

## **Increasing Wireless Sales at a Culturally Diverse Farmer's Market in West Philadelphia**

The Food Trust (Trust) operates farmers markets in 19 locations in southeastern Pennsylvania; their project has 2 main goals. First, a short-term goal aimed at increasing revenues for small-to-medium-sized farmers in southeastern Pennsylvania, while also improving access to, and knowledge of, healthy foods among low-income customers at the year-round Clark Park Farmers' Market in West Philadelphia. Second, a long-term goal of using this pilot project to develop and evaluate a sustainable model for EBT/credit/debit card sales at farmers markets throughout Pennsylvania.

[Final Report](#)

## **Final Report for the USDA FMPP Grant**

### **Grantee: The Food Trust**

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**Grant award date: September 2007**

**Agreement number: 12-25-G-0592; FMPP PA 189-2007**

**Grant Overview:** With funding support from the USDA Farmers' Market Promotion Program, The Food Trust piloted the use of wireless machines to process EBT/credit/debit card sales at its Clark Park Farmers' Market in West Philadelphia. The Clark Park market is a large, diverse, year-round farmers' market. The project's short-term goals were to increase revenues for farmers and improve access to healthy foods among low-income customers. Our longer-term goal was to develop a sustainable model for wireless sales that can be replicated at farmers' markets throughout Pennsylvania.

### **I. Summary of the issues examined:**

In many lower-income neighborhoods, farmers' markets are the only source of fresh produce. But the presence of healthy food in a community is not enough. Lower-income residents must also be able to afford these foods. For this, many turn to the SNAP/food stamp program. (Supplemental Nutrition Assistance Program (SNAP) is the official name for the program commonly known as food stamps.) In 2009, nearly 1 in 9 Americans relied on these benefits.

In 2002, the SNAP/food stamp program transitioned from offering benefits in the form of paper vouchers to an electronic swipe card, similar to a debit card. Government subsidies made this transition a free investment for traditional supermarkets, and the change made shopping in supermarkets more convenient for lower-income residents. But most farmers' markets are not equipped to accept SNAP/food stamp swipe cards – and few government programs exist to remedy this situation. As a result, many SNAP/food stamp customers cannot access the healthy food choices at their local farmers' market.

Since 2004, The Food Trust has accepted ACCESS cards at its Pennsylvania markets through wireless point-of-sale machines. However, the expense of the machines and related costs mean that only one machine is available per market – an inconvenient and possibly stigmatizing process for accepting SNAP/food stamps because shoppers need to go out of their way (to one central location in the farmers' market) to make purchases using ACCESS cards.

This pilot project addressed the existing barriers to SNAP/food stamp usage at farmers' markets so that farmers could more easily accept – and low-income families could more easily use - ACCESS cards to purchase fresh produce at farmers' markets.

### **II. How the issues were addressed:**

The Food Trust conducted a pilot program designed to increase the use of SNAP/food stamps at the Clark Park Farmers' Market in West Philadelphia. The 10-year old Clark Park market, which

## **Final Report for the USDA FMPP Grant**

operates Saturday mornings year-round and Thursday afternoons from June to November, is a community hub for the economically and ethnically diverse West Philadelphia neighborhood.

During the pilot program (conducted from June 2008 to February 2009), The Food Trust's primary goals were to make the process of using EBT cards at the market more convenient for both shoppers and farmers, reduce the stigma associated with using ACCESS cards at the market, and increase sales made using ACCESS cards at the farmers' market.

Prior to the pilot program, ACCESS cards were accepted at the Clark Park market – as at other Food Trust farmers' markets – at one central location in the market, using one machine. To make an ACCESS purchase, a customer would select produce and receive a receipt from each farmer. Using those receipts, the customer would then checkout with the market manager, who operated the single point-of-sale wireless machine needed to complete the sale, a process called Electronic Benefits Transfer (EBT). After the sale was complete, the ACCESS customer returned to each farmer to collect the purchased produce.

To facilitate the usage of EBT cards at the market during the pilot program, The Food Trust provided each of the Clark Park markets' 21 farmers with point-of-sale wireless machines (equipped to accept EBT, credit and debit cards) to be used at their individual stands. Every farmer was trained on how to use the machines and the market manager supported the farmers through troubleshooting during transactions until they were confident in working the wireless machines themselves.

After initial research by The Food Trust was completed to select the company to use for the wireless machines, the organization took on the responsibility to rent and store the machines for the farmers. In addition, The Food Trust served as the middleman in the processing of the EBT and credit/debit transactions. The Food Trust's farmers' market managers and finance department tracked sales, accepted electronic payment, covered associated fees, and reimbursed farmers for EBT sales on a monthly basis.

In addition to the support that The Food Trust provided to help with the logistics and costs of the transaction, the organization implemented a targeted marketing campaign (including newspaper and radio ads, neighborhood outreach and signage at the market) to advertise the increased ease of shopping at the farmers' market with ACCESS cards.

### **III. Results and accomplishments:**

The project results demonstrated clear value of accepting SNAP/food stamps at farmers' markets: the ability to easily process EBT transactions at a farmers' market improves access to healthy foods among the community's lower-income residents and adds to the farmers' revenues. The Clark Park Farmers' Market pilot project showed that the easier it is to use SNAP/food stamp swipe cards at the farmers' market, the more the customers will avail themselves of these important benefits, creating a vibrant farmers' market and a healthier community.

During the pilot program, Clark Park market vendors saw a substantial increase in ACCESS card sales – and an increase in ACCESS card users.

## Final Report for the USDA FMPP Grant

- One-third of ACCESS card users were new customers to the market.
- ACCESS card purchases at the Thursday market increased 74 percent over the previous year.
- ACCESS card purchases at the Saturday market increased 116 percent over the previous year.
- Individual farmers reported even more dramatic increases, with some reporting a 200 percent increase in ACCESS card sales.

A secondary goal of the Clark Park Farmers' Market pilot program was to increase revenues for the market's farmers. Wider ACCESS card acceptance did increase sales, but ACCESS card sales still remained a small percentage of the farmers' overall monthly sales, averaging less than 1 percent of the total. Credit and debit card transactions were a slightly larger source of income for the farmers – averaging 4 percent of monthly sales – with farmers reporting that customers using credit and debit cards spent \$15 to \$17 more per market visit than if they were paying with cash.

During the pilot period, ACCESS card sales, while lower in dollar amounts compared to credit/debit sales, still accounted for a significant number of transactions. For example, in August 2008, ACCESS card sales accounted for 34 percent of money collected through wireless sales, but the number of ACCESS card transactions was almost equal to the number of credit and debit transactions. Although the amounts being spent were less, ACCESS cards were used just as often as credit cards for purchases of healthy foods during the pilot program.

Qualitative feedback also indicated that response to the pilot program was positive. Although some farmers were initially reluctant to use the point-of-sale wireless machine – particularly the market's Amish farmers – and a few expressed concern about the time it would take to complete a transaction, most embraced it after training. Customers were enthusiastic about the additional payment options, commenting on the increased convenience of shopping with ACCESS, credit and debit cards.

### **IV. Conclusions and lessons learned:**

There is tremendous potential to grow SNAP usage at farmers' markets. Interest and enthusiasm around eating healthier and purchasing fresh, locally grown food continues to expand and farmers' markets are an ideal venue to provide the healthiest fresh food options to low-income families.

Since the EBT system was not designed for farmers' markets, more work needs to be done to make the wireless system user-friendly and cost-effective. Implementing EBT requires farmers' markets to invest start-up and monthly subscription costs—expenses not shouldered in a traditional supermarket environment. For instance, farmers' markets often require more expensive wireless point-of-sale technology, and, as the pilot program showed, multiple point-of-sale machines at the farmers' market are ideal to encourage use of SNAP/food stamps. In addition, there is no current federal or Pennsylvania government program providing point-of-sale machines or EBT transaction fee relief, as there is for supermarkets.

## Final Report for the USDA FMPP Grant

In the pilot program, The Food Trust absorbed the costs – upwards of \$3,500 in wireless point-of-sale machine rentals and EBT transaction fees (\$0.10 per transaction). Feedback indicated that farmers in the pilot program – even those who enthusiastically embraced EBT transactions – would be unlikely to undertake these costs themselves.

Also, while the pilot showed that having multiple wireless point-of-sale machines results in increased convenience for shoppers and higher sales for farmers, the higher volume of machines (and related transactions) resulted in increased operational costs (both in staff time and program fees) to manage machine rentals, technical assistance and troubleshooting, managing sales records, fees, and farmer reimbursements.

In addition, accepting credit and debit cards sales added an additional \$1,200 to the cost of the pilot program due to high transaction (credit: 1.78 percent; debit: \$0.35) and processing (averaging 4.1 percent) fees. But this expenditure had the important benefit of removing any stigma associated with EBT transactions; credit and debit card customers were served the same way as ACCESS card customers.

Farmers' markets have long been an important source of healthy foods, particularly in lower-income neighborhoods underserved by supermarkets. With proper policy changes and funding of an EBT system for farmers' markets, these markets can be an even better resource for customers most in need of access to fruits and vegetables.

### **V. Description of the people, organizations, marketing entities and/or communities that have benefited from the project's accomplishments:**

Many people, organizations and communities benefited from the project's accomplishments:

- Community residents of West Philadelphia benefited from using their ACCESS, credit and debit cards at the farmers' market to purchase fresh products.
- The farmers and other food vendors at the market benefited from the project in various ways. The farmers became familiar with, and comfortable using, wireless point-of-sale machines at the market. They saw first-hand the benefits of making ACCESS, credit and debit card sales convenient for market shoppers and benefited from the increased sales during the pilot program. This group of 20+ farmers can now also serve as advocates to farmers at other markets about the positive impact of wireless point-of-sale machines on market sales.
- One particular farmer at the Clark Park market had purchased a wireless machine for credit and debit card sales (prior to the pilot) and is now considering adding EBT capability to his machine in order to better serve his low-income customers.
- Another farmer, who recently began selling his products at farmers' market after a hiatus from direct sales, was encouraged by the sales he made during the pilot program and has now expressed interest in purchasing his own wireless machine.

## Final Report for the USDA FMPP Grant

Details on our collaboration with community partners, who supported this project in various ways and whose missions were similarly fulfilled by the expanding access to healthy food in this low-income community, are described in section VIII, below.

### **VI. Quantitative measure of the current or future benefits to be derived from the project:**

As a result of this project, The Food Trust's farmers' market staff has gained experience and expertise in the benefits and challenges of using wireless point-of-sale machines at farmers' markets. This knowledge will not only benefit The Food Trust's network of nearly 30 farmers' markets (and 100+ farmers), but will also be shared with the many organizations nationwide that contact The Food Trust regarding the use of SNAP/food stamp cards at market. In addition, The Food Trust's publications from the project (see detail below) will educate policymakers about both the benefits and current hurdles of accepting SNAP/food stamps at farmers' markets.

### **VII. Additional information available (publications, websites, and photographs):**

At the conclusion of the pilot project, The Food Trust developed and printed 750 brochures titled "Increasing Access: The Clark Park Farmers' Market SNAP/Food Stamp Pilot Program," outlining the need for the project, how the pilot was implemented, project outcomes, and lessons learned. These brochures have been distributed to some state legislators (most recently at the latest meeting of the National Conference of State Legislatures), as well as to the various farmers' market organizations across the country, which contact The Food Trust on regular basis with questions about accepting SNAP/food stamp cards at market.

Additionally, The Food Trust developed a supplemental resource guide titled, "Farmers' Market SNAP/Food Stamps Resource Guide," which has been distributed along with the brochure for those who request more in-depth information about the process of setting up wireless point-of-sale systems at farmers' markets. Both the brochure and the supplemental guide are available free of charge on The Food Trust's website, [www.thefoodtrust.org](http://www.thefoodtrust.org), and are enclosed with this final grant report. These enduring materials also will be sent via regular mail to the USDA FMPP staff.

### **VIII. Specific contributions of project partners:**

- **Greater Philadelphia Coalition Against Hunger (GPCAH).** GPCAH, which fights hunger in southeastern Pennsylvania through education, outreach, and advocacy, helped The Food Trust distribute posters city-wide promoting EBT use at farmers' markets through their office and with the help of their food pantry partners.
- **University City District (UCD).** The nonprofit UCD builds partnerships to maintain a clean and safe environment and to promote, plan, and advocate for University City's diverse, urban community. UCD helped The Food Trust publicize the Clark Park Farmers' Market and its ability to accept ACCESS/credit/debit cards during the pilot project.

## Final Report for the USDA FMPP Grant

- **Iowa Department of Human Services.** The staff of the Iowa Wireless Project (Jan Walters) was easily accessible by phone to provide technical consultation and troubleshooting advice during the project. The Iowa Wireless Project also shared their marketing materials with The Food Trust free of charge, which we adapted to create our own promotional materials for the market.

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# Increasing Access

THE CLARK PARK FARMERS' MARKET SNAP/FOOD STAMP PILOT PROGRAM

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## Farmers' Market SNAP/Food Stamps Resource Guide

### Should I accept SNAP/food stamps at the farmers' market I manage?

Yes. Although there are challenges to accepting SNAP/food stamps at farmers' markets, the benefits are many, including improving access to healthy foods among lower-income customers and increasing available revenue sources for farmers.

### How do I begin accepting SNAP/food stamps?

SNAP/food stamps are issued through the USDA Food and Nutrition Service and its nationwide network of FNS field offices. These local FNS offices are the first stop for accepting Electronic Benefit Transfer (EBT) at your market.

You'll need to fill out an application, which is available online through the FNS website, [www.fns.usda.gov/snap](http://www.fns.usda.gov/snap). Once you're approved, you are eligible to accept SNAP/food stamp swipe cards at your market and you will receive an FNS number. You will need that number to begin an account with a wireless machine vendor.

The FNS website also has many pages of useful information, including eligibility requirements, locations of FNS field offices, point-of-sale (POS) machine vendors and a list of the EBT program models found at farmers' markets across the country.

### Which wireless point-of-sale machine vendor should I use?

Farmers' markets are accepting the EBT card in different ways across the country but most of them involve a POS wireless machine. You will need to find a wireless services vendor, a company that can provide wireless machines plus the technology to process your sales transactions and deposit the EBT money into your bank account.

These wireless services vendors concentrate on credit and debit card transactions but most companies now have programs for accepting EBT cards and a few of them have services designed specifically for farmers' markets.

Two commonly used service providers are Total Merchant Services ([www.totalmerchantservices.com](http://www.totalmerchantservices.com)) and eFunds ([www.fidelityinfoservices.com](http://www.fidelityinfoservices.com)); both companies have worked with farmers' markets before and have service packages well-suited for starting an EBT program at an outdoor market.

We found the best way to find a wireless machine vendor is to shop around with specific questions for each company, questions that will make sure their services fit into your program.

Some questions to consider:

*How many steps does it take to complete a sale?*

With training, we found farmers and market managers can complete a sale within a minute. Bad signal strength or a worn-out card will affect that time. Few farmers had prior experience using a wireless POS machine yet 85 percent of our farmers said the machines were moderate to very easy to use.

*Can you deactivate the machines during the off-season? And how much will it cost to re-activate them in the spring?*

This can lower your yearly costs, but be aware of the deactivation and reactivation fees

*Can you borrow a machine to test its signal strength at the market?*

*Is the machine light and easy-to-store?*

*Is there a 24-hour help hotline, in case you have technical difficulties at market?*

*How long does it take for the sales money to appear in your bank account?*

Typically, this takes two to three days.

*Will you receive a clear, easy-to-read statement?*

## **How many machines do I need per market?**

Most of our markets have only one machine located at a central spot among the vendors. Signs are posted at the market manager's table and along the market to point the customers toward the machine.

Most of our markets have two to five vendors and the machine is never too far away to make for a fast and convenient EBT transaction.

For one pilot project, we supplied each of the vendors at a particular market with their own machine. This market had an average of 13 vendors. Customers could shop the market using their cards at each stand. With so many machines at the market, using an EBT card or credit or debit card became a quick and convenient process, and the results showed a tremendous increase in sales. Overall, EBT sales increased by over 100 percent and some individual farmers saw their annual SNAP/food stamp sales double.

We found that medium to large markets benefit substantially from having more than one machine.

## **What are some models for markets that have one point-of-sale machine?**

Every market and every state seems to have its own EBT system specifically designed for its organization, customers, vendors and space.

You can find a comprehensive list of EBT programs at the USDA Food and Nutrition Service website, [www.fns.usda.gov/snap/ebt/ebt\\_farmers\\_markstatus.htm](http://www.fns.usda.gov/snap/ebt/ebt_farmers_markstatus.htm).

Most states use the wooden token system: customers first stop at the market manager's table and use the POS machine to take out a supply of wooden tokens. The customers then shop using their tokens to buy their groceries. At the end of the market, the manager collects the tokens from the farmers and both farmer and manager keep track of the sales.

For our markets, we use a scrip system. EBT customers shop at the market and the farmers fill out a receipt that is relayed to the market manager. The manager processes the sale and signs the scrip and the customers receive their groceries.

## **Should I accept credit and debit cards at my market?**

Accepting credit and debit cards at the market adds an unpredictable, fluctuating curve to the monthly expenses because of transaction (credit: 1.78 percent; debit: \$0.35) and processing (averaging 4.1 percent) fees. These extra costs are usually paid by the farmers' market organization or the vendors themselves.

At one of our larger markets, every vendor accepted credit and debit cards through their own rented POS machines and it increased their overall sales by an average of 5 to 10 percent; The Food Trust paid the associated fees. Most farmers were happy to accept credit and debit cards. Our surveys showed that customers spent more at the market when using their credit and debit cards.

There are many factors that can help you decide whether or not to accept credit and debit cards. The locations of nearby ATM machines will be a good indicator; if the nearest ATM machine is inconvenient or if it charges a transaction fee, then customers may find it more convenient and less expensive to use their card at the market.

Farmers who run a CSA and farmers who accept pre-orders are more inclined to be in favor of accepting credit and debit cards. If you decide to accept other forms of electronic payment besides SNAP/food stamps, debit is a more cost-effective option than credit.

## **What costs should I expect?**

Every wireless provider has its own costs and fees. Some of the providers lump the different fees into one monthly charge; other companies will break down the costs into different categories.

The monthly charges can be broken down into the following categories:

*Equipment fees:* Rental charges for the machines. The Food Trust paid \$30 per machine per month; purchasing a machine is about \$900.

*Wireless rates:* A monthly cost for the wireless technology programmed into the machine. The Food Trust paid about \$65 per month.

*Transaction fees:* Most companies apply a transaction fee, a cost every time a card is swiped through the machine, for EBT cards (\$0.10 per transaction), credit cards (about 1.78 percent of purchase) and debit cards (\$0.35 per transaction).

*Processing fees:* These fees only apply to credit and debit card transactions. There is no processing fee for EBT sales. This was the most unpredictable portion of our monthly statements because each credit and debit card applies a different rate; the average was 4.1 percent of the purchase.

### **How do I track sales and farmers' reimbursements?**

The market manager should be responsible for tracking the sales through the POS machine. Farmers and customers should receive their own copies of the receipts to help double-check the accuracy of the market manager's reports.

Every vendor has a number that they enter into the machine during the sales transaction. This number helps keep track of each farmer's sales.

For our system, the sales money is deposited into our bank account. The market manager and the accounting department track the money coming into the account and reimburse the farmers on a monthly basis.

### **How can I advertise that the farmers' market accepts SNAP/food stamps?**

Signage at the market is crucial to the success of an EBT program. Customers should know that the market accepts EBT. Signs can be placed at the market manager's tables and at every farm stand along the market. Including EBT information on your flyers and website will increase use at the market.

You can also work together with the local FNS office, welfare agencies and anti-hunger organizations. These partners can help spread the word about farmers' markets and encourage buying nutritious food.

## The Challenges

The value of accepting SNAP/food stamps at farmers' markets is clear: the ability to process EBT transactions at a farmers' market improves access to healthy foods among the community's lower-income residents and adds to the farmers' revenues. And the Clark Park Farmers' Market pilot project showed that the easier it is to use an ACCESS card or other SNAP/food stamp swipe card, the more the customers will avail themselves of these important benefits, creating a vibrant farmers' market and a healthier community.

However, the EBT system is not designed for the farmers' market environment, requiring farmers' markets to invest start-up and monthly subscription costs not shouldered in a traditional supermarket environment. For instance, farmers' markets often require more expensive wireless point-of-sale technology, and, as the pilot program showed, multiple point-of-sale machines are ideal to encourage use of SNAP/food stamps. In addition, there is no current federal or Pennsylvania government program providing point-of-sale machines or EBT transaction fee relief, as there is for supermarkets. (See "Supermarkets vs. Farmers' Markets," at right.)

In the pilot program, The Food Trust absorbed those costs – upwards of \$3,500 in wireless point-of-sale machine rentals and EBT transaction fees (\$0.10 per transaction). Feedback indicated that farmers in the pilot program – even those who enthusiastically embraced EBT transactions – would be unlikely to undertake these costs themselves.

Accepting credit and debit added another \$1,200 to the cost of the pilot program due to high transaction (credit: 1.78 percent; debit: \$0.35) and processing (averaging 4.1 percent) fees. But this expenditure had the important benefit of removing any stigma associated with EBT transactions; credit and debit card customers were served the same way as ACCESS card customers.

Farmers' markets have long been an important source of healthy foods, particularly in lower-income neighborhoods underserved by supermarkets. With proper policy changes and funding of an EBT system for farmers' markets, these markets can be an even better resource for customers most in need of access to fruits and vegetables.

## The First Steps

### Should I accept SNAP/food stamps at the farmers' market I manage?

Yes. Although there are challenges to accepting SNAP/food stamps at farmers' markets, the benefits are many, including improving access to healthy foods among lower-income customers and increasing available revenue sources for farmers.

### How do I begin accepting SNAP/food stamps?

SNAP/food stamps are issued through USDA Food and Nutrition Services. The program's local field offices are

the first stop in the process of accepting SNAP/food stamps at your market. The USDA website, [fns.usda.gov/snap](http://fns.usda.gov/snap), has general resources on SNAP/food stamps but there are other farmers' market-specific questions to consider.

### Where can I find more information specifically for farmers' market managers?

See The Food Trust's Farmers' Market SNAP/Food Stamp Resource Guide at our website, [thefoodtrust.org](http://thefoodtrust.org), for more information.

## Supermarkets vs. Farmers' Markets

**Supermarkets** can apply for point-of-sale machines through USDA Food and Nutrition Services, which provides the EBT-only machines free of charge to eligible stores that average \$100 in monthly EBT sales and covers all transaction fees (\$0.10 per transaction).

**Large supermarkets** often process EBT transactions through the same point-of-sale machine and machine that handles credit and debit transactions, choosing to pay the \$0.10-per-transaction fee for the convenience.

**Farmers' markets** must purchase (about \$900) or rent (about \$30 per month) wireless point-of-sale machines and pay a wireless subscription fee and other associated fees (about \$65 per month), in addition to a \$0.10-per-transaction fee.

# Increasing Access

THE CLARK PARK FARMERS' MARKET SNAP/FOOD STAMP PILOT PROGRAM

## The Need for SNAP/Food Stamps at Farmers' Markets

For Rochelle Crespo, shopping at the Clark Park Farmers' Market is a no brainer. "I love the farmers' market. It has prompted me to try a whole lot of fruits and vegetables I would not have ordinarily tried," says Rochelle, who lives West Philadelphia. Rochelle uses an ACCESS card, the Pennsylvania-issued swipe card to redeem federal SNAP/food stamps, to buy fresh produce like butter lettuce and dandelion greens for her family.

In many lower-income neighborhoods, farmers' markets like the Clark Park market are the only source of fresh produce. The establishment of a farmers' market is also the quickest way to introduce healthier foods into communities that lack access to good food choices because they are underserved by supermarkets.

Lack of access to healthy, affordable foods has a direct, measureable impact on the health of all a community's residents – especially its children. According to the Centers for Disease Control and Prevention, almost one out of every six children is obese, a number that has tripled since 1980, and the statistics are even more worrisome among lower-income families living in poor food environments.

But the presence of healthy food in a community is not enough. Lower-income residents must also be able to afford these foods. For this, many turn to the SNAP/food stamp program. (Supplemental Nutrition Assistance Program (SNAP) is the official name for the program commonly known as food stamps.) In 2009, nearly 1 in 9 Americans relied on these benefits.

In 2002, the SNAP/food stamp program transitioned from offering benefits in the form of paper vouchers to an electronic swipe card, similar to a debit card. Government subsidies made this transition a free investment for traditional supermarkets, and the change made shopping in supermarkets more convenient for lower-income residents. But most farmers' markets are



The Clark Park Farmers' Market pilot program showed that making SNAP/food stamp redemption easier leads to increased access to healthy foods.

not equipped to accept SNAP/food stamp swipe cards – and few government programs exist to remedy this situation. As a result, many SNAP/food stamp customers do not have access the healthy food choices at their local farmers' market.

Since 2004, The Food Trust has accepted ACCESS cards at its Pennsylvania markets through wireless point-of-sale machines. However, the expense of the machines and related costs means that only one machine is available per market – an inconvenient and possibly stigmatizing process for accepting SNAP/food stamps. A recent pilot program undertaken at Clark Park Farmers' Market showed that making the SNAP/food stamp redemption process easier leads to increased consumption of healthy foods.

Clark Park  
Pilot Program  
Model  
Page 2

Customer  
And Farmer  
Feedback  
Pages 2 & 3

First Steps  
To Accepting  
SNAP/Food Stamps  
Page 4



## The Pilot Program

Responding to the needs of the West Philadelphia Clark Park community, The Food Trust conducted a pilot program designed to increase the use of SNAP/food stamps at the Clark Park Farmers' Market. The 10-year-old Clark Park market, which operates Saturday mornings year-round and Thursday afternoons from June to November, is a community hub for this economically and ethnically diverse West Philadelphia neighborhood.

To serve the area's lower-income residents, the market accepts SNAP/food stamps in the form of a swipe card, similar to a debit card, known in Pennsylvania as an ACCESS card.

Prior to the pilot program, ACCESS cards were accepted at the Clark Park market – as at other Food Trust farmers' markets – at one central location. To make an ACCESS purchase, a customer would select produce and receive a receipt from each farmer. Using those receipts, the customer would then checkout with the market manager, who operated the single point-of-sale wireless machine needed to complete the sale, a process called Electronic Benefits Transfer (EBT). After the sale was complete, the ACCESS customer returned to each farmer to collect the purchased produce.

In this pilot program, supported by a USDA Farmers' Market Promotion Program grant and conducted from June 2008 to February 2009, The Food Trust provided each of the Clark Park markets' 21

**The Food Trust rented and maintained point-of-sale wireless machines which allowed every farmer at the Clark Park Farmers' Market to accept SNAP/food stamps and credit and debit cards.**

farmers with a point-of-sale wireless machine, to be used at their stand. The Food Trust rented and stored the machines, offered training to the farmers on their operation and advertised the increased ease of shopping at the farmers' market with ACCESS cards.

In addition, the pilot program marked the first time that credit and debit cards would be accepted at any Philadelphia-area market, utilizing the same point-of-sale wireless machines.

For both EBT and credit and debit transactions, The Food Trust served as the middleman in the process. The Food Trust's farmers' market managers and finance department tracked sales, accepted electronic payment, covered associated fees and reimbursed farmers.

## The Results

The first goal of The Food Trust's nine-month pilot program was to improve access to healthy foods among lower-income customers by making shopping with an ACCESS (SNAP/food stamp) card more convenient and removing any stigma attached to the transaction.

During the pilot program, Clark Park market vendors saw a substantial increase in ACCESS card sales – and in ACCESS card users. Notably, one-third of ACCESS card users were new customers to the market. Overall, ACCESS card purchases at the Thursday market increased 74 percent over the previous year; ACCESS card purchases at the Saturday market increased 116 percent. And individual farmers reported even more dramatic increases, with some reporting a 200 percent increase in ACCESS card sales.

A secondary goal of the Clark Park Farmers' Market pilot program was to increase revenues for the market's farmers. Wider ACCESS card acceptance did increase sales, but ACCESS card sales still remained a small percentage of the farmers' overall monthly sales, averaging less than 1 percent of the total. Credit and debit card transactions were a slightly larger source of income for the farmers – averaging 4 percent of sales – with farmers reporting that customers using credit and debit cards spent \$15 to \$17 more per market visit.

Anecdotally, the response to the pilot program was positive. Although some farmers were initially reluctant

**Farmers at the Clark Park market saw a substantial increase in their SNAP/food stamp sales, with most reporting more than a 100 percent increase.**

to use the point-of-sale wireless machine – particularly the market's Amish farmers – and a few expressed concern about the time it would take to complete a transaction, most embraced it after training. Customers were enthusiastic about the additional payment options, commenting on the increased convenience of shopping with ACCESS and credit and debit cards.

ACCESS card sales, while lower in dollar amounts compared to credit and debit sales, accounted for a significant number of transactions. For example, in August 2008, ACCESS card sales accounted for 34 percent of money collected through wireless sales, but the number of ACCESS card transactions was almost equal to the number of credit and debit transactions. Although the amounts being spent were less, ACCESS cards were used just as often as credit cards for purchases of healthy foods during the pilot program.



The Food Trust's Clark Park Farmers' Market is a community hub for this economically and ethnically diverse West Philadelphia neighborhood.



"I had thought about [ wireless ] machines before but wasn't sure if I wanted to risk it...it was very worthwhile to see how many people would use it, especially the EBT folks."  
– Lem Christophel, Eden Garden Farm



"[The wireless pilot program] made shopping quicker... and it gave me time to speak with the farmers. They are able to tell you so much."  
– Rochelle Crespo, Clark Park ACCESS customer



Additional wireless machines made it more convenient for customers to shop with ACCESS cards at the Clark Park Farmers' Market – and increased the number of ACCESS card customers.



"For me, the Clark Park market is a wonderful resource for great fresh foods."  
– Thomas Dichter, Clark Park ACCESS customer



"I was able to serve so many more customers when we were able to accept ACCESS cards directly at our stand."  
– Lisa Hunt, Pennypack Farm