

# Ofcom Business Postal Tracker: 2012-13 summary technical report

## General survey description

The Business Postal Tracker 2012-13. The aim was to achieve 1600 individual telephone interviews, representative of the profile of businesses across the UK, across a fieldwork period of 12 months. Achieving these numbers generated a robust dataset with margins of error of +/- 2-3%. Fieldwork was conducted continuously between 18<sup>th</sup> July 2012 and 28<sup>th</sup> June 2013 with interim data reports produced at the end of each calendar quarter. A quarterly target of 400 interviews was set. Interview achievement by month and by quarter for the whole period broken down as follows:

*Table 1: Interviews by month*

| Quarters      | Month          | Number of interviews |             |             |             |
|---------------|----------------|----------------------|-------------|-------------|-------------|
|               |                | N                    | %           | N           | %           |
| Q3 2012       | July 2012      | 94                   | 5.9%        | 405         | 25.2%       |
|               | August 2012    | 128                  | 8.0%        |             |             |
|               | September 2012 | 183                  | 11.4%       |             |             |
| Q4 2012       | October 2012   | 143                  | 8.9%        | 410         | 25.6%       |
|               | November 2012  | 198                  | 12.3%       |             |             |
|               | December 2012  | 69                   | 4.3%        |             |             |
| Q1 2013       | January 2013   | 165                  | 10.3%       | 403         | 25.1%       |
|               | February 2013  | 132                  | 8.2%        |             |             |
|               | March 2013     | 106                  | 6.6%        |             |             |
| Q2 2013       | April 2013     | 155                  | 9.7%        | 386         | 24.1%       |
|               | May 2013       | 100                  | 6.2%        |             |             |
|               | June 2013      | 131                  | 8.2%        |             |             |
| <b>Year 1</b> | <b>Total</b>   | <b>1604</b>          | <b>100%</b> | <b>1604</b> | <b>100%</b> |

Further details regarding the survey objectives, sampling approach, 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
  - Historic data collected by Postcomm
  - Data collected from a similar survey of residential consumers
  - On-going data collected in telecommunications markets by Ofcom
- To provide robust data suitable for publication
- To provide data to inform Ofcom analysis, reports and decisions
- To provide analysis by business population sub-groups

## Sampling approach and quotas

As indicated above, the Business Postal Tracker aimed to achieve 1600 interviews across the totality of the fieldwork period which has been broken down into four quarters. The final dataset was representative of the profile of all 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 was 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 a target was set to include an additional 50 businesses with 250+ employees during the course of the year.

*Table 2: Profile of business in the UK*

| Business Size | N                | %           | Natural interview distribution | Quotas Set   | Implied weight |
|---------------|------------------|-------------|--------------------------------|--------------|----------------|
| 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. Further controls were placed on the sample to ensure that a mixture of businesses by location and from urban and rural locations is 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. Annual targets, defined therefore by business size and location, are described in table 4 below.

*Table 4: Annual location quota targets*

| Region           | Business size (number of employees) |            |           |           |            |           | Total        |
|------------------|-------------------------------------|------------|-----------|-----------|------------|-----------|--------------|
|                  | 0 or 1                              | 2 - 9      | 10 - 19   | 20 - 49   | 50 - 249   | 250+*     |              |
| North East       | 67                                  | 16         | 8         | 6         | 10         |           | 107          |
| North West       | 67                                  | 17         | 5         | 6         | 10         |           | 105          |
| Yorks and Humber | 67                                  | 17         | 8         | 6         | 10         |           | 108          |
| East Midlands    | 65                                  | 18         | 8         | 6         | 10         |           | 107          |
| West Midlands    | 65                                  | 18         | 8         | 6         | 10         |           | 107          |
| East of England  | 67                                  | 16         | 5         | 6         | 10         |           | 104          |
| London           | 70                                  | 14         | 5         | 6         | 0          |           | 95           |
| South East       | 67                                  | 17         | 5         | 6         | 10         |           | 105          |
| South West       | 67                                  | 16         | 5         | 6         | 0          |           | 94           |
| Wales            | 135                                 | 32         | 13        | 13        | 10         |           | 203          |
| Scotland         | 134                                 | 32         | 13        | 13        | 10         |           | 202          |
| Northern Ireland | 131                                 | 34         | 16        | 19        | 10         |           | 210          |
| <b>TOTAL:</b>    | <b>1,002</b>                        | <b>247</b> | <b>99</b> | <b>99</b> | <b>100</b> | <b>50</b> | <b>1,597</b> |

*\*businesses with 250+ employees are not included in the main quantitative element of the survey*

In order to achieve the required number of final interviews sample was provided by an approved supplier in a 10-to-1 ratio. During fieldwork it became clear that quota targets would need to be aggregated in order to make them achievable. These aggregated targets are indicated in table 5 below.

*Table 5: Aggregated quarterly quota targets (businesses up to 249 employees only)*

| Region                               | Business size |               |            |               | Total       |                |
|--------------------------------------|---------------|---------------|------------|---------------|-------------|----------------|
|                                      | 0-9           |               | 10+        |               |             |                |
|                                      | N             | %             | N          | %             | N           | %              |
| Midlands                             | 249           | 16.10%        | 69         | 4.46%         | 318         | <b>20.56%</b>  |
| South                                | 251           | 16.22%        | 43         | 2.78%         | 294         | <b>19.00%</b>  |
| North                                | 251           | 16.22%        | 69         | 4.46%         | 320         | <b>20.69%</b>  |
| Scotland, Wales and Northern Ireland | 498           | 32.19%        | 117        | 7.56%         | 615         | <b>39.75%</b>  |
| <b>TOTAL</b>                         | <b>1249</b>   | <b>80.74%</b> | <b>298</b> | <b>19.26%</b> | <b>1547</b> | <b>100.00%</b> |

## Selection of respondents and fieldwork procedure

Interviews were conducted with the individual within an organisation 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. A screening process at the beginning of the interview ensured the correct identification and participation of such an individual.

The questionnaire remained largely consistent from quarter to quarter though some changes to the questionnaire were incorporated during Q1 2013

In Q1 2013, questions were added which aimed to measure levels of satisfaction with Royal Mail and other postal providers' services relating to the daily delivery, the price of postage and the overall quality of the service provided in the last 12 months. Similarly, respondents were asked for their rating of the value for money of postal services in the UK generally. The questionnaire used throughout Q2 2013 of the survey was the same as that used at Q1 2013.

Prior to Q3 2012, at the outset of the survey, a period of questionnaire piloting was undertaken in order to ensure its operation in the field. Half-day briefing sessions were held with interviewers in order to go through the survey processes, screening and questionnaire in detail.

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, 1604 individual interviews were achieved. These are broken down by region and business size as shown in table 6 below.

Table 6: Unweighted achieved sample by region and business size

| Region                   | N           | Region - aggregated    | Business size |               |            |               | Total       |                |
|--------------------------|-------------|------------------------|---------------|---------------|------------|---------------|-------------|----------------|
|                          |             |                        | 0-9           |               | 10+        |               | N           | %              |
|                          |             |                        | N             | %             | N          | %             |             |                |
| East of England          | 66          | Midlands               | 226           | 14.09%        | 63         | 3.93%         | 289         | 18.02%         |
| East Midlands            | 106         |                        |               |               |            |               |             |                |
| West Midlands            | 117         |                        |               |               |            |               |             |                |
| Greater London           | 78          | South                  | 315           | 19.64%        | 99         | 6.17%         | 414         | 25.81%         |
| South East               | 205         |                        |               |               |            |               |             |                |
| South West               | 131         |                        |               |               |            |               |             |                |
| Yorkshire and the Humber | 87          | North                  | 235           | 14.65%        | 85         | 5.30%         | 320         | 19.95%         |
| North East               | 119         |                        |               |               |            |               |             |                |
| North West               | 114         |                        |               |               |            |               |             |                |
| Scotland                 | 214         | Scotland, Wales and NI | 434           | 27.06%        | 147        | 9.16%         | 581         | 36.22%         |
| Wales                    | 193         |                        |               |               |            |               |             |                |
| Northern Ireland         | 174         |                        |               |               |            |               |             |                |
| <b>Total</b>             | <b>1604</b> |                        | <b>1210</b>   | <b>75.44%</b> | <b>394</b> | <b>24.56%</b> | <b>1604</b> | <b>100.00%</b> |

Table 6 shows that the unweighted sample achieved slightly under-represents smaller businesses and slightly over-represents larger businesses relative to the population profile indicated in table 2. Weighting factors (described later) were calculated at the data-processing stage in order to make adjustments to the dataset.

The questionnaire 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 industries (see fig 1 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 (92%) were undertaken at head offices and 93% of those interviewed have an internet connection in the office in which they are based.

Figure 1: Interviews by industry type

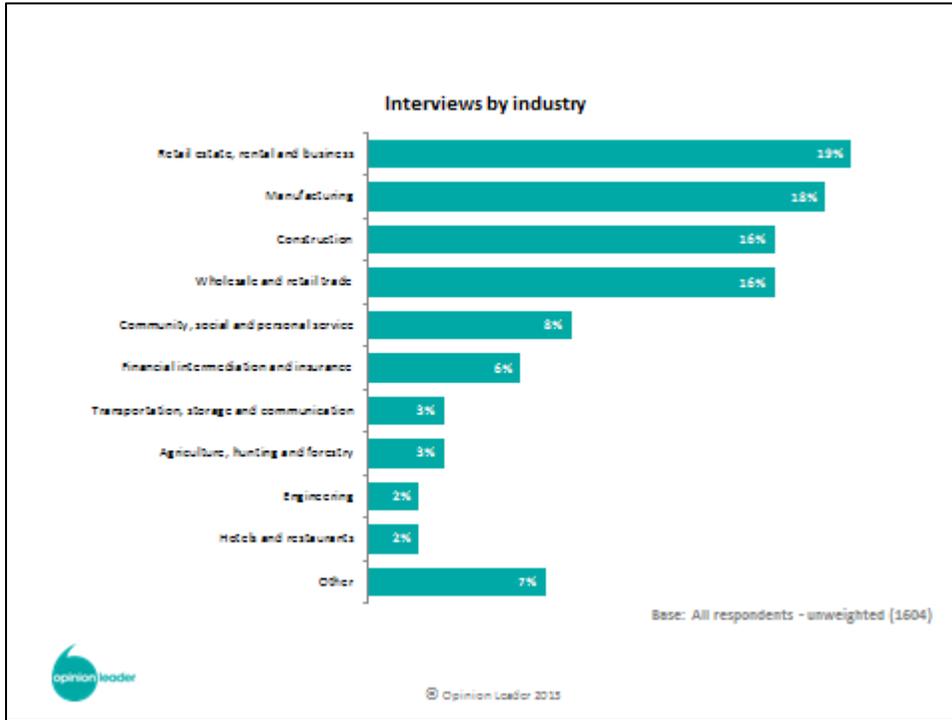
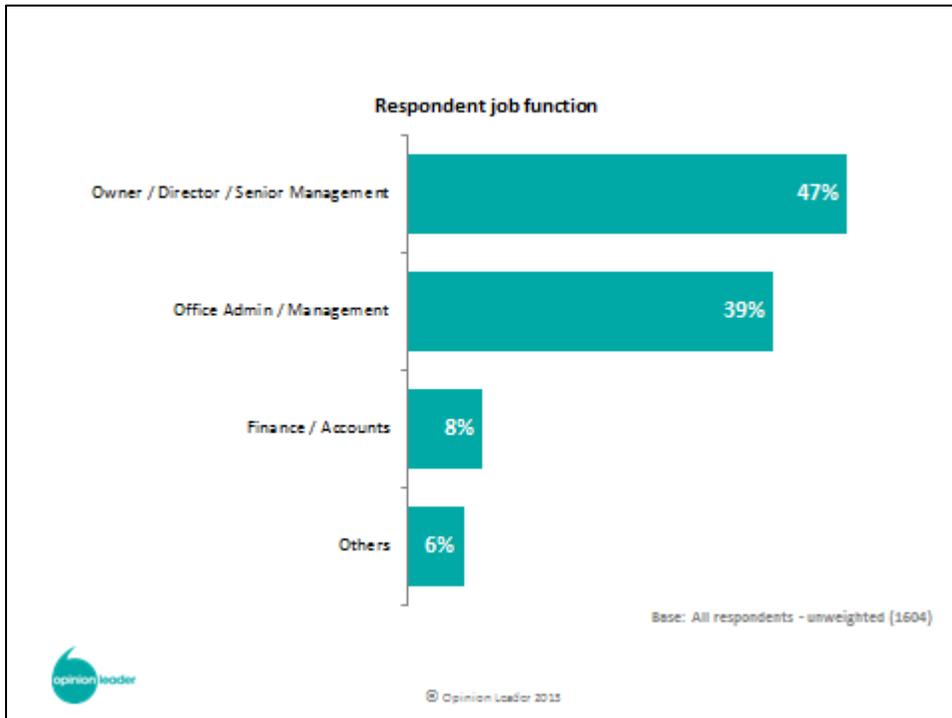


Figure 2: Interviews by respondent role



## Sample efficiency and weighting

At the stage of data processing weights were applied in order that final aggregated data is representative of the population of UK businesses. 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%        | 235             | 15%        | 1.297            |
| Midlands                   | 1121665            | 23%        | 226             | 14%        | 1.632            |
| South                      | 1970735            | 41%        | 315             | 20%        | 2.088            |
| Wales, Scotland, N Ireland | 617650             | 13%        | 434             | 27%        | 0.480            |
| <b>TOTAL:</b>              | <b>4633585</b>     | <b>96%</b> | <b>1210</b>     | <b>75%</b> | <b>1.273</b>     |
| <b>10+ employees</b>       |                    |            |                 |            |                  |
| North                      | 44005              | 1%         | 85              | 5%         | 0.189            |
| Midlands                   | 50700              | 1%         | 63              | 4%         | 0.254            |
| South                      | 75220              | 1%         | 99              | 6%         | 0.324            |
| Wales, Scotland, N Ireland | 30535              | 1%         | 147             | 9%         | 0.109            |
| <b>TOTAL:</b>              | <b>200460</b>      | <b>4%</b>  | <b>394</b>      | <b>25%</b> | <b>0.163</b>     |

In the event, the average weight which has been applied to data is, as might be expected close to '1' (to six decimal places). The modal weight is 0.48 and the weights range from 0.109 for larger businesses to 2.12 for those that are smaller. The design effect for these weights is 1.54 giving an effective base of 1042, which provides results accurate to +/- 3%.

## In-depth interviews

During Q1 and Q2 2013, in-depth qualitative interviews were undertaken by telephone with 42 respondents from 42 separate organisations each with more than 250 employees. Respondents 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 presented in a qualitative summary report.

Overwhelmingly these interviews were undertaken with respondents working in the headquarters of their organisation across several industry sectors including:

- Facilities Management
- Retail (both online mail-order and in-store)
- Energy and utilities
- Property, real estate management and housing
- IT

- Financial institutions
- Law
- Import / export and shipping businesses
- Education institutions
- Leisure centre
- Waste management

Interviews were of around 45 minutes duration and covered broadly the same topics as those in the quantitative interviews. Topics included:

- Background company information (size, activity etc.)
- Types of mail sent/received
- Mail providers and mail services used
- Satisfaction with mail provider(s) used
- Consideration given to switching mail provider(s) and reasons for or not
- Future expectations of mail volumes