

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

SIX-DAY TO FIVE-DAY STREET DELIVERY  
AND RELATED SERVICE CHANGES, 2010

Docket No. N2010-1

RESPONSE OF POSTAL SERVICE WITNESS WHITEMAN  
TO QUESTION POSED AT THE HEARING ON JULY 21, 2010  
(July 29, 2010)

The United States Postal Service hereby provides the response to the oral question posed to witness Whiteman at the July 21 hearing on his testimony. The relevant portion of the transcript is quoted, and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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July 29, 2010

**RESPONSE OF POSTAL SERVICE WITNESS WHITEMAN TO  
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**Question**

Okay, well I'm not asking you for any precision, just ballpark, just your sense, did most respondents say something other than, I'm 100 percent certain of my answer? .. .  
Could we get that information?

**RESPONSE:**

As explained in my testimony (page 13, lines 2-212), we adjusted the estimated volume change for each respondent based on a question asking the customer how likely he/she would be to change the number of pieces sent. Questions of this type are frequently used in research questionnaires for which a customer is asked to indicate a change in behavior based on a potential change in product design, channel options, or prices, as quantitative research tends to overstate customers' behavioral changes.

For business customers, we asked the following question. Each customer was asked to use a scale of 0 for "extremely unlikely" to 10 for "extremely likely."

"If the service change described does happen, what is the likelihood that this change would cause your organization to modify the number of (insert application) your organizations sends or the way you send it?"

For consumers we asked the following question. Each customer was asked to use a scale of 0 for "extremely unlikely" to 10 for "extremely likely."

"If the service change described had been in place a year ago, what is the likelihood that there would have been any difference in how you sent your (application)?"

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“Each respondent’s change in volume by application and product before and after implementation of five-day delivery was calculated. These calculations were supplied by witness Elmore-Yalch. See USPS-T-8 at Section 6.4, pp. 30-37.

Each respondent’s reported volume change for each product was adjusted by the likelihood of change measure (0-10 scale). This was done by converting the scale to a percentage (0-100 percent). This percentage was multiplied by the difference between the next 12-month volume and the volume in the first 12 months after five-day delivery implementation. This effectively adjusted the reported impact of the change to reflect the likelihood of their actually changing the volume of mail sent. See USPS-T-8 at Section 6.4, pp. 31(businesses) and 36 (consumers).”

As can be seen from the tables that follow, when asked how likely they would be to actually mail the volume they had indicated they would mail post 5-day delivery implementation, most customers indicated they likely would not make any changes in the mail they send. Further, only a small percent of customers were highly confident that they would mail as they had reported. This led us to adjust the reported mail volume post 5-day delivery implementation to account for this low likelihood to change their volume.

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**Business Account Segments**

**Q10. Likelihood to Change - Column E (Data) \* Data File Source (SEGMENT) Crosstabulation**

% within Data File Source (SEGMENT)		Data File Source (SEGMENT)				
		National Accounts	Premier Accounts	Preferred Accounts	Small Businesses	Total
Q10. Likelihood to Change - Column E (Data)	(0) Extremely unlikely	50.8%	60.3%	73.4%	48.6%	60.6%
	(1)	8.5%	10.2%	8.1%	8.3%	8.8%
	(2)	16.9%	9.0%	5.0%	8.6%	7.7%
	(3)	8.5%	4.3%	3.3%	6.2%	4.7%
	(4)	1.7%	1.9%	2.6%	2.8%	2.4%
	(5)	3.4%	4.0%	2.7%	10.1%	5.6%
	(6)		2.1%	1.1%	3.3%	2.1%
	(7)		1.9%	1.1%	5.1%	2.6%
	(8)	8.5%	2.2%	1.5%	3.2%	2.5%
	(9)		1.7%		1.0%	.8%
	(10) Extremely likely	1.7%	2.4%	1.2%	3.0%	2.2%
Total		100.0%	100.0%	100.0%	100.0%	100.0%

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**Consumers**

**U5a. Likelihood to Change - Payments**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	(0) Extremely unlikely	430	67.6	67.6	67.6
	(1)	22	3.5	3.5	71.1
	(2)	17	2.7	2.7	73.7
	(3)	14	2.2	2.2	75.9
	(4)	6	.9	.9	76.9
	(5)	22	3.5	3.5	80.3
	(6)	10	1.6	1.6	81.9
	(7)	16	2.5	2.5	84.4
	(8)	22	3.5	3.5	87.9
	(9)	8	1.3	1.3	89.2
	(10) Extremely likely	69	10.8	10.8	100.0
	Total	636	100.0	100.0	

**U5b. Likelihood to Change - Correspondence**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	(0) Extremely unlikely	461	72.5	72.5	72.5
	(1)	24	3.8	3.8	76.3
	(2)	18	2.8	2.8	79.1
	(3)	11	1.7	1.7	80.8
	(4)	5	.8	.8	81.6
	(5)	31	4.9	4.9	86.5
	(6)	4	.6	.6	87.1
	(7)	13	2.0	2.0	89.2
	(8)	13	2.0	2.0	91.2
	(9)	4	.6	.6	91.8
	(10) Extremely likely	52	8.2	8.2	100.0
	Total	636	100.0	100.0	

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**U5c. Likelihood to Change - Documents**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	(0) Extremely unlikely	524	82.4	82.4	82.4
	(1)	18	2.8	2.8	85.2
	(2)	14	2.2	2.2	87.4
	(3)	5	.8	.8	88.2
	(4)	4	.6	.6	88.8
	(5)	13	2.0	2.0	90.9
	(6)	3	.5	.5	91.4
	(7)	10	1.6	1.6	92.9
	(8)	10	1.6	1.6	94.5
	(9)	5	.8	.8	95.3
	(10) Extremely likely	30	4.7	4.7	100.0
	Total	636	100.0	100.0	

**U5d. Likelihood to Change - Packages**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	(0) Extremely unlikely	463	72.8	72.8	72.8
	(1)	31	4.9	4.9	77.7
	(2)	18	2.8	2.8	80.5
	(3)	13	2.0	2.0	82.5
	(4)	9	1.4	1.4	84.0
	(5)	25	3.9	3.9	87.9
	(6)	6	.9	.9	88.8
	(7)	7	1.1	1.1	89.9
	(8)	9	1.4	1.4	91.4
	(9)	5	.8	.8	92.1
	(10) Extremely likely	50	7.9	7.9	100.0
	Total	636	100.0	100.0	

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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