Ofcom Business Postal Tracker: Annual technical report: Q3 2018 to Q2 2019

General survey description

The Business Postal Tracker Q3 2018-Q2 2019 aimed to achieve 2000 individual 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. This sample size generated a robust dataset with margins of error of +/- 2-3%.

The Business Postal Tracker 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 in 2018-19 was conducted over four quarters, with the sample size for each quarter as follows:

Quarter	Number of interviews	
	N	%
Q3/2018	500	25%
Q4/2018	501	25%
Q1/2019	493[1]	25%
Q2/2019	500	25%

Table 1: Interviews by quarter

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[1] As evident in table 1, Q1/2019 did not achieve the target of 500, which has been accounted for in the weighting. This appears to be due to a steady increase in SMEs no longer using postal services.

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 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

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 of 10 employees or more. 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.

Table 2: Profile of business in the UK					
Business Size	**N**	**%**	**Natural interview distribution**	**Quotas Set**	**Implied weight**
0-9	4,633,585	96.0	1,920	1,505	1.28
10-49	167,670	3.5	70	330	0.21
50-249	26,905	0.6	12	165	0.07
Total	**4,828,160**	**100**	**2,000**	**2,000**	

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.

Table 3: ONS urbanity definitions			
Category	**Description**	**Population**	**Incidence (% 16+)**
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

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 on the next page.

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

Region	Business size (number of employees)			Total
	0 to 9	10 - 49	50 - 249	
East of England	100	20	10	130
East Midlands	70	10	5	85
Greater London	190	40	20	250
North East	35	10	5	50
North West	105	20	10	135
South East	180	40	20	240
South West	110	20	10	140
West Midlands	80	20	10	110
Yorkshire & The Humber	80	20	10	110
Scotland	185	45	20	250
Wales	190	40	20	250
Northern Ireland	180	45	25	250
TOTAL:	1,505	330	165	2,000

Table 4: Yearly quota targets

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.

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.
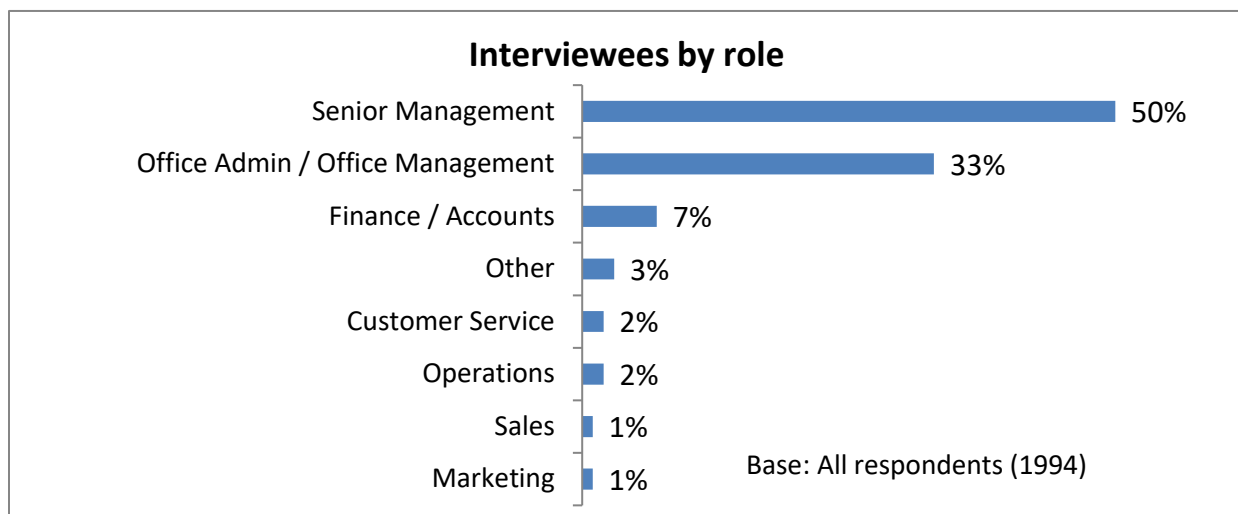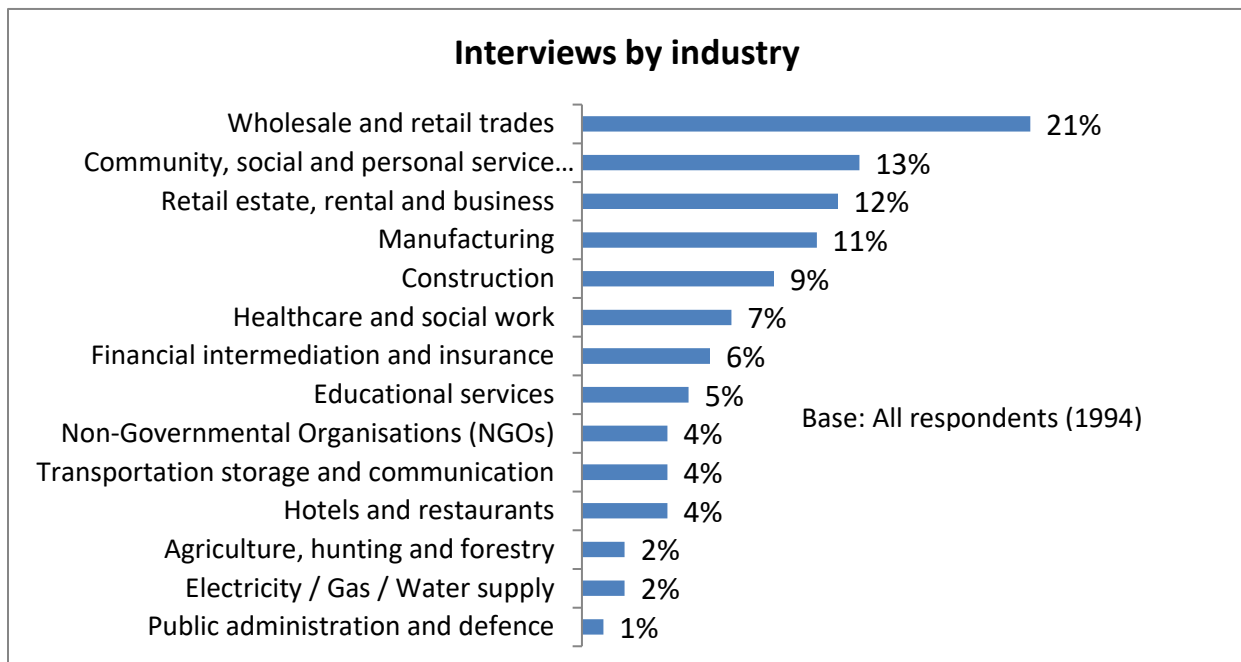
Profile of achieved sample

At the completion of fieldwork, 2000 individual interviews were achieved. These are broken down by region and business size in table 5.

As is evident in table 5, the unweighted sample achieved this year under-represents smaller businesses and over-represents larger businesses. In addition, while quotas were set in line with table 4, some quotas were relaxed to ensure that the overall target number of interviews could be achieved. Weighting factors described below were calculated at the data-processing stage in order to make adjustments to the dataset.

Table 5: Achieved unweighted sample by region and business size								
Region	**N**	**Region - aggregated**	**Business size**				**Total**	
			0-9		**10+**			
			N	**%**	**N**	**%**	**N**	**%**
East of England	113	Midlands	224	11.2	109	5.5	333	16.7
East Midlands	99							
West Midlands	121							
Greater London	232	South	450	22.6	182	9.1	632	31.7
South East	248							
South West	152							
Yorkshire and the Humber	104	North	200	10.0	93	4.7	293	14.7
North East	55							
North West	134							
Scotland	244	Scotland, Wales and Northern Ireland	502	25.2	234	11.7	736	36.9
Wales	253							
Northern Ireland	239							
Total	**1994**		1376	69	618	31	1994	100

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 senior management/owners and office administration/management. The majority of interviews (87%) were undertaken at head offices and 96% of those interviewed have an internet connection in the office in which they are based.

Interviews by industry

Industry	%
Wholesale and retail trades	21%
Community, social and personal service…	13%
Retail estate, rental and business	12%
Manufacturing	11%
Construction	9%
Healthcare and social work	7%
Financial intermediation and insurance	6%
Educational services	5%
Non-Governmental Organisations (NGOs)	4%
Transportation storage and communication	4%
Hotels and restaurants	4%
Agriculture, hunting and forestry	2%
Electricity / Gas / Water supply	2%
Public administration and defence	1%

Base: All respondents (1994)

Interviewees by role

Role	%
Senior Management	50%
Office Admin / Office Management	33%
Finance / Accounts	7%
Other	3%
Customer Service	2%
Operations	2%
Sales	1%
Marketing	1%

Base: All respondents (1994)

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 6: Profile of businesses for weighting					
Sample regions	**Population Profile**		**Achieved Sample**		**Weighting factor**
	N	**%**	**N**	**%**	
0-9 employees					
North	923535	19	200	10	1.90
Midlands	1121665	23	224	11	2.09
South	1970735	41	450	23	1.783
Wales, Scotland, N Ireland	617650	13	502	25	0.52
TOTAL:	**4633585**	**96**	**1376**	**69**	
10+ employees					
North	44005	1	93	5	0.2
Midlands	50700	1	109	5	0.2
South	75220	2	182	9	0.223
Wales, Scotland, N Ireland	30535	1	234	12	0.084
TOTAL:	**200460**	**4**	**618**	**31**	

In the event, the average weight which has been applied to each quarter's data is, as might be expected '1'. The modal weight by quarter (Q3/Q4 2018 & Q1/Q2 2019) is 0.485/1.814/0.524/0.468 respectively, and the weights range from 0.071 for larger businesses to 2.212 for those that are smaller. The design effect for these weights is 1.51/1.63/1.76/1.77 respectively, giving an effective base of 332/308/284/283 which provides quarterly results accurate to +/- 6%.

Table 7: Weighting details

Quarter	Modal Weight	Lowest Weight	Highest Weight	Design Effect	Effective Base	Results Accuracy
Q3/2018	0.485	0.102	1.885	1.51	332	+/- 5%
Q4/2018	1.814	0.071	1.95	1.63	308	+/- 6%
Q1/2019	0.524	0.082	2.212	1.76	284	+/- 6%
Q2/2019	0.468	0.093	2.212	1.77	283	+/- 6%