

sales of \$387.2 million, an increase of 5.4% from the 1985 total of \$367.3 million. Sales through the following types of machine were chiefly responsible for the increase in receipts between 1985 and 1986: coffee machines, which increased by 19.1% and accounted for 25.1% of the total revenue; and soft drink machines, which increased by 7.2% and represented 21.0% of total vending machine sales.

**Direct selling** refers to the sale of consumer goods to household consumers for personal use, by other than the regular retail store. Direct sales occur at all levels in the movement of goods from the primary producer or importer to the consumer: at the agricultural level, by greenhouse and nursery operators and some market gardeners; at the manufacturing stage, through sales to employees or to the general public at company-operated on-premises stores; or through home delivery of such products as newspapers and milk; by some wholesalers and importers; and by firms which specialize in direct retailing.

In 1986, Canadian householders spent \$2.5 billion on direct purchases of a wide variety of consumer goods (Table 17.8). Major commodities handled by these direct selling businesses in 1986 included: newspapers, \$371.0 million; dairy products, \$279.9 million; books, \$248.8 million; cosmetics and personal care products, \$192.2 million; and household electrical appliances, \$183.7 million.

Personal selling, through individual canvassing or group demonstrations such as house parties, is the best known of the various methods of direct selling and accounted for \$807.3 million or 31.7% of the total spent on direct purchases in 1986. Sales by mail and telephone order amounted to \$673.5 million and comprised 26.5% of total direct sales. (The data on mail-order purchases do not include foreign mail-order sales made to Canadians nor the mail-order sales of Canadian department stores.) Sales by all other methods (including home-delivered newspapers and dairy products, factory showrooms, roadside stands and newspaper coin boxes) amounted to \$1.1 billion or 41.8% of total direct sales in 1986.

**Market research.** Much of the data on distributive trades is brought together with other industrial and demographic data in an annual publication entitled *Market Research Handbook* (Statistics Canada 63-224). The basic purpose of this handbook is to provide a convenient source of information and reference for people who are engaged in analyzing Canadian markets at local, provincial, regional and national levels. The handbook indicates trends by showing data for earlier years

as well as reporting the latest available information. These data should help the marketing practitioner in assessing the dynamics of marketing, such as population growth, demographic characteristics, income distribution and changes in consumer habits.

## 17.2 Service industries

In the early 1980s, Statistics Canada launched a new initiative to collect and publish data for industries providing specialized services to businesses and households. A comprehensive inquiry had not been made in these areas since the 1971 Census of Merchandising and Services. As a result of this initiative, annual data are now available on many service industries for the period from 1982 to 1986 inclusive.

Among the statistical information available, estimates of total revenue and numbers of businesses are among the most widely used types of data. They are used to determine the size and structure of industries supplying services, and in monitoring their cyclical behaviour. The following sections provide a brief overview of industries providing business services, amusement and recreation services, and personal and household services in Canada.

### 17.2.1 Business services

Industries covered in this category are in the business service industries and other service industries major groups. Firms in these industry groups generally engage in providing services primarily to business communities rather than to government or the general public.

Estimates for 1986, the latest year for which information is available, indicated that the measured portion of business services was a \$16 billion major group comprising over 50,000 businesses. (Several industries, such as accounting, legal and management consulting services were not covered by regular surveys, and thus were not included in these figures). While only 15% of the businesses earned more than \$250,000 a year, they accounted for slightly more than 80% of the total revenue in this major group. By comparison, in the measured portion of other service industries, there were approximately 40,000 firms with combined earnings of \$10 billion in 1986. Approximately 10% of the businesses in this major group earned more than \$250,000 per annum and accounted for almost 80% of the total business income.

### 17.2.2 Leisure and personal services

The leisure and personal services category encompasses both amusement and recreation, and