

The National Association of Broadcasters

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BROADCAST ADVERTISING DURING THE THIRD QUARTER OF 1935

Principal Developments

Broadcast advertising during the third quarter of the current year showed a gain of 33.2% as compared to the corresponding period of 1934. Sales of broadcasting facilities to advertisers during the first nine months of 1935 were 22.3% above the level of the same period of the preceding year.

Important gains were experienced by all portions of the medium, with national non-network and regional network advertising showing the greatest improvement.

Non-network advertising increased on all sizes of stations. Clear channel and local station volume showed the greatest gains.

The largest increase in non-network advertising occurred in the South Atlantic-South Central Area and in the Pacific and Mountain Area.

Transcription and live talent volume experienced the greatest gains in the national non-network field, while transcription and record volume showed the most pronounced improvement in the local broadcast advertising field.

Food, confectionery, household equipment, and tobacco advertising experienced the greatest gains in the national network field. Regional network advertising showed marked increases both as to volume and variety of business.

In the national non-network field, automotive, food, confectionery, soap, and tobacco advertising registered the greatest rise. Automotive, clothing, and house furnishing advertising were the principal sponsor groups to show gains in the local field.

General retail advertising experienced an increase of 47.6% as compared with the corresponding period of 1934. Department store volume rose 29.2%.

Broadcast Advertising Volume

Broadcast advertising volume over various portions of the medium during the third quarter of the current year is found in Table I.

TABLE I

TOTAL BROADCAST ADVERTISING VOLUME

Class of Business	Gross Time Sales Third Quarter	
	1934	1935
National networks	\$7,304,237	\$9,451,157
Regional networks	133,581	256,203
National non-network	2,147,775	3,607,935
Local	3,294,849	3,840,055
Total	\$12,880,442	\$17,155,350

Regional network advertising showed the greatest gain over the corresponding period of the preceding year. Volume in this field rose 92.1%. National network volume gained 29.4%, national non-network advertising 68.0%, and local advertising 16.5%.

The sale of broadcasting facilities to advertisers during the first nine months of the current year exceeded those of the corresponding period of 1934 by 21.8%. Gains in various portions of the medium were as follows: National networks 21.3%, regional networks 16.0%, national non-network advertising 24.5%, and local broadcast advertising 18.5%.

Comparison with Other Media

Radio broadcasting continues to show the greatest improvement over the corresponding period of the preceding year. Whereas broadcast advertising volume increased 33.2%, newspaper advertising rose 6.0%, and national farm paper volume 6.7%. National magazine advertising decreased 0.5%. National magazine volume was 7.4% greater during the first nine months of the current year and during the corresponding period of 1934. Farm paper volume showed an increase of 4.4% and newspaper lineage a rise of 2.4%.

Details regarding advertising volume over major media are found in Table II.

TABLE II

ADVERTISING VOLUME BY MAJOR MEDIA

Advertising Medium	Gross Time and Space Sales Third Quarter	
	1934	1935
Radio broadcasting	\$12,880,442	\$17,123,410
National magazines ¹	24,837,024	24,713,755
National farm papers	1,060,717	1,132,083
Newspapers ²	109,712,900	116,317,000
Total	\$148,491,083	\$159,346,248

¹ Publishers' Information Bureau.

² Estimated.

Non-network Advertising

Total non-network advertising rose 36.8% as compared with the third quarter of last year. Non-network advertising over clear channel and high-powered regional stations, those of more than 1,000 watts in power, increased 43.4%. Regional station advertising, stations of between 250 and 1,000 watts in power, rose 27.2%. Local station volume experienced a gain of 46.8% as compared to the corresponding quarter of the previous year.

Gains in non-network advertising over various sizes of stations during the first nine months of the current year as compared with the corresponding period of 1934 were as follows: Clear channel stations 24.6%, regional stations 16.5%, and local stations 26.0%.

Non-network volume by various classes of stations is shown in Table III.

TABLE III

NON-NETWORK BROADCAST ADVERTISING BY POWER OF STATION

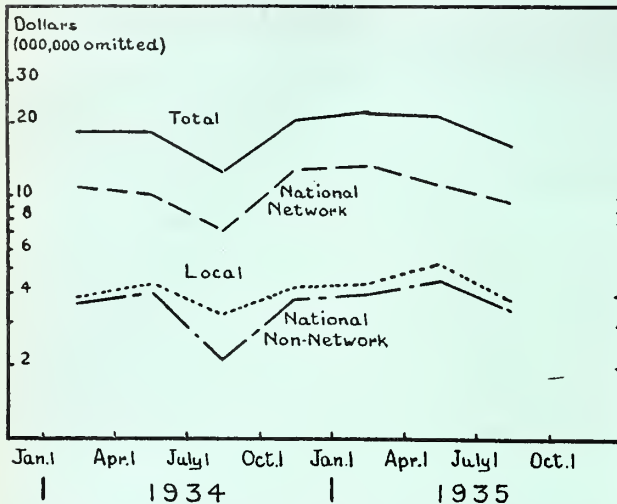
Power of Station	Gross Time Sales Third Quarter	
	1934	1935
Over 1,000 watts	\$2,244,822	\$3,219,350
250-1,000 watts	2,380,212	3,028,440
100 watts	817,590	1,200,200
Total	\$5,442,624	\$7,447,990

Non-network advertising in the South Atlantic-South Central Area was double that of the corresponding period of last year. Non-network volume in the North Central Area rose 49.1%, while that in the Pacific and Mountain Area increased 73.1%. Non-network volume in the New England-Middle Atlantic Area was 10.3% below the third quarter of 1934. Trends in the geographical distribution of non-network advertising have tended to be the same during the third quarter of the present year as they were during the preceding six months.

Non-network advertising by geographical districts is found in Table IV.

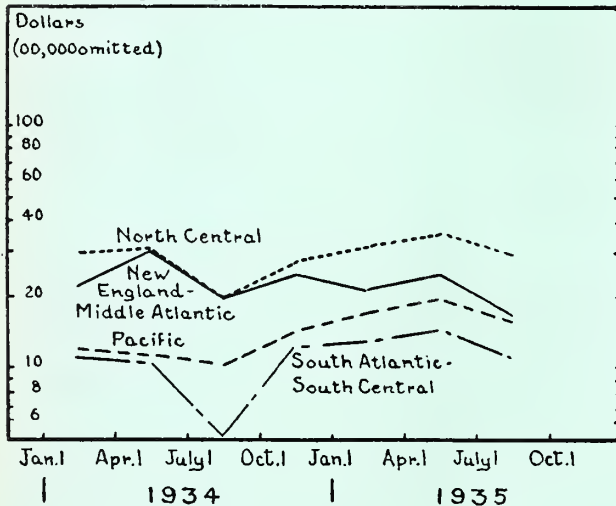
RADIO BROADCAST ADVERTISING VOLUME BY QUARTERS

January, 1934 to October, 1935



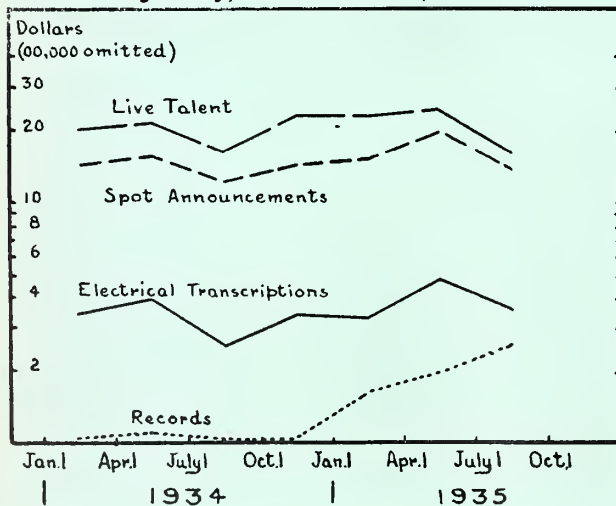
NON-NETWORK ADVERTISING BY GEOGRAPHICAL DISTRICTS (QUARTERLY)

January, 1934 to October, 1935



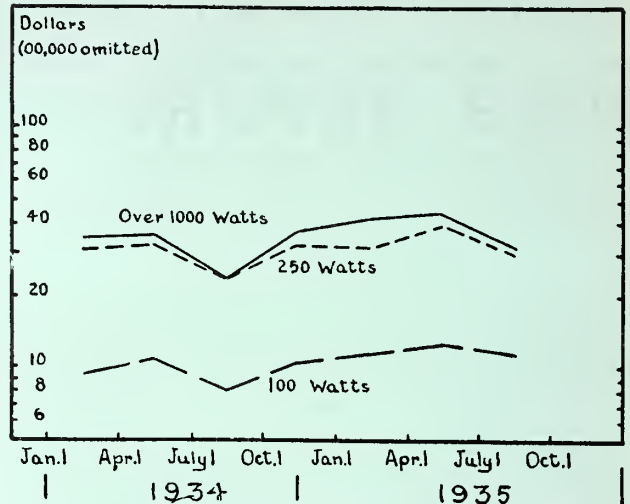
LOCAL ADVERTISING BY TYPE OF RENDITION (QUARTERLY)

January, 1934 to October, 1935



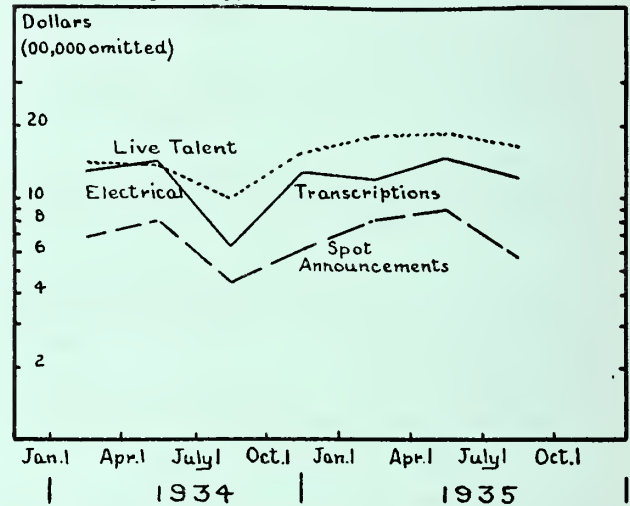
NON-NETWORK ADVERTISING BY STATION POWER (QUARTERLY)

January, 1934 to October, 1935



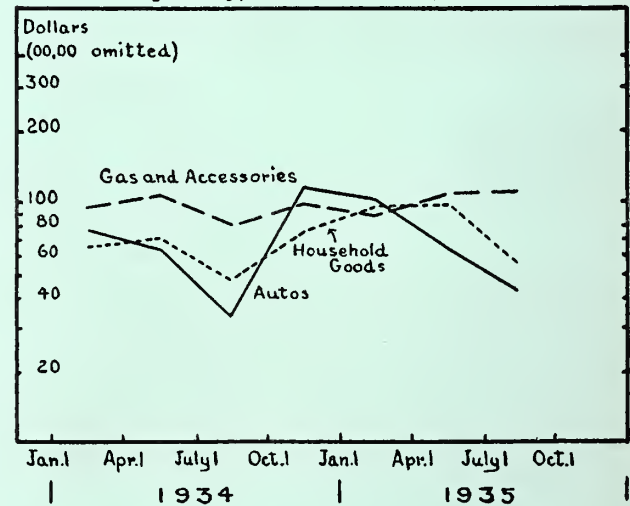
NATIONAL NON-NETWORK ADVERTISING BY TYPE OF RENDITION (QUARTERLY)

January, 1934 to October, 1935



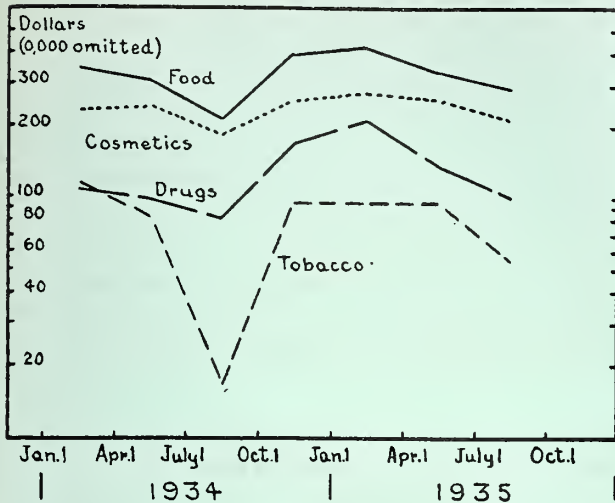
NATIONAL NETWORK ADVERTISING BY PRODUCT CLASSES (QUARTERLY)

January, 1934 to October, 1935



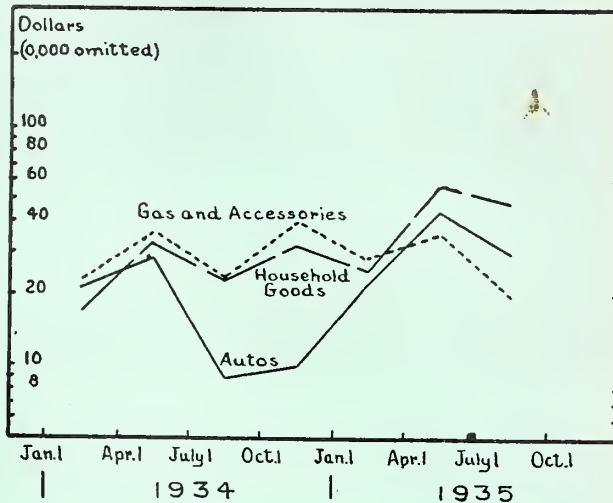
NATIONAL NETWORK ADVERTISING BY PRODUCT CLASSES (QUARTERLY)

January, 1934 to October, 1935



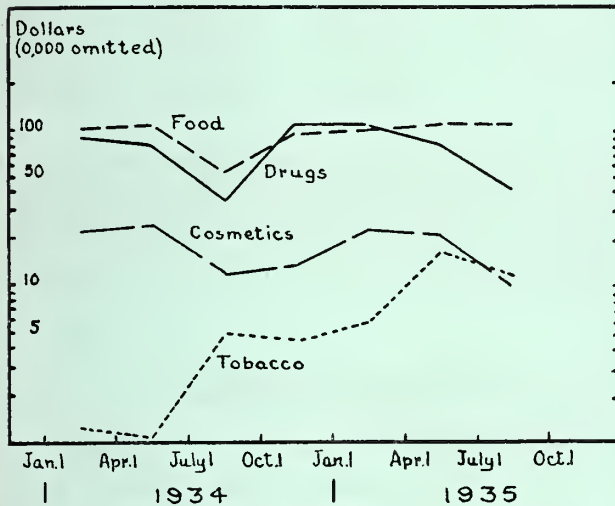
NATIONAL NON-NETWORK ADVERTISING BY PRODUCT CLASSES (QUARTERLY)

January, 1934 to October, 1935



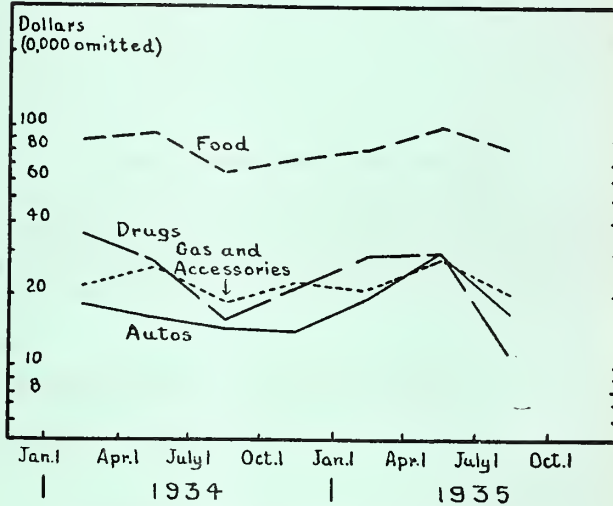
NATIONAL NON-NETWORK ADVERTISING BY PRODUCT CLASSES (QUARTERLY)

January, 1934 to October, 1935



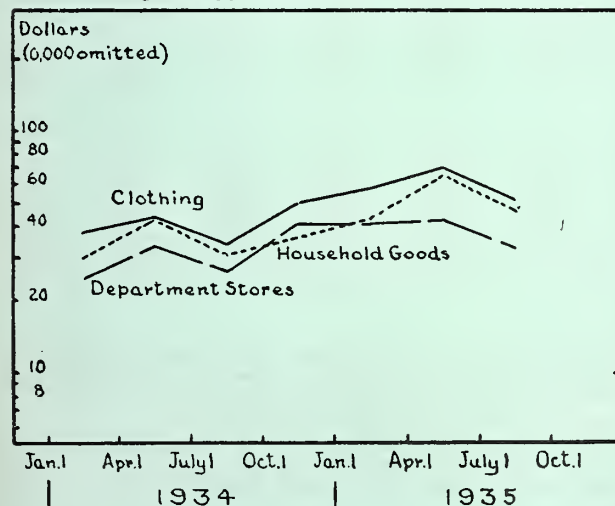
LOCAL ADVERTISING BY PRODUCT CLASSES (QUARTERLY)

January, 1934 to October, 1935



LOCAL ADVERTISING BY PRODUCT CLASSES (QUARTERLY)

January, 1934 to October, 1935



BROADCAST ADVERTISING BY RETAIL ESTABLISHMENTS (QUARTERLY)

January, 1934 to October, 1935

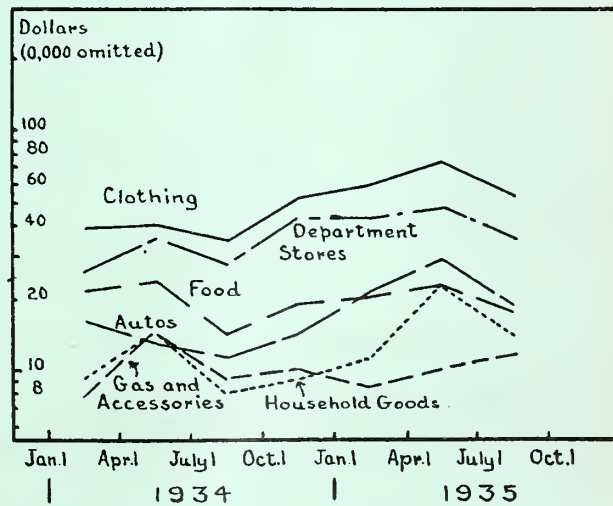


TABLE IV

NON-NETWORK BROADCAST ADVERTISING BY GEOGRAPHICAL DISTRICTS

Geographical District	Gross Time Sales Third Quarter	
	1934	1935
New England-Middle Atlantic Area.....	\$1,982,376	\$1,777,065
South Atlantic-South Central Area.....	547,696	1,102,390
North Central Area.....	1,973,661	2,943,600
Pacific and Mountain Area.....	938,891	1,624,935
Total.....	\$5,442,624	\$7,447,990

Advertising by Types of Rendition

Transcription and live talent volume continued to show the most marked improvement in the national non-network field. Transcription volume during the third quarter of the current year increased 93.1% over the corresponding period of 1934, while live

talent volume rose 74.7%. Announcement business increased 22.6%.

In the local field, transcription volume and record business showed the greatest increases. Transcriptions rose 46.4% as compared with the third quarter of last year, while record volume gained 85.0%. Live talent remained unchanged, while announcement business increased 24.8%.

The trends in the use of various types of rendition have caused slight changes in their relative importance in non-network advertising as compared with the first six months of the current year. During the past quarter, transcriptions represented 31.6% of national non-network volume, live talent programs 44.5%, and announcements 23.4%. In the local field transcriptions represented 9.4% of the total, live talent programs 45.2%, records 4.4%, and announcements 40.0%. In both the national and local talent fields the proportion of business accounted for by announcements increased by approximately one-tenth.

Compared with the first nine months of last year, transcription volume rose 16.2%, live talent business 23.9%, records 76.0%, and announcements 20.5%.

Details regarding broadcast advertising by various types of rendition are found in Table V.

TABLE V

NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

Type of Rendition	National Non-network		Third Quarter Gross Time Sales Local		Total	
	1934	1935	1934	1935	1934	1935
Electrical transcriptions.....	\$655,028	\$1,264,750	\$251,545	\$368,190	\$906,573	\$1,632,940
Live talent programs.....	1,019,570	1,780,765	1,719,664	1,719,860	2,739,234	3,545,625
Records.....	5,325	19,405	90,505	167,440	95,830	186,800
Announcements.....	467,852	573,825	1,233,135	1,539,565	1,700,987	2,082,625
Total.....	\$2,147,775	\$3,991,945	\$3,294,849	\$3,840,055	\$5,442,624	\$7,447,990

Broadcast Advertising Sponsorship

Principal developments in this field during the third quarter of the current year have been an increase in all forms of automotive advertising, a rise in national network and non-network food volume, a marked increase in national network and local household equipment advertising, decided gains in national and regional net-

work and national non-network tobacco volume, an increase in local and regional network clothing advertising, a considerable rise in national network and national non-network confectionery advertising, and in national non-network soap and kitchen supply advertising.

Volume of advertising placed by various types of sponsors is found in Table VI.

TABLE VI

RADIO BROADCAST ADVERTISING BY TYPE OF SPONSORING BUSINESS

Type of Sponsoring Business	National network		Regional network		Third Quarter Gross Time Sales				Total	
	1934	1935	1934	1935	National non-network		Local		1934	1935
1. Amusements.....	—	—	—	—	\$13,693	\$17,815	\$138,842	\$128,420	\$154,535	\$146,235
1-2. Automobiles and accessories:										
(1) Automobiles.....	\$345,479	\$436,926	—	\$1,684	91,483	507,470	147,245	178,225	584,207	1,124,305
(2) Accessories, gas and oils.....	813,804	1,132,201	\$39,331	38,898	257,829	208,495	185,765	211,230	1,298,739	1,590,824
3. Clothing and apparel.....	91,406	73,557	5,928	15,496	65,534	79,620	352,742	517,400	515,610	686,073
4-5. Drugs and toilet goods:										
(4) Drugs and pharmaceuticals.....	817,737	1,042,179	3,153	13,709	365,424	415,700	165,733	117,145	1,352,047	1,588,733
(5) Toilet goods.....	1,946,961	2,184,615	3,810	440	138,721	105,520	46,140	55,045	2,135,632	2,345,620
6-8. Food products:										
(6) Foodstuffs.....	1,471,439	2,208,737	28,557	61,606	419,268	892,075	474,898	536,555	1,699,954	3,698,973
(7) Beverages.....	690,071	605,794	12,319	3,794	105,021	197,380	179,295	263,115	986,706	1,070,083
(8) Confections.....	46,920	100,531	650	650	14,465	46,935	6,655	24,105	68,690	172,221
9-10. Household goods:										
(9) Household equipment and furnishings.....	47,883	77,692	424	18,613	88,445	126,355	292,545	466,380	429,297	689,040
(10) Soap and kitchen supplies.....	436,832	474,769	—	13,626	155,786	362,990	22,408	12,325	615,026	873,710
11. Insurance and financial.....	112,503	96,494	6,955	1,508	33,110	57,615	98,242	132,720	250,810	288,337
12. Radios.....	129,448	172,202	—	—	20,870	36,815	25,270	34,235	174,548	243,292
13. Retail establishments.....	—	—	—	860	7,030	22,670	272,399	337,370	279,429	360,900
14. Tobacco products.....	177,734	554,490	—	66,168	53,700	120,840	5,873	16,705	237,307	758,203
15. Miscellaneous.....	175,950	280,970	32,455	19,151	318,506	409,600	878,787	809,080	1,395,698	1,518,801
Total.....	\$7,304,237	\$9,451,157	\$133,581	\$256,203	\$2,147,775	\$3,607,935	\$3,294,849	\$3,840,491	\$12,880,452	\$17,155,350

Detailed analysis of the trends in the various fields of sponsorship is as follows:

1a. **Amusements.** A decline of 5.4% compared to corresponding period of 1934. Local down 7.5% and national up 30.1%.

1. **Automotive.** Total volume up 92.5%. National network volume up 26.5%, national non-network advertising 457.1%, and local 21.1%.

2. **Gasoline and accessories.** Total volume up 22.5% as compared to corresponding quarter of last year. National network volume up 39.1% and local 13.7%. National non-network volume down 19.1% and regional network volume 1.1%.

3. **Clothing.** Total volume up 33.0%. National network volume down 19.8%. Regional network volume up 161.4%, national non-network advertising 21.5%, and local 88.7%.

4. **Drugs and pharmaceuticals.** Total volume up 17.5%. National network volume up 27.4%, regional networks 334.8%, and national non-network 13.8%. Local advertising down 29.3%.

5. **Toilet goods.** Gain in total volume over third quarter of last year 9.8%. National network volume up 12.2% and local advertising 19.3%. National non-network advertising down 23.9%, with material decline in regional network volume.

6. **Foodstuffs.** Total volume up materially. Gains in various portions of the medium as follows: National networks 50.1%, regional networks 117.9%, national non-networks 112.8%, and local 13.0%.

7. **Beverages.** An increase of 8.4% in total volume. National non-network advertising up 87.6% and local 46.8%. National network volume down 12.2% and regional network volume down 69.2%.

8. **Confectionery.** National network volume increased 114.3%, while national non-network and local advertising more than doubled.

9. **Household equipment.** Total volume increased 60.5% over corresponding quarter of last year. National network volume rose 62.5%, national non-network advertising 42.9%, and local advertising 59.4%. Regional network volume increased very materially.

10. **Soaps and kitchen supplies.** Total volume increased 42.1%. National network advertising rose 8.7% and regional volume increased materially. National non-network advertising increased 133.1%, while local volume dropped 45.1%.

11. **Insurance and financial.** Total volume increased 15.0% as compared with the third quarter of last year. National network volume dropped 14.3% and regional advertising declined materially. National non-network volume rose 74.0%, while local increased 35.1%.

12. **Radio.** National network and local volume rose approximately one-third, while national non-network volume increased 80.0%.

13. **Department and general stores.** Total volume in this field increased 29.2% as compared with the third quarter of last year. Local volume rose 23.9% and national volume 22.5%.

14. **Tobacco products.** National network volume increased 215.9% as against the third quarter of 1934. National non-network advertising increased 125.0%, while regional network volume rose materially.

15. **Miscellaneous.** Total volume increased 8.8%. National

network volume rose 59.7%, national non-network advertising increased 28.6%, while local volume dropped 7.9%.

Retail Broadcast Advertising

Total retail broadcast advertising over the period increased 47.6% as compared to the preceding year. Principal gains were as follows: Automotive, 61.3%, gasoline and accessory retailers, 37.4%; clothing and apparel shops, 45.0%; restaurants and eating places, 25.0%; beverage retailers, 169.6%; household equipment dealers, 92.1%; furniture stores, 83.9%; and hardware stores, 49.0%.

Retail broadcast advertising volume is found in Table VII.

TABLE VII
RETAIL ADVERTISING OVER INDIVIDUAL STATIONS

Type of Sponsoring Business	Gross Time Sales Third Quarter	
	1934	1935
Automobiles and accessories:		
Automobile agencies and used car dealers	\$117,256	\$189,025
Gasoline stations, garages, etc.....	91,793	126,045
Clothing and apparel shops.....	361,230	523,860
Drugs and toilet goods:		
Drug stores	22,379	45,700
Beauty parlors	13,958	22,830
Food products:		
Grocery stores, meat markets, etc.....	100,988	108,225
Restaurants and eating places	50,568	63,191
Beverage retailers	2,339	6,270
Confectionery stores, etc.....	3,942	3,374
Household goods:		
Household equipment retailers.....	81,020	155,640
Furniture stores	132,844	244,210
Hardware stores	30,068	44,730
Radio retailers	20,577	31,248
Department and general stores.....	279,429	360,900
Tobacco shops	2,615	580
Miscellaneous	131,470	198,020
Total	\$1,438,606	\$2,123,858