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**Postal Services
Business Survey 2007**

Presentation of findings

By



Millward Brown IMS

**As commissioned by
The Commission for
Communications Regulation**

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Presentation Outline

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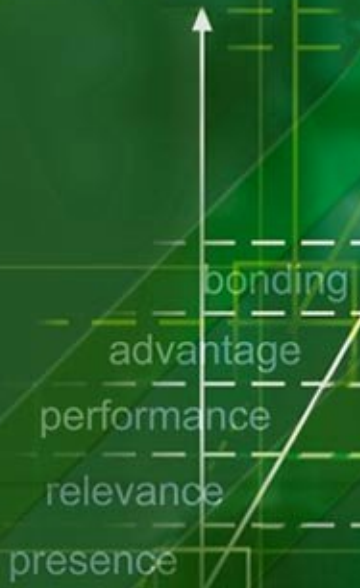
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Introduction

Methodology

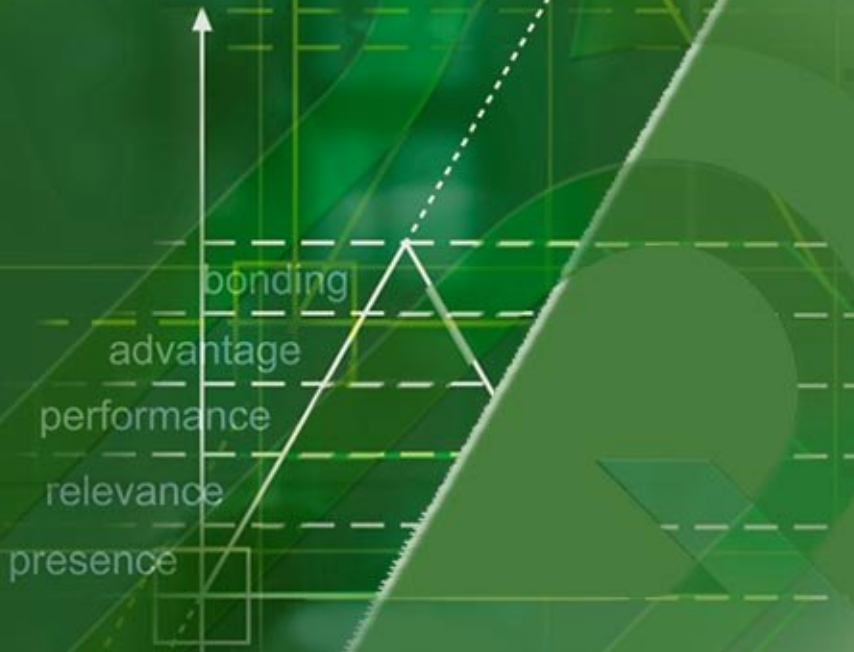
- Telephone interviews were conducted with a sample of 802 businesses in the Republic of Ireland.
- Quotas were set for company size and industry sector.
- All interviews were conducted with the person in the company responsible for incoming and outgoing post and general dealings with their postal service providers.
- Fieldwork was conducted from 19th October – 20th November 2007.
- Where applicable, comparisons have been made with previous research.
- In some instances, respondents were given the opportunity to nominate more than one answer and this has been noted on the relevant charts.





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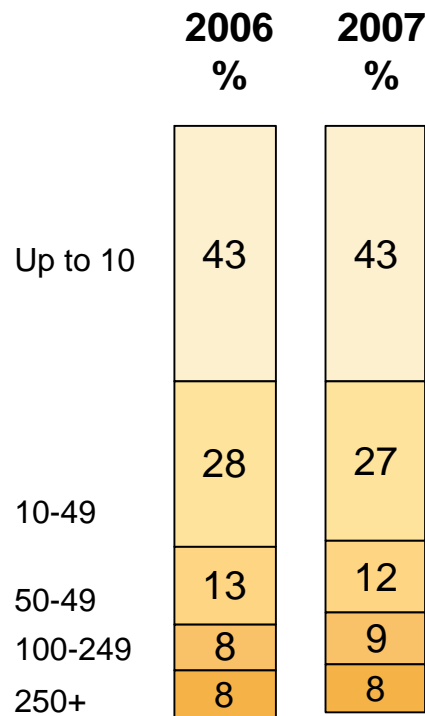
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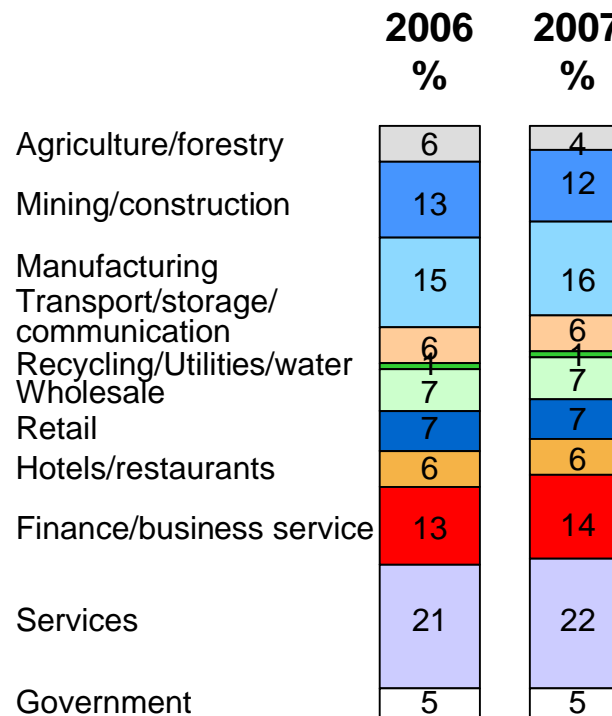
Sample Profile

Company Profile

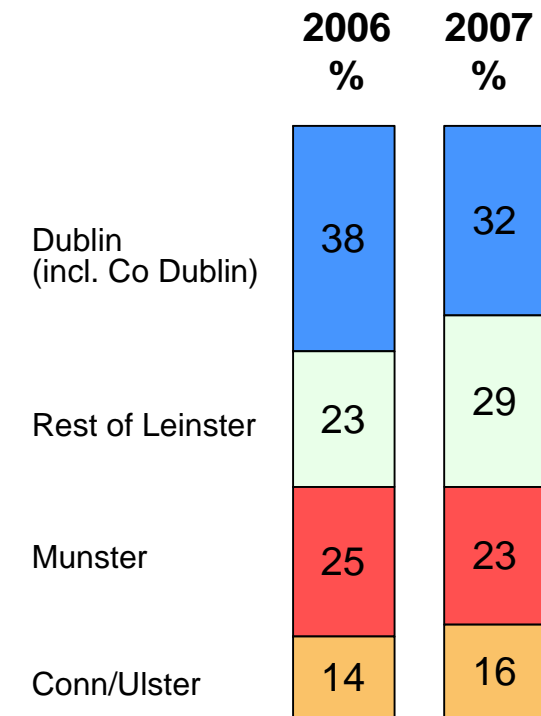
No. of Employees in ROI



Industry Sector



Region*



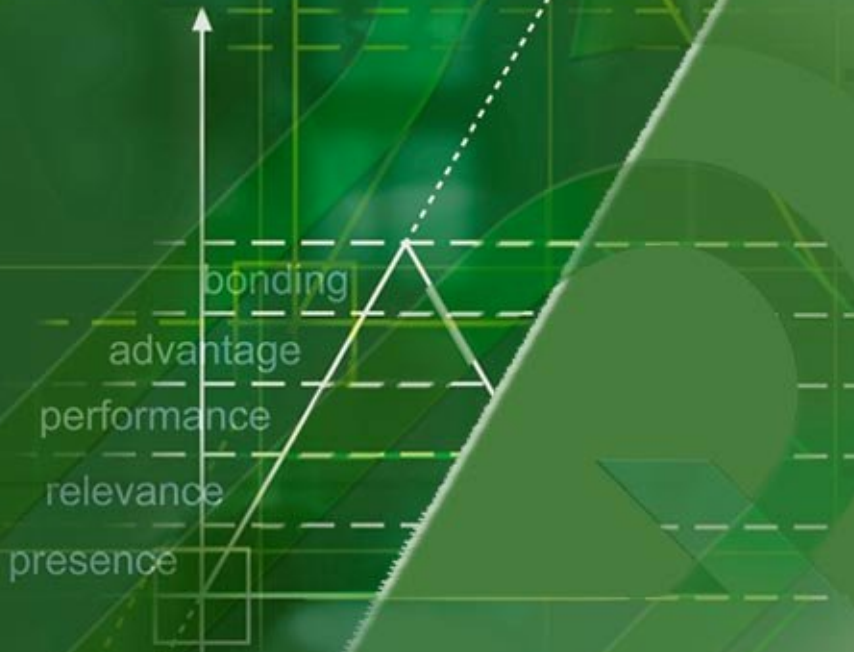
Base: All respondents (n=802)

*Note: quotas were not set on Region, but rather were allowed to fall out naturally



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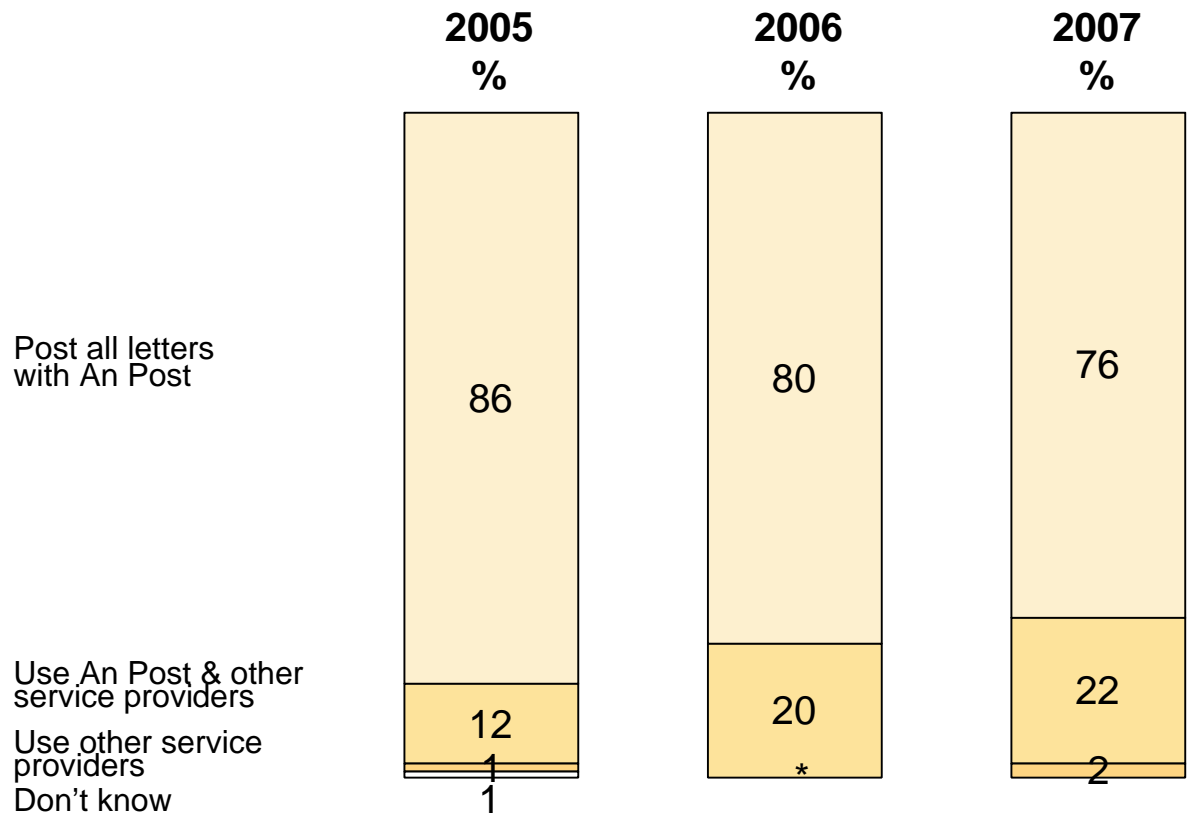
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Usage of Postal Service Providers

Postal Service Providers Used

Q. Do you post all these letters with An Post, or do you use services offered by another company or do you use both An Post and another company?



Base: All respondents (n=802)

- The proportion of 8 companies using the services of other providers has grown steadily over the past three years, with nearly one in four now using other service providers.
- The majority of these companies use other providers in tandem with An Post as opposed to using them exclusively.
- Those more likely to use An Post only were involved in agriculture, hospitality, transport and construction.
- Companies based in Munster were also more likely to use An Post only.
- Those most likely to use other providers are Corporates, the manufacturing, wholesale and service industries and those based in Dublin.
- Prior to 2005, companies were even more likely to use An Post only, with just 8% of companies using other postal service providers in 2002.

Awareness of Other Postal Service Providers among those only using An Post currently

Q. What other companies are you aware of that you could use for sending mail, besides An Post?

	2007 Total %	2006 %	2005 %
DHL Express	13	13	12
Interlink Express	5	4	3
UPS	4	3	2
TNT Express	3	3	2
FedEx Express	2	4	3
Fastrack	2	1	1
Other	5	14	10
No awareness	73	68	75

- Among those currently using An Post exclusively, nearly three quarters are unaware of other providers in the marketplace.
- Awareness of other postal service providers among those using An Post has remained relatively consistent over the past three years.
- There is little difference between SMEs and Corporates in terms of awareness of other providers.
- Those involved in Manufacturing, retail and financial service industries are more likely to be aware of other providers.
- In terms of region, Dublin based companies are most aware of others, with those in Leinster and Connaught Ulster being less aware.

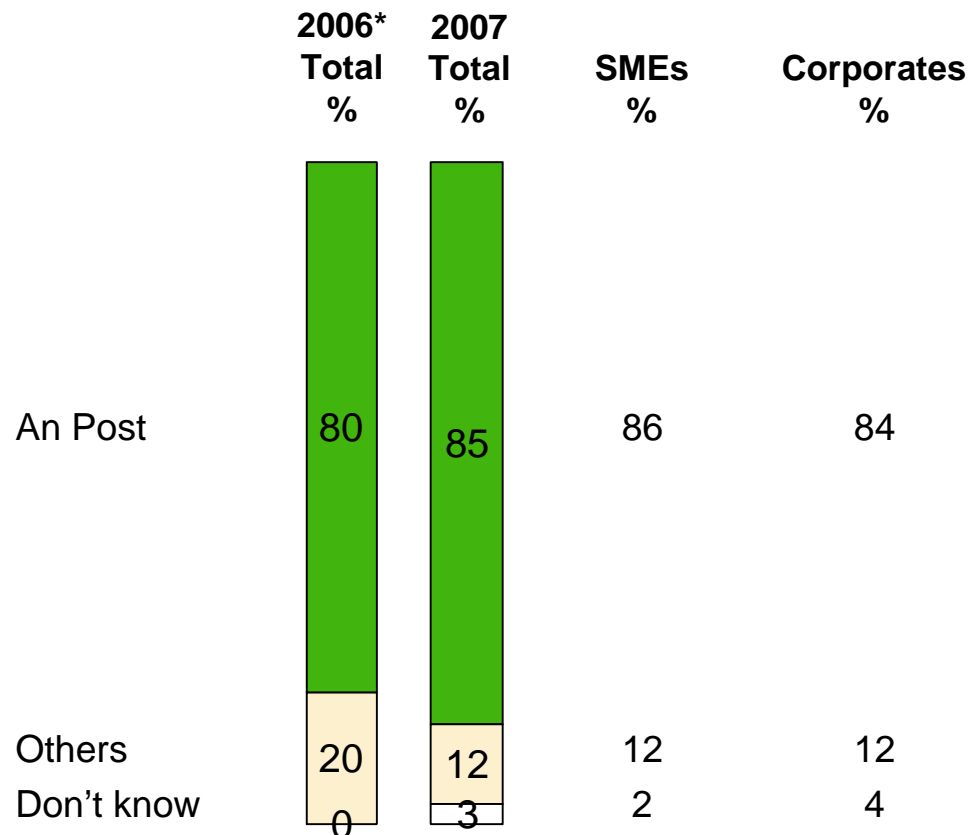
Note: Answers under 2% not shown

Base: Those using An Post only (612)



An Post versus Other Service Providers – Standard Letters

Q. In terms of standard letters posted what percentage would you send with An Post? What percentage is with other providers?



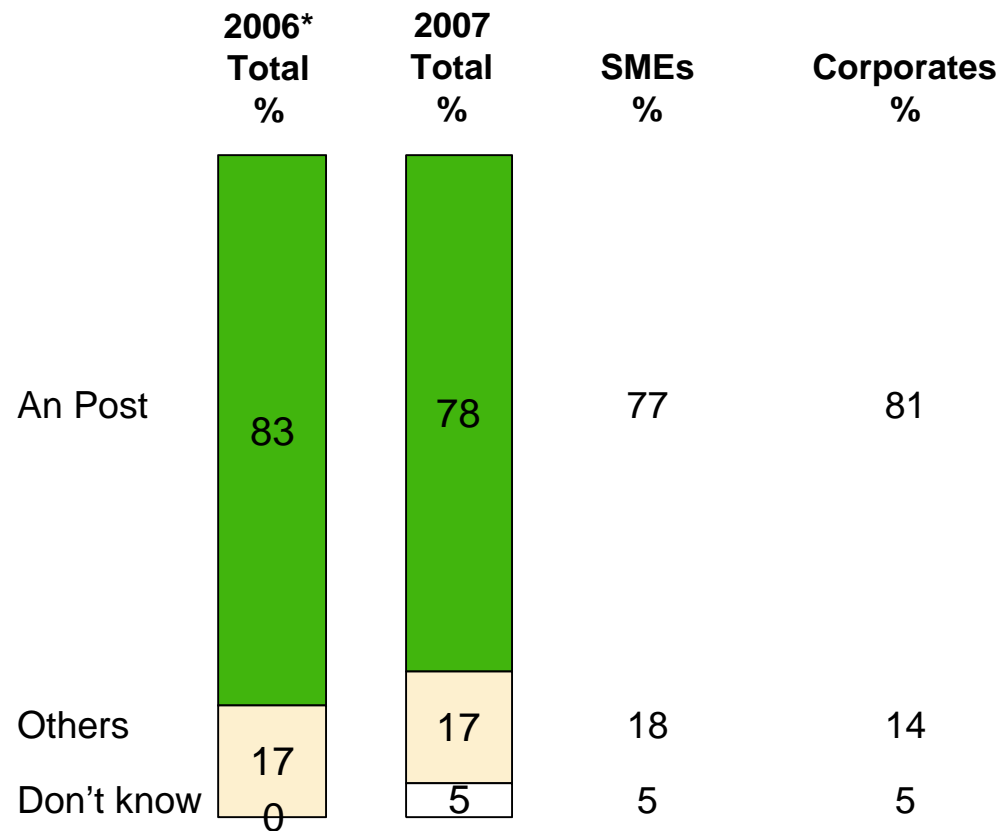
- Among those using the services of An Post and other providers, a sizable majority of standard mail that they send is still directed through An Post.
- There are no significant differences in behaviour between larger and smaller companies, or between different industry sectors.
- In terms of regional differences, Dublin companies were slightly more likely to send standard letters with An Post (89%) whilst those in Connaught Ulster tended to be least likely (78%).

Base: All who use other providers for delivery of Standard Letters (Total n=176, SMEs n=130, Corporates n=46)

* Note: Question was asked differently in 2006; results were calculated based on volumes given, not percentages

An Post versus Other Service Providers – Large Letters

Q. In terms of larger letters posted what percentage would you send with An Post? What percentage is with other providers?



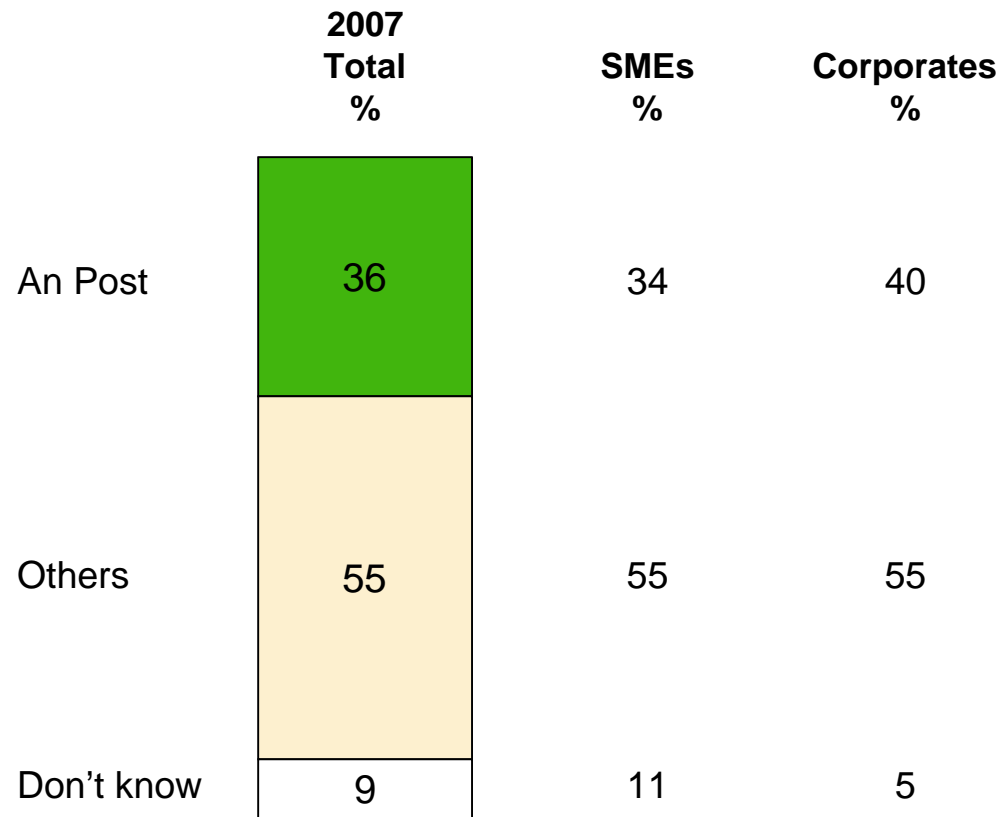
- Likewise, among those using the services of An Post and other providers, a sizable majority of large mail that they send is still directed through An Post.
- Those within the Services industry are more likely to use other service providers for sending larger items of mail, as are those employing 10-49 employees.
- There were few differences in terms of regional spread, with similar proportions of larger letters being posted with An Post.

Base: All who use other providers for delivery larger letters (Total n=176, SMEs n=130, Corporates n=46)

* Note: Question was asked differently in 2006; results were calculated based on volumes given, not percentages

An Post versus Other Service Providers – Packets

Q. In terms of packages posted what percentage would you send with An Post? What percentage is with other providers?



- With regard to larger items of post, other service providers are more in evidence, with over half of all packets being sent with them.
- Those employing 250+ are more likely to use An Post (46%), along with those based in Munster (46%).
- Those based in Leinster (excl Dublin) and Connaught Ulster seem to tend to use other service providers for sending packets.

Base: All who use other providers for Posting Packets and Parcels (Total n=152, SMEs n=110, Corporates n=42)



An Post versus Other Service Providers – Parcels

Q. In terms of parcels posted, what percentage would you send with An Post? What percentage is with other providers?

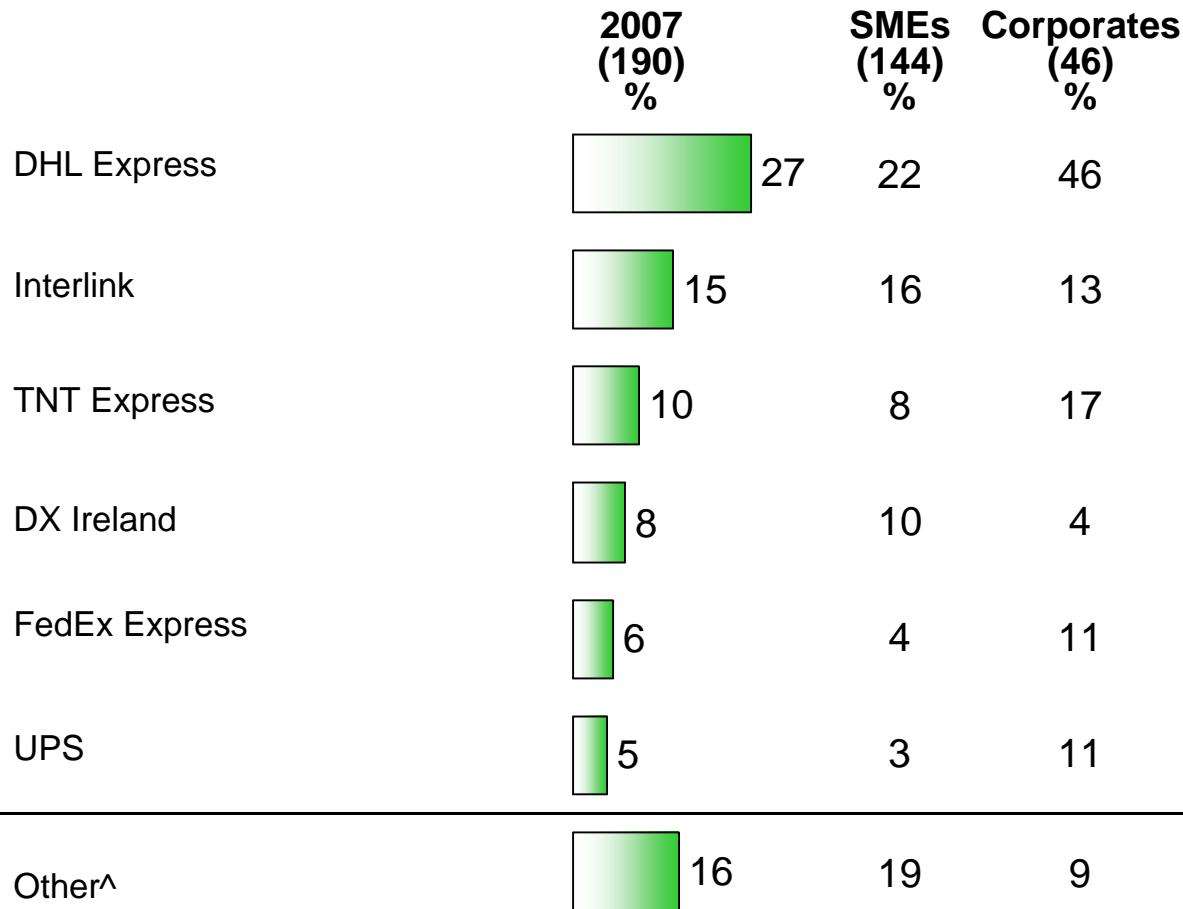
	2007 Total %	SMEs %	Corporates %
An Post	28	23	39
Others	60	62	54
Don't know	12	15	7

- Users of multiple postal service providers (including An Post) are more than twice as likely to post parcels with providers other than An Post.
- Those most likely to use other providers are smaller businesses (1-9 employees) at 68%, involved in manufacturing (71%) and are based in Leinster (excluding Dublin).
- Those using An Post for sending parcels tend to be based in Dublin and Munster.

Base: All who use other providers for Posting Packets and Parcels (Total n=152, SMEs n=110, Corporates n=42)

Other Postal Service Providers Used

Q. Beside An Post, what other companies does your company currently use for sending mail?



- Of those using other providers, Corporates are more likely to be using multiple service providers, particularly those employing 100-249 employees.

- Among industry sectors, those involved in manufacturing and wholesale are also more likely to be using multiple providers.

- Regionally, those based in Dublin and Leinster are also more likely to be using multiple providers, with those in Munster less likely to be using multiple providers.

Answers under 5% not shown
^No single provider greater than 3%

Note: Multiple responses allowed

Base: All those who use other providers

Reasons for using Other Postal Service Providers

Q. And why do you use the services of _____?

	2007 (190) %	SMEs (144) %	Corporates* (46) %
Faster/more efficient	31	31	30
Guaranteed next day delivery	18	17	24
Cheaper	17	20	7
Reliable/guaranteed tracking	12	11	13
For important/urgent documents	6	7	2
Company policy/decision made by someone else	5	4	9
Same day collection	5	6	2
Security	3	3	2
Local post	2	3	-
Good service/account management	2	2	-

- Speed and efficiency remain the primary reason for using other providers, with reliability also featuring highly.
- Speed and efficiency is the most cited reason for those involved in construction, finance and service industries, and also among those based in Dublin.
- Guaranteed next day delivery is more of a concern for Corporates compared to SMEs.
- Guaranteed next day delivery is also cited among the financial sector and those based in Leinster.
- Nearly one in five cite cost benefits for using other providers, with SMEs feeling this is more of an influencing factor than Corporates.

Base: All those who use other providers

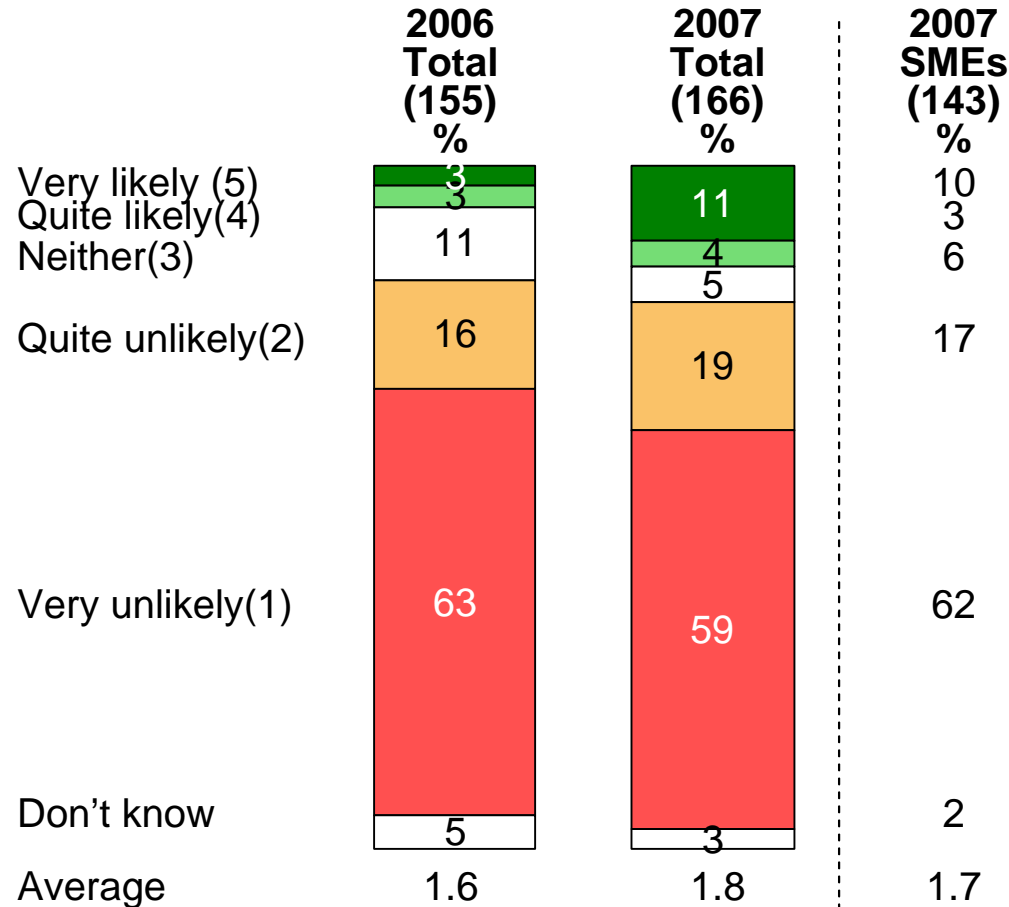
* Caution: Small base size

Note: Multiple responses allowed



Likelihood to Switch from An Post

Q. How likely is your company to switch some of its postal business to a service provider other than An Post within the next 12 months?



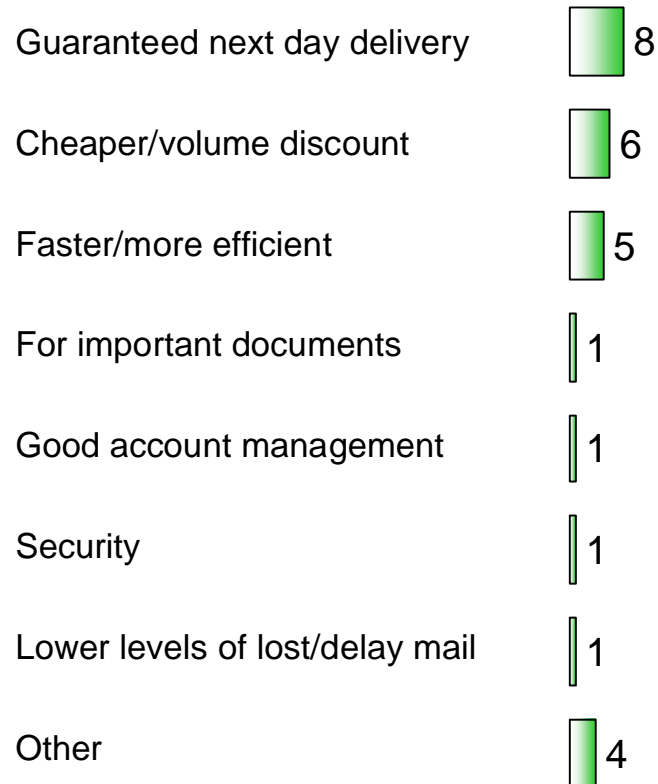
- The majority of those currently using An Post exclusively, but who are aware of alternative options available, still feel they are unlikely to switch any of their postal business in the next 12 months.
- However, the proportion of those who are likely to switch has risen from six per cent in 2006 to fifteen per cent now, with one in ten stating they are very likely to do so.
- Those most likely to switch are involved in the construction industry, with those least likely to switch being involved in retail, hospitality and service industries.
- In terms of regions, Dublin companies are more likely to consider switching, with those based in Munster and Connaught /Ulster least likely to consider switching.

Base: All those aware of other service providers, but currently only using An Post (Total n=166, SMEs n=143 Corporates base too small to chart)

Reasons for Wanting to Switch from An Post

Q. Why do you think it is likely your company will switch some of its business to a service provider other than An Post?

Note: Number of Mentions

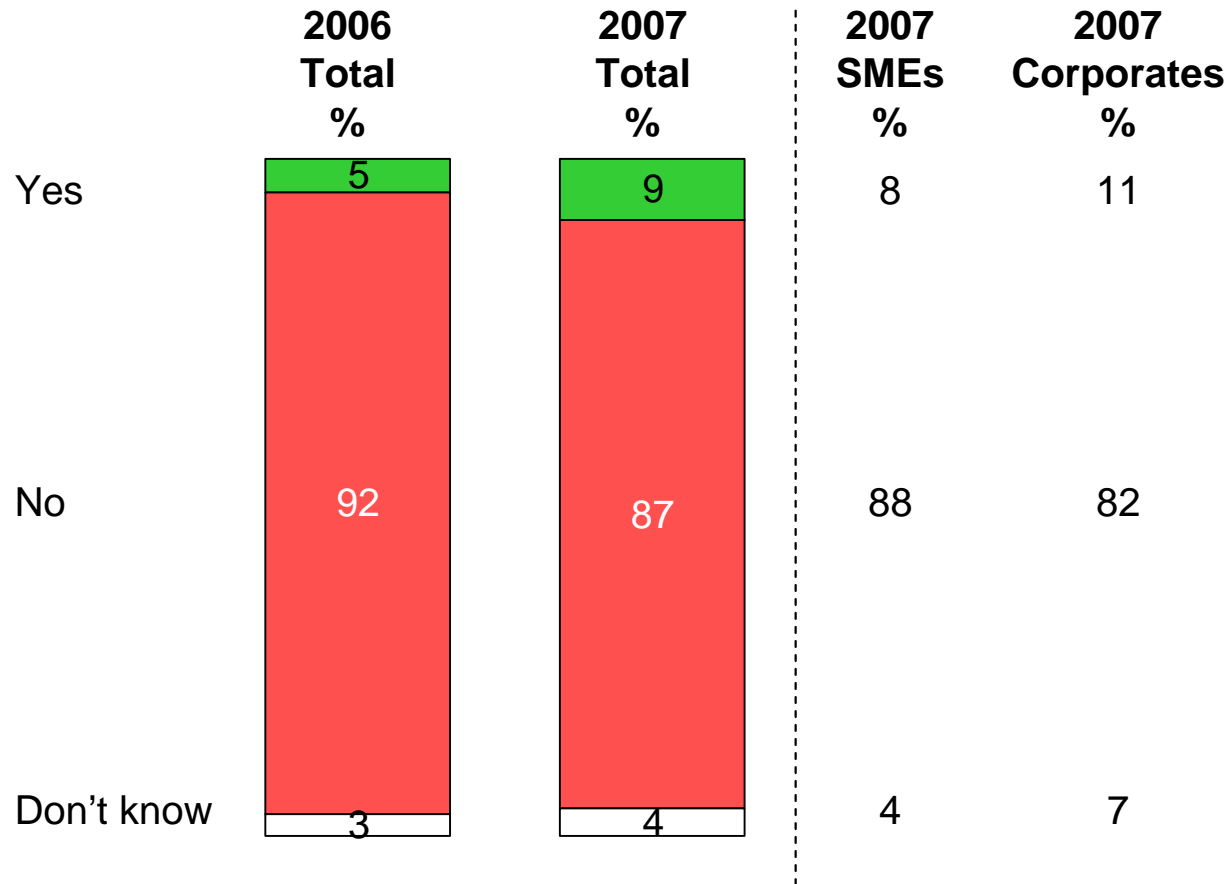


Base: All who think it is likely they will switch from An Post over the next 12 months (n=24)



Level of Contact by Other Service Providers

Q. Have you been contacted by a postal service provider other than An Post in the past year?



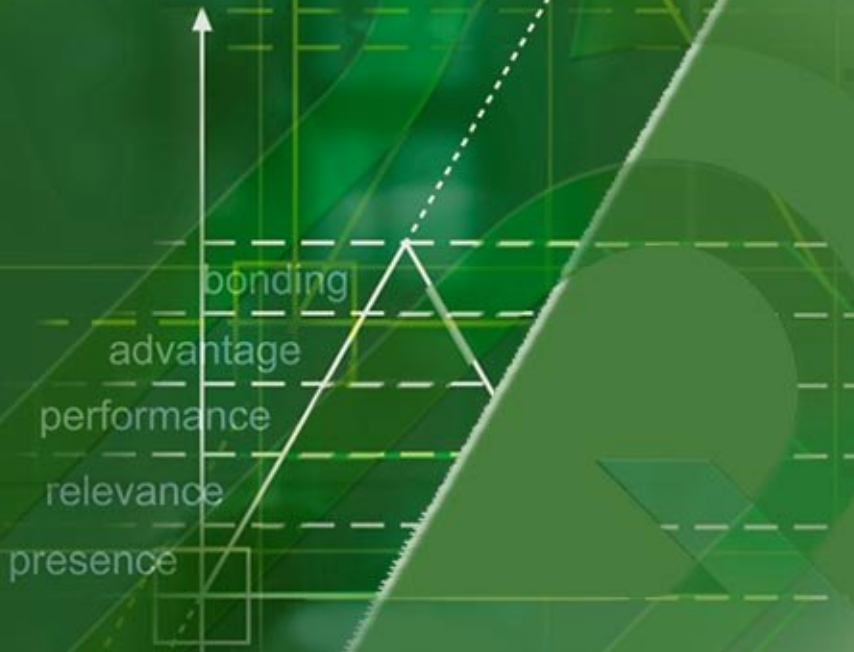
- Corporates are most likely to have been approached by other postal service providers.
- Nearly one in five (17%) of companies involved in Financial /Business Services have been approached by other providers over the past 12 months.
- Dublin and Munster companies are more likely to have been approached in the past year
- Construction, retail, transport and Government sectors are least likely to have been contacted by other providers.
- Those based in Connaught/Ulster and Leinster (excl. Dublin) are also less likely to have been contacted.

Base: All respondents (Total n=802, SMEs n=666, Corporates n=136, 2006 Total = 600)



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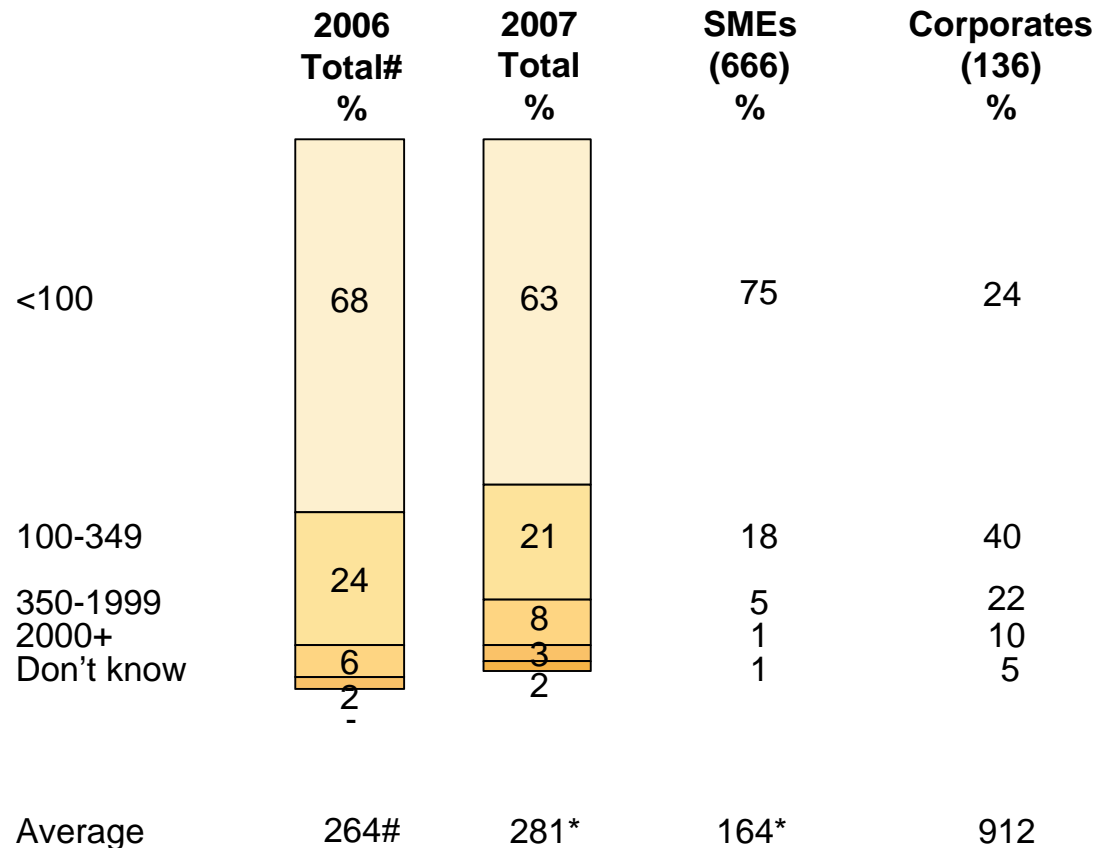
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Volume of Post Sent

Weekly Volume of Standard Letters Sent

Q. How many **standard sized** envelopes does your business/premises send each week, using any postal provider?



- Nearly two in three companies claim to send less than 100 letters per week, with 92% of smaller companies (1-9 employees) claiming this to be the case.
- Those sending less than 100 letters are more likely to be involved in manufacturing, retail or hospitality.
- Connaught/Ulster based companies are also more likely to send less than 100 letters a week.
- Those most likely to send a high volume of standard letters (350+ per week) are involved in the Government /Public sector (23%) or in wholesale (15%).
- Greater volumes are also more likely to be sent by Dublin based companies (17%) and by those who use the services of both An Post and others (20%).

Base: All Respondents (Total n=802, SMEs n=666, Corporates n=136)

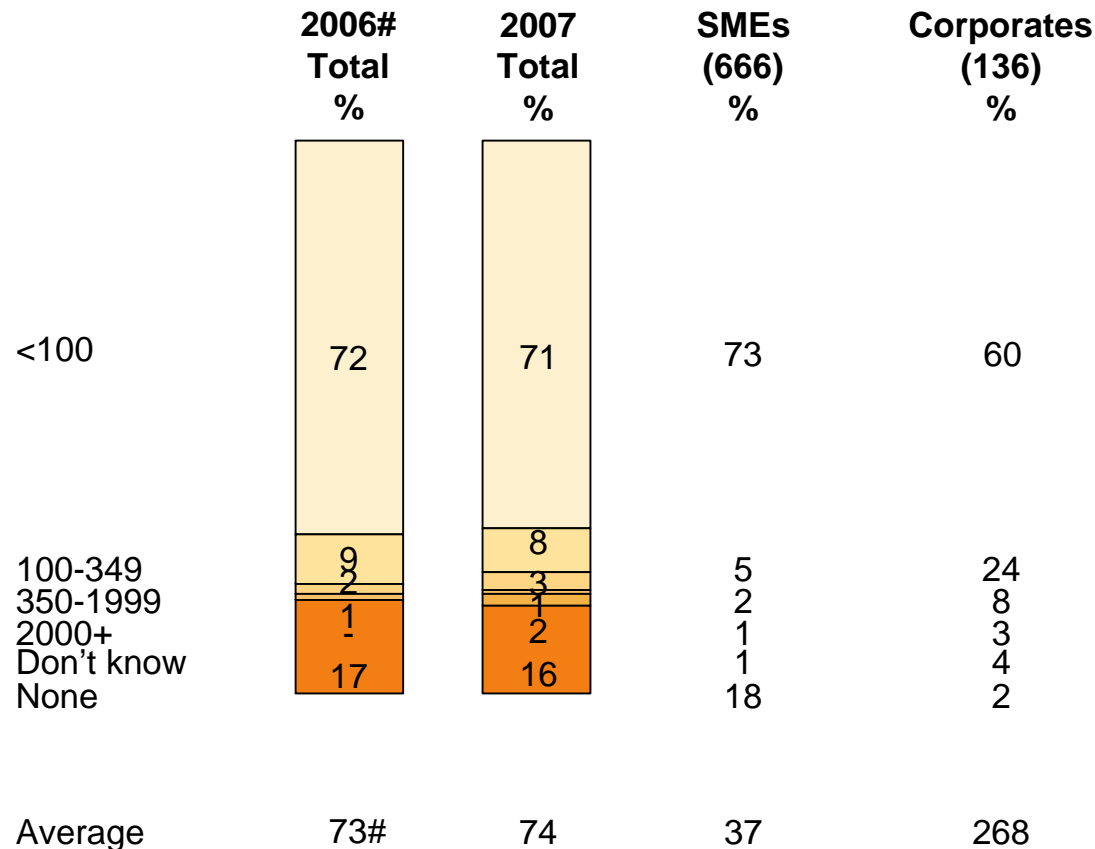
*One outlier excluded (weekly volume of 80,000) as it distorted the data dramatically

Note: Averages based on those who gave an exact amount
 #Important: Question wording changed slightly from 2006



Weekly Volume of Large Letters Sent

Q. How many **large** envelopes does your business/premises send each week, using any postal provider.



- Similar to standard letters, those most likely to send a high volume of large letters (350+ per week) are involved in the Government /Public sector (8%), be Dublin based (7%).
- Those who use the services of both An Post and others are also more likely to send higher volumes (11%).
- Lower volumes (less than 100) are more likely to be sent by manufacturing and wholesale companies (84% and 83% respectively).
- Leinster (excl. Dublin) and Connaught/Ulster are also more likely to send smaller volumes (76%).

Base: All Respondents (Total n=802, SMEs n=666, Corporates n=136)

Note: Averages based on those who gave an exact amount
 #Important: Question wording changed slightly from 2006

Weekly Volume of Packets Sent

Q. How many packets does your business send each week?

	2007 %	SMEs (666) %	Corporates (136) %
<100	51	47	68
100-349	2	1	7
350-1999	*	-	1
2000+	-	-	-
Don't know	1	1	4
None	46	51	19
Average	10	5	37

- Corporates were more likely than SMEs to send packets.
- On an industry sector basis sending packets was found to be highest among those in the retail sector (average of 20 per week), wholesale sector (average of 16 per week) and in the services sector (average of 15 per week).
- Dublin companies were most likely to send higher volumes of packets (averaging 17), with Connaught /Ulster sending the least (averaging 3).
- Overall, nearly half of all companies claim not to send packets at all, and of those who do, the vast majority send less than 100 per week.
- Transport, hospitality and financial companies are least likely to send packets.

Base: All Respondents (Total n=802, SMEs n=666, Corporates n=136)

Note: Averages based on those who gave an exact amount



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Weekly Volume of Parcels Sent

Q. How many parcels does your business send each week?

	2007 %	SME's (666) %	Corporates (136) %
<100	39	35	57
100-349	1		
350-1999	*	1	1
2000+	*	*	
Don't know	2	-	1
None	58	1	7
Average	8	63	35
		5	24

- Nearly six in ten claim not to send parcels on a weekly basis, and the volumes sent among those companies who do so are low.
- Transport, retail and hospitality industries are most likely not to have sent parcels.
- The regional differences are small in terms of parcels sent, with Dublin companies more likely and Munster companies slightly more likely to send parcels.

Base: All Respondents (Total n=802, SMEs n=666, Corporates n=136)

Note: Averages based on those who gave an exact amount



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Destination of Letters Sent (Standard and Large)

Q. And in terms of the destination of both these letters (standard and large) sent by the business, approximately what proportion of this outgoing mail is sent within the Republic of Ireland?

	2007 Total %	SMEs %	Corporates %
ROI	86	87	77
Other destinations	14	13	21
Don't know	-	-	2

- The vast majority of letter mail is sent nationally, with no significant differences between industry sectors.
- Other destinations where standard letters sent were Northern Ireland (2%), Rest of UK (5%), Rest of Europe (4%) and Rest of World (2%).
- In terms of standard letters sent domestically, there were no real differences on a regional basis.

Base: All sending standard or large Envelopes (Total n=802, Corporates n=666, SMEs n=136)



Destination of Packets/Parcels Sent

Q. And in terms of the destination of both Packages and Parcels sent by the business, approximately what proportion of this outgoing mail is sent within the Republic of Ireland?

	2007 Total %	SMEs %	Corporates %
ROI	82	85	75
Other destinations	12	11	20
Don't know	6	4	5

- Likewise, of those posting packets/parcels, over four in five send them within the Republic of Ireland.
- Those least likely to send packets/parcels inside the State were found in the recycling sector (51%).
- Government and the Public Sector are most likely to send Packets/parcels domestically (94%).
- Other destinations for packets/parcels were the UK and NI (4% and 2% respectively), Rest of Europe (4%) and Rest of World (2%)

Base: All who post packets or parcels (Total n=441, SMEs n=335, Corporates n=106)

Proportion of Mail Sent Business to Business

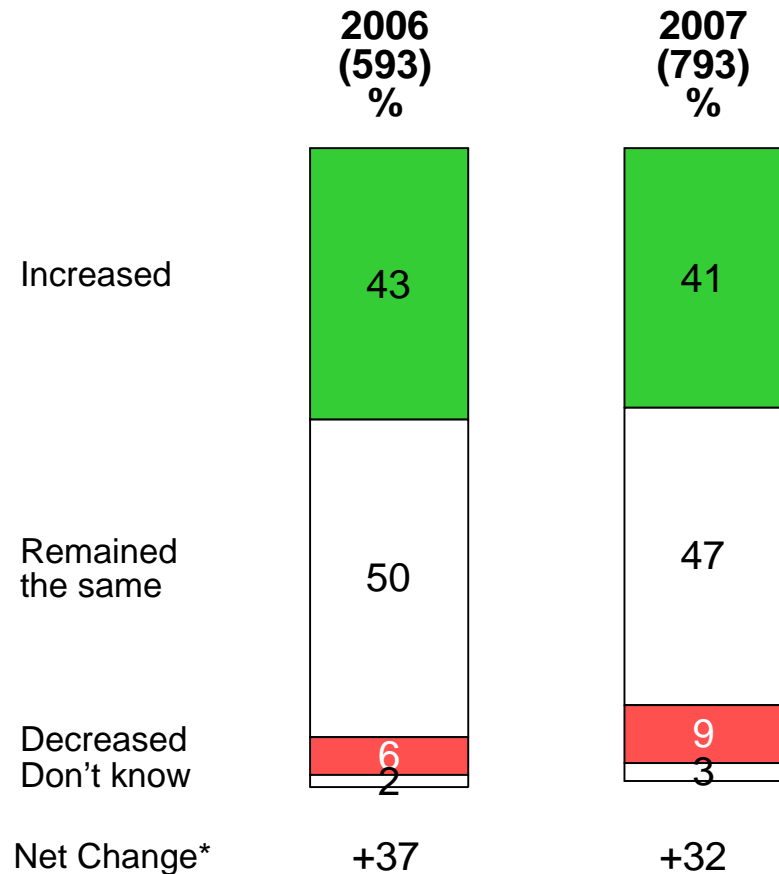
Q. What percentage of your mail items which are sent to addresses within the Republic of Ireland are sent to another business and what proportion are sent to customer or private residences?



Base: All who gave an estimate on the Destination of their Post (Total n=762, SMEs n=642, Corporates n=120)

Trends in Volume of Post Sent – Within The Republic of Ireland

Q. For each service I read out, can you tell me if the number of letters your organisation posts each week has increased, decreased or remained the same over the past twelve months?

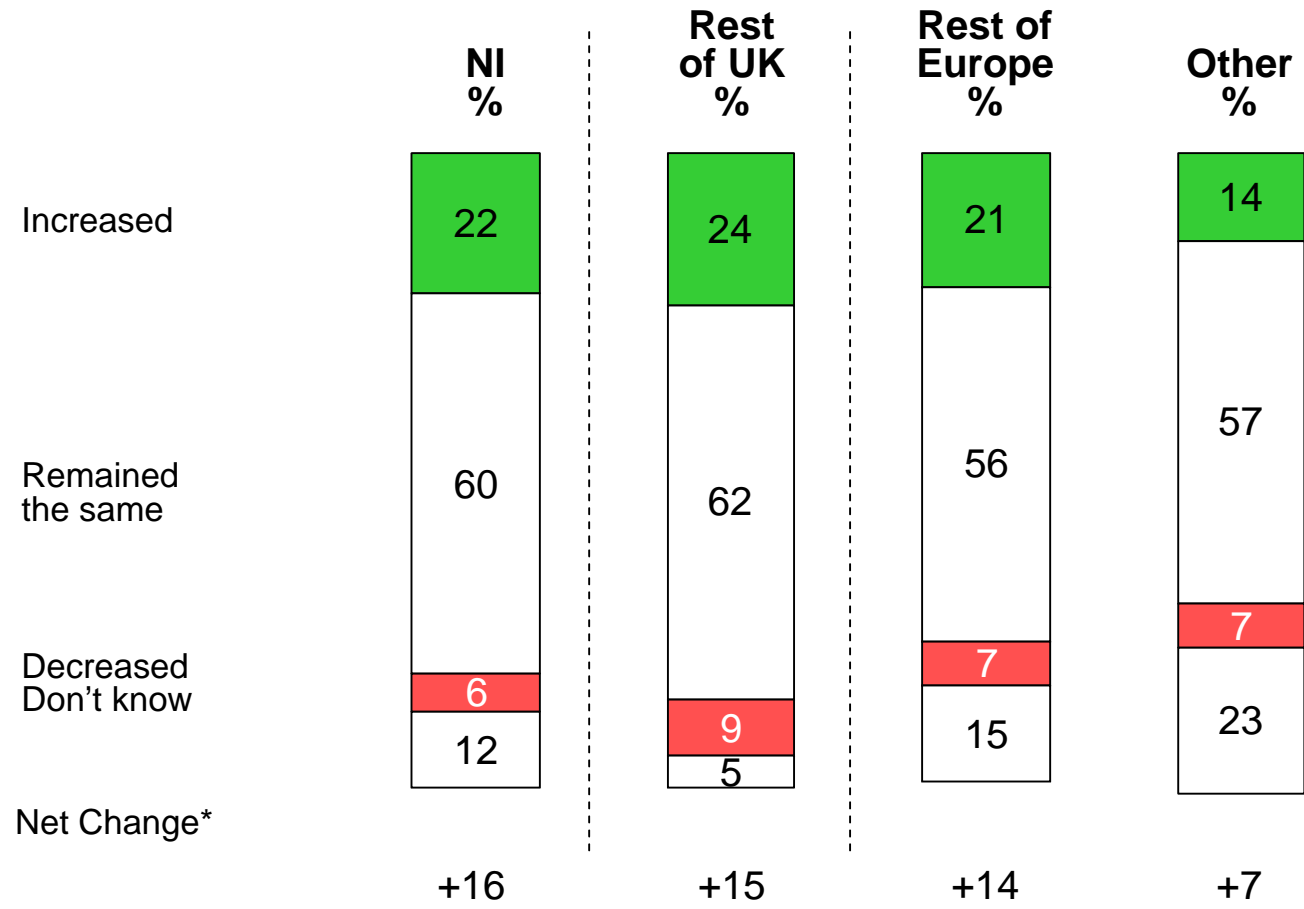


- Increases in volumes sent within the Republic were more likely to be among Corporates (46%) compared to 40% among SMEs.
- Those within the wholesale, service and Government sectors (60%, 49% and 58% respectively) were also most likely to claim increases in volume.
- In terms of regional variances, 50% of Dublin based companies claimed their volumes had increased, compared to 31% of those based in Connaught/Ulster.
- There were no regional differences in terms of post decreasing.

* Those who felt their volume had increased minus those who felt it had decreased
Base: All who sent post within ROI

Trends in Volume of Post Sent Internationally

Q. For each service I read out, can you tell me if the number of letters your organisation posts each week has increased, decreased or remained the same over the past twelve months?



- Generally companies claim to be sending more mail outside of the Republic compared to 12 months ago.
- There were large increases in mail destined for Northern Ireland and the UK in particular, in both cases driven by Dublin based companies.
- Increases in mail to the UK was more evident among Corporates, whereas NI mail volumes increased among both Corporates and SMEs.
- Across all destinations, less than one in ten claim that their volumes have dropped over the past 12 months.

* Those who felt their volume had increased minus those who felt it had decreased
 Base: All who post to destinations mentioned (n=244, n=241, n=236, n=197 respectively)

Reasons for Decrease in Volumes Posted

Q. What would you attribute this decrease to?

	ROI %	NI %	Rest of UK %	Rest of Europe %	Other %
Emails	57	36	59	65	69
Electronic transfers	11	14	16	6	-
Cost	9	-	5	6	-
Texting	1	-	-	-	-
Other	36	36	38	41	31
Don't know	3	21	3	-	-
	n=74	n=14*	n=37*	n=17*	n=13*

- As has been found in previous surveys, the primary reason for decreases in mail volumes sent is the increased use of email.

Base: All who have experienced a decrease in the volume of post sent

*Caution: Small base sizes

Note: "Other" generally consisted of Non-Postal issues such as decline in business etc





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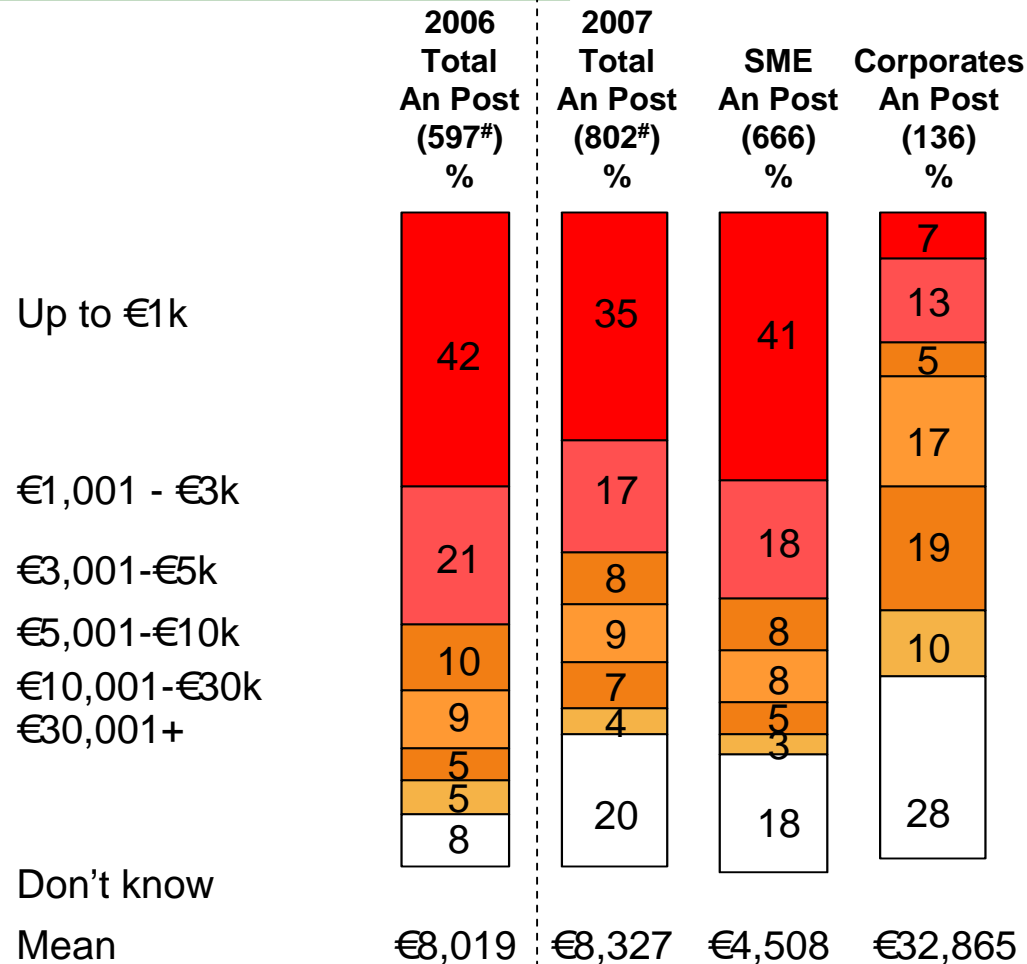
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↑
bonding
advantage
performance
relevance
presence

Postal Services Spend

Annual Spend on Letter Post Services with An Post

Q. How much annually does your company spend, in Euro, on letter post services?



- Annual spend with An Post has remained relatively consistent in 2007, with modest growth overall in spend.
- In terms of company size, those with 1-9 employees spend less (€1,686), rising to €7,386 among those with less than 50 employees, and €10,026 among those with up to 100 employees.
- Leinster based companies spend most (€10,930), whilst those in Connaught/Ulster spend least (€4,577).
- Dublin and Munster based companies spend €9624 and €6,932 respectively.
- The average amounts spent with An Post are higher, due in no small part to 76% of companies exclusively using An Post for all their postal needs.

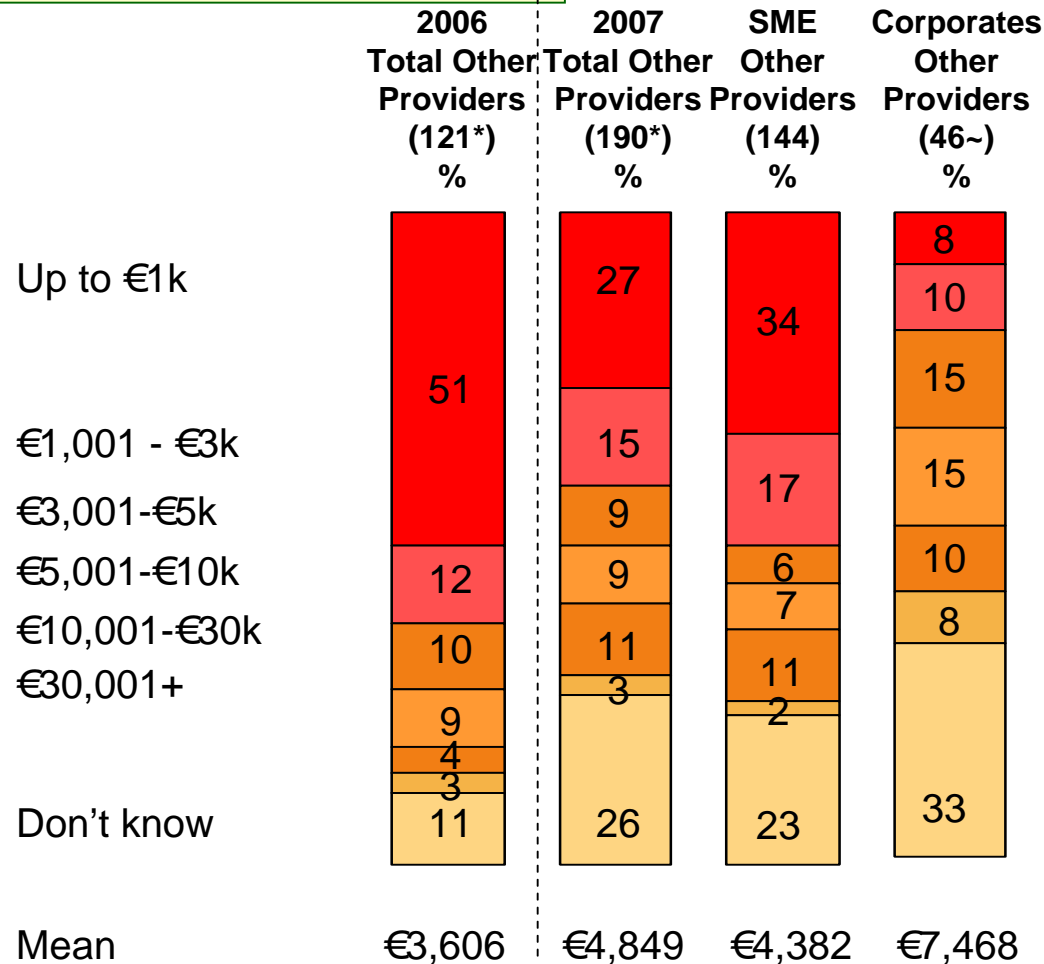
Base: All users of An Post who could give an estimate/exact spend figure

#Three outliers excluded others from calculations. Averages based only on those who gave an exact amount



Annual Spend on Letter Post Services with Other Service Providers

Q. How much annually does your company spend, in Euro, on letter post services?

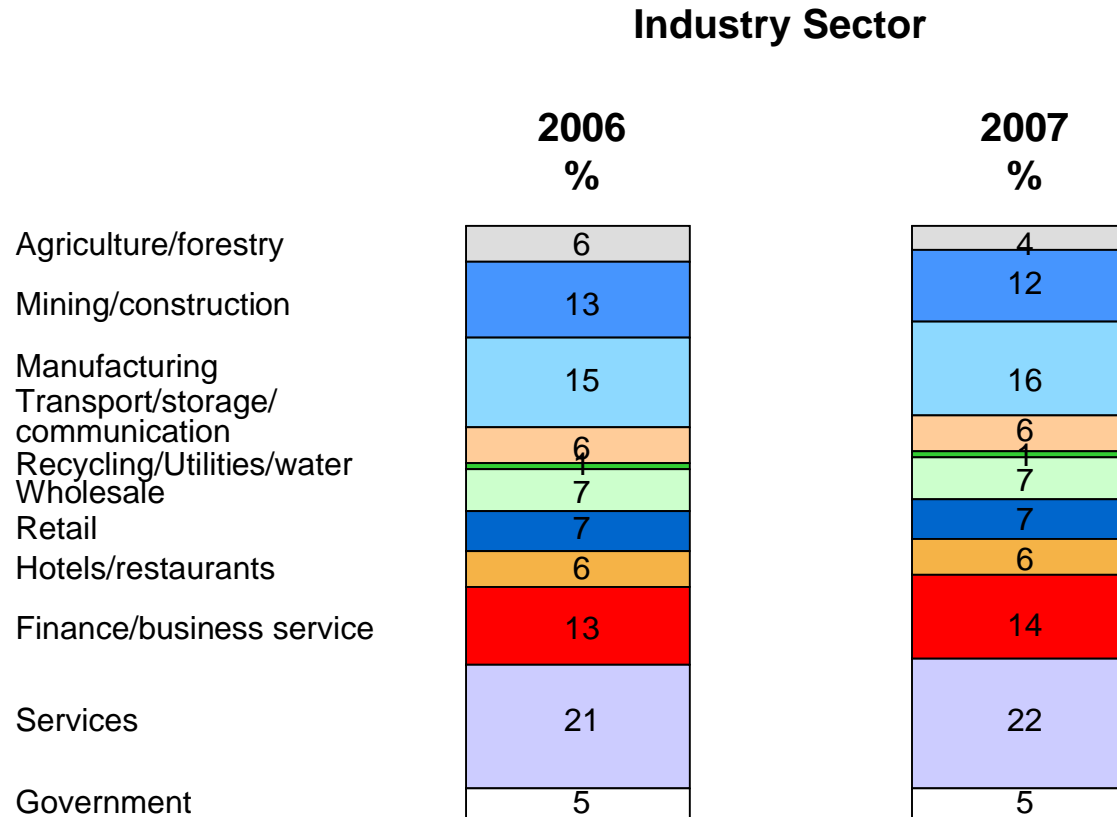


- In terms of Regional spend among other providers, those based in Leinster spend most, followed by those based in Munster*.
- Likewise whilst there are differences in spend between industry sectors, the sample sizes are quite small, so must be treated with caution.
- The corresponding figure in 2006 for other providers were €3,606* overall, with SMEs spending €2,659* and Corporates averaging €6,855*.
- It should be noted that the majority of companies using other providers are also using An Post (22% of all companies, with just 2% using other providers exclusively).

Base: All users of Other Providers who could give an estimate/exact spend figure
Averages based only on those who gave an exact amount ~five outliers excluded

*Caution: Small base sizes

Industry Sector Profile – for Illustrative Purposes



Average Annual Spend with An Post X Sector

Q. Finally, how much annually does your company spend, in Euro, on letter post services?

	2006** €	2007~ €
Total	8,019	8,327
Agriculture/forestry#	2,002	2,497
Mining/construction	2,525	4,878
Manufacturing	6,579	10,132
Transport/storage/communications#	2,925	2,623
Recycling/utilities/water#	4,600	16,300
Wholesale#	6,701	5,022
Retail#	8,690	2,234
Hotels/restaurants#	3,127	1,068
Finance and other business services	11,938	11,456
Services	11,551	9,828
Government#	19,933	31,064

Base: All using An Post (n=802)

- Annual spend with An Post has remained relatively consistent in 2007, with modest growth overall in spend.
- Among bigger spending companies (those spending €10k+ per year), the average annual spend with An Post is €42,252, indicating that there are companies with significant postal outgoings.
- Note: Care must be taken when examining individual sectors, as some are based upon a handful of companies (for example recycling/utilities/ water companies account for just 8 companies and Government accounts for 40 responses).

**Note: Two outliers excluded
~Note: Three outliers excluded

#Caution: Small base size

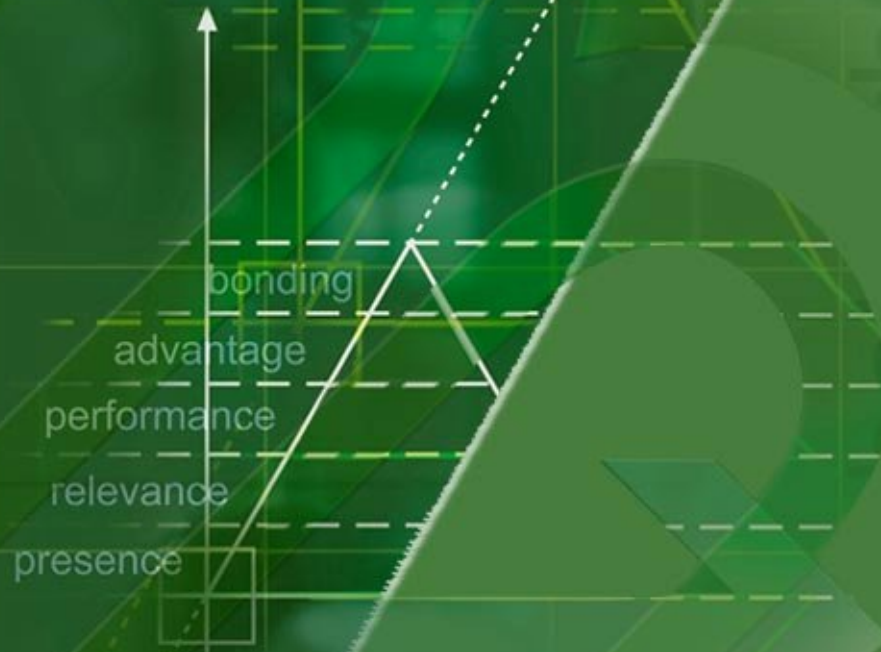


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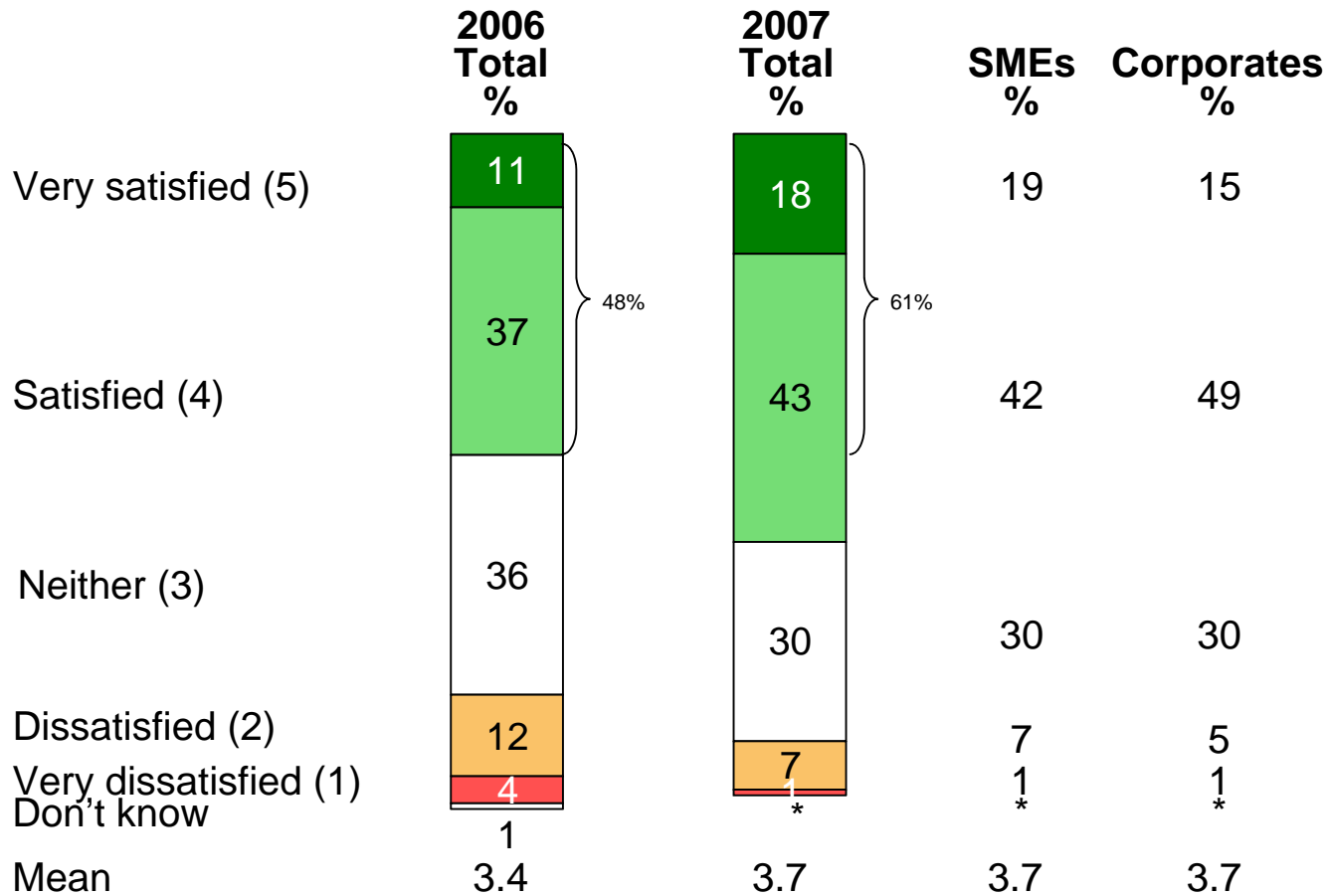
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Attitudes to the Postal Service

Overall Satisfaction with Postal Service in Ireland

Q. Thinking about the overall postal service provided here in Ireland, how satisfied or dissatisfied are you on a scale of one to five, where “one” is very dissatisfied and “five” is very satisfied?



- Overall satisfaction with the postal services available in Ireland has increased in 2007, with net satisfaction rising from 48% to 61%.
- Encouragingly, those who express dissatisfaction has halved from 16% to 8%.
- However, there is a high number who expressed dissatisfaction, with no significant differences in satisfaction between Corporates and SMEs, industry sectors or region.

Base: All respondents (Total n=802, SMEs n=666, Corporates n=136)

() = 2006 results

Satisfaction with Other Aspects of the Postal Service

Q. I am now going to ask you to rate your satisfaction or dissatisfaction with a number of aspects of Ireland's **postal service**, using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

	Very Satisfied (5)		(4)	Very Dissatisfied				2007 Total Mean Score	SME Mean Score	Corporate Mean Score	2006 Mean Score
	(5) %	(4) %		(3) %	(2) %	(1) %	DK %				
Ease of access to the postal service	37	32	19	7	4	1	3.9 ↑	3.9	4.0	3.7	
The speed of delivery	22	34	27	11	5	1	3.6	3.6	3.6	New	
The level of confidence that your letter will reach its destination	30	39	18	8	4*	1	3.8	3.8	3.9	New	
The number of Postal Service providers available	15	24	22	14	9	16	3.3	3.2	3.4	New	
The clarity of information available on postal services	22	34	27	10	5	3	3.6 ↑	3.6	3.7	3.2	
The innovativeness of the postal services available	13	30	34	12	4	7	3.4 ↑	3.4	3.4	3.2	

Base: All respondents (Total n=802, SMEs n=666, Corporates n=136)

Satisfaction with An Post Letter Post Services

Q. I am going to read out a list of aspects related specifically to **An Post** letter post services. For each one please tell me if you are satisfied or dissatisfied with each aspect on a scale of 1 to 5, where 1 is very dissatisfied and 5, very satisfied.

	Very Satisfied (5) %	(4) %	(3) %	Very Dissatisfied (2) %	(1) %	DK %	2007 Total Mean Score	SMEs Mean Score	Corporate Mean Score	2006 Mean Score
The range of Postal service products on offer	21	35	28	7	1	7	3.7	3.7	3.7	New
The latest collection time from where you normally post your letters	27	30	21	13	7	3	3.6 ↑	3.5	3.8	3.3
Overall cost of Postal services with An Post	12	28	32	16	9	2	3.2	3.2	3.3	New
The length of time taken to deliver letters	20	37	27	11	5	1	3.6 ↑	3.5	3.6	3.1

Corporates tend to be slightly more satisfied than SMEs.
One in four however, express some dissatisfaction with the overall cost of postal services.

Opinion of Service Provided by An Post

Q. I am going to read out a list of statements relating to the provision of the letter service by An Post. I would like you to tell me if you agree or disagree with each statement, using a scale of 1 to 5 where 1 means you strongly disagree and 5 strongly agree.

	Strongly Agree (5) %		(4) %	(3) %	Strongly Disagree (2) (1) DK % % %			2007 Total Mean Score	SMEs Mean Score	Corporate Mean Score	2006 Score
I believe that An Post's letter service is more reliable than 12 months ago	18	31	25	12	7	7	3.5 ↑	3.4	3.6	3.1	
I believe that overall the letter service from An Post is better than 12 months ago	15	28	32	14	7	5	3.3 ↑	3.3	3.4	3.1	
I believe that An Post's letter services offer better value for money than 12 months ago	8	17	32	25	12	6	2.8 ↓	2.8	2.9	2.9	

- The perceived reliability of An Post's letter service and perception of the overall service with businesses has increased in 2007
- However, a significant number of businesses still remain dissatisfied with reliability and the overall service.
- Overall value for money has slipped slightly in 2007, with a high level of dissatisfactions expressed.

Factors That Would Increase Volume Of Mail Posted

Q. What factors if any, would result in your company using more mail as a means of communicating with your customers?

	2006 %	2007 Total %	SMEs %	Corporates %
Price/price discounts	20	14	14	13
More reliable service	17	7	7	6
More innovative product range	10	2	3	-
Increased security	9	1	2	1
Enhanced service quality	8	5	5	5
Expansion of our business	n/a	2	2	3
More customers/clients	2	10	11	7
If we wanted to advertise more	2	2	2	1

- Four in ten companies felt there were factors that could directly result in them increasing their future mail volumes
- Overall one in seven feel that price discounts could result in them using more mail as a method of communication, reflecting the relative dissatisfaction expressed with the cost and value for money of postal services.

Base: All respondents (Total n=802, SMEs n=666, Corporates n=136) Answers under 2% not shown

Note: Multiple responses allowed





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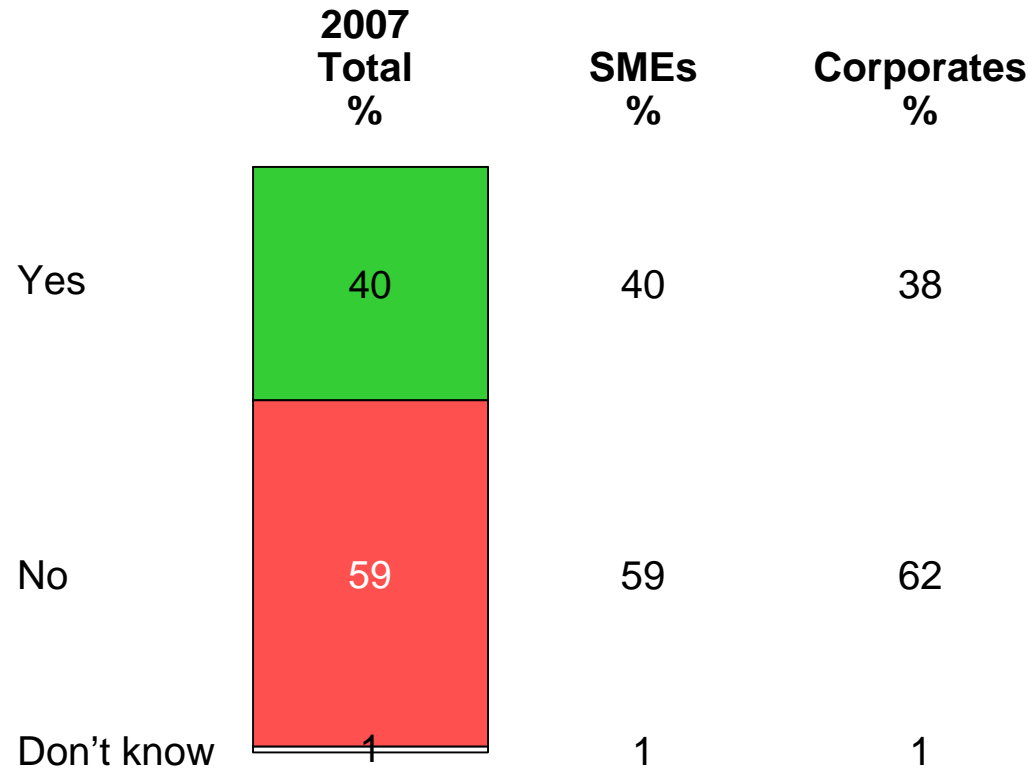
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**Incidence of
Complaints**

Incidence of Dissatisfaction with the Postal Service

Q. In the past 12 months has there been any aspect of the postal service (provided by An Post or any other provider) that you have been dissatisfied with?



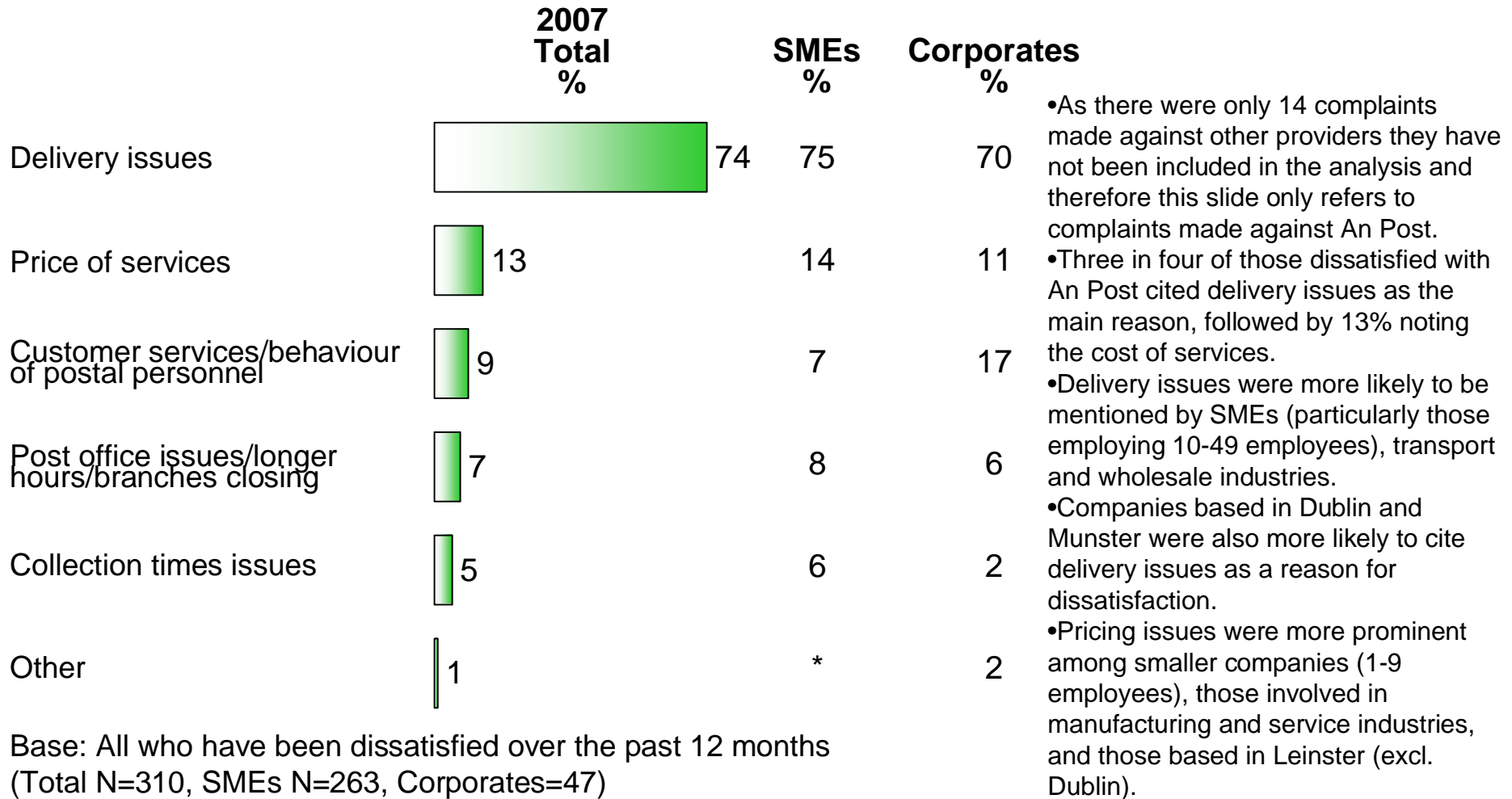
- Four in ten have been dissatisfied with aspects of the postal service in the past 12 months.
- Those who were least likely to have been dissatisfied were those involved in hospitality (77%), finance and other business services (63%).
- Regionally, those who said no were more likely to be based in in Connaught/Ulster (71%). Those based in Leinster were more likely to have had a complaint (45% claiming dissatisfaction).

Base: All Respondents (n=802, SMEs=666, Corporates n=136)



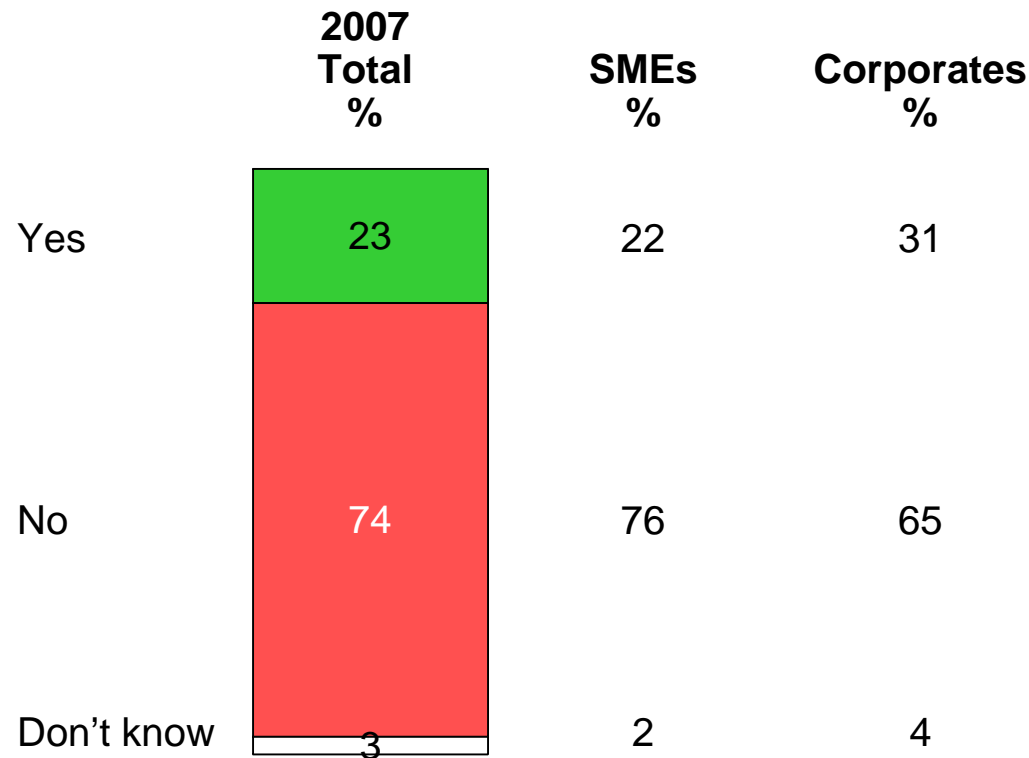
Reasons for Dissatisfaction with An Post

Q. What was the issue/or cause of this dissatisfaction and with which provider?



Incidence of Making Formal Complaint

Q. Did your company lodge/make a **formal complaint** about this issue in the past 12 months?



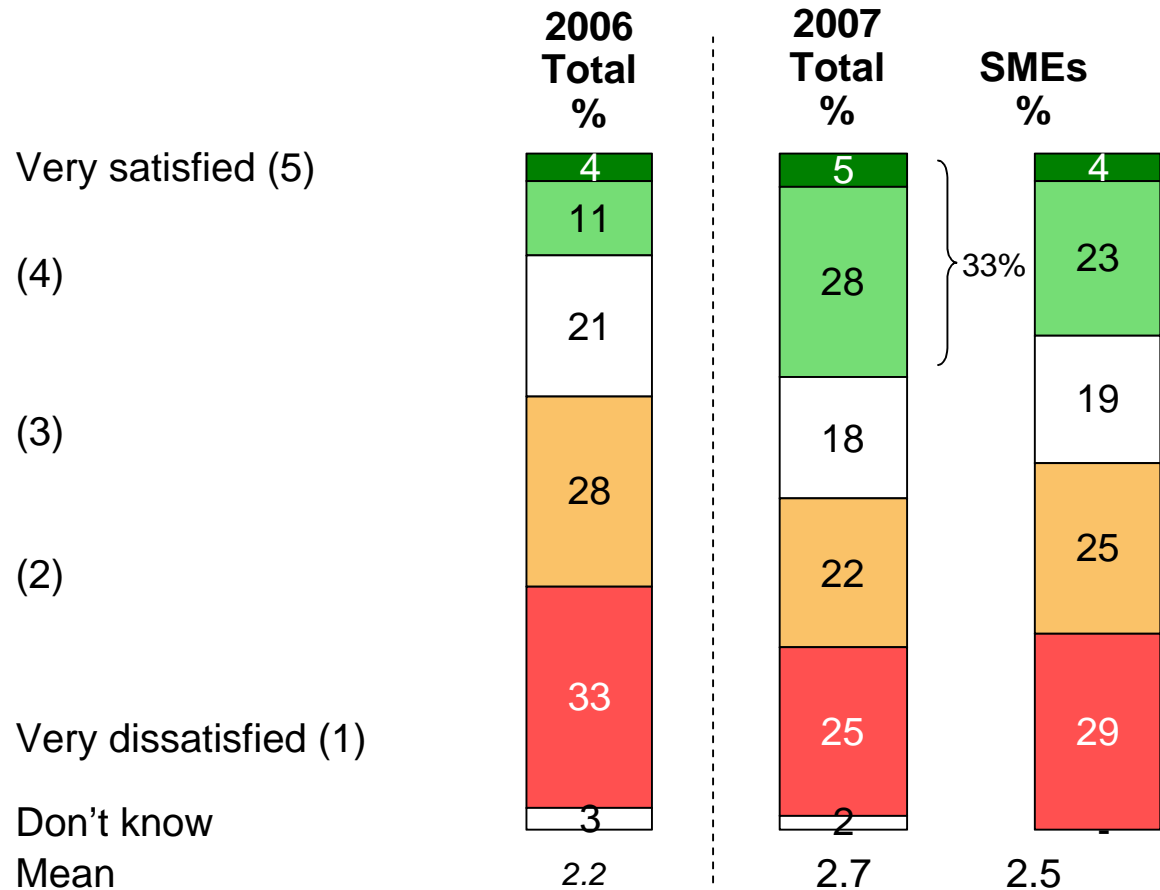
- Eighty-one percent complained directly to the provider in question compared to 71% in 2006.
- Of those dissatisfied with postal service providers, less than one in four made a formal complaint.
- Those involved in manufacturing and service industries were more likely to complain.
- Companies in Munster were also more likely to make a formal complaint, with those based in Leinster (excl. Dublin) being the least likely to complain.

Base: All Were Dissatisfied with Postal Services providers over the past 12 months
(Total N=320, SMEs N=269, Corporates=51)



Satisfaction with Handling of Complaint

Q. How would you score your overall satisfaction with the handling of your complaint by the postal organisation you contacted on a scale of 1 to 5, where 1 is very dissatisfied and 5, very satisfied?



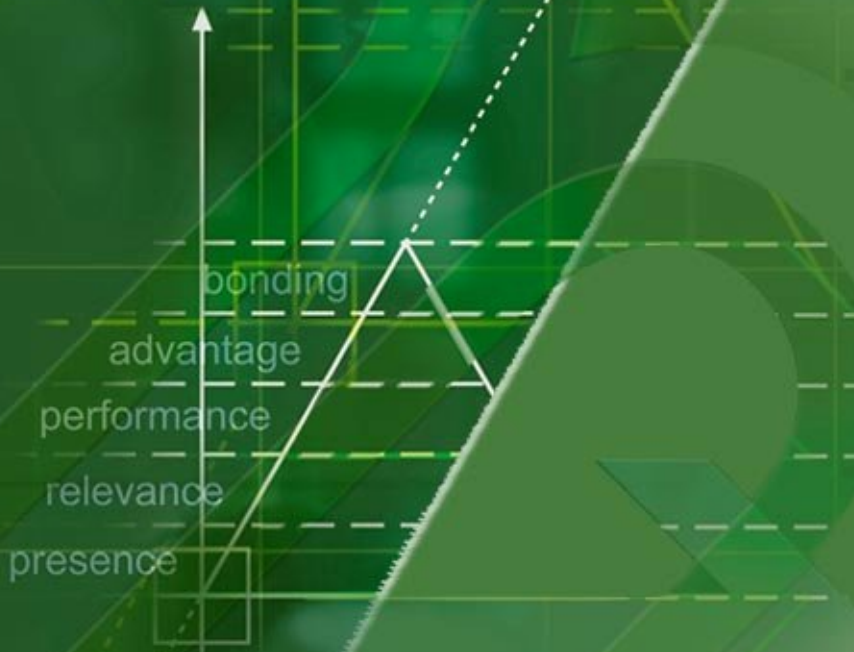
- Whilst satisfaction with the manner of how the complaint was handled has increased overall since 2006, just one in three still felt satisfied with the interaction.
- Sample is too low to analyse on a regional or sectoral basis.

Base: All who made a complaint over 12 months (Total n=60, SMEs n=48, Corporates n=12 {too small to chart})



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



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**Future Requirements
from the Postal Service**

Desired improvements to the postal service

Q. What improvements to the Postal Service would you like to see, if any, that would have a positive impact on your Business?

	2007 Total %	SMEs %	Corporates %
Competitive prices, reduce postal rates/cheaper stamps	 14	15	12
Faster service/delivery	 13	12	14
More reliable service/delivery	 12	13	10
Next day service/delivery	 8	9	7
Later collections	 8	9	6
Improve delivery times/earlier deliveries	 6	6	11
More frequent collections	 3	3	4
Longer opening hours	 3	3	3
More post officers/easier access	 3	4	1
Postal tracking/less lost letters	 3	3	4
Nothing / No suggestions	 32	32	32

- Price, reliability and efficiency are the most desired improvements to the postal service that companies feel would have a positive impact on their business.
- Competitive prices were more likely to be cited by transport and service industries, and to a certain extent the Government sector.
- This view also seems more prevalent in Munster and Connaught/Ulster.
- Faster service was more likely to be cited as an issue in manufacturing industries, with no real differences on a regional basis.
- Businesses also cited next day delivery, later collections and improved delivery times as important desired improvements.

Answers Under 3% not shown

Base: All respondents (Total n=802, SMEs n=666, Corporates n=136)

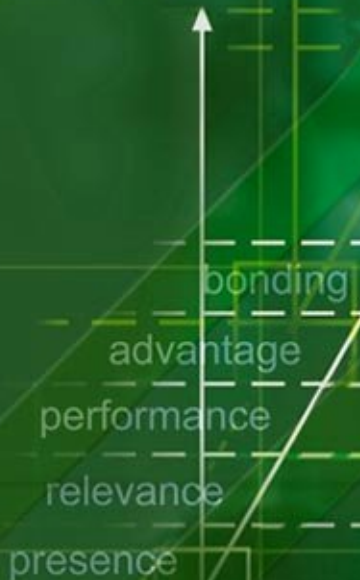


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Conclusions

Conclusions - I

- There is a gradual increase in the number of companies that are using other postal service providers in addition to An Post. Notwithstanding this, over three in four still use An Post exclusively, and the vast majority of those using other service providers do so in addition to using An Post.
- Awareness of other service providers within the business community remains relatively low, with over six in ten companies not being aware of any alternative. A high percentage of businesses also claimed that they have not been contacted by other postal service providers in the last year.
- Among those companies using other service providers, there has been an increase in those likely to switch to an alternative service provider in the future.
- The key factors in companies using other service providers are speed/efficiency, guaranteed next day delivery and cost.
- In terms of volumes of mail sent, there is an increase in the volume of standard letters posted this year, while the number of larger letters sent has remained constant.
- In terms of the split between An Post and other service providers, An Post remains very dominant in relation to the volumes of standard and large letters posted, but other service providers have gained over half of the market share in terms of packets and parcels posted.
- Postal spend among An Post business customers has increased slightly in 2007 with an average spend of €8,327, compared to €8,019 in 2006. This increase may reflect the price increase from March 2007. Manufacturing, financial and service industries continue to be the larger spenders in this group.
- Average spend has increased also this year among other postal service providers, with spend rising from €3,606 to €4,849. Spend has increased most among Manufacturing industries and among those based in Munster and Leinster.



Conclusions - II

- Satisfaction with the letter post services of An Post has generally improved when compared to 2006, with Corporates tending to express more satisfaction. However, there are a significant number of businesses who remain dissatisfied with reliability, the overall letter service and value for money. There was also considerable dissatisfaction expressed on the overall cost of the postal service.
- There has been a general rise in satisfaction with the overall postal service in Ireland when compared to 2006, however two in five companies have had cause for dissatisfaction this year, with delivery issues, price of services and customer services being the most cited reasons for dissatisfaction.
- Of those dissatisfied, the majority (74%) did not make a formal complaint and of those who did a large number were dissatisfied with the handling/resolution of their complaint.
- The survey findings confirm that the business community believe that an improved service containing more competitive prices and a faster, more reliable service would impact positively on their business.
- Based on the survey findings the underlying reasons for using alternative service providers are a faster/more efficient and cheaper service, along with a guaranteed next day delivery. It follows therefore that these are the key drivers in the growth of competition in the postal market.





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