

Environmental Assessment: Pricing and Promotion

Scanning the Community to Select the Best Strategy(ies) in MCP3.11.
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Introduction

This document was developed to assist Maine’s Healthy Maine Partnerships (HMP’s) in addressing Objective 3.11 in their OSA SPF-SIG Work Plans: “Decrease alcohol promotions and pricing that encourage high risk drinking among young adults.” We encourage HMP’s to use this guide to address the question: “*I am not sure if I have a problem with pricing and promotion in my area; how do I know which strategy in objective 3.11 is best to choose?*” This question aligns with the first step of the Strategic Prevention Framework (SPF): “Assessing Needs and Resources.” The following questionnaires and worksheets may be used to assess a community’s environment in regard to pricing and promotions of alcohol which contribute to high risk drinking. HMP’s may report their use of these tools in the KIT system, within the *process step* module, *planning notes* section, as part of the second planning step: “assess needs and assets.”

Note: If you are not currently a Healthy Maine Partnership working on substance abuse prevention through funding from the Office of Substance Abuse, you will notice that throughout this guide there are references to objective and strategy numbers. These numbers align with the work plans being implemented by the Healthy Maine Partnerships and you can disregard them.

Why are low alcohol prices and promotions a problem?

Low alcohol prices and special promotions, which are meant to encourage product sales and brand loyalty, can have the unintended consequence of promoting over service and binge drinking. Low alcohol prices and promotions appeal mostly to younger drinkers—and 18-25 year olds are our nation’s highest-risk age group when it comes to binge drinking and heavy drinking.¹

This is especially problematic considering that the majority of alcohol-related deaths, disability and damage in the United States is attributable to moderate drinkers who engage in occasional risky drinking, not those who are dependent on alcohol.² Young adults are also the most likely to drive under the influence of alcohol or die in an alcohol-related vehicle crash.³

Here in Maine, 54% of young adult drivers (ages 21-29) in fatal crashes were alcohol involved, compared to 20% of all adult drivers involved in fatal crashes.⁴ Young adults are also at high risk for sexual assault and date rape⁵ and studies of college students have found that alcohol-involved sexual assaults tend to occur among young adults who know each other only casually and who spend time together at a party or bar.⁶

¹ 2006 National Survey on Drug Use and Health: National Findings, SAMSHA Office of Applied Studies, <http://www.oas.samhsa.gov/nsduh/2k6nsduh/2k6results.pdf>

² Toomey, T.L. & Wagenaar, A.C. (2002). Environmental policies to reduce college drinking: options and research findings. *J. Stud. Alcohol*, Supplement No. 14: 193-205.

³ <http://www-nrd.nhtsa.dot.gov/Pubs/810821.pdf>

⁴ Fatality Analysis Reporting System (FARS), 1999-2003

⁵ Task Force of the National Advisory Council on Alcohol Abuse and Alcoholism, National Institute on Alcohol Abuse and Alcoholism. (2002). *A Call to Action: Changing the Culture of Drinking at U.S. Colleges*. Washington, DC: National Institutes of Health.

⁶ Abbey, A. (2002). Alcohol-related sexual assault: A common problem among college students. *J. Stud. Alcohol*, Supplement No. 14: 118-128.

In a recent study, availability of large volumes of alcohol (e.g. 24- and 30-can cases of beer, kegs, party balls), low sale prices, and frequent promotions and advertisements at both on- and off-premise establishments was associated with higher binge drinking rates among college students.⁷

In addition, numerous studies have shown that higher alcohol prices lead to reductions in alcohol problems—including heavy drinking, motor vehicle fatalities, robberies, rapes, sexually transmitted diseases, and child abuse. Younger heavy drinkers tend to be more affected by price than older heavy drinkers, perhaps because younger drinkers have less discretionary income.⁸

How to use this guide

This guide includes the following tools.

General assessment (page 2):

The questions on page 2 will assist in conducting an overall scan of a community to determine where to focus efforts for objective 3.11.

In-depth assessment for 3.11a and/or 3.11c (pages 3-5):

These tables are designed to provide a more in-depth assessment for 3.11a and 3.11c and can help decide where to target efforts.

These worksheets can also be used to inform other components of workplan strategies relating to retailers. For example, this information can be used to decide which establishments to focus on with other outreach, collaboration, education, and law enforcement efforts, including:

- Objective 3.3 – Increase effectiveness of retailers policies that restrict access to alcohol by underage youth
- Objective 3.8 – Decrease alcohol advertising/promotions that appeal to youth
- Objective 3.13 – Increase effectiveness of retailers policies and practices that restrict availability of alcohol that encourages high risk drinking (i.e. reducing sales/service to visibly intoxicated adults)

For more information

If you have questions regarding this guide and how to use it, please contact:

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⁷ See for example: Kuo, M.C. et al. (2003) The marketing of alcohol to college students: The role of low prices and special promotions. *American Journal of Preventive Medicine*. 25:204-211.

⁸ See for example, Chaloupka, F., et al. (2002). The effects of price on alcohol consumption and alcohol-related problems. *Alcohol Research and Health*. 26 (1): 22-34.

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Assessment questions for objective 3.11 – Pricing and promotions that encourage high-risk drinking among young adults

ALCOHOL RETAILERS & Pricing/Promotions *(If you decide that this is an area of concern in the community, you may decide to choose strategies 3.11a and/or 3.11c)*

- How many on-premise alcohol retailers (bars and restaurants) are in the community?
- How many off-premise alcohol retailers (convenience stores, grocers, etc) are in the community?
- Do any local bars/restaurants offer happy hour specials, 2-for-1 drink promotions or other low-price drink specials? (In general, selling alcohol at or below cost is considered a low-price promotion that encourages high-risk drinking.)
 - If so, which establishments are engaged in these practices?
 - What promotions are they offering and how are they advertising them? For example:
 - Ads in local media – newspaper, radio?
 - Signage inside or outside of the store?
 - Promotional flyers? Where are these being distributed?
 - On the internet (i.e. in online newspapers, Facebook, MySpace)
 - Are any of their advertisements in non-compliance with state law? (see page 10)
- Do any local bars/restaurants have events or specials that would fall into the category of “drinking games”?**
 - If so, which establishments are engaged in these practices?
 - What promotions are they offering, and how are they advertising them (see examples above)?

***Games or contests that involve drinking or the awarding of drinks as prizes are in violation of state law and should be reported to local law enforcement for referral to liquor licensing. See page 10 for more information.*

- Do the alcohol retailers in our town have knowledge about the basic laws and regulations regarding pricing/promotions (see page 10)? If not, which ones need more outreach and education?
- Do the alcohol retailers have a copy of the Maine Liquor Laws: Reference Booklet for Liquor Licensees, Agents, and Employers?
- Do the alcohol retailers in the town understand the negative impacts of using low pricing and promotions? If not, which ones need more outreach and education?
- How would you describe the community’s level of **readiness** to address issues of pricing and promotions by retailers?
- How would you describe the coalition’s level of **capacity** (staffing, resources, skill, knowledge), to address these issues? Is there support from the community? I.e. Law enforcement, retailers, the community?
 - In deciding this question, also consider other retail efforts that would fit together with 3.11a and 3.11c – seller/server training, compliance checks, Card ME, etc.

LOCAL POLICIES & Alcohol Pricing/Promotions *(If you decide this is an area of concern in the community, you may decide to choose strategy 3.11b.)*

- Is alcohol served at community events such as festivals, sporting events, concerts, run/walk events, fundraisers, etc.? Are any of these events appealing to 18-25 year olds? If so, which ones?
- Are there currently any restrictions around alcohol pricing and promotions at these events?
- Do any of these events offer low-price drink specials or other promotions that would encourage high-risk drinking? For example, is alcohol being served for free or at a low or fixed cost?
 - How are these promotions being advertised?
- What is the alcohol availability at stadiums, arenas, outdoor concerts and other large venues? Is “bring your own” alcohol prohibited?
- How would you describe the community’s level of **readiness** to address issues of pricing and promotions on a local policy level?
- How would you describe the coalition’s level of **capacity** (staffing, resources, skill, knowledge) to address these issues?

Note: If you decide to address community events policies, you may also want to address issues beyond pricing and promotions that encourage high-risk drinking among young adults. For example, do the community events have advertising that appeals to youth (3.8), policies and practices to prevent sales to minors (3.3f), policies and practices to prevent sales to visibly intoxicated persons (3.3f)?

COLLEGES & Alcohol Pricing/Promotions *(If you decide this is an area of concern in the community, you may decide to choose strategy 3.11e)*

- Are there colleges or universities in your service area?
 - If so, which ones are members of Maine’s Higher Education Alcohol Prevention Partnership (HEAPP)? Which ones are not? (See note below).
- Is alcohol served at campus events? If so, which ones? What policies and practices do they have in place?
- Is there a bar on the campus?
- Do campus these events offer low-price drink specials or other promotions that would encourage high-risk drinking? For example, is alcohol being served for free or at a low or fixed cost? Is there promotion of drinking games or other practices that encourage high-risk drinking?
 - How are these promotions being advertised?
 - If so, what are the restrictions around pricing and promotions?
- Does the campus allow advertisements for alcohol pricing and promotions (for example, in campus publications, bulletin boards, or sporting events)?
- How would you describe the community’s level of **readiness** to work with local colleges/universities to address issues of pricing and promotions of alcohol which target college students?
- How would you describe the coalition’s level of **capacity** (staffing, resources, skill, knowledge), to collaboratively address these issues with campuses in your community?

Note: If you intend to work with a college/university in your service area, please contact HEAPP’s director: Becky Ireland [Rebecca.Ireland@maine.gov] before beginning. This will

help to reduce duplication of effort and also to make sure that you and Maine campuses take advantage of HEAPP's specialized resources, evidence-based practices, training/TA, and collaborative efforts to address underage and/or high-risk drinking by Maine college students.

WORKSITES & Alcohol Pricing/Promotions *(If you decide this is an area of concern in the community, you may decide to choose strategy 3.11f)*

- Are there any businesses in the community that employ relatively large numbers of 18-25 year olds? If so, which ones?
 - Which businesses participate in Healthy Maine Works? Which ones do not?
 - Which ones have a written substance abuse policy or a comprehensive Drug-Free Workplace program? Which ones do not?
- Do any of these worksites serve alcohol at employee events, i.e. holiday parties, company outings? If so, what policies and practices do they have in place?
- Do any of these events offer low-price drink specials or other promotions that would encourage high-risk drinking? For example, is alcohol being served for free or are the events held at venues that sell alcohol at a low or fixed cost? Do activities include drinking games or other practices that encourage high-risk drinking?
 - How are these promotions being advertised?
- Does the worksite allow advertisements for alcohol pricing and promotions (for example, in their publications or bulletin boards)?
- How would you describe the community's level of **readiness** to address issues of pricing and promotions of alcohol in a workplace setting?
- How would you describe the coalition's **capacity** (staffing, resources, skill, knowledge), to address these issues?

WorkAlert and the US Department of Labor are resources for developing a substance abuse policy and a drug-free workplace program.

<http://www.maine.gov/dhhs/osa/prevention/workplace/workalert/index.htm>

Note: If you decide to address workplace events policies, please consider including it as part of the broader worksite initiative, Healthy Maine Works. Contact: Cheryl Cichowski, 287-4397 or Cheryl.cichowski@maine.gov for more information.

MEDIA & Alcohol Pricing & Promotions *(If you decide this is an area of concern in the community, you may decide to choose strategy 3.11d. This is not a stand-alone strategy. It would be complementary to your efforts above)*

- Are there advertisements of alcohol specials and promotions in your local media (e.g. newspaper, magazine, radio, website)? Are any of these media outlets appealing to 18-25 year olds? If so, which ones?
- Do local media outlets have policies to restrict advertising of alcohol specials & promotions?

Depending on what other strategies you choose above, you may also choose to use earned media (letters to the editor, Opinion Editorials, press conferences, outreach and education of reporters, etc.) to promote your policy change objective. For resources on media advocacy, please review the notes and handouts from the OSA/MESAP conference call on Substance Abuse & the Workplace: <http://www.maine.gov/dhhs/osa/prevention/provider/workdevevents.htm>

Applicable Liquor Laws:

Chapter 29 Section 709 Prohibition of certain practices

1. Certain practices prohibited. The following practices are prohibited.

A. No licensee or employee or agent of a licensee may:

1. Offer or deliver any free liquor to any person or group of persons
2. Deliver more than 2 drinks containing spirits, a carafe containing more than one liter or 33.8 ounces of wine, or any serving or pitcher containing more than one liter or 33.8 ounces of malt liquor, to one person at one time;
3. Sell, offer to sell or deliver to any person or group of persons an unlimited number of drinks for a fixed price, except at private functions not open to the public.
4. Encourage or permit, on the licensed premises, any game or contest that involves drinking or the awarding of drinks as prizes.

Chapter 29 Section 708-A In-pack sweepstakes, contests and games

Notwithstanding any provision of law to the contrary, a certificate of approval holder, wholesale licensee or retail licensee may offer sweepstakes, games and contests inside packages of alcoholic beverages, if that offer is not contingent on the purchase of an alcoholic beverage.

Rule 7.9 – No advertising of liquor shall contain any subject matter relating to contests or prizes that require the purchase of or the awarding of any alcoholic beverage.

Rule 7.4 – No advertisement of liquor shall contain either subject matter or illustrations inducing minors or immature persons to drink, nor shall depict any person in the act of drinking liquor.

Chapter 29 Section 710 Advertising Signs

1. Advertising outside of licensed premises. A person, except wholesale licensees and certificate of approval holders, may not advertise or permit to be advertised, by more than one sign, on the outside of any licensed premises, or on any building, ground or premises under that person's control or contiguous or adjacent to the licensed premises:

- A. The fact that the licensee has liquor or any brand of liquor for sale;
- B. The price at which liquor is sold by the licensee; or
- C. Any other advertisement that indicates any reference to liquor.

2. Advertising inside the licensed premises. A licensee may display no more than one sign inside the licensed premises, where it may be seen from the outside, advertising the fact that the licensee has liquor for sale. The sign may not be more than 750 square inches in total area.

3. Exception. Subsection 1 does not prohibit the display of signs advertising sponsorship of specific sporting events and cultural events or sponsorship of a transportation system for transporting the public as long as the signs are not displayed on a licensed establishment as defined in section 2, subsection 15. Signs on a licensed establishment advertising sponsorship may be displayed with prior bureau approval.

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