## VII Outline of the Retail Price Survey (Trend Survey)

## 1 Purpose

The Retail Price Survey (RPS) has been conducted since June 1950, aiming at the acquisition of basic data on the consumer price index and other basic data on prices by conducting the monthly survey on retail stores, establishments of service providers, and related institutions throughout the nation to understand the retail prices of commodities, service charges and house rent all of which are important for the consumer living.

## 2 Survey system and survey areas

The survey is divided into two categories; price survey and rent survey. The survey is conducted by the enumerators, prefectural staffs and the Ministry of Internal Affairs and Communications depending upon the items to be surveyed.

### (1) Price survey

The price survey is conducted in 167 cities, towns and villages (municipalities) throughout the nation. Some "price survey areas" are set up for each municipality to investigate the retail prices of commodities and service charges. Part of items is surveyed not in the survey area but throughout the nation, prefecture, or municipality.

The retail stores, establishments of service providers and related institutions are selected for each item in the order of sales amounts in the price survey area or in the survey area <sup>59</sup>.

#### (2) Rent survey

A "rent survey area" for privately rented houses is set for each of the same municipalities for the price survey. Rent and other information for privately rented houses located in the rent survey area are surveyed. The rent survey area is changed every five years in principle.

For the public subsidized housing and houses owned by the Urban Renaissance Agency, all of the same municipalities for the price survey are surveyed.

### 3 Survey items and specifications

The quality, performance, and characteristics (features) are specified for every survey item (this is referred to as "basic specification"). The basic specification is revised as required by taking into account the changes in sales, etc. <sup>60</sup> If the survey is impossible or difficult because the commodities applicable to basic specification is not sold in a surveyed municipality, a specification which sells well in that municipality (municipal specification) is alternatively selected according to the actual circumstances in the municipality.

<sup>&</sup>lt;sup>59</sup> The stores of "sales volume is large," selected by item, are revised as required. For example, a discount retailer may be included in the survey if it is a store having large volume of sale in the area.

<sup>60</sup> The revision of the basic specification is announced as required in the website of the Bureau of Statistics of the Ministry of Internal Affairs and Communications.

#### 4 Survey date

The survey of the items subject to monthly survey by the enumerators is conducted on Wednesday, Thursday, or Friday of the week in which the 12th day of the month is included. Part of items in fresh fish & seafood, fresh vegetables, fresh fruits, and cut flowers are surveyed three times a month, at the beginning, middle, and end of the month, that is on Wednesday, Thursday or Friday of the weeks in which the 5th, 12th, and 22nd of the month are included.

The survey of the items subject to monthly survey by prefectural staffs or the Ministry of Internal Affairs and Communications is conducted on Friday (on Sunday for the admission fees to theme parks) of the week in which the 12th day of the month is included.

# 5 Survey method

In the price surveys, the enumerators visit stores to survey retail prices of the survey items and service charges, etc. Bargain prices in short-term bargain sale (within 7 days), clearance sale and garage sale, monthly installment sale, and second-hand goods sale are not included.

The rent survey includes the monthly rent and total floor space of housing. For house rent (private), the rent survey areas are divided into three groups, and each group is surveyed once every three months.

## [Remark 1] Handling of indirect taxes

Retail prices and service charges surveyed in the RPS contain indirect taxes such as consumption taxes into the purchase price of goods and services. When the tax rate revise for the Consumption Tax, for the goods and services for which the revised consumption tax is not applied for a certain period of time according to the law or regulation, their prices are surveyed based on the rate of tax for which a respite is granted, considering the actual selling prices.

## [Remark 2] Specifications

The survey specification is set to allow the specified products to be surveyed in a consistent way throughout the nation. The specifications are setting in a various way: a unit of capacity for bread, meat and vegetables, or trademarks of several hot-selling lines of products such as household goods. Some survey specifications include "trademark," "model number" or "part number," etc. (e.g., in beer and home appliances). In that case, we provide lists of products applicable to the function, standard, capacity or specifications designated in the survey specification to the enumerators. The product not included in this list of products may be surveyed if it is a new product and meets the survey specifications. In the RPS, specifications are prepared to meet both conditions of representativity of price fluctuations and uniformity in quality according to characters of each item.

## [Remark 3] Revision of specifications

Corporate strategies and consumption behaviors of households constantly change, and the hotselling line of products vary with time due to product renewal, flow in the market and changes in tastes. For example, when a product with improved quality is marketed and the old product is no longer manufactured, the target needs to be changed.

In the RPS, availability of products is always checked and market share of all items is confirmed several times a year. Direct interview of manufacturers is also conducted for revising the survey specifications (specification revision) in time to ensure the specifications that represent the reality.

# 6 Number of collected prices

As shown in the table below, six item categories are determined for each survey item and specification in consideration of the factors such as the buying behavior of consumers and price variations among stores.

Item category	Description			
A	Items consumers buy mainly at their neighboring areas, and the prices differ among areas			
В	Items consumers buy mainly at representative commercial areas or large retail stores, and the prices differ among outlets			
C	Items whose price differences are comparatively small among areas and outlets			
D	Items of a single price or negligible price differences within the prefecture or the municipality			
Е	Items of a single price or negligible price differences throughout the country or the districts			
S	Items whose prices are surveyed at any place of the municipality without fixed survey districts			

Municipality	No. of collected prices by item type		
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Ku-area of Tokyo	42	21	12
Osaka-shi	12	12	6
Yokohama-shi, Nagoya-shi, Kyoto-shi, Kobe-shi	12	6	2
Sapporo-shi, Sendai-shi, Saitama-shi, Chiba- shi, Kawasaki-shi, Hiroshima-shi, Fukuoka- shi, Kitakyushu-shi	8	4	2
Niigata-shi, Shizuoka-shi, Hamamatsu-shi, Sakai-shi, Okayama-shi, Kumamoto-shi	6	3	2
Sagamihara-shi	4	3	2
Cities with prefectural government other than above	4	3	2
Cities with population of 150,000 or more	4	3	1
Cities with population of 50,000 to 150,000	2	1	1
Cities, towns and villages with population of less than 50,000	1	1	1

The number of collected prices in D, E and S is separately determined for each survey item.

 $\boldsymbol{A},\,\boldsymbol{B},\,\boldsymbol{C},$  and  $\boldsymbol{S}$  are surveyed by the enumerators,  $\boldsymbol{D}$  by the prefectural staffs,

And E by the Ministry of Internal Affairs and Communications.