

MCA Market Research

*Business Perceptions Booster Survey – Postal Services
Medium and Large Businesses*

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 main findings for a survey with a sample representing medium and large businesses in Malta.
- The sample used in this survey specifically focuses on medium and large businesses to gain deeper insights into their specific experiences, which may differ significantly from those of small and micro enterprises. By conducting a separate perceptions survey for this segment, we can better understand the unique dynamics and challenges faced by medium and large businesses in contrast to the overall findings that include smaller enterprises.
- 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. It also seeks to outline any difficulties experienced by businesses and their opinions on service frequency changes.

Purpose and 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 items within the business.

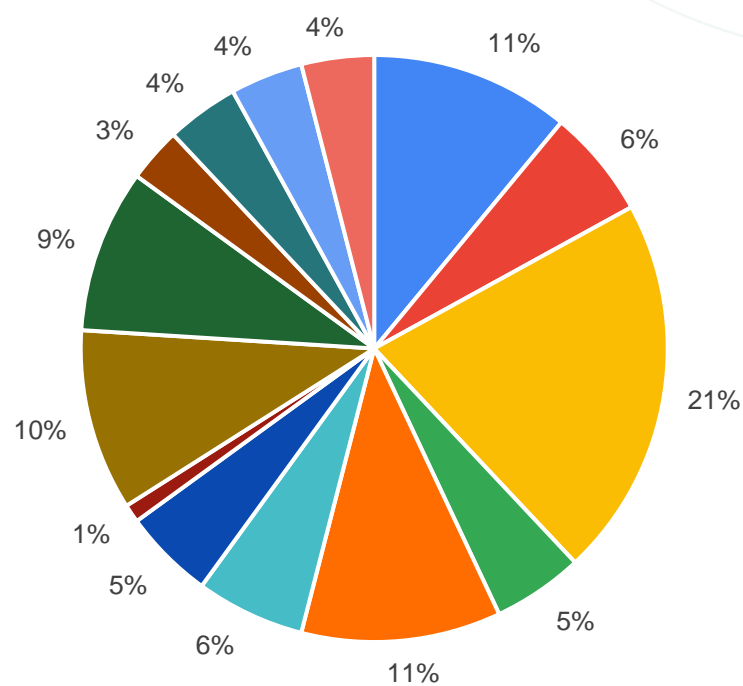
Sample

- Sample size was representatively distributed across 16 pre-defined industries of the business sector in Malta (Source: NACE Codes).
- To capture more qualitative information, the 10-49, 50-249 and 250+ employee categories were boosted.

Responses

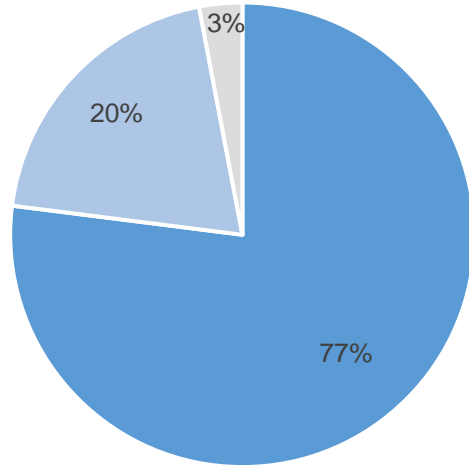
- Number of participants – 100.
- Any refusals / incomplete surveys were replaced with new complete responses.

Sample distribution by business type based on NACE



- C - Manufacturing
- F - Construction
- G - Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
- H - Transportation and storage
- I - Accommodation and Food Service Activities
- J - Information and Communication
- K - Financial and Insurance Activities
- L - Real Estate Activities
- M - Professional, Scientific and Technical Activities
- N - Administrative and support service activities
- P - Education
- Q - Human Health and Social Work Activities
- R - Arts, entertainment and recreation
- S - Other Service Activities

Sample distribution by business size



- 10-49 employees (small enterprise)
- 50 - 249 employees (medium-sized enterprise)
- 250+ employees (large enterprise)

- 77% of the businesses are small enterprises, employing between 10 to 49 employees.

Key insights (1 of 5)

Sending and receiving addressed letters

- Slightly more than half of respondents (55%) reported the same volume of addressed letters received weekly over the past year and 40% registered a decrease.
- A significant portion of 44% registered the same volume of letters sent weekly over the past year, whereas 43% 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 up to 17% was observed in businesses spending less than €5 per year on addressed letters.
- There was a slight increase in the percentage of businesses spending over €500 on addressed letters of 3 percentage points.

Key insights (2 of 5)

Utilisation of non-postal alternatives

- If the price of a 50g letter were to increase, nearly half of businesses (47%) would consider using non-postal alternatives, such as email as a cost-effective option.

Delivery speeds

- The preferred delivery options for survey participants were 2-day (46%) and next day (44%), which showed a slight shift compared to 2019 data where they were at 47% and 50% respectively.
- There was a noticeable increase in preference for 3-day delivery, rising from 1% in 2019 to 9% in 2023.

Postcode usage

- The use of postcodes when sending addressed letters increased significantly, from 93% in the previous survey up to 98% in the current study.

Key insights (3 of 5)

Deferred delivery

- 32% of businesses would be willing to accept discounted tariff rates for deferred delivery, but 23% rejected a 2-day deferred delivery, whereas 45% said it depended on urgency. These figures remain mostly unchanged from the survey in 2019.

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 (3%) of businesses would find it to be a major inconvenient, while 9% would find it to be a minor inconvenience. However, a greater percentage of 65% considered it acceptable, while the remaining group found it manageable despite some inconveniences.

Key insights (4 of 5)

Satisfaction with the overall quality of MaltaPost services

- 59% of businesses displayed satisfaction with the overall quality of postal services provided by MaltaPost, down from 75% in 2019.

MaltaPost

- A total of 66% of businesses indicated to have used the post office at one point or another over the past 12 months. This is a decrease over 2019 when 85% had indicated to have done so.
- Out of those visiting, most businesses visited a MaltaPost branch (79%) rather than a sub-post office (29%).
- A significant percentage of businesses had been in contact with MaltaPost, primarily to buy stamps, post letters and send registered letters.

Key insights (5 of 5)

Utilisation of alternative postal operators

- There was an increase in the usage of alternative operators for addressed letter mail.
- The usage of alternative postal operators (other than MaltaPost) to send parcels, remained in line with the result obtained in 2019 as 44% of respondents reported having used alternative operators within the last 12 months.
- DHL emerged as the operator that delivers most parcels to businesses (88%) followed by MaltaPost (64%) and FedEx (55%).

Registered Mail

- While a considerable percentage (27%) of businesses reported not sending registered mail, most of those who did (24%), sent it once every 6 months. This suggests a decrease in the frequency of sending registered mail among businesses.

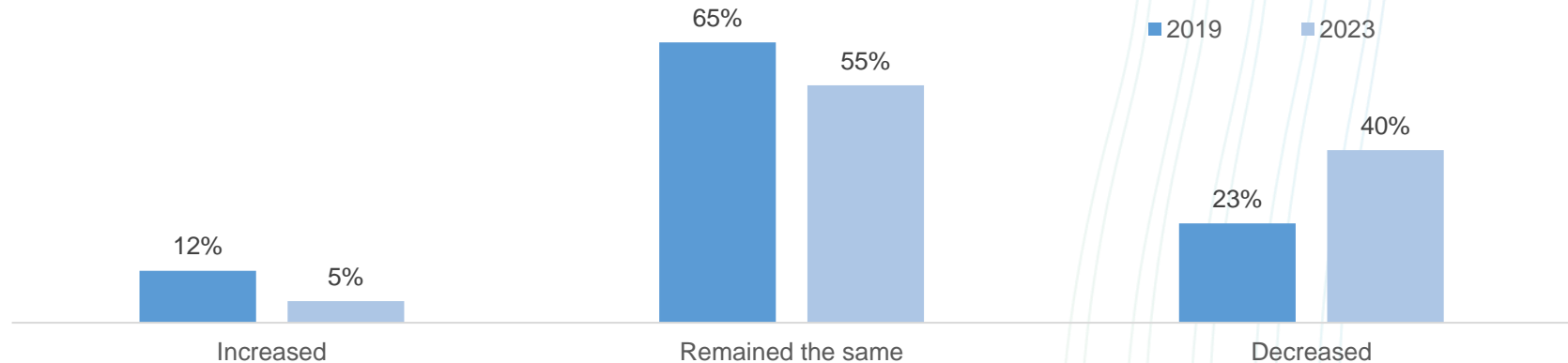
Addressed letter mail



Frequency of addressed letter mail (1 of 3)

Number of addressed letters received weekly over the past 12 months

Total number of survey participants - 100

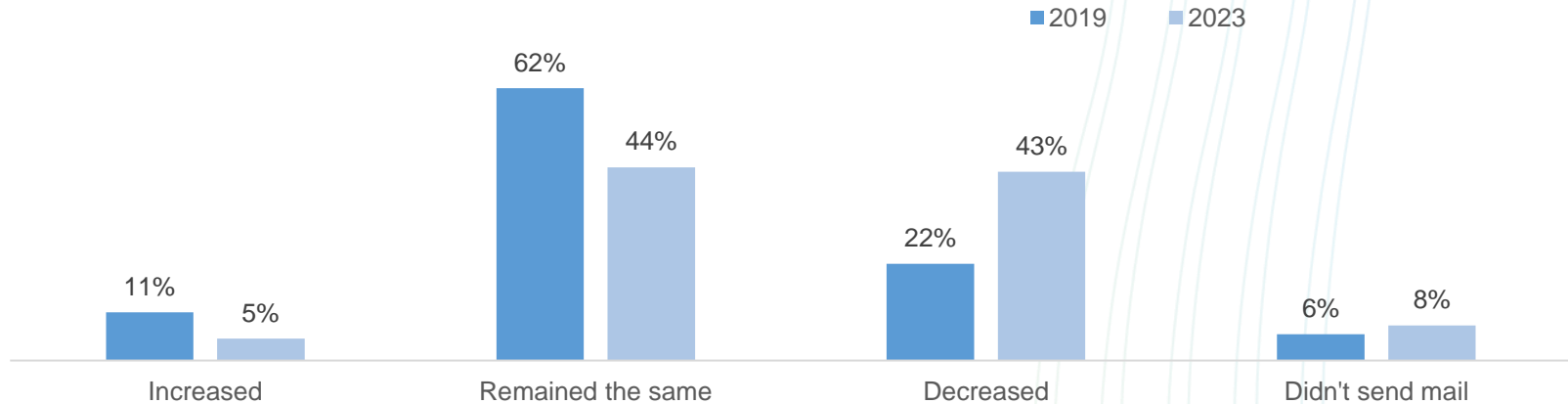


- 55% of businesses claim to have received the same volume of addressed letters over the past 12 months.
- The number of respondents registering a decrease in the volume of addressed letters received rose by 17 percentage points since 2019.

Frequency of addressed letter mail (2 of 3)

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

Total number of survey participants - 100



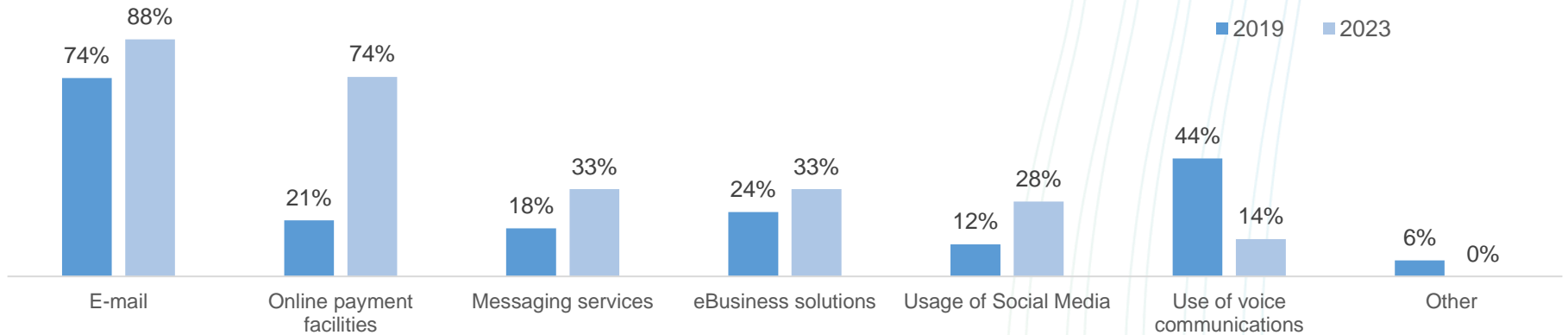
- 43% of businesses indicated that the number of addressed letters sent decreased over the past 12 months.
- This figures increased by 21 percentage points since 2019.

Frequency of addressed letter mail (3 of 3)

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

Number of survey participants which indicated that the number of letters sent weekly decreased - 43

Survey participants could give multiple answers



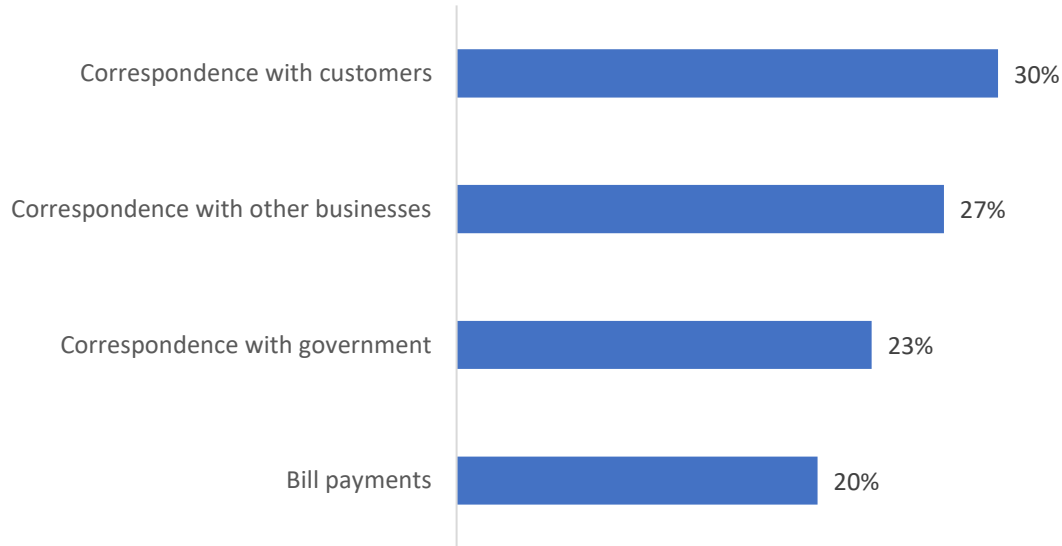
- 88% of businesses have chosen to send an email instead of addressed letters, followed by 'online payment facilities'.
- Electronic substitution takes the stage as the primary force behind the decline in addressed letter volumes.

Type of addressed letter mail

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

Number of survey participants that sent mail over the past 12 months – 92

Survey participants were asked to rank their answers

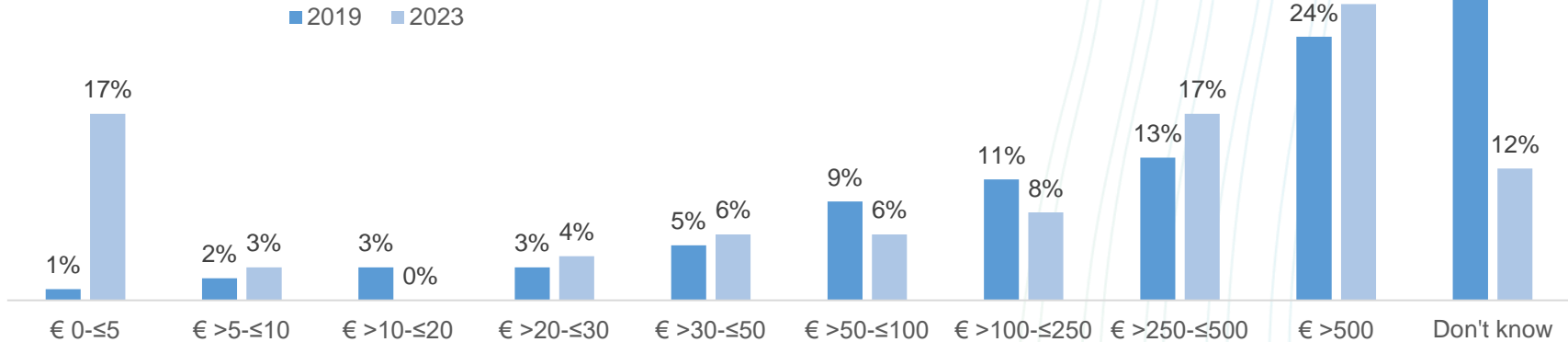


- 30% of businesses indicated to have sent correspondence with customers.
- This was followed by 27% of respondents indicating correspondence with other businesses.

Expenditure on addressed letter mail

Average amount of money spent on posting articles during the past 12 months

Total number of survey participants - 100

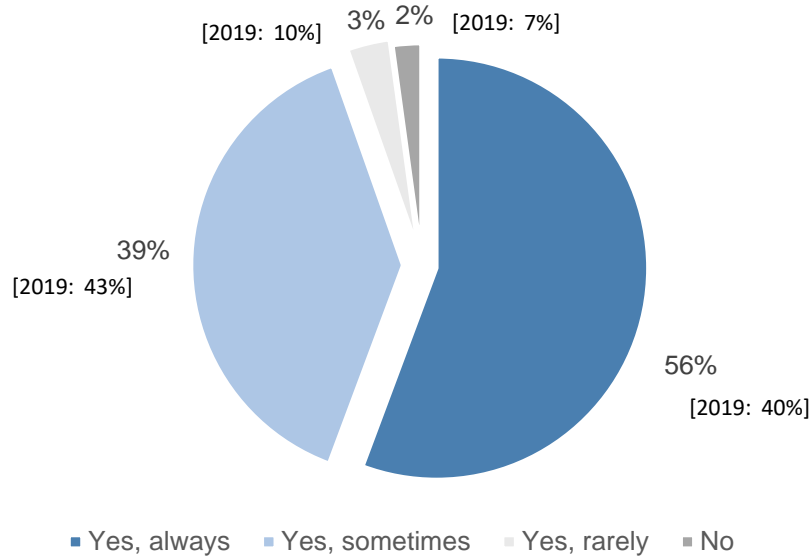


- A significant increase of 16 percentage points is observed of businesses claiming to spend less than €5 a year on addressed letters.

Postcode visibility

Propensity to write the postcode when sending an addressed letter

Number of survey participants that sent letter mail over the past twelve months - 92

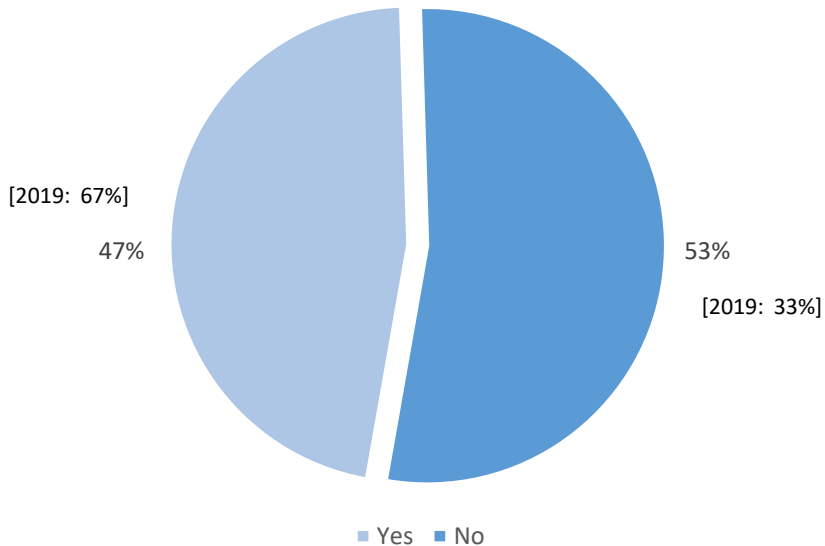


- 2023: 56% of businesses claim to always write down the postcode when sending a postal article.
- 2019: 40% indicated to do so.

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 mail over the past twelve months - 92



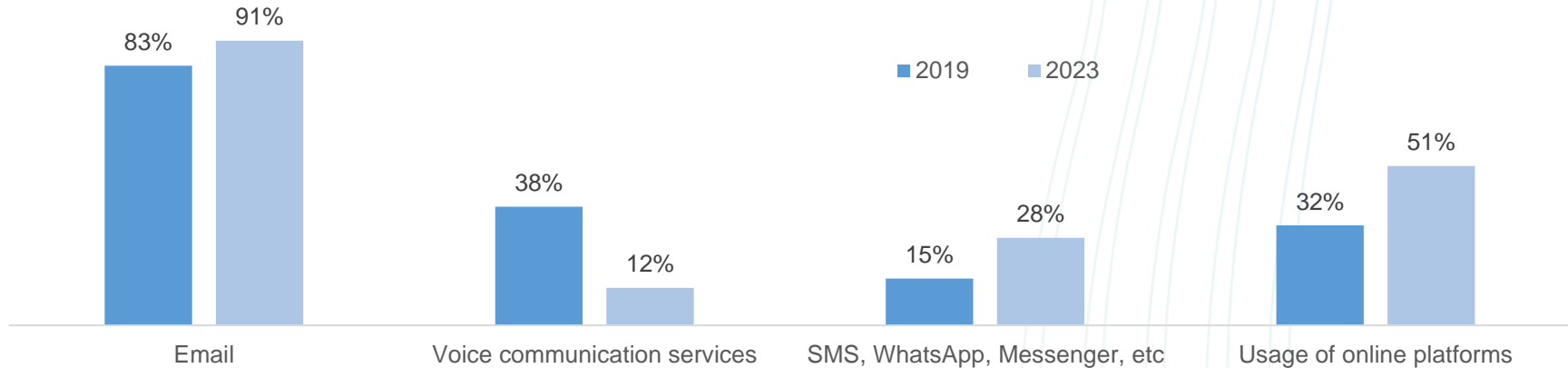
- If the price of a 50g letter were to increase, 47% of businesses would consider using non-postal alternatives, such as email.

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 – 43

Survey participants could give multiple answers

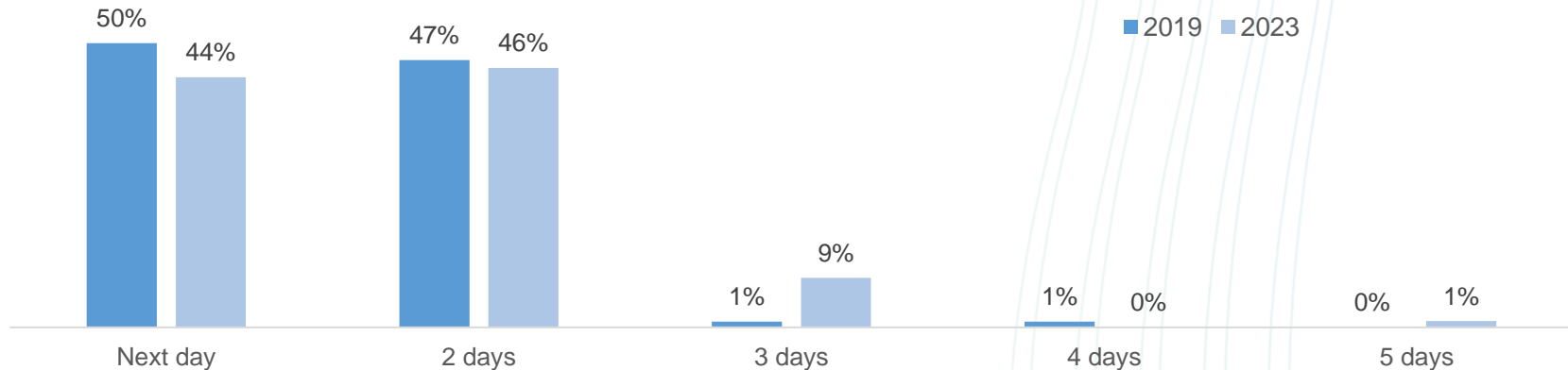


- 91% of the businesses responding make use emails instead of letters. This figure has increased by 8% since 2019.

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 - 92

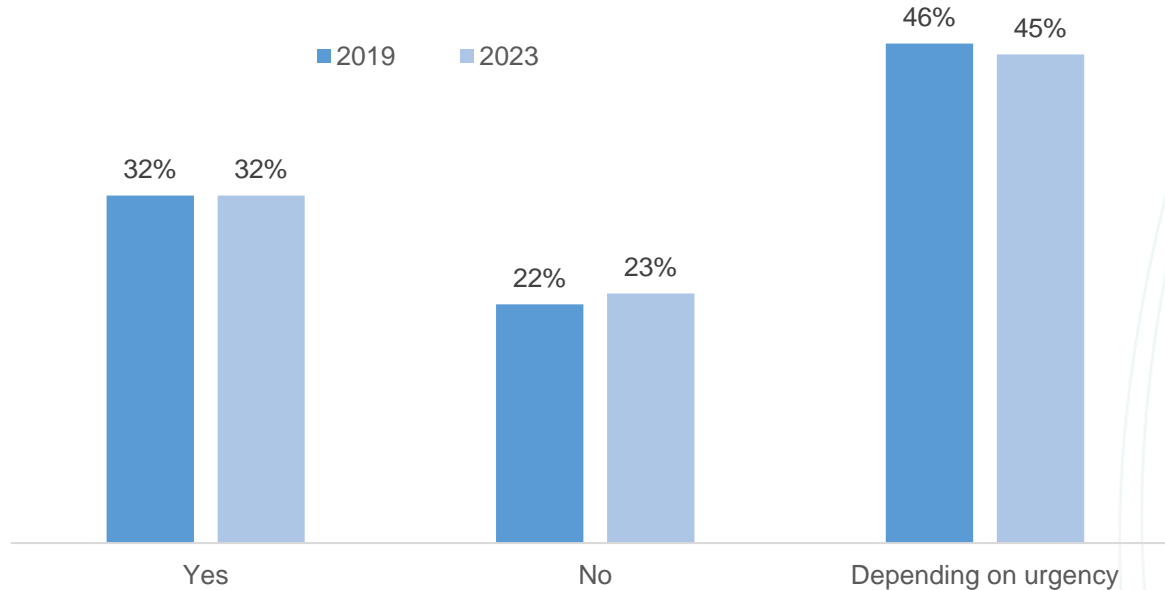


- 46% of businesses (47% in 2019) believe that a letter should be delivered within two days, whilst 44% (50% in 2019) indicated 'the next day'.

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 - 100

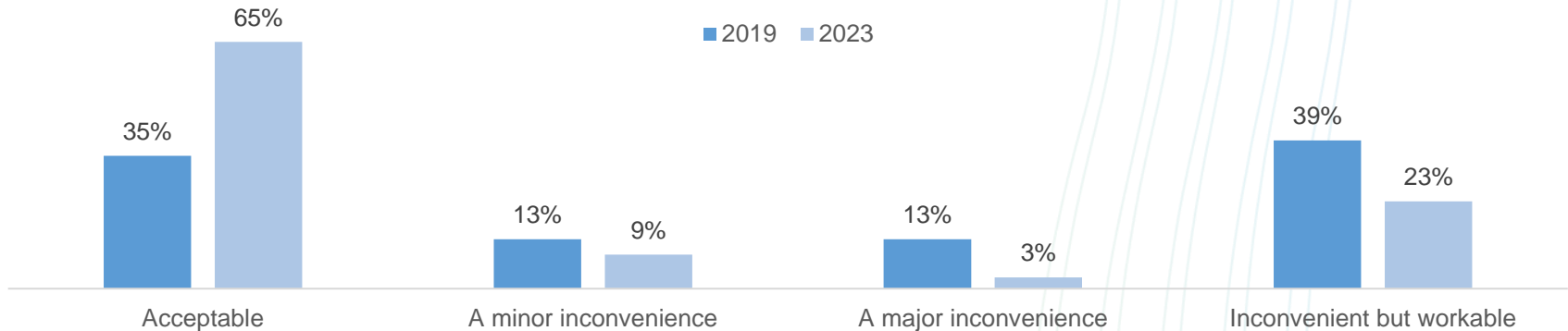


- 32% would opt for the cheaper option (unchanged from 2019) while a further 23% indicated that they would not (22% in 2019).
- A total of 45% indicated 'depending on urgency' (46% in 2019).

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 - 100

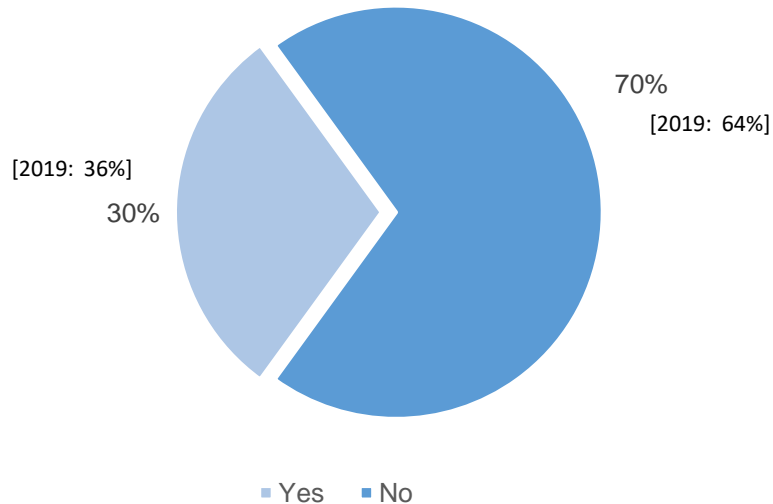


- 65% of businesses felt that a 5-day week delivery of postal services would be acceptable, a significant increase of 30% from previous study.
- A further 23% indicated that though inconvenient, such a situation would be workable (39% in 2019).

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 - 100



- 70% of businesses would not consider an increase in price as reasonable in order to maintain the current 6-day frequency of delivery (64% in 2019).

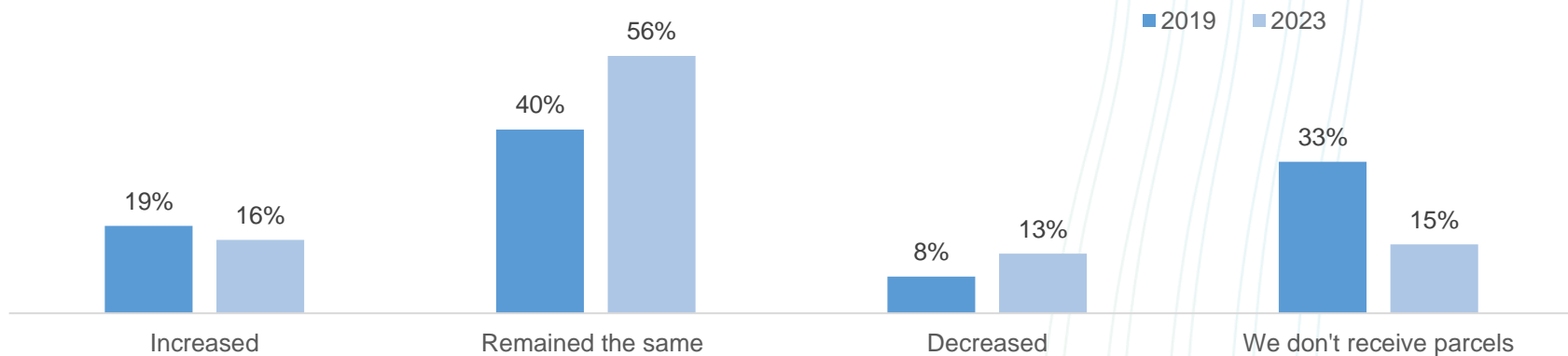
Parcel mail



Parcel mail volumes

Changes in parcels mail volumes in the previous 12 months

Total number of survey participants - 100



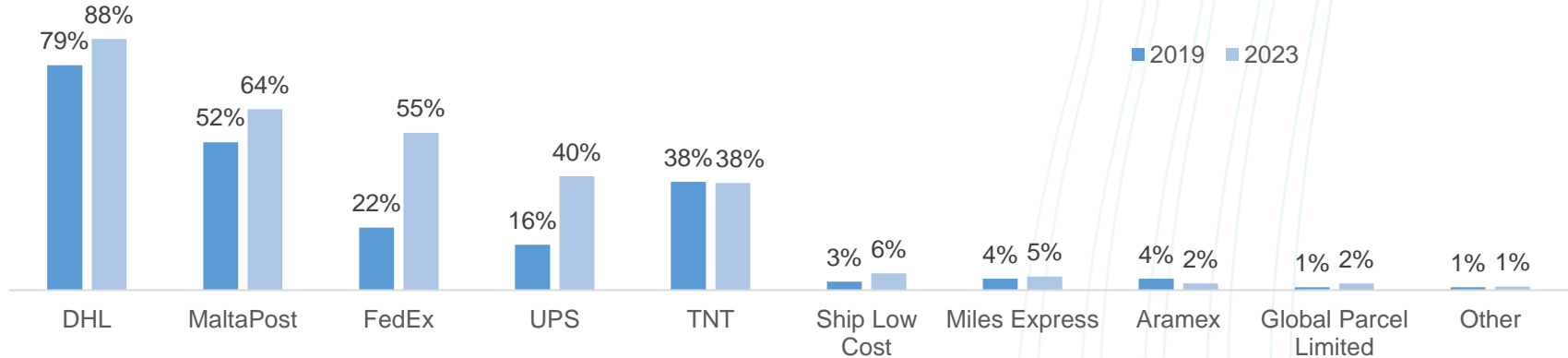
- 15% of businesses do not receive parcels. This decreased drastically when compared to 2019 (then 33%).
- Most businesses indicated that the number of addressed parcels received remained the same over the past twelve months.

Operators delivering parcel mail

Operators delivering parcels to businesses

Number of survey participants that receive parcels – 85

Survey participants could give multiple answers



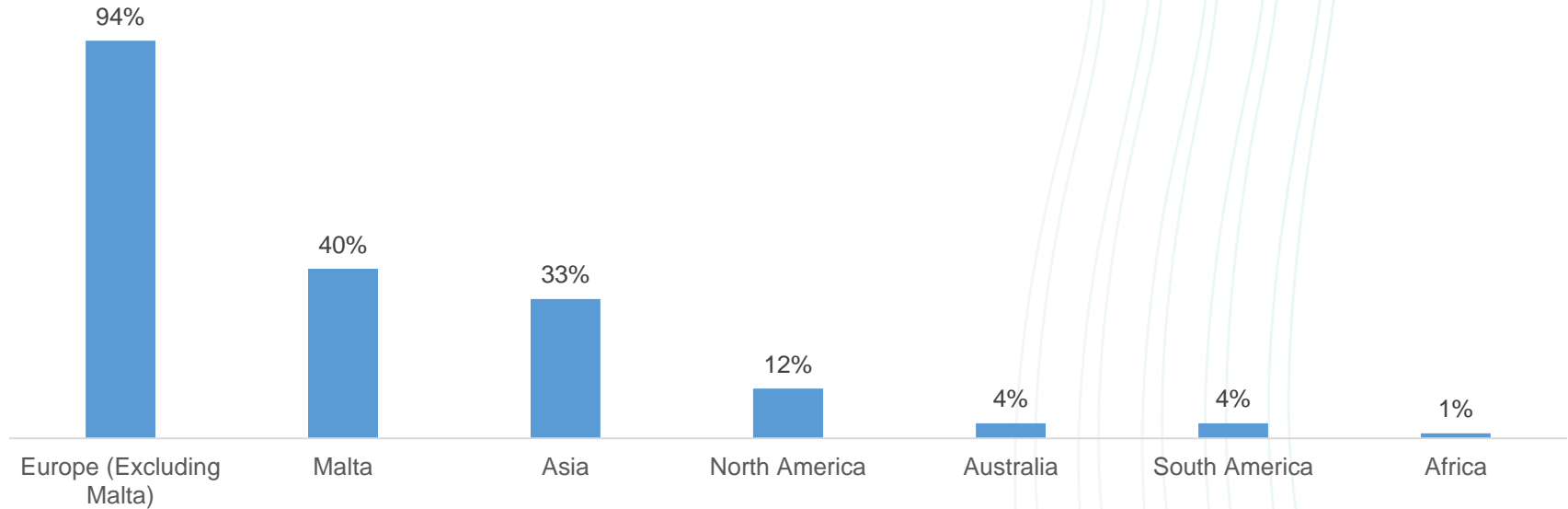
- 88% of businesses mentioned 'DHL' as the operator that delivers most parcels to their business, followed by 'Maltapost' and 'FedEx'.

Origin of parcel mail

Origin of parcels received

Number of survey participants that receive parcels – 85

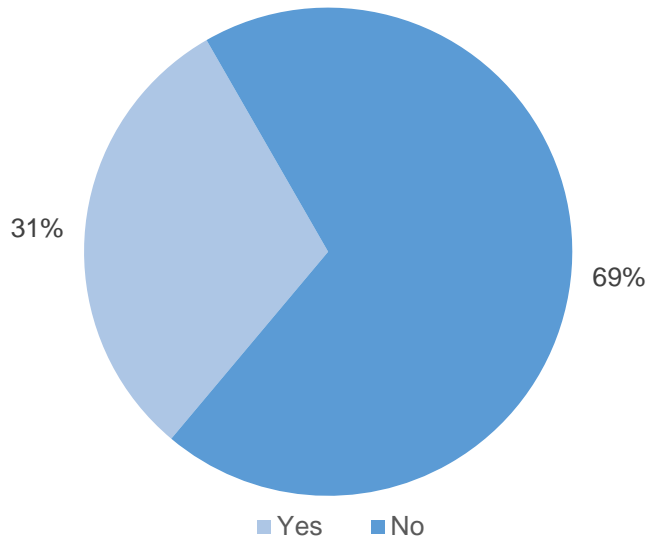
Survey participants could give multiple answers



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 – 85



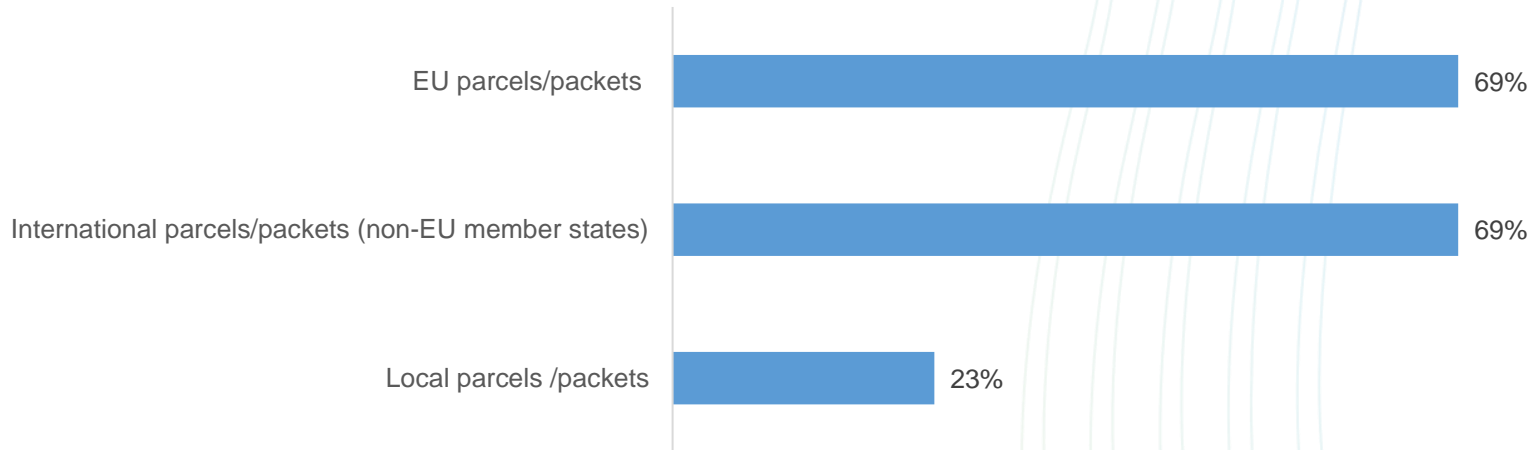
- 31% of the businesses encountered difficulties with the delivery of addressed parcels during the last 12 months.

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 – 26

Survey participants could give multiple answers

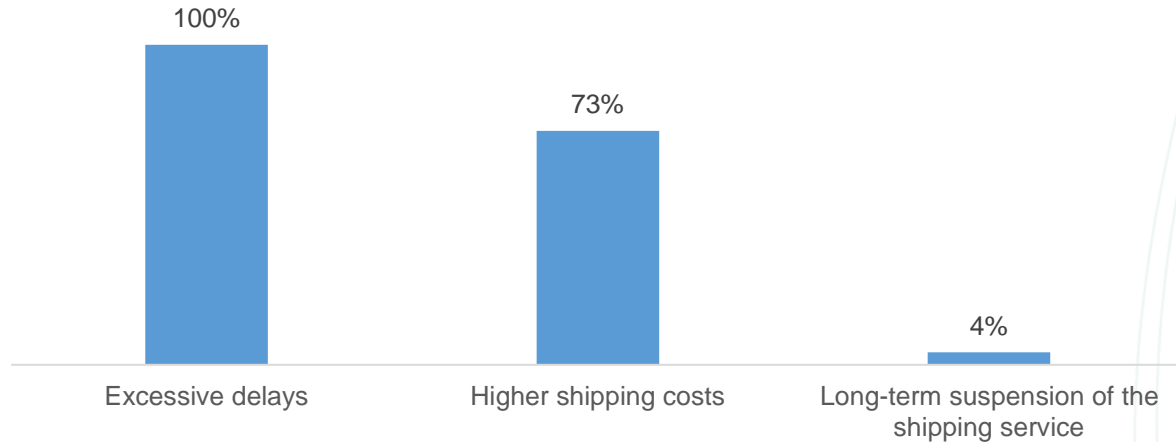


Difficulties when receiving a parcel (3 of 3)

Type of problems encountered in the last 12 months

Number of survey participants that have encountered difficulties with receiving addressed parcels – 26

Survey participants could give multiple answers

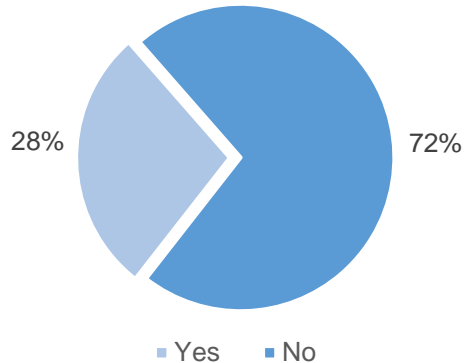


- All businesses that encountered problems in the last 12 months claimed to have experienced 'excessive delays', followed by 'higher shipping costs' at 73%.

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

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

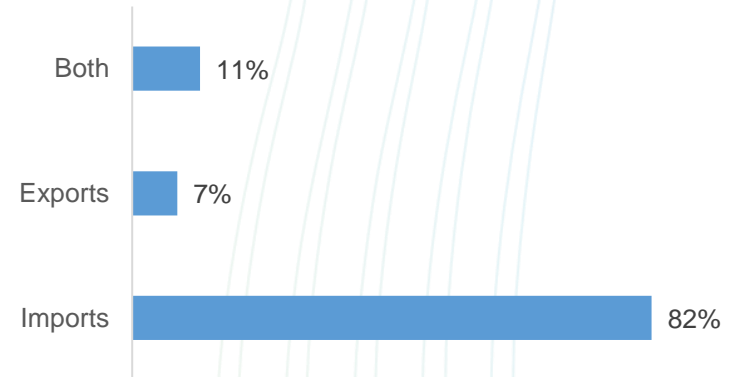
Total number of survey participants – 100



- 28% of businesses import/export goods from/to UK.
- Of these, 82% import goods from UK, whilst 11% both import and export goods from/to UK.

Type of parcel mail activity to/ from UK

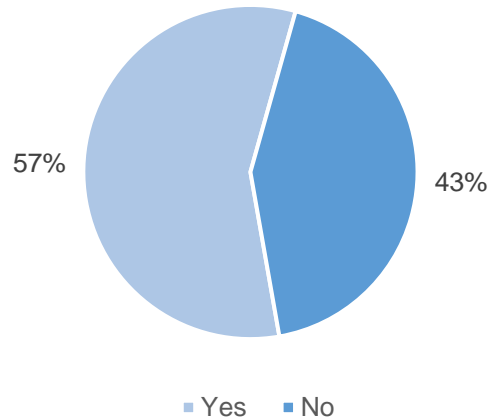
Number of survey participants which import or/and export any goods from/to UK – 28



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

Did the organisation experience any difficulties specifically related to Brexit?

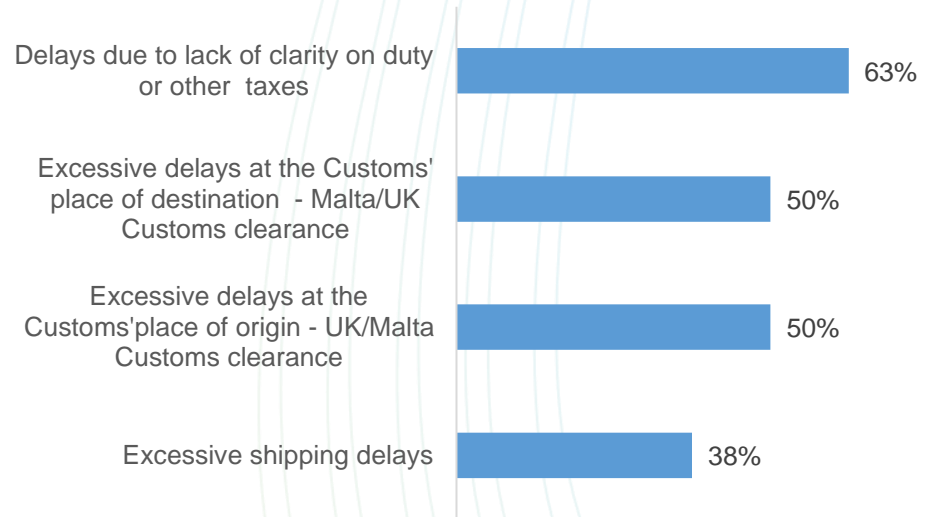
Number of survey participants which import or/and export any goods from/to UK – 28



Indication of the type of difficulty experienced

Number of survey participants which experienced difficulties related to Brexit – 16

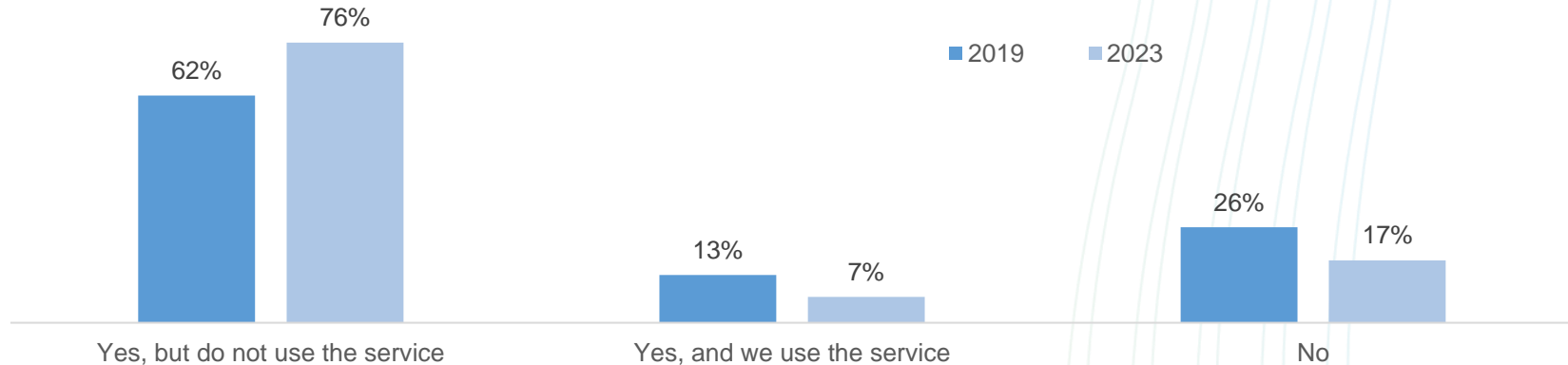
Survey participants could give multiple answers



Parcel locker service (1 of 2)

Awareness and usage of parcel lockers by organisations

Number of survey participants that received parcels - 85



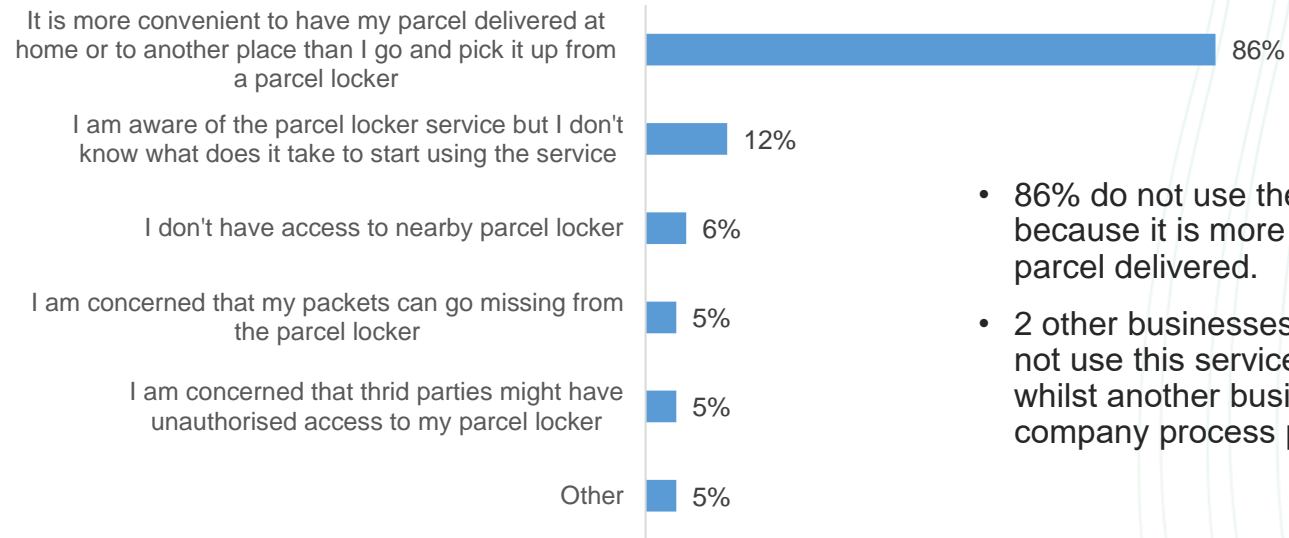
- 76% of businesses are aware of the availability of parcel lockers in some parts of Malta, but do not use this service (62% in 2019).

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 – 65

Survey participants could give multiple answers



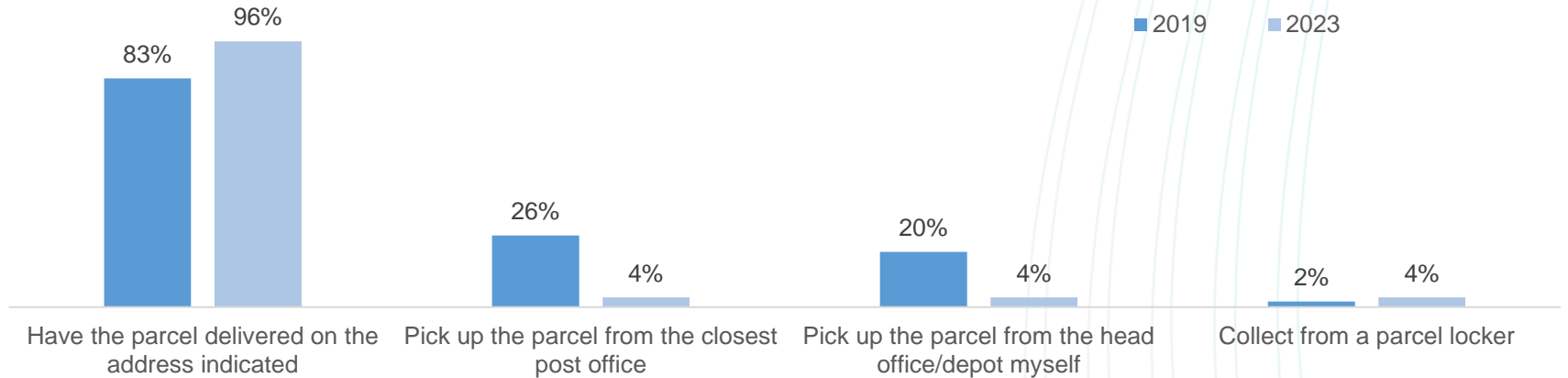
- 86% do not use the parcel locker service because it is more convenient to have their parcel delivered.
- 2 other businesses mentioned that they do not use this service as 'they do not need it' whilst another business mentioned that 'the company process prohibits its use'.

Parcel mail collection

Preferred way to receive a parcel

Number of survey participants that receive parcels - 85

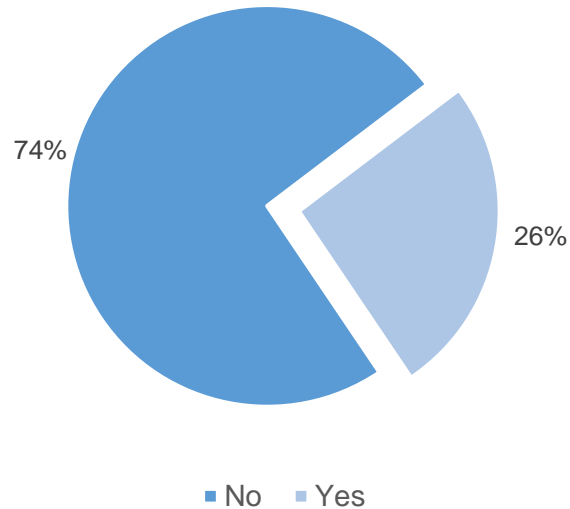
Survey participants could give multiple answers



Parcel forwarding services (1 of 2)

Use of parcel forwarding services

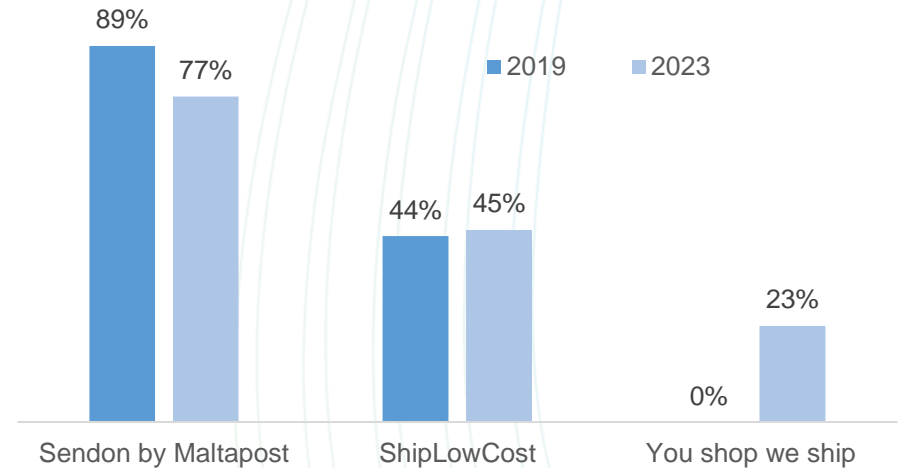
Number of survey participants that receive parcels - 85



Forwarding service operator used in the last year

Number of survey participants that made use of the 'postal article forwarding services' when purchasing online – 22

Survey participants could give multiple answers

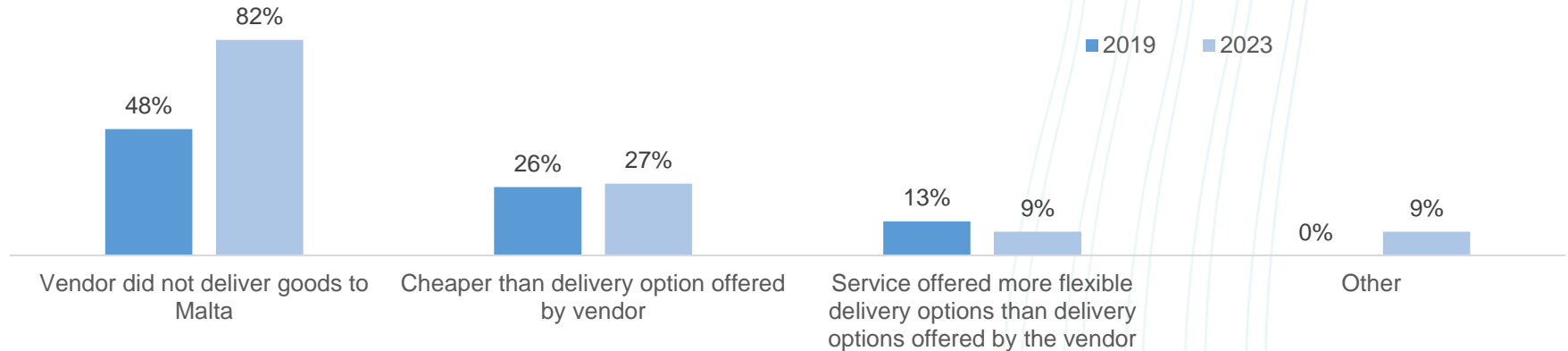


Parcel forwarding services (2 of 2)

Why did your business make use of such services?

Number of survey participants that receive parcels – 22

Survey participants could give multiple answers

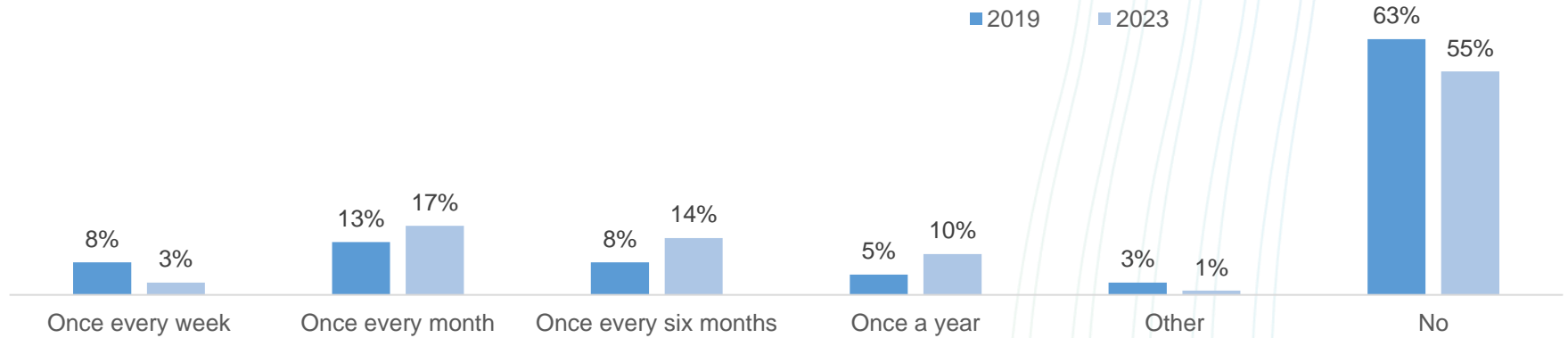


- 82% of businesses made use of such services because the vendor did not deliver goods to Malta (48% in 2019).
- One company said that they use it because their supplier gave it to them, while another claimed that they do so because it is simple to use.

Frequency of sending parcels via MaltaPost

Frequency of sending a parcel using MaltaPost's service

Total number of survey participants - 100



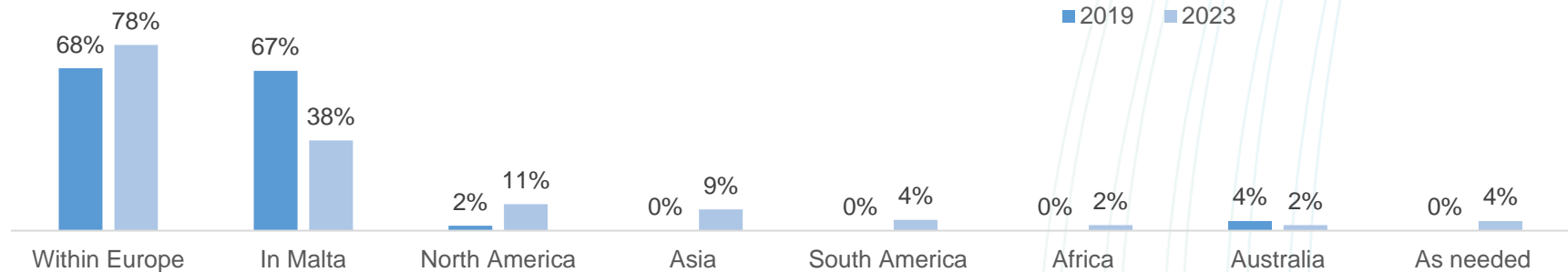
- 55% of businesses indicated that they have not sent a parcel using MaltaPost's service within the last 12 months (63% in 2019).

Destination of parcels

Destination of parcels sent using MaltaPost

Number of survey participants that sent a parcel using MaltaPost's service within the last 12 months – 45

Survey participants could give multiple answers

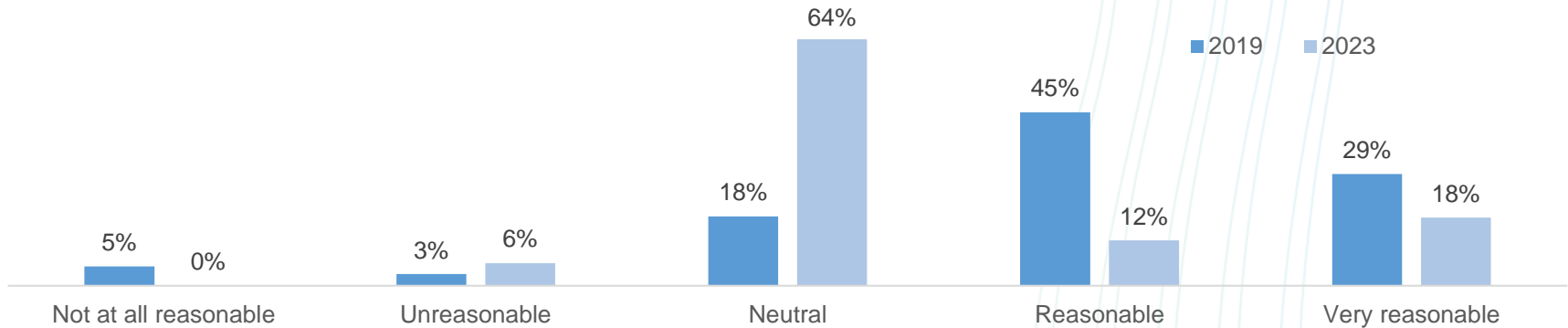


- 78% of businesses indicated that during the past 12 months they sent their parcels to countries within Europe (68% in 2019), followed by 'in Malta'.

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

How reasonable do you find the price of MaltaPost's domestic parcel service?

Number of survey participants that send domestic parcels through MaltaPost - 17

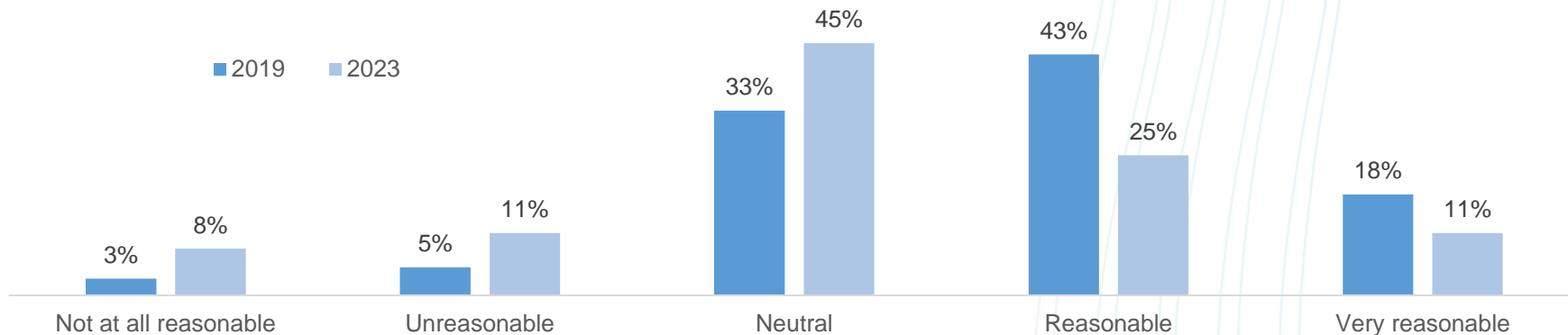


- 30% of businesses that sent domestic parcels with MaltaPost believe the price of MaltaPost's domestic parcel service is reasonable / very reasonable (a decrease of 44% from the previous study).

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

Perception of MaltaPost's prices on outgoing parcel services

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

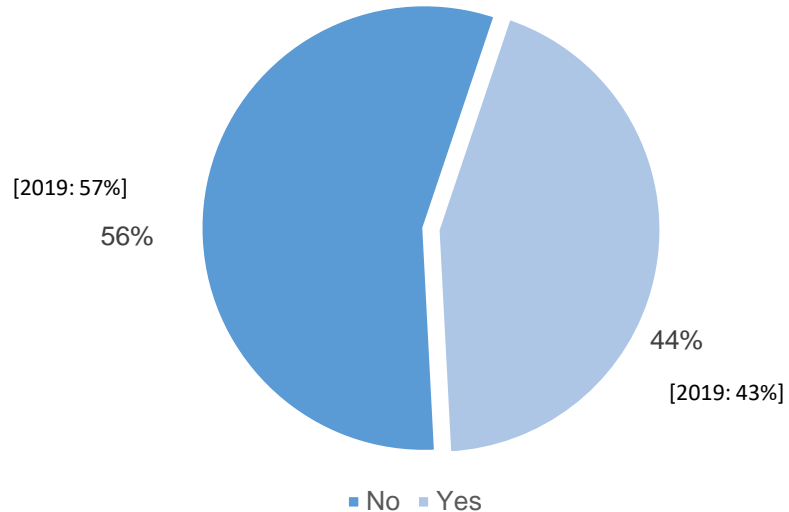


- 36% of businesses that sent parcels through MaltaPost to foreign destinations believe the price of MaltaPost's outgoing parcel service is reasonable / very reasonable (a significant decrease of 25% from the previous study).

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 - 100

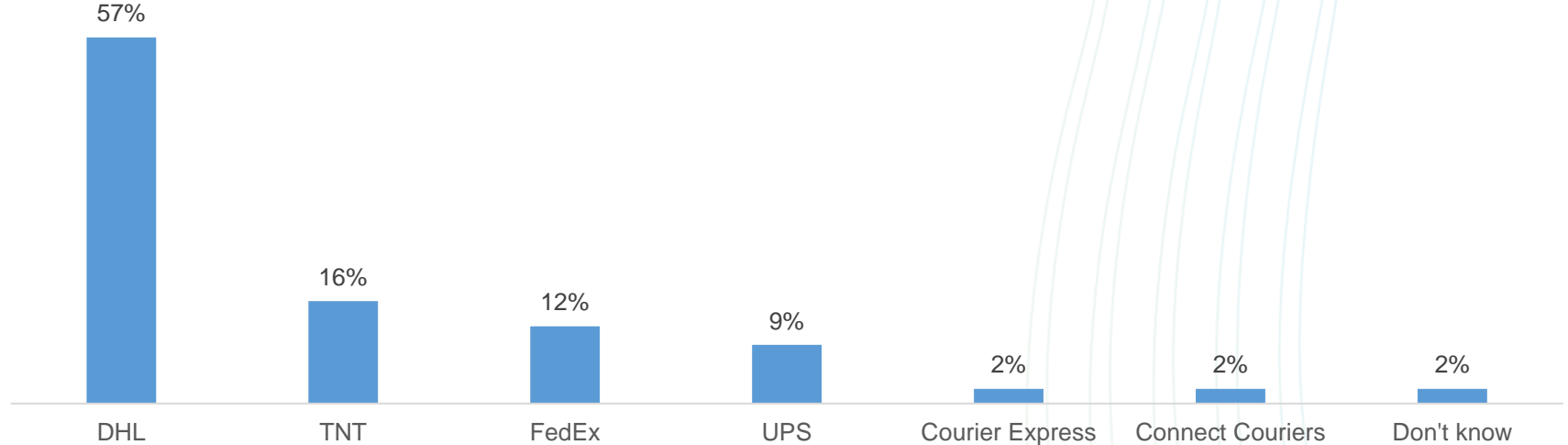


- Within the last 12 months, 44% of businesses used other operators (excluding MaltaPost) to send a parcel.

Alternative operators for parcel mail (2 of 5)

Alternative operators used by organisations to send parcels

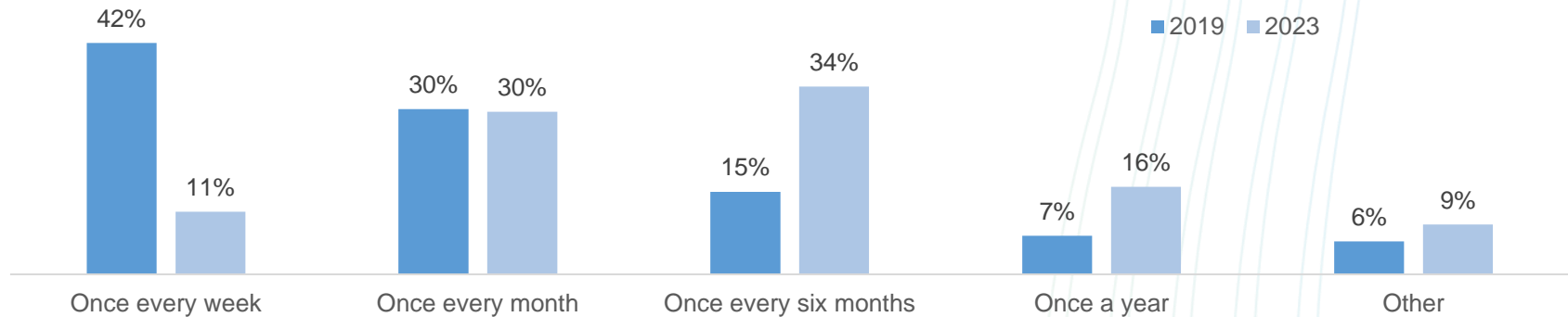
Number of survey participants that sent a parcel using other operators within the last 12 months – 44



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 – 44



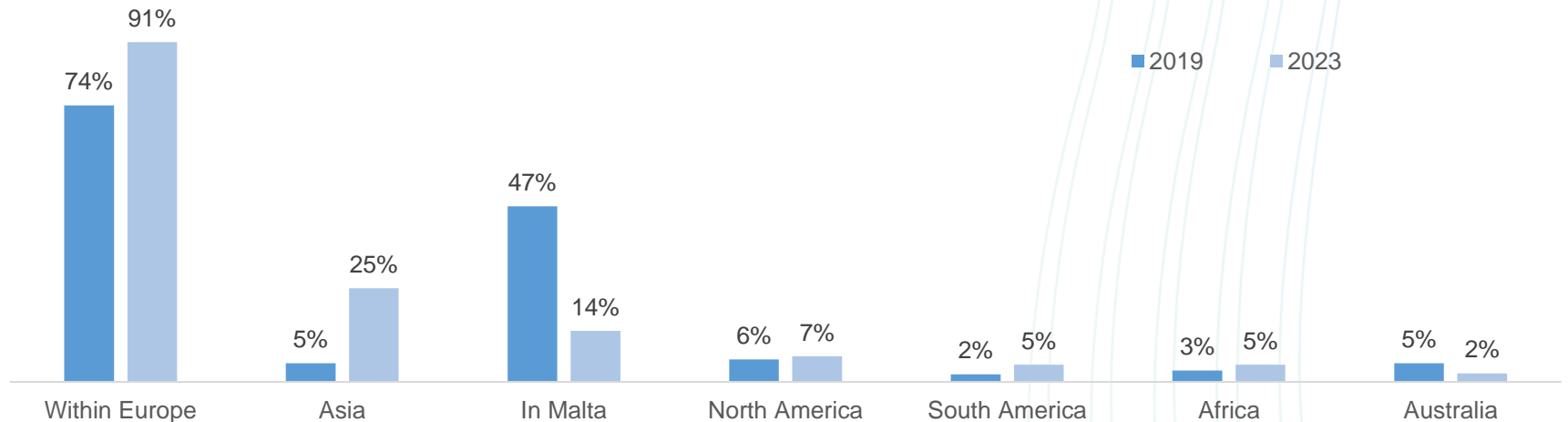
- Of those who send parcels using other operators, generally do so once every six months (34%).
- 2 businesses said they do so 'many times weekly', while another business indicated that it 'depends on business needs'.

Alternative operators for parcel mail (4 of 5)

Destination of parcels sent using operators other than MaltaPost

Number of survey participants that sent a parcel using other operators within the last 12 months – 44

Survey participants could give multiple answers

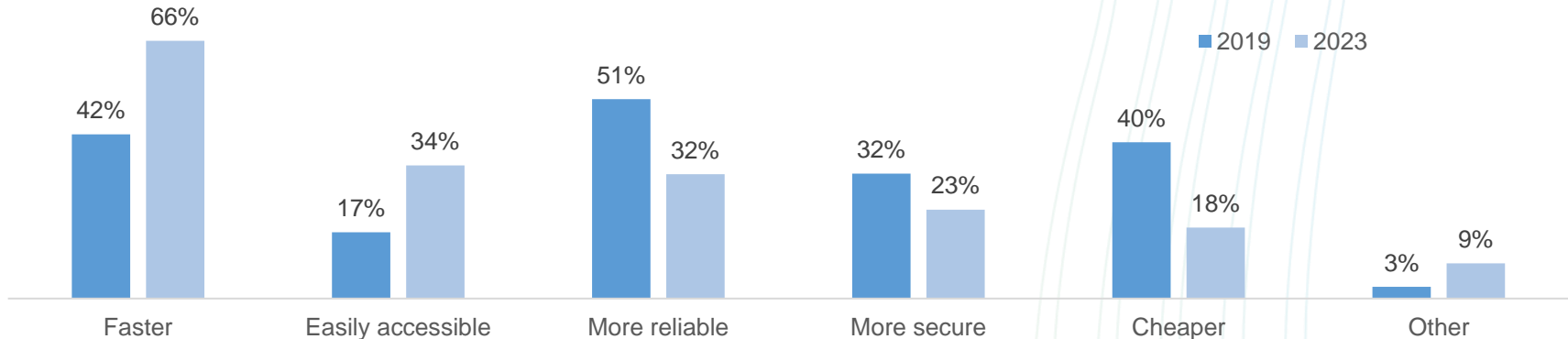


Alternative operators for parcel mail (5 of 5)

Reasons for using other operators' outbound parcel services

Number of survey participants that sent a parcel using other operators within the last 12 months – 44

Survey participants could give multiple answers



- In the current study, there was a shift in classification, with 'faster' ranking 1st (66% now – 42% in 2019), followed by 'easily accessible' (34%) and 'more reliable' (32%).

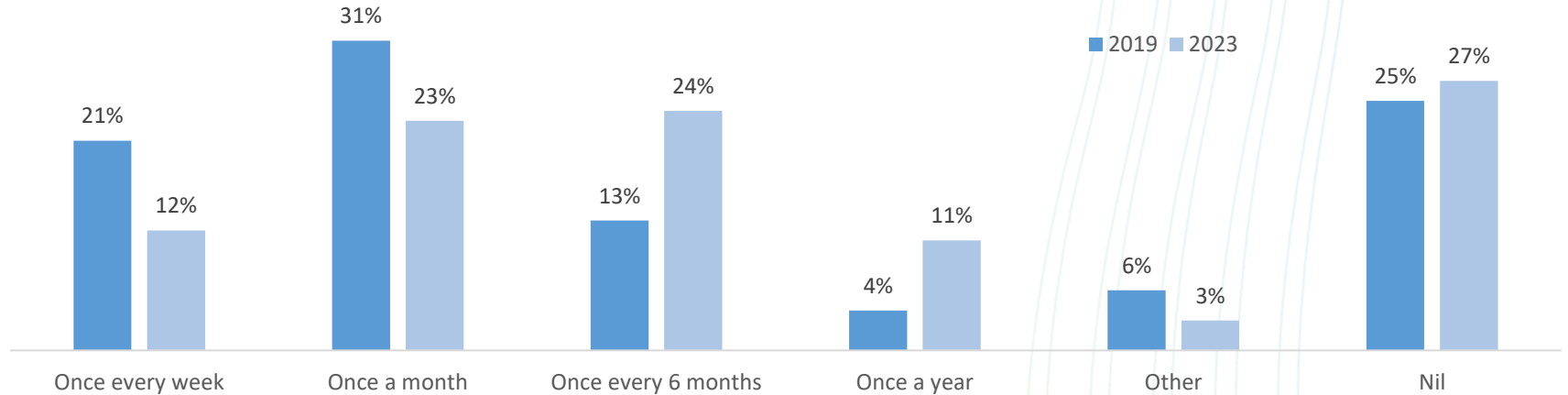
Registered and bulk mail



Sending registered mail

Frequency of registered mail sent by businesses

Total number of survey participants – 100

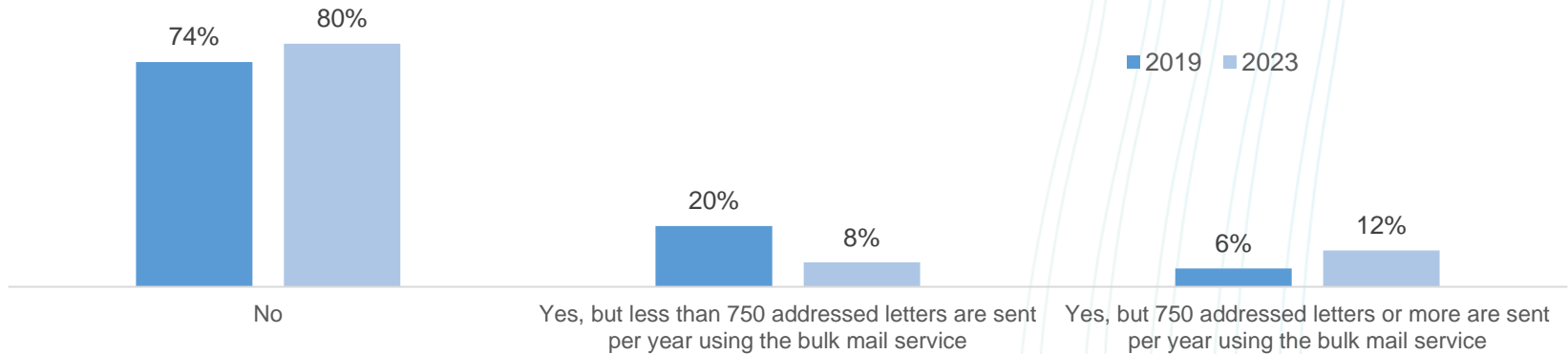


- 73% of businesses sent registered mail using MaltaPost over the past 12 months. In 2019, this stood at 75%.

Bulk mail activity (1 of 2)

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

Total number of survey participants – 100

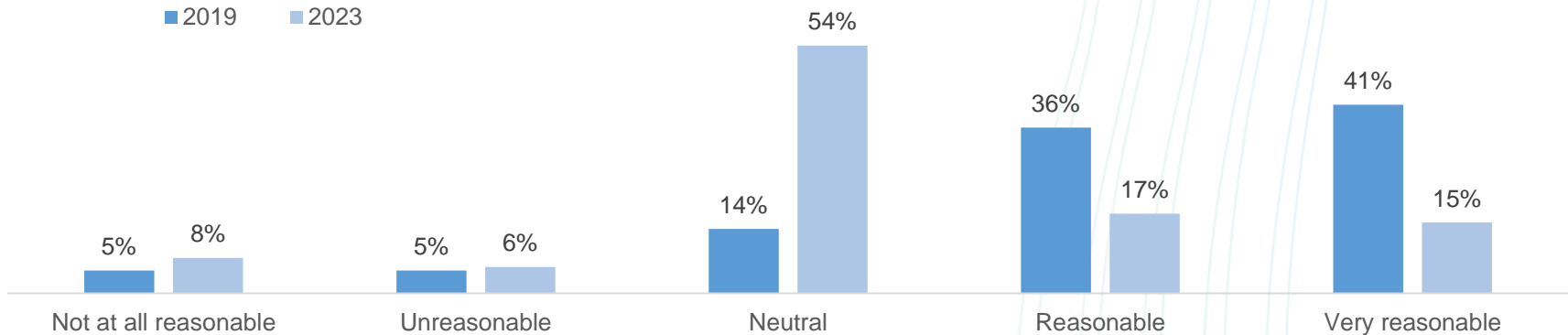


- Most businesses do not make use of bulk mail (80%).
- 8 out of the 12 businesses that send more than 750 per year using the bulk mail service reported that they send 10,000 letters or less.

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 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).

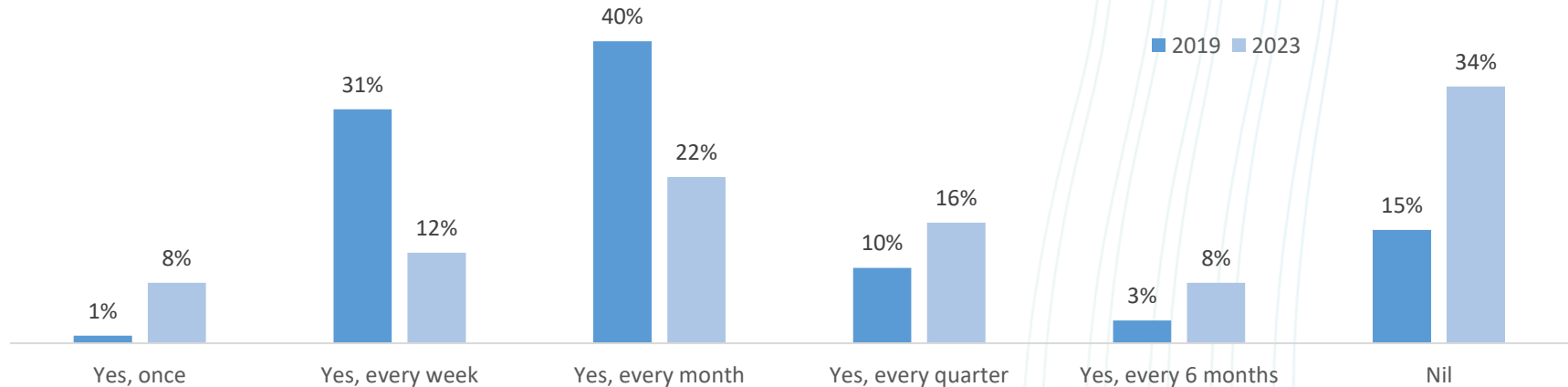
MaltaPost customer care and postal offices



Post office services (1 of 4)

Frequency of visits to a postal outlet

Total number of survey participants – 100



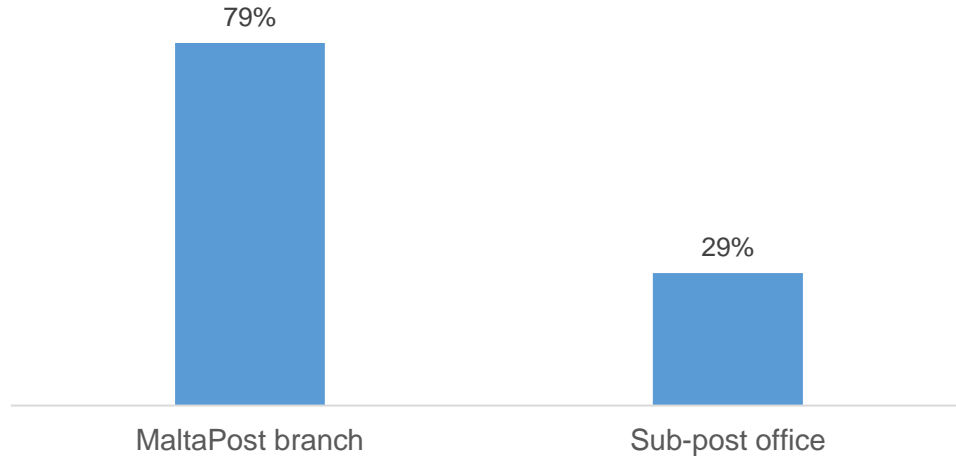
- A total of 66% of businesses indicated to have used the post office at one point or another over the past 12 months. This is a decrease over 2019 when 85% had indicated to have done so.

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 – 66

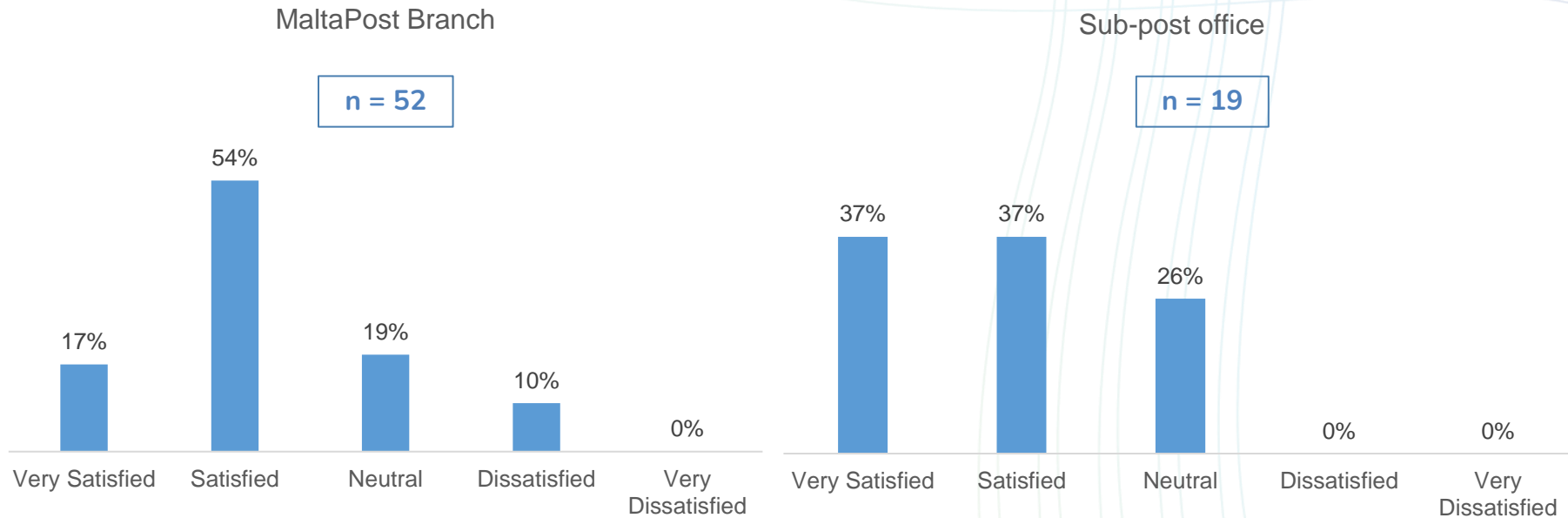
Survey participants could give multiple answers



- More businesses seem to refer to using MaltaPost branches (79%) than the Sub-post offices (29%).

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 – 66

Survey participants could give multiple answers

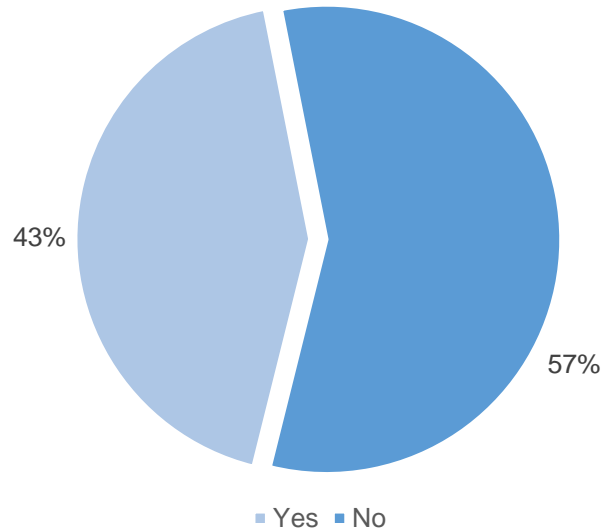


- Similar to 2019, the main reason for visiting the post office was to buy stamps. ‘Post letters’ and ‘send registered letters’ then followed (45% and 44% respectively).

Contacting MaltaPost (1 of 3)

Have you contacted MaltaPost in the last year?

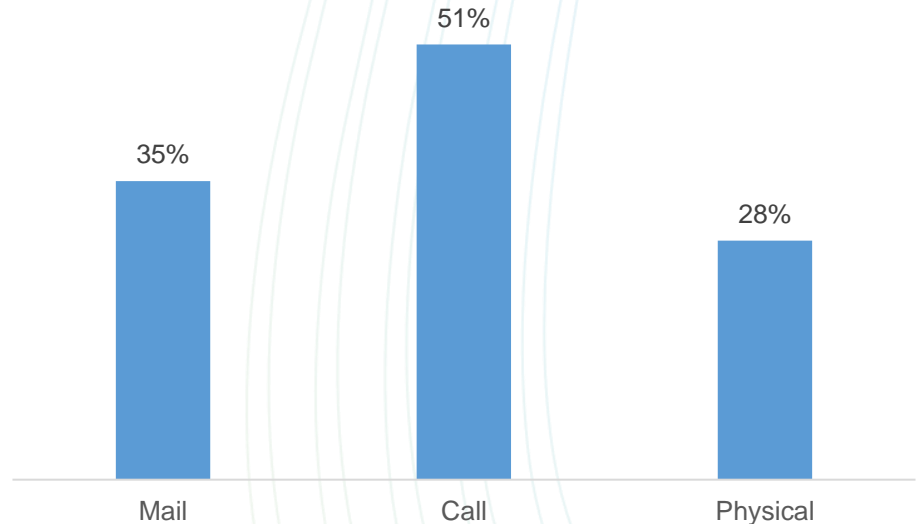
Total number of survey participants – 100



If yes, how?

Number of survey participants that contacted MaltaPost in the last 12 months – 43

Survey participants could give multiple answers

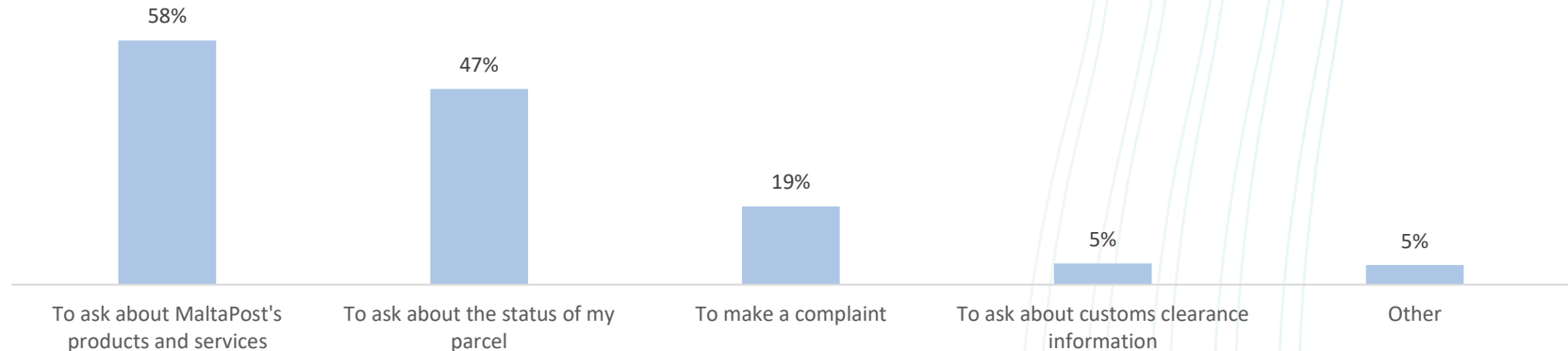


Contacting MaltaPost (2 of 3)

Reason(s) for contacting MaltaPost

Number of survey participants that contacted MaltaPost in the last 12 months – 43

Survey participants could give multiple answers



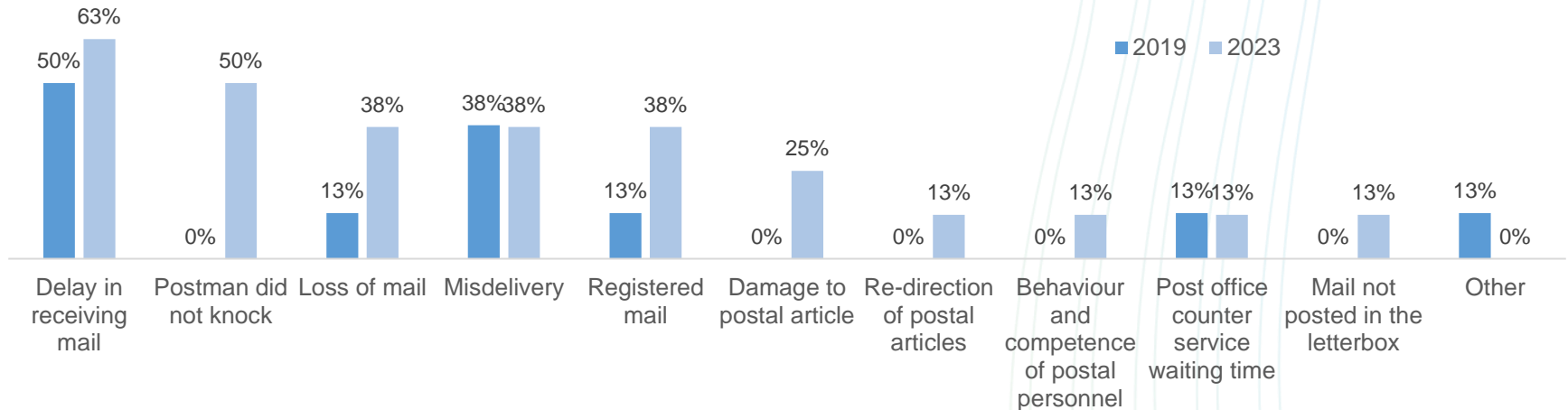
- 58% of the businesses indicated that they contacted MaltaPost to ask about MaltaPost's products and services. 'To ask about the status of my parcel' (47%) and 'to make a complaint' (19%) then follow.
- 'Other' mentions include queries regarding addresses that were not found and billing issues.

Contacting MaltaPost (3 of 3)

Reason(s) for contacting MaltaPost

Number of survey participants that contacted MaltaPost to make a complaint – 8

Survey participants could give multiple answers

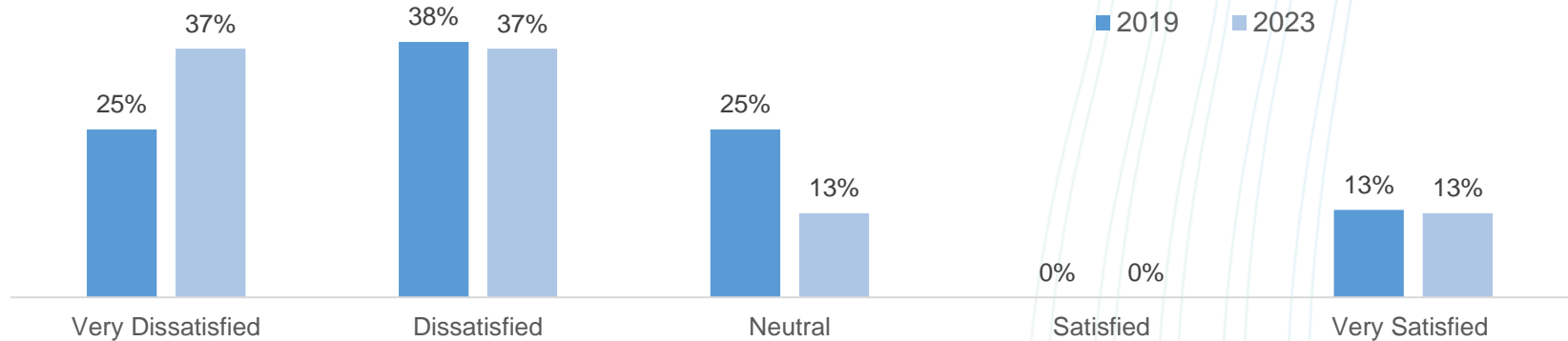


- The two main complaints made by businesses were 'delay in receiving mail' (63% now – 50% in 2019), and 'postman did not knock'.

Complaint handling by MaltaPost

Satisfaction with how a complaint is handled by MaltaPost

Number of survey participants that contacted MaltaPost to make a complaint – 8

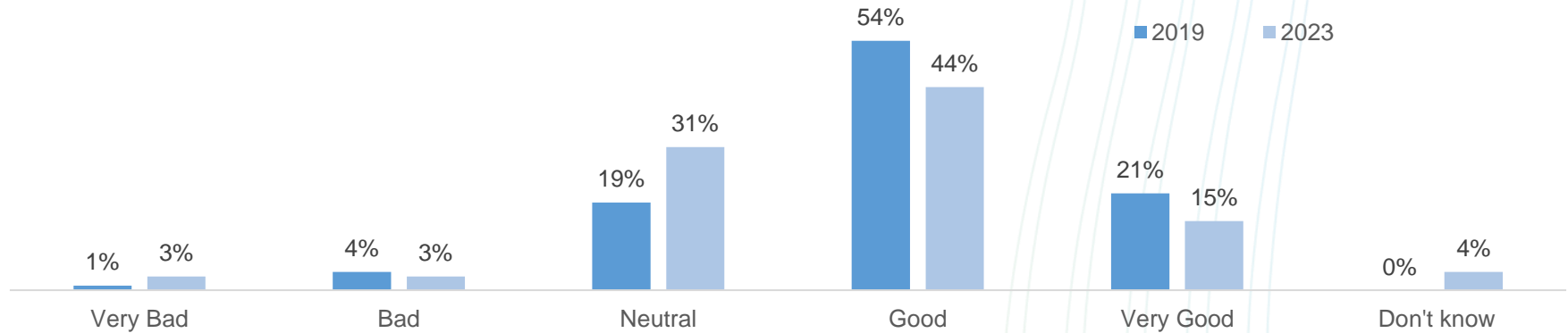


Similar to 2019, 13% of responses obtained (one business) that made a formal complaint with MaltaPost were satisfied or very satisfied with the way their complaint had been handled.

Overall satisfaction with MaltaPost

Overall satisfaction with MaltaPost's Postal Services

Total number of survey participants – 100

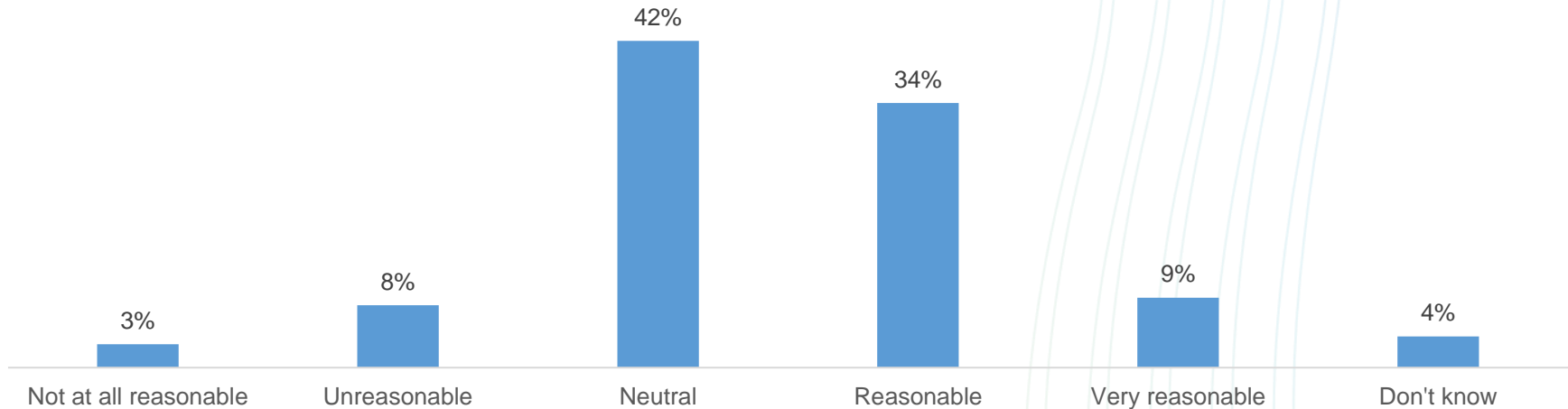


- 59% of businesses perceive the overall quality of postal services provided by MaltaPost to be good or very good, down from 75% in 2019.

Overall perception of MaltaPost's prices

Overall perception of MaltaPost's prices for postal services

Total number of survey participants – 100



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

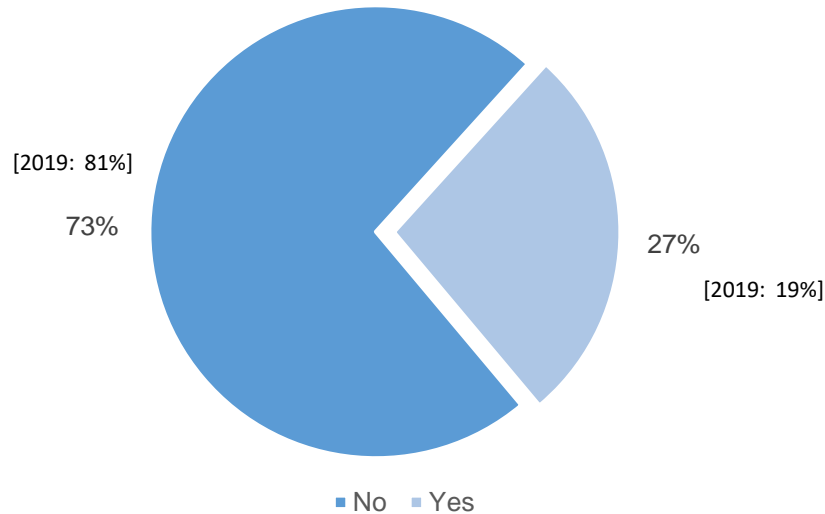
Operators other than MaltaPost



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 mail over the past twelve months - 92



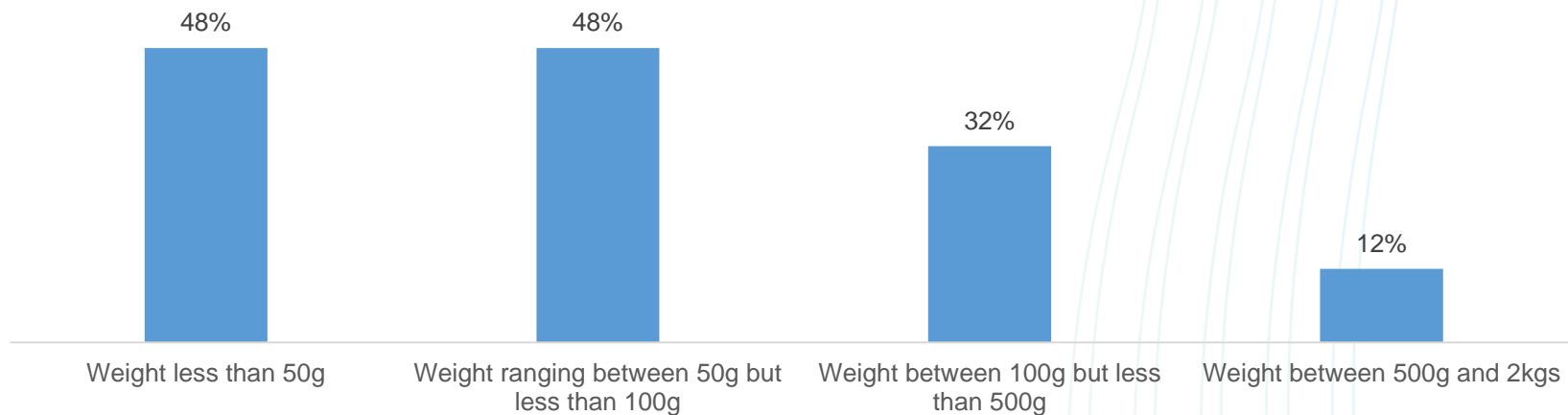
- The majority of businesses (73%) do not use other operators to send letters.

Letter weight and alternative operators

Weight of letters sent using other operators

Number of survey participants that sent a letter using other operators – 25

Survey participants could give multiple answers

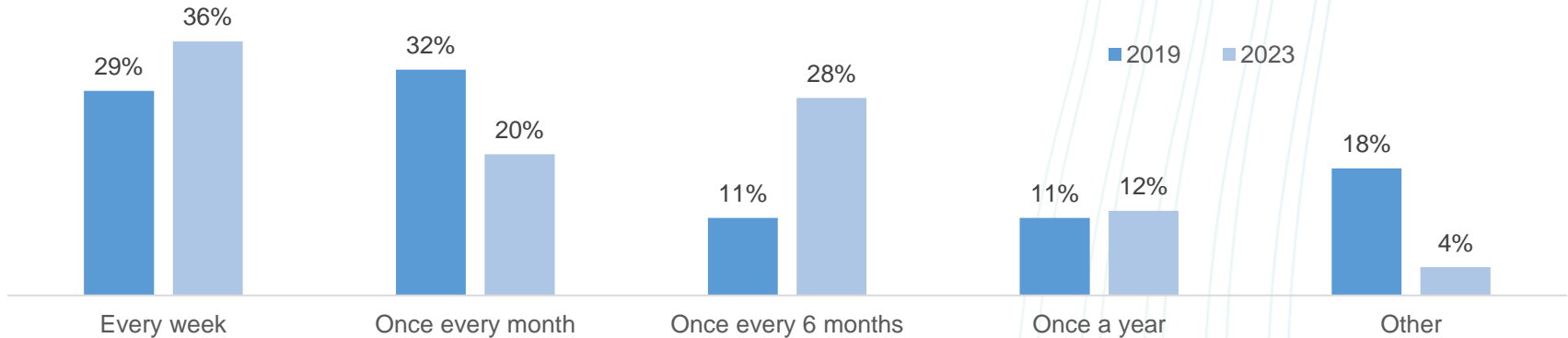


- 48% of businesses sent letters using other operators excluding MaltaPost for weight less than 50g.

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 - 25



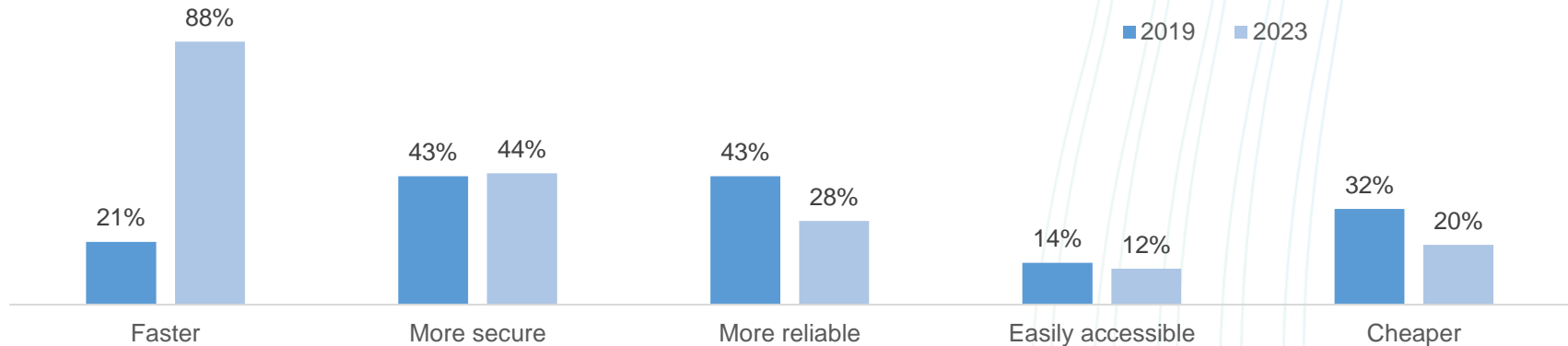
- Those that do send letters using other operators, generally do so every week (36% now – 29% in 2019).
- One business mentioned that they send letters sporadically, only when required.

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 – 25

Survey participants could give multiple answers



- In the current study, there was a shift in classification, with 'faster' ranking 1st (88% now – 21% in 2019), followed by 'more secure' (44%) and 'more reliable' (28%).

END



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