



Ofcom Business Postal Tracker: Annual technical report: Q3 2022 to Q2 2023

General survey description

The Business Postal Tracker Q3 2022 to Q2 2023 aimed to achieve 2,200 individual interviews, representative of the profile of small and medium sized businesses (SMEs) with 0-249 employees across the UK, across a fieldwork period of 12 months. This sample size generated a robust dataset with margins of error of +/- 3.10%

The Business Postal Tracker was carried out using a mixed Computer Aided Telephone Interviewing (CATI) and online (CAWI) methodology. Prior to 2023 the ratio of CATI: Online interviews was 50:50, and from Q1 2023 it was adjusted to 25 CATI:75 Online.

The interview lasts 15-25 minutes and covers the following topic areas: volume and use of postal services, reported experience with Royal Mail and other providers, overall satisfaction and change in mail as a communication method. The questionnaire was updated in Q3 2022, with some questions removed, some amended, and some new questions added.

Fieldwork was conducted over four quarters with the sample size for each quarter as follows:

Quarter	Number of interviews			
	%	Total	CATI	Online
Q3/2022	22%	492	269	223
Q4/2022	26%	586	266	320
Q1/2023	27%	601	147	454
Q2/2023	24%	544	138	406

TOTAL	100% ¹	2,223 ²	820	1,403
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Survey objectives

The research aims to measure the use of postal services amongst businesses in the UK.

Specific objectives are:

- To provide time-trend data that enables Ofcom to monitor these measures over time.
- To provide robust data suitable for publication.
- To provide data to inform Ofcom analysis, reports and decisions.
- To provide analysis by UK business sub-groups.

¹ Total adds up to 99% rounded up to 100%

² As evident in table 1, not all the quarters met the target of 550 precisely, which has been accounted for in the weighting.

Sampling approach and quotas

Considering the profile of businesses in the UK as defined by number of employees (business size), it is heavily skewed towards smaller businesses. If the final interview numbers were allowed to reflect this population it would not be possible to undertake robust analysis with organisations of 10 employees or more. For this reason, quotas were set in order to achieve a sufficient number of responses across all business sizes, and weighting factors calculated to account for this sample design.

The SME market of businesses with 0-249 employees is dominated by those with just the owner as the only employee, with around three quarters of businesses with 0-249 employees being zero employee businesses. The quota profile ensures the sample reflects the make-up of the UK SME market without requiring massive upweighting of the zero employee businesses.

Table 2 details the business profile used, as well as the corresponding quotas set to achieve sufficient numbers in each business size band for analysis, and the resultant implied weight factor for this profile.

Business Size	N	%	Natural interview distribution from a sample of 2200	Quotas Set	Implied weight
0	4,278,225	75.59	1663	775	2.15
1-4	880,305	15.55	342	545	0.63
5-9	256,985	4.54	100	220	0.45
10-19	137,420	2.43	53	223	0.24
20-99	95,225	1.68	37	222	0.17
100-249	11,840	0.21	5	215	0.02
Total	5,660,000	100	2200	2200	

Additional sample structure objectives have been set to ensure robust sample sizes annually for each English region, a robust sample size every six months for the three nations other than England, and a robust sample size annually for rural (and urban) businesses in each of the four nations.

As table 3 indicates, sufficient numbers would not be generated from the natural distribution to meet all of these objectives, therefore quotas were set in order to achieve them, allowing for some decrease in effective sample size due to weighting. The ultimate quotas and implied weights are detailed in the same table below. Note that from 2023, a minimum target (rather than a specific quota) was set for English Region interviews via CATI, and the quotas below take account of what the total quota would be if the CATI element was set proportionately.

<i>Table 3: Yearly quota targets: region and nation</i>					
Region/ Nation	N	%	Natural interview distribution from a sample of 2200	Quotas set	Implied weight
England	5,004,775	88.31	1413	1180	1.20
North East	162,755	2.87	46	88	0.53
North West	544,765	9.61	154	129	1.19
Yorkshire and the Humber	400,650	7.07	114	118	0.97
East Midlands	367,725	6.49	104	113	0.92
West Midlands	448,155	7.91	126	118	1.07
East of England	564,775	9.97	160	134	1.19
London	1,096,095	19.34	309	187	1.65
South East	873,595	15.41	246	166	1.48
South West	546,255	9.64	154	129	1.20
Wales	198,635	3.50	56	340	0.16
Scotland	331,365	5.85	94	350	0.27
Northern Ireland	132,730	2.34	37	330	0.11

Using the quotas indicated above, quarterly targets were calculated for Q3 to Q4 2022, divided proportionately between the CATI and CAWI data collection methods. When the ratio of CATI: Online was changed for Q1 to Q2 2023 these figures were recalculated.

Further controls were placed on the sample to ensure that a mixture of businesses from urban and rural locations are included in the final sample. Business postcode addresses selected for potential inclusion in the survey were classified into urban and rural strata based on the classifications shown in table 4 below. The categories have been devised by the survey sample and statistics provider *UK Geographics*. Population data from UK Census 2011 were overlaid onto the *UK Geographics* categories to provide population distribution estimates by postcode. For the purposes of the Business Postal Tracker, urban regions were considered to be those in categories A-E, while rural locations were defined by categories F-G.

<i>Table 4: ONS urbanity definitions</i>			
Category	Description	Population	Incidence (%)
A	Large City	500,000+	14.71
B	Smaller city or large town	100,000 – 500,000	19.81
C	Medium town	15,000 – 100,000	32.12
D	Small town (within 10 miles of A, B or C)	2,000 – 15,000	17.38
E	Small town (more than 10 miles of A, B or C)	2,000 – 15,000	1.85
F	Rural area (within 10 miles of A, B or C)	500 – 2,000	11.70
G	Rural area (more than 10 miles from A, B or C)	500 – 2,000	2.42

Urbanity was taken into account in the selection of the final sample and used to set quotas on location to ensure a spread of urban and rural locations was interviewed³.

In order to achieve the required number of final interviews sample was provided by an approved supplier in a minimum 10:1 ratio.

³ Soft targets were set on urbanity to allow a robust comparison, 82% urban and 18% rural.

Selection of respondents and fieldwork procedure

As the content of the questionnaire asks respondents to estimate the volume of post mailed and the value of contracts with postal service providers, a screening process was undertaken at the start of interviews to ensure that respondents could provide valid responses.

For CATI interviews, after dialling the telephone number for the business indicated on the sample, interviewers were directed to ask those answering if they were able to answer questions about their organisation's mailing processes, volume of postal items sent from the UK from sites for which the business is responsible and spend on mail services. If the initial contact indicated that they were not able to do this, they were asked to pass the call over to someone who was able to answer the questions.

At the start of both CATI and CAWI interviews all respondents must answer several screening questions to demonstrate their eligibility for interview.

During fieldwork, interviews were carried out in strict accordance with the guidelines given to interviewers and according to the Market Research Society (MRS) codes and guidelines, and fieldwork quality control was equally performed in accordance with MRS guidelines. Monitoring the quality of CATI interviews included the witnessing by a supervisor of at least 10% of each of the interviewers' work.

Profile of achieved sample

At the completion of fieldwork, 2,223 individual interviews were achieved. These are broken down by region and business size in table 5.

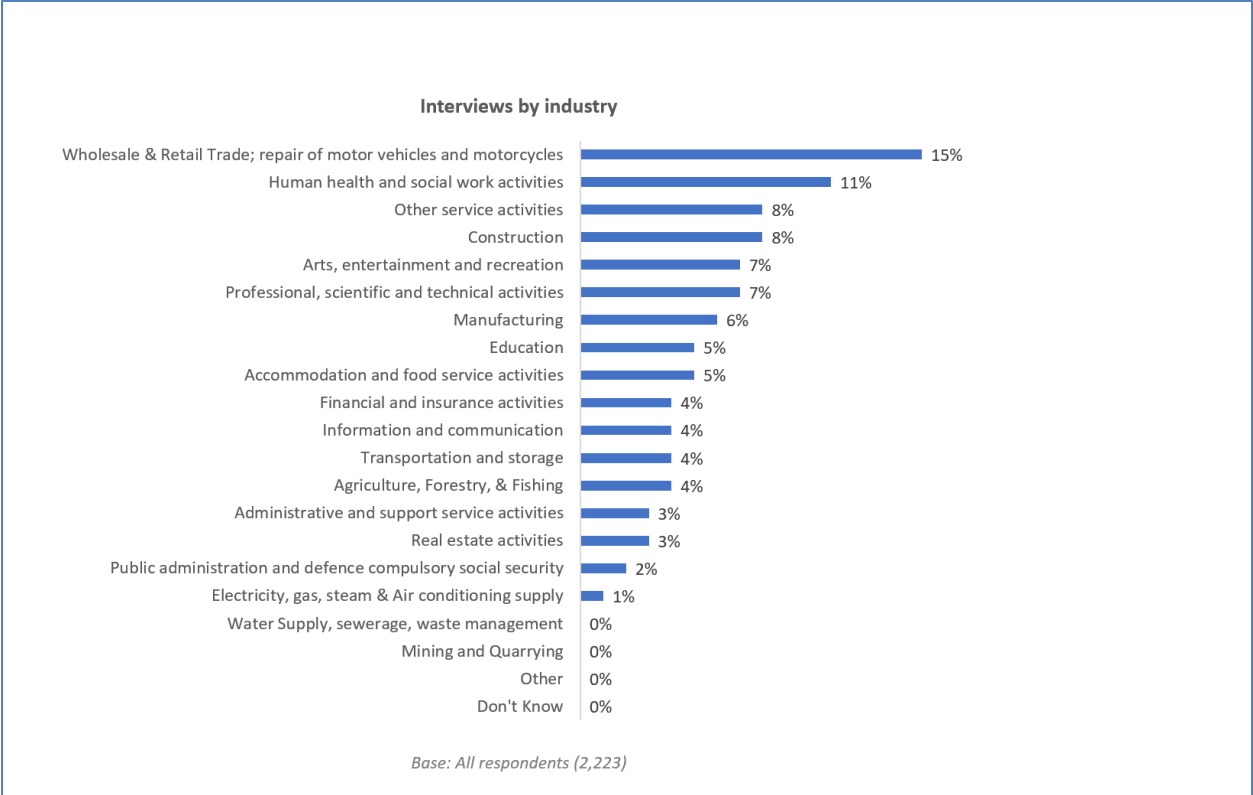
As is evident in table 5, the unweighted sample achieved under-represents smaller businesses and over-represents larger businesses. In addition, while quotas were set in line with tables 2 and 3, some quotas were relaxed to ensure that the overall target number of interviews could be achieved. Weighting factors described below were calculated at the data-processing stage in order to make adjustments to the dataset.

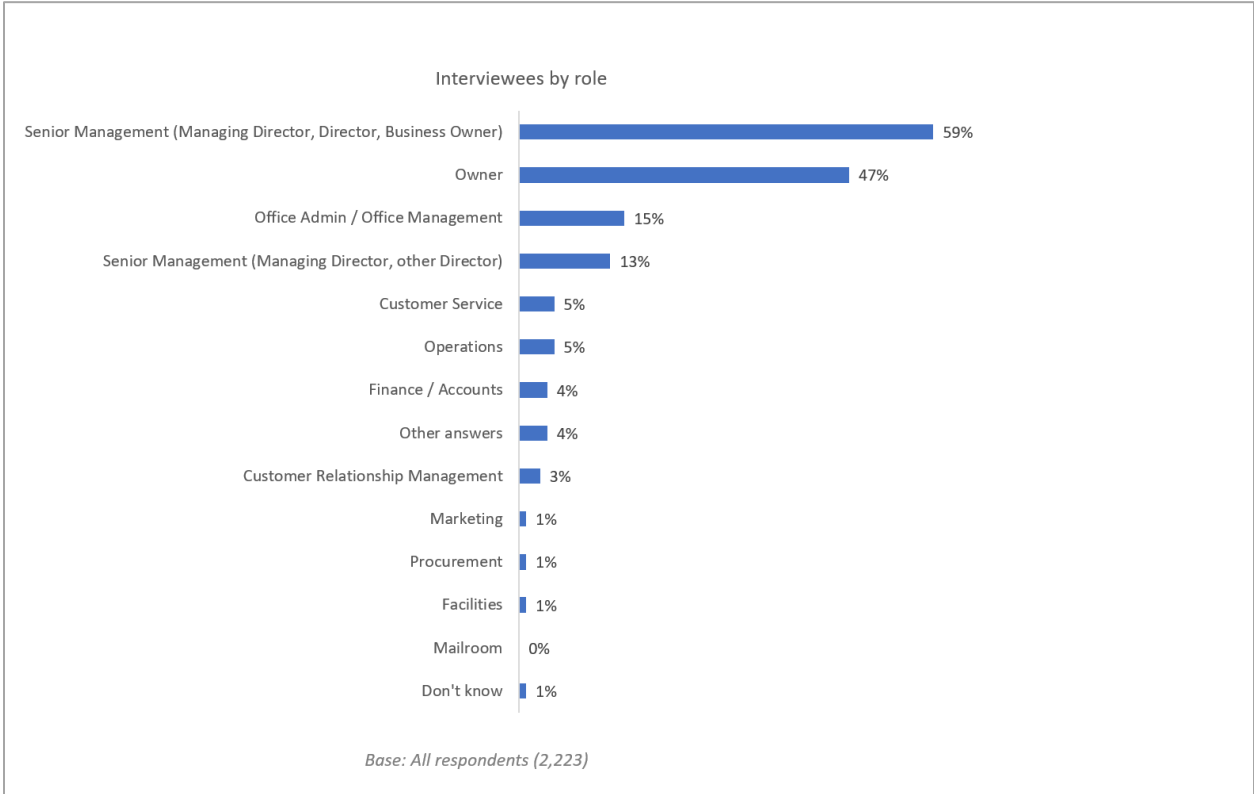
Table 5: Achieved unweighted sample by region and business size

Region	N	Region - aggregated	Business size				Total	
			0-9		10+			
			N	%	N	%	N	%
Yorkshire and the Humber	126	North	279	12.6%	69	3.1%	348	15.7%
North East	86							
North West	136							
East of England	125	Midlands	292	13.1%	78	3.5%	370	16.6%
East Midlands	112							
West Midlands	133							
Greater London	230	South	408	18.4%	124	5.6%	532	23.9%
South East	162							
South West	140							
Scotland	345	Scotland, Wales and Northern Ireland	609	27.4%	364	16.4%	973	43.8%
Wales	323							
Northern Ireland	305							
Total	2223		1588	71.4%	635	28.6%	2223	100%

The questionnaire used during interviews with businesses also contained some profiling information in order to check that the achieved sample contained a spread of different types of businesses and to ensure that no other factors were influencing results unduly. No firm quotas were set on these factors, however.

Interviews were achieved across a range of industry (as indicated in the chart below) and in terms of the personnel with whom interviews were undertaken, the majority were divided between those working in senior management/owners and office administration/management. The majority of interviews (85%) were undertaken at head offices and 96% of those interviewed have an internet connection in the office in which they are based.





Sample efficiency and weighting

Weights were applied to each quarter's data independently in order that final aggregated data is representative of the population of UK businesses, whilst allowing for quarterly analysis.

It was considered whether any mode adjustments would be appropriate to address differences between methods. Analysis was done at the data processing stage to assess this and it was determined not to be required, therefore data for the two collection modes has been combined as it fell out naturally.

As detailed in the sampling approach, larger companies were deliberately over-sampled to allow robust reporting by size, thus the weighting scheme has been designed to correct for this so that overall results reflect the correct profile of UK businesses.

The profile of businesses in the UK against that of the achieved sample and the associated weighting factors are presented in table 6 below.

<i>Table 6: Profile of businesses for weighting</i>					
	Population Profile		Achieved Sample		Weighting factor
	N	%	N	%	
Business Size					
0-1	4,409,140	77.9%	1,042	47%	1.66
2-9	996,160	17.6%	546	25%	0.72
10-49	215,080	3.8%	337	15%	0.25
50-99	25,470	0.45%	101	5%	0.10
100-249	14,150	0.25%	197	9%	0.03
Region & Nation					
North	1,108,170	20%	348	16%	1.28
Midlands	1,380,655	24%	370	17%	1.44
South	2,515,945	44%	532	24%	1.84
Wales	198,635	4%	345	16%	0.39
Scotland	331,365	6%	323	15%	0.28
Northern Ireland	132,730	2%	305	14%	0.15
Macro Industry					
Agriculture, Manufacturing & Construction		25%	447	20%	1.24
Retail/ Distribution/ Communication		21%	523	24%	0.89
Hospitality/ Financial/ and Non-financial		54%	1,253	56%	0.96
Urbanity					
England – Urban		84%	1070	48%	1.54
England – Rural		16%	180	8%	1.74
Wales – Urban		75%	294	13%	0.37
Wales – Rural		25%	51	2%	0.47
Scotland – Urban		82%	244	11%	0.27
Scotland – Rural		18%	79	4%	1.13
Northern Ireland – Urban		77%	249	11%	0.18
Northern Ireland – Rural		23%	56	3%	0.18

Each quarter is weighted to a base of 500 to ensure each contributes equally to combined results. This means the mean average weight is generally not 1 for any quarter. The modal weight by quarter (Q3-4 2022 and Q1-Q2 2023) is 2.859/1.718 /2.48/2.75 respectively and the weights range from 0.004 for larger businesses to 4.41 for those that are smaller. From Q1 2022 a cap was added to the weighting so the maximum weight is 4.5 (relative to an average weight of 1). The design effect for these weights is 2.05/2.06/2.16/2.01 respectively, giving an effective base of 240/284/278/271 which provides quarterly results accurate to +/- 7% at a 95% confidence level.

Table 7: Weighting details

Quarter	Modal Weight	Lowest Weight	Highest Weight	Design Effect	Effective Base	Results Accuracy
Q3/2022	2.859	0.002	3.84	2.05	240	+/- 7%
Q4/2022	1.718	0.003	4.50	2.06	284	+/- 6%
Q1/2023	2.48	0.004	6.41	2.16	278	+/- 6%
Q2/2023	2.75	0.006	4.31	2.01	271	+/- 6%