

# Iowa Liquor Sales 2015- 2016 Analysis and Projections

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Iowa Department of  
**REVENUE**

State of Iowa  
Alcoholic Beverages  
Division

# Goals of Analysis

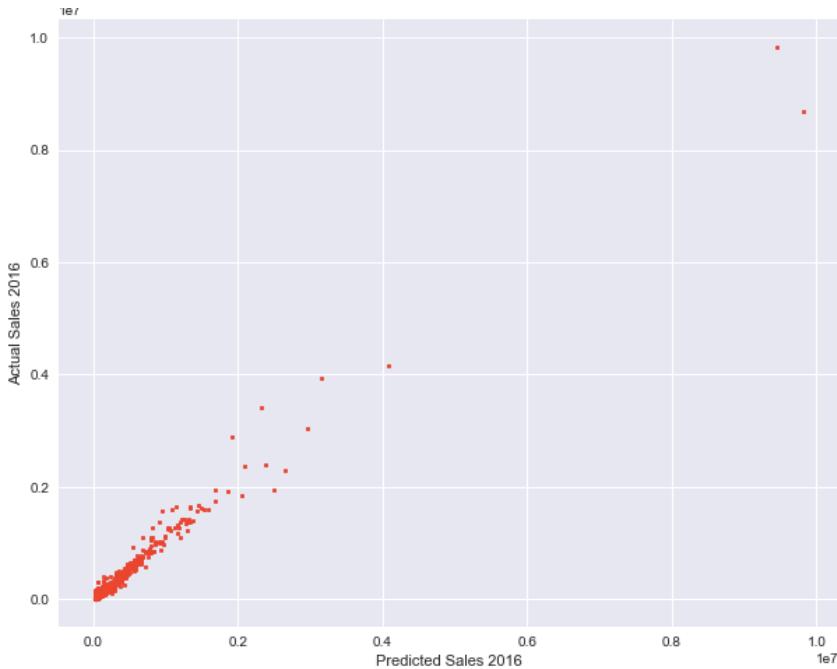
- Determine if Liquor Sales of 2016 will improve based 2015 and Jan-March 2016 Sales
- Determine areas with Highest Sales

# Methodology and Process

- Reorganization of data based on Yearly Quarters
- 2015 Q1 and 2016 Q1 used for Sales increase Prediction and Linear relationship
- Ordinary Least Squares of Linear Regression
- Error reduced using Rigid Regression
- Linear relationship investigated with Cross-Validation

# Findings

- Expected Increase of near \$11.40 million in 2016 over 2015
- Majority of Profits Come from Counties and Zip Codes around ISU and Des Moines
- Clear Linear Relationship between 2015 Sales and 2016 Sales



# Recommendation

- It is very likely Liquor Sales will continue to increase
- Increase Current Liquor Tax
  - Helps reduce \$130 Million Iowa State Debt
  - Raises Money for
    - Iowa General Fund ( $\approx$ 80% recipient,  $\approx$ 40% Funder)
    - Department of Public Health ( $\approx$ 16% recipient)

# Further Study

- Areas to Include for further study of 2015-2016 Liquor Sales:
  - Snowstorms
  - Data on Previous Years
  - Socio-Economic Status of Iowans
  - Tracking of Influx and Departure of Non-Iowans
    - 2016 Iowa Caucuses
  - Wine and Beer Sales

# Questions?



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