

# Advertising and related services, 2018

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The advertising and related services industry reported \$10.7 billion in operating revenue in 2018, up 3.2% from 2017. The market for digital advertising continues to evolve, spurring growth in the industry. The industry's operating profit margin, which has increased each year since 2012, reached 14.6% in 2018.

The industry is concentrated in Ontario and Quebec, with these two provinces accounting for 81.5% of the total operating revenue earned in 2018. In Ontario, operating revenue increased by 3.1% from 2017, while in Quebec, it grew by 2.9%. The provinces with the highest rates of growth in operating revenue were Prince Edward Island (+9.5%), New Brunswick (+6.6%) and Alberta (+6.1%).

Operating expenses grew by 2.7% in 2018. Salaries, wages, commissions and benefits continued to represent the largest share of operating expenses, up 3.8% from 2017.

Sales to Canadian businesses (81.7%) continued to account for the bulk of the industry's sales in 2018. A smaller portion of sales were to governments, not-for-profit organizations and public institutions (4.2%). The industry's share of sales to clients outside Canada reached 13.0% in 2018, exceeding that of many other service industries.

While developing and creating large-scale advertising campaigns lends itself mainly to face-to-face meetings and in-person transactions, the industry still earned \$482.9 million, or 5.1%, of its sales through e-commerce in 2018.

One trend in digital advertising is the use of programmatic advertising services, which facilitate the automated buying and selling of advertising online. These services offer advertisers the ability to tailor their advertising spending to reach specific, targeted audiences on websites and other Internet applications, based on a variety of information, including user demographics and interests.

## Note to readers

*Data for 2016 and 2017 have been revised.*

*E-commerce includes sales of goods and services conducted online, with or without online payment. This includes all revenue for which an order is received and commitment to purchase is made via the Internet, while payment can be made by other means.*

**Available tables:** [21-10-0033-01](#) to [21-10-0035-01](#) and [21-10-0231-01](#).

**Definitions, data sources and methods:** survey number [2437](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).

