Ipsos MORI

Postal Services: a consumer perspective

Qualitative research with residential consumers and small business owners

Acknowledgements

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1. Introduction

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1.1 Background

Ofcom chose to commission an exploratory piece of qualitative research in Spring 2012 in order to bring to life consumer perspectives on the postal service. The study was intended to provide a snapshot of current consumer perceptions, expectations of and frustrations with Royal Mail's postal services.

1.2 Research objectives

The overriding aim for this study was *to bring to life consumer perspectives on the postal service.*

Residential consumers and owners of small businesses were encouraged to describe their usage and reliance on post overall, commenting on Royal Mail, alternative service providers and their experience of the service, including any frustrations.

This research was designed to complement a parallel project (known as the Review of Users' Needs) also conducted by Ipsos MORI, which specifically explored the needs of postal service users related to specific areas of the universal postal service.

Participants were not restricted to comment on the universal postal service (as in the Review of User Needs) and were therefore sometimes commenting on aspects that were outside the remit of Royal Mail. While they were distinct studies, involving different target audiences and different objectives, there was some overlap in the topics discussed. Where this was the case, findings from both studies were broadly consistent.

1.3 Key areas covered by the research

While the study had a relatively broad focus, there were six key areas that it covered:

3. **Consumer usage** of postal services and current consumer patterns

4. **Motivations for use** of postal services and what drives higher and lower volumes of usage

5. **Changes over time** in consumer usage of postal services

6. Consumer attitudes towards **substitutability of post** with other communication channels

7. Consumer experiences of the postal service overall, including **frustrations**

8. Consumer perceptions of **affordability and value for money** of postal services

The final research materials used during discussions are included as Appendices to this report. These show in more depth how the topic areas were covered during discussions.

1.4 Methodology and participants

Given the exploratory nature of this study, a qualitative approach was used combining:

1.   10 discussion groups with residential consumers

2.   5 telephone interviews with hard-to-reach residential consumers

3.   15 telephone interviews with small business consumers (defined as those employing fewer than 15 employees and with less than £5,000 annual spend on post)

Discussion groups with residential consumers were conducted in five separate locations across the UK: London, Keswick, Edinburgh, Port Talbot and Newry. The locations were picked to ensure good geographical coverage and to include consumers living in a range of different types of location (urban, rural, suburban). Residential consumers were grouped by age and social grade, as shown:

Location	Type	Gender	Social grade	Age
London	London	Mix	C2DE	18-34
London	London	Mix	ABC1	35-54
Edinburgh	Urban	Mix	ABC1	18-34
Edinburgh	Urban	Mix	C2DE	35-54
Port Talbot	Suburban	Mix	ABC1	35-54
Port Talbot	Suburban	Mix	C2DE	55+
Newry	Suburban	Mix	ABC1	55+
Newry	Suburban	Mix	C2DE	18-34
Keswick	Rural	Mix	ABC1	55+
Keswick	Rural	Mix	C2DE	35-54

Two discussion groups were conducted in each location, lasting up to two hours in total, with 8-10 participants attending each. At the end of discussions, a handful of participants took part in short filmed interviews (vox pops) summarising views from the session. These were recorded for internal use by Ofcom, as the main purpose of the research was to bring to life postal consumers for colleagues new to postal regulation.

In addition to discussion groups, five telephone interviews lasting thirty minutes were conducted with hard-to-reach residential consumers (those with low mobility or access issues). To complement the findings of residential consumers, fifteen telephone interviews were conducted with representatives of small businesses, employing under 15 employees and with less than £5,000 annual spend on post.

Fieldwork took place between April 19th and May 24th 2012, coinciding with Royal Mail stamp price increases and surrounding media coverage[1], however, participants talked broadly about their experiences of the postal service throughout their lives. All discussion groups and interviews were audio recorded and a guarantee of anonymity was given those who took part.

1.5   Analysis and reporting

An integrated approach was taken to analysis, combining the findings from across all audiences. Differences in opinion and experience between audiences are highlighted only where they emerged from a number of interviews.

During the weeks when fieldwork took place, researchers wrote notes following group discussions and depth interviews [and?] met regularly at weekly analysis sessions to discuss emerging findings and compare results. An interim analysis session took place on May 10th attended by the Research Manager from Ofcom and the core research team at Ipsos MORI. Key findings were discussed and a structure was agreed for the final debrief, which was delivered to Ofcom on May 24th 2012.

1.6 A note on presentation and interpretation of qualitative data

Qualitative research approaches are used to shed light on why people hold particular views, rather than how many people hold those views. The results are intended to be *illustrative* rather than statistically reliable and, as such, do not permit statements to be made about the extent to which something is happening.

Given the qualitative nature of the current study, this report aims to provide detailed and exploratory findings that *give insight* into the perceptions, feelings and behaviours of people surrounding the post rather than conclusions from a robust, quantifiably valid sample.

It is not always possible in qualitative research to provide a precise or useful indication of the prevalence of a certain view, due to the relatively small number of participants generally involved (as compared with the larger respondent bases involved with quantitative studies.) We therefore state the *strength* of feeling about a particular point rather than the number of people who have expressed that thought. We favour phrases such as "a few" or "a limited number" to reflect views which were mentioned infrequently and "many" or "most" when views are more common. And where views apply only to a subset of consumers, e.g. young consumers or small business owners, we have highlighted this in the relevant text. Any proportions used in our reporting (e.g. a 'couple' or 'handful' of participants), should always be considered indicative, rather than exact.

Verbatim comments have been included in this report to illustrate and highlight key points, whether they are key because they are shared by a large number of participants or because they reflect the strong views of a smaller subset. Where verbatim quotes

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[1] http://www.royalmail.com/customer-service/customer-news#price-rise

are used, they have been anonymised and attributed with relevant characteristics of users and location.

E.g. Female, Newry, ABC1, 35-54

Another consideration in the interpretation of qualitative data is the role of *perceptions*. Different outlooks on an issue make up a considerable proportion of the evidence presented in this study; while these perceptions may not always be factually accurate, they represent the truth for those who hold these views.

2. Key findings

2. Key findings

This report aims to bring consumer views to life by exploring how consumers use the post today, what motivates them to do so, how they view Royal Mail, and what this means for postal services as a whole. This section summaries the key findings from the research and underlines consumers' priorities for postal services.

Emotional attachment to post matters

Overall, consumers said they were using the post less, particularly for sending and receiving personal communication and official documents. Some are using post more for receiving parcels. Consumers' reasons for continuing to use postal services seem to be changing, with the emotional significance of post becoming relatively more important. For example, some consumers linked sending and receiving cards with positive emotions and experiences. Similarly, the delivery of goods ordered online was often associated with pleasant experiences such as purchasing gifts or treats either for themselves or other people.

Consumer expectations of Royal Mail services often high

Many saw Royal Mail's postal services as a mark of UK national identity and international status. As such, post was viewed and valued as a public service. However, consumer expectations of the post were often high, with inefficiency and poor value for money thought unacceptable. In this respect, the post was perceived more like a private business, that treats people like customers and strives to encourage customer loyalty.

Perceived value for money really matters to consumers

For many consumers, perceptions of Royal Mail services were based on whether or not they felt they were receiving value for money. In thinking about value for money most considered the quality of services and whether the cost seemed proportionate to the service received.

Most aware of recent price rises, but lack understanding of details

While most consumers were aware of Royal Mail's price rises, low use of services and confusion about cost meant few fully understood how the changes would impact on how much they pay for the services they use. Some were frustrated at the increasing cost of living generally. Many consumers also struggled to accept Royal Mail price rises when they perceived no real improvement in services despite increasing costs.

A perceived lack of customer-centred service frustrates some consumers

Most consumers were broadly satisfied with Royal Mail services. However, a commonly mentioned frustration was the perception that services were not designed with customers in mind but around what was seen as convenient for Royal Mail. These perceptions were often related to experiences of key touchpoints, including postmen/postwomen and the local Post Office, but also other aspects of the service such as confusing pricing structures and inconvenient delivery times.

Consumers think the UK postal service needs to modernise

There was agreement that preferred methods of communication and other aspects of lifestyles had changed in recent years. Consumers wanted the postal service to offer a customer-centred service, modernising in ways that would make it better able to accommodate changing lifestyles.

3. Background to consumer usage

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This section looks at how the post fits into the everyday lives of residential consumers. It covers perceptions and attitudes towards the post as whole, views on different types of post and motivations for usage, and the relationship consumers see themselves as having with post.

3.1   Perceptions and attitudes towards post

Necessary post, nice post and 'everything else'

Consumers tended to think of the post they send and receive in three main categories: post which is *necessary,* post which is *nice* and *'everything else'*.

1. ***Necessary post***: mainly official letters (very few packages or parcels were considered *necessary*). Examples included monthly bills, passport applications, P60s, exam results, and job applications. Online alternatives mean even these items are, for some, not necessary to send using the post.

2. ***Nice post***: letters *and* packages and parcels. Examples included cards for special occasions, correspondence with friends (handwritten letters, postcards), subscriptions, gifts (usually for birthdays / Christmas) and online purchases (from websites such as Amazon or eBay).

3. ***Everything else***. Examples included junk mail, mail order catalogues, out-of-date subscriptions and unwanted newsletters

"There's a few nice things and then it's just everything else."

Male, London, ACB1, 35-54

Owners of small businesses were typically more frequent users of 'necessary' post than residential consumers. Their examples included confidential and legal documents, cheques and invoices, marketing and publicity, delivering to customers, and general customer communications and updates.

Consumer expectations of the post are varied

Many consumers said they did not rely on the post much in everyday life, favouring faster (and, for some, more reliable) alternatives such as telephone and online communication.

Yet many continued to value post as a public service, seeing a national service as mark of a well-run, developed country.

"We are lucky to have a door-to-door service. It's a luxury that we don't appreciate."

Male, Port Talbot, ABC1, 55+

Despite low reported usage, consumer expectations of the post were often high, with inefficiency and poor value for money thought unacceptable. In this respect, the post

was perceived more like a private business, which should treat people well as *customers*.

Small businesses generally had high expectations of services, particularly when they relied more heavily and spent more on postal services. They also knew the positive knock-on effect that good postal services had on business, with promptness and reliability helping to keep their own customers loyal.

Fondness for the post

Consumers often talked fondly about the post, reflecting on their memories of using it as a child and the strong emotional associations around sending and receiving mail.

> **"It's something you grow up with, it's always been there and it's something that I would be very sorry to lose."**
>
> **Male, Keswick, C2DE, 35-54**

> **"It's part of the fabric of our society."**
>
> **Female, Keswick, ABC1, 55+**

> **"My kids love it at Christmas…it's the best day of the year when they post their list to Santa!"**
>
> **Female, Newry, C2DE, 18-34**

For example, sending and receiving parcels often held positive associations for consumers. Receiving a delivery ordered from a website was cause for excitement for many, especially as people often said they were using online delivery services for their own personal hobbies or to buy themselves treats.

3.2   Usage and relationships with post

Consumers had seen significant changes to the way they use the post in recent years and in many cases were substituting post with newer forms of communication. The main exception to this was increasing reliance on postal services for online shopping.

Overall, consumers said their use of postal services was:

1. Decreasing / had already decreased for personal communications;
2. Decreasing for official documents given online options; and,
3. Increasing for parcels and packets because of online shopping.

Perceived substitutability of post for personal communications

Most hardly ever use the post for sending and receiving personal *letters*, although many continue to use it for sending *cards*. Middle-aged consumers recalled how they had lived through a shift in their usage habits, from the days before the internet when they sent more personal letters and cards. Even older consumers who were not computer literate said they tended to communicate more by phone now than by post.

Younger consumers had never been in the habit of sending letters. Where they did it was usually because of the preferences of older relatives or because they considered it

special or nostalgic. It was therefore rarely out of necessity except in unusual circumstances, such as writing to a grandparent who had no access to email.

Perceived substitutability of post for official purposes

For some consumers, the only reason to continue using the post for official purposes was if there was no convenient online option available. For them, using the post was considered slow and old fashioned, and they were open to their use reducing further.

Many, however, continued to believe the post offered a secure means of communication and preferred to use it for anything they considered 'official'. Some also liked the fact it allowed them to keep a paper record. This was not only the case among older age groups, some younger consumers valued the post for formal documents as they felt it helped them be organised and forced them to file papers, prompting them to act responsibly and keep up to date with bill payments. That said, many participants were also familiar and comfortable with using online methods for form filling, bill payments and record keeping. Those who preferred to manage their personal business online often said they did for reasons of speed and convenience.

Perceived substitutability of post among small business consumers

Those running small businesses claimed significant reductions in their mail correspondence. Electronic communications (such as email, websites, social media and text messages) were often seen as comparatively more efficient, convenient and cheaper.

Moving away from using the post as much as possible was seen by some as part of running an efficient modern business. Several consumers running small businesses noted how customer expectations were driving their choice of communications.

Increased use for sending and receiving small packages and parcels

The use of the post for small packages and parcels was where many consumers claimed to see the only increase in their usage. Younger and middle-aged consumers noted rising use of online shopping using sites like Amazon. Some, particularly in the middle-aged group, discussed their growing interest in eBay for buying and selling goods, a practice they could see expanding in future.

> "I'm spending a lot more money on postal services but they've moved from letters to parcels...this week I got four items selling on eBay and that's probably going to be £30 spend..."
>
> Male, London, ABC1, 35-54

Use of post will continue to change

The way in which we communicate with one another is evolving rapidly and consumers pointed out the implications for how they use and view the post. Post is increasingly seen as old-fashioned; certainly when it comes to personal communication, but also when conducting personal business. Many even said they could envisage a time in the future when their use of the post for sending and receiving letters or documents would be very low.

> "We live in a world where you want everything (at once) and it's all email now and...there's not really many people who would

> **send a letter for...next day delivery to someone...just email them, no bother, you know they'll get it in seconds."**
>
> <div align="right">

Female, Newry, ABC1, 35-54

</div>

As a result, motivations for using the post are different to what they were even just a few years ago. While a small minority said they prefer to send cards and other personal communication by post, most could only see their usage decreasing even further as alternatives such as email, social media and texts become more embedded in their lives.

> **"Generally speaking you get texts now...but (receiving a) card is so much nicer. Someone's gone to buy it and choose it and to write it and send it."**
>
> <div align="right">

Female, London, ABC1, 35-54

</div>

Many continue to rely on the post for official documents, either because there is no alternative or because the alternative is not an option for them personally. A few consumers said they simply prefer to use the post. Similarly, some small business owners still rely on the post to send and receive paper copies of important documents (e.g. legal or confidential documents, anything requiring a signature and some forms of payment).

Consumers also thought it likely that it would become more commonplace to send formal documents electronically and that this too would decrease their usage of the post. By contrast, consumers generally agreed that reliance on the post for sending and receiving packages / parcels would continue to grow.

Despite consumers expecting their usage to continue to decrease, many emphasised the value they place on having a postal service and would not want to see this disappear.

> **"There is no real alternative (for some things). It's scary to think what would happen if it was all dropped or privatised. We wouldn't get post everywhere anymore..."**
>
> <div align="right">

Female, Keswick, C2DE, 35-54

</div>

4. Awareness and experience of services

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This section looks at the awareness consumers have of the post, both in terms of how the post works and what services are available. It examines the impact of awareness on consumer engagement and reported use of the post, expectations and misconceptions relating to key Royal Mail services and the role of Royal Mail touch points (e.g. Post Offices[2] and Postmen and Postwomen) play in shaping consumer relations. Finally, it gives an overview of common frustrations with postal services.

4.1   Different types of awareness and interest in services

Many consumers have low awareness and understanding of how the postal system works, from its infrastructure to the details of individual services

There were two main areas of low awareness: lack of understanding about how the post works (the mechanics); and lack of understanding of Royal Mail services, both what to *expect* from each and how to *pick* the right one for one's requirements.

The mechanics – *How does post work?*

> **"You'd like to see how they do actually distinguish (between First and Second Class mail). Do they get every single piece and put it in (piles) First, Second and then work it out?"**
>
> **Male, London, ABC1, 35-54**

Expectations and requirements – *How do I know what each Royal Mail service offers? How do I pick the right one for me?*

> **"I'm not actually sure (of the difference). All I know is that Second (Class) is slower and cheaper."**
>
> **Female, Newry, C2DE, 18-34**

> **"It's hard to know because now they weigh the envelope as well as (checking) its size so you don't know what you need."**
>
> **Female, Newry, C2DE, 18-34**

Confusion about details of Royal Mail services was a key reason why some lacked confidence in their purchase decisions. It led many consumers to rely on external advice or increasing dependency on Post Office staff.

Confusion impacts engagement more than use

The research identified different types of postal user. For some, uncertainty surrounding services had little impact on their level of usage and caused them

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[2] Following the restructuring on 1 April 2012, Royal Mail and Post Office Limited are structurally separate companies (though both are still currently part of Royal Mail Group)

relatively few frustrations. While for others – usually those who had experienced problems in the past – their uncertainty caused frustration and led them to have negative perceptions of Royal Mail.

Many appeared unconcerned about their limited levels of knowledge about the details of postal services. These were usually consumers whose usage was too low for them to worry about understanding the mechanics of how the post works, or which Royal Mail service best matches their requirements. These types of user were less likely to know how much they needed to pay at any given time and said they were happy relying on the advice of Post Office staff.

> **"I just go in the Post Office because I don't know how much it's going to cost now, so I'd rather go there.   It's handier."**
>
> **Female, Newry, ABC1, 35-54**

Others were **advocates** who praised Royal Mail for the fact it *does* work and did not question *how* this happens in detail. These types of consumers tended to refer to the universality of the post, the fact that you can guarantee similar delivery times for an item whether the delivery address is local or far afield. They would also talk about being able to post a letter at the end of your own road in rural Wales and know that it would, in most cases, arrive the next day with someone who lives in rural Scotland.

> **"It's kind of a little bit romantic. You sort of send off the letter and it just arrives somewhere."**
>
> **Female, London, C2DE, 18-34**

Some adopted a more **sceptical** attitude towards the post and Royal Mail overall. They were generally more critical of Royal Mail services in terms of cost and efficiency and some doubted that the price differentiation between certain Royal Mail services (like First and Second Class post) was warranted. For example, they questioned whether there really was any great difference between the type of service the user received.

> **"If it was a card I wouldn't expect them to weigh it but some of them do...weigh it and pop it through the wee...slot to size it and you know, I just don't see any difference in weight (between) a wider card than a narrower card."**
>
> **Female, Newry, ABC1, 35-54**

In some cases consumers who valued and relied on the post were the most **frustrated.** These consumers were aware of the shortfalls of the service but hoped for improvement. They were often reliant on the guidance of Post Office staff due to their lack of understanding of what Royal Mail services were on offer and which matched their needs. These consumers were more likely to have constructive suggestions for how services could improve. Their priority was a system that was simplified so that they could have more confidence to make purchase decisions on their own.

> **"I stuck a First Class stamp on a letter and thought [Post Office staff] would just take that much money off the postage I**

needed and charge me the balance. He charged the full amount. Why didn't you tell me...must you waste my stamp?!"

4.2 Expectations and confusion around key services

Choosing between First and Second Class tends not to be actively thought through

Many consumers said that whether to use a First or Second Class stamp was not something they usually deliberated over. There were three main reasons for this:

1. **Low frequency of usage** making it a relatively unimportant decision with little financial bearing

2. **Habit** meaning alternatives to their usual choice were often not considered

3. Buying lots of stamps at the same time **(e.g. books of stamps)** resulting in them rarely thinking about individual purchase decisions

Myths around First Class post

The two most common myths were '*First Class guarantees next day delivery*' and *'First Class is more reliable than Second Class'.*

"When I think Second (Class), I'm just not sure when it's definitely going to be there but with First Class you know if you've posted it before a certain time it's definitely going to be there the next day."

"I assume First Class is pretty reliable and Second Class isn't – it could get there any time...Just assumed that it would get lost in the ether if you put it in Second Class."

"I use First Class. I don't use Second because I don't understand the system of how long it takes to deliver a Second Class letter and if there's any hold-ups it's going to be on the Second Class I would think. So, you know, I send everything First Class."

Reasons for using First Class

Many consumers had simply never considered using anything other than First Class; the choice of First over Second was therefore one of habit. This was usually due to

their limited usage and a perception that First Class was a small cost in the context of their overall spending. These participants also saw the difference in price between First Class and Second Class post as relatively slight. Both factors meant the additional spend required to use First Class was not something they had considered in detail.

> *"We just send all our letters First Class...if someone asked me how much a First Class stamp was I wouldn't be able to tell them."*
>
> **Female, Keswick, ABC1, 55+**

Other common reasons for using First Class rather than Second were **personal disorganisation** and **urgency**. Urgency was a particularly strong driver for residential consumers conducting official business and those running small businesses since documents and items often needed to be with the recipient within a day or two.

Among many residential consumers, lack of organisation also led them to rely on using First Class for personal communications such as birthday cards. Most felt that very few items they sent in the post needed to be sent using First; it was more likely that they had left postage to the last minute.

Another motivator for using First was the perception recipients would think better of the sender for doing so. First was felt to denote care and consideration for the recipient. However, only a few consumers mentioned that they themselves paid attention to the class of post on letters and deliveries they receive.

Reasons for using Second Class

Quite a few used Second Class out of **scepticism about the value of First**, believing there was little added benefit to the premium service. Some consumers said they would **plan ahead** so they could comfortably rely on Second for punctual delivery. Others said they would usually use Second because so little of what they ever sent was urgent; **Second was fast enough** for their purposes.

Most small business consumers relied on Second Class for their more routine post due to the expense of using First for sending in bulk. They often felt better able to plan their outgoing post and used Second Class because they had timetabled when they were sending out communications or direct marketing.

Awareness of how to post large letters and packets

While many consumers were aware that the pricing of large letters and packets had changed, most had very limited awareness of the details of how this works in practice. Some low users said they were not aware that the dimensions of a letter made any difference to the price of postage.

> *"Aren't the larger stamps just the ones that have something interesting on them?"*
>
> **Female, Port Talbot, C2DE, 55+**

Small business consumers and residential consumers who were regular users of eBay and other online trading sites had a better understanding of how large letter pricing works. Given their experience of sending this type of mail they were more familiar with

the different sized stamps and were more likely to feel confident making their own purchase decisions without asking for advice.

Even among those residential consumers who were more aware, several expressed confusion and saw the introduction of small and large stamps as a sign of an increasingly over-complicated pricing system.

> **"...It's become so complicated no-one knows how much it is going to cost for different sized envelopes anymore."**
>
> **Male, Keswick, C2DE, 35-54**

Many therefore continued to rely on the advice of Post Office staff before buying stamps to cover the cost of postage.

Awareness of differences between Special and Recorded delivery

Consumers, even some of those running small businesses, used the terms 'Special delivery' and 'Signed for/Recorded' interchangeably and struggled to recall what the difference was. Very few knew how much it would cost to send a letter or package using either service, suggesting confusion around these Royal Mail services that residential consumers use only occasionally.

> **"If I'm sending cash I might use something like that..."**
>
> **Female, Port Talbot, ABC1, 35-54**

> **"I recognise that, you get those packages in the post."."**
>
> **Female, Port Talbot, C2DE, 55+**

Small businesses consumers and residential consumers using eBay and other trading sites were slightly more familiar with these different options. Some even made the distinction that Special is "for post that's important and urgent" while Recorded is just "post that's important". However, even the more aware often continued to rely on the advice of Post Office staff and had limited knowledge about specific differences.

Limited awareness of alternative providers among residential consumers

Residential consumers tended not to know, or mind, which parcel company delivered the parcels they receive. Parcelforce was generally recognised as the standard provider and trusted for its association with Royal Mail and local Post Offices (although not all made the connection). Most residential consumers had no view on how companies compared because of their limited experience of each. Very few understood how to use a provider other than Royal Mail to send a parcel.

> **"With Royal Mail you haven't got to go to a specific company, Fedex or whatever, it's convenient it works, it always has."**
>
> **Female, Port Talbot, ABC1, 35-54**

Where small business consumers stated a preference it was usually for one of Royal Mail's competitors, not Parcelforce, due to lower prices and often good past experience. While a few admitted they had not recently checked Parcelforce's prices, they did not expect them to be any lower than their current provider.

"I used Parcelforce a few years ago and their prices were more than the others, I can't remember how much, to be honest I haven't checked since. I'd like to use them but it just doesn't make sense."

Small business owner

Awareness of alternative providers offering *mail* delivery services was very low. Some small business owners and residential consumers suggested that competition in the market might help lead to reduced cost and improved customer service as it had in other sectors. Others were more sceptical about the benefits of competition or worried having alternative providers would lead to more confusion.

4.3 The importance of Royal Mail touch points

Post Offices and postmen/postwomen were two of the most important touch points for consumers with Royal Mail postal services. Perceptions of quality and value for money were influenced by the experience of local touch points.

A bad experience – such as queues at the Post Office, unhelpful staff, or postmen/postwomen not making the effort to knock on doors when delivering packages – reflected badly on Royal Mail as a whole. By contrast, friendly local services, with staff who recognised you and knew the local area made consumers feel the service was more responsive to the needs of customers.[3]

4.4 Frustrations with postal services

Consumers highlighted a number of frustrations with Royal Mail services. While not all were viewed as serious, bad experiences tended to stay with consumers over the long term and coloured their view of Royal Mail services as a whole. Consumer concerns surrounding the value for money and affordability of postal services are covered in Section 5. This section focuses on issues relating to services themselves.

The tables below show some of the common frustrations voiced spontaneously by consumers during the research. The examples covered here are those discussed by participants in more than one location. It is worth noting, however, that these frustrations do not apply to all consumers, since many were either satisfied with their current experience or too detached to express signficiant concerns.

Consumer frustrations can be grouped into two types: personal frustrations and problems with the organisational structure of Royal Mail from the consumer perspective. While many could recall the former, the latter were usually perceived by consumers as higher priority for improvement.

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[3] Following the restructuring on 1 April 2012, Royal Mail and Post Office Limited are structurally separate companies (though both are still currently part of Royal Mail Group). The research demonstrates that the public thought of them as related but they were unclear on exactly what the relationship was.

Personal frustrations

Examples	Consumer frustrations	
Mis-delivered post	Post arriving to the wrong address Consumers having to hand deliver post to their neighbours, particularly when this happens repeatedly Tended to be a one-off personal experience or found out through word of mouth	*"It happens all the time, I think it's because we're the basement (flat) but you'd think he (the postman) would know by now."* *Female, London, ABC1, 35-54*

Lost post	Letters / parcels that recipients say they haven't received Items arriving a long time after they were posted Tended to be a one-off personal experience or found out through word of mouth	*"So many things you hear of getting lost in the post."* Male, Edinburgh, C2DE, 35-54
Damaged post	Wet post (Keswick) Dog-eared letters Torn packages Tended to be a one-off personal experience or found out through word of mouth Considered quite rare	*"I had a damaged parcel which I had to sign for before they'd give it to me but it turned out to be empty but they wouldn't refund me because I'd signed for it."* Male, Port Talbot, C2DE, 55+
Postmen / postwomen who are not perceived as providing a good service	Not ringing the doorbell enough / not trying hard to find out if anyone is home Delivering post irresponsibly – leaving post on shared staircases / outside A few had experienced this regularly with an individual postie For others it was a one-off experience that they remembered well, or something that they heard others talk about	*"I had a postman who never even bothered to climb the stairs at my old flat and you would find people's credit card bills and bank statements and stuff sitting on the steps at the bottom."* Female, Edinburgh, C2DE, 35-54
Bad advice at Post Office	Unclear explanations of services Unhelpful / inexperienced staff For some this was a source of frustration and affected their perception of Royal Mail as a whole	*"I sent a CD in the post last week and to be honest with you I didn't know whether the girl behind the counter was 100% sure what way it should be sent"* Male, Newry, ABC1, 55+

Organisational frustrations

Examples	Consumer frustrations	
Junk mail	Feeling like you have received more junk mail than 'regular' mail Clogging up letterboxes / entrance halls For many this seemed to be an on-going hassle and generally consumers felt that they were receiving more now than ever	*"It seems to be increasing all the time. It's funny, all we got yesterday was junk mail; we got no post, just junk mail.* Male, Newry, ABC1, 55+
Confusing pricing	Differences between Royal Mail services and the cost of each Perception of "too many services" / an over-complex system Lack of clear communications / leaflets For some users this was a source of frustrationand something thought to be worse than previously	*"None of us really know how to post anything other than a letter."* Male, Edinburgh, ABC1, 18-34 *"It's hard to know because now they weigh the envelope as well as the size...for a card you think yourself well you need a first class or you may need two first class stamps because of the size of the envelope."* Female, Newry, C2DE, 18-34
Inconsistent or late delivery	Not knowing when your post will come – how to plan your day Post arriving after you leave for work (it might as well arrive in the afternoon) Many complained about this and felt standards had deteriorated over the years	*"It's nice if it's predictable."* Male, Edinburgh, ABC1, 18-34 *"I think (early deliveries) are probably more important to people with businesses, to have their mail earlier in the day rather than later."* Small business owner

Customer service	Basic friendliness of Royal Mail representatives / keenness to help Lack of apology when post is misdelivered / lost / late Although this was considered highly dependent on local factors and good/bad luck, it was a key source of frustration for those who experience bad service. And similarly it was thought to have got worse in recent years	*"Posties often don't wait long enough when they're delivering packages, whereas other couriers like TNT are much better for this...It leads to delays for our customers and it's awkward to explain when our customers tell us they were home at the time of the delivery."* Small business owner *"They need to modernise, get into the 21st Century. Better training of postmen and women....Maybe give them a GPS system so there's no cock-ups and they all go to where they need to go."* Male, London, C2DE, 18-34 *"Just appearing friendlier.."* Female, Port Talbot, C2DE, 55+
Parcel delivery and collection	Parcels and packages delivered at inconvenient times of day (for those in full time work) Inconvenience of collecting parcels – having to work around opening times of Post Offices and collection points Many who use parcel delivery and collection services do so regularly and were therefore more sensitive to the problems with the service With the rise of online shopping people could also see themselves relying more on deliveries and collections, therefore even lighter users stressed this as an important consideration for Royal Mail	*"I get frustrated when I get a note through the door saying you've got to go and collect…that really annoys me because they don't try very hard to get to you. I mean they just slip the card through the door without even ringing the bell to see if you're in."* Male, Keswick, ABC1, 55+ *"They're just saying that's where we work, you ought to come and get it. You come and get it but I'm not going to bother if you don't."* Female, Edinburgh, ABC1, 18-34 *"With parcels, like, they should be delivering to you, somebody's paying for that service, they should be going round your times when you're free not when they're free."* Female, Newry, C2DE, 18-34

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5. Pricing, affordability and value for money of Royal Mail services

Ofcom

5. Pricing, affordability and value for money of Royal Mail services

This section looks at consumer views on the cost of postal services, the concepts of affordability and value for money and the relative importance each holds for consumers in the context of buying Royal Mail services. Finally, it examines the importance of customer-centered service for perceptions of value for money and quality.

5.1   Awareness and attitudes towards recent price rises

The Royal Mail price rises in April 2012 provided important context for the research, falling during the fieldwork period. This meant that the majority of consumers were made aware of the changes, usually through media coverage rather than personal experience. Awareness was less pronounced among younger age groups, partly because they were using the post less and were therefore less engaged by the news stories. They were also even less likely than older consumers to have had personal experience of the price rises given their limited usage.

Many questioned the timing of the price rises and what it meant for the future cost of Royal Mail services. Concerns were often linked to a feeling that they provided another example of how the cost of living was increasing more generally.

"They feel they can put everything up and people are just going to accept it...there's some stuff that shouldn't be touched...for big periods of time and I think maybe the mail is one of them."

Male, Newry, C2DE, 18-34

From a consumer perspective, most acknowledged that some form of price rise might need to happen given inflation and the current economic climate. However, many also voiced frustration at Royal Mail price rises when they perceived no real improvement in services despite the increasing costs.

Few knew about Royal Mail's efforts to improve efficiency and deliver a more streamlined service. Some thought that delivery times had become less frequent / later and resented paying more for what they perceived as less. Those who knew more about the changes to Royal Mail questioned whether they were a success given their continued frustrations from a consumer perspective. A few even spontaneously blamed efficiency savings, seeing them as detrimental to customer service (e.g. perceived increases in lost or mis-delivered post due to new electronic sorting machines and less convenient delivery times because of changes in shifts/delivery routes).

Looking to the future, some consumers envisaged that price rises might encourage them to consider increased use of alternatives that they *considered* 'free' or 'cheaper' to keep in touch with people. These alternatives included phone, email, text and Skype. While use of these may not in reality always be free (or cheaper than the post), the way they are paid for can make them appear 'free' to consumers.

Consumers offered other suggestions for how they might adapt to price rises. For example, sending fewer Christmas cards since that is the main time of year when they incur signifcant costs from using Royal Mail. Others would plan ahead and use Second Class, since so little of what they send now requires urgent delivery.

"For Christmas presents you might just think 'oh I'll wait until I see them to give it to them' rather than sending it to them for the day."

<div align="right">

Female, Newry, C2DE, 18-34

</div>

That said, these potential changes in behaviour also reflect shifts in communication habits and lifestyles more generally. Some of the changes to behaviour that consumers predicted as a consequence of Royal Mail price rises are those that are already happening in any case. However, a few participants said that increased costs for postal services might be a contributing factor shifting their current behaviour.

The few small businesses involved in this research were more likely to say they could foresee an impact of price rises on usage. This was because of the larger volume of mail they send and greater reliance on the more expensive Royal Mail services. Forward planning and research into alternative providers were important for minimising spend.

5.2 Perceptions of affordability[4]

The definition of affordability tested during the research did not resonate with most consumers. This definition is based on the definition that Postcomm proposed in *The building blocks for a sustainable postal service Universal service - Discussion paper on affordability*[5] published in February 2011.

"A postal product (e.g. a first class stamp) would be unaffordable if a potential customer was excluded from purchasing it or faced significant hardship from purchasing it because of the price."

They associated post most closely with First and Second Class stamps which, even after the price rises, would continue to cost the consumer pence rather than pounds. Given their low reliance on post, consumers felt terms such as 'unaffordable' and 'hardship' were misplaced in their experience, a view that was held across all consumer groups.

"No-one would ever actually jeopardise their eating or something like that (to buy a stamp)."

<div align="right">

Male, Edinburgh, ABC1, 18-34

</div>

Rather than raise concerns about affordability, consumers tended to voice frustrations in relation to certain services starting to feel like more of a 'luxury' or ***poor value for money***. As such, participants said they might start to resent spending their money on the more expensive services. It was hardly ever the case, however, that they would not send something using the post due to the cost; instead they would reconsider which service to use and may opt for a cheaper service than originally intended, where possible.

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[4] Ofcom are carrying out futher in-depth research on the subject of affordability and the universal postal service.
[5] See http://stakeholders.ofcom.org.uk/binaries/post/1809.pdf

Some worried that increasing the price of more expensive services – such as First, Special and Recorded delivery – would act as a barrier to those on lower incomes, even if the the price rises would not make them unaffordable for the vast majority of people.

> **"I guess it will become more of a luxury but I don't think it's going to be at a stage when it's unaffordable."**
>
> **Female, London, C2DE, 18-34**

> **"If you needed to send something quicker it's not your fault, you're not choosing a luxury, it's not a luxury to you to have it sent…"**
>
> **Female, Port Talbot, C2DE, 55+**

> **"A lot of job applications that are going to need to be sent out, it could be unaffordable for someone."**
>
> **Female, Edinburgh, C2DE, 35-54**

> **"I think someone on a pension might think twice about spending 60p on a stamp…60p might not seem significant, but 60p three or four times a week adds up. It becomes two pounds a week."**
>
> **Male, London, C2DE, 18-34**

Only a couple of participants in this study voiced concerns about their *own* ability to afford postal services which they felt they needed. As such, almost all participants had worries about the cost of postal services on behalf of others rather than themselves. Most simply thought they would think twice about using the more expensive services and adapt their usage habits where possible.

> **"I've been put off sending recorded, although I've wanted to. The price of recorded has put me off sometimes".**
>
> **Female, London, C2DE, 18-34**

In this example the consumer still sent their item but they used one of Royal Mail's standard delivery services (i.e. First or Second Class), as they thought that Recorded Delivery was not worth the additional spend.

5.3 Perceptions of value for money

Value for money was an important concern for consumers. Many said they were already scrutinising their general purchasing habits because of the recession, seeking to make the most of the money they spend. Therefore, rather than thinking in terms of affordability, they tended to consider the quality of services and whether the cost seemed proportionate to the service received.

Consumers approached thinking about value for money in different ways. Some looked at the postal service as a whole and felt it was good value for money due to its universality. Others were more affected by the frustrations they had personally experienced and did not feel that they received sufficient service for their spend. Some could see both points of view.

Big picture view: it *is* good value for money

Those who took this view tended to see Royal Mail's postal service as an object of national pride. They felt that the UK's postal service compared favourably with other countries.

> *"I think it's value for money. Think about it, you have all these postmen going up lanes to deliver just one letter."*
>
> **Male, Keswick, C2DE, 35-54**

> *"Definitely. I mean you send it down by courier to London it would cost you over £100, £200 probably to send a letter. This is 60p."*
>
> **Female, Edinburgh, C2DE, 35-54**

> *"Realistically 60p what else could you buy for 60p, bar of chocolate, that's the same sort of price, and I think that generally (letters) do arrive the next day or withing 48 hours, I think it's value for money."*
>
> **Female, Newry, ABC1, 35-54**

Personal experience view: it *isn't* good value for money

Those who took this view tended to focus on their own frustrations with Royal Mail and the problems they experienced with its services (or heard about through others). Their perception of the services offered by Royal Mail as falling short of expectations made it hard for them to accept that they were receiving value for money.

> *"When they put the price of the stamps up by 20p, I thought that was excessive...."*
>
> **Male, Newry, C2DE, 18-34**

> *"You're paying more for not getting any more..."*
>
> **Male, Edinburgh, C2DE, 35-54**

> *"You wonder where the money's going. They're not building these massive new depots or improving the infrastructure...the transportation. So who knows..."*
>
> **Male, London, C2DE, 18-34**

5.4 Customer-centred services

Customer-centred services were seen by many as key to providing good value for money and ensuring consumers were satisfied.

Many felt that Royal Mail's postal services were not currently designed around their requirements. They compared this with other industries, for example, supermarkets where they thought providers were doing more to become customer-focused.

Those who reported having particularly bad personal experiences of Royal Mail services felt that even basic customer service was lacking, negatively influencing their perceptions of the quality of the service overall.

"Treat us like customers, treat us like human beings."

Male, Edinburgh, C2DE, 35-54

Below are several of consumers' key priorities for improvement and innovation in the postal service. They reflect their frustrations with the postal service and show why many felt that current services were not evolving to meet their requirements.

Consistent delivery times / evening deliveries

More convenient opening hours

More competition and therefore better services / lower prices

Simpler pricing structures and clearer price communications

Local parcel collection services and convenient (late) opening hours

Helpful and friendly posties / Post Office staff

Less junk mail
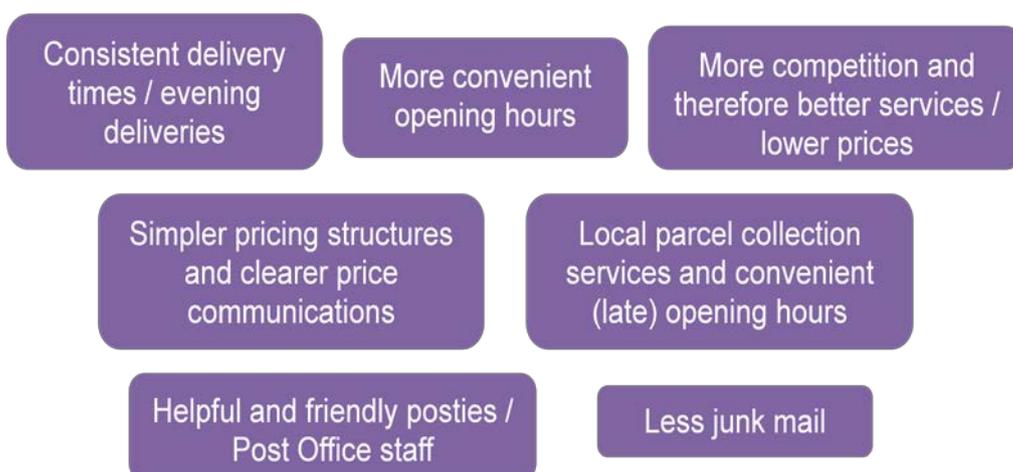
Indeed, some were looking for Royal Mail to go further in improving postal services, innovating in areas like longer opening hours and more local parcel collection options to ensure services fitted around the lives of modern consumers.   This was in response to what they currently saw as being a service that was "mostly good enough" but not "going the extra mile", something consumers associated with the best private companies. Younger participants were especially keen to see Royal Mail match-up to the private sector and work harder to keep its customers satisfied and loyal.

"It needs to keep up with the private sector, innovate. It can't go on as it always has when its customers are changing. Evening deliveries, post offices open when it's convenient for us."

Male, London, C2DE, 18-34

Appendices

Appendices

1.Postal Recruitment Screener questionnaire (residential consumers)

<u>**Postal Recruitment questionnaire**</u>

RESPONDENT RECRUITED FOR: Focus group discussions
RESPONDENT NO:

Specification - This questionnaire recruits people with the following characteristics

Groups 1 and 8	Dates and locations:	London and Newry	Code: 1
	Time:	**London: Thurs 19th April 6 – 8pm** **Newry: Tues 1st May 8-10pm**	
		Please recruit 10 for 8 Mixed gender - 50/50 split Age: 18-34 Social Class: C2DE Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions	
	Areas of recruitment:	Central and Greater London Newry and surrounding area	

Groups 2 and 5:	Dates and locations:	London and Port Talbot	Code: 2
	Time:	**London: Thurs 19th April 8.30 – 10.30** **Port Talbot: Thurs 26th April 8-10pm**	
		Please recruit 10 for 8 Mixed gender - 50/50 split Age: 35-54 Social Class: ABC1 Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions	
	Areas of recruitment:	Central and Greater London Port Talbot and surrounding area	

Group 3:	Dates and locations:	Edinburgh	Code: 6
	Time:	**Edinburgh: Tues 24th April 8 -10 pm**	
		Please recruit 10 for 8 Mixed gender - 50/50 split Age: 18-34 Social Class: ABC1 Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions.	
	Areas of recruitment:	Edinburgh and surrounding area	

Groups 4 and 10:	Dates and locations:	Edinburgh and Keswick	Code: 4
	Time:	**Edinburgh: Tues 24th April 6-8pm** **Keswick: Weds 2nd May 8-10pm**	
		Please recruit 10 for 8 Mixed gender - 50/50 split Age: 35-54 Social Class: C2DE Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions.	
	Areas of recruitment:	Edinburgh and surrounding area Keswick and surrounding area	

Group 6:	Dates and locations:	Port Talbot	Code: 5
	Time:	**Port Talbot: Thurs 26th April 6-8pm**	
		Please recruit 10 for 8 Mixed gender - 50/50 split Age: 55+ Social Class: C2DE Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions.	
	Areas of recruitment:	Port Talbot and surrounding area	

Group 7:	Dates and locations:	Newry	Code: 3
	Time:	**Newry: Tues 1st May 6-8pm**	
		Please recruit 10 for 8 Mixed gender - 50/50 split Age: 55+ Social Class: ABC1 Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions	
	Areas of recruitment:	Newry and surrounding area	

Group 9:	Dates and locations:	Keswick	Code: 4
	Time:	**Keswick: Weds 2nd May 6-8pm**	
		Please recruit 10 for 8 Mixed gender - 50/50 split Age: 55+ Social Class: ABC1 Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions.	
	Areas of recruitment:	Keswick and surrounding area	

Tele-depths	Dates and locations:	Across all locations 23rd April – 4th May	Code: 5
		Please recruit 5 participants to take part in 30 minute telephone interviews. These should be people unable to attend group discussion for reasons other than availability i.e. due to disability, chronic illness or living in very remote location Mixed gender - 50/50 split Mix of ages (all 18+) Mix of social class Ethnicity: Representative of local population Include those with disabilities; visual impairment and long-term conditions (Same incentive - £35)	

Summary table of fieldwork specifications:

Group number	Location	Type	Provisional Dates	Gender	Social grade	Age
Group 1	London	London	Thurs 19th April	Mix	C2DE	18-34
Group 2	London	London	Thurs 19th April	Mix	ABC1	35-54
Group 3	Edinburgh	Urban	Tues 24th April	Mix	ABC1	18-34
Group 4	Edinburgh	Urban	Tues 24th April	Mix	C2DE	35-54
Group 5	Port Talbot	Suburban	Thurs 26th April	Mix	ABC1	35-54
Group 6	Port Talbot	Suburban	Thurs 26th April	Mix	C2DE	55+
Group 7	Newry	Suburban	Tues 1st May	Mix	ABC1	55+
Group 8	Newry	Suburban	Tues 1st May	Mix	C2DE	18-34
Group 9	Keswick	Rural	Wed 2nd May	Mix	ABC1	55+
Group 10	Keswick	Rural	Wed 2nd May	Mix	C2DE	35-54

Good morning/afternoon/evening, my name is . . . . from Ipsos MORI, the research organisation. We are inviting a group of people together to take part in a group discussion about your views on the postal service. I wonder if you could help me? This will take place in <LOCATION> on <DATE>. The discussion group will last around two hours. You will receive £35 as a thank-you for taking part and to cover any expenses.

We are looking for particular groups of people; therefore I would like to ask you some questions about yourself.

All information collected will be anonymised.

Q1.   **Would you be interested in taking part?**

Yes	1	CONTINUE TO Q2
No	2	THANK AND CLOSE

Q2.   SHOWCARD A **Do you or any members of your immediate family work in any of the following areas, either in a paid or unpaid capacity? Please read out the letter that applies.** SINGLE CODE ONLY

A	Journalism/The media	1	
B	Advertising or Public relations (PR)	2	
C	Market Research	3	THANK AND CLOSE
D	For the postal service, in any capacity	4	
	No, none of these	7	GO TO Q3
	Don't know	8	

Q3. **Have you participated in a focus group discussion for a market research company in the last year?**

Yes	1	THANK AND CLOSE
No	2	CONTINUE

Q4. WRITE IN & CODE EXACT AGE

Exact Age [ ] [ ]

18-34	1	
35-54	2	
55+	3	
Refused	4	THANK AND CLOSE

Q5. **Occupation of Chief Income Earner**

Position/rank/grade

Industry/type of company

Quals/degree/apprenticeship

Number of staff responsible for

PLEASE REMEMBER TO PROBE FULLY AND CODE SOCIAL CLASS (Q6) BASED ON DISCUSSION AT Q5

Q6. **Class**

A	1	
B	2	
C1	3	
C2	4	RECRUIT TO QUOTA
D	5	
E	6	
Refused	7	THANK AND CLOSE

Q7. SHOWCARD B. **Which ethnic group do you consider yourself to belong to?** SINGLE CODE ONLY

	• White		
A	British	1	
B	Irish	2	
C	Any other white background (WRITE IN AND CODE '3')	3	
	• Mixed		
D	White and Black Caribbean	4	
E	White and Black African	5	RECRUIT A MIX
F	White and Asian	6	
G	Any other mixed background (WRITE IN AND CODE '7')	7	
	• Asian or Asian British		
H	Indian	8	

I	Pakistani	9		
J	Bangladeshi	10		
K	Any other Asian background (WRITE IN AND CODE '11')	11		
	• Black or Black British			
L	Caribbean	12		
M	African	13		
N	Any other black background (WRITE IN AND CODE '14')	14		
	• Chinese or other ethnic grp			
O	**Chinese**	15		
P	Other ethnic group (WRITE IN AND CODE '16')	16		
	Not stated/Refused	17	THANK AND CLOSE	

Q8. **How would you describe your employment status?**

A	Unemployed	1	GO TO Q13
B	Employed (part or full time)	2	
C	Self-employed / Own or co-own a business	3	GO TO Q9
D	Homemaker	4	
E	Carer for friend or relative	5	GO TO Q13
F	Retired	6	
G	Student	7	

ASK Q9 IF CODE 2 OR 3 AT Q8:

Q9. **Are you able to answer some questions about the postal services used by the organisation you work for?**
SINGLE CODE ONLY

Yes	1
No	2

ASK Q10-Q12 IF YES AT Q9:

Q10a **How involved are you in any decisions about the choice of postal services?** SINGLE CODE ONLY

I am the main decision maker	1
I am consulted and involved in the decision	2
I am not involved in the choice as regards cost	3

Don't know	4

Q10b **Could you tell me approximately what your organisation spends on postage? Please just give your best estimate.**

IF MONTHLY SPEND:

Below £420 per month	1	RECORD AS SMALL
Between £420-£4,200 per month	2	RECORD AS MEDIUM
Over £4,200 per month	3	RECORD AS LARGE
Don't know	4	

IF ANNUAL SPEND:

Below £5,000 per year	1	RECORD AS SMALL
Between £5,000-£50,000 per year	2	RECORD AS MEDIUM
Over £50,000 per year	3	RECORD AS LARGE
Don't know	4	

SHOWCARD C **Which sector would you say best describes your business?**

Q11.

A	Manufacturing / Production	1	
B	Retail / Leisure Services	2	
C	Financial / Business Services	3	CAPTURE BUT NO QUOTA
D	Public Service	4	
E	Other	5	

Q12.   SHOWCARD D **How would you best describe how important post is to your business?**

Mail is core to our business operations	1	
Mail is critical for our customer communications and statements but not core to our business	2	
Mail is used mainly for our administrative needs and is not core to our service delivery	3	CAPTURE BUT NO QUOTA
Don't Know/Refused	4	

ASK ALL

Q13. SHOWCARD C **Now thinking about your how you personally use the postal service. How much would you say you have used the postal service in the last 3 months for:**

(a) **Sending letters/cards or parcels?**

A	A great deal	1	
B	A fair amount	2	RECRUIT A GOOD MIX
C	A little	3	
D	Not at all	4	THANK AND CLOSE
	Don't know / can't remember	5	THANK AND CLOSE

(b) **Receiving mail or parcels?**

A	A great deal	1	
B	A fair amount	2	RECRUIT A GOOD MIX
C	A little	3	
D	Not at all	4	THANK AND CLOSE
	Don't know / can't remember	5	THANK AND CLOSE

Q14. **How would you best describe your view on the post?**

Post is critical to me	1	
Post is important to me but not critical	2	RECRUIT A RANGE OF VIEWS
Post is not important to me	3	
Don't Know/Refused	4	THANK AND CLOSE

Q15. CODE SEX (DO NOT ASK)

Male	1	
Female	2	AIM FOR GOOD SPREAD

Interviewer number:
Interviewer name (CAPS):..

I confirm that I have conducted this interview **face to face** with the named person of the address attached and that I asked all the relevant questions fully and recorded the answers in conformance with the survey specification and within the MRS Code of Conduct and the Data Protection Act 1998.

Interviewer Signature:..

Date: ....

Thinking about post

	Name:
	Home town:

Thank you for taking part in this research.

Before the discussion group, we would like you to spend about five minutes each day thinking about how you use the post and keeping a short diary.

Please remember to bring this to the group.

If you have any questions, you can call or email
Naomi Boal
020 7347 3958
naomi.boal@ipsos.com

HOW I USE THE POST

Over the next week we would like you to fill in a diary to record every time you use the post to send and receive mail. Don't worry if some days are blank. You can stick in images or just use text, whatever you like.

Royal Mail is responsible for delivering a **'Universal Postal Service'** i.e. it allows you to send and receive mail – and it's Royal Mail's Postal Service that we want you to think about when you complete this exercise.

The Post Office provides users an access point for postal products and services. The Post Office is NOT part of the Postal Service.

	DAY 1	DAY 2	DAY 3
What I sent in the post (e.g. birthday card, bill payment)			
How I sent it (e.g. first class, recorded delivery, pre-paid envelope)			
How I paid for it (e.g. stamps I had, bought stamps, paid at Post Office)			
What I received in the post (number of pieces of mail and types of post received – advertising, bills, cards, etc)			

HOW I USE THE POST

	DAY 4	DAY 5	DAY 6	DAY 7
What I sent in the post (e.g. birthday card, bill payment)				
How I sent it (e.g. first class, recorded delivery, pre-paid envelope)				
How I paid for it (e.g. stamps I had, bought stamps, paid at Post Office)				
What I received in the post (number of pieces of mail and types of post received)				

Please remember to bring this to the group.

3.Postal Recruitment Screener questionnaire (small business consumers)

<div style="text-align: center;">

Postal Recruitment questionnaire

</div>

RESPONDENT RECRUITED FOR:
Business tele-depths
RESPONDENT NO:

SPECIFICATION - THIS QUESTIONNAIRE RECRUITS PEOPLE WITH THE FOLLOWING CHARACTERISTICS

15 x telephone interviews (30 mins)	Audience	Representatives of very small businesses Businesses that spend up to £5,000 per year on post Participants must be the person responsible for, and having knowledge of, the business' postal services spend and requirements	
	Dates for interview	Fri 27th – Weds 9th (inc.) (Excluding the bank holiday Mon. 7th)	
		Good mix of gender - 50/50 split Good mix of ages All spending below £420 per month on post / below £5, 000 per year Good spread of business sectors (Q8: soft quota of at least 2 per sector A-D) Good spread of 'level of importance of post to business' (Q9: hard quota of 5 for A-C)	
	Location of businesses	Good spread across England, Wales, Scotland and Northern Ireland	

Good morning/afternoon/evening, my name is . . . . from Ipsos MORI, the research organisation. We are inviting people like you from a range of different companies to take part in a telephone interview about their views on the postal service. I wonder if you would be interested in taking part. You will receive £35 as a thank-you for your time.

We are looking for particular types of people; therefore I would like to ask you some questions about yourself.

All information collected will be anonymised.

Q1.   **Would you be interested in taking part?**

Yes	1	CONTINUE TO Q2
No	2	THANK AND CLOSE

Q2.   SHOWCARD A **Do you or any members of your immediate family work in any of the following areas, either in a paid or unpaid capacity? Please read out the letter that applies.** SINGLE CODE ONLY

A	Journalism/The media	1	
B	Advertising or Public relations (PR)	2	
C	Market Research	3	THANK AND CLOSE
D	For the postal service, in any capacity	4	
	No, none of these	7	GO TO Q3
	Don't know	8	

Q3.   **Have you participated in a telephone interview for a market research company in the last year?**

Yes	1	THANK AND CLOSE
No	2	CONTINUE

Q4.   WRITE IN & CODE EXACT AGE
Exact Age   ☐☐   ☐☐

18-34	1	
35-54	2	GOOD MIX
55+	3	
Refused	4	THANK AND CLOSE

Q5.   **Are you able to answer some questions about the postal services used by your company?**
SINGLE CODE ONLY

Yes	1	CONTINUE
No	2	THANK AND CLOSE

Q6.   **How involved are you in any decisions about the choice of postal services used by your company?** SINGLE CODE ONLY

I am the main decision maker	1	
I am consulted and involved in the decision	2	GOOD MIX
I am not involved in the choice	3	THANK AND CLOSE

Don't know	4	

ASK EITHER 7a or 7b (WHICHEVER PARTICIPANT FINDS EASIER TO ANSWER)

Q7a **Could you tell me approximately what your organisation spends on postage? Please just give your best estimate.**

IF MONTHLY SPEND:		
Below £200 per month	0	THANK AND CLOSE
Between £200 and £420 per month	1	RECORD AS SMALL CONTINUE
Between £420-£4,200 per month	2	THANK AND CLOSE
Over £4,200 per month	3	
Don't know	4	

Q7b

IF ANNUAL SPEND:		
Below £2, 400 per year	0	THANK AND CLOSE
Between £2, 400 and £5,000 per year	1	RECORD AS SMALL CONTINUE AT LEAST 2 SPENDING OVER £ 3,000 per year
Between £5,000-£50,000 per year	2	THANK AND CLOSE
Over £50,000 per year	3	
Don't know	4	

SHOWCARD C **Which sector would you say best describes your business?**

Q8.

A	Manufacturing / Production	1	
B	Retail / Leisure Services	2	GOOD SPREAD
C	Financial / Business Services	3	
D	Public Service	4	(SOFT QUOTA: 2 FOR A-D)
E	Other	5	

SHOWCARD D **How would you best describe how important post is to your business?**

Q9.

A	Mail is core to our business operations	1	
B	Mail is critical for our customer communications and statements but not core to our business	2	RECRUIT TO QUOTA 5 FOR A-C

C	Mail is used mainly for our administrative needs and is not core to our service delivery	3		
	Don't Know/Refused	4	THANK AND CLOSE	

ASK ALL

Q10.   CODE SEX (DO NOT ASK)

Male	1	GOOD SPREAD
Female	2	

Interviewer number:
Interviewer name (CAPS):..

I confirm that I have conducted this interview **face to face** with the named person of the address attached and that I asked all the relevant questions fully and recorded the answers in conformance with the survey specification and within the MRS Code of Conduct and the Data Protection Act 1998.

Interviewer Signature:..

Date: ....

4.   <u>Postal services qualitative research: Discussion guide for residential consumers</u>

Guide	Timings
<u>Overall objectives</u> • *To understand consumer usage of the postal service and create a picture of current consumer patterns* • *To understand what drives higher/lower volumes of use of the postal service* • *To gauge consumer attitudes towards specific postal services* • *To explore consumer relationships with the postal service overall, including frustrations* • *To understand how usage patterns are changing over time* • *To examine consumer attitudes towards substitutability of post (with other communication channels)* • *To understand consumer perceptions of affordability of postal services*	
<u>Introduction:</u> *AIMS: Sets the scene, warms-up participants and reassures the group that the aim is to have an open discussion*	**<u>5 min</u>**
<u>Section 1:</u> *AIMS: To understand consumer usage of the postal service and create a picture of current consumer patterns*	**<u>30 min</u>**
<u>Section 2:</u> *AIMS: To explore consumer relationships with the postal service overall, including frustrations*	**<u>15 min</u>**
<u>Section 3:</u> *AIMS: To understand how usage patterns are changing over time and consumer attitudes towards substitutability of post (with other communication channels)*	**<u>20 min</u>**
<u>Section 4:</u> *AIMS: To understand consumer perceptions of affordability of postal services*	**<u>20 min</u>**
<u>Round up</u>	**<u>5 min</u>**

	TOTAL: 95 min
Filmed vox pops and post task	**20 min**

Introduction We are carrying out a series of discussions like this with people around the UK about the postal service Explain timings – 90 minutes discussion, 20 minutes filmed vox pops and short task at the end of the discussion Ground rules for discussion – permission to record, allow everyone to have their say, confidential with no direct attribution (MRS), other attendees (if appropriate) – there to listen in and take notes **Participant introductions**: First names, who they live with, most memorable experience of using the post (sending, receiving, mail / deliveries etc.)	**5 min**
Section 1: *AIM: To understand consumer usage of the postal service and create a picture of current consumer patterns* **First, can you tell me what comes to mind when I say 'post' / 'postal services'?** What kinds of services are you thinking of? What types of post? Where does your understanding of this come from? *Moderator note: explain our focus for discussion is on the postal services offered by Royal Mail and not Post Offices. Display stimulus summarising the postal services vs. Post Offices.* *Moderator note: the forthcoming increase stamp price increases is likely to be raised. Let participants know that there is a slot set aside in the session where they can discuss this more fully, and ask to focus on other areas first.* **I'd like to start off talking about your experiences of *sending* and *receiving* post. You can use the examples from your pre-task diary (use in the last week) or other things that come to mind.** **Sending post** **What sorts of things do you tend to send using the post?** PROBE ON REASONS FOR USING POST (FOCUS ON <u>ROYAL MAIL</u> SERVICES): ▪ Social reasons (Postcards, Birthday cards etc.) ▪ Professional / business-related tasks (PROBE FOR DETAILS: Can you give me an example? What other things?)	**30 min**

- Life admin (bill payments, financial, medical)
- Selling /returning goods
- Sending packets / parcels
- Anything else?

PROBE: Can you think of examples of when you've used post in this way recently?

PROBE: Which specific services did you use?

SHOWCARDS FOR SPECIFIC SERVICES:

- First Class
- Second Class
- Size of stamp
- Registered/special delivery/proof of postage
- Other providers/courier services, e.g. DHL (PROBE: Specific details of other services used and why)

PROBE FOR EACH REASON/TYPE AND OVERALL:

How often do you send things [like this] through the post?

How much post [like this] do you typically send? (PROBE: specific services used)

How much would you say you spend on <u>Royal Mail</u> postal services [like this]? (PROBE: per week/month/year)

Are there any <u>other postal services</u> you have used recently? (FOR EXAMPLE: redirection service, keep safe, poste restante)

Why did you use these?

What about at Christmas? How much post do you usually send at that time of year?

PROBE: What type of stamps/service do you use? How much would you say you usually spend?

MODERATOR NOTE: After gathering a picture of usage across the group, discuss IN DETAIL the reasons why some people use post more regularly than others and why people are using other things instead of the post – refer back to this in the later discussion on substitutability in section 3.

Why do you /do you not send much through the post? PROBE IN DETAIL: Both amount and frequency of use

- Habit
- Cost
- Affordability
- Voluntary vs. involuntary choice about amount of post sent (e.g. affordability/cost issues)
- Necessary (because of work/formal transactions etc.)
- Size/nature of friendship and social networks – e.g. geographically spread family/friends
- Reliance on other means of communications
- Any other reasons

As far as you know, what's the difference between first and second class post?

- When do you use one rather than the other?
- Why do you use one rather than the other?
- PROBE: lack of understanding about the difference, speed, reliability, showing you care, price, security, storage, value of parcel, ease of use, convenience in terms of stamps lying around, habit, buying books of stamps rather than stamps for a purpose

Tell me about buying stamps...

When do you buy a single stamp? And what about a book of stamps?

- When do you buy a book of first class (vs. second class) stamps?
- Are you thinking about all the different occasions you might need stamps for when you buy a book? Why/why not?

What about the size of stamps (standard vs. large)?

- Are you aware of them? Do you understand the difference between these?
- What do you think about these? When would you use them?

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Receiving post	
Now I'd like to talk a bit about your own experiences of <u>receiving</u> things through the post. You can use the examples from your pre-task diary (use in the last week) or other things that come to mind.	
What sorts of things do you tend to receive in the post?	
▪ Social (Postcards, Birthday cards etc.)	
▪ Professional / business-related (PROBE FOR DETAILS: Can you give me an example? What other things?)	
▪ Life admin (bill payments, financial, medical)	
▪ Buying goods/subscriptions	
▪ Receiving packets / parcels	
• Other	
How often do you receive things like this in the post?	
And overall how much post do you typically receive? (PROBE: specific services used)	
Tell me more about what do you do with the post you receive? PROBE: open it straight away / put to one side / throw away	
Does it make a difference what the post is?	
Section 2:	**15 min**
AIMS: To explore consumer relationships with Royal Mail postal services – identifying personal importance and frustrations	
We're now going to think about the royal mail postal service overall.	
Moderator note: throughout this section be clear on where participants are discussing the importance of postal services in general (i.e. Royal Mail and other providers) and where they are discussing Royal Mail in particular. The distinction will mainly be relevant where people are discussing parcels and packages as Royal Mail is the only provider for letters.	
So thinking very generally then, how important is post to you personally? Why do you say that?	
Scale of 1-10 where 1 is 'it's not important at all' and 10 is 'it's essential'.	
Thinking about Royal Mail, how important is it to you that we have a Royal Mail postal service? Why? PROBE FULLY	
Who do you think it is particularly important for? Why? **Anyone else?**	

What sorts of frustrations/problems do you have with the postal service? (PROBE: Royal Mail specifically) MODERATOR GATHER REACTIONS ON A FLIPCHART **Have these things happened to you or have you heard about them happening to other people?** What was annoying about these things? How do you think they could have been handled better? Why? **Any other issues we haven't mentioned?**	
<u>**Section 3:**</u> *AIMS: To understand how usage patterns change over time and consumer attitudes towards substitutability of post (with other comms channels)* **Now I'd like to shift the focus of discussion slightly and look at how you use other types of communication as well as the post.** **I'd like to know what, if anything, the post offers you that these other channels don't. We've already covered lots of the reasons why you use the post, this is more about understanding whether anything can replace your use of post, and to what extent you already use alternatives.** **Thinking very generally, over the last ten years how would you say the way you communicate with people has changed? Why?** **What else are you using to communicate with people, other than the post?** (PROBE internet, skype, telephone, courier services, texts, calls, emails, face-to-face, etc) **How has this affected your usage of the post?** Why? PROBE: Cost / convenience / personal circumstance / social change / technology / change forced upon them vs. voluntary **HAND OUT INDIVIDUAL STIMULUS PACKS** *Give participants five minutes to look at their packs and fill in the blanks then discuss as a group:* **PROBE BASED ON EARLIER DISCUSSION: (i) Types of communication and (ii) use of specific services.** **Now thinking ahead five years, how do you expect the way you communicate with people will change? Why?** - (PROBE internet, skype, telephone, courier services, texts, calls, emails, face-to-face, etc) - **How will this affect the way you use the post?** PROBE: Cost / convenience / personal circumstance / social change / technology/ change forced upon them vs voluntary What changes in circumstances might make a difference to your use of postal services?	**20 min**

PROBE specific changes:
 	
    Personal – e.g. about to have kids / less time / retire
    Societal – e.g. rise of internet shopping / deliveries
    Technological – e.g. rise in households with broadband
 	
Is there anything you think you'll always use the post for? Why?	

Section 4: *AIMS: To understand consumer perceptions of cost/value for money/affordability of royal mail postal services* *Moderator note: throughout this section be clear to treat issues of price, value for money and affordability separately. E.g. need to be clear if someone is not using a service because it is unaffordable (<u>can't</u> be paid for within their budget) or because they <u>don't want</u> to pay for it (because it is not good value for money or seen as unnecessarily expensive). Focus of discussion is Royal Mail, not other providers.* **How important is price when you're thinking about using postal services?** Why? ▪ Have you ever been put off sending something in the post because of the cost? PROBE: Find out if it is because of price, value for money or because it is unaffordable? ▪ Or have you gone without something else so you can post something? Or used credit? **In terms of affordability, how does it compare to other services you might use regularly?** PROBE: travel, energy supplies, telecoms, shops, etc. Why do you say that? What is different about other services? **Thinking about all the different services we've talked about, how affordable do you think royal mail / the UK postal service is?** Why? Introduce definition of affordability: *A postal product, e.g. a first class stamp, would be unaffordable if a potential customer was excluded from purchasing it or faced significant hardship from purchasing it because of the price.* **What do you think about this definition?** Does it fit with your understanding of affordability? Anything you would change to improve it? What level of usage should be affordable for people? (IF NEEDED: Essentials vs. using for all correspondence (if no internet) vs. social use)	**20 min**

Thinking about specific services... (TAKE EACH IN TURN USING STIMULUS; First class, Second class)
 	
How affordable do you think these are?
 	
Do you know how much a first class stamp is? And a second class one?
 	
IF NOT COVERED: And what about the price of parcels? Recorded delivery? Special delivery? How affordable do you think these are?
 	
Do you think the postal service represents <u>value for money</u>?
 	
  ▪ Why/why not? PROBE: Mentions of different services
 	
  ▪ Compared to other types of services?
 	
  ▪ Compared to other forms of communication?
 	
Have you noticed any changes to the price of postal services over the last ten years? Have you heard about the planned changes from April 30 2012? Has this made any difference to how much/often you use postal services? Why?
 	
  ▪ Do you think you will change how much/often you use postal services? Why?
 	
  ▪ PROBE: In the context of wider financial pressures?	

Wrap up:	**5 min**
AIMS: Draw the discussion to a close, pulling out what have been the most important points for participants and, where possible, arriving at a level of group consensus around the most important aspects of the postal service	
Bring discussion to a close – final comments/points from the participants	
▪ *What has been the most interesting thing discussed today? What will you leave here thinking about? Why?*	
▪ *How do you feel about the future of the postal service?*	
Filmed vox pops and post task	**20 in**
Filmed diary room: NB. Participants must sign filming consent form	
Ensure a good mix of participants are interviewed	
Encourage participants to think widely around the subject, considering the previous discussion and also anything which they might not have had a chance to discuss:	
▪ *What do you <u>like / value</u> most about the postal service?*	
▪ *What would you <u>like</u> to see changed about it?*	
▪ *What do you think <u>needs</u> to change about it?*	
▪ *How will your usage of postal services change?*	
▪ *Which <u>three words</u> would you use to describe / sum-up the postal service?*	
REQUEST TO REPEAT COMMENT MADE EARLIER IN SESSION (If participant said something that typifies a view or gives an interesting perspective on an area:	
▪ ***You mentioned xxx earlier, can you please try to tell me about this again?***	
Post-task worksheet:	
Participants are given five minutes to consider their frustrations with the postal service and suggest realistic solutions to overcome them. Participants are then asked to spend five minutes discussing their ideas in groups of 2/3 and briefly present back to the group, once vox pops are complete.	

- *Think about how you as a customer want the postal service to be better. Please list your top 3 'areas for improvement' and three realistic solutions that will improve your future experience of using the post*

To help participants with recall, display flipchart with list of frustrations.

Thank and close. *Administer incentive.*

5. **Postal services qualitative research: Stimulus pack used during focus group discussions with residential consumers**

HOW THE POSTAL SERVICE WORKS

Royal Mail is responsible for delivering a 'Universal Postal Service' i.e. it allows you to send and receive mail

The Post Office provides users an access point for postal products and services. The Post Office is NOT part of the Postal Service.

It also provides and sells its own services and products (e.g. telephone services and insurance).

Today we are here to talk about Royal Mail NOT the Post Office

1

1

Social reasons

- **What different types of communication (e.g. email, telephone, text message, online, post) do you use for this?**

- **What, if anything, prompts you to use post?**

Personal business

- **What different types of communication (e.g. email, telephone, text message, online, post) do you use for this?**

- **What, if anything, prompts you to use post?**

Professional reasons

- **What different types of communication (e.g. email, telephone, text message, online, post) do you use for this?**

- **What, if anything, prompts you to use post?**

Personal business

- **What different types of communication (e.g. email, telephone, text message, online, post) do you use for this?**

- **What, if anything, prompts you to use post?**

"A postal product (e.g. a first class stamp) would be unaffordable if a potential customer was excluded from purchasing it or faced significant hardship from purchasing it because of the price."

Improving the post

How do you, as a customer, want postal services to be better?

List your top 3 'areas for improvement', along with possible solutions that will improve your future experience.

Area 1:

Possible solution:

Area 2:

Possible solution:

Area 3:

Possible solution:

6. **Postal services qualitative research: Discussion guide for representatives of small businesses**

Guide	Timings
Overall objectives • *To gain insight into small business usage of Royal Mail and competitors* • *To explore relationships with the postal service overall, including frustrations* • *To understand how usage patterns are changing over time* • *To examine attitudes towards substitutability of post (with other communication channels)* • *To understand perceptions of affordability of postal services*	
Introduction: *AIMS: Sets the scene, warms-up participants, reassures that the aim is to have an open discussion, allows participants to give an overview of their business context*	**5 min**
Section 1: *AIMS: To understand usage of the postal service and create a picture of current usage patterns / changes over time / substitutability of post*	**10 min**
Section 2: *AIMS: To explore relationship with the postal service overall, identify value to the business and frustrations*	**8 min**
Section 3: *AIMS: To understand perceptions of affordability of postal services*	**7 min**
Round up	
	TOTAL:30 min

Introduction We are carrying out a series of discussions like this with people working in small businesses like you around the UK about the postal service. Please think about your use of the postal service as part of your business, rather than your own personal use. Explain timings – 30 minutes discussion Ground rules for discussion – permission to record, no rights or wrongs, confidential with no direct attribution (MRS) Introduce Ofcom, regulator of Royal Mail, which operates the postal service. Distinguish from Post Offices which act as 'access points' for Royal Mail services. **Participant introduction**: Brief summary of their business, number of employees and participant's role. Overview of what they use post for in the context of their business (sending, receiving, mail / deliveries / financial information / customer mail shots etc.) and summary of the type of mail sent (letters / packages etc.)	**5 min**
Section 1: *AIMS: To understand usage of the postal service and create a picture of current usage patterns / changes over time / substitutability of post* **What sort of things does your business tend to send using the post, either Royal Mail or other operators?** **PROBE:** - General contact with customers (members of public/other businesses)Delivery of goods - Direct mail - Financial/official/legal documents - Anything else? **Which specific Royal Mail services does your business use?** PROBES IF NEEDED: - First Class - Second Class - Small / Large stamps	**10 min** **The key bits in this section are about competitors, substitutions and changes over time**

- Registered/special delivery/proof of postage

- Services for bulk mailing e.g. Business Mail/ Business Mail 1st (previously called Standard Account, Cleanmail, Mailsort or Walksort), Packetpost, Packetpost Returns, Packetsort

- Other services e.g.

  o Business Mail Secure

  o Sameday couriers

  o Royal Mail Tracked/Royal mail Tracked next day

  o Business rely envelopes

  o Keepsafe

Can you tell me about any other providers/courier services that you use (e.g. DHL)?

- What services do you use through these providers?

- Why do you use these rather than Royal Mail's services?

- IF DON'T USE OTHERS: Why do you *only* use Royal Mail's services?

Can you take me through a week in your business, how much post are you sending? What about over the course of the year?

How much would you say your business spends on Royal Mail postal services? (PROBE: per week/month/year) Which services do you spend most on? Why?

Tell me about how your business deals with Royal Mail postage and stamps... Do you tend to use first or second class? Why? Do you use a franking machine?

How much would you say your business spends on other postal operators? (PROBE: per week/month/year) Which services do you spend most on? Why?

Receiving post

Now can you tell me more about receiving things through the post?

What sorts of things do you tend to receive in the post? (Goods/packets, invoices, payments, customer correspondence etc.)	
Overall how much post do you typically receive?	
Tell me more about deliveries – What time does post tend to arrive? Is it more important to receive mail on some days of the week than others? Why?	
Does it make a difference who is delivering the post? PROBE Royal Mail or other services. **What are the advantages/disadvantages?**	
Changes over time	
How has the way your business uses the post changed in the last ten years?	
What other ways are you using to communicate with customers/ clients / colleagues / others? PROBE BASED ON EARLIER DISCUSSION (e.g. internet, skype, telephone, courier services, texts, calls, emails, face-to-face, etc)	
Why are you opting for these other means? PROBE: Cost / convenience / social change / technology	
What about over the next five years, can you see the way you use the post changing? How? Why?	
Is there anything you think you'll always use the post for? Why / why not?	
Section 2:	**8 min**
AIMS: To explore relationship with Royal Mail postal service overall – identify value to the business and frustrations	
We're now going to think about the Royal Mail postal service overall as compared to other postal services you might use	
Overall, what do you like/value about the Royal Mail and its services?	
What frustrations/problems do you have with Royal Mail services?	
What are the key areas where you would like to see Royal Mail improve its services?	
Tell me what you think about the other postal operators? Strengths and weaknesses?	
How does the Royal Mail compare to the other operators?	
Any other issues?	

Section 3	**7 min**
AIMS: To understand perceptions of cost/value for money/affordability of Royal Mail postal services	
Moderator note: throughout this section be clear to treat issues of price, value for money and affordability separately. E.g. need to be clear if someone is not using postal services because unaffordable (can't be paid for within their budget) or because they don't want to spend budget on post / have cheaper alternatives. Focus discussion on Royal Mail and other providers – compare perceptions of cost.	
How important is price when you're thinking about using postal services for your business? Why?	
Do you think the postal service represents value for money? Why / why not?	
What about different services (business bulk services, special delivery, second / first class etc.) – are they value for money?	
Have you heard about the planned price changes from April 30 2012? Tell me if/how this will affect your business...	
Are the Royal Mail services affordable for your business? Why?	
How do you think the prices/value for money/affordability of Royal Mail services compare with other operators?	
PROBE for clear examples	
Wrap up:	
AIMS: Draw the discussion to a close	
Final comment from the participant	
▪ What has the discussion left you thinking about?	
▪ If you could send one message back to Royal Mail and Ofcom, which regulates it, what would it be?	
Thank and close. Ask for address to send incentive.	