

Best and worst network providers in SA revealed

BrandsEye has released its latest Telco Sentiment Index that unveils consumer sentiment towards SA's major telcos and unpacks the factors driving customer behaviour. Over two million social media posts about Cell C, MTN, Rain, Telkom, and Vodacom were tracked throughout 2020 for the research piece.

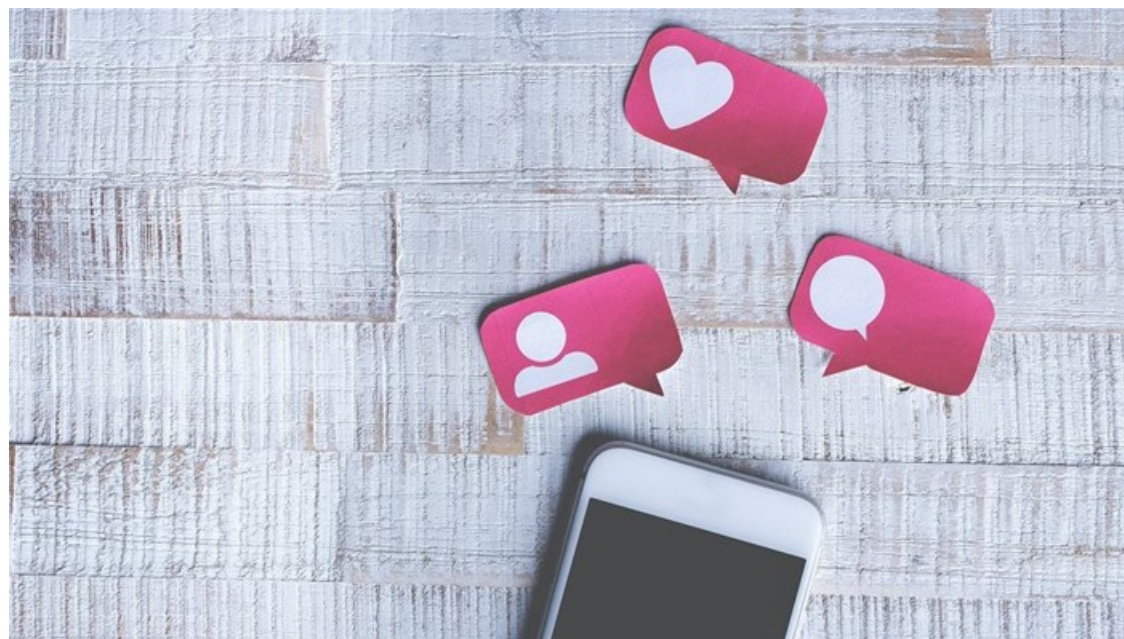


Photo by Cristian Dina from Pexels

"Some telcos received significantly more negativity than others," said BrandsEye on the outcome of the project.

Newcomer Rain ranked last, scoring over 20% points below the industry average. On the other end of the spectrum, having scored the lowest negative sentiment and highest positive sentiment, MTN ranked first. Unexpectedly, Cell C – whose survival came into question during 2020 – placed second, while Telkom placed second-last despite seeing the most annual customer growth.

Net Sentiment ranking

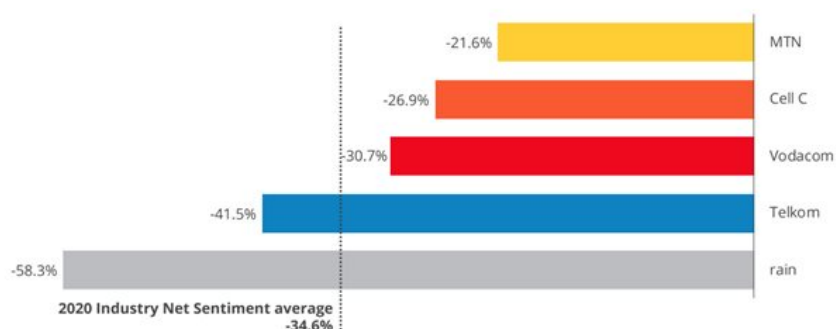


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MTN shone in network conversation, while Rain saw above-industry levels of risk conversation about downtime, evidencing network quality as one of its major weaknesses. Despite slashing data prices by up to 40%, Vodacom still saw the most negativity around pricing, while Cell C recorded the best pricing Net Sentiment.

Covid-19 highlights customer service as a major industry-wide issue

Customer service emerged as the area that most negatively impacted sentiment towards telcos in 2020. Unsurprisingly, service complaints saw a steep increase a month into lockdown and remained consistently above pre-lockdown levels for the rest of the year.

With the temporary closure of physical branches and a challenging operating environment for call centres, turnaround time was raised in the bulk of these service complaints. Many customers reported poor responsiveness from telcos and of having to try contact them on multiple instances when seeking assistance.

Over half of all mentions requiring a response went unanswered

Despite telcos' efforts to up their game in assisting customers on social media after the implementation of lockdown, at its highest the industry's response rate was 56.9%. Potentially the most alarming finding, however, was that in 2020, more than half of all mentions requiring a response from network providers did not receive one.

Monthly response rate and priority conversation in the telecoms industry

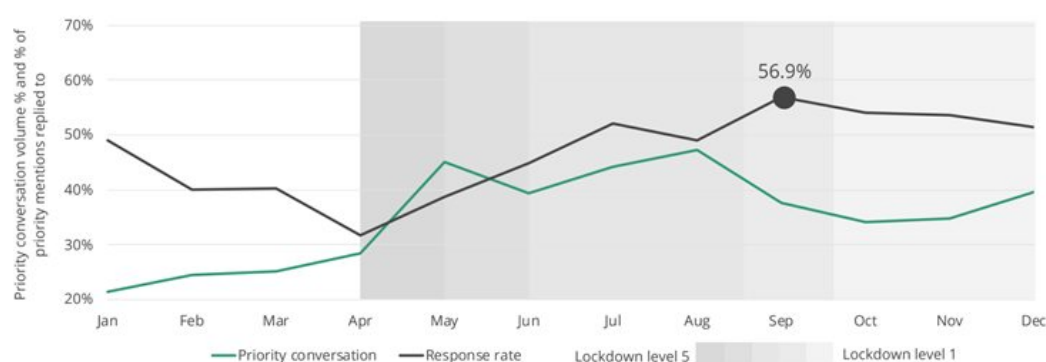


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Out of all the telcos, Rain was most impacted by service complaints, suggesting their affordability approach came at the expense of customer experience. Despite ranking first in overall Net Sentiment, MTN customers appeared to struggle the most when trying to contact their network provider telephonically.

Telco customer service prime for disruption

BrandsEye CEO, Nic Ray, said that while customer service is clearly an industry-wide issue, this insight offers telcos a valuable opportunity for differentiation. "Customer service is an area prime for disruption, offering an opportunity for telcos to become market leaders through meaningful improvements in service."

From a telecoms industry perspective, Mark Joseph, Africa TMT industry leader at Deloitte, said that reduced purchasing power and downward pressure on prices will continue to create a low margin environment going forward.

“In response, some of the telcos will focus on core products and drive digital transformation to become lower-cost operators that are as digitised as possible – prioritising customer-facing processes and interactions in order to differentiate through customer experience while maintaining spend,” said Joseph.

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