

marketshare [mahr-kit shair] -noun

1. Is a program of marketumbrella.org, which works to cultivate the field of public markets for public good.
2. These free documents (called "shares") are the best of "lessons learned" from public markets everywhere.
3. Employ as needed, & please feel free to tell us about your results, so that we can share those with other markets.



market preparation: token systems

It's a fact of life that consumers conduct ever more of their business via plastic than cash. It makes sense for farmers markets to accept these forms of payment because shoppers are known to spend more when they're paying with plastic, rather than cash, and because it enables shoppers using EBT or SNAP, the current Food Stamp currency, to shop at markets. Yet the trend presents challenges for farmers markets for two reasons:

- Farmers markets typically take place outdoors or in other locations where there are few electrical outlets,
- The technology to swipe and process electronic payments—or even to verify personal checks—is expensive for farmers market vendors to afford.

At marketumbrella.org, we have implemented a wooden token payment system that overcomes these difficulties, simplifies the number of electronic transactions that have to be conducted, and enables farmers markets to welcome all forms of payment—to the benefit of vendors and shoppers alike.

How it works

Shoppers who wish to pay with plastic currency (debit, credit, or EBT/SNAP cards) visit the marketumbrella.org Welcome Tent and purchase wooden tokens in \$1 and \$5 denominations. Marketumbrella.org staff members or volunteers swipe the cards and issue the tokens, which we purchase from an online vendor who imprints them with the CCFM logo and the denomination. This is important, because the tokens must be tracked as if they were currency; essentially, they are. The tokens are then negotiable as cash throughout the market—on that day, or any day. To meet federal rules on EBT purchases (items like alcohol, hot food, and non-edible plants cannot be paid for with EBT), we offer two different designs of tokens, so purchasers and vendors can follow those rules.

By centralizing electronic transactions, a single electronic card reading machine and a single outlet or wireless signal can serve the entire market (or you can add two or three, if the size of your market warrants). After purchasing their tokens, shoppers can conduct as many vendor transactions as they want with the ease of paying with cash, rather than having to swipe, enter a PIN, or sign for each purchase.

Many states currently offer free or low-cost EBT machines to markets (and often some initial start up money to cover costs), but those machines are usually not able to take credit and debit cards. The third-party processors who offer the machines that take all cards will be able to explain their services over the phone—we recommend shopping around, and calling market organizations that have used different processors. Those processors will require a fee for the machines and an account will be set up with the market. The processor will charge a fee for each transaction (including EBT). You will be sent a monthly report showing your sales and the fees that the processor took out of your account. The shoppers who will help pay for this system are those who use credit or debit, as most states do not allow EBT shoppers to be charged a fee. Luckily, the credit/debit users are (by most market reports), quite understanding about paying a small fee for the convenience of not having to make a bank stop on Saturday morning!

At the end of the month, vendors bring their tokens to the Welcome Tent where they use the tokens as currency for paying their market rent. If they have more tokens than needed, the excess can be converted into a check (handed to the vendor the next week) from marketumbrella.org. We understand, however, that many markets redeem tokens every market day.

Local currency programs (see the Schumacher Society's in-depth website on many of these programs at www.smallisbeautiful.org) are an excellent way to track sales, promote local investment, and bridge to customers who are not able to use cash, or who simply run out of cash

while shopping at the market. These currencies can also be adapted to many programs that expand the market's "brand." For example, marketumbrella.org uses tokens as birthday gifts in our Marketeers program, which sends shoppers' children a birthday card redeemable for a market token. Similarly, our Crescent Fund collects voluntary contributions of market tokens from vendors and shoppers and periodically donates these funds to the community member whose proposal for improving their business or neighborhood is voted best by the market community.

If you have only a few markets, the cost to use wooden tokens is not terribly large; however, some states with many markets have added anti-counterfeiting techniques to their tokens, which makes the system more expensive. We recommend the Farmers' Market Federation of New York's website for information on how they have handled the use of tokens at their many markets. <http://www.nyfarmersmarket.com/ebt.htm>.

In addition, lots of cost analysis information for different programs is available on Oregon's website: <http://www.oregonfarmersmarkets.org/cust/Debit%20Food%20Stamp%20Program.html>.

Many markets--and their partners--also utilize tokens to reward desirable behavior. A health clinic or a senior center, for example, might confer tokens upon clients who stop by for a blood pressure check or flu shot, or take a class on controlling their diabetes. And, don't underestimate the interest of neighboring businesses in being able to accept your currency in the future: in slow months, restaurants can offer a discount to customers who pay with tokens and redeem them when buying local produce at the farmers market!

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mission | management | marketing | measurement

Thank you for using a share document. This 4M worksheet below is to help you think through what you just read and how to apply it to your situation. Read the share titled "The Strategy of the 4Ms" to learn more about this marketumbrella.org teaching tool.

Is this issue or strategy covered in your current mission (or values)? _____

Does your management structure allow you time to handle this, or is there another organizational partner to help?

How will you communicate to others about this issue or strategy (marketing)? _____

When and how will you measure the impact of this resolution of this issue or the completion of this strategy?



cultivating the field of public markets for public good