

POST *Impressions*

Issue No. 19

News and views from ONEPOST
– Independent postal advice and management

Postwatch... facing the final curtain

We are sad to report that Postwatch – the consumer watchdog for postal affairs – is to cease its existence at the end of September 2008. Postwatch was set up under the Postal Services Act 2000 and is independent of the Government, Royal Mail and any other licensed postal provider in the UK.

During its existence it has overseen a period of great change in the UK postal market and has actively campaigned to ensure that postal services have been improved as well as effectively lobbying key decision makers on behalf of customers.

With effect from October 1st 2008, Postwatch, Energywatch and CC Water will be subsumed into one consumer super body trading as part of the National Consumer Council and will be called 'Consumer Focus.' Fortunately, there has been a long lead time on this change as it was first mooted back in November 2006 as part of the Government plans detailed in the Queen's Speech.

We have established an excellent working relationship with Postwatch, who tried to look after and represent both consumer and business interests over the last eight years. In particular they played a key role in the struggle against the introduction of Pricing in Proportion and were successful in securing a host of concessions for the direct marketing industry.

The organisation also took Royal Mail to court over £40m worth of compensation being withheld from bulk mailers. Royal Mail subsequently won an appeal but only for customers who were in arrears.



Welcome to Issue 19 of Post Impressions

Something of a 'bumper issue', so we hope there's something to interest and inform all our growing number of readers.

It's sad to see the passing of Postwatch as a consumer 'watchdog' and we all hope that the new Consumer Focus is successful.

But it means that – as an industry – we all need to be watchful that our postal services are managed and maintained in a way that fits the needs of the users.

As a source of independent postal advice we at ONEPOST will continue to monitor, inform and discuss developments with you, and lobby where we feel changes are needed.

As always, if you have any feedback or would like further details on any of the issues, please do not hesitate to contact myself or one of the ONEPOST team.

Kind regards,



Graham Cooper

Contributors

Eric Austin

Eric is one of our original consultants who is a regular contributor to our newsletters. He is a Regional Committee Member of Postwatch South East and sits on the DMA Postal & Distribution Council. He operates as an independent Direct Marketing Consultant and has significant experience in the financial services sector.

Graham Cooper

Graham has worked in the mailing industry for over 30 years, and has been involved in planning and executing some of the UK's largest direct mail projects. As head of the British List Brokers Association, Graham was one of the shadow Board that set up the Direct Marketing Association, an organisation on whose Board he served for 4 years. He still represents the industry on the DMA Postal & Distribution Council as well as contributing to Postcomm (the industry regulator) activities.

Paul Fulton

Paul describes himself as a "long-term" participant in direct marketing as agency account director, consultant and copywriter, and is also a regular contributor to our newsletters.

Ian Simpson

The Managing Director of Catalogues 4 Business Ltd, the specialist catalogue design and marketing company. Started in 1998 with aim of providing a 'one stop' solution for catalogue marketers, Catalogues 4 Business now includes many highly successful B2B and B2C catalogues in their portfolio.

Luan Wise

Luan has both agency and client side marketing experience for a variety of clients both UK and International. She is an IDM member and manages/edits each edition of Post Impressions.

Contact US



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Cast your vote in **going for a song...**



As this edition goes to press, it seems like the holiday season is in full swing. So, we've put our creative editorial hats on to bring you a slightly more entertaining, but hopefully still informative edition of Post Impressions.

To kick things off, we took a light hearted look at the world of 'post and distribution.' We don't quite know how this happened ... but it is possible that fine wine was involved! Anyway we started to think about music and how that relates to post and distribution.

With creative juices stirred 'We' (strangely, nobody takes overall responsibility for this) produced a staggering array of associated ... and sometimes not so associated ... song titles and artistes that reflected our industry.

Modesty forbids us from making exceptional claims regarding the quality of tracks we found, but we certainly made rapid progress after what was essentially 'the first post' – The Singing Postman with 'Hev Yew Gotta Loight Boy' right through to the more traditional bugle sound of 'The Last Post.'

In between, not least because it is the holiday season we unearthed 'Beach Baby' from First Class as well as perhaps the more obvious suspects such as 'Return to Sender' and 'Please Mr Postman'.

Unbelievably we're now close to compiling our very own 'Top Twenty' ... for a full listing please do check out our website: www.onepost.co.uk/goingforasong Whilst there you can cast a vote for your own personal favourite and if it is a bit cheesy ... don't worry it's all anonymous! All being well we will publish the top ten later this year.

Whilst at our website, please do take a few moments to look at all our various services. We still currently offer a free, no obligation postal audit quotation and, if you have the information to hand, then you can submit details online.

DID YOU KNOW?

Postman Pat, the popular children's television character, is about to make his debut in Beijing. Entertainment Rights, the group behind Pat, is set to announce a deal with China Central Television, which has secured the rights to 106 episodes of the back catalogue.

The Electoral Register – not for sale?



The Incorporated Society of British Advertisers (ISBA) has joined the DMA in the debate over the government's contentious plans to end the sale of the edited version of the Electoral Register.

ISBA's Media and Advertising Director Bob Wootton, in a letter to Stephen Carter, the Prime Minister's chief special adviser and former Ofcom Chief Executive, argues that "losing access to the register would mean direct marketers relying on less accurate sources of data and an increasing amount of wrongly addressed mail. This would undermine current environmental initiatives and would be at odds with the review's objectives."

Wootton goes on to state: "A ban on the use of the register might also generate difficulties because direct marketers would no longer be able to use it to ensure compliance with the Data Protection Act."

These views reflect those of the DMA, whose Director of Public and Legal Affairs, Caroline Roberts, says: "We welcome ISBA's support in this matter. We made forceful arguments against

the withdrawal of the edited register from commercial use on the day the Walport Report was published and we will continue to lobby key politicians and civil servants over the summer."

David Ellison, Marketing Services Manager at ISBA who helped draft the letter, explained: "We got feedback from our members and they made a number of points relating mainly to the edited version of the Electoral Roll being withdrawn. It was not a surprise that there was a fairly robust reaction to the recommendations. We felt the feedback was sufficient to warrant putting the letter together."

Some in the industry, though, have cast doubt on the idea that the proposals will ever come into force. One of these is Experian Integrated Marketing Managing Director Duncan Painter who was an adviser to the review and wrote to clients last month: "With the advantage of being involved in the review, we are confident that once this is debated fully and openly, the recommendation will be significantly revised if not removed."

Flick & Click

the catalogue is far from dead

Ian Simpson, ian@c4b.net
Catalogues 4 Business Ltd

Catalogues are a proven, valuable part of an integrated marketing strategy and great at driving online sales. Years ago the phrase '360° marketing' was coined, this was revised to 'clicks and mortar' and then recently to 'flick and click'.

But however you describe it, essentially it means one thing; getting your name and products in front of prospective customers and allowing them to respond through their preferred channel.

Mailing catalogues regularly, lifts conversion to online sales, encourages more frequent purchases and increases average order value. Whilst many predicted the gradual demise of catalogues in the wake of online sales, nothing could be further from the truth. Catalogues are more important and relevant than ever and this was highlighted in a recent report commissioned by the Royal Mail.

Although the web and catalogues are diametrically opposed in their approach, this difference is crucial to their successful integration. Good catalogues are proactive and demand to be read, websites are passive and generally have to be 'discovered' or



'directed to'. Catalogues have the power to reach prospects, and generate sales, like no other marketing piece. And this applies both to B2B and B2C.

Catalogues can be a significant investment and need to work hard from the moment they are picked up by the reader. You can't afford to get it wrong. Over the past thirty-odd years catalogues have been subject to a huge amount of research and we know that good design, exploiting proven catalogue dynamics, can greatly influence buying decisions.

In simple terms, a catalogue has to grab attention, relay your proposition, sell your products off the page and remove barriers to placing the order – simple really! But get any part of it wrong and the catalogue will fail to maximise its selling potential. Strong covers, use of hotspots, sales-led copy, generating pace, clear navigation, easy ordering are key areas of any successful catalogue. And remember, catalogues are a specialist marketing tool - specialist skills are required to ensure it is working as hard as it possibly can.

For further information call
0845 2300 258 or visit
www.catalogues4business.co.uk

Flying off on holiday?

Your mail has a ticket to ride too



The history of communications has long been one of trying to do things faster. So it was inevitable that the idea of carrying post by air would seem attractive.

Although pigeons had been used since the ancient Persians, the first letter carried by a man-made aircraft was in 1785. And it was also the first international air mail service, wafting gently over from Dover to Calais.

George Washington then got in on the act in the USA, sending a letter by balloon to the owner of the land on which it happened to come down – a blatant piece of ‘unsolicited direct mail’. The first official American service took place in 1859 from Indiana aiming for New York. But even in August bad weather intervened and the journey completed by train. Not the full service yet.

When aeroplanes arrived (and became reasonably reliable) they were pressed into service. In 1911, 6,500 letters were flown across the Yamuna River in India.

And now an unsung heroine of both airmail and mail order – Nellie Brimberry,

Postmistress of Albany, Georgia, who inaugurated the first airmail flight in the US and created the first airmail stamp. Later she secured for pecan growers in the southern USA the privilege of sealing their product in packages to be distributed by mail.

Mail was a great boost to commercial flying between the wars. Letters were a perfect cargo for aircraft not powerful enough to carry freight – and a lot less fussy than fare-paying passengers.

In the past, mail-carrying aircraft had to carry a special official emblem on the fuselages. Currently the Royal Mail has a dedicated Boeing 737 operated by Titan Airways out of East Midlands airport.

DID YOU KNOW?

The blue adhesive label that indicates an airmail letter goes by the delightful name of ‘an airmail etiquette’.

‘By Airmail’ is normally also translated into ‘Par avion’ as French is traditionally the international mail language.

Airlines and hotels have often produced more elaborate and attractive designs.

No redress to mailers for strike delays



Postcomm has also decided on financial relief for industrial action in 2007-08 (and potentially also for 2008-09) and the future of the bulk mail compensation scheme for delay.

It has largely accepted Royal Mail's application for relief from the financial consequences of "transformation-related industrial action" in 2007-08.

This means Royal Mail will forgo £21.6m of 'allowed' revenue because of poor quality of service performance during the year, but bulk mail customers will not receive compensation. If Postcomm had not accepted the application, Royal Mail would have had to pay around £77m in bulk mail compensation to customers and would have had to forgo around £91m in revenue.

Postcomm has agreed, conditionally, to Royal Mail's request to suspend the Bulk Mail Compensation Scheme and to adjust the 'C-factor' in 2008-09 where quality of service failures are caused by transformation-related strike action. However, Postcomm will consider a wide

range of factors in reaching a final decision on relief at the end of the year.

Postcomm has decided to remove the regulated bulk compensation scheme for delay – with effect from 1 April 2010 so giving time for Royal Mail, senders of bulk mail and access operators to make alternative arrangements.

The main reasons given for removing Royal Mail's compensation scheme for delayed bulk mail are:

- "in the developing competitive market it is more appropriate to move towards market driven outcomes."
- "Removing the scheme will allow customers to negotiate compensation schemes to suit their own needs."
- "The current scheme does not necessarily target those customers who have suffered poor performance."

Postcomm argues that it is trying not to discourage Royal Mail from taking the steps needed to modernise its business, which would benefit all mail users.

Please Mr Postman...

is there a postcard?



Earlier this year (Issue 16), we reported that according to research from ITV.com text messages and pictures sent by e-mail, or camera phone were killing the holiday postcard.

Well, we're pleased to report that the latest research conducted by Royal Mail suggests that these reports regarding 'the death of a postcard' were a little premature, with Britons now estimated to be sending around 135 million postcards each year. This represents an increase of 30 million compared with just five years ago.

E-mailing and texting may have grabbed the headlines, but for many holidaymakers the picture postcard is the only way to confirm the message... "We're having a wonderful time (and you aren't)."

The golden age of the postcard began back in 1894 when the General Post Office, the forerunner of the Royal Mail first approved then for delivery by post. They remained popular even during times of War and only really experienced a noticeable downturn in the nineties

when the internet and mobile phones became more prevalent and affordable.

Many people genuinely cherish receiving a communication that involves ink and a stamp and it is certainly more thoughtful than a text message or e-mail, so maybe we are set for the former glory days of the fifties when sending a postcard was extremely fashionable.

Royal Mail's research was compiled from a survey sent to 1,000 households that recorded every item of post that they received. But the trend is also borne out by Brian Lund, editor of 'Picture Postcard Monthly' who says "We've noticed a stark increase in the number of postcards being sent over the last few years."

DID YOU KNOW?

Collecting postcards, known as deltiology, is also growing in popularity with at least 60 clubs across Britain. Apparently the nation's largest private collection is held by Roger Peck, a pensioner from Colchester, Essex who owns an estimated staggering 37,000 postcards!

Push the button for holiday cash

The Post Office is already the UK's largest bureau de change and is now offering UK holidaymakers commission-free foreign currency from new specially designed cash machines at selected Post Office branches.

The new machines supplied by Bank of Ireland are being trialled to complement the extensive range of counter services already available from Post Office bureaux de change, making it even easier for holidaymakers to get their travel money quickly and effectively.

Customers using the ATM's simply insert their debit card and select one of two mainstream currencies – Euros or Dollars. There is no charge for the service and it's the same competitive exchange rate as over the counter.

As a further extension of holiday services, consumers will also be able to use 50 new Post Office bureau de change kiosks at selected branches of WH Smith. Most of the kiosks are open seven days a week and are located in prime shopping centre and high street locations.

Industry review for zonal pricing

Postcomm is currently undertaking two projects in relation to zonal pricing and has welcomed Royal Mail's consultation with the industry on a revised zonal access price structure.

Postcomm is undertaking a general review of zonal access pricing – under which Royal Mail charges a zonal price for delivering mail to the 'final mile' for large customers and other postal operators. The second project is a request from TNT Post UK for two new access products with a two zone pricing arrangement.

Postcomm is urging the whole industry to work together on this and has asked Royal Mail to complete its consultation by October.

It will be publishing its own observations on the consultation at the end of this month. For further information visit the news section of the Postcomm website: www.psc.gov.uk

Trying to keep the **customer satisfied**



Royal Mail has failed to meet 9 of its 12 annual performance targets for 2007-08. These include retail first class, retail second class and the major business mailing products (including Presstream and Mailsort) which are categorised as bulk first class, bulk second class and bulk third class.

These performance figures compare badly with previous levels achieved in 2006/07 when Royal Mail met 11 of its 12 annual performance targets. The main reason for this dramatic dip in customer service levels appears to relate to the major industrial action which took place in quarters 2 and 3 of 2007-08. But the figures also reveal that the fourth quarter results are still not back to the previous levels with 8 out of 12 targets being met.

Much has been written regarding both the short term and long term damage caused by industrial action and, at the time of writing, there remains the threat of further such action for later this year, let us all hope that this can be avoided and that customer service levels return to the former healthy position.

DID YOU KNOW?

The Elvis Presley hit 'Return to Sender' is about a man mailing a letter to his girlfriend after an argument.

She continually writes "return to sender" and he keeps receiving the letter back with various reasons for returning to sender: including "address unknown" and "no such person".

He keeps mailing letters, refusing to believe the relationship is over.

On 8th January 1983, a commemorative stamp to celebrate Elvis Presley's birthday was introduced.

On this day, many Americans wrote invalid addresses on their letters with the new stamp.

So, they would get the letter back with "Return to sender" written over it and the Elvis stamp with the first day issue date on it, increasing the value of the stamp.

We can work it out

In an important move, Postcomm has approved IDRS Ltd (Dispute Resolution Services) application to run a redress scheme for postal services.

The redress scheme will consider complaints about licensed products and services provided by licensed postal operators. The scheme only applies where a customer and a company are unable to resolve a complaint between themselves. It will provide resolution and redress for complaints while maintaining the principle that the primary responsibility for resolving consumer complaints sits with the postal operator.

Funding for this new initiative will come from the licensed operators and IDRS have already begun a dialogue with the operators to agree the precise details of the scheme.

These new arrangements follow an extensive consultation period going back to April this year when postal operators and stakeholders were asked for their views. Launch date is set for 1st October 2008.

Postcomm CEO announcement

Postcomm has recently announced that Tim Brown will be appointed as its new Chief Executive. Brown replaces Sarah Chambers when she leaves in September after her 4 year stint at the helm of the postal regulator.

Brown (pictured) joined Postcomm earlier this year as Director of Market Development, having previously worked at DHL Express UK and Royal Mail.



Postcomm Chairman Nigel Stapleton says "Tim's extensive experience of the sector gained at Royal Mail in the wider competitive market will be invaluable as we work towards establishing a new regulatory framework that will secure the universal service and provide more choice for all mail users and providers."

If you are planning to visit ECMOD in October
then please do call and see us.
Earls Court 1st-2nd October 2008



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Independent postal advice
and management

Bringing you lower postage costs