

# MCA Market Research

## *Postal Services – Business Survey Results*

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MCA | October 2014

# 1. Purpose & Methodology

Assess the extent of business satisfaction with the services provided by MaltaPost (USP)

Monitor a number of postal services aspects, namely price levels, quality, access and complaints handling

Provide for better regulatory decisions

*Ernst & Young carried out the survey between June and July 2014 on behalf of the MCA*

### Fieldwork

- Interviews were carried out by telephone lasting around 15 minutes
- The survey respondents were chosen randomly from the range of GO fixed telephone numbers
- Interviews on behalf of the organisation were carried out with those responsible for mail items within the business

### Sample

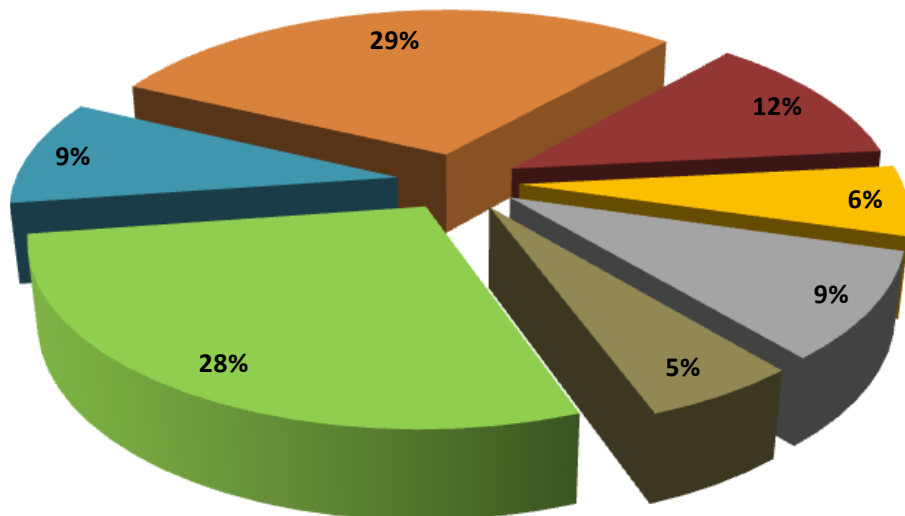
- Sample size was representatively distributed across 7 predefined industries of the business sector in Malta (Source: NACE Codes)
- The interviews were carried out with businesses that have been randomly selected on the basis of this distribution

### Responses

- 403 net respondents
- Any refusals / incomplete surveys were re-allocated to achieve a net sample of at least 400 interviewees
- Margin of error +/- 4.85% at 95% confidence interval

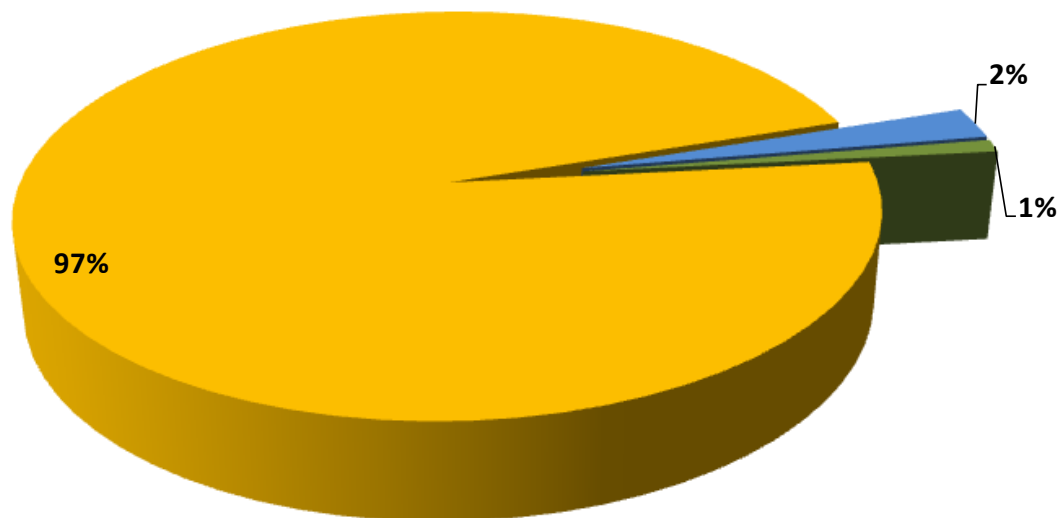
## Methodology – Sample Distribution

*Sample Size – 403*



- Primary
- Manufacturing
- Tourism and Hospitality
- Personal Services
- Construction and Utilities
- Wholesale & Retail and Transport
- Business Services

*Sample Size – 403*

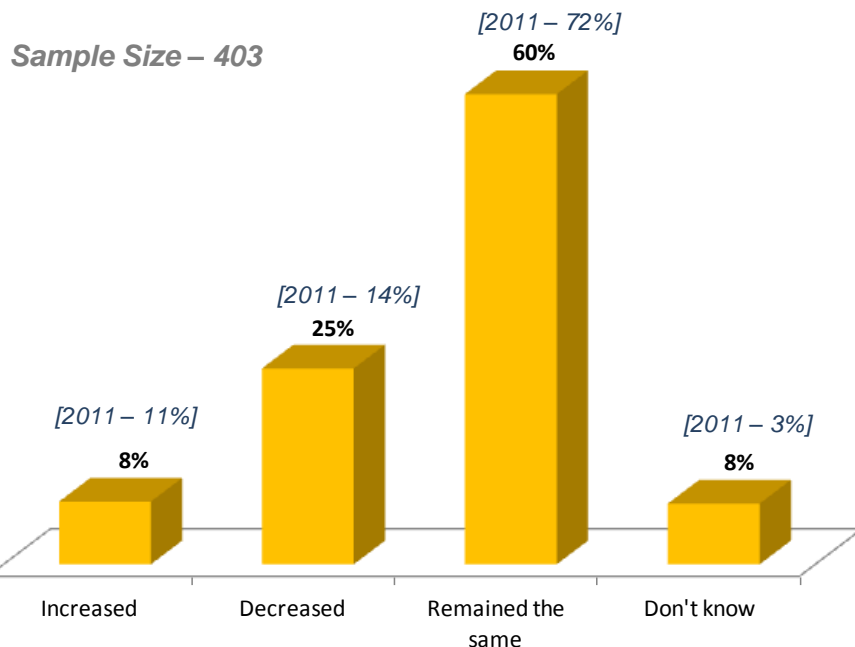


- 0 - 9 employees
- 10 - 49 employees
- 50+ employees

## **2. Postal Services for Businesses in Malta: Addressed Letter Mail**

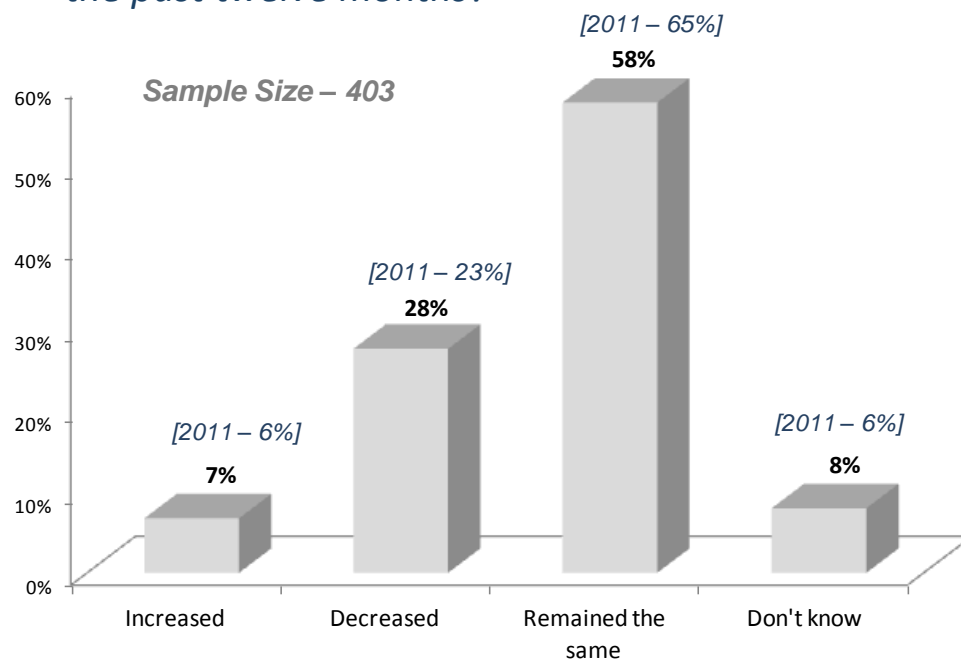
## Activity of Postal Services – Businesses (1)

*Did the number of addressed letters **received** each week increase, decrease, or remain the same over the past twelve months?*



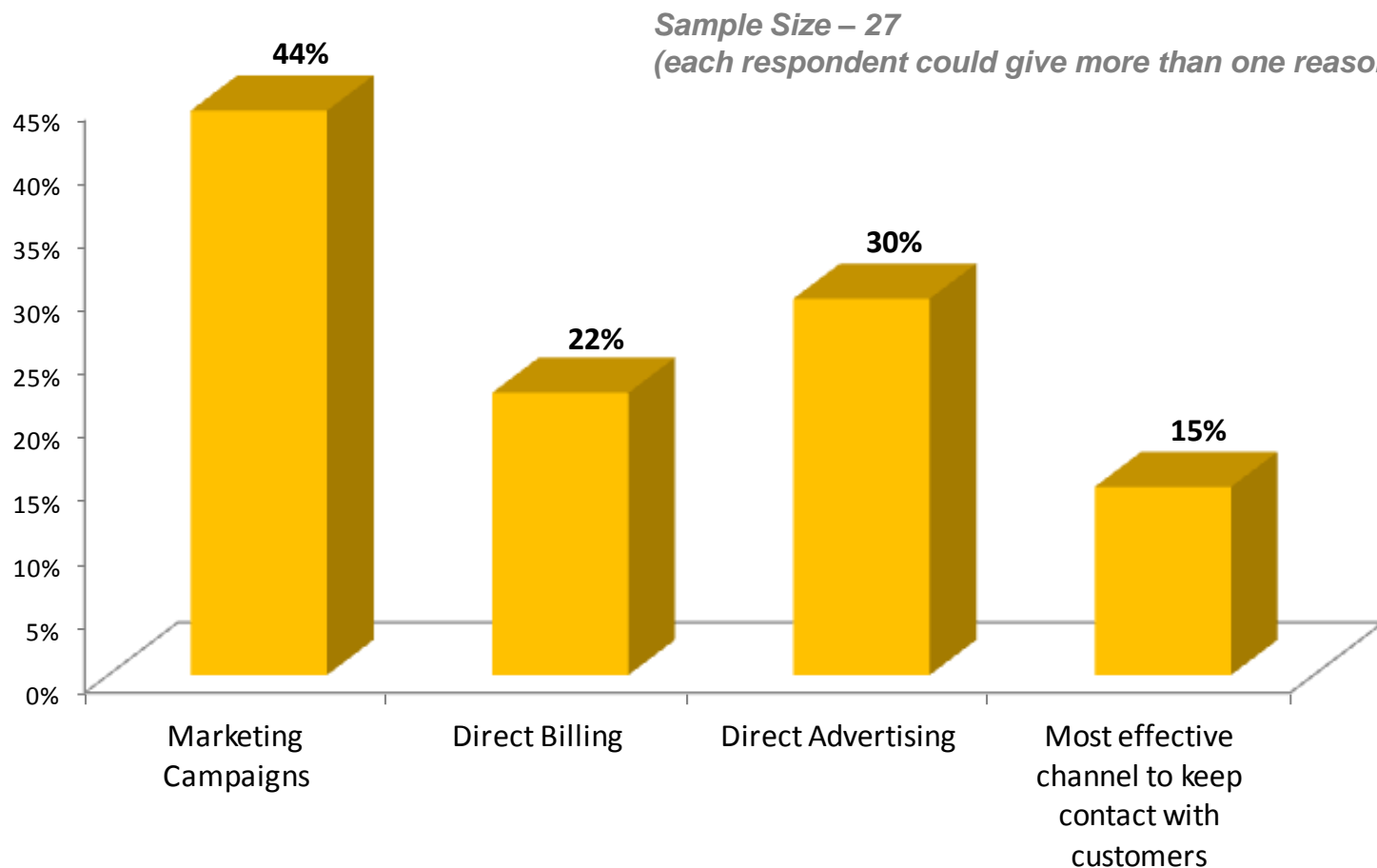
*The majority of businesses claim to have received and sent the same volume of addressed letters. At the same time, the decline in postal volumes continued to grow.*

*Did the number of addressed letters **sent** each week increase, decrease, or remain the same over the past twelve months?*



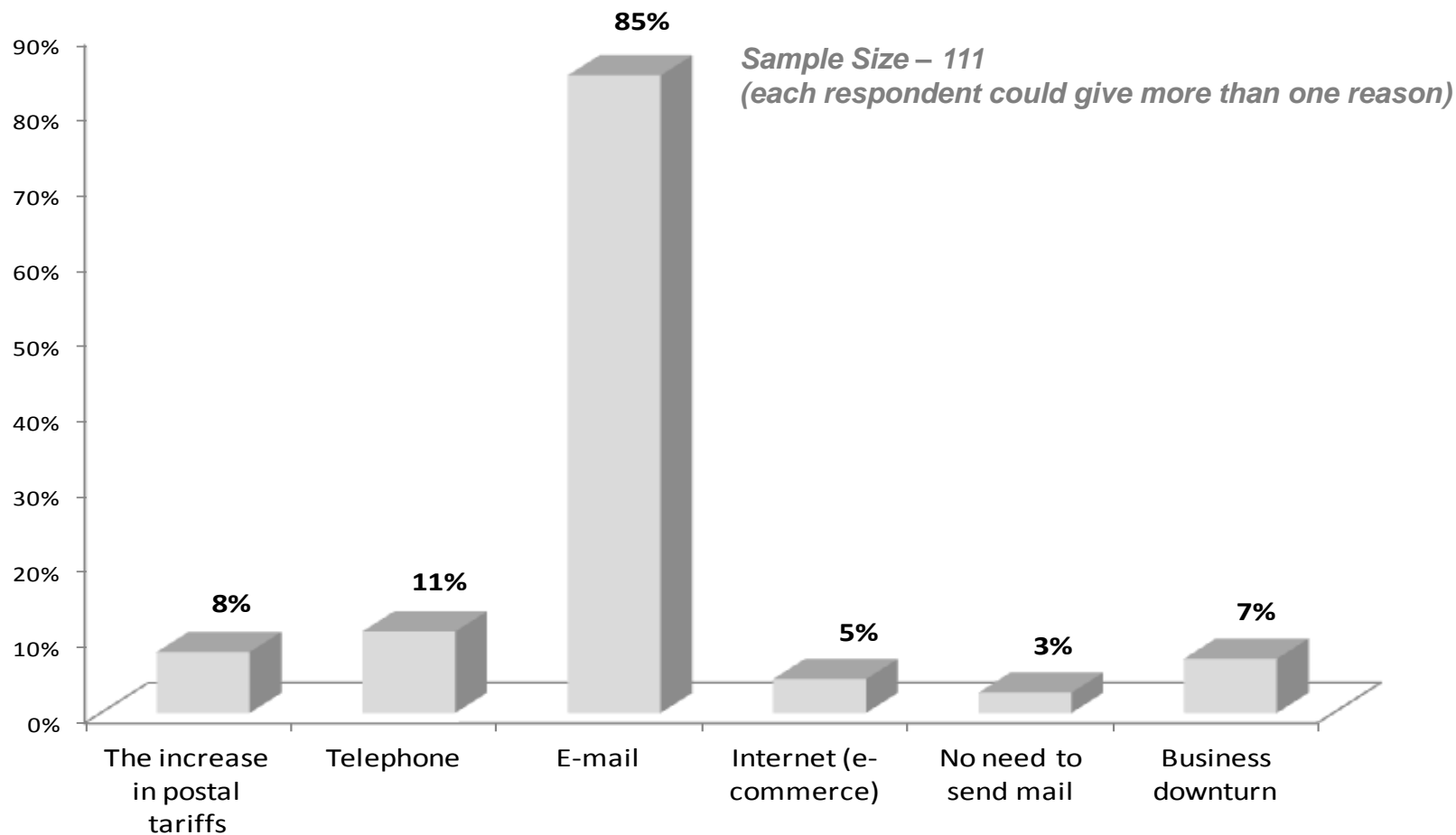
## Activity of Postal Services – Businesses (2)

*If there was an increase in the number of addressed letters sent, what are the main reasons?*



## Activity of Postal Services – Businesses (3)

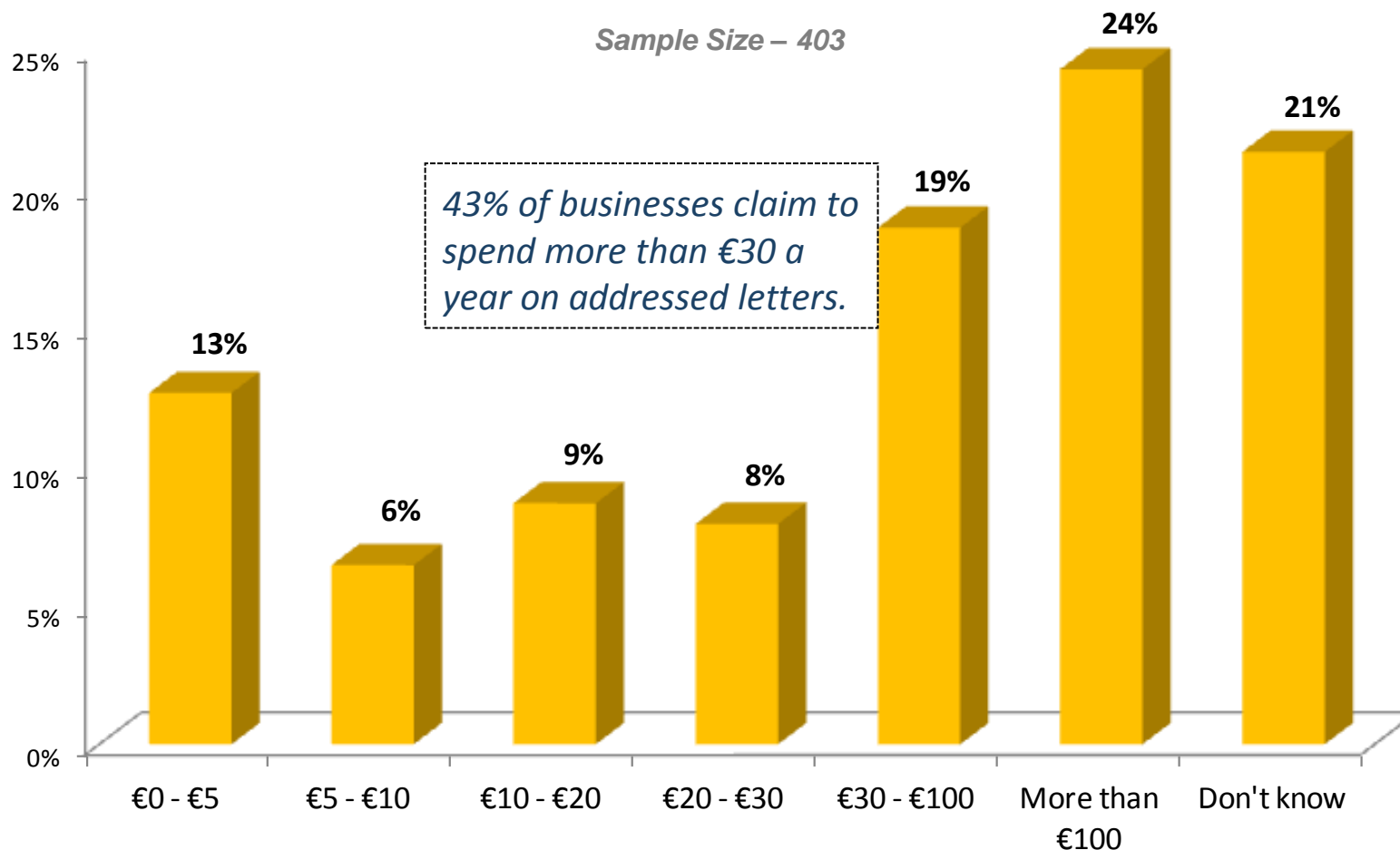
*If there was an decrease in the number of addressed letters sent, what are the main reasons?*





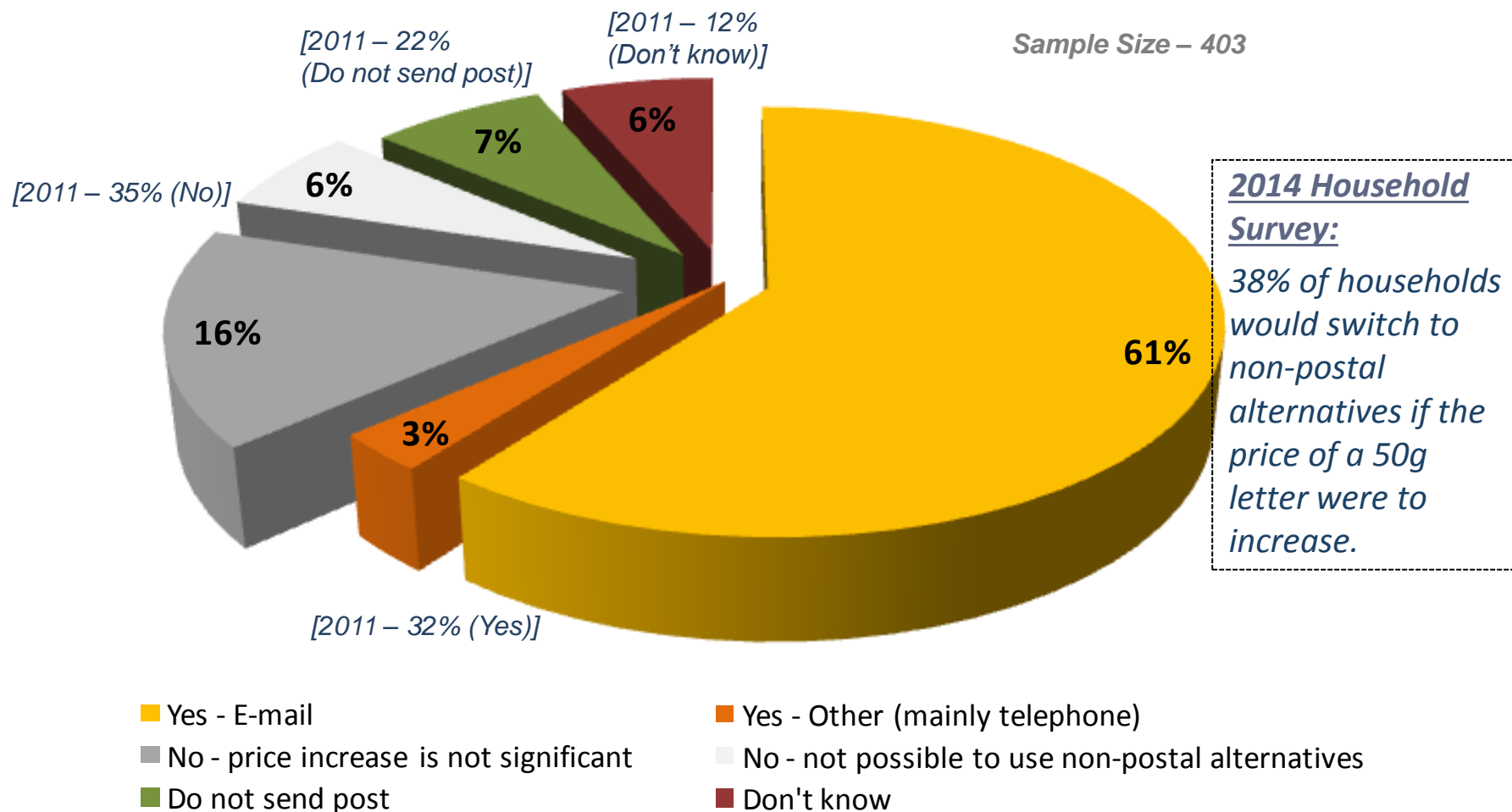
## Expenditure on Addressed Letters – Businesses

*What is the average amount of money spent by your business on addressed letters during the past twelve months?*



## Price Analysis – Substitution to Non-Postal Alternatives

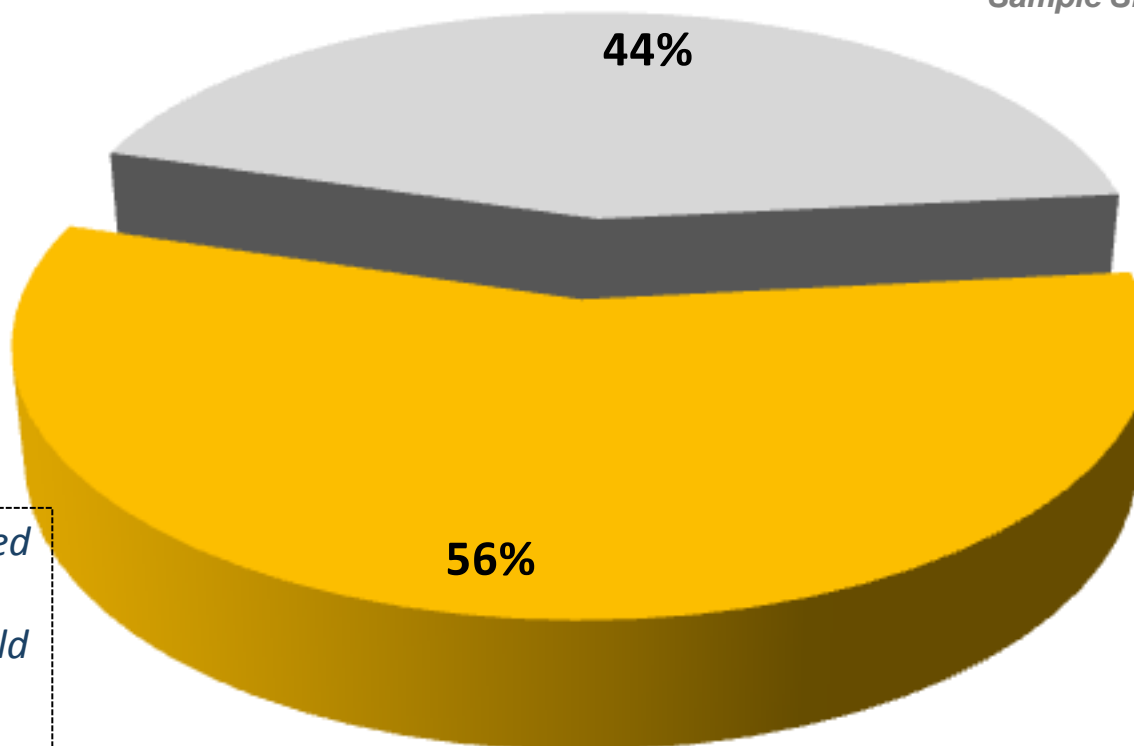
*If the price of a 50g addressed letter were to increase by 5% - 10% (e.g. from 26c to 29c) would you consider switching to non-postal alternatives?*



## MaltaPost's Registered Mail Service (1)

*Did the company send registered letters using MaltaPost over the past 12 months?*

*Sample Size – 403*



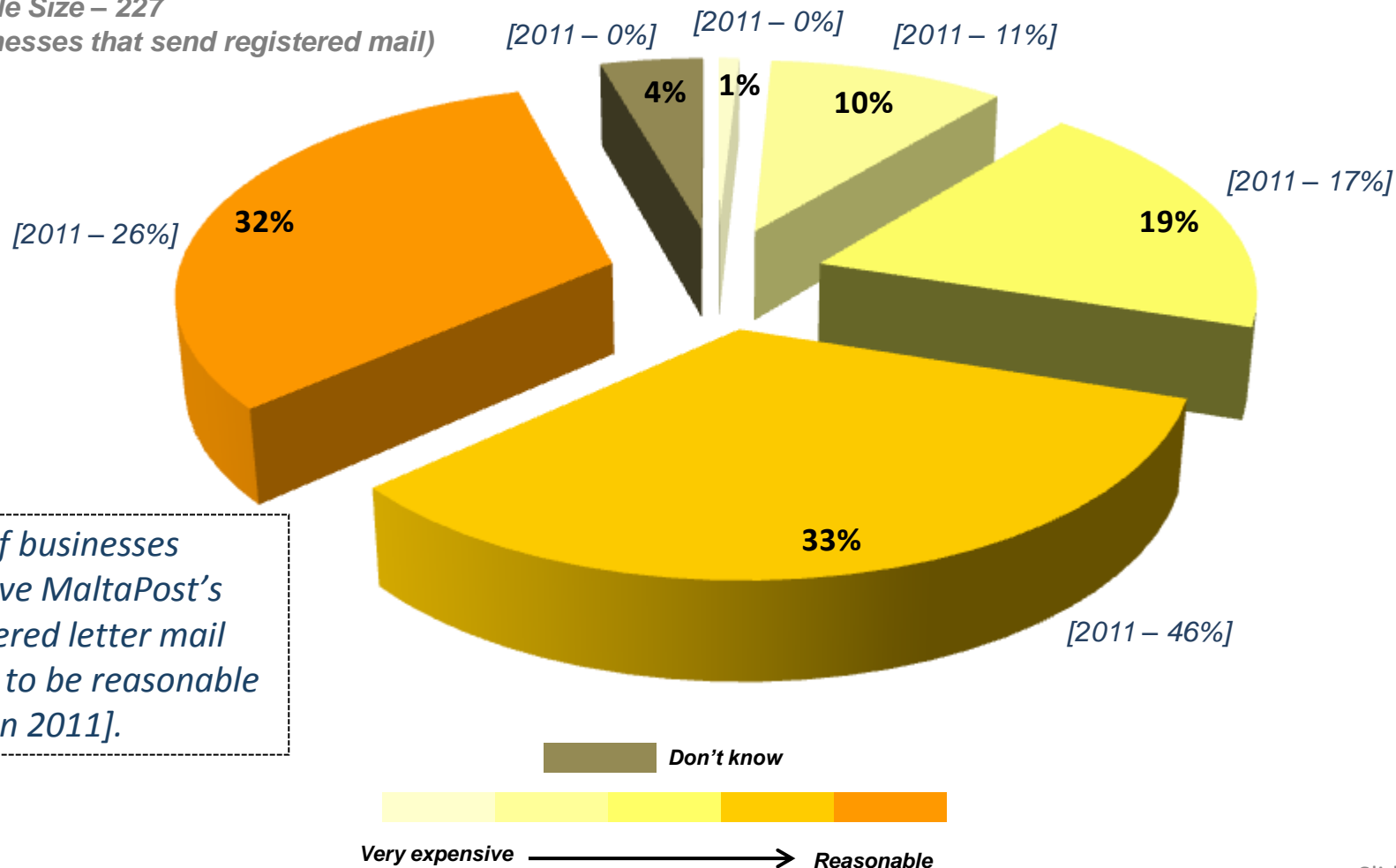
*Businesses use the registered mail service more than households. In the household survey only 33% claimed to have used the registered mail service provided by MaltaPost.*

■ Yes ■ No

## MaltaPost's Registered Mail Service (2)

*How expensive / reasonable do you find the prices of MaltaPost's registered mail services?*

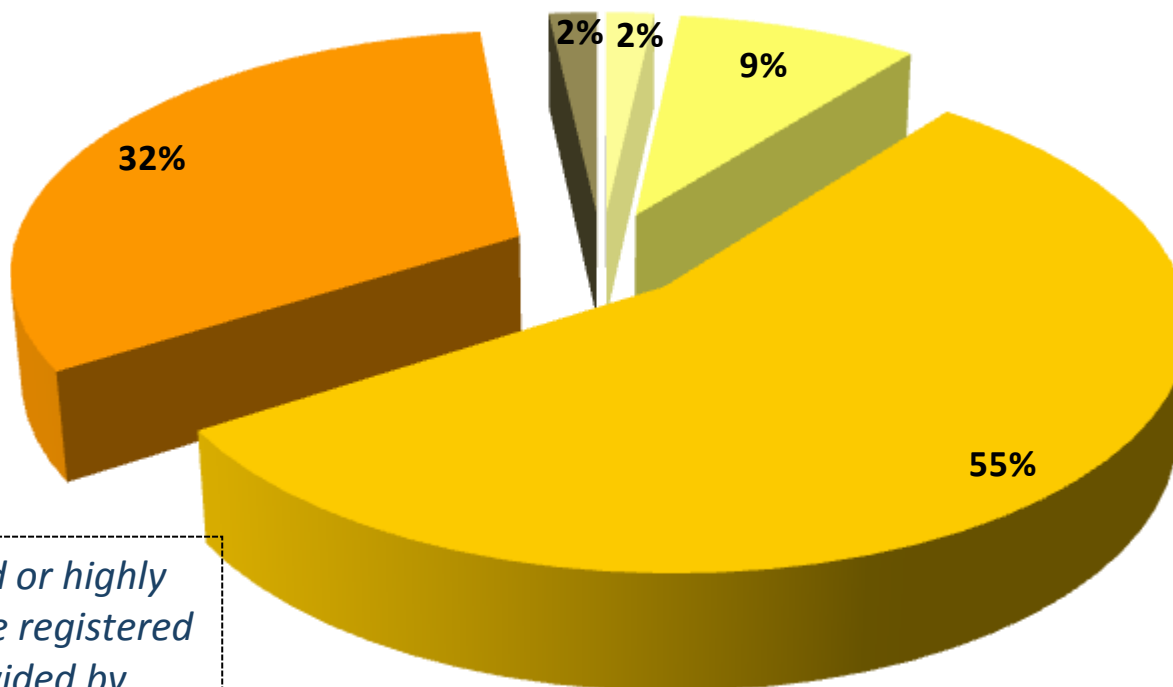
**Sample Size – 227**  
*(businesses that send registered mail)*



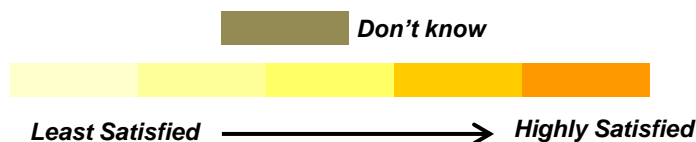
## MaltaPost's Registered Mail Service (3)

*How satisfied are you with MaltaPost's registered mail service?*

*Sample Size – 227  
(businesses that send registered mail)*



*87% are satisfied or highly satisfied with the registered mail service provided by MaltaPost [83% in 2011].*

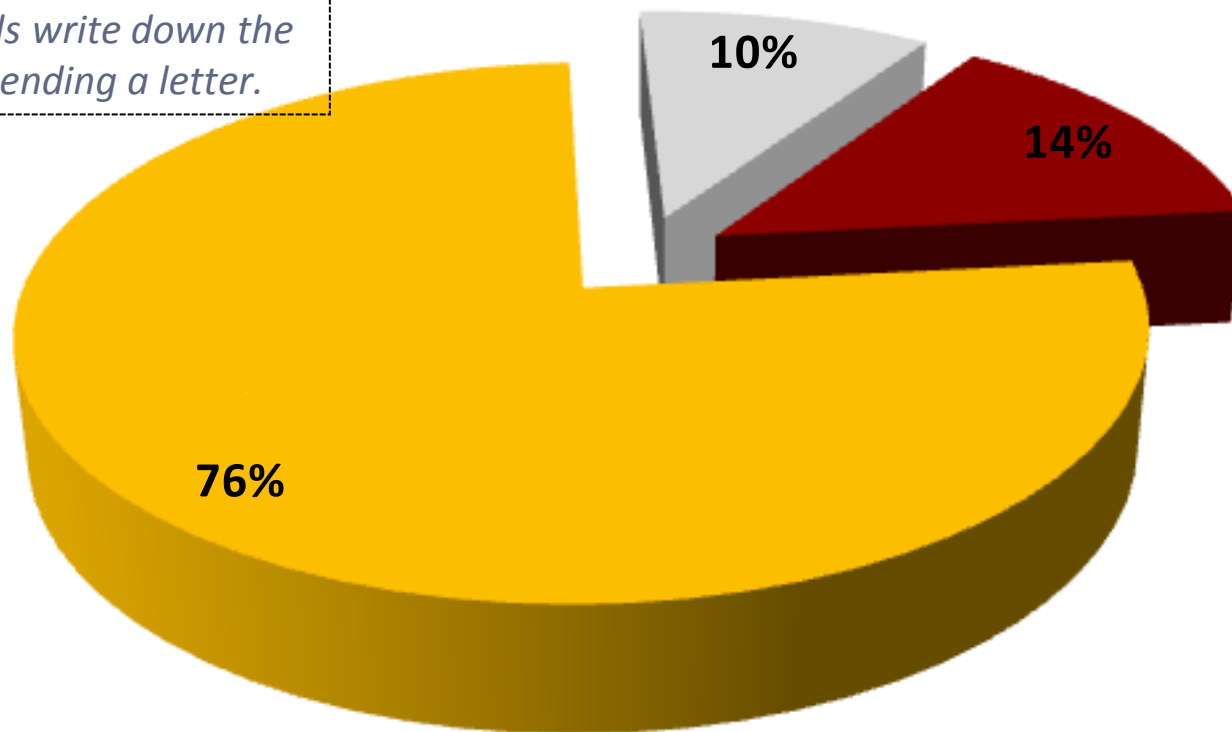


*Do you write down the post-code when sending a postal article e.g. a letter?*

**2014 Household Survey:**

*71% of households write down the post-code when sending a letter.*

*Sample Size – 403*



■ Yes   ■ No   ■ Don't know

### **3. Postal Services for Businesses in Malta: Parcel Post**

*Have you received any parcels/packages during the last 12 months?*

Sample Size – 403

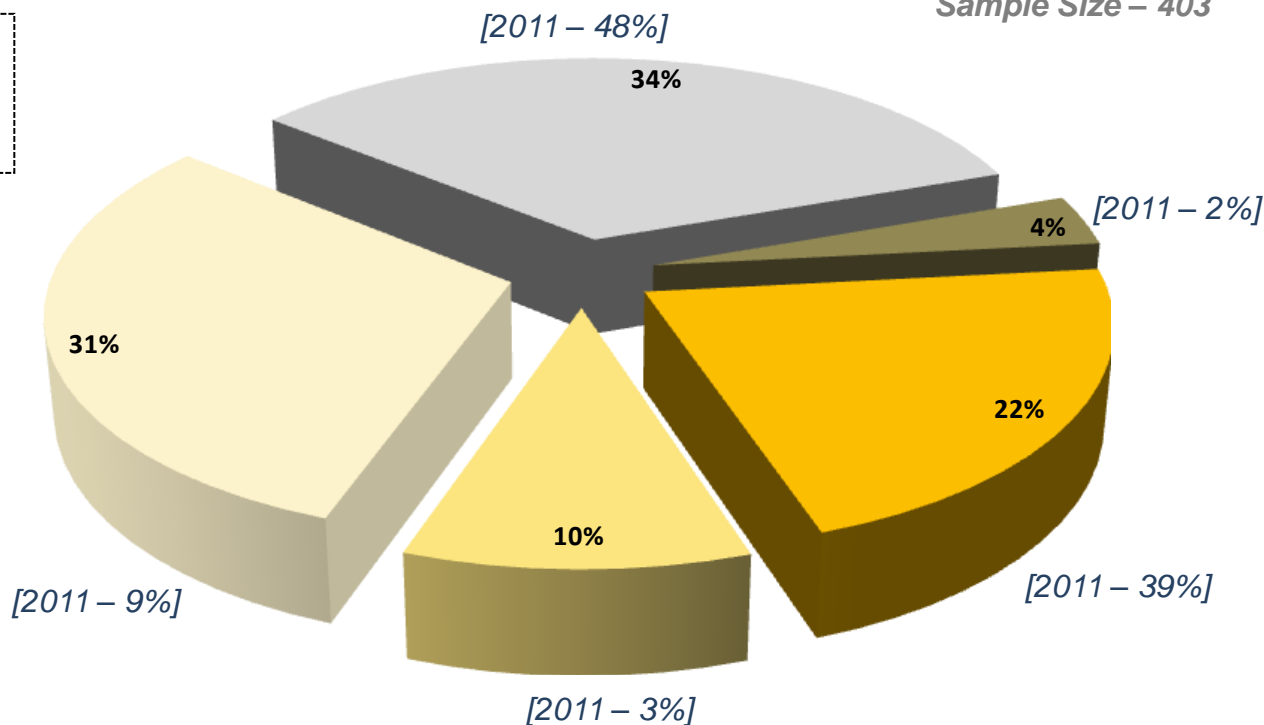
63% of businesses say they received a parcel during the last 12 months [51% in 2011].



10% of businesses say they received a parcel only from an operator which was not MaltaPost [3% in 2011].



31% of businesses say they received parcels both from MaltaPost and other operators [9% in 2011].

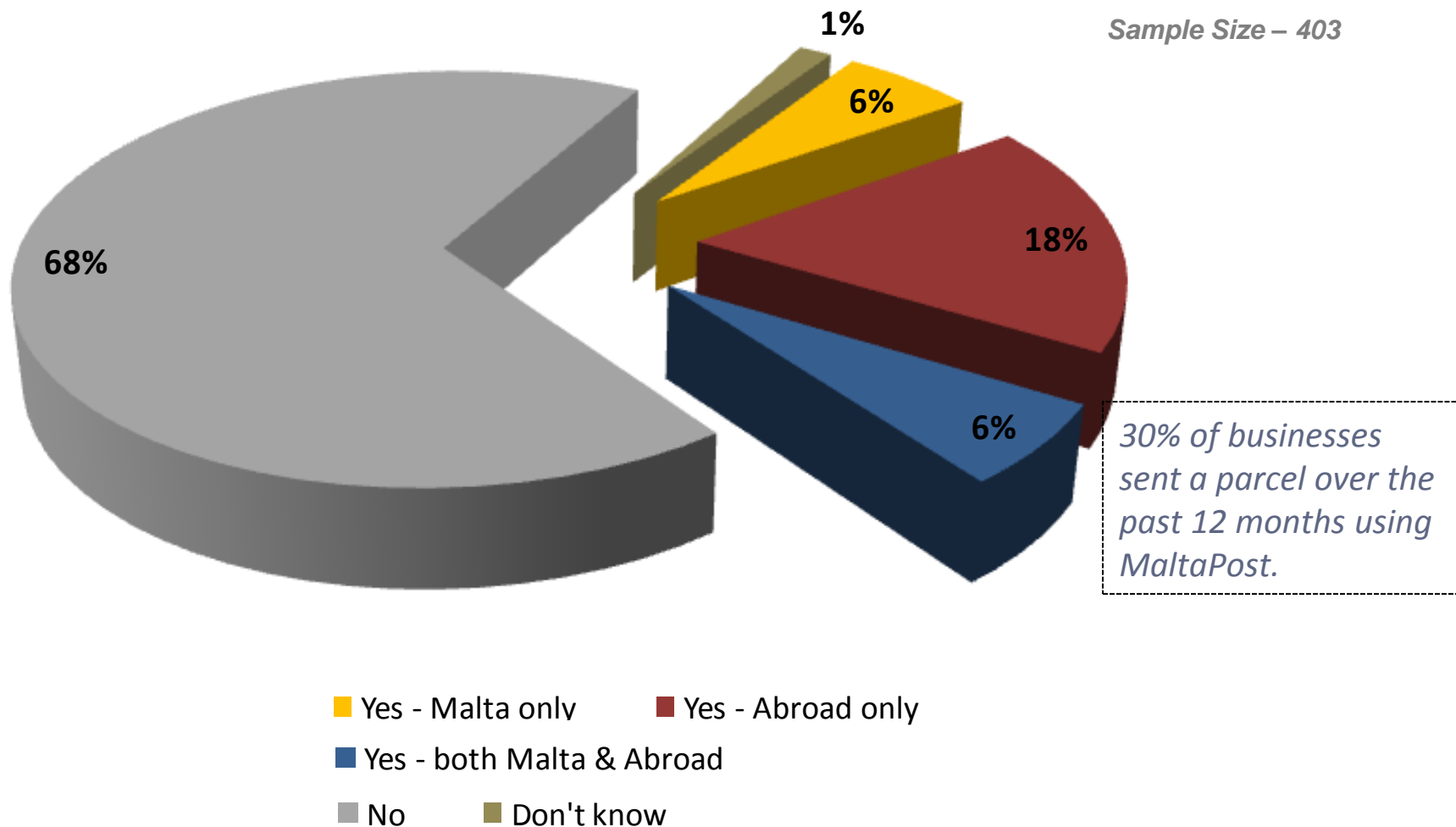


- Yes, from MaltaPost
- Yes, from another operator
- Yes, from both MaltaPost and other operators
- No
- Don't know



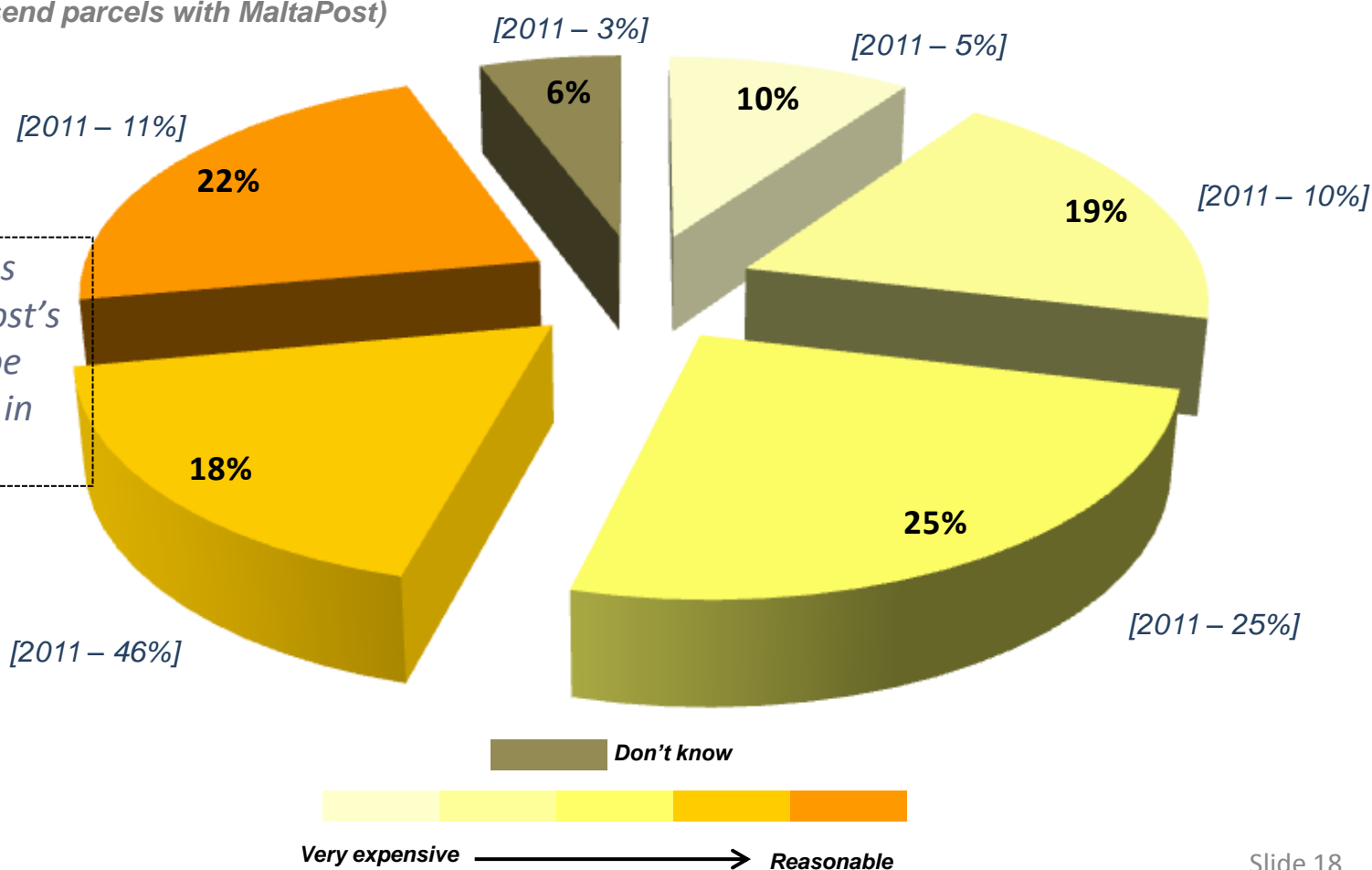
## MaltaPost's Parcel Service (1)

*Did the company send any parcels using MaltaPost over the past 12 months?*



*How expensive / reasonable do you find the prices of MaltaPost's parcel service?*

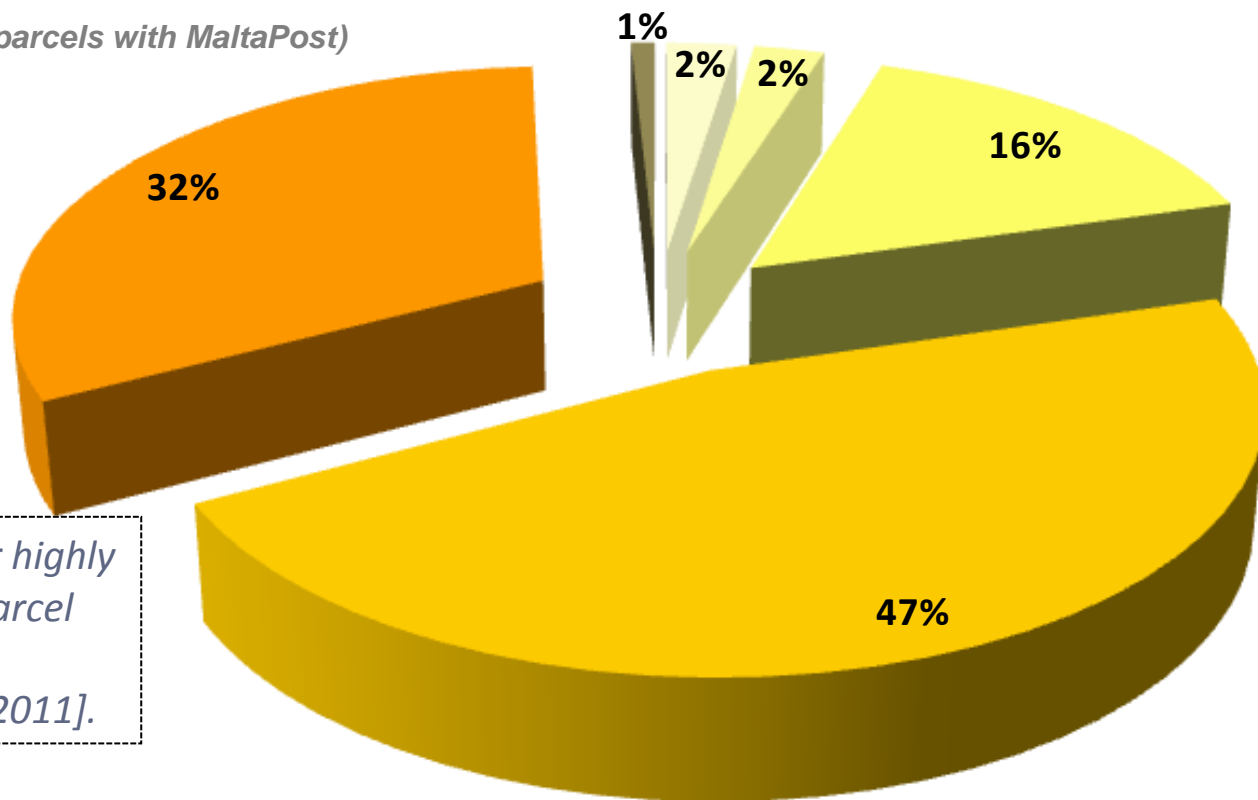
**Sample Size – 122**  
(businesses that send parcels with MaltaPost)



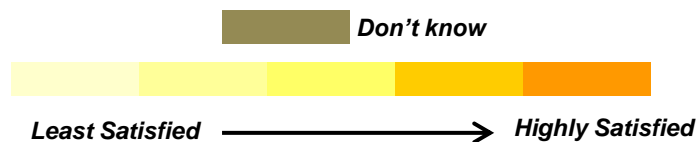
40% of businesses perceive MaltaPost's parcel tariffs to be reasonable [57% in 2011].

*How satisfied are you with MaltaPost's parcel service?*

*Sample Size – 122  
(businesses that send parcels with MaltaPost)*

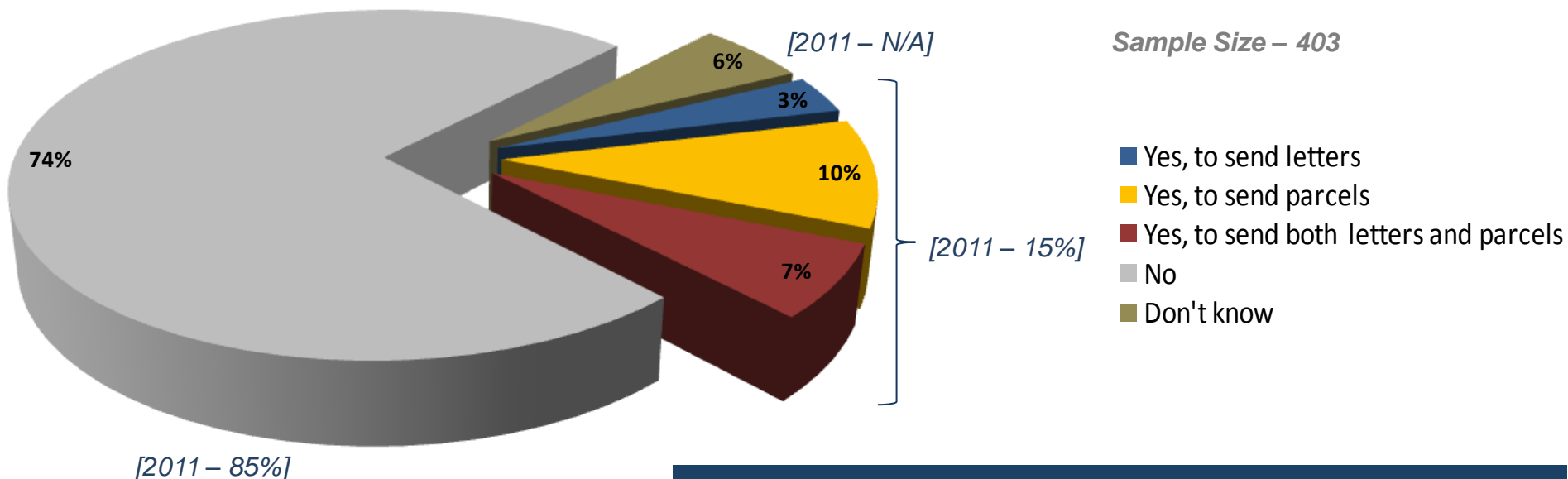


*79% are satisfied or highly satisfied with the parcel service provided by MaltaPost [92% in 2011].*



## Alternative Postal Operators

*Have you used other providers besides MaltaPost to send letters or parcels?*



### 2014 Household Survey:

*14% of households use alternative postal operators to send postal articles.*

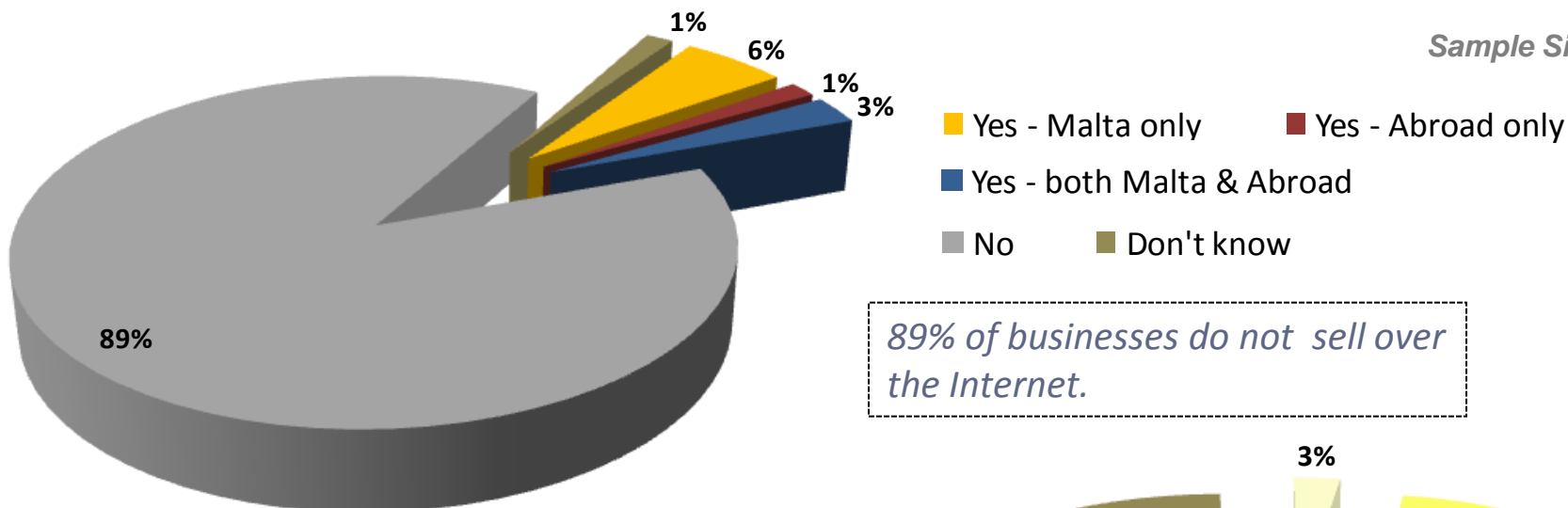
*In comparison, businesses use alternative postal operators more (20%) to send their postal articles.*

Reasons stated for using other operators' services	% of Businesses which used alternative postal operators
More reliable	20%
Cheaper	12%
Faster	56%
Easily Accessible	10%
Other Reasons	12%

## Local eCommerce (1)

*Does the company sell products /services over the Internet?*

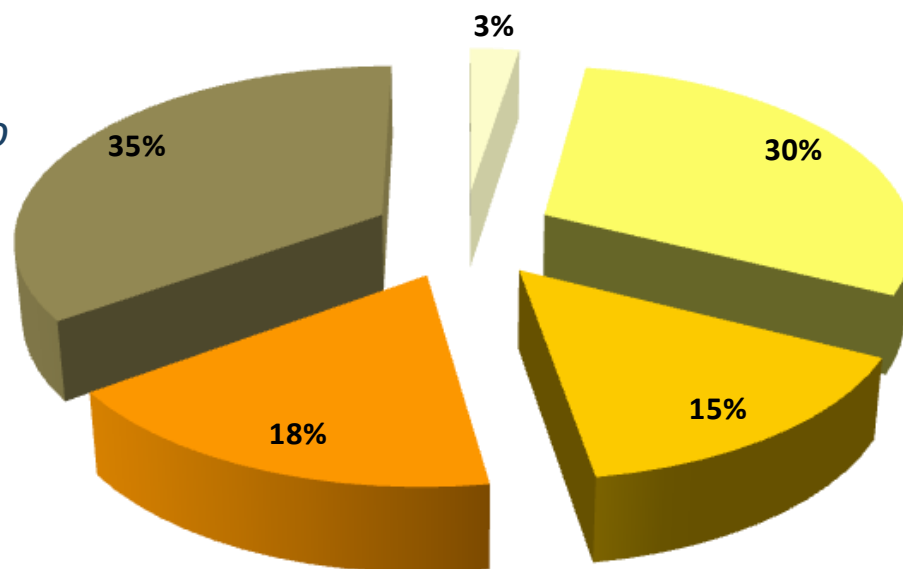
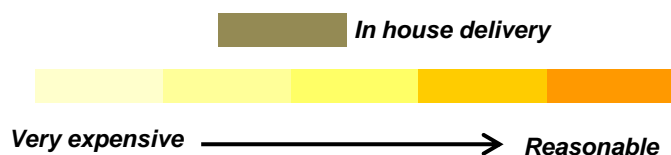
Sample Size – 403



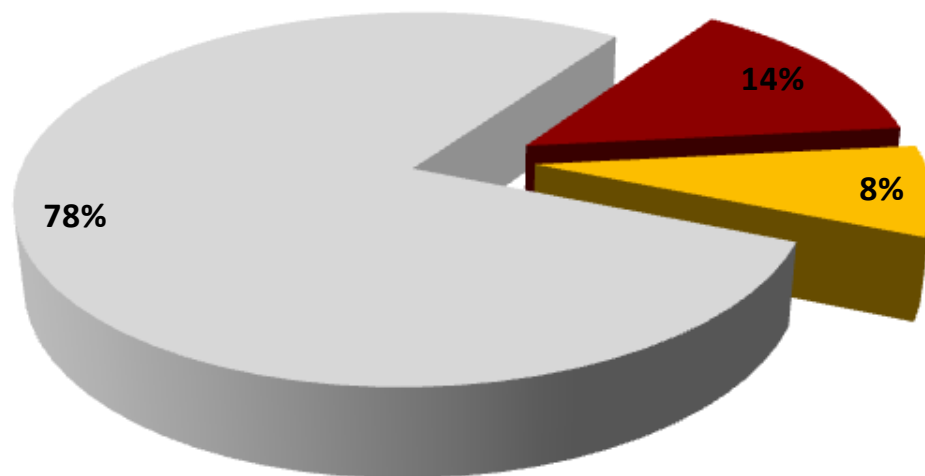
*89% of businesses do not sell over the Internet.*

*Do you find the prices for delivery of goods to your clients reasonable?*

Sample Size – 40  
(businesses involved in online selling)



*Has the company ever considered selling online?*



*Sample Size – 357*

*(businesses not currently involved in online selling)*

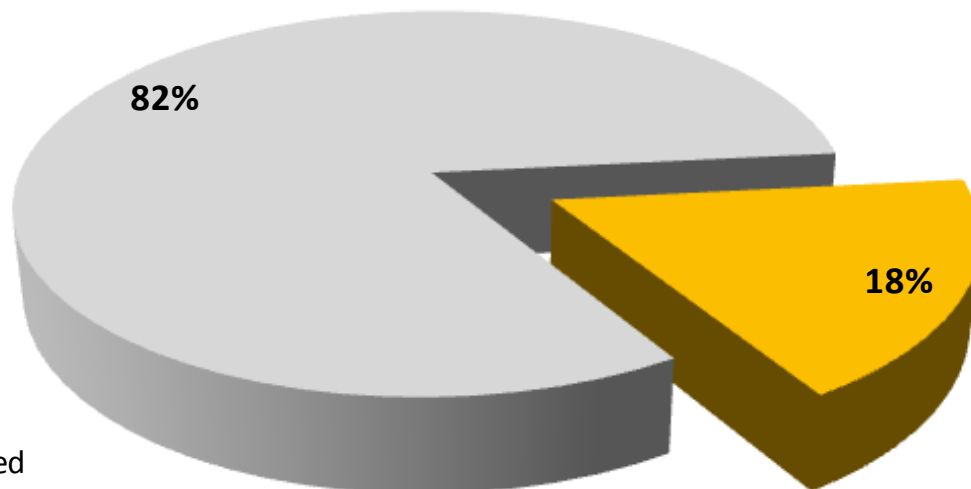
■ Yes ■ No ■ Don't know

*If yes, can you determine that the fact that so far you don't sell over the Internet is related to:*

*Sample Size – 28*

*(businesses that have considered selling online)*

■ Delivery / shipping costs ■ Not postal related



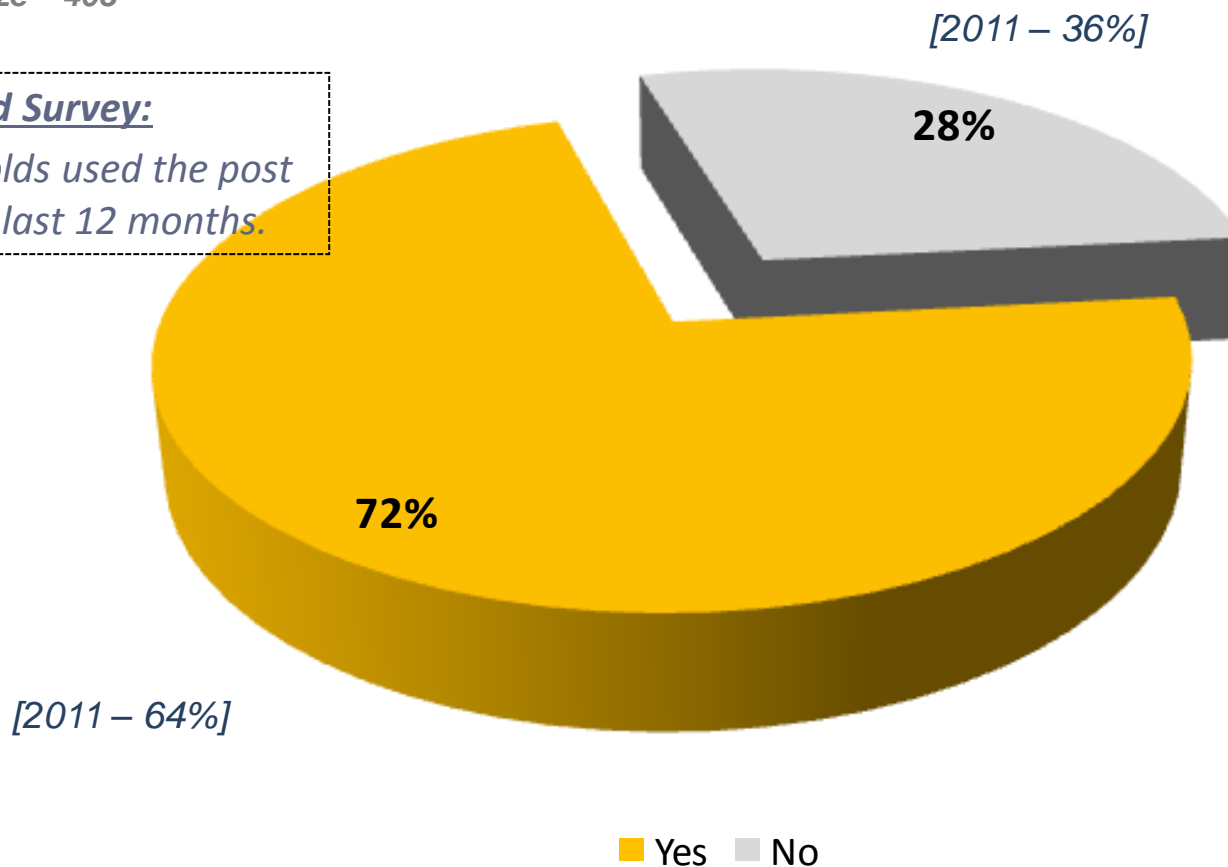
## 4. Post Office Services

*Have you been to the Post Office to use a service during the last twelve months?*

*Sample Size – 403*

**2014 Household Survey:**

*70% of households used the post offices over the last 12 months.*



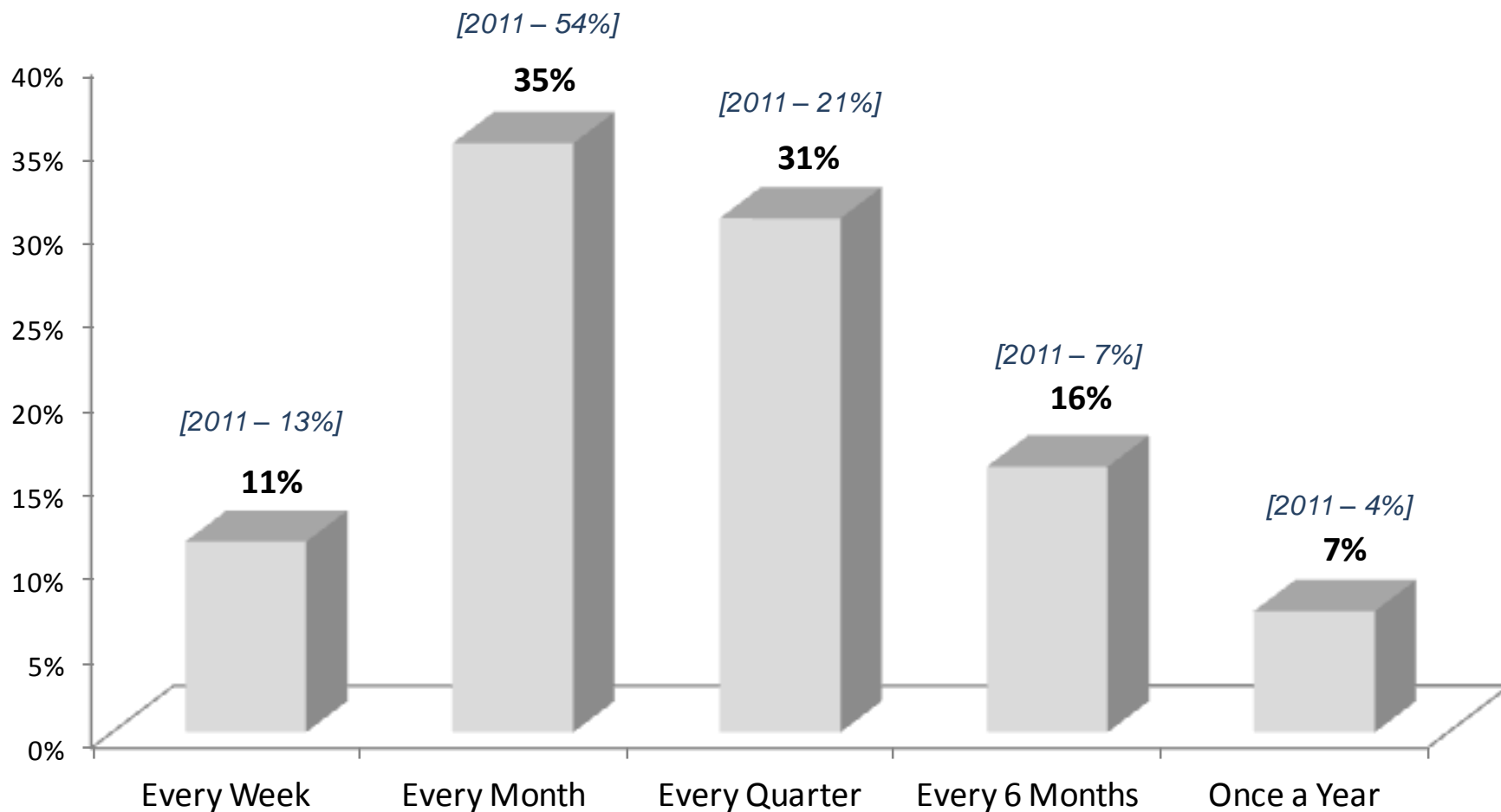


## Post Office Activity (2)

*How often do you go to the Post Office?*

*Sample Size – 291*

*The Frequency with which businesses visit the post office has fallen when compared to 2011.*

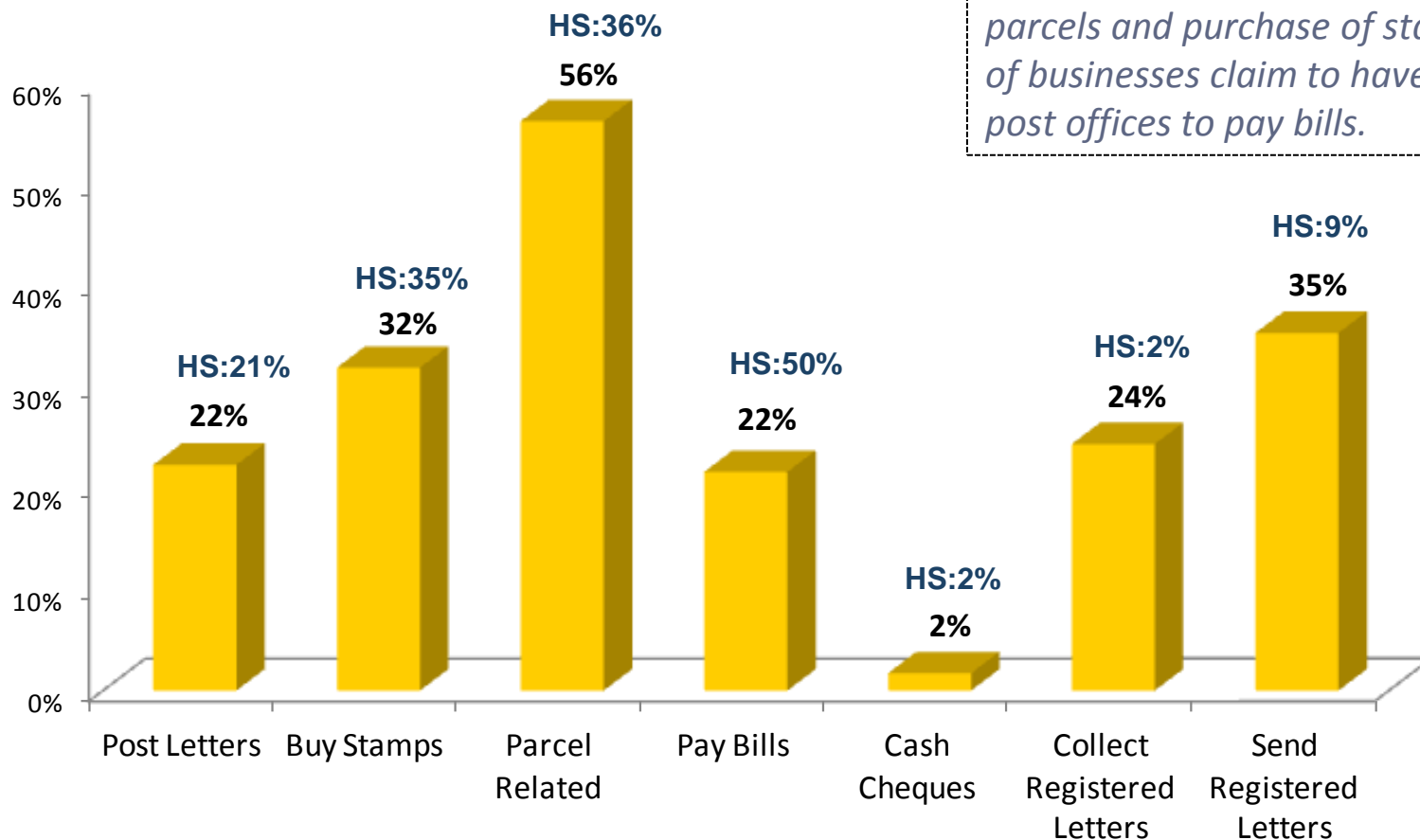


### What services have been received from the Post Office?

**Sample Size – 291**

*(respondents were prompted and could mention more than one service)*

*The most demanded services at the post office by businesses relate to parcels and purchase of stamps. 22% of businesses claim to have used the post offices to pay bills.*

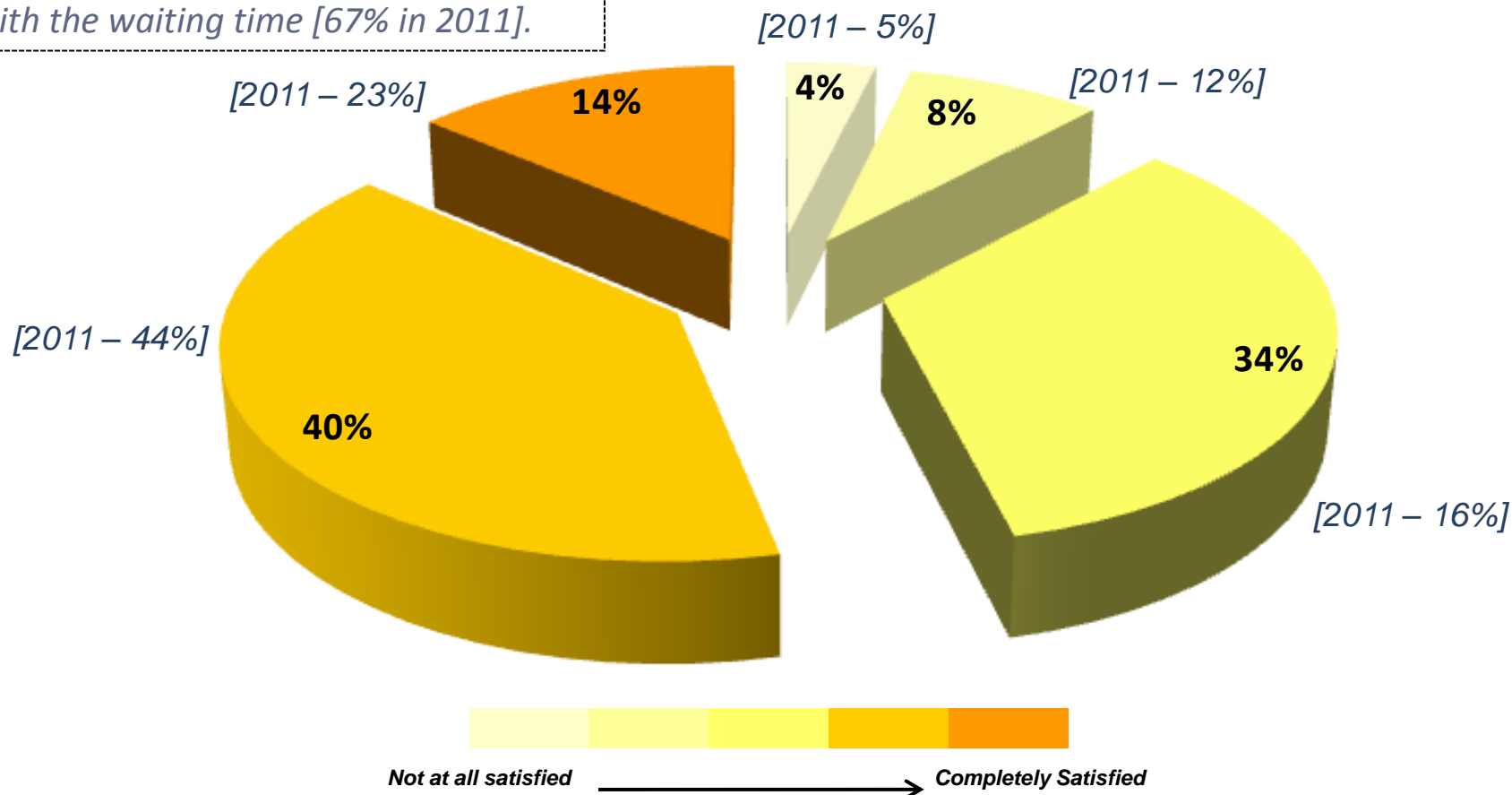


**Key Note: HS – 2014 Household Survey**

*How satisfied are you with the waiting time at the post office ?*

*54% of business respondents are happy with the waiting time [67% in 2011].*

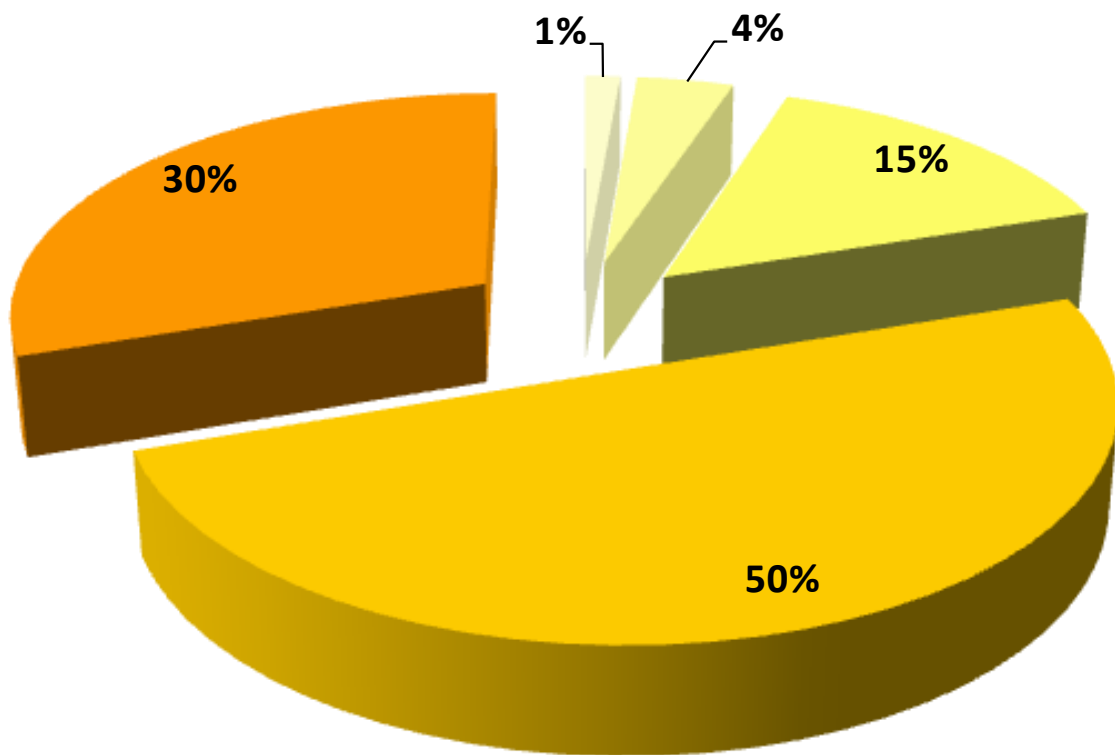
Sample Size – 291



## Quality of Service Satisfaction

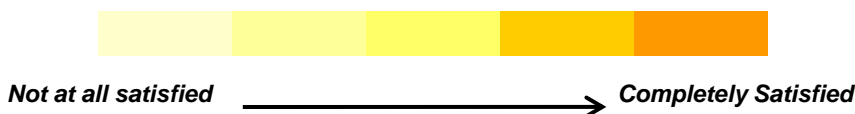
*Are you generally satisfied with the services/facilities provided by the post office ?*

*Sample Size – 291*



*80% of businesses visiting a post office are satisfied with the level of services / facilities provided at the post office [89% in 2011].*

*Of the respondents that are not satisfied with the level of services provided at the post office, 53% blame it on queues, 14% complain about the lack of parking facilities while 12% complain about the opening / closing hours of the post offices.*



## 5. Business Satisfaction with MaltaPost's Services

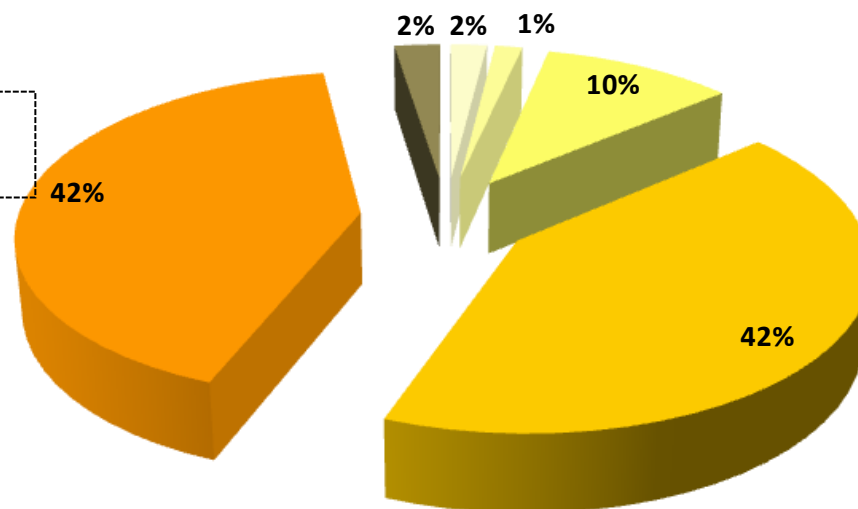
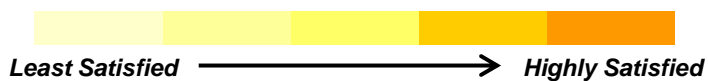
## The time your post is delivered each day

Sample Size – 403

2011 Satisfaction Levels: 88%

2014 Satisfaction Levels: 84%

Don't know



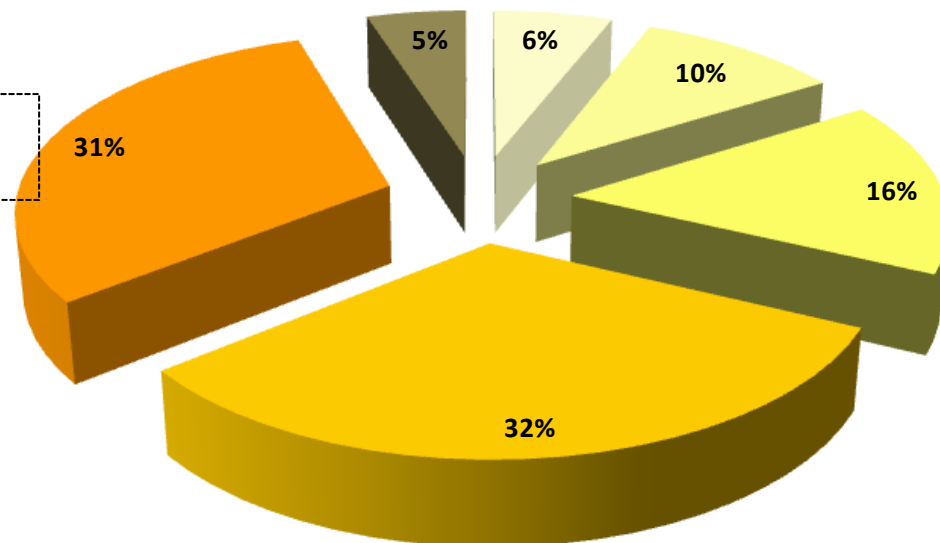
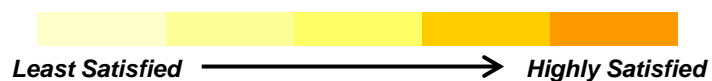
## The availability to buy postage stamps

Sample Size – 403

2011 Satisfaction Levels: 79%

2014 Satisfaction Levels: 63%

Don't know



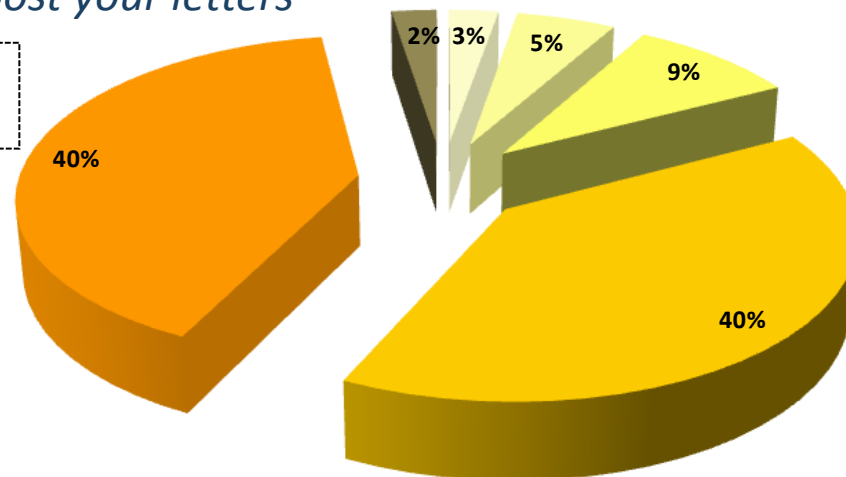
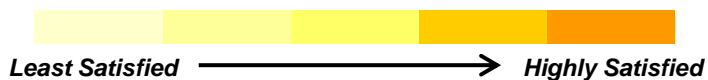
## The availability of a letterbox where you can post your letters

Sample Size – 403

2011 Satisfaction Levels: 82%

2014 Satisfaction Levels: 80%

Don't know



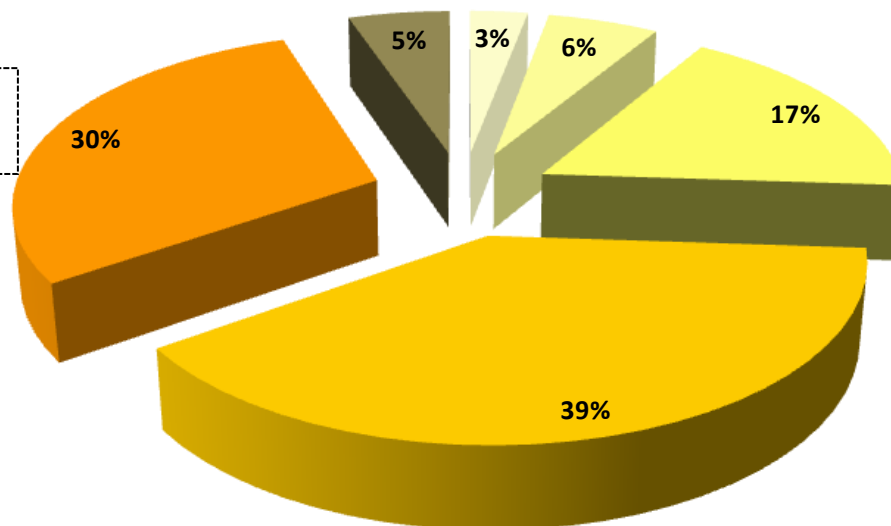
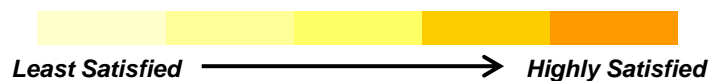
## The availability of the post office

Sample Size – 403

2011 Satisfaction Levels: N/A

2014 Satisfaction Levels: 69%

Don't know



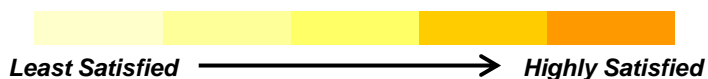
## The accessibility to information about the services provided by MaltaPost

Sample Size – 403

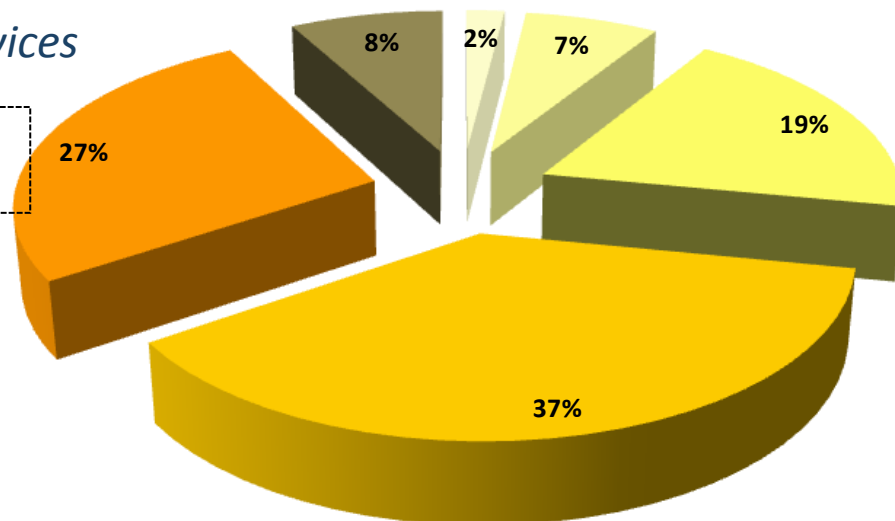
2011 Satisfaction Levels: 74%

2014 Satisfaction Levels: 64%

Don't know



## Satisfaction with...



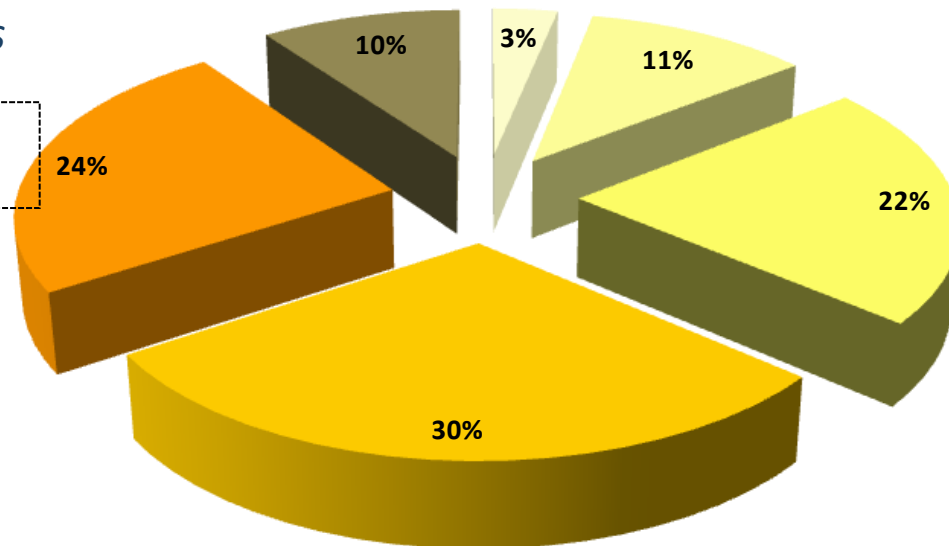
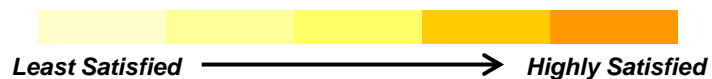
## MaltaPost offices' opening and closing times

Sample Size – 403

2011 Satisfaction Levels: 62%

2014 Satisfaction Levels: 54%

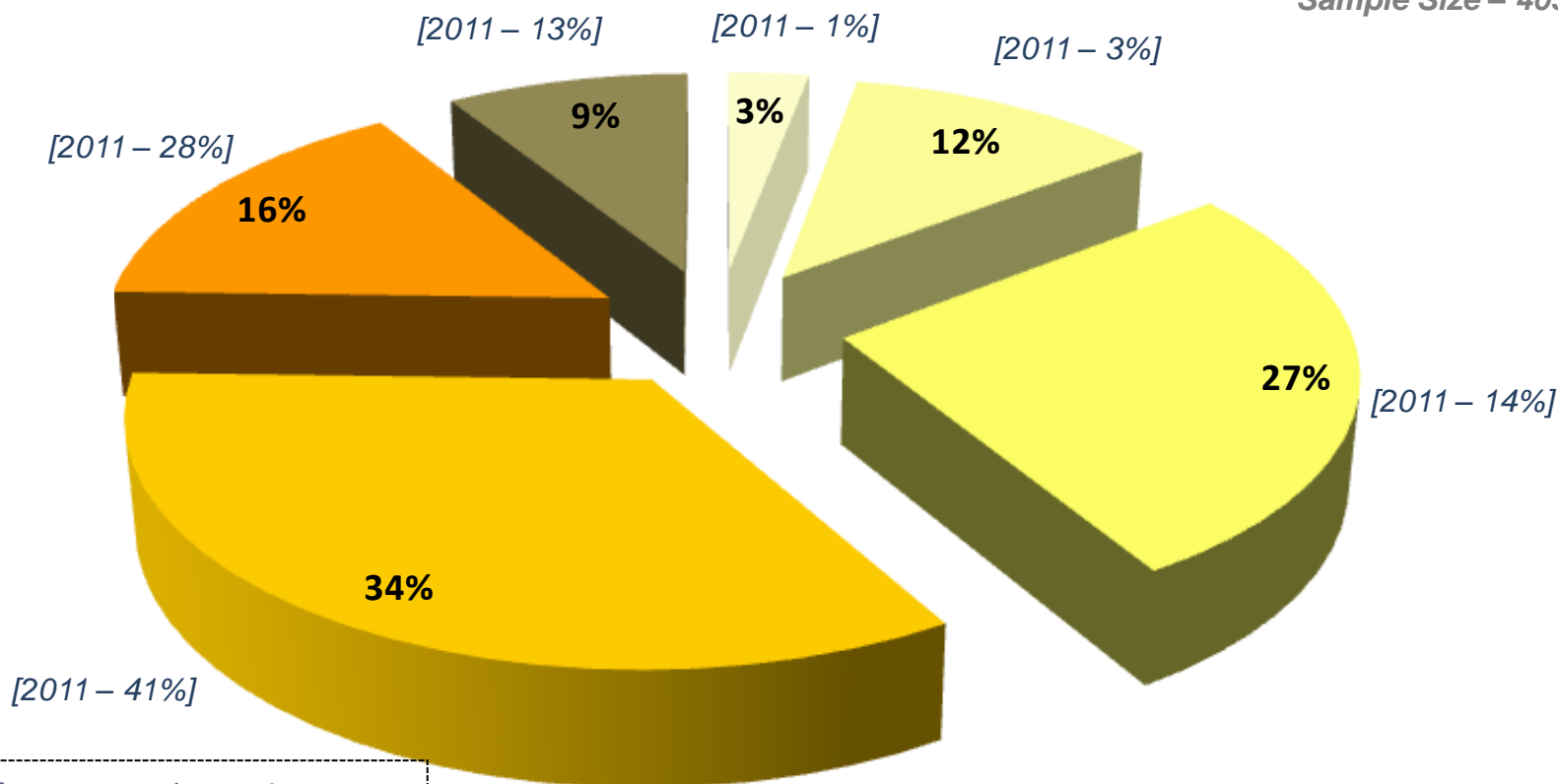
Don't know





## The prices of postal services (in general)

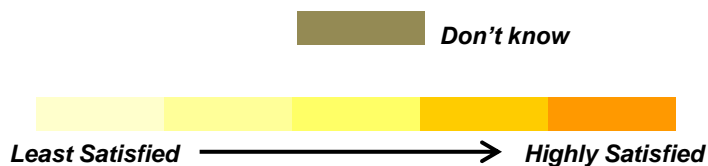
Sample Size – 403



**2011 Satisfaction Levels: 69%**

**2014 Satisfaction Levels: 50%**

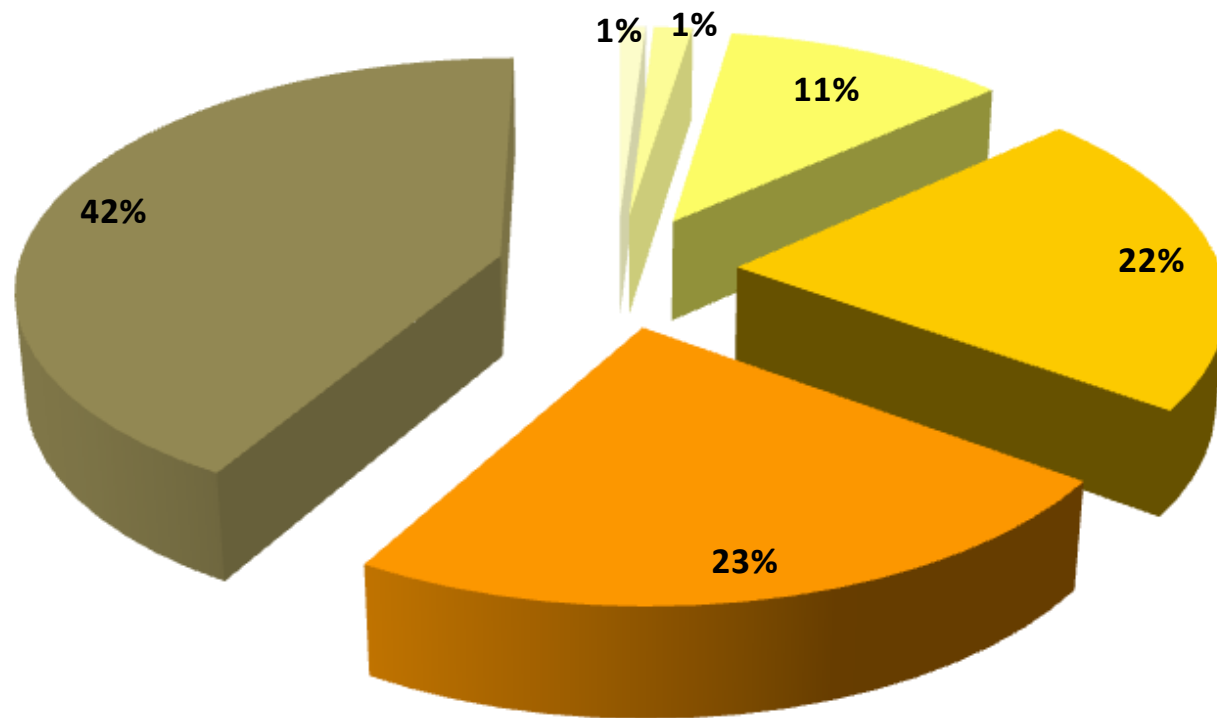
**2014 Household satisfaction levels: 37%**



## *MaltaPost's website*

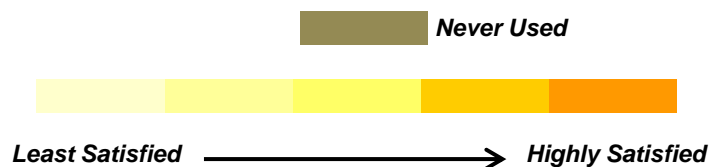
## Satisfaction with...

*Sample Size – 403*



*42% of businesses claim to have never used MaltaPost's website [73% in 2011].*

**2014 Household Survey:**  
*80% of households claim to have never used MaltaPost's website.*

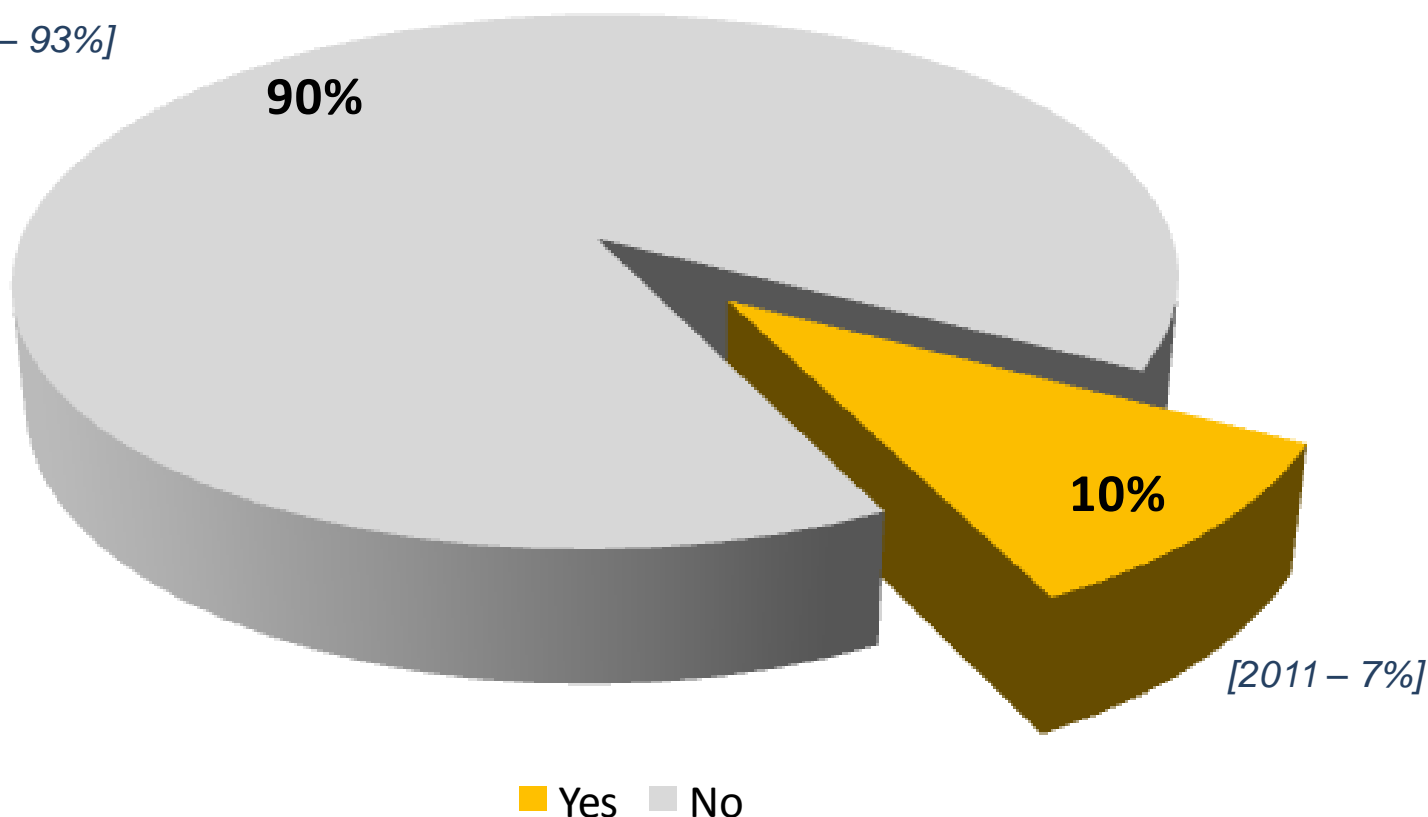


## Complaint Issues (1)

*In the last 12 months, have you (or any member of your business) personally made a formal complaint to MaltaPost about any aspect of postal services?*

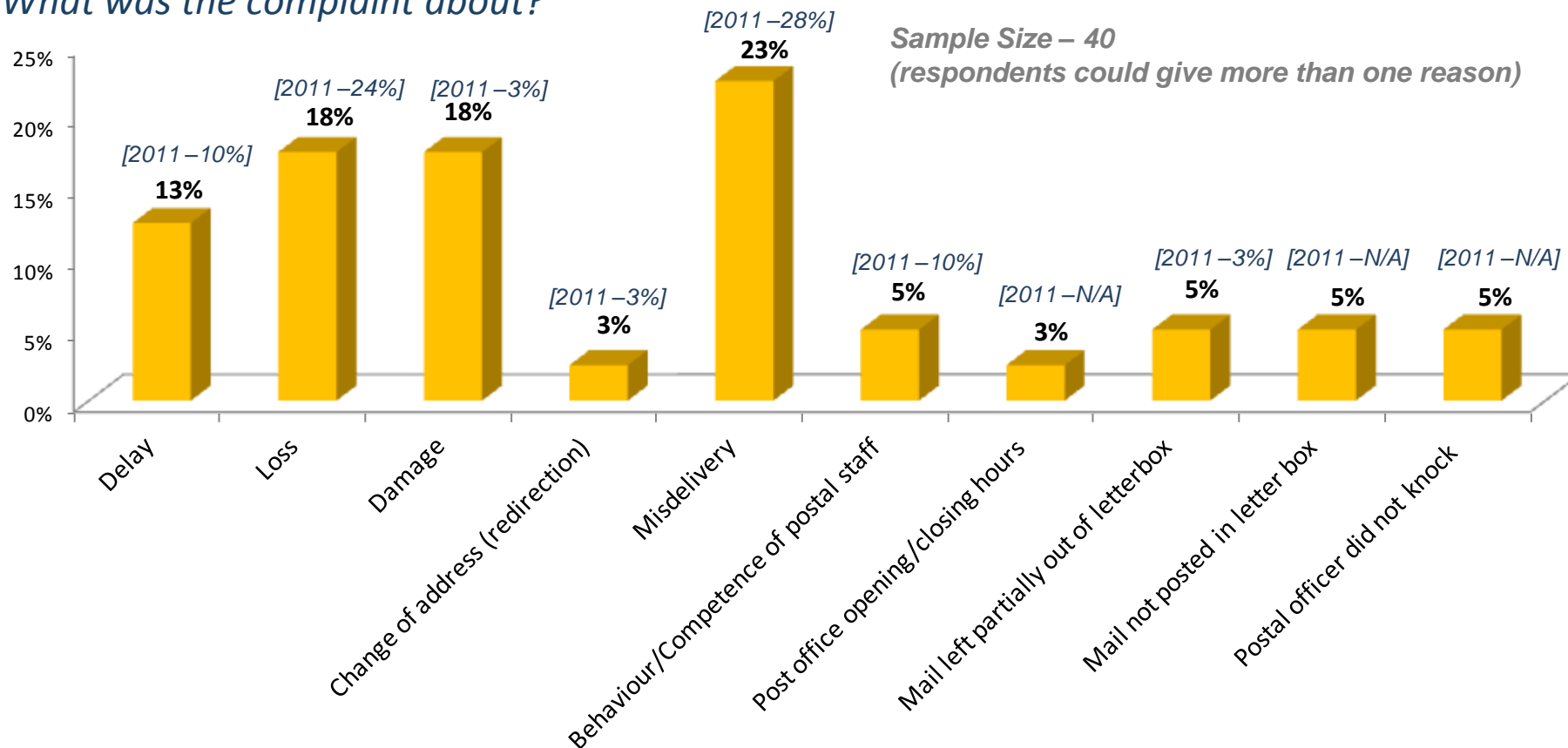
Sample Size – 403

[2011 – 93%]



## Complaint Issues (2)

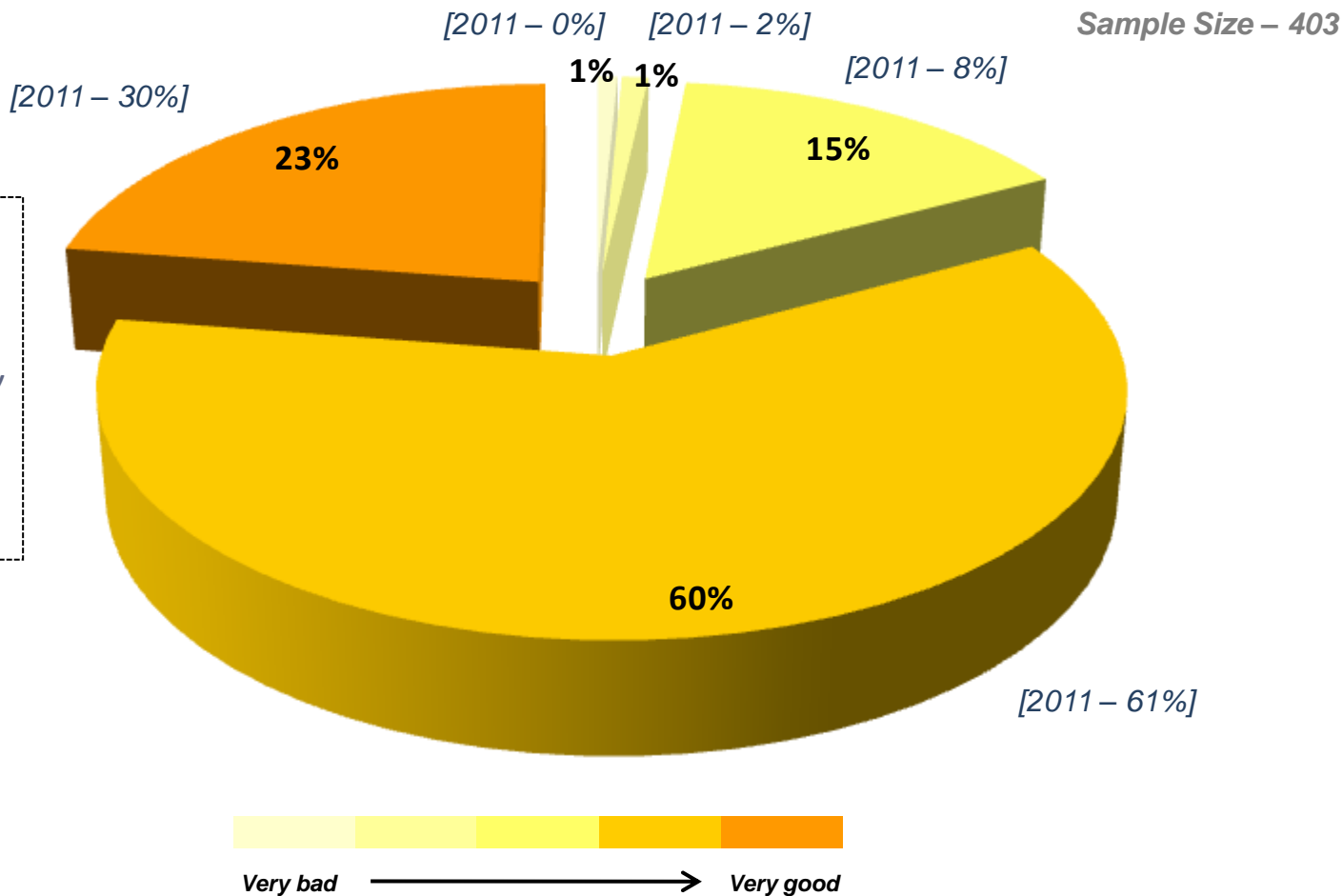
### What was the complaint about?



*Only 35% of businesses which have made a formal complaint with MaltaPost were satisfied or highly satisfied with the way their complaint had been handled [45% in 2011]. This trend has also been reflected in the 2014 household survey.*

## Overall Satisfaction with MaltaPost Services

*In your experience what do you think of the overall quality of postal services provided by MaltaPost?*



*83% of businesses perceive the overall quality of postal services provided by MaltaPost to be good or very good [91% in 2011].*

## 6. Main Highlights

- The majority of businesses claim to have received and sent the same volume of addressed letters. At the same time, the decline in postal volumes continued to grow
- Businesses have a higher price elasticity when compared to households. 64% of businesses would switch to non-postal alternatives if the price of addressed letters increases [38% of households would switch]
- Businesses use the registered mail service more than households
- More businesses are claiming to have received a parcel over the past 12 months
- 30% of businesses sent a parcel over the past 12 months using MaltaPost
- 40% of businesses using MaltaPost perceive parcel tariffs to be reasonable – representing a drop of 17 percentage points over 2011 (the year in which parcel tariffs were increased)

- Businesses use alternative postal operators more than households to send their postal articles [20% businesses vs. 14% households]
- The use of alternative postal operators by businesses to send postal articles slightly increased when compared to 2011 [20% in 2014 vs. 15% in 2011]
- The majority of businesses using alternative operators do so for their express features
- Very few local businesses sell over the Internet – low eCommerce activity not related to postal services
- The majority of businesses (72%) use the post office. The frequency with which businesses visit the post office, however, has fallen when compared to 2011
- 80% of businesses visiting a post office are satisfied with the level of services / facilities provided at the post office. Only 54% of businesses are happy with the waiting time
- Results show a general decline in satisfaction levels when compared to 2011



- 50% are satisfied with the general price levels of MaltaPost. This contrasts with 69% in 2011
- The number of formal complaints with MaltaPost grew marginally from 7% in 2011 to 10%
- Only 35% of businesses that made a formal complaint with MaltaPost were satisfied with the way their complaint had been handled [45% in 2011]

# Thank you

**Malta Communications Authority**

Valletta Waterfront,  
Pinto Wharf, Floriana,  
FRN 1913, Malta

**T** + 356 2133 6840  
**F** + 356 2133 6846

**E** [info@mca.org.mt](mailto:info@mca.org.mt)  
**F** [www.mca.org.mt](http://www.mca.org.mt)