

SOUTH AFRICA AT THE CORE OF QUALITY CX DELIVERY

A WHITE PAPER FOR
MERCHANTS CX DELIVERY

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Introduction

The shift in CX delivery approaches has been felt across all aspects of customer experience management over the past decade. In 2021, the idea of working in an offshore destination simply to realize cheap operating costs is not only passé, but it is also undesirable for credible brands and their BPO partners.

Rather, the clear objective of CX decision-makers is working in a location where high-quality talent is supported by world-class processes and technology to deliver the best interactions. It is in this spirit that South Africa has emerged as the most favored offshore delivery destination, according to enterprise CX leaders from key demand markets.

Still, an offshore delivery destination is only as strong as the outsourcers that operate within its borders. In the case of South Africa, the evolving gambit of CX services provider Merchants has consistently been among the most agile and relevant for clients in key demand markets. With a diversified domestic delivery footprint, ongoing investments in recruiting the best agents, hybrid capabilities, and a solid technology backbone, Merchants' South African deployments are at the forefront of the country's ongoing BPO journey.



South Africa – 2021's Most Favored Offshore Destination

According to the 2021 Ryan Strategic Advisory Front Office Omnibus Survey of 628 enterprise contact center decision-makers in Western Europe, North America and Australia, South Africa is the offshore CX delivery destination that has the largest degree of favorability. Achieving the number 1 ranking is no mean feat, given that there were 53 different offshore and nearshore options from which survey respondents could choose. The 1st place ranking cements South Africa's standing as one of the premier offshore customer management destinations. The following are among the most important reasons for this year's most favored ranking.



Visibility

An important reason why South Africa has been ranked so favorably is the extent to which the country's BPO sector has worked to promote itself to international buyers. While many legacy destinations have been more passive in developing awareness, South Africa's relentless efforts to communicate its brand to global CX decision-makers have borne fruit. However, visibility generation is only one part of this dynamic. Rather, no one should underestimate the extent to which South Africa's value proposition appeals to the buying community.



South Africa's Competitive CX Advantages

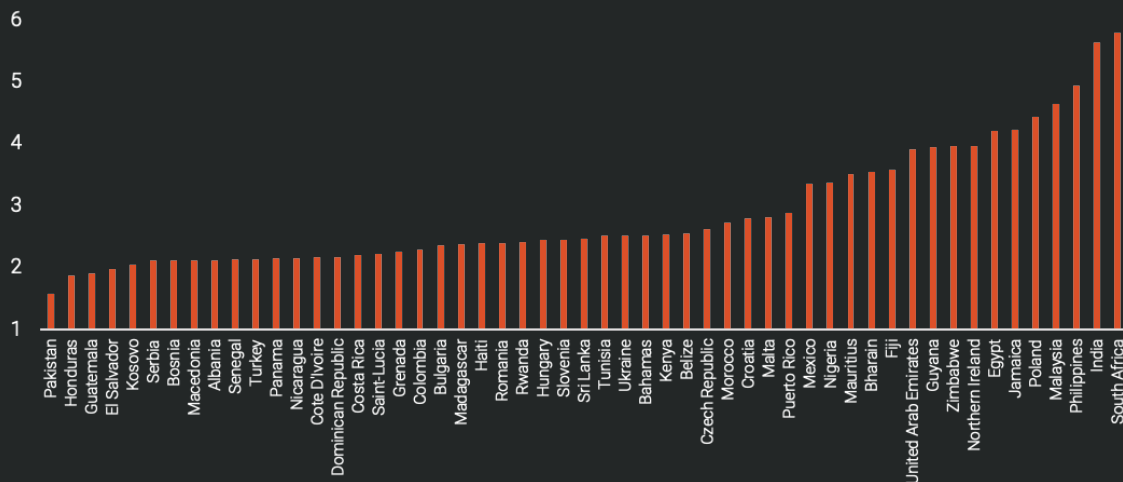
South Africa boasts several compelling elements that have led more buyers to consider it for customer management requirements. An important factor is quality – this country has emerged as one of the most flexible when it comes to managing complex, value-driven interactions with consumers. This has helped drive strong quality metrics and end-user loyalty. Equally, the value that clients of outsourcers based in South Africa have been able to recoup in CX deployments has also been strong due to price points that are substantially less expensive than those in the UK, Australia, Canada or the USA. A final factor relates to industry coordination. South Africa's outsourcing community works in tandem with its industry representative bodies (BPESA and Cape BPO) to coordinate a favorable policy environment for operators. To date, this has enabled the sector to expand in terms of the functions provided to offshore clients and the domestic delivery points where work can be done.



An Important Anglosphere Delivery Destination

As noted in the graphic below, the appeal of South Africa for CX buyers in North America, the UK and Australia is clear. Not only did South Africa emerge as the most favored offshore delivery point in these destinations, but it bested long-time legacy destinations that cater to English consumers, including India, the Philippines, Egypt, Malaysia and Jamaica. Much of this has to do with the native English skills that can be recruited across South Africa, which provides an immediate rapport between the agent and consumer. The capacity to balance affordability, quality English, and a stable operating environment are the hallmarks of South Africa's CX dynamic, and this has not been lost on Anglosphere enterprise buyers.

Using a scale of 1 – 8 (1 = not at all favorable and 8 = very favorable), please provide your degree of favorability to the following offshore locations for contact center delivery (Australian, Canadian, UK and USA respondents only)



Source – Ryan Strategic Advisory

Merchants – Leveraging South African CX Excellence

The growth of South Africa's outsourcing CX space has been swift over the past two decades. However, one of its legacy operators has remained at the forefront of South African BPO expansion during this period. Merchants is among the most synonymous names in South Africa when it comes to offshore customer management, and it has consistently expanded its portfolio of services from that geography.

Merchants As A Global CX Leader

Merchants has been delivering customer management solutions for its clients for forty years, making it one of the longest-serving CX providers in the world. It began as the UK's first private teleservices firm in 1981, and within ten years had established itself as a CX technology force by developing the first telephone services banking system in that country. Acquisition by Dimension Data in 1997 added to the depth of its offering. Over the following two-and-a-half decades, Merchants expanded its footprint in the Middle East and North America, while continuing to add to its UK presence. Today, the firm services clients across the vertical spectrum, ranging from media, telecommunications, financial services, transportation, retail/e-commerce and automotive.

Leading The Way In Empowerment And Impact Sourcing

Merchants is the first company in the Southern Hemisphere to be accredited by the Global Impact Sourcing Coalition and the first BPO worldwide to achieve this same certification. Merchants has continued to lead the way on impact sourcing; in fact, at the time of writing, impact workers comprise 70% of its recruit base.

This passion for making a difference extends to Merchants' focus on empowerment across their team members and communities. In fact, during July 2021, Merchants was awarded the prestigious Top Empowered Enterprise & Supplier Development Award as part of the TopCo Media Top Empowerment Virtual Summit & Awards. These awards were founded 19 years ago by the current South African president, and were soundly endorsed by the inspirational former president Nelson Mandela.

South Africa At The Heart Of Merchants' Offshore Delivery

Merchants has been a long-time champion of South Africa as a CX servicing destination. It launched its first South African CX operation in 2005 for a major UK supermarket chain; within the next three years, it had begun servicing a leading Australian ISP from South Africa. Over the last nearly two decades, Merchants' presence has consistently expanded in South Africa. Today, the firm counts sites in the country's three main commercial hubs of Johannesburg, Durban and Cape Town, from which it services end-users in Australia, Canada, the UK and the USA. Its commitment to South Africa has been recognized multiple times, most notably as the inaugural winner of Frost & Sullivan's South African BPO Company of the Year.

Human Talent At Merchants' South African Heart

As noted above, one of South Africa's competitive differentiators is the talent that outsourcers' clients can count on to deliver exceptional interactions. Merchants embraces the opportunity to recruit the best and brightest in South Africa, by deploying an onboarding tool that is designed to attract the best agents possible. As a Merchants' proprietary digital hiring and assessment tool, MyCalling is designed to reach a large pool of potential applicants, with the goal of assessing them around parameters that include their attitude, potential and competencies. The benefits of this approach have proven to be a better track record in aligning the right people into the most appropriate role, streamlining the applicant pipeline, and improving the speed to competency levels during the training process. This has resulted in lower attrition, which promises better performance and reduced costs.

Driving Hybrid Delivery From South Africa

The reality of post-pandemic CX for most enterprises will be a combination of work-from-home and in-center delivery. This applies not only in more mature demand markets but in offshore destinations as well. Merchants has developed a strategy to make this hybrid approach work in their South African operations, by leveraging their bricks-and-mortar centers in Johannesburg, Cape Town and Durban, alongside a virtual-working platform called **ekhaya** (otherwise known as Office in a Box). The **ekhaya** solution allows an agent to drive the best interactions possible in the most secure operating environment. Security is essential, given that according to the 2021 Ryan Strategic Advisory Front Office Omnibus Survey enterprises prioritize outsourcers that have robust data protection capabilities. Thus, the core of **ekhaya** offers the following elements:



Remote Productivity

Providing team members with the tools needed to respond quickly and accurately.



Advanced Collaboration

Secure platforms that allow agents to share content and to interact seamlessly in a remote environment.



Remote Desktop Access

A secure virtual desktop that provides agents all that is needed to service end-users from their residences.



Responsive Security

A dynamic, secure environment that uses AI to mitigate a growing multitude of threats.

Value-Added Analytics That Drive Quality

There is no substitute for an enterprise having a strong understanding of operational performance. With global delivery a reality in today's CX marketplace, Merchants has developed an analytics platform known as Cortex that can be readily leveraged from its South African deployments. This takes into account elements that include agent quality performance, business unit performance, and compliance insight, all in real-time to identify specific operational areas that require improvement.

Conclusion

Moving into H2 2021, the CX dynamic is likely to get even more complicated for enterprises. The drive for strong performance to cement end-user loyalty has never been more important, and the ability to drive the best outcomes is an advantage. South Africa's ranking as the most favored offshore delivery point places enterprises that service their customers from that geography in a competitive position. As one of the longest-serving providers in South Africa, Merchants leverages its expertise in finding the best talent to represent its client brands. It does so using diverse delivery models that prioritize performance and security.

For more information please visit www.ryanadvisory.com.



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