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Dear Helen,

A REVIEW OF ROYAL MAIL'S COLLECTION AND DELIVERY TIMES – THE WAY FORWARD

1. MUA thanks Postcomm for the opportunity to respond to its 'Review of Royal Mail's Collection and Delivery Times – The Way Forward'. In assessing its formal response to this consultation, members are first and foremost struck by the fact that whilst the working sub-title of Postcomm's document states that it addresses 'The needs of users in relation to collection and delivery times', almost the entire document is dedicated to the needs and wants of residential customers and small and medium sized enterprises (SME's).
2. Whilst MUA is prepared to accept the findings of the commissioned research may reflect opinion amongst receiving customers and SME's, it does not believe the issues debated in this document sufficiently reflect the views of the overall market. Members are therefore concerned by this fact, given that large volume mailers also retain legitimate business needs, wants and expectations in these areas, which appear to have been overlooked in Postcomm's conclusions.
3. Whilst the commissioned research may well establish that a high percentage of respondents would be prepared to forego a collection and/or delivery on a Saturday, an equally high percentage of bulk volume business mailers would most certainly not. Saturday delivery is considered to be vitally important to many business mailers, given that weekends are when receiving customers have more time to deal with business mail, and are arguably more likely to respond positively to the delivery of mail items such as direct mail, than on weekdays.
4. Factors such as these play an important role in maximising the response rates a company can expect from a direct mail campaign, and subsequently the amount of resources that company will be prepared to invest in direct mail campaigns in the future. So, whilst Postcomm's commissioned research may for example indicate the cessation of deliveries on Saturdays to be a non-contentious issue, the ramifications of Royal Mail actually doing so would be far reaching, in respect of the impact it may have on migration towards alternative forms of media.
5. MUA therefore believes it is critically important Postcomm takes into account issues such as these in the debate surrounding the future of USO collections and deliveries, and that the opinions of a key sector of Royal Mail's customers base, i.e. those whose mail volumes are to a large extent primarily responsible for funding the Universal Service Obligation, are also taken into account in a debate of this magnitude.

6. MUA would also state that it finds it hard to believe that the majority of business customers in the researched population were found to be ‘highly satisfied’¹ with receiving their mail later in the day. Members’ take on the market would lead them to believe that the majority of business customers would have been forced to alter their incoming mail arrangements to accommodate single day delivery, and that the vast majority would have been unlikely to be satisfied with the prospect, either before or after its implementation. MUA would also note that large volume sending customers also have views/expectations (as paying customers) as to when they believe it is appropriate for their mail to be delivered, an opinion which does not appear to have been taken into account in Postcomm’s deliberations.
7. Having reviewed the Initial Impact Assessment put together by Postcomm (and the supporting evidence in the rest of the document), whilst MUA appreciates the validity of those arguments put forward for and against each of the options, members nevertheless consider the future requirements of customers towards collection and delivery is far less easy to quantify than Postcomm would have Industry believe.
8. Members believe that any way forward is likely to be found in the middle ground, with customer expectations being met by adjustments/revisions to aspects of both collection and delivery processes, and they would argue it is too simplistic to compartmentalise the decision into a) do nothing, b) Push Royal Mail to concentrate only on collections, c) Push Royal Mail to concentrate on only deliveries, or d) Ensure Royal Mail makes provision for a four hour window in any future collection/delivery scenario.
9. MUA would argue that it would be far more appropriate for Postcomm to view its Options b), c) and d) as being milestone objectives on the way to achieving an ideal collection-delivery scenario, with Option a) being the present position and Option b) being the next step, designed to take place in parallel with Royal Mail’s modernisation programme. The Caveat to MUA’s recommendation is that members also believe these milestone objectives need to be enshrined in a published timeline, enabling USO provider(s) to have a full understanding of the process, and Industry’s expectations of their phased role within it.
10. Finally, MUA would raise the issue of the fact that it is aware Royal Mail already has revised business collection plans on the drawing board, and would be surprised if Postcomm were not also aware of this. Members would therefore state that in order to further ensure decision making by Industry is carried out with access to the full picture, members would wish to know how these plans fit into the overall picture.
11. I do hope you find this feedback of use to you in your deliberations. If you have any questions related to it, do not hesitate to contact MUA.

With best regards,

Jeremy Partridge
Executive Director
Mail Users’ Association

¹ Postcomm Media Briefing – Key Findings of Postcomm’s Market Research - June 2007 (1st Paragraph) ‘The results of the survey revealed high customers satisfaction with the quality of postal services...These results included high satisfaction with the frequency and time of collections and deliveries, affordability and access to post boxes.’