

Table 1 Calibration of Coffee Model for 6 Specifications with Increasing Number of Variables Plus a Simulated Aggregate Model

Specification	S1	S2	S3	S4	S5	S6	S7
U^2	0	0.24	0.46	0.47	0.47	0.48	0.22
Brand loyalty		2.78 (22.1)	3.47 (21.9)	3.47 (21.5)	3.79 (21.3)	3.92 (21.6)	
Size loyalty		0	2.12 (14.6)	2.14 (16.1)	2.72 (15.9)	2.74 (15.9)	
Promotion			2.22 (15.5)	2.00 (13.9)	2.07 (13.9)	2.11 (14.1)	1.40 (11.5)
Promotional price cut			18.12 (5.5)	29.66 (7.2)	29.20 (7.1)	29.21 (7.1)	26.88 (8.0)
Regular (depromoted) price				-26.36 (-6.0)	-26.49 (-5.9)	-29.94 (-6.5)	-28.02 (-7.8)
Price promotional purchase					-0.60 (-3.5)	-0.22 (-1.3)	0.62 (4.5)
Second prior promotional purchase					-0.72 (-3.9)	-0.46 (-2.47)	0.49 (3.3)
Brand Size Constants							
Small A	0.28 (2.2)	-0.12 (-0.9)	-0.06 (-0.4)	0.03 (0.2)	0.01 (0.1)	-0.09 (-0.6)	0.48 (3.5)
Large A	0	0	0	0	0	0	0
Small B	0.48 (3.9)	0.28 (2.0)	0.11 (0.7)	0.19 (1.2)	0.20 (1.2)	0.10 (0.6)	0.41 (3.1)
Large B	-0.06 (-0.4)	0.24 (1.6)	0.05 (0.3)	-0.06 (-0.4)	-0.05 (-0.3)	-0.06 (-0.5)	-0.35 (-2.3)
Small C	0.99 (8.6)	0.14 (1.0)	0.31 (2.0)	0.57 (3.6)	0.62 (3.8)	0.62 (3.8)	0.41 (2.5)
Large C	0.38 (3.1)	0.01 (0.1)	0.03 (0.2)	0.22 (1.3)	0.27 (1.6)	0.12 (0.7)	0.59 (4.6)
Small D	-1.25 (-6.1)	-1.23 (-5.3)	-0.66 (-2.6)	0.15 (0.9)	0.10 (0.3)	-0.05 (-0.2)	0.10 (0.4)
Large D	-1.83 (-8.8)	-1.52 (-5.2)	-0.74 (-2.3)	-1.5 (-4.1)	-1.47 (-4.1)	-1.72 (-4.7)	-1.88 (-6.3)
Log likelihood ($N = 1,021$)	-1.896	-1.440	-1.025	-1.007	-1.002	-0.977	-1.488

Note: Table entry shows attribute coefficients with t-statistic beneath in parentheses.

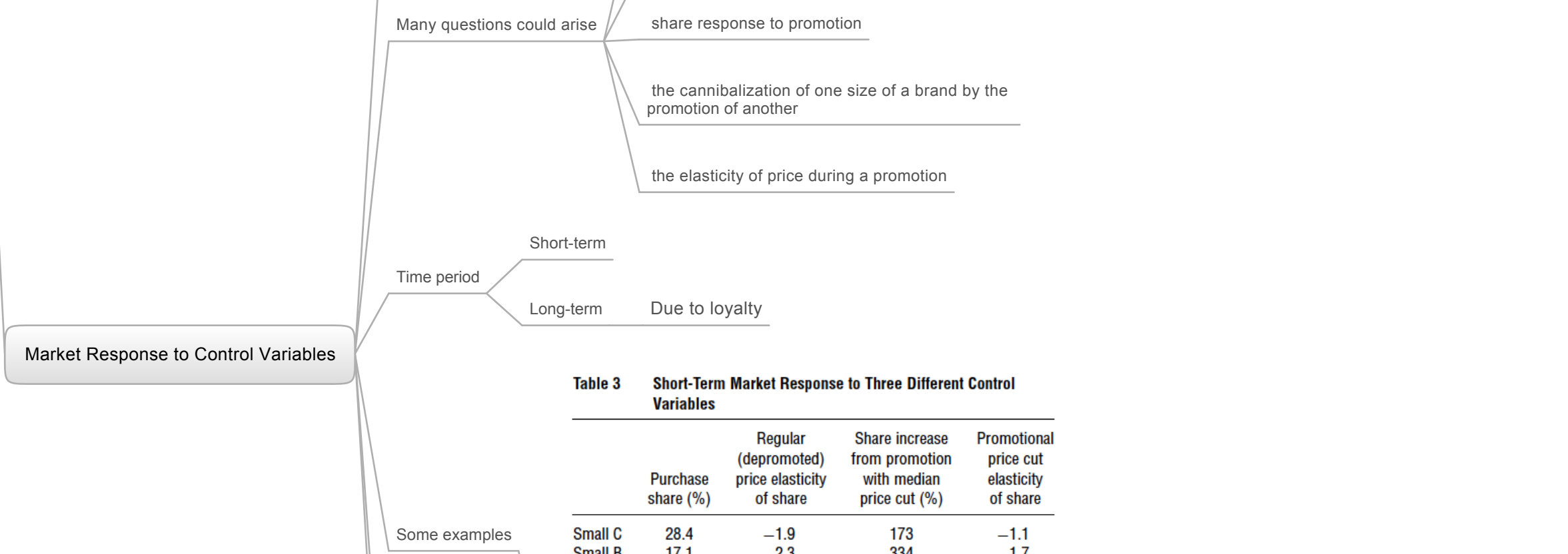
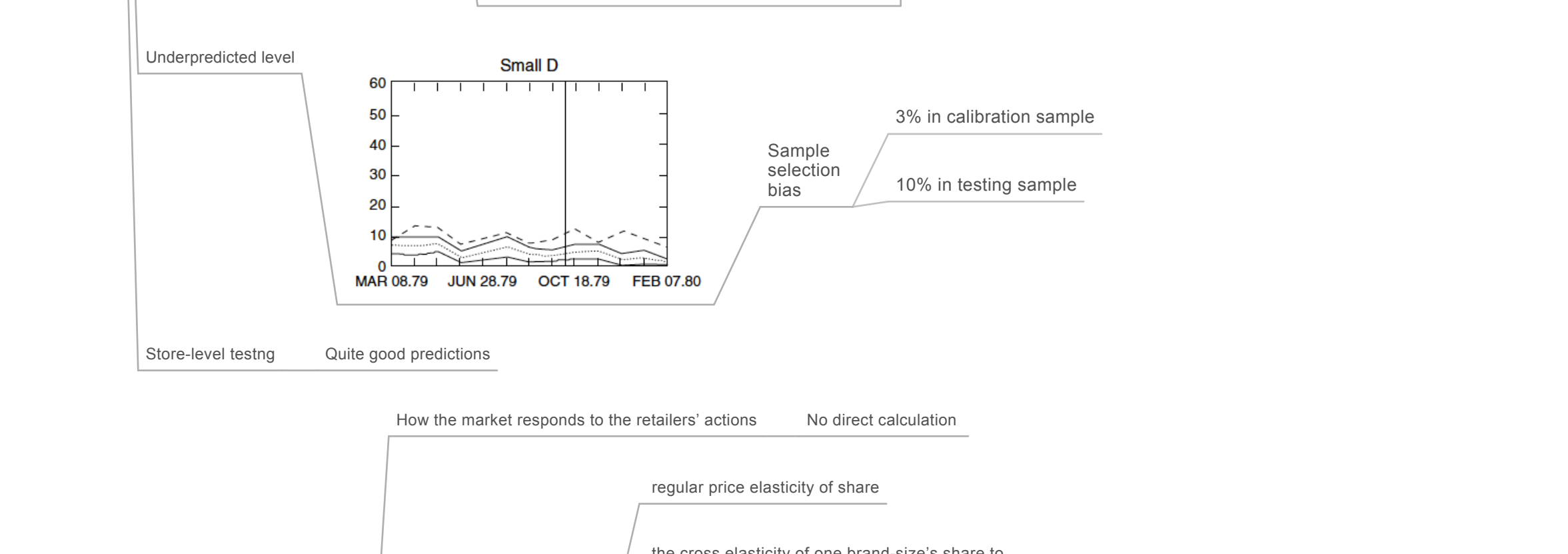
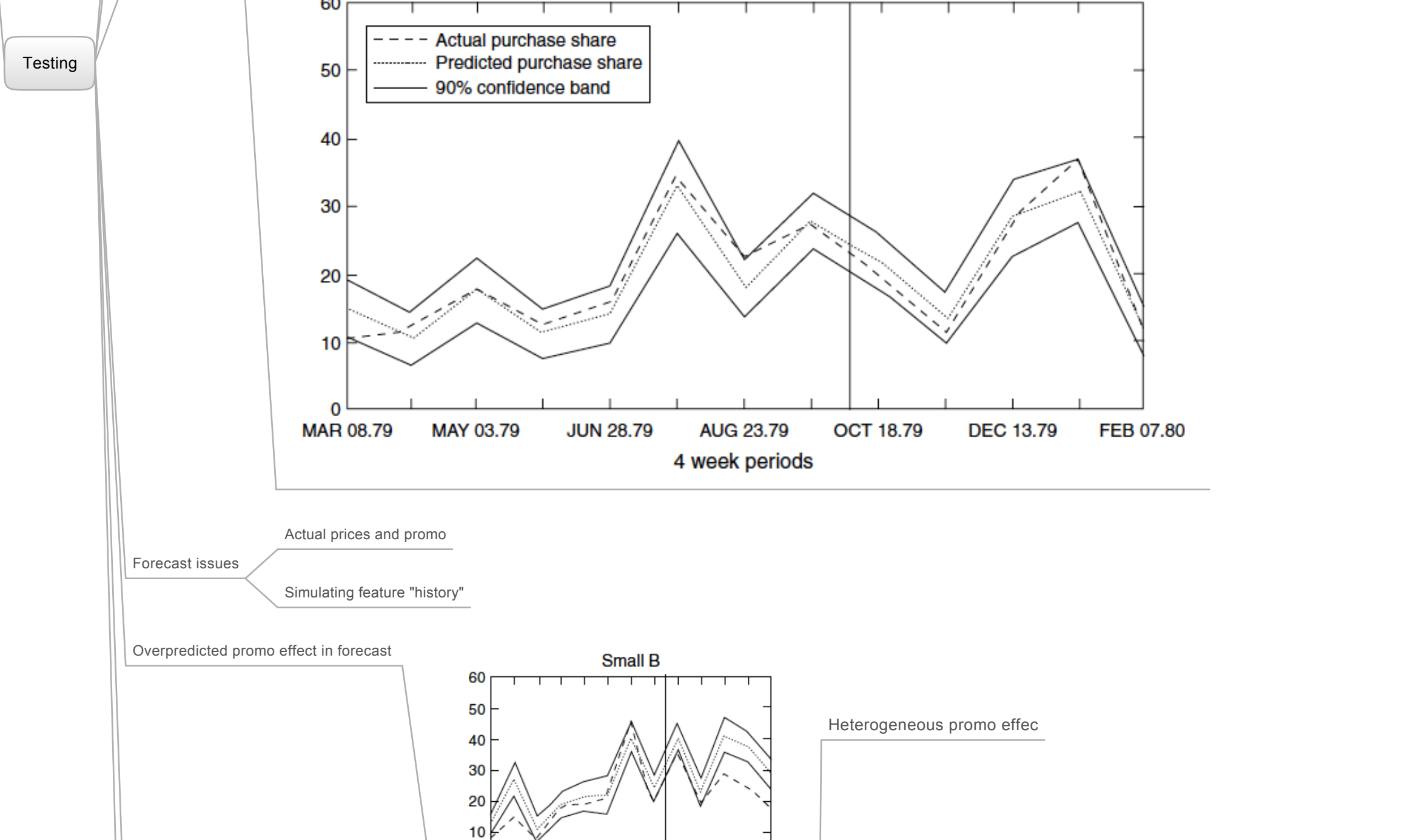
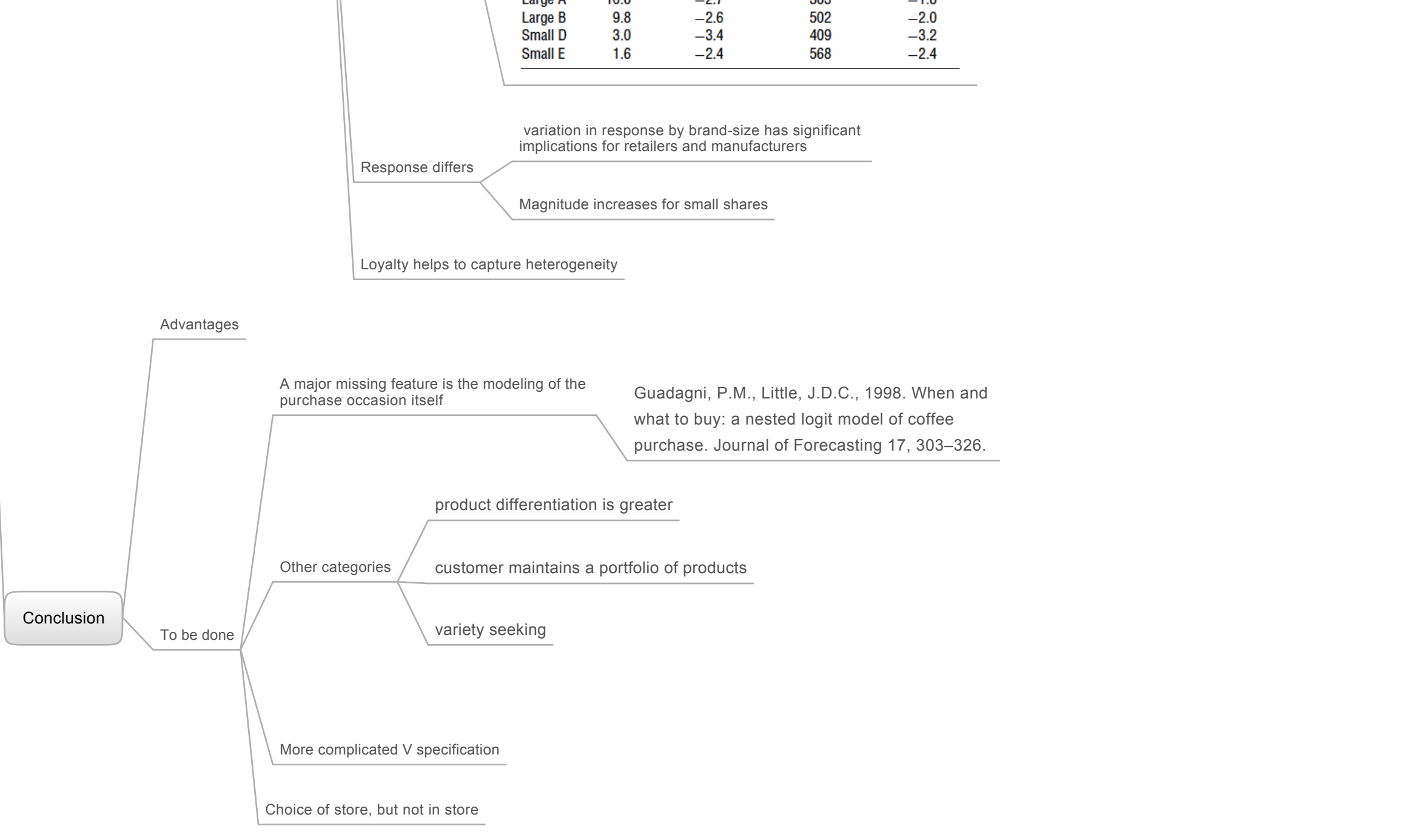


Table 3 Short-Term Market Response to Three Different Control Variables

Variables	Regular (depromoted) price elasticity of share	Share increase from promotion with median price cut (%)	Promotional price cut elasticity of share
Small C	28.4	-1.9	173
Small B	17.1	-2.3	334
Large C	15.5	-2.5	273
Small A	14.0	-1.5	362
Large A	10.6	-2.7	363
Large B	9.8	-2.6	592
Small D	3.0	-3.4	409
Small E	1.6	-2.4	568



A Logit Model of Brand Choice Calibrated on Scanner Data