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# The Social Value of the Post Office Network

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Report for:



Department for  
Business, Energy  
& Industrial Strategy

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November 2016

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## Table of Contents

<b>1</b>	<b>Management Summary</b>	<b>4</b>
1.1	Summary introduction	4
1.2	Key valuation findings	6
1.3	Key non-valuation findings	10
<b>2</b>	<b>Objectives and Method</b>	<b>13</b>
2.1	Objectives of the study	13
2.2	Research method	15
2.3	Valuation methods	25
<b>3</b>	<b>Valuation Findings</b>	<b>33</b>
3.1	Overall Social Value of the Post Office Network	33
3.2	Value of services	36
3.3	Value of Services of General Economic Interest (SGEI)	38
3.4	Total value of individual services	39
3.5	Comparison with NERA (2009) results	40
<b>4</b>	<b>Other value related findings</b>	<b>42</b>
4.1	Introduction	42
4.2	Usage – frequency, products and services	42
4.3	The important aspects of a Post Office branch	48
4.4	The value of Post Office branch attributes	54
4.5	Importance of Post Office products and services to themselves	57
4.6	Perceived importance of Post Office products and services to others in society	63
4.7	The importance of providing SGEIs in one location	68
4.8	Alternatives	70
<b>5</b>	<b>Other contextual findings</b>	<b>76</b>
	<b>Annex A: Sample breakdown</b>	<b>82</b>
	<b>Annex B: Validity assessment</b>	<b>87</b>
	<b>Annex C: Questionnaires</b>	<b>94</b>

<b>Household</b>	<b>94</b>
<b>SME</b>	<b>110</b>

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Responsibility for the contents of this report remains with YouGov and London Economics.

## **1 Management Summary**

### **1.1 Summary introduction**

#### *Objectives*

- 1.1.1 The core purpose of this research study is the social valuation of the Post Office Network. Post Office Limited operates the largest retail network in the UK with more than 11,500 branches and delivering a wide range of products and services across post, financial and government services.
- 1.1.2 This study seeks to understand and quantify the value that people and businesses place on the Post Office network. It was commissioned by The Department for Business, Energy and Industrial Strategy (“BEIS”) and delivered independently of Government and the Post Office by YouGov and London Economics.
- 1.1.3 The study builds upon the research methods and valuation techniques used in the most recent study of its type which was delivered by NERA and published by Postcomm in 2009<sup>1</sup>. That study is referred to in this report as NERA (2009).
- 1.1.4 Comparisons with 2009 should be treated with caution because of significant developments since then including the Post Office’s separation from the Royal Mail in 2012, a changing competitive landscape and new methods of service delivery including a branch modernisation programme.

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<sup>1</sup> Postcomm / NERA, the Social Value of Post Office Network, July 2009.

### *Method*

- 1.1.5 The study is based on large scale surveys of individuals representing households and the representatives of Small and Medium Sized Enterprises (SMEs). The household survey comprises 5,041 responses from adults aged 18 and over in the UK. The SME survey findings are based on 750 responses from a senior representative of each organisation. Both surveys were conducted online through the YouGov research panel of over 600,000 adults in the UK. An additional survey was run face to face with 250 people who are very infrequent or non-internet users. All of the survey activity took place between the 10<sup>th</sup> and 28<sup>th</sup> August 2015.
- 1.1.6 The study benefitted from a comprehensive pre-survey qualitative stage with six focus groups of individuals and four with SMEs. There was also a substantial pilot stage with over 300 survey responses for the study team to review and make improvements to the final survey.
- 1.1.7 A number of different valuation methods were used at the pilot stage and subsequently. The headline estimates provided in this report are based on the 'Willingness to Pay' (WTP) concept of value and include values estimated using both contingent valuation and attribute-based discrete choice experiment methods.
- 1.1.8 Throughout the report we refer to the Post Office's products and services through a set of eight categories that cover the full range including both Services of General Economic Interest (SGEIs) and non-SGEIs. The SGEI are: 'standard postal services'; 'pensions and benefits'; 'paying bills'; 'basic banking services'; and 'licensing / identity services'. The non-SGEI categories are: 'specialist postal services'; 'personal banking' and 'homephone or broadband services'. A full list of the categories and their component services is provided in Section 2.2.



## 1.2 Key valuation findings

### *Overall*

1.2.1 We used three Contingent Valuation (CV) methods to value the Post Office network. The three values obtained from these methods are **£4.3bn**, **£7.3bn** and **£9.7bn** per year. As shown in the table below, the major part of this value is derived from the value that households place on the network.

**Table 1: Willingness to pay for the Post Office network (households and SMEs)**

<b>£billion per year</b>	<b>CV Method 1</b>	<b>CV Method 2</b>	<b>CV Method 3</b>
Households	3.691	6.466	8.706
SMEs	0.603	0.786	0.957
<b>Total</b>	<b>4.294</b>	<b>7.252</b>	<b>9.663</b>

Note: CV Method 1 is open-ended contingent valuation; CV Method 2 is double bounded dichotomous choice; and CV Method 3 is single bounded dichotomous choice.

1.2.2 Whilst we have combined the household and SME estimates to give a total value from each method, we note that it is possible that there is some overlap between these values to the extent that, even though they were asked to consider value in the context of their household budget, some respondents responding to the household questionnaire may also have had in mind the value that their own businesses place on the network and vice versa.

### *Value of individual Post Office services*

1.2.3 We also undertook a separate analysis in order to assess the value people place on individual services. The table below sets out our estimates of household WTP for eight individual Post Office products and services with the five SGEIs presented as an additional line. These were derived using a choice experiment.

**Table 2: Household WTP for Post Office services**

<b>Post Office service</b>	<b>£/household/month</b>	<b>£million/year</b>
Standard post	12.99	4,120
Specialist post	4.78	1,517
Pensions and benefits	3.79	1,202
Paying bills	2.65	840
Basic banking services	1.16	368
Personal banking	1.72	546
Licensing / identity services	4.08	1,294
Homephone or broadband services	-1.41	- 447
<b>Total</b>	<b>29.76</b>	<b>9,441</b>
<b>SGEIs</b>	<b>24.66</b>	<b>7,825</b>

Note: Number of choices is 22,720 – based on online responses only. Figures per household are grossed up using an estimate of 26,437,353 households in the UK. The data is weighted so that results calculated on the whole sample are representative of UK households.

1.2.4 The table below sets out our estimates of SME WTP for individual Post Office services. Not all regression coefficients were statistically significant, so WTP estimates are not reported for all services, in particular ‘pensions and benefits’, ‘paying bills’, ‘personal banking’ and ‘homephone or broadband services’. The totals are for those services where estimates are reported only.

**Table 3: SME WTP for Post Office services**

<b>Post Office service</b>	<b>£/SME/month</b>	<b>£million/year</b>
Standard post	14.73	967
Specialist post	3.66	240
Pensions and benefits	:	:
Paying bills	:	:
Basic banking services	5.21	342
Personal banking	:	:
Licensing / identity services	3.25	214
Homephone or broadband services	:	:
<b>Total</b>	<b>£26.86</b>	<b>£1,763m</b>
<b>SGEIs</b>	<b>£23.20</b>	<b>£1,523m</b>

Note: Number of choices is 3,083. Figures per SME are grossed up using an estimate of 5,469,985 SMEs<sup>2</sup>.

### *Value of Services of General Economic Interest (SGEI)*

1.2.5 We were also asked to estimate the total value of services that are categorised by the EU as 'services of general economic interest' (SGEIs). Our estimate of the total value of the SGEIs is **£9.3bn** per year as shown in the table below:

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<sup>2</sup> Department for Business, Innovation & Skills - Business Population Estimates 2015 (BPE) – private, public and not for profit organisations with fewer than 250 employees.



**Table 4: Value of Services of General Economic Interest (SGEI)**

<b>Post Office service</b>	<b>£/unit/month</b>	<b>£million/year</b>
Household WTP	24.66	7,825
SME WTP	23.20	1,523
<b>Total</b>		<b>9,348</b>

Note: units are households and SMEs respectively.

1.2.6 It is important to note that this estimate of the total value of SGEIs is not directly comparable with the estimates of the value of the Post Office network as a whole both because they have been estimated using a different method and because the Post Office network provides a wider range of services than just SGEIs.<sup>3</sup>

*Validity assessment*

1.2.7 In Annex B, we examine the level of protest responses and compare the results with our ex ante expectations. In the light of that analysis we believe that the results exhibit a reasonable level of validity. The number of protest responses is relatively low and the results are generally consistent with expectations, i.e. that WTP estimates generally increase with the level of usage of services and with increases in proxy measures of income.

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<sup>3</sup> The estimates of the value of the Post Office network as a whole were based on contingent valuation methods whereas the estimate of the total value of SGEIs is based on the sum of estimates of the value of individual SGEI services derived from discrete choice experiment methods.

- 1.2.8 In a WTP survey, a protest response is when a respondent states a zero WTP or rejects any payment amount offered, when this is not indicative of their 'true' valuation. Protest responses may be given, for example, for reasons associated with the valuation process, or as a matter of principle due to an objection to paying for the good. There is no clear consensus amongst experts about the best way of identifying or addressing protest responses. However, one approach is to identify protest responses by asking follow-up questions after the WTP questions. This is the approach we have used in this study. For the contingent valuation results presented in this report we excluded data from responses that we considered to be 'protest responses'. NERA (2009) also excluded protest responses from their analysis.
- 1.2.9 It should be noted that our estimated values for individual Post Office services are higher than the values estimated in NERA (2009). We cannot be certain about all of the reasons for this, although the enhanced level of detail in which the services being valued were defined, presented to respondents and analysed is also likely to have had an impact. Furthermore, we also note that the NERA estimates were made six years ago and, as noted above, much has changed in the postal services and retail markets since then.

### **1.3 Key non-valuation findings**

- 1.3.1 In this section the terms 'individual' and 'SME' are used to distinguish between the two audiences.

### *Usage*

- 1.3.2 The survey of individuals found that 95% use the Post Office at least once a year, the majority of whom (58%) use one or two categories of service. The most commonly used service category is 'standard postal services' (96% of users), followed by 68% for 'specialist postal services' and a quarter (25%) for 'licensing / identity services'. There is a similar pattern among SMEs with 88% accessing 'standard postal services' at least once a year but with higher proportion buying 'specialist postal services' (77%).

### *Aspects of service*

- 1.3.3 Quality of service is considered the most important aspect of a Post Office branch. From a list of nine factors presented – 73% of individuals feel that it is an important aspect for them as a customer. Distance (68%), waiting time (62%) and weekend opening (58%) also feature strongly. Less important are early morning opening (26%); convenient for public transport (33%) and evening opening hours (34%).
- 1.3.4 The list of priorities is similar for SMEs with the exception of weekend opening which falls down the order to sixth – instead quality of service (78%); distance (69%) and waiting time (66%) are dominant aspects.

### *Importance*

- 1.3.5 Eighty-five percent of individuals feel that 'standard postal services' are important to them and 63% and 47% respectively agree for 'specialist postal services' and 'licensing / identity services'. Many more can relate to 'others in society' finding services such as 'pensions and benefits' (85%) and 'paying bills' (78%) to be important.
- 1.3.6 Whilst 75% of SME believe 'standard postal services' to be important to their organisation 53% 'specialist postal services', relatively few can find the value in other categories. Belief in the overall importance of the Post Office rises with size from half of sole traders to three-quarters (74%) of medium sized organisations.

1.3.7 Over half of individuals (58%) consider that having all five of the SGEIs in one location is important to them personally.

*Alternatives*

1.3.8 Many individuals struggle to identify alternatives to the Post Office for 'standard' and 'specialist' postal services. Over half (57%) believe there is no alternative for 'standard postal services' and 43% feel the same way about 'specialist postal services'. Forty percent feel that the alternatives for 'specialist postal services' are 'inconvenient.' Service categories such as 'homephone or broadband services,' 'personal banking' and paying bills' are considered to have many convenient alternatives, but there is less certainty about 'licensing / identity services' and 'pensions and benefits'.

1.3.9 Younger people are more likely to identify alternatives, particularly for 'specialist postal services'. Older people are more aware of alternatives for 'licensing / identity services' than younger people which may be the result of more experience making applications. Those living in rural areas have similar views to their urban counterparts but are more likely to believe there are no alternatives to the Post Office for 'specialist' and 'standard' postal services. Forty-five percent of urban dwellers see that there are alternatives (either convenient or not) to 'standard postal services' compared to 37% of those in rural areas.

## **2 Objectives and Method**

### **2.1 Objectives of the study**

- 2.1.1 The core purpose of this research study is the social valuation of the Post Office network. Post Office Limited operates the largest retail network in the UK with more than 11,500 branches and delivering a wide range of products and services across postal, financial and government services. Many of the Post Office's activities such as standard post services, bill payments, basic banking facilities, licences and benefit payments are considered to be services of a general economic interest (SGEI). The UK government committed funding to the Post Office of £1.34 billion for a four year period ending in March of this year and a further £640 million for the three year period ending March 2018.
- 2.1.2 In that context of that subsidy and the UK government's present commitment to working with the Post Office, this study seeks to understand and quantify the value that people and businesses place on the Post Office network. It was commissioned by The Department for Business, Energy and Industrial Strategy ("BEIS") and delivered independently of Government and the Post Office by YouGov and London Economics.
- 2.1.3 The study builds upon the research methods and valuation techniques used in the most recent study of its type which was delivered by NERA and published by Postcomm in 2009<sup>4</sup>. Since 2009 the Post Office has become a separate entity from the Royal Mail. The Post Office's range of products and services has expanded and a recent modernisation programme has changed the layout and opening hours of more than 5,000 branches with around 300 also providing self-service, automated kiosks.

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<sup>4</sup> Postcomm / NERA, the Social Value of Post Office Network, July 2009.

2.1.4 This study has taken care to follow the precedents established in 2009 for comparability whilst also reflecting the changes that have occurred since then and enhancing its depth. For example the categorisation of Post Office products and services is substantially more detailed in this study than 2009, both in the number of categories and the detailed listing of services within each. For these reasons comparisons with 2009 should be treated with caution.

2.1.5 Whilst the main focus of the study is producing social values of the Post Office network, a number of related aspects are also covered in this report including:

- Frequency and types of Post Office service used;
- The context of their usage – such as where they set off from to visit a Post Office, how far away they live; what types of branch they use and how many different branches they visit;
- Personal and perceived importance to others in society of the different products and services available; and
- The extent to which they believe there are alternatives to the Post Office's products and services.



## 2.2 Research method

### *Development of questionnaire and experiments*

2.2.1 The study began with focus groups and interviews that gathered the views of individuals and SMEs (both customers and non-customers) and SubPostmasters. This stage provided the study team with insights on the language that respondents' use and recognise when talking about the Post Office, its services and the concept of social value. It provided information on how we might best set out the categories of services and products which formed a key part of the survey and experiments. This was aided by tasks during the focus groups where participants sorted and categorised products and services themselves then reviewed and discussed their work. The qualitative stage also informed the drafting of the survey introduction, explanatory prompts and definitions that appeared throughout the survey.

2.2.2 The focus groups and interviews took place in March 2015 and included:

- Six face to face focus groups with individuals – four were held in community facilities in rural areas (Staffordshire and Yorkshire), two in London and two in Edinburgh. The mix of participants was controlled to ensure representation across age, income, disability and frequency of using the Post Office.
- Four online focus groups with SMEs – with sole traders / casual independent online sellers of products; micro businesses (2 to 9 employees); small businesses (10-49 employees); and medium sized businesses (50-249 employees).
- Ten telephone interviews with SubPostmasters and Post Office employees from a range of types and sizes of branch, including two Crown Post Offices.

### *Piloting*

- 2.2.3 A full scale pilot survey was conducted in June 2015. The pilot survey process randomly split respondents by willingness to pay and willingness to accept versions of the valuation exercises. The questionnaire was otherwise presented in full with extra questions designed to gather feedback from those that took part. In total 205 individuals / household level online survey responses and 96 SME survey responses were recorded. In parallel a pilot exercise captured 25 face to face survey responses with interviewers asked to share and record their feedback.
- 2.2.4 The datasets from the pilot surveys were examined so that we could check for errors in routing or base sizes and also gain an indication of how the valuation exercises were working. We examined completion rates for any concerning levels of drop-out and where it occurred. We recorded the duration of interviews and checked for any issues of comprehension, either of language used, definitions supplied or what was required by the valuation tasks. The proportion who were unable to answer certain questions by instead stating 'don't know' was an indicator of potential uncertainty or misunderstanding, as were answers to follow-up questions which asked respondents whether they could answer realistically.
- 2.2.5 The feedback and our examination of the datasets fed into a revised questionnaire including changes to the explanatory notes and small revisions to the valuation exercise choice experiment sets. Most notably it provided the evidence that we should adopt the willingness to pay approach to valuation and not the willingness to accept framework.

### *Categories of Post Office products and services*

- 2.2.6 The qualitative stage aided in the development of a comprehensive and logical categorisation of Post Office products and services. The categories and the products and services within each one were important as the basis for the choices that were made in the valuation experiment. Respondents were introduced to the categories part way through the survey and the list was a feature of many of the questions about usage and importance. The categories and description of Post Office services was correct at the time of the survey fieldwork (August 2015).
- 2.2.7 It was important for the respondent to have easy access to the full list of products and services. On each page after they were introduced to the categories the respondent had the ability to open up the full list in a separate browser or, the case of the face to face survey, to see the categories showcard again. In addition the online survey respondent was advised that they could hover their cursor over or point to an underlined category name to see a pop-up box containing the full list of products and services for that category. Furthermore, it was also important that the categorisation of the services matched the definitions of the SGEIs, so that each SGEI can be valued separately. The categories and descriptions are provided in the table below:

**Figure 1: Post Office categories of products and services**

Category	Shorthand version referred to in this report	Description of services
<b>Standard postal services</b>	<b>Standard postal services</b>	<p><b>Access to Postal Services</b></p> <ul style="list-style-type: none"> <li>• Purchase of stamps and labels</li> <li>• Purchase of domestic and international mail services</li> <li>• Purchase of parcel services</li> <li>• Purchase of signed for mails and parcels services (e.g. delivery of mails and parcels, where delivery is confirmed by a recipient's signature)</li> <li>• Purchase of special delivery mails and parcels services (e.g. guaranteed next day delivery with tracking and proof of delivery with a signature)</li> </ul>
<b>Specialist postal services</b>	<b>Specialist postal services</b>	<p><b>Access to other Postal Services</b></p> <ul style="list-style-type: none"> <li>• Purchase of tracked parcel services (e.g. this is a product which allows you to track the progress of your parcel delivery)</li> <li>• Purchase of mail redirection services (e.g. this allows you to redirect mail from an old address to your new one when you move)</li> <li>• Drop off of home shopping returns (e.g. return purchases to retailers by mail, such as online purchases)</li> </ul>

Category	Shorthand version referred to in this report	Description of services
		<ul style="list-style-type: none"> <li>• Pre-paid branch collection services (e.g. collection of online purchases from a Post Office branch)</li> <li>• Purchase of oversized and high-value parcel services</li> <li>• Drop &amp; Go: This is a service where you can set up a free account with the Post Office which you can top-up with some money. Whenever you need to post something, you can drop off the mail or parcel at the fast track counter who will use the money from your account to cover the postage cost.<sup>5</sup></li> </ul>
<b>Pensions and social benefits</b>	<b>Pensions and benefits</b>	<p><b>Processing social benefit and tax credit payments</b></p> <ul style="list-style-type: none"> <li>• Cash payment of State pensions</li> <li>• Cash payment of social security benefits</li> <li>• Cash payment of Child Maintenance payments</li> <li>• Cash payment of emergency support payments (e.g. from a Local Authority)</li> </ul>
<b>Paying bills (e.g. utilities,</b>	<b>Paying bills</b>	<b>Payment facilities for public utility services</b>

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<sup>5</sup> SME survey only

Category	Shorthand version referred to in this report	Description of services
<b>council tax, local council payments)</b>		<ul style="list-style-type: none"> <li>• Payment of utility bills (e.g. water, gas, electricity or telephone) including with payment schemes such as pre-payment and other budgeting schemes (e.g. savings stamps)</li> <li>• Payment of social housing rent (e.g. for Local Authority housing or Housing Association housing)</li> <li>• Payment of income tax bill by debit card, cash or cheque (e.g. self-assessment)</li> <li>• Payment for Local Authority services (e.g. council tax, parking permit)</li> <li>• Payment of parking or traffic fines</li> <li>• Purchase of travel tickets (e.g. train or bus passes and tickets)</li> </ul>
<b>Withdrawal or depositing of cash, Government savings products and postal orders</b>	<b>Basic banking services</b>	<p><b>Access to basic cash and banking facilities and Government savings products</b></p> <ul style="list-style-type: none"> <li>• Access to free-to-use cash machine</li> <li>• Access to in-branch counter withdrawal and deposit services for your bank account (e.g. from any high street bank, NOT only a Post Office bank account)</li> <li>• Access to cash transmission services (e.g. postal orders)</li> <li>• Access to cheque cashing services</li> <li>• Purchase of Government savings products (e.g. Premium Bonds)</li> </ul>



Category	Shorthand version referred to in this report	Description of services
<b>Personal banking services (e.g. loans and savings), insurance products and foreign currency</b>	<b>Personal banking</b>	<p><b>Access to other banking and insurance services and foreign currency products</b></p> <ul style="list-style-type: none"> <li>• Purchase of insurance products (e.g. vehicle, home, travel, life and pet insurance)</li> <li>• Open a savings account (e.g. easy access, fixed rate and Individual Savings Account (ISA) products)</li> <li>• Open a current account (e.g. personal current accounts)</li> <li>• Take out a mortgage</li> <li>• Take out a loan</li> <li>• Take out a credit card</li> <li>• Purchase foreign currency or Travellers Cheques</li> <li>• Purchase and top-up a prepay debit cards (e.g. a card you can load up with money for use in shops or online)</li> <li>• Join a Christmas saving scheme (e.g. a prepaid card when you can load up money gradually over the year and then spend at many high street shops for Christmas)</li> </ul>
<b>Passport and driving licence applications, vehicle tax</b>	<b>Licensing / identity services</b>	<p><b>Processing of national identity and licensing scheme applications</b></p> <ul style="list-style-type: none"> <li>• Passport “Check and Send” services (e.g. checking of passport application and authentication of supporting information)</li> </ul>

Category	Shorthand version referred to in this report	Description of services
<b>payment and identity services</b>		<ul style="list-style-type: none"> <li>• Provision of application forms for vehicle licences (e.g. that customers can complete and return to DVLA), and budget savings schemes for licence fees</li> <li>• Apply and pay for a fishing rod licence</li> <li>• Apply and pay for a UK Visa</li> <li>• Apply and pay for Vehicle Excise Duty (e.g. road tax)</li> <li>• Apply and pay for a Driving Licence renewal</li> <li>• Disclosure and Barring Service checks, formerly known as Care Quality Commission applications (e.g. a background check required for people that work in health and social care services)</li> </ul>
<b>Homephone or broadband services</b>	<b>Homephone or broadband services</b>	<p><b>Homephone or broadband services</b></p> <ul style="list-style-type: none"> <li>• Purchase of a home phone subscription (e.g. landline telephone service provided by the Post Office)</li> <li>• Purchase of home broadband (e.g. broadband internet services provided by the Post Office)</li> </ul>

### *Sampling*

- 2.2.8 A full breakdown of the unweighted and weighted sample numbers is provided in Annex A. The online survey of adults in the UK was weighted on the basis of households for valuation experiments and to individuals for the non-valuation questions. The questionnaire was structured so that it first explored their usage, perceptions and attitudes towards the Post Office as an individual. In the second half of the questionnaire the valuation experiments explicitly asked them to answer on the basis of their household.
- 2.2.9 In the SME survey the representatives were always asked to answer on behalf of their organisation or for sole traders in terms of their work not personal life. This applied to both the first section of the questionnaire which covered usage, perceptions and attitudes and the second section of valuation experiments. The questionnaires are provided in Annex C.
- 2.2.10 The weighting scheme used for individuals was: age (6 bands) interlocked with gender<sup>6</sup>; social grade (4 bands)<sup>7</sup> and UK region<sup>8</sup>. For households we used: urban /

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<sup>6</sup> Mid-year population estimates, Office of National Statistics (July 2015).

<sup>7</sup> 2011 Census: Approximated social grade: 4 bands (AB; C1; C2: DE) - The socio-economic groups refer to the National Readership Survey social grades: A (upper middle), B (middle), C1 (lower middle), C2 (skilled working), D (working), E (lowest). These are defined as: A: Higher managerial, administrative or professional. B: Intermediate managerial, administrative or professional. C1: Supervisory or clerical and junior managerial, administrative or professional. C2: Skilled manual workers. D: Semi and unskilled manual workers. E: Casual or lowest grade workers, pensioners and others who depend on the welfare state for their income.

<sup>8</sup> Mid-year population estimates, Office of National Statistics (July 2015).

rural / urban deprived<sup>9</sup>; social grade<sup>10</sup>, household size<sup>11</sup> and UK region. That was applied to all the analysis of the valuation experiments.

2.2.11 The survey of 750 SMEs was sampled to produce a balance between sole traders, micros, small and medium sized organisations. This approach provides more responses per sub-group to allow for comparisons to be made but for the overall findings to be representative we then weighted the sample by size<sup>12</sup>.

2.2.12 The face to face sample of 250 responses was weighted to be representative of the offline population as defined by those who have not accessed the internet in the last three months. The weighting scheme used age and gender<sup>13</sup>.

2.2.13 The two online surveys used samples randomly drawn from the YouGov online research panel of over 600,000 adults in the UK. For the survey of individuals / households all adults aged 18 or over were eligible to take part with the exclusion of those working in the postal sector or market research. The representative of an SME had to be either a sole trader or working at an organisation with fewer than 250 employees. They also had to be in middle management or above as appropriate for their size of organisation and those in the private, not for profit and public sector were included, but again those working in postal services and market research were excluded. By setting these criteria the survey sample frame matched that of the NERA (2009) study.

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<sup>9</sup> Using the full postcode respondents were matched and coded into Urban or Rural classification using the Rural-Urban Classification 2011 and weighted by Census 2011: household composition by urban / rural. For Urban Deprived the postcodes were matched and coded from: The English Indices of Deprivation 2010; The Scottish Index of Multiple Deprivation 2012; Welsh Index of Multiple Deprivation 2014; and the Northern Ireland Multiple Deprivation Measure 2010.

<sup>10</sup> Approximated social grade by household composition, 2011 Census.

<sup>11</sup> Labour Force Survey (LFS): 2014 Households by Size, Office for National Statistics.

<sup>12</sup> Department for Business, Innovation & Skills (BIS) Business Population Estimates 2015 – size by number of employees.

<sup>13</sup> Internet Access – Households and Individuals 2015, Office for National Statistics.

## 2.3 Valuation methods

### *Overview*

2.3.1 A number of different valuation methods were used at the pilot stage and subsequently. The headline estimates provided in this report are based on the ‘willingness to pay’ (WTP) concept of value and include values estimated using both contingent valuation and discrete choice experiment methods. Contingent valuation methods were used to estimate the value of the Post Office network as a whole and discrete choice experiment methods were used in two separate experiments to estimate the value of individual services provided at Post Offices (e.g. standard post, paying bills, personal banking) and also to value the characteristics of Post Office branches (e.g. opening hours, availability of parking). These methods and issues are discussed in more detail below.

### *Willingness to pay (WTP) and willingness to accept (WTA)*

2.3.2 There are two different concepts of value that can be used to measure non-market values: willingness to pay (WTP) and willingness to accept (WTA). WTP measures a respondents’ willingness to pay for something additional whereas WTA measures a respondents’ willingness to accept compensation for losing something.

2.3.3 Many studies suggest that WTA approaches lead to higher estimates of value than WTP approaches, particularly for studies that use the contingent valuation method for estimating value. There is no clear consensus on the reasons for this, but they may relate to income effects and/or endowment effects. The income effect stems from the fact that a person’s willingness to pay for something is constrained by their budget (or income) but a person’s willingness to accept compensation is not constrained by this effect. The endowment effect is the idea, deriving from experimental evidence, that people place more value on something that they already have in their possession. In other words, they are willing to pay more to retain something than they are willing to pay to attain the same thing.

2.3.4 In choosing between the two concepts of value it is also important to consider which concept will be clear to the survey respondent, and least likely to lead to response biases, given the particular context of the study. Both options were tested in the pilot survey and we found that responses to WTA questions in the pilot suggested that respondents found it difficult to understand the questions based on this concept. For this reason we chose to use only the WTP approach for our main results.

2.3.5 We note that the previous NERA (2009) research in this area also tested both the WTP and WTA approach in their pilot. They found that the WTA questions yielded inconsistent responses and concluded that a WTP approach was more appropriate.

#### *Contingent valuation*

2.3.6 Contingent valuation is a family of valuation methods that rely on asking respondents more directly how much they value the whole of a particular good or service. There are a range of methods for asking contingent valuation questions. We used the open-ended and dichotomous choice methods.

2.3.7 The open-ended contingent valuation question is the simplest method – it just asks respondents to say what their valuation is. This is illustrated in the example below, which shows the format and the payment vehicle used for this research. Note that respondents were also told that:

*‘The purpose of these questions is to help to understand the value of the services that the Post Office provides to your household and others in society. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.’*



**Figure 2: Example of an open-ended WTP contingent valuation question**

What is the maximum tax that your **household** would be willing to pay per month, in order to maintain the Post Office network as it currently is? Otherwise, all Post Offices would close and none of your **household's** taxes would be used to support the Post Offices.

Please indicate the **maximum tax your household would be willing to pay per month** using the sliding scale below.



**Don't know:**

2.3.8 The dichotomous choice CV method is a little more complex. This method gives respondents the chance to respond “yes” or “no” to a single proposed value – this is single-bounded dichotomous choice. An additional higher (lower) offer is made if the respondent responds “yes” (“no”) to the first offer – this is double-bounded dichotomous choice. Estimates of WTP can be derived from both the single-bounded dichotomous choice and the double-bounded dichotomous choice. Double-bounded dichotomous choice is generally considered to be preferable because it makes use of more information from respondents.

2.3.9 This type of question is illustrated in the example below, which shows the format and the payment vehicle used for this research.

**Figure 3: Example of a double-bounded dichotomous choice WTP contingent valuation question**

Suppose that in order to maintain the entire Post Office network as it currently is, the tax from your **household** that is used to support the Post Offices would be £20 per month.

Or, all Post Offices would close and none of your **household's** taxes would be used to support the Post Offices.

**Would your household be willing to pay this level of tax in order to maintain the current network of Post Offices?**

1. Yes, accept a tax of £20 per month to maintain all post offices
2. No, all post offices close
3. Don't know

**Follow-up question IF answered “Yes” to initial question**

And would your household be willing to pay a tax of £25 per month in order to **maintain the current network of Post Offices**?

1. Yes, accept a tax of £25 per month to maintain all post offices
2. No, all post offices close
3. Don't know

**Follow-up question IF answered “No” to initial question**

And would your household be willing to pay a tax of £15 per month in order to **maintain the current network of Post Offices**?

1. Yes, accept a tax of £15 per month to maintain all post offices
2. No, all post offices close
3. Don't know

2.3.10 WTP was estimated from responses to the open CV question simply by estimating the average (mean) response. Estimation of WTP from the dichotomous choice CV questions is more complex. There are two possible econometric methods for estimating the value of the Post Office network based on the data from the first stage only of the WTP question (i.e. the single-bounded dichotomous choice approach). Firstly, following the approach used by NERA in 2009, WTP can be estimated via a conditional logit regression. Alternatively, using the method recommended by Lopez-Feldman (2012) WTP can be estimated via a probit regression. In addition, WTP can be calculated using data from both stages of the WTP question using the ‘doubleb’ command in Stata. This is the double-bounded dichotomous choice approach. Both of these methods are described below.

***Conditional logit regression method***

2.3.11 Following the approach used by NERA in 2009,<sup>14</sup> WTP can be estimated via a conditional logit regression with two independent variables:

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<sup>14</sup> The 2009 study asked a single-bounded dichotomous choice question, i.e. a dichotomous choice question with only one stage. This is equivalent to the first stage of our DBDC question.

- A dummy representing whether the Post Office network is maintained ('maintainPO'), and
- The level of tax paid to support the Post Office network (tax).

2.3.12 In this regression, both options presented to each respondent (i.e. (i) accept the tax level offered and maintain the Post Office network and (ii) do not accept the tax level offered and the network closes) are included in the dataset, meaning two rows of data are included for each respondent, with every option presented to respondents comprising a separate data point.<sup>15</sup>

2.3.13 For options that involve maintaining the Post Office network, *maintainPO* is equal to 1 and *tax* is equal to the tax level offered in the first round of the DBDC WTP question, whereas for options that involve closing the Post Office network both *maintainPO* and *tax* are equal to 0.

2.3.14 The dependent variable in this regression is a dummy variable equal to 1 if the relevant option was chosen or equal to 0 if it was not chosen. This dependent variable represents whether the respondent would be willing to pay the level of tax offered in order to maintain the network.

2.3.15 WTP estimates are calculated by dividing the coefficient on *maintainPO* by minus the coefficient on *tax*.

#### *Probit regression method*

2.3.16 Following the method recommended by Lopez-Feldman (2012),<sup>16</sup> WTP can be estimated via a probit regression with one independent variable; namely the level of tax paid to support the Post Office network (tax).

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<sup>15</sup> 'Don't Know' answers are dropped from the analysis.

<sup>16</sup> See Alejandro Lopez-Feldman (2012) "Introduction to contingent valuation using Stata", available online at: [http://mpr.ub.uni-muenchen.de/41018/2/MPRA\\_paper\\_41018.pdf](http://mpr.ub.uni-muenchen.de/41018/2/MPRA_paper_41018.pdf)

2.3.17 In this regression, each data point represents a choice made by a respondent (rather than an option within a choice) and the dependent variable is a dummy variable equal to 1 if the respondent said they would be willing to pay the level of tax offered in order to maintain the network, or equal to 0 if they would not.

2.3.18 WTP estimates are calculated by dividing the regression constant by minus the coefficient on *tax*.

*Using data from the first and second stages of the dichotomous choice question*

2.3.19 As explained above, after the first stage of the dichotomous choice WTP question a second stage follow-up question then asked respondents whether they would pay a higher (lower) amount if they answered “Yes” (“No”) at the first stage.

2.3.20 The data from both stages of the double bounded dichotomous choice (DBDC) WTP question are analysed together using the ‘doubleb’ command in Stata, which uses a probit approach as the underlying model.<sup>17</sup>

2.3.21 Unlike the analysis presented above, this method produces an estimate of WTP directly (rather than via manipulation of regression coefficients) and gives the statistical significance of the WTP estimate itself.

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<sup>17</sup> This command uses a maximum likelihood method to estimate WTP. In summary, assuming that the WTP of individual  $i$  is given by  $WTP_i(z_i, u_i) = z_i\beta + u_i$ , where  $z_i$  is a vector of explanatory variables,  $\beta$  is a vector of parameters, and  $u_i \sim N(0, \sigma^2)$ , the probability of each of the four possible pairs of answers to the DBDC questions (i.e. yes-yes, yes-no, no-yes, no-no) can be written in terms the bid values and the parameters  $z_i$ ,  $\beta$  and  $\sigma$ , using the standard normal cumulative distribution function. From there, a likelihood function can be constructed and the parameters  $\beta$  and  $\sigma$  can be estimated using maximum likelihood estimation (which the ‘doubleb’ command does automatically). This command is explained by its creator here: [http://mpr.ub.uni-muenchen.de/41018/2/MPRA\\_paper\\_41018.pdf](http://mpr.ub.uni-muenchen.de/41018/2/MPRA_paper_41018.pdf)

*Choice experiments*

2.3.22 In a choice experiment, respondents are presented with options and asked to choose between them. The options are based on the presentation of a number of attributes (characteristics) of the service being valued. Each attribute is described by different ‘levels’, for example, a price attribute would include a number of different prices as the attribute levels. This is illustrated in the example choice card below, which shows the format and the payment vehicle used for this research.

**Figure 4: Example of a choice experiment question**

Please carefully consider both options. Which option would you choose? Option 1 or Option 2?  
[Click here if you would like to see the full list of products and services again \(opens in a new window\)](#)

Services Offered (hover over each service for full description)	Option 1	Option 2
<a href="#">Standard postal services</a>	X	✓
<a href="#">Specialist postal services</a>	✓	X
<a href="#">Pensions and social benefits</a>	✓	X
<a href="#">Paying bills (e.g. utilities, council tax, local council payments)</a>	✓	✓
<a href="#">Withdrawal or depositing of cash, Government savings products and postal orders</a>	X	X
<a href="#">Personal banking services (e.g. loans and savings), insurance products and foreign currency</a>	✓	✓
<a href="#">Passport and driving license applications, road tax payment and identity services</a>	X	✓
<a href="#">Homephone or broadband services</a>	X	✓
Tax payable by your household to support the Post Office	£16 each month	£16 each month

Choose option 1       Choose option 2  
 I don't know which option I would choose

- 2.3.23 The choice experiment allows each individual attribute (e.g. 'standard postal services' in the example above) to be valued. In this case there were only two attribute levels for each attribute (the service is available or it is not available), except for 'tax payable' where there were a number of possible levels of monthly tax payable to choose from - £0, £2, £4, £8, £12 and £18. A number of these choice cards are presented to each respondent, so that each respondent makes several choices. In an exercise such as this, there are too many combinations of choices to present all of them to respondents. The process of deciding which choices to present to respondents is known as the experimental design and it involves systematically varying the choices in a way that allows statistical techniques to estimate the value of each attribute.
- 2.3.24 In this case, the attributes were carefully chosen to reflect the full range of Post Office services available and through review and testing of their descriptions in the focus groups, interviews and the pilot survey to ensure that they were clearly understood by potential respondents.
- 2.3.25 The standard method for deriving WTP estimates from choice experiment data is to estimate a conditional logit regression and then calculate WTP estimates from the regression coefficients. This was the approach used in the NERA (2009) study and this was also the approach used in this study to estimate WTP for the eight service categories.
- 2.3.26 In the regression, the explanatory variables are the services provided by Post Offices (equal to one if a service is provided, zero otherwise) and the tax contribution paid to support the network under each option. The dependent variable is a binary variable that indicates whether or not an option was chosen.

### 3 Valuation Findings

#### 3.1 Overall Social Value of the Post Office Network

##### *Summary*

3.1.1 We used three contingent valuation methods to value the Post Office network. The three values obtained from these methods are **£4.3bn**, **£7.3bn** and **£9.7bn** per year. As shown in the table below, the major part of this value is derived from the value that households place on the network<sup>18</sup>.

**Table 5: Willingness to pay for the Post Office network (households and SMEs)**

<b>£billion per year</b>	<b>CV Method 1</b>	<b>CV Method 2</b>	<b>CV Method 3</b>
Households	3.691	6.466	8.706
SMEs	0.603	0.786	0.957
<b>Total</b>	<b>4.294</b>	<b>7.252</b>	<b>9.663</b>

Note: CV Method 1 is open-ended contingent valuation; CV Method 2 is double bounded dichotomous choice; and CV Method 3 is single bounded dichotomous choice.

3.1.2 Whilst we have combined the household and SME estimates to give a total value from each method, we note that it is possible that there is some overlap between these values to the extent that, even though they were asked to consider value in the context of their household budget, some respondents responding to the household questionnaire may also have had in mind the value that their own businesses place on the network and vice versa.

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<sup>18</sup> Note that this value does not include any value that larger organisations might place on having the Post Office network in place.



3.1.3 The 'CV Method 2' figure of £7.25bn per year is estimated using the double bounded dichotomous choice method and so is based on more information from each respondent, since the question was double bounded. The method is not generally recognised as leading to biased estimates in either direction whereas the open-ended CV method is generally viewed as having a downward bias and the single-bounded dichotomous choice method is generally viewed as having an upward bias.

*Households*

3.1.4 Household WTP for the Post Office network is estimated using responses from both the online survey and the face to face survey of households and weighted by the number of households in each category within the population.<sup>19</sup>

**Table 6: Willingness to pay for Post Office network – households**

	Low estimate (Open CV)			High estimate (Singlebounded DC)		
	Online	Offline	All	Online	Offline	All
WTP per HH per month	£12.33	£7.34	£11.63	£28.55	£20.62	£27.44
Number of households	22,736,123	3,701,230	26,437,353	22,736,123	3,701,230	26,437,353
Total WTP per year	£3,365m	£326m	£3,691m	£7,790m	£916m	£8,706m

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<sup>19</sup> The source for the number of online and offline households is: Internet Access – Households and Individuals 2015, ONS.

*SME*

3.1.5 Estimates of SME WTP for the Post Office network are shown in the table below<sup>20</sup>.

**Table 7: Willingness to pay for Post Office network - SMEs**

	<b>Open CV</b>	<b>Double-bounded DC</b>	<b>Single-bounded DC</b>
WTP per SME per month	£9.19	£11.98	£14.58
Number of SMEs	5,469,985	5,469,985	5,469,985
Total WTP per year	£603m	£786m	£957m

*Comparison with NERA (2009) results*

3.1.6 For the network as a whole, NERA estimated lower and upper bounds of the total social value at £2.6bn and £11.7bn per year. This is a wider range that encompasses those that we have estimated.<sup>21</sup> For the lower bound estimates, NERA used a payment card contingent valuation method and for the upper bound estimate, like us, they used a single-bounded dichotomous choice contingent valuation method.

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<sup>20</sup> This includes 5,389,450 private sector SMEs plus a small number of not for profit and public sector organisations with fewer than 250 employees. The source for the number of SMEs Business Population Estimates For The UK and Regions 2015, BIS

<sup>21</sup> Note that NERA (2009) estimates have been updated by the Consumer Price Index to Oct.2015 (from Oct. 2009) in order to provide a comparison on an approximately similar price base. The figures reported in NERA (2009) are £2.3bn to £10.2bn per year.

3.1.7 NERA (2009) did not estimate WTP using the double-bounded dichotomous choice method and they did not recommend a point estimate. The NERA (2009) estimates were based on average willingness to pay of £6.8 to £32.9 per month for households, and £6.6 to £24.6 per month for SMEs. Again, in both cases, these are wider ranges that encompass the ranges that we have estimated.<sup>22</sup>

## 3.2 Value of services

### *Household WTP for individual Post Office services*

3.2.1 The table below sets out our estimates of household WTP for individual Post Office services. The estimates were derived using a choice experiment.

**Table 8: Household WTP for Post Office services (online survey)**

<b>Post Office service</b>	<b>£/household/month</b>	<b>£million/year</b>	<b>% of Total</b>
Standard post	12.99	4,120	44%
Specialist post	4.78	1,517	16%
Pensions and benefits	3.79	1,202	13%
Paying bills	2.65	840	9%
Basic banking services	1.16	368	4%
Personal banking	1.72	546	6%
Licensing / identity services	4.08	1,294	14%

<sup>22</sup> Again, NERA (2009) estimates have been updated by the Consumer Price Index to Oct.2015 (from Oct. 2009) in order to provide a comparison on an approximately similar price base. The figures reported in NERA (2009) are £5.9 to £28.6 per month for households, and £6.6 to £24.6 per month for SMEs.

Post Office service	£/household/month	£million/year	% of Total
Homephone or broadband services	-1.41	- 447	-5%
Total	29.76	9,441	100%
SGEIs	24.66	7,825	83%

Note: Number of choices is 22,720. Figures per household are grossed up using an estimate of 26,437,353 households. The data are weighted so that results calculated on the whole sample are representative of UK households.

3.2.2 Unsurprisingly, postal services were the most valuable services provided, with ‘standard postal services’ accounting for 44% of total value. Between them, ‘standard’ and ‘specialist postal services’ account for 60% of total value. The negative value for ‘homephone or broadband services’ is difficult to interpret. It may suggest that respondents did not really understand the nature of the ‘homephone or broadband services’ provided by the Post Office network or that this is some form of protest response which indicates that they do not see the benefits of these services being provided by Post Offices or they may prefer Post Offices not to provide this service.

#### *SME WTP for individual Post Office services*

3.2.3 The table below sets out our estimates of SME WTP for individual Post Office services. As with the household WTP estimates, ‘standard postal services’ are valued much more highly than other services provided by the Post Office. ‘Basic banking services’ are valued much more highly by SMEs than they are by households.

**Table 9: SME WTP for Post Office services**

<b>Post Office service</b>	<b>£/SME/month</b>	<b>£million/year</b>	<b>% of Total</b>
Standard post	14.73	967	55%
Specialist post	3.66	240	14%
Pensions and benefits	:	:	:
Paying bills	:	:	:
Basic banking services	5.21	342	19%
Personal banking	:	:	:
Licensing / identity services	3.25	214	12%
Homephone or broadband services	:	:	:
<b>Total</b>	<b>26.86</b>	<b>1,763m</b>	<b>100%</b>
<b>SGEIs</b>	<b>23.20</b>	<b>1,523m</b>	<b>:</b>

Note: Number of choices is 3,083. Figures per SME are grossed up using an estimate of 5,469,985 SMEs.

3.2.4 Not all regression coefficients were statistically significant, so WTP estimates are not reported for all services, in particular ‘pensions and benefits’, ‘paying bills’, ‘personal banking’ and ‘homephone or broadband services’. The totals are for those services where estimates are reported only.

### 3.3 Value of Services of General Economic Interest (SGEI)

3.3.1 In order to estimate the value of SGEIs we focused only on:

- Standard post;

- Pensions and benefits;
- Paying bills;
- Basic banking services; and
- Licensing / identity services.

3.3.2 Our estimate of the total value of the SGEIs is **£9.3bn** per year as shown in the table below.

**Table 10: Value of Services of General Economic Interest (SGEI)**

<b>Post Office service</b>	<b>£/unit/month</b>	<b>£million/year</b>
Household WTP	24.66	7,825
SME WTP	23.20	1,523
<b>Total</b>		<b>9,348</b>

Note: units are households and SMEs respectively.

3.3.3 It is important to note that this estimate of the total value of SGEIs is not directly comparable with the estimates of the value of the Post Office network as a whole both because they have been estimated using a different method and also because the network as a whole provides a wider range of services than just SGEIs.

### **3.4 Total value of individual services**

3.4.1 Whilst the value of the whole Post Office network has been estimated using a contingent valuation method, the sum of the values of the individual services estimated through the choice experiment can be interpreted as an alternative estimate of the total value of the network.

3.4.2 The sum of the household and SME WTP for all individual services for which we have estimates using the choice experiment is **£11.2bn**, which is above the upper bound of our range of values for the whole Post Office network using contingent valuation (**£9.7bn**).

### 3.5 Comparison with NERA (2009) results

3.5.1 The NERA study also found that postal services were valued much more highly than the other services provided by Post Offices, but in general the values for individual services in the NERA (2009) study were considerably lower than our estimates – around half the value on average – as shown in the table below. We cannot be certain about all of the reasons for this, though we note that the NERA estimates were made six years ago and much has changed in the postal services and retail markets since then. The enhanced level of detail in which the services being valued were defined, presented to respondents and analysed are also likely to have had an impact.

**Table 11: Comparison of household WTP values for Post Office services**

<b>Post Office service</b>	<b>£/household/month</b>	<b>NERA results (£/household/month)</b>
Standard post	£12.99	£7.36
Specialist post	£4.78	N/A
Pensions and benefits	£3.79	£1.72
Paying bills	£2.65	£1.26
Basic banking services	£1.16	£1.61
Personal banking	£1.72	N/A
Licensing / identity services	£4.08	£2.18



<b>Post Office service</b>	<b>£/household/month</b>	<b>NERA results (£/household/month)</b>
Homephone or broadband services	-£1.41	N/A
Other services	N/A	£1.49
Total	£29.73	£15.52
SGEs	£24.64	£14.02

Note: NERA (2009) estimates have been updated by the Consumer Price Index to Oct.2015 (from Oct. 2009) in order to provide a comparison on an approximately similar price base.

## **4 Other value related findings**

### **4.1 Introduction**

4.1.1 In this section we explore survey findings that provide context to the valuations.

These include usage and the perceived importance of Post Office products and services to themselves as an individual and to others in society. It includes a choice based prioritisation experiment that compares the attributes of Post Office branches and there was also an assessment of whether alternatives exist for the product and services the Post Office provides.

4.1.2 Where the report refers to users, these are individuals or SMEs who have used the Post Office at least once in the last year. ‘Heavy users’ have used the Post Office once a week or more often; ‘medium users’: at least once a month but less than once a week; ‘light users’: at least once a year but less than once a month; and non-users are combined with those who have done so less than once in the last year.

4.1.3 Please note that sometimes a chart or table will not add to 100% due to rounding.

### **4.2 Usage – frequency, products and services**

#### *Individuals*

4.2.1 Ninety-five percent report that they use a Post Office at least once a year. Older people are most likely to use the Post Office at least once a year, with 98% of people aged 65 and over using it at least once a year, compared with 96% of 40-64 year-olds and 92% of 18-39 year-olds. Additionally, ABC1s<sup>23</sup> (96% compared with

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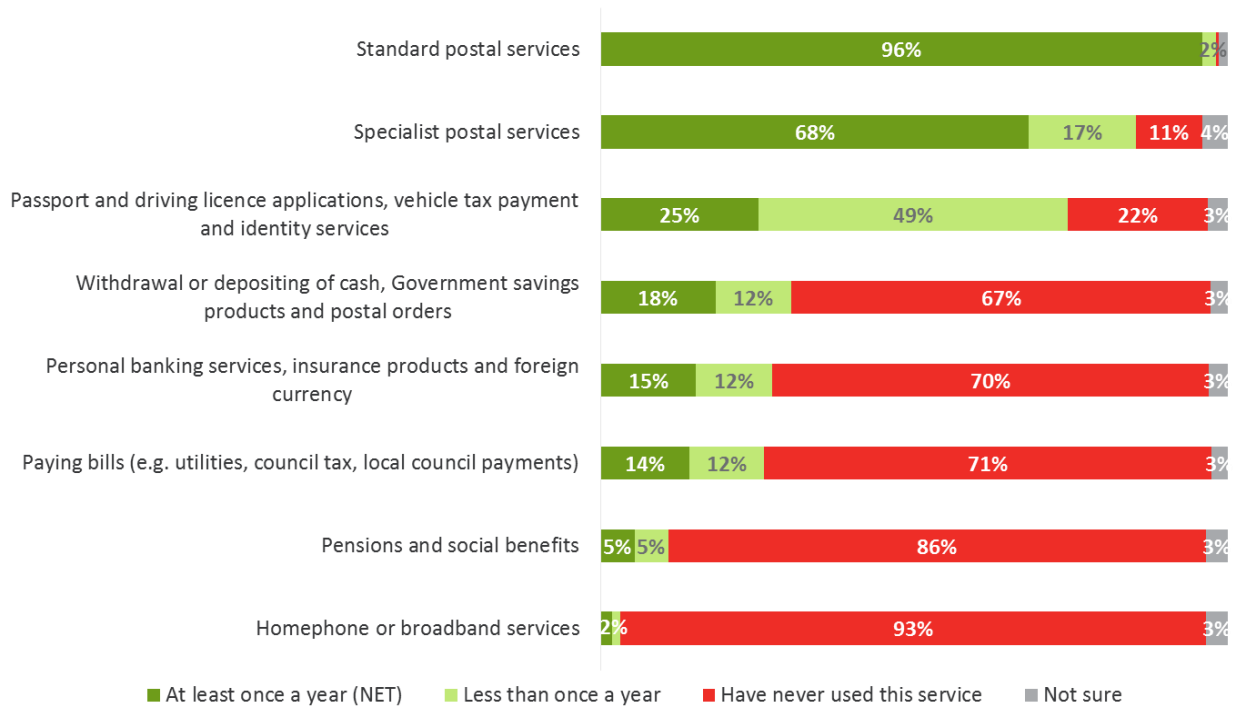
<sup>23</sup> The socio-economic groups refer to the National Readership Survey social grades: A (upper middle), B (middle), C1 (lower middle), C2 (skilled working), D (working), E (lowest). These are defined as: A: Higher managerial, administrative or professional. B: Intermediate managerial, administrative or professional. C1: Supervisory or clerical and junior managerial, administrative or professional. C2: Skilled manual workers. D: Semi and unskilled manual workers. E: Casual or lowest grade workers, pensioners and others who depend on the welfare state for their income.

93% of C2DEs) and those who live in rural areas (96% compared with 94% in urban areas) are more likely to use the Post Office at least once a year.

4.2.2 The majority (58%) of Post Office users use one or two services a year. Less commonly, they use three (23%), four (10%) or five plus (seven percent) services annually. People in urban areas are more likely than those in rural areas to be using the Post Office for only one service annually (20% compared with 12%). Similarly, those aged 18-39 are most likely to be using just one service a year (22% compared with 16% of 40-64 year-olds and 17% of people aged 65 and over).

4.2.3 Among users of the Post Office, nearly all use 'standard postal services' at least once a year (96%). A majority also use 'specialist postal services' (68%) at least once a year. However, other services are used much less frequently. The next most frequently used services are 'licensing / identity services', which are used at least once a year by one-in-four (25%) users. Figures for annual usage by all service categories are shown in the figure below.

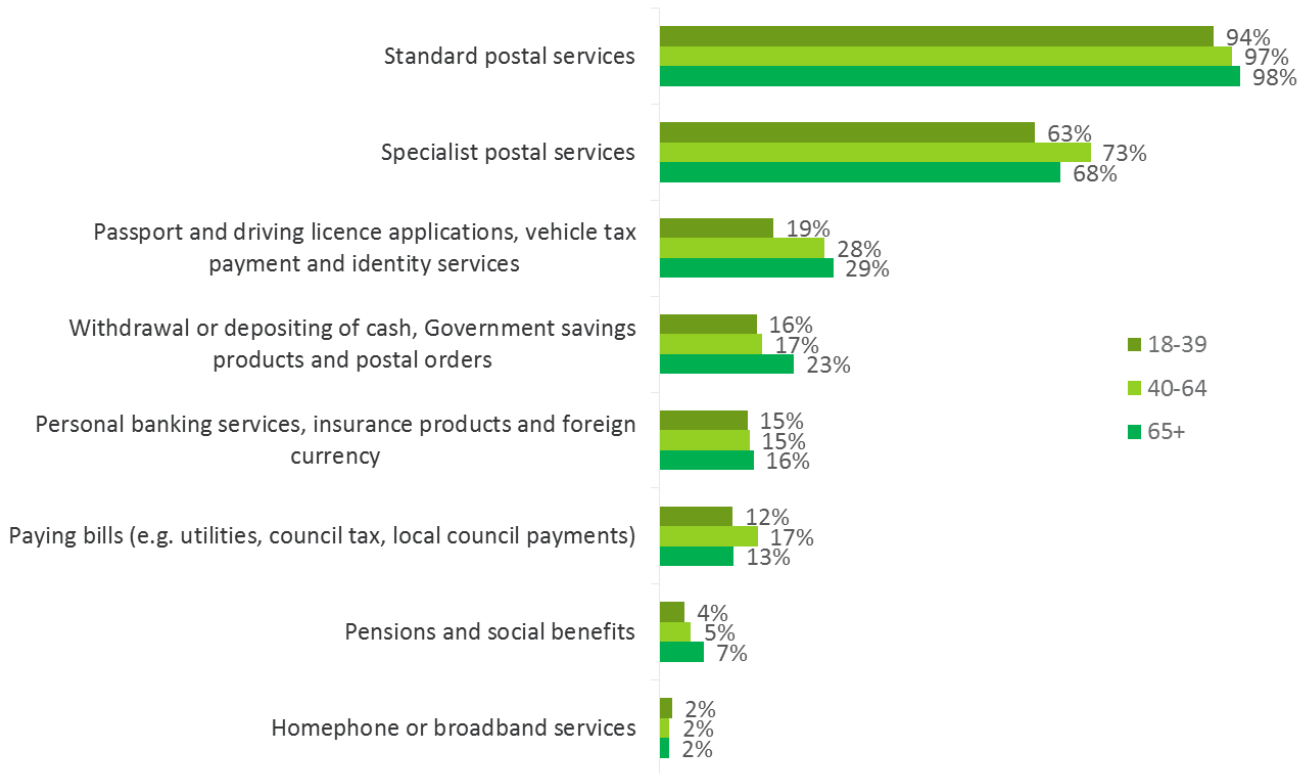
**Figure 5: Usage frequency of Post Office services**



Base: All who use a Post Office at least once a year (n=4,817)

4.2.4 Older adults are most likely to be using the Post Office at least once a year for various specialist services, including ‘basic banking services (withdrawal or depositing of cash)’, ‘licensing / identity services’ and ‘pensions and benefits’. Usage figures split by age are detailed in the figure below.

**Figure 6: Services used once a year or more often – by age**

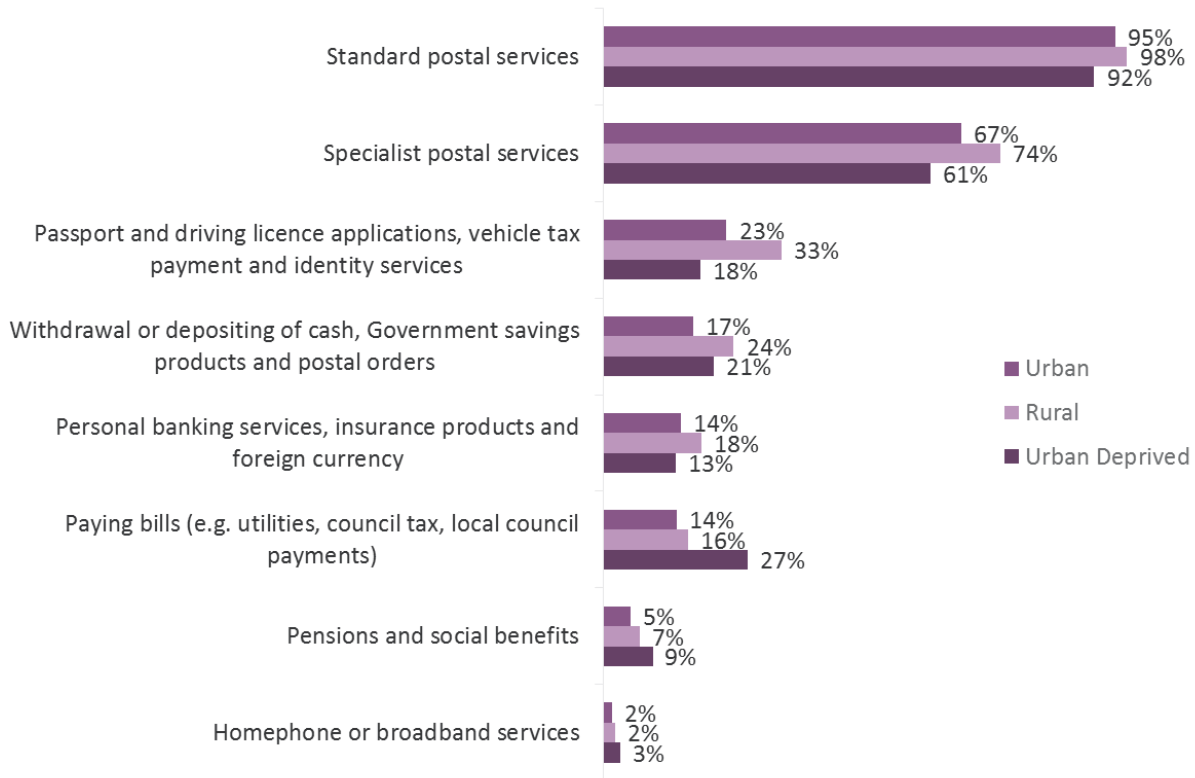


Base: All who use a Post Office at least once a year [18-39 (n=1,289); 40-64 (n=2,204); 65 and over (n=1,324)]

4.2.5 People who live in rural areas are also more likely than those living in urban areas to use the Post Office at least once a year for various services including ‘basic banking services (withdrawal or depositing of cash)’, ‘licencing / identity services,’ ‘personal banking services’ and ‘pensions and benefits’.

4.2.6 However, members of the public who live in an urban deprived area are most likely to be using the Post Office for ‘paying bills’. Usage figures split by location are illustrated below:

**Figure 7: Services used once a year or more often – by location**



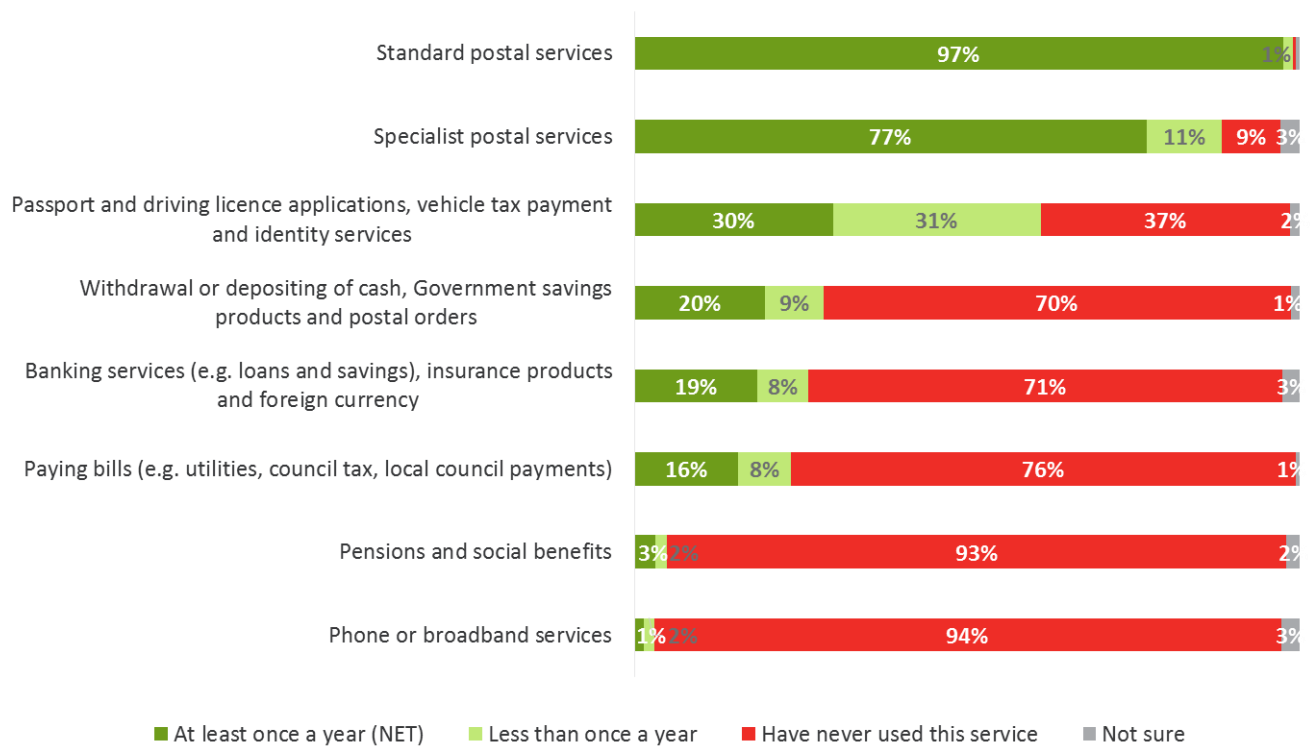
Base: All who use a Post Office at least once a year [Urban (n=3,640); Rural (n=1,177); Urban deprived (n=501)]

**SMEs**

4.2.7 Eighty-eight percent of SMEs report that they use a Post Office at least once a year. Half (52%) of SME users use one or two services a year. Organisations with 50-249 employees are more likely to be using just one or two services, with 71% reporting this. As organisation size decreases, SMEs become more likely to use three or more services. Two thirds (64%) of SMEs with 10-49 employees use the Post Office for one to two services annually, followed by 51% of those with 5-9, 50% (1-4 employees) and 52% of sole-traders.

4.2.8 Nearly all SME users (97%) use ‘standard postal services’ at least once a year. A majority (77%) also use ‘specialist postal services’ annually. It’s much less likely that SMEs use other services at least once a year, with the next most commonly used being ‘licensing / identity services’, with roughly one third (30%) reporting they use these at least once a year. Figures for SME usage by all service categories are shown in the figure below.

**Figure 8: Usage frequency of Post Office services**



Base: All SMEs who use a Post Office at least once a year (n=675)

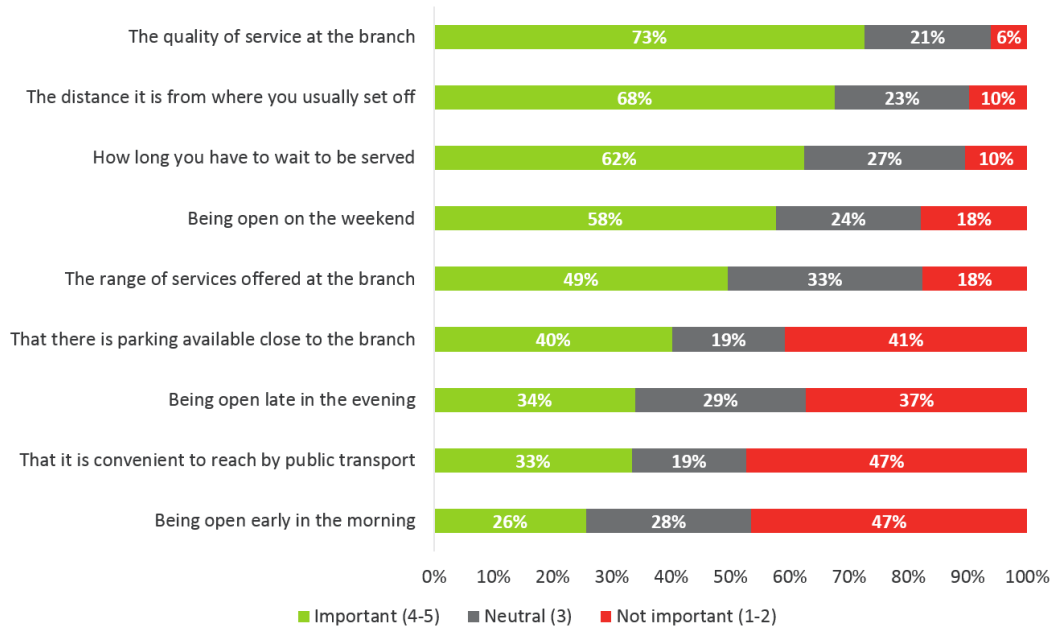


### 4.3 The important aspects of a Post Office branch

#### *Individuals*

- 4.3.1 Among individuals who use the Post Office at least once a year, quality of service is the most important characteristic of a branch. Three quarters (73%) report that the quality of service is important to them. This aspect is particularly important to older adults aged 65 and over, with four-in-five (80%) stating this compared with 75% of 40-64 year-olds and 64% of 18-39 year-olds.
- 4.3.2 The second most important trait is the distance from where they usually set off. Just over two thirds (68%) of users say this is important to them, in contrast with quality of service, travel distance is especially important to younger adults; 72% of 18-39 year-olds state it is important to them, compared with 67% of 40-64 year-olds and 62% of people aged 65 and over.
- 4.3.3 Being open late in the evening (34%), being convenient to reach by public transport (33%) and being open early in the morning (26%) are features that are important to fewer people (Figure 9).

**Figure 9: Importance of aspects of a Post Office branch**

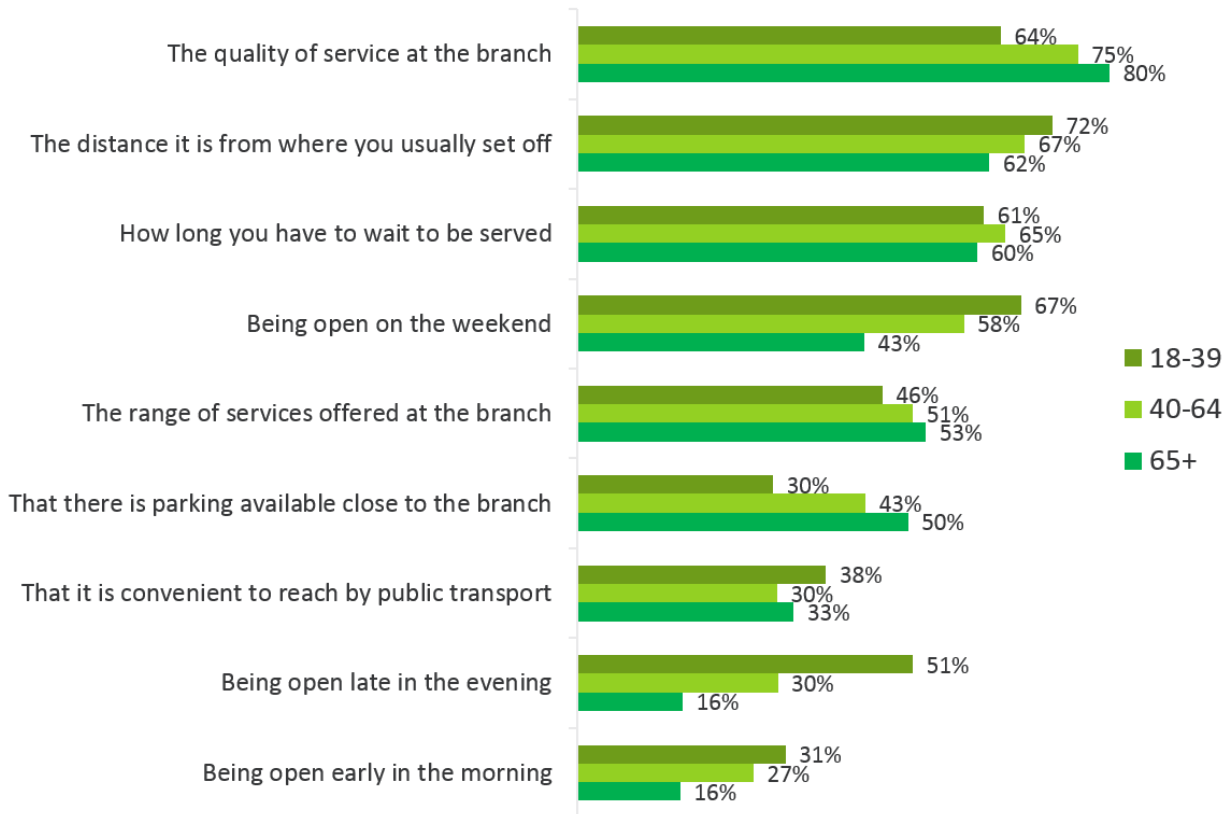


Base: All who use a Post Office at least once a year (n=4,817)

4.3.4 People aged 18-39 prioritise the distance from where they set off (72%) and being open on the weekend (67%) ahead of quality of service (64%). Being open late in the evening (51%) and early in the morning (31%) are also factors significantly more important to people aged 18-39 than to older adults. This is an indication that to younger adults, convenience and flexibility are more desirable characteristics than services and quality.

4.3.5 People aged 65 and over are much more likely than younger adults to feel that having close parking available is an important aspect of a branch, with one-in-two (50%) reporting this in comparison with 43% of 40-64 year-olds and 30% of 18-39 year-olds.

**Figure 10: Overall importance of aspects of a Post Office branch – by age**



Base: All who use a Post Office at least once a year [18-39 (n=1,289); 40-64 (n=2,204); 65 and over (n=1,324)]

4.3.6 The quality and range of services is equally important to adults in urban and rural regions (72% / 74% respectively for quality of service and 49% / 52% for range of services). However, their priorities differ on other aspects. People who live in urban regions are more likely to feel that travel distance (69% / 62%), being open late in the evening (36% / 27%) and on the weekend (60% / 50%), and being convenient to reach by public transport (36% / 25%) are important aspects of a Post Office branch. Conversely, adults living in rural areas are more likely to state that nearby parking is an important factor for them in choosing a Post Office branch to visit, with 51% reporting this compared with 37% of those in urban areas.

- 4.3.7 The perceptions of people who live in urban deprived areas closely mirror those of urban residents overall, except that they are particularly likely to feel that being convenient to reach by public transport is an important aspect of a Post Office branch (43%) and less likely to state that close parking is important to them (27%).
- 4.3.8 Heavy users of the Post Office<sup>24</sup> are more inclined to feel that several aspects are important in their choice of a branch, including the quality of service (81% compared with 73% / 68% of medium / light users respectively) and the range of services available (59% compared with 51% / 44% of medium / light users respectively).

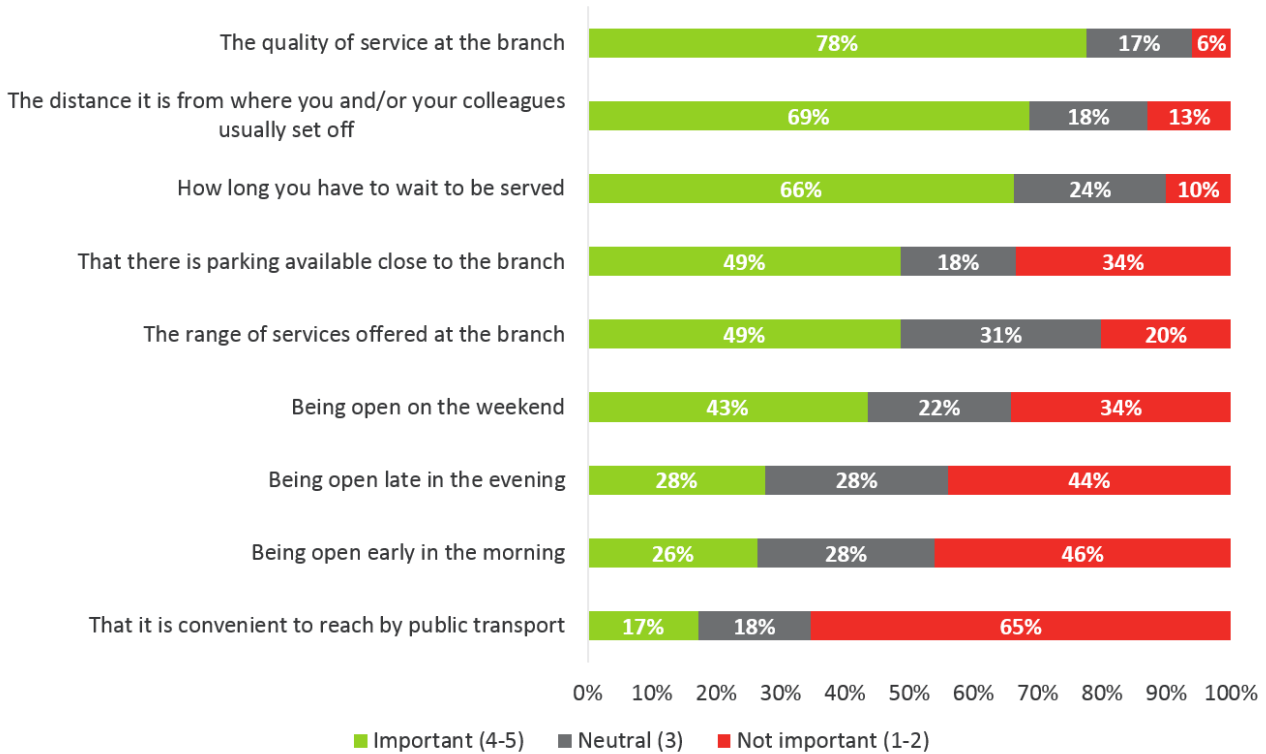
### *SMEs*

- 4.3.9 Quality of service is also the most important aspect of a branch for SMEs. Roughly four-in-five (78%) SME users report that it is important to them and it is more or less equally important to SMEs of all sizes. Sixty-nine percent believe that the distance from where they set off is important, this is particularly important for larger SMEs with 10-49 (82%) and 50-249 employees (85%).
- 4.3.10 Two thirds (66%) of SME users feel that how long they have to wait to be served is important. One-in-two highlight nearby parking (49%) and the range of services available (49%) are important aspects of the Post Office for their organisation.

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<sup>24</sup> Those who use a Post Office once a week or more often

**Figure 11: Importance of aspects of a Post Office branch**

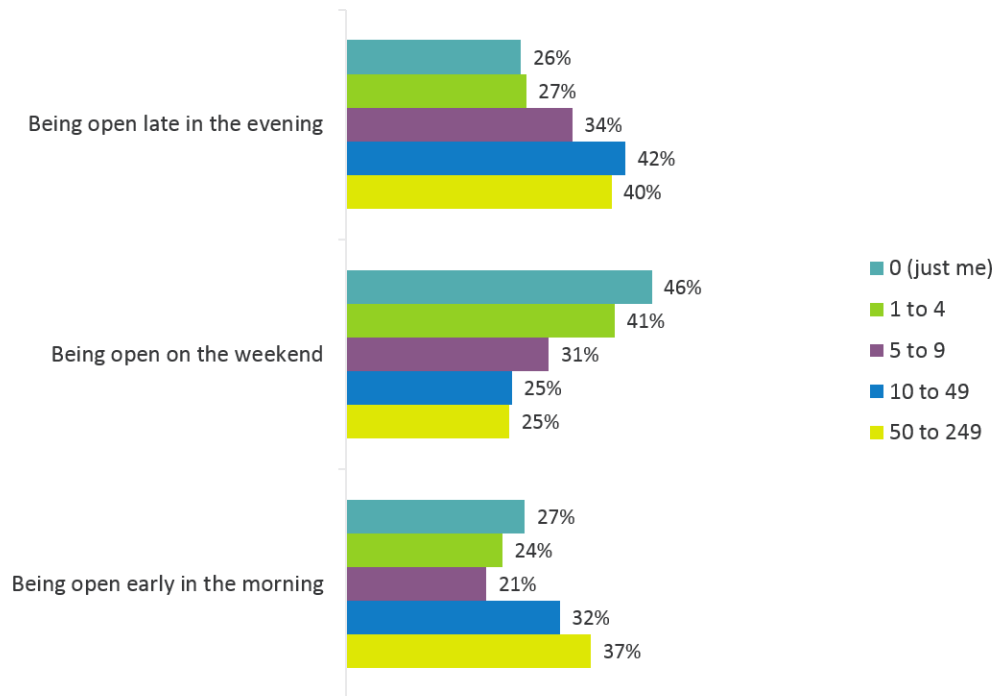


Base: All SMEs who use a Post Office at least once a year (n=675)

4.3.11 More SMEs indicate that being open on the weekend (43%) is more important to their business than being open late in the evening (28%) or early in the morning (26%). However, perspectives vary by organisation size. This is driven by smaller SMEs - 46% of sole-traders and 41% of those with 1-4 employees. Businesses with 5-9 (31%), 10-49 (25%) and 50-249 (25%) employees are relatively less likely to say that being open on the weekend is important.

4.3.12 Conversely, larger SMEs are more likely to feel that branches being open early in the morning and late in the evening is important. Early morning opening hours are important to roughly two thirds of SMEs with 50-249 (37%) and 10-49 employees (32%), compared with more or less one quarter of those with 5-9 (21%), 1-4 (24%) or sole-traders (27%). Similarly, Post Office branches being open late in the evening is more important to organisations with 50-249 (40%) and 10-49 (42%) employees than those with 5-9 (34%), 1-4 (27%) or 26% for sole-traders.

**Figure 12: Overall importance of opening hours of a Post Office branch – by organisation size**



Base: All SMEs who use a Post Office at least once a year [SMEs by number of employees: Sole traders (n=178); 1-4 (n=195); 5-9 (n=85); 10-49 (n=152); 50-249 (n=65)]

## 4.4 The value of Post Office branch attributes

4.4.1 In addition to the choice experiment to assess WTP for categories of Post Office services, a second choice experiment assessed the WTP for Post Office branch attributes. It was designed to measure the value of weekend and weekday opening hours, distance from their home / workplace, and parking availability. These attributes were varied between the following levels:

- Weekday opening hours – ‘Standard (9am – 5:30pm)’ or ‘Extended (e.g. from 7am up to 11pm)’;
- Weekend opening hours – ‘Open on Sat 9am - 1pm’; ‘Open on Sat & Sun: 9am - 1pm’ or ‘Closed on both Sat and Sun’;
- Distance from your home / work: 0.2, 1, 3, 5 or 7 miles;
- Whether there is affordable parking nearby: yes or no.

4.4.2 Following the same approach as that used to analyse data from the first choice experiment, a conditional logit regression is estimated from the data which relates the likelihood that an option was chosen to the attributes of the branch. WTP estimates are then calculated from the regression coefficients.

4.4.3 The explanatory variables in the regression represent the attributes of the Post Office branches presented and the level of tax households were asked to hypothetically contribute to for each of the options presented to them in the choice cards. The dependent variable represents whether or not an option was chosen in the experiment.

4.4.4 As with our main results the data is weighted so that results calculated on the whole sample are representative of UK households. This choice experiment was only undertaken in the online surveys of households and SMEs.

4.4.5 Estimates of WTP from this analysis are presented below:



**Table 12: Household WTP for other Post Office attributes**

<b>Attribute</b>	<b>Per HH per month</b>	<b>Total per year</b>
Extended weekday hours (7pm-11pm)	£1.67	£529m
Open on Saturday (9am-1pm)	£1.27	£402m
Open on Saturday and Sunday (9am-1pm)	£3.27	£1,036m
Distance from home	£1.08	£342m
Affordable parking nearby	£1.61	£510m
Number of choices	23,587	23,587

**Table 13: SME WTP for other Post Office attributes**

<b>Attribute</b>	<b>WTP per SME per month</b>	<b>Total WTP per year</b>
Extended weekday hours (7pm-11pm)	:	:
Open on Saturday (9am-1pm)	:	:
Open on Saturday and Sunday (9am-1pm)	£4.15	£272m
Distance from workplace	£0.80	£53m
Affordable parking nearby	:	:
Number of choices	3,218	3,218

- 4.4.6 All regression coefficients had the expected sign but for the SME analysis, not all regression coefficients are statistically significant, so WTP estimates are not reported for those attributes.
- 4.4.7 The results place a strong emphasis on Saturday and Sunday opening hours, even when restricted to the morning only (9am to 1pm). For households aspects such as parking, Saturday morning opening and extended weekday opening hours are rated similarly but the value placed on distance is expressed per additional mile so that a branch would have to be three miles closer to home to be the equivalent value to the popularity of morning opening hours on both Saturday and Sunday.

4.4.8 The willingness of urban households to pay for extended weekday opening hours is particularly notable. Households in rural areas place less emphasis on the distance but that might be because they are more likely to drive or it relates to expectations on the where they live. They do favour Saturday morning opening and combined Saturday and Sunday morning opening whilst placing the highest value of the three regional sub-groups on parking.

**Table 14: Willingness to pay for features of a Post Office by location (households only)**

<b>Attribute</b>	<b>Urban Per HH per month</b>	<b>Rural Per HH per month</b>	<b>Urban deprived Per HH per month</b>
Extended weekday hours (7am to 11pm)	£1.93	£0.67	£1.87
Open on Saturday (9am-1pm)	£1.15	£1.77	£1.11
Open on Saturday and Sunday (9am-1pm)	£3.21	£3.45	£3.39
Distance from home	£1.13 per mile	£0.81 per mile	£1.21 per mile
Affordable parking nearby	£1.67	£1.78	£0.89

4.4.9 Younger people aged 18-39 place a higher value on the Saturday and Sunday morning opening hours and extended weekday opening hours. For older people aged 65 and over the balance shifts from extended hours to affordable parking nearby, but the value of a mile distance is consistent across the age groups.

**Table 15: Willingness to pay for features of a Post Office by age (households only)**

<b>Attribute</b>	<b>18-39 Per HH per month</b>	<b>40-64 Per HH per month</b>	<b>65 and over Per HH per month</b>
Extended weekday hours	£3.09	£1.65	-
Open on Saturday	£1.85	£1.12	£0.77
Open on Saturday and Sunday	£4.33	£2.96	£2.46
Distance from home	£1.10 per mile	£1.07 per mile	£1.08 per mile
Affordable parking nearby	£1.49	£1.50	£1.92

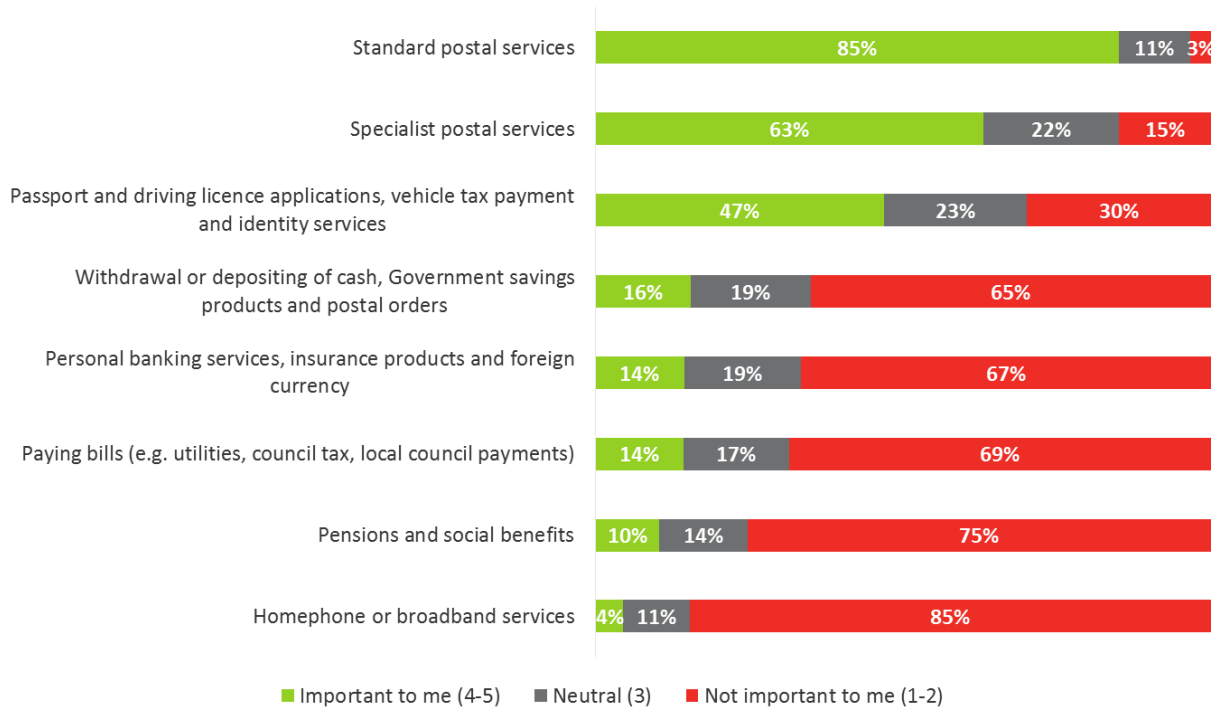
Note: in the case of extended weekday hours the regression coefficients for age 65 and over were not strong enough to be statistically significant.

## 4.5 Importance of Post Office products and services to themselves

### *Individuals*

- 4.5.1 The vast majority (85%) feel that 'standard postal services' available at the Post Office are important to them. One-in-ten (11%) have no opinion and just three percent feel they are not important. A majority (63%) also state that 'specialist postal services' are important to them. Otherwise, the public are broadly divided between having no opinion (22%) and feeling specialist postal services are not important to them (15%).
- 4.5.2 That 'licensing / identity services' are available in branches is important to nearly half (47%) of individuals. Meanwhile, one-in-four (23%) have no opinion about how important these services are to themselves, and a slightly larger proportion – 30% – feel they are not important to them.
- 4.5.3 Other services available at the Post Office, including those for 'pensions and benefits' (10%), are considered by fewer people to be important to themselves.

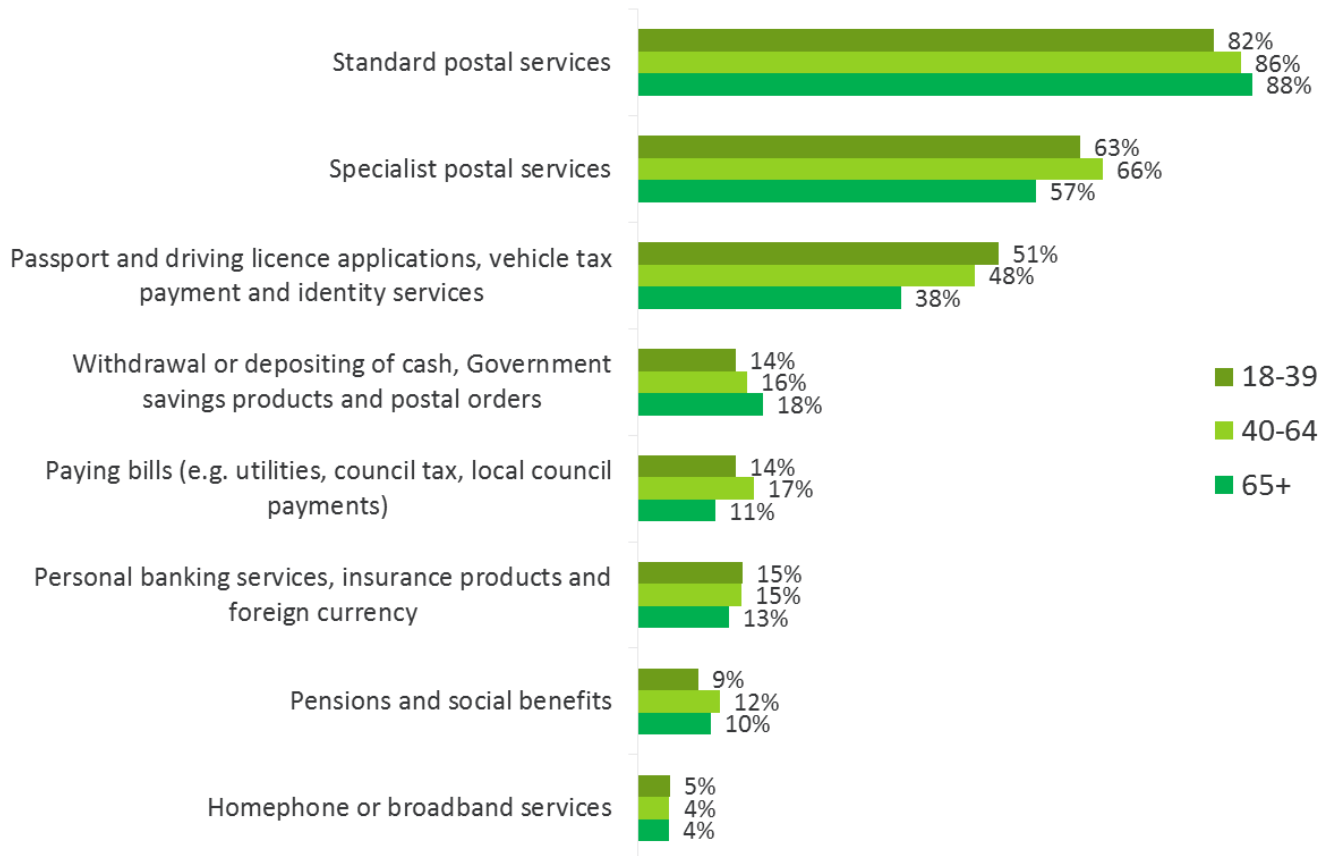
**Figure 13: Importance of Post Office services to themselves**



Base: All (n=5,041)

- 4.5.4 ‘Standard postal services’ are most important to those aged 65 and over, with 88% stating this compared with 86% of 40-64 year-olds and 82% of 18-39 year-olds. However, ‘specialist postal services’ are somewhat more important to younger people, 63% of 18-39 year-olds and 66% of 40-64 year-olds feel they are important to them, while this is the case for 57% of people aged 65 and over.
- 4.5.5 ‘Licensing / identity services’ are significantly more important to 18-39s (51%) and those aged 40-64 (48%) than to older adults aged 65 and over (38%).

**Figure 14: Overall importance of Post Office services to themselves – by age**

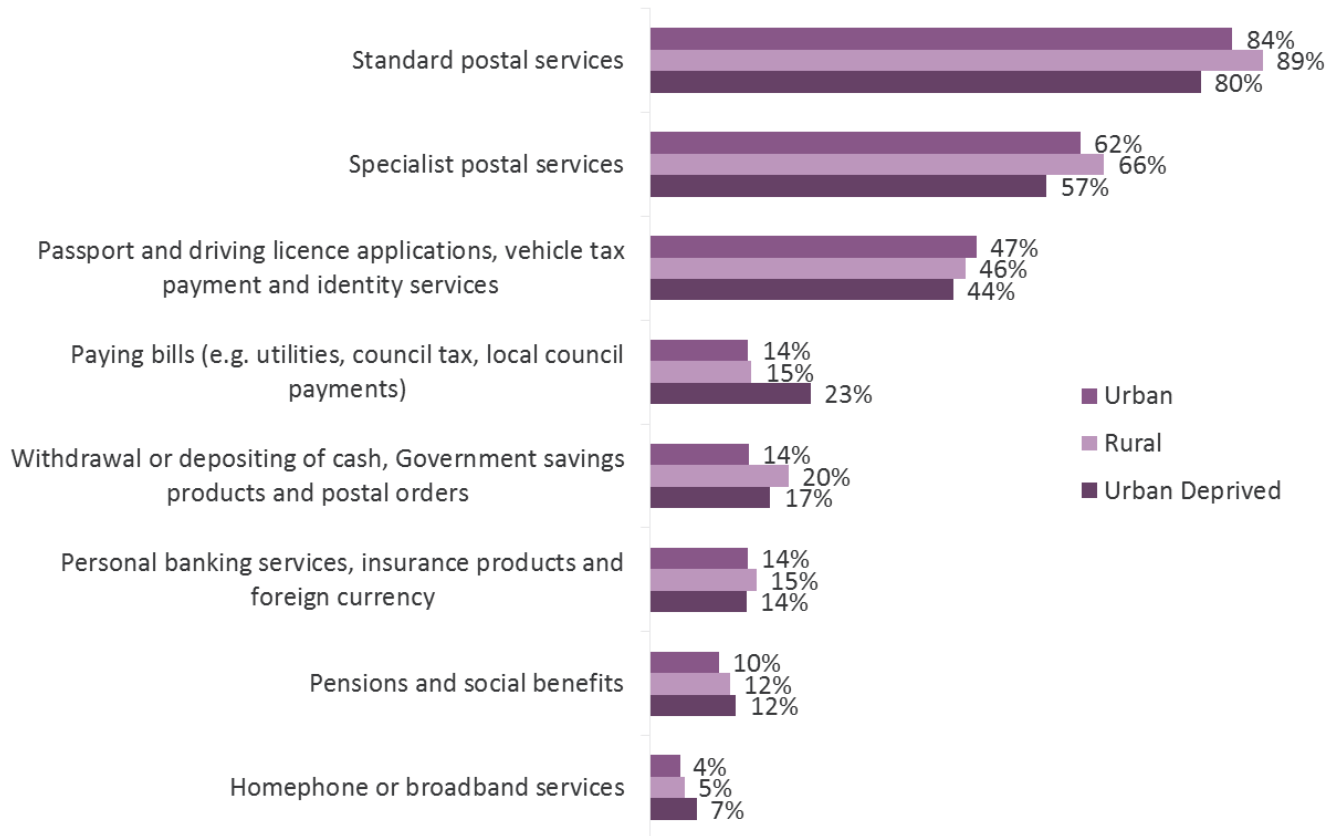


Base: All [18-39 (n=1,386); 40-64 (n=2,302); 65 and over (n=1,353)]

4.5.6 People who live in rural areas are more likely than those living in urban areas to value both ‘standard’ (89% compared with 84%) and ‘specialist’ (66% compared with 62%) postal services for themselves. They also place more value on ‘basic banking services’ (20% compared with 14%). People in all locations equally likely to value services for ‘pensions and benefits’, ‘personal banking’, and ‘licensing / identity services’.

4.5.7 Those living in urban deprived areas are particularly likely to value Post Office services for ‘paying bills’ (23%).

**Figure 15: Overall importance of Post Office services to themselves – by location**



Base: All [Urban (n=3,822); Rural (n=1,219); Urban deprived (n=540)]

4.5.8 ABC1s are more likely than C2DEs to place personal value on both ‘standard’ (87% compared with 83%) and ‘specialist’ (66% compared with 59%) postal services. However, C2DEs place higher value on many other Post Office services, including those for ‘pensions and benefits’ (13% compared to eight percent), ‘paying bills’ (18% to 11%) and ‘basic banking services’ (17% to 14%).

4.5.9 Heavy users differentiate themselves most when it comes to the services that are used less frequently and valued less overall. By a significant margin, they are most likely to personally value services for ‘pensions and benefits’ (21%), ‘paying bills’ (27%), ‘basic banking services’ (28%), ‘personal banking’ (22%) and ‘homephone or broadband services’ (eight percent). This is an indication that the most regular users of the Post Office feel that a wide variety of its services are important to them, while less frequent users tend to value its most popular services.

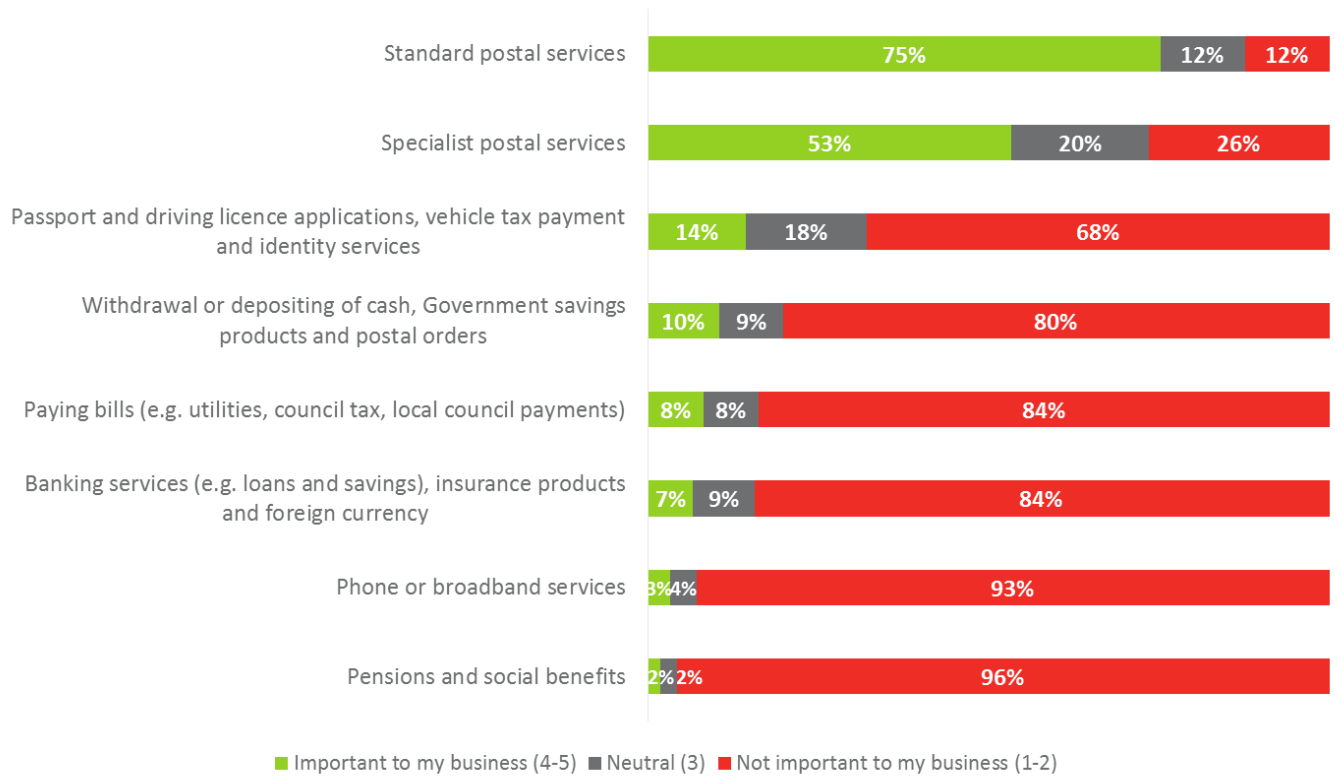
### *SMEs*

4.5.10 Three-in-four (75%) SMEs say that ‘standard postal services’ are important to their organisation. The remainder are split between having a neutral opinion (12%) and feeling they are not important (12%). Organisations of all sizes are equally likely to feel ‘standard postal services’ are important.

4.5.11 A slight majority (53%) report that ‘specialist postal services’ available at the Post Office are important, while a quarter (26%) say they are not. Otherwise, 20% of SMEs indicate that ‘specialist postal services’ are neither important nor unimportant to their organisation.

4.5.12 Only a relatively small minority of SMEs feel that any of the other Post Office services are important. The next most commonly recognised is ‘licensing / identity services’, with 14% saying they are important. Ten percent 10% or less state that any of the other Post Office services listed are important to their organisation.

**Figure 16: Overall importance of Post Office services to their business**

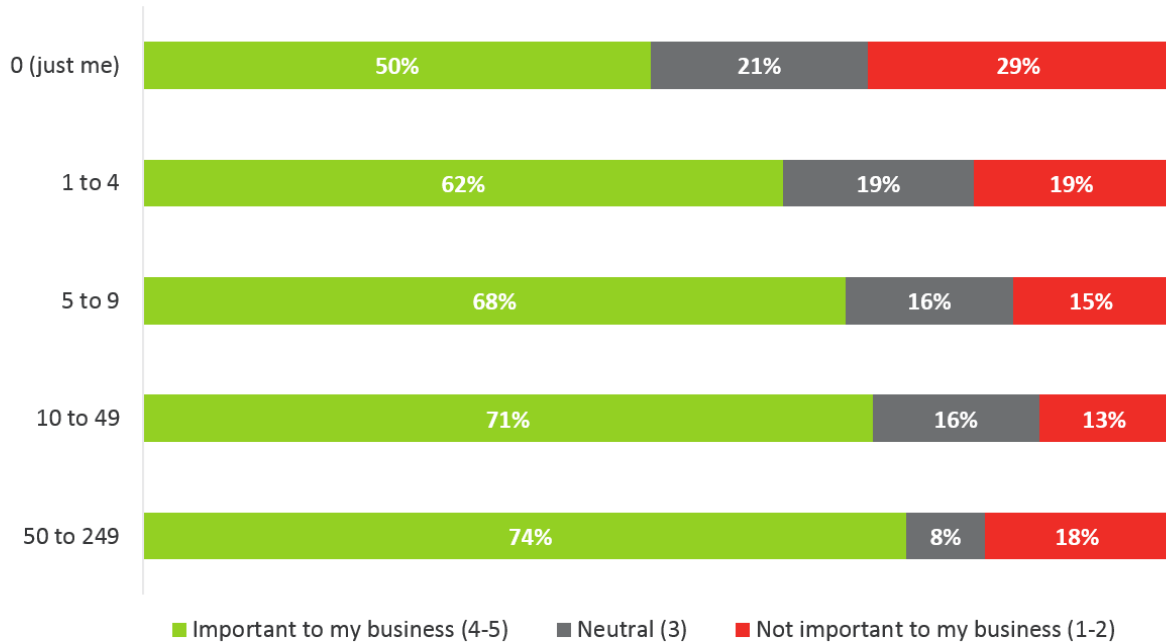


Base: All SMEs (n=750)

4.5.13 ‘Specialist postal services’ are more important to larger SMEs. While half (50%) of sole traders say these services are important, this is the case among three quarters (74%) of those with 50-249 employees. ‘Specialist postal services’ are also significantly more important to heavy / medium users than to light / non-users (68% / 68% compared with 45% / 7%).



**Figure 17: Overall importance of Post Office services to their business – by organisation size**



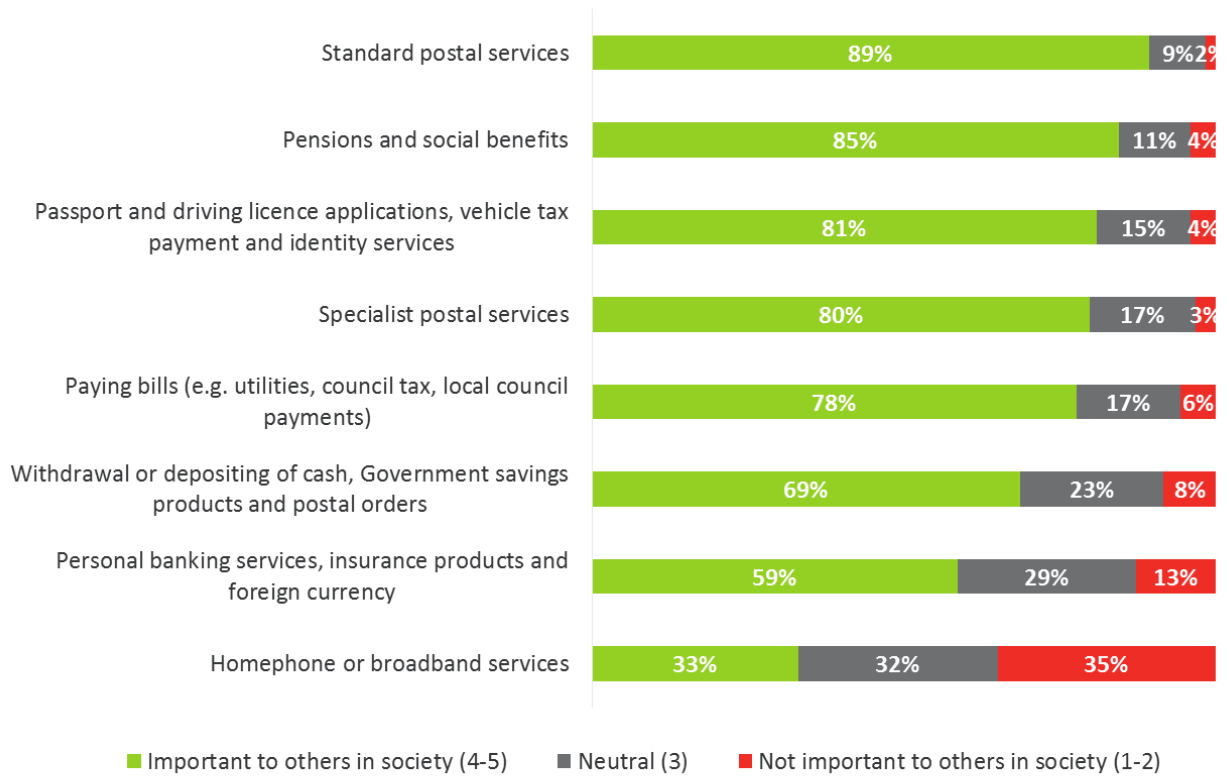
Base: All SMEs [SMEs by number of employees: Sole traders (n=204); 1-4 (n=210); 5-9 (n=92); 10-49 (n=166); 50-249 (n=78)]

## 4.6 Perceived importance of Post Office products and services to others in society

### *Individuals*

4.6.1 When asked to think in the context of the value or benefits of Post Office services to *others in society*, people place considerably more importance on them than they do when thinking only of themselves. The only exception is 'standard postal services', which are nearly as valuable to themselves as to others in society - 89% feel these are important to others in society and 85% important to themselves.

**Figure 18: Importance of Post Office services to others in society**

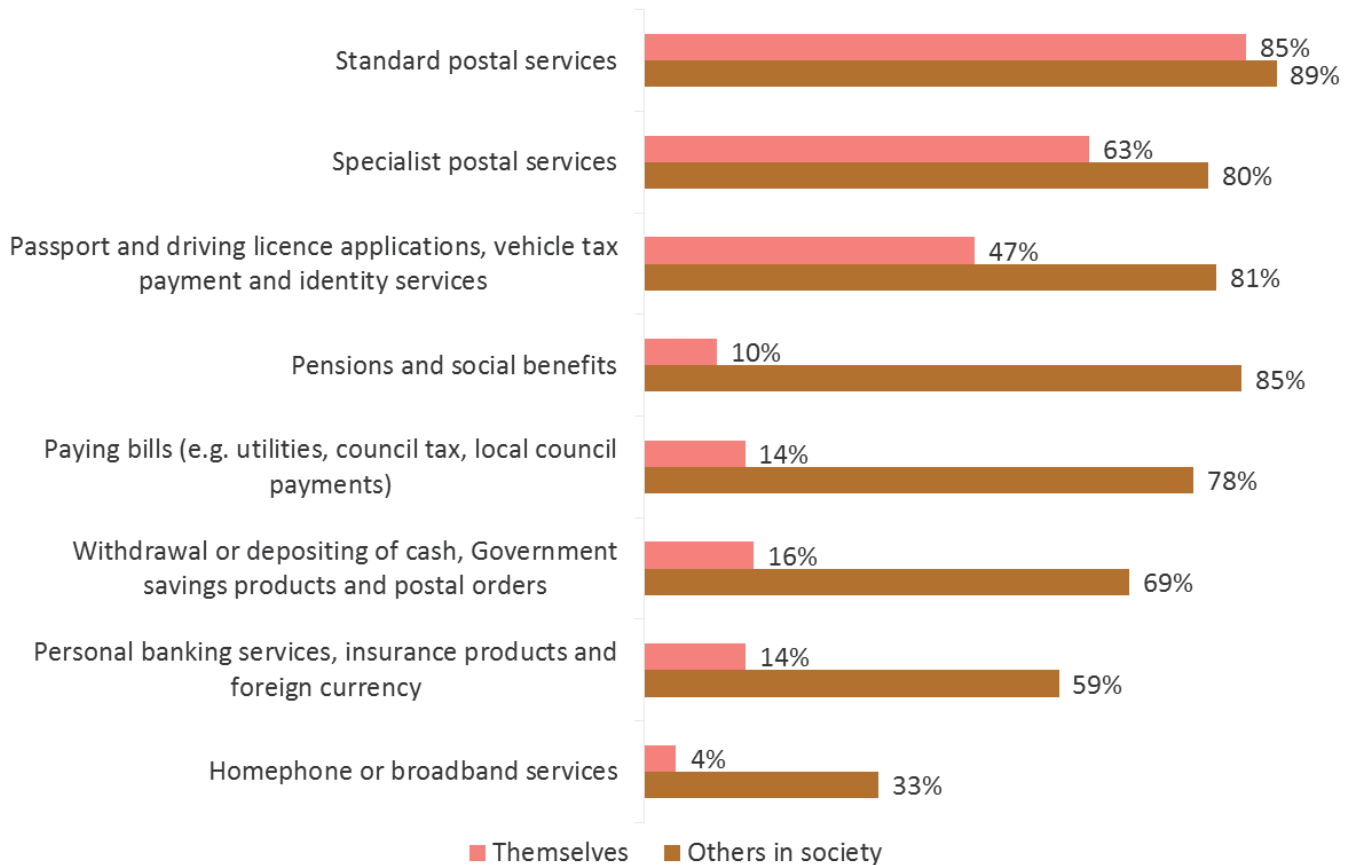


Base: All (n=5,041)

4.6.2 The starkest contrast is for ‘pensions and benefits’. While 10% say this service is important to them, 85% believe it is important to others in society. Perceptions of the importance of ‘paying bills’ at the Post Office are also significantly different. Although 78% view it as important service for others in society, only 14% say it is important to them.

4.6.3 There are other notable differences between what they feel is important to themselves and to others in society: this is apparent for ‘specialist postal services’ (63% / 80% important to themselves / others in society), ‘basic banking services’ (16% / 69% important to themselves / others in society), ‘personal banking’ (14% / 59% important to themselves / others in society), ‘licensing/identity services’ (47% / 81% important to themselves / others in society), and ‘homephone or broadband services’ (4% / 33% important to themselves / others in society).

**Figure 19: Overall importance of Post Office services – to themselves versus others in society**



Base: All (n=5,041)

- 4.6.4 Those aged 65 and over are the most likely to feel that several Post Office services are important to others in society, including 'standard postal services'. They place particularly high levels of importance on some of the less commonly used services, including those for 'paying bills' (83% compared with 80% of 40-64 year-olds and 71% of 18-39 year-olds) and 'personal banking' (66% compared with 60% of 40-64 year-olds and 53% of 18-39 year-olds).
- 4.6.5 People who live in rural areas are significantly more likely than those living in urban areas to feel that nearly all Post Office services are important to others in society. For example, 65% of people in rural locations rate the importance of 'personal banking' compared to 57% of urban dwellers. These findings align with rural residents' increased likelihood to feel that various services are important to themselves.
- 4.6.6 ABC1s are more likely than C2DEs to believe that 'standard' (91% compared with 88%) and 'specialist' (82% compared with 78%) postal services are important to others in society. Consistently, they are also more likely to value these services personally. However, C2DEs more commonly believe that 'personal banking' (61% compared with 57% among ABC1) and 'homephone or broadband services' (36% compared with 30% among ABC1) are important services to others in society. Figures by each demographic sub-group are shown in the table below.

**Figure 20: Importance of Post Office services to others in society – by age, social grade and location**

	Total	Age			Social grade		Location		
		18-39	40-64	65+	ABC1	C2DE	Urban	Rural	Urban deprived
Standard postal services	89%	86%	91%	93%	91%	88%	89%	92%	82%
Pensions and social benefits	85%	81%	86%	87%	86%	83%	84%	87%	78%
Passport and driving licence applications, road tax payment and identity services	81%	78%	82%	83%	82%	80%	80%	83%	76%
Specialist postal services	80%	78%	81%	80%	82%	78%	79%	83%	73%
Paying bills (e.g. utilities, council tax, local council payments)	78%	71%	80%	83%	77%	78%	77%	82%	73%
Withdrawal or depositing of cash, Government savings products and postal orders	69%	62%	71%	75%	69%	68%	67%	73%	62%
Personal banking services, insurance products and foreign currency	59%	53%	60%	66%	57%	61%	57%	65%	54%
Homephone or broadband services	33%	28%	33%	42%	30%	36%	32%	37%	32%

Base: All [18-39 (n=1,386); 40-64 (n=2,302); 65 and over (n=1,353); ABC1 (n=2,778); C2DE (n=2,263); Urban (n=3,822); Rural (n=1,219); Urban deprived (n=540)]

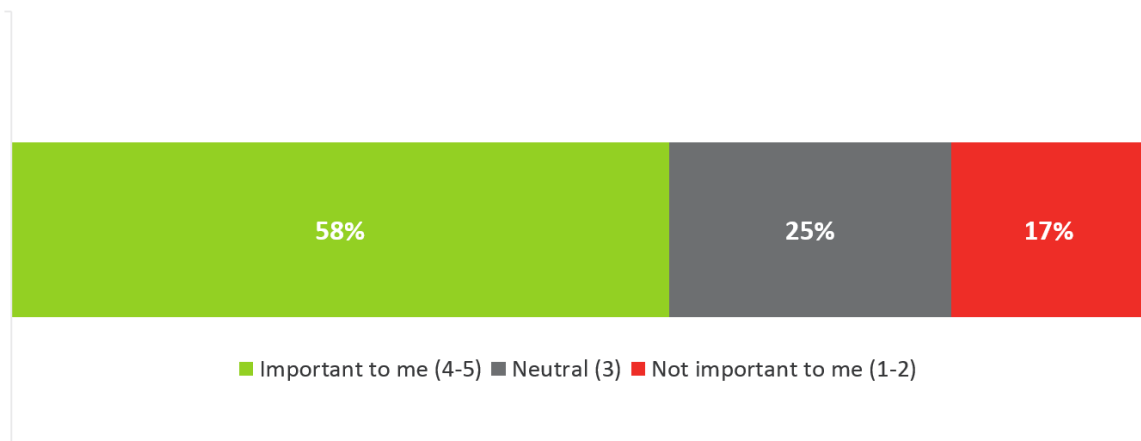
4.6.7 Heavy and medium users of the Post Office are somewhat more likely than light or non-users to believe that various services are important to others in society, including paying bills (83% / 82% respectively compared with 75% / 54% among light/non-users) and personal banking (67% / 63% respectively compared with 55% / 37% among light/non-users).

## 4.7 The importance of providing SGEIs in one location

### *Individuals*

4.7.1 A majority (58%) of UK adults indicate it is important to them that all five SGEIs<sup>25</sup> are provided together in one place. A quarter (25%) are neutral on whether or not it is important to them that SGEIs are provided together in one location, and a somewhat smaller proportion - 17% - say it is not important to them.

**Figure 21: Importance of SGEIs being provided together in one place**



Base: All (n=5,041)

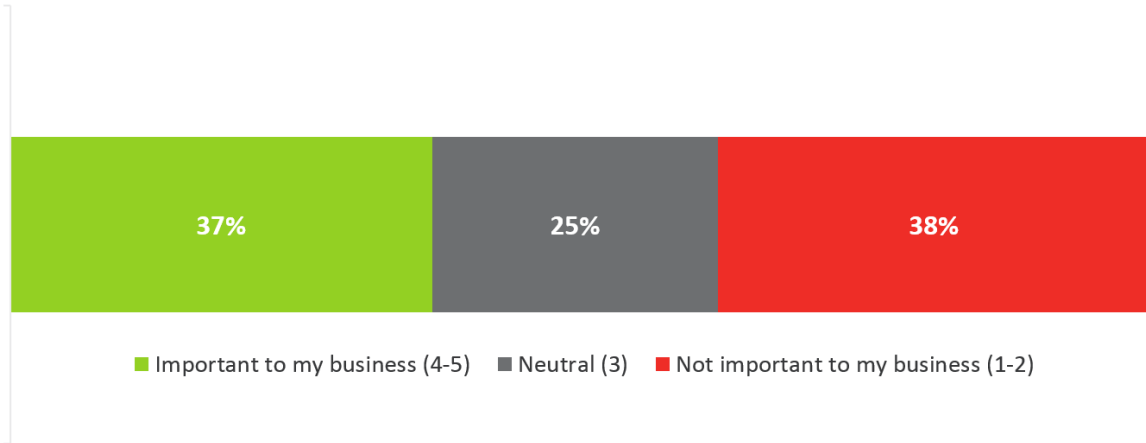
<sup>25</sup> The Services of General Economic Interest are: standard postal services; pensions and social benefits; paying bills (e.g. utilities, council tax, local council payments); withdrawal or depositing of cash, Government savings products and postal orders; passport and driving licence applications, vehicle tax payment and identity services.

- 4.7.2 Having SGEIs available together in one place is most important to adults aged 40-64, with 61% compared with 58% of people aged 65 and over and 54% of 18-39 year-olds. People living in rural areas are particularly likely to feel it is important to them that all of these services are provided together in one place. Sixty-two percent state this, compared with 57% of urban residents.
- 4.7.3 C2DEs are more likely than ABC1s to say that these services being provided together in one place is important to them (61% compared with 55%). Heavy and medium users of the Post Office are much more likely than light and non-users to feel it is important to them to have SGEIs available in one place (75% / 64% respectively compared with 49% / 33% respectively).

#### *SMEs*

- 4.7.4 SMEs are evenly divided between whether or not they feel SGEIs being available in one place is important to their organisation. Thirty-seven percent say that having them available in one place is important, while 38% say it is not. A quarter (25%) have a neutral opinion.
- 4.7.5 SMEs of all sizes are broadly consistent in their views about the SGEIs being available together in one place. However, heavy and medium SME users are more likely than light or non-users to state that this is important to their business (52% / 51% respectively compared with 24% / 5% respectively).

**Figure 22: Usage frequency of Post Office services**



Base: All (n=750)

## 4.8 Alternatives

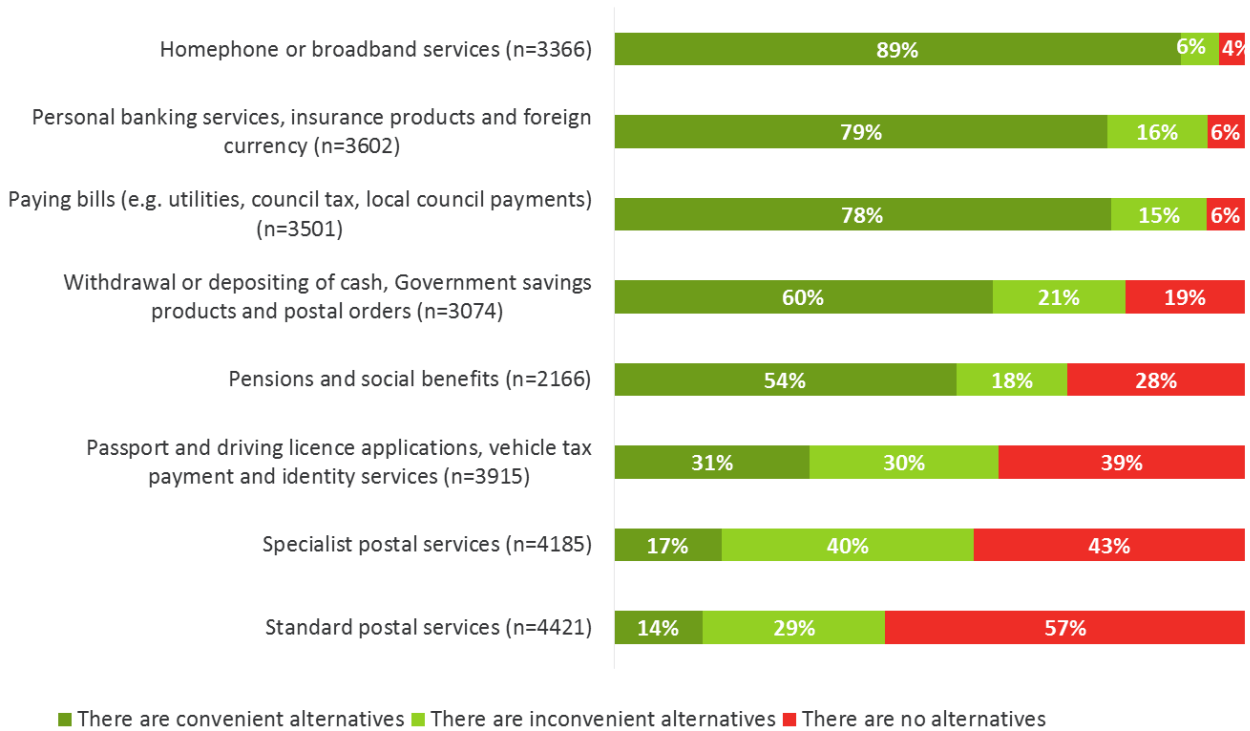
4.8.1 In this section of the survey people were asked to think whether alternatives to Post Office services were available to themselves rather than in general. In the analysis those who felt the categories were not applicable or were unsure have been excluded and the base size is shown for each service separately.

### *Individuals*

4.8.2 Few people can think of convenient alternatives to the Post Office for 'standard' and 'specialist' postal services. 'Licensing / identity services' is another category where alternatives are considered either 'inconvenient' (30%) or non-existent (39%). Over half (54%) can see that there are convenient alternatives for the paying of 'pensions and benefits', an opinion that rises to four-fifths for the general 'paying bills' (78%) and 'personal banking' services (79%). It is interesting to note how many (40%) see the 'specialist postal services' alternatives as 'inconvenient.'



**Figure 23: Perception of alternatives being available for Post Office services**

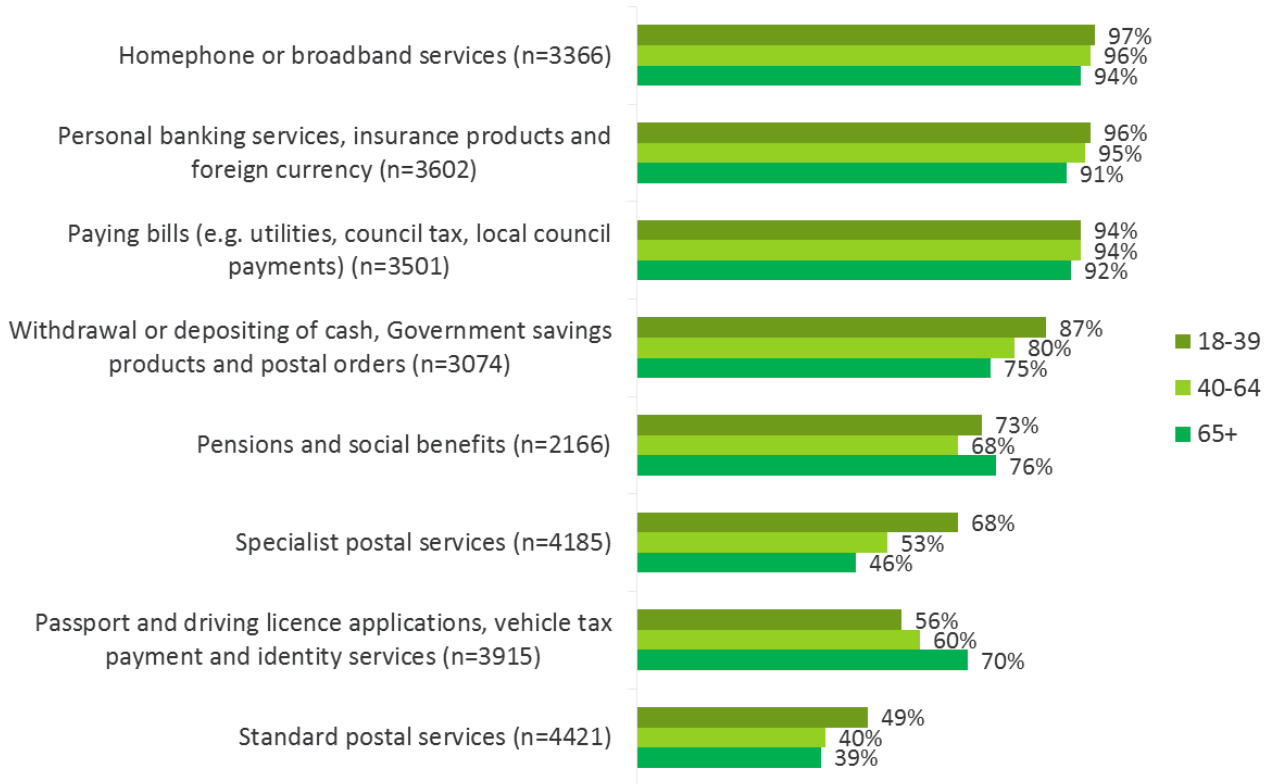


Base: All excluding those answering 'not applicable' and 'unsure'

4.8.3 Younger adults aged 18-39 are most likely to believe there are alternatives available to them for both 'standard' (49%) and 'specialist' (68%) postal services. They also most commonly feel there are alternatives for 'basic banking services' (87%) compared to 75% of those aged 65 and over.

4.8.4 Older adults aged over 65 are generally less likely to feel that there are alternatives available to them for most services. This could indicate a higher dependence on Post Office services than among younger adults. However, there are two exceptions – adults aged 65 and over are *most* likely to believe there are alternative mechanisms for 'pensions and benefits' (76%) and 'licensing / identity services' (70%).

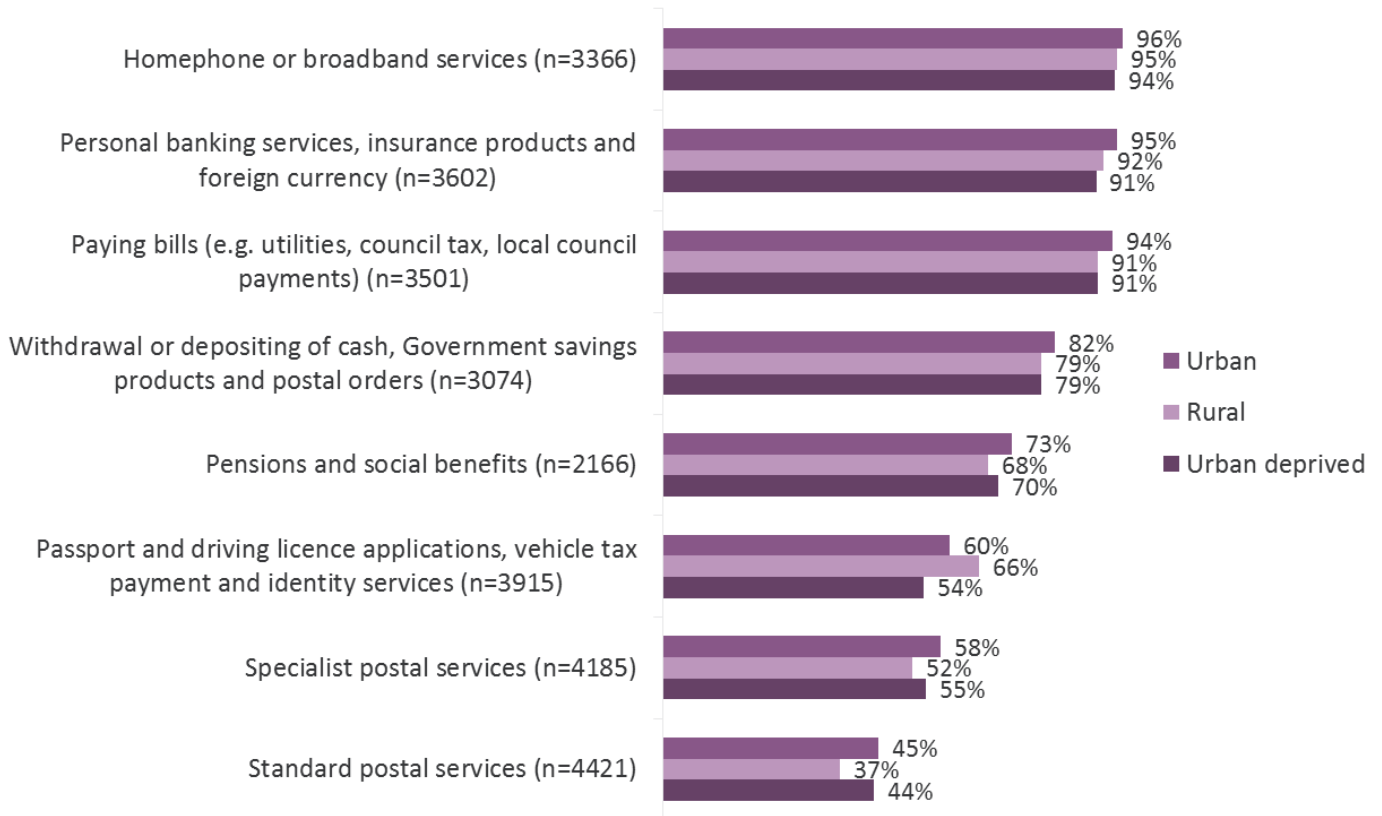
**Figure 24: Overall perception of alternatives ('convenient' or 'inconvenient') being available for Post Office services – by age**



Base: All excluding those answering 'not applicable' and 'unsure'

4.8.5 Most of the differences between those in urban and rural areas relate to 'standard' and 'specialist' postal services, with those living in urban areas more likely to identify alternatives. For example, 63% of people in rural areas feel there are no alternatives for 'standard postal services', compared with 55% of urban dwellers. The same is true for 'specialist postal services' – 48% rural and 42% urban respectively.

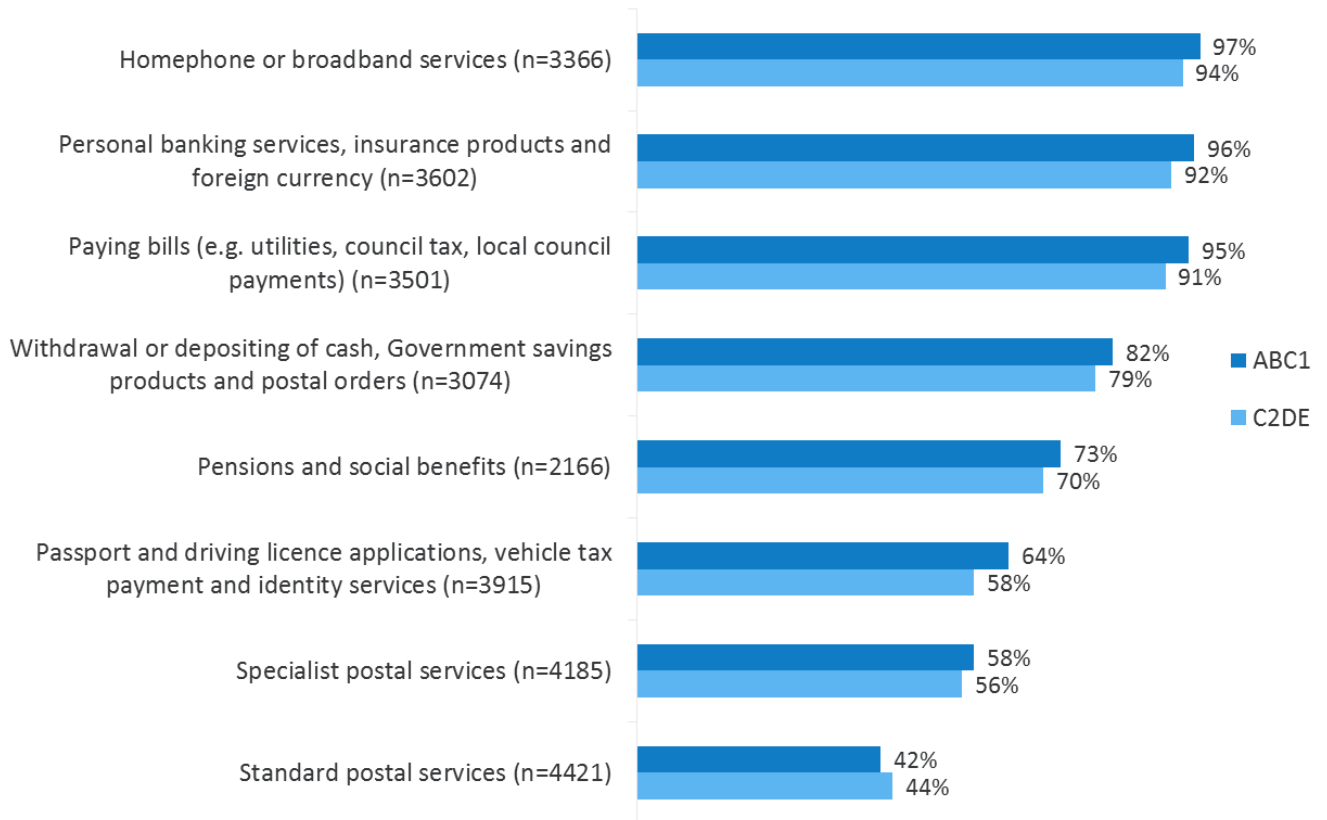
**Figure 25: Overall perception of alternatives ('convenient' or 'inconvenient') being available for Post Office services – by location**



Base: All excluding those answering 'not applicable' and 'unsure'

4.8.6 There are few differences between people on the basis of social grade with the exception of 'licensing / identity services' with 64% of ABC1s recognising alternatives compared to 58% of C2DEs.

**Figure 26: Overall perception of alternatives being available for Post Office services – by social grade**



Base: All excluding those answering 'not applicable' and 'unsure'

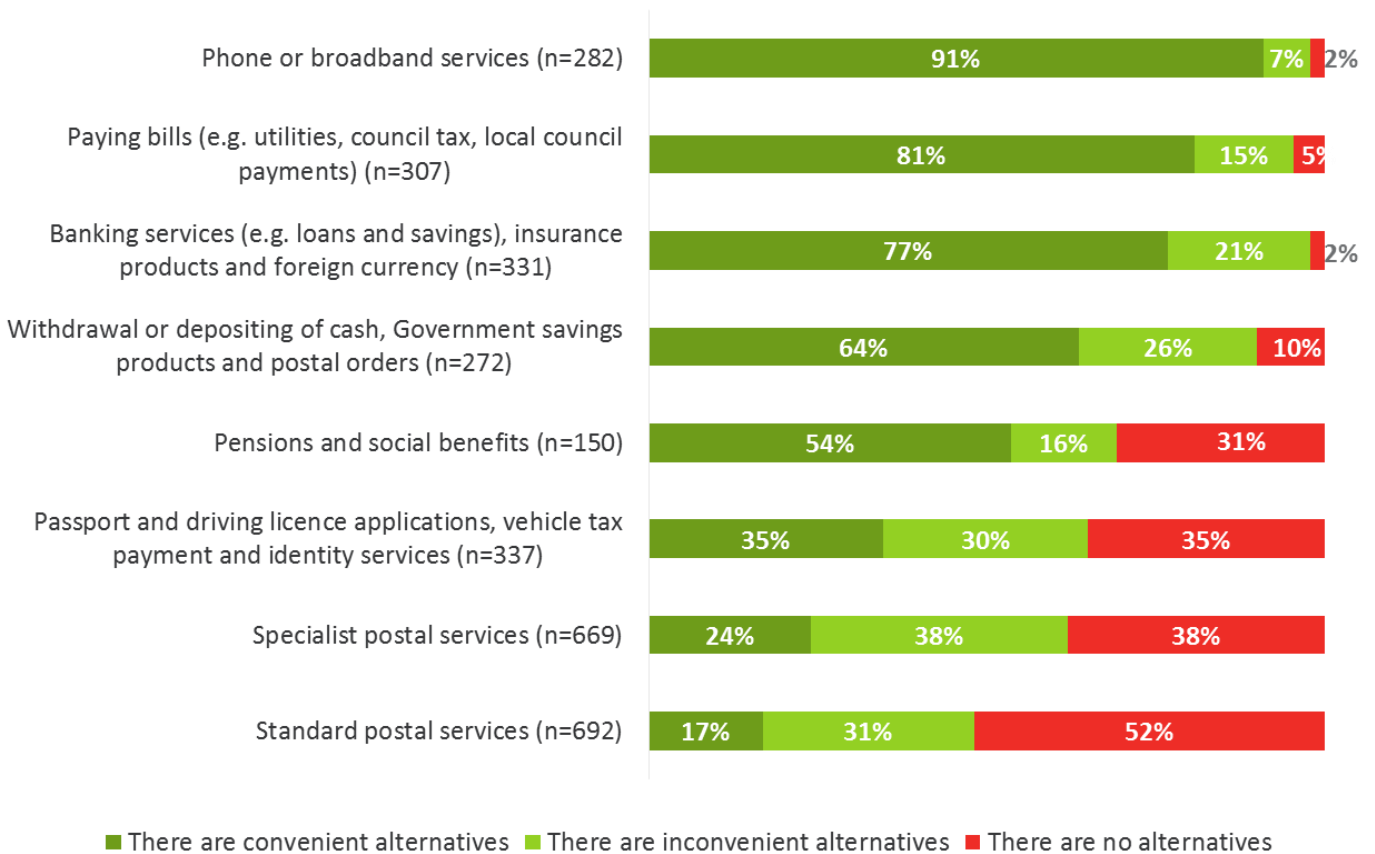
### SMEs

4.8.7 Among the various Post Office services, SMEs believe there are alternatives available to them for 'personal banking services' and 'homephone or broadband services' (both 98%) and 'paying bills' (96%). The vast majority of SMEs believe these are *convenient* alternatives.

4.8.8 More than half believe there are alternatives available to them for all Post Office services, with the exception of ‘standard postal services’. For some services, however, sizeable proportions feel that there are *no* alternatives available to them, including services for ‘pensions and benefits’ (31%), ‘licencing / identity services’ (35%) and ‘specialist postal services’ (38%).

4.8.9 When considering standard postal services, SMEs are slightly more likely than not to state that there are *no* alternatives available to them (52% compared with 48%).

**Figure 27: Perception of alternatives being available for Post Office services**



Base: All SMEs excluding those answering ‘not applicable’ and ‘unsure’

## 5 Other contextual findings

5.1.1 In this section we present a summary from the survey about how individuals and SMEs use the Post Office network. It mainly covers the behaviour of users rather than non-users and examines where they travel from, how they get to a Post Office, how long it takes, how far away they are, and how many and what types of branch they use.

### *From where do people set off when they travel to the Post Office?*

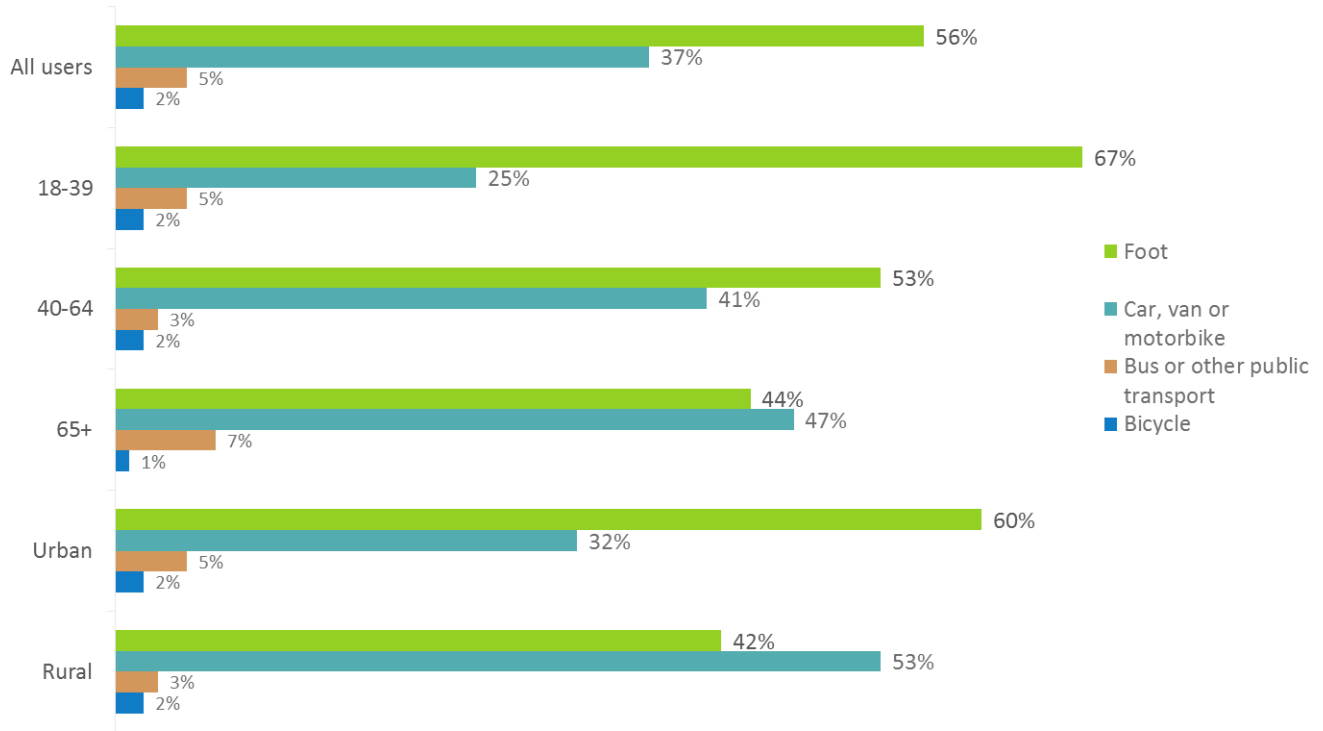
5.1.2 The survey found that 86% of individuals travel from their home when they use the Post Office and 12% from their workplace. Getting to a Post Office from work is significantly more common among the younger age group – 21% of 18-39s go there from work, compared to 12% of 40-64s and only one percent of 65 and over.

5.1.3 A substantial 21% of users in London get there from work, which compares sharply with a low of eight percent in the East Midlands and North East. In total 13% of users in urban areas go from work, compared to nine percent of their rural counterparts.

### *How do people travel to a Post Office?*

5.1.4 The majority of individuals will most often journey on foot (56%), with 37% using a car, van or motorbike either as the driver or a passenger. Just five percent use public transport although this rises to seven percent of those aged 65 and over and is at 13% of those without household access to a car. Using a car to get to a Post Office is significantly higher among those living in rural locations (53%).

**Figure 28: The way that users travel to a Post Office most often**



Base: All individuals who use a Post Office at least once a year (n=4,816); 18-39 (n=1,289); 40-64 (n=2,203); 65 and over (n=1,324); Urban (n=3,639); Rural (n=1,177)

5.1.5 In contrast, more SME users travel to the Post Office by car (50%) than by foot (46%). Those from larger SMEs are more likely to walk perhaps because they are travelling from offices rather than being mobile already – 57% of small organisations (10-49 employees) go by foot compared to 44% of sole traders.

*How long does it take to travel to a Post Office?*

5.1.6 Around a third of individuals (32%) estimate that it takes them less than five minutes to travel to the Post Office they use most often. Others (39%) think that it is between five and 10 minutes and, as a whole, 87% think that they are less than 15 minutes away. This varies by age with people aged 65 and over estimating a longer travel time, for example, 41% thinking it is between 5 and 10 minutes compared to 35% of 18 to 39s.

- 5.1.7 For those with access to a car the journey times are significantly lower – the average time being 8.07 minutes, compared with 9.72 for those without a car. This translates to 34% of those with a car being able to travel to a Post Office in less than five minutes, as opposed to 27% without a car.
- 5.1.8 The average journey time for SMEs is shorter, perhaps reflecting their typical locations in town centres. Forty percent of SME users believe that they are five minutes or less away and in total 94% place themselves within 15 minutes of a Post Office.

*How far away is a Post Office?*

- 5.1.9 The vast majority of people (79%) believe themselves to be a mile or less from a Post Office – 35% feel they are less than half a mile and another 21% are half a mile. Just five percent believe they are four miles or more away from a Post Office. There are no significant differences between users and non-users but nine percent of the latter are so uncertain that they could not estimate the distance, something that only one percent of users did.
- 5.1.10 Perceptions are substantially different between people in urban and rural locations – 83% of urban individuals put themselves a mile or less, compared to 64% of those living in a rural location. Whilst just two percent of urban dwellers think they are four or more miles away, 16% of rural people share the same perception.
- 5.1.11 SMEs have very similar estimates, with 78% saying a mile or less and five percent four or more miles.



*How many different branches do people use?*

5.1.12 Thirty percent of individual users have been to three or more branches in the last year. An identical proportion have used just one and 38% of people two branches. Older people aged 65 and over are less likely to use multiple Post Offices. Whilst 32% of those aged 40-64 have used three or more branches, which was the case for a lower 26% of people 65 and over. There is also evidence that people in social grades ABC1 are more likely to use more branches (33% - three or more) compared to 27% of C2DEs, but no difference between people living in urban and rural locations.

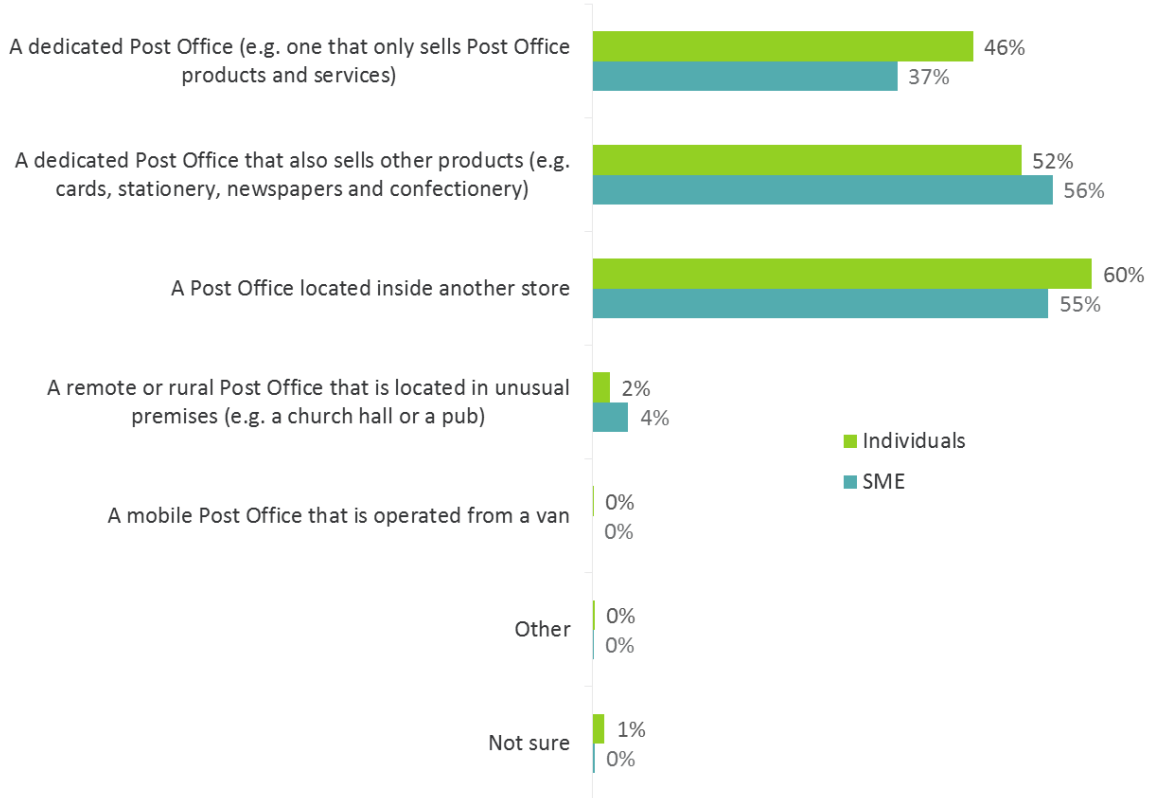
5.1.13 A lower proportion of SMEs report using multiple branches – 23% of users have accessed three or more branches in the last year and 35% just one. Among small businesses as opposed to micros the number of branches used tends to be fewer, perhaps as their needs become formalised – 49% of small organisations with 10-49 employees report using just one branch compared to 31% of those with 1 to 4 employees.

*What types of branch are used?*

5.1.14 Just under half of individual users (46%) report having visited a dedicated Post Office products and services only branch at least once in the last 12 months. Sixty percent have used a Post Office facility inside another store and 52% have used a dedicated Post Office that sells other items.

5.1.15 People living in urban locations are more likely to have used dedicated Post Office only branches (48%) than those living rurally (40%), with the latter group being more likely to have used a Post Office inside a store (65% compared with 59%). Six percent of users in a rural area have been to a Post Office inside premises such as a pub or church hall and one percent a mobile branch.

**Figure 29: Types of Post Office used in the last 12 months**



Base: All who use a Post Office at least once a year [Individuals (n=4,817); SMEs (n=675)]

5.1.16 Those at the larger end of the SME category with 50-249 employees are far more likely to be using a dedicated Post Office that only sells Post Office products and services (63%) than sole traders for example (35%). In return sole traders are more likely than others to use Post Offices that sell other products (57%), compared to 35% of those with 50-249 employees.

### *Modernisation*

- 5.1.17 Thirty-five percent of individual users and 38% of SME users believe their Post Office has been through the modernisation programme as of August 2015. Older users are most likely to believe their branch had been modernised – 39% of 65 and over compared to 32% of 18-39s. Those living in an urban location (36%) were also more likely to believe the modernisation programme had reached their Post Office, compared to 32% of people based in a rural location.
- 5.1.18 The more frequent their usage the more likely they are to know or believe that their Post Office has been modernised. Over a fifth of light users (21%) are unsure and whilst 32% think their branch has been modernised, that compares with 42% of heavy users.

## Annex A: Sample breakdown

### *Household consumer survey*

The online survey of household consumers was weighted on the basis of households for valuation experiments and to individuals for the non-valuation questions. This reflects the ways that respondents were asked to answer those respective sections of the questionnaire.

The weighting scheme for individuals was: age (6 bands) interlocked with gender; social grade (4 bands) and UK region. For households it was: urban / rural / urban deprived; household size and UK region.

The sample breakdown shown below details first the individual then the household.

**Table 16: Consumer survey responses at the individual level**

		Unweighted		Weighted	
		N	%	N	%
Gender	Male	2405	48%	2470	49%
	Female	2636	52%	2571	51%
Age	18-39	1386	27%	1815	36%
	40-64	2302	46%	2038	40%
	65 and over	1353	27%	1188	24%
Social grade	ABC1	2778	55%	2621	52%
	C2DE	2263	45%	2420	48%
Location	Urban	3822	76%	3944	78%
	Rural	1219	24%	1097	22%
	Urban Deprived	540	11%	594	12%
Region	North East	202	4%	202	4%
	North West	534	11%	555	11%
	Yorkshire and the Humber	449	9%	403	8%
	East Midlands	372	7%	353	7%

		Unweighted		Weighted	
		N	%	N	%
	West Midlands	440	9%	454	9%
	East of England	475	9%	454	9%
	London	442	9%	655	13%
	South East	731	15%	706	14%
	South West	473	9%	454	9%
	Wales	267	5%	252	5%
	Scotland	438	9%	403	8%
	Northern Ireland	218	4%	151	3%

**Table 17: Consumer survey responses at the household level**

		Unweighted		Weighted	
		N	%	N	%
Gender	Male	2405	48%	2377	47%
	Female	2636	52%	2664	53%
Age	18-39	1386	27%	1451	29%
	40-64	2302	46%	2366	47%
	65 and over	1353	27%	1223	24%
Social grade	ABC1	2778	55%	2693	53%
	C2DE	2263	45%	2347	47%
Location	Urban	3822	76%	4088	81%
	Rural	1219	24%	953	19%
	Urban Deprived	540	11%	760	15%
Household size	1 person	1096	22%	1414	28%
	2 people	2318	46%	1742	35%
	3 people	794	16%	801	16%
	4 people	540	11%	692	14%

		Unweighted		Weighted	
		N	%	N	%
	5 people	180	4%	224	4%
	6+ people	50	1%	105	2%
	Unknown	63	1%	63	1%
Region	North East	202	4%	201	4%
	North West	534	11%	557	11%
	Yorkshire and the Humber	449	9%	339	8%
	East Midlands	372	7%	354	7%
	West Midlands	440	9%	452	9%
	East of England	475	9%	452	9%
	London	442	9%	662	13%
	South East	731	15%	704	14%
	South West	473	9%	453	9%
	Wales	267	5%	252	5%
	Scotland	438	9%	403	8%
	Northern Ireland	218	4%	151	3%

### *SME survey*

The survey of 750 was sampled to produce a balance between sole traders, micros, small and medium sized organisations. This approach provides more responses per sub-group to allow for comparisons to be made but for the overall findings we then weighted the sample to be representative by size.

**Table 18: SME survey respondents**

		Unweighted		Weighted	
		N	%	N	%
Size (number of employees)	0 (just me)	204	27%	568	76%
	1 to 4	210	28%	114	15%
	5 to 9	92	12%	35	5%
	10 to 49	166	22%	29	4%
	50 to 249	78	10%	5	1%
Region	North East	22	3%	25	3%
	North West	64	9%	74	10%
	Yorkshire and the Humber	54	7%	43	6%
	East Midlands	47	6%	51	7%
	West Midlands	61	8%	65	9%
	East of England	76	10%	75	10%
	London	110	15%	83	11%
	South East	123	16%	122	16%
	South West	73	10%	80	11%
	Wales	41	5%	54	7%
	Scotland	75	10%	77	10%
	Northern Ireland	4	1%	1	0%

### *Face to face survey*

The face to face sample of 250 responses was weighted to be representative of the offline population as defined by those who have not accessed the internet in the last three months. The weighting scheme used age and gender.

**Table 19: Face to face survey respondents**

		Unweighted		Weighted	
		N	%	N	%
Gender	Male	90	36%	107	43%
	Female	160	64%	143	57%
Age	18-39	41	16%	9	4%
	40-64	102	41%	60	24%
	65 and over	107	43%	181	72%
Social grade	ABC1	61	24%	59	24%
	C2DE	189	76%	191	76%



## **Annex B: Validity assessment**

### *Summary*

Overall the results exhibit a reasonable level of validity. Protest responses are relatively low and the results are generally consistent with expectations. It should be noted however that our estimated values for individual Post Office services are considerably higher than the values estimated in NERA (2009); and the valuation method used does heavily influence estimated values though these differences are lower than they were for NERA (2009) and are common in WTP research.

### *Protest responses*

In a WTP survey, a protest response is when a respondent states a zero WTP or rejects any payment amount offered, when this is not indicative of their 'true' valuation. Protest responses may be given, for example, for reasons associated with the valuation process, or as a matter of principle due to an objection to paying for the good.

There is no clear consensus amongst experts about the best way of identifying or addressing protest responses. However, one approach is to identify protest responses by asking follow-up questions after the WTP questions. For the contingent valuation results presented in this report we excluded data from responses that we considered to be 'protest responses'. NERA (2009) also excluded protest responses from their analysis.

After the open-ended CV question, all respondents were asked the following question:

*How did you decide the amount that you stated as the maximum tax your household would be willing to pay in order to maintain the Post Office network as it currently is? Please tick the one that applies most.*

- <1> This is the value of the Post Offices to me*
- <2> Post Offices are not valuable to me*
- <3> This is the tax I can afford*
- <4> I shouldn't pay tax to support the Post Offices*
- <5> I could not decide/did not understand the questions*
- <6> Other*

<7> Don't know/ Prefer not to say

After the double bounded dichotomous choice CV question, all respondents who said that they would not pay any level of tax that they were offered in order to maintain the Post Office were asked the following question:

*You said you would not pay a tax in order to maintain the Post Office network. Why are you not willing to accept a tax? Please tick the one that applies most.*

<1> *The tax was too high*

<2> *The Post Offices are not valuable to me*

<3> *I cannot afford the tax*

<4> *I shouldn't pay tax to support the Post Offices*

<5> *I could not decide/did not understand the question*

<6 > *Other*

<7> *Don't know/ Prefer not to say*

For this research, we have identified protest responses as being responses where the respondent indicated that they would not pay any level of tax (that they were offered) in order to maintain the Post Office and, in response to the question above, chose the option “<4> I shouldn't pay taxes in order to support the Post Offices”.

The table below shows a comparison of mean WTP estimates of the value of the Post Office network for each of the three contingent valuation techniques. It shows how much lower the WTP estimates would be if we did include the protest responses.

**Table 20: WTP comparison all responses and non-protest responses: contingent valuation**

<b>£/household/month</b>	<b>Open CV</b>	<b>Double-bounded DC</b>	<b>Single-bounded DC</b>
Non-protest responses only	11.72	20.41	27.03
All responses	11.26	15.96	22.31

For the open-ended contingent valuation, 148 respondents registered a protest response - just under 4% of all respondents. For the dichotomous choice question, 484 respondents registered a protest response - just under 10% of respondents. These levels of protest seem relatively low. For example, in a meta-analysis of environmental valuation studies Meyerhoff et al (2013)<sup>26</sup> found that across 40 studies the protest response rate ranged from under 1% to just over 55%, with 25 of the 40 studies having a protest response rate greater than 10%.

### *Consistency of the results with expectations*

We would expect WTP to increase with household income and also to increase with the level of household usage of Post Office services. The table below uses estimates of the value of the Post Office network (using our three contingent valuation methods) to show that this is the case.

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<sup>26</sup> [http://forskning.ku.dk/find-en-forsker/?pure=files%2F40387877%2FA\\_meta\\_study\\_investigating\\_the\\_sources\\_of\\_protest\\_behaviour\\_in\\_stated\\_preference\\_surveys.docx](http://forskning.ku.dk/find-en-forsker/?pure=files%2F40387877%2FA_meta_study_investigating_the_sources_of_protest_behaviour_in_stated_preference_surveys.docx)

**Table 21: Variation in household WTP estimates by demographics and usage measures**

<b>WTP £/household/month</b>	<b>Open-ended CV</b>	<b>Double-bounded DC</b>	<b>Single-bounded DC</b>
All	11.72	20.41	27.03
Rural	11.90	20.77	27.25
Urban	11.26	20.73	27.77
Urban Deprived	13.81	18.77	23.74
ABC1	12.48	23.41	30.26
C2DE	10.73	16.70	22.89
Heavy user	13.91	25.09	32.57
Medium user	12.34	21.69	29.57
Light user	10.30	18.27	23.85
Little or never	11.68	12.83	15.53
Services used in past year: 1 to 2	10.46	18.04	23.78
Services used in past year: 3 to 4	12.41	23.84	32.13
Services used in past year: 5+	17.52	28.38	34.47

Note: Data from online household responses

Whilst the survey did not collect direct measures of income, the table shows that respondents in the 'urban deprived' category have average WTP that is lower than respondents in the 'rural' and 'urban' categories under all three CV methods. Similarly, those in social groups ABC1 have higher average WTP than those in social groups C2DE under all three CV methods.

In relation to service usage, the WTP values decrease consistently across all three CV methods as usage declines – as respondents’ answers to frequency of use questions define themselves as heavy, medium, light users and as the number of services they say that they have used in the last year declines.

**Table 22: Variation in household WTP estimates by income and usage measures – by PO service**

<b>WTP £/household/m onth</b>	<b>Standard post</b>	<b>Specialist post</b>	<b>Pensions &amp; benefits</b>	<b>Paying bills</b>	<b>Basic banking services</b>	<b>Personal banking</b>	<b>Licensing / identity services</b>	<b>Homephone or broadband services</b>
All	12.99	4.78	3.79	2.65	1.16	1.72	4.08	-1.41
Rural	13.74	5.73	3.15	2.14	1.18	2.47	3.42	:
Urban	12.95	4.91	3.96	2.69	1.13	1.51	4.53	-1.61
Urban Deprived	12.15	2.98	3.87	3.05	:	1.72	2.80	-1.42
ABC1	13.45	5.56	4.40	2.68	0.96	1.90	4.42	-1.57
C2DE	12.43	3.86	3.08	2.60	1.42	1.51	3.68	-1.22
Heavy user	16.06	5.51	5.48	4.14	3.37	1.98	4.36	-1.58
Medium user	14.67	5.75	3.62	3.01	1.05	2.08	4.53	-1.41
Light user	11.58	4.25	3.48	2.16	0.69	1.37	3.68	-1.36
Little or never	8.26	3.50	:	:	:	3.07	4.90	:
Services used in past year: 1 to 2	12.67	4.53	2.93	1.83	0.73	1.54	3.39	-1.55
Services used in past year: 3 to 4	14.42	5.71	4.58	4.49	1.94	1.92	5.00	-0.92
Services used in past year: 5+	13.93	6.76	9.78	3.09	2.67	4.08	6.18	:

WTP £/household/m onth	Standard post	Specialist post	Pensions & benefits	Paying bills	Basic banking services	Personal banking	Licensing / identity services	Homephone or broadband services
Frequent user of each service	16.25	8.38	12.25	6.71	5.98	7.59	:	:

The WTP estimates for individual Post Office services show a less consistent pattern – see table above – though the general picture is one of WTP increasing as income increases. We also note that respondents who described themselves as frequent users of each service had significantly higher WTP than the average across all respondents.

In almost all cases respondents, on average, were willing to pay a positive amount for receiving a service or receiving a better quality of services (i.e. the signs on the regression coefficients were as expected). The one exception to this related to ‘homephone or broadband services’ provided at Post Offices. The negative value for ‘homephone or broadband services’ is difficult to interpret. It may suggest that respondents didn’t really understand the nature of the homephone or broadband services provided by the Post Office network or that this is some form of protest response which indicates that they do not see the benefits of this these services being provided by Post Offices or they may prefer Post Offices not to provide this service.

### *Consistency with previous research*

The main piece of previous research that aims to measure WTP for Post Office services in the UK is NERA (2009). We have compared our WTP approach and results with the approach and results from NERA (2009) throughout this report.

For the value of the overall Post Office network, the NERA results provide a wider range of estimates that encompasses the range that we have estimated. For the estimates of the WTP for individual services there are larger differences between our results and NERA's results, with our results showing WTP that is roughly twice as high as the NERA results.

Our results from the choice experiment also imply a total value for Post Office services that is above the upper bound of our contingent valuation based estimates of the value of the Post Office network.

#### *Sensitivity to the use of different valuation methods*

As noted in the presentation of our results and above, the valuation method used has an important bearing on the estimated value. Different methods of applying contingent valuation range between **£4.3bn** and **£9.7bn** per year for the value of the Post Office network.

## Annex C: Questionnaires

### Household

[s1\_new] <Multiple Choice Question> Please indicate which of the following industries you work in (or, if retired, used to work in).

- <1> Charitable sector
- <2> Computing
- <3> Financial services
- <4> Hospitality
- <5> Journalism
- <6> Manufacturing and production
- <7> Market research
- <8> Media, marketing, or advertising
- <9> Pharmaceuticals
- <10> Post Office / Royal Mail / other postal services
- <11> Professional services (consulting, engineering, architecture)
- <12> Public sector (government, education, NHS etc.)
- <13> Retail / wholesale
- <14> Telecommunications
- <15> Transportation
- <16> Water companies
- <17> Other utilities
- <99 > None of the above


Routing or filter: Screenout those who work in market research, journalism, Post Office, Royal Mail



## INTRODUCTION

**YouGov**

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Welcome to this survey about the Post Office.

The Post Office operates a network of more than 11,500 branches across the UK and delivers a wide range of services including mail and parcels, financial services and services for Government (e.g. access to pensions and benefits, passport applications and driving licence applications) in addition to home phone and broadband.

Post Office branches take a number of forms. They can:

- Be dedicated branches only offering Post Office's range of services;
- Offer Post Office's range of services alongside other products such as groceries;
- Be located inside another store such as a supermarket;
- Share other locations like a church hall or a pub; or
- Be a mobile service operating from a van.

The Post Office and Royal Mail are different businesses.

Royal Mail was privatised in 2013 and Government now only owns a small stake in Royal Mail. Royal Mail operates a mail and parcel delivery service, collecting, sorting and delivering mail and employing postmen and postwomen.

Post Office is still owned by the Government. Post Office operates a network of more than 11,500 branches across the UK.

Post Office has a close relationship with Royal Mail but it is a different business.

Please base your answers on how you use and value the products and services provided by the Post Office and its network of branches and not Royal Mail.

The next button will appear in 10 seconds.

[q1] How often would you say you use a Post Office, either on your own behalf or on behalf of someone else?

<1> More than 3 times a week

- <2> At least once a week
- <3> At least once a month
- <4> A few times in the year
- <5> About once a year
- <6> Less than once a year
- <7> Have never used a Post Office
- <99> Not sure

Routing or filter: Post Office users in the last year

[q2] Thinking about the Post Office branch that you use most often, from where do you usually set off when you go to this branch?

- <1> My home
- <2> Another house
- <3> My place of work
- <96> Other
- <99> Not sure

Routing or filter: Post Office users in the last year

[q3] How do you normally travel to the Post Office branch that you use most often?

- <1> On foot
- <2> Car, van or motorbike as a driver
- <3> Car, van or motorbike as a passenger
- <4> Bus or other public transport
- <5> Bicycle
- <6> Other [q3\_open]
- <99> Don't know

Routing or filter: All

[q4] Thinking about the Post Office which you use most often, which of these best describes how far it is from the place where you usually set off? / Which of these best describes how far it is the nearest Post Office from the place you might set off?

- <1> Less than half a mile
- <2> Half a mile
- <3> 1 mile
- <4> 2 miles
- <5> 3 miles
- <6> 4 miles
- <7> 5 miles
- <8> 6 miles
- <9> More than 6 miles
- <99> Don't know

Routing or filter: Post Office users in the last year

[q6] And how long does it take you to travel to the Post Office branch that you use most often, from the place you usually set off from?

- <1> Less than 5 minutes
- <2> 5 to 10 minutes
- <3> 11 to 15 minutes
- <4> 16 to 20 minutes
- <5> 21 to 30 minutes
- <6> 31 minutes to one hour
- <7> Over an hour
- <99> Don't know

Routing or filter: All

[q5] Thinking about the products and services offered by the Post Office, would you be willing to travel for <insert randomly selected minutes> in order to reach a Post Office branch to use these services? Please answer in terms of how you might travel / normally travel to the Post Office (such as on foot, by car, by public transport etc.)

- <1> Yes
- <2> No
- <3> Don't know

Routing or filter: Post Office users in the last year

[q7b] How many different Post Office branches have you used in the last 12 months?

- <1> 1
- <2> 2
- <3> 3
- <4> 4
- <5> 5 or more
- <99> Not sure

Routing or filter: Post Office users in the last year

[q7a] <Multiple Choice Question> Which types of Post Office branch have you used in the last 12 months? Please tick all that apply.

- <1> A dedicated Post Office (e.g. one that only sells Post Office products and services)
- <2> A dedicated Post Office that also sells other products (e.g. cards, stationery, newspapers and confectionery)
- <3> A Post Office located inside another store
- <4> A remote or rural Post Office that is located in unusual premises (e.g. a church hall or a pub)
- <5> A mobile Post Office that is operated from a van
- <96> Other [q7a\_open]
- <99> Not sure

{end page types}

Routing or filter: Post Office users in the last year

[q9] <Grid Question Order Randomised> For you, when choosing which branch to visit, how important or not are each of the following aspects of a Post Office branch?

- [q9\_1] The range of services offered at the branch
- [q9\_2] Being open late in the evening
- [q9\_3] Being open on the weekend
- [q9\_4] The distance it is from where you usually set off
- [q9\_5] That there is parking available close to the branch
- [q9\_6] The quality of service at the branch
- [q9\_7] That it is convenient to reach by public transport
- [q9\_8] Being open early in the morning
- [q9\_9] How long you have to wait to be served

- <1> 1 – Not important at all
- <2> 2
- <3> 3
- <4> 4
- <5> 5 – Very important

Routing or filter: Post Office users in the last year

[q10] And generally, how satisfied or dissatisfied are you with the service you've received when you have used the Post Office recently?

- <1> Very satisfied
- <2> Quite satisfied
- <3> Neither satisfied nor dissatisfied
- <4> Quite dissatisfied
- <5> Very dissatisfied

A number of Post Offices have changed recently, and some have also relocated to nearby premises as part of a Post Office modernisation plan. In more than 4,000 branches across the UK branch layouts have been improved and opening hours have been extended. In around 300 Post Offices new self-service, automated kiosks have also been introduced.

Routing or filter: Post Office users in the last year

[q7] Has the Post Office you use most often changed during the last 3 years as part of this modernisation plan?

- <1> Yes
- <2> No
- <3> Not sure

{end page modernisation}

Routing or filter: all

[q11] <Scale Question from 0 to 1 with a don't know option> Overall, to what extent do you have a negative or positive impression of the Post Office?

-[q11a] 0 – Very negative | 10 – Very positive

{page services\_intro}

The Post Office provides a range of products and services. Please take a moment to look at the products and services listed below

The Post Office provides a range of products and services. Please take a moment to look at the products and services listed below.	
Category	Description of services
1 Standard Postal Services	<b>Access to Postal Services</b> <ul style="list-style-type: none"> <li>Purchase of stamps and labels</li> <li>Purchase of domestic and international mail services</li> <li>Purchase of parcel services</li> <li>Purchase of signed for mails and parcels services (eg. delivery of mails and parcels, where delivery is confirmed by a recipient's signature)</li> <li>Purchase of special delivery mails and parcels services (eg. guaranteed next day delivery with tracking and proof of delivery with a signature)</li> </ul>
2 Specialist postal services	<b>Access to other Postal Services</b> <ul style="list-style-type: none"> <li>Purchase of tracked parcel services (eg. this is a product which allows you to track the progress of your parcel delivery)</li> <li>Purchase of mail redirection services (eg. this allows you to redirect mail from an old address to your new one when you move)</li> <li>Drop off of online shopping returns (eg. return purchases to retailers by mail)</li> <li>Pre-paid branch collection services (eg. collection of online purchases from a Post Office branch)</li> <li>Purchase of oversized and high-value parcel services</li> <li>Drop &amp; Go: This is a service where you can set up a free account with the Post Office which you can top-up with some money. Whenever you need to post something, you can drop off the mail or parcel at the fast track counter who will use the money from your account to cover the postage cost.</li> </ul>
3 Pensions and social benefits	<b>Processing social benefits and tax credit payments</b> <ul style="list-style-type: none"> <li>Cash payment of State pensions</li> <li>Cash payment of social security benefits</li> <li>Cash payment of Child Maintenance payments</li> <li>Cash payment of emergency support payments (eg. from a Local Authority)</li> </ul>
4 Paying bills (eg. utilities, council tax, local council payments)	<b>Payment facilities for public utility services</b> <ul style="list-style-type: none"> <li>Payment of utility bills (eg. water, gas, electricity or telephonic) including with payment schemes such as pre-payment and other budgeting schemes (eg. savings stamps)</li> <li>Payment of income tax (td) by debit card, cash or cheque (eg. self-assessment)</li> <li>Payment for Local Authority services (eg. council tax, parking permits)</li> <li>Payment of parking or traffic fines</li> <li>Purchase of travel tickets (eg. train or bus passes and tickets)</li> </ul>
5 Withdrawal or depositing of cash, Government savings products and postal orders	<b>Access to basic cash and banking facilities and Government savings products</b> <ul style="list-style-type: none"> <li>Access to free-to-use cash machine</li> <li>Access to in-branch counter withdrawal and deposit services for your bank account (eg. from any high street bank, NOT only a Post Office bank account)</li> <li>Access to cash transmission services (eg. postal orders)</li> <li>Access to cheque cashing services</li> <li>Purchase of Government savings products (eg. Premium Bonds)</li> </ul>
6 Banking services (eg. loans and savings), insurance products and foreign currency	<b>Access to other banking and insurance services and foreign currency products</b> <ul style="list-style-type: none"> <li>Purchase of insurance products (eg. self-employed insurance and van insurance)</li> <li>Open a savings account (eg. easy access, fixed rate and Individual Savings Account (ISA) products)</li> <li>Open a current account</li> <li>Take out a mortgage</li> <li>Take out a loan</li> <li>Take out a credit card</li> <li>Purchase foreign currency or Travellers Cheques</li> <li>Purchase and top-up a prepaid debit cards (eg. a card you can load up with money for use in shops or online)</li> </ul>
7 Passport and driving license applications, road tax payment and identity services	<b>Processing of national identity and licensing scheme applications</b> <ul style="list-style-type: none"> <li>Passport Check and Send services (eg. checking of passport application and authentication of supporting information)</li> <li>Provision of application forms for vehicle (taxes) (eg. that customers can complete and return to DVLA) and budget savings schemes for license fees</li> <li>Apply and pay for a UK Visa</li> <li>Apply and pay for Vehicle Excise Duty (eg. road tax)</li> <li>Apply and pay for a Driving License renewal</li> <li>Disclosure and Barring Service checks, formerly known as Care Quality Commission applications (eg. a background check required for people that work in health and social care services)</li> </ul>
8 Phone or broadband services	<b>Phone or broadband services</b> <ul style="list-style-type: none"> <li>Purchase of a fixed line phone subscription (eg. landline telephone service provided by the Post Office)</li> <li>Purchase of broadband (eg. broadband internet services provided by the Post Office)</li> </ul>

[Click here if you would like to see the full list of products and services again \(opens in a new window\)](#)

[s1] <Grid Question> How often, if at all, do you use each of the following Post Office services? You can hover over each service to see a full description.

- [s1\_1] Standard postal services
- [s1\_2] Specialist postal services
- [s1\_3] Pensions and social benefits
- [s1\_4] Paying bills (e.g. utilities, council tax, local council payments)
- [s1\_5] Withdrawal or depositing of cash, Government savings products and postal orders
- [s1\_6] Personal banking services (e.g. loans and savings), insurance products and foreign currency
- [s1\_7] Passport and driving licence applications, road tax payment and identity services
- [s1\_8] Homephone or broadband services

- <1> More than 3 times a week
- <2> At least once a week
- <3> At least once a month
- <4> A few times in the year
- <5> About once a year
- <6> Less than once a year
- <7> Have never used this service
- <99> Not sure

[Click here if you would like to see the full list of products and services again](#)

[s2] <Grid Question> Thinking about the value or benefits to yourself, how important or not do you think each of these Post Service services is? (You can hover over each service to see a full description)

- [s2\_1] Standard postal services
- [s2\_2] Specialist postal services
- [s2\_3] Pensions and social benefits
- [s2\_4] Paying bills (e.g. utilities, council tax, local council payments)
- [s2\_5] Withdrawal or depositing of cash, Government savings products and postal orders
- [s2\_6] Personal banking services (e.g. loans and savings), insurance products and foreign currency
- [s2\_7] Passport and driving licence applications, road tax payment and identity services
- [s2\_8] Homephone or broadband services

- <1> 1 – Not important at all to me
- <2> 2
- <3> 3

<4> 4

<5> 5 – Very important to me

[Click here if you would like to see the full list of products and services again \(opens in a new window\)](#)

How important or not is it to your business that the following services are provided together in one place (e.g. at the Post Office), rather than in different places?

[s2aa1] <Scale Question 1 to 5> Please just think about these services: (You can hover over each service to see a full description). Standard postal services; Pensions and social benefits; Paying bills (e.g. utilities, council tax, local council payments); Withdrawal or depositing of cash, Government savings products and postal orders; Passport and driving license applications, road tax payment and identity services.

-[s2a\_1] 1 – Not important at all to me | 5 – Very important to me

[Click here if you would like to see the full list of products and services again](#)

[s3] <Grid Question> Thinking about the value or benefits to others in society, how important or not do you think each of these Post Office services is? You can hover over each service to see a full description.

-[s3\_1] Standard postal services

-[s3\_2] Specialist postal services

-[s3\_3] Pensions and social benefits

-[s3\_4] Paying bills (e.g. utilities, council tax, local council payments)

-[s3\_5] Withdrawal or depositing of cash, Government savings products and postal orders

-[s3\_6] Personal banking services (e.g. loans and savings), insurance products and foreign currency

-[s3\_7] Passport and driving licence applications, road tax payment and identity services

-[s3\_8] Homephone or broadband services

<1> 1 – Not important at all to others in society

<2> 2

<3> 3

<4> 4

<5> 5 – Very important to others in society

[Click here if you would like to see the full list of products and services again \(opens in a new window\)](#)



[s4] <Grid Question> To what extent, if at all, do you think an alternative to the Post Office is available to you for each of the following services? You can hover over each service to see a full description.

-[s4\_1] Standard postal services

-[s4\_2] Specialist postal services

-[s4\_3] Pensions and social benefits

-[s4\_4] Paying bills (e.g. utilities, council tax, local council payments)

-[s4\_5] Withdrawal or depositing of cash, Government savings products and postal orders

-[s4\_6] Personal banking services (e.g. loans and savings), insurance products and foreign currency

-[s4\_7] Passport and driving licence applications, road tax payment and identity services

-[s4\_8] Homephone or broadband services

<1> There are convenient alternatives

<2> There are inconvenient alternatives

<3> There are no alternatives

<98> Not applicable to me

<99> Not sure

The next few questions ask you to choose between two options in which the services offered by the Post Office and the amount of tax your household pays to support the Post Office are varied. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your household and others in society. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office. For your information, the Post Office is owned by the Government and receives some support from taxes. This support enables it to maintain a network of more than 11,500 branches. Although these choices are imaginary, please choose the option that you prefer while bearing in mind the cost of each option, in terms of the amount of tax your household pays to support the Post Office. This amount is shown at the bottom of the table. When answering these questions, please consider your household budget carefully, and all the things you need to, or would like to, spend your money on. Your answers are key to our research so please answer the following questions carefully. Please answer the questions on behalf of your whole household. You will be asked to make six choices in total in this part of the survey.

Before proceeding to the questions, please take a moment to look at the example choice shown below in order to understand how the options will be presented to you. In the table below, the left-hand column lists eight categories of services which are currently provided at Post Offices (these categories are the same as the ones you saw earlier). The other two columns (headed 'Option 1' and 'Option 2') display options for the services offered by the



Post Office. A tick means that the category of services would still be available at the Post Office and a cross means that the category of services would no longer be available. The tax that your household would pay to support the Post Office for each option is indicated at the bottom of the table. When you think you understand this example, please click 'Next' to see your first choice.

**EXAMPLE**

Services Offered (hover over each service for full description)	Option 1	Option 2
<a href="#">Standard postal services</a>	✓	✗
<a href="#">Specialist postal services</a>	✓	✗
<a href="#">Pensions and social benefits</a>	✓	✗
<a href="#">Paying bills (e.g. utilities, council tax, local council payments)</a>	✓	✓
<a href="#">Withdrawal or depositing of cash, Government savings products and postal orders</a>	✓	✓
<a href="#">Personal banking services (e.g. loans and savings), insurance products and foreign currency</a>	✓	✗
<a href="#">Passport and driving license applications, road tax payment and identity services</a>	✓	✓
<a href="#">Homephone or broadband services</a>	✓	✗
<b>Tax payable by your household</b>	<b>£16 each month</b>	<b>£8 each month</b>

**THEN SIX CHOICES ARE MADE**

Routing or filter: All

[mvo\_s1val1] Did you feel that you were able to make the choices in these exercises in a realistic way?

<1> Yes

<2> No

Routing or filter: if feel unable to make choices in a realistic way

[mvo\_s1val2] <Multiple Choice Question order of options randomised> Why did you feel unable to make these choices in a realistic way? Please tick all that apply

<1> I could not imagine the scenarios used in these choices

<2> The Post Office wouldn't really make those changes to services

- <3> I did not understand the questions
- <4> I do not pay taxes so the tax would not affect me
- <5> It just made no sense to me
- <96 > Other [mvo\_s1val2\_other]
- <99 > Don't know

Routing or filter: All

[mvo\_s1val3] Did you feel that the amounts of money we have been asking about in these choices were realistic?

- <1> Yes
- <2> No

Routing or filter: Those who feel the amounts of money were unrealistic

[mvo\_s1val4] <Multiple Choice Question order of options randomised>Why do you feel that the amounts of money were not realistic? Please tick all that apply

- <1> The amounts were too high
- <2> The amounts were too low
- <3> The Government does not change taxes by the amounts stated in the survey
- <4> I did not understand the questions
- <5> I do not pay taxes so the tax would not affect me
- <96 > Other [mvo\_s1val4\_other]
- <99 > Don't know

Routing or filter: All

In this section of the survey, please imagine a scenario where there are no Post Office branches. This would mean that no one can use the various services available at the Post Office. These questions are intended to help us understand the value of the network of Post Office branches as a whole, to your household and others in society. When answering these questions, please carefully consider everything you and others in society value about the Post Office, and how it would affect you and others in society if there were no Post Offices. For your information, the Post Office is owned by the Government and receives some support from taxes. This support enables it to maintain a network of more than 11,500 branches.

{page S2S2\_WTP}

**YouGov**

---

What is the maximum tax that your household would be willing to pay per month, in order to maintain the Post Office network as it currently is? Otherwise, all Post Offices would close and none of your household's taxes would be used to support the Post Offices.

Please indicate the **maximum tax you would be willing to pay each month** using the scale below.

£0 tax  £100 tax per month

Not sure

< >

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your household and others in society. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

Routing or filter: All

[S2S2\_q2\_WTP2] <Single Choice Question order of options randomised> How did you decide the amount that you stated as the maximum tax your household would be willing to pay in order to maintain the Post Office network as it currently is? Please tick the one that applies most.

- <1> This is the value of the Post Offices to me
- <2> Post Offices are not valuable to me
- <3> This is the tax I can afford
- <4> I shouldn't pay tax to support the Post Offices
- <5 > I could not decide/did not understand the questions
- <6 > Other [S2S2\_q2\_WTP2\_open]
- <98 > Don't know/ Prefer not to say

Routing or filter: All

Suppose that in order to maintain the entire Post Office network as it currently is, the tax from your household that is used to support the Post Offices would be <first amount> per month. Or, all Post Offices would close and none of your household's taxes would be used to support the Post Offices.

[S2S1\_q1\_WTP] Would your household be willing to pay this level of tax in order to maintain the current network of Post Offices?

- <1> Yes, accept a tax of <first amount> per month to maintain all Post Offices
- <2> No, all Post Offices close
- <3> Don't know

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your household and others in society. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

Routing or filter: Those willing to pay first amount

[S2S1\_q2H\_WTP] And would your household be willing to pay a tax of <second amount> per month in order to maintain the current network of Post Offices?

- <1> Yes, accept a tax of <second amount> per month to maintain all Post Offices
- <2> No, all Post Offices close
- <3> Don't know

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

Routing or filter: Those not willing to pay first amount

[S2S1\_q2L\_WTP] And would your household be willing to pay a tax of <third amount> per month in order to maintain the current network of Post Offices?

- <1> Yes, accept a tax of <third amount> per month to maintain all Post Offices
- <2> No, all Post Offices close
- <3> Don't know

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

Routing or filter: Those willing to pay an amount

[S2S1\_q3A\_WTP2] <Single Choice Question order of options randomised> You said you would pay a tax in order to maintain the Post Office network. Why would you be willing to accept this tax? Please tick the one that applies most.

- <1> The tax matches the value I get from the Post Office network
- <2> I can afford the tax
- <3> I think it is good that taxes are used to support the Post Offices
- <4> I felt like I had no choice
- <5 > I could not decide/did not understand the question
- <6 > Other [S2S1\_q3A\_WTP2\_open]
- <98 > Don't know/ Prefer not to say

Routing or filter: Those not willing to pay either amount  
[S2S1\_q3B\_WTP2==2] <Single Choice Question order of options randomised> You said you would not pay a tax in order to maintain the Post Office network. Why are you not willing to accept a tax? Please tick the one that applies most.

- <1> The tax was too high
- <2> The Post Offices are not valuable to me
- <3> I cannot afford the tax
- <4> I shouldn't pay tax to support the Post Offices
- <5 > I could not decide/did not understand the question
- <6 > Other [S2S1\_q3B\_WTP2\_open]
- <98 > Don't know/ Prefer not to say

Routing or filter: All  
[mvo\_s2val1] Did you feel that you were able to make the choices in these exercises in a realistic way?

- <1> Yes
- <2> No

Routing or filter: Those who feel unable to make the choices  
[mvo\_s2val2] <Multiple Choice Question order of options randomised> Why did you feel unable to make these choices in a realistic way? Please tick all that apply

- <1> I could not imagine the scenarios used in these choices
- <2> The Post Office wouldn't really make those changes to services
- <3> I did not understand the questions
- <4> I do not pay taxes so the tax would not affect me
- <5> It just made no sense to me
- <96 > Other [mvo\_s2val2\_other]
- <99 > Don't know

Routing or filter: All  
[mvo\_s2val3] Did you feel that the amounts of money we have been asking about in these choices were realistic?

- <1> Yes
- <2> No

Routing or filter: Those feel amounts of money were not realistic  
[mvo\_s2val4] <Multiple Choice Question order of options randomised>Why do you feel that the amounts of money were not realistic? Please tick all that apply

<1> The amounts were too high

<2> The amounts were too low

<3> The Government does not change taxes by the amounts stated in the survey

<4> I did not understand the questions

<5> I do not pay taxes so the tax would not affect me

<96 > Other [mvo\_s2val4\_other]

<99 > Don't know

Routing or filter: All

In the next questions, you will be asked to choose between options in which the distance from your home to the nearest Post Office branch, the opening hours of your nearest Post Office branch, and parking availability at your nearest Post Office branch are varied. In these options the amount of tax your household pays to support the Post Office will also vary. Although these choices are imaginary, please choose the option that you prefer while bearing in mind the cost of each option, in terms of the amount of tax your household pays to support the Post Office, which is shown at the bottom of the table. When answering these questions, please consider your household budget carefully, and all the things you need to, or would like to, spend your money on. You will be asked to make another six choices in total in this part of the survey.

Before proceeding to the questions, please take a moment to look at the example choice shown below in order to understand how the two options will be presented to you. The table below shows two imaginary options (Option 1 and Option 2) in which the Post Office branch nearest your home has different opening times, distance from your home, and parking availability. For each option, the tax that your household would pay is indicated at the bottom of the table. When you think you understand this example, please click 'Next' to see your first choice.

EXAMPLE

Characteristics of the Post Office branch nearest your home	Option 1	Option 2
Weekday opening hours	Standard (9am - 5:30pm)	Extended (e.g. from 7am up to 11pm)
Weekend opening hours	Open on Sat and Sun: 9am - 1pm	Open on Sat 9am - 1pm; closed on Sun
Distance from your home	1 mile	3 miles
Affordable parking available nearby	Not available	Available
Tax paid by your household to support the Post Office	£1 each month	£3 each month

THEN SIX CHOICES ARE MADE

Routing or filter: All

[d1] <Multiple Choice Question> Do you have a car or access to a car in your household?

<1> Yes, I have a car

<2> Yes, someone in my household has a car

<3 > No, nobody in my household has a car

Routing or filter: All

[d2a] <Multiple Choice Question> Do you, or anyone else in your household, currently pay any income tax or council tax?

<1> Yes, I do

<2> Yes, someone else in my household does

<3 > No, nobody in my household pays income tax or council tax

Routing or filter: All

[d3] <Multiple Choice Question order of options randomised> Thinking about the last few months, which activities have you used the internet for? Tick all that apply.

<1> Email

<2> Generally browsing the internet

<3> Online banking

<4> Accessing news and sport websites

<5> Social networking websites (e.g. Facebook, Twitter)

<6> Buying goods or services online (e.g. books, CDs, tickets, groceries)

<7> Selling things on platforms such as eBay or Gumtree

<8> Downloading / streaming games, movies, TV shows etc.

<9> Using Government services (e.g. TV licence, road tax, passport etc.)

<99 > Other



<96 > Don't know

Routing or filter: All

[disability\_pd] Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

<1> Yes, limited a lot

<2> Yes, limited a little

<3> No

[profile\_gross\_household\_pdl] Gross HOUSEHOLD income is the combined income of all those earners in a household from all sources, including wages, salaries, or rents and before tax deductions. What is your gross household income?

<1> under £5,000 per year

<2> £5,000 to £9,999 per year

<3> £10,000 to £14,999 per year

<4> £15,000 to £19,999 per year

<5> £20,000 to £24,999 per year

<6> £25,000 to £29,999 per year

<7> £30,000 to £34,999 per year

<8> £35,000 to £39,999 per year

<9> £40,000 to £44,999 per year

<10> £45,000 to £49,999 per year

<11> £50,000 to £59,999 per year

<12> £60,000 to £69,999 per year

<13> £70,000 to £99,999 per year

<14> £100,000 to £149,999 per year

<15> £150,000 and over

<16> Don't know

<17> Prefer not to answer

**SURVEY CLOSES**

**SME**

[s1new] <Multiple Choice Question> Please indicate which of the following industries you work in (or, if retired, used to work in).

<1> Charitable sector

<2> Computing

<3> Financial services

<4> Hospitality

<5> Journalism

<6> Manufacturing and production

<7> Market research



- <8> Media, marketing, or advertising
- <9> Pharmaceuticals
- <10> Post Office / Royal Mail / other postal services
- <11> Professional services (consulting, engineering, architecture)
- <12> Public sector (government, education, NHS etc.)
- <13> Retail / wholesale
- <14> Telecommunications
- <15> Transportation
- <16> Water companies
- <17> Other utilities
- <99 > None of the above

Routing or filter: Screenout those who work in market research, journalism and Post Office, Royal Mail

[profileworkstat] Which of these applies to you?

- <1> Working full time (30 or more hours per week)
- <2> Working part time (8-29 hours a week)
- <3> Working part time (Less than 8 hours a week)
- <4> Full time student
- <5> Retired
- <6> Unemployed
- <7> Not working
- <8> Other

Routing or filter: Screenout if not working

[managementlevel] What level of management responsibility do you hold in your current position?

- <1> Owner/ Proprietor
- <2> Partner
- <3> Chairperson
- <4> Chief Executive
- <5> Managing Director
- <6> Non Executive Director
- <7> Other board level manager/ director
- <8> Other senior manager or director below board level
- <9> Middle manager
- <10> Junior manager/ team leader/ supervisor
- <97> Other
- <99> Not applicable - I don't have any management responsibility

Routing or filter: Screenout if below middle management

[businesssize] Approximately how many full-time employees are employed by your organisation in total in the UK?

- <1> 0 (just me)
- <2> 1 to 4
- <3> 5 to 9
- <4> 10 to 49
- <5> 50 to 249
- <6> 250 to 499
- <7> 500 to 999
- <8> 1,000 or more
- <99> Don't know

Routing or filter: Screenout if employee numbers 250 or higher.

[QSector]<Single Choice Question order of options randomised> In which specific sector does your business or organisation primarily operate?

- <1> Retail and manufacturing
- <2> Trades/building/construction and maintenance
- <3> Leisure - hotels/restaurants/sports etc.
- <4> Community/social/personal services
- <5> Independent retail/shops
- <6> Consultancy services and recruitment
- <7> Education
- <8> Health and social work
- <9> Agriculture and horticulture
- <10> Charity
- <11> Car dealerships and workshops
- <12> IT
- <13 > Other

INTRODUCTION PAGE

YouGov



Welcome to this survey about the Post Office.

The Post Office operates a network of more than 11,500 branches across the UK and delivers a wide range of services including mail and parcels, financial services and services for Government (e.g. access to pensions and benefits, passport applications and driving licence applications) in addition to home phone and broadband.

Post Office branches take a number of forms. They can:

- Be dedicated branches only offering Post Office's range of services;
- Offer Post Office's range of services alongside other products such as groceries;
- Be located inside another store such as a supermarket;
- Share other locations like a church hall or a pub; or
- Be a mobile service operating from a van.

The Post Office and Royal Mail are different businesses.

Royal Mail was privatised in 2013 and Government now only owns a small stake in Royal Mail. Royal Mail operates a mail and parcel delivery service, collecting, sorting and delivering mail and employing postmen and postwomen.

Post Office is still owned by the Government. Post Office operates a network of more than 11,500 branches across the UK.

Post Office has a close relationship with Royal Mail but it is a different business.

Please base your answers on how you use and value the products and services provided by the Post Office and its network of branches and not Royal Mail.

The next button will appear in 10 seconds.

[q1] How often would you say your business uses a Post Office?

- <1> More than 3 times a week
- <2> At least once a week
- <3> At least once a month
- <4> A few times in the year
- <5> About once a year
- <6> Less than once a year
- <7> Have never used a Post Office

<99> Not sure

Routing or filter: Routing: Post Office users in the last year only

[q2] Thinking about the Post Office branch that your business uses most often, from where do you and/or your colleagues usually set off when you go to this branch?

<1> Our place of work

<2> My house or the house of a colleague

<96> Other

<99> Not sure

Routing or filter: Post Office users in the last year only

[q3] How do you and/or your colleagues normally travel to the Post Office branch that your business uses most often?

<1> On foot

<2> Car, van or motorbike as a driver

<3> Can, van or motorbike as a passenger

<4> Bus or other public transport

<5> Bicycle

<6> Other [q3open]

<99> Don't know

Routing or filter: All

[q4] Thinking about the Post Office which your business uses most often, which of these best describes how far it is from the place where you and/or your colleagues usually set off? / Which of these best describes how far it is the nearest Post Office from the place you and/or your colleagues might set off?

<1> Less than half a mile

<2> Half a mile

<3> 1 mile

<4> 2 miles

<5> 3 miles

<6> 4 miles

<7> 5 miles

<8> 6 miles

<9> More than 6 miles

<99> Don't know

Routing or filter: Routing: Post Office users in the last year only

[q6] And how long does it take you and/or your colleagues to travel to the Post Office branch that your business uses most often, from the place you usually set off from?

<1> Less than 5 minutes

<2> 5 to 10 minutes

<3> 11 to 15 minutes

- <4> 16 to 20 minutes
- <5> 21 to 30 minutes
- <6> 31 minutes to one hour
- <7> Over an hour
- <99> Don't know

Routing or filter: all

[q5] Thinking about the products and services offered by the Post Office, would you and/or your colleagues be willing to travel for <random insert minutes> minutes in order to reach a Post Office branch to use these services? Please answer in terms of how you might travel / normally travel to the Post Office (such as on foot, by car, by public transport etc.)

- <1> Yes
- <2> No
- <3> Don't know

Routing or filter: Routing: Post Office users in the last year only

[q7b] {dropdown} How many different Post Office branches has your business used in the last 12 months?

- <1> 1
- <2> 2
- <3> 3
- <4> 4
- <5> 5 or more
- <99> Not sure

Routing or filter: Routing: Post Office users in the last year only

[q7a] <Multiple Choice Question> Which types of Post Office branch has your business used in the last 12 months? Please tick all that apply.

- <1> A dedicated Post Office (e.g. one that only sells Post Office products and services)
- <2> A dedicated Post Office that also sells other products (e.g. cards, stationery, newspapers and confectionery)
- <3> A Post Office located inside another store
- <4> A remote or rural Post Office that is located in unusual premises (e.g. a church hall or a pub)
- <5> A mobile Post Office that is operated from a van
- <96 > Other [q7aopen]
- <99 > Not sure

Routing or filter: Routing: Post Office users in the last year only

[q9] {dyngrid roworder=randomize} For your business, when choosing which branch to visit, how important or not are each of the following aspects of a Post Office branch?

- [q91] The range of services offered at the branch
- [q92] Being open late in the evening
- [q93] Being open on the weekend
- [q94] The distance it is from where you and/or your colleagues usually set off
- [q95] That there is parking available close to the branch
- [q96] The quality of service at the branch
- [q97] That it is convenient to reach by public transport
- [q98] Being open early in the morning
- [q99] How long you have to wait to be served

- <1> 1 – Not important at all
- <2> 2
- <3> 3
- <4> 4
- <5> 5 – Very important

Routing or filter: Routing: Post Office users in the last year only

[q10] And generally, how satisfied or dissatisfied is your business with the service you've received when you have used the Post Office recently?

- <1> Very satisfied
- <2> Quite satisfied
- <3> Neither satisfied nor dissatisfied
- <4> Quite dissatisfied
- <5> Very dissatisfied

A number of Post Offices have changed recently, and some have also relocated to nearby premises as part of a Post Office modernisation plan. In more than 4,000 branches across the UK branch layouts have been improved and opening hours have been extended. In around 300 Post Offices new self-service, automated kiosks have also been introduced.

Routing or filter: Routing: Post Office users in the last year only

[q7] Has the Post Office your business uses most often changed during the last 3 years as part of this modernisation plan?

- <1> Yes
- <2> No
- <3> Not sure

Routing or filter: all

[q11] <Scale Question 0 to 10 with don't know option> Overall, to what extent does your business have a negative or positive impression of the Post Office?

-[q11a] 0 – Very negative | 10 – Very positive

The Post Office provides a range of products and services. Please take a moment to look at the products and services listed below:

The Post Office provides a range of products and services. Please take a moment to look at the products and services listed below:		
Category	Description of services	
1	Standard Postal Services	<p><b>Access to Postal Services</b></p> <ul style="list-style-type: none"> <li>• Purchase of stamps and labels</li> <li>• Purchase of domestic and International mail services</li> <li>• Purchase of parcel services</li> <li>• Purchase of signed for mails and parcels services (e.g. delivery of mails and parcels, where delivery is confirmed by a recipient's signature)</li> <li>• Purchase of special delivery mails and parcels services (e.g. guaranteed next day delivery with tracking and proof of delivery with a signature)</li> </ul>
2	Specialist postal services	<p><b>Access to other Postal Services</b></p> <ul style="list-style-type: none"> <li>• Purchase of tracked parcel services (e.g. this is a product which allows you to track the progress of your parcel delivery)</li> <li>• Purchase of mail redirection services (e.g. this allows you to redirect mail from an old address to your new one when you move)</li> <li>• Drop off of online shopping returns (e.g. return purchases to retailers by mail)</li> <li>• Pre-paid branch collection services (e.g. collection of online purchases from a Post Office branch)</li> <li>• Purchase of oversized and high-value parcel services</li> <li>• Drop &amp; Go: This is a service where you can set up a free account with the Post Office which you can top-up with some money. Whenever you need to post something, you can drop off the mail or parcel at the fast track counter who will use the money from your account to cover the postage cost.</li> </ul>
3	Pensions and social benefits	<p><b>Processing social benefit and tax credit payments</b></p> <ul style="list-style-type: none"> <li>• Cash payment of State pensions</li> <li>• Cash payment of social security benefits</li> <li>• Cash payment of Child Maintenance payments</li> <li>• Cash payment of emergency support payments (e.g. from a Local Authority)</li> </ul>
4	Paying bills (e.g. utilities, council tax, local council payments)	<p><b>Payment facilities for public utility services</b></p> <ul style="list-style-type: none"> <li>• Payment of utility bills (e.g. water, gas, electricity or telephone) including with payment schemes such as pre-payment and other budgeting schemes (e.g. savings stamps)</li> <li>• Payment of income tax bill by debit card, cash or cheque (e.g. self-assessment)</li> <li>• Payment for Local Authority services (e.g. council tax, parking permit)</li> <li>• Payment of parking or traffic fines</li> <li>• Purchase of travel tickets (e.g. train or bus passes and tickets)</li> </ul>
5	Withdrawal or depositing of cash, Government savings products and postal orders	<p><b>Access to basic cash and banking facilities and Government savings products</b></p> <ul style="list-style-type: none"> <li>• Access to free-to-use cash machine</li> <li>• Access to in-branch counter withdrawal and deposit services for your bank account (e.g. from any high street bank, NOT only a Post Office bank account)</li> <li>• Access to cash transmission services (e.g. postal orders)</li> <li>• Access to cheque cashing services</li> <li>• Purchase of Government savings products (e.g. Premium Bonds)</li> </ul>
6	Banking services (e.g. loans and savings), insurance products and foreign currency	<p><b>Access to other banking and insurance services and foreign currency products</b></p> <ul style="list-style-type: none"> <li>• Purchase of insurance products (e.g. self-employed insurance and van insurance)</li> <li>• Open a savings account (e.g. easy access, fixed rate and Individual Savings Account (ISA) products)</li> <li>• Open a current account</li> <li>• Take out a mortgage</li> <li>• Take out a loan</li> <li>• Take out a credit card</li> <li>• Purchase foreign currency or Travellers Cheques</li> <li>• Purchase and top-up a prepay debit cards (e.g. a card you can load up with money for use in shops or online)</li> </ul>
7	Passport and driving license applications, road tax payment and identity services	<p><b>Processing of national identity and licensing scheme applications</b></p> <ul style="list-style-type: none"> <li>• Passport 'Check and Send' services (e.g. checking of passport application and authentication of supporting information)</li> <li>• Provision of application forms for vehicle licenses (e.g. that customers can complete and return to DVLA) and budget savings schemes for licence fees</li> <li>• Apply and pay for a UK Visa</li> <li>• Apply and pay for Vehicle Excise Duty (e.g. road tax)</li> <li>• Apply and pay for a Driving License renewal</li> <li>• Disclosure and Barring Service checks, formerly known as Care Quality Commission applications (e.g. a background check required for people that work in health and social care services)</li> </ul>
8	Phone or broadband services	<p><b>Phone or broadband services</b></p> <ul style="list-style-type: none"> <li>• Purchase of a fixed line phone subscription (e.g. landline telephone service provided by the Post Office)</li> <li>• Purchase of broadband (e.g. broadband internet services provided by the Post Office)</li> </ul>

[Click here if you would like to see the full list of products and services again \(opens in a new window\)](#)

[s1] <Grid Question> How often, if at all, does your business use each of the following Post Office services? You can hover over each service to see a full description.

- [s11] Standard postal services
- [s12] Specialist postal services
- [s13] Pensions and social benefits
- [s14] Paying bills (e.g. utilities, council tax, local council payments)
- [s15] Withdrawal or depositing of cash, Government savings products and postal orders
- [s16] Banking services (e.g. loans and savings), insurance products and foreign currency
- [s17] Passport and driving license applications, road tax payment and identity services
- [s18] Phone or broadband services

- <1> More than 3 times a week
- <2> At least once a week
- <3> At least once a month
- <4> A few times in the year
- <5> About once a year
- <6> Less than once a year
- <7> Have never used this service
- <99> Not sure

[Click here if you would like to see the full list of products and services again](#)

[s2] <Grid Question> Thinking about the value or benefits to your business, how important or not do you think each of these Post Service services is? (You can hover over each service to see a full description)

- [s21] Standard postal services
- [s22] Specialist postal services
- [s23] Pensions and social benefits
- [s24] Paying bills (e.g. utilities, council tax, local council payments)
- [s25] Withdrawal or depositing of cash, Government savings products and postal orders
- [s26] Banking services (e.g. loans and savings), insurance products and foreign currency
- [s27] Passport and driving license applications, road tax payment and identity services
- [s28] Phone or broadband services

- <1> 1 – Not important at all to my business
- <2> 2
- <3> 3
- <4> 4



<5> 5 – Very important to my business

Click here if you would like to see the full list of products and services again (opens in a new window)

How important or not is it to your business that the following services are provided together in one place (e.g. at the Post Office), rather than in different places?

[s2aa1] <Scale Question 1 to 5> Please just think about these services: (You can hover over each service to see a full description). Standard postal services; Pensions and social benefits; Paying bills (e.g. utilities, council tax, local council payments); Withdrawal or depositing of cash, Government savings products and postal orders; Passport and driving license applications, road tax payment and identity services.

-[s2a1] 1 – Not important at all to my business | 5 – Very important to my business

Click here if you would like to see the full list of products and services again

[s4] <Grid Question> To what extent, if at all, do you think an alternative to the Post Office is available to your business for each of the following services? You can hover over each service to see a full description.

-[s41] Standard postal services

-[s42] Specialist postal services

-[s43] Pensions and social benefits

-[s44] Paying bills (e.g. utilities, council tax, local council payments)

-[s45] Withdrawal or depositing of cash, Government savings products and postal orders

-[s46] Banking services (e.g. loans and savings), insurance products and foreign currency

-[s47] Passport and driving license applications, road tax payment and identity services

-[s48] Phone or broadband services

<1> There are convenient alternatives

<2> There are inconvenient alternatives

<3> There are no alternatives

<98> Not applicable to my business

<99> Not sure

The next few questions ask you to choose between two options in which the services offered by the Post Office and the amount of tax your business pays to support the Post Office are varied. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office. For your information, the Post Office

is owned by the Government and receives some support from taxes. This support enables it to maintain a network of more than 11,500 branches. Although these choices are imaginary, please choose the option that your business would prefer while bearing in mind the cost of each option, in terms of the amount of tax your business pays to support the Post Office. This amount is shown at the bottom of the table. When answering these questions, please consider your business's budget carefully, and all the things it needs to, or would like to, spend its money on. Your answers are key to our research so please answer the following questions carefully. Please answer the questions on behalf of your business as a whole. You will be asked to make six choices in total in this part of the survey.

Before proceeding to the questions, please take a moment to look at the example choice shown below in order to understand how the options will be presented to you. In the table below, the left-hand column lists eight categories of services which are currently provided at Post Offices (these categories are the same as the ones you saw earlier). The other two columns (headed 'Option 1' and 'Option 2') display options for the services offered by the Post Office. A tick means that the category of services would still be available at the Post Office and a cross means that the category of services would no longer be available. The tax that your business would pay to support the Post Office for each option is indicated at the bottom of the table. When you think you understand this example, please click 'Next' to see your first choice.

## EXAMPLE

Services Offered (hover over each service for full description)	Option 1	Option 2
<a href="#">Standard postal services</a>	✓	✗
<a href="#">Specialist postal services</a>	✓	✗
<a href="#">Pensions and social benefits</a>	✓	✗
<a href="#">Paying bills (e.g. utilities, council tax, local council payments)</a>	✓	✓
<a href="#">Withdrawal or depositing of cash, Government savings products and postal orders</a>	✓	✓
<a href="#">Banking services (e.g. loans and savings), insurance products and foreign currency</a>	✓	✗
<a href="#">Passport and driving license applications, road tax payment and identity services</a>	✓	✓
<a href="#">Phone or broadband services</a>	✓	✗
<b>Tax paid by your business to support the Post Office</b>	<b>£16 each month</b>	<b>£8 each month</b>

THEN SIX CHOICES ARE MADE

AT THE BOTTOM OF EACH PAGE:

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

[mvos1val1] Did you feel that you were able to make the choices in these exercises in a realistic way?

- <1> Yes
- <2> No

Routing or filter: Routing: if they didn't feel able to

[mvos1val2] <Multiple Choice Question order of options randomised> Why did you feel unable to make these choices in a realistic way? Please tick all that apply

- <1> I could not imagine the scenarios used in these choices
- <2> The Post Office wouldn't really make those changes to services
- <3> I did not understand the questions
- <4> My business does not pay taxes so the tax would not affect me
- <5> It just made no sense to me
- <96 > Other [mvos1val2other]
- <99 > Don't know

Routing or filter: all

[mvos1val3] Did you feel that the amounts of money we have been asking about in these choices were realistic?

- <1> Yes
- <2> No

Routing or filter: Routing: if they felt the amounts were unrealistic

[mvos1val4] <Multiple Choice Question order of options randomised> Why do you feel that the amounts of money were not realistic? Please tick all that apply


- <1> The amounts were too high
- <2> The amounts were too low
- <3> The Government does not change taxes by the amounts stated in the survey
- <4> I did not understand the questions
- <5> My business does not pay taxes so the tax would not affect me
- <96 > Other [mvos1val4other]

<99 > Don't know

In this section of the survey, please imagine a scenario where there are no Post Office branches. This would mean that no one can use the various services available at the Post Office. These questions are intended to help us understand the value of the network of Post Office branches as a whole, to your business. When answering these questions, please carefully consider everything your business values about the Post Office, and how it would affect your business if there were no Post Offices. For your information, the Post Office is owned by the Government and receives some support from taxes. This support enables it to maintain a network of more than 11,500 branches.

What is the maximum tax that your business would be willing to pay per month, in order to maintain the Post Office network as it currently is? Otherwise, all Post Offices would close and none of your business's taxes would be used to support the Post Offices.

Please indicate the **maximum tax your business would be willing to pay each month** by sliding the dot along the scale below.

£0 tax  £100 tax per month

Not sure

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

[S2S2q2WTP2] <Single Choice Question order of options randomised> How did you decide the amount that you stated as the maximum tax your business would be willing to pay in order to maintain the Post Office network as it currently is? Please tick the one that applies most.

- <1> This is the value of the Post Offices to my business
- <2> Post Offices are not valuable to my business
- <3> This is the tax my business can afford
- <4> My business shouldn't pay tax to support the Post Offices
- <5 > I could not decide/did not understand the questions
- <6 > Other [S2S2q2WTP2open]
- <98 > Don't know/ Prefer not to say

Suppose that in order to maintain the entire Post Office network as it currently is, the tax from your business that is used to support the Post Offices would be <first amount> per

month. Or, all Post Offices would close and none of your business's taxes would be used to support the Post Offices.

[S2S1q1WTP] Would your business be willing to pay this level of tax in order to maintain the current network of Post Offices?

- <1> Yes, accept a tax of <first amount> per month to maintain all Post Offices
- <2> No, all Post Offices close
- <3> Don't know

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

Routing or filter: Routing: if willing to pay first amount

[S2S1q2HWTP] And would your business be willing to pay a tax of <a second higher amount> per month in order to maintain the current network of Post Offices?

- <1> Yes, accept a tax of <a second higher amount> per month to maintain all Post Offices
- <2> No, all Post Offices close
- <3> Don't know

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

Routing or filter: Routing, if not willing to pay first amount

[S2S1q2LWTP] And would your business be willing to pay a tax of <a third lower amount> per month in order to maintain the current network of Post Offices?

- <1> Yes, accept a tax of <a third lower amount> per month to maintain all Post Offices
- <2> No, all Post Offices close
- <3> Don't know

Reminder: The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to your business. The questions mention tax in order to understand the value of these services. The questions are not designed to influence the level of tax support that is provided to the Post Office.

Routing or filter: Routing: if willing to pay any amount

[S2S1q3AWTP2] <Single Choice Question order of options randomised> You said your business would pay a tax in order to maintain the Post Office network. Why would your business be willing to accept this tax? Please tick the one that applies most.

- <1> The tax matches the value my business gets from the Post Office network
- <2> My business can afford the tax
- <3> I think it is good that taxes are used to support the Post Offices
- <4> I felt like I had no choice
- <5 > I could not decide/did not understand the question
- <6 > Other [S2S1q3AWTP2open]
- <98 > Don't know/ Prefer not to say

Routing or filter: Routing: if not willing to pay any amount

[S2S1q3BWTP2] <Single Choice Question order of options randomised> You said your business would not pay a tax in order to maintain the Post Office network. Why is your business not willing to accept a tax? Please tick the one that applies most.

- <1> The tax was too high
- <2> The Post Offices are not valuable to my business
- <3> My business cannot afford the tax
- <4> My business shouldn't pay tax to support the Post Offices
- <5 > I could not decide/did not understand the question
- <6 > Other [S2S1q3BWTP2open]
- <98 > Don't know/ Prefer not to say

Routing or filter: All

[mvos2val1] Did you feel that you were able to make the choices in these exercises in a realistic way?

- <1> Yes
- <2> No

Routing or filter: Routing: if feel unable to make choice in a realistic way

[mvos2val] <Multiple Choice Question order of options randomised> Why did you feel unable to make these choices in a realistic way? Please tick all that apply

- <1> I could not imagine the scenarios used in these choices
- <2> The Post Office wouldn't really make those changes to services
- <3> I did not understand the questions
- <4> My business does not pay taxes so the tax would not affect me
- <5> It just made no sense to me
- <96 > Other [mvos2val2other]
- <99 > Don't know

Routing or filter: All



[mvos2val3] Did you feel that the amounts of money we have been asking about in these choices were realistic?

- <1> Yes
- <2> No

Routing or filter: Routing: if did not feel amounts were realistic

[mvos2val4] <Multiple Choice Question order of options randomised>Why do you feel that the amounts of money were not realistic? Please tick all that apply

- <1> The amounts were too high
- <2> The amounts were too low
- <3> The Government does not change taxes by the amounts stated in the survey
- <4> I did not understand the questions
- <5> My business does not pay taxes so the tax would not affect me
- <96 > Other [mvos2val4other]
- <99 > Don't know

In the next questions, you will be asked to choose between options in which the distance from your place of work to the nearest Post Office branch, the opening hours of your nearest Post Office branch, and parking availability at your nearest Post Office branch are varied. In these options the amount of tax your business pays to support the Post Office will also vary. Although these choices are imaginary, please choose the option that your business would prefer while bearing in mind the cost of each option, in terms of the amount of tax your business pays to support the Post Office, which is shown at the bottom of the table. When answering these questions, please consider your business's budget carefully, and all the things it needs to, or would like to, spend its money on. You will be asked to make another six choices in total in this part of the survey.

Before proceeding to the questions, please take a moment to look at the example choice shown below in order to understand how the two options will be presented to you. The table below shows two imaginary options (Option 1 and Option 2) in which the Post Office branch nearest your place of work has different opening times, distance from your place of work, and parking availability. For each option, the tax that your business would pay is indicated at the bottom of the table. When you think you understand this example, please click 'Next' to see your first choice.

THEN SIX CHOICES ARE MADE

SURVEY CLOSES

Face to Face

**SCREENING – LEVEL OF INTERNET USE & PROFESSION**

S1.	<b>SHOWCARD AA</b>		
	When did you most recently use the internet? <b>CIRCLE ONE CODE ONLY</b>		
	In the past day	01	<b>DOES NOT MEET CRITERIA</b>
	In the past week	02	
	In the past month	03	
	In the past two months	04	
	In the past three months	05	
	<u>More</u> than three months ago	06	<b>CONTINUE</b>
I never use the internet	07		

S2.	<b>SHOWCARD BB</b>		
	Please indicate which of the following industries you work in (or, if retired, used to work in). <b>CIRCLE ONE CODE ONLY</b>		
	Journalism	01	<b>DOES NOT MEET CRITERIA</b>
	Market research	02	
	Post Office / Royal Mail / other postal services	03	
	Hospitality	04	<b>CONTINUE</b>
	Charitable sector	05	
	Manufacturing and production	06	
	Computing	07	
	Media, marketing, or advertising	08	
	Pharmaceuticals	09	
	Financial services	10	
	Professional services (consulting, engineering, architecture)	11	
	Public sector (government, education, NHS etc.)	12	
	Retail / wholesale	13	
Telecommunications	14		
Transportation	15		



Water companies	16	
Other utilities	17	
None of the above	18	

## **SECTION A – USAGE OF THE POST OFFICE**

### **READ OUT**

To provide you with some background before we start the survey, the Post Office operates a network of more than 11,500 branches across the UK and delivers a wide range of services including mail and parcels, financial services and services for Government (e.g. access to pensions and benefits, passport applications and driving licence applications) in addition to home phone and broadband.

Post Office branches take a number of forms. They can:

- Be dedicated branches only offering Post Office's range of services;
- Offer Post Office's range of services alongside other products such as groceries;
- Be located inside another store such as a supermarket;
- Share other locations like a church hall or a pub; or
- Be a mobile service operating from a van.

The Post Office and Royal Mail are different businesses.

Royal Mail was privatised in 2013 and Government now only owns a small stake in Royal Mail. Royal Mail operates a mail and parcel delivery service, collecting, sorting and delivering mail and employing postmen and postwomen.

Post Office is still owned by the Government. Post Office operates a network of more than 11,500 branches across the UK.

Post Office has a close relationship with Royal Mail but it is a different business.

Please base your answers on how you use and value the products and services provided by the Post Office and its network of branches and not Royal Mail.

### **ASK ALL**

A1.	<p><b>SHOWCARD A</b></p> <p>How often would you say you use a Post Office, either on your own behalf or on behalf of someone else?</p> <p><b>CIRCLE ONE CODE ONLY</b></p>
-----	---

More than 3 times a week	01	<b>CONTINUE</b>
At least once a week	02	
At least once a month	03	
A few times in the year	04	
About once a year	05	
Less than once a year	06	<b>GO TO A4</b>
Have never used a Post Office	07	
Not sure	08	

**ASK IF POST OFFICE USER (A1=1-5)**

A2.	<b>SHOWCARD B</b>		<b>CONTINUE</b>
	Thinking about the Post Office branch that you use most often, from where do you usually set off when you go to this branch?		
	<b>CIRCLE ONE CODE ONLY</b>		
	My home	01	
	Another house	02	
	My place of work	03	
Other	04		
Not sure	05		

**ASK IF POST OFFICE USER (A1=1-5)**

A3.	<b>SHOWCARD C</b>		<b>CONTINUE</b>
	How do you normally travel to the Post Office branch that you use most often?		
	<b>CIRCLE ONE CODE ONLY</b>		
	On foot	01	
	Car, van or motorbike as a driver	02	
	Car, van or motorbike as a passenger	03	
	Bus or other public transport	04	
	Bicycle	05	
Other	06		
Don't know	07		

**ASK ALL**

A4.	<b>SHOWCARD D</b>		<b>CONTINUE</b>
	If A1=1-5: Thinking about the Post Office which you use most often, could you tell me how far it is from the place where you usually set off?		
	If A1=6-8: How far is the nearest Post Office from the place you might set off?		
	<b>CIRCLE ONE CODE ONLY</b>		
	Less than half a mile	01	
	Half a mile	02	
	1 mile	03	
	2 miles	04	
	3 miles	05	
	4 miles	06	
5 miles	07		
6 miles	08		
More than 6 miles	09		
Don't know	10		

**ASK IF POST OFFICE USER (A1=1-5)**

A5.	<b>SHOWCARD E</b>		<b>CONTINUE</b>
	And how long does it take you to travel to the Post Office branch that you use most often, from the place you usually set off from?		
	<b>CIRCLE ONE CODE ONLY</b>		
	Less than 5 minutes	01	
	5 to 10 minutes	02	
	11 to 15 minutes	03	
	16 to 20 minutes	04	
	21 to 30 minutes	05	
31 minutes to one hour	06		
Over an hour	07		

Don't know	08	
------------	----	--

**ASK ALL**

A6.	<b>SHOWCARD F</b>		<b>CONTINUE</b>
	Thinking about the products and services offered by the Post Office, how long would you be willing to travel for in order to reach a Post Office branch to use these services? Please answer in terms of how you might travel / normally travel to the Post Office (such as on foot, by car, by public transport etc). <b>CIRCLE ONE CODE ONLY</b>		
	5 minutes	01	
	7 minutes	02	
	10 minutes	03	
	12 minutes	04	
	13 minutes	05	
	14 minutes	06	
	15 minutes	07	
	16 minutes	08	
	17 minutes	09	
	18 minutes	10	
	19 minutes	11	
	20 minutes	12	
	22 minutes	13	
	25 minutes	14	
	27 minutes	15	
	30 minutes	16	
	32 minutes	17	
	35 minutes	18	
	Don't know	19	

**ASK IF POST OFFICE USER (A1=1-5)**

A7.	How many different Post Office branches have you used in the last 12 months? <b>CIRCLE ONE CODE ONLY</b>	
	1	01
	2	02
	3	03
	4	04
	5 or more	05
	Not sure	06
		<b>CONTINUE</b>

**ASK IF POST OFFICE USER (A1=1-5)**

A8.	<b>SHOWCARD G</b> Which types of Post Office branch have you used in the last 12 months? <b>CIRCLE AS MANY AS APPLY</b>	
	A dedicated Post Office (e.g. one that only sells Post Office products and services)	01
	A dedicated Post Office that also sells other products (e.g. cards, stationery, newspapers and confectionery)	02
	A Post Office located inside another store	03
	A remote or rural Post Office that is located in unusual premises (e.g. a church hall or a pub)	04
	A mobile Post Office that is operated from a van	05
	Other	06
	Not sure	07
		<b>CONTINUE</b>

**ASK IF POST OFFICE USER (A1=1-5)**

A9.	<b>SHOWCARD H</b> For you, when choosing which branch to visit, how important or not are each of the following aspects of a Post Office branch? Please provide your responses based on a scale of 1 to 5, where 1 is not at all important and 5 is very important. <b>CIRCLE ONE PER ROW</b>
-----	--

		<b>1 – Not important at all</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 – Very important</b>
A91	The range of services offered at the branch	01	02	03	04	05
A92	Being open late in the evening	01	02	03	04	05
A93	Being open on the weekend	01	02	03	04	05
A94	The distance it is from where you usually set off	01	02	03	04	05
A95	That there is parking available close to the branch	01	02	03	04	05
A96	The quality of service at the branch	01	02	03	04	05
A97	That it is convenient to reach by public transport	01	02	03	04	05
A98	Being open early in the morning	01	02	03	04	05
A99	How long you have to wait to be served	01	02	03	04	05

**ASK IF POST OFFICE USER INCL. OCCASIONAL (A1=1-6)**

A10.	<b>SHOWCARD I</b>				
	Generally, how satisfied or dissatisfied are you with the service you've received when you have used the Post Office recently?				
	<b>CIRCLE ONE CODE ONLY</b>				
		Very satisfied	01	<b>CONTINUE</b>	
		Quite satisfied	02		
		Neither satisfied nor dissatisfied	03		
	Quite dissatisfied	04			
	Very dissatisfied	05			

**READ OUT**

**A number of Post Offices have changed recently, and some have also relocated to nearby premises as part of a Post Office modernisation plan. In more than 4,000 branches across the UK branch layouts have been improved and opening hours have been extended. In around 300 Post Offices new self-service, automated kiosks have also been introduced.**

**ASK IF POST OFFICE USER (A1=1-5)**

A11.	Has the Post Office you use most often changed during the last 3 years as part of this modernisation plan? <b>CIRCLE ONE CODE ONLY</b>		<b>CONTINUE</b>
	Yes	01	
	No	02	
	Not sure	03	

**ASK ALL**

A12.	<b>SHOWCARD J</b>		<b>CONTINUE</b>
	On a scale of 0 to 10, where 0 is very negative and 10 is very positive, overall to what extent do you have a negative or positive impression of the Post Office? <b>CIRCLE ONE CODE ONLY</b>		
	0 – Very negative	01	
	1	02	
	2	03	
	3	04	
	4	05	
	5	06	
	6	07	
	7	08	
	8	09	
	9	10	
10 – Very positive	11		

Not sure	11	
----------	----	--

**READ OUT**

The Post Office provides a range of products and services. Please take a moment to look at the products and services listed on this table.

**SHOWCARD K**

**ALLOW RESPONDENT TO HOLD CARD FOR FOLLOWING SERIES OF QUESTIONS (A13-A17)**

**ASK IF POST OFFICE USER (A1=1-5)**

A13.	<b>SHOWCARD L</b>								
	How often, if at all, do you use each of the following Post Office services? Please feel free to refer to the table you have just been shown at any time.								
		<b>More than 3 times a week</b>	<b>At least once a week</b>	<b>At least once a month</b>	<b>A few times in the year</b>	<b>About once a year</b>	<b>Less than once a year</b>	<b>Have never used this service</b>	<b>Not sure</b>
A131	Standard postal services	01	02	03	04	05	06	07	08
A132	Specialist postal services	01	02	03	04	05	06	07	08
A133	Pensions and social benefits	01	02	03	04	05	06	07	08
A134	Paying bills (e.g. utilities, council tax, local council payments)	01	02	03	04	05	06	07	08
A135	Withdrawal or depositing of cash, Government savings products and postal orders	01	02	03	04	05	06	07	08
A136	Personal banking services (e.g.	01	02	03	04	05	06	07	08



	loans and savings), insurance products and foreign currency								
A137	Passport and driving license applications, road tax payment and identity services	01	02	03	04	05	06	07	08
A138	Homephone or broadband services	01	02	03	04	05	06	07	08

**ASK ALL**

A14.	<p><b>SHOWCARD M</b></p> <p>Thinking about the value or benefits to <u>yourself</u>, how important or not do you think each of these Post Office services is? Please feel free to refer to the table you have just been shown at any time.</p> <p><b>CIRCLE ONE PER ROW</b></p>					
		<b>1 – Not important at all to me</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 – Very important to me</b>
A141	Standard postal services	01	02	03	04	05
A142	Specialist postal services	01	02	03	04	05
A143	Pensions and social benefits	01	02	03	04	05
A144	Paying bills (e.g. utilities, council tax, local council payments)	01	02	03	04	05
A145	Withdrawal or depositing of cash, Government	01	02	03	04	05

	savings products and postal orders					
A146	Personal banking services (e.g. loans and savings), insurance products and foreign currency	01	02	03	04	05
A147	Passport and driving license applications, road tax payment and identity services	01	02	03	04	05
A148	Homephone or broadband services	01	02	03	04	05

**READ OUT**

For this next question, please just think about the following services:

- **Standard Postal services**
- **Pensions and social benefits**
- **Paying bills (e.g. utilities, council tax, local council payments)**
- **Withdrawal or depositing of cash, Government savings products and postal orders**
- **Passport and driving license applications, road tax payment and identity services**

**ASK ALL**

A15.	<b>SHOWCARD N</b>	
	On a scale of 1 to 5, where 1 is not at all important and 5 is very important, how important or not is it to you that the following services are provided <u>together in one place</u> (e.g. at the Post Office), rather than in different places?	
	<b>CIRCLE ONE CODE ONLY</b>	
	1 – Not important at all to me	01
	2	02
	3	03
4	04	
5 – Very important to me	05	
<b>CONTINUE</b>		

**ASK ALL**

<b>SHOWCARD O</b>						
A16. Thinking about the value or benefits to <u>others in society</u> , how important or not do you think each of these Post Office services is? Please feel free to refer to the table you have just been shown at any time.						
<b>CIRCLE ONE PER ROW</b>						
		<b>1 – Not important at all to others in society</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 – Very important to others in society</b>
A161	Standard postal services	01	02	03	04	05
A162	Specialist postal services	01	02	03	04	05
A163	Pensions and social benefits	01	02	03	04	05
A164	Paying bills (e.g. utilities, council tax, local council payments)	01	02	03	04	05
A165	Withdrawal or depositing of cash, Government savings products and postal orders	01	02	03	04	05
A166	Personal banking services (e.g. loans and savings), insurance products and foreign currency	01	02	03	04	05
A167	Passport and driving license applications, road tax payment and identity services	01	02	03	04	05
A168	Homephone or broadband services	01	02	03	04	05

**ASK ALL**

<b>SHOWCARD P</b>						
A17.	To what extent, if at all, do you think an alternative to the Post Office is available to <u>you</u> for each of the following services? Please feel free to refer to the table you have just been shown at any time.					
<b>CIRCLE ONE PER ROW</b>						
		<b>There are convenient alternatives</b>	<b>There are inconvenient alternatives</b>	<b>There are <u>no</u> alternatives</b>	<b>Not applicable to me</b>	<b>Not sure</b>
A171	Standard postal services	01	02	03	04	05
A172	Specialist postal services	01	02	03	04	05
A173	Pensions and social benefits	01	02	03	04	05
A174	Paying bills (e.g. utilities, council tax, local council payments)	01	02	03	04	05
A175	Withdrawal or depositing of cash, Government savings products and postal orders	01	02	03	04	05
A176	Personal banking services (e.g. loans and savings), insurance products and foreign currency	01	02	03	04	05
A177	Passport and driving license applications, road tax	01	02	03	04	05

	payment and identity services					
A178	Homephone or broadband services	01	02	03	04	05

**SECTION B – VALUE OF INDIVIDUAL SERVICES (WILLINGNESS TO PAY)**

RECORD THE BLOCK USED		
	1	01
	2	02
	3	03
	4	04
	5	05
	6	06
	7	07
	8	08
	9	09
	10	10

**CONTINUE**

**INTRODUCTION – PLEASE READ OUT**

The next few questions ask you to choose between two options in which the services offered by the Post Office and the amount of tax your household pays to support the Post Office are varied.

The purpose of these questions is to help to understand the value of the services that the Post Office provides to your household and others in society. The questions mention tax in order to understand the value of these services. The

questions are **not** designed to influence the level of tax support that is provided to the Post Office.

For your information, the Post Office is owned by the Government and receives some support from taxes. This support enables it to maintain a network of more than 11,500 branches.

Although these choices are imaginary, please choose the option that you prefer while bearing in mind the cost of each option, in terms of the amount of tax **your household** pays to support the Post Office. This amount is shown at the bottom of the table.

When answering these questions, please consider your household budget carefully, and all the things you need to, or would like to, spend your money on.

Your answers are key to our research so please answer the following questions carefully. Please answer the questions on behalf of your **whole household**.

You will be asked to make **six** choices in total in this part of the survey.

*Note to interviewer: The following text can be read out to respondents if they are looking for a reminder or more clarity: "The Post Office is owned by the Government and receives some support from taxes. The purpose of these questions is to help to understand the value of the services that the Post Office provides to **your household and others in society**. The questions mention tax in order to understand the value of these services. The questions are **not** designed to influence the level of tax support that is provided to the Post Office."*

**EXAMPLE CHOICE CARD**

<b>CHOICECARD</b>		
<b>Block - 1</b>		
<b>Question - B1_1</b>		
	Option A	Option B
Standard Postal services	<b>NO</b>	<b>YES</b>
Specialist postal services	<b>NO</b>	<b>YES</b>
Pensions and social benefits	<b>YES</b>	<b>NO</b>
Paying bills (e.g. utilities, council tax, local council payments)	<b>YES</b>	<b>NO</b>
Withdrawal or depositing of cash, Government savings products and postal orders	<b>YES</b>	<b>NO</b>
Personal banking services (e.g. loans and savings), insurance products and foreign currency	<b>YES</b>	<b>YES</b>
Passport and driving license applications, road tax payment and identity services	<b>YES</b>	<b>NO</b>
Homephone or broadband services	<b>YES</b>	<b>NO</b>
<b>Tax paid by your household to support the Post Office</b>	<b>£12</b>	<b>£4</b>

**ASK ALL**

<b>B1.</b>	Which option would you choose? <b>CIRCLE ONE PER COLUMN</b>					
	<b>B11</b>	<b>B12</b>	<b>B13</b>	<b>B14</b>	<b>B15</b>	<b>B16</b>
Option 1	01	01	01	01	01	01
Option 2	02	02	02	02	02	02
Don't know	03	03	03	03	03	03

**ASK ALL**

V1.	Did you feel that you were able to make the choices in these exercises in a realistic way? <b>CIRCLE ONE CODE ONLY</b>		
	Yes	01	<b>GO TO V3</b>
	No	02	<b>CONTINUE</b>

**ASK IF SELECTED CODE 2 IN V1**

V2.	<b>SHOWCARD Q</b> Why did you feel unable to make these choices in a realistic way? <b>CIRCLE AS MANY AS APPLY</b>		
	I could not imagine the scenarios used in these choices	01	<b>CONTINUE</b>
	The Post Office wouldn't really make those changes to services	02	
	I did not understand the questions	03	
	I do not pay taxes so the tax would not affect me	04	
	It just made no sense to me	05	
	Other	06	
	Don't know	07	

**ASK ALL**

V3.	Did you feel that the amounts of money we have been asking about in these choices were realistic? <b>CIRCLE ONE CODE ONLY</b>		
	Yes	01	<b>GO TO C1</b>
	No	02	<b>CONTINUE</b>

**ASK IF SELECTED CODE 2 IN V3**



V4.	<b>SHOWCARD R</b>		
	Why do you feel that the amounts of money were not realistic?		
	<b>CIRCLE AS MANY AS APPLY</b>		
	The amounts were too high	01	<b>CONTINUE</b>
	The amounts were too low	02	
	The Government does not change taxes by the amounts stated in the survey	03	
	I did not understand the questions	04	
	I do not pay taxes so the tax would not affect me	05	
Other	06		
Don't know	07		

**SECTION C – VALUE OF WHOLE POST OFFICE NETWORK (WILLINGNESS TO PAY)**

**INTRODUCTION – PLEASE READ OUT**

**In this section of the survey, please imagine a scenario where there are no Post Office branches. This would mean that no one can use the various services available at the Post Office.**

**These questions are intended to help us understand the value of the network of Post Office branches as a whole, to your household and others in society.**

**When answering these questions, please carefully consider everything you and others in society value about the Post Office, and how it would affect you and others in society if there were no Post Offices.**

**For your information, the Post Office is owned by the Government and receives some support from taxes. This support enables it to maintain a network of more than 11,500 branches.**

**ASK ALL**

C1.	<b>SHOWCARD S</b>		
	What is the maximum tax that your <u>household</u> would be willing to pay per month, in order to maintain the Post Office network as it currently is? Otherwise, all Post Offices would close and none of your household's taxes would be used to support the Post Offices. Please indicate the <u>maximum</u> tax your household would be willing to pay each month between £0 and £100.		
	<u>Maximum</u> tax in £ per month willing to pay ( <u>between £0 and £100</u> )	£	<b>CONTINUE</b>
	Not sure	101	<b>CONTINUE</b>

**ASK ALL**

C2.	<b>SHOWCARD T</b>		
	How did you decide the amount that you stated as the maximum tax your household would be willing to pay in order to maintain the Post Office network as it currently is?		
	<b>CIRCLE ONE CODE ONLY</b>		
	This is the value of the Post offices to me	01	<b>Continue</b>
	Post Offices are not valuable to me	02	
	This is the tax I can afford	03	
	I shouldn't pay tax to support the Post Offices	04	
	I could not decide/ did not understand the questions	05	
Other	06		
Don't know/ Prefer not to say	07		

**CHOOSE ONE POUND AMOUNT FOR EACH RESPONDENT, RANDOMISED BY SELECTING IN ORDER THE NEXT AMOUNT ON THE LIST WITH EACH INTERVIEW**

<b>RECORD THE POUND AMOUNT USED (FOR C3)</b>		
£6	01	<b>CONTINUE</b>
£10	02	

	£14	03	
	£18	04	
	£24	05	
	£30	06	
	£38	07	
	£46	08	

**ASK ALL**

C3.	Suppose that in order to maintain the entire Post Office network as it currently is, the tax from your household that is used to support the Post Offices would be <b>&lt;value from above&gt;</b> per month. Or, all Post Offices would close and none of your household's taxes would be used to support the Post Offices.		
	Would your household be willing to pay this level of tax in order to maintain the current network of Post Offices?		
	<b>CIRCLE ONE CODE ONLY</b>		
	Yes, accept a tax of <b>&lt;value from above&gt;</b> per month to maintain all Post Offices	01	<b>GO TO V5</b>
	No, all Post offices close	02	<b>CONTINUE</b>
	Don't know	03	<b>GO TO V5</b>

**ASK IF WOULD NOT ACCEPT A TAX (C3=2)**

C4.	<b>SHOWCARD V</b>		
	You said you would not accept a tax in order to maintain the Post Office network. Why are you not willing to accept a tax?		
	<b>CIRCLE ONE CODE ONLY</b>		
	The tax was too high	01	<b>CONTINUE</b>
	The Post Offices are not valuable to me	02	
	I cannot afford the tax	03	
I shouldn't pay tax to support the Post Offices	04		
I could not decide/did not understand the question	05		

Other	06	
Don't know/ Prefer not to say	07	

**ASK ALL**

V5.	Did you feel that you were able to make the choices in these exercises in a realistic way? <b>CIRCLE ONE CODE ONLY</b>		
	Yes	01	<b>GO TO V7</b>
	No	02	<b>CONTINUE</b>

**ASK IF SELECTED CODE 2 IN V5**

V6.	<b>SHOWCARD W</b> Why did you feel unable to make these choices in a realistic way? <b>CIRCLE AS MANY AS APPLY</b>		
	I could not imagine the scenarios used in these choices	01	<b>CONTINUE</b>
	The Post Office wouldn't really make those changes to services	02	
	I did not understand the questions	03	
	I do not pay taxes so the tax would not affect me	04	
	It just made no sense to me	05	
	Other	06	
	Don't know	07	

**ASK ALL**

V7.	Did you feel that the amounts of money we have been asking about in these choices were realistic? <b>CIRCLE ONE CODE ONLY</b>		
	Yes	01	<b>GO TO D1</b>
	No	02	<b>CONTINUE</b>

**ASK IF SELECTED CODE 2 IN V7**

V8.	<b>SHOWCARD X</b>			<b>CONTINUE</b>
	Why do you feel that the amounts of money were not realistic?			
	<b>CIRCLE AS MANY AS APPLY</b>			
	The amounts were too high	01		
	The amounts were too low	02		
	The Government does not change taxes by the amounts stated in the survey	03		
	I did not understand the questions	04		
	I do not pay taxes so the tax would not affect me	05		
	Other	06		
	Don't know	07		

**SECTION D – VALUE OF OTHER ATTRIBUTES OF A POST OFFICE BRANCH (WILLINGNESS TO PAY)**

**ASK ALL**

D1.	<b>SHOWCARD Y</b>					
	How important to you, if at all, are each of the following characteristics of your nearest Post Office branch?					
		<b>1 – Not important at all to me</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 – Very important to me</b>
D11	Weekday opening hours	01	02	03	04	05
D12	Weekend opening hours	01	02	03	04	05
D13	Distance from your home	01	02	03	04	05
D14	Affordable parking available nearby	01	02	03	04	05

**SECTION E – DEMOGRAPHICS**

**ASK ALL**

E1.	Do you have a car or access to a car in your household? <b>CIRCLE AS MANY AS APPLY</b>		
	Yes, I have a car	01	
	Yes, someone in my household has a car	02	
	No, nobody in my household has a car	03	

**ASK ALL**

E2.	Do you, or anyone else in your household, currently pay any income tax or council tax? <b>CIRCLE ONE CODE ONLY</b>		
	Yes, I do	01	<b>CONTINUE</b>
	Yes, someone else in my household does	02	
	No, nobody in my household pays income tax or council tax	03	

**ASK ALL**

E3.	Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months? <b>CIRCLE ONE CODE ONLY</b>		
	Yes, limited a lot	01	<b>END SURVEY</b>
	Yes, limited a little	02	
	No	03	