ANNUITY IS KING

BUT CUSTOMER SERVICE REMAINS THE POOR RELATION

A great deal of the business world relies on annuity income, particularly those companies that provide technology services like software. Have you ever heard of "annual maintenance fees"? It's a win-win situation: Technology companies can focus on developing improved solutions without worrying about having to make additional sales because of the assured income, while the organisations that use the services gain access to a constantly improving product and guaranteed support.

At least, that's how it works in theory. In practice, the levels of support vary according to what the service is and who the customer is.

While there are regulations dictating everything from how a service should be secured, to how it should be provisioned, customer service is left to the discretion of the service provider. In today's customer-centric business environment, the assumption is that businesses will focus on providing excellent customer service or to use the new phrase, "customer experience", to retain or gain a competitive edge, but the reality often falls far short.

This is particularly obvious among those private sector companies that win huge government tenders, bids or auctions to deliver annuity services to the South African public. Think telco, data, media! These companies are all taking their lead from failed state-owned business and government departments like municipal services, and many are well-known for their poor service delivery and even worse customer service, but the paying public has no recourse and very few alternatives.

Just like tender requirements include things like how a solution should be delivered to the public, I believe they should also include customer service requirements. Part of the awarding of a contract should be a government regulation that these companies should have to answer a service call within three to five minutes.

South Africa's contact centre industry has grown significantly over the past decade. We have a booming local contact centre economy which has been able to attract foreign investment due to incentives offered by the Department of Trade and Industry (DTI). According to non-profit organisation Business Process Enabling South Africa (BPESA), South Africa's business process outsourcing sector gained $250 million (R4 billion) worth of investments in 2019, generating 15 086 jobs.

How can I help you?

There is an abundance of trained call centre agents in the country, so there is no reason that companies should not be able to provide prompt, effective service and support to customers. These call centre agents are available even during Covid as technology allows for a complete work from home service to be delivered to a customer. In addition, automation and artificial intelligence are enabling human agents to focus on escalated issues, while chatbots deal with relatively simple, mundane tasks. Unfortunately, despite the billions in profits declared by many big South African corporations, they have under-staffed contact centres, with waiting times of upwards of 10 minutes being common. This is so pervasive that I don't believe that there will be one person who reads this article that hasn't experienced this in the last 12 months.

The lockdown exacerbated an already bad situation. A recent BrandsEye report found that more consumers are now using social media when seeking help or information from the brands and services they buy from and subscribe to, and response times have suffered as a result.

Across all industries, the rate of response to customer posts that require attention dropped by 26.6% after 15 March. Banks, insurers, and pharmacies' social media response time worsened, while supermarkets, telcos, and ISPs improved the speed of responding to customers.

With international companies like Netflix competing with local organisations like DSTV, customers have no reason to accept an app that breaks every time there's an update. And since international organisations have long-established customer service KPIs for their staff, local consumers have no reason to accept long waiting times for service calls to be resolved. In a world where the customer is king, local companies have to up their game or risk losing out.

MIP has built a host of technology tooling which enables the socialising of any company's technology infrastructure, making sure that you can respond to a consumer or customer in the time that one expects a friend to reply to a WhatsApp message – seconds or minutes!

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