

# The National Association of Broadcasters

NATIONAL PRESS BUILDING \* \* \* \* \* WASHINGTON, D. C.  
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### BROADCAST ADVERTISING IN NOVEMBER

Broadcast advertising in November showed further increases in volume over the marked gains experienced during the previous month. Total radio advertising volume during the month amounted to \$5,985,857.00 and constituted a gain of 4.1% over October revenues. November gross revenues from the sale of advertising time on stations and networks were 51.5% ahead of those of September. The total volume of broadcast advertising over national networks, regional networks and individual stations for the month of November is found in Table I:

TABLE I  
TOTAL RADIO BROADCAST ADVERTISING  
VOLUME

Class of Business	1933 Gross Receipts		Cumulative July-November
	October	November	
National networks . .	\$3,244,153.00	\$3,439,088.00	\$12,503,004.00
Regional networks . .	26,091.00	74,051.00	162,754.00
Individual stations . .	2,471,606.00	2,472,718.00	10,622,978.00
Total . . . . .	\$5,741,850.00	\$5,985,857.00	\$23,288,736.00

Receipts for the sale of time by national networks in November showed an increase of 6% over those of the preceding month and were 12% greater than November, 1932, revenues. National network business is still approximately 23% behind that of last year, though the last five months of 1933 have approximately equalled the same period of the previous year. It would seem therefore that national network volume for 1933 will total between 30 and 32 million dollars and will be approximately 10% behind the 1931 total.

Marked increases occurred during the month in regional network advertising, the volume of business of this nature having almost tripled that of October. Individual station business remained practically the same in amount as during the preceding month.

### Comparison with Other Media

A comparison of expenditures for radio broadcast advertising as against those for other leading media is found in Table II:

TABLE II  
ADVERTISING VOLUME MAJOR MEDIA

Advertising Medium	1933 Gross Receipts		Cumulative July-November
	October	November	
Radio broadcasting . .	\$5,739,850.00	\$5,985,857.00	\$23,286,736.00
National magazines <sup>1</sup> . .	9,574,829.00	9,535,635.00	39,794,721.00
National farm papers . . . . .	455,018.00	436,830.00	1,737,992.00
Newspapers . . . . .	43,903,450.00	41,356,796.00	193,871,964.00
Total . . . . .	\$59,673,147.00	\$57,315,118.00	\$258,691,413.00

<sup>1</sup> National magazine totals are for 108 periodicals, prepared by Publishers' Information Bureau, Inc., from which source national farm papers and networks are also taken.

National magazine volume decreased slightly as against October though it remained 4% above the November, 1932, figure. Maga-

zine advertising volume for the year is still 16% behind that of 1932. Newspaper advertising volume experienced its usual seasonal decline and was 3.9% less than in October. National farm paper advertising decreased 4% compared with the preceding month and was 1% less than the same month of 1932. Advertising volume in national farm papers during the first eleven months of 1933 was 17% less than during the same period of the preceding year.

The position of radio broadcast advertising, therefore, compares favorably with that of other media, and seems to be recuperating from its recent decline in volume at approximately the same rate as is other advertising. There should be a tendency for national network advertising to show an especially quick comeback insofar as advertising of this type is largely concentrated among the more prosperous and enterprising companies.

### Advertising Over Various Classes of Stations

The volume of non-network advertising placed over stations of different classes of power is found in Table III:

TABLE III  
NON-NETWORK BROADCAST ADVERTISING BY  
POWER OF STATION

Power of Station	1933 Gross Receipts		Cumulative July-November
	October	November	
Over 5,000 watts . . .	\$894,860.00	\$801,630.00	\$4,198,501.00
2,500-5,000 watts . .	311,192.00	302,311.00	1,309,969.00
250-1,000 watts . . .	935,850.00	1,002,911.00	3,834,353.00
100 watts and under .	329,704.00	365,866.00	1,280,155.00
Total . . . . .	\$2,471,606.00	\$2,472,718.00	\$10,622,978.00

Non-network business of stations of more than 5,000 watts in power decreased approximately 14% during November, due principally to an increasing volume of network accounts being broadcast over stations of this class.

Stations of from 2,500 to 5,000 watts in power experienced a 3% decline in revenues as compared with the previous month. This loss is probably due to network commitments. Advertising volume placed over stations of 250 to 1,000 watts in power increased 7.1% during the month. The greatest increase was enjoyed by stations of the 100 watt class, whose volume of advertising rose 10.9% as compared with October.

The amount of non-network advertising placed over stations in different sections of the country is found in Table IV:

TABLE IV  
NON-NETWORK BROADCAST ADVERTISING BY  
GEOGRAPHICAL DISTRICTS

Geographical District	1933 Gross Receipts		Cumulative July-November
	October	November	
New England-Middle Atlantic Area . . .	\$599,277.00	\$597,887.00	\$2,659,269.00
South Atlantic-South Central Area . . .	354,559.00	403,794.00	1,587,562.00
North Central Area .	1,018,643.00	972,872.00	4,020,500.00
Pacific and Mountain Area . . . . .	499,127.00	498,165.00	2,355,647.00
Total . . . . .	\$2,471,606.00	\$2,472,718.00	\$10,622,978.00

The principal trend in non-network advertising volume among the different sections of the country has been the marked growth which it has experienced in the South Atlantic-South Central Area. Radio advertising volume in this section was 16.7% greater in November than in October and undoubtedly reflects the increased buying power of the South, which has resulted from the Government crop control program. There was a slight decline in radio advertising in the Middle West, while the volume in the New England-Middle Atlantic and Pacific and Mountain Areas remained approximately the same as during the preceding month.

#### Spot and Local Advertising

A comparison of the volume of national spot and local advertising going to make up the non-network revenues of individual stations is found in Table V:

**TABLE V**  
**COMPARISON OF NATIONAL SPOT AND LOCAL BROADCAST ADVERTISING**

Class of Business	1933 Gross Receipts		
	October	November	Cumulative July-November
National spot .....	\$1,066,413.00	\$1,085,342.00	\$4,200,660.00
Local .....	1,405,193.00	1,387,376.00	6,422,318.00
Total .....	\$2,471,606.00	\$2,472,718.00	\$10,622,978.00

There has been little change in this field from the preceding month. National spot advertising increased 1.8%, while local advertising declined 1.3%, due principally to seasonal considerations.

#### Advertising By Type of Rendition

The trends with regard to electrical transcriptions and other types of broadcasting rendition are found in Tables VI and VII:

**TABLE VI**  
**NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION**

Type of Rendition	1933 Gross Receipts		
	October	November	Cumulative July-November
Elec. transcriptions ..	\$563,753.00	\$495,516.00	\$1,948,371.00
Live talent programs ..	1,094,678.00	1,044,932.00	4,807,838.00
Records .....	53,398.00	56,880.00	293,765.00
Spot announcements ..	759,777.00	875,390.00	3,573,004.00
Total .....	\$2,471,606.00	\$2,472,718.00	\$10,622,978.00

**TABLE IX**  
**RADIO BROADCAST ADVERTISING VOLUME BY TYPE OF SPONSORING BUSINESS**  
(November, 1933)

Type of Sponsoring Business	National Networks	Gross Receipts for Month		Total
		Regional Networks	Individual Stations	
1a. Amusements .....			\$70,882.00	\$70,882.00
1-2. Automobiles and Accessories:				
(1) Automobiles .....	\$229,568.00	\$5,400.00	84,327.00	319,295.00
(2) Accessories, gas and oils .....	320,606.00	22,179.00	260,203.00	602,988.00
3. Clothing and apparel .....	43,340.00	900.00	169,158.00	213,398.00
4-5. Drugs and toilet goods:				
(4) Drugs and pharmaceuticals .....	389,140.00	7,327.00	369,748.00	766,215.00
(5) Toilet goods .....	618,637.00	1,600.00	141,756.00	761,993.00
6-8. Food products:				
(6) Foodstuffs .....	768,134.00	24,517.00	442,462.00	1,235,113.00
(7) Beverages .....	362,339.00		62,968.00	425,307.00
(8) Confections .....	123,316.00	200.00	35,043.00	158,559.00
9-10. Household goods:				
(9) Household equipment and furnishings .....	11,748.00		114,007.00	125,755.00
(10) Soap and kitchen supplies .....	95,473.00		28,655.00	124,128.00
11. Insurance and financial .....	59,778.00	1,744.00	59,178.00	120,700.00
12. Radios .....	57,601.00		10,056.00	67,657.00
13. Retail establishments .....			125,028.00	125,028.00
14. Tobacco products .....	182,499.00		4,797.00	187,296.00
15. Miscellaneous .....	176,909.00	10,184.00	494,450.00	681,543.00
Total .....	\$3,439,088.00	\$74,051.00	\$2,472,718.00	\$5,985,857.00

**TABLE VII**  
**COMPARISON OF LOCAL AND NATIONAL SPOT ADVERTISING BY TYPE OF RENDITION**

Type of Rendition	1933 Gross Receipts		
	National Spot	Local	Cumulative July-November
Elec. transcriptions ..	\$374,707.00	\$120,809.00	\$495,516.00
Live talent programs ..	335,202.00	709,730.00	1,044,932.00
Records .....	8,074.00	48,806.00	56,880.00
Spot announcements ..	367,359.00	508,031.00	875,390.00
Total .....	\$1,085,342.00	\$1,387,376.00	\$2,472,718.00

Electrical transcription volume in November declined approximately 11%, though still remaining at a very much higher level than in September. The decline in this field was principally due to a recession in national spot business of this type. Live talent volume declined 4.5% though remaining at approximately the same figure as that of the past several months.

The greatest increase in non-network business during November was in the spot announcement field. Revenues derived from spot announcements increased 15%. This rise was due almost exclusively to national spot business the volume of which rose 38.8% as compared with October. Local spot announcement volume increased 2.6% over the preceding month.

Participations, which are found in Table VIII, increased approximately 10% over October though remaining considerably below the September volume for this type of business.

**TABLE VIII**  
**PARTICIPATIONS OVER INDIVIDUAL STATIONS**

Type of Rendition	1933 Gross Receipts		
	October	November	Cumulative July-November
Elec. transcriptions ..		\$177.00	\$572.00
Live talent .....	\$48,300.00	49,685.00	288,370.00
Records .....	10,802.00	15,961.00	78,890.00
Total .....	\$59,102.00	\$65,823.00	\$367,832.00

#### Radio Advertising Sponsors

The volume of broadcast advertising in November sponsored by various industrial groups is found in Table IX, while an analysis of national spot and local broadcast advertising over individual stations is presented in Table X:



**TABLE X**  
**NON-NETWORK ADVERTISING BY TYPE OF SPONSORING BUSINESS**  
**(November, 1933)**

<i>Type of Sponsoring Program</i>	<i>National Spot</i>	<i>Gross Receipts for Month</i>	
		<i>Local</i>	<i>Total</i>
1a. Amusements .....	\$3,792.00	\$67,090.00	\$70,882.00
1-2. Automobiles and Accessories:			
(1) Automobiles .....	38,993.00	45,334.00	84,327.00
(2) Accessories, gasoline and oil .....	181,276.00	78,927.00	260,203.00
3. Clothing and apparel .....	5,768.00	163,390.00	169,158.00
4-5. Drugs and toilet goods:			
(4) Drugs and pharmaceuticals .....	265,392.00	104,356.00	369,748.00
(5) Toilet goods .....	115,216.00	26,540.00	141,756.00
6-8. Food products:			
(6) Foodstuffs .....	209,236.00	233,226.00	442,462.00
(7) Beverages .....	18,397.00	44,571.00	62,968.00
(8) Confectionery .....	32,171.00	2,872.00	35,043.00
9-10. Household goods:			
(9) Household equipment and furnishings .....	21,200.00	92,807.00	114,007.00
(10) Soap and kitchen supplies .....	10,023.00	18,632.00	28,655.00
11. Insurance and financial .....	16,820.00	42,358.00	59,178.00
12. Radios .....	2,875.00	7,181.00	10,056.00
13. Retail establishments .....	2,731.00	122,297.00	125,028.00
14. Tobacco products .....	1,983.00	2,814.00	4,797.00
15. Miscellaneous .....	159,469.00	334,981.00	494,450.00
<b>Total .....</b>	<b>\$1,085,342.00</b>	<b>\$1,387,376.00</b>	<b>\$2,472,718.00</b>

The following trends are to be noticed in the aforementioned tables:

1a. *Amusements*:—There has been a slight gain in this field during the month due principally to increased national spot business of this type.

1. *Automobiles*:—Total automobile advertising decreased 10.6% as compared with October. National network advertising in this field declined 10.5% and individual station advertising 38%. In the non-network field national spot advertising declined 23% and local advertising 48%. These declines are undoubtedly due to a discontinuance of advertising prior to the introduction of new models. There was a marked increase of regional network advertising in the automotive field.

2. *Accessories, gasoline and oil*:—Advertising of products of this class increased 18% over October, and stands at the highest point that it has reached during the past six months. National network advertising increased 7.8%, regional network advertising rose very markedly, while individual station volume increased approximately 26%. The rise in individual station revenues derived from this class of advertiser was evenly distributed between national spot and local business.

3. *Clothing*:—There was a 13% decline in advertising volume in this field. Network volume declined 9% and individual station volume 15%. The latter was due principally to a more than 80% decrease in national spot clothing advertising, local advertising revenues in this field having risen 2.8%, as compared with October.

4. *Drugs and pharmaceuticals*:—Advertising in this field continues to increase. Total revenues derived from this source increased 18% as compared with October. National network volume rose approximately 9% as compared with the previous month; regional network advertising doubled, while individual station revenue derived from this source increased 28%. National spot volume rose 34% and local drug and pharmaceutical advertising increased 14% as compared with the previous month.

5. *Toilet goods*:—There has been a slight increase in this field due principally to national network advertising. Part of the rise over the networks has been offset by declines in individual station revenues.

6. *Foodstuffs*:—Food advertising over the radio experienced another 9% gain as compared with October. National network advertising increased 6%, individual station advertising 10%, and

national spot advertising 13%. There was little change in local advertising in this field.

7. *Beverages*:—A slight decline was experienced during November in advertising of this class, principally due to decreases in national network and national spot advertising. Local beverage advertising increased slightly.

8. *Confectionery*:—The trend in this field has been similar to that of beverages. The volume still stands at more than five times that of July of the current year.

9. *Household appliances*:—Household appliance advertising over the radio declined 10.8% as compared with October. This was due principally to a drop of 43% in national spot volume. Network advertising in this field remained approximately the same as during the preceding month, while local advertising declined 13%.

10. *Soap and kitchen supplies*:—There has been a 21% decline in this field as compared with October, most of which has been due to a marked decrease in national spot revenue derived from this source.

11. *Insurance and financial*:—October gains in this field have been offset by November losses, a decline of approximately 23% having taken place in financial and insurance radio advertising during the current month as compared with the preceding one. National network volume declined approximately 50% and local advertising 33%. There was a marked increase in national spot advertising of this class amounting to approximately 60%.

12. *Radio*:—There has been little or no change in this field during the period under consideration.

13. *Retail*:—Radio advertising by department and general retail stores showed a particularly strong upward trend during the current month. Increased volume of general retail establishment advertising amounted to 11.2%. There was, however, a slight decrease in advertising of this type sponsored by smaller retail establishments.

14. *Tobacco products*:—There was a gain of 25% in this field due entirely to the return of the large tobacco companies to network advertising.

## Retail Advertising

A detailed study of the retail advertising situation is found in Table XI:

**TABLE XI**  
**RETAIL ADVERTISING OVER INDIVIDUAL STATIONS**

(November, 1933)

<i>Type of Sponsoring Business</i>	<i>Gross Receipts for month</i>
Automobiles and accessories:	
Automobile agencies and used car dealers .....	\$28,830.00
Gasoline stations, garages, etc. ....	25,482.00
Clothing and apparel shops .....	160,417.00
Drugs and toilet goods:	
Drug stores .....	16,547.00
Beauty parlors .....	103.00
Food products:	
Grocery stores, meat markets, etc. ....	32,475.00
Restaurants and eating places <sup>1</sup> .....	26,310.00
Beverage retailers .....	165.00
Confectionery stores, etc. ....	954.00
Household goods:	
Household equipment retailers <sup>2</sup> .....	35,867.00
Furniture stores .....	40,913.00
Hardware stores .....	6,454.00
Radio retailers .....	6,216.00
Department and general stores .....	125,027.00
Tobacco shops .....	391.00
Miscellaneous .....	53,800.00
<b>Total</b> .....	<b>\$560,151.00</b>

<sup>1</sup> Exclusive of hotels.

<sup>2</sup> Such as electric refrigerators, oil burners, sweepers, furnaces and the like.

The principal trends in this field have been a marked decline in automobile advertising, an increase of approximately 11% in clothing store advertising, a 50% increase in drug store advertising, the rise in general retail advertising previously noted, and slight declines in the grocery, beverage, confectionery and household appliance fields. There was a slight rise in restaurant and similar advertising.

## GENERAL BUSINESS CONDITIONS

The business recession following the mid-summer rise in activity has been definitely checked and the general trend of industry and trade is again upward. Indeed, general business conditions seem to be more favorable than they have been at any time since the beginning of the current depression.

The upswing in business began early in December and has continued since that time. On December 30 the *New York Times* index of business activity stood at 77.6 as compared with 74.7 on December 2 and 72.9 on November 11. The index of steel output at the end of December was 31.6, or more than double that of the same period of 1932. The electrical power index increased from 96.5 at the end of November to 99.5 on December 23. This is comparable to an index of 84.9 at the close of December, 1932.

Though automobile production has been slow in getting under way, probably because of radical changes in models, November sales in this field were unexpectedly high.

Prices have continued upward, the Bureau of Labor Statistics index of wholesale prices at present being 18% above the low point of March, 1933. The index has now reached a level of 70.4% of 1926 prices.

Retail trade seems to be picking up. November sales of the Montgomery-Ward Company were 25.3% above the corresponding month of 1932, those of Sears-Roebuck 27.2% above the previous year, and those of J. C. Penney Company 27.7%. It seems to be the consensus of opinion that retail trade during the Christmas holidays was far above what had been expected.

A number of interesting indications of the trend of business are found in the American Federation of Labor's review of business conditions during the past year published several days ago. It is estimated that 1,800,000 men were given permanent employment during the year and that 4,600,000 additional workers were given temporary employment under the Civil Work Administration. The total income of workers has been increased 11.7% over the year, and, if CWA employment is to be included, this figure will rise to 26.4%. It should be noted, however, that though the average wage has increased merely from \$20.53 a week in November, 1923 to \$20.56 a week in November, 1933, food prices have increased 7% and clothing and furnishing prices 21%. Since this is probably true of middle class, as well as working class income and prices, a too rapid increase in mass purchases must not be expected. Provided, however that Government borrowing can be effected without disturbing the financial situation, the present business trend should continue and the first quarter of 1934 should show additional improvement in the economic situation.