

**EVALUATION OF FOOD INSECURITY NUTRITION INCENTIVES (FINI)  
INTERIM REPORT (SUMMARY)**

**Background**

The Food Insecurity Nutrition Incentive (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 purchases among Supplemental Nutrition Assistance Program (SNAP) participants by providing incentives at the point of purchase. Grants were awarded in Fiscal Years (FYs) 2015, 2016, 2017, and 2018 to State and local governmental entities and nonprofit organizations for (1) pilot projects, not to exceed \$100,000 and 1 year; (2) community-based projects, not to exceed \$500,000 and 4 years; and (3) large-scale projects of \$500,000 or more and not to exceed 4 years. Organizations receiving grants in FYs 2015, 2016, and 2017 implemented FINI projects at approximately 2,600 retailers; most were farmers markets and grocery stores. The projects varied by grantee on the level of incentives offered and which items were eligible for earning or redeeming incentives.

The independent evaluation measured the impact of FINI on two primary outcomes, increasing fruit and vegetables: (1) expenditures and (2) consumption among SNAP households, and on several secondary outcomes. The pilot projects are not included in the evaluation. This report presents the results of the process evaluation and outcome evaluation through September 2017.

**Methodology**

The process evaluation describes program models, contexts in which they operated, and grantees' implementation experiences. Data was collected from grant applications, a survey of FINI retailers, Core Program Data provided by FINI grantees, and interviews with grant administrators.

The outcome evaluation assessed the impact of the incentives on fruit and vegetable purchase and consumption, as well as SNAP participants' awareness and receipt of incentives. Data was collected through a baseline and a 6-month follow-up survey with SNAP participants.

The evaluation design compared SNAP households living near FINI retailers (treatment groups) to SNAP households living in similar areas with comparable SNAP retailers that did not offer FINI incentives (comparison groups). There were separate treatment and comparison groups for farmers markets and grocery stores. The groups were further divided by whether or not the SNAP household had shopped at the FINI retailer in the past year, resulting in four treatment groups:

- Farmers Market General (FMG): SNAP households living near a FINI farmers market.
- Farmers Market Shoppers (FMS): SNAP households living near a FINI farmers market and had shopped at that market in the past year.
- Grocery Store General (GSG): SNAP households living near a FINI grocery store.
- Grocery Store Shoppers (GSS): SNAP households living near a FINI grocery store and had shopped at that store in the past year.

For each treatment group, there was a matched comparison group of SNAP participants living in similar areas without FINI retailers.

Because the grantees varied significantly in the way the incentive programs were operationalized, such as incentive levels and eligible items, the evaluation could not assess results at the granular level and focused on the outcomes of the broader retailer types as described above.

## Findings

### *FINI Outcomes*

**FINI increased fruit and vegetable purchases by 12 to 16 percent in three of the treatment groups.** FINI increased household expenditures on average by \$15.32 (16.3 percent) for the FMS group, \$9.37 (12.5 percent) for the GSG group, and \$9.90 (14.4 percent) for the GSS group. However, about one-quarter to one-half of SNAP households in the four treatment groups reported spending less of their own money on fruits and vegetables as a result of FINI.

**FINI did not result in a statistically significant increase in SNAP participants' consumption of fruits and vegetables.** Three of four treatment groups had a small, but non-significant increase in consumption. The fourth group, FMG, showed a slight non-significant decrease in fruit and vegetable consumption.

**The use of FINI incentives was low across most treatment groups.** While 58 percent of the FMS group used incentives, only 15 percent of the FMG did use them. For grocery stores, about a quarter of the GSS group used incentives, while only 18 percent of the GSG group did use them.

**Awareness of FINI incentive programs tended to be low.** While 68 percent of the FMS group were aware of FINI, only 31 percent of the FMG group were aware. At grocery stores, 50 percent of the GSS group were aware of FINI, while only 39 percent of the GSG group were aware of FINI.

**The overall redemption rate for FINI incentives was about 82 percent.** For many retailers, redemption rates and issuance were slow at implementation and improved over time.

### *FINI Retailers and Operations*

**Sixty-two percent of FINI retailers were farmers markets (1,619 markets) and 17 percent were grocery stores (440 stores).** Direct marketing farmers (342), mobile markets (104), and for Community Supported Agriculture (CSA) programs (100) made up the rest of the retailers.

**Seventy-five percent of FINI retailers offered an incentive based upon the purchase of any**

**SNAP-eligible item, but these incentives could only be redeemed on qualifying fruits and vegetables.** These retailers were mainly farmers markets that offered few SNAP-eligible products that were not fruits and vegetables. Overall about half of the retailers limited redemption to fresh fruits and vegetables, and 44 percent limited redemption to local produce.

**The typical match rate for FINI incentives was \$1 to \$1.** Grantees reported that match rates needed to be easy to understand and consistent with rates on pre-FINI incentive programs. Over 75 percent of FINI retailers imposed a maximum on the value of incentives that could be earned.

**Many retailers had previous experience with incentives programs, but those that did were mainly farmers markets.** About half of farmers markets had prior experience with incentives, whereas only 20 percent of mobile markets, 11 percent of CSAs, 10 percent of direct marketing farmers, and 6 percent of grocery stores had prior experience with incentives.

**FINI retailers were located in most regions of the country with the exception of parts of the upper Midwest and the South.** The States with the most FINI retailers were California (336), Massachusetts (291), and Michigan (288).

**FINI retailers were overwhelmingly located in urban areas.** About 70 percent of FINI retailers were in urban cities, 14 percent were in urban towns, and 15 percent were in rural areas.

**FINI incentive programs generally operated in low-income neighborhoods with high rates of unemployment and SNAP participation.** In these neighborhoods, about 20 percent of households were below the poverty line, and on average, unemployment was around 9 percent.

## For More Information

Vericker, Tracy, Sujata Dixit-Joshi, Jeffrey Taylor, et al. *The Evaluation of Food Insecurity Nutrition Incentives (FINI) Interim Report*. Prepared by Westat, Inc. for the U.S. Department of Agriculture, Food and Nutrition Service, May 2019. Project Officer: Eric Sean Williams. Available online at: <https://www.fns.usda.gov/research-analysis>