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## market preparation: accepting SNAP, FMNP & WIC

### ***Should your market accept federal assistance cards and coupons?***

The immediate response to the question is, “Yes, of course” your market should accept the various cards and coupons offered to low-income consumers under federal food assistance programs. These include “food stamps,” now known as Supplemental Nutrition Assistance Program cards (SNAP); Farmers Market Nutrition Program (FMNP) vouchers for seniors and WIC recipients. These vouchers are mailed to low-income residents to buy products from direct marketing farmers. Soon WIC itself will be redeemable at markets (until now, grocery stores were the only acceptable sites to use WIC) for purchases of approved items. Each state designs their own FMNP program according to their capacity, so you will need to work closely with your state to implement a successful program. Providing the card-processing technology and back office support to make these alternative currencies negotiable at farmers markets is one of the most effective ways to simultaneously help low-income families boost their nutrition and help local farmers increase their sales to an under-served demographic.

But, as with all farmers market policy questions, we recommend that you run the decision to accept federal assistance cards and coupons through your “Four M” process first: Does it align with your Mission? (Most likely, yes.)

Do you have the Management resources to implement it? (You will need an electronic system for keeping track of accounts, such as Quicken, Quickbooks, or at the least, Excel. You will need someone to process SNAP and

other “alternative currency” transactions at market. This person can be a volunteer, but will need to be educated as to the peculiarities of the system. You will need tokens or coupons to give your shoppers in exchange for swiping their SNAP cards. You may need to educate vendors, volunteers, and shoppers themselves on how the new system will work at the market.)

How will you Market your new program? (Are SNAP recipients already shopping at your market, or will you need community outreach to find them? Are they immigrants? You may need outreach materials, market signage, and even translators, in one or more foreign languages. Will your farmers welcome these new customers and the associated transaction requirements, no questions asked, or do you need to prepare and educate them?)

How will you Measure your program’s results? (Will you be able to tell government officials where their SNAP and other assistance money is going? Once you think through these questions, it may become apparent that implementing a SNAP program warrants forethought and planning. You will need a strategy for success.)

Daniel Ross, executive director of Nuestras Raices, which runs an inner-city farmers market in Holyoke, Massachusetts, that has successfully implemented SNAP (formerly known as EBT) and also accepts FMNP (for both WIC and Seniors) coupons, says that approximately 70% of his market’s sales are through federal food assistance programs, particularly FMNP. He says that SNAP/EBT transactions remain a small percentage of sales. Although the percentage is growing, and is reported to

[marketumbrella.org](http://marketumbrella.org) marketshare market preparation page 1

be among the highest of inner-city markets nationwide, a large part of the success is due to a private foundation grant that enables Nuestras Raices to double the value of federal food assistance cards and coupons.

He explains some of the challenges as follows:

Vendors have to wait to be reimbursed by the Department of Agriculture for federal aid transactions; they can't just cash out at the end of the market. In other words, they have to trust the system and have a business plan to track this income.

Vendors typically require educating in how the system works and how it can benefit them, as well as low-income shoppers.

Shoppers, too, require educating. Many are under the impression that they can't afford fresh fruits and vegetables if they're going to stretch their limited food resources to cover their calorie-hungry kids. Doubling their value through foundation grant money has helped, Ross says. Utilizing community partners to spread the word has helped too.

In addition to doubling the value of federal food assistance for market shoppers, Nuestras Raices has adopted a number of other strategies to ensure that the program reaches as many low-income families as possible. For example, Nuestras Raices reimburses vendors the following week for money they are owed for federal assistance transactions, assuming the cash flow challenge of waiting six weeks for the USDA to refund the FMNP transactions. To know how much money to set aside for that purpose, "We survey our farmers' income periodically and set aside at least half of that amount in a separate account," Jesus Espinosa, market manager, explains.

To reduce its own costs, Nuestras Raices uses printed coupons, rather than market tokens, as the currency given for SNAP card purchases. "You have to be careful to change the coupons often enough to foil counterfeiters," Espinosa acknowledges, "but they're cheaper than printed wooden tokens. We paid \$254 for 10,000 coupons this year."

To help everyone feel comfortable with the program, Nuestras Raices conducts monthly informal vendor education sessions. "We show them copies of our current coupons, make sure they know what products are eligible

for purchase with what coupons, and encourage them to talk with their customers—to make the market a fun, social event for them," Espinosa says. "That way, they'll relax and come again. Sometimes the farmers are all business. They forget that it can be fun."

Nuestras Raices also educates vendors on specialty items that low-income customers may want but have difficulty finding elsewhere—for example, cilantro, bok choy, collard greens, and chickpeas. By meeting a need shoppers can't fill elsewhere, farmers build the market's customer loyalty, Espinosa explains.

Nuestras Raices also works to educate shoppers about buying "just what they can consume in a week," Espinosa says. "You don't want them to buy so much that the food goes bad. We try to encourage our FMNP customers to make their coupons last all summer."

Another key element in the program's success is effective use of community partners. Nuestras Raices partners include the local WIC office, the Massachusetts Department of Transitional Assistance (administrators of the SNAP program), Holyoke Health Center, the local food bank, Spanish-language radio, local celebrities, and more. "Your market depends on your community," Espinosa says. "Outreach depends on your community partners." Nuestras Raices invites local musicians to play, local celebrities to come talk and sign autographs, health care and social service agencies to distribute flyers, explaining that benefit recipients can "double their money" at the market.

We at [marketumbrella.org](http://marketumbrella.org) endorse both Nuestras Raices' work with community partners, as well as its "value-doubling" inducements to attract low-income shoppers to its markets. At [marketumbrella.org](http://marketumbrella.org), we have taken a slightly different approach to implementing these two elements in our outreach to low-income members of our community.

In the summer of 2008, we introduced our CBT (Conditional Benefit Transfer) Club, through which seniors with whom we played Farmers Market Bingo at their center could come to the market with their USDA FMNP vouchers and receive a matching amount from us in the form of wooden market tokens. The "condition" seniors met was to participate in an interactive game of bingo that we designed, which doubled as nutritional education. We took a similar approach to building social

capital with WIC participants—giving them a matching amount of market tokens after attending a cooking class at the WIC clinic.

In the summer of 2009, we launched Market Match. To increase the spending power of SNAP cardholders at our farmers markets, as well as gather the data to help inform policy makers of the importance of food access programs that include small farmers and fresh local foods, we are matching every dollar spent at the Crescent City Farmers Market with the LA Purchase/EBT/SNAP card—up to \$25. This summer’s campaign requires the condition of completing a brief customer survey with questions like shoppers’ zip code, mode of transport, and how they heard about the program—via radio, word of mouth, at the SNAP administrator’s office, etc. The information will

shed light on those SNAP customers we are reaching, and those we are not. Sharing this information with markets around the country will help us expand those strategies that are working to encourage low-income shoppers to shop at their local farmers markets.

Is implementing an effective SNAP program “a snap”? Obviously not. But the benefits build a triple bottom line: the financial capital of farmers; the human (nutritional) capital of low-income consumers; and the social capital of communities, where low-income shoppers feel welcomed, not overlooked, or excluded.

[marketumbrella.org](http://marketumbrella.org) [marketshare](#) [market preparation](#) page 3



**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](http://marketumbrella.org) teaching tool.***

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

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

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

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

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