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Introduction

The Swedish Post and Telecom Authority is responsible for monitoring, analysing and describing the development of the postal market. Our annual analysis – the Swedish Postal Market – is an important basis for anyone interested in understanding how the market changes. In this year's report, volume statistics and the results of various needs surveys are clearly indicating the same thing: society's need to receive and send letters and parcels continues to change as a result of ongoing digitalisation. This development is increasingly affecting the conditions for post and parcel delivery service providers to operate on the market, as well as the question of what requirements society should set for a functioning, universal postal service.

In the coming years, the regulatory framework will need to be changed, in Sweden and in many other countries, to meet the changing needs of society, companies and private individuals for postal services. A phase of change can be challenging in various ways, depending on who or what is affected by it. As an authority, we have a responsibility to clarify the facts about developments, to promote dialogue between the various stakeholders in the private and public sectors and to ensure that changes are implemented in the best possible way without affecting the ability of postal operators to maintain quality in the postal service. An important cornerstone of this work is to communicate our image of the developments. It is therefore our hope that the Swedish Postal Market 2019 can arouse interest and inspire dialogue about a postal market that is now undergoing fundamental change.

Dan Sjöblom

Director General

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Abbreviations

ERGP the European Regulators Group for Postal Services

PTS the Swedish Post and Telecom Authority (Post- och telestyrelsen)

Summary

The postal market is digitalising and changing. PTS notes that the number of letters sent in Sweden has decreased by 183 million, corresponding to 8.3 percent, during 2018. This is the biggest ever reduction. At the same time, the use of digital communications is increasing and nearly three million people over the age of 18 in Sweden choose to receive post from companies and authorities through a secure digital mailbox. Individuals and organisations increasingly shop online, send more parcels and have higher expectations for deliveries. Growth in e-commerce has been between 15 and 20 per cent in recent years.

The poorer profitability of postal operators due to reduced letter volumes, despite some relief from increased parcel revenues, represents a challenge for them, which has meant that they have attempted to adapt their activities to meet the volume downturn. The changes in operations have sometimes occurred at a rate that has caused distribution problems, which in turn has contributed to the perception among individuals and companies that postal delivery is not as reliable as before. During 2018, the reliability of the delivery operations has become more stable. PTS stresses that it is essential that in the future, operators can implement changes without adversely affecting reliability and quality.

However, as society's needs for postal services change, the general level of service needs to be adapted accordingly. From the needs surveys the authority has made in recent years, it is clear that the general need for the delivery of post and primarily written communications five days a week has diminished in recent years. Five per cent state that they need five-day letter delivery and 37 per cent that they need letter and parcel delivery five days a week. However, delivery reliability for letters and parcels is still highly rated, as is the possibility of influencing where a parcel is delivered. Sweden is therefore following the same development as other Nordic and European countries.

To ensure that today's and tomorrow's basic needs for postal services can be met across the country, users and society will need to be open to new delivery solutions and changes in the frequency of delivery. This means that post recipients living in cities may have to go a little farther to their mailbox, for the benefit of those living in the sparsely populated parts of the country who are generally already at some distance from the postal service. Users may simply have to accept changes to the postal service, which they take for granted today, in order to enable the efficient and sustainable delivery of letters and parcels which is as far as possible self-financing. During 2019, PTS will continue to carry out needs studies and, among other things, study what the consequences would be for users and society in the event of changes in the frequency of delivery. Any proposed changes to the regulation must be well substantiated and justified.

1 Digitalisation is changing the postal market – new needs, opportunities and challenges

Digitalisation is changing society. Access to the internet and e-commerce has created new purchasing behaviour and affects how cities and transport systems are constructed. Digitalisation changes the conditions for living and working in different parts of Sweden. Digitalisation and increasing e-commerce have also had, and will continue to have, a major impact on the Swedish postal market.

E-commerce now accounts for just over ten per cent of retail trade. That percentage is expected to double in just a few years[1]. Consumers can now have access to a global supply of goods and services, while companies are able to reach an international market. This makes it increasingly important that postal operators and other distributors offer user-adapted and flexible delivery solutions so as to enable consumers and businesses to continue to benefit from e-commerce and to enable continued growth.

Increasing e-commerce also places great demands for urban planning to adapt to consumers' new purchasing behaviour and to enable a distribution of post in cities that may look significantly different from today. In today's distribution, letters in urban areas are usually delivered close to the home, while parcels are sent to a local representative for collection. As the number of letters falls and parcel handling representatives find it increasingly difficult to cope with the increasing number of parcels, new alternative delivery solutions are required. This may include more home deliveries using digital locks, parcel locker stations near shopping centres or residential areas and parcel lockers in apartment blocks. Letters may increasingly need to be handled in the same flows as deliveries of goods and not always be delivered directly to the home. However, society must ensure that those who are unable to collect post elsewhere because of age or disability can continue to receive their post delivered directly to the home.

The process of change in which the postal market finds itself is mainly driven by users making use of the opportunities that digitalisation brings and thus changing their behaviour. The industry needs to continue to develop and use these opportunities. But one consequence of the development is that the senders and recipients of letters and parcels need to accept that changes are occurring in the postal service and that in the future it will not look like what they have been used to.

[1] See *Det stora detaljhandelsskiftet 2018*, https://www.svenskhandel.se/globalassets/dokument/aktuellt-och-opinion/pressmeddelande/rapport_det-stora-detaljhandelsskiftet_2018-digital-version.pdf.

1.1 Two markets for postal services - with different conditions

In many respects, not least in European postal regulation, the postal market is seen as a single market. However, in order to understand the Swedish postal market, it is necessary to assume that there are two different markets that cater for different needs: a communication need that is mainly addressed through consignments with written messages (the letter market) and a market for goods consignments (the parcel market)[2]. These two markets are affected in quite different ways by digitalisation. Another difference between the markets is the degree of regulation, where the letter market is much more regulated than the parcel market.

1.1.1 The letter market - we communicate more digitally and send fewer letters

Letter volumes have fallen by over 40 per cent since 2000. 2018 saw the largest fall in the number of letters ever in a single year[3]. All forecasts suggest that this volume loss will continue, probably at an accelerating rate[4]. One reason for this is that written messages will be increasingly digitalised as more recipients and senders adopt the various types of secure digital mailboxes and other digital options. According to a study carried out by PTS in 2018[5], there was great interest among private individuals in increasing their use of such services. According to the study, the relatively good broadband access and the rapid rate of digitalisation, including the increased use of digital mailboxes, could mean a reduction in the volume of letters by over ten per cent per year in the future.

In the same study, PTS also examined how private individuals and small businesses view their need to send and receive physical written messages. The survey showed that the need to receive and send letters is decreasing: just over half of the respondents and companies replied that it would not cause any problems for them if postal delivery took place only two days a week. Only five per cent of private individuals surveyed considered it necessary to be able to receive written messages in the form of physical letters every day. The study shows that for users, predictability and that the letters arrive in a reasonable time are far more important than distribution five days a week.

At the beginning of 2019, PTS carried out another user survey in which only 37 per cent of respondents replied that they had a need for postal delivery, i.e. the delivery of letters and parcels, five days a week.[6]

[2] In terms of production, goods are also distributed in the letter flows.
[3] See section 2.6.1.
[4] See section 2.6.1.
[5] Need for physical postal services in a digitalised market-PTS-ER-2018-19.
[6] The use of postal services by the population 2019, PTS-ER-2019:9 (only available in Swedish).

1.1.2 Falling letter volumes are eroding profitability in the letter business

Distribution of postal consignments has a high proportion of fixed costs, such as sorting facilities, vehicles and staffing in the delivery operations. This means that the costs of the delivery operations remain largely unchanged, in spite of reduced letter volumes.

Sweden's growing population and increased house building also strengthen the negative effect. The combination of declining letter volumes and an increasing number of households and companies to deliver to means that there are fewer and fewer items to distribute at each delivery point, and that the postmen pass an increasingly higher proportion of addresses without there being any items to distribute.

Today, the basic requirement for the universal postal service is that mail is distributed to all households in Sweden every weekday. However, certain exemptions may be made from the requirement, mainly for geographical reasons. An unchanged frequency of delivery lacks the flexibility needed to enable the universal postal service provider to adapt its activities to the changing needs of society. As a result, the profitability of the postal business is falling faster than the volumes are.

1.1.3 The parcel market - digitalisation and increasing e-commerce enable better delivery services, but profitability is also an issue here

Increased access to broadband has led to changes in purchasing behaviour and a strong growth in e-commerce. E-commerce has been growing by 15-20 per cent per year for a number of years[7], which has produced strong growth for all goods consignments[8]. Many new entrants have also established themselves in the parcel market. Digitalisation creates the conditions for developing new services and more efficient logistics. The rapid development of e-commerce also leads to new expectations and demands from consumers for reliable and accessible deliveries. Also, today's recipients often expect cheap or free carriage options and returns. In other words, digitalisation creates new business opportunities in the postal market, while increasing demands for better delivery solutions and growing competition are pushing margins and profitability.

1.1.4 Conditions for a self-financed universal postal service are disappearing

Although e-commerce leads to increased quantities of goods consignments, the number of parcels is still relatively low compared to the number of letters distributed. The increasing quantity of parcels is usually not sufficient to carry the business when the letter volumes fall.

[7] E-barometer 2013-2018

[8] See section 2.5.2

As a result, the level of service provided by the universal postal service needs to be adapted to current and future needs, while operators look at how the production of postal services can continue to be streamlined. The economic conditions for providing the universal postal service without subsidy will gradually disappear. The main reason for this is that the conditions for funding services in rural and sparsely populated areas with surpluses from more densely populated areas are being eroded at a rapid pace. In order to compensate to some extent for the loss of revenue resulting from the falling volumes of letters, there may also be a need for postage increases.

1.1.5 The quality of postal services shall maintain a high standard

Digitalisation means that companies operating in the postal market need to adapt their business to the new reality. In recent years, postal operators have addressed the changes by implementing various kinds of efficiency measures, sometimes at a rapid pace, which has created problems for individuals and businesses.

Postal operators shall have the opportunity to make the necessary changes to the business, but this must not be at the expense of impairing the quality and reliability of the postal service. What postal operators have promised when they have sold a service they must also keep. It is crucial that changes in postal activities create the conditions for maintaining a reliable postal service and that postal operators find long-term, flexible and sustainable solutions tailored to the users and their needs.

1.2 Today's and tomorrow's regulations – PTS's view and work

1.2.1 Conditions need to be created for funding the provision of the universal postal service

The Swedish postal regulation is based on the EU Postal Services Directive 2008/6/EC, which has been implemented in Swedish legislation through the Post Act (2010:1045) and Post Ordinance (2010:1049). The regulatory framework in the postal sector shall create the conditions for a letter and parcel service that meets the needs of users. The postal regulation was last amended 2018 when the Swedish parliament (Riksdag) and the government decided on changes in the Post Act and Post Ordinance. The changes meant, among other things, that PTS was given the opportunity to regulate where the delivery of postal items within the framework of the universal postal service shall occur. The authority was also enabled to collect additional data about finances and activities from companies providing postal services. In the light of developments in the postal market, it is important that PTS is able to both clarify how the universal postal service is to be provided and collect information from all distributors who provide postal services, whether they carry out defined postal activities or not[9].

In the bill that formed the basis for the 2018 changes, the government also stated that conditions in the postal market will continue to change. As a result, there may be a need to reconsider postal legislation in order to ensure that there is a universal postal service of good quality throughout the country in the long term.[10]

In the future, the regulations need to be more clearly based on postal services catering for different needs, i.e. the need to communicate via written messages and the need to send and receive goods consignments. To identify what needs there are, PTS will continue to conduct a number of different user surveys during 2019. The authority will also examine in particular the impact of changes in the frequency of delivery for senders, recipients and society as a whole. It is also important to clarify how the state shall act if, in the coming years, the need arises to finance the provision of the universal postal service. According to chapter 3 section 4 of the Post Act, access to the universal postal service shall be ensured through procurement, if this is necessary with regard to the costs of providing the service.

1.2.2 The European regulatory framework (Postal Services Directive) is reviewed by PTS together with other European regulators

The Postal Services Directive, which regulates the European postal market, was last amended in 2008. In the light of the changes in the postal market, there is a need to review the directive again. In 2019, PTS, together with the other regulators of the European Regulators Group for Postal Services (ERGP), will produce an "opinion" on what a new Postal Services Directive should contain.

PTS welcomes the introduction of a review of the EU Postal Services Directive. According to the authority, increased room is needed for the EU member states to be able to adapt national regulation to national needs and conditions. In this connection, PTS advocates a thorough analysis of the need for common rules for all member states in the postal market.

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[9] According to chapter 1 section 2 of the Post Act, postal activities means: regular collection, sorting, transport and delivery of *letters* for payment; postal services means: collection, sorting, transport and delivery of *postal consignments* for payment; postal consignment means: an addressed consignment which weighs not more than 20 kilograms and which is handed over in the final form in which it is to be transported by a provider of postal services.
[10] Bill 2017/18:41, amendments to the Post Act.

1.3 Digitalisation requires both competition and cooperation

Modern legislation is a necessary precondition for the markets for postal services to be able to provide services that meet the needs and to enable the activities to be carried out effectively. But it is not enough in a market for postal services that is changing rapidly.

1.3.1 Competition drives innovation

In order to develop the markets for letters and parcels, there must be innovative distributors, whether or not they are authorised by PTS[11], who develop new services in order to meet the needs of users. When new services are in demand, distributors must also be able to readjust their businesses as user behaviour changes. This works best in markets with well-functioning competition.

1.3.2 Collaboration for well-functioning letter and parcel distribution in cities

In order to be able to develop postal services that meet the needs of users, there is also a need for greater interaction between, among others, central government and municipal authorities, property owners and postal operators and other distributors on issues relating to different solutions for future letter and parcel distribution. A continued increase in e-commerce requires a recipient-friendly and efficient delivery system. Solutions that enable this, such as parcel rooms, automated parcel collection machines and more home deliveries, require investment in buildings and in public places. These issues therefore need to be dealt with in the municipal planning of residential and commercial areas. There may also be a need for collaboration on technical standards in order to enable new solutions to be developed and used.

1.3.3 Collaboration for well-functioning letter and parcel distribution in rural areas

Collaboration between public and commercial stakeholders is also required to achieve recipient-friendly and efficient delivery solutions in more sparsely populated parts of the country. Several distributors find that it is difficult to find effective forms of transport in those parts of the country where distances are long and postal users few. For example, driving with half empty vehicles is unsustainable in both climate and financial terms. There is therefore a need, among other things, for developing the right conditions for increased co-distribution.

1.3.4 Collaboration for digital solutions that work for all

Collaboration to develop new, user-friendly and efficient solutions is also required for written communications. Efforts are needed to facilitate the transition to digitalised message services for private individuals and small

[11] According to chapter 2, section 1 of the Post Act, a licence is needed to carry out postal activities, i.e. regular collection, sorting, transport and delivery of letters for payment.

businesses who today find it difficult to realise the potential of digitalisation. This may include measures that allow an increasing number of people to receive test results and calls from carers digitally and additional small business owners to handle payments digitally. Such initiatives require collaboration from several stakeholders, such as industry associations, non-governmental organisations and authorities, to create a common view of a desired future situation and to find a common basis for the actions needed to get there.

2 What the postal market looked like in 2018

2.1 Reliability, service and quality of the postal market

2.1.1 The Post Act sets requirements for reliability for those who provide postal activities

The Post Act contains a general provision that all postal activities shall be carried out under conditions that satisfy reasonable requirements for reliability and maintain protection of the personal integrity of the senders and recipients.[12] The basic element is that a postal operator shall have control over the postal consignments it distributes. This is to eliminate, as far as possible, the risk of unauthorised persons having access to consignments or that these are damaged during handling or by external influences.

In order to comply with the requirement for protection of the personal integrity of postal users, it is also necessary that the personnel concerned have good knowledge of the rules of confidentiality and that the premises used meet reasonable security requirements. Thus, the requirement for reliability and integrity covers most aspects of postal operators' activities and is fundamental to PTS's supervision. In addition to the Post Act's requirements for reliability, PTS has in 2018 made further clarifications of what the reliability requirement means in the licence conditions for Postnord and Citymail.

2.1.2 95 per cent of Postnord's single domestic letters must arrive within two working days

An important part of quality monitoring of the postal market is the measurement of the proportion of single domestic letters delivered on time according to the provisions set out in section 6 of the Post Ordinance. In 2018, the government changed the Post Ordinance and introduced delivery within two days after posting in Sweden, which means that Postnord shall distribute at least 95 per cent of single domestic letters within two working days of receiving them, regardless of where in the country the letters have been handed in. Before the amendment to the Post Ordinance, the formal requirement was that at least 85 per cent of Postnord's domestic letters should arrive overnight and 97 per cent within three working days. In practice, delivery within two days after posting has only come to include stamped letters. Companies and organisations that purchase letter services with other payment methods, such

[12] See chapter 2 section 6 of the Post Act.

as meter franking and port payé, are still offered overnight delivery when purchasing Postnord's 1st class letter services, however with some limitations compared to previously.[13]

One of the main reasons for the change in transit times was to enable Postnord to reduce costs and environmental impact by reducing the need for air transport. After the change, Postnord has been able to rearrange its transport in a more productive way, both locally and regionally. Postnord's national transport by air has also decreased in 2018.

As a result of the generally declining quality of letter distribution in recent years, PTS has decided that as from 1 April 2018, Postnord and Citymail shall ensure that they perform independent measurements of the letters' transit times every year. The requirement also includes those letters which are not covered by the provisions of the Post Ordinance.[14] In practice, this means that there is a requirement for more extensive measurements of the letters conveyed than has previously been the case, even though the proportion of letters falling under the Post Ordinance's delivery requirements has decreased. See also sections 2.1.4 and 2.1.5.

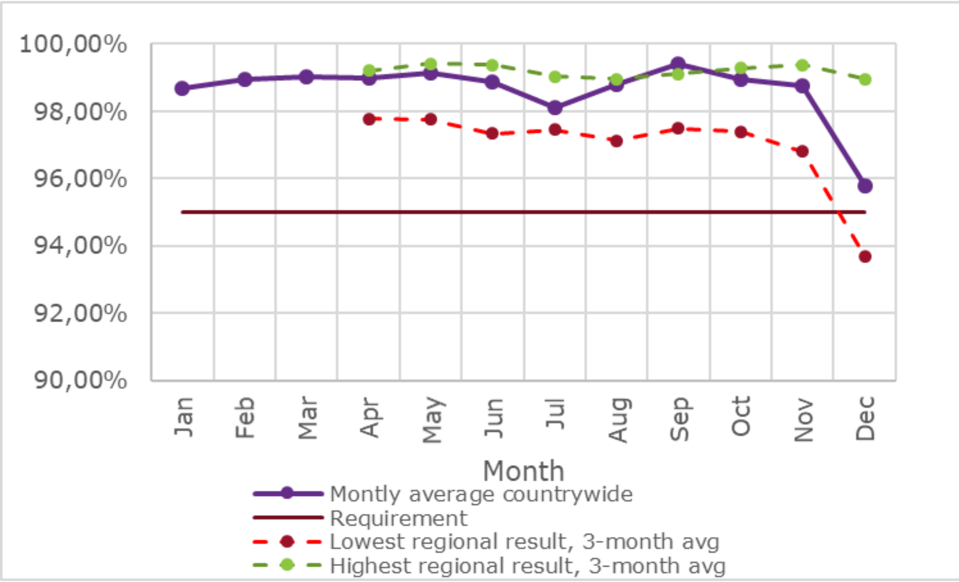
2.1.3 98.58 per cent of Postnord's single domestic letters were delivered on time

An independent party, at present Kantar Sifo, continuously measures Postnord's transit times. Measurements for 2018 show that Postnord has continuously been a good margin above the Post Ordinance's requirement that at least 95 per cent of single domestic letters shall be delivered within two working days. This applies both for the whole year and for each individual month. This means that Postnord has, by a good margin, complied with the delivery requirements of the Post Ordinance for the universal postal service at national level in 2018.

[13] Different combinations of handing-in point and delivery point now give different expected delivery times, but no more than two days after handing in. For example, letters handed in in Malmö are normally delivered on the weekday after handing in for all destinations up to central Dalarna and Gävleborg, while letters with a destination further north are normally delivered at the latest on the second weekday after handing in. See the Postnord website.

[14] PTS decision of 20 February 2018, licence conditions for Postnord Group AB, section 2.3, serial no. 17-3548 and PTS decision of 28 February 2018, licence conditions for Bring Citymail Sweden AB, section 3, serial no. 18-2520 (only available in Swedish).

Figure 1 - Percentage of single domestic letters which have been delivered within two working days after posting (Source: Postnord/Kantar Sifo)



As illustrated in Figure 1, Postnord delivered on average 98.58 per cent of on-time delivery within two days after posting at national level. The lowest measured proportion of letters delivered on time for a single month was 95.78 per cent and the highest 99.13 per cent. For all individual months in 2018 except December, 98 per cent of letters were delivered on time. December is usually the month that yields the lowest result due to the greatly increased quantity of post associated with Christmas.

Measurements also show that Postnord has exceeded the requirements of the Post Ordinance in all parts of the country except one (out of a total of 81). Sundsvall is the only one of Postnord's nine sorting centre areas[15] that did not reach the requirement during all three-month periods in 2018. For the measurement period October – December, the result for Sundsvall was 93.69 per cent. This is the lowest measured outcome per three-month period in 2018

[15] Sorting centre area refers to the region that each sorting centre serves. The outcome for each sorting centre area refers to the quality of shipments sent from all over the country to the respective sorting centre area. A delay may therefore have occurred at any of the points from handing in to delivery. The overall outcome does not give an answer to where any disturbance has occurred in the supply chain. When the geography is divided into smaller areas, in this case sorting centre areas, the measurement accuracy is not as high as with a larger sample. This is because the number of test letters is significantly lower per area compared with Sweden as a whole. To achieve acceptable statistical accuracy in the outcome measurement, the outcome per sorting centre area is reported per rolling three-month period, rather than per individual month.

for a single sorting centre area. The corresponding highest outcome per sorting centre area was when Postnord delivered 99.42 per cent of the letters on time[16].

2.1.4 The transit times for Postnord's bulk mail services are above Postnord's own targets

Kantar Sifo has also performed transit time measurements for Postnord's bulk mail services[17]. Postnord reports a stable production in 2018 and shows that the aggregate measurement result for each bulk mail service is some percentage points above Postnord's internal target for 2018.

The measurements are based on several customer-unique surveys, where the test letters used are included in these customers' bulk mail shipments. However, it has become increasingly difficult to find customers who wish to participate in the measurements, which very probably requires a change in the methodology in the future. Together with the measurements for delivery within two days after posting for letters, all relevant process steps in Postnord's letter production are covered in at least one of the transit time measurements.

2.1.5 Transit time measurements of Citymail's letter service are below Citymail's own targets

An independent research company has continuously performed measurements[18] of Citymail's letter service (B Post). Results during 2018 are under Citymail's internally set targets. However, for the most widely used production model, the results have steadily improved over the past twelve-month period. Citymail has initiated a number of measures to improve the results.

2.2 Complaints and claims

Users' complaints to postal operators and PTS provide important information about the functioning of the postal market and how well the postal services meet the needs and expectations of users. Effective complaint handling is also necessary to provide users with the opportunity to report defects and to request rectification. Complaints handling is therefore also an important basis for the operators' efforts to improve their processes and services. That

[16] Appendix 1 provides detailed tables of Postnord's transit times.
[17] Bulk mail is a service that Postnord offers to customers with a large number of letters posted at the same time. Postnord offers bulk mail by 1st class letter (A Post) and economy letter (B Post).
[18] Measurements were performed by the survey company injecting test letters into the letter stream via Citymail's three handing-in terminals. The destination of the test letters is determined by the survey company according to a number of requirements that ensure that the test letters are statistically equivalent to the actual letter flows, including by covering all 3-digit postcode areas in Citymail's coverage area.

complaint handling in such a way systematically supports the other improvement work of operators can be seen as a precondition for operators to be able to reliably deliver services that meet users' expectations.

2.2.1 The number of complaints to PTS has decreased in 2018, but complaints about parcel delivery are increasing

Between 2017 and 2018, the number of phone calls, letters and e-mails from postal users (collectively called inquiries) received by PTS has decreased. During 2018, PTS received 1,996 inquiries[19], which can be compared with 2,554 in 2017. However, the complaints are still at a higher level than before the quality problems started to increase in 2016. About 90 percent of the inquiries were complaints or comments, while the remainder consisted of other questions. Of the complaints received which could be linked to a specific operator, approximately 66 per cent concerned Postnord and 5 per cent Citymail.

Table 1 - Number of phone calls, letters and e-mails (inquiries) received by PTS 2015-2018

Year	Number of inquiries
2018	1 996
2017	2 554
2016	2 520
2015	850

While the total number of complaints to PTS has decreased, the proportion of complaints concerning defects at some stage of the parcel distribution has increased. In 2018, for the first time ever, these complaints were more than the number of complaints about postal delivery. The number of complaints to PTS regarding delivery problems has more than halved between 2017 and 2018.

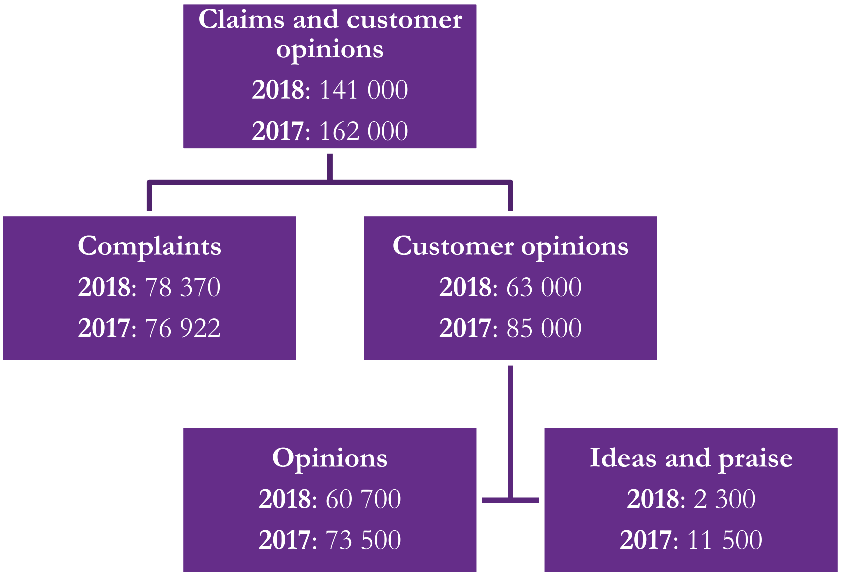
In the case of complaints about parcel distribution, the complaints in 2018 have largely concerned shortcomings in Postnord's handling of customs, VAT and handling charges for parcels sent from non-EU countries. The number of complaints was at its maximum after Postnord introduced new routines for customs and VAT handling in March and subsequently decreased significantly in the second half of 2018. In the case of complaints about postal delivery, the inquiries were mainly about items that have not arrived, were delivered late or mistakenly delivered to the wrong recipients.

[19] According to statistics from the Postal Affairs Department’s complaints system.

2.2.2 Complaints to Postnord have fallen between 2017 and 2018, but some categories of complaints have increased

Postnord distinguishes between claims and customer opinions. Customer opinions cover all forms of consumer reactions and are a collective name for complaints, ideas and praise. Claims relate to complaints about specific services included in Postnord's product range that customers, under certain conditions, can claim compensation for if Postnord has not fulfilled its obligations under the specific product and service conditions.

Figure 2 - Number of claims and customer opinions received by Postnord 2018 and 2017



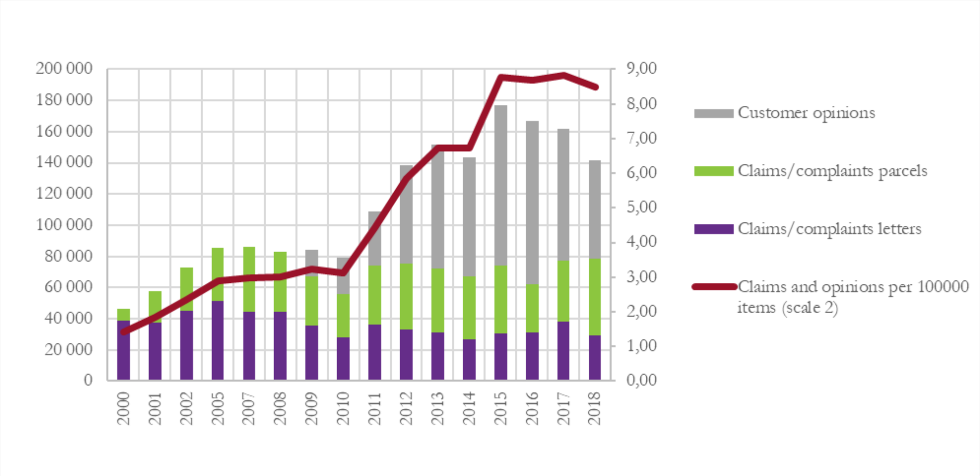
As shown in Figure 2, Postnord registered a total of over 141,000 claims and customer opinions in 2018. Of these, 78,370 were claims and 63,000 customer opinions. About 2,300 of the customer opinions were in the form of ideas and praise, while the remaining customer opinions were complaints.

Overall, the number of claims and customer opinions has decreased by approximately 13 per cent between 2017 and 2018. Between 2017 and 2018, the number of customer opinions decreased by 25 per cent. Letter volumes have continued to decline, but the proportion of customer opinions per letter[20] also decreased in 2018. This means that opinions are decreasing faster than the decline in letter volumes. The negative trend in recent years of an increasing

[20] Measured in customer opinions per 100,000 letters.

proportion of complaints about letter services thus appears to have been broken.

Figure 3 - Claims and complaints received by Postnord (formerly known as Posten) 2000-2018



Although complaints for certain categories have decreased in number, the relative proportion (complaint/consignment[21]) has increased for some of Postnord's services in 2018. The increase concerns the proportion of complaints per domestic parcel and the proportion of missing domestic parcels per consignment. The proportion of claims per domestic parcel also increased during 2018. However, in relation to the total number of postal consignments[22], the total number of customer contacts at Postnord in 2018 has decreased compared to 2017. At the same time, the amount of claims and opinions is at a higher level than before the quality problems in the postal market took off during 2016, which is illustrated in Figure 3.

However, claims to Postnord increased by two per cent in 2018. The increase applies only to the category for domestic parcels. The number of complaints per[23] parcel has also increased. This means that the increase in the number of claims to Postnord cannot be explained solely by the sharp increase in the number of parcels. On the other hand, claims about international parcels and domestic and international letter services decreased.

[21] Measured per 100,000 consignments or per 100,000 parcels.
[22] Postal consignments means addressed consignments weighing not more than 20 kg.
[23] Measured in complaints per 100,000 parcels.

The increase in the number of claims for domestic parcels has also led to increased processing times at Postnord for these cases. During 2017, the processing time was on average about 23 days, while in 2018 it was more than 26 days. On the other hand, the processing time for international parcels has been shortened considerably from more than 30 days in 2017 to about 23 days in 2018. The processing time for claims about letter services has also decreased during 2018. During 2017, the processing time for claims about domestic letters was about 16 days while in 2018 it was barely 3 days. The corresponding figure for international letters was a decrease from about 32 days in 2017 to just over 19 days in 2018.

2.2.3 Complaints to Citymail

Citymail distinguishes between complaints and information cases. Complaints include, among other things, missing or misdelivered post. Information cases covers items such as information about access codes or changing mailbox locations. Citymail reported 15,232 complaints in 2018.[24] This means a decrease of just under ten per cent compared to 2017 when the number of complaints was 16,893.

In relative terms, the number of complaints per consignment has also decreased for Citymail. During 2018, the volume of sold letter volumes for Citymail and its partners decreased by almost 2.5 per cent compared to 2017. PTS can therefore note that the decrease in the number of complaints at Citymail is greater than the decrease in sold volumes.[25]

2.3 PTS's supervision of the postal market during 2018

PTS's supervision is aimed at verifying that the postal operators comply with the requirements of the Post Act, the Post Ordinance and the licence conditions given pursuant to the Post Act. Due to previous years' quality problems in the postal market, PTS has mainly focused its supervision on addressing delivery problems, in particular at Postnord and Citymail, in recent years. PTS's supervision has for the same reason also been focused on monitoring how the operators formulate and allocate resources to their customer service activities.

[24] According to reporting to PTS.

[25] Since Citymail's recipient service also handles cases for the consignments distributed by their partners, this volume information can be considered relevant as comparison with the case development. The volume trend for Citymail alone, see Table 4.

2.3.1 PTS has concluded a number of supervisory cases in 2018

The reduction in the number of complaints about postal delivery may indicate that the quality of the postal operators has stabilised in 2018. A possible explanation for the stabilisation may be that Postnord and Citymail have taken a number of measures to overcome the problems in their activities. PTS can note that the operators have engaged more staff and have more transparently and more closely followed up central production processes. These measures have had the intended effect in whole or in part.[26] In the past year PTS has been able to conclude several supervisory cases in connection with these changes. Although the postal operators' quality in the letter business has stabilised in 2018 and the number of complaints has decreased, PTS sees a need for continued supervisory efforts to ensure that operators' quality and the reliability of the postal services remain at a high level.

In the coming years, PTS's overall aim is to ensure that the major postal operators maintain the ability to plan and implement changes and manage disruptions in their operations. PTS's supervision is also aimed at ensuring that postal operators have effective complaints handling and an ability to communicate both before planned changes in operations and in the event of operational disturbances.

2.3.2 Stricter requirements in the licence conditions for Postnord and Citymail

In April 2018, PTS tightened the requirements regarding the reliability of postal activities in Postnord's and Citymail's new licence conditions. The clarified requirements mean that the postal activities shall be conducted without interruption, that letters shall arrive at the addressee within the time specified in Postnord's customer offer and a requirement that Postnord shall carry out risk analyses.

The reason behind the changes in the licence conditions was the quality problems experienced by operators in recent years, which arose in the wake of major organisational changes and efficiency enhancements. The clearer requirements have given PTS better tools for monitoring and supervision.

[26] See serial no. 17-229 regarding Postnord's handling of larger postal consignments, serial no. 17-670 regarding Citymail's handling of bundled boxes, serial no. 17-1232 regarding Postnord's investigative function Customer Ombudsman, serial no. 17-8889 regarding Postnord's capacity to maintain daily collection and delivery in summer 2017 and 2018, serial no. 17-11595 regarding Postnord's handling of consignments at the international terminal at Arlanda (only available in Swedish).

2.3.3 Supervision of Postnord's handling of new rules on VAT on consignments of goods from third countries

On 1 March 2018, Swedish Customs introduced new rules on VAT on consignments from non-EU countries. As a result, Postnord had to change its procedures in a very short time to be able to charge VAT on all these commercial letter mail items. The rapid change in operations led to long lead times in the handling of the consignments, resulting in reduced reliability in deliveries, an increased number of complaints and thus long waiting times in Postnord's processing of complaints.

In response to these problems, PTS opened two supervisory cases. One concerns the reliability of the activities and the other concerns Postnord's processing of complaints concerning the distribution of consignments from third countries. In the former supervisory case, PTS has among other things taken note of the risk analyses Postnord prepared for the design of the new processes and for the move that was carried out by the VAT warehouse (from Örebro to Rosersberg in December 2018). This is to ensure that Postnord has added sufficient human resources and to see how the operator is working to identify and address shortcomings in the activities. In the context of the supervisory case, PTS has followed up the stricter requirement of 2018 in the licence conditions regarding risk analyses. In January 2019, PTS carried out an inspection of the new warehouse at Rosersberg where consignments from third countries are now handled. During the inspection, the authority found that Postnord has dealt with a number of previous problems in handling the consignments.

In the supervisory case regarding Postnord's handling of complaints concerning the distribution of consignments from third countries, the authority has, among other things, requested reporting and follow up of the actions Postnord has taken to shorten telephone times to Postnord's customer service and how the complaints have been dealt with and led to improvement measures in the activities. PTS can confirm that Postnord has taken a number of measures to strengthen and improve the customer service function, which, combined with a reduction in the number of complaints, has led to both faster response times and a reduction in the proportion of so called lost calls at Postnord’s customer service. From Postnord's response in the supervisory case, PTS can also conclude that Postnord has ensured that customer service has continuously provided information and knowledge of complaints handling to the functions at Postnord that work to develop and improve the VAT and customs management process. The measures that Postnord has reported can also be confirmed by the decline in complaints to PTS on Postnord's handling of this type of complaint over the past six months.

2.3.4 Supervision of Citymail's deliveries in Uppsala

In January 2019, PTS began supervisory activity on Citymail brought about by a number of notifications to PTS and information in the media about defects in Citymail's delivery operations in parts of Uppsala. According to Citymail, the problems were caused by a reorganisation in which three delivery offices have been merged into one office in new premises. Complaints to PTS confirm that post to recipients in certain delivery areas has been delayed by several weeks. In the context of the supervisory case, PTS, supported by the new licence conditions, has requested Citymail's risk analyses and asked Citymail how these have been used in the organisational changes.

Citymail's response to PTS and the progress reports that Citymail sent to the authority indicate that Citymail has taken a number of measures, including the operator redistributing more staff to the office concerned and recruiting a number of new employees. Citymail has also stated to PTS that they have developed their work on conducting risk analyses before changes, partly in light of the problems in Uppsala. Furthermore, Citymail has introduced a new management structure, which according to Citymail, allows greater control over major organisational changes. Citymail has also stated that it has changed its policy for compensation to post recipients, e.g. for reminder charges that have affected recipients due to overdue post.

From Citymail's response in the supervisory case and the progress reports, PTS can confirm that Citymail has dealt with the delays in the delivery areas concerned. PTS also sees that the number of complaints to the authority concerning the problems in Uppsala has fallen sharply and since the end of February PTS has received very few complaints concerning the delivery problems.

2.4 Accessibility and geographical spread of the postal market

2.4.1 The number of households without five-day delivery of post has decreased slightly

A basic requirement for the universal postal service, which is provided by Postnord, is that post shall be delivered to all recipients in Sweden every weekday, regardless of where they live in the country. However, exemptions to this five-day delivery may be made because of specific circumstances or geographical conditions which the licensing authority approves. Since the 1990s, it has been a political objective that the number of households without five-day delivery should not increase.[27] During the 1990s, 1,600 households did not have five-day delivery.

In 2018, the exemptions have decreased slightly. At year-end, the number of households in Sweden with deliveries on fewer than five days a week was 1,340. That is 14 fewer households than at the corresponding time in 2017.

2.4.2 The number of letters that cannot be delivered to the correct addressee has decreased in 2018

The letters that postal operators for some reason cannot distribute to the correct recipient (addressee) are called undeliverable. A letter can be undeliverable for several reasons, such as being incorrectly addressed, not being correctly forwarded or not having sufficient postage. Undeliverable letters should primarily be returned to the sender, but if the sender is not known, the letters should be sent to the PTS unit for missing letters[28] for processing.

In 2018, 325,432 undeliverable consignments were received by the PTS unit for missing letters, of which 23 per cent were solved. This can be compared with 2017 when 341,674 undeliverable consignments were received by PTS, of which 25 per cent were solved. The number of undeliverable letters sent in has fallen by 5 per cent since last year. However, in relation to the total letter volume in the country, this means that the proportion of letters sent in to PTS as undeliverable increased slightly.[29]

2.5 The parcel market is growing

2.5.1 Different definitions of parcels in the Post Act and the EU regulation

According to the EU parcel regulation[30], a parcel is defined as an addressed consignment containing goods and weighing no more than 31.5 kg.

[27] See Government Bill 1997/98:127, p. 23.

[28] At the PTS unit for missing letters, the letters are opened to try to find out who the sender is and then return the letter to the sender. Letters that cannot be returned immediately but are deemed to be of value are registered and archived for three months. This is to allow the letter to be searched for by the sender or recipient. After three months, the consignments are destroyed or donated to charity. Read more about undeliverable letters at pts.se

[29] Calculated per 100,000 consignments, 16.1 of these were sent in to PTS in 2018. The corresponding figure for 2017 was 15.5.

[30] Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services

In the Swedish Post Act, however, there is no specific definition of parcels. In the Act, parcels fall under the term postal consignments, which means addressed consignments weighing up to 20 kg. In Sweden, consignments up to 2 kg are often counted as letters and heavier consignments as parcels, regardless of content. There is therefore a difference in the definitions in the regulations, as the EU definition classes goods consignments less than 2 kg and goods consignments up to 31.5 kg as parcels. In Swedish law, however, items over 20 kg are not regarded as postal consignments.

The two definitions thus go both together and apart. As the letter and parcel markets meet different needs in the postal market, PTS sees it as important to work to clarify the demarcation between the markets in the future.

2.5.2 127 million parcels have been delivered in 2018 by the largest stakeholders

The parcel market continued to grow strongly in 2018 due to the continuously increasing e-commerce. Growth in both volume and sales has been very good. Postnord reports that the group's parcel volume in the Nordic countries increased by 10.3 per cent during 2018. In Sweden, Postnord's sales for the eCommerce & Logistics business area increased by 7.7 per cent.[31] With the increase, parcels and other logistics services are for the first time generating more revenue than letters and other communication services for Postnord in Sweden.

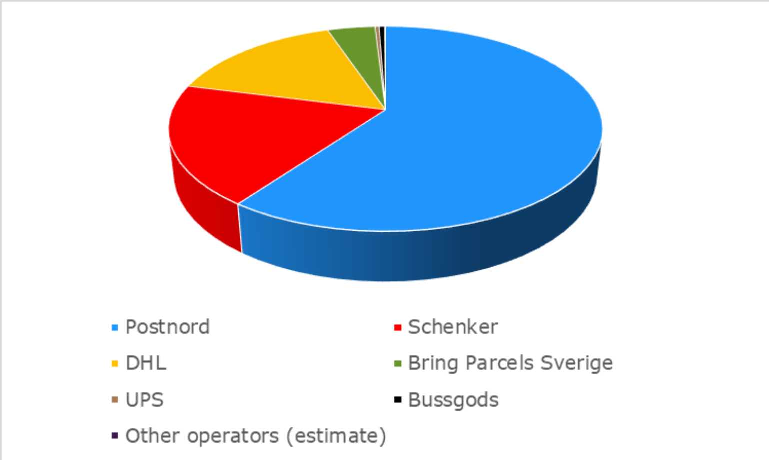
In the Swedish parcel market, six large operators offer parcel deliveries to private individuals through representatives: Bring, Bussgods, DHL, Postnord, Schenker and UPS. For home deliveries directly to households there are also several operators that have relatively recently started their activities, such as Airmee, Budbee and Urb-it.

The six largest parcels delivery service providers delivered a total of 127 million parcels during 2018, which resulted in sales of SEK 7.1 billion.[32] Postnord is the largest operator with just under 60 per cent of the total parcels. The next largest are Schenker and DHL with a market share of around 15-20 per cent. The market shares are illustrated in Figure 4 - Market shares (in number of parcels) 2018.

31 Postnord's year-end report 2018.

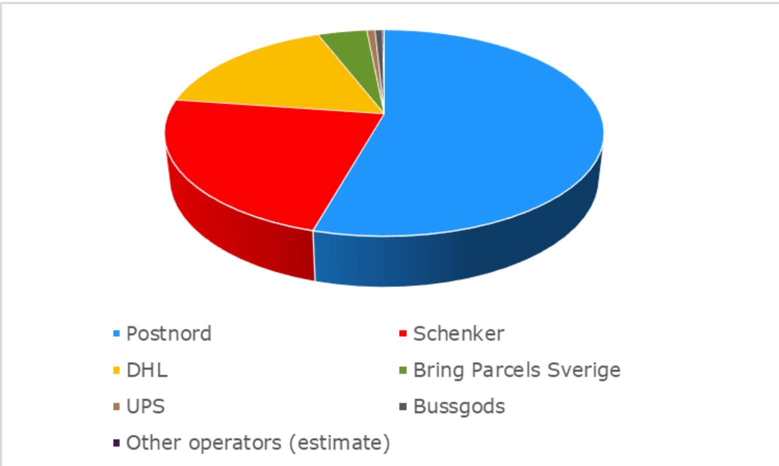
32 According to statistical data reported to PTS from the respective companies.

Figure 4 - Market shares (in number of parcels) 2018



Postnord has a larger proportion of light parcels than its competitors. Since lighter parcels have a lower price level, the market image is slightly different if market share is counted in sales instead of volume. Postnord's market share in sales is just over 50 per cent. This is illustrated in Figure 5 - Market shares (in revenues) 2018.

Figure 5 - Market shares (in revenues) 2018



2.5.3 Increasing number of parcel representatives in Sweden

In line with the increase in e-commerce, parcel volumes and the number of service points for handing in and picking up parcels are increasing for many postal operators. The number of parcel service points per operator is shown in Table 2.

Table 2 - Number of parcel service points 2019[33]

Operator	Type of service point	Number of service points[34] 2019 (2018)
Bring	Parcel service point	35
Bussgods/ Sverigefrakt	Parcel service point	307[36] (323)
DHL	Parcel service point	1640[37] (1580)
Postnord	Parcel service point	1587 (1574)
Postnord	Business centre	237 (241)
Postnord	Pick-up point for parcels	274 (164)
UPS	Parcel service point	243 (194)

In rural and sparsely populated areas, the possibility of having parcels sent to the home via rural postmen[38] is an important complement to Postnord's network of representatives.

[33] As annually reported in January/February.
[34] A number of service points represent several operators, which means that the sum of the service points listed exceeds the total number of actual service points.
[35] Bring does not have their own branded net of service points but use the DHL network instead.
[36] Operate mainly in the four northern counties: Jämtland, Västernorrland, Västerbotten and Norrbotten, but have agreements with operataors for deliveries to other service points in then southern parts of Sweden.
[37] In addition to these service points, DHL operate approximately 100 parcel lockers.
[38] This assumes that the recipient actively books the delivery of parcels by telephone or through the Postnord website. The recipient also needs to be able to receive and, if necessary, also sign for the consignment.

2.6 The letter market - challenges and reduced volumes

2.6.1 Two billion letters in 2018 meant a record decline in the letter market

The letter market comprises the distribution of addressed consignments weighing not more than 2 kg[39]. To regularly distribute letters for payment requires a licence, according to the Post Act.

The number of letters decreased by 183 million between 2017 and 2018. This corresponds to 8.3 per cent and is the biggest downturn ever in both percentage and absolute numbers. In 2018, the letter volume was 2.0 billion consignments. Since 2000, the total volume of letters has decreased by 41.1 percent. See also Table 3 and Figure 6.

Table 3 - Number of letters in Sweden 2014-2018 and 2000

Year	Number of letters (in millions)	Index
2000	3 426.3	100
…		
2014	2 433.0	71,0
2015	2 312.5	67,5
2016	2 273.1	66,3
2017	2 201.8	64,3
2018	2 018.4	58,9

The volume decline has hit Postnord hardest, which since 2000 has lost 52.1 per cent of its letter volumes. This means that the operator lost more volume in per cent than the market as a whole, which was also the case in 2018. Postnord reported a decrease of 10.3 per cent, i.e. two percentage points higher than for the market as a whole. This means that some of the competing

[39] As defined in Chapter 1 section 2 of the Post Act, a *letter* is: an addressed consignment that is contained in an envelope or other cover and weighing a maximum of 2 kg, as well as picture postcards, postcards and similar consignments.

postal operators are still gaining volumes from Postnord. Above all, it is the morning newspaper distributors that are increasing their volumes.

It is also clear that the speed of the decline is increasing; see also Figure 7. Postnord's volume for 2018 is almost exactly half of its volume in 2001 (1.56 billion compared to 3.15 billion). The first half of the decline took 11 years (to 2012, when 2.3 billion letters were distributed), while the second half disappeared in just six years.

Figure 6 - Development of letter volume 2001-2008

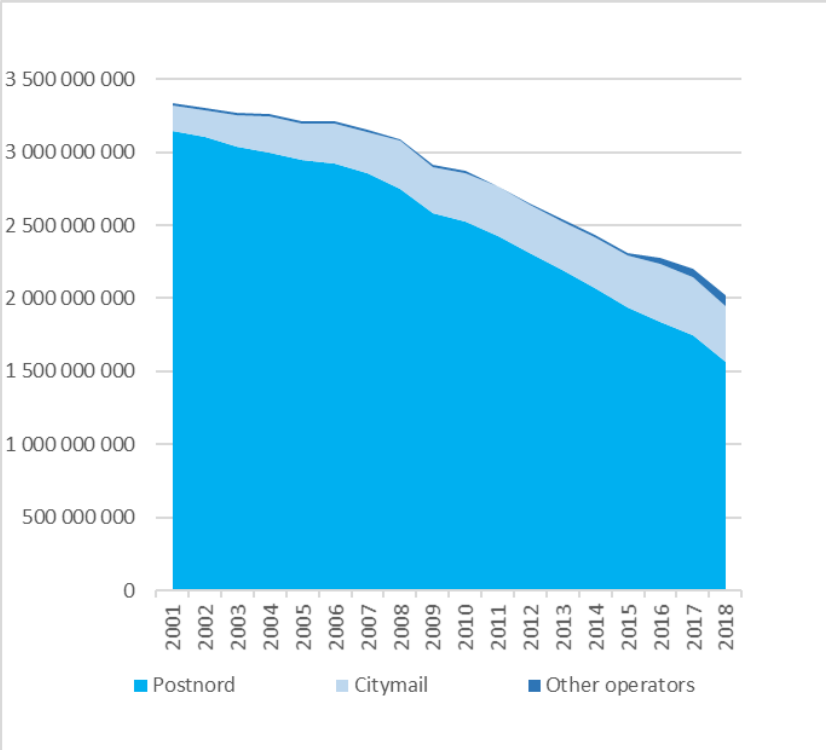
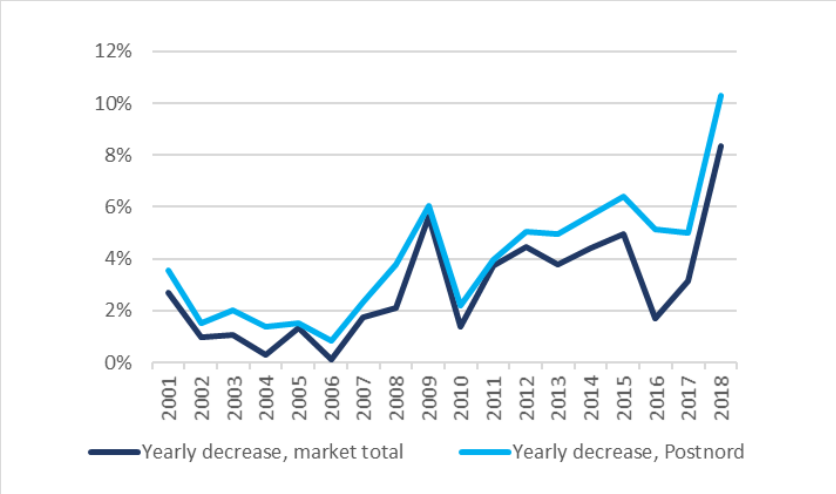


Figure 7 – Yearly decrease in letter volume 2001-2018



2.6.2 Postnord has a continued dominant position in the letter market, but is losing market share

Postnord still has a dominant position in the letter market, but is continuously losing market share. Postnord's market share in 2018 was 87 per cent in terms of sales (value) and 77 per cent as a proportion of letters (volume)[40]. This is illustrated in Table 4.

[40] The differences in market share for operators measured in volume and sales are due to the fact that operators have different product offers and business models, which leads to a large difference in revenue per letter.

Table 4 - Number of delivered letters and market share for Postnord, Citymail, morning paper distributors and other operators

	Number of delivered letters (millions) 2018(2017)	Market share (number of letters) 2018(2017)	Estimated market share (revenues) 2018(2017)
Postnord	1 563.7 (1 741.2)	77.5% (79.1%)	87.2% (87.3%)
Citymail	384.5 (394.6)	19.0% (17.9%)	10.3% (10.3%)
Morning paper distributors[41]	67.0 (61.9)	3.3% (2.8%)	1.5% (1.3%)
Other operators	3.3 (4.1)	0.16% (0.18%)	1.0% (1.1 %)
Total	**2 018.4 (2 201.8)**	**100 %**	**100 %**

Citymail is Postnord's largest competitor. Citymail's letter volumes decreased to just under 385 million delivered consignments and the operator had a market share by volume of 19 per cent. Citymail has previously collaborated with morning newspaper distributors and some local postal operators, which partly continued in 2018.

2.6.3 The letter market can be divided into bulk mail and single letters

In market analysis, the letter market is often divided into two sub-markets (market segments): the market for bulk mail and the single letter market.

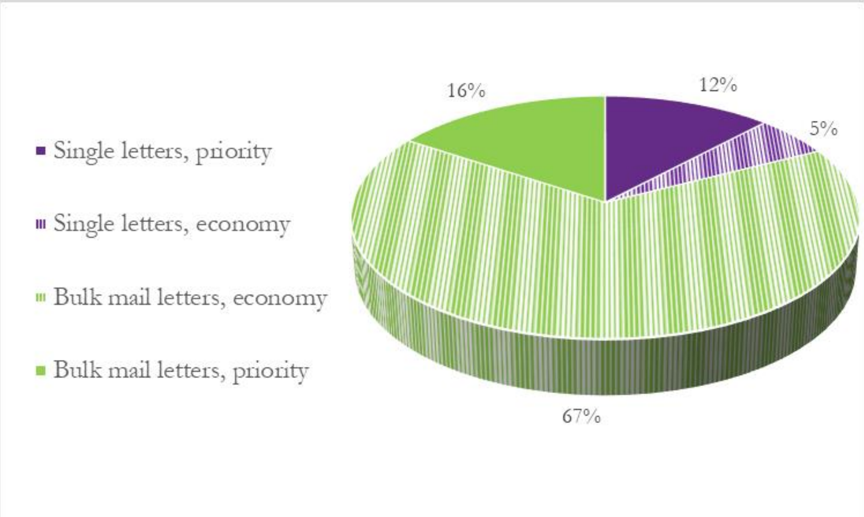
The bulk mail market segment (or industrial post) consists of post in the form of series of consignments handed in at the same time. Postal operators require a certain volume to classify a quantity of letters as bulk mail, normally at least 500 items per shipment. If the sender reaches the cost-saving volume determined by the postal operator, the sender may receive a significantly lower price compared to the postage of individual items. Bulk mail is split into A Post and B Post, where B Post means a longer delivery time.

Single letters means letters that are posted one by one (or in any case in a small quantity) in post boxes, with postal agents or similar. In practice, letters are

[41] Hall Media Logistik, Norrbottens Media Distribution, Point Logistik Gota, Pressens Morgontjänst, Prolog, Svensk Hemleverans and Västsvensk Tidningsdistribution.

considered as single if they do not add up to the number of letters required to constitute a bulk mail shipment. The majority of the single letters are A Post. Single letters, such as those posted in post boxes, are now less than one in five letters delivered. This is illustrated in the pie chart in Figure 8.

Figure 8 - Share of bulk mail letters and single letters 2018 (estimated)



2.6.4 Bulk mail accounts for 83 per cent of the letter market, but competition varies

Bulk mail accounts for approximately 83 per cent of the total Swedish letter market. 67 per cent refers to B Post bulk mail and the remaining 16 per cent A Post bulk mail, as illustrated in Figure 8. The sub-market for B Post bulk mail is both the largest in terms of volume and the most significant for the competitive situation. It comprises about two-thirds of all letters.

In the market for B Post bulk mail, Postnord and Citymail are currently the two main competitors, but the morning newspaper distributors have a very rapid volume growth. Entering the market for bulk mail involves relatively large investments for an operator that wishes to become established. This is due to the fact that large volumes are needed in order to achieve, within a reasonable time, the economies of scale that the established operators have. Postnord has, according to PTS's estimate, almost 70 per cent of the volumes of B Post bulk mail. Postnord covers the whole of Sweden, while Citymail's delivery operations as of the summer, after the closure of certain partnerships with local operators, will cover approximately 57 per cent of all post recipients in Sweden.

In the case of A Post bulk mail, Postnord has a very strong market position because the larger competitors are mainly focused on B Post. There are competing offers also for A Post bulk mail, but these relate to local distribution within restricted geographical areas.

2.6.5 About ten per cent of all letters are posted in post boxes and office post is decreasing

Single letters can be divided into post box post and office post. Post box letters are posted in post boxes and distributed as single consignments, such as stamped and meter franked letters. A large amount of reply post is also posted in post boxes. Post box letters represent approximately 190 million items, which corresponds to just under ten per cent of all letters in the country. The proportion of stamped letters has been declining in recent years and now represents about five per cent of all letters.

Office post consists of letters from companies that are franked with a franking machine or labelled "port payé ". Office post has fallen faster than the average for the entire letter market in recent years and now represents about five per cent of the total volume of the letter market. This corresponds to just over 100 million letters according to the above definition.

2.6.6 Postnord has a very strong position in the market for single letters, but there is competition

For nationwide delivery of single letters, Postnord is in practice the only postal operator. Given the ever-lower demand for the distribution of single letters, any competition on nationwide single letters for consumers is more or less excluded. At local level, the competition comprises almost twenty locally active postal operators with relatively small volumes. Here too, morning newspaper distributors are having an increasing impact on the market, for example by having won a number of municipal procurements.

Postnord has in effect a monopoly on all nationwide post box letters, regardless of the delivery priority. The marginal competition that exists relates to local post in a few places. In the case of nationwide office post, Postnord has a very strong position. The operator Mailworld Office has been active for several years and runs the business concept of collecting office mail and converting it into bulk mail. Mailworld Office is now an established player in the market for office post and the company has collected over 18 million consignments in 2018. These have then been handed over to Citymail, Postnord or morning newspaper distributors for final delivery.

2.6.7 The unit cost per letter has increased and is pushing prices upwards

Because the total volume of letters has fallen sharply but the cost of mail distribution is largely fixed, the unit cost per delivered letter is increasing. Increasing unit cost leads to upward pressure on prices.

However, Postnord, which is the designated provider of the universal postal service, must take into account the rules on pricing contained in the Post Ordinance and the Post Act. This means, among other things, that Postnord may not raise the price for single items (in practice the stamped letters) of delivery within two days after posting more than the development of the consumer price index. This is called the price ceiling.

The price ceiling, which follows from section 9 of the Post Ordinance, means that in 2019 Postnord has the opportunity to raise the postage for stamped consignments by SEK 0.18. Postnord has sent a letter to the Government expressing the desire to raise the postage considerably more than this, in order to avoid the cost of the service being greater than the regulated revenues. Whether the government intends to change the price ceiling provision is not clear.

The provisions of the Post Act mean that Postnord's pricing of services in the universal postal service shall be open to inspection, non-discriminatory and cost-oriented. In terms of the transparency requirement, PTS has in a supervisory case in 2018 addressed shortcomings in the transparency of the discounts for Postnord's "Varubrev" service. As a result of this case, Postnord has published information on its website about the discounting of this service as per 1 January 2019.

2.6.8 Rapid growth for digital mailboxes

The establishment of digital mail has been slow in Sweden since the Swedish Tax Agency was commissioned in 2012 to develop an infrastructure for secure digital communications for public senders.[42]

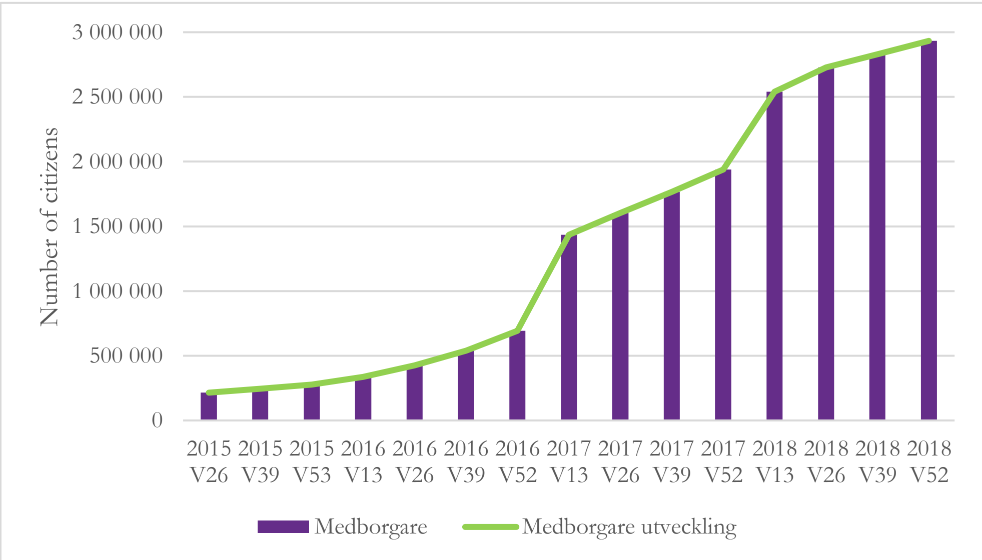
However, development has speeded up in the last two years and at the end of 2018 nearly three million citizens over the age of 18 were connected to a digital mailbox[43], representing growth of 51 per cent during 2018. This means that approximately 37 per cent of all adults now have a mailbox for receiving secure electronic messages. Traffic in the system has also more than doubled in 2018

[42] The infrastructure was set up to be open for private actors to connect to, provided that they complied the requirements that were set, thus also opening up the establishment of private digital mailboxes where recipients can receive messages from both public and private senders.
[43] Source: Swedish Tax Agency

(an increase of 102 per cent).[44] What is clear is that the Swedish Tax Agency's campaigns for faster tax refunds for those connected to a digital mailbox have had a major impact on the growth of the number connected, as evidenced by the rapid growth when tax declarations were due to be submitted (see Figures 9 and 10).

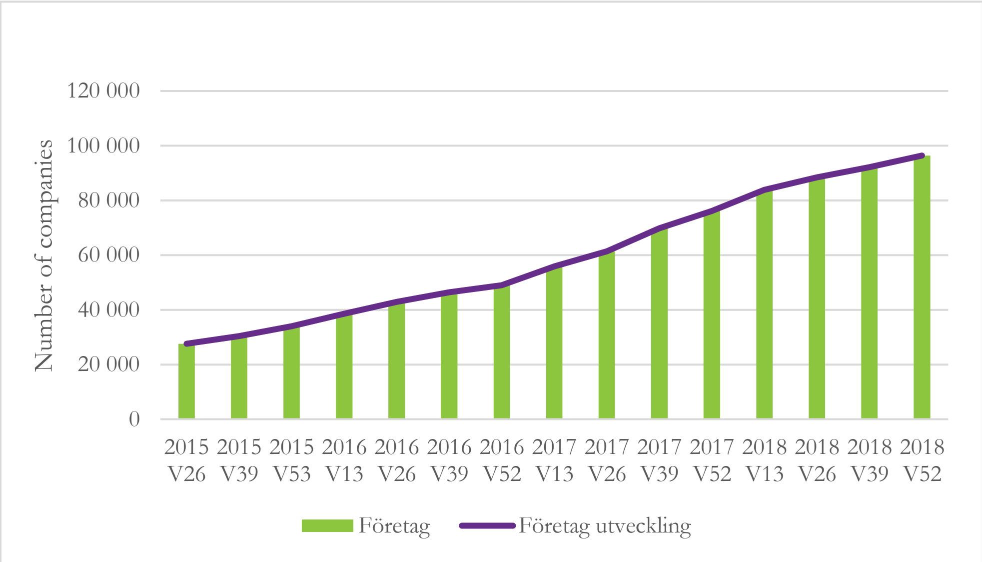
The growth in users and volumes within the secure digital mail infrastructure is only an indicator for the digitalisation of letter mail consignments. In many cases, letter communication is instead replaced by other electronic services, such as apps or "My Pages". It is also the case that a secure digital message often controls traffic to dedicated e-services of the sender, which in practice means that each message can replace a number of physical letters.

Figure 9 - Number of citizens (”Medborgare”) connected to a digital mailbox 2015-2018



[44] Source: Swedish Tax Agency

Figure 10 - Number of companies (”Företag”) connected to a digital mailbox 2015-2018



1 Appendix – Postnord's transit times

Table 5 - Percentage of letters with two-day delivery that Postnord delivered on time (Source: Postnord/Kantar Sifo)

Month (2018)	Percentage of letters with two-day delivery delivered on time	Precision [45]
January	98,69 %	0,28 %
February	98,96 %	0,27 %
March	99,03 %	0,25 %
April	99,00 %	0,25 %
May	99,39 %	0,23 %
June	98,89 %	0,28 %
July	98,10 %	0,39 %
August	98,81 %	0,27 %
September	99,39 %	0,19 %
October	98,94 %	0,23 %
November	98,77 %	0,25 %
December	95,78 %	0,50 %
Total, all of 2018	**98,58 %**	**0,08 %**

[45] Med precision avses längden på det konfidensintervall som omger utfallet, där konfidensintervallet anger det intervall där populationens (dvs. alla skickade tvådagarsbefordrade brev) sanna värde ligger med 95 procents säkerhet. För januari blir exempelvis konfidensintervallet 98,55 % - 98,83 % med ett utfall på 98,69 % och en precision om 0,28 %. Detta innebär att den sanna andelen brev som kommer fram i tid i populationen med 95 procents säkerhet ligger mellan 98,55 % och 98,83 % i den aktuella mätperioden.

Table 6 - Lowest and highest regional percentage of on-time delivery of letters with two-day delivery per three-month period in 2018 (Source: Postnord/Kantar Sifo)

Three-month period	Lowest regional percentage of on-time delivery	Highest regional percentage of on-time delivery
February-April	97,77 %	99,20 %
March-May	97,75 %	99,42 %
April-June	97,34 %	99,37 %
May-July	97,46 %	99,03 %
June-August	97,13 %	98,96 %
July-September	97,49 %	99,11 %
August-October	97,39 %	99,28 %
September-November	96,80 %	99,38 %
October-December	93,69 %	98,95 %