



Market Study 2023

ATTITUDES TO CUSTOMER SUPPORT
IN SOUTH AFRICA





Contents

1. ABOUT THE STUDY	p. 3
2. THE FUTURE OF CUSTOMER SERVICE IN SOUTH AFRICA	p. 4
3. SOUTH AFRICANS' INTERNET EXPERIENCE	p. 7
4. CUSTOMER SUPPORT	p. 12
5. EXPERIENCE AND EXPECTATIONS OF CUSTOMER SERVICE	p. 24
6. CUSTOMER SERVICE: LEARNING POINTS	p. 42
7. HOW SUBTONOMY CAN HELP	p. 46



About the study



1010 customers interviewed



- 77% lived in urban areas
- 19% in smaller settlements
- 4% in rural areas



- 70% had one or more prepaid SIMs
- 8% were postpaid
- 22% used a combination of prepaid and postpaid



Interviews in May 2023



- The average household size was 4.4 people
- 47% lived in a household of 4-5 people

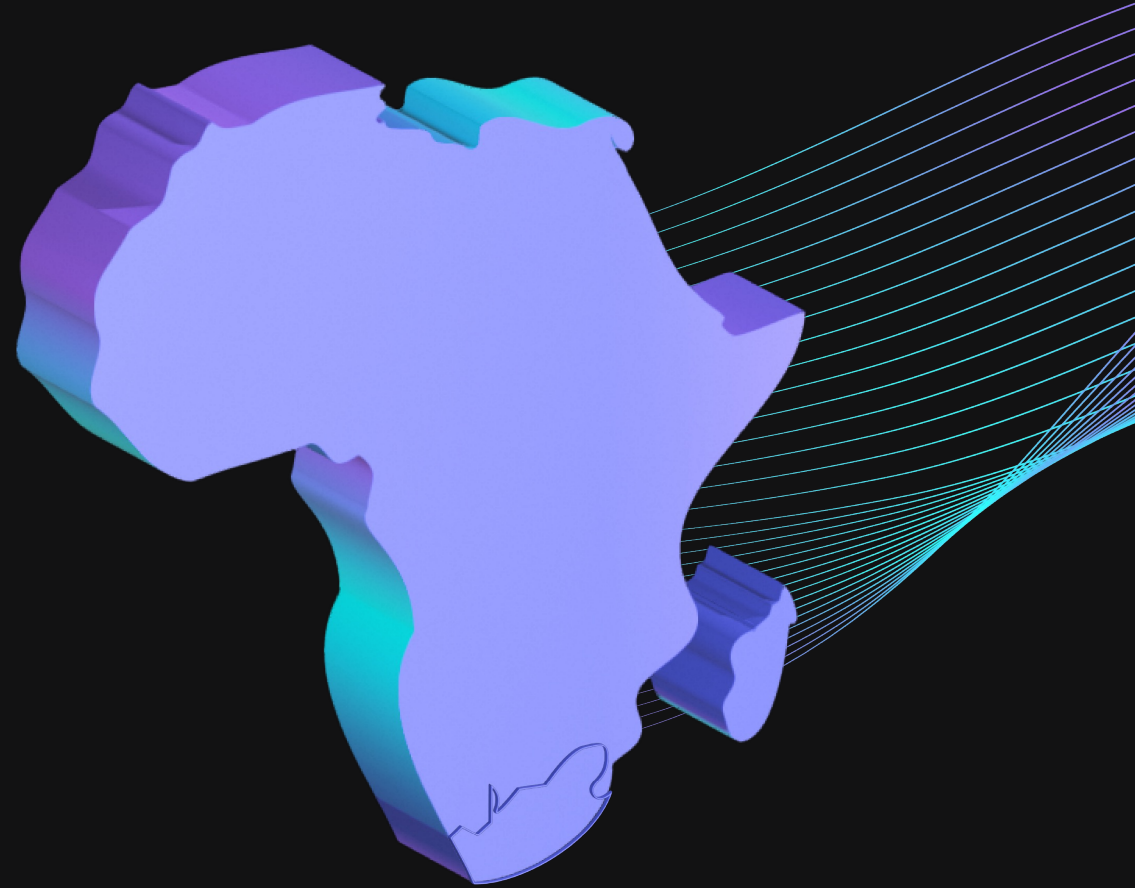


- 51% had a broadband connection.
- 25% had two broadband connections.
- 24% had three or more broadband connections



The future of customer service in South Africa

The Sub-Saharan Africa market is one of the most dynamic in the world. With a young, digital savvy population, and rapidly increasing use of smartphones, Africans are using their phones for a lot more than basic communication.





In early 2023, there were 112.7 million active mobile connections in South Africa, equating to a penetration rate of 187%.¹ The high level of connections reflects the prevalence of multi-SIM usage, with customers using different SIMs for work and homelife, to get the best deals in real-time, or to ensure they can connect at the quality they expect.

Digital behaviour in South Africa has become far more sophisticated as smartphone penetration has increased, with the mobile becoming the means to pay, game, create, watch great content and use social media – stimulating a huge surge in data usage.

South African operators are therefore being challenged to ensure customers stay connected and fix faults as quickly and efficiently as possible so that customers send more data over their network (rather than those of a rival).

Read this report to discover:

- Key new data on the South African market
- Fresh insight into online activity in South Africa
- Expectations around customer support and self-service
- What customers would like to see improved.



Median mobile speed²

36.7Mbit/s
+20% faster in 2023



Median fixed speed²

40.1Mbit/s
+35% faster in 2023

Sources:

1. GSMA
2. Ookla



Sub-Saharan Africa



Half the world's new mobile subscribers will come from India and Sub-Saharan Africa (2022-2030).¹



50% of Sub-Saharan Africans will have a mobile by 2030. 87% of these will be smartphones.¹



Data usage will quadruple from 4.7Gb per person in 2022 to 19Gb in 2028.²

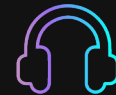
South Africa



40% of the population (24 million) regularly game. 95% play on a smartphone or tablet.³



South Africa and Nigeria will generate \$112 million from OTT movies and TV (2027).⁴



South Africa accounts for 40% of African music streaming revenues.⁵

Sources:

1. <https://www.gsma.com/mobileeconomy/wp-content/uploads/2023/03/270223-The-Mobile-Economy-2023.pdf>
2. <https://www.ericsson.com/en/reports-and-papers/mobility-report/reports/june-2023>
3. <https://gamesindustryafrica.com/2021/11/29/gaming-in-sub-saharan-africa-more-than-doubles/>
4. Research and Markets <https://finance.yahoo.com/news/africa-ott-tv-video-market-124800760.html>
5. <https://dataxis.com/researches-highlights/726353/africa-a-breeding-ground-for-music-streaming-platforms-expansion/>

State of play: South Africans' internet experience



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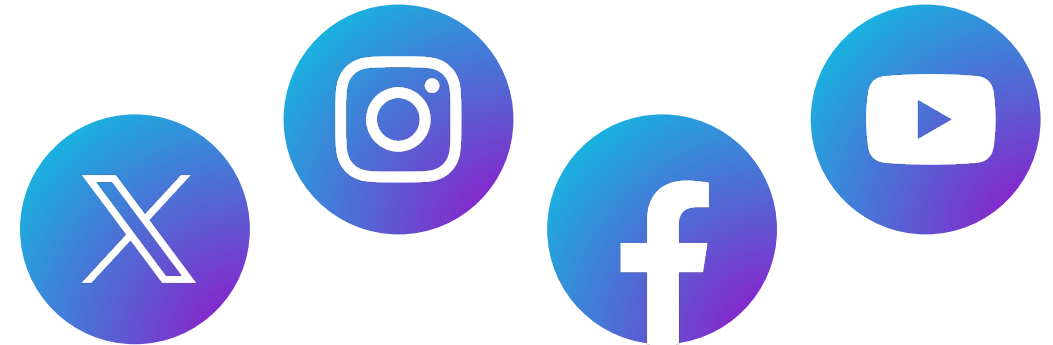


Social media is ubiquitous

Data from the ad planning tools of top social media platforms indicate that at the start of 2023, 57% of over 18s in South Africa were using social media (22.8 million users). Meta, for example, revealed that Facebook had an ad reach of 22.15 million Facebook users (48.9% of the eligible audience) and YouTube had 25.80 million users.

However, it's important to note that ad reach is not the same as active users (which tends to be higher), and if social media is broadened to include a wider range of applications (such as WhatsApp, TikTok, Snapchat, Instagram, LinkedIn, Facebook Messenger and Twitter), then a far greater proportion of South Africans are using these applications.

Our study revealed that of those surveyed, 97% were using at least one social media platform.





Increasing numbers of South Africans are streaming video and gaming

Gaming is particularly popular amongst those in their 40s according to our study, with 66% of this age group gaming compared to 51% of the under 25s – likely because they have more disposable income to spend on this service and can afford smartphones. Likewise, people in cities are more likely to be gamers (59%) than those living in rural areas (34%).

Overall, 56% of South Africans in our sample are using their handsets to play games.

Video-on-demand has significant potential in South Africa, leading to both international (eg Netflix, Disney+, Prime Video, Viu, Apple TV and Britbox) and local content providers (eg Showmax, Video Pay and eVOD) competing for subscriptions.

According to [PwC's Africa Entertainment and Media Outlook report](#), revenue growth in this sector is expected to outpace TV to 2026. Our research certainly found strong interest in such services across all age groups and localities, with 88% of respondents saying they watch movies or stream TV over mobile or broadband.

Both video streaming and gaming require high-quality connections, so service providers will need to ensure their networks are running smoothly and reliably to build revenues in these areas.



Smart household services are taking off

South Africans are using their connections to work from home (74%) and have begun to adopt smart home applications such as smart lighting, internet connected household appliances and home alarm systems.

Smart home applications are becoming increasingly popular in South Africa, as households look to save money and increase their home's efficiency. One popular trend is to use solar panels to generate green energy, which enables continuity of supply during load shedding and helps households save money. 35% of under 35s and 31% of those living in cities use this type of application.

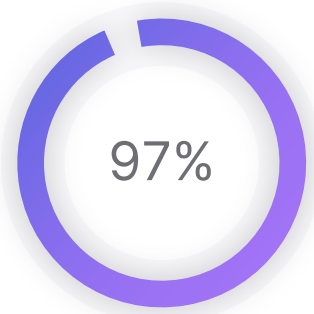
Working from home has become far more common in South Africa. Despite being popular amongst workers, however, it is [increasingly under threat](#) because of the unreliability of networks and power supply.

Offices often have more reliable networks because of their location and have invested in alternative power sources, and are therefore far more resilient during load shedding events. As workers settle into hybrid working patterns – spending part of their time in the office and the rest at home – service providers should consider how they ensure quality connections are provided, particularly during load shedding events.

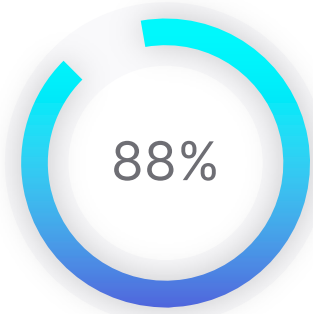




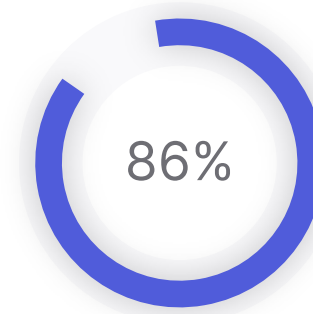
What customers are using mobile/broadband for



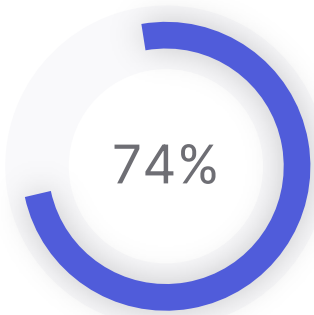
use social media, rising to 99% of the 35-39 age group



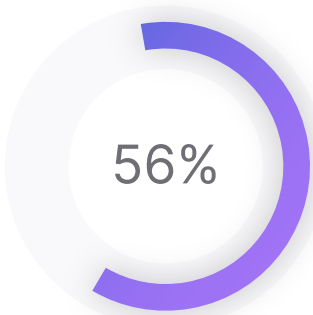
watch movies or TV online, rising to 91% in the 25-29 and 30-34 age groups



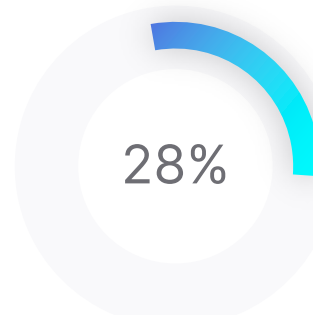
pay bills or read news online, rising to 93% in the 50-54 age group



work from home or use video conferencing apps, rising to 81% of 40-44 year olds



play games, rising to 72% of 40-44 year olds



use smart home applications, rising to 39% of 30-34 year olds



Customer support is a critical factor in service provider selection and customer retention

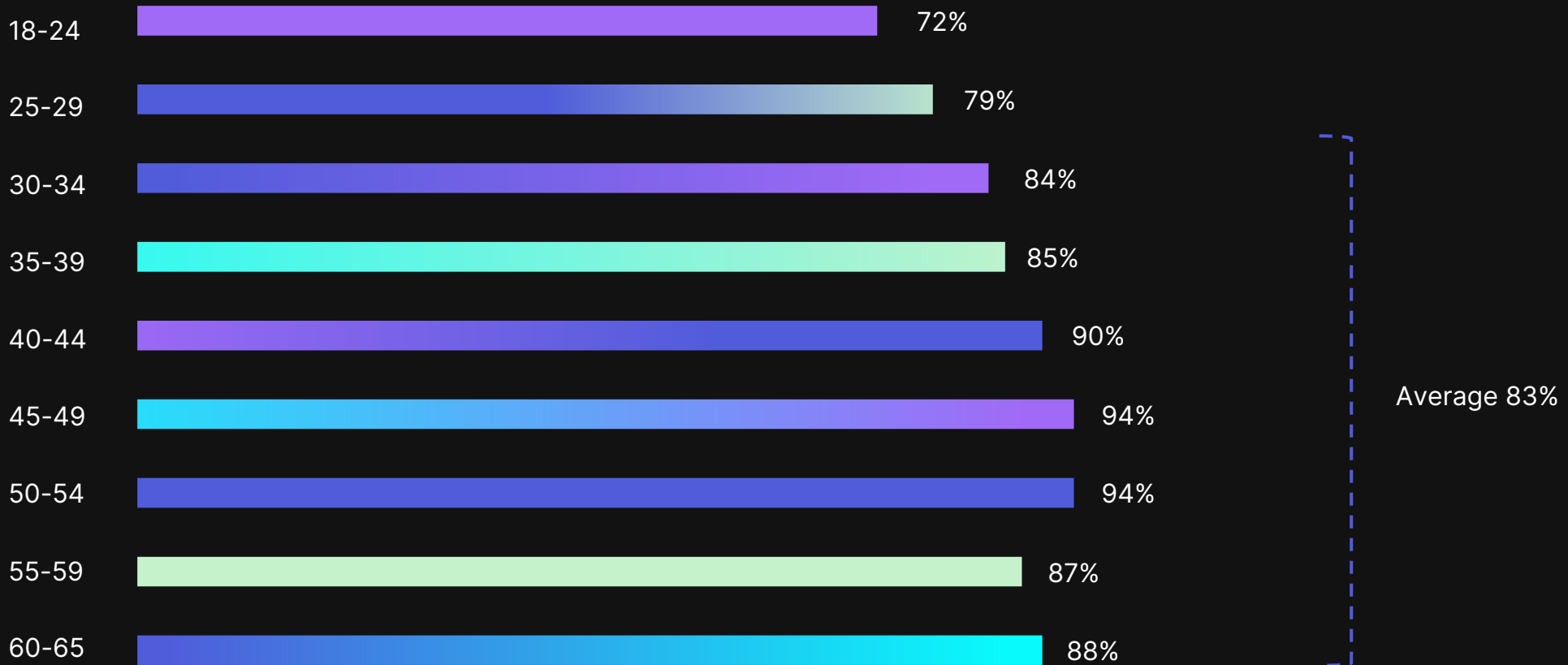
South African customers are generally very loyal to their main network provider:

- 83% of customers have been with their provider for more than 24 months.
- younger age demographics change service provider more frequently, while those aged between 40 and 54 change service provider the least.

The importance of good quality support should not be underestimated in customer decision-making as all customers in our study said it was a critical factor when selecting network operator. This suggests that being able to offer better customer support than other service providers will provide differentiation and competitive advantage to service providers in future – particularly as smartphone penetration rises and South Africans increase their use of demanding services such as video and gaming.



Percentage of customers who have been with main service provider more than 24 months





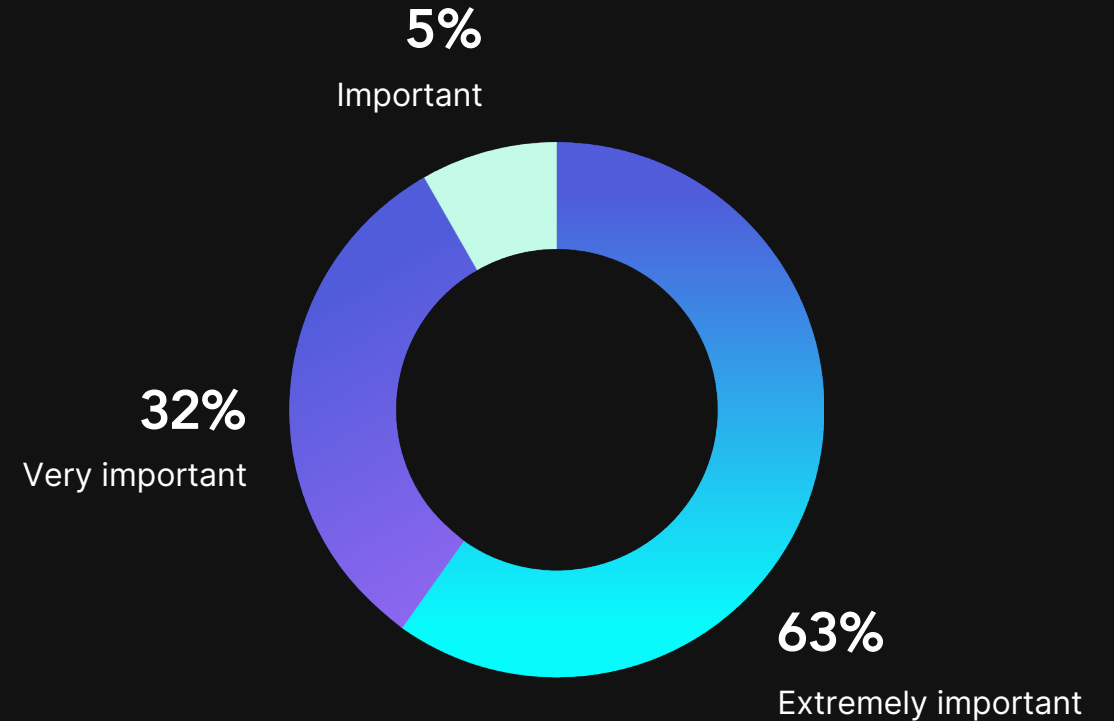
How important is customer service to your choice of MNO?

100%

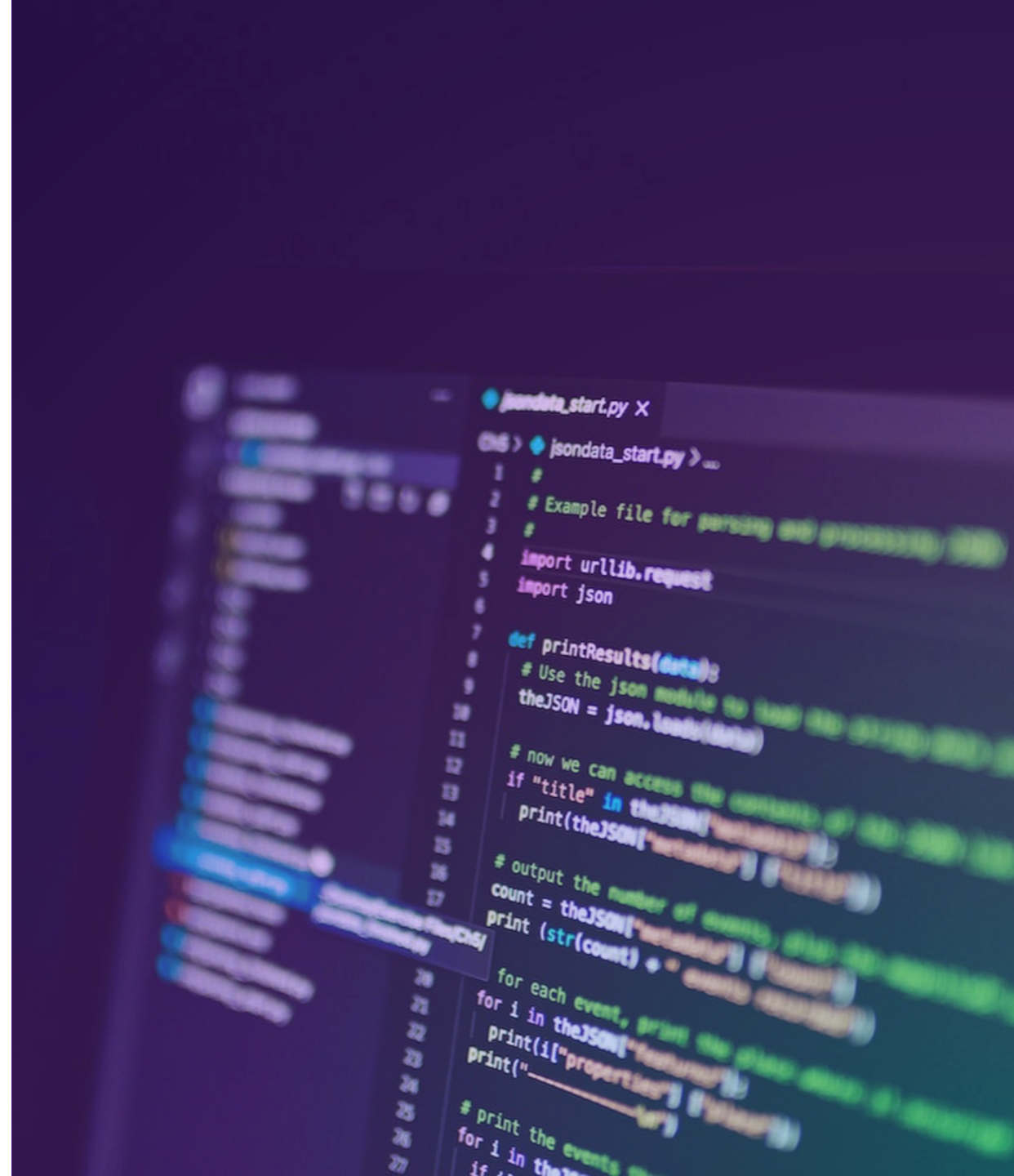
of customers said good customer support is critical to their choice of service provider.

74%

of the 50-54 age group say this is **extremely** important.



What technical problems do South African customers face?





Network coverage

- Problems with network coverage is a significant problem in South Africa.
- This is often due to factors outside service providers' control such as load shedding events and vandalism of network equipment (including generators, power cells and batteries).
- We asked respondents to rate how a range of factors affected their network experience by rating each on a scale of 1-6 where 1 = not a problem and 6 = a severe problem.



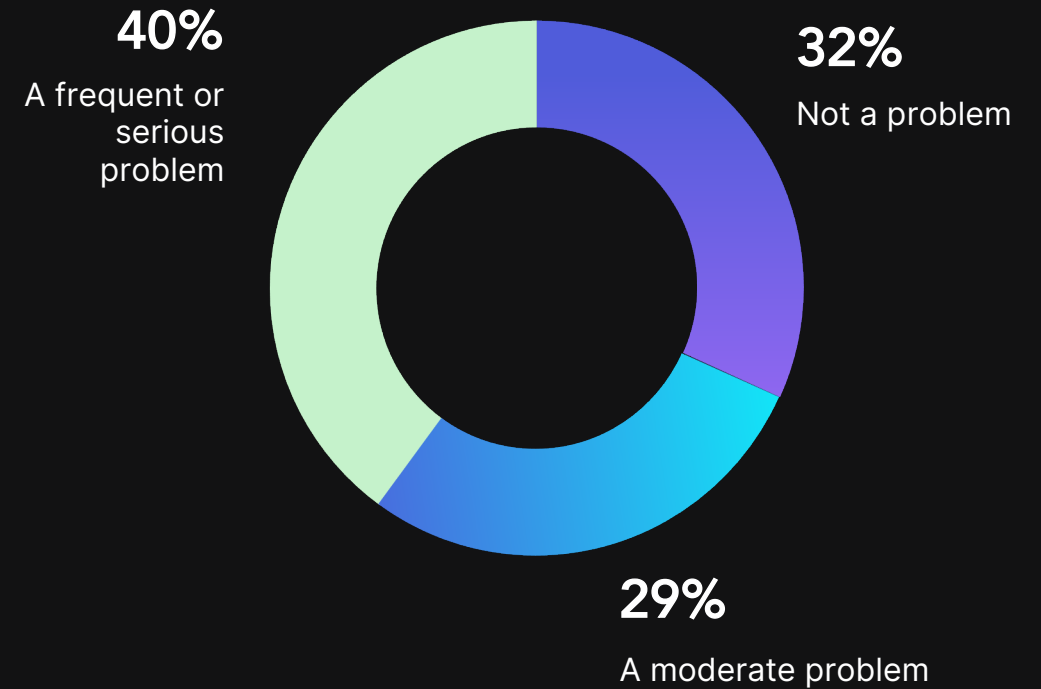
How much are you affected by lack of network coverage?

7 in 10

customers have moderate to significant problems with network coverage.

40%

are significantly affected by lack of network coverage.





Basic services

All customers are affected by disruptions to basic services such as voice and SMS.

- More than half the customers surveyed (53%) said they were affected moderately to severely by the inability to make voice calls — one in three (29%) are severely affected.
- When it's tough to make voice calls it can still be possible to send and receive texts as the SMSC will store them until they can be delivered. Despite this, 49% of customers said they are affected by problems making and sending texts and for 24% this is a frequent or serious issue.





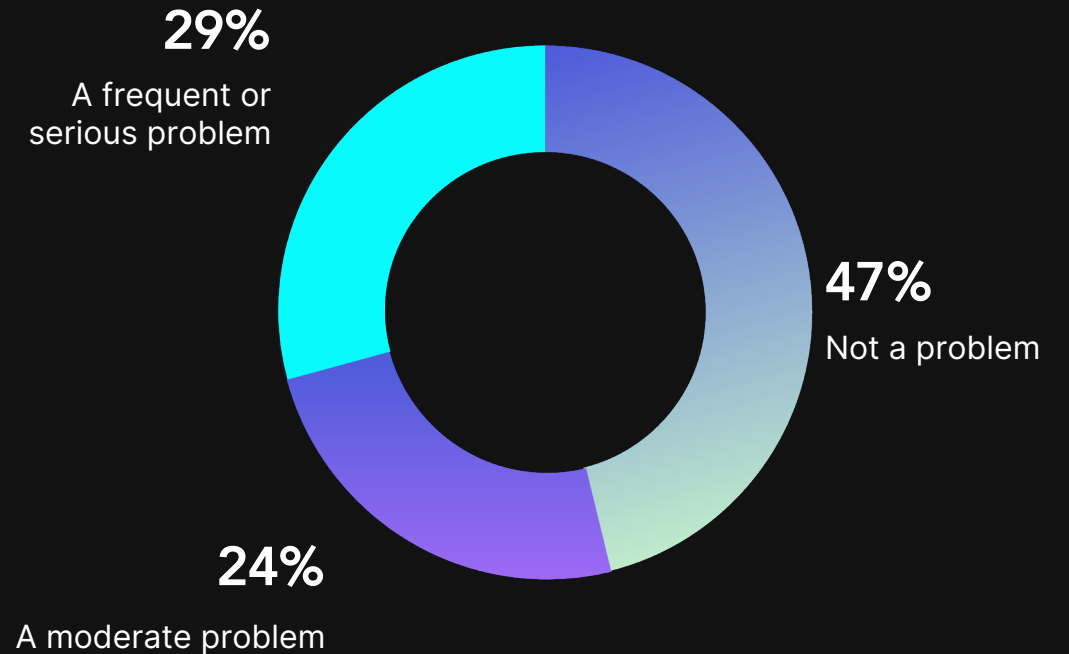
How much are you affected by voice call problems?

53%

are moderately to severely affected by the inability to make voice calls.

3 in 10

customers are **significantly** affected by the inability to make voice calls.





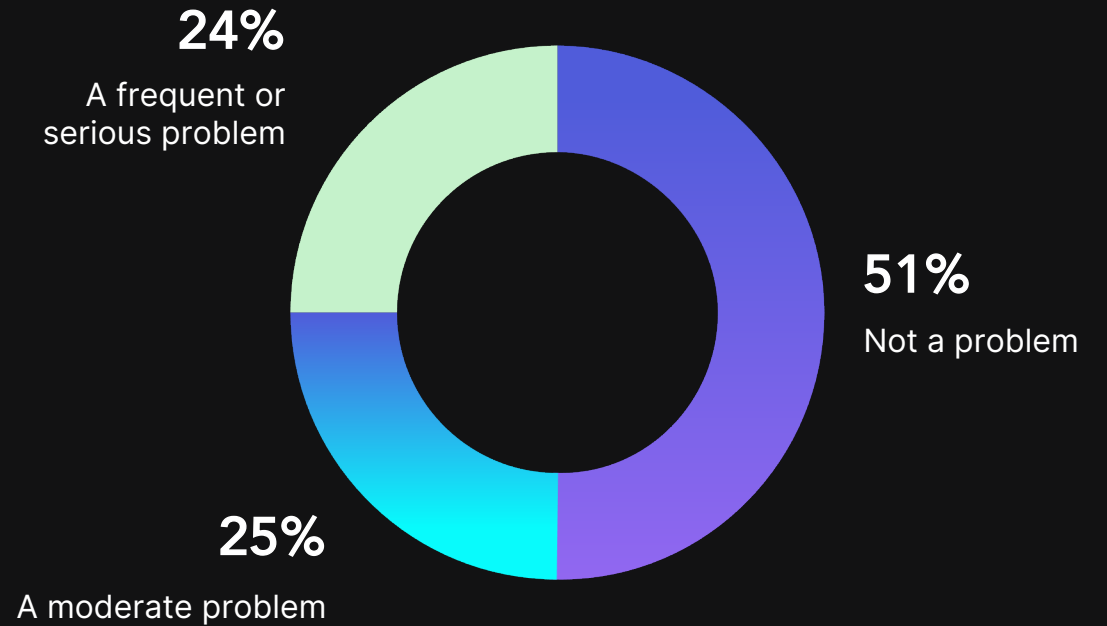
How much are you affected by inability to send or receive SMS?

49%

are moderately to severely affected by the inability to send or receive SMS.

2 in 10

customers are **significantly** affected by the inability to send or receive SMS.





Data services

Smartphone users are also affected by disruptions to data services which prevent them browsing the internet, streaming video or playing games.

- 7 in 10 customers said they were either moderately or severely affected by such disruptions. Given the penetration of smartphones in the market, this indicates almost all smartphone users are affected.
- Smartphone users do have the option of utilizing WiFi over fixed broadband. However, 6 in 10 (61%) told us that they also suffered moderate to severe disruptions to their broadband services, largely negating this option as a fallback.





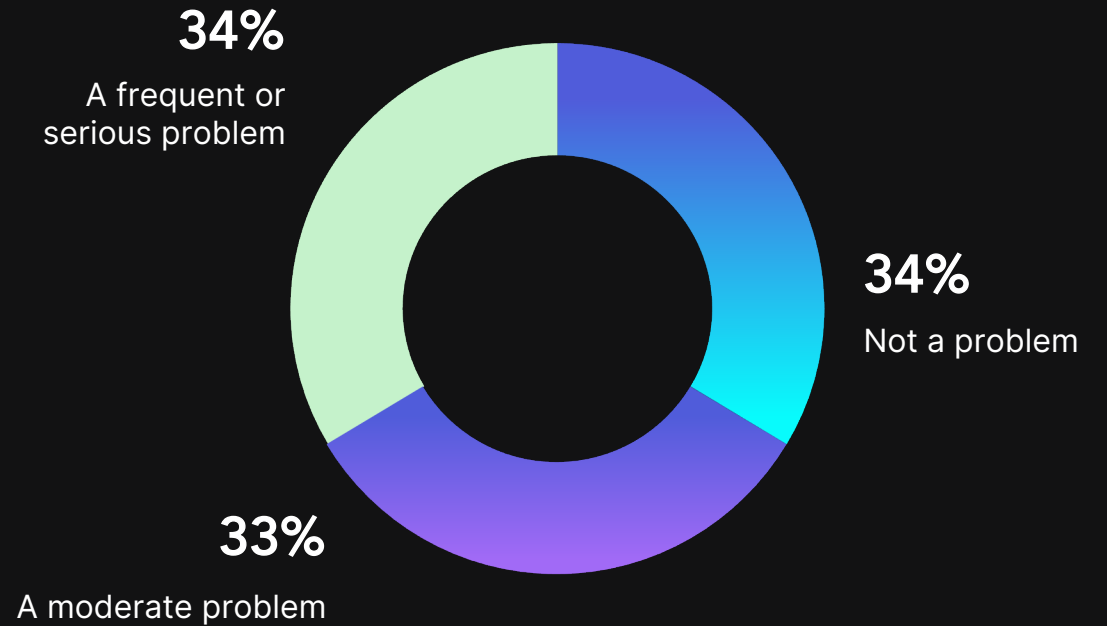
How much are you affected by disruptions to data traffic?

67%

moderately to severely affected by disruptions to data traffic.

1 in 3

customers are **severely** affected by disruptions to data traffic.





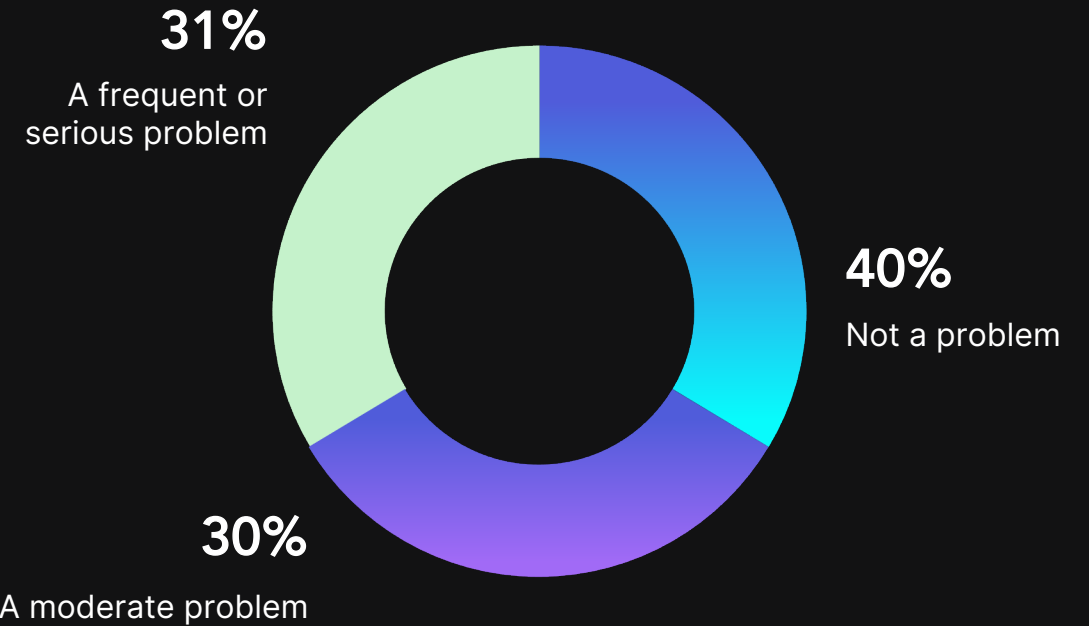
How much are you affected by disruptions to broadband?

61%

Experience moderate to serious disruptions to broadband services.

1 in 3

customers are **severely** affected by disruptions to their broadband



Experience and expectations of customer service



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Most customers are satisfied

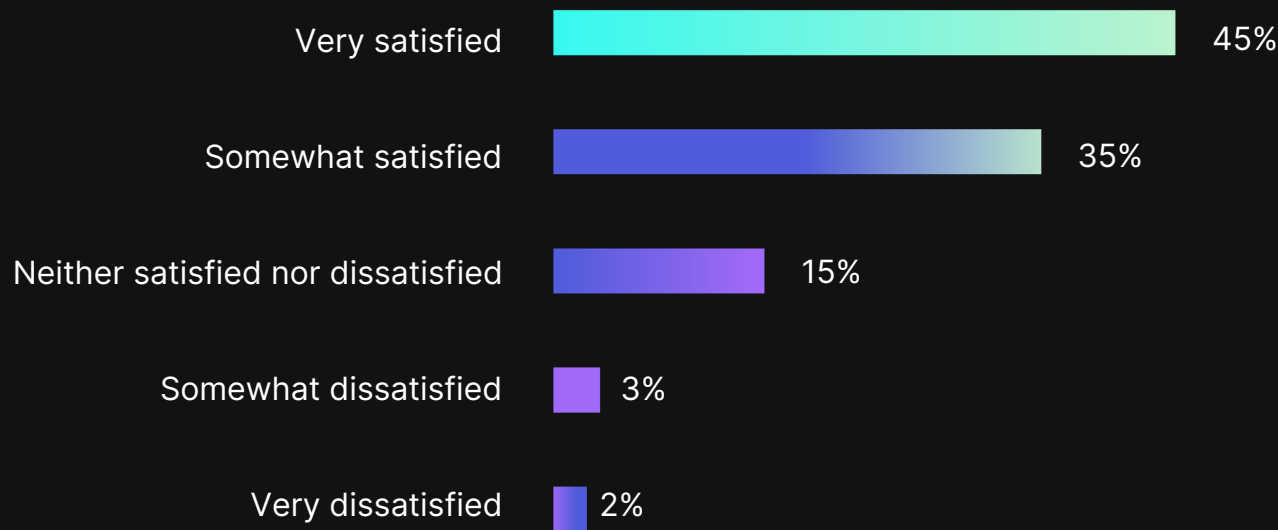
Most South African customers are satisfied with the customer support they currently receive when they encounter a technical problem:

- 8 out of 10 report they are either somewhat or very satisfied.
- The least satisfied customers were found in older age groups, with 11% of customers in the 50-54 age group, and 9% of customers in the 55-59 demographic reporting being either somewhat or very dissatisfied with the customer support they currently receive.
- Only 3% of those under 25 and 4% of those aged 25-29 are dissatisfied.



How satisfied are you with customer support?

- However, expectations will naturally rise in line with smart phones adoption as customers begin using more complex and demanding services.
- Service providers also need to meet demand for digital support and find more cost-effective ways of managing larger volumes of enquiries and complaints.



8 in 10

customers are satisfied with customer support.



Attitudes to customer service channel

The call centre is still the most popular option to resolve technical problems, with half of customers choosing that option when they last encountered a problem.

20%

But half also Google for a solution first, and 2 in 10 attempt to resolve their own problems by using self-service (22%) or searching YouTube or forums (20%) for solutions.

70%

70% of respondents said they had tried self-service as a means of resolving technical problems.

43%

Of those who have tried self-service, 43% reported it was now their first choice of support – suggesting that it's a viable and popular option for customers able to access it.



Use of self-service

But what about those customers who haven't tried or don't like self-service? Our study revealed a number of common reasons why customers weren't using self-service.

- 15% said they hadn't explored self-service because they would rather talk to someone.
- 13% said they didn't understand self-service.
- 2% said they couldn't find the self-service option.

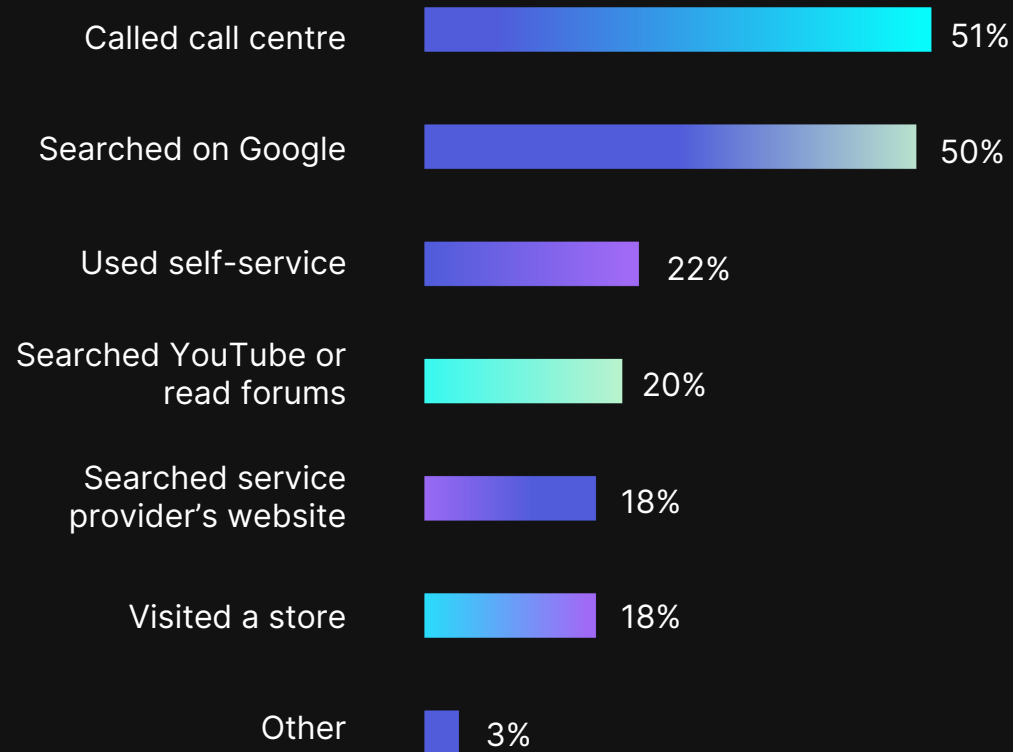
Use of self-service requires customers to have a smartphone and thus its popularity is likely to rise as smartphone penetration rises, but these findings indicate that service providers could also drive up use of self-service through customer awareness and education programmes.

Another way of driving up self-service is to ensure that issues can be fully resolved in that channel without the need to transfer to customer service. If their service provider could troubleshoot or resolve technical issues while they were using self-service:

- 35% of customers said they were likely to use self-service via their service provider's website (an uplift of 5%).
- If this capability was available via their mobile app, 56% of customers would use it (an uplift of 26%).



How did you solve your last technical problem?

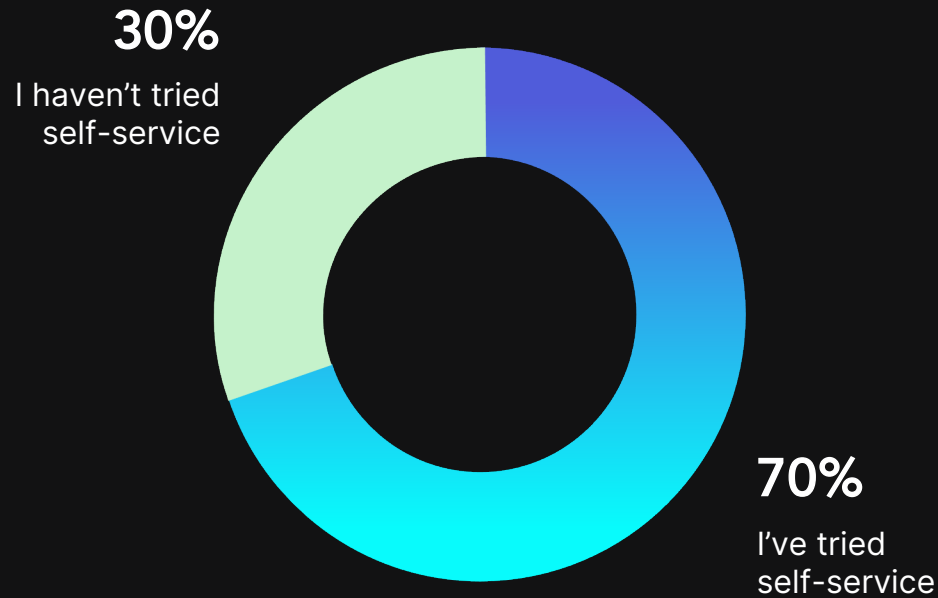


1 in 5

customers are now trying to resolve problems themselves through self-service.



Have you tried self-service?

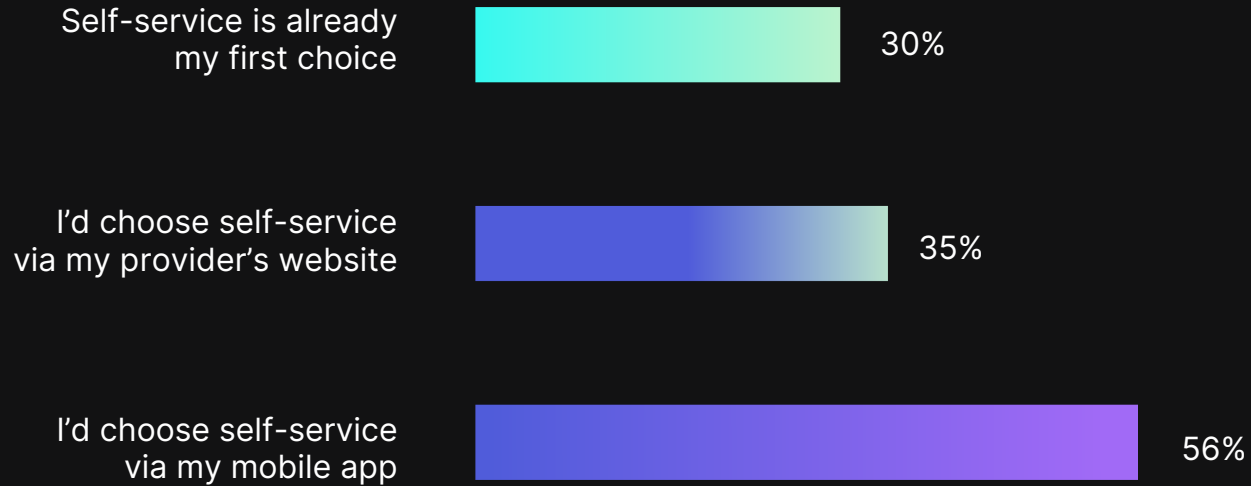


30%

of customers say self-service is now their first choice of customer support channel



Would you use self-service troubleshooting?





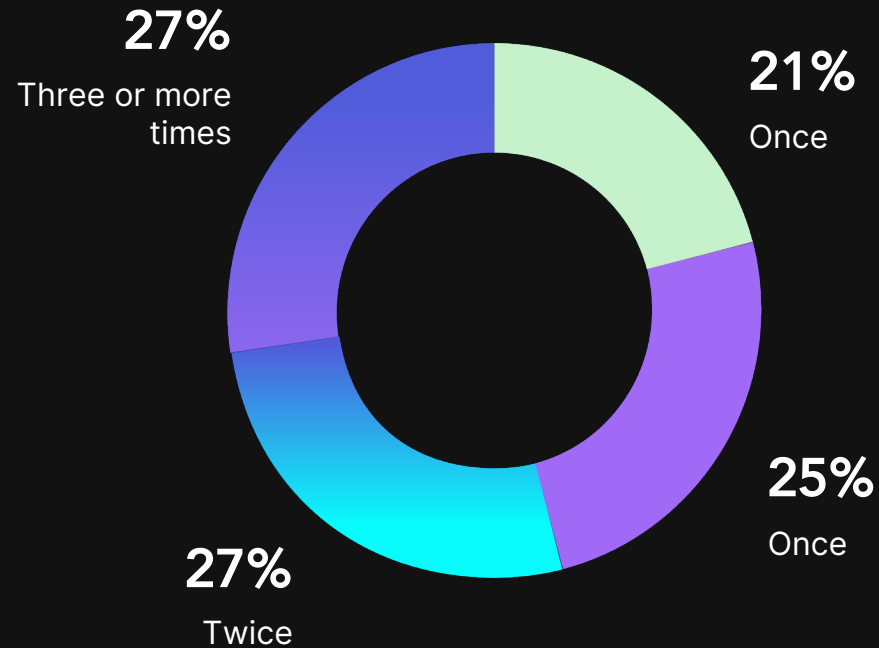
How frequently customers contact customer support

A lucky fifth of customers (21%) did not need to contact customer support in the previous 12 months. But this contrasts with the 27% of customers who needed to contact support three or more times. This latter group of customers are experiencing frequent difficulties and are therefore at far higher risk of churn.

- Those customers most likely to experience frequent difficulties are in the 45-49 age group (36%) and live in the city (28%).
- The oldest customer demographic (60+) are the least likely to contact customer service, with 44% not having contacted them at all during the previous 12 months. This doesn't infer that these customers haven't needed help, just that they haven't asked for it.



How many times did customers contact support in last 12 months?



27%

needed to contact support 3 or more times in the last year



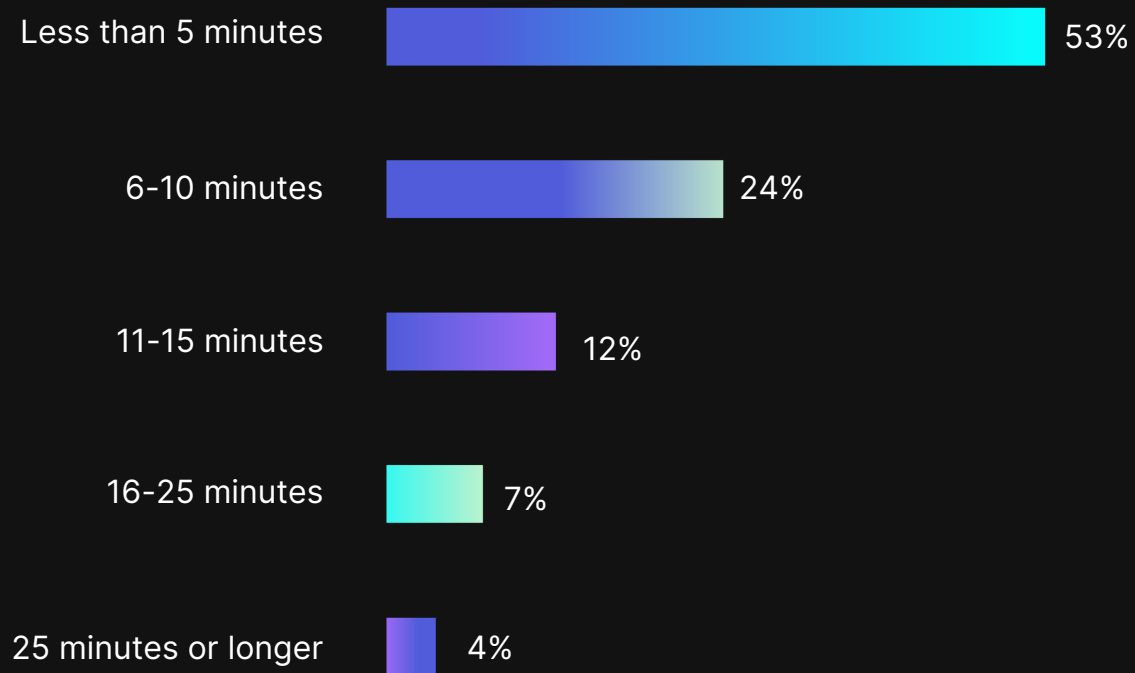
How long customers are prepared to wait for support

Customers worldwide are becoming less patient when it comes to waiting for customer support, so it's unsurprising that 53% of South African customers say they expect to wait less than five minutes for support. Three-quarters (77%) expect to wait less than 10 minutes.

- Unlike in other regions where younger people are the least patient, in South Africa it is the older age demographics who are not prepared to wait for service.
- 66% of 50-54 year olds expect to be able to access service in less than five minutes compared to 46% of under 25s.



How long are you prepared to wait for support?



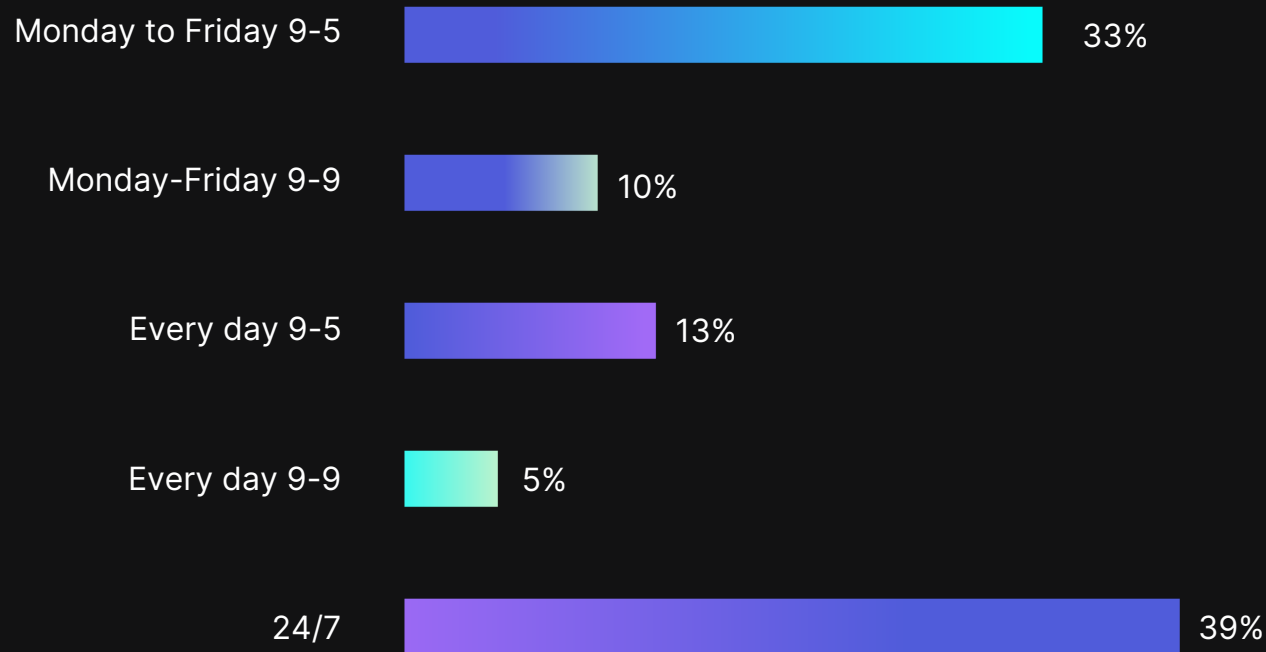


Expectations of customer service availability

- Only 3 in 10 customers are still satisfied with support during standard office hours of 9am to 5pm Monday to Friday.
- A further 3 in 10 customers expect some kind of extended support hours - whether that's support that's available in the evening during the week (10%), or at weekends (13%), or extended hours every day of the week (5%).
- Tellingly, 4 in 10 customers (39%) now expect round-the-clock support. This is highest in the 50-54 demographic where 56% of customers expect support to be available whenever it suits them.



Expectations of customer service availability



67%
want greater availability
of support



How customers would like to be notified of problems

South African customers are keen to receive proactive notifications of service issues from their provider.

- 94% told us they'd like to be notified about planned maintenance or outages.
- 93% said they'd like to be notified about automatically detected problems.
- 98% of customers would like to be sent simple instructions on how to resolve problems themselves.

While customers are generally in agreement that they'd like to receive such notifications, they have different preferences as to the channel used for notification and when they'd like to be notified.

- 29% still wish to be informed via voice call.
- 20% are now happy to receive such notifications in their mobile app. This is particularly popular with those aged 40-44, with 33% being happy to receive a notification in their mobile app.

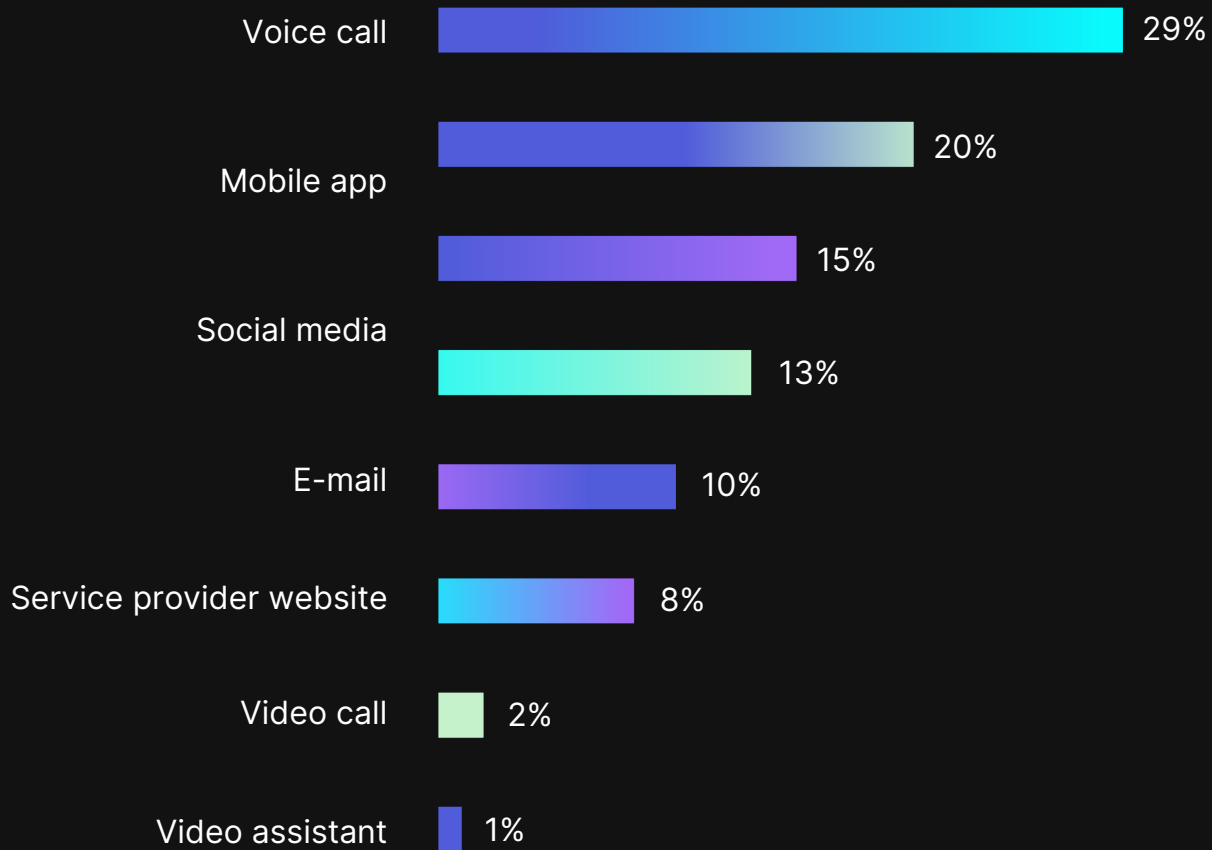
Notification preference is likely to be **strongly related to mobile device ownership**, with those who have more sophisticated smartphones willing to receive notifications via app and those with less sophisticated phones relying on texts or voice calls.

In terms of **when** they'd like to be notified:

- 21% prefer a scheduled time to be notified
- 66% say they'd like to be notified in real-time when there's an update.
- Older demographics (those aged over 50) are the most likely to want to schedule a time to be updated, whereas those in their 30s (30-39) are the most likely to want a real-time update.



How would you like to receive notifications?





Customer preferences around support and notification

As we have seen, most customers appreciate being notified about network problems **immediately** and planned maintenance **ahead of time** so that they can take mitigation action.

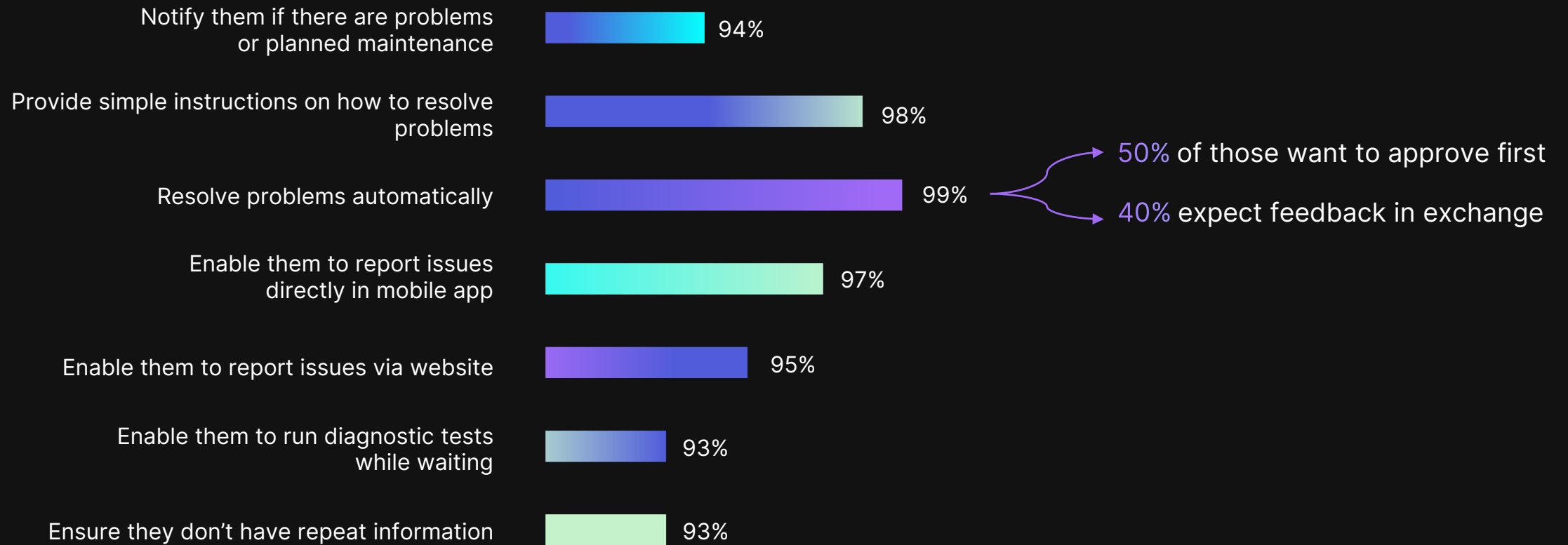
But this does rely on such notifications being accurate, otherwise they will become frustrated if they receive outage notifications that don't apply to them and especially if they take mitigation action for planned engineering, only to discover it doesn't affect them.

Customers told us they'd like their service providers to take this proactivity a step further, and automatically resolve detected issues. But in this case, half of respondents said they'd like to be notified before the action is taken so that they can approve it. This is mainly to avoid disruption to their service experience (for example, by a modem being rebooted).

Customers told us that they'd happily provide feedback to service providers about issues affecting their experience (such as a slow network) but while half would do so altruistically, around 40% expect to receive feedback on the issue reported.



With regard to support, customers say they would like their service provider to...



Learning points





Learning point 1: Expectations are tied to handsets



South African customers expect a similar digital, self-service experience with the same sort of proactive, automated response that European customers expect.

Interestingly though, the most demanding customers in Europe tend to be in the youngest age demographics, but in South Africa it is often older customers who have the highest expectations. This is undoubtedly tied to handset status: those with the most sophisticated handsets are using more demanding services and have the highest expectations of service.

This indicates that support expectations will rise in line with the adoption of smartphones.



Learning point 2: South African service providers generally provide a good support experience

South African customers report high levels of satisfaction with their current support experience. But service providers cannot afford to rest on their laurels.

Not only are expectations rising rapidly, but increasing numbers of new customers will also have to be supported. This means service providers need to explore more automated, sophisticated and proactive forms of customer care to meet their customers' need for digital autonomy, while keeping their own costs under control.

Exploring new digital customer care options is particularly important currently as service providers face spiralling costs and disruption from power outages.





Learning point 3: Detecting which customers are affected and which to notify is challenging



Service providers are challenged with being able to detect exactly which customers are affected by a load shedding event or other disruption in order to notify them and keep them updated on what is happening (e.g. how long the event will last or what actions are being taken to resolve the problem).

The ability to pinpoint exactly where an event is taking place and provide accurate information to customers is essential to build confidence and minimise the impact.

How Subtonomy helps



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Our vision for the vibrant South African telecom market

South Africa's young, hip and dynamic market is poised for an exciting transformation as it enters the age of seamless, personalized experiences where customers demand instant information and expect their service providers to anticipate their needs.

Which is exactly why you need Subtonomy.





Subtonomy: Where telecom support magic happens

As the only telecoms vendor dedicated to technical customer support, Subtonomy isn't just a solution, we're at the forefront of a customer experience revolution - blending cutting-edge technology with user-friendly tools to break down barriers, streamline and future-proof telecom operators' businesses.





Join the ranks of forward-thinking telecoms world-wide and start delivering stellar customer experiences today



WHEN PRECISION MATTERS:

Our solutions dive deep, revealing detailed service experiences and addressing current needs while preparing for the dynamic telecoms market of tomorrow.

HARNESSING AUTOMATION TO MEET EXPECTATIONS:

Subtonomy's Self-Service API helps enhance every digital touchpoint, with effortless but complex troubleshooting thrown in.

SHIFTING TO PROACTIVITY:

Our advanced tech support solutions mean you're not just reacting faster, but reaching out proactively to keep customers informed via mobile app, website, or IVR.



DISCOVER MORE

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