

# The National Association of Broadcasters

NATIONAL PRESS BUILDING \* \* \* \* \* WASHINGTON, D. C.  
PHILIP G. LOUCKS, Managing Director

## NAB REPORTS

Copyright, 1935. The National Association of Broadcasters



Vol. 3 - - No. 32  
JULY 9, 1935

### BROADCAST ADVERTISING IN MAY

#### Developments of the Month

**B**RROADCAST advertising in May exhibited the usual seasonal trends. Total gross time sales during the month amounted to \$7,546,285, a decline of 6.4% as compared with April volume. National network advertising decreased 7.2%, national non-network volume 8.2%, and local broadcast advertising 4.1%.

Regional network advertising alone increased, rising 5.5% as compared to April.

#### Comparison with Previous Year

Broadcast advertising volume still remains materially ahead of last year's level. May gross time sales were 9.0% ahead of the same month of 1934. National network advertising gained 9.4%, national non-network volume 2.0%, and local broadcast advertising 5.5%. Regional network advertising more than doubled May, 1934, volume.

#### Comparison with Other Media

National magazine advertising decrease 4.4% as compared to April but was 4.9% greater than during May of last year. National farm paper advertising decreased 4.8% as compared with the preceding month, and was 1.4% greater than for the corresponding month of 1934. Newspaper lineage rose 2.7% as against April, and reached a level 3.3% higher than in May, 1934. Retail newspaper advertising was 4.8% above last May's level, and general advertising 5.9% below the same month of 1934. Department store newspaper advertising registered a gain of 2.6% in May as compared with the preceding year.

#### Non-network Trends

General non-network advertising increased 7.1% as compared with the corresponding month of 1934. Non-

network advertising of stations over 1,000 watts in power rose 3.7%, that of stations of 250-1,000 watts increased 12.8%, while revenues of 100-watt stations gained 1.8%. All classes of stations showed declines as compared with the preceding month.

Advertising in the South South-Central Area declined 11.4% as against April, declines in other sections averaging approximately 5%. With the exception of non-network advertising in the New England-Middle Atlantic Area, which decreased materially, revenues of all sections were materially above the May, 1934, level. The non-network decline in the aforementioned district has been due in part to increasing network volume.

In the national non-network field live talent volume fell below the previous year's level for the first time in eleven months. Live talent volume in this field was 1.0% below May, 1934. Transcription volume was 2.1% lower than the level of last May, while announcement business experienced an increase of 3.1%.

Local transcription volume was 13.6% greater than during the same month of last year, live talent volume rose 5.5%, and announcement business 13.5%. Revenues from programs employing records decreased 33.0%.

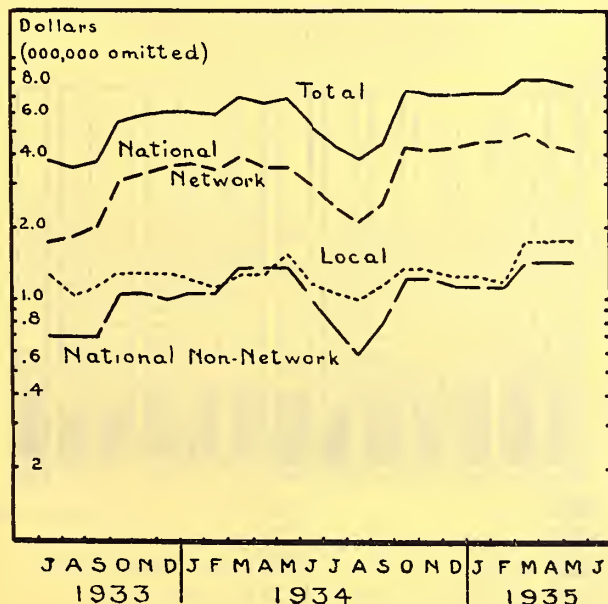
National non-network transcription advertising remained at comparatively the same level as April. Live talent volume declined 20.9%, and announcement volume rose 9.2%. Local transcription volume rose 9.0% during the month. Live talent volume declined 8.4%, records 23.7%, and announcements rose 1.2%.

#### Sponsor Trends in May

Rises occurred during the month in the national non-network and local accessory fields, national and regional network food advertising, national non-network and local beverage advertising, a general rise in the soap and kitchen supply field and an increase in local radio and regional

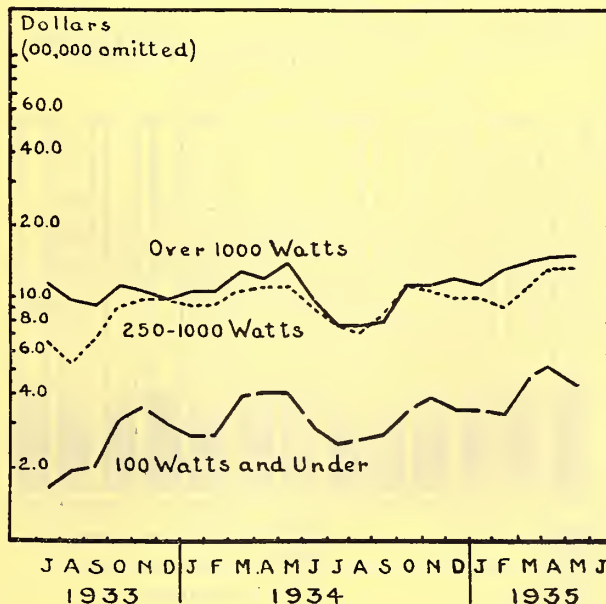
### RADIO BROADCAST ADVERTISING VOLUME

July, 1933, to May, 1935



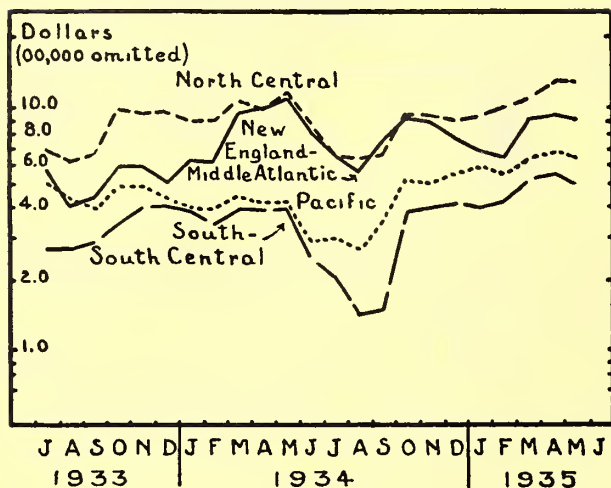
### NON-NETWORK ADVERTISING BY STATION POWER

July, 1933, to May, 1935



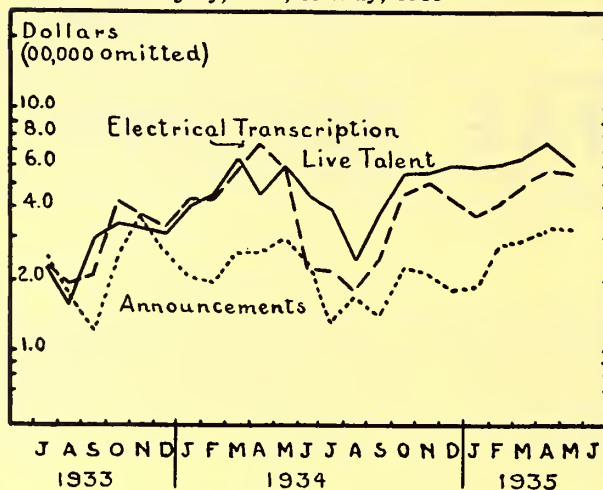
# NON-NETWORK ADVERTISING BY GEOGRAPHICAL DISTRICTS

July, 1933, to May, 1935



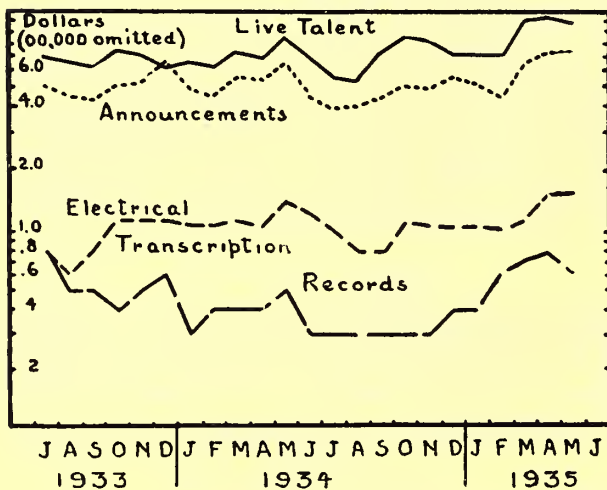
# NATIONAL NON-NETWORK ADVERTISING BY TYPE OF RENDITION

July, 1933, to May, 1935



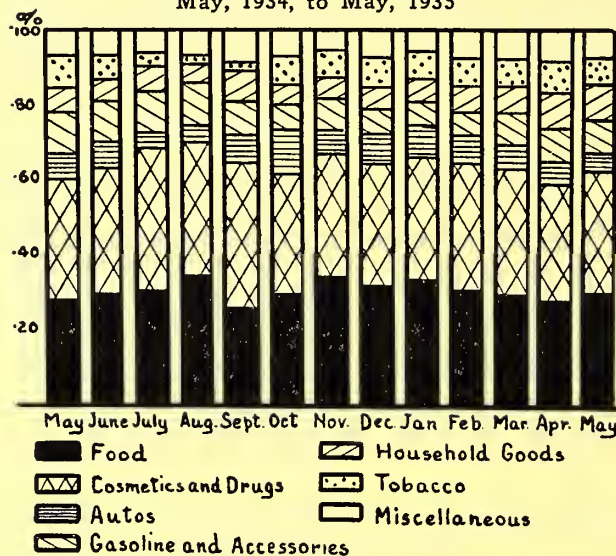
# LOCAL BROADCAST ADVERTISING BY TYPE OF RENDITION

July, 1933, to May, 1935



# NATIONAL NETWORK ADVERTISING BY TYPE OF SPONSORING BUSINESS

May, 1934, to May, 1935



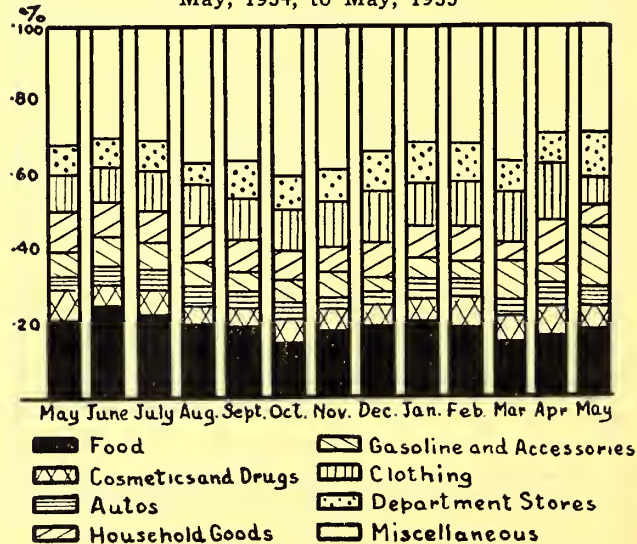
# NATIONAL NON-NETWORK ADVERTISING BY TYPE OF SPONSORING BUSINESS

May, 1934, to May, 1935



# LOCAL ADVERTISING BY TYPE OF SPONSORING BUSINESS

May, 1934, to May, 1935





network tobacco advertising. Declines were general among sponsor groups as compared with April.

A number of important gains were recorded as against the corresponding month of 1934. Local automotive advertising more than doubled, regional network clothing advertising increased eight-fold, while local clothing volume rose 45.9%. National network drug advertising registered an increase of 27.0% in spite of a material decline as compared to April. National and regional network food advertising rose materially, as did national network and national non-network confectionery volume. Household equipment, soap and kitchen supply advertising rose materially throughout the various portions of the medium. Regional network and national non-network tobacco advertising continued their increases of recent months.

Detailed information regarding trends in broadcast advertising in various fields of sponsorship are as follows:

1a. **Amusements.** Decrease 5.6% as against April, 40.0% decline national non-network being principal cause. Decrease 11.0% compared 1934. Decline general.

1. **Automotive.** Decrease 12.1% national network volume as compared April, 23.3% national non-network, and 15.0% local. Compared May, 1934, national network volume unchanged, national non-network up 1.5%, and local doubled.

2. **Gasoline and accessories.** National network advertising down 3.0% compared to April and regional networks 14.4%. National non-network up 18.5% and local 27.3%. Compared same month of last year, national network down 7.3%, regional networks 40.0%, national non-network 8.9%. Local up 2.0%.

3. **Clothing.** National network volume 30.0% below April, regional networks 23.0%, national non-network 10.0%, and local 13.0%. National network advertising 16.6% above May, 1934, regional volume nearly eight times greater, local up 45.9%, and national non-network down 42.0%.

4. **Drugs and pharmaceuticals.** National network volume down 14.7% compared to April, national non-network 28.3%, and local 40.0%. Regional volume up 3.8%. National network advertising 27.0% above last May, regional networks 48.0%. National non-network down 15.0%, and local 31.0%.

5. **Toilet goods.** National network volume unchanged from April, local up slightly. National non-network down 28.0%, and regional network down 9.0%. Compared to last May, national network up 1.1%, with material increase in regional field. National non-network down 39.2%, and local 31.2%.

6. **Foodstuffs.** National network 16.2% above April, regional networks 66.0%, with national non-network down 8.0%, and local

4.4%. National network advertising 43.1% ahead of May, 1934, regional volume tripled, national non-network down 21.4%, and local 10.1%.

7. **Beverages.** National network down 17.3% compared to April, national non-network up 10.0%, and local up 21.4%. National network volume 37.2% above May, 1934, national non-network 3.0%, and local 15.9%.

8. **Confectionery.** National network volume two-thirds below April level, national non-network same. Local advertising up 49.0%. Compared last May, national network volume 146.0% greater, national non-network up 80.0%, and local more than doubled.

9. **Household equipment.** National network volume 18.6% below April. Regional network advertising 31.8% greater, national non-network 6.1%, and local 4.5%. National network advertising 46.0% above May, 1934, national non-network 31.4%, and local 45.1%. Regional advertising increased from \$848 to \$14,441.

10. **Soaps and kitchen supplies.** National network volume 1.0% above April, regional networks 60.0%, national non-network 28.5%, and local 15.1%. National network advertising 25.0% greater than in May, 1934, with national non-network and local volume more than doubled. Regional volume increased materially.

11. **Financial and insurance.** National network advertising 43.0% below April, and local 10.0%. National non-network 11.2% above. Compared last May, national network volume 55.2% below, with regional volume off materially. National non-network volume down 20.9%, and local up 4.0%.

12. **Radio.** National network advertising 12.6% below April, national non-network 55.0%, and local up 77.0%. Compared to May of previous year, national network and local volume more than double, with national non-network advertising down nearly four-fifths.

13. **Department and general stores.** Little change from preceding month. National non-network volume 204.4% greater than during May of preceding year. Local advertising up 28.3%.

14. **Tobacco products.** National network advertising down 19.5%, regional networks up 55.9%, local volume doubled, and national non-network advertising down 10.0%. Compared with May, 1934, national network advertising down 5.8%, regional network volume increased from nothing to \$15,435, national non-network advertising increased from \$1,406 to \$54,555, and local volume more than tripled.

15. **Miscellaneous.** National network volume down 33.7%, regional networks 30.0%, and local 7.3%. National non-network advertising up 14.0%. Compared to May, 1934, national network advertising down 9.8%, regional volume more than doubled, national non-network up 41.1%, and local up slightly.

## RADIO BROADCAST ADVERTISING BY TYPE OF SPONSORING BUSINESS (May, 1935)

Type of Sponsoring Business	Gross Time Sales				
	National Networks	Regional Networks	National Non-network	Local	Total
1a. Amusements .....	—	—	\$3,822	\$46,900	\$50,722
1-2. Automobiles and accessories:					
(1) Automobiles .....	\$217,599	—	136,413	101,269	455,281
(2) Accessories, gas and oils .....	365,819	\$9,505	133,968	112,055	621,347
3. Clothing and apparel .....	35,072	4,654	22,025	246,010	307,761
4-5. Drugs and toilet goods:					
(4) Drugs and pharmaceuticals .....	467,586	6,975	259,240	79,738	813,539
(5) Toilet goods .....	892,169	4,531	62,236	23,630	982,566
6-8. Food products:					
(6) Foodstuffs .....	932,949	25,369	266,728	222,248	1,447,294
(7) Beverages .....	229,918	820	60,498	102,037	393,273
(8) Confections .....	58,920	200	53,866	16,800	129,786
9-10. Household goods:					
(9) Household equipment and furnishings .....	70,123	14,441	99,565	237,810	421,939
(10) Soap and kitchen supplies .....	299,594	4,839	99,206	19,953	423,592
11. Insurance and financial .....	24,574	464	17,786	54,230	97,054
12. Radios .....	82,583	—	1,620	16,000	100,203
13. Retail establishments .....	—	—	13,730	159,615	173,345
14. Tobacco products .....	292,095	15,435	54,555	15,925	378,010
15. Miscellaneous .....	109,575	8,788	224,090	408,120	750,573
<b>Total .....</b>	<b>\$4,078,576</b>	<b>\$96,021</b>	<b>\$1,509,348</b>	<b>\$1,862,340</b>	<b>\$7,546,285</b>

## Retail Broadcast Advertising

General declines occurred in various fields of retail sponsorship during the month. Gasoline and accessory, house furnishings and radios experienced the principal gains.

The following important gains were experienced in various fields as compared to May, 1934: Automobile dealers, 172.0%; gasoline and accessory dealers, 51.0%; clothing and apparel shops, 40.0%; household equipment retailers, 33.8%; furniture stores, 71.5%; hardware stores, 63.0%; and department stores, 24.4%. Food stores registered the principal decline, a decrease of 20.0% occurring.

Total retail broadcast advertising was 5.4% below the April level and 42.6% above May, 1934.

## RETAIL BROADCAST ADVERTISING OVER INDIVIDUAL STATIONS

Type of Sponsoring Business	1935 Gross Time Sales	
	April	May
Automobiles and accessories:		
Automobile agencies and used car dealers	\$119,175	\$108,235
Gasoline stations, garages, etc.	55,080	79,345
Clothing and apparel shops	293,330	248,847
Drugs and toilet goods:		
Drug stores	37,850	16,128
Beauty parlors	9,985	10,420
Food products:		
Grocery stores, meat markets, etc.	57,250	51,034
Restaurants and eating places	24,400	22,025
Beverage retailers	1,980	1,690
Confectionery stores	2,850	1,780
Household goods:		
Household equipment retailers	78,096	90,706
Furniture stores	93,035	95,800
Hardware stores	37,725	39,100
Radio retailers	9,050	15,810
Department and general stores	174,130	173,345
Tobacco shops	1,150	343
Miscellaneous	98,110	83,590
<b>Total</b>	<b>\$1,094,196</b>	<b>\$1,038,198</b>

## TOTAL BROADCAST ADVERTISING

Class of Business	1935 Gross Time Sales		
	April	May	Cumulative Jan.-May
National networks	\$4,398,013	\$4,078,576	\$22,583,795
Regional networks	82,058	96,021	371,378
National non-network	1,645,523	1,509,348	7,190,133
Local	1,939,327	1,862,340	8,346,690
<b>Total</b>	<b>\$8,064,921</b>	<b>\$7,546,285</b>	<b>\$38,491,996</b>

## NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

Type of Rendition	National Non-network		Local		Total		Cumulative Jan.-May
	April	May	April	May	April	May	
Electrical transcriptions	\$573,870	\$568,719	\$162,080	\$176,773	\$735,950	\$745,492	\$3,123,578
Live talent programs	751,080	593,906	967,790	885,844	1,718,870	1,479,750	7,487,095
Records	14,223	12,045	79,057	60,233	93,280	72,278	361,701
Announcements	306,350	334,768	730,400	739,490	1,036,750	1,074,258	4,564,459
<b>Total</b>	<b>\$1,645,523</b>	<b>\$1,509,438</b>	<b>\$1,939,327</b>	<b>\$1,862,340</b>	<b>\$3,584,850</b>	<b>\$3,371,778</b>	<b>\$15,536,833</b>

## General Business Conditions

Following the recession of the late spring, there has been a slight increase in business activity during recent weeks. The *New York Times* index reached 84.3% of the 1923-25 average during the week of June 15, as compared with 81.6% during the week of May 18. Electric power production increased 2.5% during the first half of June. Automobile production continued at the high level maintained recently. May orders in the machine tool industry were 12.0% greater than in April.

Carloadings increased somewhat. Rural retail sales were 17.0% greater than during May, 1934, while grocery chain store sales rose 5.0%. Variety store sales were 4.5% greater than during the corresponding month of last year. There were some price recessions in recent weeks, principally due to declines in the food field.

## ADVERTISING VOLUME BY MAJOR MEDIA

Advertising Medium	1935 Gross Time and Space Sales		
	April	May	Cumulative Jan.-May
Radio broadcasting	\$8,064,921	\$7,546,375	\$38,492,006
National magazines <sup>1</sup>	13,093,525	12,524,188	56,586,507
National farm papers	597,153	566,919	2,497,336
Newspapers <sup>2</sup>	46,734,000	47,998,000	212,206,000
<b>Total</b>	<b>\$68,489,599</b>	<b>\$68,635,482</b>	<b>\$309,781,849</b>

<sup>1</sup> National magazine totals for 124 periodicals prepared by Publishers' Information Bureau, Inc., from which source national farm paper and a portion of national network figures also are taken.

<sup>2</sup> Estimated.

## NON-NETWORK ADVERTISING BY POWER OF STATION

Power of Station	1935 Gross Time Sales		
	April	May	Cumulative Jan.-May
Over 1,000 watts	\$1,675,490	\$1,557,720	\$7,420,165
250-1,000 watts	1,444,530	1,393,710	6,082,995
100 watts	464,830	420,348	2,033,673
<b>Total</b>	<b>\$3,584,850</b>	<b>\$3,371,778</b>	<b>\$15,536,833</b>

## NON-NETWORK ADVERTISING BY GEOGRAPHICAL DISTRICTS

Geographical District	1935 Gross Time Sales		
	April	May	Cumulative Jan.-May
New England-Middle Atlantic Area	\$952,310	\$905,320	\$4,102,680
South Atlantic-South Central Area	570,840	505,420	2,411,340
North Central Area	1,371,600	1,302,922	5,884,482
Pacific and Mountain Area	690,100	658,116	3,138,331
<b>Total</b>	<b>\$3,584,850</b>	<b>\$3,371,778</b>	<b>\$15,536,833</b>



# The National Association of Broadcasters

NATIONAL PRESS BUILDING \* \* \* \* \* WASHINGTON, D. C.  
PHILIP G. LOUCKS, Managing Director

## NAB REPORTS

Copyright, 1935. The National Association of Broadcasters



Vol. 3 - No. 33  
JULY 9, 1935

### RETAIL BROADCAST ADVERTISING

The use of broadcast advertising by retailers has been receiving increasing attention during recent months. Despite the fact that retail institutions were among the first to own broadcasting stations, retail advertising over the radio, until recently, has progressed more slowly than has its national counterpart.

A number of causes have contributed to this situation. The greatly increased cost of station operation, following the first few years of broadcasting, caused many retailers who had established stations to give up their radio ventures or else to concentrate their energies entirely upon the business of broadcasting. The innate conservatism of the average retailer kept many from embarking upon this new medium until the success of national advertisers had given indisputable proof of its efficacy. Finally the limited financial resources of the average retailer, an incomplete appreciation of retail broadcast advertising problems on the part of many broadcasters and retailers alike, further combined to retard the progress of retail radio advertising.

#### Increased Interest in Retail Advertising

Today the situation is changing rapidly. The success of many retailers with radio advertising is directing the attention of their colleagues to the medium. Department stores, especially, are turning their attention to radio, and the demand for knowledge of the medium has been such that the National Retail Dry Goods Association, composed of a large number of the country's leading department stores, has just published a manual on the retail use of radio advertising. Individual inquiries regarding radio on the part of retailers also are growing. Dealer interest in and preference for broadcast advertising is further indicated by the replies of drug store proprietors, grocery store operators and gasoline filling station attendants to a survey conducted for the National Broadcasting Company. The results of this survey showed an overwhelming sentiment for broadcast advertising as compared to other media.

This interest is being translated into action. Retail broadcast advertising during the current year has shown a marked gain over the same period of 1934. Gross time sales to retail establishments during the first quarter of the current year were 48.6% greater than during the corresponding period of the preceding year. There has been a consistent upward trend throughout recent months as evidenced by the fact that retail broadcast advertising in January exceeded the same period of the previous year by 34.4%, February volume indicated a gain of 48.2%, while March advertising exceeded the 1934 level by 65.2%. April retail volume was 71.1% greater than during the same month of last year.

Department and general store advertising has increased particularly. Department store radio advertising during the first quarter of this year was 48.5% greater than during the corresponding period of 1934. April volume exceeded that of the previous year by about the same amount. Automobile dealer advertising, and advertising by clothing and housefurnishing retailers has increased markedly during the current year.

#### New Data on Retail Radio Advertising

Prompted by the growing interest in retail broadcast advertising, the National Association of Broadcasters recently has made a special analysis of the volume of retail advertising. Gross time sales to retailers over a selected group of stations were analyzed for a thirteen month period covering the latter part of 1933 and the major portion of 1934. Retail advertising was broken down by various classes of stations, different types of rendition employed and similar factors. The results of the study provide, for the first

time, detailed statistical information as to the manner in which broadcasting is being used by retailers. Insofar as the trends revealed by the study varied remarkably little during the period under examination, it is believed that they are of value in indicating some of the aspects of the potential market for retail broadcast advertising.

How much retail advertising is there? In 1934 total gross time sales to retail establishments amounted to \$7,183,000, or 44.9% of all local broadcast advertising. The retail classifications used in arriving at this figure were conservative, only indisputably retail establishments being classified as such. If all advertisers invested with any retail interest whatsoever—as for example, bakeries or dairy companies selling through retail establishments as well as through their own wagon routes or outlets—had been included in the classification it is probable that more than 60% of local broadcast advertising would have been included under the retail heading. Retail broadcast advertising in 1934 constituted 24.3% of all non-network gross time sales, and 9.9% of all advertising over the radio.

#### Retail Advertising Over Classes of Stations

The importance of retail advertising over various classes of broadcasting stations differs greatly. In the case of stations over 1,000 watts in power<sup>1</sup> it amounts to 16.9% of all non-network business, and to a considerably smaller portion of total broadcast advertising volume. It may be estimated roughly that retail advertising constitutes no more than 6.0% of total gross time sales of this class of station. In the case of stations of from 250 to 1,000 watts in power, the so-called regional group, retail broadcast advertising constitutes 33.1% of non-network advertising, and approximately 16.0% of total volume. With regard to stations of the 100 watt class, 43.4% of non-network advertising is retail. If all advertisers invested with a retail interest were included in this case, this figure would probably rise to more than two-thirds of total volume. It must also be remembered that the entire volume of stations of this class is non-network in nature.

In spite of the fact that the highest proportion of retail to total advertising is found on the local stations, it is the regional stations—the 250-1,000 watt group—on which the majority of retail advertising is placed. It is estimated that in 1934, approximately \$4,000,000 was spent by retailers over stations of this class. Approximately \$1,750,000 was spent over the 100 watt stations, while the remaining \$1,400,000 was placed over stations in the high power group.

The average expenditure by retailers over each class of station, reveals another aspect to the situation. Respectively, for each class of station, this is as follows: over 1,000 watts, \$22,000; 250-1,000 watts, \$13,000; 100 watts, \$7,000. The concentration of the larger retail establishments on the higher powered stations, and the effect of the higher station rates, are clearly illustrated.

Other than a slight tendency for a growth in the proportion of total broadcast advertising represented by retail establishments on stations over 1,000 watts in power, there was little change in the relative importance of retail radio sponsorship during the period under consideration.

#### Types of Retail Sponsors

There are interesting differences to be found in the types of retailers broadcasting over various classes of stations. An initial approach to this situation is found in the following table which represents the proportion of total advertising represented by retail establishments of various kinds over each class of station.

<sup>1</sup> Night time power is used throughout as the basis for classification.



# **PROPORTION OF TOTAL RETAIL BROADCAST ADVERTISING OVER VARIOUS CLASSES OF STATIONS REPRESENTED BY DIFFERENT KINDS OF RETAIL ESTABLISHMENTS.**

<i>Type of Retail Establishment</i>	<i>Class of Station</i>	<i>Over 1,000 w.</i>	<i>250-1,000 w.</i>	<i>100 w.</i>
Clothing and apparel stores....	24.3%	24.4%	29.2%	
Department and general stores.	21.1%	20.0%	12.0%	
Furniture and household equipment retailers .....	15.4%	13.1%	11.3%	
Automobile dealers .....	8.4%	7.8%	7.8%	
Food retailers .....	5.4%	8.8%	7.7%	
Restaurants .....	5.3%	3.2%	5.4%	
Gasoline stations and accessory stores .....	4.2%	5.1%	8.2%	
Miscellaneous .....	15.9%	17.6%	14.9%	
<b>Total .....</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	

Clothing and apparel stores are the most important retail advertisers on all classes of stations. They are of particular importance to stations in the 100 watt class. Advertising by clothing, haberdashery, millinery, hat, shoe stores and the like constitute nearly one-third of these stations' retail volume and more than one-eighth of their total gross time sales.

Department store advertising is equally important to regional and clear channel stations, but considerably less so to the 100 watt transmitter. There is little difference in the importance assumed by furniture, household equipment and automotive retail advertising over various classes of stations. Gasoline filling station and accessory store advertising tends to concentrate on the smaller stations.

Restaurant advertising divides itself into two classes. The larger eating places concentrate upon the high powered stations, while the small semi-neighborhood restaurants turn to the local stations. The only other trend of importance is found in the retail drug field, which constitutes 3.5% of 100 watt station retail advertising, and is practically non-existent on the other classes of stations.

Another interesting approach to retail broadcast advertising is found in the following estimate of the average expenditures per station in the various power groups by different kinds of retailers during the year of 1934.

## **ESTIMATED AVERAGE EXPENDITURES PER STATION OF EACH CLASS BY DIFFERENT TYPES OF RETAILERS DURING 1934.**

<i>Type of Retailer</i>	<i>Average expenditure per class of station</i>		
	<i>Over 1,000 w.</i>	<i>250-1,000 w.</i>	<i>100 w.</i>
Clothing and apparel stores....	\$5,300	\$3,250	\$2,100
Department and general stores.	4,500	2,670	800
Furniture and household equipment retailers .....	1,200	1,170	500
Automobile dealers .....	1,100	430	400
Food retailers .....	3,200	1,650	760
Restaurants .....	2,000	1,050	520
Gasoline stations and accessory stores .....	900	680	540
Miscellaneous .....	3,800	2,100	1,380
<b>Total .....</b>	<b>\$22,000</b>	<b>\$13,000</b>	<b>\$7,000</b>

Several additional factors should be considered while the subject of sponsorship is under discussion. The great bulk of retail advertising is concentrated upon stations of the 250-1,000 watt class. More than half of the retail radio advertising in the clothing, furniture and household equipment, gasoline and accessory fields, and more than 60% of that in the department store, food and automotive fields is concentrated upon regional stations.

There is a considerable difference as to the type of retail outlets broadcasting over different sizes of stations which is not revealed by the preceding tables. Larger stores, higher priced speciality shops and similar establishments concentrate either upon the clear channel or upon the better known regional stations. Small retailers, establishments catering to the working class—credit clothing houses, etc.—and stores enjoying trade in particular neighborhoods or sections of the city tend to center upon the local stations.

There is undoubtedly a decided variation in retail sponsorship among stations located in retail trading areas of various sizes, and indeed, these differences may be among the most important in the field. Likewise there should be some differences in both volume and type of retail advertising placed over network affiliates as against non-network stations. Unfortunately the available data is not sufficiently detailed to make possible an analysis of these factors.

## **Types of Rendition Used by Retailers.**

The types of rendition employed by retailers in broadcast advertising forms another interesting field of inquiry. In this respect it was found that 4.5% of total retail radio advertising constituted electrically transcribed programs, 37.5% represented talent broadcast from station or store studios, 51.1% comprised of announcements, while the remaining 6.9% consisted of programs on which phonograph records were employed.

The proportion of retail business represented by types of rendition differ considerably among stations of various classes of power. Thus, in 1934, electrical transcriptions accounted for 9.8% of total retail volume over stations of more than 1,000 watts in power, 4.4% of 250-1,000 watt station retail volume, and 3.2% in the case of the 100 watt group.

In the case of studio programs employing talent, the proportion of total retail advertising represented by this type of rendition was as follows: stations over 1,000 watts, 41.7%; stations 250-1,000 watts, 37.2%; 100 watt stations 27.9%.

Announcements represented 47.5% of the retail advertising over stations of more than 1,000 watts in power; 55.1% in the case of the 250-1,000 watt class, and 49.6% with regard to the 100 watt group.

Programs using phonograph records were important only in the case of the 100 watt stations, where they accounted for 19.3% of gross time sales. In the case of stations over 1,000 watts in power, programs of this type amounted to 1.0% of the total and 3.3% with regard to 250-1,000 watts stations.

The relative importance of various types of rendition differs considerably among different kinds of retailers. Principal differences of this type are found in the following table.

## **PROPORTION OF BROADCAST ADVERTISING OF VARIOUS KINDS OF RETAILERS REPRESENTED BY DIFFERENT TYPES OF RENDITION.**

<i>Type of Retailer</i>	<i>Type of Rendition</i>				<i>Total</i>
	<i>Electrical transcription</i>	<i>Live talent</i>	<i>Announcement</i>	<i>Records</i>	
Automobile dealers .....	7.0%	20.3%	67.0%	5.7%	100.0%
Gasoline stations and accessory stores .....	7.2%	37.1%	53.8%	1.9%	100.0%
Clothing and apparel stores.	6.8%	35.2%	49.5%	8.5%	100.0%
Department stores .....	6.3%	44.4%	46.6%	2.7%	100.0%
Drug stores .....	12.0%	27.7%	46.0%	14.3%	100.0%
Food retailers .....	4.1%	49.8%	43.4%	2.7%	100.0%
Restaurants .....	.4%	55.8%	40.2%	3.6%	100.0%
Household equipment retailers .....	1.8%	39.0%	56.0%	3.2%	100.0%
Furniture stores .....	2.4%	27.0%	62.8%	7.8%	100.0%

Though the significance of the majority of the preceding items is obvious, several require explanation. The transcription percentage for drug stores is undoubtedly partly the result of cooperative advertising, and partly of ventures such as that of Crazy Water Crystals in establishing their own retail outlets. It also will be noted that cooperative advertising probably exerts an influence on transcription volume of automobile dealers and gasoline stations.

Restaurant live talent broadcasts are higher than the average, due to remote control pick-ups from eating places having orchestras. In the main, announcement volume tends to increase as the size and the resources of the retail establishment decreases. The large proportion of automotive retail advertising probably is explained on the basis of the use of radio at auto show periods, announcement of new models and closing out of old ones, and for similar special occasions.

If one views retail broadcast advertising from the viewpoint of the dollar volume of types of rendition sponsored by various kinds



of retailers, a different picture presents itself. In the case of electrical transcriptions, clothing and apparel stores are the largest users. It is estimated that the transcription volume of these stores amounted to approximately \$115,000 in 1934. Department stores ranked second with estimated expenditures of about \$90,000. Gasoline filling stations and accessory stores, especially the former, accounted for about \$50,000 of transcription business, while automobile dealers accounted for \$40,000.

In the case of live talent programs, department stores ranked first with estimated expenditures in 1934 of approximately \$625,-

000. Other estimated expenditures during that year were as follows: Clothing, \$600,000; food, \$280,000; accessory stores and gasoline distributors, \$200,000; furniture retailers, \$165,000; household equipment retailers, \$160,000; restaurants, \$125,000.

Clothing stores and department stores lead the announcement field with estimated expenditures for 1934 of \$800,000 and \$650,000 respectively. Automobile dealers ranked third with an estimated \$500,000, and furniture retailers fourth with \$380,000. Gasoline stations and accessory retailers and food stores each spent approximately \$250,000 during the year.