When transit agencies run short on cash, should they sell alcohol ads to get it?

The public transit agency in Atlanta is running a pilot program this year to test one potential source of new revenue for the cash-strapped system: ads inside train stations and on buses and trains for alcohol.

The idea isn't a new one in the world of public transit, but it regularly raises more contentious questions that your average roadside vodka
billboard. Is the youth exposure to alcohol ads — students in many cities ride transit to school — worth the extra funds for a city service? Should public agencies — and public assets — abstain from hawking some of the products that private property owners do? If a run of beer ads might bring in $200,000 for a system confronting service cuts, is that bargain worth it?

The Metropolitan Atlanta Rapid Transit Authority, or MARTA, is weighing rider reaction against revenue during the pilot. And this is one of just several ways the agency is looking to gin up new resources. As MARTA's CEO Keith Parker told the Atlanta Journal-Constitution: "We’re assessing what brings the most positive benefit to us with the least amount of negative return."

Advocacy groups in many cities that have fought alcohol advertising on transit argue that the ads can be particularly harmful to children (this debate — and the research behind it — doesn't pay quite as much attention to the effects of alcohol ads on adults). One 2008 study conducted on Boston transit lines
estimated that alcohol ads were viewed by riders 1,212,960 times across the system on an average weekday, within sight of about 43 percent of the population on board. The same ads reached about 54 percent of Boston Public School students riding the system.

So what's the impact of that?

"Longitudinal studies have found that the more young people are exposed to alcohol advertising of various kinds, the more likely they are to start drinking, or if they're drinking, to drink more," says David Jernigan, the director of the Center on Alcohol Marketing and Youth at Johns Hopkins University.

Public transit ads also entail a kind of captive-audience effect. If you're sitting in a subway car
surrounded by Bud Light posters, the message is theoretically harder to tune out than if you're watching a 30-second spot on TV, or if you're driving by an outdoor sign at 50 miles an hour. And unlike with other kinds of advertising, you can't flip the channel or turn the page.

All that said, there isn't much data that focuses on how people might be harmed by ads specifically in this setting. We don't know, for instance, that some percentage of Boston Public School students became under-aged drinkers because they shared their commute to and from school every day with an alcohol advertising campaign.

In Boston, though, opponents successfully wrested an alcohol ban from the Massachusetts Bay Transportation Authority in 2012, covering agency property like subway cars and buses. The city of Boston, however, continued to accept alcohol ads on bus shelters.

That same year, the transit agencies in Chicago and Pittsburgh opted to start accepting alcohol ads, while badly in need of
revenue. At the time, the Chicago Transit Authority estimated that the policy could bring in about $3 million in revenue. The Port Authority that runs Pittsburgh's system was facing a $64 million budget deficit and another round of fare increases (random note: its policy allowed ads for alcohol, but banned them for political and religious messages and tobacco).

A study of 26 major U.S. transit markets recently conducted by researchers at the advocacy group Alcohol Justice concluded that half of them allowed alcohol advertising, while the other half banned it in some way. Transit in Honolulu, San Francisco, Philadelphia, Washington and Baltimore is alcohol-free. Transit in New York City, Denver and Minneapolis isn't. The decision, though, isn't always up to the transit agency itself, given that other departments may own "street furniture" like bus stops, or control citywide policy.
The Alcohol Justice researchers, Sarah Mart and Jessica Blakemore, were only able to obtain revenue data from four places that accept some alcohol ads. In each of them — Boston, Denver, Pittsburgh and Portland — alcohol made up less than 10 percent of the agency's ad revenue, and less than 1 percent of its total operating revenue.

But it's hard to measure whether that money is worth it given that any societal costs that could come from alcohol advertising won't appear on a transit agency's balance sheet.

"What it usually comes down to is a comparison between revenues that a single agency would gain versus the costs that would be generated through an increase in under-aged drinking," Jernigan says. "But it's certainly not a cost paid by MARTA itself."
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