Correlates of In-Store Promotions for Beer: Differential Effects of Market and Product Characteristics

Jeremy W. Bray, Brett Loomis, Mark Engelen

Objective: We estimated the strength and direction of the association between product characteristics (beer type, package size, and brand name) and market-area socioeconomic characteristics, and promoted sales of beer in grocery stores. Method: Supermarket scanner data from 64 market areas across the United States over 5 years were used to estimate regression models of the share of beer sales that are promoted, controlling for beer price, packaging, and type; and for market-level age, race/ethnicity, income, unemployment rate, and percentage of the population living in an alcohol control state. Results: Large-volume units, such as 144-oz and 288-oz packages, are more likely to be promoted than smaller package sizes. Malt-liquor beverages are less likely to be promoted than non-malt-liquor beverages. Age, race/ethnicity, income, and geographic location of the market area are not significantly related to promoted beer sales. Conclusions: Marketing research has shown that in-store merchandising and promotions can substantially increase beer sales and that purchasing large package sizes may increase total consumption. Our results suggest that high levels of promoted sales for large-volume beer packages may result in increased beer consumption. (J. Stud. Alcohol Drugs 68: 220-227, 2007)