

## Annex 2. Royal Mail's Methods for Measuring Performance (December 2008)

### Principles of Measurement

The Royal Mail approach to quality of service measurement follows a number of principles which are now generally accepted as best practice within Europe.

### End-to-end measurement

Quality of service should be measured from end-to-end, i.e. "from pillar box to doormat". The service is measured from the point when mail is placed in the postal system to the point when it leaves the system.

End-to-end quality of service measurement excludes delays before the letter is placed in the postal system, e.g. before the letter is posted, and delays after the letter has left the postal system, e.g. within a customer's mail room.

### Representative of all mail handled by Royal Mail.

The aim of measurement is to measure the service provided to all mail handled by Royal Mail of a particular type, class, or product. In order to do this it is necessary to ensure that the survey results are representative of the characteristics of the mail actually posted with Royal Mail or at least of those characteristics that affect quality of service. These 'real mail' characteristics include:

- part of the country where the item was posted
- part of the country where the item was delivered
- distance travelled
- day of week and time of day when the item was posted.
- size and format of the item, e.g., DL, C5 or C4 envelope and packets.
- whether delivered in a town or rural area.

Thus, if 30% of the letters Royal Mail handles are local items posted and delivered in the same postcode area, local items should represent 30% of the survey results (and the results should be "weighted" if necessary to make sure that this is so).

### Test letters.

All quality of service measurement is made using test letters. Test letters are letters sent specially for the purpose of measuring quality of service. They may be designed to look exactly like other mail but they have no function other than measurement. By using test letters it is possible to control the survey precisely and to determine what will be sent from where to where and when.

### Continuous measurement.

Measurement should be a continuous process. Surveys should operate throughout the year with some test letters being sent on each working day. Currently Royal Mail surveys operate continuously throughout the year, excluding Sunday which is not defined as a working day.

### Independent measurement.

Measurement must be undertaken in such a way that the postal operators cannot influence the results. Thus the outward appearance of test letters and the way they are sent and received should be such that it is not possible for the postal operators to identify them as test mail at any stage.

The panels of posters and receivers should be independent of the Royal Mail and the fieldwork should be controlled and operated by an independent market research agency.

Results on Royal Mail's Quality of Service are measured independently by Research International, a company with a long track record in this field. The methodology used and the results obtained are verified independently of Royal Mail and Research International. Royal Mail knows of no other measurement of its quality of service that gives results with the geographical coverage and degree of reliability and accuracy in the figures obtained by Research International. The research is based on the measurement each month of 88,500 sample letters, parcels and packets sent to 6,000 addresses.

**Standards-based approach.**

The European Committee for Standardization (CEN) at the request of the European Commission has developed Standards for the measurement of quality of service by postal operators. Standards have been prepared for the measurement of quality of service of single piece mail and for the measurement of quality of service of bulk mail. Once in place the surveys are audited by a qualified independent body to ensure that they comply with the relevant CEN Standards.

The Royal Mail surveys are fully compliant with these Standards.

**Audit.**

The Royal Mail surveys are currently audited by KPMG who were appointed by Postcomm, the Regulator for the postal services market.