

# User needs and postal regulation in Sweden

The Swedish Post- and Telecom Authority (PTS) 2023

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# Main points

- Overview of the Swedish market and regulatory framework
- PTS user study on small businesses' needs of postal services in Sweden
- General conclusions from PTS' user studies in recent years and what it means to postal regulation
- Some highlights from the Swedish Government Official Report on postal reform proposals published 31 January 2023



# The Swedish postal market and regulation – overview

## The letter market 2022, in volumes:

- Postnord 75-80%
- Citymail 20-25%

## The parcel market 2021, in volumes:

- Postnord 40-45%
- DHL 10-15%
- UPS 10-15%
- Schenker 5-10%
- Bring Parcels 5-10%
- Other: 5-30%

- Universal postal service 0-20 kg
- Quality target D+2 (95%)
- Frequency: Differentiated
- Delivery by the home premises => within 200 meters from the entrance

# User study on small businesses' needs of postal services 2023

## Background and purpose

- PTS has conducted a qualitative user study on small businesses' needs of postal services to monitor that postal services offered in Sweden correspond to user needs.
- The aim of the study was to investigate small businesses' needs and perceptions of central quality aspects of the postal service in Sweden including postal items weighing up to 20 kg within the universal postal service.

## The assignment

- The data collection was carried out from November 2022 until January 2023 by Origo Group.
- The response rate of the survey was 32 percent (the target was at least 30 percent).

## Target group

Small businesses with 0–19 employees.

## Method

Mixed method: postal survey with 2 complete reminders, web survey and supplementary telephone interviews.

## Selection

- Contact details were supplied by Statistics Sweden's business register.
- Stratified sampling was developed by Origo in agreement with PTS.
- 10,000 companies were distributed among 27 strata.

# Results

- A majority of respondents believe that the postal services work well.
- Two out of three companies use postal services.
- Two out of three expect an increased or unchanged need for postal services in five years.
- For two out of ten, postal services are critical and for nine out of ten in that group, it would have major negative consequences if it does not work.
- Four out of ten state that extended delivery time from two to three days for letters would have major consequences for the business.



# General conclusions from PTS' user studies and what it means to the postal regulation



- Postal services are still essential for every day life in Sweden
- The needs of users are more diversified than ever
- The user perspective is essential when determining the scope of US – not how the services are produced
- Need to distinguish between universal services and the universal service obligation

# Some highlights from the Swedish Government Official Report on postal reform proposals

- Maintain a universal postal service 0 – 20 kg in Sweden
- Distinguish between letters containing correspondence and letters containing goods
- Lower the quality of services target from D+2 to D+3
- Introduce a finance model based on state subsidies or public procurement