RYAN STRATEGIC ADVISORY

UNLOCKING THE EASTERN CAPE: SOUTH AFRICA'S EMERGING HUB FOR CONTACT CENTRE EXCELLENCE

interact CONTACT CENTRES

Nelson Mandela Bay Stadium, Port Elizabeth

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Port Elizabeth

INTRODUCTION

For UK businesses seeking an offshore solution for CX management, South Africa is a well-established location. The country's high-quality English language skills, cultural alignment with the UK, and general customer service orientation make it a desirable offshore option for those businesses seeking to reduce costs without sacrificing service levels.

According to the 2025 CX Technology and Global Services Survey published by Ryan Strategic Advisory, over half of respondents indicate this year that there will be either no growth in their investment capacity, or that they face CX budget cuts. With cost consciousness in mind, it's no surprise that this same report found that respondents ranked South Africa among the top 5 destinations of most favoured offshore locations for front-line delivery.

One of the reasons South Africa has emerged as a leader in CX offshoring is its cultural alignment with the UK. The country offers a large pool of well-educated, English-speaking graduates, with neutral accents. Alongside this, South Africa's investment in higher education and vocational training has resulted in a talent base equipped to handle complex customer interactions across industries.

Operating in a time zone just one or two hours ahead of the UK (depending on the season), South Africa offers nearshore advantages, allowing for real-time communication, training, and support between UK headquarters and South African CX teams.

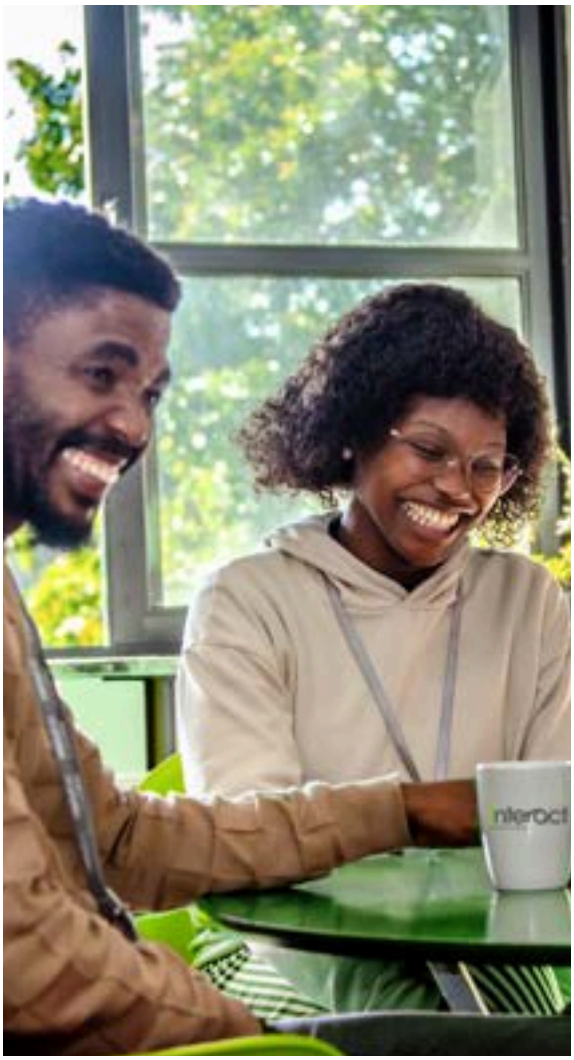
As South Africa matures as a high-quality and cost-effective outsourcing location, competition for CX talent in large cities such as Durban, Cape Town, and Johannesburg is intensifying resulting in an increase in costs. In response, innovative companies are exploring new areas in South Africa, such as the Eastern Cape, that offer the same abundant, highly educated workforce combined with much lower risk of attrition.

This white paper explores why the Eastern Cape in South Africa, and more specifically Nelson Mandela Bay is uniquely positioned to service the UK CX market.

LOW-COST, HIGH-VALUE RECRUITMENT POTENTIAL IN SOUTH AFRICA'S EASTERN CAPE

The Eastern Cape, with a population of approximately 7 million as of 2025, is the fourth most populous province in South Africa and represents a significant opportunity for contact centre recruitment. It has a youthful demographic with around 1.8 million people between the ages of 18 and 35.

The province is home to highly regarded educational institutions including 21 private colleges and four universities (Nelson Mandela University, Rhodes University, Walter Sisulu University, and the University of Fort Hare) which produce a steady stream of graduates proficient in English and technology. This educated talent pool is eager for stable employment opportunities, making the Eastern Cape an ideal location for contact centre operations.

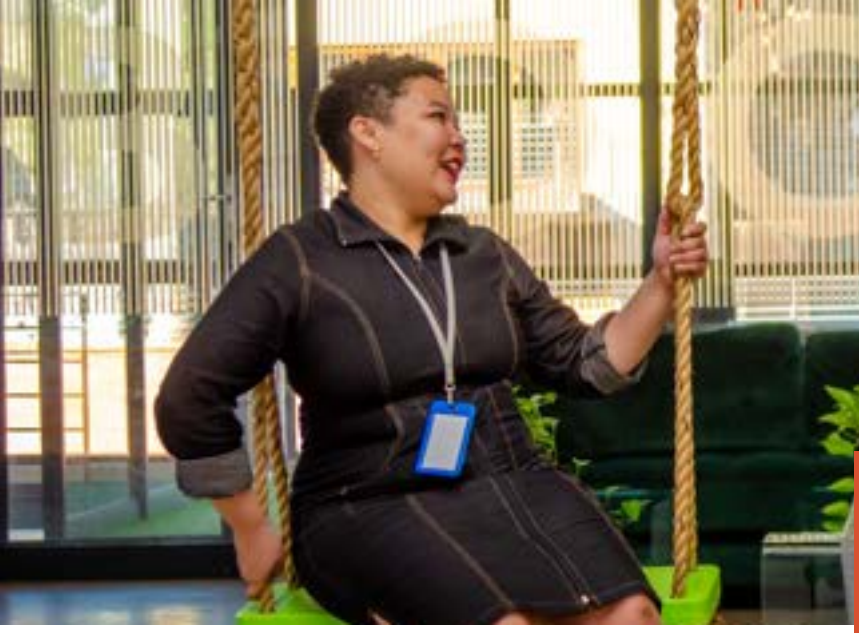


TECHNOLOGY AND CONNECTIVITY CAPABILITY

The Eastern Cape has robust infrastructure to support the contact centre industry and the Coega Special Economic Zone (SEZ), located near Nelson Mandela Bay, is a prime example. Spanning 9,003 hectares, the SEZ is equipped with state-of-the-art facilities tailored for industries including business process outsourcing.

Additionally, the region benefits from reliable internet connectivity and telecommunications services with 4G LTE coverage at 99% in the province.

Hobie beach, Port Elizabeth



LOW ATTRITION DUE TO LESS SATURATION IN THE EASTERN CAPE

Unlike South Africa's major metropolitan areas, the Eastern Cape has a less saturated job market, particularly in the contact centre industry. This results in lower employee turnover rates, as workers are more likely to value and retain stable employment opportunities. According to BPESA's Eastern Cape GBS Value Proposition, the Eastern Cape offers the lowest attrition rates in South Africa at 13.6% and the lowest absenteeism rates at 10.3%.

Furthermore, the high youth unemployment rate, recorded at 62.6% for individuals aged 15–34, indicates a substantial pool of potential employees eager for job opportunities. Employers can leverage this by offering career development and growth prospects that lead to better employee loyalty and reduced attrition.

Because jobs are scarce in the province, employees tend to be very invested in their employers and are more likely to remain loyal and build their careers over the long term. This loyalty and consistency provides an excellent foundation for knowledge building, career pathing, and overall excellence in CX delivery. Low attrition also means costs associated with recruiting and training new advisors are significantly reduced.

ACCESSIBILITY TO THE EASTERN CAPE FROM OTHER MAJOR REGIONS IN SOUTH AFRICA

The Eastern Cape is well-connected to other major regions in South Africa, facilitating easy access for both clients and employees. Nelson Mandela Bay is served by the Port Elizabeth International Airport, offering regular flights to major cities like Johannesburg and Cape Town all within 1 hour and 40 minutes. Similarly, East London Airport in the Eastern Cape provides connectivity to key urban locations.

These transportation links ensure that outsourcing clients can conveniently visit contact centre facilities.

EFFICIENT TRANSPORTATION IN THE EASTERN CAPE

The transportation infrastructure supports both urban and rural mobility. Metrorail Eastern Cape operates commuter rail services connecting Port Elizabeth, Despatch, Uitenhage, East London, Mdantsane, and Berlin.

Additionally, the road network facilitates efficient transport options to allow employees to commute with ease from surrounding areas.

INTERACT'S PROGRESSIVE APPROACH

Interact Contact Centres has recognised the untapped potential of the Eastern Cape and established a state-of-the-art contact centre in Nelson Mandela Bay. By locating their contact centre in this region, Interact leverages the area's skilled workforce, infrastructure, and lower attrition rates to deliver exceptional outsourced contact centre services for some of the UK's leading brands.

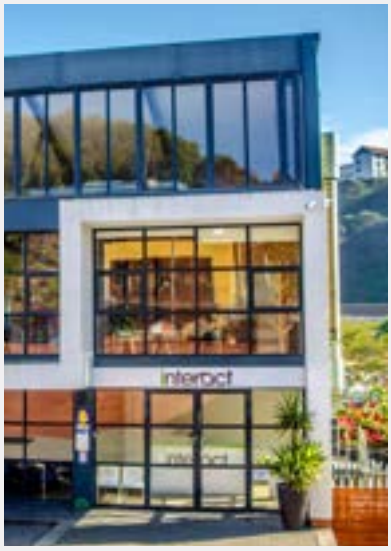
Interact's business model includes overarching UK-based leadership and support functions working closely with South African teams, whilst still offering flexibility and autonomy for the day-to-day operations. The goal is to create ultimate flexibility for clients and allow them to enjoy the same high-quality services offset by the lower cost of Eastern Cape labour, which is 69% less expensive than the UK.

In Nelson Mandela Bay, Interact delivers services across sectors and channels covering:

- Inbound and outbound voice support
- Digital customer care: email, chat, social, and WhatsApp
- Account management, acquisition, retention, and renewals
- Multi-industry expertise

Interact's operations are deeply embedded in the local community. One of Interact's partner organisations in South Africa is Harambee Youth Employment Accelerator, a non-profit social enterprise that works with partners to find solutions for the challenge of youth unemployment. Interact also has a strong community and charitable focus partnering with several local charities all chosen by their team.

Interact is structured to respond quickly to client needs. From tech and AI adoption to scaling teams, the organisation is built for agility whilst never sacrificing quality.



- Authorised and regulated by the Financial Conduct Authority (FCA)—one of only three South African contact centres with this accreditation
- Transparent reporting and compliance across sites—ISO 27001, PCI compliant, Cyber Essential & Cyber Essentials Plus
- Integrated systems for real-time insights and reporting
- Wholly owned and operated facility in South Africa, with a highly experienced on-the-ground team

One of Interact's most distinctive features is its Employee Ownership Trust. Since being founded in 2011, Interact has been a leading independent UK CX outsourcer with a strong focus on people and community. In 2023, the company took this one step further transitioning to an Employee Ownership Trust, enabling team members to share in its success and profits deepening its commitment to its people and the business's long-term growth.

"Early on, the company's vision was always to look for locations of higher unemployment and create jobs within those areas. As the company grew, the leadership team realised that the people who work within the business were the best people to help grow it," says Sarah Leff, Interact South Africa's Managing Director. "With Employee Ownership, both clients and employees have stability and peace of mind knowing the company won't be sold. From an employee perspective, this secures talent and rewards them for growth."

Sarah Leff
Managing Director,
Interact South Africa

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Interact's approach to people includes an award-winning employee development programme, a supportive workplace culture, and active community engagement. This integrated strategy not only strengthens service delivery it also plays a meaningful role in the socio-economic advancement of the Eastern Cape.

"Nelson Mandela Bay offers an amazing talent pool. Unfortunately, in the past, lack of employment opportunities have forced people to move to Durban or Cape Town in search of work. Interact's presence in the region is providing jobs for those who want to stay and attracting those with expertise back to the region," says Dinkie Rowsell, Interact South Africa's Country Manager.

Interact's South Africa operations are designed to scale, whether clients are launching new channels or expanding lines of business. The company blends UK and South African resources for cost efficiency, high performance, and additional flexibility.

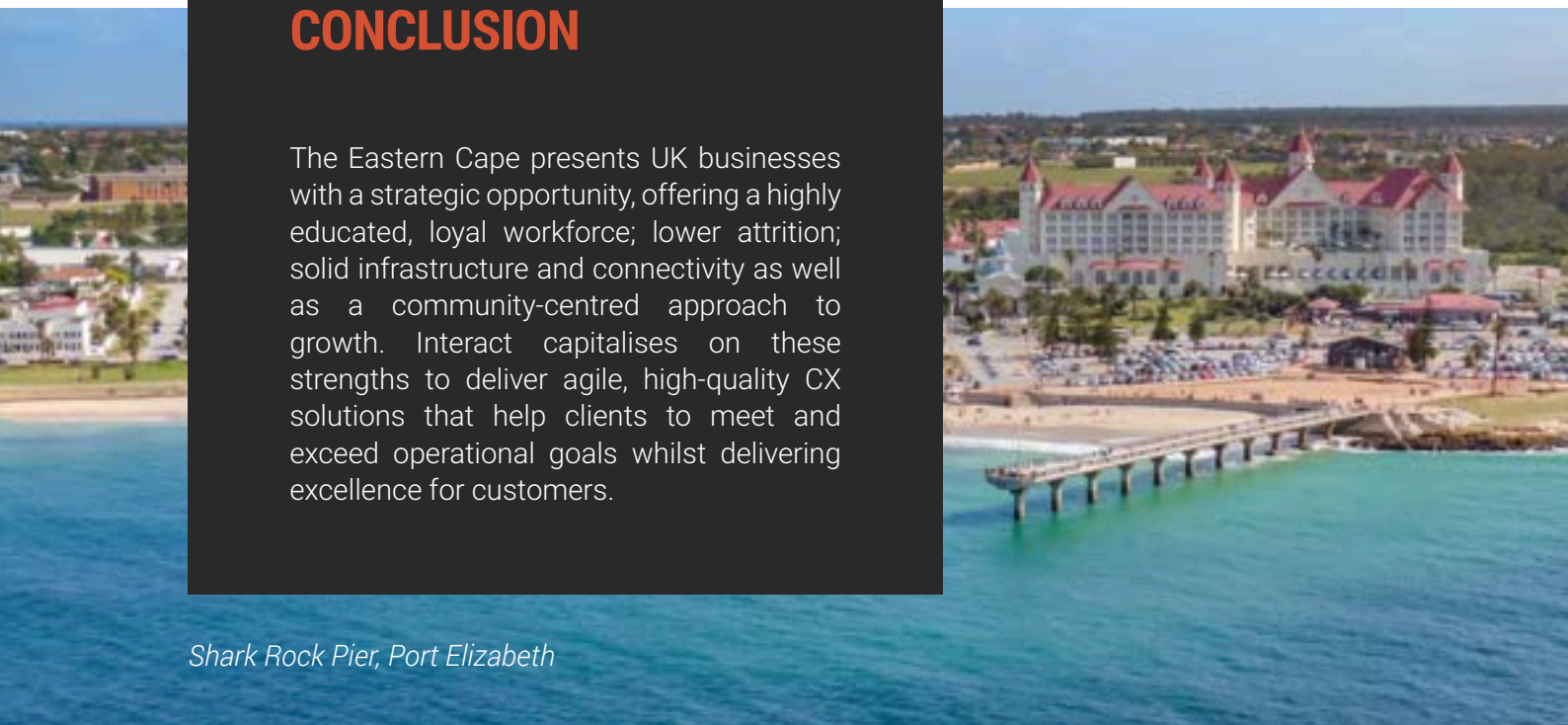
By aligning employee interests with business success, this model delivers:

- Long-term stability for clients
- Job security and growth opportunities for employees
- Tangible financial rewards for long-serving employees
- A culture of shared success and accountability

Given Interact's passion for people and commitment to culture building, in 2025, the company was awarded Gold for Learning & Development Team of the Year, on the back of winning Gold Best Contact Centre Culture in 2024 and Gold Large Outsourced Contact Centre of the Year 2023 at the UK National Contact Centre Awards. With onshore, offshore, and homeworking teams, Interact provides companies with multi-award-winning sales channels to gain new customers and increase retention, whilst creating exceptional customer experiences and building loyalty.

CONCLUSION

The Eastern Cape presents UK businesses with a strategic opportunity, offering a highly educated, loyal workforce; lower attrition; solid infrastructure and connectivity as well as a community-centred approach to growth. Interact capitalises on these strengths to deliver agile, high-quality CX solutions that help clients to meet and exceed operational goals whilst delivering excellence for customers.



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