THE HISTORY OF ADVERTISING

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SUMMARY OF "HISTORY OF ADVERTISING."

Since the time men lived in communities and competed for the necessities and luxuries of life, there has probably existed some form of advertising. The first period extends to 1450 A. D., when the modern process of printing by movable type was invented. Prior to that time there were forms of hand written and inscribed announcements corresponding to advertisements. Probably the first was an announcement offering a reward for a runaway slave in Egypt about 3000 B.C., in both Greece and Rome, advertisements of gladiatorial exhibitions were posted. Another form of publicity used by the Greeks consisted of affixing to the statues of the infernal deities curses inscribed on sheets of lead, assigning persons who had stolen goods or done other injury to the advertiser to the vengeance of these gods.

At first, the merchant cried his wares in the streets carrying them with him as he did so. Later, when shops were established, the professional town crier appeared on the scene. There were, during the pre-printing stage, many town criers in the various large cities of Europe. While their method of announcing was oral, it was, nevertheless, a forerunner of present day advertising in the sense of being mass selling.

The second stage naturally arose when modern methods of printing were invented. With this development there then came about the publication of newspapers and periodicals corresponding to our modern magazines. It is said the first newspaper was published in Strassburg in 1609.

The Modern Period may be dated from 1850 to 1911. The reason for putting the dividing point between the second and third periods at 1850 is the rapid appearance of newspapers and magazines which made possible the development of modern advertising on a large scale. Advertising was impossible until printing developed and until people generally learned to read. One reason for the rapid increase in the number and distribution of advertising mediums at this time is probably found in the development of transportation systems, the railroads, and the waterways. Prior to that time, railroad lines were limited to restricted areas.

During this period the number of magazines and newspapers grew very rapidly, to such an extent that in 1861 there were 5,703 magazines, papers and periodicals in the United States. Advertising firms and agencies got a foothold. In 1914 there was organized the Audit Bureau of Circulations. This has become the leading agency for securing reliable information about advertising mediums and their selection for specific purposes.

Advertising today plays an important role in the operation of business. It has assumed such large proportions in recent
years that it is difficult to estimate its magnitude and to calculate the exact place which it occupies in present commercial affairs. It has been estimated that in the neighborhood of one billion dollars is spent annually for this purpose and that about 3,000 square miles are used each year in the country.
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Advertising as we know it today is a development substantially of the last 75 years, beginning about the middle of the 19th century. However, there has been advertising of one form or another as far back as there has been any method of recording ideas by means of visual symbols.

Speaking broadly, we may conveniently and logically trace the development of advertising through four stages of growth through which it has passed.

1. The pre-printing period prior to about 1450.
2. The early printing period from 1450 to about 1850.
3. The modern period of expansion from 1850 to 1911.
4. The period of development of standards of practice and the introduction of research methods from 1911 to the present.

1. **THE PRE-PRINTING STAGE**

Some form of advertising has probably existed since the time when men lived in communities and competed with one another for the necessities and luxuries of life. The first period covers such efforts as corresponded to the present forms of advertising, and embraces chronologically the period prior to 1450 A.D., when the modern process of printing by movable type was invented. Advertising on a large scale was of course impossible without a convenient, rapid method of reproducing visual symbols, such as was made possible by the invention of the printing press. Prior to that time there were forms of handwritten and inscribed announcements corresponding to advertisements. There were inscriptions on walls and announcements on sheets of papyrus. Perhaps the oldest known advertisement of this type is in the British Museum and was written on a sheet of papyrus found in the ruins of ancient Thebes, in Egypt. This announcement offered a reward for a runaway slave. It was written possibly about 3000 B.C.

In Rome, during the time of the Caesars, there were similar bulletins written by slaves and displayed on the boards erected for the purpose about the city. In both Greece and Rome, advertisements of gladiatorial exhibitions were posted, giving an appearance probably not unlike that of a present-day town when it is filled with circus posters. Another form of publicity used by the Greeks consisted in affixing to the statues of the infernal deities curses inscribed on sheets of lead, assigning the persons who had stolen goods or done other injury to the advertiser to the vengeance of these gods. The ruins of Herculaneum and Pompeii, buried on the morning of August 24, A.D. 79, show that the walls of buildings were covered with announcements painted in black or red. Baths were advertised—warm, sea, and fresh water baths.
Houses, shops and apartments were advertised for sale or rent. Thus one such announcement in Pompeii, painted in red, was as follows: "On the estate of Julia Felix, daughter of Spurius Felix, are to let from the 1st to the 6th of the ides of August, on a lease of five years, a bath, a venereum, and ninety (?) shops, bowers, and upper apartments."

In both Greece and Rome it was customary to whiten a part of the wall of a house on which announcements pertaining to the affairs of the occupants were painted. Many such instances were found in Pompeii.

Likewise there was early interest in the development of trade-marks, in a very limited manner, however. These trade-marks were put on vases, pieces of crockery and the like.

One form of attracting attention, in some respects a forerunner of advertising, was that employed by the Carthaginians who, when they arrived with a cargo of goods on the Phoenician shores, built a fire to attract the attention of the inhabitants who then gathered to examine and purchase the goods.

At first the merchant cried his wares on the streets, carrying them with him as he did so. Later when shops were established, the professional town-crier appeared on the scene. Where were during the pre-printing period many town-criers in the various larger cities of Europe. While their method of announcing or selling was oral it was nevertheless a forerunner of present-day advertising in the sense of being mass selling.

(The mediaeval crier used to carry a horn, by means of which he attracted the people's attention when about to make a proclamation or publication. Public criers appear to have formed a well-organized body in France as early as the twelfth century; for by a charter of Louis VII, granted in the year 1141 to the inhabitants of the province of Berry, the old custom of the country was confirmed, according to which there were to be only twelve criers, five of which should go about the taverns crying with their usual cry, and carrying with them samples of the wine they cried, in order that the people might taste. For the first time they blew the horn they were entitled to a penny, and the same for every time after, according to custom. These criers of wine were a French peculiarity, of which we find no parallel in the history of England. They perambulated the streets of Paris in troops, each with a large wooden measure of wine in his hand, from which to make the passers-by taste the wine they proclaimed, a mode of advertising which would be very agreeable in the present day, but which would, we fancy, be rather too successful for the advertiser.)
It is stated that in 1641 there were 400 town-criers in Paris. However, these town-criers were fairly definitely organized in groups or corporations and as early as in 1258 they obtained various regulations from the authorities, of which the following is typical:

"Whosoever is a crier in Paris may go to any tavern he likes and cry its wine, provided they sell wine from the wood, and that there is no other crier employed for that tavern; and the tavern-keeper cannot prohibit him."

If a crier finds people drinking in a tavern, he may ask what they pay for the wine they drink; and he may go out and cry the wine at the prices they pay, whether the tavern-keeper wishes it or not, provided always that there be no other crier employed for that tavern.

If a tavern-keeper sells wine in Paris and employs no crier, and closes his door against wriers, the crier may proclaim that tavern-keeper's wine at the same price as the king's wine (the current price), that is to say, if it be a good wine year, at seven denarii, and if it be a bad wine year, at twelve denarii.

Each crier to receive daily from the tavern for which he cries at least four denarii, and he is bound on his oath not to claim more.

The criers shall go about crying twice a day, except in Lent, on Sundays and Fridays, the eight days of Christmas, and the Vigils, when they shall cry only once. On the Friday of the Adoration of the Cross they shall cry not at all. Neither are they to cry on the day on which the king, the queen, or any of the children of the royal family happens to die."

2. THE EARLY PRINTING STAGE

The second stage naturally arose when modern methods of printing were invented. This made possible, of course, the rapid and indefinite duplication of writing by means of print which is the necessary medium of advertising. With this development there then came about the publication of newspapers and periodicals corresponding to our modern magazines. It is said that the first newspaper was published in Strassburg in 1609. The "Frankfurter Journal" was founded in 1615. In France probably the first newspaper published was the "Journal general d' affiches" or better known as the "Petites affiches," first published on the 14th of October, 1612. It was apparently started from the beginning with the purpose of carrying advertising. This journal has been published under the same title continuously up to the present time. Henry Sampson in his
"History of Advertising," published in 1874, tells us that "It is now the journal of domestic wants of France; and servants seeking positions, or persons wanting servants, advertise in it in preference to all others. It is especially the medium for announcing any public or private sales of property, real or personal; and the publication of partnership deeds, articles of association of public companies, and other legal notices, are required to be inserted in the "Journal des Petites Affiches," which is published in small octavo form."

In London the "Weekly News" was published in 1622 and the first advertisement appeared in this paper during that year. It was an advertisement of a book.

In American the first newspaper was entitled "Publick Occurrences both Foreign and Domestic," published in Boston in 1690. This was succeeded in 1704 by the "Boston News Letter," a weekly publication, the first issue of the "Boston News Letter," published April 25, 1704, contained advertisements. The paper was written and edited by John Campbell, who at that time was postmaster of Boston. It was 40 years before this publication reached a circulation of 300 copies per issue.

In 1776 there were 13 newspapers in the Colonies. In 1788 the "Independent Gazett"e of New York had 34 advertisements which were mostly announcements of runaway slaves, giving full descriptions of their defects and merits and offering rewards for their return. Sometimes notices of the sale of negro slaves were inserted.

In this connection it will be of interest to note a number of sample advertisements, which appeared in the early printing period, collected and presented in a very interesting manner in Sampson's "History of Advertising." Among the early advertisements of this period were those relating to beverages—coffee, tea, and chocolate.

Thomas Garroway, a tobaccoist and coffee-house keeper in Exchange Alley, the founder of Garroway's coffee-house, was the first who sold and retailed tea, recommending it, as always has been, and always will be the case with new articles of diet, as a panacea for all disorders flesh is heir to. The following shopbill, being more curious than any historical account we have of the early use of "the cup that cheers but not inebriates," will be found well worth reading:

"Tea in England hath been sold in the leaf for $6, and sometimes for 10 the pound weight, and in respect of its former scarceness and dearness it hath been only used as a regalia in high treatments and entertainments, and presents made thereof to princes and grandees till the year 1657. The said Garroway did purchase a quantity thereof, and first sold the said tea in leaf or drink, made according to the directions of the most knowing merchants into those Eastern countries. On the knowledge of the
said warway's continued care and industry in obtaining the best tea, and making drink thereof, very many noblemen, physicians, merchants, etc., have ever since sent to him for the said leaf, and daily resort to this house to drink the drink thereof. He sells tea from 16s. to 50s. a pound."

The opposition beverage, coffee—mention is made of the "opheehouse" in the "Toha" advertisement—had been known in this country some years before, a turkey merchant of London, of the name of Edwards, having brought the first bag of coffee to London, and his Greek servant, Pasqua nosee, was the first to open a coffee-house in London. This was in 1652, the time of the Protectorate, and one Jacobs, a Jew, had opened a similar establishment in Oxford a year or two earlier. Pasqua nosee's coffee-house was in St. Michael's Alley, Cornhill. One of his original handbills is preserved in the British Museum, and is a curious record of a remarkable social innovation. It is here reprinted:

THE VERTUE OF THE COFFEE DRINK
First made and publicly sold in England by
PASQUA ROSEE.

The grain or berry called coffee, groweth upon little trees only in the deserts of Arabia. It is brought from thence and drunk generally throughout all the Grand Seignour's dominions. It is a simple, innocent thing, composed into a drink, by being dried in an oven, and ground to powder, and boiled up with spring water, and about half a pint of it to be drunk fasting an hour before, and not eating an hour after, and to be taken as hot as can possibly be endured; the which will never fetch the skin of the mouth, or raise any blisters by reason of that heat.

The Turk's drink at meals and other times is usually water, and their diet consists much of fruit; the acidities whereof are very much corrected by this drink.

The quality of this drink is cold and dry; and though it be a drier; yet it neither heats nor inflames more than hot posset. It so incloses the orifice of the stomach, and fortifies the heat within, that it is very good to help digestion; and therefore of great use to be taken about three or four o'clock afternoon, as well as in the morning. It much quickens the spirits and makes the heat lightsome; it is good against sore eyes, and the better if you hold your head over it and take in the steam that way. It suppresseth fumes excessively, and therefore is good against the headache, and will very much stop any defluxion of rheums that distil from the head upon the stomach, and so prevent and help consumptions and the cough of the lungs.

It is excellent to prevent and cure dropsy, gout, and scurvy. It is known by experience to be better than any other drying drink.
for people in years, or children that have any running humours upon them, as the king's evil, etc. It is a most excellent remedy against the spleen, hypocondriac winds, and the like. It will prevent drowsiness, and make one fit for business, if one have occasion to watch, and therefore you are not to drink of it after supper, unless you intend to be watchful, for it will hinder sleep for three or four hours.

It is observed that in Turkey, where this is generally drunk, that they are not troubled with the stone, gout, dropsy, or scurvy, and that their skins are exceedingly clear and white. It is neither laxative nor restringent.

Made and Sold in St. Michael's Alley, in Cornhill, by Pasqua Kosee, at the sign of his own head.

In addition to tea and coffee, the introduction and acceptance of which had certainly a most marked influence on the progress of civilization, may be mentioned a third, which, though extensively used, never became quite so great a favourite as the others. Chocolate, the remaining member of the triad, was introduced into England much about the same period. It had been known in Germany as early as 1624, when Johan Frantz Kauch wrote a treatise against that beverage. In England, however, it seems to have been introduced much later, for in 1657 it was still advertised as a new drink. In the "Publick Advertiser" of Tuesday, June 16-22, 1657, we find the following:

In Bishopsgate Street, in Queen's Head Alley, at a Frenchman's house, is an excellent West India drink, called chocolate, to be sold, where you may have it ready at any time, and also unmade, at reasonable rates.

In May, 1657, appeared a weekly paper under the title of "Publick Advertiser." This consisted almost entirely of advertisements, including the announcements of arrivals and departures of ships, books to be sold, announcements of political items, runaway servants, fairs, cock fights, and so on.

What is considered by many to be the first bona fide and open advertisement ever published appears in a paper entitled "Several Proceedings in Parliament," and is found under the date November 28-December 5, 1650.

Quack remedies and cure-alls were advertised as glowingly in the 17th century as they were in this country a quarter of a century ago.

Tooth paste is by no means a modern invention. Our modern advertisements are hardly improvements in their claims regarding the health and beauty-giving properties of tooth paste. In the "Mercurius Politicus," December, 1660, appeared the following:
Most Excellent and Approved Dentifrices to scour and cleanse the Teeth, making them white as ivory, preserves from the Toothach; so that, being constantly used, the parties using it are never troubled with the Toothach; it fastens the Teeth, sweetens the Breath, and preserves the mouth and gums from Cankers and imposthumes. Made by Robert Turner, gentleman; and the right are only to be had at Thomas Rookes, Stationer, at the Holy Lamb at the East end of St. Paul's Church, near the School, in sealed papers, at 12d. the paper.

Mr. T. Bish wrote the following Lotteries in 1826.

By Purchasing a QUARTER,

Your affairs need never be in "Crooked-land," nor your legs in "Fetter-lane;" you may avoid "Paper-building," steer clear of the "King's Bench," and defy the Marshalsea; if your heart is in "Lovelane you may soon get into"Sweeting's Alley," obtain your lover's consent for "Matrimony-place," and always live in "High-street."

By Purchasing an EIGHTH,

You may secure plenty of provision for "Swallow-street;" finger the "Cole" in "Coleman-street;" and may never be troubled with "Chancery-lane." You may cast "Anchor" in "Cable-street;" set up business in a "Fore-street;" and need never be confined within a "Narrow-wall."

By Purchasing a SIXTEENTH,

You may live "frugal" in "Cheapside;" get merry in "Liquor-pond-street;" soak your hide in "Leather-lane;" be a "wet sole" in "Shoe-lane;" turn "Malster" in "Beer-lane," or "hammer" away in "Smithfield."

In short, life must indeed be a "Long-lane" if it's without a "turning." Therefore, if you are wise, without "Mincing" the matter, go "Pall-mall" to "Cornhill" or "Charing-cross," and enroll your name in the "Temple" of Fortune.

In the "Daily Advertiser" of 1777 the following is discovered, and is noticeable for the horse-soupin manner in which the young gentleman speaks of the future bride who is to assist him in setting up housekeeping. He must have had trouble in finding such a thoroughbred filly as he requires:

MATRIMONY

WANTED, by a young Gentleman just beginning House-keeping, a Lady, between eighteen and twenty-five years of Age, with a
good education, and a fortune not less than 5,000 li, sound Wind and Limb, five Feet Four inches, without her Shoes; not fat, nor yet too lean; a clear Skin; sweet Breath, with a good Set of Teeth; no Pride, nor Affectation; not very talkative, nor one that is deemed no Scold; but of a Spirit to resent an Affront; of a charitable Disposition; not over fond of Dress, though always decent and clean; that will entertain her Husband’s Friends with Affability and Cheerfulness, and prefer his Company to public Diversions and gadding about; one who can keep his Secrets, that he may open his Heart to her without reserve on all Occasions; that can extend domestic Expenses with Economy, as Prosperity advances without Ostentation; and retrench them with Cheerfulness, if Occasion should require.

Any Lady disposed to Matrimony, answering this description, is desired to direct for Y. Z. at the Baptist’s Head Coffee-House, Aldermanbury.

In the early part of the 19th century, England imposed a tax of 3s. 6d. upon every advertisement irrespective of its length or subject matter. In 1830, this produced a revenue of 170,649 pounds. In that year it was reduced to 1s. 6d. for each advertisement. This rate continued until 1853 when the tax was abolished.

The levying of this tax required a record of the number of papers published and the number of advertisements appearing in each paper. The totals for Great Britain and Ireland in 1837 were as follows:

<table>
<thead>
<tr>
<th>Number of papers</th>
<th>460</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of advertisements</td>
<td>769,088</td>
</tr>
<tr>
<td>Amount of advertising duty</td>
<td>55,803 pounds</td>
</tr>
</tbody>
</table>

3. THE MODERN PERIOD

This period may be dated from 1850 to 1911. The reason for putting the dividing point between the second and third periods at 1850 is the rapid appearance of newspapers and magazines which made possible the development of modern advertising on a large scale. Advertising was impossible until printing developed and until people generally learned to read. One reason for the rapid increase in the number and distribution of advertising mediums at this time is probably to be found in the development of transportation systems—the railroads and the waterways. Prior to that time railroad lines were limited to restricted areas. There was no national transportation system as there is today. To illustrate to what extent transportation was difficult before that time, and even up to 1870 or 1875, we may quote the following announcement of the Kenosha (Wisconsin) Telegraph, in Rowell’s Directory in 1869:

The town is renowned for the manufacture of wagons which
find a market all the way to the Rocky Mountains and even to Oregon, being shipped by way of New York.

This shows to what extent it was difficult to distribute goods generally over the country. It is obvious, then, that without the possibility of transporting goods over the country there was no need of advertising mediums of wide circulation because they could not be distributed conveniently or rapidly. During the middle and latter part of the 19th century the development of a national transportation system made possible the ready distribution of goods and publications.

Another reason for placing the dividing point between the second and third periods at 1850 is that about this time advertising agencies arose whose primary purpose was to serve as brokers of advertising space. They were very different in this respect from the present advertising agency which, in addition to contracting for space, is, in its best form, an organization giving expert counsel and service regarding advertising plans and methods.

During this period the number of magazines and newspapers grew very rapidly, so that in 1861 there were 5,203 magazines, papers, and periodicals of all kinds in the United States. Yet advertising was relatively limited as compared with the present day. "Harper's Magazine" had its first advertisement in 1864; "Scribners" in 1872. Magazine advertising on a large scale did not begin until about 1860 to 1870. It is stated that "Harper's Magazine today has approximately as many pages of advertising in one year as it had in its first 24 years. At that time it was used chiefly as a medium for advertising the Harper publications. Advertising rates at that time began to assume real proportions. In the '70's it is said that Fletcher Harper refused $18,000 offered by the New Home Sewing Machine Company for the back page for one year. Harper's Weekly was receiving $35 an inch for its back page in the '60's.

The first advertising agency was established in Philadelphia in 1840 by Volney B. Palmer. Later, offices were established in Boston and in New York. Rates and contracts were unstandardized at that time. The agent contracted for a certain amount of space with a publication and then sold it for whatever he could, receiving sometimes as high as 50% of the cost of the space as his commission. Among the better-known early advertising agents were V. B. Palmer, S. M. Pettingill, and George P. Howell. In 1864 J. Walter Thompson established an agency and is said to have been the first to urge the use of magazines as advertising mediums.
4. THE PERIOD OF DEVELOPMENT OF HIGHER STANDARDS AND PRACTICE IN ADVERTISING

The fourth period in the development of advertising may be dated as beginning in 1911. It is since that time that advertising has developed most rapidly as a standardized business. The date 1911 is chosen here because it was in that year that definite, organized steps were taken to forward the movement of truth in advertising. In 1911 counsel for "Printers' Ink" formulated what has become known as "The Printers' Ink Model Statute," which has been adopted in a large number of states up to the present time. At the same time, the Associated Advertising Clubs of the World at their annual convention established the Vigilance Committee, with the purpose of forwarding higher standards of honesty and reliability in advertising. This committee organized, in connection with the various local clubs all over the country, local vigilance committees to eliminate objectionable, untruthful advertising.

About the same time, the Associated Advertising Clubs of the World undertook definite educational activity in outlining courses of study and discussions to be conducted by the various local clubs, for the purpose of studying advertising methods and of improving them. A distinct service has been rendered in this connection by the various educational activities of the different local organizations.

In 1914 there was organized the Audit Bureau of Circulations. This, as will be seen, has become the leading agency for securing reliable information about advertising mediums and their selection for specific purposes. About 1913, there was organized the association of National advertisers, another important influence in the study and development of advertising practices. Likewise, during this period publishers have developed a distinct consciousness of censorship of advertising.

Finally, and perhaps most important, an increasing use of research methods has developed during this period. At least here and there these methods are beginning to be thoroughgoing in finding the facts on which advertising plans may be based.

In view of the developments which have taken place in recent years, and in view of what may still be done in developing better advertising methods, eliminating objectionable practices, and in reducing waste, it is interesting, if not surprising, to note the statement made by Dr. Samuel Johnson in 1759 in his "Weekly Idler" that "the trade of advertising is now so near to perfection that it is not easy to propose any improvements."
Considering the last two periods together, the chief developments in addition to those mentioned may be designated as follows:

There has been a tremendous growth in the number of firms employing advertising in one form or another. At the present time there are about 10,000 firms doing more or less national advertising. The directory of national advertisers prepared by The James McKettrick Company, Inc., contains slightly over 10,000 names. The report entitled "Leading advertisers" prepared each year by The Curtis Publishing Company mentions 1,302 firms which spent $10,000 in 1921 in 36 leading national magazines. In this list there were 50 firms which spent $264,500 or more in 1921.

There has been likewise an enormous growth in the number of mediums. In 1830, it is estimated that there were approximately 800 newspapers in the United States, of which some 50 were daily publications. Their combined annual circulation was estimated at about sixty million copies, or a circulation of approximately 950,000 copies per issue. In 1830 the total population of the United States was 23,500,000.

In 1961 there were 5,203 papers and magazines for a population of approximately thirty million. In 1922 there were 22,353 magazines and newspapers in the United States. In other words, there has been an increase of magazines and newspapers since 1861 of approximately five times, whereas the population during the same period of time has increased approximately three and one-half times. Since 1830 the population has increased approximately four and one-half times; the number of magazines and newspapers has increased almost thirty times. However, a more striking increase has taken place in the total combined circulation. The estimated combined circulation per issue of the magazines is approximately 50 million copies and the total combined circulation of the newspapers is approximately 45 million. Thus, since 1830 there has been a growth in total combined circulation of all magazines and newspapers from less than one million to over 95 or 100 millions per issue. Besides the marked increase in the number of mediums and in the amount of advertising carried in a given issue of a publication. In measuring the advertising space in two newspapers—the New York Tribune and the Boston Transcript—it was found that in the former paper the advertising space had increased fivefold from 1860 to 1913 and in the latter thirteen fold.

There has developed another form of advertising medium, namely, street-car cards, which did not come into general use until about 1890 when the change was made from the horse-drawn cars to electric cars. With the introduction of electricity
the number of street cars increased and their use for advertising display rapidly developed.

Another striking development during this period is the growth of mail-order advertising. Not only have mail-order houses sprung up in large numbers during this period but also business firms of all kinds have developed a very extensive use of direct-mail material in the form of circulars, catalogs, letters, and so on. Sears, Roebuck & Company was established in 1892. The large mail-order houses commonly send out twice a year upwards of four million large catalogs in addition to the numerous smaller departmental catalogs issued.

During these two periods there has been a distinct growth in the quality of advertising. Methods of printing, typography, colored printing, art work, and the like, have been greatly improved. Besides the mechanical improvements there have been likewise very distinct advances in such qualities as accuracy in statement and descriptions, in reliability, and in truthfulness.

There has been a marked increase in the variety of advertising used. Perhaps the dominating types of advertising which flourished originally, that is about the middle and the latter half of the 19th century, were patent-medicine advertising, the circus bills, and in general much unreliable, dishonest, and objectionable advertising. Today there is hardly a business or type of commodity for which the printed word is not used as a means of selling. Banks and financial institutions of high grade are ready today to turn to advertising and find it profitable to employ in a dependable manner the methods which have been found so profitable by unreliable financial houses. Advertising has suffered because of the objectionable features which were so prominent in its earlier development. For this reason undoubtedly, high-grade financial houses, and to some extent other types of business, have been slow to take advantage of the possibilities which it offers. High-grade financial houses have a distinct responsibility to the community in guiding the savings of the people into the right channels. The unsound and the unethical solicitor of investments has taken advantage of the use of the printed word and has mis-directed untold amounts into unsafe channels. It might be said that it is almost a duty of the high-grade house to use all legitimate sales methods equally effectively and to help the community put its investments to proper uses. Churches, religious organizations, educational institutions, and governments are using advertising in various ways today.

Advertising as we know it today is the development of the past 50 or 75 years. Procter and Gamble started in business in 1837. They did not advertise extensively until about 1880. At that time Ivory Soap was first being advertised. The fact that
it was undertaken as an experiment to see to what extent it would be effective for a product of that sort illustrates the point of view then held regarding advertising.

As we shall see, the development of trade-marks is likewise a conspicuous characteristic of these last two periods, particularly of the past 30 years. A large proportion of the trade-marks known today throughout this country and all over the world have been developed during this time. Of the somewhat more than 150,000 valid trademarks registered in the United States patent office up to 1922 practically none were used prior to 1870 and only a small handful go back to 1885 or 1890. The development of national business has made trade-marks virtually a necessity and advertising has been an important means, perhaps the chief means, of making them known to the public.

Advertising today plays an important role in the operations of business. It has assumed such large proportions in recent years that it is difficult to estimate its magnitude and to calculate the exact place which it occupies in present commercial affairs. We may gain some notion of its immense proportions from the amount of money expended and from the amount of space used each year for printed advertising in America. It has been estimated that in the neighborhood of one billion dollars is spent annually for this purpose and that about 5,000 square miles of printed space are used each year in this country. Approximately half a million dollars is spent annually for advertising any one of a score or more of well-known commodities and as high as three and four million dollars is spent in exceptional cases. Or we may gain a concrete idea of the immensity of advertising from the cost of space for single advertisements in some of the leading mediums. Thus, for example, a page in the "Atlantic Monthly" in a single issue in 1923 cost $350 and the back outside cover cost $800. A page in the "Saturday Evening Post" in 1923 cost $7,000 and the back outside cover $12,000. A page in the large metropolitan newspapers costs as high as $1,400 to $1,600. From still another angle the immensity of advertising is indicated by the fact that two-thirds to three-fourths of the cost of maintaining a newspaper or a magazine is derived from its advertising space.

The outsider naturally wonders whether advertising, with such high rates for space, can really be a profitable aid in selling; or whether it may not be an excessive luxury indulged in by large business concerns. The extent to which advertising plays a justifiable economic role in the distribution of goods is an important and intricate problem.

So long as we believe that human beings should continue to want more and better things which will in the long run contribute to their happiness and well-being—so long will we have individual effort and competition. If we believe in a philosophy of competition, then we must permit all means of fair and effective competition. If, on the other hand, there is to be no competition, then all agencies of competition should be eliminated.
This point of view may be illustrated by considering a commodity the consumption of which we may assume for the present to be absolutely limited and substantially at its maximum amount. Let us assume for the sake of our discussion that every man wears out two hats a year. If there are fifty million men in the United States, the consumption of hats would be a hundred million a year. It might be said that the advertising of hats serves no justifiable purpose whatever, since every man will buy two hats in any event, and that the only thing which aggressive advertising might do for any individual maker would be to get more business of the total amount available, which would mean taking it away from someone else. In other words, it may be pointed out that all that advertising or any aggressive selling methods would do would be to shift demand from one brand to another, and that this would be a waste from the standpoint of society as a whole, since it would not mean any more business on the whole nor employ any more people, and the expenditure of money in shifting the demand from one brand to another would be largely a loss.

On the other hand, it must be remembered, however, that the shifting from one brand to another would mean ultimately greater concentration of business upon certain brands as a result of competition and that the competition thus stimulated would lead to the best individual effort both in the production of high quality and the most serviceable distribution. We may imagine the elimination of competitive effort to be justified only if we assume that each maker of hats were to be allowed to produce only a certain proportion of the total number of hats, that his sale of these would be guaranteed, and that he must not attempt to do anything better than any other manufacturer of hats.

Aside from shifting demand from one brand to another, aggressive advertising and selling methods of course also stimulate to a certain extent, perhaps to a considerable extent, the actual total demand, in so far as it stresses a desire on the part of the average man to want to buy a new hat more frequently to obtain a more frequent variation of style, or for some other reason. Again it results in more or less of what we might call competition in personal appearance and all that is associated with it.

So long as we believe that competition is a desirable factor in human welfare, just so long will competitive means be used. Critics of advertising usually forget that if it were eliminated or abolished other methods would necessarily be substituted for it. If you abolished the advertising of hats, either by law or by common agreement, the same manufacturers would resort to other methods of competition in personal salesmanship to a corresponding extent. This might be and probably would be a still more costly means to attain the same ends that are accomplished through
printed publicity. The probability is that a proper balance between printed and oral salesmanship affords, in most instances, the most economical form of competition in the field of selling. One might as well argue that it is highly wasteful for manufacturers to send out salesmen, that ultimately men will buy so many hats in the course of a year in any case, and that the expenditure for personal salesmanship might as well be saved.

Apparently many critics of advertising have given most of their thought and study to the economics of production, of natural resources, and of mediums of exchange, and very little to the economics of distribution and service.

One further point may here be considered. The statement is sometimes made that more money is spent for advertising luxuries and semi-luxuries than for the absolute necessities—more for pianos, phonographs, automobiles, toilet articles, household conveniences, clothing—than for bread and butter. In the same connection, it is also pointed out that advertising is responsible to a considerable extent for the widespread use of luxuries and semi-luxuries.

In reply to this statement, it may be noted that it is also true that more personal sales efforts are expended in the distribution of luxuries and semi-luxuries than in the distribution of bread and butter. And in the second place, it is not easy to say offhand that the striving for the possession of luxuries and semi-luxuries is an evil. Undoubtedly, the striving for the possession of luxuries and semi-luxuries serves as one of the most powerful incentives in human nature. One can therefore hardly condemn in an offhand manner the desire for and possession of luxuries. Rather the question resolves itself into a proper balance between one's personal income and the possession of luxuries. Progress no doubt consists in always wanting and getting something better, and anything that is better than the barest necessity is at some time a luxury or a semi-luxury. It is quite conceivable that in the most primitive society a chair supporting weight was a luxury, since one might as well sit upon the ground. As more and more elaborate chairs were developed, each one in its turn was no doubt regarded as a luxury for a time, until its use had become so common that it was regarded as a necessity. Instead of maintaining that the desire for and possession of semi-luxuries are objectionable, one may possibly argue with reasonable sanity that people should strive to possess such luxuries as will contribute in the long run to their happiness and well-being, and for which they are honestly able to pay. If life consisted simply in getting enough plain raw food to keep from starving and of getting enough clothing and shelter to keep from freezing, there would probably be no civilization. If anyone saved absolutely all he could, and spent only for the barest necessities, there probably would be ultimately no place in which
he might invest his savings. Again, the solution of the situation is undoubtedly a proper balance between resources and expenditures.

Advertising as the printed form of selling would seem therefore ultimately to be justified in so far as it serves as a means of increasing legitimate human wants, as an agency of fair and economic competition in the distribution of goods, and as a stimulant to social progress.

Through the search for facts and the application of scientific methods to business problems, wastes are being eliminated and improvements are steadily being made both in advertising as well as in other phases of business.