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BROADCAST ADVERTISING DURING THE THIRD QUARTER OF 1936

Principal Developments

Broadcast advertising during the third quarter of the current year showed an increase of 32.7% over the corresponding period of last year. Gross time sales for the first nine months of 1936 were ahead of the corresponding period of 1935 by 18.2%. All portions of the medium experienced gains both when compared to the third quarter and the first nine months of last year.

Non-network advertising for the third quarter increased 33.2% over the corresponding period of last year. All sizes of stations as well as all sections of the country experienced increases. The greatest gains were in the regional and local groups and in the South Atlantic-South Central Area.

Total transcription, live talent, and announcement volume increased approximately one-third over the corresponding period of last year. In the national non-network field, announcement and record business showed the greatest gains, while transcriptions and live talent business enjoyed the greatest increases in the local field.

All types of sponsorship showed increases over the third quarter of 1935. Principal gains were shown in the automotive, beverage, confectionery, financial, soap and kitchen supply, radio set and tobacco sponsor groups.

Retail broadcast advertising increased 25.3% as compared to the third quarter of 1935. Automotive, clothing, household equipment, radio dealers, and department stores showed the greatest increases.

Total Broadcast Advertising

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	
	1935	1936
National networks	\$9,451,157	\$12,503,699
Regional networks	256,203	346,219
National non-networks	3,607,935	4,877,300
Local	3,840,055	5,040,900
Total	\$17,155,350	\$22,768,118

Gains during the third quarter were consistent in all portions of the medium when compared to the corresponding period of the preceding year. National network volume increased 32.3%, regional network volume 35.1%, national non-network volume 35.2% and local advertising 31.3%.

Gross time sales for the first nine months of the current year exceeded those of the corresponding period of 1935 by 18.2%. Regional network and national non-network advertising showed the greatest gains, rising 37.2% and 34.5%, respectively. National network volume gained 14.4% and local advertising 12.7%.

Comparison with Other Media

When compared to the corresponding period of last year, radio broadcasting for the third quarter showed the greatest improve-

ment of any medium. Broadcast advertising increased 32.7% whereas national magazine advertising rose 15.4%, national farm paper advertising 25.3% and newspaper advertising 12.9%.

Total broadcast advertising for the first nine months of the current year was 18.2% ahead of the corresponding period of 1935. National magazine volume rose 11.4%, farm paper advertising 25.4% and newspaper lineage 9.8%.

Advertising volume by major media for the third quarter is found in Table II.

TABLE II

ADVERTISING VOLUME BY MAJOR MEDIA

Advertising Medium	Gross Time and Space Sales Third Quarter	
	1935	1936
Radio broadcasting	\$17,155,350 ^a	\$22,768,118
National magazines ¹	24,713,755	28,530,425
National farm papers ¹	1,132,083	1,418,552
Newspapers ²	116,377,000 ^a	131,416,000
Total	\$159,378,188 ^a	\$184,133,095

¹ Publishers' Information Bureau.

² Estimated.

^a Adjusted Vol. 3, No. 52.

Non-network Advertising

Total non-network advertising for the third quarter increased 33.2% over the corresponding period of the preceding year. The classes of stations to register the greatest gains were the regional and local groups, which increased 46.9% and 44.7%, respectively. Clear channel non-network advertising rose 15.9%.

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 1935 were as follows: clear channel stations 13.0%, regional stations 29.1%, and local stations 38.4%.

Non-network broadcast advertising by power of station is shown in Table III.

TABLE III

NON-NETWORK BROADCAST ADVERTISING BY POWER OF STATION

Power of Station	Gross Time Sales Third Quarter	
	1935	1936
Over 1,000 watts	\$3,219,350	\$3,732,400
250-1,000 watts	3,028,440	4,449,400
100 watts	1,200,200	1,736,400
Total	\$7,447,990	\$9,918,200

Non-network advertising in the South Atlantic-South Central Area showed the greatest increase when compared to the third quarter of the preceding year, rising 88.9%. Non-network volume in the New England-Middle Atlantic Area rose 24.9%, North Central Area 29.7%, and Pacific and Mountain Area 10.7%.

Comparing non-network advertising for the first nine months of 1936 with that of a similar period in the preceding year, the following increases were shown: New England-Middle Atlantic Area 5.4%, South Atlantic-South Central Area 59.5%, North Central Area 25.9% and Pacific and Mountain Area 11.9%.

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

TABLE IV
NON-NETWORK BROADCAST ADVERTISING BY
GEOGRAPHICAL DISTRICTS

Geographical District	Gross Time Sales Third Quarter	
	1935	1936
New England-Middle Atlantic Area....	\$1,777,065	\$2,219,500
South Atlantic-South Central Area....	1,102,390	2,083,200
North Central Area.....	2,943,600	3,816,800
Pacific and Mountain Area.....	1,624,935	1,798,700
Total	\$7,447,990	\$9,918,200

Non-network Advertising by Type of Rendition

Gains were fairly consistent in all types of rendition. Total transcription volume increased 36.8% over the third quarter of

the preceding year, live talent volume 31.3% and announcement business 34.6%. Record volume rose 19.7%.

In the local field, transcription and live talent volume showed the greatest increases. Transcriptions rose 43.4% as compared with the third quarter of 1935, while live talent volume increased 40.9%. Record volume and announcement business increased 13.7% and 19.2%, respectively.

Announcement and record volume registered marked increases in the national non-network field as compared to the third quarter of the preceding year. Announcement volume increased 78.5% and record volume 71.9%. Transcription and live talent volume rose 35.0% and 21.8%, respectively.

Compared with the first nine months of 1935, transcription volume rose 46.3%, live talent business 23.8%, records 3.1% and announcements 6.3%.

Non-network advertising by type of rendition for the third quarter is found in Table V.

TABLE V
NON-NETWORK BROADCAST ADVERTISING BY TYPE OF RENDITION

Type of Rendition	National Non-network		Local		Total	
	1935	1936	1935	1936	1935	1936
Electrical transcriptions.....	\$1,264,750	\$1,705,890	\$368,190	\$528,290	\$1,632,940	\$2,234,180
Live talent programs.....	1,780,765	2,168,520	1,764,860 ¹	2,487,590	3,545,625	4,656,110
Records	19,360 ¹	33,280	167,440	190,320	186,800	223,600
Announcements	543,060 ¹	969,610	1,539,565	1,834,700	2,082,625	2,804,310
Total	\$3,607,935 ¹	\$4,877,300	\$3,840,055	\$5,040,900	\$7,447,990	\$9,918,200

¹Adjusted Vol. 3, No. 52.

Broadcast Advertising Sponsorship

Gains were fairly general in this field during the third quarter of the current year as compared with the same period last year. Total automotive advertising increased 29.2%, beverage volume

41.7%, confectionery advertising 84.3%, financial advertising 34.4%, soap and kitchen supply advertising 59.6%, radio advertising 82.9% and tobacco volume 97.9%.

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	Third Quarter Gross Time Sales									
	National network		Regional network		National non-network		Local		Total	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
1a. Amusements	—	—	—	\$ 1,184	\$ 17,815	\$39,840	\$128,420	\$153,550	\$146,235	\$194,574
1-2. Automobiles and accessories.....	436,926	620,877	1,684	960	507,470	545,590	178,225	284,830	1,124,305	1,452,257
(1) Automobiles	1,132,201	1,108,538	38,898	62,715	208,495	358,290	211,230	213,750	1,590,824	1,743,293
(2) Accessories, gas and oils.....	73,557	32,919	15,496	315	79,620	87,990	517,400	619,480	686,073	740,704
3. Clothing and apparel.....	—	—	—	—	—	—	—	—	—	—
4-5. Drugs and toilet goods:	—	—	—	—	—	—	—	—	—	—
(4) Drugs and pharmaceuticals.....	1,042,179	980,216	13,709	19,630	415,700	672,260	117,145	120,530	1,588,733	1,792,636
(5) Toilet goods	2,184,615	2,250,624	440	15,130	105,520	273,890	55,045	63,740	2,345,620	2,603,384
6-8. Food products:	—	—	—	—	—	—	—	—	—	—
(6) Foodstuffs	2,208,737	2,583,774	61,606	93,362	892,075	1,060,870	536,555	657,970	3,698,973	4,395,976
(7) Beverages	605,794	968,051	3,794	33,911	197,380	178,360	263,115	336,950	1,070,083	1,517,272
(8) Confections	100,531	278,722	650	1,146	46,935	30,670	24,105	6,900	172,221	317,438
9-10. Household goods:	—	—	—	—	—	—	—	—	—	—
(9) Household equipment and furnishings.....	77,692	107,328	18,613	14,739	126,355	145,660	466,380	518,610	689,040	786,337
(10) Soap and kitchen supplies.....	484,769 ¹	932,578	13,626	14,060	362,990	426,970	12,325	21,490	873,710	1,395,098
11. Insurance and financial.....	96,494	118,139	1,508	2,774	57,615	65,640	132,720	201,010	288,337	387,563
12. Radios	172,202	325,515	—	—	36,855 ¹	72,950	34,235	46,630	243,292	445,095
13. Retail establishments	—	—	860	426	22,670	20,550	337,370	439,900	360,900	460,876
14. Tobacco products	554,490	1,256,655	66,168	24,130	120,840	198,610	16,705	21,650	758,203	1,501,045
15. Miscellaneous	280,970	939,763	19,151	61,737	409,600	699,160	809,080	1,333,910	1,518,801	3,034,570
Total	\$9,451,157	\$12,503,699	\$256,203	\$346,219	\$3,607,935	\$4,877,300	\$3,840,055 ¹	\$5,040,900	\$17,155,350	\$22,768,118

¹ Adjusted Vol. 3, No. 52.

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

1a. **Amusements.** Total volume up 33.1% compared to the third quarter of the preceding year. National non-network up 123.6% and local up 19.6%.

1. **Automotive.** Compared to the third quarter of 1935, national network volume up 42.1%, national non-network 7.5%, and local 59.8%. Regional volume down 42.9%. Total increased 29.2%.

2. **Gasoline and accessories.** Total volume increased 9.6%. National non-network up 71.8%, regional network volume 61.2%, and local 1.2%. National network volume declined 2.1%.

3. **Clothing.** National non-network up 10.5% and local 19.7% compared to preceding third quarter. National network volume

down 55.2%, with material decline in regional network volume. Total up 7.9%.

4. **Drugs and pharmaceuticals.** Total volume up 12.8%. Regional networks up 43.2%, national non-networks 61.7%, and local advertising 2.9%. National network volume down 5.9%.

5. **Toilet goods.** Total volume increased 10.9% over corresponding quarter of last year. Gains as follows: national networks 3.0%, national non-network 159.5%, and local 15.8%. Regional network volume increased materially.

6. **Foodstuffs.** Total volume up 18.8%, with gains in all groups. Increases as follows: national network volume 16.9%, regional network volume 51.5%, national non-network volume 18.9%, and local advertising 22.6%.

7. **Beverages.** National network and local volume up 59.7% and 28.1%, respectively. National non-network down 9.6%.

Regional network advertising increased materially. Total up 41.7%.

8. **Confectionery.** Total volume increased 84.3% as compared with the third quarter of last year. National network volume up 177.2% and regional network advertising 76.3%. National non-network volume down 34.6% and local business 71.3%.

9. **Household equipment.** National networks up 38.2%, national non-networks 15.3%, and local advertising 11.2%. Regional volume down 26.3%. Total increased 14.1%.

10. **Soaps and kitchen supplies.** Total volume in this field increased 59.6% as compared with the third quarter of last year. Increases were as follows: national networks 92.3%, regional networks 3.2%, national non-networks 17.6%, and local 74.3%.

11. **Insurance and financial.** Gains registered in all groups. National network volume up 22.4%, regional network volume 83.9%, national non-network 13.9%, and local advertising 51.4%. Total increased 34.4%.

12. **Radio.** National network and national non-network volume almost double third quarter of last year. Local advertising increased 36.2% and total volume up 82.9%.

13. **Department and general stores.** Total volume in this field increased 27.7% as compared with the third quarter of last year. Local business up 30.4%, while national non-network volume declined 9.4%.

14. **Tobacco products.** Total rose 97.9% as compared to the third quarter of 1935. National network increased 126.6%, national non-network 64.3%, and local volume 29.6%. Regional network volume declined 63.5%.

15. **Miscellaneous.** Total volume increased 99.8%. National network volume rose 234.4%, regional network volume 222.3%, national non-network 61.1%, and local advertising 64.8%.

Retail Broadcast Advertising

Total retail broadcast advertising increased 25.3% as compared to the third quarter of 1935. Principal gains were as follows:

Automotive 54.1%, clothing and apparel shops 24.2%, household equipment dealers 33.7%, radio retailers 41.1%, and department and general stores 27.5%.

Retail broadcast advertising volume is found in Table VII.

TABLE VII
RETAIL ADVERTISING OVER INDIVIDUAL STATIONS

<i>Type of Sponsoring Business</i>	<i>Gross Time Sales Third Quarter</i>	
	<i>1935</i>	<i>1936</i>
Automobiles and accessories:		
Automobile agencies and used car dealers	\$189,025	\$291,310
Gasoline stations, garages, etc.....	126,045	110,750
Clothing and apparel shops.....	523,860	650,610
Drugs and toilet goods:		
Drug stores	45,700	38,210
Beauty parlors	22,830	22,130
Food products:		
Grocery stores, meat markets, etc.....	108,225	124,330
Restaurants and eating places.....	63,191	54,290
Beverage retailers	6,270	2,070
Confectionery stores, etc.....	3,374	3,450
Household goods:		
Household equipment retailers.....	155,640	208,170
Furniture stores	244,220	262,830
Hardware stores	44,730	43,770
Radio retailers	31,248	44,100
Department and general stores.....	360,900	460,440
Tobacco shops	580	—
Miscellaneous	198,020	344,370
Total	\$2,123,858	\$2,660,830