## 2016 Advertising-to-Sales Ratios

Use the advertising-to-sales ratios for the industries in this table as a method to determine the general amount that local retailers/businesses should allocate for advertising. Some will budget less and some more. Sharing the data with your prospective and current clients will create sales opportunities and show that you want to serve them as a trusted advisor.

Industries that spend a larger-than-average share of revenues for advertising generally understand the value of "investing" in advertising, which makes them prime targets for TV advertising, if they are not already using it.

Ad-to-sales ratios identify growth industries. Usually, companies that are increasing their ad spending are looking for growth, and may be good television advertising prospects.

For industry descriptions by SIC Code, please visit: https://www.osha.gov/pls/imis/sicsearch.html?p\_sic=1531&p\_search=

Industry	Ad Dollars as % of Sales	Ad Dollars as % of Margin	2016 Ad Growth Rate Percent	
Account, Audit, Bookkeep, Svcs	1.0%	2.8%	-3.2%	
Advertising	1.5%	3.1%	+3.8%	
Agric Prod-Lvstk, Animal Spec	0.7%	2.2%	+17.2%	
Agricultural Services	1.5%	5.5%	+7.4%	
Airports & Terminal Services	0.3%	0.5%	+11.8%	
Air Transport, Scheduled	0.7%	2.6%	+1.4%	
Amusement Parks	5.8%	12.1%	0.0%	
Apparel and Accessory Stores	3.7%	9.0%	+8.1%	
Auto and Home Supply Stores	1.1%	2.1% +7.8%		
Auto Dealers, Gas Stations	0.7%	4.7%	+8.1%	
Auto Rent & Lease, No Drivers	1.4%	3.2%	+3.5%	
Auto Repair, Services, Parking	0.1%	1.4%	+15.7%	
Beverages	3.9%	6.5%	-0.2%	
Books: Pubg, Pubg & Printing	4.7%	7.8%	+4.0%	
Bldg Matl, Hardwr, Garden-Retl	1.2%	3.4%	+5.1%	
Business Services	1.2%	2.8%	+11.1%	
Cable and Other Pay TV Svcs	2.9%	6.5%	+18.5%	
Carpets and Rugs	0.7%	1.8%	+12.6%	
Catalog, Mail-Order Houses	3.8%	12.5%	+14.2%	
Commercial Banks	1.4%	5.6%	+13.2%	
Computer & Office Equipment	0.7%	2.2%	-1.8%	
Convenience Stores	0.4%	1.0%	9% +3.1%	
Cutlery, Handtools, Gen Hrdwr	3.9%	8.3%	-22.9%	
Dairy Products	4.0%	14.3%	+15.1%	
Department Stores	4.1%	11.7%	-7.8%	
Drug & Proprietary Stores	0.3%	1.7%	+5.7%	
Eating and Drinking Places	1.9%	7.8%	+3.5%	
Eating Places	2.4%	8.8%	0.0%	
Educational Services	9.6%	21.8%	-2.7%	
Electric Services	0.5%	-9.1%	-13.4%	
Employment Agencies	1.9%	7.0%	+8.8%	
Family Clothing Stores	1.9%	5.5%	+3.7%	
Farm Machinery and Equipment	0.8%	3.2%	-4.7%	
Finance Services	1.7%	4/2%	-5.6%	
Food Stores	2.7%	7.6% +1.4%		
Footwear, except Rubber	2.7%	6.5%	+10.8%	
Furniture Stores	6.4%	15.5%	+12.7%	
Grocery Stores	0.8%	3.0%	+2.5%	

Industry	Ad Dollars as % of Sales	Ad Dollars as % of Margin	2016 Ad Growth Rate Percent	
Hobby, Toy and Game Shops	2.8%	7.2%	-7.4%	
Home Furniture & Equip Store	3.9%	10.6%	-7.4% +4.3%	
Home Health Care Services	2.1%	6.4%	+6.5%	
Hospital & Medical Svc Plans	0.3%	1.3%	+1.1%	
Hospitals	0.3%	1.1%	+17.1%	
Hotels and Motels	1.5%	5.2%	+0.7%	
Household Appliances	1.8%	8.0%	+0.9%	
Household Furniture	8.4%	21.6%	+12.2%	
Ice Cream & Frozen Desserts	1.7%	6.6%	-4.3%	
Ins Agents, Brokers & Service	0.3%	1.0%	+8.2%	
Investment Advice	2.6%	7.1%	+1.5%	
Jewelry Stores	5.8%	12.2%	+9.1%	
Life Insurance	0.3%	1.1%	-3.8%	
Loan Brokers	13.3%	93.2%	+20.8%	
Lumber & Oth Bldg Matl-Retl	1.4%	4.1%	+1.3%	
Malt Beverages	4.3%	7.7%	-3.9%	
Management Consulting Svcs	0.5%	1.8%	+3.2%	
Membership Sport & Rec Clubs	1.5%	5.7%	+12.1%	
Mens, Boys, Frnsh, Work Clthng	4.9%	9.6%	+4.6%	
Misc. Amusement & Rec Service	2.8%	6.3%	-6.8%	
Misc Business Services	4.9%	5.7%	+6.2%	
Misc Furniture and Fixtures	0.4%	0.7%	+7.6%	
Misc Health & Allied Svc	0.1%	0.3%	+7.6%	
Misc Shopping Goods Stores	2.7%	8.7%	+3.6%	
Miscellaneous Retail	0.5%	2.5%	-8.0%	
Mobile Homes	0.8%	3.6%	+4.1%	
Mortgage Bankers & Loan Corr	3.5%	8.6%	-3.8%	
Motion Picture Theaters	0.7%	3.2%	-3.8% +3.0%	
Motor Homes	0.5%	4.8%	+5.0%	
Newspaper Pubg, Pubg, & Print	4.4%	10.4%	+3.6%	
Offices of Medical Doctors	1.6%	6.1%	+30.1%	
Operative Builders	0.7%	3.2%	+11.3%	
Operators-Apartment Bldgs	0.4%	0.8%	+20.1%	
Periodical: Pubg, Pubg, & Print	2.3%	3.5%	+38.2%	
Personal Credit Institutions	1.6%	3.9%	+4.8%	
Personal Services	7.5%	20.8%	-4.4%	
Racing, Incl Track Operations	2.8%	6.1%	-0.3%	
Radio Broadcasting Stations	3.7%	6.4%	+10.1%	
Radio, TV, Cons Electr Stores	2.0%	7.3%	-4.1%	
Real Estate	0.5%	5.1%	+9.6%	
Real Estate Agents & Mgrs	6.9%	19.7%	+14.0%	
Record and Tape Stores	0.8%	1.9%	-17.4%	
Refuse Systems	0.1%	0.2%	-0.5%	
Retail Stores, Nec	5.2%	11.7%	+10.5%	
Security Brokers & Dealers	1.7%	4.6%	+5.0%	
Shoe Stores	2.0%	5.6%	+3.3%	
Social Services	3.5%	13.6%	+10.4%	
Spec Outpatient Facility	10.8%	22.0%	+37.1%	
Transportation Services	27.9%	41.6%	+15.8%	
Variety Stores	0.8%	3.0%	+1.6%	
Water Transportation	4.2%	10.1%	+7.3%	
Wmsn, Miss, Chld, Infnt Undgrmt	4.2%	9.7%	-8.5%	
Women's Clothing Stores	3.3%	7.0%	-0.9%	
Womens, Misses, Jrs Outerwear	10.8%	16.0%	-2.1%	
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Source: Schonfeld & Associates, 1/17.

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## Top 50 Companies: 2016 Advertising-to-Sales Ratio and 2017 Ad Spending



Company	Ad Dollars as % of Sales	Ad Dollars as % of Margin	2016 Ad Growth Rate Percent	2016 Sales Growth	2017 Ad Spending
Proctor & Gamble	11.1%	20.6%	-4.8%	-5.4%	\$7.54 B
Loreal Co.	29.6%	39.7%	-6.9%	-8.4%	\$6.93 B
Nestle SA	7.1%	13.0%	-6.7%	-8.9%	\$5.38 B
Unilever NV	20.9%	46.0%	+4.7%	-10.1%	\$6.46 B
General Motors Co.	3.3%	16.9%	-1.6%	-0.8%	\$4.92 B
Volkswagen AG	2.0%	6.9%	-5.2%	-9.1%	\$3.99 B
LVMH Moet Hennessy	11.3%	16.2%	-21.%	-2.1%	\$4.18 B
Ford Motor Co.	2.9%	13.8%	+1.4%	+0.8%	\$4.42 B
Toyota Motor Corp.	1.6%	5.7%	+0.7%	+0.6%	\$4.07 B
Coca-Cola Co.	9.5%	14.6%	+3.0%	-2.8%	\$4.22 B
Amazon.com	3.6%	9.1%	+15.6%	+14.1%	\$5.08 B
Daimler AG	2.3%	9.4%	0.0%	-0.2%	\$3.76 B
General Electric Capital Corp.	9.6%	19.6%	+3.6%	-4.1%	\$3.90 B
AT&T	2.5%	4.7%	+5.7%	+5.8%	\$4.06 B
Fiat Chrysler Automobiles NV	2.9%	17.3%	+0.8%	+0.2%	\$3.57 B
Nike Inc.	9.9%	19.6%	+5.2%	+7.3%	\$3.87 B
Sony Corp.	4.8%	30.9%	-3.0%	-2.4%	\$3.22 B
Honda Motor Co. Ltd.	2.5%	8.5%	+5.5%	+5.4%	\$3.80 B
Chrysler Group LLC	3.5%	22.5%	+5.8%	+9.1%	\$3.80 B
Alphabet Inc.	4.3%	6.0%	+9.2%	+9.6%	\$3.80 B
Pfizer Inc.	6.7%	8.1%	+2.1%	-2.9%	\$3.23 B
Priceline Group Inc.	34.5%	36.1%	+18.5%	+13.1%	\$4.23 B
China Telecom Corp. Ltd.	4.9%	11.9%	-21.0%	-1.9%	\$1.86 B
Nissan Motor C. Ltd.	3.6%	12.1%	+2.6%	-4.3%	\$3.13 B
Lauder (Estee) Cos. Inc.	25.5%	30.1%	+2.1%	+2.7%	\$2.97 B
NBCUniversal Media LLC	9.6%	17.9%	+6.5%	+8.0%	\$3.17 B
Twenty-First Century Fox Inc.	9.1%	26.3%	+2.9%	+2.1%	\$2.91 B
Verizon Communications Inc.	2.1%	3.5%	+4.1%	+4.2%	\$2.98 B
Disney (Walt) Co.	4.9%	8.7%	+5.4%	+6.7%	\$2.96 B
Time Warner Inc.	9.2%	21.9%	-2.8%	-3.3%	\$2.44 B
Wal-Mart Stores Inc.	0.5%	2.0%	+2.2%	+0.6%	\$2.66 B
Johnson & Johnson	3.7%	4.9%	+2.2%	0.0%	\$2.61 B
Pepsico Inc.	3.9%	6.5%	-0.2%	-2.2%	\$2.39 B
Roche Holding Ltd.	4.2%	5.5%	-3.1%	-2.15	\$2.00 B
Merck & Co.	5.0%	6.3%	-11.7%	-5.7%	\$1.64 B
Expedia Inc.	32.7%	40.0%	+17.6%	+13.4%	\$2.91 B
Novartis AG	4.2%	5.5%	-7.8%	-9.1%	\$1.74 B
Microsoft Corp.	2.0%	3.1%	+7.6%	+7.7%	\$2.31 B
Tat Motors Ltd.	3.8%	12.4%	+2.8%	+7.4%	\$2.05 B
China Mobile Ltd.	1.9%	5.1%	+0.1%	-0.5%	\$1.90 B
Diageo PLC	10.8%	18.2%	-3.7%	-1.1%	\$1.75 B
Apple Inc.	0.8%	1.7%	+12.8%	+12.3%	\$2.33 B
Volvo AB	5.3%	20.9%	-1.7%	-8.1%	\$1.76 B
Intel Corp.	3.0%	3.8%	-3.4%	+2.9%	\$1.68 B
T-Mobile US Inc.	5.3%	9.9%	+17.9%	+11.9%	\$2.23 B
Danone	6.0%	12.3%	-6.2%	-2.9%	\$1.39 B
GlaxoSmithKline PLC	3.1%	3.8%	+2.5%	+2.6%	\$1.64 B
Citigroup Inc.	1.7%	4.0%	-8.9%	-2.4%	\$1.28 B
Mondelez International Inc.	5.2%	12.4%	-7.1%	-9.0%	\$1.33 B
Sanofi	4.1%	5.4%	-8.8%	-11.3%	\$1.27 B