

MCA Market Research

Business Perceptions Main Survey – Postal Services

MCA reference: MCA/S/23-4957

July 2023



MALTA COMMUNICATIONS AUTHORITY

Purpose and sampling methodology



Purpose and methodology

- The MCA conducts perception surveys periodically to gauge developments in postal-related activities in Malta. This document outlines overall main findings for a survey with a sample representing the business sector in Malta.
- The sample primarily consists of micro-sized enterprises since the majority of businesses in Malta are small or family-run establishments. To provide a comprehensive view, however, the MCA will publish a separate document detailing the main survey findings for medium and large businesses.
- In line with previous surveys, current research gathers insights on how businesses perceive and engage with postal services offered in Malta, the various postal options that these businesses utilise, and their satisfaction with the services offered.
- Additionally, current research seeks to outline any difficulties experienced by businesses and their opinions on service frequency changes.

Methodology

EMCS Ltd. carried out the survey between January and February 2023 on behalf of the MCA

Fieldwork

- Circa 20-minute phone interviews. Those who stopped midway were contacted by phone again or were provided with the remainder of the survey to finish whenever it was convenient for them.
- Participants were chosen randomly from the Yellow Pages and Business Directories.
- Interviews were carried out with those responsible for mail activity within the business.

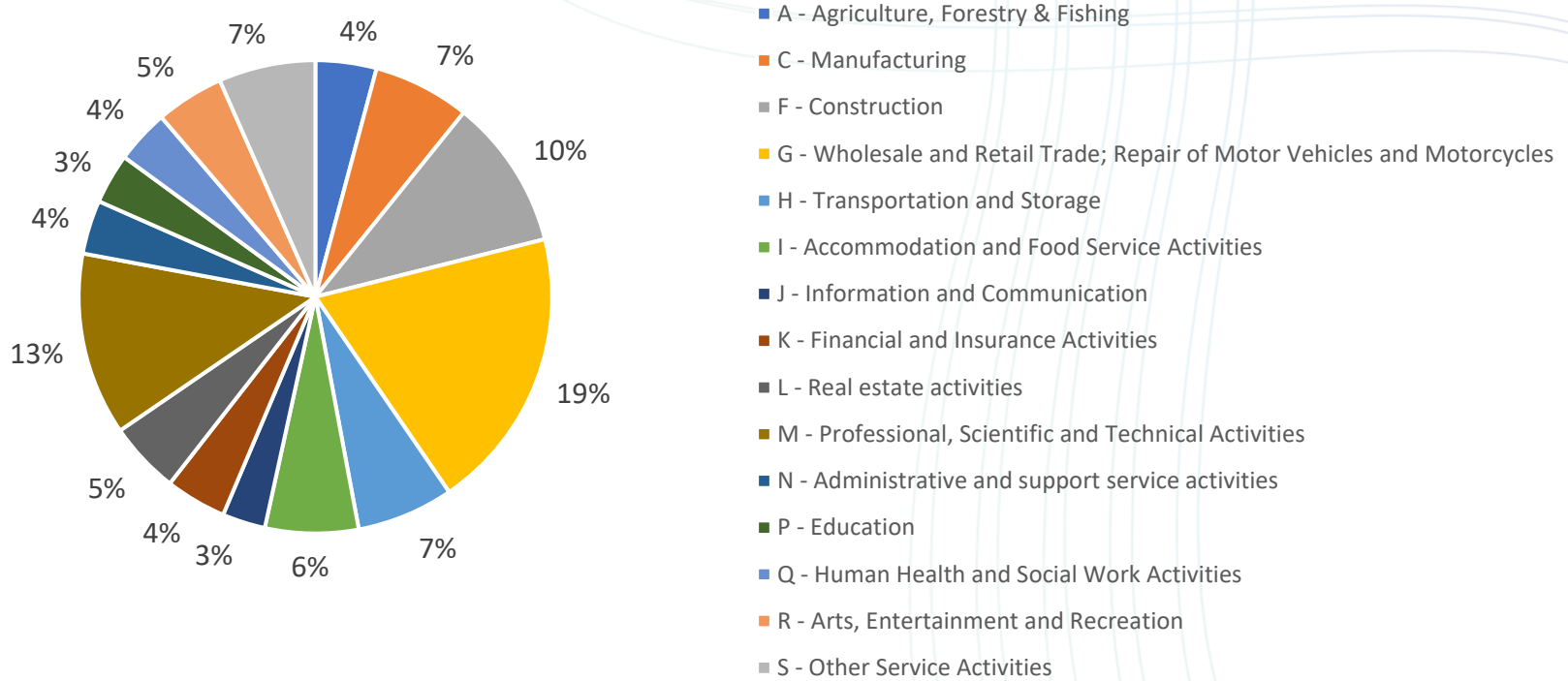
Sample

- Sample size was representatively distributed across 16 pre-defined industries of the business sector in Malta (Source: NACE Codes).

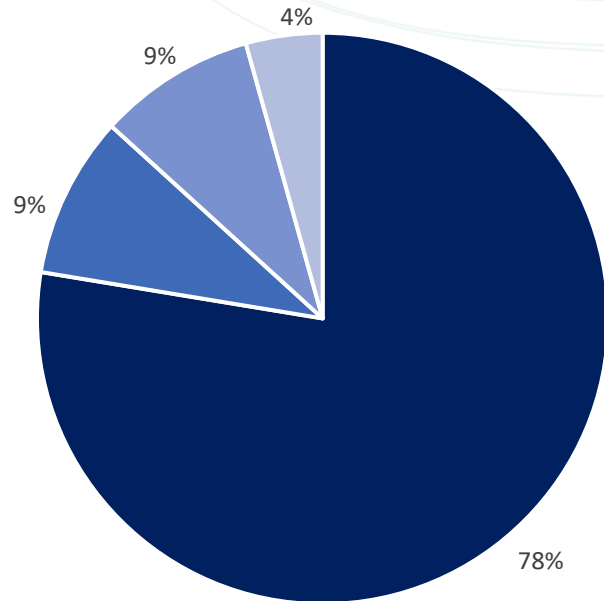
Responses

- Number of participants – 411.
- Any refusals / incomplete surveys were replaced with new responses.
- Margin of error +/- 4.83% at 95% confidence interval.

Sample distribution by NACE



Sample distribution by business size



- up to 9 employees (micro enterprise)
- 10-49 employees (small enterprise)
- 50 - 249 employees (medium-sized enterprise)
- 250+ employees (large enterprise)

Key insights (1 of 5)

Sending and receiving addressed letters

- Slightly more than half of respondents reported the same volume of addressed letters received weekly over the past year.
- A significant portion (40%) sent a lower volume of letters due to the increasing use of email and online payment options.

Expenditure on addressed letters

- Spending on addressed letters varied significantly, with businesses reporting a wide range of expenditure. A notable increase was observed in businesses spending less than €5 per year on addressed letters.

Key insights (2 of 5)

Utilisation of non-postal alternatives

- If the price of a 50g letter were to increase, just under half of businesses (48%) would consider using non-postal alternatives, such as email as a cost-effective option; up from 32% in 2019.

Delivery speeds

- Next day delivery as acceptable lead-time remained at 51%, with a notable increase in acceptance of 3-day delivery (D+3).

Postcode usage

- Postcode usage increased by 8 percentage points to 96% in 2023 from 2019.

Key insights (3 of 5)

Deferred delivery

- 30% of businesses were open to the idea of deferred delivery, especially when offered at a discounted rate. On the other hand, 23% of businesses expressed their refusal towards a 2-day deferred delivery option.

Acceptability of a 5-day delivery week

- When it comes to a 5-day delivery week instead of a 6-day week, a small portion (4%) of businesses would find it to be a major inconvenient, while 18% would find it to be a minor inconvenience. However, a greater percentage (57%) considered it acceptable, while another group (21%) found it manageable despite some inconveniences.

Key insights (4 of 5)

Satisfaction with the overall quality of MaltaPost services

- Overall satisfaction with the MaltaPost services saw a decline when compared to the previous survey, with 59% expressing satisfaction (down from 76% in 2019).

MaltaPost

- Post office visits were quite common among businesses, with 64% of them visiting a post office. Among them, 85% preferred MaltaPost branches, while 24% opted for sub-post offices.
- 31% of businesses were in contact with MaltaPost, primarily to buy stamps, collect parcels and post letters.

Key insights (5 of 5)

Utilisation of alternative postal operators

- The usage of alternative postal operators for addressed letters saw an increase, with 18% of respondents reporting having used alternative operators within the last 12 months, compared to 6% in 2019.
- The usage of alternative postal operators (other than MaltaPost) to send parcels, saw an increase with 26% of respondents reported having used alternative operators within the last 12 months, compared to 17% in 2019.
- DHL emerged as the operator that delivers most parcels to businesses (72%) followed by MaltaPost (68%) and FedEx (39%).

Registered Mail

- While businesses sending registered mail using MaltaPost was at 57% in, the frequency of sending registered mail increased by one percentage point.
- 42% of businesses indicated that they did not send registered mail over the past 12 months.

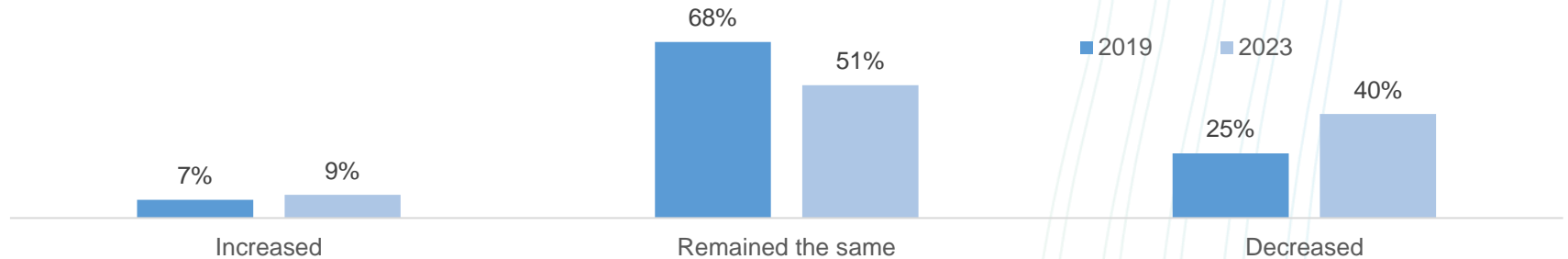
Addressed letter mail



Frequency of addressed letter mail (1 of 3)

Number of addressed letters received weekly over the past 12 months

Total number of survey participants – 411

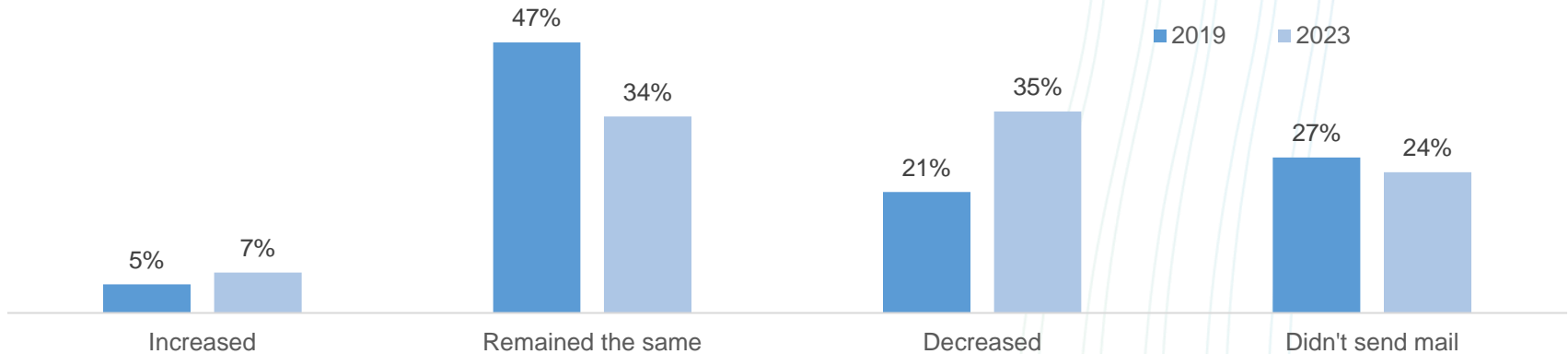


- 51% of businesses claim to have received the same volume of addressed letters over the past 12 months.
- There was a significant increase in businesses which noticed a reduction in received letters.

Frequency of addressed letter mail (2 of 3)

Number of addressed letters sent weekly by the business over the past 12 months

Total number of survey participants – 411



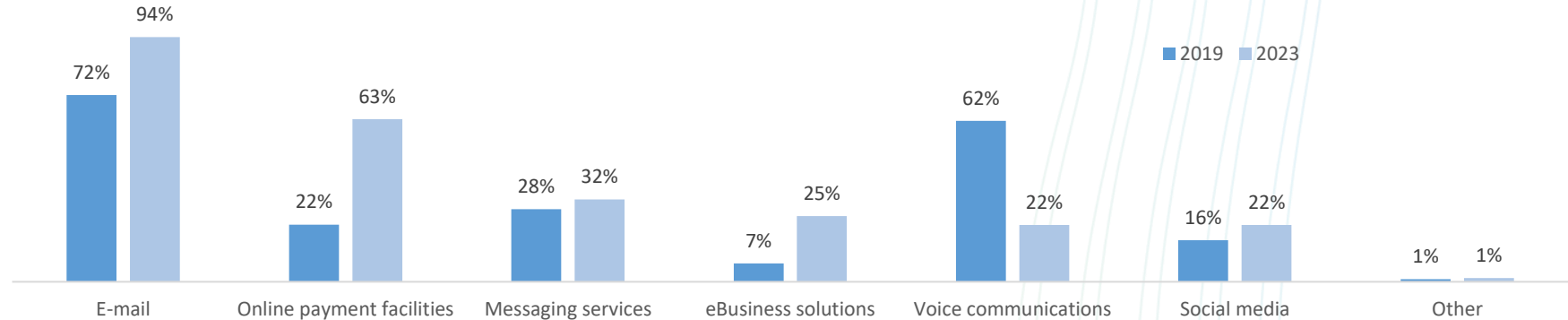
- 35% of businesses indicated that the number of addressed letters they sent decreased over the past 12 months.
- A total of 24% indicated that they do not send addressed letters.

Frequency of addressed letter mail (3 of 3)

The main reasons for the decrease in the number of addressed letters sent weekly

Number of survey participants sending less addressed letter mail - 142

(Each survey participant could give more than one answer)



- Businesses choosing to send an email instead of addressed letters, followed by *online payment facilities*.
- Other reasons (1%) were 'expensive stamps', and 'our stocks are still adequate'.

Type of addressed letter mail

Type of addressed letters sent weekly by businesses over the past twelve months

Number of survey participants that sent addressed letter mail over the past twelve months – 312

Survey participants were asked to rank their answers

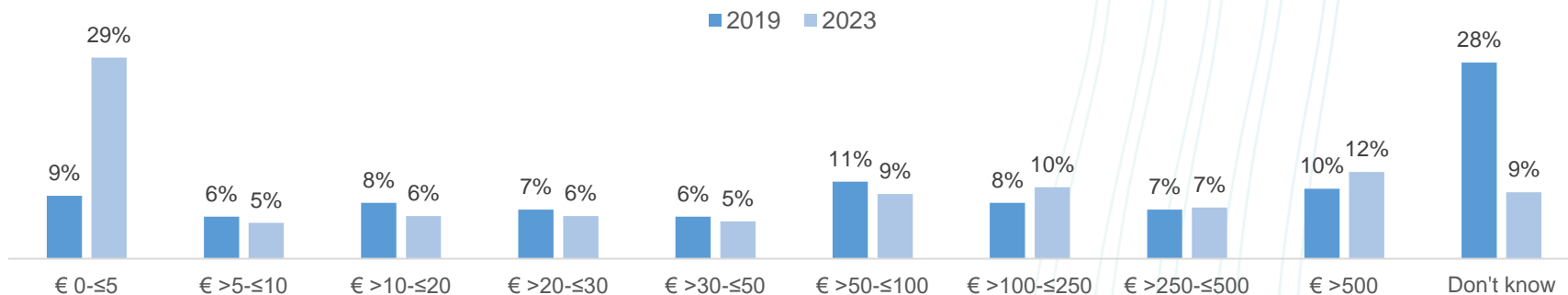


- 30% of businesses indicated to have sent correspondence with customers.
- This was followed by 25% of respondents indicating correspondence with other businesses.

Expenditure on addressed letter mail

Average expenditure on addressed letter mail during the past 12 months

Total number of survey participants - 411

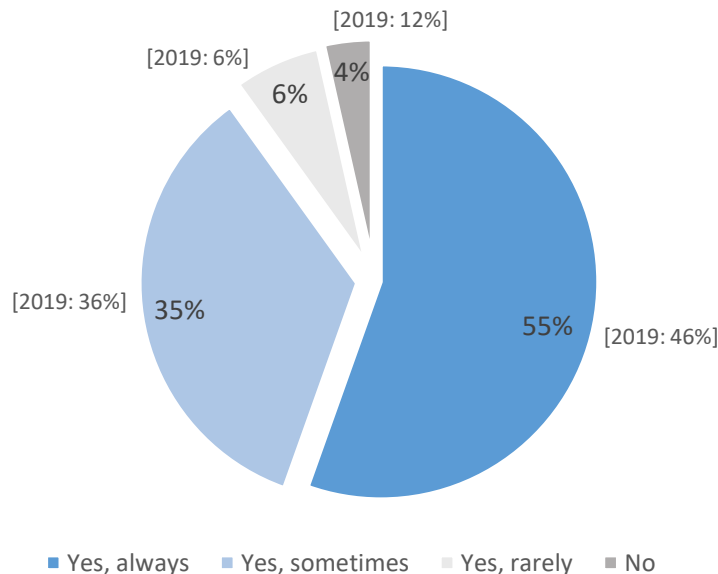


- 29% of businesses claim to spend less than €5 a year on addressed letters (9% in 2019).
- 51% of businesses spend less than €50 (36% in 2019).

Postcode visibility

Propensity to write the postcode when sending an addressed letter

Number of survey participants that sent addressed letter mail over the past twelve months - 312

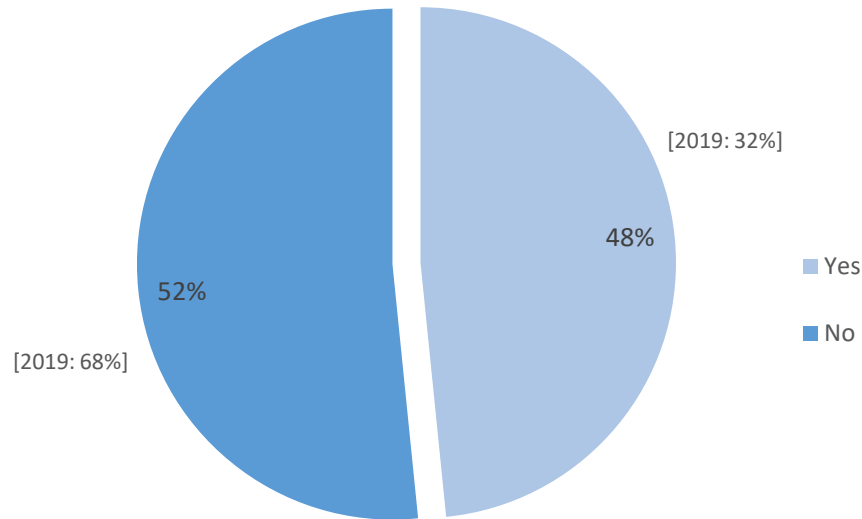


- 2023: 96% of respondents claim to write down the postcode when sending an addressed letter (not necessarily always).
- 2019: 88% indicated to do so.

Substitution to non-postal alternatives (1 of 2)

Potential to switch to non-postal alternatives if the price of a 50g addressed letter increases by 10%

Number of survey participants that sent addressed letter mail over the past twelve months - 312



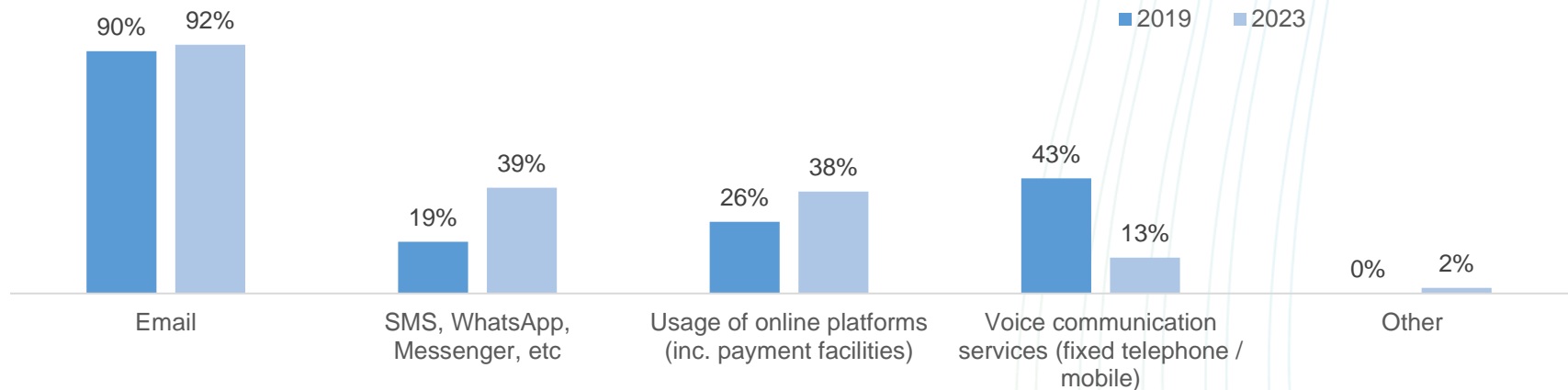
- If the price of a 50g letter were to increase, 48% of businesses would consider using non-postal alternatives, such as email.
- This figure is up from 32% in 2019.

Substitution to non-postal alternatives (2 of 2)

Potential use of non-postal alternatives in the event of a 10% in price for addressed letter mail

Number of survey participants that would consider switching to non-postal alternatives – 151

(Survey participants could give multiple answers)

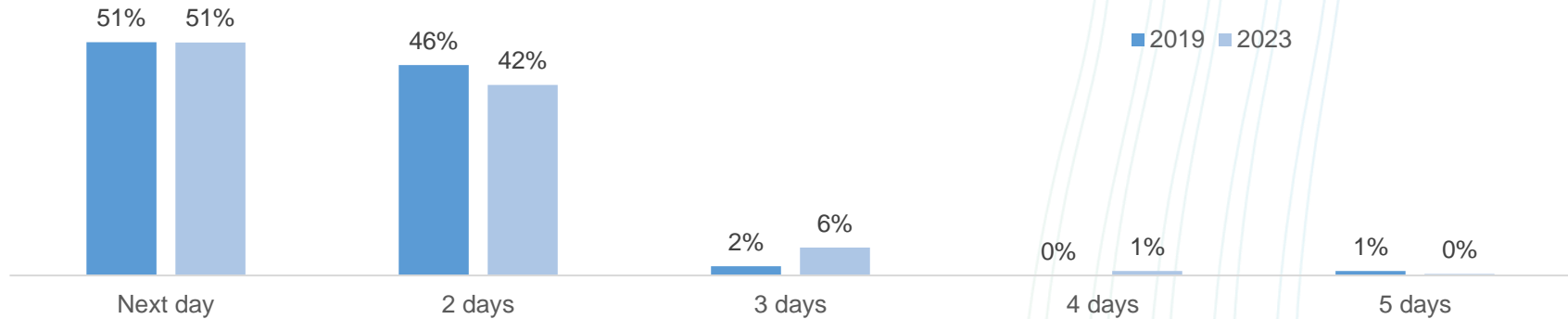


- 92% of the businesses use emails instead of letters. This figure has increased by 2 percentage points since 2019.

Collection and delivery of addressed letter mail (1 of 4)

An acceptable lead-time (in days) from date of posting a letter to actual delivery for local mail

Number of survey participants that sent mail over the past twelve months - 312

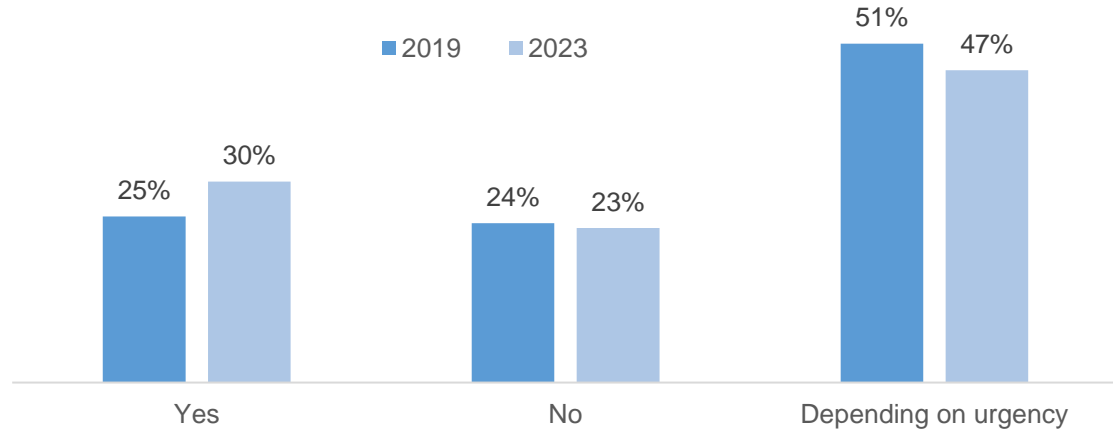


- 51% (same as 2019) of businesses believe that a letter should be delivered by the next day, while 42% indicated within two days (46% in 2019).
- The number of respondents that consider 3 days as acceptable has increased by 4 percentage points from 2019 to the current study.

Collection and delivery of addressed letter mail (2 of 4)

Acceptability of a deferred delivery of 2 days at a discounted tariff rate

Total number of survey participants - 411

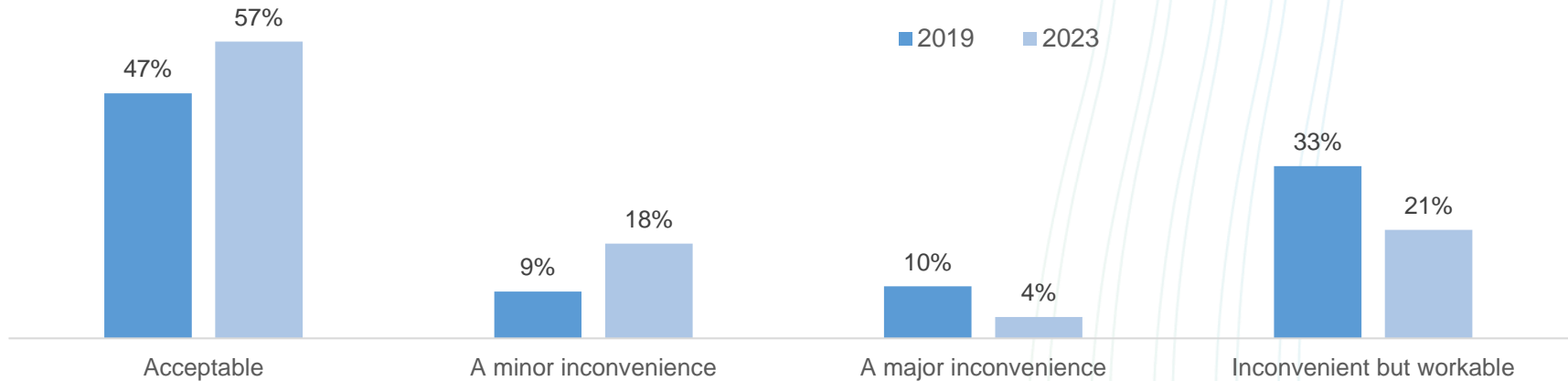


- 30% would opt for the cheaper option (25% in 2019) while a further 23% indicated that they would not (24% in 2019).
- A total of 47% indicated 'depending on urgency', a decrease of 4% from the previous study.

Collection and delivery of addressed letter mail (3 of 4)

To what extent is a 5-day postal delivery week acceptable, instead of a 6-day week?

Total number of survey participants - 411

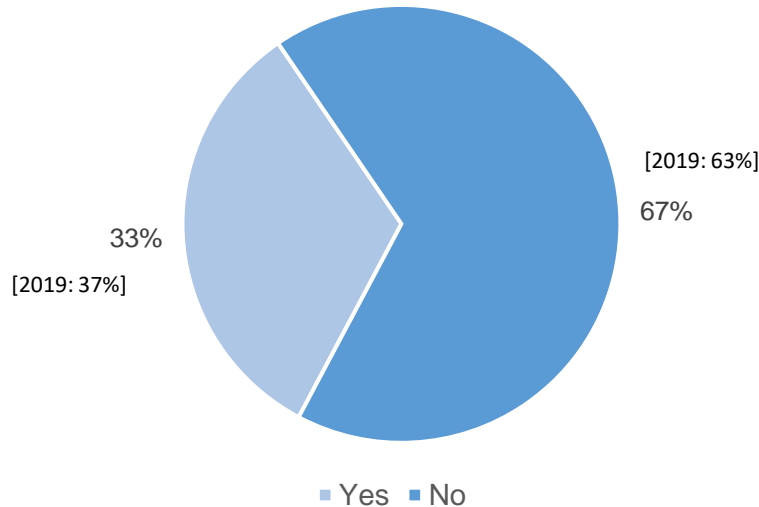


- 57% of businesses felt that a 5-day week delivery of postal services would be acceptable (47% in 2019). A further 21% indicated a degree of inconvenience, such a situation would be workable (33% in 2019).

Collection and delivery of addressed letter mail (4 of 4)

Acceptability of a price rise to maintain the current 6-day frequency of delivery

Total number of survey participants - 411



- 67% of businesses would not consider an increase in price as reasonable in order to maintain the current 6-day frequency of delivery (63% in 2019).

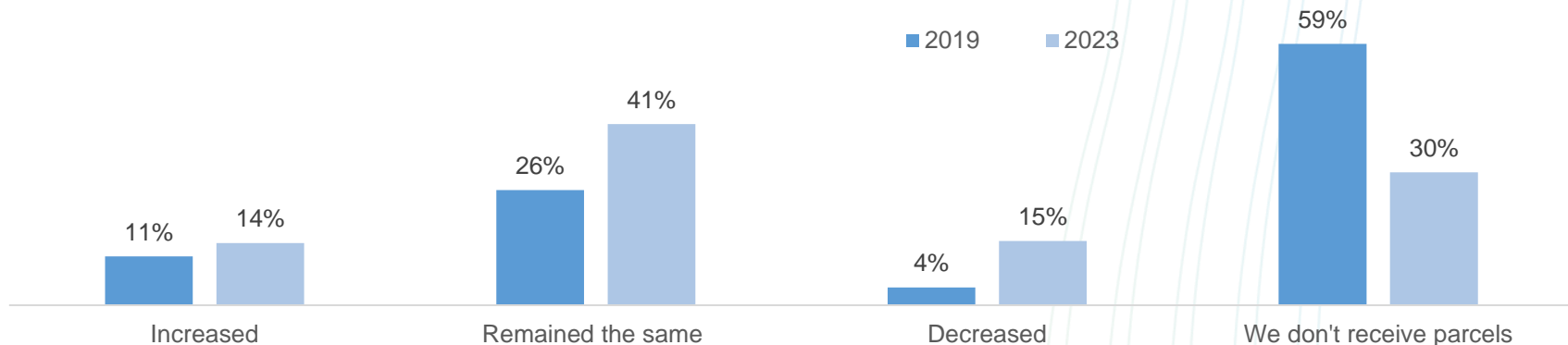
Parcel mail



Parcel mail volumes

Changes in parcels mail volumes in the previous 12 months

Total number of survey participants - 411



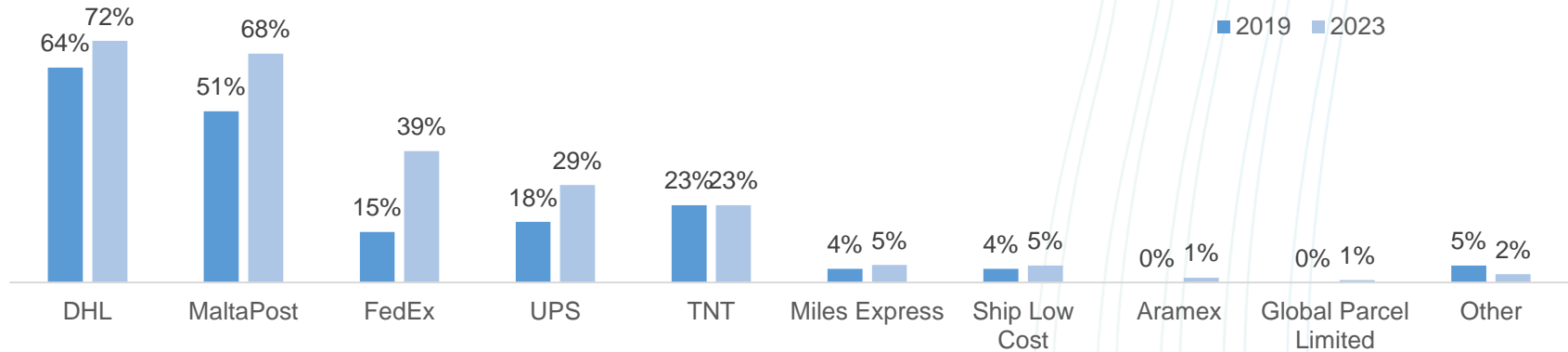
- 41% of businesses indicated that the number of addressed parcels received remained the same over the past 12 months (26% in 2019).

Operators delivering parcel mail

Operators delivering parcels to businesses

Number of survey participants that receive parcels – 287

Survey participants could give multiple answers



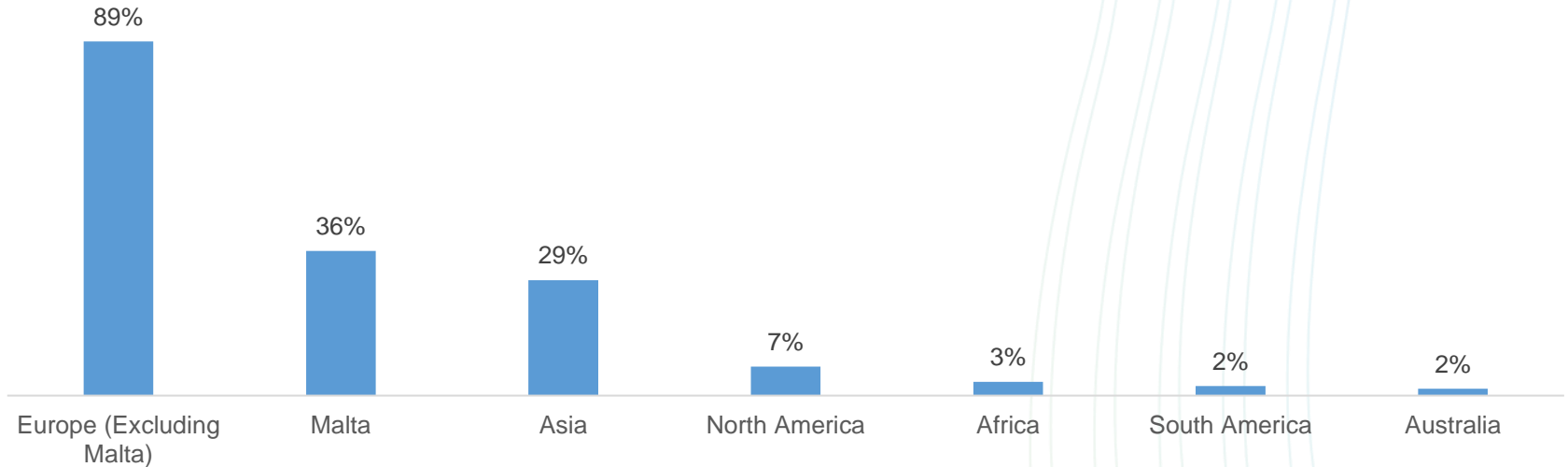
- 72% of businesses mentioned DHL as the operator that delivers most parcels to their business followed by Maltapost and FedEx.

Origin of parcel mail

Origins of parcels received

Number of survey participants that receive parcels – 287

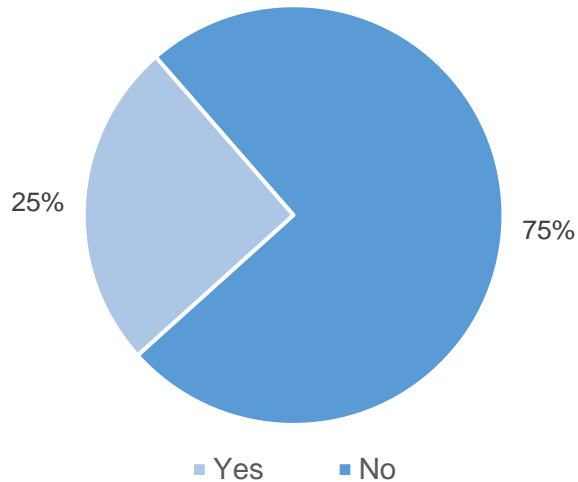
Survey participants could give multiple answers



Difficulties when receiving a parcel (1 of 3)

Difficulty encountered with receiving parcels during the last year compared to pre-Covid 19

Number of survey participants that receive parcels/packages – 287



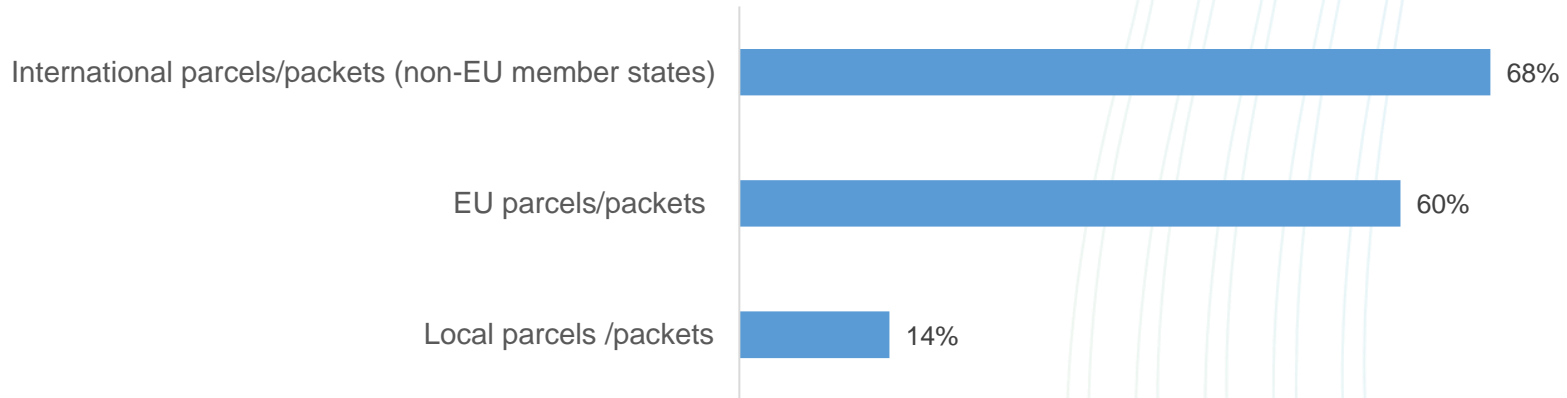
- One-fourth of the businesses encountered difficulties with the delivery of parcel mail.

Difficulties when receiving a parcel (2 of 3)

Extent of difficulties encountered for receiving parcel mail by destination

Number of survey participants that have encountered difficulties with receiving addressed parcels – 73

Survey participants could give multiple answers

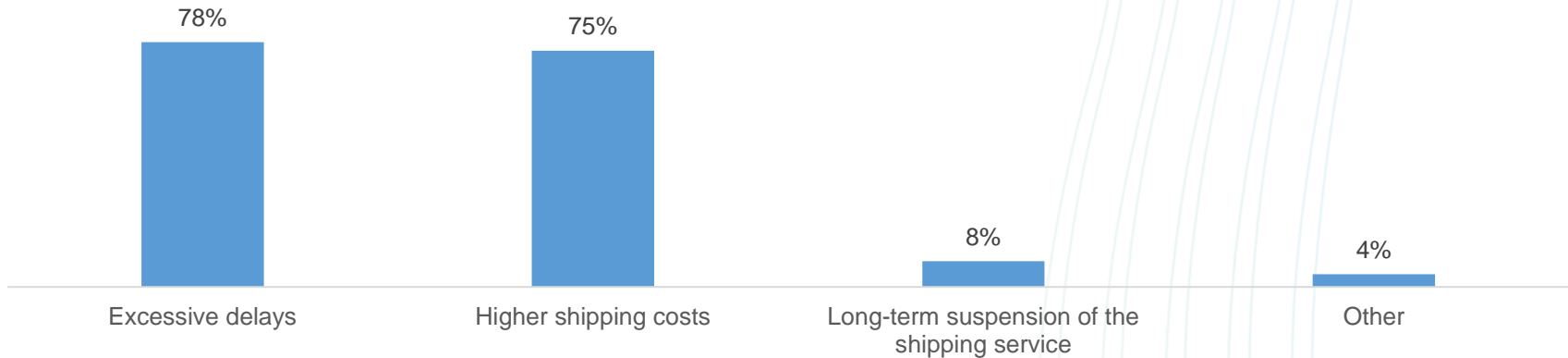


Difficulties when receiving a parcel (3 of 3)

Type of problems encountered in the last 12 months

Number of survey participants that have encountered difficulties with receiving addressed parcels – 73

Survey participants could give multiple answers

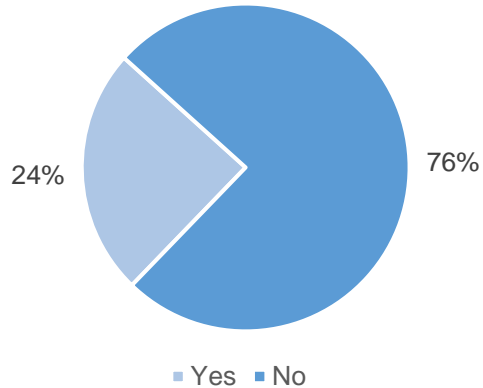


- The main problems mentioned were 'excessive delays' (78%) and 'higher shipping costs' (75%).
- 'Other' problems that the businesses mentioned were damages, bad delivery service and theft.

Parcel mail activity related to the UK (1 of 2)

Does your organisation import or/and export any goods to/ from UK?

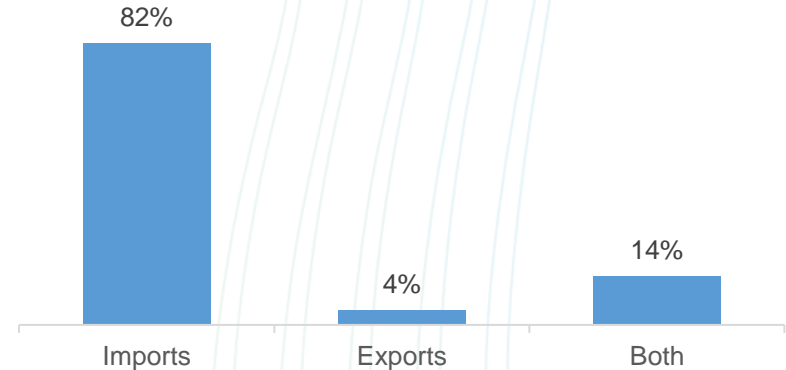
Total number of survey participants – 411



- Almost one in four of survey participants trades goods from/to the UK.
- Of these, 82% import goods from the UK while another 14% both export and import from/to the UK.

Type of parcel mail activity to/ from UK

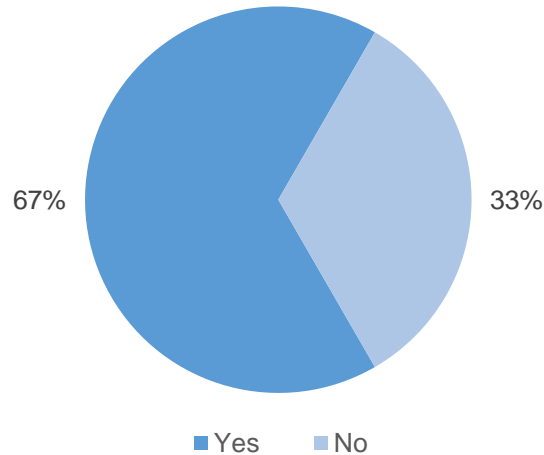
Number of survey participants which import or/and export any goods from/to UK – 99



Parcel mail activity related to the UK (2 of 2)

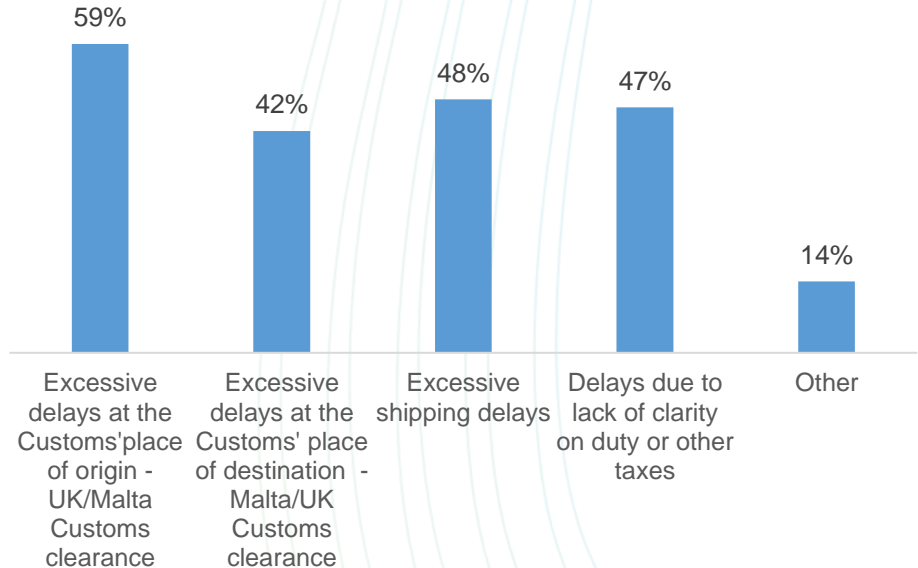
Did the organisation experience any difficulties specifically related to Brexit?

Number of survey participants which import or/and export any goods from/to UK – 99



Indication of the type of difficulty experienced

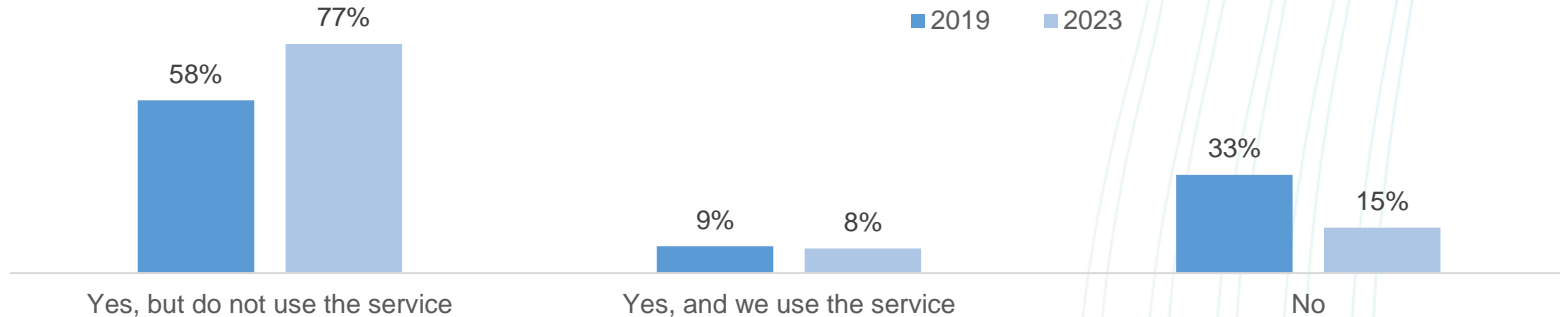
Number of survey participants which experienced difficulties related to Brexit – 66
Survey participants could give multiple answers



Parcel locker service (1 of 2)

Awareness and usage of parcel lockers by businesses

Number of survey participants that received parcels - 287



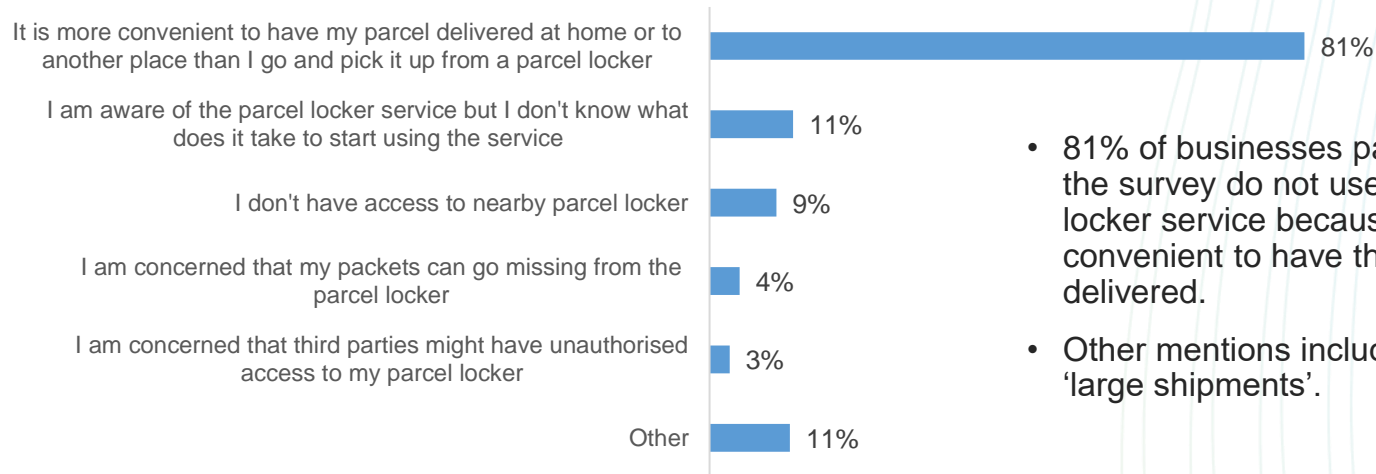
- 77% of businesses are aware of the availability of parcel lockers in Malta, but do not use this service.
- This figure grew by 19 percentage points since 2019.

Parcel locker service (2 of 2)

Reason/s that prevent usage of parcel locker service

Number of survey participants that are aware of the availability of parcel lockers but do not use it – 219

Survey participants could give multiple answers



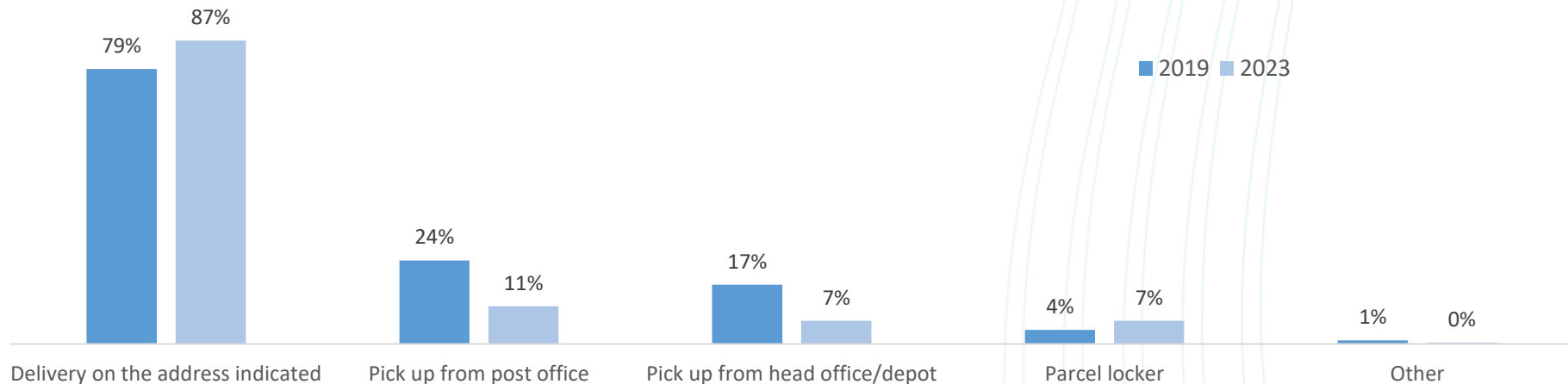
- 81% of businesses participating in the survey do not use the parcel locker service because it is more convenient to have their parcel delivered.
- Other mentions include 'no need' and 'large shipments'.

Parcel mail collection

Preferred way to receive a parcel

Number of survey participants that receive parcels - 287

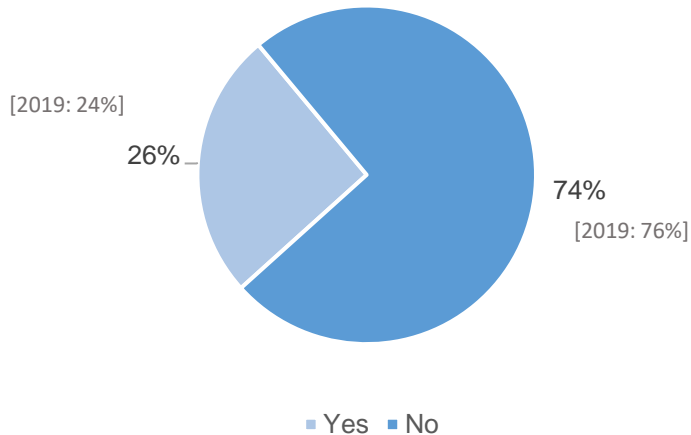
Survey participants could give multiple answers



Parcel forwarding services (1 of 2)

Use of parcel forwarding services

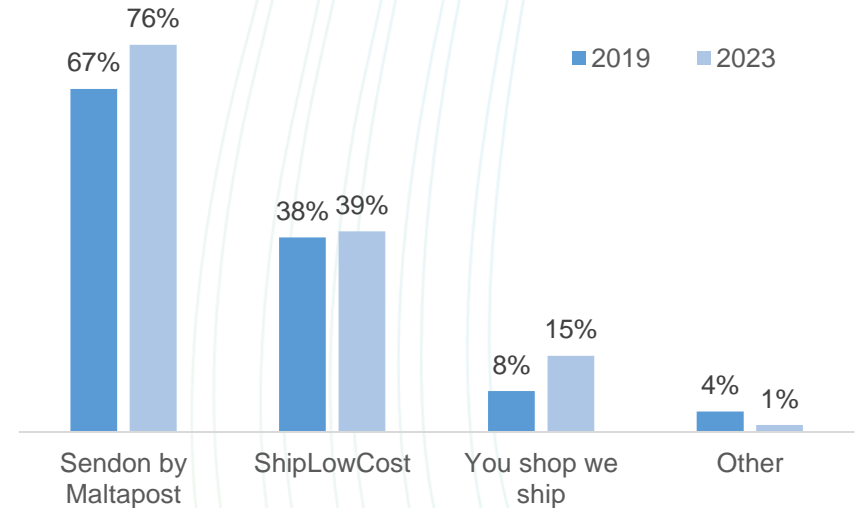
Number of survey participants that receive parcels - 287



Forwarding service operator used in the last year

Number of survey participants that made use of the 'postal article forwarding services' when purchasing online - 74

Survey participants could give multiple answers

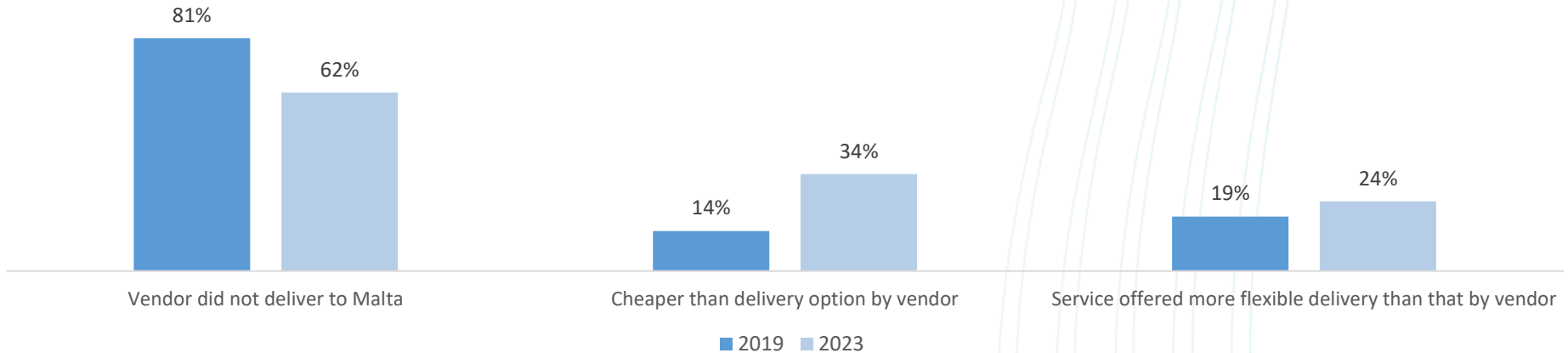


Parcel forwarding services (2 of 2)

Why did your organisation make use of such services?

Number of survey participants that receive parcels – 287

Survey participants could give multiple answers

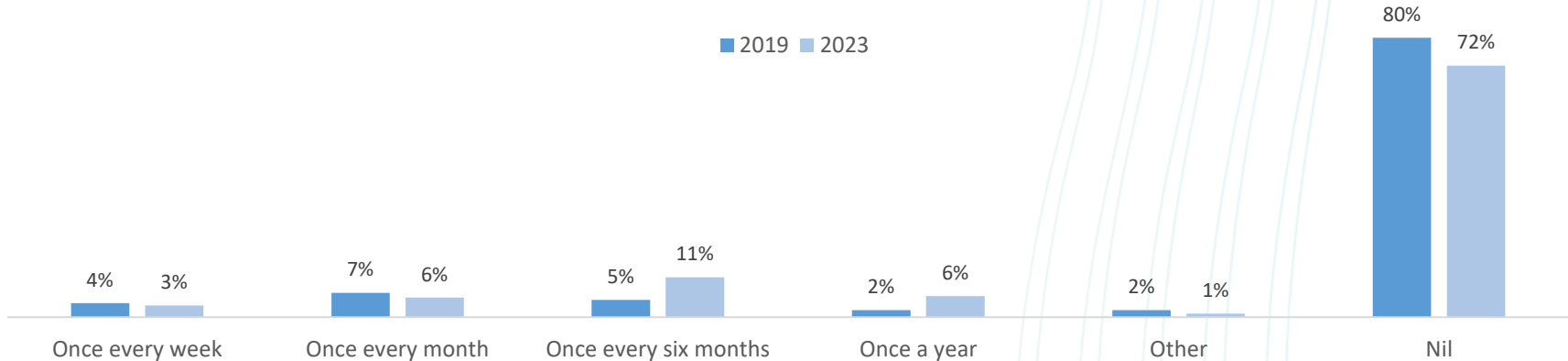


- 62% of businesses made use of such services because the vendor did not deliver goods to Malta (81% in 2019).

Frequency of sending parcels via MaltaPost

Frequency of sending a parcel using MaltaPost's service

Total number of survey participants - 411



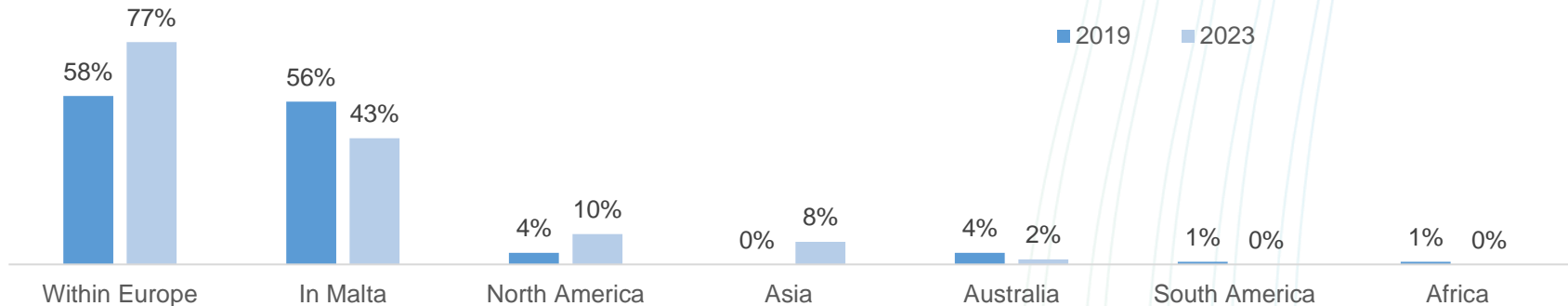
- 72% of businesses indicated that they have not sent a parcel using MaltaPost's service within the last 12 months (80% in 2019).

Destination of parcels when using MaltaPost

Destination of parcels sent using MaltaPost

Number of survey participants that sent a parcel using MaltaPost's service within the last 12 months – 115

Survey participants could give multiple answers

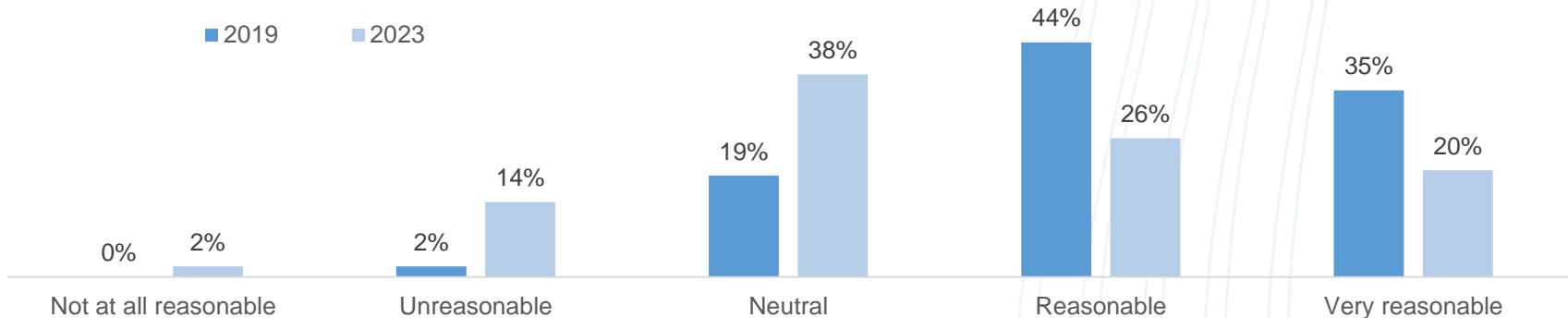


- 77% of these businesses indicated that during the past 12 months they sent their parcels to countries within Europe (58% in 2019), followed by 'in Malta' (43% now – 56% in 2019).

Perception of MaltaPost's parcel mail prices (1 of 2)

Perception of MaltaPost's prices on outgoing parcel services

Number of survey participants that send domestic parcels through MaltaPost - 50

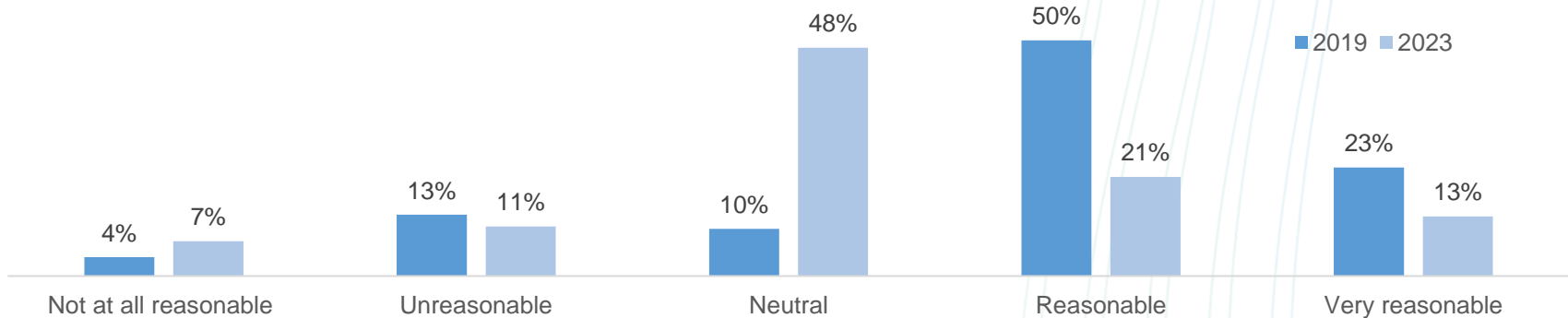


- 46% of businesses that sent domestic parcels with MaltaPost believe the price of the service is reasonable or very reasonable (a significant decrease of 33% from the previous study).

Perception of MaltaPost's parcel mail prices (2 of 2)

Perception of MaltaPost's prices for parcel mail delivery

Number of survey participants that send parcels through MaltaPost to foreign destinations - 95

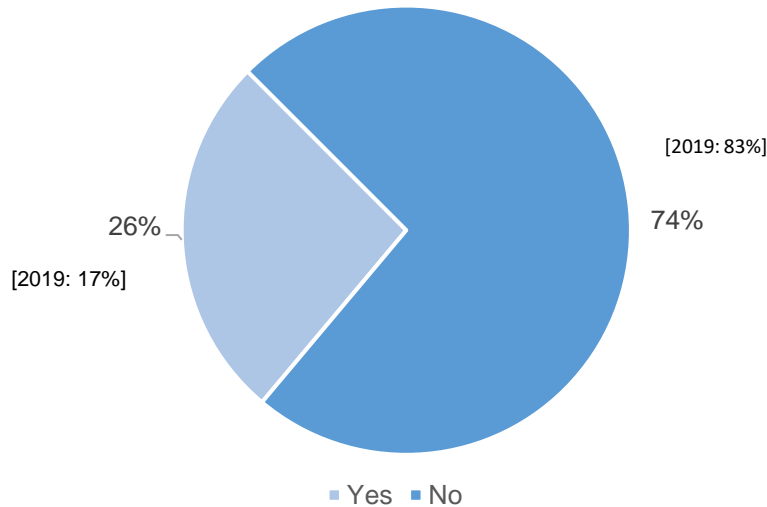


- 34% of businesses that sent parcels through MaltaPost to foreign destinations believe the price of MaltaPost's outgoing parcel service is reasonable / very reasonable.
- This figure displayed a significant decrease from the 2019 study, of 39%.

Alternative operators for parcel mail (1 of 5)

Number of businesses using alternative operators (other than MaltaPost) to send a parcel

Total number of survey participants - 411

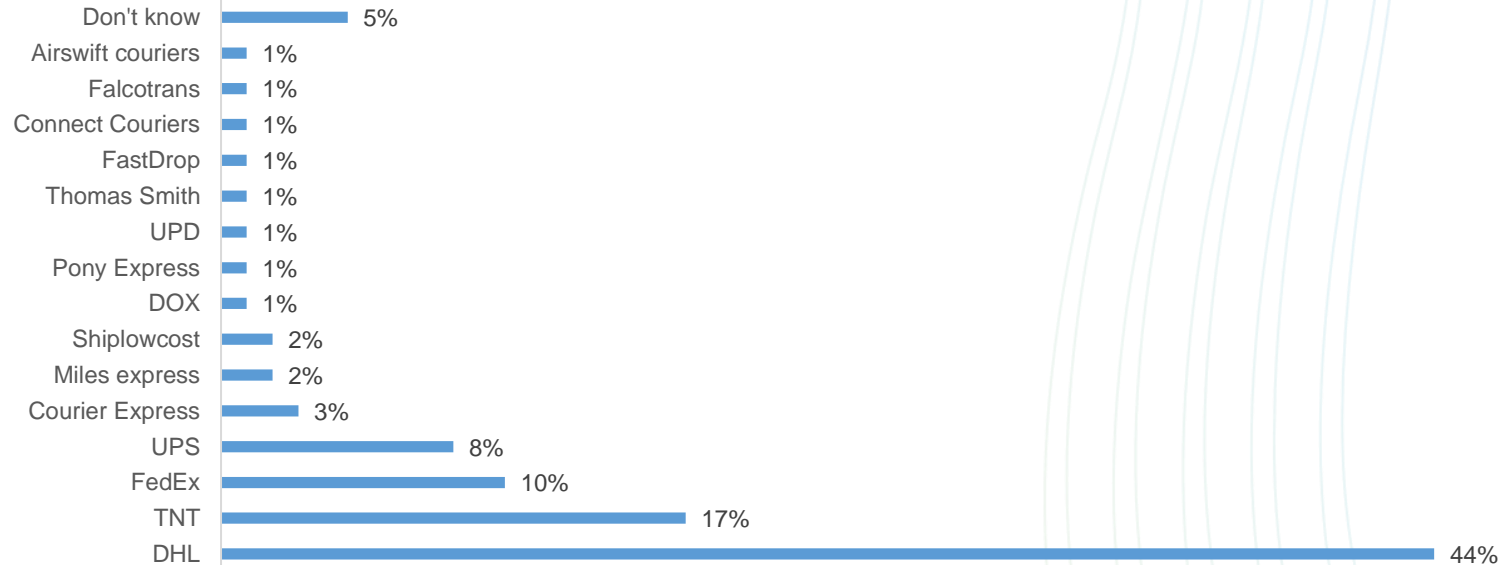


- Within the last 12 months, 26% of businesses used other operators (excluding MaltaPost) to send parcel.
- This figure stood at 17% in 2019.

Alternative operators for parcel mail (2 of 5)

Alternative operators used by organisations to send parcels

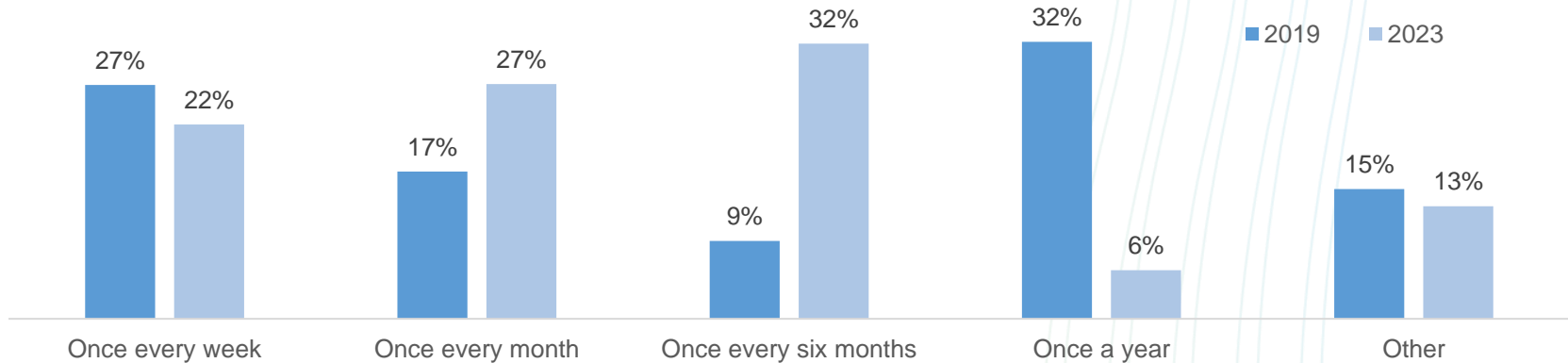
Number of survey participants that sent a parcel using other operators within the last 12 months – 107



Alternative operators for parcel mail (3 of 5)

Frequency of sending a parcel using other operators (excluding MaltaPost)

Number of survey participants that sent a parcel using other operators within the last 12 months – 107



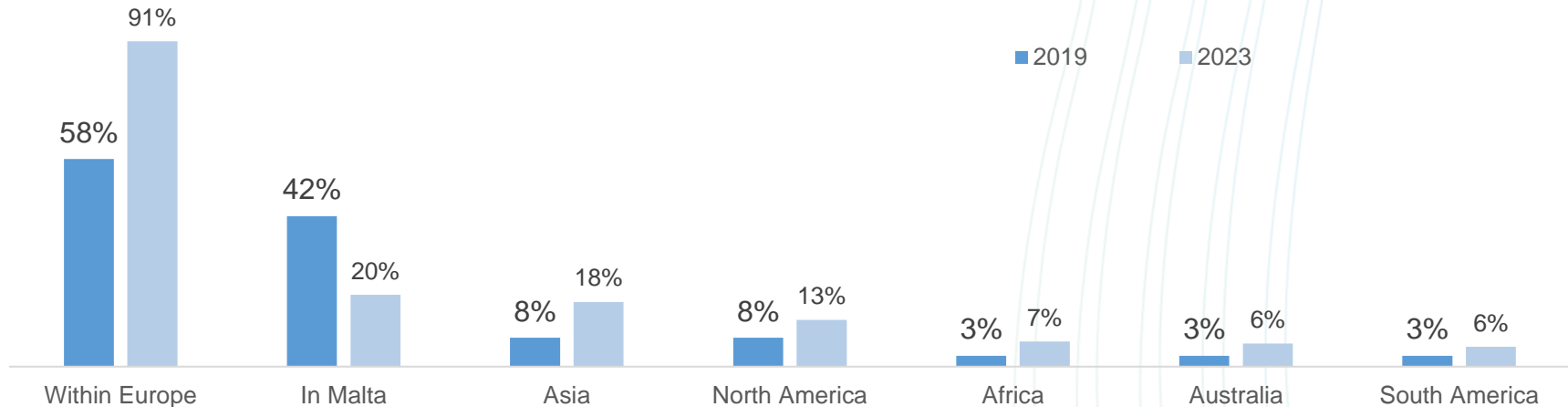
- Of those who send parcels using other operators, they generally do so once every 6 months (32%).
- Other mentions include 'once every couple of months'.

Alternative operators for parcel mail (4 of 5)

Destination of parcel mail sent using operators other than MaltaPost

Number of survey participants that sent a parcel using other operators within the last 12 months – 107

Survey participants could give multiple answers

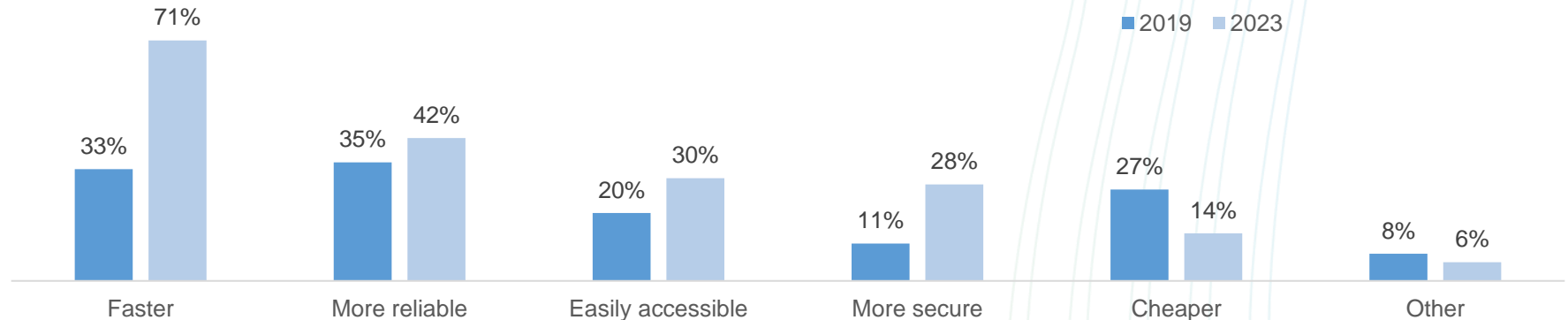


Alternative operators for parcel mail (5 of 5)

Reasons for using other operators' outbound parcel services

Number of survey participants that sent a parcel using other operators within the last 12 months – 107

Survey participants could give multiple answers



- In the current study, there was a shift in classification with 'faster' ranking 1st, followed by 'more reliable' and 'easily accessible', when compared to the 2019 study.

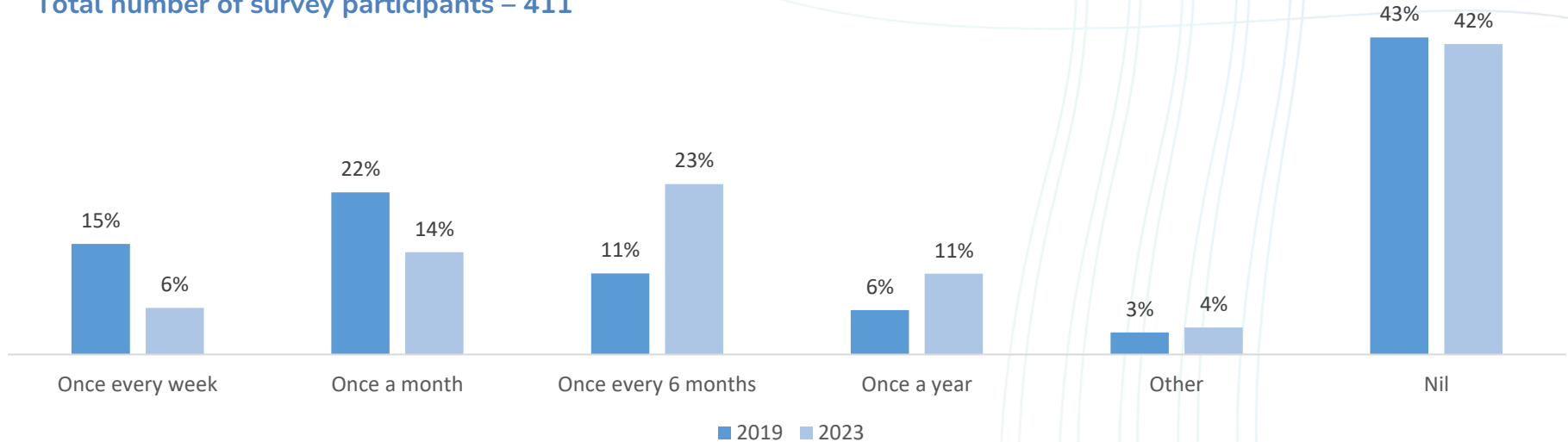
Registered and bulk mail



Frequency of sending registered mail

Frequency of registered mail sent by businesses

Total number of survey participants – 411

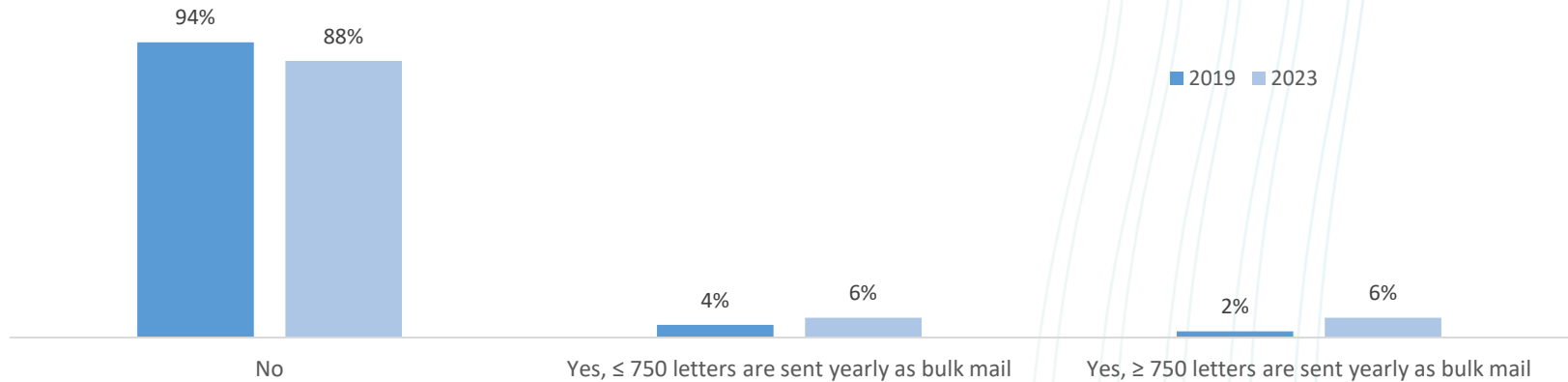


- A total of 58% of businesses sent registered mail using MaltaPost over the past 12 months. In 2019, this stood at 57%.

Bulk mail activity (1 of 2)

Number of businesses making use of MaltaPost's bulk mail service

Total number of survey participants – 411

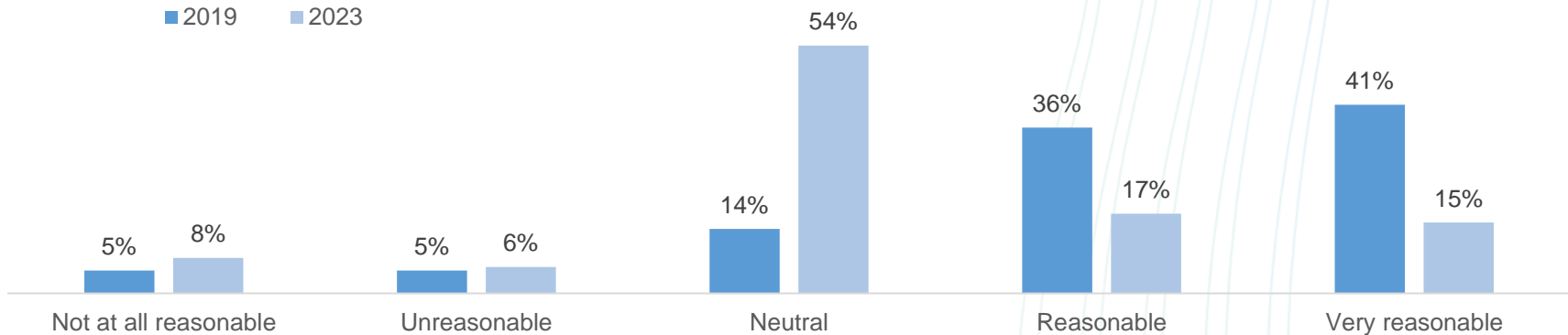


- Most of the businesses surveyed do not make use of bulk mail (88%).
- Almost two in three businesses who send more than 750 bulk mail items per year reported that they send a maximum of 10,000 letters.

Bulk mail activity (2 of 2)

Perception of MaltaPost's Bulk Mail Prices

Number of survey participants that make use of the bulk mail service provided by MaltaPost – 52



- Amongst businesses that make use of MaltaPost's bulk mail service, only 32% find the price of such service reasonable or very reasonable (a significant decrease of 45% from the previous study).

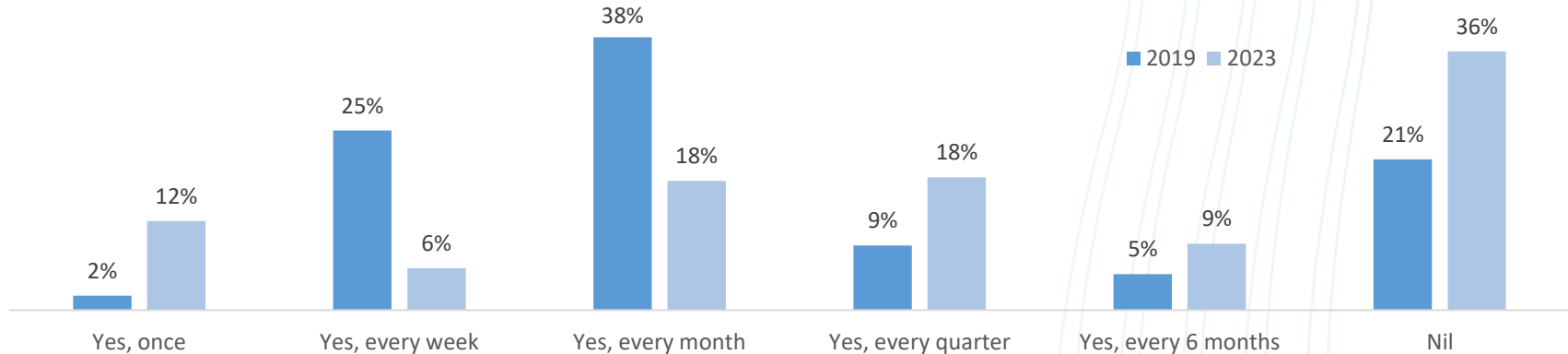
MaltaPost customer care and postal offices



Post office services (1 of 4)

Frequency of visits to a postal outlet

Total number of survey participants – 411



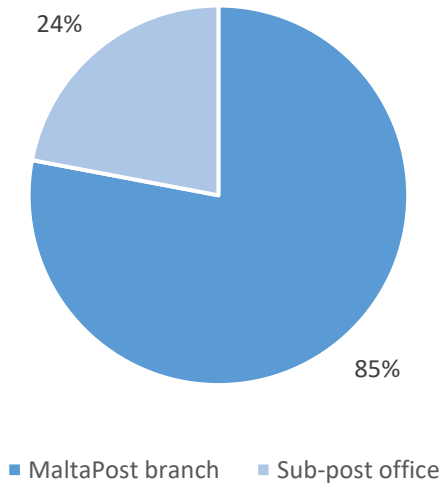
- A total of 64% of businesses indicated to have used the post office branch and/or sub-post office at one point or another over the past 12 months.
- This is a decrease over 2019, when 79% had indicated to have done so.

Post office services (2 of 4)

Type of post office visited

Number of survey participants that made use of a post office branch and/or sub-post office – 263

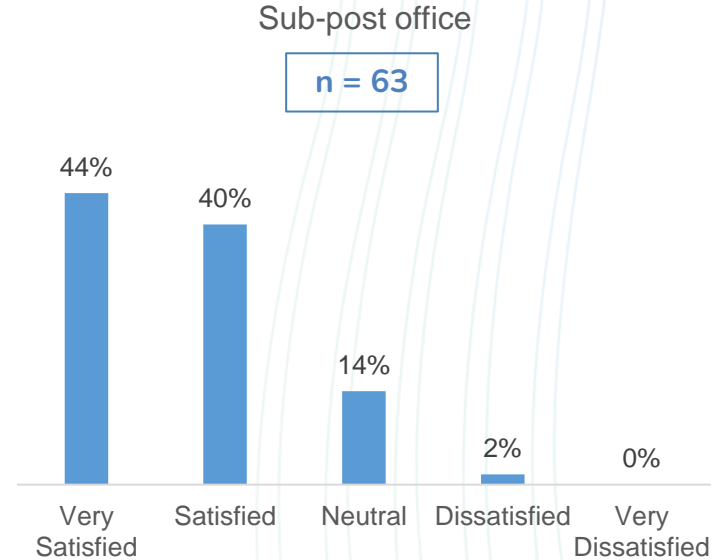
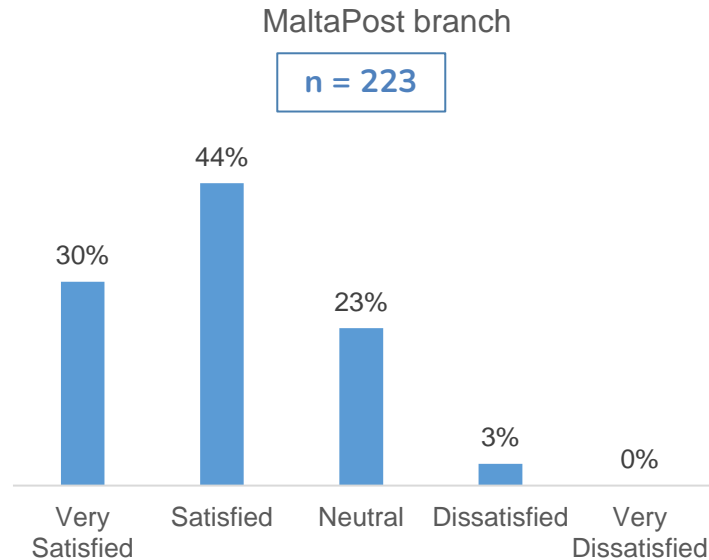
Survey participants could give multiple answers



- There are more businesses using MaltaPost branches (85%) than the sub-post offices such as a stationery store (24%).

Post office services (3 of 4)

Satisfaction with the level of service received at the MaltaPost branch office / sub-post office

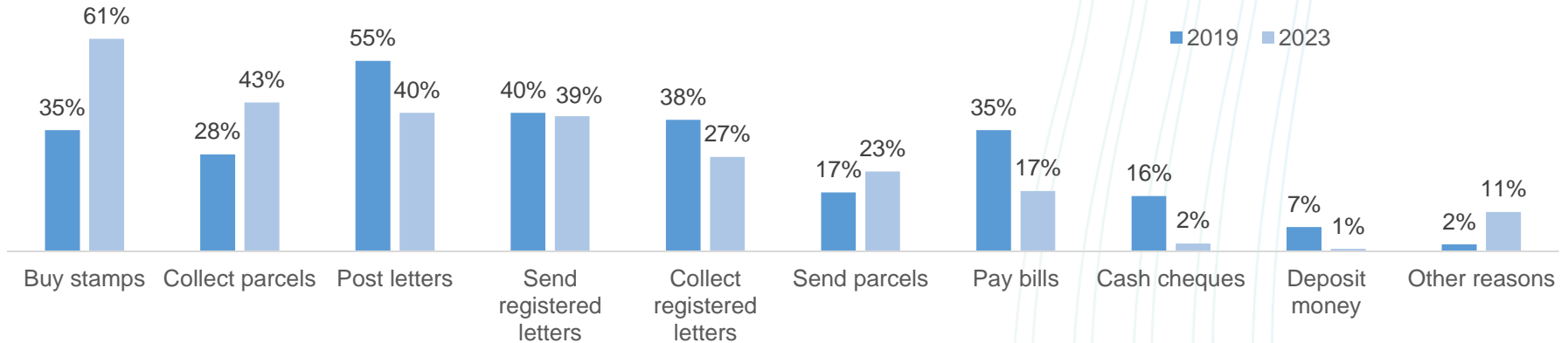


Post office services (4 of 4)

Reasons for visiting a MaltaPost branch post office and/or sub-post office

Number of survey participants that made use of a post office branch and/or sub-post office – 263

Survey participants could give multiple answers

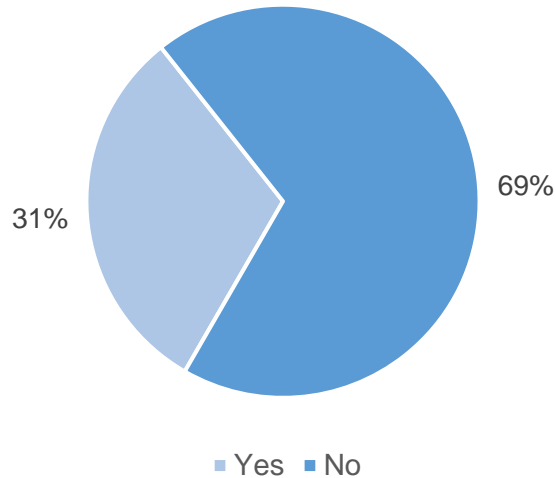


- The main reasons for visiting the post office were to buy stamps; ‘collect parcels’ and to ‘post letters’.
- ‘Other reasons’ were bulk postage, money orders, vouchers and mail custody.

Contacting MaltaPost (1 of 3)

Have you contacted MaltaPost in the last year?

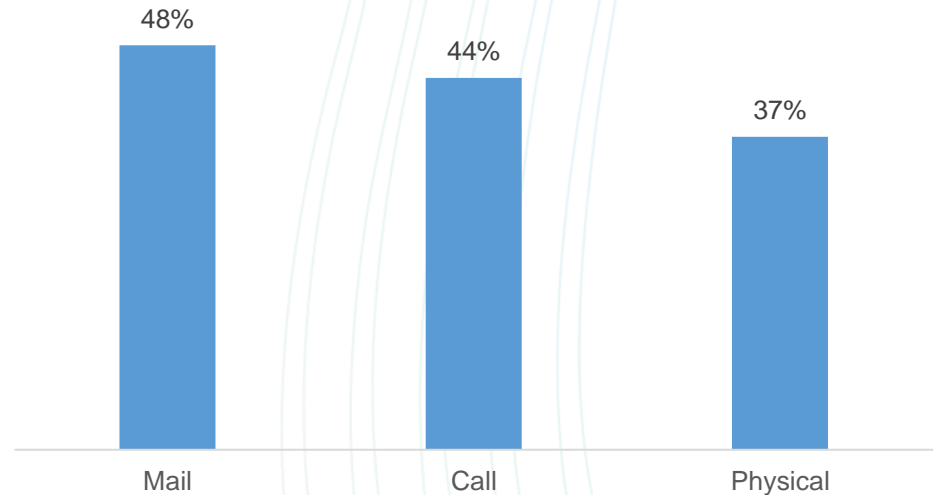
Total number of survey participants – 411



If yes, how?

Number of survey participants that contacted MaltaPost in the last 12 months – 129

Survey participants could give multiple answers

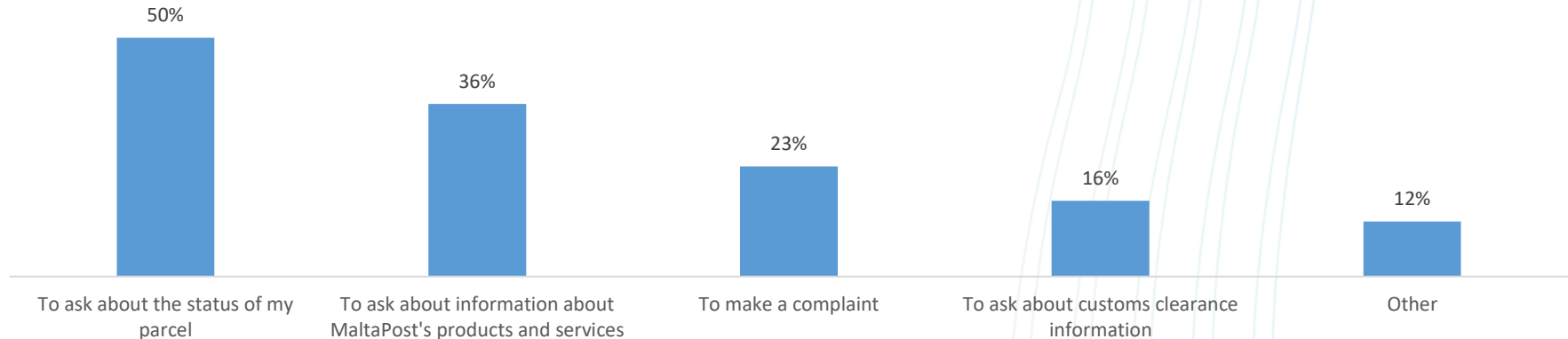


Contacting MaltaPost (2 of 3)

Reason(s) for contacting MaltaPost

Number of survey participants that contacted MaltaPost in the last 12 months – 129

Survey participants could give multiple answers



- Half of the businesses indicated that they contacted MaltaPost to ask about the status of their parcel (14% in 2019). 'To ask about information about MaltaPost's products and services' (36%) and 'to make a complaint' (23%) then follow.
- Most of the other options include 'mail redirection', 'to check on a registered letter' and 'to purchase stamps'.

Contacting MaltaPost (3 of 3)

Reason(s) for contacting MaltaPost

Number of survey participants that contacted MaltaPost to make a complaint – 30

Survey participants could give multiple answers

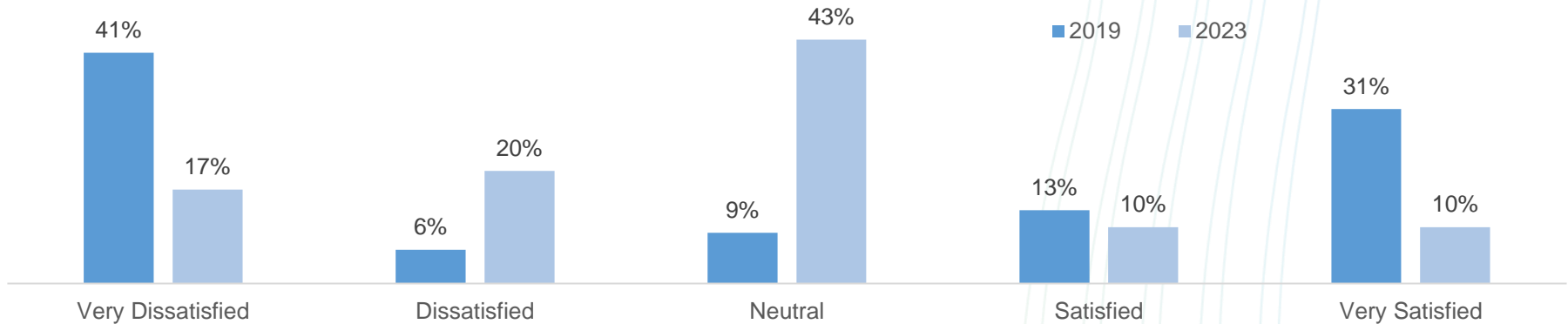


- The two main complaints made by businesses were 'delay in receiving mail' (57%), and 'loss of mail' (47%).

Complaint handling by MaltaPost

Satisfaction with how a complaint is handled by MaltaPost

Number of survey participants that contacted MaltaPost to make a complaint – 30

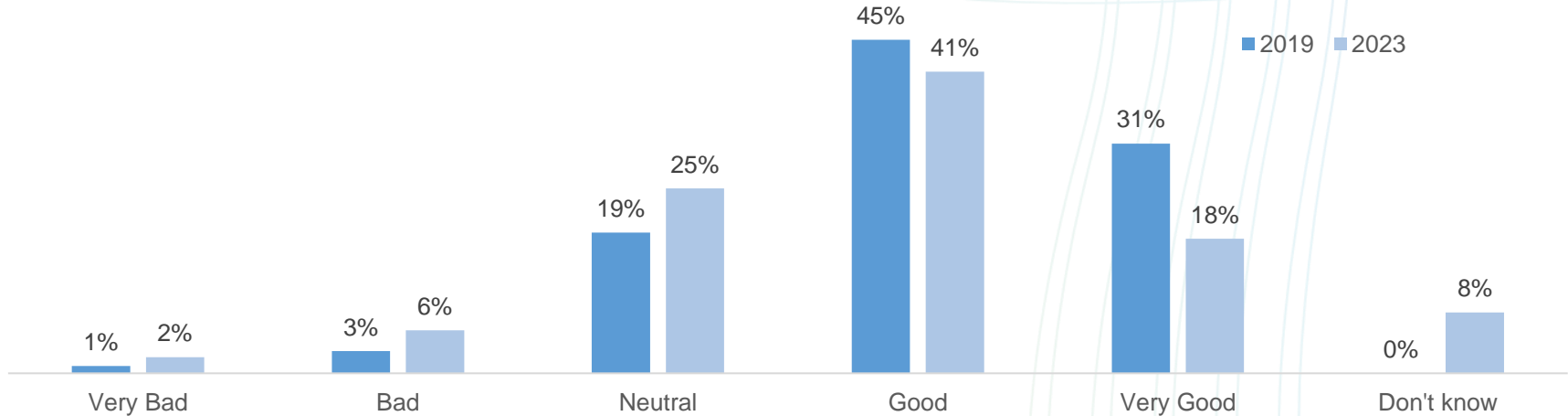


- 20% of businesses that made a formal complaint with MaltaPost were satisfied or very satisfied with the way their complaint had been handled.
- This figure went down from 44% in 2019.

Overall satisfaction with MaltaPost

Overall satisfaction with MaltaPost's Postal Services

Total number of survey participants – 411

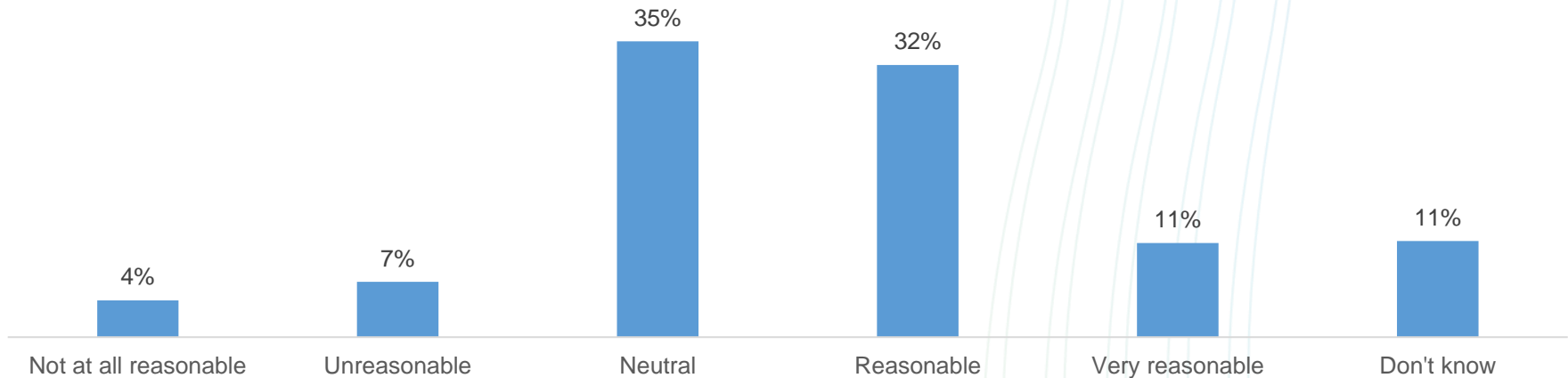


- 59% of businesses perceive the overall quality of postal services provided by MaltaPost to be good or very good, down from 76% in 2019.

Overall perception of MaltaPost's prices

Overall perception of MaltaPost's prices for postal services

Total number of survey participants – 411



- 43% of businesses perceive the overall price of postal services provided by MaltaPost to be reasonable or very reasonable.

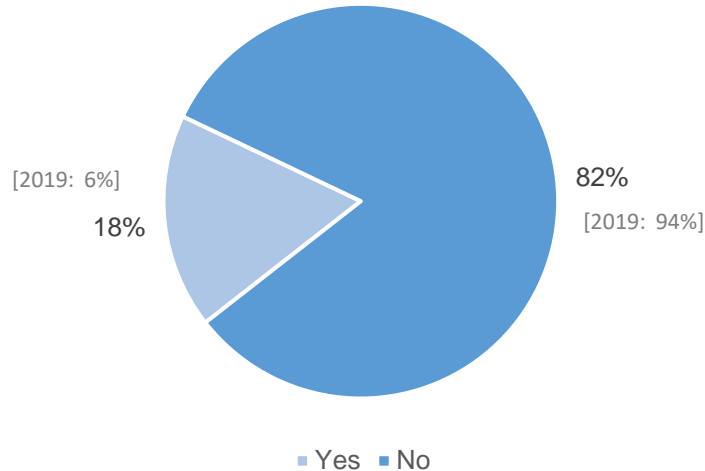
Operators other than MaltaPost



Addressed letter mail and alternative operators

Usage of other operators to send an addressed letter over the previous 12 months

Number of survey participants that sent letter mail over the past twelve months - 312



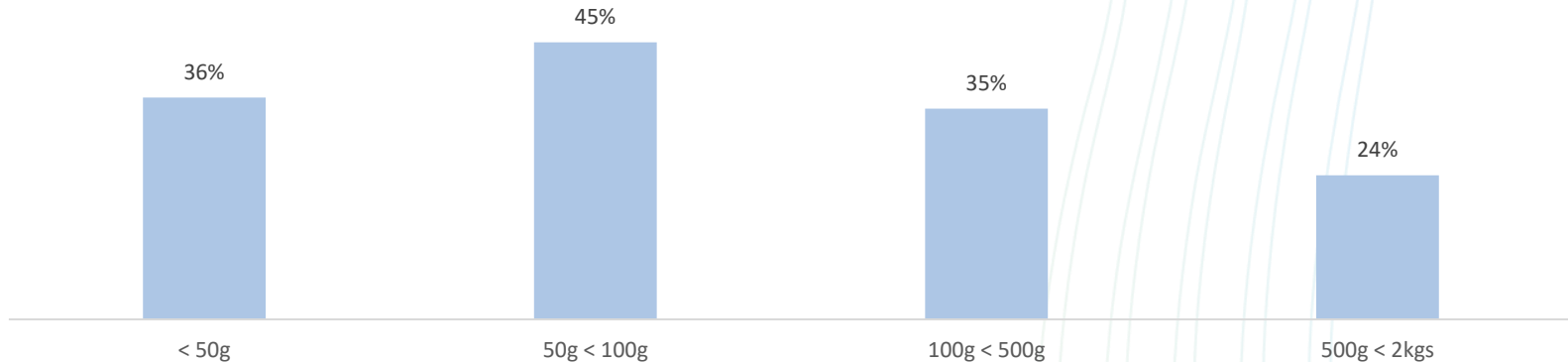
- 82% of businesses do not make use of other operators to send letters.
- This figure was 94% in 2019.

Letter weight and alternative operators

Weight of letters sent using other operators

Number of survey participants that sent a letter using other operators – 55

Survey participants could give multiple answers

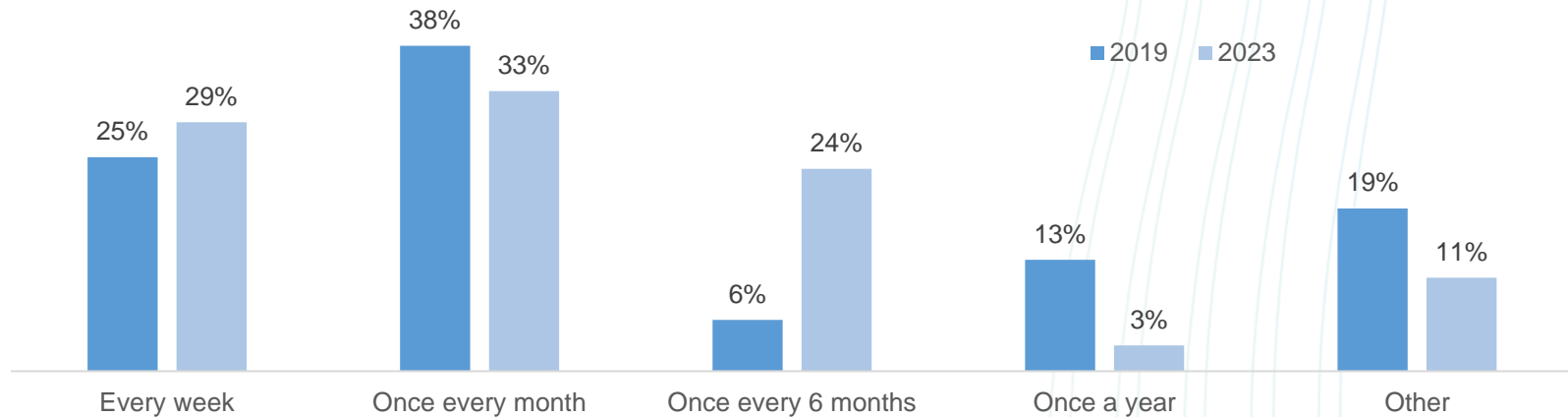


- Most of these businesses (45% of 55 responses) sent letters using other operators than MaltaPost for weight ranging between 50g and 100g.

Frequency of addressed letters with other operators

How often did the organisation send an addressed letter using other operators besides MaltaPost over the past 12 months?

Number of survey participants that sent a letter using other operators - 55



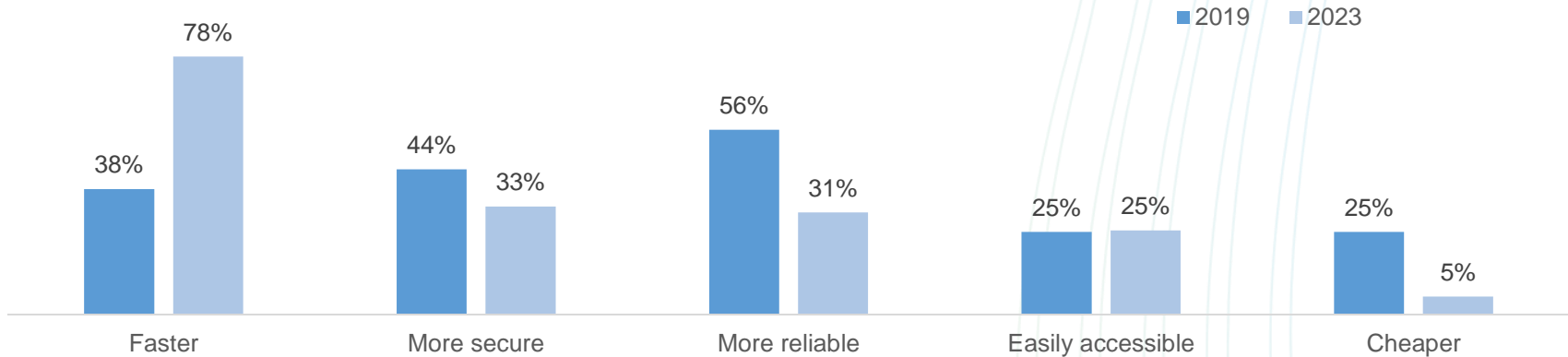
- Those that do send letters using other operators, generally do so once a month or more often (62% now – 63% in 2019). Other times mentioned were ‘every couple of months’ and ‘when required’.

Choosing alternative operators for addressed letters

Reasons for using other operators than MaltaPost to send addressed letter mail

Number of survey participants that sent a letter using other operators – 55

Survey participants could give multiple answers



- In the current study, there was a shift in classification, with 'faster' ranking 1st (78% now – 38% in 2019), followed by 'more secure' (33%) and 'more reliable' (31%).

END



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