

The National Association of Broadcasters

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BROADCAST ADVERTISING IN AUGUST

Developments of the Month

BBROADCAST advertising trends continued to be confusing in the main, though some evidence of underlying firmness is discernible. Revenues for the decline this year was slightly greater than in 1933 when August revenues were but 5.9% lower than those of the previous month. National spot volume again showed the strongest seasonal variation, being 21.7% lower than in the previous month. Local volume was approximately equal to July, while regional network volume experienced a gain of 31.2%.

Comparison with 1933

August broadcasting was 6.4% above that of the same month of 1933. National spot volume was 17.9% ahead of last year's level, national spot business 9.3% greater, and regional network volume approximately equal to last year's figure. Local broadcast advertising alone was lower than last year, experiencing a decline of 13.9% as compared with August, 1933. It is encouraging to note, however, that the comparative showing of August is better than that of July when local advertising was 20.4% below the level of the previous year.

Comparison with Other Media

The usual seasonal declines were experienced during the month in the magazine and farm periodical fields. National magazines were 12.3% lower in advertising vol-

ume than in July, though 6.9% above August last year. National farm paper revenues were 15.2% lower than July, 22.7% less than in August 1933. Drought conditions undoubtedly influenced this trend. Newspaper advertising followed its usual seasonal trend with an increase of 2.4%. Volume, however, was 6.5% below the same month of the previous year.

Other Trends of the Month

Stations of 5 kilowatts and more in power were the severest losers during the month, revenues of this class declining 21.6% as compared to July, and reaching a level materially below 1933. Revenues of the 100-watt class rose 6.4% as compared with the previous month. Broadcast advertising volume over the 250-1,000-watt class was 21.5% greater than during the same month of last year, and 34.0% greater in the same case of 100-watt stations.

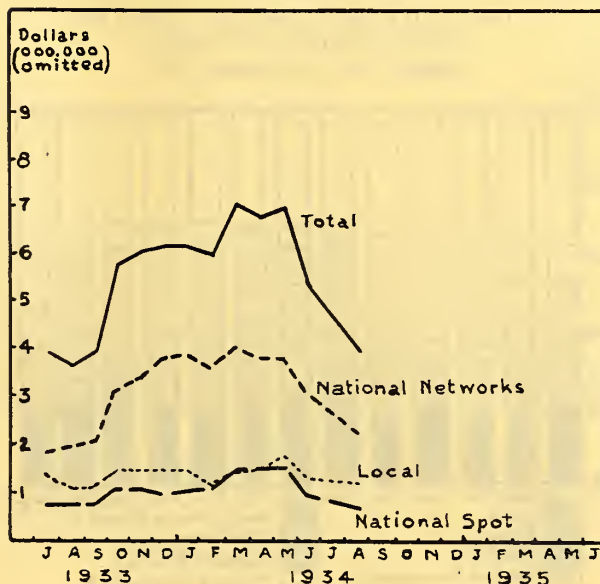
It should be noted that the "2,500-5,000-watt" and the "over 5,000-watt" classes have been combined in this report. This has been done because of the very few stations in the former group.

Declines in revenue as compared with July were greatest in the Southern and Mountain and Pacific areas. The New England-Middle Atlantic district showed a gain of 37.8% over August 1933, Middle Western volume was about equal to last year, Pacific Coast volume slightly less and Southern volume off materially.

National spot electrical transcription volume was 12% under last year. The live talent trend in this field continues, volume of this type of business being 46.6% above last year. Both local and national post announcement business was lower than in August 1933.

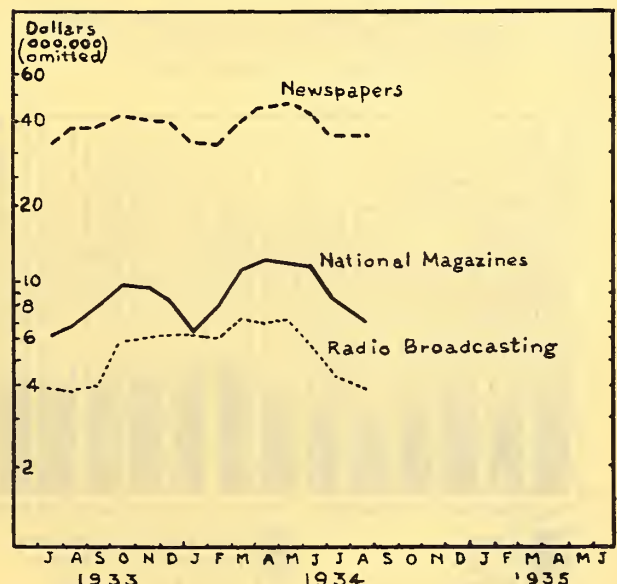
RADIO BROADCAST ADVERTISING VOLUME

July, 1933, to June, 1935



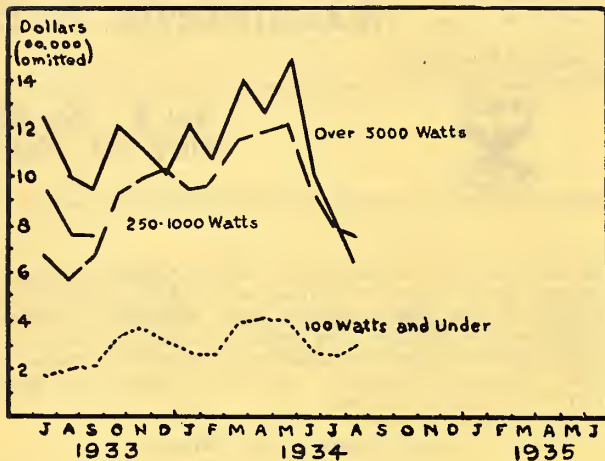
ADVERTISING VOLUME MAJOR MEDIA

July, 1933, to June, 1935



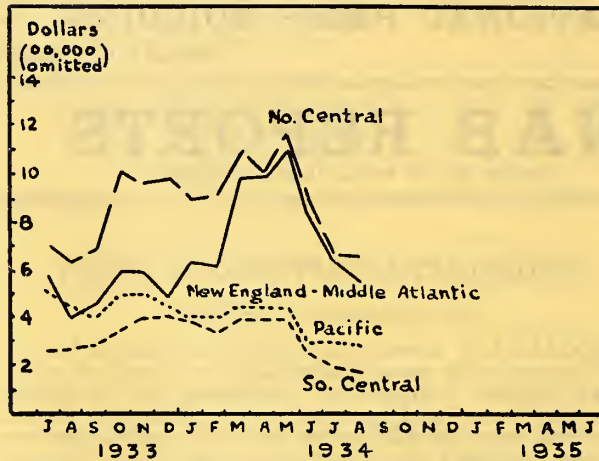
NON-NETWORK ADVERTISING BY STATION POWER

July, 1933, to June, 1935



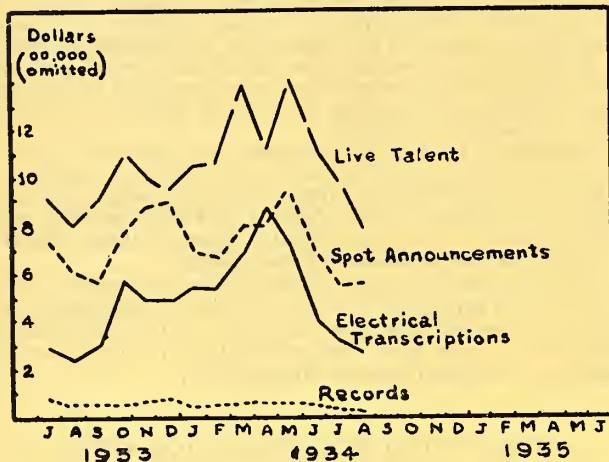
NON-NETWORK ADVERTISING BY GEOGRAPHICAL DISTRICTS

July, 1933, to June, 1935



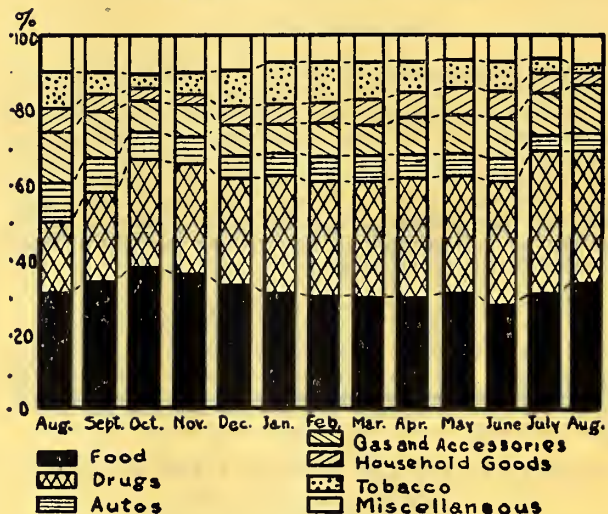
NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

July, 1933, to June, 1935



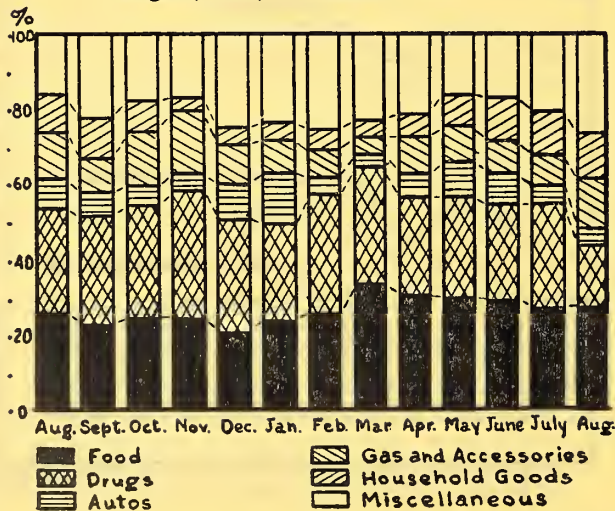
NATIONAL NETWORK ADVERTISING BY TYPE OF SPONSORING BUSINESS

August, 1933, to August, 1934



NATIONAL SPOT ADVERTISING BY TYPE OF SPONSORING BUSINESS

August, 1933, to August, 1934



LOCAL ADVERTISING BY TYPE OF SPONSORING BUSINESS

August, 1933, to August, 1934



General seasonal declines occurred in most fields during the month. The drop in business was particularly heavy in the amusement field. The usual August upswing in the household furnishing field also manifested itself.

Principal gains as compared with August of the previous year include the following: Gasoline and automobile accessories, 22.5%, due mainly to national spot increase; clothing, 28.0%, with marked rises in national network and national spot volume; drugs and pharmaceuticals, 151%, with marked gains in all fields except local; cosmetics, 58% due to network and local increases; food, 30.1%, the rises occurring in the network and spot fields; miscellaneous, due mainly to political advertising.

The main decreases as compared with 1933 have taken place in the following fields: Amusements, 60.0% less than August of the preceding year; automobiles, 43.0% less due to national spot decreases; confections, 38% less, in spite of a 30% national network gain; soap, 20%; financial 45%, due to network and local decreases; tobacco, 67%, in spite of a spot rise; and retail advertising.

A summary of trends is as follows:

1a. Amusements. 20% decline since July. 60% less than August last year. Local decline reason.

1. Automobiles. 19% less than July and 43% below last year. Networks 8% lower than 1933; national spot 50% lower; local volume about same.

2. Accessories, gasoline and oil. Equal July. Slight increase spot, decrease local. National spot 22.5% above 1933, rest approximately equal last year.

3. Clothing 7.0% less July. Spot dropped 20%, rest declined only slightly.

4. Drugs and pharmaceuticals. 31.6% under July level. Networks off 19%, spot 60%, local 36%. Marked increase 1933, 151% networks, 400% regional networks, and 40% rise national spot. Local volume dropped 40%.

5. 14.5% under July, in spite slightly higher local volume. Materially above 1933. General increase 58%, with networks more than doubled, and local practically same. National spot slightly lower.

6. Foodstuffs. 6.0% under July, in spite of 3% gain in networks volume. Networks above 38.4% above last August, national spot 32.0% and local 16.6% less than last year.

7. Beverages. Slight decline as compared July. Networks 9.0% above 1933 level for month, national spot 27.0% and local 25.1% higher.

8. Confectionery. 4% decrease during month, due to network drop. Local up 40%. Confectionery volume 38.0% under August 1933 in spite of marked increase network volume.

9. Household equipment and appliances. 3% gain during month due to 17.5% rise in local advertising. Current volume 4% under August last year. Network decline reason. National spot up 25.0% and local 31.8%, as against last year.

10. Soap and kitchen supplies. 21% decrease, general in all fields. Household supply advertising 17.3% above August 1933. Gains general in all fields.

11. Insurance and financial. Decrease of 10.8% during month, due to local decline. Financial volume 45.6% under August last year. Main declines in local and network fields.

12. Radio. Increase 34.1% over July, due to rise in national spot volume. Radio volume 16.0% higher than last year. Main gains national spot and local advertising.

13. Retail establishments. General retail advertising 2.2% under July. Department and general store advertising off 16.2%. Main declines include 20% automobile dealers, 9% clothing, 11.4% food, and lesser ones in hardware, and radio. Increases include 24% in gasoline and accessories, 14.0% in household equipment and 70% in furniture retail advertising as compared July. Retail advertising off approximately 20% from August 1933. See retail advertising table.

14. Tobacco products. Marked decline principally network. Some rise national spot tobacco volume during the month. General volume one-third as much as last August.

15. Miscellaneous. Slight increase. Political advertising and some increase in general sponsorship the reason. Volume slightly ahead last year.

BUSINESS CONDITIONS

During the past week some of the recession of September has been counteracted. Conditions still remain spotty, with considerable uncertainty. The New York Times Index on September 22nd stood at 72.3 as compared with 76.5 at the end of August and 77.7 one year ago.

The passing of the textile strike, however, should be encouraging. In spite of being materially lower than last year, automobile production has declined less than the usual seasonal amount during the past several weeks. Steel has shown some slight gains, while car loadings have remained fairly steady. Prices have held fairly steady, following uncertainty during the past several months. New York department store sales during the first half of September were 7.2% above the same period last year. The index of department store sales for the first seven months of this year was 16.3% above 1933, chain variety store sales 9% greater and mail order volume approximately 36% greater. The gains are much smaller however when compared to 1932.

TOTAL BROADCAST ADVERTISING VOLUME

Class of Business	1934 Gross Receipts		
	July	August	Cumulative Jan.-Aug.
National networks.....	\$2,494,710	\$2,248,870	\$26,742,446
Regional networks.....	32,939	42,694	392,884
National spot business.....	767,750	598,122	8,976,736
Local broadcast advertising..	1,080,064	1,039,070	10,413,633
Total	\$4,375,463	\$3,928,756	\$46,525,699

ADVERTISING VOLUME BY MAJOR MEDIA

Advertising Medium	1934 Gross Receipts		
	July	August	Cumulative Jan.-Aug.
Radio broadcasting	\$4,375,463	\$3,928,756	\$46,525,699
National magazines ¹	8,147,057	7,141,669	76,698,531
National farm papers.....	340,234	288,526	3,499,687
Newspapers ²	34,462,900	35,321,000	312,319,150
Total	\$47,325,654	\$46,679,951	\$439,043,067

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.

² Estimated.

NON-NETWORK BROADCAST ADVERTISING BY POWER OF STATION

Power of Station	1934 Gross Receipts		
	July	August	Cumulative Jan.-Aug.
Over 1,000 watts ¹	\$797,824	\$625,060	\$8,827,532
250-1,000 watts.....	791,700	737,332	7,955,961
100 watts.....	258,290	274,800	2,606,876
Total	\$1,847,814	\$1,637,192	\$19,390,369

¹ This includes high-powered regional and clear channel stations ranging from 5 kilowatts upwards in power.

NON-NETWORK BROADCAST ADVERTISING BY GEOGRAPHICAL DISTRICTS

Geographical Districts	1934 Gross Receipts		
	July	August	Cumulative Jan.-Aug.
New England-Middle Atlantic Area	\$658,384	\$565,678	\$6,474,563
South Atlantic-South Central Area	212,120	162,600	2,569,843
North Central Area	672,596	637,404	7,361,911
Pacific and Mountain Area ..	304,714	271,510	2,984,052
Total	\$1,847,814	\$1,637,192	\$19,390,369

NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

Type of Rendition	National Spot		Local		1934 Gross Receipts		Cumulative Jan.-Aug.
	July	Aug.	July	Aug.	July	Aug.	
Electrical transcription.....	\$224,745	\$176,810	\$95,995	\$77,405	\$320,740	\$254,215	\$4,343,074
Live talent programs.....	397,450	245,855	559,964	539,265	957,414	785,120	8,982,737
Records.....	3,188	1,067	29,395	27,250	32,583	28,317	322,367
Spot announcements.....	142,367	174,390	384,710	395,150	537,077	569,540	5,742,191
Total	\$767,750	\$598,122	\$1,080,064	\$1,039,070	\$1,847,814	\$1,637,192	\$19,390,369

RADIO BROADCAST ADVERTISING BY TYPE OF SPONSORING BUSINESS

(August, 1934)

Type of Sponsoring Business	National Networks		Regional Networks		Gross Receipts		Total
					National Spot	Local	
1a. Amusements.....	—	—	—	—	\$3,963	\$46,760	\$50,723
1-2. Automobiles and Accessories:							
(1) Automobiles.....	\$92,341	—	—	—	20,908	46,844	160,093
(2) Accessories, gas and oils.....	275,555	11,187	—	—	80,135	58,657	425,534
3. Clothing and apparel.....	25,246	1,000	—	—	20,400	108,947	155,593
4-5. Drugs and toilet goods:							
(4) Drugs and pharmaceuticals.....	216,277	1,615	—	—	63,894	44,426	326,212
(5) Toilet goods.....	600,693	1,520	—	—	31,350	14,962	648,525
6-8. Food products:							
(6) Foodstuffs.....	504,110	6,695	—	—	129,676	146,800	787,281
(7) Beverages.....	238,640	4,390	—	—	32,500	57,780	333,310
(8) Confections.....	16,061	200	—	—	4,300	2,940	23,501
9-10. Household goods:							
(9) Household equipment and furnishings.....	5,850	—	—	—	20,900	94,768	121,518
(10) Soap and kitchen supplies.....	112,157	—	—	—	50,890	6,658	169,705
11. Insurance and financial.....	36,014	2,140	—	—	9,720	26,445	74,319
12. Radios.....	39,162	—	—	—	16,540	3,900	59,602
13. Retail establishments.....	—	—	—	—	3,020	69,625	72,645
14. Tobacco products.....	38,168	—	—	—	21,310	2,418	61,896
15. Miscellaneous.....	48,596	13,947	—	—	88,616	307,140	458,299
Total	\$2,248,870	\$42,694	\$598,122	\$1,039,070	\$3,928,756		

RETAIL ADVERTISING OVER INDIVIDUAL STATIONS

(August, 1934)

Type of Sponsoring Business	1934 Gross Receipts	
	July	August
Automobiles and accessories:		
Automobile agencies and used car dealers..	\$41,600	\$33,750
Gasoline stations, garages, etc.....	25,740	31,467
Clothing and apparel shops.....	117,680	109,420
Drugs and toilet goods:		
Drug stores.....	7,365	7,157
Beauty parlors.....	3,570	3,180
Food products:		
Grocery stores, meat markets, etc.....	34,600	30,450
Restaurants and eating places ¹	20,420	14,113
Beverage retailers.....	1,343	716
Confectionery stores, etc.....	1,785	1,487
Household goods:		
Household equipment retailers ²	25,160	29,800
Furniture stores.....	32,463	54,231
Hardware stores.....	9,640	7,363
Radio retailers.....	8,575	5,462
Department and general stores.....	86,450	72,645
Tobacco shops.....	540	2,075
Miscellaneous.....	35,720	36,700
Total	\$449,081	\$439,716

¹ Exclusive of hotels.

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