BREAKING BLUE

The future of consumer needs for postal services

Research report for Citizens Advice

June 2016

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Executive Summary

Background and objectives

The postal market in Great Britain is currently in a period of considerable and rapid change. The consequences of this transformation are still unfolding in time, and are likely to become unevenly distributed amongst consumers of postal services, benefitting certain groups of consumers more than others. There are many fundamental factors which have contributed to the UK postal market's ongoing changes, specifically:

- Increased use of digital communication by most consumers
- The ongoing programme of Post Office network transformation
- Changes to postal policy and regulation
- The rapid growth of ecommerce and the need for consumers to send and receive parcels
- The decline of letters being sent and received by consumers

Citizens Advice will use the findings of this study to understand how different groups of postal consumers may be affected now and in the future by changing conditions and technological innovation in the postal market. The findings will be used to ensure the advice it provides to consumers is relevant and up-to-date.

The results will also be used to influence debate over the future regulation and policy direction of the postal sector. This research expands on previous research which has shown how consumer needs have evolved in light of the universal service obligation and the growing parcels market. It explores the detailed needs of vulnerable consumer groups and needs for affordable and reliable postal services.

Methodology

A mixed-method approach was employed comprising quantitative and qualitative techniques across England, Wales and Scotland. The quantitative approach allowed consumer needs to be measured and extrapolated against the wider population. It also allowed robust analysis of differences between different demographic and consumer groups. The qualitative approach further explored the needs and behaviours of postal consumers. In summary, the approach incorporated the following:

- A quantitative survey of 2,880 postal consumers, including a boosting exercise across rural, remote and island consumers
- A qualitative phase comprising:
  - Seven focus groups predominantly split on the basis of rurality
  - 70 teledepth interviews sampled on the basis of vulnerability

Key findings

Current postal behaviour by consumers

Consumers are more likely to use modern forms of communication over post as a means to contact others. Making a call through a fixed line, mobile phone, or sending a text message or email are seen by consumers as cheaper, quicker and more convenient. Yet, post is still seen as a vital service by most consumers for particular types of communications, and consumers are more likely to disagree than agree with the statement 'the technology we have now means sending letters is now unnecessary' (44% net disagree compared to 33% net agree).

While many consumers have a passive relationship with post (in terms of receiving letters and parcels more often than sending), one factor that impacts on how they use post is how comfortable they are with using modern, digital communication methods.

For example, over two thirds of consumers aged 55-74 (67%) use post to contact others compared to less than half of those aged 18-34 (45%). Economic status[1] also plays a role (although not to the same extent as age); those from lower social grades and lower household income groups are more likely to send items via post and less likely to depend on their mobile phone; for example, calls on a mobile phone as a form of contact by consumers from higher social grades (79% of ABC1 consumers compared to 70% of C2DE consumers).

However, the teledepth interviews showed that motivations for using post vary by consumer groups. For example, many older consumers use the post more because this is something they are familiar with and feel is reliable, whereas they may not be adept or trusting online. In contrast, consumers who are disabled or those who live remotely can especially benefit from the post delivering items that they are unable to purchase due to mobility impairments or because those items are not sold close by.

While post is still used by the majority of consumers, frequency of sending is low. The majority of postal consumers (56%) send items through the post monthly or less often. Less than one in five send items through the post a couple of times a week or more often.

Day-to-day needs of postal consumers in general

The likelihood of receiving certain items either online or via post depends on levels of digital engagement, with age a polarising factor. Yet, consumers are generally more likely to report receiving most items via post rather than online or email alternatives. At the same time, large

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[1] The main income earner in the household fell into one of the following brackets: Senior managerial, administrative or professional (coded as socio-economic group A); Intermediate managerial, administrative or professional (B); Junior managerial, administrative or professional; office workers, supervisors (C1); Skilled manual worker with industry qualifications (C2); Semi or unskilled manual worker without qualifications) (D), Unemployed (E) Further details on socio-economic classification in the market research industry can be found here - https://www.mrs.org.uk/cgg/social_grade

proportions of consumers communicate with family and friends via email (61%), and access bank statements or other financial documents (45%) and utility/phone bills online (43%).

Older consumers generally report receiving more items in the post than younger consumers. For example, consumers aged 55-74 are more likely than other age groups to receive social items in the post (93% compared to 81% of 18-34 year olds). In addition, vulnerable consumers (such as consumers from lower income households, disabled consumers and consumers who receive benefits) are more likely to report receiving mail to administer their day-to-day lives. For example, consumers who receive benefits are more likely to receive utility bills in the post compared to those who don't receive benefits (68% compared to 58%).

The qualitative phase found that consumers' main needs when sending and receiving post are convenience and affordability. Generally, needs around convenience and affordability transcend different consumer groups. However, these needs are particularly pronounced for consumers in rural and remote areas. They recognise that some companies either don't deliver or charge high costs for sending to their address – consequently, this can impact on the purchasing decisions they make.

Consumers find sending items in the post easier if they know where to do so, if they are familiar with the processes, and if they can access the facilities and services they require. More vulnerable consumers (such as disabled or older consumers) can find it less easy to send post. They can find it hard to access the Post Office, particularly if it has moved to a new location that is further away, or which is smaller and within another business that has limited access.

Needs of postal consumers – essential communications

Consumers attach relatively high levels of importance to receiving formal communications in the post. Almost eight in ten consumers (79%) consider receiving bank statements or other financial documents in the post as very or quite important. While some recognise the ease and convenience of items such as bank statements and utility bills moving online, others value receiving paper copies of such correspondence for various reasons including confidentiality.

Certain types of communications tend to be of greater importance to certain groups. Consumers from lower socio-economic grades, with lower household income, with a disability or who receive benefits generally attach more importance to formal communications that help them administer their day-to-day lives.

For example, receiving utility/phone bills in the post is more important to consumers on a low income compared to consumers on a high income (74% compared to 59%), C2DE consumers compared to ABC1 consumers (76% compared to 65%), and disabled consumers compared to non-disabled consumers (76% compared to 67%).

Levels of digital engagement play a role in the importance consumers attach to receiving items in the post. For example, consumers without internet access attach more importance than consumers with it to receiving financial documents (92% compared to 77%), council tax bills (84% compared to 69%) and utility bills (86% compared to 67%)

In terms of sending items, many groups of consumers, particularly older consumers do so because they simply prefer to communicate this way. However, for other groups, particularly those without internet access, the fact they rely on post over more modern methods comes into play.

Product attributes – what's important?

Although there is a low level of concern about sending items through the post consumers consider it important that the the parcels they send are tracked, particularly when sending parcels compared to letters. Over two thirds of consumers (69%) consider it very or quite important that the parcels they send are tracked.

While tracking is of similar importance across most demographic, geographic and attitudinal groups of consumers, it is particularly important to consumers who feel they don't get a reliable postal service where they live, as well as consumers from high or middle income households.

Over half of consumers consider insuring an item they send as important (53% considered it very or quite important). And it is of more importance to the consumer groups for whom tracking is important. Alternative parcel delivery options are important to just under half of consumers (46%) when receiving a parcel. Alternative delivery options are more important to younger and less vulnerable consumers, such as those aged 18-34, employed consumers, and those with internet access, as well as consumers living in rural areas. These consumers benefit from the flexibility that alternative options provide.

Reflecting the growth of e-commerce, the ability to return items is important to the majority of consumers – 81% considered it very or quite important. Returning items comes with a number of considerations, most commonly reliability of service, security of item and access to a Post Office branch.

Older consumers attach more importance to accessing a Post Office branch than younger consumers, while consumers living in rural areas attach less importance than those in urban areas to returning items in store and returning items via Click and Collect (likely reflecting lower levels of provision of these services in rural areas).

The amount that consumers are willing to pay for postal services differs depending on what exactly the service consists of, and reflects the lack of understanding about which of the different options is most appropriate when sending items. For a two to three day delivery service when sending letters consumers are willing to pay an average of £1.55 per item whilst for sending a tracked parcel which has a value of up to £50 consumers are willing to pay an average of £5.55.

Future development of postal services

Consumers needs for the future of postal services reflect their needs now and are primarily centred around ease and convenience, affordability and reliability and safety. These needs are broadly consistent across locations and age groups. When asked, consumers see their use of postal services either remaining as it is currently, or decreasing in the future.

Ease and convenience

The key reason for seeing their use of postal services dwindling is the emergence of digital communication methods in all aspects of their lives, and how efficiently these are meeting their

needs. While many consumers see the amount of letters they send or receive decreasing in future, they can see themselves doing more online shopping which means receiving more parcels.

Consumers who do not have an internet connection or have slow internet do not envisage their use of the postal services changing very much in the future. They continue to rely on postal services for formal communication, such as with their banks and utilities companies.

A consumer need evident both currently, and in the future, is for ease and convenience when using postal services. The use of online tracking works well to meet the need consumers have for feeling in control of sending and receiving post. Companies such as Amazon are often cited as 'leading the way' when it comes to tracking functionality.

The use of online tracking to meet consumers' future needs for ease and convenience is likely to increase, as the online shopping industry continues to grow. Tracking is considered very or quite important by the majority of consumers – it is of particular importance to younger consumers and this is likely to increase in importance in the future.

Consumers are also looking for ways in which they can have more control over how they send parcels in order to meet their future need for ease and convenience. The most commonly cited way in which consumers think the Royal Mail could do this is by offering 'door to door' pick-up and collection services, caveating that this could be too costly and too time consuming to implement. For some consumer groups, this was viewed as an essential service rather than a 'nice to have', particularly for those who are physically unable due to age and location, or health to take letters or parcels to the Post Office.

For consumers with visual impairments, postal services could be tailored by making it easier for them to read postal collateral, by printing key information in a larger font. Consumers would also like more precise parcel delivery slots, thus minimising the need to go to the sorting office to collect items. Consumers also want to be in control of their postal experiences by having a clear and easy to use complaints procedure or online instant chat facility.

Affordability

Another key future need for consumers is affordability. There is some awareness that Royal Mail's prices generally are increasing, which is putting some consumers off sending letters and parcels. Consumers on a low income or on employment support are the most likely groups to feel that Royal Mail is expensive. In order for sending cards and parcels to remain an attractive proposition, consumers must feel that the price of sending is reasonable and 'worth it'.

Consumers feel there is a need for clearer pricing structures in future, particularly for sending letters. Consumers are still confused about what size and weight of letters will be accepted if they put them in the post box rather than going to the Post Office. Quantitative evidence shows that older consumers are significantly more likely to send cards to family or friends. Therefore, making card pricing clearer and simpler would help to meet this need of older consumers.

Reliability and safety

Another key consumer future need is for reliability and safety when using postal services. Consumers feel that having a postal service that they can rely on to 'do the job' is key. Consumers' definition of a 'doing the job' is to deliver the letter or parcel to its intended recipient

within a time that it promised to do so, and in the condition that it left the sender in. Expectations are still high for the future of the service; suggestions for how it could be optimised include consistent postal delivery times every day.

Conclusions

In line with the objectives for this study, the research has provided a number of conclusions:

- Post is still used by the majority of consumers, but more modern forms of communication are considerably more common for ease, convenience, speed and cost factors

- Receiving certain communications by post is still particularly important to many consumers, with the personal nature of communications from friends and family highly valued

- Sending items, meanwhile, is far less important to consumers generally, demonstrated by the fact that most items are sent relatively infrequently

- There is also a perception amongst many consumers that receiving certain communications via email/online methods is less secure, and hard copies of such communications are therefore viewed as important

- Consumers' relationship with post is underpinned by levels of digital engagement. Consumers who are more digitally engaged are less likely to depend on post in terms of communicating on a social level and to manage their day-to-day lives, though such groups tend to be more likely to use post for online shopping

- Older consumers are generally less digitally engaged than younger audiences. They are more likely to rely on post for both sending and receiving a variety of communications which has implications for public service design and digital exclusion

- Economic status also impacts on consumers' relationship with post, with those from lower household incomes and lower social grades having a greater dependence on communicating with others using the post, and are more likely than consumers generally to manage aspects of their day-to-day lives, such as their finances, via post over online methods

- Rural and remote consumers are similar to urban consumers in terms of their relationship with digital methods of communicating, and thus exhibit similar behaviour around the types of items they receive in the post and the importance they attach to postal delivery. However, these groups have more concerns about the postal service they receive because of where they live (and are particularly concerned by higher costs)

- Consumers generally feel there should be a drive towards greater choice in the postal market. They are increasingly looking for greater flexibility in terms of sending items, a more customer-centric experience at the Post Office, and greater transparency around pricing

- Most consumers are also looking for the postal market to support and build on the distinct needs they currently have. They seek greater ease and convenience (comprising additional services such as tracking and collection, and more flexible opening times), a clearer and more transparent pricing structure and high standards around reliability and safety

Introduction

Citizens Advice provides advice across essential, regulated markets and has a statutory role to represent postal consumers, particularly the needs of vulnerable consumers.

As part of representing the needs of postal consumers, Citizens Advice wishes to ensure that evolving consumer needs for a postal service are fully taken into account in the future regulation of the sector. Citizens Advice is, therefore, engaged in research to identify and assess the role of postal services for consumers across Great Britain in the context of changing consumer needs, lifestyles and attitudes. This report is part of a series of research studies relating to postal services, specifically focussing on consumers' postal needs and how these need to be met in the future.

Project background and objectives

The postal market in the UK is currently in a period of considerable and rapid change. The consequences are still unfolding in time, and are likely to become unevenly distributed amongst consumers of postal services, benefitting certain groups more than others.

Factors which have driven change in the market include:

- Increased use of digital communication, replacing physical communication, and the establishment of a broadband Universal Service Obligation (USO)
- The ongoing programme of Post Office network transformation
- Changes to postal policy and regulation
- The rapid growth of ecommerce driving increased volumes of online retail traffic

Each of these factors has, or will have, a different set of effects on the postal market in the UK, and on postal consumers. Their consequences also interact.

Increased use of digital communication

Use of letter mail is decreasing, and use of digital communications is increasing. This continues to have a number of consequent effects on the use of post as a means of communicating, on the use of post as the means of delivering, and on the cost of using postal services. For example, a fifth of UK adults have indicated[2] that the extent to which they communicate by post decreased between 2012 and 2014. The most popular method of replacement, other than amongst people aged over 75, was email. In addition, many Government services have now gone online; for example, two key services previously provided by the Post Office can now be administered online – the state pension and driving license applications, reducing the need for consumers to use post or visit a Post Office for these purposes. Consumers' relationship with post is now considered by many to be largely passive, with bulk mailers making up a large proportion of mail sent across the sector[3].

In terms of prices, while the universal service remains in place, the cost for sending items via Royal Mail has increased considerably in the last few years, at a rate faster than that which would be

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[2] Ofcom, The consumer experience report 2014 http://bit.ly/1NjzCYx

[3] PwC, The outlook for UK mail volumes to 2023 http://bit.ly/1IhtHnw

expected if it was in directly line with inflation[4]. This is partly the result of changes to the price caps on first and second class stamps. OFCOM's stated justification[5] for removing the price cap on first class stamps and for adjusting the price cap on second class stamps was that the cost of the universal postal service was becoming unsustainable due to competition from digital communications.

Post Office network transformation

The ongoing programme of Post Office Network Transformation is having a number of consequences on the location of Post Offices, and on the range and quality of services available within them. For example, many Post Offices are transforming to a Post Office Local. This often results in improvements to the design and layout of the interior of the Post Office, but can also result in a move to a new location, and a more restricted range of services, delivered by less specialist staff, at a till used for other purposes (e.g. in a petrol station or newsagents). Previous research by Consumer Futures[6] has indicated that this can have an effect on the quality of services delivered to customers. Some groups of consumers are more likely to use the Post Office (older consumers and disabled consumers, for example) and so any reductions in the range and quality of services could disproportionately affect them.

Changes to postal policy and regulation

Continuing changes to regulating the sector has impacted on different groups of consumers in different ways. Currently, OFCOM are reviewing the regulation of Royal Mail, in order 'to secure the efficient and financially sustainable provision of the universal postal service'[7]. This will also include a review of Royal Mail's role in the parcel sector and its ability to set wholesale prices. While the review is not due to result in a new regulatory framework until later this year, it is likely to involve some changes to the way that Royal Mail operates.

The rapid growth of e-commerce driving increased volumes of online retail traffic

The growth and high penetration of online access has driven the rapid growth of e-commerce in the UK. Consequently, the growth in the parcels market is being driven by increased traffic of goods bought online (B2C parcels). Consumers are increasingly shopping online compared to shopping in store as it can offer greater convenience, lower prices and wider choice. Parcel volumes for online retail orders grew 9.5% year on year in January 2015[8].

Changing technology and its other impacts

At the supply side, postal operators are increasingly relying on innovative technologies to improve the service they provide to consumers, driven by consumer demand for faster and more

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[4] PLCW, The impact of competition in the postal market on consumers http://bit.ly/29Z7gLC

[5] Ofcom http://bit.ly/2a2MIMZ

[6] Consumer Focus, Open All Hours? http://bit.ly/2a0qKta

[7] Ofcom http://bit.ly/2a5WaC3

[8] IMRG MetaPack UK Delivery Index http://bit.ly/1SPKDEE

convenient delivery[9]. Innovative technologies already being used in the postal sector currently include radio-frequency identification chips (RFID) chips, sensors, personal digital assistants (PDAs) and also mobile internet and global positioning system (GPS) technologies. Cloud computing, big data, the Internet of Things, robotics, drones and 3D printing are examples of technological innovations expected to play more significant roles in the postal sector in the future.

Research objectives

Given the changes highlighted above, the objectives of this research were to explore and understand the following:

- Consumer needs in light of changing market conditions and technological innovation and how these changes affect their use of postal services

- Current and future consumer needs as senders and receivers of mail and parcels, in relation to needs for specific types of mail and parcel services and features available

- The detailed needs of vulnerable consumers have to be able to send and receive reliable and affordable mail and parcels

- How the growth in demand for online retail is changing how different groups of consumers view their current and future need for postal services

- How experiences and needs relating to post varies across different groups of consumers at demographic, geographic and attitudinal levels

Methodology

A mixed-method approach was employed comprising quantitative and qualitative techniques. The quantitative approach allowed consumer needs to be measured and extrapolated against the wider population. It also allowed robust analysis of differences between different demographic and consumer groups. The qualitative approach further explored the needs and behaviours across different groups of postal consumers[10]. In summary, the approach incorporated the following:

- A quantitative survey of 2,880 postal consumers, including a boosting exercise across rural, remote and island consumers

- A qualitative phase comprising:

  - Seven focus groups predominantly split on the basis of rurality

  - 70 teledepth interviews sampled on the basis of vulnerability

Further details on the approach are set out below:

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[9] WIK Consult, Technology and change in postal services – impacts on consumers http://bit.ly/29YHxPg

[10] In comparison to quantitative research, the nature of qualitative research doesn't allow for precise sub-group comparisons. Where possible, the report has highlighted any broad thematic differences that emerged in the qualitative research between different audiences

Quantitative survey

A telephone survey (CATI) was used as the quantitative data collection method, in which a large and representative sample of postal consumers was reached across England, Wales and Scotland. In contrast to an online approach, telephone interviewing was viewed as the most robust data collection method. An online methodology was not considered appropriate primarily because of the subject area being discussed. Accessing sample through online access panels presents an inherent risk that those taking part will be more comfortable in an online environment than consumers on average, potentially leading to results that misrepresent the importance of technological innovation in relation to postal needs. On balance, therefore, a telephone approach was deemed the most practical quantitative solution.

A sample of 2,880 British postal consumers was interviewed between 5 February and 4 March 2016. Two thousand interviews were conducted with a sample of postal consumers representative by gender, age, region and social grade. Social grade was driven by the employment status of the main income earner in the household, using standardised socio-economic classifications used across the market research industry[11]. When undertaking comparisons at a social grade level in this report, consumers are divided on the basis of being ABC1 or C2DE.

In addition, to ensure we could draw reliable comparisons on the basis of rurality[12], 880 booster interviews were employed with those living in rural, remote and island communities. Booster interviews were subsequently weighted back using original quota targets to ensure a nationally representative sample. The table below sets out targets in booster quotas:

Group	Quota		
	Excluding boost	Booster interviews	Total
Urban	1,780	0	1,780
Rural	145	355	500
Remote	75	425	500
Island	0	100	100
Total	2,000	880	2,880

On average, the questionnaire took 21 minutes to complete. To ensure the questionnaire remained a reasonable length for participants, the sample was evenly split (on the basis of gender,

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[11] The main income earner in the household fell into one of the following brackets: Senior managerial, administrative or professional (coded as socio-economic group A); Intermediate managerial, administrative or professional (B); Junior managerial, administrative or professional; office workers, supervisors (C1); Skilled manual worker with industry qualifications (C2); Semi or unskilled manual worker without qualifications) (D), Unemployed (E) Further details on socio-economic classification in the market research industry can be found here - https://www.mrs.org.uk/cgg/social_grade

[12] Rurality was determined using postcode information of consumers sampled. This was then matched to information from the Office for National Statistics (ONS), giving each postcode a flag of either 'urban', 'rural', 'remote', or 'island' according to ONS definitions.

age, region and socio-economic grade) with one half being asked Section B (relating to receiving items in the post) and the other half being asked Section C (relating to sending items in the post). The questionnaire can be found in Appendix 1.

Qualitative phase – focus groups

A set of focus groups were held in various locations across England and Scotland between 24 February and 2 March 2016. Rurality and location were used as the primary factors by which to split the focus groups; focus groups were conducted across urban, rural and remote locations in England and Scotland (using the different rural classifications across the two nations) to understand how postal needs and behaviour compares by where consumers are based. In addition, one group was conducted with consumers who sell items online (based on whether they had sent an item in the post that they had sold online in the past six months). The profile of each of the focus groups (along with the location in which they were held) is set out below:

Group	Quota	Location
1	Urban high/middle income consumers	London
2	Urban high/middle income consumers	Manchester
3	Rural high/middle income consumers	Harrogate
4	Rural high/middle income consumers	Aberdeen
5	Remote high/middle income consumers	Harrogate
6	Remote high/middle income consumers	Aberdeen
7	Consumers who sell items online (e.g. eBay, Amazon) as a hobby	London

Each focus group included between 8-10 participants and lasted around 90 minutes in length. To encourage participation, those who took part in the focus groups were provided with a cash incentive of £60.

Further details on the recruitment criteria used for sourcing focus group participants can be found in the screener questionnaire in Appendix 2. The discussion guide used as a basis for moderating the focus groups can be found in Appendix 3.

Qualitative phase – teledepth interviews

Given the potentially sensitive nature of the circumstances that vulnerable audiences may find themselves in, teledepth interviews were considered the most appropriate method for engaging with vulnerable consumers. From a data collection point of view, teledepths were chosen to allow research participants to talk more openly about their personal experiences in detail, unaffected by the views of other people, and to share experiences that they might find awkward to discuss in a face-to-face interview or focus group environment.

Participants were recruited on the basis of falling into one of 14 vulnerable audiences, outlined below. Consumers on a low income were based on HM Treasury analysis[13] which divides individuals into income deciles dependent on their family circumstances; consumers on a low income were considered groups who fell into the fourth decile or below.

Seventy teledepth interviews were conducted in total, evenly spread across 14 vulnerable groups (i.e. 5 interviews in each) between 22 February and 11 March 2016. Further details of the vulnerable audiences covered are set out in the table below:

Group	Quota
1	Young urban low income consumers
2	Older urban low income consumers
3	Young rural low income consumers
4	Older rural low income consumers
5	Consumers living with limited mobility - urban
6	Consumers with no internet access (on home desktop, tablet or smartphone)
7	Urban consumers with no internet access at home but have smart phone
8	Rural consumers with no internet access at home but have smart phone
9	Consumers with poor internet connection - any location / income
10	Self-employed - any location / income
11	Consumers with visual impairment - any location / any income
12	Consumers living with limited mobility - rural / any income
13	Consumers in receipt of Employment and Support Allowance/ income support - urban
14	Consumers in receipt of Employment and Support Allowance/ income support- rural

Each teledepth interview lasted around 45-60 minutes in length. To encourage participation, those who took part in the teledepth interviews were provided with a cash incentive of £20.

Further details on the recruitment criteria used for sourcing vulnerable audiences can be found in the screener questionnaire in Appendix 4. The discussion guide used as a basis for moderating the semi-structured interviews can be found in Appendix 5.

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[13] See page 25, Table 3.B Median gross income for each decile (£ per year, 2015-16) for different household composition http://bit.ly/2aPcODw

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Section 1: Current postal behaviour

Postal communications as part of the communications landscape in general

Consumers are less likely to use post as a means of contacting others when compared to more modern forms of communication, such as calls on mobile phones and text messaging. Over half (56%) of postal consumers use post (letters/cards/packages) for contacting others. However, methods including calls on a mobile phone (75%), text messaging (74%), calls on a fixed landline (68%) and email (66%) are considerably more common.

Age tends to be the most polarising demographic factor that drives consumers' relationship with how they use post and other forms of communication, as demonstrated throughout this report. As shown in the chart below, those aged 75 or above are least likely to use modern methods such as calls on a mobile phone, text messaging and email, while less than half of consumers aged 18-34 use post compared to two thirds of consumers aged 55-74.

Figure 1.1: Methods used to contact others by age
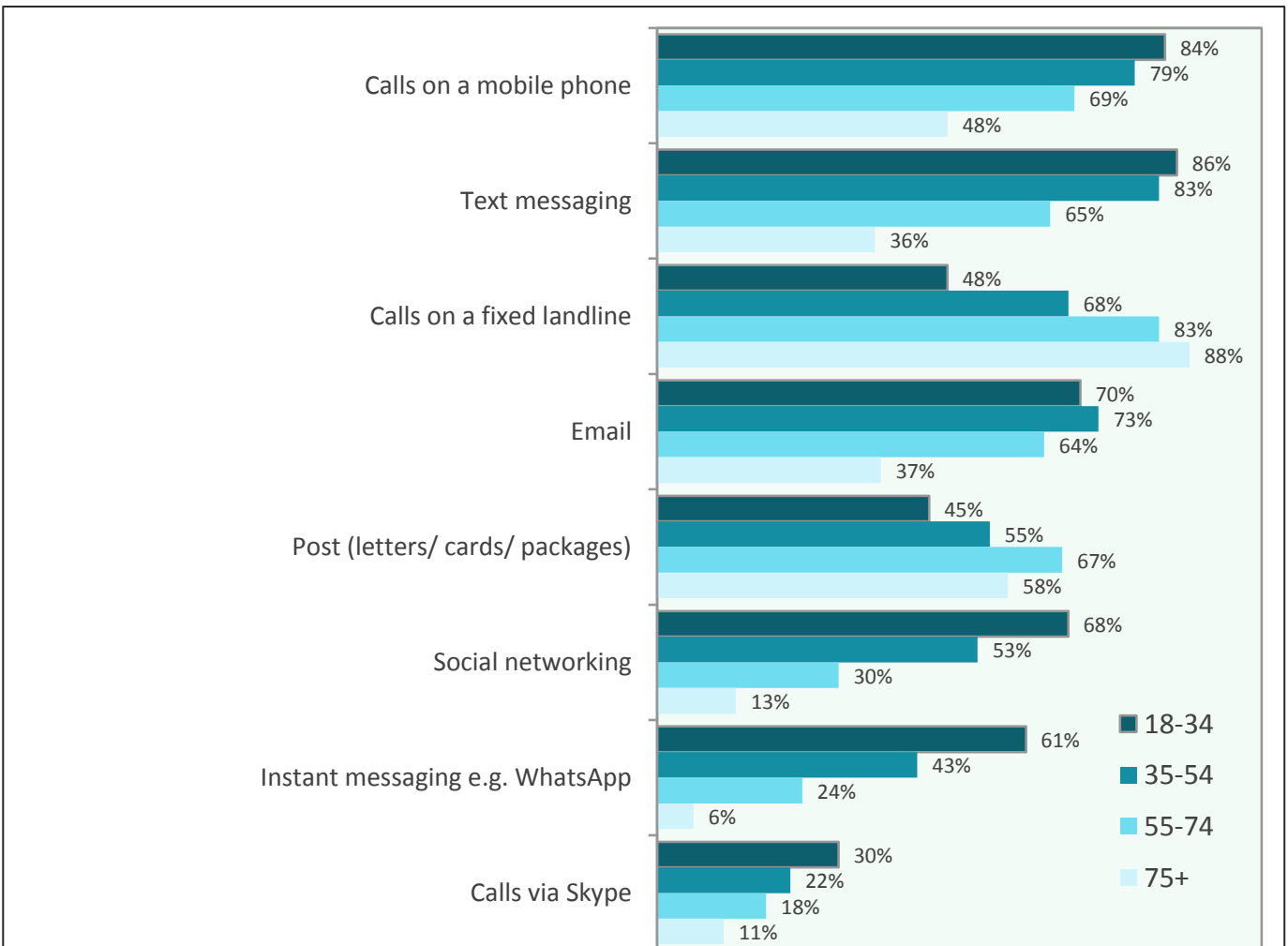
A1 Which of the following methods do you use for contacting others? Base= 2880 (All)

As a form of contacting others, post is also significantly more likely to be used across several groups of postal consumers, most notably:

- Disabled consumers compared to non-disabled consumers (62% compared to 52%)

- Unemployed consumers compared to employed consumers (60% compared to 52%)

- Urban consumers compared to rural consumers (58% compared to 52%)

- Consumers without internet access compared to consumers with internet access (62% compared to 55%)

- Consumers who don't prefer internet shopping to the high street compared to consumers who do prefer internet shopping to the high street (66% compared to 44%)

Conversely, more modern forms of communications are more likely to be used by certain consumer groups. For example, the most commonly cited form of communication (calls on a mobile phone) is more likely to be made by employed consumers (82% compared to 64% of unemployed consumers) and consumers from higher social grades (79% of ABC1 consumers compared to 70% of C2DE consumers).

Many consumers acknowledge the importance of their mobile phone as a form of communication. As shown in the chart below, over half of consumers either strongly or slightly agreed that their mobile phone is their 'primary means of contacting other people'. Consistent with the findings above, age is again the most notable demographic factor that drives consumers' relationship with their mobile phone; almost eight in ten (78%) of consumers aged 18-34 either strongly or slightly agreed their mobile phone was their 'primary means of contacting other people', compared to one third of those aged 55-74 (33%) and fewer than one in five of those aged 75 or above (19%).

Figure 1.2: 'My mobile phone is my primary means of contacting other people'

AT1 My mobile phone is my primary means of contacting other people?
Base=2880 (All respondents)
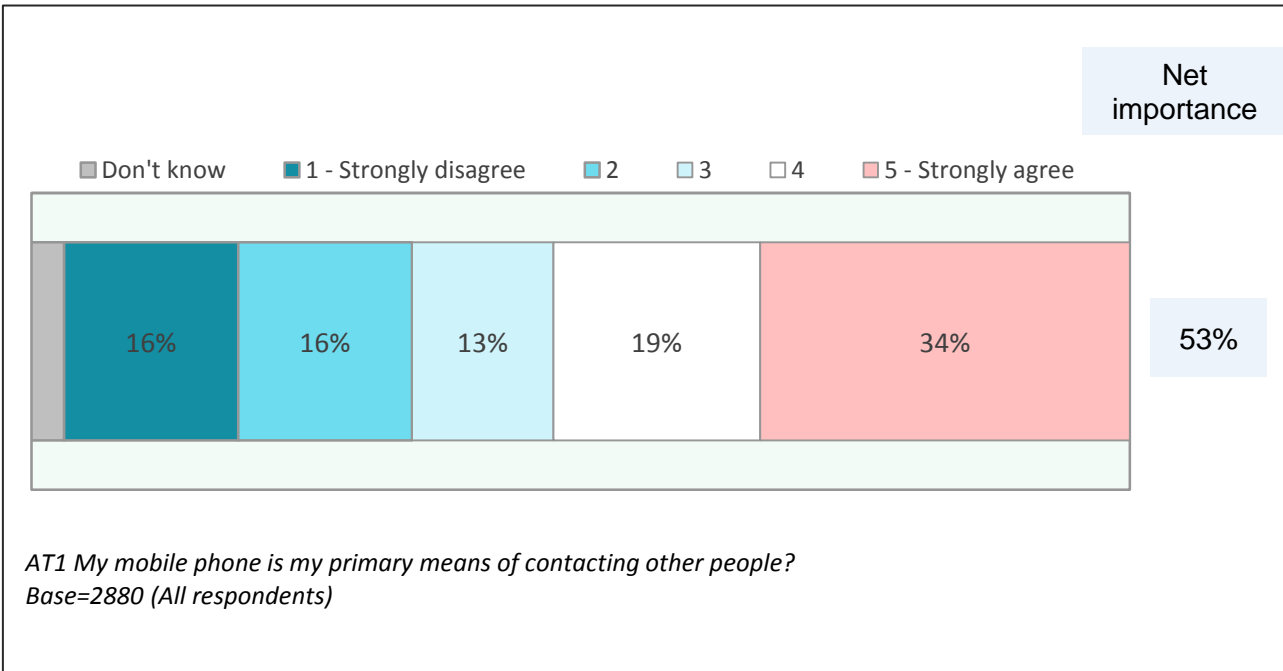
In addition to age, several other demographic variables play a role in consumers' relationship with their phone. Typically, higher income audiences are more likely to be more dependent on their mobile phone. In terms of the proportion who either strongly or slightly agreed with the statement above, there are significant differences between the following groups:

- Employed consumers and unemployed consumers (62% compared to 38%)

- ABC1 consumers and C2DE consumers (57% compared to 48%)

- Consumers with internet access and consumers without internet access (56% compared to 24%)

- Non-disabled consumers and disabled consumers (55% compared to 47%)

- Urban and rural consumers (57% compared to 46%)

- Consumers based in London and. consumers on average (74% compared to 53%)

The qualitative phase (a series of in-depth telephone interviews and focus groups we held across Great Britain) probed more deeply on the circumstances under which certain consumers use different forms of communication. On an everyday basis, consumers most commonly use their mobile phones to both make calls and write text messages. Emails are also used to communicate with friends, especially for longer communications or for sharing links to pages on the internet or digital documents. Younger consumers also use the internet on their phones for social networking and instant messaging (primarily, WhatsApp). They use social media especially when consumers wish to share something with a wider group of friends (eg status updates on Facebook, photos on Instagram). Older consumers are less active using digital communications. However, they do use their mobile phones for calls and, sometimes, texts. In general, phone and digital communications are favoured because they are convenient: quick, easy and free. Also, digital is in line with the "way the world is going."

> *"My kids are 17 and 19 and I don't think they know how to write a letter. That's not a good thing, its spelling and handwriting and even memories, you've got no history there." Rural high/ middle income, focus group*

However, it is important to note that certain groups are less active on the phone and digitally, such as disabled consumers (that may prevent them from texting or typing, for example) and unemployed consumers (likely due to cost and lack of availability of digital equipment).

> *"I contact friends and family by phone (home landline preferably) or in person. I prefer to use the phone because you get to speak to them rather than typing emails." Older urban low income, teledepth*

When it comes to more formal communications, telephone and email are commonly used. Consumers call companies to make inquiries of a confidential nature, such as their bank or insurance provider. They also use the phone for other practical matters, for example to check if an item in in stock at a store, or to make a restaurant booking. Email is also used for formal communications and making inquiries. A benefit of email is being able to attach documents (eg attaching CVs to job applications). It is also worth mentioning that younger consumers use online

apps, especially in relation to banking. They find this, in line with digital communications in general, to be quick, easy and thus, convenient.

Face to face communication is also important to highlight for more formal matters such as going to the bank and speaking with a bank employee. Older consumers speak especially highly of this approach, stating that "sometimes you just want to speak to a human being who's right in front of you" rather than on the phone or digitally.

> *"I visit the doctor personally and the council offices are very close so again that would be me going there in person. I do banking in person and online but if I had any queries I would go in and see them." Older urban low income, teledepth*

Letters tend to be sent and received by those who are less comfortable with modern, digital communication methods. In addition, location can sometimes play a role; those who live remotely might have an unreliable broadband connection so would be less able to correspond digitally. In the case of older people, they use the post more because they are familiar with it and feel it is reliable, whereas they may not be adept or trusting online. Additionally, they, as well as disabled consumers, may be at home in the day so are more able to receive a parcel or to visit a Post Office, whereas those who work full time might not have the time to do so. Consumers who are older, disabled or those who live remotely can especially benefit from the post delivering items that they are unable to purchase due to mobility impairments or because those items are not sold close by.

> *"My broadband is shocking, so I sometimes decide not to sit for 10 minutes waiting for the email and just print something out and send it by post." Remote high / middle income, focus group*

The quantitative findings demonstrated that while consumers are now more likely to use modern, digital forms of communication – particularly mobile phones – post is still seen as a vital service. As shown in the chart below, over four in ten consumers (44%) either strongly or slightly disagreed that 'the technology we have now means sending letters is now unnecessary', significantly higher than the proportion of consumers who agreed with this statement (33%).

BREAKING BLUE

Figure 1.3: 'The technology we have now means sending letters is now unnecessary'

AT1 The technology we have now means sending letters is now unnecessary?
Base=2880 (All respondents)
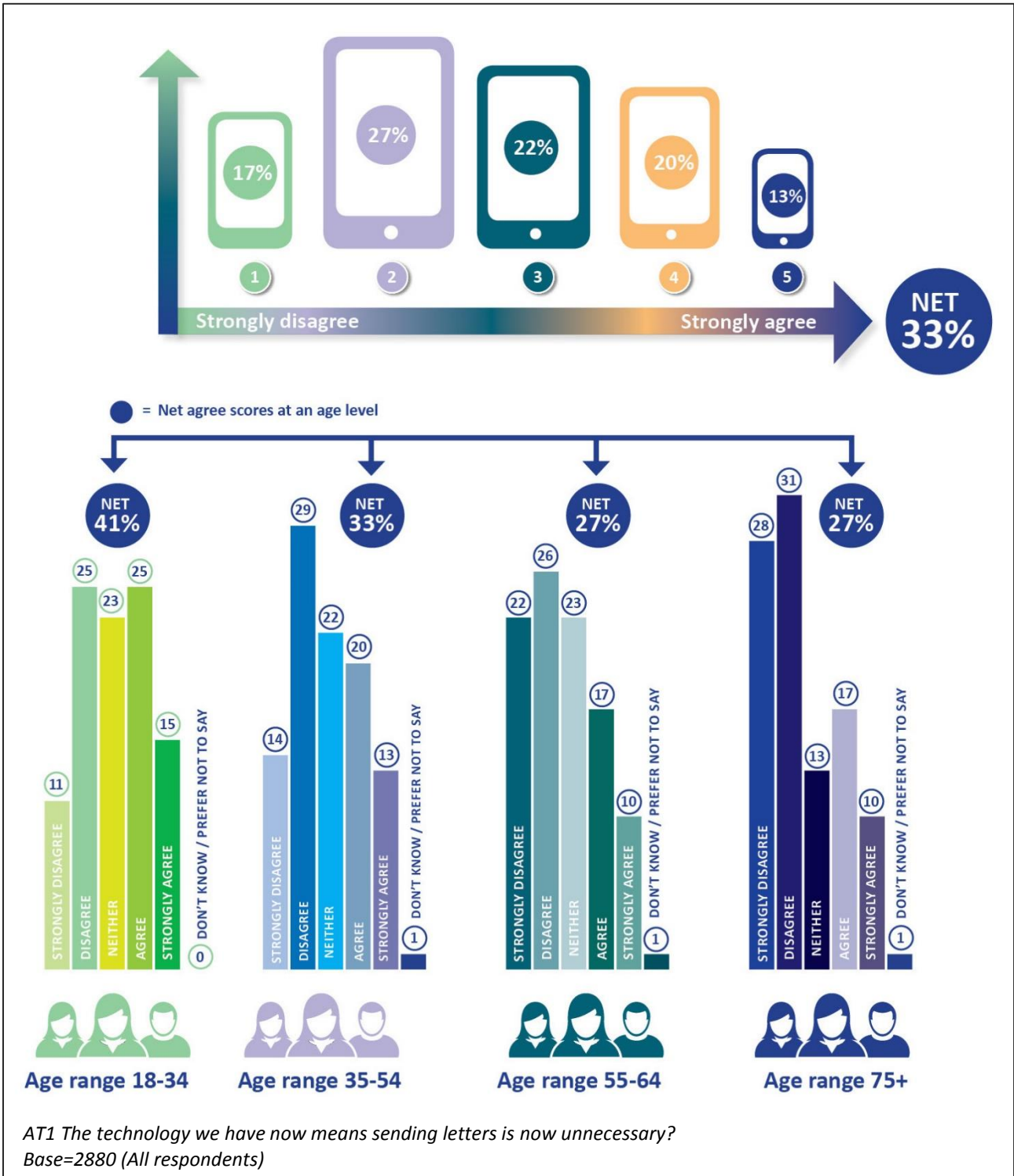
Naturally, consumers without internet access are more likely to disagree that technology means sending letters is unnecessary (56% net disagree compared to 43% of those with internet access).

The other main difference (as shown above) is by age. Again, reflecting lower levels of digital engagement, older consumers are more likely to disagree with this statement (58% net disagree amongst consumers aged 75 or above, compared to 49% of consumers aged 55-74, 43% of consumers aged 35-54 and 36% of consumers aged 18-34). Factors such as location and rurality have relatively little impact.

While post is still sent by the majority of postal consumers, frequency of sending items is relatively low. As shown below, over half of postal consumers (56%) send items through the post monthly or less often. Fewer than one in six (16%) send items through the post a couple of times a week or more often.

Figure 1.4: Frequency of sending items through the post

■ A couple of times a week or more often	■ Weekly or fortnightly	□ Monthly or less often
16%	27%	56%

A2 How often do you send items through the post? Base = 1599 (Those who said Post (letters/ cards/ packages) at A1)
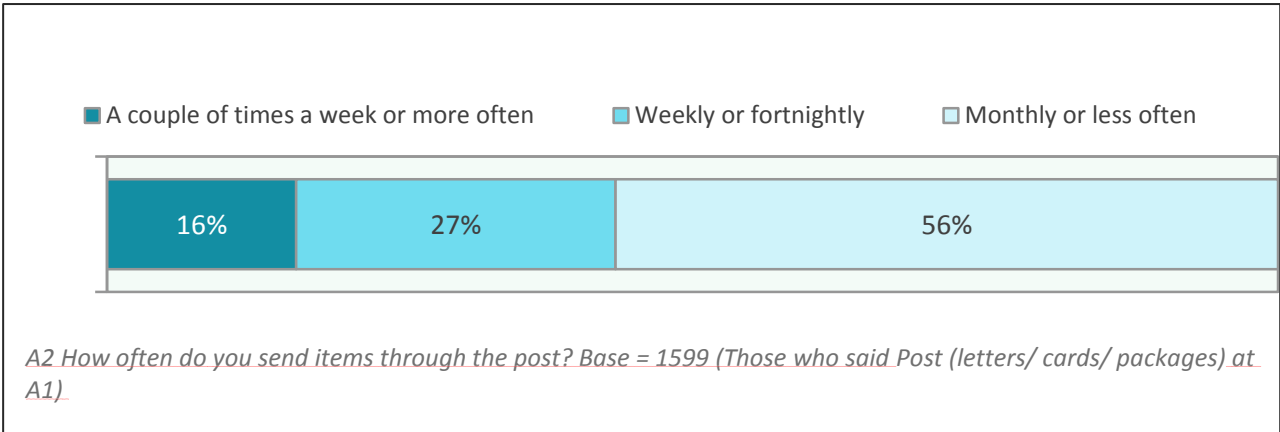
Socio-economic standing and internet access affect consumers' propensity to send mail. Consumers in higher social grades or with higher household income send more items through the post. When asked about sending items at least fortnightly, consumers from high income households were more likely to do so than consumers on a low income (52% compared to 37%) and ABC1 consumers were more likely to do so than C2DE consumers (46% compared to 39%). Furthermore, consumers with internet access were more likely than consumers without internet access to send items as least fortnightly (44% compared to 33%)

Use of the Post Office

Across all postal consumers surveyed, use of the Post Office reflects general use of the post to send items (Figure 1.4). As shown below, almost six in ten (57%) postal consumers visit the Post Office monthly or less often, while around one in eight (13%) visit as much as a couple of times a week.

Figure 1.5: Frequency of using the Post Office

A couple of times a week or more often	Weekly or fortnightly	Monthly or less often
13%	29%	57%

A4 How often do you visit the post office? Base = 2880 (All)
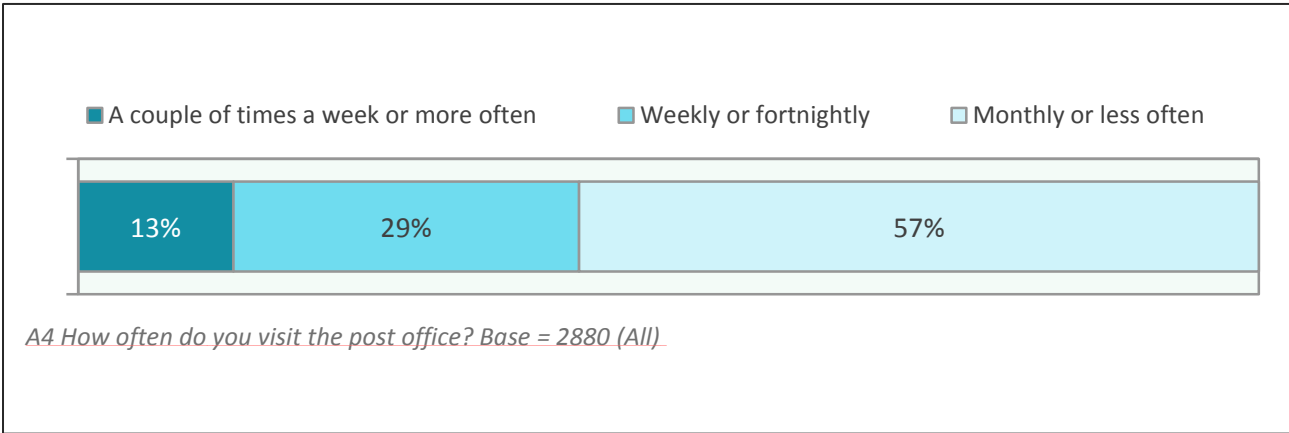
Reflecting on the findings noted above, universal access to the Post Office is important, but may be disproportionately important for some vulnerable groups, such as consumers on low incomes.

For example, around half who receive benefits (49%) visit the Post Office at least fortnightly, compared to four in ten of those who do not receive benefits (40%), with a similar variation when comparing postal consumers aged 75 or above to 18-34 year olds (49% compared to 37%). In addition, those without internet access are more likely to visit the Post Office at least fortnightly when compared to those with internet access (51% compared to 41%).

More broadly, the Post Office is more likely to be used for postal services (relating to sending and receiving items) than non-postal services (relating to financial or social security matters). As outlined in the chart below, the Post Office is most likely to be used for sending parcels, buying stamps, recorded delivery or returning items.

Figure 1.6: What the Post Office is used for

Service	Percentage
Sending parcels	77%
Buying stamps (first and second class)	72%
Recorded delivery	58%
Returning items	50%
Special delivery	44%
Airmail/ overseas mail	35%
Driving license applications/ renewals	30%
Paying bills	26%
Collecting documents/ licences	24%
Banking – paying in and withdrawing cash	16%
Travellers cheques	10%
Pensions	7%
Benefits	5%
Other	5%
NET: Postal Services	95%
NET: Non-postal services	60%

A4. Which of the following do you use the Post Office for? [multi code] Base= 2325 (Those who use the Post Office at least fortnightly.

The reasons for using the Post Office vary considerably by different groups of consumers.

Age is the most significant factor affecting consumer usage of post offices. Older consumers tend to be more reliant on the Post Office for both postal and non-postal services. For example, consumers aged 55-74 are more likely than those aged 18-34 to use the Post Office for buying stamps (85% compared to 58%), recorded delivery (64% compared to 52%), overseas mail (40% compared to 27%), paying bills (27% compared to 20%), and banking (18% compared to 14%). However, consumers aged 75 or above are generally less likely than any other groups of consumers to use the Post Office for most services (a possible reflection of greater mobility problems within this age group), though a quarter of consumers in this age group (26%) visit the Post Office for pensions.

Reasons for using the Post Office also vary across many of the lower income and vulnerable audiences noted earlier, with many more reliant on non-postal services. Further details are set out below:

- Consumers from households with lower incomes are more likely to use the Post Office for non-postal services such as paying bills (32% of low household income compared to 20% of high household income) and banking (25% compared to 15%). In contrast, consumers on a high income are more likely than those on a low income to use the Post Office for postal services including sending parcels (84% compared to 69%), recorded delivery (64% compared to 50%) and special delivery (53% compared to 41%).

- Consumers without internet access are more likely than those with internet access to use the Post Office for non-postal services including paying bills (44% compared to 23%) and, reflecting the naturally older age profile of this audience, pensions (29% compared to 5%).

- Consumers with a disability are more likely than non-disabled consumer to use the Post Office for non-postal services including paying bills (37% compared to 22%), banking (22% compared to 14%), pensions (13% compared to 5%) and benefits (14% compared to 2%).

- While the differences aren't as pronounced as across other groups, rural consumers are more likely than urban consumers to use the Post Office for certain postal services, including returning items (53% compared to 48%), collecting documents/licences (26% compared to 22%) and banking (19% compared to 14%).

Key findings

More than any other factor, age determines how consumers contact others:

o Older consumers use post more than younger consumers; 67% of consumers aged 55-74 stated that they use post as a means of contacting others, compared to 45% of consumers aged 18-34

o Conversely, 78% of consumers aged 18-34 either strongly or slightly agreed their mobile phone was their 'primary means of contacting other people', compared to 33% of those aged 55-74 and 19% of those aged 75 or above

Other groups of consumers are also more likely to use post to contact others and are less likely to use more modern means; this tends to be underpinned by consumers' socio-economic circumstances:

o Disabled consumers were more likely than non-disabled consumers to use post as a means of contacting others (62% compared to 52%), as were unemployed consumers when compared to employed consumers (60% compared to 52%)

o Conversely, employed consumers were more likely than unemployed consumers and ABC1 consumers were more likely than C2DE consumers to either strongly or slightly agree that their mobile phone was their 'primary means of contacting other people' (62% compared to 38% and 57% compared to 48% respectively)

Most consumers send letters infrequently; over half of postal consumers (56%) only send items through the post monthly or less often. Fewer than one in six (16%) send items through the post a couple of times a week or more often:

o Consumers from high income households were more likely than consumers on a low income to send items at least fortnightly (52% compared to 37%) as were ABC1 consumers compared to C2DE consumers (46% compared to 39%)

The Post Office is also used relatively infrequently, and is more likely to be used by lower income consumers who have a greater reliance on non-postal services:

o Around half of those who receive benefits (49%) visit the Post Office at least fortnightly, compared to four in ten who do not receive benefits (40%), with a similar variation when comparing postal consumers aged 75 or above to 18-34 year olds (49% compared to 37%)

o Consumers from households with lower income are more likely to use the Post Office for non-postal services such as paying bills (32% of low household income compared to 20% of high household income) and banking (25% compared to 15%)

Section 2: Day-to-day needs of postal consumers

Receiving items in the post

Postal consumers receive a range of items via post. As shown below, consumers are most likely to report receiving cards for special occasions, followed by advertising mail, bank statements or other financial documents and council tax bills. When grouping these items more broadly (as outlined in Figure A6.1 in Appendix 6), consumers are most likely to receive items relating to finances/bills via post (89% of consumers receive these types of communications) closely followed by personal mail (86%).

Figure 2.1: Items received in the post

Item	Percentage
Cards for special occasions e.g. birthday cards	79%
Advertising mail	71%
Bank statements or other financial documents	67%
Council tax bills	61%
Utility/phone bills	60%
E-commerce (online shopping) parcels	58%
Parcels from family/ friends	58%
Letters from family and friends	54%
Medical appointments	50%
Tax returns from the government	45%
Mail relating to pensions	41%
Dental appointments	37%
Overseas mail	32%
Magazines and periodicals	31%
Letters from schools, colleges or universities	27%
Mail relating to benefits	19%
Other	2%

B1. Which of the following items do you currently receive via post? Base= 2125 (Those asked about receiving items (survey section B))

Older consumers are more likely to report receiving most items. As shown in the chart below, consumers aged 55-74 are more likely than other age groups to receive social mail (e.g. cards for special occasions, letters to family/friends), though those aged 75 or above are significantly less

likely than all other age groups to receive e-commerce parcels in the post. The full chart can be found in Figure A6.2 in Appendix 6.

> *"I receive post at least once a week, but parcels probably once every two weeks. I tend to receive flyers and the odd bill, but a lot of it is online now because they all want you to go paperless, so I don't get as much as I used to get. We do receive birthday cards from family members. Some of the parcels that we get would be from things that I have ordered online and that I am expecting to come. We receive mostly junk mail through the post and we seem to get a lot of leaflets that come from the postman, but he puts them in everyone's post."* Young rural low income, teledepth

Figure 2.2: Items received in the post by age

	Social	Finance/Bills	Advertising mail	E-commerce
18-34	81%	78%	61%	64%
35-54	85%	86%	71%	62%
55-74	93%	88%	81%	60%
75+	85%	80%	74%	29%

	Personal medical	Gov't tax and benefits	Pensions	Purchases /Subscriptions
18-34	52%	50%	24%	23%
35-54	58%	52%	38%	32%
55-74	59%	59%	58%	34%
75+	50%	44%	49%	38%

B1. Which of the following items do you currently receive via post? Base= 2125 (Those asked about receiving items (survey section B))
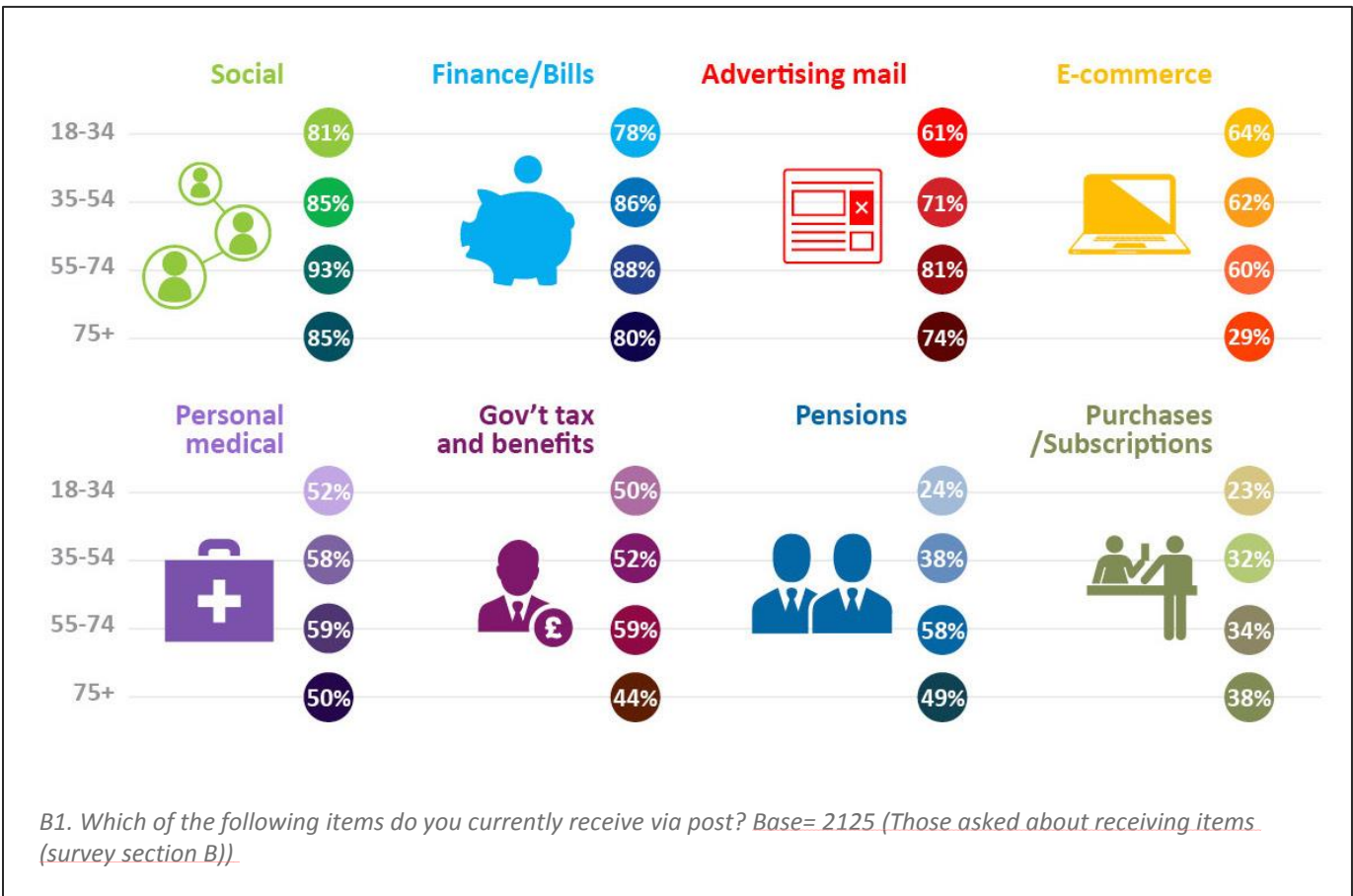
When considering items received in the post, there are several other differences reported between different consumer groups. These are outlined below.

The findings demonstrate that certain vulnerable groups are more reliant on receiving post to administer their day-to-day lives. This applies to consumers from backgrounds including disabled consumers, or those who receive benefits. The two charts below outline the differences when comparing these two groups.

Figure 2.3: Items received in the post by disability (disabled compared to non-disabled)

Letters from family/friends: 58% | 52%

Medical appointments: 60% | 47%

Mail relating to pensions: 45% | 39%

Dental appointments: 43% | 35%

Magazines and periodicals: 35% | 29%

Mail relating to benefits: 29% | 16%

B1. Which of the following items do you currently receive via post? Base= 2125 (Those asked about receiving items (survey section B))
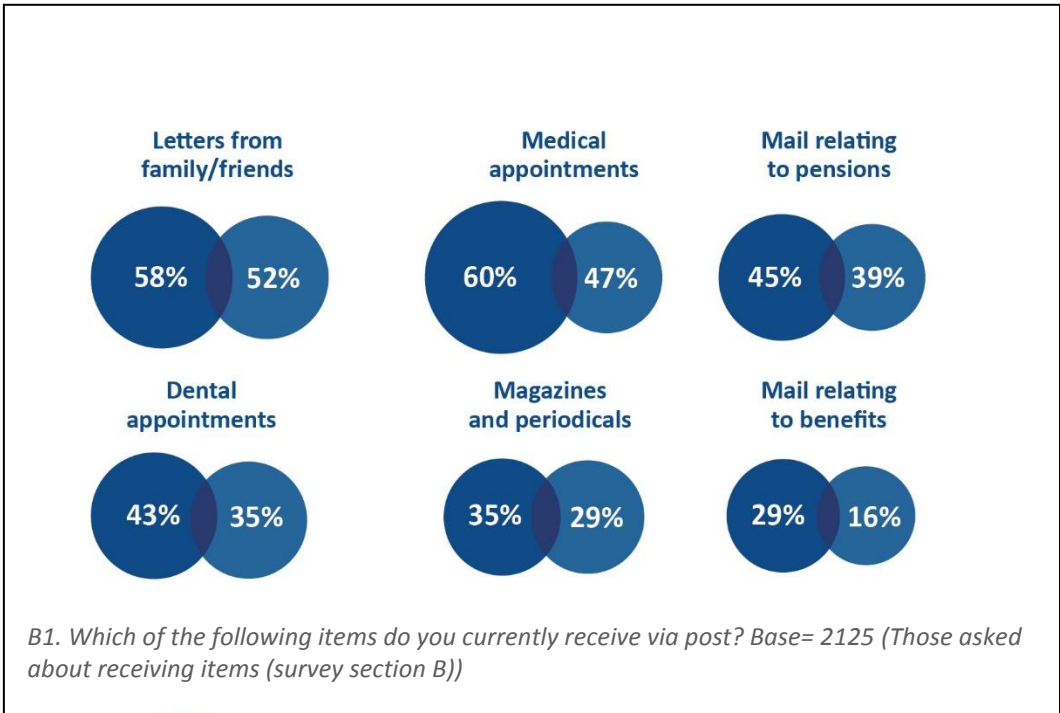
Figure 2.4: Items received in the post by consumers who receive benefits compared to those who do not receive benefits

Bank statements or other financial documents including insurance details: 71% | 67%

Utility: 68% | 58%

Medical appointments: 56% | 49%

Dental appointments: 42% | 36%

Letters from schools, colleges or universities: 32% | 25%

Mail relating to benefits: 49% | 10%

B1. Which of the following items do you currently receive via post? Base= 2125 (Those asked about receiving items (survey section B))
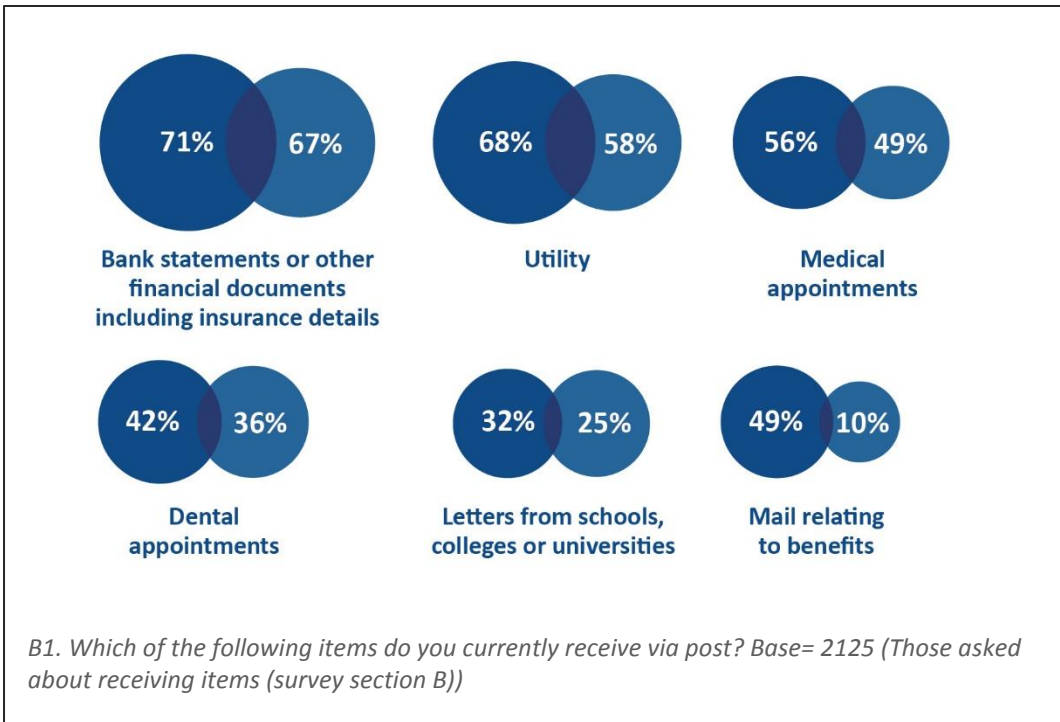
Internet availability and the frequency with which the internet is used both have an impact on the items that consumers receive in the post. For example, consumers with no internet access are significantly more likely than those with internet access to receive the following items by post

- Utility/phone bills (58% compared to 72%)

- Mail relating to pensions (40% compared to 48%)

Conversely, consumers with no internet access are significantly less likely to receive the following items by post than consumers with internet access:

- E-commerce (online shopping) parcels (64% compared to 18%)

- Parcels from family/ friends (59% compared to 44%)

Frequent internet users are significantly more likely to receive the following items by post than consumers who used the internet less often than once per day

- E-commerce (online shopping) parcels (daily or more often=67%, less often than daily=46%, no internet access=18%)

- Overseas mail (daily or more often=35%, less often than daily=27%, no internet access=22%)

- Letters from schools, colleges or universities (daily or more often=31%, less often than daily=19%, no internet access=6%)

Accessing items online

As an indication of the extent to which consumers are comfortable in an online environment, the chart below shows the extent to which consumers prefer online shopping to the traditional high street. While around a third of consumers either strongly or slightly agree that they 'much prefer online shopping to the high street', almost four in ten either strongly or slightly disagree with this statement:

Figure 2.5 – Attitudinal statement 'I much prefer online shopping to the high street'.

Net agree

Don't know	1 - Strongly disagree	2	3	4	5 - Strongly agree
	20%	19%	24%	17%	17%

34%

AT1. I much prefer online shopping to the high street?
Base=2880 (All respondents)
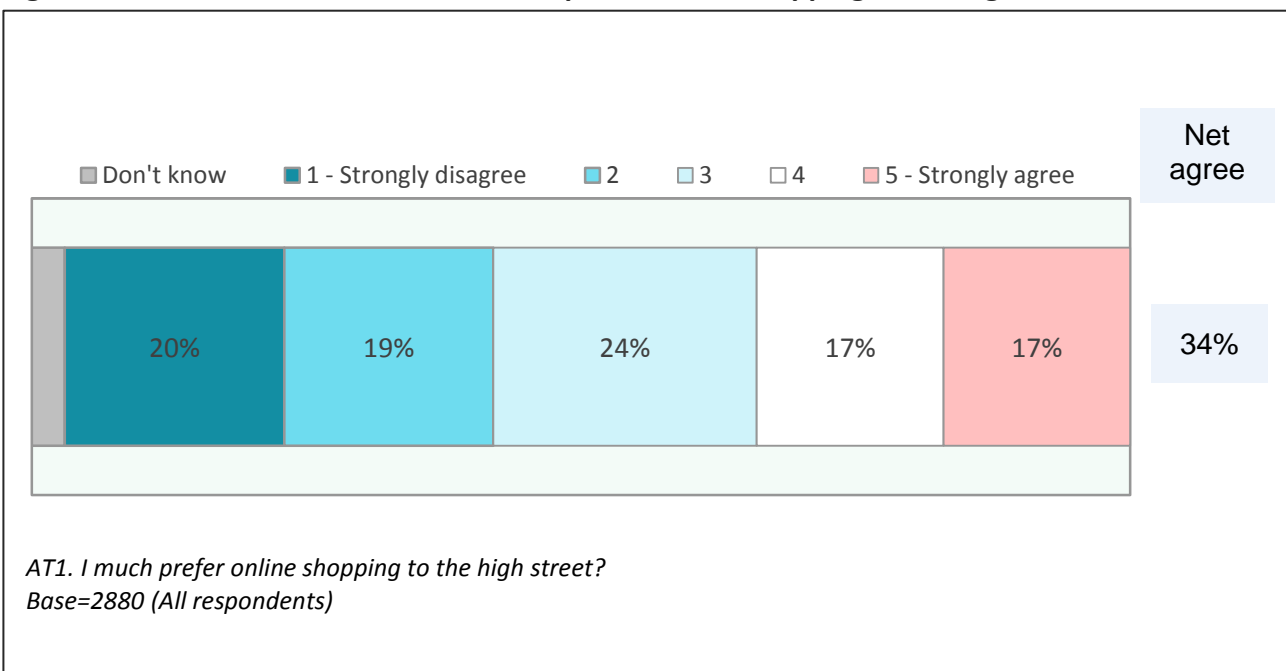
However, the preference for using online shopping instead of high street is higher amongst certain groups of consumers (typically those from a higher socio-economic standing). For example, the following groups of consumers are significantly more likely to agree with the statement above.

- Younger consumers (eg 49% aged 18-34 compared to 14% aged 75+)
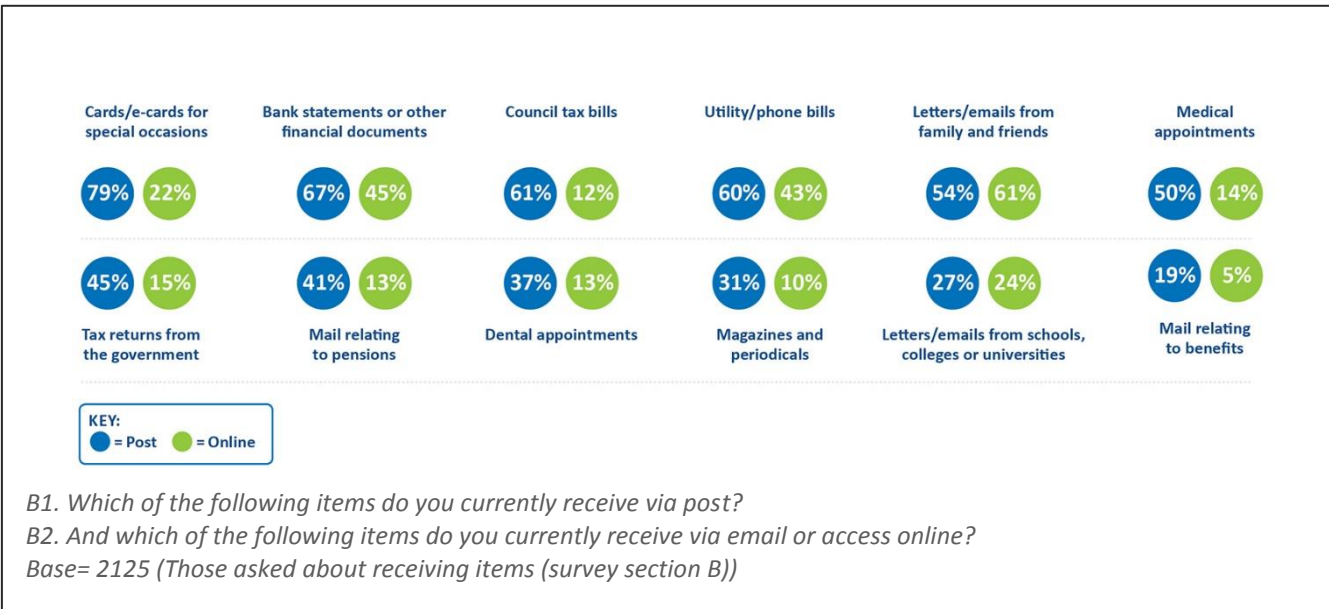
- Employed consumers (39%) compared to unemployed consumers (27%)

- ABC1s (38%) compared to C2DEs (31%)

- Consumers with internet access (38%) compared to consumers with no internet access (10%)

- Consumers who use the internet daily (39%) compared to consumers who use the internet less often than daily (29%)

- Consumers in remote areas (43%) compared to consumers in urban (32%) or rural areas (35%)

In terms of accessing various forms of communications online, postal consumers are most likely to receive emails from family and friends followed by advertising emails, while significant proportions (though not the majority) also access bank statements or other financial documents and utility/phone bills (for a full breakdown, please see Figure A6.3 in Appendix 6). As outlined in Appendix 6 (Figure A6.4), when grouping similar items, consumers are most likely to access information related to their social life via email or online (accessed by 63% of consumers), closely followed by information relating to finances/bills (59%).

The chart below (Figure 2.6) shows that, when comparing communications received via online and postal methods, post is still generally more common for most types of communication across all consumers[14]. However, communicating with family and friends by email is more common than communicating with them by letter. Please note, these proportions are not mutually exclusive (i.e. some consumers will access certain items both in the post and online).

Figure 2.6: Items received in the post compared to those accessed online

B1. Which of the following items do you currently receive via post?
B2. And which of the following items do you currently receive via email or access online?
Base= 2125 (Those asked about receiving items (survey section B))

[14] Please see Figure A6.5 in Appendix 6 for a full breakdown of items received in the post compared to those accessed online

As with items received in the post, age is the most polarising factor when considering items accessed online when compared to location, income and other factors. As shown in Figures A6.6 and A6.7 in Appendix 6, over four in ten (44%) postal consumers aged 75 or above have no access to email/internet[15]. Consequently, as shown in Figure 2.7 below, postal consumers aged 75 and above are significantly less likely than all other age groups to access most items online.

Figure 2.7: Items accessed online by age

B2. And which of the following items do you currently receive via email or access online?
Base= 2125 (Those asked about receiving items (survey section B))
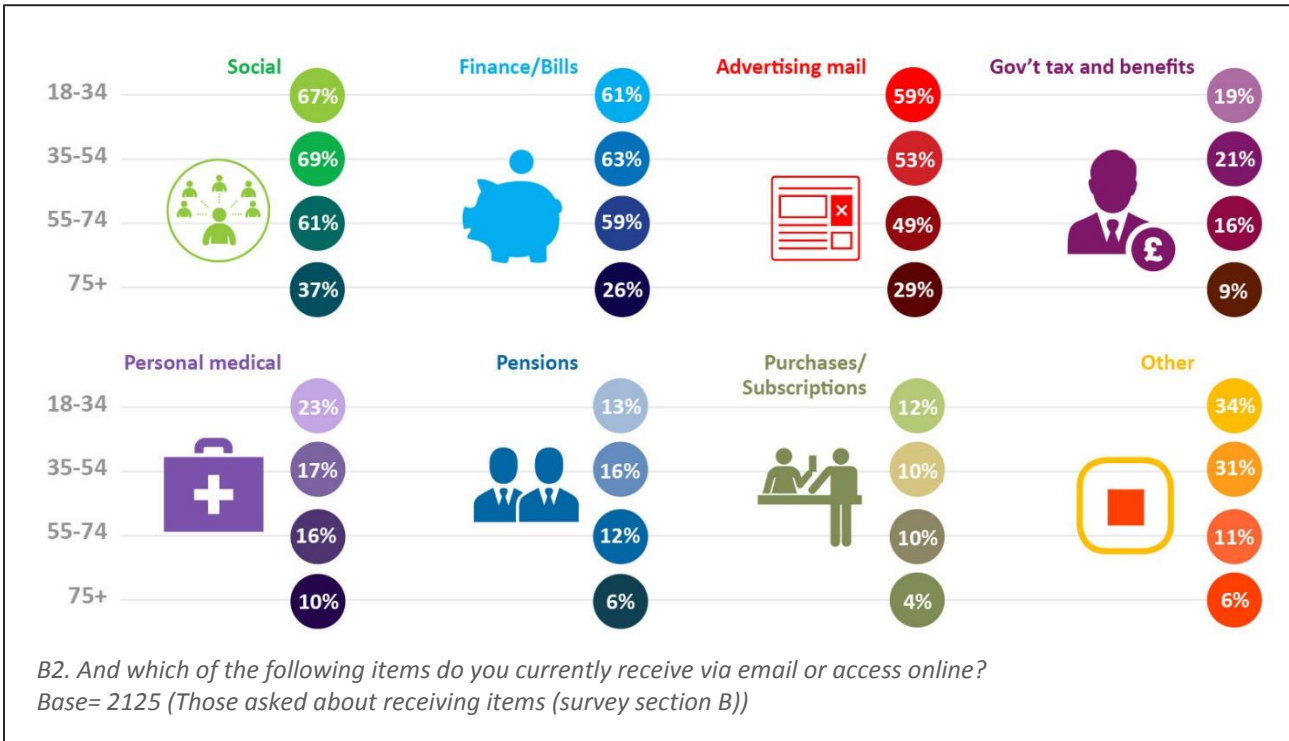
The tendency of consumers to access information online, whether it is personal communications or correspondence with financial and education institutions and utilities varies across several demographic factors. Consumers with higher household income, non-disabled consumers and consumers who do not receive benefits are significantly more likely than consumers with middle or low household income to access a wide range of items online. These differences are highlighted below in Figure 2.8, Figure 2.9 and Figure 2.10 as follows:

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[15] Please see Figures A6.6 and A6.7 in Appendix 6 for a full comparison of items accessed in the post and online by age

Figure 2.8: Items accessed online – differences by income level

Bank statements or other financial documents including insurance details
HIGH 61% MIDDLE 50% LOW 41%

Utility /phone bills
HIGH 61% MIDDLE 50% LOW 41%

Emails from schools, colleges or universities
HIGH 35% MIDDLE 23% LOW 21%

Tax returns from the government
HIGH 22% MIDDLE 13% LOW 12%

Medical appointments
HIGH 20% MIDDLE 12% LOW 13%

Emails relating to pensions
HIGH 20% MIDDLE 13% LOW 9%

B2. And which of the following items do you currently receive via email or access online?
Base= 2125 (Those asked about receiving items (survey section B))

Figure 2.9: Items accessed online – differences by disability (disabled compared to non-disabled)

Emails from family and friend
58% 63%

Bank statements or other financial documents including insurance details
37% 49%

Utility /phone bills
37% 45%

Emails from schools, colleges or universities
18% 27%

Dental appointments
10% 14%

Council tax bills
10% 13%

Tax returns from the government
11% 16%

Emails relating to pensions
10% 14%
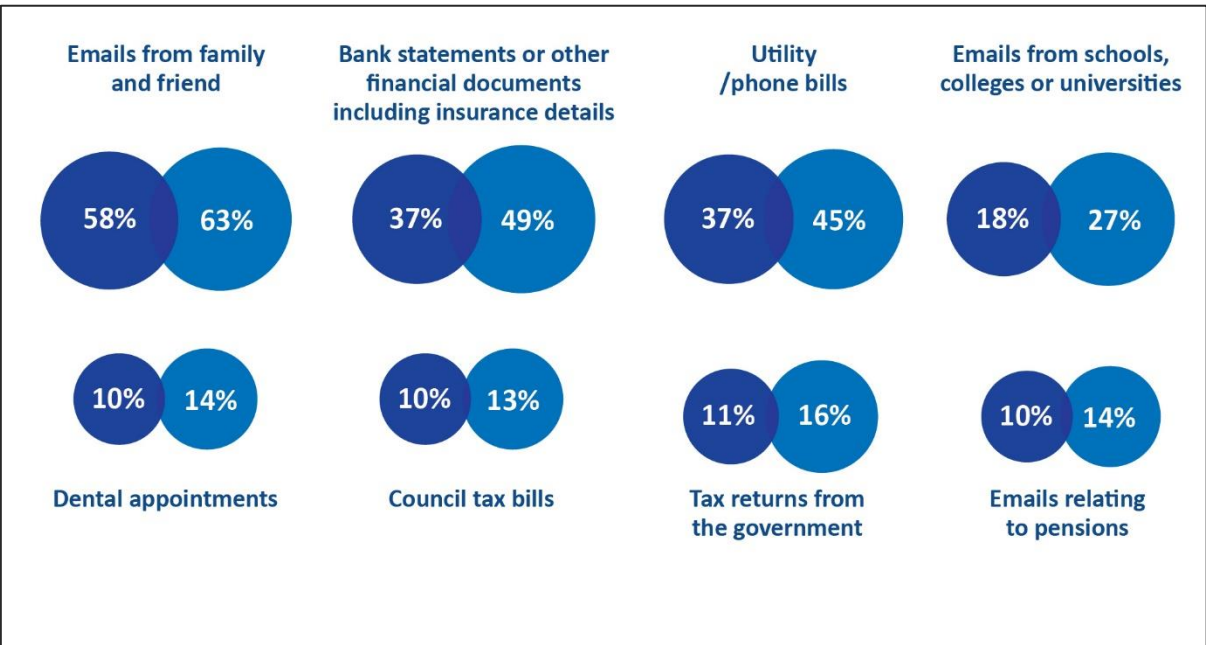
Figure 2.10: Items accessed online – differences by benefits receipt (consumers who do not receive benefits compared to consumers who do)

63%	55%	46%	34%	14%	9%
Emails from family and friend		**Utility /phone bills**		**Emails relating to pensions**	

B2. And which of the following items do you currently receive via email or access online?
Base= 2125 (Those asked about receiving items (survey section B))
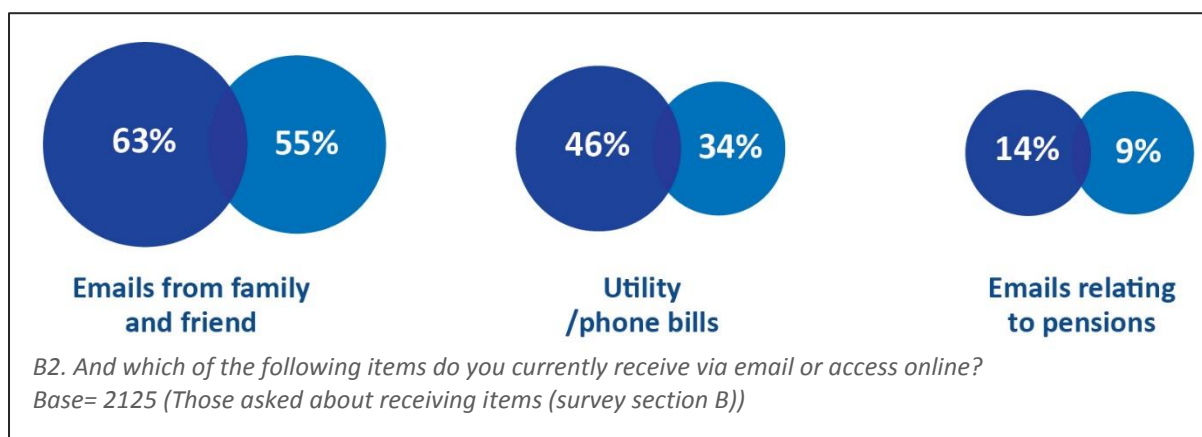
Consumers' location can have an impact on the extent to which they access items online. For example, consumers who agree that it is hard to get a reliable parcel service where they live are less likely to access the following items online when compared with consumers who disagree with this statement:

- Emails from family and friends (52% compared to 64%)

- Bank statements or other financial documents including insurance details (36% compared to 49%)

- Utility / phone bills (38% compared to 46%)

Consumers' attitudes towards contemporary technology also have a significant bearing on the items that they access online.

Consumers who agree their 'mobile phone is their primary means of contacting other consumers' are significantly more likely to access all of the items asked about in the survey. This also applies to consumers who agreed that they much prefer online shopping to the high street. It also applies, but to fewer accessed items, to consumers who agree that the technology we have now means sending letters is now unnecessary. However, the online activity of consumers who use their landline phone frequently is broadly similar to consumers who do not.

Needs when receiving items in the post or online

The qualitative findings demonstrate that when it comes to receiving items, postal consumers attach particular importance to ease and convenience, and affordability. These are discussed further below:

Ease and convenience

Postal consumers across locations, income levels and ages, have a strong need for ease and convenience. Generally, this need is met with consumers receiving parcels at home or at their places of work. Most feel Royal Mail can be trusted to provide a reliable and smooth service. In a minority of cases in London, consumers have parcels delivered to convenient places, such as an Amazon locker or Doddle.

Consumers often talk about how experiences of receiving Royal Mail post/parcels go beyond being easy to being pleasant. Some older customers, especially in rural settings, maintain relationships with their postman/postwoman, appreciating the regularity of seeing them every time they receive post. Indeed, the consistency in delivering at more or less the same time every day is appreciated. Other consumers are nostalgic for the days when they personally knew the postman/postwoman. For them, the rapport and social interaction with postmen/postwomen has decreased because they regularly change, partly because other postal operators continue to disrupt the market. This has made the experience of using the post more transactional in nature. Other factors include delivery times becoming later in the day and postmen/postwomen being assigned to different rounds.

> *"For some older people the postman comes round can be the only interaction they have in the day. You know your postman, it's always the same person."* Rural high/ middle income, focus group

> *"If you have the same postie for 10-15 years, they can look out for you."* Rural high/ middle income, focus group

In addition to Royal Mail, consumers across locations also receive parcels from postal operators and these too can provide an easy delivery experience. Deliveries from Amazon are well regarded as prompt and seamless. Other companies, such as DPD, also enjoy positive associations. Consumers across locations and ages appreciate text reminders of delivery times as this ties in to the need for ease. They also appreciate the fact that courier companies are able to deliver at convenient times such as on a Sunday, whereas this is not always possible with Royal Mail.

Consumers, in particular younger groups, value being able to track parcels as this gives them a level of security – they often will not call or visit the website to track the item but knowing this service is available is assuring.

> *"I bought something from Amazon and I could see when it was being sent so I knew when to be in for it to be delivered. The process was easy to follow and it made me feel more at ease because I knew that it was in stock."* Young urban low income, teledepth

> *"Amazon Prime deliver on a Sunday and they're the only one that does that."* Urban high/ middle income, focus group

> *"I have used online tracking once or twice when receiving parcels with Amazon and you go through a certain procedure where they tell you when they have picked your item, when they have packed it and dispatched it so you know when it is on its way. The process was easy to follow and the information that they gave me was accurate. I think that there was one time like three or four months back when I ordered something from Hong Kong and because it took a long time to come it was just nice to log on to be reassured that it had been dispatched; when it's a longer timescale it is nice to check in with it."* Self-employed urban, teledepth

However, there are some inconveniences related to receiving post. Delivery times can be inconvenient, for example, they can be too late in the day. These issues with delivery times are more frequent in rural settings where vast areas have to be covered.

All in all, however, most inconveniences relating to receiving post were attributed to certain postal operators with notable negative associations. A few consumers in the focus groups mentioned cases of operators throwing parcels over fences, left in dustbins, on door handles or even door stoops without an accompanying note, failing to arrive on time or even not arriving at all.

Another inconvenience noted by consumers is having too wide a window for a delivery time. Tracking service are not always seen as reliable. For example, one consumer reported receiving inaccurate information – saying the parcel had been delivered when it had not.

> *"I have used tracking twice in the past when I have sent post, the first time it didn't work and it wouldn't tell me where it was but the second time it got there a lot earlier than it said it would. I found the whole process very difficult and it worried me because it was my passport that I was sending." Rural with no internet access at home but have smart phone, teledepth*

Negative experiences of postal companies have lasting effects. They make consumers much more aware of delivery companies and terms. This means that when consumers make online purchases and have a choice of a delivery company, they will avoid the one with whom they had a bad experience.

However, often the postal company is unknown or dictated by the e-retailer. Respondents in both focus groups and teledepths mentioned they may no longer be inclined to make a purchase from the organisation because of a previous negative postal experience. It is also important to note that there is a grey area when it comes to who takes responsibility for poor delivery service. Consumers are likely to escalate this to the retailer sending the goods but the fault may lie with the postal company.

> *"I'd rather use the post than couriers, couriers tend to throw things around and the Royal Mail don't. The Royal Mail are a lot more gentle with your products than couriers." Rural high/ middle income, focus group*

> *"Hermes delivered a parcel to me and I waited in all day and it was 7:30pm when they eventually turned up. In another situation UPS took it upon themselves to deliver my parcel to the shop at a pickup point even though I had paid for next day delivery and requested that it was to be delivered to my house and I thought that someone had stolen it; I ended up having to go to the shop to pick my parcel up following an email that I has received." Older rural low income, teledepth*

Affordability

Affordability is also important when it comes to receiving parcels, in particular from purchases made online or on the phone.

When making purchases, consumers will look at the cost of having the item or items delivered as well as returned, in case they need to do so. These costs have an impact on whether they decide to make the purchase. In some cases, the delivery charge is too high in relation to the item and therefore the consumer decides not to make the purchase.

Similarly, if there is a chance an item may be returned they may only go ahead with the purchase if the return is free. This issue is magnified with consumers in remote settings, as some providers

other than Royal Mail charge more to deliver to more remote areas. Sometimes postcodes close to towns and cities are defined as remote by couriers, attracting additional costs, causing confusion and frustration amongst consumers. This can affect their purchasing decisions. Consumers close to Aberdeen mention items they may be purchasing from London are too costly to be delivered because their postcodes are considered remote, even if they are relatively close to the city.
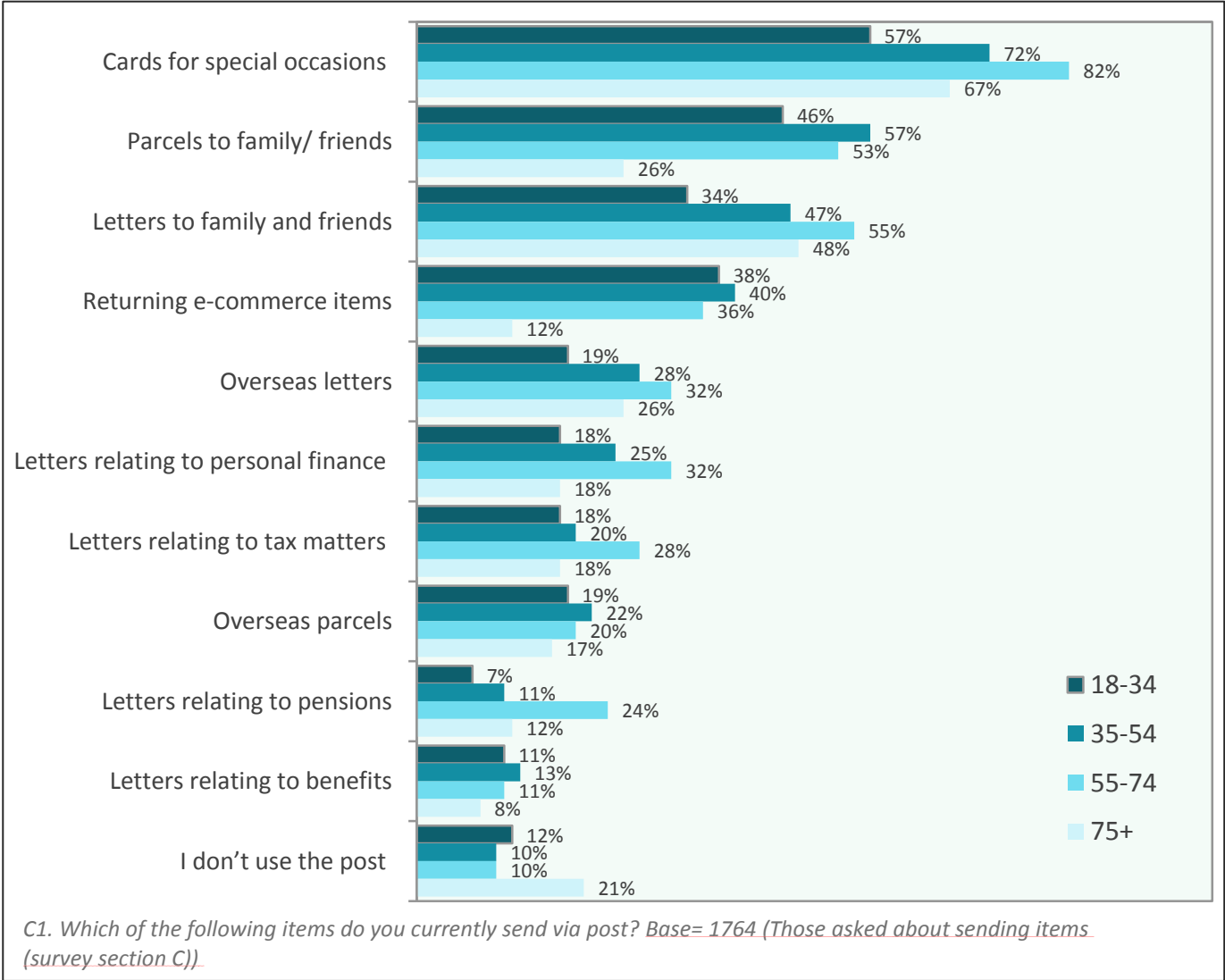
Sending items in the post

Postal consumers are most likely to send items to their family and friends. As outlined in Appendix 6 (Figure A6.8), the most common item that postal consumers send through the post, by far, is cards for special occasions, cited by almost seven in ten (69%) consumers. Following this, postal consumers are most likely to send parcels and letters to family/friends. More broadly (as outlined in Figures A6.9 and A6.10 in Appendix 6), consumers are considerably more likely to send personal items in the post (sent by 79% of consumers) than other types of items; less than four in ten send items relating to finances/bills (37%), the next most commonly sent type of item.

Sending items in the post again varies by age. As shown in the chart below, consumers aged 55-74 are more likely than other age groups to send most items. This includes personal communications, such as cards for special occasions and letters to family and friends, and more administrative communications, such as letters relating to personal finance, letters relating to tax matters and letters relating to pensions.

Consumers aged 75 or above are the least likely of all age groups to send items in the post; around one in five don't use the post in this way and consequently their propensity to send individual items is lower than other age groups.

Figure 2.11: Items sent in the post by age

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items (survey section C))

Across other groups of consumers, as shown in the charts below, lower income consumers are more likely to send items relating to day-to-day administration, whereas higher income consumers are more likely to send higher value items such as parcels (either to friends or family or when returning e-commerce). There are also differences between disabled and non-disabled consumers, and consumers who receive benefits compared to those who do not.

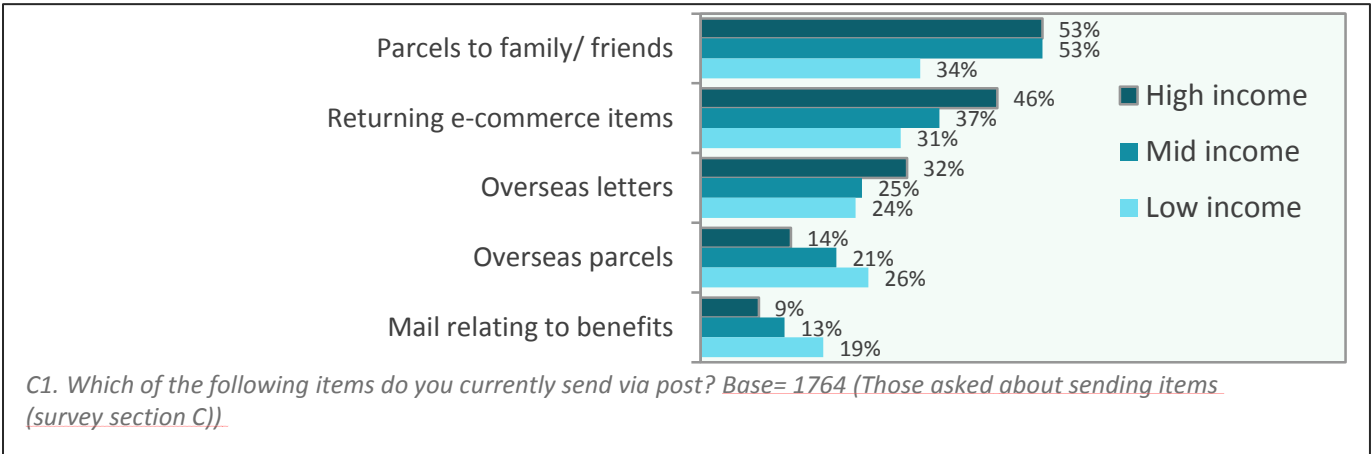**Figure 2.12: Items sent in the post by income level (significant differences)**

Item	High income	Mid income	Low income
Parcels to family/ friends	53%	53%	34%
Returning e-commerce items	46%	37%	31%
Overseas letters	32%	25%	24%
Overseas parcels	14%	21%	26%
Mail relating to benefits	9%	13%	19%

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items (survey section C))

Figure 2.13: Items sent in the post by disability (significant differences)

Item	Non-disabled	Disabled
Parcels to family/ friends	50%	45%
Letters to family and friends	42%	51%
Returning e-commerce items	38%	30%
Letters relating to pensions	11%	16%
Letters relating to benefits	8%	19%

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items (survey section C))
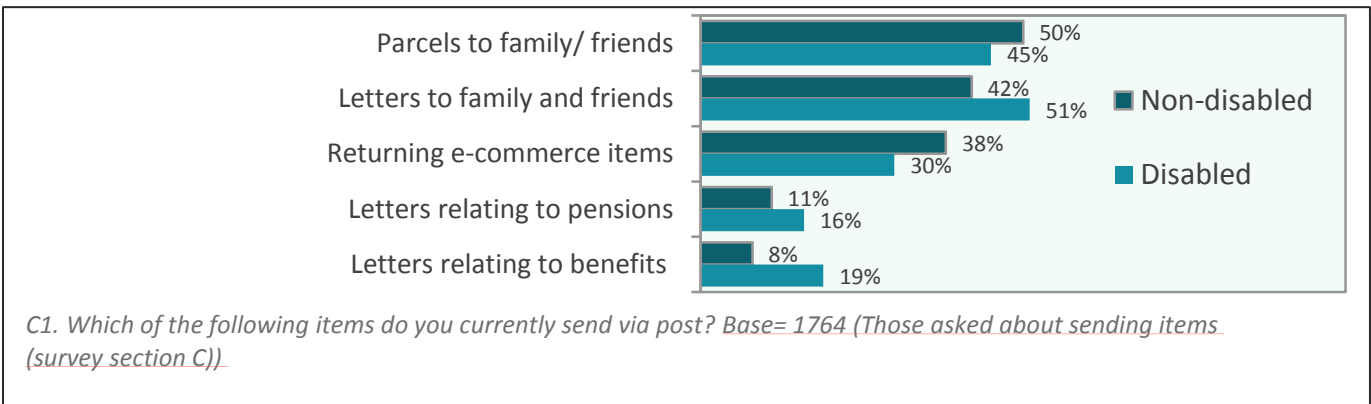
Figure 2.14: Items sent in the post by those who receive benefits (significant differences)

Item	Receive benefits	Do not receive benefits
Letters relating to tax matters (e.g. tax returns)	26%	19%
Letters relating to benefits	19%	8%

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items (survey section C))
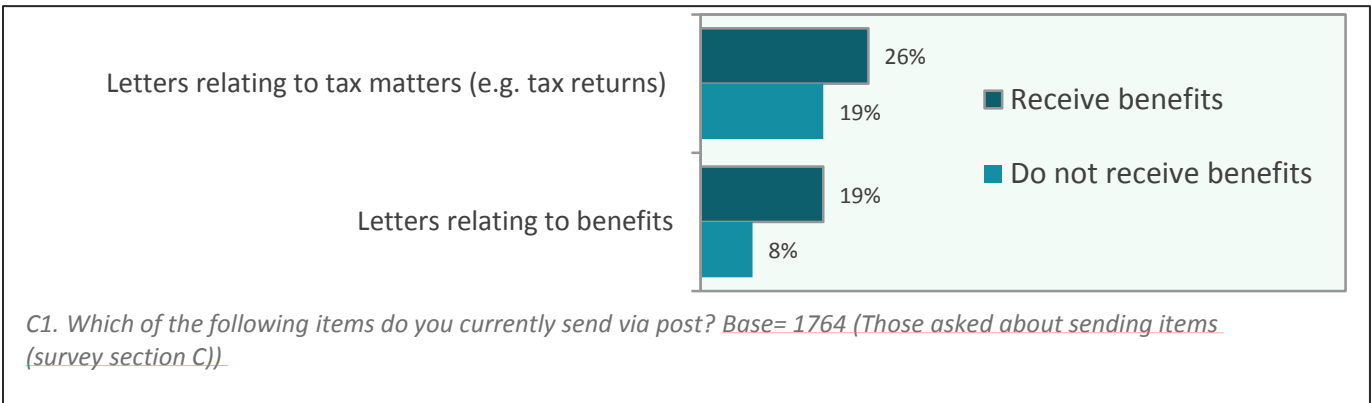
With regard to how frequently items are sent, the chart below shows that most items are sent on an infrequent basis. For each item sent, the majority of postal consumers send monthly or less

often. Letters sent to family and friends are sent most frequently, with around a quarter of consumers who send this item doing so at least fortnightly.

Figure 2.15: Frequency of sending items in the post

C2 How often do you use the post to send <INSERT TYPE OF COMMUNICATION FROM C1>?
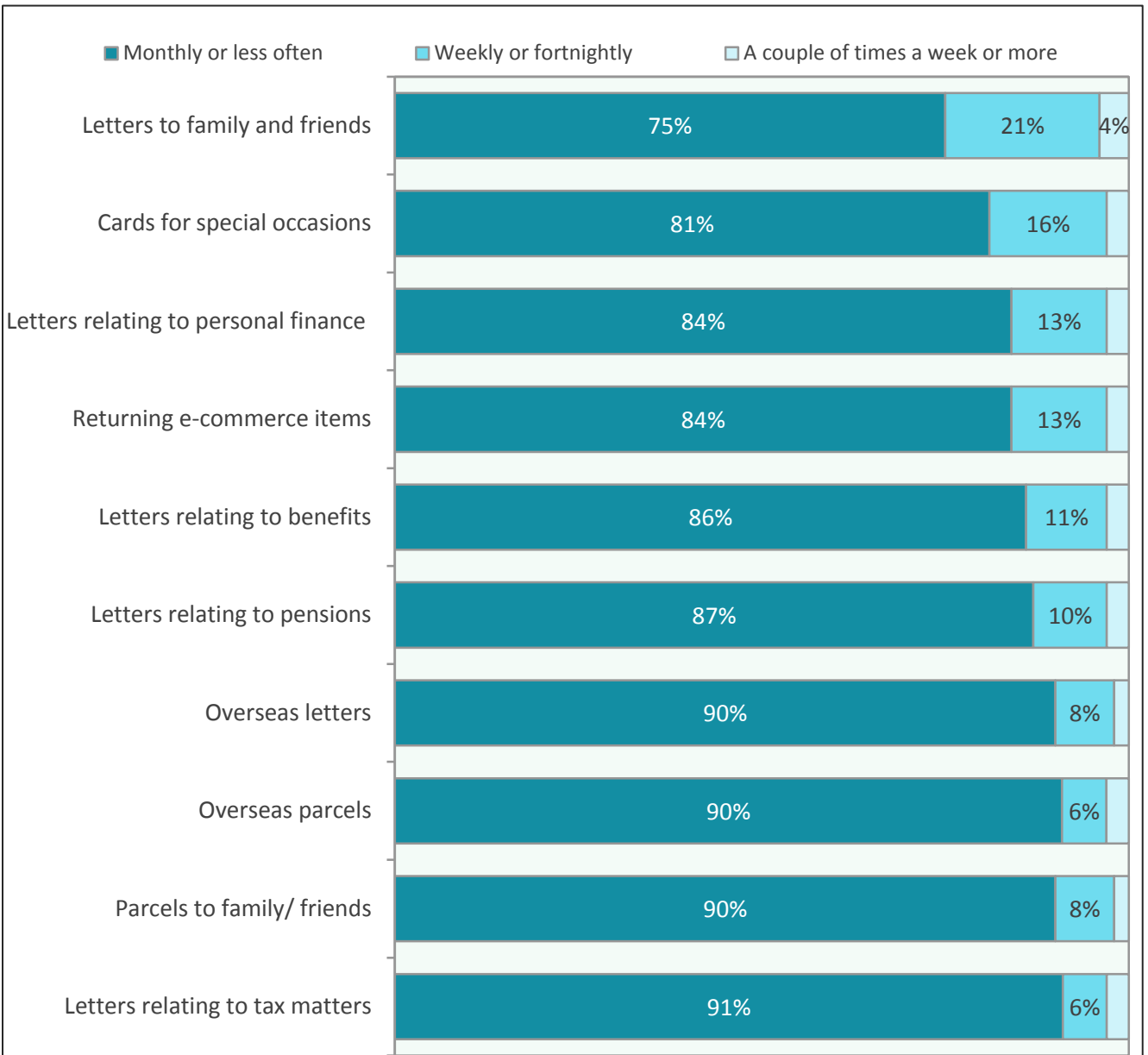Base = Those items selected at C1

Needs when sending items in the post

The qualitative research found that reliability/safety, affordability and ease are the key needs when it comes to sending.

Ease when sending

When it comes to using postal services, consumers want an easy, hassle-free experience. In many cases, the post meets this need.

Consumers find it easy to stamp their letters and put them in a post box and they find it easy to post items through their company postage system. Consumers take post to a Post Office at times when they are unsure of the required postage, are sending a parcel too large for the post box, would like to pay for insurance or recorded delivery, or need to obtain proof-of-postage.

Knowledge, familiarity and access are key: experiences of using the post are easy if consumers are familiar with post box or office location. Moreover, several consumers feel the service they receive at the Post Office is excellent and always has been. This too adds to the ease of the experience.

Conversely, sometimes the experience of using the post is not easy. There are cases where consumers are unaware of where post boxes and offices are located, or where access to these is complicated.

For example, in some towns Post Offices and/or post boxes have been relocated, temporarily relocated, or closed for an extended period of time because of force majeur circumstances, such as the unexpected closure of a Post Office due to building works. Therefore, it is key to ensure consumers are aware of post box and office locations, and that, in as far as possible, these are conveniently situated for as many consumers as possible. Older consumers, those with mobility impairments, and those living remotely are especially affected if post boxes are too far away from their homes.

Another issue affecting convenience is that some of Royal Mail's collection times are more infrequent than they used to be. While some post boxes continue to have numerous collections made from them throughout the day, the collection plate now only shows the final collection time. Some consumers in rural settings report they recall there being two collections per day in the past and now this has reduced to just once per day.

Moreover, the experience of using a Post Office branch can percieve to present challenges for consumers. Many consumers (from the groups and in-depth interviews) across ages and income levels associate the Post Office with inconvenience: long queues, waits and insufficient numbers of staff.

Consumers who work full time and use the post office during their lunch hour are especially affected by busy post offices. Also, opening hours in some post offices can be too limited (e.g. 9am-5pm) and are considered not as convenient as they could be. Queues in particular, are a common issue, especially for disabled consumers and older consumers. Finally, some consumers comment on how inconvenience has increased since post offices have been placed inside shops. For example, the Post Office may now be smaller, have fewer staff and located at the back of a shop such as WH Smith (which means customers need to navigate the entire shop to access it) – making the whole experience less pleasant than in a former stand-alone Post Office. In summary, it is important to address Post Office location, staff numbers, waiting-times, procedures, distribution of space and opening hours, to make the experience as convenient as possible.

Vulnerable consumers, such as disabled consumers, often have a friend or relative who helps them with sending their post to make this easier for them. In some cases, the help is only with tasks they cannot do. For example, they may be able to take a short walk to a post box but are unable to go to the Post Office because it has stairs.

"Sometimes the Post Offices are open early in the morning... and then they shut at 5pm. It doesn't really help especially up here when the weather is bad as the roads can be really icy in the morning, whereas in the evening it's much better. So sometimes I do think about when I'm ordering something so I know it'll arrive on a day when I'm at home." Rural high/ middle income, focus group

"My personal circumstances can affect how I receive post because when I miss a parcel I have to get down to the Post Office and that's difficult with my mobility problems." Mobility issues, teledepth

"I struggle to access my Post Office as I have mobility problems because of my sight and it is up a flight of stairs which I can't manage." Visual impairment and mobility issues, teledepth

Affordability when sending

Consumers consider cost when sending post. Most consumers feel Royal Mail provides good value for money for posting letters. They appreciate the universal service as they do not feel it would be fair to be penalised for sending letters farther away. Consumers in Scotland are especially protective of the universal service, especially if they live rurally. When it comes to special delivery, consumers understand they have to pay more but many feel this is justified when it comes to items of high value or importance such as passports as it provides a feeling of safety.

However, less affluent consumers do feel sending letters is expensive. For example, they speak of the Christmas period as notoriously expensive because they may be sending large numbers of cards. Additionally, some consumers feel prices are high when it comes to sending items abroad. Ideally, this service would be less expensive, however, several accept it because they only send items abroad from time to time.

When it comes to sending parcels as opposed to letters, consumers (across income levels and ages) feel Royal Mail is too expensive. In particular, the problem lies in the relationship between parcel sizes and prices. An inexpensive item (such as a baby's rattle or a Christmas card that just happens to be large) might cost more to send than the actual value of the item just because of its size. Moreover, high cost is one of the main reasons behind consumers opting to send parcels with another postal operator instead of Royal Mail. When it comes to larger parcels (more than 500 grams), couriers are a more affordable option and they provide the added convenience of parcels being picked up directly from home instead of having to be carried to a Post Office.

Consumers who send parcels regularly (those who sell items online, for example) research online and choose the postal operator based on best rate and previous experience. The experience of using a courier company to send an item is mostly seen as smooth, but some report it as inconvenient that courier companies provide too wide a timeframe for pickup.

*"I think they need to justify their postage expenses. It seems to be a box inside a box inside a box and inside there somewhere there's a necklace. I'm spending £10 postage for the weight of a necklace." Remote high/ middle income, focus group*

"When I think of the Royal Mail the first thing I think is expensive." Rural with no internet access at home but have smart phone, teledepth

In the quantitative phase, to establish the importance of cost, consumers were asked to consider whether the cost of sending items is their main concern. As shown in the chart below, half of consumers either strongly or slightly agree that 'when sending something through the post, cost is my main concern' (50%), compared to a quarter of consumers who disagree with this statement (25%).

Figure 2.16: Attitudinal statement – 'When sending something through the post, cost is my main concern'

AT1. When sending something through the post, cost is my main concern.
Base=2880 (All respondents)
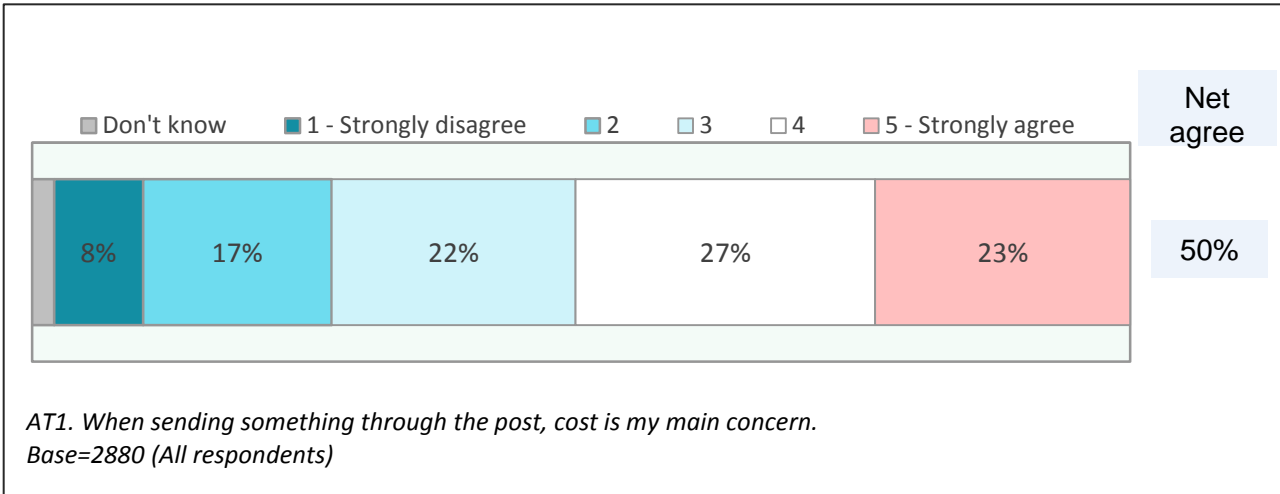
Cost is generally of higher importance to certain audiences, often lower income groups. The chart below shows certain groups are more likely to either strongly or slightly agree with the statement above.

Figure 2.17: Attitudinal statement – 'When sending something through the post, cost is my main concern', broken down by key demographic variables

AT1. When sending something through the post, cost is my main concern.
Base=2880 (All respondents)
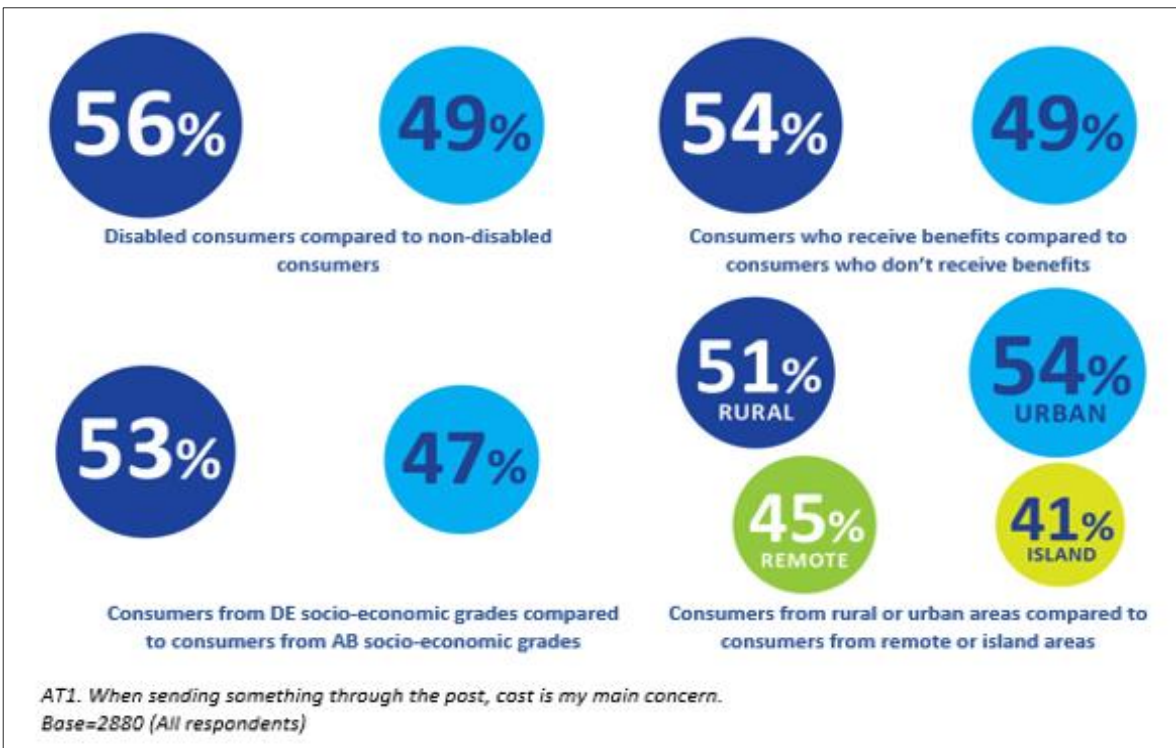
Reliability and safety when sending

Safety when sending is also important. Royal Mail conveys reliability and security and most consumers trust it implicitly. Still, when it comes to official documents, such as passports, or high value contents, consumers pay for special delivery, insurance and sometimes tracking. This is because of the peace of mind this gives them.

Some consumers also pay for tracking services when delivering abroad because they are unsure of the reliability of postal services in other countries or because the cost of sending abroad is higher and therefore, because it is costly, they want to be certain it will arrive.

Key findings

Certain groups of vulnerable consumers rely on post to administer their day-to-day lives. For example:

o Disabled consumers receive more mail relating to medical appointments than non-disabled consumers (60% compared to 47%)

o Consumers who receive benefits receive more utility bills than consumers who do not receive benefits (58% compared to 48%)

Around a third of consumers prefer online shopping to shopping on the high street. This particularly applies to younger, better off consumers:

o 49% of consumers aged 18-34 prefer online shopping, compared to 14% of those aged 75+

o 39% of employed consumers prefer online shopping, compared to 27% of unemployed consumers

o 38% of ABC1s prefer online shopping, compared to 31% of C2DEs

Consumers most commonly send social mail, especially cards for special occasions, parcels, and letters to family and friends. However, what consumers send varies a lot with age:

o Consumers aged 55-74 are more likely than other age groups to send cards for special occasions, letters to family and friends, and letters relating to personal finance

The qualitative phase found that consumers' main needs are driven by ease, convenience and affordability when sending or receiving mail:

o When receiving mail, convenience is based on whether items can be delivered to a specific location (home or work) at a time that suits the consumer. Consumers' interest in affordability motivates them to investigate delivery charges before completing online purchases

o Royal Mail is felt to provide a very good delivery service in general, though its delivery times can be somewhat inconvenient. Alternate postal operators were considered to provide a good service. Royal Mail was viewed by respondents as taking more care of parcels than other companies

o When sending mail, convenience is primarily based on access to post offices and post boxes. It is also based on Post Office opening hours, and queueing times/staff numbers

BREAKING BLUE

Section 3: Needs of postal consumers – essential postal communications

Essential communications – qualitative findings

The qualitative phase of the research focused on the communications consumers receive in the post and why they value them. At a broad level, these items can be categorised into three types of correspondence:

"Personal touch" correspondence (e.g. holiday cards, letters from friends)

Formal correspondence (e.g. bank statements or medical appointments)

Parcels (e.g. from online purchases)

A more detailed assessment of these is discussed below.

Personal correspondence

"Personal touch" postal communications are cards, letters or postcards sent and received, often on special occasions (e.g., Christmas, birthdays, anniversaries etc.). This category also includes cards expressing thanks, condolences, or well-wishes, as well as postcards sent while on holiday. This type of post is 'personal' and caring. Older consumers are especially fond of this type of communication with some in their 70s and 80s writing letters to their friends and family. Conversely, many young consumers do not communicate this way, preferring instead to send greetings on social media, text or instant messaging. It is also worth noting that consumers who are unemployed and disabled consumers are also more likely to send and receive letters and cards from friends and family.

> "I think letter writing has become a lost art – it's a shame that you don't get that nice feeling of getting a letter through the door anymore." Consumers who sell items on the internet, focus group

> "No one likes e-cards. They lack personal touch. Friends might be offended if you just send them an e-card." Rural high/middle income consumers England, focus group

> "I'm using more email and ecards compared to old methods like sending cards and letters because you don't really have the time for it anymore." Young urban low income, teledepth

The underlying need in this type of communication is a personal expression of friendship and feeling. Consumers take time choosing, writing, and posting these cards, thus reflecting their 'personal' nature. Also, consumers report feelings of joy when they find an envelope from a friend. The post is key in that it enables this type of communication. Many, especially older

consumers, feel this 'personal' essence would be lost if this type of communication were to be done by a digital method.

> *"I prefer to get everything by post because it's that something that you can touch and I still like that old fashioned way of opening up a letter rather than an email." Young urban low income, teledepth*

Formal correspondence

Consumers also attach importance to official correspondence – documents of a more administrative, professional or confidential nature. Receiving this sort of correspondence by post is especially important for older consumers and those on lower incomes. Examples of the type of correspondence include confirmation of hospital appointments, medical documents, bills, bank statements, documents regarding driving licenses, tax documents. In this category too, there are case-by-case examples such as documents posted to a solicitor related to the sale of a house; documents posted to a legal office related to a claim for an accident; to a coroner related to a relative's death. Another example, from an older consumer, relates to foreign currency being delivered via post after being ordered on the phone from a bureau de change.

> *"If I was communicating more formally with the bank for example it would be done through text and emails because you get a discount for paperless accounts. I'd prefer to contact government agencies through the post but most of it is done online." Mobility issues urban, teledepth*

Younger consumers appreciate some of this formal correspondence migrating to a digital form (e.g. bank statements online, text messages reminding of appointment) because this is faster and more convenient. However, others, especially older consumers, feel sending and/or receiving hard copies of formal documents in the post is more serious and secure. Older consumers, are especially appreciative of the formality they get from a sealed and personally-addressed letter. They also prefer having hard copies for safe-keeping. This physical storage of records adds to the feeling of safety. Those on lower income are split between preferring formal correspondence to be done online or via letter in the post, with younger consumers preferring the former.

> *"I would choose to email the bank if I had a problem as it's easier and faster for them to respond to me." Young rural low income, teledepth*

> *"I know I get reminders from my GP my text now, it's really helpful as its right in front of you, you can't miss it." Rural high/ middle income, focus group*

> *"I need to get my bank statements through the post (even though I can receive them online) because I still like to have a paper copy, and I need to receive my share certificates by post because I can't receive them any other way." Older rural low income, teledepth*

Several older consumers actually feel the safety they get from receiving physical copies of formal correspondence would be lost if they were to do handle this type of communication online.

Across locations, some consumers are not comfortable providing bank details online due to concerns for fraud as well as the risk of subsequently being bombarded by more emails. Equally, they may feel using the phone in some of these circumstances would also be less effective than

the post, in particular it may reduce the seriousness of the communication. For example, a complaint letter is more likely to be taken seriously and responded to than a phone conversation to a call centre where the person might not even understand the issue.

> *"Your complaint is not noted if you phone up. Whereas if you put it in writing they have got to respond." Rural high/middle income consumer, focus group*

Parcels

Sending and receiving parcels is considered to be functional – a way of getting a physical items, such as clothing, homeware, books, delivered. This includes parcels sent from one individual to another or, more commonly, parcels sent as a result of online purchases. The alternative is buying the items from a physical shop or collecting them in person. However, sending them by post is often easier and more convenient, for example, if the item is difficult/heavy to carry, not sold anywhere close by, or too far away to deliver in person. Indeed, this type of post can be of particular relevance to consumers who live remotely and therefore do not have access to as many shops, and to the older or those with mobility issues who are less able to buy items in stores and bring them home. However, it is more commonly used by more affluent consumers who are likely to be purchasing more.

> *"I think these companies are trying to make it as easy as possible to send and receive a parcel. Before, it would just come through your door, now you've got a multitude of options so send it or receive it." Remote high/ middle income, focus group*

Most consumers acknowledge that they are receiving more parcels in the post because of online shopping. Some older consumers and those without internet access do not purchase online but they do occasionally purchase by catalogue or phone and then receive the items by post. Being able to return items is also a benefit and an increasing use of the post. Unsurprisingly, the following groups are more likely to make returns as they are more likely to shop online due to their higher disposable income: employed people, ABC1s, high income, those with internet access, as well as those who are not disabled. As mentioned in Section 2, consumers look at return policies when purchasing online, focusing on the cost of returning items. This will affect whether they go ahead with the purchase; some, for example, will only purchase an item if the return is free or small in comparison to the price of the item.

> *"It depends on the value as well. If you buy something that costs £6.99 are you really going to send it back? But if you're spending £200, you need to look into it." Rural high/middle income consumer, focus group*

Advertising mail

Consumers usually attribute 'general mail' to receiving non-essential items such as general advertising, store catalogues, or take-away restaurant brochures. Several describe some of the items in this category (particularly unaddressed mail such as take-away menus) as "junk mail' in that they do not serve any purpose and usually end up getting disposed. In the worst of cases, consumers report receiving suspicious documents requesting money, luckily however, this occurs very rarely and only a small minority have experienced this. Consumers of all types are negative about advertising mail, with homeowners being especially critical of it.

"I usually receive post every other day. I receive letters maybe once a week and these tend to be bills, letters from DWP, the bank and flyers/junk mail, and I receive parcels once every couple of weeks; my incoming parcels have increased recently as I have been doing more online shopping with the help of my friend. The letters are quite important to me but I don't need the junk mail as I feel like it's a waste of the postman's time." Visually impaired, teledepth

"So much is being done online now that most of what you get through your letterbox is junk, or a confirmation of an email you have already sent or a conversation you have already had." Urban high/ middle income, focus group

Importance of receiving essential communications

Of items that consumers receive in the post, those from family and friends are considered of highest importance. As shown in the chart below, around two thirds of consumers consider parcels and letters from family and friends very important to receive by post. In line with this, more broadly, personal items (as outlined in Figure A6.11 in Appendix 6) are of highest importance to consumers in contrast to other types of items received in the post. In contrast, advertising mail is of lowest importance, with three quarters of consumers viewing this as not at all important. With regard to items that can be accessed online or via post, bank statements or other financial documents are considered of highest importance. Almost eight in ten consumers considered receiving such items in the post either very or quite important.

BREAKING BLUE

Figure 3.1: Importance of receiving different items in the post

Item	Net: Not at all/Not important	Neither	Important	Very important	Net imp.
Parcels from family/ friends		6%	23%	68%	91%
Letters from family and friends		9%	25%	64%	89%
E-commerce (online shopping) parcels	6%	8%	22%	64%	86%
Cards for special occasions	6%	9%	23%	63%	86%
Medical appointments	10%	9%	21%	60%	81%
Overseas mail	9%	11%	24%	56%	80%
Bank statements or other financial…	11%	11%	24%	54%	79%
Mail relating to benefits	11%	14%	20%	56%	76%
Mail relating to pensions	11%	15%	26%	47%	73%
Tax returns from the government	11%	15%	23%	50%	73%
Dental appointments	12%	16%	21%	51%	72%
Council tax bills	13%	17%	26%	45%	70%
Utility/phone bills	14%	16%	26%	44%	70%
Letters from schools, colleges or universities	16%	21%	25%	38%	63%
Magazines and periodicals	26%	21%	26%	26%	52%
Advertising mail	86%			7%	6%

B3. How important to you is it to receive X by post?
Base= (Those asked about receiving items (survey section B)

When compared to younger consumers, older consumers generally attach greater importance to personal forms of communication (which as noted from the qualitative phase, offers a personal touch) as well as communications relating to finances/bills. For example, older consumers attach greater importance to the following:

- Letters from family/friends (93% net importance amongst those aged 55-74 compared to 84% net importance amongst those aged 18-34)

- Cards for special occasions (88% amongst those aged 55-74 compared to 82% amongst those aged 18-34)
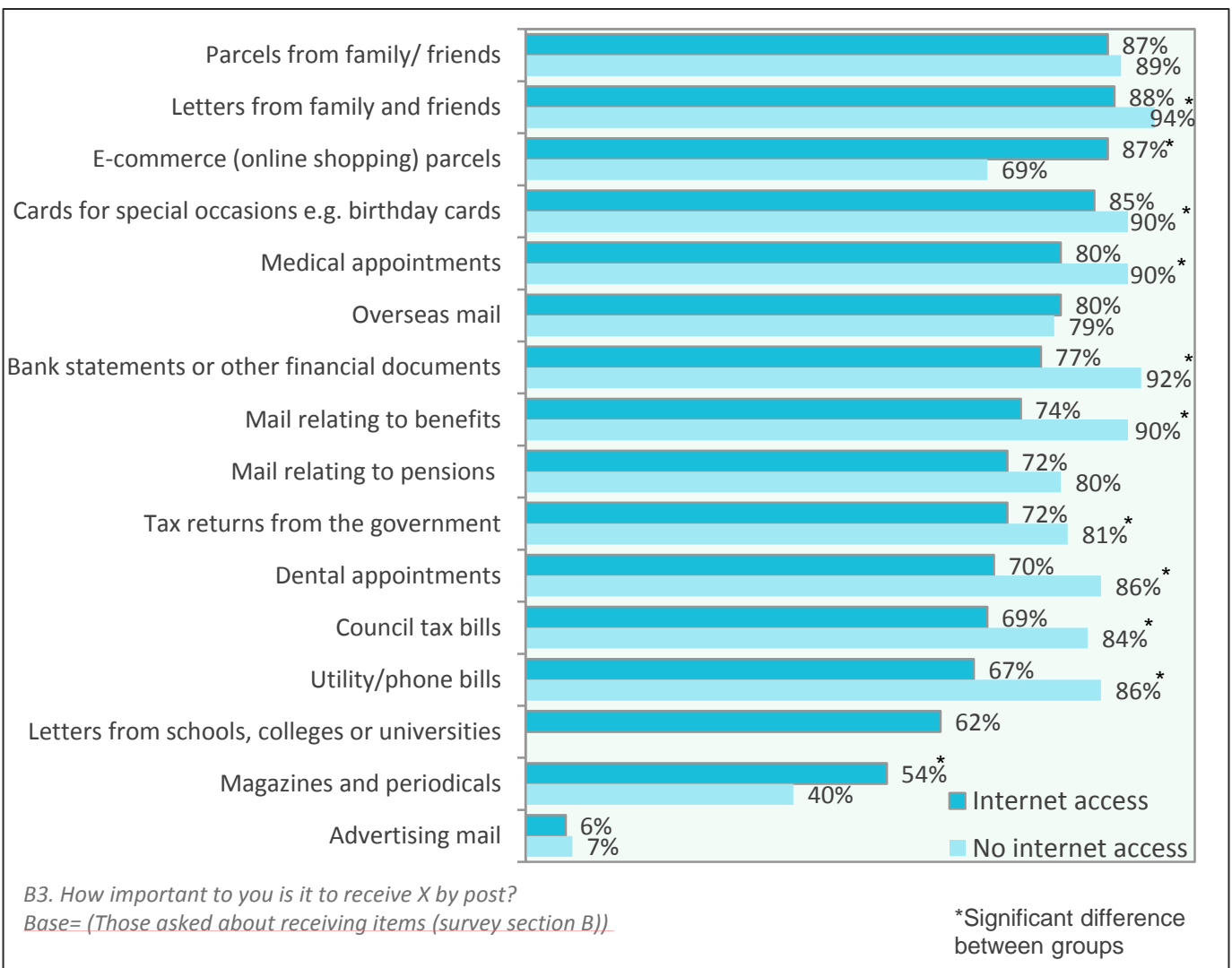
- Bank statements (92% amongst those aged 55-74 compared to 70% amongst those aged 18-34)

- Utility/phone bills (79% amongst those aged 75 or above compared to 59% amongst those aged 18-34)

- Council tax bills (83% amongst those aged 75 or above compared to 62% amongst those aged 18-34)

However, younger consumers are more likely to attach importance to receiving e-commerce items (90% net importance amongst those aged 18-34 compared to 75% net importance amongst those aged 75 or above).

The importance of receiving certain communications is driven by consumers' access to the internet. Postal consumers who have no internet access were more likely to attach importance to many communications, as set out in the chart below:

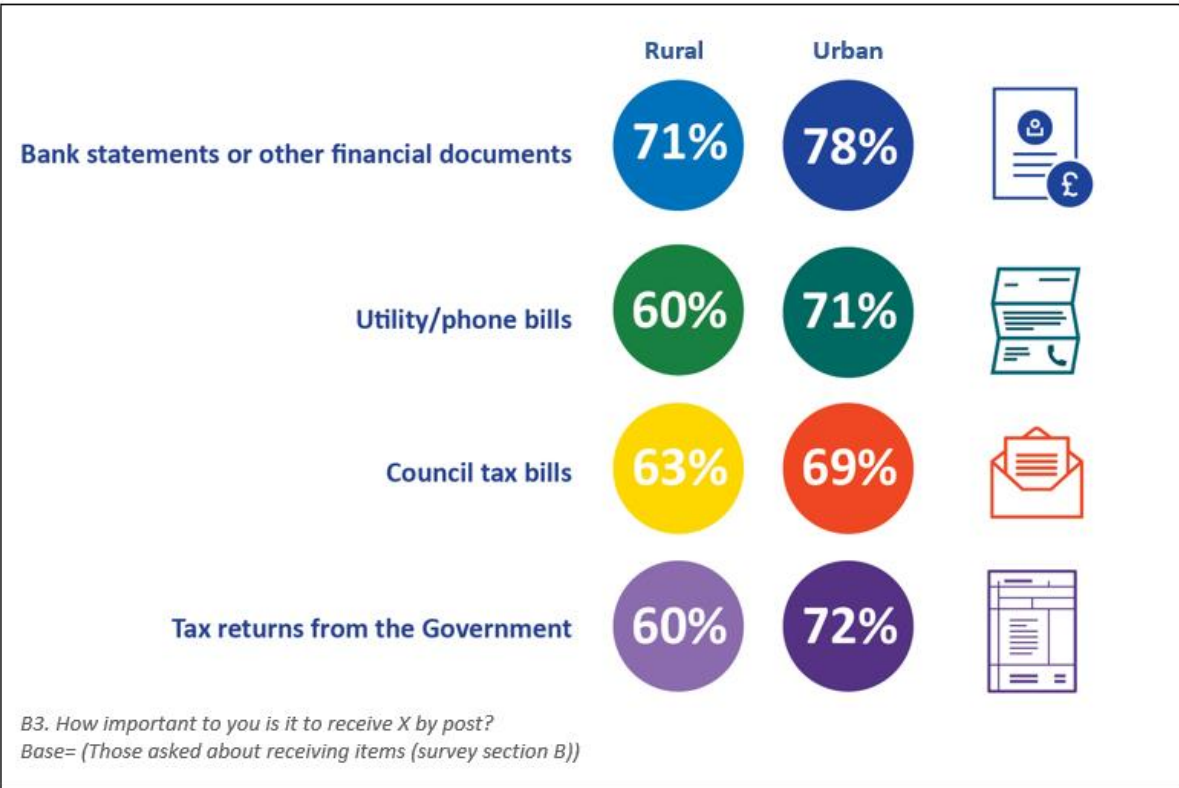**Figure 3.2: Net importance of receiving items by internet use**

B3. How important to you is it to receive X by post?
Base= (Those asked about receiving items (survey section B))

*Significant difference between groups

Certain forms of communications, often relating to finances, bills and medical appointments are more important to lower income and vulnerable groups of consumers. This could suggest implications for the way banks, utility and phone companies and local authorities should communicate with these consumers. As outlined below, such groups of consumers are more likely to attach importance to the following:

- Bank statements or other financial documents are more important to consumers on a low income compared to consumers on a high income (79% net importance compared to 66%) and C2DE consumers compared to ABC1 consumers (83% compared to 74%)

- Utility/phone bills are more important to consumers on a low income compared to consumers on a high income (74% compared to 59%), C2DE consumers compared to ABC1 consumers (76% compared to 65%), and disabled consumers compared to non-disabled consumers (76% compared to 67%)

- Council tax bills are more important to consumers on a low income compared to consumers on a high income s (76% compared to 62%), C2DE consumers compared to ABC1 consumers (74% compared to 67%), and amongst those from high income households) and disabled consumers compared to non-disabled consumers (76% compared to 68%)

- Mail relating to benefits is more important to disabled consumers compared to non-disabled consumers (82% compared to 72%) and consumers who receive benefits compared to consumers who do not (81% compared to 69%)

Where consumers live also has an effect on the items that they are likely to receive by post. In spite of rural consumers being more likely to report receiving many items, they generally attach lower levels of importance to receiving them in the post, particularly items relating to finances and bills, when compared to urban consumers. For example, the chart below shows that rural consumers attach lower levels of importance to items including bank statements or other financial documents and utility/phone bills.

Figure 3.3: Net importance by rurality (rural compared to urban)

	Rural	Urban
Bank statements or other financial documents	71%	78%
Utility/phone bills	60%	71%
Council tax bills	63%	69%
Tax returns from the Government	60%	72%

B3. How important to you is it to receive X by post?
Base= (Those asked about receiving items (survey section B))

At an attitudinal level, consumers tend to attach different levels of importance to items received in the post (including personal, financial and health-related post) depending both on their relationship with their mobile phone and their relationship with the Post Office. Consumers who use their mobile phone more often tend to attach less importance to receiving items in the post while the opposite tends to apply to those who visit the Post Office regularly. For example, bank statements or other financial documents are more likely to be considered important by those who agree 'I visit the Post Office on a regular basis' (85% compared to 75%) and less likely to be considered important by those who agree 'my mobile phone is my primary means of contacting other people' (74% compared to 86%), while utility/phone bills are more likely to be considered important by those who agree 'I visit the Post Office on a regular basis' (76% compared to 66%) and less likely to be considered important by those who agree 'my mobile phone is my primary means of contacting other people' (65% compared to 76%).

Reasons for receiving essential communications

Consumers are keen to have hard copies of certain items for safe-keeping. As shown in Table 3.1, this is especially true of communications relating to financial matters, with high proportions of consumers agreeing they need or prefer to receive a hard copy of items including utility/phone bills (62% of consumers who receive this item cite this reason), council tax bills (60%), mail relating to pensions (61%), mail relating to benefits (59%) and bank statements or other financial documents (60%).

In addition, while not the primary factor, confidentiality plays a key role for receiving these types of documents by post. This is most likely a factor for mail relating to benefits (40% who receive this item cite this reason), mail relating to pensions (38%), bank statements or other financial documents (36% of consumers) and tax returns from the Government (35%), as well as non-financial communications including medical appointments (30%).

Confidentiality is of particular importance to consumers from lower socio-economic groups. For example, consumers from C2DE socio-economic groups are more likely than ABC1 consumers to receive many financial items because they see them as confidential, including bank statements or other financial documents (41% compared to 31%), utility bills (32% compared to 25%) and council tax bills (41% compared to 30%).

For those without internet access and, albeit to a lesser extent, older consumers (who are likely to be less digitally engaged), accessing these types of communications via the post becomes important as many believe there is no other means for them to receive this information. Roughly 1 in 4 consumers without internet access (39%) agree with the statement that they are not able to receive utility bills and council tax by any other means, compared to 10% of consumers who do have internet access.

With regard to differences by other sub-groups (such as by age, rurality and attitudinally), there tend to be fewer differences in terms of motivations for receiving certain items. As noted above, the largest differences tend to be driven by levels of internet use and socio-economic position.

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Table 3.1: Overall reasons for receiving certain items by post

Reason	Letters from family and friends	Cards for special occasions	Bank state-ments or other financial documents	Utility/ phone bills	Tax returns from the governmen-t	Council tax bills	Letters from schools, colleges or universities	Mail relating to pensions	Mail relating to benefits	Medical appointme-nts	Average
I need or prefer a paper copy	36%	36%	60%	62%	60%	60%	54%	61%	59%	54%	44%
It's more practical this way	35%	34%	27%	34%	30%	31%	33%	30%	34%	31%	37%
It's confidential	26%	16%	36%	29%	35%	31%	29%	38%	40%	30%	25%
I cannot receive this via other means	15%	16%	13%	16%	14%	15%	10%	15%	17%	14%	19%
Other	22%	25%	5%	5%	4%	4%	8%	4%	4%	7%	10%

B4. Why is it [TEXT SUB: very important/important] for you to receive X by post?
Base = (Those asked about receiving items (survey section B)

Reasons for sending essential communications

The main motivations behind sending different types of communication differ depending on the item being sent. As shown in Table 3.2, amongst those who send letters to family/friends or cards for special occasions, the primary reason for consumers doing so, by far, is because they prefer to communicate this way (48% and 48% cited this respectively). Affordability is less of a factor, very few consumers choose to send items in the post because it is more affordable to send this than via other means.

At a sub-group level, there are differences in terms of motivations for sending different items when comparing findings by age, access to the internet and socio-economic grade.

Age

Older consumers express a strong preference for sending items in the post, particularly to family and friends, over other communications methods. For example:

- 55% of 55-74 year olds send letters to family and friends because they prefer to communicate this way, compared to 17% of 18-34 year olds

- 55% of 55-74 year olds send cards for special occasions because they prefer to communicate this way, compared to 38% of 18-34 year olds

Internet access

Consumers with no internet access are generally more likely to indicate that they send items by post as they cannot send them by any other means. For example, consumers without internet access are more likely than those with internet access to send the following items for this reason:

- Letters to family/friends (29% compared to 16%)

- Cards for special occasions (36% compared to 17%)

- Overseas letters (62% compared to 29%)

- Letters relating to tax matters (46% compared to 25%)

Socio-economic grade

Consumers from lower socio-economic grades are more likely to send several items because they see it as 'more practical for me' than other methods, including:

- Letters to family/friends (40% of DE consumers compared to 32% C1/C2 and 29% AB)

- Cards for special occasions (39% of DE consumers compared to 33% C1/C2 and 29% AB)

Table 3.2: Overall reasons for sending certain items by post

Reason	Letters to family and friends	Cards for special occasions	Overseas letters	Letters relating to personal finance	Letters relating to tax matters	Letters relating to benefits	Letters relating to pensions	AVERAGE
It's more practical for me	33%	34%	28%	46%	41%	41%	41%	39%
It's how I prefer to communicate	48%	48%	40%	33%	39%	38%	38%	37%
I cannot send this via other means	18%	19%	32%	24%	25%	30%	30%	26%
It's more affordable for me	11%	11%	10%	11%	10%	14%	13%	12%
Other	20%	21%	13%	18%	12%	11%	15%	16%

C3. Why do you send X via post? - Summary
Base= (Those asked about sending items (survey section C))

Across most types of communication, reliability and security are the primary factors of importance when consumers consider sending items by post. On average, nine in ten consumers (90%) consider reliability either very or quite important when sending items by post, with just over eight in ten considering security very or quite important (84%). Following this, speed of service is of next most importance, with just over a quarter considering this very or quite important (77%).

For individual items, reliability and security are particularly important when sending overseas parcels and parcels to family and friends, as well as letters relating to personal finance. However, for most types of items sent, these factors are of highest importance generally.

Access to a Post Office branch is of highest importance when sending overseas parcels or parcels to family and friends, while the ability to track items and the cost of sending are particularly important when sending overseas parcels and returning e-commerce items.

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Table 3.3: Net importance of key factors when sending certain items by post

Factor	Letters to family and friends	Cards for special occasions	Parcels to family/ friends	Overseas letters	Overseas parcels	Returning e-commerce items	Letters relating to personal finance	Letters relating to tax matters	Letters relating to benefits	Letters relating to pensions	AVERAGE
Reliability of service	89%	91%	93%	91%	94%	89%	92%	86%	88%	82%	90%
Security of item	80%	77%	89%	80%	91%	89%	92%	84%	85%	84%	84%
Speed of service	74%	82%	80%	73%	78%	73%	76%	75%	78%	72%	77%
Access to Post Office branch	71%	65%	77%	73%	80%	74%	66%	62%	67%	66%	70%
Ability to track item	56%	43%	67%	55%	76%	74%	70%	72%	63%	60%	61%
Cost	63%	58%	65%	60%	68%	68%	55%	57%	63%	60%	61%

C4. When sending <INSERT TYPE OF COMMUNICATION FROM C1>, how important are each of the following? – Summary of net importance scores (rated on a five point importance scale)
Base= (Those asked about sending items (survey section C))

At a sub-group level, cost is generally more important to younger consumers. As shown in Figure 3.4 below, cost is more important to 18-34 year olds (when compared to 55-74 year olds) for returning e-commerce, and sending letters relating to personal finance, tax matters, or benefits. The ability to track is also more important to this group.

Figure 3.4: Significant differences in net importance by age (18-34 compared to 55-74)

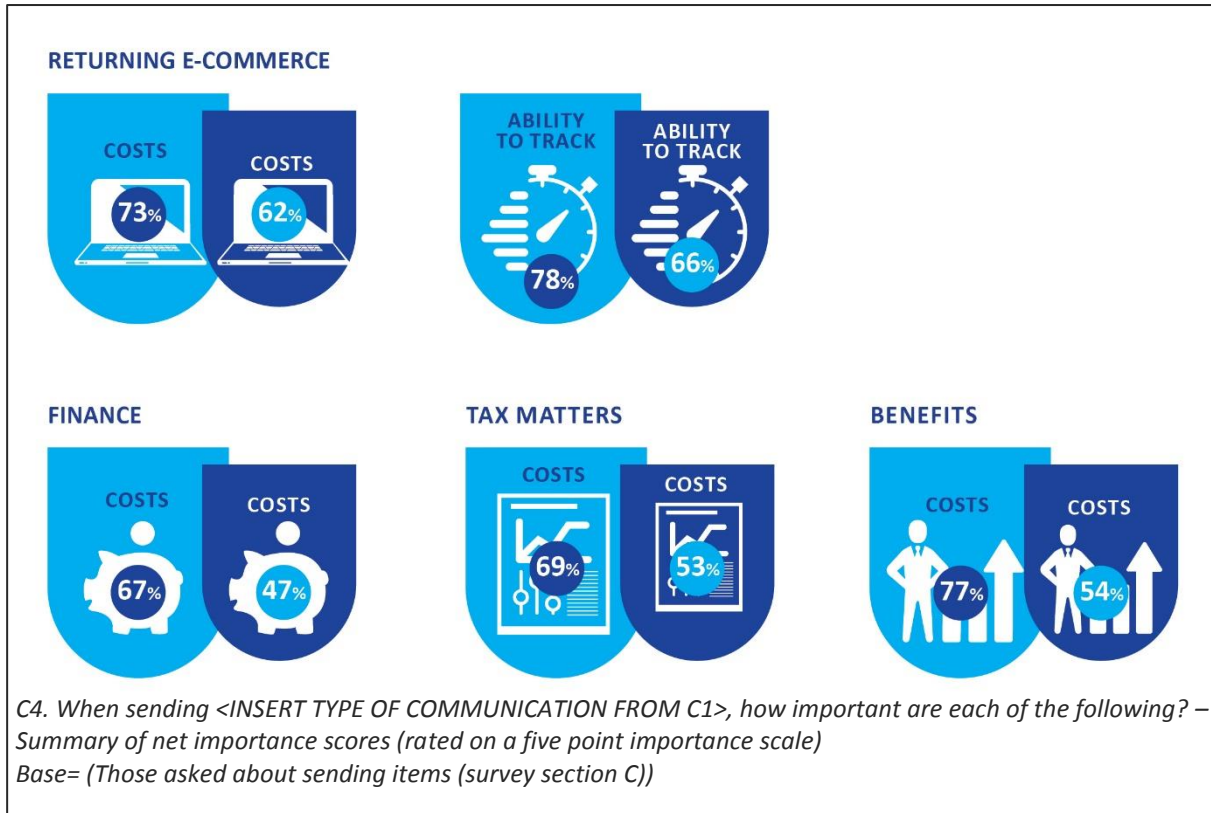*C4. When sending <INSERT TYPE OF COMMUNICATION FROM C1>, how important are each of the following? – Summary of net importance scores (rated on a five point importance scale)*
Base= (Those asked about sending items (survey section C))

Key findings

Older consumers attach more importance to receiving personal forms of communication, and communications relating to their finances and bills, by post:

- o Consumers aged 55-74 attach more importance than consumers aged 18-34 to receiving letters from family and friends (93% net importance compared to 84%), cards for special occasions (88% compared to 82%) and bank statements (92% compared to 70%) by post

- o Consumers aged over 75 attached more importance than consumers aged 18-34 to receiving utility/phone bills (79% compared to 59%) and council tax bills (83% compared to 62%) by post

Internet access drives the importance that some consumers attach to receiving certain items by post:

- o Consumers without internet access attach more importance than consumers with it to receiving financial documents (92% compared to 77%), council tax bills (84% compared to 69%) and utility bills (86% compared to 67%)

Lower income and vulnerable groups of consumers attach more importance to receiving communications relating to their finances, bills and health. For example:

- o C2DE consumers attach more importance to bank statements than ABC1 consumers (83% compared to 74%), as do consumers on a low income when compared to consumers on a high income (79% compared to 66%)

- o Utility/phone bills are more important to consumers on a low income when compared to consumers on a high income (74% compared to 59%), C2DE consumers compared to ABC1 consumers (76% compared to 65%), and disabled consumers compared to non-disabled consumers (76% compared to 67%)

The qualitative phase found that older consumers value the personal nature of postal correspondence with friends and family, as well as the perceived safety of formal and administrative postal communication. Younger consumers are less concerned by these; they are more inclined to communicate online formally and informally:

- o Many consumers appreciate that postal correspondence enables them to keep hard copies of documents, especially financial ones, an attribute which is not readily available with digital communications

- o Confidentiality is also a key issue for consumers, particularly if they are in lower socio-economic groups
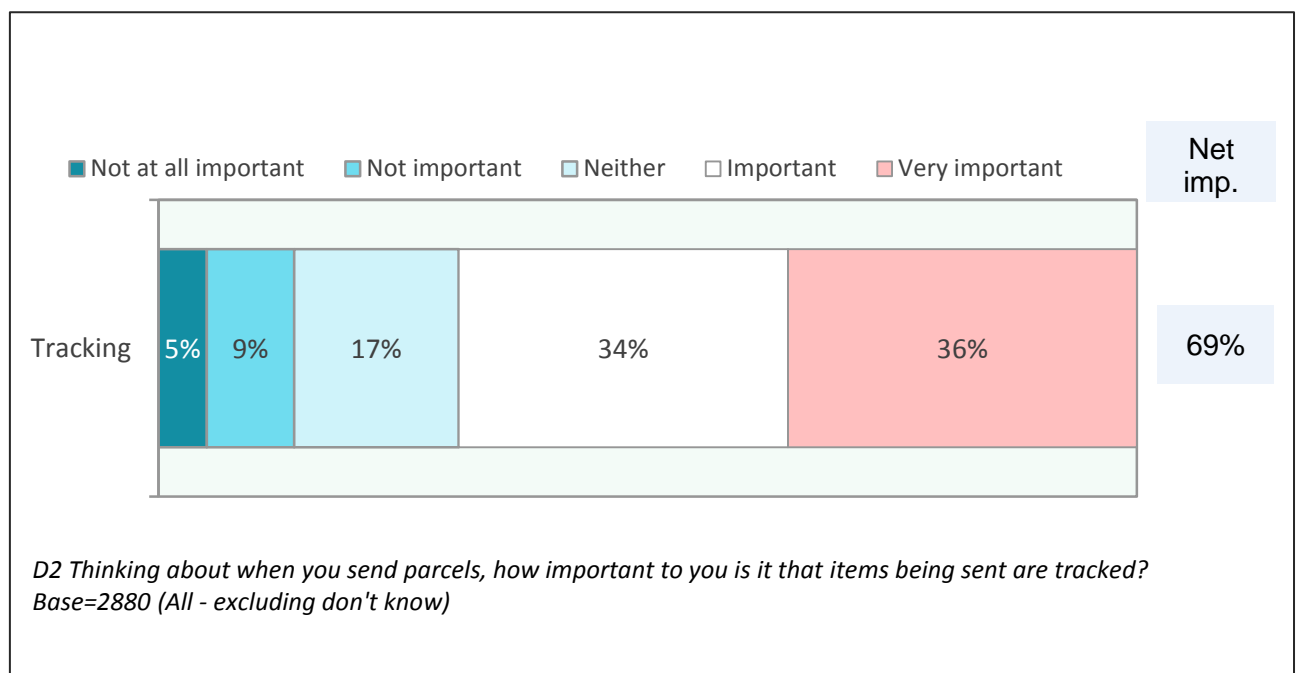
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Section 4: Product attributes

A number of specific product attributes were focused on in further detail as part of this research. Each is analysed in turn in this chapter, incorporating findings from both the quantitative phase (including relevant attitudinal statements) and qualitative phase of the study.

Sending items

With regard to tracking parcels that they send, over two-thirds of consumers (69%), considered it either very or quite important that the parcels they send are tracked. Only one in seven (14%) disagree with this statement.

Figure 4.1: Importance of tracking for items that are sent

D2 *Thinking about when you send parcels, how important to you is it that items being sent are tracked? Base=2880 (All - excluding don't know)*

Tracking is of similarly high importance across most demographic, geographic and attitudinal groups. However, there are some slight differences by income level as well as by the extent to which consumers visit the Post Office or use their mobile phone:

- Consumers on a high income or middle income are more likely than those on a low income to consider tracking very or quite important (71% and 70% respectively compared to 56%)

- Consumers who agree their 'mobile phone is my primary means of contacting other people' are more likely than those who disagree with this statement to consider tracking very or quite important (75% compared to 64%)

In addition, while there is little difference in the importance of tracking between urban and rural consumers, the perception of having a reliable service because of location plays a role. At an attitudinal level, those who agree that it's 'hard to get a reliable parcel and letter
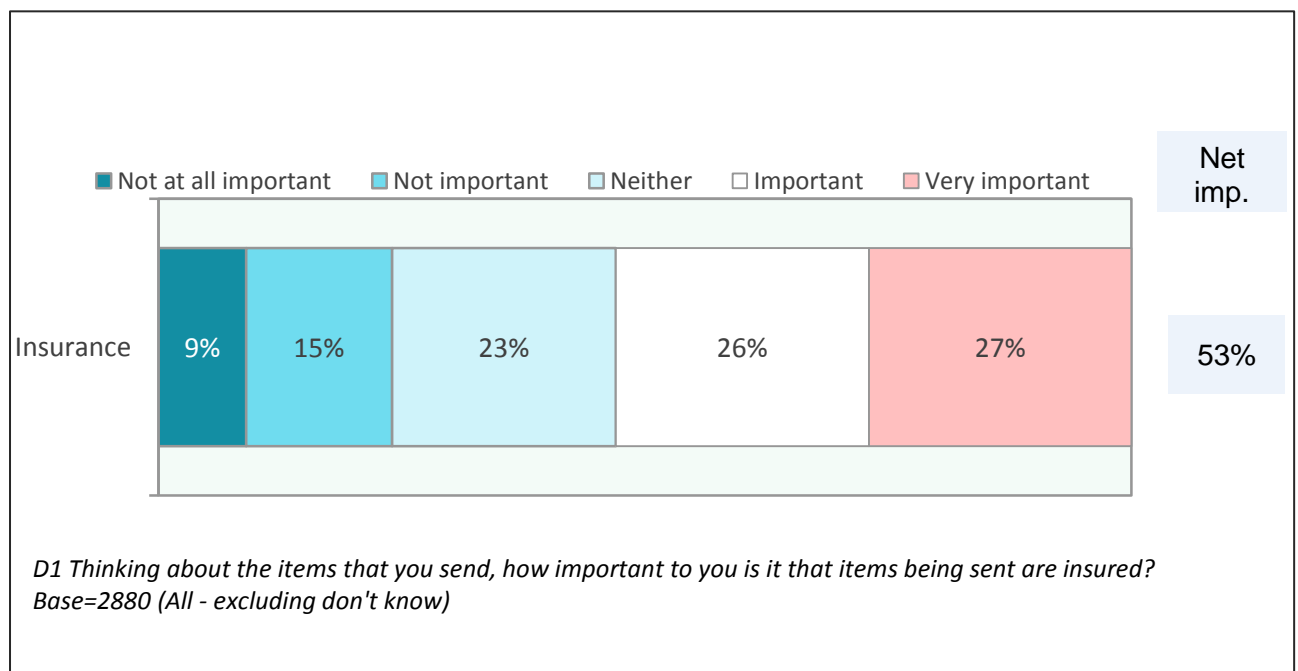
service because of where I live' are more likely than those who disagree with this statement to consider tracking important (77% compared to 67%).

The focus groups found that most consumers don't have concerns about sending things through the post although a bad experience, for example something getting delayed in the post and therefore not arriving on time, increases consideration of alternative options and heightens the importance of tracking.

> *'When I think about the sending things via the post the first thing that comes to mind is will it get lost. I always use tracking for important or valuable items through the post, this is because I nearly missed an important appointment once that would have been very costly, so now I always make sure I send things tracked whether they are letters or parcels.' Young rural low income, teledepth*

Consumers generally consider insuring items to be of lower importance than tracking However, the majority of consumers still consider insuring items sent either very or quite important (53%), compared to less than a quarter who disagree with this statement (23%).

Figure 4.2: Importance of insurance for items that are sent

D1 Thinking about the items that you send, how important to you is it that items being sent are insured? Base=2880 (All - excluding don't know)

As with tracking, insurance is of similar importance across most demographic, geographic and attitudinal groups, with some differences across the sub-groups previously noted for tracking:

- Consumers on a high income are more likely than those on a middle or low income to consider insurance very or quite important (57% compared to 48% and 44% respectively)

- Consumers who agree they 'visit the Post Office on a regular basis' compared to those who disagree with this statement (62% compared to 47%)

- Consumers who agree their 'mobile phone is my primary means of contacting other people' compared to those who disagree with this statement (56% compared to 49%)

As with tracking, there is little difference in the importance of insurance between urban and rural consumers, but the perception of having a reliable service because of location plays a role. At an attitudinal level, those who agree that it's 'hard to get a reliable parcel and letter service because of where I live' are more likely than those who disagree with this statement to consider insurance important (61% compared to 51%).

The qualitative phase noted that insurance when sending items encompasses a number of different views amongst consumers – most commonly the confidence that something will arrive safely and security of the item. Although the feature of insurance is considered less important than tracking the item, there is agreement that if an item is valuable then this will be sent via special delivery. In some instances, and if the item is considered particularly valuable or sentimental, it will be retained until there is an opportunity to physically give this to the relevant person.

> *"I haven't had any issues with things going missing or any customer service issues. I don't really have any concerns with posting items because if I feel that something is valuable then I will send it recorded delivery and if I did need to send something tracked it would give me peace of mind because I would be able to see where it was." Self-employed, teledepth*

More generally, security is a concern for some consumers when sending items through the post, despite many considering the service provided by the Royal Mail and other providers as reliable. This is frequently described as a 'worry'. However, consumers are aware of the different postal options which offer delivery and tracking and there is a consensus that these will be used if the item is valuable and there is no alternative method to communicate the information.

> *"There is a risk of an item going missing but it wouldn't stop me from doing it. Because there is an option of having it tracked or signed which for me is a very reassuring option to have, even if you have to pay a bit extra for it." Slow internet, teledepth*

Although there is some concern about things going missing in the post only a small minority had experienced issues with things going missing. There is also a lack of understanding about the different delivery options and how these differ.

> *"We have had a few items that haven't been received and it's rather annoying. If it's less than £20 then I don't think that you can insure it and that's what I mean when I say sometimes you have to take the risk of whether you want to lose it or not." Young rural low income, teledepth*

Alternative delivery options

When focussing on alternative delivery options when receiving a parcel, such as click and collect and lockerbanks, consumers are split relatively evenly in terms of how important this is. As shown below, less than half of consumers (46%) consider alternative delivery options either very or quite important, compared to around a third who consider them not important or not at all important.

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Figure 4.3: Importance of alternative delivery options when receiving a parcel

D4 When receiving a parcel, how important to you is it that there are other delivery options, such as click and collect or lockerbanks? Base=2880 (All - excluding don't know)
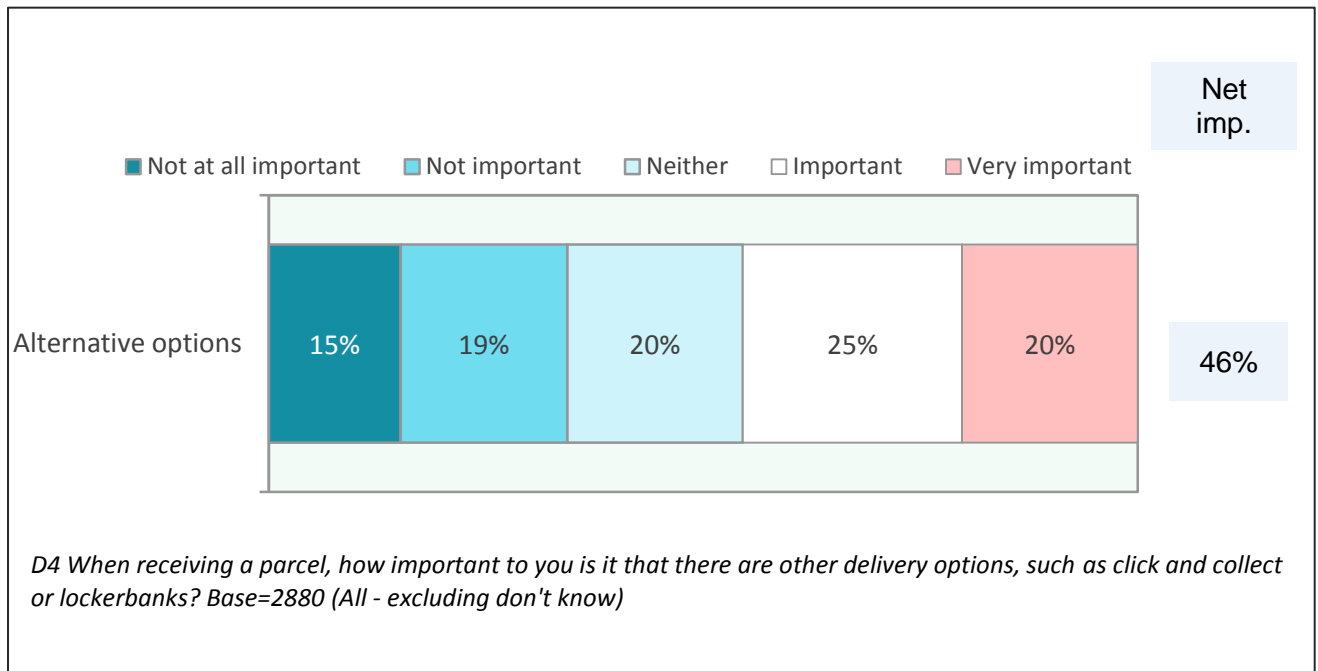
The importance of alternative delivery options varies considerably at a demographic level, where younger and higher income groups of consumers tend to consider it more important. For example:

- Consumers aged 18-34 are more likely than those aged 55-74 and 75 or above to consider alternative delivery options very or quite important (50% compared to 41% and 39% respectively)

- Employed consumers compared to unemployed consumers (49% compared to 40%)

- Consumers in urban and rural areas compared to consumers in island areas (46% and 48% respectively compared to 31%)

- Consumers with internet access compared to those without internet access (47% compared to 35%)

In the context of alternative delivery options, a large proportion of consumers are willing to pick up post themselves. Just over half of consumers either strongly or slightly agree that 'as well as receiving items at my home address, I am more than happy to pick up post' (55%), compared to less than three in ten who disagree with this statement (28%).

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Figure 4.4: Attitudinal statement – 'As well as receiving items through the post I am more than happy to pick up post'

AT1. As well as receiving items at my home address I am more than happy to pick up post.
Base=2880 (All respondents)
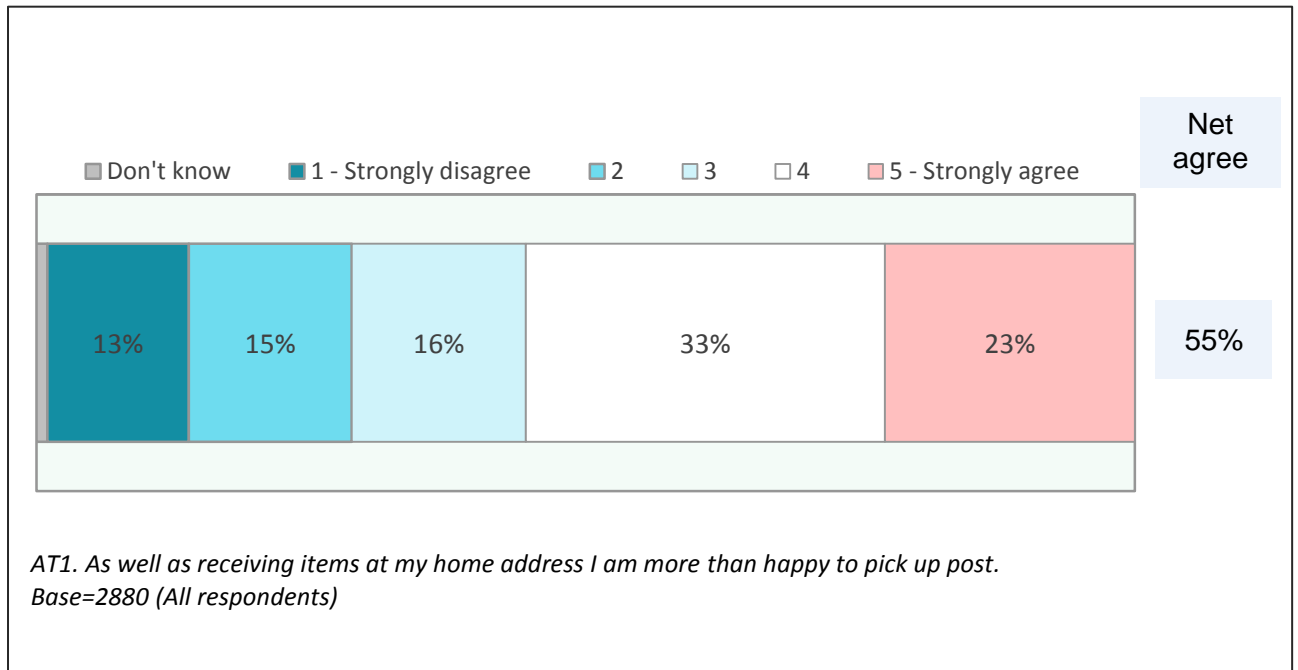
Again, higher income and younger consumers tend to be the most willing to pick up post themselves. The following groups are more likely to either strongly or slightly agree with this:

- Younger consumers (aged 18-34) compared to older consumers (aged 75+) (59% compared to 38%)

- Employed consumers compared to unemployed consumers (59% compared to 50%)

- Non-disabled consumers compared to consumers with a disability (57% compared to 49%)

In addition, the perception of having a reliable service because of location plays a role. At an attitudinal level, those who agree that it's 'hard to get a reliable parcel and letter service because of where I live' are more likely than those who disagree with this statement to be willing to pick up post (65% compared to 53%).

Focussing in more detail on perceptions of having a reliable service, the chart below shows that most consumers disagree that their location impacts on the service they receive. Just over two-thirds either strongly or slightly disagree that 'it is hard to get a reliable parcel and letter service because of where I live' (67%), compared to around one in five who agree with this statement (22%).

Figure 4.5: Attitudinal statement – 'It is hard to get a reliable parcel and letter service because of where I live'.

AT1. It is hard to get a reliable parcel and letter service because of where I live.
Base=2880 (All respondents)
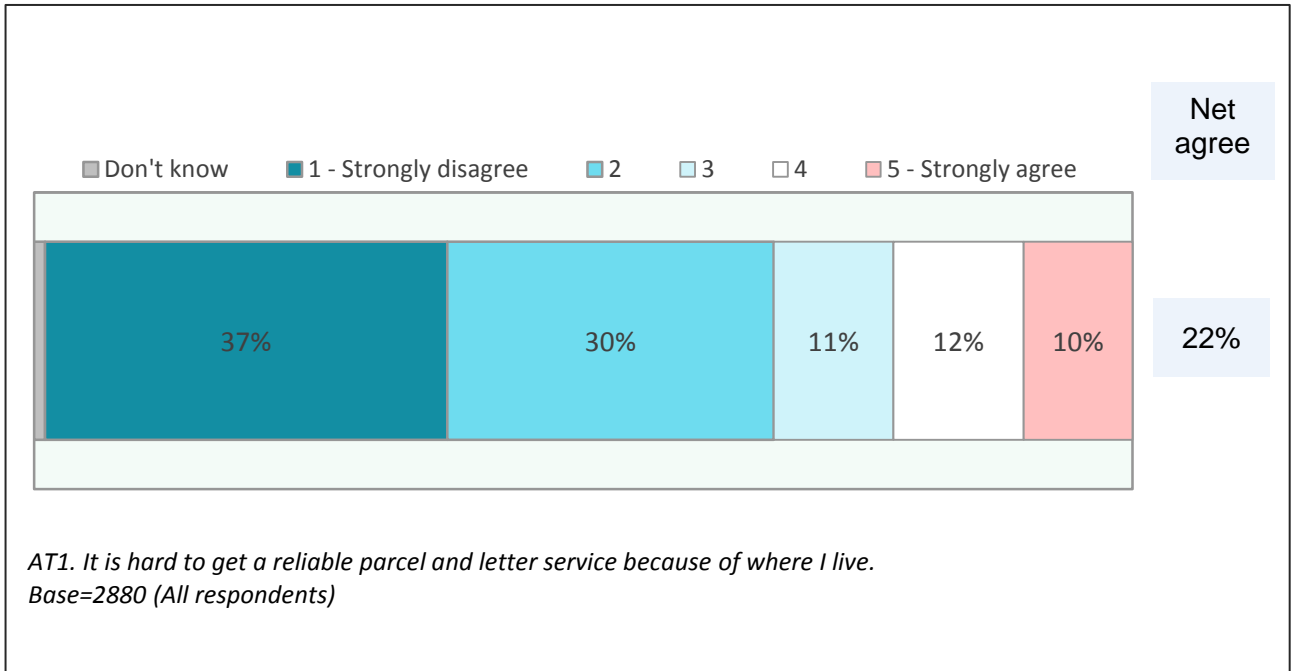
There are some differences across consumer groups (particularly at a location level) in terms of those who feel their home address impacts on the service they receive. As shown in the chart below, consumers in Scotland are more likely to agree that 'it is hard to get a reliable parcel and letter service because of where I live', as are consumers in island and remote areas, and consumers with internet access.

Figure 4.6: Attitudinal statement – 'It is hard to get a reliable parcel and letter service because of where I live', broken down by key demographic variables

AT1. It is hard to get a reliable parcel and letter service because of where I live.
Base=2880 (All respondents)

In line with these quantitative findings, the qualitative phase demonstrated Royal Mail is typically viewed as a trustworthy and reliable provider of postal services across most consumers.

> *'When I think about the Royal Mail I think it has been reliable. The people who deliver for them are friendlier than the couriers and the customer service has always been fine.'*
> *Young rural low income, teledepth*

However, consumers see a number of benefits from receiving things via other operators than Royal Mail, most notably more convenient delivery times and options. This is more important for employed people who are less likely to be in when a parcel might be delivered and therefore benefit from the flexibility that other delivery options provide. Alternative delivery options are also important to some consumers in rural areas who don't want to have to drive to the nearest town to collect the item they have ordered.

> *'Opportunities and options are greater in the city than where I am. I know from living in the city how easy it was. At the end of the road, there was always a shop that you could post or buy stamps, or whatever. There are post boxes on every other street in the city.'*
> *Rural high/ middle income, focus group*

Collection options for parcels

For some consumers, Royal Mail is the only supplier they would consider using when sending items. However, some consumers are more willing to consider alternatives, such as Hermes, Yodel and DHL. There is a similar pattern in urban and rural areas in terms of consideration of alternative suppliers and the main reasons for using other companies are both ease and cost. Some companies will collect items and this is of particular importance when a parcel is large or the individual sending it has health problems. Other companies often offer a collection slot for consumers sending parcels. This is another aspect of the service that consumers consider beneficial as it means that they know when the parcel will be collected and can do other things outside the home around this time. Another key consideration when choosing which supplier to use when sending parcels is cost, with other suppliers often cheaper than Royal Mail.

> *"I have used YODEL to send a package because they were much cheaper than the Royal Mail. I needed the item collecting because it was more convenient for me and because the item was large I wouldn't have been able to use the Royal Mail (they don't collect from your house)." Employment support rural, teledepth*

Unlike Royal Mail where their use is considered unavoidable, when a bad incident is experienced with another postal operator, it is unlikely that supplier will be used again.

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Returning items

Returning items that have been sent to consumers is of particularly high importance. Over eight in ten consumers consider the ability to return items either very or quite important (81%), compared to less than one in ten who consider returning items not important or not at all important (7%)

Figure 4.7: Importance of being able to return items

D6. How important to you is it that you are able to return items? Base=2880 (All - excluding don't know)
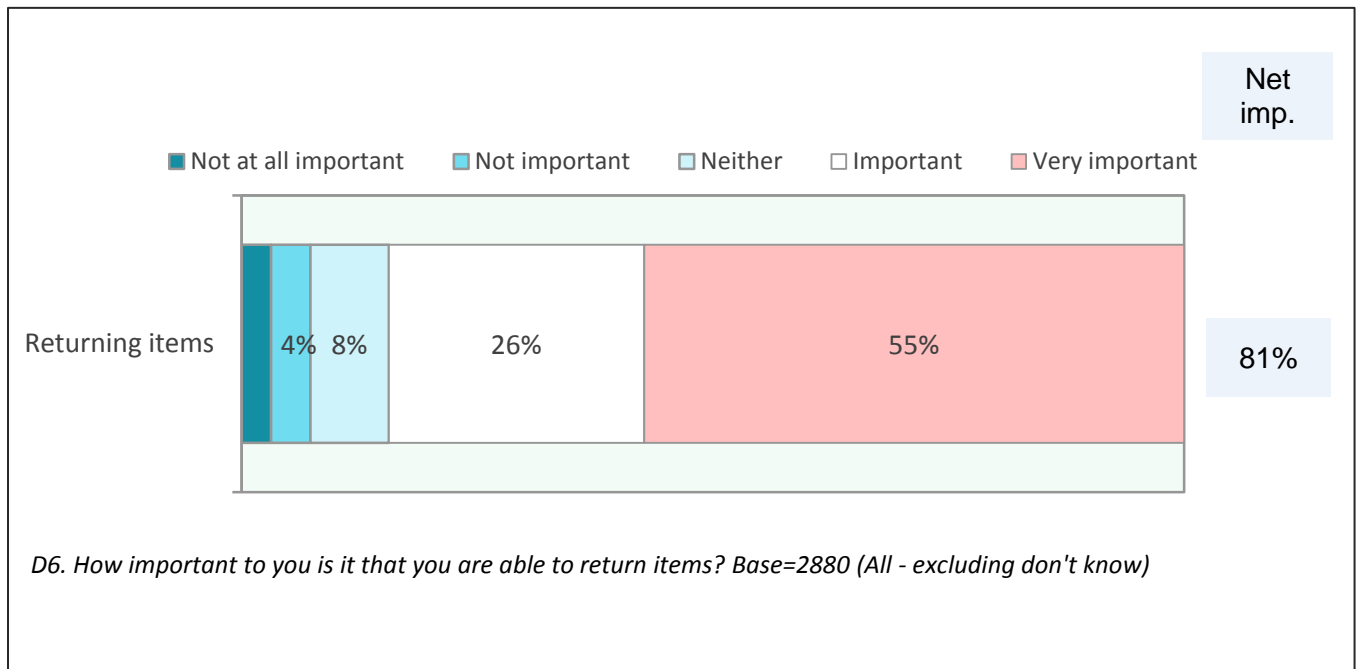
Generally, returning items is of similarly high importance across all demographic, geographic and attitudinal groups of consumers. For example, at an age level, the ability to return items has a similar level of importance across all groups although it declines slightly (though not significantly) as age increases (from 86% for people aged 18-34 to 81% for people aged 75+). The ability to return items has a similar level of importance for people living in urban and rural locations (83 and 85% respectively). However, the ability to return items is naturally more important to those who agree 'I much prefer online shopping to the high street' than those who disagree (87% compared to 82%).

There are a number of different factors which are considered when returning items. The top three factors are reliability of service (92%), security of item (89%) and access to a Post Office branch (78%). Overall, cost comes sixth out of the eight factors (75%).

Figure 4.8: Importance of different factors when returning items

Net imp.

Legend: Net - Not at all important/ Not important | Neither | Important | Very important

Factor	Net - Not at all important/ Not important	Neither	Important	Very important	Net imp.
Reliability of service	6%		30%	62%	92%
Security of item	4%	7%	30%	60%	89%
Access to a Post Office branch	8%	14%	31%	47%	78%
Speed of service	7%	16%	37%	40%	77%
Ability to track the item	10%	14%	34%	42%	76%
Cost	10%	16%	30%	45%	75%
Ability to return in store	11%	18%	33%	38%	71%
Ability to return via a Click and Collect service	15%	20%	31%	33%	64%

D7. If you needed to return an item, how important would each of the following be to you? Base=2880 (All - excluding don't know)
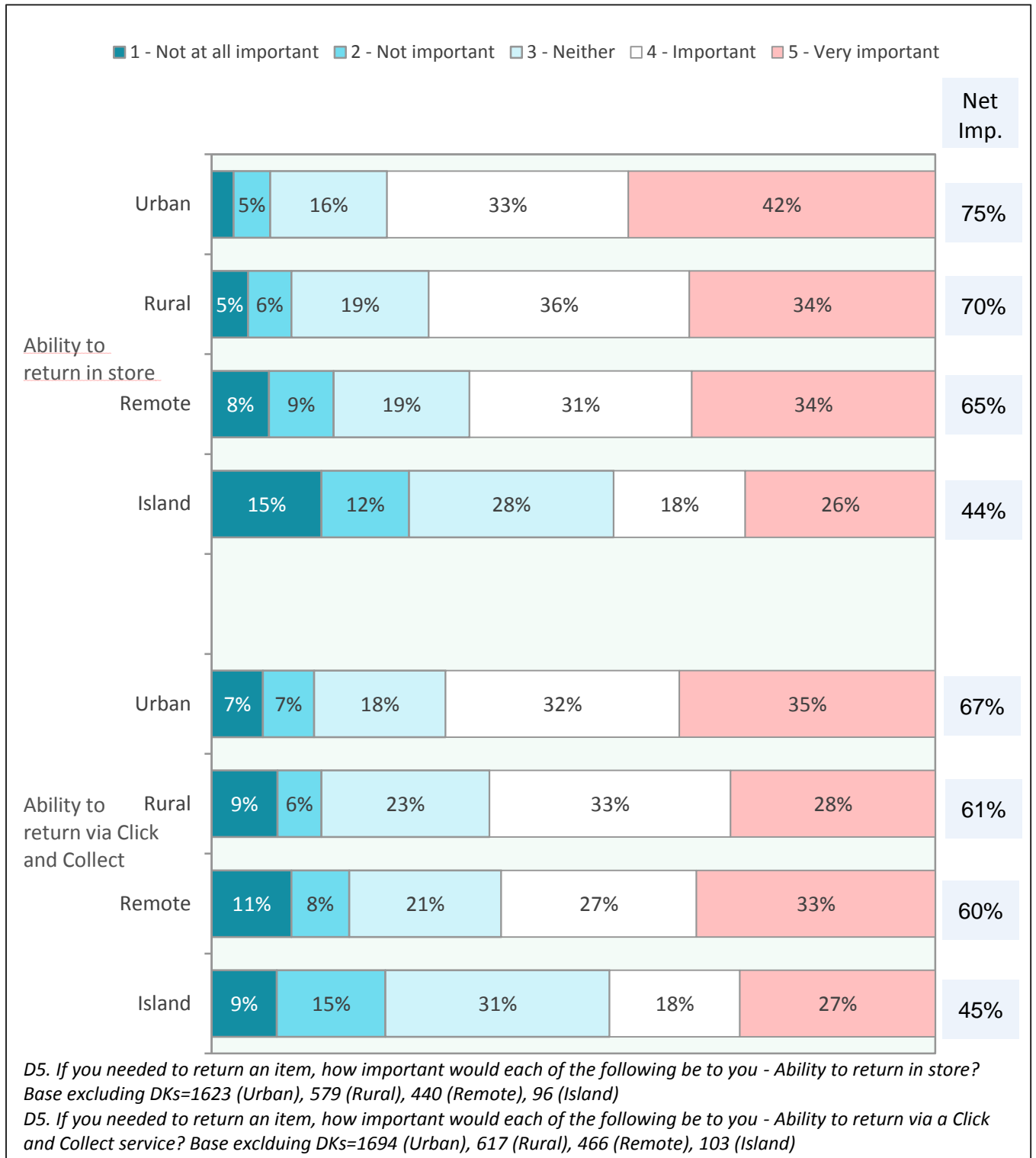
The importance of certain factors relating to returning items varies by demographic profile. For example:

- Older consumers attach more importance to access to a Post Office branch than younger consumers (85% net importance amongst those aged 75+ compared to 73% of those aged 18-34)

- Cost is slightly more important for younger age groups (76% for people aged 18-34; 78% for people aged 35-54; 70% for people aged 55-74 and 72% for people aged 75+). Cost is also significantly more important for people who are receiving benefits than those who are not (78 and 74% respectively)

Potentially a function of lower levels of provision in rural areas, consumers who live in urban areas attach more importance to returning items in store compared to consumers in rural, remote or island areas (75% compared to 70%, 65% and 44% respectively). They also attach more importance to returning items via a Click and Collect service compared to consumers in rural, remote or island areas (68% compared to 61%, 59% and 45% respectively).

Figure 4.9: Importance of ability to return in store and ability to return via a Click and Collect service by locality

D5. If you needed to return an item, how important would each of the following be to you - Ability to return in store? Base excluding DKs=1623 (Urban), 579 (Rural), 440 (Remote), 96 (Island)
D5. If you needed to return an item, how important would each of the following be to you - Ability to return via a Click and Collect service? Base exclduing DKs=1694 (Urban), 617 (Rural), 466 (Remote), 103 (Island)

For returning items, the size of the parcel is a consideration for some people when choosing which supplier to use. For smaller parcels, Royal Mail is the preferred supplier whilst for

larger parcels, there is a requirement to have these collected and so other suppliers are used.

Willingness to pay

The amount that consumers are willing to pay for postal services differs depending on what exactly the service consists of and points to a lack of awareness of current prices. A situation that could exist because, as previously stated in Section 2 the majority of consumers send post infrequently. For each of the different types of services investigated, without indicating the current prices, around a quarter of consumers could not say how much they would be prepared to pay. These people are typically older (75+) or people without internet access.

For a two to three day delivery service when sending letters, consumers are prepared to pay an average of £1.55 per item. This increases to £2.84 for a next day delivery service for letters whilst for sending a letter which needs to be signed for and has a value of up to £50 consumers are willing to pay an average of £3.95 per item. Consumers are willing to pay an average of £5.55 for sending a tracked parcel which has a value of up to £50.

There is a difference between what consumers are willing to pay and current prices, with consumers willing to pay more than current Royal Mail prices for posting letters and less for posting parcels. This implies that consumers would be willing to pay more for a guaranteed letter delivery service but it also reflects the lack of understanding about which of the different options is most appropriate when sending items. Current Royal Mail prices are 55p for a second class stamp and 64p for a first class stamp for a letter. For a large letter weighing less than 100g this increases to 75p to send second class and 96p to send first class. Special Delivery guaranteed by 1pm which offers cover of up to £500 for loss or damage starts at £6.45 for a letter or £7.25 for a small parcel and increases depending on the weight and value of the contents.

Figure 4.10: Willingness to pay for different services

D7-D10 Roughly how much would you be willing to pay for....? Base= 2,880(All)
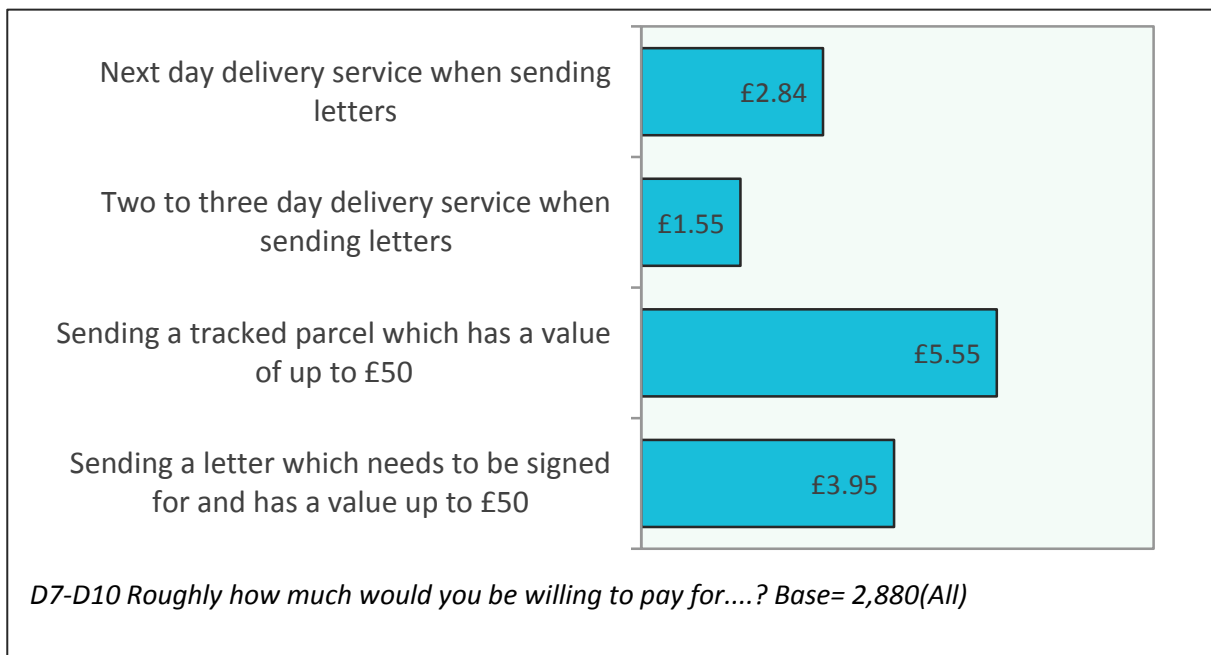
Key findings

Where consumers live plays a key role in their views on the reliability of the letter and parcel services that they receive:

- o Consumers who live in Scotland (31 percent) are more likely to agree that it is hard to get a reliable parcel and letter service because of where they live than consumers in England (18%) and Wales (21%)

- o Island consumers (37%) and remote consumers (32%) are more likely to agree that it is hard to get a reliable parcel and letter service because of where they live than consumers in rural (21%) and urban areas (18%)

More than half of consumers are happy to pick up their post, in addition to receiving it at home. This applies particularly to younger, better off and less vulnerable consumers:

- o Younger consumers (aged 18-34) vs older consumers (aged 75+) (59% compared to 38%)

- o Employed consumers vs unemployed consumers (59% compared to 50%)

- o Consumers without a disability vs consumers with a disability (57% compared to 49%)

Younger, better off consumers are also more likely to use alternative delivery points such as click and collect and lockerbanks:

- o Consumers aged 18-34 are more likely than those aged 55-74 and 75 or above to consider alternative delivery options very or quite important (50% compared to 41% and 39% respectively)

- o Employed consumers compared to unemployed consumers (49% compared to 40%)

When returning items, reliability and security are of most importance to consumers. Older consumers attach more importance than younger consumers to accessing a post office branch when returning items (85% net importance amongst consumers 75+ compared to 73% amongst consumers aged 18-34)

The qualitative phase found that most consumers trust the post, and don't have any concerns about using it. Only a small minority had experienced problems. It also found that tracking is perceived as more important than insurance, and that insurance covers safe and secure arrival. Royal Mail is trusted more than other providers, but other providers are appreciated by consumers for the range of services they offer and for the flexibility that alternative options allow. Ease and cost are key factors in motivating consumers to look beyond Royal Mail

BREAKING BLUE

Section 5: Likely future development of postal services

In order to contextualise consumers' postal needs in the future, we must first consider their existing postal needs. This allows us to understand how they are currently being met by postal services, and how these needs should be prioritised in the development of postal services moving forward.

We must also revisit the way in which consumer usage of postal services is changing and the impact that this is likely to have on their future needs – most notably, some consumers' increasing use of digital communication, and how this can be developed, and capitalised on, in the postal services market.

Given the findings, we expect future postal consumer needs to fundamentally develop in line with current needs, broadly consistent across locations and ages. Attributes that will remain important for consumers will include ease and convenience of sending and receiving items, affordability of key postal products and the reliability and safety of items they send and receive.

However, whilst the needs of consumers are likely to remain the same, the *way* in which these needs are met by postal services may need to change in the future, given the way in which technology is able to innovate services and competition is bringing greater choice for some consumers.

Decisions about communications methods

The consumer decision making process when it comes to choosing which form of communication method to use, generally consists of 4 key factors, including restriction to a certain type of communication; the tone they are looking to achieve; finding the cheapest option based on the need; and finding the easiest most convenient option.
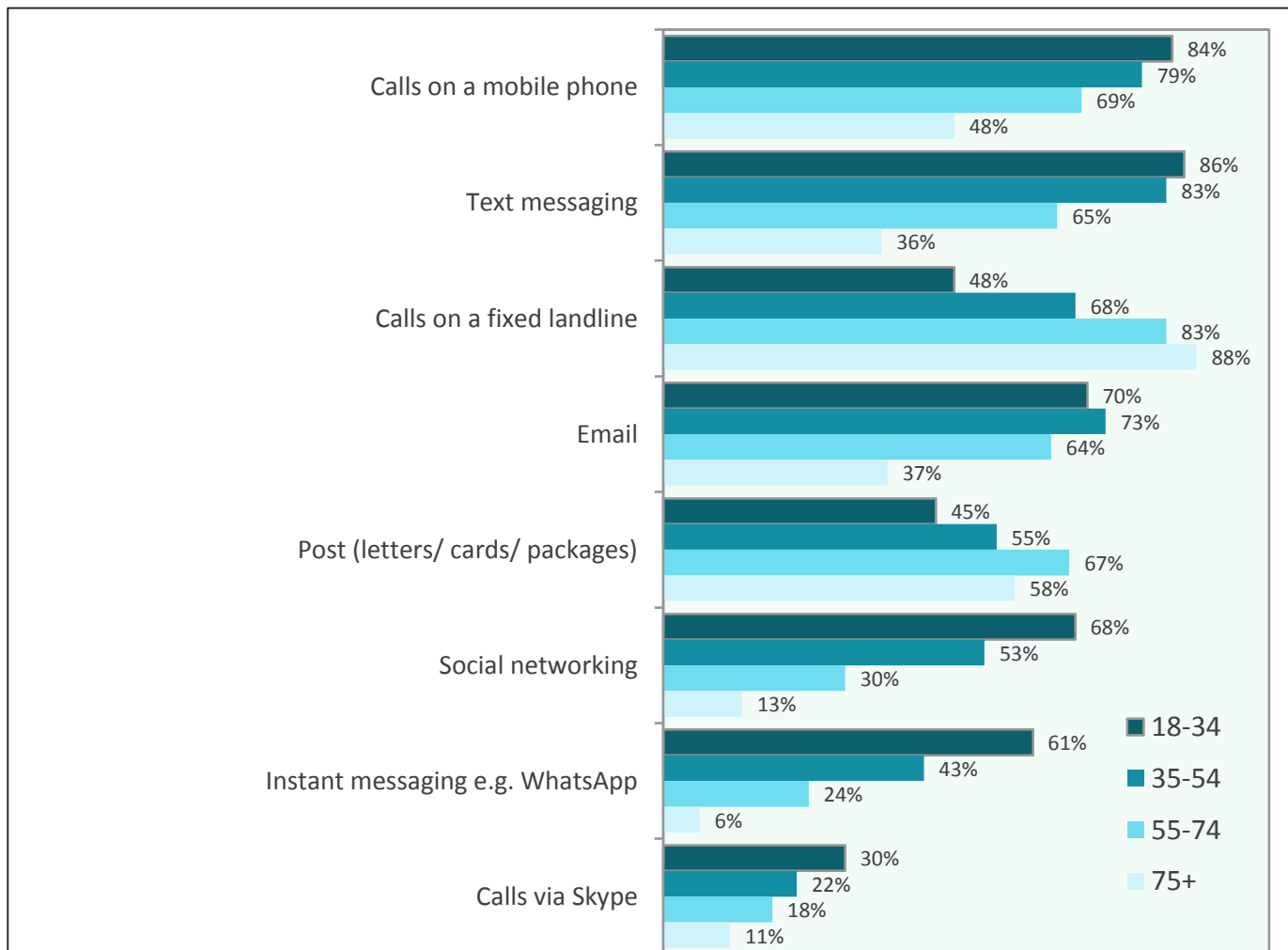
As we have seen in previous chapters, online communication methods are felt to address some of these needs more efficiently. For example, email and text message is felt by particular consumer groups to be preferable to sending a letter because it is free, instantaneous, secure, and consumers feel sure of when it was sent and received.

> *"Posting is not a good option when speed is essential and it's probably less secure, as it could go missing, whereas electronically it's almost always guaranteed it's going to get there." Older urban low income, teledepth*

As found in the quantitative phase, when compared to older consumers, younger consumers in particular are more comfortable using online communication methods, and are less likely to use post as a means of contacting others (45% of consumers use post as a means of contacting others compared to 67% of consumers aged 55-74).

Figure 5.1: Methods used to contact others by age

Calls on a mobile phone
84%
79%
69%
48%

Text messaging
86%
83%
65%
36%

Calls on a fixed landline
48%
68%
83%
88%

Email
70%
73%
64%
37%

Post (letters/ cards/ packages)
45%
55%
67%
58%

Social networking
68%
53%
30%
13%

Instant messaging e.g. WhatsApp
61%
43%
24%
6%

Calls via Skype
30%
22%
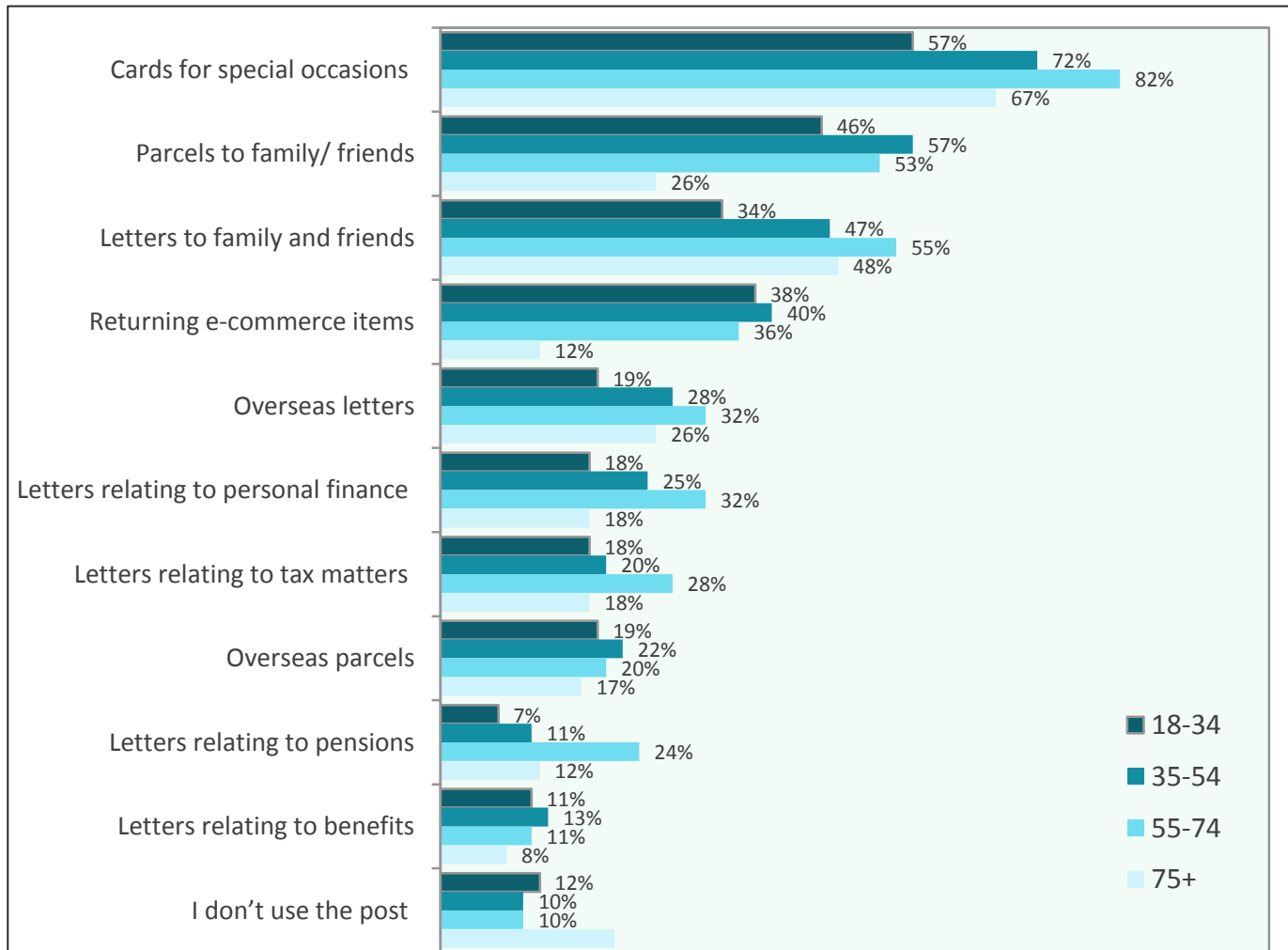18%
11%

■ 18-34
■ 35-54
■ 55-74
■ 75+

A1 Which of the following methods do you use for contacting others? Base= 2880 (All)

However there is still a place for postal services in consumers' lives, which is increasingly the case when it comes to online shopping as consumers send and receive more parcels. Post is also regarded as being one of the only communication methods, unlike digital, that provides a 'personal touch'. Although this is more important for older consumers. In addition, particular groups of consumers, including those who are disabled and who are from lower incomes , have a greater reliance on receiving formal items in the post (such as bank statements, utility bills) because many are less comfortable using online methods and value the safe-keeping of receiving these items via post.

> *"One benefit of sending an item through the post is that it's more personal."*
> *Older rural low income, teledepth*

BREAKING BLUE

Figure 5.2: Items sent in the post by age

Cards for special occasions — 57%, 72%, 82%, 67%
Parcels to family/ friends — 46%, 57%, 53%, 26%
Letters to family and friends — 34%, 47%, 55%, 48%
Returning e-commerce items — 38%, 40%, 36%, 12%
Overseas letters — 19%, 28%, 32%, 26%
Letters relating to personal finance — 18%, 25%, 32%, 18%
Letters relating to tax matters — 18%, 20%, 28%, 18%
Overseas parcels — 19%, 22%, 20%, 17%
Letters relating to pensions — 7%, 11%, 24%, 12%
Letters relating to benefits — 11%, 13%, 11%, 8%
I don't use the post — 12%, 10%, 10%

Legend: 18-34, 35-54, 55-74, 75+

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items (survey section C))

A small number of consumers are becoming increasingly savvy when it comes to choosing postal operators to collect and deliver parcels. Whilst awareness and usage of parcel comparison websites such as Parcel Monkey and Parcel To Go is still low, some consumer groups are becoming more aware of which parcel delivery services they are using when shopping online, or sending parcels themselves. This means that the savvier consumers are no longer using Royal Mail are their 'default' provider for sending parcels, and are shopping around when making these decisions.

> *"I pay for insurance when sending valuable items because it puts my mind at ease; even if it is lost or stolen I'll be reimbursed. Cost and reliability aren't barriers for posting something because I'm always insured and I have never had any customer service issues (as long as I get what I need I'm not really bothered). I use parcel comparison sites as the prices change depending on the parcels and cost is obviously an influence when making my decision." Employment support rural, teledepth*

> *"I use comparison sites if I'm sending a larger package because it is quite expensive with Royal Mail; I look on parceltogo.com to see what it would cost elsewhere, but then I have the aggro of finding a shop to drop it off." Self-employed, teledepth*

Future use of postal services

Overall, consumers see their use of postal services either remaining as it is currently or decreasing in the future. The key reason for declining use of postal services is the emergence of digital communication methods in all aspects of their lives:

> *"I don't really think that my use of postal services will change, I think that they will stay the same but I think that my daughter will see the day when there aren't any postmen, and everything you do will be emails; it's the way that things are going. It's like I watch very little main stream television now, I stream everything. In one way it's sad but in another it is progress." Self-employed, teledepth*

> *"In the last ten years my usage of the Post Office has gone down the pan; I used to use it regularly to send out my CVs but with the internet now it's so much easier to communicate. I think that in the future my use of the postal service will go down further because the things I send through the post now will have different way to be sent and I won't have any need for it." Self-employed, teledepth*

> *"As time goes on I think things are becoming more digital and I think that over time the Post Office will become less necessary. I feel like it will keep going downhill because the thing I use the Post Office for isn't for postal services. But I think that the amount of parcels I will receive will increase because there will be more internet shopping." Young rural low income, teledepth*

Whilst many consumers see the amount of letters they send or receive decreasing in future, they envisage doing more online shopping and receiving more parcels as a consequence.

> *"I don't think that my use of the postal service will change in the future because I only send birthday cards and the odd letter but I will probably receive more parcels in the future because of online shopping." Slow internet, teledepth*

Furthermore, those consumers who sell items on ebay envisage their use of postal services continuing to increase.

> *"I think that my use of the Post Office might actually change because sometimes I sell things on eBay and therefore I would use it more because once you have sold it you have to pay for the postage but you have to consider that in your cost. In terms of my use of the post in general I think that my use of it will increase because I might be selling more stuff and therefore sending more stuff." Young rural low income, teledepth*

Consumers who do not have an internet connection or have slow internet do not envisage their use of the postal services changing very much in the future. They continue to rely on postal services for formal communication, such as with their banks and utilities companies.

Furthermore, consumers who are not using the internet often, or indeed at all, do not regard digital communication to be as secure as using the post.

> *"I don't think that the postal service has changed much for me in the last few years but the prices have gone up and you wonder when it will stop. My access to the Post Office hasn't changed and I haven't noticed any increase or decrease in the number of services offered so I doubt that my use of the postal service will change in the future."* Rural consumer with limited or no internet access, teledepth

> *"There is nothing that I would like to receive online because it doesn't interest me. I am not confident using online services because I don't know how to use them and there's fraud online. I am very careful about security everywhere I go and so online wouldn't be an option."* No internet, teledepth

For these consumers, it is vital that they continue to have good access to Post Offices and post boxes.

> *"I don't think that my use of the postal service will change in the future, as long as I can still access the Post Office."* No internet, teledepth

Consumers' future postal needs

This section of the report discusses each consumer future need in detail, in the context of how they vary by different consumer groups.

Ease and convenience in real time

A current and future consumer need is for ease and convenience; these needs are developing alongside innovations in track and trace technology as evidenced by the findings.

The use of online tracking works well to meet consumers' need for feeling in control of sending and receiving post. Many consumers use online tracking services, either online or via text. This 'hybrid' of post and digital services gives consumers the benefit of control and, ultimately, peace of mind.

Consumers are looking to receive email or text notifications at the following points of the post journey: dispatch, at least an hour prior to delivery, an hour to thirty minutes to delivery, and then confirmation that the delivery has been made. There are also suggestions to develop an online functionality that allows consumers to see when the recipient has signed for their parcel.

> *"Royal Mail could make it easier by being a bit more competitive and ensure that tracking is standard; you can track your parcel with most courier services and it doesn't cost any more."* Employment support urban, teledepth

> *"I shop around for the best deal mostly within England by going onto comparison sites. I have used tracked mail which works very well; they also sent me an order number and I just logged onto my email and it said 'track your parcel' which was easy. It was from a Curry's van. It was good, I think I went onto the internet to check it and then finally got a text message a few hours before they arrived so it all worked in well."* Older urban low income, teledepth
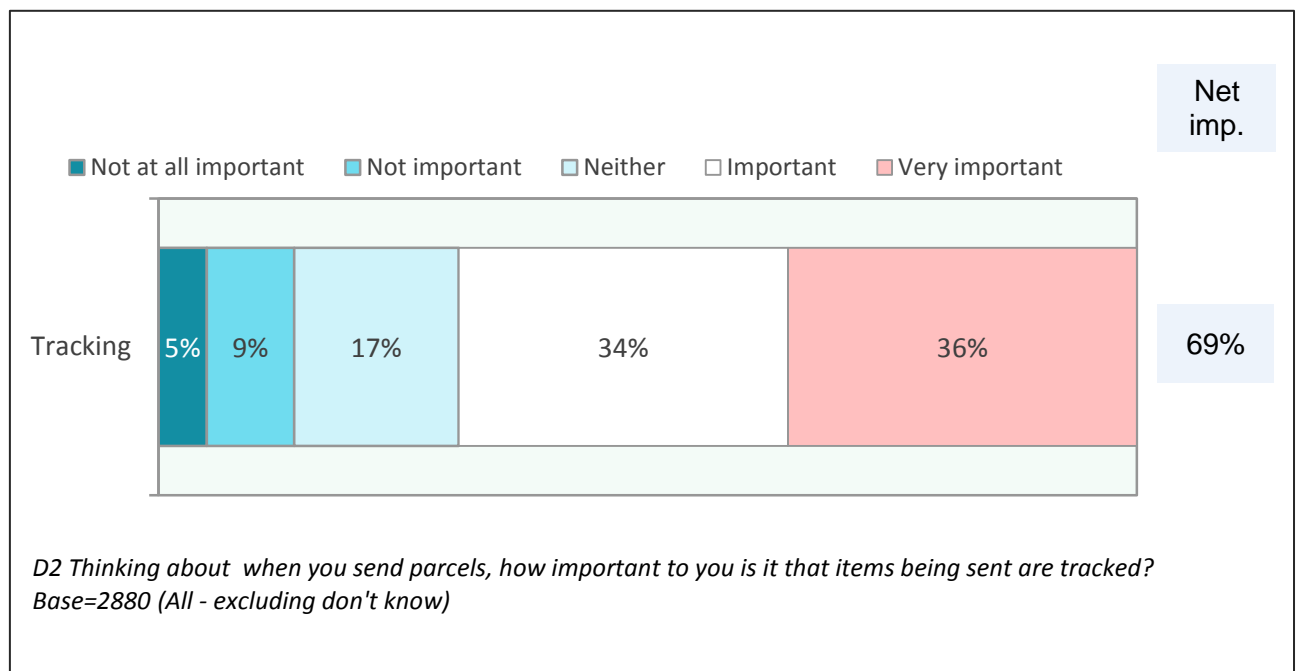
"I also think that Royal Mail is too expensive with poor reliability and a lot of stuff tends to go missing. I think the tracking should be more reliable and I think that it should always be free; I should always know where my items are. As an example, I had a dress that I had sent back and I was tracking it but it just didn't give me any updates and the parcel was never found and I felt really annoyed that I'd lost so much money." Urban with limited or no internet access, teledepth

"I have used online tracking with DPD who sent me an email to track my parcel; it was a very easy process and you could log in and say if you wanted it left in a safe place." Self-employed, teledepth

The quantitative phase of this research found that, when sending items, tracking is considered very or quite important by the majority of consumers, and by younger consumers most of all. The use of online tracking through mobile technology to meet consumers' future needs for ease and convenience is likely to increase, as the online shopping industry continues to grow and invest in ecommerce tools.

Figure 5.3: Importance of tracking for items that are sent

	Net imp.
Not at all important ■ Not important ■ Neither □ Important □ Very important	
Tracking: 5% / 9% / 17% / 34% / 36%	69%

D2 Thinking about when you send parcels, how important to you is it that items being sent are tracked? Base=2880 (All - excluding don't know)

Consumers are also looking for ways in which they can have more control over how they send parcels in order to meet the future need for ease and convenience. The most commonly cited way in which consumers think the Royal Mail could do this is by offering 'door to door' pick-up and collection services, i.e. collecting parcels from consumers' homes rather than them having to take them to the Post Office themselves. The majority of the consumers we spoke to suggest that they would be more likely to use the Royal Mail, for sending parcels in particular, if it offered this pick-up service.

"The Royal Mail could make it easier for me to send/receive parcels by having some sort of door service or so some sort of collection service maybe like at the shop here there's a drop off and collection point. They could have village

collection and drop off services or even better, to my door. I think the Royal Mail should go back to having more than one delivery a day which it was two years ago." Slow internet, teledepth

"They need to provide a service that is online where you can order someone to collect your item and then deliver it...I think that they could also do with putting more post-boxes about." Employment support rural, teledepth

Consumers suggest that the parcels could be collected by the postman/postwoman and then customers would pay online once the parcel had been weighed and sent.

"In the future you will end up signing into the website and letting them know there is a parcel or letter to be collected for when they next come to drop off your post and I think that needs to happen." Young rural low income, teledepth

That said, many consumers acknowledge that this is not likely to be a plausible solution since it will be costly and too time consuming for Royal Mail to implement a door to door pick up service. Therefore, most mainstream consumers see this service as a 'nice to have'.

However, there are some consumer groups where this is felt to be an *essential* service, particularly for those who are physically unable to take letters or parcels to the Post Office themselves. Older consumers, isolated consumers or those with health issues are often struggling to return or send parcels since they cannot take them to the Post Office.

"It would be much easier for me if items could be collected from my house." Urban mobility issues, teledepth

"It would be good if the Royal Mail introduced a service where you can have items collected from your house for delivery like other companies do; if an item is heavy then I will use different company because I can't get it to the Post Office and so I have to get delivery elsewhere." Visual impairment and mobility issues, teledepth

Alternative postal providers such as myHermes are already offering this 'pick-up' service:

"I have to consider the cost and the size of the parcel. If it is a small parcel my son will take it to the Post Office for me himself but if it is a big parcel I will contact Hermes for them to pick it up and deliver it." Older rural low income, teledepth

"My son will take the parcel to the Post Office for me or I would get in touch with Hermes to ask them to pick up the parcel and deliver it. If my son's working and my neighbours are working, then I have to wait but I always need someone to help me." Mobility issues, teledepth

Furthermore, this issue is likely to be increasingly significant in light of the Post Office Network Transformation. For example, as Post Offices change location it may make it increasingly difficult for those with mobility issues to access them:

"My nearest Post Office used to be at the end of my road, but it closed down and now I have at least a 20 minute walk to the nearest one. My health problems mean I can't drive anymore, so in the winter it's really difficult to carry a parcel

*all that way. Last time I needed to send a big parcel, I just couldn't do it myself –
it made me feel really helpless, and I had to ask my brother to do it for me."
Visual impairment, teledepth*

Another consumer group being affected by these changes are those living in rural and
remote areas:

*"The PO's are closing in the rural areas so you've having to go further. Years ago
you'd go to the village PO to get your parcel, but now I have to do a 20 mile
round trip to get my parcels." Remote high/middle income consumers, focus
group*

Another way in which postal services could meet the need for ease and convenience for
vulnerable groups is by making proof of posting and tracking information more accessible.
An example that is cited by those consumers we spoke to who are visually impaired is that
they find the relevant Royal Mail details found in Post Office communications difficult to
read, such as the online tracking number on parcel receipts and information leaflets in Post
Offices about Royal Mail services.

Whilst these consumers acknowledge that their needs are very specific, and that they can
find ways around them, such as using a magnifying glass or looking up information online
and enlarging the font, the need here is to acknowledge the difficulties they face and
willingness to do something about them. For example, having a large print tracking number
on the receipt so that people will visual impairments can read them more clearly.

*"In the past I've really struggled to be able to read the tracking number on my
receipt, so I couldn't go online to track my parcel. That really annoys me, and
I've had to just give up before. I would have thought they had a legal obligation
to do that. Having it in a large enough font for people like me is obvious." Visual
impairment, teledepth*

*"The only thing about my personal circumstances that has an impact on
receiving post is that the writing is too small on the things I get and the problems
with my eyesight make it hard to read things." Visual impairment, teledepth*

Another way in which consumers' needs for ease and convenience can be met in future is
via more concise postal delivery slots. Their expectations of what is an acceptable, or
better, delivery slot time is being shaped by their increasing use of online shopping,
particularly Amazon and several supermarkets' one hour delivery slots.

Consumers surveyed would like to be able to choose a narrower delivery slot for parcels in
order to avoid having to go the sorting office should they be out when the delivery is made.
This is particularly important for those consumers who are working full time and therefore
out of the house for most of the day.

*"The Royal Mail could make sending and receiving items easier by having a
designated time that items are received every day in my area. It would also be
good if the Royal Mail had a Click and Collect service at local shops." Young rural
low income, teledepth*

"I can't remember who the provider was but I bought something from Amazon and I could see when it was being sent so I knew when to be in for it to be delivered. The process was easy to follow and it made me feel more at ease because I knew that it was in stock." Young urban low income, teledepth

In the context of the need for ease and convenience, there is significant demand for Post Office and 'sorting'/ 'collection' offices to have longer opening hours; this is a consumer need that is consistently, and widely, noted as not currently being met across different locations and ages. Post Office hours are felt to be restrictive and inconvenient, particularly for those consumers working full-time. Ideally, they are looking for opening hours to be extended, catering for those who cannot get to the Post Office before 5pm. However, there are several other suggestions that could help meet this need:

- Introducing more postal pick-up points or lockers, so that consumers are able to access their post outside of working hours

- Integrating more Post Offices into high street shops which have longer opening hours, which is happening as part of Network Transformation in many cases

   "It would be great if they could deliver or collect earlier or later in the day. I work full time 9 to 5, and don't feel happy asking for the parcel to be left anywhere – I like to be able to sign for it myself." Urban high/ middle income, teledepth

   "My postman daily delivery isn't until 5pm at night, I live in a little fishing village, really rural, so when you've got something too important to deal with you can't actually deal with it, you have to wait. They have such a vast rural area to cover, it's definitely got worse recently." Rural high/ middle income, focus group

Furthermore, consumers are looking for more frequent Royal Mail deliveries to help overcome the issue of 'missing' their post, and also generally speeding up the delivery service.

The need for ease and convenience will also continue to grow in importance for consumers when it comes to collecting parcels that have not been delivered, and returned to the sorting office. Services that improve parcel delivery and returns will be increasingly important given the increase in online shopping and parcel delivery. For example, giving consumers the option to have parcels delivered to a neighbour instead, choosing a 'safe place' to leave them, and Click and Collect facilities in local shops and businesses are all becoming more important to consumers.

Some consumers reported there is a need to improve the customer experience at the Post Office in order to encourage more consumers to use its services, and meet need for ease and convenience across locations and ages.

The most frequently mentioned issue with the Post Office is long queues, resulting in the use of the Post Office to send letters and parcels being a time consuming, and often frustrating, experience for consumers. It is important to make sure that queue times are closely monitored during the rollout of the Network Transformation programme, so that the consumer need for ease and convenience can be met effectively.

"The main problem is queuing to collect at the Post Offices. Parking can be a problem too. They tend to close quite early as well." High/ middle income, teledepth

"The Post Office in our area is downsizing to just one counter so the queues are longer, so people are getting put off more because of the way the Post Office are restructuring some of their Post Offices…. If you just want to wait to see if your card can fit through the sizing thing then that can be off-putting… They are downsizing, so people aren't going to want to go in as much." Remote high/ middle income, focus group

"The Post Office in the city centre is a nightmare. There are horrendous queues. I'm lucky as I live in a flat and there are concierge services, although I have had instances where DHL have left a card and I've been waiting. They've not left it with the concierge nor have they knocked on my door!" Urban high/ middle income, focus group

Suggestions to reduce waiting times and queues include the further rollout of the following services:

- Self-service-style 'checkouts'
- Separate desks, and queues, for sending and receiving letters or parcels, and other services such as passport renewal or foreign currency

"They could provide digital stamps so you don't have to go to the Post Office." Employment support urban, teledepth

Affordability

Another key future need is affordability.

As we have seen, particular groups of consumers are becoming savvier when it comes to their price perceptions and expectations of postal services, for example free delivery and returns is often expected when it comes to online shopping. There is also some awareness that Royal Mail's prices are increasing, which is putting some consumers off sending letters and parcels. Consumers on a low income or on employment support are the most likely groups to feel that Royal Mail is expensive. In order for sending cards and parcels to remain an attractive proposition, consumers must feel that the price of sending is reasonable and 'worth it'.

"One barrier would be the cost but there's not a lot you can do about it, if you want to use it you have to pay it, but if it got too expensive I would start using couriers for everything." Employment support rural, teledepth

"I don't worry about fraud and security or the ease of the service but the regularity of the service is a problem as it only comes once a week. Cost also affects my decision to use the post because it's getting more and more expensive. The reliability of the service would factor into my decision as well because things sent by mail take a while to get there so if anything goes wrong

you wouldn't find out for a number of days; if an email goes wrong I can find that out straight away which makes it better." Mobility issues rural, teledepth

"If the Royal Mail wants to keep up with the increase in parcels they need to be more flexible in their price to compete with couriers." Employment support rural, teledepth

"I can see myself using more of the competition to get the best price because I think the Royal Mail are getting very expensive." Employment support urban, teledepth

"When I think about the Royal Mail I think parcel deliveries. If I was to describe Royal Mail in three words it would be good, quick and fast. They always try and think of better ways of delivering things and they definitely meet my requirements (other than it being expensive for sending larger parcels)." Employment support rural, teledepth

"In the past I have use Hermes, Yodel, Parcelforce, Royal Mail and UPS. Parcelforce have delayed parcels a couple of times but they were delivered the next day, everything else with all the other companies was fine. My favourite services were Hermes and Parcelforce as they accurately tell you what time your package will be there and it helps me to better organise my day. Delivery options matter to me with a company as sometimes they charge you for a particular timeslot; I don't like to pay for delivery so I always go for the free one. I wouldn't stop ordering from a place because of poor delivery options but I would stop ordering for poor returns options." Older rural low income, teledepth

Consumers expressed a need for clearer pricing structures in the future, particularly for sending letters.

Consumers are still confused about what size and weight of letters will be accepted if they put them in the post box rather than going to the Post Office. Several consumers can recall experiences where they have put letters in the post box and have been unaware, until they have spoken to the recipient that extra postage needed to be paid by the recipient. Consumers are looking for a clear and simple set of guidelines that sets out the size and weight restrictions for letters in particular – for the pricing to be more uniform.

"I don't like the fact that you have got to confirm the size of a letter/parcel by pushing your parcels through something to make sure that they fit (it's quite awkward). I think a lot of people have been caught out before by it even when sending a birthday card if it's got a like a badge on it for example. It was a backwards step when they did that especially when the people it affected was older people because they tend to buy these cards to send them to grandchildren. They managed to bring the two kilos down to competitive rates but it's the bit from there that adds cost. I much prefer to use the Royal Mail because they do have a compensation scheme and it's a safeguard." Older urban low income, teledepth

"I just don't take the risk now of putting anything but a standard small envelope in the post box because I've been caught out a few times before. The letter I

posted was apparently the wrong size, so it got held up for about 5 days and then they got a note from the postman saying they had a letter waiting so they would have to pay the postage on it. This issue happens because it isn't clear what you can and can't put in the standard post box." Visual impairment, teledepth

"The size thing spoiled a lot. You have to watch the size of your cards at Christmas that spoiled it. It used to just be one price for sending a card. If you're sending something bigger, instead of just sticking a stamp on it and posting it, you have to take it to the Post Office to get it measured." Remote high/ middle income, focus group

As highlighted earlier on in this section, quantitative evidence shows that older consumers are significantly more likely to send cards to family or friends. Therefore, it would help meet this need of older consumers by making card pricing simpler and clearer.

Reliability and safety

Another key consumer future need is for reliability and safety when using postal services.

Qualitative evidence suggests that many consumers think of Royal Mail as an institution that is integral to the British community. Postmen/postwomen are felt to be unique in that they visit most homes around the country on a fairly regular basis, and can even build real relationships with consumers. Although this reason alone is unlikely to influence consumers' postal behaviours directly, it continues to impact positively on perceptions of Royal Mail as a reliable and trustworthy postal provider.

"I have never sent a parcel with anyone else other than the Royal Mail because it's easier for me to use them as it's something I've been brought up with. I have confidence in the Royal Mail though, it's a trustworthy company and it's been going for years; a good British company." Employment support urban, teledepth

"I trust Royal Mail much more than other courier companies, if I had something really important to send I would use Royal Mail, it's because it's always been there. Courier companies - it's the fear of the unknown." Remote high/middle income consumers, focus group

Consumers feel that having a postal service that they can rely on to 'do the job' is key. Consumers' definition of a 'doing the job' is to deliver the letter or parcel to its intended recipient within a time that it promised to do so, and in the condition that the it left the sender in.

"The most important thing for me is that my post gets to where I send it, in the same condition that it left me in and in the timeline I expect. Generally, I think the Royal Mail does a pretty good job – I have a lot of trust in them." Urban employment support, teledepth

"I'd like to see them offering tracking on all post as standard now. I like using the post, I like putting things in the post box, but there's a risk factor. Really, you have to pay for recorded delivery to guarantee that it gets to the right place at

the right time – but that's just paying even more for it to do the job it should be doing – that's outrageous." Visual impairment, teledepth

"The post could be better and I feel that it is very slow at the moment. For example I had a parcel sent out from a company which was supposed to come second class so I waited a few days and finally after three weeks it came - three weeks to get here is ridiculous." Employment support urban, teledepth

"Hermes lost a delivery… It was a nightmare to get a refund. I bought it from ASDA. I never got the refund from ASDA for another month because they had to contact Hermes to find out about it. It had been signed for, but it wasn't my signature." Rural high/middle income consumers, focus group

"Hermes delivered a parcel to me and I waited in all day and it was 7:30pm when they eventually turned up. In another situation UPS took it upon themselves to deliver my parcel to the shop at a pickup point even though I had paid for next day delivery and requested that it was to be delivered to my house and I thought that someone had stolen it; I ended up having to go to the shop to pick my parcel up following an email that I has received." Older rural low income, teledepth

Consumers feel that it is the postal operator's responsibility to ensure that every letter and parcel is sent or received on time and undamaged. Whilst there is acknowledgement that Royal Mail has a difficult job in achieving this, expectations are still high for the future of the service; suggestions for how it could be optimised include consistent postal delivery times every day, across location and age.

Key findings

Online communication methods are felt to address some of consumers' communication needs most efficiently.

However, there is still a place for postal services in consumers' lives, which is increasingly the case with regards to online shopping

A small number of consumers are becoming increasingly savvy when it comes to choosing postal operators to collect and deliver parcels – choosing to use parcel comparison websites such as Parcel Monkey and Parcel To Go

In the context of increasing digital communication, consumers see their use of postal services either remaining as it is currently or decreasing in the future. However, many envisage doing more online shopping and therefore receiving more parcels

Quantitative evidence shows those consumers who agree that they much prefer online shopping to the high street are significantly more likely to use the post to send parcels to family or friends at least once per fortnight

Consumers' postal needs for the future are fundamentally the same as they are currently, broadly consistent across locations and ages. However, those consumers who do not have an internet connection or have slow internet do not envisage their use of the postal services changing very much in the future. They continue to rely on postal services for formal communication, such as with banks and utilities companies

Ease and convenience:

- o Services to help meet these needs include: online tracking, parcel 'pick-up' and collection services, easy access to Post Offices and post boxes, more concise delivery slots, longer Post Office and 'collection' office opening hours, introducing more postal pick-up points so consumers are able to access their post outside of working hours, integrating more Post Offices into high street shops which have longer opening hours

Affordability:

- o Particular groups of consumers are becoming savvier when it comes to their price perceptions and expectations of postal services, for example free delivery and returns is often expected when it comes to online shopping

- o There is also some awareness that Royal Mail's prices are increasing, which is putting some consumers off sending letters and parcels. There is also a need for clearer pricing structures in future, particularly for sending letters.

Reliability and safety:

- o Qualitative evidence suggests many consumers think of the Royal Mail as an institution that is integral to the British community. Although this reason alone is unlikely to influence consumers' postal behaviours directly, it continues to impact positively on perceptions of the Royal Mail as a reliable and trustworthy provider.

Overview and conclusions

In line with the objectives for this study, the research has provided a number of conclusions around:

- How consumers rely on post in an increasingly digital and mobile age
- Types of communications seen as vital in receiving and sending via post and the impact of the growth of e-commerce
- Which groups of consumers are most affected by changes in the postal market, with particular focus on different socio-economic groups
- How future needs of consumers need to be addressed with a particular focus on consumers with potential areas of vulnerability and low income

Many findings expand on research that has shown that UK consumers have different needs for post based on their location and age. This research sought to delve deeper into the experiences of different socio economic groups of consumers across England, Wales and Scotland, exploring issues with consumers around their digital access and specific needs for consumers with mobility issues.

These conclusions are discussed in further detail below.

How consumers rely on post in an increasingly digital and mobile world

Post used heavily but infrequently

Digital communications outstrip post in terms of how consumers most frequently communicate, primarily because of the ease, convenience, speed and low cost that such methods offer. However, post is still used as a means of sending items by the majority of consumers, albeit on a relatively infrequent basis.

In spite of consumers' low use of post as a means of communication (at least as senders), they place high value on receiving certain items in the post, including communications from friends and family (which are often seen as having more of a 'personal' touch) and more formal communications which many feel less comfortable accessing online.

Types of communications seen as vital in receiving and sending via post and the impact of the growth of e-commerce

Some still value accessing formal correspondence via post

There is a sense that communicating digitally is the direction of travel and post is becoming less necessary. However, many consumers still view items that are now accessible online, such as bank statements and bills, as vital to receive via post, primarily because of the perceived advantages hard copies bring in terms of feelings of security, safety, and safe-keeping, which some consumers are naturally less trusting of online. In addition, many consumers acknowledge that, while they are becoming less likely to send letters, they see online shopping becoming more common in the future and anticipate receiving more parcel deliveries as a result.

BREAKING BLUE

Levels of digital engagement impacts on use of post

Consumers' relationship with post is increasingly being driven by their use of and proficiency with modern, digital forms of communication, particularly mobile phones, email and more general internet access.

Consumers who are naturally more digitally engaged generally feel that communicating via post at least on a social level and to manage their day-to-day lives, through managing their finances, bills etc, is becoming increasingly unnecessary. However, such groups tend to be more likely to use post for online shopping. Conversely, consumers who are less digitally engaged are more likely to depend on postal services, including sending and receiving various types of formal and personal communications, and using the Post Office.

Postal operators viewed positively for different reasons

Consumers generally have positive perceptions about the Royal Mail; they see it as a reliable and trustworthy service and broadly share positive experiences. However, there is a sense that alternative providers can offer more choice around using post including tracking and alternative delivery options. Nevertheless, such providers are yet to engender strong feelings of trust amongst postal consumers, though the wider range of services they offer are often viewed positively, particularly by lower income, older and disabled consumers.

Which groups of consumers are most affected by changes in the postal market, with particular focus on different socio-economic groups

Older consumers have a greater reliance on post

Certain groups of consumers are naturally less digitally engaged than others, thus impacting on their relationship with and use of post. Most prominently, at a demographic level, age is the most polarising factor in terms of consumers' relationship with post.

As a result, older consumers continue to be more reliant on post both in terms of communicating with friends and family, as well as using post as an alternative to digital methods for more formal communications.

Consumers on a low income more likely to use post to manage day-to-day lives

Socio-economic factors can also influence reliance on the post. Consumers who are less digitally engaged, most often consumers from households with lower incomes and lower social grades, have a greater dependence on communicating with others using the post. These consumers are also more likely than consumers generally to manage aspects of their day-to-day lives (often relating to finances, bills and medical appointments) via post over online methods. For example, C2DE consumers attach more importance to receiving bank statements in the post than ABC1 consumers (83% compared to 74%), as do consumers on a low income when compared to consumers on a high income (79% compared to 66%).

In addition, disabled consumers have distinct needs around receiving post, such as receiving items that they are unable to purchase due to mobility impairments or because those items are not sold close by. For example, disabled consumers are more likely to receive mail relating to medical appointments than non-disabled consumers (60% compared to 47%).

BREAKING BLUE

Rural consumers exhibit distinct needs relating to post

The findings didn't necessarily show that consumers who live in rural and remote areas have a greater reliance on post, but they do continue to have distinct needs. Rural and remote consumers are similar to urban consumers in terms of their relationship with digital methods of communicating, and thus exhibit similar behaviour around the types of items they receive in the post and the importance they attach to postal delivery. However, rural and remote consumers are likely to be more negative about the service they receive because of where they live. These consumers recognise the additional costs associated with delivering items to rural and remote areas. In this context, they greatly appreciate the universal service for sending letters, though the cost of sending parcels is of greater concern.

How future needs of consumers need to be addressed with particular focus on consumers with potential areas of vulnerability and low income

Consumers increasingly seek greater choice

As the postal market becomes more competitive, there is an acknowledgement amongst most consumers that, in order to keep up with digital trends and alternative providers, there should be a drive towards greater choice in the postal market in the future. For example, consumers are increasingly looking for greater flexibility in terms of sending items, a more customer-centric experience at the Post Office, and greater transparency around pricing when sending items through the post.

More generally, consumers are looking for the postal market to support and build on the distinct needs they currently have, and the ways in which the advancement of digital technologies will be able to meet these changing postal needs in the future.

Consumers expect letters to decrease and parcels to increase

Many consumers we spoke to (particularly younger consumers) sensed postal services are evolving. The market is seen to be becoming more competitive in the pick-up and delivery of parcels while becoming more expensive to send items. Most consumers acknowledged that while they see communications by letters likely to fall, they expect to receive more parcels in the future.

Consumers are looking for services that suit fit their needs

Consumers generally seek greater ease and convenience, comprising additional services such as tracking and collection, and more flexible opening times for Post Offices and delivery.

In tandem with an increasingly competitive market, most consumers also seek a clearer and more transparent pricing structure that informs their post decisions. Finally, most consumers feel that the perceived current high standards exhibited by the Royal Mail relating to reliability and safety need to be maintained going forward, particularly as new providers enter and innovate the market.

BREAKING BLUE

Appendix 1: Quantitative questionnaire

Good Morning/ afternoon, my name is .... calling from Bright Blue. We are currently working with Citizen's Advice. They help people resolve their money, legal and other problems by providing information and advice. Citizens Advice represents consumers who send and receive post, and they are interested in understanding consumers' needs and use of postal services. Could you spare me a few minutes to answer some questions on this subject? The interview won't take more than 20 minutes of your time.

IF NO: Is there a more convenient time I could arrange to call you back?

This research is being conducted under the terms of the Code of Conduct of THE MARKET RESEARCH SOCIETY. Your replies will be treated in the strictest confidence and will not be attributed to you. You have the right to stop at any point or not to answer specific questions. This research is strictly for research purposes only so your details will not be passed on to any third parties and no attempt to sell will result from taking part in this survey.

Screener

We're first going to ask a few questions so that we can ensure this survey is suited to you.

ASK ALL

S1   DO NOT ASK, CODE GENDER

1. Male
2. Female

ASK ALL (min 0, max 99)

S2   How old are you?

_____

REFUSED – THANK AND CLOSE

HIDDEN DUMMY

dS2   How old are you? – dummy question to punch age entered at S2

1. Under 18   THANK AND CLOSE
2. 18-24
3. 25-34
4. 35-44
5. 45-54
6. 55-74
7. 65-74
8. 75-84
9. 85+

ASK ALL

S3   Where do you live?

READ OUT, SINGLE CODE

1. Scotland
2. Wales
3. Northern Ireland   THANK AND CLOSE
4. England

ASK IF S3=4

S4   In which region in England do you live?

READ OUT, SINGLE CODE

1. North East
2. North West
3. Yorkshire and Humberside
4. West Midlands
5. East Midlands
6. East of England
7. South West
8. South East
9. London

ASK ALL

S5   Which of the following best describes your current working status?

READ OUT, SINGLE CODE

1. Employed – full time (usually working 5 full days a week)
2. Employed – part time (usually working 3 to 4 full days a week)
3. Employed – part time (usually working 1 to 2 full days a week)
4. Self employed
5. Retired
6. Unemployed
7. Student
8. Stay at home parent
9. Housewife/ husband
10. Prefer not to say   THANK AND CLOSE

ASK ALL

S6   What is the employment status of the main income earner* in your household?

*Note: If retired with a company or private pension, or other private means, please then answer based on the previous occupation

READ OUT, SINGLE CODE

1. Senior managerial, administrative or professional
2. Intermediate managerial, administrative or professional
3. Junior managerial, administrative or professional; office workers, supervisors

4. Student
5. Skilled manual worker with industry qualifications (e.g. carpenter, bricklayer, plumber, bus/tram driver, fitness instructor, etc.)
6. Semi or unskilled manual worker without qualifications (traffic warden, checkout operator, dustman, trainee hairdresser, etc.)
7. Unemployed
8. Prefer not to say   THANK AND CLOSE

SEG	Code
ABC1	S6=1-4
C2DE	S6=5-7

Attitudinal statements

AT1   First of all, I want to ask you some general statements and I'd like you to indicate the extent to which you agree or disagree

Please answer on a scale of 1 to 5 where 5 means strongly agree and 1 means strongly disagree

ROTATE STATEMENTS

1. My mobile phone is my primary means of contacting other people
2. I visit the Post Office on a regular basis
3. I much prefer online shopping to the high street
4. When sending something through the post, cost is my main concern
5. The technology we have now means sending letters is now unnecessary
6. It is hard to get a reliable parcel and letter service because of where I live
7. As well as receiving items at my home address, I am more than happy to pick up post (letters and parcels)
8. I use my landline phone on a regular basis

1. Strongly disagree
2. Disagree
3. Neither
4. Agree
5. Strongly agree
6. Don't know/ prefer not to say
7. Not applicable

Section A: General behaviour

I now want to ask you a few more detailed questions about how you contact others

ASK ALL

A1   Which of the following methods do you use for contacting others?

IF NECESSARY: Please note we are not referring to communications that are made for business purposes but communications that you make personally

ROTATE, MULTICODE

1. Post (letters/ cards/ packages)
2. Calls on a fixed landline
3. Calls on a mobile phone
4. Calls via Skype
5. Email
6. Instant messaging e.g. WhatsApp
7. Text messaging
8. Social networking
9. Other (please specify)

ASK IF A1=1

A2   How often do you send items through the post?

IF NECESSARY: That is letters or parcels that you send personally that aren't made for the purposes of your employer

READ OUT, SINGLE CODE

1. Daily
2. A couple of times a week
3. Once a week
4. Fortnightly
5. Monthly
6. Only for special occasions
7. Don't know/ prefer not to say

ASK ALL

A3   How often do you visit the Post Office?

DO NOT READ OUT, SINGLE CODE

1. Daily
2. A couple of times a week
3. Once a week
4. Fortnightly
5. Monthly
6. Every few months
7. Less often or never
8. Don't know/ prefer not to say

ASK IF A4=1-6

A4   Which of the following do you use the Post Office for?

READ OUT, MULTICODE, ROTATE LIST

1. Buying stamps (first and second class)
2. Sending parcels
3. Returning items
4. Airmail/ overseas mail
5. Recorded delivery
6. Special delivery
7. Banking –paying in and withdrawing cash
8. Driving license applications/ renewals
9. Pensions
10. Benefits
11. Travellers cheques
12. Collecting documents/ licences
13. Paying bills
14. Other (please specify)

BREAKING BLUE

Section B: Receiving items

I'm now going to ask you a few questions about receiving items via post.

ASK ALL

B1   Which of the following items do you receive via post?

ROTATE LIST, MULTICODE

1. Letters from family and friends
2. Cards for special occasions e.g. birthday cards
3. Parcels from family/ friends
4. E-commerce (online shopping) parcels
5. Bank statements or other financial documents including insurance details
6. Utility (such as your energy or water bill) /phone bills
7. Council tax bills
8. Tax returns from the government
9. Letters from schools, colleges or universities
10. Mail relating to pensions
11. Mail relating to benefits
12. Overseas mail
13. Medical appointments
14. Dental appointments
15. Magazines and periodicals
16. Advertising mail
17. Other (please specify)

ASK ALL

B2   And which of the following items do you receive via email or access online?

ROTATE LIST, MULTICODE

1. Emails from family and friends
2. E-Cards for special occasions e.g. birthday cards
3. Parcels from family/ friends   DO NOT SHOW
4. E-commerce (online shopping) parcels   DO NOW SHOW
5. Bank statements or other financial documents including insurance details
6. Utility (such as your energy or water bill) /phone bills
7. Council tax bills
8. Tax returns from the government
9. Emails from schools, colleges or universities
10. Emails relating to pensions
11. Emails relating to benefits
12. Overseas mail   DO NOT SHOW
13. Medical appointments
14. Dental appointments
15. Magazines and periodicals
16. Advertising mail
17. Other (please specify)

BREAKING BLUE

ASK FOR EACH SELECTED AT B1

B3 How important to you is it to receive **<INSERT TYPE OF COMMUNICATION FROM B1>** by post?

Please answer on a scale of 1 to 5 where 1 means not at all important and 5 means very important

SINGLE CODE

1. Not at all important
2. Not important
3. Neither
4. Important
5. Very important
6. Don't know/ prefer not to say

ASK FOR EACH SELECTED AS VERY OR QUITE IMPORTANT AT B3

B4 Why is it [TEXT SUB: very important/important] for you to receive **<INSERT TYPE OF COMMUNICATION FROM B1>** by post?

ROTATE LIST, READ OUT, MULTICODE

1. It's confidential
2. I need or prefer a paper copy
3. I cannot receive this via other means
4. It's more practical for it to be delivered this way
5. Other (please specify)
6. Don't know/ prefer not to say

ASK FOR EACH SELECTED AS NOT AT ALL IMPORTANT OR NOT IMPORTANT AT B3

B5 Why is it [TEXT SUB: not at all important/not important] for you to receive **<INSERT TYPE OF COMMUNICATION FROM B1>** by post?

ROTATE LIST, READ OUT, MULTICODE

1. It's not confidential
2. I don't need a paper copy
3. I can receive it online/via email
4. I see it as junk mail
5. Other (please specify)
6. Don't know/ prefer not to say

Section C: Sending items (ASK TO RANDOM HALF OF SAMPLE)

I'm now going to ask you a few questions about sending items via post.

ASK ALL

C1 Which of the following items do you send via post?

IF NECESSARY: That is letters or parcels made in your private communications that aren't made for the purposes of your employer

ROTATE, READ OUT, MUTICODE, PROMPT FOR ANY OTHERS

1. Letters to family and friends
2. Cards for special occasions e.g. birthday cards
3. Parcels to family/ friends
4. Overseas letters
5. Overseas parcels
6. Returning e-commerce (online shopping) items
7. Letters relating to personal finance (e.g. banking/insurance)
8. Letters relating to tax matters (e.g. tax returns)
9. Letters relating to benefits
10. Letters relating to pensions
11. Other (please specify)
12. I don't use the post   SINGLE CODE

ASK FOR EACH SELECTED AT C1

C2   How often do you use the post to send **<INSERT TYPE OF COMMUNICATION FROM C1>**?

READ OUT, SINGLE CODE

1. Daily
2. A couple of times a week
3. Once a week
4. Fortnightly
5. Monthly
6. Less often
7. Don't know/ prefer not to say

ASK FOR EACH SELECTED AT C1

C3   Why do you send **<INSERT TYPE OF COMMUNICATION FROM C1>** via post?

READ OUT, MULTICODE

1. It's how I prefer to communicate
2. I cannot send this via other means
3. It's more practical for me
4. It's more affordable for me
5. Other (please specify)
6. Don't know/ prefer not to say

ASK FOR EACH SELECTED AT C1

C4   When sending **<INSERT TYPE OF COMMUNICATION FROM C1>**, how important are each of the following?

Please answer on a scale of 1 to 5 where 1 means not at all important and 5 means very important

ROTATE LIST a-f

a. Cost
b. Reliability of service
c. Speed of service
d. Ability to track the item
e. Access to a Post Office branch
f. Security of item

1. Not at all important
2. Not important
3. Neither
4. Important
5. Very important
6. Don't know/ prefer not to say

ASK ALL

C5   Please rank the following in order of importance when sending items.

DP INSTRUCTION – IF ONE FACTOR OR ZERO FACTORS RATED AS 4 OR 5 AT C4 THEN PLEASE SKIP QUESTION

The most important thing should be ranked as 1

a. Cost	ONLY SHOW IF C4_ANY=4 OR 5	
b. Reliability of service	ONLY SHOW IF C4_ANY=4 OR 5	
c. Speed of service	ONLY SHOW IF C4_ANY=4 OR 5	
d. Ability to track the item	ONLY SHOW IF C4_ANY=4 OR 5	
e. Access to a Post Office branch	ONLY SHOW IF C4_ANY=4 OR 5	
f. Security of item	ONLY SHOW IF C4_ANY=4 OR 5	

Section D: Product attributes

There are a number of different things which are important to people when receiving or sending items via the post, and we would now like to understand how important each of these are to you.

ASK ALL

D1   Thinking about the items that you send, how important to you is it that items being sent are insured?

Please answer on a scale of 1 to 5 where 1 means not at all important and 5 means very important

1. Not at all important
2. Not important
3. Neither
4. Important
5. Very important
6. Don't know/ prefer not to say
7. Not applicable

ASK ALL

D2   Thinking about when you send parcels, how important to you is it that items being sent are tracked?

Please answer on a scale of 1 to 5 where 1 means not at all important and 5 means very important

1. Not at all important
2. Not important
3. Neither
4. Important
5. Very important
6. Don't know/ prefer not to say
7. Not applicable

ASK ALL

D3   When receiving a parcel, how important to you is it that there are other delivery options, such as click and collect or lockerbanks?

Please answer on a scale of 1 to 5 where 1 means not at all important and 5 means very important

1. Not at all important
2. Not important
3. Neither
4. Important
5. Very important
6. Don't know/ prefer not to say

ASK ALL

D4   How important to you is it that you are able to return items?

Please answer on a scale of 1 to 5 where 1 means not at all important and 5 means very important

1. Not at all important
2. Not important
3. Neither
4. Important
5. Very important
6. Don't know/ prefer not to say

ASK ALL

D5   If you needed to return an item, how important would each of the following be to you? Please answer on a scale of 1 to 5 where 1 means not at all important and 5 means very important

ROTATE LIST a-h

a. Cost
b. Reliability of service
c. Speed of service
d. Ability to track the item
e. Access to a Post Office branch
f. Ability to return in store
g. Ability to return via a Click and Collect service where you can return the item at a convenient location and it is then sent on to where you ordered it from
h. Security of item

1. Not at all important
2. Not important
3. Neither
4. Important
5. Very important
6. Don't know/ prefer not to say

ASK ALL

D6a   Please rank the following in order of importance when returning items.

DP INSTRUCTION – IF ONE FACTOR OR ZERO FACTORS RATED AS 4 OR 5 AT D8 THEN PLEASE SKIP QUESTION

The most important thing should be ranked as 1

a. Cost	ONLY SHOW IF D5=4 OR 5
b. Reliability of service	ONLY SHOW IF D5=4 OR 5
c. Speed of service	ONLY SHOW IF D5=4 OR 5

   d. Ability to track the item   ONLY SHOW IF D5=4 OR 5
   e. Access to a Post Office branch   ONLY SHOW IF D5=4 OR 5
   f. Ability to return in store   ONLY SHOW IF D5=4 OR 5
   g. Ability to return via a Click and Collect service where you can return the item at a
      convenient location and it is then sent on to where you ordered it from   ONLY
      SHOW IF D5=4 OR 5
   h. Security of item   ONLY SHOW IF D5=4 OR 5

ROTATE ORDER OF QUESTIONS D7-D10

ASK ALL

D7   Roughly how much would you be prepared to pay for a next day delivery service when sending letters?

INTERVIEWER NOTE: If the answer is given in pence and is less than £1 please fill in as .xx

OE

99. Don't know

ASK ALL

D8   Roughly how much would you be prepared to pay for a two to three day delivery service when sending letters?

INTERVIEWER NOTE: If the answer is given in pence and is less than £1 please fill in as .xx

OE

99. Don't know

ASK ALL

D9   Roughly how much would you be prepared to pay for sending a tracked parcel which has a value of up to £50?

INTERVIEWER NOTE: If the answer is given in pence and is less than £1 please fill in as .xx

OE

99. Don't know

ASK ALL

D10   Roughly how much would you be prepared to pay for sending a letter which needs to be signed for and has a value up to £50?

INTERVIEWER NOTE: If the answer is given in pence and is less than £1 please fill in as .xx

OE

99. Don't know

Section F: Additional demographics

ASK ALL

BREAKING BLUE

F0a   In which of the following ways do you access the internet?

READ OUT, MULTICODE

1. At home
2. At work
3. At school/college/university
4. Other WiFi Enabled Location e.g. café
5. When on the move e.g. via 3G on a smartphone or tablet
6. In a community centre e.g. library
7. Somewhere else
8. Do not have any access to the internet   SINGLE CODE
9. Prefer not to say   SINGLE CODE

ASK IF F0a≠8

F0b   Please think about your use of the internet on all devices (desktop, laptop, Smartphone, tablet etc). Would you say you use the internet…

READ OUT, SINGLE CODE

1. Several times a day
2. Around once a day
3. 2-6 times a week
4. Around once a week
5. 2 or 3 times a month
6. Around once a month
7. Less than once a month
8. Don't know
9. Prefer not to say

ASK ALL

F1   Are you….

READ OUT, SINGLE CODE

1. Single and never married
2. Married
3. Living with partner
4. Divorced or separated
5. Widowed
6. Prefer not to say

ASK ALL

F2   Do you have any children?

READ OUT, SINGLE CODE

1. Yes and all or some of them are living with me
2. Yes and they have all left home

3. No, I don't have children
4. Prefer not to say

ASK ALL

F3   Which of these most accurately describes the household that you live in?

READ OUT, SINGLE CODE

1. Renting from private landlord
2. Renting from housing association
3. Renting from Local Authority
4. Living at home with parents (or partner's parents)
5. Own home with mortgage
6. Own home outright
7. Prefer not to say

ASK ALL

F4   Approximately how much was your annual gross household income in the last year?

DO NOT READ OUT, SINGLE CODE

1. Up to £10,000
2. £10,001-£15,000
3. £15,001-£20,000
4. £20,001-£25,000
5. £25,001-£30,000
6. £30,001-£40,000
7. £40,001-£50,000
8. £50,001-£60,000
9. £60,001-£70,000
10. £70,001-£80,000
11. £80,001-£90,000
12. £90,001-£100,000
13. £100,001-£250,000
14. £250,001 or over
15. Don't know
16. Prefer not to say

ASK ALL

F5   Do you have any of the following long-standing physical or mental health conditions or impairments that have lasted or are expected to last 12 months or more?

READ OUT, MULTICODE

1. Blindness, deafness or other communication impairment
2. Mobility impairment, such as difficulty walking
3. Learning difficulty or disability, such as Down's syndrome
4. Mental health condition, such as depression
5. Alzheimer's disease or dementia.

6. Arthritis
7. Heart (cardiovascular) disease; coronary heart disease; angina
8. Multiple sclerosis
9. Cancer
10. Parkinson's disease
11. Asthma
12. HIV
13. Other long-standing health condition or disability
14. Yes, but prefer not to say   SINGLE CODE
15. No, I don't have a long-standing health condition or disability   SINGLE CODE

ASK ALL

F6   Do you receive any of the following? Please say yes to all that apply.

READ OUT, MULTICODE

1. Jobseeker's Allowance
2. Employment and Support Allowance (previously called Incapacity Benefit or Income Support)
3. Pension credit
4. Council tax support
5. Housing benefit
6. Universal credit
7. Income support
8. Personal Independence Payment (previously called Disability Living Allowance)
9. Attendance Allowance
10. Carer's Allowance
11. Tax credits
12. Other (please specify)
13. None of the above   SINGLE CODE
14. Prefer not to say   SINGLE CODE

ASK ALL

F7   Thank you for sparing the time to help us with this study. Occasionally, it is very helpful for us to be able to re-contact people we have spoken to, either to clarify certain issues, or to get a bit more detail where the information we are given is particularly interesting. Would you be happy to be re-contacted if necessary?

DO NOT READ OUT, SINGLE CODE

1. Yes
2. No

Thank you for taking part in this survey. Your answers will help Citizen's Advice to understand more about the needs when sending and receiving items via post and how the growth in demand for online retail is changing use of the post.

BREAKING BLUE

Appendix 2: Qualitative focus group screener

All groups

- Spread of gender – min 4 men; min 4 women

- Spread of ages

- Spread of ethnicity

- Min 7 to have shopped online at least once in the last 3 months

Groups 1 and 2 – One based in Manchester/one in London

- All to live in an urban area (S4a=1)

- All to be SEG A-C1 (S6=1-4)

- All to fall within sixth decile or above [SEE TABLE ON NEXT PAGE]

    - If living by themselves (S4a=1-3): personal >£21k

    - If living with child/children (S4b=6): personal >£27k

    - If living with partner (S4b=4): household >£32k

    - If living with partner and one child (S4b=5, S4c=1): household >£43k

    - If living with partner and more than one child (S4b=5, S4c=2-4): household > £51k

Groups 3 and 4 – one based in Scotland/one in North Yorkshire

- All to live in a rural area (S4a=2)

- All to be SEG A-C1 (S6=1-4)

- All to fall within sixth decile or above [SEE TABLE ON NEXT PAGE]

    - If living by themselves (S4a=1-3): personal >£21k

    - If living with child/children (S4b=6): personal >£27k

    - If living with partner (S4b=4): household >£32k

    - If living with partner and one child (S4b=5, S4c=1): household >£43k

    - If living with partner and more than one child (S4b=5, S4c=2-4): household > £51k

Groups 5 and 6 – one based in Scotland/one in North Yorkshire

- All to live in a remote area (S4a=3)

- All to be SEG A-C1 (S6=1-4)

- All to fall within sixth decile or above [SEE TABLE ON NEXT PAGE]

    - If living by themselves (S4a=1-3): personal >£21k

    - If living with child/children (S4b=6): personal >£27k

    - If living with partner (S4b=4): household >£32k

- If living with partner and one child (S4b=5, S4c=1): household >£43k

- If living with partner and more than one child (S4b=5, S4c=2-4): household > £51k

Groups 7 – based in London

- All to have sold items online that have been sent through the post in the last 6 months (S12=1)

- Spread of SEG

TABLE USED AS A BASIS FOR INCOME DECILES

Table 3.B: Median gross income for each decile (£ per year, 2015-16) for different household compositions

Median gross income of households in decile	1 adult (£)	1 adult and 1 child (£)	2 adults (£)	2 adults and 1 child (£)	2 adults and 2 children (£)
Top decile	60,200	77,000	88,200	112,800	146,500
Ninth decile	39,900	47,900	58,500	75,500	89,800
Eighth decile	31,300	43,800	46,800	60,100	70,600
Seventh decile	25,100	31,300	38,200	49,600	60,400
Sixth decile	21,100	27,300	32,400	42,600	51,000
Fifth decile	17,900	24,400	27,600	36,200	44,800
Fourth decile	15,300	21,000	23,300	30,900	37,600
Third decile	13,400	17,500	20,200	26,700	32,300
Second decile	11,400	14,700	17,300	21,900	27,000
Bottom decile	8,800	10,800	13,400	15,600	20,100
Source: HM Treasury microsimulation model					

BREAKING BLUE

Hello, my name is _____ and I'm calling from Bright Blue Research, an independent market research agency. We are currently working with Citizens Advice. They help people resolve their money, legal and other problems by providing information and advice. Citizens Advice represents consumers who send and receive post, and they are interested in understanding consumers' needs and use of postal services. Could you spare me a few minutes to answer some questions on this subject?

Can you spare the time to answer some questions with me now?

If respondent asks why the research has been commissioned: Citizens Advice have statutory obligation to assess how people use the post and how the postal system can be better used in the future.

This research is being conducted under the Market Research Society Code of Conduct, which means that your personal details will be kept confidential and anonymous.

We are just asking these questions so we can ensure we are talking to a wide mix of people.

S1   Do you or any of your family members work in any of the following?

MULTICODE

1. Advertising Agencies/Publicity/Creative and Design Agencies/Consultancies
2. Journalism (TV/Press/Radio), Media Independents/Publishing
3. Marketing/Sales Promotion/ Outdoor specialists (i.e. Poster Advertising)
4. Market Research
5. None of these

THANK AND CLOSE IF ANY OF 1-4 SELECTED

S2   Interviewer: Record gender

SINGLE CODE

1. Male
2. Female

S3   How old are you?

SINGLE CODE

1. Under 18   THANK AND CLOSE
2. 18-24
3. 25-34
4. 35-44
5. 45-54
6. 55-74
7. 65-74
8. 75-84
9. 85+

S4a   How would you describe the area where you live?

SINGLE CODE

1. Urban
2. Rural
3. Remote

S4b   Who do you currently live with?

SINGLE CODE

1. I live with my parents
2. I live by myself
3. I live with a flat mate(s)
4. I live with my partner/spouse
5. I live with my partner/spouse and children
6. I live with child/children
7. Refuse to answer

ANSWER IF S4B=5-6

S4c   How many children currently live with you at home?

SINGLE CODE

1. 1 Child
2. 2 children
3. 3 children
4. 4+ children

S5   Which of the following best describes your current working status?

SINGLE CODE

1. Employed – full time (usually working 5 full days a week)
2. Employed – part time (usually working 3 to 4 full days a week)
3. Employed – part time (usually working 1 to 2 full days a week)
4. Self employed
5. Retired
6. Unemployed
7. Student
8. Stay at home parent
9. Housewife/ husband
10. Prefer not to say   THANK AND CLOSE

IF CODES 1-3 AT S4B ASK FOR <u>PERSONAL</u> INCOME, IF CODES 4-6 AT S4B ASK FOR <u>HOUSEHOLD</u> INCOME

S6   What is your current employment status? / What is the employment status of the main income earner* in your household?

*Note: If retired with a company or private pension, or other private means, please then answer based on the previous occupation

SINGLE CODE

1. Senior managerial, administrative or professional
2. Intermediate managerial, administrative or professional
3. Junior managerial, administrative or professional; office workers, supervisors
4. Student
5. Skilled manual worker with industry qualifications (e.g. carpenter, bricklayer, plumber, bus/tram driver, fitness instructor, etc.)
6. Semi or unskilled manual worker without qualifications (traffic warden, checkout operator, dustman, trainee hairdresser, etc.)
7. Unemployed
8. Prefer not to say   THANK AND CLOSE

SEG	Code
ABC1	S6=1-4
C2DE	S6=5-7

IF CODES 1-3 AT S4B ASK FOR <u>PERSONAL</u> INCOME, IF CODES 4-6 AT S4B ASK FOR <u>HOUSEHOLD</u> INCOME

S7   Approximately how much was your annual gross [PERSONAL/HOUSEHOLD] income in the last year?

DO NOT READ OUT BUT PROMPT IF NECESSARY, SINGLE CODE

1. OPTIONS IN BANDS OF £1000s (i.e. £0-£1,000, £1,001-£2,000 etc)
2. Don't know
3. Prefer not to say

S8   What is your ethnic group?

SINGLE CODE

White

1. English/Welsh/Scottish/Northern Irish/British
2. Irish
3. Gypsy or Irish traveller
4. Any other White background, please specify

Mixed/multiple ethnic groups

5. White and Black Caribbean
6. White and Black African
7. White and Asian
8. Any other Mixed/multiple ethnic background, please specify

Asian/Asian British

9. Indian
10. Pakistani
11. Bangladeshi

12. Chinese
13. Any other Asian background, please specify

Black/African/Caribbean/Black British

14. African
15. Caribbean
16. Any other Black/African/Caribbean background, please specify

Other ethnic group

17. Arab
18. Any other ethnic group, please specify

S9   Do you have access to the internet?

SINGLE CODE

1. Yes
2. No

ASK IF S9=1

S10   What is your main way of accessing the internet?

SINGLE CODE

1. At home
2. At work
3. At school/college/university
4. Other Wi-Fi Enabled Location e.g. cafe
5. When on the move e.g. via 3G on smartphone or tablet
6. In a community centre e.g. library
7. Somewhere else
8. Do not have any access to the internet

ASK IF S9=1

S11   How many online shopping sessions in which you bought an item or items online for delivery by post have you undertaken in the past three months?

SINGLE CODE

1. None
2. 1-5 sessions
3. 6+ sessions
4. Don't know

ASK IF S9=1

S12   Have you sold items online that you have sent through the post in the last 6 months? This could be through eBay, Amazon or another platform. We're not thinking of anything that would be delivered by courier, only things that are delivered through the post.

SINGLE CODE

1. Yes
2. No
3. Prefer not to say

S13   Thinking about life in general, can you tell me whether you agree or disagree with each of the following statements about yourself?

SINGLE CODE PER STATEMENT

1.	"I think I'm chatty and like talking to people" sure	Agree	Disagree	Not
2.	"I think I'm good at expressing my opinions" sure	Agree	Disagree	Not
3.	"I like discussing ideas/issues with people" sure	Agree	Disagree	Not

ALL TO AGREE WITH ALL THE STATEMENTS

IF CODE NOT SURE, RECRUITER TO PROBE TO ENSURE RESPONDENT HAS THE NECESSARY EXTROVERTED PERSONALITY TO ACTIVELY TAKE PART IN A GROUP DISCUSSION

NOW CHECK ALL QUOTAS AND CONTINUE IF ELIGIBLE

Thank you for answering my questions. I would like to invite you to participate in a research study to help Citizen's Advice understand consumers' needs and use of postal services. I can assure you there is no selling involved as this is a market research exercise. Many participants feel these types of discussions are quite enjoyable because you have a chance to contribute to future developments.

- Please arrive 10-15 minutes before the start of the group

- The discussion will be video and/or audio recorded

- The discussion may also be viewed by our clients and members of the research team

- We would like to assure you that in accordance with MRS Code of Conduct and the Data Protection Act 1998, all the attributable information gained will be used for research purposes only, and solely for the purposes of this project

- As a token of our appreciation and to cover any expenses you may incur, we will give you £60

- Food and drink will be provided

- You will be required to bring some form of photo ID to the discussion

Can we reserve a place for you? If YES, confirm contact details

FULL NAME:

_____

PHONE NUMBER:

_____

BREAKING BLUE

Appendix 3: Qualitative focus group discussion guide

Introduction and Warm-up (10 minutes)	
Setting the scene / ground-rules	Moderator introduces self
	Explain what the group is going to entail
	Introduction of subject matter
	Explain activities to be undertaken
	Ground rules
	No right/ wrong answers
	Client is sitting behind the mirror and may have questions – good opportunity to tell the client directly what you think!
	Group will be audio/ video-taped
	Anonymity is assured
Round the table introduction	• Name, <u>where you live</u> (*can you describe to me what it's like e.g. urban/ remote/ rural*), what you do for a living, who's at home, what you enjoy doing
	• Last time you used a postal service, i.e. posted/ received a letter or parcel – when? What happened? Why post?
Setting the scene: communications context (10 minutes)	
	• How do you tend to talk to your friends and family? What forms of communication do you tend to use? What does it depend on? *(Moderator listen out for spontaneous mentions of postal services)*
	• What about for more formal things, like communicating with the doctor, your bank, an online retailer or shop you've bought something from, a government department etc?
	• Has this changed over the last few years? In what ways? Why do you think this is?
	• Does where you live affect any of these things? Why/ why not?
Setting the scene: general postal service behaviours and attitudes (20 minutes)	
	(*Moderator explain that throughout the discussion we're talking about postal services we use for our own personal use, not for business*)
	• What springs to mind when I say postal services? Associations, feelings, emotions? *Moderator note down on flipchart*
	• How often are you sending:
	• A letter? Why?
	• A parcel? Why?

- How do you tend to go about sending:

  - A letter?

  - A parcel?

- And what about receiving them?

  - Can you talk me through some examples of the kinds of thing you receive in the post? (*If not mentioned* probe *on items from government forms, electoral roll, local authority updates*)

- When do you need to have these services? When is it the best option? Why/ when would you use them?

  - *If not mentioned probe <u>key benefits</u>: reliability, habit, trust, Post Office close to home or work, requirements to correspond via hard copy / official copies of documents*

  - Are there any situations where you feel like you *have* to use post, as opposed to anything else? Why?

  - What about for *receiving* letters and parcels in particular – what types of things do you think it's still important that you get via post? Why those? And why is it important that you get those items by post rather than other ways (*probe: confidentiality, security*)?

  - Do you think you would feel comfortable receiving, or prefer to receive, any of these things in other ways, not by post? Why/ why not?

- When is posting not a good option?

  - *If not mentioned probe <u>key barriers</u>: fraud, security, ease of process, cost, reliability, access to a Post Office branch*

- So what would you do instead? What works better? Why that?

  - *If not mentioned probe: getting bank statements/ invoices online, text updates to your mobile phone,rather than posted now?*

- Has the way that you're using these postal services (those described above) changed at all over the last few years? How? What are you doing differently? Why?

- What are you doing now that has had an impact on how you use postal services?

  - *If not mentioned probe: email, texting, social media, online banking, online renewals (e.g. passport, driving license), online bookings, online shopping, Click and Collect to a shop, pick-up and drop off points (e.g. Doddle, Collect Plus, Amazon lockers)*

  - *For each alternative used, moderator to probe and note for later: why better, impact on postal service use*

	• Does where you live have any impact on how you use postal services? Why/ how? *(Probe do they need help of family, friends or carers to get to the Post Office, lack of transport options or cost)*

Spotlight on letter services (20 minutes)

	Thinking specifically about letters rather than parcels now…

• Participants to talk through all of the occasions/ situations where they <u>send</u> letters now – *moderator to note on flipchart*

  • Repeat for <u>receiving</u> letters

• Have you had any problems sending or receiving letters – loss, delay, theft, scam mail? What did you do about it?

• When is it that only sending/ receiving a letter will do the job? Why's that?

  • If not mentioned probe: how do you tend to receive information from the government (e.g. passport renewal, driving license, applications, information about tax credit, welfare benefit administration etc) – post? Emails? What works better and why?

• Would these lists have looked any different a few years ago? How? Why?

• Thinking about each of these occasions, what's essential to you when you're sending/ receiving letters? And why? *(Moderator to note down key factors, e.g. arrive on time, security, guarantee, tracking, handled with care, cost, customer service etc)*

  • *Participants to rank factors in order of importance*

• What about security? How secure do you think sending or receiving letters is? More or less secure than other ways of communicating? Does it worry you? Why/ why not?

  • *(If not mentioned probe: fraud or identity theft, moving house, and cyber security)*

• How do you tend to send letters? Is it important for you to be able to go to a Post Office to do it? Why/ why not?

• Does where you live have any effect on how you send or receive letters? Why/how? (Do you have a letterbox, communal access, locker banks in reception area)

• What would make the experience of sending/ receiving letters better for you? Is there anything that would encourage you to send more letters?

Spotlight on parcel services (20 minutes)

	Thinking specifically about parcels rather than letters now…

- Participants to talk through all of the occasions/ situations where they <u>send</u> parcels now – *moderator to note on flipchart*

  - Repeat for <u>receiving</u> parcels

- Would these lists have looked any different a few years ago? How? Why?

- Thinking about each of these occasions, what's important to you when you're sending/ receiving parcels? And why? (Moderator to note down key factors, e.g. arrive on time, security, guarantee, tracking, ability to track and receive updates through your mobile phone, handled with care, cost etc)

  - *Participants to rank factors in order of importance*

- How important is it that your parcel arrives on time to where it says it will? Why/ why not? Can you give my any examples of when this has worked well/ not very well?

- Is cost important? Why/ why not? What do you look out for re cost of delivery when ordering something online? What does good vs. poor value for money look like?

  - Is costs of returns something you consider before placing an online order?

  - Do you compare prices across retailers do get the best deal? Do you consider ordering from out of the country?

- Is tracking something you need to have when you order online? Why/ why not? If so, how do you use it - through your mobile / online?

- How do you tend to send parcels? Royal Mail, DHL, FedEx, DPD? What have your experiences been like? Positives? Negatives? *(Probe and ask if use parcel price comparison websites (eg Parcel Monkey)*

  - Is it important for you to be able to go to a Post Office to do it? Why/ why not?

- How do you tend to get parcel deliveries? Do any of you use Click and Collect to an outlet of shop where you ordered, pick up and drop off points like Doddle and Collect Plus, or locker banks (e.g. Amazon lockers) instead of getting parcels delivered to you? Why? Positives? Negatives?

  - If you order goods online is the choice of the parcel companies given important to you?

- Would you stop ordering from an online shop because of poor delivery or returns options?

- Does where you live have any effect on how you send or receive parcels? Why/ how?

- Can anyone tell me about a time where they've needed to complain

	about a parcel delivery? What happened? What did you do?
	• What would the rest of you do in this situation? What do you know about the complaints procedure for parcel issues?
	• What would make the experience of sending/ receiving parcels better for you? Is there anything that would encourage you to send more parcels? Or order more parcels through online shopping?

Moving forward: future needs and ideas for change (10 minutes)

	• **PROBE SEPARATELY – Sending letters / Receiving letters / Sending parcel / Receiving parcels**
	• *Take group through the alternatives that they're using instead of postal services that noted upfront – and for each discuss:*
	• What could postal services do to make it as useful as what you're doing instead?
	• Any ideas for how the postal services could replicate what these other ways are doing well for you?
	• *Postcard activity: each participant given a postcard and asked to address it to the head of Royal Mail suggesting what they should do to better meet their needs in future*

Conclusion

Additional comments	Is there anything else that you would like to say on this subject to our client?
Final check	Check in the back room for additional questions

Appendix 4: Qualitative teledepth screener

	Audience	Qualification Details
1	Young urban low income consumers	Must be below the age of 35 (S3=2-3), live in urban areas (S4=1), SEG DE (S8=5-7) and be unable to afford (option 2) at least one of the statements at S9d. DO NOT include students (S7≠7) All to fall within fourth income decile or below [SEE TABLE ON NEXT PAGE] • If living by themselves (S5=1-3): personal <£16k • If living with child/children (S5=6): personal <£21k • If living with partner (S5=4): household <£23k • If living with partner and one child (S5=5, S6=1):

		household <£31k
		• If living with partner and more than one child (S5=4, S6=2-4): household <£38k
2	Older urban low income consumers	Must be over 65 (S3=7-9), live in urban areas (S4=1), have retired (S7=5), SEG DE (S8=5-7), live in social housing (S9c=4) and be unable to afford (option 2) at least one of the statements at S9d Based on living status and income, will fall into one of the following groups: • If live by themselves (S5=2), and weekly _personal_ income < £250 (S9b=1-3) • If live with partner (S5=4), and weekly _household_ income < £350 (S9b=1-5)
3	Young rural low income consumers	Must be below the age of 35 (S3=2-3), live in rural areas (S4=2-3), SEG DE (S8=5-7) and be unable to afford (option 2) at least one of the statements at S9d. DO NOT include students (S7≠7) Based on living status and income, will fall into one of the following groups: • If living by themselves (S5=1-3): personal <£16k • If living with child/children (S5=6): personal <£21k • If living with partner (S5=4): household <£23k • If living with partner and one child (S5=5, S6=1): household <£31k • If living with partner and more than one child (S5=4, S6=2-4): household <£38k
4	Older rural low income consumers	Must be over 65 (S3=7-9), live in urban areas (S4=1), have retired (S7=5), SEG DE (S8=5-7), live in social housing (S9c=4) and be unable to afford (option 2) at least one of the statements at S9d Based on living status and income, will fall into one of the following groups: • If live by themselves (S5=2), and weekly _personal_ income < £250 (S9b=1-3) • If live with partner (S5=4), and weekly _household_ income < £350 (S9b=1-5)
5	Consumers living with limited mobility - urban	• All living in urban areas (S4=1) with a mobility impairment (S13=2)
6	Consumers with no internet access (no internet in home desktop or tablet or smartphone)	• All with no internet at home, no access in Wi-Fi enabled location, no access when on the move (S11≠1,4,5,7, 9)
7	Urban consumers with no internet access at home	• All to live in urban areas (S4=1) with no access at home but have a smartphone (S11≠1, S11=5)

	but have smart phone	
8	Rural consumers with no internet access at home but have smart phone	• All to live in rural areas (S4=2-3) with no access at home but have a smartphone (S11≠1, S11=5)
9	Consumers with poor internet connection - any location / income	• Slow/very slow internet connection at home (S12=4-5)
10	Self-employed - any location / income	• Self-employed (S7=4)
11	Consumers with visual impairment - any location / any income	• Suffer blindness/visual impairment (S13=1)
12	Consumers living with limited mobility (longstanding health problem or disability that affects their ability to travel or get about) - rural / any income	• All living in rural/remote areas (S4=2-3) with a mobility impairment (S13=2)
13	Consumers in receipt of Employment and Support Allowance/income support - urban	• All to live in urban areas (S4=1) and to claim Employment and Support Allowance and/or Income support (S10=2,7)
14	Consumers in receipt of Employment and Support Allowance / income support- rural	• All to live in rural/remote areas (S4=2,3) and to claim Employment and Support Allowance and/or Income support (S10=2,7)

BREAKING BLUE

TABLE FOR INCOME DECILES (GROUPS 1 AND 3)

Table 3.B: Median gross income for each decile (£ per year, 2015-16) for different household compositions

Median gross income of households in decile	1 adult (£)	1 adult and 1 child (£)	2 adults (£)	2 adults and 1 child (£)	2 adults and 2 children (£)
Top decile	60,200	77,000	88,200	112,800	146,500
Ninth decile	39,900	47,900	58,500	75,500	89,800
Eighth decile	31,300	43,800	46,800	60,100	70,600
Seventh decile	25,100	31,300	38,200	49,600	60,400
Sixth decile	21,100	27,300	32,400	42,600	51,000
Fifth decile	17,900	24,400	27,600	36,200	44,800
Fourth decile	15,300	21,000	23,300	30,900	37,600
Third decile	13,400	17,500	20,200	26,700	32,300
Second decile	11,400	14,700	17,300	21,900	27,000
Bottom decile	8,800	10,800	13,400	15,600	20,100
Source: HM Treasury microsimulation model					

Hello, my name is _____ and I'm calling from Bright Blue Research, an independent market research agency. We are currently working with Citizen's Advice. They help people resolve their money, legal and other problems by providing information and advice. Citizens Advice represents consumers who send and receive post, and they are interested in understanding consumers' needs and use of postal services. Could you spare me a few minutes to answer some questions on this subject? Can you spare the time to answer some questions with me now?

If respondent asks why the research has been commissioned: Citizens Advice have statutory obligation to assess how people use the post and how the postal system can be better used in the future.

This research is being conducted under the Market Research Society Code of Conduct, which means that your personal details will be kept confidential and anonymous.

We are just asking these questions so we can ensure we are talking to a wide mix of people.

S1   Do you or any of your family members work in any of the following?

MULTICODE

1. Advertising Agencies/Publicity/Creative and Design Agencies/Consultancies
2. Journalism (TV/Press/Radio), Media Independents/Publishing
3. Marketing/Sales Promotion/ Outdoor specialists (i.e. Poster Advertising)
4. Market Research
5. Postal services

6. None of these

THANK AND CLOSE IF ANY OF 1-5 SELECTED

S2   Interviewer: Record gender

SINGLE CODE

1. Male
2. Female

S3   How old are you?

SINGLE CODE

1. Under 18   THANK AND CLOSE
2. 18-24
3. 25-34
4. 35-44
5. 45-54
6. 55-74
7. 65-74
8. 75-84
9. 85+

S4   READ IN FROM SAMPLE

SINGLE CODE

1. Urban
2. Rural
3. Remote

S5   Who do you currently live with?

SINGLE CODE

1. I live with my parents
2. I live by myself
3. I live with a flat mate(s)
4. I live with my partner/spouse (and no children)
5. I live with my partner/spouse and child/children
6. I live with child/children
7. Refuse to answer

ASK THOSE WITH CHILDREN (S5=5-6)

S6   How many children currently live with you at home?

SINGLE CODE

1. 1 Child
2. 2 children
3. 3 children
4. 4+ children

BREAKING BLUE

S7   Which of the following best describes your current working status?

SINGLE CODE

1. Employed – full time (usually working 5 full days a week)
2. Employed – part time (usually working 3 to 4 full days a week)
3. Employed – part time (usually working 1 to 2 full days a week)
4. Self-employed
5. Retired
6. Unemployed
7. Student
8. Stay at home parent
9. Housewife/ husband
10. Prefer not to say   THANK AND CLOSE

IF CODES 1, 2 OR 3 AT S5 ASK FOR <u>PERSONAL</u> INCOME, IF CODES 4 OR 5 AT S5 ASK FOR <u>HOUSEHOLD</u> INCOME

S8   What is your current employment status? / What is the employment status of the main income earner* in your household?

*Note: If retired with a company or private pension, or other private means, please then answer based on the previous occupation

SINGLE CODE

1. Senior managerial, administrative or professional
2. Intermediate managerial, administrative or professional
3. Junior managerial, administrative or professional; office workers, supervisors
4. Student
5. Skilled manual worker with industry qualifications (e.g. carpenter, bricklayer, plumber, bus/tram driver, fitness instructor, etc.)
6. Semi or unskilled manual worker without qualifications (traffic warden, checkout operator, dustman, trainee hairdresser, etc.)
7. Unemployed

8. Prefer not to say   THANK AND CLOSE

SEG	Code
ABC1	S8=1-4
C2DE	S8=5-7

ASK ALL EXCEPT RETIRED (S7≠5)

IF CODES 1, 2 OR 3 AT S5 ASK FOR <u>PERSONAL</u> INCOME, IF CODES 4 OR 5 AT S5 ASK FOR <u>HOUSEHOLD</u> INCOME

BREAKING BLUE

S9	Approximately how much was your annual gross [PERSONAL/HOUSEHOLD] income in the last year?

SINGLE CODE

1. OPTIONS IN BANDS OF £1000s (i.e. £0-£1,000, £1,001-£2,000 etc)
2. Don't know
3. Prefer not to say

ASK ALL RETIRED (S7=5)

IF CODES 1, 2 OR 3 AT S5 ASK FOR <u>PERSONAL</u> INCOME, IF CODES 4 OR 5 AT S5 ASK FOR <u>HOUSEHOLD</u> INCOME

S9b What is your approximate [PERSONAL/HOUSEHOLD] weekly income?

SINGLE CODE

1. Up to £150
2. £151-£200
3. £201-£250
4. £251-£300
5. £301-£350
6. £351-£400
7. £400 or above
8. Don't know
9. Prefer not to say

ASK ALL RETIRED (S7=5)

S9c Does your household own or rent your home?

15. Owns (with or without a mortgage)
16. Lives part rent and part mortgage (shared ownership)
17. Rents privately
18. Rents from Council or Housing Association

ASK ALL

S9d I am now going to ask you some questions that relate to things that some people have but which others might have difficulty finding the money for. For each of the statements, can you please indicate if you can afford to or not afford to do any of the following:

OPTIONS

1. I already do/can afford this
2. I would like to do this but can't afford it
3. I do not want or need to do this at the moment

STATEMENTS

1. Decorate your home?
2. Pursue a hobby or take part in regular leisure activity?
3. Take a holiday away from home one week a year (not with relatives)
4. Pay for home contents insurance

5. Go out with friends for drinks / a meal at least once a month
6. Make savings of £10 a month or more?
7. Replace worn out furniture?
8. Replace broken electrical goods?
9. Spend money on yourself each week?
10. Keep your house warm?

ASK ALL

S10 Do you receive any of the following? Please say yes to all that apply.

READ OUT, MULTICODE

1. Jobseeker's Allowance
2. Employment and Support Allowance (previously called Incapacity Benefit or Income Support)
3. Pension credit
4. Council tax support
5. Housing benefit
6. Universal credit
7. Income support
8. Personal Independence Payment (previously called Disability Living Allowance)
9. Attendance Allowance
10. Carer's Allowance
11. Tax credits
12. Other (please specify)
13. None of the above   SINGLE CODE
14. Prefer not to say   SINGLE CODE

S11 In which of the following ways do you access the internet?

READ OUT, MULTICODE

1. At home on a desktop/laptop
2. At work
3. At school/college/university
4. Other Wi-Fi Enabled Location e.g. café
5. Through my smartphone (3G/4G)
6. In a community centre e.g. library
7. Somewhere else
8. Do not have any access to the internet   SINGLE CODE
9. Prefer not to say   SINGLE CODE

ASK S12 TO THOSE WHO SELECT CODE 1 AT S11

S12 How would you describe the quality of your internet connection at home?

ADD IF NECESSARY: Slow could mean struggling to get connected, struggling to download images or videos, fluctuating internet speeds

READ OUT, SINGLE CODE

1. Very fast
2. Fast
3. Average
4. Slow
5. Very slow

S13   Do you have any of the following long-standing physical or mental health conditions or impairments that have lasted or are expected to last 12 months or more?

READ OUT, MULTICODE

1. Blindness/visual impairment
2. Mobility impairment, such as difficulty walking
3. Learning difficulty or disability, such as Down's syndrome
4. Mental health condition, such as depression
5. Alzheimer's disease or dementia.
6. Arthritis
7. Heart (cardiovascular) disease; coronary heart disease; angina
8. Multiple sclerosis
9. Cancer
10. Parkinson's disease
11. Asthma
12. HIV
13. Other long-standing health condition or disability
14. Yes, but prefer not to say   SINGLE CODE
15. No, I don't have a long-standing health condition or disability   SINGLE CODE

S14   Have any of these happened to you in the last 12 months?

READ OUT, MULTICODE

1. Loss of employment
2. Retirement
3. Divorce/separation
4. Loss of family member
5. Major personal injury/illness
6. Yes, but prefer not to say   SINGLE CODE
7. No, none of these life events have happened to me SINGLE CODE

NOW CHECK ALL QUOTAS AND CONTINUE IF ELIGIBLE

Thank you for answering my questions. I would like to invite you to participate in a research study to help Citizen's Advice understand consumers' needs and use of postal services. I can assure you there is no selling involved as this is a market research exercise.

The research will involve one 45 minute interview over the telephone and can be arranged for a time which suits you.

- The discussion will be audio recorded

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- We would like to assure you that in accordance with MRS Code of Conduct and the Data Protection Act 1998, all the attributable information gained will be used for research purposes only, and solely for the purposes of this project

- You will receive an incentive of £20 as a thank you for taking part

Can we schedule you in for a telephone interview?

FULL NAME:

_____

PHONE NUMBER:

_____

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Appendix 5: Qualitative teledepth discussion guide

Introduction and Warm-up (2 minutes)	
Setting the scene / ground-rules	Hello my name is XXXX and I am calling from Breaking Blue Research, a market research company. We are currently working on behalf of Citizens Advice. They help people resolve their money, legal and other problems by providing free confidential and impartial information and advice. Citizens Advice represents consumers who send and receive post, and they are interested in understanding consumers' needs and use of postal services for **personal not business use**. I'm going to ask you some questions today about your experiences with and thoughts on postal services in this country. This should take no longer than 45 minutes. Please feel free to say whatever you like, and be honest. There are no right or wrong answers, we are just interested in your views, opinions and ideas. Citizens Advice are interested on what you have to say in order to improve the advice and policy recommendations they give. This research is being conducted under the terms of the Code of Conduct of THE MARKET RESEARCH SOCIETY. Your replies will be treated in the strictest confidence and will not be attributed to you. You have the right to stop at any point or not to answer specific questions. This research is strictly for research purposes only so your details will not be passed on to any third parties and no attempt to sell will result from taking part in this survey I'd also like to audio record our interview. This is so that I don't have keep taking notes and so that we can have as natural conversation as possible. Again this won't be used for anything other than the purposes of the research. It will not be attributed by name or given to third parties. Are you happy with this? Do you have any questions before we begin?
Background (5 minutes)	
	• First of all I would just like you tell me a bit about yourself and your personal circumstances? • What is your name? • Please tell me a bit about where you live? Is it a town, city etc? • Who do you live with? • What do you do for work? How far do you need to commute? • What type of house do you live in (i.e house, flat etc) • How do you access your mail? (i.e. do you have your own letter box, communal access, locker banks in reception area? Etc)
Communication Context	• How would you normally go about contacting a friend or relative? What

forms of communication do you tend to use? Why do you choose this method?

- What about for more formal things, like communicating with the doctor, your bank, a shop you've bought something from, a government department etc?

Receiving letters/parcels (15 minutes)

How often do you receive post/ parcels?

What do you tend to receive? Letters, bills, parcels, flyers etc

- What do you receive most of?

Is there anything you need to receive more than others? *If yes,* why is this? Is there anything you could do without receiving? What type of correspondence do you need to receive by post?

- Why do you feel it essential that you receive these items by post?

Is there anything you prefer to receive digitally rather than by post?

- *If not mentioned probe key barriers: confidence using online services, fraud, security, ease of process, cost, reliability, access to a Post Office branch*

- How else would you like to receive these items? Why this method?

How often do you receive parcels that you have ordered online?

- What do you tend to order? *Probe clothes, household items, food, presents, electricals etc.*

- Is there anything you would never purchase and have delivered to you?

- Is there anything that you don't currently get delivered at the moment that you would like to?

- If you order goods online is the choice of the parcel companies given important to you? Why/why not? *(Probe previous experience, customer service, delivery options)*

Would you stop ordering from an online shop because of poor delivery or returns options? Do you shop around (domestic, EU or international?) for the best deal? Thinking specifically now about receiving parcels, how easy is it for you to receive parcels at your home?

- How does where you live impact on receiving parcels?

- Have you ever used an alternative location other than your home for receiving parcels? If so, where? And why did you choose this location?

- If not mentioned Do you ever use a pick-up service. If not would you

ever consider it?

- Have you ever used online tracking for receiving parcels? If so how did this work and what provider was this? Was the process easy to follow? How did it make you feel?

Citizens Advice are keen to understand how different people in different situations engage with postal services, can you tell me is there anything about your particular situation that makes it difficult for you when receiving letters or parcels?

- *If yes* – Please can you talk me through exactly what it is that makes things difficult?

  - How do you normally get around these difficulties?

  - Is this different for parcels and letters?

  - Is there anything that could be done to make the process easier for you?

Sending parcels/letters (15 minutes)

How often are you sending parcels or letters?

INTERVIEWER NOTE: IF SEND BOTH, MAKE SURE TO MAKE DISTINCTION BETWEEN PARCELS AND LETTERS IN REST OF THIS SECTION

How do you tend to go about sending a parcel or a letter?

- When is it that only sending a letter or parcel will do the job? Why's that?

  - Who do you tend to send to? *(If not mentioned, probe communications with government (electoral roll, tax forms, local authority updates) and identity verification)*

When considering sending something to someone via the post what is that goes through your mind?

- Have you ever used tracking for important or valuable letters or parcels that you have sent? If so how did this work? Was the process easy to follow? How did it make you feel?

  - Do you use parcel comparison websites to send parcels?

Do you think there are any advantages to sending something by post over other forms of communication?

When is posting not a good option?

If not mentioned probe key barriers: fraud, security, ease of process, cost, reliability, access to a Post Office branch, risk of items going

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missing, delays, customer service concerns.

What would you do instead of post?

Again, Citizens Advice are looking to understand the effect your particular circumstances has on how you go about sending post.

Please can you tell me, is there anything about your particular situation that makes it difficult for you when sending letters or parcels?

- *If yes* – Please can you talk me through exactly what it is that makes things difficult? Can you give an example of when it has been difficult to send an item?

- How do you normally get around these difficulties?

How does where you live impact on how much you choose to use postal services?

- Where is your nearest Post Office?

- How often do you use the Post Office?

- Given your location, what, if anything would make it easier for you to send letters or parcels?

Is there anything that could be done to make the process of sending letters and parcels easier for you?

Royal Mail v other postal companies (5 minutes)

- What initially springs to mind when you think of Royal Mail?

  - Have you ever sent letters or parcels with someone other than Royal Mail? Ie DHL, FedEx, DPD etc

  - *If so, who? Why did you choose this company over Royal Mail*

- Do you think the Royal Mail work in a way to help and serve someone in your particular circumstance?

  - *Why do you say this?*

Conclusion (5 minutes)

Additional comments	What could the Royal Mail do to make sending or receiving letters or parcels easier for you?
	Anything else you would like to say about Royal Mail and how they could assist you with sending / receiving post? (i.e. post box location, delivery offices, website, customer service)
	Do you believe your use of the post might change? If so, in what way?

Thank you	Thank you very much for your time.

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Appendix 6: Summary charts – sections 2 and 3

Figure A6.1: Items received in the post (grouped)

Category	Percentage
NET: Social	86%
NET: Finances/Bills	84%
NET: Advertising mail	71%
NET: E-commerce	58%
NET: Personal medical	56%
NET: Gov't tax and benefits	53%
NET: Pensions	41%
NET: Purchases/Subscriptions	31%
NET: Other	47%

B1. Which of the following items do you currently receive via post? Base= 2125 (Those asked about receiving items

Figure A6.2: Items received in the post – broken down by age (grouped)

NET: Social — 81%, 85%, 93%, 85%

NET: Finances/Bills — 78%, 86%, 88%, 80%

NET: Advertising mail — 61%, 71%, 81%, 74%

NET: E-commerce — 64%, 62%, 60%, 29%

NET: Personal medical — 52%, 58%, 59%, 50%

NET: Gov't tax and benefits — 50%, 52%, 59%, 44%

NET: Pensions — 24%, 38%, 58%, 49%

NET: Purchases/Subscriptions — 23%, 32%, 34%, 38%

NET: Other — 44%, 53%, 46%, 36%

Legend: 18-34, 35-54, 55-74, 75+

B1. Which of the following items do you currently receive via post? Base= 2125 (Those asked about receiving items

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Figure A6.3 – Items accessed online

Emails from family and friends — 61%
Advertising emails — 51%
Bank statements or other financial documents — 45%
Utility / phone bills — 43%
Emails from schools, colleges or universities — 24%
E-Cards for special occasions — 22%
Tax returns from the government — 15%
Medical appointments — 14%
Emails relating to pensions — 13%
Dental appointments — 13%
Council tax bills — 12%
Magazines and periodicals — 10%
Emails relating to benefits — 5%
Other — 4%
No access to email/internet — 16%

B2. And which of the following items do you currently receive via email or access online? 2125 (Those asked about receiving items (survey section B))

Figure A6.4: Items accessed online (grouped)

Category	%
NET: Social	63%
NET: Finances/Bills	57%
NET: Advertising mail	51%
NET: Gov't tax and benefits	18%
NET: Personal medical	18%
NET: Pensions	13%
NET: Purchases/Subscriptions	10%
NET: Other	24%

B2. And which of the following items do you currently receive via email or access online? 2125 (Those asked about receiving items (survey section B))

Figure A6.5: Items received in the post compared to online

Item	Post	Online
Cards/e-cards for special occasions	79%	22%
Advertising mail	71%	51%
Bank statements or other financial documents	67%	45%
Council tax bills	61%	12%
Utility/phone bills	60%	43%
E-commerce (online shopping) parcels	58%	N/A
Parcels from family/ friends	58%	N/A
Letters/emails from family and friends	54%	61%
Medical appointments	50%	14%
Tax returns from the government	45%	15%
Mail relating to pensions	41%	13%
Dental appointments	37%	13%
Overseas mail	32%	N/A
Magazines and periodicals	31%	10%
Letters/emails from schools, colleges or universities	27%	24%
Mail relating to benefits	19%	5%
Other	2%	

B1. Which of the following items do you currently receive via post?
B2. And which of the following items do you currently receive via email or access online?
Base= 2125 (Those asked about receiving items (survey section B))

Figure A6.6: Items accessed online – broken down by age

Emails from family and friends — 64%, 67%, 60%, 35%
Advertising emails — 59%, 53%, 49%, 29%
Bank statements or other financial documents… — 47%, 50%, 47%, 19%
Utility / phone bills — 40%, 50%, 46%, 19%
Emails from schools, colleges or universities — 34%, 31%, 11%, 6%
E-Cards for special occasions — 22%, 22%, 25%, 11%
Tax returns from the government — 16%, 17%, 15%, 7%
Medical appointments — 17%, 14%, 12%, 8%
Emails relating to pensions — 13%, 16%, 12%, 6%
Dental appointments — 17%, 12%, 13%, 6%
Council tax bills — 14%, 13%, 11%, 6%
Magazines and periodicals — 12%, 10%, 10%, 4%
Emails relating to benefits — 6%, 8%, 2%, 2%
No access to email/internet — 4%, 11%, 24%, 44%

Legend:
■ 18-34
■ 35-54
■ 55-74
■ 75+

B2. And which of the following items do you currently receive via email or access online? 2125 (Those asked about receiving items (survey section B))

Figure A6.7: Items accessed online – broken down by age (grouped)

B2. And which of the following items do you currently receive via email or access online? 2125 (Those asked about receiving items (survey section B))

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items (survey section C))

Figure A6.8: Items sent in the post – overall

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items (survey section C))
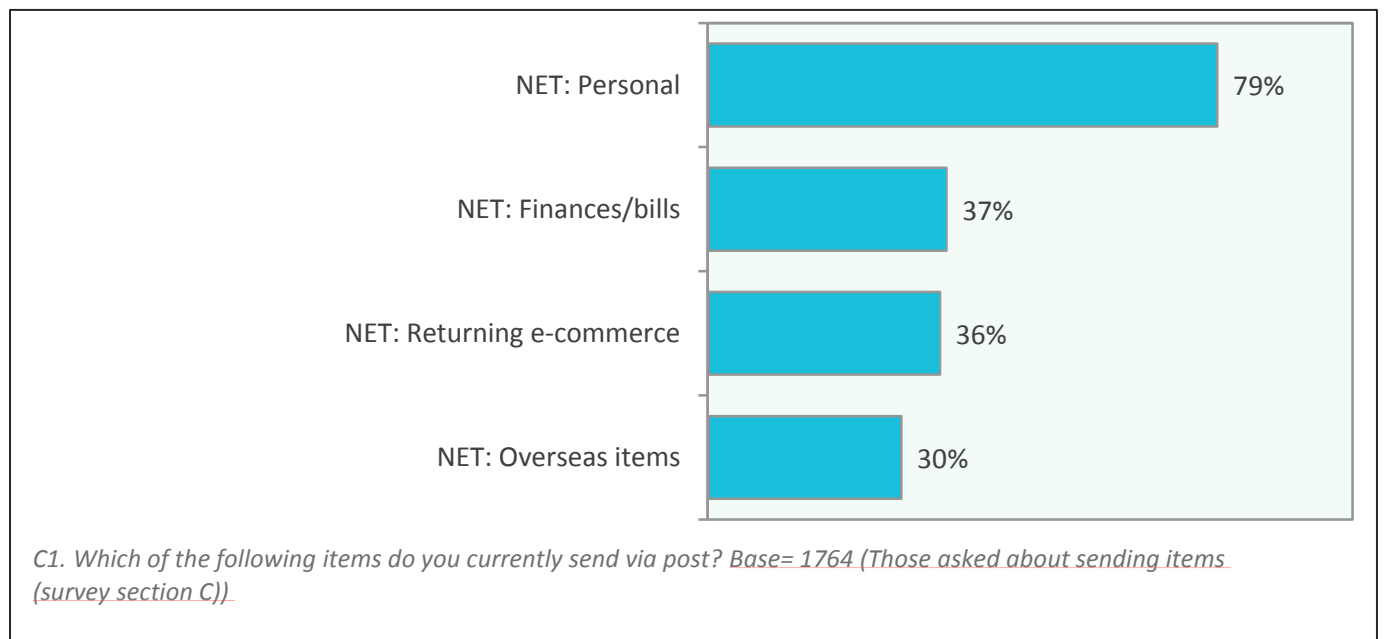
Figure A6.9: Items sent in the post (grouped)

Figure A6.10: Items sent in the post – broken down by age (grouped)

NET: Personal
- 73%
- 82%
- 86%
- 74%

NET: Finances/bills
- 32%
- 38%
- 46%
- 25%

NET: Returning e-commerce
- 38%
- 40%
- 36%
- 12%

NET: Overseas items
- 25%
- 33%
- 34%
- 31%

Legend:
- 18-34
- 35-54
- 55-74
- 75+

C1. Which of the following items do you currently send via post? Base= 1764 (Those asked about sending items
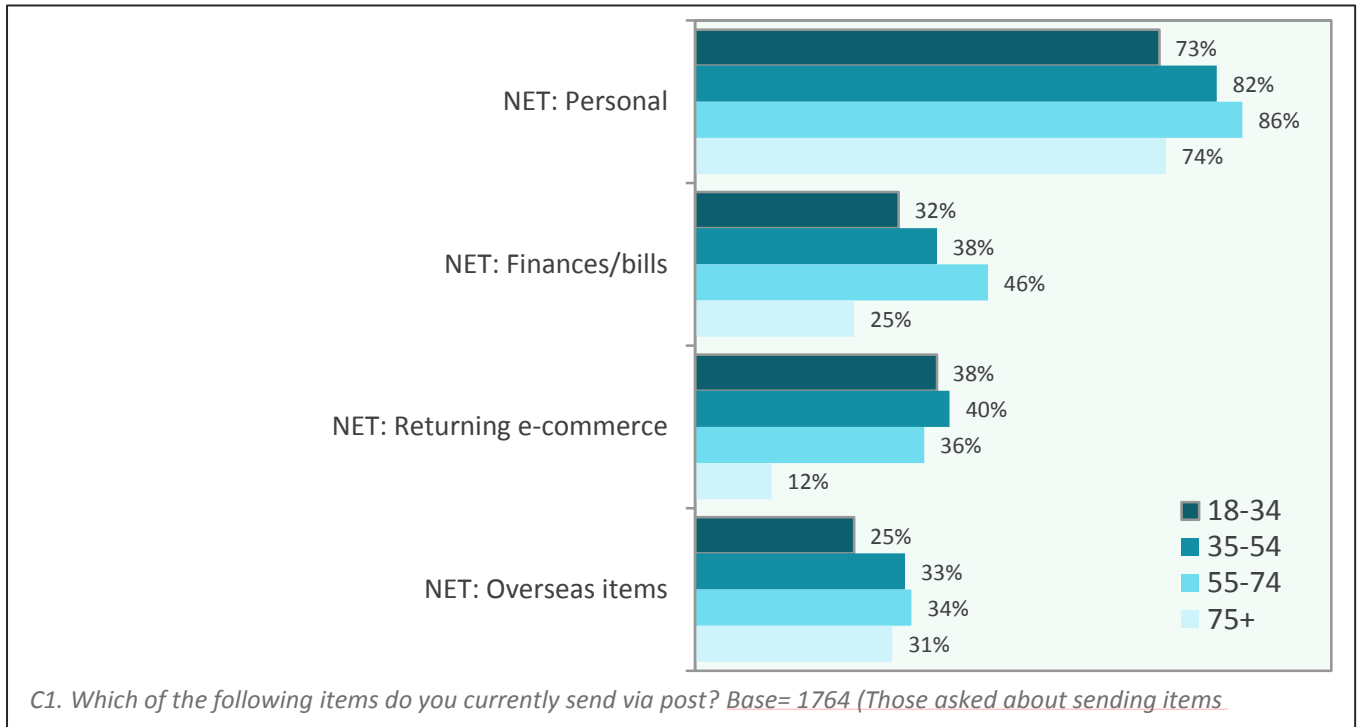
Figure A6.11: Importance of items received in the post (grouped)

	Not at all important	Not important	Neither	Important	Very important	Net Imp.
Social		8%		25%	63%	88%
E-commerce		8%		22%	64%	86%
Personal medical	6%	5%	12%	24%	54%	78%
Other	4%	5%	17%	28%	47%	75%
Gov't tax and benefits	6%	5%	16%	23%	51%	74%
Finances/bills	5%	7%	16%	29%	44%	73%
Mail relating to pensions	6%	5%	15%	26%	47%	73%
Purchases/subscriptions	13%	13%	21%	26%	26%	52%
Advertising mail	71%	12%	7%	3%	3%	6%

B3. How important to you is it to receive X by post?
Base= (Those asked about receiving items (survey section B))