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SNAP Incentive Programs: Crescent City Farmers Market’s MarketMatch

When it comes to sticks and carrots, we prefer carrots. Over the past year, we have increased the use of the Farmers Market Nutrition Program and SNAP at the Crescent City Farmers Market by using conditional cash transfer (CCT) strategies, or market incentives we call MarketMatch. Our CCT programs are modeled after well-known government CCT programs aimed at developing the human capital of poor households. Our innovation not only uses the CCT model, but also incorporates our strategies to build social capital through direct, human scaled

transactions. Some in the World Bank look to social capital as the missing link in development. Success in our market incentives pilot programs rely heavily upon our ability to build social trust with new shoppers — vulnerable children and their families. We reward the behavioral change of shoppers to venture out into unknown terrain — farmers markets — where they discover a world of food producers awaiting their arrival with fresh, healthy, local

offerings. Incentive campaigns model the best practices for a new era of social policy innovation. When farmers market organizations meet vulnerable consumers half-way, they build social trust. Below is a description of the Supplemental Nutrition Assistance Program (SNAP) incentives we are piloting at our family of farmers markets.

From June 15 until October 17, 2009, The Crescent City Farmers Market enjoyed a 600% increase in SNAP redemptions due to a coordinated community outreach and matching program in which the Farmers Market meets SNAP shoppers half-way. Shoppers are encouraged to take advantage of an innovative incentive: The Market matches SNAP shoppers’ first \$25 with \$25 in market money. Weeks after the pilot, SNAP redemptions remain 300% higher than before MarketMatch.

The Historical Challenge

Farmers markets have enjoyed a remarkable revival over the past 15 years. Today, USDA reports that 5,200 are in operation, as compared to 1,800 in 1996. Unfortunately, during this same period of time USDA introduced Electronic Benefit Transfer (EBT) to replace paper Food Stamps. This innovation has excluded most markets from the nation’s largest food security program. As a result, many perceive farmers markets to be elitist and expensive — something that price comparisons consistently prove to be untrue.

Other Conditional Cash Transfer Strategies:

Mexico’s *Oportunidades* has resulted in a lower prevalence of obesity. Others include Brazil’s *Bolsa Familia*; Nicaragua’s *Sistema Penitenciario Nacional*; and the USA’s *Opportunity NYC*, a CCT program implemented at the municipal level to increase school attendance and performance, and timely child immunizations and doctors visits.



By the Numbers

<u>SNAP Redemption Rates</u>	<u>Transactions Per Month</u>	<u>SNAP Sales % Increase</u>
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Before MarketMatch	15	-
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Before MarketMatch with bus shelter advertisements promoting SNAP	46	+200%
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During MarketMatch spent \$10,000 of SNAP benefits matched with \$10,000 from private funds	110	+600%
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After MarketMatch	60	+300%
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<u>Mode of Transport</u>	<u>% of MarketMatch Participants</u>
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Automobile	57%
Bicycle	17%
Public Transportation	9%
Walking	9%
Unknown	8%

<u>Demographics</u>	<u>Percentage</u>
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Female	66%
Male	34%

White	57%
African American	23%
Latino	10%
Asian	2%
Unknown	18%

<u>Communications</u>	<u>Percentage</u>
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Friend	45%
Flyer	14%
Radio	14%
Community Center	11%
Market	4%
Unknown or other	12%

The Purpose of MarketMatch

Many farmers markets are learning how to overcome the digital divide of the Electronic Benefit Transfer (EBT). Markets purchase portable wireless devices to accept SNAP; however, they also discover that technology alone will not erase a decade or more of isolation. We wanted to test our theory that if we were to meet SNAP families half-way by matching them dollar for dollar would they find the incentive large enough to lure them to the Market – an otherwise foreign or perhaps intimidating destination.

How We Launched the Pilot

With support from the Ford Foundation, W.K. Kellogg Foundation, and the Kresge Foundation, we conducted grassroots and multi-media marketing. We devoted \$18,000 to advertisements on bus shelters, gospel and Spanish language radio, and informational flyers we distributed to community partners and health agencies in advance of the four-month pilot. Conforming to a color coordinated campaign brand, we produced welcoming signage at the Market's Welcome Tent to assist newcomers overwhelmed by the sights and sounds of a farmers market. Here, our staff introduced themselves, the MarketMatch pilot, disbursed woden tokens and the brief questionnaire (designed to ascertain zip code, age of SNAP cardholder, mode of transport, and means by which the participant learned of the match).

The Results

During the four-month pilot, the Market enjoyed a 600% increase in SNAP redemptions eclipsing \$10,000 in value (plus the \$10,000 in match). These represent a total number of 440 transactions with considerable repeat business among the 127 individual cardholders. Perhaps most encouraging, SNAP shoppers continue to

patronize the Market in large numbers even after the pilot has finished (when no match is offered). This represents a residual increase of 300%.

Recommendations

We recommend repeating and expanding the pilot in the Crescent City Farmers Market and to other markets. Towards this goal, we recommend the following:

- To invest in market capacity to manage centralized token systems for credit, debit and benefit cards;

- To utilize incentive campaigns to build familiarity and trust;

- To leverage other programs — WIC/FMNP and Seniors/FMNP — with similar incentives;

- To go to them first before they come to us (as we have done with senior centers for the FMNP program — to play Farmers Market Bingo);

- To leverage the “word of mouth” and offer “bring a friend” incentives or other mechanisms that reward the social trust we are building with the newly minted SNAP customer base.



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?

