



Commission for
Communications Regulation

Information Notice

An Post's Quality of Service Domestic single piece mail.

Quarter 1, January to March 2005

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An Coimisiún um Rialáil Cumarsáide

Commission for Communications Regulation

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1 Foreword

The Commission for Communications Regulation (ComReg) is responsible for monitoring An Post's quality of service performance. ComReg is the sole organisation statutorily required to set and publish quality of service standards in relation to the universal service. TNS mrbi was appointed to measure An Post's quality of service for single piece mail in accordance with the principles set out in the European and Irish Standard I.S. EN 13850: 2002. Bulk mail, which frequently receives a lower delivery standard in return for price discounts, is not included.

ComReg is now publishing TNS mrbi's report on the first quarter's performance from January 2005 to March 2005 inclusive. According to this report **76%** of single piece mail items were delivered the next working day after posting. This result reflects an improvement over quarter one performance result for 2004 which was only 70%. However, the current target set by ComReg is 94% for delivery of single piece mail the day after posting. The 6% improvement in performance over the same period last year is to be welcomed and ComReg will continue to monitor quality of service results for the remaining quarters of 2005.

The report also signals that 98% of single piece priority mail is delivered by the third working day after it was posted. The purpose of this measure is to ensure that if there is a failure to provide the desired level of next day delivery then it is corrected as quickly as possible thereafter. The target is that 99.5% of all mail should be processed and delivered within three working days of posting. The Report highlights that mail posted outside of Dublin for delivery within county of posting achieved 100% quality of service after three days of posting while mail posted in Dublin for delivery locally or nationally only achieved 97% quality of service within three working days of posting. This would again seem to point to particular problems in the Dublin area where so much of the nation's mail originates.

The national economy needs an efficient and reliable postal service. ComReg remains committed to continuing to actively pursue the issue of quality improvements with An Post and will continue to publish reports of performance every quarter as well as publish an annual report.

**Mike Byrne,
Commissioner**

2 Commentary on Results

ComReg is designated with responsibility for the regulation of Universal Postal Services in Ireland. It is the sole organisation statutorily required to set and publish quality of service standards in relation to the universal service, paying attention in particular to routing times and to the regularity and reliability of services. It is also required to monitor the performance levels achieved against the targets which have been set. It has commissioned TNS mrbi to carry out this, in accordance with the European and Irish Standard, I.S. EN 13850: 2002¹ on its behalf. In line with the Standard, ComReg's monitor focuses exclusively on single piece priority mail²

Bulk mail is not included in the ComReg measurement system as it attracts discounted tariffs and is generally subject to a slower transit time quality of service target. Although An Post measures and publishes results for both single piece and bulk mail streams together for its own operational need there is no statutory obligation requiring An Post to do so. An Post have recently indicated that they intend to measure single piece mail only in accordance with the relevant European Standard from this year onwards. ComReg have requested a report by An Post's contractors confirming details of the geographical dispersal of the new panel and results for quarter 1 so that they can be compared with the results from TNS mrbi published in this paper, and any variance investigated.

While the obligation within the Standard is to produce one annual figure for each relevant field of study, ComReg has decided to publish reports of performance every quarter as well as to publish an annual report.

2.1 National Mail for Delivery Next Day Nationwide (D³+1)

National Mail refers to all mail posted and delivered within the Republic of Ireland regardless of its origination or destination address. The following table shows the result for Quarter 1 of 2005 for next working day delivery (D+1) of single piece priority national mail as reported by TNS mrbi:

Table 1: Results for National Mail Next Day (D+1) delivery

National Mail (D+1)	Target Set	Actual Q1 Jan - Mar	Actual Q2 Apr - Jun	Actual Q3 Jul - Sep	Actual Q4 Oct - Dec	Actual Full year Jan - Dec
2005	94%	76%	na	na	Na	Na
2004	94%	70%	70%	78%	67%	72%

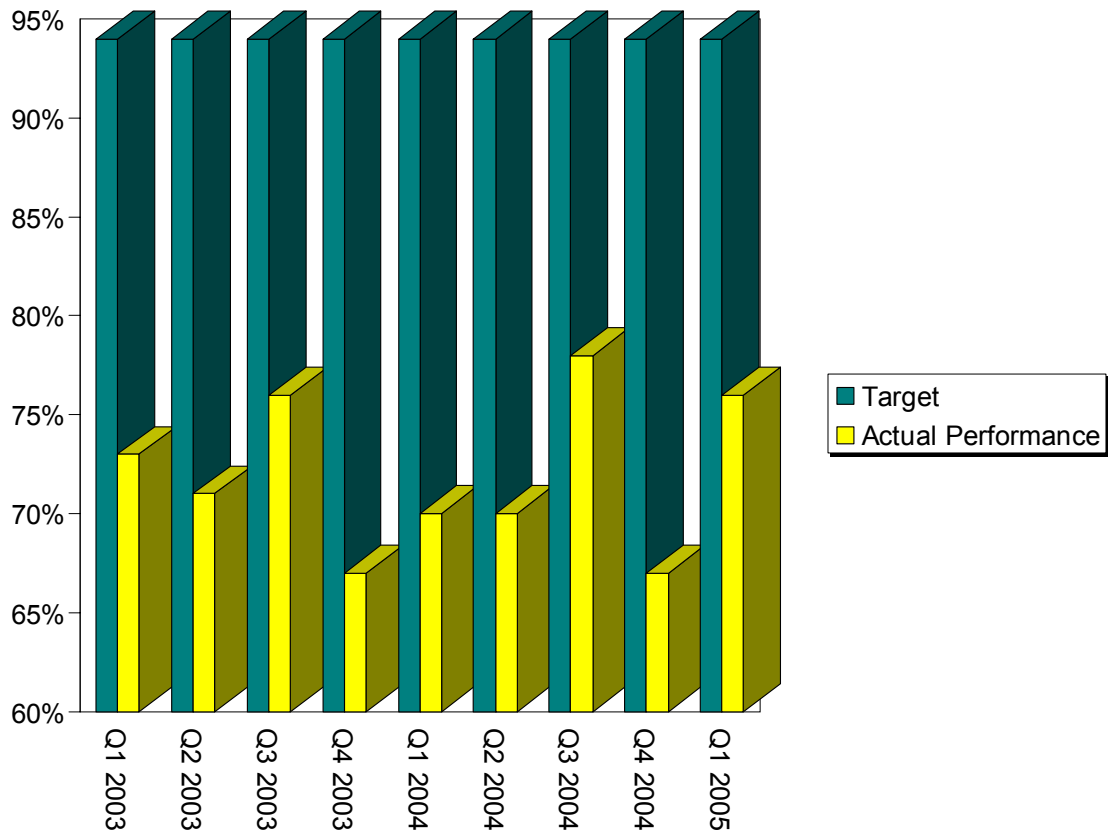
TNS mrbi's report for the first quarter of 2005 shows that 76% of single piece priority mail was delivered by An Post the next working day after posting.

¹ 'Postal Services – Quality of Service – Measurement of transit time of end-to-end services for single piece priority mail and first class mail'

² Single piece mail is the ordinary day to day correspondence posted by individuals and businesses, big and small

³ D represents the date of deposit

Traditionally, this quarter tends to be the second best performing quarter of the year. Nevertheless, and as can be seen from Figure 1 below, this result falls significantly short of the target set by ComReg of 94%. However it does represent a 6% improvement over the same period for 2004 (70%).

Figure 1: National Mail Next Day (D+1) delivery performance

2.2 Local mail for Delivery next working day in County of Posting (D+1)

Local Mail refers to mail that is delivered within the same county of posting. The results for Quarter 1 of 2005 for next working day delivery (D+1) of priority single piece local mail are reported by TNS mrbi as follows:

Table 2: Results for Local Mail Next Working Day (D+1) Delivery

	Year	Target Set	Actual Q1 Jan - Mar	Actual Q2 Apr - Jun	Actual Q3 Jul - Sep	Actual Q4 Oct - Dec	Actual Full year Jan - Dec
All local mail (D+1)	2005	94%	79%	na	na	na	na
	2004	94%	75%	75%	81%	71%	75%
Local Mail Posted in Dublin (D+1)	2005	94%	78%	na	na	na	na
	2004	94%	71%	75%	82%	72%	75%
Local Mail Posted outside Dublin (D+1)	2005	94%	80%	na	na	na	na
	2004	94%	78%	76%	80%	69%	76%

The target for local mail to be processed and delivered on the next working day is 94% (the same target as for National Mail). The results for Quarter 1 of 2005 show that mail for local delivery receives a better service than other mail (79% as compared with an average of 76% for all mail).

The report also highlights some variation in results for the different mail flows⁴. Mail posted outside of Dublin for delivery within the county of posting receives a better quality of service than mail posted in Dublin for delivery within Dublin – 80% compared with 78%.

2.3 Next Working Day Delivery of Mail Posted to Dublin (D+1)

The following table shows the quality of service afforded to mail posted anywhere in the Republic of Ireland for delivery within Dublin, mail posted in Dublin for local delivery and mail posted outside of Dublin for delivery in Dublin

Table 3: Results for Mail Delivered to Dublin for Next Working Day (D+1)

	Year	Target Set	Actual Q1 Jan - Mar	Actual Q2 Apr - Jun	Actual Q3 Jul - Sep	Actual Q4 Oct - Dec	Actual Full year Jan- Dec
National mail (D+1)	2005	94%	76%	na	na	na	Na
	2004	94%	71%	73%	80%	69%	73%
Mail Posted in Dublin (D+1)	2005	94%	78%	na	na	na	Na
	2004	94%	71%	75%	82%	72%	75%
Mail Posted outside Dublin (D+1)	2005	94%	72%	na	na	na	Na
	2004	94%	70%	69%	77%	64%	70%

The target for this reporting stream is 94% (the same target as for National Mail).

TNS mrbi's report shows that mail posted outside of Dublin for delivery in Dublin receives only 72% next working day delivery compared with 78% delivery for mail posted in Dublin for delivery in Dublin. We can also contrast this result (72%) with the result for mail posted outside of Dublin for local delivery within county of posting (80%), see Table 2 above. It seems clear from this comparison that mail addressed for delivery in Dublin, which is posted in provincial locations, is demonstrably receiving a poorer quality of service than mail which is posted within Dublin for local delivery. The table also indicates that mail posted in Dublin for delivery locally has significantly improved (7%) over the corresponding period in 2004 while mail that originates in provincial locations for Dublin delivery has only improved by 2% for the same period. This is an issue which needs to be addressed by An Post.

⁴ Mail flows measured include (1) mail posted in Dublin (City and County) for delivery nationwide and in Dublin and (2) mail posted outside Dublin for delivery nationwide, locally (i.e. in the same County of posting) and in Dublin.

2.4 National Mail delivered within three days (D+3)

The results for Quarter 1 2005 for delivery of single piece priority mail posted nationwide for delivery nationwide within three working days (D+3) are reported by TNS mrbi as follows:

Table 3: Results for National Mail Delivery within Three working days (D +3)

All national mail (D+3)	Target Set	Actual Q1 Jan -Mar	Actual Q2 Apr - Jun	Actual Q3 Jul - Sep	Actual Q4 Oct - Dec	Actual 2004 Jan - Dec
2005	99.5%	98%	na	na	na	na
2004	99.5%	94%	97%	99%	96%	96%

The purpose of this measure is to ensure that if there is a failure to provide the desired level of next day delivery then it is corrected as quickly as possible thereafter. The target is that 99.5% of all mail should be processed and delivered within three working days of posting.

TNS mrbi's report shows that 98% of all mail was delivered within three working days of posting for Quarter 1 2005. This reflects an improvement over the corresponding period of 2004 but it still falls short of the 99.5% target.

More encouraging, as reported by TNS mrbi in Section 3 below, is that all mail posted outside of Dublin for delivery locally was delivered within three days of posting for Quarter 1 2005. It is worthy to note, however, that mail originating in Dublin for delivery in Dublin received the poorest levels of quality after three days of posting. Only 97% of local mail in Dublin was delivered after the third working day of posting, perhaps suggesting that the causes for service failure in Dublin are not being readily addressed.

2.5 Action Underway

ComReg continues to actively pursue the issue of quality improvements with An Post. ComReg believes quality is a key element for the long term viability of An Post and this sentiment has also been echoed by An Post Chief Executive at the most recent Joint Committee meeting of the Oireachtas on Communications, Marine and Natural Resources.

Finally, the recent announcement by the Minister for Communications, Marine and Natural Resources requesting ComReg to appoint Project Managers with the necessary technical skills to design a postcode system for Ireland is also encouraging and endorses the firm belief held internationally that a postcode would aid the speedy processing of mail at Mail Centres amongst other wide ranging benefits which the introduction of a postcode could bear.

TNS MRBI REPORT

**Republic Of Ireland Quality Of Postal
Service Monitor**

**Interim Report
Items Posted On Or Between
1st January & 31st March, 2005**

ComReg



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TNS mrbi/102307/05

INTRODUCTION

TNS mrbi has been commissioned by ComReg to monitor the quality of postal service in the Republic of Ireland, according to the European and Irish Standard, I.S. EN 13850: 2002, 'Postal Services – Quality of Service – Measurement of transit time of end-to-end services for single piece priority mail and first class mail' in parallel with the Guide for the implementation of EN 13850, TR 14709. For monitoring purposes, the universe of post is defined as all single piece priority mail and first class mail posted and delivered in the Republic of Ireland. Monitoring is conducted via a nationwide panel of homes and business premises posting and receiving mail on a continuous basis.

This report presents the findings for items posted on or between 1st January and 31st March, 2005.

Reports are issued on a quarterly and year-to-date basis.

TNS mrbi is an independent provider of business information. TNS mrbi is a fully owned subsidiary of TNS plc.

NEXT DAY DELIVERY (D +1): ITEMS POSTED ON OR BETWEEN 1st JANUARY & 31st MARCH 2005

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	76% (+/-1.5%)	79% (+/-2.1%)	76% (+/-2.0%)
	Dublin county	76% (+/-2.5%)	78% (+/-3.0%)	78% (+/-3.0%)
	Outside Dublin county	76% (+/-2.0%)	80% (+/-3.3%)	72% (+/-2.8%)

1. *() figures in brackets relate to accuracy levels at 95% confidence*
2. *Total number of effective observations – 5165*
3. *Dublin County consists of the administrative areas of the Dublin City Council, Fingal County Council, South Dublin County Council and Dun Laoghaire – Rathdown County Council.*

DELIVERY WITHIN THREE DAYS (D+3): ITEMS POSTED ON OR BETWEEN 1st JANUARY & 31st MARCH, 2005

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	98% (+/- 0.5%)	99% (+/-0.5%)	98% (+/-0.7%)
	Dublin county	97% (+/-1.0%)	97% (+/-1.2%)	97% (+/-1.2%)
	Outside Dublin county	99% (+/-0.5%)	100% (+/-0.0%)	99% (+/-0.6%)

4. *() figures in brackets relate to accuracy levels at 95% confidence*
5. *Total number of effective observations – 5165*
6. *Dublin County consists of the administrative areas of the Dublin City Council, Fingal County Council, South Dublin County Council and Dun Laoghaire – Rathdown County Council.*

METHODOLOGY

The method of monitoring is in full accordance with European and Irish Standard, I.S. EN 13850: 2002, 'Postal Services – Quality of Service – Measurement of transit time of end-to-end services for single piece priority mail and first class mail'.

Calculation Of Transit Time

Transit times are calculated according to a five-day working week calculation rule; whereby Saturday's, Sunday's and public holidays are excluded for delivery calculation purposes.

This rule is applied on the basis that mail is posted seven days a week. Where mail is inducted on Saturday's, Sunday's and public holidays to meet advertised collections on these days Monday is regarded as the next working day for the calculation of transit time for this mail. Where there is no advertised collection on these days mail inducted over the weekend/public holiday will be regarded as having been inducted on the following Monday for the calculation of transit time.

Sample Design

The sample design corresponds with the most accurate and up-to-date estimates of real mail flow and discriminant characteristics provided by An Post. The sample employs strict proportionality across all key characteristics. Discriminant characteristics are defined as:

- Method of posting
- Method of addressing
- Envelope colour
- Envelope size
- Method of payment
- Day of week of posting

Regional mail flows are quota controlled with weighting used to restore proportionality.

Geographical Distribution

Stratified random sampling is employed to achieve the required panel geographical distribution. All addresses are verified with panellists for accuracy and completeness.

Calculation Of Results

Accuracy of the transit time is assessed by calculating the variance of the estimator and the design factor, taking into account:

- number of points of induction and receiving
- correlation of test items

PROJECT TEAM

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