# DRIVERS OF DEMAND, INTERRELATIONSHIPS, AND NUTRITIONAL IMPACTS WITHIN THE NONALCOHOLIC BEVERAGE COMPLEX

A Dissertation

by

### GRANT FALWELL PITTMAN

Submitted to the Office of Graduate Studies of Texas A&M University in partial fulfillment of the requirements for the degree of

DOCTOR OF PHILOSOPHY

August 2004

Major Subject: Agricultural Economics

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August 2004

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### ABSTRACT

Drivers of Demand, Interrelationships, and Nutritional Impacts Within the Nonalcoholic Beverage Complex.

(August 2004)

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This study analyzes the economic and demographic drivers of household demand for at-home consumption of nonalcoholic beverages in 1999. Drivers of available intake of calories, calcium, vitamin C, and caffeine associated with the purchase of nonalcoholic beverages also are analyzed. The 1999 ACNielsen HomeScan Panel, purchased by the U. S. Department of Agriculture, Economic Research Service, is the source of the data for this project.

Many different classifications of beverages were analyzed including milk(whole, reduced fat, flavored, and non-flavored), regular and low-calorie carbonated soft drinks, powdered soft drinks, isotonics(sports drinks), juices(orange, apple, vegetable, and other juices), fruit drinks, bottled water, coffee(regular and decaffeinated), and tea(regular and decaffeinated).

Probit models were used to find demographic drivers that affect the choice to purchase a nonalcoholic beverage. Heckman sample selection models and cross tabulations were used to find demographic patterns pertaining to the amount of purchase of the nonalcoholic beverages.

The nutrient analysis indicated that individuals receive 211 calories, 217 mg of calcium, 45 mg of vitamin C, and 95 mg of caffeine per day from all nonalcoholic beverages. A critical finding for the nutrient analysis was that persons within households below 130% of poverty were receiving more calories and caffeine from nonalcoholic beverages compared to persons within households above 130% of poverty. Likewise, persons in households below 130% of poverty were receiving less calcium and vitamin C from nonalcoholic beverages compared to persons in households above 130% of poverty.

Price and cross-price elasticities were examined using the LA/AIDS model. Methodological concerns of data frequency, beverage aggregations, and censoring techniques were explored and discussed. Own-price and cross-price elasticities for the beverages were uncovered. Price elasticities by selected demographic groups also were investigated. Results indicated that price elasticities varied by demographics, specifically for race, region, and presence of children within the household.

The information uncovered in this dissertation helps to update consumer demand knowledge and nutritional intake understanding in relation to nonalcoholic beverages. The information can be used as a guide for marketing strategists for targeting and promotion as well as for policy makers looking to improve nutritional intake received from nonalcoholic beverages.

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### **CHAPTER I**

### INTRODUCTION

### Justification

The nonalcoholic beverage industry has changed dramatically over the past two decades. To illustrate, from the *Statistical Abstract of the United States: 2001*, bottled water consumption has increased from 2.4 gallons consumed per person per year in 1980 to 18.1 gallons per person per year in 1999. Carbonated soft drink consumption has increased from 35.1 gallons to 50.8 gallons per person per year over the same time period. Overall milk consumption has decreased by 4 gallons over this nineteen-year period from 27.6 gallons per person to 23.6 gallons per person per year. Whole milk consumption decreased greatly while reduced fat milk consumption increased over this time period. Consumer tastes and preferences as well as availability of new products are key elements of these changing trends. Figures 1-3 illustrate the changing trends of selected nonalcoholic beverages from 1980 to 1999. Per person average intake over this time period was obtained from various issues of the *Statistical Abstract of the United States*.

This dissertation follows the style and format of the *American Journal of Agricultural Economics*.

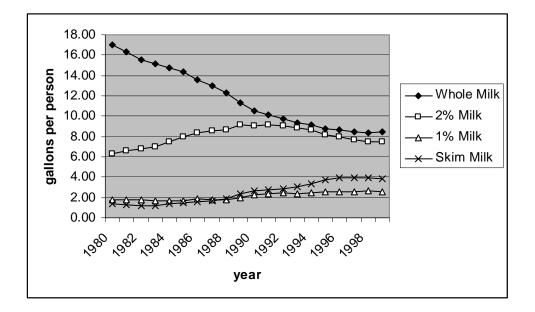


Figure 1. Milk consumption, 1980-1999

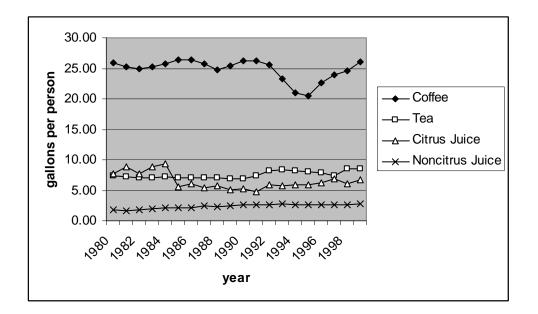


Figure 2. Coffee, tea, citrus juice, and noncitrus juice consumption, 1980-1999

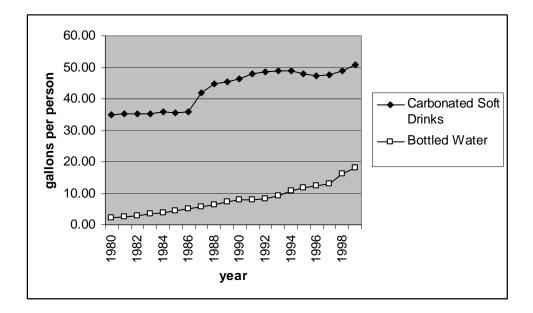


Figure 3. Carbonated soft drink and bottled water consumption, 1980-1999

The nonalcoholic beverage industry is a very competitive industry with hundreds of new products introduced annually. Advertising expenditures in the industry are indicative of its monopolistically competitive nature. In 1999, \$ 165.6 million were spent in magazine advertising and \$ 355 million were spent on network advertising on television (*Statistical Abstract of the United States: 2000*) These advertising expenditures are lower bounds because these figures do not include the dairy industry's advertising expenses.

With all of the competing products in this segment, substitution effects are dominant. A study in 1999 revealed that soft drinks were found to displace milk and fruit juice (Harnack, Stang, and Story (1999)). The knowledge of such effects is important to understand trends and to monitor the changing environment of the nonalcoholic beverage industry. The trends in the consumption of these beverages are primarily unfavorable for those concerned with health-conscious food and beverage choices. The average American consumer is consuming less than half of the daily recommended serving of milk and fruits (*Statistical Abstract of the United States* (1999)). Nonalcoholic beverages are essential suppliers of calcium and vitamin C. Caffeine and calories also are supplied from this segment. A recent article in *The Journal of the American Dietetic Association* stated that "consumers who are concerned about energy intake should be made aware of the energy content of beverages, especially soft drinks and alcoholic beverages" (Chanmugan, Guthrie, Cecilio, Morton, Basiotis, and Anand (2003)). Energy content is directly related to obesity in children and adults. Obese children are more likely to have health problems and stress than those who are not (Gortmaker, Must, Perrin, Sobol, and Dietz (1993)).

Many government programs tied to nutrition are in need of information pertaining to the nonalcoholic beverage complex. The Food Stamp Program, National School Lunch Program, School Breakfast Program, and Special Supplemental Food Program for Women, Infants and Children are examples of programs that target households that are in need of nutrients, many of which are supplied via beverages. A study that examines demographic tendencies for consumption and nutrient intake would be of great use for this reason. Future policies need to be made based on the most recent evidence. Consequently, a study updating the current situation within the nonalcoholic beverage complex is warranted. Articles dealing with nonalcoholic beverages have been a mainstay in the press as a result of the nutritional aspects and heavy consumption of specific beverages in the segment. Recent articles such as "Obesity Campaign Eyes School Drinks" (Buckley (2003)) and "Legislators try to Limit Soft Drinks, Sugary Snacks at Schools" (Hellmich (2003)) address the trend of children over-consuming the wrong types of beverages and address ways to correct the problem through various forms of action.

A thorough analysis of the nonalcoholic beverage industry is beneficial for businesses and promotion boards as well. Demographic profiling is useful for tracking changing tastes and preferences as well as forecasting levels of consumption. A regional analysis is important for marketing, planning, and new product introduction. The findings of this research can be used as cornerstones in the construction of marketing guidelines for various beverage producers and promotion boards. Manufacturers and retailers then can compare these results to their current marketing strategies. The models produced by the study may be used to predict either the probability of consumption or the amount of actual intake of the selected products for any demographic profile. Once the respective predictions have been made, the question of which consumers to target and which marketing strategies to use can be addressed. The degree of substitutability within the complex also will be revealed, allowing promoters of certain beverages to know which types of beverages in the segment are major competitors.

This work uses a specialized scanner data set with demographics attached. This data set is a relatively new form of information, and few analyses have employed these data in research studies. Care will be taken to show the intricacies of the data and the

added benefit of a combination of scanner and demographic data. Explanations of the data use will be helpful for future users of such data.

Many partial analyses of nonalcoholic beverages have been done in the past. Large proportions of these works have focused on milk. Advertising is often a key focus of these studies. The works of Kinnucan and Forker (1986) and Kaiser and Reberte (1996) are two examples of studies involving milk and advertising. Typically, a few nonalcoholic beverages were added into these studies, but the extant literature rarely has included all beverages in any type of analysis. Examples include the works of Xiao, Kinnucan, and Kaiser (1998) which had milk, juices, soft drinks, and coffee and tea combined; Heien and Wessels (1988) which had milk, soda, coffee and tea combined, fruit ades, and citrus juices; Richertson (1998) which had hot drinks, milk, soft drinks, alcohol, and all other food.

Many works with demand systems also have explored economic relationships among nonalcoholic beverages. Again, only a few other beverages have been implemented into these studies. Thus, research considering substitution possibilities among nonalcoholic beverages has been limited. Ueda and Frechette(2002), Gould, Cox, and Perali(1990), Gould(1996), Kinnucan(1986), and Kaiser and Reberte(1996) all have done demand systems work focusing primarily on milk. Nutrition also is mentioned as a justification for some of the aforementioned works. Typically the consideration given to nutrition issues is made to see which beverages are displacing or competing with milk or fruit juices. An investigation of demographic drivers responsible for nutrient or calorie intake is not combined in any of these studies.

A thorough and complete analysis of all nonalcoholic beverages is needed. Trends are changing and demographic drivers of consumption need periodic assessment. Economic relationships also are altered with these changes. Obesity in American consumers, specifically children, is of major interest at this point in time. Media and research attention given to this subject often focus upon nonalcoholic beverage consumption. This work will look at the nutrition and economic aspects of all goods in the nonalcoholic beverage complex to provide a complete and updated analysis.

#### **Purpose and Objectives of This Research**

This study will analyze the household demographic and economic factors that drive the decision made by households to consume nonalcoholic beverages and the factors that determine their intake level of nonalcoholic beverages. The study also will analyze the nutrient and caloric intakes from nonalcoholic beverages and analyze how households compare in terms of nutrient intake. For example, poverty status of the household is of great concern for vitamin C and calcium intake. Policymakers fear that households within poverty thresholds may be failing to meet minimal nutritional requirements. These two nutrients are received largely from nonalcoholic beverages. The study will be centered only on at-home intakes of households in 1999. The focus of this study will be to find:

1. The key determinants or drivers affecting the *probability* of consuming nonalcoholic beverages in at-home markets. Probit models will be used to

determine the key demographic factors that affect the decision to consume nonalcoholic beverages.

- 2. The key demographic drivers associated with the *volume* of nonalcoholic beverages in at-home markets. Cross tabulations will be used initially to get a comparison in gallons consumed per household by comparing differing demographic households. Subsequently, the determinants of the intakes of the selected products will be based on the Heckman sample selection procedure(Heckman (1976)). This econometric technique will allow for statistical significance of associated drivers of consumption levels.
- 3. The average per person, per day intake of nutrients and calories from all nonalcoholic beverages as well as from selected commodities responsible for specific nutrients and caloric intake. Cross tabulations also will reveal differing averages for nutrient levels across household demographic classifications.
- 4. The key demographic drivers associated with the *volume* of nutrients and calories derived from all nonalcoholic beverages in at-home markets. Statistically significant drivers of nutrient and caloric intake levels will be captured through a nutrient regression analysis.
- 5. The own-price and cross-price elasticities of demand for nonalcoholic beverages in the at-home market. The Linear Approximation Almost Ideal Demand System (LA/AIDS)(Deaton and Muellbauer (1980a)) will be used to determine the ownprice and cross-price elasticities of the nonalcoholic beverages. This analysis will provide insight to the interrelationships within the complex of nonalcoholic

beverages. Importantly, estimation techniques will be used to handle censoring within the demand system since not all households consume all nonalcoholic beverages.

These results will allow for the identification of potential target market areas to alter the probability of consumption and to alter the consumption of the selected products within at-home markets. Household attributes associated with nutrient and caloric intake from beverages also will identify targets for improvement for households that are under- or over-consuming specific nonalcoholic beverages. Own-price elasticities will exhibit the sensitivity of households to changes in the prices of beverage products, while cross-price elasticities will show the substitution and complementary effects among the beverages in the segment.

A comparative investigation of both at-home and away-from-home intakes of the selected products would be the ideal path to follow. This study however, will center attention only on at-home intakes of the selected products due to two major reasons. First, data on away-from-home consumption with household demographic variables are not generally available for such research. Data available for this study are focused on at-home consumption and do not reflect away-from-home consumption patterns. Second, available price series are limited to commodities and products consumed in the at-home market.

#### **Extant Literature**

The substantial portion of all economic studies concerning the effect of price, income, selected demographics, and often advertising dealt with only milk. Seven studies that included milk as well as other nonalcoholic beverages will first be discussed. Studies concerning only milk then will be analyzed. Special attention is given to articles that utilize demand systems since, in more recent times, demand systems are often used when analyzing economic relationships for related goods. The authors, estimates, methodologies, and data used will be given but not discussed. Following this, selected articles concerning demographic impacts or nutrition for nonalcoholic beverages will be discussed. Lastly, key points concerning methodologies, data used, and implications for this work will be addressed. In March of 2003, Capps conducted an expansive review for the International Dairy Foods Association of dairy demand studies that are summarized in Appendix A.

Xiao, Kinnucan, and Kaiser focused attention on beverage demand in an integrated framework that considered a full array of substitution effects between the beverages. The primary focus was advertising and structural change. The analysis was interested in looking at how advertising for one beverage could affect consumption changes in other beverages due to substitution, complementary effects, or overall beverage demand.

A demand system analysis was used to consider interaction of the various beverages. The Rotterdam model was selected since it is flexible, consistent with demand theory, and handles advertising effects well. The model was estimated using a iterative seemingly unrelated regression(ITSUR) routine. The common restrictions-adding up, homogeneity, and symmetry, were imposed in the system. Elasticities were calculated at the sample means.

Annual time-series data covering the period 1970-1994 were used. Consumption data for fluid milk, fruit juices, soft drinks, tea, and coffee were obtained from Putnam and Allhouse. Tea and coffee were combined due to the modest consumption of tea. Bottled water was ignored since it was not a complete series for the time period. The included beverages accounted for 92.5% of nonalcoholic beverages in 1993. Price data were obtained primarily from U.S. Department of Labor CPI Detailed Report. The prices were converted to real values and placed in per gallon units. Advertising data were obtained from Leading National Advertisers, Inc.. Elasticities derived in the article for the beverages are given in table 1 below. An asterisk notes significance at the 95% level.

|              |          |          |             | Coffee & |             |
|--------------|----------|----------|-------------|----------|-------------|
|              | Milk     | Juices   | Soft Drinks | Tea      | Expenditure |
| Milk         | -0.1685* | 0.0917*  | 0.0405      | 0.0363*  | 0.406*      |
| Juices       | 0.1642*  | -0.3609* | 0.1833      | 0.0127   | 0.6976      |
| Soft Drinks  | 0.0262   | 0.0663   | -0.1372*    | 0.0447   | 1.2383*     |
| Coffee & Tea | 0.0803*  | 0.0157   | 0.1528      | -0.2488* | 1.8756*     |

Table 1. Beverage Elasticities Derived by Xiao, Kinnucan, and Kaiser, 1998

The results of advertising varied by beverage and across beverages. Xiao, Kinnucan, and Kaiser looked at two socio-demographic factors, the effect of age and food away from home. Milk was the only beverage significantly affected. As age increased and the consumption of food away from home increased, milk was consumed less.

In 1988 Heien and Wessels conducted an analysis in order to help promoters of dairy products. Per capita milk consumption has been declining over the postwar period and this has policy makers and producers concerned. Several attempts have been made to augment the demand for dairy products. A need for better information to make these decisions exists and must be found. This article sought to present estimates of the demand structure for dairy products. Special attention was given to cross price effects with other food items, income effects on each commodity, and specific demographic tendencies to consume the food commodities. The estimates were then used to make predictions of future consumption so that better dairy policy decisions could be made. The predicted values were then compared to actual consumption to see how well the method worked.

Data were needed that had a high degree of commodity and demographic detail. Cross sectional data were selected for this reason. The Household Food Consumption Survey for 1977-78, conducted by USDA was used. This survey had data on prices and expenditures for over 1,000 food items as well as detailed demographic information for each household. Milk was divided into whole, skim, chocolate. Other goods included in the data were; yogurt, buttermilk, cheese, cottage cheese, butter, margarine, fruit, meat, coffee and tea, sodas-colas, fruit, diet, carbonated water, fruit ades and vegetable juice, citrus juice, and all other food. Heien and Wessels regressed observed prices on regional and seasonal dummies in order to fill in missing prices. A complete system approach was used in the analysis. The almost ideal demand system(AIDS) was chosen to handle the own-price, crossprice, and demographic effects. The system was estimated by iterative three-stage least squares(3SLS). All elasticities were evaluated at the means of the data.

The elasticities for the nonalcoholic beverages within the system are given below in table 2. Significant elasticities were not noted.

|                        |       |        |       | Fruit Ade  |        |             |
|------------------------|-------|--------|-------|------------|--------|-------------|
|                        |       | Coffee |       | &          | Citrus |             |
|                        | Milk  | & Tea  | Soda  | Veg. Juice | Juices | Expenditure |
| Milk                   | -0.63 | 0.08   | -0.04 | 0.02       | 0.04   | 0.77        |
| Coffee & Tea           | 0.12  | -1.07  | 0.03  | 0.04       | 0.03   | 0.78        |
| Soda                   | -0.11 | 0.04   | -0.58 | 0.03       | -0.02  | 0.78        |
| Fruit Ade & Veg. Juice | 0.14  | 0.17   | 0.07  | -1.77      | 0.17   | 0.94        |
| Citrus Juices          | 0.11  | 0.06   | -0.02 | -0.07      | -1.14  | 0.73        |

 Table 2. Beverage Elasticities Derived by Heien and Wessels, 1988

The demographic findings for only dairy products were given. The more meals eaten at home, the more milk consumed. Also, as age increased, less milk was consumed. These two findings were in accordance with Xiao, Kinnucan, and Kaiser's. Heien and Wessels concluded that demographics, especially age-gender population and proportion of meals at home, had sizable negative impacts on demand for dairy as did own-price impacts. The importance of the large negative impact of the own-price effect was emphasized due to the policy implications. Heien and Wessels (1990) did a follow up paper to the previous study. The focus of this paper was to look at censored demand systems. Censoring is an issue involving zeros in the system that can bias estimates if corrections are not made. This problem is common in studies since not all households will consume or purchase all of the goods, thus leaving a zero in the consumption category for that time frequency. The procedure proposed was to add the inverse of the Mill's ratio to the end of each equation in the system as an extra regressor, based on the work of Heckman. The same data set was used for this analysis, the Household Food Consumption Survey 1977-78, conducted by the USDA. The same goods were used as well, of note are milk, coffee & tea, sodas & fruit ades, vegetable & citrus juices and many other non-beverage food goods. More demographics were included in this study.

The censored correction technique proposed was deemed successful by Heien and Wessels and comparisons between an LA/AIDS system that was corrected for censoring and an LA/AIDS system that was not corrected for censoring were made. Key results from the censored system concerning nonalcoholic beverages included the following. Milk's own-price elasticity was -.77 and it was a significant substitute for coffee & tea and vegetable & citrus juices. Coffee and tea's own-price elasticity was -1.01 and it was a significant substitute for milk, sodas & fruit ades, and vegetable & citrus juices. Soda and fruit ade's own-price elasticity was -1.1 and it was a significant substitute for coffee & tea. Vegetable and citrus juice's own-price elasticity was -.87 and it was a significant substitute for coffee & tea.

Demographic effects that were significant at the 95% level for nonalcoholic beverages found by Heien and Wessels are as follows. More milk is consumed: for meals at home, in rural households, in the West compared to the East, and by food stamp recipients. Less milk is consumed: in the spring and summer months when compared to the winter, by female shoppers, and by blacks. More coffee & tea is consumed: in rural households, in the winter compared to the spring and summer, in Eastern households compared to those in the West. Less coffee & tea is consumed: by male shoppers, by consumers with a Spanish background, by households that have the male employed as a nurse. More sodas & fruit ades are consumed: in the spring and summer compared to the winter, in the North Central, South, and West as compared to households in the East, by male shoppers, by consumers with a Spanish background. Less sodas & fruit ades are consumed when the percentage of meals at home is higher. Households of Spanish descent consume more vegetable & citrus juice. Less vegetable & citrus juice is consumed: in metro and rural households compared to suburban households, in the spring and summer compared to the winter, in North Central and Southern households compared to Eastern ones, and by female shoppers.

In 1990, Gould, Cox, and Perali investigated the dramatic change in recent years of the demand for fluid milk products. Concern was placed on the declines in consumption as well as the changing composition of products consumed. After a discussion of the changing trends, an economic and demographic analysis of whole milk, lowfat milk, juices, other beverages, and other food was conducted. The differing milk types were studied to note their effect upon each other, and other goods were included to analyze their effect on milk. Demographic effects studied were the age of the population, percentage of the population that was nonwhite, and the median number of years of education for people over age 25.

Times series data from 1955-85 were used. The quantity data on whole and lowfat milk consumption were obtained from Manchester, Bunch and Simon, and from *Dairy Field*. Retail milk prices were obtained from the U.S. Bureau of Labor Statistics. Per capita juice and other beverage data were from the U.S Department of Agriculture's *Food Consumption, Prices, and Expenditures*(USDA 1968-85). A demand systems approach was used to look at the price effects of each type of good. The demographic variables were included in the system to see their effect upon each respective beverage and food item.

Compensated Elasticities from the AIDS system is given below in table 3. An asterisk notes significance at the 95% level.

|                 | Whole<br>Milk | Lowfat<br>Milk | Juices  | Other<br>Beverages | Other<br>Food | Expenditure |
|-----------------|---------------|----------------|---------|--------------------|---------------|-------------|
| Whole Milk      | -0.324        | 0.059          | -0.023  | 0.168*             | 0.168         | 0.658*      |
| Lowfat milk     | 0.27*         | -0.437*        | 0.117*  | 0.18*              | 0.18          | 0.062       |
| Juices          | -0.051        | 0.058*         | -0.327* | 0.376              | 0.376         | 0.539       |
| Other Beverages | 0.066*        | -0.016*        | -0.014  | 0.156*             | 0.156         | 0.492*      |
| Other Food      | 0.01          | 0.002          | 0.01    | -0.04              | -0.04         | 1.102*      |

Table 3. Beverage Elasticities Derived by Gould, Cox, and Perali, 1990

Lowfat milk was a significant substitute for whole milk, juices and other beverages. Juices were a significant substitute for lowfat milk. Other beverages were a significant substitute for whole milk. The significant demographic effects found in the demand system analysis are as follows. Age of the population was significant for consumers of lowfat milk and juices with person over sixty-five drinking more while those under sixty-five drank less. Juices were affected by the race variable. As the percentage of nonwhites increased less juices were consumed. Education was tied to three of the goods. Persons with more years of education indicated higher levels of consumption of lowfat milk and other beverages. Persons with more education indicated a lower level of consumption of juices.

Richertson investigated the demand for food and beverages in Norway. Four beverages; soft drinks, hot drinks, alcoholic beverages, and milk & cream, along with all other food were analyzed. Economic aspects concerning substitution and complementary effects among food and beverages was the focus. The LA/AIDS demand system was used similar to the work of Xiao, Kinnucan, and Kaiser. Annual private-consumption expenditure data from 1962-91 from the Central Bureau of Statistics, Oslo were used.

The elasticities generated from this study will not be summarized explicitly since this piece of research concerns Norway. This dissertation centers attention on nonalcoholic beverages in the United States. Significant substitutes among the four beverages were; soft drinks and alcoholic beverages, soft drinks and milk, hot drinks and alcoholic beverages, soft drinks and hot drinks, milk and alcoholic beverages. No demographic analysis was conducted in this study.

Kinnucan and Forker studied the consumer response to milk advertising in 1986. The crux of the article looked at advertising levels, frequency, and a simulation of

possible consumption in past years given appropriate advertising by using the knowledge of this study. The initial models give information important to this study.

Data from the New York City metropolitan area from 1971-1980 were used. The frequency was monthly and contained advertising levels for milk. A single equation double-log model was used to only look at milk. Per capita income, milk price, cola price, coffee price, and race were added to the model along with advertising. Two models were utilized, one with twelve monthly advertising figures, the other with one annual level of advertising.

The single equation models produced elasticities and demographic findings for milk. The own price elasticity of milk was negative but insignificant in both models. Cola was a significant substitute with milk in both models and coffee was a substitute at the 90% significant in the monthly advertising model. The income elasticity was significant and positive. The race variable indicated that as the percentage of nonwhites increased, the quantity of milk consumed significantly decreased in both models.

Kaiser and Reberte conducted a study similar to that of Kinnucan and Forker looking into the generic advertising of fluid milk's impact on demand for whole, lowfat, and skim milks. The analysis utilized a single-equation double-log model. Each milk types quantity was regressed onto its own price, the prices of the other milk types, the price of orange juice, a health index, advertising expenditure, and quarterly dummies. Milk price data for the analysis were for the New York City area collected from the New York Department of Agriculture. Orange juice retail prices were gathered from the Consumer price Index for the northeastern United States. Income data came from the New York metropolitan area. The data were monthly and ranged from 1986 through 1992.

The results indicated that long-term generic milk advertising had a positive impact on whole, lowfat, and skim milks. Orange juice was a significant substitute for whole, lowfat, and skim milk. Income positively affected the consumption of all three milk types as well. The own-price elasticities for whole, lowfat, and skim were all negative but none were significantly different from zero. The three milk types were seasonal; all three types of milk were more heavily consumed in the fourth quarter.

The seven articles previously discussed contain an economic analysis and in some cases, a demographic analysis of nonalcoholic beverages. The next grouping of articles deal with economic relationships of only dairy commodities. The literature is full of demand, advertising, and promotional studies concerning milk and dairy products, some articles dating back as far as 1957 examining milk disappearance in 1924. The following articles look only at milk analyses in recent times.

Ueda and Frechette's work noted that per capita consumption of lowfat and skim milk types had increased substantially over the past decade. The study investigated whether the change is due to price and expenditure effects or due to a fundamental preference change in milk demand. Tests for structural change in milk consumption in New York State were performed. Following the structural tests, effects of different time frames on own-price and expenditure fluid milk elasticities were examined to see if there was a significant change based on price and expenditure effects. Monthly data on prices and sales for New York fluid milk sales were used, from 1991-1998. The data were obtained from the New York State Department of Agriculture and Markets, partly from various issues of the New York State Dairy Statistics, Annual Summary, and the remainder from the staff in that department. Prices were for whole, skim, 2%, and 1%. Lowfat prices were garnered from an average of skim, 2%, and 1%. Quantities were retrieved for whole, skim, and lowfat(1and 2%) from sales from New York plants. Quantities demanded were computed by converting pounds sold into gallons using conversions from the New York State Department of Agriculture and Markets since prices were in gallons.

A demand system approach was used. Four alternative models were estimated using the seemingly unrelated regression(SUR) technique. More specifically, the AIDS model was used. The variables in each equation were the own price, cross prices of the other two milk types, and total expenditures. The four models were; level data with no restrictions imposed, level data with restrictions imposed, differenced data with no restrictions imposed, and differenced data with restrictions imposed. The restrictions imposed were adding up, homogeneity, and symmetry.

Many elasticities were given, here the means from the many procedures are given. The mean own-price elasticities are as follows; -.652 whole, -.218 lowfat, 1.435 skim. Cross price elasticities; -.556 whole/lowfat, .064 whole/skim, -.714 lowfat/whole, .003 lowfat/skim, .211 skim/whole, and -2.941 skim/lowfat. Mean expenditure elasticities were also given; -.013 whole, .043 lowfat, and .053 for skim. This indicates

that whole milk is an inferior good. Whole milk and lowfat are complementary goods. Whole and skim milk are substitute goods.

Gould(1996) also noted that per capita milk consumption has changed dramatically since 1970. Research to determine the causes for changes in fluid milk consumption patterns has primarily focused on attitudinal factors or is based on demographics, prices and income. This paper uses a demand systems approach that incorporates random household data for the entire U.S., expenditure data on fluid milk for an entire year, prices and budgets for dairy intake, and does this while correctly handling censoring. This paper sought to appropriately present and update the demographics related to the changed consumption patterns.

The milk purchase data used by Gould were obtained from April 1991-March 1992. It was an U.S. consumer panel maintained by Nielson Marketing Research (NMR). Only fluid milk purchases for at-home consumption were included. Demographics were included for every household participating in the consumer panel.

The data set contained many zeros, which necessitated a censored demand system approach in order to avoid sample selection bias. Although strenuous to implement, the Lee and Pitt approach was used. This procedure allows for sample selection correction while at the same time capturing cross-commodity censoring impacts. Own and cross-price substitution elasticities are estimated along with household demographic characteristics that were included in the model. Significance tests were then computed on the demographic categories to indicate their importance in the changed consumption of milk. Own-price elasticities derived are as follows; Whole - .803, Skim/1% -.593, 2% -.512. Expenditure elasticities; Whole 1.006, Skim/1% .983, 2% 1.009. All three milk types were substitute goods with each other.

Maynard and Liu(1999) discussed how U.S. dairy product marketers are increasingly concerned that their pricing policies are being based on outdated elasticities. It is expected that milk own price elasticities are more price elastic due to an increase in substitute products, declining cereal consumption, altering promotional activities, and changed eating patterns across society. Varying elasticities estimated by many researchers over the past 25 years also has these marketers concerned. This article looks at the impact of model selection alone on the variability of dairy own-price estimates.

The analysis used weekly national average retail scanner data provided by ACNielsen provided via the International Dairy Foods Association for the period November 1996 through October 1998. Price and quantity data was available for white and flavored milk as well as other dairy products. Personal consumer expenditure data was gathered from the Bureau of Economic Analysis. Seasonality was represented in the data with dummy variables.

Maynard and Liu used three model specifications to gauge the robustness of the results. A double-log specification was used with ordinary least squares. The linearized AIDS model was used. Symmetry, homogeneity, and Engel aggregation were imposed on the system. Lastly, the general demand system used by Lee, Brown, and Seale that nests four differential demand systems: Rotterdam, AIDS, CBS, and NBR was used.

Results of the econometric analysis are as follows. Double Log own-price estimates for white milk; -.54, flavored milk; -1.41. LA/AIDS own-price estimates for

white milk; -.63, flavored milk; -1.40. NBR own-price estimates for white milk; -.78, flavored milk; -1.47. This result showed the model selected alone could affect elasticities.

Schmit, Chung, Dong, Kaiser, and Gould(2001) conducted a study concerning generic milk advertising in 2001. U.S. dairy producers and milk processors contribute substantial dollars each year to fund national generic advertising programs for fluid milk and cheese. Producers, marketers, and legislators are all interested in whether generic advertising increases consumer demand for dairy products. This work evaluated advertising programs to determine if the message is delivered to new or current customers. This helped to provide valuable information to dairy product marketers in developing future advertising campaigns with respect to their target audience.

Fluid milk and cheese purchase data for at-home consumption and annual household demographic data were obtained from the ACNielsen Homescan Panel Sample of U.S. households from January 1996 through December 1999. The dairy product purchase data are purchase-occasion data where households use hand-held scanners to record food purchases. This data set includes total expenditure and quantities purchased. Demographic data were combined with the data set. Data was aggregated to the monthly level and was in gallons for milk and pounds for butter. Milk was separated into whole, reduced fat, light, and skim milk types.

The authors employed a Heckman–style two stage sample selection model for the analysis. With this procedure, the first stage is represented by the dichotomous choice of whether to purchase, and the second stage determines the level of consumption given the decision to consume. Effects of the various variables are then isolated and reported. The first stage is a probit using maximum likelihood estimation. Murphy and Topel corrections procedures were then used to derive a consistent asymptotic covariance matrix. Single equation models utilizing this two-stage procedure were then estimated and elasticities were calculated using the means.

Economics results are as follows. Own-price elasticities; Total milk -.173, Whole -.772, Reduced Fat -.657, Light -.535, Skim -.529. Income elasticities; Whole -.204, Reduced Fat -.039, Light .179, Skim .203. Advertising elasticities; Total milk .081, Whole .074, Reduced Fat .081, Light .072, Skim .082. This showed that generic advertising did in fact help to increase milk consumption.

Park's 1996 dissertation analyzed the demand for prepared foods by U.S. households. The 1987-88 Nationwide Food Consumption Survey was used to look at many food categories. The beverage category was split into two groups; alcoholic and nonalcoholic. Here, only the results from the nonalcoholic category will be discussed.

A probit procedure was first run to determine significant demographic drivers for the decision to consume a beverage. A prediction of consumption was then conducted using these results to see how knowing the demographics of a household would help in identifying a consuming household. The knowledge of demographics combined with the probit findings lead to a 64% prediction rate of whether or not a household would consume a beverage.

A level analysis was then completed to see which demographic variables were responsible for increasing or decreasing the level of consumption once the decision to consume had been made. The level procedure utilized the Heckman procedure to correct for households in the survey that did not respond or consume a beverage in the time period. Results of the dissertation pertaining to the nonalcoholic beverage group will be discussed.

The probit results indicated that Asians, households living in the West compared to those in the Midwest, and household managers with higher age or education level were less likely to consume nonalcoholic beverages. Households with higher incomes were more likely to choose to consume. In the month of April households were more likely to choose to consume a nonalcoholic beverage compared to the base month of December.

The Heckman level results indicated that making the decision to consume at least one drink during the time frame increased the level of nonalcoholic beverage consumption. The months of June and July positively affected the level of consumption. Having males under the age of 65 and females in their teenage years increased the level of consumption of nonalcoholic beverages in a household.

Yen and Lin(2001) conducted a study concerning milk, soft drink, and juice consumption for children and adolescents in the USA. Several of the health effects; obesity, diabetes, heart disease, and stress that can come about from childhood obesity were discussed. Recent articles that found that soft drinks are replacing milk and fruit were then discussed. Based on these problems and the evidence of replacement, Yen and Lin sought to quantify these findings of others and look at demographics associated with milk, soft drink, and juice consumption. The study used the United States Department of Agriculture's 1994-96 Continuing Surveys of Food Intakes by Individuals. The methodology was a core portion of the article. A full-information maximum likelihood estimator and a parsimonious quasi maximum-likelihood alternative were used to estimate a censored system of beverage equations. The results of the analysis are as follows.

Continuous variable effects first were analyzed. As age increased, milk consumption significantly decreased while soft drink consumption increased. As income increased, both soft drinks and juice consumption increased. As the amount of time watching television increased, milk consumption decreased and soft drink consumption increased. On weekends, less milk was consumed while more juice and soft drinks were consumed.

Discrete variable effects then were analyzed. Males and city dwellers consumed more milk compared to females and individuals living in rural areas, whereas blacks and people in the South consumed less milk when compared to whites and those in the West. Males and individuals living in the Midwest consumed more soft drinks than females and individuals residing in the West. Individuals living in the Northeast consumed fewer soft drinks than those living in the West. City and Suburban dwellers and individuals in the Northeast and college educated individuals consumed more juices when compared to rural dwellers, individuals in the West, and those with a high school education or less.

Harnack, Stang, and Story looked at the effects of soft drink consumption on U.S. children and adolescents. This nutrition article looked at how soft drink consumption effected the intake of other foods and nutrients. In the literature, it often is hypothesized that soft drinks displace more nutritious beverages for children and adolescents.

After a discussion of trends in consumption and obesity awareness, the authors performed a logistic regression analysis to determine the probability of low milk and juice consumption while taking into account soft drink consumption level. Multiple linear regression modeling was used to determine whether intake of select nutrients varied by soft drink consumption. The 1994 United States Department of Agriculture's Continuing Surveys of Food Intakes by Individuals was used for the analysis.

Results indicated that energy intake was positively associated with consumption of non-diet soft drinks. Children and adolescents that were in the highest level of soft drink consumption category consumed less milk and fruit juice compared with those in the lowest consumption category of soft drinks. This finding solidified the hypothesis that soft drinks are displacing healthy beverages.

Chanmugan, Guthrie, Cecilio, Morton, Basiotis, and Anand performed a study analyzing consumption changes between the 1989-91 and the 1994-96 Continuing Surveys of Food Intakes by Individuals. Key findings of the paper for nonalcoholic beverages were that whole milk consumption had decreased while lowfat milk, fruit drinks, coffee & tea, and soft drink consumption had increased. Soft drink consumption had greatly increased when compared to the other beverages. The authors cautioned that consumers that are concerned about energy content should be aware of the amount in most beverages, especially soft drinks.

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There are numerous other nutrition/dietetics articles that analyze the problems and trends associated with consumer beverage choices. Many of these articles also look at specific demographic choices. For example, children consuming juice or soft drinks or elderly individuals under-consuming calcium rich beverages.

In recent years, nonalcoholic beverages have been a mainstay in the popular press as well. Articles such as "Obesity Campaign Eyes School Drinks" and "Legislators Try to Limit Soft Drinks, Sugary Snacks, and School" bring attention to the nutritional and energy content problems. Obesity is receiving constant attention as well, and based on the article by Chanmugan, Guthrie, Cecilio, Morton, Basiotis, and Anand, nonalcoholic beverages are partly responsible.

### **Concluding Remarks**

A key finding of this literature review is similar to what Asatryan found in his recent dissertation literature review concerning consumer demand studies of pork. The studies that emphasized income and price factors were usually based on analysis of demand systems. Many of those studies which emphasize the demand system approach use a seemingly unrelated regression (SUR) procedure due to three main reasons (Capps (1993), Piggott(1997)). First, the demand system allows imposition of restrictions implied by the economic theory not only within an equation (such as homogeneity) but also across different equations (such as symmetry and adding up) which improves efficiency by estimating as a demand system. Second, a system of equations approach is more efficient than single-equation models if disturbances in different equations are contemporaneously correlated. Third, a system of equations approach is more efficient than a single-equation model if the exogenous variables are not the same in each equation (which is the case in censored demand systems).

These studies used several commonly accepted models. The Rotterdam model of Theil(1965) and Barten(1964) and the Almost Ideal Demand System (AIDS) model of Deaton and Muellbauer (1980a) were the most popular models in the literature. Further, many of these studies were based on classical demand theory and, therefore, included only income and price determinants. Others however, were based on more generalized theories of demand (e.g., household production theory) and, therefore, integrated advertising, health, and other factors in addition to prices and income (Bryant and Davis(2003)).

Bryant and Davis investigated the magnitude of impact on the estimates in the demand systems when one of the following is changed: (a) the functional form of the model; (b) the points used for calculation of elasticities; and (c) the presence of non-economic variables. They studied those impacts using a demand system for meats (pork, beef, poultry, and fish). The study included four functional forms: (a) the Rotterdam model (Barten(1964) and Theil(1965)), (b) the first-differenced AIDS model (Deaton and Muellbauer (1980a)), (c) the Central Bureau of Statistics (CBS) model (Keller and van Driel(1985)), and (d) the National Bureau of Research (NBR) model (Neves(1994)); three non-economic variables: (i) advertising; (ii) health information; and (iii) woman's labor force participation; and four possible combinations of theoretical restrictions. By comparing all these possible combinations (576 demand systems) they came to the

conclusion that the theoretical restrictions and the points of evaluation for the calculation of elasticities were more important in terms of affecting the variation of the elasticity estimates than functional form considerations and the presence of non-economic variables.

The nonalcoholic beverage studies in this literature review were based on macrolevel annual, quarterly, monthly time-series, or cross sectional data with demographics, prices, and the corresponding quantities. Not all studies included demographics. Macrolevel time-series data such as annual disappearance data (e.g. Xiao, Kinnucan, and Kaiser(1998)) do not contain detailed information in terms of disaggregate products and prices. Other studies which use micro-level data to estimate demand systems are based on either weekly time series scanner information (e.g., Maynard and Liu(1999)) or scanner data containing demographic information for households (e.g., Schmit, Chung, Dong, Kaiser, and Gould(2001)). Cross sectional data with quantity and demographics used were either Household Food Consumption Surveys(Heien and Wessels(1988)) or Homescan data sets (Gould(1996)).

The demand systems or single equation models in these studies mainly consisted of milk, soft drinks, juices, coffee and tea combined, and differing breakdowns of milkfat types. Many other nonalcoholic beverages for consideration exist and could be included. Bottled water, powdered soft drinks, isotonics(sports drinks), and vegetable juice could be added or separated out from aggregate categories. Also, breakdowns of other items such as regular and low calorie soft drinks, orange, apple, and other fruit juices, regular and decaffeinated coffee, and regular and decaffeinated tea could be added to look closer into economic relationships. These breakdowns would help in terms of nutritional concerns as well. Data availability and the overriding focus of the research are some reason why more beverages were not added as economic drivers.

Usually a select number of demographics were placed into the models to see the effect. Rarely were several key demographic factors placed into the models. The most common factors in the literature were race, age of population, income, education, region, percentage of food away from home, and gender. It is important to note that these were never all in one study. Many key demographic drivers exist and a study that places several of them into one analysis would add to the literature. For example, the presence of children, poverty status, household size, employment status of the female head, education of the female head, and the ethnic background in the household have not jointly been combined into one study.

Nutrition was a common justification for studies concerning demographic drivers and economics relationships of nonalcoholic beverages. The typical argument is that humans, especially children, need certain levels of calcium or vitamin C and that "unhealthy" beverages are displacing certain "healthy" beverages. A demand study is then conducted to see which beverages are substituting in place of milk or citrus juices. The remainder of the article then focuses on the demand study and fails to investigate the nutrition aspect any further.

Nutrition articles in health or nutrition journals have primarily dealt with one beverage and one specific health related impact. It may be of use to summarize nutritional intakes for a household while looking across the entire complex of 31

nonalcoholic beverages. Actual nutritional levels associated with the same data set that is used for the demand relationships could be helpful to show actual levels for complete intake by a household. Of course, demographics could be looked at in terms of drivers of nutrient and caloric intake.

### The Distinct Contribution of This Study to the Literature

A unique contribution of this project is the examination of the drivers associated with the decision to consume and the level of intake of nonalcoholic beverages. From a micro perspective, no published study to date has provided predictions of consumption of finely classified nonalcoholic beverages. The findings of this dissertation will add to this piece by more closely examining the beverages that make up this category.

Further, this study contributes to the literature by evaluating the interaction between a greater number of nonalcoholic beverages. Key beverages previously ignored that will be added include bottled water, powdered soft drinks, sports drinks, and differing classifications of milk, coffee, tea, and soft drinks. For example, decaffeinated and regular tea and coffee, flavored and unflavored milk, and regular and low-calorie soft drinks. The economic interactions, own-, cross-price, and expenditure elasticities in the at-home market, between these specific types will add to the literature. Also, these specific classifications will contribute to important demographic findings concerning nutrient and caloric specific beverage types. Lastly, the nutrient regressions and level analysis will fill a void in the literature concerning demographic tendencies for certain types of beverages based on nutrient content and levels of intake by specific household types.

In summary, a study examining the economic and demographic aspects of a large number of finely classified beverages combined with a more detailed set of demographics is the thrust of this dissertation. This work will add significantly to the existing literature by expanding the beverage set examined and the set of demographic drivers associated with the decision to consume and the level of consumption of those beverages. The economic interactions of this larger set of nonalcoholic beverages also will be a noteworthy addition to current literature. Information concerning actual nutritional intakes and demographic tendencies associated with nutrition also will add to the literature.

## Organization

The organization of the dissertation will be as follows. Chapter I of this dissertation will serve as the introduction to the research. It will include the purpose, the objectives, and the literature review of the study. Chapter II will address the data used for the analysis. The preparation of the data will be described in detail since working with the raw scanner data set is tedious. Descriptive statistics of the data will also be included in this chapter.

Chapter III will address the development of the probit, Heckman, and censored corrected linear approximate Almost Ideal Demand System (LA/AIDS) models used in

the analysis. This chapter will have three subsections: (1) probit model; (2) Heckman type model; and (3) censored corrected LA/AIDS model.

Empirical results will be discussed in Chapter IV through Chapter VIII. Chapters IV, V, and VI will be similar in that they will all identify demographic tendencies. Chapter IV will discuss the results of the probit analysis on the choice of consumption of nonalcoholic beverages. Chapter V will discuss the volume analysis of nonalcoholic beverages, which will involve both the cross tabulations and Heckman analysis. Chapter VI will discuss the nutrients and calories derived from nonalcoholic beverages. Both cross tabulations and regressions will be used to reveal drivers of nutrient intake levels. Chapter VII will discuss the interrelationships within the nonalcoholic beverage complex, primarily discussing the own-price and cross-price elasticities from the different groupings of beverages. Chapter VIII will identify demographic sensitivities in terms of elasticities for various beverages. The conclusions of this study will be given in Chapter IX.

# CHAPTER II

# DATA

### Introduction

The data used for this dissertation is the 1999 ACNielsen HomeScan data set. These are scanner data with attached demographic information. The first portion of this chapter will look at the demographic breakdown of the data. Attention will be given to the demographics that will be used in the study. The raw scanner data then will be discussed followed by the selection and cleaning up of the data pertinent to this study. Final data sets will be constructed and described for each analysis to be performed.

### **Demographic Discussion**

The 1999 ACNielsen HomeScan data are unique in that it is similar to a survey. Each panelist was supplied with a scanner device that they used to record items purchased at the grocery store throughout a given time period. Each panelist represented a unique household, with each household having eighteen known demographic characteristics. For a complete list of the demographics variables see table 4.

## **Table 4. Demographic Variables**

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|    | Demographic information      |            |
|----|------------------------------|------------|
|    |                              | Number of  |
|    | Panelist ID                  | Categories |
| 1  | Household Size               | 9          |
| 2  | Household Income             | 16         |
| 3  | Age of Female Head           | 10         |
| 4  | Age of Male Head             | 10         |
| 5  | Age and Presence of Children | 8          |
| 6  | Male Head Employment         | 5          |
| 7  | Female Head Employment       | 5          |
| 8  | Male Head Education          | 7          |
| 9  | Female Head Education        | 7          |
| 10 | Martial Status               | 5          |
| 11 | Male Head Occupation         | 12         |
| 12 | Female Head Occupation       | 12         |
| 13 | Household Composition        | 8          |
| 14 | Race                         | 4          |
| 15 | Hispanic Origin              | 2          |
| 16 | Region                       | 4          |
| 17 | Scantrack Market Identifier  | 53         |
| 18 | Projection Factor            | ?          |

Demographic Information

The households represented 52 different cities, 84.34%, and unidentified rural

areas, 15.66%, spread over four regions of the lower 48 states of the U.S., Northeast,

Southeast, Central, and West. See tables 5 and 6.

# Table 5. Cities in the Data

|    | Scantrack Market   | Percent |    | Scantrack Market      | Percen |
|----|--------------------|---------|----|-----------------------|--------|
| 1  | Rural              | 15.66   | 28 | San Diego             | 0.6    |
| 2  | Boston             | 1.30    | 29 | St.                   | 0.9    |
| 3  | Chicago            | 10.46   | 30 | Tampa                 | 0.7    |
| 4  | Houston            | 0.56    | 31 | Baltimore             | 4.3    |
| 5  | Indianapolis       | 1.27    | 32 | Birmingham            | 0.2    |
| 6  | Jacksonville       | 0.28    | 33 | Buffalo - Rochester   | 1.0    |
| 7  | Kansas City        | 0.76    | 34 | Hartford- New Haven   | 1.1    |
| 8  | Los Angeles        | 11.26   | 35 | Little Rock           | 0.1    |
| 9  | Surburban New York | 5.47    | 36 | Memphis               | 0.0    |
| 10 | Urban New York     | 3.81    | 37 | New Orleans - Mobile  | 0.1    |
| 11 | ExUrban New York   | 2.79    | 38 | Oklahoma City - Tulsa | 0.1    |
| 12 | Orlando            | 0.48    | 39 | Phoenix               | 1.8    |
| 13 | San Francisco      | 0.64    | 40 | Reliegh - Durham      | 0.2    |
| 14 | Seattle            | 0.71    | 41 | Salt Lake City        | 1.5    |
| 15 | Alanta             | 13.79   | 42 | Columbus              | 0.5    |
| 16 | Cincinnati         | 0.94    | 43 | Washington, D. C.     | 8.8    |
| 17 | Cleveland          | 1.01    | 44 | Albany                | 0.4    |
| 18 | Dallas             | 0.40    | 45 | Charlotte             | 0.5    |
| 19 | Denver             | 0.86    | 46 | Des Moines            | 0.4    |
| 20 | Detroit            | 1.32    | 47 | Grand Rapids          | 0.9    |
| 21 | Miami              | 0.64    | 48 | Louisville            | 0.1    |
| 22 | Milwaukee          | 0.63    | 49 | Omaha                 | 0.5    |
| 23 | Minneaplois        | 0.56    | 50 | Richmond              | 0.2    |
| 24 | Nashville          | 0.16    | 51 | Sacramento            | 0.4    |
| 25 | Philadelphia       | 1.80    | 52 | San Antonio           | 7.5    |
| 26 | Pittsburg          | 1.43    | 53 | Syracuse              | 1.4    |
| 27 | Portland, Oregon   | 1.09    |    |                       |        |

# Table 6. Regions in the Data

| Region  | Percent of data |
|---------|-----------------|
| East    | 20.3            |
| West    | 20.0            |
| South   | 34.3            |
| Central | 25.3            |

The household size demographic has nine categories ranging from one household member to nine. No household had more than nine family members with the mean household size in the panel being 2.57 members. The most common category was the household size of two that had 2,704 observations of the 7,195 households in the data set.

Three demographics concerning the female head of household are used. The female head typically is largely responsible for food at home purchases. 671 of the households had no female head of household or the household gave no information regarding age, employment, or education of a female head. There are eight categories of age for female head of households. There are four categories of employment ranging from not employed to three different categories of hours worked per week. There are six categories for education ranging from grade school education to post college education. 2187 of the households in the data set had a female head that attained some college education followed by 1821 households with a female head that graduated from college.

The demographic for race had four categories: white, black, oriental, and other. 83.5 % of the households in the panel are white. The demographic category for Hispanic origin contained a yes or no classification. 457 of the 7195 households in the panel were of Hispanic origin.

This study specifically focuses on consumption choice, nutrient consumption levels, and elasticity differences of households within poverty level thresholds. Poverty standing is not given in the data, thus a poverty threshold demographic was calculated. Both income and household size are utilized for this measure. Guidelines for the poverty

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threshold for 1999 are given in Appendix B. 130% of poverty is commonly used in many government programs and is therefore selected for use in this study. Only 423 of the 7195 households fell into the below 130% poverty range. The income category also will be used in some analyses. The average household income in the data was slightly more than \$50,000 dollars.

### **Raw Scanner Data**

The scanner data were collected by date of purchase and included only panelist that purchased some kind of grocery product in 10 out of the 12 months, making a total of 7195 participating households. The overall data set is divided into four product type groups:

- (1) Dry grocery (4,111,719 records)
- (2) Dairy, (873,899 records)
- (3) Frozen, (1,002,851 records)
- (4) Random weights, (507,306 records),

with each group having numerous product modules. Each of the product modules was further subdivided into brand, size, flavor, form, formula, container, style, type and variety represented each by a unique UPC number. Table 7 gives an overall summary of the number of modules in each product type group.

| Sub- Group     | Number of Modules |
|----------------|-------------------|
| Dry Grocery    | 417               |
| Dairy          | 43                |
| Frozen         | 43                |
| Random Weights | 119               |

**Table 7. Number of Modules in Each Data Group** 

In addition to demographic information total expenditure and quantity information was recorded for each transaction. This information enabled the imputation of price per unit, depending on the specified units.

### **Data Selection Process**

This step includes the process of cleaning and organizing the data in such a way so that it may be usable for analytical and descriptive purposes. The primary objective of the dissertation is aimed at discovering demand and nutritional issues associated with nonalcoholic beverages, which includes all milks, isotonics, bottled water, fruit juices, carbonated and non-carbonated soft drinks.

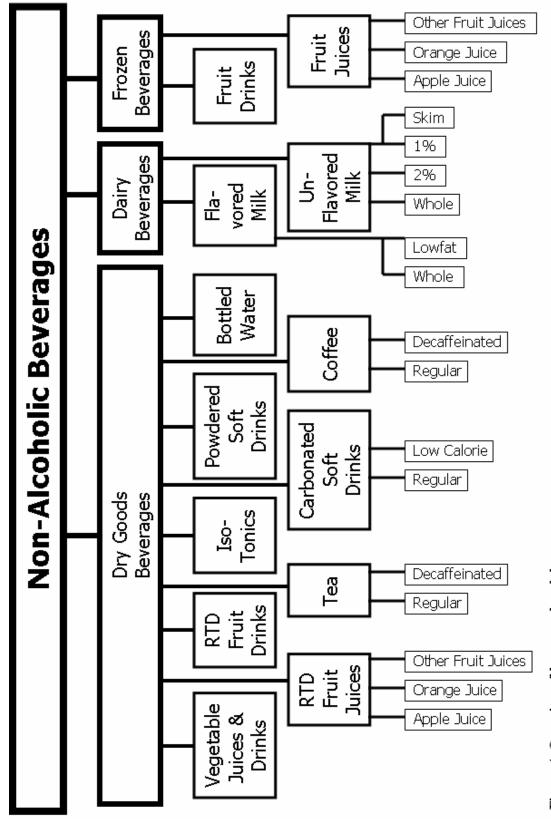
The process of obtaining a usable data set was to determine which modules were needed to construct the appropriate final data set. Of the many hundreds of modules, fifty-three beverage modules were selected. Many of the fifty-three modules were further disaggregated or aggregated to create other modules, which also were used in constructing the final data set making the total number seventy-seven different modules. The purpose of the aggregation / disaggregation was to allow for a thorough analyses. Not only might the effects of the individual beverage, such as milk as a whole be important, but so might the single effects such as the different types of milk; flavored, unflavored skim, low-fat, etc.. A complete table of the different modules can be seen in table 8. Figure 4 gives a visual breakdown of the beverages from the aggregate groups to the more specific beverage categories.

| #      | Module #      | Beverage Description   |
|--------|---------------|--|
| Dry Go | ods Beverages |  |
| 1      | Aggregate     | All dry goods beverages                                      |
| 2      | Aggregate     | Ready-to-drink fruit juices (1030 to 1045, except 1041,1042) |
| 3      | Aggregate     | Apple juice (1031,1033)                                      |
| 4      | Aggregate     | Orange juice (1037,1040)                                     |
| 5      | Aggregate     | Other fruit juices (1030,1032,1034,1035,1038,1039,1044,1045) |
| 6      | 1030          | Fruit drinks & juices-cranberry                              |
| 7      | 1031          | Cider  |
| 8      | 1032          | Fruit juice - Grapefruit - other containers                  |
| 9      | 1033          | Fruit juice – Apple  |
| 10     | 1034          | Fruit juice – Grape  |
| 11     | 1035          | Fruit juice -Grapefruit-canned                               |
| 12     | 1037          | Fruit juice -Orange-canned                                   |
| 13     | 1038          | Fruit juice – Pineapple                                      |
| 14     | 1039          | Fruit juice -Prune   |
| 15     | 1040          | Fruit juice - Orange – other container                       |
| 16     | 1044          | Fruit juice -Remaining                                       |
| 17     | 1045          | Fruit juice -Nectars   |
| 18     | Aggregate     | Ready-to-drink fruit drinks (1041,1042)                      |
| 19     | 1041          | Fruit Drinks-Canned  |
| 20     | 1042          | Fruit Drinks-Other container                                 |
| 21     | Aggregate     | Isotonics – All (1041, 1042, 1484, 1553)                     |
| 22     | isotonics     | Isotonics – Fruit Drinks (1041,1042)                         |
| 23     | isotonics     | Isotonics – Carbonated Soft Drinks (1484, 1553)              |
| 24     | 1050          | Soft Drinks - Powdered(1050)                                 |

Table 8. Summary of Modules in Each Data Group

| Table | 8. continued |  |
|-------|--------------|--|
| #     | Module #     | Beverage Description                                   |
| 25    | Aggregate    | Vegetable Juices and Drinks(1054,1055)                 |
| 26    | 1054         | Vegetable Juice – Tomato                               |
| 27    | 1055         | Vegetable Juice and Drink remaining                    |
| 28    | Aggregate    | Tea (1456,1457,1458,1460,1461)                         |
| 29    | Aggregate    | Regular Tea (1456,1457,1458,1460,1461) has caffeine    |
| 30    | Aggregate    | Decaffeinated Tea (1456,1457,1458,1460,1461)           |
| 31    | 1456         | Tea - Herbal Bags                                      |
| 32    | 1457         | Tea – Packaged   |
| 33    | 1458         | Tea – Bags   |
| 34    | 1460         | Tea – Instant  |
| 35    | 1461         | Tea – Liquid   |
| 36    | Aggregate    | Coffee (Including liquid coffee) (1463,1464,1465,1466) |
| 37    | Aggregate    | Coffee (Excluding liquid coffee) (1463,1464,1465)      |
| 38    | Aggregate    | Regular Coffee (1463,1464,1465)                        |
| 39    | Aggregate    | Decaffeinated Coffee (1463,1464,1465)                  |
| 40    | 1463         | Coffee – Ground  |
| 41    | 1464         | Coffee – Soluble Flavored                              |
| 42    | 1465         | Coffee – Soluble                                       |
| 43    | 1466         | Coffee – Liquid  |
| 44    | Aggregate    | Carbonated Beverages – All - (1484, 1553)              |
| 45    | Aggregate    | Carbonated Soft Drinks - All - (1484, 1553)            |
| 46    | 1484         | Carbonated Beverages                                   |
| 47    | 1484         | Carbonated Soft Drinks                                 |
| 48    | 1553         | Carbonated Beverages - low calorie                     |
| 49    | 1553         | Carbonated Soft Drinks - low calorie                   |
| 50    | 1487         | Water-Bottled  |
| •     | Beverages    |  |
| 51    | Aggregate    | Milk—Flavored and Non-Flavored                         |
| 52    | Aggregate    | Milk—Flavored  |
| 53    | Aggregate    | Milk—Non-Flavored                                      |
| 54    | Aggregate    | Milk-Lowfat Flavored- anything but whole               |
| 55    | Aggregate    | Milk-Lowfat Non-Flavored-anything but whole            |
| 56    | 3592         | Whole flavored   |
| 57    | 3592         | 2% flavored  |
| 58    | 3592         | 1% flavored  |

| #      | Module #  | <b>Beverage Description</b>   |
|--------|-----------|---|
| 59     | 3592      | Skim nonfat flavored  |
| 60     | 3592      | Other lowfat flavorednot 2% 1% or skim/nonfat                             |
| 61     | 3625      | Whole   |
| 62     | 3625      | 2%  |
| 63     | 3625      | 1%  |
| 64     | 3625      | Skim nonfat   |
| 65     | 3625      | Other lowfat flavorednot 2% 1% or skim/nonfat                             |
| Frozen | Beverages |   |
| 66     | Aggregate | All Fruit Juice/Drinks Frozen (2662, 2663,2666, 2667,2668,2669,2670,2674) |
| 67     | Aggregate | Fruit JuiceFrozen (2662,2663,2666,2667,2668,2674)                         |
| 68     | Aggregate | Fruit Drinks-Frozen (2669,2670)   |
| 69     | Aggregate | Other Fruit JuiceFrozen (2662,2663,2668,2674)                             |
| 70     | 2662      | Fruit Juice - Unconcentrated – Frozen                                     |
| 71     | 2663      | Fruit Juice - Grapefruit - Frozen   |
| 72     | 2666      | Fruit Juice – Apple – Frozen  |
| 73     | 2667      | Fruit Juice – Orange - Frozen   |
| 74     | 2668      | Fruit Juice – Grape – Frozen  |
| 75     | 2669      | Fruit Drinks – Orange - Frozen  |
| 76     | 2670      | Fruit Drinks & Mixes - Frozen   |
| 77     | 2674      | Fruit Juice – Remaining - Frozen  |





For each of the seventy-seven modules to be comparable, each was converted into a common measure, gallons. This process required two things. First a knowledge of the form, size and quantity of the products in the modules, and second the rate of conversion for each form, size, and quantity. The first step was simple since the form, size, and quantity were part of each record. The second criterion for conversion was not as simple and required information from the USDA and in some cases actual physical examination of the product in question. Conversion rates for beverages not expressed in liquid measures, excluding concentrated liquid measures, are given in Appendix C.

Once the appropriate beverage product modules were extracted and converted to gallons further checking of the raw data showed it to have a very limited number of records, less then one thirteenth of a percent, which contained positive quantities of product purchased at no cost, making those records unusable. Of the nine hundred and eighty nine thousand and sixty two records to be used, one thousand two hundred and fifty seven were discarded for this anomaly.

After removing the records for which prices were unimputable, the imputation of remaining record prices were completed. The simple descriptive statistics, mean and frequency, showed some of the modules to have prices greater than five standard deviations from their means. By using Chebyschev's inequality these outliers were removed. The mathematical relationships between distribution and dispersion, specified by Chebychev's inequality, indicates not more than four percent of the data will lie outside five standard deviations from the mean, regardless of the distribution of the data. In this case the number of observations lying outside the five standard deviations for any

one module was less than one and a quarter percent and on average for all modules was less than one quarter of a percent. See table 9 for complete results.

| #  | # of<br>Records | # Records<br>With<br>Missing<br>Data | %<br>Missing | # Records<br>no zero<br>prices | # Records<br>With Price<br>Outliers | %<br>Outliers | # Records<br>with no<br>zeros<br>or outliers |
|----|-----------------|--------------------------------------|--------------|--------------------------------|-------------------------------------|---------------|--|
| 1  | 697757          | 635                                  | 0.09         | 697122                         | 1975                                | 0.28          | 695147                                       |
| 2  | 136327          | 202                                  | 0.15         | 136125                         | 385                                 | 0.28          | 135740                                       |
| 3  | 20110           | 75                                   | 0.37         | 20035                          | 34                                  | 0.17          | 20001  |
| 4  | 61208           | 74                                   | 0.12         | 61134                          | 66                                  | 0.11          | 61068  |
| 5  | 55009           | 53                                   | 0.10         | 54956                          | 253                                 | 0.46          | 54703  |
| 6  | 20104           | 19                                   | 0.09         | 20085                          | 51                                  | 0.25          | 20034  |
| 7  | 2370            | 40                                   | 1.69         | 2330                           | 8                                   | 0.34          | 2322   |
| 8  | 5247            | 12                                   | 0.23         | 5235                           | 12                                  | 0.23          | 5223   |
| 9  | 17740           | 35                                   | 0.20         | 17705                          | 27                                  | 0.15          | 17678  |
| 10 | 6518            | 2                                    | 0.03         | 6516                           | 12                                  | 0.18          | 6504   |
| 11 | 1464            | 0                                    | 0.00         | 1464                           | 2                                   | 0.14          | 1462   |
| 12 | 430             | 0                                    | 0.00         | 430                            | 1                                   | 0.23          | 429  |
| 13 | 2016            | 0                                    | 0.00         | 2016                           | 1                                   | 0.05          | 2015   |
| 14 | 1872            | 7                                    | 0.37         | 1865                           | 1                                   | 0.05          | 1864   |
| 15 | 60778           | 74                                   | 0.12         | 60704                          | 66                                  | 0.11          | 60638  |
| 16 | 14185           | 13                                   | 0.09         | 14172                          | 130                                 | 0.92          | 14042  |
| 17 | 3603            | 0                                    | 0.00         | 3603                           | 4                                   | 0.11          | 3599   |
| 18 | 62132           | 75                                   | 0.12         | 62057                          | 202                                 | 0.33          | 61855  |
| 19 | 2511            | 3                                    | 0.12         | 2508                           | 2                                   | 0.08          | 2506   |
| 20 | 59621           | 72                                   | 0.11         | 59549                          | 253                                 | 0.42          | 59296  |
| 21 | 13177           | 5                                    | 0.04         | 13172                          | 33                                  | 0.25          | 13139  |
| 22 | 12137           | 4                                    | 0.03         | 12133                          | 28                                  | 0.23          | 12105  |
| 23 | 1040            | 1                                    | 0.10         | 1039                           | 5                                   | 0.48          | 1034   |
| 24 | 27917           | 10                                   | 0.04         | 27907                          | 1                                   | 0.00          | 27906  |
| 25 | 14786           | 18                                   | 0.12         | 14768                          | 32                                  | 0.22          | 14736  |
| 26 | 3742            | 0                                    | 0.00         | 3742                           | 5                                   | 0.13          | 3737   |
| 27 | 11044           | 18                                   | 0.16         | 11026                          | 24                                  | 0.22          | 11002  |

Table 9. Outliers and Missing Data Removed from Each Data Group

| 1 abi    | c 7. contin    | ucu             |         |                      |                         |              |                |
|----------|----------------|-----------------|---------|----------------------|-------------------------|--------------|----------------|
|          |                | # Records       |         | # D 1-               | # D 1-                  |              | # Records      |
| #        | # of           | With<br>Missing | %       | # Records<br>no zero | # Records<br>With Price | %            | with no zeros  |
| #        | Records        | Data            | Missing | prices               | Outliers                | Outliers     | or outliers    |
| 28       | 35751          | 63              | 0.18    | 35688                | 126                     | 0.35         | 35562          |
| 28<br>29 | 26615          | 39              | 0.13    | 26576                | 77                      | 0.33         | 26499          |
| 29<br>30 | 20013<br>9037  | 15              | 0.13    | 20370<br>9022        | 57                      | 0.29         | 20499<br>8965  |
| 31       | 9037<br>4637   | 13<br>7         | 0.17    | 4630                 | 4                       | 0.03         | 4626           |
| 32       | 166            | 0               | 0.15    | 4030<br>166          | 4                       | 1.20         | 4020<br>164    |
| 32<br>33 | 16023          | 23              | 0.00    | 16000                | 2<br>36                 | 0.22         | 15964          |
| 33<br>34 | 816            | 25<br>1         | 0.14    | 815                  | 30<br>0                 | 0.22         | 815            |
| 34<br>35 | 810<br>14109   | 1<br>24         | 0.12    | 813<br>14077         | 53                      | 0.00         | 14024          |
|          | 50973          | 24<br>59        | 0.17    | 50914                | 424                     | 0.38         | 50490          |
| 36       | 30973<br>48930 |                 |         |                      |                         |              |                |
| 37       |                | 50<br>45        | 0.10    | 48880                | 45<br>25                | 0.09<br>0.09 | 48835<br>39139 |
| 38       | 39219<br>8164  | 45<br>5         | 0.11    | 39174<br>8159        | 35<br>10                | 0.09         |                |
| 39<br>40 |                |                 | 0.06    |                      |                         |              | 8149           |
| 40       | 37009          | 38              | 0.10    | 36971                | 29<br>12                | 0.08         | 36942          |
| 41       | 5833           | 7               | 0.12    | 5826                 | 12                      | 0.21         | 5814           |
| 42       | 6088           | 5               | 0.08    | 6083                 | 6                       | 0.10         | 6077           |
| 43       | 2043           | 9               | 0.44    | 2034                 | 15                      | 0.73         | 2019           |
| 44       | 319117         | 118             | 0.04    | 318999               | 623                     | 0.20         | 318376         |
| 45       | 297275         | 101             | 0.03    | 297174               | 475                     | 0.16         | 296699         |
| 46       | 209215         | 93              | 0.04    | 209122               | 446                     | 0.21         | 208676         |
| 47       | 195801         | 87              | 0.04    | 195714               | 317                     | 0.16         | 195397         |
| 48       | 109902         | 25              | 0.02    | 109877               | 376                     | 0.34         | 109501         |
| 49       | 101474         | 14              | 0.01    | 101460               | 104                     | 0.10         | 101356         |
| 50       | 38625          | 94              | 0.24    | 38531                | 75                      | 0.19         | 38456          |
| 51       | 257431         | 603             | 0.23    | 256828               | 165                     | 0.06         | 256663         |
| 52       | 10316          | 33              | 0.32    | 10283                | 12                      | 0.12         | 10271          |
| 53       | 247115         | 570             | 0.23    | 246545               | 237                     | 0.10         | 246308         |
| 54       | 5750           | 25              | 0.43    | 5725                 | 6                       | 0.10         | 5719           |
| 55       | 197630         | 448             | 0.23    | 197182               | 229                     | 0.12         | 196953         |
| 56       | 4566           | 8               | 0.18    | 4558                 | 11                      | 0.24         | 4547           |
| 57       | 1761           | 12              | 0.68    | 1749                 | 1                       | 0.06         | 1748           |
| 58       | 2494           | 10              | 0.40    | 2484                 | 6                       | 0.24         | 2478           |
| 59       | 717            | 0               | 0.00    | 717                  | 0                       | 0.00         | 717            |

Table 9. continued

|    |         | # Records |         |           |            |          | # Records   |
|----|---------|-----------|---------|-----------|------------|----------|-------------|
|    |         | With      |         | # Records | # Records  |          | with no     |
| #  | # of    | Missing   | %       | no zero   | With Price | %        | zeros       |
|    | Records | Data      | Missing | prices    | Outliers   | Outliers | or outliers |
| 60 | 759     | 3         | 0.40    | 756       | 0          | 0.00     | 756         |
| 61 | 49485   | 122       | 0.25    | 49363     | 114        | 0.23     | 49249       |
| 62 | 84796   | 194       | 0.23    | 84602     | 276        | 0.33     | 84326       |
| 63 | 39499   | 124       | 0.31    | 39375     | 71         | 0.18     | 39304       |
| 64 | 69420   | 119       | 0.17    | 69301     | 141        | 0.20     | 69160       |
| 65 | 3583    | 11        | 0.31    | 3572      | 1          | 0.03     | 3571        |
| 66 | 33874   | 19        | 0.06    | 33855     | 14         | 0.04     | 33841       |
| 67 | 22269   | 17        | 0.08    | 22252     | 9          | 0.04     | 22243       |
| 68 | 11605   | 2         | 0.02    | 11603     | 4          | 0.03     | 11599       |
| 69 | 4832    | 5         | 0.10    | 4827      | 3          | 0.06     | 4824        |
| 70 | 286     | 0         | 0.00    | 286       | 0          | 0.00     | 286         |
| 71 | 496     | 3         | 0.61    | 493       | 1          | 0.20     | 492         |
| 72 | 1852    | 2         | 0.11    | 1850      | 5          | 0.27     | 1845        |
| 73 | 15585   | 10        | 0.06    | 15575     | 5          | 0.03     | 15570       |
| 74 | 1424    | 2         | 0.14    | 1422      | 0          | 0.00     | 1422        |
| 75 | 278     | 0         | 0.00    | 278       | 1          | 0.36     | 277         |
| 76 | 11327   | 2         | 0.02    | 11325     | 4          | 0.04     | 11321       |
| 77 | 2626    | 0         | 0.00    | 2626      | 3          | 0.11     | 2623        |

 Table 9. continued

The 1999 ACNielsen Home Scan data set is a collection of transactions during the year as recorded by a scanner at home at the time of scanning. This data set could be considered a panel data set having both cross sectional and time series characteristics. The random occurrence of purchases in the data set made it more practical to convert it to a cross sectional annual data set or keep the frequency of time periods to a minimum. Therefore, a quarterly data set and an annual set were constructed. The probit, Heckman, and nutrient analyses will utilize the annual data set. The demand systems portion will look at the annual as well as the quarterly data set. When aspects of seasonality are considered, the quarterly data will be used.

The annual data set descriptive statistics will now be given for all 77 beverage groupings. Annual average household consumption (Q) in gallons for the entire year, average household total expenditure (T) for the year, and the average annual price (P) per gallon paid will be given. There are 7195 households in the data set. Demographic information is also given at the end of table 10.

| # | Beverage                              |             | Count      | Mean  | StDev |
|---|---------------------------------------|-------------|------------|-------|-------|
|   | (all prices per gallon and qua        | antities ir | n gallons) |       |       |
|   |                                       |             |            |       |       |
| 1 | All Dry Goods Beverages Aggregate     | P1          | 7193       | 2.2   | 0.8   |
|   |                                       | Q1          | 7193       | 136.5 | 102.4 |
|   |                                       | T1          | 7193       | 278.9 | 213.6 |
| 2 | Ready-to-Drink Fruit Juices Aggregate | P2          | 6766       | 4.7   | 1.3   |
|   |                                       | Q2          | 6766       | 13.5  | 15.5  |
|   |                                       | T2          | 6766       | 60.3  | 69.7  |
| 3 | Apple Juice Aggregate                 | P3          | 3878       | 3.7   | 1.5   |
|   |                                       | Q3          | 3878       | 3.8   | 6.1   |
|   |                                       | Т3          | 3878       | 12.3  | 19.0  |
| 4 | Orange Juice Aggregate                | P4          | 5359       | 4.6   | 1.4   |
|   |                                       | Q4          | 5359       | 8.3   | 10.9  |
|   |                                       | T4          | 5359       | 36.1  | 47.6  |
| 5 | Other Fruit Juices Aggregate          | P5          | 5746       | 5.4   | 1.4   |
|   |                                       | Q5          | 5746       | 5.6   | 7.7   |
|   |                                       | T5          | 5746       | 29.1  | 40.7  |
| 6 | Fruit Drinks & Juices-Cranberry       | P6          | 3819       | 5.6   | 1.5   |
|   |                                       | Q6          | 3819       | 3.4   | 5.3   |
|   |                                       | T6          | 3819       | 18.3  | 28.3  |
| 7 | Cider                                 | P7          | 1233       | 3.4   | 1.3   |
|   |                                       | Q7          | 1233       | 1.6   | 1.9   |
|   |                                       | Τ7          | 1233       | 5.1   | 6.3   |

| Table 10. Summary Statistics for Annual Data Set: Consumption(Q), |
|---|
| Expenditure(T), Price Per Gallon(P)                               |

| Table 10. continued#BeverageCountMeanStI    |               |      |       |       |  |  |
|---|---------------|------|-------|-------|--|--|
| (all prices per gallon and                  | quantities in |      | Wiean | StDev |  |  |
| 8 Fruit Juice – Grapefruit - Other Containe |               | 1330 | 4.9   | 1.6   |  |  |
| 8 That succ - Grapenant - Other Containe    | Q8            | 1330 | 2.5   | 4.2   |  |  |
|   | Q8<br>T8      | 1330 | 12.1  | 21.3  |  |  |
| 9 Fruit Juice – Apple                       | P9            | 3401 | 3.7   | 1.6   |  |  |
| y right succe ripple                        | Q9            | 3401 | 3.8   | 6.3   |  |  |
|   | Т9            | 3401 | 12.2  | 19.4  |  |  |
| 10 Fruit Juice – Grape                      | P10           | 1860 | 5.8   | 1.7   |  |  |
| To Truit vulce Grupe                        | Q10           | 1860 | 2.1   | 3.8   |  |  |
|   | T10           | 1860 | 11.2  | 19.8  |  |  |
| 11 Fruit Juice – Grapefruit-Canned          | P11           | 387  | 4.0   | 1.8   |  |  |
|   | Q11           | 387  | 2.3   | 4.9   |  |  |
|   | T11           | 387  | 7.3   | 13.0  |  |  |
| 12 Fruit Juice -Orange-Canned               | P12           | 182  | 5.8   | 1.9   |  |  |
|   | Q12           | 182  | 1.2   | 2.3   |  |  |
|   | T12           | 182  | 6.7   | 12.8  |  |  |
| 13 Fruit Juice - Pineapple                  | P13           | 961  | 5.1   | 1.5   |  |  |
|   | Q13           | 961  | 1.0   | 2.4   |  |  |
|   | T13           | 961  | 4.9   | 11.8  |  |  |
| 14 Fruit Juice -Prune                       | P14           | 463  | 5.8   | 1.5   |  |  |
|   | Q14           | 463  | 1.9   | 3.8   |  |  |
|   | T14           | 463  | 10.2  | 19.8  |  |  |
| 15 Fruit Juice – Orange - Other Container   | P15           | 5320 | 4.6   | 1.4   |  |  |
|   | Q15           | 5320 | 8.3   | 10.9  |  |  |
|   | T15           | 5320 | 36.1  | 47.6  |  |  |
| 16 Fruit Juice - Remaining                  | P16           | 2967 | 5.7   | 1.9   |  |  |
|   | Q16           | 2967 | 2.6   | 4.5   |  |  |
|   | T16           | 2967 | 13.9  | 23.4  |  |  |
| 17 Fruit Juice -Nectars                     | P17           | 746  | 6.4   | 2.1   |  |  |
|   | Q17           | 746  | 1.6   | 3.2   |  |  |
|   | T17           | 746  | 9.4   | 19.6  |  |  |
| 18 Ready-to-Drink Fruit Drinks Aggregate    | P18           | 5321 | 3.9   | 1.7   |  |  |
|   | Q18           | 5321 | 8.1   | 12.3  |  |  |
|   | T18           | 5321 | 27.3  | 37.8  |  |  |
| 19 Fruit Drinks-Canned                      | P19           | 895  | 4.1   | 3.2   |  |  |
|   | Q19           | 895  | 2.5   | 4.7   |  |  |
|   | T19           | 895  | 6.8   | 11.7  |  |  |
| 20 Fruit Drinks-Other Container             | P20           | 5244 | 3.9   | 1.6   |  |  |
|   | Q20           | 5244 | 7.8   | 11.9  |  |  |
|   | T20           | 5244 | 26.5  | 36.8  |  |  |

| # Beverage  |     | Count | Mean | StDev |  |  |  |
|---|-----|-------|------|-------|--|--|--|
| (all prices per gallon and quantities in gallons) |     |       |      |       |  |  |  |
| 21 Isotonics - All Aggregate                      | P21 | 2258  | 4.5  | 1.1   |  |  |  |
|   | Q21 | 2258  | 3.6  | 5.8   |  |  |  |
|   | T21 | 2258  | 15.4 | 24.6  |  |  |  |
| 22 Isotonics – Fruit Drinks                       | P22 | 2184  | 4.6  | 1.1   |  |  |  |
| Isotonics   | Q22 | 2184  | 3.5  | 5.7   |  |  |  |
|   | T22 | 2184  | 15.1 | 24.2  |  |  |  |
| 23 Isotonics - Carbonated Soft Drinks             | P23 | 304   | 4.1  | 1.2   |  |  |  |
| isotonics   | Q23 | 304   | 1.6  | 2.9   |  |  |  |
|   | T23 | 304   | 5.8  | 10.9  |  |  |  |
| 24 Soft Drinks – Powdered                         | P24 | 3491  | 1.0  | 0.6   |  |  |  |
|   | Q24 | 3491  | 17.9 | 26.9  |  |  |  |
|   | T24 | 3491  | 14.1 | 20.9  |  |  |  |
| 25 Vegetable Juices and Drinks                    | P25 | 3390  | 5.9  | 2.4   |  |  |  |
| Aggregate   | Q25 | 3390  | 2.3  | 3.9   |  |  |  |
|   | T25 | 3390  | 13.0 | 24.3  |  |  |  |
| 26 Vegetable Juice – Tomato                       | P26 | 1264  | 4.0  | 1.8   |  |  |  |
|   | Q26 | 1264  | 1.3  | 2.2   |  |  |  |
|   | T26 | 1264  | 4.5  | 7.5   |  |  |  |
| 27 Vegetable Juice and Drink remaining            | P27 | 2680  | 6.6  | 2.4   |  |  |  |
| 6   | Q27 | 2680  | 2.3  | 4.0   |  |  |  |
|   | T27 | 2680  | 14.3 | 26.2  |  |  |  |
| 28 Tea  | P28 | 5302  | 1.9  | 1.5   |  |  |  |
| Aggregate   | Q28 | 5302  | 15.0 | 21.9  |  |  |  |
|   | T28 | 5302  | 18.6 | 26.7  |  |  |  |
| 29 Regular Tea                                    | P29 | 4648  | 2.0  | 1.9   |  |  |  |
| Aggregate   | Q29 | 4648  | 13.1 | 20.9  |  |  |  |
|   | T29 | 4648  | 15.1 | 24.6  |  |  |  |
| 30 Decaffeinated Tea                              | P30 | 2471  | 1.8  | 0.8   |  |  |  |
| Aggregate   | Q30 | 2471  | 7.4  | 10.9  |  |  |  |
|   | T30 | 2471  | 11.4 | 14.9  |  |  |  |
| 31 Tea - Herbal Bags                              | P31 | 1619  | 2.0  | 0.6   |  |  |  |
| 6   | Q31 | 1619  | 4.4  | 5.9   |  |  |  |
|   | T31 | 1619  | 8.7  | 12.0  |  |  |  |
| 32 Tea – Packaged                                 | P32 | 61    | 1.4  | 1.1   |  |  |  |
| C   | Q32 | 61    | 13.0 | 16.4  |  |  |  |
|   | T32 | 61    | 13.2 | 14.7  |  |  |  |
| 33 Tea - Bags                                     | P33 | 3855  | 1.1  | 0.7   |  |  |  |
|   | Q33 | 3855  | 15.5 | 22.7  |  |  |  |
|   | <   |       |      |       |  |  |  |

| Ta | Table 10. continued              |             |          |       |       |  |  |
|----|----------------------------------|-------------|----------|-------|-------|--|--|
| #  | Beverage                         |             | Count    | Mean  | StDev |  |  |
|    | (all prices per gallon and qu    | antities in | gallons) |       |       |  |  |
| 34 | Tea – Instant                    | P34         | 291      | 1.7   | 0.4   |  |  |
|    |                                  | Q34         | 291      | 5.8   | 8.2   |  |  |
|    |                                  | T34         | 291      | 9.4   | 13.6  |  |  |
| 35 | Tea - Liquid                     | P35         | 2453     | 4.5   | 2.7   |  |  |
|    |                                  | Q35         | 2453     | 4.2   | 8.3   |  |  |
|    |                                  | T35         | 2453     | 14.9  | 28.8  |  |  |
| 36 | Coffee (Including Liquid Coffee) | P36         | 5584     | 1.4   | 1.5   |  |  |
|    | Aggregate                        | Q36         | 5584     | 42.6  | 51.1  |  |  |
|    |                                  | T36         | 5584     | 43.6  | 48.7  |  |  |
| 37 | Coffee (Excluding Liquid Coffee) | P37         | 5513     | 1.2   | 0.6   |  |  |
|    | Aggregate                        | Q37         | 5513     | 43.1  | 51.2  |  |  |
|    |                                  | T37         | 5513     | 42.8  | 47.6  |  |  |
| 38 | Regular Coffee                   | P38         | 5059     | 1.1   | 0.6   |  |  |
|    | Aggregate                        | Q38         | 5059     | 38.8  | 48.0  |  |  |
|    |                                  | T38         | 5059     | 36.9  | 43.5  |  |  |
| 39 | Decaffeinated Coffee             | P39         | 1990     | 1.5   | 0.8   |  |  |
|    | Aggregate                        | Q39         | 1990     | 17.7  | 29.5  |  |  |
|    |                                  | T39         | 1990     | 21.3  | 30.1  |  |  |
| 40 | Coffee - Ground                  | P40         | 4670     | 1.2   | 0.7   |  |  |
|    |                                  | Q40         | 4670     | 38.4  | 45.0  |  |  |
|    |                                  | T40         | 4670     | 39.0  | 43.3  |  |  |
| 41 | Coffee - Soluble Flavored        | P41         | 1395     | 1.0   | 0.6   |  |  |
|    |                                  | Q41         | 1395     | 21.7  | 49.8  |  |  |
|    |                                  | T41         | 1395     | 16.2  | 36.7  |  |  |
| 42 | Coffee - Soluble                 | P42         | 1541     | 1.3   | 0.5   |  |  |
|    |                                  | Q42         | 1541     | 18.1  | 25.6  |  |  |
|    |                                  | T42         | 1541     | 20.4  | 27.9  |  |  |
| 43 | Coffee - Liquid                  | P43         | 623      | 14.0  | 3.2   |  |  |
|    | -                                | Q43         | 623      | 1.0   | 2.2   |  |  |
|    |                                  | T43         | 623      | 13.8  | 30.4  |  |  |
| 44 | Carbonated Beverages – All       | P44         | 7073     | 2.5   | 0.8   |  |  |
|    | Aggregate                        | Q44         | 7073     | 54.0  | 63.3  |  |  |
|    |                                  | T44         | 7073     | 126.7 | 155.0 |  |  |
| 45 | Carbonated Soft Drinks - All     | P45         | 7041     | 2.5   | 0.7   |  |  |
|    | Aggregate                        | Q45         | 7041     | 51.9  | 62.5  |  |  |
|    |                                  | T45         | 7041     | 121.2 | 152.9 |  |  |
| 46 | Carbonated Beverages             | P46         | 6847     | 2.5   | 0.9   |  |  |
|    |                                  | Q46         | 6847     | 34.9  | 47.6  |  |  |
|    |                                  | T46         | 6847     | 81.7  | 115.1 |  |  |
|    |                                  |             |          |       |       |  |  |

| Table | 10. | continued |
|-------|-----|-----------|

| # Beverage                              |              | Count    | Mean | StDev |
|---|--------------|----------|------|-------|
| (all prices per gallon and q            | uantities in | gallons) |      |       |
| 47 Carbonated Soft Drinks               | P47          | 6734     | 2.5  | 0.9   |
|   | Q47          | 6734     | 33.9 | 47.2  |
|   | T47          | 6734     | 79.2 | 114.9 |
| 48 Carbonated Beverages - low calorie   | P48          | 5212     | 2.5  | 0.8   |
|   | Q48          | 5212     | 27.4 | 43.7  |
|   | T48          | 5212     | 64.3 | 106.0 |
| 49 Carbonated Soft Drinks - low calorie | P49          | 5047     | 2.5  | 0.8   |
|   | Q49          | 5047     | 27.1 | 43.5  |
|   | T49          | 5047     | 63.5 | 105.5 |
| 50 Water-Bottled                        | P50          | 4898     | 2.0  | 1.5   |
|   | Q50          | 4898     | 14.3 | 32.1  |
| DAIRY BEVERAGES                         | T50          | 4898     | 17.7 | 33.8  |
| 51 MilkFlavored and Non-Flavored        | P51          | 7036     | 3.1  | 0.9   |
| Aggregate                               | Q51          | 7036     | 33.9 | 35.2  |
|   | T51          | 7036     | 93.5 | 90.1  |
| 52 MilkFlavored                         | P52          | 2056     | 5.0  | 1.8   |
| Aggregate                               | Q52          | 2056     | 2.3  | 5.6   |
|   | T52          | 2056     | 9.8  | 24.9  |
| 53 MilkNon-Flavored                     | P53          | 7023     | 3.0  | 0.8   |
| Aggregate                               | Q53          | 7023     | 33.3 | 34.7  |
|   | T53          | 7023     | 90.8 | 87.6  |
| 54 Milk-Lowfat Flavored                 | P54          | 1427     | 4.6  | 1.9   |
| Aggregate                               | Q54          | 1427     | 2.2  | 5.7   |
| anything but whole                      | T54          | 1427     | 8.2  | 24.3  |
| 55 Milk-Lowfat Non-Flavored             | P55          | 6311     | 3.0  | 0.9   |
| Aggregate                               | Q55          | 6311     | 30.2 | 33.5  |
| anything but whole                      | T55          | 6311     | 81.3 | 83.7  |
| 56 Whole flavored                       | P56          | 1206     | 5.7  | 1.6   |
|   | Q56          | 1206     | 1.4  | 3.3   |
|   | T56          | 1206     | 6.9  | 16.9  |
| 57 2% flavored                          | P57          | 574      | 4.2  | 1.7   |
|   | Q57          | 574      | 1.6  | 3.7   |
|   | T57          | 574      | 5.5  | 11.0  |
| 58 1% flavored                          | P58          | 800      | 5.0  | 1.8   |
|   | Q58          | 800      | 1.3  | 2.0   |
|   | T58          | 800      | 5.6  | 7.6   |
| 59 Skim nonfat flavored                 | P59          | 186      | 4.9  | 1.8   |
|   | Q59          | 186      | 3.0  | 12.2  |
|   | $Q_{JJ}$     |          |      |       |

| #   | Beverage                      |                        | Count | Mean  | StDev |
|-----|-------------------------------|------------------------|-------|-------|-------|
| π   | (all prices per gallon and    | quantities in          |       | witan | Sidev |
| 60  | Other lowfat flavored         | P60                    | 273   | 3.8   | 1.9   |
|     | not 2% 1% or skim/nonfat      | Q60                    | 273   | 2.1   | 3.8   |
|     |                               | <del>х</del> ее<br>Т60 | 273   | 5.9   | 10.9  |
| 61  | Whole                         | P61                    | 3378  | 3.3   | 1.0   |
|     |                               | Q61                    | 3378  | 12.9  | 22.8  |
|     |                               | T61                    | 3378  | 36.9  | 61.7  |
| 62  | 2%                            | P62                    | 4675  | 3.0   | 0.9   |
|     |                               | Q62                    | 4675  | 18.2  | 26.3  |
|     |                               | T62                    | 4675  | 48.5  | 67.0  |
| 63  | 1%                            | P63                    | 2827  | 3.1   | 0.9   |
|     |                               | Q63                    | 2827  | 13.6  | 24.1  |
|     |                               | T63                    | 2827  | 37.1  | 61.5  |
| 64  | Skim nonfat                   | P64                    | 3470  | 3.2   | 1.2   |
|     |                               | Q64                    | 3470  | 18.1  | 26.1  |
|     |                               | T64                    | 3470  | 49.2  | 65.1  |
| 65  | Other lowfat flavored         | P65                    | 493   | 3.1   | 1.1   |
|     | not 2% 1% or skim/nonfat      | Q65                    | 493   | 7.1   | 15.6  |
| FRC | OZEN BEVERAGES                | T65                    | 493   | 19.3  | 41.5  |
| 66  | All Fruit Juice/Drinks Frozen | P66                    | 3668  | 3.1   | 1.0   |
|     | Aggregate                     | Q66                    | 3668  | 7.6   | 11.8  |
|     |                               | T66                    | 3668  | 22.5  | 35.1  |
| 67  | Fruit Juice Frozen            | P67                    | 2927  | 3.2   | 0.8   |
|     | Aggregate                     | Q67                    | 2927  | 6.8   | 10.4  |
|     |                               | T67                    | 2927  | 20.8  | 32.6  |
| 68  | Fruit Drinks- Frozen          | P68                    | 2262  | 2.9   | 1.3   |
|     | Aggregate                     | Q68                    | 2262  | 3.6   | 6.8   |
|     |                               | T68                    | 2262  | 9.6   | 17.6  |
| 69  | Other Fruit Juice             | P69                    | 1209  | 3.4   | 0.9   |
|     | Aggregate                     | Q69                    | 1209  | 2.9   | 5.6   |
|     |                               | T69                    | 1209  | 9.7   | 19.6  |
| 70  | Fruit Juice - Unconcentrated  | P70                    | 104   | 2.2   | 0.8   |
|     |                               | Q70                    | 104   | 3.8   | 8.2   |
|     |                               | T70                    | 104   | 6.9   | 18.1  |
| 71  | Fruit Juice - Grapefruit      | P71                    | 141   | 3.1   | 0.7   |
|     |                               | Q71                    | 141   | 2.9   | 5.2   |
|     |                               | T71                    | 141   | 8.7   | 15.2  |
| 72  | Fruit Juice - Apple           | P72                    | 601   | 2.8   | 0.7   |
|     |                               | Q72                    | 601   | 2.2   | 4.2   |
|     |                               | T72                    | 601   | 6.3   | 12.1  |

| #            | Beverage                     |              | Count    | Mean    | StDev   |
|--------------|------------------------------|--------------|----------|---------|---------|
|              | (all prices per gallon and q | uantities in | gallons) |         |         |
| 73 Fruit Jui | ce - Orange                  | P73          | 2499     | 3.2     | 0.8     |
|              |                              | Q73          | 2499     | 6.0     | 9.5     |
|              |                              | T73          | 2499     | 18.1    | 29.3    |
| 74 Fruit Jui | ce - Grape                   | P74          | 471      | 3.5     | 1.0     |
|              |                              | Q74          | 471      | 2.2     | 4.6     |
|              |                              | T74          | 471      | 7.9     | 18.4    |
| 75 Fruit Dri | nks - Orange                 | P75          | 90       | 2.0     | 0.5     |
|              |                              | Q75          | 90       | 2.4     | 5.2     |
|              |                              | T75          | 90       | 4.8     | 10.6    |
| 76 Fruit Dri | nks & Mixes                  | P76          | 2230     | 2.9     | 1.3     |
|              |                              | Q76          | 2230     | 3.6     | 6.7     |
|              |                              | T76          | 2230     | 9.6     | 17.5    |
| 77 Fruit Jui | ce - Remaining               | P77          | 744      | 3.6     | 0.8     |
|              | C                            | Q77          | 744      | 2.3     | 4.4     |
|              |                              | T77          | 744      | 8.3     | 16.4    |
|              | DEMOGRAPHICS                 |              |          |         |         |
| hs           | household size               | hs           | 7195     |         |         |
| hinc         | household income             | hinc         | 7195     | 51740.2 | 26254.9 |
| agef         | age of female head           | agef         | 7195     |         |         |
| agem         | age of male head             | agem         | 7195     |         |         |
| agepc        | age and presence of children | agepc        | 7195     |         |         |
| empm         | male employment              | empm         | 7195     |         |         |
| empf         | female employment            | empf         | 7195     |         |         |
| edum         | male education               | edum         | 7195     |         |         |
| eduf         | female education             | eduf         | 7195     |         |         |
| mar          | marital status               | mar          | 7195     |         |         |
| occm         | male occupation              | occm         | 7195     |         |         |
| occf         | female occupation            | occf         | 6524     |         |         |
| hcomp        | household composition        | hcomp        | 7195     |         |         |
| race         | race                         | race         | 7195     |         |         |
| hisp         | hispanic origin              | hisp         | 7195     |         |         |
| reg          | region                       | reg          | 7195     |         |         |
| pov          | 1 if below 1999 poverty      | pov          | 228      |         |         |
| r°'          | threshold level              | P0,          | 0        |         |         |
| pov130       | 1 if below 1999 poverty      | pov130       | 423      |         |         |
| P01100       | threshold level times 1.3    | P01100       | 125      |         |         |
| pov185       | 1 if below 1999 poverty      | pov185       | 884      |         |         |
| P01103       | threshold level times 1.85   | P01103       | 007      |         |         |
|              |                              |              |          |         |         |

#### **Final Data Sets**

The majority of this study will focus on a fine classification of goods as discussed earlier. For these data sets, only households that purchased at least one beverage in all twelve months are used to avoid scaling problems associated with households that only purchased for a portion of the year. The number of households that purchased a beverage in all twelve months was 5715.

Of the 77 different beverage groupings, two different groupings will be used for the demand system analysis. A grouping of eight first will be looked at followed by a much finer grouping of sixteen goods. Eight other breakdowns of milk will be added to the more refined grouping of sixteen for the probit, cross tabulations, and Heckman analysis. The listing of the eight group set of goods and their summary statistics are given below in table 11. The average quantity in gallons, price per gallon, and total expenditures per household are given.

| Good                    |            | Mean   | Std Dev |
|-------------------------|------------|--------|---------|
| Milk                    | P1         | 3.05   | 0.82    |
|                         | Q1         | 37.47  | 36.66   |
|                         | T1         | 103.04 | 93.64   |
| Carbonated Soft Drinks  | P2         | 2.44   | 0.71    |
|                         | Q2         | 56.72  | 66.36   |
|                         | T2         | 132.35 | 163.01  |
| Powdered Soft Drinks    | Р3         | 0.99   | 0.56    |
|                         | Q3         | 18.53  | 28.05   |
|                         | T3         | 14.74  | 21.93   |
| Isotonics               | P4         | 4.52   | 1.04    |
|                         | Q4         | 3.79   | 6.06    |
|                         | T4         | 16.24  | 25.81   |
| Bottled Water           | P5         | 1.98   | 1.46    |
|                         | Q5         | 15.20  | 34.20   |
|                         | T5         | 18.65  | 35.51   |
| Juices and Fruit Drinks | P6         | 4.18   | 1.18    |
|                         | Q6         | 26.08  | 23.81   |
|                         | T6         | 104.09 | 94.44   |
| Coffee                  | P7         | 1.17   | 0.59    |
|                         | Q7         | 45.24  | 53.62   |
|                         | <b>T</b> 7 | 44.68  | 49.24   |
| Теа                     | P8         | 1.86   | 1.52    |
|                         | Q8         | 15.86  | 22.67   |
|                         | T8         | 19.83  | 28.26   |

Table 11. Summary Statistics for 8 Goods Used in the Demand Analysis: Price Per Gallon(P), Consumption(Q), and Expenditure(T)

The listing of the sixteen group set of goods and their summary statistics are given below in table 12. The first sixteen will be the ones used in the finely classified demand systems. The last eight are the breakdowns of milk. The average quantity in gallons, price per gallon, and total expenditures per household are given.

| Good                                     |     | Mean  | Std Dev |
|--|-----|-------|---------|
| Whole Fat Flavored and Unflavored Milk   | P1  | 3.74  | 1.39    |
|  | Q1  | 12.17 | 22.89   |
|  | T1  | 35.87 | 62.83   |
| Reduced Fat Flavored and Unflavored Milk | P2  | 3.07  | 0.94    |
|  | Q2  | 33.24 | 35.34   |
|  | T2  | 89.97 | 89.08   |
| Carbonated Soft Drinks - Regular         | P3  | 2.46  | 0.83    |
|  | Q3  | 36.68 | 50.29   |
|  | T3  | 85.56 | 122.50  |
| Carbonated Soft Drinks - Low Calorie     | P4  | 2.47  | 0.82    |
|  | Q4  | 28.94 | 45.63   |
|  | T4  | 67.56 | 111.07  |
| Powdered Soft Drinks                     | P5  | 0.99  | 0.56    |
|  | Q5  | 18.53 | 28.05   |
|  | T5  | 14.74 | 21.93   |
| Isotonics                                | P6  | 4.52  | 1.04    |
|  | Q6  | 3.79  | 6.06    |
|  | T6  | 16.24 | 25.81   |
| Bottled Water                            | P7  | 1.98  | 1.46    |
|  | Q7  | 15.20 | 34.20   |
|  | Τ7  | 18.65 | 35.51   |
| Orange Juice                             | P8  | 4.19  | 1.35    |
|  | Q8  | 10.42 | 12.14   |
|  | T8  | 41.83 | 49.46   |
| Apple Juice                              | P9  | 3.56  | 1.41    |
|  | Q9  | 4.16  | 6.65    |
|  | T9  | 13.28 | 20.41   |
| Other Juices                             | P10 | 5.25  | 1.41    |
|  | Q10 | 6.39  | 8.51    |
|  | T10 | 32.13 | 43.31   |
| Fruit Drinks                             | P11 | 3.66  | 1.52    |
|  | Q11 | 9.53  | 13.55   |
|  | T11 | 30.93 | 40.72   |
| Vegetable Juice                          | P12 | 5.89  | 2.44    |
|  | Q12 | 2.37  | 4.01    |
|  | T12 | 13.49 | 25.58   |
| Coffee Regular                           | P13 | 1.13  | 0.61    |
|  | Q13 | 41.39 | 50.64   |
|  | T13 | 39.26 | 45.43   |
|  |     |       |         |

Table 12. Summary Statistics for Goods Used in the Demand, Probit, and Heckman Analysis: Price Per Gallon(P), Consumption(Q), and Expenditure(T)

| Good                      |     | Mean   | Std Dev |
|---------------------------|-----|--------|---------|
| Coffee Decaffeinated      | P14 | 1.48   | 0.75    |
|                           | Q14 | 18.62  | 31.13   |
|                           | T14 | 22.37  | 31.64   |
| Tea Regular               | P15 | 2.03   | 1.88    |
|                           | Q15 | 13.75  | 21.45   |
|                           | T15 | 16.09  | 26.19   |
| Tea Decaffeinated         | P16 | 1.81   | 0.79    |
|                           | Q16 | 7.77   | 11.34   |
|                           | T16 | 11.75  | 15.32   |
| Flavored Milk             | P17 | 5.06   | 1.87    |
|                           | Q17 | 2.46   | 5.82    |
|                           | T17 | 10.45  | 26.66   |
| Unflavored Milk           | P18 | 3.02   | 0.81    |
|                           | Q18 | 36.77  | 36.18   |
|                           | T18 | 100.03 | 91.03   |
| Flavored Milk Whole       | P19 | 4.66   | 1.88    |
|                           | Q19 | 2.29   | 5.86    |
|                           | T19 | 8.67   | 25.90   |
| Flavored Milk Reduced Fat | P20 | 5.70   | 1.67    |
|                           | Q20 | 1.45   | 3.51    |
|                           | T20 | 7.37   | 18.20   |
| Whole Milk Unflavored     | P21 | 3.34   | 0.98    |
|                           | Q21 | 13.69  | 24.08   |
|                           | T21 | 39.18  | 65.15   |
| 2% Milk Unflavored        | P22 | 3.03   | 0.91    |
|                           | Q22 | 19.73  | 27.66   |
|                           | T22 | 52.42  | 70.53   |
| 1 % Milk Unflavored       | P23 | 3.06   | 0.92    |
|                           | Q23 | 14.83  | 25.36   |
|                           | T23 | 40.11  | 64.52   |
| Skim Milk Unflavored      | P24 | 3.18   | 1.13    |
|                           | Q24 | 19.87  | 27.56   |
|                           | T24 | 53.97  | 68.90   |
|                           |     |        |         |

Nutrient information is needed for this study and is not included in the data set. The conversions of intakes to calories and milligrams for each beverage was accomplished using information from the United States Department of Agriculture. The nutrient conversions are given in Appendix D. These figures were divided by 365 and further divided by household size. The result placed the nutritional numbers in terms of intake per person per day. This data set is used for the nutrient cross-tabulations and regression analysis to analyze demographic drivers associated with nutrient intake. Descriptive statistics for Average Calorie, Calcium, Vitamin C, and Caffeine intake for all nonalcoholic beverages is given in table 13. Units are Calories(kcal), Calcium(mg), Vitamin C(mg), and Caffeine(mg).

# Table 13. Summary Statistics for Nutrients Per Person/Per Day for NonalcoholicBeverages in 1999

Units: Calories (kcal) Calcium (mg) Vitamin C (mg) Caffeine (mg)

|       | Nutrient     | # of Observations | Avg Intake | StDev  |
|-------|--------------|-------------------|------------|--------|
| total | Calories     | 5715              | 211.29     | 141.79 |
| total | Calcium      | 5715              | 216.85     | 174.14 |
| total | VitC         | 5715              | 44.61      | 39.09  |
| total | Caffeine     | 5715              | 94.96      | 114.13 |
| 1     | CALcsdfdpsd  | 5715              | 93.46      | 110.11 |
| 2     | CALfjuices   | 5715              | 38.69      | 42.26  |
| 3     | CALmilk      | 5715              | 72.82      | 64.50  |
| 4     | CAFFcsd      | 5715              | 25.50      | 32.65  |
| 5     | CAFFcoff     | 5715              | 63.87      | 107.65 |
| 6     | CAFFtea      | 5715              | 5.49       | 11.08  |
| 7     | VITCfjuices  | 5715              | 26.63      | 30.72  |
| 8     | VITCcsdfdpsd | 5715              | 15.38      | 22.09  |
| 9     | CALCmilk     | 5715              | 191.80     | 170.59 |

1=Calories from carbonated soft drinks, fruit drinks, and powdered soft drinks

2=Calories from fruit juices

3=Calories from milk

4=Caffeine from carbonated soft drinks

5=Caffeine from coffee

6=Caffeine from tea

7=Vitamin C from fruit juices

8=Vitamin C from carbonated soft drinks, fruit drinks, and powdered soft drinks

9=Calcium from milk

## **CHAPTER III**

## **MODEL DEVELOPMENT**

Three quantitative methods used in this study are discussed in this chapter. The literature reviewed in Chapter I affirm that there are key demographic and economic drivers affecting the consumption of nonalcoholic beverages. A probit model will be used to look at the demographic factors that affect the choice of consumption. The Heckman model will be used to analyze demographic factors that affect the level of consumption. Lastly, a LA/AIDS demand system will be used to capture price effects. The technique selected to correct for censoring will be covered following the overview of the demand system. Each section of this chapter will explain the procedure, variables used in the procedure, and the results that will be given.

### **Choice to Consume – Probit Analysis**

The key determinants or drivers affecting the probability of consuming nonalcoholic beverages in at-home markets was the first objective given in Chapter I. In this case the dependent variable, the choice to consume, is a "yes" or "no" type decision. A probit model is commonly used for this type of analysis. The predicted value of the dependent variable is interpreted as the probability that the household will consume a nonalcoholic beverage given the households characteristics. The probit analysis will provide statistically significant findings of which demographics increase or decrease the probability of consumption. The demographics along with the categories in each that are used for the probit analysis are given below in table 14. All of the demographic categories are expressed by dummy variables; a "1" is indicative of that demographic being present in the household. The base categories listed are not placed into the probit equations to avoid perfect multicollinearity. As a result, the findings must be compared relative to the base category. For example, households in Central regions are statistically more likely to consume powdered soft drinks than households in Eastern regions. The choice of the base category is arbitrary. For the household variable the female head was used. If there was no female head present then the male heads information was used for age, employment, and education.

Long and Freese present a detailed discussion of the probit model. The probit model is based on the following general framework of an index function

(1) 
$$P(y=1 \mid x) = G(x\beta)$$

The probit model is a special case of equation (1) with

(2) 
$$G(x\beta) \equiv \Phi(x\beta) \equiv \int_{-\infty}^{x\beta} \phi(v) d(v)$$

where  $\phi(\chi\beta)$  is the standard normal density

(3) 
$$\phi(xb) = (2\pi)^{-1/2} \exp(-(xb)^2/2)$$

| Description                                     | Variable       |
|---|----------------|
| household size 1 – BASE                         |                |
| household size 2                                | hs2            |
| household size 3                                | hs3            |
| household size 4                                | hs4            |
| household size 5 +                              | hsp5           |
| age household head less 25-BASE                 |                |
| age household head 25-39                        | age2539        |
| age household head 40-49                        | age4049        |
| age household head 50-64                        | age5065        |
| age household head 65 +                         | age65plus      |
| has no children under 18-BASE                   |                |
| has children under 18                           | agepcchild     |
| household head employment not employed-BASE     |                |
| household head employment part-time             | empparttime    |
| household head employment full-time             | empfulltime    |
| household head edu - less than high school-BASE |                |
| household head edu - high school                | eduhighschool  |
| household head edu - some college               | edusomecollege |
| household head edu - college plus               | educollegeplus |
| white-BASE                                      |                |
| black   | black          |
| oriental  | oriental       |
| other   | other          |
| not hispanic-BASE                               |                |
| hispanic  | hispyes        |
| east region-BASE                                |                |
| central region                                  | central        |
| south region                                    | south          |
| west region                                     | west           |
| above 130% poverty-BASE                         |                |
| under 130% poverty                              | pov130         |

# Table 14. Household Demographics Used in Probit Analysis

The calculation of marginal effect of the kth factor is based on the following formula

$$\frac{\partial p(x)}{\partial x_k} = \frac{dG(x\beta)}{d(x\beta)}\beta_k$$

If the  $x_k$  is a binary explanatory variable, then the partial effect from changing  $x_k$  from zero to one, holding all other variable constant, is

$$\Phi(\beta_1 + \beta_2 x_2 + \dots + \beta_{k-1} x_{k-1} + \beta_k) - \Phi(\beta_1 + \beta_2 x_2 + \dots + \beta_{k-1} x_{k-1})$$

The estimation of the probit models is based on the following log-likelihood function

(4) 
$$L = \sum_{k \in S} \ln \left\{ \Phi\left( \mathbf{x}_{1k}^{'} \boldsymbol{\beta}_{I} \right) \right\} + \sum_{k \notin S} \ln \left\{ 1 - \Phi\left( \mathbf{x}_{1k}^{'} \boldsymbol{\beta}_{I} \right) \right\}.$$

The model for each nonalcoholic beverage is:

$$Y_{k} = F(\alpha_{k} + \beta_{1}hs2_{k} + \beta_{2}hs3_{k} + \beta_{3}hs4_{k} + \beta_{4}hsp5_{k} + \beta_{5}age2539_{k} + \beta_{6}age4049_{k} + \beta_{7}age5065_{k} + \beta_{8}age65plus_{k} + \beta_{9}agepcchild_{k} + \beta_{10}empparttime_{k} + \beta_{11}empfulltime_{k} + \beta_{12}eduhighschool_{k} + \beta_{13}edusomecollege_{k} + \beta_{14}educollegeplus_{k} + \beta_{15}black_{k} + \beta_{16}oriental_{k} + \beta_{17}other_{k} + \beta_{18}hispyes_{k} + \beta_{19}central_{k} + \beta_{20}south_{k} + \beta_{21}west_{k} + \beta_{22}pov130_{k})$$

Where k = 1,...,T is the number of observations in the model.  $Y_k$  corresponds to the decision to drink the selected beverage. The variables are defined in table 1.

Marginal effects associated with each variable also are calculated. For all statistical analysis the level of significance chosen is 0.05. An F-test is conducted on the categories in each demographic to find the statistically significant demographics. Results of the probit analysis are discussed in Chapter IV.

#### **Consumption Level Analysis – Cross Tabulations and Heckman Procedure**

Determining the key demographic drivers associated with the volume of nonalcoholic beverages in at-home markets was the second objective given in Chapter I. Cross tabulations will be used to get an initial comparison in gallons consumed per household for differing demographic households. For this method, a demographic category is selected and mean levels of consumption for all households in that demographic category are computed. This task is done for each demographic category and then comparisons can be made based on the mean consumption findings between the different demographics. A weakness of this method is that it presents no statistical proof for important factors associated with levels of consumption and it does not adjust or hold constant all other demographic factors. Therefore a Heckman analysis will be performed. This econometric technique will allow for statistical significance of associated drivers of consumption levels.

Heckman sample selection models are used to analyze the demographic factors affecting the decision to consume and the actual at-home intake of the twenty-four nonalcoholic beverages. The twenty-four beverages to be analyzed were discussed in Chapter II and are given below. Asatryan utilized this model in his 2003 dissertation analyzing the effect of demographics on pork consumption. This overview uses much of Asatryan's description and discussion.

Zero levels of consumption are common in micro-level data (Park and Capps (2002)) and the 1999 ACNielsen HomeScan Panel data set is not an exception. The data we use contain a large number of zeros for all twenty-four products (see table 15).

Cheng and Capps(1988) mention that the reasons for non-consumption might be nonpreference, inventory effects, price effects, or the duration of the survey period. They suggest that the longer the period of survey, the higher the chance of revealing nonpreference toward a particular commodity. The fact that our data corresponds to an annual period allows us to assume that these zeros are primarily due to nonpreference. Not adjusting for sample selection, these zeros of consumption, may result in biased estimates of the demand parameters (Heckman (1976)).

Tobit, double-hurdle, and Heckman sample selection models are designed to deal with zero consumption. All these procedures are designed to model a two-stage decision process. The first stage (selection stage) models the decision to drink and the second stage (intake stage) models the decision about how much to drink.

There are two major estimation procedures facilitating Heckman-type correction: (1) Heckman's (1976, 1979) two-step procedure and (2) the full-information maximum likelihood estimator (Amemiya(1985)). Shonkwiler and Yen(1999) warn about relative inefficiency of two-step models compared to maximum likelihood procedures. Puhani

|  | Total # of<br>households<br>that consumed |            |
|--|---|------------|
| # Beverage                                 | out of 5715                               | % non-zero |
| 1 whole fat flavored and unflavored milk   | 3157                                      | 55.24      |
| 2 reduced fat flavored and unflavored milk | 5210                                      | 91.16      |
| 3 carbonated soft drinks - regular         | 5419                                      | 94.82      |
| 4 carbonated soft drinks - low calorie     | 4166                                      | 72.90      |
| 5 powdered soft drinks                     | 2863                                      | 50.10      |
| 6 isotonics                                | 1870                                      | 32.72      |
| 7 bottled water                            | 3996                                      | 69.92      |
| 8 orange juice                             | 4981                                      | 87.16      |
| 9 apple juice                              | 3323                                      | 58.15      |
| 10 other juices                            | 4800                                      | 83.99      |
| 11 fruit drinks                            | 4661                                      | 81.56      |
| 12 vegetable juice                         | 2798                                      | 48.96      |
| 13 coffee regular                          | 4131                                      | 72.28      |
| 14 coffee decaffeinated                    | 1675                                      | 29.31      |
| 15 tea regular                             | 3860                                      | 67.54      |
| 16 tea decaffeinated                       | 2072                                      | 36.26      |
| 17 flavored milk                           | 1701                                      | 29.76      |
| 18 unflavored milk                         | 5642                                      | 98.72      |
| 19 flavored milk whole                     | 1186                                      | 20.75      |
| 20 flavored milk that is reduced fat       | 1011                                      | 17.69      |
| 21 whole milk unflavored                   | 2700                                      | 47.24      |
| 22 2% milk unflavored                      | 3821                                      | 66.86      |
| 23 1 % milk unflavored                     | 2360                                      | 41.29      |
| 24 skim milk unflavored                    | 3017                                      | 52.79      |

# Table 15. Data Density for Household Consumption of Nonalcoholic Beverages

recommended using Heckman's two-step procedure over the full-information maximum likelihood estimator under strong collinearity conditions. Puhani noted that strong collinearity is expected in models with a large number of same variables involved in both stages.

Many of our demographic factors appear in both the selection and intake stages of the two-stage decision model. Hence, the two-step Heckman-type correction for zero consumption is preferred in our models. The two-step Heckman sample selection procedure adjusting for zero intakes is basically the single-equation version of Shonkwiler and Yen's (1999) procedure facilitating zero consumption in demand systems. This two-stage estimation technique requires two measures of products consumed: *the decision to drink the product within the year 1999* (in the selection stage) and *the 1999 household consumption of product in gallons* (in the intake stage).

#### Selection Stage: To Drink or Not to Drink

The selection stage of the two-stage Heckman sample selection procedure models the decision to drink or not to drink the selected product.

(6)  $y_{1k}^* = \mathbf{x}_{1k} \mathbf{\beta}_I + \varepsilon_{1k}$  latent selection equation

where  $y_{1k}^*$  represents a latent selection variable,  $x_{1k}$  is a vector of explanatory variables in the latent selection equation,  $\beta_1$  is a vector of parameters in the latent selection equation,  $\varepsilon_{1k}$  represents the error term, and k = 1, 2, ..., T is the number of observations in the sample. A binary variable is observed depending on the latent dependent variable being greater than zero or not.

(7) 
$$y_{1k} = \begin{cases} 1 & \text{if } y_{1k}^* > 0 \\ 0 & \text{if } y_{1k}^* \le 0 \end{cases} \qquad selection \ equation$$

The selection stage is estimated using a qualitative choice probit model (Heckman (1976)). The normal cumulative distribution (cdf) and the normal probability density (pdf) function are calculated in this stage and used to adjust for the sample selection in the intake stage. This step was performed in the probit analysis.

## Intake Stage: Adjustment for Sample Selection

We use the results of the selection stage to adjust for zero consumption in the intake stage. The general framework of the intake stage is given by

(8) 
$$y_{2k}^* = \mathbf{x}_{2k}' \boldsymbol{\beta}_2 + \varepsilon_{2k}$$
 latent equation

where  $y_{2k}^*$  is the latent intake variable,  $x_{2k}$  is a vector of explanatory variables in the latent intake equation,  $\beta_2$  is a vector of parameters in the latent intake equation,  $\varepsilon_{2k}$  represents the error term, and k = 1, 2, ..., T is the number of observations in the sample. We observe two types of measures for the dependent variables: (1) continuous values of intake are observed if an individual selects to consume the product and (2) zeros are observed if an individual does not prefer to drink the corresponding product. We also observe their corresponding probabilities of selecting the product or not selecting the product. This decision process can be presented by the following system:

(9) 
$$y_{2k} = \begin{cases} y_{2k}^* & \text{if } y_{1k} = 1: \\ 0 & \text{if } y_{1k} = 0: \end{cases} \quad \Pr \operatorname{ob}(y_{1k} = 1) \\ \Pr \operatorname{ob}(y_{1k} = 0) \end{cases}$$

where  $corr(\varepsilon_{1k}, \varepsilon_{2k}) = \rho$ . As discussed in the first stage,  $Prob(y_{1k} = 1)$  represents the probability of consuming the selected product and  $Prob(y_{1k} = 0)$  represents the probability of not consuming the selected product.

When  $\rho = 0$ , OLS regression provides unbiased estimates, when  $\rho \neq 0$  the OLS estimates are biased (Heckman (1976)). The unbiased unconditional expectation of the consumption is

(10) 
$$E[y_{2k}] = \Phi(y_{1k} = 1) * E[y_{2k} | y_{1k} = 1] + \Phi(y_{1k} = 0) * E[y_{2k} | y_{1k} = 0].$$

where  $\Phi(y_{1k} = 1) \equiv \operatorname{Prob}(y_{1k} = 1)$ ,  $\Phi(y_{1k} = 0) \equiv \operatorname{Prob}(y_{1k} = 0)$ . The expected value of  $y_{2k}$  conditional on  $y_{1k} = 1$  is given by

(11) 
$$E[y_{2k} | y_{1k} = 1] = \mathbf{x}_{2k}' \beta_2 + \sigma_{\varepsilon_{1k} \varepsilon_{2k}} * \lambda_k$$

where 
$$\lambda_k = \frac{\phi(y_{1k} = 1)}{\Phi(y_{1k} = 1)}$$
 is the Mills ratio (Heckman (1976)),  $\sigma_{\varepsilon_{1k}\varepsilon_{2k}}$  is the

parameter associated with the Mills ratio.

In summary, much of the work is done in the probit analysis. The inverse of the Mill's ratio is saved from the probit portion and added as an extra regressor. All zero consumption observations are then dropped. The dependent variable is the actual level of consumption in gallons and the same demographics are used that were used in the probit analysis. Ordinary least squares estimation is then used.

The model for each nonalcoholic beverage is:

$$(12) Q_{k} = F(\alpha_{k} + \beta_{1}hs2_{k} + \beta_{2}hs3_{k} + \beta_{3}hs4_{k} + \beta_{4}hsp5_{k} + \beta_{5}age2539_{k} + \beta_{6}age4049_{k} + \beta_{7}age5065_{k} + \beta_{8}age65plus_{k} + \beta_{9}agepc_{k} + \beta_{10}empparttime_{k} + \beta_{11}empfulltime_{k} + \beta_{12}eduhighschool_{k} + \beta_{13}edusomecollege_{k} + \beta_{14}educollegeplus_{k} + \beta_{15}black_{k} + \beta_{16}oriental_{k} + \beta_{17}other_{k} + \beta_{18}hispyes_{k} + \beta_{19}central_{k} + \beta_{20}south_{k} + \beta_{21}west_{k} + \beta_{22}pov130_{k} + \beta_{23}invm_{k})$$

Where k = 1,...,T is the number of observations in the model that consumed a quantity of beverage. Q<sub>k</sub> corresponds to the level of intake for the year in gallons for the selected beverage. The variables are defined in table 1 with the exception of invm, which is the inverse of the Mill's ratio variable.

For all statistical analysis the level of significance chosen is 0.05. An F-test is conducted on the categories in each demographic to find the statistically significant demographics. Cross tabulation and Heckman results are discussed in Chapter V.

#### **Economic Analysis – Demand Systems**

The fifth objective in Chapter I was to provide insight into the interrelationships within the complex of nonalcoholic beverages. In order to do this, the own-price and cross-price elasticities of demand for nonalcoholic beverages in the at-home market must be found. Demand systems were most commonly used in the literature reviewed when investigating these interrelationships. The two main systems considered were the Rotterdam system and the Linear Approximation Almost Ideal Demand System (LA/AIDS). The Rotterdam system is only appropriate for time series data and thus cannot be used with the annual data set that was constructed. In this section we cover the LA/AIDS model and select a method to adjust for the problem of censoring. First, the basic model will be covered.

The AIDS model of Deaton and Muellbauer (1980a,b) has been very popular in applied demand analysis as mentioned previously. It is derived from a specific cost function and consists of the share equations in an n-good system given by

(13) 
$$w_{ik} = \alpha_i + \sum_i \gamma_{ij} \ln p_{jk} + B_i \ln (y_k/P_k) + \varepsilon_{ik},$$

where

k = 1, 2, ..., T is the number of observations i = 1, ..., N is the number goods in the system

y is the total expenditure on the system of goods given by  $y_k = \sum_i p_{ik} q_{ik}$ .  $P_k$  is the price

index for the group and is defined as

(14) 
$$\ln P_{k} = \alpha_{0} + \sum_{j} \alpha_{j} \ln p_{jk} + \frac{1}{2} \sum_{j} \sum_{i} \gamma_{ij} \ln p_{ik} \ln p_{jk},$$

 $w_{ik}$  is the average budget share associated with good *i* given by

$$w_{ik} = \frac{p_{ik}q_{ik}}{y_k},$$

 $\alpha_i$  is the constant coefficient in the share equation *i*,  $\gamma_{ij}$  is the slope coefficient associated with good *j* in the share equation *i*,  $p_{jk}$  is the price on good *j*, and  $q_{ik}$  is the quantity consumed of good *i*. The model implies non-linear Engel curves and automatically satisfies the adding-up restriction. Moreover, homogeneity and symmetry can be imposed through simple parametric restrictions. However, the fact that the price index is not linear in parameters makes the AIDS model difficult to estimate. Deaton and Muellbauer (1980a) also suggested a linear approximation of the nonlinear AIDS model by replacing  $P_k$  with Stone's price index ( $P_k^*$ ):

(15) 
$$\ln(P_k^*) = \sum_j w_{jk} \ln p_{jk}.$$

The model with Stone's index is known as linear approximate AIDS (LA/AIDS) (Blanciforti and Green(1983)) and is simple to estimate. Both models imply the following restrictions on the parameters:

(16) 
$$\sum_{i=1}^{n} \alpha_{i} = 1, \sum_{i=1}^{n} \beta_{i} = 0, \sum_{i=1}^{n} \gamma_{ij} = 0$$

Homogeneity is satisfied if and only if, for all  $i \sum_{j=1}^{n} \gamma_{ij} = 0$ , and symmetry is satisfied if

and only if  $\gamma_{ij} = \gamma_{ji}$ .

The general framework of calculating own-price, cross-price and expenditure elasticities are based on the formulas provided by Green and Alston(1990). All elasticity estimates are evaluated at the sample means. The formulas for the elasticities will be given following the discussion of censoring correction techniques.

As mentioned previously, the total expenditure,  $y_k$ , acts as a denominator in calculation of the average budget share. Consequently, only observations corresponding to non-zero total expenditures can be used in the empirical estimation of the AIDS model. That is, the AIDS model is designed to be conditional on total expenditure being positive. Having zero total expenditure is equivalent to not consuming any product from the group of goods. This issue was not a problem with this data since every household

purchased at least one nonalcoholic beverage in the year 1999. However, there is a problem with censoring. Censoring occurs if each household fails to purchase a good from each of the groupings in the system. Censoring is common since some households do not prefer certain beverages. Consequently, zero budget shares exist for certain observations, and if not handled correctly can bias the results. Censoring affects the system both within each equation and across equations.

Asatryan conducted an in-depth look into censored corrected demand systems, the following is from his 2003 dissertation. In the literature different procedures have been developed to deal with censored demand systems (i.e., demand systems involving zero budget shares). These studies, described thoroughly by Yen, Lin, and Smallwood, can be broadly grouped into four categories. The first group includes the procedures developed by Amemiya (1974); Wales and Woodland (1983); Lee and Pitt (1986, 1987); and Lee (1993). Amemiya (1974) developed a full-information maximum likelihood estimation procedure to handle the censoring problem. Wales and Woodland (1983) built the likelihood function from the Kuhn-Tucker conditions of constrained maximization of a stochastic direct utility function. Lee and Pitt (1986, 1987), and Lee (1993) proposed a dual approach to Wales and Woodland's (1983) procedure. The common factor for those procedures is that all of them are based on the incorporation of multiple probability integrals in the likelihood function.

The second group of procedures produces consistent estimators based on twostep or multi-step estimation of a censored demand system. Hein and Wessels(1990) with their two-step censored-system estimator, Shonkwiler and Yen(1999) with their estimator based on probit estimation in the first stage and a selectivity-adjusted equation system in the second stage, and Perali and Chavas(2000) with their multi-step procedure belong to the second group.

The third group of procedures, known as the simulated-maximum-likelihood (SML) techniques, were developed by Börch-Supan and Hajivassiliou(1993), Geweke(1991), and Keane(1993). These methods are based on the simulation of the multivariate normal probabilities. An application of this approach is given in Kao, Lee, and Pitt(2001).

The fourth group, known as quasi-maximum-likelihood methods (QML), was initiated by Avery, Hansen, and Hotz(1983); and Avery and Hotz(1985) in the context of a multivariate probit model. These procedures are based on the approximation of the multivariate likelihood function with a sequence of bivariate specifications. Harris and Shonkwiler(1997) as well as Yen and Lin(2002) have used the QML approach in the estimation of a censored linear single-equation model. Yen, Lin, and Smallwood(2003) proposed and applied the QML approach to a censored Translog demand system for foods, using a sample of food stamp recipients in the United States. They found that the QML procedure produces remarkably close parameter and elasticity estimates to those of SML procedure. A two-step procedure also was considered but that procedure produced slightly different elasticities from the QML method.

Overall, there are many methods to correct for censoring in demand systems. The majority of the methods discussed dealt with demand systems of four groupings of goods or less. The complications of using some of the methods for larger systems, like the two

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systems considered in this study, increase greatly as system size increases. The two-step procedures differ in this degree. The results garnered in the literature from the consistent two-step procedure of Shonkwiler and Yen are comparable to the findings of selected other methods when compared. Therefore the Shonkwiler and Yen procedure is selected to handle censoring for the purposes of this dissertation.

In the next section we present the linear approximate Almost Ideal Demand System (LA/AIDS) model of Deaton and Muellbauer (1980a,b) that is corrected for censoring via the Shonkwiler and Yen consistent two-step procedure.

## First (or Selection) Stage: Estimate Probit Models for Each Good

In the first stage Shonkwiler and Yen suggest estimating the probability of consuming each individual product in the system of goods through qualitative choice probit models. The qualitative choice models can be represented by this general form

$$y_{1ik}^* = \mathbf{x}_{1ik} \mathbf{\beta}_{1i} + \varepsilon_{1ik}$$
 latent selection equations

where i = 1,...,N is the number of goods in the system, and k = 1, 2,...,T is the number of observations in the sample,  $y_{1ik}^*$  represents a latent selection variable for good i,  $x_{1ik}$ is a vector of explanatory variables in the latent selection equation for good i,  $\beta_{1i}$  is a vector of parameters in the latent selection equation for good i, and the error term in the latent selection equation for good i has a standard normal distribution (i.e.,  $\varepsilon_{1ik} \sim N(0,1)$ ). Hence, we observe only

$$y_{1ik} = \begin{cases} 1 & \text{if } y_{1ik}^* > 0 \\ 0 & \text{if } y_{1ik}^* \le 0 \end{cases} \qquad probit \ selection \ equations$$

The cumulative distribution function and the probability distribution function are calculated in this stage and further applied in the second stage.

Second (or Intake) Stage: Adjust for Zero Consumption in the System of Equations Model

$$y_{2ik}^{*} = \mathbf{x}_{2ik}^{'} \boldsymbol{\beta}_{2i} + \varepsilon_{2ik} \qquad latent \ equations$$
$$y_{2ik} = \begin{cases} y_{2ik}^{*} & \text{if } y_{1ik} = 1: & \Pr ob(y_{1ik} = 1) \\ 0 & \text{if } y_{1ik} = 0: & \Pr ob(y_{1ik} = 0) \end{cases} \qquad System \ of \ equations$$

where i = 1, ..., N is the number of goods in the system, and k = 1, 2, ..., T is the number of observations in the sample,  $y_{2ik}^*$  is the latent intake variable for good i,  $\mathbf{x}_{2ik}$  is a vector of explanatory variables in the latent intake equation for good i,  $\boldsymbol{\beta}_{2i}$  is a vector of parameters in the latent intake equation for good i, and  $\varepsilon_{2ik}$  represents the error term in the latent intake equation for good i.

The expectation of  $y_{2ik}$  conditional on  $y_{1ik} = 1$  for the *i*th product is

$$E[y_{2ik} | y_{1ik} = 1] = \mathbf{x}_{2ik}' \boldsymbol{\beta}_{2i} + \sigma_{\varepsilon_{1ik}} \mathbf{x}_{\varepsilon_{1ik}}' * \frac{\phi(y_{1ik} = 1)}{\Phi(y_{1ik} = 1)}$$

where  $\Phi(y_{1ik} = 1) \equiv \operatorname{Prob}(y_{1ik} = 1)$  is the cumulative distribution function (cdf) for good *i*,  $\phi(y_{1ik} = 1)$  is the probability distribution function (pdf) for good *i*,  $\frac{\phi(y_{1ik} = 1)}{\Phi(y_{1ik} = 1)}$  is the

Mills ratio representing good *i* (Heckman (1976)),  $\sigma_{\varepsilon_{1ik}\varepsilon_{2ik}}$  is the parameter associated

with the Mills ratio for good *i*, and  $E[y_{2ik} | y_{1ik} = 1]$  is the expected value of  $y_{2ik}$  conditional on  $y_{1ik} = 1$ . The expectation of  $y_{2ik}$  conditional on  $y_{1ik} = 0$ 

is  $E[y_{2ik} | y_{1ik} = 0] = 0$ , because nonparticipation is reflected in zero consumption of a good. Then, the unconditional expectation of the good *i* involved in Seemingly Unrelated Regressions is

(17)  

$$E[y_{2ik}] = \Phi(y_{1ik} = 1) * E[y_{2ik} | y_{1ik} = 1] + \Phi(y_{1ik} = 0) * E[y_{2ik} | y_{1ik} = 0]$$

$$= \Phi(y_{1ik} = 1) * x'_{2ik} \beta_{2i} + \sigma_{\varepsilon_{1ik}\varepsilon_{1ik}} * \phi(y_{1ik} = 1)$$

where  $\Phi(y_{1ik} = 0) = \text{Prob}(y_{1ik} = 0)$ .

In summary, a probit is run for each beverage in the system, one probit for each equation. These are the same probit models that were discussed earlier. The cdf and pdf is saved from the probit for each beverage equation. The right-hand side variables are all of the prices in the system and the total expenditure portions including the Stone's price index as given above. All right-hand side variables in the LA/AIDS model are multiplied by the appropriate cdf for each equation. The pdf is added to each respective equation as an extra regressor. The dependent variable is the budget share as is usual in the LA/AIDS model. Seemingly unrelated regression(SUR) estimation is then used.

The Shonkwiler and Yen technique does not affect the homogeneity restriction. However, the symmetry restriction must be handled carefully. Recall the condition that must hold in order for symmetry to be satisfied  $\gamma_{ij} = \gamma_{ji}$ . With the cdf's being multiplied through, the condition becomes  $cdf_i\gamma_{ij} = \gamma_{ij}cdf_j$ . Next, we give the formulas for elasticities of the prices and expenditures for the LA/AIDS model. Model (iii) of Green and Alston(1990), i.e. treating shares as exogenous, is used in the elasticity calculation.

## **Own-price** Elasticity

The uncompensated own-price elasticity for the *i*th good is as follows.

(18) 
$$\varepsilon_{ii} = \frac{\gamma_{ii}}{w_i} - \beta_i - 1$$

*Own-price Elasticity Evaluated at Mean Budget Share*  $\overline{w_i}$ 

## Cross-price Elasticity

The uncompensated cross-price elasticity between *i*th and *j*th commodities is as follows.

(19) 
$$\varepsilon_{ij} = \frac{\gamma_{ij} - \beta_i w_j}{w_i}$$

*Cross-price Elasticity Evaluated at Mean Budget Shares*  $\overline{w_i}$  *and*  $\overline{w_i}$ 

Compensated cross-price elasticities are calculated based on Slutsky's equation

$$\varepsilon_{ij}^{\bullet} = \varepsilon_{ij} + w_j \eta_i \, .$$

## Expenditure Elasticity

The expenditure elasticity is derived from the following formula

(20) 
$$\eta_i = \frac{\beta_i}{w_i} + 1$$

# *Expenditure Elasticity Evaluated at Mean Budget Share* $\overline{w_i}$

As discussed in Chapter II, two different groupings of nonalcoholic beverages will be analyzed with the demand systems. The two groupings for the annual data set are given in table 16 and table 17. The two groupings for the quarterly data set are given in table 18 and table 19. The percentage of households that consumed each beverage and the average budget shares for each beverage are given. Note the decrease in data density of the quarterly data compared to the annual data.

Table 16. Beverages Analyzed in the 8 Good Annual Demand System

| # | Beverage                | <b>Total</b> = <b>5715</b> | Data Density | <b>Budget Share</b> |
|---|-------------------------|----------------------------|--------------|---------------------|
| 1 | milk                    | 5648                       | 98.83        | 25.43               |
| 2 | carbonated soft drinks  | 5630                       | 98.51        | 29.28               |
| 3 | powdered soft drinks    | 2863                       | 50.10        | 1.81                |
| 4 | isotonics               | 1870                       | 32.72        | 1.15                |
| 5 | bottled water           | 3996                       | 69.92        | 3.21                |
| 6 | juices and fruit drinks | 5655                       | 98.95        | 25.58               |
| 7 | coffee                  | 4469                       | 78.20        | 9.45                |
| 8 | tea                     | 4359                       | 76.27        | 4.09                |

| #             | Beverage                                 | Total =<br>5715 | Data<br>Density | Budget<br>Share |
|---------------|--|-----------------|-----------------|-----------------|
| 1             | whole fat flavored and unflavored milk   | 3157            | 55.24           | 4.84            |
| 2             | reduced fat flavored and unflavored milk | 5210            | 91.16           | 20.59           |
| $\frac{1}{3}$ | carbonated soft drinks - regular         | 5419            | 94.82           | 18.27           |
| 4             | carbonated soft drinks - low calorie     | 4166            | 72.90           | 11.00           |
| 5             | powdered soft drinks                     | 2863            | 50.10           | 1.81            |
| 6             | isotonics                                | 1870            | 32.72           | 1.15            |
| 7             | bottled water                            | 3996            | 69.92           | 3.21            |
| 8             | orange juice                             | 4981            | 87.16           | 9.36            |
| 9             | apple juice                              | 3323            | 58.15           | 1.87            |
| 10            | other juices                             | 4800            | 83.99           | 6.77            |
| 11            | fruit drinks                             | 4661            | 81.56           | 5.88            |
| 12            | vegetable juice                          | 2798            | 48.96           | 1.71            |
| 13            | coffee regular                           | 4131            | 72.28           | 7.64            |
| 14            | coffee decaffeinated                     | 1675            | 29.31           | 1.81            |
| 15            | tea regular                              | 3860            | 67.54           | 2.86            |
| 16            | tea decaffeinated                        | 2072            | 36.26           | 1.23            |

# Table 17. Beverages Analyzed in the 16 Good Annual Demand System

# Table 18. Beverages Analyzed in the 8 Good Quarterly Demand System

| # | Beverage                | <b>Total = 22860</b> | Data Density | <b>Budget Share</b> |
|---|-------------------------|----------------------|--------------|---------------------|
| 1 | milk                    | 15816                | 69.19        | 26.39               |
| 2 | carbonated soft drinks  | 15062                | 65.89        | 28.48               |
| 3 | powdered soft drinks    | 4023                 | 17.60        | 1.67                |
| 4 | isotonics               | 2548                 | 11.15        | 1.14                |
| 5 | bottled water           | 6661                 | 29.14        | 3.12                |
| 6 | juices and fruit drinks | 15270                | 66.80        | 25.58               |
| 7 | coffee                  | 9728                 | 42.55        | 9.57                |
| 8 | tea                     | 7938                 | 34.72        | 4.05                |

|  | Total = | Data    | Budget |
|--|---------|---------|--------|
| # Beverage                                 | 22860   | Density | Share  |
| 1 whole fat flavored and unflavored milk   | 5529    | 24.19   | 4.54   |
| 2 reduced fat flavored and unflavored milk | 14042   | 61.43   | 21.85  |
| 3 carbonated soft drinks - regular         | 13228   | 57.87   | 17.26  |
| 4 carbonated soft drinks - low calorie     | 9229    | 40.37   | 11.22  |
| 5 powdered soft drinks                     | 4023    | 17.60   | 1.67   |
| 6 isotonics                                | 2548    | 11.15   | 1.14   |
| 7 bottled water                            | 6661    | 29.14   | 3.12   |
| 8 orange juice                             | 11155   | 48.80   | 9.67   |
| 9 apple juice                              | 5216    | 22.82   | 1.87   |
| 10 other juices                            | 9582    | 41.92   | 6.75   |
| 11 fruit drinks                            | 9251    | 40.47   | 5.65   |
| 12 vegetable juice                         | 4043    | 17.69   | 1.65   |
| 13 coffee regular                          | 8506    | 37.21   | 7.64   |
| 14 coffee decaffeinated                    | 2738    | 11.98   | 1.93   |
| 15 tea regular                             | 6413    | 28.05   | 2.79   |
| 16 tea decaffeinated                       | 2950    | 12.90   | 1.26   |

 Table 19. Beverages Analyzed in the 16 Good Quarterly Demand System

The demand analysis will generate compensated elasticities, uncompensated elasticities, and expenditure elasticities. The two groupings of goods as well as the annual and quarterly data sets will be utilized. In addition, a comparison will be made between systems corrected for censoring and systems that are not corrected for censoring. Lastly, separate demand systems will be estimated for each region, poverty status level, race, and for households with and without children present using the eight good annual data set. For all statistical analysis the level of significance chosen is 0.05. Results, which will include a detailed analysis of substitution and complementary effects, are discussed in Chapter VII.

## **CHAPTER IV**

# EMPIRICAL RESULTS ASSOCIATED WITH THE CHOICE TO CONSUME

## Introduction

In this chapter, we discuss the results of the twenty-four probit models concerning the choice of consumption of nonalcoholic beverages. The demographics associated with choice of consumption are of interest. A probit analysis is used to determine which demographics are responsible for a household choosing to consume or choosing not to consume a beverage. This analysis will reveal the statistically significant demographics associated with the choice of consumption. The demographic variables along with the categories in each group and the beverages to be analyzed in the probit analysis were discussed in Chapter III.

The probit results are summarized in table 20. Each beverage is listed along with the demographic category. If the demographic category was statistically significant at the .05 level in affecting the decision to consume the beverage, then an "X" is presented in the table. An F-test was conducted on the categories in each demographic group to find the statistically significant drivers.

|    | e 20. Summary of Front Fil                  | C | Age of<br>Household<br>Head | Presence of<br>Children | Household<br>Head<br>Employment | Household<br>Head<br>Education | Race | Hispanic | Region | Poverty<br>Status |
|----|---|---|-----------------------------|-------------------------|---------------------------------|--------------------------------|------|----------|--------|-------------------|
| 1  | Whole Fat Flavored<br>And Unflavored Milk   | X |                             | X                       | X                               | X                              | X    |          | X      | X                 |
| 2  | Reduced Fat Flavored<br>And Unflavored Milk | X |                             | X                       |                                 | X                              | X    | X        |        | X                 |
| 3  | Carbonated Soft Drinks - Regular            | Х |                             |                         |                                 |                                |      |          |        |                   |
| 4  | Carbonated Soft<br>Drinks - Low Calorie     | Х |                             |                         |                                 |                                | X    |          |        | Х                 |
| 5  | Powdered Soft Drinks                        | X |                             | Х                       |                                 |                                |      |          |        |                   |
| 6  | Isotonics                                   | X |                             | Х                       | Χ                               |                                |      |          | Χ      | X                 |
| 7  | Bottled Water                               | X |                             |                         | Χ                               |                                | Х    |          |        | Х                 |
| 8  | Orange Juice                                | X |                             |                         |                                 |                                | Х    |          | Χ      |                   |
| 9  | Apple Juice                                 | X |                             | Х                       |                                 | X                              |      |          |        |                   |
| 10 | Other Juices                                | X |                             |                         |                                 |                                |      |          | Х      |                   |
| 11 | Fruit Drinks                                | Х |                             | X                       |                                 |                                | X    |          |        |                   |
| 12 | Vegetable Juice                             | Х |                             |                         |                                 |                                | Χ    |          | Χ      |                   |
| 13 | Coffee Regular                              | Х | X                           | Х                       | Х                               |                                | X    |          | Х      | X                 |
| 14 | Coffee Decaffeinated                        | Х |                             |                         | Х                               |                                | X    |          | Х      | X                 |
| 15 | Tea Regular                                 | Х |                             | Х                       |                                 |                                | Х    |          | Х      |                   |
| 16 | Tea Decaffeinated                           | Х |                             |                         |                                 | Х                              |      |          | Х      |                   |
| 17 | Flavored Milk                               | Х |                             |                         |                                 |                                | Х    |          | Х      |                   |
| 18 | Unflavored Milk                             | Х |                             |                         |                                 |                                | Х    |          |        |                   |
| 19 | Flavored Milk Whole                         | Х |                             |                         |                                 |                                | Х    | Х        | Х      |                   |
| 20 | Flavored Milk – Reduced Fat                 | Х |                             |                         |                                 |                                |      |          | Х      |                   |
| 21 | Whole Milk Unflavored                       |   |                             | X                       | Х                               | X                              | X    |          | Х      | Х                 |
| 22 | 2% Milk Unflavored                          | X |                             |                         |                                 |                                | X    |          | Х      |                   |
| 23 | 1 % Milk Unflavored                         | X | X                           |                         |                                 |                                | Х    |          | Х      |                   |
| 24 | Skim Milk Unflavored                        |   |                             |                         |                                 | X                              |      |          | X      | X                 |

# Table 20. Summary of Probit Findings: Significant Demographic Categories

This table shows which demographics are significant(95 % level) in determining whether or not a household consumes any of the beverages. If an "X" appears then the demographic is significant.

Race, region, and presence of children within the household are important in the decision to consume many of the beverages. Household size affected the decision to consume for twenty-two of the twenty-four beverages examined. The demographic affect pertaining to household size is understandable since larger households typically purchase more goods at grocery stores and would be less apt to eat or drink away from the home. The presence of a child in a household affected the decision of a household to consume whole and reduced fat milk, apple juice, fruit drinks, isotonics, powdered soft drinks, and coffee. Poverty status of the household affected nine of the beverages studied: whole and reduced fat milk, skim milk, low-calorie soft drinks, coffee, fruit juices, isotonics, powdered soft drinks, and bottled water.

Appendix E gives the probit results beverage by beverage in detail. The results for each beverage subsequently are discussed. For each beverage, a probit model was run and the p-values associated with each demographic category were retrieved. The marginal effects of each demographic category were computed which shows the magnitude of the increase or decrease in the probability of consumption of the beverage, relative to a base category. Lastly, an F-test on each demographic group also was conducted. All estimations were performed using TSP. Discussions of each beverage and the demographics important concerning choice now are given. Key demographic marginal effects for selected beverages are given in graphical form.

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Beverage #1. Whole - Flavored and Unflavored Milk

Household size, presence of children, household head employment, household head education, race, region, and 130% of poverty are demographics that affect the choice to consume whole milk. Having a larger household size increases the probability of consumption of whole milk.

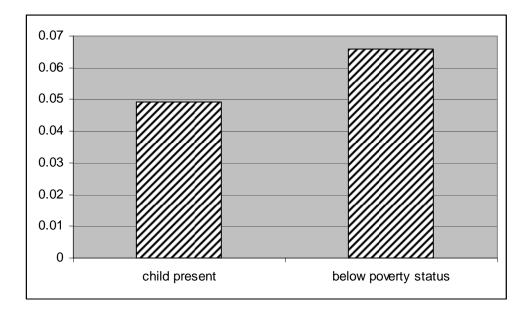


Figure 5. Marginal effects for whole milk

Households with a child present are more likely to consume whole milk at home than households with no children present. Figure 5 indicates that households with a child present are five percent more likely to purchase whole milk. Households with a head that is employed are less likely to consume whole milk. Households containing a head that is more educated are less likely to consume whole milk. Black households are more likely to consume whole milk compared to white households. Households in the Central and West regions are less likely to consume whole milk compared to households in the East region. Households under 130% of poverty are more likely to consume whole milk than households over 130% of poverty. Figure 1 indicates that households under 130% of poverty are over six percent more likely to purchase whole milk.

#### Beverage #2. Reduced Fat - Flavored and Unflavored Milk

Household size, presence of children, household head education, race, Hispanic origin, and 130% of poverty are demographics that affect the choice to consume reduced fat milk. Having a larger household size increases the probability of consumption of reduced fat milk. Households with a child present are more likely to consume reduced fat at home than households with no children present. Households containing a head that is more educated are more likely to consume reduced fat milk.

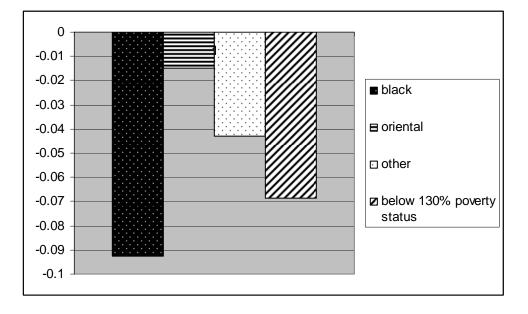


Figure 6. Marginal effects for reduced fat milk

Black and other race households are less likely to consume reduced fat milk when compared to white households. Figure 6 indicates that black households are much less likely to purchase reduced fat milk. Households of Hispanic origin are less likely to consume reduced fat milk. Households under 130% of poverty are less likely to consume reduced fat milk than households over 130% of poverty, figure 2 indicates that households below 130% are almost seven percent less likely to consume reduced fat milk compared to households above 130% of poverty.

Beverage #3. Carbonated Soft Drinks - Regular

Household size was the only demographic that affects the choice to consume carbonated soft drinks.

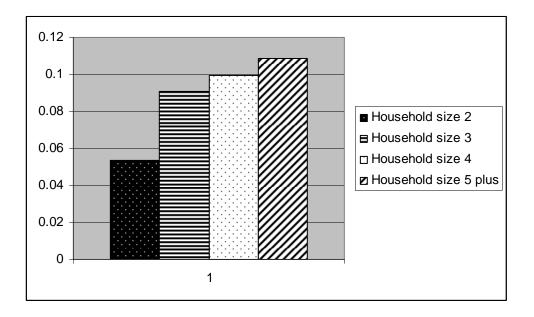


Figure 7. Marginal effects for regular carbonated soft drinks

Having a larger household size increases the probability of consumption of carbonated soft drinks. Figure 7 indicates how the probability of consumption increases as household size increases. No other demographics were found to affect the choice of consumption.

## Beverage #4. Carbonated Soft Drinks - Low Calorie

Household size, race, and 130% of poverty are demographics that affect the choice to consume low-calorie soft drinks. Having a larger household size increases the probability of consumption of low -calorie carbonated soft drinks. Black and other race households are less likely to consume low -calorie carbonated soft drinks when compared to white households. Households under 130% of poverty are less likely to consume low -calorie carbonated soft drinks of poverty.

## Beverage #5. Powdered Soft Drinks

Household size and the presence of children are demographics that affect the choice to consume powdered soft drinks. Having a larger household size increases the probability of consumption of powdered soft drinks.

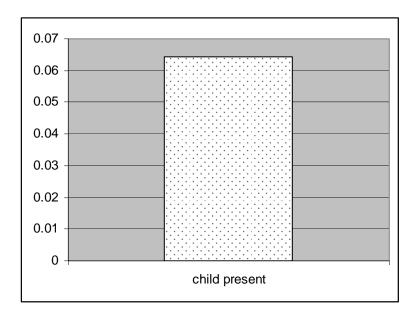


Figure 8. Marginal effects for powdered soft drinks

Figure 8 indicates that households with a child present are more likely to consume powdered soft drinks by almost six percent when compared to households with no children present. Households below 130% of poverty status were shown to be more likely to purchase powdered soft drinks when compared to households above 130% of poverty status, but the result was not statistically significant.

## Beverage #6. Isotonics

Household size, presence of children, region, and 130% of poverty are demographics that affect the choice to consume isotonics. Having a larger household size increases the probability of consumption of isotonics. Households with a child present are more likely to consume isotonics at home than households with no children present. Households in the Central, South, and West regions are more likely to consume isotonics compared to households in the East region. Households under 130% of poverty are less likely to consume isotonics than households over 130% of poverty.

#### Beverage #7. Bottled Water

Household size, household head employment, race, and 130% of poverty are demographics that affect the choice to consume bottled water. Having a larger household size increases the probability of consumption of bottled water. Households with a head that is employed are more likely to consume bottled water.

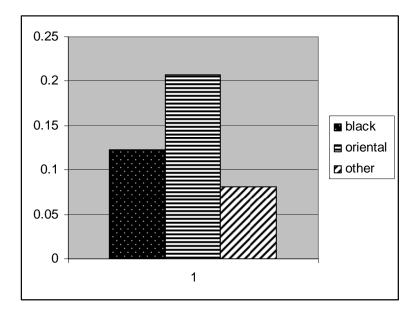


Figure 9. Marginal effects for bottled water

Non-white households are more likely to consume bottled water compared to white households with Oriental households being the most likely to consume as indicated in figure 9. Households under 130% of poverty are less likely to consume bottled water than households over 130% of poverty.

Beverage #8. Orange Juice

Household size, race, and region are demographics that affect the choice to consume orange juice. Having a larger household size increases the probability of consumption of orange juice.

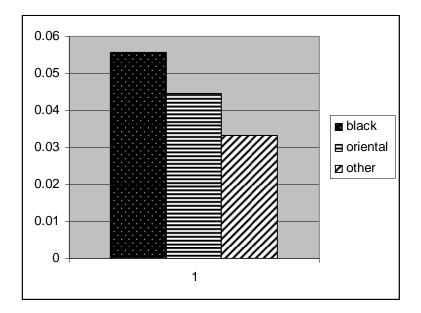


Figure 10. Marginal effects for orange juice

Black households are more likely to consume orange juice compared to white households. Figure 10 indicates that all non-white households are more likely to purchase orange juice. Households in the Central, South, and West regions are less likely to consume orange juice compared to households in the East region.

#### Beverage #9. Apple Juice

Household size, presence of children, and household head education are demographics that affect the choice to consume apple juice. Having a larger household size increases the probability of consumption of apple juice. Households with a child present are more likely to consume apple juice at home than households with no children present. Households containing a head that is more educated are more likely to consume apple juice.

#### Beverage #10. Other Juice

Other juice is defined as any juice that is not orange, apple, vegetable, or fruit drinks. Examples include; cranberry, grape, grapefruit, and pineapple. Household size and region are demographics that affect the choice to consume other juices. Having a larger household size increases the probability of consumption of other juices. Households in the Central and South regions are less likely to consume other juices compared to households in the East region.

#### Beverage #11. Fruit Drinks

Household size, presence of children, and race are demographics that affect the choice to consume fruit drinks. Having a larger household size increases the probability of consumption of fruit drinks. Households with a child present are more likely to consume fruit drinks at home than households with no children present.

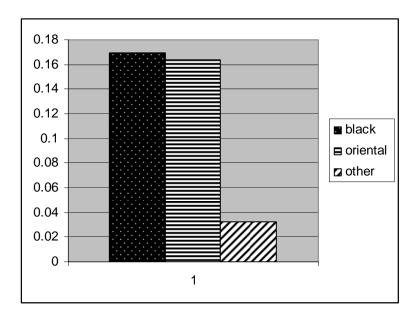


Figure 11. Marginal effects for fruit drinks

Black and Oriental households are more likely to consume fruit drinks compared to white households. Figure 11 indicates that the change in probability of consumption is large for black and Oriental households.

#### Beverage #12. Vegetable Juice

Household size, race, and region are demographics that affect the choice to consume vegetable juice. Having a larger household size increases the probability of consumption of vegetable juice. Households of other races(not Black or Oriental) are less likely to consume vegetable juice compared to white households. Households in the Central and South regions are more likely to consume vegetable juice compared to households in the East region. Beverage #13. Coffee – Regular

Household size, age of the household head, presence of children, household head employment, race, region, and 130% of poverty are demographics that affect the choice to consume regular coffee. Having a larger household size increases the probability of consumption of regular coffee.

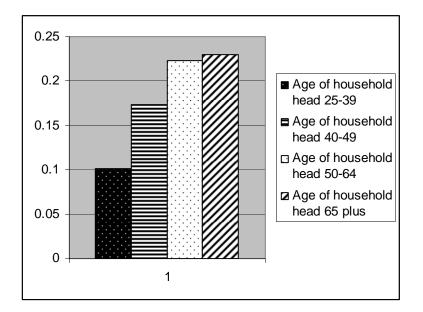


Figure 12. Marginal effects for regular coffee

Household with a head older than forty are much more likely to consume regular coffee when compared to household heads under age twenty-five as indicated in figure 12. Households with a child present are less likely to consume regular coffee at home than households with no children present. Households with a head that is employed are less likely to consume regular coffee. Black households are less likely to consume regular coffee compared to white households. Households in the Central, South, and West regions are less likely to consume regular coffee compared to households in the East region. Households under 130% of poverty are less likely to consume regular coffee than households over 130% of poverty.

#### Beverage #14. Coffee - Decaffeinated

Household size, household head employment, race, region, and 130% of poverty are demographics that affect the choice to consume decaffeinated coffee. Having a larger household size increases the probability of consumption of decaffeinated coffee. Households with a head that is employed full time are less likely to consume decaffeinated coffee. Black households are less likely to consume decaffeinated coffee compared to white households. Households in the Central and West regions are less likely to consume decaffeinated coffee compared to households in the East region. Households under 130% of poverty are less likely to consume decaffeinated coffee than households over 130% of poverty.

#### Beverage #15. Tea – Regular

Household size, presence of children, race, and region are demographics that affect the choice to consume regular tea. Having a larger household size increases the probability of consumption of regular tea. Households with a child present are less likely to consume regular tea at home than households with no children present.

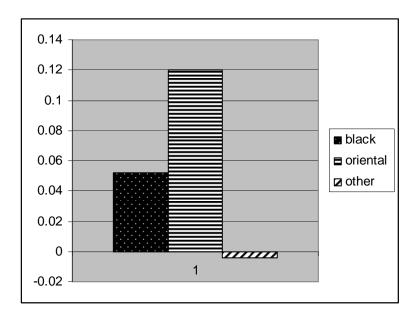


Figure 13. Marginal effects for regular tea

Figure 13 reveals that Black and Oriental households are more likely to consume regular tea compared to white households. Households of other race are less likely to consume regular tea when compared to white households. Households in the Central, South, and West regions are less likely to consume regular tea compared to households in the East region.

#### Beverage #16. Tea - Decaffeinated

Household size, education of the household head, and region are demographics that affect the choice to consume decaffeinated tea. Having a larger household size increases the probability of consumption of decaffeinated tea. Households with heads that have some college education are more likely to consume decaffeinated tea compared to household heads with a high school degree or lower. Households in the Central and West regions are less likely to consume decaffeinated tea compared to households in the East region.

Beverages seventeen through twenty-four are finer classifications of milk.

#### Beverage #17. Flavored Milk

Household size, race, and region are demographics that affect the choice to consume flavored milk. Having a larger household size increases the probability of consumption of flavored milk. Black households are less likely to consume flavored milk compared to white households. Households in the Central and South regions are more likely to consume flavored milk compared to households in the East region.

#### Beverage #18. Unflavored Milk

Household size and race are demographics that affect the choice to consume flavored milk. Having a larger household size increases the probability of consumption of unflavored milk. Black and other race households are less likely to consume flavored milk compared to white households.

#### Beverage #19. Flavored Milk - Whole

Household size, race, Hispanic origin, and region are demographics that affect the choice to consume whole flavored milk. Having a larger household size increases the probability of consumption of whole flavored milk. Black households are less likely to consume whole flavored milk compared to white households. Households of Hispanic origin are less likely to drink whole flavored milk. Households in the Central region are more likely to consume whole flavored milk compared to households in the East region.

#### Beverage #20. Flavored Milk - Reduced Fat

Household size and region are demographics that affect the choice to consume whole flavored milk. Having a larger household size increases the probability of consumption of reduced fat flavored milk. Households in the Central and South regions are more likely to consume whole flavored milk compared to households in the East region while households in the West are less likely to consume whole flavored milk.

#### Beverage #21. Whole Milk - Unflavored

Presence of children, household head employment, household head education, race, region, and 130% of poverty are demographics that affect the choice to consume whole milk. Households with a child present are more likely to consume whole milk at home than households with no children present. Households with a head that is employed are less likely to consume whole milk. Households containing a head that has at least some college education are less likely to consume whole milk. Black and Oriental households are more likely to consume whole milk compared to white households. Households in the Central and West regions are less likely to consume whole milk compared to households in the East region. Households under 130% of poverty are more likely to consume whole milk than households over 130% of poverty.

#### Beverage #22. 2 % - Unflavored

Household size, race, and region are demographics that affect the choice to consume two percent milk. Having a larger household size increases the probability of two percent milk consumption. Black households are less likely to consume two percent milk compared to white households. Households in the Central, South, and West regions are more likely to consume two percent milk compared to households in the East region.

#### Beverage #23. 1 % - Unflavored

Household size, age of the household head, race, and region are demographics that affect the choice to consume one percent milk. Having a larger household size increases the probability of one percent milk consumption. Households with heads over the age of fifty were more likely to consume one percent milk than household heads under age twenty-five. Black and other race households are less likely to consume one percent milk compared to white households. Households in the Central, South, and West regions are less likely to consume one percent milk compared to households in the East region.

#### Beverage #24. Skim Milk - Unflavored

Education of the household head and region are demographics that affect the choice to consume skim milk. Households with heads obtaining at least some college education were more likely to consume skim milk than household heads with less education. Households in the South and West regions are less likely to consume skim milk compared to households in the East region.

#### **Prediction Success of the Probit Models**

After finding that demographics of a household are significant drivers associated with the choice of consumption for each household of a nonalcoholic beverage, an attempt to predict the decision is made. That is, given the information derived from the probit analysis, an in-sample prediction is done. The probability of consumption for each household was estimated following the probit analysis through the use of the software package TSP. If the probability was greater than or equal to the percentage of households in the data set that actually consumed, then the household was predicted to be a purchaser (consumer). For example, if we predict a probability of 0.65 that a household consumed powdered soft drinks, it would be given a "1" for consumption since 0.65 is greater than 0.4852 (the percentage of households in the panel that consumed powdered soft drinks). This process was done for all twenty-four beverages. The results of the prediction evaluations are included in table 21.

# Table 21. Probit Evaluations: Contingency Table

| Table 21. Front Evalua                | No HID's % that |                      | icy ra   | JIE        |           |           |              |                        |              |                | Conditional<br>Measures |             |
|---------------------------------------|-----------------|----------------------|----------|------------|-----------|-----------|--------------|------------------------|--------------|----------------|-------------------------|-------------|
|                                       | that            | actually<br>consumed | PC<br>AC | PNC<br>ANC | PC<br>ANC | PNC<br>AC | Sum<br>check | Correct<br>Predictions | %<br>Correct | %<br>Incorrect | given<br>ANC            | given<br>AC |
| 1 Whole Fat Flavored and              |                 |                      |          |            |           |           |              |                        |              |                |                         |             |
| Unflavored Milk                       | 3157            | 55.24                | 1804     | 1634       | 924       | 1353      | 5715         | 3438                   | 0.602        | 0.398          | 0.639                   | 0.571       |
| 2 Reduced Fat Flavored and            |                 | 01.16                | 2502     | 011        | 10.4      | 1 < 1 =   |              | 2004                   | 0.602        | 0.015          | 0.616                   | 0 (00       |
| Unflavored Milk                       | 5210            | 91.16                | 3593     | 311        | 194       | 1617      | 5715         | 3904                   | 0.683        | 0.317          | 0.616                   | 0.690       |
| 3 Carbonated Soft Drinks -            | 5419            | 94.82                | 3551     | 230        | 66        | 1868      | 5715         | 3781                   | 0.662        | 0.338          | 0.777                   | 0.655       |
| Regular<br>4 Carbonated Soft Drinks – | 5419            | 94.02                | 3551     | 230        | 00        | 1000      | 5715         | 5781                   | 0.002        | 0.558          | 0.777                   | 0.055       |
| Low Calorie                           | 4166            | 72.90                | 2816     | 801        | 748       | 1350      | 5715         | 3617                   | 0.633        | 0.367          | 0.517                   | 0.676       |
| 5 Powdered Soft Drinks                | 2863            | 50.10                | 1743     | 2080       | 772       | 1120      | 5715         | 3823                   | 0.669        | 0.331          | 0.729                   | 0.609       |
| 6 Isotonics                           | 1870            | 32.72                | 1142     | 2579       | 1266      | 728       | 5715         | 3721                   | 0.651        | 0.349          | 0.671                   | 0.611       |
| 7 Bottled Water                       | 3996            | 69.92                | 2331     | 1039       | 680       | 1665      | 5715         | 3370                   | 0.590        | 0.410          | 0.604                   | 0.583       |
| 8 Orange Juice                        | 4981            | 87.16                | 3011     | 434        | 300       | 1970      | 5715         | 3445                   | 0.603        | 0.397          | 0.591                   | 0.604       |
| 9 Apple Juice                         | 3323            | 58.15                | 1848     | 1617       | 775       | 1475      | 5715         | 3465                   | 0.606        | 0.394          | 0.676                   | 0.556       |
| 10 Other Juices                       | 4800            | 83.99                | 2861     | 553        | 362       | 1939      | 5715         | 3414                   | 0.597        | 0.403          | 0.604                   | 0.596       |
| 11 Fruit Drinks                       | 4661            | 81.56                | 2550     | 880        | 174       | 2111      | 5715         | 3430                   | 0.600        | 0.400          | 0.835                   | 0.547       |
| 12 Vegetable Juice                    | 2798            | 48.96                | 1680     | 1501       | 1416      | 1118      | 5715         | 3181                   | 0.557        | 0.443          | 0.515                   | 0.600       |
| 13 Coffee Regular                     | 4131            | 72.28                | 2537     | 944        | 640       | 1594      | 5715         | 3481                   | 0.609        | 0.391          | 0.596                   | 0.614       |
| 14 Coffee Decaffeinated               | 1675            | 29.31                | 1040     | 2470       | 1570      | 635       | 5715         | 3510                   | 0.614        | 0.386          | 0.611                   | 0.621       |
| 15 Tea Regular                        | 3860            | 67.54                | 2172     | 1108       | 747       | 1688      | 5715         | 3280                   | 0.574        | 0.426          | 0.597                   | 0.563       |
| 16 Tea Decaffeinated                  | 2072            | 36.26                | 1202     | 1958       | 1685      | 870       | 5715         | 3160                   | 0.553        | 0.447          | 0.537                   | 0.580       |
| 17 Flavored Milk                      | 1701            | 29.76                | 1082     | 2553       | 1461      | 619       | 5715         | 3635                   | 0.636        | 0.364          | 0.636                   | 0.636       |
| 18 Unflavored Milk                    | 5642            | 98.72                | 3972     | 50         | 23        | 1670      | 5715         | 4022                   | 0.704        | 0.296          | 0.685                   | 0.704       |
| 19 Flavored Milk Whole                | 1186            | 20.75                | 745      | 2774       | 1755      | 441       | 5715         | 3519                   | 0.616        | 0.384          | 0.612                   | 0.628       |
| 20 Flavored Milk                      | 1011            | 17.69                | 665      | 2977       | 1727      | 346       | 5715         | 3642                   | 0.637        | 0.363          | 0.633                   | 0.658       |
| Reduced Fat                           |                 |                      |          |            |           |           |              |                        |              |                |                         |             |
| 21 Whole Milk Unflavored              | 2700            | 47.24                | 1567     | 1915       | 1100      | 1133      | 5715         | 3482                   | 0.609        | 0.391          | 0.635                   | 0.580       |
| 22 2% Milk Unflavored                 | 3821            | 66.86                | 2274     | 1014       | 880       | 1547      | 5715         | 3288                   | 0.575        | 0.425          | 0.535                   | 0.595       |
| ; • • • • • • • • • • • • • • • • •   | 2021            | 50.00                |          |            | 000       | 10.7      | 0,10         | 2200                   | 5.670        | J <b>_ U</b>   | 0.000                   | 0.070       |

## Table 21. continued

|                         |                              |                                |          |            |           |           |              |                        |              |                | Conditional<br>Measures |             |
|-------------------------|------------------------------|--------------------------------|----------|------------|-----------|-----------|--------------|------------------------|--------------|----------------|-------------------------|-------------|
|                         | No HID's<br>that<br>consumed | % that<br>actually<br>consumed | PC<br>AC | PNC<br>ANC | PC<br>ANC | PNC<br>AC | Sum<br>check | Correct<br>Predictions | %<br>Correct | %<br>Incorrect | given<br>ANC            | given<br>AC |
| 23 1 % Milk Unflavored  | 2360                         | 41.29                          | 1410     | 1914       | 1441      | 950       | 5715         | 3324                   | 0.582        | 0.418          | 0.570                   | 0.597       |
| 24 Skim Milk Unflavored | 3017                         | 52.79                          | 1853     | 1426       | 1272      | 1164      | 5715         | 3279                   | 0.574        | 0.426          | 0.529                   | 0.614       |

PC=Predicted quantity consumed PNC=Predicted quantity not consumed AC=Actually quantity consumed ANC=Actually quantity not consumed

Overall, knowing the demographics helps in predicting consumption of a beverage within this data set. Table 21 breaks down the findings into several categories. The percentage of total correct predictions (correctly predicting if the beverage was consumed and correctly predicting if the beverage was not consumed) is given in one column. The hardest beverage to predict was decaffeinated tea with only a 55.3 percent correct prediction. The choice of consumption of unflavored milk was the easiest with correct predictions of over 70 percent. The last two columns show that the probit analysis helps predict which households will consume, given that they actually do, as well as predicting which households will not consume, given that they actually do not. For the nonalcoholic beverages considered, the probit models correctly predicted household purchase behavior in 54.7 percent (fruit drinks) to 80.9 percent (unflavored milk) of the sample of 5,715 households. For non-purchase behavior, the probit models were correct in 51.5 percent (decaffeinated tea) to 83.5 percent (fruit drinks) of the sample.

#### **CHAPTER V**

# EMPIRICAL RESULTS ASSOCIATED WITH CROSS TABULATIONS AND THE HECKMAN SAMPLE SELECTION MODEL

#### Introduction

In this chapter results concerning the level of consumption of nonalcoholic beverages are discussed. Two procedures were used to analyze level consumption drivers. First, the results of the cross tabulations are discussed. Subsequently, the Heckman results are reported and discussed beverage by beverage.

#### **Cross Tabulations**

Cross tabulations were used to examine the demographic tendencies to consume various levels of nonalcoholic beverages. With this procedure, a specific demographic variable is identified and summary statistics are computed for the records in the data set that correspond to only those demographic criteria. For example, the average consumption in gallons per household of a selected beverage is calculated for each demographic category. The average that is calculated includes only the average of households that consume. After all demographic variables are tabulated comparisons can be made. To illustrate, the demographic variable, 'household region,' includes four categories: East, Central, South, and West. Average levels of consumption for the households in each region were calculated. A comparison among the households in the four regions quickly reveals if there is a difference in the level of consumption from one region to another. The number of households consuming each beverage in each demographic category also is included in this treatment.

The demographic variables used in the cross tabulation analysis include poverty level, household size, presence of children, age of female household head, female household head employment, female household head education, race, region, Hispanic origin, and seasonality. The cross tabulation tables are exhibited in Appendix F. Each demographic table is discussed below. Beverage consumption differences within each demographic are emphasized.

#### 130 Percent of Poverty

Instead of using only the income demographic given in the ACNielsen HomeScan data, a poverty threshold demographic also was calculated according to Bureau of Census poverty specifications. Both income and household size were used for determining households below and above the poverty threshold. Guidelines for this delineation are given in Appendix B. We are using 130% of poverty in this study because it is cut-off level for Food Stamp eligibility and for free school meals. 277 of the 5715 households fell into the below 130% poverty range.

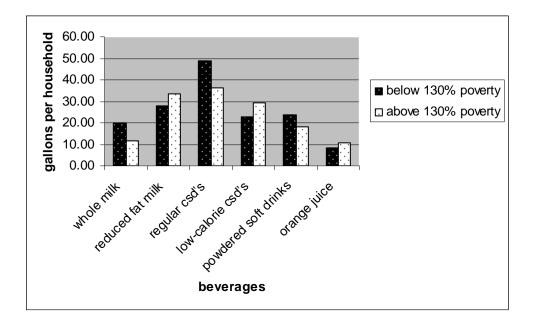


Figure 14. Household intake of selected nonalcoholic beverages by poverty status

Figure 14 reveals that households above 130% of poverty consumed more orange juice on average. Households below 130% of poverty consumed over five more gallons of powdered soft drinks a year and consumed over twelve more gallons of regular carbonated soft drinks per year when compared to households above 130% of poverty. Above 130% poverty households consumed more low-calorie soft drinks and over five more gallons of bottled water per year as compared with the households below 130% of poverty. Above poverty households also consumed more 2 percent, 1 percent, and skim milk while households below 130% of poverty consumed more unflavored whole milk.

#### Household Size

The household size demographic has nine categories ranging from one household member to nine or more and includes average purchases by household size for those that bought. No household had more than nine members with the mean household size in the panel being 2.61 members. The largest category was the household size of two that had 2,233 observations of the 5,715 households in the data set.

As household size increases, the average consumption typically increases. This finding is largely due to the fact that our data deal primarily with food-at-home purchases. As family size increases, the household is less apt to dine out or eat away from home for budgetary reasons. Almost every beverage listed is consumed in greater amounts in households with two or more persons compared to single-person households. Single-person households are either eating more on the go or away from home than multi-person households. As household size increases powdered soft drinks, milk, and carbonated soft drinks are more heavily consumed at home.

#### Presence of Children

For comparison purposes, two categories for the presence of children demographic were constructed. 1772 of the 5715 households had at least one child present under the age of eighteen. Figure 15 gives intake levels by presence of children.

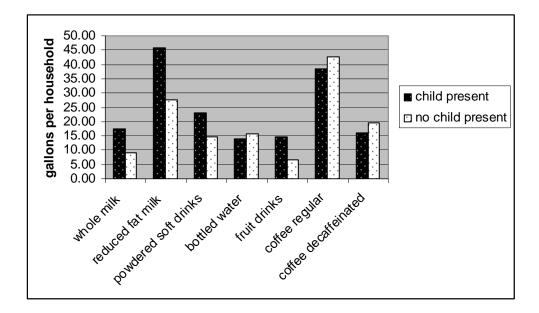


Figure 15. Household intake of selected nonalcoholic beverages by presence of children within the household

Households with a child present consumed more milk across all milk types than did households with no child present. Households with a child present consumed 23 more gallons of unflavored white milk on average than did households without a child present. Households with children present also consumed greater quantities of powdered soft drinks and fruit drinks. Households without a child present consumed more coffee and bottled water.

#### Female Head of Household

Three demographics concerning the female head of household were looked at next. We assume that the female head is largely responsible for food at home purchases. Age, employment status, and education level of the household head are now discussed. 474 of the households had no female head of household or the household gave no information regarding age, employment, or education of a female head.

#### Age of the Female Head of Household

There are ten categories of age for female head of households. Households with the female head under twenty-five years of age drank more powdered soft drinks than all remaining households with female heads that are older.

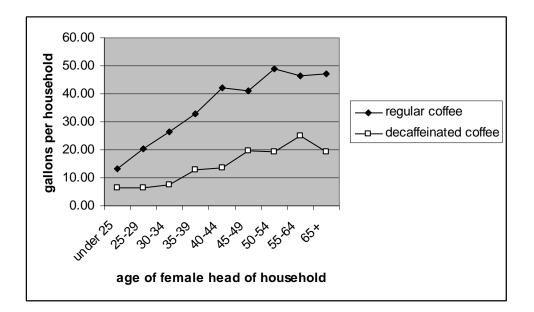


Figure 16. Household intake of coffee by age of female head of household

Figure 16 indicates that households with older female heads drink considerably more regular coffee than households with younger female heads. Regular coffee consumption ranges from 13.24 gallons for households with female heads under age of 25, compared to 46.96 gallons for households with 65 plus aged female heads.

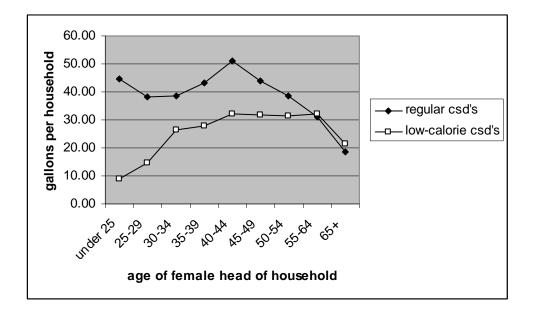


Figure 17. Household intake of carbonated soft drinks by age of female head of household

Regular carbonated soft drink consumption for households with female heads at age 40-44 is highest at 51 gallons. Regular carbonated soft drink consumption decreases within households as the age of the female head increases from age 45 according to figure 17.

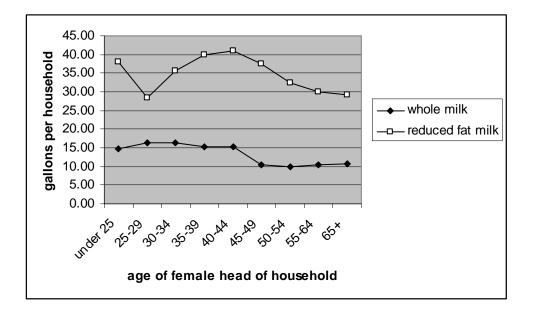


Figure 18. Household intake of milk by age of female head of household

Figure 18 indicates that reduced fat and whole milk consumption also varies for the differing aged female head households. Reduced fat milk household intake is 38.13 gallons for female heads under the age of twenty-five and then drops to 28.27 gallons for age 25-29 female heads. From this level it slowly increases until the female head is 45, then the average household consumption of reduced fat milk decreases. Whole milk consumption does not vary as much among household heads of different ages. *Employment of Female Head of Household* 

There are four categories of employment ranging from not employed to three different categories of hours worked per week. The majority of the beverage consumption changes little from one classification to the next. One notable difference is the consumption of regular coffee for households where the female head is not employed for pay. See figures 19-20 for the intakes by households by employment status of the female head.

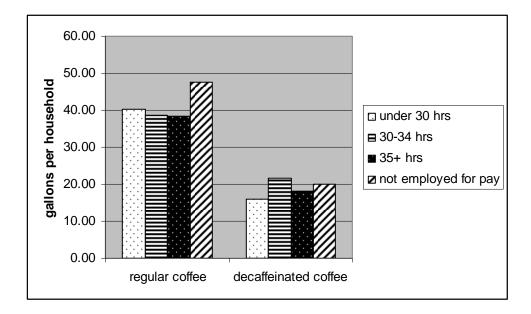


Figure 19. Household intake of coffee by employment of female head of household

Households with unemployed female heads drink more coffee than households with employed female heads. The average consumption is 47.66 gallons per year for unemployed female head households. This is seven gallons greater than a household with a part-time employed female head.

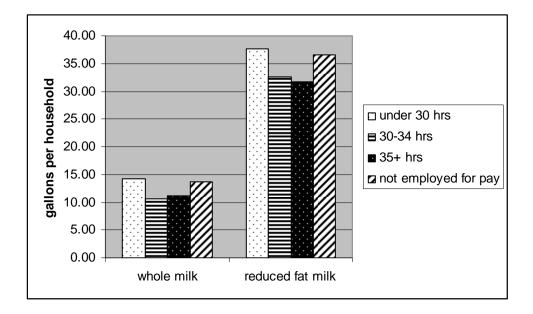


Figure 20. Household intake of milk by employment of female head of household

Lastly, households that contain a female head who works less than 30 hours per week drink more whole and reduced fat milk on average than other households.

### Education of Female Head of Household

There are six categories for education ranging from grade school education to post college education. There were 1781 of the households in the data set that included a female head that attained some college education followed by 1464 households where the female head had graduated from college.

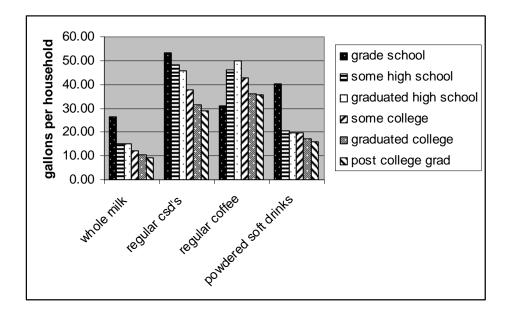


Figure 21. Household intake of selected beverages by education of female head of household

Figure 21 indicates that powdered soft drink consumption per household decreases as female head of household education level increases, ranging from 40.29 gallons to 15.96 gallons from grade school education to post college education. From high school to post college education, regular coffee and regular carbonated soft drink consumption decrease for households where the female heads are more educated, similar to powdered soft drinks. This finding also is true for whole milk; average consumption in households decreases as the education level of the female head increases.

#### Race

The demographic for race had four categories: white, black, Oriental, and other. In the data, 85 percent of the households are white.

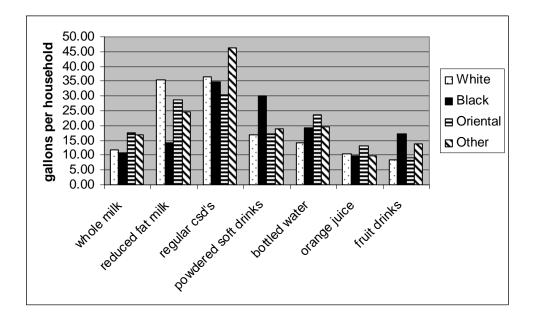


Figure 22. Household intake of selected beverages by race

Oriental households consumed more bottled water and orange juice than households of other race classifications did. Consuming only 30.28 gallons, Oriental households drank substantially fewer gallons of regular carbonated soft drinks per year when compared to white, black, and other households who consume 36.41, 34.76, and 46.21 gallons on average per year. Figure 22 indicates that black households consume more powdered soft drinks and ready to drink fruit drinks than do households of other races. Black households also drink less tea than do other households. White households consume the greatest amount of coffee at 43.44 gallons compared to the other races. White households also consume the largest amounts of low-calorie carbonated soft drinks and unflavored milk, yet less bottled water on average than do households of different races. Region

The demographic for region had four categories: East, Central, South, and West. The regions were equally represented with the South having more households represented than any other region. Figure 23 indicates intake by region.

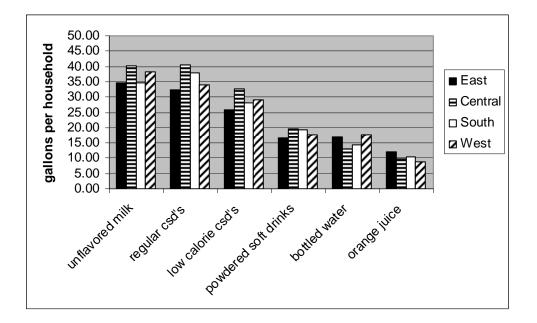


Figure 23. Household intake of selected beverages by region

The East region households consume more orange juice, apple juice, other juices, tea, and regular coffee than households from other regions. The East and South region households consume the least unflavored milk of any region at about 34 gallons per year per household. The Central region households consume more unflavored milk, carbonated soft drinks, and powdered soft drinks than other household regions on average. Southern households consume high levels of powdered soft drinks, though

slightly less than Central households. Southern households also consume high levels of carbonated soft drinks. Households in the West consume more gallons of bottled water per year than other household regions at 17.5 gallons per year. Western households consume less orange juice and tea than do households from other regions.

#### Hispanic Origin

The Hispanic origin question contained a yes or no classification, with 365 of the 5715 households in the panel indicating they were of Hispanic origin.

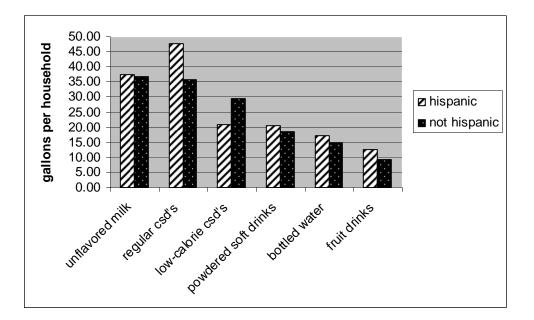


Figure 24. Household intake of selected beverages by Hispanic origin

Figure 24 indicates that Hispanic households consumed more ready to drink fruit drinks, powdered soft drinks, regular carbonated soft drinks, bottled water, and unflavored milk than households that were not of Hispanic origin. Households not of Hispanic origin consumed more tea and coffee than Hispanic households. Although Hispanics consumed more unflavored milk than non-Hispanic households; a look at the break down of the milk fat types reveals that households of Hispanic origin consume more whole and two percent milk while non-Hispanic households consume more one percent and skim milk.

#### Seasonality

The purchases of nonalcoholic beverages in the data set were divided into four quarters, based on when the items were bought so that seasonality could be analyzed. Overall, the number of households that consume the beverages across all four quarters and the average consumption of each beverage remain stable. The average does increase slightly for carbonated soft drinks during the second and third quarter. Unflavored milk consumption decreases slightly in the third and fourth quarters. See figure 25.

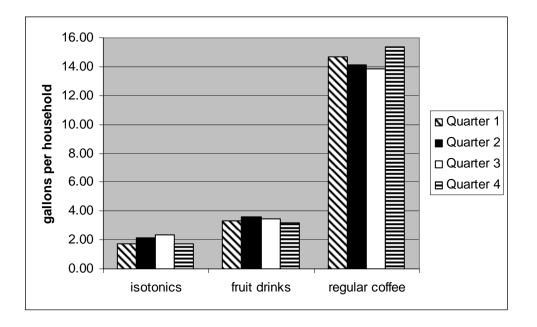


Figure 25. Household intake of selected beverages by quarter

Regular coffee consumption is greatest in the fourth quarter at 15.36 gallons consumed for that quarter. Household intake of fruit drinks was the greatest in the second quarter. Powdered soft drink consumption is the most seasonal beverage. The average intake increases slightly for the second and third quarters. The number of households purchasing powdered soft drinks almost doubles for the second and third quarters, which includes the summer months when children are out of school, compared to the first and fourth quarters. These two effects combined show the large rise in overall consumption of powdered soft drinks during warmer seasons.

#### **Heckman Results**

The cross tabulations gave an indication of which demographics were important for the level of consumption for nonalcoholic beverages. The Heckman analysis is used to determine which demographic variables are statistically responsible for the level of consumption of a household. The demographics along with the categories in each group and the beverages to be analyzed in the Heckman analysis were discussed in Chapter III. A key difference in the demographics used for the Heckman procedure and those discussed in the cross tabulations is that the head of the household is slightly altered. If there was no female head present then the male heads information was used for age, employment, and education. The Heckman model is given below.

$$\begin{split} Q_{k} &= F(\alpha_{k} + \beta_{1}hs2_{k} + \beta_{2}hs3_{k} + \beta_{3}hs4_{k} + \beta_{4}hsp5_{k} + \beta_{5}age2539_{k} \\ &+ \beta_{6}age4049_{k} + \beta_{7}age5065_{k} + \beta_{8}age65plus_{k} + \beta_{9}agepc_{k} + \beta_{10}empparttime_{k} \\ &+ \beta_{11}empfulltime_{k} + \beta_{12}eduhighschool_{k} + \beta_{13}edusomecollege_{k} + \\ &\beta_{14}educollegeplus_{k} + \beta_{15}black_{k} + \beta_{16}oriental_{k} + \beta_{17}other_{k} + \beta_{18}hispyes_{k} + \\ &\beta_{19}central_{k} + \beta_{20}south_{k} + \beta_{21}west_{k} + \beta_{22}pov130_{k} + \beta_{23}invm_{k} \,) \end{split}$$

Where k = 1,...,T is the number of observations in the model that consumed a quantity of beverage. Q<sub>k</sub> corresponds to the level of intake for the year in gallons for the selected beverage. Recall that the inverse of the Mill's ratio(*invm*<sub>k</sub>), obtained through a probit model, is placed into the Heckman model to correct for sample selection bias. If the parameter associated with *invm*<sub>k</sub> is insignificant, then sample selection was not going to be a problem for that specific equation.

The Heckman results are summarized in table 22. Each beverage is listed along with the demographic category. If the demographic category was statistically significant at the .05 level in affecting the level of consumption of the beverage, then an "X" is presented in the table. An F-test was conducted on the categories in each demographic group to find the statistically significant drivers.

| #  | Beverage                             | Household<br>Size | Age of<br>Household<br>Head | Presence of<br>Children | Household<br>Head<br>Employment | Household<br>Head<br>Education | Race | Hispanic | Region | Poverty<br>Status |
|----|--------------------------------------|-------------------|-----------------------------|-------------------------|---------------------------------|--------------------------------|------|----------|--------|-------------------|
| 1  | Whole Fat Flavored                   |                   |                             |                         |                                 |                                |      |          |        |                   |
| _  | and Unflavored Milk                  |                   |                             |                         |                                 |                                |      |          |        |                   |
| 2  | Reduced Fat Flavored                 | X                 |                             |                         | Χ                               |                                | Х    |          | Х      |                   |
|    | and Unflavored Milk                  |                   |                             |                         |                                 |                                |      |          |        |                   |
| 3  | Carbonated Soft Drinks - Regular     | X                 | Χ                           |                         |                                 | X                              |      |          | X      |                   |
| 4  | Carbonated Soft Drinks - Low Calorie |                   |                             | X                       |                                 |                                |      |          | X      |                   |
| 5  | Powdered Soft Drinks                 | X                 |                             |                         |                                 |                                |      |          |        |                   |
| 6  | Isotonics                            |                   |                             |                         |                                 |                                |      |          |        |                   |
| 7  | Bottled Water                        |                   |                             |                         |                                 |                                |      |          |        |                   |
| 8  | Orange Juice                         | X                 |                             |                         |                                 | X                              |      |          | X      | X                 |
| 9  | Apple Juice                          |                   |                             |                         |                                 |                                | Х    |          |        |                   |
| 10 | Other Juices                         |                   |                             |                         |                                 |                                | Х    |          |        |                   |
| 11 | Fruit Drinks                         | X                 |                             | Х                       |                                 |                                | Х    |          |        | Х                 |
| 12 | Vegetable Juice                      |                   |                             |                         |                                 |                                |      |          |        |                   |
| 13 | Coffee Regular                       |                   | Х                           |                         |                                 |                                | Х    |          |        |                   |
| 14 | Coffee Decaffeinated                 |                   |                             |                         |                                 |                                |      |          |        |                   |
| 15 | Tea Regular                          | X                 |                             | Х                       |                                 |                                |      |          | X      |                   |
| 16 | Tea Decaffeinated                    |                   |                             |                         |                                 |                                |      |          |        |                   |
| 17 | Flavored Milk                        |                   |                             |                         |                                 |                                |      | X        |        |                   |
| 18 | Unflavored Milk                      | Х                 |                             | Х                       | Х                               |                                | Х    |          |        |                   |
| 19 | Flavored Milk Whole                  |                   |                             |                         |                                 |                                |      |          |        |                   |
| 20 | Flavored Milk – Reduced Fat          |                   |                             |                         |                                 |                                |      |          |        |                   |
| 21 | Whole Milk Unflavored                | Х                 |                             |                         |                                 |                                |      |          |        |                   |
| 22 | 2% Milk Unflavored                   |                   |                             | X                       |                                 |                                |      |          |        |                   |
| 23 | 1 % Milk Unflavored                  |                   |                             |                         |                                 |                                |      | X        |        | X                 |
| 24 | Skim Milk Unflavored                 | Х                 |                             |                         |                                 |                                |      |          |        |                   |

# Table 22. Summary of Heckman Findings: Significant Demographic Categories

 24
 Skim Milk Unflavored
 X

 This table shows which demographics are significant(95 % level) for determining the level a household consumes.

 If an "X" appears then the demographic is significant.

Race, region, and presence of children within the household are important for the intake level for many of the beverages. Household size affected the household level of consumption for nine of the beverages examined. The demographic of household size is understandable since a greater number of persons would need more quantity. The presence of a child in a household affected the level of consumption for a household for low calorie carbonated soft drinks, fruit drinks, regular tea, unflavored milk, and two percent milk. Poverty status of the household affected three of the beverages studied: orange juice, fruit drinks, and one percent milk.

After examining the summary table of the Heckman findings a closer look is taken. Appendix G gives the Heckman results beverage by beverage in detail. The results for each beverage subsequently are discussed. For each beverage, a regression model was run and the p-values associated with each demographic category were retrieved. An F-test on each demographic group also was conducted to see which demographics affected the level of consumption. All estimations were performed using TSP. A discussion of each beverage and the demographics important concerning the level of intake are now given. Key demographic marginal effect figures for intake level are given for selected beverages.

#### Beverage #1. Whole Fat - Flavored and Unflavored Milk

The F-test indicated that no group of demographics was significant in affecting the level of consumption. The only parameters that were statistically significant were the log of the price of whole milk and the indicator parameter for households in the South. A household in the South was shown to consume higher levels of whole milk. Beverage #2. Reduced Fat - Flavored and Unflavored Milk

Household size, household head employment, race, and region are demographics that affect the level of consumption of reduced fat milk. Having a larger household size increases the level of consumption of reduced fat milk. Households containing a head that is employed consume less reduced fat milk.

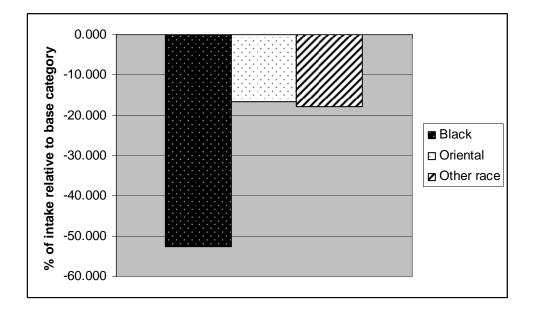


Figure 26. Effect of race on household intake of reduced fat milk

Figure 26 indicates that black households consume less reduced fat milk when compared to white and all other households. Black households consume over fifty percent less reduced fat milk when compared to white households. Households in the West consume higher levels of reduced fat milk than households consume in the East. Beverage #3. Carbonated Soft Drinks - Regular

Household size, age of the household head, household head education, and region are demographics that affect the level of consumption of carbonated soft drinks. Having a larger household size increases the level of consumption of carbonated soft drinks. Households with heads over the age of sixty-five drank less regular carbonated soft drinks than households with younger heads. Households with heads that were more educated consumed less regular carbonated soft drinks than households with less educated heads.

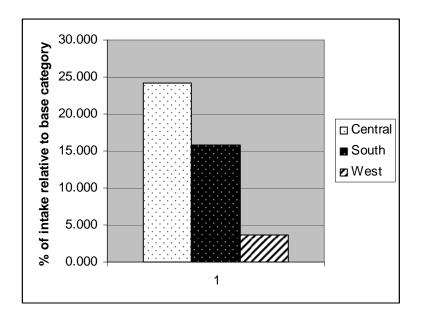


Figure 27. Effect of region on household intake of regular carbonated soft drinks

Figure 27 reveals that households in the Central and South consume higher levels of regular carbonated soft drinks than Eastern households consume. Households in the

Central region consume twenty four percent more volume of regular carbonated soft drinks than do households in the East.

Beverage #4. Carbonated Soft Drinks - Low Calorie

Presence of children and region are demographics that affect the level of consumption of low-calorie soft drinks. Households with children present drank fewer low -calorie carbonated soft drinks.

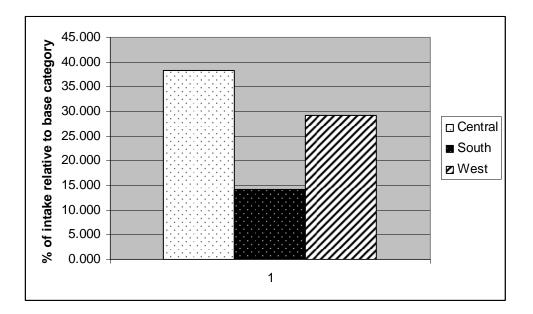


Figure 28. Effect of region on household intake of low-calorie carbonated soft drinks

Figure 28 indicates that households in the Central and West consume higher levels of low-calorie carbonated soft drinks than Eastern households consume. Central households consume over thirty-five percent more low-calorie carbonated soft drinks when compared to Eastern households. Beverage #5. Powdered Soft Drinks

Household size was the only demographic that affected the level of consumption of powdered soft drinks.

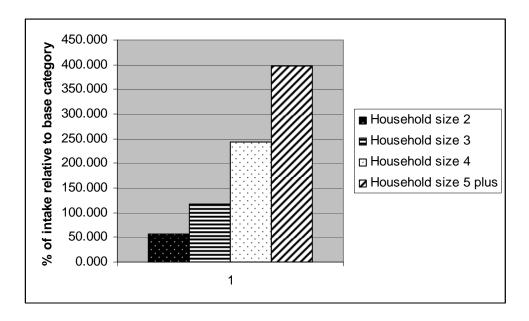


Figure 29. Effect of household size on household intake of powdered soft drinks

Figure 29 reveals that as household size increases the level of consumption of powdered soft drinks for a household.

Beverage #6. Isotonics

The F-tests indicated that no group of demographics was significant in affecting the level of consumption of isotonics. The only parameter that was statistically significant was the log of the price.

## Beverage #7. Bottled Water

The F-tests indicated that no group of demographics was significant in affecting the level of consumption of bottled water. The only parameter that was statistically significant was the log of the price.

## Beverage #8. Orange Juice

Household size, household head education, region, and poverty status are demographics that affect the level of consumption of orange juice. Having a larger household size increases the level of consumption of orange juice.

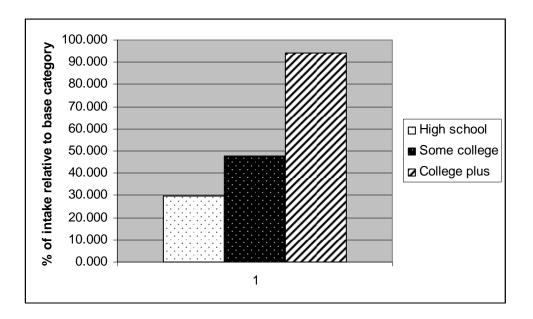


Figure 30. Effect of household head education on household intake of orange juice

Households that have a head with at least a high school education consume more orange juice compared to households with heads that have below a high school education. Figure 30 indicates that households with a head that has a college degree or greater education consume almost twice as much orange juice when compared to households that have heads with less than a high school education. Households in the East consume more orange juice than other regions. Households below 130% of poverty consume less orange juice.

# Beverage #9. Apple Juice

Race is the only demographic that affects the level of consumption of apple juice. Other races consume more apple juice than white households. See figure 31.

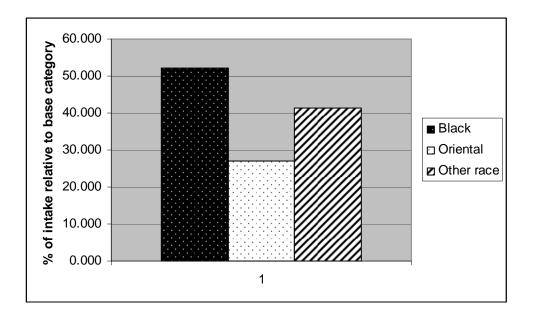


Figure 31. Effect of race on household intake of apple juice

Black households consume over fifty percent more apple juice than do white households. Oriental households consume over twenty-five percent more apple juice than do white households. Beverage #10. Other Juice

Race is the only demographic that affects the level of consumption of other juice. Oriental races consume more other juice than white households.

Beverage #11. Fruit Drinks

Household size, age of the household head, presence of children, race, and poverty are demographics that affect the level of consumption of fruit drinks. Having a larger household size increases the level of consumption of fruit drinks.

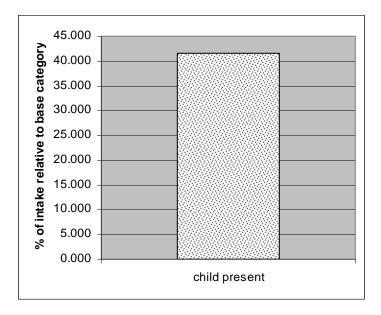


Figure 32. Effect of presence of children on household intake of fruit drinks

Figure 32 reveals that households with a child present consume over forty percent more fruit drinks at home than households with no children present. Black and other households consume greater levels of fruit drinks compared to white households. Households below 130% of poverty consume fewer fruit drinks than households above 130% of poverty.

Beverage #12. Vegetable Juice

The F-tests indicated that no group of demographics was significant in affecting the level of consumption of vegetable juice. The only parameter that was statistically significant was the log of the price.

Beverage #13. Coffee – Regular

Age of the household head and race are demographics that affect the intake level of regular coffee. See figure 33 below.

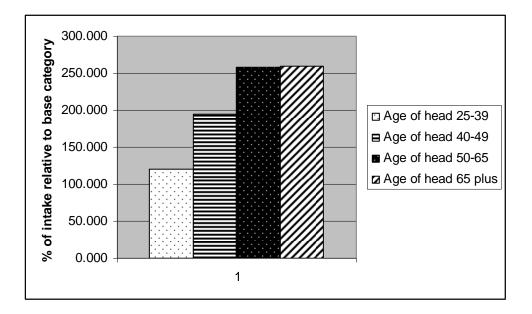


Figure 33. Effect of age of head of household on household intake of regular coffee

As the head of household's age increased the level of intake for the household increased. Black households consume less regular coffee compared to white households.

# Beverage #14. Coffee - Decaffeinated

The F-tests indicated that no group of demographics was significant in affecting the level of consumption of decaffeinated coffee. The only parameter that was statistically significant was the log of the price.

# Beverage #15. Tea – Regular

Household size, presence of children, and region are demographics that affect the level of consumption of regular tea. Having a larger household size increases the level of consumption of regular tea. Households with a child present consume less regular tea at home than households with no children present.

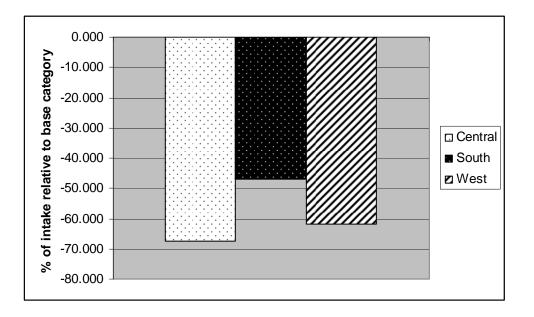


Figure 34. Effect of region on household intake of regular tea

Figure 34 reveals that households in the Central, South, and West regions consume less regular tea compared to households in the East region.

Beverage #16. Tea – Decaffeinated

The F-tests indicated that no group of demographics was significant in affecting the level of consumption of decaffeinated tea. The only parameter that was statistically significant was the log of the price.

# Beverage #17. Flavored Milk

Hispanic origin was the only demographic that affected the intake level of flavored milk.

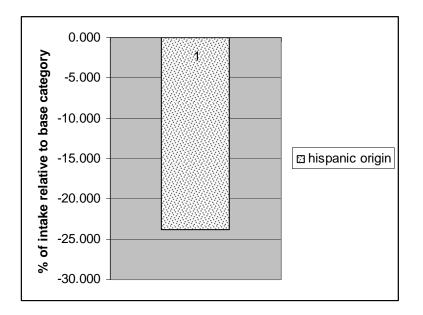


Figure 35. Effect of Hispanic origin on household intake of flavored milk

Hispanic households consume less flavored milk than non-Hispanic households. Figure 35 indicates that the level of intake of flavored milk is nearly twenty-five percent less for households of Hispanic origin when compared to households that are not of Hispanic origin.

## Beverage #18. Unflavored Milk

Household size, presence of children, household head employment, and race are demographics that affect the level of consumption of unflavored milk. Having a larger household size increases the level of consumption of unflavored milk. Households with a child present consumed more unflavored milk than households without a child present consume. Households containing a head that is employed consume less unflavored milk. Black and other race households consume less unflavored milk compared to white households.

# Beverage #19. Flavored Milk - Whole

The F-tests indicated that no group of demographics was significant in affecting the level of consumption of whole flavored milk. The only parameter that was statistically significant was the log of the price.

# Beverage #20. Flavored Milk - Reduced Fat

The F-tests indicated that no group of demographics was significant in affecting the level of consumption of reduced fat flavored milk. The only parameters that were statistically significant were the log of the price and two age categories of the household head. Households with heads ages 25-49 consume more reduced fat flavored milk when compared to households with heads under twenty-five years of age.

Beverage #21. Whole Milk - Unflavored

Household size was the only demographic that affected the level of consumption of unflavored whole milk. Having a larger household size increases the level of consumption of unflavored whole milk.

## Beverage #22. 2 % - Unflavored

The presence of a child in the household was the only demographic that affected the level of consumption of unflavored two percent milk. Having a child in the household increases the level of consumption of unflavored two percent milk.

# Beverage #23. 1 % - Unflavored

Hispanic origin and poverty status are demographics that affect the level of consumption of one percent milk. Households of Hispanic origin consumed less one percent milk than households that were not of Hispanic origin. Households below 130% of poverty consume less one percent milk than households above 130% of poverty.

# Beverage #24. Skim Milk - Unflavored

Having a larger household size increases the level of consumption of unflavored skim milk. Household size was the only significant demographic for this beverage.

# **CHAPTER VI**

# EMPIRICAL RESULTS ASSOCIATED WITH NUTRIENT AND CALORIE INTAKE

# Introduction

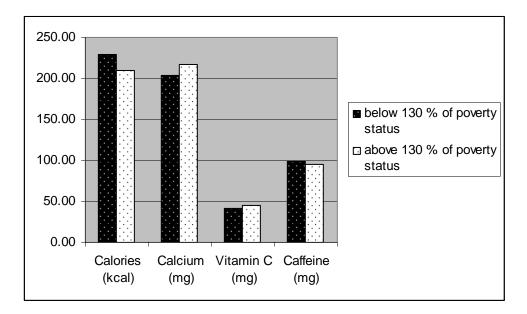
This chapter deals with average intakes on a per person per day basis of calories (kcal), calcium (mg), vitamin C (mg), and caffeine (mg) for all nonalcoholic beverages by demographic category. We also look into specific nutrient intakes from certain beverages, for example, calcium from milk or vitamin C from juices. All results are given on a per person basis. The average intakes of nutrients from all nonalcoholic beverages first will be covered followed by an intake level analysis using cross-tabulations and a regression analysis to look at demographic drivers of nutrient intake. Summary statistics, cross tabulation tables, and the nutrient regression output are given in Appendix H.

# Average Intakes of Calories, Calcium, Vitamin C, and Caffeine

On average, at-home consumption of nonalcoholic beverages accounts for roughly, 211 calories per day, 217 mg of calcium per day, 45 mg of vitamin C per day, and nearly 95 mg of caffeine per day. Major contributors of caloric intakes from nonalcoholic beverages are carbonated soft drinks, fruit drinks and powdered soft drinks (about 44 percent), fruit juices (about 19 percent), and milk (about 35 percent). Milk also is responsible for roughly 88 percent of the calcium intake from the nonalcoholic beverage category. Fruit juices contribute almost 60 percent of the vitamin C intake from nonalcoholic beverages, while carbonated soft drinks, fruit drinks, and powdered soft drinks contribute 33 percent of the vitamin C intake, on average. Coffee, carbonated soft drinks, and tea account for 67 percent, 27 percent, and 6 percent, respectively, of the caffeine intake from nonalcoholic beverages.

To give these descriptive findings more perspective, using the same 2,000 calories per day standard as is used for nutrition labeling of food, 10 percent of calories would come from at-home consumption of nonalcoholic beverages. On average, about 20 percent of the nutrition label daily value (DV) for calcium and close to 70 percent of the daily value for vitamin C come from nonalcoholic beverages. Finally, on average, the daily intake of caffeine from nonalcoholic beverages is equivalent to almost two 12-ounce cans of Coca-Cola, about one 7-ounce cup of coffee, or roughly a 15-ounce glass of iced tea.

## **Cross Tabulations**



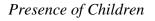
## **130 percent of Poverty**

Figure 36. Nutrient intake per person/per day by poverty status for all nonalcoholic beverages

In households classified below the 130% poverty threshold, caloric intake on a per person, per day basis is about 18 kcal higher than in households classified as above the 130% poverty threshold. Calcium intake and vitamin C intakes, however, are about 13 mg and 4 mg lower for households below the 130 percent poverty threshold than for households above the 130% poverty threshold. Figure 36 also reveals that caffeine intake is 4 mg greater for households below the 130% poverty threshold.

# Household Size

Except for households with eight members, daily per person intakes of calories, calcium, vitamin C, and caffeine decrease almost monotonically with household size.



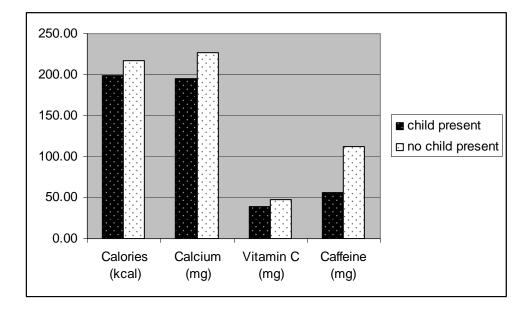
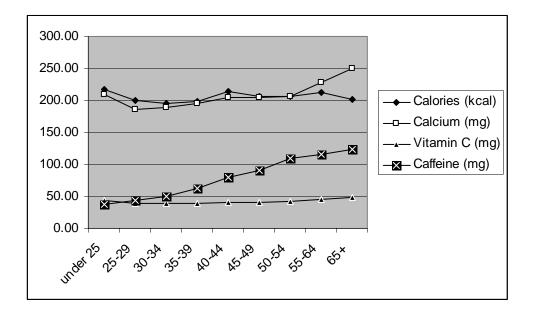
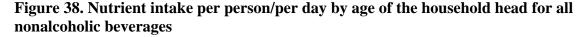


Figure 37. Nutrient intake per person/per day by presence of children within the household for all nonalcoholic beverages

Figure 37 indicates that average calorie, calcium, vitamin C, and caffeine intakes from nonalcoholic beverages on a per person, per day basis are higher in households with no children relative to households with children. Households with children obtain more of their calories through carbonated soft drinks, fruit drinks, and powdered soft drinks than households that do not have children. Households with no children have higher levels of vitamin C intake through juices and more calcium through milk when compared to households that have children.



Age of the Female Head of Household



In households where the female head is less than 25 years of age, caloric intakes from nonalcoholic beverages, principally for home consumption, are highest. See figure 38 above. Caloric intakes, on average, are lowest for female heads between 30 and 34 years of age. Calcium, vitamin C, and caffeine intakes from nonalcoholic beverages are highest for female heads at least 55 years of age. Calcium and vitamin C intakes are lowest for female heads between 25 and 34 years of age. Caffeine intakes are lowest for female heads less than 25 years of age.

Employment of Female Head of Household

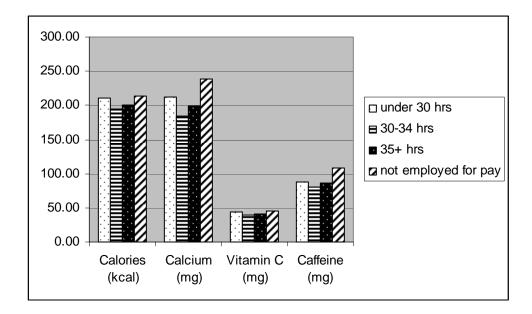


Figure 39. Nutrient intake per person/per day by employment of the household head for all nonalcoholic beverages

In households where the female head is not employed for pay, average intakes of calories, calcium, vitamin C, and caffeine from nonalcoholic beverages are higher in comparison to households where the female head is employed. Figure 39 shows the magnitude of intake across employment types. These data, however, are associated with at-home consumption of nonalcoholic beverages, and as such, this result is perhaps not too surprising because we suspect that households with an employed female head eat more away-from-home meals than unemployed female headed households.

Education of Female Head of Household

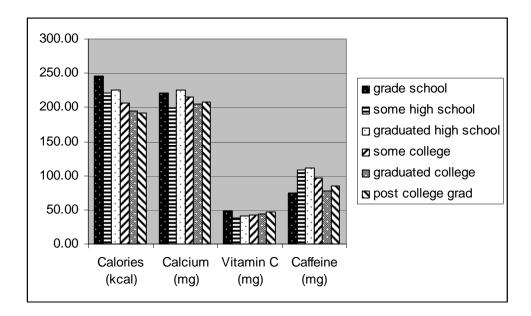


Figure 40. Nutrient intake per person/per day by education of the household head for all nonalcoholic beverages

In households where the female head is a college graduate, caloric intakes from nonalcoholic beverages on a per person per day basis are lower than in households where the female head is not a college graduate. The situation is the reverse in the case of vitamin C with the exception of female heads only obtaining a grade school education. Figure 40 reveals that caffeine and calcium intakes for college graduate female head households are also less than the average household intake. Race

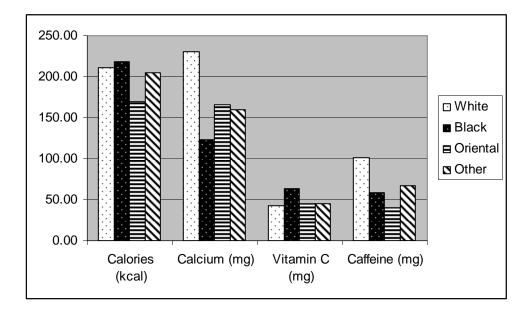


Figure 41. Nutrient intake per person/per day by race for all nonalcoholic beverages

Figure 41 indicates that on a per person per day basis, Orientals have the lowest intake of calories and caffeine on average. Whites have the highest intake of calcium and caffeine on average. Blacks have the highest intake of calories and vitamin C per person per day, and blacks have the lowest intake of calcium per person per day.



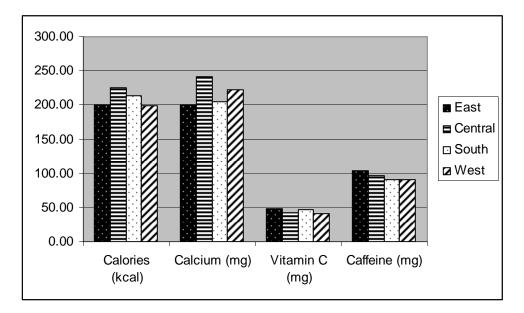


Figure 42. Nutrient intake per person/per day by region for all nonalcoholic beverages

Figure 42 reveals that caloric intakes on a per person, per day basis from nonalcoholic beverages is lowest in the West, 199 kcal and highest in the Central region, 225 kcal. Calcium intakes, on average, range from 201 mg per person per day in the East to 242 mg per person per day in the Central region. Vitamin C intake from nonalcoholic beverages, on average, varies from 40 mg in the West to 48 mg in the East. Caffeine intakes, on average, are lowest in the West and South (90 mg) and highest in the Central and the East regions(97 mg and 104 mg, respectively).

#### Hispanic Origin

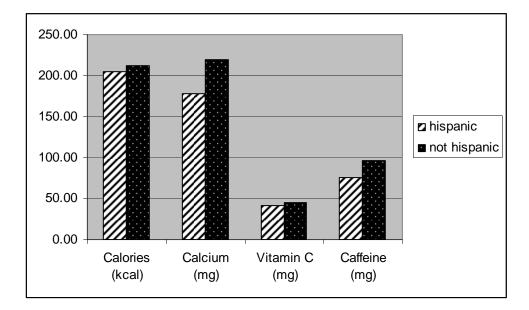


Figure 43. Nutrient intake per person/per day by ethnicity for all nonalcoholic beverages

On average, intakes of calories, calcium, vitamin C, and caffeine are lower for Hispanics than for non-Hispanics. Figure 43 exhibits noteworthy differences in intakes for Hispanics and non-Hispanics that center on calcium and caffeine. Calcium intakes for Hispanics are lower by roughly 40 mg per day in comparison to non-Hispanics. This difference is accounted for by lower milk consumption by Hispanics. Caffeine intakes for Hispanics are lower by about 20 mg per day relative to non-Hispanics.

#### **Regression Analysis of Caloric, Calcium, Vitamin C, and Caffeine Intakes**

Regression analysis of nutrients per person per day derived from nonalcoholic beverages as a function of demographic variables is the subject of this section. The purpose is to understand key drivers, at least by demographic groups, associated with daily nutrient intakes. We direct attention to the household head (age, employment status, and education). We assume the female household head is the household manager, the person primarily responsible for food shopping and/or food preparation. If there is no female household head, we use the male household head as the household manager.

The regression equation for each nutrient is given below.

 $\begin{aligned} Q_{k} &= F(\alpha_{k} + \beta_{1}age2539_{k} + \beta_{2}age4049_{k} + \beta_{3}age5065_{k} + \beta_{4}age65plus_{k} + \beta_{5}agepc_{k} \\ &+ \beta_{6}emparttime_{k} + \beta_{7}empfulltime_{k} + \beta_{8}eduhighschool_{k} + \\ &\beta_{9}edusomecollege_{k} + \beta_{10}educollegeplus_{k} + \beta_{11}black_{k} + \beta_{12}oriental_{k} + \\ &\beta_{13}other_{k} + \beta_{14}hispyes_{k} + \beta_{15}central_{k} + \beta_{16}south_{k} + \beta_{17}west_{k} + \beta_{18}pov130_{k} ) \end{aligned}$ 

Where k = 1,...,T is the number of observations that consumed the nutrient.

 $Q_k$  corresponds to the per person per day nutrient intake. All demographic variables were defined in Chapter III. The level of significance chosen for these analyses is 0.05.

The results of the nutrient regressions are discussed below, complete results are given in Appendix H.

#### Calories

Presence of children, employment status of the household head, and region are statistically important in the determination of daily caloric intakes per person. Households with a child present consumed fewer calories than households without a child present consume. Households where the household manager is employed either part-time or full-time, have lower caloric intakes derived from nonalcoholic beverages than households where the household head is not employed for pay. The difference is the daily caloric intake is between 12 kcal for household heads employed full time to 8 kcal for household heads employed part time.

Regional differences in caloric intakes exist. Relative to the East, caloric intakes in the Central region are higher by 25 kcal, and the caloric intakes in the South are higher by 12 kcal. Daily caloric intakes in the West are lower by 1.3 kcal relative to the East.

In households where children are present, caloric intakes are lower by 28 kcal in comparison to households where children are not present. Importantly, poverty status of the household is not a driver of calories generated from nonalcoholic beverages.

## Calcium

Age of the household manager is not a factor in affecting the daily calcium intake derived from nonalcoholic beverages. In households where the household manager is employed, calcium intakes are lower by 25 to 27 mg relative to households where the household manager is not employed for pay. Households with a child present consumed less calcium than households without a child present.

Calcium intakes are lower by 98 mg for blacks relative to whites; also they are lower by 52 mg for Orientals in comparison to whites. Calcium intakes are lower by 50 mg for other races relative to whites. No statistically significant differences exist in daily calcium intakes derived from nonalcoholic beverages between Hispanics and nonHispanics.

Daily intakes of calcium are higher by almost 37 mg for the Central region relative to the East. Daily intakes of calcium are higher by almost 20 mg for the Central region relative to the East. No significant differences exist however in calcium intakes between the South and the East.

# Vitamin C

In households where children are present, daily vitamin C intake is lower by 8 mg relative to households where children are not present. In households where the household manager has more than a college education, vitamin C intakes are higher by almost 10 mg relative to households where the household manager does not have a high school education.

Vitamin C intakes are higher by nearly 22 mg for blacks compared to whites. No significant differences exist in vitamin C intake generated from nonalcoholic beverages between whites, other races, and Orientals. No significant differences exist in vitamin C intake between Hispanics and non-Hispanics.

Daily vitamin C intake is highest in the East. The difference in vitamin C intake between the East and the Central region is slightly more than 4 mg; and between the East and the West nearly 7 mg.

# Caffeine

Unlike the situation for calories, calcium, and vitamin C, age of the household manager is a determinant of daily intakes of caffeine. Daily caffeine intakes are higher by 32 mg for household managers 25 to 39 years of age, higher by 55 mg for household managers 40 to 49 years of age, higher by 66 mg for household managers 50 to 64 years of age, and higher by 60 mg for elderly household managers compared to household managers less than 25 years of age. In households where children are present, daily caffeine intakes are lower by roughly 41 mg relative to households where children are not present.

In households where the household manager is employed, daily caffeine intake is lower by 9 to 11 mg relative to households where the household manager is not employed for pay. Caffeine intake is lower by 36 mg, 36 mg, and 18 mg for blacks, Orientals, and other races, compared to whites. No significant differences exist in caffeine intake between Hispanics and non-Hispanics.

In households located in the Central, the South, and the West region, caffeine intakes are lower by 9 mg, 12 mg, and 17 mg, respectively relative to households located in the East. No statistically significant differences exist in caffeine intake between households above or below the 130% of poverty threshold.

# **CHAPTER VII**

# BEVERAGE INTERRELATIONSHIPS AND MODEL COMPARISONS

## Introduction

In this part of the study we discuss price elasticities estimated using the demand system models. This chapter reports own and cross-price elasticities which show how a change in a price would affect the change in quantity sold of a beverage or a related beverage. In this chapter we analyze the demand system models proposed and explained in chapter III. Specifically, we compare results of two aggregations of beverages; groupings of eight and sixteen. Data frequency effects on elasticities also are compared. The annual and quarterly data sets that were constructed in Chapter II are used in this investigation. Finally, censored and non-censored corrected estimates are looked at using the Shonkwiler and Yen technique applied to the LA/AIDS model. The robustness of the results are compared, key findings are discussed, and conclusions are drawn. Complete tables of elasticities from each of the models are given in Appendix I.

#### **Eight Good – Own-price and Expenditure Elasticity Discussion**

The own-price and expenditure elasticities for the demand systems analyzing eight nonalcoholic beverages are discussed initially. In tables 23 and 24, the own-price

and expenditure elasticities for the eight goods are exhibited. The p-values are given beneath each estimate in these tables.

| # | Beverage                | Annual<br>Own-Price<br>Elasticity | Annual<br>Censored-<br>Corrected<br>Own-Price<br>Elasticity | Quarterly<br>Own-Price<br>Elasticity | Quarterly<br>Censored-<br>Corrected<br>Own-Price<br>Elasticity |
|---|-------------------------|-----------------------------------|---|--------------------------------------|--|
| 1 | Milk                    | -1.436                            | -1.642  | -1.258                               | -1.776   |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 2 | Carbonated Soft Drinks  | -1.075                            | -1.160  | -0.975                               | -0.996   |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 3 | Powdered Soft Drinks    | -0.662                            | -0.384  | -0.203                               | 1.197  |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 4 | Isotonics               | -2.082                            | -2.555  | -1.920                               | -1.327   |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.071]   |
| 5 | Bottled Water           | -1.493                            | -1.760  | -1.456                               | -2.140   |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 6 | Juices and Fruit Drinks | -0.856                            | -0.796  | -0.775                               | -0.720   |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 7 | Coffee                  | -1.376                            | -1.355  | -1.174                               | -1.075   |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 8 | Tea                     | -0.848                            | -0.760  | -0.823                               | -0.652   |
|   |                         | [.000]                            | [.000]  | [.000]                               | [.000]   |

 Table 23. Own-Price Elasticities – Eight Beverage Grouping

| # | Beverage                | Annual<br>Expenditure<br>Elasticity | Annual<br>Censored-<br>Corrected<br>Expenditure<br>Elasticity | Quarterly<br>Expenditure<br>Elasticity | Quarterly<br>Censored-<br>Corrected<br>Expenditure<br>Elasticity |
|---|-------------------------|-------------------------------------|---|--|--|
| 1 | Milk                    | 0.899                               | 1.019   | 0.848                                  | 0.775  |
|   |                         | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 2 | Carbonated Soft Drinks  | 1.266                               | 1.264   | 1.244                                  | 1.282  |
|   |                         | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 3 | Powdered Soft Drinks    | 1.271                               | 1.425   | 1.408                                  | 2.374  |
|   |                         | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 4 | Isotonics               | 1.243                               | 1.209   | 1.257                                  | 0.863  |
|   |                         | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 5 | Bottled Water           | 1.033                               | 1.039   | 1.145                                  | 1.215  |
|   |                         | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 6 | Juices and Fruit Drinks | 0.770                               | 0.715   | 0.783                                  | 0.735  |
|   |                         | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 7 | Coffee                  | 1.108                               | 1.008   | 1.193                                  | 1.221  |
|   |                         | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 8 | Tea                     | 0.693                               | 0.480   | 0.829                                  | 0.939  |
|   |                         | [000.]                              | [.000]  | [000.]                                 | [.000]   |

#### Table 24. Expenditure Elasticities – Eight Beverage Grouping

The own-price elasticity estimates are rather robust across the four model specifications. All estimates were statistically different from zero except for the isotonics(4) own-price elasticity in the quarterly censored-corrected model. Isotonics(4) were the most elastic beverage in three of the four models. Bottled water(5) was the most elastic beverage in the quarterly censored-corrected model. Milk(1), isotonics(4), and bottled water(5) were the most elastic beverages in the grouping of eight. Powdered soft drinks(3), juices and fruit drinks(6), and tea(8) were relatively insensitive to own-price(inelastic) beverages. The demand for carbonated soft drinks(2) was almost unitary elastic across all models.

Comparing the annual model to the quarterly model, both uncorrected for censoring, reveals that all of the quarterly own-price elasticity estimates are less elastic

compared to the annual estimates for the non-censored corrected models. Five of the eight estimates for quarterly censored-corrected models are less elastic than the annual censored corrected estimates. The annual estimates provide a longer-term horizon and allow for more time adjustment to make economic decisions. The quarterly estimates are lower as there is less time for adjustment.

The own-price elasticities for beverages with low budget shares were less robust across models. Powdered soft drinks(3), with a budget share of 1.67 %, changed the most from model to model. The impacts of censoring and a small budget share gave a positive own-price elasticity for powdered soft drinks for the quarterly censored-corrected model.

The expenditure elasticity estimates also are robust across the four model specifications. All estimates were statistically different from zero. Milk(1), juices and fruit drinks(6) and tea(8) were all necessity goods. Carbonated soft drinks(2), powdered soft drinks(3), isotonics(4), and coffee(7) were all luxury goods since their expenditure elasticities were over 1. Thus, if one were to give a household extra income to expend within this set of eight beverages, they would purchase more proportionally in carbonated soft drinks(2), powdered soft drinks(3), isotonics(4), and bottled water(5).

The annual expenditure elasticities yield very similar results to the quarterly expenditure elasticities. Correcting for censoring altered the elasticities for the quarterly estimates more than the annual estimates. This result is due to the greater degree of censoring within the quarterly data. The expenditure elasticities for powdered soft drinks(3), isotonics(4), bottled water(5), and tea(8) changed more noticeably from model to model than did the other beverages. These beverages also have the lowest budget shares.

#### **Eight Good – Cross-price Elasticity Discussion**

After analyzing own-price and expenditure effects for the eight goods, a look at the interrelationships within this eight good complex are considered. Substitutability and complementarity are based on compensated elasticities. Magnitudes of each can be seen for all four models using a chart. Model 1 corresponds to the use of annual data without the censoring correction. Model 2 corresponds to the use of annual data with the censoring correction. Model 3 denotes the use of quarterly data without the censoring correction. Model 3 denotes the use of quarterly data without the censoring correction. Model 4 denotes the use of quarterly data with the censoring correction. Below the chart each beverage and its interrelationships with other beverages are discussed. For each beverage, we provide an accompanying chart that graphically displays the statistically significant own-price and cross-price elasticities.



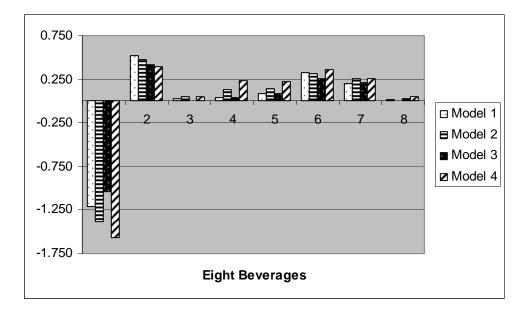


Figure 44. Eight good system compensated elasticities for milk

Figure 44 indicates that milk(1) had three main substitute beverages; carbonated soft drinks(2), juices and fruit drinks(6), and coffee(7). The compensated own-price estimates were all positive and statistically significant. Bottled water(5), isotonics(4), and tea(8) were weak substitutes with milk(1).

Carbonated Soft Drinks

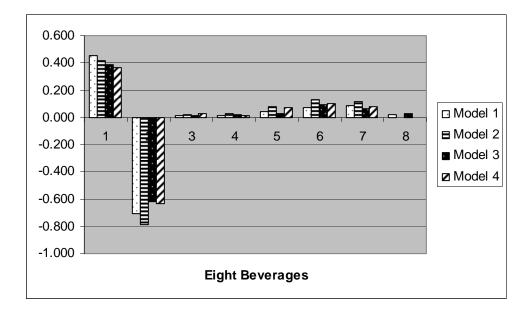


Figure 45. Eight good system compensated elasticities for carbonated soft drinks

The compensated elasticities for carbonated soft drinks are given graphically in figure 45. Carbonated soft drinks(2) had one key substitute beverage, milk(1). The compensated own-price estimates were all negative and statistically significant. Bottled water(5), juices and fruit drinks(6), and coffee(7) were weak substitutes with carbonated soft drinks(2). Powdered soft drinks(3) and isotonics(4) were essentially independent to carbonated soft drinks(2).

Powdered Soft Drinks

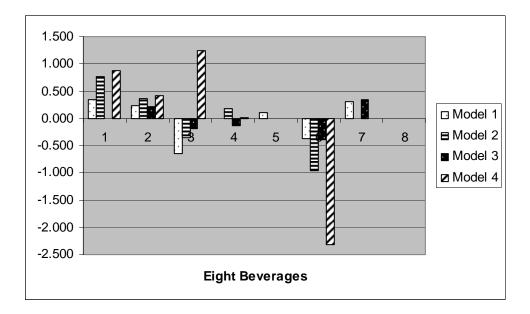


Figure 46. Eight good system compensated elasticities for powdered soft drinks

Figure 46 reveals that powdered soft drinks(3) are complemented by juices and fruit drinks(6). Three of the four models indicated that milk(1) is a major substitute good for powdered soft drinks(3). The quarterly non-censored model did not support this finding. Carbonated soft drinks(2) were a substitute good for powdered soft drinks(3). Three of the compensated own-price estimates were negative and statistically significant. The quarterly censored-corrected model(Model 4) gave a positive own-price elasticity.

#### *Isotonics*

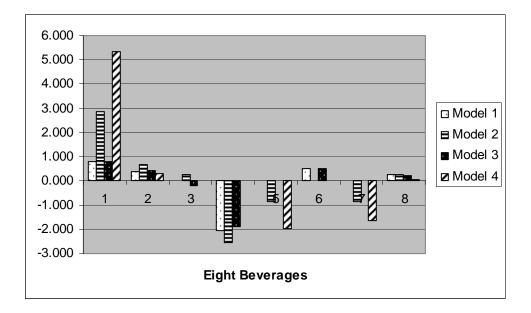


Figure 47. Eight good system compensated elasticities for isotonics

The compensated elasticities for isotonics are given in figure 47. Milk(1), carbonated soft drinks(2), and tea(8) were all shown to be substitutes for isotonics(4). The censored corrected models indicated that bottled water(5) and coffee(7) are complementary goods for isotonics(4). The non-censored models indicated that juices and fruit drinks(6) were substitutes for isotonics(4). The compensated own-price estimates for isotonics(4) were all negative and statistically significant.

#### Bottled Water

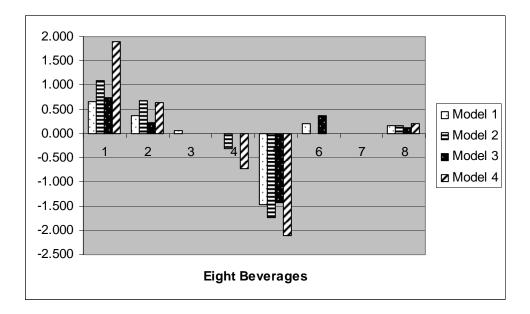


Figure 48. Eight good system compensated elasticities for bottled water

Bottled water(5) had two main substitute beverages; milk(1) and carbonated soft drinks(2). Tea(8) also was a substitute but to a lesser degree. Figure 48 reveals that the compensated own-price estimates were all negative and statistically significant. The censored corrected models indicated that isotonics(4) were a complement for bottled water(5). The models not corrected for censoring indicated that juices and fruit drinks(6) were substitutes for bottled water(5).

# Juices and Fruit Drinks

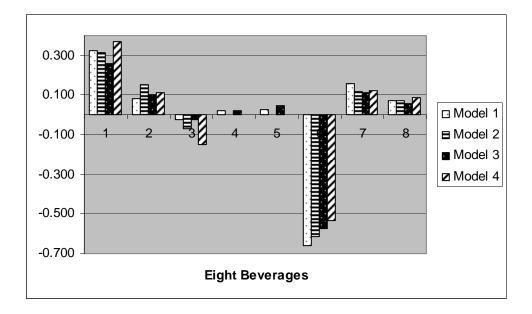


Figure 49. Eight good system compensated elasticities for juices and fruit drinks

Figure 49 indicates that juices and fruit drinks(6) had four main substitute beverages; milk(1), carbonated soft drinks(2), coffee(7), and tea(8). Powdered soft drinks(3) were shown to be complementary with juices and fruit drinks(6). The compensated own-price estimates were all negative and statistically significant. Isotonics(4) and bottled water(5) were substitutes when the models were not corrected for censoring.



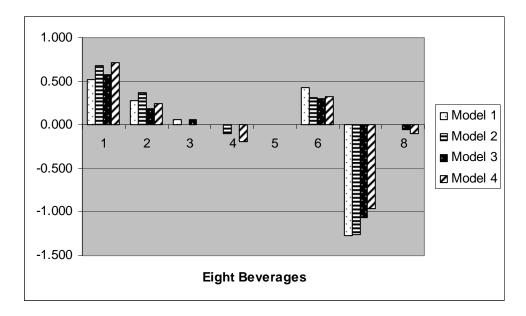


Figure 50. Eight good system compensated elasticities for coffee

The compensated elasticities for coffee are given in figure 50. Coffee(7) had three substitute beverages; milk(1), carbonated soft drinks(2), and juices and fruit drinks(6). Tea(8) and isotonics(4) were statistically significant complements for coffee(7) in two of the four models. The compensated own-price estimates were all negative and statistically significant. Coffee(7) had no significant relationship with bottled water(5) in any of the four models.

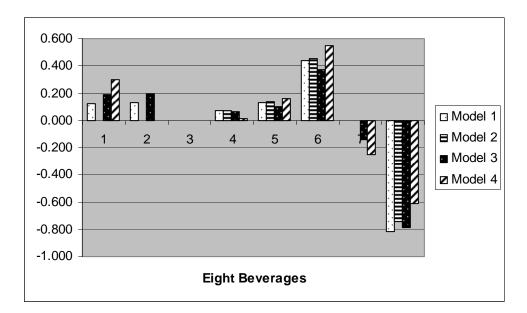


Figure 51. Eight good system compensated elasticities for tea

Figure 51 indicates that substitute beverages for tea(8) were, juices and fruit drinks(6), isotonics(4), and bottled water(5). Milk(1) was a substitute good in three of the four models. Carbonated soft drinks(2) were substitute goods when using the non-censored models. Coffee(7) was a complement to tea(8) when the quarterly data were used. The compensated own-price estimates were all negative and statistically significant.

#### Sixteen Good – Own-price and Expenditure Elasticity Discussion

After analyzing and discussing the results of the eight good groupings we now look at a further disaggregation of the nonalcoholic beverages. The own-price and expenditure elasticities for the demand systems analyzing sixteen nonalcoholic beverages are discussed. Tables 25 and 26 give the own-price and expenditure elasticities for the sixteen goods. The p-values are given beneath each own-price elasticity estimate.

Overall, the own-price elasticity estimates are robust across the four model specifications as they were with the eight good aggregation scheme. Estimates from the quarterly data set were less stable compared to the annual estimates. All estimates, except for two, were statistically different from zero at the .05 level. The own-price elasticity for apple juice(9) in the quarterly censored-corrected model and the estimate for vegetable juice(12) in the annual censored-corrected model were insignificant at the .05 level.

Whole milk(1) was the most price elastic beverage for each of the models. Isotonics(6) and decaffeinated coffee(14) were price elastic beverages as well. The demand for regular carbonated soft drinks(3), powdered soft drinks(5), orange juice(8), and regular tea(15) was inelastic.

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| #  | Beverage             | Annual<br>Own-Price<br>Elasticity | Annual<br>Censored-<br>Corrected<br>Own-Price<br>Elasticity | Quarterly<br>Own-Price<br>Elasticity | Quarterly<br>Censored-<br>Corrected<br>Own-Price<br>Elasticity |
|----|----------------------|-----------------------------------|---|--------------------------------------|--|
| 1  | Whole Flavored       | -3.279                            | -4.867  | -3.402                               | -7.078   |
|    | and Unflavored Milk  | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 2  | Reduced Fat Flavored | -1.865                            | -1.912  | -1.633                               | -1.652   |
|    | and Unflavored Milk  | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 3  | Carbonated Soft      | -0.938                            | -0.980  | -0.838                               | -0.806   |
|    | Drinks - Regular     | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 4  | Carbonated Soft      | -1.316                            | -1.331  | -1.116                               | -1.012   |
|    | Drinks - Low Calorie | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 5  | Powdered Soft Drinks | -0.653                            | -0.510  | -0.129                               | 0.672  |
|    |                      | [.000]                            | [.000]  | [.031]                               | [.000]   |
| 6  | Isotonics            | -2.321                            | -3.864  | -2.584                               | -6.146   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 7  | Bottled Water        | -1.451                            | -1.637  | -1.400                               | -1.937   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 8  | Orange Juice         | -0.616                            | -0.612  | -0.452                               | -0.292   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 9  | Apple Juice          | -1.004                            | -1.023  | -0.556                               | -0.029   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.902]   |
| 10 | Other Juices         | -1.052                            | -1.054  | -0.831                               | -0.690   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 11 | Fruit Drinks         | -1.049                            | -1.034  | -0.942                               | -0.903   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 12 | Vegetable Juice      | -0.287                            | 0.428   | 0.341                                | 3.660  |
|    |                      | [.017]                            | [.064]  | [.002]                               | [.000]   |
| 13 | Coffee Regular       | -1.361                            | -1.394  | -1.156                               | -1.202   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 14 | Coffee Decaffeinated | -2.109                            | -3.731  | -1.986                               | -3.562   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 15 | Tea Regular          | -0.820                            | -0.718  | -0.738                               | -0.313   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.000]   |
| 16 | Tea Decaffeinated    | -1.239                            | -3.221  | -0.730                               | -3.509   |
|    |                      | [.000]                            | [.000]  | [.000]                               | [.001]   |

# Table 25. Own-Price Elasticities – Sixteen Beverage Grouping

| #  | Beverage             | Annual<br>Expenditure<br>Elasticity | Annual<br>Censored-<br>Corrected<br>Expenditure<br>Elasticity | Quarterly<br>Expenditure<br>Elasticity | Quarterly<br>Censored-<br>Corrected<br>Expenditure<br>Elasticity |
|----|----------------------|-------------------------------------|---|--|--|
| 1  | Whole Flavored       | 1.084                               | 1.207   | 0.964                                  | 1.031  |
|    | and Unflavored Milk  | [.000]                              | [000.]  | [000.]                                 | [.000]   |
| 2  | Reduced Fat Flavored | 0.857                               | 0.820   | 0.820                                  | 0.777  |
|    | and Unflavored Milk  | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 3  | Carbonated Soft      | 1.249                               | 1.291   | 1.232                                  | 1.277  |
|    | Drinks - Regular     | [.000]                              | [000.]  | [000.]                                 | [.000]   |
| 4  | Carbonated Soft      | 1.307                               | 1.379   | 1.280                                  | 1.375  |
|    | Drinks - Low Calorie | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 5  | Powdered Soft Drinks | 1.292                               | 1.410   | 1.430                                  | 2.445  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 6  | Isotonics            | 1.208                               | 1.285   | 1.235                                  | 1.176  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 7  | Bottled Water        | 1.034                               | 1.032   | 1.150                                  | 1.264  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 8  | Orange Juice         | 0.651                               | 0.586   | 0.665                                  | 0.518  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 9  | Apple Juice          | 0.952                               | 0.943   | 0.937                                  | 0.791  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 10 | Other Juices         | 0.648                               | 0.594   | 0.686                                  | 0.539  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 11 | Fruit Drinks         | 1.098                               | 0.853   | 1.070                                  | 0.936  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 12 | Vegetable Juice      | 0.505                               | 0.410   | 0.594                                  | -0.671   |
|    |                      | [.000]                              | [000.]  | [000.]                                 | [.000]   |
| 13 | Coffee Regular       | 1.128                               | 1.056   | 1.225                                  | 1.427  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 14 | Coffee Decaffeinated | 1.025                               | 1.329   | 1.103                                  | 1.640  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 15 | Tea Regular          | 0.744                               | 0.592   | 0.890                                  | 0.893  |
|    |                      | [.000]                              | [.000]  | [.000]                                 | [.000]   |
| 16 | Tea Decaffeinated    | 0.557                               | 1.639   | 0.711                                  | 0.504  |
|    |                      | [.000]                              | [000.]  | [000.]                                 | [.178]   |

# Table 26. Expenditure Elasticities – Sixteen Beverage Grouping

The own-price elasticities for beverages with low budget shares were less robust across models. Powdered soft drinks(5), vegetable juice(12), decaffeinated coffee(14), and decaffeinated tea(16) had budget shares of 1.67%, 1.65 %, 1.93 %, and 1.26 % respectively. The impacts of censoring and the small budget shares lessened robustness and are likely responsible for the positive own-price elasticities for powdered soft drinks(5) and vegetable juice(12). Vegetable juice(12) had a positive own-price elasticity for both of the quarterly models and one positive but insignificant own-price elasticity using the annual data. The further disaggregated grouping of sixteen provided less stable elasticity estimates across models compared to the initial grouping of eight nonalcoholic beverages.

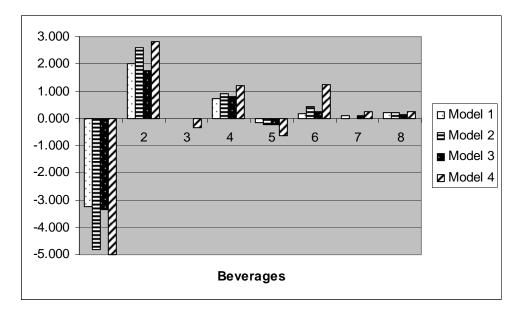
The expenditure elasticity estimates for the sixteen beverages also are robust across the four model specifications. All estimates were statistically different from zero except for one. The expenditure elasticity for decaffeinated tea(16) was not statistically different from zero for the censored-corrected quarterly model. Reduced fat milk(2), orange juice(8), apple juice(9), other juices(10), and regular tea(15) were all necessity goods. Vegetable juice(12) is a necessity good for three of the four models. Regular carbonated soft drinks(3), low-calorie carbonated soft drinks(4), and powdered soft drinks(5) were all luxury goods since their expenditure elasticities were over 1. Thus, if one were to give a household some extra income to expend within this set of sixteen beverages, they would allocate this extra income to buy in greater proportion these luxury beverages.

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Similar to the eight good aggregation, the annual expenditure elasticities gave very similar results to the quarterly expenditure elasticities. Correcting for censoring altered the elasticities for the quarterly estimates more than the annual estimates. This is due to the greater degree of censoring within the quarterly data. The expenditure elasticities for beverages with the lowest budget shares changed more across the models, particularly vegetable juice(12).

#### Sixteen Good – Cross-price Elasticity Discussion

After analyzing own-price and expenditure effects for the sixteen goods, a look at the interrelationships within this sixteen good complex is undertaken. Definition of substitutes and complements rests on the estimated compensated cross-price elasticities. Each beverage has an accompanying chart that graphically displays the statistically significant own-price and cross-price elasticities. Magnitudes of each can be seen for all four models. Model 1 corresponds to the use of annual data without the censoring correction. Model 2 corresponds to the use of annual data with the censoring correction. Model 3 pertains to the use of quarterly data without the censoring correction. Model 4 pertains to the use of quarterly data with the censoring correction. Below, each beverage and its interrelationships with other beverages are discussed.



Whole Fat Milk – flavored and unflavored

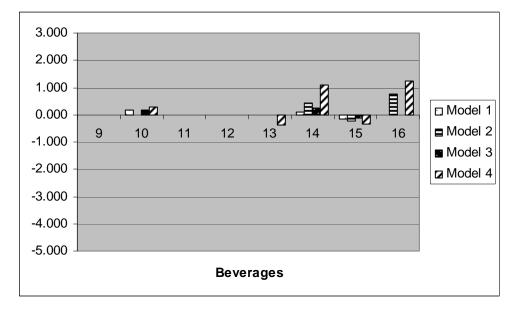


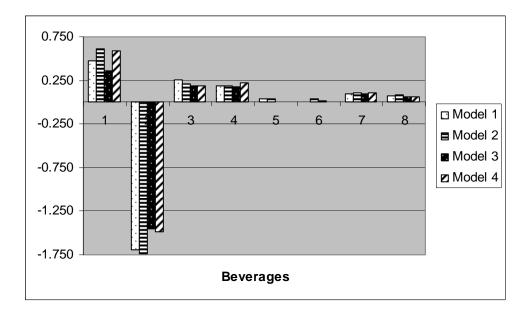
Figure 52. Sixteen good system compensated elasticities for whole milk

Reduced fat milk(2), low-calorie carbonated soft drinks(4), isotonics(6), orange juice(8), and decaffeinated coffee(14) were all shown to be substitutes for whole

milk(1). Figure 52 indicates that reduced fat milk(2) and low-calorie carbonated soft drinks(4) were the greatest substitutes in terms of the magnitudes of the cross-price elasticities. Three of the four models indicated that bottled water(7) and other juices(10) were substitutes for whole milk(1). Only the censored-corrected models for decaffeinated tea(16) revealed a substitute relationship with whole milk(1). Powdered soft drinks(5) and regular tea(15) were complementary goods for whole milk(1). The compensated own-price estimates for whole milk(1) were all negative and significant.

#### Reduced Fat Milk – flavored and unflavored

The compensated elasticities for reduced fat milk are given in figure 53. Reduced fat milk(2) had three main substitutes; whole fat milk(1), regular carbonated soft drinks(3), and low-calorie carbonated soft drinks(4). Bottled water(7), orange juice(8), apple juice(9), other juices(10), fruit drinks(11), and regular(13) and decaffeinated(14) coffee were shown to be substitutes to a lesser degree for reduced fat milk(2). The compensated own-price estimates for reduced fat milk(2) were all negative and statistically significant.



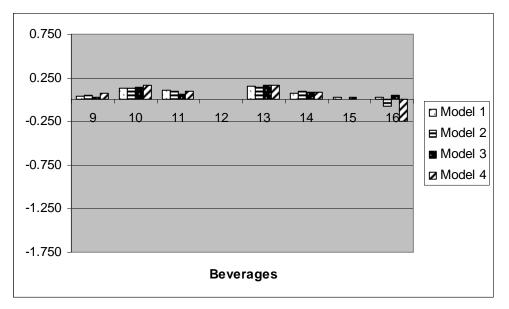


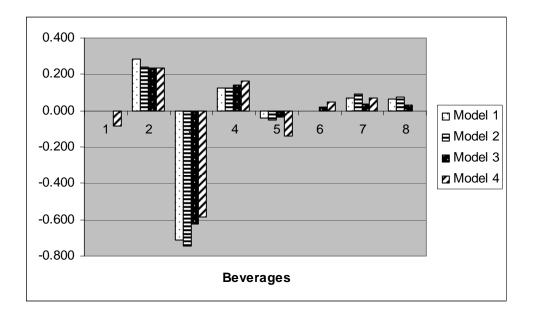
Figure 53. Sixteen good system compensated elasticities for reduced fat milk

## Carbonated Soft Drinks – regular

Figure 54 reveals that regular carbonated soft drinks(3) had five main substitutes;

reduced fat milk(2), low-calorie carbonated soft drinks(4), bottled water(7), other

juices(10), and regular coffee(13). Powdered soft drinks(5) were shown to be complements with regular carbonated soft drinks(3). The compensated own-price estimates for regular carbonated soft drinks(3) were all negative and significant.



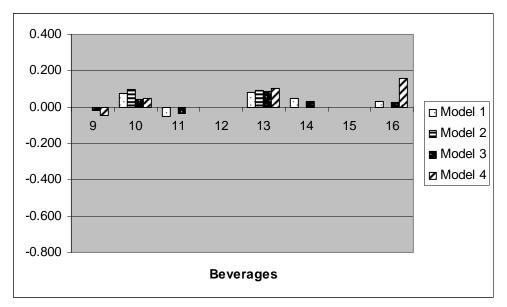
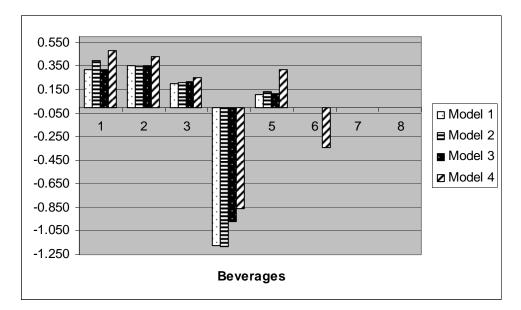
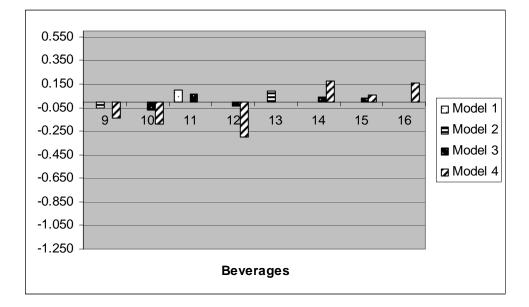


Figure 54. Sixteen good system compensated elasticities for regular carbonated soft drinks



 $Carbonated\ Soft\ Drinks-low-calorie$ 



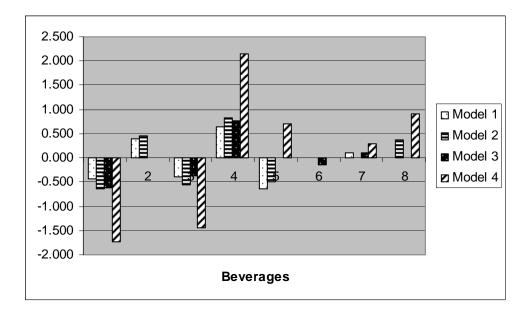
# Figure 55. Sixteen good system compensated elasticities for low-calorie carbonated soft drinks

Figure 55 displays four key substitute beverages for low-calorie carbonated soft drinks(4). Whole fat milk(1), reduced fat milk(2), regular carbonated soft drinks(3), and

powdered soft drinks(5) were clearly substitute goods across all models. The compensated own-price estimates for low-calorie carbonated soft drinks(4) were all negative and statistically significant. The two quarterly data models indicated that other juices(10) and vegetable juice(12) are complements for low-calorie carbonated soft drinks(4). The two quarterly data models indicated that decaffeinated coffee(14) and regular tea(15) were weak substitutes for low-calorie carbonated soft drinks(4).

#### Powdered Soft Drinks

The compensated elasticities for powdered soft drinks are given in figure 56. Powdered soft drinks(5) were complemented by whole fat milk(1), regular carbonated soft drinks(3), and fruit drinks(11). Low-calorie carbonated soft drinks(4) is the main substitute good with powdered soft drinks(5). Three of the four models indicated that bottled water(7), other juices(10), and regular coffee(13) were substitutes for powdered soft drinks(5). Two of the compensated own-price estimates were negative and statistically significant. The quarterly model estimates were either insignificant or positive. Again, these anomalies were due to the increased censoring within the quarterly data and the low budget share of powdered soft drinks(5) within the data.



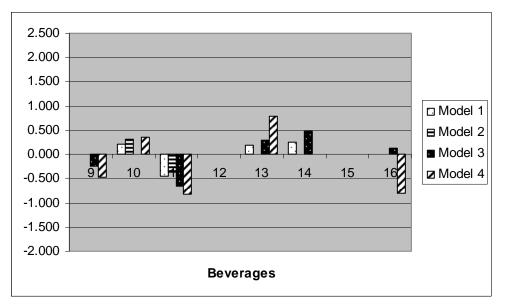
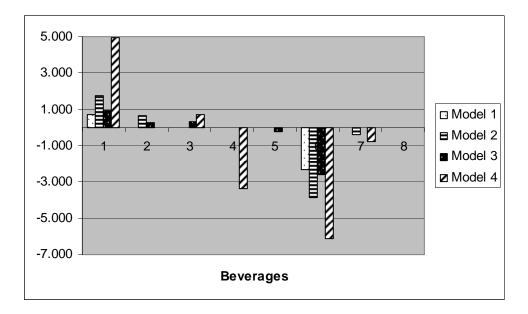


Figure 56. Sixteen good system compensated elasticities for powdered soft drinks

#### Isotonics



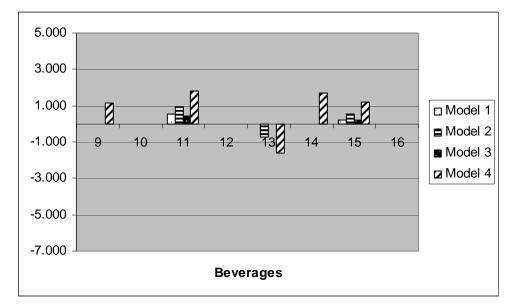
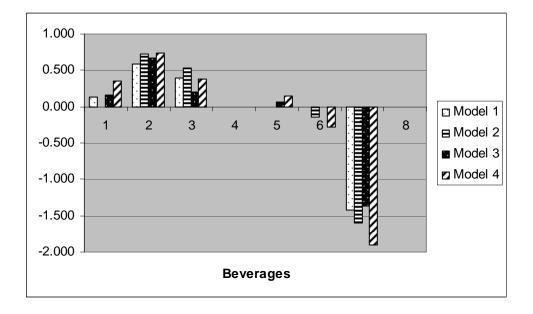


Figure 57. Sixteen good system compensated elasticities for isotonics

Figure 57 indicates three substitute beverages for isotonics(6). Whole milk(1) was the greatest substitute. Fruit drinks(11) and regular tea(15) also were substitutes. The quarterly models indicated that regular carbonated soft drinks(3) was also a

substitute goods. The censored corrected models indicated that bottled water(7) and regular coffee(13) were complementary goods for isotonics(6). The compensated own-price estimates for isotonics(6) were all negative and statistically significant.

## Bottled Water



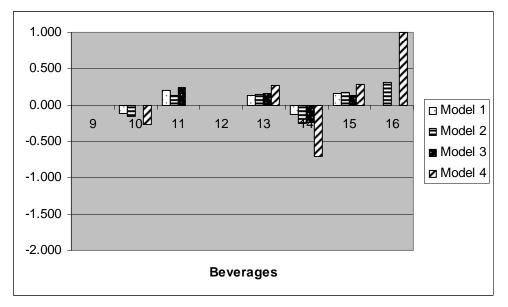
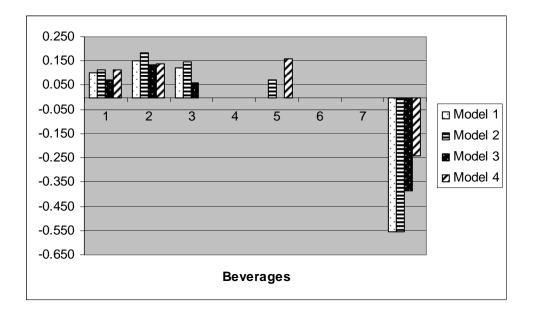


Figure 58. Sixteen good system compensated elasticities for bottled water

Figure 58 reveals four substitute beverages for bottled water(7) across all models. Reduced fat milk(2) was the greatest substitute. Regular carbonated soft drinks(3), regular coffee(13), and regular tea(15) also were substitutes. Three of the four models indicated that whole milk(1) was a substitute for with bottled water(7). Decaffeinated coffee(14) was a complementary good for bottled water(7) across all models. Three of the four models indicated that other juices(10) were complements for bottled water(7). The compensated own-price estimates for bottled water(7) were all negative and statistically significant.

#### Orange Juice

The compensated elasticities for orange juice are given in figure 59. Whole milk(1) and reduced fat milk(2) were substitutes for orange juice(8). Three of the four models indicated that regular carbonated soft drinks(3) and regular coffee(13) were also substitutes for orange juice(8). All four models indicated that apple juice(9) was a complement good for orange juice(8). The censored corrected model indicated that decaffeinated tea(16) was a complement as well. All of the compensated own-price estimates for orange juice(8) were negative and statistically significant.



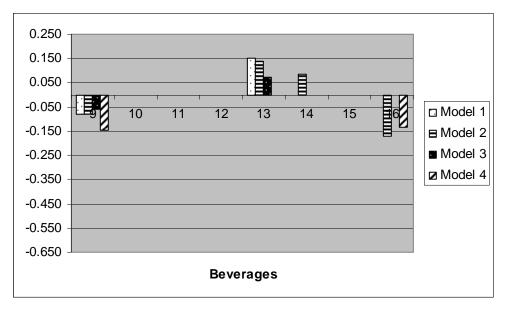
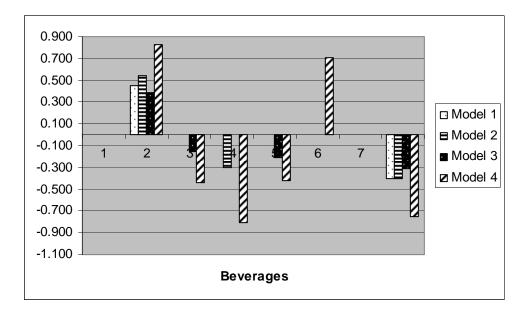


Figure 59. Sixteen good system compensated elasticities for orange juice

#### Apple Juice



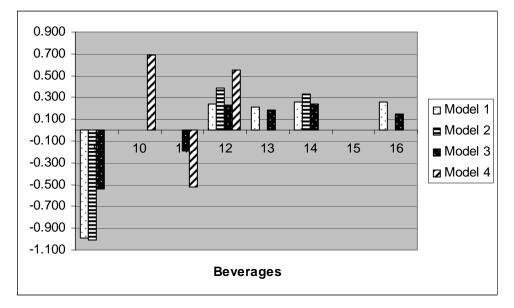
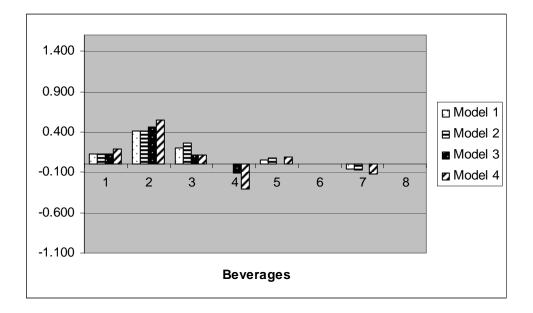




Figure 60 reveals that reduced fat milk(2) and vegetable juices(12) were the major substitute beverages for apple juice(9). Three of the four models indicated that decaffeinated coffee(14) is a substitute for apple juice(9). All four models indicated that

orange juice(12) was a complementary good for apple juice(9). Three of the four compensated own-price estimates for apple juice(9) were all negative and significant.



# Other Juices

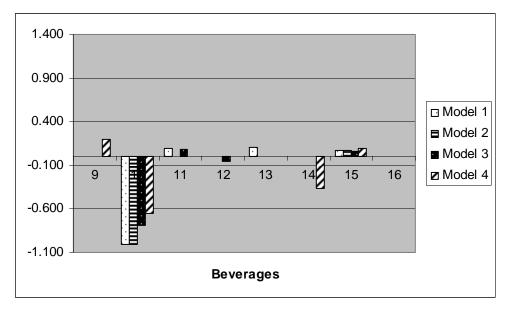
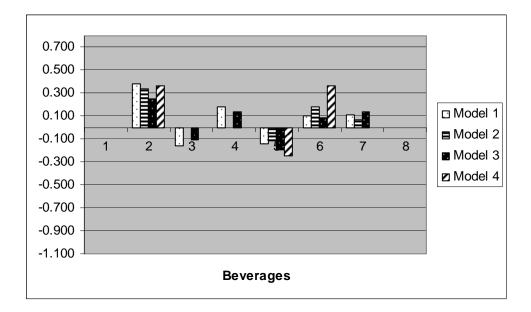


Figure 61. Sixteen good system compensated elasticities for other juices

Figure 61 exhibits the compensated elasticities for other juices. Whole milk(1), reduced fat milk(2), regular carbonated soft drinks(3), and regular tea(15) were shown to be substitutes for other juices(10). Reduced fat milk(2) was the strongest substitute good for other juices(10). Three of the four models showed that powdered soft drinks(5) were substitutes as well. Three of the four models indicated that bottled water(7) was a complementary good for other juices(10). The compensated own-price estimates for other juices(10) were all negative and statistically significant.

#### Fruit Drinks

The compensated elasticities for fruit drinks are given in figure 62. Fruit drinks(11) were complemented by powdered soft drinks(5). Reduced fat milk(2) was the best substitute for fruit drinks(11). Isotonics(6), vegetable juice(12), regular tea(15), and decaffeinated tea(16) also are substitutes for fruit drinks(11). Three of the four models also indicated that bottled water(7) and regular coffee(13) were substitute goods. The compensated own-price estimates for fruit drinks(11) were all negative and statistically significant.



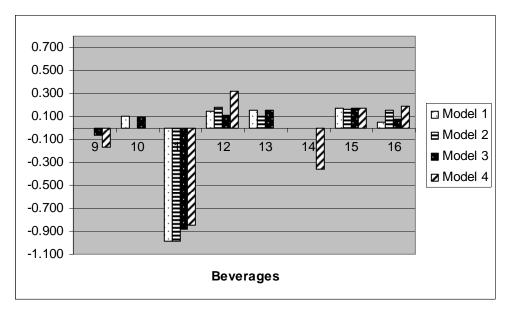


Figure 62. Sixteen good system compensated elasticities for fruit drinks

# Vegetable Juice

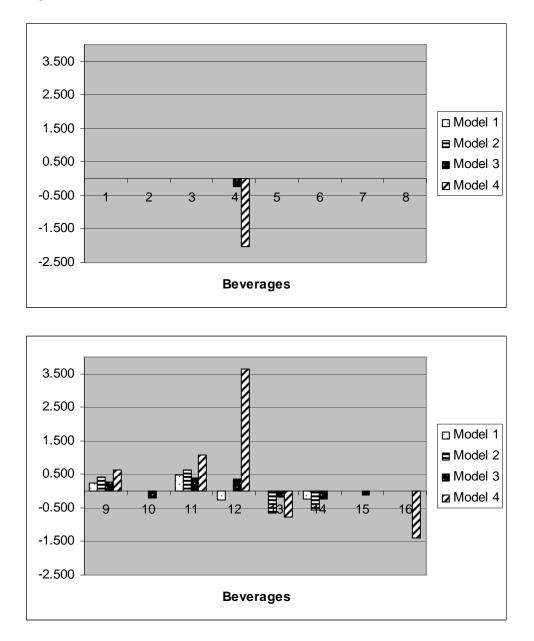


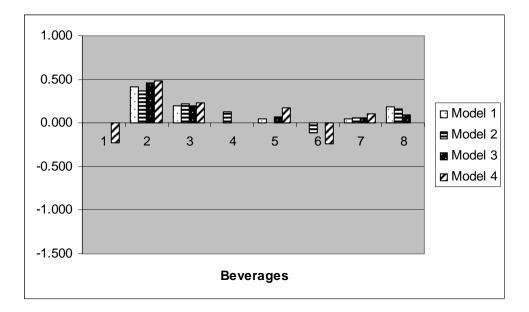
Figure 63. Sixteen good system compensated elasticities for vegetable juice

The key result for vegetable juice(12) was that apple juice(9) and fruit drinks(11) were the main substitute goods. Three of the four models indicated that regular coffee(13) and decaffeinated coffee(14) were complementary goods for vegetable

juice(12). Figure 63 indicates that only one of the compensated own-price elasticities was negative. The low budget share of 1.65 % and the degree of censoring within the data were likely the reasons for this anomalous result.

#### Coffee – regular

The compensated elasticities for regular coffee are given in figure 64. Reduced fat milk(2), regular carbonated soft drinks(3), bottled water(7), and decaffeinated coffee(14) were shown to be substitutes for regular coffee(13). Reduced fat milk(2) was the best substitute good for regular coffee(13). Three of the four models showed that powdered soft drinks(5), fruit drinks(11), and orange juice(8) were substitutes as well. Three of the four models also indicated that vegetable juice(12) and regular tea(15) were complementary goods for regular coffee(13). The compensated own-price estimates for regular coffee(13) were all negative and statistically significant.



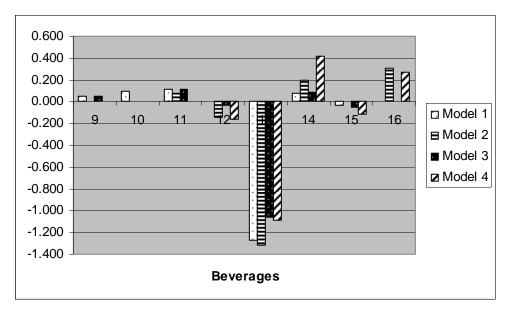
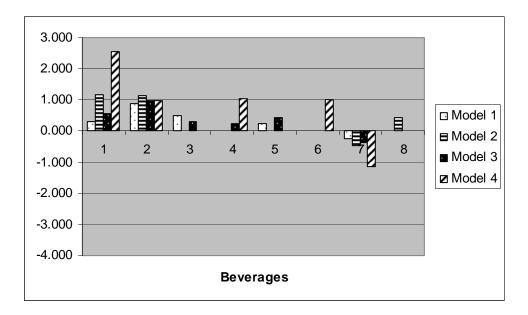
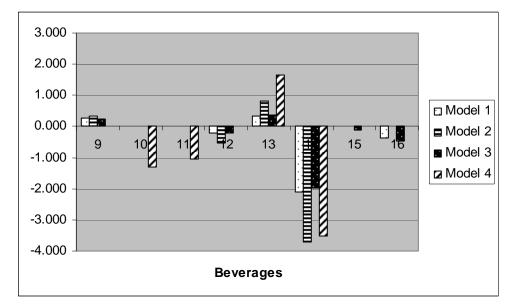


Figure 64. Sixteen good system compensated elasticities for regular coffee

*Coffee – decaffeinated* 





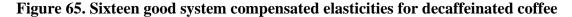
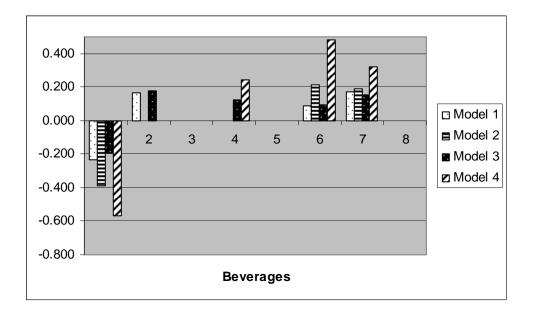


Figure 65 displays the compensated elasticities for decaffeinated coffee. Whole milk(1), reduced fat milk(2), and regular coffee(13) were shown to be substitutes for decaffeinated coffee(14). All of the models indicated that bottled water(7) is a

complementary good for decaffeinated coffee(14). Three of the models indicated that vegetable juice(12) was a complementary good for decaffeinated coffee(14). The compensated own-price estimates for decaffeinated coffee(14) were all negative and statistically significant.

#### *Tea – regular*

The compensated elasticities for regular tea are given in figure 66. Isotonics(6), bottled water(7), other juices(10), and fruit drinks(11) were shown to be substitutes for regular tea(15). All four models indicated that whole milk(1) is a complementary good for regular tea(15). Three of the four models indicated that regular coffee(13) was a complementary good for regular tea(15). The models not corrected for censoring indicated that reduced fat milk(2) is a substitute for regular tea(15). The compensated own-price estimates for regular tea(15) were all negative and statistically significant.



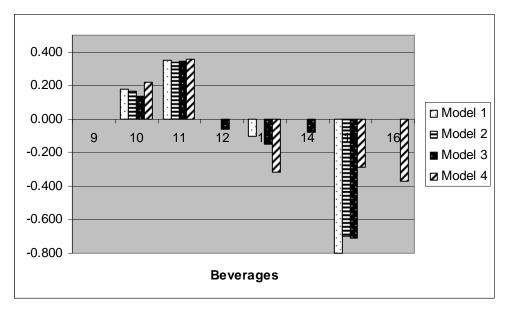
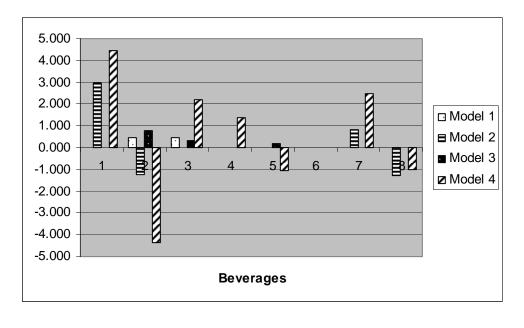


Figure 66. Sixteen good system compensated elasticities for regular tea

# Tea – decaffeinated



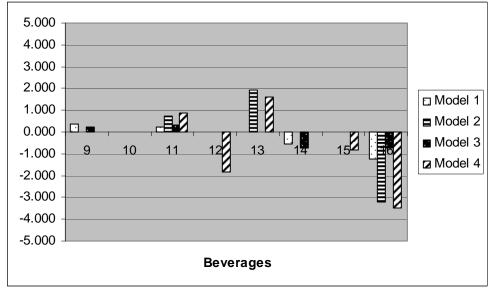




Figure 67 indicates that fruit drinks(11) were shown to be substitutes for decaffeinated tea(16) across all four models. Models corrected for censoring indicated that whole milk(1), bottled water(7), and regular coffee(13) were substitutes with

decaffeinated tea(16). Models corrected for censoring indicated that reduced fat milk(2) and orange juice(8) are complements for decaffeinated tea(16). The models that were not corrected for censoring indicated that reduced fat milk(2) and apple juice(9) are substitutes while decaffeinated coffee(14) is a complement for decaffeinated tea(16). The compensated own-price estimates for decaffeinated tea(16) were all negative and statistically significant.

#### **Conclusions – Interrelationships**

Overall, the elasticity results from the four models and the aggregation schemes considered provided solid findings for the interrelationships among the nonalcoholic beverages. In many instances, all four models were significant and in agreement in sign and magnitude which strongly supported the estimate of own-price, expenditure, and cross-price elasticities. The agreement of substitutes and complements were common across aggregations of beverages as well.

Every beverage, whether in the eight good grouping or the sixteen grouping, had some significant interaction with at least one other beverage in the group. This finding shows the interrelatedness within the nonalcoholic beverage complex. Substitute beverage relationships occurred more often than complementary relationships. Milk and carbonated soft drinks were the most common substitute or complement with other beverages in the groupings.

Elasticities were more apt to change across models for the beverages that had lower budget shares. Lower budget shares exist in the more refined grouping, yet information concerning interrelationships among a greater number of beverage classifications is retrieved. Pushing the aggregations too far increases the issue concerning low budget shares.

The elasticities were more sensitive when a higher degree of censoring was present. As the time frequency is decreased, a larger amount of zeros exist within the data set. The quarterly data were censored to a much higher degree. Consequently, less robust elasticity results were evident when compared to the annual data. Combining these censoring effects with the low-budget shares of some of the beverages resulted in a few cases of conflicting results across models, but these were limited. Overall, the four models gave similar results and allowed for uniform interpretations of the interrelationships between the beverages.

## **CHAPTER VIII**

# ESTIMATION OF ELASTICITIES OF NONALCOHOLIC BEVERAGES BY SELECTED DEMOGRAPHIC CATEGORIES

#### Introduction

After analyzing elasticities over the entire spectrum of households within the data set in Chapter VII, a closer look into specific differences by demographic categories is undertaken. Chapter IV indicated that demographic characteristics of the household were responsible for decisions to choose to purchase a beverage. Chapter V affirmed that households with different demographic characteristics bought differing quantities of nonalcoholic beverages. This chapter explores price-sensitivity relationships for different demographic characteristics.

To compare price sensitivity for differing demographics a separate demand system is run for each demographic category. Only one model is used in this chapter since the findings were robust across the models in Chapter VII. The annual censoredcorrected model utilizing the eight good grouping of nonalcoholic beverages is used in this chapter. The smaller grouping helps to avoid the low budget share problem and the use of the annual data helps to alleviate the censoring issue.

Four demographics are considered; poverty status, region, race, and the presence of children within the household. For each demographic category the results of the analysis is discussed. The own-price and expenditure elasticities are compared for the eight beverages. Subsequently, the cross-price effects are looked at for the demographic categories. Complete tables of elasticities for each demographic category are given in Appendix J.

# 130 % of Poverty – Analysis of Households Above and Below

The uncompensated own-price and expenditure elasticities for above and below 130% of poverty are given below in table 27. The p-values are given below each estimate.

|   |                         | Own-Price<br>Elasticity |        | Expenditure<br>Elasticity |        |
|---|-------------------------|-------------------------|--------|---------------------------|--------|
| # | Beverage                | Above                   | Below  | Above                     | Below  |
| 1 | Milk                    | -1.656                  | -1.324 | 1.031                     | 0.978  |
|   |                         | [.000]                  | [.000] | [.000]                    | [.000] |
| 2 | Carbonated Soft Drinks  | -1.177                  | -0.962 | 1.271                     | 1.261  |
|   |                         | [.000]                  | [.000] | [.000]                    | [.000] |
| 3 | Powdered Soft Drinks    | -0.385                  | -0.330 | 1.432                     | 1.226  |
|   |                         | [.000]                  | [.325] | [.000]                    | [.000] |
| 4 | Isotonics               | -2.539                  | -1.556 | 1.182                     | 0.855  |
|   |                         | [.000]                  | [.710] | [.000]                    | [.406] |
| 5 | Bottled Water           | -1.750                  | -1.946 | 1.026                     | 0.963  |
|   |                         | [.000]                  | [.000] | [.000]                    | [.000] |
| 6 | Juices and Fruit Drinks | -0.823                  | -0.371 | 0.692                     | 0.820  |
|   |                         | [.000]                  | [.104] | [.000]                    | [.000] |
| 7 | Coffee                  | -1.354                  | -1.595 | 1.019                     | 0.968  |
|   |                         | [.000]                  | [.000] | [.000]                    | [.000] |
| 8 | Tea                     | -0.745                  | -0.942 | 0.503                     | 0.192  |
|   |                         | [.000]                  | [.000] | [.000]                    | [.342] |

# Table 27. Own-Price and Expenditure Elasticities for 130% of Poverty Status

Households below 130% of poverty were more price sensitive for bottled water, coffee, and tea when compared to households above 130% of poverty. Statistical significance for some of the estimates was not achieved. There were only 277 households of the 5,715 that were below 130% of poverty status. The expenditure elasticities indicate that milk, isotonics, bottled water, and coffee, are defined as necessity goods for households below 130% of poverty. These same goods are not necessity goods for households above 130% of poverty. Tea is more of a necessity good for households below 130% of poverty when compared to households above 130% of poverty. If given extra income to spend on this group of eight beverages, households above 130% of poverty would buy a greater amount of powdered soft drinks while households below 130% of poverty would buy a greater portion of carbonated soft drinks.

Next, we look at cross-price elasticities for households above and below 130% of poverty. Discussion will be limited to beverages that have notable significant differences between the two groups of poverty status. A figure indicating each difference for each beverage that had significant differences is given along with discussion.

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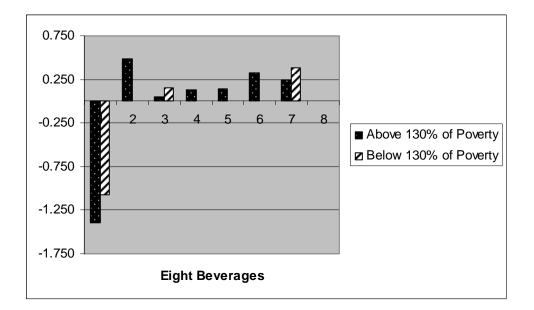


Figure 68. Compensated elasticities for milk by poverty status of the household

Figure 68 reveals the elasticities by poverty status for milk. Households below 130% of poverty indicated that coffee(7) was a greater substitute for milk(1) compared to households above 130% of poverty. Households above 130% of poverty indicated that carbonated soft drinks(2) were a greater substitute for milk(1). Households below 130% of poverty indicated that powdered soft drinks(3) were a greater substitute for milk(1) compared to households below 130% of poverty. The compensated own-price elasticities also show that households below 130% of poverty were slightly less own-price sensitive than households above 130% of poverty.

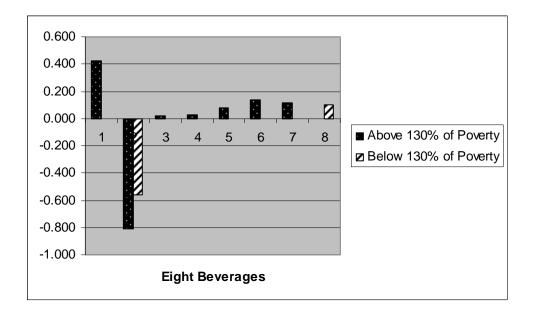


Figure 69. Compensated elasticities for carbonated soft drinks by poverty status of the household

Figure 69 indicates that there are more substitutes for carbonated soft drinks(2) for households above 130% of poverty than for households below 130% of poverty. Households below 130% of poverty indicated that tea(8) was a substitute for carbonated soft drinks(2) while households above 130% of poverty did not indicate this relationship. The compensated own-price elasticities show that households above 130% of poverty were more own-price sensitive for carbonated soft drinks(2) than households below 130% of poverty.

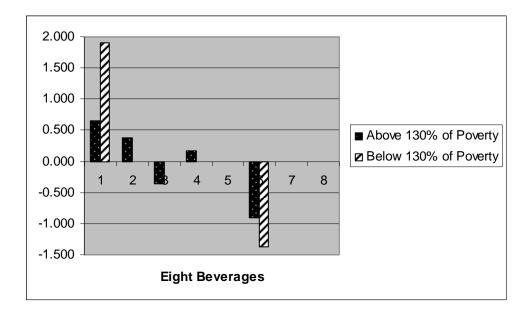


Figure 70. Compensated elasticities for powdered soft drinks by poverty status of the household

Figure 70 exhibits the elasticities by poverty status for powdered soft drinks. The compensated own-price elasticity for powdered soft drinks(3) was only significant for households above 130% of poverty. Households below 130% of poverty indicate that milk(1) is a greater substitute for powdered soft drinks(3) than it is for households above 130% of poverty. Households below 130% of poverty indicate that juices and fruit drinks(6) are greater complements for powdered soft drinks(3) than they are for households above 130% of poverty.

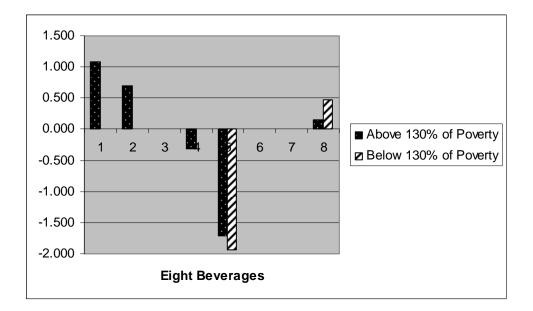


Figure 71. Compensated elasticities for bottled water by poverty status of the household

The compensated own-price elasticities showed that households above 130% of poverty were less own-price sensitive for bottled water(5) than households below 130% of poverty. However, figure 71 reveals that both elasticities were in the elastic range. Households below 130% of poverty indicate that tea(8) was a greater substitute for bottled water(5) than do households above 130% of poverty.

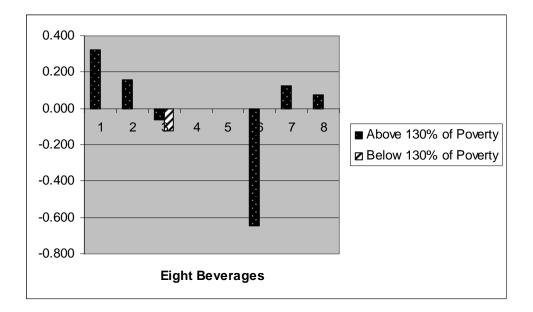


Figure 72. Compensated elasticities for juices and fruit drinks by poverty status of the household

Figure 72 reveals the elasticities by poverty status for juices and fruit drinks. The key result for juices and fruit drinks is that powdered soft drinks(2) are considered a greater complementary good for juices and fruit drinks(6) by households below 130% of poverty compared to households above 130% of poverty.

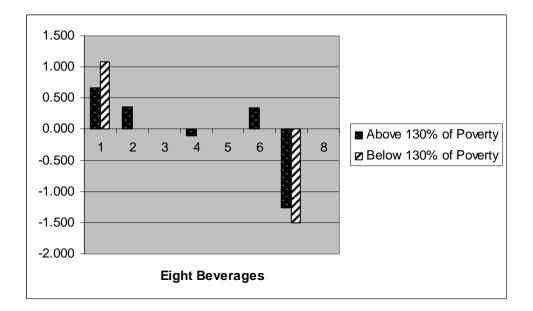


Figure 73. Compensated elasticities for coffee by poverty status of the household

Households below 130% of poverty indicated that milk(1) was more of a substitute for coffee(7) compared to households above 130% of poverty. The compensated own-price elasticities exhibited in figure 73 indicated that households above 130% of poverty were less own-price sensitive to coffee(7) price than households below 130% of poverty

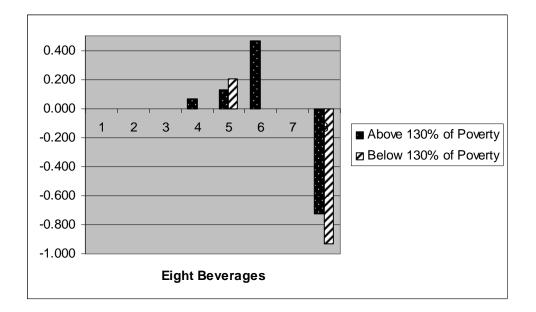


Figure 74. Compensated elasticities for tea by poverty status of the household

Figure 74 reveals the elasticities by poverty status for tea. Households below 130% of poverty indicated that bottled water(5) was more of a substitute for tea(8) compared to households above 130% of poverty. Juices and fruit drinks(6) were a substitute for tea(8) for households above 130% of poverty. The compensated own-price elasticities showed that households above 130% of poverty were less own-price sensitive to tea(8) price than households below 130% of poverty.

### Region – Analysis of Households in the East, Central, South, and West

The uncompensated own-price and expenditure elasticities for the four regions are given below in table 28. P-values are reported below each own-price elasticity estimate.

|   |                         |        | <b>Own-Price</b> | <b>Elasticity</b> |        |
|---|-------------------------|--------|------------------|-------------------|--------|
| # | Beverage                | East   | Central          | South             | West   |
| 1 | Milk                    | -1.608 | -1.561           | -1.701            | -1.666 |
|   |                         | [.000] | [.000]           | [.000]            | [.000] |
| 2 | Carbonated Soft Drinks  | -1.171 | -1.133           | -1.177            | -1.374 |
|   |                         | [.000] | [.000]           | [.000]            | [.000] |
| 3 | Powdered Soft Drinks    | -0.510 | -0.451           | -0.457            | 0.149  |
|   |                         | [.058] | [.010]           | [.003]            | [.646] |
| 4 | Isotonics               | -3.851 | -2.927           | -3.241            | -0.662 |
|   |                         | [.029] | [.007]           | [.000]            | [.519] |
| 5 | Bottled Water           | -1.907 | -1.757           | -1.459            | -1.943 |
|   |                         | [.000] | [.000]           | [.000]            | [.000] |
| 6 | Juices and Fruit Drinks | -0.777 | -0.579           | -0.887            | -0.865 |
|   |                         | [.000] | [.000]           | [.000]            | [.000] |
| 7 | Coffee                  | -1.421 | -1.336           | -1.342            | -1.430 |
|   |                         | [.000] | [.000]           | [.000]            | [.000] |
| 8 | Tea                     | -0.707 | -0.690           | -0.824            | -0.929 |
|   |                         | [.000] | [.000]           | [.000]            | [.000] |

| Table 28. Own-Price and Expenditure Elasticities for Region |
|---|
|---|

|   |                         | Expenditure Elasticity |         |        |        |
|---|-------------------------|------------------------|---------|--------|--------|
| # | Beverage                | East                   | Central | South  | West   |
| 1 | Milk                    | 1.037                  | 1.007   | 1.054  | 0.925  |
|   |                         | [.000]                 | [.000]  | [.000] | [.000] |
| 2 | Carbonated Soft Drinks  | 1.199                  | 1.239   | 1.287  | 1.340  |
|   |                         | [.000]                 | [.000]  | [.000] | [.000] |
| 3 | Powdered Soft Drinks    | 1.465                  | 1.362   | 1.275  | 1.724  |
|   |                         | [.000]                 | [.000]  | [.000] | [.000] |
| 4 | Isotonics               | 1.031                  | 1.330   | 1.112  | 1.475  |
|   |                         | [.013]                 | [.000]  | [.000] | [.000] |
| 5 | Bottled Water           | 1.117                  | 1.004   | 0.993  | 1.134  |
|   |                         | [.000]                 | [.000]  | [.000] | [.000] |
| 6 | Juices and Fruit Drinks | 0.741                  | 0.706   | 0.667  | 0.718  |
|   |                         | [.000]                 | [.000]  | [.000] | [.000] |
| 7 | Coffee                  | 1.176                  | 0.956   | 0.942  | 0.986  |
|   |                         | [.000]                 | [.000]  | [.000] | [.000] |
| 8 | Tea                     | 0.672                  | 0.439   | 0.610  | 0.433  |
|   |                         | [.000]                 | [.000]  | [.000] | [.000] |

All uncompensated own-price elasticities were significantly different from zero for the regions with the exception of powdered soft drinks and isotonics in the Western region. Three beverages were price inelastic; juices and fruit drinks, tea, and powdered soft drinks. Isotonics were the most price sensitive(elastic) beverage in three of the four regions. Following isotonics, bottled water is the most price sensitive good among the four regions. Bottled water is most price elastic in the West region. Powdered soft drinks were the most price insensitive(inelastic) beverage in the three of the four regions. The demand for juices and fruit drinks and tea was less inelastic in the South and West compared to the East and Central regions.

The expenditure elasticities were very similar across regions and were all significantly different from zero at the .05 level. Given extra income to spend on this grouping of beverages, households in the West region would buy more carbonated soft drinks. Households in the East, Central, and South would buy more powdered soft drinks.

Now we turn our attention to cross-price elasticities for households in the differing regions. Discussion is limited to beverages that have notable significant differences among the regions. A chart indicating each difference for each beverage that had significant differences is given along with discussion.

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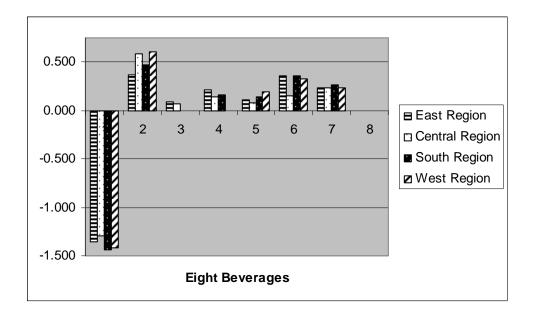


Figure 75. Compensated elasticities for milk by region

Compensated elasticities for milk by region are given above in figure 75. The compensated own-price elasticities indicate that households in the South region are slightly more sensitive to price changes in milk(1) when compared to the other regions. Carbonated soft drinks(2) are substitutes for milk(1) across all regions. For households in the Central and West carbonated soft drinks(2) are a greater substitute for milk(1) than for households in the East and Central regions. The West region did not indicate that isotonics(4) are a significant substitute for milk(1), while all other regions did. The South and West region did not indicate that powdered soft drinks(3) were a substitute for milk(1). The magnitude of substitutability was similar across all regions for coffee(7). Households in the Central region considered juices and fruit drinks(6) to be less of a substitute for milk(1) than the other three regions.

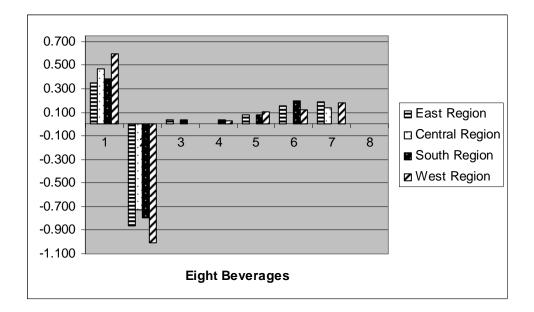


Figure 76. Compensated elasticities for carbonated soft drinks by region

The compensated own-price elasticities exhibited in figure 76 indicate that households in the East and West regions are more sensitive to price changes in carbonated soft drinks(2) when compared to the other two regions. Households in the West region show a stronger substitution relationship between milk(1) and carbonated soft drinks(2) compared to the other regions.

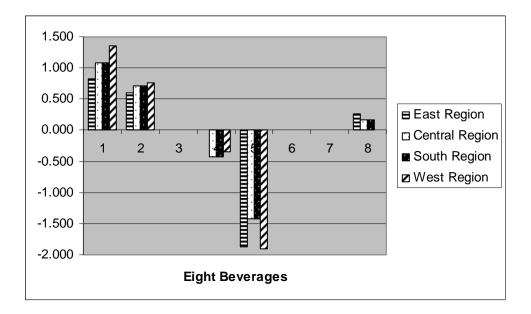


Figure 77. Compensated elasticities for bottled water by region

Compensated elasticities for bottled water by region are given above in figure 77. The compensated own-price elasticities indicate that households in the East and West regions are more sensitive to price changes in bottled water(5) when compared to the other two regions. Households in the West region showed a stronger substitution relationship between milk(1) and bottled water(5) compared to the other regions. Households in the East region show a smaller substitution relationship between carbonated soft drinks(2) and bottled water(5) compared to the other regions.

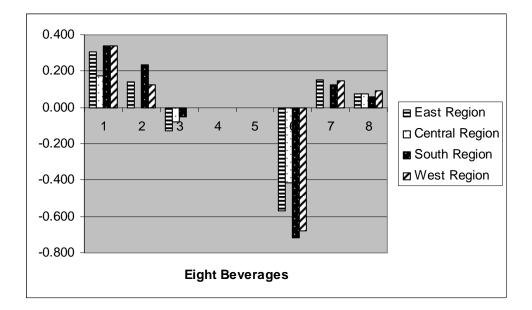


Figure 78. Compensated elasticities for juices and fruit drinks by region

The compensated own-price elasticities exhibited in figure 78 indicate that households in the South and West regions were more sensitive to price changes in juices and fruit drinks(6) when compared to the other two regions. Households in the Central region show a weaker substitution relationship between milk(1) and juices and fruit drinks(6). The West region did not indicate that powdered soft drinks(3) were a significant complementary good for juices and fruit drinks(6), all other regions did. The Central region did not indicate that carbonated soft drinks(2) and coffee(7) were significant substitutes for juices and fruit drinks(6), while all other regions did.

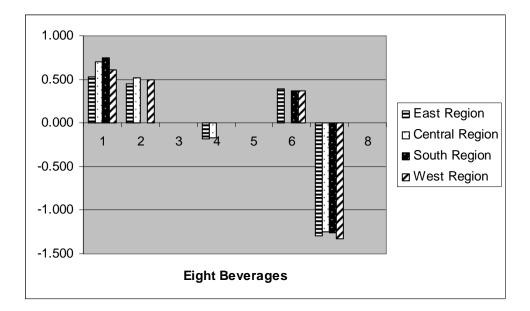


Figure 79. Compensated elasticities for coffee by region

The compensated own-price elasticities exhibited in figure 79 were nearly identical from region to region for coffee(7). Households in the South region did not show a significant substitution relationship between carbonated soft drinks(2) and coffee(7). Households in the Central region did not show a significant substitution relationship between juices and fruit drinks(2) and coffee(7). The East and Central regions indicated a significant complementary relationship between isotonics(4) and coffee(7). Milk(1) was a substitute for coffee(7) in all regions, especially the South and Central regions.

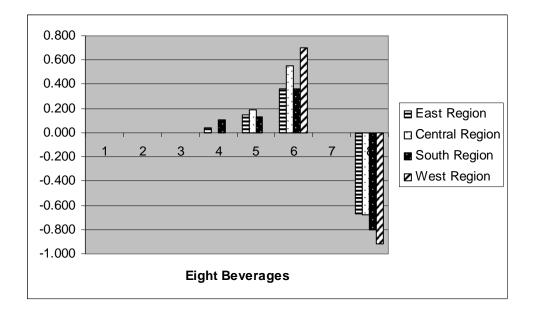


Figure 80. Compensated elasticities for tea by region

Compensated elasticities for tea by region are given above in figure 80. The compensated own-price elasticities indicated that households in the South and West regions were more sensitive to the price of tea(8). Households in the Central and West region indicated a stronger substitution effect between juices and fruit drinks(6) and tea(8) when compared to the other regions. Households in the West did not exhibit a significant substitution relationship between bottled water(5) and tea(8).

### Race - Analysis of White, Black, and Other Race Households

The uncompensated own-price and expenditure elasticities for the three races are given below in table 29. P-values are noted in parenthesis below the respective estimates of elasticities.

|   |                         | <b>Own-Price Elasticity</b> |        |          |  |
|---|-------------------------|-----------------------------|--------|----------|--|
|   |                         |                             |        | Oriental |  |
| # | Beverage                | White                       | Black  | & Other  |  |
| 1 | Milk                    | -1.500                      | -1.659 | -1.421   |  |
|   |                         | [.000]                      | [.000] | [.000]   |  |
| 2 | Carbonated Soft Drinks  | -1.203                      | -0.776 | -1.065   |  |
|   |                         | [.000]                      | [.000] | [.000]   |  |
| 3 | Powdered Soft Drinks    | -0.160                      | -0.099 | -0.084   |  |
|   |                         | [.187]                      | [.638] | [.812]   |  |
| 4 | Isotonics               | -2.863                      | -1.401 | 0.081    |  |
|   |                         | [.000]                      | [.550] | [.956]   |  |
| 5 | Bottled Water           | -1.695                      | -1.614 | -2.163   |  |
|   |                         | [.000]                      | [.000] | [.000]   |  |
| 6 | Juices and Fruit Drinks | -0.675                      | -0.914 | -0.947   |  |
|   |                         | [.000]                      | [.000] | [.000]   |  |
| 7 | Coffee                  | -1.342                      | -1.525 | -1.338   |  |
|   |                         | [.000]                      | [.000] | [.000]   |  |
| 8 | Tea                     | -0.780                      | -0.423 | -0.959   |  |
|   |                         | [.000]                      | [.001] | [.000]   |  |

# Table 29. Own-Price and Expenditure Elasticities for Race

|   |                         | Expenditure Elasticity |        |          |  |  |
|---|-------------------------|------------------------|--------|----------|--|--|
|   |                         |                        |        | Oriental |  |  |
| # | Beverage                | White                  | Black  | & Other  |  |  |
| 1 | Milk                    | 0.978                  | 0.943  | 0.985    |  |  |
|   |                         | [.000]                 | [.000] | [.000]   |  |  |
| 2 | Carbonated Soft Drinks  | 1.269                  | 1.130  | 1.277    |  |  |
|   |                         | [.000]                 | [.000] | [.000]   |  |  |
| 3 | Powdered Soft Drinks    | 1.458                  | 1.332  | 1.483    |  |  |
|   |                         | [.000]                 | [.000] | [.000]   |  |  |
| 4 | Isotonics               | 1.237                  | 0.932  | 0.781    |  |  |
|   |                         | [.000]                 | [.107] | [.023]   |  |  |
| 5 | Bottled Water           | 1.154                  | 1.155  | 1.149    |  |  |
|   |                         | [.000]                 | [.000] | [.000]   |  |  |
| 6 | Juices and Fruit Drinks | 0.723                  | 0.942  | 0.758    |  |  |
|   |                         | [.000]                 | [.000] | [.000]   |  |  |
| 7 | Coffee                  | 1.005                  | 0.999  | 1.067    |  |  |
|   |                         | [.000]                 | [.000] | [.000]   |  |  |
| 8 | Теа                     | 0.466                  | 0.368  | 0.545    |  |  |
|   |                         | [.000]                 | [.014] | [.002]   |  |  |

All uncompensated own-price elasticities were significantly different from zero for the different races with the exception of powdered soft drinks for all race categories and isotonics for Blacks and Oriental and other races. The demands for juices and fruit drinks and tea were all inelastic across all races with tea being the least sensitive to ownprice for Black households. Juices and fruit drinks are the least price sensitive for White and Oriental and other race households. White households were most sensitive to price changes of isotonics. Black households were most sensitive to price changes of milk and other race households were most price sensitive to changes of bottled water.

The expenditure elasticities were robust across all races with the exception of isotonics. All estimates were significantly different from zero at the .05 level with the exception of the isotonic elasticity for Black households. Given extra income to spend on this grouping of beverages, all race types buy more powdered soft drinks.

Now we turn our attention to cross-price elasticities among households of different races. Discussion is limited to beverages that have notable significant differences among the races. A chart indicating each difference for each beverage that had significant differences is given along with discussion.

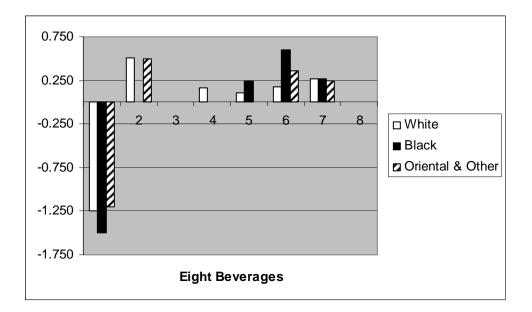


Figure 81. Compensated elasticities for milk by race

The compensated own-price elasticities exhibited in figure 81 were all significant for milk(1). Black households were the most price sensitive. Carbonated soft drinks(2) were a substitute for milk(1) with Black households not exhibiting a significant crossprice elasticity. Black households indicated a larger substitution effect between juices and fruit drinks(6) and milk(1) when compared to the other types of households. Bottled water(5) was a substitute for milk(1) for White and Black households with Black households having the larger magnitude.

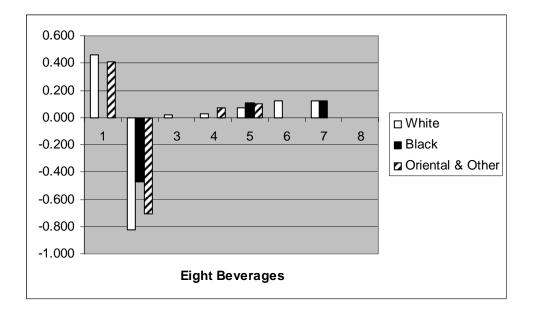


Figure 82. Compensated elasticities for carbonated soft drinks by race

Figure 82 indicates that Black households were the least sensitive of the races to the own-price of carbonated soft drinks(2). White and Oriental and other race households showed a substitution effect between milk(1) and carbonated soft drinks(2) while Black households did not. Bottled water(5) had a similar cross-price effect across all races with White households indicating a smaller magnitude of substitution.

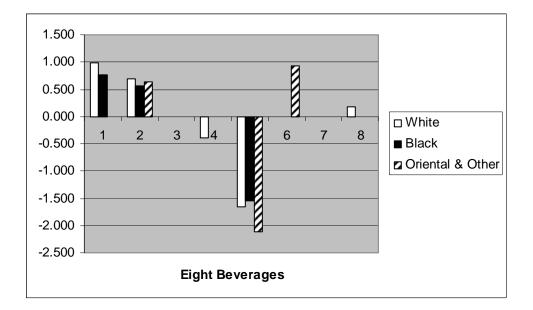


Figure 83. Compensated elasticities for bottled water by race

Figure 83 indicated that the compensated own-price elasticities were all significant for bottled water(5) with Oriental and other race households being the most price sensitive. Milk(1) was a substitute good for bottled water(5) for White and Black households. Juices and fruit drinks(6) were a significant substitute for bottled water(5) for Oriental and other race households only. This result was not significant for White or Black households. Carbonated soft drinks(2) substitute for bottled water(5) across the different race groups.

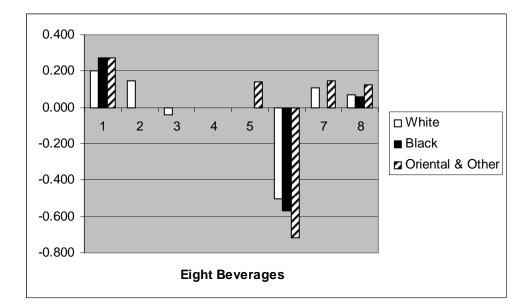


Figure 84. Compensated elasticities for juices and fruit drinks by race

Compensated elasticities for juices and fruit drinks by race are given above in figure 84. The compensated own-price elasticities were all significant for juices and fruit drinks(6) with Oriental and other race households being the most price sensitive. Milk(1) was a substitute good for juices and fruit drinks(6) across all races. Powdered soft drinks(3) were a complementary good for juices and fruit drinks(6) for only White households. Bottled water(5) was a substitute good for juices and fruit good for juices and fruit drinks(6) for only White households. Bottled water(5) was a substitute good for juices and fruit drinks(6) for only Oriental and other race households. Coffee(7) was a substitute good for juices and fruit drinks(6) for both White and Oriental and other race households. Tea(8) was a substitute across all races for juices and fruit drinks(6) with Oriental and other race households indicating the greatest magnitude of substitution.

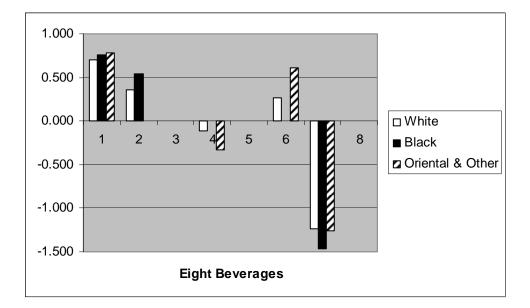


Figure 85. Compensated elasticities for coffee by race

The compensated own-price elasticities were all significant for coffee(7) with Black households being the most price sensitive. Figure 85 indicated that milk(1) was a substitute good for coffee(7) across all races. Carbonated soft drinks(2) were a substitute good for coffee(7) for only White and Black households. Juices and fruit drinks(6) were a substitute good for coffee(7) for White and Oriental and other races.

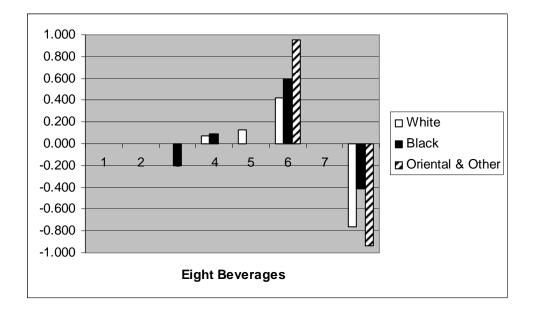


Figure 86. Compensated elasticities for tea by race

Compensated elasticities for tea by race are given above in figure 86. The compensated own-price elasticities were all significant for tea(8) with Black households being the least price sensitive. Powdered soft drinks(3) were a complementary good for tea(8) for Black households. Juices and fruit drinks(6) were the main substitute good for tea(8) across all races with Oriental and other races having the greatest magnitude. Black and White households indicated that isotonics(4) were a substitute for tea(8).

### Presence of Children - Analysis of Households With and Without Children

The uncompensated own-price and expenditure elasticities for the presence and non-presence of children within a household are given below in table 30. Statistical significance is given below each estimate via p-values.

|   |                         |                             |        | Expenditure |        |
|---|-------------------------|-----------------------------|--------|-------------|--------|
|   |                         | <b>Own-Price Elasticity</b> |        | Elasticity  |        |
| # | Beverage                | NO                          | YES    | NO          | YES    |
| 1 | Milk                    | -1.603                      | -1.602 | 0.915       | 1.076  |
|   |                         | [.000]                      | [.000] | [.000]      | [.000] |
| 2 | Carbonated Soft Drinks  | -1.210                      | -1.051 | 1.304       | 1.258  |
|   |                         | [.000]                      | [.000] | [.000]      | [.000] |
| 3 | Powdered Soft Drinks    | 0.129                       | -0.503 | 1.555       | 0.867  |
|   |                         | [.515]                      | [.000] | [.000]      | [.000] |
| 4 | Isotonics               | -2.346                      | -2.607 | 1.011       | 1.163  |
|   |                         | [.021]                      | [.000] | [.001]      | [.000] |
| 5 | Bottled Water           | -1.750                      | -1.632 | 1.163       | 0.882  |
|   |                         | [.000]                      | [.000] | [.000]      | [.000] |
| 6 | Juices and Fruit Drinks | -0.747                      | -0.830 | 0.680       | 0.631  |
|   |                         | [.000]                      | [.000] | [.000]      | [.000] |
| 7 | Coffee                  | -1.270                      | -1.526 | 1.168       | 1.340  |
|   |                         | [.000]                      | [.000] | [.000]      | [.000] |
| 8 | Tea                     | -0.709                      | -0.827 | 0.530       | 0.611  |
|   |                         | [.000]                      | [.000] | [.000]      | [.000] |
| 8 | Tea                     | -0.709                      | -0.827 | 0.530       | 0.611  |

 Table 30. Own-Price and Expenditure Elasticities for Presence of Children

All uncompensated own-price elasticities were significantly different from zero for households with and without children with the exception of powdered soft drinks for households without children present. Isotonics, juices and fruit drinks, coffee, and tea were more price sensitive(elastic) for households with children compared to households without children. Milk, carbonated soft drinks, and bottled water were more price sensitive(elastic) for households without children compared to households with children.

The expenditure elasticities were not as robust among households with children and households without children when compared to the other demographics studied. The expenditure elasticities were all significantly different from zero at the .05 level. The estimate for powdered soft drinks was much greater for households without children. This indicates that if given extra money to spend on beverages, households without

**Evnenditure** 

children would utilize that extra income to buy more powdered soft drinks. Given extra income to spend on this grouping of beverages, households without children would buy more powdered soft drinks. Households with children would buy more coffee.

Now we turn our attention to cross-price elasticities among households with and without children. Discussion will be limited to beverages that have notable significant differences among the household types. A chart indicating each difference for each beverage that had significant differences is given along with discussion.

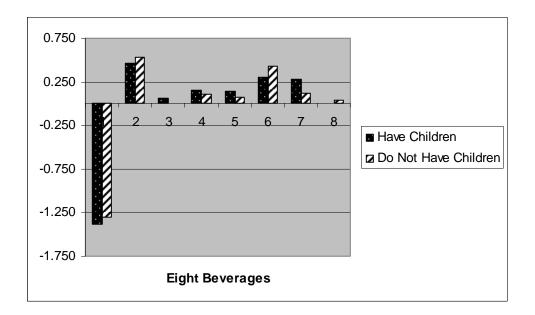
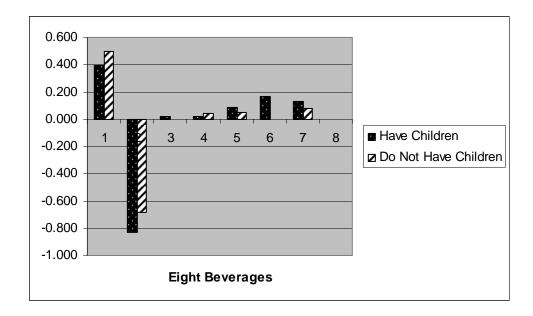


Figure 87. Compensated elasticities for milk by presence of children

The compensated own-price elasticities were all significant for milk(1) with households that have children being the most price sensitive. Figure 87 indicated that carbonated soft drinks(2) were a substitute for milk(1) for both household types with households that do not have children having a greater magnitude of substitution. Juices



and fruit drinks(6) were a substitute for milk(1) for both household types with households that do not have children having a greater magnitude of substitution.

Figure 88. Compensated elasticities for carbonated soft drinks by presence of children

Compensated elasticities for carbonated soft drinks by presence of children are given above in figure 88. The compensated own-price elasticities were all significant for carbonated soft drinks(2) with households that do not have children being the least price sensitive. Bottled water(5) and coffee(7) are substitutes for carbonated soft drinks(2) for both household types with households that have children having a greater magnitude of substitution for each beverage. Milk(1) was the main substitute for carbonated soft drinks(2) for both household types with households that do not have children having a greater magnitude of substitution.

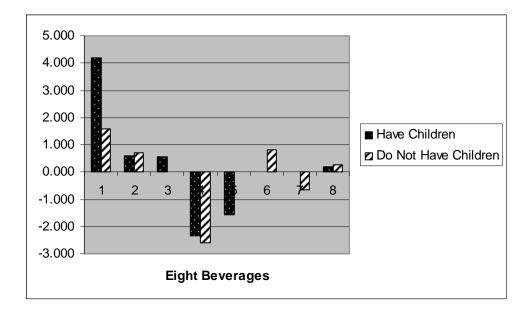


Figure 89. Compensated elasticities for powdered soft drinks by presence of children

The compensated own-price elasticities were all significant for isotonics(4) with households that have children being less price sensitive. Figure 89 indicated that milk(1) was a substitute for isotonics(4), households with children were more apt to substitute away from isotonics(4) with milk(1). Carbonated soft drinks(2) were a substitute good for isotonics(4) with households with no child present having the greater magnitude.

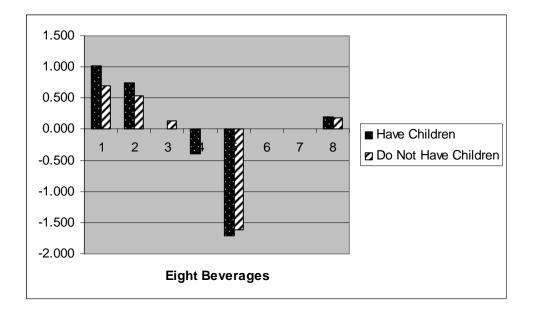


Figure 90. Compensated elasticities for bottled water by presence of children

Compensated elasticities for bottled water by presence of children are given above in figure 90. The compensated own-price elasticities were significant for bottled water(5) with households that do not have children being less price sensitive. Milk(1) was a substitute for bottled water(5), households with children were more apt to substitute away from bottled water(5) with milk(1). Carbonated soft drinks(2) were a substitute good for bottled water(5) with households with a child present having the greater magnitude. Isotonics(4) were a complementary good for bottled water(5) for households that had a child present.

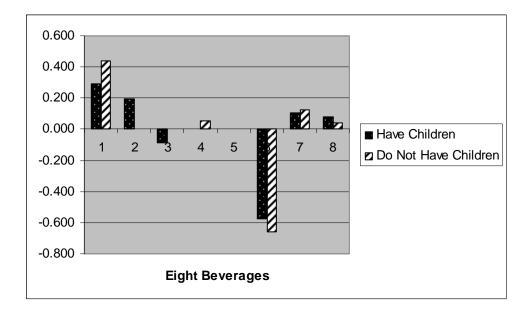


Figure 91. Compensated elasticities for juices and fruit drinks by presence of children

The compensated own-price elasticities were all significant for juices and fruit drinks(6) with households that have children being the least price sensitive. Figure 91 indicated that milk(1) was a substitute for juices and fruit drinks(6), households without children were more apt to substitute away from juices and fruit drinks(6) with milk(1). Carbonated soft drinks(2) were a substitute good for juices and fruit drinks(6) for households with a child present. Powdered soft drinks(3) were a complementary good for juices and fruit drinks(6) for households with children. Isotonics(4) were a substitute for juices and fruit drinks(6) for households without children. Coffee(7) was a substitute for juices and fruit drinks(6) for both household types with households that do not have children having a greater magnitude of substitution. Tea(8) is a substitute for juices and fruit drinks(6) for both household types with households that have children having a greater magnitude of substitution.

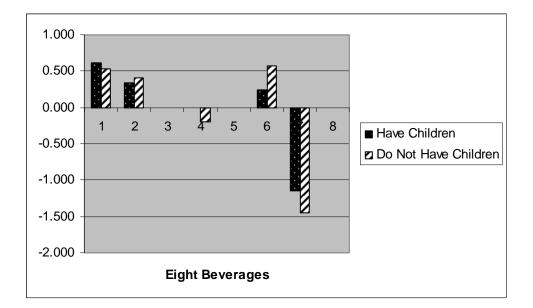


Figure 92. Compensated elasticities for coffee by presence of children

Compensated elasticities for coffee by presence of children are given above in figure 92. The compensated own-price elasticities were significant for coffee(7) with households that have children being the least price sensitive. Milk(1) was a substitute for coffee(7) with households with children present having a greater magnitude of substitution. Carbonated soft drinks(2) were a substitute for coffee(7) with households with no children present having a greater magnitude of substitution. Juices and fruit drinks(6) were a substitute for coffee with households with no child present having the greater magnitude by a substantial margin.

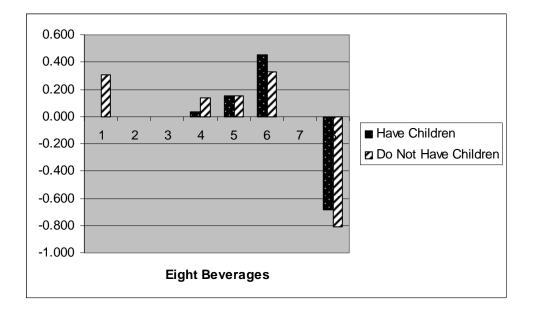


Figure 93. Compensated elasticities for tea by presence of children

Figure 93 indicated that milk(1) was a substitute for tea(8) for households that did not have children. Bottled water(4) was a substitute for tea(8), more so for households that did not have children. Juices and fruit drinks(6) were a substitute for tea(8) with households with children present having a greater magnitude of substitution. The compensated own-price elasticities were significant for tea(8) with households that have children being less price sensitive.

## **CHAPTER IX**

## CONCLUSIONS

The information concerning the key factors affecting household decisions to buy, and the amount to buy of nonalcoholic beverages is vital for marketing strategist and for policy makers. Also, information is critical about the drivers associated with available nutrient intakes of calories, calcium, vitamin C, and caffeine derived from the purchase and consumption of nonalcoholic beverages. Most importantly, this information can save substantial unnecessary expenses in terms of targeting and promotion. Some of the key results from the analysis are presented below.

Region, race, and presence of children within a household were demographics that affected the decision to consume for a majority of the beverages. Non-white households were more likely to consume bottled water. The presence of children within a household increased the likelihood of consumption for milk, apple juice, and fruit drinks. Black households were less likely to consume milk than households of other races. Households with older heads of household were more likely to purchase coffee for consumption.

Households with children present consumed greater levels of powdered soft drinks and fruit drinks. Households with heads that have obtained higher levels of education consumed less coffee and regular carbonated soft drinks while households with older heads consumed greater levels of coffee. Households in the Central region consumed more milk, powdered soft drinks, and carbonated soft drinks than households in other regions. Western households consumed more bottled water than households in other regions. Households of Hispanic origin consumed greater levels of whole and two percent milk and lower levels of one percent and skim milk compared to households that are not of Hispanic origin.

The nutrient analysis revealed that nonalcoholic beverages contribute substantially to nutrient intake. Individuals received 211 calories a day on average from all nonalcoholic beverages. The majority of this calorie intake was accounted for by carbonated soft drinks, fruit drinks, powdered soft drinks, and milk. Individuals received 217 mg of calcium per day from all nonalcoholic beverages. Milk accounted for eightyeight percent of the calcium intake. 45 mg of vitamin C is received per day from nonalcoholic beverages with juices providing approximately sixty percent of the intake. Lastly, 95 mg of caffeine was supplied via nonalcoholic beverages, sixty-seven percent due to coffee intake on average.

A critical finding for nutrient intake is that persons within households below 130% of poverty were receiving more calories and caffeine from nonalcoholic beverages compared to persons within households above 130% of poverty. Likewise, persons in households below 130% of poverty were receiving less calcium and vitamin C from nonalcoholic beverages compared to persons in households above 130% of poverty.

Own-price and cross-price elasticities were examined using the LA/AIDS model. The methodological concerns of data frequency, beverage aggregations, and censoring techniques were explored and discussed in terms of the results of the analysis. Elasticity results for beverages were less robust across models when the budget shares were low or the degree of censoring in the system was large. A trade-off existed between having a

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fine classification of goods and the low budget shares that come as a result of this level of disaggregation. Also, a trade-off existed between the frequency of the data and the degree of censoring. Although more information can be gained from a finer classification of goods and a higher degree of frequency, the results become less stable and are more heavily influenced by low budget share and censoring problems.

Results across the various models were robust and exhibited significant ownprice and cross-price relationships for all nonalcoholic beverages considered. A few of the key results are as follows. Milk was one of the most price sensitive beverages studied in the complex and was most likely to be substituted for by carbonated soft drinks and juices and fruit drinks. Bottled water had four key economic substitutes; reduced fat milk, regular carbonated soft drinks, coffee, and tea. One key complementary relationship found among the beverages studied was that orange and apple juice were complements for each other. Fruit drinks and powdered soft drinks were also shown to be complements.

Price elasticities by selected demographic groups also were investigated. Results indicated that households below the 130% poverty level were more likely to substitute powdered soft drinks for milk than households that were above the 130% poverty level. These households below 130% of poverty status were also more price sensitive for powdered soft drinks, bottled water, and tea when compared to households above 130% poverty level. Households in the West were more price sensitive for bottled water than other regions. Central region households were less sensitive to the price of juices and fruit drinks compared to other regions. Black households were extremely price sensitive

to milk and are most willing to substitute away from milk with juices and fruit drinks or bottled water. Black households were not very price sensitive for powdered soft drinks or carbonated soft drinks when compared to White or Oriental and other race households. Lastly, households with children present were less own-price sensitive to juices and fruit drinks and more price sensitive to milk prices when compared to households that did not have children.

#### **Recommendations for Future Analysis**

There are several limitations related to this study. This research was not able to study the factors affecting the consumption of the selected nonalcoholic beverages in the away-from-home market due to two major reasons. First, data on away-from-home consumption with linked demographic variables are not generally available for such research. Data available for this study are mainly focused on at-home consumption and do not fully reflect complete consumption patterns. Second, available price series are limited to commodities and products consumed in the at-home market.

Despite the limitations, this study is a genuine addition to the literature in terms of investigating the key demographic and economic factors affecting the consumption of at-home nonalcoholic beverages. The analysis dealt with several beverage types that have not typically been included in past studies concerning beverages. This investigation was possible due to the unique micro-level data obtained from ACNielsen. The inclusion of the nutrient analysis with the economic analysis is unique. Many previous studies have justified their research in terms of nutrition without looking into actual nutrient intake levels and patterns. These studies sought to identify the demographics related to the consumption of specific beverages and identify which beverages are displacing "healthy" beverages. This work breaks down the nutrient intake by demographic characteristics and determines the beverages most responsible for that nutrient intake.

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# **APPENDIX A**

# INTERNATIONAL DAIRY FOOD ASSOCIATION – DAIRY

# **STUDIES SUMMARY**

| Source                               | Time Period   | Type Of Data       | Type Of Data Methodology         |                | Income<br>Elasticity          |
|--------------------------------------|---------------|--------------------|----------------------------------|----------------|-------------------------------|
| Fluid Milk Products (Aggregate)      | United States |                    |                                  |                |                               |
| Rojko (1957, 1958)                   | 1924-1941     | Annual Time-Series | Simultaneous-Equation<br>Model   | -0.35 To -0.77 | 0.17 To 0.27                  |
| Rojko (1957, 1958)                   | 1924-1941     | Annual Time-Series | Single-Equation                  | -0.22 To -0.27 | 0.10                          |
| Rojko (1957, 1958)                   | 1947-1954     | Annual Time-Series | Simultaneous-Equation<br>Model   | -0.32 To -0.47 | 0.27 To 0.41                  |
| Brandow (1961)                       | ?             | Annual Time-Series | Demand SystemDerived             | -0.285         | 0.16                          |
| Wilson and Thompson (1967)           | 1947-1963     | Annual Time-Series | Simultaneous-Equation<br>Model   | -0.31          | 0.34                          |
| George and King (1971)               | ?             | Annual Time-Series | Demand SystemDerived             | -0.35          | 0.38                          |
| Prato (1973)                         | 1950-1968     | Annual Time-Series | Simultaneous-Equation<br>Model   | -0.105         | ?                             |
| Boehm (1975)                         | 1972/1973     | MRCACross Section  | Single Equation                  | -1.63          | 0.05                          |
| Boehm (1975)                         | 1972/1973     | MRCATime Series    | Multi-Equation SUR               | -0.14          | NA                            |
| Thraen, Hammond, Buxton<br>(1978)    | 1972/1973     | MRCA               | Single Equation                  | -0.88          | 0.12                          |
| Robinson and Babb (1979)             | 1950-1976     | Annual Time-Series | Single Equation                  | -0.28          | ?                             |
| Salathe (1979)                       | 1972/1973     | CES                | Single Equation                  | NA             | 0.031 (1972);<br>0.082 (1973) |
| Buse/Fleischner (1982)               | 1977-78       | 1977-78 NFCS       | Single Equation                  | NA             | 0.048                         |
| Heien (1982)                         | 1947-1979     | Annual Time-Series | Almost Complete Demand<br>System | -0.539         | -0.55                         |
| Blaylock and Smallwood (1983)        | 1977-78       | 1977-78 NFCS       | Single Equation                  | NA             | -0.009                        |
| Huang (1985)                         | 1953-1983     | Annual Time-Series | Complete Demand System           | -0.259         | -0.221                        |
| Blaylock and Smallwood (1986)        | ?             | CCES               | Single Equation                  | NA             | 0.021                         |
| Haidacher, Blaylock, Myers<br>(1988) | ?             | ?                  | ?                                | ?              | 0.02                          |
| Heien/Wessels (1988)                 | 1977-78       | 1977-78 NFCS       | Demand SystemAIDS                | -0.63          | 0.77                          |
| Cox, Lewis, Selenski (1992)          | ?             | ?                  | ?                                | -0.14 To -0.42 | ?                             |

# A-1. International Dairy Food Association Dairy Studies

| Source                              | Time Period           | Type Of Data                            | Methodology                   | Own-Price<br>Elasticity | Income<br>Elasticity |
|-------------------------------------|-----------------------|---|-------------------------------|-------------------------|----------------------|
| Huang (1993)                        | ?                     | Annual Time-Series                      | Complete Demand System        | -0.13                   | ?                    |
| Kaiser (1995)                       | 1975-1993             | Quarterly Time-Series                   | Single Equation               | -0.041                  | 0.27                 |
| Xiao,Kinnucan, and Kaiser<br>(1998) | 1970-1994             | Annual Time-Series                      | Demand System<br>Rotterdam    | -0.1922                 | 0.0844               |
| Schmit et al. (2001)                | 1/1996 To 12/1999     | A.C. Nielsen Homescan<br>Panel          | Heckman Two-Step<br>Procedure | -0.173                  | 0.013                |
| Kaiser (2002)                       | 1975-2001             | Quarterly Time-Series                   | Single Equation               | -0.136                  | 0.645                |
| White MilkUnited States             |                       |   |                               |                         |                      |
| Maynard and Liu (1999)              | 11/1996 To<br>10/1998 | Weekly Scanner Data<br>A.C. Nielsen     | Demand System—<br>LA/AIDS     | -0.63                   | Not Reported         |
| Maynard and Liu (1999)              | 11/1996 To<br>10/1998 | Weekly Scanner Data<br>A.C. Nielsen     | Demand SystemNBRr             | -0.78                   | Not Reported         |
| Maynard and Liu (1999)              | 11/1996 To<br>10/1998 | Weekly Scanner Data<br>A.C. Nielsen     | Demand SystemDouble<br>Log    | -0.54                   | Not Reported         |
| Flavored MilkUnited States          |                       |   |                               |                         |                      |
| Maynard and Liu (1999)              | 11/1996 To<br>10/1998 | Weekly Scanner Data<br>A.C. Nielsen     | Demand System—<br>LA/AIDS     | -1.4                    | Not Reported         |
| Maynard and Liu (1999)              | 11/1996 To<br>10/1998 | Weekly Scanner Data<br>A.C. Nielsen     | Demand SystemNBR              | -1.47                   | Not Reported         |
| Maynard and Liu (1999)              | 11/1996 To<br>10/1998 | Weekly Scanner Data<br>A.C. Nielsen Log |                               | -1.41                   | Not Reported         |
| Whole MilkUnited States             |                       |   |                               |                         |                      |
| Boehm (1975)                        | 1972/1973             | MRCACross Section                       | Single Equation               | -1.7                    | -0.07                |
| Boehm (1975)                        | 1972/1973             | MRCATime Series                         | Multi-Equation SUR            | -0.37                   | NA                   |
| Boehm and Babb (1975)               | 1975                  | Weekly Household Diaries                | 1                             | -1.66                   | 1                    |
| Salathe (1979)                      | 1972/1973             | CES                                     | Single Equation               | NA                      | -0.096 (1972); -     |

| Source                              | Time Period       | Type Of Data                                 | Methodology                       | Own-Price<br>Elasticity   | Income<br>Elasticity<br>0.043 (1973)      |
|-------------------------------------|-------------------|--|-----------------------------------|---------------------------|---|
| Blaylock and Smallwood (1983)       | 1977-78           | 1977-78 NFCS                                 | ?                                 | NA                        | -0.134                                    |
| Huang and Raunikar (1983)           | 1977-78           | 1977-78 NFCS                                 | Single-Equation Tobit             | NA                        | Negative but<br>magnitude not<br>reported |
| Gould, Cox, and Perali (1990)       | 1955 To 1985      | Annual Time-Series                           | Demand System<br>LA/AIDS          | -0.324                    | 0.658                                     |
| Blaylock and Smallwood (1993)       | ?                 | ?  | Single-Equation Tobit             | NA                        | -0.063 To -0.134                          |
| Cornick, Cox, and Gould (1994)      | 3/1991 To 3/1992  | Nielsen Marketing<br>Research Consumer Panel | Multivariate Tobit<br>Analysis    | NA                        | -0.078 To -0.171                          |
| Gould (1996)                        | 3/1991 To 3/1992  | Nielsen Marketing<br>Research Consumer Panel | Demand SystemIndirect<br>Translog | -0.803                    | 1.006                                     |
| Maynard (1999)                      | 3/1996 To 6/1998  | Weekly Scanner Data<br>A.C. Nielsen          | Demand System<br>LA/AIDS          | -0.33 To -0.56            | 0.3 To 1.23                               |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -0.726 (Branded)          | 1.162Branded                              |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -0.659 (Private<br>Label) | 1.003Private<br>Label                     |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -3.637 (Organic)          | -5.73Organic                              |
| Schmit et al. (2001)                | 1/1996 To 12/1999 | A.C. Nielsen Homescan<br>Panel               | Heckman Two-Step<br>Procedure     | -0.772                    | -0.204                                    |
| Capps, Pittman, and Nyman<br>(2002) | 1970 To 1999      | Annual Time-Series                           | Ridge Regression                  | -0.107 To -0.229          | -0.2284                                   |
| Lowfat MilkUnited States            |                   |  |                                   |                           |   |
| Salathe (1979)                      | 1972/1973         | CES  | Single Equation                   | NA                        | 0.360 (1972);<br>0.384 (1973)             |
| Blaylock and Smallwood (1983)       | 1977-78           | 1977-78 NFCS                                 | ?                                 | NA                        | 0.264                                     |
| Huang and Raunikar (1983)           | 1977-78           | 1977-78 NFCS                                 | Single-Equation Tobit             | NA                        | 0.280 To 0.429                            |
| Gould, Cox, and Perali (1990)       | 1955 To 1985      | Annual Time-Series                           | Demand System<br>LA/AIDS          | -0.437                    | 0.062                                     |

| Source                              | Time Period       | Type Of Data  | Methodology                       | Own-Price<br>Elasticity   | Income<br>Elasticity  |
|-------------------------------------|-------------------|---|-----------------------------------|---------------------------|-----------------------|
| Blaylock and Smallwood (1993)       | ?                 | ?   | Single-Equation Tobit             | NA                        | 0.079 To 0.264        |
| Cornick, Cox, and Gould (1994)      | 3/1991 To 3/1992  | Nielsen Marketing<br>Research Consumer Panel                                    | Multivariate Tobit<br>Analysis    | NA                        | 0.007 To 0.021        |
| Schmit et al. (2001)Reduced Fat     | 1/1996 To 12/1999 | A.C. Nielsen Homescan<br>Panel  | Heckman Two-Step<br>Procedure     | -0.657                    | -0.039                |
| Schmit et al. (2001)Light           | 1/1996 To 12/1999 | A.C. Nielsen Homescan<br>Panel  | Heckman Two-Step<br>Procedure     | -0.535                    | 0.179                 |
| Capps, Pittman, and Nyman<br>(2002) | 1970 To 1999      | Annual Time-Series  | Ridge Regression                  | -0.362 To -0.408          | 0.3532                |
| 2% MilkUnited States                |                   |   |                                   |                           |                       |
| Boehm (1975)                        | 1972/1973         | MRCACross Section   | Single Equation                   | -1.33                     | 0.16                  |
| Boehm (1975)                        | 1972/1973         | MRCATime Series   | Multi-Equation SUR                | -0.55                     | NA                    |
| Boehm and Babb (1975)               | 1975              | Weekly Household Diaries  | Single Equation                   | -1.33                     | 1                     |
| Gould (1996)                        | 3/1991 To 3/1992  | Nielsen Marketing<br>Research Consumer Panel                                    | Demand SystemIndirect<br>Translog | -0.512                    | 1.009                 |
| Maynard (1999)                      | 3/1996 To 6/1998  | Weekly Scanner Data<br>A.C. Nielsen   | Weekly Scanner Data Demand System |                           | 0.29 To 1.48          |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data                                     | Demand System<br>LA/AIDS          | -1.302 (Branded)          | 1.138Branded          |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data                                     | Demand System<br>LA/AIDS          | -0.832 (Private<br>Label) | 0.975Private<br>Label |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data                                     | Demand System<br>LA/AIDS          | -7.374 (Organic)          | -2.836Organic         |
| 1% MilkUnited States                |                   |   |                                   |                           |                       |
| Boehm And Babb (1975)               | 1975              | Weekly Household Diaries  | Single Equation                   | -0.83                     | 1                     |
| Gould (1996)                        | 3/1991 To 3/1992  | 992 Nielsen Marketing Demand SystemIndirect<br>Research Consumer Panel Translog |                                   | -0.593                    | 0.983                 |
| Maynard (1999)                      | 3/1996 To 6/1998  | Weekly Scanner Data<br>A.C. Nielsen   | Demand System<br>LA/AIDS          | -0.15 To -0.74            | 0.85 To 1.48          |

| Source                              | Time Period       | Type Of Data                                 | Methodology                       | Own-Price<br>Elasticity   | Income<br>Elasticity  |
|-------------------------------------|-------------------|--|-----------------------------------|---------------------------|-----------------------|
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -0.884 (Branded)          | 0.609Branded          |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -2.106 (Private<br>Label) | 1.596Private<br>Label |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -9.733 (Organic)          | -8.678Organic         |
| Skim MilkUnited States              |                   |  |                                   |                           |                       |
| Boehm and Babb (1975)               | 1975              | Weekly Household Diaries                     | Single Equation                   | -1.82                     | 1                     |
| Cornick, Cox, and Gould (1994)      | 3/1991 To 3/1992  | Nielsen Marketing<br>Research Consumer Panel | Multivariate Tobit<br>Analysis    | NA                        | 0.103 To 0.209        |
| Gould (1996)                        | 3/1991 To 3/1992  | Nielsen Marketing<br>Research Consumer Panel | Demand SystemIndirect<br>Translog | -0.593                    | 0.983                 |
| Maynard (1999)                      | 3/1996 To 6/1998  | Weekly Scanner Data<br>A.C. Nielsen          | Demand System<br>LA/AIDS          | -0.08 To -0.81            | 1.11 To 1.55          |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -0.808 (Branded)          | 0.922Branded          |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -0.728 (Private<br>Label) | 1.173Private<br>Label |
| Glaser and Thompson (2000)          | 4/1988 To 12/1999 | Weekly IRI And A.C.<br>Nielsen Scanner Data  | Demand System<br>LA/AIDS          | -3.668 (Organic)          | -2.807Organic         |
| Schmit et al (2001)                 | 1/1996 To 12/1999 | A.C. Nielsen Homescan<br>Panel               | Heckman Two-Step<br>Procedure     | -0.529                    | 0.203                 |
| Capps, Pittman, and Nyman<br>(2002) | 1970 To 1999      | Annual Time-Series                           | Ridge Regression                  | -0.105 To -0.202          | 0.5518                |
| Butter MilkUnited States            |                   |  |                                   |                           |                       |
| Boehm (1975)                        | 1972/1973         | MRCACross Section                            | Single Equation                   | -1.52                     | -0.17                 |
| Boehm (1975)                        | 1972/1973         | MRCATime Series                              | Multi-Equation SUR                | -1.77                     | NA                    |

| Source   | Time Period      | Type Of Data                        | Methodology  | Own-Price<br>Elasticity | Income<br>Elasticity |  |  |  |
|--|------------------|-------------------------------------|--------------|-------------------------|----------------------|--|--|--|
| Fluid Milk Products (Unspecified)United States |                  |                                     |              |                         |                      |  |  |  |
| Sixteen Refrigerated Milk Proc                 |                  |                                     |              |                         |                      |  |  |  |
| Hall (1997)                                    | 8/1995 To 8/1997 | Weekly Scanner Data<br>A.C. Nielsen | Not Reported | -0.32 To -0.76          | Not Reported         |  |  |  |

# **APPENDIX B**

# **POVERTY GUIDELINES**

| B-1. Poverty Thresholds in 1999 | 9, by Size of Family and Number of Re | elated Children Under 18 Years |
|---------------------------------|---------------------------------------|--------------------------------|
|                                 |                                       |                                |

|                                   | Weighted             |        |        | R      | Related Ch | ildren Und | ler 18 Year | rs     |        |                     |
|-----------------------------------|----------------------|--------|--------|--------|------------|------------|-------------|--------|--------|---------------------|
| Size of family unit               | Average<br>Threshold | None   | One    | Two    | Three      | Four       | Five        | Six    | Seven  | Eight<br>or<br>more |
| One person (unrelated individual) | 8,501                |        |        |        |            |            |             |        |        |                     |
| Under 65 years                    | 8,667                | 8,667  |        |        |            |            |             |        |        |                     |
| 65 years and over                 | 7,990                | 7,990  |        |        |            |            |             |        |        |                     |
| Two people                        | 10,869               |        |        |        |            |            |             |        |        |                     |
| Householder under 65 years        | 11,214               | 11,156 | 11,483 |        |            |            |             |        |        |                     |
| Householder 65 years and older    | 10,075               | 10,070 | 11,440 |        |            |            |             |        |        |                     |
| Three people                      | 13,290               | 13,032 | 13,410 | 13,423 |            |            |             |        |        |                     |
| Four people                       | 17,029               | 17,184 | 17,465 | 16,895 | 16,954     |            |             |        |        |                     |
| Five people                       | 20,127               | 20,723 | 21,024 | 20,380 | 19,882     | 19,578     |             |        |        |                     |
| Six people                        | 22,727               | 23,835 | 23,930 | 23,436 | 22,964     | 22,261     | 21,845      |        |        |                     |
| Seven people                      | 25,912               | 27,425 | 27,596 | 27,006 | 26,595     | 25,828     | 24,934      | 23,953 |        |                     |
| Eight people                      | 28,967               | 30,673 | 30,944 | 30,387 | 29,899     | 29,206     | 28,327      | 27,412 | 27,180 |                     |
| Nine people or more               | 34,417               | 36,897 | 37,076 | 36,583 | 36,169     | 35,489     | 34,554      | 33,708 | 33,499 | 32,208              |

Source: U.S. Bureau of the Census, Current Population Survey http://www.census.gov/hhes/poverty/threshld/thresh99.html

# **APPENDIX C**

# CONVERSIONS FOR BEVERAGES NOT GIVEN IN LIQUID

# MEASURES

# C-1. Conversions for Beverages Not Given in Liquid Ounces

# **FROZEN JUICES**

LIQUID OUNCES --- concentrated frozen juices

These modules are concentrated 12 ounces and make 48 ounces of beverage size divided by 128000 and then multiplied by 4 to make gallon units

(size/128000)\*mult\*quant\*4 = gallons

| used for | module | DESCRIPTION                       |
|----------|--------|-----------------------------------|
|          | 2663   | FRUIT JUICE - GRAPEFRUIT - FROZEN |
|          | 2666   | FRUIT JUICE - APPLE - FROZEN      |
|          | 2667   | FRUIT JUICE - ORANGE - FROZEN     |
|          | 2668   | FRUIT JUICE - GRAPE - FROZEN      |
|          | 2669   | FRUIT DRINKS - ORANGE - FROZEN    |
|          | 2670   | FRUIT DRINKS & MIXES - FROZEN     |
|          | 2674   | FRUIT JUICE - REMAINING - FROZEN  |

LIQUID OUNCES --- unconcentrated frozen juices

(size/12000)\*mult\*quant = gallons

| used for | module | DESCRIPTION                           |
|----------|--------|---------------------------------------|
|          | 2662   | FRUIT JUICE - UNCONCENTRATED - FROZEN |

#### MLQU --- powdered soft drinks

MLQU size indicates the number of quarts the mix will make followed by 3 zeros (size/ 4000)\*mult\*quant=gallons

| used for | module | DESCRIPTION          |
|----------|--------|----------------------|
|          | 1050   | soft drinks powdered |

# TEA

#### COUNT --- TEA BAGS

16 bags = 1gallon (size/16000)\*mult\*quant = gallons

| used for | module | DESCRIPTION     |
|----------|--------|-----------------|
|          | 1456   | tea herbal bags |
|          | 1458   | tea bags        |

### DRY OUNCES --- PACKAGED

(size/16000)\*(1200/128)\*mult\*quant= gallons

| used for | module | DESCRIPTION  |
|----------|--------|--------------|
|          | 1457   | tea packaged |

### TEA MIXES

| used for | module | DESCRIPTION |
|----------|--------|-------------|
|          | 1459   | tea mixes   |

### TEA INSTANT

(size/16000)\*(1200/128)\*mult\*quant= gallons

| used for | module | DESCRIPTION |
|----------|--------|-------------|
|          | 1460   | tea instant |

# COFFEE

#### **GROUND COFFEE**

(size/16000)\*(360/128)\*mult\*quant = gallons

| used for | module | DESCRIPTION   |
|----------|--------|---------------|
|          | 1463   | coffee ground |

#### SOLUBLE COFFEE

(size/16000)\*(1125/128)\*mult\*quant = gallons

| used for | module | DESCRIPTION                     |
|----------|--------|---------------------------------|
|          | 1464   | coffee soluble flavored instant |
|          | 1465   | coffee soluble instant          |

\*Conversion formulas obtained through Economic Research Service and ACNielsen

# **APPENDIX D**

# NUTRIENT CONVERSIONS

# **D-1.** Nutrient Conversion Values

| ID # | Beverage Category                 | Calories<br>(Kcal) | Calcium<br>(Mg) | Vitamin C<br>(Mg) | Caffeine<br>(Mg) |
|------|-----------------------------------|--------------------|-----------------|-------------------|------------------|
|      |                                   | Per Gallon         | Per Gallon      | Per Gallon        | Per Gallon       |
| 2    | Rtd Fruit Juices Not Frozen       | 2083               | 416             | 723               | 0                |
| 3    | Apple Juice Not Frozen            | 1872               | 272             | 32                | 0                |
| 4    | Orange Juice Not Frozen           | 1744               | 384             | 1557              | 0                |
| 5    | Other Fruit Juices Not Frozen     | 2304               | 128             | 1440              | 0                |
| 18   | Rtd Fruit Drinks                  | 1892               | 236             | 1316              | 0                |
| 21   | Isotonics                         | 800                | 0               | 0                 | 0                |
| 24   | Powdered Soft Drinks              | 1792               | 464             | 544               | 0                |
| 25   | Vegetable Juices And Drinks       | 696                | 392             | 888               | 0                |
| 23   | Tea                               | 32                 | 0               | 0                 | 368              |
| 29   | TeaRegular                        | 32                 | 0               | 0                 | 480              |
| 30   | TeaDecaffeinated                  | 43                 | 0               | 0                 | 43               |
| 36   | Coffee                            | 85                 | 85              | 0                 | 1289             |
| 38   | CoffeeRegular                     | 85                 | 85              | 0                 | 1704             |
| 39   | CoffeeDecaffeinated               | 85                 | 85              | 0                 | 43               |
| 45   | Carbonated Soft Drinks            | 827                | 139             | 0                 | 397              |
| 47   | Carbonated Soft DrinksRegular     | 1623               | 128             | 0                 | 395              |
| 49   | Carbonated Soft DrinksLow Calorie | 32                 | 149             | 0                 | 400              |
| 50   | Bottled Water                     | 0                  | 0               | 0                 | 0                |
| 51   | Milk—Flavored + Unflavored        | 2382               | 4648            | 32                | 52               |
| 52   | Flavored Milk                     | 2928               | 4536            | 32                | 104              |
| 53   | Unflavored Milk                   | 1836               | 4760            | 32                | 0                |
| 54   | Flavored Milk-Lowfat              | 2528               | 4592            | 32                | 104              |
| 56   | Flavored Milk-Whole               | 3328               | 4480            | 32                | 104              |
| 61   | Unflavored MilkWhole              | 2400               | 4656            | 32                | 0                |
| 62   | Unflavored Milk2%                 | 1936               | 4752            | 32                | 0                |
| 63   | Unflavored Milk1%                 | 1632               | 4800            | 32                | 0                |
| 64   | Unflavored MilkSkim               | 1376               | 4832            | 32                | 0                |
| 67   | Fruit Juices Frozen               | 2080               | 416             | 720               | 0                |
| 68   | Frozen Fruit Drinks               | 1888               | 240             | 1312              | 16               |
| 69   | Other Fruit Juices Frozen         | 1616               | 320             | 1328              | 0                |
| 72   | Apple Juice Frozen                | 1872               | 272             | 32                | 0                |
| 73   | Orange Juice Frozen               | 1792               | 352             | 1552              | 0                |

Source: Nutritive Value Of Foods, U.S. Department Of Agriculture, Agricultural Research Service, Nutrient Data Laboratory, Beltsville, MD.

# **APPENDIX E**

# **PROBIT RESULTS – BEVERAGE BY BEVERAGE**

Each page gives the probit output for a beverage. The parameters and marginal effects associated with the demographic categories are given. Lastly, Joint F-Tests are given on each grouping of demographics. The abbreviations are as follows for the F-Tests.

- HH Household Size
- AG Age of household head
- PC Presence of children
- EM Employment status of household head
- ED Education obtained by household head
- RC Race of household
- HP Hispanic origin
- RG Region
- PV 130 % Poverty status

Beverage #1. Whole Fat - Flavored and Unflavored Milk

Number of positive obs. = 3157 Mean of dep. var. = .552406 Sum of squared residuals = 1323.09 R-squared = .063666 Kullback-Leibler R-sq = .048084 Log likelihood = -3740.92

| ROBIT PARAMETERS | 5        | 5    | Standard |       |                |         |
|------------------|----------|------|----------|-------|----------------|---------|
| Parameter        | Estimate |      | Error    |       | t-statistic    | P-value |
| С                | .359937  |      | .263588  |       | 1.36553        | [.172]  |
| HS2              | .101045  |      | .048049  |       | 2.10295        | [.035]  |
| HS3              | .222366  |      | .064864  |       | 3.42816        | [.001]  |
| HS4              | .214839  |      | .075146  |       | 2.85896        | [.004]  |
| HSP5             | .408834  |      | .088557  |       | 4.61662        | [.000]  |
| AGE2539          | .112469  |      | .236373  |       | .475810        | [.634]  |
| AGE4049          | 018134   |      | .235799  |       | 076906         | [.939]  |
| AGE5065          | 051285   |      | .235500  |       | 217772         | [.828]  |
| AGE65PLUS        | 132489   |      | .239371  |       | 553490         | [.580]  |
| AGEPCCHILD       | .131262  |      | .060524  |       | 2.16874        | [.030]  |
| EMPPARTTIME      | 126810   |      | .052047  |       | -2.43647       | [.015]  |
| EMPFULLTIME      | 085150   |      | .045081  |       | -1.88884       | [.059]  |
| EDUHIGHSCHOOL    | 022739   |      | .106759  |       | 212996         | [.831]  |
| EDUSOMECOLLEGE   | 221908   |      | .105024  |       | -2.11293       | [.035]  |
| EDUCOLLEGEPLUS   | 403762   |      | .105281  |       | -3.83509       | [.000]  |
| BLACK            | .416195  |      | .062850  |       | 6.62200        | [.000]  |
| ORIENTAL         | .102525  |      | .174506  |       | .587515        | [.557]  |
| OTHER            | .177360  |      | .095807  |       | 1.85123        | [.064]  |
| HISPYES          | .141619  |      | .084143  |       | 1.68307        | [.092]  |
| CENTRAL          | 216041   |      | .050168  |       | -4.30637       | [.000]  |
| SOUTH            | 052497   |      | .047319  |       | -1.10942       | [.267]  |
| WEST             | 383704   |      | .053933  |       | -7.11452       | [.000]  |
| POV130           | .175881  |      | .084276  |       | 2.08696        | [.037]  |
| Standard Errors  | computed | from | analytic | secor | nd derivatives | (Newton |
|                  |          |      | dI       | P/dX  |                |         |
| MARGINAL EFFECTS | 3        | 0    |          | 1     |                |         |
| C                | -0.13    | 497  | 0.13     | 3497  |                |         |
| HS2              | -0.037   | 891  | 0.037    | 7891  |                |         |
| HS3              | -0.083   | 385  | 0.083    | 3385  |                |         |
| HS4              | -0.080   | 562  | 0.080    | 1560  |                |         |

| HS2        | -0.               | 037891   | 0.037891   |                  |
|------------|-------------------|----------|------------|------------------|
| HS3        | -0.               | 083385   | 0.083385   |                  |
| HS4        | -0.               | 080562   | 0.080562   |                  |
| HSP5       | -0                | .15331   | 0.15331    |                  |
| AGE2539    | -0.               | 042175   | 0.042175   |                  |
| AGE4049    | 0.0               | 068002   | -0.0068002 |                  |
| AGE5065    | 0.0               | 019231   | -0.019231  |                  |
| AGE65PLUS  | 0.0               | 049682   | -0.049682  |                  |
| AGEPCCHILD | -0.               | 049222   | 0.049222   |                  |
| EMPPARTTIM | E 0.0             | 047552   | -0.047552  |                  |
| EMPFULLTIM | E 0.0             | 031930   | -0.031930  |                  |
| EDUHIGHSCH | OOL 0.0           | 085269   | -0.0085269 |                  |
| EDUSOMECOL | LEGE 0.           | 083213   | -0.083213  |                  |
| EDUCOLLEGE | PLUS 0            | .15141   | -0.15141   |                  |
| BLACK      | - 0               | .15607   | 0.15607    |                  |
| ORIENTAL   | -0.               | 038446   | 0.038446   |                  |
| OTHER      |                   | 066508   | 0.066508   |                  |
| HISPYES    |                   | 053105   | 0.053105   |                  |
| CENTRAL    |                   | 081013   | -0.081013  |                  |
| SOUTH      |                   | 019686   | -0.019686  |                  |
| WEST       |                   | .14388   | -0.14388   |                  |
| POV130     | -0.0              | 065953   | 0.065953   |                  |
|            |                   |          |            |                  |
| JOINT F-TE |                   | Standard |            |                  |
| Parameter  |                   | Error    |            |                  |
| HH         | .947084<br>089440 | .225058  |            | [.000]<br>[.924] |
| AG         | 089440<br>.131262 |          |            |                  |
| PC<br>EM   | 211961            | .060524  |            | [.030]<br>[.012] |
| ED         | 648409            | .307529  |            | [.012]           |
| ED<br>RC   | 648409<br>.696080 | .307529  |            | [.035]           |
| HP         | .141619           | .084143  |            | [.001]           |
|            | 652242            | .125953  |            |                  |
| RG<br>PV   | 652242<br>.175881 | .125953  |            | [.000]<br>[.037] |
| r v        | . 1 7 0 0 1       | .0042/0  | 2.00090    | [.03/]           |

#### Beverage #2. Reduced Fat - Flavored and Unflavored Milk

Number of observations = 5715 Number of positive obs. = 5210 Mean of dep. var. = .911636 Sum of squared residuals = 437.270

R-squared = .050304 Kullback-Leibler R-sq = .075420 Log likelihood = -1578.51

| PROBIT PARAMETER |          | 2    | Standard |                    |          |  |
|------------------|----------|------|----------|--------------------|----------|--|
| Parameter        | Estimate |      | Error    | t-statistic        | P-value  |  |
| C                | .584821  |      | .330565  | 1.76916            | [.077]   |  |
| HS2              | .290180  |      | .065815  | 4.40902            | [.000]   |  |
| HS3              | .178592  |      | .088974  | 2.00724            | [.045]   |  |
| HS4              | .254653  |      | .106728  | 2.38601            | [.017]   |  |
| HSP5             | .130444  |      | .121627  | 1.07249            | [.284]   |  |
| AGE2539          | .231582  |      | .298935  | .774692            | [.439]   |  |
| AGE4049          | .281044  |      | .298621  | .941140            | [.347]   |  |
| AGE5065          | .412831  |      | .298790  | 1.38167            | [.167]   |  |
| AGE65PLUS        | .328803  |      | .304416  | 1.08011            | [.280]   |  |
| AGEPCCHILD       | .237697  |      | .086694  | 2.74181            | [.006]   |  |
| EMPPARTTIME      | .174506  |      | .081389  | 2.14411            | [.032]   |  |
| EMPFULLTIME      | 075244   |      | .065124  | -1.15539           | [.248]   |  |
| EDUHIGHSCHOOL    | .214888  |      | .126157  | 1.70333            | [.089]   |  |
| EDUSOMECOLLEGE   | .294659  |      | .124553  | 2.36574            | [.018]   |  |
| EDUCOLLEGEPLUS   | .449368  |      | .126010  | 3.56613            | [.000]   |  |
| BLACK            | 623329   |      | .070304  | -8.86620           | [.000]   |  |
| ORIENTAL         | 099411   |      | .241774  | 411174             | [.681]   |  |
| OTHER            | 290306   |      | .118485  | -2.45015           | [.014]   |  |
| HISPYES          | 256261   |      | .107045  | -2.39395           | [.017]   |  |
| CENTRAL          | .291429  |      | .078015  | 3.73558            | [.000]   |  |
| SOUTH            | 118372   |      | .064905  | -1.82378           | [.068]   |  |
| WEST             | .100066  |      | .078339  | 1.27735            | [.201]   |  |
| POV130           | 461485   |      | .096598  | -4.77739           | [.000]   |  |
| Standard Errors  | computed | from | analytic | second derivatives | (Newton) |  |
|                  | -        |      | -        |                    |          |  |

| MARGINAL EF | FECTS    | 0         | dP/dX<br>1 |          |         |
|-------------|----------|-----------|------------|----------|---------|
| C           |          | -0.086764 | 0.086764   |          |         |
| HS2         |          | -0.043051 | 0.043051   |          |         |
| HS3         |          | -0.026496 | 0.026496   |          |         |
| HS4         |          | -0.037780 | 0.037780   |          |         |
| HSP5        |          | -0.019353 | 0.019353   |          |         |
| AGE2539     |          | -0.034358 | 0.034358   |          |         |
| AGE4049     |          | -0.041696 | 0.041696   |          |         |
| AGE5065     |          | -0.061248 | 0.061248   |          |         |
| AGE65PLUS   |          | -0.048781 | 0.048781   |          |         |
| AGEPCCHILD  |          | -0.035265 | 0.035265   |          |         |
| EMPPARTTIM  |          | -0.025890 | 0.025890   |          |         |
| EMPFULLTIM  |          | 0.011163  | -0.011163  |          |         |
| EDUHIGHSCH  |          | -0.031881 | 0.031881   |          |         |
| EDUSOMECOL  |          | -0.043716 | 0.043716   |          |         |
| EDUCOLLEGE  | PLUS     | -0.066668 | 0.066668   |          |         |
| BLACK       |          | 0.092477  | -0.092477  |          |         |
| ORIENTAL    |          | 0.014749  | -0.014749  |          |         |
| OTHER       |          | 0.043070  | -0.043070  |          |         |
| HISPYES     |          | 0.038019  | -0.038019  |          |         |
| CENTRAL     |          | -0.043236 | 0.043236   |          |         |
| SOUTH       |          | 0.017562  | -0.017562  |          |         |
| WEST        |          | -0.014846 | 0.014846   |          |         |
| POV130      |          | 0.068466  | -0.068466  |          |         |
| JOINT F-TES | TS       | Standard  |            |          |         |
| Parameter   | Estimate | e Error   | t-st       | tatistic | P-value |
| HH          | .853869  | .305259   | 2.79       | 9720     | [.005]  |
| AG          | 1.25426  | 1.18404   |            | 5931     | [.289]  |
| PC          | .237697  | .086694   | 2.74       | 4181     | [.006]  |
| EM          | .099263  | .126393   |            | 5352     | [.432]  |
| ED          | .958915  | .360073   |            | 6311     | [.008]  |
| RC          | -1.01305 |           |            | 49567    | [.000]  |
| HP          | 256261   |           |            | 39395    | [.017]  |
| RG          | .273123  | .180903   |            | 0978     | [.131]  |
| PV          | 461485   | .096598   | -4.5       | 77739    | [.000]  |

# Beverage #3. Carbonated Soft Drinks - Regular

Number of observations = 5715 Number of positive obs. = 5419 Mean of dep. var. = .948206 Sum of squared residuals = 263.749 R-squared = .060331 Kullback-Leibler R-sq = .124313 Log likelihood = -1019.74

| PROBIT PARAMETER | RS              | Standard     |                  |              |
|------------------|-----------------|--------------|------------------|--------------|
| Parameter        | Estimate        | Error        | t-statistic      | P-value      |
| C                | 1.02135         | .444894      | 2.29571          | [.022]       |
| HS2              | .564593         | .068367      | 8.25822          | [.000]       |
| HS3              | .965331         | .128614      | 7.50563          | [.000]       |
| HS4              | 1.05603         | .167984      | 6.28651          | [.000]       |
| HSP5             | 1.15138         | .226163      | 5.09091          | [.000]       |
| AGE2539          | .608724         | .376537      | 1.61664          | [.106]       |
| AGE4049          | .371942         | .372205      | .999293          | [.318]       |
| AGE5065          | .254085         | .369740      | .687200          | [.492]       |
| AGE65PLUS        | .256906         | .376465      | .682418          | [.495]       |
| AGEPCCHILD       | .050142         | .142018      | .353070          | [.724]       |
| EMPPARTTIME      | .103678         | .098661      | 1.05085          | [.293]       |
| EMPFULLTIME      | 556992E-02      | .082233      | 067733           | [.295]       |
| EDUHIGHSCHOOL    | 216362          | .239245      | 904354           | [.366]       |
| EDUSOMECOLLEGE   | 346207          | .235212      | -1.47189         | [.141]       |
| EDUCOLLEGEPLUS   | 520054          | .234792      | -2.21495         | [.027]       |
| BLACK            | .473962         | .138836      | 3.41384          | [.027]       |
|                  |                 |              |                  |              |
| ORIENTAL         | 118725          | .298107      | 398262           | [.690]       |
| OTHER            | .129693         | .200986      | .645284          | [.519]       |
| HISPYES          | .314943         | .208602      | 1.50978          | [.131]       |
| CENTRAL          | .133117         | .087126      | 1.52788          | [.127]       |
| SOUTH            | .114797         | .082408      | 1.39302          | [.164]       |
| WEST             | .043549         | .091749      | .474653          | [.635]       |
| POV130           | 074348          | .140057      | 530843           | [.596]       |
| Standard Errors  | s computed from | n analytic s | second derivativ | ves (Newton) |
|                  |                 |              |                  |              |
| MARGINAL EFFECTS | <b>3</b> 0      | dP,          | /dX<br>1         |              |
|                  |                 | 0.0963       |                  |              |
| C                | -0.096364       |              |                  |              |
| HS2              | -0.053269       | 0.0532       |                  |              |
| HS3              | -0.091079       | 0.0910       |                  |              |
| HS4              | -0.099636       | 0.0996       |                  |              |
| HSP5             | -0.10863        | 0.108        |                  |              |
| AGE2539          | -0.057433       | 0.0574       |                  |              |
| AGE4049          | -0.035093       | 0.0350       |                  |              |
| AGE5065          | -0.023973       | 0.0239       |                  |              |
| AGE65PLUS        | -0.024239       | 0.0242       |                  |              |
| AGEPCCHILD       | -0.0047309      | 0.00473      |                  |              |
| EMPPARTTIME      | -0.0097820      | 0.00978      |                  |              |
| EMPFULLTIME      | 0.00052552      | -0.000525    |                  |              |
| EDUHIGHSCHOOL    | 0.020414        | -0.0204      |                  |              |
| EDUSOMECOLLEGE   | 0.032665        | -0.0326      |                  |              |
| EDUCOLLEGEPLUS   | 0.049067        | -0.0490      |                  |              |
| BLACK            | -0.044718       | 0.044        |                  |              |
| ORIENTAL         | 0.011202        | -0.0112      |                  |              |
| OTHER            | -0.012237       | 0.0122       | 237              |              |
| HISPYES          | -0.029715       | 0.0297       |                  |              |
| CENTRAL          | -0.012560       | 0.0125       | 560              |              |
| SOUTH            | -0.010831       | 0.0108       | 331              |              |
| WEST             | -0.0041088      | 0.00410      | 88               |              |
| POV130           | 0.0070148       | -0.00701     | L48              |              |
|                  |                 |              |                  |              |
| JOINT F-TESTS    | Stand           |              |                  | _            |
|                  |                 |              |                  | value        |
|                  | .434 .434       |              |                  | 000]         |
| AG 1.49          |                 |              |                  | 311]         |
|                  | .142 .142       |              |                  | 724]         |
|                  | .156            |              |                  | 530]         |
|                  | .694            |              |                  | 119]         |
|                  | 1931 .399       |              | -                | 225]         |
|                  | 1943 .208       | 602 1        | L.50978 [.       | 131]         |
|                  | .214            |              |                  | 175]         |
| PV07             | .140            | 057 -        | 530843 [.        | 596]         |
|                  |                 |              |                  |              |

Number of observations = 5715 Number of positive obs. = 4166 Mean of dep. var. = .728959 Sum of squared residuals = 1073.75 R-squared = .049069 Kullback-Leibler R-sq = .039909 Log likelihood = -3205.96

| PROBIT PARAMETERS | 5             | Standard |                   |               |
|-------------------|---------------|----------|-------------------|---------------|
| Parameter         | Estimate      | Error    | t-statis          | tic P-value   |
| C                 | 084183        | .260825  | 322757            | [.747]        |
| HS2               | .300799       | .050002  | 6.01572           | [.000]        |
| HS3               | .332114       | .068602  | 4.84115           | [.000]        |
| HS4               | .550717       | .081188  | 6.78319           | [.000]        |
| HSP5              | .418791       | .092319  | 4.53636           | [.000]        |
| AGE2539           | .280319       | .231734  | 1.20966           | [.226]        |
| AGE4049           | .449760       | .231436  | 1.94334           | [.052]        |
| AGE5065           | .579285       | .231323  | 2.50423           | [.012]        |
| AGE65PLUS         | .432849       | .235483  | 1.83814           | [.066]        |
| AGEPCCHILD        | 041561        | .064875  | 640632            | [.522]        |
| EMPPARTTIME       | .063298       | .055909  | 1.13215           | [.258]        |
| EMPFULLTIME       | .130769E-02   | .048050  | .027215           | [.978]        |
| EDUHIGHSCHOOL     | 219548E-02    | .108476  | 020239            | [.984]        |
| EDUSOMECOLLEGE    | .039454       | .106936  | .368951           | [.712]        |
| EDUCOLLEGEPLUS    | .068700       | .107289  | .640332           | [.522]        |
| BLACK             | 585064        | .060315  | -9.70016          | [.000]        |
| ORIENTAL          | 286791        | .172258  | -1.66489          | [.096]        |
| OTHER             | 288277        | .095551  | -3.01699          | [.003]        |
| HISPYES           | 040125        | .086409  | 464357            | [.642]        |
|                   | .117130       |          |                   |               |
| CENTRAL           |               | .054140  | 2.16346<br>211158 | [.031]        |
| SOUTH             | 010537        | .049903  | -1.15131          | [.833]        |
| WEST              | 065507        | .056898  |                   | [.250]        |
| POV130            | 315995        | .082005  | -3.85337          | [.000]        |
| Standard Errors   | computed from | analytic | second derivat    | tives(Newton) |
|                   |               | dī       | P/dX              |               |
| MARGINAL EFFECTS  | 0             | ui       | 1                 |               |
| С                 | 0.026712      | -0.026   | 5712              |               |
| HS2               | -0.095444     | 0.095    | 5444              |               |
| HS3               | -0.10538      | 0.10     | )538              |               |
| HS4               | -0.17474      | 0.17     | 7474              |               |
| HSP5              | -0.13288      | 0.13     | 3288              |               |
| AGE2539           | -0.088946     | 0.088    | 3946              |               |
| AGE4049           | -0.14271      | 0.14     | 1271              |               |
| AGE5065           | -0.18381      | 0.18     | 3381              |               |
| AGE65PLUS         | -0.13734      | 0.13     | 3734              |               |
| AGEPCCHILD        | 0.013187      | -0.013   | 3187              |               |
| EMPPARTTIME       | -0.020085     | 0.020    | 085               |               |
| EMPFULLTIME       | -0.00041493   | 0.00041  | 493               |               |
| EDUHIGHSCHOOL     | 0.00069663    | -0.00069 | 9663              |               |
| EDUSOMECOLLEGE    | -0.012519     | 0.012    |                   |               |
| EDUCOLLEGEPLUS    | -0.021799     | 0.021    | 799               |               |
| BLACK             | 0.18564       | -0.18    | 3564              |               |
| ORIENTAL          | 0.091000      | -0.091   |                   |               |
| OTHER             | 0.091471      | -0.091   |                   |               |
| HISPYES           | 0.012732      | -0.012   |                   |               |
| CENTRAL           | -0.037166     | 0.037    |                   |               |
| SOUTH             | 0.0033436     | -0.0033  |                   |               |
| WEST              | 0.020786      | -0.020   |                   |               |
| POV130            | 0.10027       | -0.10    |                   |               |
|                   |               |          |                   |               |
| JOINT F-TESTS     | Stand         |          |                   |               |
| Parameter Estir   |               | ror      | t-statistic       | P-value       |
| нн 1.602          |               |          | 6.75917           | [.000]        |
| AG 1.742          |               |          | 1.89762           | [.058]        |
| PC041             |               |          | 640632            | [.522]        |
| EM .0640          |               |          | .714230           | [.475]        |
| ED .1059          |               |          | .339451           | [.734]        |
| RC -1.10          |               |          | -5.42061          | [.000]        |
| HP040             |               |          | 464357            | [.642]        |
| RG .0410          |               |          | .307678           | [.758]        |
| PV31              | 5995 .082     | 005      | -3.85337          | [.000]        |

# Beverage #5. Powdered Soft Drinks

Number of observations = 5715 Number of positive obs. = 2863 Mean of dep. var. = .500962 Sum of squared residuals = 1211.79

R-squared = .151853 Kullback-Leibler R-sq = .115556 Log likelihood = -3503.57

| PROBIT PARAMETER   | 5             | Standard    |                 |                |
|--------------------|---------------|-------------|-----------------|----------------|
| Parameter          | Estimate      | Error       | t-statist       | cic P-value    |
| C                  | 584859        | .260360     | -2.24634        | [.025]         |
| HS2                | .342540       | .050117     | 6.83476         | [.000]         |
| HS3                | .632039       | .066247     | 9.54061         | [.000]         |
| HS4                | .924199       | .077404     | 11.9400         | [.000]         |
| HSP5               | 1.05813       | .091834     | 11.5222         | [.000]         |
| AGE2539            | .251283       | .232040     | 1.08293         | [.279]         |
| AGE4049            | .191426       | .231469     | .827007         | [.408]         |
| AGE5065            | 026653        | .231209     | 115277          | [.908]         |
| AGE65PLUS          | 154560        | .235416     | 656540          | [.511]         |
| AGEPCCHILD         | .184274       | .060913     | 3.02517         | [.002]         |
| EMPPARTTIME        | .082152       | .053520     | 1.53499         | [.125]         |
| EMPFULLTIME        | 029847        | .045961     | 649402          | [.516]         |
| EDUHIGHSCHOOL      | .667072E-02   | .107373     | .062127         | [.950]         |
| EDUSOMECOLLEGE     | 069860        | .105882     | 659792          | [.509]         |
| EDUCOLLEGEPLUS     | 248385        | .106182     | -2.33925        | [.019]         |
| BLACK              | .341619       | .062996     | 5.42288         | [.000]         |
| ORIENTAL           | 614805        | .183761     | -3.34567        | [.001]         |
| OTHER              | 026019        | .096395     | 269921          | [.787]         |
| HISPYES            | 050297        | .084981     | 591866          | [.554]         |
| CENTRAL            | .174721       | .051490     | 3.39330         | [.001]         |
| SOUTH              | .171850       | .048146     | 3.56934         | [.000]         |
| WEST               | 157029        | .055588     | -2.82486        | [.005]         |
| POV130             | .125639       | .085103     | 1.47631         | [.140]         |
| Standard Errors    | computed from | analytic se | cond derivat    | tives (Newton) |
|                    |               |             |                 |                |
|                    |               | dP/d        | lx              |                |
| MARGINAL EFFECTS   | 0             |             | 1               |                |
| C                  | 0.20442       | -0.2044     | 12              |                |
| HS2                | -0.11972      | 0.1197      | 2               |                |
| HS3                | -0.22091      | 0.2209      | 91              |                |
| HS4                | -0.32302      | 0.3230      | 2               |                |
| HSP5               | -0.36983      | 0.3698      |                 |                |
| AGE2539            | -0.087827     | 0.08782     | 27              |                |
| AGE4049            | -0.066906     | 0.06690     | 06              |                |
| AGE5065            | 0.0093156     | -0.009315   | 6               |                |
| AGE65PLUS          | 0.054021      | -0.05402    | 21              |                |
| AGEPCCHILD         | -0.064406     | 0.06440     | 06              |                |
| EMPPARTTIME        | -0.028713     | 0.02871     | .3              |                |
| EMPFULLTIME        | 0.010432      | -0.01043    | 32              |                |
| EDUHIGHSCHOOL      | -0.0023315    | 0.002331    |                 |                |
| EDUSOMECOLLEGE     | 0.024417      | -0.02441    | .7              |                |
| EDUCOLLEGEPLUS     | 0.086814      | -0.08681    | .4              |                |
| BLACK              | -0.11940      | 0.1194      |                 |                |
| ORIENTAL           | 0.21488       | -0.2148     |                 |                |
| OTHER              | 0.0090940     | -0.009094   |                 |                |
| HISPYES            | 0.017580      | -0.01758    |                 |                |
| CENTRAL            | -0.061067     | 0.06106     |                 |                |
| SOUTH              | -0.060064     | 0.06006     |                 |                |
| WEST               | 0.054884      | -0.05488    |                 |                |
| POV130             | -0.043912     | 0.04391     | .2              |                |
| TOTHER BERGE       | 01 1          | and         |                 |                |
| JOINT F-TESTS      | Stand         |             | at at i at i a  | Duralua        |
| Parameter Estin    |               |             | statistic       | P-value        |
| нн 2.95            |               |             | 2.7087          | [.000]         |
| AG .261            |               |             | 284566          | [.776]         |
| PC .184            |               |             | 02517           | [.002]         |
| EM .052            |               |             | 00660           | [.546]         |
| ED31               |               |             | .00660          | [.314]         |
| RC29               |               |             | .33375          | [.182]         |
| HP05<br>RG .189    |               |             | 591866<br>47333 | [.554]         |
| RG .189<br>PV .125 |               |             | 47631           | [.141]         |
| ±v .125            | .005          | 1.05        | TLOIT           | [.140]         |

#### Beverage #6. Isotonics

Number of observations = 5715 Number of positive obs. = 1870 Mean of dep. var. = .327209 Sum of squared residuals = 1129.13 R-squared = .102529 Kullback-Leibler R-sq = .081702 Log likelihood = -3317.75

|                   | _        | a. 1 1        |                    |          |
|-------------------|----------|---------------|--------------------|----------|
| PROBIT PARAMETERS |          | Standard      |                    | _        |
| Parameter         | Estimate | Error         | t-statistic        | P-value  |
| C                 | 881849   | .262151       | -3.36390           | [.001]   |
| HS2               | .276126  | .054776       | 5.04102            | [.000]   |
| HS3               | .411752  | .070003       | 5.88191            | [.000]   |
| HS4               | .592292  | .078912       | 7.50577            | [.000]   |
| HSP5              | .508150  | .089972       | 5.64785            | [.000]   |
| AGE2539           | .061265  | .230682       | .265582            | [.791]   |
| AGE4049           | .013374  | .230254       | .058082            | [.954]   |
| AGE5065           | 240180   | .230228       | -1.04323           | [.297]   |
| AGE65PLUS         | 418004   | .235683       | -1.77358           | [.076]   |
| AGEPCCHILD        | .287036  | .060776       | 4.72282            | [.000]   |
| EMPPARTTIME       | .091230  | .054388       | 1.67740            | [.093]   |
| EMPFULLTIME       | .085611  | .046884       | 1.82601            | [.068]   |
| EDUHIGHSCHOOL     | 110718   | .111173       | 995904             | [.319]   |
| EDUSOMECOLLEGE    | 077163   | .109504       | 704657             | [.481]   |
| EDUCOLLEGEPLUS    | 128809   | .109850       | -1.17259           | [.241]   |
| BLACK             | 217354   | .064589       | -3.36517           | [.001]   |
| ORIENTAL          | 193866   | .179465       | -1.08025           | [.280]   |
| OTHER             | .085291  | .095560       | .892543            | [.372]   |
| HISPYES           | 036425   | .084543       | 430848             | [.667]   |
| CENTRAL           | .110471  | .054005       | 2.04559            | [.041]   |
| SOUTH             | .322708  | .050000       | 6.45416            | [.000]   |
| WEST              | .271593  | .057385       | 4.73285            | [.000]   |
| POV130            | 210288   | .088468       | -2.37700           | [.017]   |
| Standard Errors   | computed | from analytic | second derivatives | (Newton) |

| MARGINAL EFF<br>C<br>HS2<br>HS3<br>HS4<br>HSP5   | 0.2<br>-0.09<br>-0.1   | 3579<br>9532   | dP/dx<br>1<br>-0.29081<br>0.091060<br>0.13579<br>0.19532<br>0.16758                             |                                 |   |
|--|--|--|---|---------------------------------|---|
| AGE2539<br>AGE4049   | -0.02  | 4103   | 0.020204  |                                 |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHC<br>EDUSOMECOLI | 0.1<br>-0.09<br>-0.03<br>-0.02<br>DOL 0.03   | 3785<br>4657<br>0085<br>8232<br>6512   | -0.079206<br>-0.13785<br>0.094657<br>0.030085<br>0.028232<br>-0.036512<br>-0.025446             |                                 |   |
| EDUCOLLEGEE<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST               | PLUS 0.04<br>0.07<br>0.06<br>-0.02<br>0.01<br>-0.03  | 2478<br>1678<br>3932<br>8127<br>2012<br>6431<br>0642   | -0.042478<br>-0.071678<br>-0.063932<br>0.028127<br>-0.012012<br>0.036431<br>0.10642<br>0.089565 |                                 |   |
| POV130<br>JOINT F-TEST   |  | 9348<br>Standard   | -0.069348   |                                 |   |
| Parameter<br>HH<br>AG<br>PC<br>EM<br>ED<br>RC<br>HP<br>RG<br>PV                                | Estimate<br>1.78832<br>583546<br>.287036<br>.176841<br>316689<br>325929<br>036425<br>.704772<br>210288 | Error<br>.245822<br>.914521<br>.060776<br>.088647<br>.320521<br>.220874<br>.084543<br>.135073<br>.088468 | 7.27<br>63<br>4.72<br>1.99<br>98<br>-1.4<br>43<br>5.23  | 9489<br>38047<br>47564<br>30848 | P-value<br>[.000]<br>[.523]<br>[.000]<br>[.046]<br>[.323]<br>[.140]<br>[.667]<br>[.000]<br>[.017] |

# Beverage #7. Bottled Water

Number of observations = 5715R-squared = .048091Number of positive obs. = 3996Kullback-Leibler R-sq = .039927Mean of dep. var. = .699213Log likelihood = -3355.35Sum of squared residuals = 1144.14

| PROBIT PARAMETER: | 5             | Standard      |                 |          |
|-------------------|---------------|---------------|-----------------|----------|
| Parameter         | Estimate      | Error         | t-statistic     | P-value  |
| С                 | .122913       | .267629       | .459267         | [.646]   |
| HS2               | .164267       | .049159       | 3.34156         | [.001]   |
| HS3               | .131343       | .066853       | 1.96465         | [.049]   |
| HS4               | .320466       | .079536       | 4.02920         | [.000]   |
| HSP5              | .327816       | .092877       | 3.52956         | [.000]   |
| AGE2539           | .250566       | .239794       | 1.04492         | [.296]   |
| AGE4049           | .169425       | .239092       | .708617         | [.479]   |
| AGE5065           | .084646       | .238730       | .354567         | [.723]   |
| AGE65PLUS         | 160303        | .242457       | 661160          | [.509]   |
| AGEPCCHILD        | .076066       | .064223       | 1.18439         | [.236]   |
| EMPPARTTIME       | .082979       | .054080       | 1.53437         | [.125]   |
| EMPFULLTIME       | .105879       | .046856       | 2.25967         | [.024]   |
| EDUHIGHSCHOOL     | 973343E-02    | .108410       | 089784          | [.928]   |
| EDUSOMECOLLEGE    | .015716       | .106894       | .147026         | [.883]   |
| EDUCOLLEGEPLUS    | 012503        | .107347       | 116474          | [.907]   |
| BLACK             | .369503       | .067997       | 5.43414         | [.000]   |
| ORIENTAL          | .620046       | .225666       | 2.74762         | [.006]   |
| OTHER             | .244393       | .104952       | 2.32861         | [.020]   |
| HISPYES           | .076881       | .091226       | .842749         | [.399]   |
| CENTRAL           | 082926        | .051869       | -1.59877        | [.110]   |
| SOUTH             | .030018       | .049187       | .610292         | [.542]   |
| WEST              | .164830       | .057192       | 2.88205         | [.004]   |
| POV130            | 353120        | .082610       | -4.27457        | [.000]   |
| Standard Errors   | computed from | analytic seco | ond derivatives | (Newton) |
|                   |               |               |                 |          |
|                   |               | dP/dX         |                 |          |

| MARGINAL EFFE | CTS 0         | 1            |           |
|---------------|---------------|--------------|-----------|
| C             | -0.040982     | 0.040982     |           |
| HS2           | -0.054770     | 0.054770     |           |
| HS3           | -0.043792     | 0.043792     |           |
| HS4           | -0.10685      | 0.10685      |           |
| HSP5          | -0.10930      | 0.10930      |           |
| AGE2539       | -0.083543     | 0.083543     |           |
| AGE4049       | -0.056489     | 0.056489     |           |
| AGE5065       | -0.028223     | 0.028223     |           |
| AGE65PLUS     | 0.053448      | -0.053448    |           |
| AGEPCCHILD    | -0.025362     | 0.025362     |           |
| EMPPARTTIME   | -0.027667     | 0.027667     |           |
| EMPFULLTIME   | -0.035302     | 0.035302     |           |
| EDUHIGHSCHOOL | L 0.0032453   | -0.0032453   |           |
| EDUSOMECOLLE  | GE -0.0052401 | 0.0052401    |           |
| EDUCOLLEGEPL  | JS 0.0041688  | -0.0041688   |           |
| BLACK         | -0.12320      | 0.12320      |           |
| ORIENTAL      | -0.20674      | 0.20674      |           |
| OTHER         | -0.081485     | 0.081485     |           |
| HISPYES       | -0.025633     | 0.025633     |           |
| CENTRAL       | 0.027649      | -0.027649    |           |
| SOUTH         | -0.010009     | 0.010009     |           |
| WEST          | -0.054958     | 0.054958     |           |
| POV130        | 0.11774       | -0.11774     |           |
|               |               |              |           |
| JOINT F-TESTS | Sta           | ndard        |           |
| Parameter E   |               |              | c P-value |
|               |               | 2649 4.05715 | [.000]    |
|               |               | 8927 .362867 | [.717]    |
|               |               | 4223 1.18439 | [.236]    |
| EM .          | 188858 .08    | 7627 2.15524 | [.031]    |
|               |               |              |           |

| Parameter | ESCIMALE   | FLIOL   | L-SLALISLIC | P-value |
|-----------|------------|---------|-------------|---------|
| HH        | .943892    | .232649 | 4.05715     | [.000]  |
| AG        | .344334    | .948927 | .362867     | [.717]  |
| PC        | .076066    | .064223 | 1.18439     | [.236]  |
| EM        | .188858    | .087627 | 2.15524     | [.031]  |
| ED        | 652042E-02 | .312520 | 020864      | [.983]  |
| RC        | 1.23394    | .264266 | 4.66932     | [.000]  |
| HP        | .076881    | .091226 | .842749     | [.399]  |
| RG        | .111923    | .131201 | .853063     | [.394]  |
| PV        | 353120     | .082610 | -4.27457    | [.000]  |

# Beverage #8. Orange Juice

Number of observations = 5715R-squared = .023870Number of positive obs. = 4981Kullback-Leibler R-sq = .031466Mean of dep. var. = .871566Log likelihood = -2122.18Sum of squared residuals = 624.479

|                   | _             | ~ 1 1       |                  |            |
|-------------------|---------------|-------------|------------------|------------|
| PROBIT PARAMETERS | -             | Standard    |                  | <b>D</b> 1 |
| Parameter         | Estimate      | Error       | t-statistic      |            |
| C                 | .474774       | .298856     | 1.58864          | [.112]     |
| HS2               | .339487       | .057263     | 5.92860          | [.000]     |
| HS3               | .499428       | .082852     | 6.02795          | [.000]     |
| HS4               | .622032       | .099218     | 6.26935          | [.000]     |
| HSP5              | .549213       | .112575     | 4.87863          | [.000]     |
| AGE2539           | .275831       | .262840     | 1.04943          | [.294]     |
| AGE4049           | .243586       | .261969     | .929825          | [.352]     |
| AGE5065           | .406552       | .262061     | 1.55136          | [.121]     |
| AGE65PLUS         | .503321       | .267864     | 1.87902          | [.060]     |
| AGEPCCHILD        | 062454        | .080390     | 776886           | [.437]     |
| EMPPARTTIME       | .091799       | .067230     | 1.36544          | [.172]     |
| EMPFULLTIME       | 880649E-02    | .056840     | 154935           | [.877]     |
| EDUHIGHSCHOOL     | 033350        | .129006     | 258517           | [.796]     |
| EDUSOMECOLLEGE    | .065496       | .127613     | .513243          | [.608]     |
| EDUCOLLEGEPLUS    | .209478       | .128535     | 1.62973          | [.103]     |
| BLACK             | .273654       | .083640     | 3.27180          | [.001]     |
| ORIENTAL          | .220012       | .232238     | .947358          | [.343]     |
| OTHER             | .164195       | .121492     | 1.35149          | [.177]     |
| HISPYES           | .045457       | .106257     | .427805          | [.669]     |
| CENTRAL           | 089457        | .066336     | -1.34854         | [.177]     |
| SOUTH             | 146723        | .062078     | -2.36352         | [.018]     |
| WEST              | 352870        | .068106     | -5.18117         | [.000]     |
| POV130            | 096397        | .097224     | 991490           | [.321]     |
| Standard Errors   | computed from | analytic se | cond derivatives | s(Newton)  |
|                   |               |             |                  |            |
|                   |               | dP/d        |                  |            |
| MARGINAL EFFECTS  | 0             |             | 1                |            |
| C                 | -0.096474     | 0.09647     | 4                |            |
| HS2               | -0.068983     | 0.06898     | 3                |            |
| 103               | _0 10148      | 0 1014      | Q                |            |

| HS2         | -0       | 0.06898: | 3 0.06   | 8983          |
|-------------|----------|----------|----------|---------------|
| HS3         |          | -0.10148 | 3 0.1    | 0148          |
| HS4         |          | -0.12640 | 0.1      | 2640          |
| HSP5        |          | -0.11160 | 0.1      | 1160          |
| AGE2539     | - (      | 0.056049 | 9 0.05   | 6049          |
| AGE4049     | - (      | 0.049496 | 5 0.04   | 9496          |
| AGE5065     | - (      | 0.082611 | 1 0.08   | 2611          |
| AGE65PLUS   |          | -0.10227 | 7 0.1    | 0227          |
| AGEPCCHILD  | ) (      | 0.012691 | 1 -0.01  | 2691          |
| EMPPARTTIM  | IE – (   | 0.018653 | 3 0.01   | 8653          |
| EMPFULLTIM  | IE 0     | .0017895 | 5 -0.001 | 7895          |
| EDUHIGHSCH  | 100L 0   | .0067767 | 7 -0.006 | 7767          |
| EDUSOMECOL  | LEGE - ( | 0.013309 | 9 0.01   | 3309          |
| EDUCOLLEGE  | PLUS -(  | 0.042566 | 5 0.04   | 2566          |
| BLACK       | - (      | 0.055606 | 5 0.05   | 5606          |
| ORIENTAL    | - (      | 0.044706 | 5 0.04   | 4706          |
| OTHER       | - (      | 0.033364 | 4 0.03   | 3364          |
| HISPYES     | -0       | .0092368 | 3 0.009  | 2368          |
| CENTRAL     | (        | 0.018178 | 3 -0.01  | 8178          |
| SOUTH       | (        | 0.029814 | 4 -0.02  | 9814          |
| WEST        | (        | 0.071703 | 3 -0.07  | 1703          |
| POV130      | (        | 0.019588 | 8 -0.01  | 9588          |
|             |          |          |          |               |
| JOINT F-TES |          | Star     | ndard    |               |
|             | Estimate |          |          | t-statisti    |
|             | 2.01016  |          | 32755    | 7.10920       |
|             | 1.42929  |          |          | 1.37470       |
| D.C.        | 000151   |          | 20200    | <b>BBCOOC</b> |

| Parameter | Estimate | Error   | t-statistic | P-value |
|-----------|----------|---------|-------------|---------|
| HH        | 2.01016  | .282755 | 7.10920     | [.000]  |
| AG        | 1.42929  | 1.03971 | 1.37470     | [.169]  |
| PC        | 062454   | .080390 | 776886      | [.437]  |
| EM        | .082992  | .107581 | .771444     | [.440]  |
| ED        | .241625  | .372891 | .647977     | [.517]  |
| RC        | .657861  | .283386 | 2.32143     | [.020]  |
| HP        | .045457  | .106257 | .427805     | [.669]  |
| RG        | 589050   | .166797 | -3.53153    | [.000]  |
| PV        | 096397   | .097224 | 991490      | [.321]  |

# Beverage #9. Apple Juice

Number of observations = 5715 Number of positive obs. = 3323 Mean of dep. var. = .581452 Sum of squared residuals = 1280.50

R-squared = .079329Kullback-Leibler R-sq = .060547Kullback-Leipier K-89 Log likelihood = -3649.93

> P-value [.000] [.394] [.000] [.247] [.005]

[.086]

[.480]

[.558]

[.173]

| PROBIT PARAMETERS | -             | Standard |                    |          |
|-------------------|---------------|----------|--------------------|----------|
| Parameter         | Estimate      | Error    | t-statistic        | P-value  |
| C                 | 343522        | .266141  | -1.29075           | [.197]   |
| HS2               | .363467       | .048053  | 7.56388            | [.000]   |
| HS3               | .550859       | .064987  | 8.47646            | [.000]   |
| HS4               | .772734       | .076760  | 10.0669            | [.000]   |
| HSP5              | .847488       | .090304  | 9.38483            | [.000]   |
| AGE2539           | 184027        | .240232  | 766039             | [.444]   |
| AGE4049           | 251223        | .239697  | -1.04808           | [.295]   |
| AGE5065           | 192829        | .239362  | 805595             | [.420]   |
| AGE65PLUS         | 182645        | .243103  | 751306             | [.452]   |
| AGEPCCHILD        | .229125       | .061279  | 3.73906            | [.000]   |
| EMPPARTTIME       | .034331       | .053036  | .647319            | [.517]   |
| EMPFULLTIME       | 133556        | .045398  | -2.94188           | [.003]   |
| EDUHIGHSCHOOL     | .223562       | .104207  | 2.14537            | [.032]   |
| EDUSOMECOLLEGE    | .265528       | .102748  | 2.58427            | [.010]   |
| EDUCOLLEGEPLUS    | .360131       | .103160  | 3.49098            | [.000]   |
| BLACK             | .306482       | .062577  | 4.89770            | [.000]   |
| ORIENTAL          | 073946        | .174894  | 422804             | [.672]   |
| OTHER             | .138555       | .095531  | 1.45036            | [.147]   |
| HISPYES           | 114693        | .084088  | -1.36397           | [.173]   |
| CENTRAL           | .711160E-02   | .050832  | .139905            | [.889]   |
| SOUTH             | 030474        | .047481  | 641828             | [.521]   |
| WEST              | .113017       | .054674  | 2.06710            | [.039]   |
| POV130            | 048400        | .082618  | 585829             | [.558]   |
| Standard Errors   | computed from | analytic | second derivatives | (Newton) |

| MARGINAL EFI<br>C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIMI<br>EDUHIGHSCHO<br>EDUSOMECOLI<br>EDUCOLLEGEI<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL | E –<br>E –<br>DOL –<br>LEGE –<br>PLUS –  | 0<br>0.12543<br>-0.13272<br>-0.20114<br>-0.28215<br>-0.30945<br>0.067195<br>0.091731<br>0.070409<br>0.066690<br>0.083662<br>0.012536<br>0.048766<br>0.081631<br>0.096954<br>-0.13150<br>-0.11191<br>0.027000<br>0.050592<br>0.041879<br>.0025967 | dP/dx<br>1<br>-0.12543<br>0.13272<br>0.20114<br>0.28215<br>0.30945<br>-0.067195<br>-0.070409<br>-0.066690<br>0.083662<br>0.012536<br>-0.048766<br>0.081631<br>0.096954<br>0.13150<br>0.11191<br>-0.027000<br>0.050592<br>-0.041879<br>0.0025967 |
|---|--|--|---|
| SOUTH<br>WEST<br>POV130   | -  | 0.011127<br>0.041267<br>0.017673   | -0.011127<br>0.041267<br>-0.017673  |
| JOINT F-TES<br>Parameter<br>HH<br>AG<br>PC<br>EM<br>ED<br>RC<br>HP<br>RG<br>PV  | <b>TS</b><br>Estimate<br>2.53455<br>810723<br>.229125<br>099225<br>.849221<br>.371091<br>114693<br>.089655<br>048400 | Standard<br>Error<br>.226551<br>.951950<br>.061279<br>.085723<br>.300261<br>.216104<br>.084088<br>.127024<br>.082618   | t-statistic<br>11.1875<br>851645<br>3.73906<br>-1.15751<br>2.82828<br>1.71719<br>-1.36397<br>.705808<br>585829  |

# Beverage #10. Other Juice

Number of observations = 5715 Number of positive obs. = 4800 Mean of dep. var. = .839895 Sum of squared residuals = 741.262

R-squared = .035459Kullback-Leibler R-sq = .038476 Log likelihood = -2416.99

[.514]

| PROBIT PARAMETER | 5        | Standard      |                   |           |
|------------------|----------|---------------|-------------------|-----------|
| Parameter        | Estimate | Error         | t-statistic       | P-value   |
| С                | .763172  | .346669       | 2.20144           | [.028]    |
| HS2              | .361730  | .053707       | 6.73523           | [.000]    |
| HS3              | .516782  | .076756       | 6.73281           | [.000]    |
| HS4              | .621029  | .091963       | 6.75306           | [.000]    |
| HSP5             | .812018  | .112620       | 7.21024           | [.000]    |
| AGE2539          | 272505   | .320103       | 851306            | [.395]    |
| AGE4049          | 331240   | .319163       | -1.03784          | [.299]    |
| AGE5065          | 220496   | .318815       | 691610            | [.489]    |
| AGE65PLUS        | 081822   | .323187       | 253171            | [.800]    |
| AGEPCCHILD       | .035513  | .075219       | .472132           | [.637]    |
| EMPPARTTIME      | 051540   | .062837       | 820223            | [.412]    |
| EMPFULLTIME      | 014326   | .054587       | 262451            | [.793]    |
| EDUHIGHSCHOOL    | .076674  | .120713       | .635172           | [.525]    |
| EDUSOMECOLLEGE   | .210224  | .119394       | 1.76076           | [.078]    |
| EDUCOLLEGEPLUS   | .317058  | .120239       | 2.63689           | [.008]    |
| BLACK            | .283386  | .078502       | 3.60991           | [.000]    |
| ORIENTAL         | 024983   | .213196       | 117184            | [.907]    |
| OTHER            | .105267  | .122482       | .859447           | [.390]    |
| HISPYES          | .187255  | .110996       | 1.68704           | [.092]    |
| CENTRAL          | 225821   | .061066       | -3.69799          | [.000]    |
| SOUTH            | 186433   | .058089       | -3.20945          | [.001]    |
| WEST             | 102740   | .067012       | -1.53315          | [.125]    |
| POV130           | 061944   | .094872       | 652927            | [.514]    |
| Standard Errors  | computed | from analytic | second derivative | s(Newton) |
|                  |          |               |                   |           |

|             |          |           | c      | lP/dX       |         |
|-------------|----------|-----------|--------|-------------|---------|
| MARGINAL EF | FECTS    | 0         |        | 1           |         |
| C           |          | -0.17870  |        | L7870       |         |
| HS2         |          | -0.084699 |        | 34699       |         |
| HS3         |          | -0.12100  |        | L2100       |         |
| HS4         |          | -0.14541  |        | L4541       |         |
| HSP5        |          | -0.19013  |        | L9013       |         |
| AGE2539     |          | 0.063807  |        | 53807       |         |
| AGE4049     |          | 0.077559  | -0.07  |             |         |
| AGE5065     |          | 0.051629  | -0.05  | 51629       |         |
| AGE65PLUS   |          | 0.019158  | -0.01  | L9158       |         |
| AGEPCCHILD  | ) –      | 0.0083154 | 0.008  | 33154       |         |
| EMPPARTTIM  | ΙE       | 0.012068  | -0.01  | L2068       |         |
| EMPFULLTIM  | ΙE       | 0.0033545 | -0.003 | 33545       |         |
| EDUHIGHSCH  | IOOL     | -0.017953 | 0.01   | L7953       |         |
| EDUSOMECOL  | LEGE     | -0.049224 | 0.04   | 19224       |         |
| EDUCOLLEGE  | PLUS     | -0.074239 | 0.0    | 74239       |         |
| BLACK       |          | -0.066354 | 0.00   | 56354       |         |
| ORIENTAL    |          | 0.0058498 | -0.005 | 58498       |         |
| OTHER       |          | -0.024648 | 0.02   | 24648       |         |
| HISPYES     |          | -0.043845 | 0.04   | 13845       |         |
| CENTRAL     |          | 0.052876  | -0.05  | 52876       |         |
| SOUTH       |          | 0.043653  | -0.04  | 13653       |         |
| WEST        |          | 0.024056  | -0.02  | 24056       |         |
| POV130      |          | 0.014504  | -0.01  | L4504       |         |
|             |          |           |        |             |         |
| JOINT F-TES | TS       | Stand     | lard   |             |         |
| Parameter   | Estimate | e Ei      | rror   | t-statistic | P-value |
| HH          | 2.31156  | .265      | 5486   | 8.70691     | [.000]  |
| AG          | 906063   | 1.27      | 7020   | 713321      | [.476]  |
| PC          | .035513  | .075      | 5219   | .472132     | [.637]  |
| EM          | 065866   | .102      | 2561   | 642215      | [.521]  |
| ED          | .603956  | .348      | 3529   | 1.73287     | [.083]  |
| RC          | .363670  | .260      | 5211   | 1.36609     | [.172]  |
| HP          | .187255  | .110      | )996   | 1.68704     | [.092]  |
| RG          | 514994   | .156      | 5887   | -3.28257    | [.001]  |
| -           |          |           |        |             |         |

-.061944 .094872 -.652927

PV

# Beverage #11. Fruit Drinks

Number of observations = 5715 Number of positive obs. = 4661 Mean of dep. var. = .815573 Sum of squared residuals = 765.489 R-squared = .109501 Kullback-Leibler R-sq = .129630 Log likelihood = -2377.85

| PROBIT PARAMETERS      | 5 :           | Standard   |                 |              |  |
|------------------------|---------------|------------|-----------------|--------------|--|
| Parameter              | Estimate      | Error      | t-statisti      | c P-value    |  |
| С                      | .877914       | .389557    | 2.25362         | [.024]       |  |
| HS2                    | .345590       | .051181    | 6.75230         | [.000]       |  |
| HS3                    | .563817       | .076086    | 7.41021         | [.000]       |  |
| HS4                    | .939042       | .105676    | 8.88603         | [.000]       |  |
| HSP5                   | .967934       | .140528    | 6.88786         | [.000]       |  |
| AGE2539                | 301690        | .364580    | 827501          | [.408]       |  |
| AGE4049                | 413547        | .363263    | -1.13843        | [.255]       |  |
| AGE5065                | 566846        | .362327    | -1.56446        | [.118]       |  |
| AGE65PLUS              | 659911        | .365681    | -1.80460        | [.071]       |  |
| AGEPCCHILD             | .487146       | .086331    | 5.64280         | [.000]       |  |
| EMPPARTTIME            | .076500       | .065581    | 1.16650         | [.243]       |  |
| EMPFULLTIME            | .037313       | .056078    | .665368         | [.506]       |  |
| EDUHIGHSCHOOL          | 022274        | .130448    | 170753          | [.864]       |  |
| EDUSOMECOLLEGE         | 052329        | .128417    | 407496          | [.684]       |  |
| EDUCOLLEGEPLUS         | 198901        | .128505    | -1.54781        | [.122]       |  |
| BLACK                  | .730432       | .096618    | 7.55996         | [.000]       |  |
| ORIENTAL               | .704659       | .316322    | 2.22766         | [.026]       |  |
| OTHER                  | .139198       | .124529    | 1.11780         | [.264]       |  |
| HISPYES                | 372228E-02    | .110887    | 033568          | [.973]       |  |
| CENTRAL                | .111090       | .061478    | 1.80700         | [.071]       |  |
| SOUTH                  | 015709        | .056935    | 275903          | [.783]       |  |
| WEST                   | .081598       | .065454    | 1.24665         | [.213]       |  |
| POV130                 | .201380       | .109833    | 1.83352         | [.067]       |  |
| Standard Errors        |               |            |                 |              |  |
| beandard Briorb        | compaced from | unaryere . | Jecona acrivaci | veb (newcon) |  |
|                        |               | dP         | /dX             |              |  |
| MARGINAL EFFECTS       | 0             |            | 1               |              |  |
| C                      | -0.20404      | 0.204      |                 |              |  |
| HS2                    | -0.080319     | 0.0803     |                 |              |  |
| HS3                    | -0.13104      | 0.131      |                 |              |  |
| HS4                    | -0.21824      | 0.218      |                 |              |  |
| HSP5                   | -0.22496      | 0.224      |                 |              |  |
| AGE2539                | 0.070116      | -0.0701    |                 |              |  |
| AGE4049                | 0.096113      | -0.0961    |                 |              |  |
| AGE5065                | 0.13174       | -0.131     |                 |              |  |
| AGE65PLUS              | 0.15337       | -0.153     |                 |              |  |
| AGEPCCHILD             | -0.11322      | 0.113      |                 |              |  |
| EMPPARTTIME            | -0.017780     | 0.0177     |                 |              |  |
| EMPFULLTIME            | -0.0086719    | 0.0086     | 719             |              |  |
| EDUHIGHSCHOOL          | 0.0051768     | -0.00517   |                 |              |  |
| EDUSOMECOLLEGE         | 0.012162      | -0.0121    | L62             |              |  |
| EDUCOLLEGEPLUS         | 0.046227      | -0.0462    | 227             |              |  |
| BLACK                  | -0.16976      | 0.169      |                 |              |  |
| ORIENTAL               | -0.16377      | 0.163      |                 |              |  |
| OTHER                  | -0.032351     | 0.0323     |                 |              |  |
| HISPYES                | 0.00086510    | -0.000865  |                 |              |  |
| CENTRAL                | -0.025819     | 0.0258     | 319             |              |  |
| SOUTH                  | 0.0036509     | -0.00365   | 509             |              |  |
| WEST                   | -0.018964     | 0.0189     | 964             |              |  |
| POV130                 | -0.046803     | 0.0468     | 303             |              |  |
| JOINT F-TESTS Standard |               |            |                 |              |  |
| Parameter Estir        |               |            | -statistic P    | -value       |  |
| HH 2.81                |               |            |                 | .000]        |  |
| AG -1.94               |               |            |                 | .179]        |  |
| PC .4871               |               |            | -               | .000]        |  |
| EM .1138               |               |            | -               | .280]        |  |
| ED27                   |               |            |                 | .466]        |  |
| RC 1.574               |               |            | -               | .000]        |  |
|                        | 2228E-02 .110 |            |                 | .973]        |  |
| RG .1769               |               |            |                 | .245]        |  |
| PV .2013               |               |            | -               | .067]        |  |
| .201.                  | .1090         |            | L.00002         |              |  |

# Beverage #12. Vegetable Juice

Number of observations = 5715 Number of positive obs. = 2798 Mean of dep. var. = .489589 Sum of squared residuals = 1395.02

R-squared = .023181Kullback-Leibler R-sq = .016883 Log likelihood = -3893.24

| PROBIT PARAMETER | 25            | Standard |                    |          |
|------------------|---------------|----------|--------------------|----------|
| Parameter        | Estimate      | Error    | t-statistic        | P-value  |
| С                | 518867        | .256570  | -2.02232           | [.043]   |
| HS2              | .291937       | .047923  | 6.09184            | [.000]   |
| HS3              | .282180       | .064111  | 4.40143            | [.000]   |
| HS4              | .351875       | .074068  | 4.75071            | [.000]   |
| HSP5             | .418220       | .085526  | 4.89000            | [.000]   |
| AGE2539          | 041490        | .230188  | 180242             | [.857]   |
| AGE4049          | .080212       | .229709  | .349192            | [.727]   |
| AGE5065          | .258436       | .229521  | 1.12598            | [.260]   |
| AGE65PLUS        | .139656       | .233339  | .598512            | [.549]   |
| AGEPCCHILD       | .026148       | .059314  | .440842            | [.659]   |
| EMPPARTTIME      | 037844        | .050975  | 742391             | [.458]   |
| EMPFULLTIME      | 069365        | .044079  | -1.57367           | [.116]   |
| EDUHIGHSCHOOL    | 024232        | .102850  | 235608             | [.814]   |
| EDUSOMECOLLEGE   | .046069       | .101381  | .454414            | [.650]   |
| EDUCOLLEGEPLUS   | .094477       | .101725  | .928751            | [.353]   |
| BLACK            | 105644        | .059734  | -1.76857           | [.077]   |
| ORIENTAL         | 226326        | .171177  | -1.32218           | [.186]   |
| OTHER            | 200610        | .092836  | -2.16091           | [.031]   |
| HISPYES          | .013497       | .081553  | .165496            | [.869]   |
| CENTRAL          | .216408       | .049476  | 4.37401            | [.000]   |
| SOUTH            | .146937       | .046345  | 3.17053            | [.002]   |
| WEST             | .082325       | .053101  | 1.55035            | [.121]   |
| POV130           | 051714        | .080340  | 643687             | [.520]   |
| Standard Errors  | computed from | analytic | second derivatives | (Newton) |

| MARGINAL EFF | ECTS     | 0        | dP/      | 1          |         |
|--------------|----------|----------|----------|------------|---------|
| С            |          | 0.20314  | -0.203   |            |         |
| HS2          |          | 0.11430  | 0.114    |            |         |
| HS3          |          | 0.11048  | 0.110    |            |         |
| HS4          |          | 0.13776  | 0.137    |            |         |
| HSP5         |          | 0.16374  | 0.163    |            |         |
| AGE2539      |          | .016243  | -0.0162  |            |         |
| AGE4049      |          | .031404  | 0.0314   |            |         |
| AGE5065      |          | 0.10118  | 0.101    |            |         |
| AGE65PLUS    |          | .054676  | 0.0546   |            |         |
| AGEPCCHILD   |          | .010237  | 0.0102   |            |         |
| EMPPARTTIME  |          | .014816  | -0.0148  |            |         |
| EMPFULLTIME  |          | .027157  | -0.0271  |            |         |
| EDUHIGHSCHC  |          | 0094871  | -0.00948 |            |         |
| EDUSOMECOLI  |          | .018036  | 0.0180   |            |         |
| EDUCOLLEGEP  |          | .036988  | 0.0369   |            |         |
| BLACK        |          | .041360  | -0.0413  |            |         |
| ORIENTAL     |          | .088608  | -0.0886  |            |         |
| OTHER        |          | 0.078540 | -0.0785  |            |         |
| HISPYES      |          | 0052841  | 0.00528  |            |         |
| CENTRAL      |          | .084725  | 0.0847   |            |         |
| SOUTH        |          | .057527  | 0.0575   |            |         |
| WEST         |          | .032231  | 0.0322   |            |         |
| POV130       | 0        | 0.020246 | -0.0202  | 46         |         |
| JOINT F-TEST |          | Standard |          |            |         |
| Parameter    | Estimate | Erro     |          | -statistic | P-value |
| HH           | 1.34421  | .22248   |          | .04188     | [.000]  |
| AG           | .436815  | .91234   |          | 478781     | [.632]  |
| PC           | .026148  | .05931   |          | 440842     | [.659]  |
| EM           | 107209   | .08285   |          | 1.29389    | [.196]  |
| ED           | .116314  | .29646   |          | 392335     | [.695]  |
| RC           | 532579   | .21075   |          | 2.52698    | [.012]  |
| HP           | .013497  | .08155   |          | 165496     | [.869]  |
| RG           | .445670  | .12368   |          | .60335     | [.000]  |
| PV           | 051714   | .08034   | 0 –      | .643687    | [.520]  |

# Beverage #13. Coffee - Regular

Number of observations = 5715 Number of positive obs. = 4131 Mean of dep. var. = .722835 Sum of squared residuals = 1085.47 R-squared = .051965 Kullback-Leibler R-sq = .043447 Log likelihood = -3226.75

|                   | _        |               |                    |          |
|-------------------|----------|---------------|--------------------|----------|
| PROBIT PARAMETERS |          | Standard      |                    |          |
| Parameter         | Estimate | Error         | t-statistic        | P-value  |
| C                 | .198360  | .263584       | .752549            | [.452]   |
| HS2               | .405814  | .049992       | 8.11760            | [.000]   |
| HS3               | .435439  | .068835       | 6.32584            | [.000]   |
| HS4               | .573657  | .080071       | 7.16437            | [.000]   |
| HSP5              | .573106  | .091958       | 6.23226            | [.000]   |
| AGE2539           | .317374  | .229950       | 1.38019            | [.168]   |
| AGE4049           | .541479  | .229724       | 2.35709            | [.018]   |
| AGE5065           | .697361  | .229669       | 3.03638            | [.002]   |
| AGE65PLUS         | .718034  | .234450       | 3.06263            | [.002]   |
| AGEPCCHILD        | 142529   | .064519       | -2.20910           | [.027]   |
| EMPPARTTIME       | 108727   | .055398       | -1.96268           | [.050]   |
| EMPFULLTIME       | 099482   | .048341       | -2.05793           | [.040]   |
| EDUHIGHSCHOOL     | 155951   | .119099       | -1.30942           | [.190]   |
| EDUSOMECOLLEGE    | 139319   | .117484       | -1.18586           | [.236]   |
| EDUCOLLEGEPLUS    | 288933   | .117494       | -2.45913           | [.014]   |
| BLACK             | 281705   | .061124       | -4.60877           | [.000]   |
| ORIENTAL          | 179661   | .174221       | -1.03122           | [.302]   |
| OTHER             | .024532  | .101402       | .241931            | [.809]   |
| HISPYES           | .169731  | .091282       | 1.85942            | [.063]   |
| CENTRAL           | 258643   | .054255       | -4.76721           | [.000]   |
| SOUTH             | 228134   | .051142       | -4.46078           | [.000]   |
| WEST              | 233628   | .058480       | -3.99504           | [.000]   |
| POV130            | 206936   | .083670       | -2.47324           | [.013]   |
| Standard Errors   | computed | from analytic | second derivatives | (Newton) |

|        |          | dP/0  | dX  |  |
|--------|----------|---|---|--|
| ICTS   | 0        |   | 1   |  |
| - (    | 0.063397 | 0.0633  | 97  |  |
| -      | -0.12970 | 0.129   | 70  |  |
| -      | -0.13917 | 0.139   | 17  |  |
| -      | -0.18334 | 0.183   | 34  |  |
| -      | -0.18317 | 0.183   | 17  |  |
| -      | -0.10143 | 0.101   | 43  |  |
| -      | -0.17306 | 0.173   | 06  |  |
| -      | -0.22288 | 0.222   | 88  |  |
| -      | -0.22949 | 0.229   | 49  |  |
| (      | 0.045553 | -0.0455   | 53  |  |
| (      | 0.034750 | -0.0347   | 50  |  |
| (      | 0.031795 | -0.0317   | 95  |  |
| )L (   | 0.049842 | -0.0498   | 42  |  |
| EGE (  | 0.044527 | -0.0445   | 27  |  |
| LUS (  | 0.092344 | -0.0923   | 44  |  |
|        |          | -0.0900   | 34  |  |
| (      | 0.057420 | -0.0574   | 20  |  |
| -0.    | 0078406  | 0.00784   | 06  |  |
| - 0    | 0.054247 | 0.0542  | 47  |  |
| (      | 0.082663 | -0.0826   | 63  |  |
| (      | 0.072912 | -0.0729   | 12  |  |
|        |          |   |   |  |
| (      | 0.066137 | -0.0661   | 37  |  |
|        |          |   |   |  |
| 5      |          |   |   |  |
|        |          |   |   | P-value  |
|        |          |   |   | [.000]   |
|        |          |   |   | [.013]   |
|        |          |   |   | [.027]   |
|        |          |   |   | [.022]   |
|        |          |   |   | [.090]   |
|        |          |   |   | [.046]   |
|        |          |   |   | [.063]   |
|        |          | -   |   | [.000]   |
| 206936 | .08367   | U -   | 2.47324   | [.013]   |
|        | (<br>    | -0.063397<br>-0.12970<br>-0.13917<br>-0.18334<br>-0.18317<br>-0.10143<br>-0.17306<br>-0.22288<br>-0.22949<br>0.045553<br>0.034750<br>0.031795<br>DL 0.049842<br>CGE 0.044527<br>JUS 0.092344<br>0.090034<br>0.057420<br>-0.0078406<br>-0.057420<br>-0.0078406<br>-0.057420<br>-0.0078406<br>-0.057420<br>-0.0078406<br>-0.054247<br>0.082663<br>0.072912<br>0.074668<br>0.066137<br>CS Standar<br>Stimate Erro<br>1.98802 .23647<br>2.27425 .91158<br>-142529 .06451<br>-208210 .09086<br>-584203 .34442<br>-436834 .21879<br>169731 .09128 | ECTS         0           -0.063397         0.0633           -0.12970         0.129           -0.13917         0.139           -0.18334         0.183           -0.10143         0.101           -0.17306         0.173           -0.22288         0.222           -0.22949         0.229           0.045553         -0.0455           0.031795         -0.0317           DL         0.049842         -0.0498           GEE         0.044527         -0.0445           JUS         0.092344         -0.0920           0.057420         -0.0574           -0.0078406         0.00784           0.072912         -0.0729           0.072912         -0.0729           0.072912         -0.0661           Standard         2           Stimate         Error           L.98802         .236471           2.27425         .911581           2.27425         .911581           2.27425         .911581           2.28210         .090869          584203         .344420           .436834         .218793           .69731         .091282 | -0.063397 0.063397<br>-0.12970 0.12970<br>-0.13917 0.13917<br>-0.18334 0.18334<br>-0.18317 0.18317<br>-0.10143 0.10143<br>-0.17306 0.17306<br>-0.22288 0.22288<br>-0.22949 0.22949<br>0.045553 -0.045553<br>0.034750 -0.034750<br>0.031795 -0.031795<br>DL 0.049842 -0.049842<br>EGE 0.044527 -0.044527<br>JUS 0.092344 -0.09034<br>0.057420 -0.057420<br>-0.0078406 0.0078406<br>-0.054247 0.054247<br>0.082663 -0.082663<br>0.072912 -0.072912<br>0.074668 -0.074668<br>0.066137 -0.066137<br>Standard<br>Stimate Error t-statistic<br>.98802 .236471 8.40702<br>2.27425 .911581 2.49484<br>-142529 .064519 -2.20910<br>.208210 .090869 -2.29131<br>.584203 .344420 -1.69619<br>.436834 .218793 -1.99657<br>169731 .091282 1.85942<br>-720405 .137767 -5.22915 |

### Beverage #14. Coffee - Decaffeinated

Number of positive obs. = 1675R-squared = .058388Number of dep. var. = .293088Log likelihood = -3285.34Sum of squared residuals = 1114.95

Kullback-Leibler R-sq = .049646

| PROBIT PARAMETERS   | 2   | Standard   |                     |                  |
|---|---|--|---------------------|------------------|
| Parameter   | <br>Estimate  | Error  | t-statistic         | P-value          |
|   |   | .304199  |                     |                  |
| C   | -1.19124  |  | -3.91599<br>6.21885 | [.000]<br>[.000] |
| HS2   |   | .052056  |                     |                  |
| HS3   | .278955   | .069048  | 4.04002             | [.000]           |
| HS4   | .263824   | .080310  | 3.28506             | [.001]           |
| HSP5  | .239881   | .093686  | 2.56048             | [.010]           |
| AGE2539   | .142069   | .279866  | .507630             | [.612]           |
| AGE4049   | .408480   | .279010  | 1.46403             | [.143]           |
| AGE5065   | .616490   | .278695  | 2.21206             | [.027]           |
| AGE65PLUS   | .906959   | .281814  | 3.21829             | [.001]           |
| AGEPCCHILD  | .260472E-02   | .063982  | .040710             | [.968]           |
| EMPPARTTIME   | 016341  | .053633  | 304675              | [.761]           |
| EMPFULLTIME   | 188299  | .046910  | -4.01404            | [.000]           |
| EDUHIGHSCHOOL   | .074988   | .110651  | .677692             | [.498]           |
| EDUSOMECOLLEGE  | .138095   | .109088  | 1.26590             | [.206]           |
| EDUCOLLEGEPLUS  | .212839   | .109419  | 1.94517             | [.052]           |
| BLACK   | 235393  | .067504  | -3.48712            | [.000]           |
| ORIENTAL  | 226731  | .203942  | -1.11174            | [.266]           |
| OTHER   | 049356  | .102250  | 482701              | [.629]           |
| HISPYES   | 069383  | .090155  | 769598              | [.442]           |
| CENTRAL   | 198764  | .052575  | -3.78061            | [.000]           |
| SOUTH   | 081603  | .048819  | -1.67156            | [.095]           |
| WEST  | 255312  | .056840  | -4.49175            | [.000]           |
| POV130  | 295166  | .092010  | -3.20797            | [.001]           |
| Standard Errors   | computed from   | analytic seco  | na derivatives      | (Newton)         |
|   |   |  |                     |                  |
|   |   | dP/dX  |                     |                  |
| MARGINAL EFFECTS  | 0   | dP/dX<br>1   |                     |                  |
| MARGINAL EFFECTS  | 0<br>0.38820  |  |                     |                  |
|   |   | 1  |                     |                  |
| C   | 0.38820   | 1<br>-0.38820  |                     |                  |
| C<br>HS2  | 0.38820<br>-0.10550   | 1<br>-0.38820<br>0.10550   |                     |                  |
| C<br>HS2<br>HS3   | 0.38820<br>-0.10550<br>-0.090906  | 1<br>-0.38820<br>0.10550<br>0.090906   |                     |                  |
| C<br>HS2<br>HS3<br>HS4  | 0.38820<br>-0.10550<br>-0.090906<br>-0.085975   | 1<br>-0.38820<br>0.10550<br>0.090906<br>0.085975   |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5  | 0.38820<br>-0.10550<br>-0.090906<br>-0.085975<br>-0.078173  | 1<br>-0.38820<br>0.10550<br>0.090906<br>0.085975<br>0.078173   |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539   | 0.38820<br>-0.10550<br>-0.090906<br>-0.085975<br>-0.078173<br>-0.046298   | 1<br>-0.38820<br>0.10550<br>0.090906<br>0.085975<br>0.078173<br>0.046298   |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049  | 0.38820<br>-0.10550<br>-0.090906<br>-0.085975<br>-0.078173<br>-0.046298<br>-0.13312   | 1<br>-0.38820<br>0.10550<br>0.090906<br>0.085975<br>0.078173<br>0.046298<br>0.13312  |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHILD   | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\end{array}$   | $\begin{array}{c} 1 \\ -0.38820 \\ 0.10550 \\ 0.090906 \\ 0.085975 \\ 0.078173 \\ 0.046298 \\ 0.13312 \\ 0.20090 \\ 0.29556 \\ 0.00084883 \end{array}$   |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME  | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.2090\\ -0.29556\\ -0.00084883\\ 0.0053251 \end{array}$   | 1<br>-0.38820<br>0.10550<br>0.090906<br>0.085975<br>0.078173<br>0.046298<br>0.13312<br>0.20090<br>0.29556<br>0.00084883<br>-0.0053251  |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME   | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20900\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\end{array}$  | 1<br>-0.38820<br>0.10550<br>0.090906<br>0.085975<br>0.078173<br>0.046298<br>0.13312<br>0.20090<br>0.29556<br>0.00084883<br>-0.0053251<br>-0.061363   |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL  | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.0084883\\ 0.0053251\\ 0.061363\\ -0.024437\end{array}$   | 1<br>-0.38820<br>0.10550<br>0.090906<br>0.085975<br>0.078173<br>0.046298<br>0.13312<br>0.20090<br>0.29556<br>0.00084883<br>-0.0053251<br>-0.061363<br>0.024437   |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE  | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003 \end{array}$   | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.00084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003 \end{array}$  |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS   | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.045003\\ -0.069360\end{array}$  | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.00084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003\\ 0.069360\\ \end{array}$   |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HS5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK  | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.045003\\ -0.069360\\ 0.076710\end{array}$   | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.00084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003\\ 0.069360\\ -0.076710\end{array}$  |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HS5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL   | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.045003\\ -0.069360\\ 0.076710\\ 0.073888\end{array}$  | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.00084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003\\ 0.069360\\ -0.076710\\ -0.073888\end{array}$  |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HS95<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE9CCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER                                       | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.0084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.069360\\ 0.076710\\ 0.073888\\ 0.016084 \end{array}$   | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.0084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003\\ 0.069360\\ -0.076710\\ -0.073888\\ -0.016084 \end{array}$  |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES               | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.024437\\ -0.045003\\ -0.069360\\ 0.076710\\ 0.073888\\ 0.016084\\ 0.022611\end{array}$            | $\begin{array}{c} 1 \\ -0.38820 \\ 0.10550 \\ 0.090906 \\ 0.085975 \\ 0.078173 \\ 0.046298 \\ 0.13312 \\ 0.20090 \\ 0.29556 \\ 0.00084883 \\ -0.0053251 \\ -0.061363 \\ 0.024437 \\ 0.045003 \\ 0.069360 \\ -0.076710 \\ -0.073888 \\ -0.016084 \\ -0.022611 \end{array}$                    |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHLD<br>EMPPARTTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL                    | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.024437\\ -0.045003\\ -0.069360\\ 0.076710\\ 0.073888\\ 0.016084\\ 0.022611\\ 0.064774\end{array}$ | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.00084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003\\ 0.069360\\ -0.076710\\ -0.073888\\ -0.016084\\ -0.022611\\ -0.064774\end{array}$                            |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE9CCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.024437\\ -0.045003\\ -0.069360\\ 0.076710\\ 0.073888\\ 0.016084\\ 0.022651\\ 0.026593\end{array}$ | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.00084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003\\ 0.024437\\ 0.045003\\ 0.069360\\ -0.076710\\ -0.073888\\ -0.016084\\ -0.0022611\\ -0.0226513\\ \end{array}$ |                     |                  |
| C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGE65PLUS<br>AGEPCCHLD<br>EMPPARTTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL                    | $\begin{array}{c} 0.38820\\ -0.10550\\ -0.090906\\ -0.085975\\ -0.078173\\ -0.046298\\ -0.13312\\ -0.20090\\ -0.29556\\ -0.00084883\\ 0.0053251\\ 0.061363\\ -0.024437\\ -0.045003\\ -0.024437\\ -0.045003\\ -0.069360\\ 0.076710\\ 0.073888\\ 0.016084\\ 0.022611\\ 0.064774\end{array}$ | $\begin{array}{c} 1\\ -0.38820\\ 0.10550\\ 0.090906\\ 0.085975\\ 0.078173\\ 0.046298\\ 0.13312\\ 0.20090\\ 0.29556\\ 0.00084883\\ -0.0053251\\ -0.061363\\ 0.024437\\ 0.045003\\ 0.069360\\ -0.076710\\ -0.073888\\ -0.016084\\ -0.022611\\ -0.064774\end{array}$                            |                     |                  |

| POV130      | 0          | .096189   | -0.096189   |         |
|-------------|------------|-----------|-------------|---------|
| JOINT F-TES | TS         | Standard  |             |         |
| Parameter   | Estimate   | Error     | t-statistic | P-value |
| HH          | 1.10639    | .241997   | 4.57190     | [.000]  |
| AG          | 2.07400    | 1.10949   | 1.86932     | [.062]  |
| PC          | .260472E-0 | 2 .063982 | .040710     | [.968]  |
| EM          | 204639     | .087236   | -2.34582    | [.019]  |
| ED          | .425921    | .319004   | 1.33516     | [.182]  |
| RC          | 511480     | .244521   | -2.09176    | [.036]  |
| HP          | 069383     | .090155   | 769598      | [.442]  |
| RG          | 535680     | .130287   | -4.11152    | [.000]  |
| PV          | 295166     | .092010   | -3.20797    | [.001]  |

# Beverage #15. Tea - Regular

Number of observations = 5715 Number of positive obs. = 3860 Mean of dep. var. = .675416 Sum of squared residuals = 1207.24

R-squared = .036440Kullback-Leibler R-sq = .028852 Log likelihood = -3498.11

> P-value [.000] [.604] [.021] [.589] [.311] [.034]

| PROBIT PARAMETERS | 5 5           | Standard |                    |          |
|-------------------|---------------|----------|--------------------|----------|
| Parameter         | Estimate      | Error    | t-statistic        | P-value  |
| C                 | .424588       | .271100  | 1.56617            | [.117]   |
| HS2               | .345530       | .048627  | 7.10574            | [.000]   |
| HS3               | .485915       | .067303  | 7.21986            | [.000]   |
| HS4               | .537110       | .078319  | 6.85795            | [.000]   |
| HSP5              | .537345       | .089611  | 5.99643            | [.000]   |
| AGE2539           | 218137        | .244697  | 891454             | [.373]   |
| AGE4049           | 091883        | .244367  | 376003             | [.707]   |
| AGE5065           | 082467        | .244176  | 337736             | [.736]   |
| AGE65PLUS         | 111337        | .247961  | 449009             | [.653]   |
| AGEPCCHILD        | 146589        | .063330  | -2.31469           | [.021]   |
| EMPPARTTIME       | 011296        | .053176  | 212424             | [.832]   |
| EMPFULLTIME       | .058143       | .046326  | 1.25510            | [.209]   |
| EDUHIGHSCHOOL     | .103497       | .106454  | .972220            | [.331]   |
| EDUSOMECOLLEGE    | .145326       | .104912  | 1.38521            | [.166]   |
| EDUCOLLEGEPLUS    | .061628       | .105173  | .585971            | [.558]   |
| BLACK             | .149669       | .063460  | 2.35848            | [.018]   |
| ORIENTAL          | .343651       | .186515  | 1.84248            | [.065]   |
| OTHER             | 011183        | .096488  | 115896             | [.908]   |
| HISPYES           | .028244       | .086079  | .328114            | [.743]   |
| CENTRAL           | 478149        | .052569  | -9.09566           | [.000]   |
| SOUTH             | 240540        | .050194  | -4.79216           | [.000]   |
| WEST              | 422308        | .056324  | -7.49784           | [.000]   |
| POV130            | 418541E-02    | .082990  | 050433             | [.960]   |
| Standard Errors   | computed from | analytic | second derivatives | (Newton) |

| MARGINAL EFF<br>C<br>HS2<br>HS3<br>HS4<br>HSP5<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS  | -0.1<br>-0.1<br>-0.1<br>-0.1<br>-0.1<br>0.07<br>0.03<br>0.02  | 0<br>4806<br>2049<br>6945<br>8730<br>8738<br>6069<br>2042<br>8758<br>8826                                 | dP/dX<br>1<br>0.14806<br>0.12049<br>0.16945<br>0.18730<br>0.18738<br>-0.076069<br>-0.032042<br>-0.028758<br>-0.038826  |                                |   |
|---|---|---|--|--------------------------------|---|
| AGEPCCHILD<br>EMPPARTTIME<br>EDUHIGHSCHO<br>EDUSOMECOLI<br>EDUCOLLEGEE<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130 | 2 0.003<br>2 -0.02<br>DOL -0.03<br>JEGE -0.05<br>-0.02<br>-0.02<br>-0.1<br>0.003<br>-0.009<br>0.1<br>0.003<br>0.1<br>0.01 | 20276<br>20078<br>20078<br>2193<br>1984<br>2996<br>26674<br>23882<br>4727                                 | -0.051119<br>0.0039391<br>0.020276<br>0.050678<br>0.021491<br>0.052193<br>0.11984<br>0.0038996<br>0.0098492<br>-0.16674<br>-0.083882<br>-0.14727<br>-0.0014595 |                                |   |
| JOINT F-TEST<br>Parameter<br>HH<br>AG<br>PC<br>EM<br>ED<br>RC<br>HP<br>RG<br>PV   | 25<br>Estimate<br>1.90590<br>503823<br>146589<br>.046848<br>.310451<br>.482137<br>.028244<br>-1.14100<br>418541E-02       | Standard<br>Error<br>.230910<br>.970613<br>.063330<br>.086721<br>.206922<br>.086079<br>.134391<br>.082990 | 8.25<br>51<br>-2.3<br>.540<br>1.01<br>2.12<br>.328<br>-8.4   | L9077<br>31469<br>)212<br>L297 | P-value<br>[.000]<br>[.604]<br>[.021]<br>[.311]<br>[.034]<br>[.743]<br>[.000]<br>[.960] |

### Beverage #16. Tea - Decaffeinated

Number of observations = 5715 Number of positive obs. = 2072 Mean of dep. var. = .362555 Sum of squared residuals = 1298.06

EDUSOMECOLLEGE

EDUCOLLEGEPLUS

R-squared = .017208Kullback-Leibler R-sq = .013491 Log likelihood = -3692.11

| PROBIT PARAMETER   | 2           | Standard    |                    |          |
|--------------------|-------------|-------------|--------------------|----------|
| Parameter          | Estimate    | Error       | t-statistic        | P-value  |
| C                  | -1.10211    | .281404     | -3.91648           | [.000]   |
| HS2                | .229620     | .049596     | 4.62982            | [.000]   |
| HS3                | .283890     | .065659     | 4.32369            | [.000]   |
| HS4                | .345482     | .075656     | 4.56649            | [.000]   |
| HSP5               | .318312     | .087616     | 3.63303            | [.000]   |
| AGE2539            | .358102     | .255264     | 1.40287            | [.161]   |
| AGE2000            | .477527     | .254715     | 1.87475            | [.061]   |
| AGE1015<br>AGE5065 | .475932     | .254513     | 1.86997            | [.061]   |
| AGE65PLUS          | .467450     | .258184     | 1.81053            | [.070]   |
| AGEPCCHILD         | 076007      | .060299     | -1.26050           | [.207]   |
| EMPPARTTIME        | .048945     | .051753     | .945743            | [.344]   |
| EMPFULLTIME        | 081741      | .044956     | -1.81824           | [.069]   |
| EDUHIGHSCHOOL      | .089804     | .107655     | .834180            | [.404]   |
| EDUSOMECOLLEGE     | .225589     | .106007     | 2.12806            | [.033]   |
| EDUCOLLEGEPLUS     | .314762     | .106293     | 2.96127            | [.003]   |
| BLACK              | .487273E-02 |             | .080259            | [.936]   |
| ORIENTAL           | 050873      | .173578     | 293084             | [.769]   |
| OTHER              | 012343      | .094220     | 131003             | [.896]   |
| HISPYES            | .062681     | .082939     | .755743            | [.450]   |
| CENTRAL            | 199556      | .050454     | -3.95520           | [.000]   |
| SOUTH              | 022275      | .046740     | 476574             | [.634]   |
| WEST               | 197978      | .054248     | -3.64949           | [.000]   |
| POV130             | 014966      | .082756     | 180848             | [.856]   |
| Standard Errors    | computed fr | om analytic | second derivatives | (Newton) |
|                    |             |             |                    |          |
|                    |             | 0           | P/dX               |          |
| MARGINAL EFFECTS   | 0.4073      | -           | 1                  |          |
| C<br>HS2           | -0.08486    |             |                    |          |
| HS2<br>HS3         | -0.1049     |             | 1001<br>0492       |          |
| HS4                | -0.1276     |             | 2768               |          |
| HSP5               | -0.1176     |             | 1764               |          |
| AGE2539            | -0.1323     |             | 3234               |          |
| AGE2039<br>AGE4049 | -0.1764     |             | 7648               |          |
| AGE4049<br>AGE5065 | -0.1758     |             | 7589               |          |
| AGE65PLUS          | -0.1727     |             | 7276               |          |
| AGEPCCHILD         | 0.02809     |             |                    |          |
| EMPPARTTIME        | -0.01808    |             |                    |          |
| EMPFULLTIME        | 0.03020     |             |                    |          |
| EDUHIGHSCHOOL      | -0.03318    |             |                    |          |

| EDUCOLLEGE  | PLUS -0  | .11633   | 0.11633    |            |
|-------------|----------|----------|------------|------------|
| BLACK       | -0.0     | 018008   | 0.0018008  |            |
| ORIENTAL    | 0.       | 018801   | -0.018801  |            |
| OTHER       | 0.0      | 045617   | -0.0045617 |            |
| HISPYES     | -0.      | 023165   | 0.023165   |            |
| CENTRAL     | 0.       | 073750   | -0.073750  |            |
| SOUTH       | 0.0      | 082323   | -0.0082323 |            |
| WEST        | 0.       | 073167   | -0.073167  |            |
| POV130      | 0.0      | 055311   | -0.0055311 |            |
|             |          |          |            |            |
| JOINT F-TES | TS       | Standard | 1          |            |
| Parameter   | Estimate | Error    | t-statist  | ic P-value |
| HH          | 1.17730  | .228912  | 2 5.14304  | [.000]     |
| AG          | 1.77901  | 1.01287  | 1.75640    | [.079]     |
| PC          | 076007   | .060299  | 9 -1.26050 | [.207]     |
| EM          | 032796   | .084303  | 389025     | [.697]     |
| ED          | .630155  | .310415  | 5 2.03004  | [.042]     |
| RC          | 058343   | .213867  | 7272802    | [.785]     |
| HP          | .062681  | .082939  | .755743    | [.450]     |
| 111         | .002001  | .002933  | .155745    | [.100]     |
| RG          | 419809   | .125094  |            | [.001]     |

-0.083372 -0.11633 -0.0018008 0.018801 0.033189

0.11633

# Beverage #17. Flavored Milk

Number of observations = 5715R-squared = .086143Number of positive obs. = 1701Kullback-Leibler R-sq = .070661Mean of dep. var. = .297638Log likelihood = -3233.71Sum of squared residuals = 1091.81Log likelihood = -3233.71

| PROBIT PARAMETERS | 5 5           | Standard      |                |          |
|-------------------|---------------|---------------|----------------|----------|
| Parameter         | Estimate      | Error         | t-statistic    | P-value  |
| С                 | 725331        | .273662       | -2.65047       | [.008]   |
| HS2               | .085711       | .054392       | 1.57579        | [.115]   |
| HS3               | .379741       | .069532       | 5.46134        | [.000]   |
| HS4               | .428638       | .078787       | 5.44050        | [.000]   |
| HSP5              | .451364       | .089844       | 5.02386        | [.000]   |
| AGE2539           | .119481       | .244592       | .488491        | [.625]   |
| AGE4049           | .123573       | .244176       | .506079        | [.613]   |
| AGE5065           | 155657        | .244318       | 637109         | [.524]   |
| AGE65PLUS         | 381500        | .249485       | -1.52915       | [.126]   |
| AGEPCCHILD        | .118638       | .061547       | 1.92761        | [.054]   |
| EMPPARTTIME       | 036382        | .055081       | 660508         | [.509]   |
| EMPFULLTIME       | .885394E-02   | .047270       | .187304        | [.851]   |
| EDUHIGHSCHOOL     | 050733        | .110101       | 460783         | [.645]   |
| EDUSOMECOLLEGE    | 182144        | .108794       | -1.67421       | [.094]   |
| EDUCOLLEGEPLUS    | 265298        | .109256       | -2.42822       | [.015]   |
| BLACK             | 314916        | .067002       | -4.70010       | [.000]   |
| ORIENTAL          | 188385        | .185956       | -1.01306       | [.311]   |
| OTHER             | 092893        | .099163       | 936770         | [.349]   |
| HISPYES           | .025832       | .086575       | .298376        | [.765]   |
| CENTRAL           | .464374       | .053284       | 8.71503        | [.000]   |
| SOUTH             | .177164       | .050797       | 3.48767        | [.000]   |
| WEST              | .576706E-02   | .059346       | .097177        | [.923]   |
| POV130            | 089853        | .087959       | -1.02153       | [.307]   |
| Standard Errors   | computed from | analytic seco | nd derivatives | (Newton) |
|                   |               |               |                |          |
| MARGINAL EFFECTS  | 0             | dP/dX<br>1    |                |          |
| MARGINAL EFFECTS  | 0             | 1             |                |          |

| MARGINAL EFF | ECTS     | 0        |        | 1         |
|--------------|----------|----------|--------|-----------|
| С            |          | 0.23265  | -0.23  | 3265      |
| HS2          | -        | 0.027492 | 0.02   | 7492      |
| HS3          |          | -0.12180 | 0.12   | 2180      |
| HS4          |          | -0.13749 | 0.13   | 3749      |
| HSP5         |          | -0.14478 | 0.14   | 4478      |
| AGE2539      | -        | 0.038324 | 0.038  | 8324      |
| AGE4049      | -        | 0.039636 | 0.039  | 9636      |
| AGE5065      |          | 0.049927 | -0.049 | 9927      |
| AGE65PLUS    |          | 0.12237  |        | 2237      |
| AGEPCCHILD   | -        | 0.038053 | 0.038  | 8053      |
| EMPPARTTIME  |          |          | -0.01  |           |
| EMPFULLTIME  | - 0      | .0028399 | 0.0028 | 8399      |
| EDUHIGHSCHO  | OL       | 0.016273 | -0.010 | 6273      |
| EDUSOMECOLL  | EGE      | 0.058423 | -0.058 | 8423      |
| EDUCOLLEGEP  | LUS      | 0.085095 | -0.08  | 5095      |
| BLACK        |          |          | -0.10  | 0101      |
| ORIENTAL     |          | 0.060425 | -0.060 | 0425      |
| OTHER        |          | 0.029795 |        | 9795      |
| HISPYES      | - 0      | .0082857 | 0.0082 | 2857      |
| CENTRAL      |          | -0.14895 | 0.14   | 4895      |
| SOUTH        | -        | 0.056826 | 0.050  | 6826      |
| WEST         | - 0      | .0018498 | 0.0018 | 8498      |
| POV130       |          | 0.028820 | -0.028 | 8820      |
| JOINT F-TEST | S        | Stand    | dard   |           |
| Parameter    | Estimate | E        | rror   | t-statist |
| HH           | 1.34545  | .24      | 3522   | 5.52498   |
|              |          |          |        |           |

| Parameter | Estimate | Error   | t-statistic | P-value |
|-----------|----------|---------|-------------|---------|
| HH        | 1.34545  | .243522 | 5.52498     | [.000]  |
| AG        | 294104   | .970675 | 302989      | [.762]  |
| PC        | .118638  | .061547 | 1.92761     | [.054]  |
| EM        | 027528   | .089422 | 307842      | [.758]  |
| ED        | 498174   | .317970 | -1.56673    | [.117]  |
| RC        | 596194   | .229005 | -2.60341    | [.009]  |
| HP        | .025832  | .086575 | .298376     | [.765]  |
| RG        | .647305  | .136611 | 4.73830     | [.000]  |
| PV        | 089853   | .087959 | -1.02153    | [.307]  |

# Beverage #18. Unflavored Milk

Number of observations = 5715 Number of positive obs. = 5642 Mean of dep. var. = .987227 Sum of squared residuals = 70.8775 R-squared = .016571 Kullback-Leibler R-sq = .080088 Log likelihood = -359.539

| PROBIT PARAMETER: | 5        | Standard      |                    |          |
|-------------------|----------|---------------|--------------------|----------|
| Parameter         | Estimate | Error         | t-statistic        | P-value  |
| С                 | 5.76551  | 3061.81       | .188304E-02        | [.998]   |
| HS2               | .494926  | .116784       | 4.23796            | [.000]   |
| HS3               | .489479  | .178542       | 2.74154            | [.006]   |
| HS4               | .225915  | .197487       | 1.14395            | [.253]   |
| HSP5              | .437498  | .274756       | 1.59231            | [.111]   |
| AGE2539           | -3.94633 | 3061.81       | 128889E-02         | [.999]   |
| AGE4049           | -3.97760 | 3061.81       | 129910E-02         | [.999]   |
| AGE5065           | -4.13597 | 3061.81       | 135082E-02         | [.999]   |
| AGE65PLUS         | -4.12504 | 3061.81       | 134725E-02         | [.999]   |
| AGEPCCHILD        | .309740  | .191501       | 1.61743            | [.106]   |
| EMPPARTTIME       | .122584  | .164327       | .745980            | [.456]   |
| EMPFULLTIME       | 052937   | .129152       | 409884             | [.682]   |
| EDUHIGHSCHOOL     | .273982  | .255055       | 1.07421            | [.283]   |
| EDUSOMECOLLEGE    | .122855  | .242978       | .505623            | [.613]   |
| EDUCOLLEGEPLUS    | .101434  | .244040       | .415644            | [.678]   |
| BLACK             | 292673   | .140423       | -2.08422           | [.037]   |
| ORIENTAL          | 278424   | .419988       | 662932             | [.507]   |
| OTHER             | 537676   | .209373       | -2.56803           | [.010]   |
| HISPYES           | .058479  | .231315       | .252811            | [.800]   |
| CENTRAL           | .225720  | .141736       | 1.59255            | [.111]   |
| SOUTH             | .102781  | .123561       | .831822            | [.406]   |
| WEST              | .184998  | .148680       | 1.24427            | [.213]   |
| POV130            | 301570   | .183329       | -1.64497           | [.100]   |
| Standard Errors   | computed | from analytic | second derivatives | (Newton) |
|                   |          |               |                    |          |

|                   |            | dP/dX      |
|-------------------|------------|------------|
| MARGINAL EFFECTS  | 0          | 1          |
| С                 | -0.17775   | 0.17775    |
| HS2               | -0.015259  | 0.015259   |
| HS3               | -0.015091  | 0.015091   |
| HS4               | -0.0069650 | 0.0069650  |
| HSP5              | -0.013488  | 0.013488   |
| AGE2539           | 0.12167    | -0.12167   |
| AGE4049           | 0.12263    | -0.12263   |
| AGE5065           | 0.12751    | -0.12751   |
| AGE65PLUS         | 0.12718    | -0.12718   |
| AGEPCCHILD        | -0.0095493 | 0.0095493  |
| EMPPARTTIME       | -0.0037793 | 0.0037793  |
| EMPFULLTIME       | 0.0016321  | -0.0016321 |
| EDUHIGHSCHOOL     | -0.0084469 | 0.0084469  |
| EDUSOMECOLLEGE    | -0.0037877 | 0.0037877  |
| EDUCOLLEGEPLUS    | -0.0031272 | 0.0031272  |
| BLACK             | 0.0090232  | -0.0090232 |
| ORIENTAL          | 0.0085839  | -0.0085839 |
| OTHER             | 0.016577   | -0.016577  |
| HISPYES           | -0.0018029 | 0.0018029  |
| CENTRAL           | -0.0069590 | 0.0069590  |
| SOUTH             | -0.0031688 | 0.0031688  |
| WEST              | -0.0057035 | 0.0057035  |
| POV130            | 0.0092975  | -0.0092975 |
| JOINT F-TESTS     | Standa     | rd         |
| Demomotore Estima | to Date    | an t atati |

| Parameter | Estimate | Error   | t-statistic | P-value |  |
|-----------|----------|---------|-------------|---------|--|
| HH        | 1.64782  | .557892 | 2.95365     | [.003]  |  |
| AG        | -16.1849 | 12247.2 | 132152E-02  | [.999]  |  |
| PC        | .309740  | .191501 | 1.61743     | [.106]  |  |
| EM        | .069647  | .252819 | .275483     | [.783]  |  |
| ED        | .498271  | .705100 | .706666     | [.480]  |  |
| RC        | -1.10877 | .514562 | -2.15479    | [.031]  |  |
| HP        | .058479  | .231315 | .252811     | [.800]  |  |
| RG        | .513498  | .330930 | 1.55168     | [.121]  |  |
| PV        | 301570   | .183329 | -1.64497    | [.100]  |  |

# Beverage #19. Flavored Milk - Whole

Number of observations = 5715 Number of positive obs. = 1186 Mean of dep. var. = .207524 Sum of squared residuals = 889.094 R-squared = .054043 Kullback-Leibler R-sq = .050785 Log likelihood = -2770.20

| PROBIT PARAMETER | S          | Standard |                |            |
|------------------|------------|----------|----------------|------------|
| Parameter        | Estimate   | Error    | t-statist      | ic P-value |
| С                | -1.09307   | .298802  | -3.65818       | [.000]     |
| HS2              | .147494    | .058993  | 2.50020        | [.012]     |
| HS3              | .355233    | .075062  | 4.73255        | [.000]     |
| HS4              | .454301    | .084078  | 5.40330        | [.000]     |
| -                |            |          |                |            |
| HSP5             | .451976    | .095908  | 4.71262        | [.000]     |
| AGE2539          | .186506    | .267367  | .697566        | [.485]     |
| AGE4049          | .147769    | .266966  | .553512        | [.580]     |
| AGE5065          | 094843     | .267215  | 354931         | [.723]     |
| AGE65PLUS        | 222957     | .272513  | 818151         | [.413]     |
| AGEPCCHILD       | .030429    | .065458  | .464859        | [.642]     |
| EMPPARTTIME      | 023988     | .058493  | 410109         | [.682]     |
| EMPFULLTIME      | 586154E-02 | .050405  | 116288         | [.907]     |
| EDUHIGHSCHOOL    | 011467     | .119448  | 096003         | [.924]     |
| EDUSOMECOLLEGE   | 124659     | .118178  | -1.05484       | [.292]     |
| EDUCOLLEGEPLUS   | 106586     | .118468  | 899706         | [.368]     |
|                  |            |          | -4.44950       |            |
| BLACK            | 330381     | .074251  |                | [.000]     |
| ORIENTAL         | 289958     | .205480  | -1.41113       | [.158]     |
| OTHER            | 113284     | .109730  | -1.03239       | [.302]     |
| HISPYES          | 237710     | .097836  | -2.42968       | [.015]     |
| CENTRAL          | .390680    | .056261  | 6.94409        | [.000]     |
| SOUTH            | .077779    | .054690  | 1.42217        | [.155]     |
| WEST             | .034260    | .063313  | .541127        | [.588]     |
| POV130           | 113910     | .096252  | -1.18346       | [.237]     |
| Standard Errors  |            |          | second derivat |            |
|                  |            |          |                | ,          |
|                  |            | di       | P/dX           |            |
| MARGINAL EFFECTS | 0          |          | 1              |            |
| С                | 0.29668    | -0.29    | 9668           |            |
| HS2              | -0.040032  | 0.040    | 032            |            |
| HS3              | -0.096416  | 0.090    |                |            |
| HS4              | -0.12330   |          | 2330           |            |
| HSP5             | -0.12267   |          | 2267           |            |
| AGE2539          | -0.050621  | 0.050    |                |            |
|                  |            |          |                |            |
| AGE4049          | -0.040107  | 0.040    |                |            |
| AGE5065          | 0.025742   | -0.025   |                |            |
| AGE65PLUS        | 0.060514   | -0.060   |                |            |
| AGEPCCHILD       | -0.0082589 | 0.0082   |                |            |
| EMPPARTTIME      | 0.0065108  | -0.006   | 5108           |            |
| EMPFULLTIME      | 0.0015909  | -0.001   | 5909           |            |
| EDUHIGHSCHOOL    | 0.0031124  | -0.0031  | 1124           |            |
| EDUSOMECOLLEGE   | 0.033834   | -0.033   | 3834           |            |
| EDUCOLLEGEPLUS   | 0.028929   | -0.028   | 3929           |            |
| BLACK            | 0.089671   | -0.089   | 9671           |            |
| ORIENTAL         | 0.078699   | -0.078   |                |            |
| OTHER            | 0.030747   | -0.030   |                |            |
| HISPYES          | 0.064518   | -0.064   |                |            |
|                  |            |          |                |            |
| CENTRAL          | -0.10604   |          | 0604           |            |
| SOUTH            | -0.021110  | 0.02     |                |            |
| WEST             | -0.0092988 | 0.0092   |                |            |
| POV130           | 0.030917   | -0.030   | 0917           |            |
|                  |            |          |                |            |
| JOINT F-TESTS    | Stand      |          |                | _          |
|                  |            | ror      |                | P-value    |
| нн 1.40          |            |          | 5.35941        | [.000]     |
| AG .016          | 475 1.06   | 5169     | .015518        | [.988]     |
| PC .030          | 429 .065   | 458      | .464859        | [.642]     |
| EM02             | 9850 .095  | 5174     | 313637         | [.754]     |
|                  | .345       |          | 702588         | [.482]     |
|                  | 3624 .252  |          | -2.90746       | [.004]     |
|                  | 7710 .097  |          | -2.42968       | [.015]     |
| RG .502          |            |          | 3.44551        | [.001]     |
|                  | .3910 .096 |          | -1.18346       | [.237]     |
| - · I I          | .090       |          | 1.10040        |            |

# Beverage #20. Flavored Milk - Reduced Fat

Number of observations = 5715 Number of positive obs. = 1011 Mean of dep. var. = .176903 Sum of squared residuals = 774.872 R-squared = .068834 Kullback-Leibler R-sq = .072269 Log likelihood = -2474.25

| PROBIT PARAMETER     | S                     | Standard |                |                |
|----------------------|-----------------------|----------|----------------|----------------|
| Parameter            | Estimate              | Error    | t-statist      | tic P-value    |
| С                    | 762317                | .284935  | -2.67540       | [.007]         |
| HS2                  | .254064E-02           | .063421  | .040060        | [.968]         |
| HS3                  | .321847               | .078365  | 4.10702        | [.000]         |
| HS4                  | .354260               | .087688  | 4.03998        | [.000]         |
| HSP5                 | .382608               | .098856  | 3.87037        | [.000]         |
| AGE2539              | 225407                | .249481  | 903503         | [.366]         |
| AGE4049              | 205528                | .248988  | 825455         | [.409]         |
| AGE5065              | 443618                | .249373  | -1.77893       | [.075]         |
| AGE5005<br>AGE65PLUS | 691535                | .256656  | -2.69440       | [.073]         |
| AGEPCCHILD           | .125929               | .067505  | 1.86547        | [.062]         |
| EMPPARTTIME          | 055944                | .061555  | 908854         | [.363]         |
|                      | 055944<br>.914181E-02 |          | .174044        |                |
| EMPFULLTIME          |                       | .052526  |                | [.862]         |
| EDUHIGHSCHOOL        | 114502E-02            | .122216  | 9368771        |                |
| EDUSOMECOLLEGE       | 124994                | .120897  | -1.03389       | [.301]         |
| EDUCOLLEGEPLUS       | 304119                | .121708  | -2.49876       | [.012]         |
| BLACK                | 218402                | .074850  | -2.91788       | [.004]         |
| ORIENTAL             | 192304                | .219383  | 876567         | [.381]         |
| OTHER                | 013175                | .108736  | 121160         | [.904]         |
| HISPYES              | .155698               | .093498  | 1.66526        | [.096]         |
| CENTRAL              | .373735               | .059322  | 6.30012        | [.000]         |
| SOUTH                | .181887               | .056947  | 3.19396        | [.001]         |
| WEST                 | 153053                | .069755  | -2.19415       | [.028]         |
| POV130               | 072132                | .098014  | 735929         | [.462]         |
| Standard Errors      | computed from         | analytic | second derivat | tives (Newton) |
|                      |                       |          |                |                |
| MARGINAL EFFECTS     | 0                     | di       | P/dX<br>1      |                |
|                      |                       | 0.1      |                |                |
| C                    | 0.18350               | -0.1     |                |                |
| HS2                  | -0.00061156           | 0.0006   |                |                |
| HS3                  | -0.077472             | 0.07     |                |                |
| HS4                  | -0.085274             | 0.08     |                |                |
| HSP5                 | -0.092097             | 0.09     |                |                |
| AGE2539              | 0.054258              | -0.05    |                |                |
| AGE4049              | 0.049473              | -0.04    |                |                |
| AGE5065              | 0.10678               | -0.1     |                |                |
| AGE65PLUS            | 0.16646               | -0.10    |                |                |
| AGEPCCHILD           | -0.030312             | 0.03     |                |                |
| EMPPARTTIME          | 0.013466              | -0.01    | 3466           |                |
| EMPFULLTIME          | -0.0022005            | 0.002    | 2005           |                |
| EDUHIGHSCHOOL        | 0.00027562            | -0.0002  | 7562           |                |
| EDUSOMECOLLEGE       | 0.030087              | -0.03    | 0087           |                |
| EDUCOLLEGEPLUS       | 0.073204              | -0.07    | 3204           |                |
| BLACK                | 0.052571              | -0.05    | 2571           |                |
| ORIENTAL             | 0.046289              | -0.04    | 6289           |                |
| OTHER                | 0.0031712             | -0.003   | 1712           |                |
| HISPYES              | -0.037478             | 0.03     | 7478           |                |
| CENTRAL              | -0.089962             | 0.08     | 9962           |                |
| SOUTH                | -0.043782             | 0.04     |                |                |
| WEST                 | 0.036841              | -0.03    |                |                |
| POV130               | 0.017363              | -0.01    |                |                |
|                      |                       |          |                |                |
| JOINT F-TESTS        | Stand                 |          |                |                |
| Parameter Esti       |                       | ror      | t-statistic    | P-value        |
| НН 1.06              | 125 .276              | 477      | 3.83849        | [.000]         |
| AG -1.5              | 6609 .989             | 149      | -1.58327       | [.113]         |
| PC .125              | 929 .067              | 505      | 1.86547        | [.062]         |
| EM04                 | 6802 .099             | 691      | 469476         | [.639]         |
| ED43                 | 0258 .353             | 500      | -1.21714       | [.224]         |
| RC42                 | 3880 .264             | 667      | -1.60156       | [.109]         |
| HP .155              | 698 .093              | 498      | 1.66526        | [.096]         |
| RG .402              | 568 .155              | 278      | 2.59257        | [.010]         |
| PV07                 |                       |          | 735929         | [.462]         |
|                      |                       |          |                |                |

### Beverage #21. Whole Milk - Unflavored

Number of observations = 5715 Number of positive obs. = 2700 Mean of dep. var. = .472441 Sum of squared residuals = 1329.85 R-squared = .066384 Kullback-Leibler R-sq = .049274 Log likelihood = -3757.89

| PROBIT PARAMETERS | -        | Standard      |                    |          |
|-------------------|----------|---------------|--------------------|----------|
|                   |          |               |                    | D        |
| Parameter         | Estimate | Error         | t-statistic        | P-value  |
| C                 | .205989  | .262299       | .785320            | [.432]   |
| HS2               | .075273  | .048463       | 1.55319            | [.120]   |
| HS3               | .056224  | .065100       | .863657            | [.388]   |
| HS4               | .019102  | .075193       | .254034            | [.799]   |
| HSP5              | .253794  | .087450       | 2.90216            | [.004]   |
| AGE2539           | .191430  | .235514       | .812820            | [.416]   |
| AGE4049           | .067144  | .235029       | .285684            | [.775]   |
| AGE5065           | .112383  | .234783       | .478666            | [.632]   |
| AGE65PLUS         | .062099  | .238628       | .260234            | [.795]   |
| AGEPCCHILD        | .128902  | .060247       | 2.13955            | [.032]   |
| EMPPARTTIME       | 116464   | .051775       | -2.24943           | [.024]   |
| EMPFULLTIME       | 099424   | .044685       | -2.22499           | [.026]   |
| EDUHIGHSCHOOL     | 096222   | .105123       | 915323             | [.360]   |
| EDUSOMECOLLEGE    | 261271   | .103590       | -2.52216           | [.012]   |
| EDUCOLLEGEPLUS    | 420264   | .103886       | -4.04541           | [.000]   |
| BLACK             | .579904  | .061950       | 9.36076            | [.000]   |
| ORIENTAL          | .255860  | .171999       | 1.48757            | [.137]   |
| OTHER             | .265593  | .094155       | 2.82079            | [.005]   |
| HISPYES           | .109232  | .082994       | 1.31614            | [.188]   |
| CENTRAL           | 441122   | .050159       | -8.79451           | [.000]   |
| SOUTH             | 099205   | .046739       | -2.12252           | [.034]   |
| WEST              | 408195   | .053851       | -7.58006           | [.000]   |
| POV130            | .193572  | .082445       | 2.34789            | [.019]   |
| Standard Errors   | computed | from analytic | second derivatives | (Newton) |

|             |          |           | dP/     | dx         |         |
|-------------|----------|-----------|---------|------------|---------|
| MARGINAL EF | FECTS    | 0         |         | 1          |         |
| C           |          | -0.077620 | 0.0776  | 20         |         |
| HS2         |          | -0.028364 | 0.0283  |            |         |
| HS3         |          | -0.021186 | 0.0211  |            |         |
| HS4         |          | 0.0071978 | 0.00719 |            |         |
| HSP5        |          | -0.095633 | 0.0956  |            |         |
| AGE2539     |          | -0.072134 | 0.0721  | .34        |         |
| AGE4049     |          | -0.025301 | 0.0253  |            |         |
| AGE5065     |          | -0.042347 | 0.0423  | 47         |         |
| AGE65PLUS   |          | -0.023400 | 0.0234  |            |         |
| AGEPCCHILD  |          | -0.048572 | 0.0485  | 72         |         |
| EMPPARTTIM  | E        | 0.043885  | -0.0438 | 85         |         |
| EMPFULLTIM  | E        | 0.037464  | -0.0374 | 64         |         |
| EDUHIGHSCH  | JOL      | 0.036258  | -0.0362 |            |         |
| EDUSOMECOL  | LEGE     | 0.098451  | -0.0984 | 51         |         |
| EDUCOLLEGE  | PLUS     | 0.15836   | -0.158  | 36         |         |
| BLACK       |          | -0.21852  | 0.218   | 52         |         |
| ORIENTAL    |          | -0.096412 | 0.0964  | 12         |         |
| OTHER       |          | -0.10008  | 0.100   | 08         |         |
| HISPYES     |          | -0.041160 | 0.0411  | .60        |         |
| CENTRAL     |          | 0.16622   | -0.166  | 22         |         |
| SOUTH       |          | 0.037382  | -0.0373 | 82         |         |
| WEST        |          | 0.15381   | -0.153  | 81         |         |
| POV130      |          | -0.072941 | 0.0729  | 41         |         |
|             |          |           |         |            |         |
| JOINT F-TES |          | Standa    |         |            |         |
| Parameter   | Estimate | Err       |         | -statistic | P-value |
| HH          | .404393  | .2259     |         | .78989     | [.073]  |
| AG          | .433056  | .9334     |         | 463910     | [.643]  |
| PC          | .128902  | .0602     |         | .13955     | [.032]  |
| EM          | 215888   | .0840     |         | 2.56867    | [.010]  |
| ED          | 777757   | .3030     |         | 2.56623    | [.010]  |
| RC          | 1.10136  | .2126     |         | .17829     | [.000]  |
| HP          | .109232  | .0829     | 94 1    | .31614     | [.188]  |
| RG          | 948522   | .1249     |         | 7.59188    | [.000]  |
| PV          | .193572  | .0824     | 45 2    | .34789     | [.019]  |
|             |          |           |         |            |         |

#### Beverage #22. 2% Milk - Unflavored

Number of observations = 5715 Number of positive obs. = 3821 Mean of dep. var. = .668591 Sum of squared residuals = 1233.23

BLACK ORIENTAL OTHER HISPYES CENTRAL SOUTH

WEST POV130

 AGE65PLUS
 0.039739

 AGEPCCHILD
 -0.040269

 EMPPARTTIME
 0.012775

 EMPFULLTIME
 0.026081

 EDUHIGHSCHOOL
 -0.046779

EDUSOMECOLLEGE -0.046028 EDUCOLLEGEPLUS -0.021691

R-squared = .026123 Kullback-Leipier K Sa Log likelihood = -3555.67 Kullback-Leibler R-sq = .020478

| PROBIT PARAMETERS | 3        | 5    | Standard |       |                |          |
|-------------------|----------|------|----------|-------|----------------|----------|
| Parameter         | Estimate |      | Error    |       | t-statistic    | P-value  |
| С                 | .153025  |      | .274094  |       | .558295        | [.577]   |
| HS2               | .214824  |      | .048359  |       | 4.44228        | [.000]   |
| HS3               | .331710  |      | .066270  |       | 5.00542        | [.000]   |
| HS4               | .302806  |      | .076643  |       | 3.95088        | [.000]   |
| HSP5              | .317572  |      | .089224  |       | 3.55927        | [.000]   |
| AGE2539           | 207051   |      | .248843  |       | 832055         | [.405]   |
| AGE4049           | 187493   |      | .248476  |       | 754573         | [.451]   |
| AGE5065           | 094964   |      | .248313  |       | 382437         | [.702]   |
| AGE65PLUS         | 112006   |      | .251896  |       | 444650         | [.657]   |
| AGEPCCHILD        | .113500  |      | .062078  |       | 1.82834        | [.067]   |
| EMPPARTTIME       | 036007   |      | .053427  |       | 673944         | [.500]   |
| EMPFULLTIME       | 073511   |      | .046109  |       | -1.59427       | [.111]   |
| EDUHIGHSCHOOL     | .131850  |      | .105670  |       | 1.24775        | [.212]   |
| EDUSOMECOLLEGE    | .129734  |      | .104159  |       | 1.24554        | [.213]   |
| EDUCOLLEGEPLUS    | .061137  |      | .104398  |       | .585617        | [.558]   |
| BLACK             | 218661   |      | .060263  |       | -3.62847       | [.000]   |
| ORIENTAL          | 199047   |      | .171616  |       | -1.15984       | [.246]   |
| OTHER             | 121059   |      | .095224  |       | -1.27132       | [.204]   |
| HISPYES           | .039120  |      | .085245  |       | .458913        | [.646]   |
| CENTRAL           | .284023  |      | .051111  |       | 5.55704        | [.000]   |
| SOUTH             | .117449  |      | .047178  |       | 2.48951        | [.013]   |
| WEST              | .260829  |      | .055005  |       | 4.74190        | [.000]   |
| POV130            | 110913   | -    | .082070  |       | -1.35145       | [.177]   |
| Standard Errors   | computed | from | analytic | secoi | nd derivatives | (Newton) |
|                   |          |      | di       | P/dX  |                |          |
| MARGINAL EFFECTS  |          | 0    | - u      | 1     |                |          |
| C                 | -0.054   | 292  | 0.054    | 1292  |                |          |
| HS2               | -0.076   |      | 0.076    |       |                |          |
| HS3               | -0.11    |      | 0.1      |       |                |          |
| HS4               | -0.10    | 0743 | 0.10     | 0743  |                |          |
| HSP5              | -0.11    |      |          | L267  |                |          |
| AGE2539           | 0.073    | 3460 | -0.073   | 3460  |                |          |
| AGE4049           | 0.066    | 521  | -0.060   | 5521  |                |          |
| AGE5065           | 0.033    | 8693 | -0.033   | 3693  |                |          |
| AGE65PLUS         | 0.039    | 739  | -0.039   | 9739  |                |          |
| AGEPCCHILD        | -0.040   | 1269 | 0.040    | 1269  |                |          |

0.040269 -0.012775 -0.026081 0.046779

0.021691

0.092540

| JOINT F-TES | TS       | Standard |             |         |
|-------------|----------|----------|-------------|---------|
| Parameter   | Estimate | Error    | t-statistic | P-value |
| HH          | 1.16691  | .227629  | 5.12637     | [.000]  |
| AG          | 601514   | .987224  | 609298      | [.542]  |
| PC          | .113500  | .062078  | 1.82834     | [.067]  |
| EM          | 109518   | .086904  | -1.26022    | [.208]  |
| ED          | .322720  | .304202  | 1.06087     | [.289]  |
| RC          | 538767   | .212895  | -2.53067    | [.011]  |
| HP          | .039120  | .085245  | .458913     | [.646]  |
| RG          | .662301  | .126186  | 5.24861     | [.000]  |
| PV          | 110913   | .082070  | -1.35145    | [.177]  |

0.039351 -0.039351

 JS
 -0.021691
 0.021691

 0.077579
 -0.077579

 0.070620
 -0.070620

 0.042951
 -0.042951

 -0.013879
 0.013879

 -0.10077
 0.10077

 -0.041670
 0.041670

-0.092540

#### Beverage #23. 1% Milk - Unflavored

Number of observations = 5715 Number of positive obs. = 2360 Mean of dep. var. = .412948 Sum of squared residuals = 1332.84 R-squared = .037970 Kullback-Leibler R-sq = .028633 Log likelihood = -3763.35

| PROBIT PARAMETER | S             | Standard   |                |               |
|------------------|---------------|------------|----------------|---------------|
| Parameter        | Estimate      | Error      | t-statist      | ic P-value    |
| С                | 779523        | .272542    | -2.86019       | [.004]        |
| HS2              | .205259       | .048831    | 4.20348        | [.000]        |
| HS3              | .179052       | .065191    | 2.74657        | [.006]        |
| HS4              | .232538       | .075256    | 3.08995        | [.002]        |
| HSP5             | .237814       | .086879    | 2.73729        | [.006]        |
|                  | .416632       | .246274    | 1.69174        |               |
| AGE2539          |               |            |                | [.091]        |
| AGE4049          | .481931       | .245851    | 1.96026        | [.050]        |
| AGE5065          | .504398       | .245615    | 2.05361        | [.040]        |
| AGE65PLUS        | .641399       | .249282    | 2.57299        | [.010]        |
| AGEPCCHILD       | .048493       | .060129    | .806472        | [.420]        |
| EMPPARTTIME      | .020604       | .051557    | .399643        | [.689]        |
| EMPFULLTIME      | 033053        | .044650    | 740269         | [.459]        |
| EDUHIGHSCHOOL    | .099737       | .105861    | .942150        | [.346]        |
| EDUSOMECOLLEGE   | .189587       | .104384    | 1.81624        | [.069]        |
| EDUCOLLEGEPLUS   | .272198       | .104700    | 2.59979        | [.009]        |
| BLACK            | 406165        | .063228    | -6.42377       | [.000]        |
| ORIENTAL         | .061215       | .169152    | .361896        | [.717]        |
| OTHER            | 191916        | .093643    | -2.04944       | [.040]        |
| HISPYES          | 353570E-02    | .082404    | 042907         | [.966]        |
| CENTRAL          | 516894        | .050263    | -10.2839       | [.000]        |
|                  |               | .046510    |                |               |
| SOUTH            | 296101        |            | -6.36646       | [.000]        |
| WEST             | 174616        | .053067    | -3.29049       | [.001]        |
| POV130           | 053510        | .081731    | 654716         | [.513]        |
| Standard Errors  | computed from | analytic : | second derivat | ives (Newton) |
|                  |               | ٩Ŀ         | / J.Y          |               |
| MARGINAL EFFECTS | 0             | aP,        | /dx<br>1       |               |
| C                | 0.29418       | -0.294     |                |               |
| HS2              | -0.077461     | 0.0774     |                |               |
| HS3              | -0.067571     | 0.067      |                |               |
| HS4              | -0.087755     | 0.087      |                |               |
| -                |               |            |                |               |
| HSP5             | -0.089747     | 0.089      |                |               |
| AGE2539          | -0.15723      | 0.15       |                |               |
| AGE4049          | -0.18187      | 0.18       |                |               |
| AGE5065          | -0.19035      | 0.190      |                |               |
| AGE65PLUS        | -0.24205      | 0.242      |                |               |
| AGEPCCHILD       | -0.018300     | 0.0183     | 300            |               |
| EMPPARTTIME      | -0.0077757    | 0.0077     | 757            |               |
| EMPFULLTIME      | 0.012474      | -0.0124    | 474            |               |
| EDUHIGHSCHOOL    | -0.037639     | 0.0376     | 539            |               |
| EDUSOMECOLLEGE   | -0.071547     | 0.071      | 547            |               |
| EDUCOLLEGEPLUS   | -0.10272      | 0.102      | 272            |               |
| BLACK            | 0.15328       | -0.153     | 328            |               |
| ORIENTAL         | -0.023102     | 0.023      | 102            |               |
| OTHER            | 0.072426      | -0.0724    | 426            |               |
| HISPYES          | 0.0013343     | -0.00133   |                |               |
| CENTRAL          | 0.19507       | -0.19      |                |               |
| SOUTH            | 0.11174       | -0.112     |                |               |
| WEST             | 0.065897      | -0.0658    |                |               |
|                  |               |            |                |               |
| POV130           | 0.020194      | -0.0203    | 194            |               |
| JOINT F-TESTS    | Stand         | ard        |                |               |
| Parameter Esti   |               |            | t-statistic    | P-value       |
| нн .854          |               |            | 3.77260        | [.000]        |
| AG 2.04          |               |            | 2.09242        | [.036]        |
| PC .048          |               |            | .806472        | [.420]        |
| EM01             |               |            | 148540         | [.882]        |
| ED .561          |               |            | 1.83833        | [.066]        |
|                  |               |            |                |               |
|                  |               |            | -2.54869       | [.011]        |
|                  | 3570E-02 .082 |            | 042907         | [.966]        |
| RG98             |               |            | -7.96988       | [.000]        |
| PV05             | 3510 .081     | /51 -      | 654716         | [.513]        |

#### Beverage #24. Skim Milk - Unflavored

Number of observations = 5715 Number of positive obs. = 3017 Mean of dep. var. = .527909 Sum of squared residuals = 1377.62 R-squared = .032774 Kullback-Leibler R-sq = .023972 Log likelihood = -3857.68

| PROBIT PARAMETER  |  | Standard  |  | <b>D</b> 1  |
|---|--|---|--|---|
| Parameter   | Estimate   | Error   | t-statisti   |   |
| C   | 126687   | .257438   | 492108   | [.623]  |
| HS2   | .067642  | .047899   | 1.41217  | [.158]  |
| HS3   | 036743   | .064158   | 572693   | [.567]  |
| HS4   | .075303  | .074245   | 1.01425  | [.310]  |
| HSP5  | .060919  | .085933   | .708908  | [.478]  |
| AGE2539   | 123558   | .230332   | 536433   | [.592]  |
| AGE4049   | 057385   | .229924   | 249584   | [.803]  |
| AGE5065   | .840310E-02  | .229745   | .036576  | [.971]  |
| AGE65PLUS   | .057899  | .233590   | .247868  | [.804]  |
| AGEPCCHILD  | 056071   | .059543   | 941693   | [.346]  |
| EMPPARTTIME   | .094456  | .051197   | 1.84496  | [.065]  |
| EMPFULLTIME   | .025531  | .044211   | .577481  | [.564]  |
| EDUHIGHSCHOOL   | .160055  | .104871   | 1.52622  | [.127]  |
| EDUSOMECOLLEGE  | .332369  | .103409   | 3.21411  | [.001]  |
| EDUCOLLEGEPLUS  | .486990  | .103734   | 4.69458  | [.000]  |
| BLACK   | 398929   | .060327   | -6.61277   | [.000]  |
| ORIENTAL  | .244900  | .171065   | 1.43162  | [.152]  |
| OTHER   | 050333   | .092738   | 542741   | [.587]  |
| HISPYES   | 035307   | .081871   | 431252   | [.666]  |
| CENTRAL   | 068244   | .049651   | -1.37447   | [.169]  |
| SOUTH   | 136067   | .046499   | -2.92623   | [.003]  |
| WEST  | 274414   | .053318   | -5.14678   | [.000]  |
| POV130  | 255353   | .081327   | -3.13985   | [.002]  |
| Standard Errors   | computed from  | n analytic  | second derivati  | ves (Newton)  |
|   |  |   | ( 7  |   |
| MARGINAL EFFECTS  | 0  | aP  | /dX<br>1   |   |
| C   | 0.049107   | -0.049  |  |   |
| HS2   | -0.026220  | 0.026   |  |   |
| HS3   | 0.014243   | -0.014  |  |   |
| HS4   | -0.029189  | 0.029   |  |   |
| HSP5  | -0.023614  | 0.023   |  |   |
| AGE2539   |  |   |  |   |
| 10000000  |  | -0 047  | 894  |   |
| AGE4049   | 0.047894<br>0 022244   | -0.047  |  |   |
| AGE4049<br>AGE5065  | 0.022244   | -0.022  | 244  |   |
| AGE5065   | 0.022244<br>-0.0032573   | -0.022<br>0.0032  | 244<br>573   |   |
| AGE5065<br>AGE65PLUS  | 0.022244<br>-0.0032573<br>-0.022443  | -0.022<br>0.0032<br>0.022   | 244<br>573<br>443  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735  | -0.022<br>0.0032<br>0.022<br>-0.021   | 244<br>573<br>443<br>735   |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME   | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613   | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036  | 244<br>573<br>443<br>735<br>613  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966   | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098  | 244<br>573<br>443<br>735<br>613<br>966   |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL   | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042  | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062   | 244<br>573<br>443<br>735<br>613<br>9966<br>042   |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCH1LD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE   | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\end{array}$   | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12   | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883   |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS   | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\\ -0.18877\end{array}$  | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.12   | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463   | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15  | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>887<br>463   |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930  | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094   | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>930  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER   | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\\ -0.18877\\ 0.15463\\ -0.094930\\ 0.019510 \end{array}$  | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019   | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>9930<br>510  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCH1LD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES  | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\\ -0.18877\\ 0.15463\\ -0.094930\\ 0.019510\\ 0.013686\end{array}$  | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013   | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>990<br>510<br>686  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCH1LD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL   | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\\ -0.18877\\ 0.15463\\ -0.094930\\ 0.019510\\ 0.013686\\ 0.026453\end{array}$   | $\begin{array}{c} -0.022\\ 0.0032\\ 0.022\\ -0.021\\ 0.036\\ 0.0098\\ 0.062\\ 0.12\\ 0.18\\ -0.15\\ 0.094\\ -0.019\\ -0.013\\ -0.026\end{array}$  | 244<br>573<br>443<br>735<br>613<br>9966<br>042<br>883<br>877<br>463<br>930<br>5510<br>686<br>453   |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCH1LD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH  | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\\ -0.18877\\ 0.15463\\ -0.094930\\ 0.019510\\ 0.013686\\ 0.026453\\ 0.052743\\ \end{array}$   | $\begin{array}{c} -0.022\\ 0.0032\\ 0.022\\ -0.021\\ 0.036\\ 0.0098\\ 0.062\\ 0.12\\ 0.18\\ -0.15\\ 0.094\\ -0.019\\ -0.013\\ -0.026\\ -0.052\end{array}$   | 244<br>573<br>443<br>735<br>613<br>9966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743   |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST   | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\\ -0.18877\\ 0.15463\\ -0.094930\\ 0.019510\\ 0.013686\\ 0.026453\\ 0.026453\\ 0.052743\\ 0.10637\end{array}$   | $\begin{array}{c} -0.022\\ 0.0032\\ 0.022\\ -0.021\\ 0.036\\ 0.0098\\ 0.062\\ 0.12\\ 0.18\\ -0.15\\ 0.094\\ -0.019\\ -0.013\\ -0.026\\ -0.052\\ -0.10\end{array}$   | 244<br>573<br>443<br>735<br>613<br>966<br>0042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCH1LD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH  | $\begin{array}{c} 0.022244\\ -0.0032573\\ -0.022443\\ 0.021735\\ -0.036613\\ -0.0098966\\ -0.062042\\ -0.12883\\ -0.18877\\ 0.15463\\ -0.094930\\ 0.019510\\ 0.013686\\ 0.026453\\ 0.052743\\ \end{array}$   | $\begin{array}{c} -0.022\\ 0.0032\\ 0.022\\ -0.021\\ 0.036\\ 0.0098\\ 0.062\\ 0.12\\ 0.18\\ -0.15\\ 0.094\\ -0.019\\ -0.013\\ -0.026\\ -0.052\end{array}$   | 244<br>573<br>443<br>735<br>613<br>966<br>0042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHLD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>JOINT F-TESTS  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand   | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.098<br>Hard  | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981  |   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHLD<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>JOINT F-TESTS<br>Parameter Estig   | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er   | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.098<br>Hard  | 244<br>573<br>443<br>735<br>613<br>9966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P  | -value  |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>JOINT F-TESTS<br>Parameter Estin<br>HH .167  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222   | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.098<br>Hard<br>rror  | 244<br>573<br>443<br>735<br>613<br>9966<br>0042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P<br>.750546 [  | .453]   |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>JOINT F-TESTS<br>Parameter Esti<br>HH .167<br>AG11   | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.019510<br>0.013686<br>0.026453<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222<br>4641 .913  | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.019<br>-0.019<br>-0.019<br>-0.026<br>-0.052<br>-0.10<br>-0.098<br>Hard<br>rror<br>2665<br>3130  | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P<br>.750546 [<br>125547 [  | .453]<br>.900]  |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>JOINT F-TESTS<br>Parameter Estim<br>HH .167<br>AG11<br>PC05  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.015463<br>0.026453<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222<br>4641 .913  | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.100<br>-0.098<br>dard   | 244<br>573<br>(443<br>735<br>613<br>9966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>(743<br>637<br>981<br>t-statistic P<br>(50546<br>(125547<br>125547<br>(941693) [   | .453]<br>.900]<br>.346]                                     |
| AGE5065<br>AGE65PLUS<br>AGEPCCHLD<br>EMPPARTTIME<br>EMPPARTTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>DOINT F-TESTS<br>Parameter Esti<br>HH .167<br>AG11<br>PC05<br>EM .119  | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222<br>4641 .913<br>6071 .055<br>987 .083                                       | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.098<br>Hard<br>ror<br>2665<br>\$130<br>5543<br>8129  | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>990<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P<br>.750546 [<br>125547 [<br>941693 [<br>1.44339 [   | .453]<br>.900]<br>.346]<br>.149]                            |
| AGE5065<br>AGE65PLUS<br>AGEPCCHLD<br>EMPPARTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>JOINT F-TESTS<br>Parameter Estin<br>HH .167<br>AG11<br>PC05<br>EM .119<br>ED .979                               | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222<br>4641 .913<br>6071 .055<br>987 .083                                       | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.098<br>Mard<br>Cror<br>2655<br>8130<br>9543<br>8129<br>2667                                    | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P<br>.750546 [<br>125547 [<br>941693 [<br>1.44339 [<br>3.23595 [                                      | .453]<br>.900]<br>.346]<br>.149]<br>.001]                   |
| AGE5065<br>AGE65PLUS<br>AGEPCCH1LD<br>EMPPARTTIME<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUFULLTIME<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br><b>JOINT F-TESTS</b><br>Parameter Estin<br>HH .167<br>AG11<br>PC05<br>EM .119<br>ED .979<br>RC20 | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222<br>4641 .913<br>6071 .059<br>987 .083<br>415 .302                           | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.052<br>-0.10<br>2000<br>-0.098<br>dard<br>cror<br>2665<br>8130<br>2543<br>8129<br>2667<br>0641 | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P<br>.750546 [<br>125547 [<br>.941693 [<br>1.44339 [<br>3.23595 [<br>970186 [                         | .453]<br>.900]<br>.346]<br>.149]<br>.001]<br>.332]          |
| AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTIME<br>EMPFULLTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br>JOINT F-TESTS<br>Parameter Estin<br>HH .167<br>AG11<br>PC05<br>EM .119<br>ED .979<br>RC20<br>HP03              | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222<br>4641 .913<br>6071 .059<br>987 .083<br>415 .302               | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.052<br>-0.10<br>2665<br>8130<br>8543<br>8129<br>2667<br>26641<br>.871                          | 244<br>573<br>443<br>735<br>613<br>9966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P<br>.750546 [<br>125547 [<br>941693 [<br>1.44339 [<br>3.23595 [<br>970186 [<br>431252 [             | .453]<br>.900]<br>.346]<br>.149]<br>.001]<br>.332]<br>.666] |
| AGE5065<br>AGE65PLUS<br>AGEPCCH1LD<br>EMPPARTTIME<br>EMPPARTTIME<br>EMPFULLTIME<br>EDUFULLTIME<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130<br><b>JOINT F-TESTS</b><br>Parameter Estin<br>HH .167<br>AG11<br>PC05<br>EM .119<br>ED .979<br>RC20 | 0.022244<br>-0.0032573<br>-0.022443<br>0.021735<br>-0.036613<br>-0.0098966<br>-0.062042<br>-0.12883<br>-0.18877<br>0.15463<br>-0.094930<br>0.019510<br>0.013686<br>0.026453<br>0.052743<br>0.10637<br>0.098981<br>Stand<br>mate Er<br>121 .222<br>4641 .913<br>6071 .059<br>987 .083<br>415 .302<br>4361 .210<br>5507 .084 | -0.022<br>0.0032<br>0.022<br>-0.021<br>0.036<br>0.0098<br>0.062<br>0.12<br>0.18<br>-0.15<br>0.094<br>-0.019<br>-0.013<br>-0.026<br>-0.052<br>-0.10<br>-0.098<br>dard<br>cror<br>2665<br>8130<br>9543<br>8129<br>2667<br>26641<br>.871<br>175            | 244<br>573<br>443<br>735<br>613<br>966<br>042<br>883<br>877<br>463<br>930<br>510<br>686<br>453<br>743<br>637<br>981<br>t-statistic P<br>.750546 [<br>125547 [<br>941693 [<br>1.44339 [<br>3.23595 [<br>970186 [<br>431252 [<br>3.85525 [ | .453]<br>.900]<br>.346]<br>.149]<br>.001]<br>.332]          |

# **APPENDIX F**

# **CROSS TABULATIONS – ALL DEMOGRAPHICS**

#### F-1. Income and Poverty

|      |  |      |       |      |       |        | Income   | e Level |         |       |       |       |       |
|------|--|------|-------|------|-------|--------|----------|---------|---------|-------|-------|-------|-------|
|      |  | Bel  | ow    | Abo  | ove   | Below  | 130%     | Above   | 130%    | Below | 185%  | Above | 185%  |
| ID # | Poverege Category                        | Pov  | erty  | Pov  | erty  | Pov    | erty     | Pov     | erty    | Pov   | erty  | Pov   | /erty |
| שו # | Beverage Category                        |      |       |      |       | Num    | ber of C | Observa | tions   |       |       |       |       |
|      |  | 15   |       | 55   |       | 27     | 77       | 54      | 38      | 62    |       | 50    | 90    |
|      |  | HLDS | AQC   | HLDS | AQC   | HLDS   | AQC      | HLDS    | AQC     | HLDS  | AQC   | HLDS  | AQC   |
| 1    | whole fat flavored and unflavored milk   | 111  | 19.21 | 3046 | 11.91 | 183    | 20.09    | 2974    | 11.68   | 417   | 19.04 | 2740  | 11.13 |
| 2    | reduced fat flavored and unflavored milk | 119  | 27.86 | 5091 | 33.37 | 223    | 28.13    | 4987    | 33.47   | 524   | 32.82 | 4686  | 33.29 |
| 3    | carbonated soft drinks - regular         | 151  | 44.52 | 5268 | 36.46 | 261    | 48.76    | 5158    | 36.07   | 597   | 49.66 | 4822  | 35.08 |
| 4    | carbonated soft drinks - low calorie     | 93   | 23.91 | 4073 | 29.05 | 163    | 22.82    | 4003    | 29.18   | 388   | 21.43 | 3778  | 29.71 |
| 5    | powdered soft drinks                     | 94   | 24.96 | 2769 | 18.31 | 156    | 23.75    | 2707    | 18.23   | 369   | 24.79 | 2494  | 17.60 |
| 6    | isotonics                                | 43   | 1.66  | 1827 | 3.84  | 71     | 1.67     | 1799    | 3.87    | 177   | 2.36  | 1693  | 3.94  |
| 7    | bottled water                            | 97   | 11.84 | 3899 | 15.29 | 162    | 10.37    | 3834    | 15.41   | 376   | 13.86 | 3620  | 15.34 |
| 8    | orange juice                             | 137  | 7.35  | 4844 | 10.51 | 231    | 8.44     | 4750    | 10.52   | 523   | 8.85  | 4458  | 10.60 |
| 9    | apple juice                              | 96   | 5.12  | 3227 | 4.14  | 159    | 5.21     | 3164    | 4.11    | 379   | 4.69  | 2944  | 4.10  |
| 10   | other juices                             | 133  | 6.55  | 4667 | 6.38  | 226    | 5.95     | 4574    | 6.41    | 511   | 6.24  | 4289  | 6.40  |
| 11   | fruit drinks                             | 142  | 9.49  | 4519 | 9.54  | 239    | 9.51     | 4422    | 9.54    | 535   | 11.74 | 4126  | 9.25  |
| 12   | vegetable juice                          | 68   | 4.06  | 2730 | 2.33  | 125    | 3.56     | 2673    | 2.31    | 280   | 2.77  | 2518  | 2.32  |
|      | coffee regular                           | 100  | 49.79 | 4031 | 41.18 | 183    | 44.56    | 3948    | 41.24   | 442   | 42.62 | 3689  | 41.24 |
| 14   | coffee decaffeinated                     | 30   | 14.44 | 1645 | 18.70 | 54     | 17.07    | 1621    | 18.67   | 141   | 18.27 | 1534  | 18.65 |
| 15   | tea regular                              | 108  | 15.80 | 3752 | 13.69 | 182    | 16.10    | 3678    | 13.63   | 423   | 17.41 | 3437  | 13.29 |
| 16   | tea decaffeinated                        | 54   | 8.58  | 2018 | 7.74  | 92     | 8.47     | 1980    | 7.73    | 180   | 9.09  | 1892  | 7.64  |
| 17   | flavored milk                            | 43   | 1.31  | 1658 | 2.49  | 75     | 1.99     | 1626    | 2.48    | 202   | 2.30  | 1499  | 2.48  |
| 18   | unflavored milk                          | 153  | 35.24 | 5489 | 36.81 | 269    | 36.43    | 5373    | 36.78   | 613   | 40.25 | 5029  | 36.34 |
|      | flavored milk whole                      | 25   | 1.43  | 1161 | 2.31  | 48     | 1.71     | 1138    | 2.31    | 131   | 2.21  | 1055  | 2.30  |
| 20   | Reduced fat, flavored                    | 27   | 0.77  | 984  | 1.47  | 46     | 1.46     | 965     | 1.45    | 131   | 1.33  | 880   | 1.47  |
| 21   | whole milk, unflavored                   | 104  | 20.31 | 2596 | 13.42 | 167    | 21.61    | 2533    | 13.17   | 377   | 20.60 | 2323  | 12.57 |
| 22   | 2% milk, unflavored                      | 97   | 22.06 | 3724 | 19.67 | 174    | 18.79    | 3647    | 19.78   | 413   | 22.34 | 3408  | 19.41 |
|      | 1 % milk, unflavored                     | 52   | 7.39  | 2308 | 14.99 | 104    | 9.53     | 2256    | 15.07   | 237   | 15.54 | 2123  | 14.75 |
| 24   | skim milk, unflavored                    | 54   | 13.98 | 2963 | 19.98 | 108    | 17.84    | 2909    | 19.95   | 240   | 16.60 | 2777  | 20.16 |
| AOC  | = average quantity consumed (in gallons  | :)   |       |      | = nun | ber of | house    | holds t | hat cor | sume  |       |       |       |

AQC = average quantity consumed (in gallons)

#### F-1. cont'd

|      |  |       |       |       |       |         | Incom    | e Level |        |        |        |        |  |
|------|--|-------|-------|-------|-------|---------|----------|---------|--------|--------|--------|--------|--|
|      |  | \$500 | 0 and | \$500 | )0 to | \$800   | 00 to    |         | 000 to | \$12.0 | 000 to | \$15.0 | 000 to                                       |
|      |  |       | ow    | \$79  |       |         | 999      | \$11    |        |        | ,999   |        | ,999   |
| ID # | Beverage Category                        |       |       |       |       | Num     | ber of C | Dbserva |        |        | ,      |        | <u>,                                    </u> |
|      |  | 3     | 3     | 4     | 6     | 3       | 5        | 4       | 9      | 11     | 10     | 24     | 48   |
|      |  | HLDS  | AQC   | HLDS  | AQC   | HLDS    | AQC      | HLDS    | AQC    | HLDS   | AQC    | HLDS   | AQC  |
| 1    | whole fat flavored and unflavored milk   | 21    | 21.91 | 33    | 8.50  | 18      | 18.25    | 23      | 17.30  | 67     | 16.21  | 150    | 11.42  |
| 2    | reduced fat flavored and unflavored milk | 21    | 21.57 | 31    | 16.46 | 28      | 20.73    | 43      | 24.87  | 92     | 25.33  | 225    | 26.22  |
| 3    | carbonated soft drinks - regular         | 31    | 34.05 | 41    | 32.40 | 33      | 31.60    | 45      | 33.23  | 102    | 43.33  | 232    | 31.01  |
| 4    | carbonated soft drinks - low calorie     | 20    | 17.71 | 21    | 20.41 | 21      | 25.06    | 28      | 23.61  | 69     | 20.22  | 151    | 22.37  |
| 5    | powdered soft drinks                     | 18    | 26.86 | 20    | 14.86 | 11      | 7.80     | 24      | 16.28  | 58     | 18.06  | 111    | 21.99  |
| 6    | isotonics                                | 5     | 0.77  | 12    | 1.88  | 9       | 1.26     | 12      | 1.16   | 20     | 2.22   | 59     | 2.62   |
| 7    | bottled water                            | 15    | 11.56 | 26    | 17.19 | 17      | 10.42    | 26      | 3.50   | 57     | 14.00  | 156    | 9.73   |
| 8    | orange juice                             | 28    | 6.20  | 36    | 5.11  | 28      | 6.47     | 41      | 6.98   | 87     | 8.08   | 207    | 8.41   |
| 9    | apple juice                              | 20    | 3.20  | 22    | 2.91  | 17      | 2.79     | 24      | 2.76   | 54     | 3.91   | 134    | 3.08   |
| 10   | other juices                             | 25    | 7.90  | 40    | 4.59  | 24      | 5.80     | 41      | 4.66   | 81     | 4.44   | 193    | 5.44   |
| 11   | fruit drinks                             | 26    | 10.31 | 41    | 6.26  | 27      | 5.16     | 38      | 7.27   | 85     | 8.33   | 184    | 8.32   |
| 12   | vegetable juice                          | 14    | 5.98  | 14    | 2.65  | 13      | 2.20     | 28      | 3.84   | 50     | 3.01   | 106    | 1.69   |
| 13   | coffee regular                           | 23    | 56.01 | 26    | 35.52 | 23      | 34.62    | 34      | 56.79  | 73     | 38.29  | 182    | 36.46  |
| 14   | coffee decaffeinated                     | 7     | 13.75 | 10    | 14.93 | 5       | 17.91    | 14      | 14.56  | 27     | 17.27  | 63     | 23.23  |
|      | tea regular                              | 24    | 14.54 | 28    | 24.82 | 20      | 17.13    | 30      | 8.83   | 72     | 15.20  | 162    | 13.93  |
| 16   | tea decaffeinated                        | 8     | 11.24 | 20    | 10.57 | 14      | 5.55     | 13      | 7.78   | 27     | 10.10  | 73     | 6.73   |
|      | flavored milk                            | 5     | 0.33  | 11    | 1.07  | 5       | 0.65     | 8       | 1.92   | 32     | 1.41   | 69     | 2.47   |
|      | unflavored milk                          | 31    | 29.40 | 42    | 18.55 | 35      | 25.88    | 48      | 30.25  | 107    | 31.51  | 245    | 30.39  |
| 19   | flavored milk whole                      | 4     | 0.38  | 6     | 1.13  | 5       | 0.63     | 6       | 1.63   | 20     | 1.01   | 50     | 1.76   |
|      | Reduced fat, flavored                    | 1     | 0.13  | 9     | 0.56  | 1       | 0.13     | 4       | 1.41   | 21     | 1.19   | 42     | 1.96   |
|      | whole milk, unflavored                   | 21    | 21.90 | 30    | 9.19  | 18      | 18.24    | 22      | 17.84  | 60     | 17.69  | 134    | 12.17  |
|      | 2% milk, unflavored                      | 19    | 9.89  | 22    | 10.46 | 24      | 12.68    | 33      | 16.73  | 67     | 15.27  | 178    | 18.94  |
|      | 1 % milk, unflavored                     | 8     | 2.53  | 16    | 6.14  | 12      | 7.54     | 18      | 10.54  | 41     | 13.55  | 96     | 11.52  |
| 24   | skim milk, unflavored                    | 12    | 20.27 | 16    | 10.95 | 13      | 14.04    | 21      | 15.08  | 49     | 14.84  | 103    | 12.81  |
|      | = average quantity consumed (in gallons  |       | 20.21 |       |       | nber of |          |         |        |        | 14.04  | 100    | <u> </u>                                     |

AQC = average quantity consumed (in gallons)

#### F-1. cont'd

| 1 - 1. (        |  | 1    |       |      |         |         |        |         |         |        |       |      |        |
|-----------------|--|------|-------|------|---------|---------|--------|---------|---------|--------|-------|------|--------|
|                 |  |      |       |      |         |         |        | e Level |         |        |       |      |        |
|                 |  |      | 00 to |      | 00 to   |         | 000 to | \$35,0  |         | \$40,0 |       |      | 000 to |
| שו #            | Beverage Category                        | \$24 | ,999  | \$29 | ,999    |         | ,999   | \$39,   |         | \$44   | ,999  | \$49 | ,999   |
| ID <del>п</del> | Develage Calegory                        |      |       |      |         |         |        | Observa |         |        |       |      |        |
|                 |  | 38   |       | 36   |         |         | 17     | 39      |         |        | 15    |      | 28     |
|                 |  | HLDS | AQC   |      |         | HLDS    |        | HLDS    |         | HLDS   |       | HLDS |        |
| 1               | whole fat flavored and unflavored milk   | 233  | 12.00 | 210  | 11.94   |         | 12.20  | 223     | 14.84   | 254    | 12.64 | 228  | 13.15  |
| 2               | reduced fat flavored and unflavored milk | 340  | 27.98 | 320  | 32.58   |         | 30.43  | 357     | 30.41   | 399    | 33.37 | 389  | 32.48  |
| 3               | carbonated soft drinks - regular         | 359  | 33.61 | 341  | 37.82   | 398     | 38.22  | 380     | 40.58   | 426    | 35.51 | 401  | 37.69  |
| 4               | carbonated soft drinks - low calorie     | 266  | 22.67 | 244  | 23.57   | 283     | 26.19  | 292     | 27.55   | 310    | 32.50 | 312  | 26.71  |
| 5               | powdered soft drinks                     | 180  | 19.44 | 166  | 21.22   | 208     | 18.37  | 209     | 16.35   | 230    | 20.29 | 207  | 19.12  |
| 6               | isotonics                                | 95   | 2.87  | 96   | 1.97    | 131     | 3.17   | 128     | 3.29    | 133    | 3.31  | 136  | 3.58   |
| 7               | bottled water                            | 239  | 16.49 | 237  | 16.68   | 268     | 16.13  | 262     | 13.44   | 310    | 14.42 | 306  | 15.78  |
| 8               | orange juice                             | 318  | 8.55  | 298  | 9.22    | 351     | 10.05  | 333     | 8.96    | 389    | 10.37 | 373  | 9.70   |
| 9               | apple juice                              | 194  | 4.18  | 203  | 3.79    | 237     | 3.85   | 216     | 4.10    | 253    | 3.87  | 240  | 5.01   |
| 10              | other juices                             | 300  | 5.26  | 279  | 5.97    | 344     | 5.43   | 328     | 5.44    | 379    | 6.10  | 355  | 6.66   |
| 11              | fruit drinks                             | 295  | 7.14  | 296  | 8.68    | 350     | 8.58   | 318     | 9.66    | 361    | 9.20  | 360  | 9.24   |
| 12              | vegetable juice                          | 170  | 2.41  | 149  | 2.42    | 191     | 2.17   | 200     | 2.07    | 222    | 2.25  | 231  | 2.14   |
| 13              | coffee regular                           | 282  | 44.63 | 253  | 38.69   | 300     | 40.72  | 285     | 45.74   | 339    | 39.82 | 303  | 42.99  |
| 14              | coffee decaffeinated                     | 104  | 15.36 | 88   | 20.80   | 114     | 18.71  | 118     | 17.98   | 153    | 20.89 | 125  | 18.73  |
| 15              | tea regular                              | 239  | 15.54 | 230  | 15.72   | 285     | 11.84  | 260     | 12.99   | 290    | 14.19 | 303  | 14.07  |
| 16              | tea decaffeinated                        | 107  | 9.26  | 114  | 7.49    | 166     | 8.78   | 132     | 8.51    | 159    | 6.75  | 170  | 6.37   |
| 17              | flavored milk                            | 108  | 2.02  | 103  | 3.15    | 122     | 2.21   | 120     | 1.88    | 131    | 2.07  | 130  | 3.21   |
| 18              | unflavored milk                          | 374  | 32.33 | 355  | 35.52   | 413     | 34.16  | 395     | 35.29   | 437    | 37.19 | 422  | 36.06  |
| 19              | flavored milk whole                      | 74   | 2.25  | 68   | 3.74    | 80      | 2.09   | 78      | 1.79    | 89     | 1.90  | 91   | 3.37   |
| 20              | Reduced fat, flavored                    | 64   | 0.81  | 67   | 1.04    | 72      | 1.43   | 77      | 1.12    | 82     | 1.24  | 71   | 1.56   |
| 21              | whole milk, unflavored                   | 208  | 13.19 | 176  | 13.85   | 210     | 13.04  | 200     | 16.12   | 221    | 14.06 | 194  | 14.88  |
| 22              | 2% milk, unflavored                      | 275  | 18.08 | 237  | 20.72   | 285     | 17.00  | 275     | 19.74   | 296    | 20.54 | 279  | 19.08  |
| 23              | 1 % milk, unflavored                     | 144  | 13.29 | 137  | 15.23   | 179     | 12.20  | 168     | 12.73   | 174    | 15.34 | 162  | 17.24  |
| 24              | skim milk, unflavored                    | 173  | 14.19 | 169  | 18.76   | 207     | 20.94  | 200     | 15.67   | 224    | 19.60 | 212  | 19.84  |
|                 | = average guantity consumed (in gallon   | s)   |       | HLDS | S = nun | nber of | house  | holds t | hat cor | sume   |       |      | ·      |

AQC = average quantity consumed (in gallons)

#### F-1. cont'd

|      |  |        |        |        | Incom    | e Level |        |         |         |
|------|--|--------|--------|--------|----------|---------|--------|---------|---------|
|      |  | \$50,0 | 000 to | \$60,0 | 000 to   | \$70,0  | 000 to | \$100   | ),000   |
| ים # | Roverage Category                        | \$59   | ,999   | \$69   | ,999     | \$99    | ,999   | and     | over    |
| שו   | Beverage Category                        |        |        | Num    | ber of C | Dbserva | ations |         |         |
|      |  | 72     | 28     | 6′     | 19       | 9       |        | 50      | )3      |
|      |  | HLDS   | AQC    | HLDS   | AQC      | HLDS    | AQC    | HLDS    | AQC     |
| 1    | whole fat flavored and unflavored milk   | 393    | 12.63  | 334    | 13.98    | 473     | 9.74   | 264     | 8.54    |
| 2    | reduced fat flavored and unflavored milk | 676    | 38.22  | 575    | 35.08    | 855     | 36.18  | 480     | 35.68   |
| 3    | carbonated soft drinks - regular         | 693    | 38.57  | 587    | 36.83    | 869     | 38.24  | 481     | 30.84   |
| 4    | carbonated soft drinks - low calorie     | 541    | 28.62  | 478    | 29.09    | 711     | 34.00  | 419     | 34.83   |
| 5    | powdered soft drinks                     | 379    | 17.75  | 338    | 19.87    | 470     | 18.82  | 234     | 13.38   |
| 6    | isotonics                                | 257    | 3.96   | 233    | 4.16     | 337     | 4.73   | 207     | 4.94    |
| 7    | bottled water                            | 532    | 13.89  | 463    | 17.47    | 683     | 14.69  | 399     | 17.53   |
| 8    | orange juice                             | 647    | 10.65  | 552    | 11.04    | 819     | 12.12  | 474     | 12.83   |
| 9    | apple juice                              | 428    | 4.25   | 383    | 4.79     | 576     | 4.38   | 322     | 3.84    |
| 10   | other juices                             | 617    | 6.39   | 543    | 6.58     | 807     | 7.52   | 444     | 7.62    |
| 11   | fruit drinks                             | 593    | 10.87  | 530    | 10.14    | 743     | 10.98  | 414     | 9.38    |
| 12   | vegetable juice                          | 388    | 2.67   | 316    | 2.27     | 436     | 2.53   | 270     | 2.17    |
| 13   | coffee regular                           | 518    | 39.62  | 451    | 40.22    | 661     | 44.65  | 378     | 37.80   |
| 14   | coffee decaffeinated                     | 210    | 16.54  | 176    | 18.62    | 283     | 20.95  | 178     | 15.87   |
| 15   | tea regular                              | 507    | 13.04  | 409    | 14.75    | 632     | 14.08  | 369     | 10.96   |
| 16   | tea decaffeinated                        | 279    | 7.76   | 233    | 7.18     | 343     | 7.65   | 214     | 8.43    |
| 17   | flavored milk                            | 249    | 2.63   | 197    | 2.14     | 265     | 2.20   | 146     | 3.76    |
| 18   | unflavored milk                          | 724    | 41.64  | 616    | 39.64    | 900     | 38.84  | 498     | 37.82   |
| 19   | flavored milk whole                      | 176    | 2.22   | 138    | 2.16     | 189     | 1.85   | 112     | 3.07    |
| 20   | Reduced fat, flavored                    | 139    | 1.90   | 118    | 1.05     | 154     | 1.51   | 89      | 2.30    |
| 21   | whole milk, unflavored                   | 329    | 14.29  | 278    | 16.35    | 385     | 11.36  | 214     | 9.58    |
|      | 2% milk, unflavored                      | 490    | 22.63  | 404    | 19.50    | 605     | 21.37  | 332     | 18.87   |
| 23   | 1 % milk, unflavored                     | 312    | 17.77  | 274    | 15.36    | 398     | 15.82  | 221     | 14.02   |
|      | skim milk, unflavored                    | 397    | 22.17  | 370    | 21.02    | 532     | 21.31  | 319     | 23.18   |
| AQC  | = average quantity consumed (in gallon   |        |        |        |          |         |        | holds t | hat cor |

### F-2. Household Size

|      |   |      |        |        |       |      |       |      | 5      | Size of I | louseh      | old    |         |        |       |      |        |      |       |
|------|---|------|--------|--------|-------|------|-------|------|--------|-----------|-------------|--------|---------|--------|-------|------|--------|------|-------|
|      |   |      | 1      | 2      | 2     |      | 3     | 4    | 1      | Ę         | 5           | 6      | 6       | 7      | 7     |      | 8      | 9    | +     |
| ID # | Beverage Category                       |      |        |        |       |      |       |      | Nun    | nber of   | Observation | ations |         |        |       |      |        |      |       |
|      |   | 10   | 91     | 22     | 33    | 9    | 75    | 8    | 77     | 36        | 69          | 11     | 9       | 3      | 4     |      | 8      |      | 9     |
|      |   | HLDS | AQC    | HLDS   | AQC   | HLDS | AQC   | HLDS | AQC    | HLDS      | AQC         | HLDS   | AQC     | HLDS   | AQC   | HLDS | AQC    | HLDS | AQC   |
| 1    | whole fat milk, flavored & unflavored   | 502  | 5.77   | 1150   | 8.73  | 584  | 13.66 | 542  | 16.00  | 254       | 20.55       | 84     | 20.98   | 28     | 38.09 | 7    | 66.43  | 6    | 55.31 |
| 2    | reduced fat milk, flavored & unflavored | 948  | 16.56  | 2064   | 28.83 | 892  | 36.11 | 819  | 47.20  | 334       | 54.97       | 107    | 57.14   | 32     | 54.22 | 5    | 86.35  | 9    | 53.20 |
| 3    | carbonated soft drinks -<br>regular     | 936  | 18.18  | 2122   | 28.12 | 959  | 44.22 | 867  | 53.70  | 367       | 60.23       | 118    | 61.02   | 34     | 66.30 | 8    | 118.54 | 8    | 77.80 |
| 4    | carbonated soft drinks -<br>Iow calorie | 691  | 21.61  | 1672   | 30.14 | 718  | 31.89 | 693  | 31.33  | 274       | 28.58       | 86     | 24.68   | 21     | 22.48 | 7    | 9.59   | 4    | 29.59 |
| 5    | powdered soft drinks                    | 312  | 10.90  | 918    | 14.24 | 572  | 17.14 | 641  | 21.47  | 287       | 27.63       | 97     | 33.11   | 23     | 57.44 | 8    | 42.63  | 5    | 41.00 |
| 6    | isotonics                               | 194  | 2.49   | 581    | 2.92  | 380  | 4.20  | 451  | 4.69   | 192       | 4.77        | 51     | 4.50    | 14     | 2.10  | 5    | 2.19   | 2    | 1.63  |
| 7    | bottled water                           | 674  | 13.15  | 1509   | 15.81 | 693  | 15.80 | 691  | 14.29  | 291       | 16.75       | 92     | 17.46   | 29     | 18.29 | 8    | 18.39  | 9    | 5.92  |
| 8    | orange juice                            | 876  | 7.33   | 1954   | 10.40 | 873  | 10.78 | 797  | 11.52  | 332       | 13.40       | 105    | 13.06   | 31     | 15.58 | 6    | 28.43  | 7    | 13.09 |
| 9    | apple juice                             | 429  | 2.44   | 1193   | 3.11  | 630  | 4.38  | 652  | 5.51   | 290       | 5.59        | 92     | 7.94    | 27     | 9.97  | 5    | 12.15  | 5    | 10.32 |
| 10   | other juices                            | 809  | 4.41   | 1867   | 6.19  | 849  | 6.93  | 779  | 7.21   | 338       | 8.03        | 110    | 7.70    | 32     | 10.51 | 8    | 9.20   | 8    | 8.26  |
| 11   | fruit drinks                            | 718  | 4.95   | 1714   | 6.31  | 863  | 9.86  | 842  | 13.90  | 358       | 17.58       | 117    | 18.67   | 33     | 22.46 | 8    | 28.84  | 8    | 49.96 |
| 12   | vegetable juice                         | 432  | 2.03   | 1151   | 2.53  | 484  | 2.17  | 445  | 2.44   | 203       | 2.58        | 56     | 2.31    | 20     | 1.78  | 5    | 1.78   | 2    | 0.16  |
| 13   | coffee regular                          | 662  | 28.63  | 1714   | 45.26 | 710  | 41.63 | 649  | 44.42  | 276       | 42.12       | 85     | 32.68   | 21     | 51.60 | 6    | 60.42  | 8    | 28.06 |
| 14   | coffee decaffeinated                    | 258  | 15.88  | 785    | 19.38 | 282  | 21.97 | 224  | 15.28  | 89        | 19.58       | 25     | 11.32   | 5      | 17.13 | 4    | 34.93  | 3    | 3.53  |
| 15   | tea regular                             | 616  | 9.38   | 1543   | 13.04 | 698  | 16.68 | 625  | 15.02  | 259       | 15.75       | 80     | 18.29   | 27     | 16.85 | 5    | 16.42  | 7    | 7.14  |
| 16   | tea decaffeinated                       | 323  | 5.86   | 832    | 7.99  | 371  | 8.01  | 346  | 8.53   | 130       | 8.08        | 48     | 8.21    | 17     | 6.45  | 2    | 21.87  | 3    | 11.42 |
| 17   | flavored milk                           | 215  | 1.71   | 510    | 2.42  | 362  | 2.50  | 377  | 2.54   | 168       | 3.29        | 49     | 2.13    | 16     | 2.35  | 1    | 8.50   | 3    | 4.79  |
| 18   | unflavored milk                         | 1055 | 17.28  | 2213   | 30.87 | 969  | 40.54 | 869  | 53.36  | 367       | 62.75       | 118    | 65.86   | 34     | 81.29 | 8    | 111.03 | 9    | 88.48 |
| 19   | flavored milk whole                     | 146  | 1.44   | 376    | 2.32  | 240  | 2.28  | 266  | 2.21   | 117       | 3.39        | 26     | 1.99    | 11     | 2.55  | 1    | 8.50   | 3    | 4.67  |
| 20   | reduced fat milk,<br>flavored           | 122  | 1.29   | 270    | 1.34  | 227  | 1.58  | 238  | 1.56   | 108       | 1.44        | 34     | 1.55    | 11     | 0.88  | 0    | 0.00   | 1    | 0.38  |
| 21   | whole milk, unflavored                  | 456  | 6.00   | 1026   | 9.43  | 473  | 16.11 | 425  | 19.53  | 211       | 24.00       | 70     | 24.42   | 26     | 40.65 | 7    | 66.43  | 6    | 55.25 |
| 22   | 2% milk, unflavored                     | 625  | 8.54   | 1495   | 15.42 | 695  | 23.32 | 619  | 27.23  | 265       | 33.80       | 85     | 38.63   | 26     | 52.23 | 4    | 24.44  | 7    | 35.40 |
| 23   | 1 % milk, unflavored                    | 384  | 7.94   | 959    | 12.84 | 405  | 15.62 | 385  | 19.14  | 162       | 24.77       | 47     | 30.39   | 13     | 7.48  | 1    | 301.5  | 4    | 24.38 |
|      | skim milk                               | 581  | 12.16  | 1231   | 18.86 | 479  | 19.03 | 462  | 29.94  | 193       | 25.86       | 53     | 25.44   | 12     | 20.96 | 1    | 24.00  | 5    | 23.70 |
| AQC  | C = average quantity c                  | onsu | med (i | n gall | ons)  |      |       | HLD  | S = nι | Imber     | of ho       | useho  | olds th | nat co | nsum  | е    |        |      |       |

#### F-3. Presence of Children

|     |  |           | Presence          | of Children    |         |
|-----|--|-----------|-------------------|----------------|---------|
|     |  | child     | oresent           | no child       | present |
| ID# | Beverage Category                        |           | Number of C       |                | •       |
|     |  | 1772      |                   | 3943           |         |
|     |  | HLDS      | AQC               | HLDS           | AQC     |
| 1   | whole fat flavored and unflavored milk   | 1161      | 17.66             | 1996           | 8.98    |
| 2   | reduced fat flavored and unflavored milk | 1637      | 45.79             | 3573           | 27.49   |
| 3   | carbonated soft drinks - regular         | 1752      | 51.65             | 3667           | 29.53   |
| 4   | carbonated soft drinks - low calorie     | 1308      | 27.80             | 2858           | 29.46   |
| 5   | powdered soft drinks                     | 1283      | 23.06             | 1580           | 14.85   |
| 6   | isotonics                                | 898       | 4.40              | 972            | 3.22    |
| 7   | bottled water                            | 1382      | 14.02             | 2614           | 15.83   |
| 8   | orange juice                             | 1584      | 11.38             | 3397           | 9.97    |
| 9   | apple juice                              | 1311      | 5.81              | 2012           | 3.09    |
| 10  | other juices                             | 1577      | 7.29              | 3223           | 5.94    |
| 11  | fruit drinks                             | 1706      | 14.76             | 2955           | 6.52    |
| 12  | vegetable juice                          | 886       | 2.25              | 1912           | 2.42    |
| 13  | coffee regular                           | 1249      | 38.33             | 2882           | 42.71   |
| 14  | coffee decaffeinated                     | 425       | 16.13             | 1250           | 19.47   |
| 15  | tea regular                              | 1226      | 14.38             | 2634           | 13.45   |
| 16  | tea decaffeinated                        | 659       | 7.76              | 1413           | 7.77    |
| 17  | flavored milk                            | 767       | 2.66              | 934            | 2.29    |
| 18  | unflavored milk                          | 1763      | 52.99             | 3879           | 29.39   |
| 19  | flavored milk whole                      | 516       | 2.47              | 670            | 2.15    |
|     | Reduced fat, flavored                    | 492       | 1.55              | 519            | 1.35    |
| 21  | whole milk, unflavored                   | 946       | 20.86             | 1754           | 9.82    |
| 22  | 2% milk, unflavored                      | 1263      | 28.96             | 2558           | 15.17   |
|     | 1 % milk, unflavored                     | 751       | 20.39             | 1609           | 12.23   |
|     | skim milk, unflavored                    | 878       | 24.80             | 2139           | 17.85   |
| AQC | = average quantity consumed (in gallons) | HLDS = nu | mber of household | s that consume |         |

#### F-4. Age of Female Head

|          |                                      |      |        |          |        |          |       |      |       | Ag       | e of Fe | male I   | Head    |          |        |          |       |      |       |          |       |
|----------|--------------------------------------|------|--------|----------|--------|----------|-------|------|-------|----------|---------|----------|---------|----------|--------|----------|-------|------|-------|----------|-------|
|          |                                      | 0    | =      | 1        | =      |          | 2 =   | 3    | =     | 4        | . =     | 5        | 5 =     | 6        | δ =    | 7        | ′ =   | 8    | =     | 9        | =     |
|          |                                      | not  | given  | und      | ler 25 |          | 5-29  | -    | -34   | 35       | -39     | 40       | )-44    | -        | 5-49   |          | )-54  | 55   | -64   | 6        | 5+    |
|          |                                      |      | no     |          | 20     | 20       | . 20  | 00   | 07    | 00       |         | 70       | , 1-1   |          | , 40   | 50       | , 54  | 00   | 37    | 0        |       |
| ID#      | Beverage Category                    | -    | -      |          |        |          |       |      |       |          |         |          |         |          |        |          |       |      |       |          |       |
|          |                                      | ien  | nale   |          |        |          |       |      |       |          |         |          |         |          |        |          |       |      |       |          |       |
|          |                                      |      |        |          |        |          |       |      |       |          |         |          | vations |          |        |          |       |      |       |          |       |
|          |                                      | -    | 74     |          | 30     |          | 177   | -    | 00    | -        | 58      | -        | 08      | -        | 86     | -        | 62    |      | )26   | -        | 94    |
|          |                                      | HLDS | AQC    | HLD<br>S | AQC    | HLD<br>S | AQC   | HLDS | AQC   | HLD<br>S | AQC     | HLD<br>S | AQC     | HLD<br>S | AQC    | HLD<br>S | AQC   | HLDS | AQC   | HLD<br>S | AQC   |
| 4        | whole fat milk, flavored &           | 235  | 8.52   | 18       | 14.65  | 109      | 16.42 | 262  | 16.35 | 352      | 15.30   | 423      | 15.37   | 431      | 10.34  | 401      | 9.84  | 537  | 10.47 | 389      | 10.74 |
| 1        | unflavored                           |      |        |          |        |          |       |      |       |          |         |          |         |          |        |          |       |      |       |          |       |
| 2        | reduced fat milk, flavored &         | 383  | 20.93  | 26       | 38.13  | 165      | 28.27 | 361  | 35.52 | 509      | 39.79   | 654      | 40.89   | 718      | 37.51  | 707      | 32.38 | 959  | 29.94 | 728      | 29.06 |
| <u> </u> | unflavored                           |      |        |          |        |          |       |      |       |          | 10.1-   |          |         |          | 10.0-  |          |       |      |       |          |       |
| 3        | carbonated soft drinks -             | 407  | 30.31  | 28       | 44.67  | 176      | 38.28 | 392  | 38.50 | 548      | 43.13   | 681      | 51.00   | 759      | 43.80  | 727      | 38.54 | 964  | 31.04 | 737      | 18.74 |
|          | regular                              | 004  | 20.04  | 10       | 0.00   | 440      | 44.00 | 204  | 00.40 | 400      | 07.00   | EAE      | 22.22   | 500      | 24 70  | 500      | 24.20 | 040  | 22.22 | FCF      | 04.05 |
| 4        | carbonated soft drinks - low calorie | 261  | 28.04  | 18       | 8.92   | 112      | 14.82 | 281  | 26.49 | 400      | 27.69   | 545      | 32.29   | 586      | 31.78  | 586      | 31.39 | 812  | 32.28 | 565      | 21.35 |
| 5        | powdered soft drinks                 | 126  | 13.64  | 14       | 33.76  | 111      | 20.56 | 269  | 21.49 | 362      | 21.74   | 470      | 23.60   | 454      | 18.71  | 376      | 15.19 | 412  | 14.30 | 269      | 13.89 |
| 6        | isotonics                            | 105  | 3.64   | 12       | 1.96   | 77       | 2.78  | 178  | 4.32  | 262      | 4.08    | 331      | 4.42    | 299      | 4.25   | 216      | 3.76  | 252  | 3.19  | 138      | 1.99  |
| 7        | bottled water                        | 269  | 16.13  | 21       | 12.15  | 133      | 11.47 | 326  | 17.16 | 439      | 14.41   | 534      | 14.10   | 588      | 17.32  | 547      | 16.10 | 695  | 14.19 | 444      | 14.25 |
| 8        | orange juice                         | 369  | 10.07  | 25       |        |          | 7.21  | 360  |       |          | 10.02   | 611      | 10.15   | 693      | 11.33  | 677      | 10.98 | 907  | 10.57 | 694      | 11.26 |
| 9        | apple juice                          | 180  | 3.34   | 21       | 4.87   | 109      | 4.82  | 291  | 5.63  | 365      | 5.24    | 444      | 4.37    | 480      | 4.62   | 438      | 4.16  | 572  | 3.21  | 423      | 2.94  |
| 10       | other juices                         | 339  | 5.24   | 28       | 7.41   | 146      | 6.99  | 347  | 6.85  | 496      | 6.27    | 605      | 6.27    | 663      | 6.22   | 642      | 6.39  | 867  | 6.70  | 667      | 6.51  |
| 11       | fruit drinks                         | 310  | 8.15   | 28       | 10.50  | 161      | 9.66  | 366  | 11.30 | 518      | 12.82   | 635      | 13.35   | 683      | 10.52  | 613      | 8.63  | 784  | 7.09  | 563      | 4.93  |
| 12       | vegetable juice                      | 175  | 2.80   | 14       | 2.56   | 63       | 1.99  | 171  | 1.88  |          | 2.22    | 345      | 2.30    | 384      | 2.18   | 407      | 2.33  | 581  | 2.83  | 387      | 2.14  |
| 13       | coffee regular                       | 263  | 32.41  | 17       | 13.24  | 99       | 20.35 | 256  | 26.45 | 387      | 32.77   | 521      | 42.04   | 574      | 41.24  | 580      | 48.99 | 804  | 46.25 | 630      | 46.96 |
| 14       | coffee decaffeinated                 | 71   | 16.12  | 5        | 6.48   | 23       | 6.27  | 77   | 7.46  |          |         | 176      | 13.72   | 224      | 19.49  | 239      | 19.26 | 375  | 24.89 | 367      | 19.22 |
| 15       | tea regular                          | 245  | 10.12  | 22       | 14.11  | 115      | 9.37  | 254  | 11.03 |          | 12.53   | 510      | 14.91   | 555      | 16.17  | 534      | 14.07 | 723  | 14.32 | 521      | 13.76 |
| 16       | tea decaffeinated                    | 98   |        | 7        | 0.00   | 55       | 4.95  | 134  | 7.23  |          | 7.17    | 261      | 6.80    |          | 8.07   | 294      | 8.09  | 391  | 9.89  | 290      | 7.56  |
| 17       | flavored milk                        | 96   |        | 9        | 1.31   | 69       | 2.46  | 153  |       | 230      | 2.33    | 298      | 2.80    |          | 3.10   | 200      | 2.12  | 238  | 2.04  | 130      | 1.80  |
| 18       | unflavored milk                      | -    | 21.74  | 30       | 41.44  | 177      | 35.50 | 399  | 41.79 |          | 45.40   | 706      |         |          | 39.14  | 748      |       | 1015 |       | 782      | 32.10 |
| 19       | flavored milk whole                  | 61   | 1.65   | 5        | 1.70   | 43       | 2.47  | 112  | 2.75  | 163      | 1.97    | 201      | 2.76    | 201      | 2.84   | 133      | 1.73  | 165  | 2.07  | 102      | 1.71  |
| 20       | reduced fat milk, flavored           | 56   |        | 9        | 0.00   | 46       | 1.38  | 95   | 1.29  |          | 1.59    | 197      | 1.41    | 154      | 1.88   | 118      | 1.65  | 136  | -     | 65       | 0.91  |
| 21       | whole milk, unflavored               | 212  |        | 14       |        | 92       | 18.76 | 217  |       | 289      |         | 328      | 18.97   | 367      | 11.35  | 340      |       | 483  | -     | 358      | 11.50 |
| 22       | 2% milk, unflavored                  | 248  | 12.22  | 22       |        |          | 15.80 | 265  |       |          | 26.43   | 470      | 26.82   | 532      | 19.42  | 519      |       | 720  | -     | 546      | 15.04 |
| 23       | 1 % milk, unflavored                 | 148  |        | 8        |        |          | 14.08 | 171  | 16.63 |          |         |          | 18.37   | 326      | 18.24  | 310      |       | 436  | -     | 368      | 12.06 |
| 24       | skim milk                            | 216  | 14.54  | 16       | 14.00  | 101      | 15.69 | 204  | 19.82 | 273      | 22.83   | 375      | 21.20   | 417      | 24.17  | 427      | 18.76 | 551  | 18.85 | 437      | 19.01 |
| AC       | C = average quantity co              | nsun | ned (i | n da     | llons) |          |       | н    | LDS = | nun      | nber c  | of ho    | useho   | lds t    | that c | onsi     | ıme   |      |       |          |       |

AQC = average quantity consumed (in gallons)

#### F-5. Female Head Employment

|      |  |         |          |        | Fem      | ale Head  | Employ    | ment |       |          |         |
|------|--|---------|----------|--------|----------|-----------|-----------|------|-------|----------|---------|
|      |  | 0=not g | jiven or | 1=unde | r 30 hrs | 2=30-3    | 34 hrs    | 3=35 | + hrs | 4=not er | mployed |
| ID#  | Boueroge Category                        | no fe   | male     |        |          |           |           |      |       | for      | pay     |
| שון# | Beverage Category                        |         |          |        | Nu       | mber of C | Observati | ons  |       |          |         |
|      |  | 47      | 74       | 72     | 24       | 29        | 90        | 24   | 33    | 17       | 94      |
|      |  | HLDS    | AQC      | HLDS   | AQC      | HLDS      | AQC       | HLDS | AQC   | HLDS     | AQC     |
| 1    | whole fat flavored and unflavored milk   | 235     | 8.52     | 396    | 14.15    | 157       | 10.57     | 1338 | 11.19 | 1031     | 13.77   |
| 2    | reduced fat flavored and unflavored milk | 383     | 20.93    | 686    | 37.61    | 275       | 32.55     | 2223 | 31.63 | 1643     | 36.58   |
| 3    | carbonated soft drinks - regular         | 407     | 30.31    | 706    | 41.14    | 277       | 42.76     | 2317 | 37.18 | 1712     | 34.71   |
| 4    | carbonated soft drinks - low calorie     | 261     | 28.04    | 562    | 29.74    | 216       | 33.56     | 1810 | 29.14 | 1317     | 27.73   |
| 5    | powdered soft drinks                     | 126     | 13.64    | 416    | 19.80    | 179       | 16.15     | 1277 | 19.23 | 865      | 18.08   |
| 6    | isotonics                                | 105     | 3.64     | 281    | 3.51     | 108       | 4.24      | 864  | 4.07  | 512      | 3.40    |
| 7    | bottled water                            | 269     | 16.13    | 527    | 11.63    | 202       | 16.44     | 1823 | 15.14 | 1175     | 16.48   |
| 8    | orange juice                             | 369     | 10.07    | 649    | 11.56    | 260       | 10.98     | 2129 | 9.48  | 1574     | 11.20   |
| 9    | apple juice                              | 180     | 3.34     | 493    | 4.60     | 178       | 4.90      | 1399 | 3.85  | 1073     | 4.39    |
| 10   | other juices                             | 339     | 5.24     | 625    | 6.92     | 237       | 6.16      | 2070 | 5.96  | 1529     | 7.04    |
| 11   | fruit drinks                             | 310     | 8.15     | 636    | 11.27    | 241       | 10.26     | 2041 | 9.78  | 1433     | 8.59    |
| 12   | vegetable juice                          | 175     | 2.80     | 364    | 2.05     | 143       | 2.40      | 1186 | 2.15  | 930      | 2.69    |
| 13   | coffee regular                           | 263     | 32.41    | 521    | 40.18    | 208       | 38.62     | 1738 | 38.38 | 1401     | 47.66   |
| 14   | coffee decaffeinated                     | 71      | 16.12    | 235    | 15.86    | 84        | 21.54     | 626  | 18.21 | 659      | 19.89   |
| 15   | tea regular                              | 245     | 10.12    | 490    | 13.96    | 194       | 14.80     | 1705 | 13.24 | 1226     | 14.92   |
| 16   | tea decaffeinated                        | 98      | 4.33     | 286    | 8.61     | 121       | 8.58      | 887  | 7.47  | 680      | 8.14    |
| 17   | flavored milk                            | 96      | 2.05     | 229    | 2.45     | 99        | 2.05      | 791  | 2.40  | 486      | 2.72    |
|      | unflavored milk                          | 452     | 21.74    | 719    | 42.90    | 288       | 36.13     | 2410 | 34.60 | 1773     | 41.16   |
|      | flavored milk whole                      | 61      | 1.65     | 164    | 2.40     | 71        | 2.30      | 550  | 2.13  | 340      | 2.60    |
| 20   | Reduced fat, flavored                    | 56      | 1.71     | 133    | 1.26     | 59        | 0.68      | 471  | 1.54  | 292      | 1.50    |
| 21   | whole milk, unflavored                   | 212     | 8.99     | 336    | 16.17    | 126       | 12.85     | 1120 | 12.72 | 906      | 15.18   |
|      | 2% milk, unflavored                      | 248     | 12.22    | 504    | 22.89    | 201       | 17.23     | 1612 | 18.97 | 1256     | 21.32   |
|      | 1 % milk, unflavored                     | 148     | 11.68    | 334    | 15.79    | 119       | 16.46     | 976  | 14.70 | 783      | 14.92   |
| 24   | skim milk, unflavored                    | 216     | 14.54    | 400    | 21.45    | 167       | 20.14     | 1305 | 18.53 | 929      | 22.28   |

AQC = average quantity consumed (in gallons) HLDS = number of households that consume

#### F-6. Female Head Education

|     |   |       |       |      |       |       | Fema    | ale Hea  | d Educ  | ation  |       |         |        |      |        |
|-----|---|-------|-------|------|-------|-------|---------|----------|---------|--------|-------|---------|--------|------|--------|
|     |   | 0=not | given | 1=gi | rade  | 2=som | ne high | 3=grad   | duated  | 4=s    | ome   | 5=grad  | duated | 6=p  | oost   |
| ישע | Poverago Cotogorias   |       | emale | sch  |       |       | lool    | high s   |         | coll   | ege   | coll    |        |      | e grad |
| ID# | Beverage Categories   |       |       |      |       |       | Numb    | per of C | Observa | ations |       | <u></u> |        |      |        |
|     |   | 47    | 74    | 2    | 7     | 13    | 36      | 12       | 48      | 17     | '81   | 14      | 64     | 58   | 35     |
|     |   | HLDS  | AQC   | HLDS | AQC   | HLDS  | AQC     | HLDS     | AQC     | HLDS   | AQC   | HLDS    | AQC    | HLDS | AQC    |
| 1   | whole fat flavored and unflavored milk  | 235   | 8.52  | 23   | 26.62 | 84    | 15.15   | 805      | 15.15   | 990    | 11.97 | 750     | 10.68  | 270  | 9.21   |
| 2   | reduced fat flavored and unflavored milk  | 383   | 20.93 | 20   | 39.62 | 115   | 29.36   | 1130     | 33.91   | 1639   | 34.16 | 1371    | 35.33  | 552  | 33.06  |
| 3   | carbonated soft drinks - regular  | 407   | 30.31 | 27   | 53.13 | 134   | 48.26   | 1208     | 45.54   | 1706   | 37.63 | 1399    | 31.34  | 538  | 28.81  |
| 4   | carbonated soft drinks - low calorie  | 261   | 28.04 | 12   | 8.07  | 100   | 28.56   | 914      | 31.73   | 1349   | 26.99 | 1074    | 29.67  | 456  | 28.48  |
| 5   | powdered soft drinks  | 126   | 13.64 | 15   | 40.29 | 74    | 20.37   | 708      | 19.84   | 949    | 19.54 | 743     | 17.05  | 248  | 15.96  |
| 6   | isotonics   | 105   | 3.64  | 8    | 1.64  | 43    | 2.72    | 412      | 3.96    | 604    | 3.65  | 524     | 3.59   | 174  | 4.88   |
| 7   | bottled water   | 269   | 16.13 | 16   | 9.31  | 92    | 19.50   | 868      | 14.79   | 1259   | 15.70 | 1058    | 13.96  | 434  | 16.34  |
| 8   | orange juice  | 369   | 10.07 | 25   | 16.46 | 117   | 7.38    | 1069     | 10.05   | 1563   | 9.96  | 1297    | 10.81  | 541  | 12.16  |
| 9   | apple juice   | 180   | 3.34  | 18   | 4.23  | 64    | 6.42    | 732      | 4.06    | 1048   | 3.84  | 925     | 4.65   | 356  | 4.08   |
| 10  | other juices  | 339   | 5.24  | 25   | 5.79  | 108   | 5.91    | 1027     | 5.93    | 1510   | 6.12  | 1285    | 7.05   | 506  | 7.33   |
| 11  | fruit drinks  | 310   | 8.15  | 21   | 8.52  | 115   | 9.46    | 1055     | 10.53   | 1488   | 9.30  | 1227    | 9.72   | 445  | 8.48   |
| 12  | vegetable juice   | 175   | 2.80  | 12   | 2.32  | 66    | 3.02    | 604      | 2.32    | 900    | 2.30  | 740     | 2.44   | 301  | 2.08   |
| 13  | coffee regular  | 263   | 32.41 | 22   | 30.87 | 112   | 46.26   | 953      | 49.90   | 1356   | 42.65 | 1022    | 36.04  | 403  | 35.64  |
| 14  | coffee decaffeinated  | 71    | 16.12 | 5    | 37.54 | 39    | 23.37   | 373      | 22.29   | 555    | 18.27 | 433     | 16.04  | 199  | 17.84  |
| 15  | tea regular   | 245   | 10.12 | 17   | 11.23 | 90    | 19.98   | 865      | 16.63   | 1247   | 13.94 | 983     | 13.03  | 413  | 9.70   |
| 16  | tea decaffeinated   | 98    | 4.33  | 9    | 6.33  | 39    | 10.14   | 414      | 9.26    | 670    | 8.10  | 567     | 7.38   | 275  | 6.44   |
| 17  | flavored milk   | 96    | 2.05  | 4    | 0.84  | 48    | 1.45    | 425      | 2.44    | 533    | 2.77  | 452     | 2.21   | 143  | 2.78   |
| 18  | unflavored milk   | 452   | 21.74 | 27   | 51.90 | 132   | 34.69   | 1239     | 39.93   | 1762   | 37.67 | 1449    | 38.26  | 581  | 35.01  |
| 19  | flavored milk whole   | 61    | 1.65  | 3    | 0.96  | 28    | 1.47    | 286      | 2.51    | 362    | 2.55  | 341     | 1.97   | 105  | 2.45   |
| 20  | Reduced fat, flavored   | 56    | 1.71  | 1    | 0.50  | 32    | 0.88    | 274      | 1.17    | 330    | 1.68  | 233     | 1.39   | 85   | 1.66   |
| 21  | whole milk, unflavored  | 212   | 8.99  | 23   | 26.60 | 76    | 16.37   | 688      | 17.26   | 838    | 13.48 | 638     | 12.04  | 225  | 10.42  |
| 22  | 2% milk, unflavored   | 248   | 12.22 | 17   | 17.47 | 87    | 22.01   | 869      | 21.48   | 1243   | 20.24 | 976     | 20.87  | 381  | 15.63  |
| 23  | 1 % milk, unflavored  | 148   | 11.68 | 12   | 28.73 | 48    | 12.82   | 493      | 14.61   | 741    | 13.87 | 642     | 16.48  | 276  | 15.34  |
| 24  | skim milk, unflavored   | 216   | 14.54 | 8    | 18.47 | 55    | 14.57   | 575      | 20.34   | 949    | 20.66 | 835     | 20.10  | 379  | 20.55  |
| AQ  | AQC = average quantity consumed (in gallons) HLDS = number of households that consume |       |       |      |       |       |         |          |         |        |       |         |        |      |        |

#### F-7. Race

|     |  |                        |       |                 | Ra    | ice  |       |      |       |
|-----|--|------------------------|-------|-----------------|-------|------|-------|------|-------|
|     |  | 1=White 2=Black        |       | 3=Oriental 4=Ot |       | ther |       |      |       |
| ID# | Beverage Category  | Number of Observations |       |                 |       |      |       |      |       |
|     |  | 4863                   |       | 516             |       | 58   |       | 278  |       |
|     |  | HLDS                   | AQC   | HLDS            | AQC   | HLDS | AQC   | HLDS | AQC   |
| 1   | whole fat flavored and unflavored milk   | 2580                   | 11.94 | 363             | 10.95 | 33   | 17.67 | 181  | 16.90 |
| 2   | reduced fat flavored and unflavored milk   | 4519                   | 35.45 | 404             | 14.10 | 53   | 28.86 | 234  | 24.62 |
| 3   | carbonated soft drinks - regular   | 4588                   | 36.41 | 505             | 34.76 | 55   | 30.28 | 271  | 46.21 |
| 4   | carbonated soft drinks - low calorie   | 3680                   | 30.70 | 275             | 13.32 | 36   | 8.46  | 175  | 20.59 |
| 5   | powdered soft drinks   | 2369                   | 16.91 | 328             | 30.13 | 18   | 17.09 | 148  | 18.84 |
| 6   | isotonics  | 1586                   | 3.98  | 147             | 2.39  | 19   | 3.16  | 118  | 3.08  |
| 7   | bottled water  | 3303                   | 14.24 | 415             | 19.39 | 52   | 23.59 | 226  | 19.68 |
| 8   | orange juice   | 4210                   | 10.49 | 470             | 9.87  | 52   | 13.27 | 249  | 9.73  |
| 9   | apple juice  | 2764                   | 3.87  | 345             | 5.56  | 35   | 5.91  | 179  | 5.70  |
| 10  | other juices   | 4043                   | 6.25  | 458             | 7.54  | 50   | 7.44  | 249  | 6.31  |
| 11  | fruit drinks   | 3878                   | 8.30  | 483             | 17.33 | 55   | 9.24  | 245  | 13.75 |
| 12  | vegetable juice  | 2431                   | 2.39  | 231             | 2.00  | 22   | 1.85  | 114  | 2.73  |
| 13  | coffee regular   | 3572                   | 43.44 | 315             | 26.71 | 36   | 23.50 | 208  | 31.52 |
| 14  | coffee decaffeinated   | 1496                   | 18.70 | 106             | 16.14 | 10   | 17.03 | 63   | 21.10 |
| 15  | tea regular  | 3254                   | 14.43 | 374             | 9.00  | 45   | 15.10 | 187  | 10.91 |
| 16  | tea decaffeinated  | 1764                   | 8.09  | 187             | 5.51  | 19   | 7.98  | 102  | 6.32  |
| 17  | flavored milk  | 1484                   | 2.61  | 116             | 1.25  | 15   | 1.12  | 86   | 1.69  |
| 18  | unflavored milk  | 4811                   | 38.90 | 504             | 18.90 | 57   | 36.77 | 270  | 32.13 |
| 19  | flavored milk whole  | 1058                   | 2.42  | 72              | 1.16  | 9    | 1.10  | 47   | 1.28  |
| 20  | Reduced fat, flavored  | 869                    | 1.51  | 74              | 0.83  | 8    | 0.86  | 60   | 1.42  |
| 21  | whole milk, unflavored   | 2153                   | 13.70 | 351             | 11.15 | 31   | 18.59 | 165  | 18.02 |
|     | 2% milk, unflavored  | 3307                   | 20.57 | 300             | 12.07 | 35   | 16.24 | 179  | 17.72 |
| 23  | 1 % milk, unflavored   | 2088                   | 15.88 | 141             | 4.38  | 28   | 8.62  | 103  | 9.52  |
|     | skim milk, unflavored  | 2649                   | 21.27 | 197             | 6.91  | 36   | 19.72 | 135  | 11.40 |
| AOC | QC = average quantity consumed (in gallons) HLDS = number of households that consume |                        |       |                 |       |      |       |      |       |

AQC = average quantity consumed (in gallons)

#### F-8. Region

|     |  |                        |       |      | Reg     | gion |        |      |       |  |
|-----|--|------------------------|-------|------|---------|------|--------|------|-------|--|
|     |  | 1=East 2=Central       |       |      | 3=South |      | 4=West |      |       |  |
| ID# | Beverage Category  | Number of Observations |       |      |         |      |        |      |       |  |
|     |  | 1218                   |       | 1446 |         | 1957 |        | 1094 |       |  |
|     |  | HLDS                   | AQC   | HLDS | AQC     | HLDS | AQC    | HLDS | AQC   |  |
| 1   | whole fat flavored and unflavored milk   | 739                    | 12.49 | 744  | 9.48    | 1170 | 13.73  | 504  | 12.05 |  |
| 2   | reduced fat flavored and unflavored milk   | 1107                   | 29.72 | 1372 | 37.94   | 1722 | 30.51  | 1009 | 35.37 |  |
| 3   | carbonated soft drinks - regular   | 1147                   | 32.44 | 1372 | 40.55   | 1869 | 37.96  | 1031 | 33.95 |  |
| 4   | carbonated soft drinks - low calorie   | 885                    | 25.83 | 1113 | 32.59   | 1393 | 27.98  | 775  | 28.96 |  |
| 5   | powdered soft drinks   | 583                    | 16.62 | 767  | 19.70   | 1070 | 19.13  | 443  | 17.57 |  |
| 6   | isotonics  | 329                    | 3.56  | 434  | 3.81    | 731  | 3.96   | 376  | 3.62  |  |
| 7   | bottled water  | 843                    | 16.99 | 952  | 12.96   | 1394 | 14.32  | 807  | 17.50 |  |
| 8   | orange juice   | 1096                   | 11.99 | 1272 | 9.88    | 1706 | 10.57  | 907  | 8.99  |  |
| 9   | apple juice  | 708                    | 4.55  | 827  | 3.81    | 1116 | 4.26   | 672  | 4.04  |  |
| 10  | other juices   | 1062                   | 6.95  | 1178 | 5.47    | 1628 | 6.43   | 932  | 6.84  |  |
| 11  | fruit drinks   | 988                    | 9.51  | 1189 | 9.08    | 1590 | 9.76   | 894  | 9.76  |  |
| 12  | vegetable juice  | 538                    | 2.19  | 765  | 2.36    | 971  | 2.42   | 524  | 2.47  |  |
| 13  | coffee regular   | 949                    | 46.63 | 1014 | 39.30   | 1374 | 39.42  | 794  | 41.19 |  |
| 14  | coffee decaffeinated   | 408                    | 17.08 | 396  | 18.15   | 581  | 19.17  | 290  | 20.35 |  |
| 15  | tea regular  | 938                    | 18.16 | 874  | 11.21   | 1359 | 13.78  | 689  | 10.88 |  |
| 16  | tea decaffeinated  | 487                    | 9.34  | 468  | 6.38    | 756  | 8.55   | 361  | 5.80  |  |
| 17  | flavored milk  | 295                    | 2.15  | 568  | 2.94    | 581  | 2.57   | 257  | 1.51  |  |
| 18  | unflavored milk  | 1198                   | 34.64 | 1432 | 40.11   | 1930 | 34.78  | 1082 | 38.25 |  |
| 19  | flavored milk whole  | 212                    | 2.11  | 413  | 2.81    | 374  | 2.22   | 187  | 1.48  |  |
| 20  | Reduced fat, flavored  | 176                    | 1.07  | 343  | 1.48    | 370  | 1.78   | 122  | 0.91  |  |
| 21  | whole milk, unflavored   | 676                    | 13.38 | 545  | 12.01   | 1038 | 14.84  | 441  | 13.52 |  |
| 22  | 2% milk, unflavored  | 744                    | 15.00 | 1032 | 23.43   | 1272 | 17.48  | 773  | 23.05 |  |
| 23  | 1 % milk, unflavored   | 631                    | 15.53 | 468  | 14.30   | 764  | 13.25  | 497  | 16.86 |  |
| 24  | skim milk, unflavored  | 700                    | 16.31 | 801  | 24.97   | 996  | 19.43  | 520  | 17.68 |  |
| AOC | QC = average guantity consumed (in gallons) HLDS = number of households that consume |                        |       |      |         |      |        |      |       |  |

AQC = average quantity consumed (in gallons)

#### F-9. Hispanic Origin

|       |  |                        | Hisp               | anic           |       |  |  |
|-------|--|------------------------|--------------------|----------------|-------|--|--|
|       |  | Y                      | es                 | N              | lo    |  |  |
| ID#   | Beverage Category                        | Number of Observations |                    |                |       |  |  |
|       |  | 30                     | 65                 | 5350           |       |  |  |
|       |  | HLDS                   | AQC                | HLDS           | AQC   |  |  |
| 1     | whole fat flavored and unflavored milk   | 239                    | 18.20              | 2918           | 11.68 |  |  |
| 2     | reduced fat flavored and unflavored milk | 311                    | 30.00              | 4899           | 33.45 |  |  |
| 3     | carbonated soft drinks - regular         | 360                    | 47.69              | 5059           | 35.90 |  |  |
| 4     | carbonated soft drinks - low calorie     | 248                    | 20.93              | 3918           | 29.44 |  |  |
| 5     | powdered soft drinks                     | 201                    | 20.52              | 2662           | 18.38 |  |  |
| 6     | isotonics                                | 151                    | 3.54               | 1719           | 3.81  |  |  |
| 7     | bottled water                            | 291                    | 17.36              | 3705           | 15.03 |  |  |
| 8     | orange juice                             | 324                    | 10.29              | 4657           | 10.43 |  |  |
| 9     | apple juice                              | 227                    | 4.94               | 3096           | 4.11  |  |  |
| 10    | other juices                             | 330                    | 6.60               | 4470           | 6.37  |  |  |
| 11    | fruit drinks                             | 323                    | 12.63              | 4338           | 9.30  |  |  |
| 12    | vegetable juice                          | 167                    | 2.78               | 2631           | 2.34  |  |  |
| 13    | coffee regular                           | 283                    | 37.10              | 3848           | 41.70 |  |  |
| 14    | coffee decaffeinated                     | 84                     | 19.84              | 1591           | 18.56 |  |  |
|       | tea regular                              | 252                    | 11.35              | 3608           | 13.91 |  |  |
| 16    | tea decaffeinated                        | 137                    | 5.51               | 1935           | 7.93  |  |  |
| 17    | flavored milk                            | 123                    | 1.55               | 1578           | 2.53  |  |  |
| 18    | unflavored milk                          | 360                    | 37.48              | 5282           | 36.72 |  |  |
| 19    | flavored milk whole                      | 61                     | 1.68               | 1125           | 2.32  |  |  |
| 20    | Reduced fat, flavored                    | 88                     | 1.00               | 923            | 1.49  |  |  |
| 21    | whole milk, unflavored                   | 208                    | 20.49              | 2492           | 13.12 |  |  |
| 22    | 2% milk, unflavored                      | 250                    | 20.65              | 3571           | 19.67 |  |  |
| 23    | 1 % milk, unflavored                     | 146                    | 9.68               | 2214           | 15.17 |  |  |
| 24    | skim milk, unflavored                    | 175                    | 15.13              | 2842           | 20.17 |  |  |
| AQC : | = average quantity consumed (in gallons) | HLDS = nur             | nber of households | s that consume |       |  |  |

#### F-10. Seasonality

|      |  | QUAR | TER 1 | QUAR   | TER 2       | QUAR               | TER 3 | QUAR | RTER 4 |
|------|--|------|-------|--------|-------------|--------------------|-------|------|--------|
| ID # | Beverage Category                        |      |       | 5715 ( | Observatior | is in each Quarter |       |      |        |
|      |  | HLDS | AQC   | HLDS   | AQC         | HLDS               | AQC   | HLDS | AQC    |
| 1    | whole fat flavored and unflavored milk   | 2018 | 4.90  | 2029   | 4.76        | 2042               | 4.70  | 2058 | 4.50   |
| 2    | reduced fat flavored and unflavored milk | 4792 | 9.33  | 4801   | 9.04        | 4802               | 8.88  | 4756 | 8.92   |
| 3    | carbonated soft drinks - regular         | 4525 | 10.48 | 4721   | 11.16       | 4684               | 10.69 | 4664 | 10.43  |
| 4    | carbonated soft drinks - regular         | 3056 | 9.67  | 3196   | 10.09       | 3112               | 9.55  | 3053 | 9.50   |
| 5    | powdered soft drinks                     | 1172 | 8.81  | 2015   | 9.23        | 1788               | 8.93  | 983  | 8.30   |
| 6    | isotonics                                | 672  | 1.71  | 1066   | 2.16        | 1110               | 2.33  | 606  | 1.73   |
| 7    | bottled water                            | 2015 | 6.40  | 2321   | 6.38        | 2582               | 6.52  | 2486 | 6.52   |
| 8    | orange juice                             | 3909 | 3.51  | 3746   | 3.37        | 3697               | 3.31  | 3940 | 3.39   |
| 9    | apple juice                              | 1840 | 1.98  | 1618   | 1.90        | 1684               | 1.81  | 2113 | 1.92   |
| 10   | other juices                             | 3356 | 2.38  | 3280   | 2.26        | 3178               | 2.32  | 3353 | 2.36   |
| 11   | fruit drinks                             | 3163 | 3.32  | 3513   | 3.59        | 3496               | 3.45  | 2924 | 3.16   |
| 12   | vegetable juice                          | 1573 | 1.12  | 1352   | 1.24        | 1313               | 1.22  | 1360 | 1.16   |
| 13   | coffee regular                           | 2997 | 14.71 | 2811   | 14.13       | 2789               | 13.89 | 3156 | 15.36  |
| 14   | coffee decaffeinated                     | 970  | 9.00  | 876    | 8.49        | 780                | 8.62  | 952  | 8.72   |
| 15   | tea regular                              | 2180 | 6.05  | 2316   | 5.99        | 2322               | 5.86  | 2139 | 5.79   |
| 16   | tea decaffeinated                        | 1109 | 3.99  | 921    | 4.10        | 838                | 4.24  | 1088 | 3.99   |
| 17   | flavored milk                            | 806  | 1.23  | 859    | 1.28        | 890                | 1.24  | 811  | 1.22   |
| 18   | unflavored milk                          | 5484 | 9.78  | 5476   | 9.49        | 5473               | 9.35  | 5458 | 9.29   |
| 19   | flavored milk – whole                    | 421  | 0.80  | 454    | 0.82        | 458                | 0.86  | 396  | 0.92   |
| 20   | flavored milk that is                    | 522  | 1.25  | 547    | 1.32        | 577                | 1.24  | 527  | 1.19   |
| 21   | whole milk , unflavored                  | 1767 | 5.40  | 1750   | 5.31        | 1752               | 5.26  | 1819 | 4.90   |
| 22   | 2% milk, unflavored                      | 2810 | 6.94  | 2815   | 6.76        | 2869               | 6.43  | 2868 | 6.42   |
| 23   | 1 % milk, unflavored                     | 1534 | 5.97  | 1503   | 5.74        | 1513               | 5.71  | 1479 | 5.79   |
| 24   | skim milk, unflavored                    | 2313 | 6.64  | 2348   | 6.38        | 2298               | 6.46  | 2256 | 6.55   |

AQC = average quantity consumed (in gallons)

### **APPENDIX G**

# HECKMAN RESULTS – BEVERAGE BY BEVERAGE

Heckman results are given. Each page gives the Heckman output for a beverage. The parameters associated with the demographic categories are given. Lastly, Joint F-Tests are given on each grouping of demographics. The abbreviations are as follows for the F-Tests.

- HH Household Size
- AG Age of household head
- PC Presence of children
- EM Employment status of household head
- ED Education obtained by household head
- RC Race of household
- HP Hispanic origin
- RG Region
- PV 130 % Poverty status

Beverage #1. Whole Fat - Flavored and Unflavored Milk Dependent variable: LQ1 Number of observations: 3157 LM het. test = 108.588 [.000] Mean of dep. var. = 1.12125 Std. dev. of dep. var. = 1.75015 Sum of squared residuals = 6679.42 Variance of residuals = 2.13264 Corror of regression = 1.46035 245467 Std. dev. of dep. var. = 1.79819 Durbin-Watson = 1.95249 [<.260] Jarque-Bera test = 65.1106 [.000] Ramsey's RESET2 = 2.78281 [.095] F (zero slopes) = 68.8788 [.000] Schwarz B.I.C. = .813214 R-squared = .345467Adjusted R-squared = .340451 Log likelihood = -5662.53Estimated Standard Variable Coefficient Error t-statistic P-value [.000] C 4.50675 .936167 4.81404 LP1 -2.94106 .086098 -34.1594 [.000] HS2 -.034326 .118644 -.289318 [.772] .359218 .214565 HS3 1.67417 [.094] HS4 .311339 .219542 1.41813 [.156] .459380 .348841 HSP5 1.31688 [.188] .327272 .334068 .979655 AGE2539 [.327] .132472 .320846 .412884 AGE4049 [.680] .283791E-02 .322550 .879838E-02 AGE5065 [.993] AGE65PLUS .062623 .346248 .180863 [.856] AGEPCCHILD .200071 .132836 1.50615 [.132] EMPPARTTIME -.319424 -.041161 .128861 [.749] EMPFULLTIME .054548 .097088 .561837 [.574] .150795 -1.28890 EDUHIGHSCHOOL -.194360 [.198] .225439 EDUSOMECOLLEGE -.369629 -1.63960 [.101] EDUCOLLEGEPLUS -.526015 .353420 -1.48836 [.137].156703 BLACK .326502 .479947 [.631] .071490 .244974 [.770] ORIENTAL .291827 .077053 OTHER .193819 .397553 [.691] .159127 HISPYES .244354 1.53559 [.125] .193366 CENTRAL -.080754 -.417623 [.676] .243462 .082716 SOUTH 2.94336 [.003] WEST .177160 .337475 .524957 [.600] POV130 .176164 .261204 1.48273 [.138] INVM1 .225367 1.40816 .160043 [.873] Standard Errors are heteroskedastic-consistent (HCTYPE=2).

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 1.09561  | .864903  | 1.26674     | [.205]  |
| AG        | .525206  | 1.27346  | .412422     | [.680]  |
| PC        | .200071  | .132836  | 1.50615     | [.132]  |
| EM        | .013386  | .214234  | .062485     | [.950]  |
| ED        | -1.09000 | .662210  | -1.64601    | [.100]  |
| RC        | .305247  | .625733  | .487823     | [.626]  |
| HP        | .244354  | .159127  | 1.53559     | [.125]  |
| RG        | .339868  | .580358  | .585617     | [.558]  |
| PV        | .261204  | .176164  | 1.48273     | [.138]  |

Beverage #2. Reduced Fat - Flavored and Unflavored Milk

Dependent variable: LQ2 Number of observations: 5210

| Mean of dep. var. = 2.87569        | LM het. test = 74.3414 [.000]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.35623   | Durbin-Watson = 1.97450 [<.361]   |
| Sum of squared residuals = 6371.87 | Jarque-Bera test = 1459.19 [.000] |
| Variance of residuals = 1.22890    | Ramsey's RESET2 = .308613 [.579]  |
| Std. error of regression = 1.10856 | F (zero slopes) = 108.815 [.000]  |
| R-squared = .334962                | Schwarz B.I.C. = .242380          |
| Adjusted R-squared = .331884       | Log likelihood = -7917.09         |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | 5.31346       | .385259        | 13.7919        | [.000]  |
| LP2             | -2.37735      | .084236        | -28.2226       | [.000]  |
| HS2             | .333922       | .078397        | 4.25939        | [.000]  |
| HS3             | .478338       | .073052        | 6.54793        | [.000]  |
| HS4             | .616478       | .087411        | 7.05266        | [.000]  |
| HSP5            | .661411       | .090120        | 7.33921        | [.000]  |
| AGE2539         | 310535        | .148292        | -2.09407       | [.036]  |
| AGE4049         | 229379        | .152650        | -1.50265       | [.133]  |
| AGE5065         | 230919        | .163098        | -1.41583       | [.157]  |
| AGE65PLUS       | 124507        | .160606        | 775229         | [.438]  |
| AGEPCCHILD      | .077197       | .075055        | 1.02854        | [.304]  |
| EMPPARTTIME     | 139198        | .055907        | -2.48982       | [.013]  |
| EMPFULLTIME     | 091893        | .044667        | -2.05731       | [.040]  |
| EDUHIGHSCHOOL   | .066706       | .124712        | .534876        | [.593]  |
| EDUSOMECOLLEGE  | .143395       | .131246        | 1.09256        | [.275]  |
| EDUCOLLEGEPLUS  | .204846       | .150226        | 1.36358        | [.173]  |
| BLACK           | 747902        | .186675        | -4.00644       | [.000]  |
| ORIENTAL        | 180990        | .183932        | 984006         | [.325]  |
| OTHER           | 196394        | .115836        | -1.69545       | [.090]  |
| HISPYES         | 311336E-02    | .099982        | 031139         | [.975]  |
| CENTRAL         | .040868       | .069649        | .586770        | [.557]  |
| SOUTH           | .048638       | .050801        | .957417        | [.338]  |
| WEST            | .217002       | .054353        | 3.99248        | [.000]  |
| POV130          | 261613        | .154474        | -1.69357       | [.090]  |
| INVM2           | 580345        | .855254        | 678565         | [.497]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) |         |

Results of Parameter Analysis

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|           |            | Standard |             |         |
|-----------|------------|----------|-------------|---------|
| Parameter | Estimate   | Error    | t-statistic | P-value |
| HH        | 2.09015    | .283788  | 7.36518     | [.000]  |
| AG        | 895339     | .609036  | -1.47009    | [.142]  |
| PC        | .077197    | .075055  | 1.02854     | [.304]  |
| EM        | 231091     | .079713  | -2.89905    | [.004]  |
| ED        | .414946    | .397412  | 1.04412     | [.296]  |
| RC        | -1.12529   | .341646  | -3.29372    | [.001]  |
| HP        | 311336E-02 | .099982  | 031139      | [.975]  |
| RG        | .306508    | .127128  | 2.41102     | [.016]  |
| PV        | 261613     | .154474  | -1.69357    | [.090]  |

Beverage #3. Carbonated Soft Drinks - Regular

Dependent variable: LQ3 Number of observations: 5419

| Mean of dep. var. = 2.82606        | LM het. test = 66.8121 [.000]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.42823   | Durbin-Watson = 1.98013 [<.431]   |
| Sum of squared residuals = 8709.41 | Jarque-Bera test = 291.713 [.000] |
| Variance of residuals = 1.61465    | Ramsey's RESET2 = .688686 [.407]  |
| Std. error of regression = 1.27069 | F (zero slopes) = 60.4483 [.000]  |
| R-squared = .211952                | Schwarz B.I.C. = .514157          |
| Adjusted R-squared = .208446       | Log likelihood = -8974.87         |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | 3.92902       | .342564        | 11.4695        | [.000]  |
| LP3             | 607084        | .084874        | -7.15277       | [.000]  |
| HS2             | .068427       | .121844        | .561598        | [.574]  |
| HS3             | .544348       | .163192        | 3.33563        | [.001]  |
| HS4             | .713938       | .170538        | 4.18640        | [.000]  |
| HSP5            | .783917       | .176401        | 4.44394        | [.000]  |
| AGE2539         | 412493        | .241441        | -1.70846       | [.088]  |
| AGE4049         | 285924        | .237843        | -1.20216       | [.229]  |
| AGE5065         | 400703        | .235331        | -1.70272       | [.089]  |
| AGE65PLUS       | 825166        | .238704        | -3.45685       | [.001]  |
| AGEPCCHILD      | 088641        | .056424        | -1.57097       | [.116]  |
| EMPPARTTIME     | .033106       | .052610        | .629262        | [.529]  |
| EMPFULLTIME     | .075325       | .045864        | 1.64235        | [.101]  |
| EDUHIGHSCHOOL   | 115538        | .108527        | -1.06460       | [.287]  |
| EDUSOMECOLLEGE  | 292239        | .110173        | -2.65255       | [.008]  |
| EDUCOLLEGEPLUS  | 474473        | .116174        | -4.08415       | [.000]  |
| BLACK           | .011813       | .069930        | .168924        | [.866]  |
| ORIENTAL        | 217604E-02    | .146505        | 014853         | [.988]  |
| OTHER           | .173225       | .094564        | 1.83184        | [.067]  |
| HISPYES         | 091470        | .084562        | -1.08169       | [.279]  |
| CENTRAL         | .217136       | .053344        | 4.07051        | [.000]  |
| SOUTH           | .147074       | .049729        | 2.95751        | [.003]  |
| WEST            | .035313       | .056181        | .628570        | [.530]  |
| POV130          | .156543       | .090438        | 1.73095        | [.084]  |
| INVM3           | -2.90625      | .755080        | -3.84893       | [.000]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) | •       |

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 2.11063  | .614530  | 3.43454     | [.001]  |
| AG        | -1.92429 | .940527  | -2.04597    | [.041]  |
| PC        | 088641   | .056424  | -1.57097    | [.116]  |
| EM        | .108430  | .086197  | 1.25793     | [.208]  |
| ED        | 882250   | .323877  | -2.72403    | [.006]  |
| RC        | .182862  | .194451  | .940402     | [.347]  |
| HP        | 091470   | .084562  | -1.08169    | [.279]  |
| RG        | .399524  | .133098  | 3.00173     | [.003]  |
| PV        | .156543  | .090438  | 1.73095     | [.083]  |
|           |          |          |             |         |

Beverage #4. Carbonated Soft Drinks - Low Calorie

Dependent variable: LQ4 Number of observations: 4166

| Mean of dep. var. = 2.25477        | LM het. test = 17.5783 [.000]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.68865   | Durbin-Watson = 1.99694 [<.698]   |
| Sum of squared residuals = 11051.7 | Jarque-Bera test = 138.645 [.000] |
| Variance of residuals = 2.66885    | Ramsey's RESET2 = 79.9026 [.000]  |
| Std. error of regression = 1.63366 | F (zero slopes) = 12.8791 [.000]  |
| R-squared = .069459                | Schwarz B.I.C. = 1.02565          |
| Adjusted $R$ -squared = .064066    | Log likelihood = -7943.54         |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | 1.46119       | 1.89273        | .772003        | [.440]  |
| LP4             | 925011        | .108871        | -8.49636       | [.000]  |
| HS2             | .352930       | .348887        | 1.01159        | [.312]  |
| HS3             | .499669       | .380729        | 1.31240        | [.189]  |
| HS4             | .503480       | .595596        | .845338        | [.398]  |
| HSP5            | .355947       | .476347        | .747243        | [.455]  |
| AGE2539         | .890207       | .486718        | 1.82900        | [.067]  |
| AGE4049         | 1.21705       | .631422        | 1.92747        | [.054]  |
| AGE5065         | 1.11593       | .751366        | 1.48520        | [.138]  |
| AGE65PLUS       | .872039       | .623254        | 1.39917        | [.162]  |
| AGEPCCHILD      | 273043        | .099221        | -2.75186       | [.006]  |
| EMPPARTTIME     | .028884       | .101819        | .283675        | [.777]  |
| EMPFULLTIME     | .095413       | .067523        | 1.41306        | [.158]  |
| EDUHIGHSCHOOL   | .130271       | .174284        | .747466        | [.455]  |
| EDUSOMECOLLEGE  | .031899       | .176881        | .180344        | [.857]  |
| EDUCOLLEGEPLUS  | .160592       | .187677        | .855680        | [.392]  |
| BLACK           | 846361        | .716695        | -1.18092       | [.238]  |
| ORIENTAL        | 849726        | .395572        | -2.14809       | [.032]  |
| OTHER           | 432328        | .367555        | -1.17623       | [.240]  |
| HISPYES         | 122863        | .129773        | 946753         | [.344]  |
| CENTRAL         | .324194       | .144696        | 2.24051        | [.025]  |
| SOUTH           | .133274       | .072274        | 1.84401        | [.065]  |
| WEST            | .256137       | .105805        | 2.42085        | [.016]  |
| POV130          | 181466        | .409172        | 443496         | [.657]  |
| INVM4           | .072127       | 2.26541        | .031838        | [.975]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) |         |

Standard Errors are heteroskedastic-consistent (HCTYPE=2).

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 1.71203  | 1.78392  | .959697     | [.337]  |
| AG        | 4.09522  | 2.46920  | 1.65852     | [.097]  |
| PC        | 273043   | .099221  | -2.75186    | [.006]  |
| EM        | .124297  | .143191  | .868049     | [.385]  |
| ED        | .322762  | .518846  | .622077     | [.534]  |
| RC        | -2.12841 | 1.40759  | -1.51210    | [.131]  |
| HP        | 122863   | .129773  | 946753      | [.344]  |
| RG        | .713605  | .195748  | 3.64553     | [.000]  |
| PV        | 181466   | .409172  | 443496      | [.657]  |

Beverage #5. Powdered Soft Drinks Dependent variable: LQ5 Number of observations: 2863 Mean of dep. var. = 2.17926 LM het. test = 2.08658 [.149] Std. dev. of dep. var. = 1.25276 Durbin-Watson = 2.01457 [<.866] Sum of squared residuals = 3805.44 Jarque-Bera test = 5.71662 [.057] Variance of residuals = 1.34089 Ramsey's RESET2 = 17.9886 [.000] Std. error of regression = 1.15797 F (zero slopes) = 21.3238 [.000] Schwarz B.I.C. = .354066 R-squared = .152778Adjusted R-squared = .145614 Log likelihood = -4469.77Standard Estimated Variable Coefficient Error t-statistic P-value [.719] [.000] .368956 1.02644 .359454 С -T.D5 525961 .042631 -12.3374

| LP5            | 525961  | .042631 | -12.3374 | [.000]     |
|----------------|---------|---------|----------|------------|
| HS2            | .449415 | .205582 | 2.18606  | [.029]     |
| HS3            | .778505 | .352541 | 2.20826  | [.027]     |
| HS4            | 1.23242 | .470426 | 2.61980  | [.009]     |
| HSP5           | 1.60360 | .514064 | 3.11945  | [.002]     |
| AGE2539        | .085583 | .379407 | .225570  | [.822]     |
| AGE4049        | .028477 | .373700 | .076203  | [.939]     |
| AGE5065        | 173209  | .362372 | 477987   | [.633]     |
| AGE65PLUS      | 258482  | .379212 | 681629   | [.496]     |
| AGEPCCHILD     | .073858 | .105903 | .697413  | [.486]     |
| EMPPARTTIME    | 031624  | .074391 | 425098   | [.671]     |
| EMPFULLTIME    | .040344 | .057176 | .705611  | [.480]     |
| EDUHIGHSCHOOL  | .138767 | .147552 | .940457  | [.347]     |
| EDUSOMECOLLEGE | .157282 | .150797 | 1.04301  | [.297]     |
| EDUCOLLEGEPLUS | 119421  | .190532 | 626776   | [.531]     |
| BLACK          | .552799 | .167507 | 3.30015  | [.001]     |
| ORIENTAL       | 349319  | .429460 | 813392   | [.416]     |
| OTHER          | 074072  | .119684 | 618897   | [.536]     |
| HISPYES        | 013172  | .110704 | 118986   | [.905]     |
| CENTRAL        | .057541 | .103070 | .558270  | [.577]     |
| SOUTH          | .076344 | .099075 | .770567  | [.441]     |
| WEST           | 258113  | .105798 | -2.43967 | [.015]     |
| POV130         | .173173 | .104948 | 1.65009  | [.099]     |
| INVM5          | 1.12347 | .798483 | 1.40701  | [.160]     |
| a. 1 1 -       |         |         |          | <b>a</b> \ |

Standard Errors are heteroskedastic-consistent (HCTYPE=2).

|           |             | Standard |             |         |
|-----------|-------------|----------|-------------|---------|
| Parameter | Estimate    | Error    | t-statistic | P-value |
| HH        | 4.06394     | 1.52910  | 2.65773     | [.008]  |
| AG        | 317631      | 1.44597  | 219667      | [.826]  |
| PC        | .073858     | .105903  | .697413     | [.486]  |
| EM        | .872030E-02 | .108762  | .080178     | [.936]  |
| ED        | .176628     | .459546  | .384353     | [.701]  |
| RC        | .129408     | .374803  | .345271     | [.730]  |
| HP        | 013172      | .110704  | 118986      | [.905]  |
| RG        | 124228      | .185939  | 668113      | [.504]  |
| PV        | .173173     | .104948  | 1.65009     | [.099]  |

# Beverage #6. Isotonics

Dependent variable: LQ6 Number of observations: 1870

| Mean of dep. var. = .502428        | LM het. test = 9.69427 [.002]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.29025   | Durbin-Watson = 1.93083 [<.260]   |
| Sum of squared residuals = 2796.34 | Jarque-Bera test = 34.8443 [.000] |
| Variance of residuals = 1.51563    | Ramsey's RESET2 = 14.7635 [.000]  |
| Std. error of regression = 1.23111 | F (zero slopes) = 8.66213 [.000]  |
| R-squared = .101267                | Schwarz B.I.C. = .503091          |
| Adjusted R-squared = .089577       | Log likelihood = -3029.63         |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | 1.65215       | 3.06951        | .538244        | [.590]  |
| LP6             | -1.20905      | .133264        | -9.07259       | [.000]  |
| HS2             | .153354       | .465100        | .329722        | [.742]  |
| HS3             | .397079       | .678927        | .584863        | [.559]  |
| HS4             | .450419       | .914276        | .492650        | [.622]  |
| HSP5            | .553421       | .817060        | .677333        | [.498]  |
| AGE2539         | .125275       | .338949        | .369598        | [.712]  |
| AGE4049         | .240809       | .328590        | .732854        | [.464]  |
| AGE5065         | .109439       | .499466        | .219113        | [.827]  |
| AGE65PLUS       | 215740        | .758035        | 284604         | [.776]  |
| AGEPCCHILD      | .546550E-02   | .417021        | .013106        | [.990]  |
| EMPPARTTIME     | 066428        | .158450        | 419235         | [.675]  |
| EMPFULLTIME     | 296356E-03    | .148974        | 198931E-02     | [.998]  |
| EDUHIGHSCHOOL   | .276377       | .239264        | 1.15511        | [.248]  |
| EDUSOMECOLLEGE  | .188322       | .206786        | .910710        | [.363]  |
| EDUCOLLEGEPLUS  | .257602       | .255822        | 1.00696        | [.314]  |
| BLACK           | 397747        | .341097        | -1.16608       | [.244]  |
| ORIENTAL        | .107941       | .366197        | .294763        | [.768]  |
| OTHER           | 124322        | .180987        | 686913         | [.492]  |
| HISPYES         | 062806        | .141648        | 443394         | [.658]  |
| CENTRAL         | .016943       | .195279        | .086762        | [.931]  |
| SOUTH           | .073067       | .491400        | .148693        | [.882]  |
| WEST            | .041716       | .420095        | .099303        | [.921]  |
| POV130          | 482332        | .348549        | -1.38383       | [.167]  |
| INVM6           | 768273E-02    | 2.12387        | 361733E-02     | [.997]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) |         |

|           |             | Standard |             |         |
|-----------|-------------|----------|-------------|---------|
| Parameter | Estimate    | Error    | t-statistic | P-value |
| HH        | 1.55427     | 2.86356  | .542777     | [.587]  |
| AG        | .259783     | 1.61306  | .161050     | [.872]  |
| PC        | .546550E-02 | .417021  | .013106     | [.990]  |
| EM        | 066724      | .297765  | 224083      | [.823]  |
| ED        | .722300     | .686516  | 1.05212     | [.293]  |
| RC        | 414128      | .578703  | 715614      | [.474]  |
| HP        | 062806      | .141648  | 443394      | [.657]  |
| RG        | .131727     | 1.09039  | .120807     | [.904]  |
| PV        | 482332      | .348549  | -1.38383    | [.166]  |

Beverage #7. Bottled Water

Dependent variable: LQ7 Number of observations: 3996

| Mean of dep. var. = 1.46707        | LM het. test = 31.9044 [.000]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.61394   | Durbin-Watson = 1.92278 [<.035]   |
| Sum of squared residuals = 7699.12 | Jarque-Bera test = 59.6202 [.000] |
| Variance of residuals = 1.93884    | Ramsey's RESET2 = 73.6926 [.000]  |
| Std. error of regression = 1.39242 | F (zero slopes) = 58.1757 [.000]  |
| R-squared = .260138                | Schwarz B.I.C. = .707696          |
| Adjusted R-squared = .255666       | Log likelihood = -6980.39         |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | 3.12137       | 1.17648        | 2.65315        | [.008]  |
| LP7             | -1.19570      | .035231        | -33.9392       | [.000]  |
| HS2             | 164869        | .157839        | -1.04454       | [.296]  |
| HS3             | .089199       | .148918        | .598983        | [.549]  |
| HS4             | 079926        | .273950        | 291753         | [.770]  |
| HSP5            | .758205E-02   | .288166        | .026311        | [.979]  |
| AGE2539         | .039097       | .373695        | .104622        | [.917]  |
| AGE4049         | .107965       | .346950        | .311183        | [.756]  |
| AGE5065         | .085381       | .325657        | .262179        | [.793]  |
| AGE65PLUS       | .103411       | .366940        | .281820        | [.778]  |
| AGEPCCHILD      | 133714        | .094375        | -1.41684       | [.157]  |
| EMPPARTTIME     | 077795        | .093262        | 834157         | [.404]  |
| EMPFULLTIME     | 020124        | .100216        | 200803         | [.841]  |
| EDUHIGHSCHOOL   | 142545        | .140048        | -1.01782       | [.309]  |
| EDUSOMECOLLEGE  | 094566        | .137826        | 686129         | [.493]  |
| EDUCOLLEGEPLUS  | 117406        | .139092        | 844084         | [.399]  |
| BLACK           | .098411       | .279910        | .351580        | [.725]  |
| ORIENTAL        | 021223        | .426321        | 049781         | [.960]  |
| OTHER           | .061034       | .209272        | .291650        | [.771]  |
| HISPYES         | 154210        | .117125        | -1.31663       | [.188]  |
| CENTRAL         | 149784        | .094757        | -1.58073       | [.114]  |
| SOUTH           | 131107        | .066311        | -1.97715       | [.048]  |
| WEST            | 067550        | .143112        | 472013         | [.637]  |
| POV130          | 138398        | .306165        | 452036         | [.651]  |
| INVM7           | -1.78674      | 1.61151        | -1.10873       | [.268]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) |         |

Standard Errors are heteroskedastic-consistent (HCTYPE=2).

|          | Standard   |  |  |
|----------|--|--|--|
| Estimate | Error  | t-statistic  | P-value  |
| 148014   | .841488  | 175895   | [.860]   |
| .335853  | 1.29059  | .260233  | [.795]   |
| 133714   | .094375  | -1.41684   | [.157]   |
| 097919   | .183388  | 533945   | [.593]   |
| 354517   | .403811  | 877928   | [.380]   |
| .138222  | .861308  | .160479  | [.873]   |
| 154210   | .117125  | -1.31663   | [.188]   |
| 348442   | .184587  | -1.88768   | [.059]   |
| 138398   | .306165  | 452036   | [.651]   |
|          | 148014<br>.335853<br>133714<br>097919<br>354517<br>.138222<br>154210<br>348442 | Estimate Error<br>148014 .841488<br>.335853 1.29059<br>133714 .094375<br>097919 .183388<br>354517 .403811<br>.138222 .861308<br>154210 .117125<br>348442 .184587 | EstimateErrort-statistic148014.841488175895.3358531.29059.260233133714.094375-1.41684097919.183388533945354517.403811877928.138222.861308.160479154210.117125-1.31663348442.184587-1.88768 |

#### Dependent variable: LQ8 Number of observations: 4981 Mean of dep. var. = 1.65925 LM het. test = 7.08034 [.008] Std. dev. of dep. var. = 1.30906 Durbin-Watson = 2.01319 [<.851] Sum of squared residuals = 7893.41 Jarque-Bera test = 160.788 [.000] Variance of residuals = 1.59270 Ramsey's RESET2 = 28.0008 [.000] Std. error of regression = 1.26202 F (zero slopes) = 16.7560 [.000] Schwarz B.I.C. = .503127R-squared = .075053 Adjusted R-squared = .070574 Log likelihood = -8214.35Estimated Standard Variable Coefficient Error t-statistic P-value .904367 .827796 C 1.09250 [.275] LP8 -.475524 .068258 -6.96658 [.000] HS2 .591656 .206390 2.86668 [.004] .834013 .285912 HS3 2.91703 [.004] HS4 .347575 2.71449 [.007] .943488 HSP5 1.12130 .318753 3.51777 [.000] AGE2539 -.054952 .251849 -.218194 [.827] .104615 .240494 .435003 AGE4049 [.664] .300178 AGE5065 .328823 1.09543 [.273] AGE65PLUS .630382 .345729 1.82334 [.068] AGEPCCHILD -.021521 .068923 -.312250 [.755] .068674 .952758 EMPPARTTIME .072080 [.341] EMPFULLTIME -.108185 .047508 -2.27717 [.023] EDUHIGHSCHOOL .260055 .114224 2.27671 [.023] .118076 EDUSOMECOLLEGE .388955 3.29411 [.001] EDUCOLLEGEPLUS .663280 .157948 4.19937 [.000] BLACK .145032 .146091 .992754 [.321] .596641 .218529 ORIENTAL 2.73026 [.006] .037384 .279809 OTHER .133607 [.780] .069997 [.430] HISPYES .088746 .788730 .068117 -4.01926 CENTRAL -.273781 [.000] -.279205 .087153 SOUTH -3.20362 [.001] WEST -.579689 .200535 -2.89072 [.004] POV130 -.417889 .111553 -3.74609 [.000] INVM8 1.70164 1.65358 1.02906 [.304] Standard Errors are heteroskedastic-consistent (HCTYPE=2).

Beverage #8. Orange Juice

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|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 3.49046  | 1.14647  | 3.04453     | [.002]  |
| AG        | 1.00887  | 1.11894  | .901626     | [.367]  |
| PC        | 021521   | .068923  | 312250      | [.755]  |
| EM        | 039510   | .098672  | 400418      | [.689]  |
| ED        | 1.31229  | .353561  | 3.71163     | [.000]  |
| RC        | .779057  | .406335  | 1.91728     | [.055]  |
| HP        | .069997  | .088746  | .788730     | [.430]  |
| RG        | -1.13268 | .334812  | -3.38302    | [.001]  |
| PV        | 417889   | .111553  | -3.74609    | [.000]  |

Beverage #9. Apple Juice Dependent variable: LQ9 Number of observations: 3323 LM het. test = 33.2020 [.000] Mean of dep. var. = .667900Std. dev. of dep. var. = 1.21498 Durbin-Watson = 2.00991 [<.832] Sum of squared residuals = 4150.24 Jarque-Bera test = 57.1930 [.000] Variance of residuals = 1.25841 Ramsey's RESET2 = 34.1405 [.000] Std. error of regression = 1.12179 F (zero slopes) = 24.9529 [.000] Schwarz B.I.C. = .283301 R-squared = .153680 Adjusted R-squared = .147521 Log likelihood = -5084.48Estimated Standard Variable Coefficient Error t-statistic P-value .612358 .369316 C 1.65809 [.712]LP9 -.916113 .059609 -15.3687 [.000] HS2 .425039 .380991 1.11561 [.265] .692157 .559770 HS3 1.23650 [.216] HS4 .738606 1.24120 .916761 [.215] .790877 HSP5 1.42019 1.12320 [.156] .302672 -1.09749 AGE2539 -.332180 [.273] .335173 -1.31522 AGE4049 -.440826 [.189] .304141 AGE5065 -.374294 -1.23066 [.219] AGE65PLUS -.458664 .299796 -1.52992 [.126] AGEPCCHILD .383956 .202066 1.90015 [.058] EMPPARTTIME .058490 .064429 .907818 [.364] EMPFULLTIME -.183084 .131209 -1.39536 [.163] EDUHIGHSCHOOL .266043 .029176 .109665 [.913] .296125 .369966 EDUSOMECOLLEGE .109556 [.711] EDUCOLLEGEPLUS .283309 .370713 .764226 [.445] BLACK .418950 .278438 1.50464 [.133] .239159 ORIENTAL .225248 1.06176 [.288] OTHER .346741 .160562 2.15955 [.031] [.255] HISPYES -.156605 .137601 -1.13811 -.055471 .056563 CENTRAL -.980696 [.327] SOUTH -.029680 .062527 -.474664 [.635] WEST .176241 .115529 1.52551 [.127]POV130 .106618 -.390496 -.041634 [.696] INVM9 1.02163 1.58743 .643577 [.520] Standard Errors are heteroskedastic-consistent (HCTYPE=2).

Results of Parameter Analysis

| Parameter Estimate Error t-statistic P-va | lue |
|---|-----|
| НН 3.15716 2.46389 1.28137 [.20           | 0]  |
| AG -1.60596 1.22840 -1.30736 [.19         | 1]  |
| PC .383956 .202066 1.90015 [.05           | 7]  |
| EM124594 .133958930098 [.35               | 2]  |
| ED .422040 .925789 .455871 [.64           | 8]  |
| RC 1.00485 .414108 2.42654 [.01           | 5]  |
| HP156605 .137601 -1.13811 [.25            | 5]  |
| RG .091090 .161691 .563359 [.57           | 3]  |
| PV041634 .106618390496 [.69               | 6]  |

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# Beverage #10. Other Juice

Dependent variable: LQ10 Number of observations: 4800

| Mean of dep. var. = 1.14787        | LM het. test = .030965 [.860]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.26889   | Durbin-Watson = 1.94983 [<.124]   |
| Sum of squared residuals = 7184.76 | Jarque-Bera test = 56.8300 [.000] |
| Variance of residuals = 1.50466    | Ramsey's RESET2 = 51.7018 [.000]  |
| Std. error of regression = 1.22665 | F (zero slopes) = 15.0105 [.000]  |
| R-squared = .070153                | Schwarz B.I.C. = .447494          |
| Adjusted R-squared = $.065479$     | Log likelihood = -7778.94         |
|                                    |                                   |

|                 | Estimated     | Standard       |               |         |
|-----------------|---------------|----------------|---------------|---------|
| Variable        | Coefficient   | Error          | t-statistic   | P-value |
| C               | 2.07524       | .695495        | 2.98383       | [.003]  |
| LP10            | 789870        | .079815        | -9.89629      | [.000]  |
| HS2             | .315852       | .235757        | 1.33973       | [.180]  |
| HS3             | .475669       | .322110        | 1.47673       | [.140]  |
| HS4             | .530696       | .376205        | 1.41066       | [.158]  |
| HSP5            | .645196       | .455449        | 1.41662       | [.157]  |
| AGE2539         | 234534        | .280354        | 836563        | [.403]  |
| AGE4049         | 265708        | .296455        | 896282        | [.370]  |
| AGE5065         | 097877        | .267780        | 365514        | [.715]  |
| AGE65PLUS       | 051953        | .251690        | 206415        | [.836]  |
| AGEPCCHILD      | .047375       | .064685        | .732397       | [.464]  |
| EMPPARTTIME     | 037929        | .059460        | 637881        | [.524]  |
| EMPFULLTIME     | 099395        | .047526        | -2.09139      | [.037]  |
| EDUHIGHSCHOOL   | .109141       | .120341        | .906929       | [.364]  |
| EDUSOMECOLLEGE  | .213440       | .162279        | 1.31527       | [.188]  |
| EDUCOLLEGEPLUS  | .397340       | .207126        | 1.91835       | [.055]  |
| BLACK           | .255663       | .159594        | 1.60196       | [.109]  |
| ORIENTAL        | .428099       | .157245        | 2.72250       | [.007]  |
| OTHER           | .023832       | .113990        | .209066       | [.834]  |
| HISPYES         | 064783        | .125228        | 517324        | [.605]  |
| CENTRAL         | 180383        | .132437        | -1.36203      | [.173]  |
| SOUTH           | 107219        | .109613        | 978157        | [.328]  |
| WEST            | .040725       | .076584        | .531770       | [.528]  |
| POV130          | 176551        | .098905        | -1.78507      | [.074]  |
| INVM10          | 983795E-02    | 1.52157        | -1.646565E-02 | [.074]  |
| Standard Errors |               |                |               |         |
| Scandard Errors | are neceroske | uastic-consist | (nciiPE=Z)    | •       |

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 1.96741  | 1.37991  | 1.42576     | [.154]  |
| AG        | 650072   | 1.06816  | 608590      | [.543]  |
| PC        | .047375  | .064685  | .732397     | [.464]  |
| EM        | 137324   | .094093  | -1.45945    | [.144]  |
| ED        | .719921  | .467588  | 1.53965     | [.124]  |
| RC        | .707593  | .277120  | 2.55338     | [.011]  |
| HP        | 064783   | .125228  | 517324      | [.605]  |
| RG        | 246877   | .301174  | 819715      | [.412]  |
| PV        | 176551   | .098905  | -1.78507    | [.074]  |

#### Beverage #11. Fruit Drinks

Dependent variable: LQ11 Number of observations: 4661

| LM het. test = 7.83619 [.005]     |
|-----------------------------------|
| Durbin-Watson = 1.94941 [<.128]   |
| Jarque-Bera test = 61.3967 [.000] |
| Ramsey's RESET2 = 5.37438 [.020]  |
| F (zero slopes) = 62.5546 [.000]  |
| Schwarz B.I.C. = .404595          |
| Log likelihood = -7450.99         |
|                                   |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| C               | 2.08377       | .317368        | 6.56581        | [.000]  |
| LP11            | 753103        | .052391        | -14.3746       | [.000]  |
| HS2             | .250135       | .087395        | 2.86213        | [.004]  |
| HS3             | .497774       | .130150        | 3.82461        | [.000]  |
| HS4             | .749404       | .161553        | 4.63875        | [.000]  |
| HSP5            | .967767       | .162861        | 5.94227        | [.000]  |
| AGE2539         | 160706        | .230455        | 697341         | [.486]  |
| AGE4049         | 120651        | .232188        | 519626         | [.603]  |
| AGE5065         | 275595        | .239938        | -1.14861       | [.251]  |
| AGE65PLUS       | 532224        | .253183        | -2.10213       | [.036]  |
| AGEPCCHILD      | .347489       | .076856        | 4.52128        | [.000]  |
| EMPPARTTIME     | .087630       | .054350        | 1.61233        | [.107]  |
| EMPFULLTIME     | .026678       | .045825        | .582173        | [.560]  |
| EDUHIGHSCHOOL   | .021477       | .105718        | .203149        | [.839]  |
| EDUSOMECOLLEGE  | 081730        | .104952        | 778740         | [.436]  |
| EDUCOLLEGEPLUS  | 074420        | .108746        | 684350         | [.494]  |
| BLACK           | .661726       | .101722        | 6.50526        | [.000]  |
| ORIENTAL        | .105214       | .166455        | .632089        | [.527]  |
| OTHER           | .293913       | .099214        | 2.96243        | [.003]  |
| HISPYES         | 041189        | .083296        | 494486         | [.621]  |
| CENTRAL         | 057567        | .054432        | -1.05758       | [.290]  |
| SOUTH           | 080808        | .049492        | -1.63275       | [.103]  |
| WEST            | .071639       | .057838        | 1.23861        | [.216]  |
| POV130          | 164456        | .083622        | -1.96667       | [.049]  |
| INVM11          | 225515        | .428286        | 526552         | [.599]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) |         |
|                 |               |                |                |         |

Results of Parameter Analysis

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|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 2.46508  | .518251  | 4.75654     | [.000]  |
| AG        | -1.08918 | .939737  | -1.15902    | [.246]  |
| PC        | .347489  | .076856  | 4.52128     | [.000]  |
| EM        | .114308  | .087115  | 1.31215     | [.189]  |
| ED        | 134674   | .308077  | 437144      | [.662]  |
| RC        | 1.06085  | .260263  | 4.07608     | [.000]  |
| HP        | 041189   | .083296  | 494486      | [.621]  |
| RG        | 066736   | .134039  | 497888      | [.619]  |
| PV        | 164456   | .083622  | -1.96667    | [.049]  |

## Beverage #12. Vegetable Juice

Dependent variable: LQ12 Number of observations: 2798

| Mean of dep. var. = .126094        | LM het. test = 3.70888 [.054]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.20456   | Durbin-Watson = 2.03709 [<.956]   |
| Sum of squared residuals = 3904.77 | Jarque-Bera test = 10.9306 [.004] |
| Variance of residuals = 1.40814    | Ramsey's RESET2 = 89.6530 [.000]  |
| Std. error of regression = 1.18665 | F (zero slopes) = 4.54342 [.000]  |
| R-squared = .037835                | Schwarz B.I.C. = .404208          |
| Adjusted R-squared = .029508       | Log likelihood = -4436.47         |
|                                    |                                   |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| C               | 1.41271       | 5.83744        | .242008        | [.809]  |
| LP12            | 465453        | .061656        | -7.54925       | [.000]  |
| HS2             | 457692E-02    | .981583        | 466280E-02     | [.996]  |
| HS3             | .089514       | .951417        | .094085        | [.925]  |
| HS4             | .187676       | 1.18100        | .158913        | [.874]  |
| HSP5            | .156851       | 1.39287        | .112610        | [.910]  |
| AGE2539         | 164401        | .399739        | 411270         | [.681]  |
| AGE4049         | 095861        | .450681        | 212703         | [.832]  |
| AGE5065         | 098627        | .916184        | 107650         | [.914]  |
| AGE65PLUS       | 163268        | .594040        | 274844         | [.783]  |
| AGEPCCHILD      | 086385        | .122752        | 703737         | [.482]  |
| EMPPARTTIME     | 075485        | .139881        | 539640         | [.589]  |
| EMPFULLTIME     | 056323        | .232462        | 242289         | [.809]  |
| EDUHIGHSCHOOL   | .068213       | .181090        | .376679        | [.706]  |
| EDUSOMECOLLEGE  | .041414       | .217174        | .190695        | [.849]  |
| EDUCOLLEGEPLUS  | .108349       | .342199        | .316624        | [.752]  |
| BLACK           | 463929E-02    | .361237        | 012843         | [.990]  |
| ORIENTAL        | .011551       | .802247        | .014399        | [.989]  |
| OTHER           | .128065       | .696071        | .183982        | [.854]  |
| HISPYES         | .026480       | .124342        | .212966        | [.831]  |
| CENTRAL         | .045652       | .710122        | .064288        | [.949]  |
| SOUTH           | .075204       | .489435        | .153655        | [.878]  |
| WEST            | .138550       | .284332        | .487281        | [.626]  |
| POV130          | .196579       | .212905        | .923317        | [.356]  |
| INVM12          | 652389        | 5.12715        | 127242         | [.899]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) |         |

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | .429463  | 4.50210  | .095392     | [.924]  |
| AG        | 522157   | 2.03637  | 256415      | [.798]  |
| PC        | 086385   | .122752  | 703737      | [.482]  |
| EM        | 131808   | .364907  | 361210      | [.718]  |
| ED        | .217975  | .595145  | .366256     | [.714]  |
| RC        | .134976  | 1.82336  | .074026     | [.941]  |
| HP        | .026480  | .124342  | .212966     | [.831]  |
| RG        | .259406  | 1.47666  | .175671     | [.861]  |
| PV        | .196579  | .212905  | .923317     | [.356]  |

| Beverage #13   | . Coffee -    | Regular  | 2  |   |
|--|---------------|--|--|---|
| Dependent varia<br>Number of obser                               |               | 1  |  |   |
| Std. dev. of<br>Sum of squared<br>Variance of<br>Std. error of r | residuals = 1 | .31374<br>600.37<br>.36395<br>.16788<br>214315 | LM het. test = .07<br>Durbin-Watson = 1.<br>Jarque-Bera test =<br>Ramsey's RESET2 =<br>F (zero slopes) =<br>Schwarz B.I.C. = .<br>Log likelihood = - | 97950 [<.485]<br>= 125.992 [.000]<br>38.8041 [.000]<br>46.6673 [.000]<br>354701 |
|  | Estimated     | Standard                                       |  |   |
| Variable   | Coefficient   | Error  | t-statistic  | P-value   |
| С  | 1.58708       | .938890  | 1.69038  | [.091]  |
| LP13   | -1.27763      | .052368  | -24.3972   | [.000]  |
| HS2  | .385302       | .261475  | 1.47357  | [.141]  |
| HS3  | .404011       | .279125  | 1.44742  | [.148]  |
| HS4  | .628775       | .362025  | 1.73683  | [.082]  |
| HSP5   | .544122       | .364493  | 1.49282  | [.136]  |
| AGE2539  | .792082       | .314319  | 2.52000  | [.012]  |
| AGE4049  | 1.08180       | .430168  | 2.51484  | [.012]  |
| AGE5065  | 1.27572       | .512311  | 2.49012  | [.013]  |
| AGE65PLUS  | 1.27992       | .525944  | 2.43356  | [.015]  |
| AGEPCCHILD   | 124821        | .100151  | -1.24632   | [.213]  |
| EMPPARTTIME  | 101772        | .083984  | -1.21181   | [.226]  |
| EMPFULLTIME  | 058728        | .075088  | 782121   | [.434]  |
| EDUHIGHSCHOOL  | .160543       | .130792  | 1.22746  | [.220]  |
| EDUSOMECOLLEGE   | .091963       | .122345  | .751672  | [.452]  |
| EDUCOLLEGEPLUS   | 045522        | .191646  | 237530   | [.812]  |
| BLACK  | 486038        | .200553  | -2.42349   | [.015]  |
| ORIENTAL   | 062825        | .209379  | 300055   | [.764]  |
| OTHER  | 152266        | .100242  | -1.51898   | [.129]  |
| HISPYES  | .133384       | .126791  | 1.05200  | [.293]  |
| CENTRAL  | 201285        | .158901  | -1.26673   | [.205]  |
| SOUTH  | 205328        | .141605  | -1.45001   | [.147]  |
| WEST   | .020526       | .146044  | .140548  | [.888]  |
| POV130   | 047237        | .160102  | 295043   | [.768]  |
| INVM13   | .362300       | 1.26136  | .287230  | [.774]  |
| Standard Errors  | are heterosk  | edastic-co                                     | nsistent (HCTYPE=2)  | ).  |

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 1.96221  | 1.25514  | 1.56333     | [.118]  |
| AG        | 4.42952  | 1.76287  | 2.51267     | [.012]  |
| PC        | 124821   | .100151  | -1.24632    | [.213]  |
| EM        | 160500   | .150876  | -1.06379    | [.287]  |
| ED        | .206984  | .429603  | .481804     | [.630]  |
| RC        | 701130   | .361736  | -1.93823    | [.053]  |
| HP        | .133384  | .126791  | 1.05200     | [.293]  |
| RG        | 386087   | .437208  | 883075      | [.377]  |
| PV        | 047237   | .160102  | 295043      | [.768]  |
|           |          |          |             |         |

#### Dependent variable: LQ14 Number of observations: 1675 Mean of dep. var. = 2.16036 LM het. test = 19.4211 [.000] Std. dev. of dep. var. = 1.22 Sum of squared residuals = 1932.01 Std. dev. of dep. var. = 1.25353 Durbin-Watson = 2.00595 [<.844] Jarque-Bera test = 29.6568 [.000] Ramsey's RESET2 = 33.0300 [.000] Std. error of regression = 1.08209 F (zero slopes) = 24.8534 [.000] Schwarz B.I.C. = .253546 R-squared = .265518Adjusted R-squared = .254835 Log likelihood = -2496.27Estimated Standard Variable Coefficient Error t-statistic P-value .323571 .061866 C 5.23023 [.951] LP14 -1.38784 .074983 -18.5089 [.000] HS2 .490888 .732557 .670103 [.503] .490029 .643042 .762047 HS3 [.446] HS4 .496398 .615541 .806442 [.420] .390568 .555433 .703177 HSP5 [.482] .406036 .680978 AGE2539 .276501 [.496] .855476 .864382 AGE4049 .989697 [.388] .889041 AGE5065 1.29995 1.46220 [.374] AGE65PLUS 1.53205 2.08007 .736539 [.462] .103742 AGEPCCHILD -.024613 -.237248 [.812] EMPPARTTIME -.085996 .084657 -1.01582 [.310] -.203889 EMPFULLTIME .436433 -.467172 [.640] EDUHIGHSCHOOL .245102 -1.20841 -.296183 [.227] .359677 EDUSOMECOLLEGE -.257910 -.717060 [.473] EDUCOLLEGEPLUS -.176586 .518798 -.340375 [.734] -.408725 .564461 -.724098 BLACK [.469] .681833 ORIENTAL -.279354 -.409710 [.682] .210708 OTHER -.283350 -1.34475 [.179] .012832 .058385 HISPYES .219786 [.953] .452993 CENTRAL -.264940 -.584867 [.559] -.137857 .194350 -.709320 SOUTH [.478] WEST -.123016 .579427 -.212306 [.832] POV130 .706048 -.177687 -.125455 [.859] INVM14 1.12105 3.15114 .355759 [.722] Standard Errors are heteroskedastic-consistent (HCTYPE=2).

Beverage #14. Coffee - Decaffeinated

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 1.86788  | 2.52802  | .738871     | [.460]  |
| AG        | 3.96398  | 4.88650  | .811210     | [.417]  |
| PC        | 024613   | .103742  | 237248      | [.812]  |
| EM        | 289885   | .479457  | 604612      | [.545]  |
| ED        | 730679   | 1.10181  | 663163      | [.507]  |
| RC        | 971430   | 1.32077  | 735505      | [.462]  |
| HP        | .012832  | .219786  | .058385     | [.953]  |
| RG        | 525813   | 1.21526  | 432673      | [.665]  |
| PV        | 125455   | .706048  | 177687      | [.859]  |

Beverage #15. Tea - Regular Dependent variable: LQ15 Number of observations: 3860 Mean of dep. var. = 1.72734LM het. test = 91.0375 [.000] Std. dev. of dep. var. = 1.47589 Durbin-Watson = 1.96534 [<.330] Sum of squared residuals = 5267.93 Jarque-Bera test = 11.9647 [.003] Variance of residuals = 1.37365 Ramsey's RESET2 = 81.4092 [.000] Std. error of regression = 1.17203 F (zero slopes) = 95.1812 [.000] Schwarz B.I.C. = .364458 R-squared = .373299 Adjusted R-squared = .369377 Log likelihood = -6077.28Estimated Standard Variable Coefficient Error t-statistic P-value .317851 .245651 [.806] C 1.29391 LP15 -.946087 .023304 -40.5978 [.000] HS2 .816953 .424315 1.92535 [.054] .577381 HS3 1.21001 2.09569 [.036] HS4 1.35642 2.14727 [.032] .631695 .637723 HSP5 2.20558 1.40655 [.027] .326856 AGE2539 -.379585 -1.16132 [.246] -.042625 .240412 -.177301 [.859] AGE4049 AGE5065 -.082484 .235851 -.349729 [.727] AGE65PLUS -.180222 .255166 -.706293 [.480] AGEPCCHILD -.383704 .173403 -2.21279 [.027] .957137E-02 .058745 EMPPARTTIME .162931 [.871] EMPFULLTIME .075728 .080474 .941031 [.347] EDUHIGHSCHOOL 1.41397 .231385 .163642 [.157] .197227 EDUSOMECOLLEGE .237437 1.20388 [.229] EDUCOLLEGEPLUS .071085 .133387 .532919 [.594] BLACK -.119076 .179681 -.662706 [.508] ORIENTAL .369818 .428167 .863723 [.388] OTHER -.034034 .104846 -.324612 [.745] HISPYES -.134230 .101024 -1.32869 [.184] .542470 -2.07022 CENTRAL -1.12304 [.038] .261108 -2.42210 SOUTH -.632431 [.015] -2.03484 WEST -.966034 .474747 [.042] POV130 .089840 -1.28187 -.115163 [.200] INVM15 3.00847 2.23138 1.34826 [.178] Standard Errors are heteroskedastic-consistent (HCTYPE=2).

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 4.78993  | 2.26404  | 2.11566     | [.034]  |
| AG        | 684916   | 1.02822  | 666116      | [.505]  |
| PC        | 383704   | .173403  | -2.21279    | [.027]  |
| EM        | .085300  | .105182  | .810970     | [.417]  |
| ED        | .539906  | .479108  | 1.12690     | [.260]  |
| RC        | .216708  | .586452  | .369523     | [.712]  |
| HP        | 134230   | .101024  | -1.32869    | [.184]  |
| RG        | -2.72150 | 1.27407  | -2.13607    | [.033]  |
| PV        | 115163   | .089840  | -1.28187    | [.200]  |

## Beverage #16. Tea - Decaffeinated

Dependent variable: LQ16 Number of observations: 2072

| Mean of dep. var. = 1.41488        | LM het. test = 10.6194 [.001]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.08319   | Durbin-Watson = 2.01431 [<.874]   |
| Sum of squared residuals = 2017.98 | Jarque-Bera test = 48.3718 [.000] |
| Variance of residuals = .985821    | Ramsey's RESET2 = .753892 [.385]  |
| Std. error of regression = .992885 | F (zero slopes) = 17.4100 [.000]  |
| R-squared = .169520                | Schwarz B.I.C. = .065717          |
| Adjusted R-squared = .159783       | Log likelihood = -2912.67         |
|                                    |                                   |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | -5.66322      | 11.5501        | 490319         | [.624]  |
| LP16            | 911914        | .055499        | -16.4311       | [.000]  |
| HS2             | .903779       | 1.20643        | .749137        | [.454]  |
| HS3             | 1.12062       | 1.47887        | .757756        | [.449]  |
| HS4             | 1.41172       | 1.79264        | .787510        | [.431]  |
| HSP5            | 1.31612       | 1.65318        | .796113        | [.426]  |
| AGE2539         | 1.70824       | 1.92772        | .886148        | [.376]  |
| AGE4049         | 2.19984       | 2.53131        | .869053        | [.385]  |
| AGE5065         | 2.24068       | 2.52266        | .888221        | [.375]  |
| AGE65PLUS       | 2.10634       | 2.47801        | .850011        | [.395]  |
| AGEPCCHILD      | 292215        | .393276        | 743028         | [.458]  |
| EMPPARTTIME     | .212471       | .255917        | .830235        | [.407]  |
| EMPFULLTIME     | 241359        | .425905        | 566697         | [.571]  |
| EDUHIGHSCHOOL   | .243758       | .511458        | .476595        | [.634]  |
| EDUSOMECOLLEGE  | .667588       | 1.20115        | .555792        | [.578]  |
| EDUCOLLEGEPLUS  | .902099       | 1.65397        | .545413        | [.586]  |
| BLACK           | 086123        | .078907        | -1.09146       | [.275]  |
| ORIENTAL        | .030475       | .393704        | .077407        | [.938]  |
| OTHER           | .137086       | .130931        | 1.04701        | [.295]  |
| HISPYES         | 018356        | .330775        | 055495         | [.956]  |
| CENTRAL         | 769959        | 1.02717        | 749595         | [.454]  |
| SOUTH           | 068416        | .122419        | 558868         | [.576]  |
| WEST            | 811941        | 1.01346        | 801156         | [.423]  |
| POV130          | .064629       | .141083        | .458091        | [.647]  |
| INVM16          | 4.27214       | 7.32742        | .583035        | [.560]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) | •       |

Results of Parameter Analysis

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|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 4.75224  | 6.12765  | .775541     | [.438]  |
| AG        | 8.25510  | 9.45599  | .873002     | [.383]  |
| PC        | 292215   | .393276  | 743028      | [.457]  |
| EM        | 028888   | .206219  | 140083      | [.889]  |
| ED        | 1.81344  | 3.35419  | .540651     | [.589]  |
| RC        | .081438  | .447339  | .182051     | [.856]  |
| HP        | 018356   | .330775  | 055495      | [.956]  |
| RG        | -1.65032 | 2.14878  | 768024      | [.442]  |
| PV        | .064629  | .141083  | .458091     | [.647]  |

Beverage #17. Flavored Milk

Dependent variable: LQ17 Number of observations: 1701

| Mean of dep. var. =040875          | LM het. test = 1.66025 [.198]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.30570   | Durbin-Watson = 1.96501 [<.565]   |
| Sum of squared residuals = 2280.51 | Jarque-Bera test = 70.5512 [.000] |
| Variance of residuals = 1.36069    | Ramsey's RESET2 = 4.85917 [.028]  |
| Std. error of regression = 1.16648 | F (zero slopes) = 18.9170 [.000]  |
| R-squared = .213148                | Schwarz B.I.C. = $.402515$        |
| Adjusted R-squared = .201881       | Log likelihood = -2662.97         |

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | -1.55084      | 2.61548        | 592947         | [.553]  |
| LP17            | -1.36909      | .075868        | -18.0456       | [.000]  |
| HS2             | .294058       | .168214        | 1.74813        | [.081]  |
| HS3             | .759383       | .570130        | 1.33195        | [.183]  |
| HS4             | .884543       | .633637        | 1.39598        | [.163]  |
| HSP5            | 1.06639       | .660810        | 1.61377        | [.107]  |
| AGE2539         | .510553       | .450116        | 1.13427        | [.257]  |
| AGE4049         | .536319       | .453010        | 1.18390        | [.237]  |
| AGE5065         | .024535       | .493199        | .049746        | [.960]  |
| AGE65PLUS       | 385724        | .733447        | 525905         | [.599]  |
| AGEPCCHILD      | .107697       | .180002        | .598310        | [.550]  |
| EMPPARTTIME     | 086903        | .099029        | 877558         | [.380]  |
| EMPFULLTIME     | .061272       | .079217        | .773469        | [.439]  |
| EDUHIGHSCHOOL   | .295561       | .183497        | 1.61071        | [.107]  |
| EDUSOMECOLLEGE  | .104450       | .309536        | .337439        | [.736]  |
| EDUCOLLEGEPLUS  | 017749        | .411852        | 043095         | [.966]  |
| BLACK           | 841650        | .460571        | -1.82741       | [.068]  |
| ORIENTAL        | 578944        | .446893        | -1.29548       | [.195]  |
| OTHER           | .018209       | .198317        | .091817        | [.927]  |
| HISPYES         | 272045        | .132147        | -2.05865       | [.040]  |
| CENTRAL         | .983687       | .653792        | 1.50459        | [.133]  |
| SOUTH           | .496708       | .271507        | 1.82945        | [.068]  |
| WEST            | 014635        | .102247        | 143132         | [.886]  |
| POV130          | 188900        | .179721        | -1.05107       | [.293]  |
| INVM17          | 2.00140       | 1.96826        | 1.01683        | [.309]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) | •       |

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 3.00438  | 2.00689  | 1.49703     | [.134]  |
| AG        | .685684  | 1.78846  | .383392     | [.701]  |
| PC        | .107697  | .180002  | .598310     | [.550]  |
| EM        | 025631   | .149186  | 171805      | [.864]  |
| ED        | .382262  | .864697  | .442076     | [.658]  |
| RC        | -1.40238 | .937818  | -1.49537    | [.135]  |
| HP        | 272045   | .132147  | -2.05865    | [.040]  |
| RG        | 1.46576  | .949407  | 1.54387     | [.123]  |
| PV        | 188900   | .179721  | -1.05107    | [.293]  |
|           |          |          |             |         |

## Beverage #18. Unflavored Milk

Dependent variable: LQ18 Number of observations: 5642

|                 | Estimated     | Standard       |                |         |
|-----------------|---------------|----------------|----------------|---------|
| Variable        | Coefficient   | Error          | t-statistic    | P-value |
| С               | 4.96077       | .181879        | 27.2751        | [.000]  |
| LP18            | -2.02796      | .067443        | -30.0691       | [.000]  |
| HS2             | .361540       | .074151        | 4.87575        | [.000]  |
| HS3             | .560033       | .076741        | 7.29773        | [.000]  |
| HS4             | .772757       | .069180        | 11.1702        | [.000]  |
| HSP5            | .877161       | .084332        | 10.4012        | [.000]  |
| AGE2539         | 049817        | .117012        | 425743         | [.670]  |
| AGE4049         | 033340        | .116983        | 284999         | [.776]  |
| AGE5065         | .024349       | .119656        | .203492        | [.839]  |
| AGE65PLUS       | .127787       | .122619        | 1.04214        | [.297]  |
| AGEPCCHILD      | .161749       | .045254        | 3.57424        | [.000]  |
| EMPPARTTIME     | 130486        | .037235        | -3.50437       | [.000]  |
| EMPFULLTIME     | 113634        | .031009        | -3.66456       | [.000]  |
| EDUHIGHSCHOOL   | .012915       | .076288        | .169298        | [.866]  |
| EDUSOMECOLLEGE  | 769515E-02    | .071748        | 107252         | [.915]  |
| EDUCOLLEGEPLUS  | 016864        | .071647        | 235380         | [.814]  |
| BLACK           | 573533        | .056039        | -10.2345       | [.000]  |
| ORIENTAL        | 055880        | .113521        | 492246         | [.623]  |
| OTHER           | 196642        | .089977        | -2.18547       | [.029]  |
| HISPYES         | .570970E-02   | .058488        | .097622        | [.922]  |
| CENTRAL         | 029902        | .039401        | 758909         | [.448]  |
| SOUTH           | .048726       | .032968        | 1.47796        | [.139]  |
| WEST            | .131135       | .042508        | 3.08498        | [.002]  |
| POV130          | 081622        | .071085        | -1.14823       | [.251]  |
| INVM18          | 902984        | 1.43799        | 627951         | [.530]  |
| Standard Errors | are heteroske | dastic-consist | ent (HCTYPE=2) |         |

| Standard  |             |         |             |         |  |
|-----------|-------------|---------|-------------|---------|--|
| Parameter | Estimate    | Error   | t-statistic | P-value |  |
| HH        | 2.57149     | .282121 | 9.11484     | [.000]  |  |
| AG        | .068978     | .465593 | .148152     | [.882]  |  |
| PC        | .161749     | .045254 | 3.57424     | [.000]  |  |
| EM        | 244120      | .058417 | -4.17891    | [.000]  |  |
| ED        | 011644      | .213091 | 054644      | [.956]  |  |
| RC        | 826055      | .179835 | -4.59341    | [.000]  |  |
| HP        | .570970E-02 | .058488 | .097622     | [.922]  |  |
| RG        | .149958     | .098363 | 1.52455     | [.127]  |  |
| PV        | 081622      | .071085 | -1.14823    | [.251]  |  |

Beverage #19. Flavored Milk - Whole

Dependent variable: LQ19 Number of observations: 1186

| Mean of dep. var. =099829          | LM het. test = 1.46110 [.227]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.27680   | Durbin-Watson = 2.01540 [<.901]   |
| Sum of squared residuals = 1464.88 | Jarque-Bera test = 66.4048 [.000] |
| Variance of residuals = 1.26174    | Ramsey's RESET2 = 2.76431 [.097]  |
| Std. error of regression = 1.12327 | F (zero slopes) = 15.4193 [.000]  |
| R-squared = .241704                | Schwarz B.I.C. = .360396          |
| Adjusted R-squared = .226028       | Log likelihood = -1808.10         |

|                 | Estimated     | Standard        |                |         |
|-----------------|---------------|-----------------|----------------|---------|
| Variable        | Coefficient   | Error           | t-statistic    | P-value |
| С               | 998425        | 6.23339         | 160174         | [.873]  |
| LP19            | -1.35659      | .083278         | -16.2899       | [.000]  |
| HS2             | .276752       | .480318         | .576185        | [.565]  |
| HS3             | .558709       | 1.10061         | .507637        | [.612]  |
| HS4             | .713465       | 1.37770         | .517866        | [.605]  |
| HSP5            | .895389       | 1.36786         | .654591        | [.513]  |
| AGE2539         | .013748       | .697682         | .019705        | [.984]  |
| AGE4049         | .056188       | .618943         | .090781        | [.928]  |
| AGE5065         | 297354        | .541596         | 549033         | [.583]  |
| AGE65PLUS       | 482725        | .834211         | 578661         | [.563]  |
| AGEPCCHILD      | 085334        | .132918         | 642004         | [.521]  |
| EMPPARTTIME     | .040260       | .123275         | .326590        | [.744]  |
| EMPFULLTIME     | 015677        | .089261         | 175626         | [.861]  |
| EDUHIGHSCHOOL   | .326942       | .201352         | 1.62373        | [.105]  |
| EDUSOMECOLLEGE  | .217427       | .434360         | .500570        | [.617]  |
| EDUCOLLEGEPLUS  | .264396       | .382598         | .691054        | [.490]  |
| BLACK           | 849484        | .999897         | 849571         | [.396]  |
| ORIENTAL        | 468293        | 1.01553         | 461132         | [.645]  |
| OTHER           | 159650        | .375631         | 425019         | [.671]  |
| HISPYES         | 301271        | .734027         | 410436         | [.682]  |
| CENTRAL         | .803951       | 1.15725         | .694709        | [.487]  |
| SOUTH           | .301311       | .263019         | 1.14559        | [.252]  |
| WEST            | .109025       | .164050         | .664586        | [.506]  |
| POV130          | 214934        | .368266         | 583638         | [.560]  |
| INVM19          | 1.50598       | 3.88685         | .387456        | [.698]  |
| Standard Errors | are heteroske | edastic-consist | ent (HCTYPE=2) |         |

Results of Parameter Analysis ------

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 2.44432  | 4.31474  | .566504     | [.571]  |
| AG        | 710144   | 1.79373  | 395903      | [.692]  |
| PC        | 085334   | .132918  | 642004      | [.521]  |
| EM        | .024584  | .185268  | .132694     | [.894]  |
| ED        | .808765  | .953832  | .847911     | [.396]  |
| RC        | -1.47743 | 2.29328  | 644242      | [.519]  |
| HP        | 301271   | .734027  | 410436      | [.681]  |
| RG        | 1.21429  | 1.53600  | .790551     | [.429]  |
| PV        | 214934   | .368266  | 583638      | [.559]  |

Beverage #20. Flavored Milk - Reduced Fat

Dependent variable: LQ20 Number of observations: 1011

| Mean of dep. var. =504156          | LM het. test = 7.94823 [.005]     |
|------------------------------------|-----------------------------------|
| Std. dev. of dep. var. = 1.18247   | Durbin-Watson = 2.01067 [<.896]   |
| Sum of squared residuals = 1161.36 | Jarque-Bera test = 105.744 [.000] |
| Variance of residuals = 1.17785    | Ramsey's RESET2 = 2.07972 [.150]  |
| Std. error of regression = 1.08529 | F (zero slopes) = 8.87452 [.000]  |
| R-squared = .177640                | Schwarz B.I.C. = .309733          |
| Adjusted R-squared = $.157623$     | Log likelihood = -1504.63         |

|                 | Estimated     | Standard        |                |         |
|-----------------|---------------|-----------------|----------------|---------|
| Variable        | Coefficient   | Error           | t-statistic    | P-value |
| C               | 2.52641       | 4.20123         | .601349        | [.548]  |
| LP20            | -1.43600      | .107109         | -13.4069       | [.000]  |
| HS2             | .123188       | .122226         | 1.00787        | [.314]  |
| HS3             | 203308        | .801344         | 253709         | [.800]  |
| HS4             | 340895        | .874603         | 389771         | [.697]  |
| HSP5            | 177278        | .937377         | 189121         | [.850]  |
| AGE2539         | 1.16059       | .580886         | 1.99797        | [.046]  |
| AGE4049         | 1.08568       | .534605         | 2.03081        | [.043]  |
| AGE5065         | 1.25377       | 1.05082         | 1.19314        | [.233]  |
| AGE65PLUS       | 1.43093       | 1.67232         | .855654        | [.392]  |
| AGEPCCHILD      | 055745        | .304333         | 183169         | [.855]  |
| EMPPARTTIME     | 074363        | .164815         | 451192         | [.652]  |
| EMPFULLTIME     | .093228       | .097845         | .952820        | [.341]  |
| EDUHIGHSCHOOL   | .172789       | .191684         | .901427        | [.368]  |
| EDUSOMECOLLEGE  | .396138       | .344295         | 1.15058        | [.250]  |
| EDUCOLLEGEPLUS  | .596123       | .739750         | .805844        | [.421]  |
| BLACK           | 087594        | .535366         | 163616         | [.870]  |
| ORIENTAL        | .352629       | .629610         | .560076        | [.576]  |
| OTHER           | .155431       | .191040         | .813604        | [.416]  |
| HISPYES         | 409390        | .381727         | -1.07247       | [.284]  |
| CENTRAL         | 225443        | .886327         | 254356         | [.799]  |
| SOUTH           | .047380       | .446537         | .106105        | [.916]  |
| WEST            | .216210       | .392665         | .550621        | [.582]  |
| POV130          | .160929       | .239705         | .671364        | [.502]  |
| INVM20          | -1.45652      | 3.05474         | 476807         | [.634]  |
| Standard Errors | are heteroske | edastic-consist | ent (HCTYPE=2) |         |
|                 |               |                 |                |         |

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 598293   | 2.63952  | 226667      | [.821]  |
| AG        | 4.93098  | 3.77438  | 1.30644     | [.191]  |
| PC        | 055745   | .304333  | 183169      | [.855]  |
| EM        | .018865  | .206160  | .091508     | [.927]  |
| ED        | 1.16505  | 1.14220  | 1.02000     | [.308]  |
| RC        | .420466  | 1.10645  | .380013     | [.704]  |
| HP        | 409390   | .381727  | -1.07247    | [.284]  |
| RG        | .038147  | .978146  | .038999     | [.969]  |
| PV        | .160929  | .239705  | .671364     | [.502]  |

#### Beverage #21. Whole Milk - Unflavored Dependent variable: LQ21 Number of observations: 2700 Mean of dep. var. = 1.32522 LM het. test = 99.6139 [.000] Std. dev. of dep. var. = 1.77466 Durbin-Watson = 1.95115 [<.297] Sum of squared residuals = 6160.87 Jarque-Bera test = 81.8635 [.000] Variance of residuals = 2.30313 Ramsey's RESET2 = 36.2383 [.000] Std. error of regression = 1.51761 F (zero slopes) = 42.3238 [.000] Schwarz B.I.C. = .898124 R-squared = .275219Adjusted R-squared = .268716 Log likelihood = -4944.84Estimated Standard Variable Coefficient t-statistic P-value Error [.000] C 4.29253 1.15429 3.71877 LP21 -2.87333 .135575 -21.1936 [.000] HS2 .011769 .110253 .106747 [.915] .445528 .125085 HS3 3.56181 [.000] HS4 .135049 3.64624 [.000] .492421 .564477 .265010 HSP5 2.13002 [.033] .270166 .449435 .601124 AGE2539 [.548] .296080E-02 .715383E-02 .413876 AGE4049 [.994] .422097 AGE5065 -.067170 -.159134 [.874] AGE65PLUS .037872 .418600 .090472 [.928] AGEPCCHILD .174524 .156630 1.11425 [.265] EMPPARTTIME -.039623 .142724 -.277620 [.781] -.018637 -.152099 EMPFULLTIME .122533 [.879] -.160328 -.909685 .176245 EDUHIGHSCHOOL [.363] .277609 -1.41797 EDUSOMECOLLEGE -. 393642 [.156] EDUCOLLEGEPLUS -.592156 .412783 -1.43455 [.152] .575372 .299227 .520058 BLACK [.565] .065008 ORIENTAL .351204 .185100 [.853] .063979 OTHER .284951 .224525 [.822] [.110] HISPYES .269798 .168666 1.59960 .438044 CENTRAL -.218536 -.498890 [.618] .183690 SOUTH .120007 1.53067 [.126] WEST .154192 .404841 .380870 [.703] POV130 .208305 .294418 1.41340 [.158] INVM21 .408810 1.52684 .267749 [.789] Standard Errors are heteroskedastic-consistent (HCTYPE=2).

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 1.51419  | .539983  | 2.80415     | [.005]  |
| AG        | .243829  | 1.67586  | .145495     | [.884]  |
| PC        | .174524  | .156630  | 1.11425     | [.265]  |
| EM        | 058260   | .252428  | 230800      | [.817]  |
| ED        | -1.14613 | .822058  | -1.39422    | [.163]  |
| RC        | .428214  | 1.05821  | .404660     | [.686]  |
| HP        | .269798  | .168666  | 1.59960     | [.110]  |
| RG        | .119346  | .938557  | .127159     | [.899]  |
| PV        | .294418  | .208305  | 1.41340     | [.158]  |

| Beverage #22. 2% Milk - Unflavored  |               |             |                     |         |
|---|---------------|-------------|---------------------|---------|
| Dependent varia<br>Number of obser  |               | 1           |                     |         |
| Mean of dep. var. = 1.93311LM het. test = 98.2659 [.000]Std. dev. of dep. var. = 1.67526Durbin-Watson = 1.99050 [<.635] |               |             |                     |         |
|   | Estimated     | Standard    |                     |         |
| Variable  | Coefficient   | Error       | t-statistic         | P-value |
| С   | 2.31494       | 2.71411     | .852931             | [.394]  |
| LP22  | -2.37755      | .121250     | -19.6086            | [.000]  |
| HS2   | .668429       | .459988     | 1.45314             | [.146]  |
| HS3   | 1.13258       | .689775     | 1.64195             | [.101]  |
| HS4   | 1.02672       | .641632     | 1.60017             | [.110]  |
| HSP5  | 1.14004       | .668024     | 1.70658             | [.088]  |
| AGE2539   | 658713        | .496009     | -1.32803            | [.184]  |
| AGE4049   | 644079        | .463329     | -1.39011            | [.165]  |
| AGE5065   | 415430        | .339533     | -1.22353            | [.221]  |
| AGE65PLUS   | 436869        | .360373     | -1.21227            | [.225]  |
| AGEPCCHILD  | .521778       | .240164     | 2.17259             | [.030]  |
| EMPPARTTIME   | 174267        | .099713     | -1.74769            | [.081]  |
| EMPFULLTIME   | 191733        | .157633     | -1.21632            | [.224]  |
| EDUHIGHSCHOOL   | .022272       | .300242     | .074180             | [.941]  |
| EDUSOMECOLLEGE  | .604934E-03   | .298219     | .202849E-02         | [.998]  |
| EDUCOLLEGEPLUS  | 176629        | .187338     | 942839              | [.346]  |
| BLACK   | 680114        | .466343     | -1.45840            | [.145]  |
| ORIENTAL  | 363893        | .479566     | 758797              | [.448]  |
| OTHER   | 303429        | .267320     | -1.13507            | [.256]  |
| HISPYES   | .083667       | .134615     | .621528             | [.534]  |
| CENTRAL   | .870222       | .576435     | 1.50966             | [.131]  |
| SOUTH   | .499497       | .254880     | 1.95973             | [.050]  |
| WEST  | .987116       | .531179     | 1.85835             | [.063]  |
| POV130  | 291831        | .247182     | -1.18063            | [.238]  |
| INVM22  | 2.71487       | 3.78979     | .716363             | [.474]  |
| Standard Errors   | are heteroske | edastic-com | nsistent (HCTYPE=2) | ).      |

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 3.96776  | 2.44875  | 1.62032     | [.105]  |
| AG        | -2.15509 | 1.61931  | -1.33087    | [.183]  |
| PC        | .521778  | .240164  | 2.17259     | [.030]  |
| EM        | 366000   | .243734  | -1.50164    | [.133]  |
| ED        | 153753   | .769577  | 199788      | [.842]  |
| RC        | -1.34744 | 1.14714  | -1.17460    | [.240]  |
| HP        | .083667  | .134615  | .621528     | [.534]  |
| RG        | 2.35683  | 1.35540  | 1.73884     | [.082]  |
| PV        | 291831   | .247182  | -1.18063    | [.238]  |

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| Beverage #23. 1% Milk - Unflavored  |               |            |                     |         |
|---|---------------|------------|---------------------|---------|
| Dependent varia<br>Number of obser  |               | 0          |                     |         |
| Mean of dep. var. = 1.48452LM het. test = 94.6205 [.000]Std. dev. of dep. var. = 1.66412Durbin-Watson = 2.02589 [<.920] |               |            |                     |         |
|   | Estimated     | Standard   |                     |         |
| Variable  | Coefficient   | Error      | t-statistic         | P-value |
| C   | 3.37351       | 6.94850    | .485502             | [.627]  |
| LP23  | -1.73834      | .135265    | -12.8514            | [.000]  |
| HS2   | .296005       | .717699    | .412437             | [.680]  |
| HS3   | .249933       | .635486    | .393294             | [.694]  |
| HS4   | .238465       | .813103    | .293278             | [.769]  |
| HSP5  | .431737       | .839488    | .514286             | [.607]  |
| AGE2539   | .536007       | 1.65788    | .323309             | [.746]  |
| AGE4049   | .520109       | 1.87432    | .277491             | [.781]  |
| AGE5065   | .351696       | 1.94400    | .180914             | [.856]  |
| AGE65PLUS   | .350627       | 2.39708    | .146272             | [.884]  |
| AGEPCCHILD  | .241213       | .199368    | 1.20989             | [.226]  |
| EMPPARTTIME   | 120985        | .118634    | -1.01982            | [.308]  |
| EMPFULLTIME   | 058569        | .141366    | 414310              | [.679]  |
| EDUHIGHSCHOOL   | .781780E-02   | .407149    | .019201             | [.985]  |
| EDUSOMECOLLEGE  | 054634        | .692374    | 078908              | [.937]  |
| EDUCOLLEGEPLUS  | 019823        | .963316    | 020578              | [.984]  |
| BLACK   | 484831        | 1.45461    | 333307              | [.739]  |
| ORIENTAL  | 354649        | .333978    | -1.06189            | [.288]  |
| OTHER   | 159124        | .687824    | 231344              | [.817]  |
| HISPYES   | 388490        | .144081    | -2.69633            | [.007]  |
| CENTRAL   | 014534        | 1.76793    | 822100E-02          | [.993]  |
| SOUTH   | 855728E-03    | .986113    | 867779E-03          | [.999]  |
| WEST  | .280508       | .571742    | .490619             | [.624]  |
| POV130  | 540756        | .236813    | -2.28347            | [.022]  |
| INVM23  | 720575        | 5.08150    | 141803              | [.887]  |
| Standard Errors   | are heteroske | edastic-co | nsistent (HCTYPE=2) |         |
| Regults of Decemeter Applysis   |               |            |                     |         |

Results of Parameter Analysis

|                |                             | Standard                      |                               |                            |
|----------------|-----------------------------|-------------------------------|-------------------------------|----------------------------|
| Parameter      | Estimate                    | Error                         | t-statistic                   | P-value                    |
| HH             | 1.21614                     | 2.98947                       | .406808                       | [.684]                     |
| AG             | 1.75844                     | 7.86320                       | .223629                       | [.823]                     |
| PC             | .241213                     | .199368                       | 1.20989                       | [.226]                     |
| EM             | 179555                      | .162830                       | -1.10271                      | [.270]                     |
| ED             | 066639                      | 2.04466                       | 032592                        | [.974]                     |
| RC             | 998604                      | 1.95876                       | 509815                        | [.610]                     |
| HP             | 388490                      | .144081                       | -2.69633                      | [.007]                     |
| RG             | .265118                     | 3.31892                       | .079881                       | [.936]                     |
| PV             | 540756                      | .236813                       | -2.28347                      | [.022]                     |
| RC<br>HP<br>RG | 998604<br>388490<br>.265118 | 1.95876<br>.144081<br>3.31892 | 509815<br>-2.69633<br>.079881 | [.610]<br>[.007]<br>[.936] |

| Beverage #24. Skim Milk - Unflavored  |              |            |                     |         |
|---|--------------|------------|---------------------|---------|
| Dependent varia<br>Number of obser  |              | 7          |                     |         |
| Mean of dep. var. = 1.97519LM het. test = 13.9201 [.000]Std. dev. of dep. var. = 1.65135Durbin-Watson = 1.95734 [<.320] |              |            |                     |         |
|   | Estimated    | Standard   |                     |         |
| Variable  | Coefficient  | Error      | t-statistic         | P-value |
| C   | 4.81004      | 4.04760    | 1.18837             | [.235]  |
| LP24  | -1.84873     | .107693    | -17.1667            | [.000]  |
| HS2   | .130992      | .196594    | .666304             | [.505]  |
| HS3   | .276281      | .150928    | 1.83055             | [.067]  |
| HS4   | .517676      | .237976    | 2.17533             | [.030]  |
| HSP5  | .291204      | .218108    | 1.33514             | [.182]  |
| AGE2539   | .499863      | .542764    | .920958             | [.357]  |
| AGE4049   | .460184      | .450425    | 1.02167             | [.307]  |
| AGE5065   | .356397      | .423455    | .841642             | [.400]  |
| AGE65PLUS   | .375220      | .458735    | .817944             | [.413]  |
| AGEPCCHILD  | 076797       | .186311    | 412196              | [.680]  |
| EMPPARTTIME   | 199221       | .268820    | 741095              | [.459]  |
| EMPFULLTIME   | 189910       | .102560    | -1.85170            | [.064]  |
| EDUHIGHSCHOOL   | .107971      | .541363    | .199444             | [.842]  |
| EDUSOMECOLLEGE  | .031108      | 1.00951    | .030815             | [.975]  |
| EDUCOLLEGEPLUS  | 031628       | 1.41830    | 022300              | [.982]  |
| BLACK   | 162476       | 1.18145    | 137523              | [.891]  |
| ORIENTAL  | .016559      | .701799    | .023595             | [.981]  |
| OTHER   | 134179       | .194779    | 688875              | [.491]  |
| HISPYES   | 011305       | .173151    | 065291              | [.948]  |
| CENTRAL   | .293265      | .198114    | 1.48028             | [.139]  |
| SOUTH   | .299313      | .373293    | .801817             | [.423]  |
| WEST  | .271387      | .758992    | .357562             | [.721]  |
| POV130  | .270557      | .779746    | .346981             | [.729]  |
| INVM24  | -2.02795     | 4.50169    | 450487              | [.652]  |
| Standard Errors   | are heterosk | edastic-co | nsistent (HCTYPE=2) | ۱.      |

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| HH        | 1.21615  | .571186  | 2.12917     | [.033]  |
| AG        | 1.69166  | 1.71212  | .988055     | [.323]  |
| PC        | 076797   | .186311  | 412196      | [.680]  |
| EM        | 389132   | .353987  | -1.09928    | [.272]  |
| ED        | .107452  | 2.95270  | .036391     | [.971]  |
| RC        | 280096   | .720941  | 388514      | [.698]  |
| HP        | 011305   | .173151  | 065291      | [.948]  |
| RG        | .863965  | 1.31603  | .656491     | [.512]  |
| PV        | .270557  | .779746  | .346981     | [.729]  |

### **APPENDIX H**

## SUMMARY STATISTICS, CROSS TABULATIONS, AND REGRESSIONS FOR NUTRIENT ANALYSIS

### SUMMARY STATISTICS

## H-1. Summary Statistics for Nutrients Per Person/Per Day for Nonalcoholic Beverages in 1999

Units: Calories (kcal) Calcium (mg) Vitamin C (mg) Caffeine (mg)

|       |              | # OF OBS. | Avg Intake | StDev  |
|-------|--------------|-----------|------------|--------|
| Total | Calories     | 5715      | 211.29     | 141.79 |
| Total | Calcium      | 5715      | 216.85     | 174.14 |
| Total | VitC         | 5715      | 44.61      | 39.09  |
| Total | Caffeine     | 5715      | 94.96      | 114.13 |
| 1     | CALcsdfdpsd  | 5715      | 93.46      | 110.11 |
| 2     | CALfjuices   | 5715      | 38.69      | 42.26  |
| 3     | CALmilk      | 5715      | 72.82      | 64.50  |
| 4     | CAFFcsd      | 5715      | 25.50      | 32.65  |
| 5     | CAFFcoff     | 5715      | 63.87      | 107.65 |
| 6     | CAFFtea      | 5715      | 5.49       | 11.08  |
| 7     | VITCfjuices  | 5715      | 26.63      | 30.72  |
| 8     | VITCcsdfdpsd | 5715      | 15.38      | 22.09  |
| 9     | CALCmilk     | 5715      | 191.80     | 170.59 |

1=Calories from carbonated soft drinks, fruit drinks, and powdered soft drinks

2=Calories from fruit juices

3=Calories from milk

4=Caffeine from carbonated soft drinks

5=Caffeine from coffee

6=Caffeine from tea

7=Vitamin C from fruit juices

8=Vitamin C from carbonated soft drinks, fruit drinks, and powdered soft drinks 9=Calcium from milk

### **CROSS TABULATIONS**

### H-2. Income and Poverty

|                    | Below  | Above   | Below   | Above   | Below   | Above   | Under  | \$5000 | \$8000 | \$10,000 | \$12,000 |  |  |
|--------------------|--|---------|---------|---------|---------|---------|--------|--------|--------|----------|----------|--|--|
|                    |  | Poverty | 130%    | 130%    | 185%    | 185%    | Or =   | То     | То     | То       | То       |  |  |
| Nutrient Category  | Toverty  | roverty | Poverty | Poverty | Poverty | Poverty | \$5000 | \$7999 | \$9999 | \$11,999 | \$14,999 |  |  |
| Nutiferit Category | Number of Observations                                   |         |         |         |         |         |        |        |        |          |          |  |  |
|                    | 159  | 5556    | 277     | 5438    | 625     | 5090    | 33     | 46     | 35     | 49       | 110      |  |  |
|                    | Average Quantity of Nutrient Consumed Per Person Per Day |         |         |         |         |         |        |        |        |          |          |  |  |
| Calories (kcal)    | 214.15   | 211.21  | 229.73  | 210.35  | 229.51  | 209.06  | 258.47 | 209.56 | 220.05 | 271.97   | 254.75   |  |  |
| Calcium (mg)       | 188.92   | 217.65  | 204.08  | 217.50  | 214.48  | 217.14  | 242.83 | 148.32 | 210.53 | 263.34   | 249.98   |  |  |
| Vitamin C (mg)     | 42.30  | 44.68   | 41.14   | 44.79   | 42.57   | 44.86   | 53.18  | 46.20  | 33.89  | 49.01    | 46.74    |  |  |
| Caffeine (mg)      | 94.52  | 94.98   | 98.81   | 94.77   | 91.49   | 95.39   | 134.16 | 99.61  | 111.45 | 143.31   | 105.70   |  |  |
| CALcsdfdpsd (kcal) | 107.09   | 93.07   | 119.23  | 92.14   | 114.99  | 90.81   | 122.83 | 114.86 | 103.30 | 135.34   | 124.03   |  |  |
| CALfjuices (kcal)  | 32.69  | 38.86   | 31.56   | 39.05   | 31.81   | 39.53   | 42.65  | 36.67  | 32.83  | 35.27    | 36.68    |  |  |
| CALmilk (kcal)     | 68.25  | 72.96   | 72.83   | 72.82   | 77.12   | 72.30   | 84.17  | 51.32  | 77.81  | 92.50    | 87.16    |  |  |
| CAFFcsd (mg)       | 23.37  | 25.56   | 26.59   | 25.44   | 24.58   | 25.61   | 26.21  | 25.52  | 32.06  | 29.44    | 29.57    |  |  |
| CAFFcoff (mg)      | 64.25  | 63.86   | 65.39   | 63.79   | 60.07   | 64.33   | 98.55  | 62.46  | 71.26  | 108.27   | 67.53    |  |  |
| CAFFtea (mg)       | 6.85   | 5.45    | 6.75    | 5.43    | 6.74    | 5.34    | 9.39   | 11.53  | 8.10   | 5.48     | 8.52     |  |  |
| VITCfjuices (mg)   | 20.64  | 26.80   | 20.41   | 26.94   | 20.97   | 27.32   | 26.99  | 23.40  | 22.26  | 24.47    | 25.58    |  |  |
| VITCcsdfdpsd (mg)  | 18.62  | 15.29   | 17.75   | 15.26   | 19.04   | 14.94   | 21.50  | 20.50  | 9.05   | 20.70    | 17.83    |  |  |
| CALCmilk (mg)      | 164.30   | 192.60  | 178.70  | 192.50  | 189.50  | 192.10  | 211.45 | 123.73 | 187.57 | 231.48   | 222.04   |  |  |

### H-2. cont'd

|                    |  |          |          |          |          |          |          |          | 1        |          |           |  |  |
|--------------------|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|--|--|
|                    | \$15,000   | \$20,000 | \$25,000 | \$30,000 | \$35,000 | \$40,000 | \$45,000 | \$50,000 | \$60,000 | \$70,000 | \$100,000 |  |  |
|                    | to   | to       | to       | to       | to       | to       | to       | to       | to       | to       | and over  |  |  |
| Nutrient Category  | \$19,999   | \$24,999 | \$29,999 | \$34,999 | \$39,999 | \$44,999 | \$49,999 | \$59,999 | \$69,999 | \$99,999 |           |  |  |
| Nutrient Category  | Number of Observations                                   |          |          |          |          |          |          |          |          |          |           |  |  |
|                    | 248  | 381      | 364      | 417      | 398      | 445      | 428      | 728      | 619      | 911      | 503       |  |  |
|                    | Average Quantity of Nutrient Consumed Per Person Per Day |          |          |          |          |          |          |          |          |          |           |  |  |
| Calories (kcal)    | 239.23   | 237.63   | 219.41   | 223.43   | 217.29   | 211.41   | 217.74   | 206.47   | 196.93   | 200.28   | 176.95    |  |  |
| Calcium (mg)       | 244.85   | 241.87   | 226.57   | 231.21   | 216.32   | 222.40   | 220.40   | 218.15   | 205.00   | 200.25   | 193.62    |  |  |
| Vitamin C (mg)     | 50.02  | 45.17    | 43.83    | 44.64    | 41.75    | 44.93    | 45.42    | 43.08    | 42.98    | 46.08    | 44.09     |  |  |
| Caffeine (mg)      | 107.73   | 122.95   | 95.89    | 96.07    | 101.62   | 99.69    | 97.82    | 85.34    | 85.06    | 90.58    | 76.84     |  |  |
| CALcsdfdpsd (kcal) | 105.00   | 107.16   | 99.25    | 101.62   | 101.70   | 91.48    | 97.96    | 90.27    | 86.09    | 87.85    | 66.32     |  |  |
| CALfjuices (kcal)  | 41.08  | 38.93    | 36.57    | 38.85    | 34.13    | 38.60    | 39.20    | 36.92    | 37.08    | 41.42    | 42.66     |  |  |
| CALmilk (kcal)     | 85.98  | 84.10    | 77.53    | 76.80    | 75.09    | 74.78    | 74.08    | 73.32    | 67.89    | 64.70    | 62.41     |  |  |
| CAFFcsd (mg)       | 24.84  | 26.97    | 24.81    | 27.00    | 27.89    | 26.12    | 26.05    | 24.39    | 23.54    | 26.31    | 21.82     |  |  |
| CAFFcoff (mg)      | 75.87  | 89.42    | 64.24    | 64.05    | 68.73    | 67.76    | 65.67    | 55.66    | 56.24    | 59.41    | 50.91     |  |  |
| CAFFtea (mg)       | 6.87   | 6.45     | 6.70     | 4.92     | 4.91     | 5.73     | 5.99     | 5.15     | 5.20     | 4.77     | 4.00      |  |  |
| VITCfjuices (mg)   | 28.56  | 26.60    | 25.16    | 26.97    | 23.44    | 26.94    | 26.35    | 25.49    | 24.88    | 28.63    | 30.15     |  |  |
| VITCcsdfdpsd (mg)  | 18.98  | 15.74    | 15.90    | 15.01    | 15.81    | 15.32    | 16.44    | 14.67    | 15.78    | 15.02    | 11.82     |  |  |
| CALCmilk (mg)      | 216.60   | 213.92   | 201.69   | 205.76   | 191.00   | 196.55   | 194.42   | 194.64   | 181.39   | 175.05   | 172.02    |  |  |

### H-3. Household Size

|                    | Household Size         |  |       |       |       |       |       |       |       |  |  |  |
|--------------------|------------------------|--|-------|-------|-------|-------|-------|-------|-------|--|--|--|
| Nutriant Catagory  | 1                      | 2  | 3     | 4     | 5     | 6     | 7     | 8     | 9 +   |  |  |  |
| Nutrient Category  | Number of Observations |  |       |       |       |       |       |       |       |  |  |  |
|                    | 1091                   | 2233   | 975   | 877   | 369   | 119   | 34    | 8     | 9     |  |  |  |
|                    |                        | Average Quantity of Nutrient Consumed Per Person Per Day |       |       |       |       |       |       |       |  |  |  |
| Calories (kcal)    | 245.3                  | 211.6  | 204.5 | 194.4 | 186.6 | 164.1 | 177.7 | 217.7 | 136.6 |  |  |  |
| Calcium (mg)       | 250.4                  | 226.8  | 200.1 | 192.9 | 184.2 | 159.9 | 170.4 | 201.8 | 124.0 |  |  |  |
| Vitamin C (mg)     | 57.8                   | 45.6   | 39.2  | 37.3  | 36.6  | 32.0  | 35.1  | 38.5  | 30.3  |  |  |  |
| Caffeine (mg)      | 120.7                  | 114.5  | 77.2  | 63.3  | 50.2  | 35.2  | 36.4  | 45.7  | 23.8  |  |  |  |
| CALcsdfdpsd (kcal) | 102.8                  | 87.3   | 96.7  | 96.1  | 92.4  | 83.0  | 85.7  | 110.8 | 72.3  |  |  |  |
| CALfjuices (kcal)  | 53.3                   | 42.1   | 32.6  | 27.6  | 25.1  | 21.6  | 23.6  | 24.9  | 13.2  |  |  |  |
| CALmilk (kcal)     | 81.2                   | 74.8   | 70.0  | 66.3  | 65.5  | 57.2  | 66.5  | 79.3  | 50.2  |  |  |  |
| CAFFcsd (mg)       | 31.9                   | 26.8   | 24.3  | 21.1  | 17.6  | 14.2  | 12.4  | 17.2  | 9.9   |  |  |  |
| CAFFcoff (mg)      | 81.5                   | 81.5   | 47.4  | 38.5  | 29.5  | 18.2  | 21.3  | 26.7  | 13.0  |  |  |  |
| CAFFtea (mg)       | 7.2                    | 6.1  | 5.4   | 3.6   | 3.0   | 2.8   | 2.6   | 1.8   | 0.9   |  |  |  |
| VITCfjuices (mg)   | 38.0                   | 29.6   | 21.7  | 17.5  | 16.1  | 12.9  | 14.2  | 16.0  | 8.0   |  |  |  |
| VITCcsdfdpsd (mg)  | 16.4                   | 13.1   | 15.5  | 17.9  | 18.7  | 17.7  | 19.5  | 20.9  | 21.6  |  |  |  |
| CALCmilk (mg)      | 219.4                  | 200.3  | 177.6 | 172.0 | 164.8 | 142.9 | 152.3 | 181.2 | 111.6 |  |  |  |

### H-4. Presence of Children

|                    | Presence                     | of Children                 |
|--------------------|------------------------------|-----------------------------|
|                    | 1=with                       | 2=without                   |
| Nutrient Category  | Number of                    | Observations                |
|                    | 1772                         | 3943                        |
|                    | Average Quantity of Nutrient | Consumed Per Person Per Day |
| Calories (kcal)    | 198.63                       | 216.99                      |
| Calcium (mg)       | 195.03                       | 226.65                      |
| Vitamin C (mg)     | 38.75                        | 47.25                       |
| Caffeine (mg)      | 56.60                        | 112.20                      |
| CALcsdfdpsd (kcal) | 97.34                        | 91.71                       |
| CALfjuices (kcal)  | 28.46                        | 43.28                       |
| CALmilk (kcal)     | 68.80                        | 74.63                       |
| CAFFcsd (mg)       | 20.05                        | 27.95                       |
| CAFFcoff (mg)      | 32.96                        | 77.76                       |
| CAFFtea (mg)       | 3.49                         | 6.39                        |
| VITCfjuices (mg)   | 17.82                        | 30.59                       |
| VITCcsdfdpsd (mg)  | 19.03                        | 13.74                       |
| CALCmilk (mg)      | 174.32                       | 199.65                      |

| H-5. Age of Female Head of Household |
|--------------------------------------|
|--------------------------------------|

|                    | Age of Female Head of Household |          |         |             |              |            |            |         |        |        |  |  |  |
|--------------------|---------------------------------|----------|---------|-------------|--------------|------------|------------|---------|--------|--------|--|--|--|
| Nutrient Category  | not given<br>or no<br>female    | under 25 | 25-29   | 30-34       | 35-39        | 40-44      | 45-49      | 50-54   | 55-64  | 65+    |  |  |  |
|                    | Number of Observations          |          |         |             |              |            |            |         |        |        |  |  |  |
|                    | 474                             | 30       | 177     | 400         | 558          | 708        | 786        | 762     | 1026   | 794    |  |  |  |
|                    |                                 |          | Average | Quantity of | f Nutrient C | Consumed I | Per Person | Per Day |        |        |  |  |  |
| Calories (kcal)    | 269.48                          | 216.56   | 199.60  | 194.77      | 198.40       | 214.19     | 206.87     | 206.42  | 212.17 | 201.69 |  |  |  |
| Calcium (mg)       | 252.57                          | 208.71   | 185.22  | 189.10      | 195.34       | 205.28     | 203.98     | 206.03  | 228.54 | 250.30 |  |  |  |
| Vitamin C (mg)     | 63.02                           | 43.36    | 38.82   | 39.02       | 39.75        | 41.17      | 41.35      | 42.29   | 45.61  | 48.43  |  |  |  |
| Caffeine (mg)      | 108.12                          | 36.99    | 43.35   | 49.48       | 62.34        | 79.44      | 90.09      | 109.90  | 116.37 | 123.31 |  |  |  |
| CALcsdfdpsd (kcal) | 122.48                          | 106.55   | 101.77  | 93.36       | 96.79        | 109.61     | 100.12     | 93.92   | 85.35  | 60.52  |  |  |  |
| CALfjuices (kcal)  | 56.14                           | 32.16    | 30.34   | 31.74       | 29.86        | 29.34      | 33.54      | 37.75   | 42.59  | 49.37  |  |  |  |
| CALmilk (kcal)     | 83.57                           | 74.74    | 64.51   | 65.97       | 67.54        | 70.08      | 67.41      | 67.81   | 76.19  | 83.64  |  |  |  |
| CAFFcsd (mg)       | 35.18                           | 18.40    | 19.75   | 21.35       | 22.21        | 26.20      | 26.42      | 27.69   | 28.37  | 18.33  |  |  |  |
| CAFFcoff (mg)      | 67.12                           | 12.21    | 20.27   | 24.67       | 36.06        | 48.29      | 57.85      | 76.17   | 81.36  | 98.34  |  |  |  |
| CAFFtea (mg)       | 5.69                            | 6.30     | 3.22    | 3.34        | 3.98         | 4.82       | 5.69       | 5.94    | 6.55   | 6.58   |  |  |  |
| VITCfjuices (mg)   | 40.18                           | 20.65    | 19.23   | 19.56       | 19.48        | 19.57      | 22.72      | 26.11   | 29.82  | 35.53  |  |  |  |
| VITCcsdfdpsd (mg)  | 19.19                           | 20.15    | 17.83   | 17.64       | 18.26        | 19.48      | 16.40      | 13.62   | 12.51  | 9.99   |  |  |  |
| CALCmilk (mg)      | 220.70                          | 188.91   | 165.18  | 168.32      | 173.65       | 180.79     | 179.47     | 180.22  | 201.67 | 225.52 |  |  |  |

|                    |                             | Employment of Female Head of Household |                   |                   |                           |  |  |  |  |  |
|--------------------|-----------------------------|--|-------------------|-------------------|---------------------------|--|--|--|--|--|
| N. Linet October   | 0=not given or no<br>female | 1=under 30 hrs                         | 2=30-34 hrs       | 3=35+ hrs         | 4=not employed<br>for pay |  |  |  |  |  |
| Nutrient Category  |                             | Number of Observations                 |                   |                   |                           |  |  |  |  |  |
|                    | 474                         | 724                                    | 290               | 2433              | 1794                      |  |  |  |  |  |
|                    | A land                      | Average Quantity of                    | Nutrient Consumed | Per Person Per Da | у                         |  |  |  |  |  |
| Calories (kcal)    | 269.48                      | 211.08                                 | 194.64            | 200.60            | 213.20                    |  |  |  |  |  |
| Calcium (mg)       | 252.57                      | 211.69                                 | 184.07            | 199.32            | 238.56                    |  |  |  |  |  |
| Vitamin C (mg)     | 63.02                       | 44.46                                  | 39.53             | 41.38             | 45.01                     |  |  |  |  |  |
| Caffeine (mg)      | 108.12                      | 87.08                                  | 79.79             | 86.35             | 108.80                    |  |  |  |  |  |
| CALcsdfdpsd (kcal) | 122.48                      | 96.73                                  | 95.64             | 94.13             | 83.20                     |  |  |  |  |  |
| CALfjuices (kcal)  | 56.14                       | 37.60                                  | 33.13             | 34.09             | 41.64                     |  |  |  |  |  |
| CALmilk (kcal)     | 83.57                       | 71.26                                  | 60.27             | 66.61             | 81.08                     |  |  |  |  |  |
| CAFFcsd (mg)       | 35.18                       | 25.07                                  | 25.98             | 25.46             | 23.09                     |  |  |  |  |  |
| CAFFcoff (mg)      | 67.12                       | 57.14                                  | 48.23             | 55.51             | 79.59                     |  |  |  |  |  |
| CAFFtea (mg)       | 5.69                        | 4.77                                   | 5.49              | 5.27              | 6.02                      |  |  |  |  |  |
| VITCfjuices (mg)   | 40.18                       | 25.50                                  | 22.42             | 23.24             | 28.77                     |  |  |  |  |  |
| VITCcsdfdpsd (mg)  | 19.19                       | 16.79                                  | 14.91             | 15.81             | 13.31                     |  |  |  |  |  |
| CALCmilk (mg)      | 220.69                      | 187.13                                 | 160.71            | 175.31            | 213.43                    |  |  |  |  |  |

|                    | Education of Female Head of Household |         |                |                |               |             |              |  |  |  |  |
|--------------------|---------------------------------------|---------|----------------|----------------|---------------|-------------|--------------|--|--|--|--|
|                    | 0=not given                           | 1=grade | 2=some high    | 3=graduated    | 4=some        | 5=graduated | 6=post       |  |  |  |  |
| Nutriant Catagory  | or no female                          | school  | school         | high school    | college       | college     | college grad |  |  |  |  |
| Nutrient Category  | Number of Observations                |         |                |                |               |             |              |  |  |  |  |
|                    | 474                                   | 27      | 136            | 1248           | 1781          | 1464        | 585          |  |  |  |  |
|                    |                                       | Average | Quantity of Nu | trient Consume | ed Per Person | Per Day     |              |  |  |  |  |
| Calories (kcal)    | 269.48                                | 245.68  | 221.19         | 224.96         | 205.79        | 194.05      | 191.01       |  |  |  |  |
| Calcium (mg)       | 252.57                                | 220.43  | 198.35         | 225.79         | 214.98        | 205.49      | 207.08       |  |  |  |  |
| Vitamin C (mg)     | 63.02                                 | 47.75   | 38.56          | 41.70          | 41.92         | 43.84       | 47.30        |  |  |  |  |
| Caffeine (mg)      | 108.12                                | 75.15   | 108.75         | 111.00         | 96.66         | 78.17       | 84.66        |  |  |  |  |
| CALcsdfdpsd (kcal) | 122.48                                | 115.58  | 114.25         | 106.60         | 91.64         | 80.94       | 72.90        |  |  |  |  |
| CALfjuices (kcal)  | 56.14                                 | 41.98   | 29.95          | 33.15          | 35.28         | 39.78       | 45.86        |  |  |  |  |
| CALmilk (kcal)     | 83.57                                 | 83.74   | 69.86          | 78.24          | 72.52         | 67.85       | 66.12        |  |  |  |  |
| CAFFcsd (mg)       | 35.18                                 | 20.91   | 29.11          | 28.07          | 23.97         | 22.71       | 23.19        |  |  |  |  |
| CAFFcoff (mg)      | 67.12                                 | 49.66   | 72.33          | 76.65          | 66.94         | 50.38       | 57.05        |  |  |  |  |
| CAFFtea (mg)       | 5.69                                  | 4.56    | 7.21           | 6.17           | 5.64          | 4.99        | 4.32         |  |  |  |  |
| VITCfjuices (mg)   | 40.18                                 | 31.36   | 18.34          | 22.81          | 24.37         | 26.75       | 32.04        |  |  |  |  |
| VITCcsdfdpsd (mg)  | 19.19                                 | 14.24   | 17.16          | 16.45          | 15.05         | 14.55       | 12.76        |  |  |  |  |
| CALCmilk (mg)      | 220.70                                | 195.14  | 171.92         | 199.32         | 190.59        | 182.73      | 183.12       |  |  |  |  |

### H-8. Race

|                    |        | Race                      |                       |        |  |  |  |
|--------------------|--------|---------------------------|-----------------------|--------|--|--|--|
|                    | White  | Black                     | Oriental              | Other  |  |  |  |
| Nutrient Category  |        | Number of C               | Observations          |        |  |  |  |
|                    | 4863   | 516                       | 58                    | 278    |  |  |  |
|                    | Avera  | ge Quantity of Nutrient C | Consumed Per Person P | er Day |  |  |  |
| Calories (kcal)    | 211.40 | 218.44                    | 169.07                | 205.03 |  |  |  |
| Calcium (mg)       | 230.63 | 123.72                    | 165.80                | 159.21 |  |  |  |
| Vitamin C (mg)     | 42.65  | 63.12                     | 44.66                 | 44.55  |  |  |  |
| Caffeine (mg)      | 101.11 | 58.13                     | 39.68                 | 67.26  |  |  |  |
| CALcsdfdpsd (kcal) | 89.24  | 128.19                    | 65.27                 | 108.65 |  |  |  |
| CALfjuices (kcal)  | 38.04  | 45.61                     | 44.06                 | 36.02  |  |  |  |
| CALmilk (kcal)     | 77.39  | 40.75                     | 56.80                 | 55.80  |  |  |  |
| CAFFcsd (mg)       | 26.49  | 18.94                     | 12.64                 | 23.02  |  |  |  |
| CAFFcoff (mg)      | 68.75  | 35.37                     | 22.16                 | 40.15  |  |  |  |
| CAFFtea (mg)       | 5.77   | 3.75                      | 4.84                  | 4.02   |  |  |  |
| VITCfjuices (mg)   | 26.51  | 29.47                     | 29.99                 | 22.70  |  |  |  |
| VITCcsdfdpsd (mg)  | 13.39  | 32.01                     | 13.08                 | 19.87  |  |  |  |
| CALCmilk (mg)      | 205.60 | 96.06                     | 149.36                | 136.82 |  |  |  |

## H-9. Region

|                    | Region |                             |                        |        |  |  |
|--------------------|--------|-----------------------------|------------------------|--------|--|--|
|                    | 1=East | 2=Central                   | 3=South                | 4=West |  |  |
| Nutrient Category  |        | Number of C                 | Observations           |        |  |  |
|                    | 1218   | 1446                        | 1957                   | 1094   |  |  |
|                    | Ave    | rage Quantity of Nutrient C | Consumed Per Person Pe | er Day |  |  |
| Calories (kcal)    | 200.91 | 225.95                      | 213.81                 | 198.96 |  |  |
| Calcium (mg)       | 200.87 | 241.44                      | 205.39                 | 222.63 |  |  |
| Vitamin C (mg)     | 47.63  | 42.89                       | 46.18                  | 40.73  |  |  |
| Caffeine (mg)      | 103.82 | 97.08                       | 90.41                  | 90.44  |  |  |
| CALcsdfdpsd (kcal) | 83.14  | 105.09                      | 98.29                  | 80.91  |  |  |
| CALfjuices (kcal)  | 44.15  | 34.72                       | 39.56                  | 36.30  |  |  |
| CALmilk (kcal)     | 66.98  | 80.08                       | 69.50                  | 75.69  |  |  |
| CAFFcsd (mg)       | 22.48  | 29.87                       | 25.36                  | 23.34  |  |  |
| CAFFcoff (mg)      | 73.14  | 62.68                       | 59.49                  | 62.95  |  |  |
| CAFFtea (mg)       | 8.14   | 4.38                        | 5.45                   | 4.08   |  |  |
| VITCfjuices (mg)   | 30.69  | 24.36                       | 27.18                  | 24.12  |  |  |
| VITCcsdfdpsd (mg)  | 14.68  | 15.69                       | 16.39                  | 13.96  |  |  |
| CALCmilk (mg)      | 176.18 | 214.61                      | 179.98                 | 200.16 |  |  |

## H-10. Hispanic Origin

|                    | His                            | panic                       |
|--------------------|--------------------------------|-----------------------------|
|                    | 1=Yes                          | 2=No                        |
| Nutrient Category  | Number of 0                    | Observations                |
|                    | 365                            | 5350                        |
|                    | Average Quantity of Nutrient ( | Consumed Per Person Per Day |
| Calories (kcal)    | 205.16                         | 211.71                      |
| Calcium (mg)       | 178.04                         | 219.50                      |
| Vitamin C (mg)     | 41.81                          | 44.80                       |
| Caffeine (mg)      | 76.02                          | 96.25                       |
| CALcsdfdpsd (kcal) | 103.11                         | 92.80                       |
| CALfjuices (kcal)  | 33.80                          | 39.02                       |
| CALmilk (kcal)     | 63.21                          | 73.48                       |
| CAFFcsd (mg)       | 22.21                          | 25.72                       |
| CAFFcoff (mg)      | 49.78                          | 64.83                       |
| CAFFtea (mg)       | 3.96                           | 5.59                        |
| VITCfjuices (mg)   | 22.25                          | 26.93                       |
| VITCcsdfdpsd (mg)  | 17.41                          | 15.25                       |
| CALCmilk (mg)      | 155.97                         | 194.24                      |

### NUTRIENT REGRESSION RESULTS

Each page gives the regression output for a nutrient. The parameters associated with the demographic categories are given. Joint F-Tests are given on each grouping of demographics. The abbreviations are as follows for the F-Tests.

- HH Household Size
- AG Age of household head
- PC Presence of children
- EM Employment status of household head
- ED Education obtained by household head
- RC Race of household
- HP Hispanic origin
- RG Region
- PV 130 % Poverty status

Nutrient Regression: Calories from all nonalcoholic beverages

Dependent variable: CALORIES Current sample: 1 to 5715 Number of observations: 5715 Mean of dep. var. = 211.293 LM het. test = 9.11202 [.003] Std. dev. of dep. var. = 141.788 Durbin-Watson = 1.95637 [<.107] Sum of squared residuals = .112588E+09 Jarque-Bera test = 950772. [.000] Variance of residuals = 19766.1 Ramsey's RESET2 = 9.84269 [.002] F (zero slopes) = 6.42415 [.000] Std. error of regression = 140.592 Schwarz B.I.C. = 9.91715 Log likelihood = -36365.3 R-squared = .019897Adjusted R-squared = .016800 Estimated Standard Variable Coefficient Error t-statistic P-value С 236.881 21.9051 10.8139 [.000] 19.0395 AGE2539 -.020039 -.381536 [.984] AGE4049 6.82893 19.0454 .358562 [.720] AGE5065 -10.0229 19.0340 -.526580 [.599] -26.7536 19.4717 -1.37397 AGE65PLUS [.170] -6.04771 -27.8673 4.60791 AGEPCCHILD [.000] 5.89187 EMPPARTTIME -8.30678 -1.40987 [.159] -12.2039 -2.50282 4.87608 EMPFULLTIME [.012] 10.6565 EDUHIGHSCHOOL -.107248 -.010064 [.992] EDUSOMECOLLEGE -14.2862 10.6363 -1.34315 [.179] 10.5219 EDUCOLLEGEPLUS -26.1675 -2.48695 [.013] 1.41517 BLACK 8.70985 6.15465 [.157] 12.3704 ORIENTAL -28.5828 -2.31058 [.021] -.426119 10.2915 -.041405 OTHER [.967] [.905] HISPYES -1.07268 9.02887 -.118805 25.7047 5.76062 4.46214 CENTRAL [.000] 11.9146 4.74994 2.50836 SOUTH [.012] WEST -1.33363 5.29988 -.251633 [.801] POV130 15.1879 10.3464 1.46794 [.142] Standard Errors are heteroskedastic-consistent (HCTYPE=2).

Joint F-Tests

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| AG        | -30.3291 | 75.0140  | 404312      | [.686]  |
| PC        | -27.8673 | 4.60791  | -6.04771    | [.000]  |
| EM        | -20.5107 | 9.19684  | -2.23019    | [.026]  |
| ED        | -40.5609 | 30.6692  | -1.32253    | [.186]  |
| RC        | -20.2990 | 18.1948  | -1.11565    | [.265]  |
| HP        | -1.07268 | 9.02887  | 118805      | [.905]  |
| RG        | 36.2856  | 12.8055  | 2.83359     | [.005]  |
| PV        | 15.1879  | 10.3464  | 1.46794     | [.142]  |

# Nutrient Regression: Calcium from all nonalcoholic beverages

| Dependent varia<br>Current sample:                               | 1 to 5715           |   |  |   |
|--|---------------------|---|--|---|
| Number of obser  | vations: 5715       |   |  |   |
| Std. dev. of<br>Sum of squared<br>Variance of<br>Std. error of r | residuals = 28      | 4.139<br>63489E+09<br>702.3<br>9.418<br>56469 | Durbin-Watson<br>Jarque-Bera test<br>Ramsey's RESET2 | = 5.93387 [.015]<br>= 18.9389 [.000]<br>= 10.2902 |
|  | Estimated           | Standard                                      |  |   |
| Variable   | Coefficient         | Error   | t-statistic  | P-value   |
| C  | 208.107             | 24.6925                                       | 8.42796  | [.000]  |
| AGE2539  | 3.29995             | 21.5830                                       | .152896  | [.878]  |
| AGE4049  | 12.8886             | 21.6138                                       | .596315  | [.551]  |
| AGE5065  | 8.95848             | 21.5689                                       | .415343  | [.678]  |
| AGE65PLUS  | 23.3716             |   | 1.03539  | [.301]  |
| AGEPCCHILD   | -18.9815            |   | -3.46236   | [.001]  |
| EMPPARTTIME  | -27.7716            | 6.83905                                       | -4.06074   | [.000]  |
| -  | -25.3223            | 6.27561                                       | -4.03504   | [.000]  |
| EDUHIGHSCHOOL  |                     | 11.5063                                       | 1.98266  | [.047]  |
| EDUSOMECOLLEGE   |                     | 11.3383                                       | 1.51734  | [.129]  |
| EDUCOLLEGEPLUS   | 16.1029             | 11.3262                                       | 1.42174  | [.155]  |
| BLACK  | -98.1344            |   | -18.0615   | [.000]  |
| ORIENTAL   | -52.0951            | 19.8556                                       | -2.62370   | [.009]  |
| OTHER<br>HISPYES   |                     | 9.79446                                       | -5.14933<br>-1.48159                                 | [.000]<br>[.139]                                  |
| CENTRAL  | -13.8043<br>37.5248 | 9.31716<br>6.69637                            | 5.60375  | [.000]  |
| SOUTH  | 9.75983             |   |  |   |
| WEST   | 19.8106             |   | 2.71851  | [.094]  |
| POV130   | -8.94491            | 10.5071                                       | 851321   | [.395]  |
|  |                     |   | sistent (HCTYPE=2)                                   |   |
| Standard Bridis  | are meterophe       | aubere com                                    | Sibcene (neiirb=2)                                   | · •   |

Joint F-Tests

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| AG        | 48.5187  | 85.1215  | .569993     | [.569]  |
| PC        | -18.9815 | 5.48225  | -3.46236    | [.001]  |
| EM        | -53.0939 | 11.7490  | -4.51900    | [.000]  |
| ED        | 56.1200  | 32.6021  | 1.72136     | [.085]  |
| RC        | -200.664 | 23.6345  | -8.49032    | [.000]  |
| HP        | -13.8043 | 9.31716  | -1.48159    | [.138]  |
| RG        | 67.0952  | 16.0986  | 4.16777     | [.000]  |
| PV        | -8.94491 | 10.5071  | 851321      | [.395]  |
|           |          |          |             |         |

Nutrient Regression: Vitamin C from all nonalcoholic beverages

| Dependent varia<br>Current sample:<br>Number of obser  | 1 to 5715   |   |   |   |
|--|---|---|---|---|
| Std. dev. of<br>Sum of squared<br>Variance of<br>Std. error of r   | residuals = 14  | .0901<br>33607E+07<br>63.49<br>.2557<br>45253 | Durbin-Watson<br>Jarque-Bera test<br>Ramsey's RESET2  | = 5.57498 [.018]<br>= 14.9988 [.000]<br>= 7.31401   |
| Variable<br>C<br>AGE2539<br>AGE4049<br>AGE5065<br>AGE65PLUS<br>AGEPCCHILD<br>EMPPARTTIME<br>EDUHIGHSCHOOL<br>EDUSOMECOLLEGE<br>EDUCOLLEGEPLUS<br>BLACK<br>ORIENTAL<br>OTHER<br>HISPYES<br>CENTRAL<br>SOUTH<br>WEST<br>POV130 | 6.01896<br>9.92201<br>21.5153<br>4.29005<br>5.35990<br>952618<br>-4.37559 |   | t-statistic<br>7.40566<br>342444<br>292350<br>189068<br>.857965<br>-6.62416<br>042464<br>-1.84143<br>1.33026<br>1.82565<br>3.00946<br>9.91407<br>1.06171<br>1.85886<br>414319<br>-2.96006<br>-1.47700<br>-4.19762<br>-1.26016 | <pre>P-value [.000] [.732] [.770] [.850] [.391] [.000] [.966] [.066] [.183] [.068] [.003] [.000] [.288] [.063] [.679] [.003] [.140] [.000] [.208]</pre> |

Joint F-Tests

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| AG        | .306285  | 18.5023  | .016554     | [.987]  |
| PC        | -8.15956 | 1.23179  | -6.62416    | [.000]  |
| EM        | -2.45265 | 2.40111  | -1.02147    | [.307]  |
| ED        | 20.3413  | 9.65081  | 2.10773     | [.035]  |
| RC        | 31.1652  | 5.67054  | 5.49598     | [.000]  |
| HP        | 952618   | 2.29924  | 414319      | [.679]  |
| RG        | -13.4266 | 3.93307  | -3.41377    | [.001]  |
| PV        | -3.10099 | 2.46079  | -1.26016    | [.208]  |

## Nutrient Regression: Caffeine from all nonalcoholic beverages

| 1 to 5715<br>tions: 5715  |   |   |
|---|---|---|
| p. var. = 114.129<br>siduals = .679253E+0<br>siduals = 11925.1<br>ression = 109.202<br>squared = .087362  | 08 Jarque-Bera test<br>Ramsey's RESET2  | = 1.98694 [<.465]<br>= 926197. [.000]<br>= 7.62999 [.006]<br>= 30.2915 [.000]<br>= 9.41183  |
| DefficientError6.962910.768'2.30186.0454'5.06956.2843'6.51686.4101'0.43807.723'41.26072.8217'10.93834.4411'9.425633.8558'0.22018.1369'2.377117.9385'12.10578.2023'35.79073.5763'36.39305.6372'17.88265.6547'.051096.6124'9.021404.5729'11.85293.8854' | t-statistic         7       7.14692         5       5.34316         8       76290         7       10.3768         4       7.82537         1       -14.6226         2       -2.46295         5       -2.44450         9       1.25601         5       -2.44450         9       1.25601         5       -2.44595         3       -10.0077         9       -6.45576         7       -3.16239         7       .310186         1       -1.97279         7       -3.05057   | [.000]<br>[.000]<br>[.000]<br>[.000]<br>[.000]<br>[.014]<br>[.015]<br>[.209]<br>[.765]<br>[.140]<br>[.000]<br>[.000]<br>[.000]<br>[.002]<br>[.756]<br>[.049]  |
|   | tions: 5715<br>p. var. = 94.9626<br>p. var. = 114.129<br>siduals = .679253E+(<br>siduals = 11925.1<br>ression = 109.202<br>squared = .087362<br>squared = .084478<br>Estimated Standar<br>oefficient Error<br>6.9629 10.768<br>2.3018 6.04548<br>5.0695 6.28439<br>6.5168 6.4101<br>0.4380 7.72334<br>41.2607 2.82173<br>10.9383 4.44113<br>9.42563 3.85586<br>0.2201 8.13699<br>2.37711 7.9385<br>12.1057 8.20233<br>35.7907 3.57633<br>36.3930 5.63729<br>17.8826 5.65477<br>.05109 6.61247<br>9.02140 4.57293<br>1.8529 3.88547<br>17.3276 4.29020<br>.01544 6.82078 | tions: 5715<br>p. var. = 94.9626<br>p. var. = 114.129<br>siduals = .679253E+08<br>siduals = 11925.1<br>ression = 109.202<br>squared = .087362<br>squared = .084478<br>Estimated Standard<br>oefficient Error t-statistic<br>6.9629 10.7687 7.14692<br>2.3018 6.04545 5.34316<br>5.0695 6.28439 8.76290<br>6.5168 6.41017 10.3768<br>0.4380 7.72334 7.82537<br>41.2607 2.82171 -14.6226<br>10.9383 4.44111 -2.46295<br>9.42563 3.85586 -2.44450<br>0.2201 8.13699 1.25601<br>2.37711 7.93855299439<br>12.1057 8.20233 -1.47589<br>35.7907 3.57633 -10.0077<br>36.3930 5.63729 -6.45576<br>17.8826 5.65477 -3.16239<br>.05109 6.61247 .310186<br>9.02140 4.57291 -1.97279<br>11.8529 3.88547 -3.05057<br>17.3276 4.29020 -4.03888 |

Joint F-Tests

Results of Parameter Analysis

|           |          | Standard |             |         |
|-----------|----------|----------|-------------|---------|
| Parameter | Estimate | Error    | t-statistic | P-value |
| AG        | 214.326  | 23.6774  | 9.05191     | [.000]  |
| PC        | -41.2607 | 2.82171  | -14.6226    | [.000]  |
| EM        | -20.3639 | 7.40958  | -2.74832    | [.006]  |
| ED        | -4.26270 | 23.3390  | 182643      | [.855]  |
| RC        | -90.0663 | 9.62867  | -9.35397    | [.000]  |
| HP        | 2.05109  | 6.61247  | .310186     | [.756]  |
| RG        | -38.2019 | 10.5091  | -3.63513    | [.000]  |
| PV        | 5.01544  | 6.82078  | .735318     | [.462]  |

### **APPENDIX I**

## **ELASTICITIES – MODEL COMPARISONS**

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.436 | 0.260  | 0.008  | 0.027  | 0.055  | 0.095  | 0.109  | -0.017 | 0.899  |
|   | [.000] | [.000] | [.297] | [.001] | [.000] | [.000] | [.000] | [.066] | [.000] |
| 2 | 0.132  | -1.075 | -0.009 | 0.000  | 0.000  | -0.251 | -0.030 | -0.033 | 1.266  |
|   | [.000] | [.000] | [.193] | [.981] | [.960] | [.000] | [.063] | [.000] | [.000] |
| 3 | 0.019  | -0.142 | -0.662 | 0.016  | 0.060  | -0.690 | 0.183  | -0.055 | 1.271  |
|   | [.859] | [.197] | [.000] | [.759] | [.191] | [.000] | [.016] | [.168] | [.000] |
| 4 | 0.500  | 0.003  | 0.026  | -2.082 | -0.074 | 0.173  | 0.005  | 0.206  | 1.243  |
|   | [.005] | [.986] | [.755] | [.000] | [.304] | [.273] | [.966] | [.001] | [.000] |
| 5 | 0.404  | 0.064  | 0.038  | -0.024 | -1.493 | -0.051 | -0.094 | 0.122  | 1.033  |
|   | [.000] | [.464] | [.141] | [.351] | [.000] | [.521] | [.096] | [.000] | [.000] |
| 6 | 0.127  | -0.143 | -0.040 | 0.013  | 0.002  | -0.856 | 0.086  | 0.039  | 0.770  |
|   | [.000] | [.000] | [.000] | [.063] | [.830] | [.000] | [.000] | [.000] | [.000] |
| 7 | 0.240  | -0.046 | 0.038  | 0.002  | -0.034 | 0.147  | -1.376 | -0.079 | 1.108  |
|   | [.000] | [.364] | [.009] | [.881] | [.073] | [.001] | [.000] | [.000] | [.000] |
| 8 | -0.053 | -0.071 | -0.014 | 0.064  | 0.106  | 0.265  | -0.143 | -0.848 | 0.693  |
|   | [.351] | [.273] | [.431] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] |

### I-1. 8 Good – Annual – No Censoring Correction, Uncompensated Elasticities

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.208 | 0.523  | 0.024  | 0.037  | 0.084  | 0.325  | 0.194  | 0.020  |
|   | [.000] | [.000] | [.002] | [.000] | [.000] | [.000] | [.000] | [.032] |
| 2 | 0.454  | -0.704 | 0.014  | 0.014  | 0.040  | 0.072  | 0.090  | 0.018  |
|   | [.000] | [.000] | [.032] | [.029] | [.000] | [.002] | [.000] | [.036] |
| 3 | 0.342  | 0.230  | -0.639 | 0.031  | 0.101  | -0.365 | 0.303  | -0.003 |
|   | [.002] | [.032] | [.000] | [.562] | [.028] | [.000] | [.000] | [.940] |
| 4 | 0.816  | 0.367  | 0.049  | -2.068 | -0.034 | 0.491  | 0.123  | 0.257  |
|   | [.000] | [.029] | [.562] | [.000] | [.636] | [.002] | [.302] | [.000] |
| 5 | 0.667  | 0.366  | 0.057  | -0.012 | -1.459 | 0.214  | 0.004  | 0.164  |
|   | [.000] | [.000] | [.028] | [.636] | [.000] | [.006] | [.948] | [.000] |
| 6 | 0.323  | 0.083  | -0.026 | 0.022  | 0.027  | -0.659 | 0.159  | 0.071  |
|   | [.000] | [.002] | [.000] | [.002] | [.006] | [.000] | [.000] | [.000] |
| 7 | 0.522  | 0.278  | 0.058  | 0.015  | 0.001  | 0.431  | -1.271 | -0.033 |
|   | [.000] | [.000] | [.000] | [.302] | [.948] | [.000] | [.000] | [.057] |
| 8 | 0.123  | 0.132  | -0.001 | 0.072  | 0.129  | 0.442  | -0.077 | -0.820 |
|   | [.032] | [.036] | [.940] | [.000] | [.000] | [.000] | [.057] | [.000] |

I-2. 8 Good – Annual – No Censoring Correction, Compensated Elasticities

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.642 | 0.178  | 0.036  | 0.118  | 0.106  | 0.057  | 0.156  | -0.027 | 1.019  |
|   | [.000] | [.000] | [.011] | [.000] | [.000] | [.116] | [.000] | [.031] | [.000] |
| 2 | 0.092  | -1.160 | 0.000  | 0.011  | 0.035  | -0.191 | -0.002 | -0.049 | 1.264  |
|   | [.000] | [.000] | [.987] | [.026] | [.000] | [.000] | [.922] | [.000] | [.000] |
| 3 | 0.400  | -0.049 | -0.384 | 0.163  | -0.070 | -1.320 | -0.057 | -0.107 | 1.425  |
|   | [.045] | [.638] | [.000] | [.036] | [.408] | [.000] | [.671] | [.010] | [.000] |
| 4 | 2.556  | 0.302  | 0.260  | -2.555 | -0.902 | -0.116 | -0.948 | 0.194  | 1.209  |
|   | [.000] | [.032] | [.033] | [.000] | [.000] | [.781] | [.001] | [.000] | [.000] |
| 5 | 0.833  | 0.385  | -0.032 | -0.322 | -1.760 | -0.142 | -0.128 | 0.128  | 1.039  |
|   | [.000] | [.000] | [.497] | [.000] | [.000] | [.198] | [.090] | [.001] | [.000] |
| 6 | 0.134  | -0.058 | -0.081 | 0.000  | -0.007 | -0.796 | 0.050  | 0.043  | 0.715  |
|   | [.000] | [.039] | [.000] | [.979] | [.585] | [.000] | [.025] | [.000] | [.000] |
| 7 | 0.421  | 0.070  | -0.003 | -0.113 | -0.043 | 0.059  | -1.355 | -0.044 | 1.008  |
|   | [.000] | [.175] | [.898] | [.001] | [.099] | [.332] | [.000] | [.047] | [.000] |
| 8 | -0.029 | -0.120 | -0.030 | 0.063  | 0.119  | 0.329  | -0.053 | -0.760 | 0.480  |
|   | [.707] | [.152] | [.098] | [.000] | [.000] | [.000] | [.307] | [.000] | [.000] |

### I-3. 8 Good – Annual – Censored Corrected, Uncompensated Elasticities

Legend:

1 Milk 2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water 6 Juices and fruit drinks 7 Coffee 8 Tea

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.383 | 0.476  | 0.054  | 0.130  | 0.139  | 0.318  | 0.252  | 0.015  |
|   | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.222] |
| 2 | 0.413  | -0.791 | 0.023  | 0.026  | 0.076  | 0.132  | 0.118  | 0.003  |
|   | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.799] |
| 3 | 0.762  | 0.368  | -0.359 | 0.179  | -0.024 | -0.955 | 0.078  | -0.049 |
|   | [.000] | [.000] | [.000] | [.021] | [.776] | [.000] | [.566] | [.237] |
| 4 | 2.863  | 0.656  | 0.282  | -2.541 | -0.864 | 0.194  | -0.833 | 0.243  |
|   | [.000] | [.000] | [.021] | [.000] | [.000] | [.639] | [.004] | [.000] |
| 5 | 1.097  | 0.689  | -0.014 | -0.310 | -1.727 | 0.124  | -0.030 | 0.171  |
|   | [.000] | [.000] | [.776] | [.000] | [.000] | [.253] | [.693] | [.000] |
| 6 | 0.316  | 0.151  | -0.068 | 0.009  | 0.016  | -0.613 | 0.117  | 0.072  |
|   | [.000] | [.000] | [.000] | [.639] | [.253] | [.000] | [.000] | [.000] |
| 7 | 0.678  | 0.365  | 0.015  | -0.102 | -0.010 | 0.317  | -1.260 | -0.003 |
|   | [.000] | [.000] | [.566] | [.004] | [.693] | [.000] | [.000] | [.887] |
| 8 | 0.093  | 0.021  | -0.022 | 0.069  | 0.134  | 0.452  | -0.007 | -0.740 |
|   | [.222] | [.799] | [.237] | [.000] | [.000] | [.000] | [.887] | [.000] |

### I-4. 8 Good – Annual – Censored Corrected, Compensated Elasticities

Legend:

1 Milk 2 Carbonated soft drinks 3 Powdered soft drinks

4 Isotonics

5 Bottled water 6 Juices and fruit drinks 7 Coffee 8 Tea

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.258 | 0.174  | -0.011 | 0.026  | 0.061  | 0.035  | 0.130  | -0.006 | 0.848  |
|   | [.000] | [.000] | [.037] | [.000] | [.000] | [.011] | [.000] | [.353] | [.000] |
| 2 | 0.057  | -0.975 | -0.008 | 0.004  | -0.015 | -0.227 | -0.058 | -0.023 | 1.244  |
|   | [.000] | [.000] | [.070] | [.385] | [.017] | [.000] | [.000] | [.000] | [.000] |
| 3 | -0.315 | -0.178 | -0.203 | -0.158 | 0.024  | -0.756 | 0.205  | -0.026 | 1.408  |
|   | [.000] | [.016] | [.000] | [.002] | [.562] | [.000] | [.001] | [.445] | [.000] |
| 4 | 0.485  | 0.089  | -0.228 | -1.920 | -0.077 | 0.178  | 0.033  | 0.183  | 1.257  |
|   | [.000] | [.407] | [.002] | [.000] | [.220] | [.074] | [.721] | [.000] | [.000] |
| 5 | 0.438  | -0.105 | 0.017  | -0.027 | -1.456 | 0.076  | -0.170 | 0.082  | 1.145  |
|   | [.000] | [.063] | [.435] | [.241] | [.000] | [.144] | [.000] | [.001] | [.000] |
| 6 | 0.053  | -0.121 | -0.039 | 0.013  | 0.021  | -0.775 | 0.037  | 0.027  | 0.783  |
|   | [.000] | [.000] | [.000] | [.003] | [.001] | [.000] | [.000] | [.000] | [.000] |
| 7 | 0.266  | -0.158 | 0.039  | 0.005  | -0.057 | -0.005 | -1.174 | -0.108 | 1.193  |
|   | [.000] | [.000] | [.000] | [.673] | [.000] | [.850] | [.000] | [.000] | [.000] |
| 8 | -0.032 | -0.041 | -0.001 | 0.057  | 0.073  | 0.160  | -0.221 | -0.823 | 0.829  |
|   | [.420] | [.328] | [.935] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] |

I-5. 8 Good – Quarterly – No Censoring Correction, Uncompensated Elasticities

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.034 | 0.416  | 0.004  | 0.035  | 0.087  | 0.252  | 0.211  | 0.029  |
|   | [.000] | [.000] | [.480] | [.000] | [.000] | [.000] | [.000] | [.000] |
| 2 | 0.385  | -0.621 | 0.013  | 0.018  | 0.024  | 0.092  | 0.061  | 0.028  |
|   | [.000] | [.000] | [.002] | [.000] | [.000] | [.000] | [.000] | [.000] |
| 3 | 0.057  | 0.223  | -0.180 | -0.142 | 0.068  | -0.396 | 0.340  | 0.031  |
|   | [.480] | [.002] | [.002] | [.005] | [.099] | [.000] | [.000] | [.370] |
| 4 | 0.816  | 0.447  | -0.207 | -1.905 | -0.038 | 0.499  | 0.154  | 0.234  |
|   | [.000] | [.000] | [.005] | [.000] | [.547] | [.000] | [.099] | [.000] |
| 5 | 0.740  | 0.221  | 0.036  | -0.014 | -1.421 | 0.369  | -0.060 | 0.128  |
|   | [.000] | [.000] | [.099] | [.547] | [.000] | [.000] | [.167] | [.000] |
| 6 | 0.260  | 0.102  | -0.026 | 0.022  | 0.045  | -0.575 | 0.112  | 0.059  |
|   | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] |
| 7 | 0.581  | 0.181  | 0.059  | 0.018  | -0.020 | 0.300  | -1.060 | -0.060 |
|   | [.000] | [.000] | [.000] | [.099] | [.167] | [.000] | [.000] | [.000] |
| 8 | 0.187  | 0.195  | 0.013  | 0.066  | 0.099  | 0.372  | -0.142 | -0.789 |
|   | [.000] | [.000] | [.370] | [.000] | [.000] | [.000] | [.000] | [.000] |

I-6. 8 Good – Quarterly – No Censoring Correction, Compensated Elasticities

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.776 | 0.174  | 0.043  | 0.223  | 0.199  | 0.161  | 0.186  | 0.014  | 0.775  |
|   | [.000] | [.000] | [.008] | [.000] | [.000] | [.000] | [.000] | [.266] | [.000] |
| 2 | 0.027  | -0.996 | 0.003  | -0.003 | 0.030  | -0.228 | -0.042 | -0.073 | 1.282  |
|   | [.103] | [.000] | [.202] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] |
| 3 | 0.251  | -0.255 | 1.197  | -0.016 | -0.215 | -2.915 | -0.315 | -0.106 | 2.374  |
|   | [.325] | [.000] | [.000] | [.000] | [.100] | [.000] | [.100] | [.005] | [.000] |
| 4 | 5.129  | 0.039  | 0.002  | -1.327 | -2.005 | -0.986 | -1.720 | 0.006  | 0.863  |
|   | [.000] | [.505] | [.505] | [.071] | [.000] | [.024] | [.000] | [.505] | [.000] |
| 5 | 1.566  | 0.294  | -0.096 | -0.740 | -2.140 | -0.110 | -0.148 | 0.158  | 1.215  |
|   | [.000] | [.000] | [.170] | [.000] | [.000] | [.359] | [.121] | [.001] | [.000] |
| 6 | 0.177  | -0.098 | -0.163 | -0.043 | 0.002  | -0.720 | 0.052  | 0.057  | 0.735  |
|   | [.000] | [.000] | [.000] | [.028] | [.913] | [.000] | [.000] | [.000] | [.000] |
| 7 | 0.396  | -0.109 | -0.036 | -0.210 | -0.048 | 0.016  | -1.075 | -0.155 | 1.221  |
|   | [.000] | [.001] | [.290] | [.000] | [.120] | [.564] | [.000] | [.000] | [.000] |
| 8 | 0.049  | -0.416 | -0.020 | 0.001  | 0.130  | 0.309  | -0.340 | -0.652 | 0.939  |
|   | [.557] | [.000] | [.201] | [.054] | [.000] | [.000] | [.000] | [.000] | [.000] |

### I-7. 8 Good – Quarterly – Censored Corrected, Uncompensated Elasticities

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.571 | 0.395  | 0.056  | 0.232  | 0.223  | 0.359  | 0.261  | 0.046  |
|   | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] |
| 2 | 0.366  | -0.631 | 0.025  | 0.011  | 0.070  | 0.100  | 0.080  | -0.021 |
|   | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.065] |
| 3 | 0.878  | 0.421  | 1.236  | 0.011  | -0.141 | -2.308 | -0.088 | -0.010 |
|   | [.000] | [.000] | [.000] | [.000] | [.280] | [.000] | [.649] | [.796] |
| 4 | 5.357  | 0.285  | 0.017  | -1.318 | -1.978 | -0.765 | -1.638 | 0.040  |
|   | [.000] | [.000] | [.000] | [.073] | [.000] | [.077] | [.000] | [.000] |
| 5 | 1.887  | 0.640  | -0.076 | -0.726 | -2.102 | 0.201  | -0.031 | 0.207  |
|   | [.000] | [.000] | [.280] | [.000] | [.000] | [.087] | [.742] | [.000] |
| 6 | 0.371  | 0.112  | -0.151 | -0.034 | 0.024  | -0.532 | 0.123  | 0.087  |
|   | [.000] | [.000] | [.000] | [.077] | [.087] | [.000] | [.000] | [.000] |
| 7 | 0.718  | 0.239  | -0.015 | -0.196 | -0.010 | 0.328  | -0.958 | -0.106 |
|   | [.000] | [.000] | [.649] | [.000] | [.742] | [.000] | [.000] | [.000] |
| 8 | 0.297  | -0.149 | -0.004 | 0.011  | 0.160  | 0.549  | -0.250 | -0.614 |
|   | [.000] | [.065] | [.796] | [.000] | [.000] | [.000] | [.000] | [.000] |

I-8. 8 Good – Quarterly – Censored Corrected, Compensated Elasticities

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

I-9. 16 Good - Annual - No Censoring Correction, Uncompensated Elasticities

|    | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     | 11     | 12     | 13     | 14     | 15     | 16     | TE     |
|----|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1  | -3.279 | 1.784  | -0.154 | 0.603  | -0.183 | 0.149  | 0.051  | 0.098  | 0.000  | 0.099  | -0.085 | -0.041 | -0.091 | 0.097  | -0.169 | 0.038  | 1.084  |
|    | [.000] | [.000] | [.087] | [.000] | [.000] | [.000] | [.190] | [.181] | [.998] | [.161] | [.128] | [.338] | [.148] | [.054] | [.000] | [.281] | [.000] |
| 2  | 0.430  | -1.865 | 0.098  | 0.096  | 0.019  | 0.005  | 0.064  | -0.012 | 0.025  | 0.078  | 0.058  | -0.024 | 0.091  | 0.063  | -0.001 | 0.018  | 0.857  |
|    | [.000] | [.000] | [.002] | [.001] | [.057] | [.589] | [.000] | [.609] | [.012] | [.000] | [.001] | [.032] | [.000] | [.000] | [.911] | [.045] | [.000] |
| 3  | -0.049 | 0.030  | -0.938 | -0.014 | -0.062 | -0.001 | 0.030  | -0.054 | -0.028 | -0.009 | -0.123 | -0.019 | -0.014 | 0.026  | -0.041 | 0.017  | 1.249  |
|    | [.040] | [.388] | [.000] | [.698] | [.000] | [.908] | [.036] | [.036] | [.007] | [.701] | [.000] | [.124] | [.540] | [.077] | [.000] | [.082] | [.000] |
| 4  | 0.254  | 0.087  | -0.034 | -1.316 | 0.081  | -0.013 | -0.033 | -0.092 | -0.039 | -0.120 | 0.019  | -0.024 | -0.051 | 0.018  | -0.009 | -0.035 | 1.307  |
|    | [.000] | [.115] | [.571] | [.000] | [.000] | [.450] | [.156] | [.029] | [.031] | [.001] | [.552] | [.250] | [.171] | [.463] | [.622] | [.033] | [.000] |
| 5  | -0.499 | 0.124  | -0.631 | 0.494  | -0.653 | -0.002 | 0.062  | 0.009  | -0.088 | 0.118  | -0.529 | -0.019 | 0.083  | 0.229  | -0.010 | 0.021  | 1.292  |
|    | [.000] | [.265] | [.000] | [.000] | [.000] | [.964] | [.198] | [.921] | [.094] | [.201] | [.000] | [.751] | [.294] | [.001] | [.784] | [.672] | [.000] |
| 6  | 0.621  | 0.018  | -0.011 | -0.111 | -0.002 | -2.321 | -0.055 | 0.067  | 0.059  | -0.314 | 0.448  | 0.099  | -0.040 | 0.134  | 0.188  | 0.013  | 1.208  |
|    | [.000] | [.912] | [.947] | [.491] | [.979] | [.000] | [.431] | [.642] | [.649] | [.050] | [.000] | [.442] | [.734] | [.373] | [.000] | [.912] | [.000] |
| 7  | 0.079  | 0.375  | 0.210  | -0.084 | 0.039  | -0.018 | -1.451 | -0.120 | -0.029 | -0.186 | 0.145  | -0.015 | 0.049  | -0.153 | 0.126  | 0.000  | 1.034  |
|    | [.177] | [.000] | [.010] | [.297] | [.144] | [.480] | [.000] | [.051] | [.278] | [.001] | [.001] | [.627] | [.373] | [.000] | [.000] | [.988] | [.000] |
| 8  | 0.072  | 0.017  | 0.005  | -0.036 | 0.013  | 0.015  | -0.029 | -0.616 | -0.092 | 0.017  | -0.091 | -0.022 | 0.101  | 0.028  | -0.002 | -0.030 | 0.651  |
|    | [.058] | [.732] | [.924] | [.469] | [.456] | [.408] | [.170] | [.000] | [.000] | [.643] | [.002] | [.306] | [.003] | [.258] | [.883] | [.077] | [.000] |
| 9  | 0.006  | 0.251  | -0.224 | -0.188 | -0.079 | 0.039  | -0.047 | -0.488 | -1.004 | 0.030  | -0.125 | 0.219  | 0.143  | 0.241  | 0.032  | 0.242  | 0.952  |
|    | [.951] | [.018] | [.031] | [.074] | [.120] | [.623] | [.304] | [.000] | [.000] | [.765] | [.086] | [.003] | [.061] | [.005] | [.368] | [.000] | [.000] |
| 10 | 0.092  | 0.282  | 0.086  | -0.123 | 0.043  | -0.047 | -0.076 | 0.024  | 0.014  | -1.052 | 0.054  | -0.005 | 0.057  | -0.055 | 0.057  | 0.002  | 0.648  |
|    | [.068] | [.000] | [.157] | [.044] | [.079] | [.084] | [.004] | [.639] | [.612] | [.000] | [.159] | [.880] | [.182] | [.128] | [.006] | [.944] | [.000] |
| 11 | -0.071 | 0.154  | -0.356 | 0.058  | -0.159 | 0.089  | 0.077  | -0.187 | -0.042 | 0.032  | -1.049 | 0.126  | 0.070  | -0.014 | 0.140  | 0.034  | 1.098  |
|    | [.124] | [.008] | [.000] | [.323] | [.000] | [.000] | [.002] | [.000] | [.067] | [.470] | [.000] | [.000] | [.085] | [.645] | [.000] | [.106] | [.000] |
| 12 | -0.088 | -0.219 | -0.065 | -0.063 | -0.005 | 0.074  | -0.011 | -0.104 | 0.248  | -0.009 | 0.466  | -0.287 | -0.153 | -0.233 | -0.030 | -0.025 | 0.505  |
|    | [.468] | [.103] | [.621] | [.632] | [.930] | [.388] | [.850] | [.366] | [.002] | [.944] | [.000] | [.017] | [.110] | [.019] | [.505] | [.731] | [.000] |
| 13 | -0.060 | 0.188  | -0.011 | -0.054 | 0.023  | -0.005 | 0.017  | 0.078  | 0.032  | 0.018  | 0.052  | -0.045 | -1.361 | 0.059  | -0.070 | 0.011  | 1.128  |
|    | [.134] | [.000] | [.836] | [.318] | [.227] | [.774] | [.447] | [.061] | [.090] | [.633] | [.097] | [.036] | [.000] | [.021] | [.000] | [.538] | [.000] |
| 14 | 0.262  | 0.684  | 0.299  | 0.139  | 0.233  | 0.087  | -0.270 | 0.109  | 0.247  | -0.229 | -0.042 | -0.229 | 0.256  | -2.109 | -0.076 | -0.386 | 1.025  |
|    | [.051] | [.000] | [.041] | [.345] | [.001] | [.362] | [.000] | [.392] | [.005] | [.087] | [.676] | [.015] | [.017] | [.000] | [.127] | [.000] | [.000] |
| 15 | -0.270 | 0.015  | -0.167 | 0.026  | 0.003  | 0.081  | 0.150  | -0.017 | 0.025  | 0.127  | 0.309  | -0.022 | -0.157 | -0.043 | -0.820 | 0.015  | 0.744  |
|    | [.000] | [.834] | [.025] | [.722] | [.886] | [.000] | [.000] | [.761] | [.285] | [.009] | [.000] | [.413] | [.001] | [.172] | [.000] | [.488] | [.000] |
| 16 | 0.173  | 0.362  | 0.376  | -0.228 | 0.044  | 0.020  | 0.014  | -0.219 | 0.375  | 0.016  | 0.196  | -0.036 | 0.109  | -0.561 | 0.039  | -1.239 | 0.557  |
|    | [.206] | [.015] | [.009] | [.119] | [.542] | [.860] | [.821] | [.089] | [.000] | [.909] | [.054] | [.724] | [.305] | [.000] | [.422] | [.000] | [.000] |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk

or 7 B

3 Carbonated soft drinks – regular 4 Carbonated soft drinks – low calorie 5 Powdered soft drinks 6 Isotonics 7 Bottled water 8 Orange juice 9 Apple juice 10 Other juices 11 Fruit drinks 12 Vegetable juice

I-10. 16 Good - Annual - No Censoring Correction, Compensated Elasticities

| [.000]       [.000]       [.625]       [.000]       [.000]       [.027]       [.006]       [.593]       [.014]       [.703]       [.600]       [         2       0.471       -1.688       0.254       0.190       0.034       0.015       0.092       0.069       0.041       0.136       0.108       -0.010       0         [.000]       [.000]       [.000]       [.000]       [.001]       [.110]       [.002]       [.000]       [.000]       [.000]       [.395]       [         3       0.012       0.287       -0.710       0.124       -0.039       0.013       0.070       0.063       -0.005       0.076       -0.050       0.003       0         [.625]       [.000]       [.000]       [.000]       [.181]       [.000]       [.013]       [.627]       [.001]       [.008]       [.833]       [         4       0.317       0.356       0.205       -1.173       0.105       0.002       0.009       0.031       -0.014       -0.032       0.095       -0.001       0         [.000]       [.000]       [.000]       [.000]       [.894]       [.711]       [.466]       [.427]       [.396]       [.002]       [.953]       [ <th>13         14           -0.008         0.117           [.896]         [.021]</th> <th><b>15</b><br/>-0.138</th> <th>16</th>                          | 13         14           -0.008         0.117           [.896]         [.021] | <b>15</b><br>-0.138 | 16     |
|--|--|---------------------|--------|
| [.000]       [.000]       [.625]       [.000]       [.000]       [.027]       [.006]       [.593]       [.014]       [.703]       [.600]       [         2       0.471       -1.688       0.254       0.190       0.034       0.015       0.092       0.069       0.041       0.136       0.108       -0.010       0         [.000]       [.000]       [.000]       [.001]       [.110]       [.000]       [.000]       [.000]       [.000]       [.395]       [         3       0.012       0.287       -0.710       0.124       -0.039       0.013       0.070       0.063       -0.005       0.076       -0.050       0.003       0         [.625]       [.000]       [.000]       [.000]       [.181]       [.000]       [.011]       [.003]       [.627]       [.001]       [.008]       [.833]       [         4       0.317       0.356       0.205       -1.173       0.105       0.002       0.009       0.031       -0.014       -0.032       0.095       -0.001       0         [.000]       [.000]       [.000]       [.000]       [.894]       [.711]       [.466]       [.427]       [.396]       [.002]       [.953]       [ <th>[.896] [.021]</th> <th>-0.138</th> <th></th>   | [.896] [.021]  | -0.138              |        |
| 2         0.471         -1.688         0.254         0.190         0.034         0.015         0.092         0.069         0.041         0.136         0.108         -0.010         0           [.000]         [.001]         [.000]         [.003]         [.395]         [.           4         0.317         0.356         0.205         -1.173         0.105         0.002         0.009         0.031         -0.014         -0.032         0.095         -0.001         (.           5         -0.436         0.390         -0.395         0.636         -0.629         0.013         0.130         -0.064         0.205         -0.453         0.003         (.           5         -0.436         0.390  |  |                     | 0.051  |
| [.000]       [.000]       [.000]       [.000]       [.001]       [.110]       [.000]  |  | [.000]              | [.144] |
| 3         0.012         0.287         -0.710         0.124         -0.039         0.013         0.070         0.063         -0.005         0.076         -0.050         0.003         0           [.625]         [.000]         [.000]         [.000]         [.000]         [.000]         [.013]         [.627]         [.001]         [.008]         [.833]         [           4         0.317         0.356         0.205         -1.173         0.105         0.002         0.009         0.031         -0.014         -0.032         0.095         -0.001         (           [.000]         [.000]         [.000]         [.000]         [.000]         [.000]         [.894]         [.711]         [.466]         [.427]         [.396]         [.002]         [.953]         [           5         -0.436         0.390         -0.395         0.636         -0.629         0.013         0.103         0.130         -0.064         0.205         -0.453         0.003         (           5         -0.436         0.390         -0.395         0.636         -0.629         0.013         0.103         0.130         -0.064         0.205         -0.453         0.003         (         [         [.000]         <   | 0.156 0.079  | 0.023               | 0.028  |
| [.625]         [.000]         [.000]         [.000]         [.000]         [.181]         [.000]         [.013]         [.627]         [.001]         [.008]         [.833]         [           4         0.317         0.356         0.205         -1.173         0.105         0.002         0.009         0.031         -0.014         -0.032         0.095         -0.001         (.002)         [.953]         [           5         -0.436         0.390         -0.395         0.636         -0.629         0.013         0.103         0.130         -0.064         0.205         -0.453         0.003         (.001)         [.953]         [           5         -0.436         0.390         -0.395         0.636         -0.629         0.013         0.103         0.130         -0.064         0.205         -0.453         0.003         (.001)         [.000]         [.953]         [           6         0.679         0.267         0.210         0.022         0.020         -2.307         -0.016         0.180         0.081         -0.232         0.519         0.119         (.001)         [.000]         [.352]         [         7         0.129         0.588         0.399         0.030         0.058   | [.000] [.000]  | [.021]              | [.001] |
| 4         0.317         0.356         0.205         -1.173         0.105         0.002         0.009         0.031         -0.014         -0.032         0.095         -0.001         0           [.000]         [.000]         [.000]         [.000]         [.000]         [.000]         [.000]         [.000]         [.001]         [.002]         [.953]         [           5         -0.436         0.390         -0.395         0.636         -0.629         0.013         0.103         0.130         -0.064         0.205         -0.453         0.003         (0           [.000]         [.001]         [.000]         [.000]         [.000]         [.813]         [.031]         [.161]         [.224]         [.026]         [.000]         [.953]         [           6         0.679         0.267         0.210         0.022         0.200         -2.307         -0.016         0.180         0.081         -0.232         0.519         0.119         0           [.000]         [.110]         [.181]         [.894]         [.813]         [.000]         [.817]         [.211]         [.528]         [.146]         [.000]         [.352]         [           7         0.129         0.588  | 0.081 0.048  | -0.005              | 0.032  |
| [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.000]       [.001]       [.002]       [.953]       [         5       -0.436       0.390       -0.395       0.636       -0.629       0.013       0.103       0.130       -0.064       0.205       -0.453       0.003       0         [.000]       [.001]       [.000]       [.000]       [.000]       [.813]       [.031]       [.161]       [.224]       [.026]       [.000]       [.953]       [         6       0.679       0.267       0.210       0.022       0.020       -2.307       -0.016       0.180       0.081       -0.232       0.519       0.119       0         [.000]       [.110]       [.181]       [.894]       [.813]       [.000]       [.817]       [.211]       [.528]       [.146]       [.000]       [.352]       [         7       0.129       0.588       0.399       0.030       0.058       -0.006       -1.418       -0.023       -0.009       -0.116       0.206       0.003       0         [.027]       [.000]       [.000]       [.711]  | [.000] [.001]  | [.671]              | [.001] |
| 5       -0.436       0.390       -0.395       0.636       -0.629       0.013       0.103       0.130       -0.064       0.205       -0.453       0.003       0         [.000]       [.001]       [.000]       [.000]       [.000]       [.001]       [.000]       [.000]       [.011]       [.026]       [.000]       [.953]       [         6       0.679       0.267       0.210       0.022       0.020       -2.307       -0.016       0.180       0.081       -0.232       0.519       0.119       0         [.000]       [.110]       [.181]       [.894]       [.813]       [.000]       [.817]       [.211]       [.528]       [.146]       [.000]       [.352]       [         7       0.129       0.588       0.399       0.030       0.058       -0.006       -1.418       -0.023       -0.009       -0.116       0.206       0.003       0         [.027]       [.000]       [.000]       [.711]       [.031]       [.817]       [.000]       [.723]       [.034]       [.000]       [.926]       [         8       0.103       0.151       0.124       0.036       0.025       0.022       -0.008       -0.555       -0.080   | 0.048 0.042  | 0.028               | -0.019 |
| [.000]         [.001]         [.000]         [.000]         [.000]         [.000]         [.001]         [.000]         [.000]         [.001]         [.000]         [.000]         [.001]         [.000]         [.000]         [.001]         [.000]         [.000]         [.001]         [.000]         [.953]         [           6         0.679         0.267         0.210         0.022         0.020         -2.307         -0.016         0.180         0.081         -0.232         0.519         0.119         0           [.000]         [.110]         [.181]         [.894]         [.813]         [.000]         [.817]         [.211]         [.528]         [.146]         [.000]         [.352]         [           7         0.129         0.588         0.399         0.030         0.058         -0.006         -1.418         -0.023         -0.009         -0.116         0.206         0.003         0           [.027]         [.000]         [.001]         [.711]         [.031]         [.817]         [.000]         [.723]         [.034]         [.000]         [.926]         [           8         0.103         0.151         0.124         0.036         0.025         0.022         -0.008 <t< th=""><th>[.197] [.087]</th><th>[.139]</th><th>[.253]</th></t<> | [.197] [.087]  | [.139]              | [.253] |
| 6         0.679         0.267         0.210         0.022         0.020         -2.307         -0.016         0.180         0.081         -0.232         0.519         0.119         0           [.000]         [.110]         [.181]         [.894]         [.813]         [.000]         [.817]         [.211]         [.528]         [.146]         [.000]         [.352]         [           7         0.129         0.588         0.399         0.030         0.058         -0.006         -1.418         -0.023         -0.009         -0.116         0.206         0.003         0           [.027]         [.000]         [.001]         [.711]         [.031]         [.817]         [.000]         [.723]         [.034]         [.000]         [.926]         [           8         0.103         0.151         0.124         0.036         0.025         0.022         -0.008         -0.555         -0.080         0.061         -0.053         -0.010         0  | 0.181 0.252  | 0.027               | 0.037  |
| [.000]         [.110]         [.181]         [.894]         [.813]         [.000]         [.817]         [.211]         [.528]         [.146]         [.000]         [.352]         [           7         0.129         0.588         0.399         0.030         0.058         -0.006         -1.418         -0.023         -0.009         -0.116         0.206         0.003         0           [.027]         [.000]         [.711]         [.031]         [.817]         [.000]         [.723]         [.034]         [.000]         [.926]         [           8         0.103         0.151         0.124         0.036         0.025         0.022         -0.008         -0.555         -0.080         0.061         -0.053         -0.010         0  | [.021] [.000]  | [.477]              | [.453] |
| 7         0.129         0.588         0.399         0.030         0.058         -0.006         -1.418         -0.023         -0.009         -0.116         0.206         0.003         0           [.027]         [.000]         [.711]         [.031]         [.817]         [.000]         [.723]         [.034]         [.000]         [.926]         [           8         0.103         0.151         0.124         0.036         0.025         0.022         -0.008         -0.555         -0.080         0.061         -0.053         -0.010         0  | 0.052 0.156  | 0.222               | 0.028  |
| [.027]         [.000]         [.711]         [.031]         [.817]         [.000]         [.723]         [.034]         [.000]         [.926]         [           8         0.103         0.151         0.124         0.036         0.025         0.022         -0.008         -0.555         -0.080         0.061         -0.053         -0.010         0   | [.659] [.300]  | [.000]              | [.815] |
| <b>8</b> 0.103 0.151 0.124 0.036 0.025 0.022 -0.008 -0.555 -0.080 0.061 -0.053 -0.010 (  | 0.128 -0.134   | 0.155               | 0.012  |
|  | [.019] [.000]  | [.000]              | [.611] |
|  | 0.150 0.040  | 0.016               | -0.022 |
|  | [.000] [.108]  | [.334]              | [.195] |
| <b>9</b> 0.052 0.447 -0.050 -0.083 -0.062 0.050 -0.016 -0.399 -0.986 0.094 -0.069 0.236 0  | 0.216 0.258  | 0.059               | 0.254  |
| [.593] [.000] [.627] [.427] [.224] [.528] [.723] [.000] [.000] [.342] [.343] [.001] [  | [.005] [.002]  | [.094]              | [.000] |
| <b>10</b> 0.123 0.415 0.205 -0.052 0.055 -0.040 -0.055 0.084 0.026 -1.009 0.092 0.006 0  | 0.107 -0.043   | 0.075               | 0.010  |
| [.014] [.000] [.001] [.396] [.026] [.146] [.034] [.094] [.342] [.000] [.016] [.833] [  | [.013] [.232]  | [.000]              | [.698] |
| <b>11</b> -0.017 0.380 -0.155 0.179 -0.140 0.102 0.113 -0.085 -0.022 0.106 -0.984 0.144 0  | 0.154 0.006  | 0.172               | 0.048  |
| [.703] [.000] [.008] [.002] [.000] [.000] [.000] [.072] [.343] [.016] [.000] [.000] [.000] [   | [.000] [.856]  | [.000]              | [.024] |
| <b>12</b> -0.063 -0.116 0.028 -0.008 0.004 0.080 0.005 -0.057 0.257 0.026 0.496 -0.279 -   | -0.115 -0.224  | -0.015              | -0.019 |
| [.600] [.395] [.833] [.953] [.953] [.352] [.926] [.620] [.001] [.833] [.000] [.021] [  | [.232] [.025]  | [.733]              | [.795] |
| <b>13</b> -0.005 0.421 0.195 0.070 0.043 0.008 0.054 0.184 0.053 0.095 0.118 -0.026 -  | -1.275 0.079   | -0.037              | 0.024  |
| [.896] [.000] [.000] [.197] [.021] [.659] [.019] [.000] [.005] [.013] [.000] [.232] [  | [.000] [.002]  | [.042]              | [.154] |
|  | 0.335 -2.090   | -0.046              | -0.374 |
|  | [.002] [.000]  | [.349]              | [.000] |
|  | -0.100 -0.029  | -0.799              | 0.024  |
| [.000] [.021] [.671] [.139] [.477] [.000] [.000] [.334] [.094] [.000] [.000] [.733] [  | [.042] [.349]  | [.000]              | [.260] |
|  | 0.152 -0.551   | 0.055               | -1.232 |
|  | [.154] [.000]  | [.260]              | [.000] |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk

3 Carbonated soft drinks – regular 7

4 Carbonated soft drinks - low calorie

5 Powdered soft drinks 6 Isotonics 7 Bottled water 8 Orange juice 9 Apple juice 10 Other juices 11 Fruit drinks 12 Vegetable juice

I-11. 16 Good - Annual - Censored Corrected, Uncompensated Elasticities

|    |        |        | intual | Censor |        | i ecteu, | Cheom  | 1      | Cu Liub |        |        |        |        | <u> </u> |        |        | ·      |
|----|--------|--------|--------|--------|--------|----------|--------|--------|---------|--------|--------|--------|--------|----------|--------|--------|--------|
|    | 1      | 2      | 3      | 4      | 5      | 6        | 7      | 8      | 9       | 10     | 11     | 12     | 13     | 14       | 15     | 16     | TE     |
| 1  | -4.867 | 2.343  | -0.422 | 0.771  | -0.258 | 0.409    | 0.068  | 0.105  | 0.035   | 0.094  | -0.090 | -0.080 | -0.210 | 0.416    | -0.263 | 0.741  | 1.207  |
|    | [.000] | [.000] | [.000] | [.000] | [.000] | [.000]   | [.251] | [.282] | [.535]  | [.294] | [.200] | [.294] | [.027] | [.001]   | [.000] | [.000] | [.000] |
| 2  | 0.569  | -1.912 | 0.064  | 0.095  | 0.025  | 0.028    | 0.086  | 0.006  | 0.034   | 0.078  | 0.048  | -0.008 | 0.076  | 0.085    | -0.009 | -0.084 | 0.820  |
|    | [.000] | [.000] | [.005] | [.001] | [.023] | [.069]   | [.000] | [.734] | [.000]  | [.000] | [.000] | [.544] | [.000] | [.000]   | [.382] | [.002] | [.000] |
| 3  | -0.116 | -0.025 | -0.980 | -0.018 | -0.077 | 0.015    | 0.052  | -0.046 | -0.018  | 0.008  | -0.077 | -0.007 | -0.005 | 0.000    | -0.032 | 0.035  | 1.291  |
|    | [.000] | [.311] | [.000] | [.549] | [.000] | [.353]   | [.000] | [.011] | [.074]  | [.594] | [.000] | [.635] | [.782] | [.988]   | [.002] | [.248] | [.000] |
| 4  | 0.330  | 0.062  | -0.045 | -1.331 | 0.112  | -0.037   | -0.008 | -0.099 | -0.077  | -0.101 | -0.022 | -0.065 | -0.015 | 0.058    | -0.008 | -0.132 | 1.379  |
|    | [.000] | [.233] | [.356] | [.000] | [.000] | [.295]   | [.778] | [.020] | [.001]  | [.007] | [.470] | [.045] | [.732] | [.272]   | [.749] | [.030] | [.000] |
| 5  | -0.699 | 0.157  | -0.803 | 0.676  | -0.510 | 0.035    | 0.056  | 0.247  | -0.138  | 0.208  | -0.443 | -0.142 | 0.058  | 0.042    | -0.093 | -0.060 | 1.410  |
|    | [.000] | [.204] | [.000] | [.000] | [.000] | [.746]   | [.462] | [.052] | [.061]  | [.071] | [.000] | [.162] | [.640] | [.794]   | [.126] | [.702] | [.000] |
| 6  | 1.711  | 0.404  | 0.234  | -0.344 | 0.057  | -3.864   | -0.426 | 0.265  | 0.265   | -0.634 | 0.861  | 0.233  | -0.826 | 0.579    | 0.499  | -0.299 | 1.285  |
|    | [.000] | [.143] | [.356] | [.307] | [.734] | [.000]   | [.016] | [.430] | [.295]  | [.068] | [.001] | [.437] | [.004] | [.135]   | [.000] | [.409] | [.000] |
| 7  | 0.111  | 0.509  | 0.343  | 0.011  | 0.038  | -0.150   | -1.637 | -0.205 | -0.089  | -0.227 | 0.066  | -0.038 | 0.072  | -0.277   | 0.140  | 0.302  | 1.032  |
|    | [.215] | [.000] | [.000] | [.911] | [.371] | [.019]   | [.000] | [.002] | [.016]  | [.000] | [.172] | [.445] | [.283] | [.001]   | [.000] | [.001] | [.000] |
| 8  | 0.085  | 0.062  | 0.039  | -0.030 | 0.063  | 0.041    | -0.056 | -0.612 | -0.091  | 0.015  | -0.076 | -0.014 | 0.093  | 0.075    | 0.000  | -0.178 | 0.586  |
|    | [.093] | [.110] | [.274] | [.554] | [.010] | [.325]   | [.013] | [.000] | [.000]  | [.634] | [.002] | [.606] | [.006] | [.071]   | [.989] | [.000] | [.000] |
| 9  | 0.105  | 0.352  | -0.115 | -0.408 | -0.126 | 0.168    | -0.150 | -0.490 | -1.023  | 0.165  | -0.256 | 0.368  | 0.041  | 0.313    | -0.005 | 0.118  | 0.943  |
|    | [.480] | [.001] | [.254] | [.003] | [.078] | [.284]   | [.018] | [.000] | [.000]  | [.250] | [.020] | [.003] | [.730] | [.044]   | [.929] | [.408] | [.000] |
| 10 | 0.097  | 0.283  | 0.150  | -0.078 | 0.071  | -0.100   | -0.094 | 0.019  | 0.052   | -1.054 | -0.029 | 0.053  | 0.032  | -0.065   | 0.053  | 0.016  | 0.594  |
|    | [.128] | [.000] | [.000] | [.198] | [.022] | [.090]   | [.001] | [.646] | [.187]  | [.000] | [.425] | [.174] | [.482] | [.250]   | [.020] | [.792] | [.000] |
| 11 | -0.057 | 0.160  | -0.159 | 0.016  | -0.127 | 0.174    | 0.042  | -0.146 | -0.080  | -0.051 | -1.034 | 0.167  | 0.037  | -0.080   | 0.141  | 0.144  | 0.853  |
|    | [.325] | [.000] | [.000] | [.780] | [.000] | [.001]   | [.111] | [.000] | [.023]  | [.227] | [.000] | [.000] | [.382] | [.130]   | [.000] | [.012] | [.000] |
| 12 | -0.188 | -0.015 | 0.091  | -0.311 | -0.132 | 0.167    | -0.052 | -0.058 | 0.411   | 0.224  | 0.599  | 0.428  | -0.683 | -0.580   | -0.116 | -0.197 | 0.410  |
|    | [.383] | [.928] | [.543] | [.136] | [.216] | [.408]   | [.580] | [.690] | [.002]  | [.153] | [.000] | [.064] | [.000] | [.008]   | [.176] | [.359] | [.000] |
| 13 | -0.126 | 0.155  | 0.030  | 0.014  | 0.020  | -0.122   | 0.029  | 0.069  | 0.008   | -0.003 | 0.016  | -0.164 | -1.394 | 0.176    | -0.059 | 0.294  | 1.056  |
|    | [.038] | [.001] | [.516] | [.825] | [.495] | [.006]   | [.297] | [.095] | [.787]  | [.946] | [.619] | [.000] | [.000] | [.001]   | [.012] | [.000] | [.000] |
| 14 | 1.104  | 0.860  | -0.004 | 0.356  | 0.044  | 0.368    | -0.500 | 0.316  | 0.315   | -0.294 | -0.286 | -0.563 | 0.719  | -3.731   | 0.032  | -0.066 | 1.329  |
|    | [.001] | [.000] | [.987] | [.266] | [.787] | [.137]   | [.001] | [.142] | [.050]  | [.171] | [.095] | [.007] | [.002] | [.000]   | [.792] | [.844] | [.000] |
| 15 | -0.415 | -0.014 | -0.076 | 0.058  | -0.044 | 0.209    | 0.171  | 0.000  | 0.003   | 0.127  | 0.305  | -0.072 | -0.124 | 0.034    | -0.718 | -0.035 | 0.592  |
|    | [.000] | [.836] | [.260] | [.526] | [.253] | [.000]   | [.000] | [.997] | [.930]  | [.021] | [.000] | [.158] | [.050] | [.663]   | [.000] | [.685] | [.000] |
| 16 | 2.889  | -1.581 | 0.450  | -1.207 | -0.093 | -0.284   | 0.768  | -1.455 | 0.167   | 0.016  | 0.641  | -0.294 | 1.779  | -0.103   | -0.112 | -3.221 | 1.639  |
|    | [.000] | [.000] | [.317] | [.027] | [.688] | [.403]   | [.001] | [.000] | [.444]  | [.961] | [.019] | [.324] | [.000] | [.836]   | [.579] | [.000] | [.000] |
| ·  |        |        |        |        |        |          |        |        |         |        |        |        |        |          |        |        |        |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk

3 Carbonated soft drinks – regular

4 Carbonated soft drinks – low calorie

5 Powdered soft drinks 6 Isotonics

7 Bottled water

8 Orange juice

9 Apple juice10 Other juices11 Fruit drinks12 Vegetable juice

I-12. 16 Good - Annual - Censored Corrected, Compensated Elasticities

|    | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     | 11     | 12     | 13     | 14     | 15     | 16     |
|----|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1  | -4.808 | 2.592  | -0.201 | 0.904  | -0.236 | 0.423  | 0.107  | 0.218  | 0.058  | 0.175  | -0.019 | -0.060 | -0.118 | 0.438  | -0.228 | 0.755  |
|    | [.000] | [.000] | [.090] | [.000] | [.000] | [.000] | [.071] | [.025] | [.309] | [.048] | [.788] | [.435] | [.218] | [.000] | [.000] | [.000] |
| 2  | 0.609  | -1.743 | 0.214  | 0.185  | 0.039  | 0.037  | 0.113  | 0.083  | 0.050  | 0.133  | 0.096  | 0.006  | 0.138  | 0.100  | 0.015  | -0.074 |
|    | [.000] | [.000] | [.000] | [.000] | [.000] | [.015] | [.000] | [.000] | [.000] | [.000] | [.000] | [.668] | [.000] | [.000] | [.127] | [.005] |
| 3  | -0.053 | 0.241  | -0.744 | 0.124  | -0.054 | 0.030  | 0.093  | 0.075  | 0.006  | 0.096  | -0.001 | 0.016  | 0.093  | 0.024  | 0.005  | 0.051  |
|    | [.090] | [.000] | [.000] | [.000] | [.000] | [.062] | [.000] | [.000] | [.567] | [.000] | [.932] | [.263] | [.000] | [.296] | [.631] | [.092] |
| 4  | 0.397  | 0.346  | 0.207  | -1.179 | 0.137  | -0.021 | 0.036  | 0.030  | -0.052 | -0.008 | 0.059  | -0.041 | 0.090  | 0.083  | 0.032  | -0.115 |
|    | [.000] | [.000] | [.000] | [.000] | [.000] | [.549] | [.200] | [.486] | [.027] | [.832] | [.056] | [.202] | [.039] | [.116] | [.175] | [.059] |
| 5  | -0.630 | 0.448  | -0.546 | 0.831  | -0.484 | 0.051  | 0.101  | 0.378  | -0.112 | 0.304  | -0.360 | -0.118 | 0.165  | 0.068  | -0.053 | -0.043 |
|    | [.000] | [.000] | [.000] | [.000] | [.000] | [.633] | [.184] | [.003] | [.129] | [.008] | [.000] | [.244] | [.183] | [.675] | [.387] | [.785] |
| 6  | 1.773  | 0.669  | 0.469  | -0.203 | 0.080  | -3.849 | -0.385 | 0.385  | 0.289  | -0.547 | 0.937  | 0.255  | -0.727 | 0.602  | 0.536  | -0.283 |
|    | [.000] | [.015] | [.062] | [.549] | [.633] | [.000] | [.031] | [.250] | [.254] | [.114] | [.000] | [.395] | [.012] | [.121] | [.000] | [.435] |
| 7  | 0.160  | 0.722  | 0.532  | 0.124  | 0.057  | -0.138 | -1.604 | -0.108 | -0.069 | -0.158 | 0.127  | -0.021 | 0.151  | -0.258 | 0.169  | 0.315  |
|    | [.071] | [.000] | [.000] | [.200] | [.184] | [.031] | [.000] | [.098] | [.059] | [.007] | [.009] | [.680] | [.025] | [.002] | [.000] | [.001] |
| 8  | 0.113  | 0.182  | 0.146  | 0.035  | 0.073  | 0.047  | -0.037 | -0.557 | -0.080 | 0.054  | -0.041 | -0.004 | 0.137  | 0.085  | 0.017  | -0.171 |
|    | [.025] | [.000] | [.000] | [.486] | [.003] | [.250] | [.098] | [.000] | [.000] | [.075] | [.096] | [.893] | [.000] | [.039] | [.336] | [.000] |
| 9  | 0.150  | 0.547  | 0.057  | -0.304 | -0.109 | 0.178  | -0.119 | -0.402 | -1.005 | 0.229  | -0.201 | 0.384  | 0.113  | 0.330  | 0.022  | 0.130  |
|    | [.309] | [.000] | [.567] | [.027] | [.129] | [.254] | [.059] | [.000] | [.000] | [.110] | [.068] | [.002] | [.347] | [.034] | [.699] | [.364] |
| 10 | 0.125  | 0.405  | 0.258  | -0.013 | 0.081  | -0.093 | -0.075 | 0.075  | 0.063  | -1.013 | 0.005  | 0.064  | 0.078  | -0.055 | 0.070  | 0.023  |
|    | [.048] | [.000] | [.000] | [.832] | [.008] | [.114] | [.007] | [.075] | [.110] | [.000] | [.883] | [.105] | [.091] | [.337] | [.002] | [.701] |
| 11 | -0.015 | 0.336  | -0.004 | 0.110  | -0.111 | 0.184  | 0.069  | -0.066 | -0.064 | 0.006  | -0.984 | 0.182  | 0.102  | -0.064 | 0.165  | 0.154  |
|    | [.788] | [.000] | [.932] | [.056] | [.000] | [.000] | [.009] | [.096] | [.068] | [.883] | [.000] | [.000] | [.015] | [.222] | [.000] | [.007] |
| 12 | -0.168 | 0.070  | 0.166  | -0.266 | -0.125 | 0.171  | -0.039 | -0.019 | 0.419  | 0.252  | 0.623  | 0.435  | -0.652 | -0.572 | -0.104 | -0.192 |
|    | [.435] | [.668] | [.263] | [.202] | [.244] | [.395] | [.680] | [.893] | [.002] | [.105] | [.000] | [.060] | [.000] | [.009] | [.225] | [.372] |
| 13 | -0.075 | 0.373  | 0.223  | 0.130  | 0.039  | -0.110 | 0.063  | 0.168  | 0.028  | 0.069  | 0.078  | -0.146 | -1.313 | 0.195  | -0.029 | 0.307  |
|    | [.218] | [.000] | [.000] | [.039] | [.183] | [.012] | [.025] | [.000] | [.347] | [.091] | [.015] | [.000] | [.000] | [.000] | [.216] | [.000] |
| 14 | 1.168  | 1.133  | 0.239  | 0.502  | 0.068  | 0.383  | -0.457 | 0.440  | 0.340  | -0.204 | -0.208 | -0.540 | 0.821  | -3.706 | 0.070  | -0.050 |
|    | [.000] | [.000] | [.296] | [.116] | [.675] | [.121] | [.002] | [.039] | [.034] | [.337] | [.222] | [.009] | [.000] | [.000] | [.566] | [.883] |
| 15 | -0.387 | 0.107  | 0.032  | 0.123  | -0.033 | 0.216  | 0.190  | 0.056  | 0.014  | 0.167  | 0.340  | -0.062 | -0.078 | 0.045  | -0.701 | -0.028 |
|    | [.000] | [.127] | [.631] | [.175] | [.387] | [.000] | [.000] | [.336] | [.699] | [.002] | [.000] | [.225] | [.216] | [.566] | [.000] | [.747] |
| 16 | 2.968  | -1.244 | 0.750  | -1.027 | -0.063 | -0.265 | 0.821  | -1.301 | 0.197  | 0.127  | 0.737  | -0.266 | 1.904  | -0.073 | -0.065 | -3.201 |
|    | [.000] | [.005] | [.092] | [.059] | [.785] | [.435] | [.001] | [.000] | [.364] | [.701] | [.007] | [.372] | [.000] | [.883] | [.747] | [.000] |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk 6 Isotonics

3 Carbonated soft drinks – regular

4 Carbonated soft drinks - low calorie

5 Powdered soft drinks

7 Bottled water

8 Orange juice

9 Apple juice 10 Other juices 11 Fruit drinks 12 Vegetable juice

I-13. 16 Good - Quarterly - No Censoring Correction, Uncompensated Elasticities

|     | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     | 11     | 12     | 13     | 14     | 15     | 16     | TE     |
|-----|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1   | -3.402 | 1.545  | -0.059 | 0.692  | -0.241 | 0.228  | 0.081  | 0.061  | 0.012  | 0.114  | -0.015 | -0.020 | -0.050 | 0.225  | -0.144 | 0.009  | 0.964  |
| · · | [.000] | [.000] | [.303] | [.000] | [.000] | [.000] | [.011] | [.260] | [.736] | [.041] | [.731] | [.602] | [.301] | [.000] | [.000] | [.795] | [.000] |
| 2   | 0.328  | -1.633 | 0.046  | 0.088  | -0.005 | 0.003  | 0.070  | -0.021 | 0.018  | 0.085  | 0.019  | -0.020 | 0.098  | 0.069  | 0.000  | 0.035  | 0.820  |
| -   | [.000] | [.000] | [.009] | [000.] | [.433] | [.593] | [.000] | [.151] | [.011] | [.000] | [.090] | [.008] | [.000] | [.000] | [.978] | [.000] | [.000] |
| 3   | -0.028 | -0.032 | -0.838 | 0.005  | -0.056 | 0.006  | -0.001 | -0.086 | -0.040 | -0.040 | -0.104 | -0.005 | -0.007 | 0.009  | -0.025 | 0.008  | 1.232  |
|     | [.066] | [.144] | [.000] | [.821] | [.000] | [.360] | [.930] | [.000] | [.000] | [.007] | [.000] | [.499] | [.666] | [.356] | [.002] | [.230] | [.000] |
| 4   | 0.266  | 0.070  | 0.000  | -1.116 | 0.092  | -0.030 | -0.036 | -0.118 | -0.037 | -0.155 | -0.004 | -0.056 | -0.130 | 0.018  | -0.005 | -0.038 | 1.280  |
|     | [.000] | [.051] | [.989] | [.000] | [.000] | [.019] | [.031] | [.000] | [.007] | [.000] | [.844] | [.000] | [.000] | [.301] | [.737] | [.003] | [.000] |
| 5   | -0.676 | -0.202 | -0.607 | 0.599  | -0.129 | -0.160 | 0.066  | -0.037 | -0.264 | 0.032  | -0.748 | -0.063 | 0.191  | 0.455  | 0.005  | 0.109  | 1.430  |
|     | [.000] | [.020] | [.000] | [.000] | [.031] | [.001] | [.124] | [.618] | [.000] | [.675] | [.000] | [.237] | [.004] | [.000] | [.880] | [.022] | [.000] |
| 6   | 0.894  | -0.025 | 0.093  | -0.289 | -0.231 | -2.584 | -0.071 | 0.072  | 0.078  | 0.057  | 0.360  | 0.125  | -0.067 | 0.168  | 0.192  | -0.006 | 1.235  |
|     | [.000] | [.836] | [.363] | [.021] | [.002] | [.000] | [.246] | [.499] | [.497] | [.636] | [.000] | [.286] | [.475] | [.243] | [.000] | [.954] | [.000] |
| 7   | 0.110  | 0.418  | 0.009  | -0.116 | 0.040  | -0.025 | -1.400 | -0.029 | -0.019 | -0.158 | 0.178  | -0.043 | 0.067  | -0.259 | 0.108  | -0.032 | 1.150  |
|     | [.019] | [.000] | [.866] | [.056] | [.081] | [.264] | [.000] | [.547] | [.438] | [.000] | [.000] | [.097] | [.124] | [.000] | [.000] | [.161] | [.000] |
| 8   | 0.042  | -0.013 | -0.056 | -0.068 | 0.006  | 0.015  | 0.006  | -0.452 | -0.072 | 0.003  | -0.048 | -0.019 | 0.021  | 0.000  | -0.005 | -0.027 | 0.665  |
|     | [.097] | [.687] | [.058] | [.036] | [.611] | [.231] | [.698] | [.000] | [.000] | [.898] | [.016] | [.202] | [.359] | [.990] | [.706] | [.031] | [.000] |
| 9   | 0.031  | 0.179  | -0.315 | -0.184 | -0.228 | 0.051  | -0.024 | -0.399 | -0.556 | 0.068  | -0.243 | 0.218  | 0.114  | 0.218  | 0.003  | 0.132  | 0.937  |
|     | [.725] | [.024] | [.000] | [.025] | [.000] | [.466] | [.542] | [.000] | [.000] | [.368] | [.000] | [.001] | [.064] | [.005] | [.929] | [.027] | [.000] |
| 10  | 0.089  | 0.306  | -0.009 | -0.191 | 0.020  | 0.016  | -0.059 | 0.002  | 0.024  | -0.831 | 0.037  | -0.064 | 0.007  | -0.064 | 0.037  | -0.007 | 0.686  |
|     | [.017] | [.000] | [.817] | [.000] | [.279] | [.434] | [.005] | [.944] | [.261] | [.000] | [.188] | [.005] | [.828] | [.019] | [.023] | [.716] | [.000] |
| 11  | -0.017 | 0.017  | -0.290 | 0.015  | -0.216 | 0.075  | 0.101  | -0.122 | -0.083 | 0.018  | -0.942 | 0.097  | 0.076  | 0.000  | 0.141  | 0.060  | 1.070  |
|     | [.630] | [.682] | [.000] | [.725] | [.000] | [.000] | [.000] | [.000] | [.000] | [.589] | [.000] | [.000] | [.014] | [.999] | [.000] | [.001] | [.000] |
| 12  | -0.038 | -0.213 | 0.053  | -0.303 | -0.050 | 0.094  | -0.065 | -0.102 | 0.254  | -0.255 | 0.358  | 0.341  | -0.215 | -0.244 | -0.124 | -0.084 | 0.594  |
|     | [.717] | [.030] | [.531] | [.003] | [.354] | [.247] | [.190] | [.232] | [.001] | [.006] | [.000] | [.002] | [.005] | [.008] | [.001] | [.232] | [.000] |
| 13  | -0.042 | 0.192  | -0.014 | -0.185 | 0.045  | -0.010 | 0.025  | -0.027 | 0.022  | -0.030 | 0.047  | -0.057 | -1.156 | 0.066  | -0.089 | -0.014 | 1.225  |
|     | [.150] | [.000] | [.691] | [.000] | [.002] | [.481] | [.161] | [.360] | [.136] | [.280] | [.039] | [.001] | [.000] | [.001] | [.000] | [.318] | [.000] |
| 14  | 0.522  | 0.721  | 0.102  | 0.127  | 0.399  | 0.101  | -0.416 | -0.043 | 0.208  | -0.250 | -0.002 | -0.217 | 0.272  | -1.986 | -0.148 | -0.494 | 1.103  |
|     | [.000] | [.000] | [.239] | [.221] | [.000] | [.236] | [.000] | [.618] | [.006] | [.008] | [.979] | [.006] | [.000] | [.000] | [.000] | [.000] | [.000] |
| 15  | -0.231 | -0.014 | -0.093 | 0.025  | 0.012  | 0.083  | 0.129  | -0.038 | 0.003  | 0.076  | 0.296  | -0.078 | -0.218 | -0.098 | -0.738 | -0.005 | 0.890  |
|     | [.000] | [.800] | [.064] | [.644] | [.549] | [.000] | [.000] | [.374] | [.895] | [.055] | [.000] | [.001] | [.000] | [.000] | [.000] | [.804] | [.000] |
| 16  | 0.044  | 0.628  | 0.204  | -0.271 | 0.157  | 0.000  | -0.065 | -0.213 | 0.200  | -0.040 | 0.289  | -0.112 | -0.047 | -0.749 | -0.006 | -0.730 | 0.711  |
|     | [.724] | [.000] | [.032] | [.018] | [.013] | [.999] | [.247] | [.028] | [.024] | [.705] | [.000] | [.224] | [.587] | [.000] | [.895] | [.000] | [.000] |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk 6 Isotonics

3 Carbonated soft drinks – regular

4 Carbonated soft drinks - low calorie

5 Powdered soft drinks

7 Bottled water 8 Orange juice

9 Apple juice

10 Other juices 11 Fruit drinks 12 Vegetable juice 13 Coffee regular 14 Coffee decaffeinated 15 Tea regular 16 Tea decaffeinated

I-14. 16 Good - Quarterly - No Censoring Correction, Compensated Elasticities

|      |        |        |        |        |        | 0      |        |        |        |        |        | 1      | 1      | ,      |        |        |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|      | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9      | 10     | 11     | 12     | 13     | 14     | 15     | 16     |
| 1    | -3.358 | 1.756  | 0.107  | 0.800  | -0.225 | 0.239  | 0.111  | 0.155  | 0.030  | 0.179  | 0.039  | -0.004 | 0.023  | 0.243  | -0.117 | 0.021  |
|      | [.000] | [.000] | [.061] | [.000] | [.000] | [.000] | [.001] | [.004] | [.401] | [.001] | [.368] | [.914] | [.635] | [.000] | [.000] | [.539] |
| 2    | 0.365  | -1.454 | 0.187  | 0.180  | 0.008  | 0.013  | 0.096  | 0.059  | 0.033  | 0.141  | 0.065  | -0.006 | 0.161  | 0.085  | 0.023  | 0.045  |
|      | [.000] | [.000] | [.000] | [.000] | [.206] | [.046] | [.000] | [.000] | [.000] | [.000] | [.000] | [.401] | [.000] | [.000] | [.001] | [.000] |
| 3    | 0.028  | 0.237  | -0.625 | 0.143  | -0.035 | 0.020  | 0.038  | 0.033  | -0.017 | 0.043  | -0.035 | 0.015  | 0.088  | 0.033  | 0.010  | 0.024  |
|      | [.061] | [.000] | [.000] | [.000] | [.000] | [.003] | [.000] | [.043] | [.024] | [.004] | [.005] | [.065] | [.000] | [.001] | [.227] | [.001] |
| 4    | 0.324  | 0.350  | 0.220  | -0.973 | 0.113  | -0.015 | 0.004  | 0.006  | -0.013 | -0.069 | 0.068  | -0.035 | -0.033 | 0.043  | 0.031  | -0.021 |
|      | [.000] | [.000] | [.000] | [.000] | [.000] | [.228] | [.829] | [.842] | [.335] | [.009] | [.002] | [.019] | [.207] | [.015] | [.022] | [.095] |
| 5    | -0.611 | 0.111  | -0.360 | 0.759  | -0.105 | -0.144 | 0.111  | 0.102  | -0.237 | 0.128  | -0.668 | -0.040 | 0.300  | 0.483  | 0.045  | 0.127  |
|      | [.000] | [.206] | [.000] | [.000] | [.078] | [.004] | [.010] | [.166] | [.000] | [.090] | [.000] | [.457] | [.000] | [.000] | [.182] | [.008] |
| 6    | 0.950  | 0.245  | 0.307  | -0.151 | -0.211 | -2.570 | -0.032 | 0.191  | 0.101  | 0.140  | 0.430  | 0.145  | 0.027  | 0.192  | 0.227  | 0.009  |
|      | [.000] | [.046] | [.003] | [.228] | [.004] | [.000] | [.595] | [.071] | [.378] | [.242] | [.000] | [.215] | [.773] | [.183] | [.000] | [.935] |
| 7    | 0.162  | 0.670  | 0.208  | 0.013  | 0.059  | -0.012 | -1.364 | 0.083  | 0.003  | -0.080 | 0.243  | -0.024 | 0.155  | -0.236 | 0.140  | -0.017 |
|      | [.001] | [.000] | [.000] | [.829] | [.010] | [.595] | [.000] | [.081] | [.904] | [.073] | [.000] | [.349] | [.000] | [.000] | [.000] | [.447] |
| 8    | 0.073  | 0.132  | 0.059  | 0.006  | 0.018  | 0.023  | 0.027  | -0.388 | -0.060 | 0.048  | -0.011 | -0.008 | 0.072  | 0.013  | 0.014  | -0.019 |
|      | [.004] | [.000] | [.043] | [.842] | [.166] | [.071] | [.081] | [.000] | [.000] | [.050] | [.597] | [.601] | [.002] | [.467] | [.253] | [.135] |
| 9    | 0.073  | 0.384  | -0.154 | -0.079 | -0.212 | 0.062  | 0.005  | -0.308 | -0.539 | 0.131  | -0.190 | 0.234  | 0.185  | 0.236  | 0.029  | 0.144  |
|      | [.401] | [.000] | [.024] | [.335] | [.000] | [.378] | [.904] | [.000] | [.000] | [.083] | [.001] | [.000] | [.003] | [.002] | [.351] | [.016] |
| 10   | 0.120  | 0.456  | 0.110  | -0.114 | 0.032  | 0.024  | -0.037 | 0.069  | 0.036  | -0.785 | 0.076  | -0.052 | 0.059  | -0.050 | 0.056  | 0.001  |
|      | [.001] | [.000] | [.004] | [.009] | [.090] | [.242] | [.073] | [.050] | [.083] | [.000] | [.007] | [.020] | [.061] | [.063] | [.001] | [.942] |
| 11   | 0.032  | 0.251  | -0.106 | 0.135  | -0.198 | 0.087  | 0.134  | -0.018 | -0.063 | 0.090  | -0.881 | 0.114  | 0.158  | 0.021  | 0.171  | 0.073  |
|      | [.368] | [.000] | [.005] | [.002] | [.000] | [.000] | [.000] | [.597] | [.001] | [.007] | [.000] | [.000] | [.000] | [.404] | [.000] | [.000] |
| 12   | -0.011 | -0.084 | 0.156  | -0.237 | -0.040 | 0.101  | -0.046 | -0.045 | 0.265  | -0.215 | 0.392  | 0.351  | -0.169 | -0.233 | -0.107 | -0.077 |
|      | [.914] | [.401] | [.065] | [.019] | [.457] | [.215] | [.349] | [.601] | [.000] | [.020] | [.000] | [.001] | [.025] | [.012] | [.005] | [.276] |
| 13   | 0.014  | 0.460  | 0.198  | -0.048 | 0.066  | 0.004  | 0.063  | 0.091  | 0.045  | 0.052  | 0.117  | -0.036 | -1.062 | 0.090  | -0.055 | 0.001  |
|      | [.635] | [.000] | [.000] | [.207] | [.000] | [.773] | [.000] | [.002] | [.003] | [.061] | [.000] | [.025] | [.000] | [.000] | [.000] | [.930] |
| 14   | 0.572  | 0.962  | 0.293  | 0.251  | 0.418  | 0.114  | -0.381 | 0.063  | 0.228  | -0.176 | 0.060  | -0.199 | 0.356  | -1.964 | -0.117 | -0.480 |
|      | [.000] | [.000] | [.001] | [.015] | [.000] | [.183] | [.000] | [.467] | [.002] | [.063] | [.404] | [.012] | [.000] | [.000] | [.003] | [.000] |
| 15   | -0.191 | 0.181  | 0.060  | 0.125  | 0.027  | 0.093  | 0.156  | 0.048  | 0.019  | 0.136  | 0.346  | -0.064 | -0.150 | -0.081 | -0.713 | 0.006  |
|      | [.000] | [.001] | [.227] | [.022] | [.182] | [.000] | [.000] | [.253] | [.351] | [.001] | [.000] | [.005] | [.000] | [.003] | [.000] | [.745] |
| 16   | 0.076  | 0.783  | 0.327  | -0.191 | 0.169  | 0.008  | -0.043 | -0.144 | 0.214  | 0.008  | 0.329  | -0.100 | 0.008  | -0.735 | 0.014  | -0.721 |
|      | [.539] | [.000] | [.001] | [.095] | [.008] | [.935] | [.447] | [.135] | [.016] | [.942] | [.000] | [.276] | [.930] | [.000] | [.745] | [.000] |
| Logo |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk 6 Isotonics

3 Carbonated soft drinks – regular

4 Carbonated soft drinks - low calorie

5 Powdered soft drinks

7 Bottled water

8 Orange juice

9 Apple juice

10 Other juices 11 Fruit drinks 12 Vegetable juice 13 Coffee regular 14 Coffee decaffeinated 15 Tea regular 16 Tea decaffeinated

I-15. 16 Good - Quarterly - Censored Corrected, Uncompensated Elasticities

| <b>,</b> | 1       | 2      | 3      | 4      | 5      | 6      | 7      | 8      | 9       | 10     | 11      | 12     | 13     | 14     | 15     | 16     | TE     |
|----------|---------|--------|--------|--------|--------|--------|--------|--------|---------|--------|---------|--------|--------|--------|--------|--------|--------|
| 1        | -7.078  | 2.605  | -0.500 | 1.070  | -0.657 | 1.230  | 0.213  | 0.143  | 0.092   | 0.204  | 0.088   | 0.096  | -0.452 | 1.069  | -0.376 | 1.220  | 1.031  |
| •        | [.000]  | [.000] | [.000] | [.000] | [.000] | [.000] | [.006] | [.177] | [.297]  | [.060] | [.278]  | [.416] | [.000] | [.000] | [.000] | [.000] | [.000] |
| 2        | 0.553   | -1.652 | 0.050  | 0.135  | -0.004 | -0.021 | 0.081  | -0.014 | 0.056   | 0.118  | 0.050   | -0.036 | 0.111  | 0.071  | -0.015 | -0.261 | 0.777  |
| 2        | [.000]  | [.000] | [.001] | [.000] | [.732] | [.311] | [.000] | [.324] | [.000]  | [.000] | [.000.] | [.027] | [.000] | [.002] | [.095] | [.000] | [.000] |
| 3        | -0.143  | -0.045 | -0.806 | 0.019  | -0.161 |        | 0.029  | -0.093 |         | -0.040 | -0.086  | 0.004  | 0.003  | -0.020 | -0.043 | 0.143  | 1.277  |
| 3        |         |        |        |        |        | 0.033  |        |        | -0.071  |        |         |        |        |        |        |        |        |
| -        | [.000]  | [.022] | [.000] | [.463] | [.000] | [.145] | [.043] | [.000] | [.000]  | [.021] | [.000]  | [.855] | [.872] | [.465] | [.000] | [.000] | [.000] |
| 4        | 0.417   | 0.132  | 0.013  | -1.012 | 0.298  | -0.360 | -0.021 | -0.196 | -0.160  | -0.279 | -0.099  | -0.322 | -0.098 | 0.151  | 0.022  | 0.138  | 1.375  |
| _        | [.000]  | [.001] | [.755] | [.000] | [.000] | [.000] | [.525] | [.000] | [.000]  | [.000] | [.003]  | [.000] | [.024] | [.021] | [.404] | [.047] | [.000] |
| 5        | -1.845  | -0.417 | -1.860 | 1.878  | 0.672  | -0.133 | 0.207  | 0.672  | -0.518  | 0.197  | -0.954  | -0.253 | 0.607  | 0.329  | -0.198 | -0.830 | 2.445  |
|          | [.000]  | [.007] | [.000] | [.000] | [.000] | [.386] | [.048] | [.000] | [.000]  | [.130] | [.000]  | [.107] | [.000] | [.187] | [.026] | [.001] | [.000] |
| 6        | 4.875   | -0.488 | 0.520  | -3.507 | -0.173 | -6.146 | -0.799 | 0.427  | 1.132   | 0.556  | 1.724   | -0.294 | -1.709 | 1.659  | 1.146  | -0.099 | 1.176  |
|          | [.000]  | [.214] | [.134] | [.000] | [.439] | [.000] | [.003] | [.278] | [.001]  | [.163] | [.000]  | [.542] | [.000] | [.008] | [.000] | [.872] | [.000] |
| 7        | 0.300   | 0.464  | 0.162  | -0.062 | 0.131  | -0.294 | -1.937 | -0.172 | -0.112  | -0.356 | 0.031   | -0.086 | 0.169  | -0.736 | 0.254  | 0.981  | 1.264  |
|          | [.009]  | [.000] | [.042] | [.598] | [.019] | [.003] | [.000] | [.025] | [.077]  | [.000] | [.608]  | [.330] | [.049] | [.000] | [.000] | [.000] | [.000] |
| 8        | 0.090   | 0.025  | -0.035 | -0.131 | 0.149  | 0.058  | -0.032 | -0.292 | -0.156  | -0.007 | -0.033  | -0.020 | 0.009  | -0.002 | -0.003 | -0.139 | 0.518  |
|          | [.068]  | [.426] | [.254] | [.006] | [.000] | [.212] | [.191] | [.000] | [.000]  | [.847] | [.239]  | [.609] | [.788] | [.970] | [.881] | [.007] | [.000] |
| 9        | 0.235   | 0.657  | -0.575 | -0.895 | -0.436 | 0.696  | -0.172 | -0.832 | -0.029  | 0.636  | -0.563  | 0.537  | 0.163  | 0.104  | -0.047 | -0.273 | 0.791  |
|          | [.274]  | [.000] | [.000] | [.000] | [.000] | [.001] | [.103] | [.000] | [.902]  | [.000] | [.000]  | [.005] | [.296] | [.670] | [.588] | [.217] | [.000] |
| 10       | 0.159   | 0.435  | 0.025  | -0.370 | 0.081  | 0.102  | -0.142 | -0.012 | 0.181   | -0.690 | 0.046   | -0.082 | -0.042 | -0.381 | 0.077  | 0.074  | 0.539  |
|          | [.028]  | [.000] | [.577] | [.000] | [.012] | [.132] | [.000] | [.815] | [.000]  | [.000] | [.291]  | [.181] | [.419] | [.000] | [.009] | [.321] | [.000] |
| 11       | 0.075   | 0.160  | -0.203 | -0.147 | -0.257 | 0.352  | 0.028  | -0.097 | -0.189  | 0.028  | -0.903  | 0.303  | -0.037 | -0.378 | 0.149  | 0.181  | 0.936  |
|          | [.250]  | [.000] | [.000] | [.025] | [.000] | [.000] | [.414] | [.044] | [.000]  | [.588] | [.000]  | [.000] | [.450] | [.000] | [.000] | [.012] | [.000] |
| 12       | 0.341   | -0.164 | 0.374  | -1.960 | -0.205 | -0.183 | -0.102 | -0.001 | 0.637   | -0.255 | 1.130   | 3.660  | -0.707 | -0.513 | 0.017  | -1.397 | -0.671 |
|          | [.292]  | [.444] | [.073] | [.000] | [.197] | [.584] | [.539] | [.998] | [.003]  | [.312] | [.000]  | [.000] | [.001] | [.135] | [.900] | [.000] | [.000] |
| 13       | -0.286  | 0.176  | -0.019 | -0.150 | 0.150  | -0.259 | 0.064  | -0.076 | 0.028   | -0.097 | -0.055  | -0.187 | -1.202 | 0.393  | -0.156 | 0.248  | 1.427  |
|          | [.000]  | [.000] | [.658] | [.020] | [.000] | [.000] | [.069] | [.082] | [.466]  | [.037] | [.129]  | [.000] | [.000] | [.000] | [.000] | [.001] | [.000] |
| 14       | 2.482   | 0.612  | -0.243 | 0.849  | 0.298  | 0.977  | -1.199 | -0.118 | 0.085   | -1.405 | -1.146  | -0.476 | 1.538  | -3.562 | -0.092 | -0.239 | 1.640  |
|          | [.000]  | [.016] | [.330] | [.027] | [.167] | [.009] | [.000] | [.650] | [.720]  | [.000] | [.000]  | [.105] | [.000] | [.000] | [.552] | [.608] | [.000] |
| 15       | -0.605  | -0.144 | -0.200 | 0.143  | -0.093 | 0.474  | 0.296  | -0.047 | -0.033  | 0.162  | 0.304   | -0.016 | -0.388 | -0.050 | -0.313 | -0.382 | 0.893  |
| -        | [000.]  | [.043] | [.006] | [.181] | [.082] | [.000] | [.000] | [.501] | [.567]  | [.024] | [.000]  | [.840] | [.000] | [.645] | [.000] | [.003] | [.000] |
| 16       | 4.416   | -4.456 | 2.092  | 1.328  | -1.069 | -0.082 | 2.448  | -1.061 | -0.399  | 0.401  | 0.833   | -1.845 | 1.575  | -0.344 | -0.834 | -3.509 | 0.504  |
|          | [.000.] | [.000] | [.000] | [.032] | [.001] | [.883] | [.000] | [.007] | [.224]  | [.321] | [.010]  | [.000] | [000.] | [.630] | [.003] | [.001] | [.178] |
| <u> </u> |         | [.000] | [.000] | [.002] | [.001] | [.000] | [.000] | [.007] | [-22-7] | [.021] | [.0.0]  | [.000] | [.000] | [.000] | [.000] | [.001] | [0]    |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk 6 Isotonics

3 Carbonated soft drinks – regular

4 Carbonated soft drinks - low calorie

5 Powdered soft drinks

6 Isotonics7 Bottled water8 Orange juice

9 Apple juice

10 Other juices 11 Fruit drinks 12 Vegetable juice 13 Coffee regular
 14 Coffee decaffeinated
 15 Tea regular
 16 Tea decaffeinated

I-16. 16 Good - Quarterly - Censored Corrected, Compensated Elasticities

|          | 1      | 2      | 3      | 4      | 5      | 6      | 7       | 8      | 9      | 10     | 11     | 12     | 13     | 14     | 15     | 16     |
|----------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| _        | -      |        | -      |        | -      | -      | -       | -      | -      | -      |        |        | -      |        |        | -      |
| 1        | -7.031 | 2.831  | -0.322 | 1.185  | -0.639 | 1.242  | 0.245   | 0.243  | 0.112  | 0.273  | 0.147  | 0.113  | -0.373 | 1.089  | -0.347 | 1.233  |
|          | [.000] | [.000] | [.003] | [.000] | [.000] | [.000] | [.002]  | [.021] | [.207] | [.011] | [.071] | [.337] | [.001] | [.000] | [.000] | [.000] |
| 2        | 0.588  | -1.483 | 0.185  | 0.222  | 0.009  | -0.012 | 0.106   | 0.061  | 0.071  | 0.171  | 0.094  | -0.023 | 0.171  | 0.086  | 0.006  | -0.251 |
|          | [.000] | [.000] | [.000] | [.000] | [.443] | [.559] | [.000]  | [.000] | [.000] | [.000] | [.000] | [.151] | [.000] | [.000] | [.477] | [.000] |
| 3        | -0.085 | 0.234  | -0.586 | 0.163  | -0.139 | 0.048  | 0.069   | 0.031  | -0.048 | 0.046  | -0.014 | 0.025  | 0.101  | 0.004  | -0.007 | 0.159  |
|          | [.003] | [.000] | [.000] | [.000] | [.000] | [.036] | [.000]  | [.072] | [.001] | [.008] | [.333] | [.213] | [.000] | [.871] | [.526] | [.000] |
| 4        | 0.479  | 0.432  | 0.250  | -0.858 | 0.321  | -0.344 | 0.022   | -0.063 | -0.134 | -0.186 | -0.021 | -0.299 | 0.007  | 0.178  | 0.060  | 0.156  |
|          | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.496]  | [.122] | [.000] | [.000] | [.521] | [.000] | [.870] | [.007] | [.023] | [.025] |
| 5        | -1.734 | 0.117  | -1.438 | 2.152  | 0.713  | -0.105 | 0.283   | 0.909  | -0.472 | 0.362  | -0.816 | -0.213 | 0.794  | 0.376  | -0.130 | -0.800 |
|          | [.000] | [.443] | [.000] | [.000] | [.000] | [.493] | [.007]  | [.000] | [.000] | [.005] | [.000] | [.174] | [.000] | [.132] | [.145] | [.001] |
| 6        | 4.928  | -0.231 | 0.723  | -3.375 | -0.153 | -6.133 | -0.762  | 0.541  | 1.154  | 0.636  | 1.790  | -0.275 | -1.619 | 1.682  | 1.179  | -0.084 |
|          | [.000] | [.559] | [.036] | [.000] | [.493] | [.000] | [.004]  | [.168] | [.001] | [.110] | [.000] | [.568] | [.000] | [.007] | [.000] | [.891] |
| 7        | 0.357  | 0.740  | 0.380  | 0.080  | 0.152  | -0.280 | -1.898  | -0.050 | -0.088 | -0.271 | 0.103  | -0.065 | 0.266  | -0.712 | 0.289  | 0.997  |
|          | [.002] | [.000] | [.000] | [.496] | [.007] | [.004] | [.000]  | [.515] | [.163] | [.000] | [.093] | [.460] | [.002] | [.000] | [.000] | [.000] |
| 8        | 0.114  | 0.138  | 0.055  | -0.073 | 0.157  | 0.064  | -0.016  | -0.242 | -0.146 | 0.028  | -0.004 | -0.011 | 0.049  | 0.008  | 0.011  | -0.132 |
|          | [.021] | [.000] | [.072] | [.122] | [.000] | [.168] | [.515]  | [.000] | [.000] | [.418] | [.898] | [.772] | [.157] | [.877] | [.562] | [.010] |
| 9        | 0.271  | 0.830  | -0.439 | -0.806 | -0.422 | 0.705  | -0.147  | -0.755 | -0.014 | 0.690  | -0.518 | 0.550  | 0.224  | 0.119  | -0.025 | -0.263 |
|          | [.207] | [.000] | [.001] | [.000] | [.000] | [.001] | [.163]  | [.000] | [.953] | [.000] | [.000] | [.004] | [.155] | [.625] | [.775] | [.235] |
| 10       | 0.184  | 0.553  | 0.118  | -0.310 | 0.090  | 0.108  | -0.125  | 0.040  | 0.191  | -0.653 | 0.077  | -0.073 | -0.001 | -0.371 | 0.092  | 0.081  |
|          | [.011] | [.000] | [.008] | [.000] | [.005] | [.110] | [.000]  | [.418] | [.000] | [.000] | [.080] | [.233] | [.988] | [.000] | [.002] | [.279] |
| 11       | 0.118  | 0.364  | -0.041 | -0.042 | -0.242 | 0.362  | 0.057   | -0.006 | -0.172 | 0.092  | -0.850 | 0.319  | 0.035  | -0.360 | 0.175  | 0.192  |
|          | [.071] | [.000] | [.333] | [.521] | [.000] | [.000] | [.093]  | [.898] | [.000] | [.080] | [.000] | [.000] | [.472] | [.000] | [.000] | [.007] |
| 12       | 0.310  | -0.311 | 0.258  | -2.035 | -0.216 | -0.191 | -0.123  | -0.066 | 0.625  | -0.300 | 1.092  | 3.649  | -0.759 | -0.526 | -0.002 | -1.406 |
|          | [.337] | [.151] | [.213] | [.000] | [.174] | [.568] | [.460]  | [.772] | [.004] | [.233] | [.000] | [.000] | [.001] | [.126] | [.988] | [.000] |
| 13       | -0.222 | 0.488  | 0.227  | 0.010  | 0.174  | -0.242 | 0.108   | 0.062  | 0.055  | -0.001 | 0.026  | -0.164 | -1.093 | 0.421  | -0.117 | 0.266  |
|          | [.001] | [.000] | [.000] | [.870] | [.000] | [000.] | [.002]  | [.157] | [.155] | [.988] | [.472] | [.001] | [.000] | [.000] | [.000] | [.000] |
| 14       | 2.557  | 0.970  | 0.040  | 1.033  | 0.326  | 0.995  | -1.148  | 0.040  | 0.115  | -1.294 | -1.053 | -0.449 | 1.663  | -3.530 | -0.047 | -0.218 |
|          | [.000] | [.000] | [.871] | [.007] | [.132] | [.007] | [.000]  | [.877] | [.625] | [.000] | [.000] | [.126] | [.000] | [.000] | [.764] | [.640] |
| 15       | -0.565 | 0.051  | -0.046 | 0.243  | -0.078 | 0.484  | 0.323   | 0.040  | -0.017 | 0.222  | 0.354  | -0.001 | -0.320 | -0.032 | -0.288 | -0.371 |
| <u> </u> | [.000] | [.477] | [.526] | [.023] | [.145] | [.000] | [.000.] | [.562] | [.775] | [.002] | [.000] | [.988] | [.000] | [.764] | [.000] | [.004] |
| 16       | 4.439  | -4.346 | 2.179  | 1.385  | -1.061 | -0.076 | 2.464   | -1.012 | -0.390 | 0.435  | 0.862  | -1.837 | 1.614  | -0.334 | -0.820 | -3.502 |
|          | [.000] | [.000] | [.000] | [.025] | [.001] | [.891] | [.000]  | [.010] | [.235] | [.279] | [.007] | [.000] | [.000] | [.640] | [.004] | [.001] |
| L        | [.000] | [.000] | [.000] | [.020] | [.001] | [.001] | [.000]  | [.510] | [.200] | [.275] | [.007] | [.000] | [.000] | [.040] | [.004] | [.001] |

1 Whole fat flavored and unflavored milk

2 Reduced fat flavored and unflavored milk

3 Carbonated soft drinks – regular

4 Carbonated soft drinks – low calorie

5 Powdered soft drinks 6 Isotonics

7 Bottled water

8 Orange juice

9 Apple juice10 Other juices11 Fruit drinks12 Vegetable juice

13 Coffee regular
 14 Coffee decaffeinated
 15 Tea regular
 16 Tea decaffeinated

## **APPENDIX J**

# **ELASTICITIES – DEMOGRAPHIC COMPARISONS**

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.656 | 0.188  | 0.028  | 0.119  | 0.107  | 0.062  | 0.148  | -0.026 | 1.031  |
|   | [.000] | [.000] | [.058] | [.000] | [.000] | [.091] | [.000] | [.037] | [.000] |
| 2 | 0.103  | -1.177 | 0.000  | 0.011  | 0.037  | -0.185 | -0.005 | -0.054 | 1.271  |
|   | [.000] | [.000] | [.974] | [.050] | [.000] | [.000] | [.742] | [.000] | [.000] |
| 3 | 0.291  | -0.044 | -0.385 | 0.154  | -0.039 | -1.274 | -0.016 | -0.119 | 1.432  |
|   | [.161] | [.686] | [.000] | [.066] | [.659] | [.000] | [.905] | [.006] | [.000] |
| 4 | 2.511  | 0.286  | 0.238  | -2.539 | -0.890 | -0.014 | -0.964 | 0.189  | 1.182  |
|   | [.000] | [.049] | [.060] | [.000] | [.000] | [.973] | [.001] | [.001] | [.000] |
| 5 | 0.826  | 0.398  | -0.014 | -0.320 | -1.750 | -0.161 | -0.122 | 0.117  | 1.026  |
|   | [.000] | [.000] | [.772] | [.000] | [.000] | [.147] | [.107] | [.003] | [.000] |
| 6 | 0.148  | -0.041 | -0.076 | 0.005  | -0.010 | -0.823 | 0.058  | 0.046  | 0.692  |
|   | [.000] | [.151] | [.000] | [.788] | [.489] | [.000] | [.009] | [.000] | [.000] |
| 7 | 0.402  | 0.056  | 0.004  | -0.119 | -0.042 | 0.075  | -1.354 | -0.041 | 1.019  |
|   | [.000] | [.281] | [.872] | [.001] | [.110] | [.227] | [.000] | [.071] | [.000] |
| 8 | -0.030 | -0.160 | -0.036 | 0.063  | 0.112  | 0.340  | -0.047 | -0.745 | 0.503  |
|   | [.701] | [.063] | [.059] | [.000] | [.001] | [.000] | [.376] | [.000] | [.000] |

### J-1. Above 130% Poverty Status Uncompensated Elasticities

#### J-2. Above 130% poverty status compensated elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.395 | 0.488  | 0.046  | 0.131  | 0.140  | 0.327  | 0.246  | 0.016  |
|   | [.000] | [.000] | [.002] | [.000] | [.000] | [.000] | [.000] | [.213] |
| 2 | 0.425  | -0.806 | 0.023  | 0.026  | 0.078  | 0.141  | 0.115  | -0.002 |
|   | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.000] | [.875] |
| 3 | 0.655  | 0.374  | -0.360 | 0.171  | 0.008  | -0.906 | 0.119  | -0.061 |
|   | [.002] | [.000] | [.001] | [.041] | [.929] | [.000] | [.397] | [.158] |
| 4 | 2.812  | 0.630  | 0.259  | -2.525 | -0.851 | 0.290  | -0.852 | 0.237  |
|   | [.000] | [.000] | [.041] | [.000] | [.000] | [.486] | [.003] | [.000] |
| 5 | 1.087  | 0.697  | 0.004  | -0.308 | -1.716 | 0.102  | -0.025 | 0.159  |
|   | [.000] | [.000] | [.929] | [.000] | [.000] | [.350] | [.739] | [.000] |
| 6 | 0.323  | 0.160  | -0.063 | 0.013  | 0.013  | -0.645 | 0.124  | 0.074  |
|   | [.000] | [.000] | [.000] | [.486] | [.350] | [.000] | [.000] | [.000] |
| 7 | 0.660  | 0.353  | 0.023  | -0.107 | -0.009 | 0.336  | -1.257 | 0.000  |
|   | [.000] | [.000] | [.397] | [.003] | [.739] | [.000] | [.000] | [.987] |
| 8 | 0.098  | -0.013 | -0.027 | 0.069  | 0.128  | 0.469  | 0.001  | -0.725 |
|   | [.213] | [.875] | [.158] | [.000] | [.000] | [.000] | [.987] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

8 Tea

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.324 | -0.031 | 0.135  | 0.070  | 0.071  | -0.116 | 0.295  | -0.078 | 0.978  |
|   | [.000] | [.838] | [.019] | [.415] | [.197] | [.518] | [.019] | [.194] | [.000] |
| 2 | -0.099 | -0.962 | -0.010 | 0.005  | -0.004 | -0.235 | -0.004 | 0.048  | 1.261  |
|   | [.409] | [.000] | [.673] | [.629] | [.870] | [.014] | [.958] | [.337] | [.000] |
| 3 | 1.588  | -0.144 | -0.330 | -0.078 | -0.322 | -1.660 | -0.460 | 0.180  | 1.226  |
|   | [.025] | [.706] | [.325] | [.602] | [.176] | [.010] | [.370] | [.294] | [.000] |
| 4 | 3.602  | 0.446  | -0.316 | -1.556 | -0.855 | -3.050 | 0.818  | 0.055  | 0.855  |
|   | [.404] | [.583] | [.610] | [.710] | [.545] | [.382] | [.745] | [.859] | [.406] |
| 5 | 1.001  | 0.022  | -0.364 | -0.236 | -1.946 | 0.189  | -0.053 | 0.426  | 0.963  |
|   | [.197] | [.962] | [.182] | [.545] | [.000] | [.779] | [.925] | [.046] | [.000] |
| 6 | -0.086 | -0.174 | -0.140 | -0.065 | 0.017  | -0.371 | -0.016 | 0.015  | 0.820  |
|   | [.657] | [.180] | [.012] | [.376] | [.736] | [.104] | [.901] | [.786] | [.000] |
| 7 | 0.830  | 0.080  | -0.100 | 0.044  | -0.011 | -0.076 | -1.595 | -0.140 | 0.968  |
|   | [.019] | [.763] | [.401] | [.752] | [.924] | [.820] | [.000] | [.217] | [.000] |
| 8 | -0.266 | 0.697  | 0.111  | 0.010  | 0.197  | 0.231  | -0.230 | -0.942 | 0.192  |
|   | [.459] | [.066] | [.193] | [.790] | [.032] | [.455] | [.350] | [.000] | [.342] |

J-3. Below 130% Poverty Status, Uncompensated Elasticities

### J-4. Below 130% Poverty Status, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.069 | 0.281  | 0.156  | 0.075  | 0.089  | 0.117  | 0.386  | -0.036 |
|   | [.000] | [.054] | [.007] | [.382] | [.105] | [.511] | [.002] | [.551] |
| 2 | 0.230  | -0.559 | 0.017  | 0.012  | 0.019  | 0.066  | 0.113  | 0.103  |
|   | [.054] | [.000] | [.500] | [.273] | [.460] | [.485] | [.134] | [.041] |
| 3 | 1.908  | 0.247  | -0.303 | -0.072 | -0.300 | -1.367 | -0.346 | 0.233  |
|   | [.007] | [.500] | [.367] | [.632] | [.209] | [.029] | [.506] | [.176] |
| 4 | 3.826  | 0.719  | -0.298 | -1.552 | -0.839 | -2.846 | 0.898  | 0.092  |
|   | [.382] | [.273] | [.632] | [.711] | [.553] | [.408] | [.725] | [.769] |
| 5 | 1.252  | 0.329  | -0.344 | -0.231 | -1.928 | 0.418  | 0.037  | 0.467  |
|   | [.105] | [.460] | [.209] | [.553] | [.000] | [.527] | [.948] | [.029] |
| 6 | 0.128  | 0.088  | -0.122 | -0.061 | 0.033  | -0.175 | 0.060  | 0.050  |
|   | [.511] | [.485] | [.029] | [.408] | [.527] | [.434] | [.642] | [.358] |
| 7 | 1.083  | 0.389  | -0.079 | 0.049  | 0.007  | 0.154  | -1.505 | -0.099 |
|   | [.002] | [.134] | [.506] | [.725] | [.948] | [.642] | [.000] | [.386] |
| 8 | -0.216 | 0.758  | 0.115  | 0.011  | 0.201  | 0.277  | -0.212 | -0.934 |
|   | [.551] | [.041] | [.176] | [.769] | [.029] | [.358] | [.386] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water

6 Juices and fruit drinks

7 Coffee

8 Tea

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.608 | 0.109  | 0.067  | 0.204  | 0.080  | 0.063  | 0.124  | -0.076 | 1.037  |
|   | [.000] | [.087] | [.069] | [.002] | [.021] | [.491] | [.022] | [.005] | [.000] |
| 2 | 0.064  | -1.171 | 0.012  | 0.007  | 0.038  | -0.182 | 0.059  | -0.025 | 1.199  |
|   | [.282] | [.000] | [.387] | [.523] | [.083] | [.002] | [.130] | [.335] | [.000] |
| 3 | 0.789  | 0.103  | -0.510 | 0.606  | -0.038 | -2.385 | 0.165  | -0.196 | 1.465  |
|   | [.110] | [.614] | [.058] | [.003] | [.845] | [.000] | [.613] | [.014] | [.000] |
| 4 | 5.296  | 0.225  | 1.194  | -3.851 | -1.109 | -0.729 | -2.232 | 0.176  | 1.031  |
|   | [.002] | [.472] | [.003] | [.029] | [.042] | [.582] | [.014] | [.141] | [.013] |
| 5 | 0.562  | 0.310  | -0.014 | -0.310 | -1.907 | 0.046  | 0.000  | 0.196  | 1.117  |
|   | [.026] | [.066] | [.892] | [.042] | [.000] | [.847] | [.999] | [.009] | [.000] |
| 6 | 0.126  | -0.049 | -0.141 | -0.021 | 0.018  | -0.777 | 0.072  | 0.032  | 0.741  |
|   | [.104] | [.355] | [.000] | [.623] | [.517] | [.000] | [.135] | [.163] | [.000] |
| 7 | 0.247  | 0.147  | 0.033  | -0.195 | -0.002 | 0.068  | -1.421 | -0.053 | 1.176  |
|   | [.043] | [.115] | [.554] | [.014] | [.971] | [.597] | [.000] | [.206] | [.000] |
| 8 | -0.230 | 0.022  | -0.047 | 0.032  | 0.128  | 0.175  | -0.044 | -0.707 | 0.672  |
|   | [.042] | [.849] | [.059] | [.090] | [.003] | [.125] | [.567] | [.000] | [.000] |

J-5. Region – East, Uncompensated Elasticities

### J-6. Region – East, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.358 | 0.373  | 0.086  | 0.213  | 0.115  | 0.353  | 0.234  | -0.016 |
|   | [.000] | [.000] | [.020] | [.002] | [.001] | [.000] | [.000] | [.543] |
| 2 | 0.352  | -0.865 | 0.034  | 0.018  | 0.078  | 0.153  | 0.186  | 0.044  |
|   | [.000] | [.000] | [.016] | [.087] | [.000] | [.008] | [.000] | [.093] |
| 3 | 1.142  | 0.476  | -0.483 | 0.619  | 0.011  | -1.975 | 0.321  | -0.112 |
|   | [.020] | [.016] | [.073] | [.002] | [.955] | [.000] | [.332] | [.160] |
| 4 | 5.544  | 0.488  | 1.213  | -3.842 | -1.075 | -0.441 | -2.122 | 0.235  |
|   | [.002] | [.087] | [.002] | [.029] | [.050] | [.738] | [.021] | [.042] |
| 5 | 0.831  | 0.595  | 0.006  | -0.300 | -1.870 | 0.359  | 0.119  | 0.260  |
|   | [.001] | [.000] | [.955] | [.050] | [.000] | [.125] | [.469] | [.000] |
| 6 | 0.304  | 0.140  | -0.128 | -0.015 | 0.043  | -0.570 | 0.151  | 0.075  |
|   | [.000] | [.008] | [.000] | [.738] | [.125] | [.000] | [.002] | [.001] |
| 7 | 0.530  | 0.446  | 0.055  | -0.185 | 0.037  | 0.397  | -1.296 | 0.015  |
|   | [.000] | [.000] | [.332] | [.021] | [.469] | [.002] | [.000] | [.724] |
| 8 | -0.068 | 0.194  | -0.035 | 0.038  | 0.151  | 0.363  | 0.027  | -0.669 |
|   | [.543] | [.093] | [.160] | [.042] | [.000] | [.001] | [.724] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.561 | 0.253  | 0.050  | 0.132  | 0.058  | -0.081 | 0.146  | -0.004 | 1.007  |
|   | [.000] | [.000] | [.049] | [.002] | [.030] | [.245] | [.002] | [.872] | [.000] |
| 2 | 0.142  | -1.133 | 0.003  | -0.006 | -0.005 | -0.208 | 0.029  | -0.061 | 1.239  |
|   | [.007] | [.000] | [.840] | [.552] | [.759] | [.000] | [.379] | [.009] | [.000] |
| 3 | 0.622  | 0.007  | -0.451 | -0.079 | 0.060  | -1.349 | 0.001  | -0.173 | 1.362  |
|   | [.087] | [.977] | [.010] | [.506] | [.680] | [.000] | [.997] | [.062] | [.000] |
| 4 | 3.341  | -0.213 | -0.142 | -2.927 | 0.121  | 0.052  | -1.644 | 0.081  | 1.330  |
|   | [.003] | [.537] | [.506] | [.007] | [.749] | [.954] | [.005] | [.505] | [.000] |
| 5 | 0.616  | 0.007  | 0.051  | 0.053  | -1.757 | 0.013  | -0.192 | 0.207  | 1.004  |
|   | [.029] | [.977] | [.636] | [.734] | [.000] | [.960] | [.297] | [.031] | [.000] |
| 6 | -0.012 | -0.118 | -0.094 | 0.009  | 0.009  | -0.579 | 0.026  | 0.053  | 0.706  |
|   | [.877] | [.076] | [.000] | [.825] | [.745] | [.000] | [.599] | [.035] | [.000] |
| 7 | 0.450  | 0.201  | 0.008  | -0.185 | -0.053 | 0.009  | -1.336 | -0.048 | 0.956  |
|   | [.001] | [.110] | [.878] | [.007] | [.311] | [.944] | [.000] | [.345] | [.000] |
| 8 | 0.116  | -0.353 | -0.081 | 0.035  | 0.174  | 0.446  | -0.086 | -0.690 | 0.439  |
|   | [.584] | [.145] | [.123] | [.364] | [.019] | [.016] | [.536] | [.000] | [.000] |

J-7. Region – Central, Uncompensated Elasticities

### J-8. Region – Central, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.295 | 0.584  | 0.068  | 0.142  | 0.083  | 0.154  | 0.235  | 0.028  |
|   | [.000] | [.000] | [.007] | [.001] | [.002] | [.024] | [.000] | [.275] |
| 2 | 0.469  | -0.726 | 0.025  | 0.007  | 0.026  | 0.081  | 0.138  | -0.021 |
|   | [.000] | [.000] | [.052] | [.465] | [.143] | [.077] | [.000] | [.376] |
| 3 | 0.982  | 0.454  | -0.426 | -0.065 | 0.094  | -1.031 | 0.121  | -0.129 |
|   | [.007] | [.052] | [.016] | [.583] | [.519] | [.002] | [.614] | [.164] |
| 4 | 3.692  | 0.224  | -0.118 | -2.914 | 0.155  | 0.363  | -1.526 | 0.124  |
|   | [.001] | [.465] | [.583] | [.007] | [.684] | [.685] | [.010] | [.305] |
| 5 | 0.881  | 0.337  | 0.069  | 0.063  | -1.732 | 0.247  | -0.104 | 0.240  |
|   | [.002] | [.143] | [.519] | [.684] | [.000] | [.328] | [.576] | [.013] |
| 6 | 0.175  | 0.114  | -0.081 | 0.016  | 0.026  | -0.414 | 0.088  | 0.076  |
|   | [.024] | [.077] | [.002] | [.685] | [.328] | [.000] | [.072] | [.003] |
| 7 | 0.702  | 0.515  | 0.025  | -0.175 | -0.029 | 0.232  | -1.252 | -0.017 |
|   | [.000] | [.000] | [.614] | [.010] | [.576] | [.072] | [.000] | [.733] |
| 8 | 0.232  | -0.209 | -0.073 | 0.039  | 0.185  | 0.549  | -0.048 | -0.675 |
|   | [.275] | [.376] | [.164] | [.305] | [.013] | [.003] | [.733] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.701 | 0.155  | 0.013  | 0.145  | 0.110  | 0.084  | 0.172  | -0.031 | 1.054  |
|   | [.000] | [.002] | [.599] | [.001] | [.000] | [.173] | [.000] | [.118] | [.000] |
| 2 | 0.070  | -1.177 | 0.007  | 0.023  | 0.036  | -0.129 | -0.075 | -0.041 | 1.287  |
|   | [.086] | [.000] | [.556] | [.027] | [.026] | [.002] | [.004] | [.024] | [.000] |
| 3 | 0.100  | 0.100  | -0.457 | 0.100  | -0.123 | -0.952 | 0.030  | -0.074 | 1.275  |
|   | [.734] | [.558] | [.003] | [.427] | [.336] | [.001] | [.881] | [.275] | [.000] |
| 4 | 2.514  | 0.539  | 0.151  | -3.241 | -1.013 | 0.232  | -0.554 | 0.260  | 1.112  |
|   | [.001] | [.022] | [.414] | [.000] | [.000] | [.699] | [.194] | [.004] | [.000] |
| 5 | 0.837  | 0.415  | -0.072 | -0.434 | -1.459 | -0.419 | 0.011  | 0.127  | 0.993  |
|   | [.000] | [.006] | [.375] | [.000] | [.000] | [.024] | [.925] | [.042] | [.000] |
| 6 | 0.176  | 0.035  | -0.065 | 0.019  | -0.043 | -0.887 | 0.066  | 0.030  | 0.667  |
|   | [.002] | [.465] | [.006] | [.560] | [.066] | [.000] | [.062] | [.104] | [.000] |
| 7 | 0.512  | -0.154 | 0.014  | -0.087 | 0.006  | 0.125  | -1.342 | -0.016 | 0.942  |
|   | [.000] | [.089] | [.773] | [.214] | [.897] | [.242] | [.000] | [.669] | [.000] |
| 8 | -0.080 | -0.095 | -0.024 | 0.097  | 0.115  | 0.206  | -0.005 | -0.824 | 0.610  |
|   | [.509] | [.482] | [.491] | [.002] | [.023] | [.086] | [.947] | [.000] | [.000] |

J-9. Region – South, Uncompensated Elasticities

### J-10. Region – South, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.441 | 0.471  | 0.035  | 0.160  | 0.144  | 0.355  | 0.264  | 0.012  |
|   | [.000] | [.000] | [.159] | [.000] | [.000] | [.000] | [.000] | [.563] |
| 2 | 0.387  | -0.791 | 0.034  | 0.041  | 0.078  | 0.202  | 0.038  | 0.012  |
|   | [.000] | [.000] | [.003] | [.000] | [.000] | [.000] | [.145] | [.506] |
| 3 | 0.415  | 0.483  | -0.430 | 0.118  | -0.081 | -0.625 | 0.142  | -0.022 |
|   | [.159] | [.003] | [.005] | [.348] | [.527] | [.029] | [.491] | [.746] |
| 4 | 2.788  | 0.874  | 0.174  | -3.225 | -0.976 | 0.518  | -0.457 | 0.306  |
|   | [.000] | [.000] | [.348] | [.000] | [.000] | [.384] | [.292] | [.001] |
| 5 | 1.082  | 0.714  | -0.051 | -0.420 | -1.426 | -0.163 | 0.098  | 0.168  |
|   | [.000] | [.000] | [.527] | [.000] | [.000] | [.369] | [.418] | [.007] |
| 6 | 0.341  | 0.236  | -0.051 | 0.028  | -0.021 | -0.716 | 0.125  | 0.058  |
|   | [.000] | [.000] | [.029] | [.384] | [.369] | [.000] | [.000] | [.002] |
| 7 | 0.745  | 0.129  | 0.034  | -0.074 | 0.037  | 0.367  | -1.260 | 0.022  |
|   | [.000] | [.145] | [.491] | [.292] | [.418] | [.000] | [.000] | [.552] |
| 8 | 0.070  | 0.088  | -0.011 | 0.106  | 0.135  | 0.363  | 0.048  | -0.799 |
|   | [.563] | [.506] | [.746] | [.001] | [.007] | [.002] | [.552] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.666 | 0.348  | -0.018 | 0.036  | 0.159  | 0.084  | 0.136  | -0.004 | 0.925  |
|   | [.000] | [.000] | [.528] | [.364] | [.000] | [.240] | [.004] | [.860] | [.000] |
| 2 | 0.232  | -1.374 | -0.032 | 0.010  | 0.056  | -0.225 | 0.047  | -0.053 | 1.340  |
|   | [.000] | [.000] | [.009] | [.432] | [.035] | [.000] | [.232] | [.046] | [.000] |
| 3 | -0.599 | -0.782 | 0.149  | 0.799  | -0.222 | -1.044 | -0.110 | 0.085  | 1.724  |
|   | [.325] | [.005] | [.646] | [.008] | [.434] | [.088] | [.792] | [.463] | [.000] |
| 4 | 0.708  | 0.204  | 0.929  | -0.662 | -1.263 | -1.273 | -0.320 | 0.200  | 1.475  |
|   | [.446] | [.538] | [.007] | [.519] | [.001] | [.133] | [.581] | [.152] | [.000] |
| 5 | 1.046  | 0.450  | -0.066 | -0.359 | -1.943 | 0.017  | -0.315 | 0.036  | 1.134  |
|   | [.000] | [.018] | [.484] | [.002] | [.000] | [.935] | [.036] | [.665] | [.000] |
| 6 | 0.145  | -0.070 | -0.040 | -0.047 | 0.019  | -0.865 | 0.072  | 0.068  | 0.718  |
|   | [.048] | [.269] | [.191] | [.201] | [.556] | [.000] | [.131] | [.009] | [.000] |
| 7 | 0.342  | 0.223  | -0.004 | -0.030 | -0.114 | 0.112  | -1.430 | -0.085 | 0.986  |
|   | [.006] | [.038] | [.935] | [.647] | [.048] | [.359] | [.000] | [.069] | [.000] |
| 8 | 0.098  | -0.183 | 0.049  | 0.078  | 0.068  | 0.587  | -0.201 | -0.929 | 0.433  |
|   | [.629] | [.409] | [.267] | [.092] | [.472] | [.003] | [.155] | [.000] | [.000] |

J-11. Region – West, Uncompensated Elasticities

### J-12. Region – West, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.416 | 0.602  | -0.006 | 0.046  | 0.195  | 0.322  | 0.231  | 0.027  |
|   | [.000] | [.000] | [.826] | [.241] | [.000] | [.000] | [.000] | [.290] |
| 2 | 0.594  | -1.007 | -0.015 | 0.025  | 0.108  | 0.119  | 0.184  | -0.008 |
|   | [.000] | [.000] | [.230] | [.047] | [.000] | [.040] | [.000] | [.766] |
| 3 | -0.133 | -0.310 | 0.172  | 0.819  | -0.155 | -0.602 | 0.066  | 0.143  |
|   | [.826] | [.230] | [.598] | [.006] | [.586] | [.317] | [.876] | [.217] |
| 4 | 1.107  | 0.608  | 0.948  | -0.645 | -1.205 | -0.894 | -0.169 | 0.250  |
|   | [.241] | [.047] | [.006] | [.529] | [.002] | [.289] | [.774] | [.073] |
| 5 | 1.353  | 0.760  | -0.052 | -0.346 | -1.898 | 0.309  | -0.199 | 0.074  |
|   | [.000] | [.000] | [.586] | [.002] | [.000] | [.143] | [.188] | [.369] |
| 6 | 0.339  | 0.127  | -0.030 | -0.039 | 0.047  | -0.680 | 0.145  | 0.092  |
|   | [.000] | [.040] | [.317] | [.289] | [.143] | [.000] | [.002] | [.000] |
| 7 | 0.609  | 0.493  | 0.008  | -0.019 | -0.076 | 0.365  | -1.329 | -0.052 |
|   | [.000] | [.000] | [.876] | [.774] | [.188] | [.002] | [.000] | [.268] |
| 8 | 0.214  | -0.064 | 0.055  | 0.083  | 0.085  | 0.698  | -0.157 | -0.914 |
|   | [.290] | [.766] | [.217] | [.073] | [.369] | [.000] | [.268] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

5 Bottled water 6 Juices and fruit drinks 7 Coffee

8 Tea

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.500 | 0.224  | -0.017 | 0.152  | 0.079  | -0.055 | 0.168  | -0.028 | 0.978  |
|   | [.000] | [.000] | [.253] | [.000] | [.000] | [.159] | [.000] | [.034] | [.000] |
| 2 | 0.123  | -1.203 | -0.001 | 0.009  | 0.032  | -0.186 | -0.005 | -0.039 | 1.269  |
|   | [.000] | [.000] | [.909] | [.093] | [.002] | [.000] | [.792] | [.002] | [.000] |
| 3 | -0.403 | -0.069 | -0.160 | 0.139  | 0.044  | -0.950 | 0.023  | -0.083 | 1.458  |
|   | [.096] | [.561] | [.187] | [.169] | [.650] | [.000] | [.881] | [.079] | [.000] |
| 4 | 3.337  | 0.245  | 0.198  | -2.863 | -0.967 | -0.364 | -1.033 | 0.211  | 1.237  |
|   | [.000] | [.112] | [.159] | [.000] | [.000] | [.425] | [.001] | [.000] | [.000] |
| 5 | 0.682  | 0.358  | 0.030  | -0.396 | -1.695 | -0.141 | -0.123 | 0.130  | 1.154  |
|   | [.000] | [.001] | [.588] | [.000] | [.000] | [.289] | [.191] | [.006] | [.000] |
| 6 | 0.007  | -0.066 | -0.053 | -0.012 | -0.004 | -0.675 | 0.039  | 0.042  | 0.723  |
|   | [.861] | [.041] | [.000] | [.597] | [.778] | [.000] | [.145] | [.002] | [.000] |
| 7 | 0.438  | 0.064  | 0.011  | -0.120 | -0.031 | 0.025  | -1.342 | -0.051 | 1.005  |
|   | [.000] | [.244] | [.666] | [.001] | [.253] | [.702] | [.000] | [.032] | [.000] |
| 8 | -0.043 | -0.044 | -0.017 | 0.069  | 0.111  | 0.307  | -0.069 | -0.780 | 0.466  |
|   | [.609] | [.631] | [.374] | [.000] | [.001] | [.000] | [.229] | [.000] | [.000] |

J-13. Race – White, Uncompensated Elasticities

### J-14. Race – White, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.241 | 0.513  | -0.001 | 0.163  | 0.107  | 0.181  | 0.265  | 0.013  |
|   | [.000] | [.000] | [.946] | [.000] | [.000] | [.000] | [.000] | [.339] |
| 2 | 0.460  | -0.827 | 0.020  | 0.024  | 0.068  | 0.120  | 0.122  | 0.013  |
|   | [.000] | [.000] | [.001] | [.000] | [.000] | [.000] | [.000] | [.296] |
| 3 | -0.016 | 0.362  | -0.136 | 0.156  | 0.086  | -0.599 | 0.169  | -0.023 |
|   | [.946] | [.001] | [.264] | [.122] | [.377] | [.007] | [.287] | [.630] |
| 4 | 3.665  | 0.611  | 0.218  | -2.848 | -0.932 | -0.066 | -0.910 | 0.262  |
|   | [.000] | [.000] | [.122] | [.000] | [.000] | [.884] | [.004] | [.000] |
| 5 | 0.988  | 0.699  | 0.049  | -0.382 | -1.662 | 0.137  | -0.007 | 0.177  |
|   | [.000] | [.000] | [.377] | [.000] | [.000] | [.294] | [.938] | [.000] |
| 6 | 0.199  | 0.147  | -0.041 | -0.003 | 0.016  | -0.501 | 0.111  | 0.072  |
|   | [.000] | [.000] | [.007] | [.884] | [.294] | [.000] | [.000] | [.000] |
| 7 | 0.705  | 0.361  | 0.028  | -0.108 | -0.002 | 0.267  | -1.242 | -0.009 |
|   | [.000] | [.000] | [.287] | [.004] | [.938] | [.000] | [.000] | [.693] |
| 8 | 0.080  | 0.094  | -0.009 | 0.075  | 0.124  | 0.419  | -0.023 | -0.760 |
|   | [.339] | [.296] | [.630] | [.000] | [.000] | [.000] | [.693] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.659 | -0.045 | -0.011 | 0.146  | 0.193  | 0.255  | 0.214  | -0.035 | 0.943  |
|   | [.000] | [.699] | [.871] | [.165] | [.003] | [.105] | [.022] | [.461] | [.000] |
| 2 | -0.059 | -0.776 | -0.019 | 0.015  | 0.049  | -0.301 | 0.052  | -0.091 | 1.130  |
|   | [.396] | [.000] | [.535] | [.262] | [.158] | [.001] | [.247] | [.006] | [.000] |
| 3 | -0.122 | -0.209 | -0.099 | -0.204 | 0.006  | -0.073 | -0.361 | -0.271 | 1.332  |
|   | [.728] | [.412] | [.638] | [.014] | [.974] | [.859] | [.114] | [.009] | [.000] |
| 4 | 3.132  | 0.587  | -0.875 | -1.401 | -1.465 | -0.554 | -0.736 | 0.381  | 0.932  |
|   | [.161] | [.269] | [.014] | [.550] | [.068] | [.770] | [.567] | [.048] | [.107] |
| 5 | 0.568  | 0.244  | 0.010  | -0.216 | -1.614 | -0.108 | -0.134 | 0.096  | 1.155  |
|   | [.005] | [.183] | [.930] | [.067] | [.000] | [.636] | [.271] | [.219] | [.000] |
| 6 | 0.116  | -0.172 | 0.007  | -0.012 | -0.004 | -0.914 | 0.012  | 0.025  | 0.942  |
|   | [.096] | [.009] | [.858] | [.768] | [.895] | [.000] | [.764] | [.332] | [.000] |
| 7 | 0.589  | 0.271  | -0.194 | -0.097 | -0.112 | 0.053  | -1.525 | 0.015  | 0.999  |
|   | [.024] | [.191] | [.136] | [.568] | [.304] | [.834] | [.000] | [.863] | [.000] |
| 8 | -0.063 | -0.456 | -0.216 | 0.085  | 0.181  | 0.462  | 0.062  | -0.423 | 0.368  |
|   | [.769] | [.066] | [.023] | [.037] | [.109] | [.079] | [.660] | [.001] | [.014] |

J-15. Race – Black, Uncompensated Elasticities

### J-16. Race – Black, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.501 | 0.211  | 0.021  | 0.154  | 0.244  | 0.601  | 0.270  | 0.000  |
|   | [.000] | [.063] | [.769] | [.144] | [.000] | [.000] | [.004] | [.994] |
| 2 | 0.130  | -0.469 | 0.019  | 0.024  | 0.110  | 0.114  | 0.120  | -0.049 |
|   | [.063] | [.000] | [.533] | [.077] | [.002] | [.188] | [.007] | [.140] |
| 3 | 0.102  | 0.154  | -0.054 | -0.194 | 0.077  | 0.417  | -0.281 | -0.221 |
|   | [.769] | [.533] | [.800] | [.019] | [.652] | [.293] | [.221] | [.032] |
| 4 | 3.288  | 0.840  | -0.843 | -1.394 | -1.415 | -0.212 | -0.680 | 0.416  |
|   | [.144] | [.077] | [.019] | [.552] | [.079] | [.911] | [.599] | [.031] |
| 5 | 0.761  | 0.558  | 0.049  | -0.207 | -1.552 | 0.316  | -0.065 | 0.139  |
|   | [.000] | [.002] | [.652] | [.079] | [.000] | [.160] | [.594] | [.075] |
| 6 | 0.274  | 0.084  | 0.039  | -0.005 | 0.046  | -0.568 | 0.069  | 0.060  |
|   | [.000] | [.188] | [.293] | [.911] | [.160] | [.000] | [.090] | [.021] |
| 7 | 0.756  | 0.543  | -0.160 | -0.089 | -0.058 | 0.420  | -1.465 | 0.052  |
|   | [.004] | [.007] | [.221] | [.599] | [.594] | [.090] | [.000] | [.549] |
| 8 | -0.002 | -0.356 | -0.203 | 0.088  | 0.201  | 0.598  | 0.084  | -0.410 |
|   | [.994] | [.140] | [.032] | [.031] | [.075] | [.021] | [.549] | [.001] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.421 | 0.225  | 0.023  | -0.094 | 0.047  | 0.060  | 0.174  | 0.001  | 0.985  |
|   | [.000] | [.064] | [.665] | [.225] | [.415] | [.652] | [.042] | [.980] | [.000] |
| 2 | 0.116  | -1.065 | -0.008 | 0.058  | 0.045  | -0.316 | -0.019 | -0.089 | 1.277  |
|   | [.228] | [.000] | [.679] | [.015] | [.288] | [.002] | [.749] | [.053] | [.000] |
| 3 | 0.197  | -0.189 | -0.084 | 0.714  | -0.045 | -1.563 | -0.419 | -0.093 | 1.483  |
|   | [.785] | [.571] | [.812] | [.042] | [.892] | [.032] | [.387] | [.537] | [.000] |
| 4 | -1.612 | 1.399  | 0.929  | 0.081  | -0.140 | 0.480  | -1.854 | -0.064 | 0.781  |
|   | [.235] | [.011] | [.038] | [.956] | [.810] | [.695] | [.026] | [.780] | [.023] |
| 5 | 0.195  | 0.311  | -0.011 | -0.044 | -2.163 | 0.575  | -0.049 | 0.038  | 1.149  |
|   | [.494] | [.240] | [.929] | [.789] | [.000] | [.047] | [.781] | [.752] | [.000] |
| 6 | 0.098  | -0.148 | -0.074 | 0.021  | 0.106  | -0.947 | 0.090  | 0.097  | 0.758  |
|   | [.326] | [.123] | [.059] | [.688] | [.015] | [.000] | [.127] | [.018] | [.000] |
| 7 | 0.536  | -0.015 | -0.091 | -0.340 | -0.028 | 0.286  | -1.338 | -0.078 | 1.067  |
|   | [.050] | [.951] | [.428] | [.027] | [.807] | [.261] | [.000] | [.462] | [.000] |
| 8 | 0.108  | -0.412 | -0.023 | -0.018 | 0.072  | 0.789  | -0.102 | -0.959 | 0.545  |
|   | [.722] | [.207] | [.714] | [.813] | [.603] | [.012] | [.590] | [.000] | [.002] |

J-17. Race – Oriental + Other, Uncompensated Elasticities

J-18. Race – Oriental + Other, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.196 | 0.502  | 0.039  | -0.081 | 0.093  | 0.358  | 0.244  | 0.041  |
|   | [.000] | [.000] | [.455] | [.294] | [.108] | [.006] | [.004] | [.442] |
| 2 | 0.408  | -0.706 | 0.013  | 0.075  | 0.104  | 0.070  | 0.073  | -0.037 |
|   | [.000] | [.000] | [.472] | [.002] | [.014] | [.488] | [.216] | [.419] |
| 3 | 0.536  | 0.228  | -0.059 | 0.733  | 0.023  | -1.115 | -0.313 | -0.034 |
|   | [.455] | [.472] | [.867] | [.036] | [.944] | [.117] | [.524] | [.825] |
| 4 | -1.433 | 1.619  | 0.942  | 0.091  | -0.104 | 0.716  | -1.798 | -0.033 |
|   | [.294] | [.002] | [.036] | [.951] | [.859] | [.554] | [.034] | [.887] |
| 5 | 0.457  | 0.634  | 0.008  | -0.029 | -2.110 | 0.922  | 0.033  | 0.084  |
|   | [.108] | [.014] | [.944] | [.859] | [.000] | [.001] | [.853] | [.482] |
| 6 | 0.271  | 0.065  | -0.062 | 0.031  | 0.141  | -0.718 | 0.144  | 0.127  |
|   | [.006] | [.488] | [.117] | [.554] | [.001] | [.000] | [.015] | [.002] |
| 7 | 0.780  | 0.286  | -0.073 | -0.326 | 0.021  | 0.608  | -1.261 | -0.035 |
|   | [.004] | [.216] | [.524] | [.034] | [.853] | [.015] | [.000] | [.740] |
| 8 | 0.233  | -0.259 | -0.014 | -0.010 | 0.097  | 0.954  | -0.063 | -0.937 |
|   | [.442] | [.419] | [.825] | [.887] | [.482] | [.002] | [.740] | [.000] |

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.603 | 0.201  | 0.043  | 0.140  | 0.110  | 0.071  | 0.174  | -0.050 | 0.915  |
|   | [.000] | [.000] | [.036] | [.000] | [.000] | [.128] | [.000] | [.002] | [.000] |
| 2 | 0.073  | -1.210 | -0.002 | 0.006  | 0.043  | -0.156 | -0.015 | -0.044 | 1.304  |
|   | [.012] | [.000] | [.821] | [.288] | [.000] | [.000] | [.481] | [.003] | [.000] |
| 3 | 0.541  | -0.105 | 0.129  | 0.302  | -0.097 | -1.884 | -0.296 | -0.145 | 1.555  |
|   | [.108] | [.483] | [.515] | [.050] | [.530] | [.000] | [.221] | [.027] | [.000] |
| 4 | 3.933  | 0.289  | 0.530  | -2.346 | -1.605 | -1.136 | -0.818 | 0.142  | 1.011  |
|   | [.000] | [.184] | [.046] | [.021] | [.000] | [.136] | [.135] | [.116] | [.001] |
| 5 | 0.728  | 0.407  | -0.037 | -0.410 | -1.750 | -0.149 | -0.094 | 0.143  | 1.163  |
|   | [.000] | [.000] | [.589] | [.000] | [.000] | [.281] | [.335] | [.004] | [.000] |
| 6 | 0.127  | 0.000  | -0.100 | -0.037 | -0.004 | -0.747 | 0.030  | 0.050  | 0.680  |
|   | [.005] | [.991] | [.000] | [.165] | [.833] | [.000] | [.315] | [.001] | [.000] |
| 7 | 0.322  | 0.002  | -0.034 | -0.065 | -0.029 | -0.054 | -1.270 | -0.038 | 1.168  |
|   | [.000] | [.978] | [.303] | [.131] | [.335] | [.432] | [.000] | [.137] | [.000] |
| 8 | -0.184 | -0.064 | -0.034 | 0.032  | 0.132  | 0.322  | -0.025 | -0.709 | 0.530  |
|   | [.036] | [.516] | [.128] | [.072] | [.001] | [.000] | [.702] | [.000] | [.000] |

J-19. Presence of Children – None, Uncompensated Elasticities

### J-20. Presence of Children – None, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.378 | 0.468  | 0.056  | 0.148  | 0.141  | 0.300  | 0.275  | -0.010 |
|   | [.000] | [.000] | [.006] | [.000] | [.000] | [.000] | [.000] | [.539] |
| 2 | 0.393  | -0.829 | 0.018  | 0.017  | 0.087  | 0.170  | 0.130  | 0.014  |
|   | [.000] | [.000] | [.013] | [.002] | [.000] | [.000] | [.000] | [.349] |
| 3 | 0.923  | 0.349  | 0.153  | 0.316  | -0.044 | -1.495 | -0.124 | -0.077 |
|   | [.006] | [.013] | [.444] | [.041] | [.777] | [.000] | [.614] | [.243] |
| 4 | 4.181  | 0.584  | 0.545  | -2.337 | -1.571 | -0.884 | -0.705 | 0.187  |
|   | [.000] | [.002] | [.041] | [.021] | [.000] | [.244] | [.201] | [.039] |
| 5 | 1.013  | 0.746  | -0.019 | -0.400 | -1.710 | 0.141  | 0.035  | 0.194  |
|   | [.000] | [.000] | [.777] | [.000] | [.000] | [.297] | [.724] | [.000] |
| 6 | 0.294  | 0.198  | -0.090 | -0.031 | 0.019  | -0.577 | 0.105  | 0.080  |
|   | [.000] | [.000] | [.000] | [.244] | [.297] | [.000] | [.000] | [.000] |
| 7 | 0.608  | 0.343  | -0.017 | -0.055 | 0.011  | 0.238  | -1.141 | 0.014  |
|   | [.000] | [.000] | [.614] | [.201] | [.724] | [.000] | [.000] | [.593] |
| 8 | -0.054 | 0.090  | -0.026 | 0.037  | 0.151  | 0.454  | 0.034  | -0.686 |
|   | [.539] | [.349] | [.243] | [.039] | [.000] | [.000] | [.593] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      | TE     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.602 | 0.214  | -0.009 | 0.084  | 0.041  | 0.143  | 0.051  | 0.002  | 1.076  |
|   | [.000] | [.000] | [.632] | [.012] | [.035] | [.009] | [.107] | [.924] | [.000] |
| 2 | 0.150  | -1.051 | -0.017 | 0.021  | 0.015  | -0.334 | 0.009  | -0.051 | 1.258  |
|   | [.002] | [.000] | [.218] | [.167] | [.290] | [.000] | [.704] | [.003] | [.000] |
| 3 | -0.042 | -0.082 | -0.503 | 0.066  | 0.122  | -0.395 | 0.053  | -0.085 | 0.867  |
|   | [.838] | [.614] | [.000] | [.455] | [.094] | [.040] | [.658] | [.158] | [.000] |
| 4 | 1.273  | 0.372  | 0.085  | -2.607 | -0.303 | 0.519  | -0.728 | 0.225  | 1.163  |
|   | [.013] | [.149] | [.490] | [.000] | [.081] | [.220] | [.008] | [.014] | [.000] |
| 5 | 0.455  | 0.273  | 0.110  | -0.190 | -1.632 | -0.172 | 0.120  | 0.154  | 0.882  |
|   | [.017] | [.081] | [.096] | [.090] | [.000] | [.311] | [.239] | [.008] | [.000] |
| 6 | 0.268  | -0.180 | -0.031 | 0.044  | -0.011 | -0.830 | 0.089  | 0.020  | 0.631  |
|   | [.000] | [.000] | [.080] | [.114] | [.533] | [.000] | [.001] | [.218] | [.000] |
| 7 | 0.168  | 0.021  | 0.011  | -0.226 | 0.044  | 0.219  | -1.526 | -0.051 | 1.340  |
|   | [.260] | [.864] | [.833] | [.008] | [.360] | [.091] | [.000] | [.257] | [.000] |
| 8 | 0.141  | -0.253 | -0.057 | 0.128  | 0.133  | 0.167  | -0.044 | -0.827 | 0.611  |
|   | [.337] | [.098] | [.206] | [.008] | [.005] | [.211] | [.562] | [.000] | [.000] |

J-21. Presence of Children – Yes, Uncompensated Elasticities

### J-22. Presence of Children – Yes, Compensated Elasticities

|   | 1      | 2      | 3      | 4      | 5      | 6      | 7      | 8      |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | -1.307 | 0.531  | 0.018  | 0.104  | 0.070  | 0.433  | 0.114  | 0.038  |
|   | [.000] | [.000] | [.344] | [.002] | [.000] | [.000] | [.000] | [.035] |
| 2 | 0.495  | -0.681 | 0.015  | 0.043  | 0.050  | 0.005  | 0.082  | -0.008 |
|   | [.000] | [.000] | [.276] | [.004] | [.001] | [.912] | [.000] | [.625] |
| 3 | 0.195  | 0.173  | -0.481 | 0.082  | 0.146  | -0.162 | 0.103  | -0.056 |
|   | [.344] | [.276] | [.000] | [.356] | [.045] | [.391] | [.388] | [.354] |
| 4 | 1.592  | 0.714  | 0.114  | -2.586 | -0.270 | 0.832  | -0.661 | 0.265  |
|   | [.002] | [.004] | [.356] | [.000] | [.120] | [.047] | [.018] | [.004] |
| 5 | 0.697  | 0.533  | 0.132  | -0.174 | -1.608 | 0.065  | 0.171  | 0.184  |
|   | [.000] | [.001] | [.045] | [.120] | [.000] | [.695] | [.092] | [.002] |
| 6 | 0.441  | 0.005  | -0.015 | 0.055  | 0.007  | -0.660 | 0.125  | 0.042  |
|   | [.000] | [.912] | [.391] | [.047] | [.695] | [.000] | [.000] | [.011] |
| 7 | 0.536  | 0.415  | 0.044  | -0.202 | 0.081  | 0.580  | -1.448 | -0.005 |
|   | [.000] | [.000] | [.388] | [.018] | [.092] | [.000] | [.000] | [.909] |
| 8 | 0.309  | -0.073 | -0.041 | 0.139  | 0.150  | 0.331  | -0.009 | -0.806 |
|   | [.035] | [.625] | [.354] | [.004] | [.002] | [.011] | [.909] | [.000] |

Legend:

1 Milk

2 Carbonated soft drinks

3 Powdered soft drinks

4 Isotonics

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Capps, Jr., O., A. Clauson, J. Guthrie, G. Pittman, and M. Stockton. "Economic and Nutritional Dimensions of Nonalcoholic Beverages: Analyses Based on the 1999 AC Nielsen Homescan Data", Technical Bulletin. Food Assistance and Nutrition Research Program, Economic Research Service, U.S. Department of Agriculture, Forthcoming 2004.