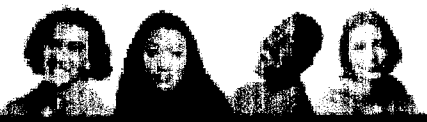
PLAINTIFF'S EXHIBIT
CASE NO. CV04-0360P
EXHIBIT NO. 335

impacTEEN

A Policy Research Partnership to Reduce Youth Substance Use



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Retailers and the American Alcohol Point-of-Purchase Environment: 2000-2001

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ImpacTeen is....

...Multi-site research collaborative

...Alcohol, tobacco, and illicit drugs

...Prevention research

...State, community, and school level responses to youth substance use

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The Alcohol POP Environment: What is it?

- Point-of-purchase: retail, "off-site" environment
- Marketing and advertising efforts:
  - Products and product placement
  - Pricing
  - Advertising, including counter advertising
  - Functional objects
  - Promotions

The Alcohol POP Environment: Why Worry?

The research community's concerns regarding underage drinking and risky alcohol use:

- U.S. monthly consumption of alcohol is:
  - 20% underage drinkers (aged 12-20)[1]
  - 30% adult heavy drinkers (>5 drinks/sitting)[1]

The Alcohol POP Environment: Why Worry?

Underage drinking and risky alcohol use:

- Price and ease of access to alcoholic beverages have been associated with injury[2] and violence such as rape, robbery, and assault.[3]
- Retail price advertising is related to domestic violence toward children[4] and the probability of drinking and driving among all drinkers.[5]
- Product placement is related to sales volume.[6]
- Youth see more alcohol advertising in magazines than adults[7]. Little is known about comparative exposure to advertising in the retail environment.

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The Beverage Industry's Interest in POP Marketing and Advertising:

- 70% of consumers' final buying decisions are made once inside the store. [8]
- In-store ad materials increase overall beverage sales in supermarkets by 2%-65%. Increases for beer may be up to 17%. Layering more than one advertising method pushes sales increases even higher. [8]
- POP marketing is essential to reinforce TV, print, and radio advertising. [8]

The Beverage Industry's Interest in POP Marketing and Advertising, cont.:

- 74% of all beer sales are in retail establishments, led by convenience stores and gas stations.[9]
- Young adults (aged 21-27) are most likely to purchase beer in package and convenience stores. [9]
- 75% of teens shop at convenience or convenience/gas stores weekly.[10]

Variation in the POP Environment

- State regulations on sales outlets and advertising
- Local ordinances on percentage of retailer window advertising
- Store-type variance

Measuring Community Alcohol POP Activity

- What to look for?
- How to reliably measure POP issues?
- Are there national comparisons?

Selection of Alcohol Retailers

- Random or Systematic Sample:
  - State or local liquor licensing lists
  - Commercial business lists (InfoUSA, Dunn& Bradstreet) based on SIC codes
- Convenience or Target Sample:
  - Select stores in certain neighborhoods, near schools, or known to sell to minors
- Random/Systematic sample for research and national comparisons. Convenience/target sample OK for local activist/media efforts.

In-Store Observation Protocol

- Follow a standardized protocol
- Comprehensive training includes field practice and certification
- Observations conducted by adults
- Observations conducted unobtrusively
- Notes taken inside the store, data recorded outside of store
- Data recorded on standardized form

Quality Control Issues

- How to measure quality of observational data collection?
- Inter-rate reliability as a measure of quality control
  - **We found a 92.5% overall item agreement using repeated measures by multiple observers in 16 venues within short time of each other.**

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Why Placement of Beer or Other Relevant Products is Important

- Ease of access (self service vs. clerk-assisted)
- Readiness to be consumed (cooled vs. room temperature)
- Affordability (availability of singles)
- Advertising (visual impact of product displays)

Types of Placement

- Refrigerator/Cooler
- Shelves
- Floor Display
- Singles in Bucket
- Behind the Counter
- Locked or Closed Cabinet
- Other

Placement – In Cooler

Placement – On the Shelf

Placement – Floor Displays

Placement – Floor Display