

## Reviewing your mail services provider

Since 1 January 2006, the UK mail market has been fully open to competition, and licensed postal operators are now free to compete with Royal Mail by offering any customer a choice of mail products and services.

In practice, this means choice of postal operator is no longer restricted to the biggest mailers, and small or medium-sized organisations should now be asking whether they can benefit by shopping around.

### Benefits of competition

You might be able to obtain a range of benefits, including: better value for money, more advantageous credit terms, improved customer service, enhanced security or better management information.

Before you start to shop around, you must carefully consider what your organisation is trying to achieve with its postal activities – and whether you should change the way you currently use mail services in order to get better results for your business.

Improvements in your mailing systems can have a knock-on effect throughout your business – from list management and cash flow to production and distribution.

### Getting started

You could start by asking yourself how you use mail services and how those services relate to the needs of your business:

- **How much mail do you send?** What quantities of mail do you send and how frequently do you send mail? Is your mailing activity confined to specific times in the year or do you send mail on a regular daily or weekly basis?
- **What type of service do you need?** Is guaranteed delivery on a particular day important? Do you use first class, second class or Mailsort products?

- **Where and to whom is your mail going?**
- **Where are your despatch points?** How many are there? Are they fixed or moveable? Could you consolidate across despatch points?
- **What is the average weight of your mail?** Does it vary much? What range of weights do you need to send?
- **How bulky is your mail?** Have you considered the impact of Pricing in Proportion (PiP)? Have you adapted the format of your mail to take account of PiP-related pricing changes? (For more information on PiP, see separate fact sheet.)
- **What are you trying to achieve with your mailings?** Speed of delivery? 'Named day' predictability? Or do you need high levels of security?
- **Do you use any address or sortation software?** Investment in either of these could help you get a better deal.
- **Can you “consolidate” – sort or combine – any of your own mail?** By doing so – or by working with other local businesses - you could cut mailing costs.
- **Can you give notice of your mailings timings and volumes?** If so, how much?

Once you have answered these questions you will be better prepared to approach a mail operator or postal consultant to see if you could benefit from the liberalised market.

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### Useful links

- **[www.psc.gov.uk](http://www.psc.gov.uk)** - Postcomm's website, for more information on all aspects of the mail market, including contact details for all licensed operators and information on mail industry suppliers

Postcomm is the independent regulator for postal services in the UK. This is one of a series of fact sheets designed to provide background information on key issues in the postal services sector. Contact us at 6 Hercules Road, London, SE1 7DB. **Tel** 020 7593 2100, **Email** [info@psc.gov.uk](mailto:info@psc.gov.uk)

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