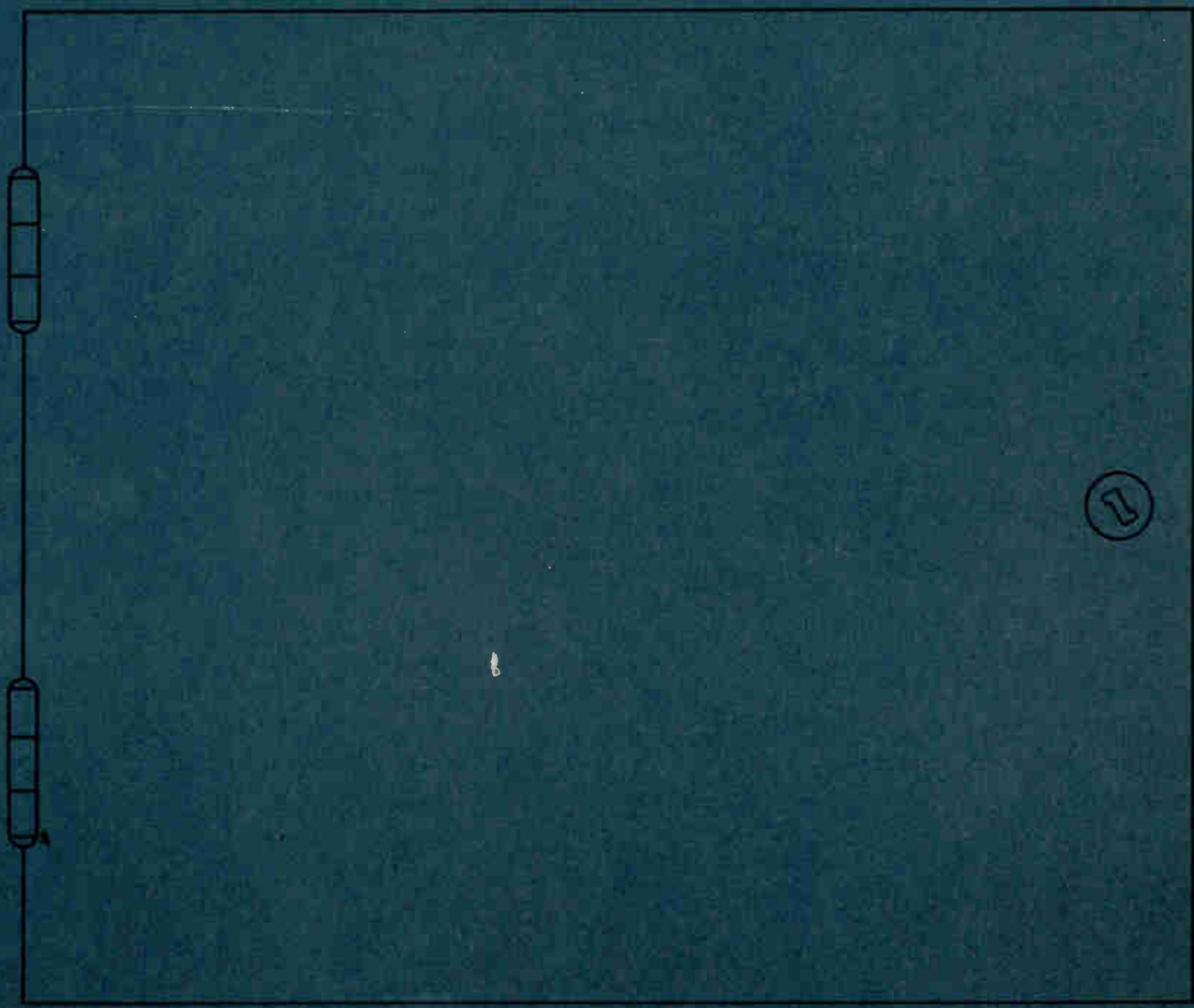




**MEASURING**

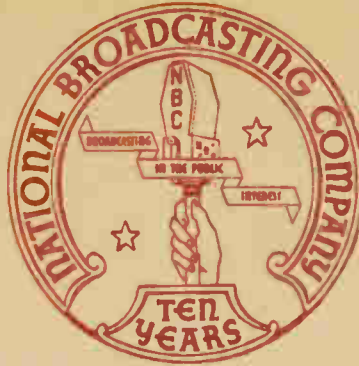
# *radio's sales power*



NBC

RADIO NETWORK





IN APPRECIATION OF TEN YEARS  
OF LOYAL SERVICE  
THE NATIONAL BROADCASTING COMPANY  
WELCOMES  
*Burton G. Bridgens*  
TO MEMBERSHIP  
IN THE NBC TEN YEAR CLUB

*David Sarnoff*  
PRESIDENT

While surveys of radio listening are necessary yardsticks, we have often felt that a truly major contribution to the industry would be facts on a subject of still greater importance . . .

*How many of the listeners buy the products advertised?*

Such information is now available, in the new NBC Radio Sales Effectiveness Study—the most thorough survey of this type ever undertaken by a network.

In this booklet you will read actual case histories which show how some of America's best-known brands have increased their customers. You will see the stark contrast between the selling level established by other media and the tremendous gain in buyers achieved through the NBC Radio Network.

This survey will be particularly helpful because of its timeliness. The sampling area used was carefully selected so that its degree of television saturation would be completely representative of national television ownership as of next January.

Listening surveys constantly show that today Americans spend more time with radio than with any other medium. In this Sales Effectiveness Study you will find authoritative, documented proof that the multitudes who listen, also buy.

JOHN K. HERBERT  
*Vice President In Charge Of*  
*NBC Radio and Television Sales*

E. S. P. is radio's demonstrated ability to sell goods for its advertisers.

And radio delivers its E. S. P. to its huge audience at the lowest cost in all advertising.

Radio's Effective Sales Power — amplified to its maximum by the proved audience power of the NBC Radio Network—is prepared to make more customers for you all over the vast market of America . . .

*just as successfully as it has for others.*

# NBC

**RADIO NETWORK**

*a service of Radio Corporation of America*

Radio's E.S.P.

makes extra

customers—

lots of them

Despite the growth of TV, network radio sells the advertiser's goods to listeners just as effectively as it always has. (And at the lowest cost of any major medium, too!)

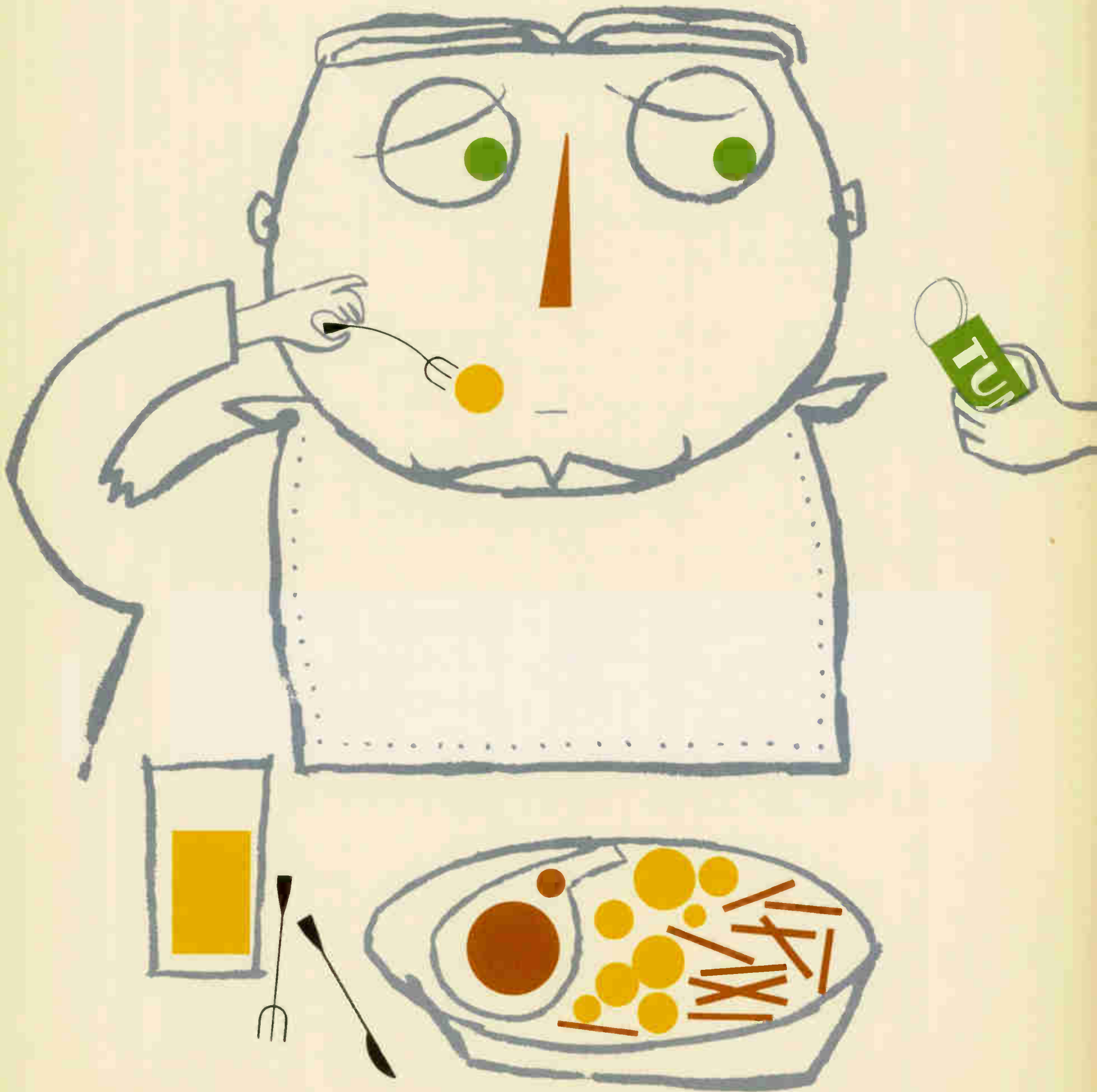
*there's a lot more to it than that, of course*

We've given you only a quick sampling of the many discoveries that stemmed from this deep-seeking study of radio's Effective Sales Power. The roster of advertising successes includes still more case histories than the few outlined here. And it must be recognized as well that radio is a real multi-purpose medium. Not only can it make immediate sales and earn larger shares of potential markets for those who use it – but radio, too, can sway people's opinions about products . . . it can build greater support among dealers carrying them . . . it can establish brand names with a firm-holding anchorage . . .

Our cumulative findings, it should be added, supply a treasure-house of useful information about people, their living and buying habits, and their attitudes toward major media. We are convinced that much of what we've learned will be a solid contribution to more productive use of network radio as a low-cost, high-result way of selling more goods .

Yet, if we had to extract one dominating fact . . . one highest of the highlights in this eventful study . . . well, there's no doubt what *that* would be.

*It's so apparent and so important that we want to take the whole next page to say it:*



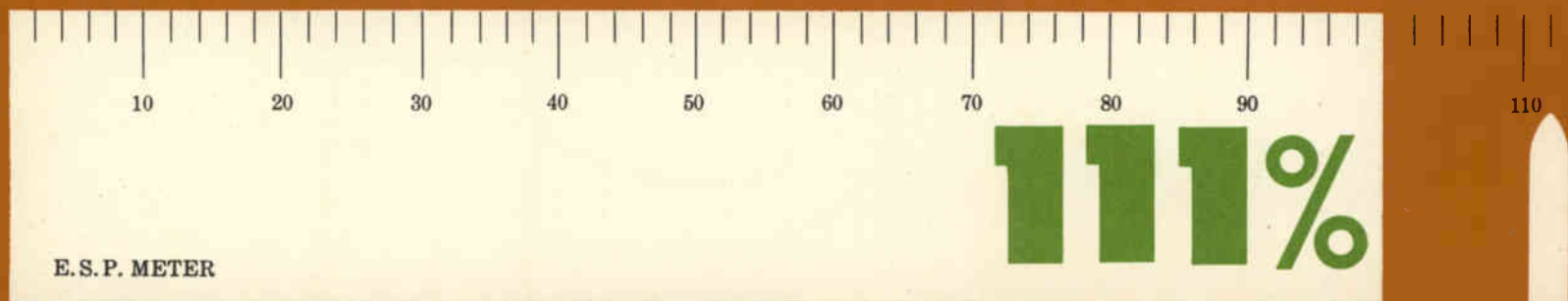


# AND TUMS – A RECORD TO MAKE ANY SALES MANAGER FEEL BETTER

**THE PROGRAM:** A dramatic nighttime show called “Hollywood Theatre.”

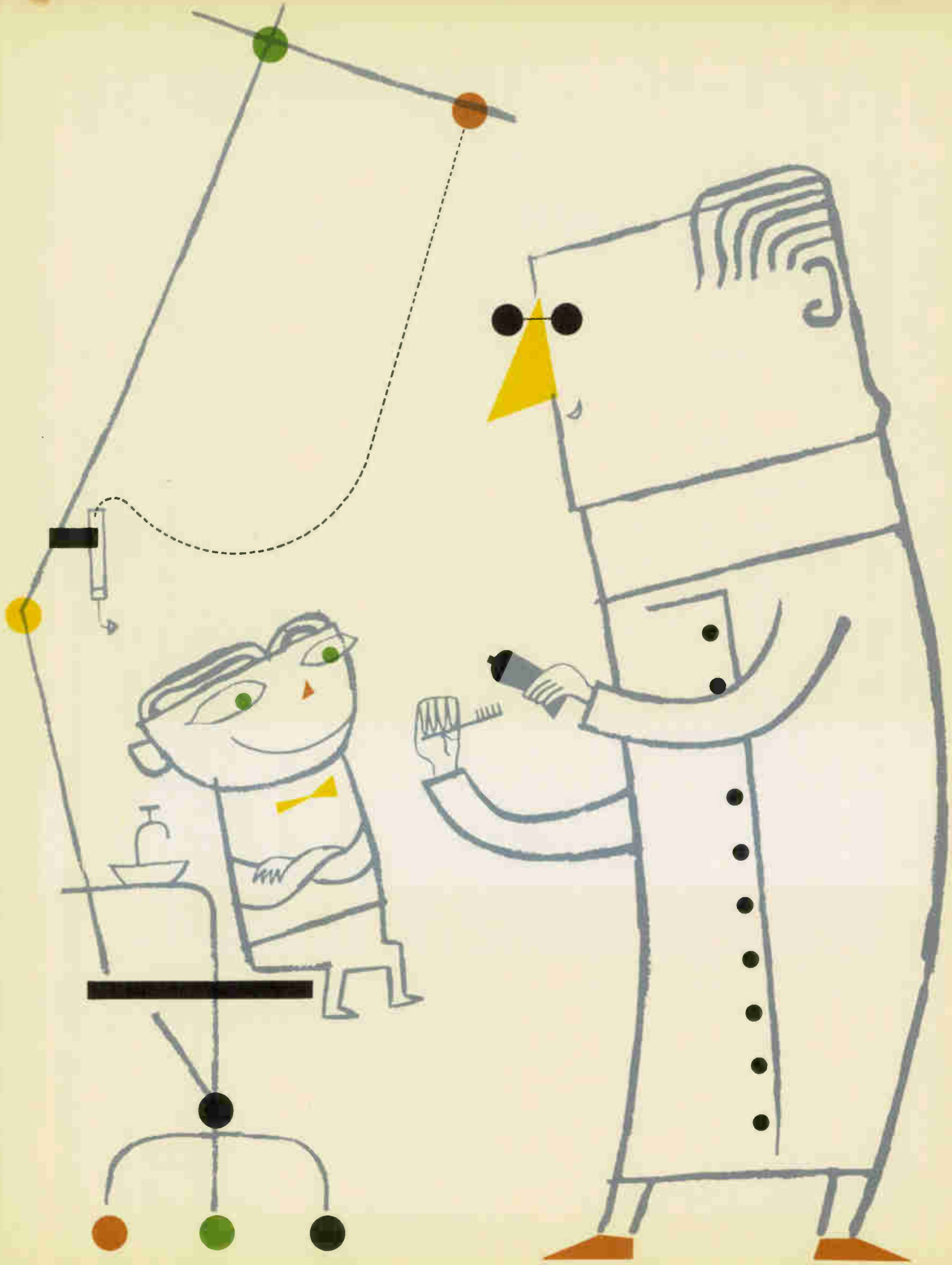
**THE OBJECTIVE:** To build up greater sales for Tums, product of Lewis-Howe Co.

**THE RESULT:** Here the E.S.P. meter outdoes itself by building up a whopping sales margin among listeners to “Hollywood Theatre”—an E.S.P. that sends the needle right off the face of the meter with a stratospheric E.S.P. rating of—



**FURTHERMORE:** As in other cases, the E.S.P. goes even higher among TV-owning families. There, the figure for customers purchasing Tums keeps on climbing to 123%!

*NBC Radio makes more customers  
for Lewis-Howe*

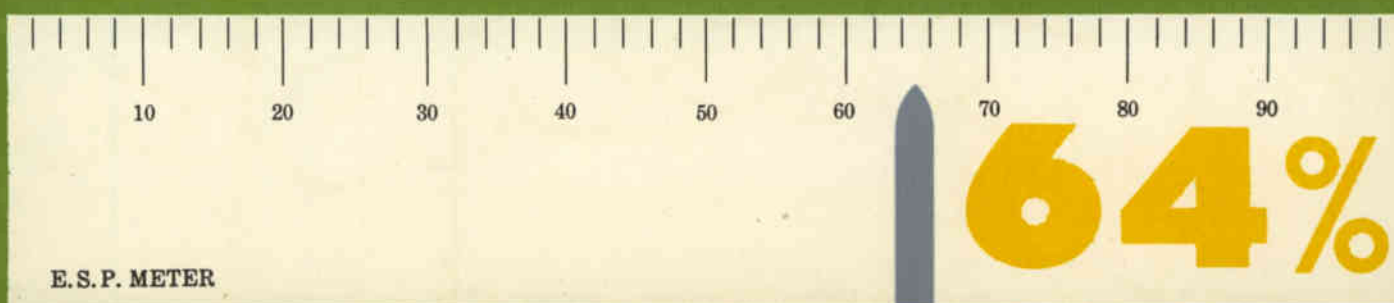


## DR. LYON'S GETS A BIGGER BITE

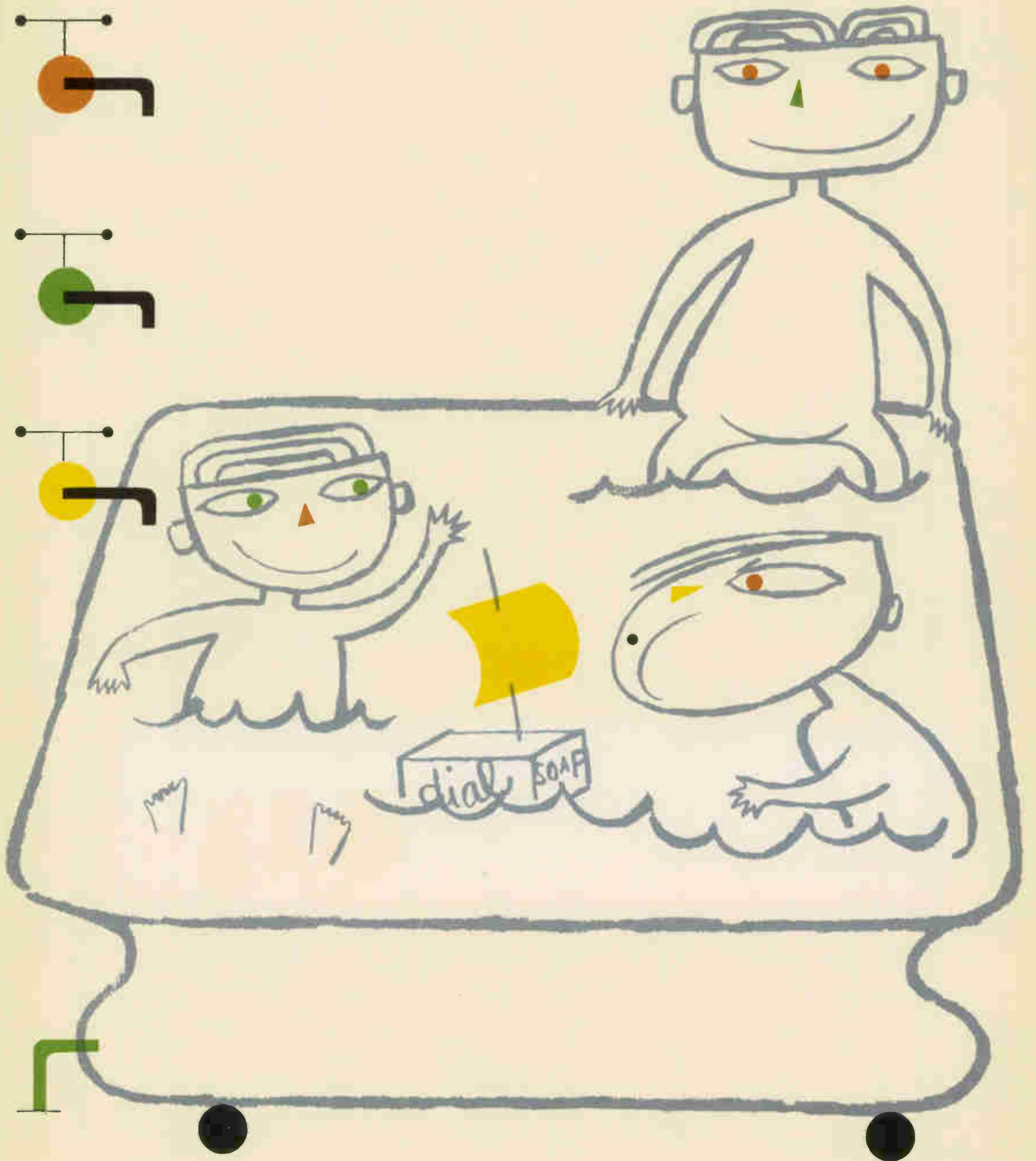
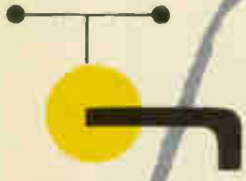
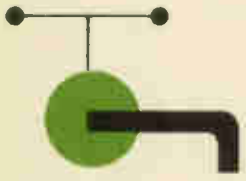
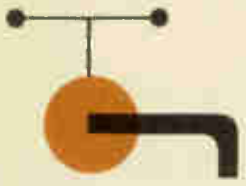
**THE PROGRAM:** That perennial favorite of women listeners, "Stella Dallas"—an almost classic example of a highly successful daytime serial.

**THE OBJECTIVE:** To gain more customers for Dr. Lyon's Toothpaste—a product with a relatively small share of the nation's total dentifrice market.

**THE RESULT:** Women who listen to "Stella Dallas" include more buyers of Dr. Lyon's Toothpaste than non-listeners—and to such a marked extent that the program enjoys a jumbo E.S.P. of—



*NBC Radio makes more customers  
for Sterling Drug*

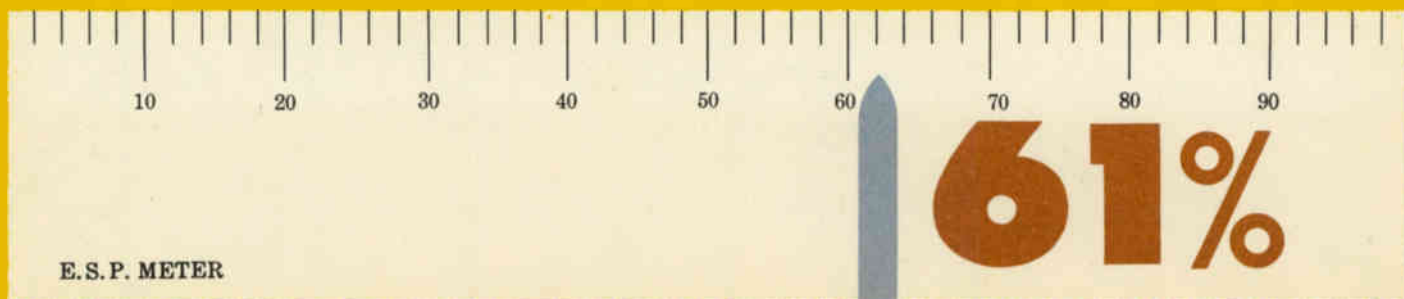


# RADIO MAKES THINGS SUNNY FOR DIAL, TOO

**THE PROGRAM:** "Dial Dave Garroway", a daytime variety show with a well-liked personality, heard five days a week.

**THE OBJECTIVE:** To build more customers for Dial Soap, a comparative newcomer in a rough-and-tumble market, for its makers, Armour & Company.

**THE RESULT:** The quota of "Dial Dave Garroway" listeners who buy Dial Soap goes zooming upward to an impressive E.S.P. of —



*NBC Radio makes more customers  
for Armour .*

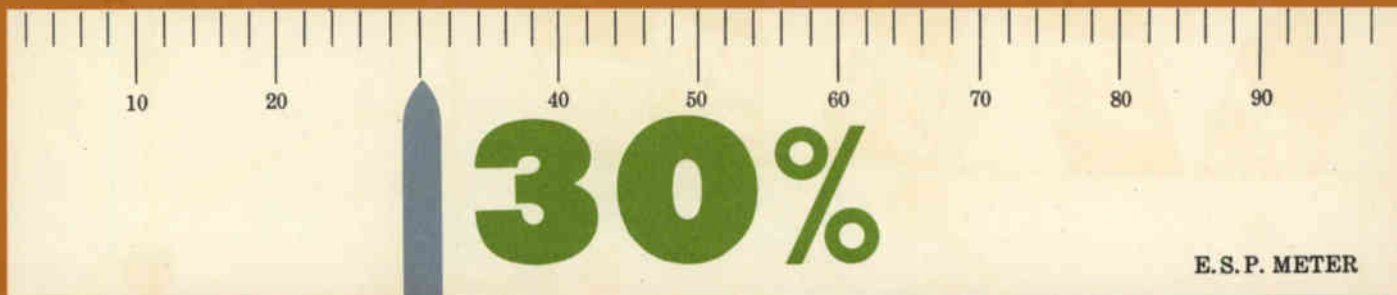


# PET MILK—WITH THE CREAM OF THE CUSTOMERS

**THE PROGRAM:** “Mary Lee Taylor”, a favorite once-a-week daytime show aimed at the interests of housewives.

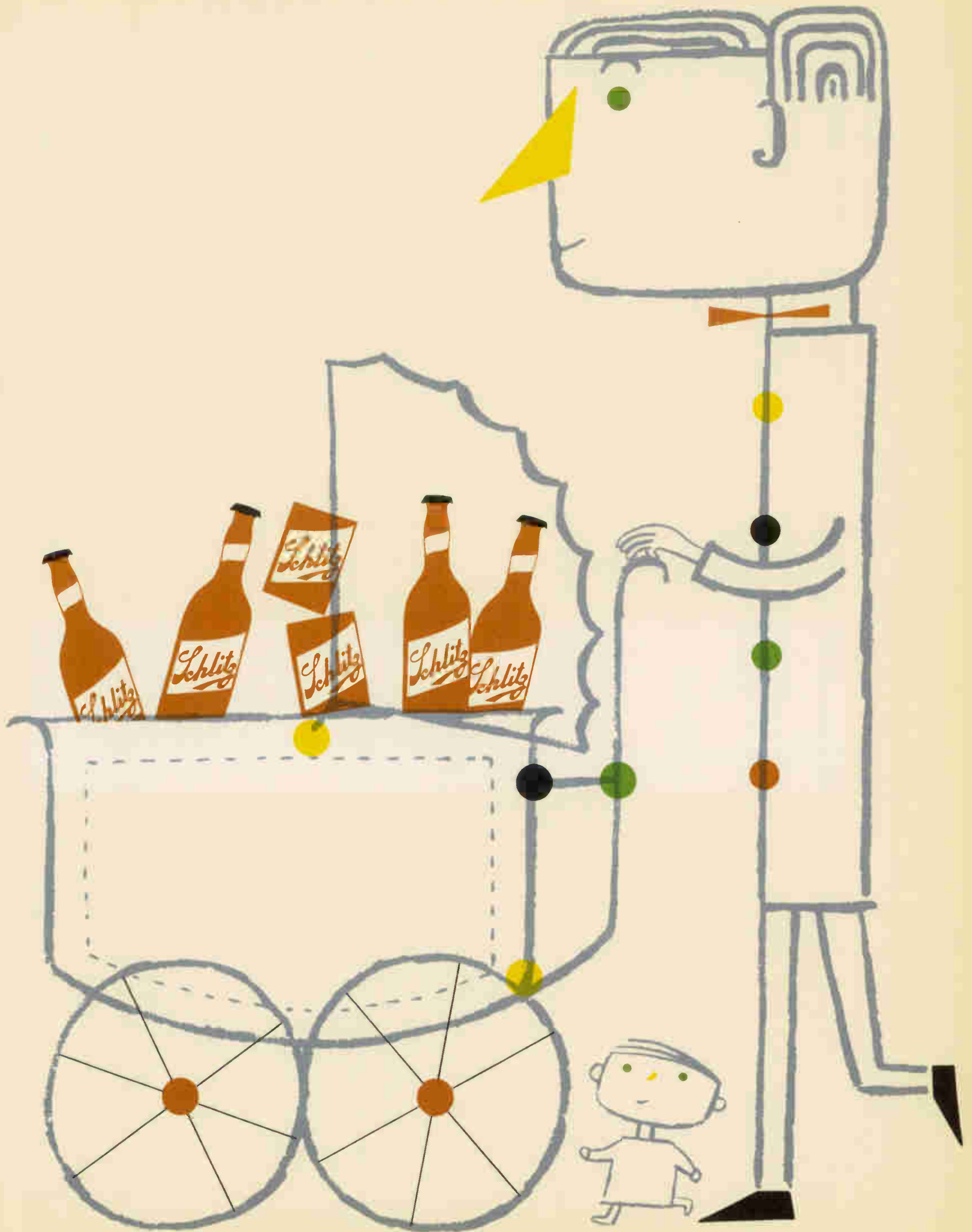
**THE OBJECTIVE:** To build more sales for its sponsor, Pet Canned Milk, one of the leaders in this field.

**THE RESULT:** Women who listen to “Mary Lee Taylor” include so many extra customers that the program’s E.S.P. registers at—



**FURTHERMORE:** Researchers checked the relative standing of Pet’s neck-and-neck competitor. Among non-listeners, the purchases of both brands were virtually even. But among listeners to the Pet Milk program, the major competitor had 23% *fewer* customers.

*NBC Radio makes more customers  
for Pet Milk*



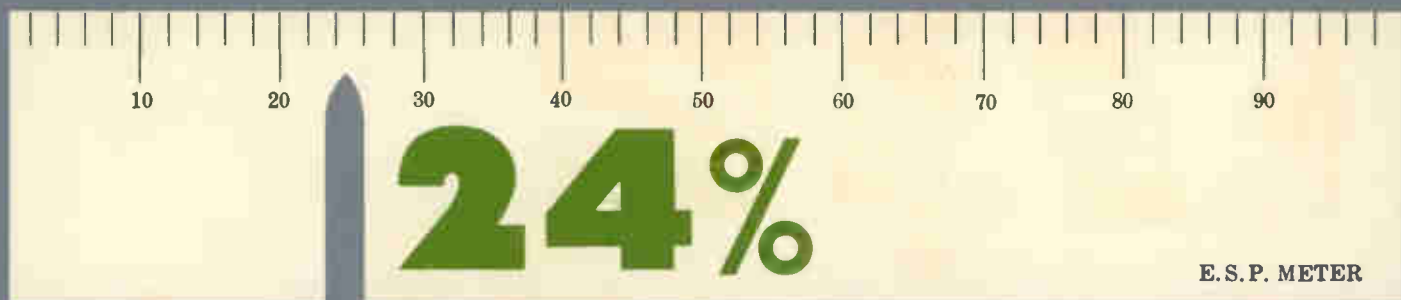


# PLENTY'S BEEN BREWING FOR SCHLITZ

**THE PROGRAM:** "Halls of Ivy", an NBC evening dramatic and situation-comedy show appealing primarily to men.

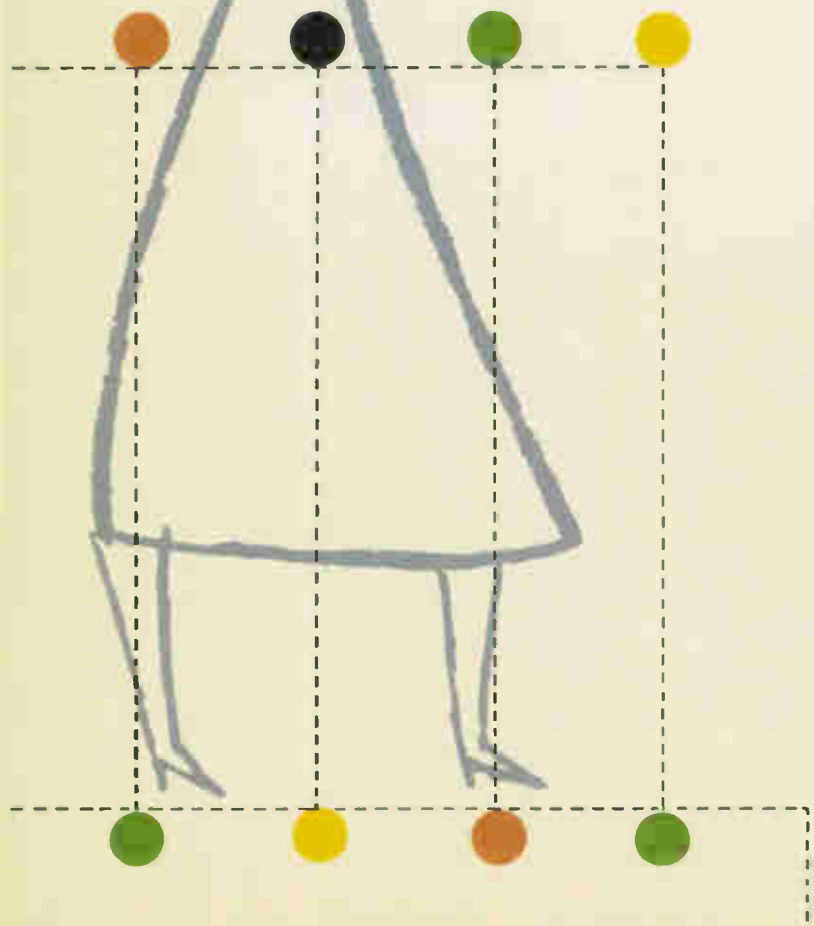
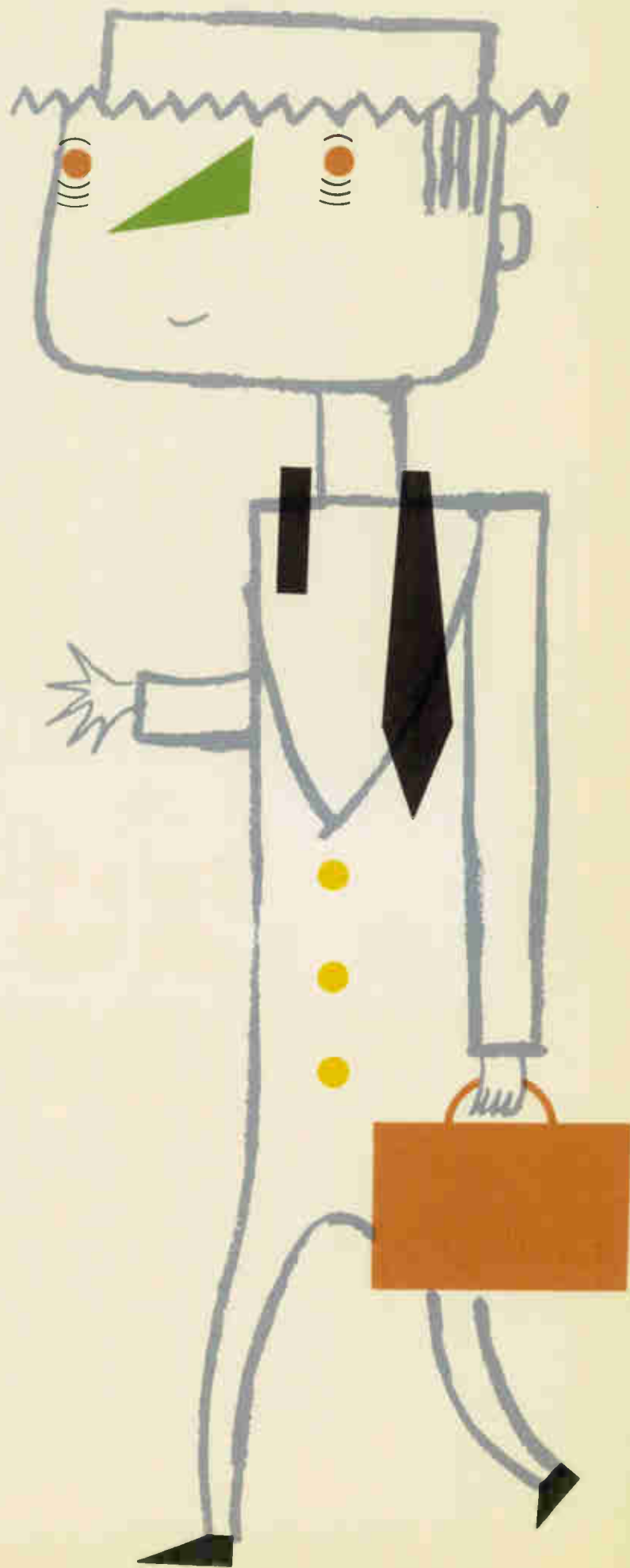
**THE OBJECTIVE:** To sell a greater amount of Schlitz Beer, both bottles and cans.

**THE RESULT:** Listeners to "Halls of Ivy", compared with equivalent non-listeners, account for an increased E.S.P. of –



**FURTHERMORE:** The average purchases of Schlitz Beer in bottles and cans run 44% greater among listeners to this program than among non-listeners! In other words, not only do more of them buy—but they buy almost twice as much!

*NBC Radio makes more customers  
(and more sales) for Schlitz*

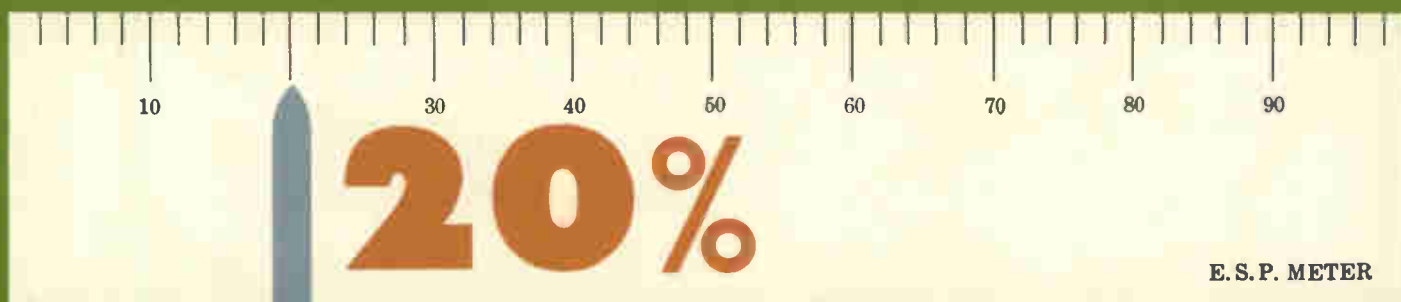


# NO HEADACHES FOR ALKA-SELTZER, EITHER

**THE PROGRAM:** NBC's nightly "News of the World"—an attraction of tried-and-true popularity.

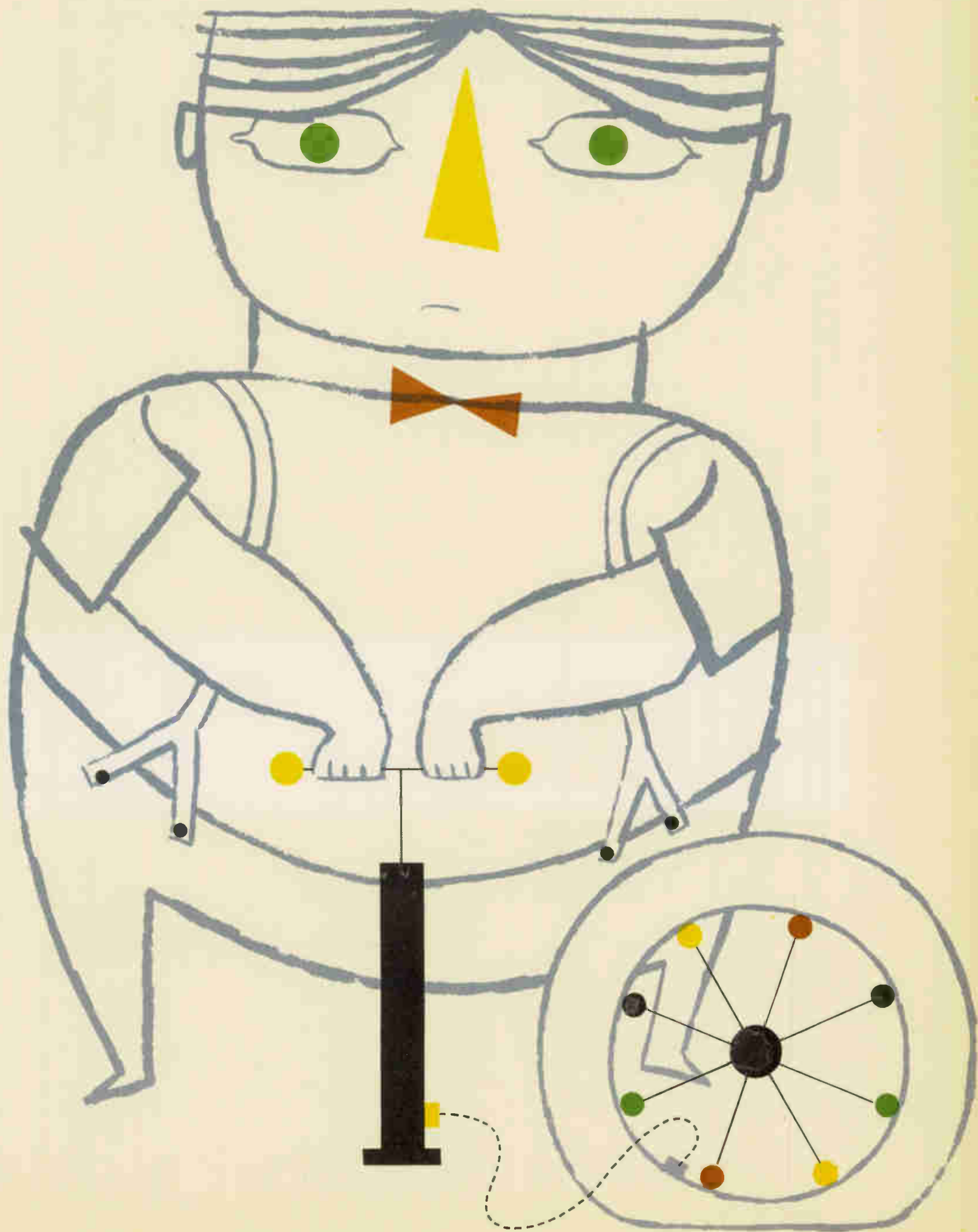
**THE OBJECTIVE:** To create more Alka-Seltzer sales for its sponsor, Miles Laboratories.

**THE RESULT:** Listeners to "News of the World"—contrasted with non-listeners—include so many more customers for Alka-Seltzer that the E.S.P. meter's needle goes up to



**FURTHERMORE:** In television homes, the E.S.P. soars even higher, with a score of 25%.

*NBC Radio makes more customers  
for Miles Laboratories*

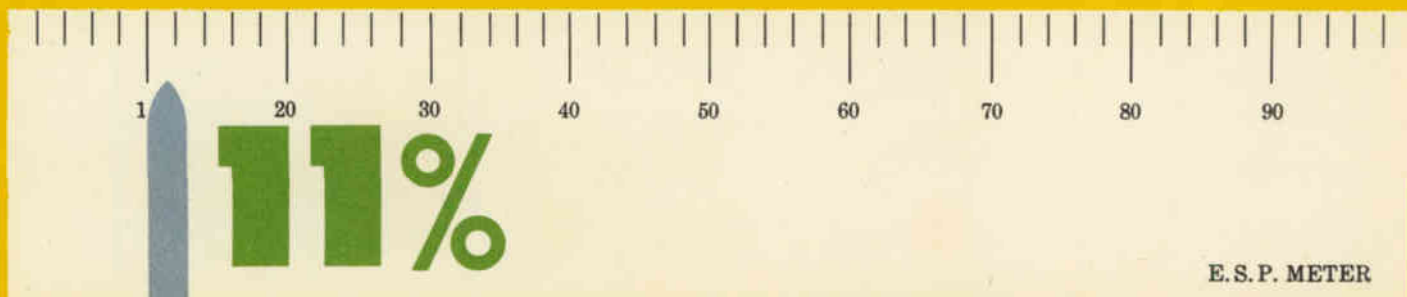


# RADIO KEEPS THINGS ROLLING FOR FIRESTONE

**THE PROGRAM:** "Voice of Firestone", long-established and highly respected evening program of good music.

**THE OBJECTIVE:** To build favorable attitude toward Firestone Tires. (Tires differ from other products. People buy only when they need them. Therefore, *attitude* toward the brand is the real index of advertising effectiveness . . . likely to lead to sales when the occasion to buy occurs.)

**THE RESULT:** Listeners to "Voice of Firestone" have developed a favorable brand attitude that is greater than among non-listeners, and measurable by an E.S.P. of—



**FURTHERMORE:** Gain in favorable attitude runs highest in TV homes of the sample where it reaches 16%. (The matching group was selected with great care to eliminate any influence from the TV version of this program.)

Researchers also queried for attitudes toward a closely competing brand. Although Firestone's lead was over this competitor only 5% among non-listeners, it jumped to 16% among "Voice of Firestone" listeners—a radio-created advantage of 3-to-1!

*NBC Radio makes more friends for  
Firestone*

## FINE . . . but sales are a lot better

What we were trying to find out, of course, was whether the people who listen to a radio program buy more of its sponsor's goods than people who don't. In other words, to what extent does a radio program actually *persuade* people to go out and buy what the advertiser is selling?

To determine this, we first had to separate the people into *two* distinct groups – (1) the people who *do* listen to the show, and (2) those who *don't*.

That's a very rough start, however, because to attain a fair comparison you also need to make the two groups as nearly alike as possible. There are naturally many other factors that might influence their individual living and buying habits.

The next step, therefore, was to *match* these two groups as closely as possible for everything which might affect their choice of brands. Here's how that was done:

- First of all, we made sure that all the people involved lived in the same city area.
- Then we saw that television set ownership was equal in both groups. (This is particularly important because of TV's influence on radio's audience.)
- The two groups also had to be alike in their use of products. They were matched in size, for age, income, family size, and whether they lived in city or country.

All of these things would *have* to be equal if we

were to measure fairly the effect of advertising on these two groups. But to measure radio's sales power, you have to go even further:

- You have to measure – and match – each group's reading of magazines and newspapers, as well as its viewing or listening to supporting (or competing) advertising on television and radio.

All in all, there were 12 different factors for which these people were matched. Only then could we say with real honesty that the one *big* difference remaining was this: One group *had* listened to the radio program being tested – and the other group had *not*.

Interestingly enough, that's when we found another very fascinating difference . . . the all-important measure of effectiveness that we call a program's E.S.P.

*It is often  
something to  
open advertisers'  
eyes in wide,  
appreciative  
wonderment . . .*

## RATINGS ARE

The true pay-off of network radio's E.S.P. is really reflected in what all these typical folk in the sample told us about their listening and buying habits.

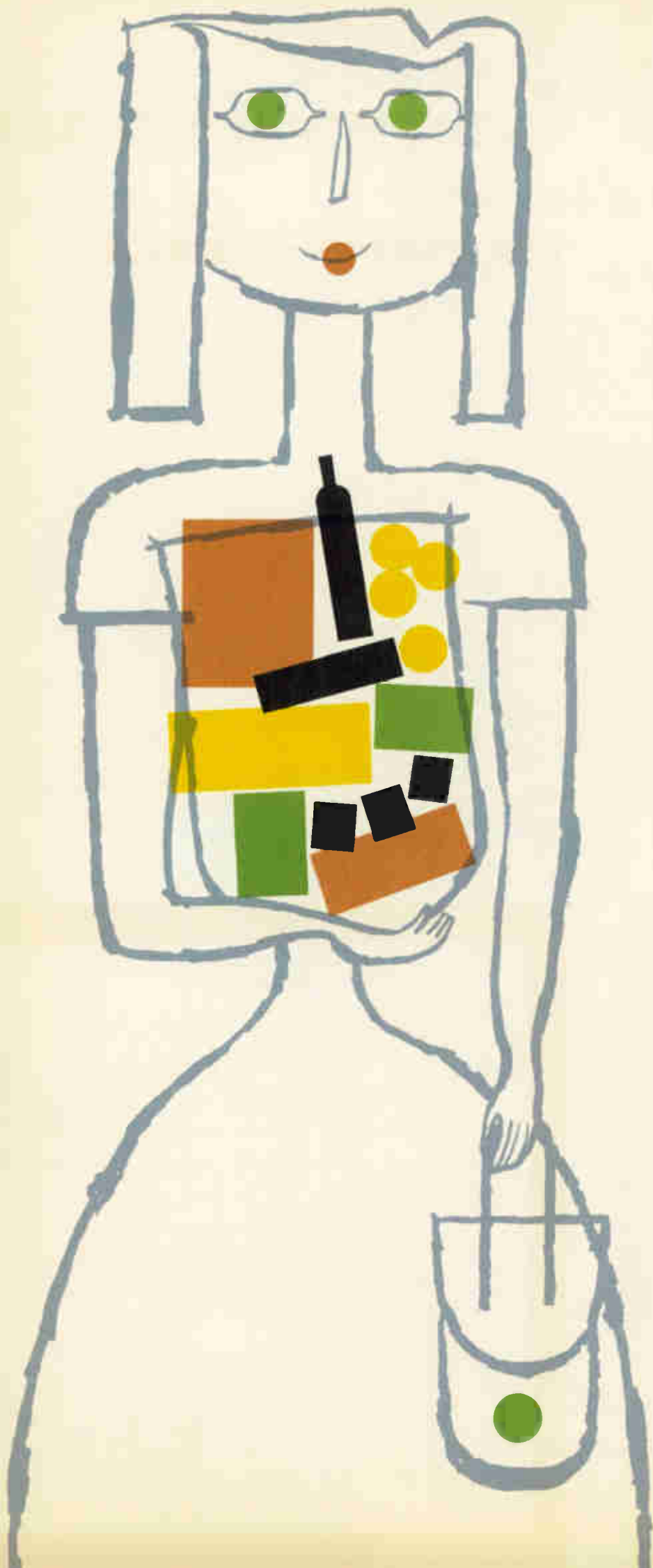
So we'll hook up that inquiring E.S.P. meter and let it analyze a number of case histories. Thus we can take full measure of the Effective Buying Power generated by certain NBC Radio Network programs for their sponsors.

*This is more than just a measure of how many people heard, recalled, or happened to like these shows. E.S.P. gives us a test of positive action . . . a count of how many listeners actually went out and bought a product because a program they like talked them into it.*

The case histories are impressive — yet more important is that they represent basic program types which have always had wide acceptance among advertisers. And, we think, always will.

You can't dismiss, either, that sponsored programs are really sales vehicles. There is a great deal of latitude in the appeal of the advertiser's commercial itself—in content, in delivery, and in association with the program.

One of the fundamentals about our study that is important to grasp (before its full significance can sink in) is how the researchers went about *matching* samples. This is a vital matter, and without it no program's E.S.P. could be accurately determined.



television 83 min.

radio 124 min.

## THE PEOPLE'S CHOICE

*(and figures prove it!)*

As a preliminary to our other findings, we investigated a good many facts about the kind of people who make up our total audience.

Many of these findings (and mighty intriguing ones, too) are itemized in the complete statistical report of this survey, published under the title of "The NBC Sales Effectiveness Study." It's a real happy hunting preserve for data demons.\*

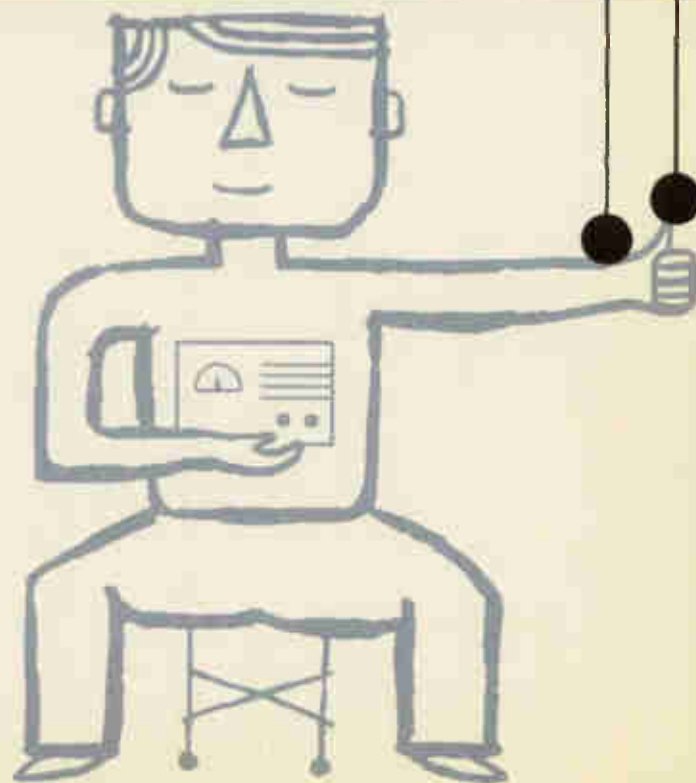
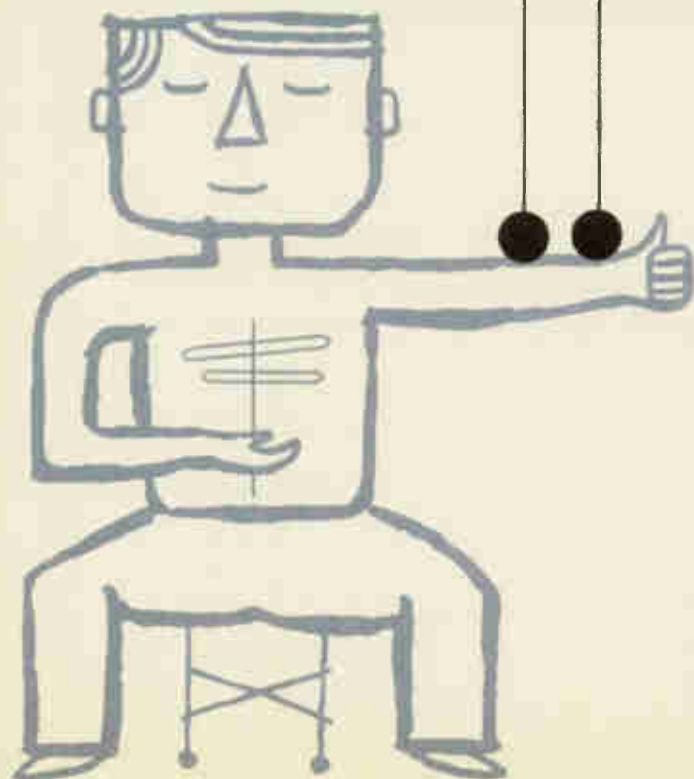
One big discovery, though, deserves to be pronounced here in bold face type. It deals with the amount of time people spend with the four major, competing-est media.

The average person (our researchers found) spends 4 hours and 21 minutes daily with magazines, newspapers, television and radio.

But look how this attentiveness subdivides:

- 16 minutes spent daily reading magazines**
- 38 minutes spent daily reading newspapers**
- 83 minutes spent daily viewing television**
- 124 minutes spent daily listening to radio.**

Radio, as you can see—even in areas with 45% television saturation—is the winner and still champion!



\*Ask your NBC sales representative for a copy.

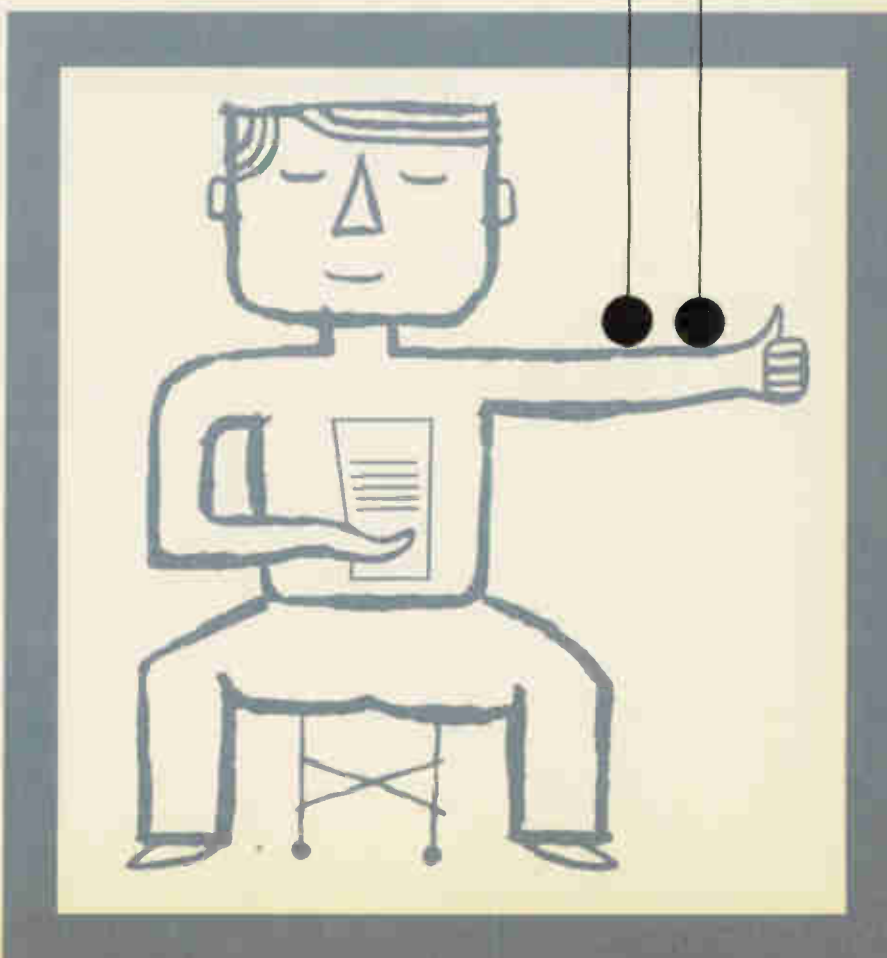
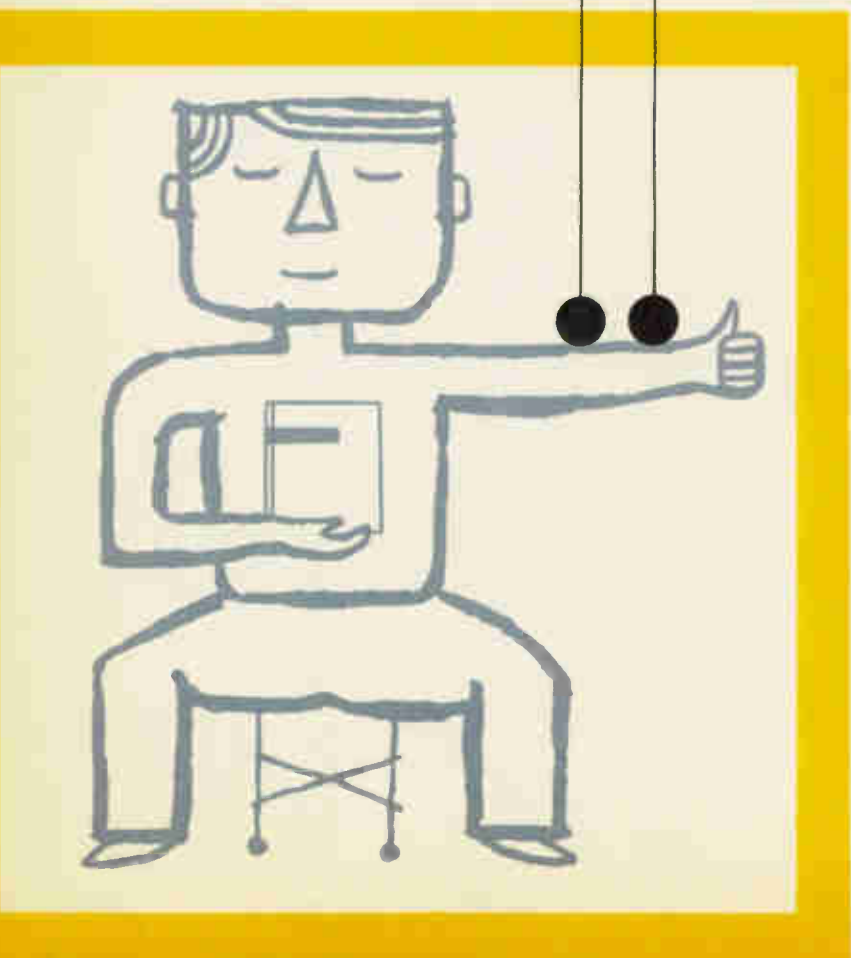


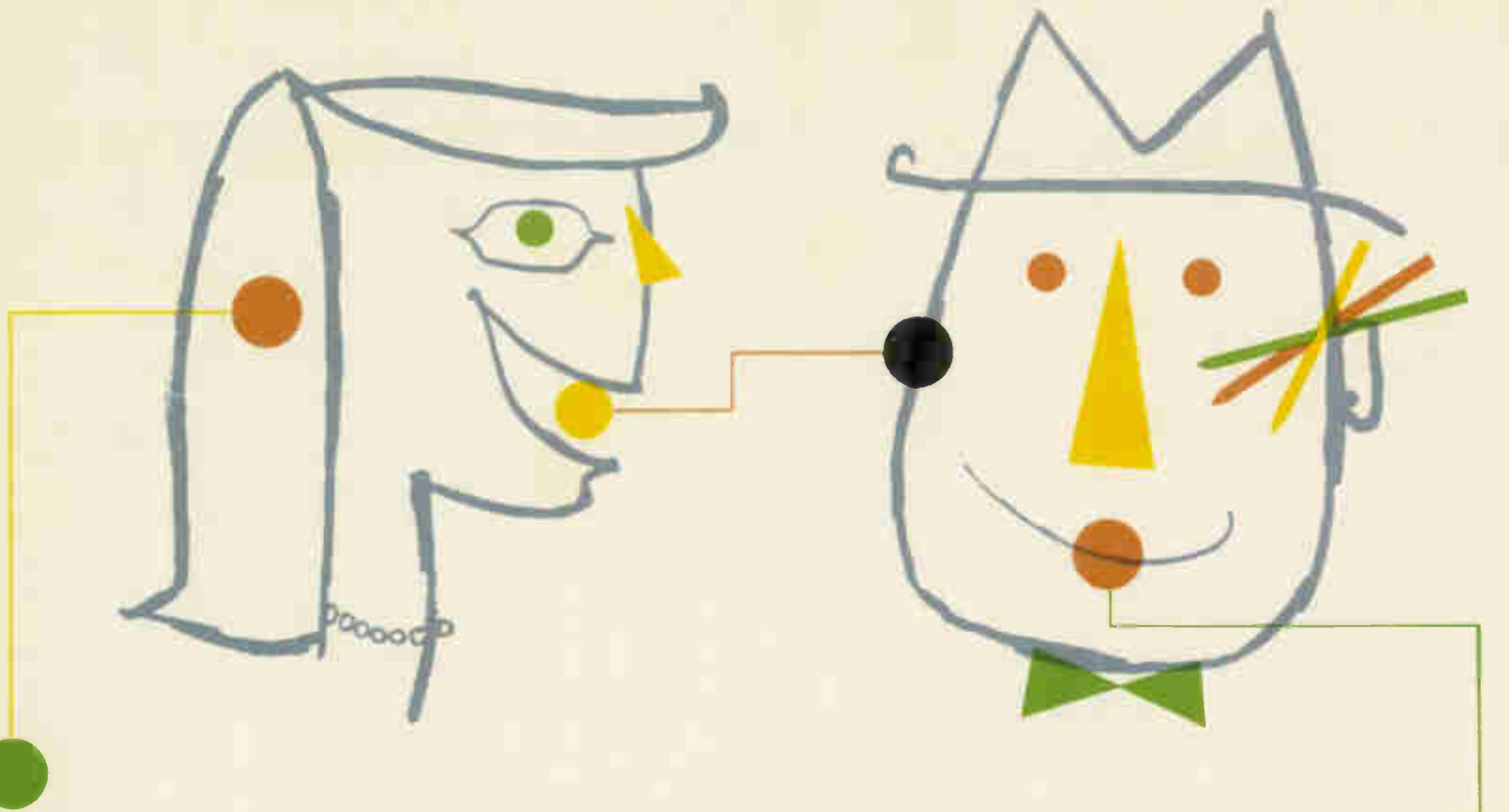


*magazines 16 min.*



*newspapers 38 min.*





## .. IF YOU WANT THE ANSWERS

stra Studies of Television Sales Effectiveness and directly under the supervision of Dr. Thomas E. Coffin, originator of the Hofstra Study technique and formerly chairman of the Department of Psychology at Hofstra College.

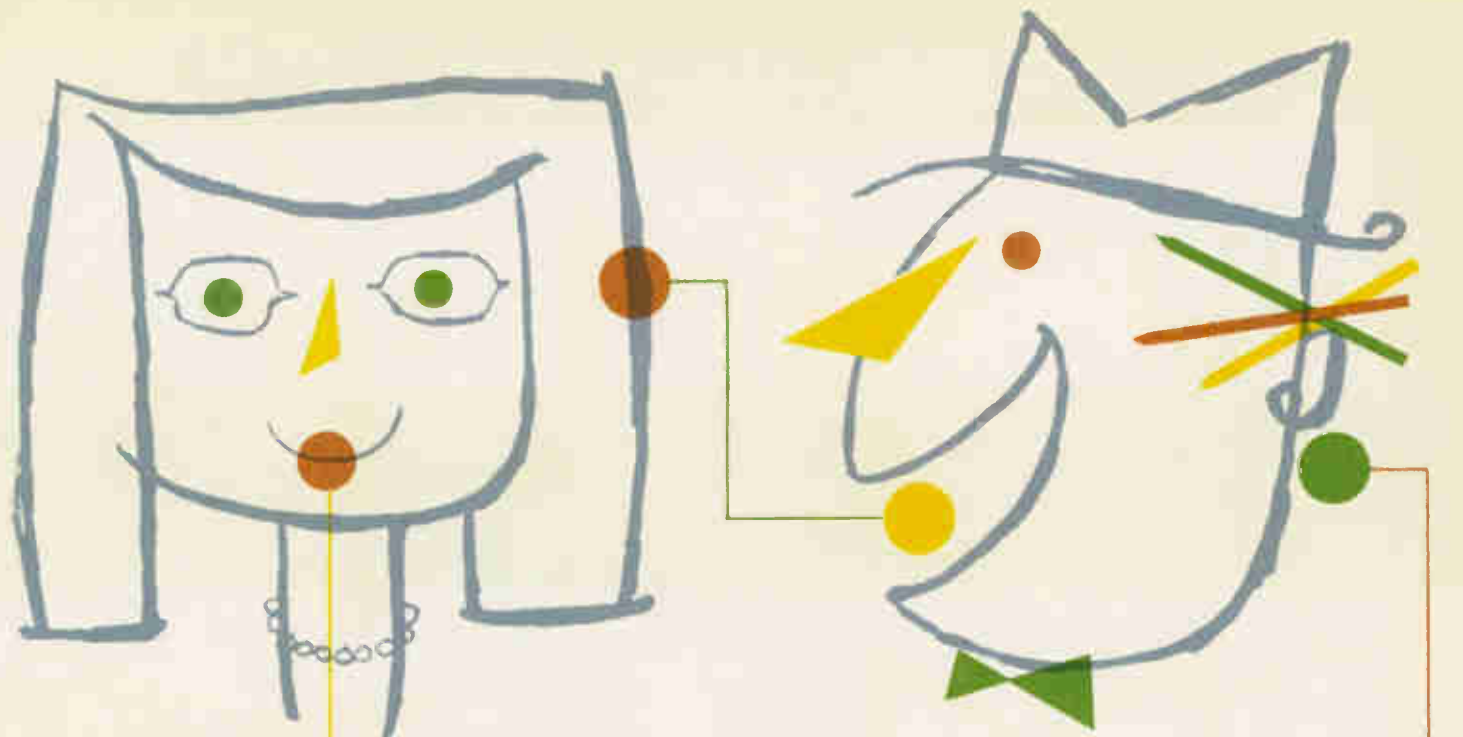
- Actual field work was conducted during March, 1952, by W. R. Simmons & Associates, an impartial, independent organization of high standing and broad experience.

- Areas picked for study are within the metropolitan boundaries of Davenport, Iowa, and Fort Wayne, Indiana. The only major difference between them is that Davenport is a television market. Fort Wayne is not. This afforded an honest chance to compare radio's selling ability with, and without, this thing called television.

- A total of 8,027 interviews – each consuming from 20 to 30 minutes – were made with male and female heads of households, plus about 3,300 supplementary interviews.

- The total area studied (so far as radio and TV are concerned) may be considered remarkably similar to the general status of the U. S. around January 1, 1953. TV ownership saturation for the total sample runs 45%. This is the same as the expected nationwide TV saturation at the start of next year. Thus, the sample we examined takes on great statistical importance as a preview of the overall U. S. radio-TV relationship during the 1952-53 winter selling season.

Analysis of buying habits within this group is particularly prophetic.



# ● YOU HAVE TO ASK QUESTIONS ●

More than 1,234,000 questions were recently asked on our behalf in over 11,000 households.

This is a considerable amount of question-asking. But the broad pattern of answers gathered has supplied us with a powerhouse of facts . . . the kind that give a new, accurate dimension to network radio's full measure of sales effectiveness.

Suppose we start with a very basic premise that, alas, is often overlooked. It is, however, the premise that looms as the guiding motive behind this whole, ambitious study of ours:

*Advertisers only spend money to make money.*

Up to now, total audience has been the primary thing we've counted. These audience measurements are *quantitative* data. Yet what about that vast, untouched area of *qualitative* research — the real

proportion of readers, viewers, or listeners converted by a medium into actual *cash-on-the-counter* customers?

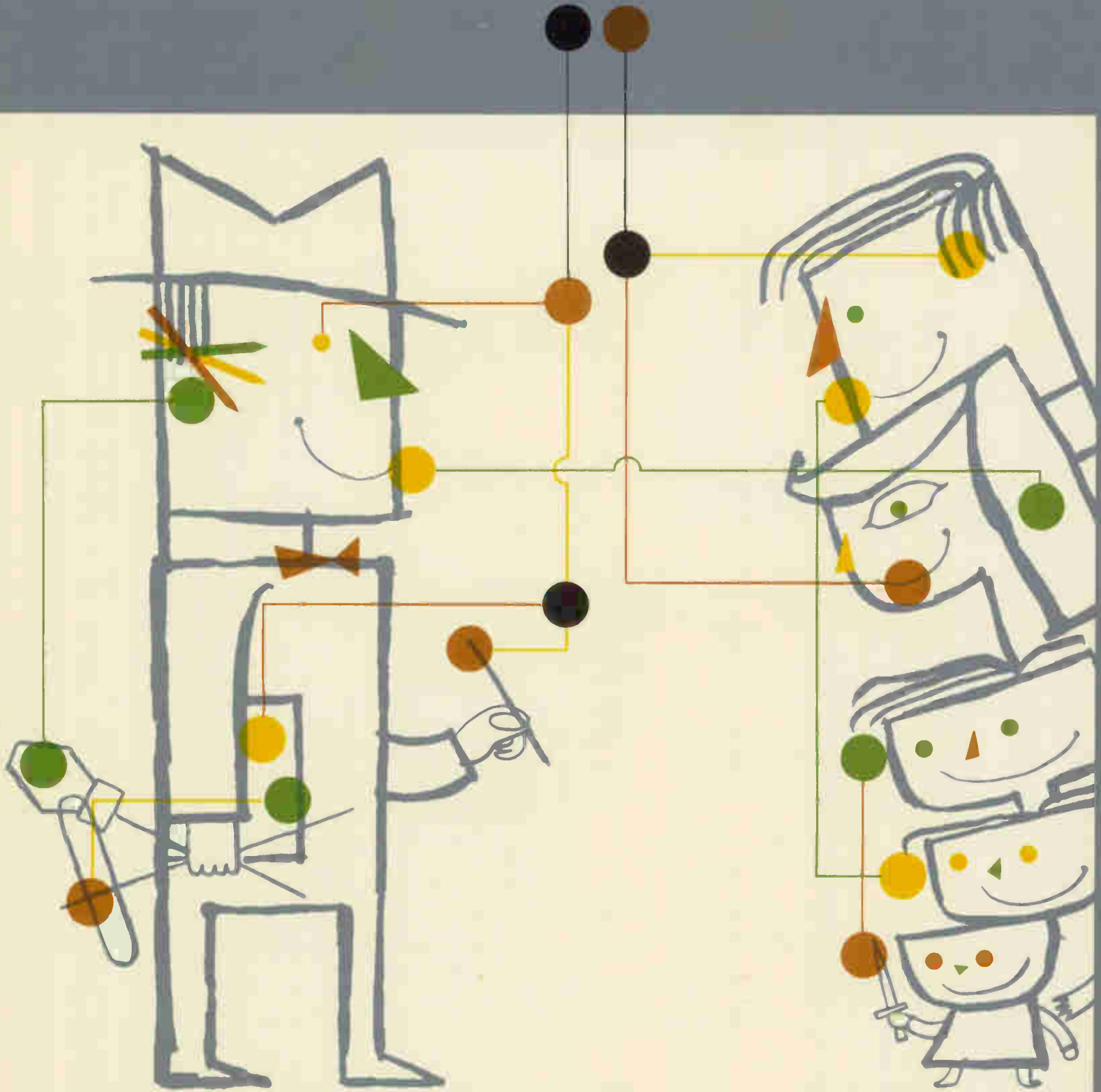
That's what we mean by measuring E.S.P. — *Effective Sales Power*. A precise appraisal of network radio's high E.S.P. — long accepted, but never adequately analyzed — is the achievement of this new study just completed for the National Broadcasting Company. It's the most comprehensive and most accurate survey of its type ever undertaken by a network.

Without getting too enmeshed in the gears — here, very briefly is how our research was pursued:

● This study was initiated by H. M. Beville, Jr., NBC's Director of Plans and Research and executed along the lines of NBC's industry-acclaimed Hof-



E.S.P. METER



## **THIS IS AN E.S.P. METER**

*E. S. P. stands for Effective Sales Power*

The symbolic meter you see here is a useful gimmick that gauges — in cold percentage figures — how well an advertising medium does its job.

“E.S.P.” is a rating that probes far deeper than conventional measurements showing how many people are *reached* by an advertiser’s message. (Anybody can knock on a door. The real trick is to sell goods after you get into the house.)

This book is justifiably excited about the findings of a new pioneer study recently completed by the NBC Radio Network. We think the facts it offers have high significance for everyone concerned with the intelligent investment of advertising dollars.

125  
30931

*Some facts of  
major importance,  
discovered by  
a new study  
of radio's*

*Effective Sales Power...*

*and what  
they mean to  
advertisers.*