The 30th meeting of the Voorburg Group on Service Statistics

Session: Sector Papers
ISIC 7410, Specialized design activities

September 21st to 25th, 2015
Sydney, New South Wales, Australia
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1.- Introduction

• The measurement of specialized design activities represents a great challenge.

• Where human talent is the main asset.

• Applied in the search for solutions in any field, for example, in engineering, architecture, industry, communication and other creative disciplines.

• The Sector Paper is a summary of contributions and experience presented and discussed by Canada; Turkey; Hungary; Australia and Sweden, during the 29th Voorburg Group Meeting.
2.- Classification

While there are some differences between the classifications, mainly at the levels of disaggregation, there is equivalence in the specialized design activities:

Comparison between industry classifiers

<table>
<thead>
<tr>
<th>ISIC, Rev. 4</th>
<th>NAICS 2012</th>
<th>NACE, Rev. 2</th>
<th>ANZSIC 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division 74 Other professional, scientific and technical activities</td>
<td>5414 Specialized Design Services</td>
<td>74.1 Specialized design activities</td>
<td>6924, Other specialized design services</td>
</tr>
</tbody>
</table>
Products classification, three classifiers were presented:

- *Central Product Classification, CPC ver. 2.0*
- *Classification of Products by Activity (CPA 2008)*
- *North American Product Classification System, NAPCS*
### Statistical Classification of Products by Activity in the European Economic Community, 2008 version

- **M**: PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES
  - 74: Other professional, scientific and technical services
    - 74.1: Specialised design services
      - 74.10: Specialised design services
        - 74.10.1: Interior, industrial and other specialised design services

**CODE:** 74.10.11  
**DESCRIPTION:** Interior design services  
**THIS ITEM INCLUDES:** This subcategory includes:
- Interior design services such as the planning and designing of interior spaces to meet the physical, aesthetic and functional needs of people  
- Drawing up of designs for interior decorating  
- Interior decorating  

**THIS ITEM EXCLUDES:** This subcategory excludes:
- Architectural design services, see 71.11

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### CPA 2008

<table>
<thead>
<tr>
<th>Group</th>
<th>Class</th>
<th>Subclass</th>
<th>Description</th>
</tr>
</thead>
</table>
| 839   | 8391   | 83911    | Other professional, technical and business service  
|       | 8392   | 83912    | Specialty design services             |
|       |        | 83919    | **Interior design services**          |
|       |        | 83920    | **Industrial design services**        |
|       |        |          | **Other specialty design services**   |
|       |        |          | **Original design**                   |
### Industry Subject area

<table>
<thead>
<tr>
<th>Tile</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>5414</strong></td>
</tr>
<tr>
<td>Interior design services</td>
</tr>
<tr>
<td>Full-service interior design services</td>
</tr>
<tr>
<td>Full-service interior design services for residential buildings, except historical restoration</td>
</tr>
<tr>
<td>Full-service interior design services for non-residential buildings, except historical restoration</td>
</tr>
</tbody>
</table>

As well as industry classification, **products classification is different between each classifier, mainly at product-level**
3.- Turnover

• In accordance with the 2014 Country progress report[1], from 28 countries polled, 20 countries reported the compilation and processing of statistics on turnover for specialized design activities, **there is a good coverage and data availability.**

• In each country there are different levels of:
  
  • Aggregation,
  • Size of market and, participation in the economy, etc.,
  • Specialized design activities are sufficiently represented and have information about the number of units, employment and turnover, among other items.

4.- Service Producer Price Index (SPPI)

• **Price indices data availability is limited**, according to the 2014, Country progress report[1], just few countries calculated price index for the specialized design activities.

• Services (or products) produced by the specialized design activities are varied, the **price method** can be based on:
  • contracts,
  • hours worked by project,
  • fees or rates per consulting,
  • percentages of advancement in the project
• There is no a standard method, making it difficult to a homogeneous prices collection.

## 5.- Main conclusions

Options for developing **Turnover Specialized Design Activities**

<table>
<thead>
<tr>
<th>Category</th>
<th>Data source</th>
<th>Level of detail collected</th>
<th>Frequency</th>
<th>Cost</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best</td>
<td>Survey</td>
<td>Industry turnover</td>
<td>Annual and/or sub-annual collection (monthly or quarterly)</td>
<td>Most expensive Largest response burden</td>
<td>Due to the variety of services provided, what is to be collected in this sector must be considered carefully. Timely data</td>
</tr>
<tr>
<td>Good</td>
<td>Survey/Census</td>
<td>Industry detail only</td>
<td>Annual and/or sub-annual (monthly or quarterly)</td>
<td>Expensive High response burden</td>
<td>Industry detail may not be sufficient to identify important products. Timely data</td>
</tr>
<tr>
<td>Minimum</td>
<td>Administrative data (tax data, industry association data etc.)</td>
<td>Industry detail only</td>
<td>Annual</td>
<td>Least expensive Little or no response burden</td>
<td>Suitability for turnover measurement must be checked carefully Least timely</td>
</tr>
</tbody>
</table>
Options for developing **SPPI** Specialized Design Activities

1. By now few countries calculated Service Producer Price Indexes for Specialized Design Activities, however, a common denominator in the industry seems to be the price by:

   - Hourly charge out rates
   - Contract Projects

2. The development of an experimental or pilot survey is desirable to identify the type of products provided and pricing methods.
Specialized design activities are characterized by:

- Small and medium-sized enterprises,
- Demographics of business is another factor that influences their treatment and that implies having updated frames and directories,
- Services (products) generated by the industry are very varied, however, a system of surveys and experimental studies as well as researching pricing methods, will result in better statistics on this industry.
Thank you very much!

Comments?

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