

SNAP-Ed Toolkit

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LT14: Agriculture Sales and Incentives

Framework Component

Effectiveness & Maintenance – Multi-Sector Impacts

Indicator Description

Sales and investments in local foods, including fresh fruits and vegetables, and the associated economic benefit to farmers and producers.

Background and Context

Increased consumer access to local foods purchased directly from farmers, ranchers, and fishermen represents a win-win-win for all. Consumers benefit from nutritious food options, farmers develop positive relationships with their customers, and food-related expenditures benefit local and regional economies. Direct-to-consumer marketing supports local farmers and food producers by compensating them with a larger fraction of the purchase price from each transaction rather than sales at grocery stores where retailers, wholesalers, and distributors are compensated.¹ As a result of the multi-sectoral changes initiated in part by SNAP-Ed agencies and agricultural businesses (see [MT8](#)), [\[glossary\]on-farm markets\[/glossary\]](#), [\[glossary\]community supported agriculture \(CSA\)\[/glossary\]](#), and [\[glossary\]farmers market\[/glossary\]](#)s are experiencing consumer growth, particularly among SNAP-eligible shoppers. National SNAP redemptions at farmers markets totaled \$18.8 million during fiscal year 2014, a nearly six-fold increase since 2008. Instituting a bonus incentive project is one approach farmers markets are using to attract SNAP customers. These projects provide matching “bonus dollars” to improve the purchasing power of low-income families at farmers markets, so that they can afford to buy more fruits and vegetables and other healthy food. Because there is no system for tracking SNAP benefits redeemed on local food items at grocery and convenience stores, this measure is not included in the framework. Instead, indicator LT14 measures total annual expenditures on fresh fruits and fresh vegetables by different geographic groups and income levels. SNAP-Ed affiliated farm-to-school programs and policies also benefit local farmers and food producers who can sell their products directly to a variety of institutions, including schools, preschools, afterschool programs, child care centers, and USDA summer feeding sites. In indicator LT14, we prioritize agricultural sales in farm-to-school programs, which have the potential to scale up across school districts within a state or other jurisdiction, and USDA systematically collects data through the Farm-to-School Census. Other institutions, such as work sites, shelters, and hospitals, may also buy farm-fresh produce, but measuring agricultural sales across these systems would prove challenging without an available data system. SNAP-Ed agencies may certainly evaluate other types of sales beyond those listed in this indicator. SNAP-Ed

affiliated activities that strengthen local food systems (see [LT12](#)) also have the potential to contribute to economic impacts. We assume a multiplier effect results from local food sales, which is described below.

Outcome Measures

- LT14a. Total dollars spent by SNAP participants at farmers markets and direct marketing farmers during the period assessed
- LT14b. Total dollars invested by SNAP-Ed eligible school districts in local food purchases during the period assessed
- LT14c. Average annual per-person expenditures for fresh fruits and fresh vegetables for home consumption
- LT14d. Percentage of total farmers market sales from nutrition assistance benefits (SNAP, WIC cash value vouchers Farmers Market Nutrition Program, Senior Farmers Market Nutrition Program)
- LT14e. Total dollar value of incentives redeemed by SNAP participants for purchase of targeted food items at farmers markets during the period assessed

Developmental (no secondary data sources available; primary data collection is necessary)

- LT14f. Economic impact of SNAP-Ed affiliated changes in local and regional food production, processing, distribution, and sales

What to Measure

LT14a. Aggregate total SNAP/EBT redemptions at farmers markets, on-farm markets, and CSAs during the period assessed, generally on an annual basis in regions with year-round markets and growing seasons, or seasonally when the growing and market season is shorter than a year. Only aggregated data should be reported when there are at least three farmers markets or direct-marketing farmers operating within a state or territory. LT14b. Using the USDA's Farm-to-School Census, calculate the total dollar investments in local food by SNAP-Ed eligible schools or school districts within your local, state, territorial, or tribal area. Cross-walk your SNAP-Ed qualifying schools in the state where more than half of the students are eligible for free or reduced price meals with schools that responded to the Farm-to-School Census. Census results combine local food purchases direct from 1) individual food producers; 2) farmer, rancher, or fisher cooperatives; 3) farmers markets; 4) CSA model; or 5) food processors and manufacturers; and through 6) distributors; 7) food buying cooperatives; 8) food hub; 9) food service management companies; 10) Department of Defense (DoD) Fresh Program vendors; 11) USDA Foods; 12) State Farm to School Program office; and 13) other. LT14c. Using the Bureau of Labor Statistics Consumer Expenditure Survey, retrieve the annual aggregate expenditures for fresh fruits and fresh vegetables for home consumption. Data are available at the Regional level only—Midwest, Northeast, South, and West—and not by state. This outcome measure may also be beneficial for national reporting by FNS. LT14d-e: Track the percentage of total farmers market sales from nutrition assistance benefits (d) and the total value of bonus incentives redeemed by SNAP participants during the period assessed (e). Contact your state farmers market association or the Farmers Market Coalition for information on bonus incentives and sales categories. <https://farmersmarketcoalition.org/>. If no information is publicly available, use the FM Tracks reporting tool operated by the Prevention Research Center at Case Western Reserve University. LT14f: The final outcome measure is developmental; there is no current methodology for measuring the economic impact of SNAP-Ed affiliated agricultural sales across the local, state, territorial, or tribal area. There are two proposed methods that will require practitioner testing, input, and modification over time:

- Multiplier effect: A multiplier is the number of times money circulates within a region following a transaction; it is a marker of local economic impact. Find an existing published study with a multiplier

reported for your agricultural area of interest. For instance, Georgia has reported a multiplier of 2.66 for statewide farmers market activities; another study showed the Baltimore–Washington region has a multiplier effect of 1.6 for farmers market sales. Multiply the total annual sales resulting from your SNAP-Ed affiliated agricultural initiative in your state or area by an existing multiplier. For instance, if your combined sales at new farmers markets accepting SNAP, cash, and commercial credit and debit cards in low-income areas is \$500,000, the conservative multiplier of 1.6 would yield a total economic impact of \$800,000.

- **Input-output analysis:** A more sophisticated approach is calculating the economic impact of farmers markets and related agricultural activities in low-income areas in terms of local employment and income. Working with a statistician or economist, SNAP-Ed agencies could calculate what is known as an input-output analysis, otherwise referred to as economic impact modeling. One popular economic impact modeling software is called IMPact Analysis for PLANning (IMPLAN). The University of Arizona Extension’s SNAP-Ed program published results from its IMPLAN analysis. Although not specific to farmers markets, Arizona’s analysis found that SNAP-Ed spending “generated \$5.7 million in direct economic activity (sales), with \$2.4 million representing the labor income earned by the 62 full-time equivalent (FTE) jobs directly supported by UA Extension SNAP-Ed. These direct impacts supported an additional 39 FTE jobs, \$2.3 million in income, and \$6.1 million in sales in other Arizona industries through indirect and induced effects. The total economic impact of UA Extension SNAP-Ed spending in 2012, including multiplier effects, was 101 FTE jobs, \$4.7 million in income, and \$11.8 million in total sales.”²

Population

N/A

Surveys and Data Collection Tools

[collapse title="Bureau of Labor Statistics, Consumer Expenditure Survey (CES)"] <https://www.bls.gov/cex/> The CES is the only federal survey to provide information on the complete range of consumers' expenditures and incomes, as well as the characteristics of those consumers. [/collapse] [collapse title="FM Tracks – Prevention Research Center at Case Western Reserve University"] <https://case.edu/swetland/research/fm-tracks> Used for tracking sales data (e.g., amount of SNAP and incentives distributed). [/collapse] [collapse title="IMPLAN Group, LLC."] www.IMPLAN.com [/collapse] [collapse title="USDA Farm-to-School Census"] <https://farmtoschoolcensus.fns.usda.gov/> The 2015 Census target survey population included primarily public, private, and charter school districts from all 50 states, Guam, Puerto Rico, the Virgin Islands, and Washington, DC. A few states included residential child care institutions and other non-school-based sites participating in the national school lunch program. In total, the master list frame included 18,104 potential respondents. [/collapse] Additional evaluation tools to measure LT14 can be found in the [SNAP-Ed Library](#).

Key Glossary Terms

[glossary]Community Supported Agriculture (CSA)[/glossary] [glossary]Farmers market[/glossary]
[glossary]On-farm market[/glossary] [glossary]Farm-to-school[/glossary] [glossary]Multiplier[/glossary]

Additional Resources or Supporting Citations

Note that individual retailer information is protected under the Food and Nutrition Act at 7 U.S.C. 2018(9)(c) and Title 7 Part 278 of the federal regulations at 278.1(q). Additionally, USDA's National Household Food Acquisition and Purchase Survey (FoodAPS) survey may be a useful reference for national benchmarks. Detailed information was collected about foods purchased or otherwise acquired for consumption at home and away from home, including foods acquired through food and nutrition assistance programs. The survey includes nationally representative data from 4,826 households, including Supplemental Nutrition Assistance Program (SNAP) households, low-income households not participating in SNAP, and higher income households

<https://www.ers.usda.gov/data-products/foodaps-national-household-food-acquisition-and-purchase-survey.aspx>

References: ¹ McFadden DT, Conner D, Deller S, Hughes D, Meter K, Morales A, et al. The Economics of Local Food Systems: A Toolkit to Guide Community Discussions, Assessments, and Choices. U.S. Department of Agriculture, Agricultural Marketing Service; March 2016. Available from

<https://www.ams.usda.gov/sites/default/files/media/Toolkit%20Designed%20FINAL%203-22-16.pdf>. ² Kerna

A, Frisvold G, Jacobs L, Farrell VA, Houtkooper L, Misner S. Application of IMPLAN to extension programs: Economic impacts of the University of Arizona cooperative extension SNAP-Ed spending. Journal of Extension. 2015;53(6). Available from

https://nutritioneval.arizona.edu/sites/nutritioneval.arizona.edu/files/materials/JOE_Economic%20Contribution%20anal

Additional Resource: [Friends of the Earth](#) – The Economic Benefits of Farmers Markets

https://www.canr.msu.edu/news/farmers_markets_act_as_gathering_space_and_local_economic_engine