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The Five Industries

A1. Hierarchical Analysis of Industries,
Product Classes, Product Categories,
Forms and Brands

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In management and economics realm, asymmetric formation appears as a common problem for business participants. Branding per se is regarded as a signaling to parties, clients and providers, principles and agents. The efficiency of signaling relies upon the market segmentation, or upon classification of clients groups. The standard of classification varies from one to another. However, feasible market research manages to transform categorical criteria into quantitative criteria; i.e. develops a hierarchy analysis of branded products in their industry.

This paper is to define the hierarchy of products or services, analyzing their classes, categories, forms, and brands respectively. In this paper we would also discuss economic notion of substitutability, competition, and sequencing of consumer choices, etc.

INDUSTRY FINANCE AND INSURANCE

Chart 1: Classification of Industry Finance and Insurance

Category	Class	Form	Brand
Credit Intermediation and Related Activities	Depository Credit Intermediation; Nondepository Credit Intermediation; Activities Related to Credit Intermediation	Commercial Banking ; Savings Institutions; Credit Unions ; Credit Card Issuing	Agriculture Bank; Industrial and Commercial Bank of China(ICBC); CHASE; Wells Fargo
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	Securities and Commodity Contracts Intermediation and Brokerage; Securities and Commodity Exchanges; Other Financial Investment Activities	Investment Banking and Securities Dealing; Securities and Commodity Exchanges; Miscellaneous Intermediation; Investment Advice	SHENYINWANGUO FUTURES COMPANY; ZHONGJIN; MOGAN STANLY
Monetary Authorities-Central Bank (NAIC's CODE:521110)	Federal Reserve Bank; Financial transactions processing of the central bank; central bank	issuing currency; managing the Nation's money supply and international reserves	Federal Reserve Bank; People's Bank of China; Bank of Japan; England Bank
Insurance Carriers and Related Activities	Insurance Carriers; Agencies, Brokerages, and Other Insurance Related Activities;	Direct Life, Health, and Medical Insurance Carriers ; Direct Insurance (except Life, Health, and Medical) Carriers	PING AN INSURANCE COMPANY; AIG GROUP; Primerica
Funds, Trusts, and Other Financial Vehicles	Insurance and Employee Benefit Funds; Other Investment Pools and Funds	Pension Funds; Health and Welfare Funds; Open-End Investment Funds	Boshi Funds; China REITs; Quantum Funds

Chart 1 describes the category for Finance and Insurance.

The Finance and Insurance sector comprises establishments primarily engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions.

Most of the Finance and Insurance subsectors contain one or more industry groups of (1) intermediaries with similar patterns of raising and using funds and (2) establishments engaged in activities that facilitate, or are otherwise related to, that type of financial or insurance intermediation.

The Finance and Insurance sector has been defined to encompass establishments primarily engaged in financial transactions; that is, transactions involving the creation, liquidation, change in ownership of financial assets; or in facilitating financial transactions. Financial industries are extensive users of electronic means for facilitating the verification of financial balances, authorizing transactions, transferring funds to and from brokers' accounts, notifying banks (or credit card issuers) of the individual transactions, and providing daily summaries.

Industry Finance and Insurance are basically one part of service industry, because of its function rooted in wealth and social welfare. This industry is under most restrictive regulation and supervision so far. Glass-Steagall Act of 1933 set any artificial boundaries among insurance companies, commercial banks, investment banks, and mutual funds separately. However, modern amendment by Gramm-Leach-Bliley Act of 1999 provided a space for combined experience; for instance, financial holding companies emerge in this area. Some brand hence became a universal intangible asset for firms. Deutsche bank and J.P. Morgan Group are such examples. Whenever people mention these names, it is a one-stop universal bank, a supermarket of financial services. As long as the Dodd-Frank Act passed to be implemented, competitiveness and the domain of functions change as well; this could be a simultaneous consequence of vague boundaries. Key players in finance and insurance field cannot hold for years. In retrospect of the Top-100 financial corporations of last three decades, those golden brands fade away at such a fast speed or even die out eventually. The wave of merger and acquisition since 80s and 90s has changed their brand-names and even their corporate cultures. Recent momentum shows small and medium markets turn more crucial, and multi-polarized market changes competitiveness dynamics. In such an eco-system, researchers could hardly find a key factor but easily find out each financial company is an expert monopoly its niche or target market overwhelmingly. Anyhow, Wall Street per se could still be viewed as a big brand, albeit its content is dynamic and mixed.

INDUSTRY CONSTRUCTION

Chart 2: Classification of Industry construction

Category	Class	Form	Brand
Heavy and Civil Engineering Construction	Utility System Construction; Land Subdivision; Highway, Street, and Bridge Construction;	Water and Sewer Line and Related Structures Construction; Oil and Gas Pipeline and Related Structures Construction; Highway, Street, and Bridge Construction	Toyo Engineering Corporation
Construction of Buildings	Residential Building Construction; Nonresidential Building Construction;	Residential Building Construction; Residential Remodelers; Industrial Building Construction	Bodouva + Associates; VANKE Ltd.; HUA RUN Ltd.; A.I.A.
Specialty Trade Contractors	Foundation, Structure, and Building Exterior Contractors; Building Equipment Contractors; Building Finishing Contractors	Poured Concrete Foundation and Structure Contractors ; Glass and Glazing Contractors; Drywall and Insulation Contractors; Finish Carpentry Contractors	Blenko Glass Company

Chart 2 describes the category for industry construction.

The construction sector comprises establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). Establishments primarily engaged in the preparation of sites for new construction and establishments primarily engaged in subdividing land for sale as building sites also are included in this sector.

Construction of buildings comprises establishments of the general contractor type and operative builders involved in the construction of buildings. Subsector 237, Heavy and Civil Engineering Construction, comprises establishments involved in the construction of

engineering projects. Subsector 238, Specialty Trade Contractors, comprises establishments engaged in specialty trade activities generally needed in the construction of all types of buildings.

Force account construction is construction work performed by an enterprise primarily engaged in some business other than construction for its own account and use, using employees of the enterprise. This activity is not included in the construction sector unless the construction work performed is the primary activity of a separate establishment of the enterprise. The installation and the ongoing repair and maintenance of telecommunications and utility networks is excluded from construction when the establishments performing the work are not independent contractors. Although a growing proportion of this work is subcontracted to independent contractors in the Construction Sector, the operating units of telecommunications and utility companies performing this work are included with the telecommunications or utility activities.

Customers' appetites towards architectures shape the domain of construction industry. To no small extent, consumers' atheistic experiences with modern cultural shocks overcome the feasibility and practical function of a building. Globalization also change the market competitiveness, as long as the rich clients from Dubai, Shanghai, or Abu Dhabi can afford their consumer visual experiment upon architectures and materials. Chances are this might not always be sustainable way of development. Time witnessed a lot of architecture miracle along human history as well as plenty of falls of glory.

Environment friendly or green concepts would support construction industry sustainably. The brand such as Frank Lloyd Wright's Fallingwater and Antonio Gaudi's masterpiece of the Barcelona Architecture Family would have a significant influence upon business world and human civilization. In a nutshell, so is truly great branding.

INDUSTRY REAL ESTATE AND RENTAL AND LEASING

Chart 3: Classification of Industry Real Estate and Rental and Leasing

Category	Class	Form	Brand
Real Estate	Lessors of Real Estate; Offices of Real Estate Agents and Brokers; Activities Related to Real Estate;	Lessors of Residential Buildings and Dwellings; Real Estate Property Managers	HUA RUN Trump Group VANKE Hutchison Ltd.
Rental and Leasing Services	Automotive Equipment Rental and Leasing; Consumer Goods Rental; General Rental Centers; Commercial and Industrial Machinery and Equipment Rental and Leasing	Passenger Car Rental and Leasing; Passenger Car Leasing ; General Rental Centers;	Zero distance of Shanghai Automotive Services Limited Company
Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	Franchising agreements, leasing, selling or licensing, without providing other services	ZHONGJIN GROUP CHASE MOGAN STANLY HSBC

Chart 3 describes the category for Industry Real Estate and Rental and Leasing.

The Real Estate and Rental and Leasing sector comprises establishments primarily engaged in renting, leasing, or otherwise allowing the use of tangible or intangible assets, and establishments providing related services. The major portion of this sector comprises establishments that rent, lease, or otherwise allow the use of their own assets by others. The assets may be tangible, as is the case of real estate and equipment, or intangible, as is the case with patents and trademarks.

Industries in the Real Estate subsector group establishments that are primarily engaged in renting or leasing real estate to others; managing real estate for others; selling, buying, or

renting real estate for others; and providing other real estate related services, such as appraisal services.

Industries in the Rental and Leasing Services subsector include establishments that provide a wide array of tangible goods, such as automobiles, computers, consumer goods, and industrial machinery and equipment, to customers in return for a periodic rental or lease payment.

Real estate industry is not just a place for consumption, but also a place for investment. In modern days, living standard of consumers becomes higher than any time in our history. Therefore, real estate can be an investment instrument for middle income or upper class households.

Because of this momentum, real estate companies sell out concepts rather than merely houses or rentals. In fact, selling point locates upon issues like the location of the house, its neighborhoods, surrounding recreation centers, hospitals, schools, supermarkets, parks, restaurants and so on. The neighboring marketing is emerging as a great power in this industry, which means real estates salespeople exploit or take advantage of the endowment of surrounding buildings rather than the property for sale. This trend could be viewed as customers' psychological effects; consumption is a multi-dimensional experience.

Because of multi-dimensional influence, real estate firms ought to be sensitive to the construction or change of subway lines and railroads, which could then contribute to the increase or decrease in their housing price or rentals. Many seemingly unrelated factors become their public relation sectors.

INDUSTRY COMMUNICATION

Chart 4: Classification of Industry communication

Category	Class	Form	Brand
Telecommunications	Wired	Wired	AT&T
	Telecommunications Carriers;	Telecommunications Carriers;	T-mobile
	Satellite	Satellite	Sprint
Motion Picture and Sound Recording Industries	Telecommunications	Telecommunications	
	Motion Picture and Video Industries;	Motion Picture and Video Production;	HUA-YI Brothers'
	Sound Recording Industries;	Motion Picture and Video Distribution;	Warner Brothers'
		Record Production	
Broadcasting (except Internet)	Radio and Television Broadcasting; Cable and Other Subscription Programming	Radio Networks ; Radio Stations; Television Broadcasting;	CHINA RADIO The Central People's Broadcasting Radio
Publishing Industries (except Internet)	Newspaper, Periodical, Book, and Directory Publishers; Software Publishers	Newspaper Publishers; Periodical Publishers; Book Publishers; Directory and Mailing List Publishers	People's Daily Financial Times The Economist Southern Weekly
Data Processing, Hosting, and Related Services	Data Processing, Hosting, and Related Services	Application hosting Optical scanning services; Application service providers; Web hosting; Computer data storage services; Video and audio streaming service	Google Yahoo Baidu Sohu/Sougou

Chart 4 describes the category for industry communication. The Information and communication sector comprises establishments engaged in the following processes: (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.

The main components of this sector are the publishing industries, including software publishing, and both traditional publishing and publishing exclusively on the Internet; the motion picture and sound recording industries; the broadcasting industries, including traditional broadcasting and those broadcasting exclusively over the Internet; the telecommunications industries; Web search portals, data processing industries, and the communication services industries. Newspapers, magazines, other periodicals, books, directions and mailing lists, calendars, greeting cards, and maps are all the products publishing in the Newspaper, Periodical, Book, and Directory Publishers Industry (2012 NAICS structure, 2012).

The establishments in Newspaper, Periodical, Book and Directory Publishers category may either publish their works in print or in electronic forms. In addition, books are also published in audio forms. According to 2012 Barnes Report: U.S. Newspaper Publishing Industry (2012), the sales in 2011 was \$44,225 million, which decreased 2.2% compared to year 2010. It is estimate that the sales will meet a raise and reach \$45,424 million in 2013 (C. Barnes & Co, 2012).

Industries in the Publishing Industries (except Internet) subsector group establishments engaged in the publishing of newspapers, magazines, other periodicals, and books, as well as directory and mailing list and software publishing. In general, these establishments, which are known as publishers, issue copies of works for which they usually possess copyright. Works may be in one or more formats, including traditional print form, CD-ROM, or proprietary electronic networks.

Industries in the Broadcasting (except Internet) subsector include establishments that create content or acquire the right to distribute content and subsequently broadcast the content. The industry groups (Radio and Television Broadcasting and Cable and Other Subscription Programming) are based on differences in the methods of communication and the nature of services provided. The Radio and Television Broadcasting industry group includes establishments that operate broadcasting studios and facilities for over the air or satellite delivery of radio and television programs of entertainment, news, talk, and the like.

Although the traditional printing industry shrank due to the raising of Internet, which allows a lot of substitutions to physical newspapers, books and magazines, major companies with the ability to put more focus on building a digital publishing line could compensate their

loss in the traditional publishing by increasing the digital circulations. In this ways, there's a trend that the U.S. Publishing Industry will keep a low growth rate in the following years.

INDUSTRY WHOLESALE TRADE

Chart5: Classification of Industry Wholesale Trade

Category	Class	Form	Brand
Merchant Wholesalers, Durable Goods	Motor Vehicle and	Automobile and Other	IKEA
	Motor Vehicle Parts and	Motor Vehicle	Honda
	Supplies Merchant	Merchant	Toyoda
	Wholesalers; Furniture and Home Furnishing Merchant Wholesalers	Wholesalers ; Tire and Tube Merchant Wholesalers	
Merchant Wholesalers, Nondurable Goods	Paper and Paper Product Merchant Wholesalers;	Printing and Writing Paper Merchant Wholesalers;	Metersbonwe
	Drugs and Druggists' Sundries Merchant Wholesalers;	Piece Goods, Notions, and Other Dry Goods Merchant Wholesalers;	C&K
	Apparel, Piece Goods, and Notions Merchant Wholesalers	Women's, Children's, and Infants' Clothing and Accessories Merchant Wholesalers	J.C. Penny
			Macy's
Wholesale Electronic Markets and Agents and Brokers	Wholesale Electronic Markets and Agents and Brokers	Business to Business	Carrefour
		Electronic Markets;	
		Wholesale Trade	Alibaba
		Agents and Brokers	Amazon
			Taobao
			eBay

Chart 5 describes the category for Wholesale Trade.

The Wholesale Trade sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The merchandise described in this sector includes the outputs of agriculture, mining, manufacturing, and certain information and communication industries, such as publishing.

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Industries in the Merchant Wholesalers, Durable Goods subsector sell capital or durable goods to other businesses. Merchant wholesalers generally take title to the goods that they sell; in other words, they buy and sell goods on their own account. Durable goods are new or used items generally with a normal life expectancy of three years or more. Durable goods merchant wholesale trade establishments are engaged in wholesaling products, such as motor vehicles, furniture, construction materials, machinery and equipment (including household-type appliances), metals and minerals (except petroleum), sporting goods, toys and hobby goods, recyclable materials, and parts.

Industries in the Merchant Wholesalers, Nondurable Goods subsector sell nondurable goods to other businesses. Nondurable goods are items generally with a normal life expectancy of less than three years. Nondurable goods merchant wholesale trade establishments are engaged in wholesaling products, such as paper and paper products, chemicals and chemical products, drugs, textiles and textile products, apparel, footwear, groceries, farm products, petroleum and petroleum products, alcoholic beverages, books, magazines, newspapers, flowers and nursery stock, and tobacco products.

Recent development of wholesale industry reflects a transform of main operation for wholesalers. For example, Carrefour and Wal-Mart act as a commercial bank; to some extent, those activities provide much higher profit margin to them. When suppliers keep the credit line for half a year or so, Carrefour or Wal-Mart could lend them in money market or short-term financial market. This indicates the competitors change, when they become financial holding companies. Thus, the positioning ought to be redefined. So do the corporate mission and strategy.

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