



**Millward Brown IMS**

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## **Postal Services Residential Survey 2007**

**Presentation of findings  
by**



**Millward Brown IMS**

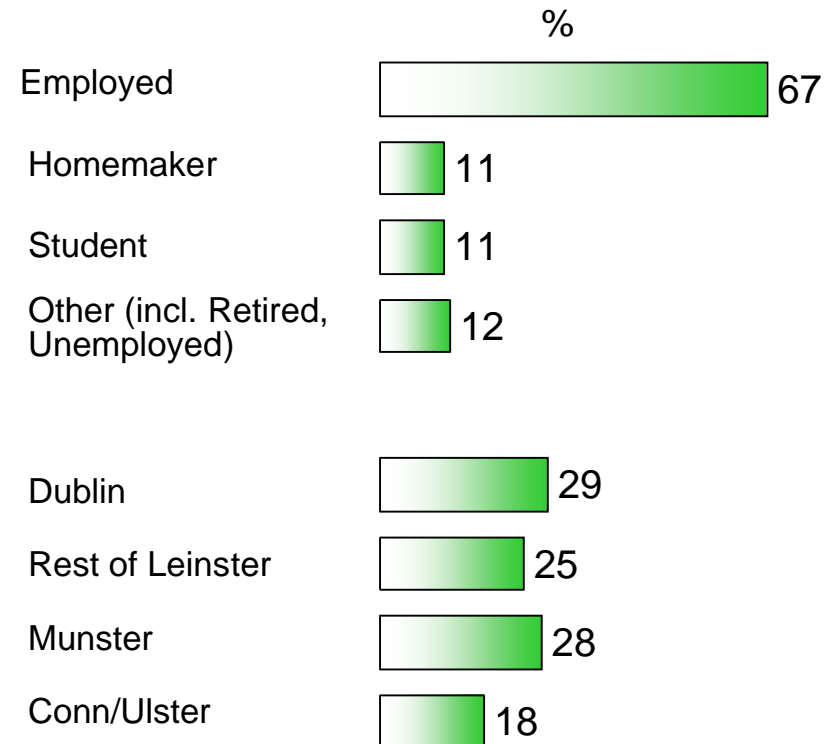
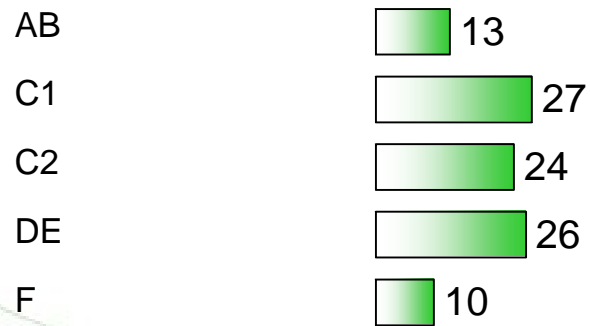
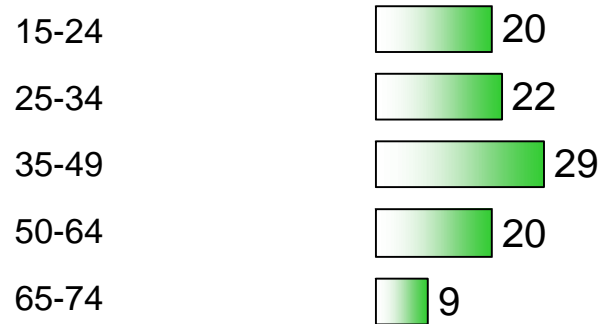
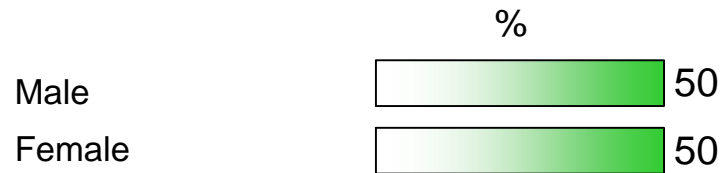
**As commissioned by  
The Commission for  
Communications Regulation**

**January 2008**

## Introduction

- The following report is based upon research conducted by Millward Brown IMS among a nationally representative sample of adults aged 18-74 throughout Ireland.
- The survey was conducted face to face, in home, between 23<sup>rd</sup> October and the 6<sup>th</sup> November 2007, with interlocking quotas set on gender and age, and non interlocking quotas set on region and social class.
- In total 953 adults were interviewed.
- Data has been weighted in order to reflect the exact demographic profile of the Republic of Ireland.
- Where possible, comparisons with previous research has been included.
- The margin of error of this survey is estimated to be +/- 3%.

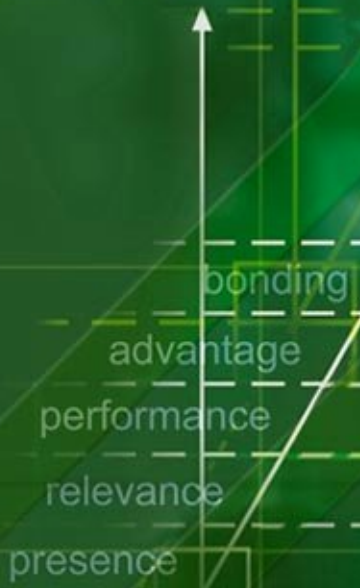
## Analysis of Sample





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**Mail Delivered**

## Amount of Post Delivered

Q. Can you tell me the TOTAL number of items of mail delivered to all persons resident in your household at this address each week by all postal service providers?

	2006 %	2007 %
1-3	21	14
4-7	24	28
8-10	18	23
11-20	12	20
21+	3	5
Don't know	22	10
Average	8.11	9.02

- There has been an increase in volumes delivered per household in 2007 when compared to 2006.
- Those receiving most mail tend to be aged 35-49 (10.02 items a week), 65+ (10.75), ABC1 (10.57).
- Likewise those with receiving higher volumes are more likely to be resident in Leinster (excl Dublin) (11.46).
- In terms of region, the greatest increase in amounts of post delivered were seen in Dublin and the rest of Leinster.

Base: All Respondents 18+ (953)

# Amount of Post Delivered

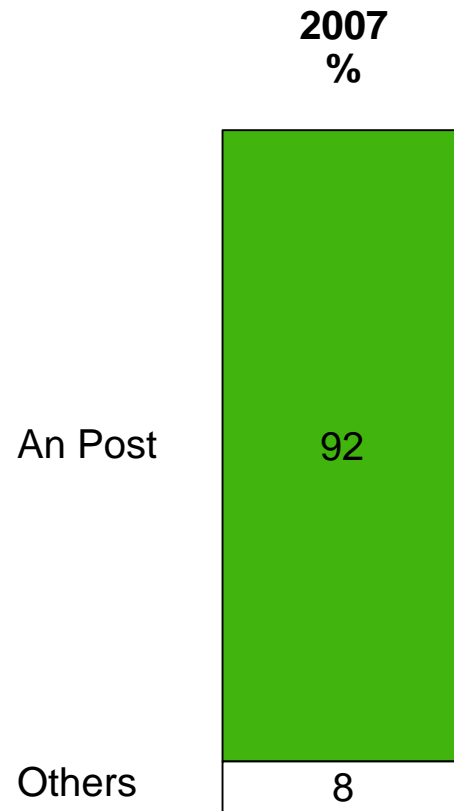
Q. Can you tell me the TOTAL number of items of mail delivered to all persons resident in your household at this address each week by all postal service providers?

	2007 %	ABC1 (377) %	C2DE (477) %	F (54) %	Dublin (275) %	Rest Of Leinster (244) %	Munster (265) %	Conn/ Ulster (169) %
1-3	14	8	17	25	11	14	14	19
4-7	28	25	30	31	24	26	35	26
8-10	23	23	24	21	22	28	22	20
11-20	20	26	16	7	26	18	18	15
21+	5	7	4	6	6	7	2	6
Don't know	10	11	8	10	11	8	8	13
Average	9.02	10.57	8.16	7.02	9.19	11.46	7.10	8.25

Base: All Respondents 18+ (953)

## Percentage of Mail delivered by Other Postal Service Providers

Q. Of the weekly number of items of mail delivered to your household, can you tell me the percentage delivered by An Post and the percentage delivered by other postal service providers?

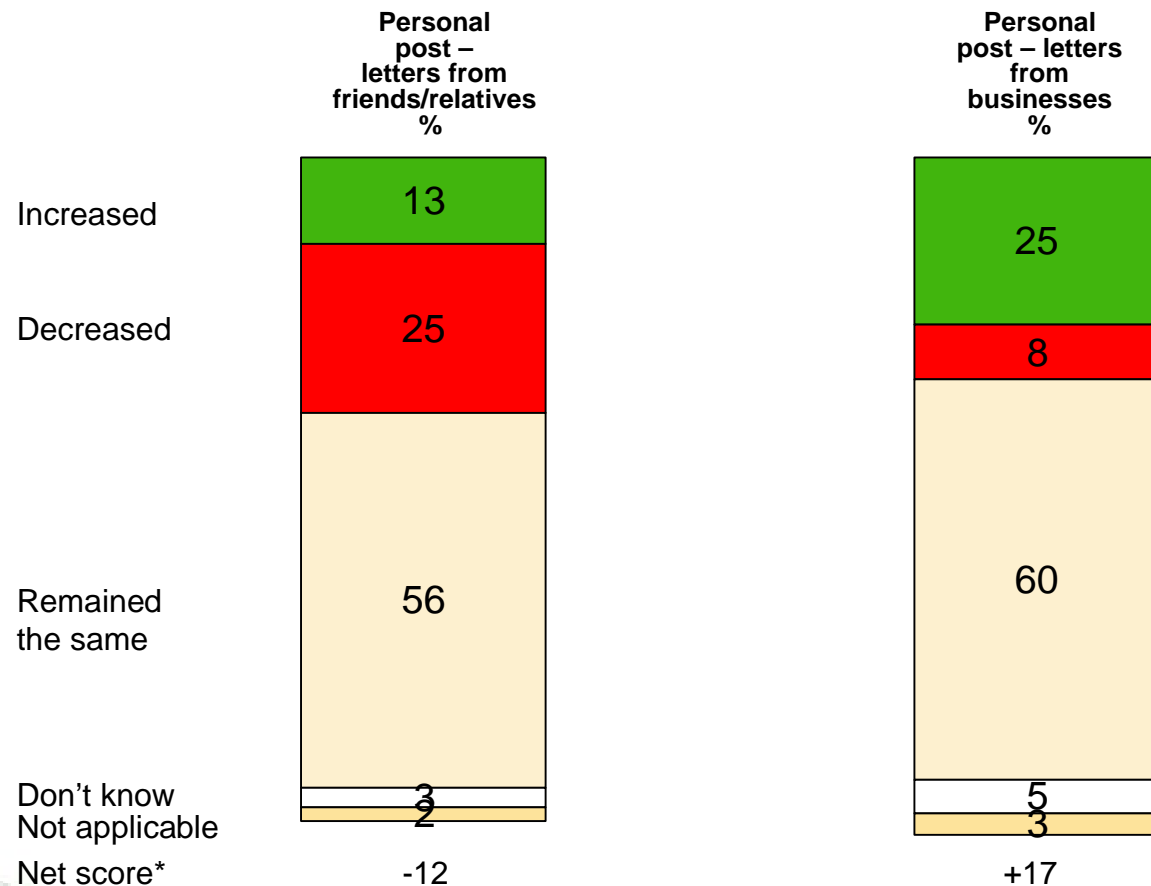


- Generally there are few differences in the percentage of post received from An Post in terms of demographics.
- Those living in Dublin seem more likely to receive post from other providers (12% of their total).
- Students are most likely to receive post from providers other than An Post, with 17% of their deliveries coming from these sources.
- Those with Internet access are also more likely to receive post from other providers.
- Light recipients of mail (7 or less items per week) seem more likely to receive their post from An Post (95% of their total).

Base: All Respondents 18+ (953)

## Quantity and Types of Mail delivered - I

Q. For each of the mail types that I am going to read out, can you tell me if the total number of letters you receive each week from all postal service providers has increased, decreased or remained the same over the past twelve months?



- The perceived volume of Personal mail received has decreased over the past 12 months, although there has been a rise in business mail received.
- Those most likely to have seen a decrease in personal mail volumes are ABs, 35-49 year olds and Leinster residents (excl. Dublin) - all at 29%, and those connected to the Internet (27%).
- Business mail has increase most among 35-49 year olds (28%), ABs (33%) and Leinster (excl. Dublin) residents (29%).

\* Net score = those who claim an increase minus those who claim a decrease

Base: All respondents 18+ (953)

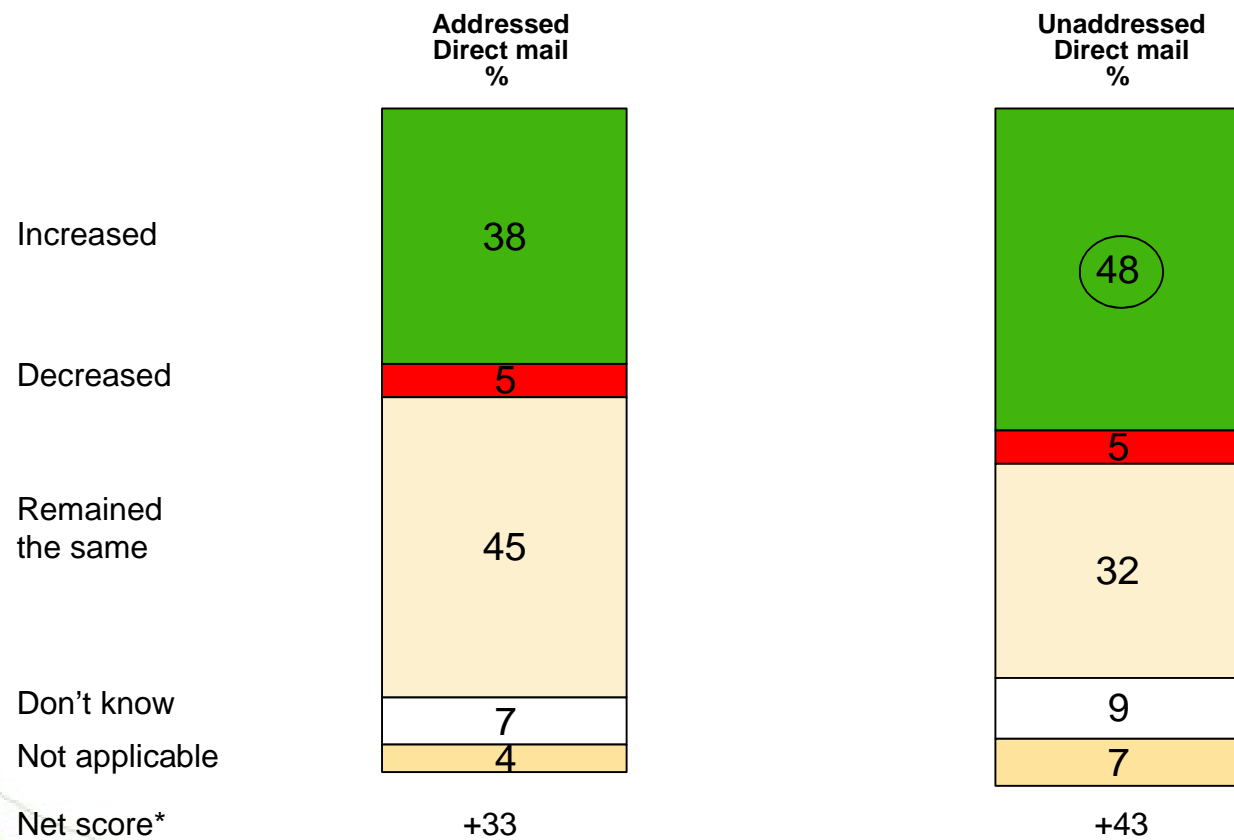


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# Quantity and Types of Mail delivered - II

Q. For each of the mail types that I am going to read out, can you tell me if the total number of letters you receive each week from all postal service providers has increased, decreased or remained the same over the past twelve months?



- The volume of direct mail received is perceived to have increased, both addressed and particularly unaddressed mail.
- Those aged 65-74 are most likely to have seen an increase in unaddressed mail, along with those in the farming community.
- Dublin residents claim to have experienced the lowest increase in such mail (32%)

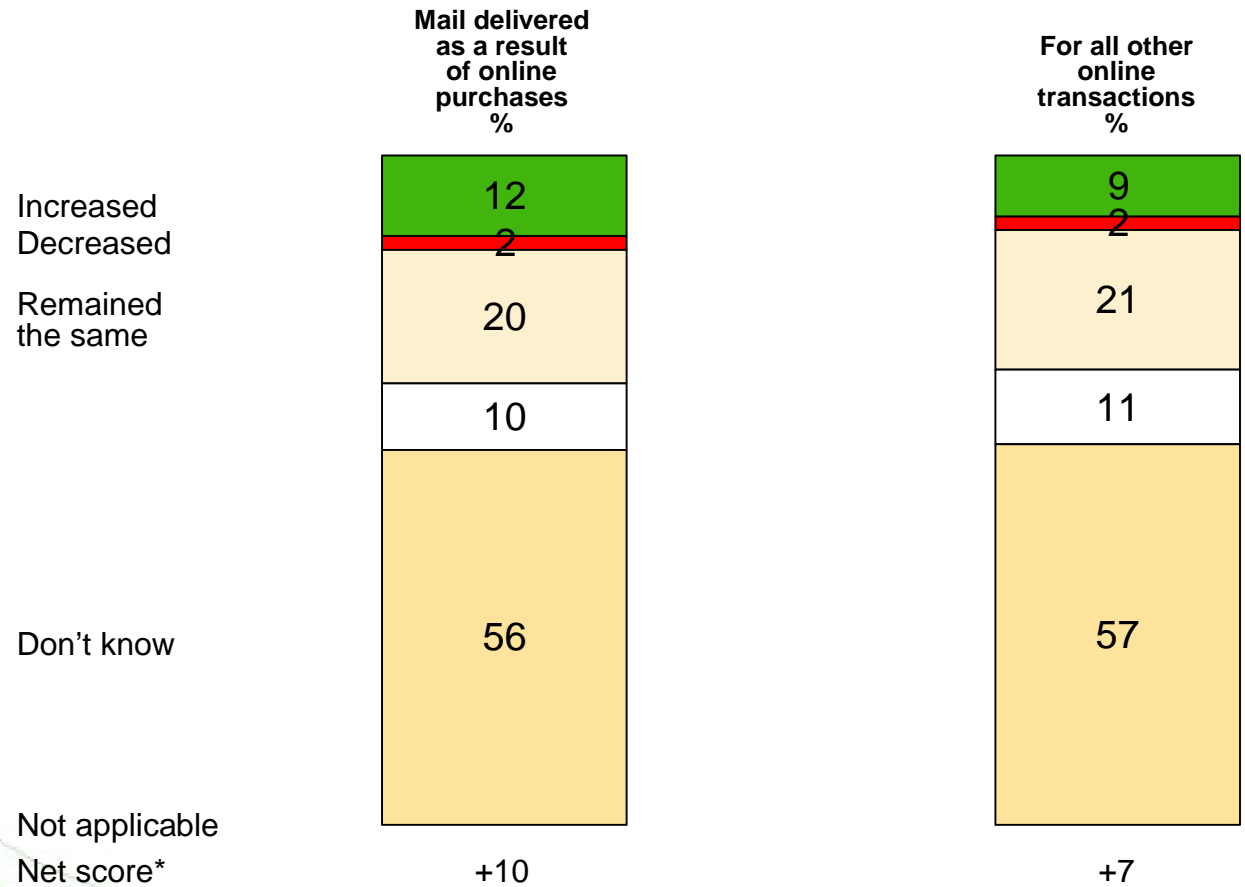
\* Net score = those who claim an increase minus those who claim a decrease

Base: All respondents 18+ (953)



# Quantity and Types of Mail delivered - III

Q. For each of the mail types that I am going to read out, can you tell me if the total number of letters you receive each week from all postal service providers has increased, decreased or remained the same over the past twelve months?



- Increases in Mail as a result on online purchases were most likely to be cited by 25-34 year olds (15%) and ABs (29%).
- Similarly it is the same groups who received increased mail for all other online transactions (13% and 22% respectively).

\* Net score = those who claim an increase minus those who claim a decrease

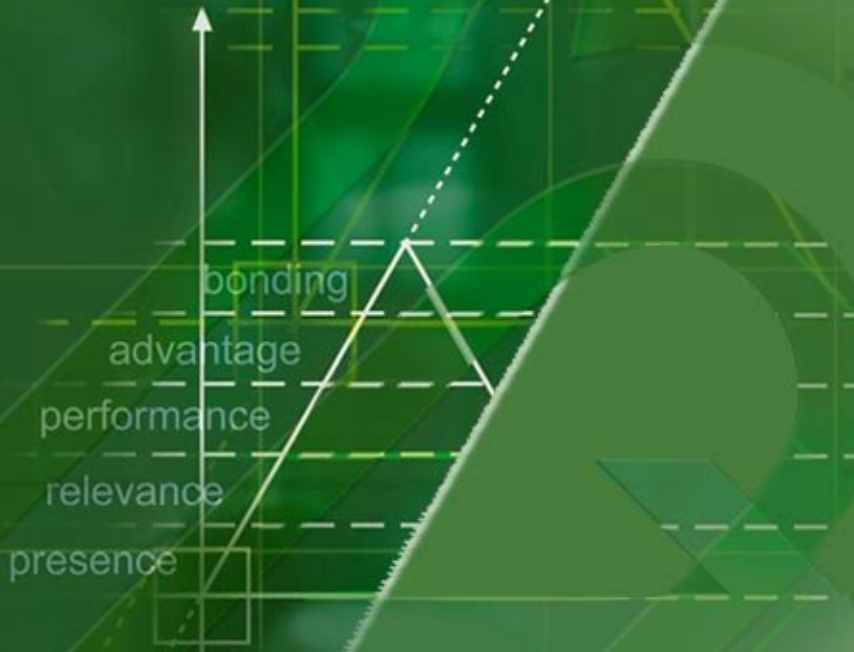
Base: All respondents 18+ (953)





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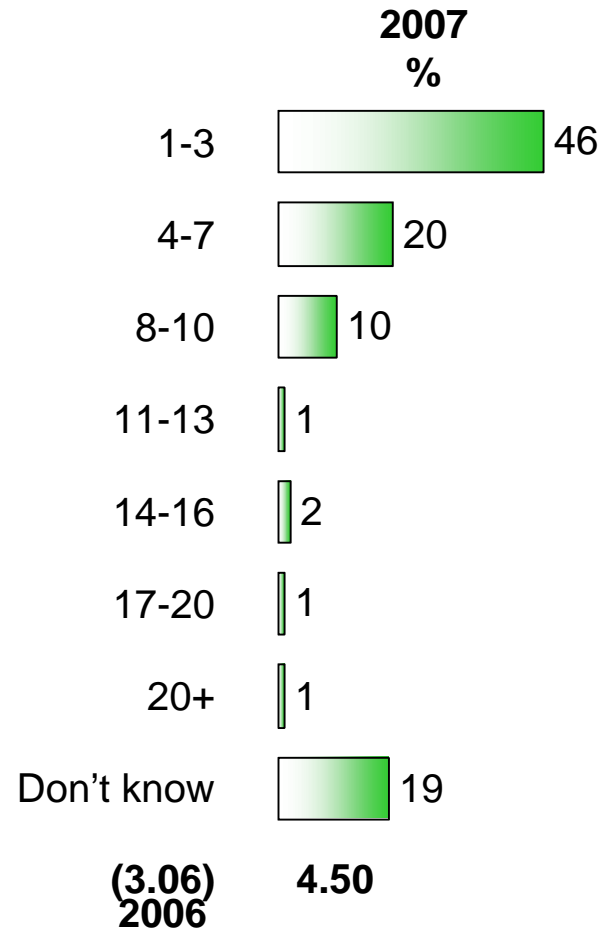
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**Mail Sent**

# Amount Of Mail Sent – Standard Sized Envelopes

Q. What is the TOTAL number of standard sized envelopes posted by all persons resident in your household at this address each week?

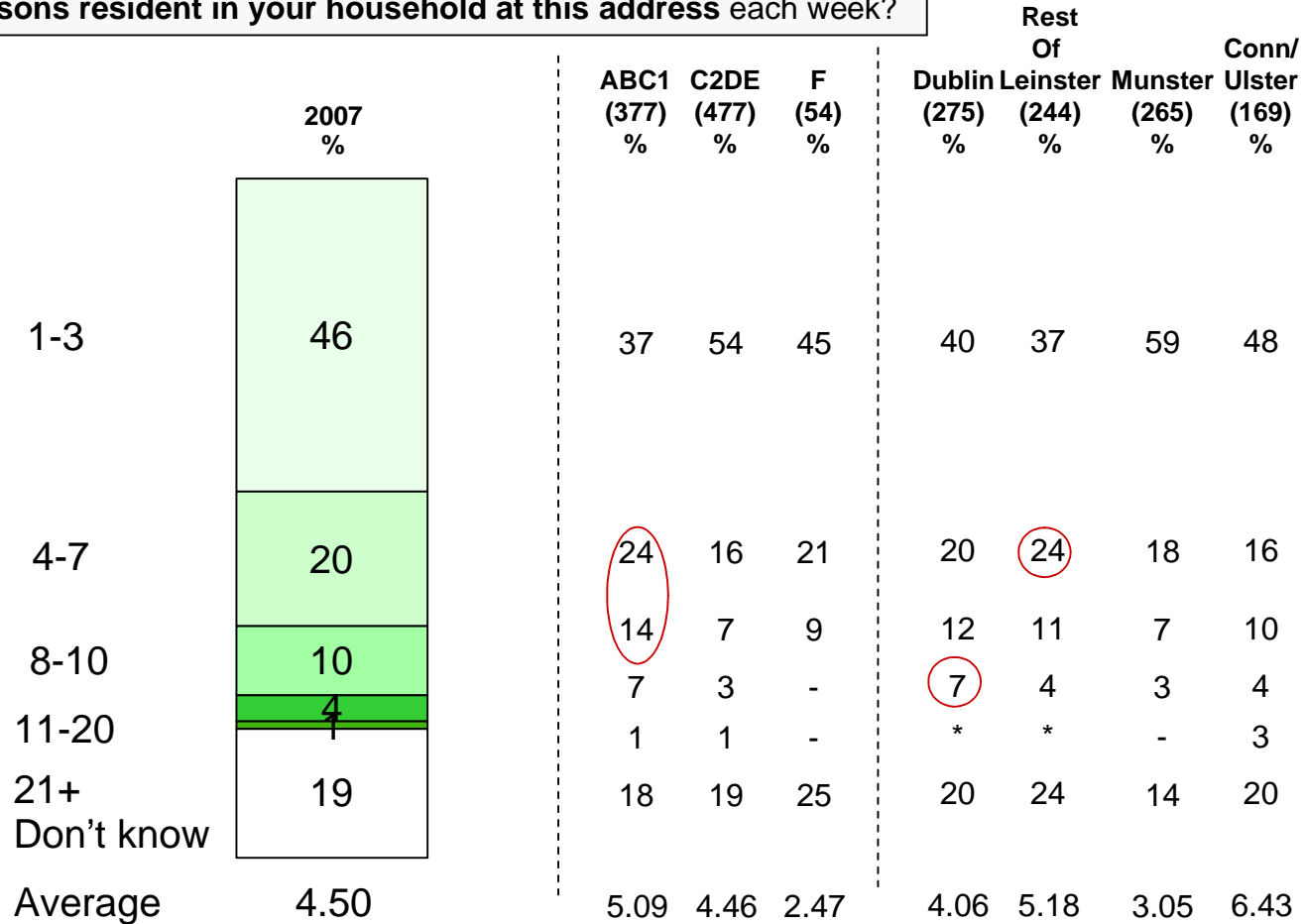


- Those most likely to send a higher amount of weekly mail tend to be aged 35-49 (4.9 items weekly) 50-64 year olds (5.7 items), males (4.9 items) or ABs (6 items).
- They are also more likely to be resident in Conn/Ulster or Leinster (6.4 and 5.18 items respectively).
- Lower volumes seem more evident among 25-34 year olds (3.45), 18-24 year olds (3.99) DEs (3.24) and among the farming community (2.47).

Base: All respondents 18+ (953)

# Amount Of Mail Sent – Standard Sized

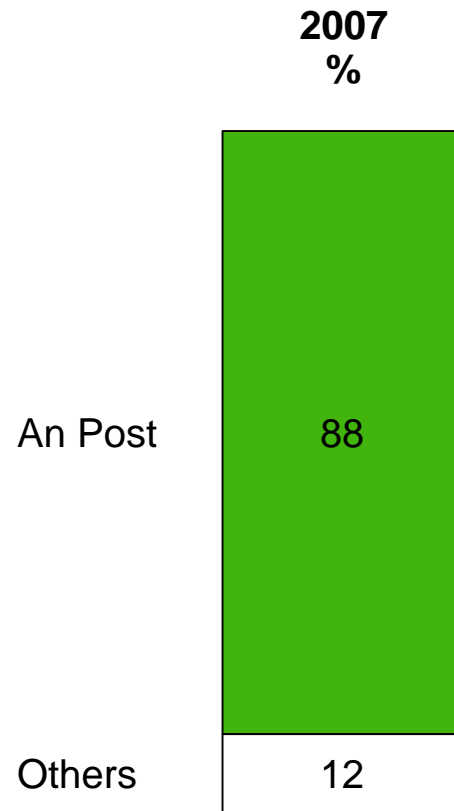
Q. What is the TOTAL number of standard sized envelopes posted by all persons resident in your household at this address each week?



Base: All respondents 18+ (953)

## Percentage of Mail Sent - An Post Vs Other Service Providers

Q. Of the total number of items posted each week, can you give the percentage sent with An Post and the percentage sent with other postal service providers?

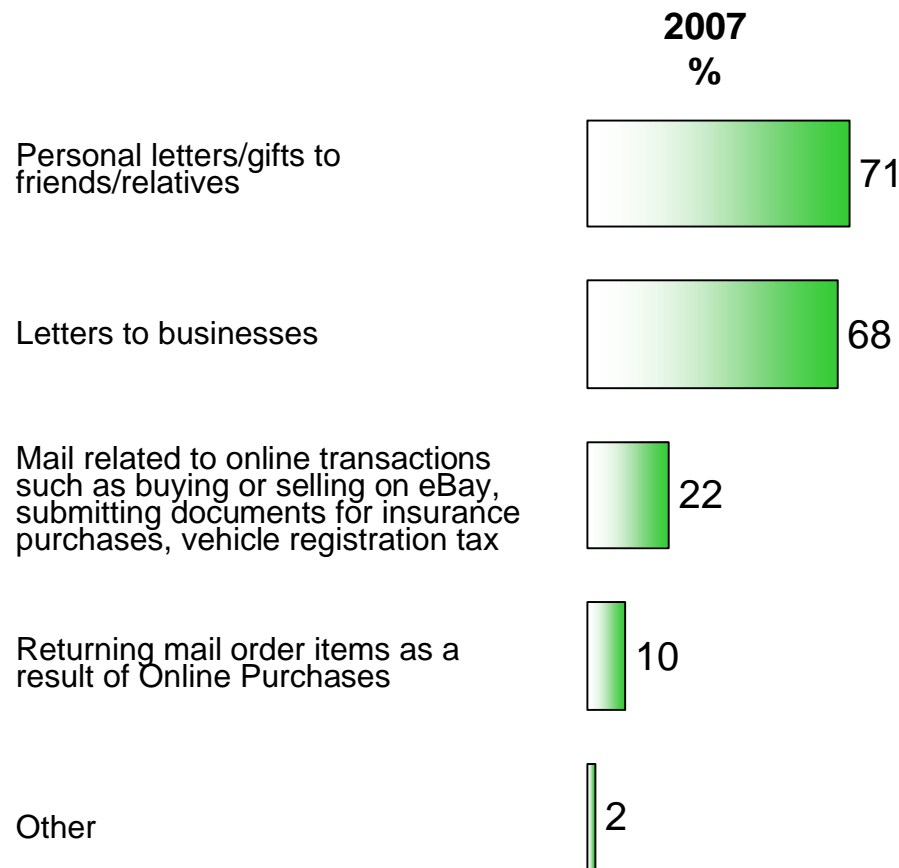


- As with mail received, there are few demographic differences in the proportions of mail sent, with the vast majority still being sent with An Post.
- Those more likely to send items with other operators are Students, those aged 35-49 and those living in Leinster (excl. Dublin).

Base: All respondents 18+ (953)

## Types of Mail Sent

Q. What type of mail do **you** send?



- Those sending personal letters/gifts were more likely to be female (78%), aged 65-74 (80%) or living in Connaught/Ulster (76%)
- Letters to businesses were more likely to be sent by 25-34 year olds (72%), ABC1s (74%) members of the farming community (80%) or living in Munster (75%).
- Mail relating to online transactions was more likely to be sent by 25-34 year olds (27%), ABC1s (30%) or those with Internet access at home (36%). It was also more prevalent among Dublin residents (28%)

Base: All respondents 18+ (953)

Note: Multiple Responses allowed



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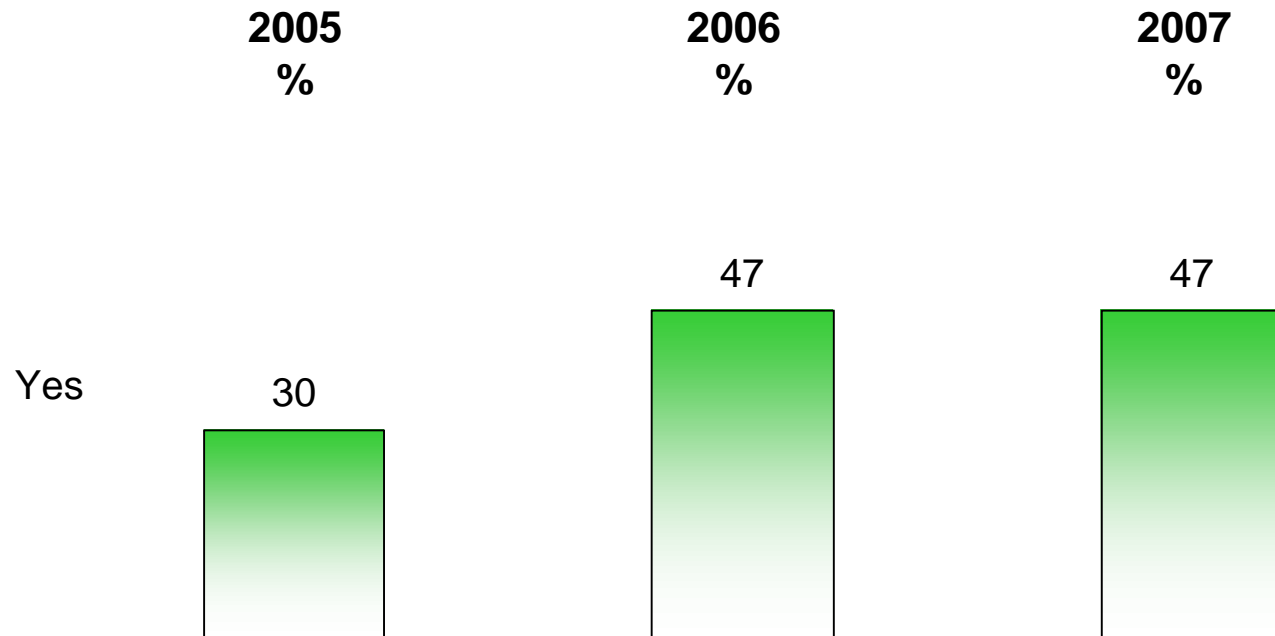
bonding  
advantage  
performance  
relevance  
presence

**Awareness / Usage of  
Postal Service  
Providers**



## Awareness of Other Service Providers

Q. Are you aware that you can use a company other than An Post for the sending and delivery of some postal items?



- Awareness of other postal service providers was higher among 18-24 year olds (50%), ABs (65%) and C1s (56%).
- In terms of regional differences, those living in Munster was most likely to know of other providers (52%).
- Those using postal services most were also most aware of other providers; 57% of those receiving 14+ items of mail and 51% of those sending 8-13 items of mail were aware of other providers.

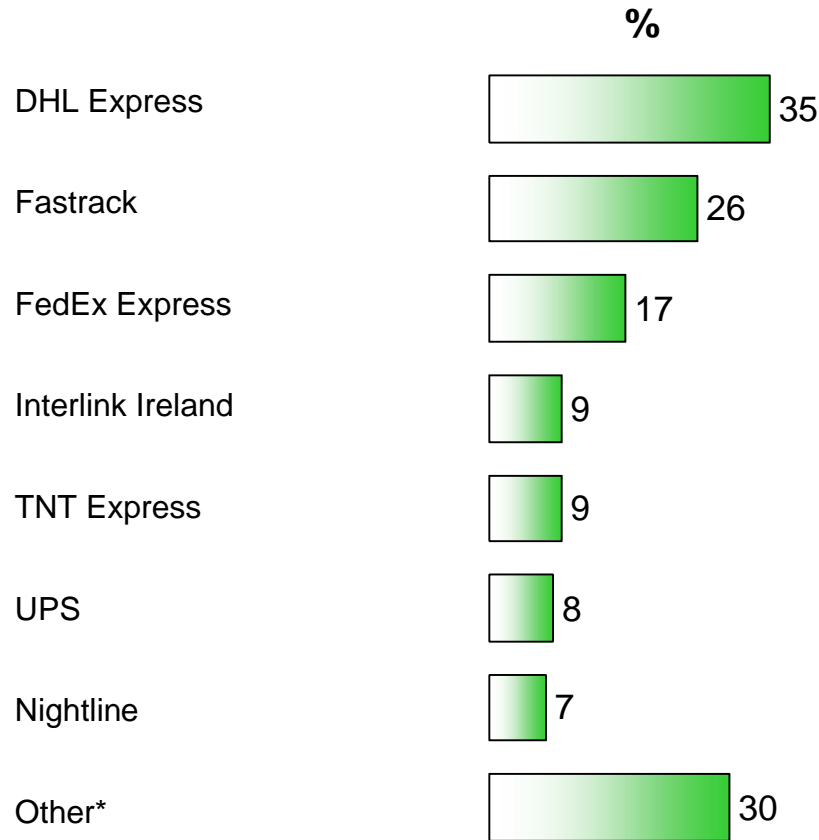
Base: All Respondents 18+ (953)



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# Other Postal Companies

Q. What other companies are you aware of that you could use for the sending and delivery of post, other than An Post?



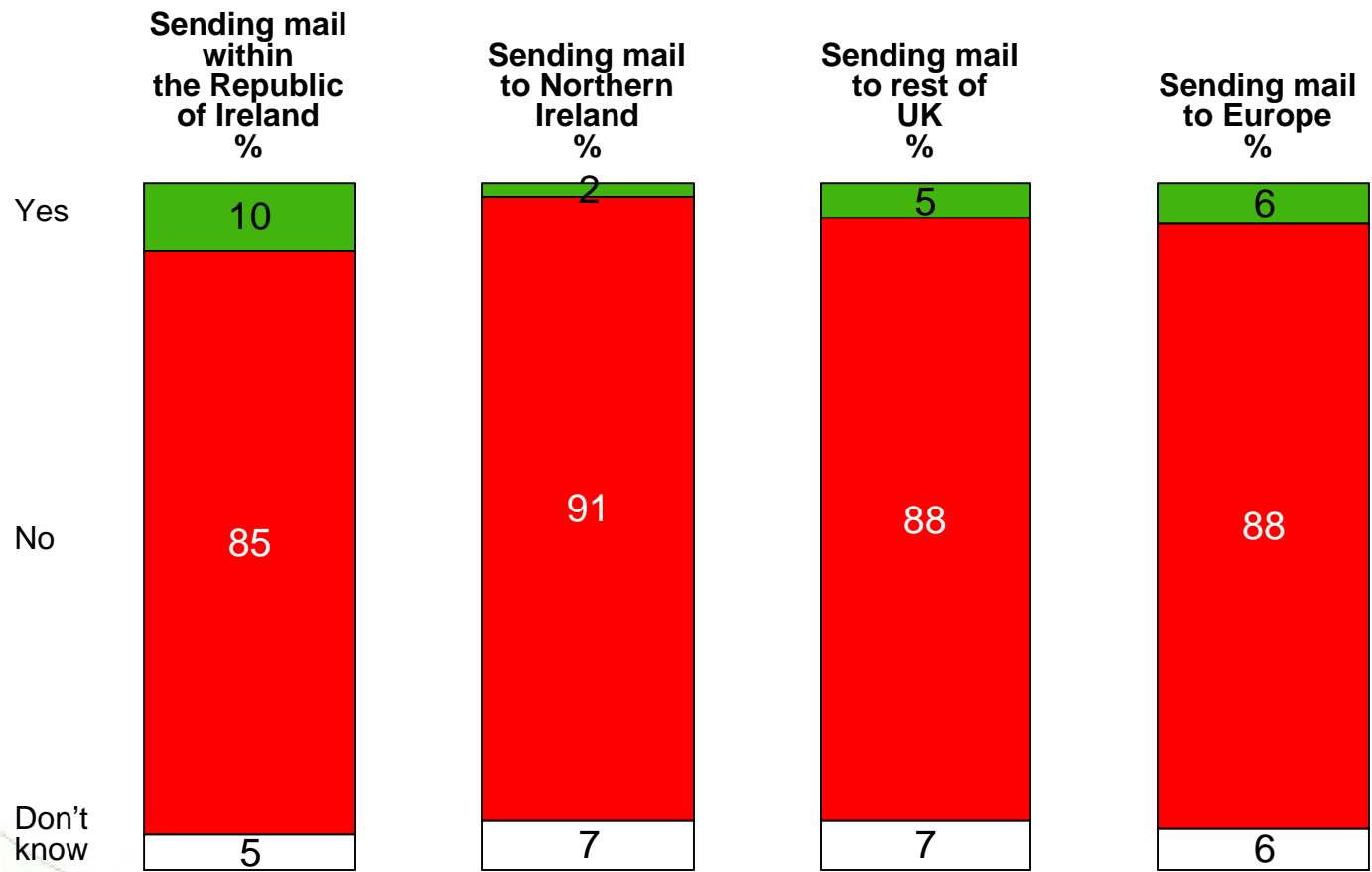
Base: All Adults 18+ Aware Of Other Postal Companies (451)

\* Includes all responses of 5% or less

Note: Multiple Responses allowed

# Postal Services Used with Other Postal Service Providers

Q. Have you used any company other than An Post for any of the following services in the last year?

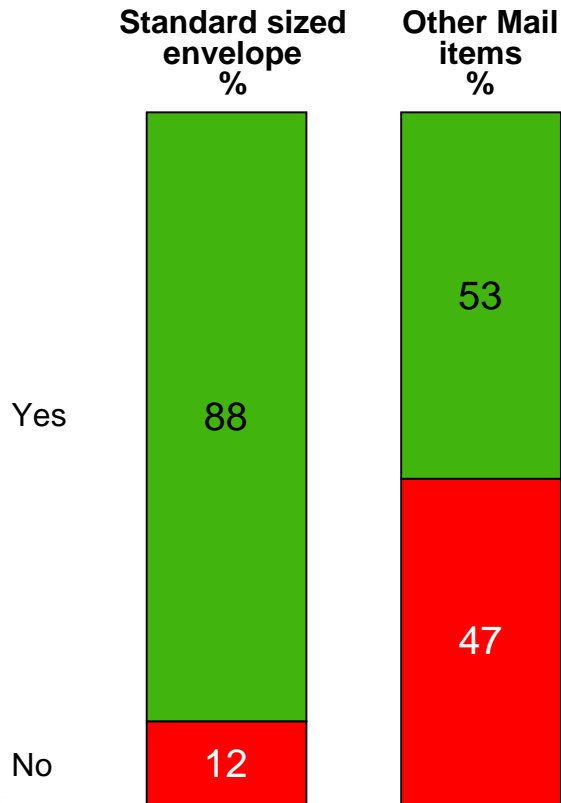


- Among those aware of other operators, uptake seems relatively low in actually using them.
- One in ten however, have used alternative companies for sending mail within the Republic of Ireland, with 15% of Dublin residents (aware of other providers) having done so.

Base: All Aware Of Other Providers (451)

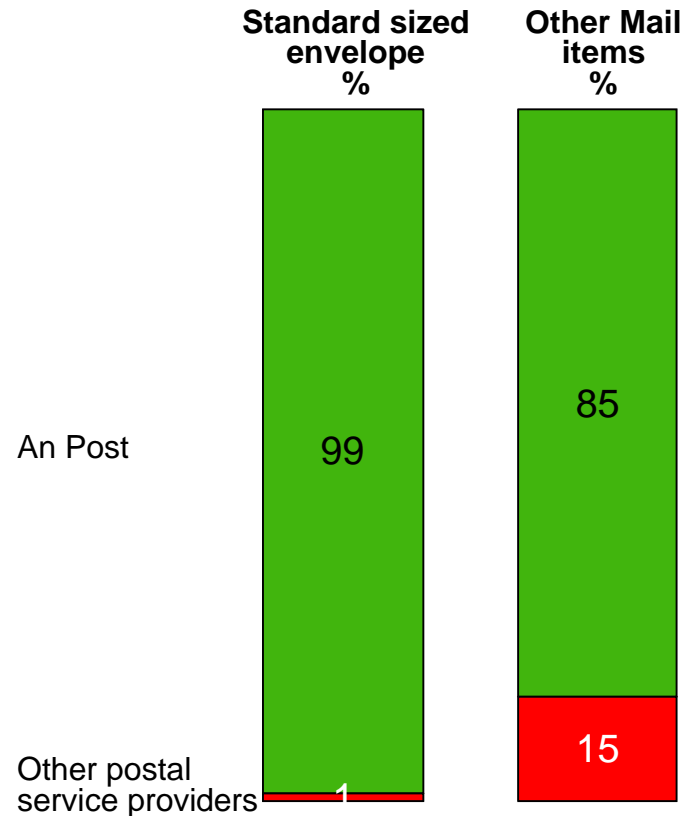
# Mail Types Sent in Past 12 Months and with whom?

Can you tell me which of the following mail types you have sent over the last year?



Base: All Respondents (953)

Did you send these with either An Post or other Postal Service Providers?



(819)  
All who have posted  
standard letters in past  
12 months

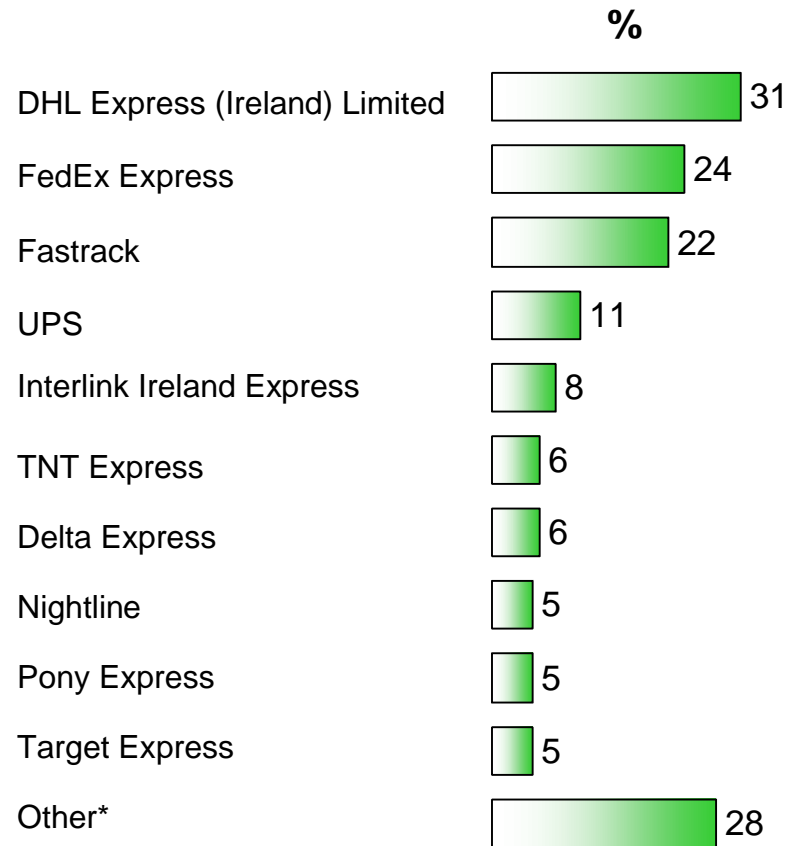
(494)  
All who have posted  
other mail items in past  
12 months

- The vast majority of standard letters are sent with An Post.
- Other postal service providers do fare better in terms of “other” mailed items sent with one in seven claiming to use them.



## Other Service Providers Used

Q. Which providers other than An Post did you use?



Base: All Adults 18+ Who Have Used Other Service Providers (73)

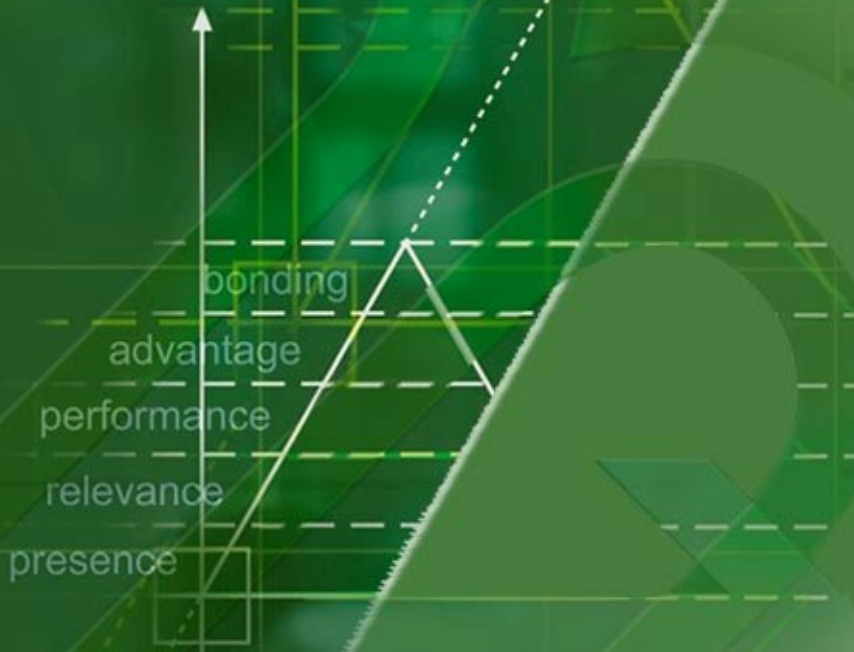
Note: Multiple Responses allowed

\* Includes all responses of 4% or less



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## Attitudes to Postal Services

## Perceived cost of sending a standard sized piece of mail

Q. How much do An Post currently charge to send a standard sized piece of mail?

### Average Total Price

52.74c



- Those 65-74 were most likely to be aware of the price of a standard sized piece of mail.
- Females were also more likely to nominate the exact price.
- In terms of region, those in Munster, followed by those in Connaught /Ulster were most likely to be aware.
- Those in resident in Dublin were least likely to know the exact price.

Base: All respondents 18+ (953)



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## Van Westendorp Price Sensitivity Model

- Developed in the 1970's by a Dutch economist.
- The objective of the Model is to figure out the range of acceptable prices as well as the optimum and indifference price points for a product or service.
- In this model, price sensitivity relates not to absolute price but the perceived value of the product and service.
- Price expectations and tolerances are measured by asking a set of price perception questions. These questions are key to the model – the price at which the product or service is...
  - So *cheap* that product quality is questionable (***Too cheap***)
  - A *bargain* (***cheap***)
  - Beginning to *seem too expensive* (***Expensive***)
  - Too *expensive to consider* (***Too Expensive***)

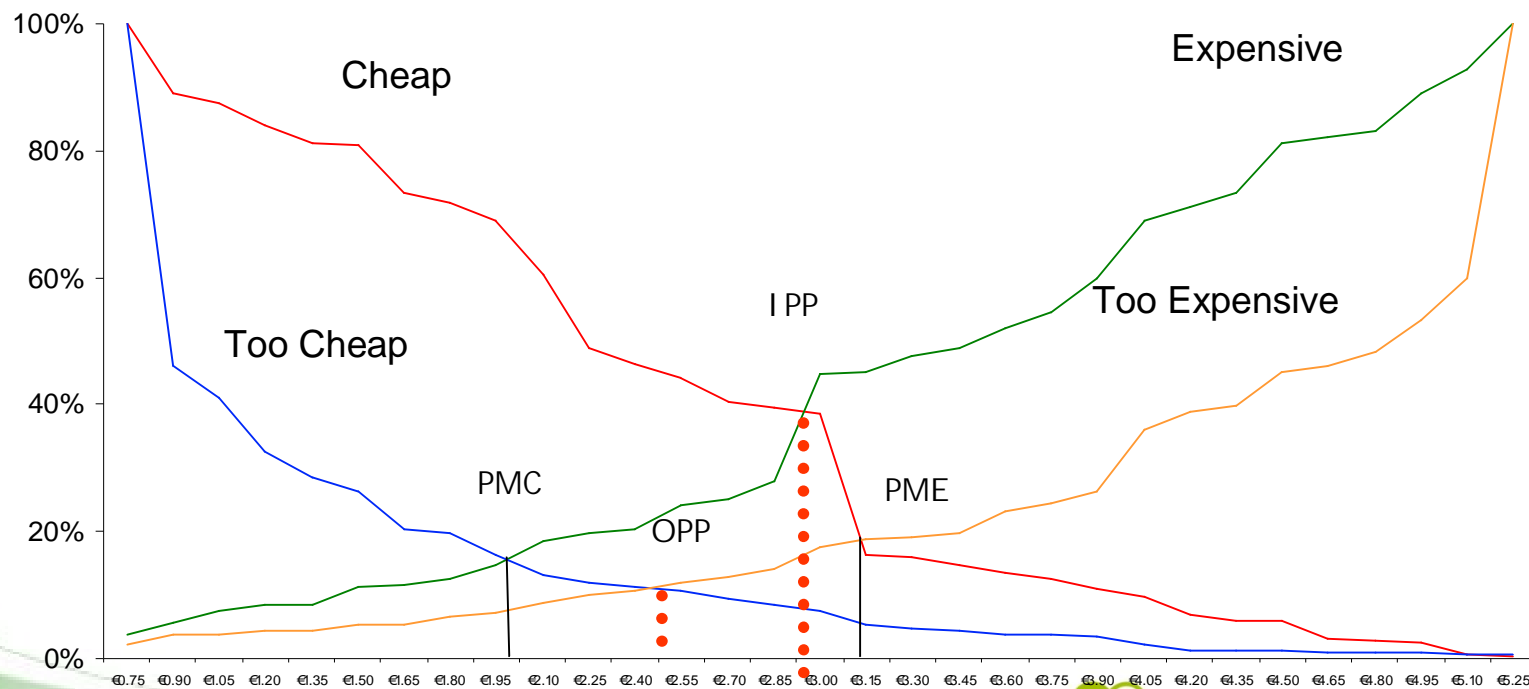
Below is a list of possible prices for sending a standard letter by regular post.

- a) at what price do you think the price is cheap but of acceptable quality?
- b) at what price is it expensive but still worth it?
- c) at what price is it too cheap to be of good quality?
- d) at what price is it too expensive, no matter what the quality?



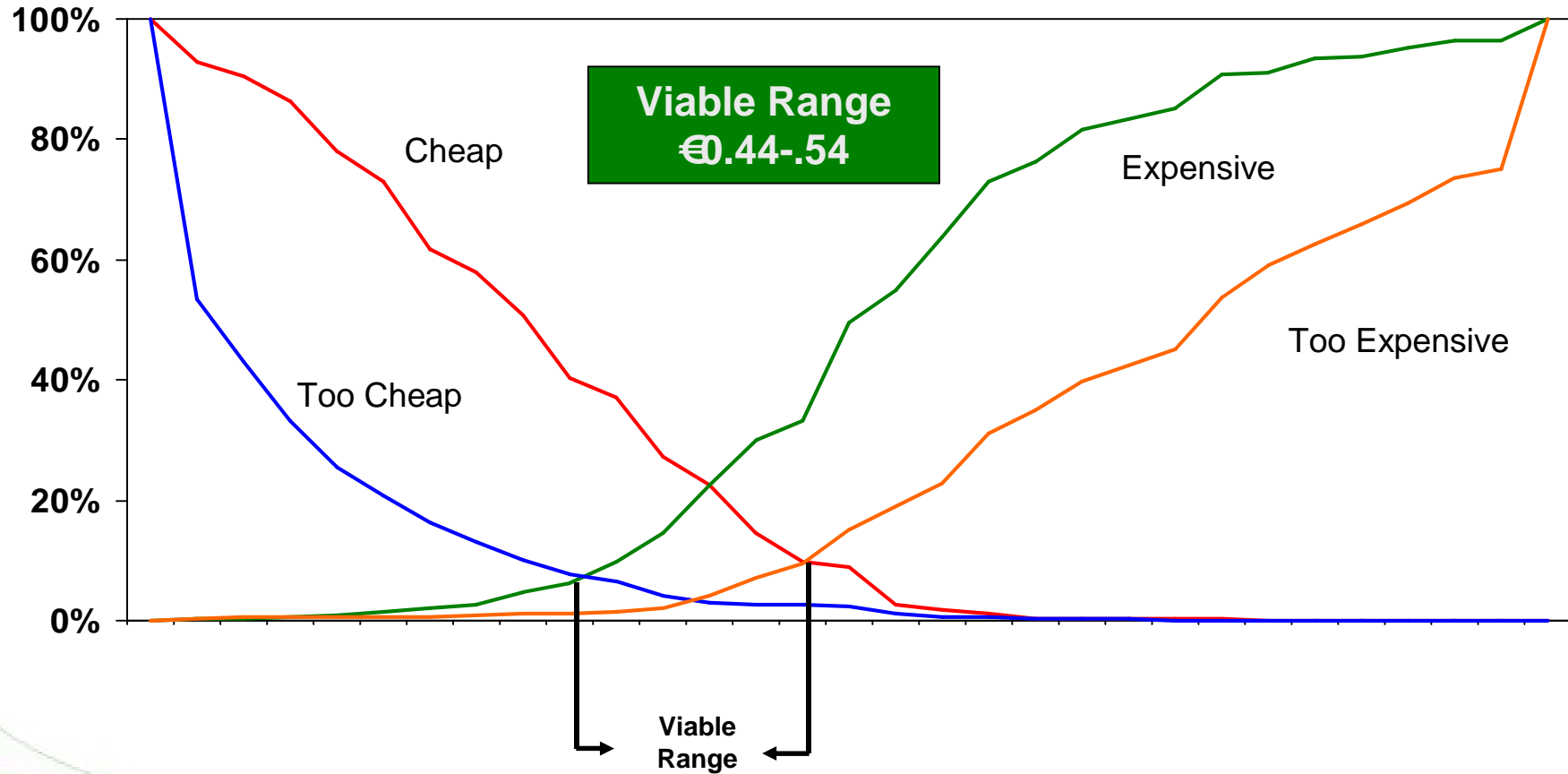
## Key Points

- **Viable Range** - Range of price points between the point of marginal cheapness (where too cheap and expensive meet) and the point of marginal expensiveness (where too expensive and cheap meet).
- **Indifference Price Point** – Intersection of expensive and cheap -point where the highest number of people don't think the product is expensive or cheap.
- **Optimum Price Point** – where too expensive and too cheap intersect - point at which fewest reject a product because of price



# Viabale Range for Standard Letter 44 – 54 cent

Viabale Range – at the high end you will have lower take-up but generate higher profits, at the low end you will have higher take-up through a low cost strategy



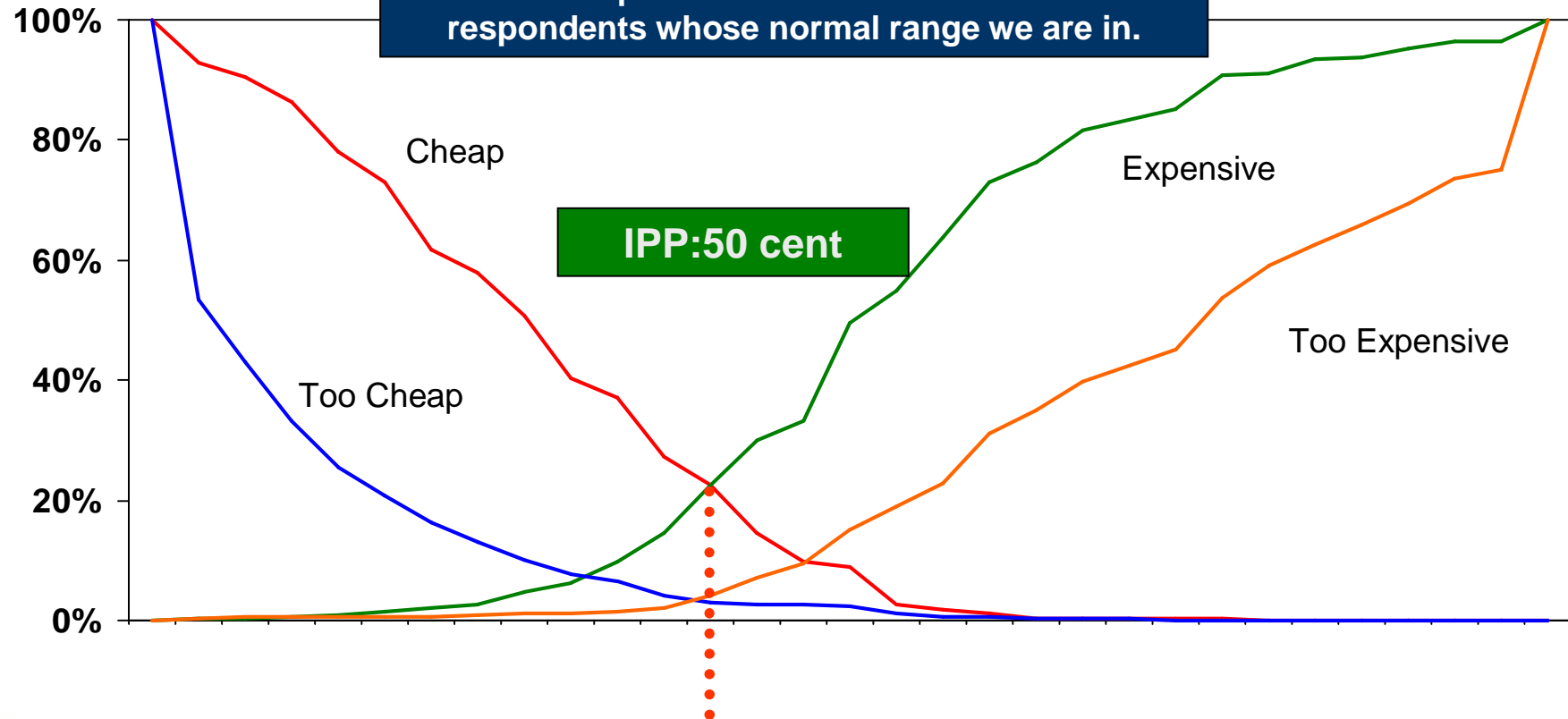
31 price points shown in increments of 2 cent from 25 cent to 85 cent

Base: All respondents 18+ (953)



# Indifference Price Point for Standard Letter : 50 cent

Indifference Price Point – where cheap and expensive cross. Equal numbers consider it cheap as consider it expensive This represents the “normal” price – we have maximised the % of respondents whose normal range we are in.



IPP – Indifference price point

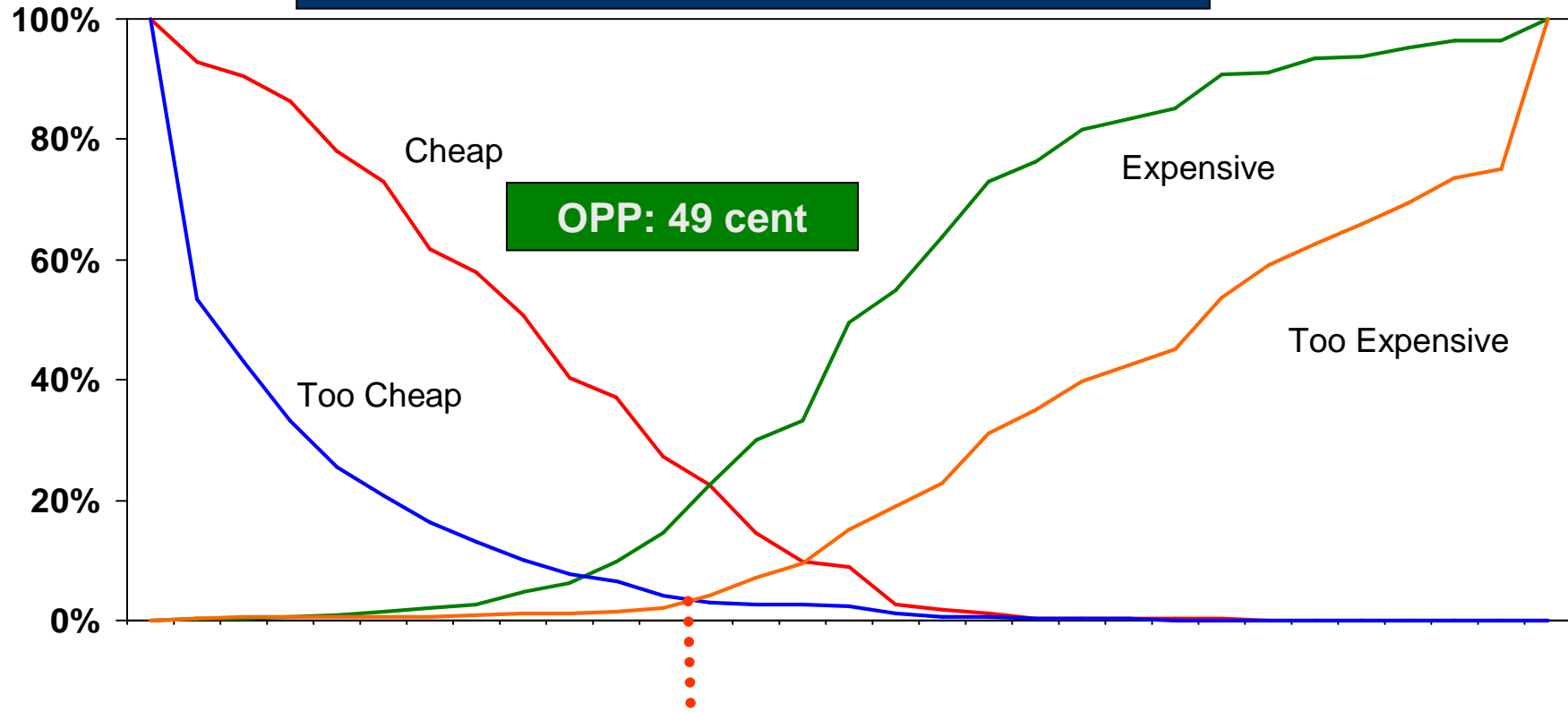
31 price points shown in increments of 2 cent from 25 cent to 85 cent

Base: All respondents 18+ (953)



# Optimum Price Point for Standard Letter : 49 cent

Optimum Price Point – where too cheap and too expensive cross. At this point the number of people who find the price acceptable is maximised and the resistance (in the form of cheapness) is minimised.



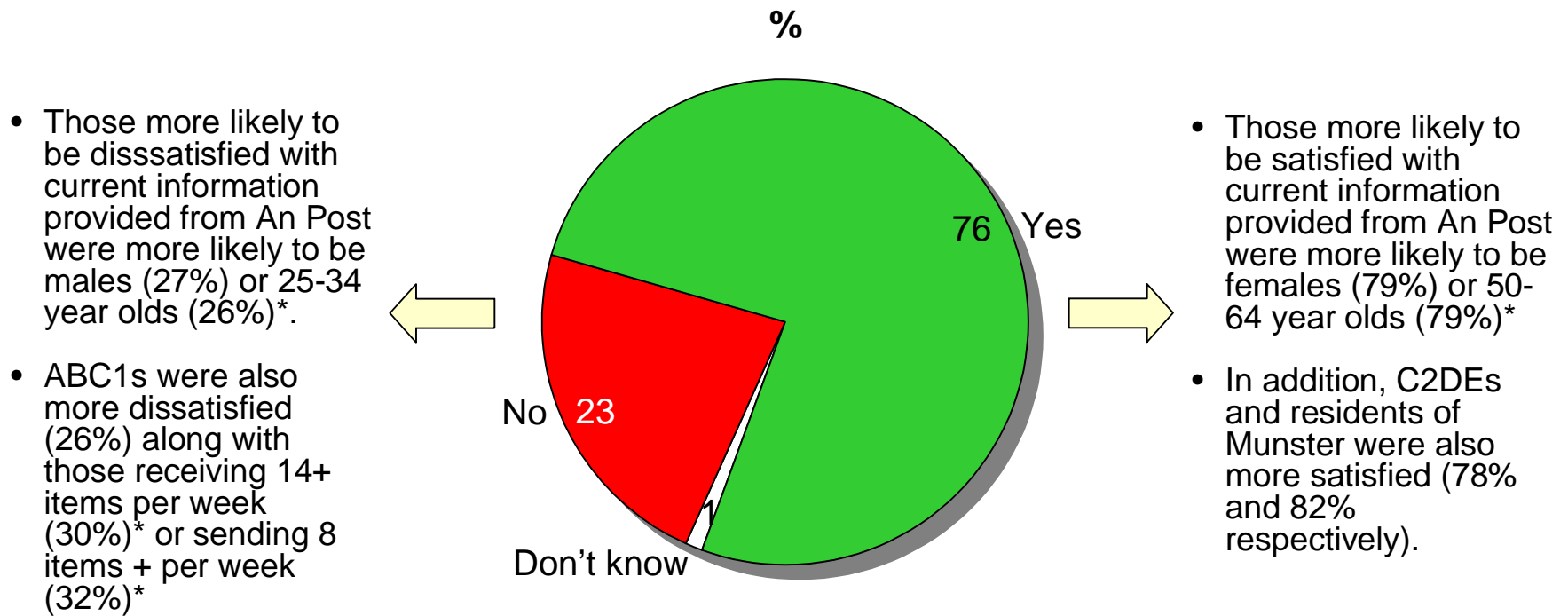
**OPP – Optimum price point**

*31 price points shown in increments of 2 cent from 25 cent to 85 cent*

Base: All respondents 18+ (953)

# Satisfaction with Information provided by An Post

Q. Are you satisfied with the information on postal services currently provided by An Post?

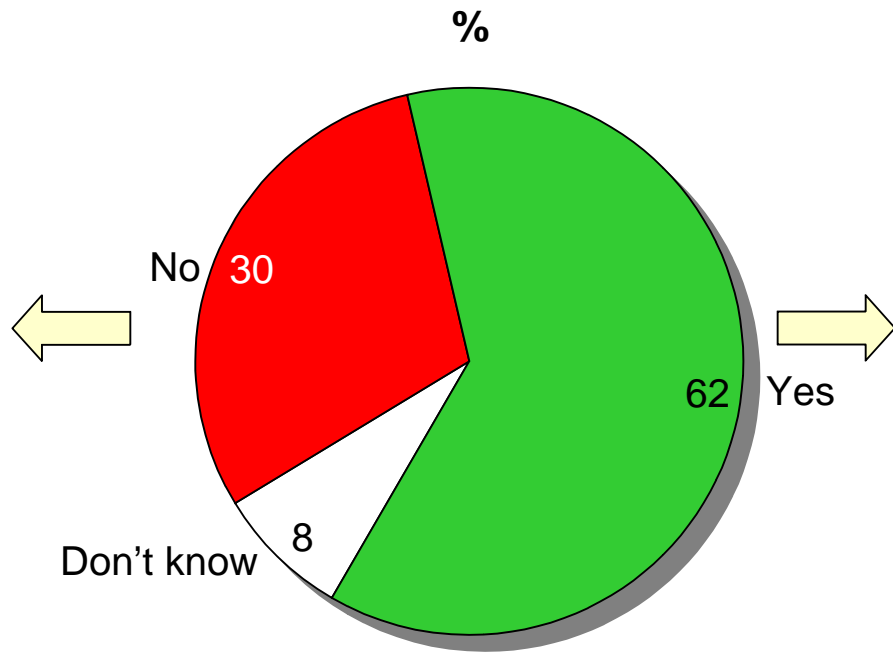


\* Indicational only

Base: All respondents 18+ (953)

# Satisfaction with Information provided by Other Postal Service Providers

Q. Are you satisfied with the information on postal services currently provided by other postal service providers?



- Those more likely to be dissatisfied with current information provided from other providers were more likely to be 18-24 year olds (33%)\* or Abs (36%)\*.
- Heavy users of the postal service (ie those receiving 14+ items per week) were also more dissatisfied (37%)\*

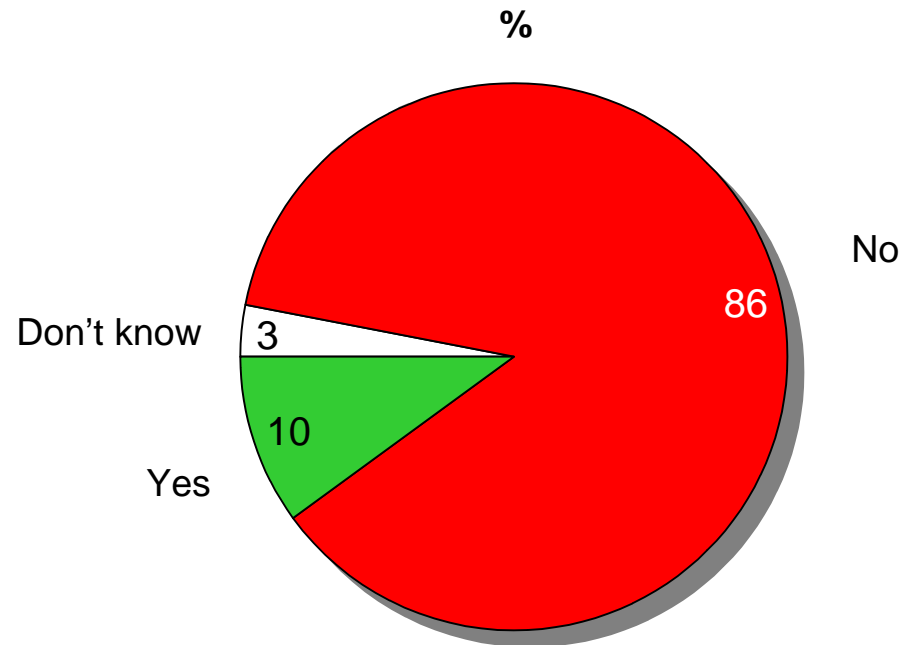
- Those more likely to be satisfied with current information provided from other providers were more likely to be 50-64 year olds (67%)\* or Dublin based (65%)\*
- In addition, those receiving or sending 8-13 items weekly are more satisfied (both at 65%).\*

\* Indicational only

Base: All respondents 18+ (953)

## Incidence of dissatisfaction with postal services

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



- One in ten overall were dissatisfied with some element of the postal service over the past 12 months.
- Those more likely to have been dissatisfied with some aspect of the postal service were more likely to have been aged 50-64 (15%)\* ABs (22%).
- Likewise Dublin residents were more dissatisfied (13%)\*.
- In addition, heavier users of postal services (those receiving or sending 14+ items per week) were also more dissatisfied (19% and 21% respectively)\*.

\* Indicational only

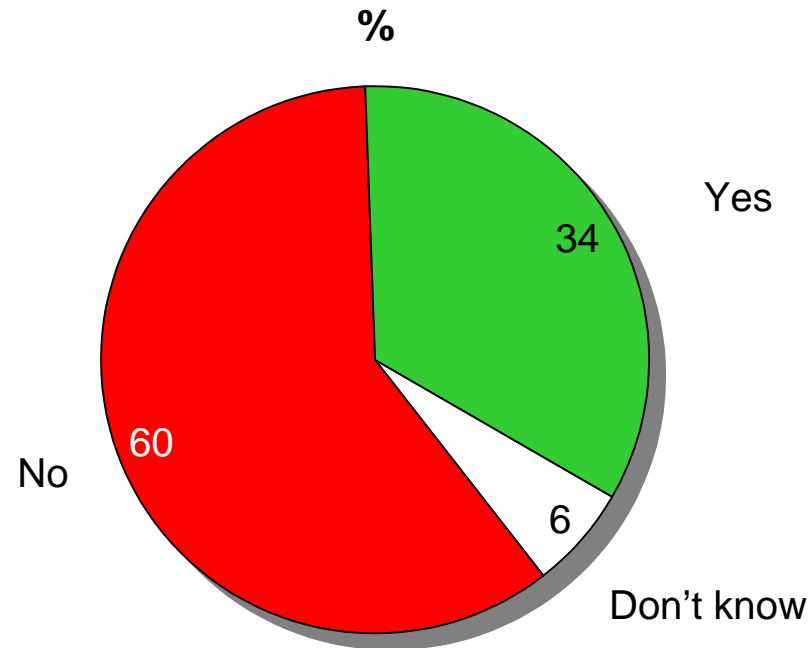
Base: All respondents 18+ (953)



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## Reporting the Complaint

Q. Did you lodge/make a formal complaint about this issue/any of these issues in the past 12 months?



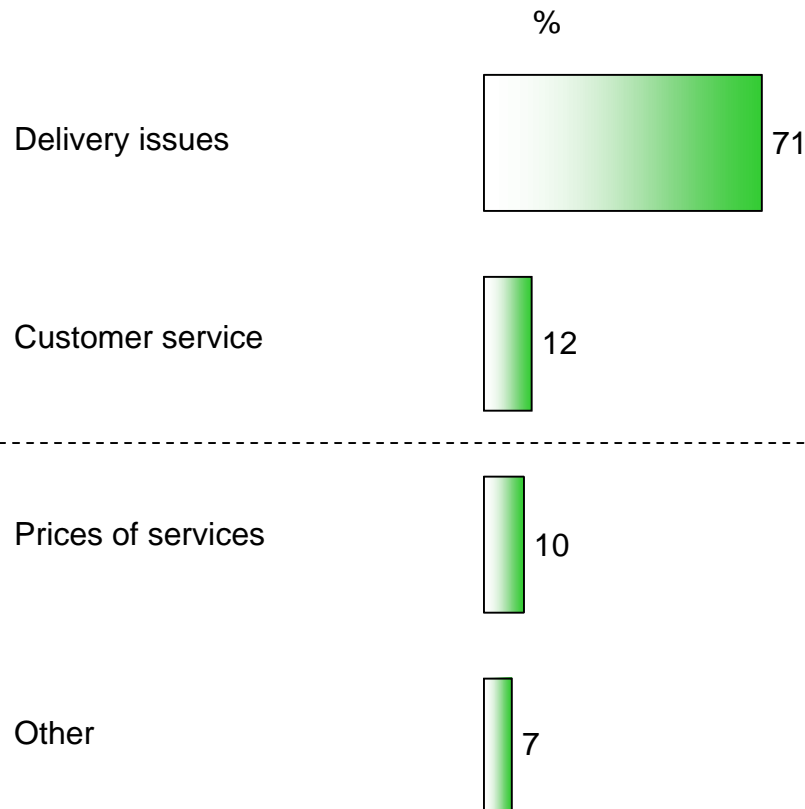
- Overall incidence of formal complaints being made was 4% of all respondents, which was broadly similar to 2006.
- The vast majority complained directly to the Postal operator involved.

Base: All Who Were Not Satisfied With The Service (103)



## Reasons for Dissatisfaction

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



- Resulting from the fact that An Post delivers 92% of mail, the majority of issues concerned An Post.
- An Post was mentioned in 79% of delivery issue complaints, all\* complaints about customer service (eight mentions) and in nine out of 10 mentions concerning pricing issues.

\* Caution: Very small sample sizes

Base: All who have been dissatisfied with Postal Service (103)

# Satisfaction with Complaints Procedure

Q. How satisfied were you with the handling of your complaint(s) by the organisation you contacted on a scale of 1 to 5, where 1 is very dissatisfied and 5, very satisfied?



- One in five were satisfied with the handling of the complaint, similar to 2006.\*
- However two in five were very dissatisfied.\*

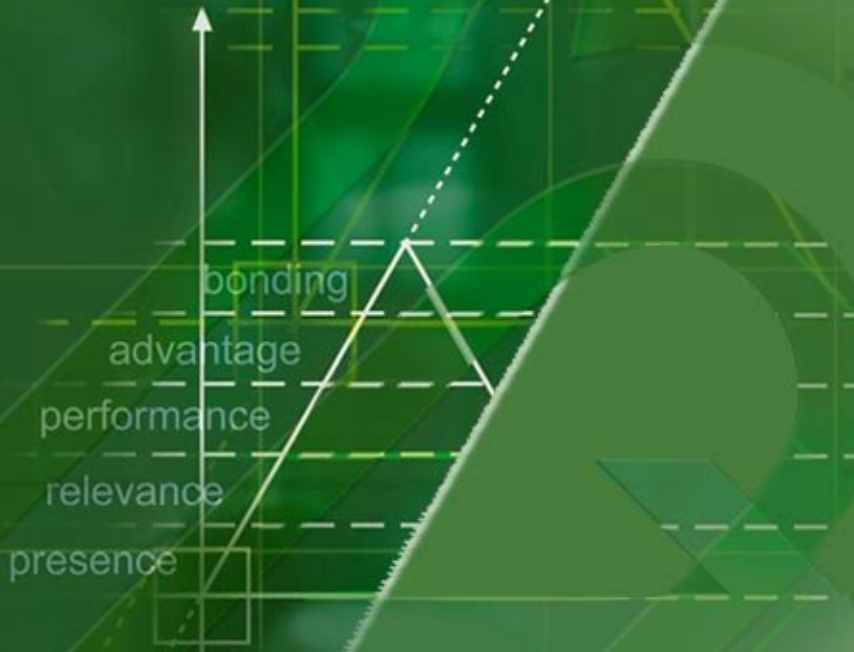
\*Caution small base

Base: All Who Have Made A Complaint (35\*)



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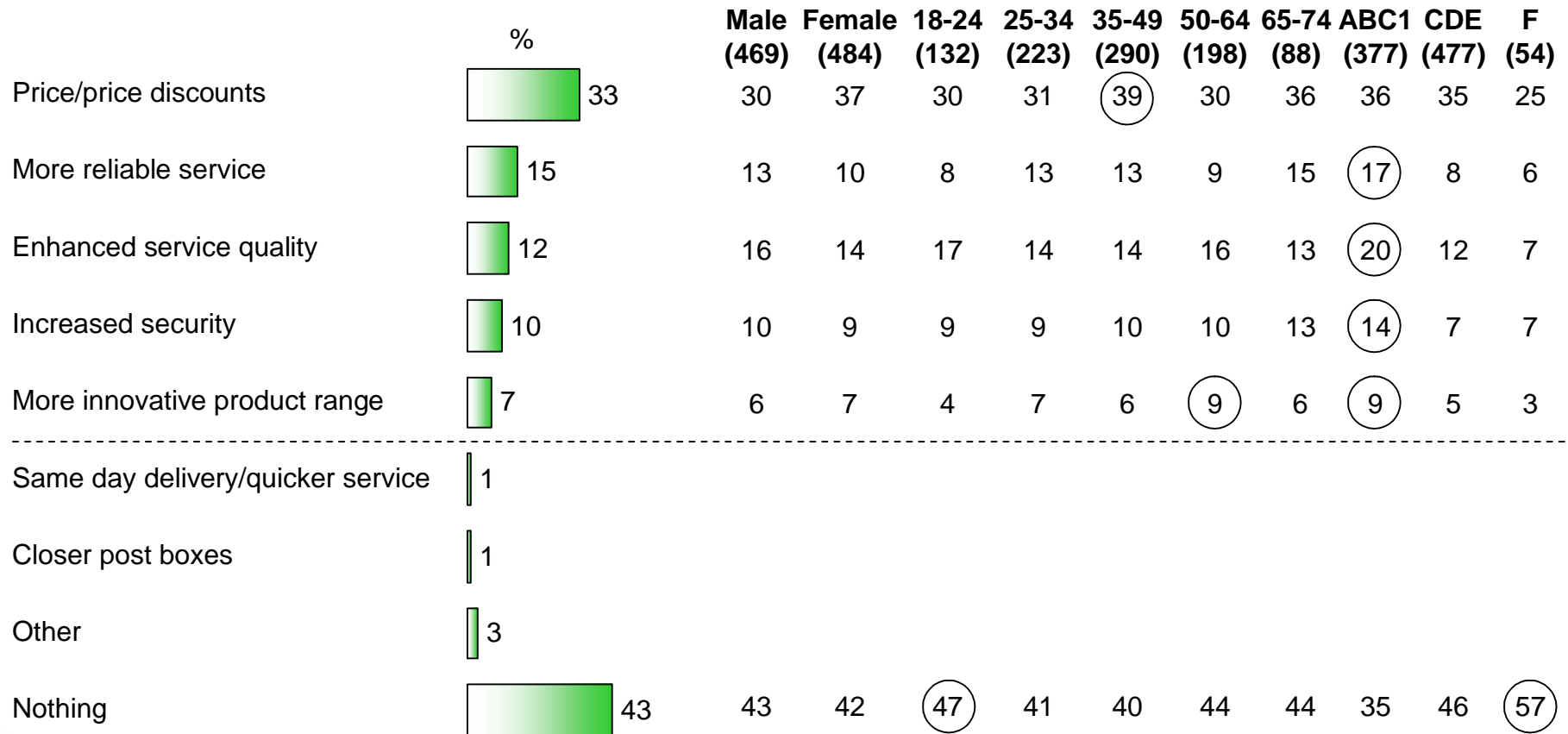
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**Future Requirements  
from Postal Services**

# Factors that would increase usage of postal services

Q. What factors if any, would result in you increasing your usage of postal services?

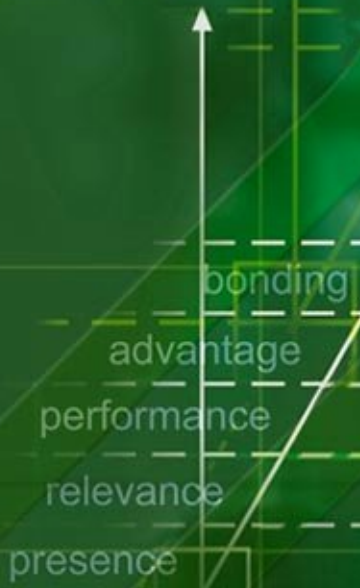


Base: All respondents 18+ (953)



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**Conclusions**

## Conclusions - I

- There has been an increase in the volumes of mail delivered to households in 2007, with an average of over nine items being delivered each week.
- The majority of mail delivered to residential addresses is by An Post, with one in twelve items (8%) being delivered by other postal service providers.
- One in four respondents confirmed that the volume of personal mail received from family/friends has decreased, while the same number confirmed that the volume of personal mail received from businesses had increased in 2007. A high level of respondents claimed an increase in addressed and unaddressed mail direct mail received.
- In terms of mail sent, on average the household now sends 4.50 items per week. Of all mail sent, one in eight (12%) used postal service providers other than An Post.
- Over seven in ten (71%) send personal mail, followed closely by letters to businesses (68%). Over one in five (22%) now send mail relating to online transactions.
- Awareness levels of other postal service providers remained consistent with 2006, with 47% being aware of the alternatives.
- Of those aware of other service providers, one in ten have used them to send items domestically over the past year, with a small number using other postal service providers to send items abroad.
- The majority of standard sized letters are sent with An Post, while other postal service providers are more likely to be considered when sending other mail items.

## Conclusions - II

- One in four respondents are dissatisfied with the information provided by An Post with regard to postal services, while one in three are dissatisfied with the information provided by other postal service providers. The gap between other postal service providers and An Post is more likely to be due to lower awareness levels of the other providers.
- One in ten respondents were dissatisfied with the postal service over the past 12 months, with only one in three of the dissatisfied number making a formal complaint. The main reason for dissatisfaction concerned “delivery” issues.
- Of those who formally complained, nearly half were dissatisfied with the handling of their complaint (the majority of complainants approached the postal operator in question directly).
- The Price Sensitivity Model analysis showed the optimum price point for sending a standard letter to be 49 cent, quite an amount lower than the existing price point of 55 cent.
- Of the six in ten respondents who believe there are factors that would stimulate increased usage of the postal service, price is by far the most important consideration, with reliability and service quality also featuring prominently.