REQUEST FOR BRIEF PROPOSALS

2016 Special Solicitation WIC Grants:

Improving the WIC Shopping Experience Using Behavioral Economics-Based Approaches

Funding for the Period from January 1, 2017 to December 31, 2017

Deadline for brief proposal receipt: August 12, 2016 by 5:00 pm EST

The Duke-UNC USDA Center for Behavioral Economics and Healthy Food Choice Research (BECR)

Purpose: BECR facilitates new and innovative research on the application of behavioral economics theory to healthy food choice behaviors that would contribute to enhancing the nutrition, food security, and health of American consumers. BECR is particularly interested in promoting healthy and cost-effective food choices for participants in the Supplemental Nutrition Assistance Program (SNAP) and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

Vision: To use behavioral economics principles and strategies to promote healthy, economical food choices among WIC and SNAP recipients and the general public through research, capacity building, and dissemination.

Funding: The BECR Center is funded by grant 59-5000-4-0062 from the U.S. Department of Agriculture.

Disclaimer: The views expressed in this publication are those of the authors and cannot be attributed to the U.S. Department of Agriculture, its Economic Research Service, or its Food and Nutrition Service.

Purpose

The Duke-UNC USDA Center for Behavioral Economics and Healthy Food Choice Research (BECR) seeks brief proposals for the 2016 Special Solicitation WIC Grants that draw on behavioral economics theory to develop and test strategies for improving the WIC shopping experience. The U.S. Department of Agriculture (USDA)’s Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) serves to safeguard the health of low-income pregnant, postpartum, and breastfeeding women, infants, and children up to age 5 who are at nutritional risk by providing nutritious foods to supplement diets, information on healthy eating including breastfeeding promotion and support, and referrals to health care. The WIC food packages provide supplemental foods designed to meet the special nutritional needs of the WIC population. WIC food packages and nutrition education are the chief means by which WIC affects the dietary quality and habits of participants. While the nutrition requirements for WIC-eligible foods are set at the Federal (national) level, State agencies are responsible for selecting the specific food brands and package sizes that can be purchased at authorized WIC vendors by WIC participants to obtain their food benefits.
WIC participants can obtain the food items listed on their food instrument at no out of pocket cost, regardless of the price charged. The exception is the separate voucher for fruits and vegetables the WIC participants receive, which allows them to purchase a specified dollar amount of fruits and vegetables. State agencies strive to make choices that assure participants easy access to healthy, appealing foods as defined by Federal requirements, while also considering food costs. State agencies approve specific products for purchase with WIC benefits; they authorize, train, and monitor stores that redeem WIC benefits (referred to as WIC vendors); and provide education to WIC participants on approved products, how to use the food instruments, and where to redeem benefits. There is evidence, however, that some WIC participants find the shopping experience complex and difficult, and this may have implications for WIC program effectiveness and efficiency. This RFA solicits innovative research based on behavioral economic theory to develop and test strategies for improving the WIC shopping experience, with the objective of improving program effectiveness and efficiency by improving WIC food redemptions, increasing participant satisfaction and/or program retention while responsibly managing food costs. A brief proposal is requested as the first stage in the application. Following the initial application process, selected applicants will be asked to submit a full proposal including a detailed project narrative.

**Background on the WIC Program and How the WIC Participant Shopping Experience May Impact Program Effectiveness and Food Costs**

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides supplemental foods, nutrition education (including breastfeeding promotion and support), and referrals to health care and other social services to low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to 5 years of age who are found to be at nutritional risk. The program is administered by the U.S. Department of Agriculture (USDA) Food and Nutrition Service (FNS) which provides Federal grants to State agencies that administer the program at the State and local level. Over 8 million women, infants, and children participate in WIC each month. Widely recognized as one of the most successful food and nutrition assistance programs in the United States, WIC is based on the premise that early intervention during critical times of growth and development can help prevent future medical and developmental problems. WIC serves as an entry point for early nutrition and health care intervention for a large number of the Nation’s infants and children. On average, over half of all infants in the United States, and over a quarter of all pregnant and postpartum women and children younger than 5 years of age participate in the program each month. WIC is a discretionary program funded annually by Congressional appropriations.

Food packages are an integral part of the program, accounting for about 70% of total program costs, or nearly $4.2 billion in FY 2015. The WIC food packages provide supplemental foods designed to meet the special nutritional needs of low-income pregnant, breastfeeding, non-breastfeeding postpartum women, and children up to five years of age who are at nutritional risk. There are seven regulatory food packages containing various combinations of foods designed to meet the specific needs of each participant category. Participants receive food instruments in the form of checks, paper vouchers, or electronic benefits transfer (EBT) cards, which they then exchange for the specified supplemental foods at WIC-authorized retail stores (referred to as WIC vendors). All states are moving toward providing WIC benefits through EBT; as of March 2016, 16 States fully implemented EBT for WIC (see which State agencies here: http://www.fns.usda.gov/wic/wic-ebt-activities).

While nutrition standards for WIC foods are set at the Federal level, WIC State agencies identify the types, brands, and package sizes of foods that their participants may redeem with WIC benefits, and provide lists of WIC-allowable products to their participants. WIC State Agencies also authorize retailers to redeem WIC benefits (authorized retailers are referred to as
WIC vendors. WIC State Agencies make food product and vendor decisions based on the need to provide WIC participants with access to healthy, appealing foods that meet WIC criteria at a reasonable cost.

Since WIC is not an entitlement program, excessive spending could limit the number of people who could be served. Thus, WIC State Agencies must also consider how to manage food costs without adversely affecting participation or program effectiveness. Since WIC food instruments do not have a dollar amount assigned to them (with the exception of the cash value voucher (CVV) for fruit and vegetable purchases), WIC participants may have less incentive to pay attention to the price of the products they are choosing to purchase with their WIC food benefit. Therefore, WIC State agencies seek to contain costs by a variety of mechanisms, among them limiting brands or package sizes for food products on the State agency’s approved product list. WIC State agencies also contain cost by authorizing vendors with the most competitive prices for WIC eligible food items and continue to monitor prices after authorization. They also monitor pricing of stores approved to redeem WIC food instruments.

The WIC Shopping Experience

Unlike SNAP, where participants receive a set amount of funds to purchase whichever allowable foods they would like, WIC participants receive set amounts of their monthly package of specific foods (with the exception of the Fruit and Vegetable Cash Value Voucher CVV) (for details on the types and quantities of foods provided in the various food packages, see http://www.fns.usda.gov/wic/wic-food-packages-maximum-monthly-allowances). Formative research funded by our Center, suggests that when obtaining WIC foods, the WIC customer is less concerned with price and more concerned with making sure she chooses the allowed products and package sizes. Supporting this hypothesis, a recent study of household purchasing found that WIC participants spent more per ounce for cold cereal when using WIC benefits than when paying out of pocket. An exception may be the cash value voucher for fruits and vegetables, where WIC customers not only want to ensure that they are purchasing WIC-eligible items but that they are also maximizing the value of the voucher.

As described in a recent BECR Research Brief, participants in focus groups of WIC shoppers reported that the WIC shopping experience varies widely across vendors in terms of such factors as ease of locating and purchasing WIC approved foods, courteous treatment by store staff and a smooth, problem-free checkout experience. Problems with the shopping experience can have negative consequences for WIC participants—for example, they may not redeem their full WIC benefits because of problems locating and identifying approved foods. Negative shopping experiences may even discourage continued participation in the program. Moreover, because they value a positive shopping experience and price does not influence their ability to purchase WIC foods, WIC shoppers may choose to redeem their WIC benefits at stores that offer a more positive shopping experience, even if it is not the lowest cost option or their usual food shopping option.

Effective strategies for improving the WIC shopping experience may improve WIC participant satisfaction with the program and increase the likelihood of their making full use of their nutrition benefits and/or continuing to participate in the program. At the same time, some strategies, either by reducing the likelihood of choosing a higher-price store or of choosing higher-priced products, may help the program manage food costs.

Background on Behavioral Economics

Traditional economic theory assumes that humans are rational and self-interested, driven to maximize their personal utility. Following this theory, economists believe that the invisible hand guides markets to efficiency and assume that people make reasoned, well-informed choices in their best interests - so long as they have all the necessary information.
By contrast, behavioral economics recognizes that people and organizations do not always make the seemingly rational decision and aims to explain how and why people make the (rational and irrational) decisions they do. For example, cognitive biases can lead to overvaluing short-term benefits such as the taste or convenience of foods versus long-run benefits such as health. Continued demands on self-control can deplete mental resources, as can the need to make complex time-money tradeoffs; these problems may be particularly acute for low-income individuals who have little margin for error in their economic decisions. Behavioral economics utilizes a wide range of theoretical tools from the behavioral sciences, from economics to psychology and marketing to understand decision-making. Factors of interest include risk preferences, time preferences, social preferences, non-standard beliefs (overconfidence, over-projection of current tastes), and non-standard decision-making (framing, inattentiveness, responsiveness to social pressure and persuasion, emotiveness). Behavioral economists have shown that small changes in the environment, such as changes in the default setting, the arrangement or visibility of foods (“the choice architecture”) or in the context of a decision (e.g. priming) can strongly affect the outcome of the decision.

By examining cognitive, emotional, and social aspects of the decision-making process, behavioral economics aims to predict actual behavior and design strategies that help people make decisions. Behavioral economists have shown that small changes in the environment, such as changes in the default setting, the arrangement or visibility of foods or other items (“the choice architecture”) or in the context of a decision (e.g. priming) can strongly affect the outcome of the decision. For example, small changes in savings amounts may, over time, result in individuals having a more adequate retirement income.

Behavioral economics research is often characterized by experimental approaches; it can include small-scale experiments, field experiments in “real-life” environments such as grocery stores; it may make use of large data sets (“big data”).

Improving the WIC Shopping Experience Using Behavioral Economics Approaches Grant Request

BECR will award up to 3 grants ranging from $20,000 to $50,000 (based on the availability of funds) to teams of researchers to investigate strategies to improve the WIC shopping experience that are based on behavioral economics theory. Funding will span a 12-month period. We expect that the brief proposals will include clearly presented ideas for innovative interventions, based on behavioral economics theory, that are feasible given the current food environment and consistent with WIC program regulations. Potential methodologies could include small-scale experiments conducted with individuals who are representative of WIC shoppers (for example, a test of response to different formats for identifying WIC products); field experiments in appropriate settings such as WIC-approved retailers or WIC clinics; or “big data” approaches. Outcomes of interest include assessment of how improvements in WIC program effectiveness, defined by such factors as improved WIC shopper satisfaction, program retention, and increased WIC food redemption, are balanced with food cost management. If a proposal depends on a collaboration with a retailer and/or WIC State or local agency either for implementation of an intervention, data collection, or obtaining administrative or sales data for evaluation, it is expected that the final proposal will include a letter(s) of support demonstrating that the necessary relationships are in place. Federal or State WIC policies may limit the ability to carry out some types of experiments. Investigators are encouraged to test strategies that would be allowed under current program rules.

Sample Research Topics

Below are sample topics that you may wish to explore. Other topics that apply behavioral economics-based strategies to improving the WIC shopping experience are also encouraged. You may also refer to our recent report available on our website (https://becr.sanford.duke.edu/wp-content/uploads/2016/05/BECR-WIC-Research-Brief.pdf).
• **Effective strategies for labeling and/or other in-store identification of WIC approved foods.** Strategies could include in-store labeling and shelf-talkers identifying WIC items and highlighting “best value” WIC items; placement strategies such as “WIC-approved” sections of stores or placements of bundles of popular WIC items; improved brochures and printed materials, and mobile technologies such as phone-based “apps”. Technology-based applications could also investigate the potential for including behavioral “nudges” toward trial of lower-cost WIC food options or less-popular WIC items and full redemption of WIC package foods, if under-redemption appears to be a problem. For States using EBT, effective strategies for checking balance of available WIC foods or prompting use of about-to-expire benefits could be assessed.

• **Effective strategies for retail staff training on WIC customer service.** Staff training on WIC customer assistance, checkout and resolving common problems at checkout and other times could improve the shopping experience, decrease checkout time and increase participant’s overall satisfaction with the WIC program.

• **Effective strategies to assist WIC State and local agencies in identifying and resolving potential problems with the shopping experience.** For example, use of administrative data to identify stores that do not retain WIC customers may assist targeting of efforts to improve WIC customer service, while identification of stores that have high WIC redemption may target investigation of best practices to retain WIC participants.

The focus of the research should be on identifying and testing interventions that use behavioral economics theories and methods and have potential to be policy-relevant, scalable in a cost-efficient manner, and persist over time.

**Application Process**

**Total Awards**

Up to 3 grants will be awarded. Grants will be for $20,000 to $50,000 total award (inclusive of direct + indirect costs) for the 12-month funding period (January 1, 2017 to December 31, 2017). Please note that the funds are federal dollars and indirect rates are capped at 25%, but lower indirect rates are encouraged.

**Eligibility Criteria**

- Applicants can be researchers at institutions of higher learning, private research enterprises or state or local public health agencies. Funds will be granted as sub-awards to the applicant’s institution.

- Applicants are encouraged from a broad range of disciplines including, but not limited to, economics, public health, nutrition, marketing, business, psychology, medicine, or a related field.

- The BECR Center embraces diversity and inclusion across multiple dimensions, such as race, ethnicity, gender, disability, age, sexual orientation and identity, and socioeconomic status.

- Applicants must be based in the United States or its territories.

- Applicants should demonstrate an understanding of behavioral economics and its application to healthy food behavior.
Application Process and Instructions

We are using a 2-part application process:

1) Applicants will submit brief proposals with project narratives, and
2) Applicants who are selected for the next round will be requested to submit full proposals including detailed project narratives.

The Part 1 brief proposals are due by **Friday, August 12, 2016 by 5:00 pm EST**. Proposals should include the following:

<table>
<thead>
<tr>
<th>Section</th>
<th>Length</th>
<th>Format</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Applicant Information</td>
<td></td>
<td>See brief proposal form for required information</td>
</tr>
<tr>
<td>2. Project Narrative (rationale, purpose and aims, research design and methods)</td>
<td>3 page limit</td>
<td>1.5 spaced with 1-inch margins and 12-point font.</td>
</tr>
<tr>
<td>3. Scope of Work (include research team summary with project roles and timeline)</td>
<td>2 page limit</td>
<td>1.5 spaced with 1-inch margins and 12-point font.</td>
</tr>
<tr>
<td>4. Key Personnel Biosketches</td>
<td>5-page limit per key individual</td>
<td>Please use new NIH biosketch format</td>
</tr>
</tbody>
</table>

Complete brief proposals should be converted to PDF in the following order and submitted via email, all as one document (Applicant information, project narrative, references, appendices, scope of work, and key personnel biosketches). Please submit your completed application to the BECR Center at becr@duke.edu. Late proposals will not be reviewed.

For questions related to this RFP please contact Terry Hartman, MPH, MS, CCRC at (919) 613-5907 or terry.hartman@duke.edu.

Selection Criteria for Brief Proposal

1. Demonstration of an understanding of behavioral economics and low cost nudges to influence food behavior or the use of secondary data to answer behavioral economics-healthy food choice research questions.
2. Demonstration of understanding of applicable WIC policy and regulations.
3. A clear explanation and application of behavioral economics to the research question and ability to inform strategies to promote healthy food choices.
4. Policy relevant research projects related to WIC participants preferred.
5. Innovations to be tested in the food retail environment that are feasible in the current policy environment without requiring major policy changes. For proposals that would require a waiver from federal regulations, demonstration that such a waiver has been obtained must be included as part of the full proposal submission.
6. The qualifications and experience of personnel, including an understanding of behavioral economics, nutrition, and WIC.

Selection Criteria for Full Proposal

For the full proposal round, we will utilize the same criteria as described above and the following additional criteria.
1. Evidence of agreements or waivers necessary for completion of the project, e.g. letters of support from retailers that have agreed to serve as an experimental site and/or provide data.
2. Reasonableness of estimated cost and time commitments in relation to anticipated results and the necessity of the funds for the completion of the research.
3. The manner in which funds will be allocated to best serve BECR’s goal to provide financial support for the research, including, but not limited to, the level of indirect costs charged by the applicant’s institution.

**Reporting Requirements**

Recipients of the grants will be required to present their study at a virtual kick-off meeting, provide a mid-year progress report, and provide a final activity and financial report. Researchers will be required to present final results during a meeting in Washington, D.C. that will be hosted by the Center in mid-November 2017. Recipients should budget for travel costs to this 1-day meeting. In addition to the usual academic papers resulting from the research effort, recipients will be required to present their findings in a webinar for the appropriate audience, which will be identified with support from the Center. Recipients of the grants will also be required to provide non-technical Research Reviews and Issue Briefs which the Center will distribute to appropriate stakeholders.

**Brief Proposal Follow Up**

Invitations to submit full proposals will be made and notifications sent by August 26, 2016. Full proposals will be due via email October 7, 2016. Further instructions related to the full proposal will be included with the invitation for application. The full proposal will include further elaboration on the proposed project.

**IMPORTANT DATES**

- Brief Proposals due: **August 12, 2016 by 5:00 pm EST**
- Notification to all applicants: **August 26, 2016**
- Full proposals are due: **October 7, 2016 by 5:00 pm EST**
- Notification of Awards: **November 11, 2016**
- Start Date of Funded Projects: **January 1, 2017**
- End Date of funded projects: **December 31, 2017**

**Program Direction**

The BECR Center is under the direction of the following:

- Peter Ubel, MD, *Program Director and Principal Investigator*
- Alice Ammerman, DrPH, RD, *Executive Committee Chair*
- Terry Hartman, MPH, MS, CCRC, *Assistant Director*

For more information, please visit our website at [www.becr.org](http://www.becr.org).
Acknowledgement

The BECR Center is jointly funded from the U.S. Department of Agriculture through its Economic Research Service and Food and Nutrition Service. The views expressed in the Center’s work are those of the investigators and cannot be attributed to the U.S. Department of Agriculture or its Economic Research Service or its Food and Nutrition Service.

References


Further Reading that may be helpful:
1. Applicant Information

<table>
<thead>
<tr>
<th>Organization Information</th>
<th>Organization Tax Identification Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td></td>
</tr>
<tr>
<td>Website</td>
<td></td>
</tr>
<tr>
<td>Principal Investigator (name and degrees)</td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td></td>
</tr>
<tr>
<td>Email</td>
<td></td>
</tr>
<tr>
<td>Contact for questions regarding application (if different than the PI)</td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td></td>
</tr>
<tr>
<td>E-mail</td>
<td></td>
</tr>
</tbody>
</table>

2. Project Narrative

In this section, be sure to include the following information. This section of the proposal should not exceed 3 pages.

1) Proposed specific aims and hypothesis/research questions, how the application relates to the RFP, and how the findings align with the interests of the BECR Center.

2) Background and significance

3) Methods, including data sources and quantitative or qualitative measurement strategies you propose to use to test the hypothesis/research questions

4) Anticipated opportunities and challenges that are likely to affect the research project, including a plan for how challenges will be addressed

5) Potential impact of the research on improving WIC participant shopping experience, redemptions, program retention, and the economics of their food choices.

3. Scope of Work

Include relevant experience and roles of research personnel with FTEs. This section of the proposal should not exceed 2 pages.

4. Key Personnel Biosketches

Please include biosketch in the new NIH format for all relevant key personnel.