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ROME
24 | 28
SEPTEMBER
2018

Session: Data processing, hosting and related activities (ISIC 6311)

Turnover/Output, basic economic statistics

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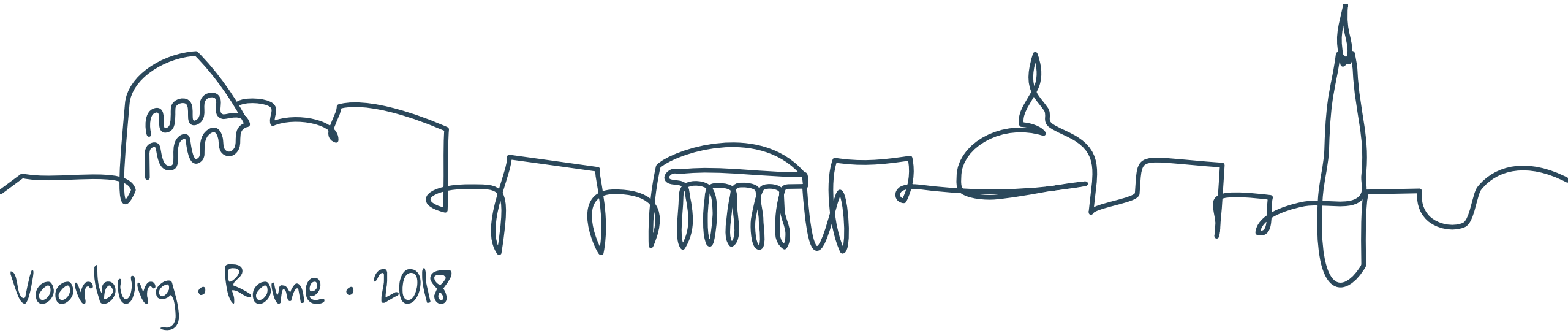
México



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Outline

1. Overview
2. Main characteristics of the industry
3. Turnover/output measurement
4. Challenges and future work
5. Conclusions

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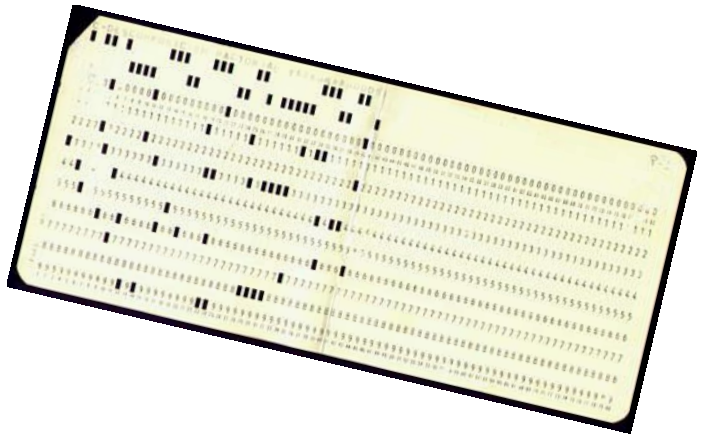
Overview

Data Proccesing Services.



…the use of **automated methods to process commercial and social data**

…to **process large volumes of similar information and data**

- ✓ Stock updates applied to an inventory,
- ✓ Banking transactions applied to account and customer master files,
- ✓ Booking and ticketing transactions to an airline's reservation system,
- ✓ Billing for utility services, etc.

In recent years, data-processing activities have not only been growing, but have become more complex in their operation and scope; today, processing are involved in practically any economic activity.

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Main characteristics of the industry

Definition of the service and classification issues

ISIC Rev. 4	Title
Section J	Information and communication
Division 63	Information service activities
Group 631	Data processing, hosting and related activities; web portals
Class 6311	Data processing, hosting and related activities
Class 6312	Web portals
NAICS Mx 2013	**Title**
Sector 51	Mass media information
Subsector 518	Electronic data processing, hosting, and other related services
4-digits 5182	Electronic data processing, hosting, and other related services
6-digits 518210	Electronic data processing, hosting, and other related services

According to the NAICS Mexico 2013, ***Electronic data processing, hosting, and other related services***, comprises establishments primarily engaged in providing electronic processing information, hosting and other related services...

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Main characteristics of the industry…

- The complexity of data processing services include many activities, making difficult **to get a clear classification** of the companies
- In Mexico **classification issues** are obtained from **Economic Census** program and the **Business Register**
- The classification principle is for the enterprise **main economic activity**, or the **activity that generates more incomes**
- Due to these, during the data analysis is very important to **revise the economic classification** in order to avoid an incorrect interpretation

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Main characteristics of the industry...

Market conditions

Main indicators for Sector 51 and Subsector 518. Economic Censuses 2004-2014

NAICS México 2013 code	Establishments			Employment			Incomes (millions Mx. pesos)		
	2014	2009	2004	2014	2009	2004	2014	2009	2004
51 Mass media information	9,338	11,354	7,586	287,617	293,550	244,679	568,883	453,229	284,793
518 Electronic data processing, hosting, and other related services	299	84	229	14,498	17,379	18,910	7,468	3,805	3,602

Source. INEGI. Censos Económicos 2014. Resultados definitivos/SAIC.
http://www.beta.inegi.org.mx/app/saic/default.aspx

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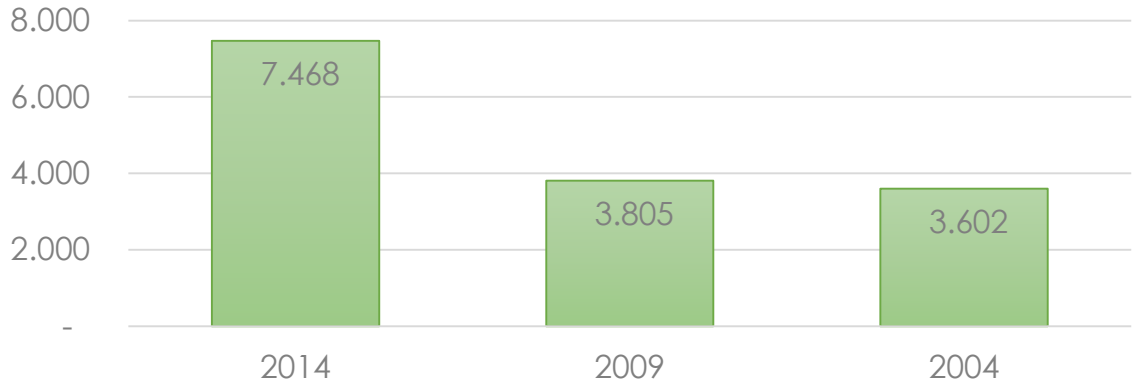
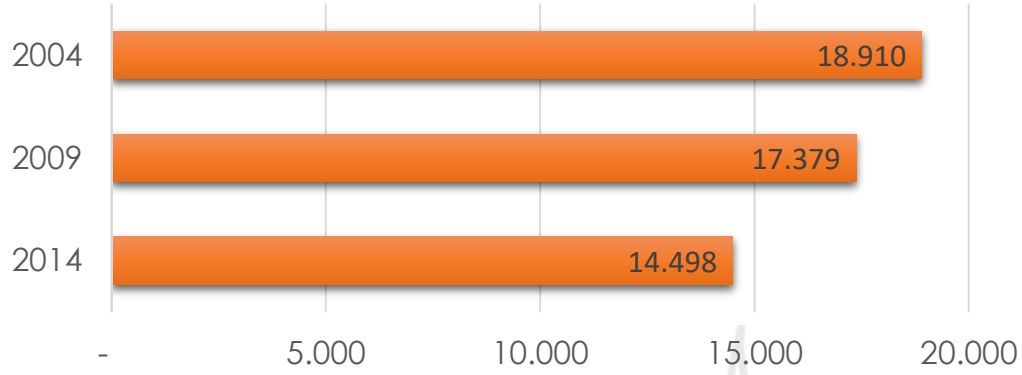
Main characteristics of the industry...

Electronic data processing, hosting, and other related services
Incomes
(millions Mx. pesos)



Electronic data processing, hosting, and other related services
Employment
(number of persons)



Source. INEGI. Censos Económicos 2014. Resultados definitivos/SAIC.
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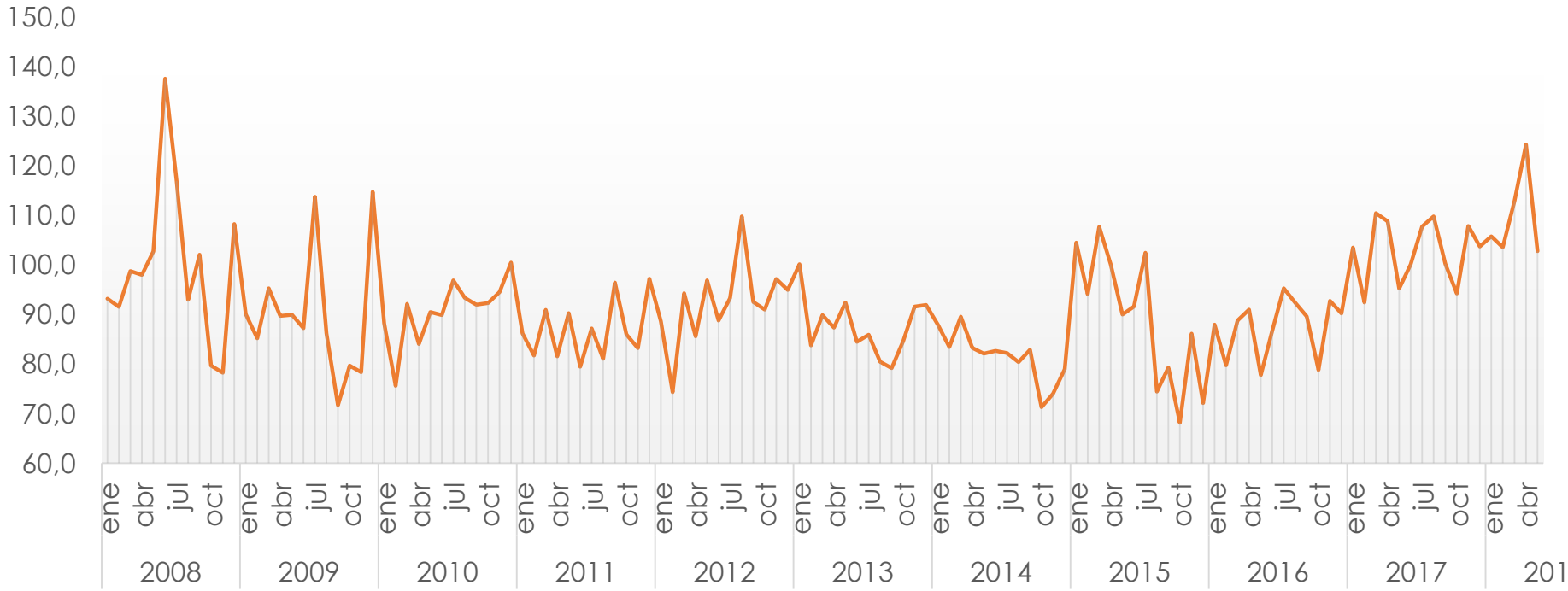
Main characteristics of the industry...

Electronic data processing, hosting, and other related services
Total incomes (for the provision of services)
Weighted Index
(2008 = 100)



Source: INEGI, Encuesta Mensual de Servicios, serie 2008=100.
http://www.beta.inegi.org.mx/temas/servicios/

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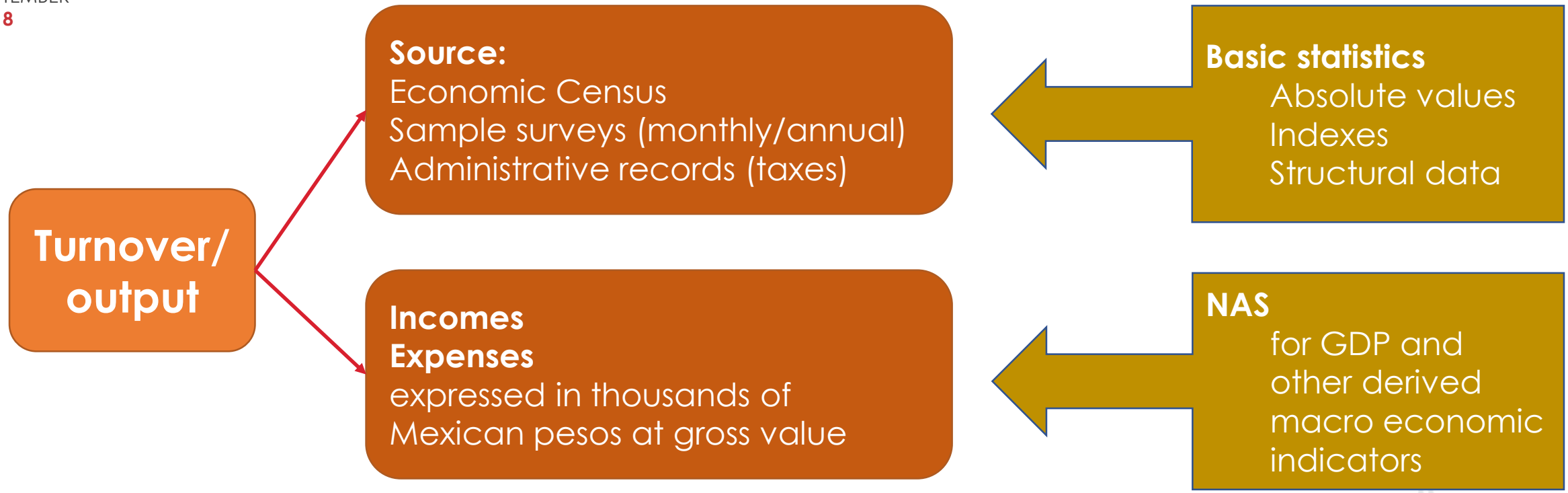
Main characteristics of the industry…

Specific characteristics of the industry

- Activity **non-intensive in persons employed**
- Hi-tech skills and programming persons
- Data processing is **a constantly changing activity**
- The impact on the **development and evolution of IT,** affect the services and products of the companies
- The activity could not be understood without, for example, **services in the cloud**, **data transfer**, **automation of productive processes**

Tunover/output measurement



Tunover/output measurement

- ✓ Economic censuses and sample surveys, have proved to be efficient methods for collection and data processing for the industry, particularly in the measurement of **turnover/output**
- ✓ However, it is necessary to study alternatives data sources, for example, administrative tax records or social security, as well as data from regulatory institutions

Challenges and future work

- ✓ In general terms, basic statistics is well aligned with SNA requirements
- ✓ However, information needs and the detail of the data are increasing
- ✓ A better and understandable industry classification and products definitions
- ✓ Include Cloud Computing services and Software as a service (SaaS)
- ✓ Explore new alternative data sources
- ✓ Clearly identify enterprises engaged in the data processing

Challenges and future work...

- ✓ The next 2019 Economic Census, will include a series of improvements to the questionnaires, which will allow a **better characterization of the data processing industry and the companies**.
- ✓ The information and data generated by the Economic Censuses will be not only the **basis for updating framework and the sample surveys**, but will also allow a **better understanding of the sector, through detailed qualitative information**.

Conclutions

- ✓ In Mexico, data processing services **is not large industry**
- ✓ But **have been growing significantly** in the last years
- ✓ Is important to **continue improving turnover/output measurements**, including cloud services and SaaS services
- ✓ Most of the improvements will begin with the upcoming **2019 Economic Censuses**, and will be reflected in the sampling surveys program
- ✓ By the other hand, alternate sources of data, such as **administrative tax records**, will be analyzed.

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Thank you very much!

Comments?

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