

19th Meeting of the Voorburg Group on Service Statistics



**PPI for Car and Truck Rental
Comments**

Who ⇒ Coverage of Industry

	Status	Coverage	Remarks
Austria	Development	20%	Short-term
France	Production	Over 50%	Short-term
Sweden	Production	70%	Short-term
The Netherlands	Production	75%	Short-term & leases

What ⇒ Price

	Type of Price
Austria	<ul style="list-style-type: none">• Item pricing• Average unit value at micro-level
France	<ul style="list-style-type: none">• Contract pricing
Sweden	<ul style="list-style-type: none">• Average unit value at micro-level
The Netherlands	<ul style="list-style-type: none">• New leases• Weighted average of all leases

Price Specifications & Quality Change

	Price Specifications	Quality Change Strategy
Austria	<ul style="list-style-type: none"> • Class of automobile Car vs. light truck 4 letter code • Duration/day of renting • Consumed kilometers • Type of client • Other factors 	<ul style="list-style-type: none"> • Homogeneous car groups held constant over time. • Changes to contract details treated subjectively.
France	<ul style="list-style-type: none"> • Contract terms identified • Changes reported 	<ul style="list-style-type: none"> • Vehicle characteristics • Terms of contract

} Subjective

Price Specifications & Quality Change

	Price Specifications	Quality Change Strategy
Sweden	<ul style="list-style-type: none">• Car categories B and C• Customer k• Enterprise f	<ul style="list-style-type: none">• Car categories held constant over time
The Netherlands	<ul style="list-style-type: none">• New leases• Weighted average of all leases• Four car classes	<ul style="list-style-type: none">• Targeted mean imputation• Expert opinions• No adjustment to lease company service

Comments

	Remarks
Austria	<ul style="list-style-type: none">• Good development strategy<ul style="list-style-type: none">– Aim for transaction prices– Choose easier sub-group to start• Issues<ul style="list-style-type: none">– Coverage of long term rentals– Contradictory data
France	<ul style="list-style-type: none">• Good price index<ul style="list-style-type: none">– Contract price vs. list– Price coverage is practical• Issues<ul style="list-style-type: none">– Coverage of long term rentals– Can quality change be improved?

Comments

	Remarks
Sweden	<ul style="list-style-type: none">• Good index<ul style="list-style-type: none">– Unit price at micro-level– Good industry coverage• Issues<ul style="list-style-type: none">– Coverage of long term rentals– Can quality change be improved?
The Netherlands	<ul style="list-style-type: none">• Good index<ul style="list-style-type: none">– Treatment of leasing– Good industry coverage• Issues<ul style="list-style-type: none">– Can quality change be improved?

So what ? Value for a developer

Key Points:

1. **Knowledge of industry is essential.**
2. **Several approaches to price methodology.**
3. **Attack quality change from several sides.**
4. **Considerations**
 - **Data needs**
 - **Weighting scheme**