Instituto Nacional de Estadística y Geografía (INEGI)

The 30th meeting of the Voorburg Group on Service Statistics

Session: *Other reservation service and related activities* (ISIC 7990)

561590 Other reservation services
(turnover/output, basic economic statistics)

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I. - Definition of service being collected

According to the North American Industry Classification System (NAICS 2007, doge 561590), *other reservation services*, comprise establishments primarily engaged in make reservations at hotels, restaurants, lines of transport and entertainment. Also includes: the promotion of cities with infrastructure for congresses, conventions, fairs and seminars, and the services of exchange of timeshares, which include activities such as: promotion and marketing the right to temporarily occupy a space in time sharing of accommodation; authorization and administration of reservations; editing and submission of annual directories of developments affiliates with descriptions.

II. - Unit of measure to be collected

The **Revenues from the provision of services** is the main concept for measuring economic evolution. In censuses and surveys is captured a variety of variables related to incomes, in short-term statistics (monthly basis), for example, the following items:

- Days worked
- Personnel directly employed by the firm
- Personnel not directly employed by the firm
- Remunerations
- **Expenditures on goods and services consumption**
- **Expenditures not derived from the activity**
- **Revenues for services rendered and goods sold**
- **Revenues not derived from the activity**

While for structural statistics (annual basis), there are higher levels of disaggregation:

- Personnel directly employed by the firm
- Personnel not directly employed by the firm
- Remunerations
- **Expenditures on goods and services consumption**
- **Expenditures not derived from the activity**
- **Revenues for services rendered and goods sold**
- **Revenues not derived from the activity**
- Fixed assets
- Identification of suppliers and customers

And for Economic Census (every five years), among others variables, collect:

- Participation of foreign capital
- Organization forms
- Occupied personnel
- Remuneration
- **Expenditures on goods and services consumption**
- **Expenditures not derived from the activity**
- **Revenues for services rendered and goods sold**
- **Revenues not derived from the activity**
- **The production value**
- Stocks
- Fixed assets
- Units and transport equipment
- Innovation and research

Revenues for the provision of services are defined as:

Revenues

It includes the monetary revenue obtained by this establishment during the month of reference as a result of the lending of the service and complementary activities, as well as by concept outside to its activities.

Operating revenues

It is the amount of the revenue obtained by all the services rendered and complementary activities realized by this establishment in the month of reference. The asked for concepts are:

- Revenues by the rendering of services.

- Net sales of merchandise acquired for its resale. It is the amount of the sales of merchandise realized by this establishment. To this value it must reduce to it the amount of the discounts, reductions and returns on these sales plus the expenses realized by delivery service, if there were them.

- Revenues by other concepts derived from its activities like commissions on sales; sales of rejection materials; the amount of the repair and maintenance services lent to third parties; for the services of rent of personal property and real states; by the storage; and by use of patents, marks and franchises, etcetera.

Non operating revenues

It is the amount of the revenues received by this establishment, during the month of reference, by concept outside to its activities.

Include	Exclude
Donations; third party received dividends Interests derived from financial activities Surcharges and Foreign exchange profits and subsidies.	The amount of the loans or credits received The sale of fixed assets The partner contributions (increases to the capital).

III. – Market conditions and constraints

Condominium time share exchange services vary according to modernity, luxury, comfort, and even the expansion of the facilities; likewise, sale online ticketing for transportation and shows has increased significantly in recent years, by being faster and safer for users, which has contributed to the growth and importance of the same within the sector services. Reservation services have had a major expansion since they offer services and products via internet (web sites and apps) and not only by phone.

According to the results of 2014 Economic Census, in Mexico there are **163 establishments** engaged in *other reservation services*, representing about **3%** of the *Travel agencies and reservation services.* **Employing 4,200 people** and generating annual incomes of **2,596,919 (thousand pesos)**. In average each establishment employs 25 people.

Main characteristics of the economic units, 2014[1]

Share of number of establishments and total occupied personnel by economic activity sector, 2013

NAICS 2013 code	Number of Establishments		Total occupied personnel	
	Abs.	%	Abs.	%
5615 Travel agencies and reservation services	6,286	100%	37,026	100%
561510 Travel agencies	5,848	93%	29,932	81%
561520 Excursion and tour arrangement for travel agencies	275	4%	2,894	8%
561590 Other reservation services	**163**	**3%**	**4,200**	**11%**

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[1] Source: INEGI, 2014 Economic Census, National Results; http://www.inegi.org.mx

Share of total income for provision of goods and services by economic activity sector, 2013

NAICS 2007 code	Total income for provision of goods and services (thousand pesos)	
	Abs.	%
5615 Travel agencies and reservation services	18,777,170	100%
561510 Travel agencies	14,664,263	78%
561520 Excursion and tour arrangement for travel agencies	1,036,294	6%
561590 Other reservation services	**3,076,613**	**16%**

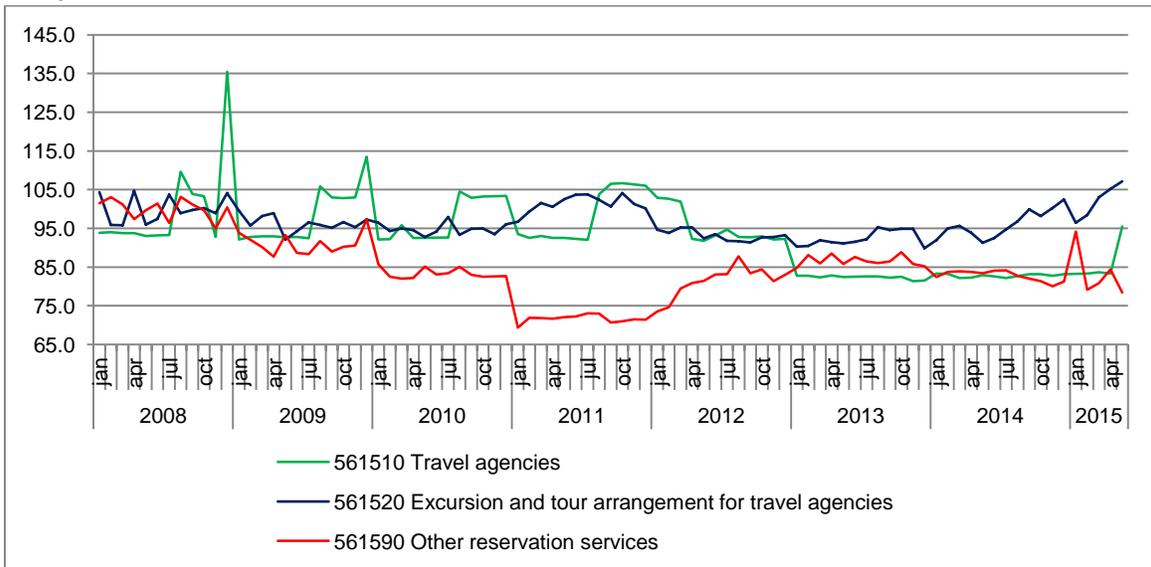## Share of total expenditure for consumption of goods and services by economic activity sector, 2013

NAICS 2007 code	Total expenditure for consumption of goods and services (thousand pesos)	
	Abs.	%
5615 Travel agencies and reservation services	11,765,388	100%
561510 Travel agencies	9,138,787	78%
561520 Excursion and tour arrangement for travel agencies	509,868	4%
561590 Other reservation services	**2,116,733**	**18%**

In addition to the structural statistics of Economic Censuses and Annual Surveys, the economic evolution of *other reservation services* in the short term, is measured by the Monthly Service Survey, follow its main results.
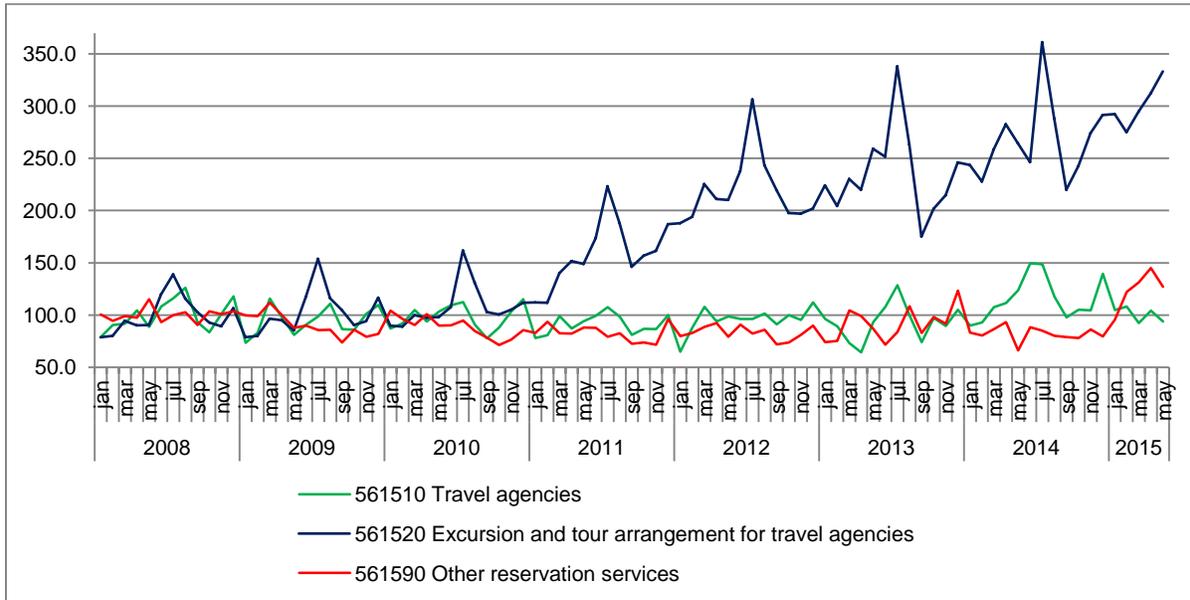
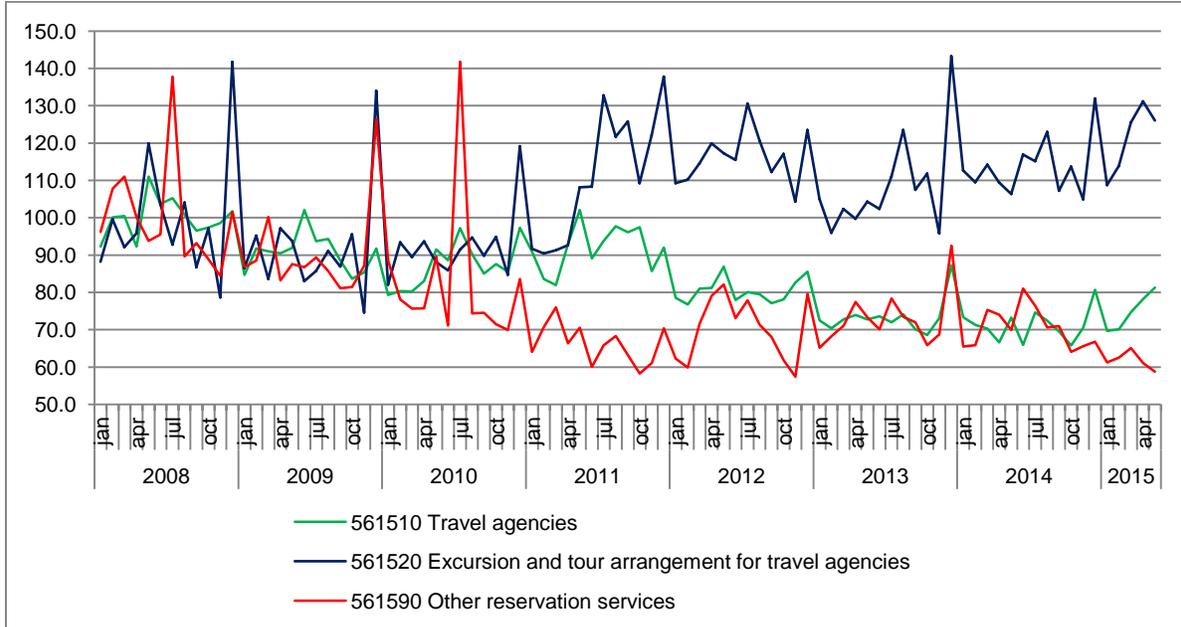**Total revenues (for the provision of services)**
Index-weighted
(2008=100)
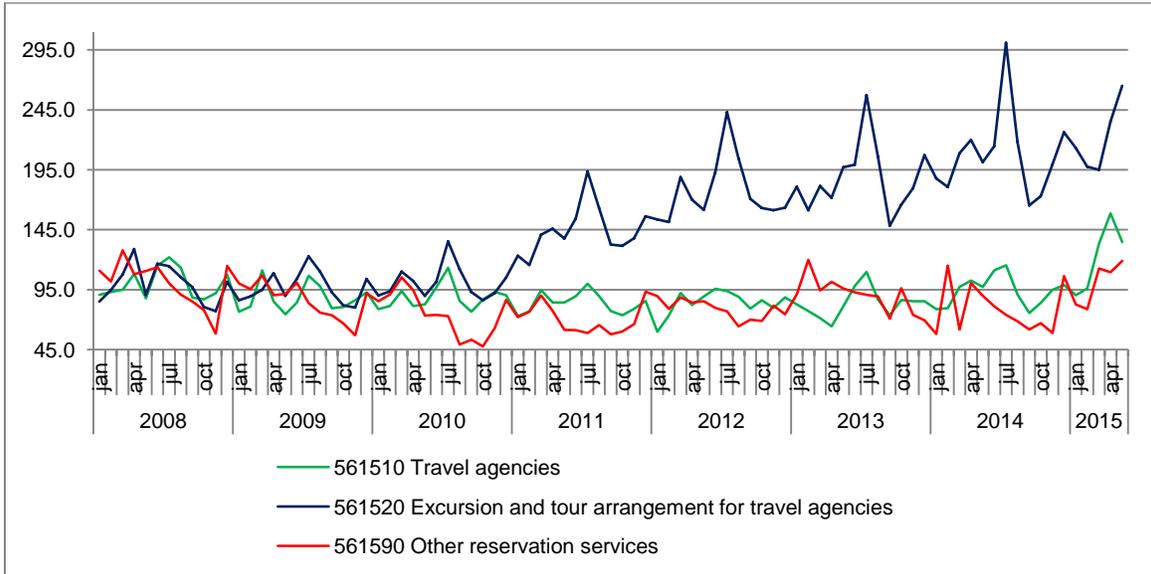
Total occupied personnel
Index-weighted
(2008=100)

Total expenditure (for consumption of goods and services)
Index-weighted
(2008=100)

561510 Travel agencies
561520 Excursion and tour arrangement for travel agencies
561590 Other reservation services

Total compensations
Index-weighted
(2008=100)

561510 Travel agencies
561520 Excursion and tour arrangement for travel agencies
561590 Other reservation services

IV. – Standard classification structure and product details/levels

The **North American Industry Classification System (2013, NAICS - Mexico)**, aims to provide a unique, consistent and updated framework for the collection, analysis and report of economic statistics, which reflects the structure of the Mexican economy. NAICS Mexico is the basis for the generation, presentation and dissemination of all economic statistics.

NAICS structure[2]

Sector 56, *Business support services, waste management and remediation services*

5615, Travel agencies and reservation services

56151, Travel agencies

561510, Travel agencies

56152, Excursion and tour arrangement for travel agencies

561520, Excursion and tour arrangement for travel agencies

56159, Other reservation services

561590, Other reservation services

Product details/levels

In services surveys (monthly and annual) are not even collected data at product level, however, the lists generated from the North American Product Classification System (NAPCS) to include a module that allows to collect data of products, mainly income and volume are being evaluated. On the other hand, 2014 Economic Census 2014 will provide detailed information on products, and these data will allow design of recruitment instruments best suited for product collection.

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[2] North American Industry Classification System, Mexico, 2013.

V. – Evaluation of standard vs. definitions and market conditions

The definitions of variables into the questionnaires of the Economic Census and Economic Surveys correspond with the concepts and definitions of the National Accounts System (NAS), as well as with the accounting concepts that the enterprises are reporting.

VI. – National Accounts concepts and measurement issues related to GDP measurement

For National Accounts estimates (Gross Domestic Product) Censuses and Surveys provides, among others, the following variables of basic statistics:

- **Personnel directly employed by the firm**
- **Personnel not directly employed by the firm**
- **Remunerations**
- **Expenditures on goods and services consumption**
- Expenditures not derived from the activity
- **Revenues for services rendered and goods sold**
- Revenues not derived from the activity
- Stocks
- **Fixed assets**
- Units and transport equipment
- Innovation and research

VII. – Turnover/output data methods and criteria for choosing various output methods

Generation of economic statistics (input for the calculation of National Accounts) and the generation of different indicators to measure economic evolution, is performed through an Integrated Surveys System in Economic Units, based on current legislation (LSNIEG, Article 22, paragraph II).

This system of surveys in economic units carried out monthly and annually, based on sample surveys; the monthly surveys covers basic variables, as employed personnel, wages, incomes and expenses, while the annual surveys covers structural variables: fixed assets, among others.

The output of *Other reservation services* is measured as turnover. Data are collected for short-term and structural statistics; turnover is measured in thousands of Mexican pesos and the statistical observation unit is the establishment. At present turnover by product is not available.

VIII. - Evaluation of comparability of turnover/output data with price index practices

Currently, products of *other reservation services* do not form an integral part of the calculation of producer price indices.