



Post User Needs Research 2024

Produced by: BMG Research
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January 2025



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Background and Research Objectives

Objectives of this research

- To help understand user preferences and needs from a letters postal service.
- To understand the impact of specific potential changes to the USO letters service on users. Changes presented to respondents:
 - *Letters and cards sent by Second Class post would no longer be delivered on Saturdays.*
 - *Standard letters sent by businesses and organisations would no longer be delivered on Saturdays and could take a day longer to be delivered than they do today.*
 - *If you sent a letter or card by Second Class post, it would no longer be delivered to the recipient on a Saturday and it may take a day longer to arrive than it would today.*
- To explore potential impacts on user preferences and needs, considering users as both senders and receivers.
- To focus exclusively on letters/cards, including Royal Mail's 'Large Letter' service. Parcels are *not* in the scope of this research.

Methodology – overview

	Residential	SME
Sample	<ul style="list-style-type: none"> • Total sample of 3,145 achieved • Sampled by age, gender, socioeconomic grade and urbanity • Boosts for Deep Rural residents, devolved nations, and those without access to the internet 	<ul style="list-style-type: none"> • Total sample of 897 achieved • Sampled by industry (SIC), business size, number of employees, and nation • Conducted with someone who had responsibility for letter post at the organisation
Data collection	<ul style="list-style-type: none"> • Conducted between 20th September and 3rd November 2024 • Methodologies used: blended panel approach, face to face (using CASI-computer assisted self-interviewing) 	<ul style="list-style-type: none"> • Took place between 30th September and 4th November 2024 • Methodologies used: blended panel approach, telephone surveys and online surveys with telephone database contacts
Data reporting	<ul style="list-style-type: none"> • Data weighted to be nationally representative of the UK-weighted by region and nation, and SEG, ethnicity, urbanity, age and gender within nations. • Effective sample size is 76% • Significance testing applied at the 95% confidence level 	<ul style="list-style-type: none"> • Data weighted by SIC group, business size and nation • Effective sample size is 26% • Significance testing applied at the 95% confidence level
Benefits	<ul style="list-style-type: none"> ✓ Inclusion of more potentially vulnerable groups ✓ Increases access to digitally excluded ✓ Face-to-face interviewing with a tablet computer reduces mode effects 	<ul style="list-style-type: none"> ✓ Offers flexibility to SMEs ✓ Ensures inclusion of harder to reach SMEs e.g. 0 employees ✓ Analysable sample sizes for business size and nation

Additional methodological notes

Residential survey

- The effective sample size is 76%, even with purposive oversampling to reach key areas and sub-groups. This includes deep rural areas (176), Wales (361), Scotland (396), Northern Ireland (343), and those without internet at home (171), which includes those without access anywhere (148).
- Some evidence of mode effects (i.e. difference in response between survey approach) was observed. However, these were minimised by the predominantly CASI (Computer-Assisted Self-Interviewing) approach, where most of the face-to-face sample was self-administered unless participants required support.
- Online panel respondents were slightly more likely to describe impacts as negative. This is likely due to the presence of an interviewer in face-to-face settings leading to moderated responses, while those completing via panel might exaggerate the strength of their views.

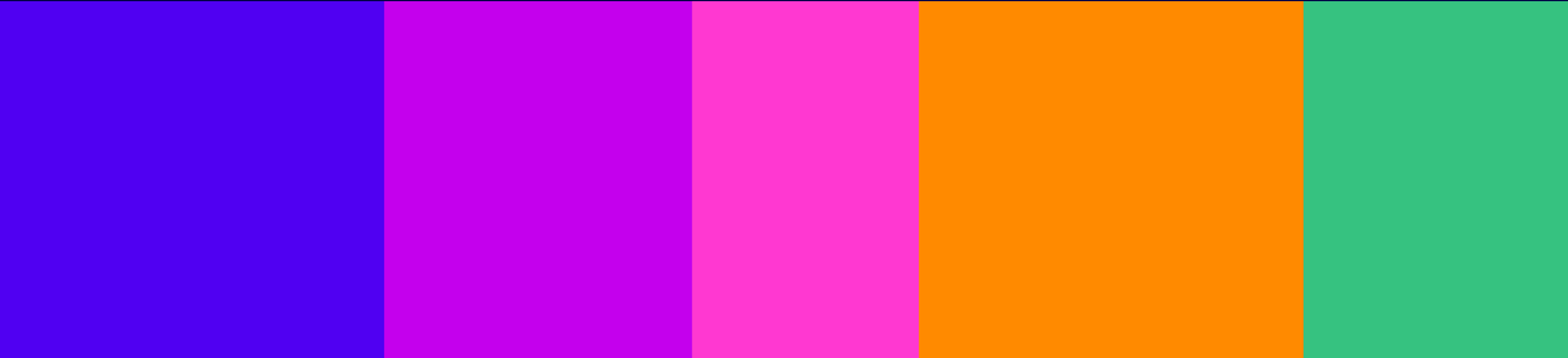
SME survey

- The SME effective sample size is lower at 26%, but this is intentional due to oversampling of larger sized businesses.
- To ensure sufficient sample sizes for analysis of larger employee bands, oversampling was applied, resulting in the following final sample sizes: 191 (0 employees), 346 (1-9 employees), 195 (10-49 employees), and 165 (50-249 employees). Businesses with no employees make up 74% of all SMEs and were therefore undersampled.
- Oversampling was also conducted in the devolved nations: 149 in Scotland, 122 in Wales, and 110 in Northern Ireland. Weighting was applied during analysis to ensure the resulting sample was representative of all SMEs by size and nation.
- To obtain a robust sample, mixed methods were used, with telephone respondents slightly less likely to give negative responses than those completing online, perhaps related to the presence of an interviewer.

Additional notes on reporting

- Some legend and label text on the charts have been shortened for presentation purposes. The full wording used in the questionnaires is published with the accompanying technical report.
- On the charts, statistically significant differences are marked at a 95% confidence level, comparing against the total.
- Throughout the report where 'Online marketplace sellers' are cited, this refers to anyone who said they ever use letter post to send items they have sold using online merchant sites such as eBay, Etsy or Facebook Marketplace, and who said this was their main source of income.
- Where those with 'No internet' are cited, this means those who have said they have no internet access at home or elsewhere.
- Data labelled 'rural' shows data from respondents in rural areas, excluding 'deep rural' areas. Data collected from respondents in 'deep rural' areas are shown in a separate category.
- Data about sending and receiving letter post is based on respondents' recall of all letter post received and sent by their household in the last month, and as such should not be treated as a precise record of numbers of letters received or received.
- This report was prepared for Ofcom by BMG Research.

Residential user survey findings



Summary of key findings – residential users

Despite declining letter volumes, receiving and sending letters remains a near-universal experience.

- 8 out of 10 say their household receives letters at least once a week (82%). Fewer than 1% say they never receive letters.
- Less than a quarter send letters at least once a week. Five per cent say they never send letters.
- Finance related items are the most common letter type *received*. 71% did so in the previous month. Birthday/anniversary/occasion cards are the most common letter type *sent*. 48% did so in the previous month.
- People with no internet connection are less likely to both send and receive letters on a weekly basis. More frequent letter post users include those with higher incomes, those with children in the household, and those in work.

Affordability and reliability remain the top priorities for users from letters service – Second Class delivery within three working days and Saturday delivery are lesser priorities.

- Affordability and reliability remain the top priorities for users - echoing findings from other research*. Ninety per cent and 88% say these factors are important to them respectively.
- Second Class letters being delivered within three working days and Saturday letter deliveries are lesser priorities than factors such as security of personal information, affordability, and availability of next-day delivery services.**
- Online marketplace sellers that use letters to send items they have sold, and for whom online marketplace selling is their main source of income, are more likely to prioritise Second Class letters being delivered within three working days and Saturday letter delivery – although these considerations remain relatively low priorities overall.
- For each type of letter, overall less than a quarter of adults said that it would typically need to arrive within 3 working days of posting when if they sent it by Second Class post.

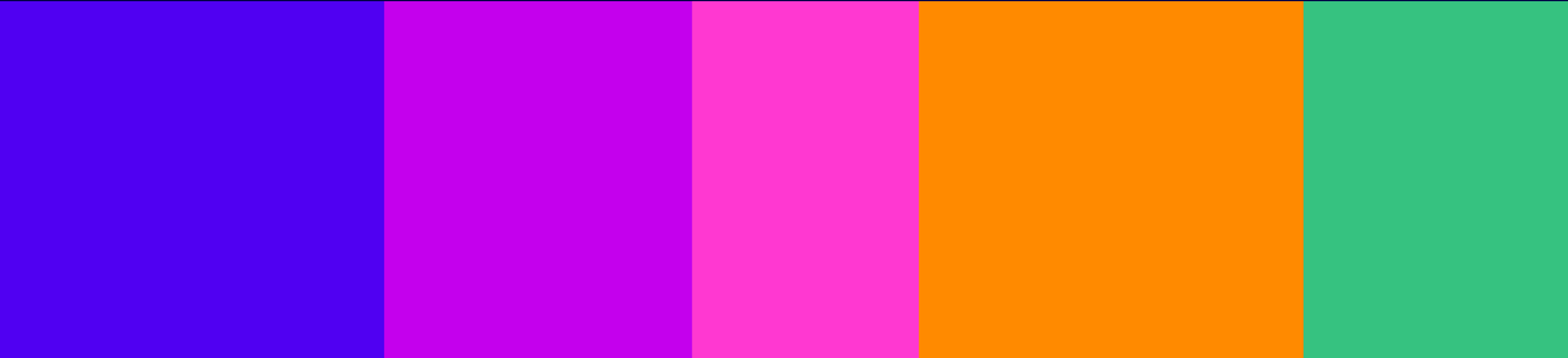
Summary of key findings – residential

Most stated user needs would continue to be met in the event of proposed letters service changes – but some groups are more likely to say that a revised service would no longer meet their needs.

- Our survey asked respondents about the potential impact of some potential changes to letters services (as summarised on Slide 3)
- Across different letter types, a minority of users say that the proposed changes would mean that the postal service would no longer meet their needs. This view is most prevalent in relation to healthcare and finance related letters in terms of both sending and receiving letter post.
- In total, 27% of adults say that the proposed changes would mean that the service would no longer meet their needs for at least one category of letter that they send or receive. However, when asked to state the extent of the impact of each of the three main elements of the proposed changes, *taking everything into account*, the majority of this group indicated that the proposed changes would have no more than a slight negative impact.
- Seven per cent say their needs would no longer be met *and* that at least one of the changes would have a significant negative impact on them. A further 4% say their needs would no longer be met and at least one of the changes would have a very significant impact.
- Groups most likely to fall into the category saying the changes would mean their needs would not be met *and* there would be **a significant or very significant negative impact** include letters service-using online marketplace sellers, where this is their main source of income (39%), individuals who say they are financially struggling (17%), those with impacting or limiting conditions (16%), and benefit recipients (14%).
- Rural (9%), deep rural (7%) residents, and those with no internet connection (4%) are less likely to fall into the category that said that their needs would not be met *and* there would be **a significant or very significant negative impact**.

Residential users

Section 1: Current usage

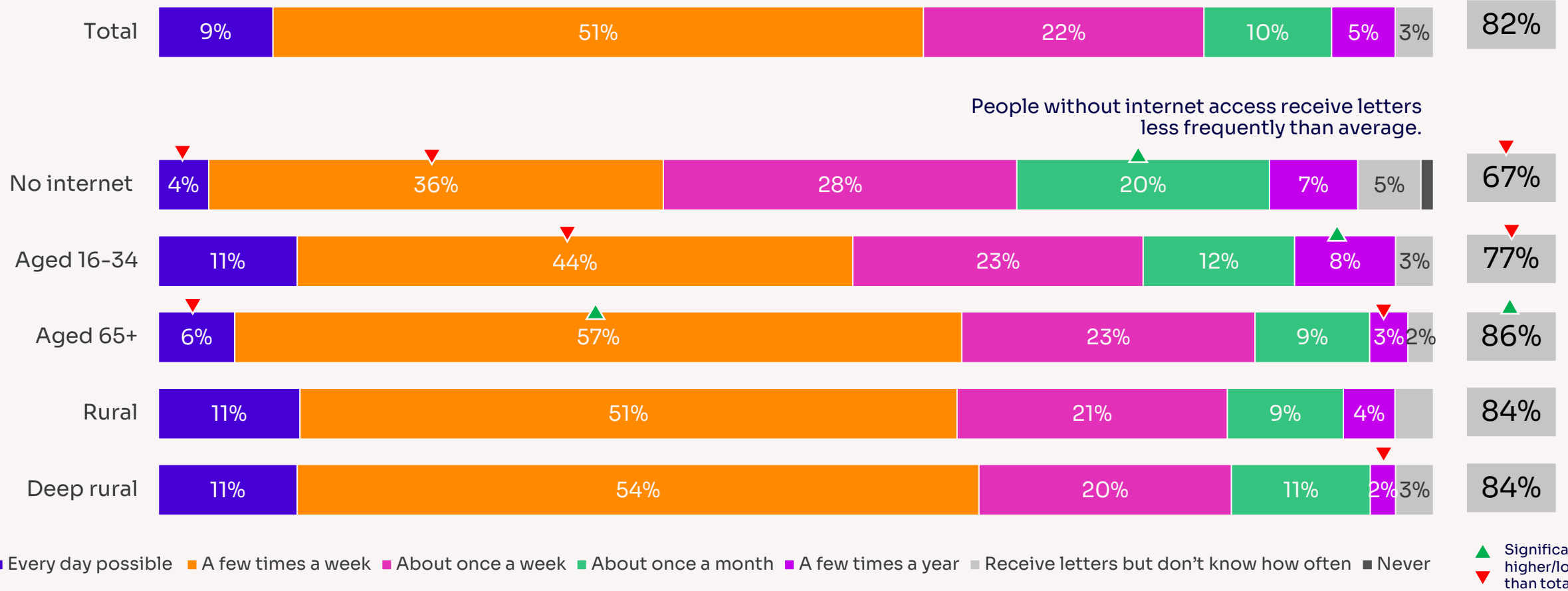


Receiving letters remains a universal experience - eight out of ten people said their household receives letters at least once a week

Frequency of receiving letters in the household

Summary: Receive at least once a week

Less than 1% of people say **they never** receive letters



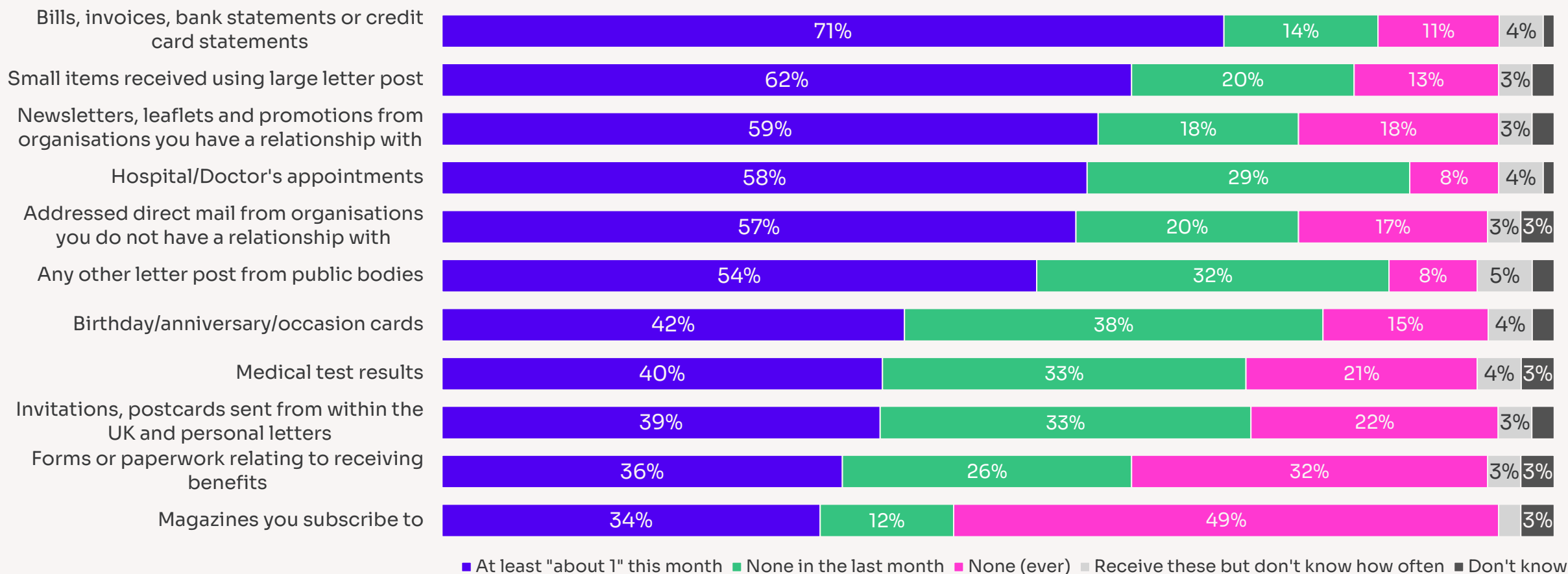
Source: Ofcom Post User Needs Residential Survey 2024

Question: A1. How often do you and/or people in your household receive letters? A2. Can we just check - have you or anybody in your household received any of the following types of letters in the post in the last year?

Base: All respondents (3145), Do not have any internet connection (148), Aged 16-34 (794), Aged 65+ (779), Rural (469), Deep Rural (176)

Finance-related letters were the most-commonly received type of letter post in the last month

Types of letters received



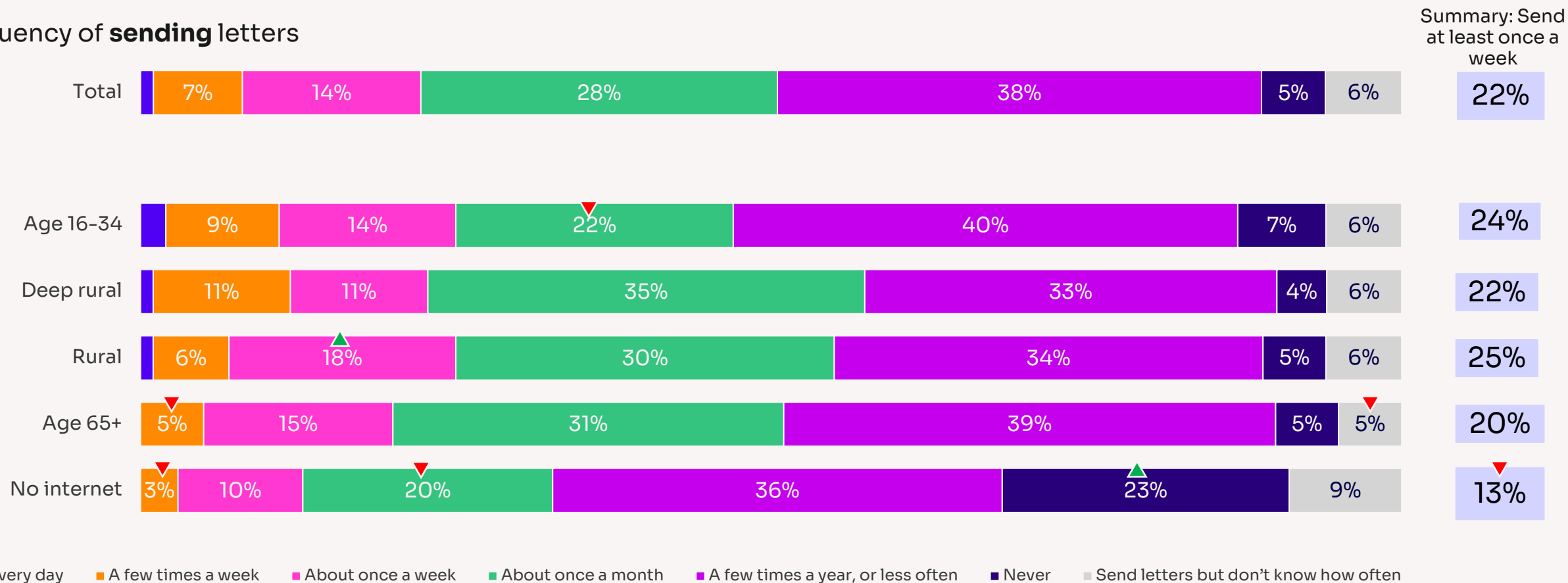
Source: Ofcom Post User Needs Residential Survey

Question: A4. In the last month, roughly how many of each of the following items have your or members of your household received in the post? Please only consider letter post that includes the address of the property. * This data is based on respondents' recall of all letter post received by their household in the last month, and as such should not be treated as a precise record of numbers of letters received,.

Base: All who ever receive letter post (3141)

Fewer send than receive but almost a quarter of UK adults still send letters weekly or more often. People without internet access are among those least likely to send letters

Frequency of **sending** letters



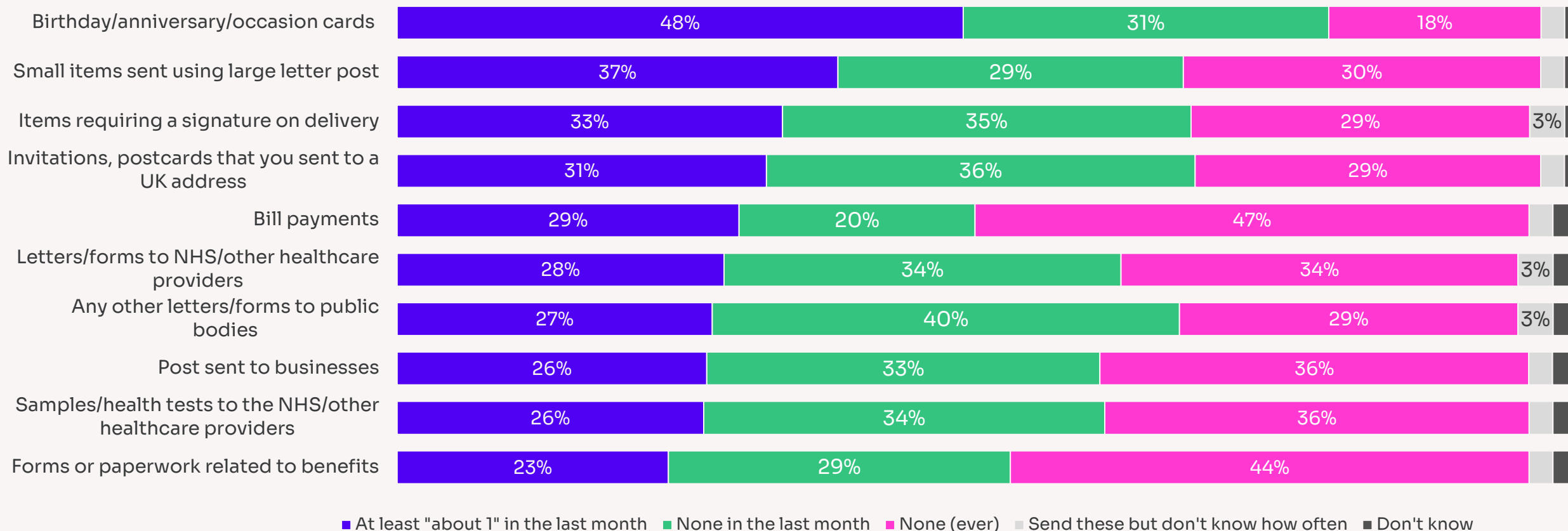
Source: Ofcom Post User Needs Residential Survey

Question: A5. How often do you send anything using letter post? This could include things like greeting cards, application forms, returning official documents, sending medical samples etc. Please only include letter post that you send within the UK. A5a. Can we just check that you never send any letters, such as birthday/Christmas cards, application forms, or official documents like passport or benefits forms?

Base: All respondents (3145), aged 16-34 (794), aged 65+ (779) those without internet connection (148), rural (469) deep rural (176)

Birthday or other occasion cards were the most common types of cards sent with nearly half sending them in the last month

Types of letters sent



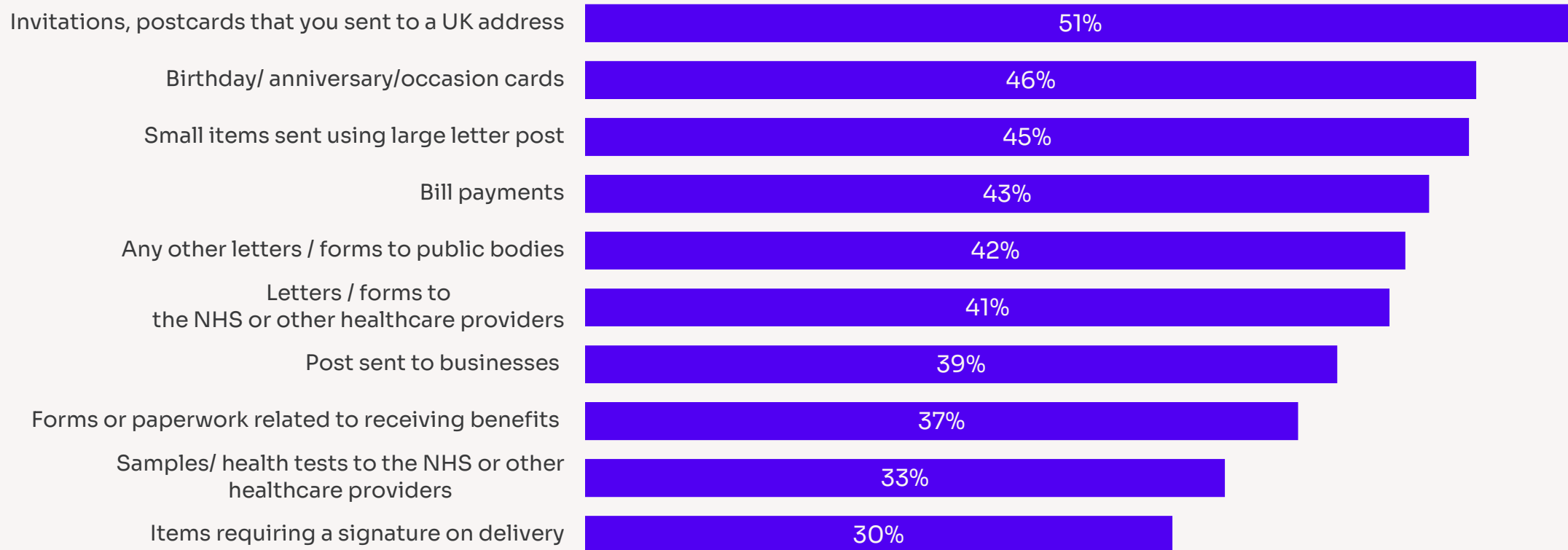
Source: Ofcom Post User Needs Residential Survey

Question: A6. In the last month, roughly how many of each of the following items have you sent in the post? Please exclude items that you have sent within the UK. * This data is based on the respondent's recollection of all letters sent by their household in the last month, and as such should not be treated as a precise record of number of letters sent

Base: All who ever sent letter post (2989)

Around half of senders of invitations or postcards, occasions cards and small items send them Second Class. Items requiring a signature, medical, business and benefits-related post are least likely to be sent Second Class

Letter types sent Second Class or Second Class Signed For



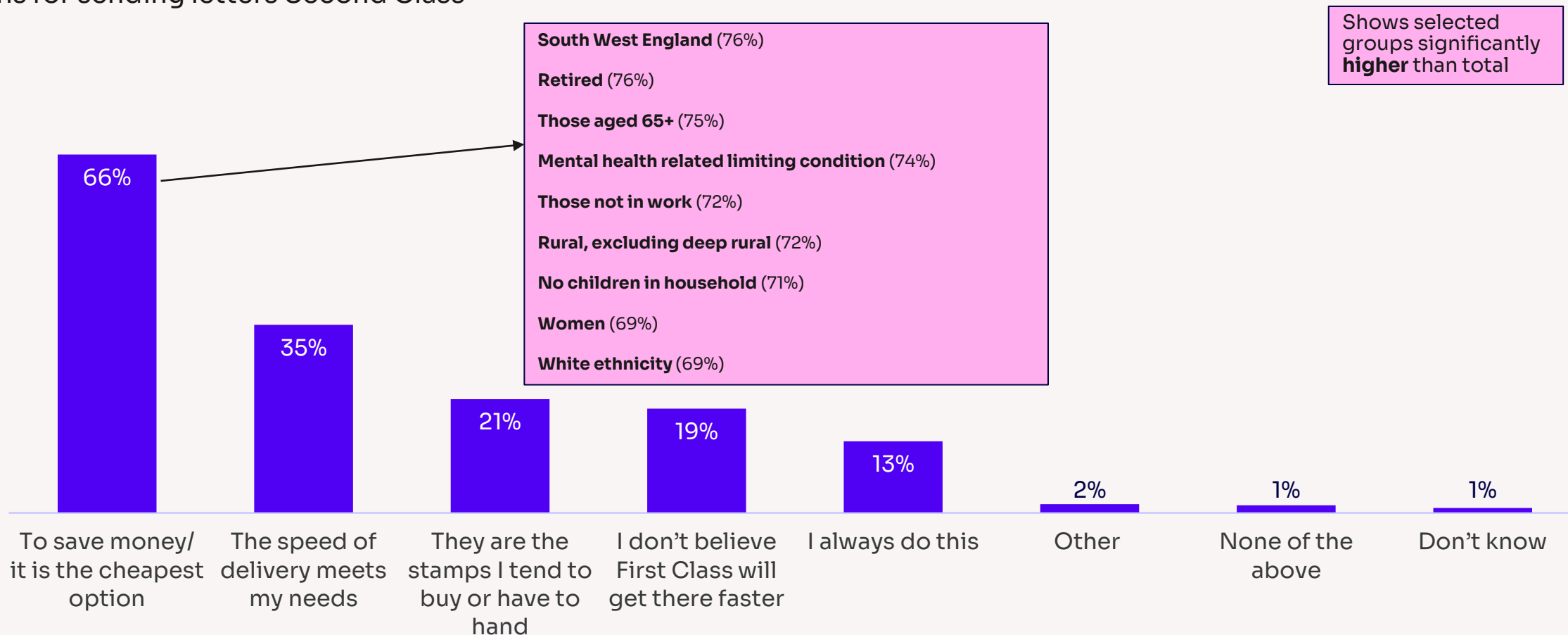
Source: Ofcom Post User Needs Residential Survey

Question: A7 What type(s) of postage do you use for each of the types of letters you send?

Base: All who ever send: Birthday/anniversary/occasion cards (2444), Invitations, postcards that you sent to a UK address (2079), Letters / forms to the NHS or other healthcare providers (1929), Samples/ health tests to the NHS or other healthcare providers (1873), Forms or paperwork related to receiving benefits (1655), Any other letters / forms to public bodies (2103), Small items sent using large letter post (2060), Bill payments (1526), Post sent to businesses (1830), Items requiring a signature on delivery (2104)

Financial considerations are the most common reason for sending Second Class; this is cited nearly twice as often as the next most common reason, speed of delivery meeting needs

Reasons for sending letters Second Class



Source: Ofcom Post User Needs Residential Survey,

Question: A8. Which of the below reasons, if any, describe why you send post using Second Class?

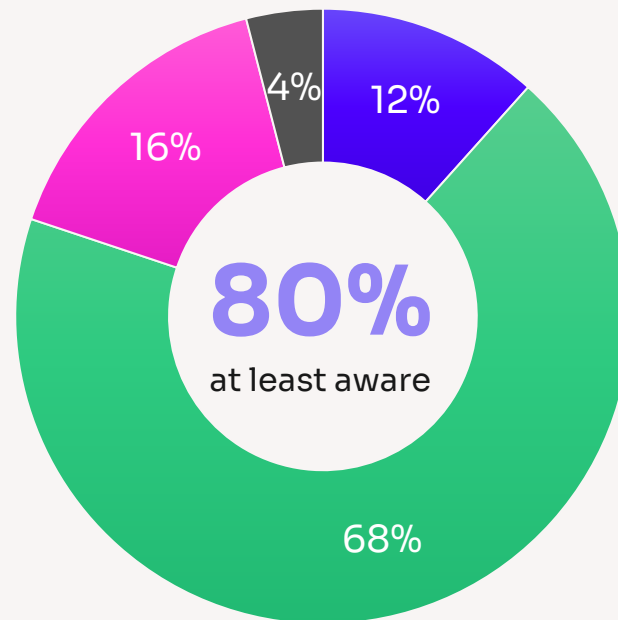
Base: All respondents who send Second Class post (1881)

The majority are aware of Letter Redirections service, whereas fewer than half of respondents claimed to be aware of Keepsafe

Usage of Letter Redirection and Keepsafe Services

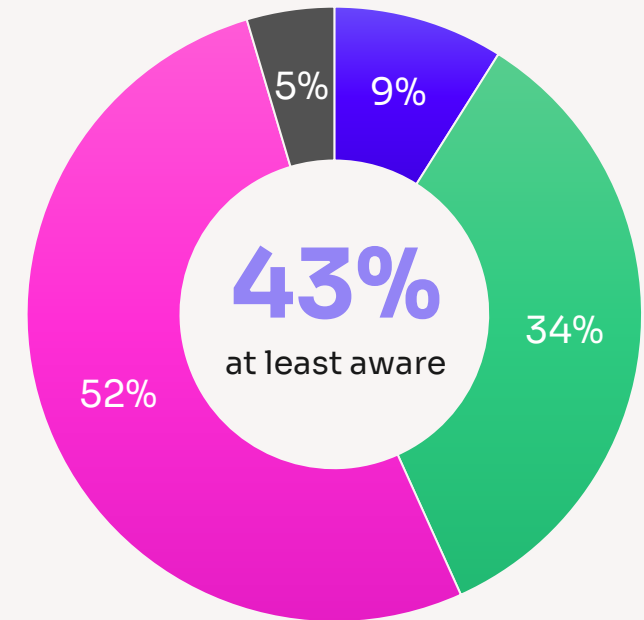
Awareness and usage of **Letter Redirections**

- I have used this service in the last 12 months
- I have heard of this service but have never used it / not used in the last 12 months
- I have not heard of this service
- Not sure



Awareness and usage of **Keepsafe**

- I have used this service in the last 12 months
- I have heard of this service but have never used it / not used in the last 12 months
- I have not heard of this service
- Not sure



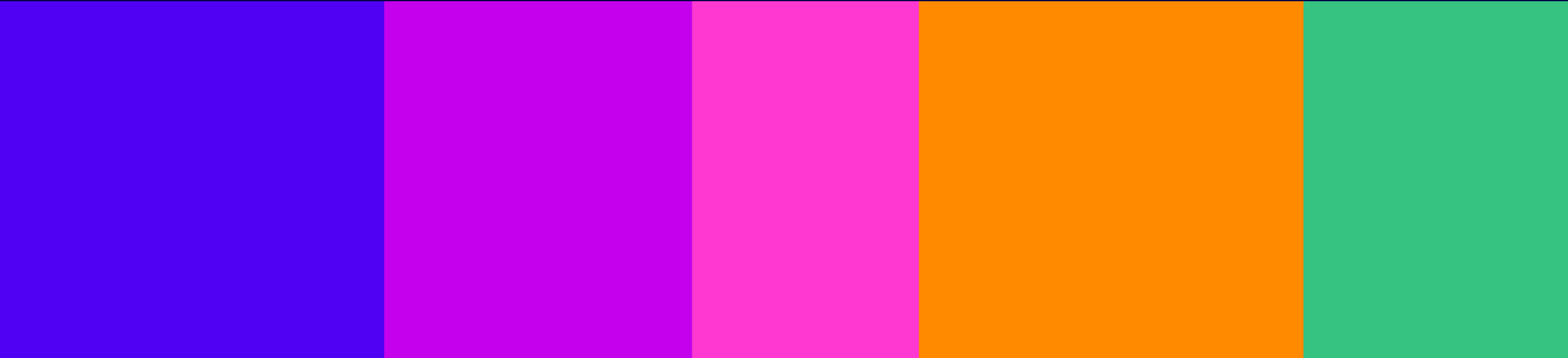
Source: Ofcom Post User Needs Residential Survey

Question: A9. Have you heard of the two services below, and if so, have you used either of these services before?

Base: All respondents (3145)

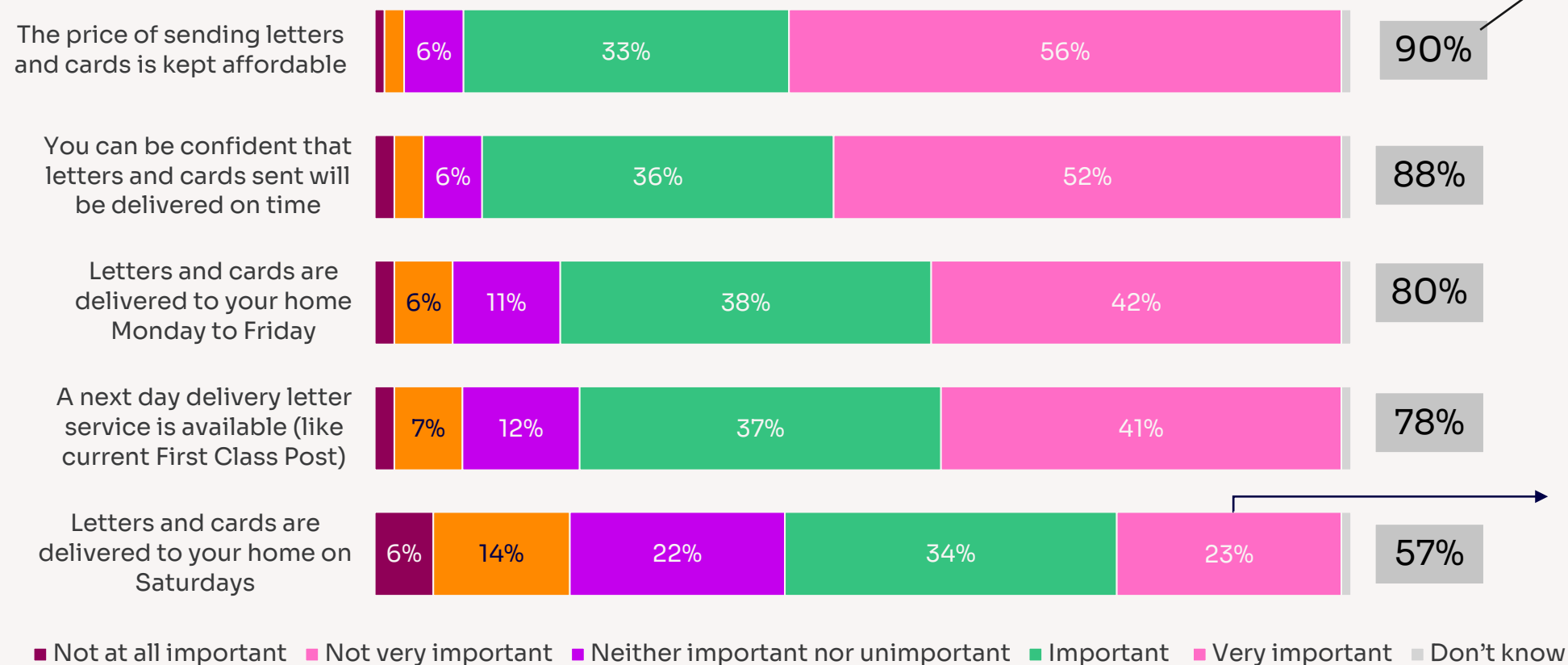
Residential users

Section 2: Postal Priorities



This research confirms that affordability and reliability remain important to the large majority of users. Saturday letter delivery is important to a smaller proportion, but over half still describe it as important

Importance of different services and features



The importance of keeping letters affordable is in line with previous research (91% in the 2023 User Research)*

Saturday delivery is more often seen as very important by:

Online market sellers – main income source (40%)

Ethnic Minority Groups (32%)

Those struggling financially (30%)

Those with children in the household (28%)

Those with higher annual household income (52k+) (28%)

Subscription magazine recipients (27%)

People aged 16–34 (27%)

Those with any impacting or limiting condition (26%)

Source: Ofcom Post User Needs Residential Survey, Consumer Survey Research on Post <<https://www.ofcom.org.uk/siteassets/resources/documents/consultations/category-1-10-weeks/275790-call-for-input-the-future-of-universal-postal-service/associated-documents/consumer-survey-research-on-post/?v=330775>>

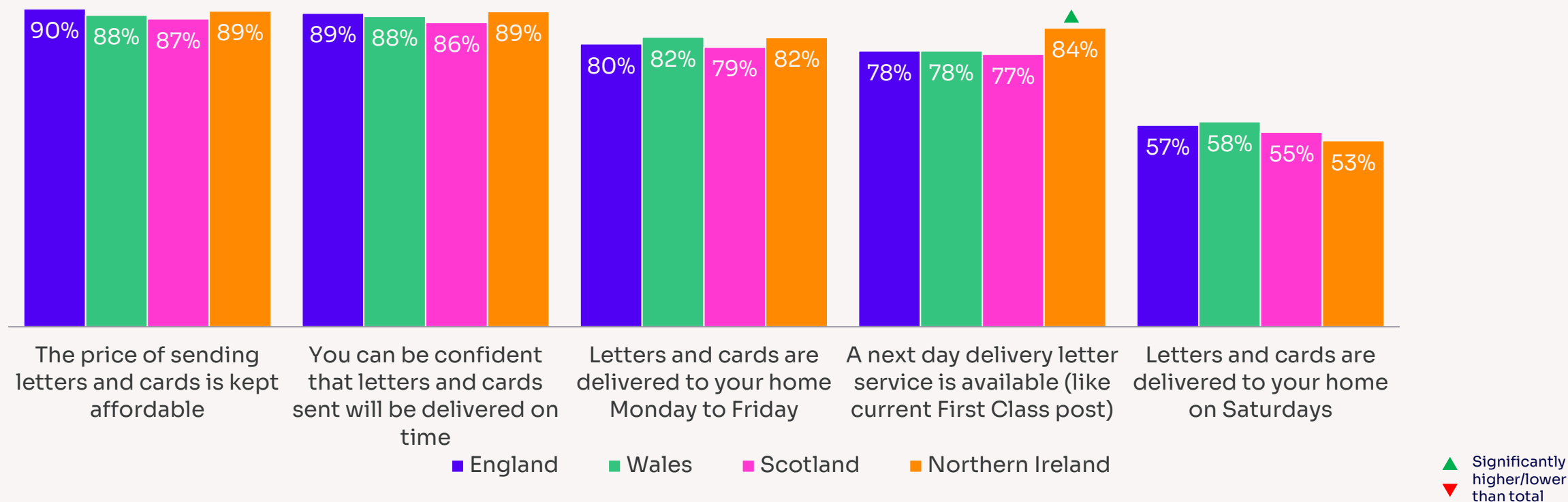
*These two surveys were undertaken using different methodologies and therefore are not directly comparable.

Question: A0. Thinking about letters, greeting cards and postcards, how important is it to you that...

Base: All respondents (3145)

Importance ratings are generally consistent across UK nations, although a next day delivery service is more important in Northern Ireland

Importance of different services and features by nation (important / very important)



Source: Ofcom Post User Needs Residential Survey,

Question: A0. Thinking about letters, greeting cards and postcards, how important is it to you that...

Base: All respondents in England (2045), Wales (361), Scotland (396), Northern Ireland (343)

MaxDiff Analysis was used to establish importance of different aspects to users

To better understand how respondents view the trade-offs between detailed service elements of their postal service a statistical approach known as a MaxDiff was used to analyse the data.

The MaxDiff approach offers greater statistical confidence in ranking attributes by having respondents select the most and least important options from a set through repeated choices. The attributes to be tested are run through a statistical model which places them into various combinations, but which ensures each attribute is tested evenly against each other. From this, a respondent is shown a selection of the attributes and asked to select their most and least favoured. This exercise is then repeated several times with the attributes shown in various different combinations.

This method effectively distinguishes high and low priorities, even with numerous attributes. While it doesn't directly use 'preference' and 'needs' language, score thresholds can be used to help identify primary, secondary, and lower-order considerations. In this analysis, participants were asked to choose between attributes, so scores are relative, and a lower importance score does not necessarily mean it is unimportant overall.

Respondents were shown 8 sets of 3 options and for each set were asked to pick the ONE that they felt was most important overall and the ONE that they felt was least important of the three.

Example respondent view

Thinking about the postal service and the sending and receiving of letters as a whole, we want to understand what you think is important.

To help us understand this, you will shortly be shown 8 short questions, each showing a set of 3 options. For each set, please select the one you feel is the most important and the one you feel is the least important to you.

Set 1 of 8

Most important Least important

Availability of a First Class letter service that should arrive the next working day after posting



Letters sent Second Class are delivered within three working days

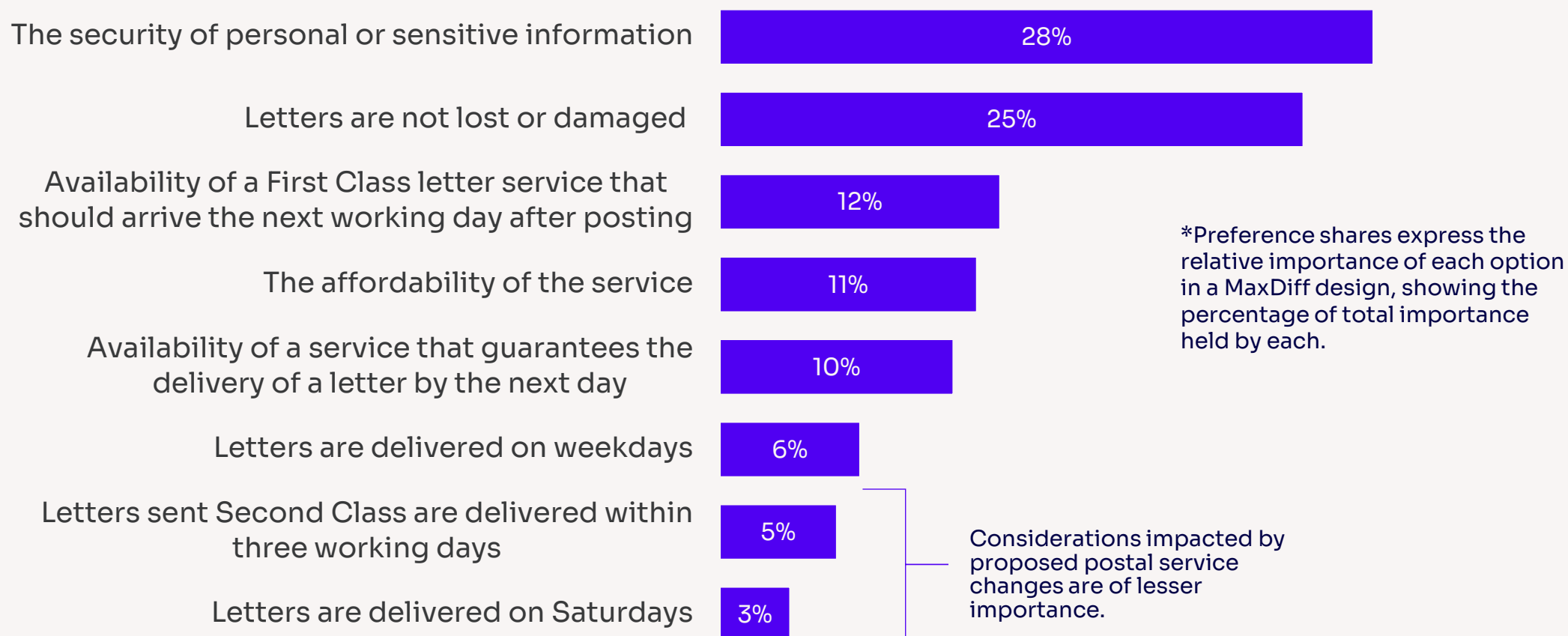


The security of personal or sensitive information



Factors like security, affordability, and availability of next-day letter deliver services matter more to people than Second Class letter delivery within three working days or Saturday letter deliveries

Importance of aspects of postal service (preference shares from MaxDiff)*



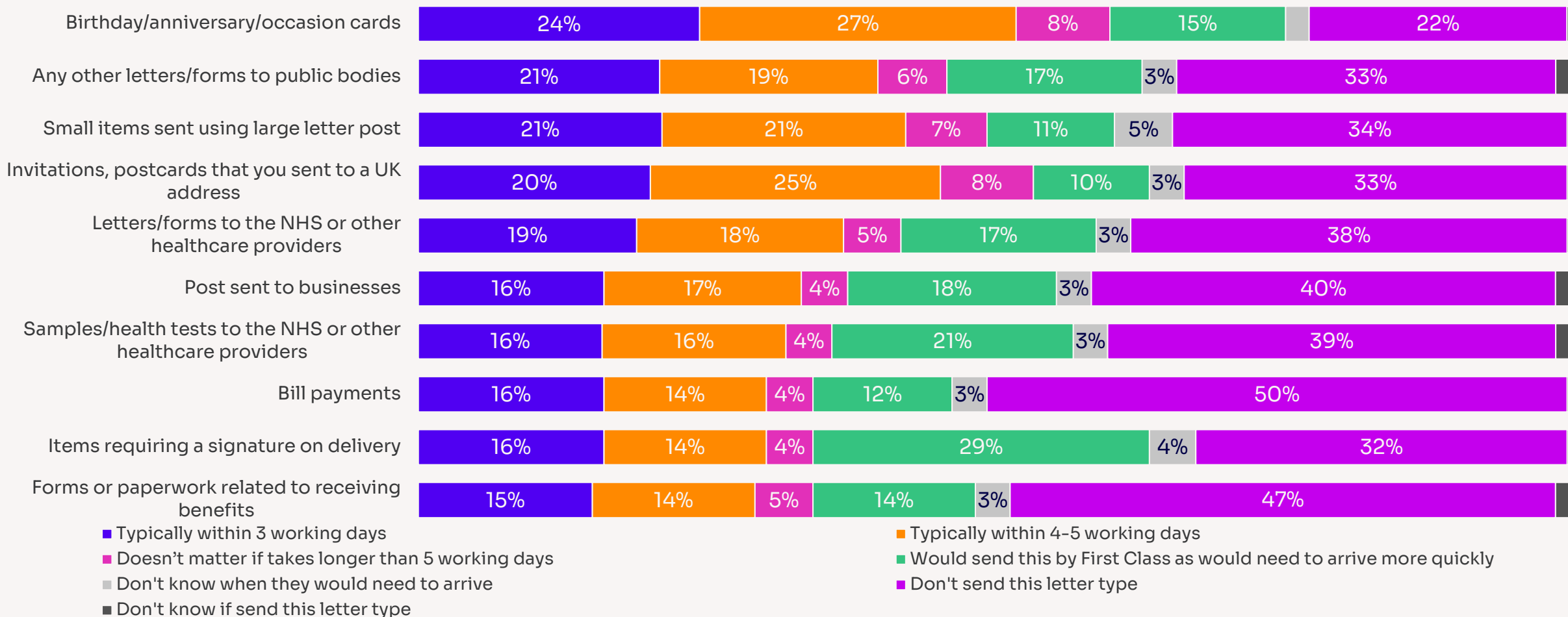
Source: Ofcom Post User Needs Residential Survey

Question: B3. Please select the one you feel is the most important and the one you feel is the least important to you (MaxDiff).

Base: All respondents (3145)

Between 15% and 24% say second-class post must typically arrive within three days after posting, depending on the letter type

Length of delivery typically needed when sending Second Class



Source: Ofcom Post User Needs Residential Survey

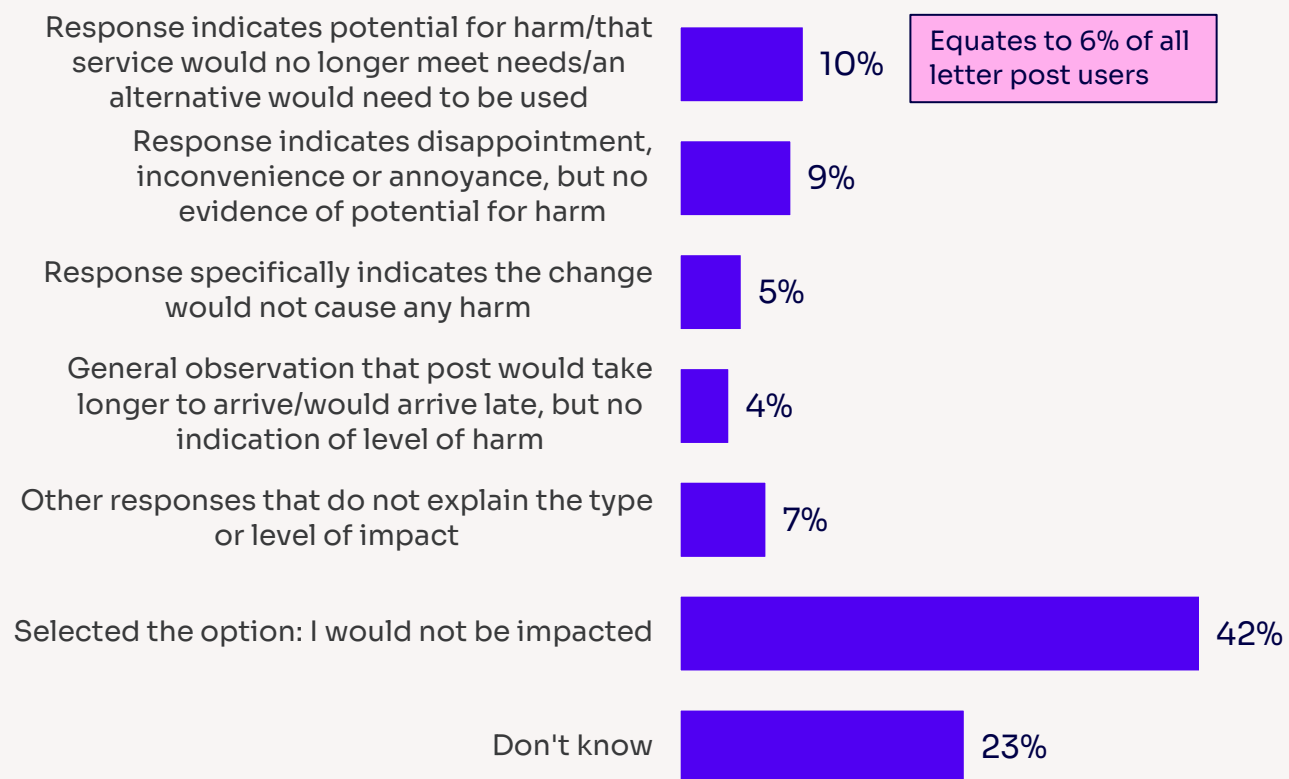
Question: B1. Thinking about the types of letters you might send by Second Class post, please indicate how long after posting you would typically need them to arrive.

Base: All respondents (3145). Note: Legend response labels shortened for presentation purposes.

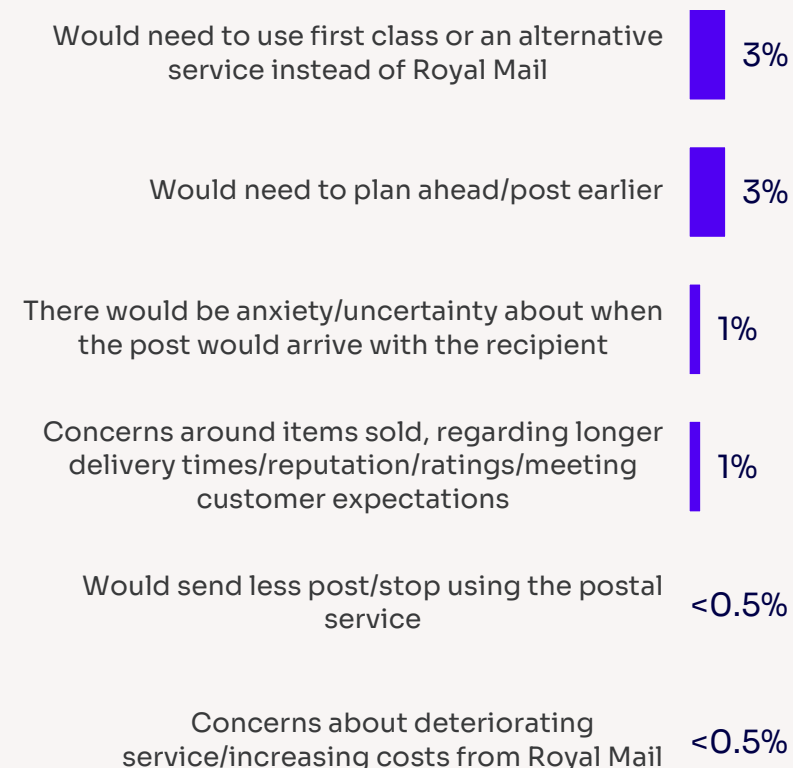
The majority of those who say they typically need Second Class post to arrive within 3 days of posting say a day's delay would not have an impact, or they do not know how they would be impacted

Description of impact of Second Class post taking one day longer*

Level of impact



Concerns/actions



Source: Ofcom Post User Needs Residential Survey

Question: B2: CODED: You said at least some of the types of post you currently send using Second Class typically must arrive within 3 working days of posting. If this did not happen and your Second Class letters took one working day longer to be delivered, how would you be impacted?

Base: All who say they would send by Second Class and it must be delivered within 3 working days of posting (1685)

Most respondents who say they typically need Second Class post to arrive within 3 days of posting describe minimal impact if these letters took one day longer to be delivered

Verbatim comments indicating minimal impacts of Second Class post being delivered one day later

"That would be ok depending on where the letter was going to."

"I may miss a deadline for delivery for something I've sold or a cutoff date for a bill or medical appointment."

"If I really needed something to arrive by a certain date I'd send 1st class, so if I sent something 2nd class that took a day longer, it wouldn't probably bother me too much."

"I would not be impacted but feel it is too long."

"It would depend on what it was, if a birthday card say and it didn't get there on time, I'd be put out."

"It wouldn't be a major issue, but I expect a reasonable level of service and adding an extra day is unacceptable."

"I would not really be that impacted, I'd just prefer that they arrive more quickly as I'd be more concerned when it comes to bills."

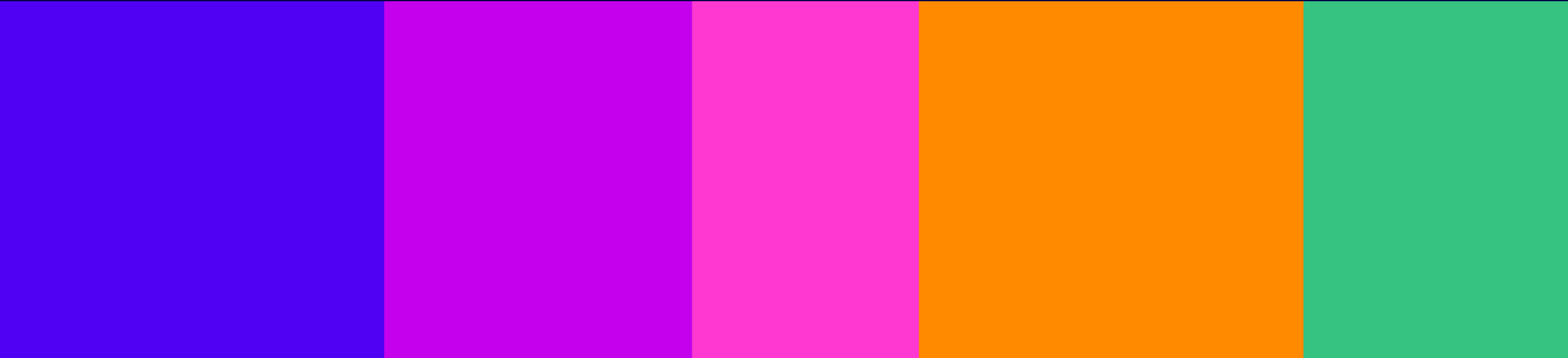
"Not too much as long as I was aware and could post it a day earlier."

Source: Ofcom Post User Needs Residential Survey

Question: B2: You said at least some of the types of post you currently send using Second Class typically must arrive within 3 working days of posting. If this did not happen and your Second Class letters took one working day longer to be delivered, how would you be impacted?

Base: All who say they would send by Second Class and it must be delivered within 3 working days (1685)

Residential users
Section 3.1: Stated impact of
proposed changes on receiving
letter post



Proposed changes to second class and business letter postal service shown to respondents

To present the changes to respondents, they were asked to read the background to the proposed changes carefully, and shown the below outline of the impacts and a further example of how this might affect Second Class post.

We will now ask you some questions about potential changes to the delivery of letters and cards. Over recent years the number of letters and cards being sent through the post has been falling. Because of this, Royal Mail has received less money from businesses and consumers but must still provide the same service and deliver six days a week.

In response to this, Ofcom is thinking about the future needs of people and businesses in the UK. Ofcom would like to understand whether the needs of the people and companies that send and/or receive mail would be met if certain changes were to be made to the delivery of letters and cards by Royal Mail.

We are interested in your views of proposed changes to the frequency of delivery of letters and cards sent by Second Class post, and Standard Business Letters (for example, letters from organisations like the NHS or other healthcare providers, and local councils, bank statements and bills from businesses such as energy and water companies, including magazines that get delivered by post).

Change 1
Letters and cards sent by Second Class post would no longer be delivered on Saturdays.

Change 2
Standard letters sent by businesses and organisations would no longer be delivered on Saturdays and could take a day longer to be delivered than they do today.

Change 3
If you sent a letter or card by Second Class post, it would no longer be delivered to the recipient on a Saturday and it may take a day longer to arrive than it would today.

No changes would be made at all to First Class letters service or **urgent** business mail (that is letters sent by businesses or organisations).

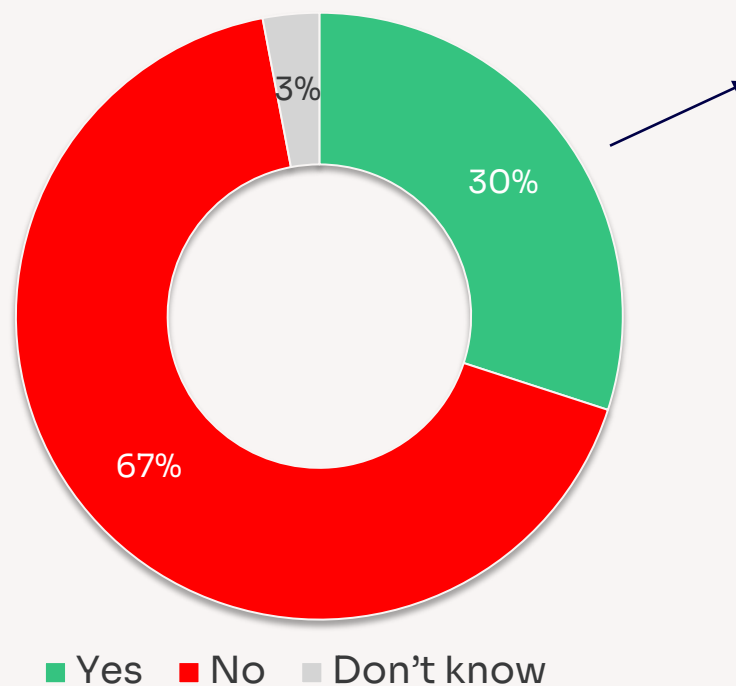
No changes would be made to the delivery of parcels sent via Royal Mail

From October 2024, the price of a standard Second Class letter stamp will be 85p and the price of a standard First Class letter stamp will be £1.65.

At the moment, when you use Second Class letter post in the UK you can expect it to arrive within 3 working days after the day it is posted (Saturday is currently counted as a working day). The new proposal means that Saturday would **no longer count as a working day for the Second Class service**, so if you posted the letter or card by Second Class post on a Wednesday, Thursday, Friday or Saturday you could expect it to arrive a day later than it would now.

3 in 10 said that they were aware of the proposed changes prior to taking part in the research; rising for online sellers and more frequent postal users

Claimed prior awareness of proposed changes



Those who were more likely to be aware of the changes included:

Main income from online marketplace selling (65%)

Those who send letters daily/a few times a week (48%)

Deep rural (43%)

Aged 65+ (41%)

Retired (40%)

Those who send letters related to receiving benefits at least monthly (41%)

Doing well financially (40%)

Shows selected groups significantly **higher** than total

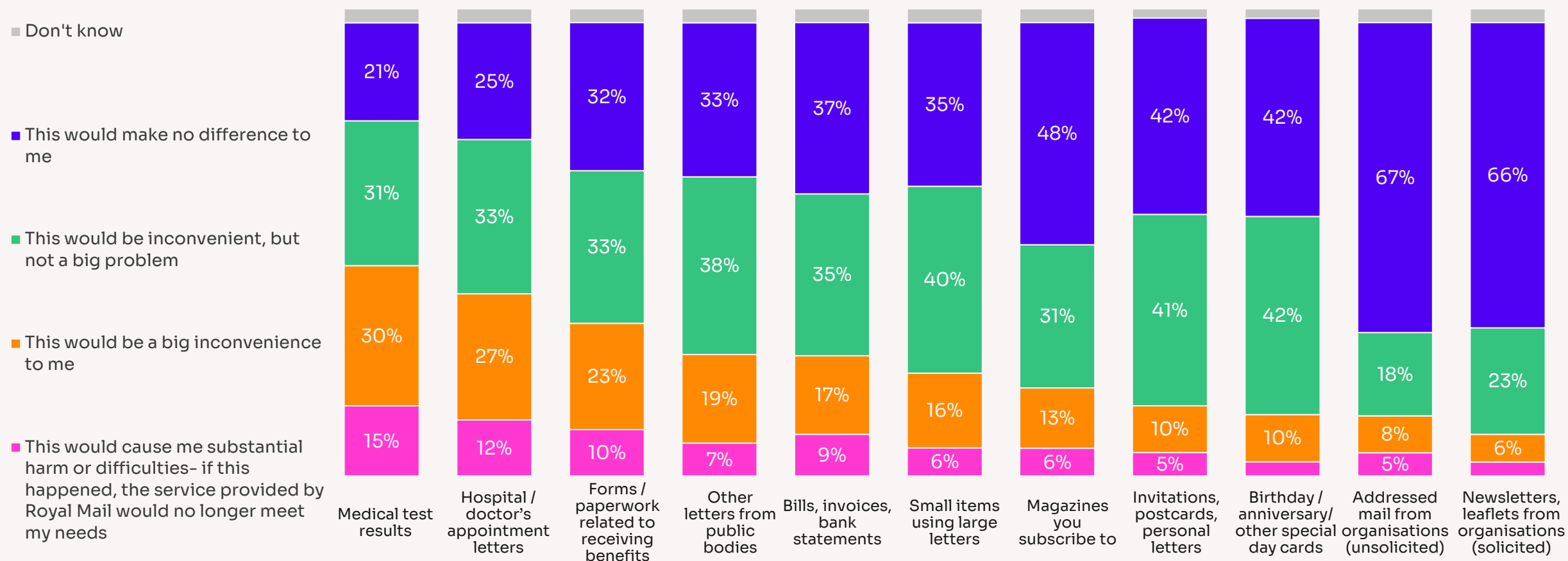
Source: Ofcom Post User Needs Residential Survey

Question: C0. Before today, were you aware of the proposed changes to letter post?

Base: All respondents (3145)

Those receiving healthcare or benefits-related letters are more likely to say changes would cause substantial harm or difficulties

Impact on specific post types where received



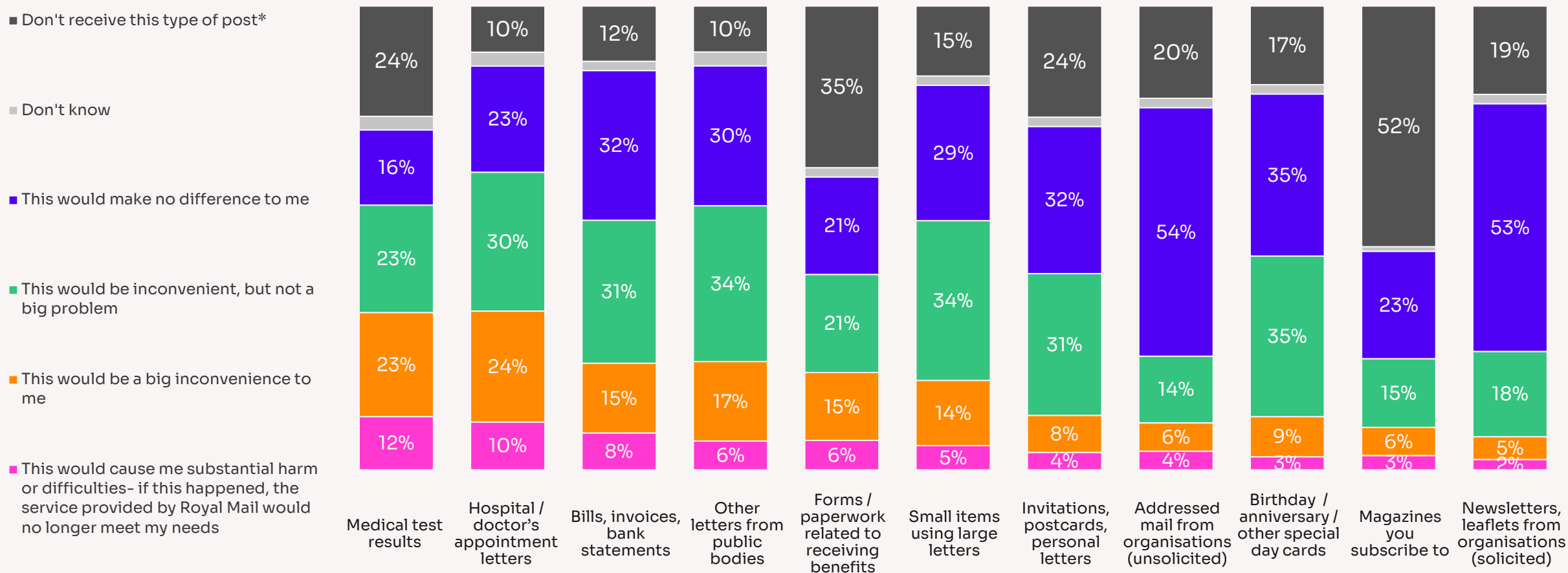
Source: Ofcom Post User Needs Residential Survey

Question: C1. How much of an impact, if any, do you think these changes would have on you, when you consider the types of letters you receive?

Base: All who ever receive each letter type (base varies from 1450 to 2870)

The same is broadly seen when factoring in all respondents, though bills become relatively more impacted as they are relatively widely received

Impact on specific post types received – including where not received



Source: Ofcom Post User Needs Residential Survey

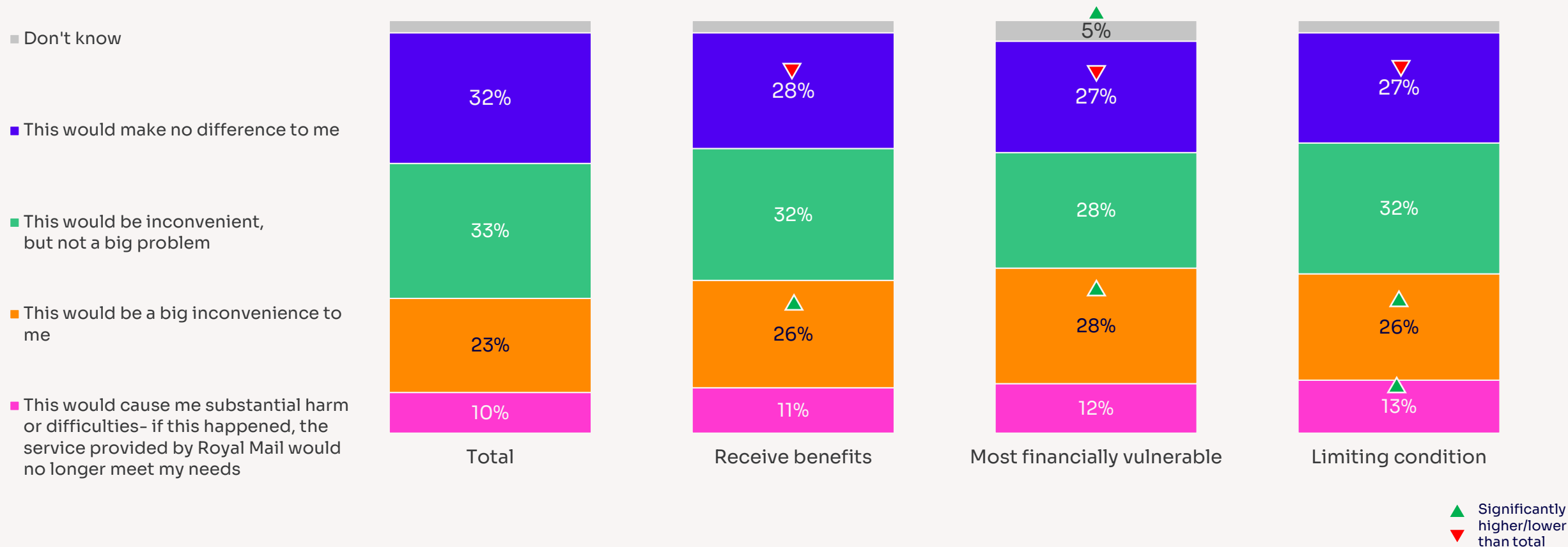
Question: C1. How much of an impact, if any, do you think these changes would have on you, when you consider the types of letters you receive?

Base: All respondents (3145) *Includes those who don't know if they receive this type of post

For benefits-related letters, financially vulnerable individuals, benefit recipients, or those with limiting or impacting conditions are more likely to perceive changes as a big inconvenience or causing substantial harm or difficulty

Impact on receiving forms or paperwork relating to receiving benefits

Based on those who ever receive this letter type



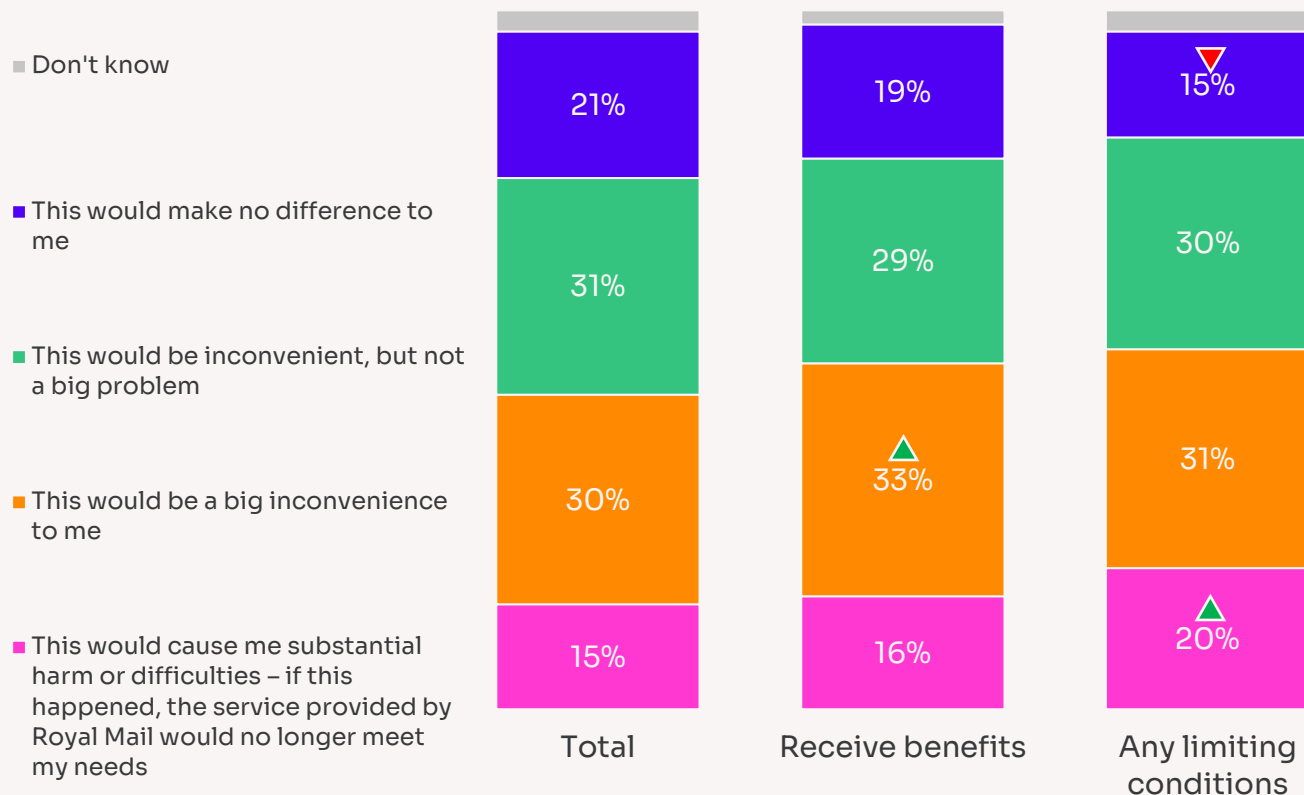
Source: Ofcom Post User Needs Residential Survey

Question: C1. How much of an impact, if any, do you think these changes would have on you, when you consider the types of letters you receive?

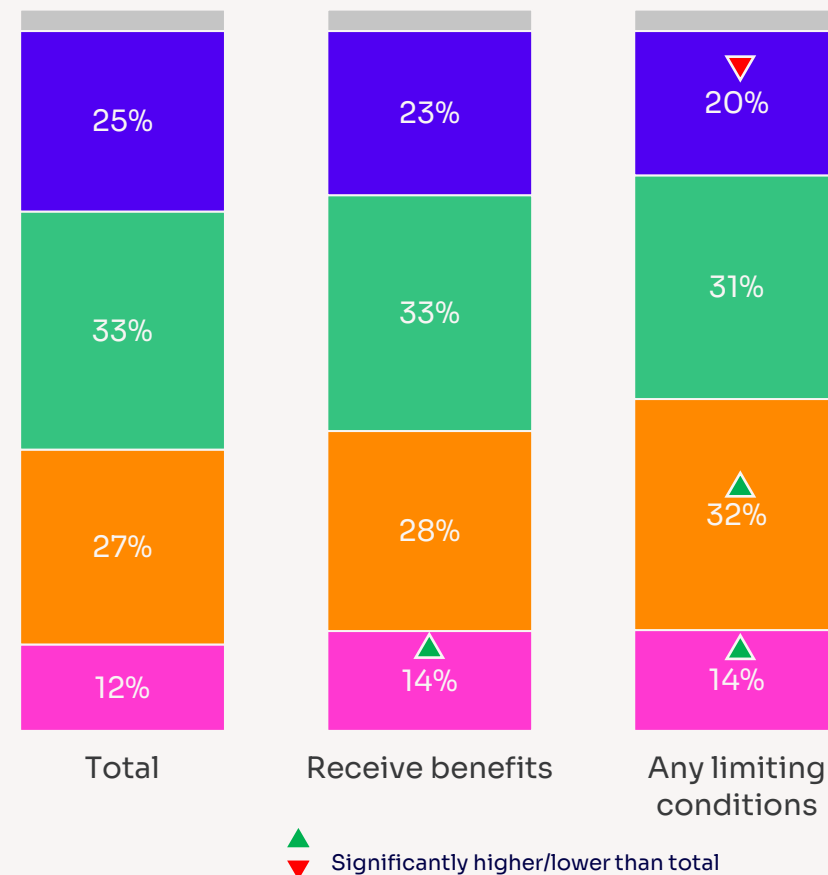
Base: All who ever receive forms or paperwork related to receiving benefits (2090), those who receive benefits (863), those who are most financially vulnerable (366), those with a limiting or impacting condition (782). The "Most financially vulnerable category" is defined based on stated annual household income and number of people in the household – see Technical Report for full details.

For healthcare related post, those receiving benefits and who have any limiting or impacting conditions are more likely to cite substantial harm/difficulty as a result of the proposed changes

Impact on receiving **medical test results** amongst those who receive this letter type



Impact on receiving **hospital/doctor's appointment letters** amongst those who receive this letter type



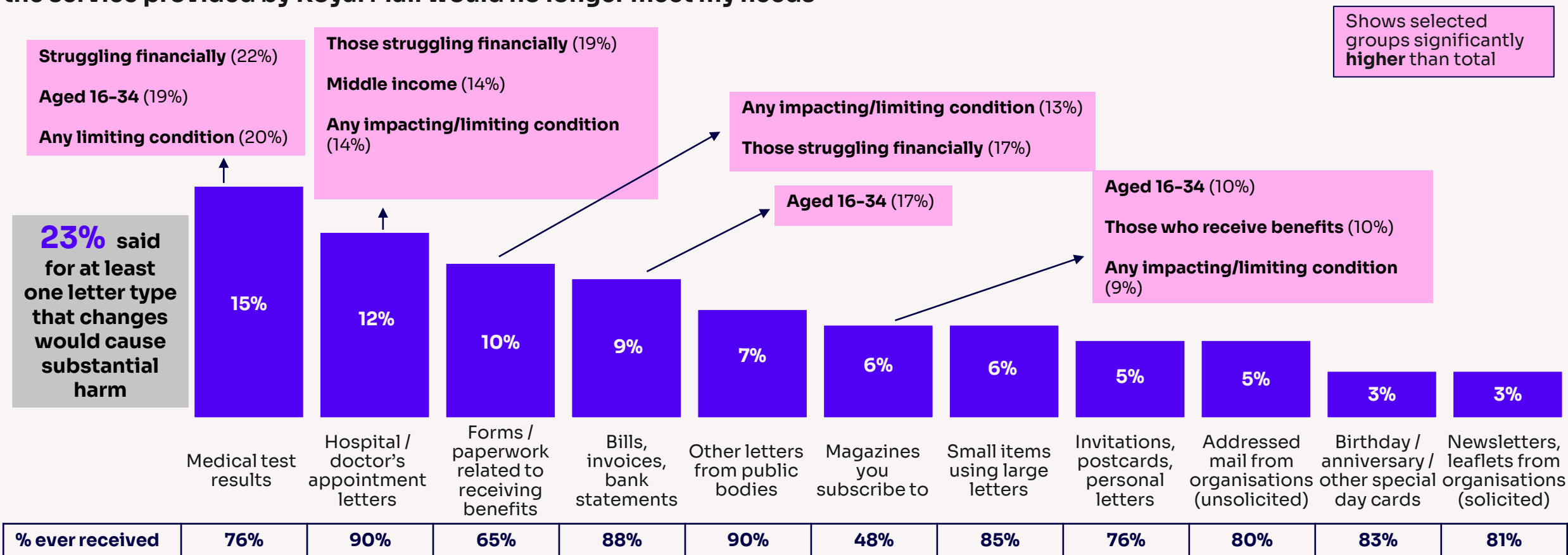
Source: Ofcom Post User Needs Residential Survey

Question: C1. How much of an impact, if any, do you think these changes would have on you, when you consider the types of letters you receive?

Base: All who receive medical test results (2419), those who also receive benefits (751), those also with any limiting or impacting conditions (799); All who receive hospital/doctor's appointment letters (2870), those who also receive benefits (896), those also with any limiting conditions (926)

Letters received relating to healthcare are also the type where respondents are most likely to say that they would be negatively impacted by the proposed changes

Those who receive each type of letter who say changes would cause “**substantial harm or difficulties – if this happened, the service provided by Royal Mail would no longer meet my needs**”



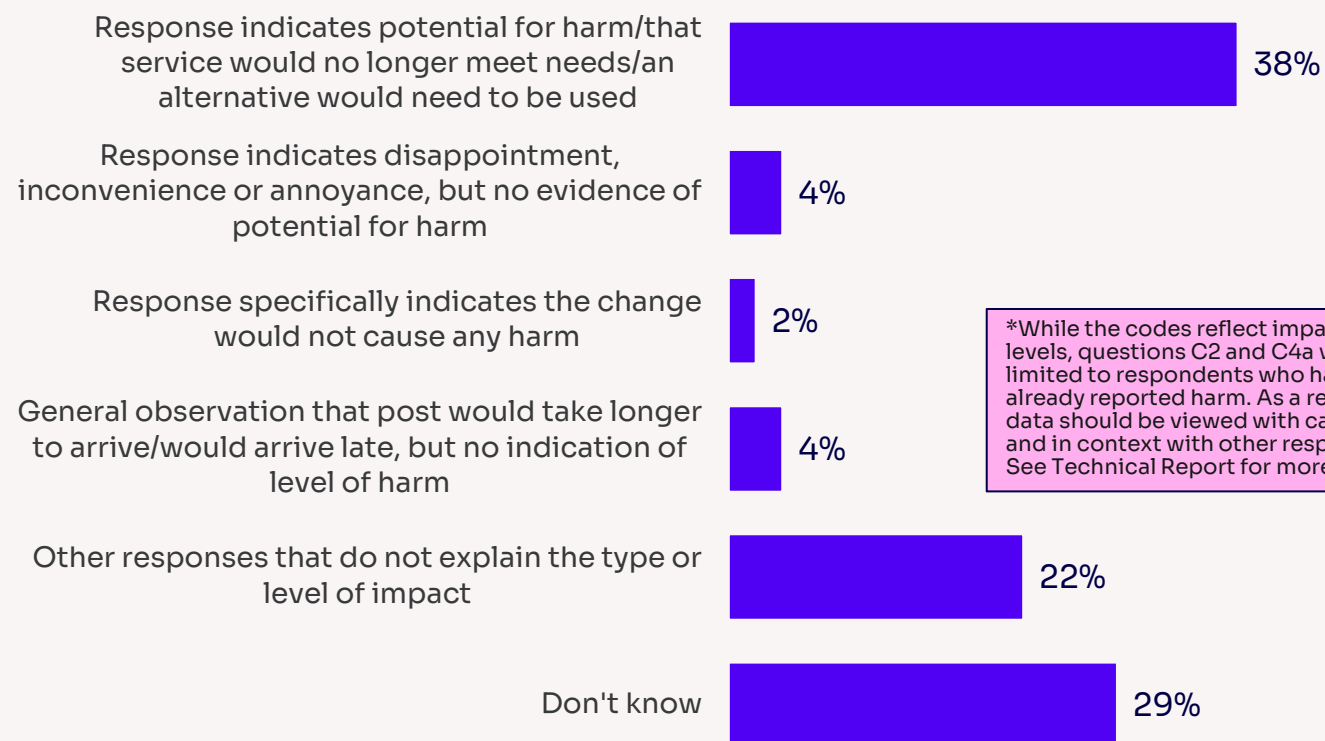
Source: Ofcom Post User Needs Residential Survey. Question: C1. How much of an impact, if any, do you think these changes would have on you, when you consider the types of letters you receive?

Base: All respondents (3145), All who ever receive each letter type: Birthday/anniversary/occasion cards (2629), Invitations, Postcards, and personal Letters (2391), Hospital / Doctor's appointment letters (2870), Medical test results (2419), Forms or paperwork related to receiving benefits (2090), Any other letter post from public bodies (2851), Bills, invoices, bank statements (2779), Newsletters, leaflets and promotions from organisations that you have a relationship with (2552), Addressed direct mail from organisations (you don't have a relationship with (2552), Magazines you subscribe to (1450), Small items using large letters (2678)

Over a third of those who indicate that the proposed changes would result in a big inconvenience or substantial negative impact in relation to receiving letters confirm this when asked for more details

Description of perceived 'big' negative impact in relation to receiving letters – Level and type of impact

Categorised level of impact*



*While the codes reflect impact levels, questions C2 and C4a were limited to respondents who had already reported harm. As a result, the data should be viewed with caution and in context with other responses. See Technical Report for more details.

Concerns/actions



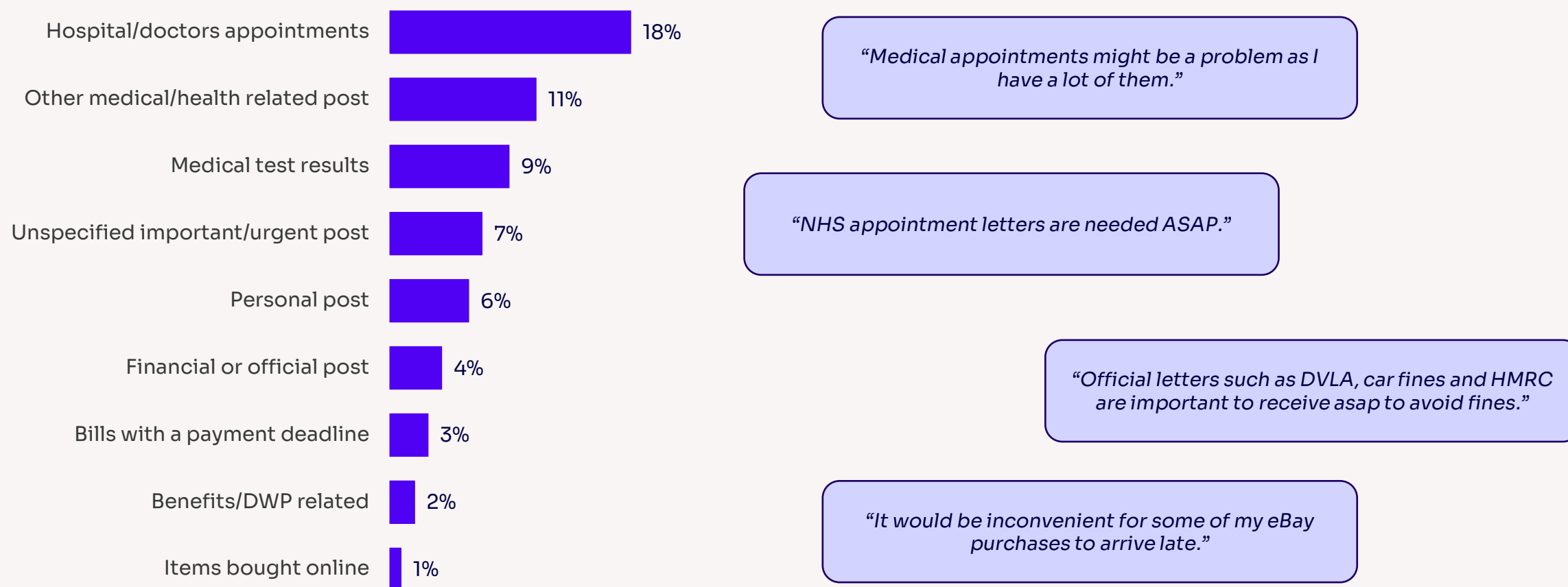
Source: Ofcom Post User Needs Residential Survey

Question: C2: [CODED] You said that this would be a big inconvenience or would cause you substantial harm or difficulties in relation to some of the letters or cards you receive – why is this?

Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they receive (1676)

Health related letters are most frequently mentioned by respondents when explaining their reason for an expected negative impact in relation to the receipt of letters

Description of perceived 'big' negative impact in relation to receiving letters – **Type of post**

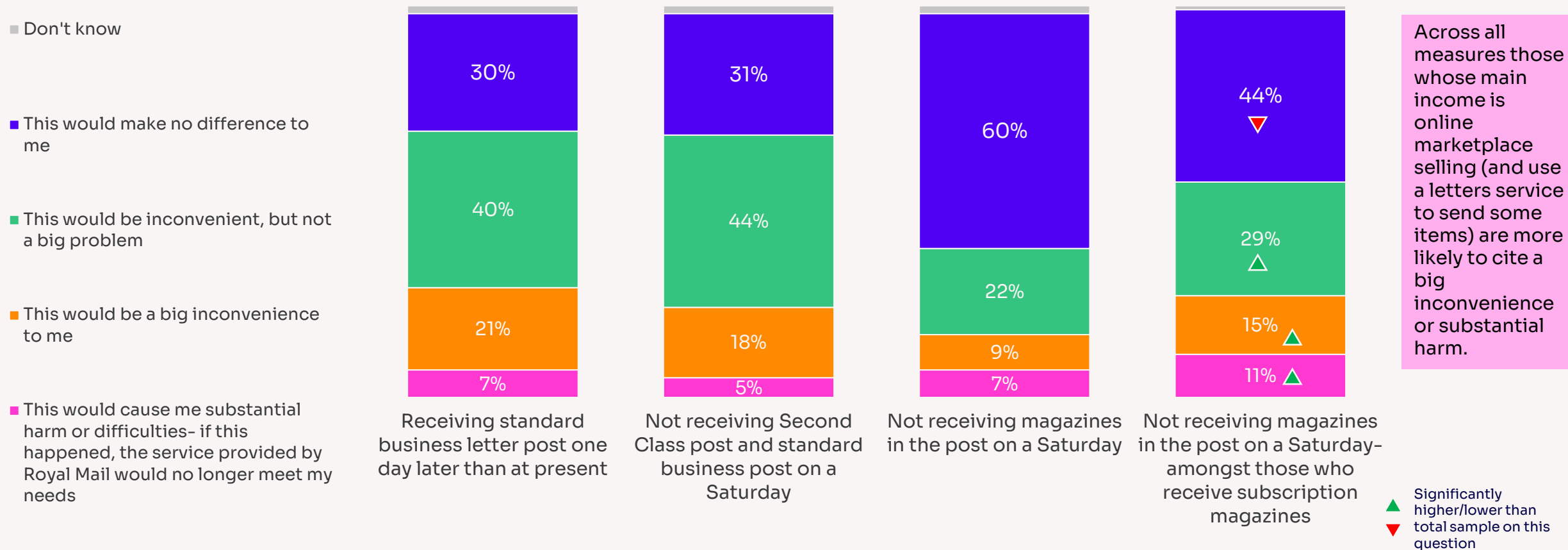


Source: Ofcom Post User Needs Residential Survey

Question: C2: [CODED] You said that this would be a big inconvenience or would cause you substantial harm or difficulties in relation to some of the letters or cards you receive – why is this? Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they receive (1676)

Receiving standard business letter post a day later is seen as having a bigger negative impact than not receiving Second Class and standard business letters on a Saturday

Perceived impact of specific elements of changes amongst those who say changes would be a big inconvenience or substantial harm/difficulties for at least one type of letter received



Source: Ofcom Post User Residential Survey

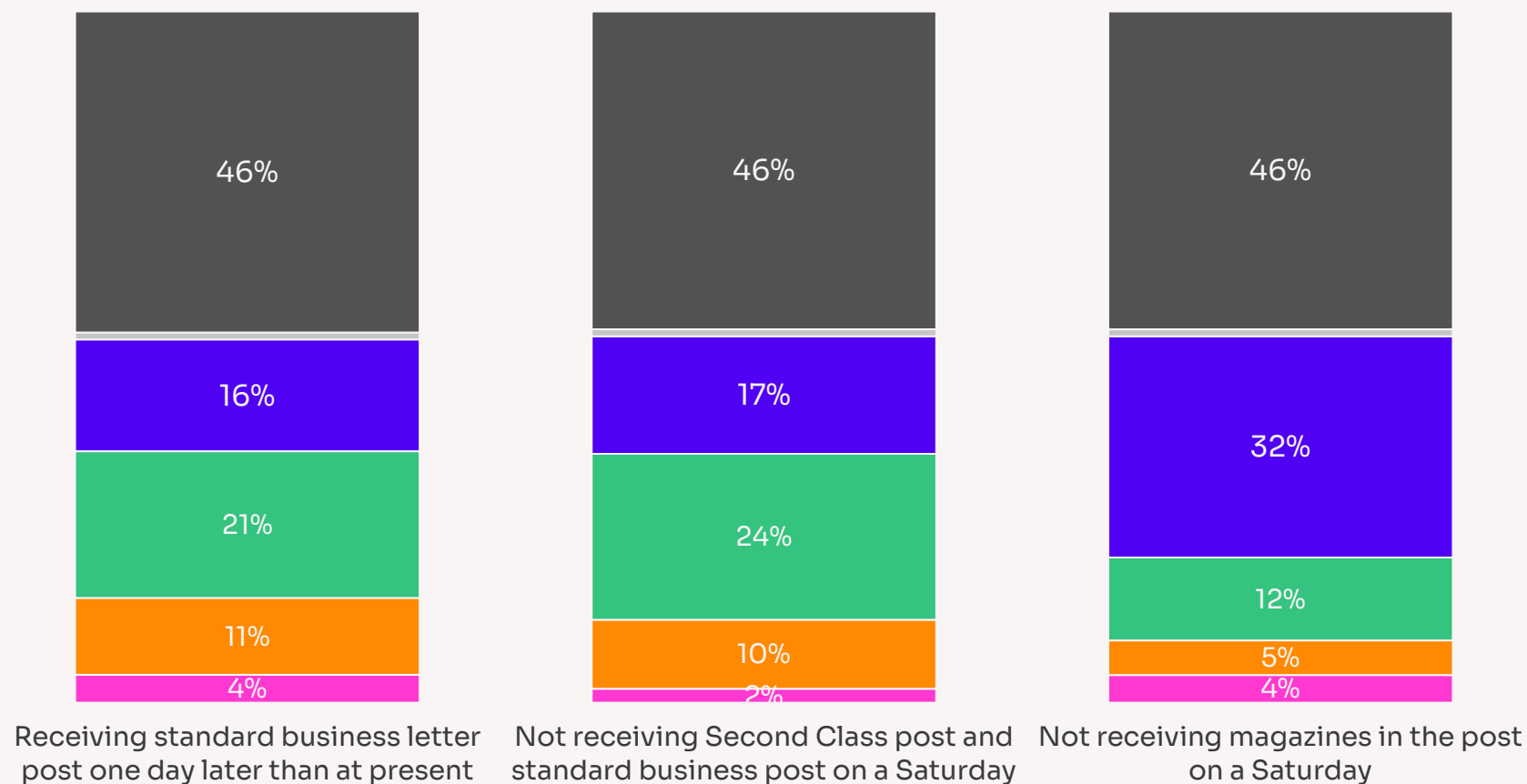
Question: C3.How much of an impact would each of these proposed changes have on you?

Base: Those for whom the proposed changes would be a big inconvenience/ cause substantial harm/difficulties in relation to receiving one or more type of letter post (1676), those who receive magazines and say the proposed changes would be a big inconvenience/ cause substantial harm/difficulties in relation to receiving one or more type of letters (877)

At an overall level, the stated impact of each change on receiving letters is relatively small

Impact of specific elements of changes amongst all respondents

- Not asked - impact on all letter types received was not a big problem or would make no difference
- Don't know
- This would make no difference to me
- This would be inconvenient, but not a big problem
- This would be a big inconvenience to me
- This would cause me substantial harm or difficulties- if this happened, the service provided by Royal Mail would no longer meet my needs

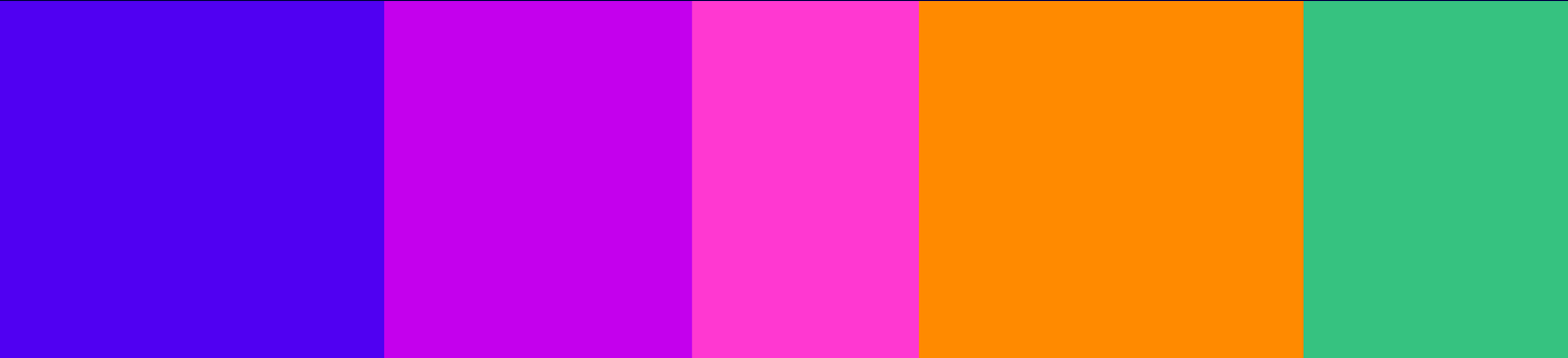


Source: Ofcom Post User Residential Survey

Question: C3. How much of an impact would each of these proposed changes have on you?

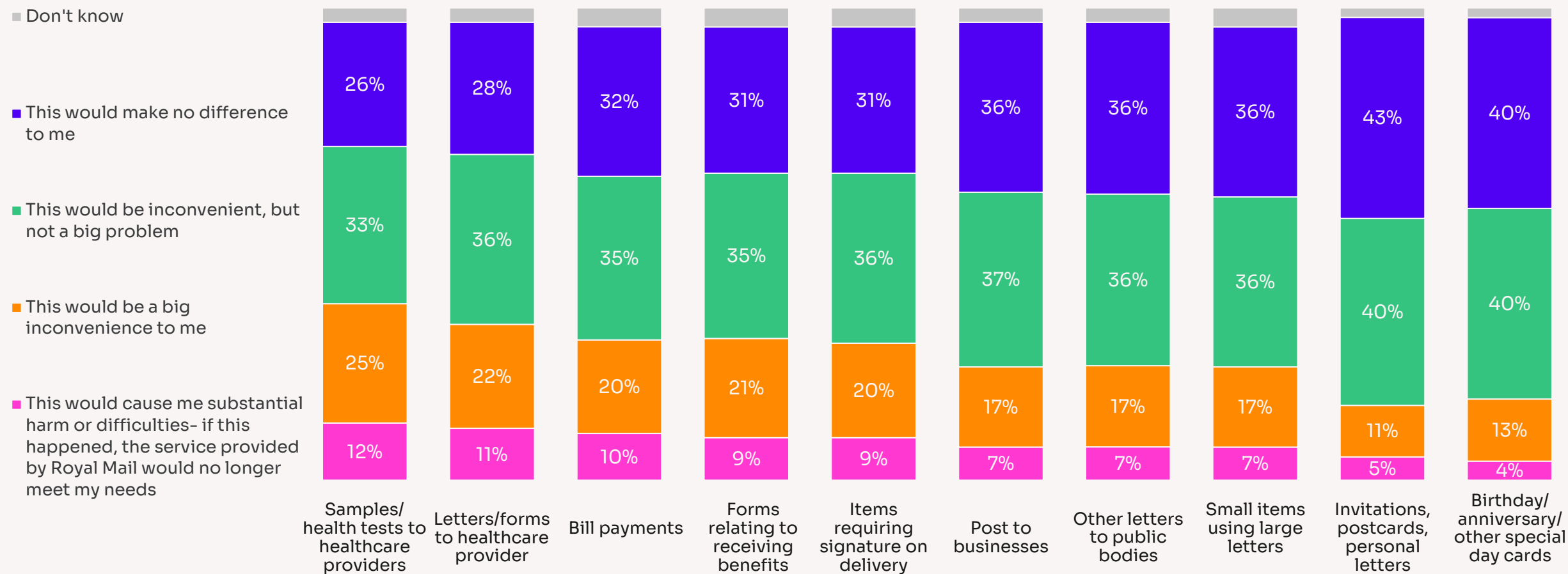
Base: Question was asked to those for whom the proposed changes would be a big inconvenience/ cause substantial harm/difficulties in relation to receiving one or more type of letter post (1676), chart is based on all respondents (3145)

Residential
Section 3.2: Stated impact of
proposed changes on sending
letter post



Those who send finance or healthcare related post are most likely to say they would be caused harm

Impact on specific letter types sent



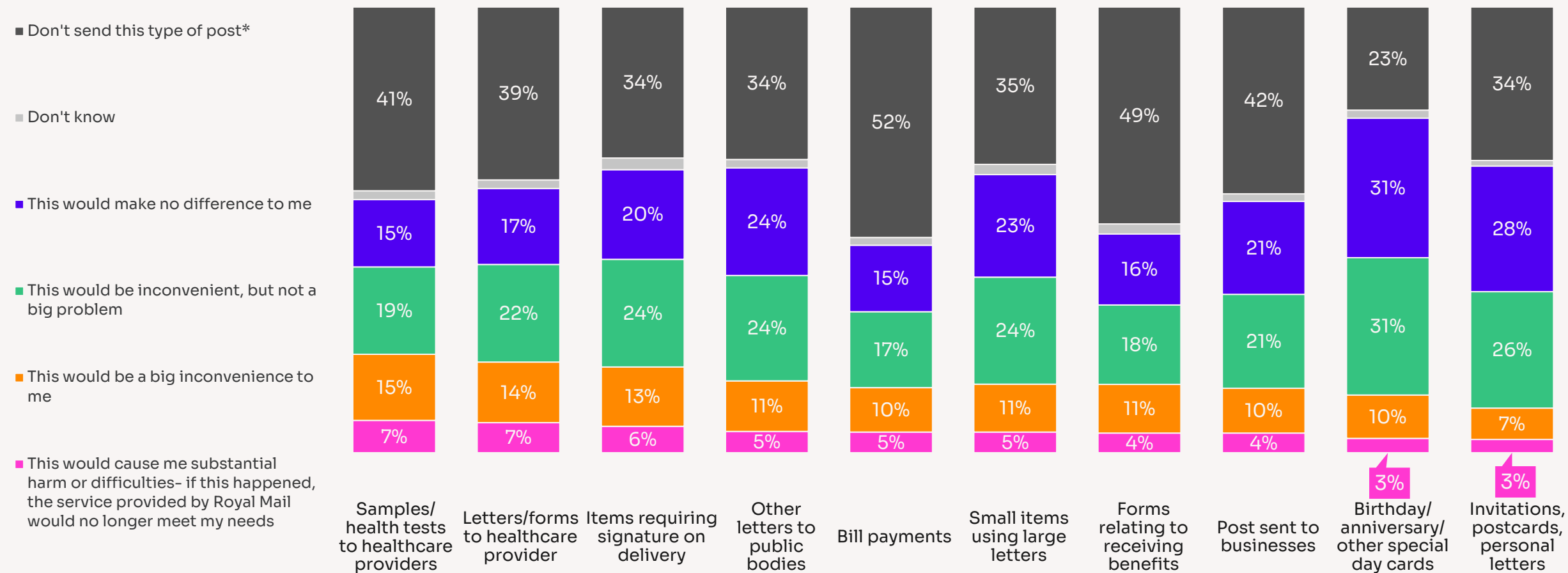
Source: Ofcom Post User Needs Residential Survey

Question: C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letters and cards that you send?

Base: All who ever send each letter type (base size varies from 1526-2444)

Among all respondents, healthcare-related letters are the most substantially impacted letter type

Impact on specific post types sent – including those who do not send each type



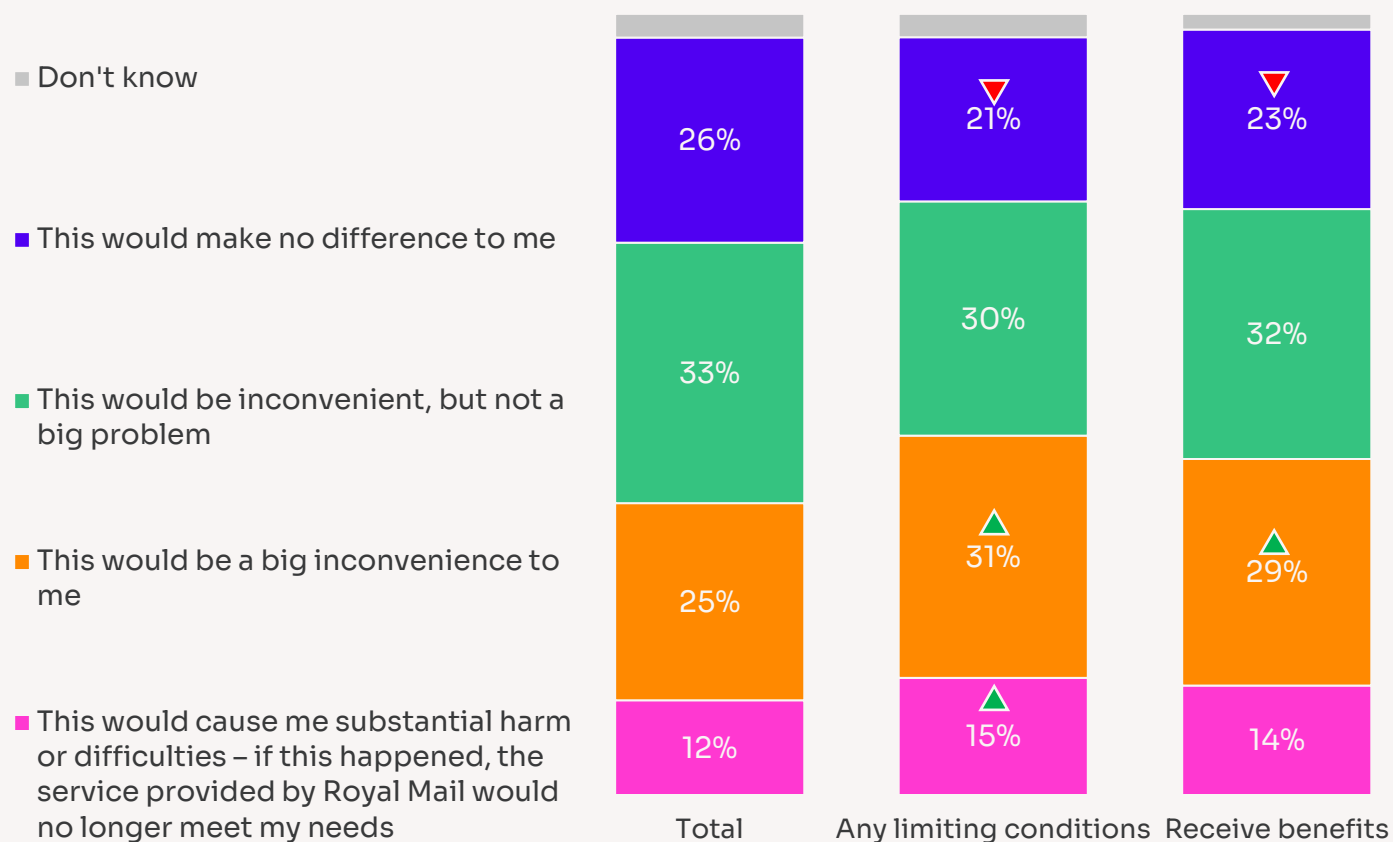
Source: Ofcom Post User Needs Residential Survey

Question: A6. In the last month, roughly how many of each of the following items have you sent in the post? Please only include items that you have sent within the UK./C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letters and cards that you send?

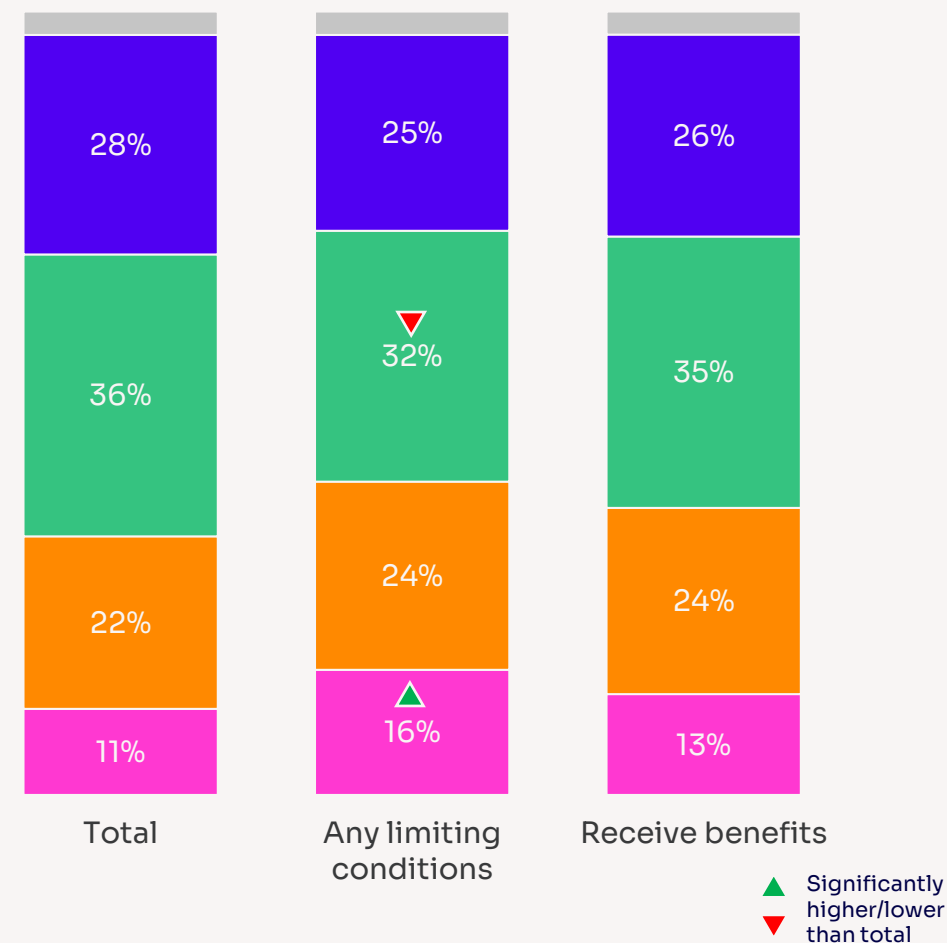
Base: All respondents (3145)*Includes where respondent does not send this type of post

For healthcare-related letters, those with impacting or limiting conditions are most likely to say the proposed changes would cause substantial harm

Impact on samples/ health tests **sent**



Impact on letters/forms **sent** to healthcare provider



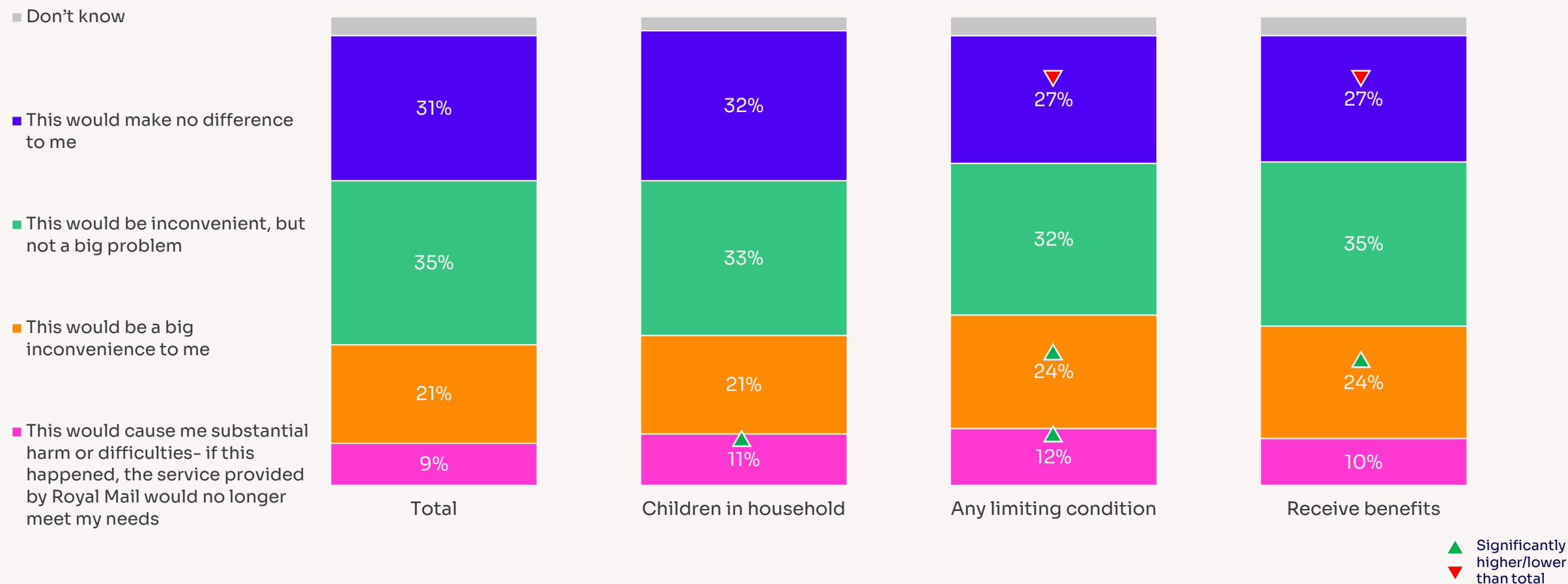
Source: Ofcom Post User Needs Residential Survey

C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letters and cards that you send?

Base: All who send samples/health tests to healthcare providers (1873), those who also receive benefits (587), those also with any impacting or limiting conditions (609); All who send letters/forms to healthcare providers (1930), those who also receive benefits (619), those also with any limiting conditions (650)

For benefits-related letters sent, those with an impacting or limiting condition and those with children were more likely to say the proposed changes would cause harm

Impact on sending **benefits forms or paperwork**



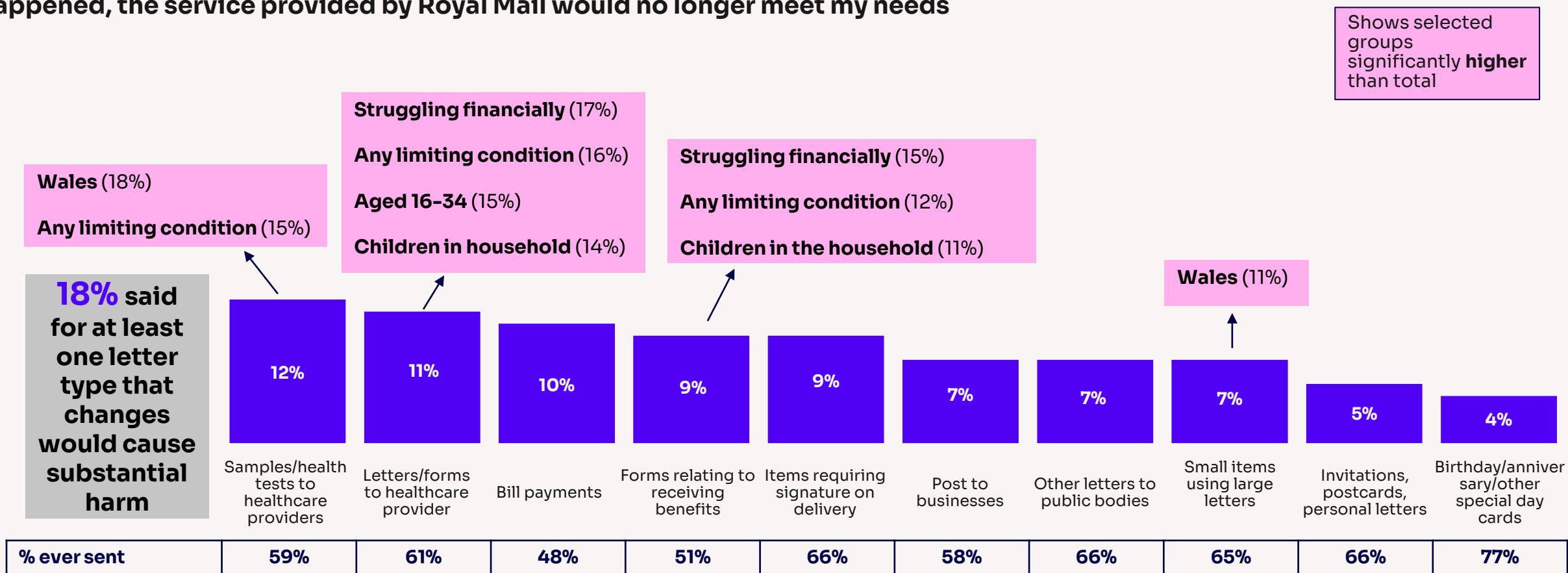
Source: Ofcom Post User Needs Residential Survey

Question: C4. How much of an impact, if any, do you think these changes would have on you, when you consider the types of letters you send?

Base: All who ever send forms or paperwork related to receiving benefits (1655), those who receive benefits (681), those with a limiting or impacting condition (639), children in household (538)

Letters relating to healthcare are also the type sent which the proposed changes are expected have the most negative impact on

Proportion who send each type of letter who say changes would cause **substantial harm or difficulties** – if this happened, the service provided by Royal Mail would no longer meet my needs



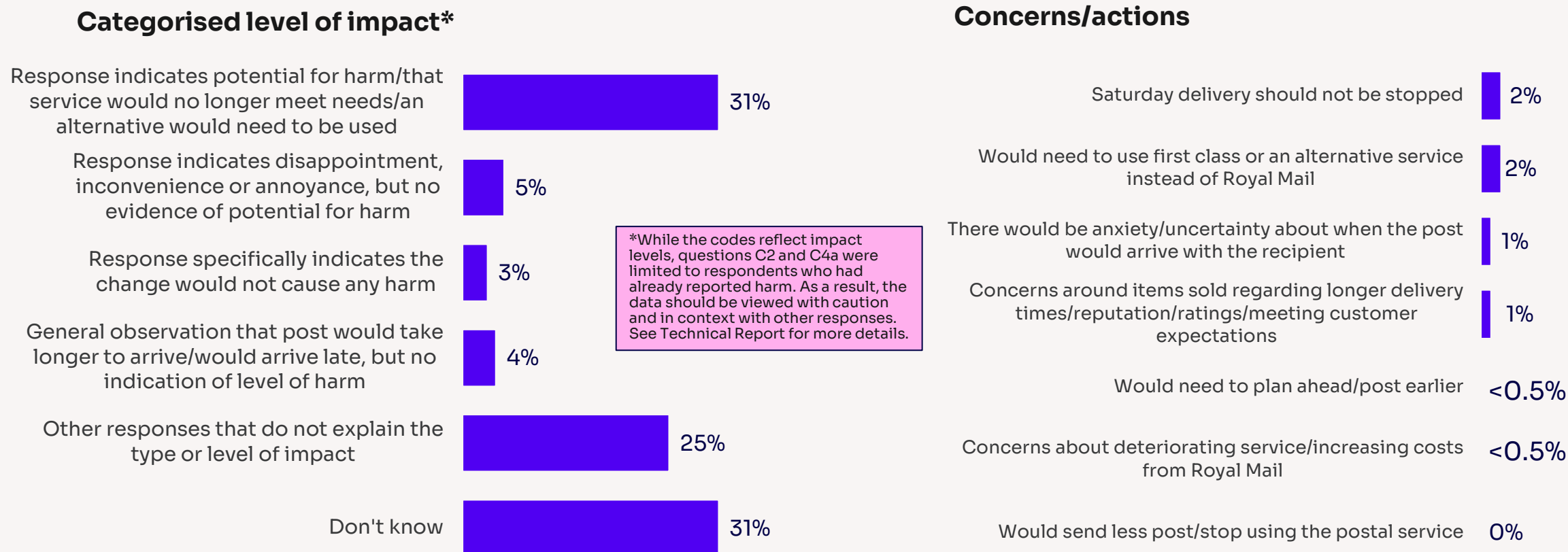
Source: Ofcom Post User Needs Residential Survey

Question: C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letters and cards that you send?

Base: All respondents (3145) All who ever send each letter type: Birthday/anniversary/occasion cards (2444), Invitations, Postcards, and personal Letters (2079), Letters/forms to healthcare provider (1929), Samples/health tests to healthcare providers (1873), Forms or paperwork related to receiving benefits (1655), Any other letter post to public bodies (2103), Small items sent using large letter post (2060), Bill payments (1526), Post sent to businesses (1830), Items requiring a signature on delivery (2104)

Those indicating greater impact levels of proposed changes relating to sending letters are less explicit when describing the impact than those describing impacts on receiving post

Description of perceived 'big' negative impact in relation to sending letters – **Level and type of impact**



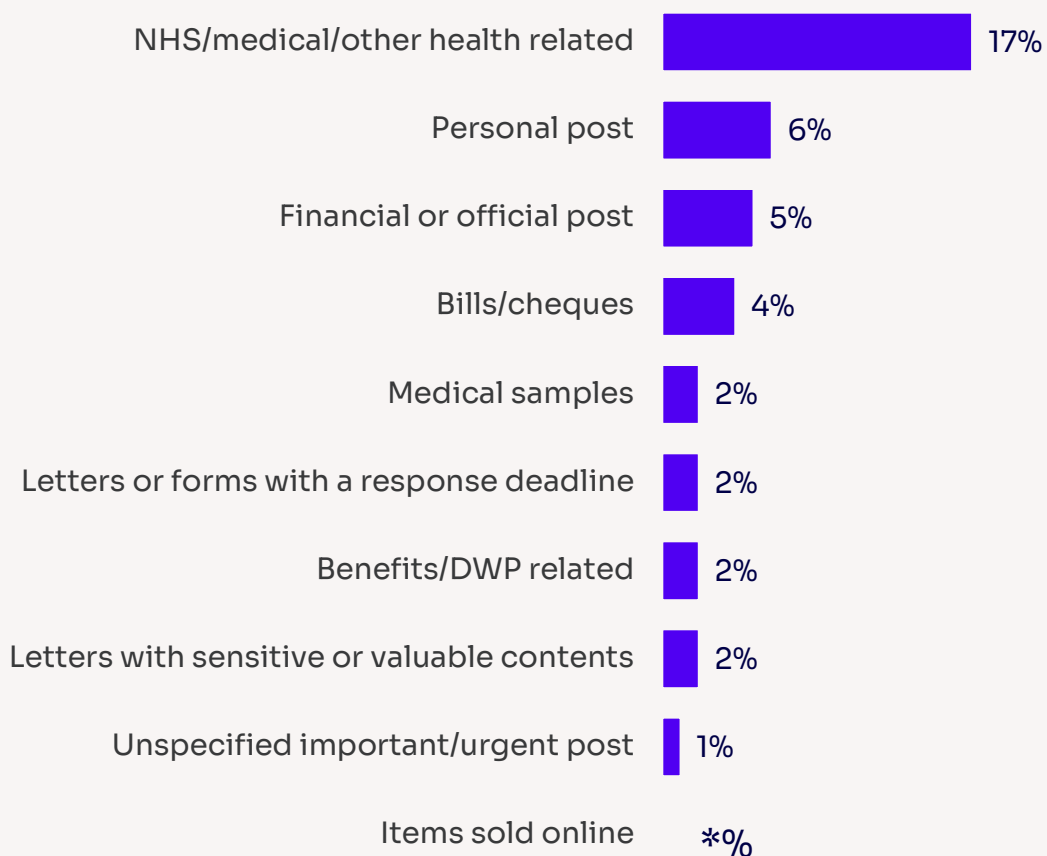
Source: Ofcom Post User Needs Residential Survey

Question: C4A: [CODED] You said that this would be a big inconvenience or would cause you substantial harm or difficulties in relation to some of the letters or cards you send – why is this?

Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they send (1251)

Again, letters related to health are the most common type cited when discussing negative impacts

Description of perceived 'big' negative impact in relation to sending letters – **Type of post**



“Delays in medical bodies receiving my post can cause serious issues.”

“You need to know payments will arrive on time.”

“If something requires a signature in order to be delivered, there may not be anyone available to sign during the week.”

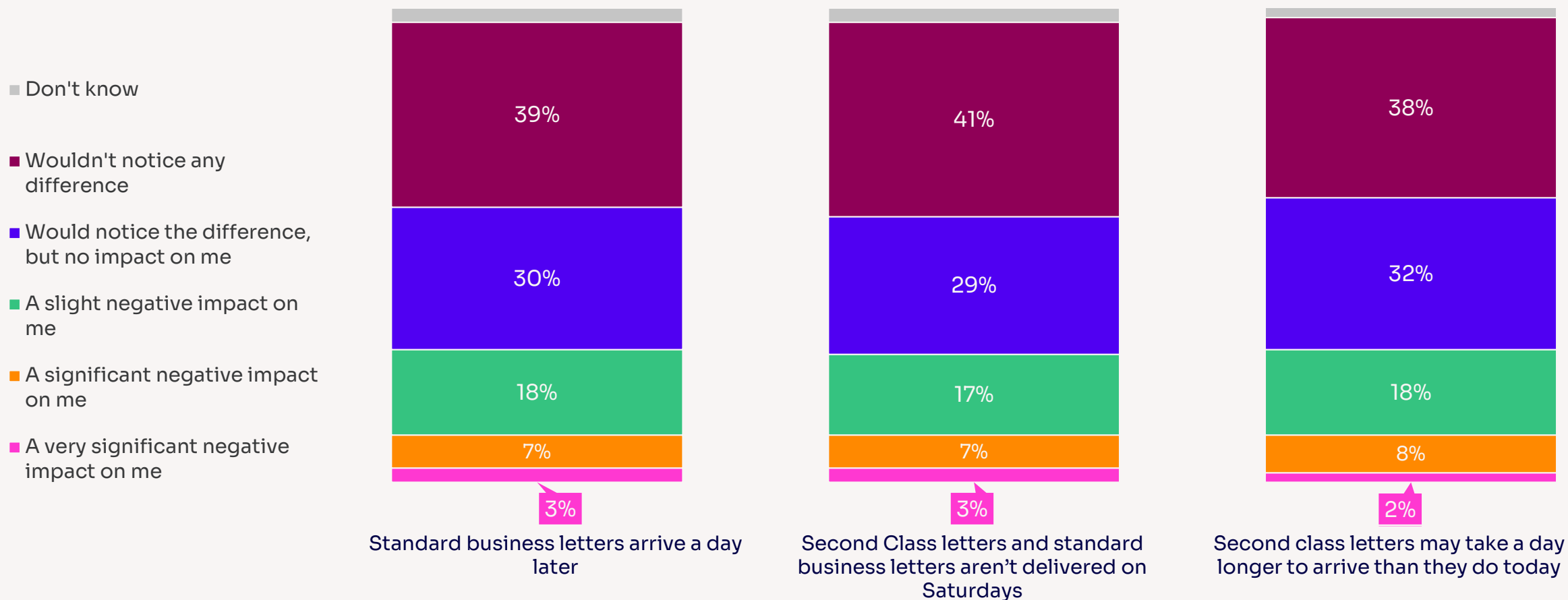
Source: Ofcom Post User Needs Residential Survey

Question: C4: [CODED] You said that this would be a big inconvenience or would cause you substantial harm or difficulties in relation to some of the letters or cards you send – why is this?

Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they receive (1251)

When taking everything into consideration, for each of the proposed changes, only a small proportion say that there would be a significant or very significant negative impact

Overall impact of proposed changes when **taking everything into consideration**



Source: Ofcom Post User Residential Survey

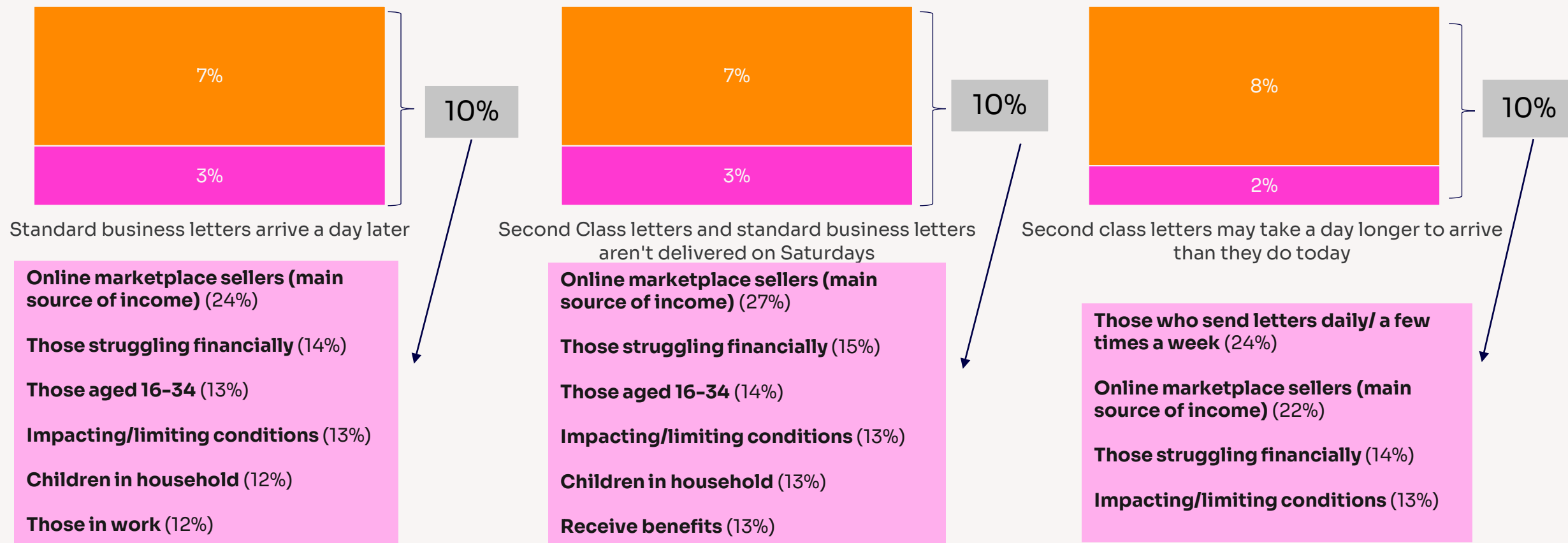
Question: C7. Finally, taking everything into account, to what extent would there be an impact on you if...

Base: All respondents (3145)

Some groups are more likely to say that the impact of each change on them would be significant

Overall impact of proposed changes when **taking everything into consideration**

■ A significant negative impact on me ■ A very significant negative impact on me



Source: Ofcom Post User Residential Survey

Question: C7. Finally, taking everything into account, to what extent would there be an impact on you if...

Base: All respondents (3145)

Shows selected groups significantly **higher** than total

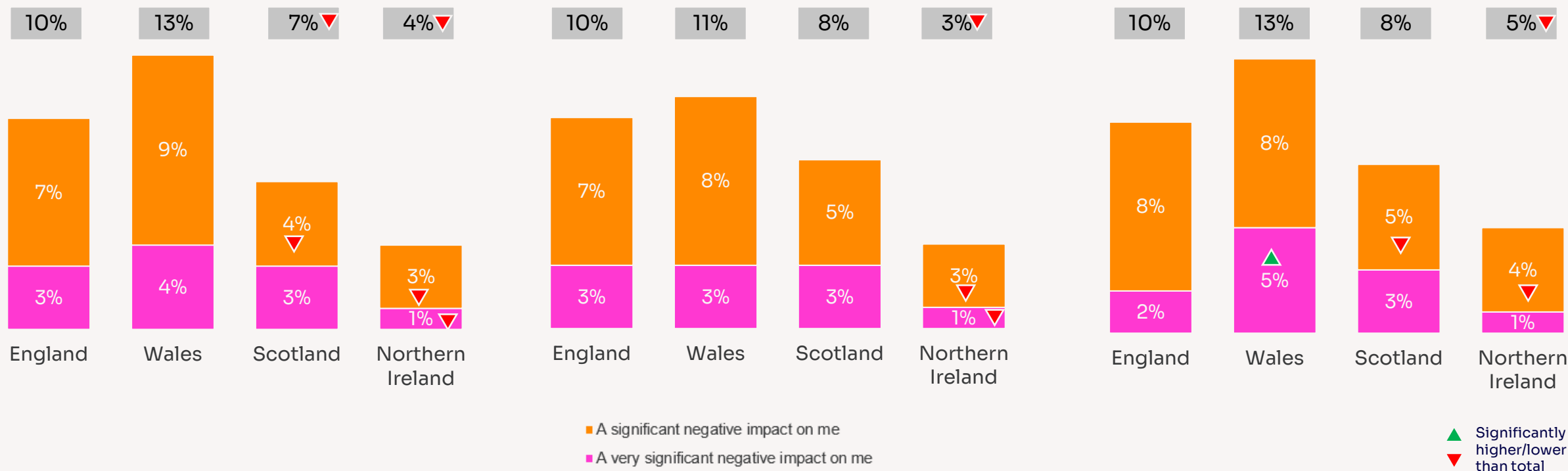
People in Scotland and Northern Ireland are less likely to indicate negative impacts of change

Overall impact of proposed changes when **taking everything into consideration, by nation**

Standard business letters arrive a day later

Second Class letters and standard business letters aren't delivered on Saturdays

Second class letters may take a day longer to arrive than they do today



Source: Ofcom Post User Residential Survey

Question: C7. Finally, taking everything into account, to what extent would there be an impact on you if...

Base: All respondents (3145) England (2045) Wales (361) Scotland (396) Northern Ireland (343)

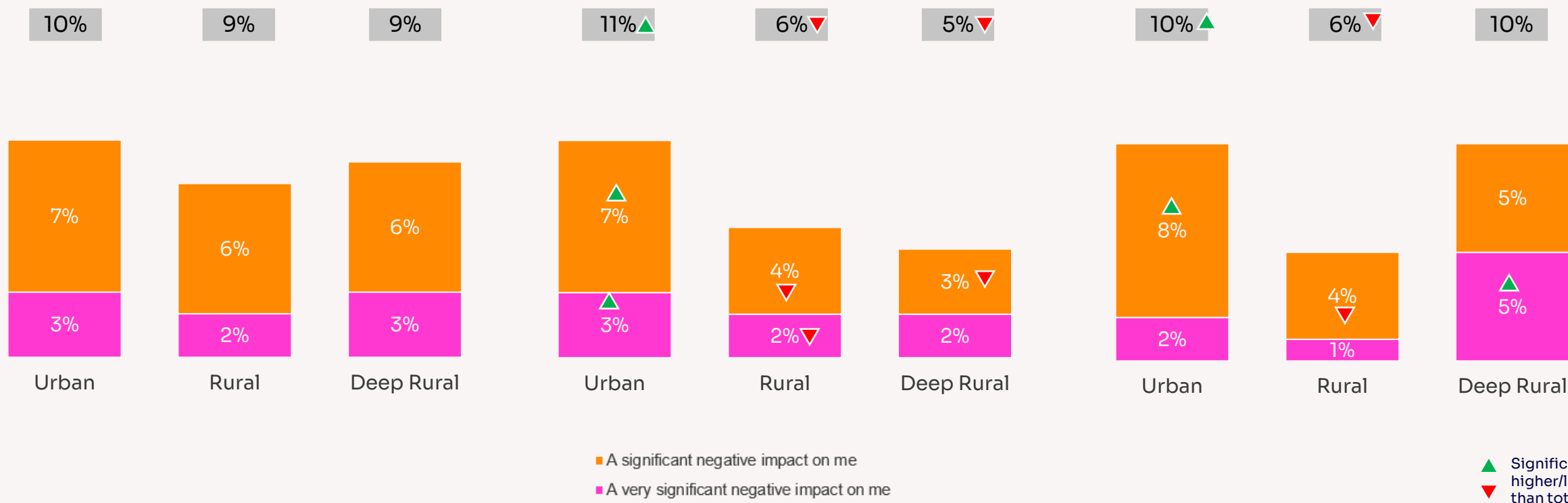
Those in urban areas are more likely to say they are impacted by removal of Saturday letter delivery for standard business and Second Class letters

Overall impact of proposed changes when **taking everything into consideration by urbanity**

Standard business letters arrive a day later

Second Class letters and standard business letters aren't delivered on Saturdays

Second class letters may take a day longer to arrive than they do today



Source: Ofcom Post User Residential Survey

Question: C7. Finally, taking everything into account, to what extent would there be an impact on you if...

Base: All respondents (3145) Urban (2500) Rural excluding Deep Rural (469) Deep Rural (176)

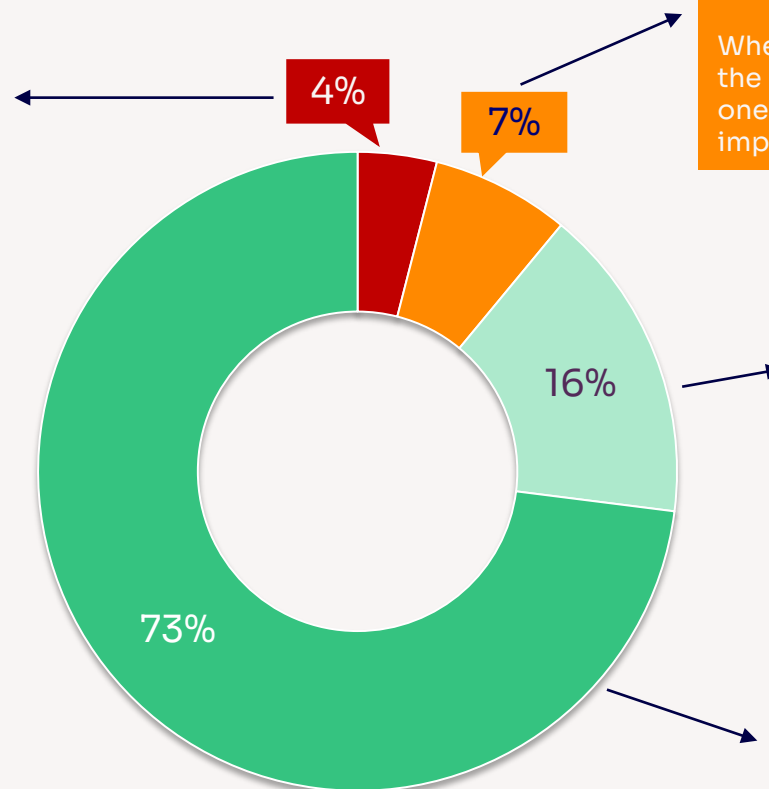
Overall, 1 in 10 say their needs would no longer be met and the changes would have a significant or very significant negative impact on them

Overall impact

This group indicated that the new proposed service would not meet their needs for at least one type of letter that they send or receive.

When asked to state the extent to the impact of each of the three main elements of the proposed changes, *taking everything into account*, they indicated that at least one of the changes would have a **very significant negative impact**.

Demographic groups that were most likely to fall into this category include those aged under 44, people in urban areas, people in employment, people with disabilities or limiting conditions (especially social/behavioural, dexterity and mental ability related), people who say they are struggling financially, more frequent letter receivers and senders (especially healthcare/finance related and those who sell on online marketplaces as a main source of income).



This group indicated that the new proposed service would not meet their needs for at least one type of letter that they send or receive.

When asked to state the extent of the impact of each of the three main elements of the proposed changes, *taking everything into account*, they indicated that at least one of the changes would have a significant (but not 'very significant') negative impact.

This group indicated that the new proposed service would not meet their needs for at least one type of letter that they send or receive.

However, when asked to state the extent of the impact of each of the three main elements of the proposed changes, *taking everything into account*, they indicated that the proposed changes would have no more than a slight negative impact.

The majority of UK adults indicated that the new proposed service would continue to meet their needs for all types of letters that they send and receive.

Some indicated that the proposed changes would be inconvenient.

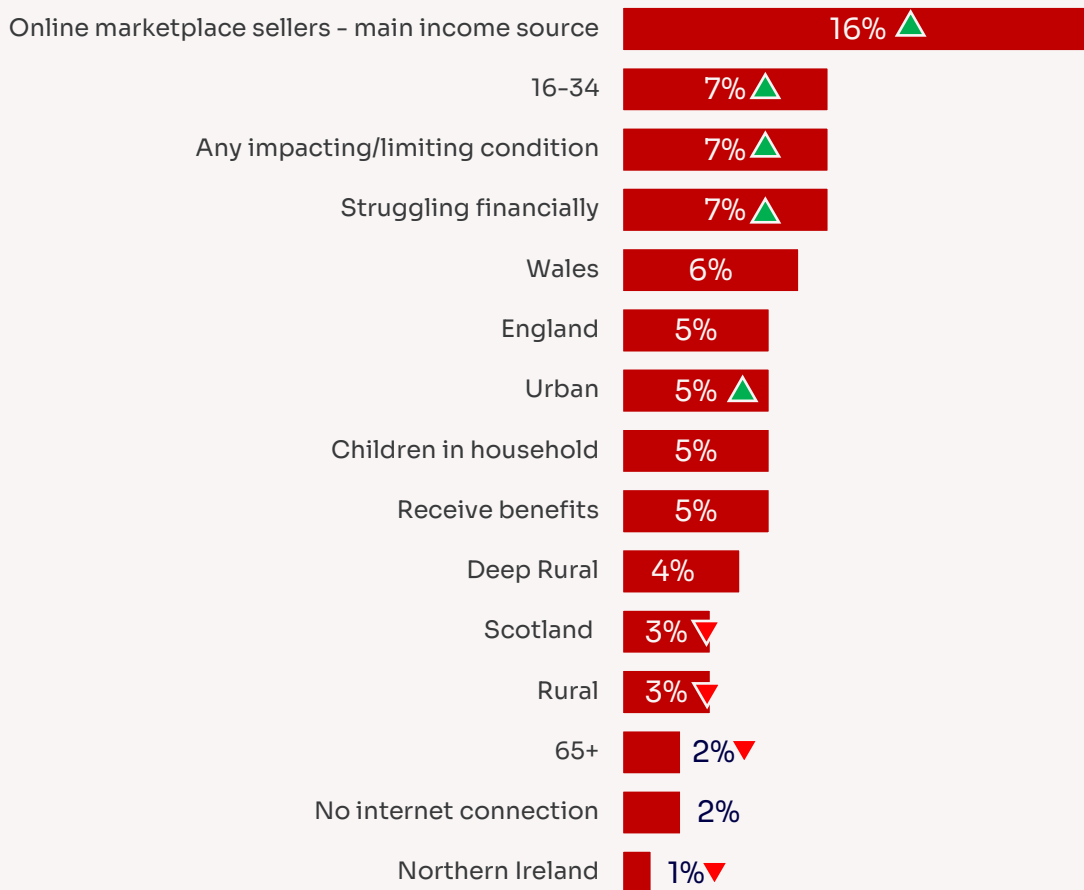
Source: Ofcom Post User Needs Residential Survey

Question: C1/C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letters and cards that you receive/send? C7. Finally, taking everything into account, to what extent would there be an impact on you if...

Base: All respondents except 8 who were not shown C4 (3137)

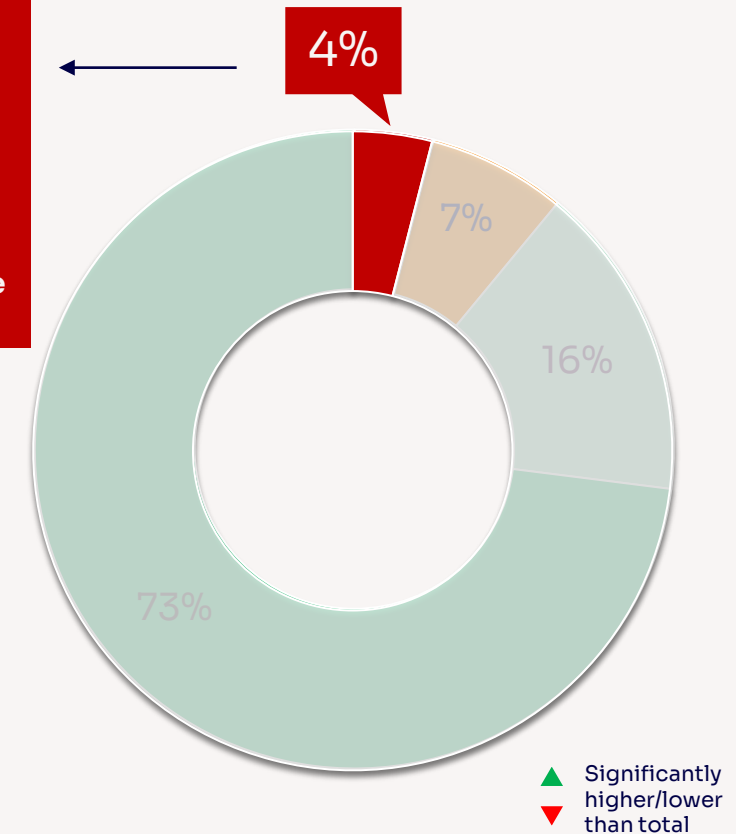
Online marketplace sellers who use letters to send items and for whom it is their main source of income, are the most likely to say that their needs would not be met and that they would experience a significant or very significant negative impact

Overall impact – service would no longer meet my needs and very significant negative impact



This group indicated that the new proposed service would not meet their needs for at least one type of letter that they send or receive.

When asked to state the extent to the impact of each of the three main elements of the proposed changes, *taking everything into account*, they indicated at least one of the changes would have a **very significant negative impact**.



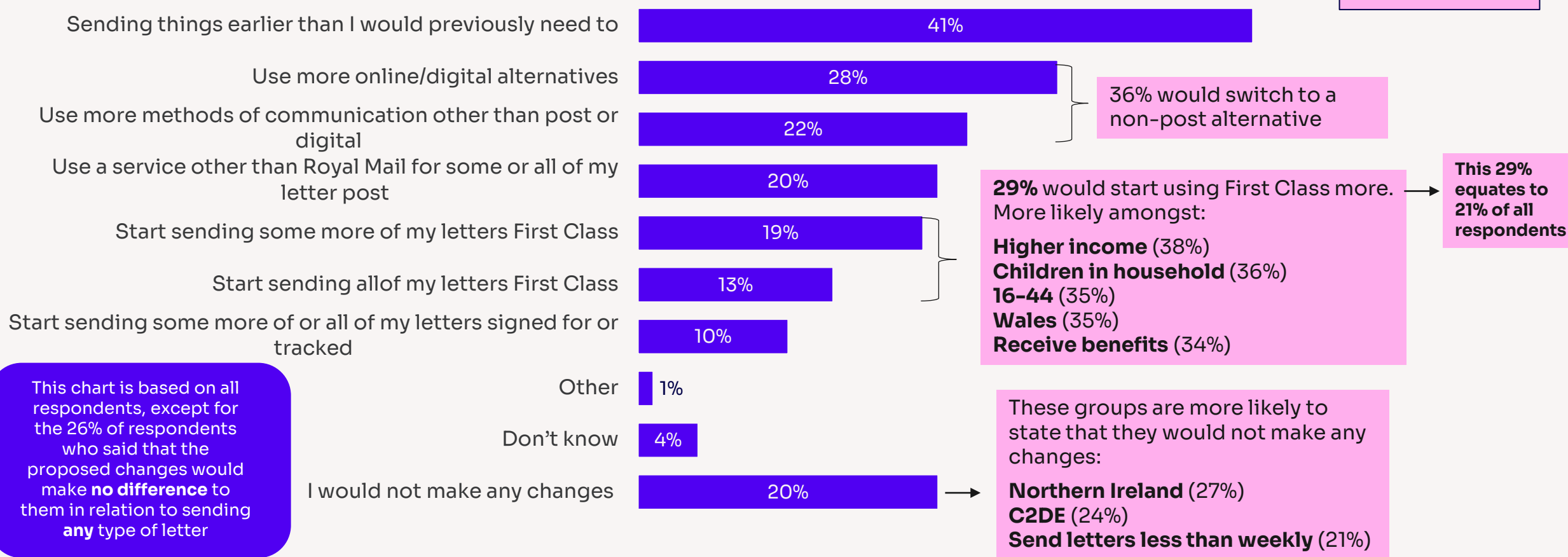
Source: Ofcom Post User Needs Residential Survey

Question: C1/C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letters and cards that you receive/send? C7. Finally, taking everything into account, to what extent would there be an impact on you if...

Base: All respondents except 8 who were not shown C4 (3137)

If the proposed changes were made, users who said they would be impacted, stated a range of actions that they expected to take in response, including sending things earlier and using other methods of communication

Actions users would make if changes made

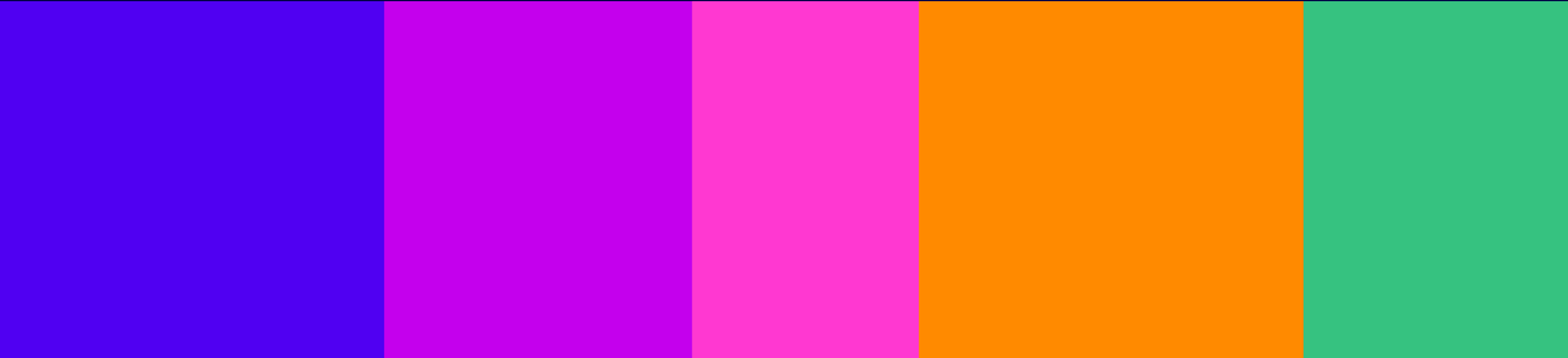


Source: Ofcom Post User Needs Residential Survey

Question: C5. If all the proposed changes were made, would you do any of the following?

Base: All who would be impacted, or don't know if they would be impacted by changes when sending post (2316)

Residential user groups



Those without internet access tend to be less frequent users of the postal service, are less likely to be impacted by the changes, and less likely to change their behaviour as a result

Summary of findings and reactions to proposed changes among postal services users with no internet connection at home or elsewhere

67% Receive letters at least about once a week (cf. 82% of total sample)

12% Send letters at least once a week (cf. 22% of all users)

2% Say needs would no longer be met in relation to at least one type of letter *and* changes would have a very significant negative impact (cf. 4% of total sample)

2% Say needs would no longer be met in relation to at least one type of letter *and* that changes would have a significant, but not very significant negative impact (cf. 7% of total sample)

15% Say needs would no longer be met in relation to at least one type of letter but went on to say that, taking everything into account, the proposed changes would make no difference or would only have a slight negative impact (cf. 16% of total sample)

Those with no internet connection are less likely to say Saturday letter delivery is important (38% cf. 57% of total) and that availability of a next day letter delivery service is important (65% cf. 78%). Affordability (87%) and Reliability (83%) are the most important factors to this group.

Source: Ofcom Post User Needs Residential Survey,

Various questions

Base: All respondents who do not have any internet connection (148)

Those who have access to the internet but are not confident users are similar to the average in current usage of the letters services and perceptions of the proposed changes

Summary of findings and reactions to proposed changes among postal services users who are not confident using the internet

81% Receive letters at least once a week (cf. 82% of total sample)

21% Send letters at least once a week (cf. 22% of all users)

6% Say needs would no longer be met in relation to at least one type of letter *and* changes would have a very significant negative impact (cf. 4% of total sample)

7% Say needs would no longer be met in relation to at least one type of letter *and* that changes would have a significant, but not very significant negative impact (cf. 7% of total sample)

14% Say needs would no longer be met in relation to at least one type of letter but went on to say that, taking everything into account, the proposed changes would make no difference or would only have a slight negative impact (cf. 16% of total sample)

Not confident internet users are less likely to say all aspects of the service are important: 44% say letter delivery is important (cf. 57% of total) and 67% say availability of a next day letter delivery service is important (cf. 78%). Affordability (84%) and Reliability (80%) are the most important factors to this group.

Source: Ofcom Post User Needs Residential Survey,

Various questions

Base: All respondents who have limited confidence using the internet including neither confident nor unconfident (273)

National Summary – England

- In England, 82% receive letters at least once a week; 23% send letters every week.
- 9 in 10 say affordability (90%) and reliability (89%) are important to them. In the MaxDiff data, security of personal information and letters not being lost/damaged were most important. Saturday letter deliveries are considered the least important, followed by Second Class letters being delivered within three working days.
- 5% of residential users in England say that the proposed changes would mean that the service will no longer meet their needs in relation to at least one type of letter that they send or receive, and that taking everything into account, at least one of the changes would have a very significant negative impact. A further 7% say that their needs will not be met, and at least one of the changes will have a significant negative impact.
- 16% of those in England say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that taking everything into account, the proposed changes would make no difference or would only have a slight negative impact.



National Summary – Wales

- Residential users in Wales fall in line with the UK average.
- In Wales, 83% of households receive letters at least once a week; 21% send letters every week. In line with the total, nearly nine in ten say affordability (88%) and reliability (88%) are important to them.
- 6% of residential users in Wales say that the proposed changes would mean that the service will no longer meet their needs in relation to at least one type of letter that they send or receive, and that taking everything into account, at least one of the changes would have a very significant negative impact. A further 9% say that their needs will not be met, and at least one of the changes will have a significant negative impact.
- 12% of those in Wales say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that taking everything into account, the proposed changes would make no difference or would only have a slight negative impact.



National Summary – Scotland

- Residential users in Scotland show some significant differences from the average, with less impact reported in general.
- 82% of those in Scotland receive letter post at least weekly, and 18% send letters at least once a week.
- The priorities and levels of importance of different aspects of the postal service in Scotland are aligned with the UK average, except for Saturday letter delivery, which, in the MaxDiff, is seen as relatively less important than the overall UK figure.
- 3% of residential users in Scotland say that the proposed changes would mean that the service will no longer meet their needs in relation to at least one type of letter that they send or receive, and that taking everything into account, at least one of the changes would have a very significant negative impact. This is lower than the UK average.
- A further 6% say that their needs would not be met, and at least one of the changes would have a significant negative impact.
- 11% of those in Scotland say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that taking everything into account, the proposed changes would make no difference or would only have a slight negative impact.



National Summary – Northern Ireland

- Findings in Northern Ireland show a few significant differences, including a lower level of impact.
- 4 in 5 (80%) of those in Northern Ireland receive letter post at least once a week. One fifth (20%) send letters at least once a week.
- Those in Northern Ireland are significantly more likely to consider the availability of a next day letter delivery service as important (84%). MaxDiff analysis finds that those in Northern Ireland are also more likely to say security of personal/ sensitive information is important.
- 1% of residential users in Northern Ireland say that the proposed changes would mean that the service will no longer meet their needs in relation to at least one type of letter that they send or receive, and that taking everything into account, at least one of the changes would have a very significant negative impact. This is lower than the UK average.
- A further 3% say that their needs would not be met, and at least one of the changes would have a significant negative impact.
- 18% of those in Northern Ireland say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that taking everything into account, the proposed changes would make no difference or would only have a slight negative impact.



Urban Summary

- Findings amongst residents in urban areas are broadly in line with average UK figures.
- 82% receive letters at least once a week; 22% send letters every week.
- 9 in 10 say affordability (89%) and reliability (88%) are important to them. Saturday letter deliveries are considered the least important element we asked about (58%). In the MaxDiff data, security of personal/sensitive information and letters not being lost/damaged were still most important despite being of relatively lower importance than UK average.
- 5% of residential users in urban areas say that the proposed changes would mean that the service will no longer meet their needs in relation to at least one type of letter that they send or receive, and that taking everything into account, at least one of the changes would have a very significant negative impact.
- A further 7% say that their needs would not be met, and at least one of the changes would have a significant negative impact.
- 15% of those in urban areas say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that taking everything into account, the proposed changes would make no difference or would only have a slight negative impact.



Rural Summary (excluding deep rural)

- In general, rural residential users show some deviation from the UK average, for example reporting slightly lower impacts as a result of changes.
- In rural areas, 84% receive letters at least once a week; 25% send letters every week.
- 9 in 10 say affordability (92%) and reliability (88%) are important to them. Saturday letter deliveries are considered the least important service factor we asked about (47%). In the MaxDiff data, the security of personal/sensitive information was rated relatively more important than the UK average.
- 3% of residential users in rural (excluding deep rural) areas say that the proposed changes would mean that the service will no longer meet their needs in relation to at least one type of letter that they send or receive, and that taking everything into account, at least one of the changes would have a very significant negative impact. This is lower than the UK average.
- A further 6% say that their needs would not be met, and at least one of the changes would have a significant negative impact.
- 17% say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that taking everything into account, the proposed changes would make no difference or would only have a slight negative impact.

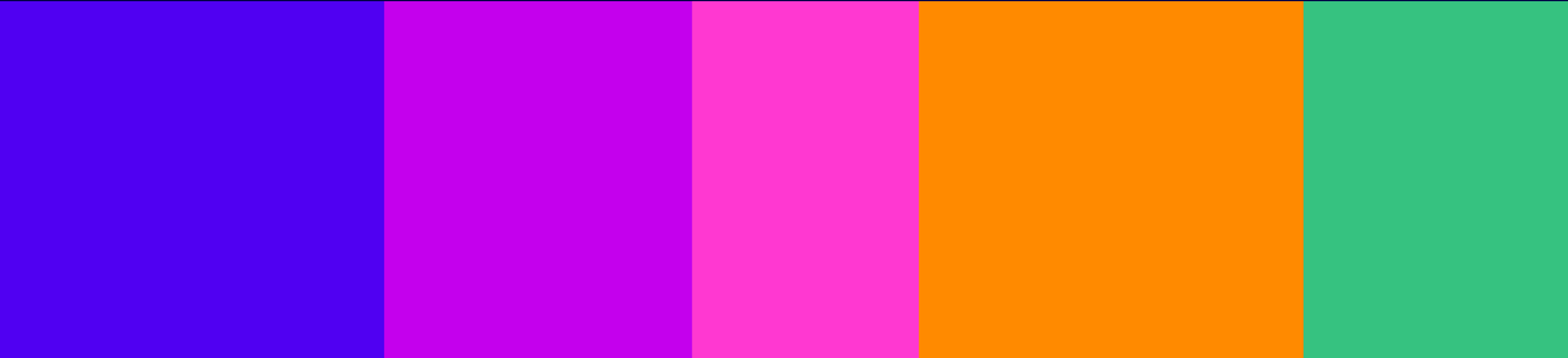


Deep Rural Summary

- People living in deep rural areas show a few significant differences compared to the UK average.
- In deep rural areas, 84% receive letters at least once a week; 22% send letters every week.
- 9 in 10 say affordability (90%) and reliability (91%) are important to them. Saturday letter deliveries are considered the least important service factor we asked about (58%). In the MaxDiff exercise, security of personal/sensitive information and letters not being lost/damaged were most important.
- 4% of residential users in deep rural areas say that the proposed changes would mean that the service will no longer meet their needs in relation to at least one type of letter that they send or receive, and that taking everything into account, at least one of the changes would have a very significant negative impact. This is lower than the UK average.
- A further 4% say that their needs would not be met, and at least one of the changes would have a significant negative impact.
- 18% of those in deep rural areas say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that taking everything into account, the proposed changes would make no difference or would only have a slight negative impact.



SME user survey Findings



Summary of key findings – SME survey

A third of SMEs say letter post is very important or core to their business – with over 90% sending and receiving post.

- A third (34%) of SMEs say letter post is very important or core to their business, while two thirds use it mainly for administrative purposes (65%).
- Sending and receiving post remains a part of business for SMEs. Just 2% never receive and 8% never send letters.
- 70% of SMEs receive, and 51% send letters at least about once a week.
- The frequency of sending and receiving letters increases with the size of the SME. For example, 46% of 0-employee SMEs send letters at least about once a week, rising to 87% of 50-249-employee SMEs.

Affordability and reliability are key priorities for SMEs, while Saturday delivery is a lower priority.

- Reliability (confidence that letters will be delivered on time) (89%) and affordability (86%) are the most important service aspects for SMEs, while Saturday letter delivery is important to just over a third of SMEs (35%).
- SMEs that send marketing materials to customers/clients are more likely to say Saturday letter deliveries are important (47%).
- A minority (13%) of SMEs do not receive letter post on a Saturday. Of those that do receive it, a third (32%) don't open it until Monday or later. Smaller SMEs are more likely to open Saturday letter post on the same day.
- The large majority of SME senders of each type of letter we asked about say they would typically not need Second Class letters to be delivered within 3 working days of posting.

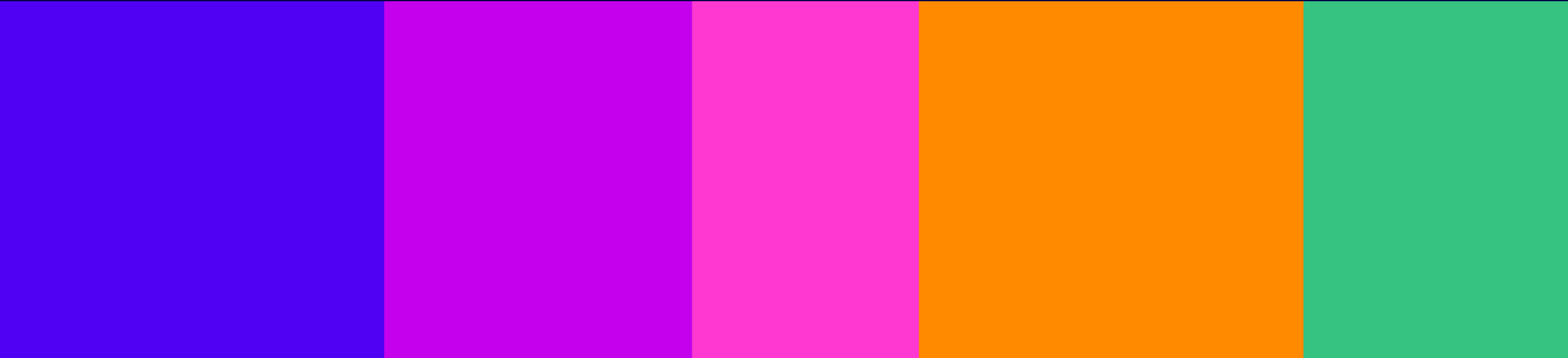
Summary of key findings – SME survey

Most SMEs say they would not be impacted by the proposed service changes.

- 9 in 10 SMEs say that if the proposed changes were made, the service would still meet their needs for all types of letters that they send and receive (91%).
- The 9% of SMEs who say their needs would not be met for at least one type of letter that they send or receive consists of:
 - 1% who also say the changes overall would have a *very* significant negative impact on their business and 3% that say the changes would have a significant impact.
 - A further 5% say the changes would have no more than a slight negative impact on their business overall.
- Small items would be the most impacted letter post. Four per cent of SMEs say that the changes would mean their needs are no longer met in relation to sending this type of post and a similar proportion (5%) say the same in relation to receiving this type of post. Meanwhile, addressed direct mail and marketing materials would be the least impacted.
- Almost 8 in 10 (78%) SMEs that said they would be impacted, said they would take an action if the service changes were made, most commonly by sending things earlier than previously needed (32%) and using more online/digital alternatives (31%).

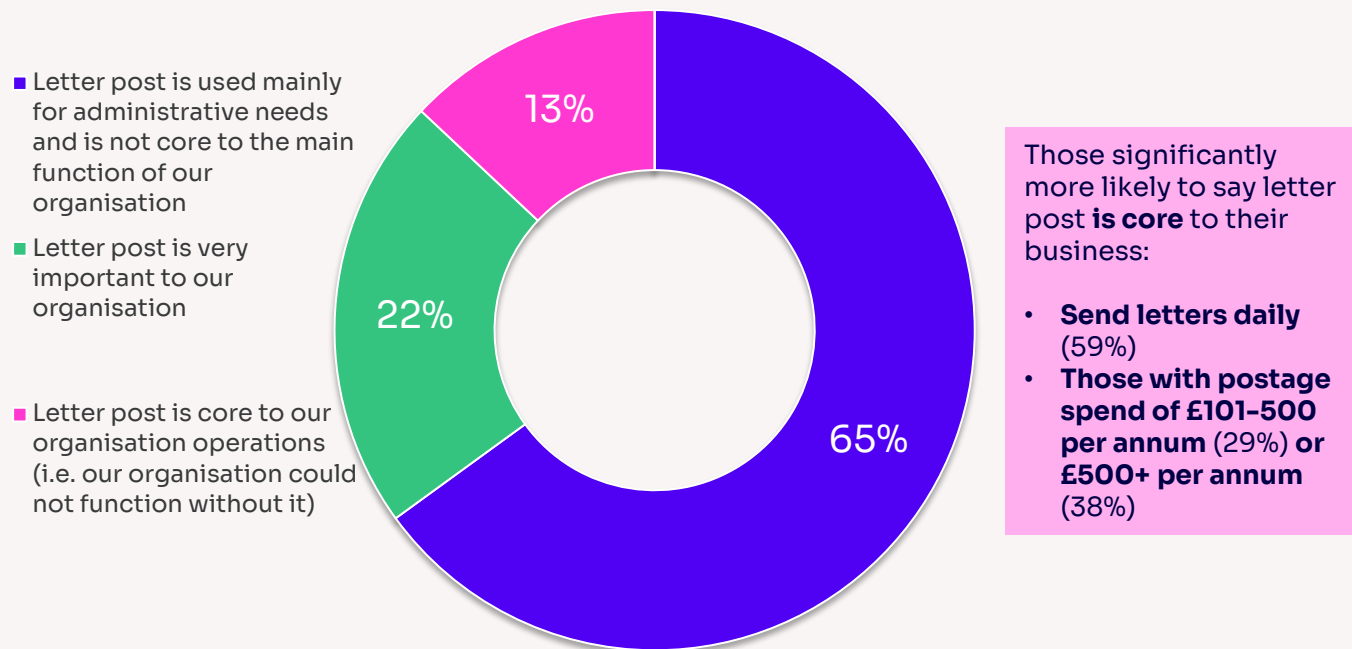
SME

Section 1: Current Usage

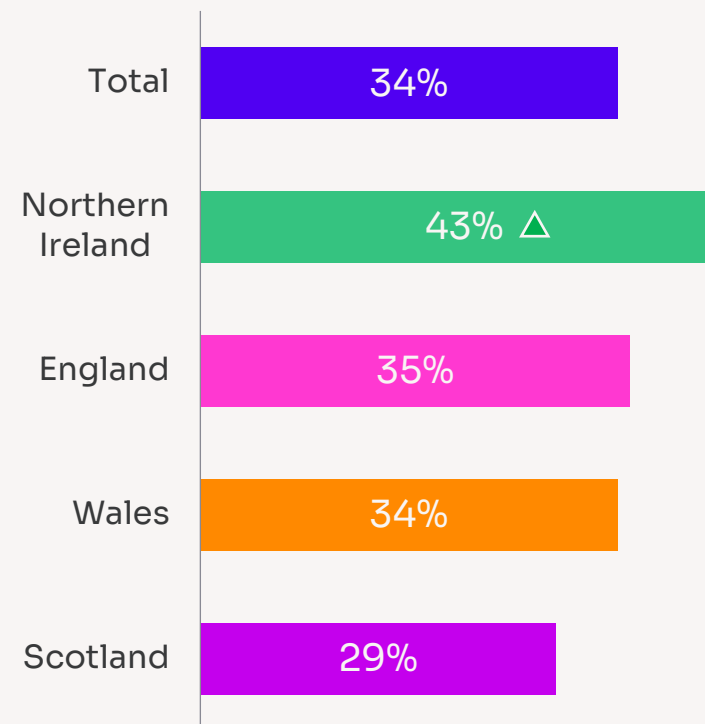


A third of SMEs report that letter post is very important or core to their business, while two thirds use it mainly for administrative purposes

Importance of post to organisation



Core/very important by nation*



▲ Significantly higher/lower than total
▼

Source: Ofcom Post User Needs SME Survey

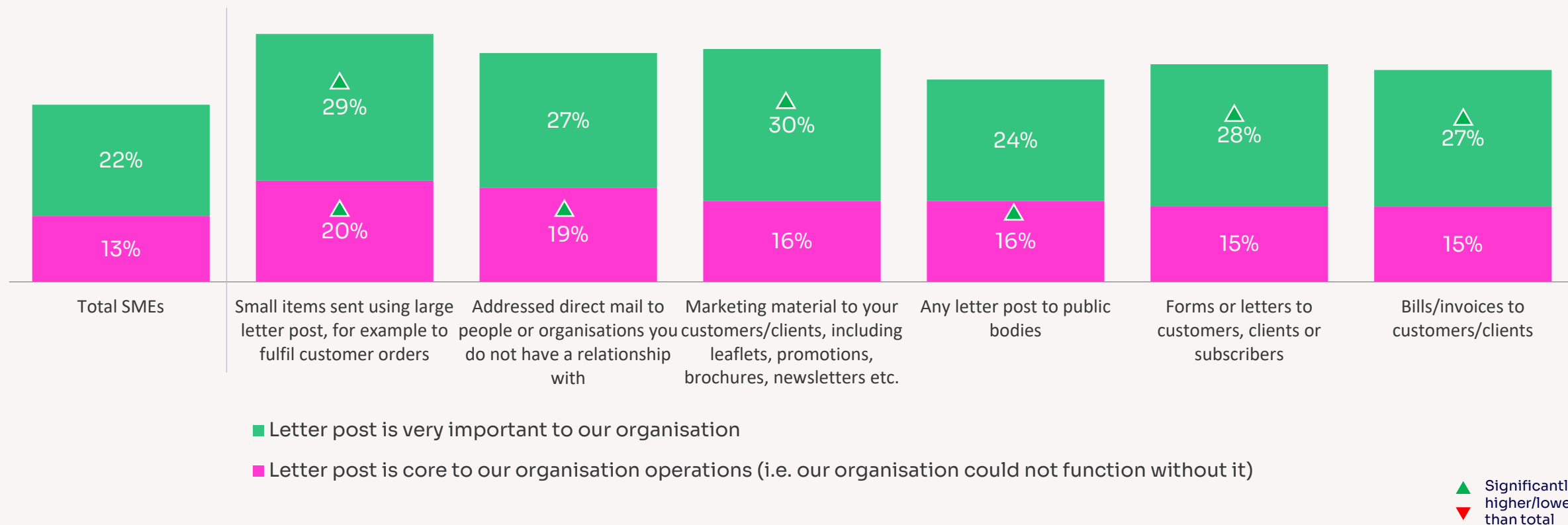
Question: S11: Which one of the following statements best describes the role of letter post services to your organisation?

Base: All respondents excluding those who never send or receive post (894) England (513) Scotland (149) Wales (122) Northern Ireland (110)

*The data collection in Wales consisted of 56% panel and 44% CATI database, and therefore has a higher proportion of CATI (i.e. telephone recruited) respondents than other nations.

Letter post is more likely to be core for those SMEs that send small items via letter post and addressed mail to people or organisations they have a relationship with

Importance of letter post to SMEs, by types of letter sent

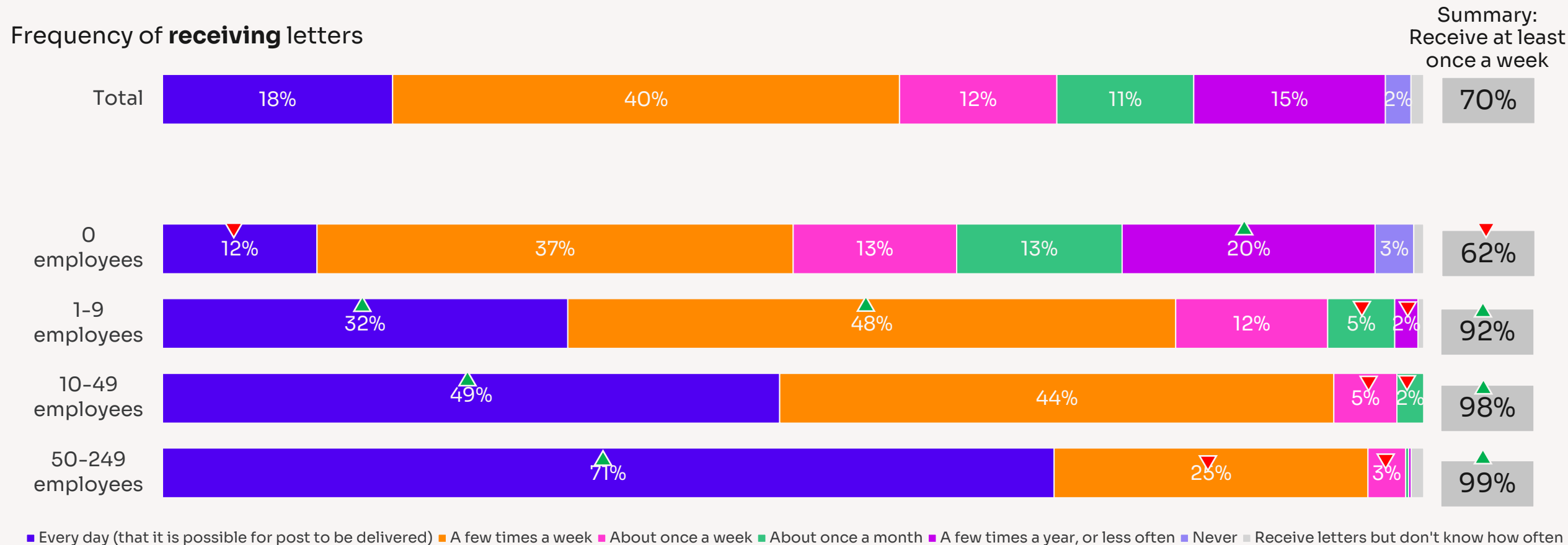


Source: Ofcom Post User Needs SME Survey

Question: S11: Which one of the following statements best describes the role of letter post services to your organisation?

Base: All respondents excluding those who never send or receive post (894), where ever send: forms or letters (620), any letter post (641), bills (636), marketing material (445), addressed direct mail (409), small items (578)

7 in 10 SMEs receive letters at least once a week and just 2% report never receiving letters. The frequency of receiving letters increases with size of business



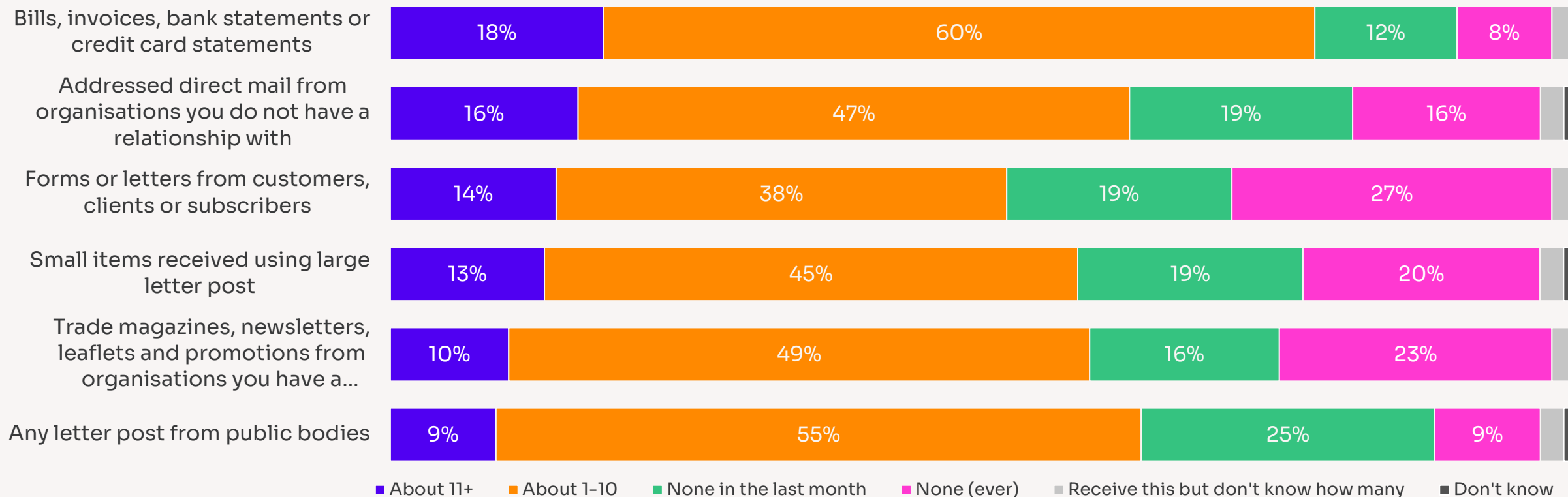
Source: Ofcom Post User Needs SME Survey

Question: S5/S5a: How often does your organisation receive letters?

Base: All respondents (897), 0 employees (191), 1-9 employees (346), 10-49 employees (195), 50-249 employees (165)

Finance-related post such as bills and invoices are letter types received by SMEs in largest volumes

Types of letters received



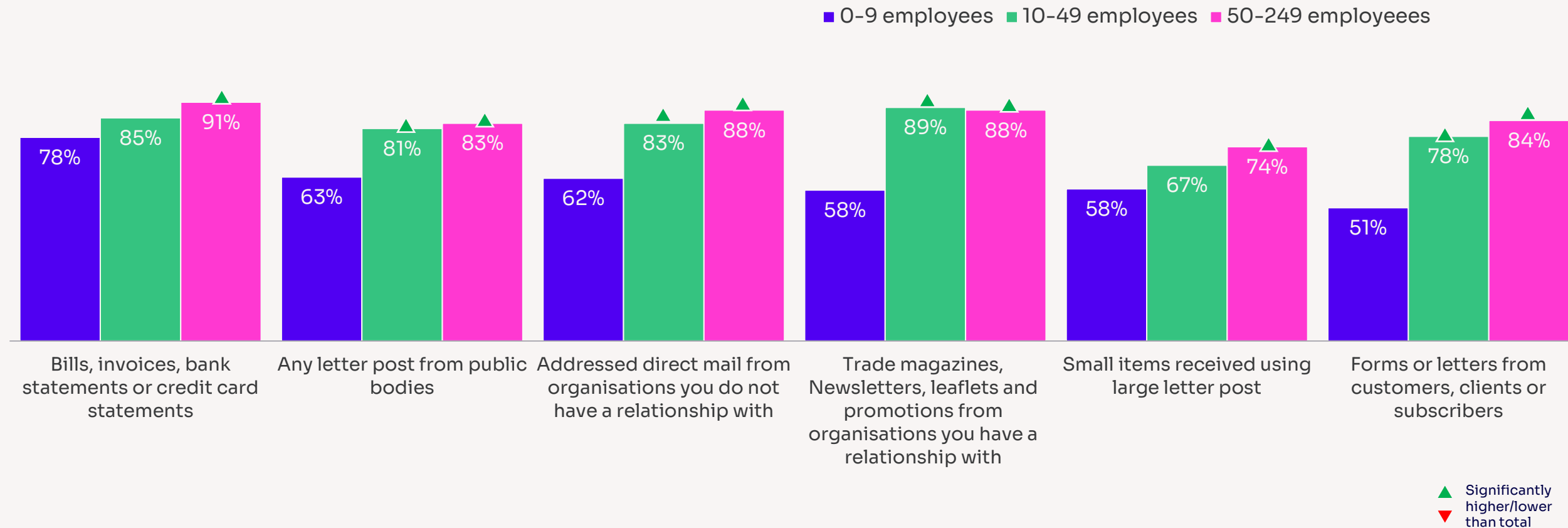
Source: Ofcom Post User Needs SME Survey

Question: A2. In the last month, approximately how many of each of the following items has your organisation received in the post?

Base: Receive letters (889)

All categories of letter are less commonly received by smaller SMEs, but this difference is less pronounced for bills and invoices

Proportion of SMEs that **receive at least about 1 item of each category of letter post** per month, by size of company



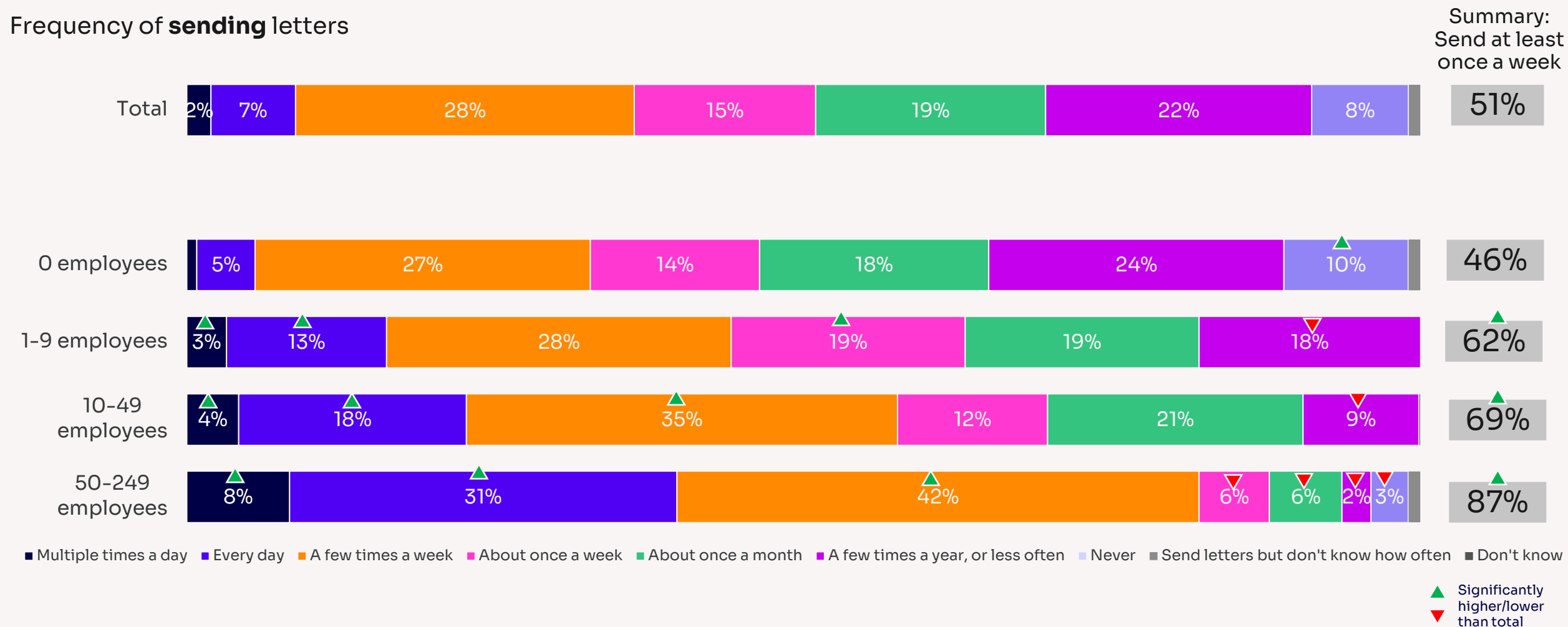
Source: Ofcom Post User Needs SME Survey

Question: A2. In the last month, approximately how many of each of the following items has your organisation received in the post?

Base: Receive letters (889), 0-9 employees (531), 10-49 employees (194), 50-249 employees (164)

Just over half send letters at least once a week. Frequency of sending letters increases with SME size

Frequency of sending letters



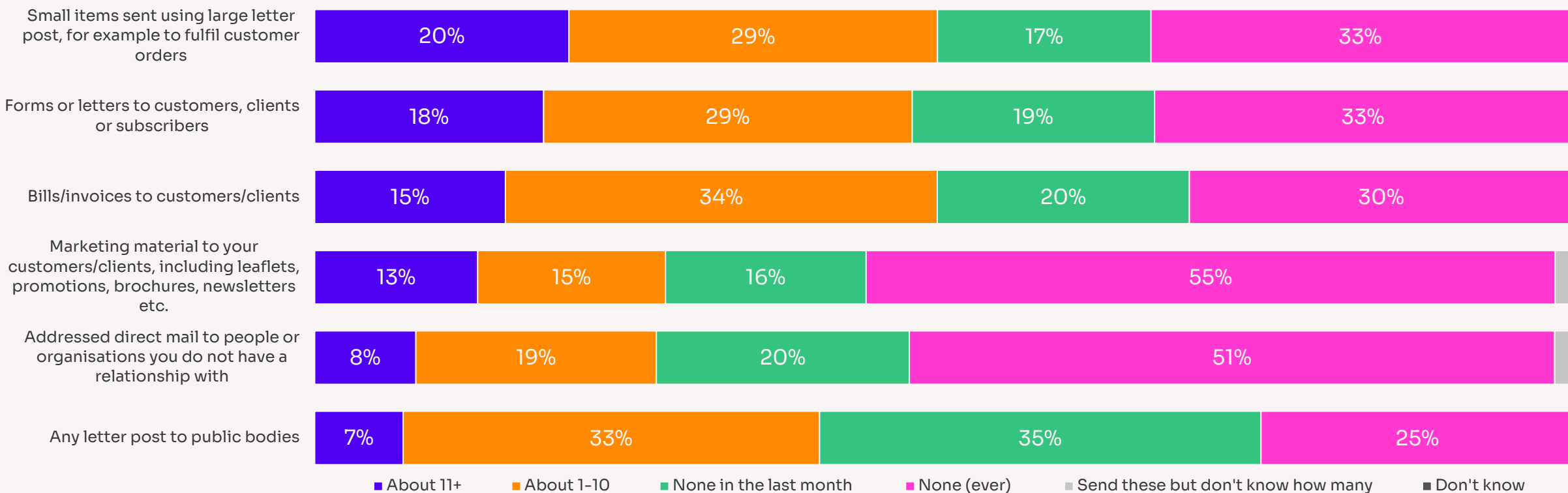
Source: Ofcom Post User Needs SME Survey

Question: S6/S6a: How often does your organisation send anything using letter post? This could include things like invoices, customer communications, marketing materials, official documents, application forms or Large Letter envelopes containing small items. Please only include letter post that you send within the UK.

Base: All respondents (897), 0 employees (191), 1-9 employees (346), 10-49 employees (195), 50-249 employees (165)

Around half of SMEs send small items. A similar proportion send forms or letters to customers, and bills/invoices

Types of letters sent



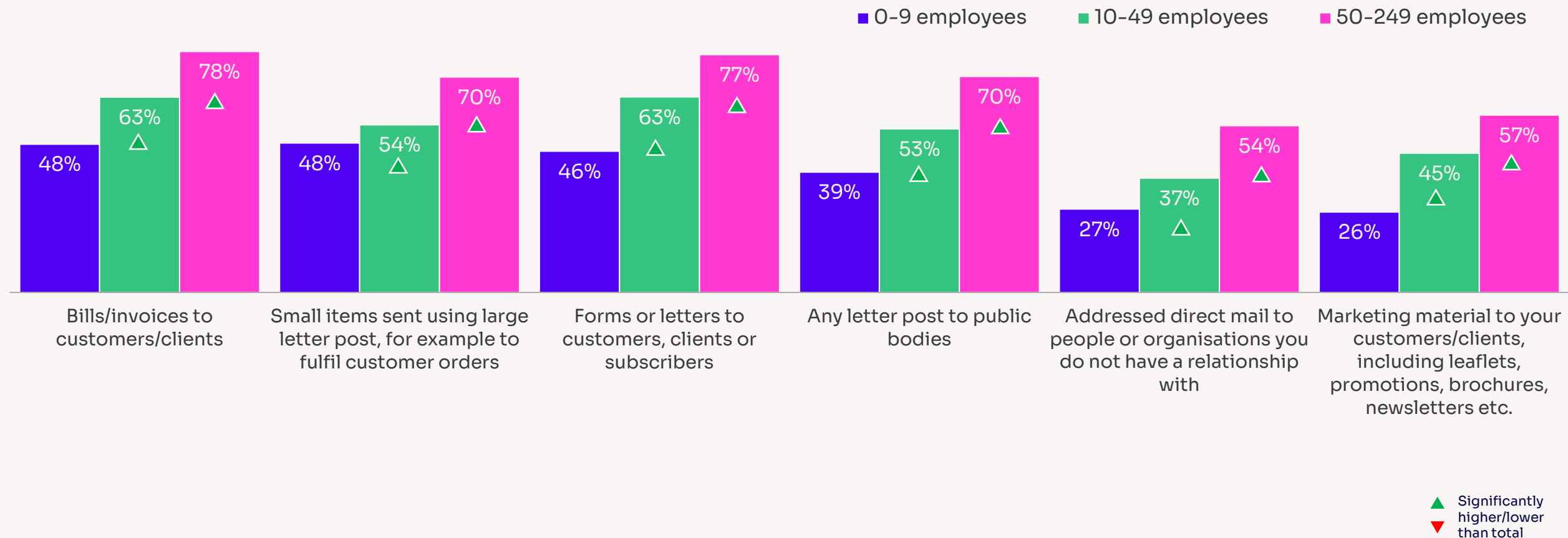
Source: Ofcom Post User Needs SME Survey

Question: A3. In the last month, how many of each of the following types of items has your organisation sent in the post? Please only include items that you have sent within the UK, to destinations within the UK.

Base: Send letters (864)

For all letters types, larger SMEs are more likely to have sent at least one letter in the last month

At least about 1 postal letter sent in the last month, by letter type among SMEs



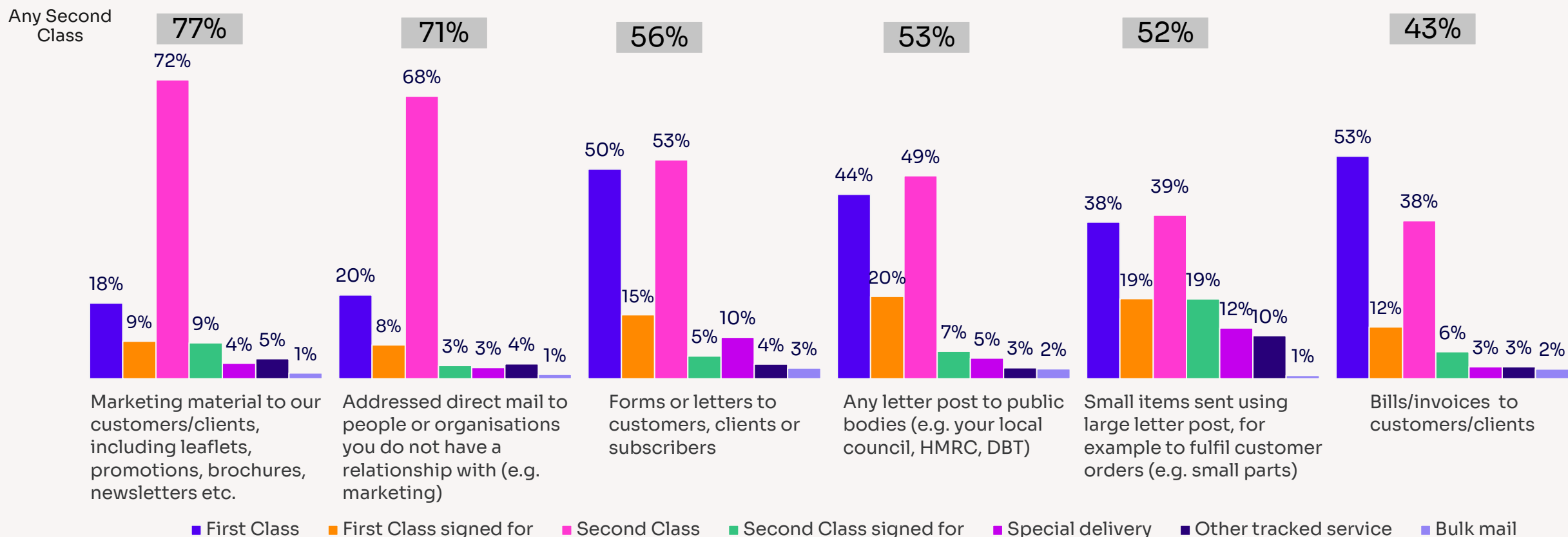
Source: Ofcom Post User Needs SME Survey

Question: A3. In the last month, how many of each of the following types of items has your organisation sent in the post? Please only include items that you have sent within the UK, to destinations within the UK.

Base: Send letters and 0-9 employees (512), 10-49 employees (191), 50-249 employees (161)

Almost 4 in 5 SMEs that send marketing materials to customers use Second Class, whilst 7 in 10 of those that send addressed direct mail do so

Proportion of post by postage type for each post type sent



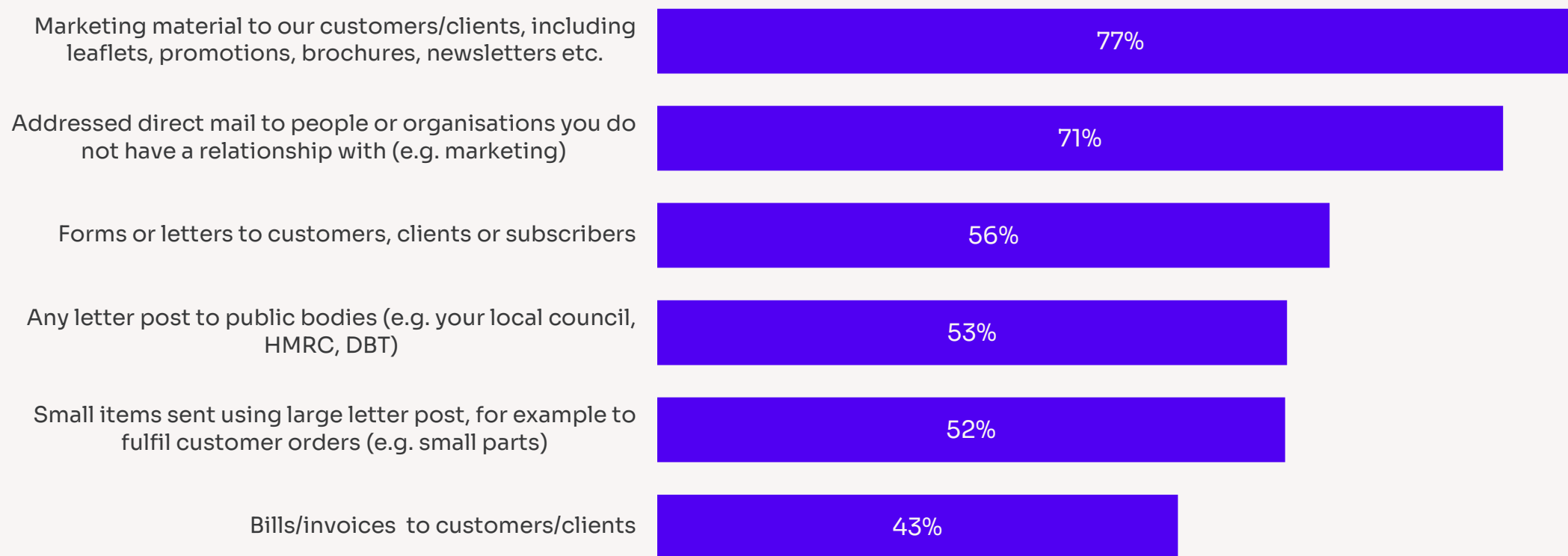
Source: Ofcom Post User Needs SME Survey

Question: A4. What type(s) of postage do you use for each of the types of letters you send?

Base: All who ever sent Forms or letters (620), Any letter post to public bodies (641), Bills/invoices to customers/clients (636), Marketing material (445), Addressed direct mail (409), Small items (578)

Almost 4 in 5 SMEs that send marketing materials to customers use Second Class, whilst 7 in 10 of those that send addressed direct mail do so

Proportion of post for each post type sent: Second Class or Second Class Signed for



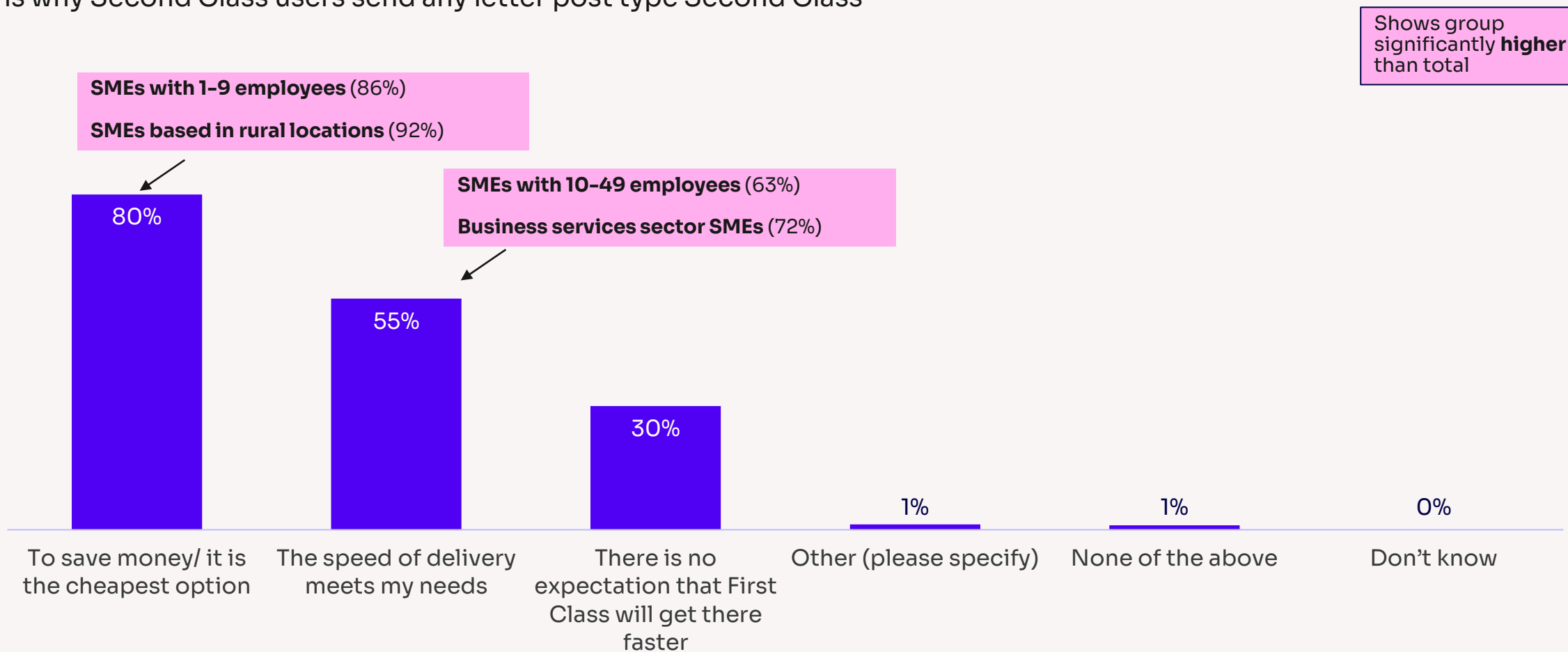
Source: Ofcom Post User Needs SME Survey

Question: A4. What type(s) of postage do you use for each of the types of letters you send?

Base: All who ever sent Forms or letters (620), Any letter post to public bodies (641), Bills/invoices to customers/clients (636), Marketing material (445), Addressed direct mail (409), Small items (578)

Cost is the main reason given by SMEs for choosing to send letters using Second Class

Reasons why Second Class users send any letter post type Second Class



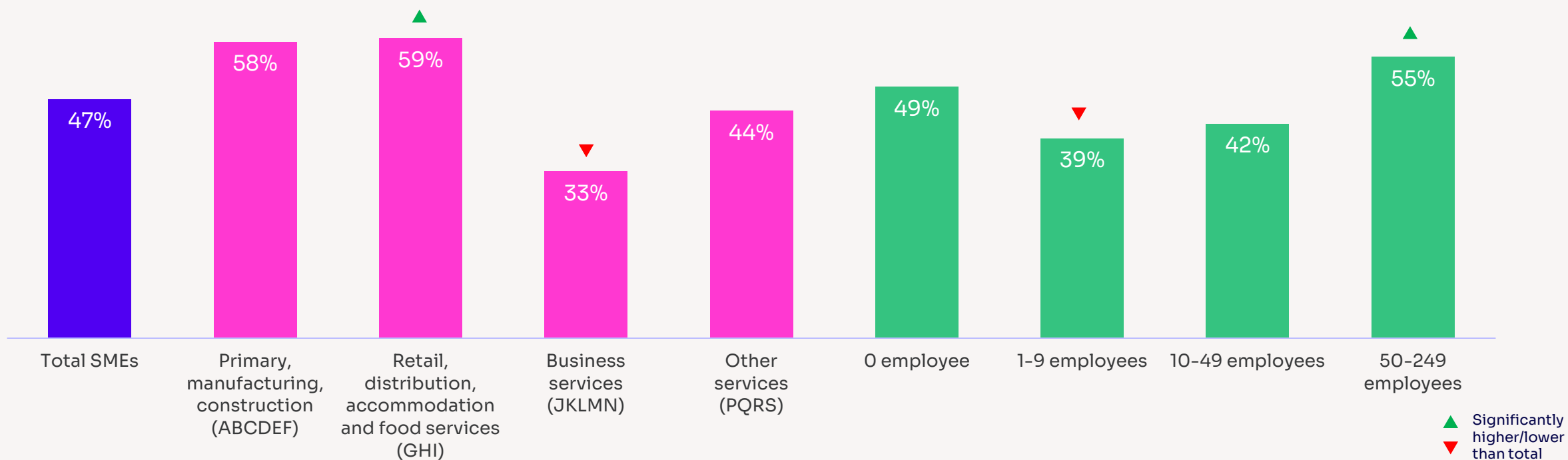
Source: Ofcom Post User Needs SME Survey

Question: A5. Which of the below reasons, if any, describe why you send post using Second Class?

Base: All respondents who send Second Class post (569)

Just under half of SMEs ever send small items using letter post. The proportion increases to just over half among larger SMEs

Proportion of SMEs that **send small items** to customers using letter post, by industry group and size



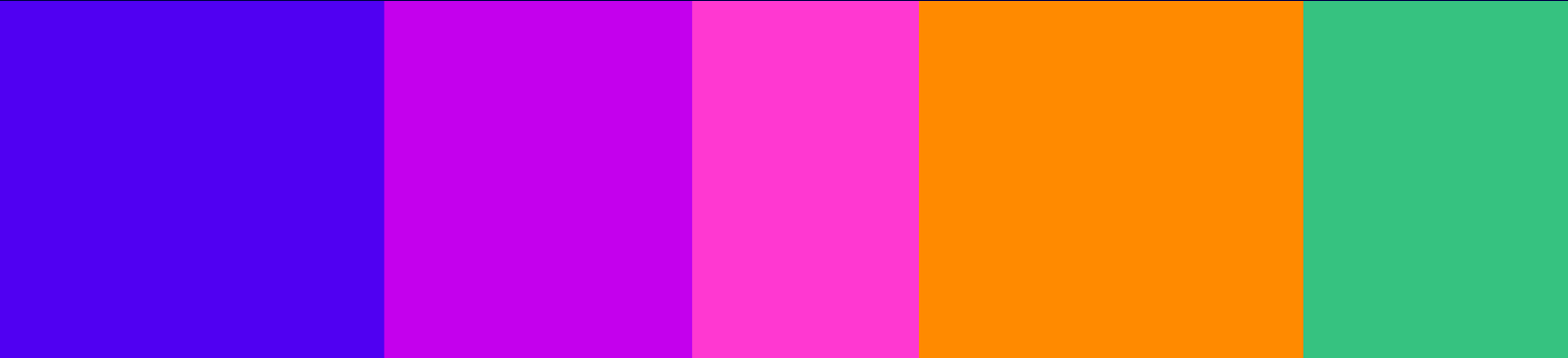
Source: Ofcom Post User Needs SME Survey

Question: A6: Do you ever use letter post to send small items to customers, for example to fulfil orders?

Base: All SMEs excluding SMEs who never send or receive (894)

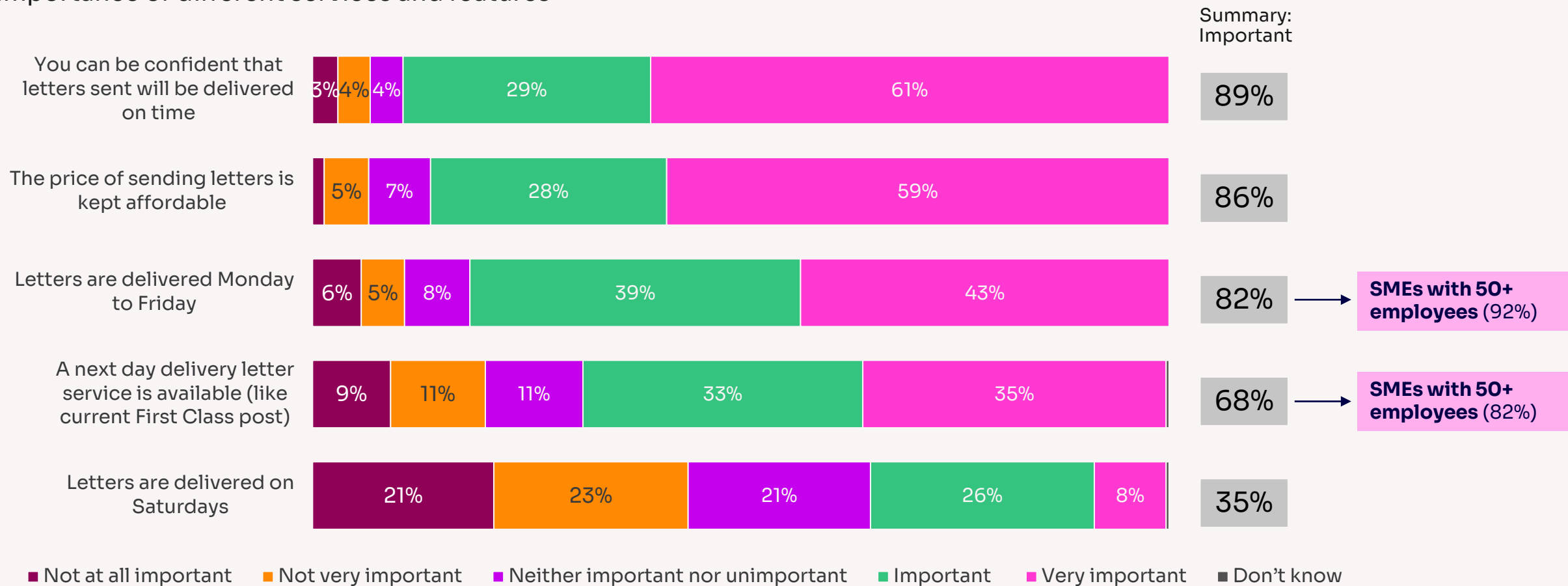
SME

Section 2: Postal Priorities



Affordability and reliability are the most important service aspects for SMEs, while just 1 in 3 say letters being delivered on a Saturday is important

Importance of different services and features



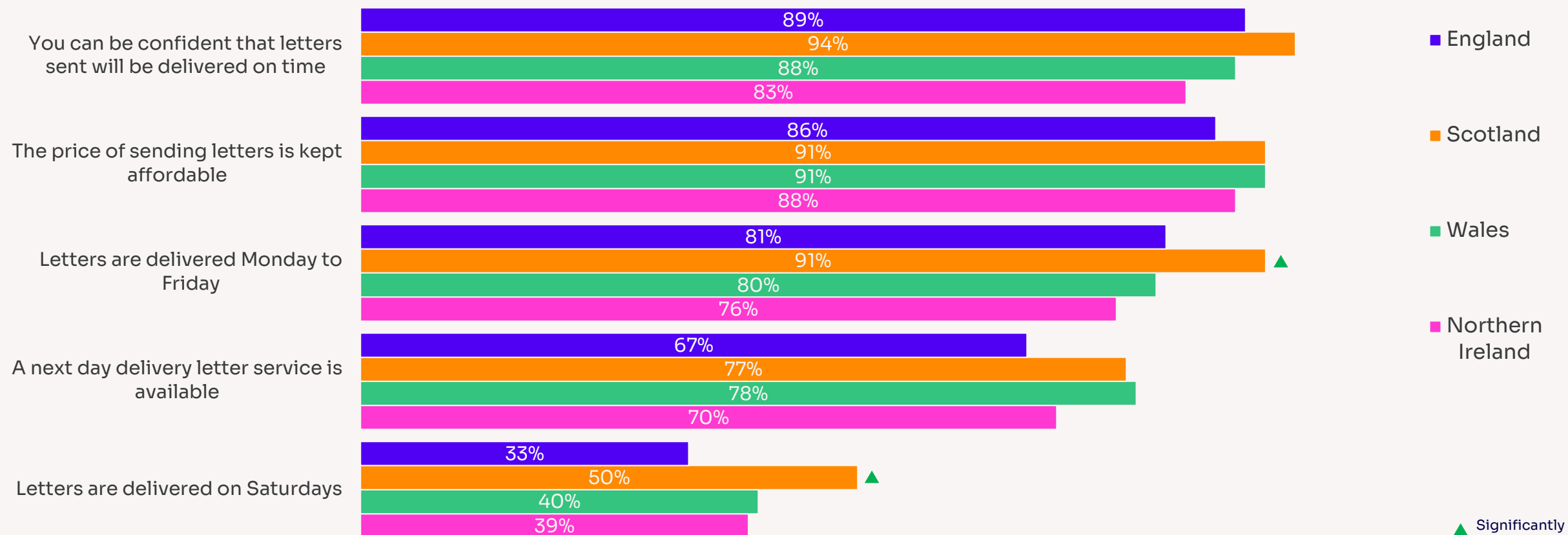
Source: Ofcom Post User Needs SME Survey

Question: A1. Thinking about letters your organisation sends and receives, how important is it to your organisation that...

Base: All respondents excluding those who never send or receive post (894)

Weekday delivery and Saturday delivery are both significantly more important to SMEs in Scotland

Importance of different services and features (Important/very important by nation)*



*Data collection in Wales consisted of 56% panel and 44% CATI database, a higher proportion of CATI than other nations. The Wales sample has a more even split of SMEs with 0 employees and SMEs with 1-9 employees, while data for other nations had a higher proportion of SMEs with 0 employees. Note that the weighting applied was not made interlocking to minimise impact to avoid extreme weighting values.

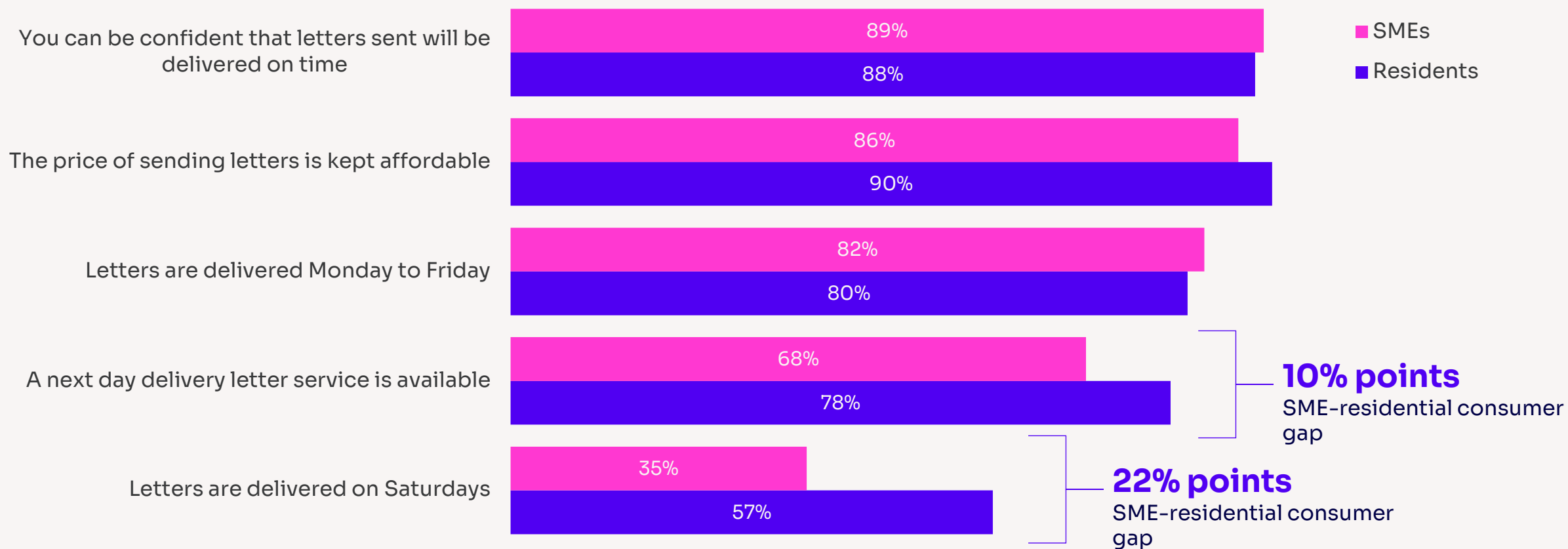
Source: Ofcom Post User Needs SME Survey

Question: A1. Thinking about letters your organisation sends and receives, how important is it to your organisation that...

Base: All respondents excluding those who never send or receive post (894) England (513) Scotland (149) Wales (122) Northern Ireland (110)

Compared to residential consumers, SMEs place lower importance on Saturday and next-day delivery

Agreement that different services and features are **important/very important**, SMEs compared to residential sample



Source: Ofcom Post User Needs SME Survey

Question: A1. Thinking about letters your organisation sends and receives, how important is it to your organisation that... (Residential: A0. Thinking about letters, greetings cards and postcards, how important is it to you that...)

Base: All SME respondents (894), residents (3145)

MaxDiff Analysis was used to establish relative importance of different aspects to SMEs

- As in the residential survey, we used a MaxDiff approach to indicate the “most important” and the “least important” options in each of a series of randomly given sets.
- In this analysis, participants who took part online were asked to choose ‘trade-offs’ between attributes, so scores are relative, and a lower importance score does not necessarily mean it is unimportant overall.
- Respondents were shown 8 sets of 3 options and asked to pick ONE that they felt was most important overall and ONE that they felt was least important.
- Telephone (CATI) respondents were not asked the MaxDiff question because reading them out would have been too time-consuming and difficult for the respondent to answer.

Thinking about the postal service and the sending and receiving of letters as a whole, we want to understand what you think is important to your organisation.

To help us understand this, you will shortly be shown 8 short questions, each showing a set of 3 options. For each set, please select the one you feel is the most important and the one you feel is the least important to your organisation.

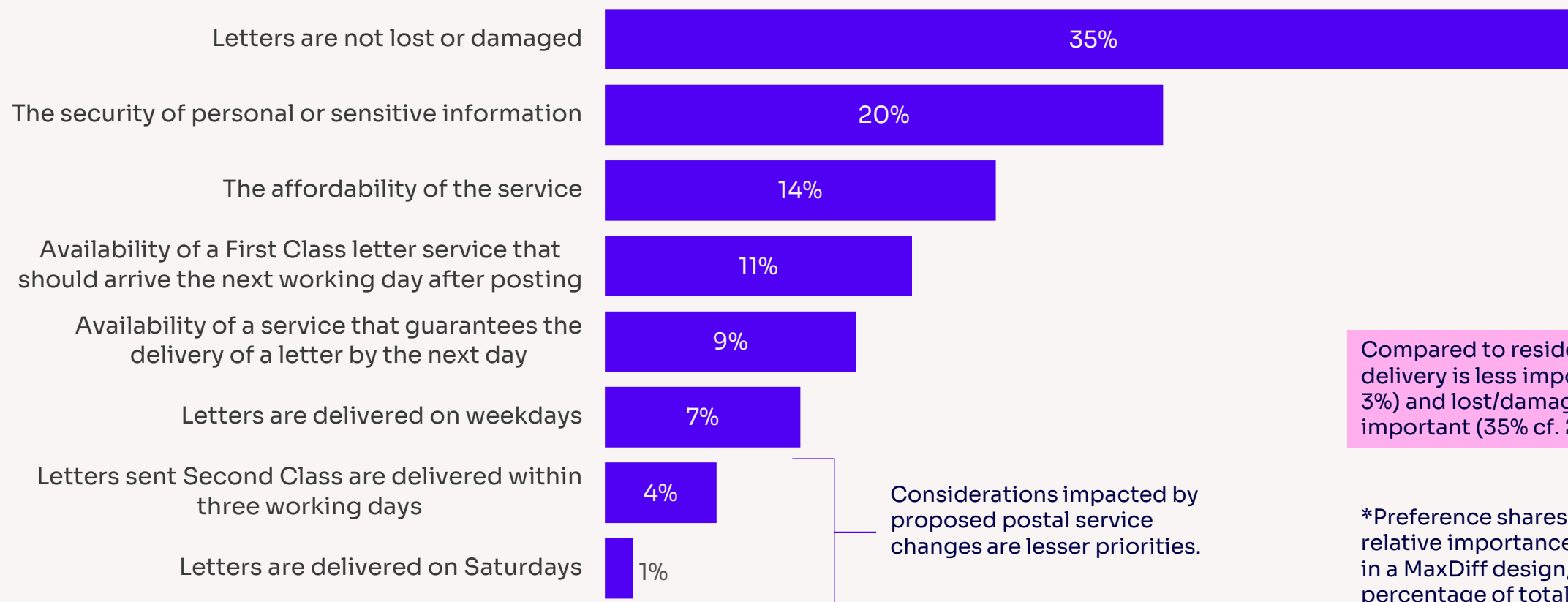
Set 1 of 8

	Most important	Least important
Availability of a First Class letter service that should arrive the next working day after posting	<input type="radio"/>	<input type="radio"/>
Letters sent Second Class are delivered within three working days	<input type="radio"/>	<input type="radio"/>
The security of personal or sensitive information	<input type="radio"/>	<input type="radio"/>

Example respondent view

Not losing or damaging letters and keeping personal/sensitive information secure are the most important aspects to SMEs. Delivering letters on a Saturday is the least important

Importance of aspects of postal service (preference shares from MaxDiff)*



Compared to residential, Saturday delivery is less important (1% cf. 3%) and lost/damaged is more important (35% cf. 25%)

*Preference shares express the relative importance of each option in a MaxDiff design, showing the percentage of total importance held by each.

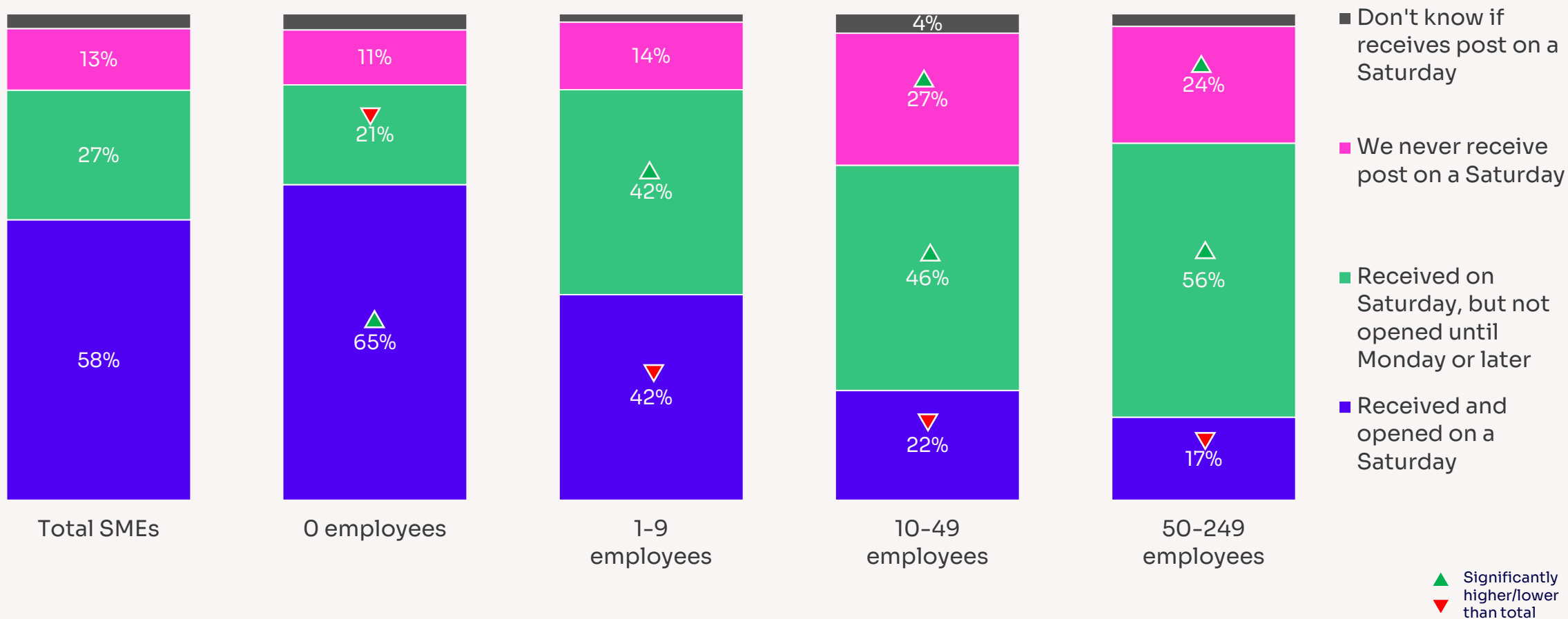
Source: Ofcom Post User Needs SME Survey

Question: B3. For each set, please select the one you feel is the most important and the one you feel is the least important to your organisation.

Base: All who completed the interview online (546)

The smaller the SME, the more likely it is that Saturday letter post is received and opened same day

Receipt of letter post **on a Saturday** by Employee size



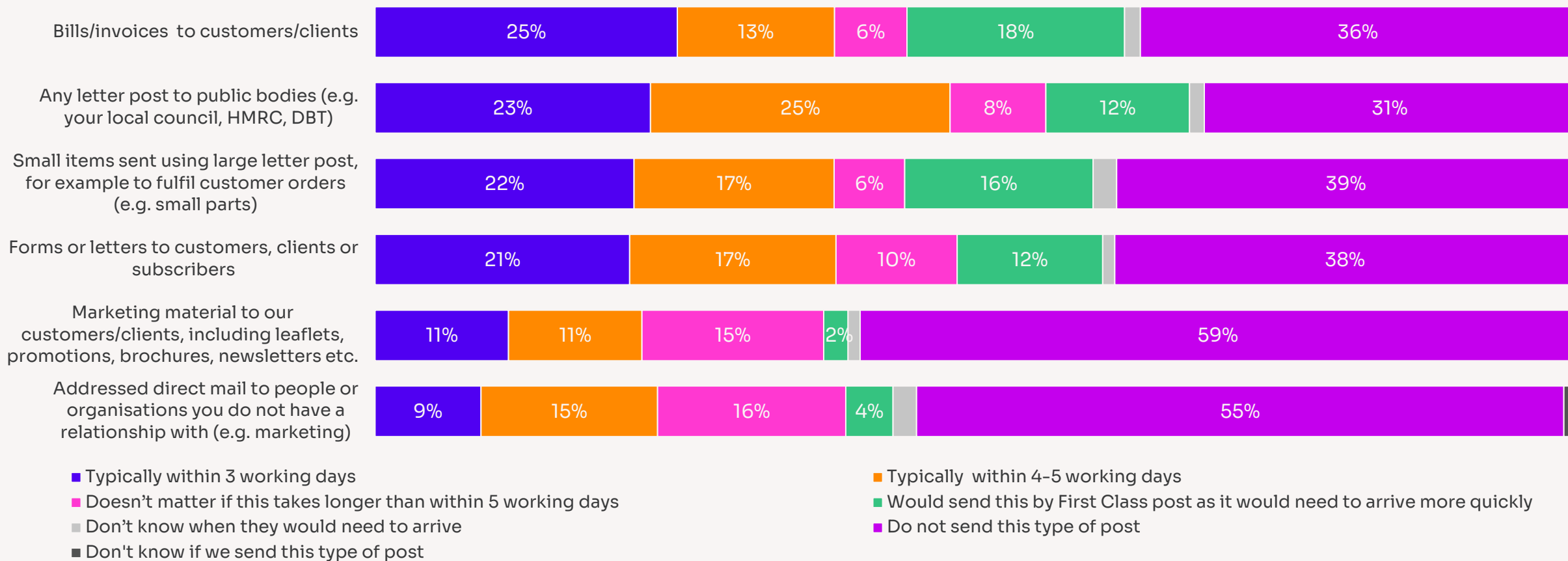
Source: Ofcom Post User Needs SME Survey

Question: C3. Which of the following is the most accurate statement regarding your business receiving letter post?

Base: All respondents who receive letters, Total (889) 0 employees (185), 1-9 employees (346), 10-49 employees (194), 50-249 (164)

Bills/invoices are the types of Second Class letter post that SMEs are most likely to need to arrive within 3 working days of sending and the most likely to be sent using first class to arrive more quickly

When Second Class letters need to arrive after posting



Source: Ofcom Post User Needs SME Survey

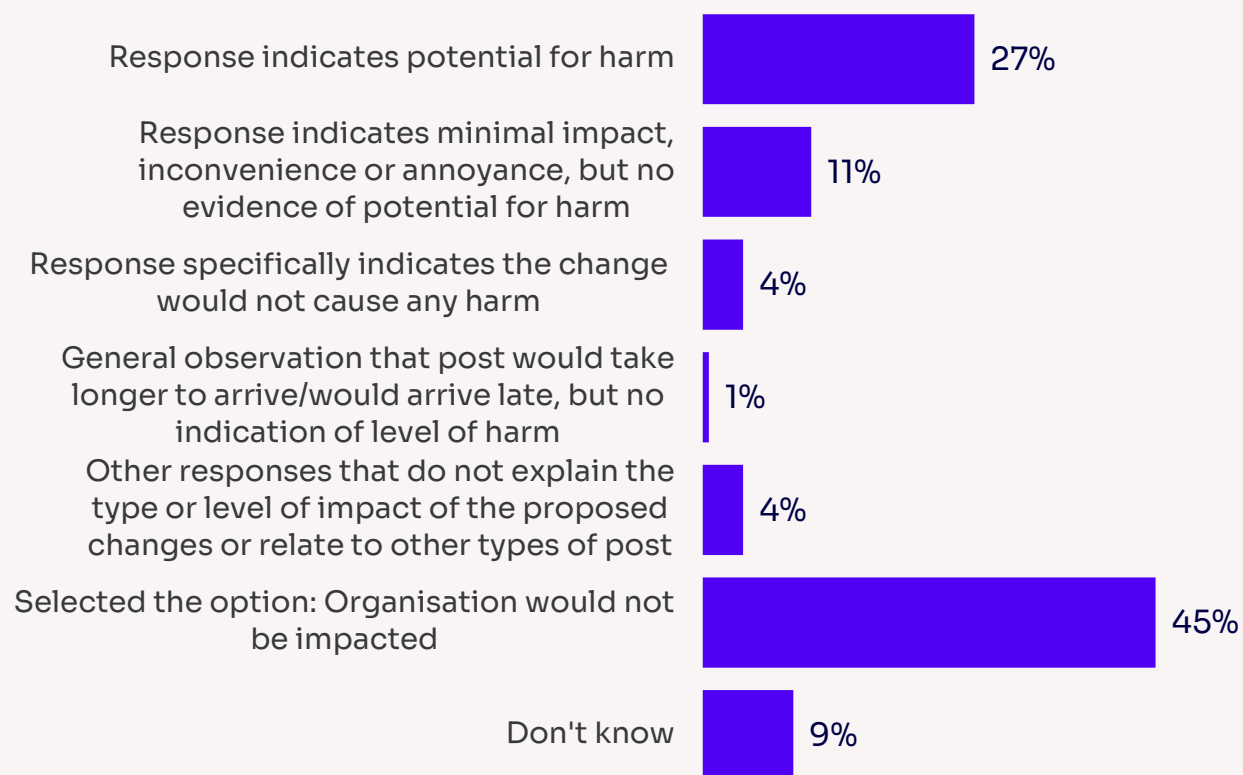
Question: B1. Thinking about the types of letters your organisation might send by Second Class post, please indicate how long after posting you would typically need them to arrive.

Base: All SME respondents (897)

Among SMEs who say they need at least one type of Second Class letter to arrive within three working days of sending, many say a one-day delay in delivery would not have a substantial impact

Description of impact of Second Class post taking one day longer

Categorised level of impact*



Concerns/actions



Question B2 [CODED]. You said at least some of the types of post your organisation currently sends using Second Class typically must arrive within 3 working days of posting. If this did not happen and your organisation's Second Class letters took one working day longer to be delivered, how would your organisation be impacted?

Base: All who say they would send by Second Class and it must be delivered within 3 working days of posting (459).

Among those that said that some Second Class letters must be delivered within 3 working days of sending, some SMEs say that slower delivery of Second Class letters to clients would reflect negatively on them as a business

Impact of Second Class Post not arriving within 3 working days of posting (among those that send Second Class and say they typically need it to arrive within 3 days of sending)

45% selected “Organisation would not be impacted”, whilst a further **11%** gave a response that indicated minimal impact, inconvenience or annoyance.*

“More irritating than essential. We need to be first in communication queue before our rivals

“It would be annoying but we would survive and we would just have to act on it

27% gave a response that indicates the potential for harm

“It would reflect badly on the business if the customer was expecting the parcel within a certain time frame

“It would put doubts in our customers minds that we weren't very efficient.

“It would be our reputation which would be affected, because we won't be getting the goods to the customer

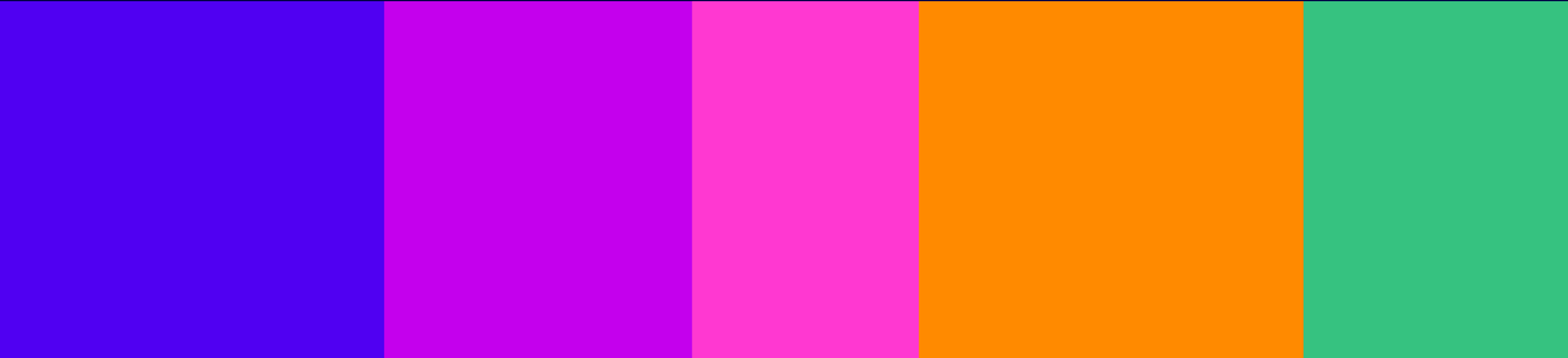
Question B2 [CODED]. You said at least some of the types of post your organisation currently sends using Second Class typically must arrive within 3 working days of posting.

If this did not happen and your organisation's Second Class letters took one working day longer to be delivered, how would your organisation be impacted?

Base: All who say they would send by Second Class and it must be delivered within 3 working days of posting (459).

SME

**Section 3.1: Stated impact of
proposed changes on receiving
letter post**



Proposed changes to postal service shown to respondents

To present the changes to respondents, those completing the survey online were told to read the background to the proposed changes carefully, and shown the outline of the impacts and a further example of how this might affect Second Class post. Those completing via the telephone received the following information:

We will now ask you some questions about potential changes to the delivery of letters. Over recent years the number of items being sent using letter post has been falling. Because of this, Royal Mail has received less money from organisations and consumers but must still provide the same service and deliver six days a week.

In response to this, Ofcom is thinking about the future needs of people and organisations in the UK. Ofcom would like to understand whether the needs of the people and companies that send and/or receive mail would be met if certain changes were to be made to the delivery of letters by Royal Mail.

We are interested in your views of proposed changes to the frequency of delivery of letters sent by Second Class post, and Standard Business Letters (i.e. those that are typically sent by larger organisations or those that send a high volume of letters).

The proposed changes would have three main impacts:

Change 1
Letters and cards sent by Second Class post would no longer be delivered on Saturdays.

Change 2
Standard letters sent by businesses and organisations would no longer be delivered on Saturdays and could take a day longer to be delivered than they do today.

Change 3
If you sent a letter or card by Second Class post, it would no longer be delivered to the recipient on a Saturday and it may take a day longer to arrive than it would today.

No changes would be made at all to First Class letters service or **urgent** business mail (that is letters sent by businesses or organisations).

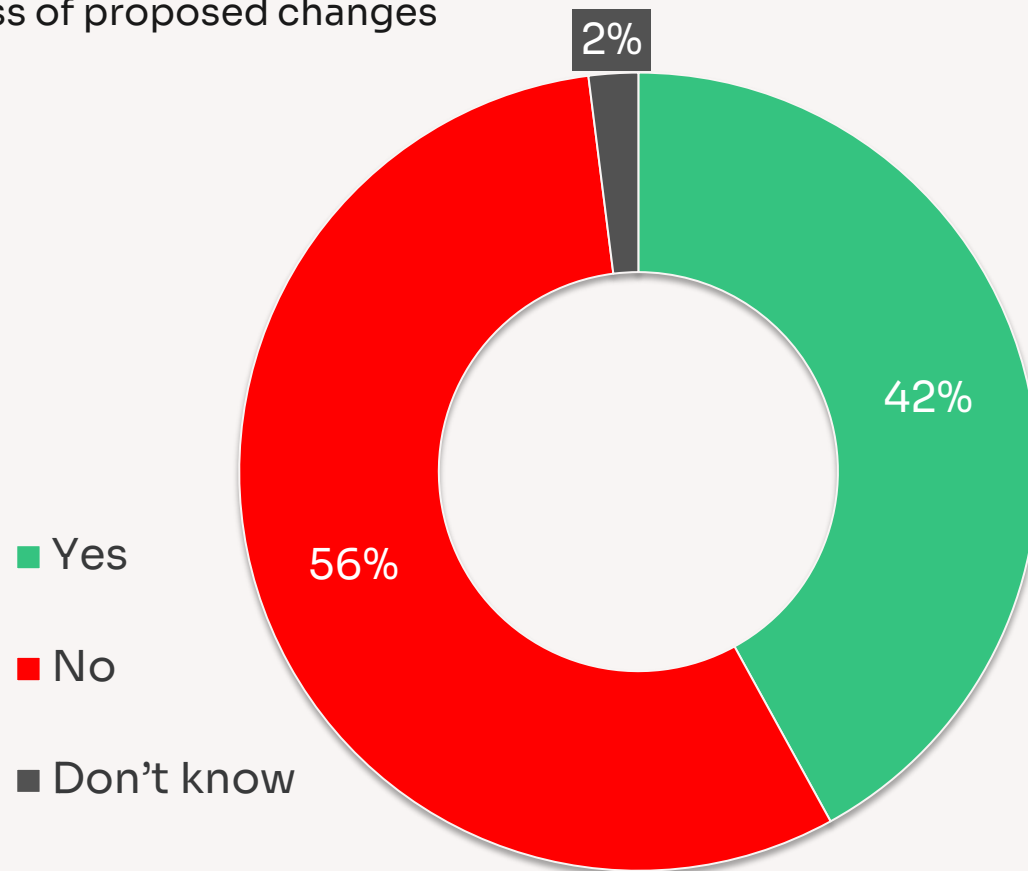
No changes would be made to the delivery of parcels sent via Royal Mail

From October 2024, the price of a standard Second Class letter stamp will be 85p and the price of a standard First Class letter stamp will be £1.65.

At the moment, when you use Second Class letter post in the UK you can expect it to arrive within 3 working days after the day it is posted (Saturday is currently counted as a working day). The new proposal means that Saturday would **no longer count as a working day for the Second Class service**, so if you posted the letter or card by Second Class post on a Wednesday, Thursday, Friday or Saturday you could expect it to arrive a day later than it would now.

Less than half of SMEs claimed to be aware of the proposed changes

Prior awareness of proposed changes



Those who were significantly more likely to be aware of the changes:

- **Those in Retail, distribution, accommodation and food services (58%)**
- **Those in the South of England (51%)**
- **50 – 249 employees (50%)**

Those who were significantly less likely to be aware of the changes:

- **North of England (23%)**
- **Never send small items (36%)**

Source: Ofcom Post User Needs SME Survey

Question: CO. Before today, were you aware of these proposed changes to letter post?

Base: All respondents excluding those who never send or receive post (894).

The changes would not have a big impact on SMEs receiving letter post, with small items using large letter post the most impacted

Overall impact on letter post received

■ Don't receive this type of post*

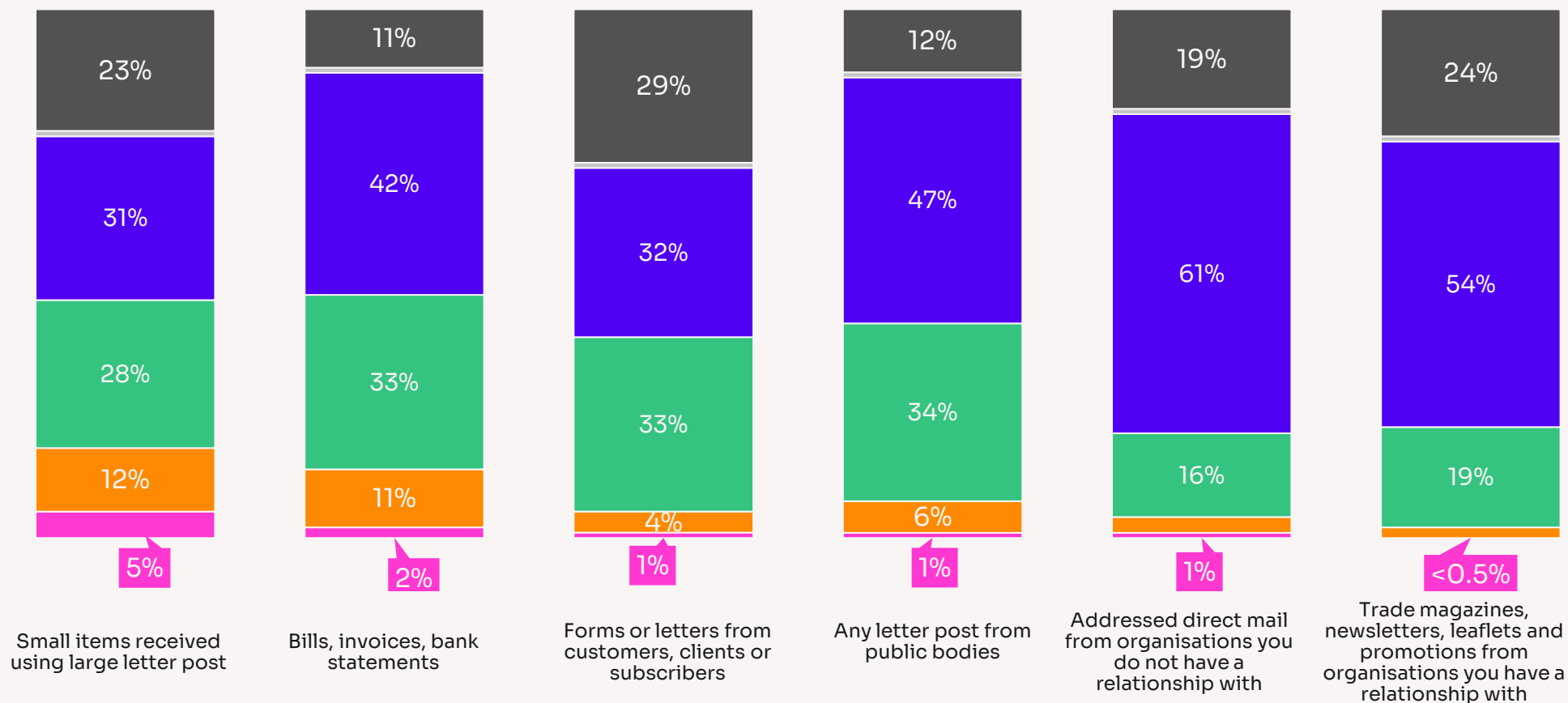
■ Don't know

■ This would make no difference

■ This would be inconvenient, but not a big problem

■ This would be a big inconvenience

■ This would cause substantial harm or difficulties- if this happened, the service provided by Royal Mail would no longer meet my organisation's needs



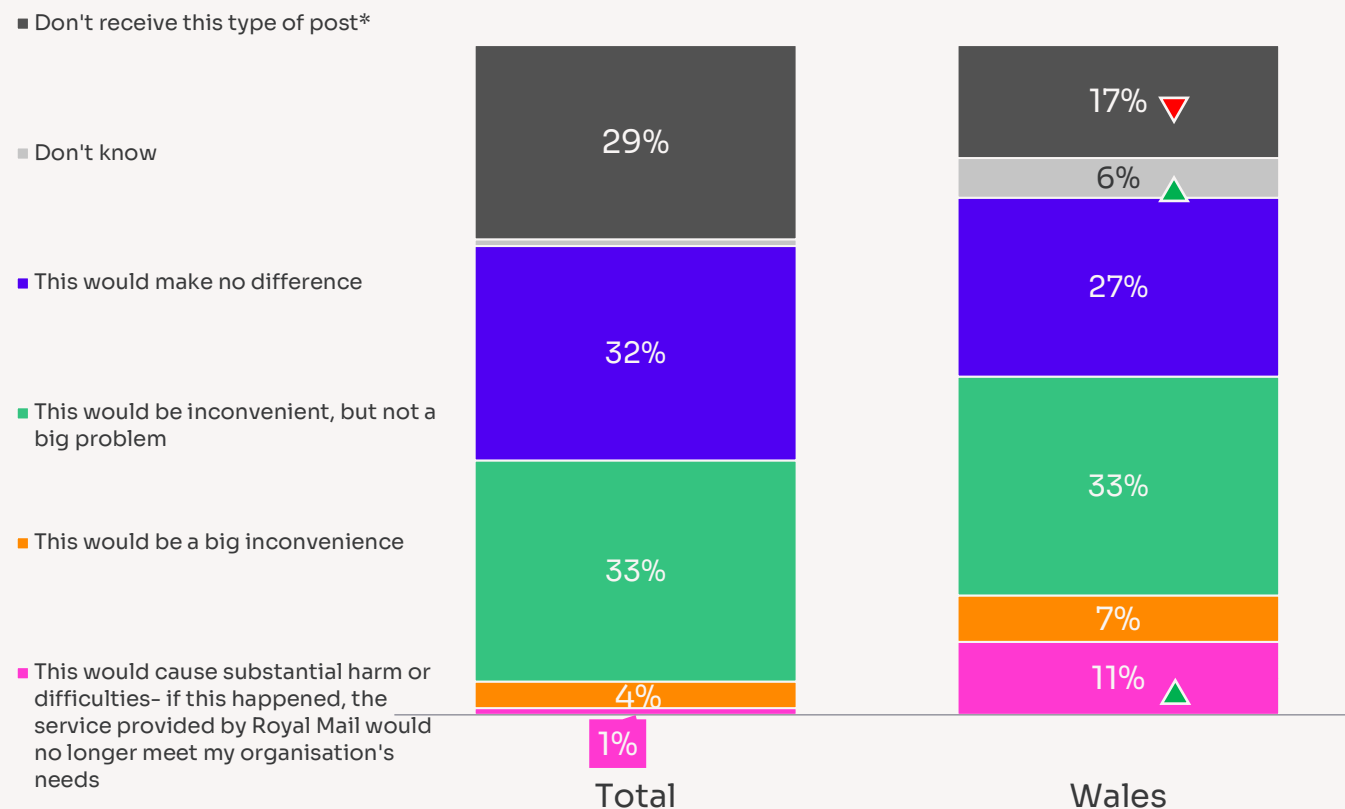
Source: Ofcom Post User Needs SME Survey

Question: C1. How much of an impact, if any, do you think these changes would have on your organisation, when you consider the types of letters your organisation receives?

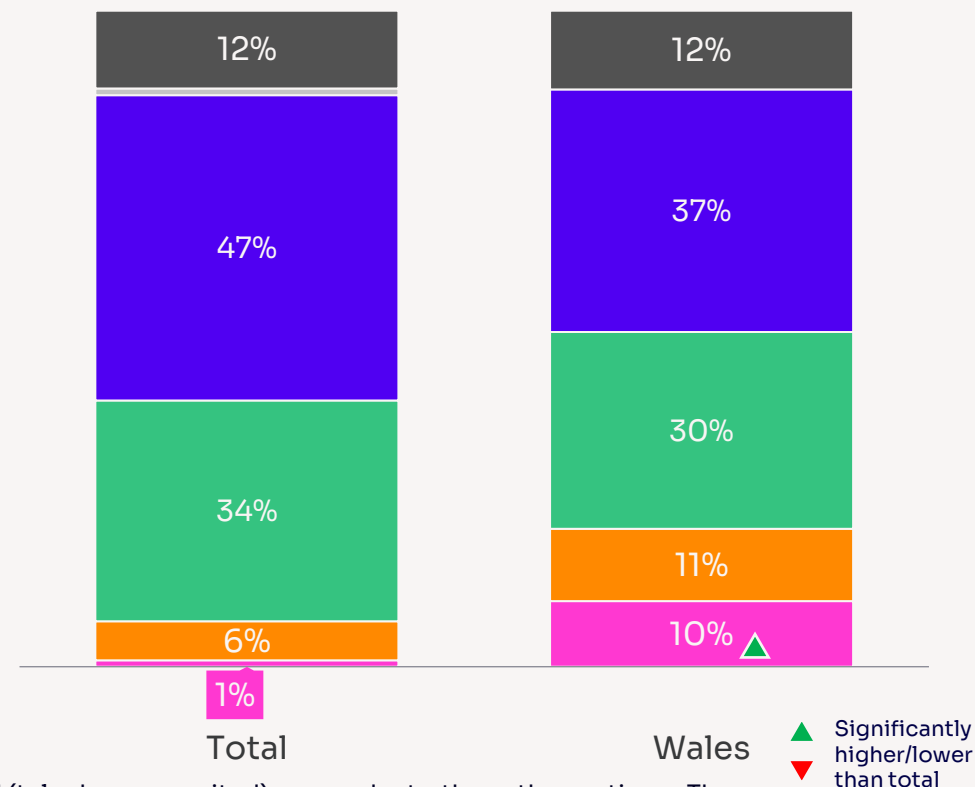
Base: All respondents (897) *Includes where respondent does not know if they receive this type of post

SMEs in Wales are more likely to say they would be impacted by the changes in relation to forms or letters from customers and post from public bodies*

Overall impact on post **received** – Forms or letters from customers/clients/subscribers



Overall impact on post **received** – Any letter post from public bodies



*The data collection in Wales consisted of 56% panel and 44% CATI database, and therefore has a higher proportion of CATI (telephone recruited) respondents than other nations. The Wales sample has a more even split of SMEs with 0 employees and SMEs with 1-9 employees, whilst other nations' data consists of a higher proportion of SMEs with 0 employees, and SMEs with 0 employees are less likely to be impacted by the changes. The weighting applied was not made interlocking, so as to limit the weighting impact.

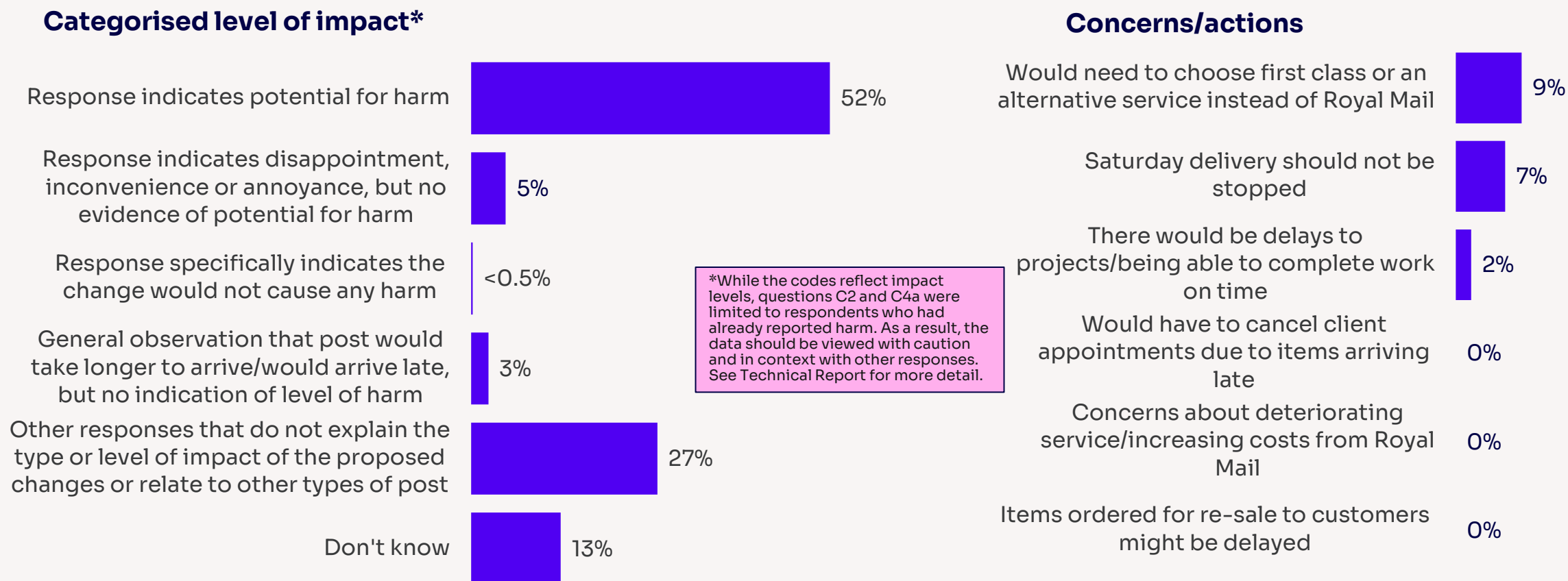
Source: Ofcom Post User Needs SME Survey

Question: C1. How much of an impact, if any, do you think these changes would have on your organisation, when you consider the types of letters your organisation receives?

Base: All respondents (897) Wales (122) *Includes where respondent does not know if they receive this type of post

When those who anticipate a big inconvenience or more substantial impact were asked to explain this, half indicated a clear potential for harm, but few were specific in their examples

Description of perceived 'big' negative impact in relation to receiving letters – **Level and type of impact**

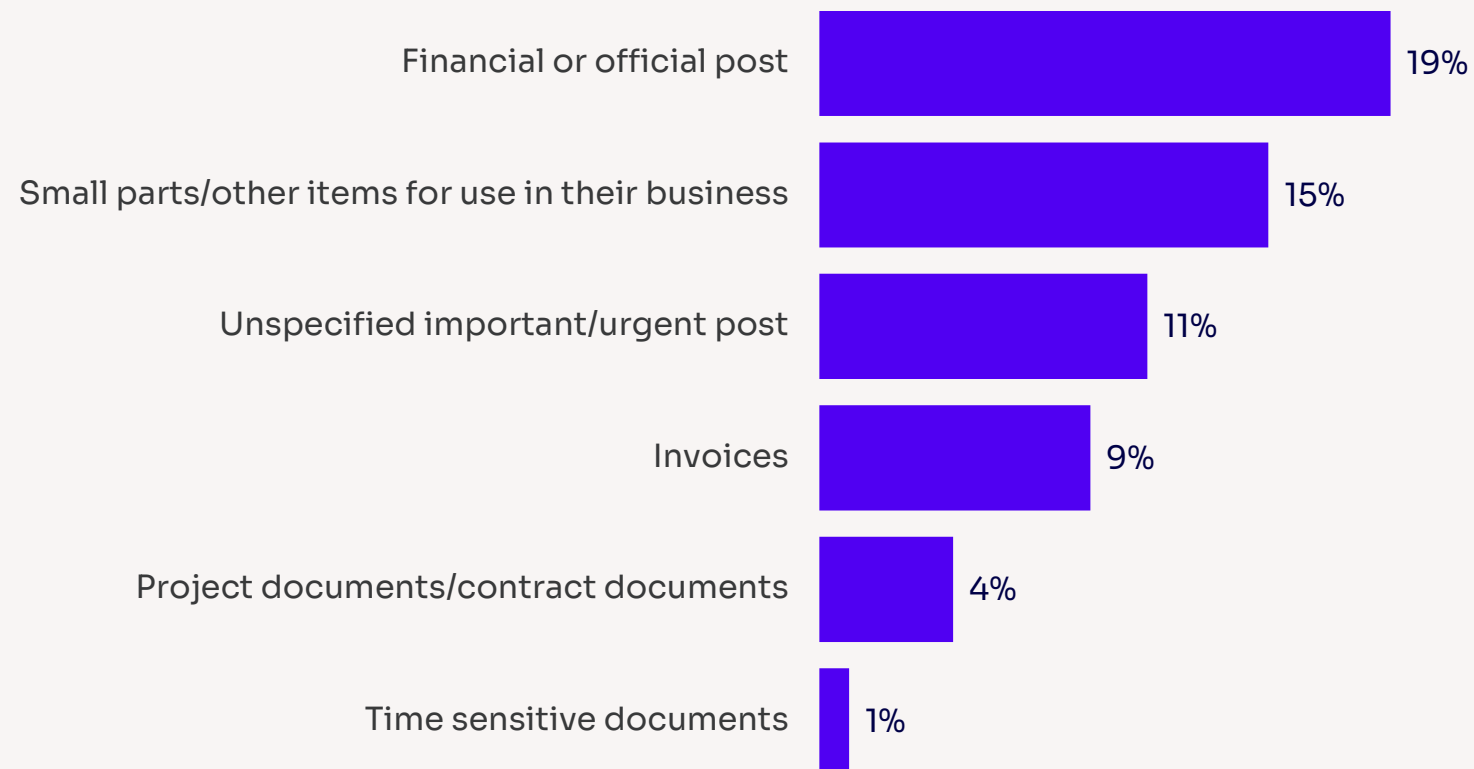


C2: [CODED] You said that this would be a big inconvenience or would have a substantial negative impact on your organisation and cause substantial difficulties in relation to some of the letters you receive – why is this?

Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they receive (241)

The types of letters received that SMEs most commonly mentioned when explaining negative impacts of proposed changes were official documents, for example from public bodies or financial institutions

Description of perceived 'big' negative impact in relation to receiving letters – **Type of post**



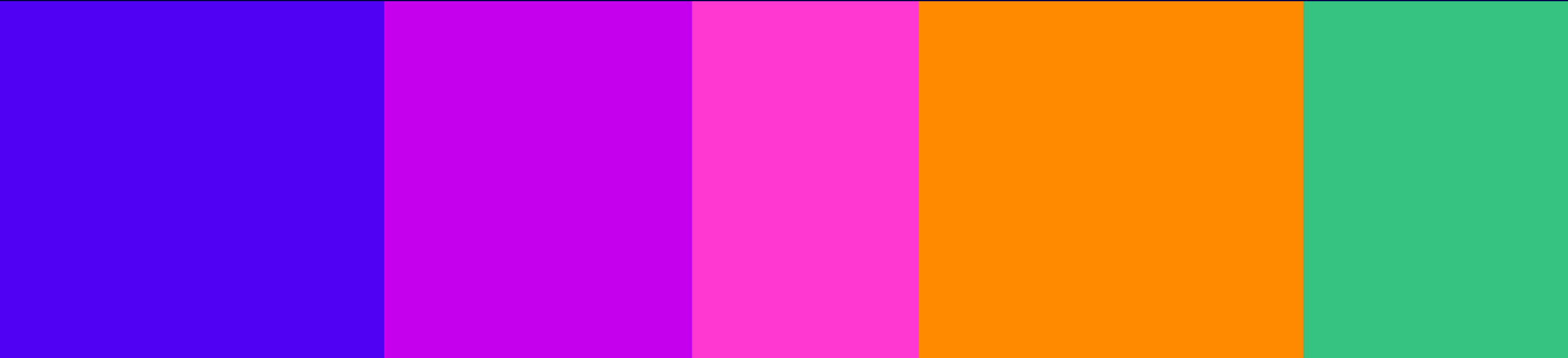
“With anything that comes through from HMRC or council anything to do with financial institution have time scales. If the letter had a 7 day reply to deadline and we receive it 5 days later after the date it was posted, this will impact us financially as we would miss the deadline. If they send it first class it will not affect us but if they send it second class it will affect us as there are deadlines for financial sectors, and days for us to reply to them with in.”

C2: [CODED] You said that this would be a big inconvenience or would have a substantial negative impact on your organisation and cause substantial difficulties in relation to some of the letters you receive – why is this?

Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they receive (241)

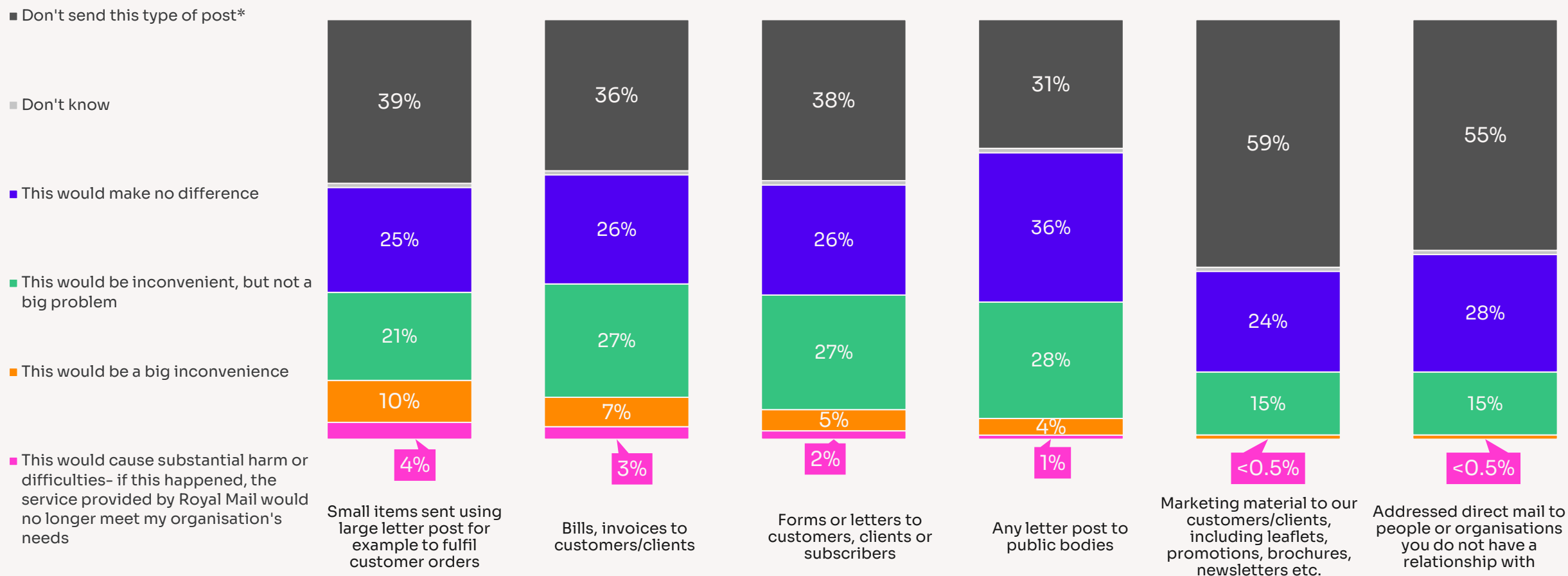
SME

**Section 3.2: Stated impact of
proposed changes on sending
letter post**



Overall, the research suggests that proposed changes wouldn't have a big impact on the large majority of letters that SMEs send

Overall impact on post sent



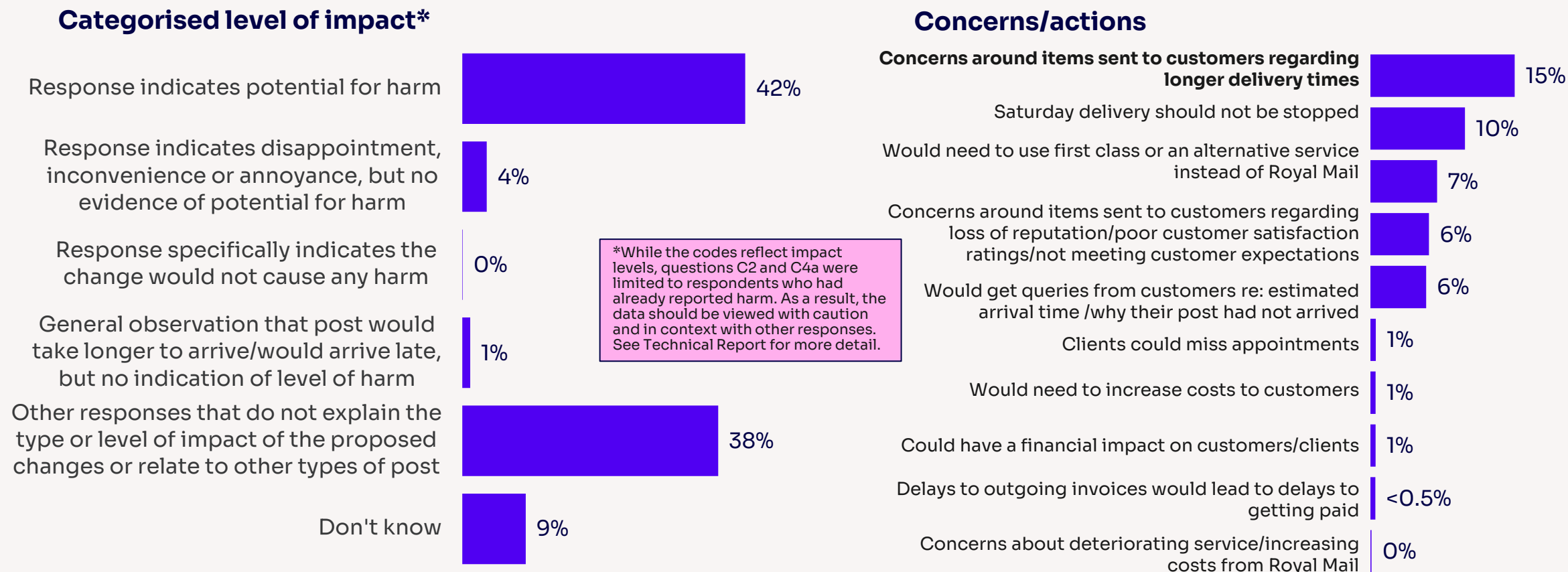
Source: Ofcom Post User Needs SME Survey

Question: C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letter post that your organisation sends?

Base: All respondents (897) *Includes where respondent does not send this type of post

When asked to describe the nature of the big negative impact, SMEs tended to be unable to give specific examples- when they did, most commonly it related to delivery times for customers (15%)

Description of perceived 'big' negative impact in relation to sending letters – **Level and type of impact**

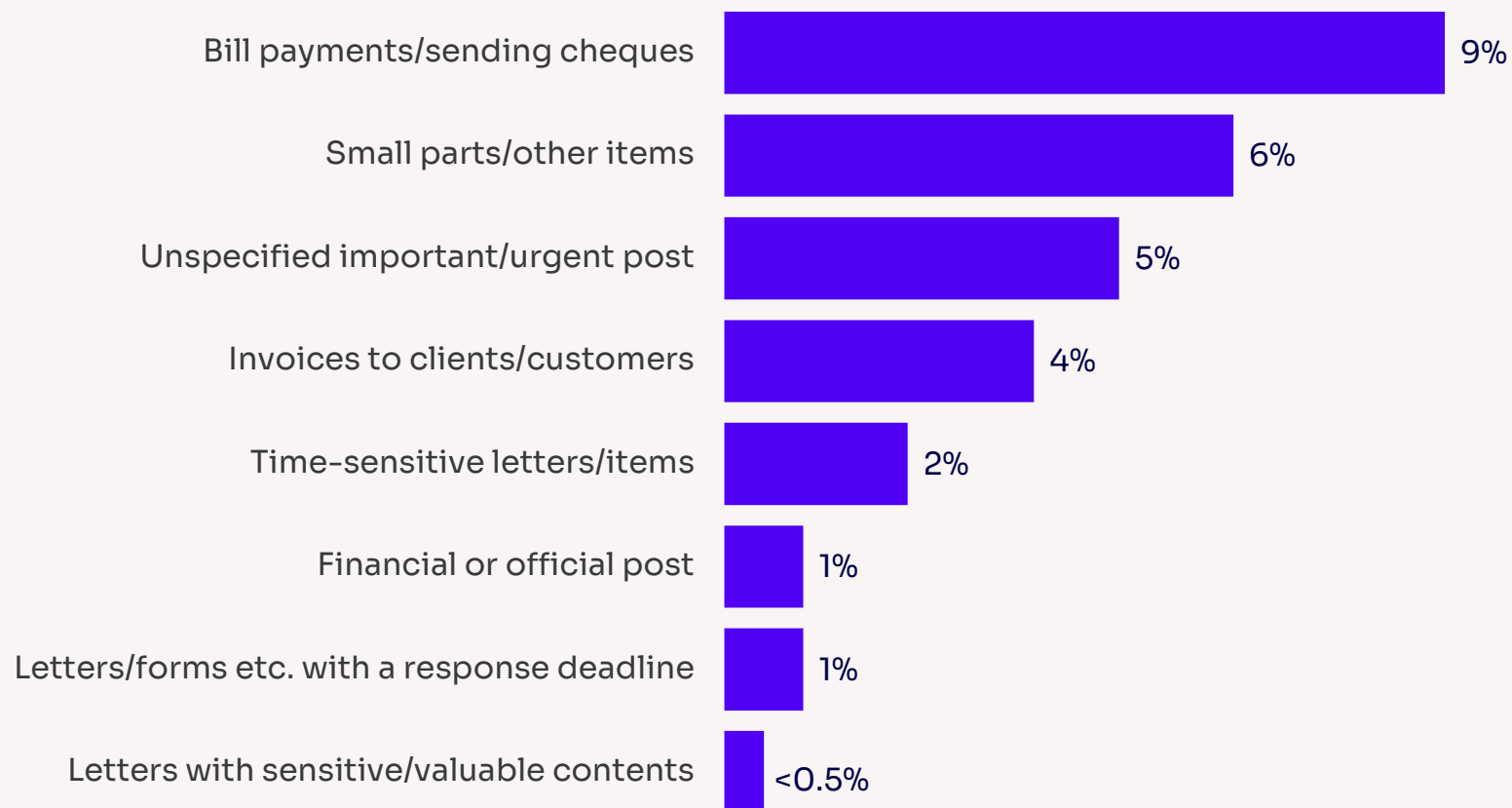


C4a: [CODED] You said that this would be a big inconvenience or would have a substantial negative impact on your organisation and cause substantial difficulties in relation to some of the letter post you send – why is this?

Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they send (192)

When SMEs described why they expected the changes to result in a negative impact in relation to letter sent, the types of letter most frequently mentioned were bill payments and small parts

Description of perceived 'big' negative impact in relation to sending letters – **Type of post**

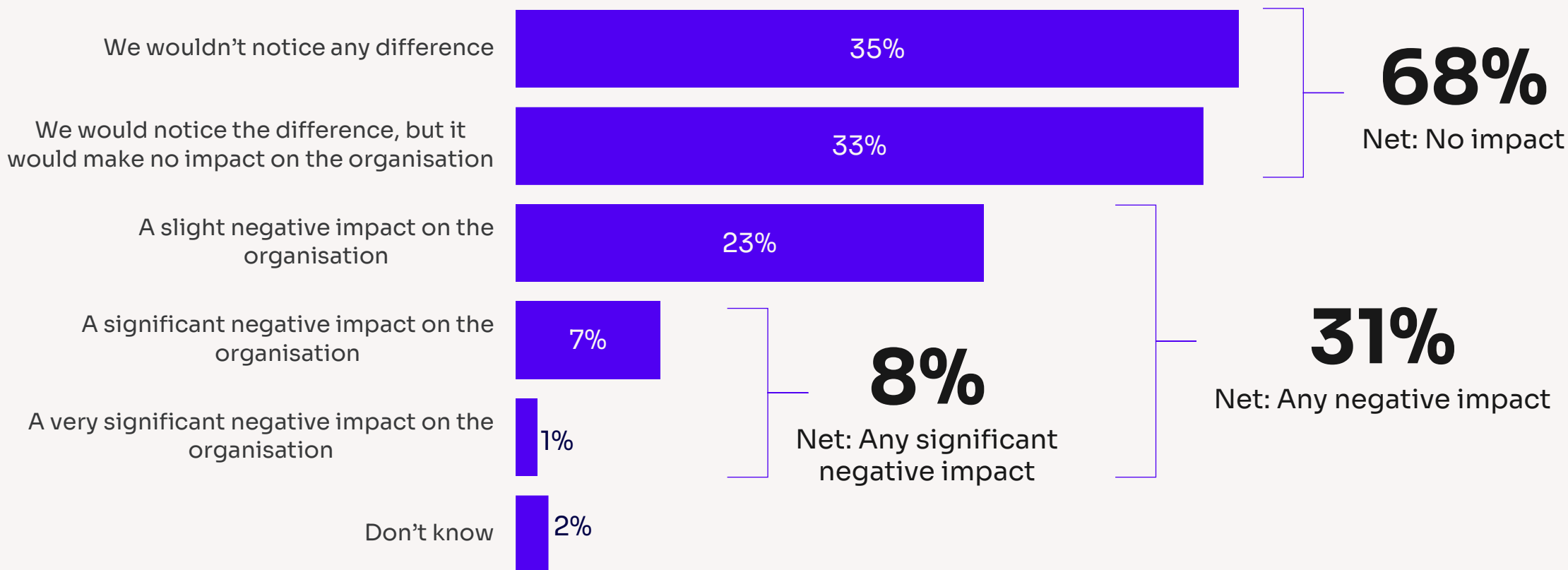


C4a: [CODED] You said that this would be a big inconvenience or would have a substantial negative impact on your organisation and cause substantial difficulties in relation to some of the letter post you send – why is this?

Base: Those who said the proposed changes would be a big inconvenience or cause substantial harm or difficulties for at least one type of letter post they receive (192)

Eight per cent of SMEs think the changes would have a significant negative impact on their business (1% said the impact would be very significant)

Overall impact on the business



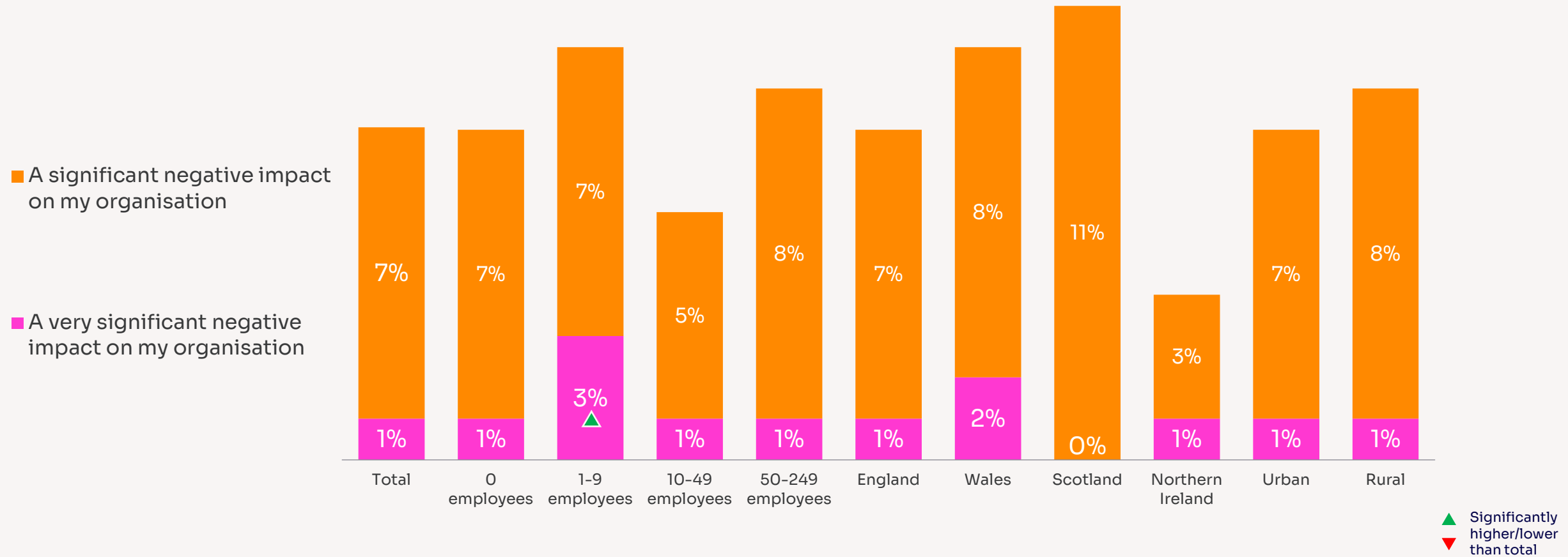
Source: Ofcom Post User Needs SME Survey

Question: C7. Thinking about all your business needs, to what extent do you think the changes would have an impact on your organisation?

Base: All respondents excluding those who never send or receive post (894)

The proportion saying the changes would cause a very significant negative impact on their organisation is higher amongst those in SMEs with 1-9 employees

Overall impact of proposed changes when **taking everything into consideration**



Source: Ofcom Post User Needs SME Survey

Question: C7. Thinking about all your business needs, to what extent do you think the changes would have an impact on your organisation?

Base: All respondents excluding those who never send or receive post (894) 0 employees (188) 1-9 employees (346) 10-49 employees (195) 50-249 employees (165) England (513) Scotland (149) Wales (122) Northern Ireland (110) Urban (709) Rural (185)

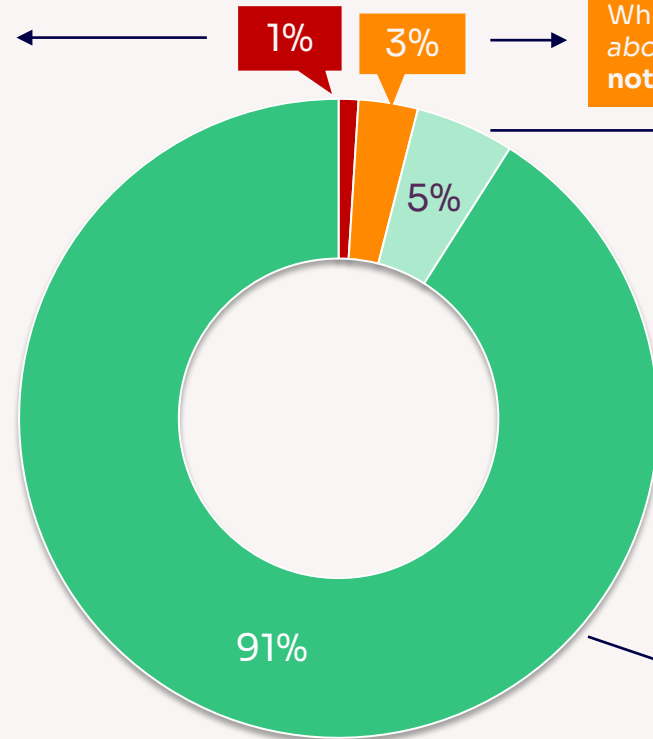
For the large majority of SMEs, needs would continue to be met. Just 1% say their needs would not be met and that there would be a very significant negative impact on their business

Overall impact

This group indicated that the new proposed service would not meet their needs for at least one type of letter that they send or receive.

When asked to state the extent of the impact of the proposed changes, *thinking about all business needs*, they indicated the changes would have a **very significant negative impact**.

SMEs more likely to be in this group include those with 1-9 employees (2%) and those who send letters daily (7%).



This group of SMEs indicated that the new proposed service would not meet their needs for at least one type of letter that they send or receive.

When asked to state the extent of the impact of the proposed changes, *thinking about all business needs*, they indicated the changes would have a **significant (but not 'very significant')** negative impact.

This group indicated that the new proposed service would not meet their needs for at least one type of letter that they send or receive.

However, when asked to state the extent of the impact of the proposed changes, *thinking about all business needs*, they indicated the changes would have a **no more than a slight negative impact**.

The majority of SMEs indicated that the new proposed service would **continue to meet their needs** for all types of letters that they send and receive.

Some indicated that the proposed changes would be inconvenient.

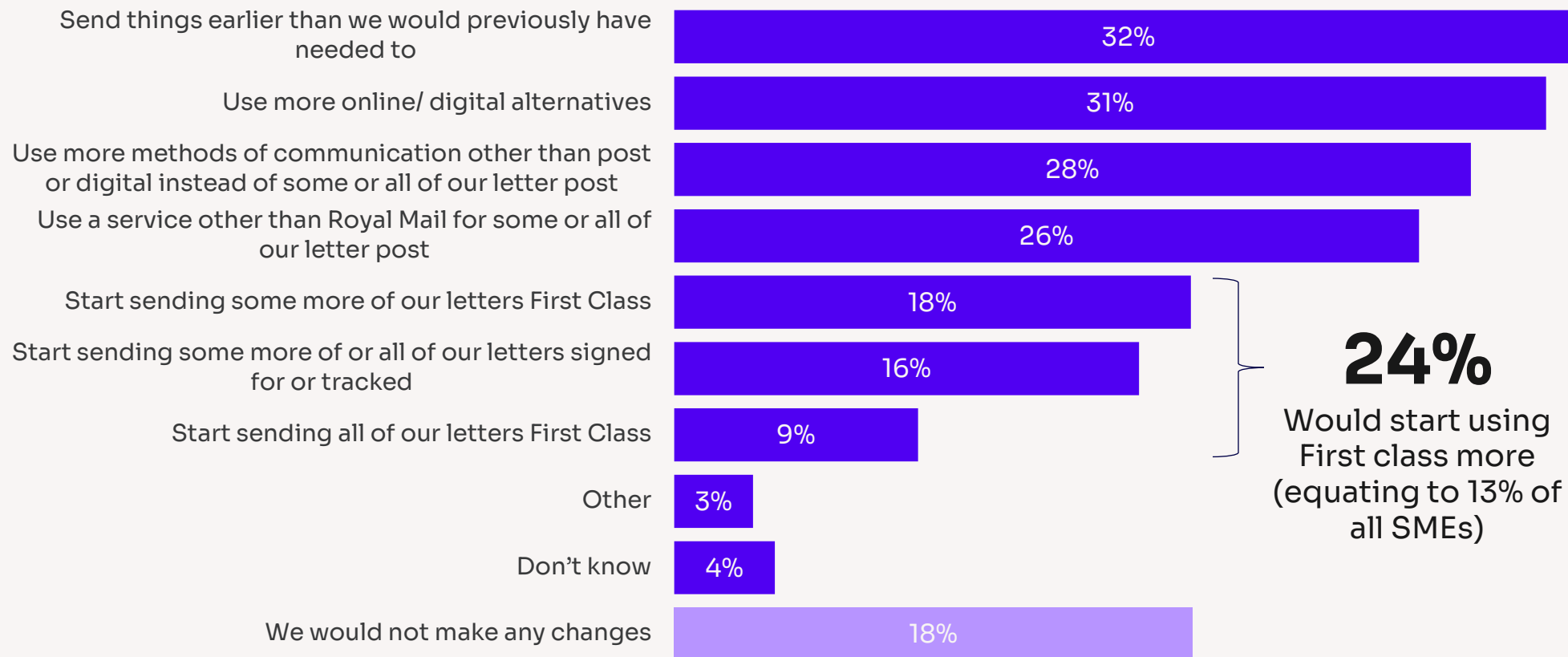
Source: Ofcom Post User Needs SME Survey

Question: C1/C4. How much of an impact would the proposed changes to Second Class post have in relation to the types of letters and cards that you receive/send? C7. Thinking about all your business needs, to what extent do you think the changes would have an impact on your organisation?

Base: All respondents (897)

Among those who say they would be impacted, almost 8 in 10 SMEs say they would make a change in their behaviour if the proposed changes went ahead, with sending things earlier, and using more digital alternatives the most mentioned

Actions taken if proposed changes were made



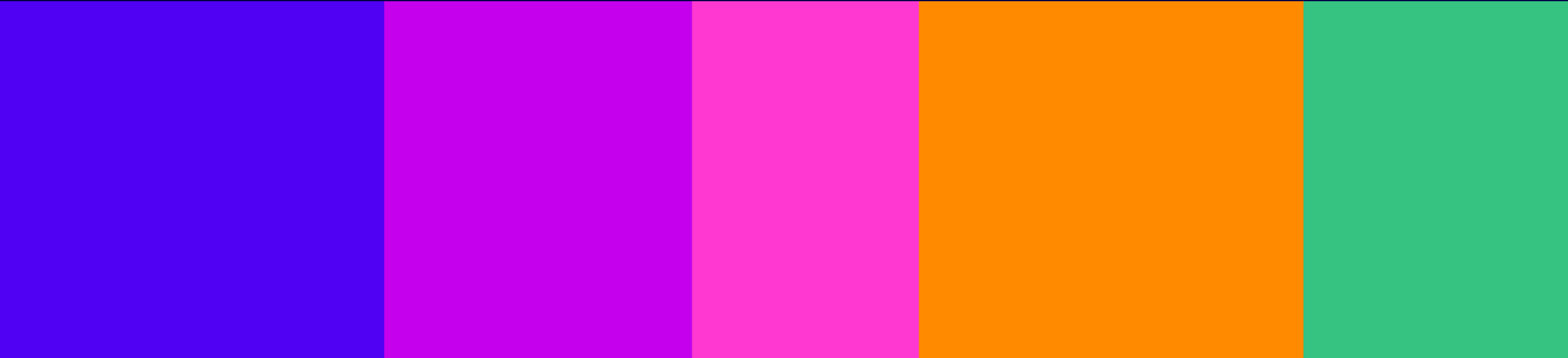
This chart is based on all respondents, except for the 47% of SMEs who said that the proposed changes would make **no difference** to their organisation in relation to sending **any** type of letter we asked about.

Source: Ofcom Post User Needs SME Survey

Question: C5. If all of the proposed changes were made, would your organisation do any of the following?

Base: All who would be impacted by changes when sending post, or don't know (496)

SME user groups



National Summary – SMEs in England

- The survey data from England closely reflects the overall findings, as it represents the largest subsample. In England, 69% of SMEs receive letters at least once a week, and 50% send letters every week.
- Almost 9 in 10 SMEs say affordability (86%) and reliability (89%) are important to them. Saturday deliveries are considered less important (33%). In the MaxDiff analysis, letters not being damaged, followed by data security, were the most important priorities.
- 1% of SMEs in England say that the proposed changes would mean that the service would no longer meet their needs in relation to at least one type of letter that they send or receive, and that the changes will have a very significant negative impact on their organisation.
- A further 3% of SMEs in England say that their needs would not be met, and the changes would have a significant negative impact.
- 5% of SMEs in England say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that, thinking about all of their business needs, the proposed changes would make no difference or would only have a slight negative impact.



National Summary – SMEs in Wales

- In Wales the survey found some differences to the average UK SMEs in usage and potential impact of service changes.
- In Wales, 87% of SMEs receive letters at least once a week, higher than the national average (70%); 58% send letters every week.
- 9 in 10 say affordability (91%) and reliability (88%) are important to them. In the MaxDiff, letters not being damaged was the most important, although less so than among the total sample (28% preference share, cf. 35%).
- 2% of SMEs in Wales say that the proposed changes would mean that the service would no longer meet their needs in relation to at least one type of letter that they send or receive, and that the changes will have a *very* significant negative impact on their organisation.
- A further 4% of SMEs in Wales say that their needs would not be met, and the changes would have a significant negative impact.
- 14% of SMEs in Wales say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that, thinking about all of their business needs, the proposed changes would make no difference or would only have a slight negative impact. This is significantly higher than the UK average and is driven by a higher stated impact on the receipt of forms/letters from customers/clients and on letters from public bodies.



Note that data collection in Wales consisted of 56% panel and 44% CATI database, a higher proportion of CATI than other nations. The Wales sample has a more even split of SMEs with 0 employees and SMEs with 1-9 employees, while data for other nations had a higher proportion of SMEs with 0 employees.

National Summary- SMEs in Scotland

- SMEs in Scotland, fall generally in line with UK SME average findings.
- 73% of SMEs receive letters at least once a week; 56% send letters every week.
- 9 in 10 SMEs say affordability (91%) and reliability (94%) are important to them. Saturday deliveries are considered the least important (50%), although important to a significantly higher proportion compared to the total sample (35%).
- In the MaxDiff, letters not being damaged, followed by data security, were most important.
- Less than 1% of SMEs in Scotland say that the proposed changes would mean that the service would no longer meet their needs in relation to at least one type of letter that they send or receive, and that the changes will have a very significant negative impact on their organisation.
- A further 3% of SMEs in Scotland say that their needs would not be met, and the changes would have a significant negative impact.
- 2% of SMEs in Scotland say that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that, thinking about all of their business needs, the proposed changes would make no difference or would only have a slight negative impact.



National Summary- SMEs in Northern Ireland

- Northern Ireland shows few significant differences compared to SMEs overall. 78% of SMEs receive letters at least once a week; 59% send letters every week.
- Over 4 in 5 SMEs say affordability (88%) and reliability (83%) are important to them. Saturday deliveries are considered the least important (39%). In the MaxDiff, letters not being damaged, followed by data security, were most important.
- 3% of SMEs in Northern Ireland say that the changes mean services would no longer meet their needs for a type of post they send or receive.
- 1% of SMEs in Northern Ireland say that the proposed changes would mean that the service would no longer meet their needs in relation to at least one type of letter that they send or receive, and that the changes will have a *very* significant negative impact on their organisation.
- A further 2% of SMEs in Northern Ireland say that their needs would not be met, and the changes would have a significant negative impact.



Urban SMEs Summary (where the location of the participant's principal site is urban)

- The picture among SMEs in urban locations is in line with the overall findings. In urban locations, 70% of SMEs receive letters at least once a week; 52% send letters every week.
- Almost 9 in 10 SMEs in urban areas say affordability (86%) and reliability (88%) are important to them. Saturday deliveries are considered the least important (33%). In the MaxDiff, letters not being damaged, followed by data security, were most important.
- 1% of SMEs in urban areas say that the proposed changes would mean that the service would no longer meet their needs in relation to at least one type of letter that they send or receive, and that the changes will have a very significant negative impact on their organisation.
- A further 3% of SMEs in urban areas say that their needs would not be met, and the changes would have a significant negative impact.
- 5% of urban SMEs that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that, thinking about all of their business needs, the proposed changes would make no difference or would only have a slight negative impact.



Rural Summary (where the location of the participant's principal site is rural)

- Rural SMEs are broadly in line with overall findings.
- 73% of rural SMEs receive letters at least once a week; 46% send letters every week.
- Around 9 in 10 SMEs in rural areas say affordability (88%) and reliability (93%) are important to them. Saturday deliveries are considered the least important (32%). In the MaxDiff, letters not being damaged, followed by data security were the most important.
- 1% of SMEs in rural areas say that the proposed changes would mean that the service would no longer meet their needs in relation to at least one type of letter that they send or receive, and that the changes will have a *very* significant negative impact on their organisation.
- A further 4% of SMEs in rural areas say that their needs would not be met, and the changes would have a significant negative impact.
- 4% of rural SMEs that the proposed changes would mean services would no longer meet their needs for at least one type of letter that they send or receive, but that, thinking about all of their business needs, the proposed changes would make no difference or would only have a slight negative impact.

