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## ***Thinking Outside the Mail Box***

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What will become of the post office?

In November Canada Post announced a \$134 million loss during the first nine months of the year and said it expected to deliver a billion fewer items in 2013 than in 2006. A business research group, The Conference Board, chillingly predicts the postal service will lose almost \$1 billion a year by 2020. The losses may be exaggerated and the outlook needlessly pessimistic. But Canada Post is not acting like a company with its best years ahead of it.

In December it announced that in five years it will end door-to-door delivery for the four in 10 households and businesses that still have it, enabling the government-owned corporation to cut 6,000 to 8,000 jobs. It also will raise the price of a stamp for a basic letter to \$1 in March from the current 63 cents. Canada Post says the jobs will likely disappear through attrition.

Canada Post is slowly vanishing because there is not enough public support to save it.

In an Angus Reid Public Opinion survey conducted a week after Canada Post announced it's hiking prices, reducing service and cutting jobs, 65 per cent said the stamp price increase "will definitely make me cut back on my use of the mail."

The same survey found that more than half the public seldom mails anything. Some 37 per cent send just one letter, parcel or other piece of mail "in an average month." Another 16 per cent rarely or never mail something.

These percentages are sure to grow as we send and receive more text messages, pay more bills online and get our news and entertainment from screens instead of paper.

Canadians have no emotional attachment to mail. In a poll last year for the Association for Canadian Studies, only 25 per cent saw the post office as a "very important" element "in building the Canadian nation." That puts the mail a little ahead of Tim Hortons, which 13 per cent view as "very important" in nation-building, but far behind the Charter of Rights and Freedoms (68 per cent).

In both the Reid poll and a Forum Research survey conducted at the same time, 58 per cent disapproved of ending door-to-door mail delivery in urban areas.



While most people want Canada Post to live, they're not willing to pay for life support. In the Forum Research poll (conducted December 12-13) 70 per cent agreed "Canada Post provides an essential service and should maintain its current service levels."

But 64 per cent also agreed, "Canada Post should have to cover all its own costs and not be subsidized by taxpayers" (it receives no government funding).

Public opinion on the mail isn't a threat to the federal Conservatives, however. In the Reid survey, 53 per cent of the last election's Conservative voters support phasing out door-to-door delivery compared with 31 per cent of those who voted NDP or Liberal in 2011. Among all voters in the 2011 election, 71 per cent told the Reid poll they're worried about the loss of Canada Post jobs. Among Conservatives, only 55 percent said they care.

Conservative MPs mainly represent rural areas and suburban subdivisions served by a community mailbox, a stack of locked compartments serving 48 households on average. (Canada Post once called them a "super box"; the term no longer appears on the Canada Post website.) Among people using community mail boxes, 59 per cent favour ending door-to-door delivery in the Reid poll.

The Harper government hasn't suggested privatizing Canada Post, the right wing's usual remedy for a distressed public service. Privatization wouldn't be popular, though it's becoming more acceptable. In 2008 in an Ipsos poll 27 per cent supported "allowing private companies to deliver letter mail" in competition with Canada Post. In the new Ipsos poll 38 per cent say "Canada Post should be ... sold to the private sector." Naturally among Conservatives, privatization is more appealing: 52 per cent support it.

Inexpensive, easy-to-use digital communication has overturned the music industry, undermined the newspaper business, and obliterated book stores. It's no surprise that a paper-based business such as the post office is in trouble.

The major union at Canada Post has pushed diversification, suggesting postal outlets should offer insurance, savings accounts and other banking services. But the Conservatives surely don't want to antagonize the banks by giving them more competitors.

The Conservatives can frame Canada Post as a money-losing relic of a pre-digital economy.

Other companies and organizations that faced Canada Post's problems thrived, not by doubling down on their old mandates but by refocusing on a new purpose.

Top brass at Honda transformed the company from motorcycles to cars. Xerox made the transition from selling hardware – black-and-white photocopiers – to software: selling business services.

After the March of Dimes ended the threat of polio, instead of closing shop it pivoted to providing rehab and training to adults with physical disabilities.



To save Canada Post the answer isn't to get people to trek to post offices; it's to get Canada Post to come to the customer.

Imagine you are CEO of a corporation with 60,000 experienced employees. Canada Post's thousands of letter carriers know the streets and neighbourhoods of the entire country. People trust them. Every carrier must have a driver's licence and undergo a background check.

With a human asset of talent like this, instead of competing against the banks, you would create a new market where there's no competition.

What's the public's greatest need? All of us want help. None of us has enough time. Canada Post has a ready-built army of employees who can staff a new service – *Canada Concierge*. Here are some market opportunities *Canada Concierge* can fill with its current employees.

- 1) **Why just deliver mail?** Why not pick it up for a small fee? A *Canada Concierge* can collect your gifts, wrap them and take them to the couriers for delivery.
- 2) **New product launches.** With modest coaching and training, letter carriers could be door-to-door salespeople. Carriers know their customers by name. They could demonstrate how to use e-readers, smartphones and other personal technologies (20 per cent of Canadian households still have no Internet access) for instance.
- 3) **Security.** *Canada Concierge* could put surplus letter carriers to work as neighbourhood watchers for schools, stores and local governments. They can check your home while you're on holidays.
- 4) **Home services.** Sign up homeowners and tenants as members of *Canada Concierge* for sidewalk snow shoveling and household repairs and 24/7 valet services. Redundant mail carriers could run errands, do the shopping, drive people to appointments, take their cars and appliances to the repair shop, maybe tutor their children and arrange kids' birthday parties.
- 5) **Community engagement.** Charities, unions, parties and other causes could hire *Canada Concierge* to fund-raise at the doorstep, distribute leaflets, and obtain signatures on petitions.
- 6) **Health care.** With its sizeable vehicle fleet, Canada Post carriers could dramatically expand health services, especially in communities under-served by hospitals and urgent care centres. Think of a trained posties who pack defibrillators and first-aid equipment.

Reinventing Canada Post will be a struggle without a sympathetic government and far-sighted corporate execs. But instead of trying to rally the people to an old idea, there's a better chance of mobilizing the public with a new one.

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Marc Zwelling is the founder of the Vector Poll™ and author of *Public Opinion and Polling For Dummies* (Wiley, 2012) [www.vectorresearch.com](http://www.vectorresearch.com)