



North American Product Classification System (NAPCS)

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North American Product Classification System (NAPCS)

- Overview
- Concepts
- Process

North American Product Classification System (NAPCS)

- Canada, Mexico, and United States
- Launched in February 1999
- Initial focus is products of service industries

North American Product Classification System (NAPCS) - Objective

Develop a comprehensive, demand-based, market-oriented product classification system that complements the North American Industry Classification System (NAICS), a supply-oriented industry classification system introduced in 1997.

North American Product Classification System (NAPCS) – Principles

- Will complement, but be independent, of NAICS.
- Give special attention to service products, new products, and advance technology products.
- Identify final products.
- Strive for compatibility with international classification systems (e.g., CPC).

North American Product Classification System (NAPCS)

Initial Focus

- NAICS 51 – Information
- NAICS 52 – Finance and Insurance
- NAICS 54 – Professional, Scientific, and Technical Services
- NAICS 56 – Administrative and Support and Waste Management and Remediation Services.

NAPCS Product Development

For each Industry or Industry Group:

- Research Industry production process.
- Identify final products produced.
- Assess feasibility of measurement of products.
- Organize products into initial grouping framework.
- Incorporate needs of member agencies.

Conceptual Definition of Service Product

- What producer agrees to sell, what customer agrees to buy
- Output producer produces, not the activities to produce output.

Final Service Products

- Transacted products (sold or transferred)
- Types of Service Products
 - Simple Service
 - Composite Service
 - Service Bundle

Simple Service

- Discrete service, Output measured in physical units or counts
- Examples,
 - Haircut (barber shop)
 - Video tape rental

Composite Service

- Embodies several discrete services produced together.
- Examples,
 - Haircut (beauty salon)
 - Hotel room

Service Bundle

- Collection of discrete services, composition may vary by customer.
- Examples,
 - Engineering services
 - Integrated marketing communication

Integrated Marketing Communication

- Full range of advertising services plus marketing.
- Components of product:
 - Advertising services
 - Advertising creative services
 - Media buying
 - Marketing services
 - Public relations
 - Sales promotion
 - Marketing research

NAPCS – Operational Guidelines

- Industry expert outreach efforts.
- Industry research.
- Document the Industry production process.
- Assess feasibility of collection.

NAPCS – Formal Product Proposal

- List of final products produced by industry.
- Develop titles and definitions.
- Obtain three-country agreement.

NAPCS – Closing Notes

- Over 1700 provisional identified.
- Provisional product lists available at www.census.gov/napcs.
- Product Groupings do not represent final NAPCS structure.

Thank You!

www.census.gov
