# Spectator sports, event promoters, artists and related industries, 2019

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Operating revenue of spectator sports, event promoters, artists and related industries rose 6.9% to \$10.5 billion in 2019, breaking the \$10 billion mark for the first time since 2012, when comparable data began to be published. This record level, set before the COVID-19 pandemic, was the result of a few key factors. Canadians had more discretionary income for leisure activities, as household disposable income grew 3.8% in 2019, and live events saw increased attendance, fuelled by the performance of professional Canadian sports teams, including the Toronto Raptors, who won their first National Basketball Association (NBA) championship title in franchise history.

Spectator sports accounted for the largest share of total operating revenue (36.4%), followed by promoters (presenters) of performing arts, sports and similar events (36.2%); independent artists, writers and performers (21.9%); and agents and managers for artists, athletes, entertainers and other public figures (5.5%).

#### Professional Canadian sports teams help boost revenue in spectator sports industry

Revenue in the spectator sports industry grew 8.7% to \$3.8 billion in 2019, following a 4.1% decrease in 2018. This increase was mainly attributable to better performances by some Canadian teams in professional sports leagues, including the National Hockey League, Major League Baseball, the NBA and Major League Soccer.

The main contributor to the increase in operating revenue in 2019 was double-digit growth in Ontario (+14.8%), where the Toronto Raptors made history by winning the NBA championship. Notable gains in Alberta (+7.2%) and Quebec (+5.6%) also contributed to the increase.

E-commerce in the spectator sports industry accounted for 12.9% (\$393.8 million) of total sales, up 1.3 percentage points compared with 2018. Total operating expenses increased 8.5% to \$3.9 billion in 2019, resulting in a negative operating profit margin (-1.1%).

## High-profile events help support growth in the event promotion industry

The promoters industry benefited from high-profile events, which contributed to the 3.6% increase in operating revenue in 2019. This industry's performance was also influenced in part by the number of international tourists visiting Canada. In 2019, the number of international tourists visiting the country reached a record 22.1 million, surpassing the previous year's record of 21.1 million.

Businesses in Quebec (+\$79.2 million), British Columbia (+\$41.5 million) and Ontario (+\$39.5 million) led revenue gains in 2019.

E-commerce sales accounted for \$784.6 million of total sales. The operating profit margin rose 0.4 percentage points to 2.3% in 2019, reflecting slower growth in operating expenses (+3.2%) relative to revenue.

## Impact of the COVID-19 pandemic on live events

Spectator sports, event promoters, artists and related industries have been significantly affected directly and indirectly by restrictions put in place to limit the spread of COVID-19. The economic impact on these industries was extensive, as events were cancelled. Businesses in these industries were essentially unable to operate in the first few months of the pandemic, as many provinces mandated shutdowns of non-essential businesses and severely limited public gatherings. Most professional leagues completed the rest of the season behind closed doors and operated in bubbles. With no fans in their stadiums, it is estimated that professional teams will lose substantial revenue in ticket and concession sales, which, on average, account for 56% of the industry's total sales.





Given the rapidly evolving economic situation, Statistics Canada is providing advance estimates for 2020. Early estimates suggest that operating revenue for spectator sports, event promoters, artists and related industries will have decreased by around 50% in 2020. Owing to its preliminary nature, this figure is expected to be revised when survey data are collected and provide a complete picture of the impacts of the COVID-19 pandemic.

#### Note to readers

Data for 2017 and 2018 have been revised.

The data for reference year 2019 were collected during spring and summer 2020. This collection period includes the events and business disruptions around COVID-19, and, in general, response rates have been lower. As a result, there may be larger-than-normal revisions to the data in future releases. For more information on data quality and revisions, please refer to 5132—Annual Survey of Service Industries: Spectator Sports, Event Promoters, Artists and Related Industries.

These and other data related to the arts, culture, heritage and sports sectors can be found at the Culture statistics portal.

Available tables: 21-10-0169-01, 21-10-0170-01, 21-10-0234-01, 21-10-0254-01 and 34-10-0164-01.

Definitions, data sources and methods: survey number 5132.

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**) or Media Relations (613-951-4636; **STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca**).