

Republic Of Ireland Quality Of Postal Service Monitor - 2007 Report

Items Posted On Or Between
1st January & 31st December 2007



Introduction

- TNS mrbi has been commissioned by ComReg to monitor the quality of postal service in the Republic of Ireland, in accordance with 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.
- Reports are issued on a quarterly and year-to-date basis.
- This report presents the full year findings for items posted on or between 1st January and 31st December, 2007 and the Q4 findings for items posted on or between 1st October and 31st December, 2007.
- TNS mrbi is an independent provider of business information and is a fully owned subsidiary of TNS plc.
- To comply with EN 13850 ComReg has approved the appointment of Dr. Myra O'Regan, Department of Statistics, Trinity College, Dublin for the duration of the current contract to conduct an audit certification of the monitor carried out by TNS mrbi, on its behalf.

Summary - I

- For the full year 2007, 77% of single piece priority mail was delivered on the next working day, against a target of 94%.
- In 2007, 97% of all single piece priority mail was delivered within three days of posting, against the target of 99.5%.
- At 77%, next day delivery in 2007 surpassed the annual result for 2006 when next day delivery was five percentage points lower at 72%. An improvement has been registered across all types of post and across all regional mail flows. However, it should also be noted that next day delivery has improved by just six percentage points over the past five years, which suggests that the target of 94% will not be met unless the momentum generated in the past year is vigorously pursued.
- Similar to previous years, performance varied from quarter to quarter in 2007. Encouragingly for An Post, next day delivery for each quarter in 2007 was higher than the level recorded for each equivalent quarter in 2006. Although it is important to note that, in previous years, quarter-on-quarter improvements have proven difficult to consolidate.

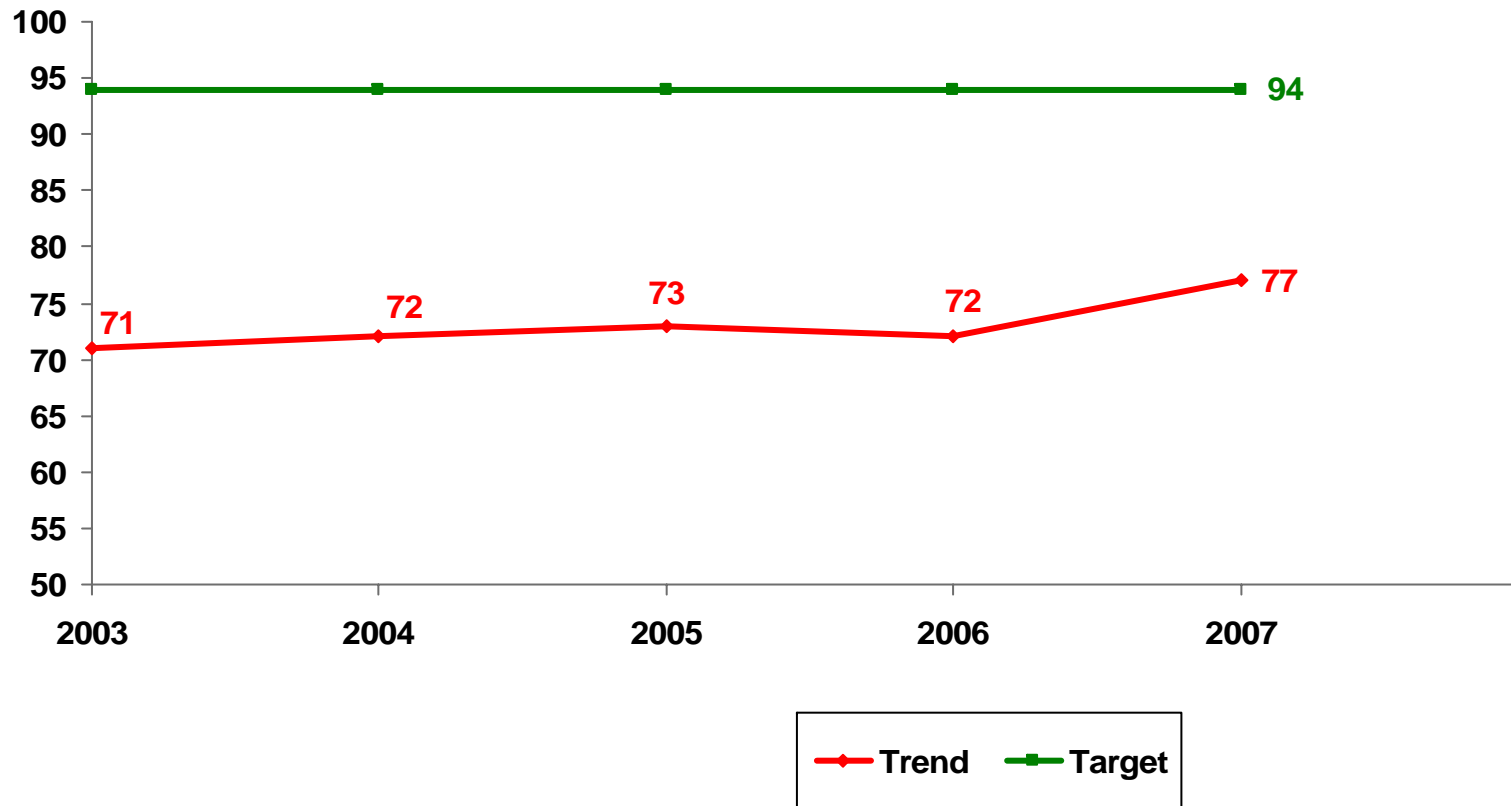
Summary - II

- Traditionally mail posted for delivery within the county of posting outperformed the national figure. However in 2007 this mail flow performed poorly and the results indicate no real difference in the performance of local and long distance domestic mail. For example mail posted in Dublin for delivery within the county recorded a 78% success rate while the provincial counties recorded a success rate of just 79%.
- Delivery of mail posted from outside Dublin for delivery to an address in Dublin was the lowest performing regional flow of mail, with just 75% of these items delivered the next day.
- When considering year on year results from 2003 to date by Induction Method, it has been observed that the Post Box and Post Office induction performance does not compare favourably with the Business induction performance.
- Similarly when considering year on year results from 2003 to date, standard letters outperform large envelopes and packets, typed addressed mail outperforms hand written mail and metered mail outperforms stamped mail.
- In 2007, An Post made some progress towards meeting the target of 94% next day delivery, but there remains much more to do if the target of 94% next day delivery is to be achieved in the short or medium term.

Findings - Annual

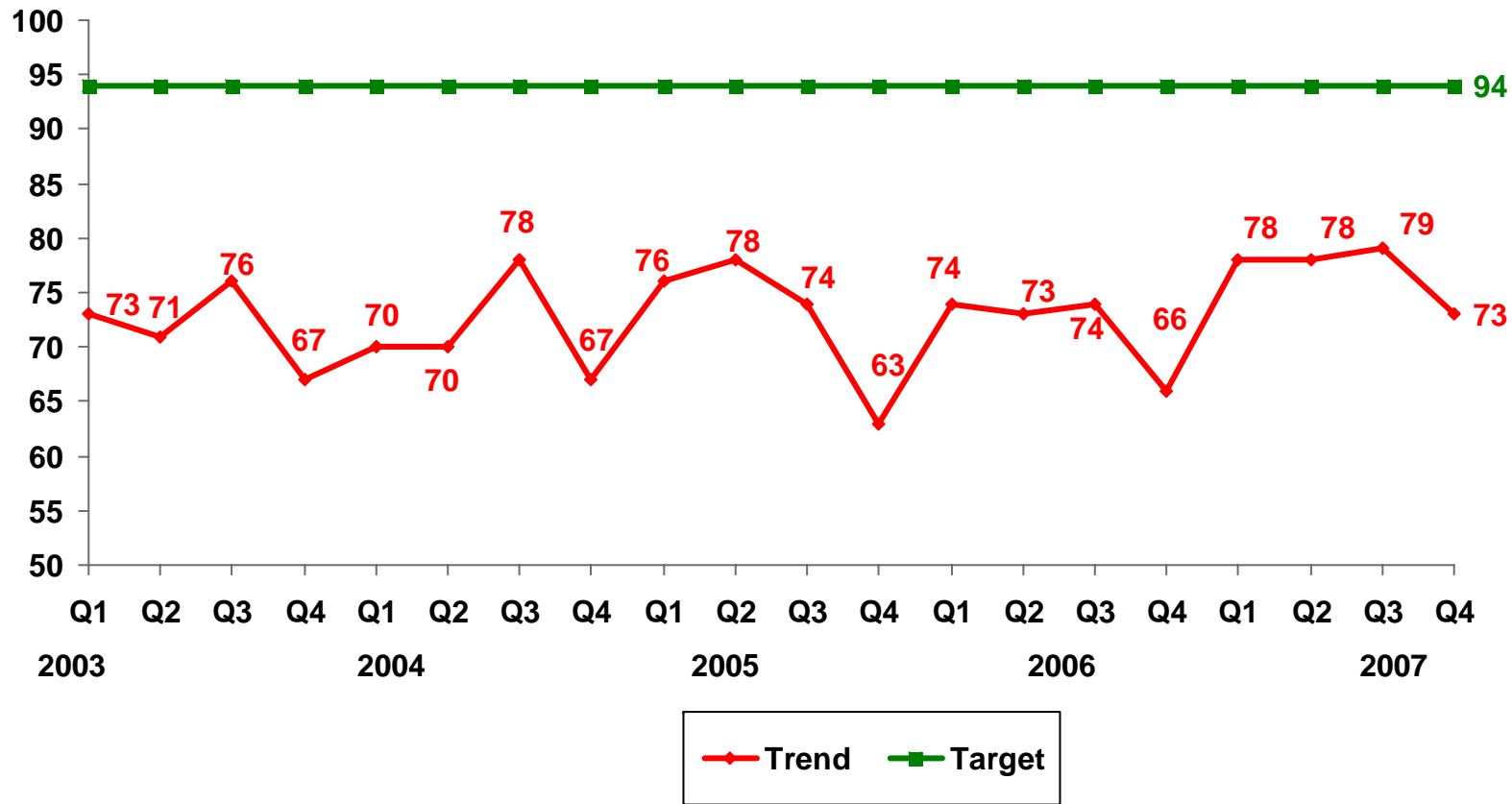
National Next Day Delivery (D+1)

Full Year - 2003 to 2007



National Next Day Delivery (D+1)

January 2003 to December 2007 By Quarter



Quality Of Postal Service Targets

with Quarterly & Full Year An Post Performance for RoI

	TARGET	ACHIEVED Q4 '07	ACHIEVED FULL YEAR '07
Next Day Delivery (D+1)			
From Anywhere to Anywhere	94%	73%	77%
From Dublin County to Anywhere	94%	72%	77%
From outside Dublin County to Anywhere	94%	74%	77%
Delivery Within 3 Days			
From Anywhere to Anywhere	99.5%	96%	97%

Next Day Delivery Nationally (D+1)

Items Posted On Or Between 1st January & 31st December, 2007

		DELIVERY (RoI)		
		To Anywhere	To Local (Delivery within county of posting)	To Dublin County
POSTING (RoI)	From Anywhere	77% (+/-1.3%)	78% (+/-1.8%)	77% (+/-2.2%)
	From Dublin county	77% (+/-2.3%)	78% (+/-2.8%)	78% (+/-2.8%)
	From outside Dublin County	77% (+/-1.5%)	79% (+/-2.3%)	75% (+/-3.5%)

1. () figures in brackets relate to accuracy levels at 95% confidence
2. Total number of effective observations – 22,598
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.

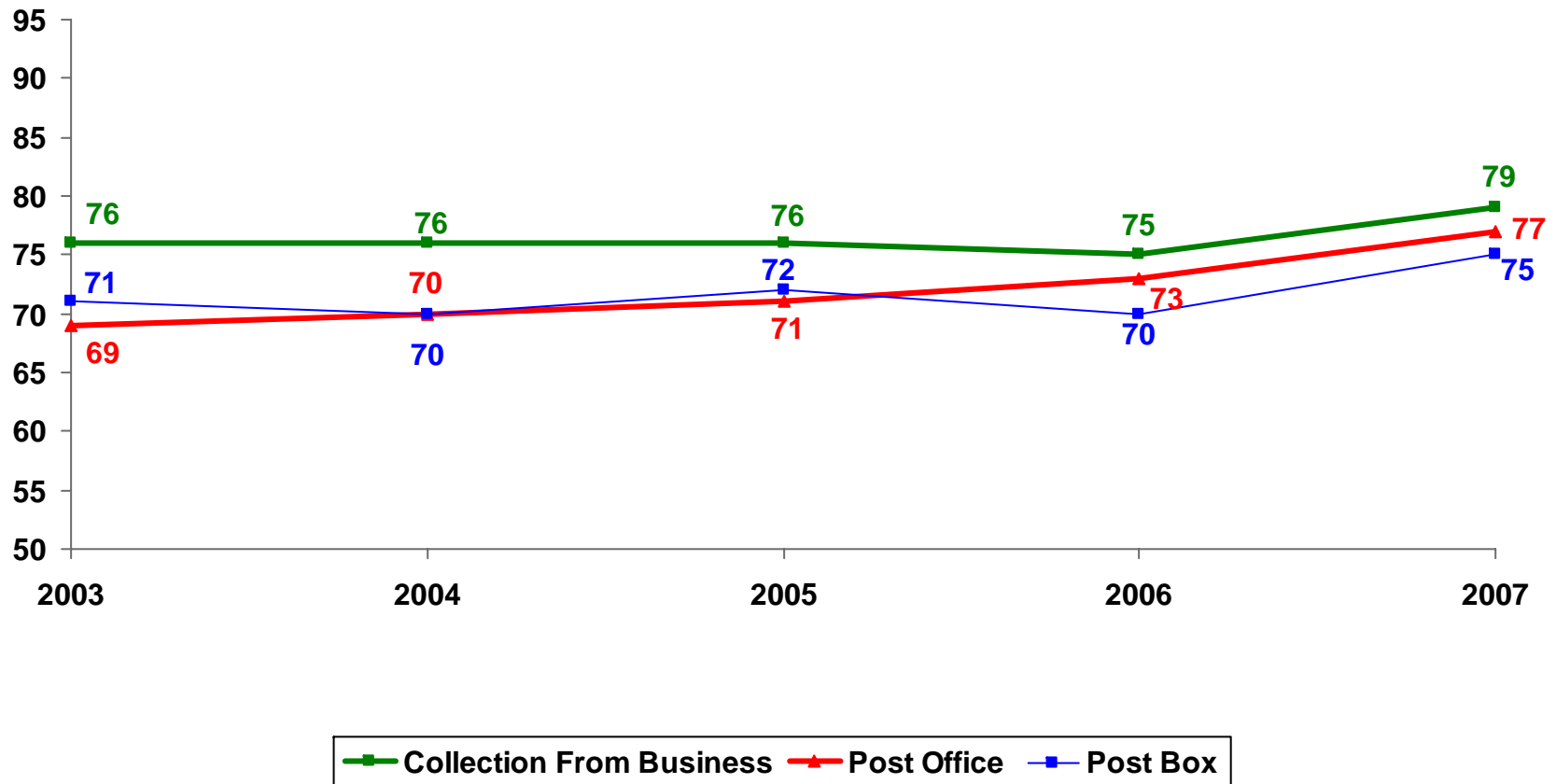
Next Day Delivery (D+1)

Performance of Mail – Full Year Comparisons

	2003	2004	2005	2006	2007
	%	%	%	%	%
Anywhere to Anywhere	71	72	73	72	77
Anywhere to Local (Delivery within county of posting)	75	75	76	75	78
Anywhere To Dublin County	71	73	73	72	77
Dublin County to Anywhere	70	69	73	70	77
Dublin County to Dublin County (Local)	72	75	76	73	78
Outside Dublin County to Anywhere	73	73	73	75	77
Outside Dublin County to Local (Delivery within county of posting)	78	76	76	77	79
Outside Dublin County to Dublin County	68	70	68	70	75

Next Day Delivery (D+1)

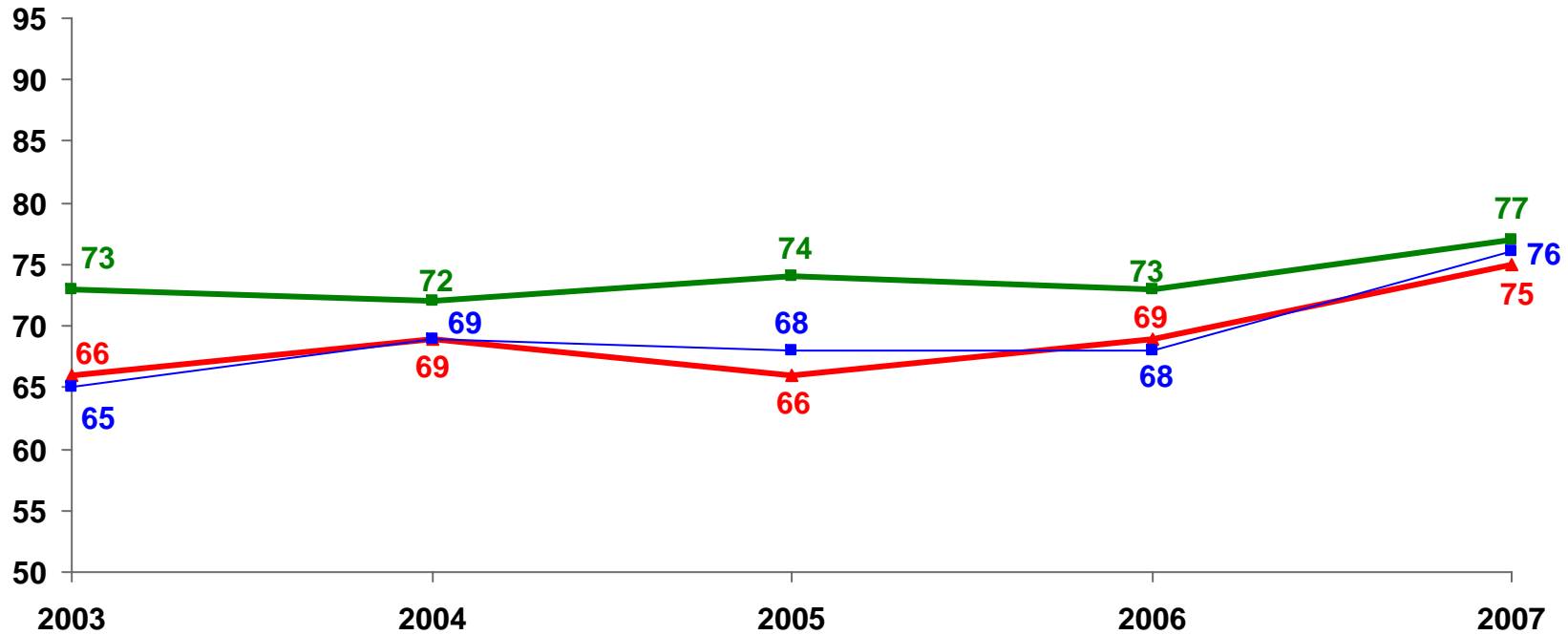
By Induction Method* - 2003 to 2007



* Metered Box items not reported due to small base sizes

Next Day Delivery (D+1)

By Mail Format* - 2003 to 2007



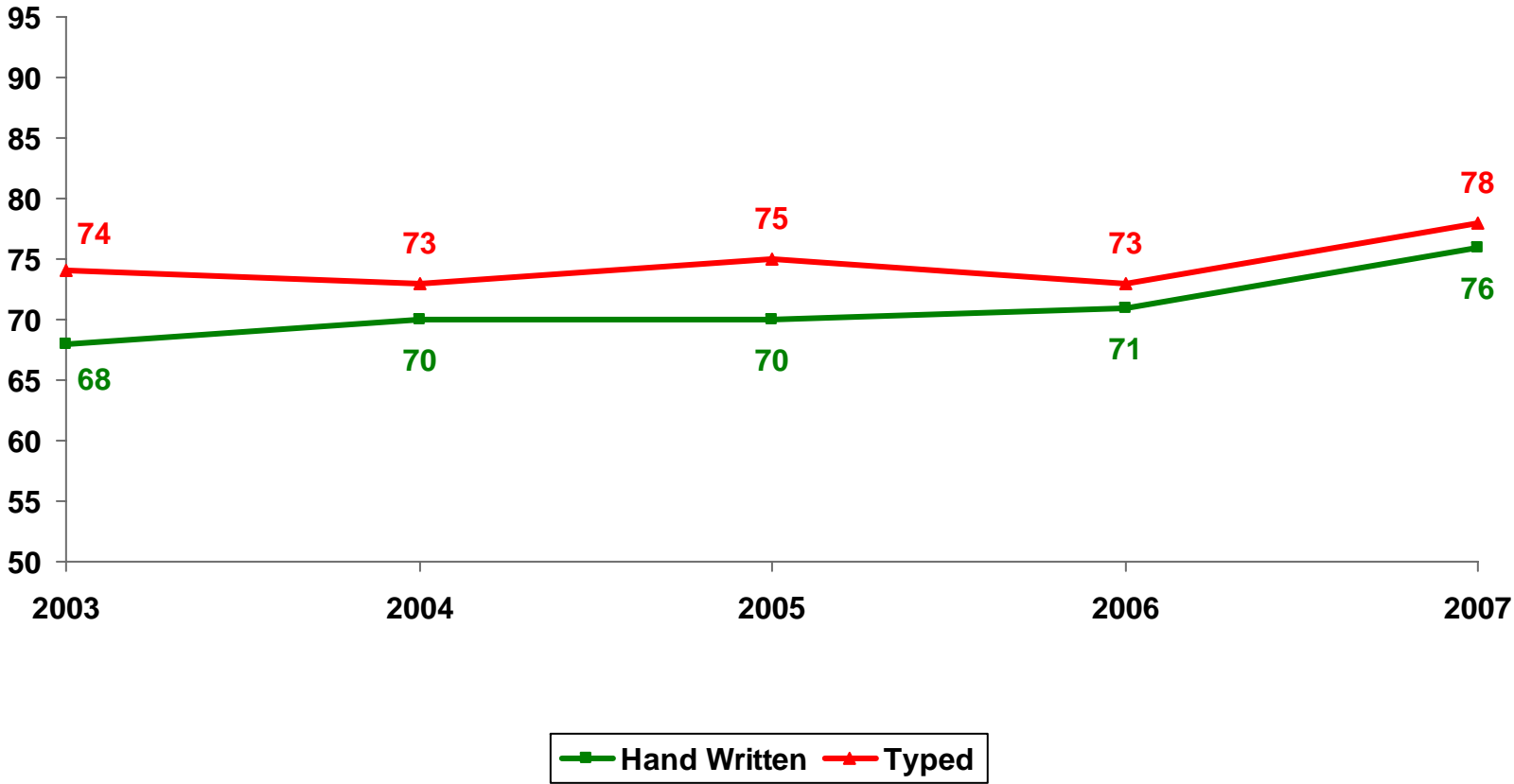
Standard Letter Large Envelope Packets

*Standard Letter: Up to C5 size 162mm * 235mm * 5mm. Large Envelope: Up to 400mm * 300mm * 25mm.
Packets: Max size (width + length + thickness) 900mm, Max length 600mm. In roll form (length + twice the diameter) 1040mm, Max length 900mm.

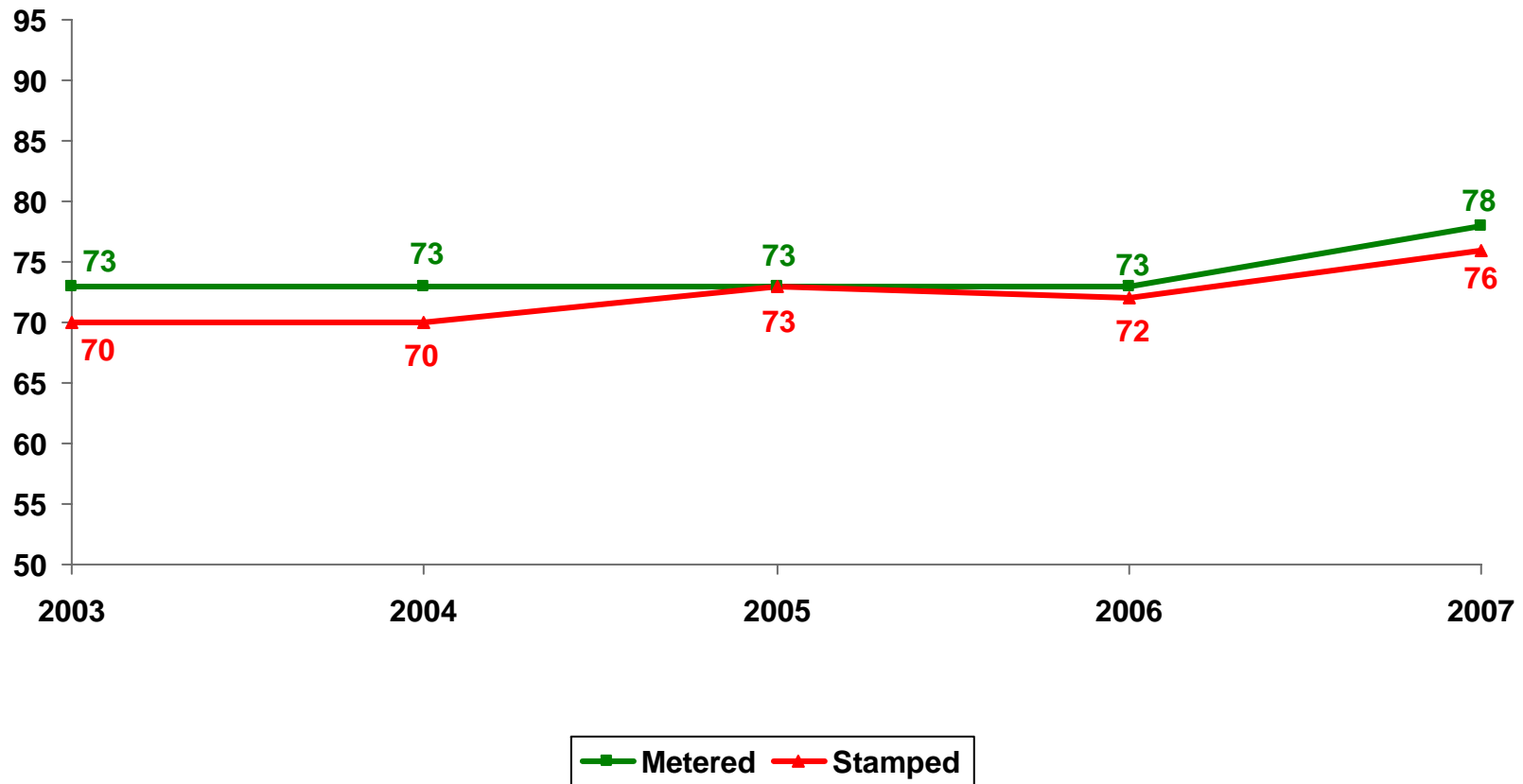
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Next Day Delivery (D+1)

By Address Method - 2003 to 2007



Next Day Delivery (D+1) By Payment Method - 2003 to 2007



Delivery Within Three Days (D+3)

Items Posted On Or Between 1st January & 31st December, 2007

		DELIVERY (RoI)		
		To Anywhere	To Local (Delivery within county of posting)	To Dublin County
POSTING (RoI)	From Anywhere	97% (+/-0.3%)	98% (+/-0.4%)	97% (+/-0.5%)
	From Dublin County	97% (+/-0.5%)	97% (+/-0.7%)	97% (+/-0.7%)
	From outside Dublin County	98% (+/-0.4%)	98% (+/-0.5%)	97% (+/-0.7%)

4. () figures in brackets relate to accuracy levels at 95% confidence
5. Total number of effective observations – 22,598
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.

Findings - Quarterly

Next Day Delivery (D+1)

Items Posted On Or Between 1st October & 31st December, 2007

		DELIVERY (RoI)		
		To Anywhere	To Local (Delivery within county of posting)	To Dublin County
POSTING (RoI)	From Anywhere	73% (+/-2.0%)	75% (+/-2.7%)	73% (+/- 3.3%)
	From Dublin County	72% (+/-3.7%)	74% (+/-4.4%)	74% (+/-4.4%)
	From outside Dublin County	74% (+/-2.2%)	75% (+/-3.4%)	72% (+/-4.4%)

- () figures in brackets relate to accuracy levels at 95% confidence*
- Total number of effective observations – 6,782*
- 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 October & 31st December, 2007

		DELIVERY (RoI)		
		To Anywhere	To Local (Delivery within county of posting)	To Dublin County
POSTING (RoI)	From Anywhere	96% (+/-0.6%)	97% (+/-0.9%)	97% (+/-1.1%)
	From Dublin County	96% (+/-1.0%)	97% (+/-1.5%)	97% (+/-1.5%)
	From outside Dublin County	97% (+/-0.7%)	97% (+/-1.0%)	96% (+/-1.1%)

4. () figures in brackets relate to accuracy levels at 95% confidence
5. Total number of effective observations – 6,782
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

- From the 1st September 2005 onwards mail posted on Saturday and Sunday are treated as mail posted on Monday. This change reflects the fact that there is no longer a weekend collection service. The Last Time of Posting (LTOP) for next-day delivery is clearly displayed on pillar-boxes and states that 'mail posted at any post-box/location on a Saturday, Sunday or Public Holiday will be delivered nationally on the second working day'. Any test mail items posted on a Saturday, Sunday or Public Holiday, delivered on the next working day will be treated as a D+0 item. D+0 items are included in the D+1 figures for the purposes of calculating next-day delivery.

Methodology (Cont'd)

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.

Methodology (Cont'd)

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

- Damian Loscher – Managing Director
- Louise Miller – Account Director
- Aisling Byrne – Senior Research Consultant
- Annette Farrell – Project Manager
- Silke Heinzl – Research Consultant

Independent Audit By Dr Myra O'Regan

Introduction

- The aim of the project is to review the study carried out by TNS mrbi to monitor the quality of postal service in the Republic of Ireland with reference 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 2007. This document will be referred to as the Standards from herein. Documents describing in detail the conduct of the study together with the raw data were received. These documents together with the Standards provided the basis for conducting the review.

Methodology

- In order to estimate the quality of service, approximately 23,000 pieces of mail were posted and received within 30 days using a panel of private homes and businesses. The number of pieces of mail that are never posted and never delivered is not recorded. The dataset included 22,598 cases with 5 variables item id, sender id, receiver id, county of sender, county of receiver, the day of delivery. The study included private homes located throughout the country roughly in proportion to the density of the population and businesses. Each of these induction points were required to send and receive items of mail. Private residences sent on average a pair of items a week and received on average 3 items per week. Businesses sent on average 3 pairs of items and received 2 items per week.
- The type of mail was characterised by method of posting, method of addressing, envelope colour, envelope size, method of payment and day of week of posting where the distribution of each characteristic was determined by the relevant % in the population. The data are record and returned to the Dublin office where a number of quality control procedures were undertaken. The above methodology is considered to be appropriate and was implemented very effectively and thoroughly. At all stages a number of checks were carried out resulting in a large dataset. The panels were treated well with various incentives e.g. a magazine subscription.

Examination of the Data

- An examination of the raw data was carried out to establish the number of pieces of mail sent and received by each sender. With one exception the data conformed to an appropriate design. There was a very reasonable and acceptable explanation for the one exception e.g. Sender ID 211006.
- It is stated in the Standards that postal items not delivered by J+30 days can be excluded. However, it is suggested that the number of pieces of mail that are posted and never received is recorded if possible. The problems arise here from differentiating mail that is lost in the system or never posted.

Calculation of Estimates

- Based on these data the percentage of mail delivered within one, two or three days was computed. The overall figures were 77% (a 5% increase from last year) for the next day delivery and 97% for delivery within 3 days (same as last year). The formula used to calculate the variance of these estimates was taken from the Standards. This year r_1 and r_2 , the estimated correlations between on-time indicator variables for postal items sent from the same induction points to different receiving points and between on-time indicator variables for postal items sent from different induction points to the same receiving points respectively were calculated from the data. The resulting 95% confidence intervals were $\pm 1.3\%$ and $\pm 0.3\%$ for D+1 and D+3 respectively. Various other estimates are also provided. In my opinion these estimates provide a valid and reliable estimate of the accuracy and precision of the % of mail delivered by D+1 and D+3 where the % is based on all items delivered within D+30.

Dataset

- As mentioned last year it would be interesting to use this dataset to carry out further analyses e.g. to examine what are the characteristics of mail that are not delivered within 3 days.

Conclusion

- In my considered opinion the study titled Quality of Service in the Republic of Ireland in 2007 was carried out thoroughly and effectively. The only suggestion is to consider the number of pieces mailed but not delivered within 30 days. This is not an absolute necessity as the methodology currently adopted conforms to the Standards. Again it may be informative to use the data collected to investigate the reasons for late delivery of mail.

Dr. Myra O'Regan

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