



SME Postal Users Survey – Annual Report

Produced by: BMG Research
Fieldwork: July 2024 – June 2025



Methodology

Sample

- 2,284 SMEs with up to 249 employees in the UK
- Quotas set on nation and business size (no. of employees) and the sample was monitored for region and industry
- All interviews are with a postal decision maker for their company

Data collection

- Average of 24-minute interview via telephone and 18-minute survey complete time online
- 572 interviews via telephone and 1,712 online
- Analysed differences by data collection method
- Continuous fieldwork from 1st July 2024 - 30th June 2025
- Conducted by BVA BDRC (1st July 2024-31st December 2024) and BMG Research (16th January 2025-30th June 2025)

Data reporting

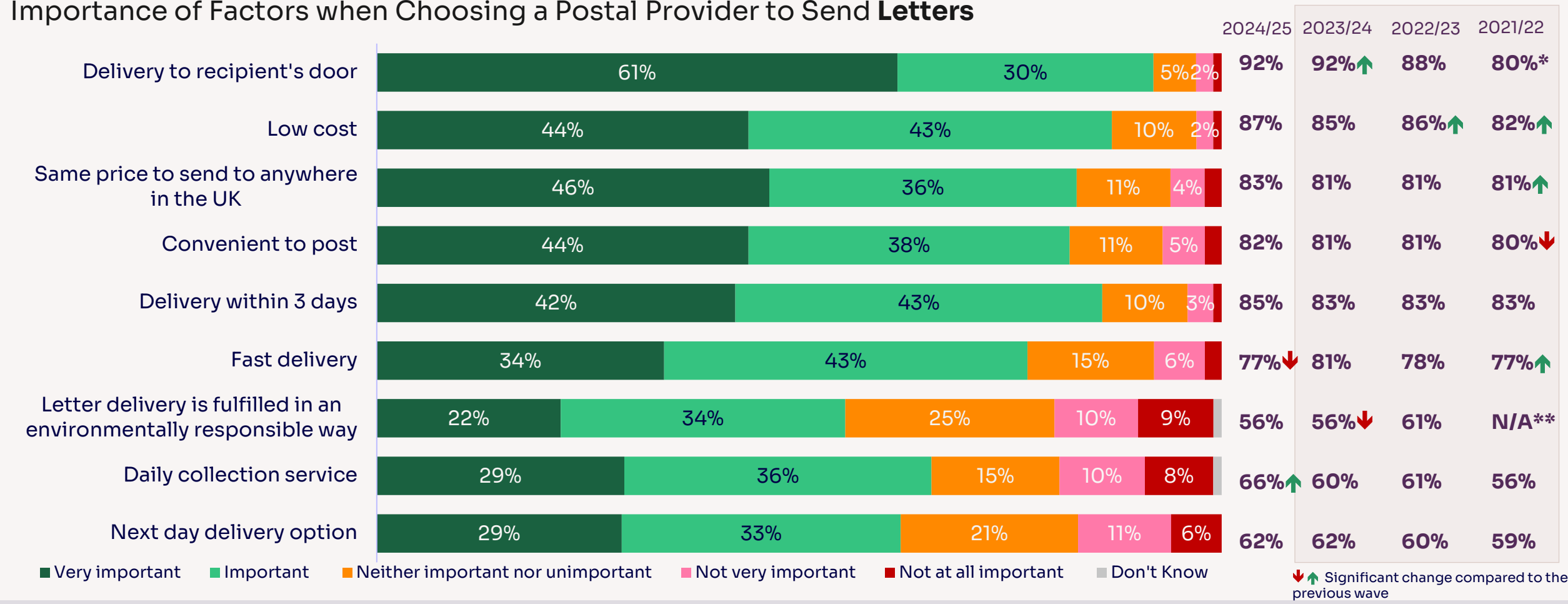
- Weighted within each quarter to be nationally representative of SMEs in the UK
- Significance testing performed at the 95% confidence level

1. SMEs Attitudes and Satisfaction with Postal Services

When choosing a provider to send **letters**, delivery to door is of highest importance, while daily collection service is significantly more important now compared to 2023/24. Fast delivery is considered significantly less important in 2024/25 than in 2023/24



Importance of Factors when Choosing a Postal Provider to Send **Letters**



QD10b. Below, are a list of factors people tell us they consider when sending letters. For each factor, please tell us how important it is to you in choosing a postal provider or service.

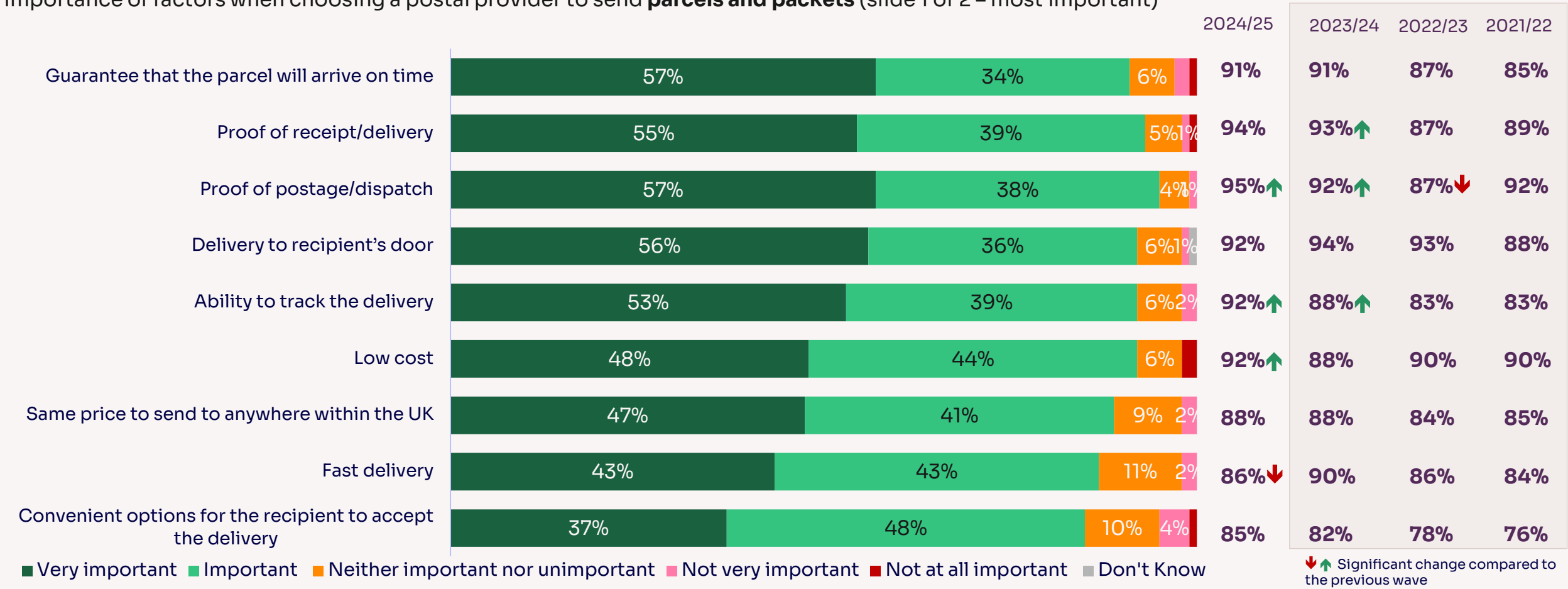
Base: All who use Royal Mail for letters or large letters and selected a service: 2021/22 (1591); 2022/23 (1741); 2023/24 (1786); 2024/25 (2066)

*Phrase was “Guaranteed delivery to recipient’s door” prior to 2022/23 **Added 2022/23

Proof of postage/dispatch is the most important factor for SMEs when sending **parcels**, increasing compared to 2023/24. Ability to track delivery and low cost have also increased this year. Echoing views re: letters, fast delivery of parcels is significantly less important in 2024/25 than in 2023/24



Importance of factors when choosing a postal provider to send **parcels and packets** (slide 1 of 2 – most important)



QD10a. Below, are a list of factors people tell us they consider when sending parcels. For each factor, please tell us how important it is to you in choosing a postal provider or service.

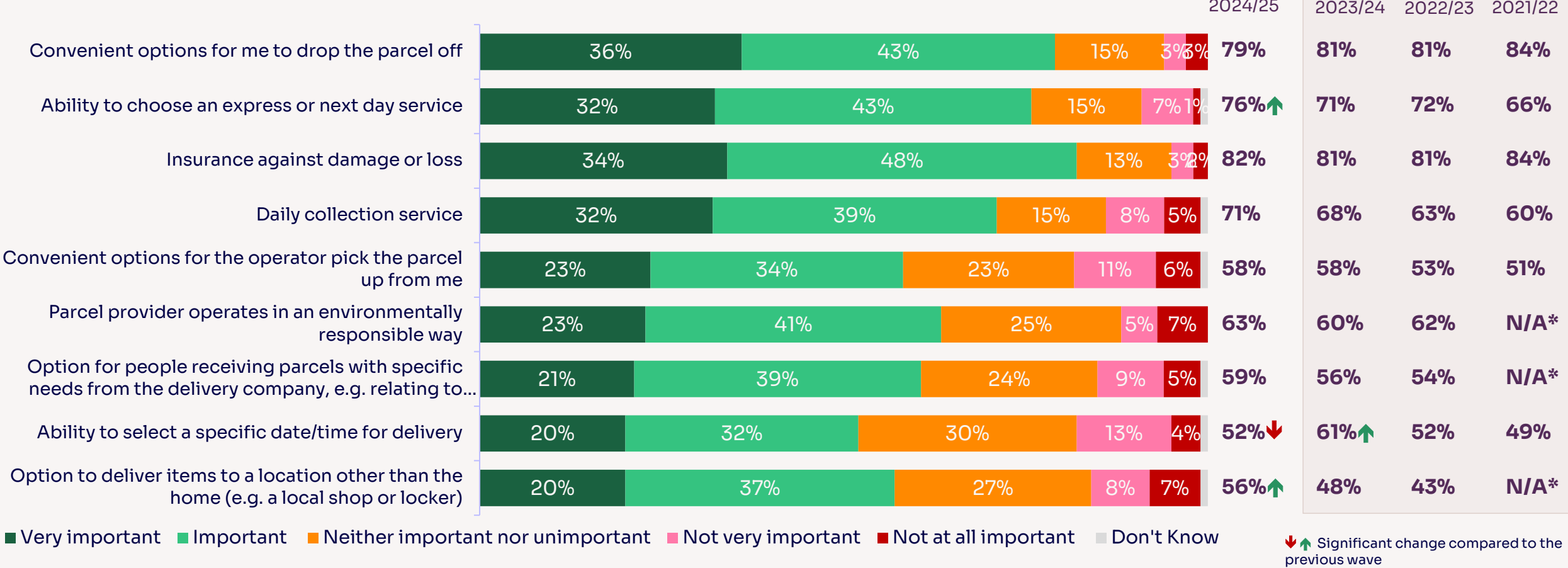
Base: All using Royal Mail to send parcels and packets: 2021/22 (719); 2022/23 (867); 2023/24 (836); 2024/25 (942)

*Phrase was “Guaranteed delivery to recipient’s door” prior to 2022/23

Important net
(Very important/important)

There has been an increase in the importance of the ability to choose an express or next day service for **parcels**, and for having the option to deliver items to a location other than the home. The ability to select a specific date and time for delivery is less important in 2024/25 than in 2023/24

Importance of factors when choosing a postal provider to send **parcels and packets** (slide 2 of 2 – least important)



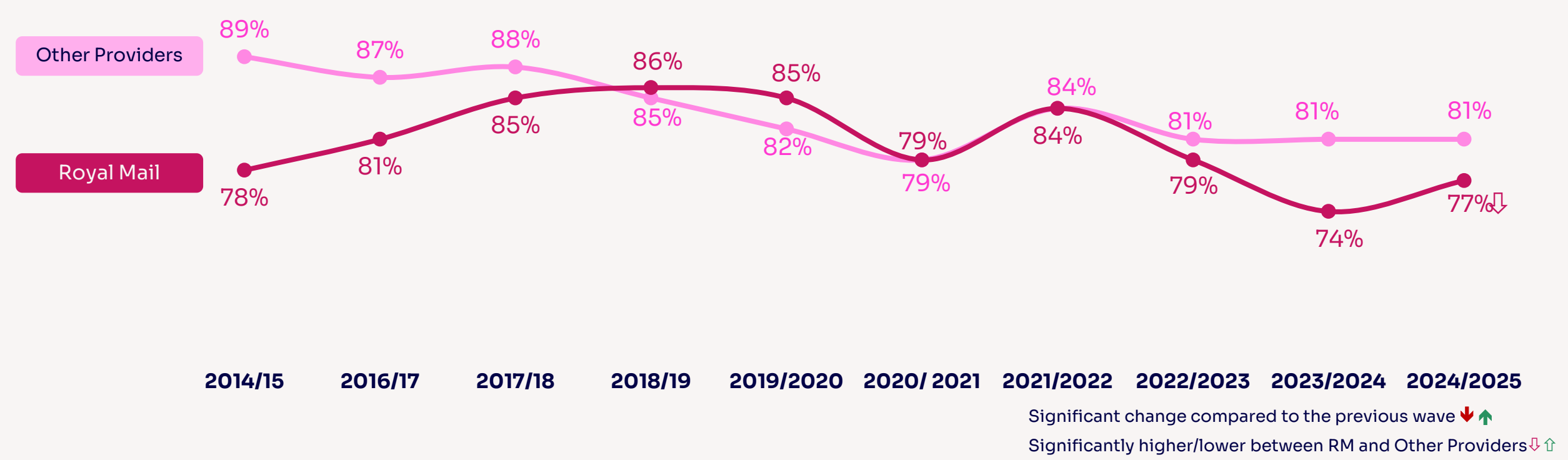
QD10a. Below, are a list of factors people tell us they consider when sending parcels. For each factor, please tell us how important it is to you in choosing a postal provider or service.

Base: All using Royal Mail to send parcels and packets: 2021/22 (719); 2022/23 (867); 2023/24 (836); 2024/25 (942)

*Added 2022/23

While customer satisfaction with service quality is high, Royal Mail has more recently trailed other providers, but although satisfaction with their service has declined since 2021/2022, it has increased in 2024/25. Satisfaction with other providers has held steady

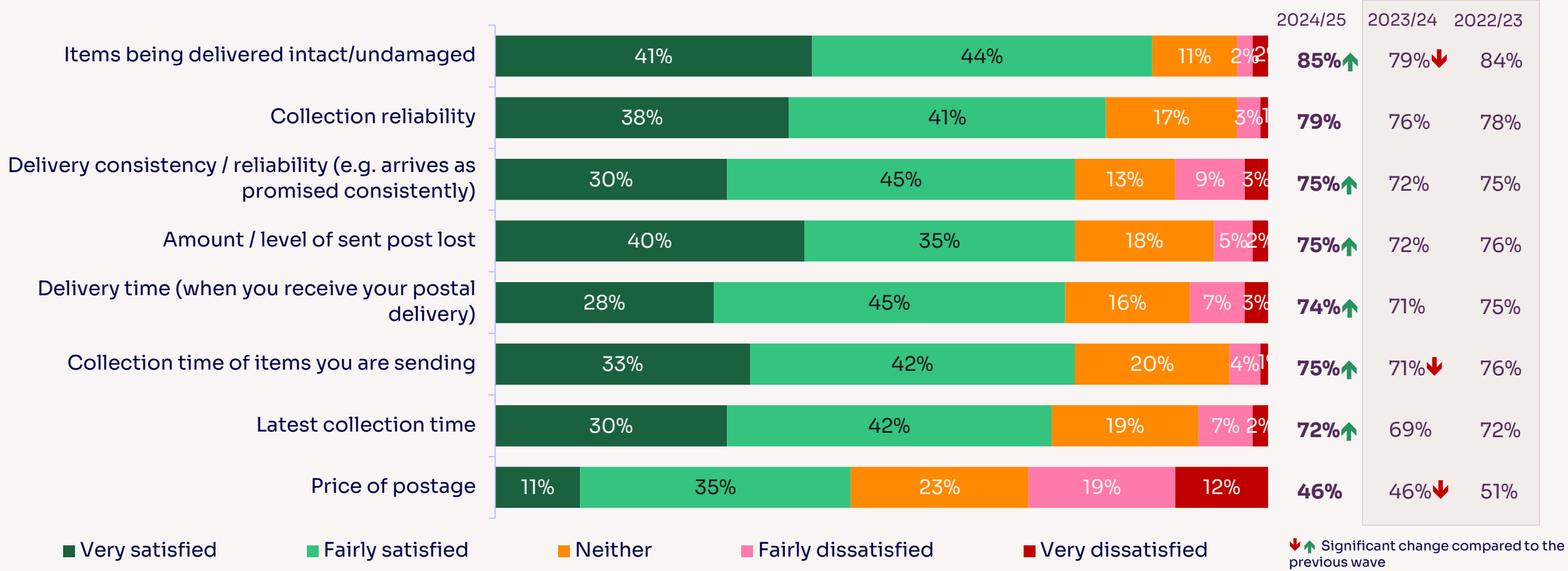
Overall Satisfaction with Royal Mail and Other Providers – By Year



QRM2. Thinking generally about the service your organisation receives as a whole, how satisfied are you with the overall quality of the services you receive from Royal Mail as a recipient and sender? QOP1a. Thinking generally about the service you receive as a whole- as a sender and recipient of post, on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied, how would you rate the quality of the services you receive from [NON-ROYAL MAIL PROVIDER] Base: All who use Royal Mail: 2014/15 (1563); 2016/17 (1933); 2017/18 (2266); 2018/19 (1869); 2019/20 (1948); 2020/21 (2054); 2021/22 (2170); 2022/23 (2030); 2023/24 (2035); 2024/2025 (2139)

Satisfaction with most aspects of Royal Mail services has increased in 2024/25 compared with 2023/24. However, the *price of postage* continues to be the area with lowest satisfaction and there has been no movement on this in the last 12 months

Satisfaction with Service from Royal Mail (excl. Don't Know)

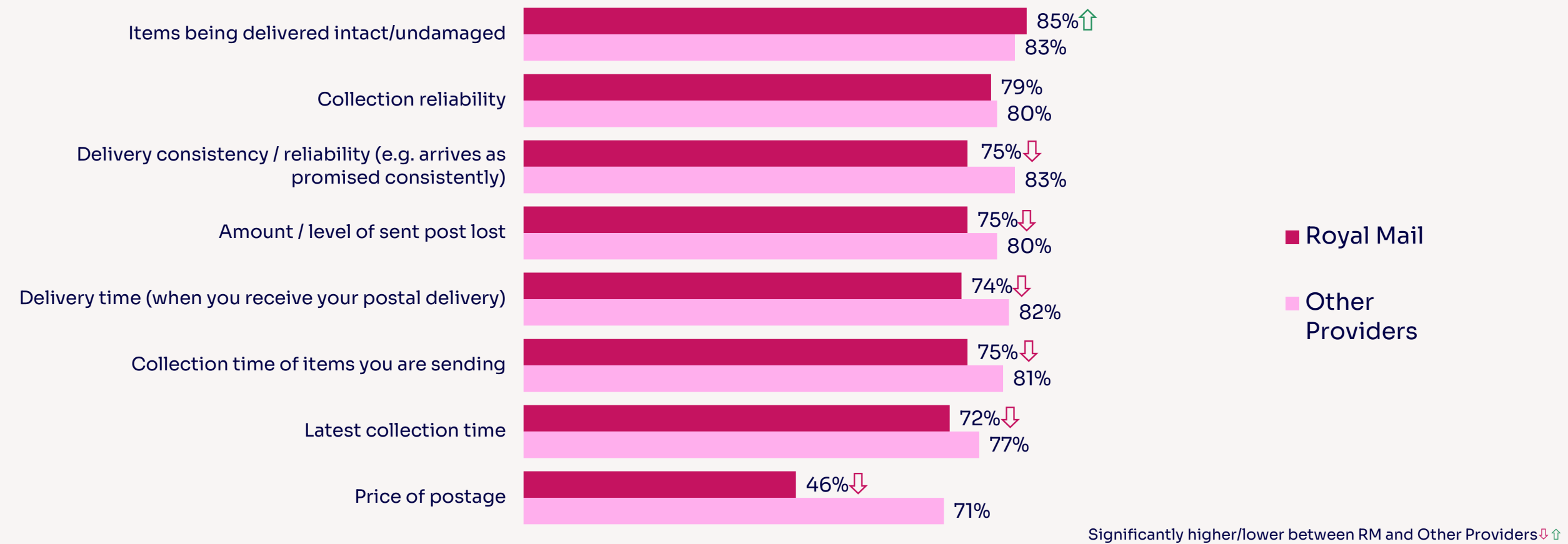


QRM3. How would you rate the performance of Royal Mail, as a recipient and sender, in the following areas on a 5-point scale where 1 is very dissatisfied and 5 is very satisfied?
 Base: All who use Royal Mail (excluding don't know): 2022/23 (1570 to 2005); 2023/24 (1811 to 2018); 2024/25 (1982 to 2129)

Other providers outperform Royal Mail across all but one satisfaction metric, namely for delivering items intact and undamaged. Royal Mail performs particularly poorly against other providers on the price of postage



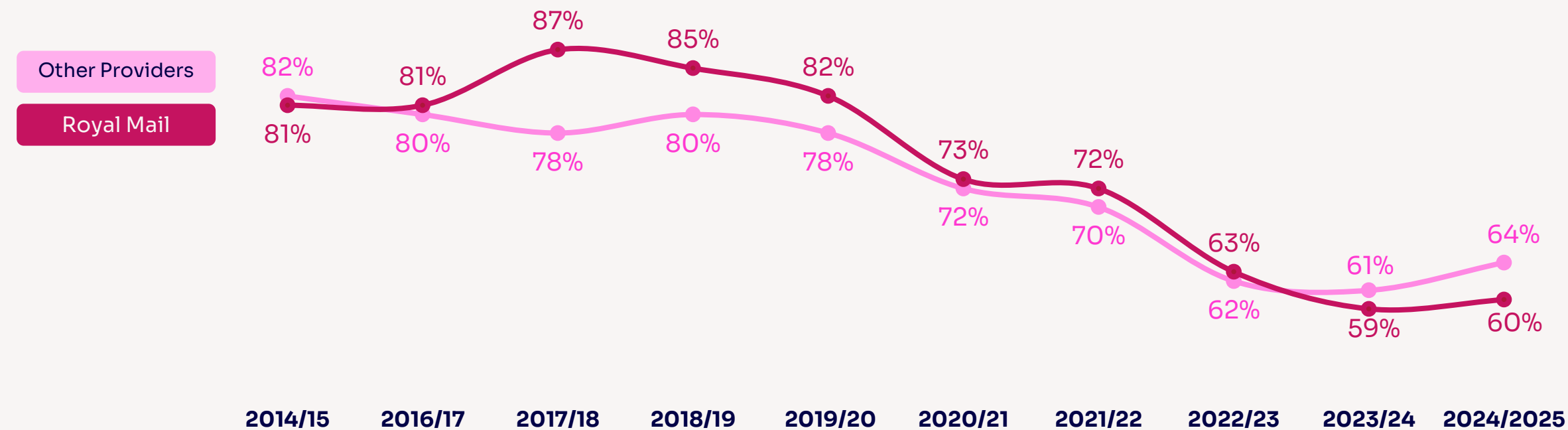
Satisfaction with Service from Royal Mail and Other Providers (excl. Don't Know)



QRM3. How would you rate the performance of Royal Mail, as a recipient and sender, in the following areas on a 5-point scale where 1 is very dissatisfied and 5 is very satisfied? /
Base: All who use Royal Mail (excluding don't know): 2024/2025 (1982 to 2129)
QOP2. As a recipient and sender of post, how would you rate the performance of [QV5c provider] in the following areas on a 5 point scale where 1 is very dissatisfied and 5 is very satisfied
Base: All who use provider other than Royal Mail (excluding don't know): 2024/2025 (1126 to 1159)

Following a downward trend in SMEs reporting no service issues between 2017/18 and 2023/24, there is a slight upward trend in 2024/25, although fewer SMEs report no problems with services from other providers than from Royal Mail in 2024/25

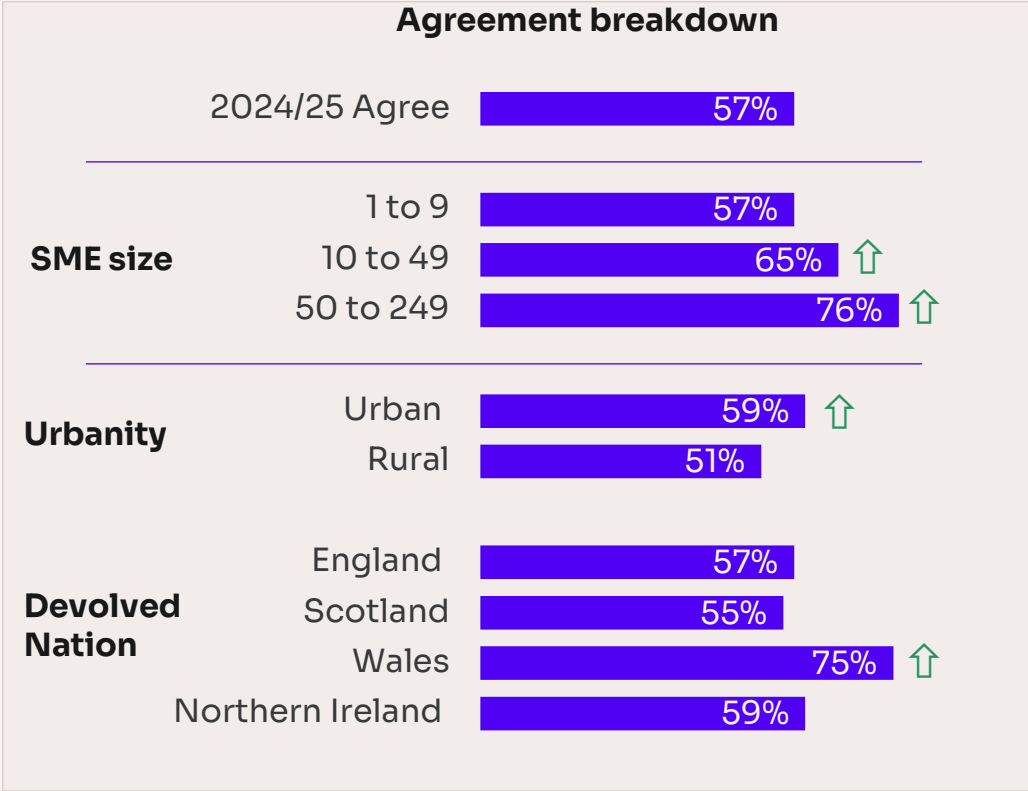
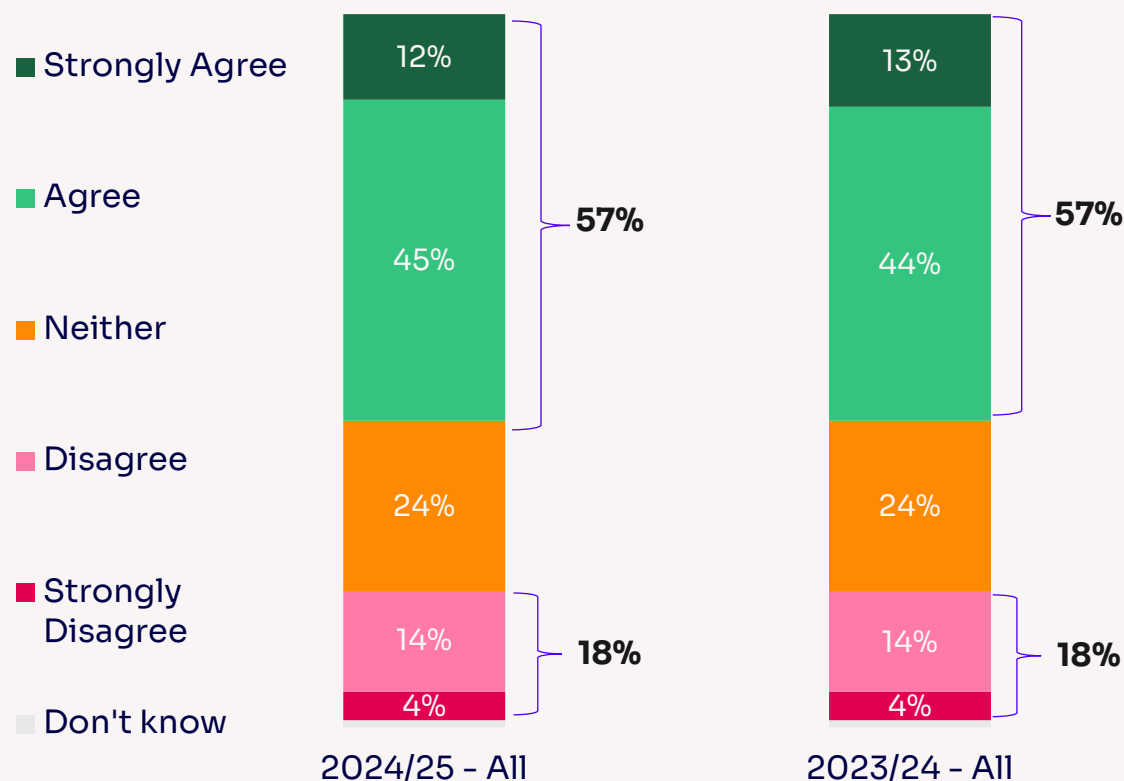
Users Reporting No Problems with Service – By Provider



QRM4. Have you experienced any problems with your service from Royal Mail (as a sender or recipient of mail) in the last 6 months?
QOP3. As a sender and recipient of mail, have you experienced any problems with your service from [QV4 provider] in the last 6 months?
Base: All who use Royal Mail: 2014/15 (1563); 2016/17 (1933); 2017/18 (2266); 2018/19 (1869); 2019/20 (1948); 2020/21 (2054); 2021/22 (2170); 2022/23 (2030), 2023/24 (2035); 2024/25 (2139)
All who use other provider : 2014/15 (279); 2016/17 (425); 2017/18 (434); 2018/19 (435); 2019/20 (479); 2020/21 (595) 2021/22 (551); 2022/23 (728), 2023/24 (876); 2024/25 (1172)

The proportion of SMEs that agree that UK postal services offer good value for money in 2024/25 has remained in line compared with 2023/24. Larger SMEs (50-249 employees) are more likely than average to agree

Agreement That UK Mail Services Provide Good Value for Money

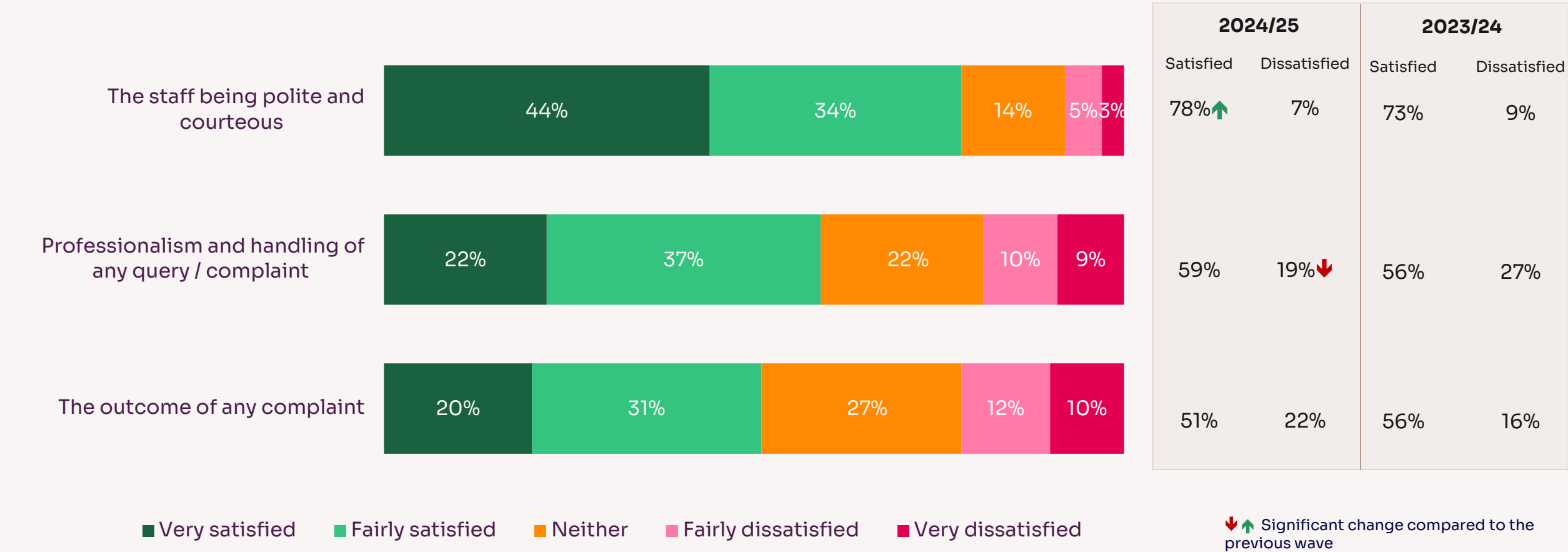


Subgroup significantly higher/lower than the average ↓↑

QAP1. On a scale of 1 to 5 where 5 is agree very strongly and 1 is disagree very strongly, please tell me how strongly you agree or disagree that mail services in the UK provide good value for money
Base: All 2023/24 (2216); 2024/25 (2248), 1-9 employees (1565), 10-49 employees (366), 50-249 employees (353), Urban (1897), Rural (387); England (1278), Scotland (359), Wales (338), NI (309)

There has been an increase in satisfaction with the politeness and courtesy of Royal Mail staff in 2024/25 compared to 2023/24. While there has been no significant change in satisfaction with staff professionalism and handling of queries/complaints, fewer in 2024/25 are dissatisfied

Satisfaction with Royal Mail’s Handling of Service Queries and Complaints (Excl. DK/NA)



QRM5. Thinking about contacting Royal Mail with a service query, request or complaint, and your experiences in the last six months, please rate Royal Mail on the following aspects using a 5point scale where 1 is very dissatisfied and 5 is very satisfied.

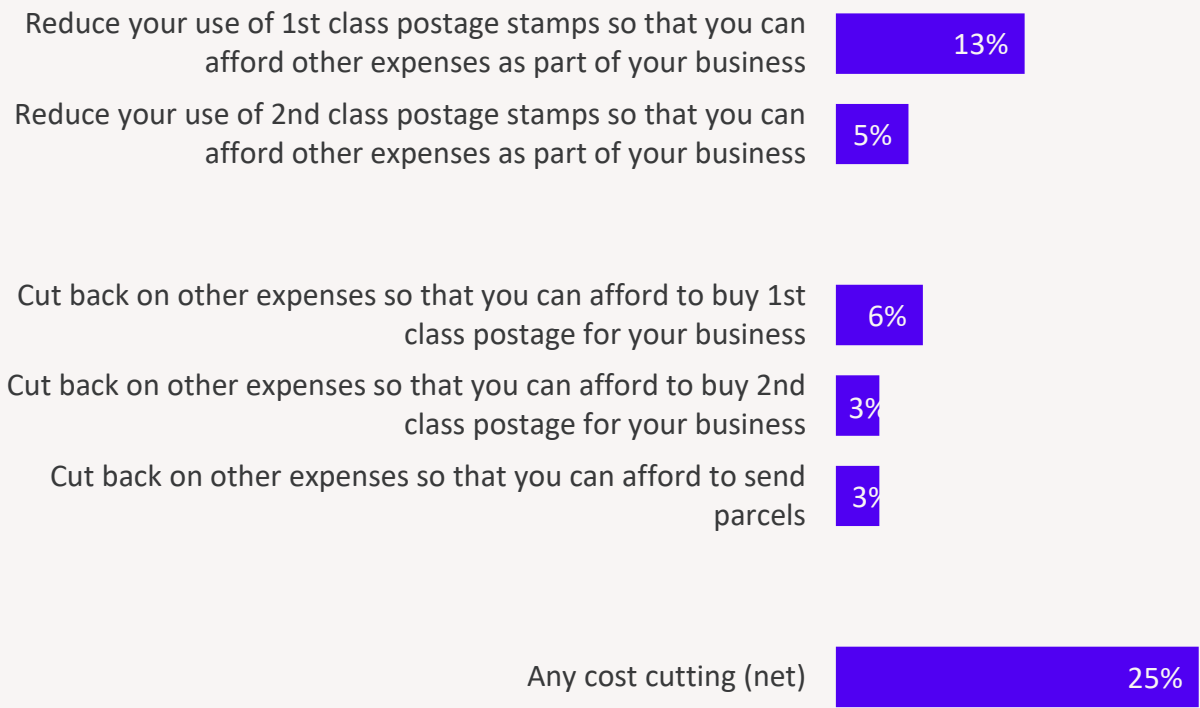
Base: 2024/2025 All using Royal Mail and who have had problems with Royal Mail in the last 6 months and contacted Royal Mail and provided a rating (excluding DK/ not applicable):

Professionalism and handling of any query/complaint: 2023/24 (614); 2024/25 (590) / The outcome of any complaint: 2023/24 (578); 2024/25 (553) / The staff being polite and courteous: 2023/24 (641); 2024/25 (676)

One in four SMEs reported taking action to reduce their postal spend in the past three months, consistent with 2023/24



Actions Taken to Reduce Costs – Last Three Months

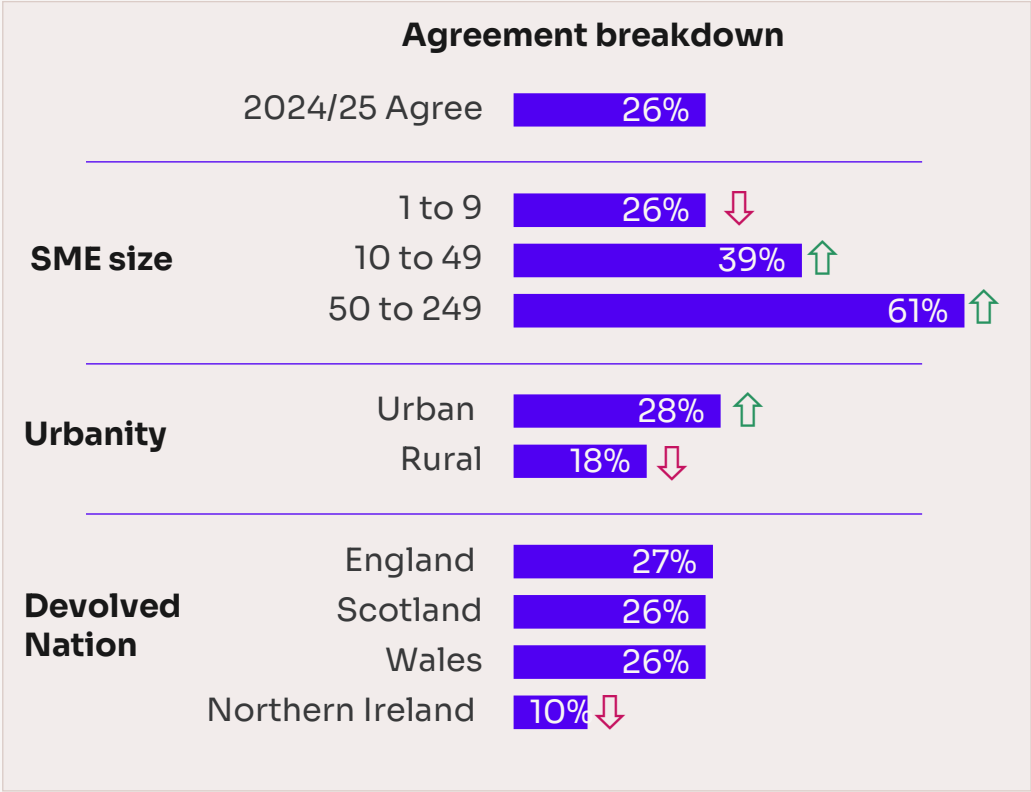
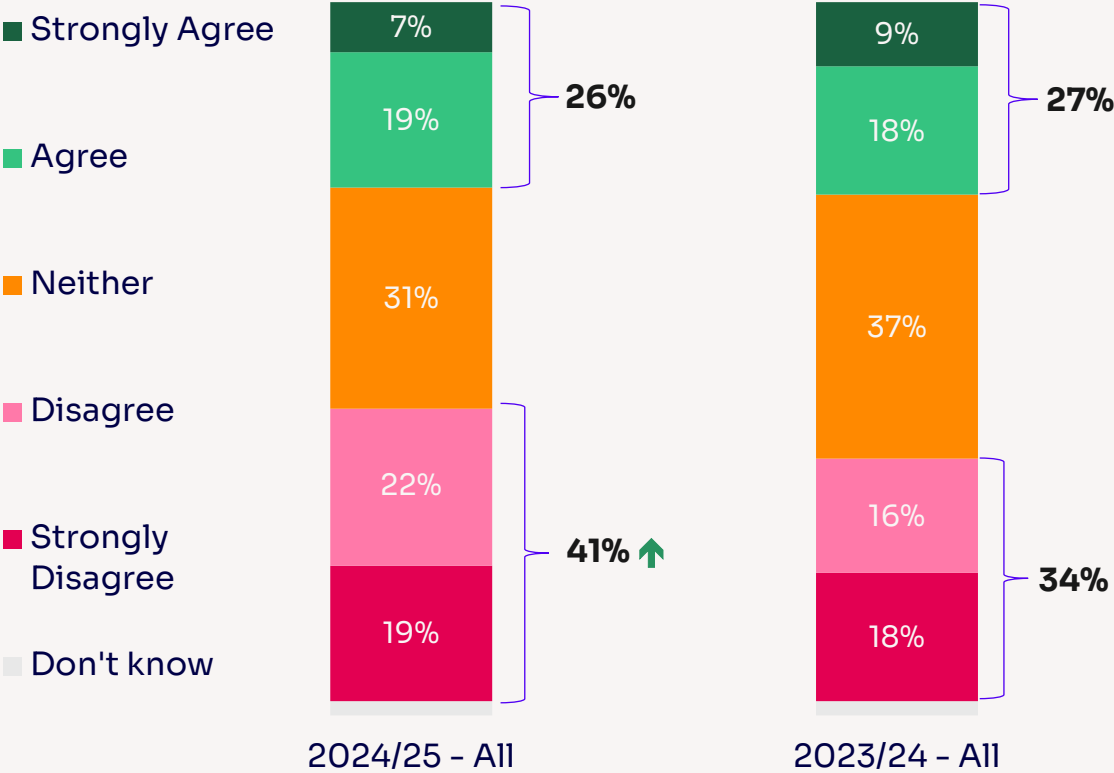


Net cost cutting		
	2024/25	2023/24
Reduced use of stamps	18%	21%
Cut back on expenses	12%	11%
All cost cutting	25%	25%

QN12. In the last three months have you had to do any of the following:
Base: All 2023/24 (2216); 2024/25 (2284)

SMEs are more likely to disagree that they are willing to pay more for environmentally friendly services compared to 2023/24. Willingness to pay more for this increases with business size, suggesting micro-SMEs (1-9 employees) are more price-sensitive. SMEs in urban areas are significantly more likely to be willing to pay more than those in rural areas

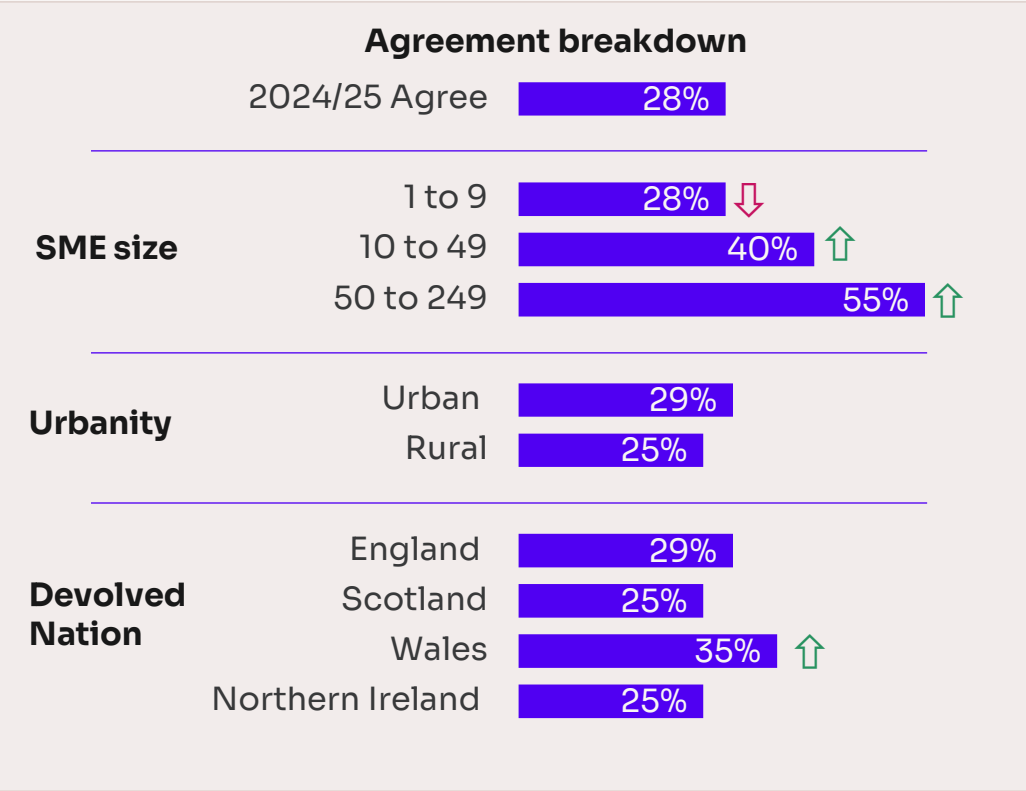
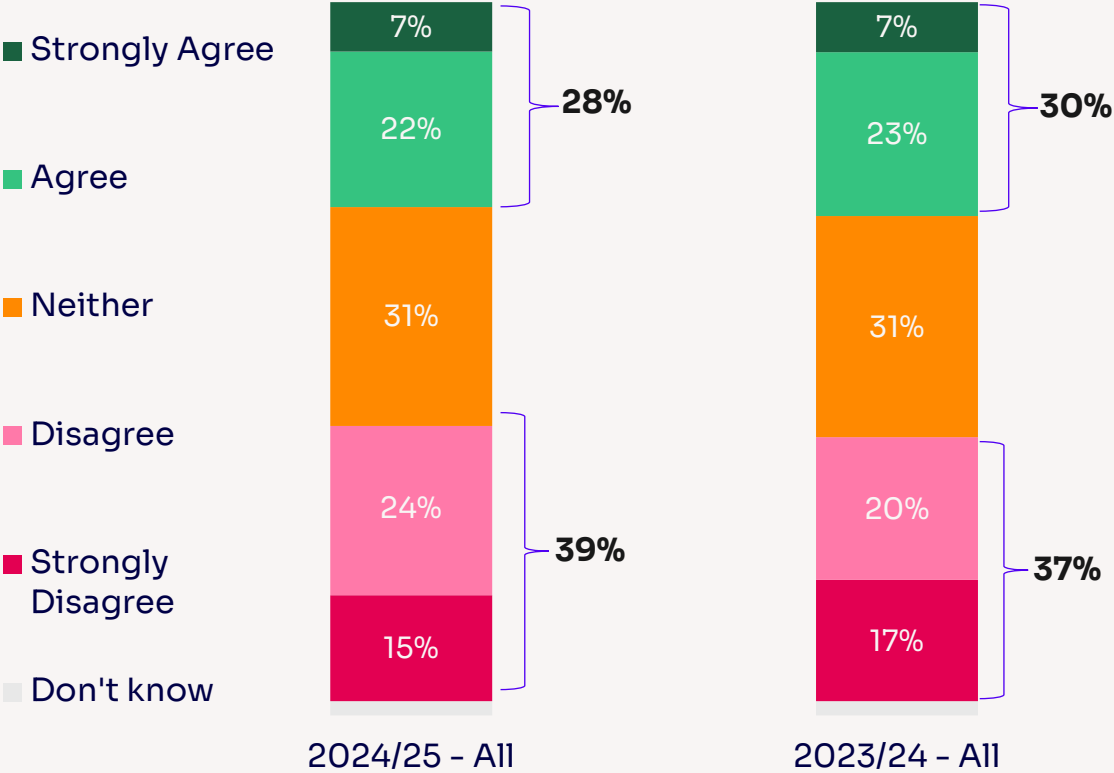
Willingness to **Pay More** for Environmentally Friendly Parcel Providers



Significant change compared to the previous wave ↓ ↑
Subgroup significantly higher/lower than the average ↓ ↑

SMEs are also more likely to disagree than agree that they are willing to use environmentally friendly parcel providers, even if it means slower delivery. Willingness to tolerate longer delivery times in order to be environmentally friendly increases with business size. There is a significant increase in SMEs that disagree in 2024/25 compared with 2023/24

Willingness to Use Environmentally Friendly Parcel Providers **Despite Longer Delivery Times**

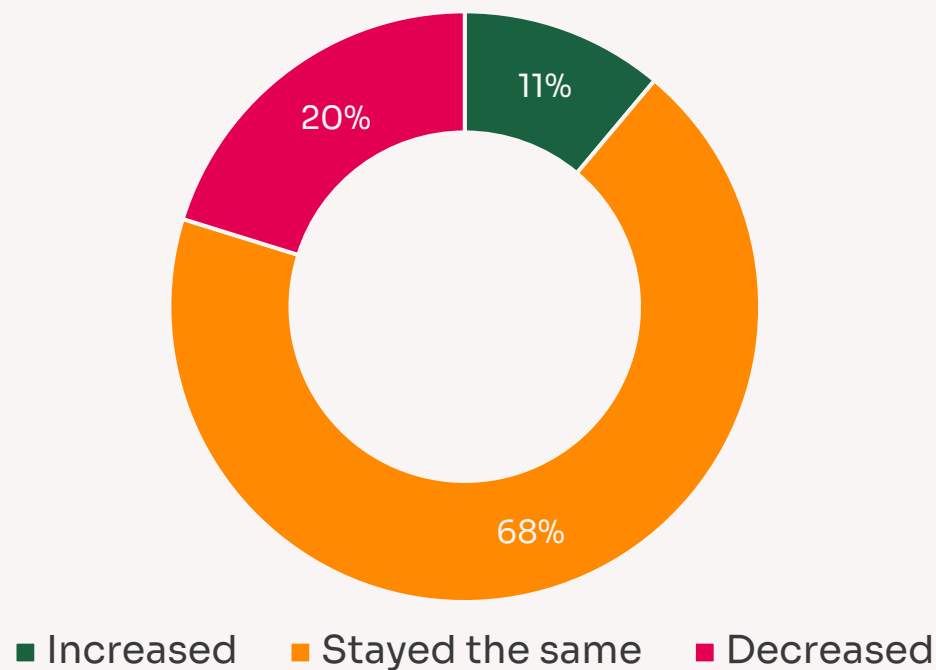


Significant change compared to the previous wave ↓ ↑
Subgroup significantly higher/lower than the average ↓ ↑

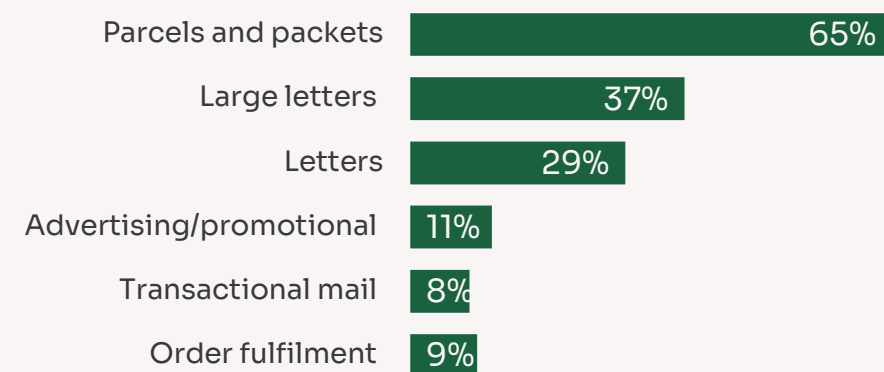
2. Sending and Receiving Post

SMEs are more likely to report a decrease in the volume of post they send than report an increase (20% v 12%). This is in line with 2023/24 and suggests an ongoing decline in post sent. Decreases in volume are particularly evident for letters, while parcels and packets are most likely to have seen an increase in volume

Change in Volume of Post Sent in Past 12 Months

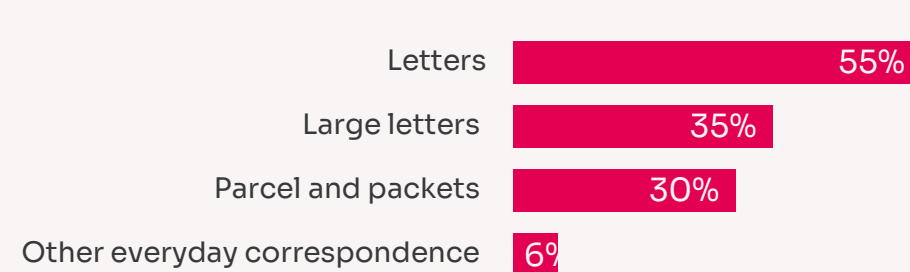


Types of post that have experienced a particular increase in volumes*



Change vs 2023/24
7%
1%
9% ↑
3% ↑
0%
3%

Types of post that have experienced a particular decrease in volumes*



-6%
-3%
-2%
2%

↓ ↑ Significant change compared to the previous wave

Q1. In the past 12 months, has the volume of mail your organisation sends increased, decreased or stayed about the same?

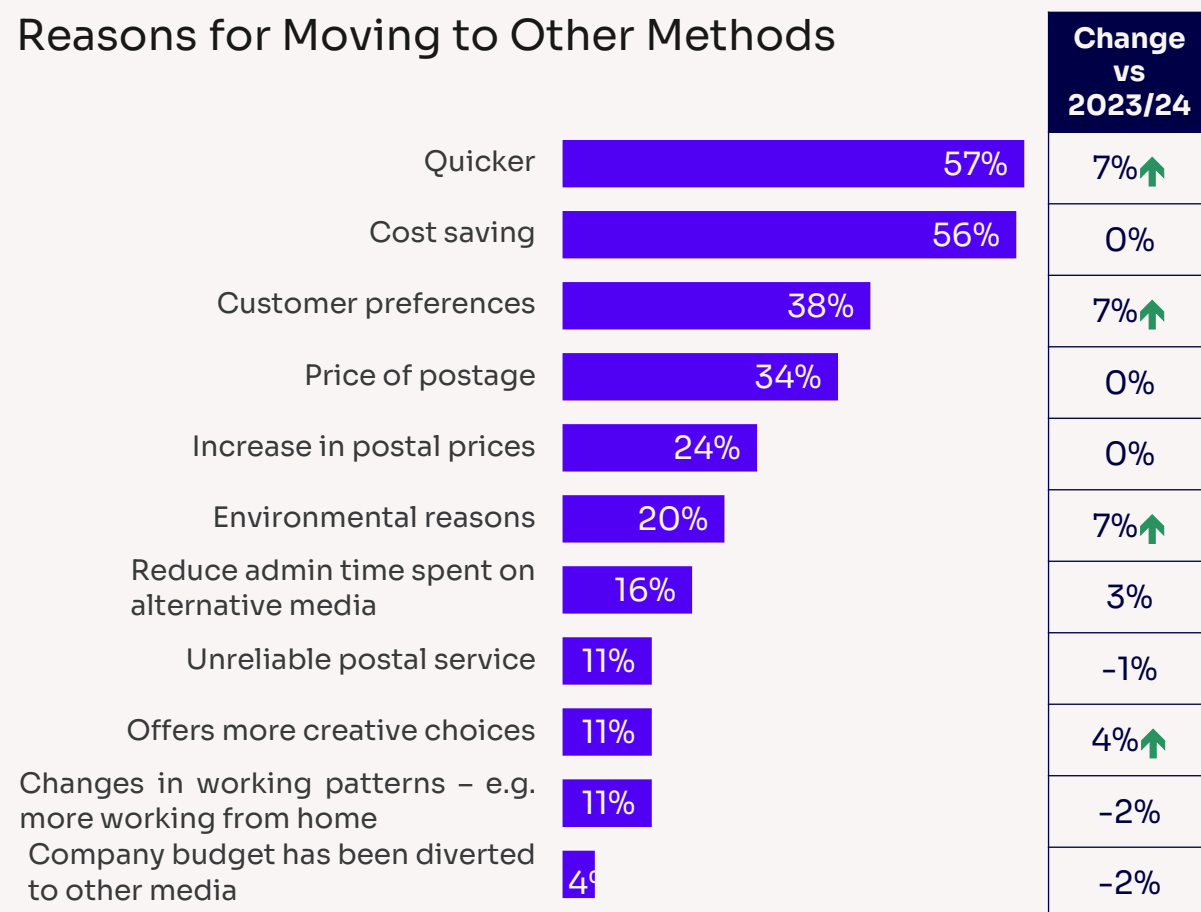
Q1a./b Are there any types of mail that you send in particular that have experienced an increase/decrease in volumes?

Base: All (2284); Experienced increase in volumes sent (320); Experienced decrease in volumes sent (435)

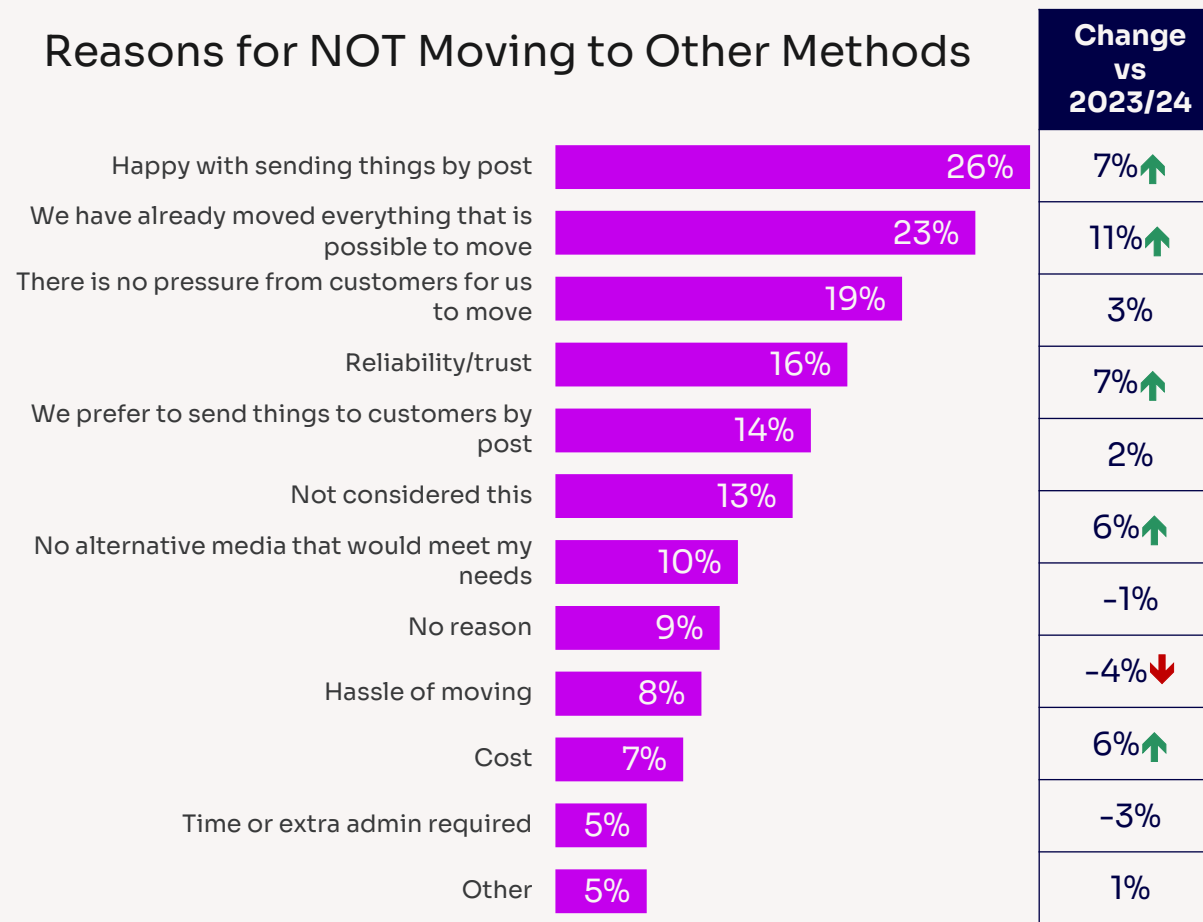
*Only mentions >5% shown on slide

Cost and time savings are the top reasons for moving to other methods of communication. Reasons for staying with post are more about satisfaction with post as a means of communication i.e. no strong push factors

Reasons for Moving to Other Methods



Reasons for NOT Moving to Other Methods



↓↑ Significant change compared to the previous wave

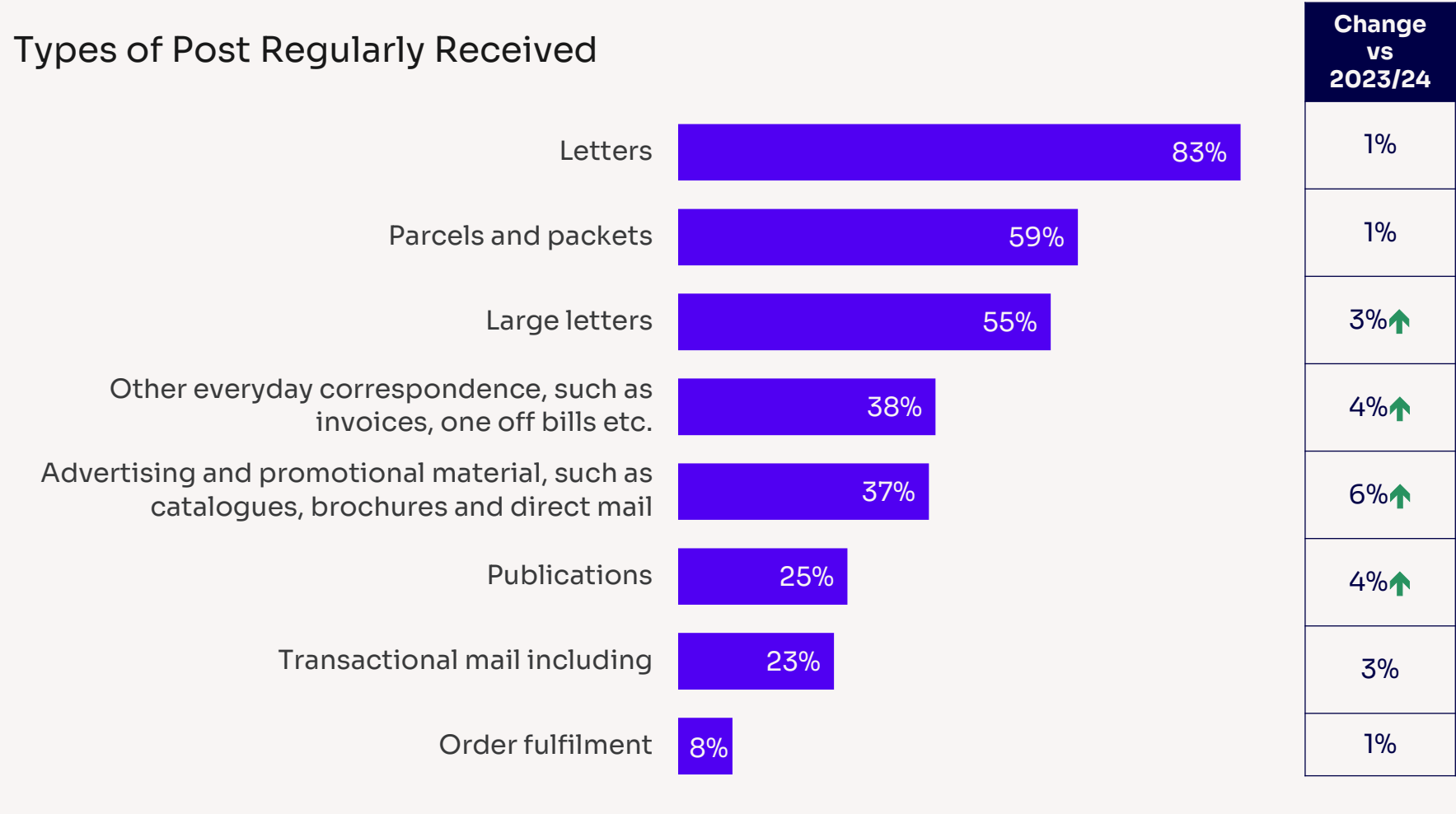
QF5. Why have you not moved any mail to other communication methods in the last 12 months?

Base: All who have not changed any postal comms to other method of communication in the last 12 months (1028)

QF6. Why have you moved any mail to other communication methods in the last 12 months?

Base: All who have changed any postal comms to other method of communication in the last 12 months (1191) shown >2%

There has been no change in the past year in the proportion of SMEs that say they regularly **receive** letters or parcels and packets; however there has been a significant increase in receipt of large letters, advertising, other correspondence and publications



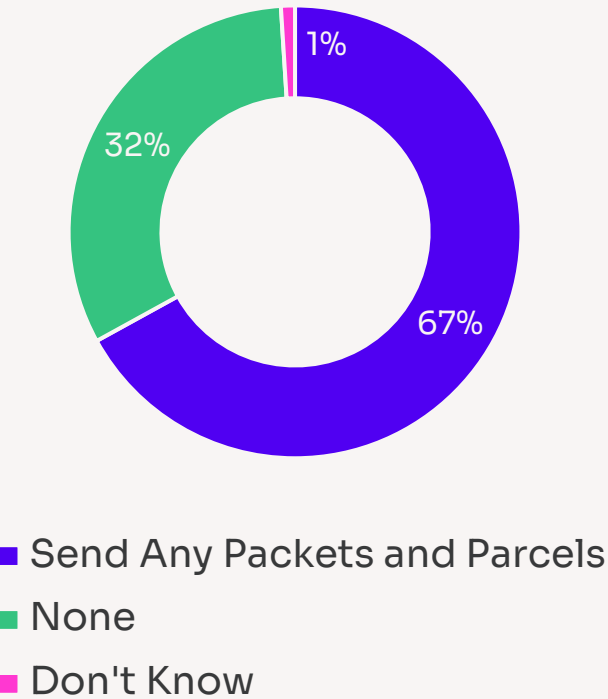
↓↑ Significant change compared to the previous wave

3. SMEs Use of Royal Mail Services

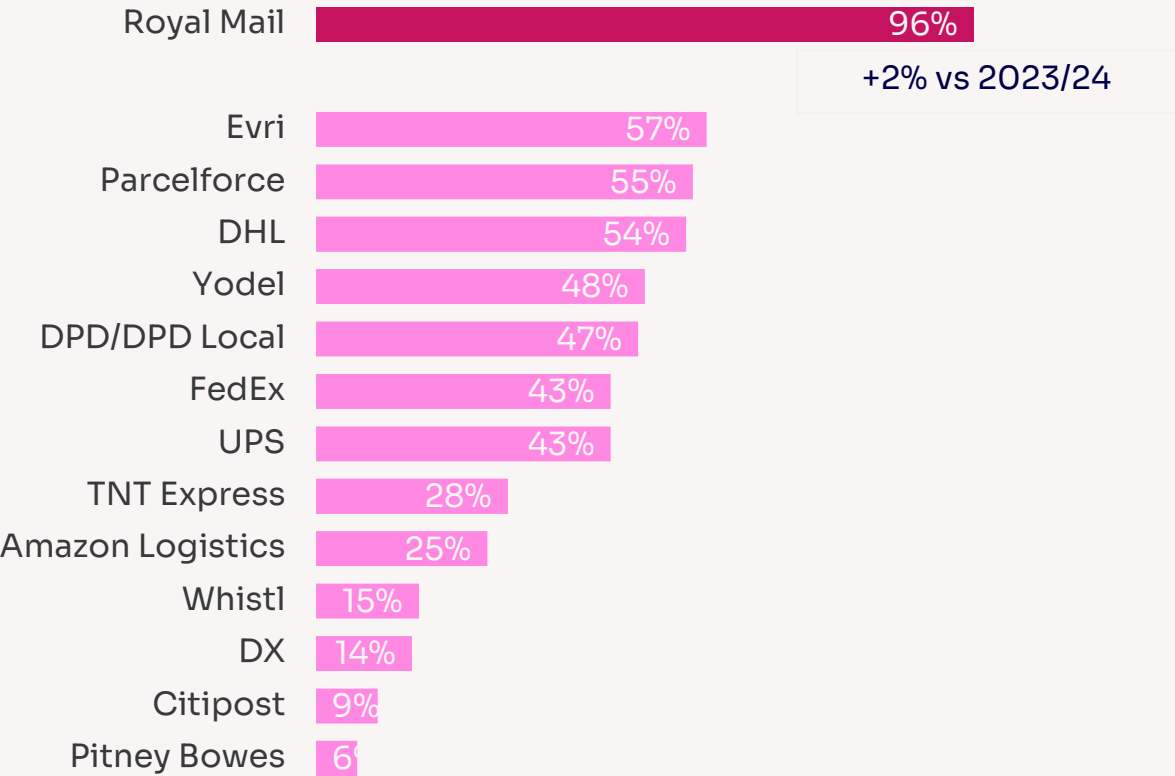
Most SMEs send packets and parcels as part of their post. As in 2023/24, Royal Mail is most frequently spontaneously identified as a provider, with Evri, Parcelforce and DHL also achieving high levels of recall

Sending Packets and Parcels and Spontaneous recollection of Service Providers

SME's Sending Packets and Parcels



Spontaneous Recollection of Service Providers



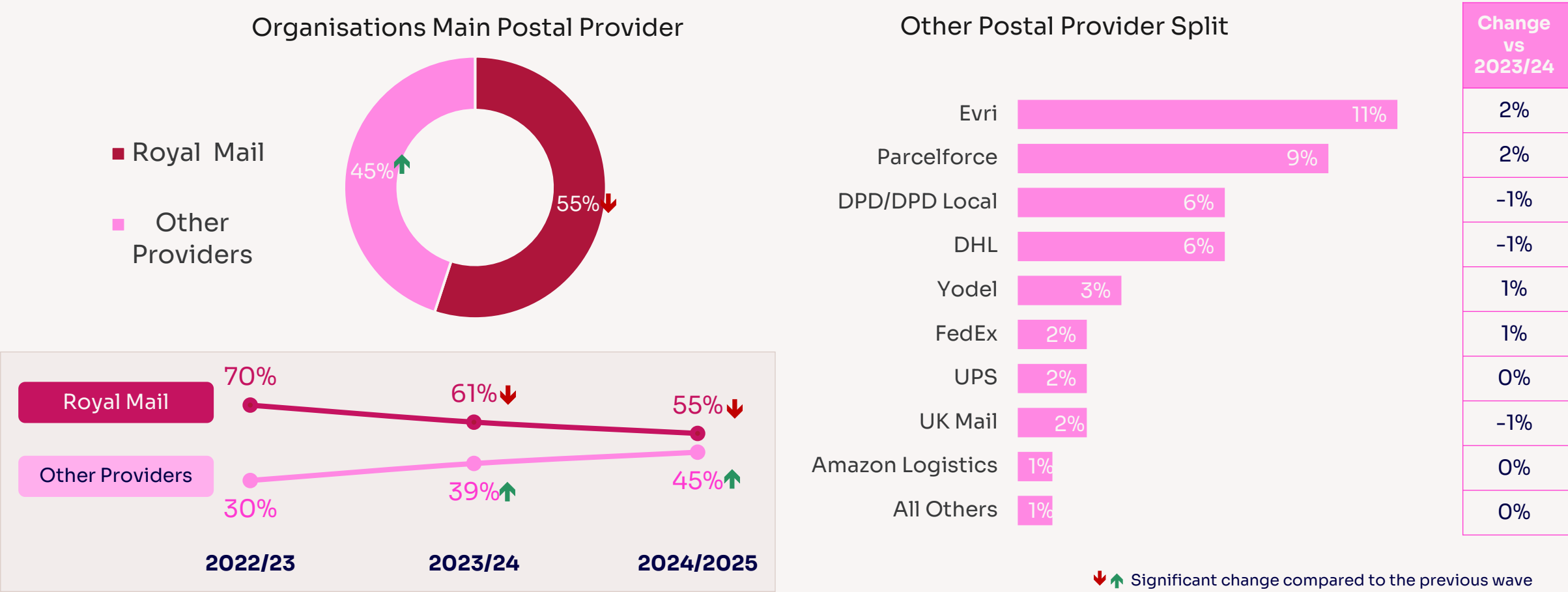
QV2A. On average, how many of the following types of post does your organisation typically send per mailing? - Packets and parcels Base: All (2284)

QN1. Thinking now about sending small parcels, those that are under 2 kilograms in general. Which providers can you think of? IF NECESSARY: By this we mean companies who deliver small parcels in the UK.

Base: 2023/24 (2216); 2024/25 (2284)

There is an upward trend in the use of providers other than Royal Mail as a primary provider for packets and parcels services. However, Royal Mail remains the most frequently used (55%), followed by Evri (12%) and Parcelforce (9%)

Main Provider: claimed use for **packets and parcels** by number of items



QV5a.1 Which would you say is your organisation's main postal service for packets and parcels in terms of the number of items you send? Base: All who send packets and parcels; 2023/34 (1569); 2024/25 (1584)