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BROADCAST ADVERTISING IN APRIL

Broadcast advertising in April declined 4.9% as compared with the preceding month, although still remaining considerably above the general level for the present season. Gross sales of time amounted to \$6,669,957.00. The drop in radio advertising volume is due principally to a 6.5% decrease in network revenue, station business having dropped a little less than half that proportion. The network decline is primarily seasonal in nature. National spot advertising remained at approximately the March level, while marked gains were experienced in the electrical transcription field.

Revenues of 100 watt stations rose slightly, while the receipts of those over 5,000 watts in power decreased slightly. Small gains in volume of business were recorded in the New England-Middle Atlantic Area, advertising volume in other sections of the country having decreased slightly. The principal industrial trends of interest were the marked gains in national spot advertising in the automobile and automotive accessory fields.

Trend in General Advertising

The trend in general radio advertising is found in Table I:

TABLE I

TOTAL BROADCAST ADVERTISING VOLUME

Class of Business	March	1934	
		Gross Receipts April	Cumulative Jan.-April
National networks ..	\$4,000,698.00	\$3,739,719.00	\$15,104,876.00
Regional networks ..	66,516.00	61,888.00	236,914.00
Individual stations ..	2,953,530.00	2,868,350.00	10,476,936.00
Total	\$7,020,744.00	\$6,669,957.00	\$25,818,726.00

National network time sales during April declined 6.5%, while regional network revenues dropped 7% in volume. Network decreases were due mainly to seasonal trends. National network volume during April was 52% above that of the same month of 1933, although it must be remembered that April and May of that year marked the lowest ebb of network advertising since 1931. Non-network business declined 3.1% in April as compared with March, this tendency being contrary to the general retail advertising trend shown in other media.

Comparison with Other Media

A comparison of the relative volume of broadcast and other advertising is found in Table II:

TABLE II

ADVERTISING VOLUME BY MAJOR MEDIA

Advertising Medium	March	1934	
		Gross Receipts April	Cumulative Jan.-April
Radio Broadcasting ..	\$7,020,744.00	\$6,669,957.00	\$25,818,726.00
National magazines ¹ ..	10,955,396.00	11,974,032.00	37,669,404.00
National farm papers	496,892.00	593,059.00	1,850,649.00
Newspapers	41,011,500.00	44,501,000.00	153,244,250.00
Total	\$59,484,532.00	\$63,738,048.00	\$218,583,029.00

¹ 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 advertising increased 9.3% in April as compared with the previous month. Monthly magazine volume was 16% higher than in April, 1933, while weekly magazine volume showed a 32% increase over the same month of the preceding year. National farm paper advertising increased 19.3% as compared with March and was above last year's volume. Newspaper advertising volume rose 7.4% as compared with the previous month.

Non-Network Advertising by Power of Station

Other than a slight decline in volume of advertising broadcast over stations of more than 5,000 watts in power and a similarly small rise in the volume placed over 100 watt stations, there were no changes of significance during the month. Revenues of stations over 5,000 watts in power decreased 10.9% as compared with March, while stations in the 100 watt class experienced a 5.7% increase as compared with the previous month. The volume of non-network advertising placed over various classes of stations is found in Table III:

TABLE III

NON-NETWORK BROADCAST ADVERTISING BY POWER OF STATION

Power of Station	March	1934	
		Gross Receipts April	Cumulative Jan.-April
Over 5,000 watts....	\$1,205,383.00	\$1,073,740.00	\$4,075,103.00
2,500-5,000 watts ...	183,000.00	184,600.00	776,685.00
250-1,000 watts	1,163,819.00	1,185,780.00	4,258,332.00
100 watts and under.	401,328.00	424,230.00	1,366,816.00
Total	\$2,953,530.00	\$2,868,350.00	\$10,476,936.00

Advertising by Geographic Districts

The amount of non-network advertising placed over stations located in various parts of the country is found in Table IV:

TABLE IV

NON-NETWORK BROADCAST ADVERTISING BY GEOGRAPHICAL DISTRICTS

Geographical District	March	1934	
		Gross Receipts April	Cumulative Jan.-April
New England-Middle Atlantic Area	\$ 975,167.00	\$1,025,090.00	\$3,265,698.00
South Atlantic-South Central Area	403,100.00	386,200.00	1,533,330.00
North Central Area..	1,127,583.00	1,028,670.00	3,994,887.00
Pacific and Mountain Area	447,680.00	428,390.00	1,683,021.00
Total	\$2,953,530.00	\$2,868,350.00	\$10,476,936.00

Non-network advertising in the New England-Middle Atlantic Area increased 5.1% as compared with March, while non-network volume in other sections of the country declined slightly. The South Atlantic-South Central Area experienced a decrease of 6.7%, the North Central Area one of 9.1%, and the Pacific and Mountain Area a decline of 4.2% as compared with the previous month.

Spot and Local Advertising

The relative volume of spot and local non-network advertising is found in Table V:

TABLE V
COMPARISON OF NATIONAL SPOT AND LOCAL BROADCAST ADVERTISING

<i>Class of Business</i>	<i>March</i>	<i>1934</i>	
		<i>Gross Receipts April</i>	<i>Cumulative Jan.-April</i>
National spot	\$1,509,643.00	\$1,491,770.00	\$5,156,361.00
Local	1,443,887.00	1,376,580.00	5,320,575.00
Total	\$2,953,530.00	\$2,868,350.00	\$10,476,936.00

It will be noted that the principal decline in non-network volume during the month of April was in the local field where revenues from the sale of time decreased 4.6% as against the preceding month. National spot advertising remained at approximately the same level as March, experiencing a 1.2% drop.

Advertising by Type of Rendition

The trend with regard to electrical transcription, live spot, record broadcasts and spot announcements during the month is found in Tables VI and VII:

TABLE VI
NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

<i>Type of Rendition</i>	<i>March</i>	<i>1934</i>	
		<i>Gross Receipts April</i>	<i>Cumulative Jan.-April</i>
Electrical transcriptions ..	\$ 686,317.00	\$ 868,580.00	
Live talent programs...	1,389,598.00	1,146,230.00	
Records	48,777.00	47,910.00	
Spot announcements ..	828,838.00	805,630.00	
Total	\$2,953,530.00	\$2,868,350.00	

TABLE VII
COMPARISON OF LOCAL AND NATIONAL SPOT ADVERTISING BY TYPE OF RENDITION (April 1934)

<i>Type of Rendition</i>	<i>National spot</i>	<i>Gross Receipts for Month</i>	
		<i>Local</i>	<i>Total</i>
Electrical transcriptions ..	\$ 757,420.00	\$ 111,160.00	\$ 868,580.00
Live talent programs ..	457,710.00	688,520.00	1,146,230.00
Records	10,010.00	37,900.00	47,910.00
Spot announcements ..	266,630.00	539,000.00	805,630.00
Total	\$1,491,770.00	\$1,376,580.00	\$2,868,350.00

TABLE IX
RADIO BROADCAST ADVERTISING VOLUME BY TYPE OF SPONSORING BUSINESS (April 1934)

<i>Type of Sponsoring Business</i>	<i>Gross Receipts for Month</i>			
	<i>National Networks</i>	<i>Regional Networks</i>	<i>Individual Stations</i>	<i>Total</i>
1a. Amusements	—	—	\$39,900.00	\$39,900.00
1-2. Automobiles and Accessories:				
(1) Automobiles	\$220,078.00	\$265.00	129,790.00	350,133.00
(2) Accessories, gas and oils	358,700.00	22,704.00	207,145.00	588,549.00
3. Clothing and apparel	37,587.00	975.00	186,755.00	225,317.00
4-5. Drugs and toilet goods:				
(4) Drugs and pharmaceuticals	326,624.00	3,090.00	406,600.00	736,314.00
(5) Toilet goods	862,761.00	—	131,250.00	994,011.00
6-8. Food products:				
(6) Foodstuffs	726,540.00	8,415.00	542,680.00	1,277,635.00
(7) Beverages	296,890.00	9,439.00	128,340.00	434,669.00
(8) Confections	108,544.00	200.00	44,000.00	152,744.00
9-10. Household goods:				
(9) Household equipment and furnishings	47,470.00	5,910.00	199,600.00	252,980.00
(10) Soap and kitchen supplies	196,885.00	—	42,920.00	239,805.00
11. Insurance and financial	62,808.00	2,784.00	68,040.00	133,632.00
12. Radios	44,923.00	—	15,300.00	60,223.00
13. Retail establishments	—	—	117,030.00	117,030.00
14. Tobacco products	325,928.00	—	8,430.00	334,358.00
15. Miscellaneous	123,981.00	8,106.00	600,570.00	732,657.00
Total	\$3,739,719.00	\$61,888.00	\$2,868,350.00	\$6,669,957.00

Marked gains were experienced during April in the electrical transcription field, advertising volume of this type increasing 23.6% as compared with March and reaching the high point of the current season. The increase in the electrical transcription business was due almost entirely to national spot volume, which rose 33.6% as compared with the previous month. Live talent volume dropped 17.8% as compared with March, due principally to a 30.4% decline in national spot volume. Spot announcement volume held its own in both the national spot and local fields, the total volume of this type of business declining to 2.7% during the month. There was no change in the record field.

Participations

The volume of participation business increased materially in April, due to a 50% rise in live talent programs of this type. Data regarding the total volume of participations during the current month is found in Table VIII:

TABLE VIII
PARTICIPATIONS OVER INDIVIDUAL STATIONS

<i>Type of Rendition</i>	<i>1934</i>		
	<i>March</i>	<i>Gross Receipts April</i>	<i>Cumulative Jan.-April</i>
Electrical transcriptions	\$ 214.00	\$ 150.00	\$ 820.00
Live talent programs	70,490.00	105,330.00	438,820.00
Records	8,070.00	7,600.00	31,244.00
Total	\$78,774.00	\$113,080.00	\$470,884.00

Radio Advertising Sponsors

Conflicting tendencies, mostly seasonal in origin, have exhibited themselves with regard to radio advertising sponsorship by various types of business during the month of April. Non-network automotive and accessory advertising rose markedly, due to material increases in national spot business in these two fields. In addition to the changes already noted, local advertising by radio dealers increased 62% as compared to March. Increased expenditures for radio advertising occurred in the clothing, toilet goods, household equipment, soap and kitchen supplies, and department store fields. Declines took place in the drug, food, confection, financial and tobacco fields. The volume of broadcast advertising sponsored by various types of business is found in Tables IX and X:

TABLE X
NON-NETWORK ADVERTISING VOLUME BY TYPE OF SPONSORING BUSINESS
(April 1934)

<i>Type of Sponsoring Business</i>	<i>National Spot</i>	<i>Gross Receipts for Month</i>	
		<i>Local</i>	<i>Total</i>
1a. Amusements	\$ 200.00	\$39,700.00	\$39,900.00
1-2. Automobiles and Accessories:			
(1) Automobiles	83,310.00	46,480.00	129,790.00
(2) Accessories, gas and oils	142,555.00	64,590.00	207,145.00
3. Clothing and apparel	23,895.00	162,860.00	186,755.00
4-5. Drugs and toilet goods:			
(4) Drugs and pharmaceuticals	303,271.00	103,329.00	406,600.00
(5) Toilet goods	99,040.00	32,210.00	131,250.00
6-8. Food products:			
(6) Foodstuffs	348,104.00	194,576.00	542,680.00
(7) Beverages	60,390.00	67,950.00	128,340.00
(8) Confections	39,040.00	4,960.00	44,000.00
9-10. Household goods:			
(9) Household equipment and furniture	61,172.00	138,428.00	199,600.00
(10) Soap and kitchen supplies	32,360.00	10,560.00	42,920.00
11. Insurance and financial	17,463.00	50,577.00	68,040.00
12. Radios	3,410.00	11,890.00	15,300.00
13. Retail establishments	1,990.00	115,040.00	117,030.00
14. Tobacco products	3,560.00	4,870.00	8,430.00
15. Miscellaneous	272,010.00	328,560.00	600,570.00
Total	\$1,491,770.00	\$1,376,580.00	\$2,868,350.00

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

1a. Amusements: There was a slight increase in April advertising in the amusement field, although the total volume still remains materially below that of the fall season.

1. Automobiles: Although there was no change in the total volume of automotive advertising, important shifts occurred in the volume placed over various parts of the broadcasting structure. National network automotive advertising declined 17.2%, while non-network advertising rose 53.3% as compared with March. National spot volume practically doubled as compared with the previous month, while local advertising rose approximately 12%.

2. Accessories, gasoline and oil: Radio advertising in the accessory and gasoline fields rose 15.4% in April, due to seasonal causes. Network volume increased 7.0%, while individual station rose 40.8%. National spot volume more than doubled itself as compared with March, while local advertising declined.

3. Clothing: Total radio advertising expenditures in this field increased 7.6% as compared with March, national network advertising rising 12.1% and individual station business increasing 6.8%. The individual station increase was due principally to local advertisers.

4. Drugs and pharmaceuticals: Drug and pharmaceutical advertising over the air dropped 23.6% as compared with March, network volume declining 14.8% and individual station non-network volume dropping 29.1%. Both national spot and local advertising declined materially.

5. Toilet goods: A 3.5% increase was experienced in this field during the current month. Network advertising rose 2.0% and individual station advertising 12.8%, the latter due primarily to local sponsorship.

6. Foodstuffs: Food advertising over the air dropped 10.6% during April, network volume decreasing 7.6% and individual station business declining 11.0%, local and national spot business being affected about equally.

7. Beverages: There was little or no change in this field during the month. Network advertising increased slightly, while individual station business declined to a similar degree.

8. Confectionery: Advertising in this field decreased 22.9% as compared with March, network volume dropping 13.6% while national spot volume decreased by slightly more than half.

9. Household appliances: A gain of 5.5% was experienced in this field. Non-network business increased 26.7% due to a 73% rise in local advertising. National network volume declined 41.2%.

10. Soap and kitchen supplies: A gain of 7.0% was experienced by this class of business due principally to a 27.2% rise in non-network volume. This rise was shared equally by national, spot and local business.

11. Insurance and financial: There was a slight recession in

this field during the month, no important changes taking place within the various parts of the radio structure.

12. Radio: Volume of advertising in this field rose 10% as compared with March due to a 62.6% rise in non-network business, the rise being almost exclusively in the local field.

13. Department stores and general retail establishments: There was a 6.3% rise in this field during the current month.

14. Tobacco products: Tobacco advertising declined 21% during April due to decreasing expenditures over national networks.

15. Miscellaneous: There was a decline of 8.8% in this general classification during the month, affecting all parts of the radio structure approximately equally.

Retail Advertising

The volume of retail advertising over individual stations is found in Table XI:

TABLE XI
RETAIL ADVERTISING OVER INDIVIDUAL STATIONS
(April 1934)

<i>Type of Sponsoring Business</i>	<i>Gross Receipts for Month</i>
Automobile and accessories:	
Automobile agencies and used car dealers	\$49,478.00
Gasoline stations, garages, etc.	49,235.00
Clothing and apparel shops	143,116.00
Drugs and toilet goods:	
Drug stores	11,480.00
Beauty parlors	3,930.00
Food products:	
Grocery stores, meat markets, etc.	63,070.00
Restaurants and eating places ¹	19,300.00
Beverage retailers	2,104.00
Confectionery stores, etc.	2,113.00
Household goods:	
Household equipment retailers ²	40,380.00
Furniture stores	56,920.00
Hardware stores	17,530.00
Radio retailers	14,270.00
Department and general stores	117,030.00
Tobacco shops	580.00
Miscellaneous	48,160.00
Total	\$638,696.00

¹ Exclusive of hotels.

² Such as electric refrigerators, oil burners, sweepers, furnaces and the like.

General retail advertising during the month increased 12.5%, the rise being due to seasonal forces. Automotive advertising increased 32.7% and accessory advertising approximately 30%. Other marked gains during the month included a 37.5% rise in drug store advertising, an 18% rise in food advertising and material advances in the beverage, household equipment, furniture, hardware and radio dealer fields.

General Business Conditions

Following unsettled trends during most of April, business showed a slight downward tendency in May after allowance for seasonal trends was made. The New York Times Index on May 19 stood at 85.4% of the 1923-25 level as compared with 88.7% on April 28.

The Detroit factory employment index on April 28 was 112.7, and on May 19 106.8. The index for automobile production declined from 130.2 to 100.0 during the period under discussion, while the stock price index dropped from 94.9 to 84.6. Steel production on the other hand rose from 72.4% of the 1923-25 level to 76.3%.

Declines were experienced in the textile field, in the volume of freight car loadings and in retail sales. Department store sales in April were slightly below the March level, while variety store sales were 8% lower than the previous month and chain store sales 3% less. Present indications seems to point toward a slowing up of business progress during the summer months, although the situation is too confused to make possible any very definite prognostication.