Double Up Experience in Rural Michigan

Fair Food Network works at the intersection of food systems, sustainability, and social equity to develop solutions that support farmers, strengthen local economies, and increase access to healthy food – especially in underserved communities. Double Up Food Bucks (Double Up), a project of Fair Food Network, matches SNAP (formerly food stamps) benefits spent at participating retail locations with additional funds for the purchase of fresh Michigan grown fruits and vegetables. The Double Up program began in five Detroit farmers’ markets in 2009 and has expanded to more than 150 farmers’ markets, mobile markets, food share programs, and grocery stores around the state. This is the second of a series of papers that will look at three years of program data through a variety of lenses and discuss their implications for policy. The first in the series analyzed the SNAP consumer’s experience using Double Up Food Bucks and the impact the program can have on diet, food environment, and behavior. Future reports will include a discussion of how the Double Up program works in grocery stores, the results of a pilot integrating several nutrition programs in one county’s farmers’ markets, and technology options that markets and grocery stores can use to implement SNAP incentive programs.

One of the most exciting trends of the past three years has been the Double Up Food Bucks program’s growth in rural Michigan.* In 2014, more than one-third of the farmers’ markets that participated in the program were in communities of fewer than 50,000 people, and 50 of these markets were in rural communities with populations of less than 20,000. Almost 20 percent of the SNAP and Double Up dollars were spent in these markets last year, and 34 new rural markets and farmstands joined the program in 2015. Rural residents also used Double Up incentives at higher rates than urban shoppers, which may dispel myths that farmers’ markets are an affluent urban phenomenon. While much has been written about food deserts and the connection between poverty, low food access and high rates of chronic disease, most of the studies and projects have been conducted in big cities. Poverty, poor health, and limited access to healthy food are often more acute in rural communities where isolation and limited public and private sector resources make these challenges harder to fight.† Several years of independent evaluations and more than 500 customer and farmer surveys, as well as data on SNAP and Double Up transactions in rural Michigan markets, indicate that the program is having multiple, tangible positive effects. Doubling federal nutrition benefits when they are spent on produce from local farmers keeps more food dollars in the local economy and helps low-income rural consumers overcome barriers to healthy eating. The program’s approach is holistic and it is in rural Michigan where the power of an integrated design that meets families’ food needs while also getting at the lack of economic activity that leads to poverty can be seen most clearly.

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* USDA defines “rural” as a community of fewer than 50,000 people. This means there are some larger communities that are classified as urban for our purposes even though they are in counties considered rural using Metropolitan Statistical Area (MSA) definitions.
RURAL CONSUMERS

Rural Michigan was hit hard by the Great Recession. Fifty-three rural counties in the state have fewer jobs now than they had in 2007, and poverty rates are greater than 22 percent in nine of these counties. The problem is most acute among children, with as many as one in three rural kids experiencing hunger in 2014. Poverty takes a long-term toll on health, and increasingly the chronic conditions from which Americans suffer – particularly low-income Americans – are diet related. Thirty-five percent of rural Michiganders are obese and rural counties are near the bottom of state rankings for health and wellbeing. While surveys reflect that shoppers know that eating produce is important, 37 percent of Michiganders do not eat one portion of fruit per day and almost one in four does not eat a vegetable daily.

The Double Up program is designed to make it as easy as possible for low-income families to buy and eat local fresh produce. For every dollar in SNAP benefits a family spends at a participating farmers’ market, they receive an additional dollar to buy fresh fruits and vegetables. Since low-income families spend as much as 36 percent of their total income on food, these additional dollars are crucial to provide families the extra margin they need to buy food that will support long-term health rather than maximizing calories as inexpensively as possible.

By linking the new Double Up dollars to purchases of local produce, the incentives also redirect federal SNAP benefits to regional farmers, helping to stimulate the establishment of new markets and to encourage existing markets to become authorized to accept SNAP. Sixty-six percent of Double Up’s rural markets started accepting SNAP in just the last three years, and 35 of these markets are in the smallest rural communities. Double Up simultaneously increases low-income families’ buying power and helps create access to healthy food retail in rural communities, which is critical in towns that have lost their local grocery stores.

Even with money and access, shoppers can choose not to buy fresh produce if they feel stores are not clean, if the produce for sale is not high quality, or if they do not feel that personnel value their business. Studies have shown that obesity rates are significantly lower in rural areas with farmers’ markets and that mortality rates are inversely associated with higher per capita direct farm sales. There are multiple reasons for this, but the outsized role a farmers’ market can play in fostering a healthy eating culture is worth exploring more fully.

Double Up consumer data indicate that shoppers like the program and feel that it improves their diets. In 2014, 302 Double Up shoppers at rural markets responded to written customer surveys. Of the 224 shoppers who answered a question asking how the program had affected their diets, 90 percent said that they were eating more fruits and vegetables because of the incentives, and 68 percent of respondents said that because of the program they were eating fewer potato chips, candy and cookies. Farmers’ markets are also meeting Double Up shoppers demands for high-quality food: 97 percent of shoppers said that the quality of produce at the market was better than where they usually shop, 93 percent said that the selection was better, and 83 percent said that prices were either cheaper or the same as where they usually shop.

Rural shoppers use the Double Up program intensively. Redemption rates have never been lower than 90 percent in the rural farmers’ markets and have been as high as 99 percent in some communities. Only 15 percent of shoppers used the Double Up program just once, 28 percent used it two or three times and 58 percent four or more times. This high use rate and multiple visits to participating markets have been consistent for five years and exceeds that in urban areas.

Double Up appears to be effectively addressing the practical reasons rural consumers most often cite for not buying produce – its cost, accessibility, quality, and comfort in the retail setting. Customers state that they enjoy their interactions with farmers and feel good that their purchases are helping to support them. Many markets offer cooking and nutrition activities, and in some
Extension Service nutritionists provide tours that explain how to use different federal nutrition benefits in the markets.

It appears that Double Up can successfully connect low-income shoppers with local farmers by helping overcome some financial and geographic hurdles that they both face. Markets also foster supportive social networks that can build a civic culture necessary for stronger and more resilient communities. Future research could look at why rural SNAP participants use the Double Up program more than their urban counterparts, whether seasonal incentives lead to long-term dietary change, and whether increased fruit and vegetable purchases in farmers’ markets carry over to grocery store shopping.

RURAL PRODUCERS and ECONOMIES

The Double Up program results look as promising for participating farmers as they do for rural SNAP shoppers. The SNAP and Double Up dollars that flow through Michigan farmers’ markets benefit not only farmers, but the entire local economy. Responses on self-administered surveys from 356 farmers selling at 68 Michigan farmers’ markets in 2014 confirm the data from three years of independent evaluations, as well as sales data since 2009: Double Up supports the proliferation of markets, expands their customer base, and increases direct spending by producers. This indicates that the program can support local economic development and job creation that can grow into a self-sustaining cycle of community self-help.

The number of farmers’ markets in Michigan has increased from only three in 2006 to more than 300 today, half of which are authorized to accept SNAP. The development of strong farmers’ markets allows farmers to capture a larger share of the consumers’ food dollars, while the Double Up program introduces a new community of consumers to these markets. The incentive helps markets diversify their customer base, increase their long-term financial stability and establish their place as important components of the local food retail economy.

Last year the state’s farmers received more than $1.6 million in SNAP dollars, the third highest level of SNAP use in farmers’ markets in the country even though eight states distributed more in SNAP benefits. Double Up has been directly responsible for at least $7 million in SNAP and incentive sales in farmers’ markets in the last five years – representing $7 million in new income and spending power for the 1,000 Michigan farmers that participated in the program each year.

Studies by Michigan State University in 2006 and 2008 assessed the economic development potential of a theoretical increased localization of the state’s fruit and vegetable sector. They found that there was the potential to create between 1,800 and 1,900 new jobs and generate between $187 million and $211 million in new income in Michigan. Fair Food Network ties Double Up to the purchase of Michigan fresh fruits and vegetables in a bid to help the state realize this potential. As the program expands to operate in grocery stores, the goal is to extend the economic impact to the state’s mid-sized farmers that sell into wholesale rather than direct markets.

In 2014, 63 percent of 356 surveyed farmers reported that they were making more money because of Double Up. The economic development value of new income is greatest when farmers spend earnings in their local rural communities. Studies looking at where producers buy their inputs find that 50 to 95 percent are purchased locally. In-depth evaluator interviews with six farmers participating in Double Up in 2013 found that all purchased almost all of their farm inputs either in their home county or in an adjacent rural county. This indicates a high potential local economic impact.

In 2013, 46 percent of Double Up producers selling in rural markets said that they had purchased new equipment because of the program. Thirty-three percent said they would put more land into production to meet new demand, and 60 percent said that they had started using season extenders because of the program. In 2014, an additional seven percent had or would purchase new equipment, 16 percent will use season extenders, and 14.5 percent have or will increase their acreage. This new production and longer season means farmers are investing their new
income in inputs most of which they are buying from local rural businesses. Local business expansion is crucial in a state with a rural unemployment rate of almost 10 percent.  

All the SNAP and Double Up income earned in farmers’ markets around the state is important to rural economies; but the potential power of the direct producer-consumer relationship Double Up creates is easiest to see at markets in farmers’ home communities where the SNAP shoppers buying food are the producers’ neighbors. In 2010, $1,000 in SNAP and Double Up dollars were spent at the single farmers’ market participating in rural Michigan. By 2014, SNAP and Double Up shoppers spent more than $300,000 at 56 participating rural markets.

Each successful farmers’ market creates an average of four new jobs, and every dollar spent at a market creates an estimated $2.80 in local economic activity. 9 Rural businesses near markets also get a boost, as market shoppers stroll and spend money. 10 In addition to jobs created at or near rural farmers’ markets, 10 percent of Double Up farmers reported in 2014 that the increased market volume the program created had required them to hire extra workers.

Just as farmers’ markets can introduce consumers to healthier foods, farmers’ markets are often the first retail outlet for beginning farmers. To the extent that the Double Up program helps keep these markets viable, it also supports the success of beginning farmers in Michigan. The Double Up program appears to maintain demand during the summer, support the extension of the market season, boost farmer income, and stimulate sales at rural businesses. The program’s economic impact looks promising and offers tantalizing avenues for future research. How many of the participating producers are beginning farmers or come from historically disadvantaged groups? Do rural shoppers continue to come to market when they no longer receive incentives, keeping those food dollars from leaking out of the local economy? Has the growth of rural farmers’ markets stimulated increased local purchasing by institutions, restaurants or stores? How much are participating farmers spending on new farm inputs, and how many of the purchases are made locally? How does the program’s economic impact on rural communities change over time, and what specific effects have local businesses seen as a result of the incentives? With support from USDA’s Food Insecurity Nutrition Incentive Program, Fair Food Network will continue to collect data on the Double Up program that should help answer these questions.

7 Bittstein, J.L., Snider, J., and Evans, W.D., “Perceptions of the food shopping environment are associated with greater consumption of fruits and vegetables.” Himmelfarb Health Sciences Library, The George Washington University Health Sciences Research Commons Prevention and Community Health Faculty Publications. June 2012.
17 18 https://www.raconline.org/states/michigan.