Citizen’ Advice Scotland

Scottish rural consumers’ experience of parcel delivery for online shopping

Report

DRAFT

02 May 2017

Contents

Contact information

Sarah Ainsworth
Joint Manging Director
0131 297 2567
Sarah.ainsworth@progressivepartnership.co.uk

Janet Biggar
Associate Director
0131 322 7080
Janet.biggar@progressivepartnership.co.uk

Alex Belcher
Senior Research Executive
0131 297 2575
Alex.belcher@progressivepartnership.co.uk

progressive

Introduction

Background and context

The consumer Futures Unit
The Consumer Futures Unit (CFU) sits within Citizens Advice Scotland and aims to challenge and shape policy in Scotland to ensure the needs of consumers are met. Its remit covers the regulated markets of energy, post and water. To deliver this function, the CFU draws on its expertise, consumer research evidence and expert analysis. It informs its work through research evidence gathered from within the CAB network and externally, developing practical policy solutions that lead to informed, engaged and protected consumers.

Parcel delivery charges
As part of its activity in relation to ''access to greater choice and better value in parcel delivery for consumers especially in rural areas'' the CFU has since 2010 been conducting research and campaign activity on the issue of higher delivery charges in parts of Scotland. Online shoppers who live in rural areas in Scotland are often charged higher delivery rates than consumers who live elsewhere in the UK and some retailers do not deliver at all to some parts of Scotland. Other organisations, including Highland Council[1] Trading Standards team have been drawing attention to the issue and working with CFU to address it. Ofcom and the Office of Fair Trading have also published reports and statistics in relation to delivery charges in rural areas.

Most recently, the publication in September 2015 of *The Postcode Penalty: The Distance Travelled*[2] looked at progress since 2012. The report highlighted that although fewer retailers refused to deliver at all to parts of rural Scotland, and fewer were adding a surcharge (though still 40% of retailers surveyed surcharged for delivery in the Highlands, 53% in the Islands), surcharges, where they were applied, had risen steeply against a backdrop of falling or static average delivery charges.

The CFU is currently undertaking research to reassess the prevalence of parcel delivery surcharging by retailers across the UK and to gather the opinions of delivery operators in relation to the same issue. This suite of projects together will provide the CFU with a robust and comprehensive evidence base on the issue, which will inform policy discussions and campaigning activity, including interaction with delivery operators, and public sector stakeholders. To complement that work and to understand consumer viewpoints and choices, this research was commissioned to measure the behavioural responses of consumers to parcel delivery surcharges and restrictions, in order to assess the impacts these have.

The behavioural options available to and therefore impacts on consumers will vary considerably in different parts of Scotland. For example, a resident in rural Perthshire will have better access to and cheaper costs associated with a wider range of alternatives to ordering online than a resident on an Island or more remote part of the Highlands. Proximity to physical shops, access to (and cost and frequency of) public transport, a workplace (or other alternative delivery address) that falls into a non-surcharged postcode and other factors will affect the degree to which alternatives are available and therefore the extent to which surcharges impact on consumers.

---

[1]Internet Delivery Charges to the Highlands of Scotland, Law & Guidance Highland Council Trading Standards September 2014
[2] http://www.cas.org.uk/publications/postcode-penalty-distance-travelled

Understanding the perspective of consumers and the extent to which they have exercised choices and the choices they make is crucial to assessing the impacts that surcharges have on consumers.

Research objectives and outputs
The primary research question was:

How do consumers who live in the Highlands and Islands of Scotland respond to parcel delivery surcharges or restrictions when shopping online?

The research also addressed the following additional questions:
1. How common do these consumers perceive delivery surcharges/restrictions to be?
2. What steps do these consumers take in response to delivery surcharges?
3. What other issues, if any, do consumers in parcel surcharging areas encounter when shopping online?
4. How do delivery surcharges and restrictions impact consumers?

Method

Overview

To answer the research questions, identification of the range of behavioural responses that consumers adopt, attitudes held and a measure of the extent to which identified issues are important to consumers were required. The research design needed to include a robust sample, as representative as possible of the population of consumers living in areas where surcharges can apply.

A two-stage approach delivered this:

Stage 1- online focus groups

A brief phase of qualitative research identified:

- The real key concerns of the target audience regarding rural parcel delivery and surcharging
- The alternatives and options consumers have and consider
- The impacts of surcharging from a consumer perspective
- The language used to refer to elements of delivery and surcharging

This ensured the survey questionnaire reflected the full and current range of views, attitudes, experience and behaviours of consumers and provided a sound idea of the terminology used when referring to aspects of online shopping and delivery surcharging. Online focus group discussions included respondents from disparate parts of Scotland.

Two online focus groups were conducted on the evening of 9th February 2017, each lasting one hour. An incentive of £35 encouraged participation and served as a thank-you to respondents for their time.

One group consisted of participants who live in or close to a city or large town (seven participants) and the other of participants who live on the Islands or more remote areas of the Highlands (six participants). This ensured relatively homogenous groups in terms of their experiences of surcharging and its impacts on them but allowed exploration of the impact that access to local high street shops has on consumer perceptions of surcharging in affected areas. Respondents were recruited using our specialist recruiters across Scotland using a mixture of face-to-face (in-street) recruitment and networking in local communities. A bespoke recruitment questionnaire (appendix 1) ensured that respondents lived in an area that experienced delivery surcharges, had internet access and would consider purchasing goods online. A mix of age, gender, social class and geographic location was included and to ensure motivation and engagement, only people who had not taken part in similar market research studies in the last six months were eligible. Two members of Progressive's executive team led the groups and a bespoke topic guide steered the discussion (appendix 2).

Conducting these groups online meant that participants from a diverse geography were able to discuss the topic together without having to travel great distances, allowing inclusion of people for as far afield as Shetland and the Western Isles within the same group. The disadvantage of online qualitative methods is that the non-verbal cues and tone are not recorded. However, the groups were very successful and proved a valuable contribution to the development of the questionnaire, providing an understanding of how perceptions and attitudes are expressed and of the range of impacts and behavioural responses to surcharges.

Stage 2 – telephone survey

The findings of the preliminary qualitative research facilitated design of a meaningful questionnaire, with response categories that reflect consumers' experiences, choices and attitudes in unambiguous language.

A survey administered by telephone ensured:

- Targeting of very specific geographic populations in a representative fashion
- Availability of a suitably large sample frame
- Good representation across age and socio-economic groups
- Ability to set quotas to ensure representative sampling of eligible postcodes
- Accuracy of information: trained telephone interviewers administered the survey
- Excellent depth and completeness of responses due to the interviewer's ability to probe and clarify
- Opportunity to gather spontaneous awareness/feelings far more accurately than using other methods

A robust, representative sample of 753 interviews was achieved allowing potential for subgroup analysis. Interviews were conducted with a representative sample of adults who lived within postcodes identified by Ofcom as experiencing parcel delivery surcharging, had access to the internet and did not reject home/online shopping.

In local authority areas where all postcodes are affected, 690 interviews were achieved and the data was weighted to reflect the Socio-economic group (SEG) profile of these areas. As only some postcodes in Perth and Kinross, Angus and North Ayrshire experience delivery surcharging, the sample in these areas was restricted to those postcodes and data was not weighted. Sixty-three interviews were achieved in these areas.

All telephone interviewing took place from Progressive's dedicated telephone unit in Edinburgh. Data capture and analysis was completed using CATI (Computer Aided Telephone Interviewing) technology. The majority of calls were made during the evenings and weekends, when respondents are most likely to have time to participate. However, a number of daytime shifts ensured maximum participation is encouraged from a diverse selection of households. The questionnaire took an average of 11 minutes to complete.

Telephone surveys provide an opportunity for the interviewer to probe and prompt, ensuring better data quality than can be achieved through self-completion methods, but they generally meet with high refusal rates and can under-represent some groups, typically young men. Our approach imposed age and sex quotas to ensure representativeness and the data was weighted by SEG. See the technical appendix for details.

Main findings

Sample profile

The achieved sample is outlined in the tables below.

Table 1: achieved sample – weighted regions

Location	No.	%
Aberdeenshire	244	35
Argyll & Bute	63	9
Eilean Siar	28	4
Highland	223	32
Moray	91	13
Orkney Islands	21	3
Shetland Islands	21	3
TOTAL	**690**	**100**

Age	No.	%
16-19	9	1
20-24	74	11
25-29	44	6
30-34	49	7
35-39	51	7
40-44	62	9
45-49	57	8
50-54	63	10
55-59	66	9
60-64	59	9
65-69	88	13
70+	63	9
Refused	5	1
TOTAL	**690**	**100**

SEG	No.	%
AB	121	18
C1	184	27
C2	200	29
D	114	16
E	35	5
Refused	37	5
TOTAL	**690**	**100**

Gender	No.	%
Male	338	49
Female	352	51
TOTAL	**690**	**100**

Table 2: achieved sample – unweighted regions

Location	No.	%
Angus	24	38
North Ayrshire	22	35
Perth and Kinross	17	27
TOTAL	**63**	**100**

Age	No.	%
16-19	0	0
20-24	3	5
25-29	3	5
30-34	9	14
35-39	6	10
40-44	3	5
45-49	9	14
50-54	8	13
55-59	2	3
60-64	3	5
65-69	7	11
70+	10	16
TOTAL	**63**	**100**

SEG	No.	%
AB	8	13
C1	23	37
C2	16	25
D	10	16
E	4	6
Refused	2	3
TOTAL	**63**	**100**

Gender	No.	%
Male	27	43
Female	36	57
TOTAL	**63**	**100**

Seventy-three percent of the main sample and 76% of the 'partial coverage' areas lived within 15 minutes travel of their nearest parcel collection point, 18% and 8% respectively lived between 15 and 30 minutes travel and 5% and 13% 30-45 minutes travel. Ninety-two percent had an internet connection for personal use at home and 96% had access to the internet in some way, 91% had access to a car, either as a driver or passenger. In terms of employment status: 51% had full time employment, 12% part time employment, 21% retired. Small numbers were in education (3%), looking after home/family (3%), long term sick/disabled (2%) or did not wish to say (3%). In total, 31% were not in work or education/training, 63% in work and 3% in education or training.

Throughout the remainder of this report, the findings presented are the weighted data from the 'full coverage' regions and the data from the other three regions (Perth and Kinross, North Ayrshire and Angus) is compared to this and referred to as the 'partial coverage areas', for ease of reference. Sample sizes mean that the partial coverage areas data is not statistically robust in its own right, but provides an indication of the extent to which views in these areas reflects the main data. We report these findings in this spirit throughout for comparison, but the sample size does not allow for subgroup analysis.

The overall sample size of 690 in the 'full coverage' regions provides a dataset with an approximate margin of error of between ±0.74% and ±3.73%, calculated at the 95% confidence level (market research industry standard).

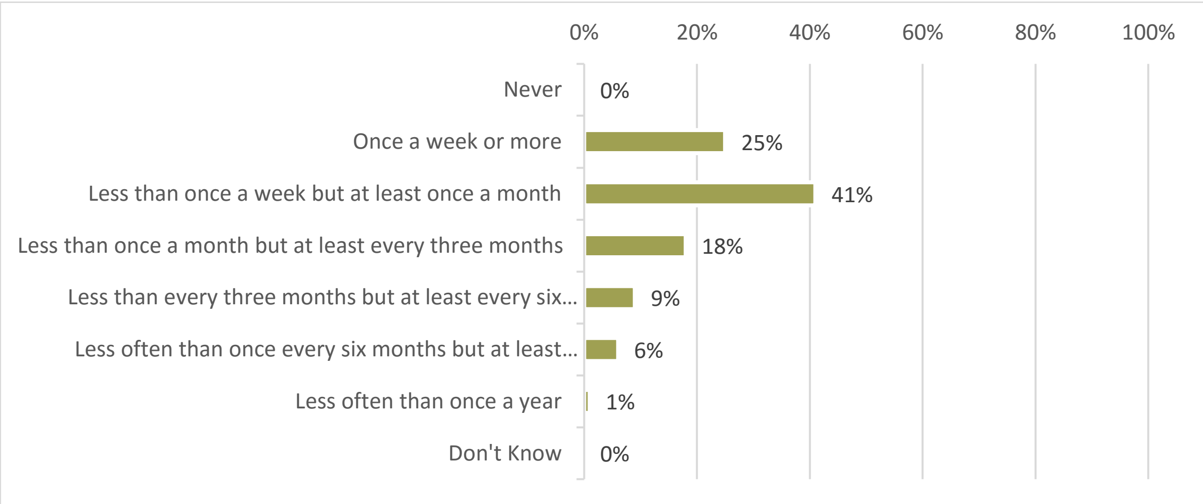
Where there are statistically significant differences between subgroups based on demographics, location, travel time to nearest parcel collection point, (such as a parcel depot, post office or click and collect retailer) or attitude, these are reported.

Home/online shopping behaviour

Prevalence of online/home shopping

Respondents were asked about how frequently they buy things either online or through another home shopping channel. Two thirds (66%) did so at least once a month and the vast majority (84%) at least every three months.

Chart 1:Frequency of on-line/home shopping



Base: All (690)

Frequency of distance shopping varies with age: older age groups were less likely than younger age groups to do this very frequently (17% of 50-64 year olds and 14% of 65+ bought things this way once a week or more, compared to 36% of 16-29 year olds and 33% of 30-39 year olds). Those aged 65+ were less likely than all other age groups to buy this way at least monthly but not weekly (22%) and more likely to give the less frequent responses.

Those in ABC1 social grades were more likely to buy this way weekly than those in C2DE grades (30% and 21% respectively buying at least once a week), perhaps reflecting a more frequent spending pattern in general; this was also seen amongst those not in work (only 16% buying remotely on a weekly basis). Forty-four percent of those in education or training bought things this way weekly (perhaps reflecting a younger age profile).

In the 'partial coverage' areas, frequency of distance shopping was similar, with 19% saying they do this weekly and a further 41% less than once a week but at least once a month.

Focus group respondents also used online shopping often, buying a wide range of goods this way: some respondents also occasionally ordered by telephone. Clothes, gifts and shoes were the items mentioned by most, but beauty products, books, sports equipment, wine, DIY products, cars, car parts, electrical goods of all sorts and furniture were amongst the other items respondents buy online.

'Basically everything online apart from the weekly food shop'

Male, less remote

'Fresh produce is the only thing I really buy locally'

Male, remote

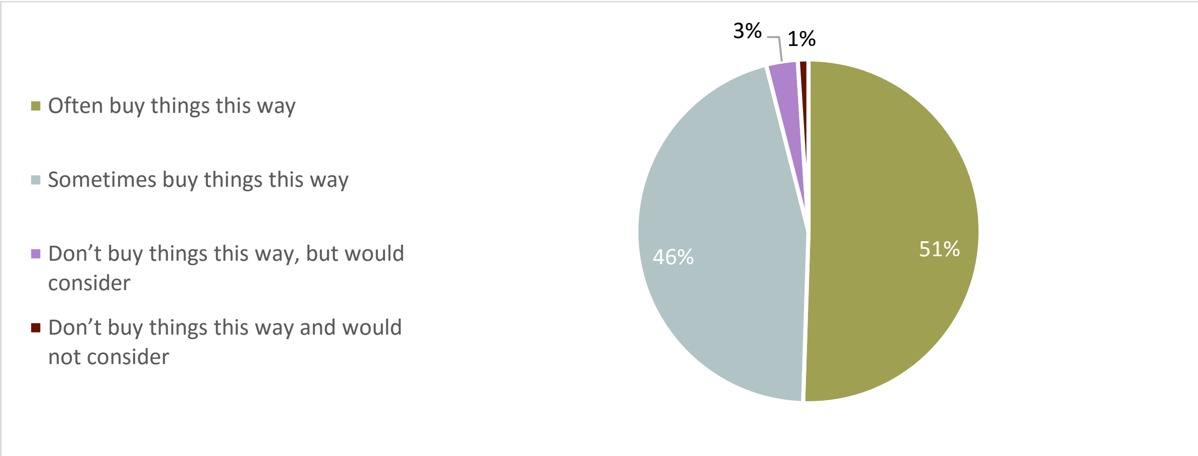
'I use online shopping for most things now apart from food shopping'

Female, less remote

Use/consideration of home/online shopping

Only three percent of respondents said they do not use online, home, TV or catalogue shopping and the vast majority (97%) said they buy things this way at least sometimes.

Chart 2:use/consideration of online/home shopping



Base: All (690)

Again there were differences with age: 6% of over 65s did not buy this way, but would consider it compared to 3% of the sample as a whole and only 1% of the 16-29 and 30-49 age groups. Only 29% of over 65s said they often buy things this way, compared to around half of the sample as a whole and two thirds (66%) of 30-49 year olds.

Only 37% of those not in work or education said they often buy things this way, compared to 60% of those in education, 57% of those in work and 51% of the sample as a whole.

Internet access was a factor in both frequency of distance buying and attitudes towards it, though the size of the subgroup without internet access is small (36 people or 5% of the sample). Of those with no internet access, 13% said they do not buy this way, but would consider it and 5% do not and would not consider it.

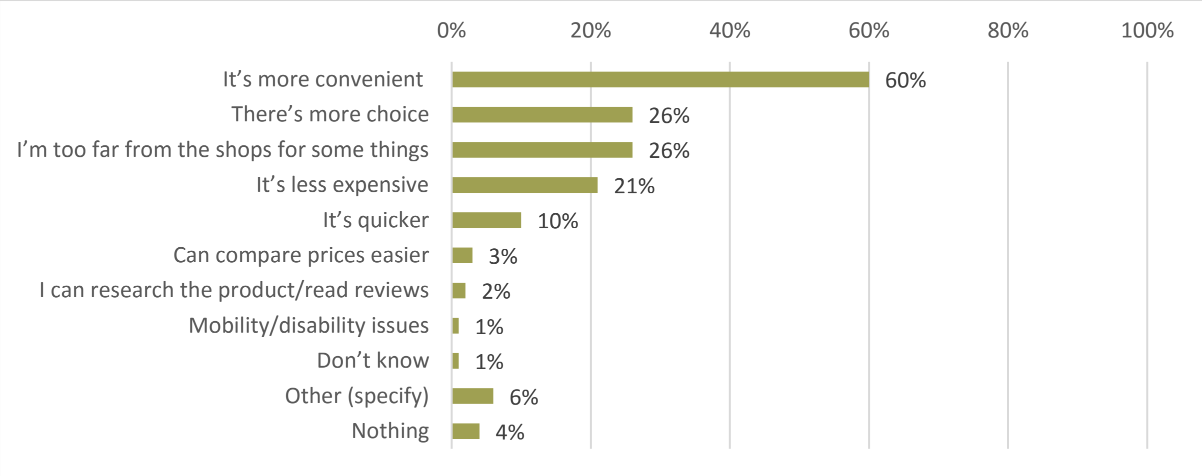
In the 'partial coverage' areas 48% shopped this way 'often' and a further 48% 'sometimes'.

Pros and cons of online/home shopping

Respondents were asked about the attractions of online or home shopping and about the features of this type of shopping that put them off. The charts below present the findings from the survey in relation to these questions.

Apart from distance from physical shops, mentioned by a quarter of respondents (26%), convenience (mentioned by 60% of respondents), price (21%) and choice (26%) were the main reasons cited for finding this method of shopping attractive.

Chart 3:attractions of online/home shopping



Base: All (690)

Convenience was of particular importance to 25-34 year olds with 72% of this age group mentioning it. Women were less likely to mention price (14%) than men (27%) and more likely to mention choice (30% compared to 23% of men). Other subgroup differences include:

- Of those without internet access, 16% said 'nothing' attracts them to buying things through online or home shopping and only 32% sad it's more convenient, compared to 60% of the sample as a whole.
- Those without day-to-day access to a car were less likely (42%) to cite convenience as an attraction of this approach to shopping than the sample as a whole.
- Those with longer travel times to their nearest parcel collection point were more likely to cite distance from shops as a reason (given by 73% of those 45 minutes to an hour away), though the base sizes are small.

- Convenience (48%) was less often cited and distance from shops (51%) more often cited by those in Argyll and Bute than other areas
- Residents of Aberdeenshire (17%) were less likely than others to say there is more choice online.

In the 'partial coverage' areas convenience was also the most frequently mentioned attraction of online or home shopping, (cited by 54% of respondents), followed by being too far from the shops (33%), more choice (21%), less expensive (14%) and speed (13%).

Focus group respondents provided some insights into the reasons for choosing online shopping:

> *'All it takes is a few clicks and you can compare prices from multiple sellers'*
>
> *Male, less remote*

> *'Well the stores that I like are at least two hours away in Glasgow'*
>
> *Female, less remote*

> *'I bought boots online because the same pair in the Orkney shoe shop were £25 dearer'*
>
> *Female, remote*

> *'I can research the product easily and get reviews BEFORE I buy online, altogether a lot easier'*
>
> *Female, less remote*

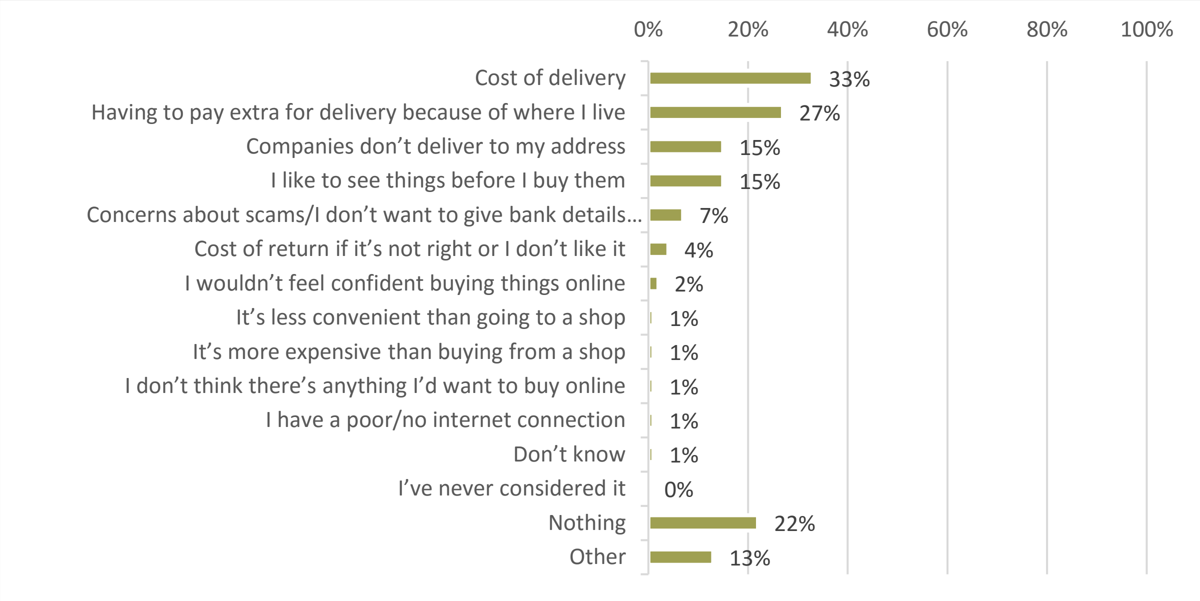
> *'We have one clothes shop here I would shop in, the choice on the high street is limited, plus I wouldn't want to be seen in something someone else has'*
>
> *Female, remote*

> *'I would rather not go into town on a busy Saturday if I can avoid it nowadays, when I can shop online.'*
>
> *Female, less remote*

> *'90% of the time I get more choice and at a cheaper cost if you want to spend a little time looking around.'*
>
> *Male, less remote*

Cost of delivery was spontaneously mentioned by 33% of respondents as putting them off buying things through home or online shopping and 27% mentioned having to pay extra because of where they live. However over a fifth (22%) of respondents said nothing puts them off. For 15%, companies not delivering to their address was an issue and the same proportion simply said they like to see things before they buy.

Chart 4: Off-putting features of online/home shopping



Base: All (690)

Within sub-groups:

- Cost of delivery was mentioned more frequently (46%) by 30-49 year olds than other age groups, as was having to pay extra (39%) and companies not delivering to their address (24%).
- Over half of Orkney residents (56%) mentioned cost of delivery as off-putting and 54% mentioned having to pay extra because of where they live.
- Around a third of respondents in Argyll and Bute (35%) and in Highland (33%) also said this.
- Smaller proportions of Aberdeenshire residents (6%) than others mentioned companies not delivering to their address.

In the 'partial coverage' areas a quarter (25%) said nothing puts them off, a similar proportion (24%) said they like to see things before buying, and 21% that they are put off by having to pay extra for delivery because of where they live. Cost of delivery was off-putting for 17% of these respondents.

Focus group respondents' responses informed the response categories for the questionnaire and are illustrated by the following quotes:

> *'When I have to pay more for P&P – it's cheaper running to the shop here than buying online'*
>
> *Female, remote*

> *'It is off-putting having the ongoing running commentary about whether they are going to deliver to Orkney and if not, how you are going to get around it'*
>
> *Female, remote*

> *'A lot of sellers on eBay charge extra. Amazon I find are fine when it's free delivery over £20, but if post is added on then it can be much more to the Highlands mainland.'*
>
> *Female, less remote*

> *'I would perhaps buy more as I'm off put by delivery charges frequently'*
>
> *Female, less remote*

'Ordered something from China and something from England and the thing from china arrived first'

Female, remote

Delivery

Problems with delivery

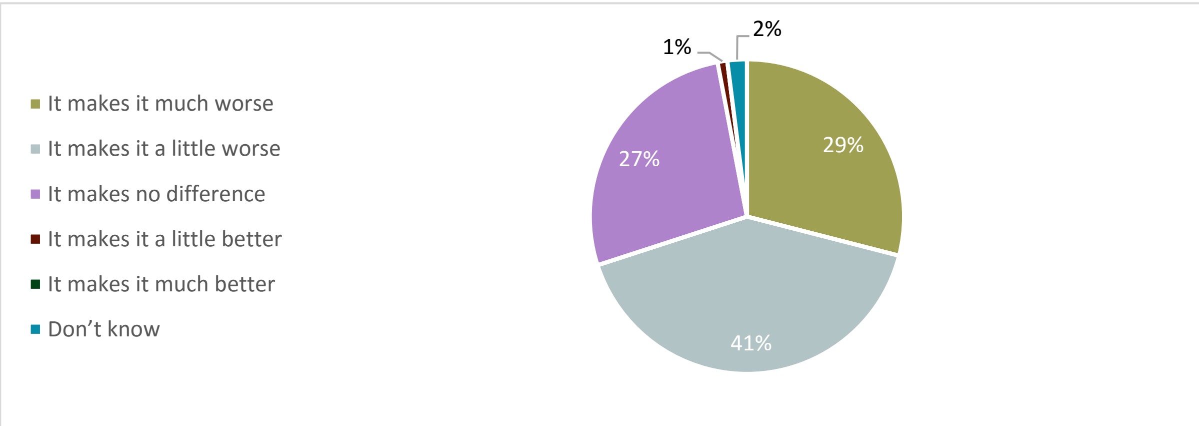
In the survey, respondents were asked if they had had any problems with having things delivered in the last 12 months: 29% said they had and 71% hadn't. Sub-group differences include:

- Of 30-49 year olds, 40% had had problems
- 55% of those with a 30-45 minute travel time to their nearest parcel pick up point had had problems
- 45% of those who buy things online weekly had had problems
- 38% of those who described their use/consideration of online shopping as 'often' had had problems in the last 12 months

A follow-up question asked respondents to describe the specific problems encountered. In response to this 200 respondents gave 297 responses:

- 35% were about delivery times, delays or restrictions
- 29% related to excessive charges, surcharges or scams
- 23% involved problems with retailers not delivering to the area
- 15% were in relation to missing or wrong items or orders
- 10% involved inaccurate geographical allocation or postcode issues

Chart 5: impact of location on delivery



Base: All (690)

When asked specifically whether where they live affects the delivery services they receive, the middle age groups were more likely than others to say that they believe this to be the case, with 79% of the 30-49 age group saying it makes it much or a little worse and 73% of the 50-64 age group saying this compared to 66% of the younger ages and 55% of the 65+s.

High proportions of respondents in the Islands said that where they live affects the delivery services they receive (86% of Eilean Siar residents, 85% of Orkney and 82% of Shetland residents). In Aberdeenshire, 54% of respondents felt this was the case.

Those who described their use/consideration of internet shopping as more frequent were more likely to say that where they live makes the delivery services they receive worse than those who categorised themselves as considering/using ‘sometimes’ (78% of those who said they buy this way ‘often’ and 61% of those who said ‘sometimes’).

In the ‘partial coverage’ areas 30% said they had had problems with delivery in the last 12 months and whilst 46% did not believe where they live makes any difference to the delivery services they receive, 29% believed it makes it a little worse and 21% much worse.

Survey respondents were asked their reasons for saying that their location affects the delivery services they receive and 527 respondents gave 740 reasons:

- 42% related to high or extra charges for delivery
- 30% were about speed of delivery
- 21% related to ‘postcode prejudice’ and retailers classifying locations as remote or not part of the mainland
- 17% were about there being no delivery to the area
- 10% related to remoteness

In the focus groups respondents talked about the impact of where they live on delivery costs and availability:

> *‘Most retail shops are pretty standard across, unless they have deals on delivery, which don’t apply to Highlands and Islands.’*
>
> *Female, less remote*

> *‘My partner gets stuff from China in 2 days with no extra cost, but it’s the norm to be charged more’*
>
> *Male, less remote*

> *‘I went to order something on eBay , the sale went through and was cancelled the following day when the seller checked the postcode.’*
>
> *Female, less remote*

> *‘The dreaded second call when they check your postcode - £300 extra for a three piece suite!!’*
>
> *Male, remote*

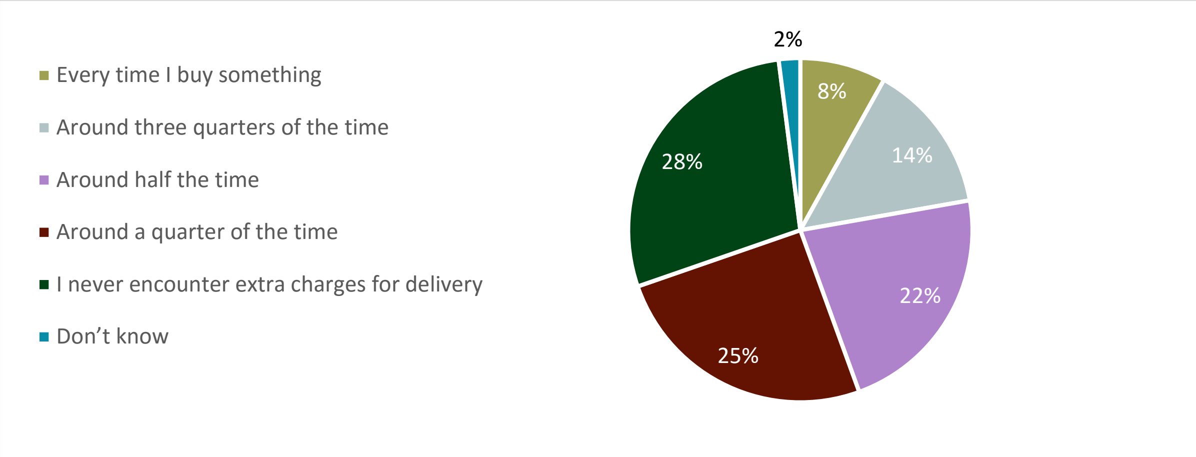
> *‘As we are not part of the mainland UK we have to pay sometimes double.’*
>
> *Female, remote*

> *‘Very frustrating to see that sometimes Inverness is not mainland Scotland’*
>
> *Female, less remote*

Delivery surcharging

Asked about how often they encounter extra charges for delivery based on where they live, just over a fifth of respondents (23%) said this happens at least three quarters of the time and the same proportion around half of the time.

Chart 6: frequency of surcharging



Base: all who ever have goods delivered (687)

Interestingly, men were significantly more likely than women to report encountering surcharges every time they buy something 12% vs 5%). The middle age groups were more likely to report this than younger and older age groups (29% of 30-49 year olds and 27% of 50-64 year olds, compared to 15% of both 16-29 year olds and 65+). This was less often reported in Aberdeenshire (14%) and more frequently in Shetland (43% - but note small base size) Eilean Siar (39%), Argyll and Bute (33%). Those who only had things delivered infrequently (every 6 months of less) were much less likely to report this (9%) than the sample as a whole (23%).

In the ‘partial coverage’ areas the pattern was similar (6% every time, 13% around ¾ of the time, 19% half of the time). However in these areas, more (41%) said they never experience problems and fewer (19%) said a quarter of the time.

In the focus groups, some respondents believed that surcharging is less frequent than it used to be, but others still said they experience it most of the time. Others pointed out inconsistencies or perceived unfairness in the way surcharges are applied.

> *‘It used to be two-thirds plus of the time and it’s now less.’*
>
> *Male, remote*

> *‘All the time, especially car parts’*
>
> *Female, remote*

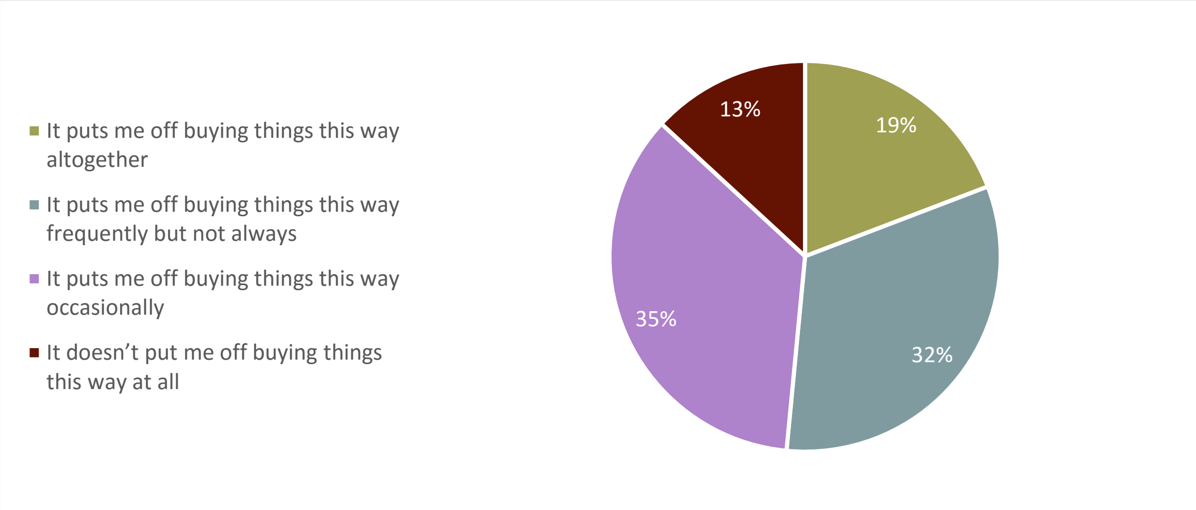
> *‘It seems to be based on physical distance, so Caithness which can be quickly accessed up the A9 might get it* [a surcharge]*, but an isolated area on the West coast, maybe not.’*
>
> *Male, remote*

> *‘The Royal Mail does not charge extra for the postcode, so why should we put up with it from the couriers?’*
>
> *Female, remote*

> *‘I can spend £60 online but then when delivery is £3.99 I think that’s a lot, but I just get annoyed when they say it’s free except for the Highlands and Islands’*
>
> *Female, less remote*

This was followed with a question asking respondents about the extent to which delivery surcharges put them off buying things that need to be delivered. Almost a third (32%) of those who encountered surcharges were frequently put off buying things that need to be delivered and a further fifth (19%) were put off altogether. Only 13% were not put off at all by surcharges.

Chart 7: Effect of extra delivery charges on likelihood to buy



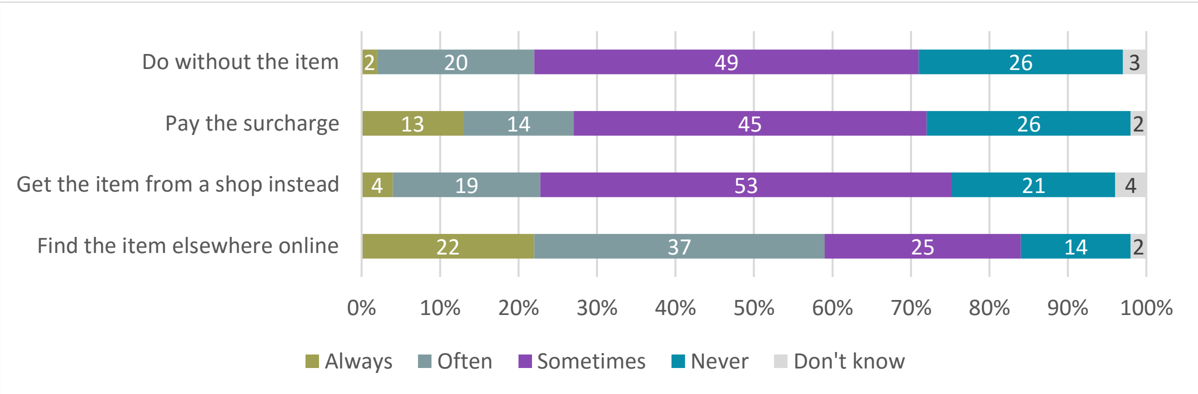
Base: all who ever have goods delivered and who ever encounter surcharges (481)

Women were more likely than men to be put off altogether (26% and 13% respectively) and the oldest age group (65+) more likely to be put off completely (30%) than others (19% of the sample as a whole).

In the 'partial coverage' areas a higher proportion (25%) said this never puts them off buying things this way and fewer (22%) were put off frequently but not always.

To explore responses to extra delivery charges, respondents were asked about how often they behave in particular ways when they encounter surcharges. The vast majority of respondents (70%) at least sometimes decided to do without the item or buy it from a shop instead (75%). However, 84% found the item elsewhere online and 72% at least sometimes paid the surcharge.

Chart 8: response to surcharges



Base: All who ever have goods delivered and who ever encounter surcharges (481)

Subgroup analysis reveals:

- Those aged 65+ were less likely than others to say they ever pay the surcharge (58%) and also less likely to say they find the item elsewhere online (67%).

- Women were more likely (80%) than men (71%) to say they ever buy the item from a shop instead or do without the item (76% vs 65%).
- Respondents in Moray were most likely (91%) and those in Aberdeenshire least likely (79%) to say they ever find the item elsewhere online.
- Respondents in Argyll and Bute and Eilean Siar (both 60%) were least likely to say they ever get the item from as shop instead.
- Respondents in Aberdeenshire were least likely to do without the item (61%).
- As might be expected, finding the item elsewhere online was an option taken less by those who shop online less frequently (91% of those who said they shop this way weekly and 89% of those doing so frequently did this – compared to 72% and 56% of those who said they shop this way with medium frequency or infrequently).

In the 'partial coverage' areas 81% at least sometimes paid the surcharge, 75% sometimes or always found the item elsewhere online, 69% got the item from a shop instead and 69% always or sometimes did without the item.

Respondents in the survey were asked 'When you encounter extra delivery charges, how to you decide whether to buy the item or not? What things do you take into account?' 519 respondents answered this question giving 719 responses and demonstrating that a variety of factors are taken into account:

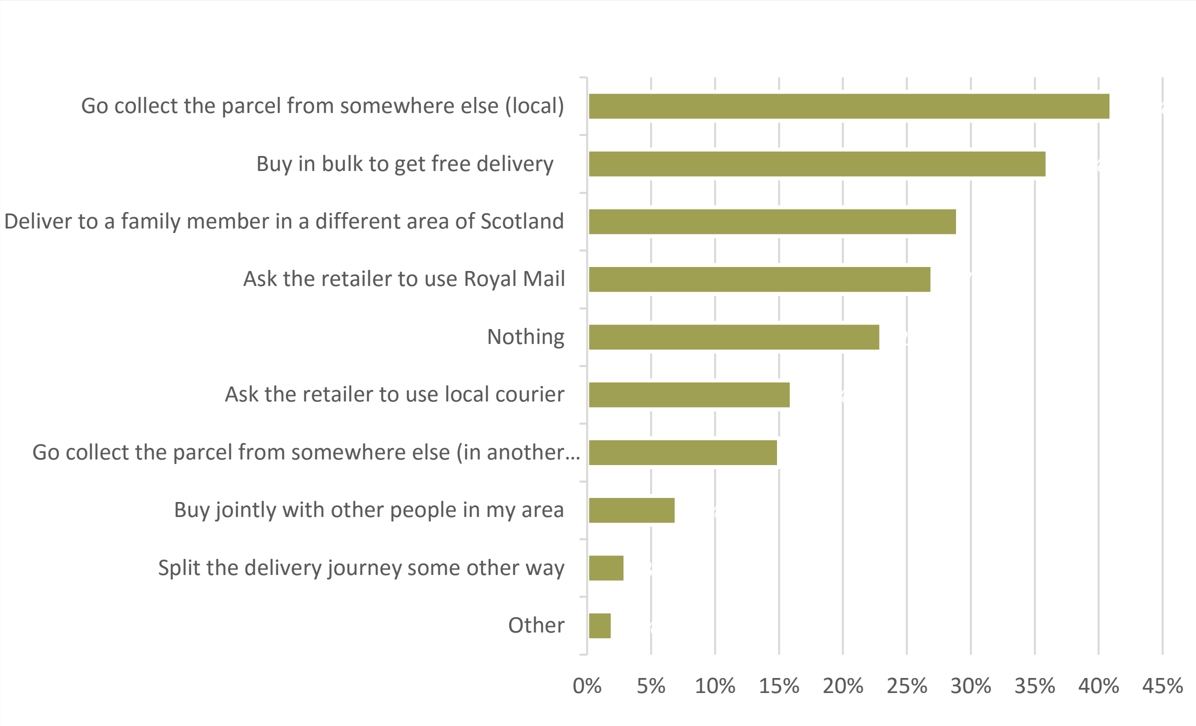
- 40% of responses related to how much the respondent feels they need the item
- 29% were about consideration of how much the delivery charge is
- 15% related to finding the item elsewhere online
- 10% related to finding the item elsewhere locally

> *'I resent the extra charges, so in a lot of cases will do without, especially if it's something I'm in no hurry for.'*
>
> *Female, remote*

> *'If I lived on a remote Shetland Island, I would pay extra, but I don't so would be just as simple to pop to town and collect it'*
>
> *Male, remote*

A range of tactics were employed to avoid surcharges, most often collecting parcels from somewhere else local (41%) buying more to get free delivery (36%), having things delivered to family members elsewhere in Scotland (29%) and asking the retailer to use Royal Mail (27%).

Chart 9: Actions ever taken to avoid surcharges



Base: all who ever have goods delivered and who ever encounter surcharges (481)

Subgroup variations include:

- 16-29 year olds were more likely to buy in bulk to get free delivery (44%) and 65+ less likely to do so (23%) than others
- 65+s were less likely to collect the parcel from somewhere else locally (19%) or to have the parcel delivered to a family member elsewhere in Scotland (14%) than others
- those not in work or education were less likely (9%) than those in work (17%) to ever go and collect the parcel from elsewhere in Scotland and less likely than others (23% compared to 41% for sample overall) to collect from somewhere else locally
- Buying in bulk was most likely to be mentioned in Aberdeenshire (43%), Orkney (82% - note small base size) and Shetland (55% - note small base size) and less likely to be mentioned in Eilean Siar (small base size) and Moray (24% and 26%)
- Respondents in Aberdeenshire were most likely (50%) and respondents in Eilean Siar and Argyll and Bute least likely (both 25%) to have ever collected a parcel from somewhere else locally
- Very frequent (weekly) remote shoppers were more likely than others to buy in bulk to get free delivery (52%), ask the retailer to use Royal Mail (37%), collect a parcel from elsewhere in Scotland (26%) or have a parcel delivered to a family member elsewhere in Scotland (36%)

In the 'partial coverage' areas, 42% had collected a parcel from somewhere else local, 39% had had a parcel delivered to a family member elsewhere in Scotland, 36% had collected from somewhere else in another part of Scotland, 31% bought in bulk for cheaper delivery and 28% had asked a retailer to use a local courier.

Focus group respondents' responses informed the response categories for the questionnaire and are illustrated by the following quotes:

'We occasionally get the company to post the product to our local shipping service in Aberdeen then they ship it for us and deliver at a cheaper rate than the P&P from the company I'm purchasing the product from'

Female, remote

'I shop around and if possible would arrange a pick up from somewhere instead of the house. Argos and Sainsbury etc. offer this now and pf course there is pickup points for amazon parcels, though in the highlands this offered service is not as far spread as the likes of Glasgow.'

Female, less remote

'I have got some things sent to Glasgow and then put on a train to be collected.'

Male, less remote

'I have asked a supplier to put it in the Royal Mail instead of their usual courier and they did, thankfully!

Female, remote

'I have had had my friend deliver an item to the ferry and the boys took it over for me'

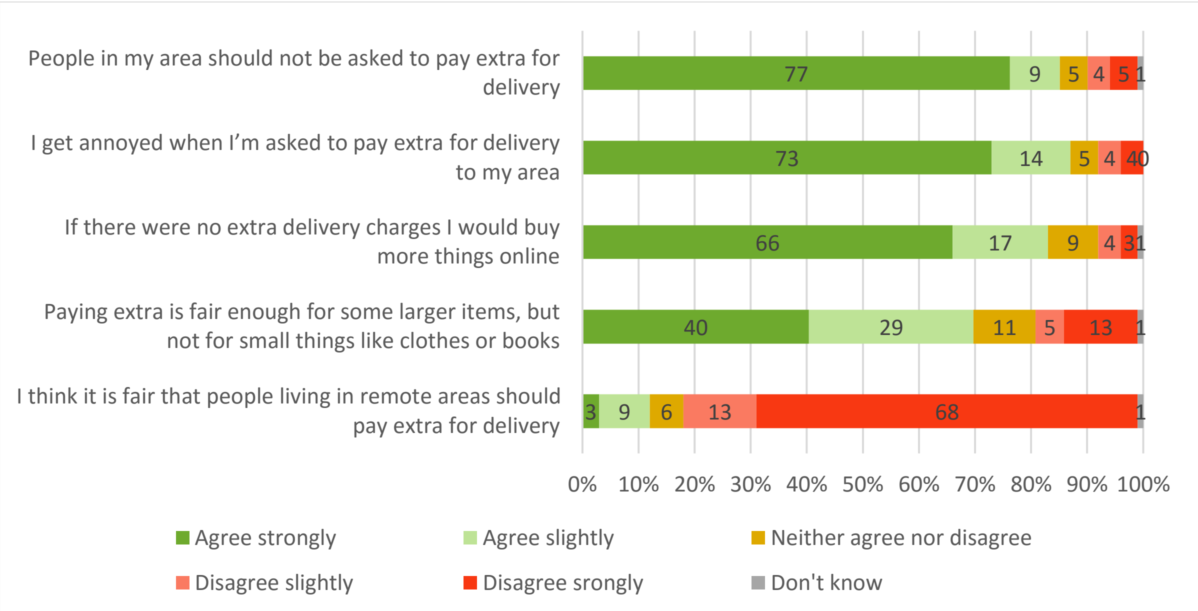
Female, remote

'I have had a family member go to ASDA to get clothing for me and post it up as the delivery charge was outrageous'

Female, remote

Respondents felt strongly that surcharges are unfair: 81% disagreed with the statement that 'it is fair that people living in remote areas should pay more for deliveries', 86% agreed that people in their area should not be asked to pay extra for delivery, and 86% agreed that they get annoyed when asked to pay extra because of where they live. Eighty-three percent of respondents reported that they would buy more online if it weren't for surcharges. However, high proportions agreed that paying extra for some larger items is fair (70%).

Chart 10: attitudes to surcharges



Base: all who ever have goods delivered and who ever encounter surcharges (481)

- Men were more likely than women to agree that it is fair for people living in remote areas to pay surcharges (17% vs 8%).
- The oldest age group (65+) were less likely (75%) than the sample as a whole to say they would buy more online if there were no surcharges.
- Agreement with the statement that 'people in my area should not be asked to pay extra for delivery' varied significantly with age (79% of 16-29 year olds, 92% of 40-49 year olds, 89% of 50-64 year olds and 80% of 65+s agreed with this).
- A similar pattern emerged with the statement that paying extra for larger items is fair enough (81%, 73%, 67% and 58% respectively).
- Respondents without internet access were less likely to agree that people in their area should not be asked to pay extra than others (72% compared to 87% of those with access).

Strength of feeling varied with use/consideration of online shopping:
- Respondents who said they 'often' or 'sometimes' shop online were more likely to agree that they get annoyed when asked to pay extra (90% and 84% respectively) compared to 53% of those who do not, but would consider it and 66% of those who said they would not consider
- Those who said they do not buy things this way, but would consider doing so were less likely than other groups to agree that people in their area should not be asked to pay extra for delivery (62% vs 86% for the sample overall)
- 76% of people who said they 'often' buy things online agreed that paying extra for larger items is fair enough, compared to 64% of those who said they 'sometimes' shop online and 46% of those who said they do not, but would consider it

There were also variations with reported frequency of online shopping:
- Infrequent (every 6 months or less) online shoppers were less likely to agree that they get annoyed (59%) compared more frequent online shoppers (83% - 94%)
- Infrequent online shoppers were also less likely to agree that if there were no extra delivery charges they would buy more things online (58%) than others (77%-91%)

There were some variations in attitude by location:
- Respondents in Argyll and Bute were more likely (25% vs 12%) than others to agree that 'it is fair that people living in remote areas should pay extra for delivery'
- Strength of feeling that 'people in my area should not be asked to pay extra…' was highest in Moray (95% agree) and Orkney (94% agree - note small base size) and lowest in Argyll and Bute (71% agree and Shetland (74% agree - note small base size)

In the 'partial coverage' areas 79% disagreed that it is fair for people in remote areas to pay more for delivery, 83% agreed that they get annoyed by surcharges, 78% said they would buy more things online if there were no extra delivery charges and 84% agreed that people in their area should not be asked to pay extra for delivery. Three quarters (75%) agreed that paying extra for delivery of some larger items is fair enough.

Focus group respondents had a similar range of views:

> *'To be fair they are a business and need to make money too, If I couldn't find the product elsewhere without extra charges, I would pay it, but I don't know where they pick out those charges from – sometimes it's ridiculous costs!'*
>
> *Female, remote*

'They are happy enough to take our custom…supermarkets manage to have a national pricing policy'

Female, remote

'I scream with rage when the eBay item I want flags up 'does not post to the Scottish Islands'

Female, remote

'To be fair, if I get free delivery to Glasgow or Inverness, I'm usually happy with the price the local couriers charge.'

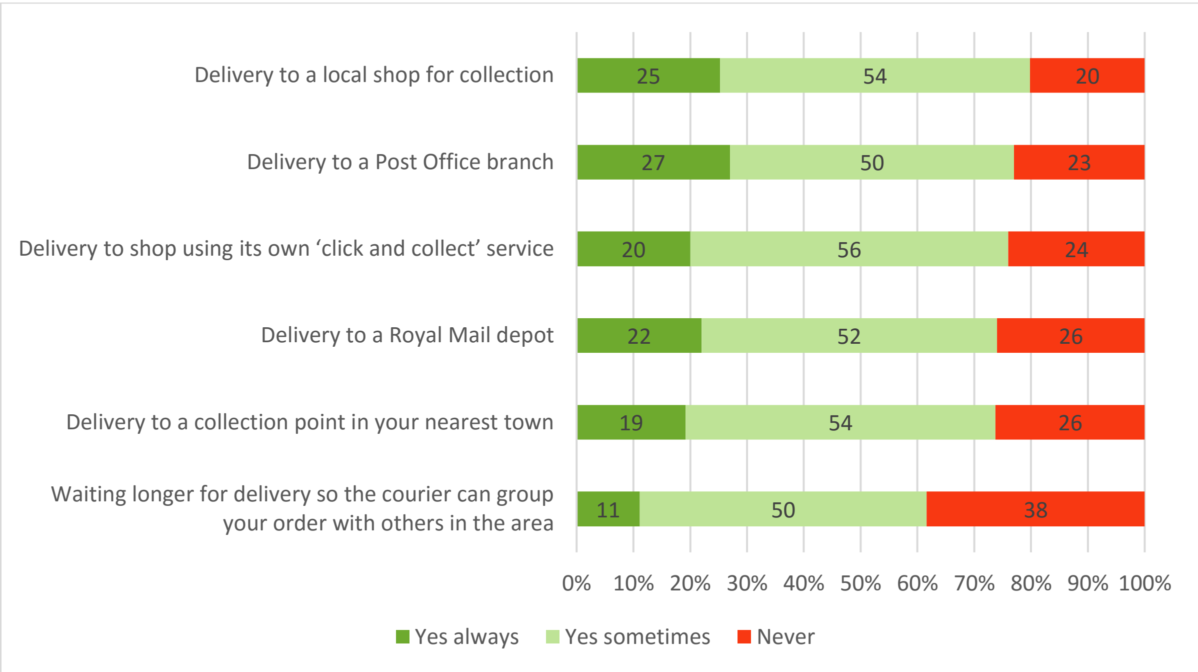
Male, less remote

'If they can justify their reasons for charging extra with realistic costs then fair enough'

Female, remote

All respondents who encountered surcharges were asked about their use or consideration of a range of options if it meant lower delivery charges. Between a fifth and a quarter said they would never consider any of these, with the exception of waiting longer so that the delivery could be grouped with others: 38% of respondents said they would never consider this option.

Chart 11: acceptability of trade-offs for lower delivery costs



Base: all who ever have goods delivered and who ever encounter surcharges (481)

- Those aged 65+ were less likely to consider delivery to a collection point in their nearest town (42% would not consider)
- 48% of 16-29 year olds said they would not consider waiting longer for their delivery to be grouped
- Those not in work or education were more likely to reject delivery to a local shop for collection (27%) or to a collection point in their nearest town (39%) or a shop's own click and collect service (31%)
- Although the base sizes mean the numbers are too small to confidently report, there was a general pattern of Islands respondents being less likely to consider delivery to other collection points

- Those living within 15 minutes of a click and collect retailer, post office or parcel depot were more likely to use click and collect services (80%) or Royal mail depot (78%) or Post Office collection (80%)
- Those who said they shop from home infrequently (every 6 months or less) were more likely than others to reject delivery to a local shop for collection (41%)

In the 'partial coverage' areas 69% said they would consider delivery to a collection point in their nearest town, 67% would consider waiting longer for delivery so their order could be grouped, 69% would use a retailer's click and collect service, 75% a local shop, 69% delivery to a Royal Mail depot and 72% to a Post Office branch.

These options were developed from the focus group findings.

> *'I'm not really caring about having it delivered to the door, if I can help get it the last wee bit, I'm happy to do so.'*
>
> *Male, remote*

> *'The more remote you are the longer it can be but in our town there are people who order from Asda and Tesco in groups.'*
>
> *Male, less remote*

> *'I would expect things to take longer anyway'*
>
> *Female, remote*

> *'If delivery was faster and cheaper, I wouldn't have to bulk buy like I tend to do'*
>
> *Female, remote*

Focus group respondents also discussed what retailers could do to help with reducing or minimising surcharges and made some interesting suggestions:

> *'If the company would offer a one off payment for ''free'' delivery for a year, I would buy more form that company.'*
>
> *Female remote*

> *'They could share the cost with other retailers to specific areas'*
>
> *Male, remote*

> *'Ultimately they're private businesses so must be expected to want to make a profit. But they could be more willing to vary local delivery agents in outlying areas'*
>
> *Male, remote*

> *'Royal mail to relax the prohibited items list as this drives more to couriers with higher costs for smaller items'.*
>
> *Male, remote*

> *'I have ordered stuff form amazon and it will say 2nd class post, then delivered by courier, so they must sub contract all the time. If a route is cheaper for a courier to do then it makes sense to establish letter working relationships between post office and couriers/transport links*
>
> *Female, less remote*

'An integrated service using bus/trains etc. to reduce costs as they are already taking the trip to a lot of locations'

Male, remote

Summary and conclusions

Approach

The research investigated how consumers who live in the areas of Scotland subject to delivery surcharges respond to these surcharges when shopping online. Two online focus groups explored the key research questions from a consumer perspective and informed the development of a questionnaire. This was applied in a telephone survey of 753 residents of post code areas of Scotland affected by surcharges.

Home shopping behaviour and attitudes

Home shopping was very widely used, largely through online channels, with the vast majority of respondents buying goods this way at least every 3 months and two-thirds doing so every month. Younger people, ABC1 social grades and those in work, education or training reported buying more frequently online than others. Over 65s reported buying goods online less frequently than other age groups. Only three percent of survey respondents said they would not consider buying online.

Shopping online is an attractive option especially for those who live in remote and rural areas: convenience was a key attractor for the majority of respondents and more choice and lower prices also contributed to the popularity of this way of buying things. Respondents in the higher socio-economic groups reported more frequent online shopping patterns, perhaps reflecting higher spending levels in general. Focus group respondents commented on the ease of comparison, shopping around and access to reviews as additional benefits of online shopping.

A third of respondents spontaneously mentioned that they are sometimes put off buying online because of the cost of delivery and over a quarter mentioned the extra cost of delivery they can face because of where they live: 30-49 year olds mentioned both these issues more than other age groups. Slightly lower proportions mentioned these issues in areas where not all postcodes are affected (though all respondents live in an affected postcode). Companies not delivering to the respondent's address at all was less often mentioned by Aberdeenshire residents than others.

Prevalence of surcharging

Surcharging was perceived to be relatively common: spontaneously 3 in 10 respondents mentioned issues relating to high delivery charges, surcharges and scams as a reason for problems with delivery and almost a quarter mentioned problems with retailers not delivering to their area at all. For a fifth of the survey respondents, being classified as not part of the mainland, or their specific postcode was identified as a reason for having problems with delivery in the last 12 months.

Asked specifically whether they thought where they live affects the delivery services they receive, seven in ten said they believe it makes services worse: higher proportions of older age groups and Islands residents said this and a lower proportion (half) in the 'partial coverage' areas. Those who described their use/consideration of internet shopping as more frequent were more likely to say that where they live makes the delivery services they receive worse than those who categorised themselves as 'sometimes' considering/using internet shopping.

Asked about how often they encounter extra charges for delivery based on where they live, just over a fifth of respondents said this happens at least three quarters of the time and the same proportion around half of the time. Men were significantly more likely than women to report encountering surcharges more than half of the time and 30-64 year olds more likely than other age groups to say more than half the time. In the ‘partial coverage’ areas a higher proportion (4 in ten) said they never experience problems and only half that proportion said a quarter of the time, with a quarter also saying that this never puts them off buying online.

Consumer response to surcharging

Almost a third of those who encountered surcharges were frequently put off buying things that need to be delivered and a further fifth were put off altogether. Women were more likely than men to be put off altogether and the oldest age group (65+) more likely than others to be put off completely.

A range of tactics were employed to avoid surcharges, most often collecting parcels from somewhere else local (though this was less frequent in Eilean Siar and Argyll and Bute), buying more to get free delivery, having things delivered to family members elsewhere in Scotland and asking the retailer to use Royal Mail instead of their regular courier. Respondents over 65 were less likely to collect the parcel from somewhere else locally or to have the parcel delivered to a family member elsewhere in Scotland than others and those not in work or education were less likely than those in work to go and collect the parcel from elsewhere in Scotland and less likely than others to collect from somewhere else locally.

Very frequent (weekly) remote shoppers (perhaps reflecting experience and a certain amount of ‘savvy’) were more likely than others to buy in bulk to get free delivery, ask the retailer to use Royal Mail, collect a parcel from elsewhere in Scotland or to have a parcel delivered to a family member elsewhere in Scotland.

Respondents felt strongly that surcharges are unfair, with over 4 in 5: disagreeing with the statement that it is fair that people living in remote areas should pay more for deliveries; agreeing that people in their area should not be asked to pay extra for delivery; and getting annoyed when asked to pay extra because of where they live. A similar proportion reported that they would buy more online if it weren’t for surcharges. However, high proportions agreed that paying extra for some larger items is fair.

Men were more likely than women to agree that it is fair for people living in remote areas to pay surcharges and those aged 65+ were less likely than others to stay they would buy more online if there were no surcharges. The middle age groups (40-64) were more likely than the youngest and oldest to agree that ‘people in my area should not be asked to pay extra for delivery’ and the youngest age group more often agreed that paying extra for some larger items is fair enough. Respondents who said they shop online more frequently were more likely to agree that they get annoyed by surcharges and that they buy less online as a result.

Impacts of delivery surcharges and restrictions

The majority of respondents, when faced with a delivery surcharge, at least sometimes decided to do without an item or to buy it from a shop instead. However, high proportions also sometimes found the item elsewhere online or paid the surcharge. Respondents aged 65+ were less likely than others to say they ever paid the surcharge and also less likely to say they found the item elsewhere online. Women were more likely than men to buy the item from a shop instead or to do without the item. Respondents in Argyll and Bute and Eilean Siar were least likely to say they ever get the item from a shop instead and respondents in Aberdeenshire were least likely to do without the item: these differences likely reflect differences in access to shops. Over 65s and people not in work or education were less likely than others to accept collection from somewhere else as an alternative to paying a delivery surcharge, perhaps reflecting poorer access to or ability to meet costs of transport.

In the focus group, respondents were asked about whether retailers or couriers would do more to address surcharges and came up with a variety of interesting suggestions including: making better use of existing transports such as trains, busses and ferries, grouping orders/sharing costs with other couriers/retailers and using depots and collection points, offering one-off annual payments for delivery, better willingness to vary carrier and use local, cheaper couriers or Royal Mail.

Conclusions

Online shopping is a very important channel for rural consumers, providing them with convenience, greater choice and lower prices than physical shops. However delivery surcharges in rural Scotland are widespread and can put consumers off shopping online. Rural consumers do without, wait longer, limit their choices and sometimes pay high delivery charges as a result.

Impacts vary with location and surcharging, or no delivery at all, was perceived to be more prevalent in the Islands than some mainland areas. Availability of alternatives affects impact on consumers: for example, consumers in Aberdeenshire, probably because of shorter travel times to shops, were less impacted than those in Argyll who can have very long travel times to get to high street shops.

There was some evidence that surcharges affect some groups disproportionately: older people and people not in work or education were more likely than others to be put off a purchase or do without an item and less likely to travel to pick up their parcel as an alternative to delivery.

Rural shoppers were inventive in their approaches to circumventing surcharges, collecting from other locations, using local couriers, transport providers and family members to split delivery journeys and reduce costs. There is evidence that more could be done to encourage retailers and delivery companies to make better use of some of these approaches.

Appendix 1- Recruitment questionnaire

Job Name: Scottish rural consumers' experience of parcel delivery for online shopping
Job No: 9974

Classification

Age		**Gender**		**Occupation of chief wage earner**	**Social Class**	
18 – 24	1	Male	1	Position	AB	1
25 – 34	2	Female	2	_______________	C1	2
35 – 40	3			Industry	C2	3
41 – 45	4				D	4
46 – 54	5				E	5
55+	6					

Location		
Aberdeenshire		1
Angus	**check post code and only recruit if DD8-DD11**	2
Argyll & Bute	**check postcode and DO NOT recruit if PA1-PA19**	3
Eilean Siar		4
Highland		5
Moray		6
North Ayrshire	**check post code and only recruit if KA27**	7
Orkney Islands		8
Perth & Kinross	**check postcode and DO NOT recruit if PH1-PH14**	9
Shetland Islands		10

RECRUIT MIX OF GENDER, SOCIAL CLASS, AGE
Interviewer's Declaration

I declare that I have carried out this interview in full, in accordance with the instructions and briefing material from Progressive Partnership Ltd.

Interviewer's Signature: ________________________ Date: __________________

Print Name: ___________________________________

Method of Recruitment

Face to face ❑ Telephone ❑

Respondent Details

Name: ______________________________________

Address: ____

____

Phone: ______________________________ **FULL POSTCODE**: ________________________________

START TIME: _________

Introduction*: Good morning/afternoon I am...................... from Progressive, an independent research company, which is carrying out an online discussion with people who live in areas where they can be charged extra for delivery of parcels.*

We are conducting this research on behalf of Citizen's Advice Scotland, who want to understand how people feel about delivery surcharges and what choices they make as a result.

At this moment I just need to ask a few profiling questions to find out about you, as we want to invite a broad spectrum of people to take part.

The discussion will be happening on the evening of the ***Thursday 9th February*** *and will take about an hour and a half.* ***As long as you have a pc or laptop and an internet connection, you can take part in your own home. As a thank you for your time, you would receive £35.***

CLOSE IF NO PC, LAPTOP AND INTERNET – IT NEEDS TO BE A PC OR LAPTOP, NOT A TABLET OR PHONE

SQ1	**Do you have a PC or laptop at home?**		
	Yes	1	SQ2
	No	2	CLOSE

SQ2	**And do you have an internet connection at home?**		
	Yes	1	SQ3
	No	2	CLOSE

SQ3	**Do you or does any of your close family or friends work in any of the following industries? SHOWCARD A**		
	Advertising	1	CLOSE
	Marketing	2	CLOSE
	Public Relations	3	CLOSE
	Market Research	4	CLOSE
	None of the above	5	Q1

Q1	**Do you live in one of the following postcodes?**		
	ZE	1	Group 1 – Rural Respondents
	KW	2	
	HS	3	
	IV	4	Group 2 – Semi Rural Respondents
	AB	5	
	DD (Only DD8-DD11)	6	
	PH - All except PH1-PH14	7	
	PA - All except PA1-PA19	8	
	KA - KA27 only	9	

Q2	Which of the following best describes your attitude to online shopping?		
	I would never buy anything online	1	CLOSE
	I buy things online regularly	2	Q3
	I buy things online from time to time	3	Q3
	I have never bought anything online, but it's something I would consider	4	Q3

Q3	Have you attended a group or depth discussion or taken part in a market research study recently?		
	Yes	1	Q4
	No	2	Recruit

Q4	How long ago did you attend this group discussion?		
	In last 6 months	1	CLOSE
	In last 6-12 months	2	
	More than 12 months ago	3	

Q5	What was the subject matter?

If subject similar to this topic, close and do not invite

Q6	Please record respondents email address**

** Once the respondent has agreed to take part they will receive a series of emails from Progressive about logging on to the group – please make the respondent aware of this and ask them to check there emails regularly.

Thanks and close
Check and classify

END TIME: __________

Appendix 2 - Topic guide

Citizens Advice Scotland

Scottish rural consumers' experience of parcel delivery for online shopping

Topic guide

Introductions and warm up – 10 mins

Welcome - Good evening to everyone and thanks for joining us
Progressive and moderator introductions

Purpose of group – this is part of some research we are doing for Citizens Advice Scotland to explore people's perceptions and experiences of buying things online or from catalogues by post or telephone. We just want to find out your views on the issue. We want to make sure we understand the experiences and views of a wide range of people, so everyone's thoughts are equally valid. There may be different experiences and views within the group, so you can feel free to disagree with each other (politely!)

Intro to online group and how it works
Any questions?
Respondent introductions – each give a first name and tell us how often you buy things online and what sorts of things.

Remote buying behaviour – 15 mins

Does anyone order things by telephone or post?
If so say we will refer to all this as online for ease of reference through rest of group – we mean anything that is ordered at a distance, for delivery

What do you most often buy remotely/online?

What are the main reasons you would choose to buy something online as opposed to in store?

Is there anything any of you would never buy in this way?

What stops you buying things this way?

What factors do you take into account when you are deciding whether to buy something on line?
PROBE And how do these factors influence your decision?

What do you think are the pros and cons of buying online?

What are the pros and cons of buying things in store?

Problems encountered – 20 mins

What sorts of delivery problems, if any, do you come across when you are buying things online?
SPONTANEOUS THEN

- Surcharges – probe re how much, stage in process they become apparent, options offered by seller (collection points etc.), what sort of products surcharges are associated with, what sort of online sellers apply surcharges
- Surcharges post purchase – PROBE – did any of you know that this is not allowed by the consumer contract Regulations?
- Do not deliver to your area
- Clarity/transparency upfront re cost of delivery
- Cancelled deliveries/orders
- Provision of options to collect, choose other delivery methods, etc.

Response to problems – 15 mins

PROBE AROUND RESPONSES TO EACH OF THE PROBLEMS IDENTIFIED, IF NOT ALREADY COME OUT

What do you do when you encounter x?

Specifically talking about surcharges

IF NOT ALREADY COME OUT
How big a problem is surcharging?
How often do you come across additional delivery charges because of where you live?
How high are these extra charges – how much more than standard delivery?
How does that make you feel?
Is it fair?
How much does it vary across retailers? Are some better than others?
What do they think of the argument that it costs more for retailers/couriers to deliver in rural area?

Options and alternatives – 20 mins

Are there things you can do to avoid paying surcharges?

What options do you feel you have?
PROMPT
How realistic are these?
When can you do x?

PROBE ABOUT IMPACTS OF THE SURCHARGE AND OF THE ALTERNATIVES
And what happens if you do x?
What impact does that have on you?
PROMPT RE FINANCIAL, CHOICE, TIME, CONVENIENCE, DOING WITHOUT, OTHER IMPACTS

What do you do, if anything, to avoid or minimise the surcharges you pay for delivery?

Does anyone have any examples of retailers who offer good options to pay less for delivery?

Is this the sort of thing people discuss? Is there any word of mouth knowledge about which retailers to avoid, good sites to buy from, who has the cheapest delivery options, etc.?

Does anyone have any examples either from yourself or people you know/have heard of - of different ways that consumers can pay less for delivery?

PROBE IF NECESSARY- for example, I have a friend who buys some food items in bulk and splits them between a group of friends, sharing the delivery charges – anyone know of anyone doing that sort of thing?

How do you feel about picking goods up for a central delivery point in order to avoid surcharges?

Would you prefer to: a) pay more to get your goods delivered to the door b) pay less and pick things up from a local collection point

PROBE why?

All things considered is online shopping good value for you?

PROBE what factors are you taking into account when you say that?

PROMPT if not mentioned

Do you think about the travel costs to go to the shops and/or go and collect something when weighing up against delivery costs?

What should change? 10 mins

What sort of delivery service would you be willing to pay extra for?

What sort of cheaper option would be acceptable to you?

PROMPT Like maybe picking up from a local collection point instead of delivery to your door…

What is a reasonable amount extra? How much extra would you be willing to pay?

What are you not willing to pay extra for?

How much is too much?

What would encourage you to buy remotely more than you do now?

Are there other options that sellers could provide that might cost less?

Wrap up and close

Is there anything we haven't covered that any of you would like to add?

Anything you want to say a bit more about?

THANKS AND CLOSE

Appendix 3 - Telephone survey questionnaire

Citizen's Advice Scotland

Parcel Surcharges
FINAL
16/02/2017

Introduction

Good morning/afternoon, I am _______________ from Progressive, an independent market research company who are carrying out a survey on behalf of Citizen's Advice Scotland. The survey is about home and online shopping and your contribution will help Citizen's Advice Scotland's work to improve delivery options in rural areas. It will take about 10 minutes to complete. Please note that we record calls for training and monitoring purposes. Is that OK?

	Code	Route
Yes	1	CONTINUE
No	2	THANK AND CLOSE

Can I confirm that I am talking to [NAMED CONTACT]

	Code	Route
Yes	1	CONTINUE
No	2	ARRANGE CALLBACK

Just to reassure you, all your answers are confidential and covered by the Market Research Society Code of Conduct.

QUOTA QUESTIONS

1. Gender

	Code
Male	1
Female	2

2. Age

	Code
16-19	1
20-24	2
25-29	3
30-34	4

35-39	5
40-44	6
45-49	7
50-54	8
55-59	9
60-64	10
65-69	11
70+	12
Prefer not to say	13

SCREENING QUESTIONS

3. Sample location

	Code	Route
Aberdeenshire	1	Q5
Argyll & Bute	2	**Q4**
Eilean Siar	3	Q5
Highland	4	Q5
Moray	5	Q5
Orkney Islands	6	Q5
Shetland Islands	7	Q5
Angus	8	**Q4**
North Ayrshire	9	**Q4**
Perth & Kinross	10	**Q4**

4. Sample location

Please could I confirm that your postcode District is [*PC District*]?

	Code	Route
Yes	1	Q5
No – but acceptable PC district (specify)	2	Q5
No – incorrect	3	CLOSE

If not correct, please check against the list of acceptable postcode areas and code accordingly.

5. Which of the following best represents your attitude to online, home, TV or catalogue shopping?

READ OUT LIST
SINGLE CODE ONLY

	Code	Route
I often buy things through online, home, TV or catalogue shopping	1	Q6
I sometimes buy things through online, home, TV or catalogue shopping	2	Q6
I don't buy things through online, home, TV or catalogue shopping but would consider it in future	3	Q6

I don't buy things through online, home, TV or catalogue shopping and would never consider it in future	4	Q5b

5b Why would you never consider buying things this way?
PROBE FULLY
WRITE IN

____

5c Is reason related to delivery charges?
CODE REASON

	Code	Route
Related to delivery charges or paying for delivery	1	Q6
Not related to delivery charges or paying for delivery	2	CLOSE

Barriers and behaviours

6. On average, how often to you buy things that require delivery?

READ LIST - SINGLE CODE

	Code
Never	1
Once a week or more	2
Less than once a week but at least once a month	3
Less than once a month but at least every three months	4
Less than every three months but at least every six months	5
Less often than once every six months but at least once a year	6
Less often than once a year	7
Don't know DO NOT READ OUT	8

7. What, if anything, attracts you to buying things through online or home shopping?

SPONTANEOUS – MULTICODE – PROBE FOR AS MANY REASONS AS POSSIBLE

	Code
It's more convenient	1
It's less expensive	2
There's more choice	3
I'm too far from the shops for some things	4
It's quicker	5

Can compare prices easier	6
I can research the product/read reviews	7
Mobility/disability issues	8
Nothing	9
Other (specify)	10
Don't know	11

8. What, if anything, puts you off buying things through home or online shopping?

SPONTANEOUS – MULTICODE – PROBE FOR AS MANY REASONS AS POSSIBLE

	Code
Cost of delivery	1
Companies don't deliver to my address	2
Having to pay extra for delivery because of where I live	3
I like to see things before I buy them	4
Cost of return if it's not right or I don't like it	5
It's less convenient than going to a shop	6
It's more expensive than buying from a shop	7
I wouldn't feel confident buying things online	8
I'm worried about being scammed / I don't want to give over my bank details online	9
I don't think there's anything I'd want to buy online	10
I have a poor internet connection/no internet connection	11
I've never considered it	12
Nothing	13
Other (specify)	14
Don't know	15

Problems encountered and solutions

Don't ask Q9 if Q6=1 (Does not have goods delivered)

9. In the last 12 months, have you had any problems with having things delivered?

SINGLE CODE

	Code	Route
Yes	1	Q10
No	2	Q11

Ask Q10 if Q9 = 1

10. Please describe the issue(s) you had

11. To what extent, if at all, do you feel that where you live affects the delivery services you receive?

READ LIST – SINGLE CODE

	Code
It makes it much worse	1
It makes it a little worse	2
It makes no difference	3
It makes it a little better	4
It makes it much better	5
Don't know DO NOT READ OUT	6

Don't ask Q12 if Q11=3 (No difference) or 6 (Don't know)

12. Why do you say that?

Delivery surcharging

NOTE: Some areas in the UK are subject to extra delivery charges from couriers. For the rest of the questionnaire, when I say 'extra delivery charges' I am referring to these additional charges faced by individuals who live in rural and remote areas.

Don't ask Q13 if Q6=1 (Does not have goods delivered)

13. How often do you encounter extra delivery charges based on where you live?

READ LIST – SINGLE CODE

	Code
Every time I buy something	1
Around three quarters of the time	2
Around half the time	3
Around a quarter of the time	4
I never encounter extra charges for delivery	5
Don't know DO NOT READ OUT	6

Ask Q14 if Q13=1-4 (Encounter surcharges)

14. To what extent, if at all, do extra delivery charges based on where you live affect your likelihood to buy things that have to be delivered?

READ LIST – SINGLE CODE

	Code
It puts me off buying things this way altogether	1
It puts me off buying things this way frequently but not always	2
It puts me off buying things this way occasionally	3
It doesn't put me off buying things this way at all	4

15. I'm going to read out a number of statements about extra delivery charging and for each one I'd like you to tell me how much you agree or disagree with that statement. That is, agree strongly, agree slightly, neither agree nor disagree, disagree slightly or disagree strongly.

PROBE TO PRECODES

	Agree strongly	Agree slightly	Neither/nor	Disagree slightly	Disagree strongly	Don't know
I think it is fair that people living in remote areas should pay extra for delivery	1	2	3	4	5	6
I get annoyed when I'm asked to pay extra for delivery to my area (Ask Q18 if Q13=1-4 (Encounter surcharges))	1	2	3	4	5	6
If there were no extra delivery charges I would buy more things online (Ask Q18 if Q13=1-4 (Encounter surcharges))	1	2	3	4	5	6
People in my area should not be asked to pay extra for delivery	1	2	3	4	5	6
Paying extra is fair enough for some larger items, but not for small things like clothes or books	1	2	3	4	5	6

Ask Q16 if Q13=1-4 (Encounter surcharges)

16. When you encounter extra delivery charges do how often do you…?

PROBE TO PRECODES

	Always	Often	Sometimes	Never	Don't know
Pay the surcharge	1	2	4	5	6
Find the item elsewhere online	1	2	4	5	6
Get the item from a shop instead	1	2	4	5	6
Do without the item	1	2	4	5	6

Ask Q17 if Q13=1-4 (Encounter surcharges)

17. When you encounter extra delivery charges, how Do you decide whether to buy the item or not? What things do you take into account?

PROBE AS FULLY AS POSSIBLE

____

Ask Q18 if Q13=1-4 (Encounter surcharges)

18. Have you ever done any of the following to avoid extra delivery charges?

READ OUT – MULTICODE – PROBE FOR AS MANY AS POSSIBLE

	Code
Buy in bulk to get free delivery	1
Ask the retailer to use Royal Mail	2
Ask the retailer to use local courier	3
Go collect the parcel from somewhere else (local)	4
Go collect the parcel from somewhere else (in another area of Scotland)	5
Deliver to a family member in a different area of Scotland	6
Split the delivery journey some other way	7
Buy jointly with other people in my area	8
Other (specify)	9
Nothing DO NOT READ OUT	10

Ask Q19 if Q13=1-4 (Encounter surcharges)

19. Do you use, or would you consider using, any of the following options if it meant that the delivery charge was lower?

PROBE TO PRECODES

	Yes always	Yes sometimes	Never
Delivery to a local shop for collection	1	2	3
Delivery to a collection point in your nearest town	1	2	3
Waiting longer for delivery so the courier can group your order with others in the area	1	2	3
Delivery to shop using its own 'click and collect' service	1	2	3
Delivery to a Royal Mail depot	1	2	3
Delivery to a Post Office branch	1	2	3

CLASSIFICATION QUESTIONS

20. Do you have day-to-day access to an internet connection for personal use?

READ LIST – MULTICODE

	Code
Yes, at home	1
Yes, on my phone or tablet	2
Yes, at work	3
Yes, other (specify)	4
No	5
Don't know [Don't read out]	6

21. Do you have day-to-day access to a car, either as a driver or passenger?

	Code
Yes	1
No	2

22. How long does it take to travel to your nearest parcel collection point, such as a parcel depot, post office or click and collect retailer?

SINGLE CODE

	Code
Under 15 minutes	1
15-30 minutes	2
30-45 minutes	3
45 minutes to an hour	4
Over an hour	5
Don't know [Don't read out]	6

23. What is the occupation of chief income earner in household?

____

If retired, ask the occupation before retirement

24. SEG

	Code
AB	1
C1	2
C2	3
D	4
E	5
Refused	6

25. What is your marital status?

	Code
Single	1
Married / co-habiting	2
Widowed	3
Other (specify)	4
Refused	5

26. Do you have any children aged 16 years or younger who live within your household?

	Code
Under 5 years	1
5 – 12 years	2
13 – 16 years	3
No children aged 16 or younger at home	4
Refused	5

27. What is your working status?

	Code
Full-time paid work (including self-employed)	1

Part-time paid work (including self-employed)	2
Government or other training scheme	3
Unemployed	4
Retired	5
Temporary sick	6
Long-term sick/disabled without a job	7
Looking after the home/family	8
Full-time education	9
Other, specify ___________	10
Refused	11

28. Do you have a long-standing illness, disability or infirmity? Longstanding means anything that has troubled you or is likely to affect you over a period of time.

	Code	
Yes	1	GO TO Q29
No	2	THANK AND CLOSE
Refused	3	THANK AND CLOSE

29. How would you describe your illness, disability or infirmity?

MULTI

	Code
Hearing impairment	1
Visual impairment (not corrected by spectacles or contact lenses)	2
Speech impairment	3
Physical co-ordination difficulties (includes problems of manual dexterity and of muscular control e.g. incontinence, epilepsy)	4
Reduced physical capacity (includes debilitating pain and lack of strength, breath, energy or stamina e.g. from asthma, angina or diabetes)	5
Severe disfigurement	6
Learning disabilities	7
Mental illness	8
Other (specify)	9
Would rather not say	10

Respondent ID ___________________________

Thank and close

Technical appendix

Method

Quantitative

1. The data was collected by Computer Aided Telephone Interview (CATI)
2. The target group for this research study was a representative sample of the residents of areas of Scotland affected by delivery surcharges
3. The sampling frame for this study was adult residents of affected areas.
4. The target sample size was 750 and the final achieved sample size was 753. The reason for the difference between these two samples was that standard sampling procedures allow for slight overage
5. Fieldwork was undertaken between 16th Feb-15th March 2017
6. Respondents were selected using a stratified random sampling technique, where interviewers worked to specified quota controls on key sample criteria and selected respondents randomly within these quotas (age, SEG and location)
7. A reasonably representative sample was achieved in this way and weighting by SEG ensured that results are representative.
8. In total, 19 interviewers worked on data collection.
9. Interviews lasted 11 minutes.
10. Each interviewer's work was validated as per the requirements of the international standard ISO 20252. Validation was achieved by re-contacting (by telephone) a minimum of 10% of the sample to check profiling details and to re-ask key questions from the survey. All telephone interviews were recorded and a minimum of 10% listened to in full for validation purposes. All interviewers working on the study were subject to validation of their work. In addition, interviewers are constantly monitored by the Telephone Unit Manager to ensure quality is maintained throughout each interview.
11. All research projects undertaken by Progressive comply fully with the requirements of ISO 20252, the Data Protection Act and the MRS Code of Conduct.

Data processing and analysis

1. The final data set was weighted to reflect Scottish population Census data.
2. Quota controls were to be used to guide sample selection for this study. This means that statistically precise margins of error or significance testing are not appropriate, as the sampling type is non-probability. The margins of error outlined below should therefore be treated as indicative, based on an equivalent probability sample.
3. The overall sample size of 690 provides a dataset with an approximate margin of error of between ±0.74% and ±3.73%, calculated at the 95% confidence level (market research industry standard). Each sub sample of 100 provides a dataset with an approximate margin of error of between ±1.85% and ±9.8%.
4. The data processing department undertakes a number of quality checks on the data to ensure its validity and integrity. For **CATI** questionnaires these checks include:
    - All responses logged by the interviewers are checked for completeness and sense. Any errors or omissions detected at this stage are referred back to the field department, who are required to re-contact respondents to check and, if necessary, correct the data.
    - Data is entered into the analysis package, SNAP, and data is stored on CATI booths until imported and stored in Progressive's secure workfiles.

5. A computer edit of the data carried out prior to analysis involves both range and inter-field checks. Any further inconsistencies identified at this stage are investigated by reference back to the raw data on the questionnaire.
6. Where 'other' type questions are used, the responses to these are checked against the parent question for possible up-coding.
7. Responses to open-ended questions will normally be spell and sense checked. Where required these responses may be grouped using a code-frame which can be used in analysis.
8. A SNAP programme was set up with the aim of providing the client with useable and comprehensive data. Crossbreaks were discussed with the client in order to ensure that all information needs are met.

Qualitative

1. The data was collected by Online focus group.
2. The target group for this research study was residents of areas subject to delivery surcharging who do not reject home shopping.
3. In total, two group discussions/depth interviews/workshops were undertaken. Each group/workshop contained approximately 7 respondents.
4. Fieldwork was undertaken between on 9th February 2017
5. Respondents were recruited face-to-face by Progressive's team of skilled qualitative recruiters. These recruiters work to predetermined quota controls to ensure that the final sample reflects the requirements of the project. All respondents are screened to ensure that they have not participated in a group discussion or depth interview relating to a similar subject in the last 6 months prior to recruitment.
6. An incentive of £35 compensated respondents for their time and encouraged a positive response.
7. In total, two moderators were involved in the fieldwork for this project.
8. Each recruiter's work is validated as per the requirements of the international standard ISO 20252. Therefore, all respondents were subject to validation, either between recruitment and the date of the group discussion/depth interview, or on the day of the group discussion/depth interview. Validation involves respondents completing a short questionnaire asking pertinent profiling questions and checking that they have not participated in similar research in the past 6 months.
9. All research projects undertaken by Progressive comply fully with the requirements of ISO 20252, the Data Protection Act and the MRS Code of Conduct.