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Mini-Presentation

SPPI for

ISIC4 Group 821

Office administrative and support activities

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1. Introduction

This paper describes in brief the industry of Office administrative and support activities, the market condition, the various classification and the services provided. In addition some issues concerning the measurement of prices are presented. The ICBS doesn't have SPPI for that industry and the information is based on a survey among companies providing a range of office administrative services such as reception, financial planning, billing and record keeping, mail services, Photocopying, document preparation and other specialized office support activities.

2. Definition of the Service

Group 821 Office administrative and support activities are a component of Section: N - Administrative and support service activities in ISIC (Rev. 4). Section N includes a variety of activities that support general business operations. Group 821 includes the provision of a range of day-to-day office administrative services, such as financial planning, billing and record keeping, personnel and physical distribution and logistics for others on a contract or fee basis. This group includes also support activities for others on a contract or fee basis, that are ongoing routine business support functions that businesses and organizations traditionally do for themselves.

This group is a part of division 82 Office administrative, office support and other business support activities includes the provision of a range of day-to-day office administrative services, as well as ongoing routine business support functions for others, on a contract or fee basis. This division also includes all support service activities typically provided to businesses not elsewhere classified.

3. Pricing Unit of Measure

The pricing unit of measure depends on the service and the pricing mechanism; services are diversified in this industry.

4 Market Conditions and Constraints

4.1 Size of the Industry

In 2014, revenue at current prices of division 82 Office administrative, office support and other business support activities Amounted to NIS 6192 million (approximately 1,720 USD Million) 9.5 percent of total revenue of section N and only 0.01 percent of total revenues of services in Israel in 2014. Group 821 *Office administrative and support activities* amounted to NIS 1014 million (approximately 282 USD million) and accounts for 16 percent of the revenue of the division.

In 2014 there were 1880 companies in *Office administrative and support activities* occupying~ 4400 employees.

Distribution of Revenue among the Classes in 2014¹

ISIC	Description	Revenue (NIS millions)	Perce. of revenue	dealers
82	<i>Office administrative, office support and other business support activities</i>	6192	100	4058
821	<i>Office administrative and support activities</i>	1014	16.4	1880
2811	<i>Combined office administrative service activities</i>	61	1	15
2819	<i>Photocopying, document preparation and other specialized office support activities</i>	953	15.4	1865

The biggest classes is *2819 Photocopying, document preparation and other specialized office support activities*, which accounts for 94 percent of 821 *Office administrative and support activities*. Class 2811 is very small and accounts for only 6 percent of total group.

4.2 Special Conditions and Constraints

Competition in *Office administrative and support activities* is very intense and the price is important factor in the demand for this service. In this business the service is more transparent than in the more complex services of professionals (lawyers, architects, etc.), so it is easier for the clients to compare tenders, and usually the firm that offers the lowest price is awarded the contract. In addition, the clients are other companies some of them big companies and the government with considerable market power to reduce prices.

5 Classification Structure and Details

The Industries classifications, NASE rev.2 and ISIC rev.4 are correspondent for office administrative and support activities.

ISIC4. Section: N - *Administrative and support service activities*

Division: 82 - *Office administrative, office support and other business support activities*

Group 821 - *Office administrative and support activities.*

Classes 8211 - *Combined office administrative service activities*

8219 - *Photocopying, document preparation and other specialized office support activities.*

ISIC Rev. 4 - CPC Ver. 2

ISIC Rev.4	CPC Ver.2	Detail
8211	<u>8594</u> - Combined office administrative services	provision of a combination of day to day office administrative services, such as reception, financial planning, billing and record keeping, personnel and mail services etc. for others on a contract or fee basis

Dealers and Revenue y according to Value Added Tax ¹

821	8595 - Specialized office support services	<ul style="list-style-type: none"> • 85951 - Duplicating services • 85952 - Mailing list compilation services • 85953 - Mailing services • 85954 - Document preparation and other specialized office support services
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6 valuation of Standards vs. Definition and Market Conditions

The formation of the sample for SPPI is quite difficult because deciding on Classification and specifying the main service services are challenging for that industry. It is hard to define the main service because services are diversified or bundled. Companies classified in that industry often engaged in other services that belongs to other industries such as printing and publishing, packaging and designing.

7 Pricing Methods

Contract pricing are applicable to these service and also direct prices for repeated services exist.