

6 Post

A note on our postal tracker research

Ofcom Residential Postal Tracker

The residential postal tracker survey is run throughout the course of the year, via face-to-face interviews with 1,946 respondents aged 16+ in the UK. A total of 214 respondents were interviewed in Scotland. Postal tracking data in this report is cited as from 2015, with the fieldwork taking place from January to December 2015. In Quarter Three of 2015, we did not conduct any interviews, to allow a review of the survey methodology. For this reason, the samples achieved in Scotland, Wales and Northern Ireland are not directly comparable to previous years' data. The error margins of the sample in Scotland are approximately +/- 4-7%.

Ofcom Business Postal Tracker

The business postal tracker survey is run throughout the course of the year, via telephone interviews, among a sample of 1,200 people who are responsible for post in UK SMEs (businesses with 0-249 employees) and 156 SMEs in Scotland. Postal tracking data in this report is cited as from 2015, with the fieldwork taking place from January to December 2015. In Quarter Three of 2015, we did not conduct any interviews, to allow a review of the survey methodology. For this reason, the samples achieved in Scotland, Wales and Northern Ireland are not directly comparable to previous years' data. The error margins of the sample in Scotland are approximately +/- 5-8%.

6.1 Recent developments

Parcel surcharging

In September 2015, Citizens Advice Scotland published its latest report on parcel deliveries in Scotland. It found that consumers in rural and remote areas can face high delivery surcharges when ordering a parcel that falls outside the universal service, and that the problem continues to affect the Scottish Highlands and Islands more than other rural areas of the UK. Ofcom is in the process of gathering information to understand the prevalence of these surcharges, which locations they apply to and whether they are usually levied by retailers or delivery companies. Ofcom expects to publish some of these findings in its annual monitoring update on the postal market.

Parliamentary activity

In the previous session of the Scottish Parliament the cross-party group on postal issues, of which Ofcom was a member, took an interest in issues such as surcharges for deliveries in the Highlands and Islands, post offices, and Ofcom's *Review of the Regulation of Royal Mail*. In February 2016 it also discussed Ofcom's data on the consumer experience of the postal market.

Menzies Distribution acquires Scottish parcel operators

On the industry side, newspaper and magazine distributor Menzies Distribution acquired three Scottish parcel operators, signalling a move into the growing e-retail and parcels market. It bought both Oban Express, a parcel operator which serves Western Scotland and the Hebrides and delivers around 450,000 parcels each year, and AJG Parcels, which

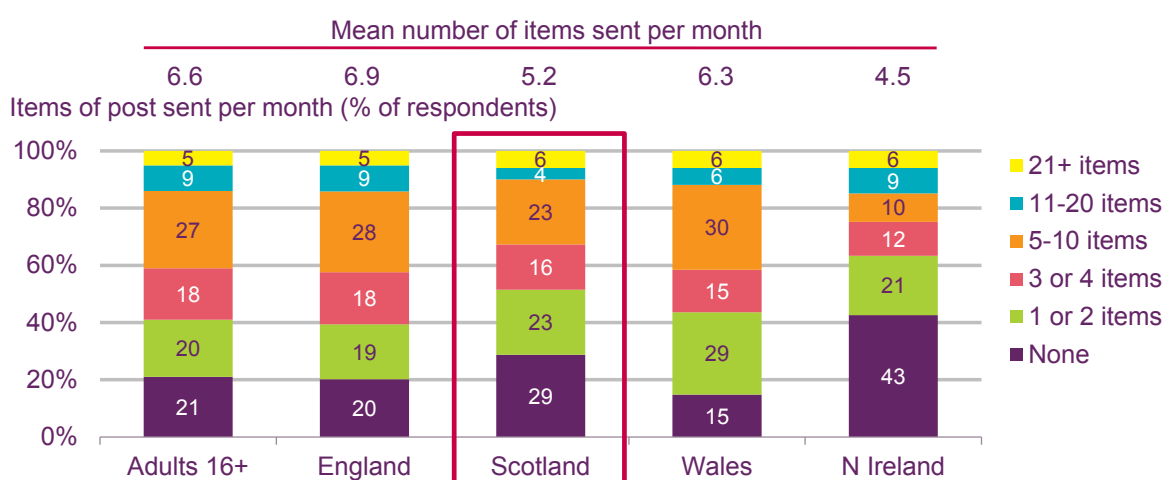
delivers around 3 million parcels across the Scottish Highlands each year. Both these operators specialise in final-mile delivery in harder-to-reach areas for a number of parcel operators in the UK. Menzies also bought Aberdeen's Thistle Couriers, which provides a UK-wide same-day service. These acquisitions represent Menzies' first move into delivery to residential customers.

6.2 Sending and receiving post: residential customers

Three in ten people in Scotland had not sent an item of post in the past month

Just below three in ten (29%) adults in Scotland said that they had not sent an item of post in the past month. This is higher than the proportion that said the same in Wales (15%) and England (20%). However, it is lower than in Northern Ireland, where 43% of adults said they had not sent an item of post in the past month. Adults in Scotland sent an average of 5.2 items of post each month, compared to the average of 6.6 items of post sent each month across the UK as a whole.

Figure 6.1 Approximate number of items of post sent in the past month



Source: Ofcom Residential Postal Tracker 2015

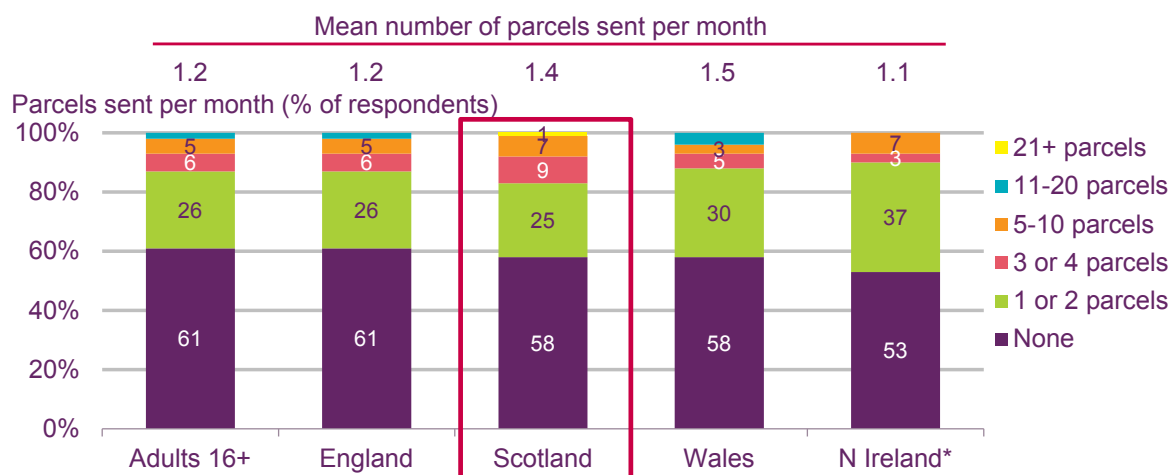
Base: All respondents (n = 1946 adults 16+, 1451 England, 214 Scotland, 151 Wales, 130 Northern Ireland)

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

Adults in Scotland sent an average of 1.4 parcels per month

The average number of parcels sent by adults in Scotland was 1.4; this is in line with the UK average and with other nations. The majority of adults in Scotland (58%) said they had sent no parcels in the past month.

Figure 6.2 Parcels sent in the past month



Source: Ofcom Residential Postal Tracker 2015

Base: All respondents who have personally sent any items of post in the last month (n = 1491 adults 16+, 1131 England, 152 Scotland, 127 Wales, 81 Northern Ireland)

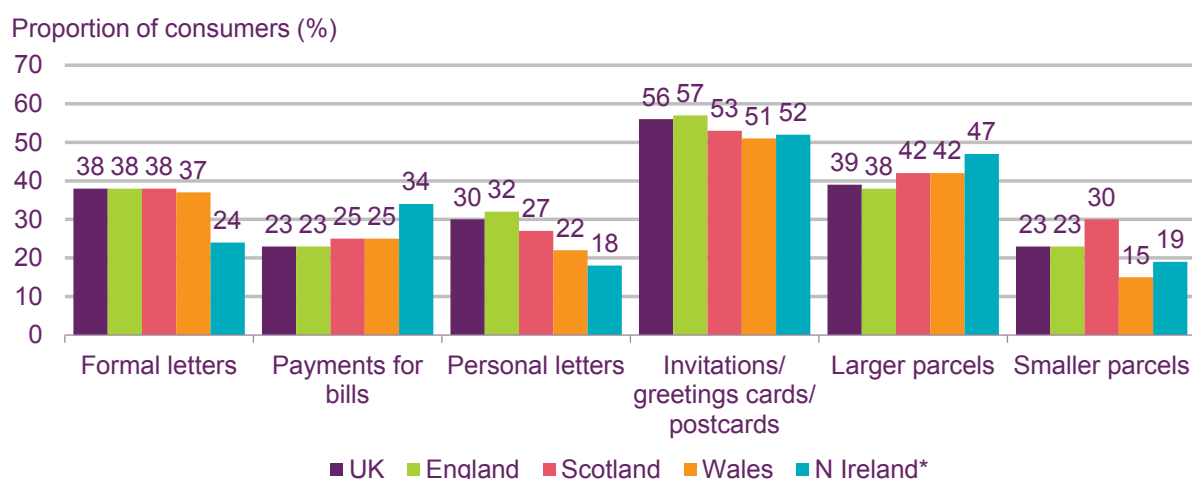
QC2. And how many of these items sent in the last month were parcels rather than letters or cards?

*Caution: Low base

Greetings cards, postcards and parcels were commonly sent by adults in Scotland

Three in ten adults in Scotland (30%) reported that they had sent a smaller parcel (one that fits through a letter box) in the past month by post. Just over a quarter of adults (27%) in Scotland said that they had sent a personal letter by post in the past month, whereas nearly four in ten (38%) said that they had sent a formal letter. This might reflect the general trend towards digital communication with friends and family, and the continued use of social media and digital messaging options.

Figure 6.3 Types of post sent in the past month



Source: Ofcom Residential Postal Tracker 2015

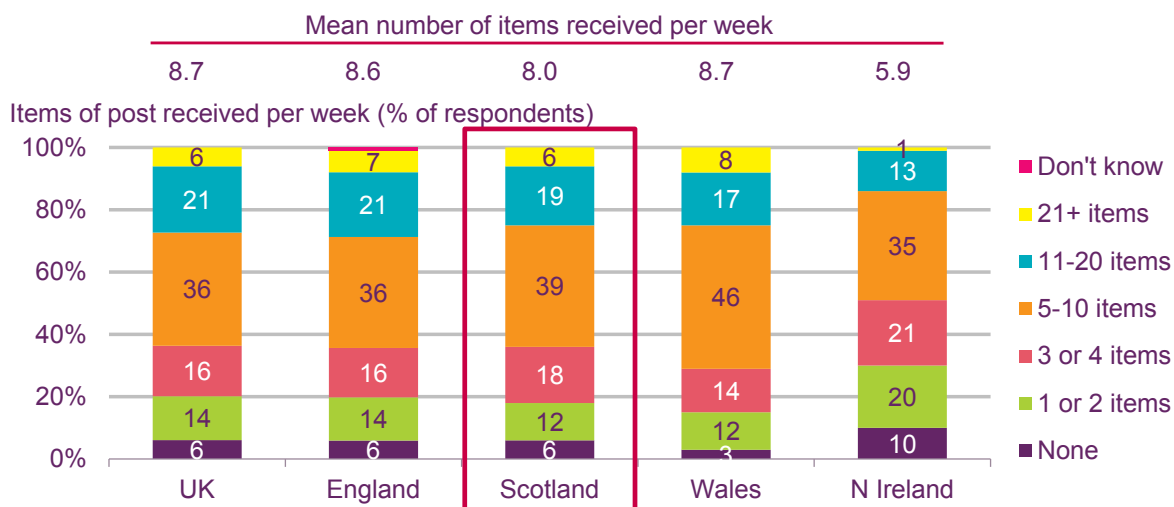
Base: All who have personally sent any items of post in the last week (n = 1491 UK, 1131 England, 152 Scotland, 127 Wales, 81 Northern Ireland)

QC5. Which of these types of mail would you say you have personally sent in the last month by post? (MULTICODE) *Caution: low base

People in Scotland received an average of eight items each week

Adults in Scotland received an average of eight items each week; more than in Northern Ireland but in line with the other nations and the UK as a whole. Four in ten adults in Scotland (39%) received between five and ten items of post per week.

Figure 6.4 Approximate number of items of post received in the past week



Source: Ofcom Residential Postal Tracker 2015

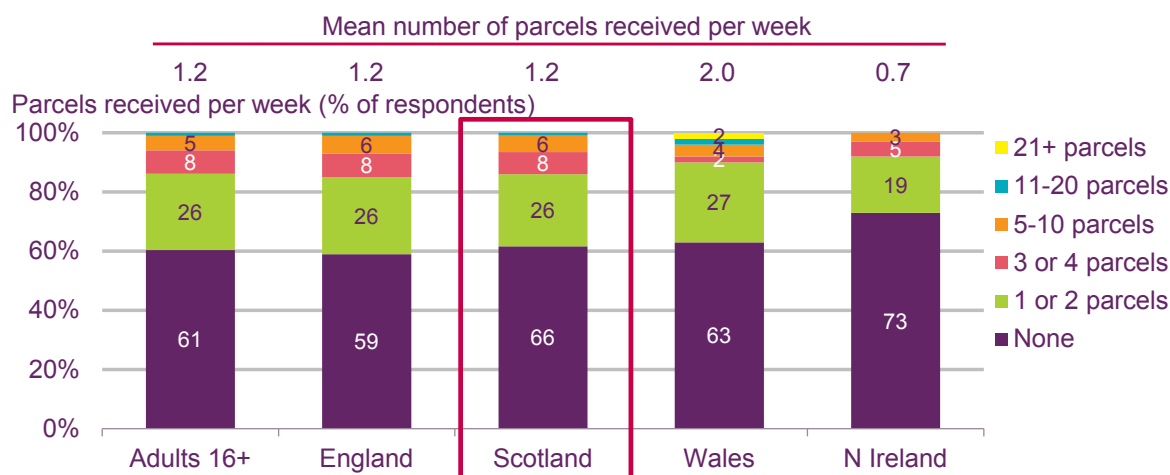
Base: All respondents (n = 1946 adults 16+, 1451 England, 214 Scotland, 151 Wales, 130 Northern Ireland)

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

Two-thirds of people in Scotland had not received any parcels in the past week

Two-thirds (66%) of people said they had not received any parcels in the past week, which is similar to other nations in the UK. A quarter (26%) said they had received one or two parcels in the past week. Adults in Scotland receive an average of 1.2 parcels per week.

Figure 6.5 Parcels received in the past week



Source: Ofcom Residential Postal Tracker 2015

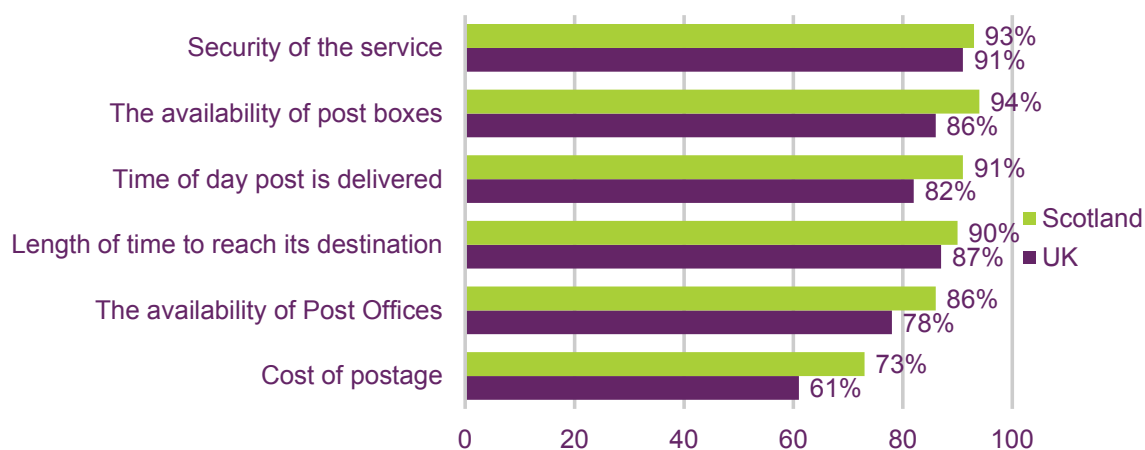
Base: All respondents who have personally received any items of post in the last week (n = 1824 adults 16+, 1258 England, 203 Scotland, 147 Wales, 116 Northern Ireland)
 QD2. And how many of these items received in the last week were parcels?

6.3 Attitudes towards Royal Mail: residential customers

People in Scotland are generally highly satisfied with specific aspects of Royal Mail's service

When asked about their satisfaction with specific aspects of Royal Mail's services, over nine in ten people said they were satisfied with: the availability of post boxes (94%), the security of the service (93%), the time of day post is delivered (91%) and the length of time the post takes to reach its destination (90%). Nearly three-quarters (73%) of adults in Scotland said they were satisfied with the cost of postage. This is higher than the proportion of adults in England (60%) and Wales (51%) who said they were satisfied with the cost of postage.

Figure 6.6 Satisfaction with specific aspects of Royal Mail's service



Source: Ofcom Residential Postal Tracker 2015

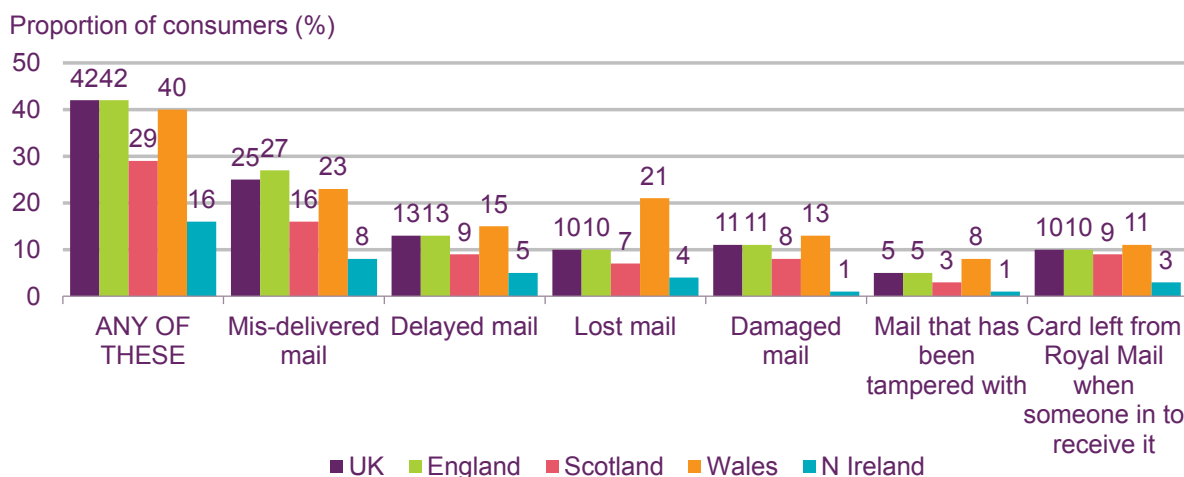
Base: All respondents in Scotland (n = 1946 UK, 214 Scotland)

QE3A-F. Satisfaction with specific aspects of Royal Mail's services – Ranked by proportion satisfied among adults in Scotland

People in Scotland have experienced fewer problems with Royal Mail in the past 12 months than the UK average

That less than three in ten adults in Scotland (29%) reported experiencing any problems with Royal Mail in the past 12 months may help to explain the high level of satisfaction with Royal Mail's service. More than one in ten adults in Scotland (16%) experienced mis-delivered mail, which was the most common problem reported, although this is less than the UK as a whole (25%). Less than one in ten adults in Scotland reported experiencing any of the other problems in the survey.

Figure 6.7 Problems experienced with Royal Mail in the past 12 months



Source: Ofcom Residential Postal Tracker 2015.

Base: All respondents (n = 1946 adults 16+, 1451 England, 214 Scotland, 151 Wales, 130 Northern Ireland)

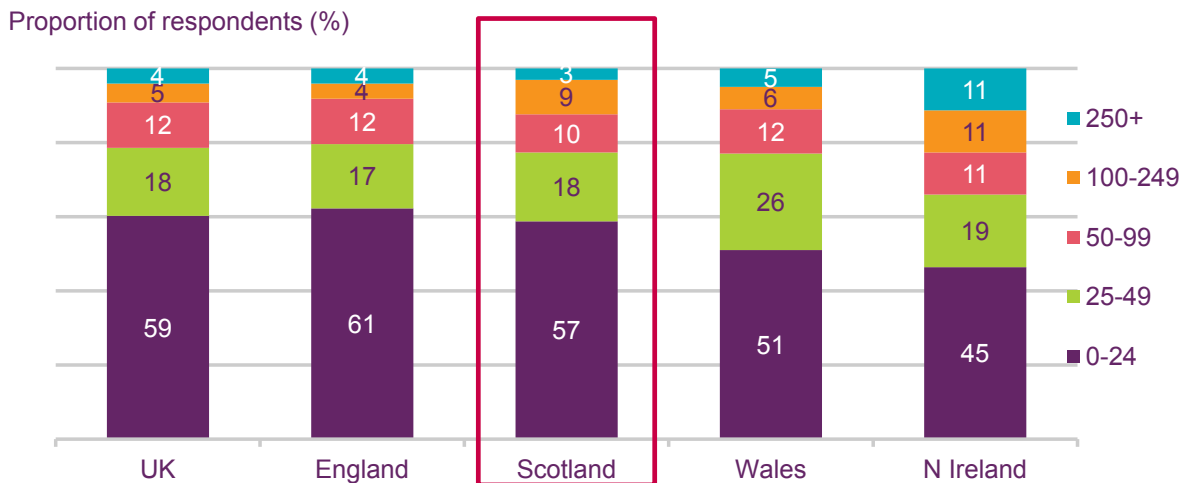
QG1A-E. Problems experienced with Royal Mail service in the last 12 months – Ranked by proportion among all UK adults. Note: tampered mail is mail that has been subject to a deliberate attempt to identify or steal its contents

6.4 Sending and receiving post: business customers

Over one in ten businesses in Scotland send more than 100 letters each month

When asked about their use of mail, over one in ten businesses in Scotland (12%) said that they sent over 100 letters per month. The majority of business respondents in Scotland (57%) said that they sent fewer than 25 letters per month. The use of letter mail in Scotland for business is largely similar to the other UK nations.

Figure 6.8 Average volume of letters sent each month



Source: Ofcom Business Postal Tracker 2015

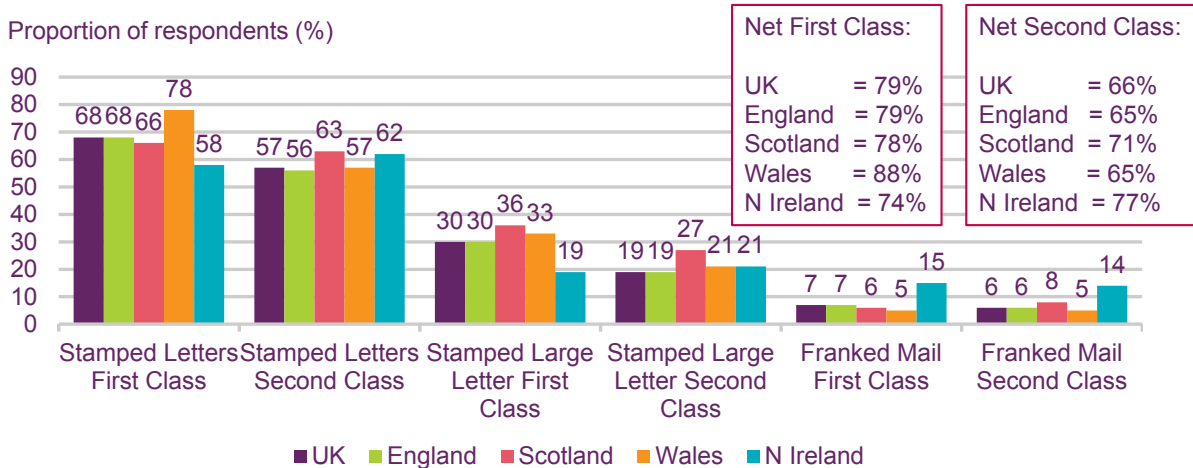
Base: All respondents (n = 1200 UK, 734 England, 156 Scotland, 167 Wales, 143 N Ireland)

QV2a. On average, how many letter items does your organisation send per month? Please think only about all the letters and large letters you may send as an organisation.

A similar proportion of businesses in Scotland use First Class stamps and Second Class stamps

Two-thirds of businesses in Scotland (66%) said they used First Class stamps for letters, which is less than Wales but on a par with the UK as a whole. A similar proportion of businesses in Scotland said they sent letters using Second Class stamps (63%).

Figure 6.9 Royal Mail services used to send letters and large letters each month



Source: Ofcom Business Postal Tracker 2015

Base: All respondents using RM standard delivery services (n = 1121 UK, 686 England, 146 Scotland, 155 Wales, 134 N Ireland)

QV6d. Which, if any, of the following Royal Mail services does your organisation use to send your standard mail?

Scottish businesses are among the least likely to have switched from post to another communication method in the past 12 months

Businesses were asked whether they had moved any of their mail communication to other methods of communication over the past 12 months. Just over half of business respondents (52%) in Scotland said that they had moved some mail to other communication methods. This is (with Wales) the lowest rate in all of the nations in the UK.

Figure 6.10 Switched some mail to other communication methods over past 12 months



Source: Ofcom Business Postal Tracker 2015

Base: All respondents (n = 1200 UK, 734 England, 156 Scotland, 167 Wales, 143 N Ireland)

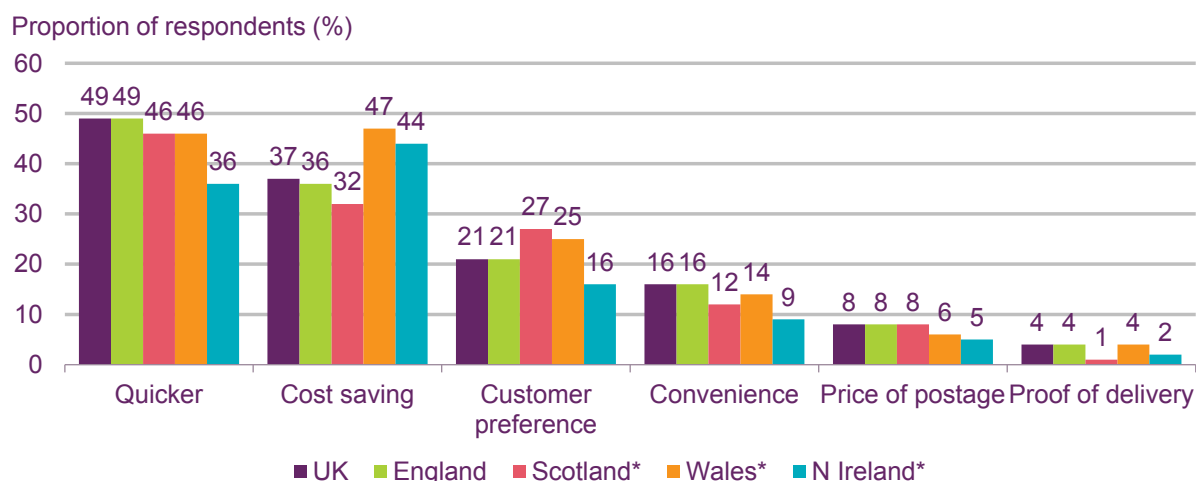
QF4. Over the last 12 months, has your organisation moved some mail to other communication methods?

The most likely reasons for switching are speed and cost

Of those businesses in Scotland who said they had moved some of their mail communication to other methods, speed of communication (46%) and cost saving (32%) were the most likely reasons given. More than a quarter of respondents (27%) in Scotland reported that the move to other forms of communication was due to customer preference.

Those that said they had not switched any mail to other communication methods over the past 12 months were asked why they hadn't, and the most popular response was "we have already moved everything that it is possible to move".

Figure 6.11 Main reasons for switching some mail to other communications methods over past 12 months



Source: Ofcom Business Postal Tracker 2015

Base: All who have moved to other communication methods (n = 720 UK, 452 England, 80 Scotland, 94 Wales, 94 N Ireland)

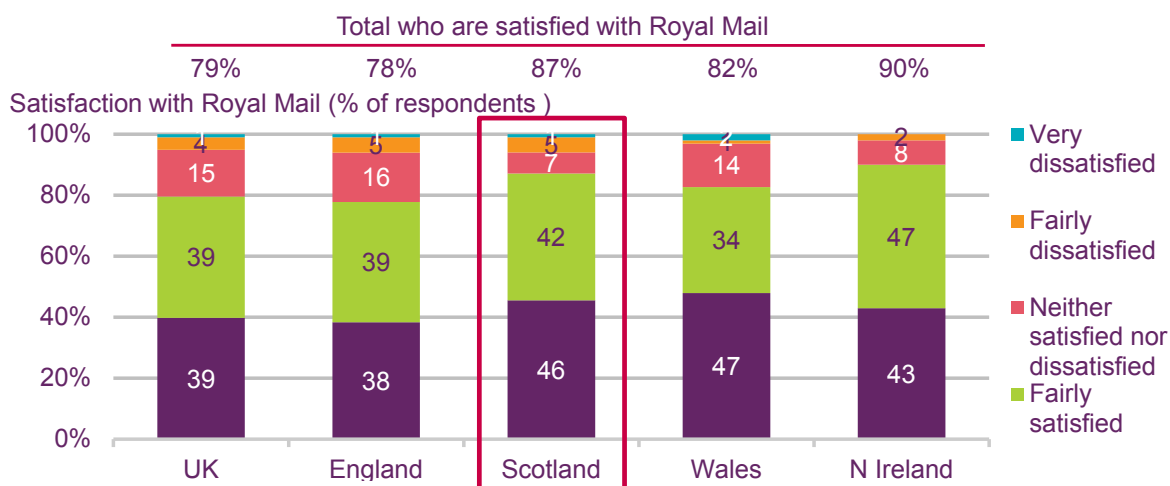
QF6: Why have you moved some mail to other communication methods? (open ended). Top 6 reasons shown

*Caution: low base

6.5 Attitudes towards Royal Mail: business customers

Nearly nine in ten businesses in Scotland said they were satisfied with the quality of service from Royal Mail. Businesses were asked about their overall satisfaction with the quality of service they received from Royal Mail, both as a recipient and as a sender of mail. Nearly nine in ten (87%) of business respondents in Scotland said they were 'very satisfied' or 'fairly satisfied' with the service provided by Royal Mail. This is higher than in England (78%) but in line with the other nations.

Figure 6.12 Overall satisfaction with the quality of service from Royal Mail



Source: Ofcom Business Postal Tracker 2015

Base: All respondents who use Royal Mail (n = 1185 UK, 727 England, 155 Scotland, 164 Wales, 139 Northern Ireland)

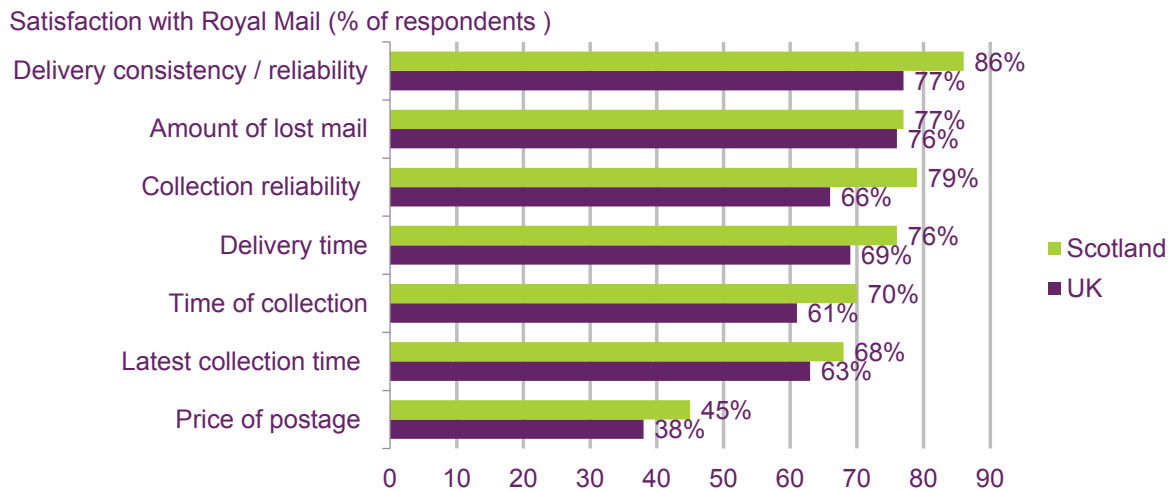
QRM2. Thinking generally about the service your organisation receives as a whole, on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied, how satisfied are you with the overall quality of the services you receive from Royal Mail as a recipient and sender?

Satisfaction with the reliability and time of delivery, and collection, is high in Scotland

Business respondents who said they used Royal Mail were asked about their satisfaction with specific aspects of Royal Mail's service. Business respondents in Scotland said they were satisfied with the reliability or consistency of delivery (86%) and the reliability of collection (79%). Less than half of businesses (45%) in Scotland said they were satisfied with the price of postage; however, this is higher than in the UK overall (38%).

Among businesses in Scotland who use Royal Mail, more than eight in ten (85%) said they had had no problems with their service when sending or receiving mail in the past six months.

Figure 6.13 Satisfaction with specific aspects of Royal Mail's service



Source: Ofcom Business Postal Tracker 2015

Base: All respondents who use Royal Mail (n = 1185 UK, 155 Scotland)

QRM3: How would you rate the performance of Royal Mail, as a recipient and sender, in the following areas on a 5 point scale where 1 is very dissatisfied and 5 is very satisfied?