

Advertising and related services, 2020

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, February 10, 2022

Advertising revenue down 11.4% in 2020 as a result of lower demand during COVID-19 pandemic

Operating revenue in the Canadian advertising and related services industry decreased to \$9.9 billion in 2020, in response to lower demand during the COVID-19 pandemic as consumer and workforce behaviours shifted. This number represents a decrease of 11.4% from 2019, with operating revenue reaching its lowest level since 2016.

All provinces experienced revenue declines. Alberta had the largest percentage decrease in operating revenue (-13.6%), followed by Ontario (-11.9%), New Brunswick (-11.6%), British Columbia (-10.9%), Quebec (-9.9%) and Manitoba (-9.9%). Ontario accounted for 59.2% of operating revenue nationally.

The pandemic affected the industry in several ways. While the industry continued to operate throughout the pandemic, businesses made several adaptations. Many asked some or all of their staff to work from home. While salaries, wages, commissions and benefits declined 6.8% in 2020, with some businesses laying off staff, many companies also accessed the Canada Emergency Wage Subsidy. Some companies also cut costs other than labour, changed their marketing strategy, lowered prices for their services, and relied more on virtual contact rather than their traditional face-to-face meetings with clients.

The industry's client base also changed during the pandemic. While Canadian businesses continued to account for the vast majority (77.3%) of the industry's sales, the share of advertising sales to governments, not-for-profit organizations and public institutions grew from 6.0% in 2019 to 7.0% in 2020. Different levels of government purchased advertising services to promote public health messages related to the pandemic. The share of advertising sales to foreign businesses also increased, from 13.4% in 2019 to 14.1% in 2020.

The pandemic accelerated digital advertising trends. Demand for online advertising was strong, particularly with many people spending more time online at home for work and entertainment. As a result, some companies that specialize in digital advertising services actually saw their operating revenue increase during the pandemic. Conversely, businesses that mainly provide display or out-of-home advertising services—including billboards; roadside signs; and displays in malls, airports and sports facilities—saw some of the most significant decreases in demand, as the audience for these services shrank.

Industry trends in 2021

Trends noted in 2020, the first year of the pandemic, including the increased share of government spending on advertising, as well as the growth in demand for digital advertising services, continued to dominate in 2021. Despite volatility in demand because of public health restrictions in subsequent waves of the pandemic that prevented some businesses from operating at full capacity, industry indicators point to a strong rebound in 2021. In the latter part of 2021, [employment in the industry](#) bounced back to near pre-pandemic levels.

Note to readers

Data for 2018 and 2019 have been revised.

Data are collected for the 12-month fiscal period that ends at some point from April 1, 2020, to March 31, 2021, inclusive. This means that some businesses have reported for a 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 the estimates for this reference year, but will extend to the estimates for reference year 2021.

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: [21-10-0033-01](#) 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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).