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Ofcom Business Postal Tracker 2025-26

Annual Technical Report

July 2025 - June 2026

Ofcom

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General survey description

The Postal Services Act 2011 gave Ofcom additional duties in relation to the postal market. To help fulfil these duties Ofcom has been tracking SME usage, opinion and attitudes to postal services since 2012. The tracker allows Ofcom to better understand trends in SME postal usage, including the types of SMEs that are more likely to use postal services and the role that post plays within SMEs. It measures all types of post sent by SMEs, including letters, packets and parcels, across all postal providers in the UK.

Data generated by the tracker must be robust, hold up to scrutiny and be suitable for publication. It is the authoritative source of data on SME postal usage and is used not just by Ofcom, but also by a wide range of stakeholders to make decisions and feed into strategic planning.

Survey objectives

The Business Postal Tracker covers volumes and use of postal services, reported experience with Royal Mail and other providers, overall satisfaction and change in mail as a communication method among SMEs across the UK. Its' specific objectives are:

- To provide time-trend data that enables Ofcom to monitor these measures over time.
- To provide robust data suitable for publication.
- To provide data to inform Ofcom analysis, reports and decisions.
- To provide analysis by population sub-groups.

Change of contracted agency

The 2025-2026 tracker survey is the first full year to be managed and delivered by BMG Research. At the end of 2024, Ofcom transferred project and fieldwork responsibilities to BMG and consequently 2024-2025 was delivered by both the previous contractor - BVA BDRC (Q3 and Q4 2024) and BMG Research (Q1 and Q2 2025). BMG has followed the methodology, quotas and weighting employed by BVA BDRC since taking over delivery of the tracker but following a six month period (Q1 and Q2 2026) BMG, in consultation with Ofcom, made significant changes to the questionnaire to reduce the length and streamline the questions. Thus, while there are still many points of comparison with previous years, some comparisons will no longer be possible.

Sampling approach and quotas

The tracker uses a mixed-mode online and telephone approach to data collection.

This comprises:

- Sample provided by specialist online panel providers, to deliver c1,680 interviews completed per year (75% of the total sample)
- A stratified random sample of SMEs drawn from a database (Market Location was used) and contacted by email and telephone to deliver c550 telephone and online interviews per year (25% of the total sample)

From July 1st, 2025, to June 30th, 2026, the Business Postal Tracker aimed to achieve 2,200 interviews with a representative profile of small and medium sized enterprises (SMEs). This sample size generates a robust dataset with margins of error of +/- 2.05%.

Over the 2025/26 reporting period, fieldwork was conducted over four quarters with the sample size for each quarter as follows:

Table 1: Interviewers by quarters

Quarter	Number of interviews			
	%	Total	CATI	Online
Q3/2025	25	578	150	428
Q4/2025	25	586	153	433
Q1/2026	25	573	151	422
Q2/2026	25	564	144	420
Total	**100**	**2,301**	**598**	**1,703**

Quotas

The profile of businesses in the UK, as defined by number of employees (business size), is heavily skewed towards businesses without employees and micro businesses – those with less than 10 employees. Approximately three-quarters of SMEs are businesses without employees, and a further fifth are micro businesses. So that a robust analysis of data relating to organisations with 10 or more employees was ensured, quotas were set to achieve a minimum number of interviews with these larger organisations disproportionately higher than would be the case if the sample was designed to be representative of the population and no controls were applied. For reporting, the data is weighted back to be representative of the business population profile.

The population profile by employment size, the quotas worked to, and the resulting weights are summarised in the table below.

Table 2: Yearly quota targets: number of employees

Business size	N	%	Natural interview distribution from a sample of 2200	Quotas Set	Implied weight
0	4,272,535	75.20	1663	670	2.47
1-4	886,705	15.61	342	650	0.53
5-9	264,170	4.65	100	220	0.46
10-19	142,500	2.51	53	225	0.25
20-99	103,605	1.82	37	225	0.18
100-249	12,415	0.22	5	210	0.02
Total	5,681,930	100	2200	2200	1.00

Additional sample structure objectives have been set to ensure robust sample sizes annually by nation.

As table 3 indicates, basing the sample design on the natural distribution of the business population within the devolved nations of Wales, Scotland and Northern Ireland would not provide robust sample sizes within these areas annually, so quotas were set to address this. The ultimate quotas and implied weights are detailed in the same table below.

Table 3: Yearly quota targets: region and nation

Region/Nation	N	%	Natural interview distribution from a sample of 2200	Quotas Set	Implied weight
England	4,988,865	87.80	1413	1210	1.60
Wales	193,965	3.41	56	330	0.23
Scotland	360,555	6.35	94	350	0.40
Northern Ireland	138,545	2.44	37	310	0.17

Using the quotas indicated above, quarterly targets are calculated for each quarter. The sample achieved is also monitored to ensure that businesses represent the full range of urban and rural locations in the final sample. Business postcode addresses are classified into urban and rural strata based on the classifications shown in table 4 below. The categories have been devised by the survey sample and statistics provider UK Geographics. Population data from UK Census 2011 were overlaid onto the UK Geographics categories to provide population distribution estimates by postcode. For the purposes of the Business Postal Tracker, urban regions were those in categories A-E, while rural locations were defined by categories F-G.

Table 4: ONS urbanity definitions

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

Selection of respondents and fieldwork procedure

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

For CATI interviews, after dialling the telephone number for the business indicated on the sample, interviewers are directed to ask those answering if they were able to answer questions about their organisation's mailing processes, volume of postal items sent from the UK from sites for which the business is responsible and spend on mail services. If the initial contact indicates that they are not able to do this, they are asked to pass the call over to someone who is able to answer the questions.

At the start of both CATI and CAWI interviews all respondents must answer several screening questions to demonstrate their eligibility for interview.

The time taken to complete the telephone interview averaged 24 minutes, while the average time taken to complete the survey online was 18 minutes.

During fieldwork, interviews were carried out in strict accordance with the guidelines given to interviewers and according to the Market Research Society (MRS) codes and guidelines, and fieldwork quality control was equally performed in accordance with MRS guidelines. Monitoring the quality of CATI interviews included the witnessing by a supervisor of at least 10% of each of the interviewers' work.

Profile of achieved sample

At the completion of fieldwork, 2,301 individual interviews were achieved. The sample profile by region and business size is presented in table 5. As outlined earlier, because of quotas applied, the unweighted sample achieved under-represented smaller businesses and over-represented larger businesses, with quotas also set by nation.

Table 5: Achieved unweighted sample by region and business size

Region	N	Region - aggregated	Business size				Total	
			0-9		10+			
			N	% of total	N	% of total	N	% of total
Yorkshire and the Humber	57	North	202	9	106	5	308	13
North East	49							
North West	202							
East of England	150	Midlands	226	10	97	4	323	14
East Midlands	78							
West Midlands	95							
Greater London	240	South	417	18	214	9	631	27
South East	242							
South West	149							
England	1,262	**England**	**845**	**37**	**417**	**18**	**1,262**	**55**
Scotland	359	**Scotland, Wales and Northern Ireland**	**678**	**29**	**361**	**16**	**1,039**	**45**
Wales	352							
Northern Ireland	328							
Total	**2,301**	**UK**	**1,523**	**66**	**778**	**34**	**2,301**	**100**

Industry sector is not a quota variable, but the sample is monitored to ensure that organisations within each of the 1-digit Standard Industrial Classification (SIC) groups are represented. A 'soft' quota of 50 respondents in the mainly public sector SIC code O is required annually.

Interviews were undertaken with individuals within organisations working in senior management/owners and within office administration/management roles. Most interviews (92%) were undertaken at head offices.

Sample efficiency and weighting

Weights were applied to each quarter's data independently in order that final aggregated data is representative of the population of UK businesses, while allowing for quarterly analysis.

It was considered whether any mode adjustments would be appropriate to address differences between methods. Analysis was done at the data processing stage to assess whether this was necessary, and it was determined not to be required, therefore data for the two collection modes has been combined as it fell out naturally.

As detailed in the sampling approach, larger companies were deliberately over-sampled to allow robust reporting by size, thus the weighting strategy has been designed to correct for this, to ensure the reported sample is representative by business size, industry sector groups and to reflect the geographical spread of UK businesses, across grouped English regions (North, Midlands and South) and across the devolved nations.

Weights were applied based on interlocking grouped industry sector and employment band and these were overlaid with geographic 'rim' weights. The population statistics were sourced from ONS Business Population Estimates 2025 (the latest available at the time of reporting).

The population referenced for the weights was as follows:

Table 6: UK business population (0-249 employees) by grouped sector and size

Grouped sector	Business size (no. of employees)					Total
	0-1 (N)	2-9 (N)	10-49 (N)	50-99 (N)	100-249 (N)	(N)
Agriculture, Manufacturing & Construction (ABCDEF)	1,027,015	243,425	43,155	5,875	3,135	1,322,605
Retail/Distribution/Communication (GHJ)	887,130	276,470	55,470	6,365	2,955	1,228,390
Hospitality/Financial and non-financial (IKLMNPQRST)	2,472,560	516,810	121,460	13,780	6,325	3,130,935
Total	4,386,705	1,036,705	220,085	26,020	12,415	5,681,930

Table 7: UK business population (0-249 employees) by GOR English region (grouped) and within devolved nations

	(N)
North (North East, North West, Yorkshire and the Humber)	1,081,980
Midlands (East Midlands, West Midlands, East of England)	1,430,060
South (Greater London, South East and South West)	2,476,820

Wales	193,965
Scotland	360,555
Northern Ireland	138,545

Each quarter is weighted to a base of 500 to ensure each contributes equally to combined results. This means the mean average weight is not 1 for any quarter, because the weighted base is not equal to the unweighted base for any quarter. It also means that the overall weighted base is 2,000, which is lower than the annual sample – and unweighted base - of 2,301.

In line with previous waves, a cap was added to the weighting to ensure that maximum weight is not excessive. For 2025/26, the maximum weight is 4.58 (relative to an average weight of 1), which compares with 5.6 in 2024/25 and 4.5 in 2022/23 and 2023/24. Across the 2025/2026 reporting year, the lowest weight at respondent case level is 0.000000. The overall weight by quarter (Q3 2025, Q4 2025, Q1 2026 and Q2 2026) is 0.86, 0.85, 0.87 and 0.89 respectively. The design effect for these weights is 3.3, 3.4, 3.6 and 3.3 respectively, giving an effective base of between 27% and 31% of the actual base, which provides quarterly results that are accurate to between +/-7% and +/- 8% at a 95% confidence level.

Table 8: Weighting factors

Quarter	Achieved sample	Quarter Weight	Lowest weight	Highest weight	Design effect	Effective base	Results accuracy
Q3/2025	578	0.86	0.0000000	4.58	3.27	177	+/-7%
Q4/2025	586	0.85	0.0000000	4.32	3.41	172	+/-8%
Q1/2026	573	0.87	0.0000000	4.36	3.63	158	+/-8%
Q2/2026	564	0.89	0.0000000	4.43	3.26	173	+/-8%
Total	2301	0.87	0.0000000	4.58	3.27	678	+/-4%

Means for postal spending and number of items sent

The mean figures for postal spend and number of postal items sent are increased substantially by a very small number of businesses providing very high values. Therefore, in addition to means based on all responses, the tables for these measures include a second mean figure excluding the highest responses. For postal spend (QV1B) the second mean excludes responses greater than £300,000+ per month, and for number of postal items sent (QV2A) responses greater than 500,000+ items per month.

Revisions to the questionnaire

The following changes were made to the questionnaire script from Q3 2025 onwards to help streamline the questionnaire and reduce the interview length. No further changes were made during the fieldwork period from Q3 2025 to end of Q2 2026.

Each change is listed with a brief rationale where applicable:

Question	Action
QV1B	Simplified – reduced code frame QV1B On average, how much money does your organisation spend in total per year on sending postal items? Please think about all the letters, packets and parcels you may send as an organisation. Code frame reduced from 24 bandings to 6 bandings
QV1B.1	New questions for filtering – splitting out small v larger parcels QV1B_1 Which of the following types of post does your organisation send? Include those sent internationally as well as within the UK. Please think ONLY about all the postal items you may send as an organisation. A Letters and large letters B Small parcels – under 2kg C Larger parcels – 2kg or above
QV2a	Change to categories QV2a On average, how many of the following types of post does your organisation typically send per mailing of…? From: A Letters to A Letters and large letters B Large letters to B Small parcels – up to 2 kg C Packets and parcels to C Large parcels – 2kg or above D Other postal items - removed
QV2b.1	Removed QV2b.1 On average, how often does your organisation send: Response options are weekly, daily frequencies
QV2d.1	Removed QV2d.1. Approximately what percentage of the large letters you send are for customer order fulfilment?
QV4	Now focusing on parcels Q1/2: QV4 And who does your organisation use for its postal service? Please think about all postal items including letters, large letters, packets and parcels. Q3/4: QV4 And who does your organisation use to send each of the following small parcels and large parcels?

Question	Action
QV4b	New Q re: main provider – (partial delete re: QV4) QV4b And which of these providers do you use most often to send parcels?
QV4C	New Q re: letter provider QV4C In addition to Royal Mail, do you use other providers to send letters or large letters?
QV4D	New Q re: providers used for letters QV4D Which provider(s) do you use to send letters and large letters?
QV5a.1	Removed QV5a.1 In terms of the number of items you send, which would you say is your organisation's main postal service for …?
QH	Removed QH Does your business ever send Hybrid mail?
QV6d	Changed time span From: QV6d Which of the following Royal Mail services, if any, does your organisation use to send your letters and large letters? To: QV6d Which of the following Royal Mail services, if any, has your organisation used <u>in the last six months</u> to send your letters and large letters?
QV6a.1B	Split out by parcel size – small and larger parcels From: QV6a.1 Which, if any, of the following Royal Mail parcel delivery services does your organisation use to send parcels and packets To: QV6a.1B Which, if any, of the following Royal Mail parcel delivery services has your organisation used in the last six months to send small parcels (those up to 2kg in weight)?
QV6A.1C	Split out by parcel size – small and larger parcels From: QV6a.1 Which, if any, of the following Royal Mail parcel delivery services does your organisation use to send parcels and packets To:

Question	Action
	QV6a.1C Which, if any, of the following Royal Mail parcel delivery services has your organisation used in the last six months to send large parcels, that is those over 2kg in weight?
QV7a	Refocused on parcels only and wording changed From: QV7a In the last 12 months, has your organisation: To: QV7a Thinking about sending parcels, in the last 12 months, has your organisation:
QV8A	New Q re: filtering for bulk mail QV8A Bulk mail is a service where businesses can send large quantities of mail items at discounted postage rates. Does your organisation ever send any bulk mailings?
QV9b1 2 3	Removed QV9b1 2/3 Which of the following types of services does each of the types of mail you receive fall into?
QRM1	New format From: QRM1 At what time do you usually receive your Royal Mail delivery at your premises? Please type your response in the format of 24 hours To: QRM1 At what time do you usually receive your Royal Mail delivery at your premises? New response options: Before 9am, Between 9am and 11am. Between 11am and 1pm. Between 1pm and 5pm. After 5pm
QRM5A	New Q for filtering QRM1 At what time do you usually receive your Royal Mail delivery at your premises?
QRM6	Removed QRM6 On a scale of 1 to 5 where 5 is very high and 1 is very low how would you rate Royal Mail on the quality of the services provided by Royal Mail in the last 12 months.
QOP3NEW	New Q for filtering QOP3NEW In the last 6 months, have you experienced any problems with your service from [provider] with regard to sending or receiving letters or large letters? Response options: Sending. Receiving
QOP1a.2	New Q re: parcels

Question	Action
	QOP1a_2 You said earlier that you also use [provider] for your parcel services. Thinking generally about the service you receive as a whole as a sender and recipient of parcels, on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied, how would you rate the quality of the services you receive from [provider]?
QOP2.2	New Q re: parcels QOP2_2 As a recipient and sender of parcels, how satisfied or dissatisfied are you with the performance of [provider] in the following areas on a 5 point scale where 1 is very dissatisfied and 5 is very satisfied?
QOP3A.2	New Q for filtering QOP3A_2 In the last 6 months, have you experienced any problems with your service from [provider] with regard to sending or receiving parcels?
QOP3A	Removed QOP3A Thinking about contacting [provider] with a service query, request or complaint, and your experiences in the last six months, please rate [provider] on the following aspects using a 5 point scale were 1 is very dissatisfied and 5 is very satisfied.
QOP4	Removed QOP4 On a scale of 1 to 5 where 1 is very low and 5 is very high how would you rate [provider] on: The quality of the services provided by [provider] in the last 12 months.
QOP5b	Removed QOP5b And on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied, how satisfied or dissatisfied are you with the overall service you receive from [providers used]?
QS1a	Removed QS1a Are there any types of post that your organisation sends in particular that have experienced an increase in volumes?
QS4	Removed QS4 Have you or your organisation ever considered trying a postal provider other than [providers used]?
QN3b	Removed QN3b In the last month which of the following companies have you sent a small parcel with? IF NECESSARY: By small parcel we mean one that is less than 2 kilograms.

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