

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-102)**

The United States Postal Service hereby files its response to the following interrogatory, filed October 29, 1997: OCA/USPS-102.

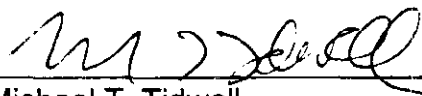
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF U.S. POSTAL SERVICE TO INTERROGATORIES
OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-102. Please refer to the United States Postal Service Response to Presiding Officers Ruling No. R97-1/42, dated October 14, 1997. There is no reference in that document to H-200, "Prepaid Reply Mail: Household Weighting Study." However, Postal Service witness Fronk appears to rely on H-200 at pages 38-39 of his direct testimony. At page 3 of the Response to P.O.R. No. R97-1/42, it is stated: "The Postal Service is also in the process of inquiring about availability of individuals who would be in a position to testify as to other library references that might be identified subsequently during hearings or otherwise."

a. Has the Postal Service determined whether Postal Service witness Fronk will sponsor H-200?

b. Were instructions given to telephone interviewers concerning how to conduct the interviews that are the bases for the H-200 study? If so, please supply them?

c. Please refer to the text of the survey questions set forth at pp. 74-76 of H-200. Were the responses to each question from which interviewees had to choose always read to interviewees in the order in which they appear in the text, i.e., response #1 first, response #2 second, etc.? If not, explain any deviations from the order in the text.

RESPONSE:

(a) Yes. The Postal Service has determined that witness Fronk will not sponsor H-200.

(b) Please see Attachment 1. As indicated on the second page of the attachment, additional instructions may have been provided orally. Also, note that instructions to the interviewer are also included among the text of the questions themselves, as indicated on pages 74-76 of Library Reference H-200 (also attached as Attachment 2 for ease of reference).

(c) Yes, except that capitalized responses, for example, "DON'T KNOW," were not read.

CARAVAN INTERVIEWER INSTRUCTIONS

April 17, 1997

Attachment 1

#70616

Please review with all interviewers the following general instructions:

- 1) In the text to a question, if words are in lower case and in parentheses, they may be read if the respondent seems confused and needs a further explanation. They should not be read if there is no questioning on the part of the respondent. Example: Been treated by a physician for a peptic ulcer of any type. (This includes duodenal, and/or gastric ulcers) -- The part in parentheses should only be read for clarification, if necessary.
- 2) In the answer list to a question, where the whole list is in caps, it is not to be read. If one word or two in a sentence are in caps, they are for emphasis and should be read.
- 3) In the answer list to a question, where the whole list is in lower case, it should be read. If there is an instruction to "read list," the items should be read. Please note that in a "read list," there may be initials, such as NBC and CBS that should be read.
- 4) There are two different ways to read answer lists:
 - a. If the answer list is a single response or record one answer only, read the entire list before accepting one response.
 - b. If the answer list is a "Record as many as apply," be sure to pause for a response after reading each item, before reading the next item. THIS IS VERY IMPORTANT.
- 5) Probing is critical in open-ended questions. Open ends are included when our clients want to hear/see actual responses or not package responses with pre-coding. While some respondents will give full answers initially, most do not or do not really provide the information asked for. Keep in mind that our clients pay extra for the additional time and effort that open ends require. (Please note that instructions to record answers verbatim do not require the interviewer to capture the "ums", "ahs", "Let me thinks", etc. that many people use in conversation.)

While the exact phrasing of a probe will vary with the question, there are some general rules.

- Do not accept responses such as "I do/don't like it." The follow-up should be what do/don't you like about it. If the answer is "I don't know," politely prod the respondent: "Is there any reason you can think of?"
 - After the respondent finishes, generally ask, "What else?," until the respondent says, "Nothing," unless the interviewing instructions or questionnaire state otherwise.
- 6) Other (Specify) should be used carefully. First, only record responses that answer the question. If an answer is non-responsive, re-read the question. Also, "all of the above" should NOT appear in "other (specify)." In the case of a multi-punch question, if a respondent says "all of the above," then punch all responses. On the other hand, if it is a single punch question, probe: "If you had to choose one, which would it be?" Finally, if "none" or "don't know" is in the answer list, DO NOT record it in other specify.

CARAVAN INTERVIEWER INSTRUCTIONS

April 17, 1997

#70616

-2-

All interviewers should read the introduction as it appears on the screen. This introduction will run until further notice.

Instructions specifically for "Prepaid Reply Mail" section:

F1-F3, F5-F7, F8A-F8C Read list. Record one answer.

Background for Instructing Interviewers:

For every Caravan survey, a Caravan researcher conducts a telephone briefing (Thursday afternoon) one section at a time with the Caravan interviewing supervisors of the Central Telephone Facility (CTF) in Tucson, Arizona. The complex and less obvious aspects of the survey are always emphasized and discussed in depth for extra clarity. At any time of the briefing, the CTF supervisors have the opportunity to address any questions or issues they may have on any particular section, in this case, "Prepaid-Reply-Mail". Any questions or issues brought up during the briefing are always resolved before the start of interviewing.

Upon completion of the briefing with the Caravan researcher, the CTF supervisors then brief the interviewers mentioning any key points and other relevant details brought up in the initial briefing.

1

The next series of questions are about household bills.

FA Do you have primary or equally shared responsibility for making payments of household and family bills?

- 1 YES, PRIMARY RESPONSIBILITY -->CONTINUE
- 2 YES, EQUALLY SHARED RESPONSIBILITY
- 3 NO, NOT RESPONSIBLE -->SKIP TO NEXT SECTION
- 4 DON'T KNOW

F1 The United States Postal Service may introduce a potential new product for businesses to receive bill payments from their customers. This product would allow businesses to include a prepaid envelope with the bill that they send to your household with THE POSTAGE ALREADY PAID and there would be no need to place any additional stamps or postage to mail the payment back to the biller. However, a charge associated with using this product to cover the postage would either be directly added to your bill OR built into the overall price of the product or service that your household receives from the business. Either way, the total cost to your household would be the same as or less than the current 32 cent postage stamp.

How attractive is this option for bill payment? Is it . . . (READ LIST)

- 1 Very attractive
- 2 Somewhat attractive
- 3 Somewhat unattractive
- 4 Not at all attractive
- 5 DON'T KNOW

F2 How important to you is the potential added convenience associated with having this type of prepaid postage envelope included with the billing statement from the business? Would you say . . . (READ LIST)

- 1 Extremely important
- 2 Somewhat important
- 3 Not very important
- 4 Not at all important
- 5 DON'T KNOW

F3 If businesses included this type of prepaid postage envelope with the billing statement, how likely is it that your household would mail the payment back to them sooner than you are doing now? Would you say . . . (READ LIST)

- 1 Definitely sooner
- 2 Maybe a little sooner
- 3 Probably not sooner
- 4 Definitely not sooner
- 5 DON'T KNOW

F4 Does your household currently pay all, some, or none of your bills BEFORE their due dates?

- 1 ALL --> SKIP TO F6
- 2 SOME
- 3 NONE --> CONTINUE
- 4 DON'T KNOW

F5 If businesses included this type of prepaid postage envelope with the billing statement, how likely is it that your household would pay such bills BEFORE their due dates? Is it . . . (READ LIST)

- 1 Very likely
- 2 Somewhat likely
- 3 Not very likely
- 4 Not at all likely
- 5 DON'T KNOW

F6 If a company which currently mails bills to your household were to include a return envelope with the postage already paid, would the prepaid postage envelope influence your level of customer satisfaction with that company? Would you say the inclusion of this type of envelope would have . . . (READ LIST)

- 1 A strong positive influence on your level of customer satisfaction with that company
- 2 Somewhat of a positive influence
- 3 Somewhat of a negative influence, or
- 4 A strong negative influence on your level of customer satisfaction with that company
- 5 DON'T KNOW

F7 If one billing company offers to include a postage paid return envelope with its monthly bill statement, and an otherwise identical company DOES NOT offer a prepaid return envelope, how likely is it that this difference alone would influence your choice of service provider? Would you say . . . (READ LIST)

- 1 Very likely
- 2 Somewhat likely
- 3 Not very likely
- 4 Not at all likely
- 5 DON'T KNOW

F8 Are ANY of your household bills currently paid using ANY METHOD OTHER THAN SENDING A CHECK IN THE MAIL? This might include, for example, automatic debit from your bank account, paying in-person at the company, via your personal computer, over the telephone, etc.

- 1 YES -->CONTINUE
- 2 NO -->SKIP TO NEXT SECTION
- 3 DON'T KNOW

F8A Which methods, other than sending a check in the mail, does your household use for bill payment?
Would you say . . . (READ LIST. RECORD ONLY ONE ANSWER)

- 1 Electronic methods including automatic debit, personal computer, over the phone, etc.
- 2 In-person only, or
- 3 A combination of both electronic methods and in-person
- 4 DON'T KNOW

IF F8A [1,3], CONTINUE. IF F8A[2], SKIP TO INSTRUCTIONS BEFORE F8C. IF DON'T KNOW, SKIP TO NEXT SECTION.

F8B For those bills that are currently paid using ELECTRONIC METHODS, how likely is it that you would switch SOME OR ALL of your bill payments from electronic methods to the prepaid postage envelope product if it were available? Would you say . . . (READ LIST)

- 1 Very likely
- 2 Somewhat likely
- 3 Not very likely
- 4 Not at all likely
- 5 DON'T KNOW

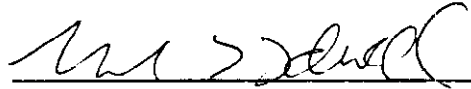
IF F8A[2-3] CONTINUE. OTHERWISE SKIP TO NEXT SECTION.

F8C For those bills currently paid IN-PERSON, how likely is it that you would switch SOME OR ALL of your bill payments from in-person payment to the prepaid postage envelope product if it were available? Would you say . . . (READ LIST)

- 1 Very likely
- 2 Somewhat likely
- 3 Not very likely
- 4 Not at all likely
- 5 DON'T KNOW

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



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November 13, 1997