

Specialized design services, 2020

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Operating revenue in the specialized design services industry fell 8.8% in 2020 to \$2.9 billion. Specialized design services comprise interior, industrial, graphic and other specialized design services. In 2020, despite the need to adapt homes and workplaces and rethink how we use space, ongoing government restrictions related to the COVID-19 pandemic hampered in-person services, which are an important way the interior design industry conducts business.

Interior design services made up a smaller share (44.2%) of total industry sales in 2020 than in the previous year, down 1.3 percentage points. Graphic design services saw their share rise for the first time in six years, up 1.3 percentage points to 31.4% in 2020. While demand and overall sales were affected by the pandemic, graphic design services proved to be more easily adaptable than interior design services to the work-from-home model. The remaining industry sales were split among related services and products (12.2%), industrial design services (6.6%) and other specialized design services (5.5%).

Sales to businesses were also negatively affected by the pandemic—the share of sales to businesses fell from 54.0% in 2019 to 49.7% in 2020. A decline in commercial design services and a drop in corporate profits hindered the demand from businesses. The share of sales to individuals and households increased from 27.6% to 30.9%, while the remaining client base was more stable and was split between clients outside Canada (12.8%) and governments, not-for-profit organizations and public institutions (6.6%).

Total operating expenses dropped 12.3% to \$2.2 billion in 2020. As a result, the operating profit margin edged up to 24.8%. The cost structure for this industry group remained relatively unchanged, with salaries, wages, commissions and benefits as the largest expense item, at 33.0% of operating expenses; cost of goods sold, at 25.5%; and subcontracts, at 7.4%.

E-commerce more than doubled to 4.4% of sales in 2020. Among survey respondents, 5.0% reported that as a result of the pandemic they invested in e-commerce platforms to help adapt to a new contactless business model.

Looking ahead to 2021

Trends are generally positive for the industry as provinces gradually allow businesses to reopen with fewer restrictions on in-person operations. As well, specialized design firms adapted their operations as a result of the pandemic. Almost one-third (31.0%) of businesses who responded to the survey had to adopt or expand to a contactless business model, and a similar share of businesses asked some or all of their employees to work from home. On the demand side, the increases in new [residential construction and home renovations](#) since the middle of 2020 will continue to spur growth in interior design services.

Note to readers

Data for 2018 and 2019 have been revised.

Information on corporate profits comes from Table [36-10-0117-01](#).

Information on residential construction comes from Table [34-10-0126-01](#).

Data are collected for the 12-month fiscal period that ends on or between April 1, 2020, and March 31, 2021. This means that some businesses reported for a fiscal year in which the majority of their operations were before the pandemic. As a result, the effects of the pandemic are not fully reflected in this reference year, but will extend into the 2021 reference year estimates.

These and other data related to business and consumer services can be found at the [Business and consumer services and culture statistics portal](#).



Available tables: [21-10-0157-01](#), [21-10-0158-01](#), [21-10-0160-01](#), [21-10-0199-01](#) and [21-10-0229-01](#).

Definitions, data sources and methods: survey number [4719](#).

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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).