

**The Carphone Warehouse ploughs additional R35m into SA contact centre.**

**Johannesburg, South Africa, 10 January 2007** - The Carphone Warehouse's offshore contact centre based at Merchants in Johannesburg has been expanded by sixty seats and now offers TalkTalk Broadband users in the United Kingdom level two technical support in addition to general fielding of queries.

The company (also known as 'The Phone House' outside the UK) is the largest retailer of mobile phone contracts and accessories in Europe and, as an extension to its business, offers broadband and landline telecommunications through its TalkTalk brand.

The expansion of the local contact centre signifies an increase of just under 20% of the company's initial R200m investment in its in-house and outsourced operations in South Africa.

The existing contact centre, which was The Carphone Warehouse's first offshore outsourcing venture, now employs 1000 agents and staff across 850 seats in operations situated in Cape Town, Johannesburg and Durban and remains one of the largest investments into the South African contact centre market to date.

"The expansion in the SA contact centre means that local agents will now be able to offer problem diagnosis and resolution services, where before they could only field customer queries and divert complex problems to level two agents sitting in the UK," explains Wynand Schutte, general manager of The Phone House.

"This is quite significant," says Andrew McNair, general manager for the TalkTalk operation at Merchants South Africa, "because, alongside the regulated financial services sector, level two support is the highest level of support a contact centre can offer to customers.

"It is often said that companies generally outsource business functions to offshore destinations when they do not require a high level of skill. But, as is seen with The Carphone Warehouse, SA has a lot more to offer in the way of skills.

"The fact that The Carphone Warehouse chose to expand its South African operation to include these services means that the company values SA's contact centre and support skills as well as our capabilities for hosting and consulting on these types of operations."

Merchants identified the need for The Carphone Warehouse to expand its SA contact centre as a result of sharp increases in caller volume and was challenged to come up with a compelling proposal in a fairly short time frame.

“However, based on The Carphone Warehouse’s current success in SA and Merchant’s capability to rapidly deliver a well managed and cost-effective contact centre solution, the company opted to offshore the additional seats to SA in addition to using its on-shore incumbent,” Schutte says.

The expanded contact centre, which is entirely staffed with South African skills, was delivered in around five weeks and McNair says that The Carphone Warehouse is already looking at the future expansion of the facility.

“The original plan for this contact centre in Johannesburg was to accommodate around 250 agents, operations and support staff. However, we are already evaluating our options with regard to locations that could potentially house around 450 staff in total,” McNair says.

The TalkTalk Broadband service is only one of The Carphone Warehouse’s many service and product offerings so the opportunity exists for Merchants to expand the SA contact centre even further as the company continues to grow to meet the demands of its customers in Europe.

“This local expansion goes to show that, in terms of quality and performance, SA can not only compete against the UK and the rest of Europe for contact centre business, but is able to win it,” McNair concludes.

**For further information please contact:**

Vanda Dickson, Marketing & Strategy Development, Merchants  
Tel: +27 11 575 2479  
Email: [vanda.dickson@za.didata.com](mailto:vanda.dickson@za.didata.com)

Lee-Anne Poon, Tribeca Public Relations  
Tel: +27 11 208 5500  
Email: [lee-annep@tribecapr.co.za](mailto:lee-annep@tribecapr.co.za)