Retail Sales Index

2010 Triennial Review

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Editor: Claire Grant
Office for National Statistics
A National Statistics publication

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# 19. SURVEY CONTROL REVIEWS

The need to review surveys is a requirement of the Prime Minister’s Instructions for controlling government statistical surveys. These instructions underline the need to review all regular surveys of business and local authorities with an emphasis especially on: the need for the information (evaluating the reason for conducting the survey); the conduct of the survey; costs; respondents’ views; users’ views; and options for change.

There are two types of review, depending on the frequency of the survey. Surveys that are conducted on a monthly or quarterly basis are subject to review every three years (triennial review) and surveys that are conducted less frequently than quarterly, e.g. annual inquiries, are subject to review every five years (quinquennial review).

The Quality, Methods and Harmonisation Tool (QMHT) provides a template for analysis of respondent and user information and a method of self-evaluation by the area conducting the survey.

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<tr>
<th>1</th>
<th>Name of the survey or output being evaluated</th>
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<tr>
<td>Monthly Business Survey - Retail Sales Index</td>
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<th>Date when review was begun</th>
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<th>Name of the person completing this</th>
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<tr>
<td>Claire Grant (SEO), Kate Davies (Grade 7)</td>
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<tr>
<th>4</th>
<th>Which department/organisation do you work for?</th>
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<tr>
<td>The Office for National Statistics, Business Indicators and Balance of Payments Division</td>
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<th>5</th>
<th>Your contact details</th>
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<tr>
<td>Email</td>
<td><a href="mailto:claire.grant@ons.gsi.gov.uk">claire.grant@ons.gsi.gov.uk</a></td>
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<td>Telephone</td>
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<th>6</th>
<th>If this survey/output is produced jointly with another department or organisation please state which other department(s)/organisation(s) this</th>
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### Key facts

<table>
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<tr>
<th>Question</th>
<th>Answer</th>
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<tr>
<td><strong>7 When did the survey being reviewed commence?</strong></td>
<td>01/09/1930</td>
</tr>
<tr>
<td><strong>8 Is the survey statutory or voluntary?</strong></td>
<td>Statutory - Statistics of Trade Act 1947</td>
</tr>
<tr>
<td><strong>9 What is the periodicity of the survey?</strong></td>
<td>Monthly</td>
</tr>
<tr>
<td><strong>10 Please give a summary of the information that the survey collects.</strong></td>
<td>The Retail Sales monthly survey collects total retail turnover and total internet sales from the 5,000 businesses within the population. In addition a sub sample or panel of 31 of the largest retailers in GB are sent the Monthly Commodity Survey where they are also asked to provide a commodity breakdown on a monthly basis. On a quarterly basis the questionnaire also asks a sub sample of between 20-25% to return employment figures which are used by the Short Term Employment and Vacancies Results Team. This triennial review questionnaire was sent to businesses selected for the quarter month, December selection, and thus includes businesses who received the employment question, also included were those retailers that form the panel for the Monthly Commodity Survey.</td>
</tr>
<tr>
<td><strong>11 What is the target population of the survey?</strong></td>
<td>All live retail businesses in GB.</td>
</tr>
<tr>
<td><strong>12 What is the sample size of the survey?</strong></td>
<td>5,000 per month, that is 60,000 per year.</td>
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</table>
Which sampling frame is used for the survey?

- Interdepartmental Business Register (IDBR)
- Pay As You Earn (PAYE)
- Postcode Address File
- Electoral Register
- Experian
- Reference list
- Another survey's sample (please specify)
- Other (please specify)

What are the anticipated and achieved response rates for the latest period for the survey?

- Anticipated: 60% of questionnaires (that is 3000 questionnaires on a monthly basis)
- Achieved: 63.2% of questionnaires (that is 3160 questionnaires on a monthly basis)

Who are the users of the survey?

The main internal ONS user is National Accounts. RSI feeds into estimates of Gross Domestic Product in two ways. Firstly it feeds into the services sector when GDP is measured from the output approach. Secondly it is a data source used to measure Household Final Consumption Expenditure which feeds in GDP estimates when measured from the expenditure approach. The main external users of retail sales data include The Bank of England, Her Majesty's Treasury and the Department for Business, Innovation and Skills. The Scottish Government use the data to compile estimates of Retail Sales and Gross Domestic Product for Scotland. Eurostat use the UK retail sales data as a comparison with other Economic Union businesses indicators. Externally retail sales data are also used by journalists, academics, analysts, investment companies and private individuals.

What are the key publications that the survey contributes to?

The retail sales survey data is the main source for the monthly publication of the RSI Statistical Bulletin (incorporating the Statistical Data Monitor SDM28). It also feeds into the first estimate of GDP or preliminary estimate; the second estimate: Output, Income and Expenditure and the third estimate: UK National Accounts. RSI data is also featured in compendia publications such as the Monthly Digest of Statistics and Consumer Trends.

What is the cost to business of the survey?

£51,977.46 (monthly)

What is the cost to government of the survey?

The estimated cost to government for the Retail Sales Inquiry is £502,286 (source UK Statistics Authority assessment 2011, this actual GAE figure covers both BDD and RAP costs) this includes direct staff costs, IM provisions and indirect costs such as heating and lighting.
Background and progress since the last review
This section gives some background to the survey and states the progress made in improving the survey since the last review.

19 Brief history of the survey

In September 1930, the Bank of England, at the request of the Retail Distributor's Association began compiling experimental monthly retail statistics. Over time the scope of the inquiry was extended as it gained support from the trade representatives until 1947 when it was taken over by the Board of Trade. In 1954 the inquiry changed from a commodity based analysis of sales to a 'kind of business' and continues in this form to the present day. In 1974 the survey transferred to the Business Statistics Office (now the Office for National Statistics). Concern about the quality of Government statistics led, in 1988, to a Cabinet Office scrutiny known as the Pickford Review. Following the review, the Chancellor of the Exchequer announced two packages of measures to improve economic statistics. In November 1991, under Phase II of the review, all monthly retail trade inquiries were made statutory under the Statistics of Trade Act 1947 and the monthly retail sales sample size was increased from 3,500 to 5,000 (to meet quality requirements). In 1996 employment questions previously collected from the Short Term Employment Survey transferred to the retail inquiry and collected every third month. In 2003 a methods and systems review of the retail sales was undertaken, the largest investment of methodological development for the RSI in twenty years. This ensured that retail sales methods are appropriate and incorporate standard methods as used for other ONS business surveys. Recent years have also seen further developments such as, chain-linking, the move to the Standard Industrial Classification 2007 (SIC07), the collection of internet retail statistics, seasonal adjustment reviews, new editing and validation methodology and the adoption of the Central ONS Repository for Data (CORD). The Monthly Commodity Inquiry (MCI), which is a sub set of RSI, commenced in January 1993 following pressure from the retail industry, in particular the British Retail Consortium for more up-to-date commodity based information.

20 What was the date of the last published survey review?

The last RSI Triennial Review was published in 2007 and the report is available on the ONS website.

21 What were the recommendations from the last review?

The main findings and recommendations of the last review were:-
1. That the Retail Sales Index continues as a monthly series to meet the needs of its customers, both internal and external.
2. Review the content and format of the retail publications and documentation with a view to streamlining them - Done
4. Lower level seasonally adjusted estimates - Done.
5. Produce value and volume seasonally adjusted commodity series; - this has not been done but is on the future work plan.
6. Produce trend estimates: - There has been discussions over which estimates to use and these discussions continue.
7. Development of a quality measure of reliability in relation to sampling variability, - Done.
8. To continue to publish all data free of charge on the National Statistics website - this is still the current process.
Have all the recommendations been implemented?

Yes □  No □  (Please explain why & give details of progress made)

1. Estimates as cash values - this was made available 19 May 2011.
2. Value and volume seasonally adjusted commodity series; this has not been done, due to development work of a higher priority but is on the work plan going forward.
3. Trend estimates: There has been discussion over which estimates should be published and these discussions continue.

Have other changes been made to the methodology of the survey since the last review?

Yes □  No □  (Please describe changes including the impact on respondent burden)

Data Collection - most of RSI data is now returned via Telephone Data Entry (TDE). This includes some validation which can reduce the recontact rate, but the respondent usually collects the figures, writes them on the questionnaire, then uses the telephone to return them, thus this last stage can increase the burden. Selective editing was adopted June 2010, the first time clearance has increased, meaning less data needs to be queried with contributors. RSI is now under SIC07 and as part of that work the sample was re-allocated, additionally the criteria for cell 5 was changed from 10-99 employment and 40M+ turnover to 10-99 employment and 60M turnover, reducing the numbers selected very slightly. Additionally as part of the move to SIC2007 we adopted employment sub-sampling every quarter, previously all 5000 businesses selected that quarter would have also had the employment question, now about 20-25% per cent of the monthly sample, that quarter get the employment question. For SIC07 the sample was re-optimised. RSI has also moved to chain-linking. Further RSI has moved to using the Central ONS Repository of Data (CORD) to produce the estimates X-12-Arima for seasonal adjustment. RSI has also rebased the indices to 2006=100 to align with national accounts outputs.
24. Do National Statistical Institutes (NSIs), in other countries run a survey similar to this one?

Yes ☐ (Please give brief details below)

No ☐ (Please go to question 26)

Annual Retail Trade Survey. Advanced estimates are published approximately two weeks after the period to which they refer. New Zealand - had a monthly retail trade survey based on all retail geographic units operating in NZ. Results are published approximately 6 weeks after the calendar month to which they refer. Data are published as an overall total and as six regional estimates, in terms of turnover (in index form), trend, stock levels, deflators and their relative contributions to the totals. Seasonal adjusted estimates are produced using X-12-ARIMA. From March 2011 this output has moved to quarterly. The quarterly sample is based on approximately 52,000 retail outlets in NZ.

Around 2,500 enterprises (between 8,000 and 8,500 GEOs) have been selected in the RTS postal sample. The postal sample is supplemented by GST data representing smaller retailers, approximately 26,400 enterprises (26,500 GEOs). The target response rate is 85%.

Australia - has a monthly retail business survey of all employing businesses with at least one retail unit. Australia publishes results approximately five weeks after the end of the calendar month to which they refer. Data are published as an overall total, by state and eight territories, in terms of turnover (in $millions), trend, and chained volume measures. Seasonally adjusted estimates are produced using ARIMA modelling. About 500 'large' businesses are included in the survey every month, while a sample of about 2,750 'smaller' businesses is selected. The target response rate is 95%.

Canada - has a mandatory monthly retail trade survey that collects information on sales, inventories and the number of retail locations by province and territory from a sample of retailers. The MRTS sample consists of 10,000 groups of establishments. Data collection starts 7 days after the end of the reference month and continues for the duration of that month. The target response rate is 100%. Results are produced approximately eight weeks following the reference month and are published as a total for Canada, 19 trade group totals, and 13 provincial/territorial units. These are available as seasonally and non-seasonally adjusted series. Data are seasonally adjusted using X-11-ARIMA.

25. How far does your survey adhere to the same broad principles and standards as the other NSIs’ surveys? Include any key differences.

The classification structure is the same across the EU, the regulation is set up to try to ensure harmonisation across member states. Trading activity in the retail industry is set up on a weekly basis, however some are monthly. Further harmonisation could be achieved by adopting calendar month reporting. The UK has one of the fastest retail sales production rounds and is up to date with the base year, usually waiting for others to catch up.
26. Are there any lessons that can be learnt from other countries?
   Include any areas where further harmonisation would provide benefits.

   Moving to calendar month reporting will provide greater harmonisation and this is something that RSI are looking into.

Users and uses
This section investigates the uses of the survey and user views.

27. What is the objective for the survey that justifies its existence?

   Used to produce information needed for:
   - making key national or local government decisions
   - monitoring national or local government issues
   - delivery of public services
   - satisfying EU regulations
   - European decision-making or monitoring requirements
   - another purpose

   Please tick all that apply:
   - [ ]

   Another purpose - Decisions by businesses themselves on the current economic climate and market conditions.

28. Are you able to justify the periodicity of the survey?

   Yes, we have confirmed recently that users/sponsors have a specific need for data at this periodicity
   - [ ]
   Not really, but the reasons we collect the data this frequently are given below
   - [ ] (Please specify below)
   - [ ]
   - [ ]
   - [ ]
   - [ ]

   The RSI is a key economic indicator and one of the earliest short-term measures of economic activity. We know that it is used to estimate consumer spending on retail goods and the output of the retail sector, both of which are used in the compilation of the national accounts. Ambassador users, confirmed in the recent User Engagement Day (1/3/2011) that it is still a key economic indicator required on a monthly basis. There is a statutory requirement for monthly retail sales figures.
29 Are you able to justify the presence of every question asked?

Yes, users have a specific need for every question asked
Yes, but some data are needed purely to verify other data
Yes, but some questions are there only to improve questionnaire focus and flow
No, and have no current plans to address this
Don’t know
No, but are aware some data may not be needed (Please specify below which questions are not)

The monthly turnover figure is used in the calculation of the index. The Monthly Commodity Survey also asks for commodity breakdowns, this is used in the Statistical Bulletin (and previously the Statistical Data Monitor SDM28 to show the distribution of products) and will be further developed in the future, as this is strongly supported by ambassador users. The value of sales made over the internet is also used to calculate the percentage of internet sales, this is undergoing further development and is on the future work plan and is another key development championed by users of the data. The employment question, asked quarterly for a sub sample of businesses is collected for Business Statistics Division.

30 Where do you hold the information on justification for questions?

In a database or registered file
Somewhere other than a database or registered file
Nowhere

31 Have other existing sources of similar information, including administrative or management data, been examined to ensure that the survey is still required?

Yes - in the last five years (Please give approximate date below)
Yes, but not in the last five years (Please say below if you have any plans to do this)
No
Don’t know

Designing sources have, and continue to, investigate the use of VAT data from HM Revenue and Customs for all business surveys that collect turnover data. VAT could only replace the total retail turnover question and not the commodities, internet or employment questions. There would also need to be a thorough investigation into whether the definition of turnover would be correct, i.e. would the VAT figure supplied cover only retail turnover.

32 If other sources have been considered what were they and why were they unsuitable?

VAT data, only for the total turnover variable, is considered to be unsuitable at present due to the time it would take to be delivered. Currently 30 days to receive a similar response rate as we achieve by closedown.
What do each of the users of the survey need the data for?
Comment on all user groups

Government users:
1. Internal ONS users are National Accounts as RSI feeds into estimates of Gross Domestic Product in two ways as discussed previously.
2. The Bank of England (BoE) use the monthly retail sales data as an early indicator of economic growth, which inputs into their assessment of the current state of the economy. These assessments are then used by the Monetary Policy Committee (MPC), in conjunction with other lead indicators, to decide on the required level of interest rates.
3. HM Treasury (HMT) use the information to inform Ministers and officials of the performance of the retail goods market, which can provide early indications of consumer confidence and changes in consumption more generally.
4. Business Investment and Skills (BIS) Dept use the retail sales data to provide pre-release briefing, and general macroeconomic briefing. It is used as a partial indicator of consumer spend, as well as an indicator of industry performance. They use the internet sales series as one of the measures reflecting growth in e-commerce, as they have a policy lead in ICT. The frequency of information meets their needs. They use the following retail publication to support their analysis; retail sales statistical bulletin, value data non-seasonally adjusted, volume data seasonally adjusted, type of store, level estimates and growth rates.
5. Scottish Government use RSI data to create a Scottish Quarterly Retail Sales Index and Scottish GDP estimates.

Non-government users:
1. Within Eurostat, the survey statistics are used in business cycle analysis to forecast quantitative variables; to construct synthetic leading and coincident indicators; as well as for syscall diagnostics and turning point detection.
2. Investment companies use retail sales data to determine where to invest in the retail sector.
3. The Media, including Dow Jones, Reuters, the Press Association, Bloomberg, Thompson, World Business Press and Market news were asked to comment on the publication handed out during a recent press briefing. Overall the media were satisfied with the documentation and found the briefing beneficial. Most concentrated on the monthly volume seasonally adjusted series as this was deemed the most relevant and newsworthy, although it was recognised that this was more volatile.

How many users from each main user group did you approach for this review?
The UK Statistics Authority Assessment of RSI sought user views in October 2010. User views were sought from 3 Government Departments, 3 other public bodies, 4 businesses in the retail and financial sector, and 3 other non defined users, this brought to total to 13. Additionally online feedback was sought (using survey monkey) to which 26 responses were received.

How many responses did you receive to the user questionnaire for this review?
User questionnaires as despatched by The UK Statistics Authority when undertaking their assessment of RSI, were used and seven users comments have been passed to RSI for use in this triennial review. These seven stated they were happy to pass their comments onto RSI. Plus the 26 online feedback questionnaires from Survey Monkey.
When invited to comment on the survey, what points did your users make?

1. Non-attributal comments
   - Concern about the lack of consistency between RSI and National Accounts regarding SIC. The user acknowledge the paper highlighting the move to SIC07 as very clear but maybe not the most accessible, and that it would have been better had it been part of the statistical bulletin itself, and not a separate download. - this has been taken on board.
   - Please keep its timeliness and add as much detail as you can (more internet sales breakdown would be great.)
   - As always interested in more detailed sector data.

2. UK Payments
   - The presentation of data, commentary and the explanation of methods are user friendly and always available on schedule. They went onto comment that they had not had the opportunity to engage with ONS as of yet but look forward to doing so in the future - this has been taken foward in the RSI User Engangement day on 1 March 2011.

3. BIS
   - developments they would like to see included, a) A link between product and industries at the retail sub-sector level (eg) what products are sold by non-specialised stores, and how important are they in certain product markets (thought this may not be easy or feasible to produce)
   - b) Some commentary about contributions to overall retail sector growth in the First Release, (though weights are available from the Business Monitor).
   - c) Access the retail sales survey raw data, via the ONS data-linking facility.
   - d) Retail Sales Data at a regional level.

4. Low pay comission
   - are very satisfied indeed. And are grateful to the staff at Retail Sales Enquiries for sending to me an email every month with figures of Retail Sales in £ thousand. This helps enormously with the validation of our CES (Card Expenditure Statistics) largely because ONS data are available a couple of days before ours. They also stated that they are extremely grateful to the Head of Retail Sales Branch, for his comments/replies to their queries.

5. A User said - The main problem with the survey is the sheer amount of data that gets released and the unclear explanation of what it all means. Could you please indicate what data sets are the most reliable. Revisions are another problem. Unclear how these are worked cut and why.

7. A User said - The statistics are presented well and accessible. The commentary is great as is the explanation of methods. If anything we would like greater level of detail. They had a few complaints, on occasion when I have emailed a query the response time has been an issue; even just an acknowledgement would be nice. I cannot stress how important the retail sales data is and anything that maintains and improves their quality and detail can only be welcomed.

Specifically, what were the users’ main points on the acceptability of the survey’s quality when considered against the European Statistical System (ESS) dimensions of output quality?

Accuracy:
1. …there are many trade surveys we still believe the ONS survey is the best, despite what some people might say”. 50% of respondents to the online survey were satisfied or very satisfied with the accuracy of the estimates.

Relevance including completeness:
1. The data is classed as “vital” to the Card Expenditure Statistics commentary and analysis. This is a key statistic for both plastic cards and payment markets, for example, they monitor the decline in the use of cheques and, to some extent, cash, and features in many of their briefings to members, the media and the public. ……The ONS data is the only source.

3. We use ONS retail sales to compare with industry estimates (from the Confederation of British Industry - CBI and the British Retail Consortium - BRC) in order to put the evidence from trade bodies in context.

4. Broadly-speaking, very well.

5. The statistics at the most detailed level are an invaluable input into our UKmnodes. All the CPSA tables (CPSA refers to Current Price, or Value, Seasonally Adjusted) are hugely useful.
What are the minimum acceptable coefficients of variation (CV's)?
If these vary by domains please state range

Standard errors, all retailing twelve 12 month movement December 2009 (percentage change) = 2.1 and standard error of the 12-month movement, 2009 median percentage point = 0.7. No acceptable levels have been agreed. Work will be conducted to recalculate these ready for December 2011.

Are the achieved CV's close to the minimum acceptable level specified?

Yes, for all or most domains
No, typically larger than required
No, typically smaller than required
None calculated

What steps could be taken outside of this review to improve understanding of users' needs or reduce burden on respondents by reducing requirements?

1. The RSI Statistician set up and led the User Engagement meeting held 1 March 2011. Future developments and user needs were key items on the agenda.
2. Two User Survey's were launched on the ONS website February 2011 for both the Statistical Bulletin and the Statistical Data Monitor (SDM28), to encourage users to provide feedback. This will be run regularly in future.
3. Internet data collection may reduce burden by including some validation, so re-contact rates fall further, this is a corporate issue and outside the remit of RSI.
This section investigates the sample design of the survey in more detail focusing on the impact of the design on respondents.

### Sample Design

This section investigates the sample design of the survey in more detail focusing on the impact of the design on respondents.

### What recommendations could be made based on the comments of users?

**Recommendations from users**

1. **Statistical Bulletin and SDM28 - content and format**
   - RSI will review the content and format of the Statistical Bulletin and SDM28 in order to streamline the outputs and improve the commentary for all retail sales figures. - Done

2. **Internet Retail Sales**
   - RSI will liaise with Methodology Division on various aspects of the development of internet retail sales, to ultimately produce a seasonally adjusted average weekly value series and further to provide a volume internet sales series (dependent on the availability and quality of price deflators). The strategy is available on the ONS website.

3. **User engagement**
   - RSI will continue to engage with users of the data.

4. **Retail Sales Commodity**
   - RSI will investigate the possibility of providing retail sales commodity by type of store and will liaise with colleagues in Methodology Division to test disclosure of the data.

5. **Methodological Guide**
   - A Quick Guide to RSI has been produced and is available on the ONS website. Additionally, a podcast explaining RSI methods is available.

6. **Value and Volume seasonally adjusted commodity series**
   - This is on the work plan going forward.

### Please summarise the main characteristics of the sample design.

In 2010 approximately 60,000 questionnaires were sent out to businesses, collecting data on turnover, internet retail sales and employment (subsampled on a quarterly basis). The sampling frame used was the Inter Departmental Business Register (IDBR). There are five strata in total, based on employees information, held within the business register. The strata used are: 0 - 4, 5-9, 10-99, where a random sample is selected for each of these strata. Businesses with 100 or more employees are fully enumerated. The fifth stratum, which is also fully enumerated, covers businesses with low employment but exceptionally large turnover; these are defined as having 10-99 employees with an annual turnover of £60 million or more. The sampled industries are selected for the survey for approximately 27 months; except for businesses with 0-9 employees which are only included for 15 months, after which they are guaranteed a three year exclusion from the survey under the terms of the 'Osmotherly' rule. The sample covers approximately 95 per cent of retail industry turnover. The sampling fractions are 1.12 per cent of businesses in the 0-4 strata, 2.62 per cent in the 5-9 strata, 10.15 per cent in the 10-99 strata and 100 per cent of businesses with employment 100+. Businesses with 10-99 employees with turnover greater than £60m have a sampling fraction of 100 per cent. In keeping with the 'Osmotherly' guidelines, businesses with less than 10 employees are given a guarantee that they will be selected for one ONS survey at a time, with a maximum inclusion of 15 months (monthly surveys), followed by a guaranteed three years exclusion from all other ONS surveys while their employment remains below 10 (provided that they returned 60 per cent of questionnaires during their inclusion period).
43. Are you aware of errors in the sampling frame?

Yes, in the coverage
Yes, commonly occurring errors in unit details
Yes, other errors
No

(Please specify below)
(Please specify below)
(Please say below when you last examined this)

There are a number of identified errors in the sampling frame:
Business not registered for either Pay As You Earn or VAT are excluded from the frame;
Some small businesses may be misclassified. This is because they are outside of the coverage of the Business and Register Employment Survey (BRES);
The company reporting structure does not always suit the requirements of the survey or the classification;
Business births and deaths are not always recorded in a timely manner;
The VAT turnover recorded on the sampling frame can be incorrect and can be outdated.

44. What steps have you taken to minimise the burden on small businesses specifically?

Survey holidays applied to businesses in line with osmotherly rules
Reduced sampling fractions for small businesses
Use of estimation in place of sampling
Other (Please specify)
No feasible steps taken

45. What steps have you taken to minimise the burden on individual respondents more generally while ensuring users' needs will be met?

Clear quality requirements established up-front
Appropriate use made of results
Rotation of respondents
Use of efficient sample design
Other (Please specify)
No feasible steps taken

The IDBR is used as the common sampling frame. RSI uses Contributor comments database, across all business surveys, so that information is shared, removing the need to re-contact the business in some instances. Data are taken onto the generic ONS systems such as common software, which allows information to be shared across surveys and which can reduce re-contact for validation purposes. In 1996 the employment question was added to the RSI questionnaire, this information is used by another division, so it is extracted off RSI and used in the employment RAP systems. Selective editing has been introduced to identify business returns impacting on the outputs, and only those failing the threshold are queried back with the respondent.
46 When did you last review the sample allocation?
Please give approximate date

The sample was fully reallocated December 2009 for SIC07, also certain cells changed in the 2010 year following a post implementation review.

47 What recommendations could be made for changes to the sample design to improve quality or reduce burden on business?

1. Data collection mode
   Many (68%) of MCI and large respondents indicated they would prefer to return their RSI data over the internet. RSI will continue to investigate the best method of collection for this data.
2. Re-design of sample and strata
   ONS will review the RSI sample design and strata to re-optimise it. This may not reduce the burden however it may improve the quality of the statistics provided.
3. Calendar month reporting.
   Some respondents confirmed that they could provide calendar month data rather than 4, 4, 5 and thus we will review the possibility of moving to calendar month reporting.

Data collection
This section investigates in more detail how the data is collected and validated on the survey

48 What is/are the mode(s) of data collection for the survey?

- Paper self-completion questionnaire
- Computer-assisted self-completion interviews
- Computer-assisted personal interviewing
- Paper-based personal interviewing
- Computer-assisted telephone interviewing
- Electronic collection (e.g. web, email or spreadsheet)
- Telephone Data Entry
- Other

The Retail Sales Inquiry data collection method uses a standard paper questionnaire asking for retail sales turnover, internet retail turnover and employment (sub sampled on a quarterly basis). The data items required are returned using Telephone Data Entry (TDE) by all but a few businesses. Additionally, the Monthly Commodity Survey (which is a sub sample of RSI) which covers 31 of the largest retailers, uses a longer paper questionnaire, requesting information on retail sales turnover and a five-way commodity breakdown of data, this is returned by fax, royal mail or telephone. In addition, all contributors are asked to supply the value of internet sales, and automotive fuel.

49 Has the questionnaire been reviewed by someone with specialist knowledge in questionnaire design in the last three years?

- Yes
- No, but we review the questionnaire ourselves at least every five years
- Not to our knowledge

Yes the questionnaire has been reviewed by questionnaire designers in Methodology Division, within the last three years. The last full review was August 2009 when RSI moved to collecting data via telephone data entry.
### 50 At which stage does validation of data items occur?

<table>
<thead>
<tr>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>At point of entry</td>
</tr>
<tr>
<td>Within ten calendar days</td>
</tr>
<tr>
<td>Longer than ten days</td>
</tr>
<tr>
<td>No validation takes place</td>
</tr>
</tbody>
</table>

(please give reasons why not)

### 51 What proportion of respondents are re-contacted to check data items?

<table>
<thead>
<tr>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
</tr>
<tr>
<td>Less than 5%</td>
</tr>
<tr>
<td>Between 5% and 10%</td>
</tr>
<tr>
<td>Between 11% and 20%</td>
</tr>
<tr>
<td>Over 20%</td>
</tr>
</tbody>
</table>

Comment if you wish

For 2010 the recontact rate is 11%, this has fallen from 32% for 2005 - 2009.

### 52 How do the systems you use minimise the burden on individual respondents due to validation of data?

- Use of checks to identify large changes (eg. validation gates)
- Automatic edits made for common adjustable errors
- Only re-contact on errors that have the largest impact on quality (selective editing)
- Imputation of missing or suspect data items
- Provided respondents with opportunity to explain unusual values during survey
- Use of a system to share information on changes to businesses
- Other (please specify)

Please state how these systems have reduced burden:

a) Only re-contact on errors that have the largest impact on final outputs selective editing. This has reduced the number of errors it also has an effect on the re-contact rates.
b) Imputation of missing or suspect data items - ratio estimation is used to provide estimates for non-respondents.
c) Provided respondents with opportunity to explain unusual values during the survey - contributors have the opportunity to leave comments via TDE on drivers behind significant changes in data, this facility is also available on the paper questionnaire.
d) Use of a system to share information on changes to businesses - Contributor Comments, a standard ONS database used by all business surveys to document conversations with businesses, thus information is gathered once and shared by business surveys, removing the need to contact the business many times perhaps for the same issue. Common software is also used to take on the data (as per other ONS surveys) and the IDBR is used as the sampling frame which is also used as the sampling frame for virtually all business surveys within ONS.
53 What recommendations could be made for changes to the data collection and validation methods to improve quality or reduce burden on respondents?

1. Macro editing (to reflect the micro selective editing) is being developed. This top down approach should identify those respondents having a significant impact on results and should thus reduce the queries which will further reduce recontacts.
2. Data collection mode
RSI will continue to investigate ways to improve the data collection method.

54 What was the selected sample size for the respondent survey for this review?

Please also state what proportion of the main sample was selected for the respondent survey.

This triennial review survey went to 1,000 businesses in the December 2010 selection. That is 20% of main sample (which is approx 5,000 businesses) by number of businesses.

55 What was the response rate for the respondent survey for this review?

The response rate for this triennial review was 43.7%.

56 When invited to comment on the survey, what points did your respondents make?

1. The figures are available every day and it only takes a few minutes to extract the total and phone it in.
2. For small businesses the extra time taken to extract the data can be burdensome.
3. Deadlines are tight, the final week is estimated. Calendar month figures are available.
4. The figures are also used by business managers.
5. The employment figures have to come from a different department.
6. It would be much easier if we could submit these on-line.
7. One respondent said that it would be easier to provide figures excluding VAT.

57 Based on replies from respondents, what have you estimated the cost to respondents to be?

(This information is the same as question 17)

£51,977.46 (monthly)
**58** Did you assume actual response when calculating respondents’ costs?

- Yes, only actual respondents costs/time assumed
- No, assumed 100% response rate but with lower cost/time for non-respondents
- No, assumed 100% response rate with no differentiation between respondents’ and non-respondents’ cost/time

**59** Which method did you use to calculate the cost to survey respondents?

Please also provide a breakdown of the calculation, to show how you arrived at the total cost.

The current methodology for calculating compliance within ONS.

**60** Did you find that the benefits justified the cost to respondents?

- Yes  (Please give an outline of the benefits justifying the cost, in the ‘Yes’ set of boxes below)
- No   (Please explain, in the single ‘No’ box below, why you are going ahead with collecting the extra information)

<table>
<thead>
<tr>
<th>Type of user</th>
<th>Justification of the cost to respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government users</td>
<td>Benefits - Used as an early indicator of economic growth which inputs into their assessment of the current state of the economy. These assessments are then used by the Monetary Policy Committee (MPC) in conjunction with other lead indicators, to decide on the required economic policy and interest rates which impact on them.</td>
</tr>
<tr>
<td>Respondent users</td>
<td>Benefits - as retail businesses, they can benefit from the RSI outputs in terms of market analysis, international comparisons and providing their input to future trade policies. Comparisons across EU member states can be made.</td>
</tr>
<tr>
<td>Other users - please specify here</td>
<td>Benefits - UK citizens can use the outputs to evaluate economic policy and, interest rates which impact on them.</td>
</tr>
</tbody>
</table>

**61** Do you have a policy on the procedures for dealing with day-to-day complaints from both suppliers and users of information?

Please tick all that apply

- Yes - for complaints from suppliers
- Yes - for complaints from users
- No
62. What are the main causes of complaints and what action have you taken to make improvements in response to these?

Sometimes data for the last week of the reporting period is not available by the return date, for smaller businesses. We advise on our questionnaires that informed estimates are acceptable where actuals are not available, and reiterate this on the telephone.

63. What recommendations could be made based on the comments of respondents?

1. Data collection mode
   Many (68%) of MCI and large respondents indicated they would prefer to return their RSI data over the internet. RSI will investigate the best data collection mode.

2. Re-design of sample and strata
   ONS will review the RSI sample design and strata to re-optimise it.

3. Calendar month reporting.
   Some respondents confirmed that they could provide calendar month data rather than 4, 4, 5 and thus we will review the possibility of moving to calendar month reporting.
Recommendations
Each of the previous sections concluded with a description of potential improvements to the survey. This section draws together those potential changes to make recommendations arising from this review along with an action plan for implementing them. Those changes that are more ambitious or cannot be implemented at this time are also described.

Based on the information supplied above, list the recommendations for aspects of the survey that need further improvement or investigation and your action plan for doing this work prior to the next review.

Recommendations
1. Statistical Bulletin and SDM28 - content and format
   RSI will review the content and format of the Statistical Bulletin and SDM28 in order to streamline the outputs and improve the commentary for all retail sales figures. - Done

2. Internet Retail Sales
   RSI will liaise with Methodology Division on various aspects of the development of internet retail sales, to ultimately produce a seasonally adjusted average weekly value series and further to provide a volume internet sales series (dependent on the availability and quality of price deflators). The strategy is published on the ONS website.

3. User engagement
   RSI will continue to engage with users of the data. The second user engagement day will be 2 November 2011.

4. Retail Sales Commodity
   RSI will investigate the possibility of providing retail sales commodity by type of store and will liaise with colleagues in Methodology Division to test disclosure of the data.

5. Methodological Guide
   A Quick Guide to RSI has been produced and is available on the ONS website. A podcast explaining the methods used in RSI is also available.

6. Data collection mode.
   Many (68%) of MCI and large respondents indicated they would prefer to return their RSI data over the internet. RSI will investigate the best data collection mode.

7. Re-design of sample and strata
   ONS will review the RSI sample design and strata to re-optimize it.

8. Calendar month reporting.
   Some respondents confirmed that they could provide calendar month data rather than 4, 4, 5 and thus we will review the possibility of moving to calendar month reporting.

9. Value and Volume seasonally adjusted commodity series
   This is on the work plan going forward.

10. Macro editing (to reflect the micro selective editing) is being developed. This top down approach should identify those respondents having a significant impact on results and should thus reduce the queries which will further reduce recontacts.
Please list any improvements to the survey that are not possible at this time including the barriers to implementation.

Please see recommendations section.