

# Ofcom Business Postal Tracker: annual technical report: Q2/2014 – Q1/2015

## General survey description

The Business Postal Tracker 2014-15 aims to achieve 1600 individual interviews (including 50 semi-structured depth interviews), representative of the profile of small and medium sized businesses (SMEs) with 0-249 employees across the UK, across a fieldwork period of 12 months.

Achieving these numbers will generate a robust dataset with margins of error of +/- 2-3%. The survey is carried out using a Computer Aided Telephone Interviewing (CATI) methodology. The interview lasts 15-20 minutes and covers the following topic areas: volume and use of postal service, reported experience with Royal Mail and other providers, overall satisfaction, change in mail as a communication method.

Fieldwork is divided into four quarters, running from the 8<sup>th</sup> April 2014 to the 31<sup>st</sup> March 2015. The interview numbers are broken down as follows:

Quarter	Number of interviews	
	N	%
Q2/2014	387	24
Q3/2014	401	25
Q4/2015	400	25
Q1/2015	403	25

Further details around the survey objectives, sampling approach, the achieved sample and weighting of the data are provided below.

## Survey objectives

The research aims to measure the use of postal services amongst businesses in the UK.

Specific objectives are:

- To provide time-trend data that enables Ofcom to monitor these measures over time
- To collect data that enables comparisons with data collected from a similar survey of residential consumers
- To provide robust data suitable for publication
- To provide data to inform Ofcom analysis, reports and decisions
- To provide analysis by population sub-groups

## Sampling approach and quotas

As indicated above, the Business Postal Tracker aims to achieve 1600 interviews across the totality of the fieldwork period which has been broken down into four quarters. As is also indicated, the final dataset will also be representative of the profile of all SME businesses in the UK.

Considering the profile of businesses in the UK as defined by number of employees (business size), it is clear that this profile is heavily skewed towards smaller businesses. As table 2 indicates, if the final interview numbers were allowed to reflect this population it would not be possible to undertake robust analysis with organisations with 10 or more employees. For this reason quotas were set in order to achieve a significant number of responses across all business sizes and weighting factors calculated to account for this sample design. Businesses with 250+ employees are excluded from the quantitative survey, but are included in the project as a whole via a series of qualitative in-depth interviews.

<b>Business Size</b>	<b>N</b>	<b>%</b>	<b>Natural interview distribution</b>	<b>Quotas Set</b>	<b>Implied weight</b>
0 or 1	3,803,100	78.7	1,181	1,000	1.18
2-9	830,485	17.2	258	250	1.03
10-19	113,620	2.4	36	100	0.36

20-49	54,050	1.1	17	100	0.17
50-249	26,905	0.6	9	100	0.09
250+	5,885	0.1	2		
<b>Total</b>	<b>4,834,045</b>	<b>100</b>	<b>1,503</b>	<b>1,550</b>	

Using the quotas indicated above, quarterly targets were calculated, which were also broken down in order to achieve a final dataset which was also representative of UK businesses in terms of location.

Further controls were placed on the sample to ensure that a mixture of businesses from urban and rural locations are included in the final sample. Business postcode addresses selected for potential inclusion in the survey UK cities and towns were classified into urban and rural strata based on the classifications shown in table 3 below. The categories have been devised by the survey sample and statistics provider *UK Geographics*. Population data from UK Census 2001 were overlaid onto the *UK Geographics* categories to provide population distribution estimates by postcode. For the purposes of the Business Postal Tracker, urban regions were considered to be those in categories A-E, while rural locations were defined by categories F-G.

<i>Table 3: ONS urbanity definitions</i>			
<b>Category</b>	<b>Description</b>	<b>Population</b>	<b>Incidence (% 16+)</b>
A	Large City	500,000+	14.71
B	Smaller city or large town	100,000 – 500,000	19.81
C	Medium town	15,000 – 100,000	32.12
D	Small town (within 10 miles of A,B or C)	2,000 – 15,000	17.38
E	Small town (more than 10 miles of A,B or C)	2,000 – 15,000	1.85
F	Rural area (within 10 miles of A,B or C)	500 – 2,000	11.70
G	Rural area (more than 10 miles from A, B or C)	500 – 2,000	2.42

*Source: UK Geographics*

While urbanity was taken into account in the selection of the final sample, no quotas for the numbers of interviews to achieve by the urbanity of their location were set prior to fieldwork. Final yearly targets, defined therefore by business size and location, are described in table 4 below.

Table 4: Yearly quota targets

Region	Business size (number of employees)			Total
	0 to 9	10 - 49	50 - 249	
East of England	84	12	12	108
East Midlands	84	16	12	112
Greater London	84	12	0	96
North East	84	16	12	112
North West	84	12	12	108
South East	84	12	12	108
South West	84	12	0	96
West Midlands	84	16	12	112
Yorkshire & The Humber	84	16	12	112
Scotland	168	28	12	208
Wales	172	28	12	212
Northern Ireland	168	36	12	216
<b>TOTAL:</b>	1264	216	120	1600

In order to achieve the required number of final interviews sample was provided by an approved supplier in a 10-to-1 ratio.

## **Selection of respondents and fieldwork procedure**

As the content of the questionnaire asks respondents to estimate the volumes of post mailed and the value of contracts with postal service providers, a screening process was undertaken at the start of interviews to ensure that respondents could provide valid responses.

After dialling the telephone number for the business indicated on the sample, interviewers were directed to ask those answering if they were able to answer questions about their organisation's mailing processes, volumes for the postal items sent from the UK from sites for which the business is responsible and spend on mail services. If the initial contact indicated that they were not able to do this, they were asked to pass the call over to someone who was able to answer the questions. As is indicated in the profile of the achieved sample section below, the person completing the survey tended to be the business owners or those involved in the administration of the business.

During fieldwork interviews were carried out in strict accordance with the guidelines given to interviewers and according to the Market Research Society (MRS) codes and guidelines. During fieldwork quality control was performed in accordance with MRS guidelines. Monitoring the quality of interviews included the witnessing by a supervisor of at least 15% of each of the interviewers work.

## Profile of achieved sample

At the completion of fieldwork, 1591 individual interviews were achieved. These are broken down by region and business size in table 6 below.

*Table 6: Achieved unweighted sample by region and business size*

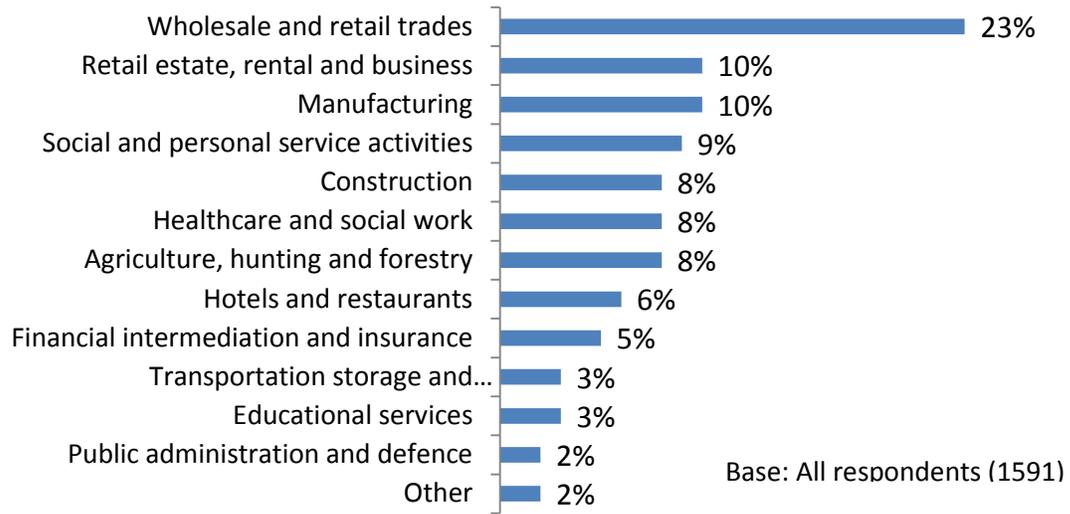
Region	N	Region - aggregated	Business size				Total	
			0-9		10+		N	%
			N	%	N	%		
East of England	79	Midlands	242	15.21	91	5.72	333	20.93
East Midlands	136							
West Midlands	118							
Greater London	77	South	253	15.90	72	4.53	325	20.43
South East	141							
South West	107							
Yorkshire and the Humber	98	North	231	14.52	84	5.28	315	19.80
North East	94							
North West	123							
Scotland	217	Scotland, Wales and Northern Ireland	477	29.98	141	8.86	618	38.84
Wales	198							
Northern Ireland	203							
<b>Total</b>	<b>1591</b>		<b>1203</b>	<b>75.61</b>	<b>388</b>	<b>24.39</b>	<b>1591</b>	<b>100.00</b>

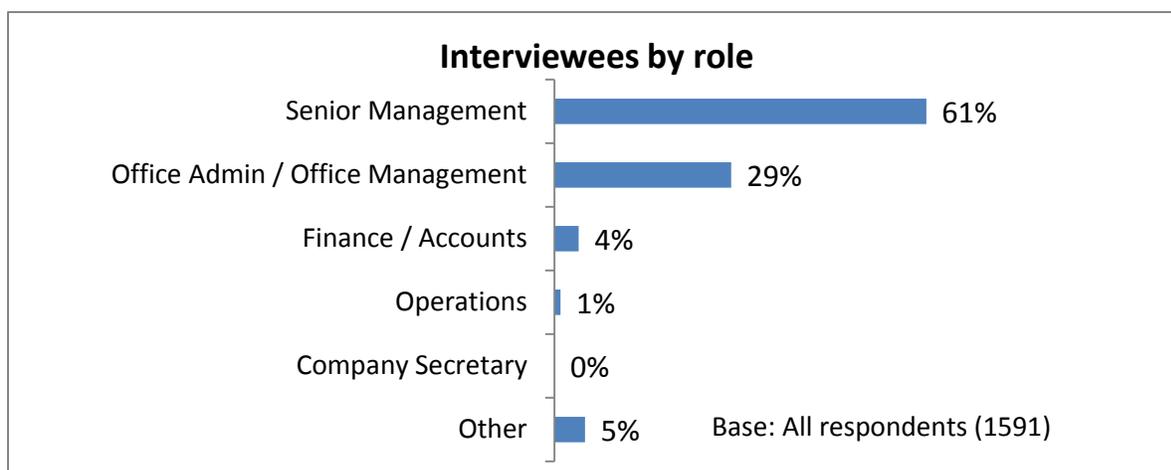
As is evident in table 6, the unweighted sample achieved this year under-represents smaller businesses and over-represents larger businesses. Weighting factors described below were calculated at the data-processing stage in order to make adjustments to the dataset.

The questionnaire used during interviews with businesses also contained some profiling information in order to check that the achieved sample contained a spread of different types of businesses and to ensure that no other factors were influencing results unduly. No firm quotas were set on these factors however.

Interviews were achieved across a range of industry (as indicated in the chart below) and in terms of the personnel with whom interviews were undertaken, the majority were divided between those working in office administration and management and business owners / senior staff. The majority of interviews (91%) were undertaken at head offices and 92% of those interviewed have an internet connection in the office in which they are based.

### Interviews by industry





## Sample efficiency and weighting

At the stage of data processing weights were applied to each quarter's data independently in order that final aggregated data is representative of the population of UK businesses, whilst allowing for quarterly analysis. The profile of businesses in the UK against that of the achieved sample and the associated weighting factors are presented in the table below.

*Table 7: Profile of businesses for weighting*

Sample regions	Population Profile		Achieved Sample		Weighting factor
	N	%	N	%	
<b>0-9 employees</b>					
North	923535	19%	231	14.52%	1.309
Midlands	1121665	23%	242	15.21%	1.512
South	1970735	41%	253	15.90%	2.578
Wales, Scotland, N Ireland	617650	13%	477	29.98%	0.434
<b>TOTAL:</b>	<b>4633585</b>	<b>96%</b>	<b>1203</b>	<b>75.61%</b>	<b>1.270</b>
<b>10+ employees</b>					
North	44005	1%	84	5.28%	0.189
Midlands	50700	1%	91	5.72%	0.175
South	75220	1%	72	4.53%	0.221
Wales, Scotland, N Ireland	30535	1%	141	8.86%	0.113
<b>TOTAL:</b>	<b>200460</b>	<b>4%</b>	<b>388</b>	<b>24.39%</b>	<b>0.164</b>

In the event, the average weight which has been applied to each quarter's data is, as might be expected close to '1' (0.99). The modal weight by quarter (Q2/2014 – Q1/2015) is 0.457/0.401/0.413/0.471 respectively, and the weights range from 0.100 for larger businesses to 3.037 for those that are smaller. The design effect for these weights is 1.60/1.73/1.92/1.67 respectively, giving an effective base of 242/232/298/241, which provides results accurate to +/- 5%.

Quarter	Modal Weight	Lowest Weight	Highest Weight	Design Effect	Effective Base	Results Accuracy
Q2/2014	0.457	0.114	2.441	1.60	242	+/- 5%
Q3/2014	0.401	0.100	2.529	1.73	232	+/- 5%
Q4/2014	0.413	0.133	3.037	1.92	298	+/- 5%
Q1/2015	0.471	0.109	2.39	1.67	241	+/- 5%

## In-depth interviews

During the year in-depth qualitative interviews were undertaken by telephone with 50 people working at businesses with more than 250 employees who indicated that they were able to answer questions about their organisation's mailing processes, volumes for the postal items sent from the UK and spend on mail services. These interviews were recorded and transcribed and analysis of these materials fed into the Ofcom Business Postal Tracker Annual Report 2014-15.

The majority of these interviews were undertaken with those working in the headquarters of their organisation and interviews covered people working in a range of industries as indicated below:

