

# DELIVERING WORLD-CLASS CUSTOMER EXPERIENCE

SOUTH AFRICA'S PROPOSITION FOR  
CONTACT CENTRE BPO



*We speak your language*

# A leader in **Contact Centre**

**5 of the top 10 global voice companies have moved to South Africa in the last 24 months**

**3<sup>rd</sup> largest English speaking pool among offshore locations**

**3<sup>rd</sup> largest low cost offshore location for the UK market**

## **Strong industry growth continues**

The offshore contact centre industry employs more than 8,000 agents and has grown at an average rate of more than 50% over the last three years.

## **The world is calling South Africa**

The UK, US and Australia are using SA for English language work while Benelux countries are leveraging South Africa for European multilingual work anchored around Dutch language.

## **Emerging as the hub for the UK market**

South Africa is a leader among offshore locations in serving the UK market. According to a survey conducted by the Everest Research Institute, more than 90% of buyers of contact centre services believed that the South African accent is better suited to serve UK than other low-cost geographies (e.g. India, Philippines). Many leading firms have chosen South Africa as the contact centre hub to serve the UK market.

**South Africa** has seen the entry of many large buyers and suppliers of offshore contact centre services over the last few years. Buyers from the financial services, telecom, retail and the travel industry are sourcing work from South Africa. The country is home to captives of leading global multinational companies along with large global contact centre suppliers.



# BPO

## Leading global buyers using South Africa



“ We had sourced from India, but had to repatriate work due to quality issues... have chosen South Africa over 17 other locations due to affinity and connect with UK customers”

*Head, Offshore captive in SA*



*Sandton, Johannesburg*

## Leading global suppliers in South Africa



“South Africa is our primary offshore delivery centre to serve UK market. While not the cheapest, a neutral accent and ability to connect with customers justifies the cost”

*Managing Director, Teleperformance*

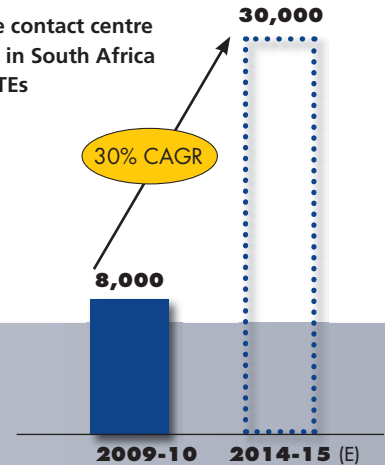
# Highly scalable, offering a wide range of services

Companies in South Africa are looking to establish large scale delivery centres and have aggressive growth plans. Many service providers have already achieved meaningful scale with the five largest players employing 700-1,200 FTEs each. Existing players are expected to add 10,000-15,000 new jobs over the next five years. Overall, the South African offshore contact centre industry is expected to grow by 30% year on year.

*"Aegis have made a significant investment in South Africa, and will continue to do so, as part of a long term strategy. Our vision is to grow to 5,000 employees within the next three years, and 10,000 within 5 years.*

*Sr. Vice President, Aegis BPO*

**Offshore contact centre industry in South Africa**  
No. of FTEs



South Africa offers a wide range of contact centre services. The cultural and product affinity of agents makes it an ideal location for customer service and sales support. In addition to customer service, there are examples of telemarketing, telesales and complex collection processes being delivered from South Africa. Suppliers in South Africa are serving telecom, retail, financial services and insurance industries.

*"We have chosen to further expand our facilities in South Africa as in our opinion it has the potential to become one of the fastest growing BPO (business processing offshoring) destinations"*

*Global CEO, Service Provider*

## A broad range of services is currently being delivered from South Africa



# Delivering **business impact**

The global offshore contact centre market is evolving rapidly. Organisations have become more targeted in their sourcing objectives that include delivering complex contact centre work, driving business outcomes such as improved sales and customer satisfaction.

Leading analysts and industry leaders believe that South Africa can help drive business outcomes while delivering significant cost savings with operational performance on a par with source markets.

## **South Africa has demonstrated:**

- Improved sales effectiveness in outbound and inbound sales
- Improved customer satisfaction
- Superior performance on renewals and customer retention

## **Driving improved sales**

### **Case example**

A large UK insurance company has outsourced renewals, sales completion, sales and customer services for car and home insurance. The South African centre is a part of a contact centre network (with other sites in the UK) delivering similar services.

### **Key results**

The centre in South Africa has consistently outperformed other onshore centres achieving 25–30% sales closing rate.

## **Delivering higher customer satisfaction**

### **Case example**

A large UK telco company has offshored customer service and query handling work to South Africa. The South African delivery centre is a part of a network of delivery centres with multiple centres in the UK. The scope of work includes customer service and query handling.

### **Key results**

The centre in South Africa has consistently been ranked as “Good” or “Very Good” by 96–99% of users as opposed to 92–95% users in the case of onshore delivery centres.

**“South Africans have a strong empathy with UK callers... and excellent customer service skills. There is a real pool of talent that fits extremely well with our business needs in terms of both skills and culture”**

*Global Voice Player*

**“Accent training duration for fresh agents is lower (1–2 weeks) in South Africa than in India or Egypt (8–9 weeks)”**

*Global Voice Player*

**“Offshoring work to South Africa has helped us set new delivery standards, which our on-shore delivery centres have not yet achieved!”**

*Head, Global sourcing, buyer organization*

**“South Africa provides a good quality voice capability at a good price. The accents are well received by the UK consumer markets.”**

*Sr. Vice President, Aegis BPO*

# Proposition driven by **distinctive talent strengths**

A scalable pool of skilled English language talent is South Africa's core strength. Similarities in the country's domestic industry with source markets in terms of products and services give agents the ability to connect naturally with customers.



**“At PruHealth we extract significant benefit from having our call centre located in South Africa with a ready supply of passionate agents able to have empathy and build relationships with our customers and partners as well as being able to fill the more specialised medical 'care' functions and have actuarial oversight from a risk perspective”**

*PruHealth*

**“South Africans have a compelling friendliness and a natural tendency to be helpful. It's charming and it sells”**

*Managing Director, Teleperformance*

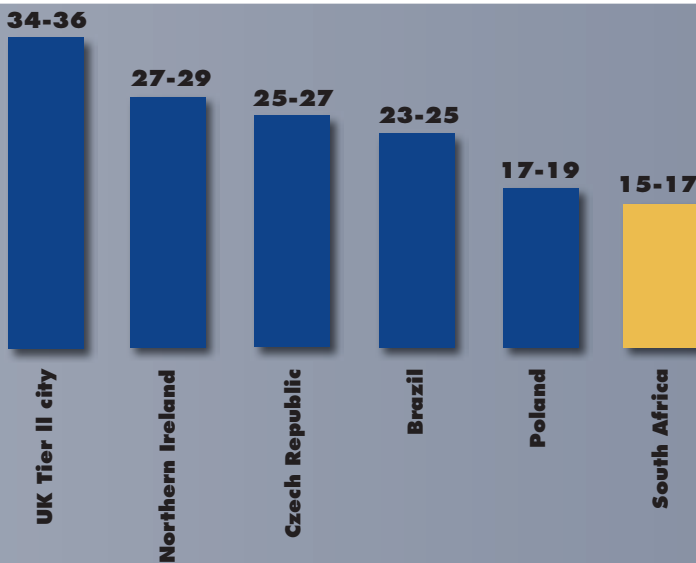
# Significant savings in a first world environment

## Costs 50-60% lower than source markets

South Africa offers significant savings from source markets (e.g. UK). South Africa is significantly more cost competitive than most locations in the UK, Central and Eastern Europe, Latin America and many Asian locations that offer comparable quality of life and underlying infrastructure.

## Direct operating cost for contact centre BPO

2010; £ '000 per annum per Full Time Equivalent (FTE)



## First World experience

South Africa offers a First World experience with superb infrastructure and a good quality of life. The time difference between South Africa and most of Europe (including UK) is less than 2 hours.

## Robust enabling environment

South Africa is a politically and economically stable location. The telecom infrastructure has improved considerably with an increase in bandwidth and falling tariffs. The country offers an attractive investment climate.

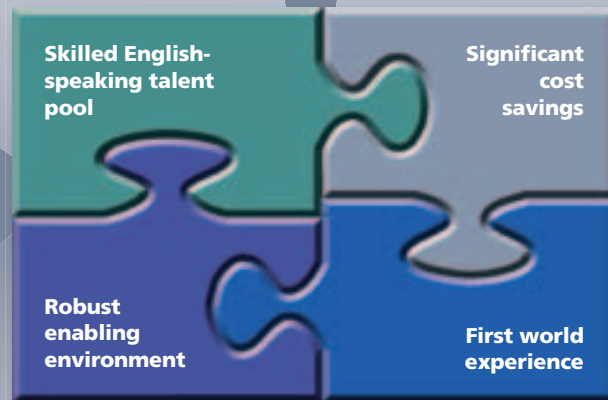


Gautrain, Johannesburg

# In summary, South Africa's proposition for **Contact Centre BPO**

- Large talent pool
- Preferred accent by the UK market
- Strong cultural affinity with the UK
- Ability to form good customer connections
- Large experienced pool

- Costs 50-60% lower than source markets
- Narrowing differential with lower-cost locations



- Attractive investment climate and strong public sector support
- Rapidly improving telecoms
- Political and socio-economic stability

- First World infrastructure
- Superior quality of life for expats
- Time zone similarities and ease of access