

ADS AND PRICING AFFECT TEEN ALCOHOL USE

New research finds that eliminating alcohol advertising would lower underage drinking and youth binge drinking.

The study, “Alcohol Advertising and Alcohol Consumption by Adolescents,” by Henry Saffer and Dave Dhaval also reported that doubling the prices of alcoholic products would lower underage drinking by 28% and reduce youth binge drinking by 51%.

The study’s economic analysis, according to the National Bureau of Economic Research, found that alcohol advertising has a positive effect on whether youth drink at all and on how much young people drink—that is, it encourages underage drinking. Eliminating alcohol advertising would reduce adolescent alcohol consumption by 21% to 24%, the study concluded.

“As a result, both advertising and price policies are shown to have the potential to substantially reduce adolescent alcohol participation,” the study’s authors stated.

~ Nat'l Bureau of Economic Research, Working Paper No. 9482