

# Specialized design services, 2022

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## Specialized design services spurred by housing sector in 2022

Specialized design services grew strongly in 2022, after a full rebound from the effects of the COVID-19 pandemic the year before. Bolstered once again by solid demand for interior design services, operating revenue for the industry group increased by 11.9% to \$4.3 billion in 2022.

Specialized design services include interior, industrial, graphic and other specialized design services. In 2022, the largest of these industries was interior design services, which accounted for 47.1% of the industry group's sales. The second-largest industry in this group was graphic design services, which accounted for 26.8% of sales, a diminishing share since 2019. Conversely, the share of related services and products, which includes web page development activities, has been rising since 2019 to reach 14.2% in 2022.

As the boom in the residential housing sector bolstered the specialized design services industry group, the share of sales to individuals has grown by more than 10 percentage points since 2019, reaching 38.5% of sales in 2022. Over the same period, the share of sales to businesses declined by 8.8 percentage points to 44.9%. The remaining client shares have been more stable in recent years and were split between sales outside Canada (10.8% in 2022) and sales to governments, not-for-profit organizations and public institutions (5.8% in 2022).

Total operating expenses increased by 14.9% to \$3.4 billion in 2022. The largest expense component—salaries, wages, commissions and benefits—increased by 13.6%, reaching \$1.0 billion. [Inflationary pressures](#) also impacted the cost of goods sold, which saw its share of total expenses rise to 29.1% in 2022. This resulted in a drop in the profit margin from 24.2% in 2021 to 22.1% in 2022.

## Trends in 2023

Starting mid-year, the Canadian economy slowed, as constraints on household and corporate budgets resulted in declining capital investments in home renovations and new housing construction across the country, as well as weaker growth in household consumption expenditures. An early look at these and other peripheral indicators shows that the strong performance of interior design services over the last two years will lose momentum in 2023, as the economy adjusts to higher interest rates.

Detailed financial statistics for the industry group in 2023 will be provided following survey data collection in 2024.

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### Note to readers

Data for 2020 and 2021 have been revised.

Information regarding capital investment can be found in table [36-10-0108-01](#).

Information regarding housing starts can be found in table [34-10-0126-01](#).

Information regarding household expenditure can be found in table [36-10-0107-01](#).

Information regarding real gross domestic product can be found in table [36-10-0434-01](#).

Information on corporate profits can be found in table [36-10-0117-01](#).

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](#) and [21-10-0199-01](#).

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