USDA Food and Nutrition Service
U.S. Department of Agriculture

Research Summary November 2021

Evaluation of the Implementation of Food Insecurity Nutrition Incentives (FINI): Final Report (Summary)

Background

The Food Insecurity Nutrition Incentives (FINI) grant program, established by Section 4208 of the Agricultural Act of 2014, provided $100 million to fund and evaluate projects that were intended to increase fruit and vegetable (F&V) purchases among United States Department of Agriculture, Supplemental Nutrition Assistance Program (SNAP) participants by providing incentives at the point of purchase. FINI grantees were required to match 100 percent of their grant funds. During Fiscal Years 2015 to 2018, a total of 114 grants were awarded to State and local governmental entities, and nonprofit organizations for (1) pilot projects, not to exceed $100,000 and 1 year (44 grants); (2) community-based projects, not to exceed $500,000 and 4 years (46 grants); and (3) large-scale projects of $500,000 or more and not to exceed 4 years (24 grants). The projects varied by grantee on the amount of incentives offered and the types of SNAP-eligible food items allowed for earning or redeeming incentives.

This report presents findings from the process evaluation of 70 large-scale and community-based grants implemented by 58 grantees at participating SNAP retailers. The pilot projects are not included in this evaluation. Findings from the outcome evaluation on the impact of FINI on fruit and vegetable purchase and consumption were presented in the interim report.[1]

Key Findings

- FINI retailers were present in 42 States and the District of Columbia.
- The majority of FINI retailers, 57 percent, were farmers markets.
- Overall, 71 percent of FINI incentives issued were redeemed.
- Redemption rates were higher at retailers that specialized in selling F&V.

Methods

Data was collected from grant applications, a survey of FINI retailers, Core Program Data (CPD) provided by FINI grantees, and interviews with grant administrators. CPD was collected over 17 calendar year quarters (quarter 2 of 2015 through quarter 2 of 2019) from 58 grantees who received large-scale and community-based grants.

Findings

FINI Grantees

FINI grantees offered incentives at 3,052 retailers for at least one quarter during the study period. The majority of the 58 large-scale and community grantees began implementing FINI at participating retailers in the second or third quarter of the calendar year they received funding.

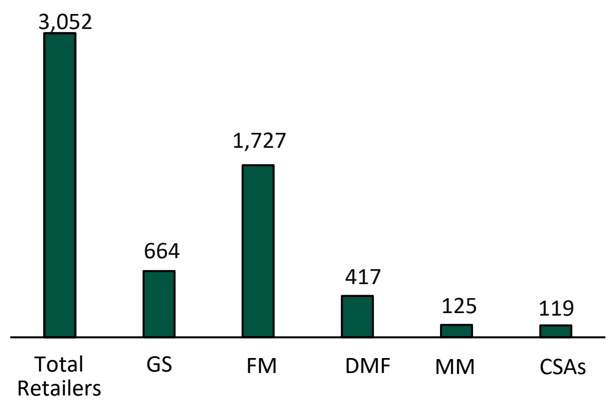
Most grantees implemented incentives as either rebates or discounts, and some grantees varied the form of incentive by retailer type. Rebates (46 grantees) could be redeemed with a future purchase, while discounts (42 grantees) reduced the price of F&V at the point of sale. F&V prescription programs were less common (12 grantees). Prescription programs provided vouchers written by a health care provider for SNAP participants to redeem for the prescribed amount of F&V at a participating retailer with no purchase necessary.

Over half of the grantees provided an incentive for F&V purchase with the purchase of any SNAP-eligible product. Many of these grantees, however, implemented FINI at farmers markets selling limited SNAP-eligible food products other than F&V. Thirty grantees provided incentives to buy F&V when a participant purchased F&V. Some grantees had more

[1] Vericker et. al. 2019 (https://www.fns.usda.gov/research-analysis).

than one form of incentive depending upon the type of retailer. Only one grantee with 284 retailers structured its program so an incentive earned on the purchase of F&V could be redeemed on any SNAP-eligible food item.

Figure 1: Number of retailers operating FINI across the 58 grantees



Note: FINI = Food Insecurity Nutrition Incentives; GS= Grocery Stores; FM=Farmers Markets; DMF=Direct Marketing Farmers; MM=Mobile Markets; CSAs=Community Supported Agriculture

FINI Retailers

FINI retailers were present in 42 States and the District of Columbia. The largest concentrations were in California, Michigan, and Massachusetts.

The majority of FINI retailers, 57 percent, were farmers markets. The next largest group was grocery stores (22 percent). Direct marketing farmers, mobile markets, and community supported agriculture (CSAs) made up a smaller portion of the FINI retailers (Figure 1).

Eighty-five percent of FINI retailers operated in urban areas. On average, 19 percent of households had incomes below the Federal poverty level in neighborhoods with a FINI retailer, and the unemployment rate was about 7 percent.

The majority of FINI grantees, but only about a third of FINI retailers, had previous experience with a SNAP-based incentive program (SBIP). However, this experience was not uniform by retailer type. About half of farmers markets had previous SBIP experience, likely due to the 2010 farmers market incentive blanket waiver, which allowed farmers markets to provide incentives to SNAP participants. Conversely, only about 6 percent of grocery stores had previous SBIP experience.

At about two-thirds of FINI retailers, SNAP participants earned incentives for purchasing F&V with the purchase of any SNAP-eligible food item. Almost a quarter of all retailers required participants to purchase F&V to earn incentives that could be redeemed on qualifying F&V. About half of FINI retailers (53 percent) limited incentives for the purchase of fresh produce.

Eighty-five percent of retailers provided an incentive at a $1:$1 match. In other words, for every dollar of SNAP benefits redeemed, the participant would receive $1 in incentive. Grantees indicated that simplicity and continuity with prior programs was the reason for this decision.

Incentives Issuance and Redemption

Overall, 71 percent of FINI incentives issued were redeemed. Out of $50.2 million issued in incentives, $35.5 million were redeemed. Grocery stores issued the most incentives ($25 million), while farmers markets redeemed the most incentives ($20 million). Redemption rates were higher when incentives were provided as an electronic point-of--sale discount compared to coupons for later use.

Redemption rates were higher at retailers that specialized in selling F&V. The rates were 93 percent at farmers markets, 89 percent at direct marketing farmers, 98 percent at mobile markets, and 97 percent at CSAs. The redemption rate was much lower at grocery stores (51 percent).

Both grocery stores and farmers markets that redeemed more benefits tended to be in more urbanized areas, offer incentives on more days per week, offer larger incentives (match rates of $1:$1 or more) and had prior experience providing SNAP-based incentives.

For More Information:
Vericker, Tracy, Sujata Dixit-Joshi, Lindsay Giesen, et al. *Evaluation of the Implementation of Food Insecurity Nutrition Incentives (FINI): Final Report.* Prepared by Westat, Inc. for the U.S. Department of Agriculture, Food and Nutrition Service, November 2021. Project Officer: Eric Sean Williams. Available online at: [www.fns.usda.gov/research-and-analysis.](www.fns.usda.gov/research-and-analysis)