

Understanding Convenience Equity Opportunities in Low-Income, Low-Access Communities

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BACKGROUND

In recent years, online grocery delivery and pickup services have brought considerable convenience to consumers across the country. Yet, they have not effectively been applied to solve problems faced by residents in low-income, low-access (LILA) communities. In addition to having subpar proximal grocery options, they often encounter considerable time, transportation, and financial cost burdens.

In an effort to explore how online ordering can be leveraged to benefit LILA communities, No Kid Hungry, with support from the Walmart Foundation, conducted qualitative research to

understand how residents in LILA communities perceive online grocery shopping, their preferences for online ordering, and the barriers they experience in using these services.

We found broad awareness of online grocery shopping, learned that many people are utilizing online shopping in some way—particularly for grocery pickup—and unearthed insights that provide potential opportunities for further expansion in LILA communities to support “convenience equity,” namely a reduction in the financial and time burden families encounter to access healthy foods.

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IN THIS REPORT, WE DESCRIBE THE:

- Consumer-level attributes that may be influencing adoption of food delivery platforms among the sample of LILA community members.
- Perceptions of food delivery platforms within the sample population, as well as barriers and enabling factors for usage of these platforms.
- Messages that may resonate with LILA community members based on the participants' responses.
- Implications for key stakeholders, including grocers, platform developers, non-profit leaders, and others based on the analysis.

1. DESIGN

We partnered with four leading South Dallas non-profit organizations—Bonton Farms, Bethlehem Center, Crossroads Community Services, and Innercity Community Development Corporation—to inform the design of the focus groups and interviews, provide critical community context, and identify research participants. With the support of these partners, we conducted three 90-minute focus groups in person at community sites in South Dallas. We also conducted 20 interviews, of roughly 30 minutes in length, remotely via Zoom with participants at the community sites. In total, we learned from 61 South Dallas residents.

The key research questions were as follows:

- How do consumers who reside in LILA communities perceive online food delivery platforms?
- What are attitudes/preferences around online ordering, grocery/item pickup, delivery to doorstep, delivery into home, and using tech solutions for goods beyond food delivery?
- What are the consumer-level attributes and influencing behaviors of LILA community members who are more or less likely to adopt food delivery platforms? Are there differences with regard to individual and household demographics? Are there held beliefs and attitudes by demographic groups?

- What are the key “enablers” for consumers in LILA communities who adopt online food delivery platforms? What are the critical individual-level factors (reasons for limited utilization) as expressed by residents?
- What type of messages and information would influence consumers' perceptions and lead to utilization?

2. CONSUMER-LEVEL ATTRIBUTES

Through the analyses, several key consumer-level attributes emerged as influential on the likelihood of adopting online food delivery and pickup services. We examined characteristics including income, race/ethnicity, disability status, presence of children under 18, single-parent households, and age (particularly those 65 or older) to understand the nuanced preferences and behaviors around food delivery and pickup. The following insights reveal examples of the complex ways in which socio-economic factors, household composition, and individual attributes contribute to grocery shopping choices in low-income, low-access (LILA) communities. Please note, however, that this is a relatively small sample and cannot be extrapolated to LILA communities on a large scale.

Income Level and Food Delivery Usage

Lowest-Income Households(<\$20,000)

Those who reported incomes below \$20,000 were most likely to never use food delivery services, with 53% of the group responding this way, and them making up 77% of non-users. This group also showed a preference for pickup services (25%) over delivery (13%), potentially due to budget constraints and fee concerns.

Low-Income Households (\$20,000 - \$40,000)

79% of those who reported incomes between \$20,000 and \$40,000 shared that they have food delivery services (compared with 47% of those with the lowest incomes). 64% rarely use it—with only 14% using it frequently or very frequently, compared with the 9% of those with the lowest incomes that use it frequently. Thus their usage is not significantly higher, though they've tried it significantly more than

the lowest income group. This group showed a bit of a preference for delivery, as opposed to pickup, with 36% using home delivery only and 29% using pickup services only.

Moderate-Income Households (>\$40,000)

The higher-income respondents had the highest reported usage of these services—62% sharing frequent food delivery usage and 25% using it occasionally. This group also showed higher use of both delivery and pickup options, suggesting a stronger integration of online shopping into their grocery routines. 63% reported only using delivery services and 25% reported using both. None reported only using pickup.

Accessibility and Food Delivery Usage

Households Reporting Disability

While only a small portion of respondents reported cases of disability in the home (8%), they were more likely to use delivery services. 80% of these respondents reported that they used delivery services occasionally (40%) or frequently (40%) compared with those who did not report disability in the household. 16% reported occasional usage and 12% reported frequent use. Those who reported disability in the house also demonstrated a strong inclination toward delivery only (80%). This is likely due to the physical convenience of delivery.

Households With Older Adults (65+)

Older respondents were significantly less likely to use delivery services, with 71% reporting they had never used delivery, and only 7% reporting frequent usage. Among households without older adults, delivery use was more frequent, with 17% using it frequently and an additional 23% using it occasionally. This indicates a younger demographic with greater tech familiarity and acceptance of online shopping. Those that reported elders in the home demonstrated a preference for pickup (21% similar to 23% of those who did not report an older adult) over delivery (7% compared with 36% of those who did not report an older adult).

Families and Food Delivery Usage

Households With Children Under 18

Respondents with children were more likely to try delivery services, with only 27% reporting they had never used delivery, compared with 45% among households without children. However, in terms of habitual usage, 45% of households without children used delivery services occasionally or frequently, while only 23% of those with children used them at such rates. Regarding the type of services, those with children were more likely to use pickup services only (40% compared with 7% of those without children) and less likely to use delivery services only (23% compared with 35% of those without children).





Single Parent Households

Single parents showed lower engagement with delivery, with 56% rarely using it, and none reporting frequent or very frequent use. However, they were more likely to try the services, with 25% of the group sharing they never used food delivery services compared with 40% of those who did not identify this way. Regarding service type, single parent households showed equal likelihood to use pickup or delivery services (38%), while others were more likely to choose delivery (27%) than pickup alone (18%).

3. PERCEPTIONS OF ONLINE DELIVERY, INHIBITING AND ENABLING FACTORS

Like any community, the residents we spoke with in South Dallas reflected a wide range of opinions around how they prefer to shop and how they view various options. Their preferences are shaped by opportunities available to them via transportation options, comfort with technology, whether they have children in the home, their income/job status, and other attributes. It is a community of people who support one another in addressing the last mile and ensuring that they, their families, and their neighbors get the food they need. While delivery services have gained a greater presence in the community, there is a lack of trust and comfort with delivery as the last mile. Community members also depend on nearby food bank options to supplement their grocery shopping.

In this section, we will describe the inhibiting and enabling factors that community members describe as influencing their shopping habits. Throughout this and subsequent sections, we include participant quotes that reflect the learnings.

Inhibiting Factors

Those who don't regularly use online shopping, and some that do, cite several inhibiting factors:

In-store Shopping Is the Default

For many residents, online delivery has not emerged as a viable option. Some reflect views that it's "not for them," and have not considered it due to the habit of in-person shopping.

“

[Shopping in-store] is something I know I have to do. It is something we are used to doing.”

Fees Associated with Delivery Is a Principle Barrier to Entry

Residents are wary of fees, particularly how variable they can be depending on obscure factors, such as their location. There is also fear of fees popping up unexpectedly.

“

If I deliver it to my godmom's house, it is like \$3 to \$5 cheaper than ... my house ... I was like dang, \$5.”

Low-income Consumers

Don't Have the Luxury to Wait

Some residents have had challenges getting refunds for subpar or not preferred items, especially in a timely fashion. For families on extremely tight budgets, and those using SNAP EBT where funds are immediately withdrawn from their balances, the prospect of not being able to use a food item and having to wait for it to be refunded can be a significant hardship. The time it takes for funds to be returned to SNAP EBT accounts is a large barrier for these users.

(Interpreted from Spanish)

“Then the order arrived, but they didn't even let me know it was close. I have the app, and it said it was on its way ... when it arrived at my house, I checked my phone and it didn't say anything. I was in a meeting and it made me so angry. I went to the store and returned it because the meat was sour and the shrimp already disintegrated. It bothered me a lot, and I said 'never again,' because they didn't tell me on the app that it had already arrived ... and when I got home, the bag was already there. I went to the grocery store to complain, but they didn't want to give me a refund. Finally, they refunded me, but it took two weeks because I bought it online.”

“

Entonces llegó el pedido, pero ni siquiera me avisaron que ya estaba cerca. Tengo la aplicación, y decía que ya venía en camino ... Cuando llegó a mi casa, revisé mi teléfono y no decía nada. Yo estaba en una reunión y me dio tanto coraje. Fui a la tienda y lo regresé porque la carne estaba agria y el camarón ya desintegrado. Me molestó mucho, y dije 'nunca más,' porque no me avisaron en la app que ya había llegado. Me confíé pensando que aún no llegaba, y cuando llegué a casa, ya estaba la bolsa allí. Fui a la tienda a reclamar, pero no me querían dar el reembolso. Finalmente, me lo regresaron, pero pasaron dos semanas porque lo había comprado en línea.”

Like Others, LILA Customers value Freshness

They have concerns about the quality of food being delivered, particularly perishable items. While some participants feel that picking out fresh foods is very personal and something they'd like to do themselves, others have had bad experiences and received subpar items.

“

During quarantine is when I started ordering online as well. I thought it was convenient. I liked that I didn't have to carry the water up the elevator. So it did make it convenient. However, you have those issues where you can't pick for yourself. So I don't like ordering online for my fruit because you can't decide what it looks like.”

“

I don't like to order it online because fruits and vegetables—they don't care if it's damaged or not. They just throw it in your bag sometimes.”

“

Yeah, because I think that if you get an older person to shop for you, they might tap the watermelon and stuff. You get a young kid, he's going to get the first one he can find. You don't know what *Joe Blow* put in your basket.”

Who Delivers Matters

Participants have lower trust in “gig workers” shopping for their groceries (while being sympathetic to their positions and challenges they face), and are more trusting of delivery that comes directly from a warehouse and/or is delivered by store employees.

“

Are they sanitary? ... It is hard to trust somebody delivering their food unless you have a company like how Walmart delivers and how Kroger would deliver it.”

Enabling Factors:

Several residents do use online shopping, citing enabling factors including predictability, opportunity cost of time and having more control over their schedules, and cost savings.



Grocery Pickup Is Predictable

Those who have adopted grocery pickup solutions in the neighborhood are satisfied and use it frequently. Many of these consumers describe grocery pickup services as convenient and predictable.

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When I order, if I order Thursday, I get it Friday.”

“

And I just wait and I have figured out what to order. I have four little kids that I feed, so I know exactly how many oranges to order. I know how much milk to get, I know how many juices— when I come up here to pick it up, they put it in my car, I go home, my kids take it out, and I’m set for a week. It saves me time and money.”

“

I’ve done it a lot of times, and I loved it because it saves [me] time. So, I usually take my time at night when I go to sleep—I open up a simple Walmart. It’s just a good option for online shopping and whatever I want. I take my time, I choose whatever I want to pick up next morning before my kids wake up or my husband. [If] I don’t like this, [or] if I don’t want it, I return it at the same time right there at the store. It’s pretty good because it’s not far.”



People Save Time and Money Shopping Online

Those that have converted to online ordering see real benefits to their financial lives and freedom around spending time. The respondents who shop online feel they end up spending less money by purchasing only the items they need to.

“

The hour-and-a-half that I’m going to spend in the store, I could be making money.”

“

It is easy, it’s convenient, and I really do feel like I buy fewer groceries.”

Reduces Complexity for Busy Parents

While many parents have not converted to online grocery shopping, those who have appreciate the convenience while juggling raising kids and work.

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Another convenience for me—I have three children and a little baby, so trying to go in the store with those kids ... I could just come after work, come grab my groceries and go back home.”

4. MESSAGING AND RESPONSIVE PRODUCT DESIGN

The South Dallas residents we spoke with face several barriers to in-person shopping by virtue of living in LILA communities. The barriers are physical—getting to the stores can be challenging and mobility within the stores is a hardship for many. They're also practical—the shopping experience in proximal stores is stressful and unpleasant. These barriers have the potential to be ameliorated by delivery options and offer grocers, non-profits, and product developers opportunities to develop messaging and product features that make delivery an attractive and responsive option for residents. In the conversations, we also explored messaging around subscription options to understand how residents view the framing of delivery subscriptions.

The findings that have messaging implications are as follows:

The In-store Experience Can Be Stressful.

While several participants enjoy shopping in the store, others find the experience stressful. Reasons include crowded neighborhood stores, prices perceived as higher than those in surrounding communities, and struggling community members asking for money outside or in the store, which causes distress and guilt.

“

The prices are higher ... when you go further out, the prices are cheaper ... I like to go to the one in City Place ... it is fresher.”

“

When I order online, nobody asks me for money.”

Another participant, in response, said,

“

People could see you with your whole little bunch of kids and still be begging you like, ma'am ... I can't help you.”

Consider messaging that promotes delivery or pickup services as alternatives that provide cost-saving and hassle-free shopping experiences in comparison to in-store shopping could be effective.

Shopping with Children Can be a Challenge

Similarly, while some parents enjoy bringing their kids to the store to show them how to be smart shoppers, others find it very stressful and time consuming, finding it hard to focus on shopping and their children's needs and requests. Despite these barriers, most parents we spoke with do not use delivery options, demonstrating potential opportunities with the right messaging.

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Childcare is a challenge in going to the grocery store—My kids are difficult to manage in the store”

As above, consider messaging that highlights how residents can “avoid the hassle” by ordering online may help enhance take up of services among busy parents.



Key considerations: Elders could benefit greatly from more accessible grocery options. Messaging coupled with targeted resources may enable participation. A member of a focus group suggested that there should be programs aimed at educating consumers, particularly seniors, on how to use technology effectively for grocery shopping. This could include one-on-one assistance or community workshops to build comfort with digital platforms.

Messaging Around Cost-Savings.

Many residents lack reliable personal transportation and walk, take the bus, and/or sometimes ride share to purchase groceries. It is possible that online ordering platforms would provide cost and time savings to these residents.

Older Participants Cite Significant Accessibility Barriers

In-store shopping poses accessibility challenges for some due to age and limited mobility; they also cite a lack of in-store customer support to address these barriers. As noted above, although it is a very small sample, the residents who have disabilities were more likely to use online ordering, but elderly participants are very unlikely to do so.

“

And to be standing in line for a long time, my feet won't allow it. So, the problem is not getting to the store. The problem is when I go, sometimes that's my problem, and another is doing it online. I'm not computer literate. I don't even own a computer. I have no need for 'em. But I like going and shopping. I just can't do it anymore.”

“

When we talk about technology now for many of our older people, that's very intimidating. They don't understand it ... how do we start to accommodate our seniors ... You're going to have to earn that trust. You're going to have to build the right kind of rapport and relationships to get them into that.”

“

If I had a car, I would go to stores in Highland Park or University, somewhere there's the best.”

“

The challenge is travel, so I'll have to get on the bus, or I used to Uber. So Uber costs a lot.”

“

I have to walk to the store, or we have to get some type of transportation. So, that's a challenge for me right now ... I'm not able to carry all of the things without having a vehicle ... Or some type of transportation, because those groceries get heavy.”

Consider messaging that highlights how delivery can save multiple trips, money on gas/taxis, bus fare, and time per trip.

Open to Subscriptions, but Need Flexibility

When presented with hypothetical subscription options, where they would pay \$50 a year for a grocery/other goods delivery service, residents were open and found that to be a good deal and cheaper than they expected for delivery fees. However, participants expressed concerns about whether, if they needed to cancel their subscription, they would get a balance refunded or if they could pay month-to-month for flexibility.

“

(Referring to subscription tiers and the ability to pay in smaller installments vs. at once) So if they made it to where it is, like you say, okay \$5. If you say \$5 to \$10 today or \$50 over a year. It's just that same idea. I got the idea that I'm paying the same amount but you gave me an option. Present, [it] differently. Their [the user's] understanding is I can't take the benefit unless I have a lot of money ... people are just 'peacing out' until they get to that amount. They're going to wait until they have that amount to pay it.”



5. IMPLICATIONS AND OPPORTUNITIES

This research yields several important implications around how to design and market responsive delivery products and programs that improve grocery convenience, quality, and cost for residents in LILA communities. Key stakeholders, including grocers, product developers, and non-profit food access practitioners have considerable opportunity to refine and increase the uptake of valuable grocery delivery services.

Six key implications and opportunities from this research are as follows:

1. Because of tight budgets and poor experiences with past financial transactions, low-income consumers need fee and refund transparency. Refund policies and timing need to be clear to build trust, and grocers and product developers need to continue to work with SNAP EBT systems to identify how to quickly and smoothly carry out refund transactions. To attract new customers, subscription requirements need to be clear and provide a degree of flexibility to meet the needs of residents who face income volatility.
2. There are many opportunities around messaging, including around tradeoffs between delivery and in-person shopping. Many residents, especially those without cars, may be paying equivalent or greater “fees” around transportation and opportunity cost, but these tradeoffs are not clear to consumers. There is a need for additional human-centered design research to identify deeper messaging insights. A series of design labs in LILA communities can provide further direction around how to remove barriers and support consumers.
3. Aging residents and those with disabilities can benefit from the accessibility of online ordering, but many of these residents have the greatest barriers to tech adoption. In advancing this work, we should consider what training and support can be provided to remove barriers to tech adoption. Non-profits can be valuable leaders and partners in this work. For example, Bonton Farms, through their Grocery Connect program,

trains and guides participants through a grocery ordering app and process. We should be exploring how to demystify this process at a larger scale for populations who can benefit from these services.

4. Non-profits, grocers, and tech companies should seek to learn lessons from the financial inclusion and financial technology (fintech) spaces, who have long grappled with bridging trust and transparency gaps to support the financial well-being of low-income consumers. We recommend increased dialogue and partnership between these like-minded fields to build services that meet the needs of families in LILA communities.
5. Grocers should test strategies to build deeper trust in LILA communities. Residents trust employees of grocers over gig workers but still are not fully trusting of the delivery process. Engaging in intentional explorations of how to personalize the online, financial transactions can help move residents in LILA communities closer to utilization. For example, employees from trusted, name-brand stores can identify how to cultivate a positive experience while delivering groceries directly to residents.
6. Take-up will depend on how culturally and linguistically competent outreach strategies are. LILA communities are not monolithic and grocers will need to test a variety of approaches and engage with several different communities and community-based partners to find approaches that work in different settings. A variety of demographic characteristics, including age breakdown, family structures, language preference, and others, need to be considered in product design and messaging to maximize take-up in distinct community settings.

