not publicly) since July 2010 and October 2009, respectively. To conduct this analysis, we only include the observations after these firms are required to report to SZSE.

$$\begin{aligned}
Accuracy_nonvisit_{i,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Post_{i,t} + \beta_3 Dvisit_{i,t} \times Post_{i,t} \\
& + \beta_4 Other\ Controls + \varepsilon_{i,t},
\end{aligned} \tag{15}$$

where $Accuracy_nonvisit_{i,t}$ captures the absolute forecast error of nonvisiting analysts for firm i after week t . $Accuracy_F2_{i,t}$ ($Accuracy_F4_{i,t}$) captures the forecast accuracy during the subsequent two (four) weeks. We report the results in columns (1) and (2) in Panel E of Table 8. The coefficients on $Dvisit \times Post$ are not statistically significant (coef.= -0.000; t-stat.= -0.09 and coef.= 0.000; t-stat.= 0.16, respectively), suggesting nonvisiting analysts do not learn useful information from the timelier topic disclosures.

We further examine whether nonvisiting analysts issue more accurate forecasts for firms whose disclosures likely contain more information after the timely disclosure mandate.

$$\begin{aligned}
Accuracy_nonvisit_{i,t} = & \alpha + \beta_1 Dvisit_{i,t} + \beta_2 Dvisit_Post_InfoH_{i,t} \\
& + \beta_3 Dvisit_Post_InfoL_{i,t} + \beta_4 Other\ Controls + \varepsilon_{i,t},
\end{aligned} \tag{16}$$

where, for visited firm-weeks during the post period, $Dvisit_Post_InfoH_{i,t}$ equals one if the number of Q&As (columns (3) and (4)) or the number of words of the disclosure (columns (5) and (6)) is above the sample median during week t and zero otherwise and $Dvisit_Post_InfoL_{i,t}$ equals one if the number of Q&As or the number of words of the disclosure is below the sample median during week t and zero otherwise. In columns (3)–(6) in Panel E of Table 8, the coefficients on $Dvisit_Post_InfoH$ and $Dvisit_Post_InfoL$ are both insignificant and not significantly different from each other (p -values = 0.275, 0.331, 0.322, and 0.348, respectively). The results confirm that nonvisiting analysts do not learn useful information from the timelier topic disclosures, regardless of the information content of the disclosures.

In summary, our results suggest that nonvisiting analysts do not learn useful information from the timelier topic disclosures, which thus may not likely affect their visits.

5.3 Alternative Explanation: Site Visits as Corporate Access Events

Analysts may arrange site visits to introduce their buy-side clients to management. However, these corporate access events do not preclude analysts from gaining better information (Soltes, 2014). We examine whether our results hold when we exclude visits conducted jointly by analysts and buy-side investors. We re-run regression Eq. (1) and report the results in Panel F of Table 8. The coefficients on $Dvisit \times Post$ are still both negative and significant at the 1% level (coef.= -0.051; t-stat.= -3.38 and coef.= -0.054; t-stat.= -3.30, respectively), consistent with our main conclusions.

5.4 Site Visits by Mutual Funds

Our main results suggest that the timely disclosure mandate reveals visiting analysts' information advantage, so nonvisiting analysts reduce attention allocated to visited firms. It is an empirical question whether this dynamic also applies to mutual funds, who also visit firms. We examine this question by using the visits conducted by analysts, mutual funds, or both to re-run Eq. (1). The coefficients on $Dvisit \times Post$ are negative and significant at the 1% level (coef.= -0.070; t-stat.= -5.43 and coef.= -0.078; t-stat.= -5.51, respectively), as shown in Panel A of Table 9. We also re-run Eq. (1) and only consider visits by mutual funds. The coefficients on $Dvisit \times Post$ are negative and significant at the 1% level (coef.= -0.053; t-stat.= -4.37 and coef.= -0.080; t-stat.= -5.58, respectively), as shown in Panel B of Table 9. The results suggest that our main inference also applies to site visits conducted by mutual funds.

[Insert Table 9 Here]

5.5 Robustness Tests

5.5.1 Alternative Measures of Analysts' Attention

In this section, we use an alternative measure to proxy for analysts' attention. Specifically, we re-run Eqs. (1) and (2) but, instead of using the tendency of subsequent site visits as a proxy

for analysts' attention, we use the tendency to issue forecast revisions. We use the tendency of site visits to proxy for analysts' attention in our main results because site visits capture an explicit commitment of time and resources (So et al., 2020), while the tendency to issue forecast revisions is an implicit outcome of analysts' attention allocation. In addition, in our sample, only 17% of site visits are followed by visiting analysts' earnings forecasts in the month after their visits. The results are reported in Panel A of Table 10. In columns (1) and (2), the coefficients on $Dvisit \times Post$ are negative and significant (coef.= -0.024; t-stat.= -2.31 and coef.= -0.039; t-stat.= -3.73, respectively), suggesting that nonvisiting analysts reduce attention allocated to visited firms, following the timely disclosure mandate. In column (4), the coefficients on $Peervisit \times Post$ are positive and significant (insignificant in column (3)), suggesting that a nonvisited firm experiences a relatively larger increase in analyst attention when more of its industry peers hosted visits. Therefore, by using the tendency of issuing forecast revisions as an alternative measure of analyst attention, we corroborate our main results.

[Insert Table 10 Here]

5.5.2 Alternative Control Firm-weeks

One concern for the difference-in-differences research design is that, because of the positive externalities, the timely disclosure mandate might have direct treatment effects on visited firms and the indirect effects on visited and nonvisited firms, which might violate the stable unit treatment value assumption (SUTVA) and affect the causal inference we can draw from the results (Leuz and Wyoski, 2016; Armstrong and Kepler, 2018). Leuz and Wyoski (2016) suggest using an additional, unaffected control group to mitigate this concern. Because industry peers tend to experience the same externalities, we conjecture that nonvisited firms that are *not* from the same

industry as the visited firm are less likely to experience the same externalities from the disclosure of the visited firm.

We therefore re-run Eq. (1) and compare changes in analysts' attention allocated to visited firms, relative to nonvisited ones from different industries. The results are reported in Panel B of Table 10. The coefficients on the variable of interest, $Dvisit \times Post$, are negative and statistically significant at the 1% level (coef.= -0.053; t-stat.= -4.69 and coef.= -0.076; t-stat.= -5.61, respectively), consistent with our main results.

6. Conclusion

We investigate whether observing peers' information acquisition affects financial analysts' attention allocation. Using the timely disclosure mandate of corporate site visits by the SZSE in 2012 as a setting, we find that nonvisiting analysts pay less attention to visited firms, relative to nonvisited ones. We also document that nonvisited firms experience increased analyst attention and improved informational efficiency when more of their peers hosted visits, suggesting that the timely disclosure has positive externalities. By documenting these results, our paper contributes to the literature on attention allocation of analysts (e.g., Blankespoor et al., 2020) and the externalities of firms' public disclosures (e.g., Leuz and Wysocki, 2016). By providing suggestive evidence on the consequences of mandated timely disclosure of private meetings, our paper also contributes to the policy debate regarding the transparency of private meetings between managers and analysts.

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Appendix 1 Disclosure of Corporate Site Visits by Tsinghua Unis Co., Ltd

Panel A Disclosure of site visits during the pre-period

Disclosure Date: March 31, 2011

Visiting Date	Location	Format	Visitors	Topics
February 12, 2010	Planning Department	Site visit	Yinhe Securities client manager	Company basic operations and the direction of future development
March 1, 2010	Planning Department	Site visit	Xiangcai Securities analyst	Company basic operations and the direction of future development
October 12, 2010	Planning Department	Site visit	Huatai Securities analyst	Company basic operations and the direction of future development
October 13, 2010	Planning Department	Site visit	Hongyuan Securities analyst	Company basic operations and the direction of future development
November 10, 2010	Planning Department	Site visit	Fangzheng Securities analyst	Company basic operations and the direction of future development

Panel B Disclosure of site visits during the post-period

Disclosure on the *HudongYi* Platform (<http://irm.cninfo.com.cn/szse/>)

4 results found.

紫光股份 [000938] IRs 2013-09-15
紫光股份: 2013年9月13日投资者关系活动记录表

紫光股份 [000938] IRs 2013-09-10
紫光股份: 2013年9月10日投资者关系活动记录表

紫光股份 [000938] IRs 2013-09-10
紫光股份: 2013年9月9日投资者关系活动记录表

Search history
000938
紫光

Public disclosure date:
September 10, 2013

Visiting Date:
September 10, 2013

Panel C The Detailed Record of Site Visits by Tsinghua Unis Co., Ltd

Type of Investor Relation Activities	<input checked="" type="checkbox"/> Specific entity investigation <input type="checkbox"/> Analyst conference <input type="checkbox"/> Media interview <input type="checkbox"/> Performance conference <input type="checkbox"/> Press conference <input type="checkbox"/> Road show <input type="checkbox"/> Site visit <input type="checkbox"/> Other (<u>Please explain</u>)
Meeting Participants	Caifu Liang Securities, Huihui Xu, Lingtian Feng, Sijing Chen
Date	September 10, 2013
Location	The meeting room of Unis
Management in Attendance	Board Secretary, Wei Zhang Deputy Manager of Securities Department, Meng Ge
Main Meeting Topics	<p>Company basic operations and direction of future development:</p> <p>1. Basic Operations</p> <p>Our main business is divided into 3 categories: (1) own-brand information electronic products represented by digital imaging products; (2) IT services such as software and system integration; (3) value-added distribution business.</p> <p>In the field of self-owned brands, our company is constantly moving towards providing comprehensive industry solutions for digital input. With a foundation of the complete product lines of scanners and HD shooting products as the core digital imaging hardware products, we continue to improve the development and upgrade of digital imaging application software, and establish a rich industry application platform to meet customers' needs in image collection, data processing, classified storage, information extraction, data interaction, etc. In terms of industry applications, in 2012 our company launched a comprehensive management system for catering enterprises. This system helps comprehensively manage the business, procurement, inventory, financial management, employee management, etc. It has been promoted in the Beijing area.</p> <p>In the field of IT services, our company has many experiences and advantages in many fields such as civil affairs, education, transportation, public security, radio and television, and other government agencies and industries. While maintaining the stable development of the traditional business, our</p>

	<p>company has completed the research and development of the “Ziguang” cloud computing management platform, formed a regional e-government cloud and SME service cloud platform, and can provide big data cloud computing solutions.</p> <p>In the field of value-added distribution business, our company cooperates with well-known domestic and foreign brands such as HP, Dell, Lenovo, BenQ, and Samsung. Our products cover mainstream IT products. We pay attention to the application of modern management methods and have established a perfect information management system. Our value-added distribution business is one of the top domestic distribution service providers.</p> <p>2. Future Development after the M&As</p> <p>Our company will take this M&A as an opportunity, through business and resource integration, to gradually achieve the strategic goal to become a full-service provider in the construction, operation, and maintenance of the modern information systems. We have extensive synergies with Nengtong Technology and Shenzhen Rongchuang Tianxia. The M&A can amplify the resources in customer, technology, marketing, and service networks, enabling our company to gain the first-mover advantages in cloud computing, IT operation and maintenance services, mobile internet applications, and big data processing, to further expand the opportunities to improve the smart city business.</p>
Attachments (if any)	No
Date of record	September 10, 2013

Appendix 2 Variable Definitions

Variable	Data Source	Definition
$Dvisit_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	An indicator variable that equals one if firm i hosts at least one visit in week t (i.e., if firm i is a visited firm in week t) and zero otherwise.
$Peervisit_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	The proportion of peer firms within firm i 's industry that are visited during week t .
$Post_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	An indicator variable that equals one if week t is prior to 2012 and zero otherwise.
$DvisitF_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	<p>In Eq. (1), for a visited firm in week t, $DvisitF_{i,t}$ is an indicator variable that equals one if at least one nonvisiting analyst (i.e., an analyst who does not visit firm i in week t) visits firm i during subsequent weeks and zero otherwise. For a nonvisited firm i, $DvisitF_{i,t}$ is an indicator variable that equals one if at least one analyst visits the firm during subsequent weeks. $DvisitF2_{i,t}$ ($DvisitF4_{i,t}$) indicates the attention in the subsequent two (four) weeks and zero otherwise.</p> <p>In Eq. (2), $DvisitF2_{i,t}$ ($DvisitF4_{i,t}$) is an indicator variable that equals one if at least one nonvisiting analyst (i.e., analyst who does not visit any peer firms in week t) visits firm i in the subsequent two (four) weeks and zero otherwise.</p>
$DRevision_{i,t}$	CSMAR, CNRDS, and RESSET	An indicator variable that equals one if there is at least one forecast revision in the subsequent two weeks ($DRevision2_{i,t}$) or four weeks ($DRevision4_{i,t}$) and zero otherwise.
$SYNCH_{i,t}$	CSMAR	The stock return synchronicity for firm i in subsequent two weeks ($SYNCH2_{i,t}$) or four weeks ($SYNCH4_{i,t}$). $SYNCH2_{i,t}$ ($SYNCH4_{i,t}$) is calculated as $\log(\frac{R_{i,t}^2}{1-R_{i,t}^2})$, with $R_{i,t}^2$ from the firm-specific regression: $RET_{i,d} = \alpha + \beta_1 MKTRET_d + \beta_2 MKTRET_{d-1} + \beta_3 INDRET_d + \beta_4 INDRET_{d-1} + \varepsilon_{i,t}$, where $RET_{i,d}$, $MKTRET_d$, and $INDRET_d$ are daily stock-, market-, and industry-level returns, respectively, during the two (four) weeks after week t .
$Size_{i,t}$	CSMAR	The natural log of total assets.
$Leverage_{i,t}$	CSMAR	The ratio of liability to total assets.
$ROA_{i,t}$	CSMAR	The ratio of net income to total assets.
$MB_{i,t}$	CSMAR	The ratio of market value of equity to the book value of equity.
$TV_{i,t}$	CSMAR	The ratio of trading volume to the number of shares outstanding.

$Return_{i,t}$	CSMAR	The market-adjusted return over the prior four weeks.
$STD_{i,t}$	CSMAR	The standard deviation of stock returns in the prior four weeks.
$Analyst_{i,t}$	CSMAR, CNRDS, and RESSET	The natural log of one plus the number of analysts following the firm.
$TopI_{i,t}$	CSMAR	Percentage of stock shares held by the largest shareholder.
$SOE_{i,t}$	CSMAR	An indicator variable that equals one if the firm is state-owned and zero otherwise.
$Dvisit_Recent_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	An indicator variable that equals one if at least one visiting analyst visits firm i during the most recent year and zero otherwise.
$Dvisit_NonRecent_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	An indicator variable that equals one if no visiting analyst has visited firm i during the most recent year and zero otherwise.
$Dvisit_Star_{i,t}$	CSMAR	An indicator variable that equals one if at least one visiting analyst is a star analyst and zero otherwise.
$Dvisit_NonStar_{i,t}$	CSMAR	An indicator variable that equals one if no visiting analyst is a star analyst and zero otherwise.
$Dvisit_Multiple_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	An indicator variable that equals one if the number of visiting analysts for firm i during week t is larger than one and zero otherwise.
$Dvisit_Single_{i,t}$	CSVD (before 2012) CSMAR (after 2012)	An indicator variable which equals one if there is only one visiting analyst for firm i during week t and zero otherwise.

Figure 1 Research Design Timeline

This figure illustrates the timeline underlying the research design. We utilize the timely disclosure mandate in 2012 to design a difference-in-differences test. For each week t , we define visited (nonvisited) firms as those with (without) site visits. We compare changes in analysts' attention allocated to visited firms relative to nonvisited firms after week t .

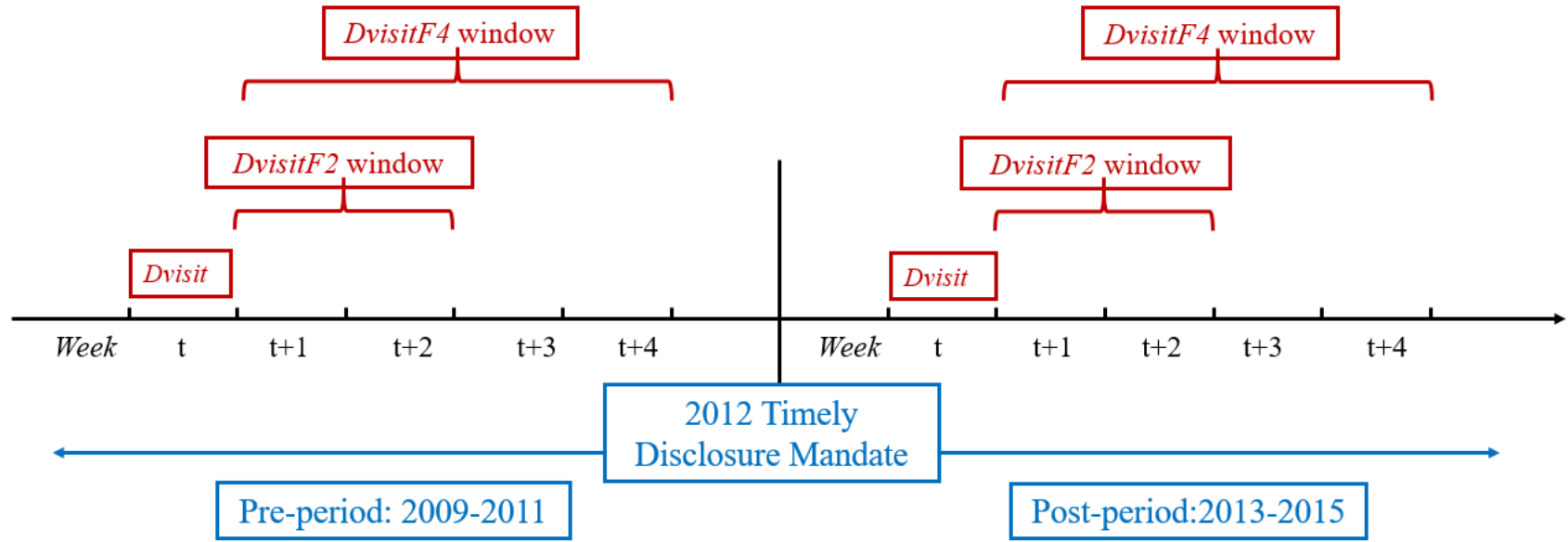


Figure 2 Parallel Trends

This figure presents trends in differences of $DvisitF2$ between visited firm-weeks and nonvisited firm-weeks over six years. To construct the figure, we re-run Eq. (1) modified to include separate indicators to capture each year in 2009-2011 and 2013-2015, respectively (interacted with $Dvisit$, similar to the indicator $Post$). We use 2011 as the benchmark year, so each point on the graph shows the difference between visited and nonvisited firm-weeks *relative to 2011*. $DvisitF2$ equals one if at least one nonvisiting analyst visits the firm during subsequent two weeks and zero otherwise.

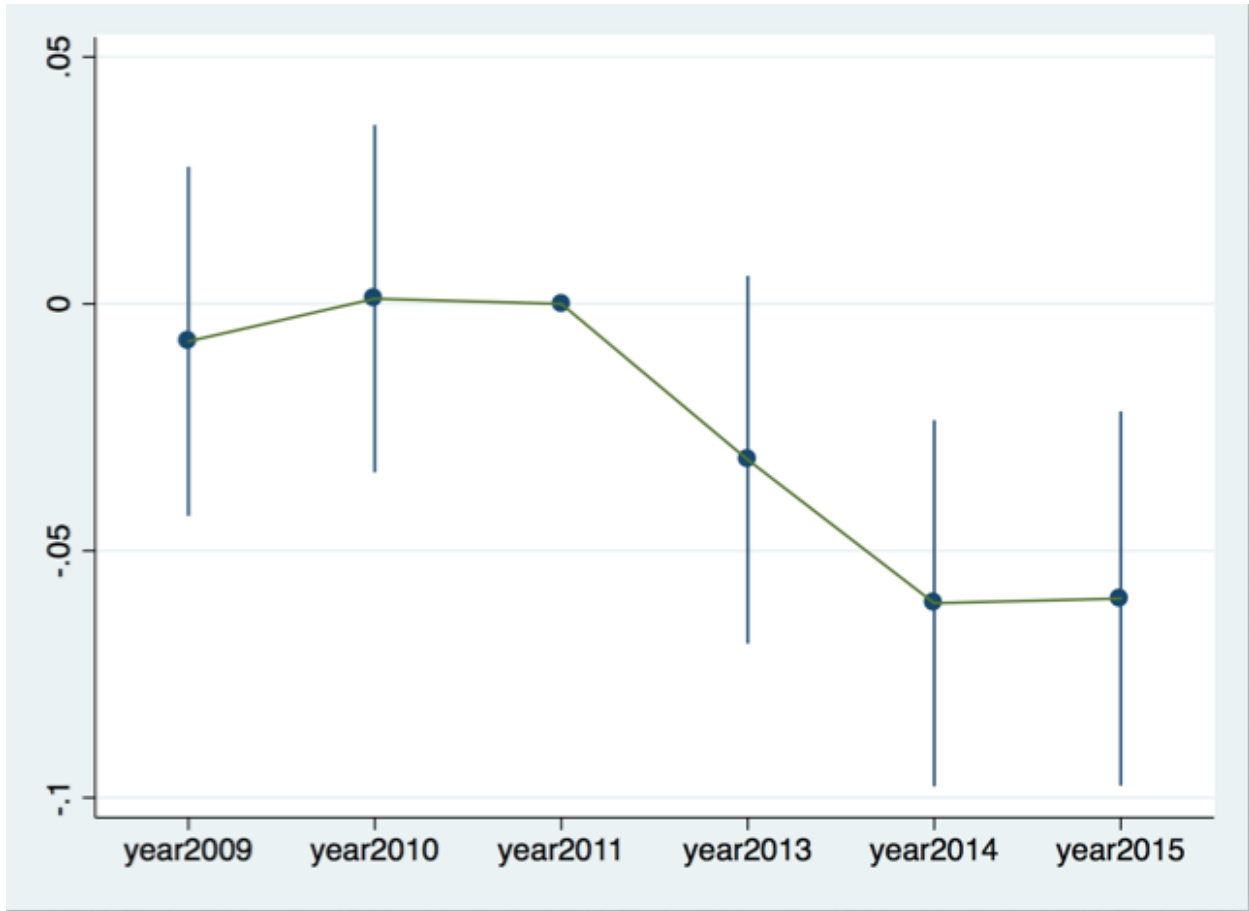


Table 1 Descriptive Statistics

This table presents the descriptive statistics. Panel A reports the time trend for corporate site visits during the sample period. Columns (1) – (4) report for each year the total number of visits, total number of visiting weeks, average number of visits per firm, and average number of visits per broker, respectively. Column (5) reports for each year the average number of visiting brokers per visit for visited firm-weeks. Panel B reports summary statistics for all the variables. We retain firms with observations available in both pre- and post-periods. All the variables are defined in Appendix 2. All the continuous variables are winsorized at the 1% and 99% levels.

Panel A. Time trend of corporate site visits

Year	(1) # Visits	(2) # Visiting weeks	(3) # Visits per firm	(4) # Visits per broker	(5) # Brokers per visit
2009	1,985	45	3.645	16.952	1.418
2010	2,829	44	4.847	19.464	1.465
2011	3,393	42	5.313	26.965	1.582
2013	2,210	43	3.259	29.974	2.103
2014	2,672	53	3.453	38.173	2.210
2015	2,033	52	2.934	28.000	2.197

Panel B. Summary statistics

Variables	Mean	STDEV	P25	Median	P75
<i>DvisitF2</i>	0.134	0.341	0.000	0.000	0.000
<i>DvisitF4</i>	0.225	0.418	0.000	0.000	0.000
<i>Dvisit</i>	0.077	0.266	0.000	0.000	0.000
<i>Post</i>	0.578	0.494	0.000	1.000	1.000
<i>ROA</i>	0.023	0.035	0.004	0.016	0.037
<i>Leverage</i>	0.450	0.220	0.274	0.449	0.628
<i>Size</i>	21.830	1.185	20.990	21.710	22.520
<i>Analyst</i>	1.038	1.013	0.000	0.693	1.792
<i>MB</i>	4.008	3.280	2.000	3.084	4.801
<i>TV</i>	1.925	1.611	0.799	1.464	2.526
<i>Return</i>	0.011	0.101	-0.051	0.002	0.064
<i>STD</i>	0.024	0.014	0.014	0.021	0.030
<i>SOE</i>	0.459	0.498	0.000	0.000	1.000
<i>Top1</i>	0.355	0.154	0.230	0.332	0.463

Table 2 Attention Allocated to Visited Firms

This table presents the results from the estimation of Eq. (1). *Dvisit* is an indicator variable equal to one if the firm hosts at least one visit during the week, and zero otherwise. *DvisitF2* (*DvisitF4*) is an indicator variable equal to one if at least one nonvisiting analyst visits the firm in the subsequent two (four) weeks, and zero otherwise. Panel A presents the results at the firm-week level. Panel B presents the results at the firm-week-analyst level. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics, based on robust standard errors clustered by firm and year-week, are presented below the coefficient estimates.

Panel A Analysis at the firm-week level

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.129*** (13.99)	0.149*** (13.53)
<i>Dvisit</i> × <i>Post</i>	-0.050*** (-3.91)	-0.065*** (-4.43)
<i>ROA</i>	0.177** (2.53)	0.373*** (3.58)
<i>Leverage</i>	-0.045* (-1.90)	-0.060* (-1.66)
<i>Size</i>	0.032*** (3.53)	0.050*** (3.58)
<i>Analyst</i>	0.022*** (6.88)	0.033*** (6.49)
<i>MB</i>	0.003*** (3.04)	0.005*** (2.73)
<i>TV</i>	-0.002 (-1.55)	-0.004** (-2.02)
<i>Return</i>	0.115*** (8.94)	0.152*** (8.69)
<i>STD</i>	0.744*** (6.95)	0.907*** (7.17)
<i>SOE</i>	-0.020 (-1.45)	-0.028 (-1.32)
<i>Top1</i>	-0.047 (-0.87)	-0.042 (-0.54)
<i>Constant</i>	-0.572*** (-2.91)	-0.888*** (-2.92)
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	175,161	175,161
Adjusted R ²	0.151	0.223

Panel B Analysis at the firm-week-analyst level

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.016*** (5.60)	0.021*** (5.00)
<i>Dvisit×Post</i>	-0.008** (-2.07)	-0.013** (-2.46)
<i>Brokersize</i>	0.000*** (4.04)	0.000*** (4.19)
<i>Firmexperience</i>	-0.006*** (-2.95)	-0.012*** (-3.13)
<i>Companies</i>	-0.002 (-1.44)	-0.003 (-1.62)
<i>Star</i>	0.008*** (6.09)	0.015*** (6.18)
<i>ROA</i>	-0.037 (-0.73)	-0.042 (-0.46)
<i>Leverage</i>	-0.009 (-0.70)	-0.013 (-0.51)
<i>Size</i>	0.001 (0.11)	0.003 (0.28)
<i>Analyst</i>	0.003* (1.76)	0.005 (1.58)
<i>MB</i>	-0.000 (-0.44)	-0.001 (-0.34)
<i>TV</i>	-0.000 (-0.51)	-0.001 (-0.61)
<i>Return</i>	0.032*** (3.50)	0.054*** (3.22)
<i>STD</i>	0.312*** (3.86)	0.449*** (3.45)
<i>SOE</i>	0.006 (1.44)	0.011 (1.38)
<i>Top1</i>	-0.057** (-2.29)	-0.117** (-2.44)
<i>Constant</i>	0.033 (0.28)	0.032 (0.14)
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	200,467	200,467
Adjusted R ²	0.017	0.029

Table 3 The Role of Visiting Analysts' Information Advantage

This table reports the results examining the role of the information advantage of visiting analysts. Panel A reports the results based on the recent visiting history of visiting analysts. *Dvisit_Recent* equals one if at least one visiting analyst has visited the firm during the most recent year and zero otherwise. *Dvisit_NonRecent* equals one if none of the visiting analysts have visited the firm during the most recent year and zero otherwise. Also reported are the *p*-values from testing the differences between the coefficients on *Dvisit_Recent*×*Post* and *Dvisit_NonRecent*×*Post*. Panel B reports the results based on the star status of visiting analysts. *Dvisit_Star* equals one if at least one visiting analyst has been rated as a star analyst during the most recent year and zero otherwise. *Dvisit_NonStar* equals one if none of the visiting analysts have been rated as a star analyst during the most recent year and zero otherwise. Also reported are the *p*-values from testing the differences between *Dvisit_STAR*×*Post* and *Dvisit_NonSTAR*×*Post*. *DvisitF2* (*DvisitF4*) is an indicator variable equal to one if at least one nonvisiting analyst visits the firm in the subsequent two (four) weeks, and zero otherwise. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics, based on robust standard errors clustered by firm and year-week, are presented below the coefficient estimates.

Panel A Information advantage based on recent visiting history of visiting analysts

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit_Recent</i>	0.146*** (10.52)	0.159*** (10.08)
<i>Dvisit_NonRecent</i>	0.116*** (13.15)	0.142*** (13.71)
<i>Dvisit_Recent</i> × <i>Post</i>	-0.074*** (-4.17)	-0.088*** (-4.36)
<i>Dvisit_NonRecent</i> × <i>Post</i>	-0.029** (-2.15)	-0.044*** (-2.89)
<i>p</i> -value for difference in coefficients	0.014	0.024
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	175,161	175,161
Adjusted R ²	0.151	0.223

Panel B Information advantage based on the *Star* status

VARIABLES	(1)	(2)
	<i>DvisitF2</i>	<i>DvisitF4</i>
<i>Dvisit_STAR</i>	0.150*** (8.37)	0.150*** (7.96)
<i>Dvisit_NonSTAR</i>	0.124*** (13.94)	0.149*** (14.14)
<i>Dvisit_STAR</i> × <i>Post</i>	-0.118*** (-5.20)	-0.123*** (-5.08)
<i>Dvisit_NonSTAR</i> × <i>Post</i>	-0.026** (-1.98)	-0.042*** (-2.87)
<i>p</i> -value for difference in coefficients	0.000	0.000
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	175,161	175,161
Adjusted R ²	0.152	0.223

Table 4 The Role of Nonvisiting Analysts' Information Disadvantage

This table reports the results examining the role of the information disadvantage of nonvisiting analysts. In Panel A, we compare the change in subsequent attention allocated by nonvisiting analysts who have visited (columns (1) and (3)) versus who have not visited the firm (columns (2) and (4)) during the most recent year. Also reported are the p -values from testing the differences in the coefficients on $Dvisit \times Post$ between columns (1) and (2), as well as between columns (3) and (4). In Panel B, we compare the change in subsequent attention allocated by nonvisiting analysts who have been rated (columns (1) and (3)) versus who have not been rated as star analysts (columns (2) and (4)) during the most recent year. Also reported are the p -values from testing the differences in the coefficients on $Dvisit \times Post$ between columns (1) and (2), as well as between columns (3) and (4). $DvisitF2$ ($DvisitF4$) is an indicator variable equal to one if at least one nonvisiting analyst visits the firm in the subsequent two (four) weeks, and zero otherwise. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. t -statistics, based on robust standard errors clustered by firm and year-week, are presented below the coefficient estimates.

Panel A Information disadvantage based on recent visiting history of nonvisiting analysts

VARIABLES	<i>DvisitF2</i>		<i>DvisitF4</i>	
	(1) <i>DvisitF2_Recent</i>	(2) <i>DvisitF2_NonRecent</i>	(3) <i>DvisitF4_Recent</i>	(4) <i>DvisitF4_NonRecent</i>
<i>Dvisit</i>	0.061*** (7.96)	0.102*** (13.73)	0.069*** (7.20)	0.135*** (14.16)
<i>Dvisit</i> × <i>Post</i>	-0.002 (-0.21)	-0.060*** (-6.15)	-0.006 (-0.42)	-0.088*** (-7.17)
<i>p</i> -value for difference in coefficients	0.000		0.000	
<i>Control Variables</i>	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes
Year-week FE	Yes	Yes	Yes	Yes
Observations	175,161	175,161	175,161	175,161
Adjusted R ²	0.137	0.076	0.216	0.124

Panel B Information disadvantage based on the *Star* status

VARIABLES	<i>DvisitF2</i>		<i>DvisitF4</i>	
	(1)	(2)	(3)	(4)
	<i>DvisitF2_Star</i>	<i>DvisitF2_NonStar</i>	<i>DvisitF4_Star</i>	<i>DvisitF4_NonStar</i>
<i>Dvisit</i>	0.024*** (5.60)	0.122*** (15.82)	0.027*** (4.30)	0.146*** (16.65)
<i>Dvisit</i> × <i>Post</i>	-0.014** (-2.42)	-0.047*** (-4.92)	-0.025*** (-3.19)	-0.066*** (-6.28)
<i>p</i> -value for difference in coefficients	0.000		0.000	
<i>Control Variables</i>	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes
Year-week FE	Yes	Yes	Yes	Yes
Observations	175,161	175,161	175,161	175,161
Adjusted R ²	0.081	0.137	0.146	0.207

Table 5 Externalities on Attention Allocation for Nonvisited Firms

This table reports the results of examining the externalities on attention allocation for nonvisited firms. In Panel A, *Peervisit* captures the proportion of peer firms within the firm's industry that are visited during the week. *DvisitF2* (*DvisitF4*) equals one if at least one nonvisiting analyst (i.e., an analyst who does not visit any peer firms in the week) visits the firm in the subsequent two (four) weeks and zero otherwise. In Panel B, *Neglected* equals one if the number of analysts following the firm is below the sample median during the week and zero otherwise. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics, based on robust standard errors clustered by firm and year-week, are presented below the coefficient estimates.

Panel A Attention allocated to nonvisited firms

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Peervisit</i>	0.033 (1.16)	0.032 (0.86)
<i>Peervisit</i> × <i>Post</i>	0.092** (2.38)	0.114** (2.19)
<i>ROA</i>	0.198*** (2.83)	0.365*** (3.47)
<i>Leverage</i>	-0.036 (-1.59)	-0.057 (-1.57)
<i>Size</i>	0.029*** (3.29)	0.048*** (3.39)
<i>Analyst</i>	0.023*** (6.83)	0.034*** (6.38)
<i>MB</i>	0.003*** (2.73)	0.004*** (2.61)
<i>TV</i>	-0.002* (-1.69)	-0.004** (-2.09)
<i>Return</i>	0.112*** (8.52)	0.150*** (8.43)
<i>STD</i>	0.672*** (6.47)	0.861*** (6.61)
<i>SOE</i>	-0.019 (-1.46)	-0.025 (-1.22)
<i>Top1</i>	-0.018 (-0.39)	-0.014 (-0.19)
<i>Constant</i>	-0.550*** (-2.80)	-0.873*** (-2.83)
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	160,647	160,647
Adjusted R ²	0.127	0.200

Panel B Attention allocated to *neglected* nonvisited firms

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Peervisit</i>	0.133*** (3.36)	0.120** (2.25)
<i>Neglected</i>	0.018*** (2.80)	0.013 (1.41)
<i>Peervisit</i> × <i>Post</i>	-0.017 (-0.31)	-0.057 (-0.77)
<i>Peervisit</i> × <i>Neglected</i>	-0.358*** (-5.79)	-0.352*** (-4.23)
<i>Post</i> × <i>Neglected</i>	0.047*** (5.40)	0.079*** (5.84)
<i>Peervisit</i> × <i>Post</i> × <i>Neglected</i>	0.357*** (4.40)	0.540*** (4.72)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	160,647	160,647
Adjusted R ²	0.129	0.204

Table 6 Effects on Visited Firms' Informational Efficiency

This table reports the results of examining the effects on visited firms' informational efficiency. Columns (1) and (2) report the synchronicity in the subsequent two weeks (*SYNCH2*) and four weeks (*SYNCH4*), respectively. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics, based on robust standard errors clustered by firm and year-week, are presented below the coefficient estimates.

VARIABLES	(1) <i>SYNCH2</i>	(2) <i>SYNCH4</i>
<i>Dvisit</i>	-0.069*** (-3.29)	-0.067*** (-3.83)
<i>Dvisit</i> × <i>Post</i>	0.069** (2.29)	0.065** (2.48)
<i>ROA</i>	0.787*** (2.76)	1.383*** (4.51)
<i>Leverage</i>	-0.261*** (-2.66)	-0.274*** (-2.63)
<i>Size</i>	0.154*** (5.59)	0.182*** (5.92)
<i>Analyst</i>	0.011 (1.02)	0.019 (1.57)
<i>MB</i>	-0.019*** (-4.68)	-0.018*** (-3.88)
<i>TV</i>	0.021*** (3.89)	0.029*** (5.01)
<i>Return</i>	-1.056*** (-13.82)	-0.970*** (-14.12)
<i>STD</i>	-4.024*** (-3.44)	-3.920*** (-4.35)
<i>SOE</i>	-0.072 (-1.24)	-0.065 (-0.94)
<i>Top1</i>	-0.222 (-1.58)	-0.338** (-2.20)
<i>Constant</i>	-3.042*** (-5.19)	-3.876*** (-5.90)
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	150,293	160,020
Adjusted R ²	0.249	0.336

Table 7 Effects on Nonvisited Firms' Informational Efficiency

This table reports the results of examining the effects on nonvisited firms' informational efficiency. In Panel A, *Peervisit* captures the proportion of peer firms within the firm's industry that are visited during the week. Columns (1) and (2) report the synchronicity in the subsequent two weeks (*SYNCH2*) and four weeks (*SYNCH4*), respectively. In Panel B, *Neglected* equals one if the number of analysts following the firm is below the sample median and zero otherwise. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics, based on robust standard errors clustered by firm and year-week, are presented below the coefficient estimates.

Panel A Nonvisited firms' informational efficiency

VARIABLES	(1) <i>SYNCH2</i>	(2) <i>SYNCH4</i>
<i>Peervisit</i>	0.321*** (2.82)	0.319*** (2.71)
<i>Peervisit</i> × <i>Post</i>	-0.246* (-1.70)	-0.352** (-2.32)
<i>ROA</i>	0.784*** (2.72)	1.401*** (4.50)
<i>Leverage</i>	-0.267*** (-2.60)	-0.262** (-2.45)
<i>Size</i>	0.153*** (5.40)	0.176*** (5.60)
<i>Analyst</i>	0.011 (1.03)	0.021* (1.76)
<i>MB</i>	-0.020*** (-4.69)	-0.019*** (-4.02)
<i>TV</i>	0.022*** (4.24)	0.030*** (5.12)
<i>Return</i>	-1.043*** (-13.66)	-0.952*** (-13.79)
<i>STD</i>	-4.288*** (-3.59)	-4.010*** (-4.42)
<i>SOE</i>	-0.081 (-1.38)	-0.067 (-0.98)
<i>Top1</i>	-0.258* (-1.88)	-0.395*** (-2.64)
<i>Constant</i>	-3.008*** (-4.99)	-3.740*** (-5.56)
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	137,938	146,916
Adjusted R ²	0.249	0.335

Panel B *Neglected* nonvisited firms' informational efficiency

VARIABLES	(1) <i>SYNCH2</i>	(2) <i>SYNCH4</i>
<i>Peervisit</i>	0.055 (0.42)	0.063 (0.44)
<i>Neglected</i>	-0.002 (-0.07)	0.012 (0.50)
<i>Peervisit</i> × <i>Post</i>	0.074 (0.44)	-0.010 (-0.06)
<i>Peervisit</i> × <i>Neglected</i>	0.774*** (3.65)	0.741*** (3.52)
<i>Post</i> × <i>Neglected</i>	0.070** (2.29)	0.068** (2.14)
<i>Peervisit</i> × <i>Post</i> × <i>Neglected</i>	-0.988*** (-3.80)	-1.041*** (-3.74)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	137,938	146,916
Adjusted R ²	0.249	0.335

Table 8 Alternative Explanations

This table reports the results of our attempt to mitigate the concerns related to alternative explanations. Panel A reports the results from the estimation of Eq. (1) excluding firm-week observations that involve multiple visiting analysts. Panel B reports the results from the estimation of Eq. (1), modified to examine whether the change in attention varies based on the measure of board secretary busyness. A busy secretary is defined as one with the number of board meetings above the sample median, and zero otherwise. Panel C reports the results from the estimation of Eq. (1) using the SME-listed and GEM-listed firms. Panel D reports the results from the estimation of Eq. (1) by excluding visits that occur in the month after major corporate events. Panel E reports the results examining changes in forecast accuracy of nonvisiting analysts. *Accuracy_F2* (*Accuracy_F4*) captures the absolute forecast error of nonvisiting analysts during subsequent two (four) weeks. Also reported are the *p*-values from testing the differences between the coefficients on *Dvisit_Post_InfoH* and *Dvisit_Post_InfoL*. Panel F reports the results from the estimation of Eq. (1) excluding site visits conducted jointly by analysts and buy-side investors. *DvisitF2* (*DvisitF4*) is an indicator variable equal to one if at least one nonvisiting analyst visits the firm in the subsequent two (four) weeks, and zero otherwise. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics based on robust standard errors clustered by firm and year-week are presented below the coefficient estimates.

Panel A Excluding firm-week observations with multiple visiting analysts

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.117*** (12.24)	0.142*** (12.45)
<i>Dvisit</i> × <i>Post</i>	-0.037*** (-2.68)	-0.053*** (-3.43)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	169,307	169,307
Adjusted R ²	0.141	0.213

Panel B Cross-sectional analysis based on board secretary busyness

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.130*** (11.38)	0.156*** (10.94)
<i>Busy</i>	0.011* (1.68)	0.021* (1.93)
<i>Dvisit</i> × <i>Post</i>	-0.050*** (-3.08)	-0.073*** (-3.91)
<i>Dvisit</i> × <i>Busy</i>	-0.002 (-0.14)	-0.012 (-0.78)
<i>Busy</i> × <i>Post</i>	-0.012 (-1.39)	-0.023* (-1.67)
<i>Dvisit</i> × <i>Busy</i> × <i>Post</i>	0.001 (0.04)	0.015 (0.72)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	175,161	175,161
Adjusted R ²	0.151	0.223

Panel C Results based on SME-listed and GEM-listed firms

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.129*** (8.66)	0.140*** (8.06)
<i>Dvisit</i> × <i>Post</i>	-0.063*** (-3.52)	-0.074*** (-3.61)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	65,465	65,465
Adjusted R ²	0.129	0.183

Panel D Excluding visits that occur in the month after major corporate events

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.117*** (10.03)	0.137*** (9.85)
<i>Dvisit</i> × <i>Post</i>	-0.063*** (-3.88)	-0.079*** (-4.22)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	168,285	168,285
Adjusted R ²	0.137	0.210

Panel E Forecast accuracy of nonvisiting analysts

	(1)	(2)	(3)	(4)	(5)	(6)
			<i>Dvisit_Post_InfoH=1: Number of Q&As > Median</i>		<i>Dvisit_Post_InfoH=1: Number of words > Median</i>	
VARIABLES	<i>Accuracy_F2</i>	<i>Accuracy_F4</i>	<i>Accuracy_F2</i>	<i>Accuracy_F4</i>	<i>Accuracy_F2</i>	<i>Accuracy_F4</i>
<i>Dvisit</i>	0.001** (2.12)	0.001* (1.96)	0.001** (2.12)	0.001* (1.96)	0.001** (2.12)	0.001* (1.96)
<i>Dvisit×Post</i>	-0.000 (-0.09)	0.000 (0.16)				
<i>Dvisit_Post_InfoH</i>			0.000 (0.43)	0.000 (0.63)	0.000 (0.36)	0.000 (0.58)
<i>Dvisit_Post_InfoL</i>			-0.001 (-0.57)	-0.000 (-0.32)	-0.000 (-0.49)	-0.000 (-0.26)
<i>p-value for difference in coefficients</i>			0.275	0.331	0.322	0.348
<i>Control Variables</i>	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Year-week FE	Yes	Yes	Yes	Yes	Yes	Yes
Observations	108,564	112,473	108,564	112,473	108,564	112,473
Adjusted R ²	0.456	0.456	0.456	0.456	0.456	0.456

Panel F Excluding visits conducted jointly by analysts and buy-side investors

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.121*** (10.94)	0.143*** (11.57)
<i>Dvisit</i> × <i>Post</i>	-0.051*** (-3.38)	-0.054*** (-3.30)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	168,850	168,850
Adjusted R ²	0.140	0.213

Table 9 Site Visits by Mutual Funds

This table reports the results from the estimation of Eq. (1), modified to use mutual funds as visiting entities. In Panel A, we define a visited firm as one which is visited by at least one *analyst or mutual fund*. *DvisitF2* (*DvisitF4*) is an indicator variable equal to one if at least one nonvisiting *analyst or mutual fund* visits the firm during subsequent two (four) weeks, and zero otherwise. In Panel B, we define a visited firm as one which is visited by at least one *mutual fund*. *DvisitF2* (*DvisitF4*) is an indicator variable equal to one if at least one nonvisiting *mutual fund* visits the firm during subsequent two (four) weeks, and zero otherwise. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics, based on robust standard errors clustered by firm and year-week are presented below the coefficient estimates.

Panel A Visits by analysts or mutual funds

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.164*** (17.07)	0.180*** (16.49)
<i>Dvisit</i> × <i>Post</i>	-0.070*** (-5.43)	-0.078*** (-5.51)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	175,161	175,161
Adjusted R ²	0.176	0.248

Panel B Visits by mutual funds only

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.116*** (11.99)	0.143*** (12.76)
<i>Dvisit</i> × <i>Post</i>	-0.053*** (-4.37)	-0.080*** (-5.58)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	175,161	175,161
Adjusted R ²	0.119	0.186

Table 10 Robustness Tests

This table reports results of two robustness tests. Panel A reports the results of the estimation of Eq. (1) using the tendency to issue forecast revisions as an alternative measure of analysts' attention. Panel B reports the results of the estimation of Eq. (1), modified to compare changes in analysts' attention allocated to visited firms relative to nonvisited firms from different industries. All the variables are defined in Appendix 2. All the specifications include firm fixed effects and year-week fixed effects. *t*-statistics, based on robust standard errors clustered by firm and year-week are presented below the coefficient estimates.

Panel A Alternative measure of analysts' attention

VARIABLES	(1) <i>DRevision2</i>	(2) <i>DRevision4</i>	(3) <i>DRevision2</i>	(4) <i>DRevision4</i>
<i>Dvisit</i>	-0.009 (-1.20)	0.006 (0.74)		
<i>Dvisit</i> × <i>Post</i>	-0.024** (-2.31)	-0.039*** (-3.73)		
<i>Peervisit</i>			0.008 (0.31)	0.005 (0.14)
<i>Peervisit</i> × <i>Post</i>			0.026 (0.72)	0.078* (1.70)
<i>Control Variables</i>	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes
Year-week FE	Yes	Yes	Yes	Yes
Observations	175,161	175,161	160,647	160,647
Adjusted R ²	0.280	0.396	0.228	0.338

Panel B Nonvisited firms from different industries

VARIABLES	(1) <i>DvisitF2</i>	(2) <i>DvisitF4</i>
<i>Dvisit</i>	0.140*** (16.08)	0.166*** (15.67)
<i>Dvisit</i> × <i>Post</i>	-0.053*** (-4.69)	-0.076*** (-5.61)
<i>Control Variables</i>	Yes	Yes
Firm FE	Yes	Yes
Year-week FE	Yes	Yes
Observations	74,032	74,032
Adjusted R ²	0.177	0.244