

Survey of SNAP Food Providers in Eight Kentucky Counties

GETTING THE WORD OUT: COMMUNICATION METHODS

Authored by* Kang Namkoong, Karen Fawcett, Daniel Kahl, Jayoung Koo, and Jairus Rossi

In 2018 a survey was conducted of stores accepting SNAP electronic benefit transfer (EBT) cards in the Kentucky counties of Bourbon, Boyle, Breathitt, Jackson, Knott, Lincoln, Madison, and Owsley. The survey was a component of research conducted by CEDIK at the University of Kentucky, in conjunction with the Kentucky Grocers and Convenience Store Association to gain a better understanding of local food environments and to learn more about grocery store policies and practices. The reports in this series explore the challenges and practices of stores that accept EBT cards and the implications for local food access in the study area. All the participating counties represent areas of high eligibility for participation in the federal SNAP programs.

Two hundred and sixty surveys were sent by mail with a pre-paid return envelope to the addresses of stores provided by the USDA SNAP website¹ listing stores that accept SNAP EBT cards. Surveys went to one hundred and sixty-eight addresses in the Central Kentucky counties (in dark blue on map above), and fifty-one addresses located in the Eastern counties (in lighter blue). Sixteen percent of the total initial mailing were returned undelivered. Twenty-eight surveys, or twelve percent of the deliverable surveys, were completed and returned. Surveys were completed by the store owners, managers, or a designated representative.

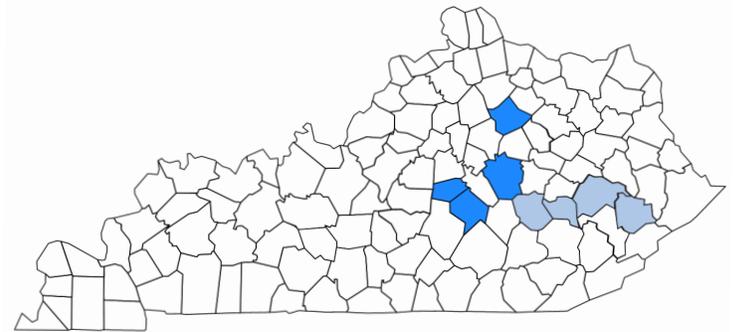


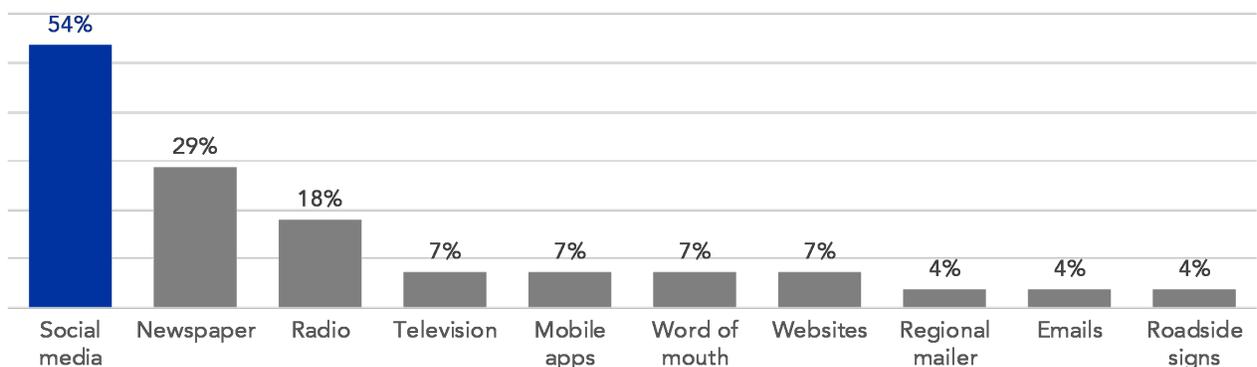
FIGURE 1. KENTUCKY COUNTIES PARTICIPATING IN SURVEY.
 Central Kentucky: Bourbon, Boyle, Lincoln, and Madison (darker blue)
 Eastern Kentucky: Breathitt, Jackson, Knott and Owsley (lighter blue)

Methods of Store Advertising

When asked about the methods food providers use to advertise their business, stores noted that the single greatest source of advertising is Social media (57.1% of surveyed) followed by Newspaper advertising (28.6%) and Radio (17.9%). See graph below. Other methods of advertising mentioned included: Television (7.1%), Apps for mobile devices (7.1%), Word of mouth (7.1%), Website (7.1%), Regional mailers (3.6%), Emails (3.6%), and Roadside signs (3.6%) (Figure 2).

The use of Social media was not only widely adopted, but also perceived as the most effective advertising method. Among fifteen grocery market owners who identified the most

FIGURE 2. STORE ADVERTISING METHODS OF SNAP FOOD PROVIDERS.



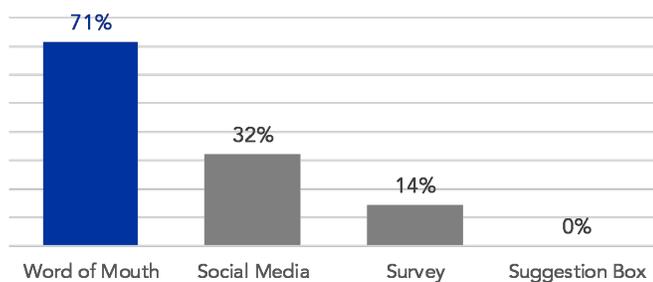
¹ <https://www.fns.usda.gov/snap/retailerlocator>

effective method for reaching out to customers, eight owners (53.3%) answered social media can get the word to the most people. Other methods that reach the most customers were ranked as: Newspaper (20.0%); Radio (13.3%); Word of mouth (13.3%), Television (6.7%) and Email (6.7%).

Customer Feedback

Business owners understand the importance of listening to their customers. The methods they use to do this vary. When asked how food providers collect customer feedback, most did not have a formal system. Word of mouth (71.4%) was the most frequently used method to collect customer feedback, indicating that customers would let them know if there was a problem by saying something. The second highest method of response was through social media (32.1%). A very small percent received written feedback through surveys (14.3%), and none of the businesses collected written suggestions in the store (Figure 3).

FIGURE 3. METHODS OF CUSTOMER FEEDBACK COLLECTION OF SNAP FOOD PROVIDERS.



Positioning

Grocery owners were also asked what they wish customers knew about their stores, a core question for their positioning in the market. Their answers are important in sale promotion, because they become the touchstone for every way they communicate with their customers or prospects. From the sixteen open-ended responses, six positioning concepts were identified: (1) *freshness of their products* (e.g., “we have a fresh meat and fresh produce department,” “availability of local produce during the appropriate seasons,” “freshness

of all we carry,” etc.), (2) *a variety of items/ volume of goods* (e.g., “wide variety meat deli produce,” “we offer a variety of items,” “volume of goods,” etc.); (3) *customer service* (e.g., “clean,” “friendly,” “we can special order items that may not see on our shelves,” “we have free cooking demos,” etc.); (4) *reasonable price* (e.g., “we do not set our retail based on a huge margin or gross profit. In fact, it is a small margin of profit to operate,” “our prices are much lower on groceries than most smaller stores,” etc.); (5) *convenience* (e.g., “offer them a convenience of having a store in their community for their needs,” etc.); (6) *community value* (e.g., “locally owned,” “How much we do in the community through donations and charity,” etc.).

Among the positioning concepts, *freshness*, *a variety of items*, and *customer service* were the terms used most (six times). *Reasonable price* was mentioned four times, and *convenience* and *community value* were mentioned three times.

FIGURE 4. MARKET POSITIONING OF SNAP FOOD PROVIDERS.



Summary

While survey response numbers are small, this report lends important insight into local groceries’ marketing communication in the sampled counties of central and eastern Kentucky.

The survey responses reported here provide four key points of learning. First, the survey shows that grocery owners in central and eastern

Kentucky believe social media is the most effective communication tool to reach out to customers, with more than half of respondents indicating social media can get the word to the most people. The difference in marketing usage and perceived effectiveness between social media and other traditional communication channels was quite drastic with only 20% believing newspaper was the most effective marketing communication channel.

Second, accordingly, social media was the most frequently used communication channel for the grocers in order to advertise their business, with newspaper advertising the second highest source of advertising.

A third important discovery related to how grocery stores sought customer feedback. Most stores did not have a formal or defined system in place to collect feedback from their customers. Of those that did identify a method of feedback, word of mouth was identified most frequently, while social media was the second highest method (32.1%).

Finally, in survey responses, the grocery stores emphasized a desire for customers to associate product quality with the store more than community involvement. For example, when asked about market positioning, freshness and a variety of items were the terms most frequently mentioned (six times). In contrast, convenience and community value were mentioned three times.

In sum, this report shows social media has been regarded as an effective promotional tool in communicating with current and potential customers in the eight counties of central and eastern Kentucky. It is a very promising trend, considering the rapid increase in the internet access in rural and remote communities. At the same time, the survey also shows word of mouth (WOM) is still a dominant communication channel in terms of getting customer feedback.

The combination of the two communication methods (i.e., social media and WOM) has a great potential for the marketing promotion of local food groceries. People are more inclined to believe WOM marketing than more formal advertising means, because they tend to believe that the communicator (e.g., their family members, friends, or neighbors) is speaking honestly. In addition, there is ample evidence that social media is one of the most effective channels to enhance word of mouth marketing effect, connecting on- and offline communication networks in the community. Therefore, the stores can make a great synergy effect between the two communication methods if they develop a good relationship with loyal consumers and encourage them to share their feedback both online and in person. This use of social media and WOM could amplify the effect of the stores' marketing efforts in the local market.

**Authors and affiliations:*

Daniel Kahl, Ph.D. Department of Community and Leadership Development, University of Kentucky

Jayoung Koo, Ph.D. Department of Landscape Architecture, University of Kentucky

Kang Namkoong, Ph.D. Department of Communication, University of Maryland

Jairus Rossi, Ph.D. Department of Agricultural Economics, University of Kentucky

Karen Fawcett, Community and Economic Initiative of Kentucky, University of Kentucky

Note: A series of publications on the Survey of SNAP Food Providers in Eight Kentucky Counties can be found at cedik.ca.uky.edu/pse-survey

The publications in this series were developed with support from SNAP-Ed.