NICHE
Customer Experience Group

State Of Customer Experience (CX) In Africa REPORT

2021

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Foreword

FOREWORD

> **Thanks to the coronavirus pandemic, more businesses in Africa have embraced multiple channels for marketing, sales, customer service and customer education purposes. Is that enough?**

deBBie akwara,
Founder & Group CEO, Niche Customer Experience Group

While this is great, customers are faced with the challenge of inconsistent and poorly defined experience standards across these channels as brands have not painstakingly defined the kind of experience customers should have from an omnichannel experience perspective.

With the adoption of multichannel touchpoints including the surge of mobile applications as a self-service channel (evident in the percentage of customers in this research that bought a product using mobile applications), customers' demands on the continent have evolved from access to products or services via multiple channels to having an experience across the different channels that take into cognizance the reasons for purchase, frequency of purchase as well as pre and post-purchase expectations.

Overall, this research highlights the gaps in business/customer experience (CX) operations on the continent i.e. a lack of

- **company-wide and holistic experience design across all touchpoints and experience dimensions (CX, employee experience, product experience and brand experience)**
- **synchronization between the five (5) pillars of CX**
- **effective customer feedback management structures and system**

What should be next for businesses in Africa in 2022/23? How can businesses on the continent improve on customer understanding, CX understanding, CX design, CX implementation and scaling of CX operations and successes enabled by technology and nurtured by culture?

We hope you find the CX insights in this edition of the **STATE OF CUSTOMER EXPERIENCE IN AFRICA** report useful. This annual report is a corporate social responsibility (CSR) initiative of Niche Customer Experience Group, an integrated customer experience management service, solution and training provider in Africa committed to growing businesses in Africa, one customer experience at a time.

Research Summary
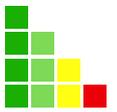
RESEARCH SUMMARY

The **State of Customer Experience in Africa** research was conducted to gauge the current customer experience (CX) maturity level in Africa while providing continent-specific insights that can help businesses improve their knowledge of customers to deliver better quality sales, product and customer service experiences.

Research Questions

Spread across seven (7) sections with twenty-six (26) questions, the survey questions used in this research were designed to provide insight into information about the respondents, their behaviour, considerations, expectations, user experience, perception and post-experience decisions.
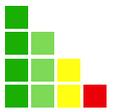
Methodology

The research was conducted as an online survey targeted at customers in Africa. It was administered through social media posts, WhatsApp, emails, broadcast messages and short messages (SMS) within a 60-day period.
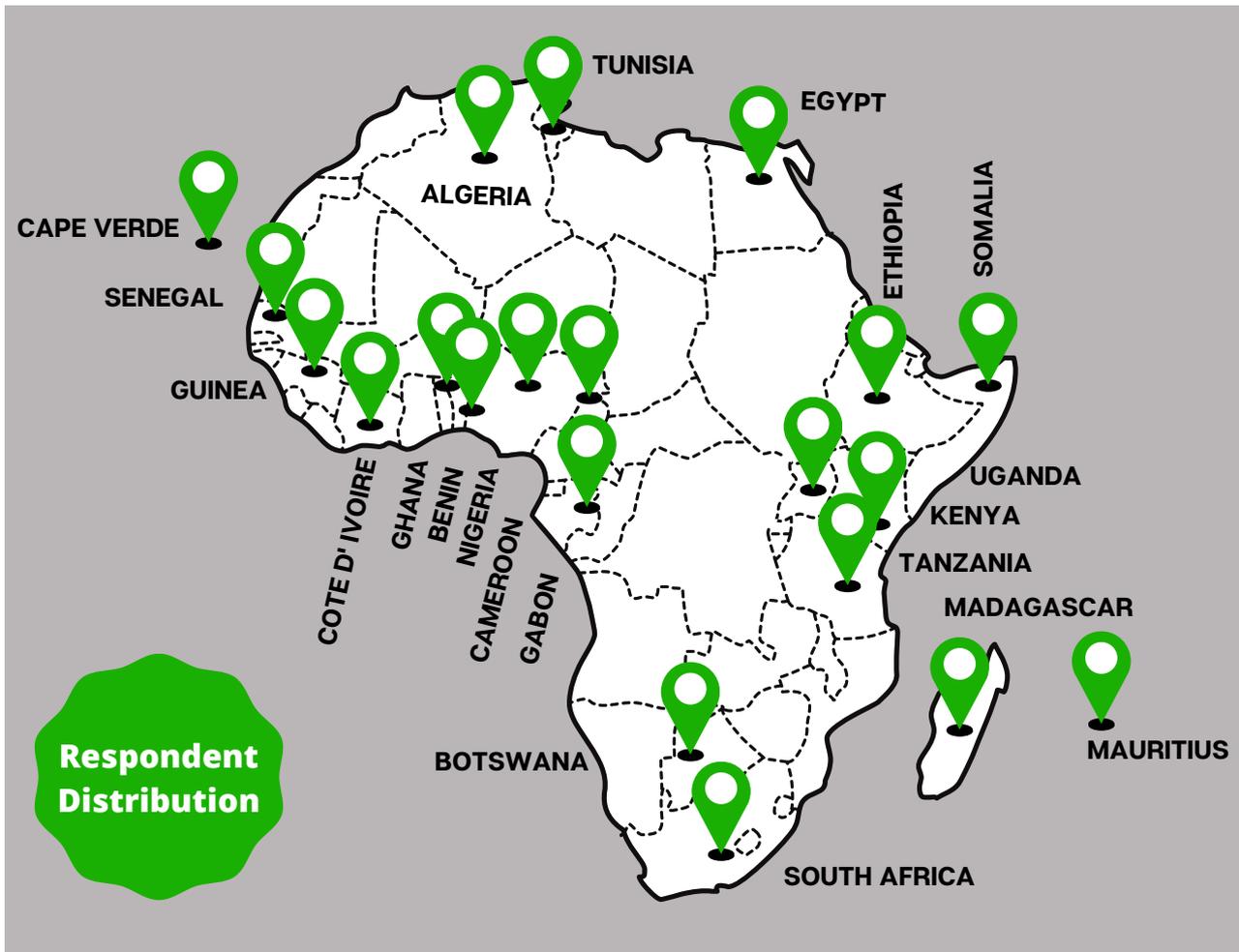
Number of Respondents

Overall, 222 Africans responded to the survey spread across twenty-one countries on the continent.

Respondents and their locations in Africa i.e. twenty-one (21) countries.

Respondent Distribution

Map markers: TUNISIA, EGYPT, ALGERIA, CAPE VERDE, SENEGAL, GUINEA, ETHIOPIA, SOMALIA, COTE D' IVOIRE, GHANA, BENIN, NIGERIA, CAMEROON, GABON, UGANDA, KENYA, TANZANIA, MADAGASCAR, BOTSWANA, MAURITIUS, SOUTH AFRICA

Responses Per Country

Survey responses from 21 African countries. Nigeria, Kenya and South Africa recorded the highest number of respondents in this research.

Other Countries 21.2%

Nigeria 44.6%

South Africa 8.1%

Kenya 26.1%
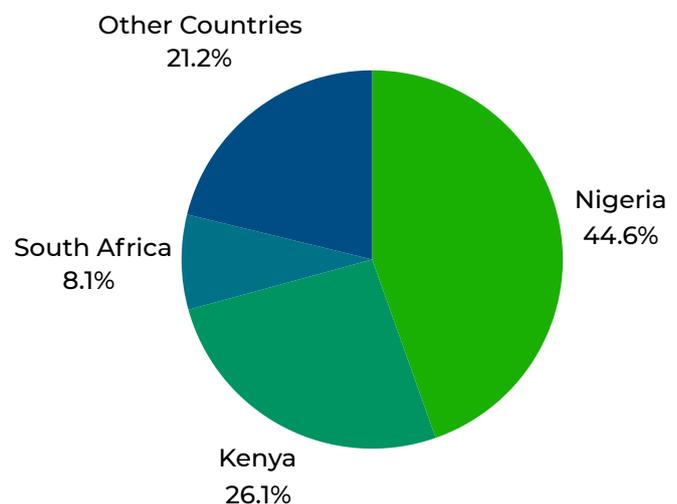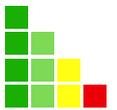
The research was conducted to understand the **2021 State of Customer Experience in Africa** from the perspective of a typical customer's journey and as such research questions were designed to provide insight into

the customer
the demographic information of respondents that bought and used a product or service in the period under review.

his/her preferences
the preferred channel of communication, sector of brand patronized and reasons for the frequency of purchase in the period under review

his/her expectations
the factors considered when buying the product/service and expectations from the brand (expectations) pre purchase

his/her buying experience
the channel of awareness, loyalty to the brand, preferred channel of purchasing from the brand and frequency of purchase

his/her user experience
the ease of usage, experience alignment with expectations and happiness with product or service purchased

his/her perception
the satisfaction with different components of experience i.e. product experience and customer service experience
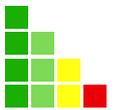
his/her decision
the willingness to continue buying, the willingness to recommend to other people and possible reasons for churn

The Customer

Demographic Information

THE CUSTOMERS

Snapshot of respondents' demography in the twenty-one (21) African countries.

Gender

36% Male respondents

64% Female respondents

Age

2% Ages 18 to 20

24% Ages 21 to 30

38% Ages 31 to 39

30% Ages 40 to 50

6% Ages 50 and above

Employment Status
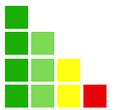
5% Student

6% Unemployed

74% Employed

7% Self Employed

8% Business Owner

Customer Behavior
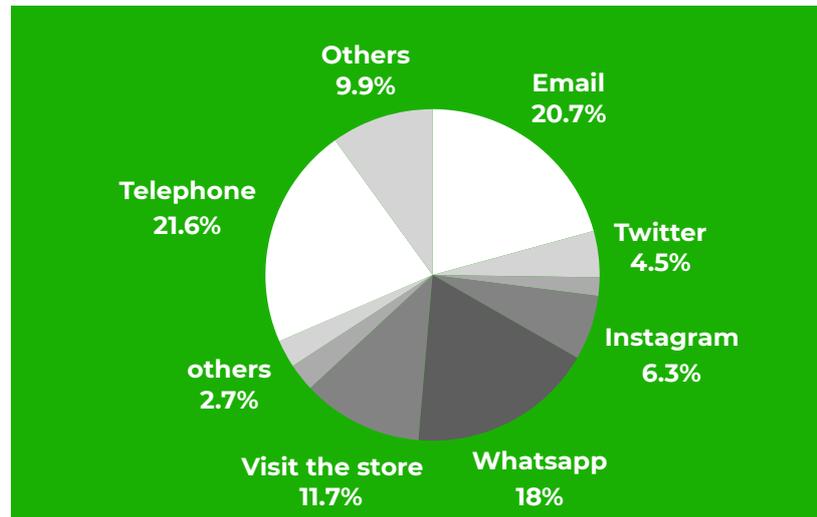
Preferences & Priorities

CUSTOMER BEHAVIOR

What respondents across twenty-one African countries preferred and prioritized when buying products and services in the period under review.

Channel of Communication

The telephone as a customer communication channel is in the lead in Africa as customers' preferred channel of interaction followed by email and WhatsApp being the top 3 customer contact channels.

Others 9.9%
Email 20.7%
Telephone 21.6%
Twitter 4.5%
Instagram 6.3%
others 2.7%
Whatsapp 18%
Visit the store 11.7%

Most Patronized Sectors in 2021

Largely out of necessity, 100% of respondents frequently patronized the retail sector in 2021 followed by the telecommunications, banking, internet service and hospitality sectors being the top 5 industries.

Banking
Telecommunications
Retail (In-store, Supermarkets & E-Commerce)
Internet Service Provider
Hospitality
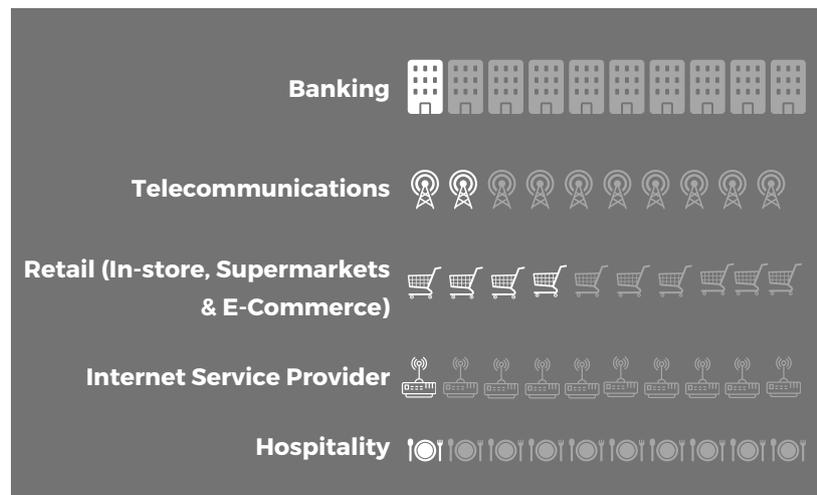
Reason For Purchase Frequency

100% of respondents prioritized necessary and essential products thus the frequency of purchase from the retail sector. This is followed by the purchase of products or services addressing needs connected to significance, growth and education, success and sense of purpose.
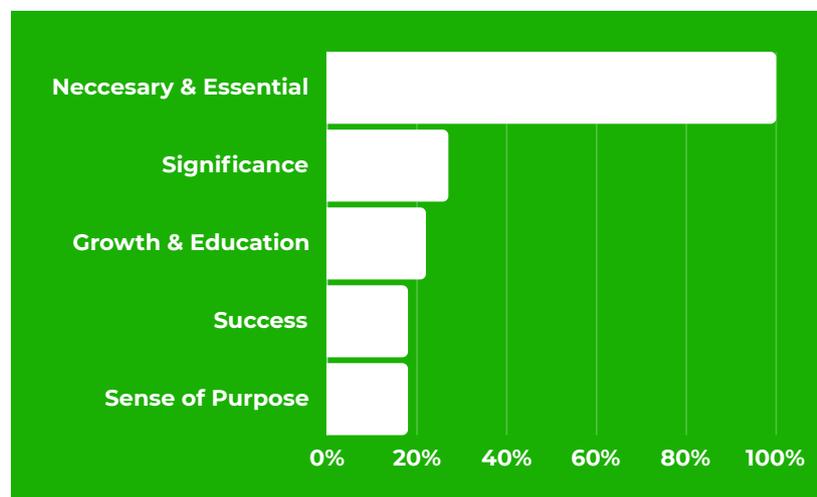
Neccesary & Essential
Significance
Growth & Education
Success
Sense of Purpose

0% 20% 40% 60% 80% 100%

Customer Expectations

Considerations & Expectations
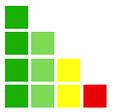
CONSIDERATIONS & EXPECTATIONS

What do customers consider before making a buying decision and how does that shape customer expectations in Africa?

Finding the right product to meet essential, significance, growth, education, success and sense-of-purpose needs is one thing and getting the desired value after purchase is another.
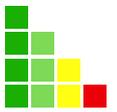
For consumers in Africa (survey respondents), the reasons for purchase frequency shape expectations.

To secure customer satisfaction, retention and advocacy, it is important for businesses in Africa to prioritize knowing why customers buy and what consider value for money.
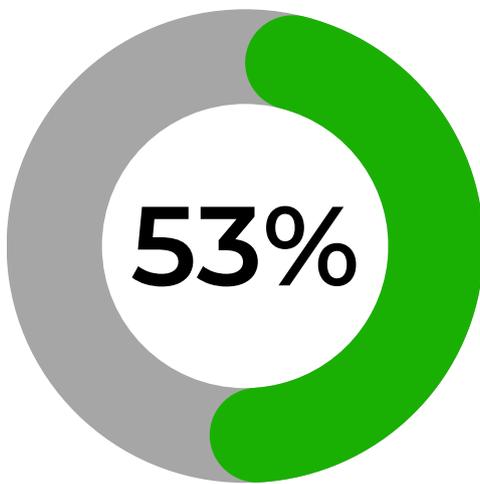
> " Don't try to tell the customer what he or she wants ...
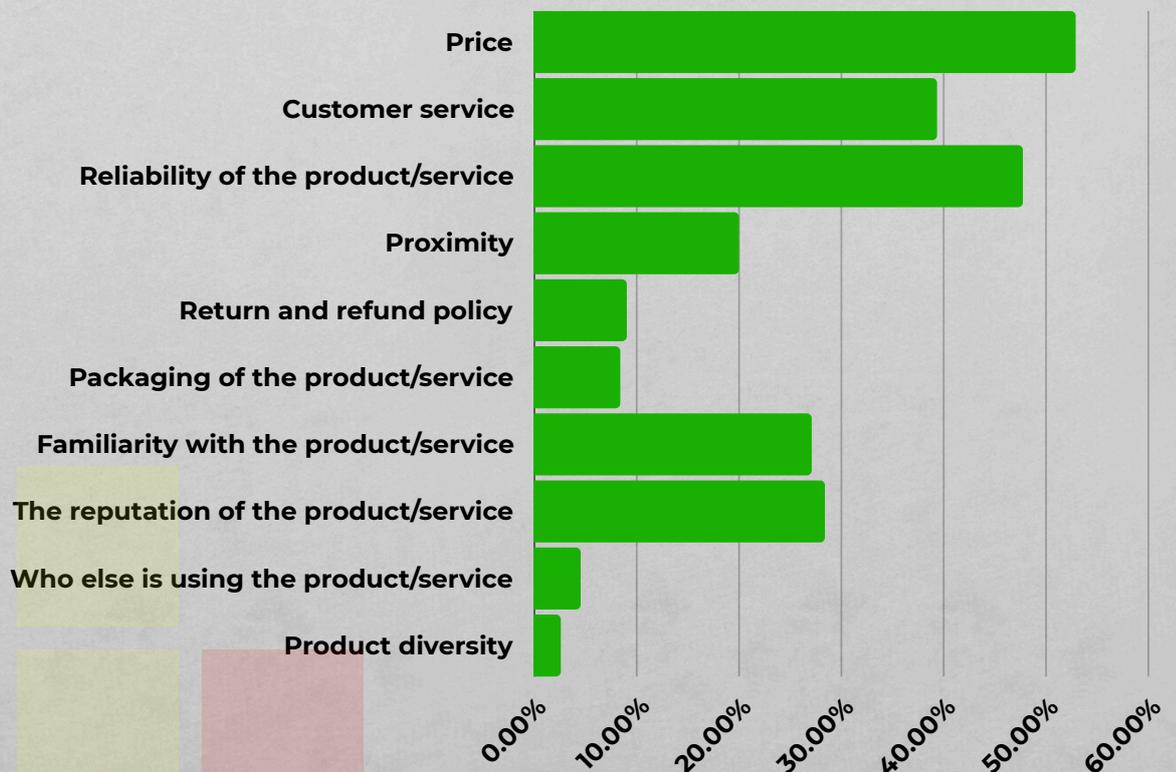
Gene Buckley
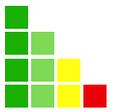
CUSTOMER CONSIDERATIONS

What do customers in Africa (survey respondents) consider before making buying decisions?

53%

Considerations

Price is in the lead on factors considered before making a buying decision is made. Overall, the top 5 considerations are **price (53%), reliability (48%), customer service (40%)**, **brand reputation (28%)** and **product/service familiarity (27%)**.

Price

Customer service

Reliability of the product/service

Proximity

Return and refund policy

Packaging of the product/service

Familiarity with the product/service

The reputation of the product/service

Who else is using the product/service

Product diversity

0.00%　10.00%　20.00%　30.00%　40.00%　50.00%　60.00%

CUSTOMER CONSIDERATIONS

From a demographic perspective, however (age of respondents), there is a variation in considerations across the different age groups of 20 to 30 year olds, 31 to 39 year olds and 40 to 50 year olds.
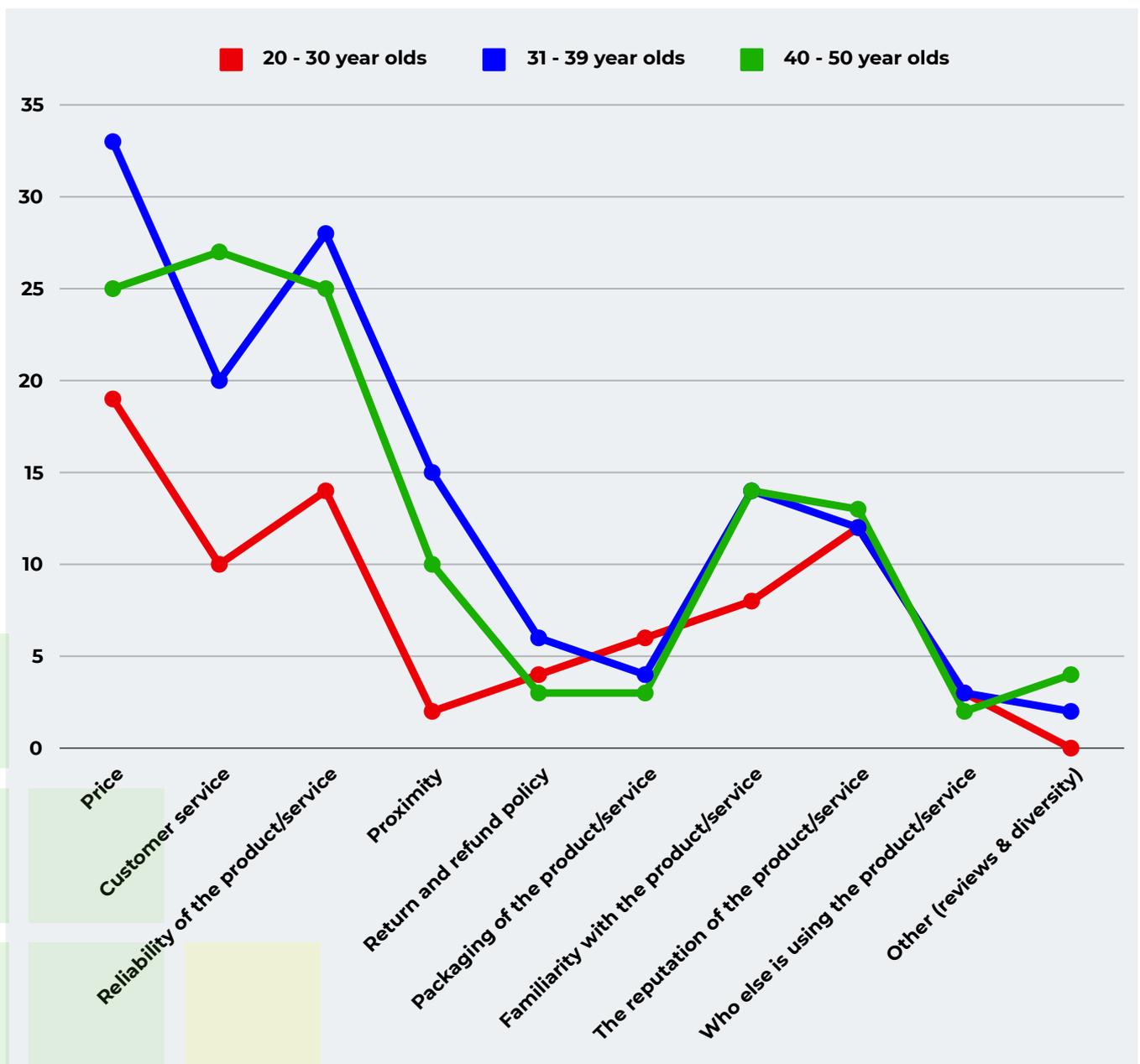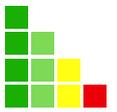
CUSTOMER EXPECTATIONS

> Customer expectations are what customers predict will happen if they use a product or service. Before they decide to make a purchase, customers gather and interpret information about the product, which influences how they view the product and its quality.
>
> (Indeed, April 26, 2021)

What Customer Expect Post Purchase In Africa

Efficiency 18.2%

Reliability 26%

Assistance 3.3%

Quality 51.3%
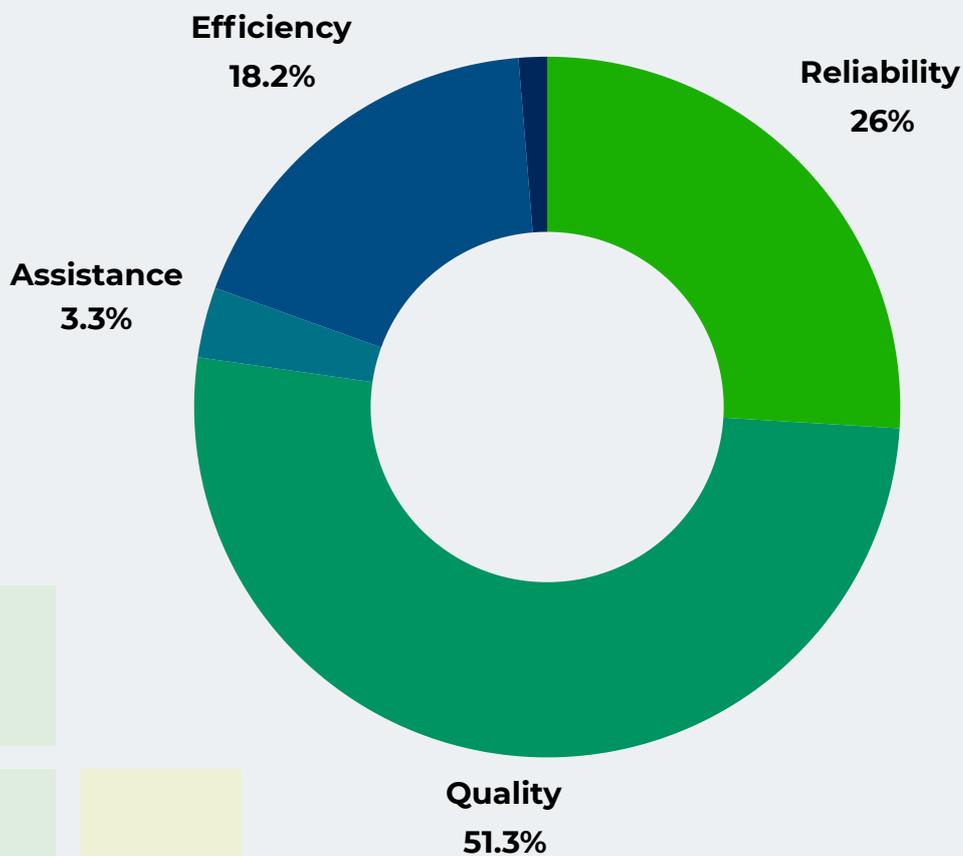
Buying Experience

Discovery, Payments & Frequency

BUYING EXPERIENCE

The buying experience for any customer begins at the point where a customer with a need discovers a solution (product or service) that can satisfy that need.
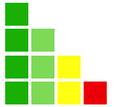
In the 2021 State of Customer Experience in Africa survey, respondents through their responses to the survey gave an overview of their buying experience from the discovery stage of their journey to the channel of purchase and frequency of purchase in the period under review.

79% of respondents are repeat customers

Discovery Channel

Top 6 channels of respondent product discovery

SOCIAL MEDIA	39%
WORD OF MOUTH	32%
TELEVISION	12%
OUTDOOR	7%
LINKEDIN	3%
FLYERS	3%
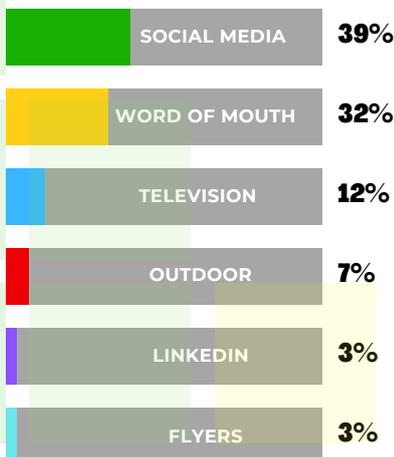
Payment Channel

Top 6 channels through which respondents paid for products

STORE	40%
MOBILE APPLICATION	32%
TELEPHONE	18%
USSD	15%
INTERNET BANKING	14%
WEBSITE	14%
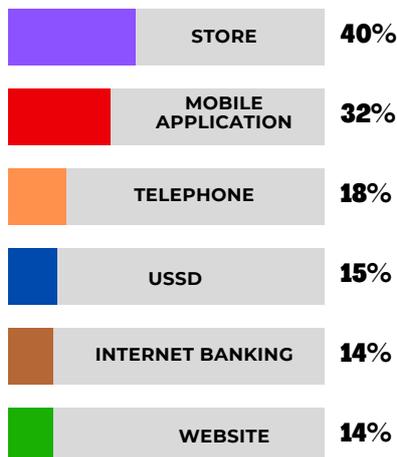
Purchase Frequency

Top 6 respondents' product purchase frequency in the period under review

MONTHLY	40%
WEEKLY	25%
DAILY	9%
BI-WEEKLY	8%
QUARTERLY	8%
ANNUALLY	4%
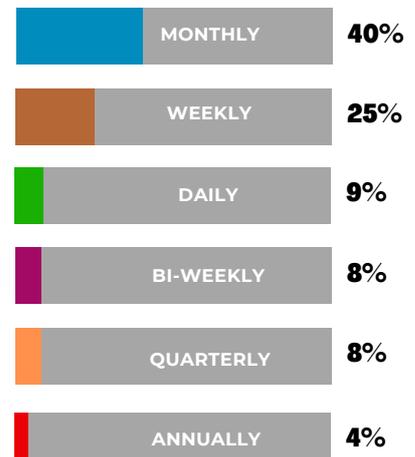
User Experience

Ease, Expectations & Happiness
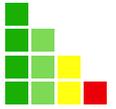
USER EXPERIENCE

A crucial moment of truth in a customer's experience is the value derived from a product after purchase.

> **Your product truth is what your customer says it is.**
>
> deBBie akwara

In the 2021 State of Customer Experience in Africa survey, respondents shared feedback on their experience using purchased products evaluated by
- the ease of use/consumption of products purchased
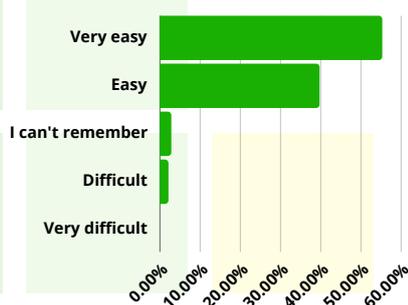- the degree to their expectation using the product
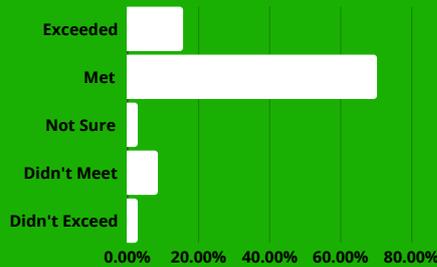- their overall happiness with product

Ease of Use

how easy it was to use or consume the product after purchase in the period under review.

Very easy	
Easy	
I can't remember	
Difficult	
Very difficult	

0.00% 10.00% 20.00% 30.00% 40.00% 50.00% 60.00%

Expectations

How well the product met the reliability, quality, assistance & efficiency customer expectations

Exceeded	
Met	
Not Sure	
Didn't Meet	
Didn't Exceed	

0.00% 20.00% 40.00% 60.00% 80.00%

Happiness

Customers degree of happiness using or consuming the product purchased in the period under review.
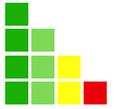
67%

Unsure: 28% | Unhappiness: 5%

Customer Perception & CX Outcomes

Satisfaction With Product, Customer Service & Overall Experience

CUSTOMER PERCEPTION (PRODUCT HAPPINESS)

Reasons for purchase and pre-purchase customer expectations in Africa.

With the spotlight on reasons for purchase and pre-purchase customer expectations, customer happiness with the product was evaluated by a review of
- the ability of products to meet customer expectations
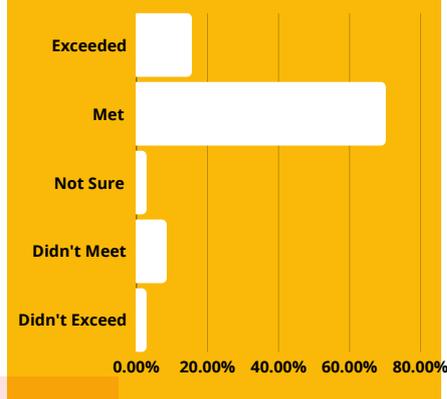- the customers' overall happiness with product

Expectations

Pre-purchase customer expectations

Expectations Scorecard
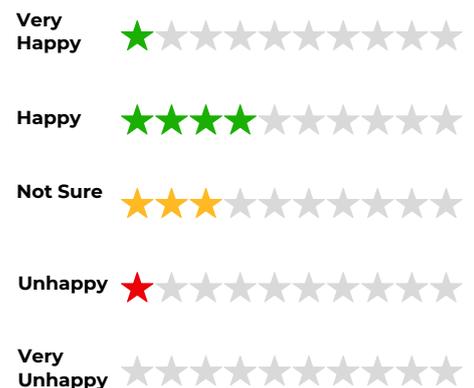
Did the product meet customers' expectation?

Happiness Scorecard

Post experience emotion

Very Happy	★★★★★★★★★★
Happy	★★★★★★★★★★
Not Sure	★★★★★★★★★★
Unhappy	★★★★★★★★★★
Very Unhappy	★★★★★★★★★★
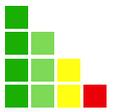
CUSTOMER PERCEPTION (CUSTOMER SERVICE)

How respondents rate their customer service experience with brands in Africa in 2021.

+

😀 5
Perfect!

🙂 4
Good

😐 **3.2**
Not sure

😵 2
So-so

☹️ 1
Poor

3.2/5 points (AVERAGE)
Index: 5 - Great, 4 - Good, 3 - Average, 2 - Poor and 1 - Very Poor

CUSTOMER PERCEPTION (CUSTOMER SERVICE)

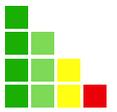In evaluating customer service experience in Africa for the period under review, respondents provided feedback on their perception of their customer service experience by rating brands on the eleven (11) parameters with results illustrated below.
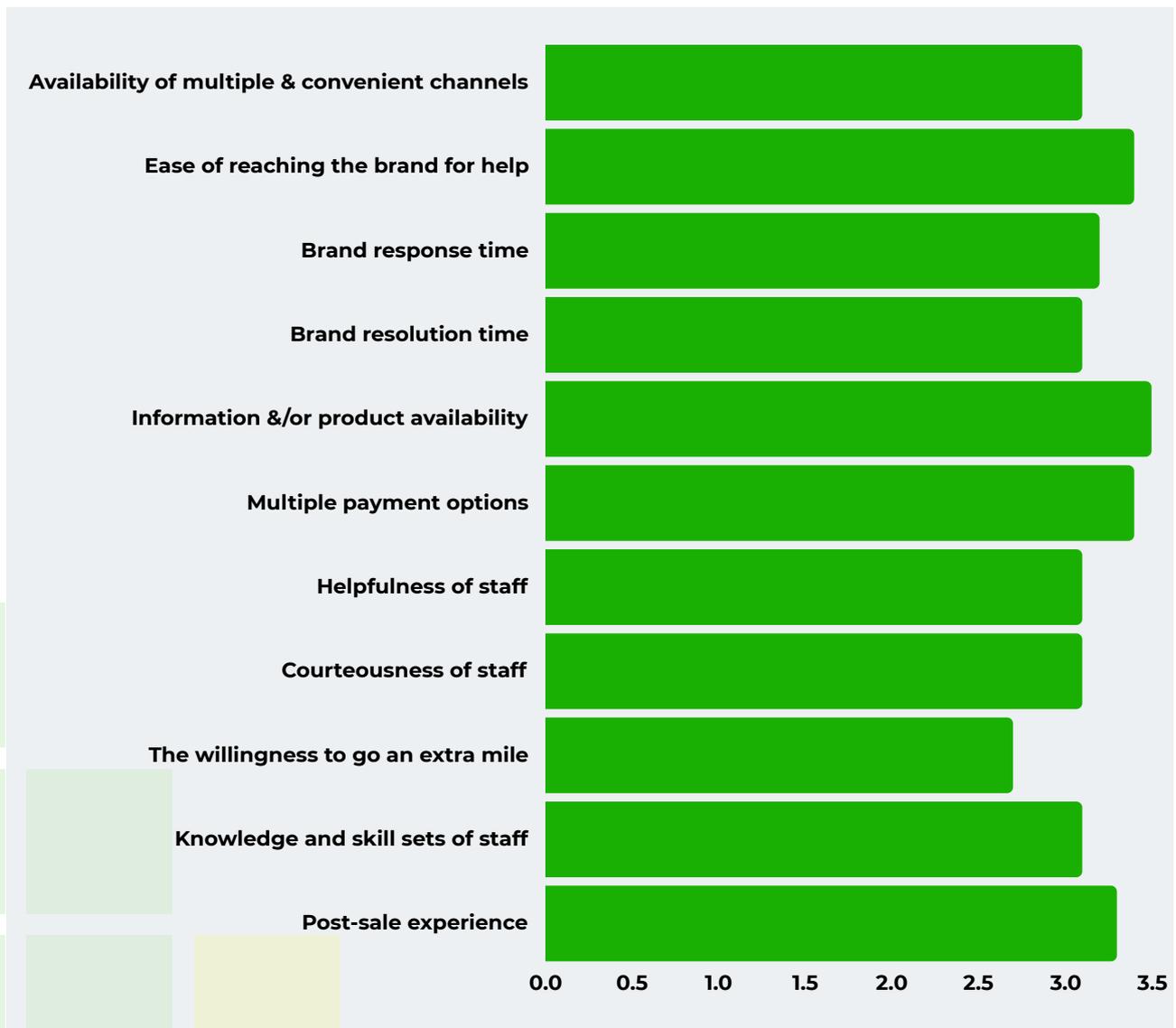
Highest Scores
- Information and/or product availiability

Lowest Scores
- The willingness to go the extra mile

Chart: Customer service parameter scores (scale 0.0 to 3.5)
- Availability of multiple & convenient channels
- Ease of reaching the brand for help
- Brand response time
- Brand resolution time
- Information &/or product availability
- Multiple payment options
- Helpfulness of staff
- Courteousness of staff
- The willingness to go an extra mile
- Knowledge and skill sets of staff
- Post-sale experience

CUSTOMER DECISION (LOYALTY & ADVOCACY)

" If your retention is poor, then nothing else matters. (Brian Balfour)

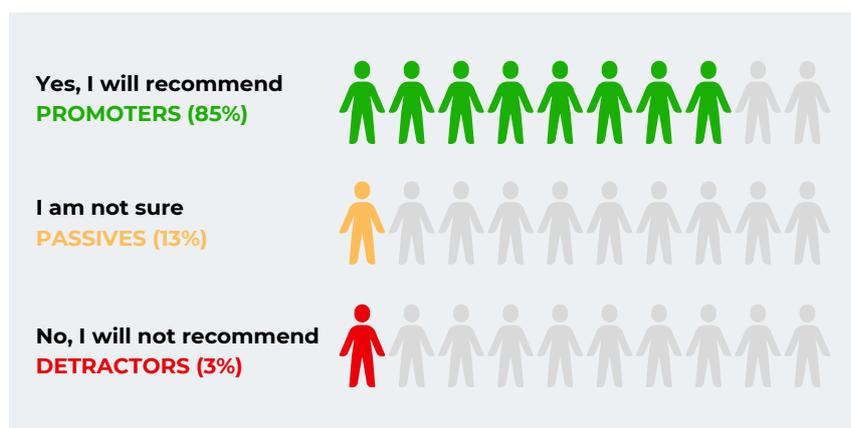Customers in Africa (survey respondents) are not only loyal to brands (90%) and willing to recommend brands (85%), 67% have followed through on their promise to recommend brands to others.

customer loyalty score

Yes, I will buy again
(90%)

I am not sure
(2%)

No, I will not buy again
(8%)

customer advocacy score

Yes, I will recommend
PROMOTERS (85%)
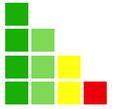
I am not sure
PASSIVES (13%)

No, I will not recommend
DETRACTORS (3%)

customer advocacy status

67%

67% out of the 85% promoters have recommended brand.

CUSTOMER PERCEPTION (OVERALL SATISFACTION)

> ## The CUSTOMER'S PERCEPTION is your reality.
>
> Kate Zabriskie

The customer perception aspect of the 2021 State of Customer Experience in Africa survey was designed to capture customer perception post interacting with the brand most patronized in 2021.

This was evaluated by reviewing respondents' overall satisfaction with their entire experience i.e.
- satisfaction with product
- satisfaction with customer service
- likelihood to buy again
- likelihood to recommend

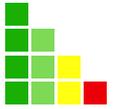**75%** — 2021 overall customer satisfaction score
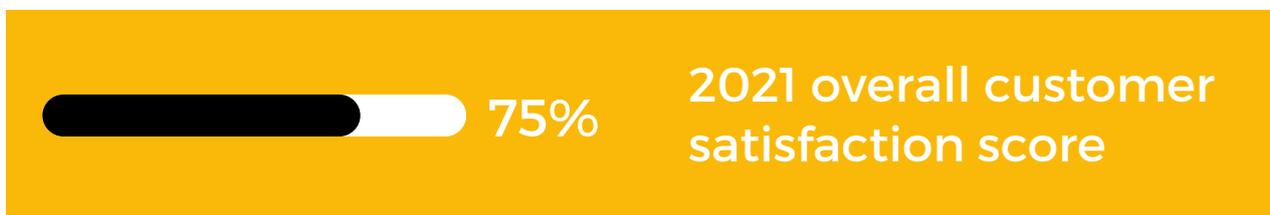
Calculating the customer satisfaction score in Africa is not an overall score a customer gives at the end of a survey. It should be an average score derived from evaluating the sum of a customer's entire experience particularly milestone cycle stage perception and post-experience decisions.

The Overall Satisfaction Score

An average of the sum of customer perceptions and customer decisions.
(AN AFRICAN PERSPECTIVE TO CALCULATING OVERALL SATISFACTION)

67% happiness with product purchased in 2021 **+** **60%** happiness with customer service experience in 2021 **+** **90%** likelihood to buy again based on 2021 experience **+** **85%** likelihood to recommend based on 2021 experience **=** **75%** overall customer satisfaction with brand in 2021
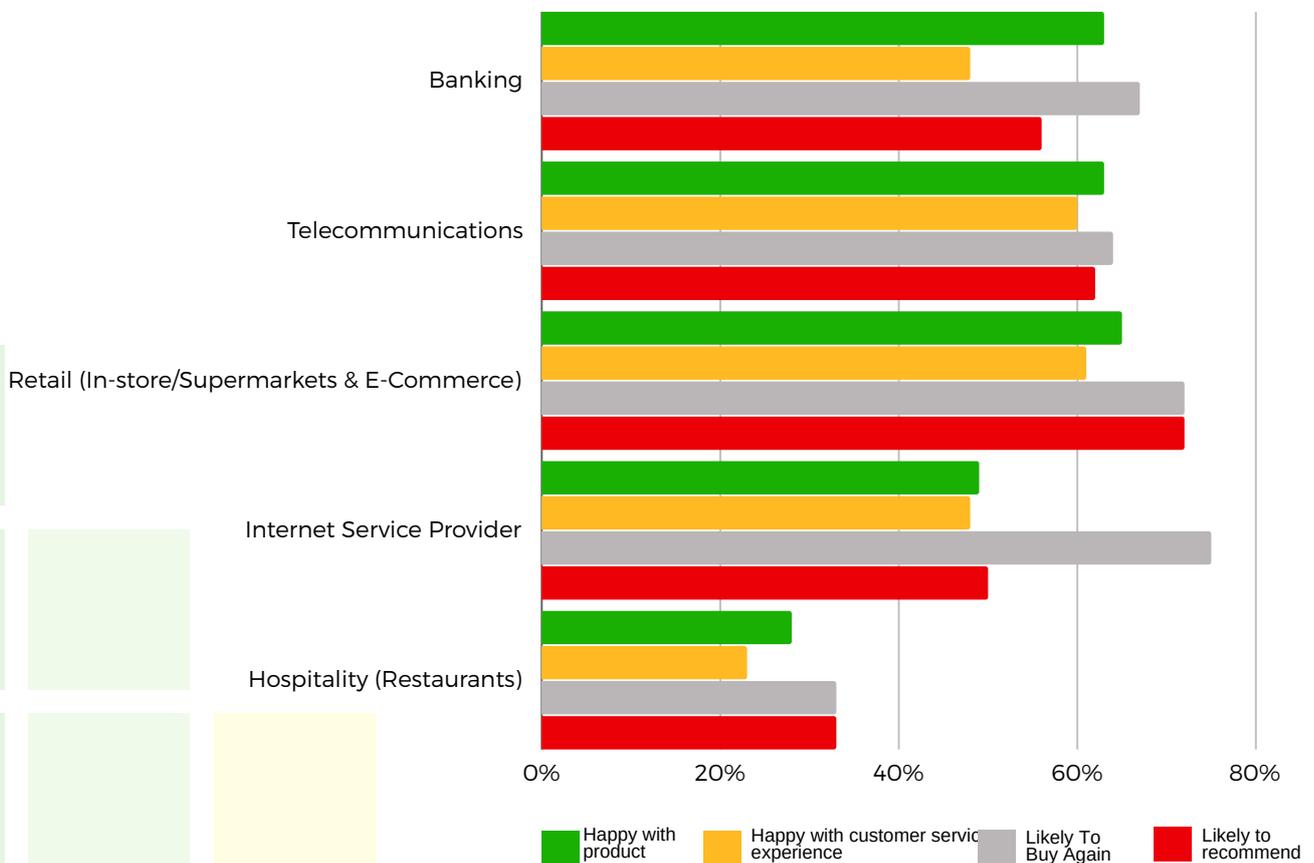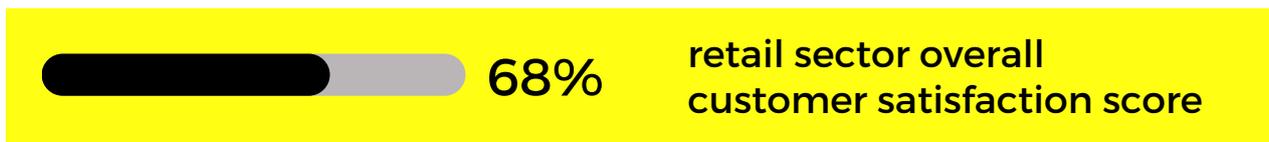
CUSTOMER PERCEPTION (OVERALL SATISFACTION)

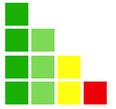## a multisector satisfaction snapshot

Taking a cursory look at the overall customer satisfaction in the top 5 sectors captured in the 2021 State of Customer Experience in Africa survey, the retail sector is in the lead at 68% followed by the telecommunications, banking, internet service and hospitality sectors at 62%, 59%, 56% and 29% respectively.

68% retail sector overall customer satisfaction score

Legend:
- Happy with product (green)
- Happy with customer service experience (orange)
- Likely To Buy Again (grey)
- Likely to recommend (red)

Sectors (top to bottom): Banking, Telecommunications, Retail (In-store/Supermarkets & E-Commerce), Internet Service Provider, Hospitality (Restaurants)

Axis: 0% 20% 40% 60% 80%

Voice of Customer

Recommendations to Improve Customer Experience
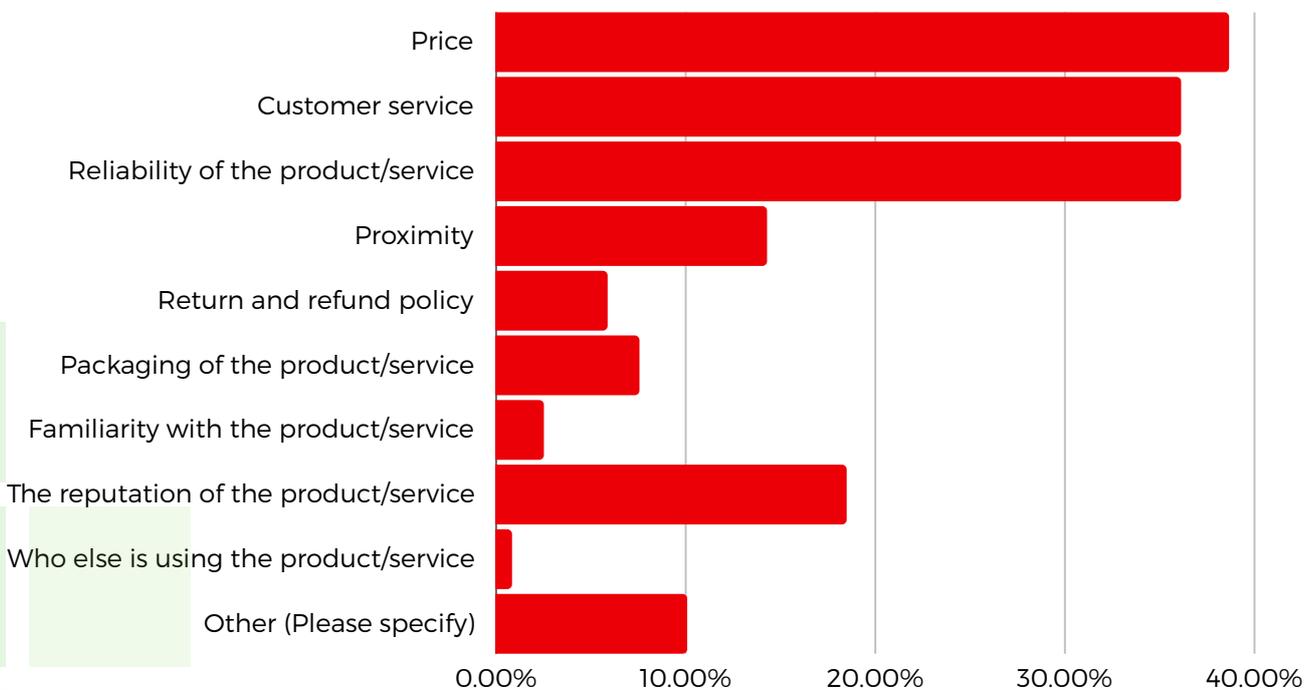
VOICE OF CUSTOMER

While brands in Africa have an overall customer satisfaction score of 75% (an average of the sum total of all experiences i.e. product experience, customer service experience, loyalty and advocacy), there is 25% room for improvement.

> ❝ **Unless you have 100% customer satisfaction, you must improve**
>
> Horst Schulze

Specific to customer loyalty, while 90% of customers in Africa (survey respondents) shared that they will continue buying products from brands in 2022, 52% are likely to discontinue buying for the reasons illustrated below.

Reasons captured in the *other* category include price, customer service, proximity, availability, unmet expectations, health, competition and business closure.
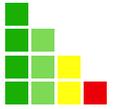
VOICE OF CUSTOMER

Some Comments

Increase the self-service options. (Safaricom, Kenya)

Reduce delivery time and be truthful with timelines (Jumia, Kenya)

Work on its pricing as it relates to its parent company in South Africa. Improve its customer service. Work seriously on the efficiency of its network, especially in rural areas. (MTN, Nigeria)

Maintain good quality and improve focus on environmental friendliness in all they supply (Woolworths, South Africa)

Staff need basic customer service training. (PicknPay, South Africa)

Often, the prices on the shelf don't match what you pay at the till. Having these matches would be a minimum starting point. They tend to be overpriced very often. (Intemart Supermarket, Mauritius)

Improve their customer experience at various touch points. (Vodafone, Ghana)

Notify customers of service degradation. (9mobile, Nigeria)

Keep the price available for everyone (Cameroon)

They should have a vast selection and efficient customer experience to help customers better understand the brand what they represent.(Shopbcode, Nigeria)

Lower prices, faster speeds & speedier response when fixing faults (IpnX, Nigeria)

Make better their Customer service. (Telecommunications, Cote d' Ivoire)

Be willing to go the extra mile to help customers. (Bank, Nigeria)
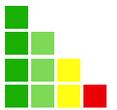
The customer service agents are rude & it feels like they have no passion or they are tired of the job. The network connectivity is now poor. (Spectranet, Nigeria)

# CX Africa Insights

Where We Are Now

WHERE ARE WE NOW?

What is the 2021 STATE OF CUSTOMER EXPERIENCE IN AFRICA?

Customer experience is all about how a customer feels after interacting with a business or using its product or service. It is also about how that feeling impacts customer acquisition and retention i.e. customer profitability.
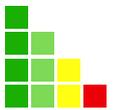
Niche Customer Experience Maturity Stages

DISTINGUISHED

TRANSACTIONAL
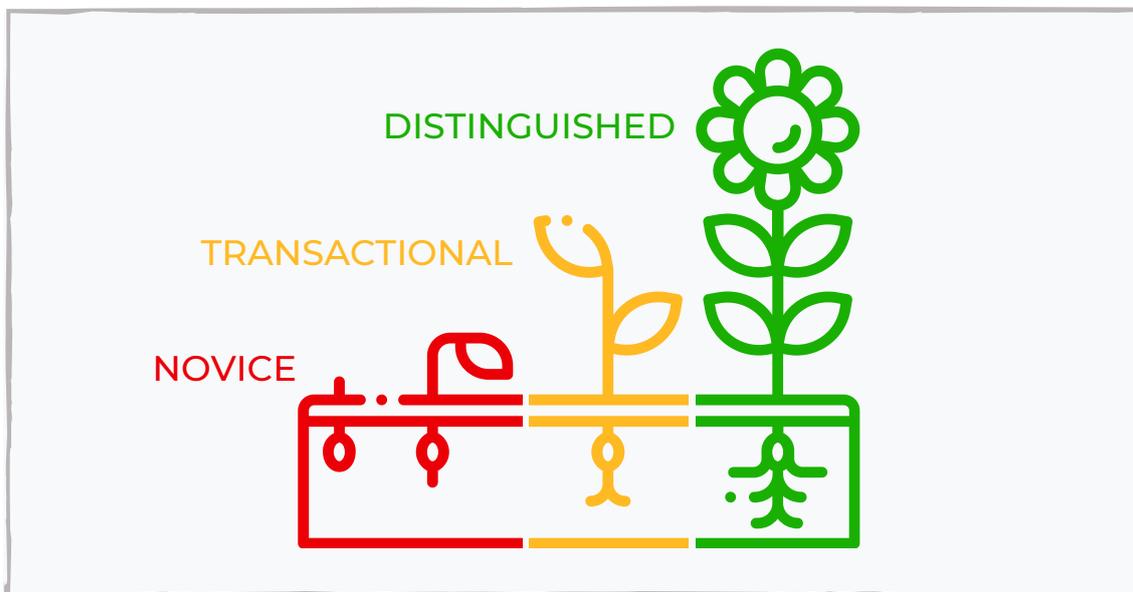
NOVICE

Are we at the NOVICE, TRANSACTIONAL or DISTINGUISHED stage in our journey to customer experience maturity in Africa?

In the later part of 2022 into 2023, what should businesses in Africa focus on with regard to improving customer experience to address areas of improvement and low performance while increasing customer profitability?

CX MATURITY LEVELS EXPLAINED

The customer experience (CX) maturity model adopted by the Niche Customer Experience Group was adopted to help businesses in Africa understand where they are now in their journey to not just customer experience maturity but also customer profitability.

The customer experience maturity model assesses a business' maturity level through the lens of the Niche customer experience competency areas. These 5 competencies are part of the seven (7) overall Niche Customer Experience Management Competency Framework.

1	**Understanding Customers**	
2	**Understanding Customer Experience**	
3	**Designing Customer Experience**	
4	**Implementing Customer Experience**	
5	**Scaling Customer Experience Using Data & Technology Nurtured By Culture**	

The CUSTOMER EXPERIENCE MATURITY model explained.

Novice
Basic stage of CX maturity journey

- Organization has basic touch points covered but reactive to CX. Lacks a clear customer (CX) strategy.
- Lacks organization-wide CX ownership to drive customer satisfaction, customer retention and customer profitability.
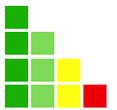
Transactional
Intermediate stage of CX maturity journey

- CX integrated into touchpoints and awareness about the importance of CX has commenced.
- Deliberate touchpoint monitoring and experience improvement is largely driven by customer feedback post experience (reactive).

Distinguished
Advanced stage in CX maturity journey

- Clear customer and CX strategy in place leading to more proactive approach to customer experience and customer experience activities.
- This is largely driven by shared customer KPIs/outcomes, unified customer culture delivered by the right people, systems and processes
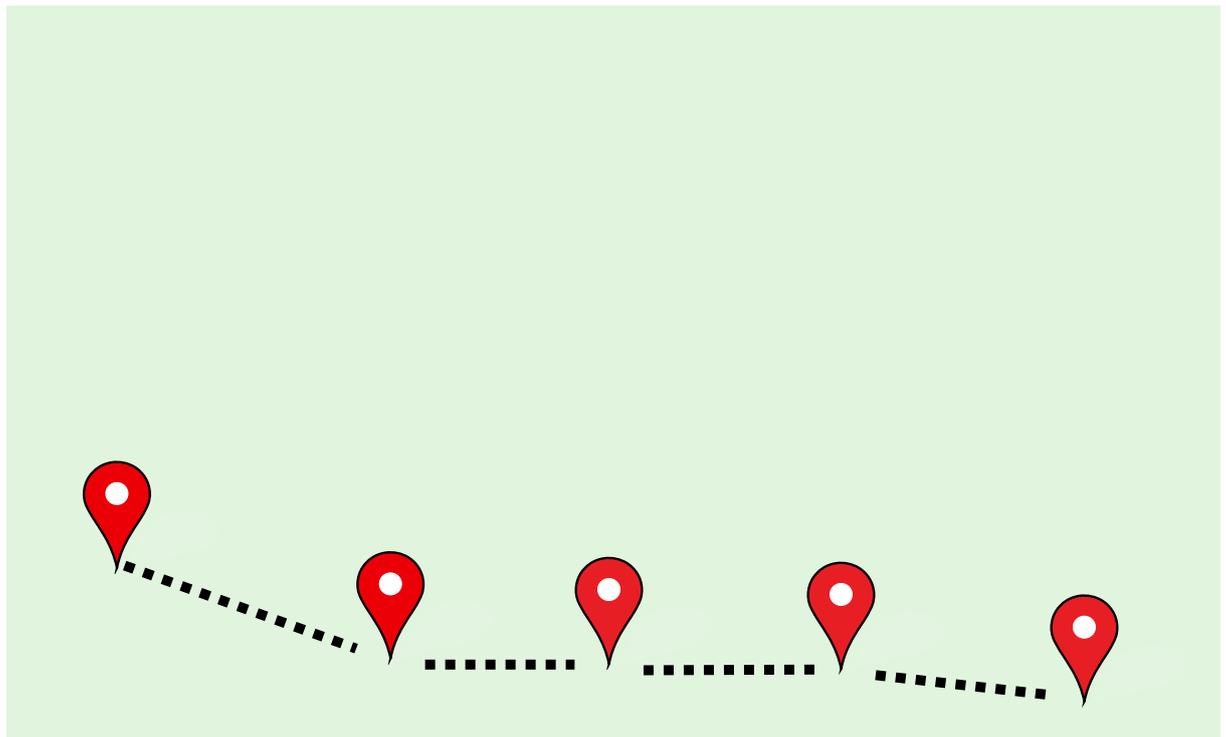
The Journey To Customer Experience Maturity.

The 2021 State of Customer Experience in Africa, a customer experience maturity assessment perspective.

Distinguished
EXCELLENT

Transactional
NEEDS IMPROVEMENT

Novice
NEEDS IMMEDIATE ATTENTION

| **Understanding Customers**	**Understanding Customer Experience**	**Designing Customer Experience**	**Implementing Customer Experience**	**Scaling Customer Experience (Culture, Data & Tech)**
• Evidence of business understanding of customer needs, considerations and expectations	• Evidence of business knowledge of & understanding of the 5 pillars of CX i.e. ◦ touchpoints ◦ teams ◦ tools ◦ processes ◦ feedback	• Evidence of business application of the knowledge of customers and the 5 pillars of CX in the design of customer experiences	• Evidence of business implementation of customer experience design impacting customers and CX pillars	• Evidence of businesses proactivity to innovate and improve customers' experience and the strategic alignment of CX pillars

Although businesses in Africa recorded high customer loyalty and customer advocacy scores at 90% and 85% respectively, average performance in points that matter i.e. product experience and customer service experience is average at 67% and 60% respectively highlighting a novice approach to defining and managing the 5 pillars of customer experience (touchpoints, teams, tools, processes and customer feedback). This means there is more emphasis on marketing and sales on the continent to the detriment of product, customer service and brand experience.

The above is also evident in the **areas for customer experience improvement suggestions** shared by 24% of customers (respondents).
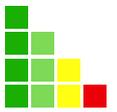
CX MATURITY AFRICA 2021

The customer experience (CX) maturity level in Africa.

Distinguished | Excellent
Advanced stage in CX maturity journey

- Clear customer and CX strategy in place leading to a more proactive approach to customer experience and customer experience operations management
- Organizations are driven by shared CX KPIs/outcomes, unified customer culture delivered by the right people, systems and processes

Transactional | Needs Improvement
Intermediate stage of CX maturity journey

- CX integrated into touchpoints and awareness about the importance of CX has commenced.
- Deliberate touchpoint monitoring and experience improvement are largely driven by customer feedback post-experience (reactive).

Novice | Needs Urgent Attention
Basic stage of CX maturity journey

- Organizations have basic touch points covered but are reactive to CX.
- Organizations lack a clear customer (CX) strategy
- Organizations lack a company-wide CX ownership to drive customer satisfaction, customer retention and customer profitability.
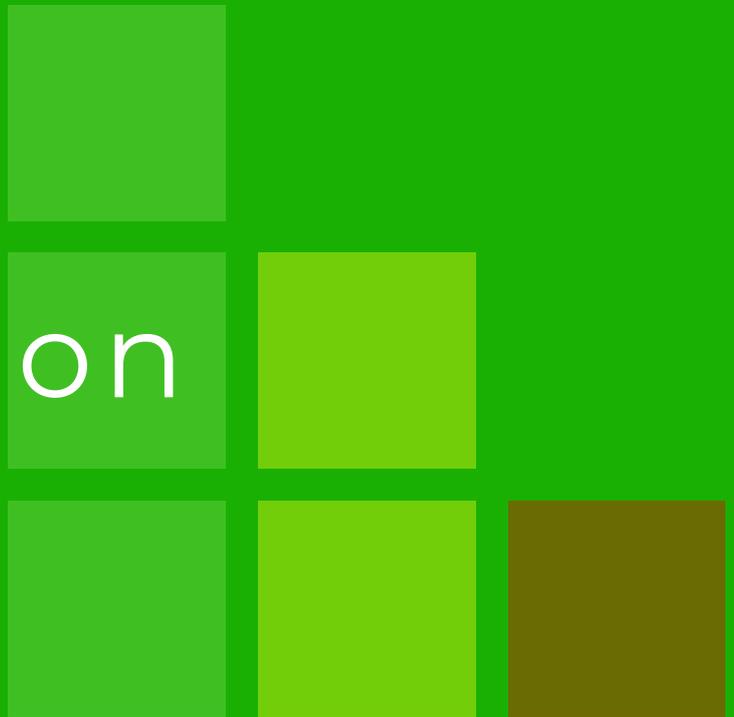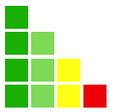
9.5

9.5/30 points (NOVICE)
Index: Novice: 5 -10, Transactional: 11 - 20 and Distinguished: 21 - 30

# Conclusion

What Next

CONCLUSION

For businesses on the African continent to improve customer experience and increase customer profitability, the insights from the survey highlight the need for businesses to create omnichannel experiences, improve customer service quality and institute a holistic and routine customer feedback management structure.

Omnichannel

A holistic and reliable brand experience everywhere and every time that requires the
- design of CX blueprints
- definition of CX standards
- synchronization of the 5 pillars of CX i.e. touchpoints, teams, tools, processes and frontline customer/employee feedback
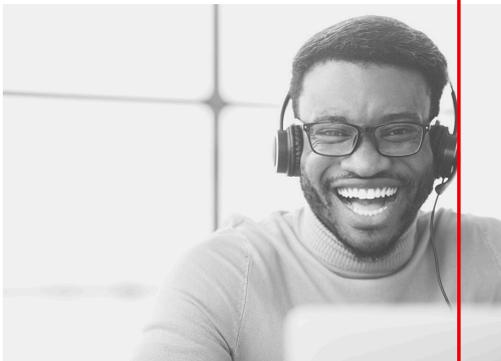
Customer Service

Improving customer service experience (CSX) before, during and after a sale by
- defining & managing the frontline employee experience
- equipping frontline teams with adequate data, processes and technology
- monitoring CSX and operations data

Feedback Management

Conducting routine customer pulse checks across customer journey milestone cycle stages by
- Collecting and sharing feedback
- Acting on feedback
- Closing the loop

For professional assistance in creating an omnichannel experience, improving customer service and designing an effective & sustainable customer feedback management process, contact us via hello@nichecx.com

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