

# Advertising and related services, 2021

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## Advertising revenue increases by 12.6% in 2021 as demand rebounds following the first year of the COVID-19 pandemic

Operating revenue in the Canadian advertising and related services industry grew by 12.6% in 2021, as demand for these services rebounded following the first year of the COVID-19 pandemic. Operating revenue reached \$11.3 billion in 2021, matching the previous high attained in 2019.

Following the widespread operating revenue declines in 2020, all provinces recorded growth in 2021. In fact, in 2021, some provinces exceeded 2019 operating revenue levels. In Quebec, operating revenue fell by 10.1% in 2020, but rose by 15.3% in 2021 to reach \$2.4 billion. British Columbia also saw strong growth in 2021, up by 15.2% from 2020. Other provinces with notable rates of growth in 2021 included Prince Edward Island (+24.5%), Newfoundland and Labrador (+20.5%), Manitoba (+14.3%), and New Brunswick (+14.2%).

After falling by 11.4% in 2020, operating revenue grew by 11.3% in Ontario in 2021 to reach \$6.7 billion, just shy of the \$6.8 billion total achieved in 2019.

Saskatchewan was the province with the weakest growth in operating revenue in 2021 (+5.5%). [Drought conditions may have hindered the demand for advertising services for agricultural products and services](#), an important source of advertising spending in the province.

Overall, the industry's operating profit margin rose from 15.0% in 2020 to 17.5% in 2021, as growth in operating revenue outpaced growth in operating expenses. Though demand for advertising services grew in 2021, many advertising companies continued to carefully manage expenditures because of pandemic-related uncertainty.

Expenditures on salaries, wages, commissions, and benefits increased by 11.9% in 2021 to \$4.2 billion, with these expenses accounting for nearly half (45.0%) of all operating expenses. Subcontracting (6.7%) accounted for an increasing share of total operating expenses, up from 6.1% in 2020.

While businesses in Canada (77.0%) continued to account for most of the advertising and related services industry's sales, clients outside Canada (14.1%) and governments, not-for-profit organizations and public institutions (7.4%) made up a growing share of industry sales in 2021. The public sector continued to purchase advertising services in 2021 to promote public health messages related to COVID-19.

## Industry trends in 2022

Operating revenue in the advertising and related services industry is anticipated to grow in 2022, albeit at a lower rate than that seen in 2021. A reduction in pandemic-related restrictions for businesses, strong demand for travel, and the ability of many sports and entertainment venues to operate at full capacity are among the factors that will benefit the industry.

Businesses that provide display or out-of-home advertising services—including billboards; roadside signs; and displays in malls, airports, and sports facilities—were hit particularly hard by the pandemic. In 2022, this industry is expected to see further gains, with more traffic on roads and more people attending live events and visiting shopping malls and other public spaces.

### Note to readers

Data for 2019 and 2020 have been revised.

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](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).