

6 - Post

Figure 6.1

UK postal services industry key metrics

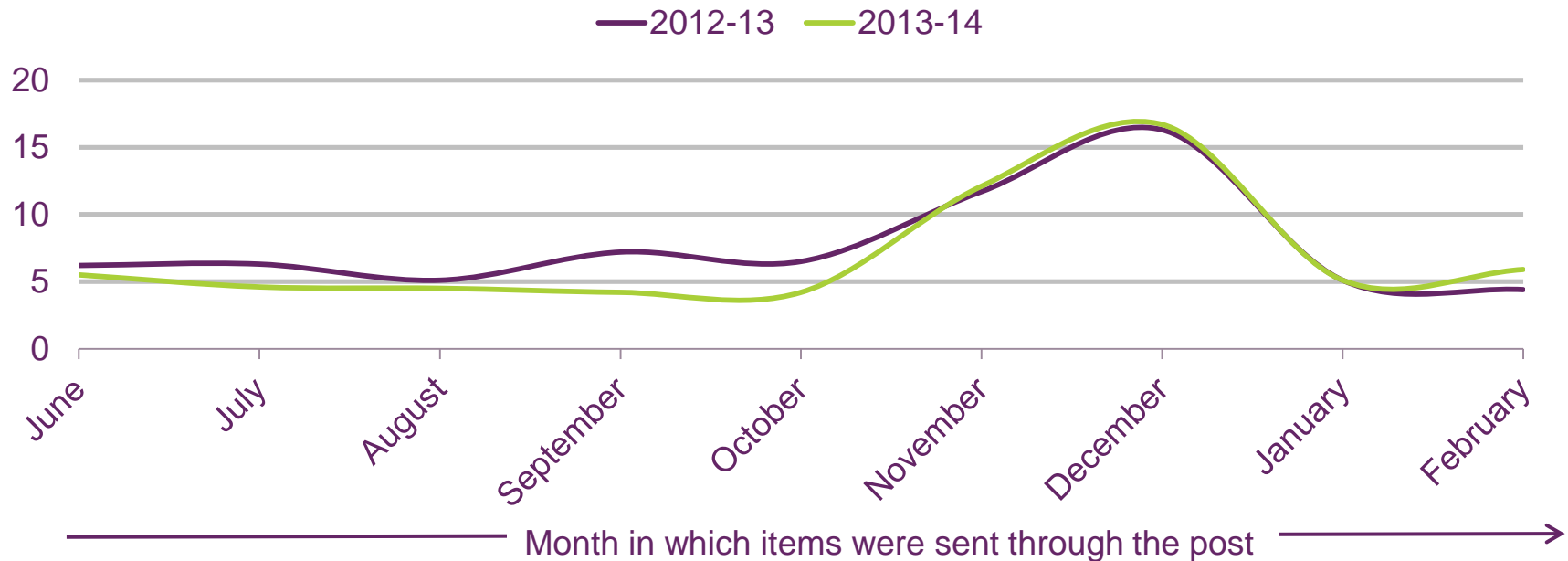
UK postal services industry	2008	2009	2010	2011	2012	2013
Addressed mail volumes	20.6bn	18.7bn	17.5bn	16.7bn	15.5bn	14.8bn
Addressed mail revenues	£7.0bn	£6.8bn	£6.7bn	£6.9bn	£7.3bn	£7.5bn
Proportion of access mail in total mail	25%	33%	40%	43%	46%	49%
Letter volumes delivered by operators other than Royal Mail	n/a	11.8m	11.3m	8.5m	18.0m	56.1m
Direct mail share of total advertising spend	n/a	17.8%	15.9%	14.9%	14.5%	14.1%

Source: Royal Mail Regulatory Financial Statements, Royal Mail Wholesale, Royal Mail Group Annual Reports, AA/Warc, Nielsen. Revenue figures are nominal. Note: Royal Mail calendar year volume figures are derived from Ofcom calculations based on financial year figures in Royal Mail's Regulatory Statements and unaudited submissions to Ofcom, and are therefore not directly comparable with Royal Mail's published accounts. Royal Mail figures relate to the "Reported Business". Other operators' end-to-end included in 'Total mail' since 2009. Prior data are not comparable. Figures are nominal.

Figure 6.2

Total items of post sent per month: June 2012 to February 2014

Items sent



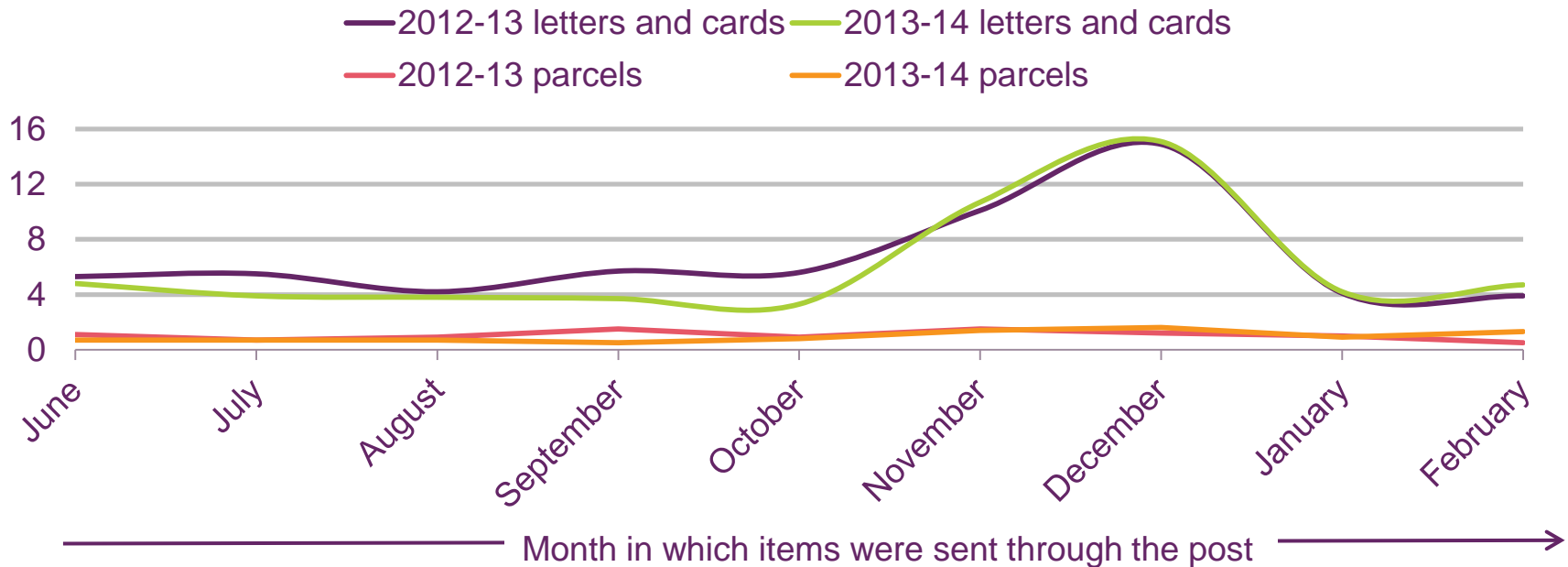
Source: Ofcom research, Q2 2013-Q1 2014

QC1. Approximately how many items of post – including letters, cards and parcels – have you personally sent in the past month?

Figure 6.3

Letters, cards and parcels sent per month: June 2012 to February 2014

Number of letters and cards sent



Source: Ofcom research, Q2 2013-Q1 2014

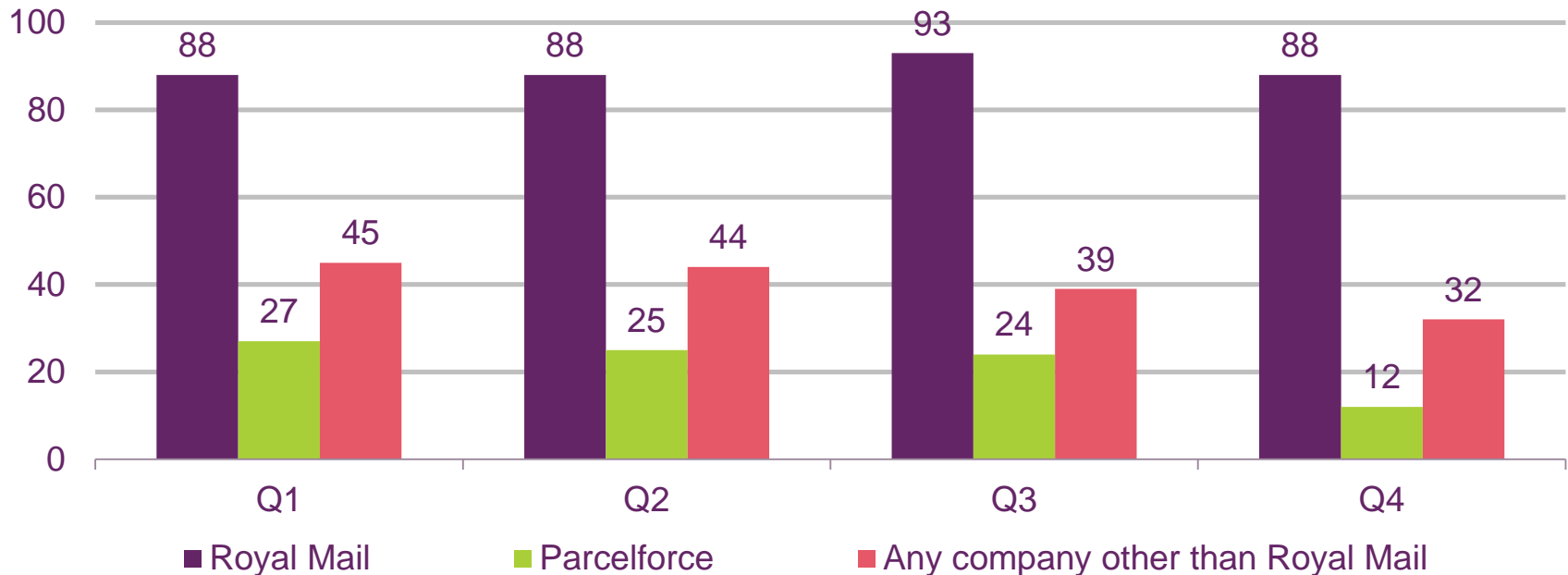
QC1. Approximately how many items of post – including letters, cards and parcels – have you personally sent in the past month?

QC2. And how many of these items sent in the past month were parcels rather than letters or cards?

Figure 6.4

Companies used by residential consumers to send post

Proportion of consumers (%)



Source: Ofcom research, 2013

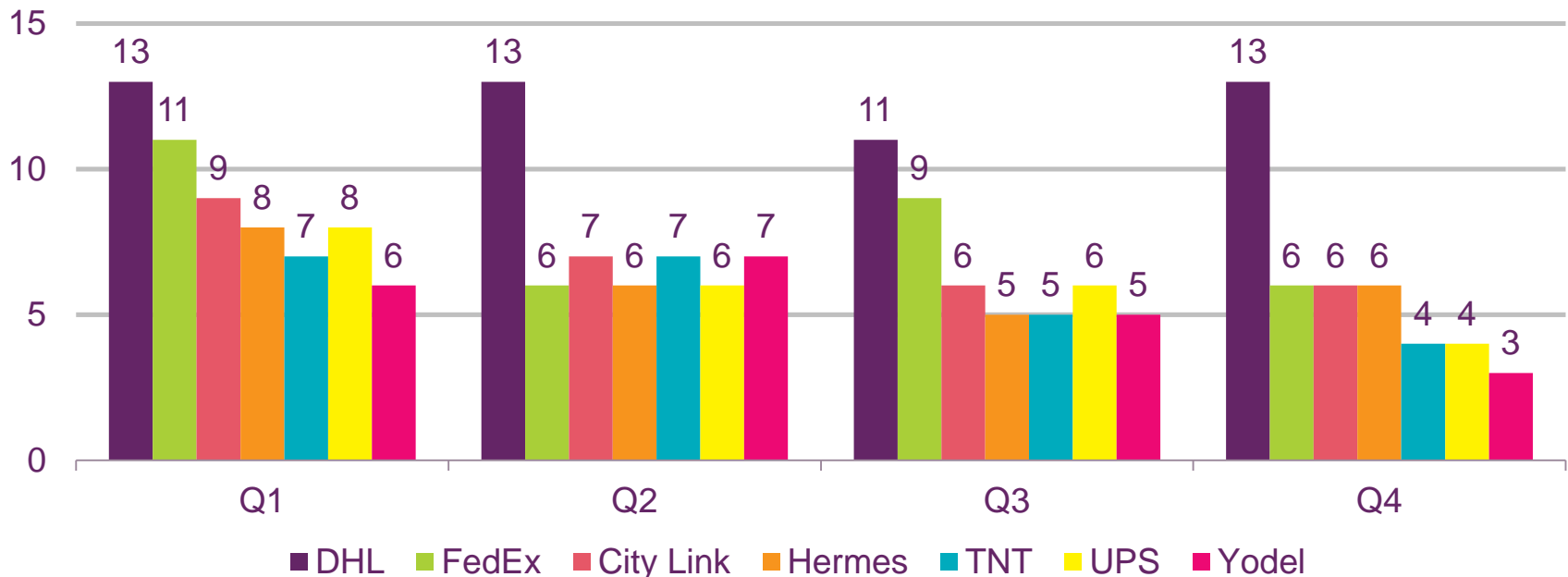
Q: Which, if any, of these companies have you used to send a packet, parcel or letter? Please think about your personal use rather than any use as part of a business.

Base: all respondents

Figure 6.5

Companies other than Royal Mail used by residential consumers to send post

Proportion of consumers (%)



Source: Ofcom research, 2013

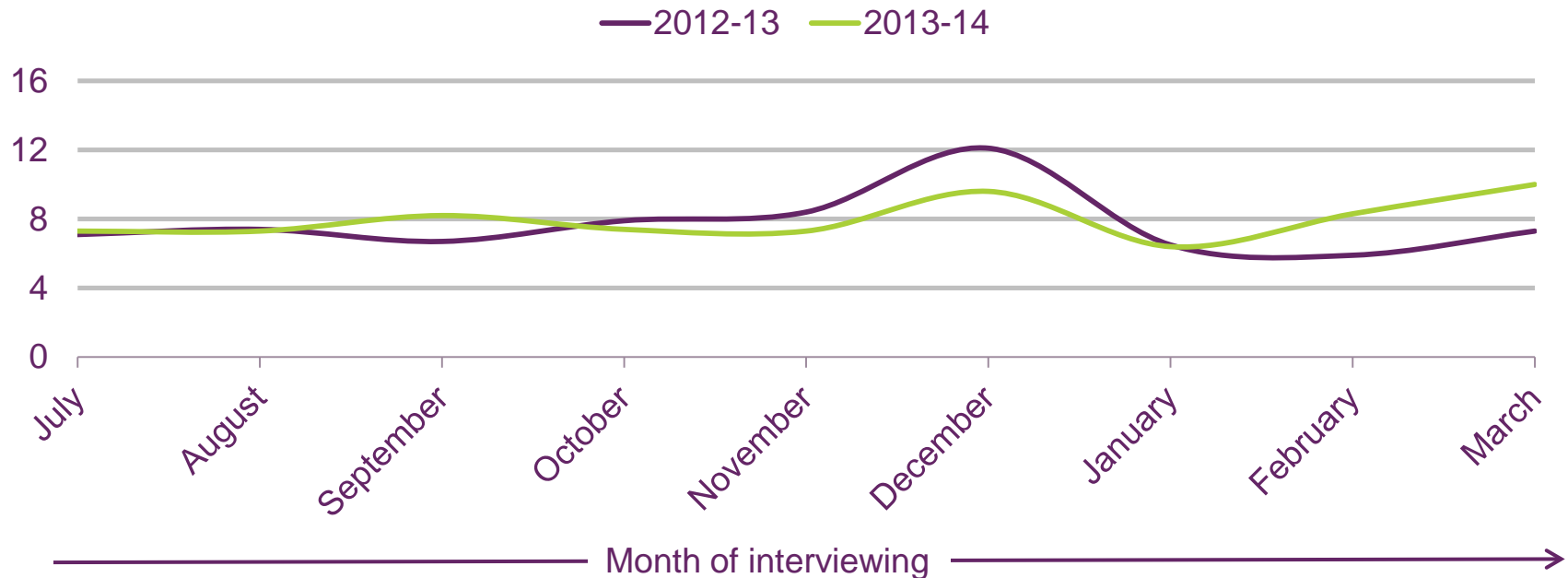
Q: Which, if any, of these companies have you used to send a packet, parcel or letter? Please think about your personal use rather than any use as part of a business.

Base: all respondents

Figure 6.6

Letters and cards received per week: July 2012 to March 2014

Number of letters and cards received in past week



Source: Ofcom research, Q2 2013-Q1 2014

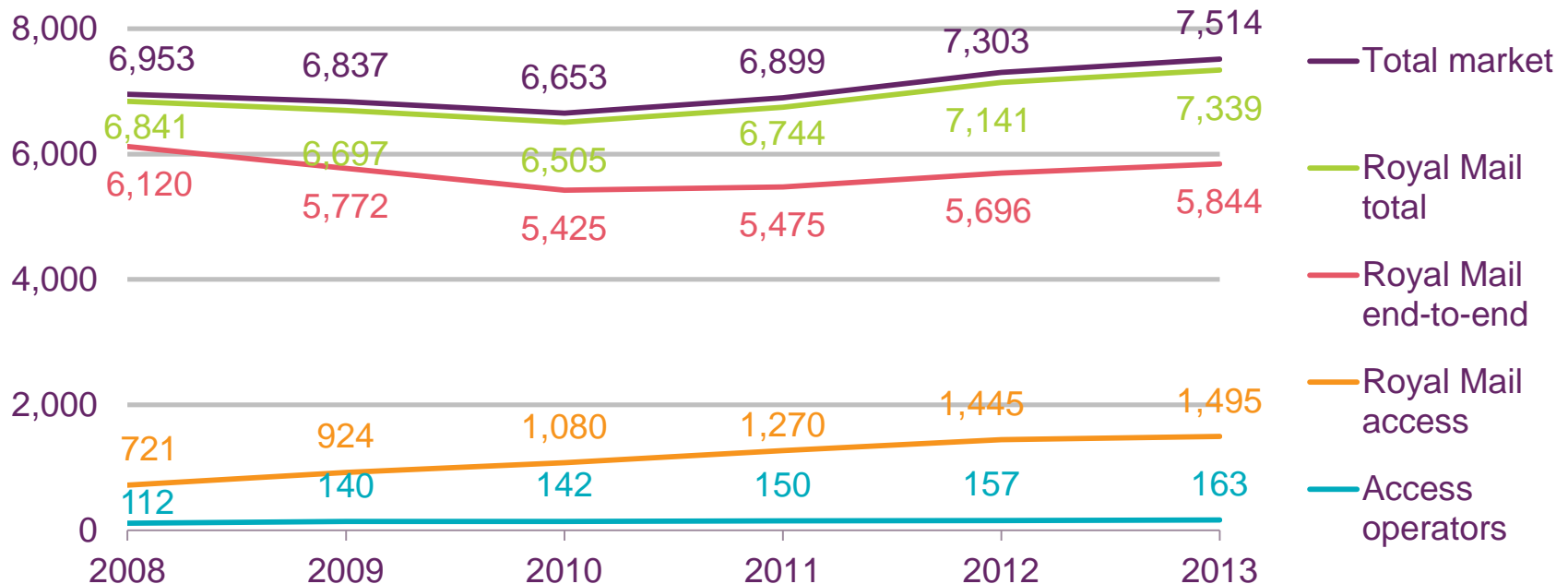
QD1. Approximately how many items of post – including letters, cards and parcels – have you personally received in the past week?

QD2. And how many of these items received in the past week were parcels?

Figure 6.7

Mail revenue: 2008-2013

Revenue (£m)

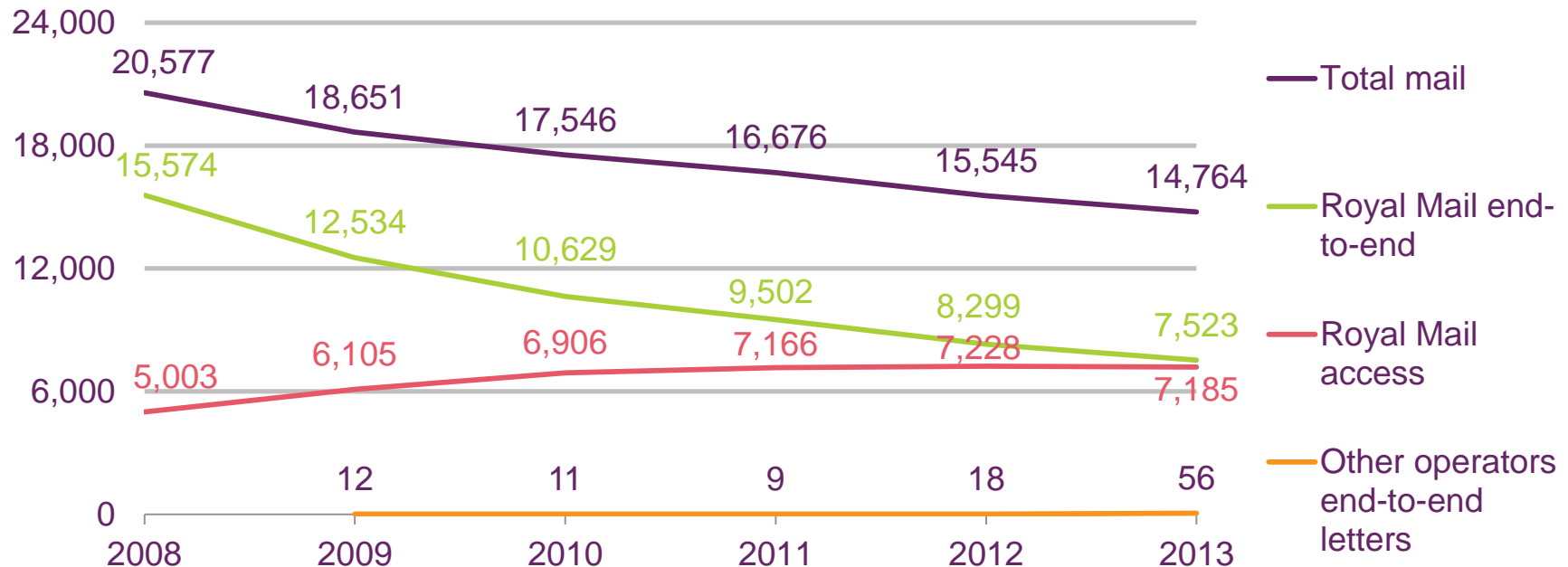


Source: Royal Mail Regulatory Financial Statements, Royal Mail Wholesale, operator returns to Ofcom, Ofcom estimates. Royal Mail calendar year volume figures are derived from Ofcom calculations based on financial year figures in Royal Mail's Regulatory Statements and unaudited submissions to Ofcom, and are therefore not directly comparable with Royal Mail's published accounts. Royal Mail figures relate to the "Reported Business". Royal Mail end-to-end refers to Royal Mail total mail volumes excepting access. Other operators' end-to-end included in 'Total mail' since 2009. Prior data are not comparable. Figures are nominal.

Figure 6.8

Mail volumes: 2008 to 2013

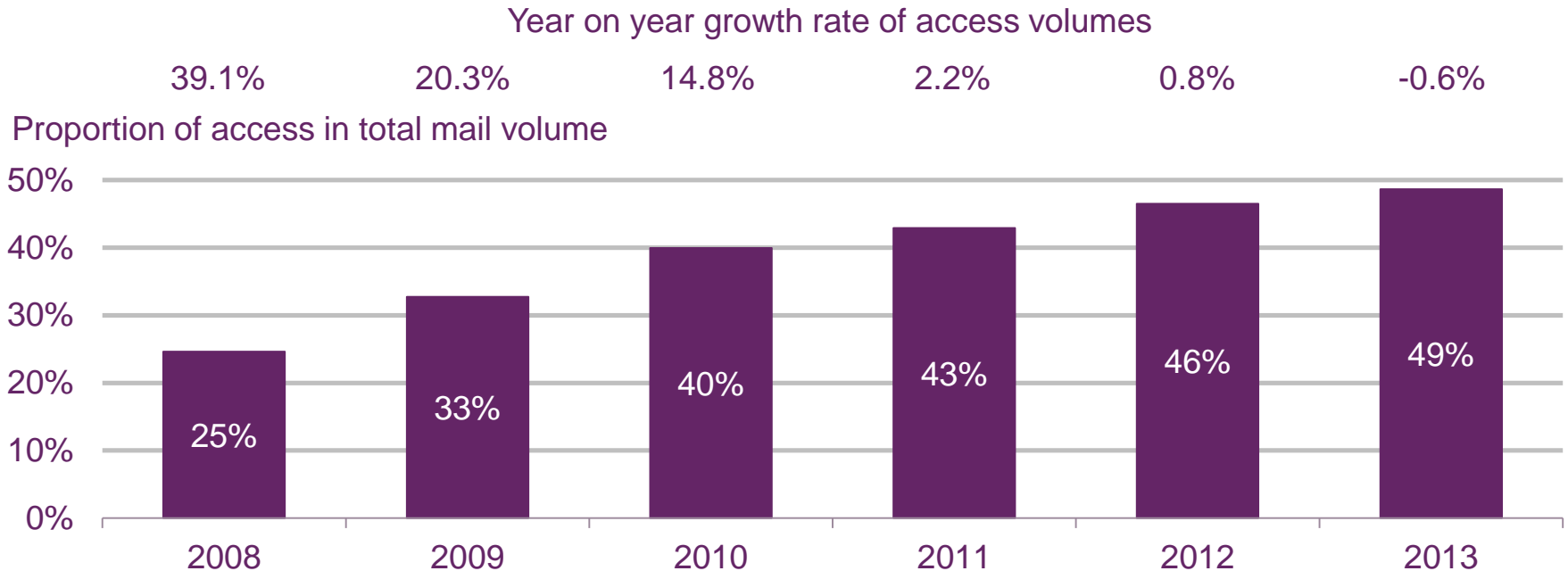
Volume (million items)



Source: Royal Mail Regulatory Financial Statements, Royal Mail Wholesale, operator returns to Ofcom, Ofcom estimates. Royal Mail calendar year volume figures are derived from Ofcom calculations based on financial year figures in Royal Mail's Regulatory Statements and unaudited submissions to Ofcom, and are therefore not directly comparable with Royal Mail's published accounts. Royal Mail figures relate to the "Reported Business". Royal Mail end-to-end refers to Royal Mail total mail volumes, excepting access. Other operators' end-to-end letters included in 'Total mail' since 2009. Prior data are not comparable.

Figure 6.9

Proportion of access in total mail: 2008-2013

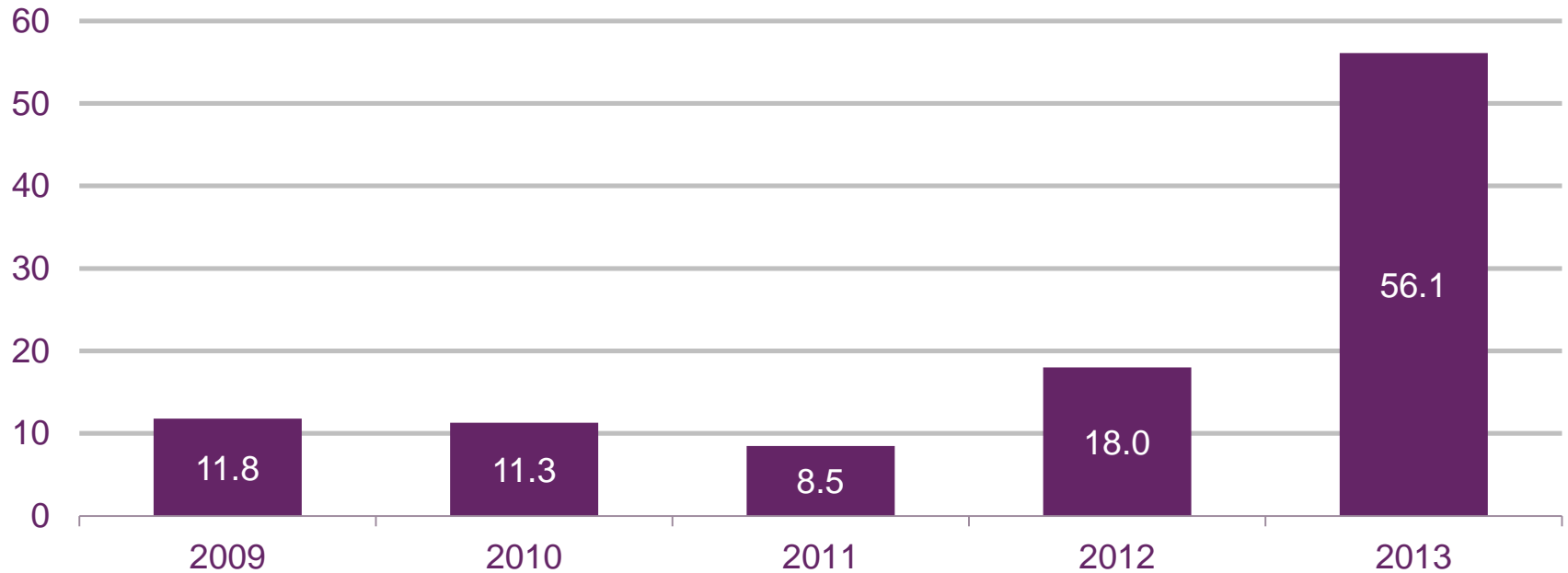


Source: Royal Mail Wholesale, Royal Mail Regulatory Financial Statements, Operators' returns, Ofcom estimates

Figure 6.10

Other operators' end-to-end letter volumes: 2009-2013

Volume (million items)

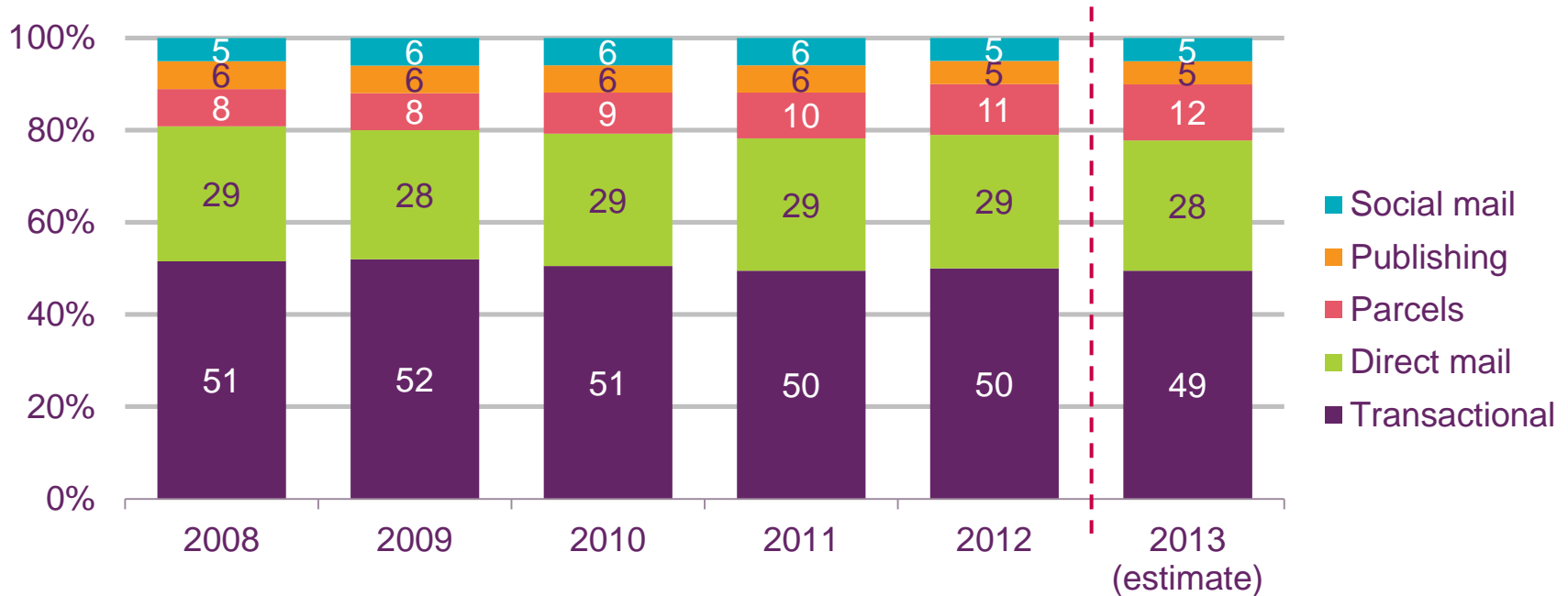


Source: Ofcom analysis of operators' returns

Figure 6.11

Mail volumes by type: 2008 – 2013

Proportion of type of mail in total volume (%)

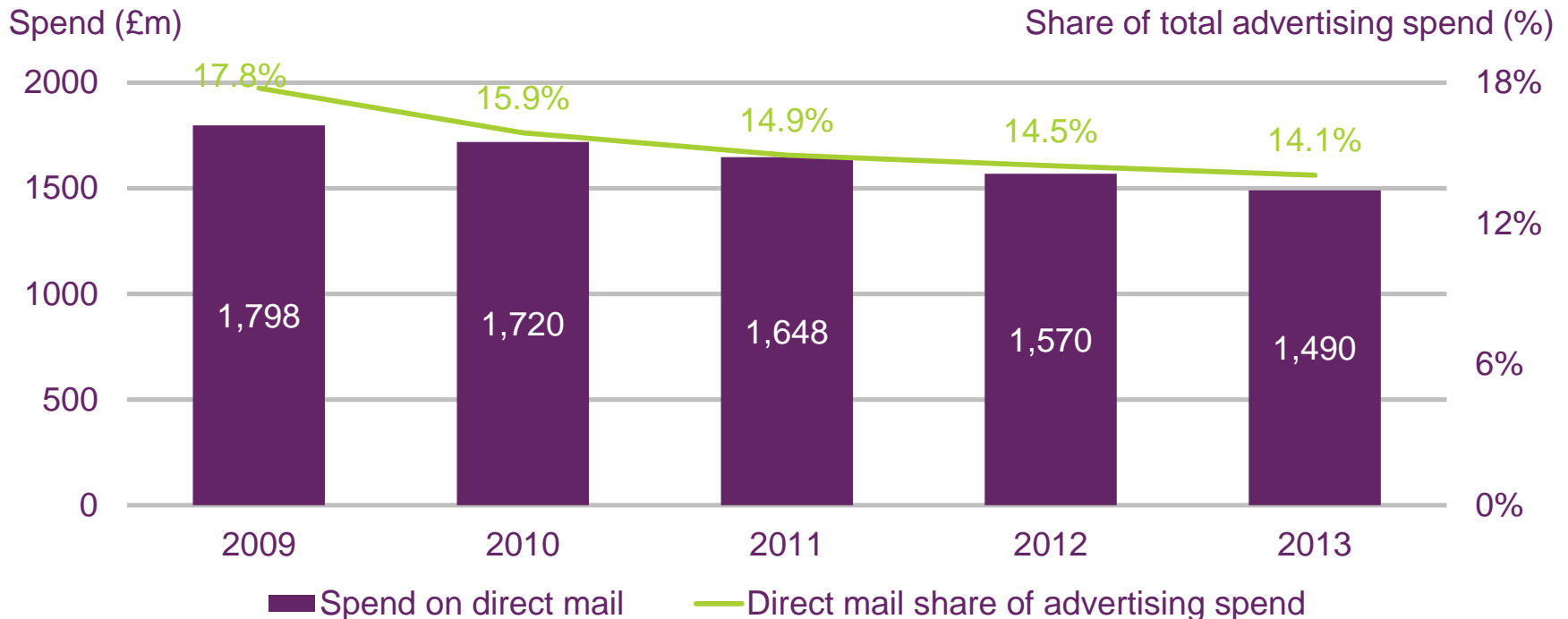


Source: PricewaterhouseCoopers, The Outlook for UK Mail Volumes to 2023, July 2013

Note: 2013 is PwC estimate.

Figure 6.12

UK direct mail advertising spend and share of total advertising: 2009 - 2013

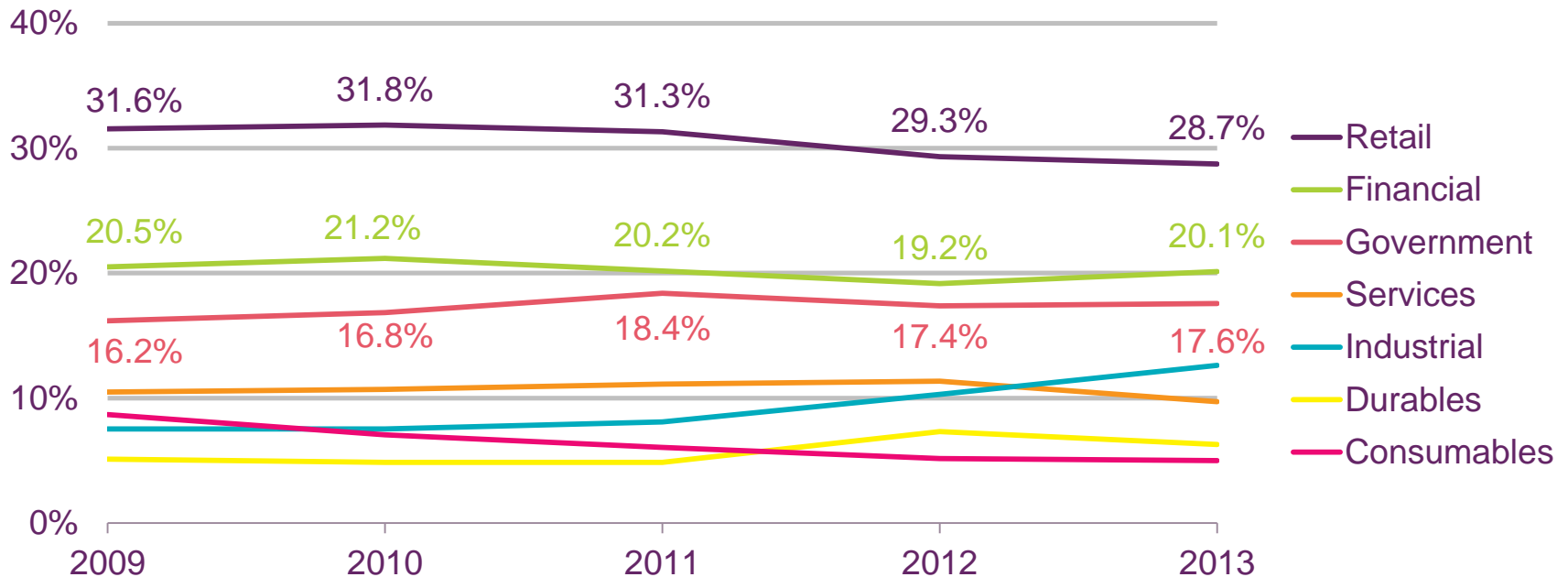


Source: AA/Warc Advertising Expenditure report / Nielsen. Figures are nominal.

Figure 6.13

Share of direct mail expenditure, by sector: 2009-2013

Share of spend (%)

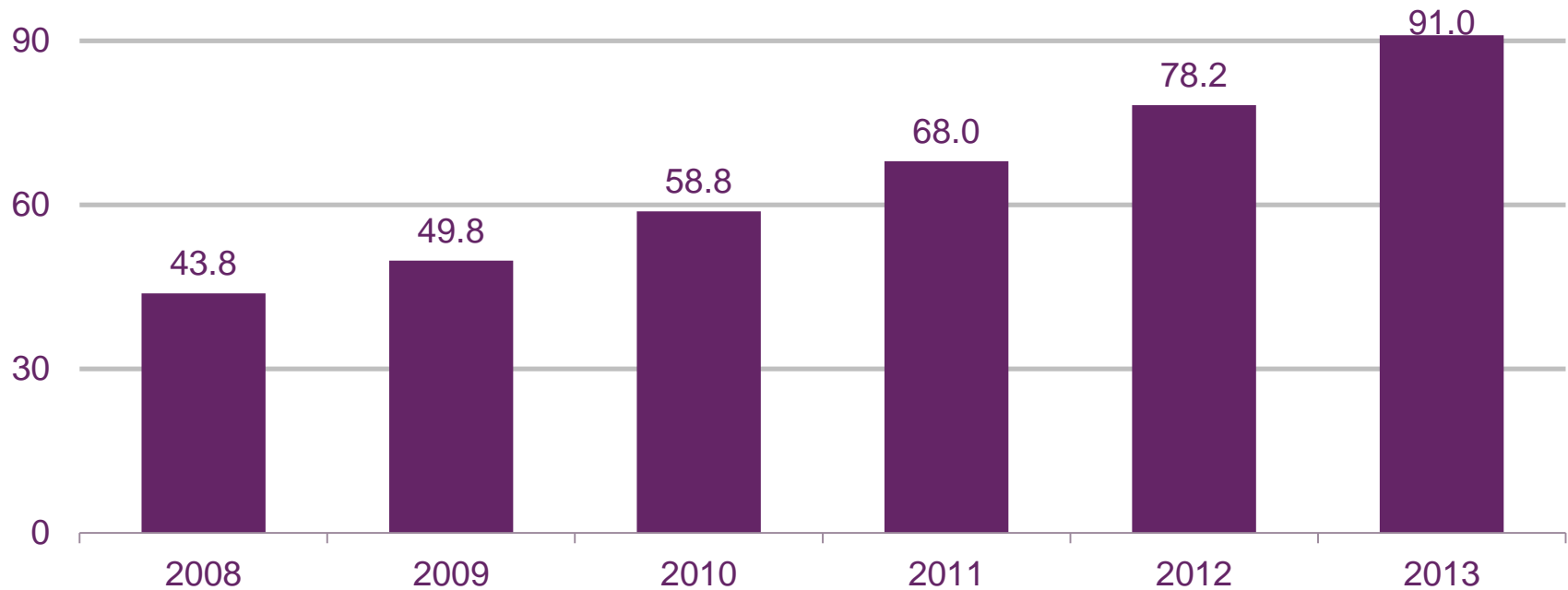


Source: AA/Warc Expenditure report / Nielsen

Figure 6.14

Value of UK e-commerce sales, 2008-2013

Value (£ billion)

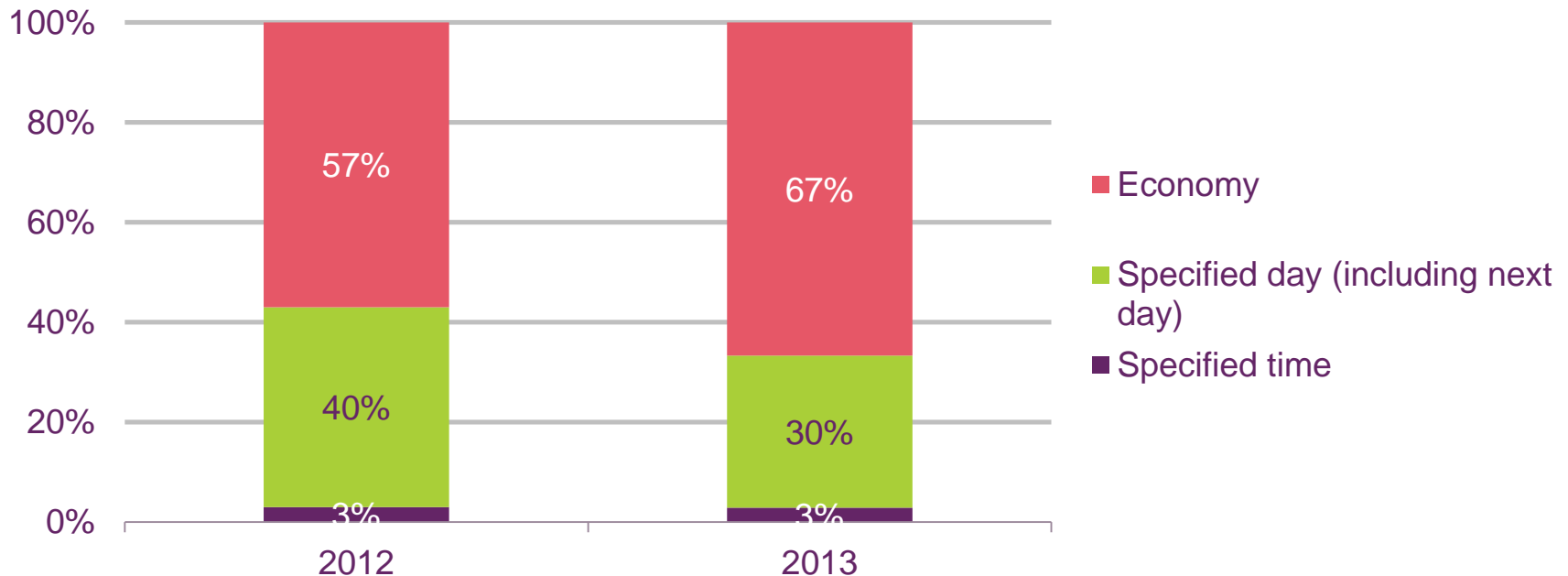


Source: Interactive Media in Retail Group, January 2014

Figure 6.15

Service types used for the fulfilment of e-retail: 2012 and 2013

Proportion of parcels (%)

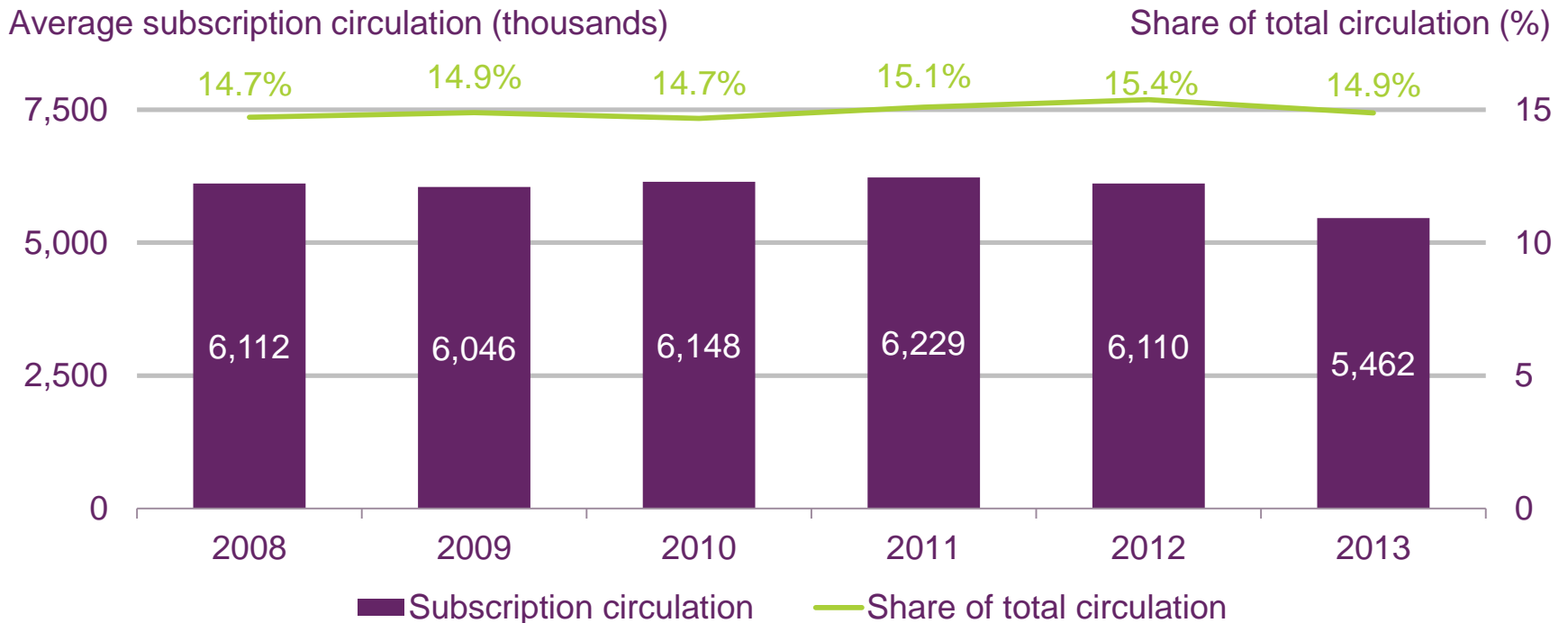


Source: Ofcom analysis of IMRG / Metapack Delivery Index, January 2012-December 2013.

Note: Specified time includes: AM, PM, before 10am, evening and school run. Specified day includes same day and next day. Proportions rebased to exclude international.

Figure 6.16

Magazine subscription circulation: 2008-2012

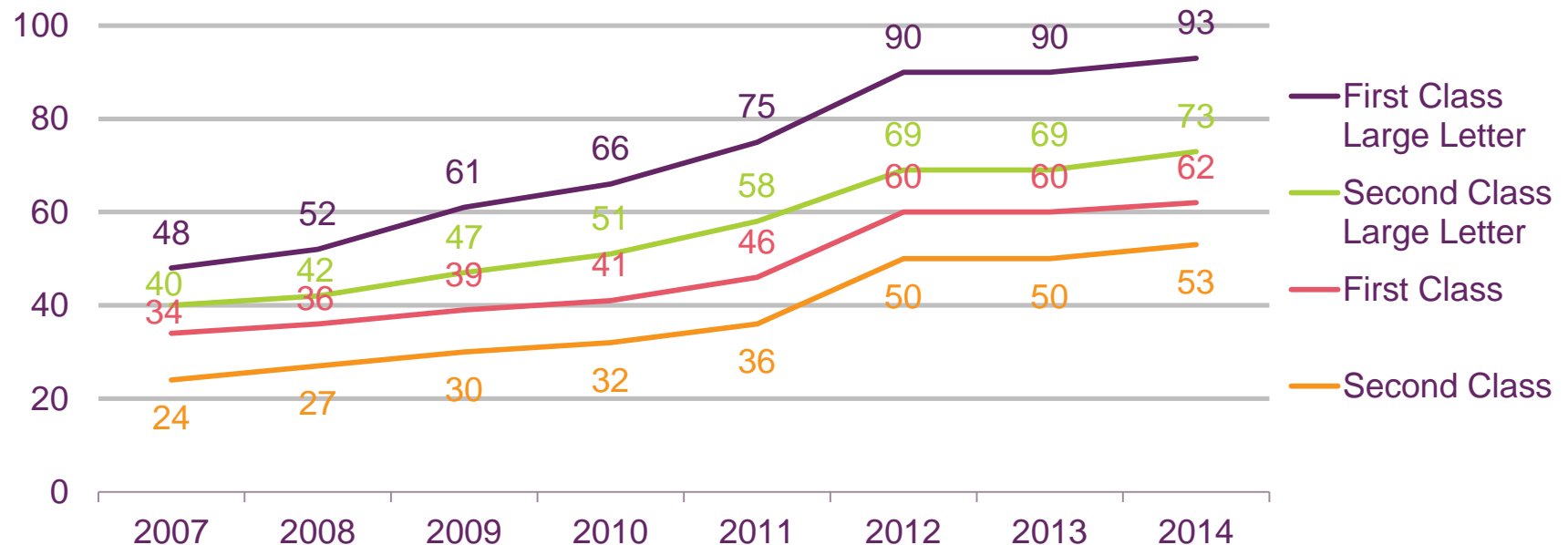


Source: Mediatel/ABC, 6-monthly net average circulation and subscription sales

Figure 6.17

First and Second Class stamp prices

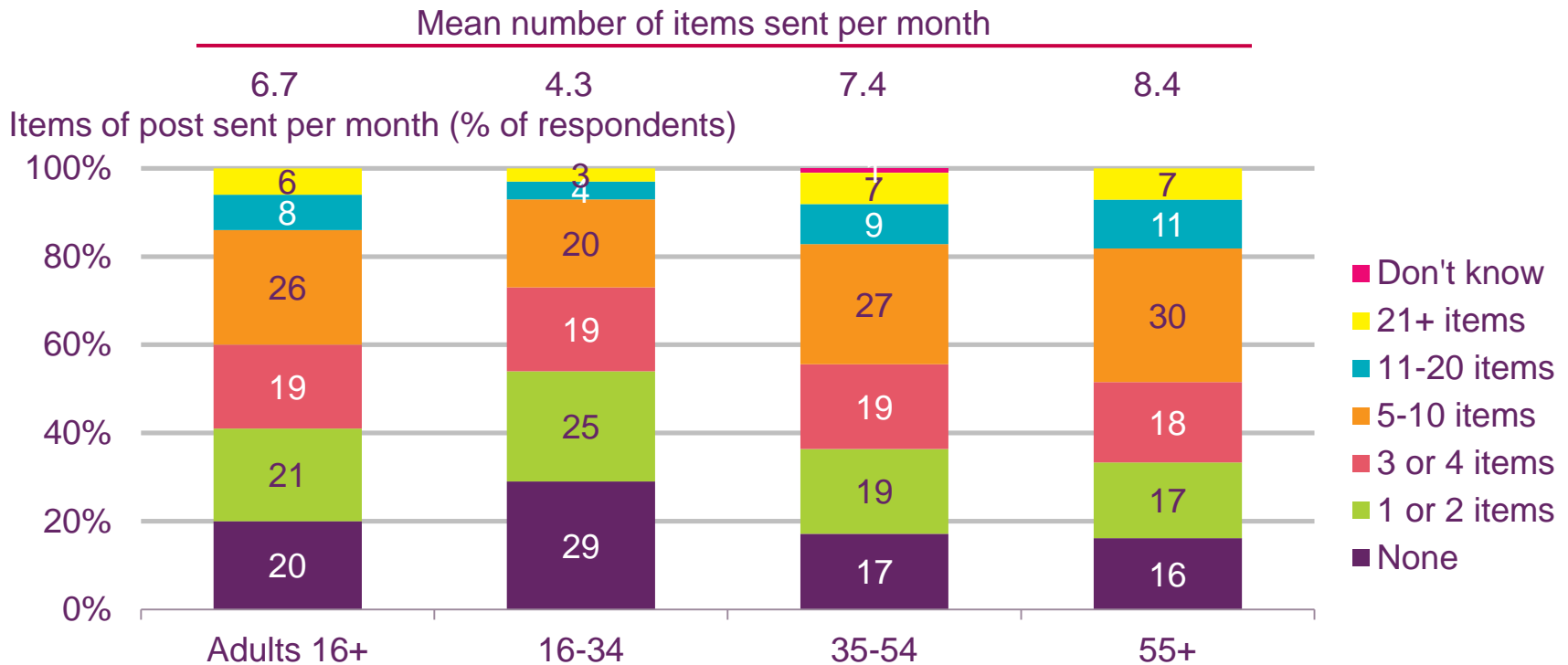
Price (p)



Source: Royal Mail. Figures are nominal. Prices refer to Royal Mail First and Second Class Standard and Large Letter list prices for letters up to 100g,

Figure 6.18

Number of items sent per month



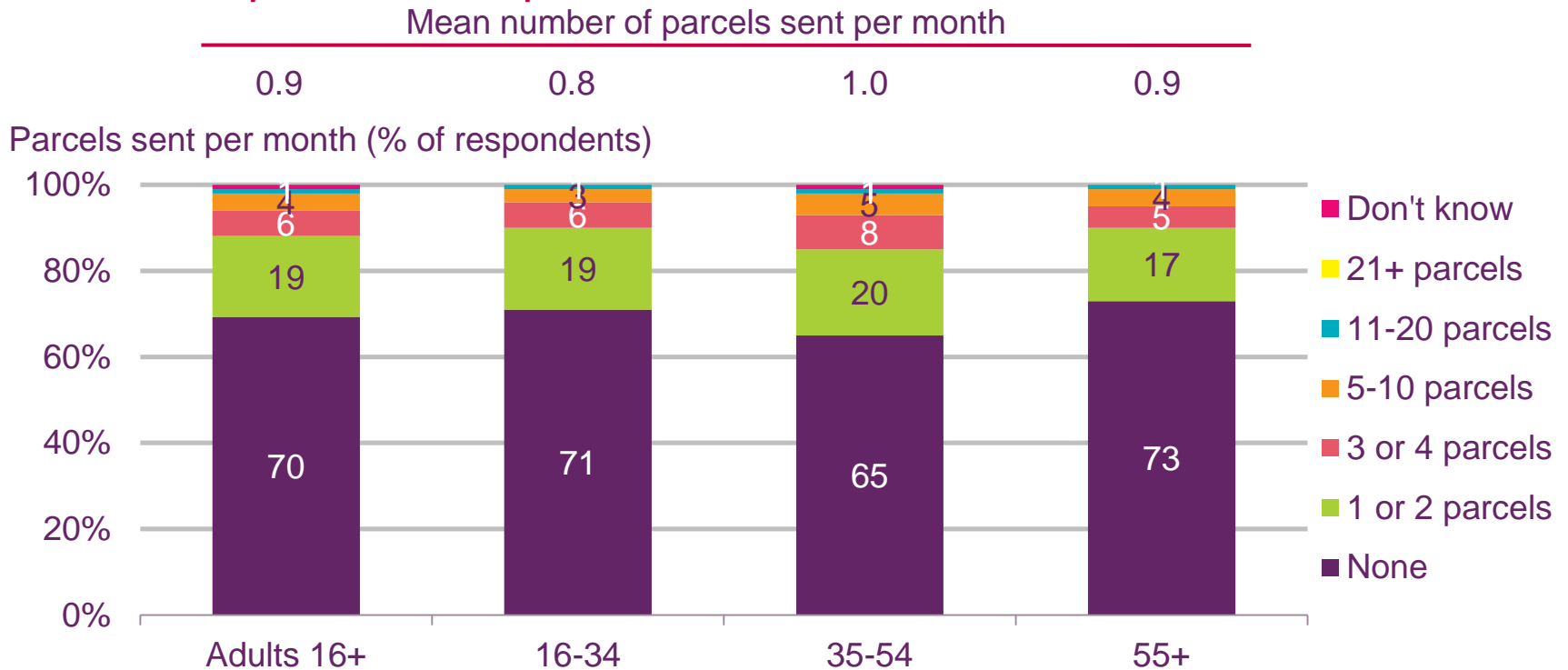
Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QC1. Approximately how many items of post – including letters, cards and parcels – have you personally sent in the last month?

Figure 6.19

Number of parcels sent per month



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

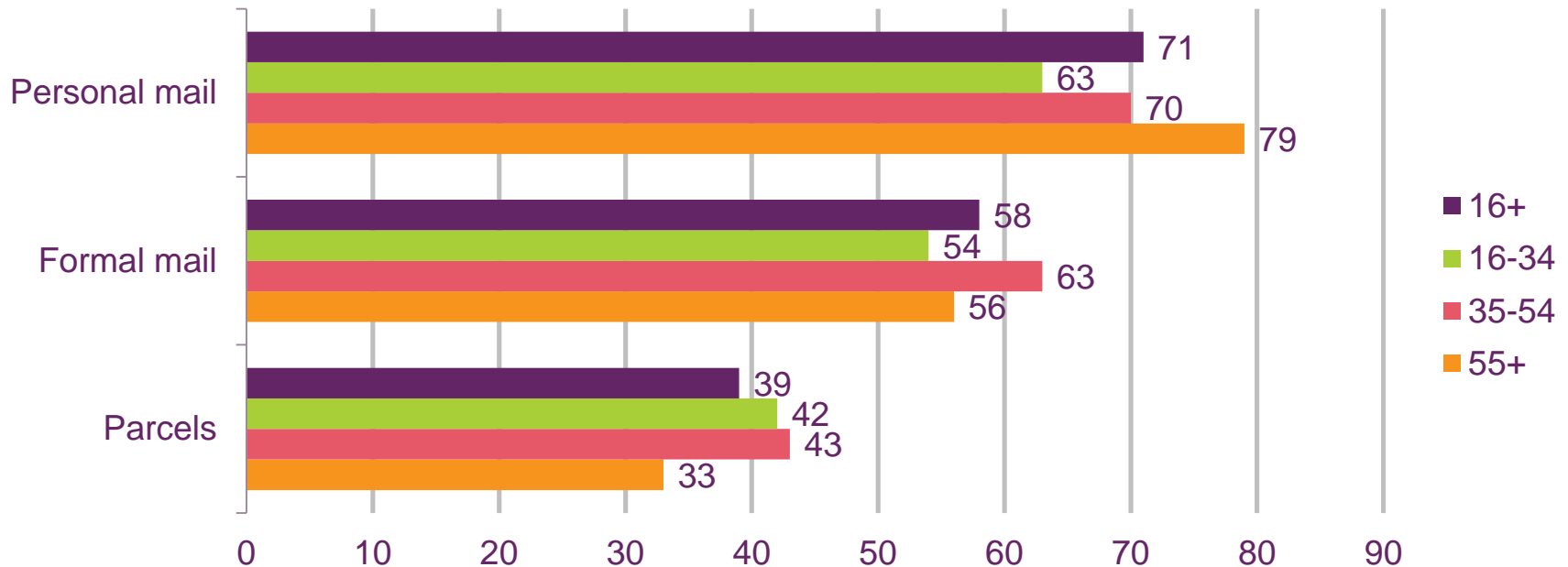
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QC2. And how many of these items sent in the last month were parcels rather than letters or cards?

Figure 6.20

Types of mail sent in the past month

Proportion of consumers (%)



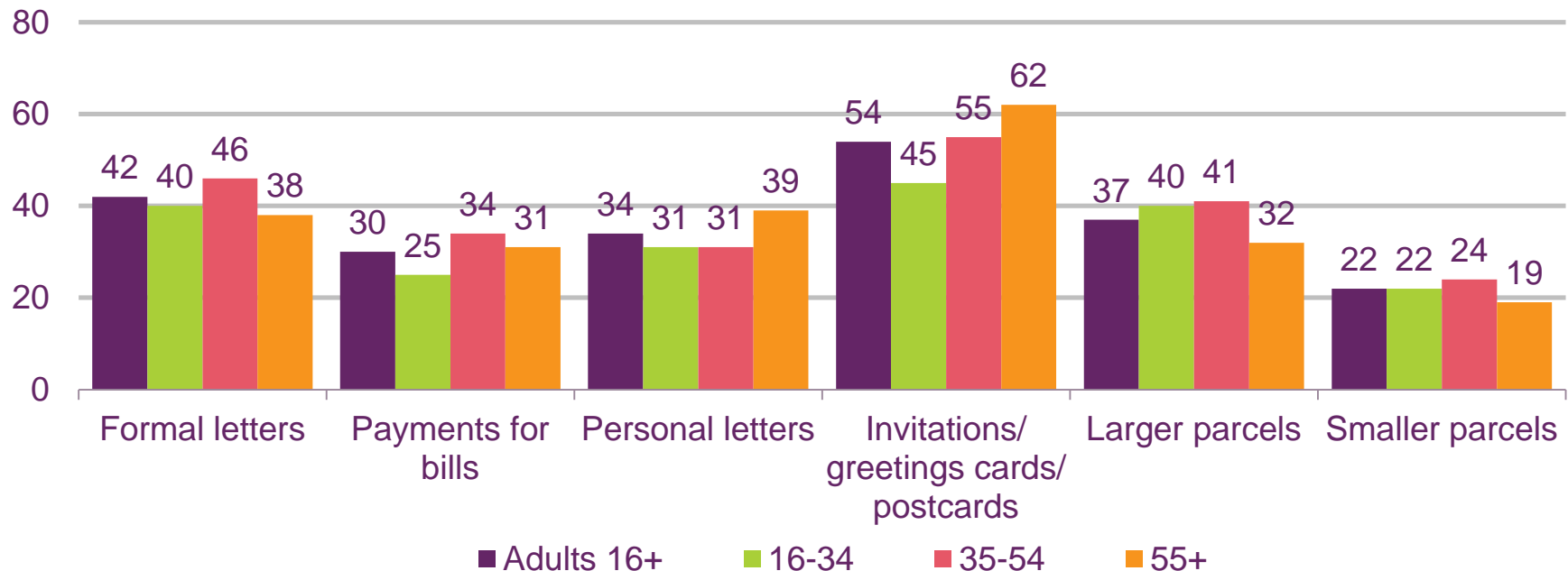
Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

Base: All who have personally sent any items of post in the last month (n = 3817 adults 16+, 899 16-34, 1357 35-54, 1561 55+) QC5. Which of these types of mail would you say you have personally sent in the last month by post? (MULTICODE)

Figure 6.21

Types of mail sent in the past month

Proportion of consumers (%)



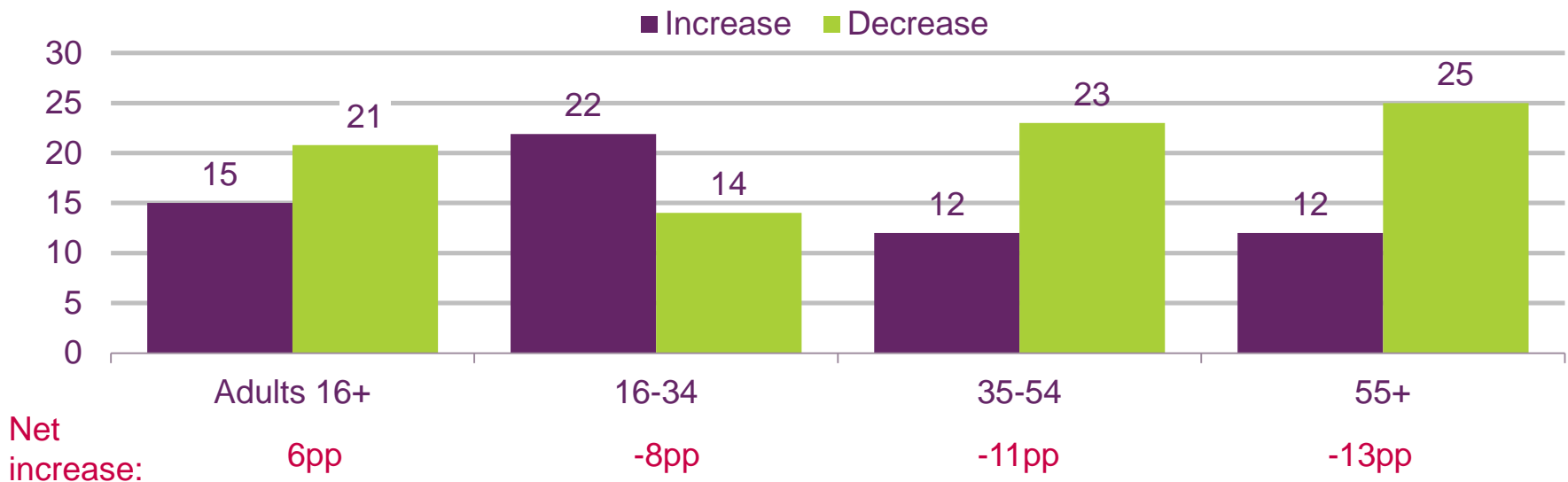
Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

Base: All who have personally sent any items of post in the last month (n = 3817 adults 16+, 899 16-34, 1357 35-54, 1561 55+) QC5. Which of these types of mail would you say you have personally sent in the last month by post? (MULTICODE)

Figure 6.22

Percentage of respondents reporting an increasing or decreasing amount of post sent in the past two years

Proportion of consumers (%)



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

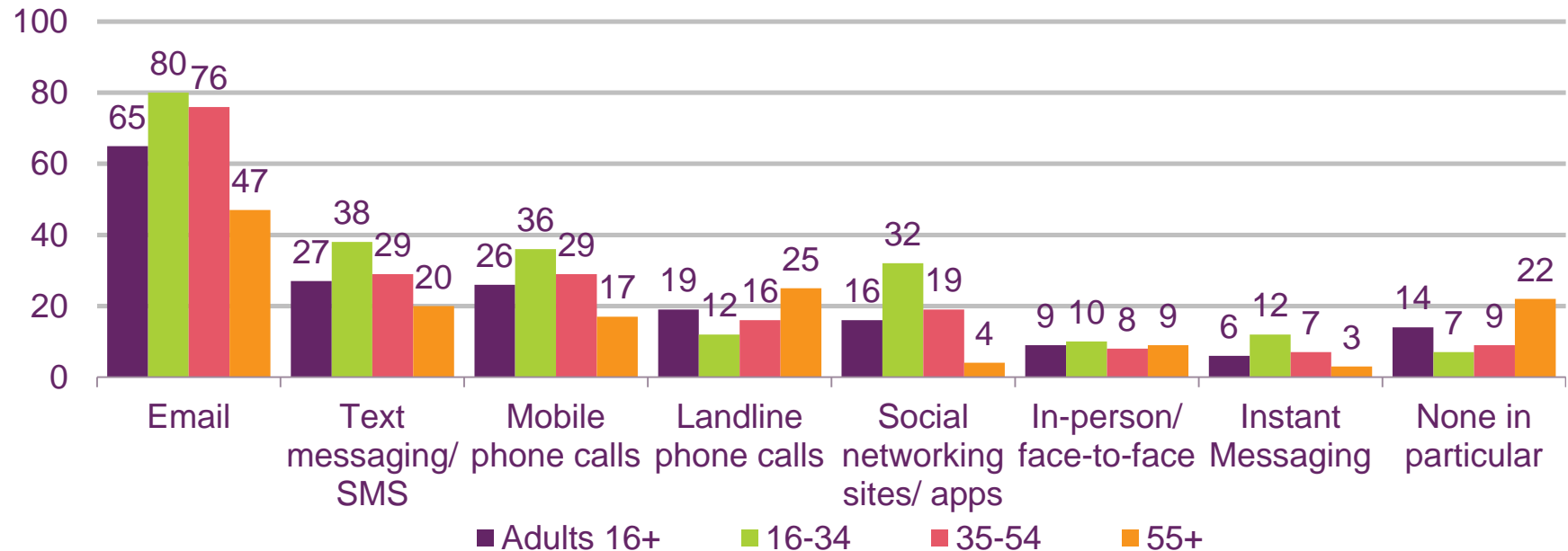
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QC10. Compared with two years ago, would you say that the number of items you send through the post has... increased greatly, increased slightly, stayed the same, decreased slightly, decreased greatly?

Figure 6.23

Methods of communication being used instead of post

Proportion of consumers (%)



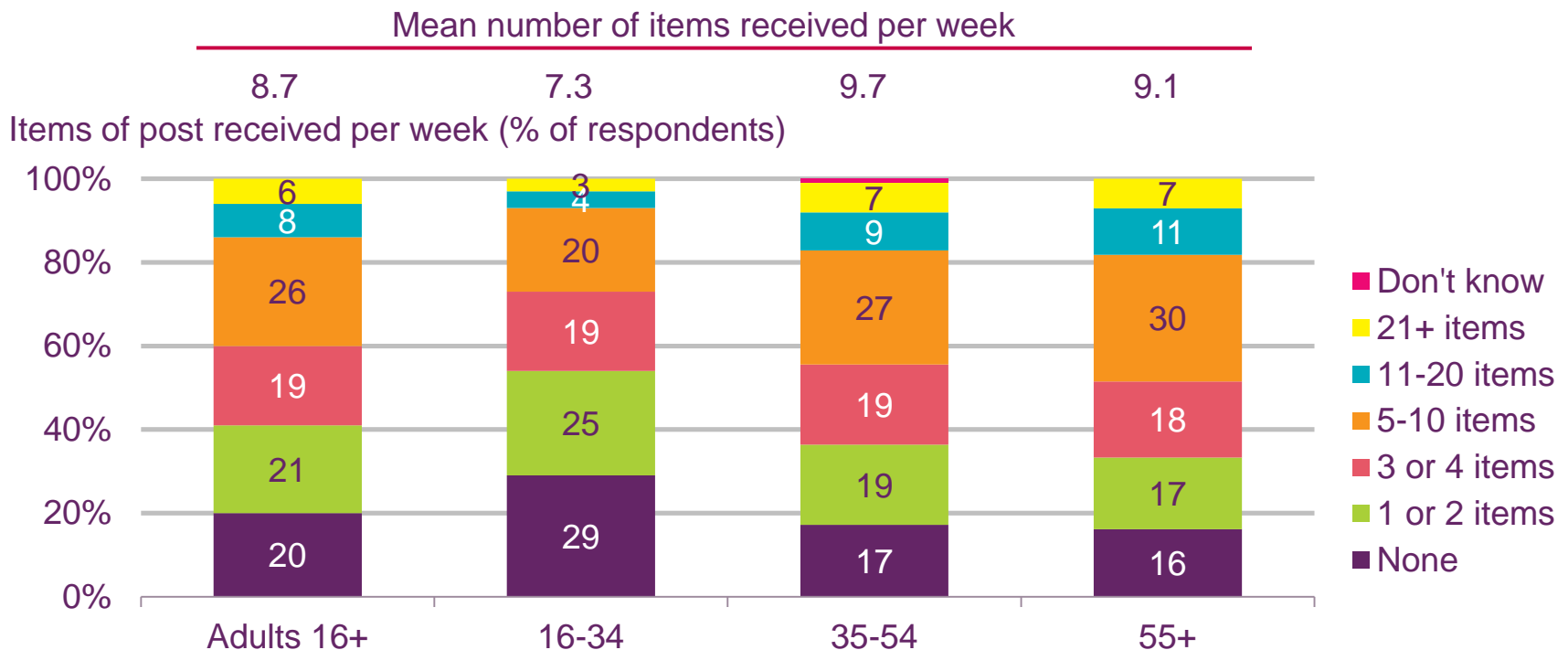
Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

Base: All who say that the number of items sent by post has decreased, compared to two years ago (n = 1030 adults 16+, 180 16-34, 368 35-54, 482 55+)

QC13. As your use of post has decreased compared with two years ago, which, if any, of these other forms of communication are you using more instead of post? (MULTICODE)

Figure 6.24

Number of items received per week



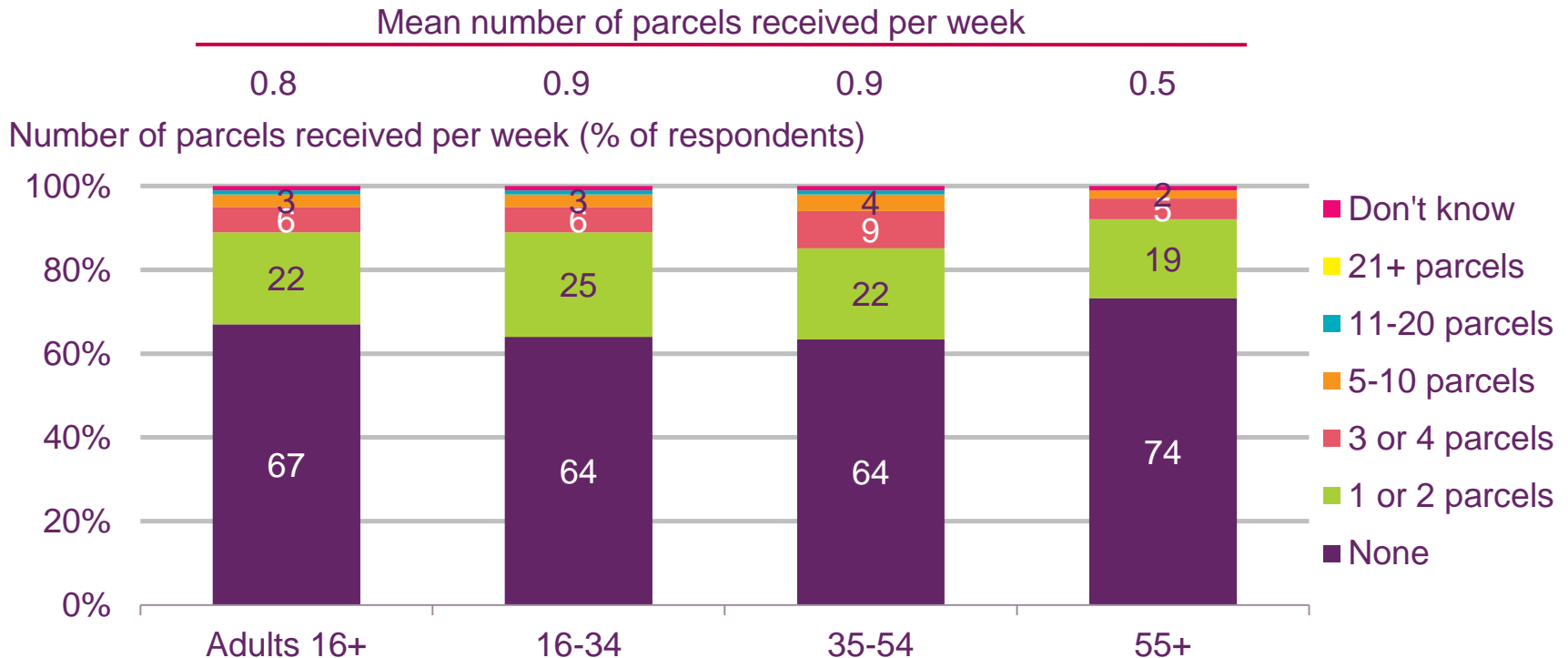
Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QD1. Approximately how many items of post – including letters, cards and parcels – have you personally received in the last week?

Figure 6.25

Number of parcels received per week



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

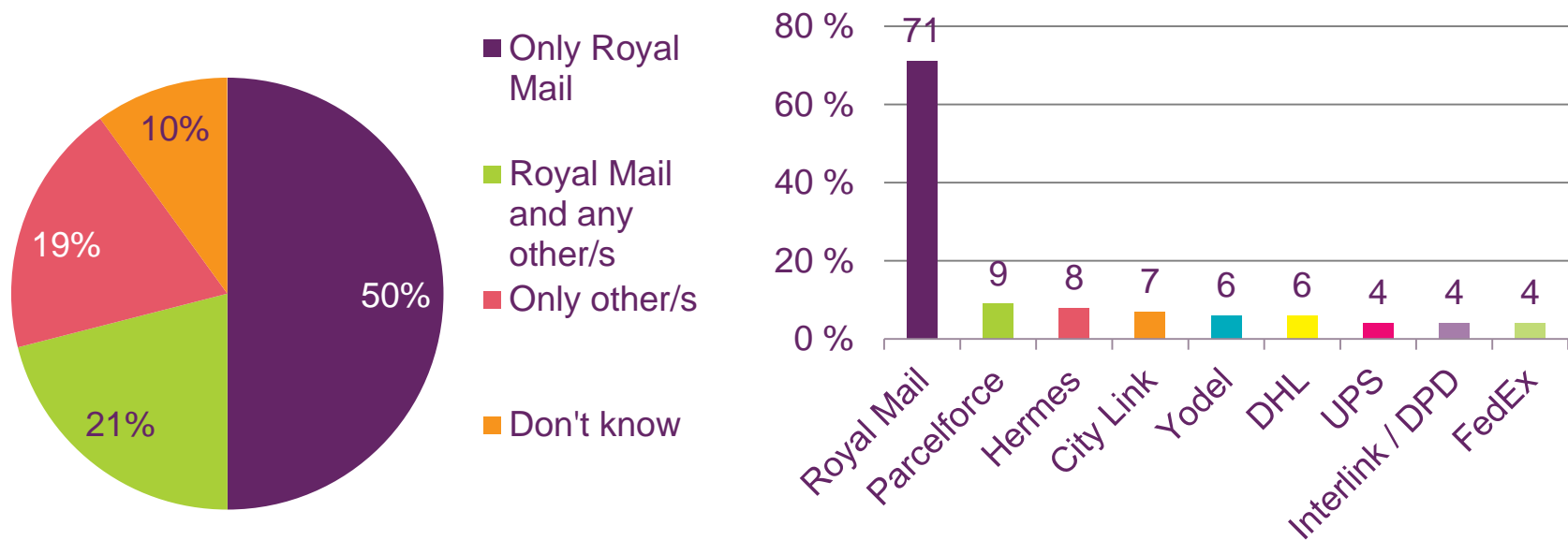
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QD2. And how many of these items received in the last week were parcels rather than letters or cards?

Figure 6.26

Proportion of consumers reporting delivery of parcels, by company

Company parcels delivered by (% of all who have received a parcel in the past week)



Source: Ofcom Residential Postal Tracker, Q4 2013-Q1 2014

Base: All who have received a parcel in the last week (n = 796 adults 16+)

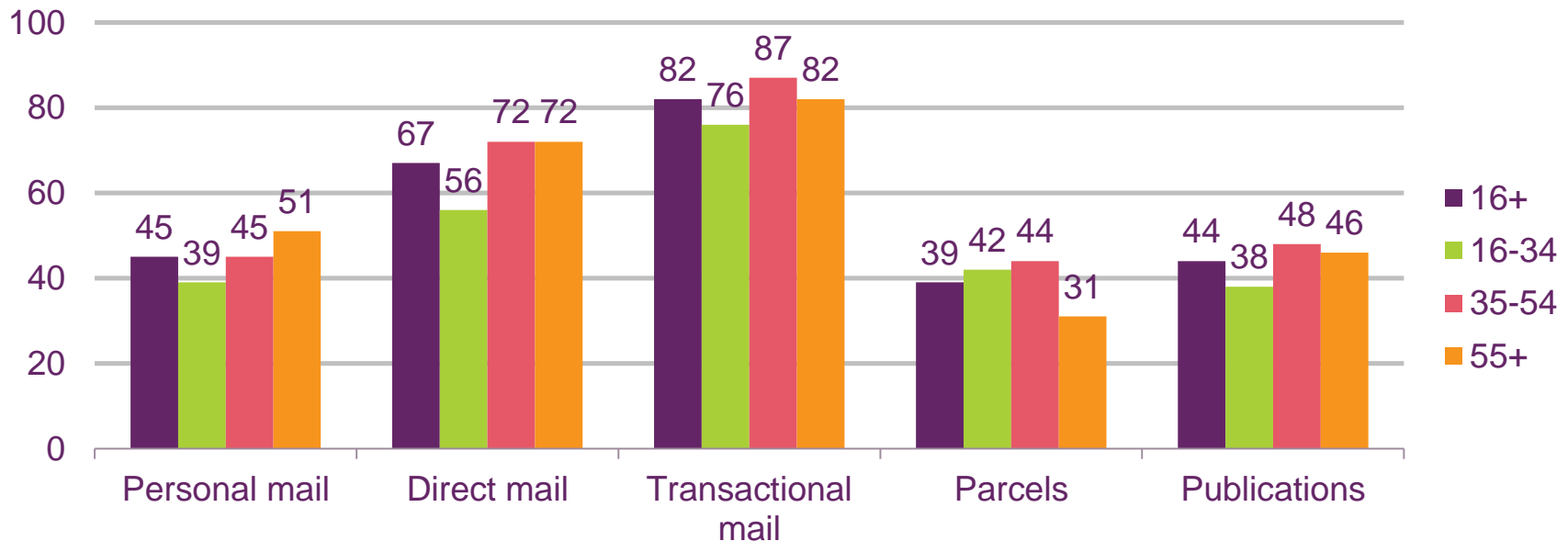
QD17. Thinking of the parcels that you have received in the last week, which of these companies delivered the parcels? (MULTICODE)

Chart shows companies mentioned by more than 1% of those receiving any parcels in the past week

Figure 6.27

Categories of mail received in the past week

Proportion of consumers receiving each type of mail (%)



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

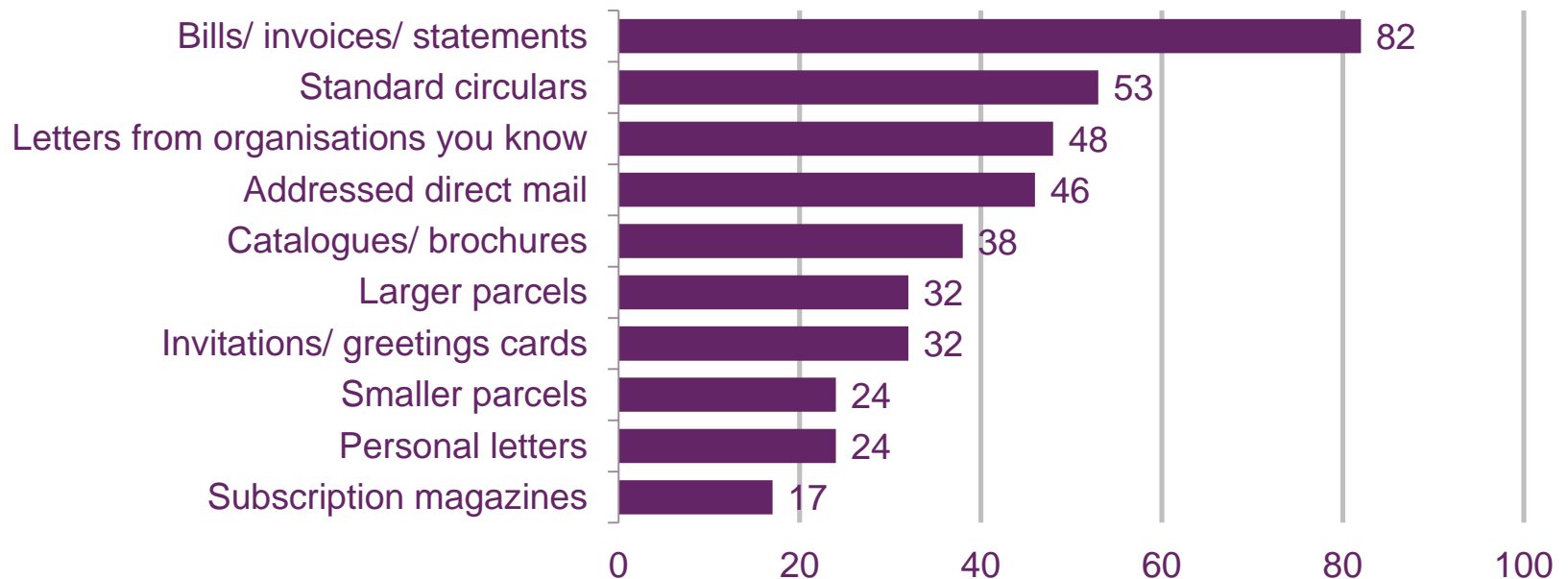
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QD4. Please think about items that are addressed to you personally rather than leaflets or charity collection envelopes or bags that may come through your letterbox. Which of these types of items would you say you have personally received through the post in the last month? (MULTICODE)

Figure 6.28

Types of mail received in the past week

Proportion of respondents who have received each type of mail (%)



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

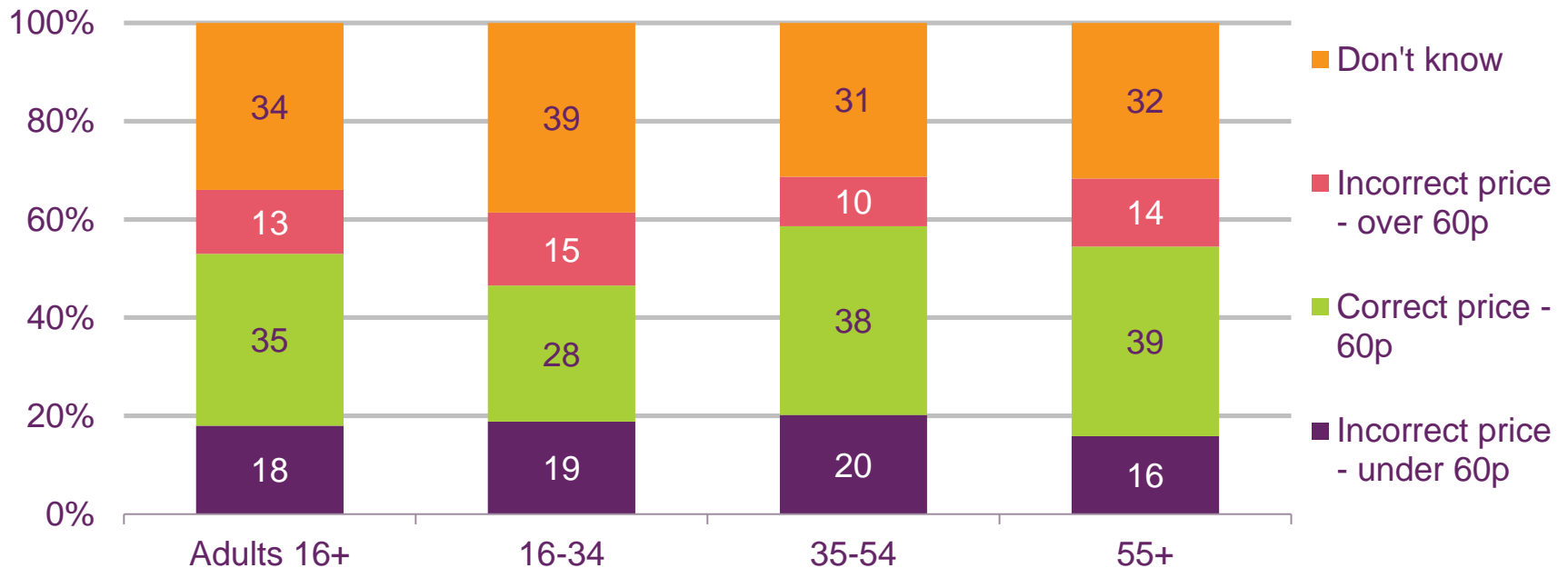
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QD4. Please think about items that are addressed to you personally rather than leaflets or charity collection envelopes or bags that may come through your letterbox. Which of these types of items would you say you have personally received through the post in the last month? (MULTICODE)

Figure 6.29

Awareness of the price of a First Class stamp

Proportion of respondents (%)



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

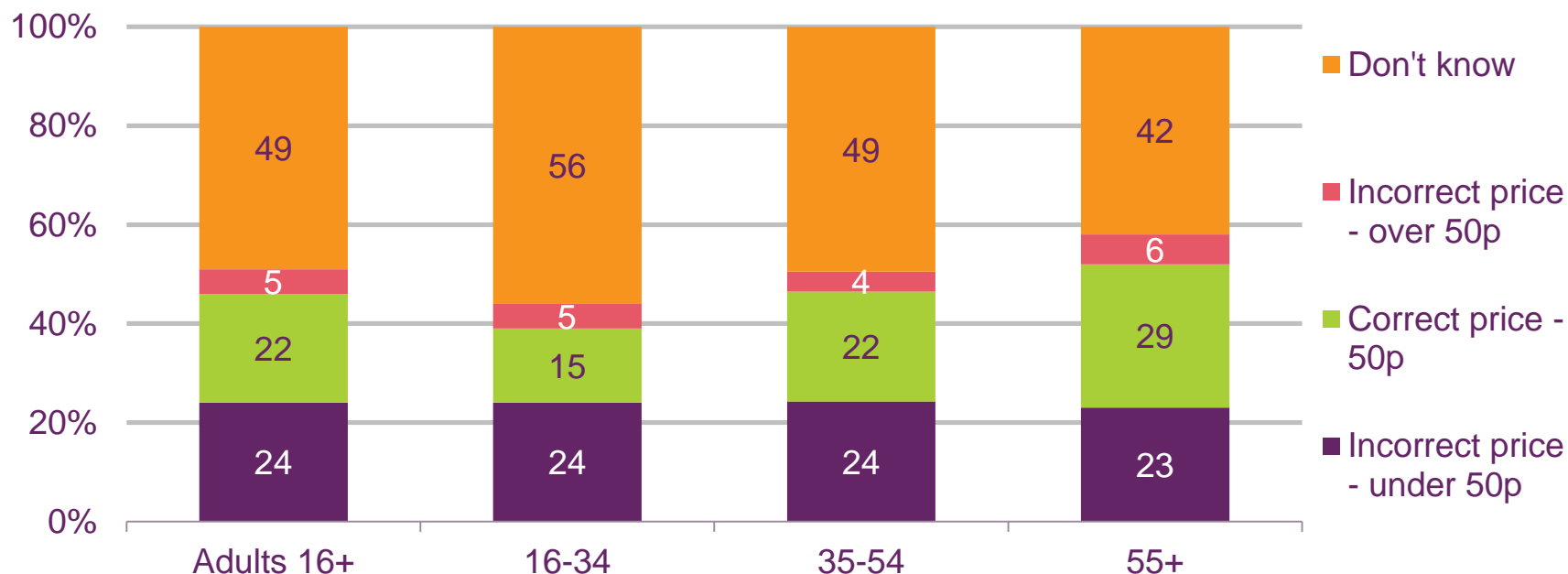
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QF1. As far as you know, how much does it currently cost to send a standard letter by first class using a stamp? (SINGLE CODE)

Figure 6.30

Awareness of the price of a Second Class stamp

Proportion of respondents (%)



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

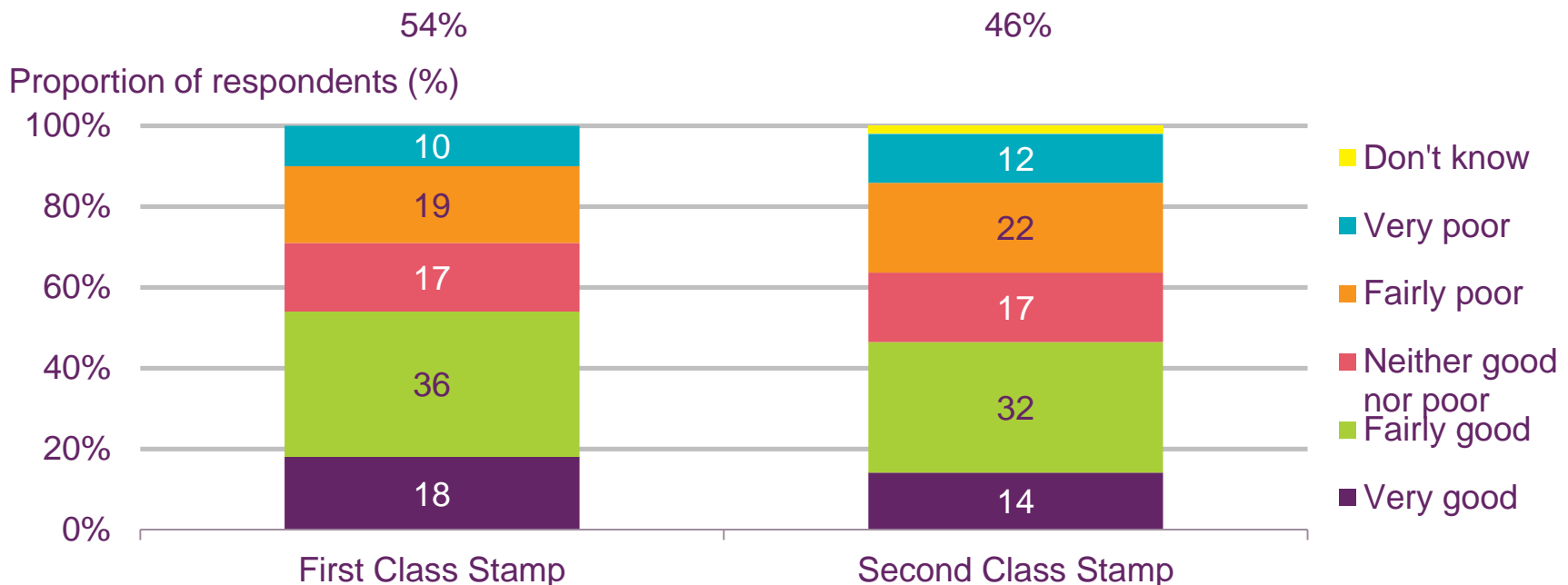
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QF1. As far as you know, how much does it currently cost to send a standard letter by second class using a stamp? (SINGLE CODE)

Figure 6.31

Perception of value for money of First and Second Class stamps

Total who agree First or Second Class stamps are good value for money



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

Base: All respondents (n = 4823 adults 16+)

QF3/4. It currently costs 60p/50p to send a standard letter First/ Second Class within the UK. How would you rate the Royal Mail's First/ Second Class service in terms of value for money? (SINGLE CODE)

Figure 6.32

Attitudes to post: proportion of consumers agreeing with each statement

	Adults 16+	16-34	35-54	55+
I love to send and receive letters and cards	60	53	59	69
I prefer to send letters or emails to companies rather than make a phone call, so that I have a written record	61	63	65	56
I prefer to send emails rather than letters whenever possible	55	71	61	33
I only use post if there is no alternative	40	49	41	31
I send fewer letters by post now due to the cost	27	24	28	29
I would feel cut off from society if I can't send or don't receive post	53	45	51	64
I only send my mail First Class if it needs to get there the next day	48	44	44	56
I trust Second Class post to get there in a reasonable timeframe	62	61	58	69

Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

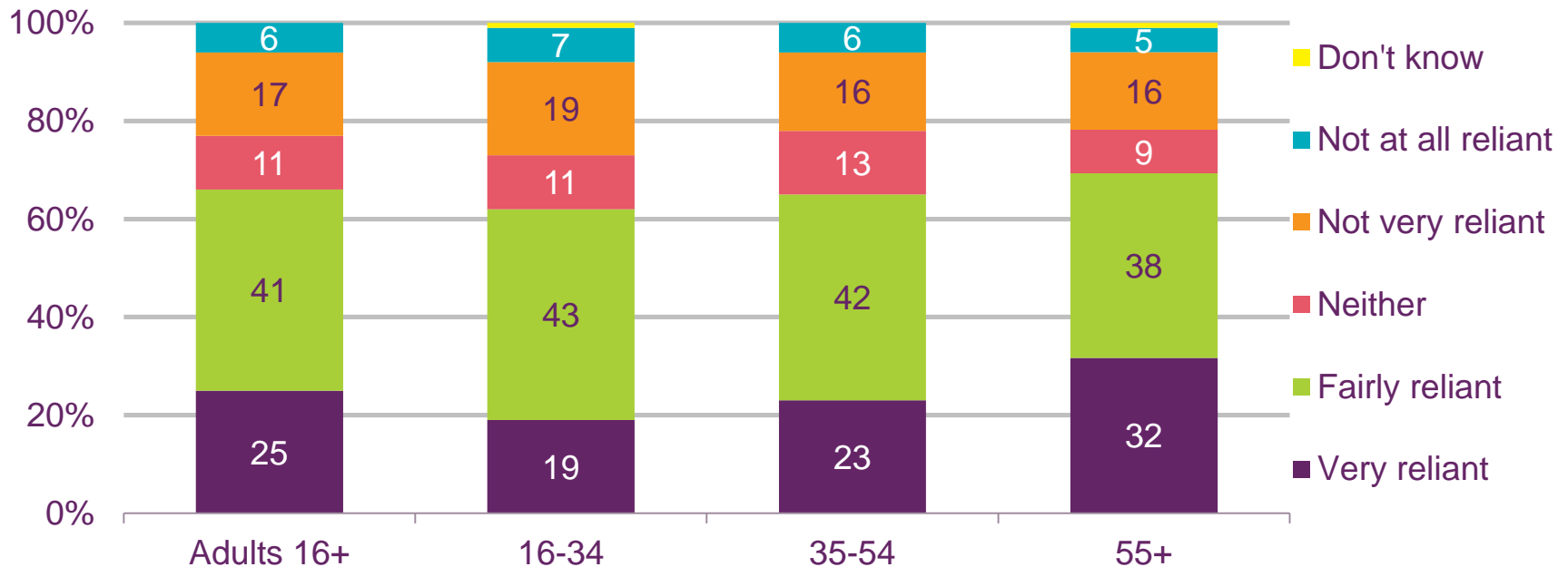
Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QH2A-H. Agreement with statements about sending/ receiving post

Figure 6.33

Reliance on post as a way of communicating

Proportion of respondents (%)



Source: Ofcom Residential Postal Tracker, Q2 2013-Q1 2014

Base: All respondents (n = 4823 adults 16+, 1294 16-34, 1617 35-54, 1912 55+)

QE1. How reliant would you say you are on post as a way of communicating? (SINGLE CODE)