02

Best customer experience

In line with our vision of becoming a leading digital company, we are digitising the customer experience to substantially enhance the quality of service we provide, aiming to lead the net promoter score in each of our markets.

✓ Achieved
✗ Not achieved
⇄ Unchanged

Optimising the customer experience

Our approach to optimising the customer experience is guided by our digi-CARE initiative, an ambitious programme across the Vodafone group that focuses on four key areas:

1 **Connectivity** that is smart and secure

✓ In our quest to become the best network, we have expanded our 4G network across all of our markets. All markets are now live with 4G coverage. We introduced 5G in Lesotho in financial year 2019 and in South Africa on 5 May 2020.

✓ We renegotiated and extended our roaming agreement with Rain, which expands the number of sites for roaming and improves the cost of our capacity taken up from Rain.

✓ We launched 5G services in South Africa on 5 May 2020, making use of the temporary spectrum assigned to us during the COVID-19 crisis. We have however secured spectrum for 5G through our agreement with Liquid Telecom.

✓ We invested R13.2 billion in infrastructure this year, improving the overall customer experience across our markets with network modernisation and capacity upgrade initiatives.

2 **Always** in control

✓ South Africa's customer service chat-bot TOBi has deployed into the SMS, web, app and WhatsApp channels. Our vision with TOBi is to provide customers with an instant, ever-present and personalised service at their fingertips. We are making excellent progress on that vision. Customers can access numerous services on TOBi, such as airtime transfer, bundle purchases, payments through the payment gateway, and prepaid SIM swaps.

✓ We have launched Detailed Data Usage, a first for telcos in South Africa, to address one of the most significant customer pain points on data usage. The solution provides customers with a detailed breakdown of their data usage. This service is used by 6.2 million customers.

✓ We have invested in enhancing our IT platform architecture and Big Data capabilities to improve our customer service offerings and deliver the best digital experience. Over the last two years, these capabilities have assisted in reducing customer call volumes 38% in South Africa, reducing operational expenditure by R191 million, and growing voice biometric registrations by 300%.

3 **Real-time** relevant rewards

✓ We have run various promotions and campaigns across our markets to reward long-time loyal customers, invite new customers, and encourage the uptake of the MyVodacom App.

✓ Our Shake-Up Summer campaign in South Africa, launched in October 2019, has been particularly successful, delivering results significantly ahead of targets. We simultaneously launched our ambitious Vodabucks rewards programme, which rewards customer loyalty and digital engagement via the app.

✓ In all our markets, we have seen significant uptake of our Just 4 You offering, with machine learning informing highly personalised offers based on customers' behaviour.

Best customer experience
continued

4 Easy, personal and instant access

✓ Our digital-first, omni-channel approach has resulted in the online sales of new mobile lines in South Africa growing by 51% in contribution year-on-year to 7.5% of online sales through improved customer journeys, promotional bundle propositions and improvements in fulfilment and logistics processes.

✓ Our focus is to drive an integrated app strategy, with a single digital identity and gateway, ensuring customers have a best-in-class central point of engagement. This strategy will enable access to our various products and services, including fibre, consumer IoT, and a hyper-personalised upgrades journey, with a simplified payment experience.

✓ In South Africa, we have invested in enhancing our IT platform architecture and Big Data capabilities to improve our customer service offerings and deliver the best digital experience. These capabilities have assisted in reducing customer call volumes in South Africa by 20%, ahead of our 15% target.

✓ Through a continued drive of digital-first propositions, and improvements to our online web and MyVodacom App platforms, the number of active monthly users on the MyVodacom App increased by 46%, with a 102% increase in data bundle purchases. Using a localised approach in design, we have optimised our in-app customer experience, resulting in an increase in our app retail touchpoint NPS (tNPS) to 48ppts and a Google Play store rating of 4.1 stars.
Source: App component of Digital tNPS (from our Heartbeat scoring)

✓ In South Africa, in September 2019, we launched the Vodacom 112 Emergency Service App, enabling people with communication barriers to contact emergency services when in need of emergency help.

Driving a positive customer experience in our retail operations

South Africa

In the context of a rapidly growing shift to digitisation, redesigning the physical store to enhance the retail experience is critical to the future of retail.

✓ One year since its relaunch, Vodacom World continues to deliver on its strategic objective to be at the forefront of digital innovation in retail, and an active testbed to trial new initiatives and experiences.

✓ We have introduced the first phase of our Click-and-Collect offering, providing customers with the choice when purchasing online to have their items delivered or to collect in-store. This offers greater convenience for customers, new channels of opportunities for stores, and a more efficient paperless, seamless digital experience.

✓ We also launched Appointment Booking, providing customers with the option to confirm an appointment with any participating Vodacom Shop and Vodacom 4U store across South Africa. We are currently trialling our Self-Checkout Express Kiosk as a proof of concept.

✓ In 2018, we launched a three-year transformation project for our Vodacom 4U branded stores, equipping them with best practice enablement and experience journeys. Over 72% of stores were completed with the balance planned for 2021.

✓ We have introduced a hardware and technology refresh strategy across our branded stores, enabling us to regularly update key elements of our IT assets and infrastructure to maximise system performance and service delivery.

✓ As a result of the changes brought about within our stores, we have seen an improvement on key customer indicators: our tNPS improved year-on-year by 3ppts to 64ppts, and our First Time Fix sits at 85ppts.
Source: App component of Digital tNPS (from our Heartbeat scoring); Source: Qlik App.

International

⇄ We have been driving uptake of a 'lite' version of the MyVodacom App across our International markets with challenges in some markets in ensuring effective compatibility with lower-end devices, and in ensuring better penetration.

✓ As part of our goal of deepening the use of digital to enhance the customer experience, we have been expanding the reach of our Just 4 You offering, launching this on the MyVodacom App in Tanzania and the DRC.

✓ We continued the rollout of new store formats across our markets, as well as further investing our customer call centres.

✓ Robotic Process Automation (RPA) activities and chatbots were launched in Tanzania, enabling us to increase efficiency in customer handling and improve customer experience.

✓ In Mozambique, we ran a Testathon for the MyVodacom App to address locally experienced challenges, and added a unique feature on the app that offers real-time assistance and ticket management by chat.

✓ In the DRC, we developed an in-house live app integrating all customers' and agents' feedbacks through the Kobo Collect Platform, which helps to locate each customer who complains about network quality and coverage, enabling us to target improvement areas.

Delivering leadership on net promoter score

To measure the quality of the customer experience, we use the net promoter score based on one question: "How likely would you be to recommend Vodacom to a friend, family member, or colleague" Vodacom ended the year leading in the NPS in three of our markets, a significant achievement.

✓ We are market leaders in South Africa, Tanzania and the DRC.

✗ In Mozambique, we trail our closest competitor Movitel by 14pts, mainly because of network inconsistencies, cost of services and pricing pressures. We do however maintain the lead on brand perception, mobile money, problem solving, and providing information.

✗ In Lesotho, we are 19pts behind our closest competitor, although we lead in the high-value segment.

Our NPS performance rating

Country	2020	2019	2018
South Africa	1st	1st	1st
Tanzania	1st	1st	1st
DRC	1st	1st	1st
Mozambique	3rd	2nd	1st
Lesotho	2nd	1st	1st
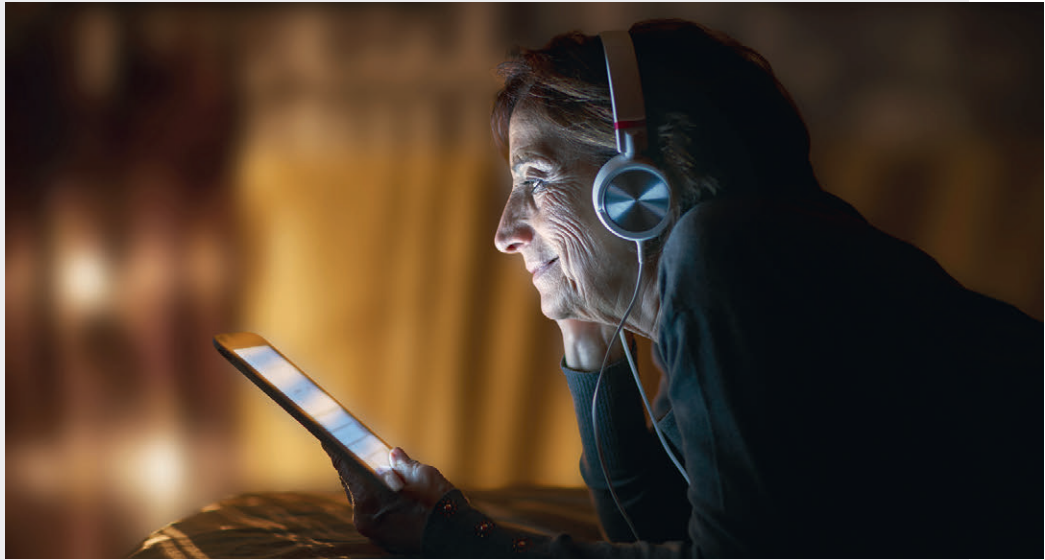
Vodacom Vision 2025
Digitising and optimising the customer experience

Our ambition is to deliver the most engaging customer experience, reduce demand and increase digital adoption through the following strategic priorities:

- **Eradicate:** We are removing unnecessary contact incidences, and looking to significantly reduce call volumes by employing a rigorous continuous improvement and process simplification programme with customer journey optimisation in mind.

- **Steer:** Once we have eradicated unnecessary and linear customer pain points, our plan is to use our Big Data and predictive analytics platform to steer customers to digital channels such as TOBi or the MyVodacom App. For customers who still choose to call us, we will use smart routing technology to steer them to the best agents for their query.

- **Digitise and automate:** To deliver an excellent customer experience we will digitise as much of the customer life cycle as possible, through end-to-end digitisation customer journeys. Our digitisation efforts are underpinned by aggressive automation of manual processes, using RPA technology.

- **Expert assisted care:** Our aim is to ensure an amazing experience for the customers who do end up calling us. We will do this by transforming the service design of our call centres by deploying RPA and smart routing technologies to those areas. One of our key objectives for the upcoming year is to establish an ultra high-value call centre, which offers a private banker-like experience to our high-value customers.

We are prioritising our human experts to deliver a great digital-first customer experience built on three pillars.

Activate our experts to proactively drive digital customer adoption powered as far as possible by MyVodacom App.	**Empower** our experts with the tools, skills and capabilities to deliver a great digital-first experience.	**Transform** our frontline to be the experts of tomorrow.