

# Advertising and related services, 2022

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## Operating revenues of the advertising and related services industry continue to accelerate in 2022

The Canadian advertising and related services industry posted double-digit growth for a second consecutive year in 2022. Operating revenues rose 15.4% from one year earlier to a record-high \$13.3 billion, as the industry recovered from the challenges of the COVID-19 pandemic.

In 2022, operating revenue grew in nine provinces and two territories, with the fastest paces being in the Northwest Territories (+21.7%), Ontario (+18.4%), Alberta (+14.5%) and Nova Scotia (+13.8%).

After reaching 17.6% in 2021, the industry's operating profit margin eased to 15.3% in 2022, closer to margins seen in previous years. Operating expenses increased by 18.6% in 2022, as industry activities continued to grow following the pandemic.

Salaries, wages, commissions and benefits continued to account for the largest share of industry expenditures in 2022, reaching \$5.0 billion, or 44.4% of total operating expenses. Subcontracts accounted for an increased share of industry expenditures, rising from 7.2% in 2021 to 7.6% in 2022. During times of economic uncertainty, subcontracting may provide some companies with increased flexibility in managing their expenses.

Following a sharp decline in 2020, display advertising rose in 2021 and 2022. Companies in this industry specialize in providing printed or electronic displays, including billboards and panels commonly found at roadside locations and within transit vehicles, shopping malls, elevators and other public areas. This industry was most affected by the lower foot and commuter traffic during the pandemic but has since grown significantly.

Programmatic advertising services, which facilitate the automated sale and purchase of online advertising, expanded in 2022. Other growth areas in the industry included social media advertising, live event marketing and video game advertising.

While businesses in Canada continued to account for the vast majority (76.2%) of the advertising and related services industry's sales in 2022, the share of sales to businesses outside Canada grew 1.4 percentage points to 15.1%. The evolution of digital and programmatic advertising services may make the advertising market more accessible to clients outside Canada.

Sales to governments, non-profit organizations and public institutions accounted for 7.4% of the industry's total sales.

## Industry trends for 2023

After posting double-digit growth in 2021 and 2022, the advertising and related services industry is expected to continue to grow in 2023 but at a pace more in line with historical trends. As the industry completely recovered from the pandemic and the Canadian economy slowed down, more modest growth is anticipated for operating revenue.

While growth is expected to be positive in 2023, factors such as [inflation](#), [unemployment](#) and rising interest rates impacted consumers, which may have led some companies to exercise caution in their advertising spending.

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**Note to readers**

Data for 2020 and 2021 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)).