

ASID 2022

STATE OF INTERIOR DESIGN

AMERICAN
SOCIETY OF
INTERIOR
DESIGNERS



RESEARCH

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INTRODUCTION

The goal of the State of Interior Design report is to evaluate the health of the profession by examining the following indicators:

- Employment, Salaries & Wages
- Certification & Education
- Characteristics of Interior Designers
- Business Sector & Industry Services

The data referenced here includes the data from government and other third-party sources reporting on 2021, or the most recent year available. It is important to understand the current status of the industry while assessing how we, as a profession and an industry, can strive for a better future.

The Present Continues to be Positive, but the Future is Dependent on the Pipeline for New Talent

Despite a sharp decline in overall U.S. employment, the interior design profession has shown continued growth in 2021. Employment of interior designers surpassed more than 91,000, thanks in large part to the percentage increase of those who identified as self-employed. However, projections from the Bureau of Labor

Statistics (BLS) on employment growth for the industry are flat through 2030.

Similarly, salary and wages continue to see year-over-year increases, but the real purchasing power from these increases has been hampered due to elevated inflation levels.

In an effort to expand practice rights, the interior design profession experienced numerous statutory victories in 2021, adding stamp and seal privileges. Concurrently, the number of NCIDQ Certificate holders accelerated.

The education space is also providing some good news on multiple fronts. In education, the number of completed degrees has seen a year-over-year increase, reaching its highest level since the 2015-2016 academic year, which will contribute to employment growth and may reverse current flat employment projections. In addition, the interior design student population is more diverse than the current working practitioner population, providing positive momentum towards addressing a critical need for greater diversity in the profession.

Being a Small Business Does Not Mean That It is “Small”

The interior design profession continues to exemplify the power of small business with more than 94% of firms having less than ten employees. Similar to employment, the number of interior design firms also reached a new high (16,056), as of the latest data available in Q3 2021, which is an almost 7% increase from 2020.

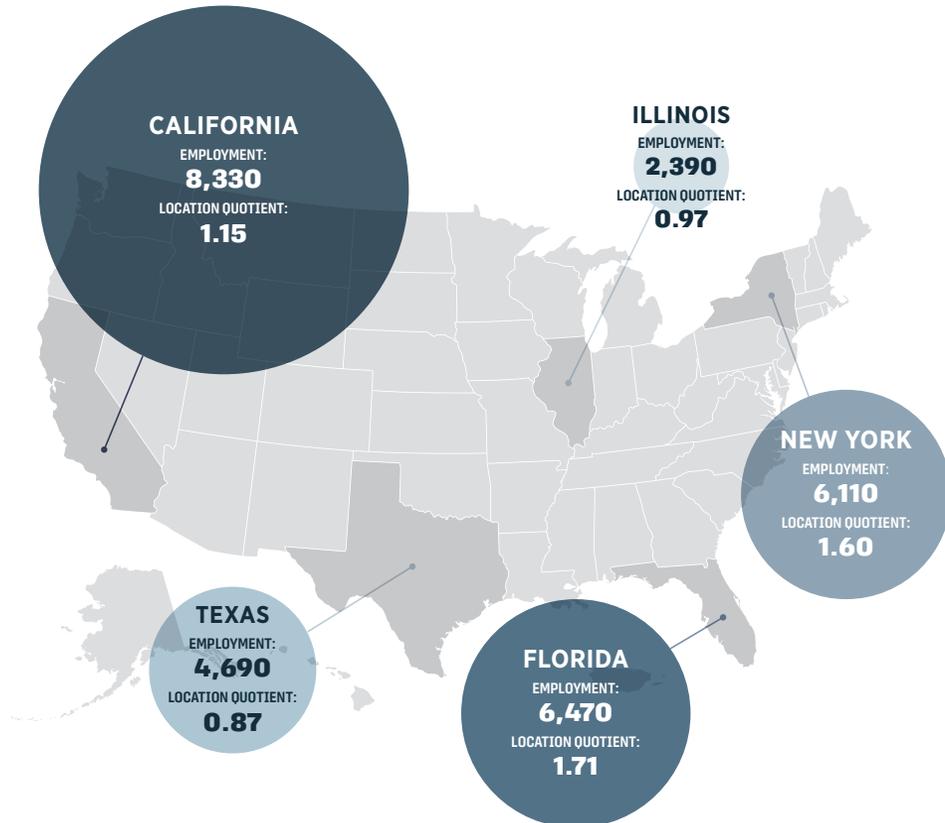
While it was estimated that revenue would decrease for 2019, the interior design profession actually experienced a 3.5% increase from 2018. The annual billings average, shown in the ASID Interior Design Billings Index (IDBI) hit its highest level in its history, which began in 2011. Future revenue projections look very positive with year-over-year growth averaging 9.6% for 2021-2023.

In 2021, interior designers were employed in 30 different types of industries, showcasing how connected they are within the modern economy. Even though those in architectural, engineering and related services experienced decreases, those connected to retail and real estate experienced significant increases.

PEOPLE



TOP FIVE HIGHEST EMPLOYED STATES¹

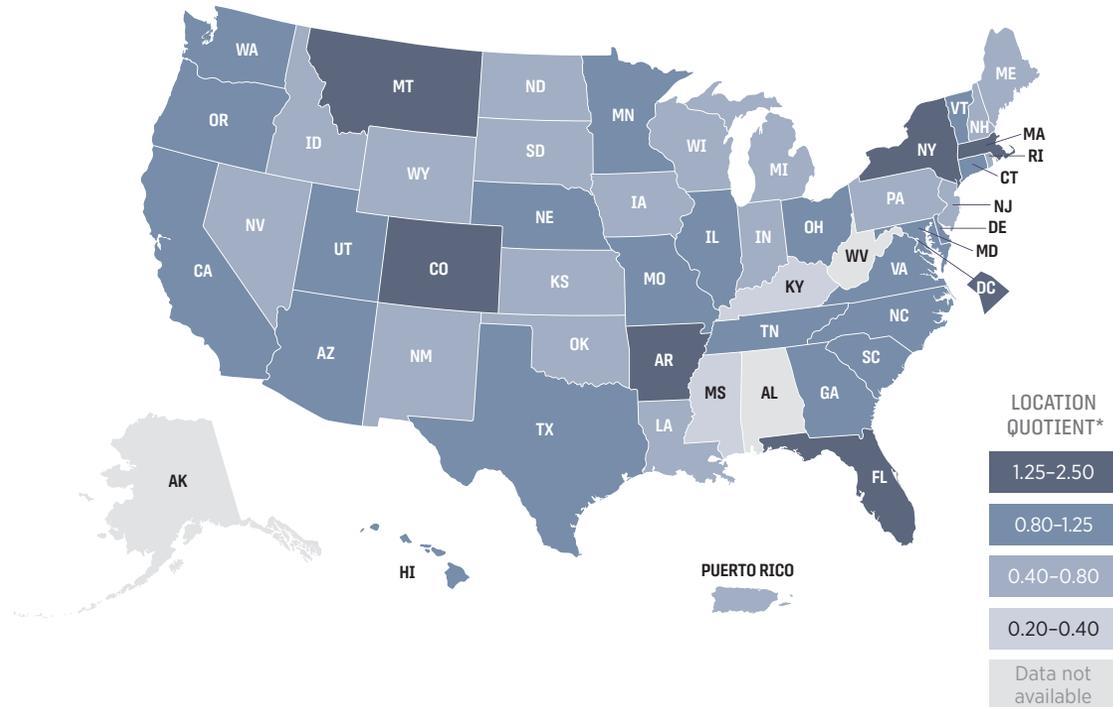


TOP TEN HIGHEST EMPLOYED METROPOLITAN AREAS¹

METROPOLITAN AREA	EMPLOYMENT	LOCATION QUOTIENT*
New York-Newark-Jersey City, NY-NJ-PA	5,670	1.49
Los Angeles-Long Beach-Anaheim, CA	3,450	1.37
Miami-Fort Lauderdale-West Palm Beach, FL	2,600	2.41
Chicago-Naperville-Elgin, IL-IN-WI	2,080	1.12
San Francisco-Oakland-Hayward, CA	1,930	1.96
Dallas-Fort Worth-Arlington, TX	1,850	1.17
Washington-Arlington-Alexandria, DC-VA-MD-WV	1,680	1.30
Boston-Cambridge-Nashua, MA-NH	1,650	1.45
Atlanta-Sandy Springs-Roswell, GA	1,650	1.45
Denver-Aurora-Lakewood, CO	1,330	2.07

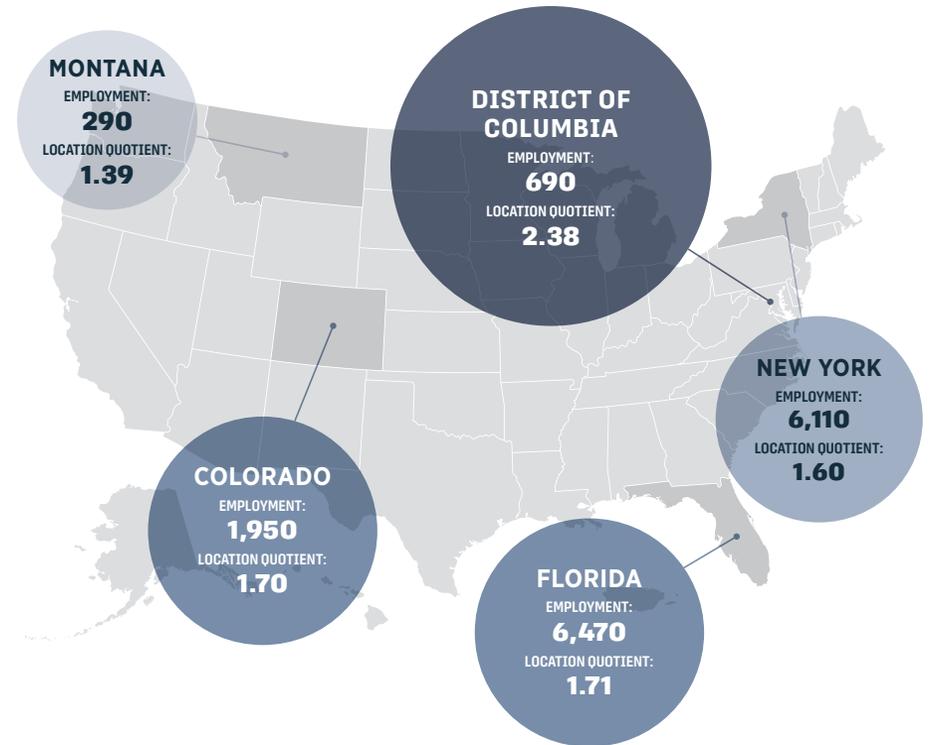
*Note: The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.

GEOGRAPHICAL CONCENTRATION OF INTERIOR DESIGNERS¹



*Note: The location quotient quantifies the concentration of employed interior designers within a particular state, or metropolitan area when compared to the national average. A value greater than one indicates a higher concentration of employment than the national average; conversely, a value less than one indicates a lower concentration.

TOP FIVE HIGHEST CONCENTRATED STATES¹





KEY INSIGHTS

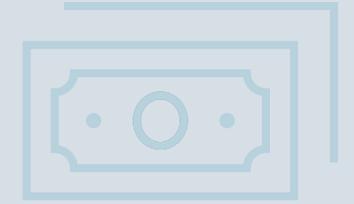
TOP TEN HIGHEST CONCENTRATED METROPOLITAN AREAS¹

METROPOLITAN AREA	EMPLOYMENT	LOCATION QUOTIENT*
Naples-Immokalee-Marco Island, FL	360	5.65
Fayetteville-Springdale-Rogers, AR-MO	490	4.58
Miami-Fort Lauderdale-West Palm Beach, FL	2,600	2.41
St. George, UT	80	2.35
North Port-Sarasota-Bradenton, FL	270	2.12
Denver-Aurora-Lakewood, CO	1,330	2.07
Cape Coral-Fort Myers, FL	230	2.00
Sebastian-Vero Beach, FL	40	1.98
Wilmington, NC	110	1.97
Bridgeport-Stamford-Norwalk, CT	320	1.96

*Note: The location quotient quantifies the concentration of employed interior designers within a particular state, or metropolitan area when compared to the national average.

- Understanding the different concentration levels of interior designers, or the location quotients of each area, can be helpful in future planning. Manufacturers looking to connect with interior designers might look to areas with high location quotients while interior designers looking for growth opportunities might look at areas with lower levels of concentration. Only one market (Philadelphia) ranks in the top 20 highest employed metro areas with a location quotient less than one.
- Both Florida (38%) and New York (36%) saw significant year-over-year increases in employment of interior designers from 2020, making them one of the top five highest employed and top five highest concentrated states.
- Florida has five of the top 10 highest concentrated metropolitan areas in the country - Miami, Naples, Sarasota, Cape Coral and Vero Beach.
- Despite growth in total employment for the profession, the outlook for interior designers is uncertain. The employment forecast through 2030 is projected to remain flat, well below the eight percent increase for all occupations.¹ According to Bureau of Labor Statistics (BLS), the main reason for their forecast is that “most of those openings are expected to result from the need to replace workers who transfer to different occupations or exit the labor force, such as to retire.”²

SALARIES & WAGES



Interior designers experienced a 1.9% increase in the average annual salary compared to 2020 (\$61,400). However, it is important to note that inflation averaged 4.9% over this period, meaning that “real” salaries and wages decreased 3% over this period.

Average Annual Salary (2021)¹

\$62,570

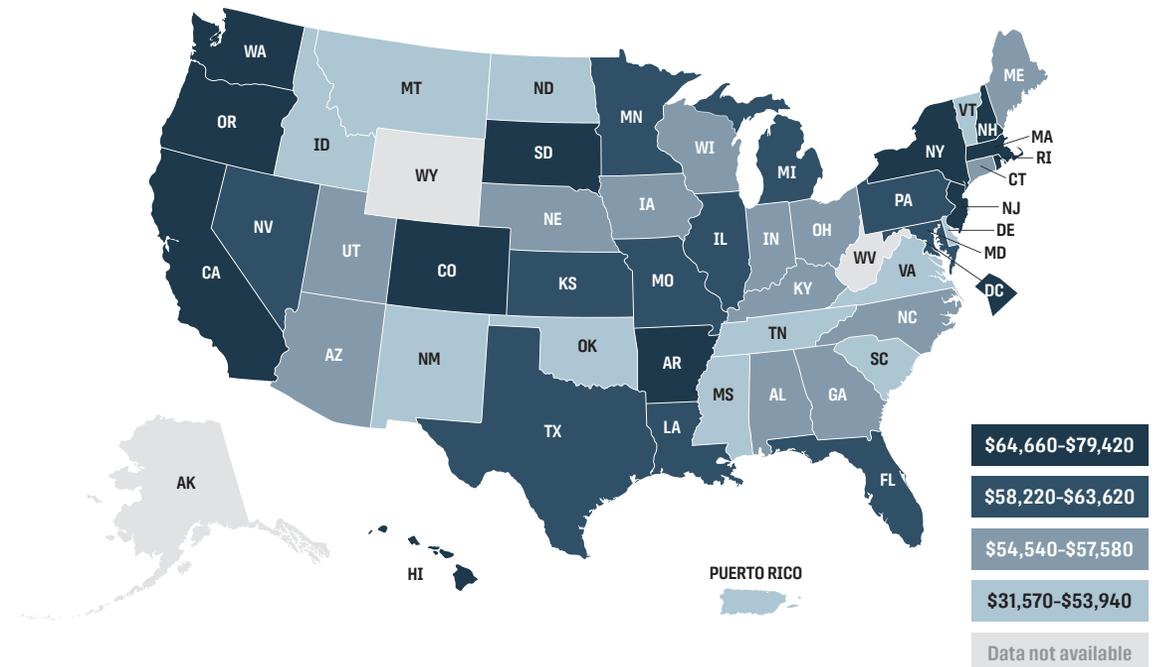
Average Hourly Wage (2021)¹

\$30.08

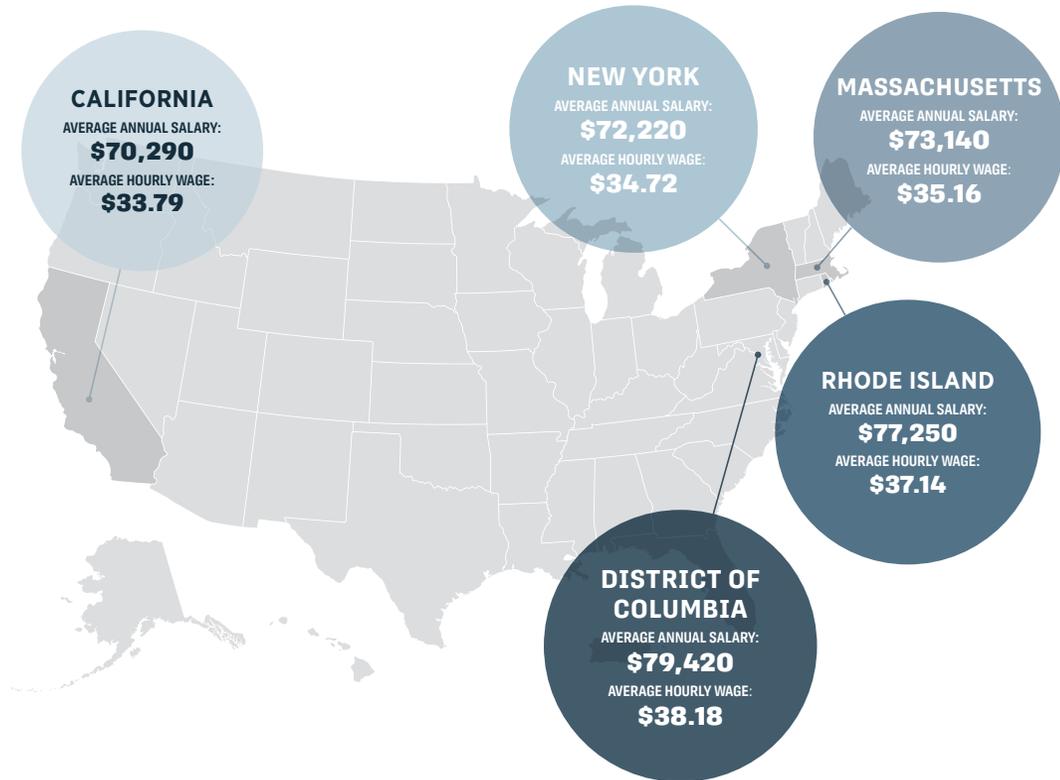
AVERAGE ANNUAL SALARY & HOURLY WAGE BY PERCENTILE¹

PERCENTILE	10%	25%	50% (MEDIAN)	75%	90%
Annual Salary	\$30,930	\$46,420	\$60,340	\$77,700	\$99,070
Hourly Wage	\$14.87	\$22.32	\$29.01	\$37.35	\$47.63

GEOGRAPHICAL DISTRIBUTION OF INTERIOR DESIGN SALARIES¹



TOP FIVE HIGHEST PAYING STATES¹



TOP TEN HIGHEST PAYING METROPOLITAN AREAS¹

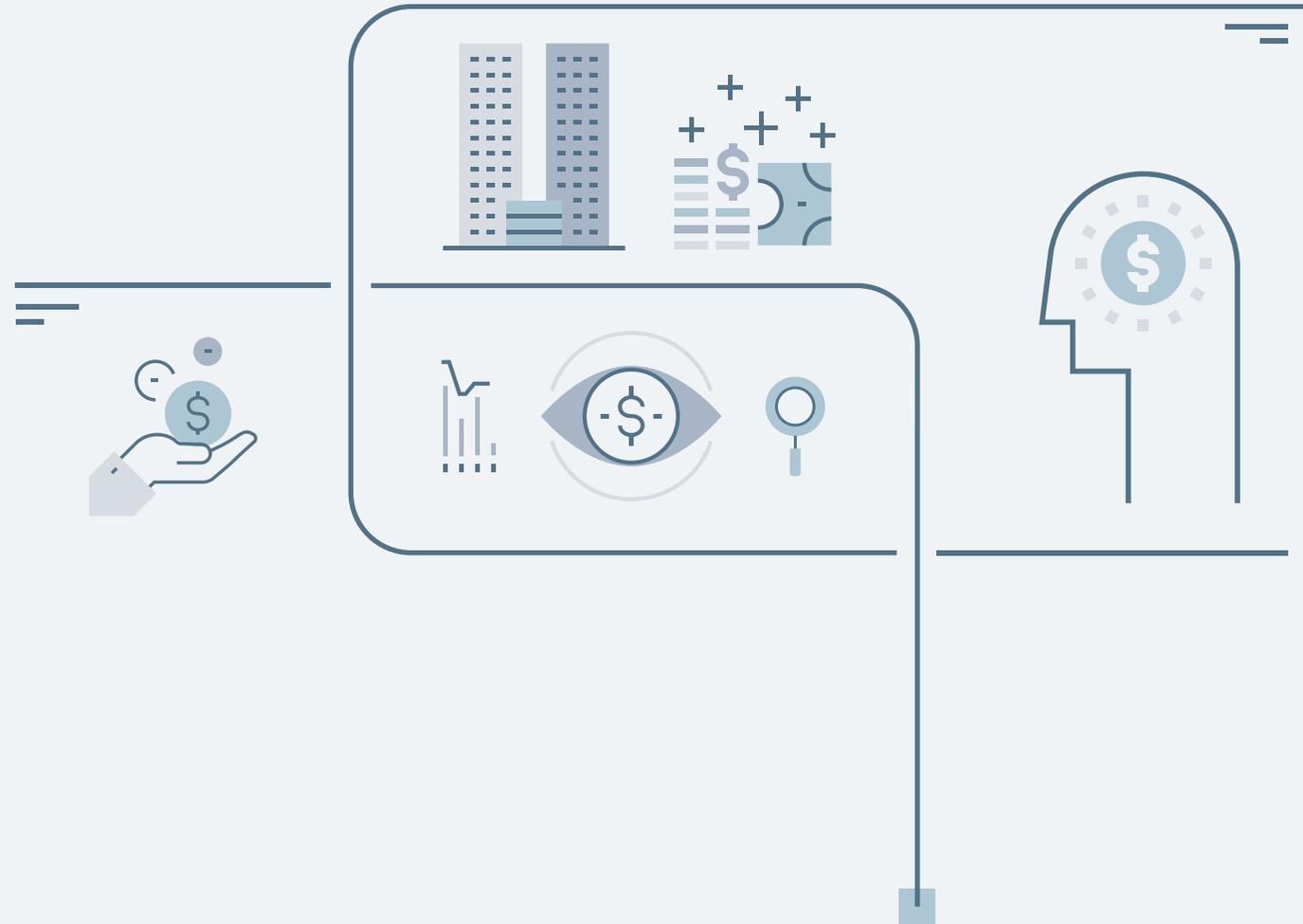
METROPOLITAN AREA	ANNUAL AVERAGE SALARY	AVERAGE HOURLY WAGE	LOCATION QUOTIENT*
Albany-Schenectady-Troy, NY	\$82,180	\$39.51	1.05
San Francisco-Oakland-Hayward, CA	\$81,260	\$39.07	1.96
Savannah, GA	\$80,320	\$38.62	0.50
San Jose-Sunnyvale-Santa Clara, CA	\$78,460	\$37.72	0.70
Naples-Immokalee-Marco Island, FL	\$75,740	\$36.41	5.65
Boston-Cambridge-Nashua, MA-NH	\$75,060	\$36.09	1.45
Boulder, CO	\$74,110	\$35.63	1.48
Syracuse, NY	\$73,670	\$35.42	0.84
Beaumont-Port Arthur, TX	\$73,000	\$35.10	0.61
New York-Newark-Jersey City, NY-NJ-PA	\$72,390	\$34.80	1.49

*Note: The location quotient quantifies the concentration of employed interior designers within a particular state, or metropolitan area in comparison to the national average. If the location quotient is less than one, then it is less concentrated than the national average, and perhaps more competitive when seeking and retaining talent.



KEY INSIGHTS

- The highest paying states have a small, but weak correlation to the highest employed states; two states (California and New York) and three metro areas (Boston, New York, and San Francisco) appear on both lists.
- In over 70% of the states, the average annual salary of interior designers exceeds the average annual salary of all occupations (where data is available).
- Only New York City, San Francisco, and San Jose appear on both the 2020 and 2021 Top Ten highest paying metropolitan areas, indicating change.
- Inflation will continue to be a major concern for the economy, affecting the wage growth potential for the profession. The Federal Reserve is projecting that inflation will continue to remain elevated and will not return to its longer goal of two percent until after 2024.³



CERTIFICATION



The National Council of Interior Design Qualification (NCIDQ) Certificate holders surpassed 35,000 in 2021. Historically, California has always been the state with the most NCIDQ Certificate holders, but Texas has closed the gap making the difference negligible.

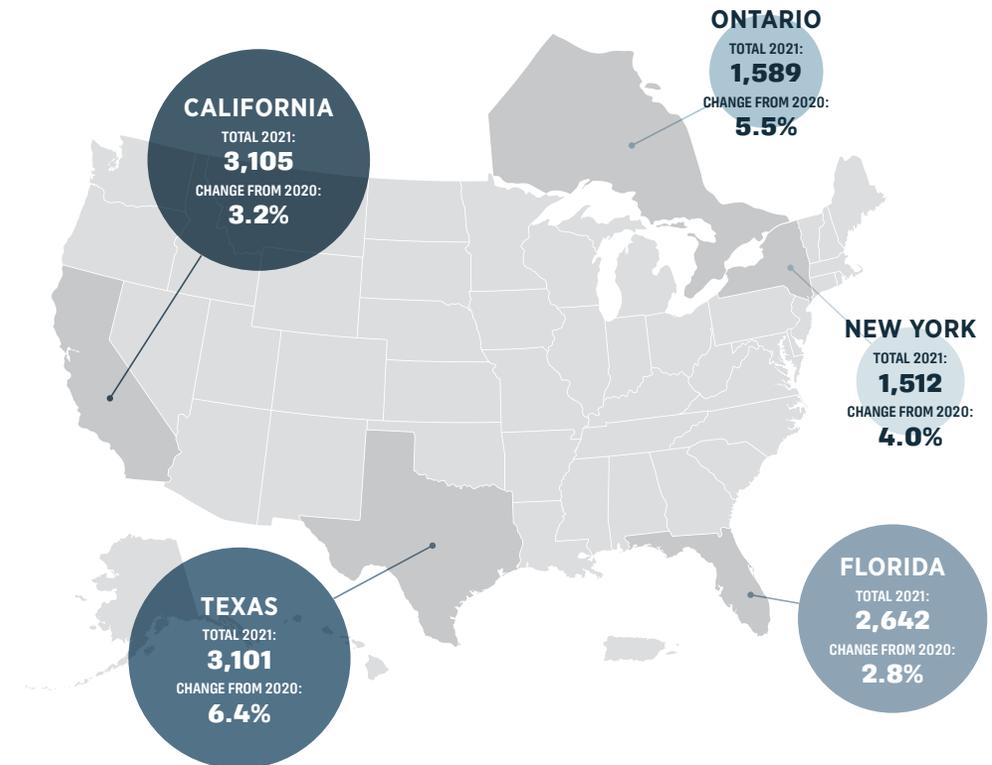
The growth rate for the number of NCIDQ Certificate holders accelerated in 2021 (4.2%) compared to 2020 (1.6%), which is the highest year-over-year increase over the last 10 years.

NCIDQ HOLDERS^{II}
2021

35,394

+4.2%
INCREASE
SINCE 2020

TOP FIVE NCIDQ JURISDICTIONS^{II}

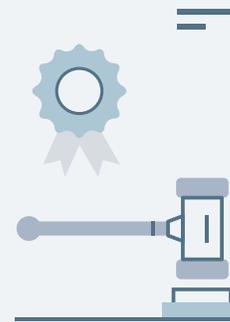
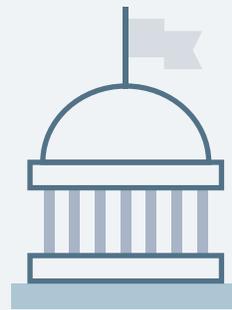
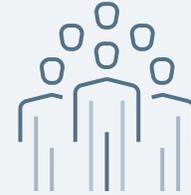




KEY INSIGHTS

- Only two states experienced year-over-year decreases in NCIDQ Certificate holders: New Mexico (Title Act with no permitting privileges) and North Dakota (no legislation)
- The profession has experienced numerous statutory victories when it comes to interior design legislation over the past year:
 - Oklahoma modernized its interior design legislation in 2021, updating the previous title act to a practice act that establishes stamp and seal privileges for Registered Commercial Interior Designers.
 - North Carolina also modernized its interior design legislation by establishing stamp and seal privileges for Registered Interior Designers who qualify under the voluntary state registry.
 - Wisconsin removed barriers for interior design business registration with state agencies and added stamp and seal privileges.

MAINTAINING THE MOMENTUM,
**MORE STATES ARE LIKELY
TO PASS INTERIOR DESIGN
LEGISLATION**, EXPANDING
PRACTICE RIGHTS.



EDUCATION



The Council for Interior Design Accreditation (CIDA) reports 175 accredited colleges and universities, with close to 19,000 enrolled students.

Public institutions support a majority of interior design programs (61%) and enrolled students (69%). Most students (72%) are residents of the State/Province.

Over half of full-time faculty at CIDA programs have passed the NCIDQ examination, with a median of ten years of teaching experience coupled with 12 years of practitioner experience.

INTERIOR DESIGN PROGRAMS & STUDENTS (CIDA ACCREDITED)^{III}

INTERIOR DESIGN PROGRAMS



INTERIOR DESIGN STUDENTS

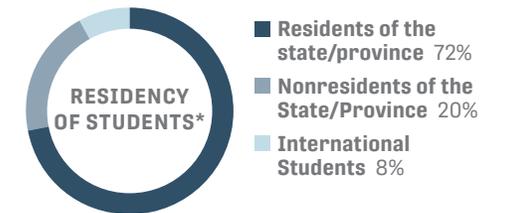
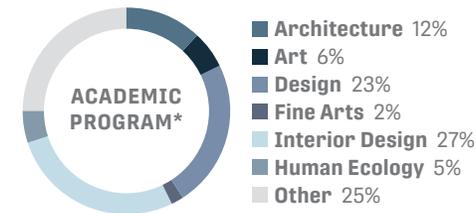


175 Council for Interior Design Accreditation (CIDA) Programs
(includes Bachelor and Master's degrees, U.S. and international locations, and online programs)

18,979 Students Enrolled in CIDA Programs
*(includes full-time and part-time students)**

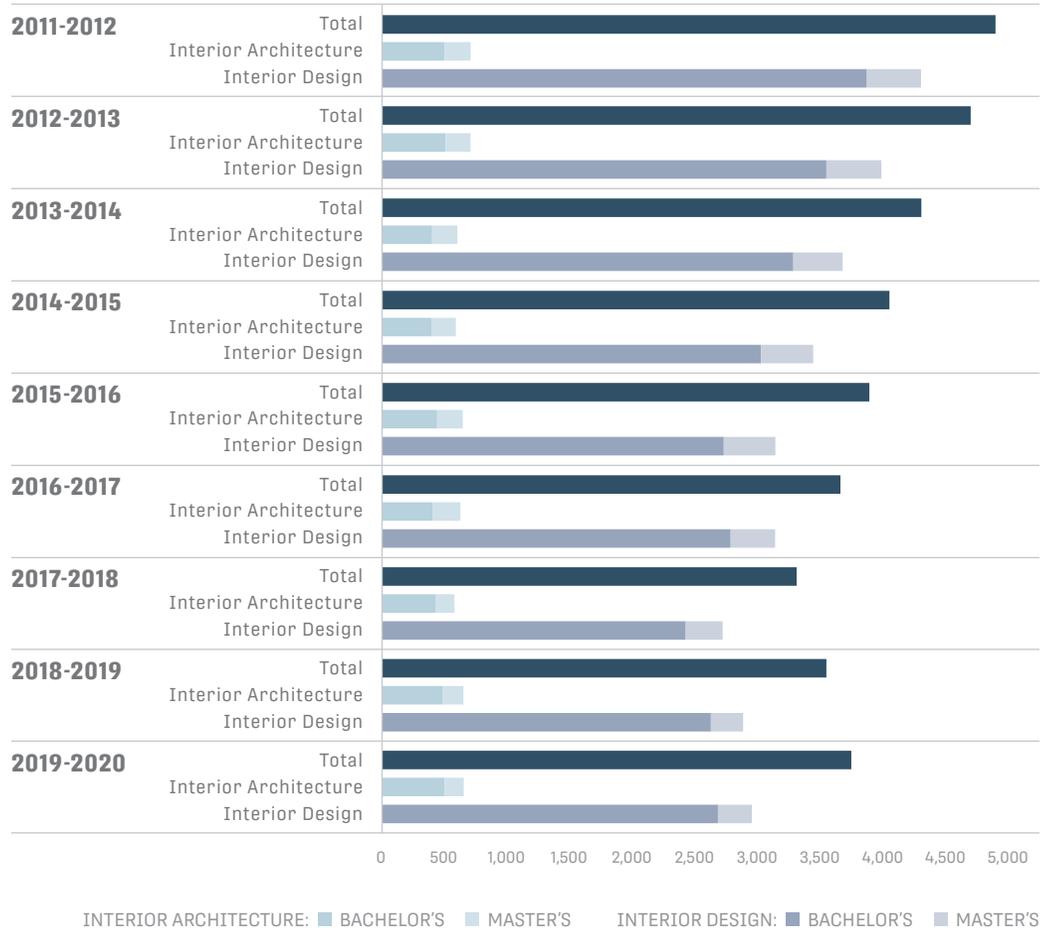
Work Experience
(internship, co-op) required by **74%** of programs*

Business courses from outside of the program required by **16%** of programs*



*Note: data on programs and students is based on a survey produced by CIDA in 2020; not every CIDA program participated.

COMPLETED INTERIOR DESIGN DEGREES^{IV}



KEY INSIGHTS

- While a majority of CIDA programs require work experience, the percentage of programs offering business courses remains low, which has been cited recently as a vital need for the profession. The ASID COVID-19 Pulse Survey from October 6, 2020 found that 38% of respondents expressed a need for more information on business operations. A later survey from January 5, 2021 found that business development remained a top concern for interior designers.
 - For more information on business resources and courses, visit [ASID Small Business Solutions](#) for tools and resources to help lead your business into the future, [Virtual Internship](#) for connections with peers and future colleagues, and [Scale at Gather](#) to learn from thought leaders in design.
- After years of decline, the total number of completed interior design and interior architecture degrees increased for a second consecutive year, driven in large part by interior design bachelor's degrees.
- The total number of interior design and interior architecture graduates with bachelor's and master's degrees (3,779) is at its highest level since the 2015-2016 academic year (3,835).

CHARACTERISTICS



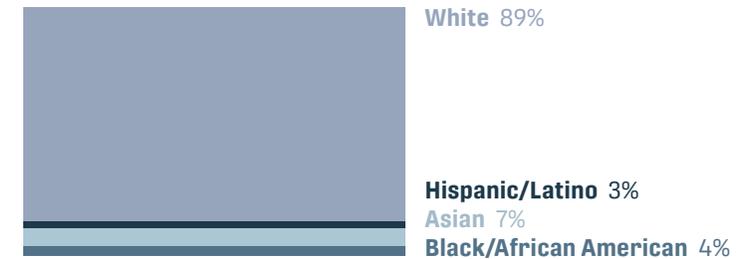
Interior designers continue to be primarily female and white, but the largest age group of the workforce is shifting. While the median age group is 35-44 years old (mix of Generation X and Millennials), the largest percentage group is 25-34 years old (mostly Millennials).

Although ASID members with less than 10 years of experience and more than 31 years of experience grew in 2021, those with 11-20 years decreased 5%.

GENDER: INTERIOR DESIGNERS^v



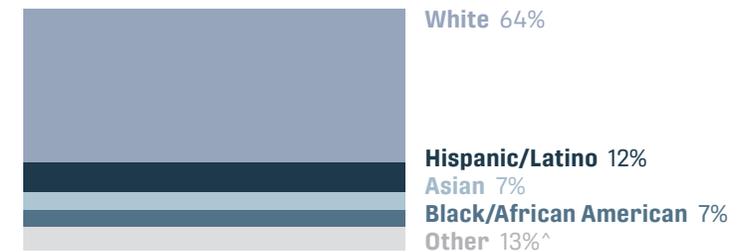
ETHNICITY: INTERIOR DESIGNERS^{*v}



GENDER: CIDA STUDENTSⁱⁱⁱ



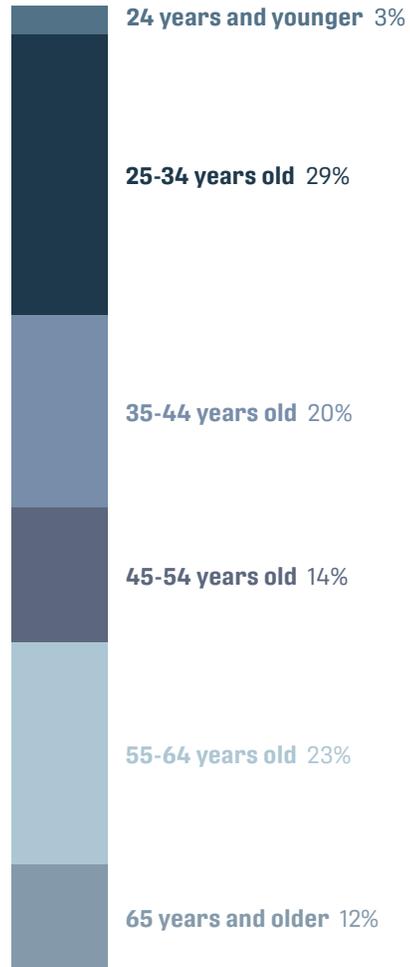
ETHNICITY: CIDA STUDENTS^{*iii}



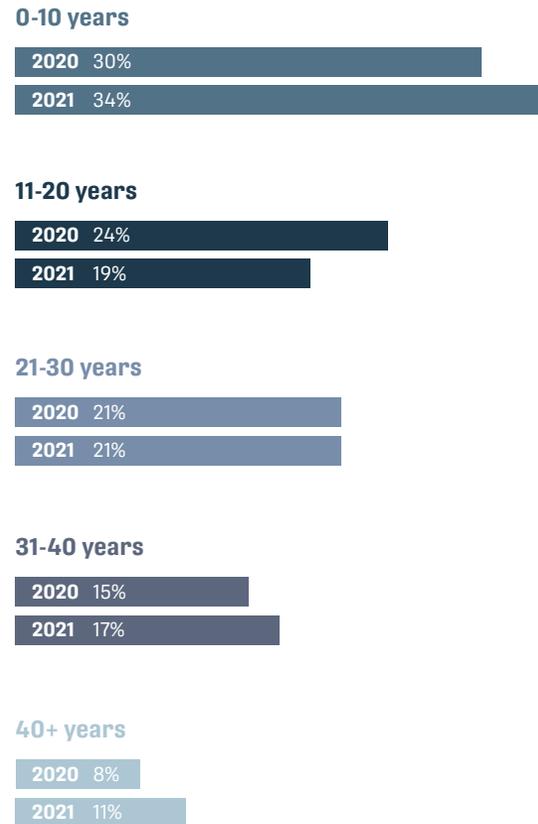
* Note: total will not equal 100% since individual can select multiple options

^ Note: 'Other' option includes Other/Undisclosed and American Indian or Alaskan Native

AGE: INTERIOR DESIGNERS^v



YEARS OF EXPERIENCE: ASID MEMBERS^{vi}



 KEY INSIGHTS

- Professional interior designers share a similar gender breakdown to current CIDA student populations, but the student population is significantly more diverse. 14% of current working interior design professionals identify as non-white compared to 39% of CIDA students.
- Along with promoting diversity, recruiting the younger generation of interior designers is necessary for the future strength of the profession. The U.S. Census noted that the population under 18 years of age decreased, citing a decrease in overall fertility rates as the main cause.⁴
- According to the 2020 U.S. Census, the adult population (i.e., over 18 years old) grew 7.4% from 2010 with growth partly driven by the Baby Boomer generation (born between 1946 and 1964).⁴ However, the population under 18 years of age experienced a decrease, with the Census citing a decrease in overall fertility rates as the primary cause.⁵ The Pew Research Center reported that about two million workers from the Baby Boomer generation have retired annually since 2011,⁶ and a more recent study from the Federal Reserve Bank indicated that the retirement rate for this group has sped up significantly over the past two years due to COVID-19.⁷
- For more information on demographic trends, please review the ASID 2022 Trends Outlook Report.

INDUSTRY



BUSINESS

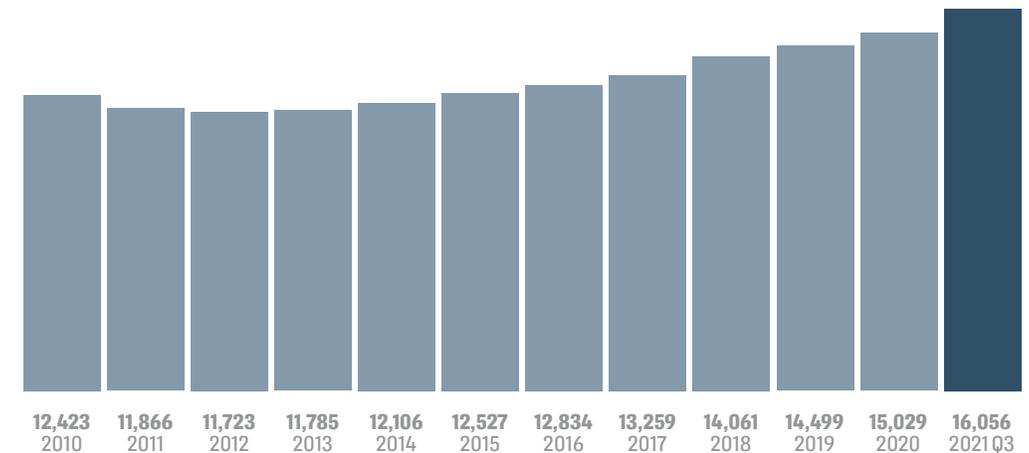


The industry has seen two major milestones in rapid succession: 2020 saw the number of interior design firms surpass 15,000, and then that was quickly eclipsed in Q3 2021, topping over 16,000. Both figures have never been reached previously. Since the start of the pandemic (Q1 2020), the number of interior design firms has grown 8.6%.

While it is surprising to see an increase in the number of firms, especially during the pandemic, business formation statistics provide some insight into explaining this trend. When analyzing the number of business applications (i.e., starting a new business) tracked by the U.S. Census,⁸ the Professional Services sector, which contains interior design services, increased 33% in 2020 and 56% in 2021, respectively, when compared to the previous ten-year average.⁹

Increases in the number of interior design firms as well as business applications correspond to the growth seen in the ASID 2022 Economic Outlook Report.

TOTAL NUMBER OF FIRMS^{vii}



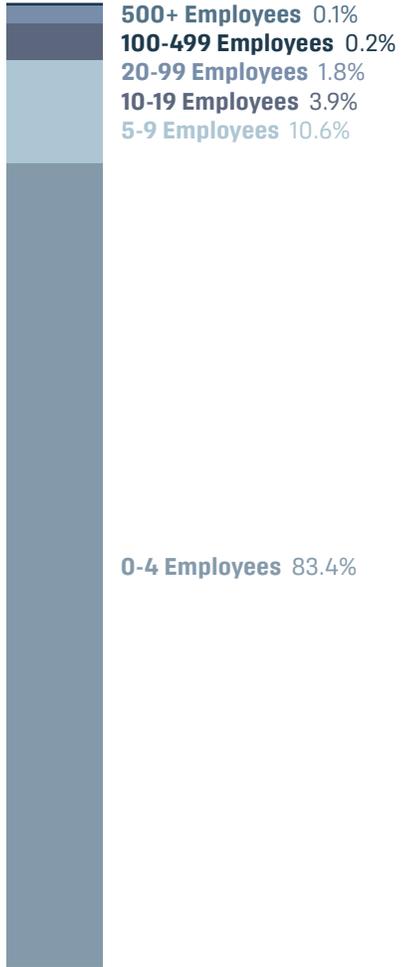
NUMBER OF INTERIOR DESIGN FIRMS IN Q3 2021

16,056

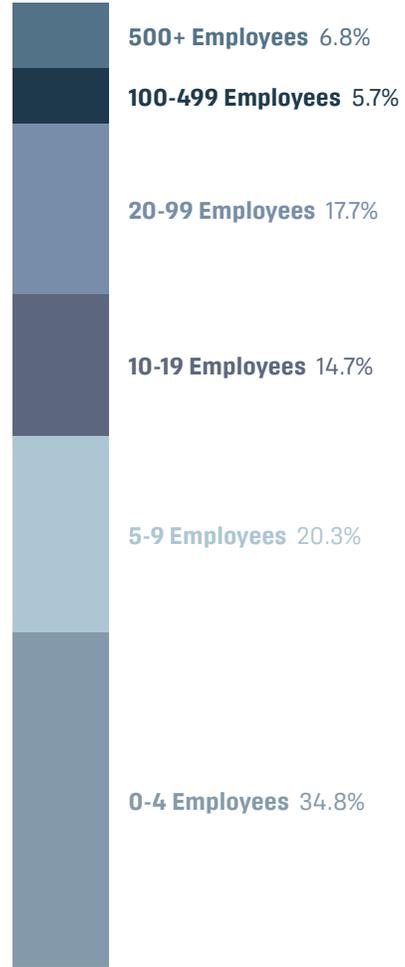
+3.7%
INCREASE
IN 2020

+6.8%
INCREASE
IN 2021

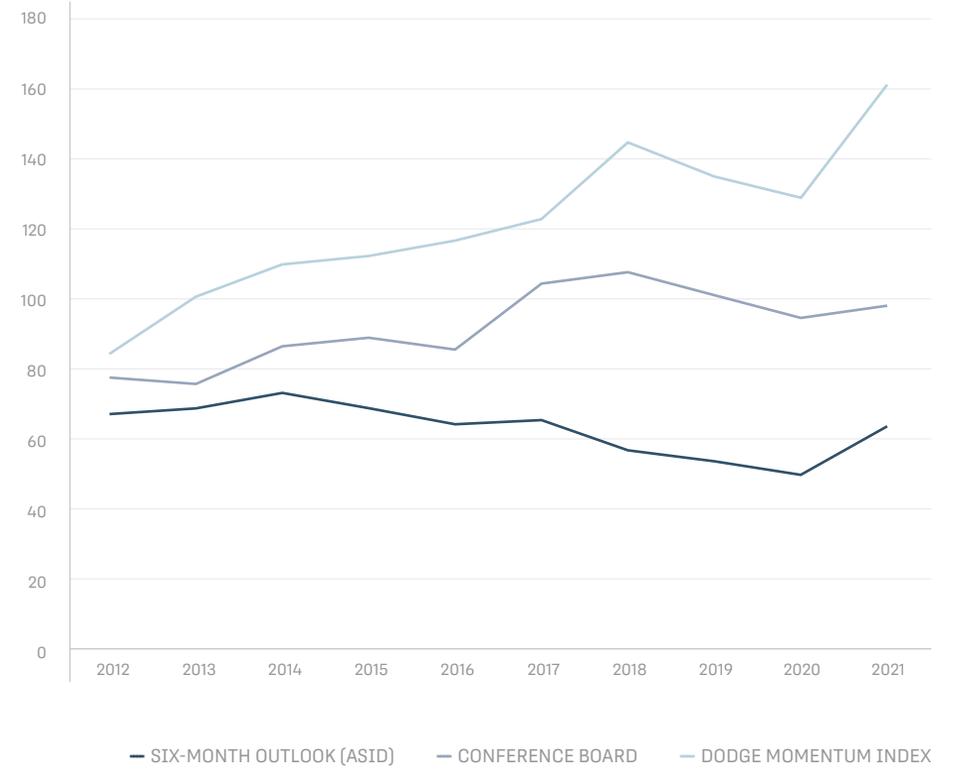
FIRM DISTRIBUTION
BY SIZE^{viii}



INTERIOR DESIGNER
EMPLOYMENT BY FIRM SIZE^{viii}



INDEX OUTLOOKS (ANNUAL AVERAGE)^{ix, x, xi}





KEY INSIGHTS

- Over 94% of interior design firms have less than 10 employees; and yet, the total number of interior designers is widely distributed across a broad range of firm sizes. Approximately 13% of interior designers work in firms with more than 100 employees.
- While consumer sentiment, as tracked by the Conference Board, has not recovered to its pre-pandemic levels, the outlook for interior design services shows resiliency and is optimistic heading into 2022, as shown through results in both the [ASID 2021 Interior Design Resiliency Report](#) and 2021 IDBI Survey.
- Overall, construction sentiment is positive heading into 2022, but residential sentiment is showing signs of a slowdown in growth. According to the National Association of Home Builders (NAHB), builder sentiment had its highest annual average in the survey's history for 2021,¹⁰ but it has noticed declines at the start of 2022.¹¹ Concurrently, the Joint Center for Housing Studies (JCHS) at Harvard University forecasts owner improvement and repair spending will top \$400 billion in early 2022, but may peak during the year.¹²
- After experiencing declines for the past two years, demand for the nonresidential sector, as seen through the Dodge Momentum Index, is robust heading into the new year, hitting highs not seen in over a decade. For more information and analysis on the residential and nonresidential sectors, reference the [ASID 2022 Economic Outlook Report](#).

INTERIOR DESIGN BILLINGS INDEX (ANNUAL AVERAGE)**



*Note: Any score below 50 represents contraction while any score above 50 represents expansion

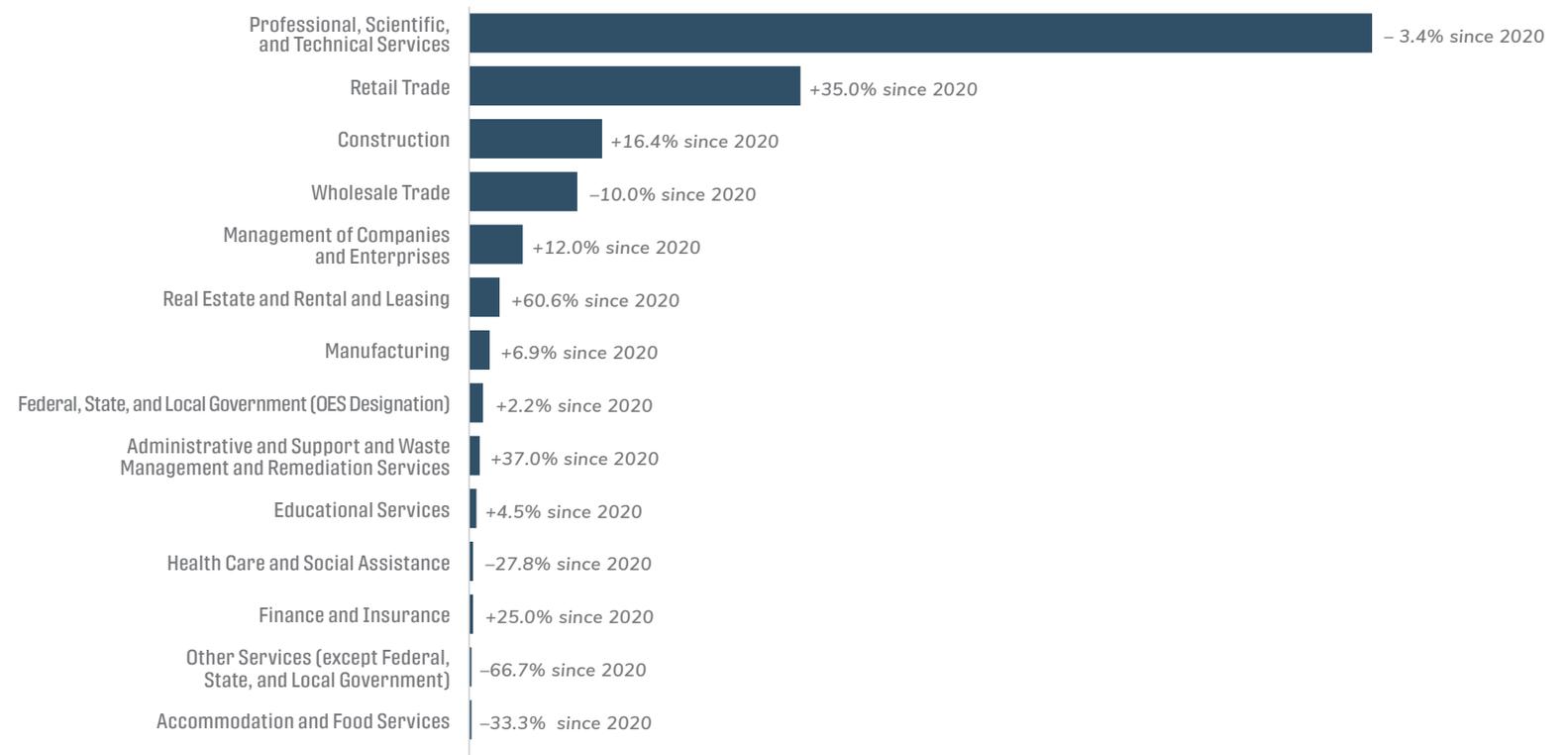
SERVICES



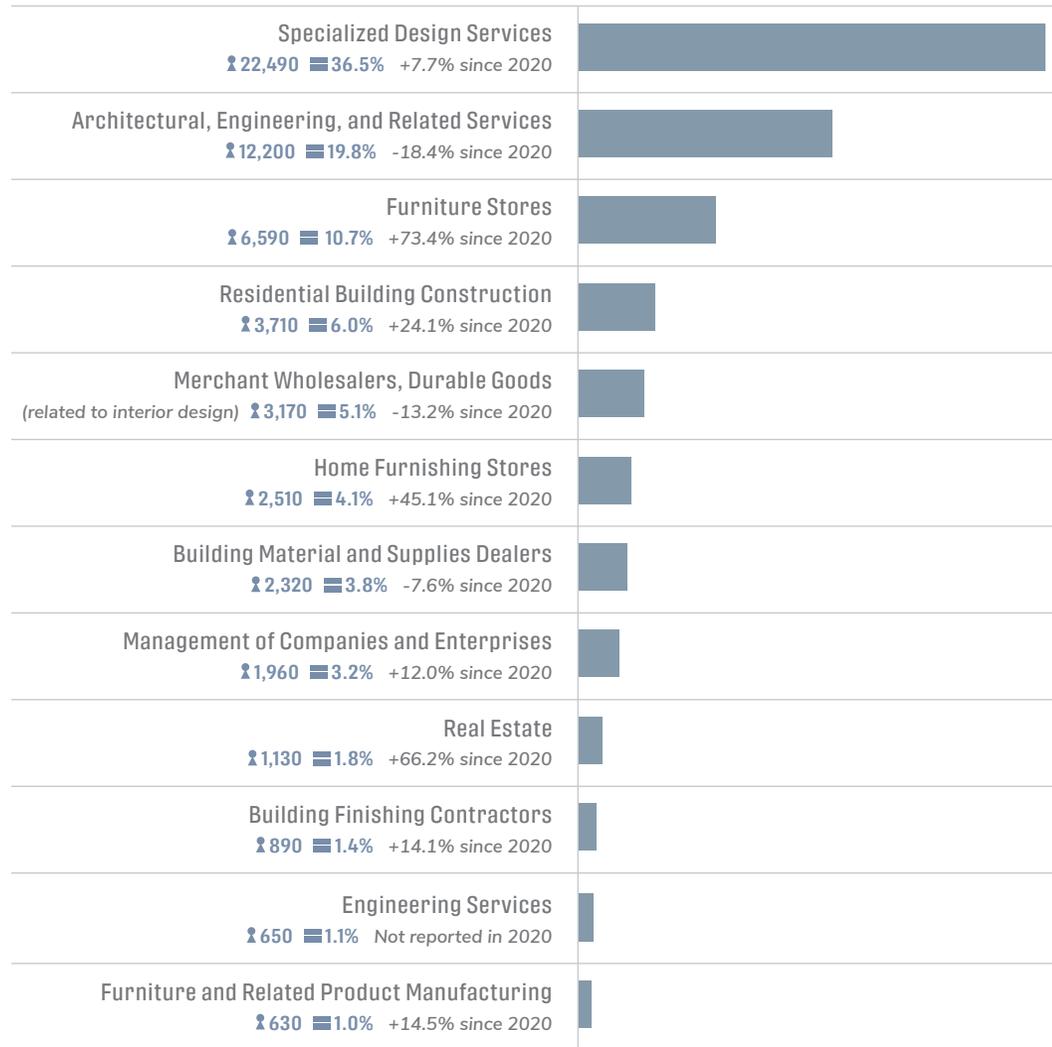
Interior designers were employed in 30 distinct types of industries in 2021, highlighting how interdisciplinary and interconnected they have been within the larger economy.

When examining the largest sectors employing interior designers, professional, scientific and technical services holds the largest percentage, but six industries had double digit growth year-over-year in interior designer employment: 1) Real Estate (61% increase), 2) Administrative & Support (37% increase), 3) Retail Trade (35% increase), 4) Finance & Insurance (25% increase), 5) Construction (16% increase), and 6) Management of Companies and Enterprises (12% increase). And yet, just three sectors (Retail Trade, Construction, and Real Estate) account for over 92% of new hires in the profession.

DISTRIBUTION OF SERVICES BY SECTOR¹

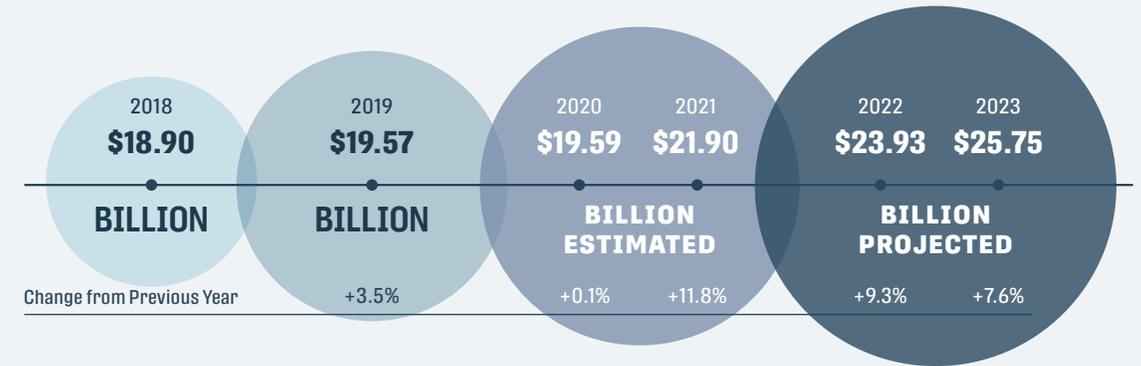


HIGHEST EMPLOYED INDUSTRIESⁱ



👤 NUMBER OF INTERIOR DESIGNERS EMPLOYED 📊 PERCENT OF INDUSTRY EMPLOYMENT

DOLLAR VALUE OF SALES^{xii}



KEY INSIGHTS

- Total dollar value of sales (i.e., revenue) increased 3.5% from 2018 (\$18.90 billion) to 2019 (\$19.57 billion) for the industry. 2020 is estimated to be relatively flat due to the pandemic, but the future looks brighter with year-over-year growth for 2021-2023.
- Specialized design services continue to be the largest industry employer, employing more than 22,000 interior designers. Architectural, Engineering and Related Services ranked second despite the largest year-over-year decrease (18%) since 2020.

CONCLUSION

The interior design profession has many reasons for positivity, experiencing growth rates for employment, firms, and revenue while reversing a downward trend in completed degrees. Salaries and wages are up year-over-year, but any meaningful gains were erased by inflation and rising costs; early indications suggest that this will be a headwind for next year as well. The outlooks for both residential and nonresidential sectors are upbeat for 2022; however, full recovery will continue to be bumpy with possible slowing growth for the residential sector.

With declining birth rates and an aging population, the candidate pool for future interior design professionals is diminishing, and more must be done to continue attracting and recruiting the best and brightest to this industry. Like a candle, the future is burning bright for the profession, but as we saw with the pandemic, progress can be easily blown out. We need to continue investing in the interior designers of tomorrow and promoting the value of design so that it can shine for many more decades to come.

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