A Produce Incentive Application by snap2save

Snap2Save

Snap2Save is building the retail healthcare incentive and data infrastructure of the future, by deploying retail technology that enables rewards for the purchase of healthy foods and fresh produce incentive programs, without requiring integration into the retailer's POS system.

Snap2Save's incentive and data aggregation platform streams shopper data directly to the cloud, in real time from the retail point-of-sale, for basket analysis and shopper rewards, providing critical analytics and actionable insights.

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Snap2Save is testing its new application, which automates and supports the USDA SNAP produce incentive program popularly known as Double Up Food Bucks. The test in being conducted in partnership with Double Up Food Bucks Colorado, a LiveWell Colorado Initiative, at a store owned by Leevers Supermarkets. The program is designed to provide SNAP (Supplemental Nutrition Assistance Program) shoppers with matching funds for the purchase of fresh produce.

In the past, Double Up Food Bucks programs were often paper-based and highly manual, and if electronic, provided shoppers with a 50% discount on qualifying items. While such discounts are certainly valuable, they do not create the opportunity for SNAP shoppers to access fresh produce later in the month, when the cupboard is bare. Snap2Save's technology, however, is fully automated, analyzes basket data in real-time, identifies qualifying items (fresh produce and dried beans), and dynamically generates a matching voucher - to the penny. And more importantly, vouchers can be instantly redeemed, or saved for later and used at a greater time of need, often late in the month.

The test has only been running for four months, but trendline statistics are extraordinary, with the promise of continued growth:

· **The purchase of fresh produce and dried beans** as a percentage of all SNAP baskets with produce, not just those redeeming vouchers, has risen from 16.16% in Month 1 to 22.17% in Month 4, a dramatic 37% increase.

· **The number of vouchers redeemed** has risen from 14.18% in Month 1 to 33.19% in Month 4. And redemption by cash value has climbed from 13.52% to 38.06%, indicating that shoppers are redeeming the highest value vouchers, an economically rational indicator. Strategies to further drive redemption are being tested and implemented.

· **End-of-month shopper behavior patterns** are beginning to emerge, showing redemption by cash value spiked to 51% in the last week of Month 3 and 46.08% in the final week of Month 4. Additionally, shoppers redeemed multiple vouchers on single purchases during these periods. Both behaviors indicate that vouchers are seen as healthy food savings accounts, and being used at the neediest time of the month, when benefits are low, making fresh foods scarce.

Overall, shoppers have been very receptive to the program, as the increase of fresh produce and dried beans in SNAP baskets indicates. When a voucher prints immediately after a transaction receipt, the cashier brings it to the shopper's attention and explains it's 'just like money.' One employee likened the reaction of shoppers to getting an unexpected gift.

Behavioral trendlines indicate that SNAP shoppers are using vouchers in a manner most beneficial to their families, and Leevers Supermarkets has seen an increase in both sales and gross margins. Chris Leevers, SVP of Marketing said "It's an amazing program that helps families in need eat healthier, while increasing sales." And Amy Nelms, who manages the statewide program at LiveWell, explained that with rising rates of food insecurity reaching 30% of the state's population, programs like these are critical to ensure access to healthy foods and "this innovative partnership with Snap2Save means we can help ensure that families do not have to compromise on putting fresh, healthy produce on their plates."