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Department store advertising in newspapers, radio, and television, 1920-1960

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Abstract

Purpose – Focusing on the early development of the three major forms of local advertising employed by independent department stores across the USA – newspapers, radio, and television – this paper examines continuity in the industry's commercial use of new technologies.

Design/methodology/approach – The research draws on different types of primary sources, including department store financial records and correspondence, retailing trade literature, industry publications, newspaper advertisements, and radio advertisement transcripts.

Findings – The local and regional markets of the independent department store, and to some extent, department store chains, required local advertising, something best served by newspapers in the period under study. While many retailers embrace the commercial potential of radio and television as they appear in the 1920s and late 1930s, respectively, others are reluctant to divert their advertising budget away from newspapers. Trade writers for the department store industry and radio and television reveal tension between the National Retail Dry Goods Association, with its progressive orientation and professionalizing goals, and the more traditional merchants these experts are trying to modernize. The paper also suggests, perhaps as a subject for future research, that as radio and television lost their local orientation and became increasingly commercialized and national, independent department store advertising would not have been able to compete with department store chains.

Originality/value – Although much has been written about national advertising, cultural, and business historians have conducted little research on local advertising, the type typically employed by independent department stores. This paper provides an introduction to the three major advertising formats most often used by independent department stores as each medium first emerged as a potential selling tool.

Keywords Retailing, Department stores, Advertising, United States of America, Business history

Paper type Research paper

Cultural historians and other scholars have given us excellent studies of advertising that examine the relationship between mass market institutions, national advertising, and the rise of a commercial society (McGovern, 2006; Laird, 1998; Scanlon, 1995; Lears, 1994; Strasser, 1989; Marchand, 1985; Pope, 1983). This literature explores the democratization of goods over the late nineteenth and mid-twentieth century as an increasing array of consumer goods and services became available to an even broader segment of the population. Advertisements are a key primary source in this literature, which treats ads (both their image and copy) as texts that generate meaning. While these scholars debate the degree to which ads shaped consumer attitudes

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and behavior or reflected contemporary understandings of gender, race, class, ethnicity, and citizenship, most draw upon advertisements for branded goods or national ad campaigns. Business historians and scholars of marketing, noting both the national orientation and big-business focus of this literature, have called for new studies that evaluate the persistence of local identities in markets and document the selling efforts of businesses with limited local or regional trade (Elvins, 2004, pp. 158-9; Witkowski, 2009; Howard, 2008a). To that end, this essay will offer a brief history of the advertising efforts of the independent department store and the regional department store chain in the USA, neither of which promoted their business extensively in national magazines, but rather depended upon local advertising media.

Trade literature, industry studies, and the internal records of individual department stores together reveal the insistently local nature of independent department store advertising in the face of rapidly expanding national markets and national media in the period 1920-1960. Through newspapers, radio, and later television, these firms reached a geographically limited market, something that potentially put them at a competitive disadvantage with the larger advertising budget and market of chain department stores, variety stores, and discounters. Into the early postwar era, department stores of all sizes spent their advertising budget on media such as hometown newspapers, and on local programming on radio and television in their nascent commercializing stage. While many stores experimented with new advertising technologies, by the end of the period under consideration here the inherently local scope of this market led independent small-town, suburban branch, and downtown firms to behave conservatively and hold firmly onto their more traditional advertising methods, even in the face of the modernizing efforts of the National Retail Dry Goods Association (NRDGA) and the profession's boosters[1].

Sources on department store advertising

The primary source material on department store advertising is abundant, but its utility is hampered by inconsistent definitions and classifications. The Department of Commerce and Bureau of the Census reported on retail distribution, generating numerous statistics about department store operation. Census definitions of the department store changed, making it difficult to track them over time. For example, the 1939 Census of Business classified them according to sales volume, making sales of $100,000 the lowest threshold for "department store." The 1948 census removed sales from its classification and only included establishments with at least 25 employees. It further defined them as retail stores that carried a general line of apparel, housewares, and home furnishings, with merchandise lines arranged in separate sections. Such firms used departmentalized accounting, but all departments came under a single management (US Department of Commerce, 1948, p. 5). Federal surveys are thus problematic sources for department stores.

Complicating matters further was the inconsistent definition of chain versus independent store. Over this period, independents themselves were increasingly joining ownership groups or chains consisting of numerous retail outlets across the country. In the 1930s, when chains were widely perceived as a threat to small business and independents, the Federal Trade Commission defined them as "an organization owning a controlling interest in two or more establishments which sell substantially similar merchandise at retail." The Bureau of the Census at the time defined chains

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as "groups of 4 or more stores in the same general kind of business, owned and operated jointly, with central buying, usually supplied from one or more central warehouses" (Beckman and Nolen, 1938, pp. 2-3). By 1960, the Department of Commerce defined a chain as any store with four or more units (Helfant, 1960, p. 1). Moreover, some of these studies tended to lump a wide range of firm sizes together, covering as a group independently owned department stores with annual sales volume ranging from $500,000 to $3,300,000 in 1928-1929, which by 1931 crashed to a smaller range of $250,000-1,500,000 (Gault, 1930, p. 4; 1932, p. 307). Even as late as 1960, some industry studies on independent retailers lumped small stores with a volume of $500,000 in with the largest independent with a sales volume of over $100,000,000 (Helfant, 1960, p. 2). Such studies and reports provide historians of marketing with information about advertising expenditure, but they are limited to the degree that they only give a broad picture of advertising payroll or advertising total (Gault, 1949, p. 9).

In spite of these difficulties, the highly documented nature of these firms makes the subject a rich one for scholars of historical research in marketing. With their relatively large sales volume, detailed records, and homogenous classification of accounts, economists and students of marketing have found department stores to be a useful type of firm for investigating retail cost trends, even though they did not account for a large percentage of total retail trade. Department stores of all sizes calculated and kept track of operating expenses, gross margins, and a host of other financial statistics[2]. Even small-town Main Street department stores typically documented their own performance annually, quarterly, monthly, weekly, and even daily in ledgers, account books, and daybooks since the late nineteenth century (Howard, 2008a, b).

Reliable, industry-wide statistics became available beginning in 1920 when the Harvard Bureau of Business Research began collecting department store figures (operating ratios) in cooperation with the NRDGA, who in turn helped disseminated information across the profession. (In the late 1920s, the Bureau of Business Research at the University of Michigan also began collecting data from independently owned, non-competing stores.) The important Harvard Bureau study collected and analyzed two sets of figures: one from 76 department store firms reporting for 25 consecutive years beginning in 1929, and one from all reporting department stores in their study (McNair and May, 1963, p. 29). It categorized the different data from participating department stores by sales volume. The Harvard Bureau used nine volume classifications in its annual reports of Department Store Operating results, which in 1929 ranged from less than $150 thousand net sales to $10 million or more. The bureau of course, revised these volume limits over the years to reflect changing price level and the growth of reporting stores (McNair and May, 1963, p. 29). McNair's performance analysis, based on the Harvard reports from 1920 to 1960, divided the firms more broadly into four categories, based on their sales in 1929: less than $1, $1-$4, $4-$10, and $10 million or more (McNair and May, 1963). This wide range of categories ensured that small and moderately sized independent firms would be included, along with department store chains and the nation's leading independents in major city centers.

The industry's major trade journal, the *Department Store Economist*, distilled and reported results from these studies. Originating as the *Dry Goods Economist* in the late nineteenth century, it changed its name in 1938 to reflect its modern focus on department store merchandising and management. In its pages, NRDGA officials, major department store executives, and a host of other retailing experts proffered advice and reports

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on economic conditions, marriage rates, labor relations, and legislation affecting the retail trade. Success stories of individual store campaigns were held up in order to encourage independent retailers to modernize their advertising efforts. As department stores merged into larger and larger ownership groups, the trade publication also addressed their interests and reflected increased consolidation in the industry, with stories on such things as the new modernized façade and interior given to an Allied unit in central Ohio (*Department Store Economist*, 1955, p. 130). For the most part, however, the trade journal and the industry's professional organization focused on independents through the period under consideration here.

Advertising spending: 1920-1960

Over the decades, the *Department Store Economist* and the NRDGA, through its numerous publications and reports, devoted many pages to advertising in their effort to systematize store operations and increase profits. Categorized as an operating expense, an advertising budget was generally understood to be an indispensable part of a "progressive" business, allowing a firm to plan ways to get rid of excess inventory, make room for new merchandise, and build brand recognition and customer loyalty. Fred Andersen's success story in Nebraska, evident in the subtitle of his self-published book – *How I Built My Department Store in a Town of 1,300 to an Annual Volume of Over $300,000.00* – was built, in part, on good advertising. The founder of the Andersen's (1925, p. 35) Department Store in Nebraska advised small-town retailers to follow "the policy of advertising stronger in dull years than in flush years." Writing in the common-sense manner typical of business leaders in the field, he reasoned "if you don't tell them, you can't sell them" (Andersen, 1925, p. 30). His volume's lengthy section on advertising criticized merchants who advertised little or not at all (Andersen, 1925, p. 58). The existence of such arm-twisting as late as the mid-1920s, suggests that in some quarters not all were in favor of the once disreputable practice. Although there were some hold-outs in the early twentieth century, by the 1920s even small-town department stores had embraced modern advertising, along side modern methods of accounting and record keeping (Ginzl, 2004; Howard, 2008a).

As encouraged by professional literature and industry studies, advertising expense percentages were rigorously planned and controlled, conforming to seasonal cycles. Department store advertising budgets were conservative, reflecting the nature of the trade. Management had to plan ahead for seasonal changes in consumer demand. Budgets had a fixed character and were laid out for each six-month season using an "historical advertising expense percentage applied to the sales for the period." The monthly limits this calculation generated could only be exceeded with special approval (McNair and May, 1963, p. 67). Experts did not recommend spending in direct proportion to sales: the percentage of advertising expenditure to sales was supposed to vary by the calendar, shifting to a lower rate when sales were stronger as at Christmas-time and rising higher in the doldrums of July or January. Stores spent varying percentages of monthly sales on newspaper advertising, absorbing the loss caused by fixed advertising space rates (in the early part of the depression, for example, newspapers by and large did not reduce their space rates; Hodges, 1948, p. 38; Gault, 1932, p. 338).

In spite of the all this planning on the part of management and all the statistical studies of advertising by industry experts, advertising expenditures did not consistently result in greater sales. Rather than clearly pushing consumer demand, for the most part

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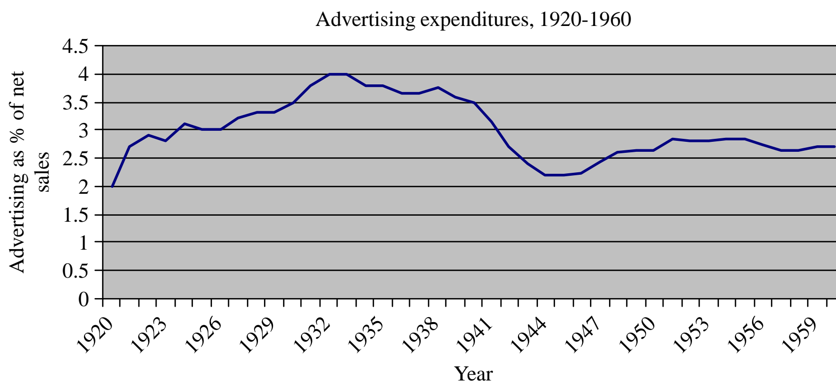
advertising dollars followed cyclical fluctuations in department store sales, which in turn adhered to business cycles and the economic and political forces behind them. In general, statistical studies show that ad spending rose as trade increased and then fell off when trade decreased (Cover *et al.*, 1931, p. 243). Michigan's Bureau of Business Research found that direct advertising expenses increased as part of an overall increase in total store expenses over the period 1927-1929. The author of the Michigan Bureau of Business study, professor of marketing Edgar Gault, pointed out the failure of advertising to maintain sales in the last half of 1929 as it had in the same period of 1928. Gross margin also increased, but not as much as total expenses, leading to a decrease in net profit over the same time period (Gault, 1930, pp. 13-4, 43). During the Great Depression, advertising expense rose as a percentage of net sales at the same time as sales were falling; thus, the overall cost of advertising rose. Advertising, however, was a controllable cost, unlike real estate costs, and could be adjusted if needed (McNair and May, 1963, p. 66; Gault, 1932, p. 27). In his study of 1932 performance, Gault found a relative increase in advertising, an effort to halt the decline in sales volume. Similarly, advertising expense data extracted from the decades of annual operating results in McNair's study of the Harvard Reports shows a responsiveness to outside forces, such as depression and war. Spending as a percentage of net sales increased during the depression and fell off rapidly during the World War II (Figure 1).

The dramatic economic upheavals of the 1930s undermined confidence in advertisers' ability to stimulate consumption. In his 1931 Michigan report, Gault stated that sales promotions failed to make substantial increases in annual sales volume in the period of prosperity leading up to the depression and any success was limited to maintaining sales. Foreshadowing the Keynesian orientation of the Second New Deal, he argued that department stores would not be able to increase sales without an increase in "the buying power of the public" (Gault, 1932, p. 15). He again noted the need for increased purchasing power, but also added safely that "the fact that advertising did not prevent a decline in sales does not disprove the value of advertising" (Gault, 1933, p. 18). A University of Chicago study from the same time period went a bit further, tentatively suggesting that perhaps the fact that department stores' ad budgets followed business cycles meant that the ads themselves did not create demand.



Source: McNair and May (1963, pp. 22-8)

Figure 1.

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This was a tricky position for marketing professors to take indeed, and they did not go far with this claim, noting that there was not enough evidence to find a causal relation (Cover *et al.*, 1931, p. 243).

Whether department store advertising followed or created demand, by the mid-twentieth century firms believed in it, consistently dedicating between 2.5 and 5 percent of sales volume to this "investment" (Andersen, 1925, p. 27)[3]. Where a firm fell within this ranged depended on their sales volume (Figure 2). Over the period 1929-1953, firms with sales over $10 million spent the highest percent of net sales on advertising, while the smallest firms, under $1 million spent the lowest percentage. The largest stores advertised in newspapers with bigger circulations, compared to small-town or even small-city retailers, and thus faced higher rates. Trade writers linked the success of big stores to their high advertising expenditure (Hartman, 1940, p. 148, May). But, department stores of all sizes reporting data to the Harvard Bureau over the decades tracked along similar lines within one to two percentage points of each other, with the gap narrowing to less than a single percentage point by the mid-1950s[4].

Department store advertising in newspapers

While academic studies might have introduced doubts about the efficacy of advertising in times of crisis, the merchants themselves were married to their local newspapers. From the earliest year of the department store form, store management believed newspaper advertising to be indispensable (Koehn, 2001; Leach, 1993; Benson, 1986). Investment in advertising grew from $30 million in 1880 to $600 million by 1910 (Leach, 1993, p. 42). Much of this was spent on newspaper ads. The founder of Wanamaker's, the great Philadelphia and New York city emporium, stated that he owed his success to newspapers (Baldasty, 1992, p. 57; Leach, 1993, p. 43). Available evidence shows that even when competing media were available, such as radio, smaller stores with sales volume up to one million also committed the greatest portion of their advertising budgets to newspapers (Table I). According to Andersen (1925, p. 28),

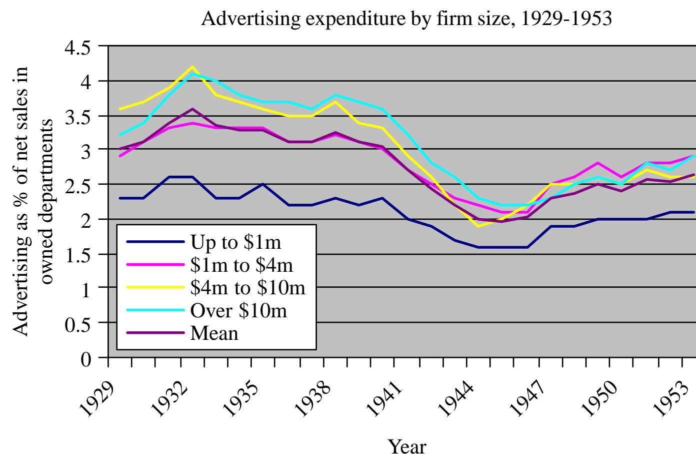

Figure 2.

Source: McNair and May (1963, pp. 120-7)

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Table I. Analysis of publicity expenses for fiscal years 1938-1944 for stores with sales volume up to one million

Advertising budget	1938 (%)	1939 (%)	1940 (%)	1943 (%)	1944 (%)
Payroll	0.48	0.45	0.47	0.39	0.31
Newspaper advertising	2.78	2.79	2.44	1.93	1.98
Direct mail	0.12	0.08	0.12	0.16	0.15
Miscellaneous (may include radio advertising)	0.25	0.25	0.29	0.16	0.30
Supplies, unclassified, postage, professional services	0.26	0.24	0.25	0.12	0.15
Advertising total percentage to sales (as provided by DSE calculations)	3.82	4.06	3.50	2.77	2.88
Advertising total percentage to sales (corrected calculations)	3.89	3.81	3.57	2.76	2.89

Note: Percentage figures based on net sales
Sources: *Department Store Economist* (1946c, p. 149); figures compiled by NRDGA

newspaper advertising reached the broadest audience, as "everybody who reads at all reads a newspaper."

The daily format of newspaper advertising and a large circulation served department stores' unique economic structure. Falling under the broader category of advertising expense, newspaper costs were "apportioned among the departments using it as a direct charge." (NRDGA, 1916). The need for high volume sales and high stock turn (the number of times stock was sold and replaced each year) justified such expenditure. Daily newspaper ads promoted sales, helping to move old inventory, and alerted customers to the store's wide range of new merchandise (Baldasty, 1992, p. 57; Andersen, 1925, p. 43). Newspaper ads provided potential customers with up-to-date information about shopping hours, new selections of goods, price cuts, and various time-sensitive in-store promotions, such as fashion shows, appliance demonstrations, or other merchandising events. Department stores relied upon local newspapers to print accurate ads in a timely fashion and in spaces that would not only catch readers' eye, but also attract the right customers, typically women (Plate 1). The physical nature of the newspaper, moreover, allowed readers to study and compare the detailed information provided on available goods, including such things as size, color, styling, material, as well as price range. Across the country, stores successfully used them to promote sales events and new store locations, as in the 1920s case of a branch opening of Jacome's in Tucson, which had meager sales for its first few days until the Sunday newspapers announced a giant sale and customers jammed the store the following day (Webb-Vignery, 1989, p. 56).

Newspaper ads worked in different ways to promote the store "brand" in a community. Daily store ads made certain that a firm's name would be a regular at breakfast tables across the community. In larger cities where shoppers could choose from numerous independent department stores, chains, or specialty stores, the general publicity created by daily ads put the firm's name in circulation, assuming people bothered to read the ads before wrapping up their garbage with yesterday's edition. According to Fred Andersen in the 1920s, such "constant appeals to the public" created a "cumulative publicity," helping to create the reputation of the firm (Anderson, 1925, p. 40). Institutional ads were one specific way stores developed their public image. These ads could be more about the merits of the city or town than about the store itself

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Note: Clipping courtesy of Marc Bresee

Plate 1.
The Daily Star – Oneonta, New York newspaper advertisement for Bresee's Department Store circa 1910s

(Elvins, 2004; Firestone, 2007, p. 60). They sometimes took the form of anniversary promotion, which served to connect the history of the store with that of its home (Firestone, 2007, p. 23). Others featured an editorial signed by the owner or manager that established the firm's policies and its special appeal. Such ads focused not on the characteristics of particular merchandise, but on the reasons for being loyal to their firm, such as its "honest, civic responsibility, up-to-date fashions, or commitment to high quality" (Benson, 1986, p. 103). In small towns and small cities, where there were fewer competitors, but also fewer shoppers, institutional advertisements attempted to breed loyalty and discourage the growing practice of shopping out of town.

By the 1920s, advertising studies began to show national magazines competing for small-town women's attention. In the Kansas City region in 1926, for example, 63 percent of women paid more attention to magazine advertising than newspaper ads, 24 percent focused more on ads in newspapers, and 13 percent were interested in both equally (Hoffman, 1926, p. 14). But, independent department stores with one outlet or even with several branches in a major city or neighboring community were not well-served by ads in national magazines. Newspapers were still the best way to reach their clientele. The comments of housewives included in the small-town study show many women still referencing ads in local, and to a lesser extent, regional papers, which they read for finding bargains or sales, or because "only reading taken is local paper" (Hoffman, 1926, pp. 11-4). This did not mean that independent small-town stores could not benefit from ads in national magazines (Plate 2). For example, the Oneonta Department Store, otherwise known as Bresee's, featured nationally advertised brands in the late 1940s (Howard, 2008a). National magazines and manufacturers of brand-name goods provided tie-in materials to merchants who wanted to feature

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Sources: *Oneonta Star* (1963); image courtesy of Paul F. Cooper, Jr Archives at Hartwick College, Oneonta, New York

Plate 2.
Bresee's Department Store newspaper advertisement

nationally advertised goods in their stores. In addition, at least one prominent independent department store – Neiman Marcus of Dallas, Texas – actually advertised in the national magazines *Vogue* and *Harper's Bazaar* in the 1930s (Whitaker, 2006, p. 140; Plate 3).

Owing to their immense size, chain department stores had formidable national advertising resources at hand, but they too engaged in local newspaper advertising. By 1929, two of the top three mass retailers were the general merchandise chains Sears and J.C. Penney[5]. Store managers at J.C. Penney still acted somewhat like independent merchants in store operations and were able to control their own advertising (Miller, 1963-64, p. 33). Chain stores tailored their ads locally to try to complete with independents, who could claim greater community participation and loyalty (Elvins, 2004). Still, despite some local control of chain advertising and despite

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Plate 3.
Bresee's Department Store, Oneonta, New York, circa 1949

Note: Furniture department tie-in with national magazine advertising campaign
Source: Photo courtesy of Marc Bresee

their attempts to seem "local," the context of their advertising was vastly different. Chains were able to draw on the competitive advantages brought about by their size in ways not possible for independent stores. As media across the country became increasingly national, they would be better positioned than independents to promote their store brand.

Anecdotal evidence suggests that city newspapers and their department stores co-existed in an uncomfortable dependency. To survive, newspapers had to attract and satisfy high-volume advertisers, which typically included their city's largest retailers. When department stores became a newspaper's major source of advertising revenue, they had considerable power over their community's media. How much a retailer spent on advertising influenced newspaper fashion editors, determining how much pictorial coverage store styles received in feature articles, according to one 1953 marketing study (Whitaker, 2006, p. 140). On the other side of the coin, however, rates at competing newspapers were sometimes identical, as if advertising managers were colluding in the face of pressures from big spenders like department stores. From 1946 to 1960, for example, ad rates were identical at three El Paso, Texas newspapers (*The Popular*, Finney, 1961, April 17). Heated disagreements over ad rates sometimes went on for years between newspaper managers and department store executives (*The Popular*: Roderick, 1956, May 16; Seamon, 1961, April 17; Schwartz, 1960, December 8; 1966, September 1; Transcript, no author, telephone conversation, 1991, March 26). To ensure favorable rates and coverage, department stores sometimes sought ownership of local papers. John Wanamaker's son, for example, bought a Philadelphia newspaper, which then

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became the store's major advertising outlet. A Rhode Island department store started its own paper, *The Outlet Bulletin* in 1898 (Whitaker, 2006, pp. 137-8). If a firm was unhappy with its advertising, moreover, it could pull its account and contribute to the newspaper's demise in the process. For example, when the *News* in San Francisco pushed Weinstein's department store in the 1930s to change its preference for vivid ads using eye-catching heavy black ink type, the retailer switched to other dailies. By one account this contributed to the paper's downfall (Flamm, 1977, pp. 25-6).

By the postwar era, however, it appears that the relationship between the big-city newspapers and department stores was changing as new store branches began sprouting up in regional shopping centers and in new suburban locations. Devoting a series to the suburban branch store, the *Department Store Economist* in 1951 pointed out the lower advertising costs due to the lower ad rates in local papers. Branch stores, moreover, were understood to "ride free on the coattails of the downtown stores' advertising" (Guernsey, 1951a, b, pp. 111, 120). Throughout the first half of the twentieth century, however, even as radio emerged as a new commercial medium, newspapers remained the most important part of the department store's advertising mix.

Radio advertising and department stores

Department stores would continue their loyalty to newspapers through the twentieth century, but in the 1920s, many began to tinker with the idea of radio as a promising new selling tool. Department stores were in the business of selling radios and had been among the earliest promoters of the technology at the turn of the century (Arceneaux, 2006, p. 583). Between 1922 and 1930, despite their expense, the number of radio receivers grew from 60,000 to over 13 million (Arceneaux, 2006, p. 582). By 1930, half of all urban homes had a radio. While only about 20 percent of rural farm households had one, listening was often communal, meaning that audiences were larger than ownership indicated (Cohen, 1999, pp. 155, 157). Even though radio had the potential to reach a broad range of customers in a vastly different way, department store advertising needs themselves did not change much over the period under consideration – ads still had to convey information about consumer goods and promote the store's image. Despite continuity between the different types of advertising, the age of sound introduced new challenges and opportunities for department stores just as other forms of competition arose with the growth of chains, like Sears and J.C. Penney.

Before the early 1920s, department stores, like other advertisers, did not see radio's commercial potential. As historian Susan Smulyan argues, when the first radio station appeared in 1920 people did not know how to make money from broadcasting (Smulyan, 1994, p. 1). Early radio enthusiasts focused on the technical achievements of radio and long distance transmission of sound, not on radio programming, which was almost non-existent anyway (Hower, 1939, p. 162; Kennedy, 1944b, p. 16). By the early 1920s, the concept of a national radio service gained in popularity, even before the founding in 1926 of the first national network, NBC (Smulyan, 1994, pp. 42, 52; Hower, 1939, p. 166). National radio, though necessary for national advertising, was in itself, not pre-ordained as a money-making enterprise. Throughout this period, a wide range of individuals and groups continued to oppose the idea of selling time on the airwaves, an arguably public resource. In the early 1920s, the US Department of Commerce and the radio industry formulated restrictions against direct advertising in broadcast programs, which meant, according to the historian of the famous

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N.W. Ayer advertising agency in 1939, that "radio could do little for sponsors beyond the creation of goodwill and publicity" (Hower, 1939, p. 166). Understandably, "everyone connected with advertising was doubtful about using the new medium for sales promotion," including advertising agencies (Hower, 1939, p. 166). By 1925, less than four percent of radio stations nationwide were owned by commercial broadcasting companies. Existing non-profit organizations, such as ethnic, labor, or religious groups subsidized radio operations (Cohen, 1999, pp. 156-7). In radio's early years, retailers saw the medium as "a novel invention" (Abrahams and Ryan, 1951, np). Like other advertisers, many department stores needed to be talked into radio.

By the early 1920s, some department stores began to add their weight to the push to commercialize radio. In the words of one observer, "commerce and science joined hands and met on a common ground" in the department store (Rawlings, 1921, p. 485). As media studies scholar Arceneaux (2009, p. 1) has recently argued, department stores brought their innovations in distribution, display, and advertising to the burgeoning field of broadcasting. In 1922, a national radio conference organized by Secretary of Commerce, Herbert Hoover, drew proponents of commercialization from the retailing industry. At issue was how to regulate broadcasting, or more specifically, how to divide up the limited wavelengths between competing commercial and non-commercial interests. The NRDGA representative, Harold Young, supported the granting of broadcast licenses to department stores. Retailers proposed airing only educational material. Direct advertising, which included product descriptions and pricing, was understood to "cheapen" the medium, and was believed best left to the newspapers (Arceneaux, 2009, p. 3).

While department store stations drew much public attention, involvement in the new medium started slowly. By the mid-1920s, retailing trade literature still focused on newspaper advertising, not radio (Andersen, 1925). Department store trade publications and the NRDGA first addressed radio in 1922, encouraging stores to start their own stations as a way to stimulate the sale of radio receivers (Arceneaux, 2006, p. 583). As set sales increased, department stores began to purchase expensive radio equipment and install their own stations. After the 1922 Federal Radio Act, any voice transmitter required a license and call letters. Department stores applied and received them, accounting for 10 percent of all broadcasting licenses in the country in the early 1920s, though it is not clear how many, in fact, put these licenses into use (Flamm, 1977, p. 36; Whitaker, 2006, p. 135). Among the first to gain licenses were the Hamburger department store in Los Angeles in 1921, which had a one-hundred-mile range, San Francisco's Hale Brothers, Philadelphia's Strawbridge & Clothier, and Newark's Bamberger's in 1922 (Whitaker, 2006, p. 135; Flamm, 1977, p. 37; Arceneaux, 2009, p. 2). By early 1923, at least twenty-nine department store radio stations were in operation (Arceneaux, 2006, p. 593). Most of these were in Northeastern and Western states, with Pennsylvania host to ten department store stations and California, four (Arceneaux, 2009, p. 4).

Early department store radio programming was not segmented according to different audience types, nor did it have the professional, commercial gloss of later programming. One station might appeal to mix of audiences, unlike today's highly segmented media. For example, on a single day, Gimbels' WIP in Philadelphia offered a mix of program listings, including a talk on planting trees, a livestock report from the Department of Agriculture, a hotel orchestra and dance music, a selection of songs

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and "dinner music," and a talk by an insurance company (Arceneaux, 2009, p. 4). Radio sponsors typically produced their own programs in the 1920s, with some help from station personnel (Smulyan, 1994, p. 103). In 1923, department store employees worked as performers on "'Once Upon a Time' by the Employees of R.H. Macy and Co., Inc." and "Wanamaker Organ Recital" on New York area stations that had been searching for ways to fill broadcast time (Smulyan, 1994, p. 100). Philadelphia stores devoted their Sunday airtime to religion, with organ recitals and sermons courtesy of Wanamaker's WOO, Gimbels' WIP, or Strawbridge & Clothier's WFI. One Philadelphia store, Lit Brothers, did not broadcast religious programs, offering such things instead as the overture from *The Marriage of Figaro* (Whitaker, 2006, p. 136) Early programming like this showed continuity with newspaper ads, in that it was understood as a form of "institutional advertising," a way to establish the character and reputation of the store (Grosscup, 1944, p. 22).

According to a trade writer looking back from the perspective of the 1940s, while stores did not know how to produce radio programs in the early days, the glamour of the new medium "won them widespread recognition" (Kennedy, 1944b, p. 16). The operation of a radio station itself was an institutional advertisement of sorts, bringing curious on-lookers into the store and entertaining customers. The radio craze drew hundreds of boys to Hamburger's department store in Los Angeles to take tours of the station and attend free classes offered on the subject (Rawlings, 1921, p. 485). At Hale Brothers in San Francisco, the $2,400 investment in a 50-watt radio transmitter and other equipment attracted a live audience. On the store's sixth floor, long glass windows and rows of chairs allowed customers to watch the cast and crew broadcast programs from its KPO studio. The rest of the sixth floor was dedicated to the display and sale and radio sets. KPO broadcast at first for only one hour per day, sharing its channel with eleven other stations in the Bay Area. It used live talent, while other stations in the area relied on phonograph records. Hale Brothers paid large fees to attract talent from as far away as New York (Flamm, 1977, p. 37).

Chain department stores also innovated ways to use early radio as a selling tool. As with newspaper advertising, chains had greater resources to focus on the new medium than independent stores. For example, Allied, one of the country's largest department store chains, was the first to establish its own radio advertising bureau (Wolfe, 1949, p. 448). Like independents, chains had employed localism or regionalism in newspaper advertisements to encourage loyalty in their customers (Elvins, 2004), something they continued with early radio. For example, in 1924 Sears was assigned the Chicago station, WBBX, though it called itself WLS or the World's Largest Store. Operating until 1928, when Sears sold the station, it provided a highly popular mix of farm and weather reports, tips for housewives, and music. Its country music show, the "National Barn Dance," aired Sunday nights to entertain farm families and rural migrants to Chicago (Smulyan, 1994, p. 25). WLS Schedules (1925) were colorful advertisements for the retailer's catalog, its radio merchandise, and the station's programming. Sears, with its long history in rural mail order, was able to take a modern technology (radio) and use it to transmit a regional taste for music (country) to a new urban, northern context, further cementing the store to its traditional, though increasingly transplanted, rural and small-town market segment.

By the 1930s, the commercialization of radio was working against independents. With regulations favoring national networks and commercial radio in place, it was no

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longer efficient for small businesses to produce their own shows. Advertising agencies like J. Walter Thompson took over the production of radio shows in the 1930s, founding radio departments to script and produce network shows and commercials for clients (Smulyan, 1994, p. 118). Some department stores continued to operate stations in this period, offering locally produced content in an age of increasingly commercialized, national content. For example, Higbee's broadcast cooking classes from its store on its WHK station in Cleveland. In New York City, Hearn's department store began *Kiddie Radio Revue* in the 1930s, which became a talent show (Whitaker, 2006, p. 136). Through the 1940s, department stores divested themselves of stations, sometimes selling their operations to newspapers. In 1945, for example, the *Philadelphia Inquirer* purchased a station formally owned by Strawbridge & Clothier and the Lit Brothers (Arceneaux, 2009, p. 6). By this time, businesses had realized it was cheaper to buy blocks of airtime from other stations, rather than own and operate their own (Arceneaux, 2009, p. 6). Another recent, though simplistic, explanation for this divesture is that radios themselves were "no longer big sellers and most stores realized that the medium was not an especially effective way to advertise" (Whitaker, 2006, 136). Even though fewer found it profitable to own their own stations, department stores continued buying time on local stations through the period under study here.

Radio did not displace newspapers. A close look at the trade literature and the advertising statistics suggests that attitudes toward the different advertising media were not generated simply by money considerations – the industry was torn between the two forms of advertising and what each represented. The very fact that postwar trade literature needed to push radio and explain such things as the "technique of the beamed program" suggests a resistance to, or at least lack of knowledge about radio advertising (Hodges, 1948, p. 97). On the other hand, it also suggests a professional interest in the medium. For example, a 1948 book-length work, *Department-Store Advertising*, by the ad manager for The May Company in Cleveland included a 13-page section on radio advertising. Such works were boosters for radio, providing little evidence, however, of the medium's efficacy. Expenditure continued to trail newspaper advertising, despite exhortations in the trade literature. In a national survey of member stores, conducted sometime before 1947, the professional group found department stores spent 52-66 cents of every ad dollar on newspapers; 15 cents on display; seven cents on direct mail, and only four cents on radio, with the rest divided among payroll, production, and miscellaneous expenses (Hodges, 1948, p. 95). Yet, by 1947, trade literature reported radio advertising expenditures at an all time high, up by $20 million from the previous years. Of 7,500 NRDGA member stores, 70 percent of department stores used radio, in comparison with 50 percent of specialty stores (Hodges, 1948, p. 96). Archival examples show this trend even in the small-town South. For example, Poliakoff's, of Abbeville, South Carolina, spent almost twice as much on newspaper advertising as on radio in 1956. Peak advertising months in the local paper, *The Press and Banner*, were in December of course, which led at $110, followed by March, August, July, and November (Poliakoff Collection, Folder, 1956; Plate 4).

While the retailing profession interpreted its commitment to radio advertising in glowing, optimistic terms, in historical hindsight this gap between newspaper and radio expenditure and the still-significant percentage of stores not participating at all in radio suggests something different. By the early postwar period, department stores remained wedded to a more conservative or tradition-bound mode of promotion – the

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Plate 4. Radio advertisement for Bresee's Department Store, Oneonta, New York, circa 1949

Note: "Brands that please are found at Bresee's" spot
Source: Photo courtesy of Marc Bresee

one they had grown up with. As the postwar retailing landscape shifted under the feet of merchants, with the explosion of shopping malls, discounters, and a decentralized business district, department stores were still married to their local papers. With newly suburbanized shoppers spending more and more time in their automobiles, perhaps listening to their car radios, department store merchants were not mindful of the new girl on the block.

Throughout the postwar period, the NRDGA and Broadcast Advertising Bureau (BAB) tried to remedy this conservative impulse among retailers and make radio part of the professional portfolio of modern retailers. Founded in 1951 in New York City, BAB sought to teach radio stations how to sell advertising (it was renamed in 1955 as the Radio Advertising Bureau). Its members included radio stations and allied industry services (Sterling *et al.*, 1997, p. 77). The NRDGA had made its own earlier attempt to study and promote radio advertising. By the 1940s, the organization compiled statistics on radio advertising. Numerous trade articles and book length publications analyzed the data, offering up suggestions for department stores of different sizes and markets. In 1951, the NRDGA sponsored awards to stores for developing successful radio programs and published them with BAB in a brochure for retailers. In his introduction to the award-winning program transcripts published by the NRDGA and BAB, Howard P. Abrahams of the sales promotion division of the NRDGA expressed contradictory ideas about department store's relationship to radio advertising: radio worked, but retailers did not exploit its advantages enough; retailers were "pioneers" in

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the field, being among the first to use radio and own stations, and yet they knew very little about it as a promotional tool. Along with BAB, the NRDGA sought to remedy what it saw as a backward adherence by "old timers" to printed advertising and lack of knowledge of effective forms of radio promotion (Abrahams and Ryan, 1951, np). Elsewhere and earlier, trade articles criticized stores' "sporadic attempts to sell over the air" and their subsequent resolve "to stick to their known media" and avoid what they consider an "upstart" (Grosscup, 1944, p. 22). The efforts of the BAB to overcome radio prejudice are understandable – as representatives of radio stations and the broadcasting industry they were in the business of selling time. Department stores were potentially big customers. But NRDGA boosterism of radio did not clearly originate from the profit motive. Rather, it fit into a professionalization paradigm, in which radio represented something modern and progressive that needed to be mediated by experts like the NRDGA and the authors of their studies. In keeping with this paradigm, the organization positioned itself as an educator, drawing on the success stories of individual firms in radio advertising (Grosscup, 1944, p. 22; "*Department Store Economist*, 1946a, p. 119). By the postwar period, independent market research organizations also provided "progressive stores" the information they needed to build their broadcasting plans (Wolfe, 1949, p. 454).

In many ways, radio advertising formats overlapped with the older newspaper medium, something professionals exploited as they tried to convince merchants to adopt more modern advertising. The institutional mode of radio advertising, well-established in newspapers as this essay has shown, was the first to be embraced by retailers (Arceneaux, 2009, p. 5). Experts and businesses valued radio for its ability to "develop store character" through institutional advertisements. As trade writers observed, department stores carried too many items to use radio only for promoting particular goods (Grosscup, 1944, p. 22). Slogans, such as "the largest store in the largest state," plugged by Joske's of Texas in its award-winning broadcasts in the 1950s, were understood to "develop a picture in the minds of its customers about what the store stands for in size, assortments of merchandise, quality and brands" (Abrahams and Ryan, 1951, np; Howard, 2008a, p. 477). By the postwar period, the advertising legitimacy of radio helped "confirm advertising messages in other media" as customers reading ads or seeing merchandise in store windows could say "Oh yes! I heard it on the radio" (Abrahams and Ryan, 1951, np). In addition to institutional advertisements, by the postwar period department stores typically used spot announcements, station breaks, as well as sponsored programs with commercial breaks (Wolfe, 1949, pp. 454-5). Trade literature in this period finally saw stores using radio in the manner of newspapers in order to bring immediate sales. Instead of large, multi-column newspaper advertisements, department stores adopted what they saw as their equivalent – several short commercials on the same subject in a program. Radio was even translated into newspaper language, perhaps in a further effort to promote the medium to a still newspaper-oriented profession. Spot announcements, for example, were pictured as "similar to a 1-column 1-inch advertisement used many times over on each page of a newspaper" (Abrahams and Ryan, 1951, np).

But, promoters of radio as a sales medium also highlighted how it differed from print media, focusing on the variety of program formats and on how they reached their audience. Retailers needed instruction on these new advertising modes. Several types of program methods were used besides spot announcements: "self-originating live

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programs" that were performed in the studio or in the store itself; "co-op programs" or network shows that were live and originated in a major market area with top talent, but had open ends that made it possible for local announcers to add their commercials; and "transcription programs" that were completed and ready to air, with open ends for commercials (Abrahams and Ryan, 1951, np). Advocates of radio advertising heralded its personal, intimate quality as the messages came directly to potential customers when they were at home, alone, or in family groups. While some formats, such as the transcription program, might appear "canned" and were unable to reflect a store's "personality," others, such as the self-originating live show could easily portray the character of the store and "become a part of the store itself" (Abrahams and Ryan, 1951, np).

Radio, as its advocates argued, also allowed for greater market segmentation than print media. In the postwar era, literature heralded the "beamed program technique," which allowed the retailer to reach desired customers. The beamed program required the retailer to determine his market ahead of time and design programs or choose stations according to their particular taste and budget. Department stores might choose to sponsor or develop programs, for example, that catered to a rural, teen, women's or lower-income audience, depending on their market (Hodges, 1948, pp. 97-9). All of this required the help of professionals. As the advertising manager of the May Company wrote in his 1949 textbook on *Department-Store Advertising*, store personnel did not have the expertise to prepare radio programs that they typically had to prepare and place newspaper advertisements (Hodges, 1948, p. 96).

By World War II, under the direction of professional organizations in retailing and the radio industry, department store radio shows targeted particular market segments. In the 1940 and 1950s, Lit Brothers also attempted to reach the youth market with its "Magic Lady" program, an after-school spot that presented original dramatized serials, as well as such things as "Pinocchio," and "Streamlined Fairy Tales." Related promotions, such as the "Magic News Club" newspaper, were sent out to thirteen thousand children monthly. The Magic Lady herself, the host of the show, was a member of the store's New Business department, established to give radio advertising promotions the attention already received by newspaper advertising. This host, unnamed in a trade article on the program (but likely Charlotte Kagan, an actress), also prepared and presented commercials intended for "juvenile acceptance" (Grosscup, 1944, pp. 22-3; Wolfe, 1949, pp. 455-6; www.broadcastpioneers.com/magiclady.html). Some prominent stores, however, continued seeking a more general radio audience. "The Ayres Program – For Your Information," broadcast by the Indianapolis department store beginning 1945, combined music, news, and guest interviews with people as varied as bowling champion Judy Hindel, concert pianist Bomar Cramer, and creator of the Big Chief Wahoo comic strip Allen Saunders. Organizations or activities represented in the show included Victory Gardening, the League of Women Voters, the Office of Price Administration, and the Indianapolis Municipal Opera. Not surprisingly, the store ascribed the show's popularity to "'target-shooting' not all the audience every day; but at segments of all the audience from time to time" (*Department Store Economist*, 1946a, p. 123). For the most part, however, by the postwar period, department stores were directing specific programs at relatively narrowly defined segments of the radio-listening audience, including rural listeners, women, teens, lower-income listeners, and Spanish speakers (Hodges, 1948, pp. 97-9; Wolfe, 1949, p. 455; Abrahams and Ryan, 1951, np).

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Trade literature celebrated department stores that developed targeted radio programming because they wanted to promote the advertising medium more broadly among retailers. In 1950, to name just a few, the NRDGA gave awards for the best department store radio programs to Schuneman's, Inc., in St Paul for "The Red Rooster Hour," to Wyman's of South Bend, Indiana, to "The Time, The Place, The Tune," and to Pomeroy's, Inc., in Pottsville, Pennsylvania, for The Zipper Wilson Show. Judges came from leaders in broadcasting, publishing, and advertising. Awards themselves were given for particular market segments, as well as to small or large stores. Stores won awards for shows in the categories "general family audience," "service in the public interest," "woman's audience," "teen-age audience," "children's audience," and spot saturation campaigns for special sales events. Winning shows claimed wild sales successes, such as the sale of 21 of "Gurgling Gertie, the quacking duck," within three hours after a one minute-spot for the product on the general family show, "The Red Rooster Hour," on WDGY in St Paul.

Part of the appeal of such shows was their local connection, something the NRDGA award recognized. The Red Rooster Hour, for example, brought in groups from the region to take part in the audience and be interviewed. The store's general merchandise manager and sales promotion manager believed this encouraged a wider listening area as people tuned into hear people they knew. Department stores sponsored local quiz shows, fashion shows, Coca Cola parties for teen listeners, and broadcast newscasts live from store windows. The beamed program, "Good Morning from Philips," included community announcements or bulletin boards, something the Omaha store believed built their reputation for public service. According to the advertising manager of the department store, four announcements on one program also helped them sell "the entire lot of 1,800 men's shirts, priced 3 for $5 in one day" (Abrahams and Ryan, 1951, np).

Television advertising and department stores

The modernizing and professionalizing impulse in the NRDGA and the *Department Store Economist* that led the industry to promote radio advertising was turned to television in the 1940s. Even before the new medium had commercial capabilities, department stores saw its potential in much the same way as radio, though some believed they were "not likely to rush into television as they did into radio in the early days of broadcasting" (Hodges, 1948, p. 106). Department stores provided a convenient place to demonstrate the new technology, having had a long history of providing gathering places for community organizations and public events. Some stores in the 1930s showed their interest in television by hosting displays. The outlet demonstrated a television broadcast in 1933 in providence, Rhode Island, with the Sanabria television company from Chicago. Their actors performed in a display window, with the broadcast shown in the store's auditorium (Whitaker, 2006, p. 137). In 1939, Macy's hosted television test programming by NBC, attracting a crowd of 6,000 (Whitaker, 2006, p. 137). Bloomingdale's similarly attracted thousands to view a closed-circuit show on millinery in 1940 (Whitaker, 2006, p. 137). In 1939 and 1940, the Farnsworth Radio and Television Company took a truck or "television jeep" on the road and staged shows in department stores in eighty-eight cities across thirty-five states, reaching more than two and a half million people (Kennedy, 1944b, p. 89). After these early forays, the profession began to investigate television more systematically, although World War II slowed the development of television (Smulyan, 1994, p. 163).

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Department stores early relation to television would have much in common with its history with radio. Beginning in October 1944, the *Department Store Economist* began a series of articles by T.R. Kennedy, Jr on the potential effect of television on department stores that underscored, implicitly and explicitly, this continuity. The authorship of this series on television highlighted the connection between the two media. Kennedy was both a radio editor for the *New York Times* and a technical editor for *Television Magazine* and his series drew many indirect, and some direct, parallels between the two fields. In much the same way as trade writers had sought to persuade merchants to add radio to their advertising mix, he encouraged them to see the sales potential of applying for permits to run their own stations or developing programs to be run on existing stations (Kennedy, 1944b, p. 16). He advised stores on how to sell and service television sets, in much the same way as we saw department stores breaking into the radio receiver market (Kennedy, 1944a, p. 54). Perhaps, more than with radio, department store trade literature investigated the technological achievement of television, seeking to explain its complex processes to readers and sell it as an advertising medium in the process. The industry saw the great advertising potential of color and high-definition images of the "future" (Kennedy, 1946, p. 90). The potential for technicolor to translate fashions in apparel, cosmetics, and home decoration, among other things, was understood even before it was too costly for use by stores (Hodges, 1948, p. 106).

The profession emphasized continuity between older ways of merchandising and television, in the same way as trade writers had previously drawn parallels between newspaper advertising and radio. T.R. Kennedy argued that stores were "prepared for the new medium" (Kennedy, 1944b, p. 16). Stores already staged performances, such as fashion shows, and employed experts with the requisite talents, such as window dressers (Kennedy, 1944b, p. 16). Radio department space or in-house theatres would be requisitioned to house experiments with the medium, though stores were supposed to eventually have their own "modern, sound-proofed television theatre" with built-in video coaxial conductors, cold flood lighting, a stage, and chairs for a visitors (Kennedy, 1944b, p. 17). Other experts, like R.R. Hodges, the advertising manager of the May Company in Cleveland, also drew on their knowledge of other advertising mediums when explaining television as a "potential sales maker." Hodges noted that television could "revolutionize department store promotional techniques," but when describing this revolutionary potential he described methods already tried and true, such as institutional advertising, and programs that entertained as they sold (Hodges, 1948, p. 106-7). Radio scripts themselves could be adapted to television (Hodges, 1948, p. 107).

Even innovations, such as the "intra-store" television advertising systems adopted by department stores in the second half of the 1940s, were framed in terms of the no-longer new medium of radio. Compared in trade articles to non-broadcast radio used in hospitals and other institutions, intra-store television shot a live scene or a motion picture and piped it to video sets throughout the store or in display windows. Merchandise displays, demonstrations of products, or manufacturer's films were typical subjects (*Department Store Economist*, 1946, p. 105). In this manner, television became a sales tool at the point of purchase. On one level these bold experiments with publicly screened television images were "prescient forecasts of a future trend (McCarthy, 2001, p. 65). But on another level, they simply represented the decades-long

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history between radio and department stores, in which in-house radio stations and demonstrations were used to spur radio sales and increase a store's public profile. Intra-store television advertising ceased by 1949, dismissed as too costly and ineffective (McCarthy, 2001, p. 65). As with department store radio stations, retailers flirted with television in the early postwar period, but remained committed to their first love, print advertising.

Though TV could not displace newspapers during these early years, it did erode radio's share of the department-store advertising dollar. In the 1950s, advertisers began leaving radio for television across the board. Early advocates of television advertising for department stores saw it as superior to the "monosensory art of broadcasting" (Kennedy, 1944b, p. 16). In the last half of 1951, radio advertising dropped five percent while expenditure on television advertising rose 195 percent (Smulyan, 1994, p. 163). By the 1960s, even newspapers faced increasing competition from radio and television stations for department store advertising dollars. Department store executives pushed newspapers to cut rates or offer incentives to keep them as clients by using the threat of these other, more "aggressive," media (The Popular, Schwartz, 1961, May 19). Television networks eventually fought for department store dollars by offering discounts or other perks if they increased their broadcast expenditures (The Popular Dry Goods Company Records, Folder 1653, 1992).

New developments in television in the 1960s lured department store advertisers. As television ownership spread and color broadcasting appeared, the medium became even more attractive. In 1950, Americans owned eight million television sets. By 1960, seven out of eight American families owned at least one television (Horowitz, 2004, p. 50). During the decade, color television appeared in homes and by 1967, networks were broadcasting all programs in color (Horowitz, 2004, p. 163). The structure and programming of television, which had followed radio until the late 1950s, also changed dramatically during this period. Television networks moved away from whole program sponsorship and began selling time to multiple (and competing) advertisers (Smulyan, 1994, p. 163).

Network television dominated and local stations still relied upon the advertising dollars of local businesses. Before the advent of cable, local affiliates of national networks spoke to community interests and reflected distinctive identities to some degree. In the 1960s, department store television advertisements still followed the old radio format of the "spot" announcement for a particular sales event, or the more general "institutional ad," pioneered in newspapers. But, some department stores broke new ground with ads that combined the older tradition of a catchy jingle with a mod aesthetic and hip music, as in the memorable and much-loved 1967 Cleveland-area commercial, (Polka Dot Box Productions, 2008).

Conclusion

In the period under study here, independent department stores advertised conservatively, relying upon local media – in print, radio, and television – always keeping one foot in the past even as they made efforts to stride forward. By their nature, department stores were cautious institutions. With their high fixed costs, large gross margins, and advertising plans that followed a pre-established seasonal merchandising calendar, their movements were hampered at every turn. Perhaps, it was this lack of

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flexibility that led merchants to step carefully into new advertising media, rather than jumping in with both feet.

Advertising to limited geographic markets, they sought to build a reputation that was tied to a specific sense of place. Their distinctive buildings and signage are recognizable landmarks in towns and cities across the country. Even if their storefronts are now empty, their names are not forgotten. The distinctive local identity of independent department stores, reflected in the newspaper, radio, and television ads of the past, is what many miss about the retailing scene today. The decline of Main Street is associated with the loss of family businesses and the rise of impersonal, national chain stores, big-box retailers, shopping malls, strip malls, and discounters like Wal-Mart. Department store advertising in recent years has changed to reflect the new retail scene and the dominance of the Macy's brand. While beyond the scope of this essay, it is still worthwhile to consider the relationship between local advertising – something usually considered on a national level – and the survival of distinctive geographic commercial identities into the postwar period.

Notes

1. Founded in 1911, the NRDGA modernized its name in 1958, becoming the National Retail Merchants Association, with offices in New York, Washington, and San Francisco (*Wall Street Journal*, 1958; Helfant, 1960). By 1960, it had grown to a membership of 11,500 department, chain, and specialty stores. Reflecting changes brought about by new forms of retailing, such as chains and discounters, the organization devoted a special division to the interests of smaller stores (Helfant, 1960).
2. Gross margins are defined as the difference between merchandise cost and final selling price (Bluestone *et al.*, 1981, p. 13).
3. For range of percentages (Hodges, 1948, p. 39). These reliable Harvard study percentages are in terms of net sales, though other sources cite similar numbers in terms of gross sales. For the gross sales figure (Calvin Coolidge Papers, Advertising – General, 1923-1928).
4. Reported advertising expenses did not include promotional money or other allowances from suppliers, which supplemented advertising budgets, likely only for large retailers though (McNair and May, 1963, p. 66).
5. Respectively, their net sales for that year were $174.6 and $209.6 million. The largest department store groups at the time were, in ascending order, Allied, May Company, Federated, and Gimbels, which had sales of between $112 and $124 million. After World War II, Sears and J.C. Penney continued their dominance as general merchandisers with net sales in 1954 at $2,987.9 and $1,109.5 million, respectively. Allied and Federated became the largest department store ownership groups at $515.8 and $500.5 million (Longstreth, 2006, pp. 239, 274, 278).

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