

Survey findings for business users of bulk mail services

Main survey findings based on perceptions

Reference Number: MCA/S/24-5247



MALTA COMMUNICATIONS AUTHORITY

Methodology and scope



Methodology

EMCS Advisory Ltd carried out survey between November 2023 and January 2024 on behalf of the MCA

Fieldwork

- Face-to-face interviews - 30 minutes;
- Respondents were responsible for the mail handling of the company.

Sample

- Randomly selected sample using business directories;
- Respondents making use of MaltaPost's bulk mail service;
- Only respondents reporting a minimum of 750 addressed letter mail items in a year classified as 'bulk mailers'.

Responses

- A total of 41 bulk mailers were interviewed.

Scope

- The MCA Postal Perception Survey amongst 'Bulk Mailers' is carried out every two years to get insight on the preferences of local businesses who utilise MaltaPost's bulk mail services.
- The aim of this survey is to assess the quality of the service being provided, including the duration of delivery of post and ensuring the affordability of the postal service.
- The bulk mail service in Malta is offered to companies who have 50 or more items of the same size, weight and format to be posted. It consists of the operator aiding in the processing of the post, affixing postage stamps, and generally offering an efficient service of how this mail is delivered.
- MaltaPost is the only operator who offers this service in Malta, as it is the designated operator to offer such services within the Universal Service Area.
- As the designated universal service provider, MaltaPost is responsible by law to provide these universal services, which incorporate both the clearance and distribution of letters and small packets.

Key findings



Key Findings (1/4)

- Bulk mail trends and volumes:

- More respondents in this survey study reporting having sent a higher number of bulk mail items:
 - 46% of respondents sent out between 750 and 5,000 bulk mail items (51% in 2021);
 - 37% of respondents who sent between 5,000 and 50,000 mail items (28% in 2021);
 - share of respondents sending more than 50,000 bulk mail items up to 17% (10% in 2021).
- A three-percentage point increase in respondents reporting they sent more bulk mail volumes in the 12 months prior to the survey. Almost all of this increase attributed to bulk mailers of more than 10,000 mail items.
- A three-percentage point decrease in respondents reporting a drop in bulk mail volumes over the same period. This is largely attributed to bulk mailers sending out more than 10,000 mail items.

Key Findings (2/4)

- **Use of postcodes**: All respondents say they used the postcode when sending out bulk mail. However, compared to 2021, a 13-percentage point decrease is observed for respondents who say they **always** made use of postcodes.
- **Bulk mail clearance**:
 - 80% of respondents drop-off their mail at MaltaPost's head office (63% in 2021), whilst the remaining 20% say that MaltaPost collects their bulk mail items from their premises (37% in 2021);
 - 41% of respondents that drop-off their mail at MaltaPost do not pre-sort their bulk mail by postcode, before handing them to MaltaPost.
 - 15% of respondents that see MaltaPost collecting their bulk mail items from their premises do not pre-sort their mail items by post-code.
- **Expenditure**: 31% of respondents spend up to €1,000 on bulk mail services, 39% spend between €1,001 and €5,000, 15% spend between €5,001 and €25,000, and 15% spent over €25,000.

Key Findings (3/4)

- **Price reasonability**: 51% expressed a 'neutral' stance on this matter, but 20% perceive the price to be unreasonable. Those who perceive the price to be reasonable and very reasonable, at 29% of all respondents, has decreased by 6 percentage points compared to 2021.
- **Lead-Time**: More respondents find a one-day lead time to be acceptable, at 46% compared to 40% in 2021. Conversely, there was an 8-percentage point decrease in those respondents who find a two-day lead-time to be acceptable.
- **Five-day service week**: Almost 15% of respondents consider a transition from a 6-day to a 5-day week to significantly impact them negatively.
- **Future use of bulk mail services**: 98% of respondents say they will continue using the bulk mail service.

Key Findings (4/4)

- **Quality of Service:**

- **Satisfaction**: An overall satisfactory outcome. However, compared to 2021, an 8-percentage point decrease observed in respondents who are “very satisfied” with the service to 15%. 44% of respondents say they are satisfied (45% in 2021). 36% of respondents express a ‘neutral’ stance.
- **Complaints**: Unchanged share of respondents who complained to MaltaPost on the service, at 10%. However, an increase was noted in those respondents who made a complaint only once (decreasing to 3%) to those who made a complaint several times (increasing to 7%).

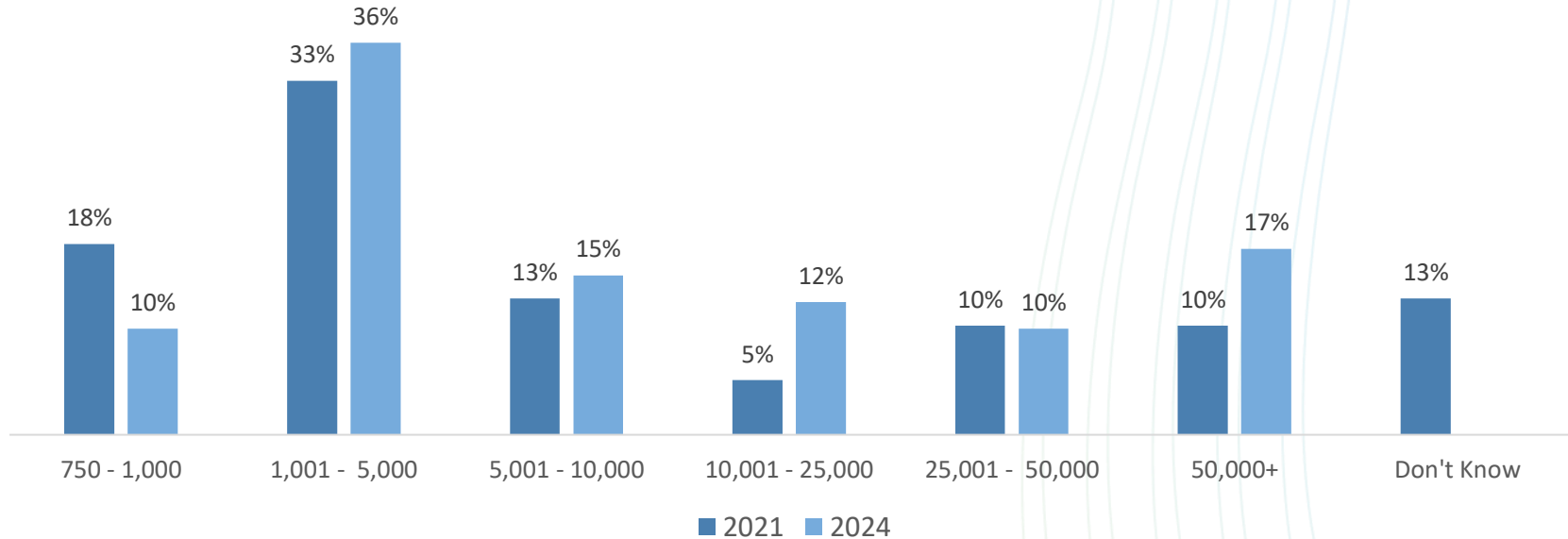
Mail activity



Mail activity

Average number of addressed letters sent per year

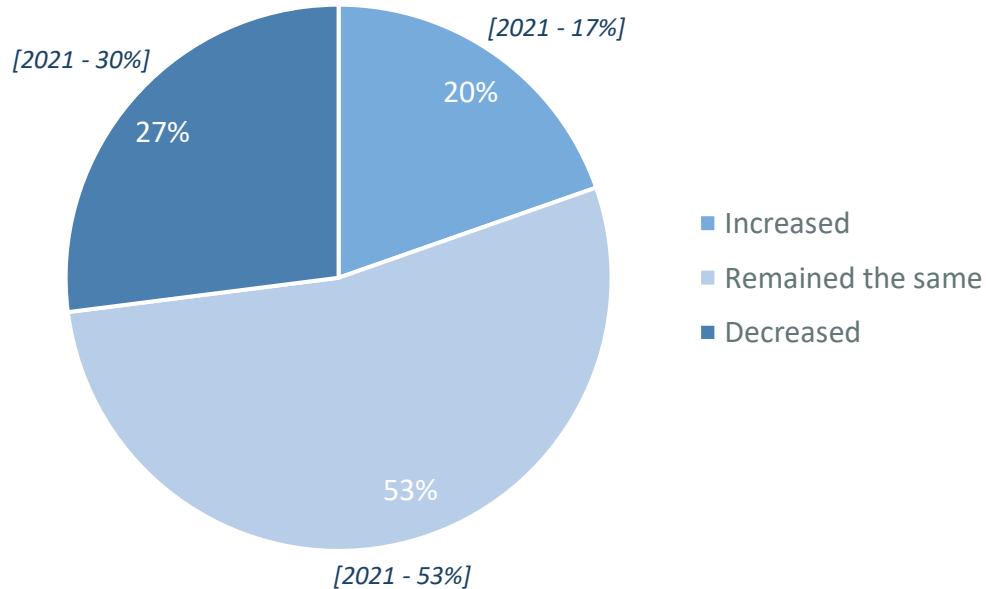
Total number of respondents: 40 (2021), 41 (2024)



Mail activity – changes in volumes (1)

Trends in bulk mail usage

Total number of respondents: 40 (2021), 41 (2024)

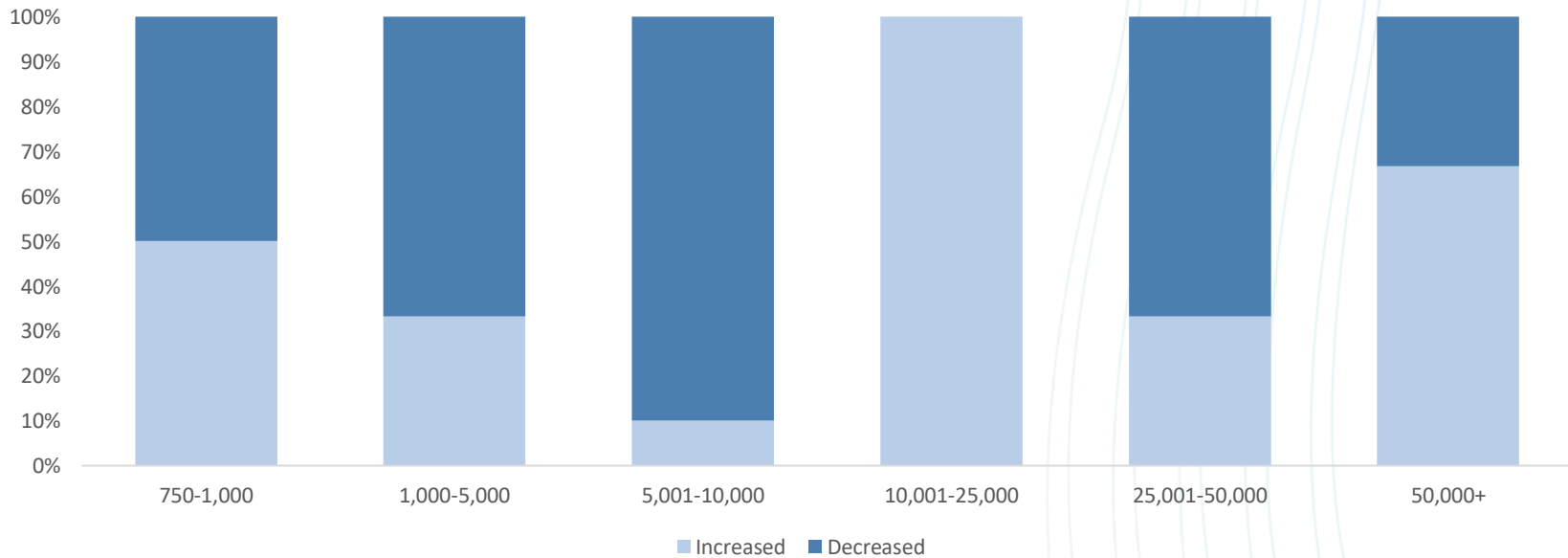


- 3 percentage point increase in organizations who increased the number of bulk mail items sent.
- 3 percentage point decrease in organizations who decreased the number of bulk mail items sent.

Mail activity – changes in volumes (2)

Trends in bulk mail usage – Weighted average analysis

Total number of respondents: 40 (2021), 41 (2024)

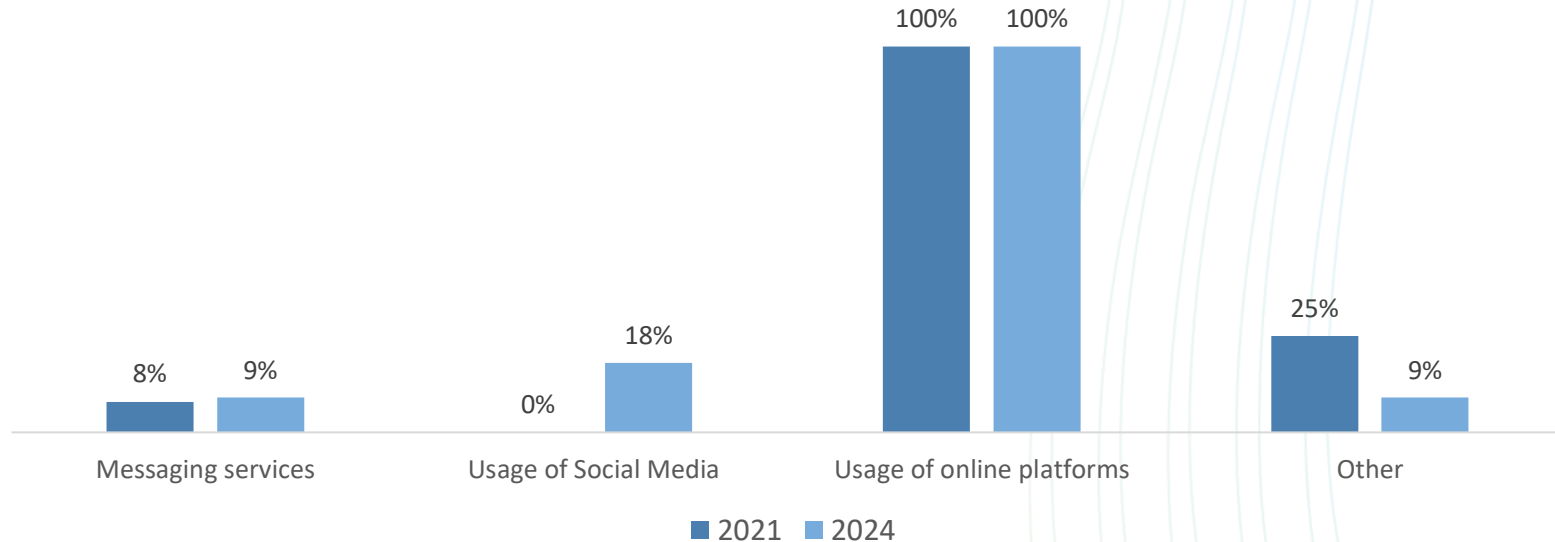


Mail activity – changes in volumes (3)

Reasons for decreasing use of bulk mail

Number of bulk mailers: 12 (2021), 11 (2024)

(Bulk mailers could give multiple answers)



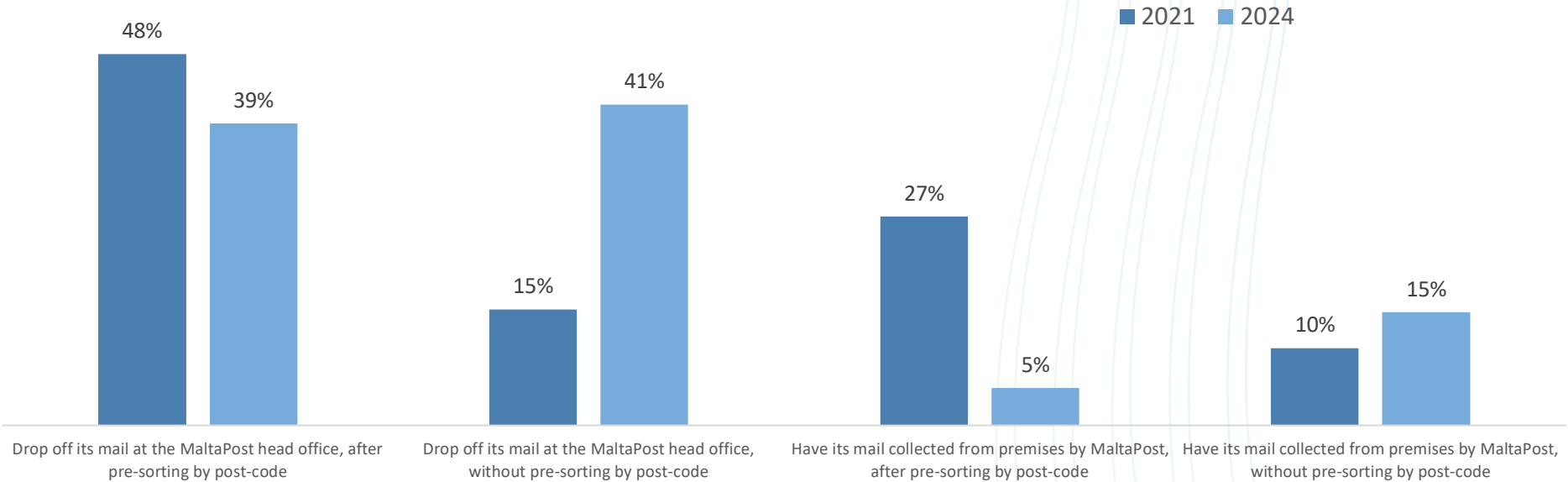
Using Bulk Mail Service



Bulk mail process – Bulk mail clearance

Initiating the bulk mail service

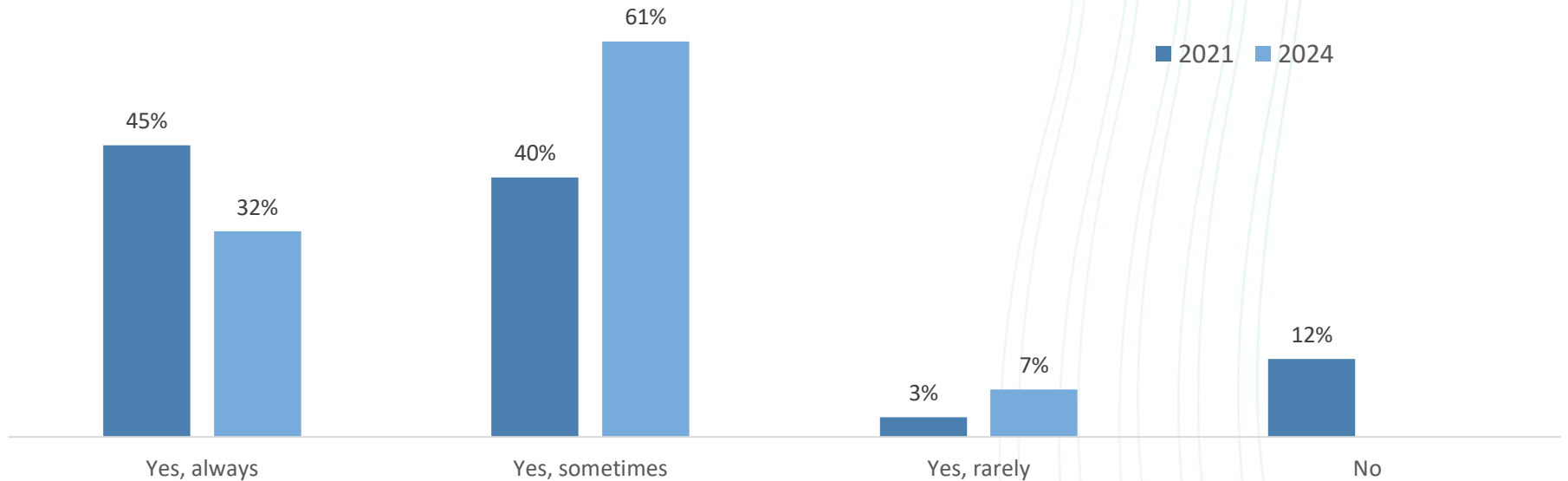
Total number of bulk mailers: 40 (2021), 41 (2024)



Post codes

Use of postcodes

Total number of bulk mailers: 40 (2021), 41 (2024)



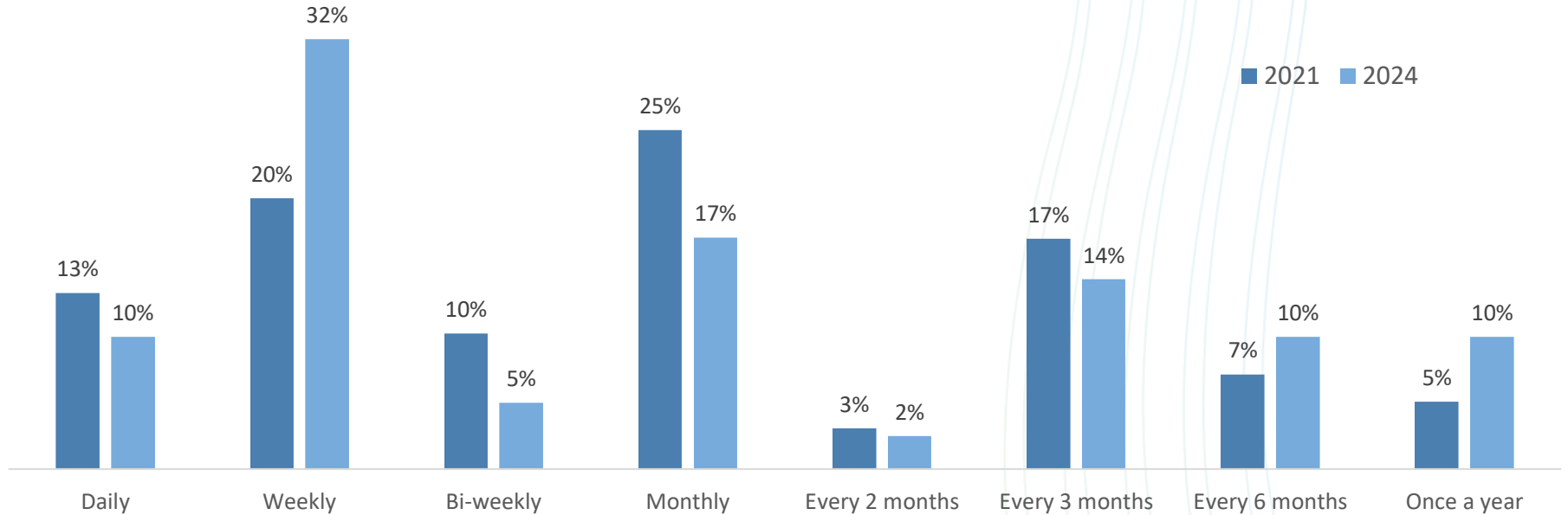
Volumes, expenditure and pricing



Frequency of use

Frequency of use of the bulk mail service

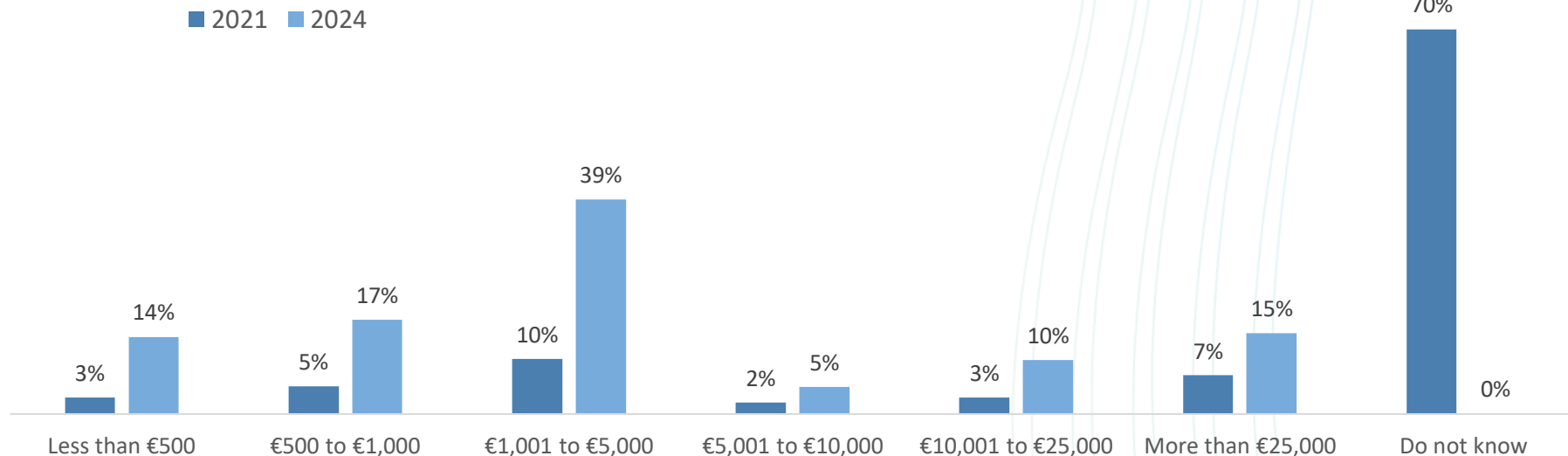
Total number of bulk mailers: 40 (2021), 41 (2024)



Yearly expenditure

Average yearly expenditure on bulk mail

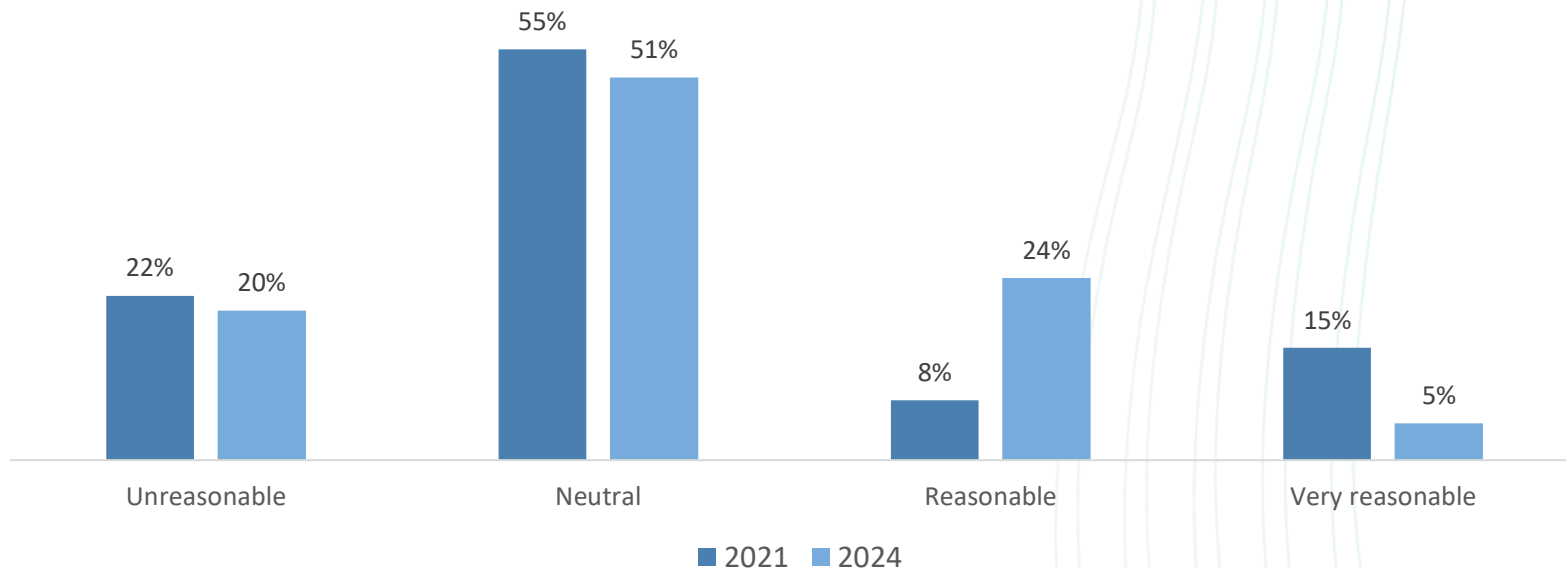
Total number of bulk mailers: 40 (2021), 41 (2024)



Perceptions on price

Price reasonability of bulk mail

Total number of bulk mailers: 40 (2021), 41 (2024)



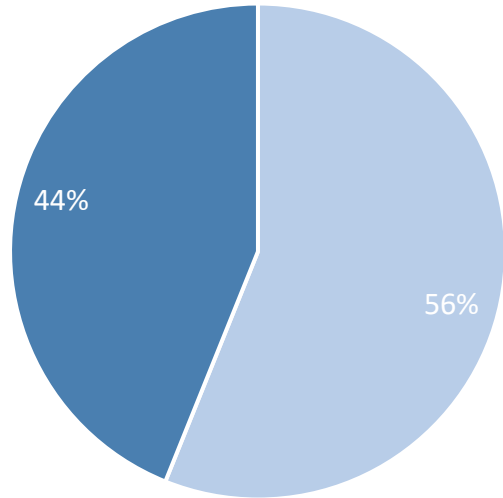
Environmental considerations and future use



Environmental considerations

Willingness to contribute an additional 1c per letter for displaying an officially endorsed environmentally friendly logo on the envelope, knowing that the funds will be allocated towards an environmental initiative.

Total number of bulk mailers: 41 (This question was not asked in 2021)



- Yes, I would consider contributing
- No, I would not consider contributing

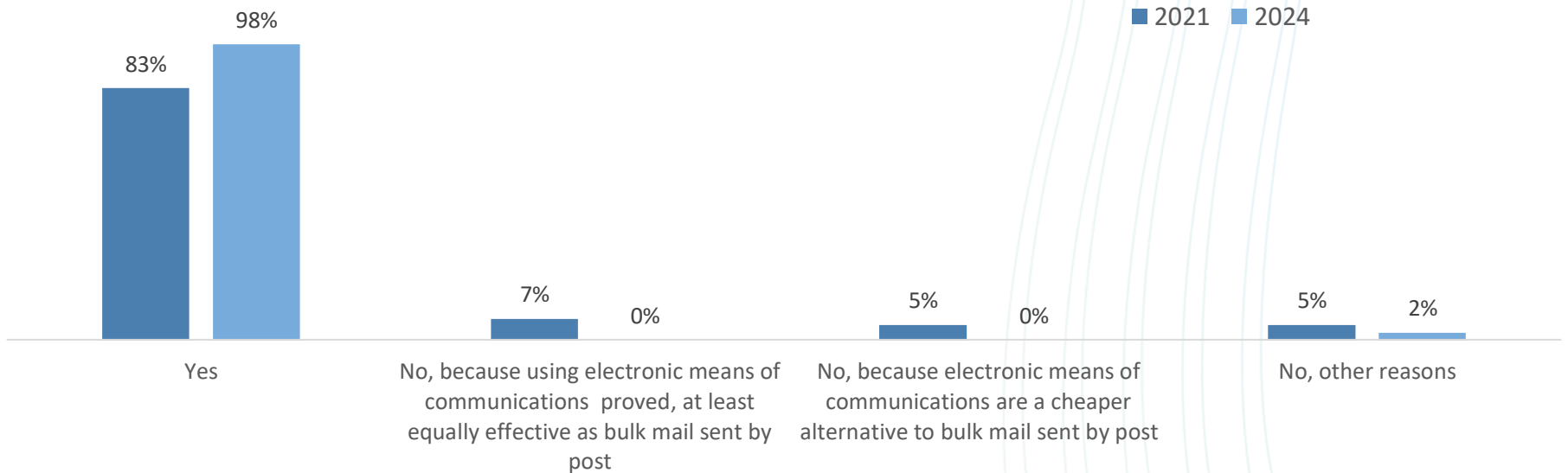
- 56% of the respondents would be willing to contribute an additional 1c per letter to display an officially endorsed environmentally friendly logo on the envelope.

Expected future use (1)

Intention to use MaltaPost bulk mail service in the next twelve months

Total number of bulk mailers: 40 (2021), 41 (2024)

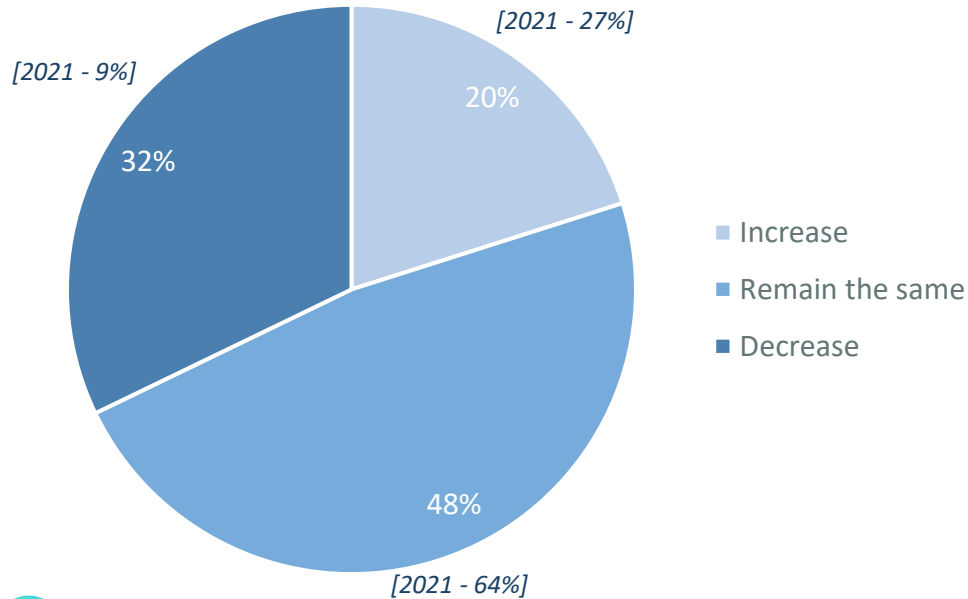
(Bulk mailers could give multiple answers)



Expected future use (2)

Expected future usage of MaltaPost's bulk mail service over the next 12 months

Number of bulk mailers that intend to use MaltaPost's bulk mail service in the next 12 months: 33 (2021), 40 (2024)



- Whilst 48% expect their volume to remain the same, there is a significant increase in the percentage of bulk mailers expecting a drop in usage, rising from 9% in 2021 to 32% in 2024.
- One-fifth of bulk mailers are expecting an increase over the next 12 months.

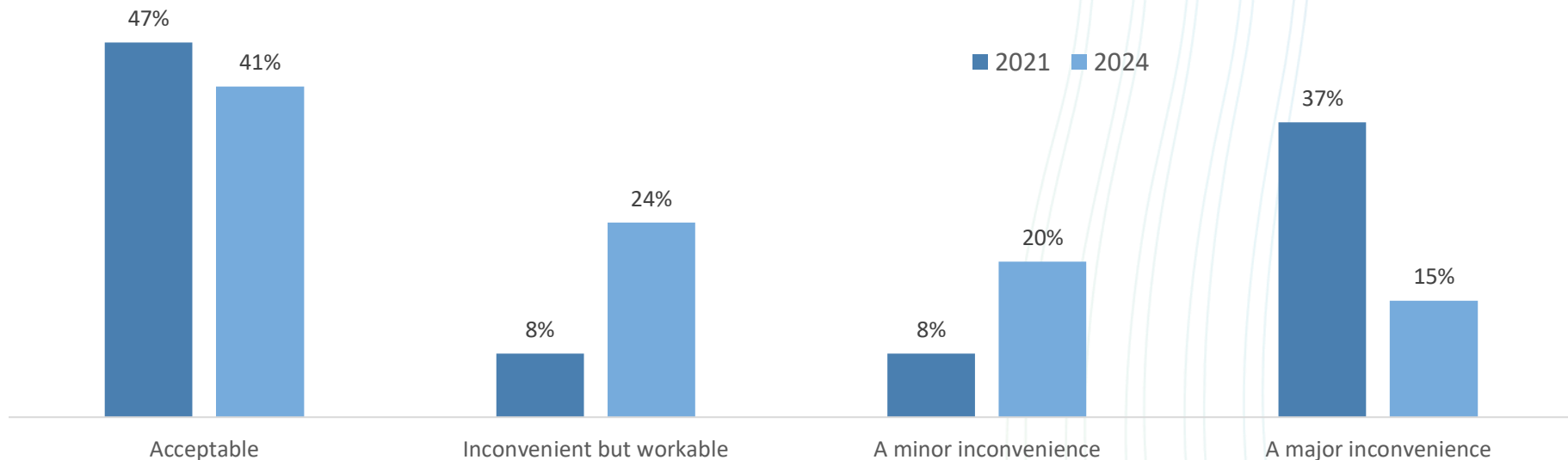
5-day vs 6-day delivery week / Lead time



Comparison of 5-day and 6-day Week (1)

Acceptability of 5-day week instead of 6-day week

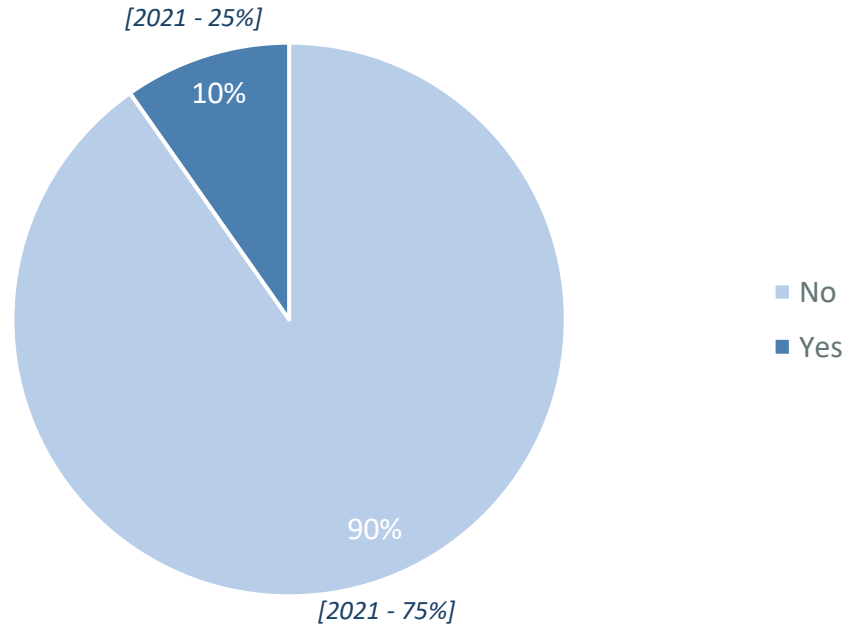
Total number of bulk mailers: 40 (2021), 41 (2024)



Comparison of 5-day and 6-day Week (2)

Is a price increase to maintain 6-day delivery reasonable

Total number of bulk mailers: 40 (2021), 41 (2024)

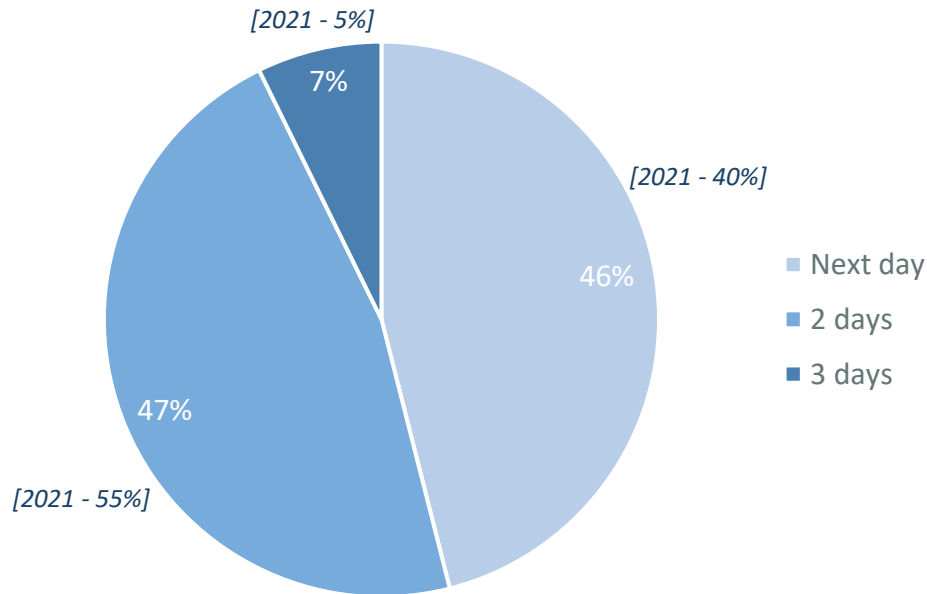


- 90% of bulk mailers are not willing to pay more for 6-day bulk mail service (90%), a significant increase from the 75% reported in 2021.

Lead-Times

Acceptable lead-time from posting to delivery

Total number of bulk mailers: 40 (2021), 41 (2024)



- The preference for next-day delivery has increased, with 46% of bulk mailers finding this timeframe acceptable, compared to 40% in 2021.
- Conversely, the option of a 2-day delivery, although still accepted by 47% of bulk mailers, has experienced a decrease from the 55% reported in 2021.

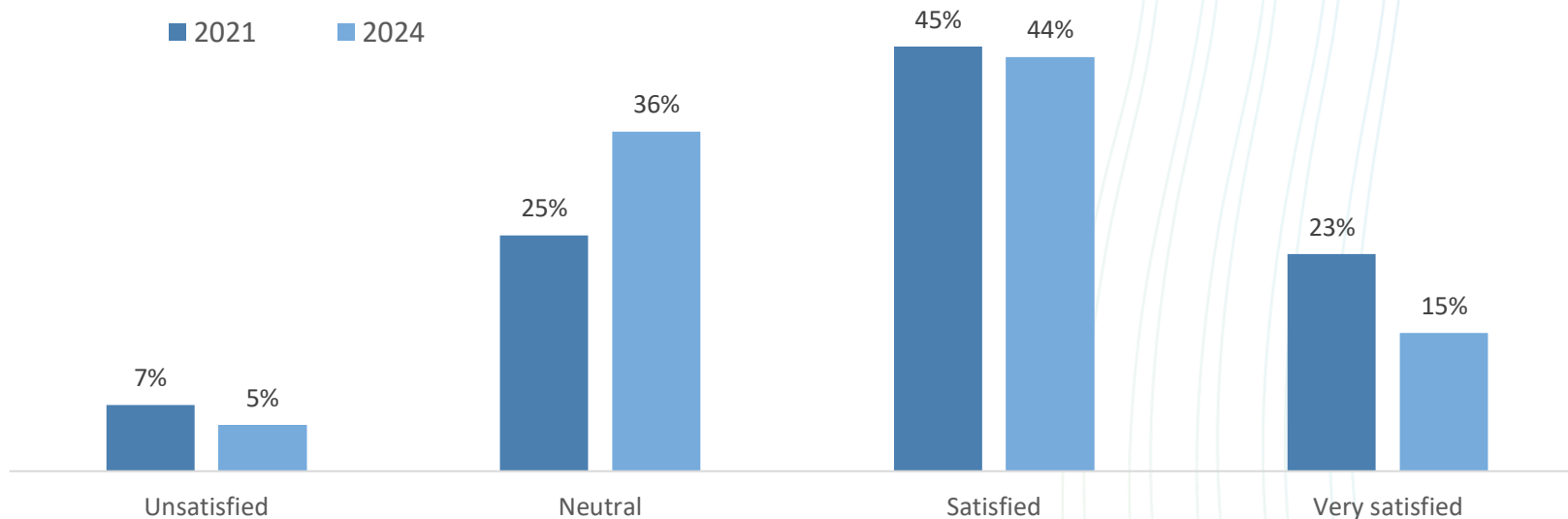
Quality of service and complaint handling



Quality of service

Overall quality of MaltaPost postal services

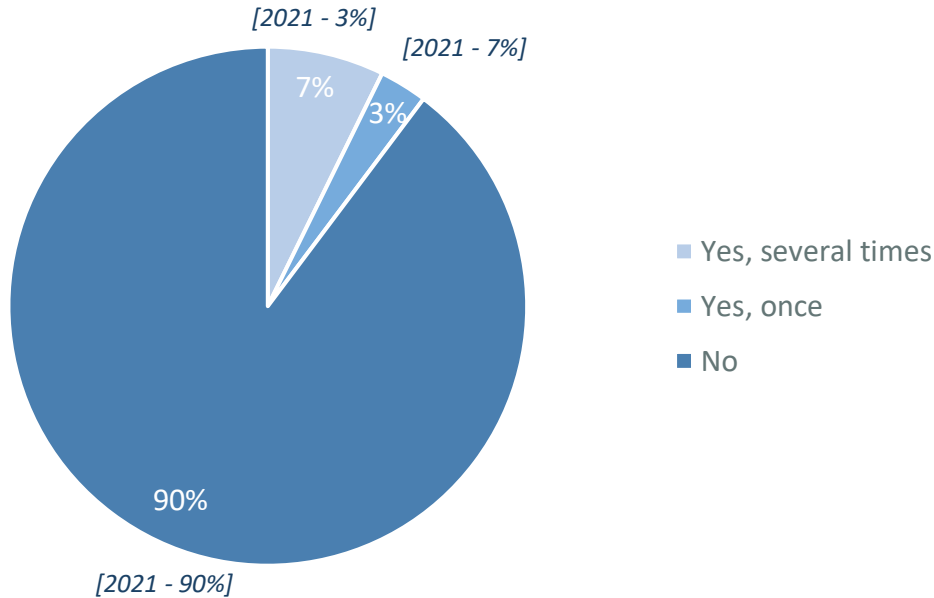
Total number of bulk mailers: 40 (2021), 41 (2024)



MaltaPost – Formal extent of complaints

Formal complaints made with MaltaPost

Total number of bulk mailers: 40 (2021), 41 (2024)



- 90% of bulk mailers have never made a complaint with MaltaPost, similar to 2021.
- 7% have made several formal complaints (3% in 2021).
- Amongst the bulk mailers that expressed dissatisfaction, their complaints primarily include service reliability, consistency, instances of undelivered mail, and concerns regarding the pricing of the service.
- Furthermore, none of these four bulk mailers that have filed formal complaints have received any form of compensation for these objections.



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