



Client

Vodacom

Industry

Telecommunications

Country

South Africa

Challenge

Vodacom's customer base has exploded over the past few years and with it the need for additional customer care support which is of paramount importance to a company to serve its customers

Solution

Merchants – a Dimension Data Customer Interactive Solutions (CIS) solution

Service Relationships: Vodacom and Merchants

Executive Summary

A pilot project between Merchants (a wholly owned subsidiary of the Dimension Data group) and Vodacom South Africa to establish a 210-seat call centre to better-serve its Pre-paid customer base resulted in the renewal of a three year contract, as well as an expansion of Vodacom's service partnership with Merchants.

Business Overview

Vodacom's customer base had grown dramatically, creating a need for additional customer care support to serve its customers. Vodacom realized that to maintain its customer growth, it had to manage seasonal call traffic efficiently and effectively in order to continue to offer the best service. A series of global workshops hosted by Dimension Data in 2004, focusing specifically on trends in customer services, paved the way for a service partnership between Merchants and Vodacom.

According to Michelle Beaumont, Executive Head of Planning and Outsourcing at Vodacom "We realised that with call volumes on a dramatic increase, we had to find an optimal and creative solution to cater for seasonal fluctuations amongst our Prepaid customer base."

Vodacom decided to engage in a pilot project with Merchants - a move spurred by the fact that Merchants had the necessary operational delivery and technology capability and the ability to rapidly set up a pilot environment. "The objective of the pilot was to understand the commercial elements of such a relationship while maintaining

Solution Provided

Merchants rose to the challenge, participating in a pilot 150 seat call centre at The Campus in Bryanston in October / November 2004. "Within six weeks the technology was set up, and the applications were in place, including security measures to ensure the networks were secure." recalls Craig Gibson, General Manager Vodacom.

"Vodacom gave us a service level agreement memorandum that required us to answer 85% of all calls in 20 seconds, as well as to maintain quality metrics in line with Vodacom's internal policy standards. We also had to provide a seamless service in four languages," says Gibson. "Intensive training was provided to employees. We ran two shifts a day in four classrooms, to ensure that we were able to deliver within the time frames we committed to."

The success of the pilot put Merchants in line to secure an extended contract with Vodacom. "Despite the pressure of very tight timeframes, Merchants delivered exceptional service throughout the pilot phase, resulting in the pilot project being extended for a further three months. At this point, Vodacom went out to tender in the market to ensure that the Merchants offering was both competitive and market related," Gibson explains. Based on Merchants' technical expertise and innovative operational delivery, Vodacom decided to extend their service partnership, agreeing on call volumes per month and the associated quality and performance metrics required for Vodacom's customer service.

Results

- ▲ This partnership delivered a customer service offering to Vodacom's Prepaid customers that consistently exceeded contractual obligations.
- ▲ Quality, first call resolution, performance and productivity management, as well as innovative training for Merchants agents and managers, have become the core focus of day-to-day operations.
- ▲ Vodacom has expanded its relationship with Merchants, to operate an overflow call centre solution where a variable amount of calls are answered daily.

How We Delivered

Merchants' took the decision to move to the Vodacom operation to the Johannesburg CBD, prompted in part by limited public transport links to The Campus, and the fact that most of the Vodacom contact centre employees were not resident in Bryanston or its surrounding residential areas.

"Given the working hours from 7am through to 10pm, and the sheer scale of the operation, we decided to move to the Johannesburg CBD area because it offered good transport feeds from Alexandra and Soweto, with trains and taxi services operating in a consistent manner which benefited our people and the business as a whole." says Gibson.

Vodacom's product offerings focused around innovation, being customer service and first-to-market value driven, whilst changing constantly to ensure market differentiation. Price was considered a lesser factor.

In order to remain responsive to their clients' innovative way of doing business, Merchants adopted a proactive approach "We cannot afford to offer poor service and put our client contracts at risk. Therefore, there is a huge focus on education and productivity of the agents internally, to optimise our resources. This focus is now defined via a well developed methodology and is used across the entire call centre." explains Gibson.

Beaumont agrees "Vodacom has to partner with someone who is able to adapt to these rapid changes; they need to be flexible, nimble and quick. It is really about a cultural alignment with Vodacom. You have to keep up, or be left behind."

This understanding, says Beaumont, is one of the reasons why Vodacom has such a successful relationship with Merchants, a partnership that has taken some time to develop.

"It is about building a relationship, and after nine months, we were collaborating at a very high level. Due to the scale of the operation required, Merchants had to put an optimal structure in place to best address Vodacom's requirements. Under-delivery was not an option" says Beaumont. Gibson confirms this. "We re-organised the business and put a focused management structure in place that lives and breathes the Vodacom contract. Quality, first call resolution, performance and productivity management, and innovative training for Merchants agents and managers have become the core focus of day-to-day operations."

Value Derived

The partnership consistently delivered an exceptional customer service offering to Vodacom's Prepaid customers whilst exceeding its contractual obligations. "Call centres are essentially about people, and people interaction. It's not just about technology infrastructure and people manning phones. Those, Gibson says, are just the basics. People-based initiatives such as Merchants Capability Development Programme allow us to differentiate based on our operational and performance delivery."

"In service partnership relationships where every second counts and time is money, ongoing training of staff requires buy-in from the most senior management team in the business."

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Headed up by an international consultancy Merchants Capability Development Programme has identified and developed young contact centre talent, particularly in management. "We are building an operation where the people develop skills that will truly allow them to effectively deal with customers by investing in ongoing developmental training. It is sometimes hard to quantify upfront the benefits of developing this level of service dedication, but we are seeing it pay off both through customer service feedback and the improved efficiency in our overall operations," says Gibson.

Merchants successfully delivered a unique customer experience whilst balancing metrics, average call handling times and productivity. "If you are going to provide a unique experience, and your average handling time of a call is 190 seconds instead of 160, we as management have to let it go. If the customer experience is positive, we need to make up the time somewhere else," advises Gibson.

"Under such a pressurised dynamic conditions, a lot of emotional maturity is needed at management level, and as a result, Merchants has rolled out a programme that places focus specifically on developing integrity throughout the operation, and ensuring that staff and company values are aligned.

"We believe there is a global move towards the management of individuals by inculcating values at the heart of business. People are generally aware of the values the organisation subscribes to but they often don't think about / act on them. We are raising the awareness of personal and organisational values and translating these values into performance metrics based on an integrity score. It's not just about average handling time, but about timeous work attendance, productivity, and the ability to deliver," says Gibson.

But very competent team leaders need to be in place to put all these measurements into perspective to employees, so that it's not negatively perceived. "A lot of care has to be demonstrated by the team leaders to reduce attrition," cautions Gibson.

"We have a very clear career roadmap for agents where they can grow and develop in this organization through managing their performance. There are different performance and learning gates associated with different levels, however, we are providing career options into a host of different avenues which provides job satisfaction and enrichment," says Gibson.

Further expanding its relationship with Merchants, Vodacom has decided to operate an overflow call centre solution where a variable amount of calls are answered daily.

According to Beaumont, this new environment will utilise Vodacom's virtual routing infrastructure to deliver calls into Merchants. This new operation will require an even closer working relationship with Vodacom due to the variability of call flows.

"Essentially, this is another phase in the service partnership with Merchants where we will test new components of service delivery and evaluate how we can evolve and develop creative solutions to servicing our customers. This is an exciting project" she concludes.