

POST *Impressions*



Issue No. 13

ONEPOST welcomes government **review of UK postal sector**

Just before Christmas John Hutton, the Secretary of State for Business announced a wide ranging review of developments in the postal services market since its liberalisation two years ago.

This is a major initiative and clearly reflects the Government's commitment to providing a universal postal service that meets the changing needs of both consumers and businesses in the UK. The Review is being carried out by an independent panel brought together by the Department for Business Enterprise and Regulatory Reform (BERR).

As you would expect, the review's terms of reference are wide ranging and include:

- To assess the impact to date of liberalisation of the UK postal services market, including on the Royal Mail, alternative carriers and consumers.
- To explore trends in future market developments and the likely impact of these on Royal Mail, alternative carriers and consumers
- To consider how to maintain the USO in the light of trends and market developments identified.

The provision of a universal postal service at affordable prices, which was enshrined on legislation in 2000, remains a top priority for the Government.

The Review will take evidence from all interested parties including Royal Mail, Postcomm, Postwatch, the CWU, UNITE, other licensed operators, the National Federation of Sub Postmasters and customer representatives such as the Federation of Small Businesses.

ONEPOST will be contributing to what we see as a timely and relevant initiative. We welcome the Government Review and in particular that it embraces all aspects of the market which has certainly seen a lot of changes in recent years. In addition, as you will see elsewhere in this newsletter, the industry is facing a number of challenges in what remains a robust marketplace and an opportunity to deliver timely offerings in a cost efficient way.

It is expected that the review will report its conclusions in the summer of this year. In the meantime we will keep you informed of any significant development of what will undoubtedly be high profile news in both the trade and national media.

Postage rates going up in **April 2008**



In case you missed it, on December 21st 2007 the Royal Mail announced that there will be yet more price rises with effect from April 7th 2008.

As we have often stated, all price rises are unwelcome, particularly those which are in excess of current inflation levels. However, Royal Mail have the flexibility to raise the price of stamps annually... right through to 2010.

The new headline rates will see

- 1st class stamps rise from 34p to 36p
- 2nd class stamps rise from 24p to 27p

These price rises only apply to standard letters weighing up to 100g. Similar rises will also apply to heavier and larger items which are priced differently following the introduction of Pricing in Proportion back in August 2006.

Business customers who use franking machines will continue to get a discount against the price of a stamp. A franked standard First Class letter will increase by 2p from 32p to 34p, whilst a standard Second Class franked letter will rise 2p from 22p to 24p, thus increasing the discount from 2p to 3p.

Prices for bulk mail services are also set to change with a general increase arising, but some prices for heavier weight items will be falling to improve Royal Mail's competitiveness in the growing home shopping market.

The business mailing tariffs have become increasingly complex to calculate.

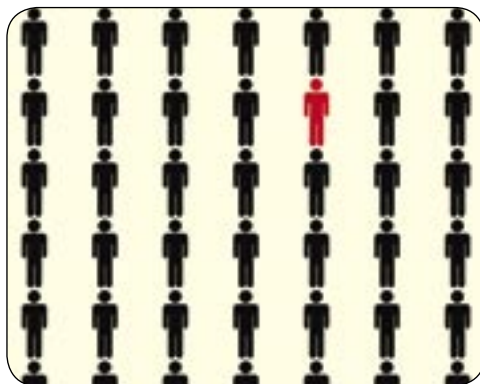
So, maybe now is the time to contact us here at ONEPOST. We're here to help you understand the various mailing options and, of course, maximise that postage budget right through 2008 and for the years to come as well.

TOP TIP

With the rise in postage to save some much needed pennies ... why not stock up with some books of class stamps before April? You won't be penalised as Royal Mail will honour these stamps after April 7th.

We know it's not much, but it is more attractive if you use a lot of 2nd class stamps where the increase is a whopping 12.5%. And, as we all know ... "if you look after the pennies, the pounds will look after themselves"!

Mailing Preference Scheme gets personal



The Mailing Preference Service (MPS) is a free service set up over 20 years ago. It has proved to be a valuable service for both businesses and consumers.

The MPS website www.mpsonline.org.uk offers good advice regarding how to register together with a balanced view on whether people should register. Currently 3.5m of the 25m households in the UK are registered on the MPS.

The Direct Marketing Association (DMA) effectively runs the MPS. Back in September last year the DMA announced some very welcome changes.

Firstly, registration will now be at an individual level. This means that an individual can register themselves on MPS, but if other members of the household wish to continue to receive unsolicited direct mail then that is perfectly in order. Previously, all registrations were taken at the household level.

In another welcome development, the MPS file will now be for a five year registration period. After that, people will need to re register.

Both of these initiatives reflect the wishes of consumers who, ultimately, decide which messages they want to receive and via which medium. MPS will be a more effective service and greatly assist mailers in targeting the right people at the right time with relevant product offerings.

ONEPOST can provide a free data health check to see if your mailing list has any MPS registered contacts. Please contact us for further details on this and other data cleansing services.

DID YOU KNOW?

There are over 85,000 Royal Mail post boxes in England and that across the UK all post boxes are painted in standard red and black livery.

These post boxes are painted every three years, unless local circumstances require more frequent attention... for example, coastal sites where abnormal levels of deterioration may occur.

Publish...

and don't be damned



In recent times the publishing sector has had more than it's fair share of challenges to face. Not least the introduction of Pricing in Proportion (PiP) with all the associated issues of size/ weight and thickness!

In addition the arrival of the digital age has forced publishers to create distribution strategies that are appropriate and relevant to today's demanding consumers.

Throughout all the turmoil, the industry as a whole can be most grateful that its trade association body namely, the Periodical Publishers Association (PPA) has had such a strong and effective voice. The PPA represents around 80% of the UK magazine market by turnover and has 400 companies within its membership... representing around 2,300 consumer, business, and professional magazines.

It is interesting to note that since 2000 there has been continuous year on year growth in both consumer expenditure on magazines and the number of copies sold.

And, as measured by NRS:

- 77.4% of adults read a consumer magazine title
- 71.8% of men read a consumer magazine, which is 36% more than read a national daily paper.
- 82% of women read a consumer magazine

Consumer magazines have become one of the most well known and accepted loyalty tools, with the majority (72%) being distributed in the mail system.

Over the last 10 years Business and professional magazines have become the focal point of the huge (more than £13.7bn) and booming business communications market place. Business information is an essential pre requisite these days ... that's why 87% of decision makers use business and professional publications regularly for work purposes, more than any other medium.

DID YOU KNOW?

In 2005 there were 8,474 different magazine titles published in the UK. 3,366 were Consumer titles with 5,108 classified as Business and Professional. The overall figure is a rise of 24% during the last ten years.

(Source BRAD 2006)

*"The perfect
love affair
is one which
is conducted
entirely by post."*

George Bernard Shaw



**Come and join us on
Stand A47
at Publishing Expo**

ONEPOST has already provided various working solutions for cost-effective distribution strategies in the publishing sector.

If you would like to talk to us further please do contact us or... pop in and see us at Publishing Expo, which is being held at Olympia London on 13th & 14th February 2008.

We will be on stand A47, and also participating in the seminar programme in Theatre A, at 16.15 on 13th February.

Encouraging signs for **Direct Mail**

Reading the marketing press, and indeed national papers, you would be forgiven for thinking that the future of the communications industry is all about digital!

However, according to a recent survey (CCB fastMAP/PM Marketing GAP Report) carried out amongst consumers and more than 200 marketers, there is a slightly different picture emerging, with increasing numbers of consumers opening their direct mail and widespread resistance to mobile marketing techniques.

The survey also reveals the number of people opening and reading their direct mail continues to increase, across all age bands and income groups. In more detail

- 48% open mail from any company
- 39% only open mail from a company with which they have a relationship

Interesting to note that more than half of the marketers were wrongly pessimistic in their expectation that less than a third of consumers would open mailpacks.

So, as we have often stated, the way ahead for successful marketing campaigns is via a truly integrated approach which recognises how customers and potential customers wish to receive their communications.



Welcome to Issue 13 of Post Impressions

I am delighted in our attainment of ISO accreditation - it's a great start to the year and is tangible proof of our commitment to robust internal procedures both internally and with our supply chain partners.

We are committed to delivering a quality service to our growing client base and with Royal Mail pricing changes imminent I look forward to more postal saving opportunities!

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

Kind regards,

Graham Cooper
Managing Director

STOP Press

ONEPOST are pleased to announce that they have secured ISO 9001:2000 accreditation – the internationally recognised standard for internal Quality Management. It demonstrates an organisation's actions to ensure that its services meet or exceed its customers requirements.

In this ISSUE

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postage costs*