ANALYSIS OF THE TURNOVER ACHIEVED IN THE FIELD OF MARKET SERVICES PROVIDED TO THE POPULATION IN THE FIRST QUARTER OF THE CURRENT YEAR

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Abstract

The market services provided to the population by economic operators represent one of the important components of the national economy in terms of GDP formation, in addition they can also represent an indicator of the population's well-being through the level of complexity, diversity and quality of the services. Economically developed countries have as a common feature a large volume of services for the population, which are gradually developed during economic development depending on location, population structure, socio-economic dynamics and other individual factors. The analysis of the evolution of the indices of these services is a necessity for the correct assessment of the developments and trends in the economy. The objective of the authors was to highlight how the year 2024 started in this field, which is particularly important for ensuring the best possible conditions for the population. Probably the data on the basis of which the research was done are insufficient for the moment, but the analysis can be expanded by considering other more complex data sources, and based on the methodology used, based on the comparative study in time and space, to arrive at the determination clear trends of evolution, on the basis of which measures can be taken that can lead to an increase in the level of these services granted or provided, rather, to the population. The data used in this article by the authors come from official sources, obtained from the National Institute of Statistics of Romania.

Keywords: services, population, economy, indicators, seasonality, developments.

JEL classification: C10, H10

Introduction

In this article, the authors sought to highlight the evolution of a small segment as a component of the total commercial market services provided to the population. Data related to March 2024 were extracted, which were compared and analyzed with the same period last year, but also with the previous month.

In essence, the specialized literature divides the services provided to the population into two main groups, namely: public services financed from the state budget and commercial services.

Public services are provided by the state authorities through specialized institutions free of charge, with co-payment or with payment based on the regulations regarding constitutional rights, social norms, political or administrative decisions. Among those provided free of charge, which aim to satisfy the spiritual needs and cover the needs of the members of society, we can list: culture, art, education, health services, social assistance, social protection, these being offered directly to citizens, but the services considered as ordinary benefits should also be mentioned generally, these being indirectly provided to the population, having a character of national importance, such as: national defence with all its subdivisions, public order, environmental protection, etc.

All these services mentioned above are important in a developed economy. Although we might be tempted to quantify their importance, it appears that each of these is important both individually and as part of the entirety of these services.

On the other hand, it should be noted that some of these services, more precisely those related to national security, remain exclusively the responsibility of the state authorities through its specialized bodies, while the other services, part of the first category, also have an equivalent in the second category, in commercial services, those services provided to the population by commercial companies.

Commercial services are widely addressable, they are provided to individual consumers or households. Here we can mention: transport and telecommunications; travel agencies and tourist assistance; hotels and restaurants; cafes, bars, canteens and other food preparation establishments; rental of personal and household goods; financial services; legal services; accounting services; activities of press agents and last but not least the recreational, cultural and sports activities which are also found in the first category, that of the services provided free of charge by the authorities.

Commercial services for the population naturally develop in direct proportion to the overall economic evolution and for a better integration of the

data obtained from the analysis and for a better understanding of the economic context, it would be advisable to analyze them in correlation with the GDP, with the rate unemployment and the share of the employed population, but also with the price level, free time and other indicators.

Literature review

Over time, the establishment of statistical-econometric models that meet consumer requirements has been on the table of many researchers. In this sense, we mention the work of Anghelache C. and Anghel M.G. (2015) in which the authors addressed various econometric models used especially for portfolio selection. Also, Anghelache C. (2008) provides the reader with an extensive statistical treatise covering these issues related to demand/supply and the position of the consumer, these works helping us to understand the logic of the evolution of market services provided to the population. At the same time, Bernard A.B. et al. (2012) examined the role of large global corporations in the international trade of goods, and Mina-Raiu, L. (2014) highlights how the relationship between the public sector and the business environment shapes and influences economic and social progress. Other works published by: Anghelache, Partachi, Sacală and Ursache (2016) concerned the correlation between the evolution of the Gross Domestic Product and foreign direct investments with the help of econometric models and last but not least, Anghelache, Anghelache, Niță and Sacală (2015) carried out research on the evolution of foreign direct investment flows, these elements being factors that impact the volume of market services provided to the population.

Methodology

The collected data come from official sources, being obtained from the National Institute of Statistics of Romania. In data processing, the procedure for extracting the representative sample is related to the stratified survey having a simple random selection without having a return within each stratum. Its stratification variables, for a better classification, were represented by: the economic activity and the size class of the enterprise depending on the number of employees. Due to the constraints represented by the needs regarding the possibility of comparing the results on groups of homogeneous activities, as well as at the enterprise level for each period, in the category of economic operators with high economic potential considered enterprises with a number of 50 employees and above, it is researched in exhaustively, the selection base related to the echelon having a representativeness of 92.7% of all active units, calculated according to the declared turnover.

Volume indexes related to turnover are Laspeyres-type indexes, being calculated under comparable methodological and price conditions. In order to be able to express the values from the current period in the prices related to the reference period, deflator price indices were used.

To adjust the series, the Jdemetra+ software package was used, which through the algorithm used obtains the estimation of the effect of the different number of working days related to consecutive months, including the effect of the calendar as usual and the identification and correction of some extreme values that have appeared. The adjusted series with the number of working days was obtained by removing these effects from the raw series with the help of correction coefficients, instead, the adjustment of the series by the effects of working days and seasonality was obtained by removing the seasonal component from the series adjusted by the effect of working days. For the aggregate levels, the adjustment was performed by the direct method, directly adjusting the aggregate series, which may indeed lead to some inconsistencies in the data series.

Data, Results and Discussion

Based on the data obtained by the authors from the National Institute of Statistics for the period of March 2024, it can be identified that the volume of turnover related to the provision of market services to the population registered an increase in March 2024 compared to February 2024, as a gross series by 5.1 percent, and as a series adjusted according to seasonality and the number of working days, it remained at the same level.

The volume of turnover from the market services provided to the population, had an increase and if we compare the month of March 2024 with the month of March 2023, this has a slight increase in percentage value of 0.5 percent both as a gross series and as an adjusted series depending on the number of working days and seasonality with a percentage value of 1.2%.

In order to strengthen the picture of the evolution of the volume of turnover from market services provided to the population, we will use a comparison of the first quarter of 2024 with the corresponding quarter of 2023, and we note that the volume of turnover increased by a percentage of 1.1% as raw series, and as a series adjusted according to seasonality and the number of working days, this increase was at a percentage value of 1.0%.

For a better visualization of the information obtained and processed, the authors have disseminated this data in the table below where we find all three comparisons of the periods considered relevant and mentioned above.

Indices of turnover volume from market services provided to the population

Table 1

		MARCH 2024 in % of:		1.I-31. III.2024/ 1.I-31. III.2023 -%-
		FEBRUARY 2024	MARCH 2023	
Market services provided to the population – total	**B**	**105,1**	**100,5**	**101,1**
	S	**100,0**	**101,2**	**101,0**
of which:				
Hotels and restaurants	B	107,2	100,1	100,5
	S	100,7	101,9	102,4
Gambling and other recreational activities	B	99,9	105,7	105,0
	S	96,5	104,4	103,3
Activities of tourist agencies and tour operators; Other booking services and tourist assistance	B	97,0	86,2	95,7
	S	98,2	88,2	94,0
Hairdressing and other beauty activities	B	108,3	83,2	81,4
	S	100,2	83,5	82,1
Washing, (dry) cleaning of textiles and fur products	B	109,2	105,6	105,9
	S	103,9	107,9	107,1

Note: B= raw series; S= series adjusted according to the number of working days and seasonality
Source: National Institute of Statistics

Market services provided to the population in March 2024 compared to February 2024 as a gross series, regarding the volume of turnover, registered a total increase of 5.1 percent, due to the increases achieved by washing and cleaning (dry) activities of textile articles and fur products where an advance of 9.2 percent was highlighted. There were also increases in the hairdressing services and other beautification activities with an increase of 8.3 percent and in the activities of hotels and restaurants where we also find an increase of 7.2 percent. The activities of tourist agencies and tour operators contributed to the reduction of the total volume of turnover, which recorded decreases with a value of 3.0 percentage points, and the provision of gambling activities and other recreational activities, but with a smaller decrease, a value of only 0.1 percentage points.
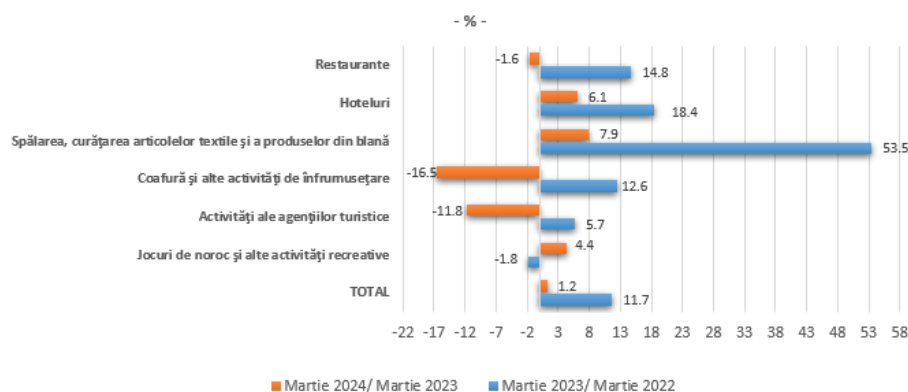
The same indicator, the volume of turnover obtained from market services provided to the population, as a series adjusted according to the number of working days and seasonality, instead remained at the same level in March 2024, compared to the previous month, February 2024.

Going to the next selected comparison interval, related to March 2024 compared to March of the previous year, i.e. 2023, we can also observe a percentage increase in the total value of the activities of market services provided to the population as a gross series. Thus, the month of March 2024 recorded a 0.5 percent higher turnover compared to March 2023, this increase being due to the increases recorded in the provision of gambling activities and other recreational activities with a percentage of 5.7%, of the washing and cleaning (dry) activities of textile articles and fur products with an increase of 5.6% and in the activities provided by hotels and restaurants, where the increase was more modest, with only 0.1%. At the same time, there were also decreases in the volume of turnover which are attributed to the sector of hairdressing services and other beautification activities where the decrease was 16.8% and the activities provided by tourist agencies and tour operators where the decrease was more significant, reaching a value of 13.8%.

The activity of market services provided to the population as a series adjusted according to the number of working days and seasonality, the month of March 2024 had an increase of 1.2%, compared to the month of March 2023. We can observe that compared to the previous comparison interval, i.e. March 2024 compared to the previous month, where the adjusted series remained at the same level, within this interval, the adjusted series had a positive value, registering an increase.

Turnover from market services provided to the population (%)
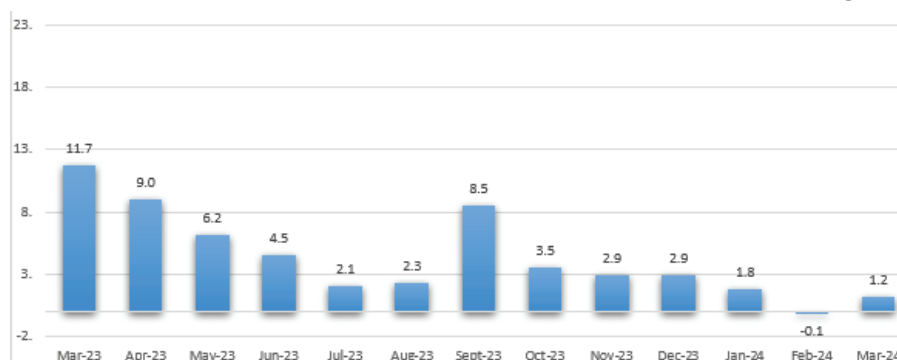*Figure 1*

However, we can still observe the existence of an increasing trend by introducing as a comparative interval the 1st quarter of 2024 compared to the 1st quarter of 2023.

Taking the indicators of the volume of turnover of market services provided to the population in gross series related to the first quarter of the year 2024 and putting for comparison with them the values of the first quarter of the previous year, 2023, an increase of the turnover by 1.1% is evident. This growth was influenced by an increase in turnover in the provision of washing and (dry) cleaning activities of textile articles and fur products with an increase of 5.9%, activities represented by gambling and other recreational activities with an increase for these of 5.0% and the activities provided by hotels and restaurants where there was a more modest increase of only 0.5%. The composition of the total turnover from the services provided to the population in gross series also included the decreases in some areas that were registered by hairdressing services and other beautification activities where the decrease was 18.6 percent and, in the activities, provided by tourist agencies and tour operators where the turnover had a minus of 4.3 percent.

Turnover from market services provided to the population

Figure 2

The activity of market services provided to the population as a series adjusted according to the number of working days and seasonality, related to the first quarter of 2024, registered a 1.0% increase in the figure compared to the similar period of 2023, i.e. also the first quarter.

Conclusions

We can conclude following the visualization of the indices and the analysis of the disseminated data that for the total volume of the domains included in the analysis there are total increases, although certain domains also recorded decreases. The upward trend is maintained indicating that the economic evolution exists supported by these data. However, considering the figures revealed in the growth rate graph, we can see a slowdown in the growth

of this indicator, even with a negative value attributed to February 2024. This decrease represents a value of only 0.1%, but it represents a decrease of this rate.

The services provided to the population, as previously stated, are also an indicator of economic development, an indicator of the population's well-being, an element of econometric modelling.

Within this article, several areas of reference have been presented, but the scope of the services provided to the population is vast and is part of the strategies regarding sustainable development. The development of services depends on multiple factors starting with the quality of execution and continuing with addressability, seasonality, continuity, cyclicality, level of necessity, degree of well-being of the population, level and type of personalization, etc.

In addition to the classification criteria listed above, other criteria can be listed, which proves that services can have a wide variety, and the economic mechanisms and legalities that are the basis of the operation of this sector are extremely complex. At the same time, the explosive development of the information sector in recent years and the perspectives existing in this sector, practically lead to the multiplication of aspects regarding the development, classification and applicability criteria of the services provided to the population. This is supported by the emergence of new needs opened up by technological evolution, practically creating a perpetual circle of development.

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