

# The European market for IT-enabled services and business process outsourcing in Senegal and Uganda

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The main goal of this tailored intelligence study is to identify opportunities for Senegalese and Ugandan service providers to enter the European market for information technology enabled services (ITES) and business process outsourcing services (BPO). The study also discusses the main challenges and obstacles, providing tips on how to seize the opportunities identified and tackle obstacles.

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## 1. Report structure and important research questions

This study has been broken down into three parts covering three key research questions. Part 1 looks at which ITES and BPO activities offer the best opportunities in the European market based on demand. Part 2 looks at what opportunities and obstacles exist in the European market for specific IT-enabled services in Senegal and Uganda. Part 3 looks at how Senegalese and Ugandan ITES and BPO service providers can tackle obstacles and seize opportunities in the European market.

To identify which ITES and BPO activities offer opportunities, Part 1 answers questions about which vertical niches, horizontal markets and European countries offer the best opportunities in general, but also specifically for Senegalese and Ugandan services providers. Part 1 also looks at the European market's openness to outsourcing ITES and BPO activities to Senegal and Uganda and what the obstacles and challenges are for Senegalese and Ugandan service providers to enter European markets.

Part 2 zooms in on the opportunities and obstacles in the European market for Senegalese and Ugandan service providers for specific ITES and BPO activities, including inbound marketing services, contact and call centre services and human resources services.

The final part of this report looks into the situation in the European ITES and BPO market and answers questions about which channels are recommended, how potential customers can be found, what export promotion

activities are recommended, and finally how business could best be done. The answers to these questions are translated into practical tips for Senegalese and Ugandan service providers to tackle obstacles and seize opportunities in the European market.

## 2. Product definitions

### Business process outsourcing (BPO)

BPO is defined by [Quint Wellington Redwood](#) as the delegation of a business process to a third party that owns and manages the business process according to a defined set of metrics. These outsourced processes tend to be non-core activities, enabling companies to focus on their core business instead, while reducing costs and increasing their competitive advantage.

### Information technology enabled services (ITES)

According to [Smartsheet](#), ITES is a form of BPO that delivers IT services through leveraging information technology (IT) over the internet or another data network. According to experts, ITES is often referred to as BPO activities that require a high level of software or IT to be performed. Examples of ITES include digital animation services, creation of graphics and search engine optimisation.

### Information technology outsourcing (ITO)

ITO is defined by [Gartner](#) as the use of external service providers to effectively deliver IT-enabled business processes, application services and infrastructure solutions for business outcomes. Examples of ITO include IT services, application development, software products and embedded software. Although ITO is not part of this tailored study, it is important to know the definition to make the distinction between BPO, ITO and ITES activities.

### Nearshore and offshore outsourcing

Nearshoring means outsourcing to countries that are geographically close. Nearshore countries are often defined as countries within four hours flying. Offshore outsourcing or offshoring, in the European case, means outsourcing to countries outside of Europe, typically overseas, such as Senegal and Uganda.

## 3. Methodology used

This market intelligence product is the result of desk research and primary research, including 13 in-depth interviews. The key interviewees who participated in the research include chief executive officers from associations in key European markets, outsourcing experts and companies that outsource ITES services.

Note that the research for this study took place in the fall of 2019, before the outbreak of the COVID-19 virus in Europe. This means that the impact of the corona-crisis on the European market and global supply chains has not been taken into account in this market report and forecast.

## 4. Summary

### Which vertical niches (types of industry) offer opportunities?

The European financial services sector is the sector where most outsourcing takes place. This is followed by the manufacturing, energy and travel, transport and leisure sectors. The greatest growth in outsourcing from Europe can be found in business services, financial services, healthcare and pharma and retail. Nevertheless, no single vertical industry is more relevant than another for Senegalese and Ugandan service providers. What is more important is that you specialise in a niche. This will increase your chances of finding partners and in being successful in the European market.

## **Which horizontal markets (types of services) offer opportunities?**

It is the bulk of standardised activities that are outsourced offshore by European companies. The bulk of activities can be found in digitisation services, back-office services (such as elements of human resources services), and contact and call centres. We recommended that Senegalese and Ugandan service providers specialise in activities that are low value but difficult to automate and thereafter develop more value-added activities, which face less competition and are even harder to automate compared to standardised activities. This will ensure that business is sustainable in the long run.

## **Which European countries offer opportunities?**

Market size, openness to outsourcing, skill shortages, diaspora, wages, language and historical ties determine which European markets are most interesting. Additional factors determining an enterprise's outsourcing destination include quality, trust, laws and regulations, risk vs gains, proximity, reliability, business continuity, social and political issues, and ease of doing business.

The most interesting markets for providers from Senegal are France, Switzerland, Belgium, Albania, Bulgaria, North Macedonia, Moldova, Romania and Germany. The most interesting markets for providers from Uganda include the United Kingdom, Denmark, the Netherlands, Norway, Sweden and Germany.

## **For which ITES and BPO activities is there an openness to outsourcing to Senegal and Uganda?**

There are no activities that offer absolutely no opportunities for Senegalese and Ugandan service providers. A logical exception to this rule are the activities that simply cannot be delivered remotely.

## **What are the obstacles for Senegalese and Ugandan service providers to enter the European market?**

Current obstacles for Ugandan and Senegalese service providers to enter the European market include limitations in local infrastructure, education, ease of doing business and country branding. Virtually nobody in Europe really knows about Ugandan and Senegalese service providers. Additional challenges include competition in European markets from competing countries and companies, but also from alternatives to outsourcing, including digital transformations and security, and rivalry in the market.

## **What opportunities and obstacles are there in the European Market for specific IT-enabled services from Senegal and Uganda?**

### **Inbound marketing services**

Demand for inbound marketing services in Europe is on the rise and the best opportunities can be found among medium-sized companies in the tourism, fashion and apparel, and food industries. Inbound marketing is becoming increasingly important in these sectors, medium-sized companies being the last ones to adopt it. Inbound marketing services can be standardised or value-added activities.

When offering standardised activities, then France and Germany are interesting to look at for Senegalese service providers, while Denmark, the Netherlands, Sweden, Norway, the United Kingdom and Germany are all interesting for Ugandan service providers. When offering value-added activities, we recommend Senegalese service providers to focus on France, Switzerland and Belgium. As for Ugandan service providers, we recommend focusing on the United Kingdom.

Trends in the European inbound marketing services market, creating opportunities include increased demand for value-added services, storytelling, use of visual content, social media dashboards, big-data analysis, design trends and open-source products. Competition in the European inbound marketing services market mostly comes from local players based in target markets.

The best way to enter the market is by reaching out to local competitors and service providers, best approached

through a sales agent or intermediary. Good opportunities can be found among international players in your local market. This must not be forgotten. Bundling the strengths of multiple companies in your country and working together through a business support organisation or trade association will be helpful to build reputation.

## **Contact and call centres**

Business in all of Europe simply cannot survive without a good customer service that includes a customer call centre. Hence, demand for contact and call centre services is everywhere, among European companies of all sizes. The French market is the most obvious European market for Senegalese service providers to focus on, but Eastern European companies also offer opportunities for subcontracting. The United Kingdom is the most obvious market for Ugandan service providers to focus on, but this market is extremely saturated.

Trends in the European contact centre services market that offer opportunities include the switch from multichannel to omnichannel services, the switch from cost centres to opportunity centres, the integration of artificial intelligence (AI) into customer service, in addition to cloud services, self-service and social media support.

Competitors for Senegalese service providers targeting French-speaking markets come from other French-speaking countries, including Tunisia, Morocco, Mauritius and Madagascar. Eastern European countries that are members of the International Organisation of La Francophonie can also be considered competitors but are also potential customers. For Ugandan service providers, targeting competitors for the United Kingdom market includes all English-speaking nations.

The best way to enter the market is by using local sales agents and European competitors rather than approaching end-user companies directly.

## **Human resources services**

The most promising segments for offshore service providers from Uganda and Senegal are the services which are less complex, more standardised and require relatively limited language skills, including workforce administration, performance management services and payroll services.

The greatest opportunities for Senegalese service providers offering human resources services will be found in France, but they can also consider the United Kingdom, Ireland, the Netherlands, Denmark, Sweden, Finland and Norway, if they have staff who speak English sufficiently well. The greatest opportunities for Ugandan service providers are in the United Kingdom, Ireland, the Netherlands, Denmark, Sweden, Finland and Norway.

Trends in the European human resources service market that offer opportunities include cloud computing, robotic process automation and selective sourcing. Competition in the human resources outsourcing markets for Senegalese and Ugandan service providers comes from both nearshore and other offshore countries. The best way to enter the European markets is by using local sales agents or intermediaries rather than approaching end-user companies directly.

## **Which channels are recommended when entering the European market?**

Subcontracting and the use of intermediaries are the most realistic market entry channels for service providers from Senegal and Uganda. This applies to any target country in Europe.

## **How to find potential customers?**

The best ways to find potential buyers are through sales agents, industry associations, social media and directories.

## **What export promotion activities are recommended?**

European businesses are savvy internet users. Websites and online social media presence are a good place to

start promoting yourself. Tradeshows provide good opportunities to build a valuable professional network of contacts. Brochures in print and in digital format can provide essential information about your business to your customers.

## **How should business be done in European markets**

When doing business in European markets building trust is essential, as is the awareness of cultural differences. Finally, proper contracting relationships are important an outsourcing relationships.

## **5. Part I: ITES and BPO opportunities in the European market**

This chapter indicates which ITES and BPO activities offer the best opportunities in the European market, which ITES and BPO activities enjoy openness from European buyers to outsourcing to Senegal and Uganda, and what the obstacles and challenges for Senegalese and Ugandan service providers to enter the European market are.

### **Which ITES and BPO activities offer the best opportunities in the European market based on demand?**

The first step in identifying which markets and activities offer opportunities is by looking at which markets are interesting in terms of demand for a service. Unfortunately, it remains a challenge to quantify the exact size of the global outsourcing market. Not only do companies have little incentive to disclose information regarding their outsourcing behaviour but there is also no consensus internationally as to how this data can best be collected.

Despite the different methodologies used by different sources and the widely varying estimates of research available, the [ISG Index](#) can be used as an indication of what the global market looks like. According to their findings, the global market size for BPO totalled €4.8 billion in 2018. Europe accounted for €1.4 billion of this total, even though it has seen a decrease in annual contract values (ACV) by an average annual of -4.7% between 2014 and 2018. Still, Europe accounts for 29.8% of the global BPO contract values, so it remains a high-priority target region.

The ISG Index only registers contracts with a size of €3.6 million and higher. Hence, the market is expected to be at least three times bigger than what the ISG Index registers. Nevertheless, market behaviour, as identified by the ISG Index, is considered to be representative of the overall industry's behaviour. Since they are too large, these contract sizes are not representative of the immediate opportunities for small and medium-sized Senegalese and Ugandan service providers, but smaller contract sizes are expected to follow the same growth trends.

These annual contract values indicate the values of contracts signed and outsourced by Europe-based companies. They do not give any indication about where the works took place and what portion took place onshore, nearshore or offshore.

Experts indicate that the reduction in BPO contracts in Europe applies to the European BPO sector in general but that the portion of offshore BPO is stable. This means that the declines in BPO are less applicable to offshore service providers from developing countries. Figure 1 also shows that BPO particularly decreased after 2016. It is expected that this decline is a result of economic and political events taking place across the European Region, especially Britain's withdrawal from the European Union (Brexit).

According to the ISG Index, Brexit caused the market to decline in the United Kingdom. In France, the decline was caused by unsettling economic and political factors, while in Germany, the decline was caused by fears of a recession and the economic worries over Brexit, which slowed decision-making. In all cases, companies became more cautious in their outsourcing decisions. The market is expected to eventually stabilise, moving forward thanks to digital developments.

Seeing as the United Kingdom, Germany and France are the largest outsourcing markets in Europe, their

economic and political situations impacted the overall BPO outsourcing picture for all of Europe. Despite these macro-economic challenges, it is expected that digital developments will continue to push the market forward and that the European BPO market will grow by 4.5% annually in the next three years. This indicates that prospects for BPO in Europe remain promising. You can read more about opportunities in the largest markets further on in this report.

### Tips:

- See our study on the demand for IT outsourcing (ITO) services in the European market for more information about what elements make Europe an interesting market for outsourcing. The majority of these elements apply to BPO as much as they do for IT outsourcing.
- Look up the [annual ISG Index reports](#) for more information about the global BPO market. Other interesting sources include KPMG's [Global IT-BPO outsourcing deals analysis](#). These sources provide an overview of global outsourcing behaviour.

## What vertical markets offer most opportunities in Europe?

Figure 2 shows that the industries in Europe that saw most ACVs in both BPO and ITO: financial services, manufacturing and energy. Although figure 2 shows ACVs for traditional sourcing in general (ITO and BPO), BPO made up for approximately 23% of the total ACVs in traditional sourcing and ITO accounted for the rest. As was the case in figure 1, these figures represent contracts with a size of €3.6 million and higher. Hence, the market is expected to be several times higher than registered by the ISG Index. Figure 2 still gives a strong indication of where BPO outsourcing demand comes from.

The financial services sector is the sector where most outsourcing takes place., followed by manufacturing, energy and travel, transport and leisure. The greatest growth in outsourcing can be found in business services, financial services, healthcare, and pharma and retail.

Figure 2 can be used as an indication of which industries are leading outsourcing in general and where the growth is. But note that these figures bundle findings for both ITO and BPO and represent outsourcing in general, not precisely offshore outsourcing.

Regardless of what the data says, opportunities for niche services can be found in any vertical industry. Experts indicate that no vertical industry is more relevant than the other. What is more important is that you specialise in a niche, which will increase your chances of finding partners and in being successful in the European market.

The relevance of a vertical industry starts with what you offer and what you are good at. Which vertical niches offer opportunities then depends on both supply and demand. For instance, there is no point offering an X-ray diagnosis service to the financial vertical industry.

### Tips:

- Find and specialise in a comfortable niche to increase your chances of success.
- Understand the industry you are active in. This is more important than trying to identify which vertical industry is more relevant than the other.

## What horizontal services offer most opportunities in Europe?

Not all activities outsourced by European companies are suitable for offshore outsourcing. Examples of such activities include components of event management, catering and cleaning services. As such, experts have identified horizontal ITES and BPO activities that are most suitable and that have most demand for offshore outsourcing. That is what figure 3 shows.

Figure 3: BPO and ITES services with greatest demand and suitability for offshore outsourcing

Source: Expert interviews (2019)

The top-three activities in figure 3 (digitisation services, administrative services and call (contact) centres) are considered to be more low end and standardised business process activities requiring less human capital qualifications and experience. The activities at the bottom of the list (from research and development activities to architectural services) require most human expertise and are considered to be more high end in outsourced activities. These activities are also less standardised.

In general, the bulk of activities that are outsourced offshore by European companies are standardised activities. The more dependent activities are on language, and the more the activities involve privacy sensitive data, the more they take place onshore or nearshore in Europe.

It is expected that this bulk of standardised activities will no longer exist in the next 5-10 years, as they will mostly have been automated. Experts, therefore, recommend that you specialise in an activity and thereafter develop more value-added activities that are harder to or will take much longer to automate. This will ensure that your business is sustainable in the long run.

The bulk of activities can be found in digitisation services, administrative (back-office) services (such as elements of human resources services) and contact and call centres.

### Digitisation services

Digitisation services include the process of converting texts, images, videos, business cards, periodicals and other manual or paper documents into digitised forms. Such activities are ideal for offshore outsourcing as they can be labour intensive, requiring only little computer literacy. This kind of work also does not require strong language skills, functional skills or a great deal of interaction between the customer and offshore provider.

The advantages of digitisation for companies include long-term preservation of manual or paper documents in one place which they will then have easy access to. Potential customers are those with a lot of archives, such as publishers, news companies, university libraries, etc. Although a lot of printed archives still exist today, most work today is completed digitally to begin with. Therefore, it is unlikely that demand for such services will increase further in the future. It is also expected that digital advancements in scanning capabilities will replace the demand for such services.

### Administrative services (back-office services)

Various administrative services such as workforce administration and remuneration (both components of human resources services) are referred to as back-office services. Such activities are commonly offshored as they are high in volume but low in value to businesses; they are not a core activity of the company. Offshore companies in countries where people speak the same language as the company's business language are at an advantage when delivering such services.

Additional back-office services that fall under this category include transaction processing (for instance of car rental, hotel or airline reservations), credit card processing, loan processing, and performing finance and accounting services, such as processing accounts payable, accounts receivable, financial reporting, tax preparation and internal audit services.

## Contact centre services

In the past two decades, the number of offshore contact centres, especially call centres, has grown thanks to declining telecommunication costs. The use of toll-free numbers and technologies, such as [virtual private networks \(VPN\)](#) and [voice over IP \(VoIP\)](#) have made it easier and cheaper than ever to provide remote offshore contact centre services. Considering that wages now account for the majority of contact centre costs, such services have moved to countries with low labour costs in large scale. Contact centre services will be further discussed later in this report.

## Other activities

Although all activities on the list in figure 3 can be outsourced offshore by European companies, demand for offshore outsourcing decreases as activities require more expertise, become more complex and the risk associated with outsourcing increases. Hence, the activities on the top of the list are the most outsourced offshore, and those on the bottom are the least outsourced offshore.

From this perspective, it could be assumed that the activities on the top of the list are the most promising to focus on as a service provider from outside Europe. Nevertheless, these activities tend to have the largest number of competitors both locally and internationally, which means that these markets will be most difficult to enter in terms of competition. At the same time, these standardised activities face the biggest risk of becoming completely automated in the next five to 10 years, especially digitisation and back-office works.

For some categories, such as human resources services, there could be more and less value-added activities. Activities such as recruitment outsourcing is a more value-added activity that is relatively difficult to outsource offshore, unless it is intended for the local offshore market. Workforce administration and remuneration activities that are of lower value and easier to complete remotely are more feasible for offshoring.

In practice, you will notice that large industry players and multinational BPO service providers offer a wide range of services for a wide range of industries. Examples of such organisations are [Genpact](#), [PCCI](#), [Accenture](#), [NGA HR](#) and [TCS BPO](#). You must not compare your business with such organisations. For SMEs, we recommend specialisation, which will increase your opportunities to build reputation. This will in turn strengthen your portfolio, increasing your chances of success,.

### Tips:

- Note that the services that appear to have the greatest demand are also the services with the greatest competition. The more specialised you are in the service you offer, the higher your chances of success will be and the less competition you will have.
- Take a look at the [list of outsourced services](#) provided by Outsourcing Insight to get an indication of many different activities that can be outsourced.
- Focus on services that are of low value but difficult to automate, which offer the most long-term opportunities. Thereafter, develop your services into more value-added rather than standardised services to increase your chances of success in the long term. Value-added services have less competition and standardised activities will become increasingly automated.
- Mitigate the threat of substitution by offering consistent, high-quality products or services, compliance and reliability.

## Which European countries offer most opportunities?

Europe is not a uniform market for BPO service providers. In general, the three most important factors that determine whether countries are important potential target markets are market size, openness towards international outsourcing and skills shortage. These factors vary between countries, plus additional factors



influence openness to outsourcing, such as the presence of diaspora, wages, language and historical ties.

### **Tip:**

- Take a look at our study about what the demand is for ITO services in the European market. Most of the elements discussed in this study apply to BPO just as much as they do for ITO, so they also give good indications about what makes Europe an interesting market.

## **Market size**

From a market-size perspective, the United Kingdom, Germany and France are potential markets for outsourcing, as they are the largest European markets. Together, they represent more than 60% of the European outsourcing market and are bound to offer opportunities.

## **Openness to outsourcing**

The United Kingdom, Ireland, the Netherlands, Sweden, Denmark, Finland and Norway are interesting European markets because of their openness to outsourcing. Apart from the United Kingdom, their markets are smaller than those of France and Germany, but there is more willingness to outsource in the market, marked by a higher percentage of organisations that do outsource. These countries are still quite conservative towards offshore outsourcing specifically, but experts say that openness to offshore outsourcing has increased over time and continues to do so.

Multiple CEOs of European outsourcing associations were genuinely interested to hear more about what Ugandan and Senegalese service providers had to offer when we spoke with them. They indicated that regardless of Europe's preference for nearshoring and their conservative behaviour in outsourcing, the greatest issue at the moment for Senegal and Uganda is that they are not recognised as BPO destinations — although Senegal is an exception in the French market.

The general opinion in Europe is that domestic economic development in business service sectors is a good thing. It has proven to have positive effects that drive knowledge-based jobs and higher education. These BPO developments are also considered to offer European companies in Africa the tools and opportunities to get on track to improving their operations in African countries. From that aspect, it is expected that the openness to collaborate with African countries will increase.

Another element that is expected to drive openness to outsourcing further is the gap in service offerings from established destinations. Certain processes are not taken any more by centres in countries, such as India and Eastern Europe, which now primarily offer high-value activities. This offers opportunities to and increases the openness of European countries towards newcomers. Such activities include standardised activities that are now considered too costly to complete in established destinations.

## **Skills shortages**

Skills shortages are evident across Europe. Initially these shortages were apparent in Northern and Western Europe but now are also becoming common in Eastern Europe. Countries such as Moldova, Croatia and Bulgaria are all dealing with skills shortages and brain drain. Thanks to the ability to travel freely within the Schengen area, which comprises 26 EU states that have abolished all land passport and border controls, these countries are struggling to maintain their multilingual youth at home, which is driving companies to seek alternative workforce solutions.

Such skills shortages are now making these Eastern European countries interesting target countries. They have started to establish themselves as nearshoring destinations for Europe and require additional human resources

to meet this demand. Companies from Moldova, Romania and Bulgaria that offer French BPO services have started to show an interest in French-speaking countries in Northern Africa, such as Cameroon and Togo, to subcontract to.

## Factors that companies use to determine outsourcing destinations

When business from the above-mentioned countries seek an offshore outsourcing destination, there are a number of factors that they consider and prioritise before making a final decision, including:

1. Outsourcing is not only about price;
2. Trust is critical;
3. Laws and regulations for data security and privacy;
4. Risks vs gains;
5. Nearshoring is preferred;
6. Professional, reliable partners (track record, certifications, eye for detail);
7. Linkages, including geographical, cultural, linguistic, historical and ethnic connections;
8. Business continuity and service level control;
9. Social and political issues, and pressure;
10. Ease of doing business and ease of communication.

All these factors make companies from most European countries being reticent about offshoring. They would prefer nearshoring rather than moving their businesses processes farther out. A [study by DAXX](#) revealed that businesses from the Netherlands, Germany, Austria and Switzerland had the ITO destination preferences shown in figure 4, sending little more than one-quarter of their ITO outside Europe. Experts confirm that this behaviour applies to BPO activities as much as it does to ITO and that this behaviour, in general, applies to all Northern and Western European countries.

There are minor fluctuations for individual countries. Germany, for instance, is even more conservative than the Dutch. Where Germany outsources approximately 77% of its activities within Europe, Dutch companies outsource approximately 66% of their activities within Europe and a higher-than-average share to Asia. Nevertheless, the majority of companies in Northern and Western countries prefer nearshoring. France, the United Kingdom and Spain are the only major exceptions.

The United Kingdom is the European country most open to offshoring and the least sceptical towards developing countries. Their openness is influenced by their cost-savings business culture but also by their long-standing business ties with many countries. French and Spanish companies also differ from the data in figure 4, because they have historical and business ties with French-speaking and Spanish-speaking countries respectively, and also a great dependency on doing business in these languages.

Companies in Eastern European countries generally outsource less than those in Northern and Western European countries but outsourcing is growing in Eastern Europe, too. Eastern European countries are also dealing with skills shortages and companies in these countries are seeking partners they can use to outsource to themselves. Eastern European companies prefer to nearshore but increasingly outsource offshore too. Although Eastern European companies can be considered competitors to Senegalese and Ugandan service providers, they could also be considered potential partners to collaborate with.

The primary reason why Eastern Europe is less open to outsourcing is because they are less experienced with outsourcing compared to Northern and Western European companies and they have fewer pioneers leading the way.

Figure 4 shows that Africa is not an obvious outsourcing destination for European companies. French companies are an exception due to the high number of French-speaking countries in Africa. But, for the majority of European companies, Africa has not yet become an important player in outsourcing.

## Tips:

- See which European countries you share cultural similarities with. This will increase your chances of success to identify interesting European markets, as cultural similarities make it easier to do business.
- Look at [passport to trade 2.0](#) to learn more about the business culture and etiquette in different European markets.
- Use the Hofstede Insights' [country comparison tools](#) to see how your country's culture compares to European cultures.

From the above, except for the United Kingdom, most European countries are timid about offshore outsourcing, which makes Europe a difficult market to enter for offshore service providers. However, factors such as rising wages and skills shortages are pushing companies to amend their outsourcing perspectives, which will offer opportunities in the foreseeable future.

## Interesting European countries for Ugandan and Senegalese service providers

The presence of diaspora, wages, language and historical ties increase the openness of European countries to offshore outsourcing. Personal connections can help bridge the gap between cultural and geographical distances. Figures 5 and 6 show where most of the Ugandan and Senegalese diasporas can be found in Europe, indicating where in Europe you can find essential connections.

## Interesting markets for Ugandan service providers

The majority of people with Ugandan backgrounds living in Europe reside in the United Kingdom, as shown in figure 5. These connections combined with the historical ties between the United Kingdom and Uganda, as well as the shared language affinity, make the United Kingdom the most interesting market for Ugandan service providers to consider.

The other countries with most Ugandan immigrants (Sweden, Denmark, Norway, the Netherlands and Germany) are all part of the earlier mentioned countries with most openness to outsourcing and the largest markets for outsourcing. These countries could all, therefore, offer opportunities for connections with partnerships. [New Wave Technologies](#) in Uganda is an example of a company that delivers web design services to [Clean Homes](#) in Sweden. This collaboration was the result of personal networks that helped develop a relationship in Sweden.

## Interesting markets for Senegal

The majority of people with Senegalese background living in Europe reside in France, as shown in figure 6. This, combined with Senegal's French fluency and historical ties, makes France the most obvious European market to focus on. Although Italy and Spain also have a large number of people from Senegalese backgrounds living there, these markets may not be recommended due to the language barriers. These markets are also not known to be open to outsourcing. Germany, Belgium and Switzerland are other markets to consider. Germany, because of its large market size, while Switzerland and Belgium are interesting due to their sizeable Francophone populations.

For Senegalese service providers, we also recommended looking into countries in Eastern Europe, where French is also commonly spoken language. Examples of such Eastern European countries include Albania, Bulgaria, North Macedonia, Moldova and Romania, which are all members of [the international Francophone organisation](#) and are all countries where French is a customary language, including a noticeable affiliation with French culture. These countries are all dealing with skills shortages, which Senegal can help compensate for.

Although the United Kingdom is the most obvious market for Ugandan service providers to consider, while French-speaking countries are the most obvious markets for Senegal, this does not mean that less obvious markets are impossible to enter or consider. Take a look at [Samres](#) for an example of a Senegalese company that entered the Swedish market in call and contact centre services. This example shows that there can be opportunities if you specialise and find the right partners, who are willing to invest in you too.

Table 1: The most interesting European markets for Senegalese and Ugandan service providers

Interesting markets for Ugandan service providers	Interesting markets for Senegalese service providers
United Kingdom	France
Denmark	Switzerland
Netherlands	Belgium
Norway	Albania
Sweden	Bulgaria
Germany	North Macedonia
	Moldova
	Romania
	Germany

How relevant these markets are will depend on the precise services you offer as will be seen in the second part of this report.

### Tip:

- Take a look at different diaspora associations and conventions in different countries. A good example for Senegalese service providers is [DiafrikInvest](#), which connects people of Senegalese descent in France to enhance business opportunities in the home market. Good examples for Uganda include the [UgandaUK Trade and investment convention](#) as well as the [Uganda Nordic Diaspora Investment Initiative \(UNDII\)](#).

Use [the United Nations International Migration Stock 2019](#) to see where else in Europe there are populations with origins in your country.

## For which ITES and BPO activities is there openness to outsourcing to Uganda and Senegal?

Although standardised and simple processes are considered more appropriate to outsource to Senegal and

Uganda, there are no activities that offer absolutely no opportunities for Senegalese and Ugandan service providers. A logical exception to this rule are the activities that simply cannot be delivered. For instance, if you cannot offer services in fluent, accent-free German, then German companies seeking German services will not consider you at all.

Earlier we noted that different factors, such as language, historical ties and diaspora, influence openness to outsourcing. Yet, there are examples of success stories where none of these supporting elements can be identified. An example of such a case was mentioned earlier. The Swedish company [Samres](#) has its customer contact centre in Senegal, but these countries do not share a language, there are very few people of Senegalese descent in Sweden and little in terms of shared historical and cultural ties. The Samres' case shows that even less obvious collaborations do take place.

The major issue currently identified by industry experts as the largest obstacle for Ugandan and Senegalese service providers is that these countries are not recognised as BPO destinations. There is not enough information available about what the conditions and opportunities are, so they simply are not the first countries that come to mind for buyers.

## **What are the obstacles for Senegalese and Ugandan service providers to enter the European market?**

Despite there being no activities that offer absolutely no opportunities for Senegalese and Ugandan service providers, there are a few obstacles and challenges hindering Ugandan and Senegalese service providers from becoming major players in the European market. The main obstacles have got to do with infrastructure, education, ease of doing business, policy and regulation, and country branding. Additional challenges have to do with the competition.

### **Infrastructure**

This [2019 research in 207 countries and regions](#) tried to determine the average worldwide broadband prices. Both Uganda and Senegal failed to qualify for the research for insufficient or non-existent fixed-line broadband packages available for comparison. This by itself an indication of limited infrastructure advancements in both countries.

A study focusing on [worldwide broadband speed](#) did include figures for Uganda and Senegal. These figures revealed that Uganda ranks 138th of all 207 countries and 8th of all 40 African participating countries in terms of internet speed. Senegal ranks 159th among participating countries worldwide and 16th in Africa. From a global perspective, Uganda and Senegal are among the bottom-half performers, but from a regional or African perspective, they are among the top 10 countries with fastest internet speeds.

If we look at [global costs of mobile data](#), then figures for Uganda and Senegal are available. Uganda ranks 101st of all 230 countries and regions that were part of the research and 28th of all 56 participating African countries and regions. Senegal ranked 70th of all participating countries and 20th of all African countries and regions.

If Uganda and Senegal's internet speed and prices compare with common outsourcing competitors, then it becomes clear that other countries have a competitive advantage from this perspective. Table 2 compares Uganda and Senegal's broadband internet prices (ranking), the broadband speed (ranking) and the mobile data costs (ranking) with leading outsourcing competitors.

Table 2: Broadband Internet prices (ranking), Broadband speed (ranking) and mobile data costs (ranking). A comparison of Senegal and Uganda with competitors.

Competing BPO/ITES destination countries	Average monthly broadband Internet price and global ranking 2018	Average cost of 1GB mobile data and global ranking 2018	Average broadband Internet speed (Mbps) and global ranking 2019
Uganda	Not data available*	€3.97 (101st)	3.22 (138th)
Senegal	Not data available	€2.78 (70th)	2.25 (159th)
Kearney's top-5 destination countries 2019			
India	€23.92 (34th)	€0.22 (1st)	8.66 (74th)
China	€34.99 (63rd)	€8.38 (165th)	2.69(152nd)
Malaysia	€40.61 (76th)	€1.00 (15th)	23.86 (30th)
Indonesia	€46.48 (92nd)	€1.03 (17th)	6.65 (92nd)
Vietnam	€59.01 (124th)	€1.11 (20th)	7.02 (89th)
Kearney's top Eastern European destination countries 2019			
Estonia	€23.42 (33rd)	€3.11 (80th)	31.55 (18th)
Lithuania	€14.27 (15th)	€1.75 (41st)	30.66 (21st)
Bulgaria	€25.65 (39th)	€6.06 (142nd)	16.95 (49th)
Latvia	€15.83 (19th)	€6.03 (141st)	32.74 (16th)
Poland	€15.49 (17th)	€1.11 (21st)	74.38 (28th)
Kearney's top African destination countries 2019			

Egypt	€11.51 (9th)	€1.26 (24th)	1.62 (173rd)
Mauritius	€54.29 (114th)	€3.14 (82nd)	5.02 (108th)
Morocco	€44.69 (83rd)	€1.41 (28th)	5.48 (100th)
Kenya	€63.71 (136th)	€2.31 (54th)	7.62 (84th)
Ghana	Not data available	€1.32 (25th)	3.20 (139th)
South Africa	€46.82 (93rd)	€6.09 (143rd)	8.40 (75th)

\*There were 2017 figures for Uganda, when Uganda's average monthly costs were €71,19.

Source: Cable

The table above shows that Uganda and Senegal need to improve their infrastructure if they wish to remain or become competitive. They also need to provide alternative USPs to compensate for the shortcomings in infrastructure, as their internet speeds and prices are not competitive globally.

## Education

Despite the availability of Universities in both Senegal and Uganda, experts and research findings indicate that graduates in both countries require a large amount of in-house training before being able to perform BPO and ITES services effectively.

## The situation in Uganda

A European service provider based in Uganda revealed that finding talent in Uganda is a problem, because the education system is 'far behind'. What employers want from their staff is entirely different from the competences that university students graduate with. This is the result of a system where students are taught to replicate information rather than develop their soft skills and critical thinking.

As result of the above, companies in Uganda require a lot of in-house training to develop the necessary soft skills and critical thinking. This is problematic because it can take up to two years before graduates reach the right competence level before being of added value for a company. Although it is beneficial for companies to invest in their employees to remain competitive and to make more money and profits, developing soft skills and critical thinking is time-consuming, taking the place of more technical competence training and development, a problem that could be avoided if the education system were adapted to develop these skills.

For Uganda, interviewees mentioned that the educational system does not put emphasis on details and requirements that are important aspects to deliver BPO activities. For BPO activities to be of high quality, details are essential. Issues that have been recognised in general in Uganda in terms of soft skills have got to do with work ethics, personal attitudes and communication.

Most complaints revolve around a possible relaxed approach to time commitments and lack of discipline where 'say what you do and do what you say' is not pervasive. With regards to communication emails, they are often poorly written, so there is a lack of response to queries and there is a lack of progress reports.

Fortunately, there are a lot of grants available for both local and international companies to work on capacity building. In Uganda, all private companies use grants to develop their personnel. Additionally, the National Information Technology Authority in Uganda (NATU-U) is working on multiple initiatives to enhance the calibre of

Uganda's young talent BPO and ITES pools.

### Tips:

- Use the grants available in Uganda to develop your human resources according to your customer's requirements.
- Read [Uganda's ITES sector Export Plan](#) to retrieve more information about their initiatives to increase Uganda's participation in ITES.

## The situation in Senegal

Digitally specialised companies in Senegal indicate that student profiles are not adapted to the actual needs of the digital market. To make new recruits employable [companies are obliged to complete graduates' skills by offering specialised training](#). The education system must be adapted to develop required cognitive skills (problem-solving and creativity), socio-behavioural skills (teamwork) and adaptability (reflected in self-efficacy and reasoning).

Fortunately, the Ministry of Higher Education and Research in Senegal is leading an ambitious programme to reform and promote the digital agenda. Additionally, the private sector is stepping up to complement the programmes offered by public education institutions.

## Ease of doing business

The cost of doing business in Uganda is high. Not only is there a lack of tax incentives to stimulate foreign direct investment but transaction expenses, such as rent and insurance, are also very expensive. Corruption is another factor that makes doing business tiresome. The cost of labour is cheap but the initial investments required to get recruits up to speed eliminates the benefits of cheaper wages.

Another issue in Uganda is the unreliable supply of electricity. Not only are businesses faced with high tariffs, but they also have to deal with long power cuts that add extra costs. Since March 2019, the [government has threatened to impose financial penalties on Uganda's power distributor Umeme Ltd](#).

The main challenge in Senegal impacting the ease of doing business is the unbalanced relationship that the government appears to have with the private sector. There is a tendency to privilege certain insiders while treating others with suspicion and occasional harassment. This has resulted in the telecommunications sector to not be liberal and to favour certain internet providers, such as Sonatel.

### Tip:

- Read the [Country Diagnostic of Senegal](#) published by the World Bank and [Senegal: A Service Economy in Need of an Export Boost](#) to learn more about how Dakar's role as a services hub is being challenged and how the privatisation of Sonatel in 1997 resulted in an internet services monopoly. By reading these articles you will become more familiar with the challenges faced locally and make a better judgement as to if or how these will affect your business.

## Country branding

Marketing of BPO and ITES is very challenging for offshore service providers. Many potential clients from Europe are aware of established BPO destinations, such as Central and Eastern Europe, as well as India and the



Philippines, putting other nations at a disadvantage. When asking European associations and potential clients about their willingness to collaborate with Senegalese or Ugandan service providers, their initial response is commonly that they did not know they even offered such services. But they were interested in hearing more.

Fortunately, there are success stories for Uganda and Senegal to learn from. Generally, it can take 7-10 years before results from country branding get picked up, but experience and experts indicate that succeeding is possible and that there certainly still is more room for newcomers. Madagascar, Egypt, Tunisia and the Caribbean are examples of countries and regions that have launched country branding campaigns and initiatives, which are proving to be successful. These examples also show that joint efforts from government and associations can play a key role in country branding, as well as in developing the sector.

## Madagascar

Where countries like Morocco, Tunisia, Senegal and Mauritius dominated outsourcing in French-speaking markets, Madagascar suddenly became a major player. Madagascar got cable internet in 2009 and today has the fastest internet speed in Africa and 33rd in the world. As a result, the number of BPO providers has increased [from just nine companies in 2006 to 233 companies in 2018](#), employing between 10,000 and 15,000 people. Although Madagascar has no immediate country campaign, their internet speeds have resulted in fast industry growth attracting many new clients and investors.

In addition to their advanced internet infrastructure, operators have set up a [trade body, Goticom](#), to find synergies and to work on common issues such as infrastructure, regulation, training, popularity of the sector among youth, and internal and external communication. Some of the high-profile companies that outsource to Madagascar today include [Deliveroo](#), which outsource their customer service, [Voyage Privé](#), which outsource their invoice processing, and women's magazine [Marie-Claire](#), which outsource the handling of subscriptions.

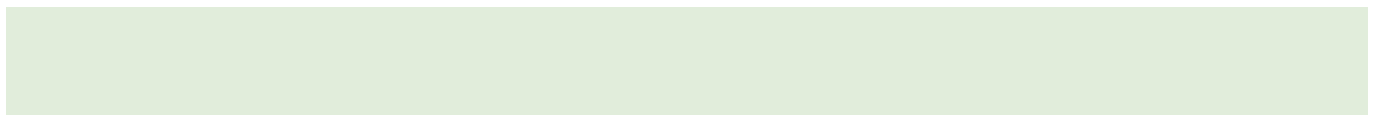
## Egypt

[The Egyptian IT Industry Development Agency \(ITIDA\)](#) is the executive body of the Egyptian Ministry of Communications and Information Technology that is responsible for developing the Egyptian IT industry. Established in 2004, ITIDA fosters the Egyptian IT industry through: 1) talent development; 2) Egyptian company development; 3) innovation and entrepreneurship support; 4) Investor attraction and support, and 5) business ecosystem development.

ITIDA's ambition is to make Egypt one of the top-five global outsourcing and offshoring destinations. In doing so, they have launched the campaign [Time for Egypt](#), which highlights their value proposition: abundant talent at a competitive cost, a pivotal location with a supportive government and inspiring innovation. As part of their efforts, Egypt also sponsors and exhibits at leading conferences and symposia, such as [the Deloitte Shared Services and BPO conference](#), the [Gartner Symposium ITXpo](#) and [GITEX](#).

Multiple industry leaders are now leveraging Egypt for their global service delivery. Examples of such companies include [Valeo](#), [Siemens Healthcare](#), [Henkel](#), [IBM](#), [Dell EMC](#), [Vodafone International services](#), [Microsoft](#), [Uber](#) and [Teleperformance](#). You can read more about how these companies collaborate with Egypt through [this service provider catalogue](#) published by the German Outsourcing Association. Most of these companies service offshore markets ranging from African countries to Gulf Cooperation Council (GCC) companies rather than solely targeting the local Egyptian market.

Egypt's efforts are being acknowledged by multiple international organisations and institutions, including the German Outsourcing Association, Gartner, Frost & Sullivan, Capgemini Consulting, the Global Sourcing Association and Kearney. The [Time for Egypt website](#) provides more details about how Egypt's reputation grew in the eyes of those industry players.



## Tip:

- Take a look [at this website about outsourcing destinations](#), which is an initiative from the German Outsourcing Association. It is basically an outsourcing destination guide about Egypt and other countries, providing best practices that Senegalese and Ugandan service providers, such as yourself, can also adopt to better promote your services.

## Tunisia

Tunisia launched their [SmartTunisia programme](#) in 2015, aiming at boosting Tunisia's offshoring sector. The goal of the programme was to create 50,000 jobs within five years. It received funding from a public-private partnership, plus another €451 million as in government planned investment in three core activities: education, infrastructure and legal framework.

In education, the programme targeted language and soft skills of graduates and talent in the labour market. With regard to infrastructure, tech parks meeting all the requirements of standards and modern security, telecom and IT infrastructure were designed. Finally, in the legal framework part, Tunisia committed to meeting legal requirements set by Europe, including the convention on the protection of individuals in the automatic processing of personal data. Money was to be spent on job creation subsidies and financial aid for certification and registration purposes.

## The Caribbean

The first [Outsource to the Caribbean conference](#) was first held in 2017, followed by a second edition in 2019. Their purpose was to promote the Caribbean value proposition in the outsourcing sector, generating interest in the region's offerings to convert it into investments and jobs. The Caribbean's key source market is North America and their value proposition includes competitive cost levels, a well-educated workforce with extensive language capabilities, flexible labour regimes, time zone advantages and geographical proximity.

## Challenging competition in the European market

When looking at competition, Senegalese and Ugandan service providers must consider competing countries and companies but also alternatives to outsourcing, such as automation and new service delivery models.

## Competing outsourcing destinations

Outsourcing destinations competing for European business include nearshore countries and the countries included on the [Kearney Global Services Location Index](#).

## Preference for nearshoring

For all BPO and ITES activities, the general rule is that European companies have a preference for outsourcing to service providers in the same country due to language, culture and proximity reasons. When they do outsource abroad, they will prefer nearshore locations for the same reasons. Such locations are primarily found in Eastern European countries, such as Poland, Bulgaria and Romania. Nevertheless, wages in these countries are beginning to increase, making them less competitive from a cost perspective. These nearshore destination countries are also increasingly facing skills shortages themselves.

## Tip:

- Look at how [Indian companies are setting up captive centres in Eastern Europe](#), including in Poland, Hungary, Romania and Czech Republic, so they can benefit from Europe's preference for nearshoring. This does not mean that European acquisitions are the only way to successfully enter the European market, but it shows how important proximity is, which must be considered when using the best entry

channels.

## Kearney Global Services Location Index

Other countries that can be considered leading ITES and BPO competitors can be found on the [Kearney Global Services Location Index \(GSLI\)](#). This list ranks which countries are most attractive for outsourcing based on financial attractiveness, people skills and availability, business environment, and digital resonance. The leading countries on the list are all offshore destinations, including the highest-ranked India, China, Malaysia, Indonesia and Vietnam.

These leading outsourcing destination countries, including India, are changing. Wages are rising in those countries and the services they are providing have higher value added, fetching higher prices. This scenario is opening up opportunities for other low-cost destinations, such as Senegal and Uganda.

With this shift towards value-added services, Africa is expected to grab a share of the ensuing opportunities. Africa has a large young population available, low average wages, multilingual capabilities, relatively good infrastructure and time-zone advantages in relation to Europe and Asia. Sub-Saharan Africa is considered to be particularly emerging as a strong contender in the BPO sector.

These opportunities are not only originating in traditional client countries, such as those in Western Europe and North America. The leading outsourcing destination countries are also looking for outsourcing providers and subcontractors in these destination markets themselves. If countries like India, China and Malaysia are shifting towards more value-added services at higher costs and prices, then they are likely to seek offshore service providers themselves.

Remember that the costs and risks associated with switching between suppliers are high. Therefore, getting companies to switch destination countries or suppliers may be a time-consuming process requiring a large amount of convincing and patience.

Senegal used to be a top outsourcing destination on the Kearney GSLI, but has recently dropped off the top-50 destination countries. Senegal ranked 26th in the world in 2009, then slipped to 45th position in 2016, and by 2019 was no longer among the top 50. Table 3 below shows how some African countries on the Kearney list have performed since 2004.

Table 3: Performance of selected African countries among the top-50 countries on the Kearney GSLI 2004-2019

Country	Global Ranking								
2019	2017	2016	2014	2011	2009	2007	2005	2004	
Egypt	14	14	16	10	4	6	13	12	
Mauritius	30	34	30	36	36	25	25		

Morocco	36	27	34	34	37	30	36		
Kenya	43	38	39						
Ghana	45	33	29	29	27	15	27	22	
South Africa	49	43	48	47	45	39	31	32	17
Tunisia		35	38	28	23	17	26	30	
Senegal		48	45	40	29	26	39		

Egypt has a leading position in Africa and has been relatively stable in the past five years. Mauritius and Morocco have been relatively stable since 2007, thanks to the workforce ability to work in French. Kenya is relatively new on the list. Ghana and South Africa were well-known destinations before Kenya came into the picture but both Ghana and South Africa risk dropping out of the top-50 group, as their ranking continuously declines. Tunisia and Senegal have both recently been taken off the top-50 list.

When ranking countries according to outsourcing attractiveness, Kearney initially assesses: 1) financial attractiveness; 2) people skills and availability, and 3) business environment. In the latest edition, they included digital resonance, which looks into the workforce's digital skills, the ability of the legal framework to adapt to digital business models, the number of capital investments in start-ups and digital outputs.

The elimination of Senegal from the top-50 list could imply that one or all of the initial criteria which they used to score positively, are going down or that their digital resonance is low, making them less attractive in the world after this criterion was added.

## Alternatives to outsourcing

Although countries, cities and regions compete globally to become established outsourcing destinations, a great threat to outsourcing is the automation of business processes. As the search for automation opportunities grows, so does the threat of automation solutions. Additional threats to Senegalese and Ugandan service providers are in-house departments, captive centres (client owned and operated service delivery centres) and back sourcing, which is when companies move previously outsourced services back in-house or locally, often driven by automation.

New service delivery model, such as using technology, can substitute traditional BPO and ITES services to some extent. An example of this are web-based services that can replace traditional business processes. These new delivery models can be a threat to Senegalese and Ugandan service providers because they change the way things were done before. But they can also offer new opportunities of enabling service delivery from a distance.

## The digital transformation and security

Businesses are increasingly using digital technologies to create and modify business processes. The business and market requirements are changing with the digital transformation. It is apparent that the costs saved through outsourcing may add up to 15% to 30%, while potential savings from robotic process automation (RPA) and artificial intelligence (AI) can grow to between 40% and 75%.

By digitising processes entirely an organisation will save on travel, training costs, supervision, errors and communication issues. Now that machine learning, data analytics and the internet of things are developing faster, this will eventually lead to digitisation being able to compete with human tasks even faster, better and cheaper.

This digital transformation is increasing the exposure of companies to cyber threats and therefore a greater understanding of the factors that influence this vulnerability is necessary. Countries that are able to adapt their legal systems to deal with such matters are at an advantage. Kearney has identified the United States, the United Kingdom, Israel, Canada and Singapore as the top-five countries in the world with the highest level of digital resonance.

### Tips:

- Keep an eye on technology developments that may impact the industry you are in.
- Read our study on trends in the European IT outsourcing market for more insights into the trends that may also indirectly influence the BPO market.
- Read [this article about The Rise of Digital BPO](#) to learn more about the impact that innovative technologies are having on BPO.
- The digital transformation and the RPA movement make it essential that you offer activities that are harder to automate and will take longer to be automated so that your services do not become obsolete.

## Value-added services are a competitive advantage

Cost reduction remains a major driver for companies to outsource certain business processes, but as the global BPO and ITES market matures, customers demand more value-added business solutions instead of just cost-cutting measures targeting jobs. Companies are increasingly seeking service providers that are able to differentiate themselves through key performance indicators (KPIs). Service providers that focus on soft people skills and human capabilities to redefine and create value for their clients will succeed in the long run.

Fortunately for Senegalese and Ugandan service providers, European companies still seek partners to outsource standardised activities to, but we recommend these service providers to develop added-value business solutions as well to benefit from them in the long run.

## Rivals in the European market

The standardised horizontal services that are easiest to outsource are the services with the greatest rivals both locally and internationally. Not only are there new service providers entering the market, existing service providers are also expanding and improving their range of services. Therefore, the competition is moderate to strong and continues to develop. But the intensity of the competition diminishes as service providers specialise in niche services, because buyers have fewer providers with specific expertise to choose from.

### Tip:

- [Our study about competition in the European outsourcing market](#) provides a deeper look into what the competition in the European outsourcing market looks like.

## 6. Part II: European opportunities and obstacles for specific ITES and BPO in Senegal and Uganda

This second part of the report looks into the opportunities and obstacles in the European market for specific ITES and BPO services from Senegal and Uganda, and particularly for inbound marketing services, call and contact centres, and human resources services.

### Inbound marketing services

Inbound marketing is referred to by [Teamgate](#) as all the marketing efforts that are geared towards earning customers' interest and aligning it with their needs rather than just pushing a product or service. Inbound marketing services include activities such as content marketing, social media marketing and search engine optimisation, which are used to engage with or attract potential customers or leads via company-created internet content to products and services.

According to experts, inbound marketing activities can be divided into more standardised, low value-added activities and more value-added activities. Standardised activities include more operational tasks, such as placing actual pre-written postings on websites and social media, and technical search engine optimisation (SEO) activities, such as adding predefined [title tags](#) and [alt text](#). Value-added activities include creative content creation that is thereafter shared on websites and social media channels. Technical activities require less local language fluency than value-added and creative content development services.

Demand for all of these activities is on the rise among European companies, which they use to market their business and keep in touch with customers. However, companies often struggle with optimising, managing and monitoring these activities, which leads them to outsourcing these services to service providers.

Inbound marketing services are likely to see the greatest growth among these activities in the coming years, as the importance of inbound marketing continues to increase.

### European market demand

The most interesting target countries in Europe for inbound marketing services are those with the most organisation using both websites and social media in their online presence. Table 4 below shows the top countries adopting both websites and social media: Denmark, Malta, the Netherlands, Sweden and Iceland. With the exception of Malta, this fits with findings from industry experts who confirm that Northern and Western European countries are leading the way in inbound marketing.

Table 4: Usage of website and social media by European enterprises in 2018 (% of enterprises)

	% of enterprises with website		% of enterprises that use social media		% of enterprises that use website and social media
1	Denmark (96%)	1	Iceland (79%)	1	Denmark (67%)
2	Finland (96%)	2	Malta (73%)	2	Malta (67%)
3	Netherlands (94%)	3	Norway (72%)	3	Netherlands (66%)

4	Sweden (92%)	4	Denmark (68%)	4	Sweden (63%)
5	Austria (88%)	5	Ireland (68%)	5	Iceland (63%)
6	Germany (87%)	6	Netherlands (68%)	6	Finland (62%)
7	Belgium (84%)	7	Cyprus (67%)	7	Norway (62%)
8	Slovenia (84%)	8	Sweden (65%)	8	United Kingdom (60%)
9	Czech Republic (83%)	19	Germany (45%)	18	Germany (43%)
23	France (69%)	22	France (41%)	24	France (35%)

Source: Eurostat

Although Germany and France appear to be less active in inbound marketing based on the online presence of enterprises, they are still interesting markets to consider. This is because their absolute values are likely to be higher than those of smaller countries that appear more promising. For instance, Germany is a lot larger than Denmark and is likely to have a far greater number of enterprises. This means that 43% of the enterprises in Germany is likely to be more actual companies in absolute numbers than 67% of the enterprises in Denmark.

The industries that offer most opportunities for inbound marketing services are those with the highest number of consumers where the online marketing element is a lot stronger. Particularly the tourism, fashion and garments, and food industries are interesting sectors that have adopted inbound marketing concepts. In the business-to-business (B2B) sector, there is still a lot of scepticism towards inbound marketing. However, throughout Europe companies increasingly use inbound marketing techniques to attract employees too.

Inbound marketing concepts tend to be low cost and high impact, which makes them increasingly popular. In general, small companies in Europe understand inbound marketing well and apply many techniques themselves. Similarly, large companies are dedicating complete departments to inbound marketing. It is the medium-sized companies that offer the best opportunities. They are the ones that realise that inbound marketing is important, but simply do not know how to go about it. These are the customers that can be easily influenced.

## Recommended markets for Senegalese and Ugandan service providers

For both Senegalese and Ugandan service providers seeking to provide standardised, low-level inbound marketing services, the leading countries are interesting targets. These include all countries mentioned in the third column of table 4. Especially those that overlap with the countries recommended for Senegal and Uganda earlier in this report are interesting. For Senegal, this means that France and Germany are interesting to look into. For Uganda, it means that Denmark, the Netherlands, Sweden, Norway, the United Kingdom and Germany are all interesting.

For standardised services, Senegal could also consider the countries mentioned for Uganda, including Denmark, the Netherlands, Sweden, Norway and the United Kingdom, but they would require staff proficient in English to communicate effectively in business. They are also less recommended due to the minimal presence of communities of Senegalese descent in these countries. For Germany, Senegalese providers would also require fluent German, but there are people of Senegalese descent in Germany who could be potential connections.

For Ugandan providers wishing to target France, they must find an intermediary with whom they can communicate in English, however it is better to do business with French companies in French. Many companies in Northern and Western Europe use English as a primary business language, but French and German companies are exceptions; they mostly communicate solely in French or German.

For more value-added services, we recommend Ugandan providers to focus on the United Kingdom and Senegalese providers to focus on countries with sizeable French-speaking populations, such as France, Belgium and Switzerland. This is because the use and quality of written language is very important in inbound marketing to bring across messages effectively. Apart from the United Kingdom, most European companies in different countries will have their website in their local language and not in English. This is why they are unlikely to be interesting in Uganda or Senegal to outsource value-added services.

Both Senegalese and Ugandan service providers must keep in mind that there are European and other international potential customers active in Senegal and Uganda that are also interesting to consider.

### **Tips:**

- Focus on medium-sized companies in the tourism, fashion and apparel, and food industries. Inbound marketing is increasingly important in these sectors and medium-sized companies are often the last ones to adopt it.
- Offer more value-added services. More companies are requesting more value-added services and solution providers rather than sole technical activities.
- Ensure that you have the right cultural affinity and business language as your target country. Cultural understanding and a shared language are crucial elements for delivering locally accepted inbound marketing services.
- Focus on companies that have websites in multiple languages when you offer standardised services. If companies have websites in multiple languages, then this means there is more work for you from each separate client.

## **European trends**

Trends that are common in the European Inbound marketing services market are the increased demand for value-added services, storytelling, use of visual content, social media dashboards, big-data analysis, design trends and open-source products.

## **The shift from technical to value-added services**

Standardised components of inbound marketing, such as SEO, have been traditionally outsourced for more than 15 years now, but companies are increasingly seeking value-added solution providers. Although there will always be companies that solely seek support in standardised activities and prefer to keep control of their own context and content, experts indicate that there is a trend in preference towards service providers that are able to take control and function as a sparring partner.

## **Storytelling**

Storytelling is defined as the use of a narrative to connect brands to customers while focusing on linking what the brand stands for to the values shared with the customers. Today, inbound marketing and storytelling go hand in hand and the importance of storytelling is increasing. Not only do [92% of all consumers want brands to make advertisements that feel like a story](#) but the technique also ensures that people can better relate to what they see. As companies become more aware of the essence of the storytelling content marketing technique, they seek partners that can help apply it.



The fast-moving consumer foods industry is an example of industry where the storytelling technique has become very visible. The main reason behind it is the search for transparency in the supply chain. Consumers increasingly want to know where their food comes from and how it's produced, so different brands and retailers are using storytelling techniques to make it more visible. [Fish-Tales](#) is a good example of a company using storytelling effectively.

### Tip:

- Read [this blog post about Inbound Marketing and the Art of storytelling](#) to learn more about the relationship between storytelling and inbound marketing and see how you can use storytelling techniques on behalf of your clients or in your own marketing strategy to make your inbound marketing activities more powerful.

## Use of visual content

Website visitors take less than five seconds to determine whether the webpage they are on is relevant or not. Visitors also scan the page instead of actually reading the written content. This has resulted in alternative audio-visual content to become more essential in attracting and engaging visitors.

Visual content that can be applied to websites and social media can consist of images, videos, infographics, calls-to-action buttons, website animations, slide share presentations and more. All of these techniques are important to enhance engagement with visitors, which thereafter will increase opportunities for conversion.

Experts say that the trends in visual content use are part of the storytelling technique, as different visual content, such as videos and photos, help enhance and drive the messages delivered by the technique.

### Tips:

- Look up [these statistics about visual content marketing](#) to get an idea of the effectiveness of different types of visual content.
- Check out [this article about why visual content is so important in an inbound marketing strategy](#).

## Social media dashboards

As the role of social media in marketing strategies grows more important and companies use a wider range of social media channels — such as Twitter, Facebook, LinkedIn, Instagram — social media dashboards are becoming increasingly popular. These social media dashboards are a management tool that allows companies or individuals to coordinate and plan social media presence across multiple channels through a single interface.

Not only do social media dashboards make publishing more efficient but they also promote productivity and collaboration, and facilitate tracking competitors and scheduling content, while also providing analytical insights. Examples of social media dashboards are [Agorapulse](#), [DashThis](#) and [Hootsuite](#).

### Tip:

- Make use of dashboards, if applicable. They can offer your customers a value-added service as you will be able to better monitor, plan and analyse inbound marketing activities.

## Big-data analysis

Companies are increasingly adopting big-data services because big data can generate insights that offer good business opportunities. Social media dashboards and other tools can help retrieve data about customers. This data can be analysed and used to confirm whether companies are targeting the right audience. They can also use data to create more personalised and targeted content.

In inbound marketing, big-data analyses help provide a bigger picture about the relationship that companies have with their customers while also boosting lead generation and providing an overall client-centric journey.

### Tip:

- Offer analytics and big-data analysis as an extra value-added service in your portfolio or use the outcomes of the big-data analyses as an indicator of your performance over time. For instance, how many extra leads have the different channels generated since your involvement, which can help promote your effectiveness.

## Design trends

Design trends, which are important for inbound marketing, refer to the look and feel of websites. These design trends vary per country, mostly because of cultural differences. For example, having websites meet the latest design trends is generally more important to Western than to Southern and Eastern European companies. Although techniques for web design and development vary minimally between worldwide, the way websites look does vary per country.

When considering design trends, it is also important to consider the different devices and operating systems used. Different designs created for websites generally look differently on a laptop compared to a tablet or mobile phone. Additionally, not all software or applications may be compatible with different operating systems. An example of this is [Adobe Flash Player](#), which is not compatible with [Apple iOS](#). It is important that you consider which software or applications you use and that you adjust content and visuals, where necessary, according to different device requirements.

### Tips:

- Always keep design and functionality in mind when developing web design, applications or inbound marketing content.
- Study the European market you wish to enter thoroughly to discover how your potential customers' competitors are dealing with their content management and inbound marketing strategy. Do this by looking at their websites and social media channels.
- Stay up to date on trends in design and functionality, for example, by following industry news and blogs of other developers, such as [99designs](#).

## Open-source products

Open-source products have simplified the writing of web applications by facilitating [rapid application development](#) (RAD). They allow development teams to focus on the parts of their applications that are unique to their goals, without having to resolve common development issues, like user management. Open-source web

applications are more flexible, making users less dependent on third-party servers. European companies increasingly use enhanced open-source products, such as PHP, MySQL and WordPress.

These open-source products make it easier for you to deliver inbound marketing services without having to make high initial investments in software. In fact, these open-source products have opened doors for SMEs around the world to offer web development and inbound marketing-related services. The wide use of these open-source products on a global level also means that there is a large knowledgeable online support base.

### **Tip:**

- Look up [our study about trends in the European outsourcing market](#) to find out more about common trends in outsourcing in general.

## **Competition in the European market**

Competition in the European inbound marketing services market mostly comes from local players based in the target market. Experts recommend focusing on these players rather than targeting end users directly. For components of inbound marketing services, such as SEO, there are competitors all over the world, but India has a particular reputation for being a strong destination for SEO services.

Fortunately for new players looking to enter this market, it is a market that is growing quickly. Therefore, the market is not yet saturated and there is still room for newcomers. From that aspect, the competition is less fierce than many other activities, such as contact centres. This, however, mainly applies to value-added activities. For the standardised activities, such as standardised SEO, the competition is a lot stronger.

Language affinity is less important if you provide standardised services. In this case, business-level language proficiency is sufficient, but as you deliver more value-added services, the importance of language fluency increases. This means that for both Senegalese and Ugandan service providers targeting the European market with standardised services, competition comes from anywhere in the world.

For Ugandan companies seeking to deliver value-added activities, competitors do come from all over the world too, including all English-speaking countries. In the case of Senegal, competitors for value-added activities come mostly from French-speaking countries. In both cases, the strongest competition comes from local service providers based in the client's market. These service providers have the best language capabilities, cultural affinity and geographical proximity.

When asking European outsourcing associations about the willingness of companies to outsource inbound marketing services to Uganda or Senegal, the general response was that knowledge of African countries as BPO locations is very poor and that only Egypt is known for its offshoring. It is expected that the absence of information about conditions and opportunities in Senegal and Uganda will make it rather difficult to offer services in Europe. However, interviewees did react positively towards the idea and were very interested to hear more about what Uganda and Senegal have to offer.

## **Market channels and marketing methods**

The best way to enter the market is by approaching local competitors and service providers rather than approaching end-user companies directly.

Being a subcontractor for a local company is the most realistic entry method to use. The concept of inbound marketing is still new for many end users. Hence, it is unlikely that they will outsource unknown activities to unknown destinations. It is all about trust and end users prefer using a local contact person who is nearby. Local

service providers that are already well familiar with the concept of inbound marketing will feel a lot more comfortable outsourcing these activities to service providers such as yourself.

When you choose a target country, we recommend that you map what the supplier market looks like. Do research about which local service providers there are and what they offer. Also determine whether their size and capacity match your own. Then see how you can get in touch and create a partnership. There will always be exceptions, where it is possible to work directly with European end-user companies, but this market will be significantly smaller and opportunities more unlikely. The use of experienced sales agents and intermediaries are the best method to target your potential customers in European markets.

It is also recommended that you focus on international companies in your own home market. Examples of such companies with local affiliates in Uganda are [Heineken](#), [KLM](#) and [Shell](#). Examples of international companies in Senegal are [Nestlé](#), [Maisons du Monde](#) and [Orange](#). Do not forget that all these enterprises aim to target customers in your local market and who can better target local consumers than you can? In your local market you have all the advantages of language, proximity and cultural affinity and you can use these local opportunities to grow regionally too.

### **Tips:**

- Do not forget that large international players are easier to target in your local market. They can help build your reputation and offer broader regional opportunities in the future.
- Consider using career sites, embassy websites and trade platforms to identify what international players are present in your local market.

## **Competitive advantages and unique selling propositions**

When developing a unique selling proposition, the needs and motivations of potential clients to outsource inbound marketing services must be understood. It is also important to know what the potential advantages could be for companies to subcontract services to Senegalese or Ugandan service providers.

These advantages include general benefits such as lower costs, access to linguistic capabilities and access to skilled labour but for inbound marketing services additional motivations exist. Customers will seek long-term partnerships that they can trust as well as partners that can provide creative solutions and apply active thinking. These human elements of personal touch, relationships, and creativity are essential to meeting the needs of potential customers; addressing them in your unique selling proposition will be beneficial.

Senegal has a logical competitive advantage when looking at French-speaking target markets, due to the French linguistic capabilities of its workforce compared to competitors that do not have this ability. Uganda's English capabilities give them an advantage when approaching English-speaking target markets. Unfortunately, for both Senegal and Uganda, there are several other destinations and companies that have these competences and the human element is where service providers can truly stand out.

Senegal and Uganda have lower wages than competitors and customers in their European target countries. This is a good indicator to mention, but remembered that providing the lowest possible rates is not a desirable goal, because it will not be sustainable. Services are eventually priced according to a rate that makes it interesting to do business with the highest possible quality.

Additional competitive advantages and unique selling propositions will develop over time. It is important to exploit experiences through your promotional tools. Highlight successes and use analytics tools to prove the impact made. Building a strong portfolio is the best way to show potential customers your unique capabilities and quality compared to your competitors. Process management certifications are another effective way to

highlight your commitment to quality procedures and results.

What will also be helpful in building a reputation is bundling the strengths of multiple companies in your country and working with a local business support organisation or association. By working together, you can increase your chances of developing an image of being a country renowned for inbound marketing services. Your country reputation will be further enhanced if you combine your expertise, experiences and promotion budgets.

There are few countries or associations where companies currently combine efforts to enhance their country image. If you begin to do this, it will give you a competitive advantage, while you can reduce your promotional costs, which you will share with your local competitors.

## **Call and contact centres**

Call and contact centres are facilities that manage all customer contact., including complaint handling, technical support, dispatching and event registration, pre-sales activities, surveys, loyalty and retention, sales and credit collection. Examples of channels used by contact centres include telephone, email, voice portal services, interactive voice response (IVR) self-service, live chat by humans or chatbots, social media and cloud-based self-service channels, SMS and traditional mail. Most contact centres offer multichannel services.

Contact centres are among the BPO activities most outsourced to developing countries, among those covered in this report.

## **European market demand**

The European market for contact centre outsourcing had an estimated [value of €20.19 billion in 2018](#), making up [25.1% of all contact centre outsourcing in the world that year](#). Only North America surpassed Europe with a larger portion of the market share (37.5%). The global market for contact centre outsourcing is expected to grow at annually at approximately 5.8% on average between 2018 and 2025. If the European market follows that trend, the market value for contact centre outsourcing in Europe will reach €33 billion in 2025.

European businesses do not survive without providing good customer service, including a customer call centre service. Hence, demand for call and contact centre services exists in all European countries, among European companies of all sizes and industries. Start-ups and small companies may choose to outsource instead of investing in equipment and staff themselves. Medium and large companies need various contact services and want to offer a whole range of customer contact options, so they also often prefer to outsource most of these services.

Sometimes European companies choose to keep the customer contact services in-house, and only outsource specialised services, such as interactive voice response (IVR), telemarketing or debt collection.

Not every inbound channel enjoys the same popularity in each European country. For example, when it comes to inbound contact centre activities, the Nordic countries (Norway, Sweden, Finland and Denmark) are more likely to use social media and web chat than customers in Western Europe, the United Kingdom or Central and Eastern Europe.

When looking for European countries that offer opportunities, it is important to consider the language spoken in the country, what inbound channels are common, what preferences there are for nearshoring and offshoring, and what are promising vertical markets. Experts also indicate that when looking for promising countries or industries, it is important to consider whether a company is a business-to-business (B2B) or business-to-consumer (B2C) organisation. Those focusing on consumers are likely to have more need for contact centre services.

## **Recommended markets for Senegalese and Ugandan service providers**

The French market is the most obvious European market for Senegalese providers to focus on with their contact

centre services because of the workforce's ability to conduct business in French. For this reason also, other French-speaking European markets are also recommended as the best markets for service providers from Senegal to focus on. In addition to France, that also includes Belgium and Switzerland. France in particular offers the best opportunities due to the market size and cultural, historical, political and business ties with Senegal.

The French market, however, is already very saturated by service providers from both local and Northern African countries with large French-Speaking populations, such as Tunisia and Morocco. Therefore, we also recommend Senegalese providers to look into opportunities with second-tier service providers in France, Morocco and Tunisia.

For Senegalese providers, companies in Eastern European countries are considered competitors, but they are also potential partners. Due to rising wages, increased skills shortages and the willingness to offer French-speaking services, they could offer opportunities for subcontracting. Albania, Bulgaria, North Macedonia, Moldova and Romania are especially interesting Eastern European countries for Senegalese providers because of their historical ties with France. All these Eastern European countries, for instance, are members of the International Organisation of La Francophonie.

The United Kingdom is the most obvious market for Ugandan providers to focus on, primarily because of the English language, the United Kingdom's openness to outsourcing, the British cost-focused mentality and the historical and trade ties with Uganda. The British market is very saturated and there is severe competition from all over the world, including from Eastern Europe, Asia and Africa. Providers in many of these countries may have advantages over Uganda in terms of proximity, experience and more accent-free English capabilities, which will make the United Kingdom a very tough market to enter.

## Specific buyer requirements for contact centre services

European consumers and business customers in general expect customer service to be available in their native language and to be accent free. One of the important aspects for companies selecting a contact centre outsourcing destination, therefore, is the availability of language skilled people in your country and in your company's staff. Recent changes brought about by artificial intelligence (AI) are reducing the need for contact centre employees to speak the local language of their target country, but it will still take a long time before local fluency is not required at all, if it ever happens.

Apart from native language availability, buyers prefer contact centre service providers who are able to speak multiple languages. In Moldova, for instance, call centres like [Primo Contatto](#) can provide services in 15 different languages. Accents should also be as neutral as possible. Performance metrics are another important indicator for European buyers. Next to speed, quality and flexibility, important selection criteria include customer satisfaction, average speed to answer, call abandonment rates, first-call resolution rates, call durations, call transfer rates and costs of inbound and outbound calls.

### Tip:

- See our study about contact centre services in the European market to read more about buyer requirements for contact centre services.

## European trends

The main trends that offer opportunities in the European market for contact centre outsourcing are the switch from multichannel to omnichannel services, the switch from cost centres to opportunity centres, the integration of artificial intelligence (AI) into customer service, cloud services, self-service and social media support.

## Multichannel to omnichannel services

Although telephone remains the main communication channel for contact centre services, European companies prefer service providers that offer multichannel services, as their customers expect customer support to be available anytime, anywhere and from any device. Omnichannel environments are the next step in multichannel services, integrating channels and allowing customers to switch between channels while completing enquiries.

## Shift from cost centre to opportunity centre

European companies traditionally perceived contact centres as a necessity that only costs money, but companies have recently started to understand the value-added benefits that contact centres can offer. Customer analytics, for instance, is one of the few added-value opportunities that contact centres can offer to increase company insights about their customers, sales and marketing.

## Artificial intelligence integrated into customer service

Artificial intelligence (AI) is increasingly being used in contact centres. Chatbots are an example of AI where the customer conversation is initially handled by a bot (a digital robot) before being passed on to an agent. The use of AI in customer service and predictive analytics is expected to grow in the coming years. However, the full elimination of human interference as a result of AI is not likely to occur. Actual contact centre agents will remain important in the industry.

## Cloud computing

Cloud-based contact centre solutions are becoming increasingly important. Initially this was due to cost reduction but now it is stimulated by benefits including flexibility, scalability, faster deployment, security, reliability and ease of managing remote agents. This trend brings opportunities because it makes working from remote locations easier, hence increasing the possibilities and ease for offshore outsourcing, including to Senegal and Uganda.

## Self-service

European companies increasingly emphasise self-service, problem-solving information through IVR applications or the web. This reduces call volumes and costs associated with direct customer contact.

## Social media as a form of customer contact

European companies are investing in their presence in consumer messaging apps, such as Facebook Messenger and WeChat, to reach customers. Since Europeans spend a lot of time on social media, customer contact via that medium is perceived as easily accessible.

### Tip:

- Take a look at our study about the opportunities in the European contact centre services market for more information about trends in this market and what makes it interesting.

## Competition in the European market

European countries prefer to outsource contact services onshore or nearshore. The United Kingdom and Spain are exceptions of this nearshoring rule. Companies from the United Kingdom are more open to having international call centres in India, South Africa and the Philippines, for example. The Spanish prefer working with Spanish-speaking countries in Latin America.

Other exceptions to this rule primarily occur in the tourism industry, where companies try to 'follow the sun'. In order to deal with time zone differences and to deliver 24/7 services, companies in the tourism branch may seek

offshore service providers. An example of such a company with worldwide locations is [Mindpearl](#).

The main competitors for Senegalese service providers targeting French-speaking markets come from countries with large French-speaking populations, including Tunisia, Morocco, Mauritius and Madagascar. Companies in Eastern European countries that are members of the International Organisation La Francophonie can also be considered competitors, but they are also potential customers. Competitors to Ugandan service providers targeting the United Kingdom include all countries with sizeable English-speaking populations.

The markets with the least competition for both Senegalese and Ugandan service providers are likely to be their own home market.

### Tips:

- Look at [Groupe Chaka](#) and [PCCI](#) for examples of Senegalese companies that have successfully entered European and international markets.
- Use directories such as [Kompass](#) and [Europages](#) to find contact centres in European markets that you could potentially collaborate with.
- Stay up to date with the latest trends in contact centre services and apply these to your own circumstances as much as possible. If you do stay up to date, then this can give you a competitive advantage. By ignoring trends, you risk losing out and becoming obsolete as a service provider.

## Market channels and marketing methods

The best way to enter the market is by using local sales agents and European competitors rather than approaching end-user companies directly. The contact centre market in Europe is very competitive, and companies rarely approach call centres for support. Instead, service providers require local sales agents who know the industry and are prepared to get on the road and cold call. Finding potential customers requires extreme proactivity.

The use of a sales agent applies whether you target a European service provider in your target market or in a nearshore market servicing your final target market. An example is the provision of contact centre services for the French market. Senegalese service providers can use a sales agent in France to seek potential customers on their behalf in France, but they can also use sales agents in Romania or Moldova to seek service providers offering services to the French market and become a subcontractor.

Better opportunities for collaborating with European companies lie in your local market. Experts recommend having a look at which European or international players are active in the local market that may require contact centre services. It is also expected that local companies in your own market will increase their demand for customer experience and contact centre services in the coming years. Hence, even locally there are opportunities.

### Tips:

- Beware of scams and crooks in the European contact centre market. There have been companies that sought a service provider, negotiated bad deals to begin with and ended up not getting paid. Make sure that you research your potential partner beforehand.
- Do not use too much digital marketing to promote your contact centre services. Many companies may consider emails as phishing, move them to spam folders or simply ignore them.
- Seek a local agent who is also well informed about contracts and service-level agreements. In Europe, extensive contracts are the norm, in contrast to contracts commonly used in Senegal and Uganda.



## Competitive advantages and unique selling propositions

When developing a unique selling proposition, the needs and motivations of potential clients to outsource contact centre services must be understood. It is also important to know what the potential advantages could be for companies to subcontract services to Senegalese or Ugandan service providers.

These advantages generally include common outsourcing benefits, such as lower costs, access to linguistic capabilities and access to skilled labour, but additional motivations can also exist. Customers will seek partnerships that understand the customer's industry and clients, and are able to train their staff to deliver best-quality services. Different types of contact centre services offered may also require different competences and attitudes from personnel.

The Dutch, for instance, have experienced that Surinamese staff were excellent for helpdesk and problem-solving activities, but were less capable of fulfilling outbound telemarketing activities with a customer-friendly attitude. This shows that in addition to language capabilities, you may require internal training in telephone etiquette and listening skills, but potentially also in accent neutralisation, industry specific knowledge and problem and object handling.

Highlighting your company's unique selling points that meet the exact needs of your target company will be beneficial in making you unique compared to competitors.

Additional competitive advantages and unique selling propositions will develop over time, as is the case for inbound marketing. It is important to exploit experiences through your promotional tools. Highlight successes and build a strong portfolio. This is the best way to show potential customers your unique capabilities and quality compared to your competitors. Process management certifications are another effective way to highlight your commitment to quality procedures and results.

What will also be helpful in building a reputation is bundling the strengths of multiple companies in your country and working together through a local business support organisation or association. By working together, you can increase your chances of developing the image of being a country renowned for contact centre services. Your country reputation will be further enhanced if you combine your expertise, experiences and promotion budgets.

There are few countries or associations where companies currently combine efforts to enhance their country image. If you begin to do this, it will give you a competitive advantage and reduce promotional costs, since they will be shared with your local competitors.

### Tip:

- Follow the trends in contact centre services closely. Staying up to date with these trends will help you offer services according to changing customer needs, such as the ability to deal with data security.

## Human resources services

Human resources are the people who make up the workforce of an organisation, the personnel. Human resources services consist of the administrative services for hiring, managing and administering human resources processes across all areas. Examples of human resources activities include workforce administration, staffing and recruitment processes, performance management services, learning and development services, remuneration, retirement and financial services, and advocacy services as specified in table 5.

Table 5: Examples of human resources services

Human Resources Service	Examples of Services
Workforce administration activities	Maintaining a full administration of staff and processing timesheets, as well as processing employee sick leaves, and holiday or absence requests.
Staffing and recruitment processes	Building and publishing job vacancies, matching responses and résumés against open positions and selecting candidates, setting up job interviews and creating job contracts and benefits packages.
Performance management services	Maintaining a database of performance criteria, consolidating performance data into a performance database and managing performance review processes.
Learning and development services	Creating and maintaining education frameworks and curricula, creating content, managing and maintaining learning platforms and maintaining personnel learning progress databases.
Remuneration	Processing remuneration systems and related changes, such as roles, salaries, bonuses and working hours. Additional activities include creating remuneration entitlements (salaries) and fulfilments (payments), as well as processing administrative work, such as tax and social benefit declarations and payments.
Retirement and financial services	Managing and maintaining retirement benefit programmes and administration, and fulfilling periodic pension payments and other benefits.
Advocacy services	Legal or other expert support for personnel or human resources departments in clarifying or resolving benefit issues involving contracts, remuneration, health insurance and retirement benefits.

According to industry experts, the most promising segments for you as an offshore service provider from

Uganda and Senegal are workforce administration, performance management services and payroll services. This is because these services are less complex, more standardised and require relatively limited language skills.

## European market demand

The global market for human resources outsourcing is projected to reach **€37.1 billion by 2024**, which means an average annual growth rate of 9%. **Human Resources is the largest business process outsourcing segment** worldwide making up for more than a third of the global BPO market. Within Europe, the main markets for human resources outsourcing include the United Kingdom, Germany, France and the Netherlands.

Common reasons to outsource standardised human resources services are similar to the general motivations to outsource, which include cost reduction and efficiency improvement. However, demand for human resources services is sensitive to data security. This is of utmost importance to European companies, which expect their service providers to be discrete and comply with full confidentiality.

## Recommended markets for Senegalese and Ugandan service providers

The best opportunities for offshore service providers of standardised human resources services can be found in the United Kingdom, Germany and France because of their market size. Ireland, the Netherlands, Sweden, Denmark, Finland and Norway are also interesting. Their markets are smaller, but companies in those countries are open to outsourcing these services. For standardised services, language capabilities are less important and a decent level of business English proficiency is sufficient to collaborate with the mentioned countries, except for France and Germany, which will require you to have French or German capabilities.

The greatest opportunities for Senegalese providers will be in France, due to the historical and linguistic ties but other markets can also be considered, provided that Senegalese service providers are able to communicate using business-level English in these markets. In that case, they can also consider the United Kingdom, Ireland, the Netherlands, Denmark, Sweden, Finland and Norway too. We recommend Ugandan providers to focus on all potential markets, except for France and Germany unless you can work in French or German, the preferred business language in these countries over English.

The company sizes that offer the most opportunities for companies from Uganda and Senegal are those that are similar to the size of Senegalese and Ugandan SMEs. What is important is that the needs of the potential clients match the capacity of the Senegalese and Ugandan service providers.

## European trends

Trends in the European market for human resources services include technology developments, such as cloud computing, robotic process automation and selective sourcing.

### Cloud computing

An important development is the rising use of cloud computing in human resources services. Providers are increasingly delivering their services via cloud-based solutions. This gives clients easy and secure access to their human resources information. Companies themselves are also increasingly switching from licensed software on premises to software in the cloud, via software as a service (SaaS) subscriptions or hybrid solutions.

### Robotic process automation (RPA)

Robotic process automation continues to be a main trend in business process services. However, human resources services often require human decision-making. This means a combination of outsourcing and automation may offer the most cost savings for your client.

When it comes to implementing new technologies, **data security is a 'must have'**. Predictive analytics, mobile access and social features are also among companies' main requirements.

Therefore, other key human resources technology trends include: analytics (workforce analytics and big-data tools to analyse the job market and recruitment advertising); mobile applications (mobile learning, recruiting, collaboration and employee management); tools to enable social learning, knowledge management and training administration, and social media (recruitment services).

## **Selective outsourcing**

Selective outsourcing is a continuing trend in human resources services outsourcing. It refers to companies only outsourcing specific activities, while performing other human resources tasks in-house. This is especially suitable for tasks that are not core business functions but require specialised knowledge. Outsourcing these activities saves companies time and costs. It gives them access to the required expertise and allows in-house employees to focus on core business.

## **Competition in the European market**

For both Senegalese and Ugandan service providers, competition comes from countries and companies in nearshore and offshore markets, including all countries mentioned on the Kearney Global Services Location Index. For Senegalese service providers targeting the French market, most competitors will come from other francophone regions.

As mentioned before, countries like India, which have traditionally provided such services, are shifting towards the provision of more value-added services. This opens up opportunities for new service providers from other countries, such as Uganda and Senegal. However, of the three activities highlighted in this report, the standardised human resources services are the most vulnerable to substitutes and digital transformation.

A large portion of human resources services are expected to become fully automated in the next five to 10 years. In order to remain competitive and relevant, we recommend you to specialise in more value-added human resources services.

Countries that have legal systems in place that help protect sensitive data also have a competitive advantage. Human resources services are considered sensitive to data security, which is of utmost importance to European companies. They expect their service providers to be discrete and to comply with full confidentiality.

The local market in Senegal and Uganda also offer opportunities. These markets have growing demand for human resources services and the competition in these markets will be lower than in European markets.

## **Market channels and marketing methods**

The best way to enter the market is by using local sales agents or intermediaries rather than approaching end-user companies directly. Subcontracting by European human resources service providers is a good and realistic market entry channel for Senegalese and Ugandan service providers. These local service providers know the local market well and already have a buyer network. The same applies to intermediaries. They know the market well too and will increase the chances of finding potential customers.

When targeting customers in your own local markets, Ugandan and Senegalese service providers can still consider using a sales agent or intermediary, but due to the geographical proximity, direct selling is also an option.

## **Competitive advantages and unique selling propositions**

When developing a unique selling proposition, the needs and motivations of potential clients to outsource human resources services must be understood. It is also important to know what the potential advantages could be for companies to subcontract services to Senegalese or Ugandan service providers.

These advantages generally include common outsourcing benefits, such as lower costs and access to skilled labour, but additional motivations may also exist. Customers will seek partnerships that understand their need

for a reliable and trusted partner that delivers on time and according to precise expectations. Highlighting points of your company that meet the exact needs of your target company will be beneficial in making you unique and stand out from competitors.

Additional competitive advantages and unique selling propositions will develop over time, as is the case for inbound marketing and contact centre services. It is important to exploit experiences through your promotional tools. Highlight successes and build a strong portfolio. This is the best way to show potential customers your unique capabilities and quality compared to your competitors. Process management certifications are another effective way to highlight your commitment to quality procedures and results.

What will also be helpful in building reputation is bundling the strengths of multiple companies in your country and working together through a local business support organisation or an association. By working together, you can increase your chances of developing the image of being a country renowned for human resources services. Your country reputation will be further enhanced if you combine your expertise, experiences and promotion budgets.

There are few countries or associations where companies currently combine efforts to enhance their country image. If you begin to do this, it will give you a competitive advantage and reduce your promotional costs, which will be shared with your local competitors.

## **7. Part III: How can Senegalese and Ugandan ITES companies seize opportunities in the European market?**

The final part of this report answers the question of what is needed for Senegalese and Ugandan ITES and BPO service providers to seize the opportunities identified and tackle obstacles described in the earlier chapters.

### **Seizing opportunities in the European market**

To seize opportunities and tackle obstacles in the European market, it is important to look at which channels are recommended, how potential customers can be found, what export promotion activities are recommended and finally how business can best be done in the target markets.

#### **What channels are recommended?**

There are several channels that can be used to enter the BPO and ITES markets identified in table 1 of this report. These channels are shown in figure 7. The channels indicated in green are the recommended channels for SMEs from Senegal and Uganda and the channels indicated in red are the discouraged channels.

Figure 7: Trade structure for outsourcing in the European market

#### **Discouraged channels**

Establishing a local sales office would be ideal for you as a newcomer in a European market, as this is the best way to achieve proximity with your client. However, this would be very difficult. In most cases, your company will be too small and will not have the financial strength to do this. Besides being difficult and expensive, it is also important that you first establish that your services are indeed in high demand in that market before considering opening a local office. It is important that you find other means of establishing local representation.

Online web-based platforms, such as [Clutch](#) and [Appfutura](#), are platforms where demand and supply can find each other. Although being present on these platforms can be beneficial from a marketing perspective, it is highly unlikely that they will deliver interesting leads.

Direct sales to end users are only considered a realistic option for large companies targeting other large companies. For SMEs from Senegal and Uganda, this option is not a recommended or realistic channel to use.

## Recommended channels

Subcontracting and using intermediaries are the most realistic market entry channels for service providers from Uganda and Senegal. This applies to any target country in Europe.

When you are new in any European market, subcontracting can be a very good starting point; you will gain access to local market knowledge and existing networks without having high upfront capital investments. It will, however, take some time to find a suitable company and to establish a long-term relationship.

In case of subcontracting for a European service provider, you have two options. The first option is to directly approach companies already active in your horizontal or vertical segmentation. This could be especially interesting if you already have some experience and a network in these countries. Your second option is to approach European service providers through an intermediary, a consultant, matchmaker or sales and marketing representative. Many European companies prefer to work with a local contact person, even more when it concerns unknown BPO destinations, such as Uganda and Senegal.

Working with an intermediary is especially interesting when you are new in your target market. Such intermediary sales agents are individuals or companies appointed by a service provider, such as yourself, to sell products on your behalf within a given territory but act independently through their own business or are self-employed.

If you decide to go for the first subcontracting option and seek a European service provider directly, there are a few important criteria that you should look into during your selection process, including company size, segment and due diligence.

### Size

It is unlikely that large companies will look to work with unknown SMEs from Senegal or Uganda. The size of the company you target should be more or less similar to your own company size or at least in line with your capacity.

### Segment

The company should focus on the same solutions or vertical markets. If you specialise in search engine optimisation, you should look for companies that also specialised in this area. If you offer BPO services for the tourism industry, you should focus on companies that also offer BPO services for the tourism industry.

### Due diligence:

In order to increase your chances of success, you should do basic research about your target company. This will help you determine how realistic they are as a feasible and potential partner. You should look into how long they exist, what their track record is, who their most important customers are, how they operate, how many employees they have, what their financial situation is and what the background of their management is. A lot of this information can be found on the company's website, as well as on chambers of commerce in the target country and from companies such as [Dun & Bradstreet](#).

When you decide to go for the second option to use an intermediary, there are also important criteria that must be taken into consideration, including expertise, network and risk. The expertise of the intermediary should be in line with your solutions or vertical market; their network must be valuable and of a decent size. Finally, you could limit your risk by defining a trial period of three to four months with concrete goals. The intermediary should, for example, come up with 10 leads within the trial period. If this target is not met, then the contract could be ended.

In addition to looking at channels to enter the European market, do not forget about opportunities in your own home market. There are numerous examples of European and international end-user companies, institutions and organisation based in Senegal and Uganda. Direct sales to end users are not recommended when trying to

enter the European market but they can be a feasible channel to consider when trying to approach European companies active locally in your home market. Examples of such organisations are NGOs, embassies and their contractors, but also companies in the private sector.

### Tips:

- See [our study about channels to get outsourcing services on the European market](#) to find out more about the advantages and disadvantages of each of the channels mentioned in figure 7.
- Work with a subcontractor or intermediary, as European companies consider this being less risky than a direct approach.
- Take a look at the members of the [Netherlands-Uganda Trade Investment Platform \(NUTIP\)](#) to get an idea of some of the Dutch organisations active in Uganda.
- Take a look at Ugandan company [Dial-a-service](#), which provides call centre services for [Pepsi Uganda](#), and [Techno Brain](#), which offers services for the [UNICEF child helpline](#). These are examples of Ugandan companies successfully targeting international players active in the local market.

## Finding potential customers

The market for BPO and ITES services is very competitive. For Senegal, most competitors come from French-speaking countries, and for Uganda, competitors come from English-speaking countries. It is therefore important that you go strategically about finding buyers and marketing yourself.

## Discouraged methodologies

Google advertising, social media advertising and [pay-per-click advertising](#) are not recommended as a means of finding buyers for SME ITES and BPO service providers from Senegal and Uganda. Experts indicate that such efforts are a waste of time and money. For Google and social media advertising, only the very large players (usually from India) benefit from this. Although social media advertising is not considered effective, different social media channels are essential to building a network. This will be discussed later in this report.

As mentioned earlier, it can be beneficial to be present on web-based platforms, such as [Clutch](#) and [Appfutura](#), from a marketing perspective, but it is highly unlikely that they will deliver interesting leads.

## Recommended methodologies

The best ways to find potential buyers are through sales agents, industry associations, social media and directories.

## Sales agents

In order to find buyers, the most effective method is to have a sales agent or consultant on the ground in the market. The best way to find a sales agent in your desired target market is by making use of local career sites to post a vacancy or through headhunters — recruiters whose job is to look for people with specific skills or a specific position. Table 6 shows which websites give an overview of leading job boards in different countries. The table also gives examples of headhunters in each country.

A sales agent is not someone who makes cold calls on your behalf in order to make contacts. Instead, they already have a large network of contacts in a certain industry or market segment.

Table 6: Overview of job boards and headhunters in European countries.

Country	Websites giving job board overview	Headhunters
Focus for Senegal		
France	<a href="#">All you can read</a>	<a href="#">Headhunters in France</a>
Switzerland	<a href="#">Better Team</a>	<a href="#">Alpha Headhunters in Switzerland</a>
Belgium	<a href="#">Better Team</a>	<a href="#">Headhunters in Belgium</a>
Albania	<a href="#">Job Rank</a>	<a href="#">The Headhunter Albania</a>
Bulgaria	<a href="#">Job Board Finder</a>	<a href="#">Boyden Bulgaria</a>
North Macedonia	<a href="#">Job Board Finder</a>	<a href="#">The Headhunter Macedonia</a>
Moldova	<a href="#">All you can read</a>	<a href="#">Hunting Heads Moldova</a>
Romania	<a href="#">All you can read</a>	<a href="#">Hunting Heads Romania</a>
Focus for Uganda		
United Kingdom	<a href="#">Wikijob</a>	<a href="#">Headhunters in the United Kingdom</a>
Denmark	<a href="#">Nordicwork</a>	<a href="#">Headhunters in Scandinavia</a>
The Netherlands	<a href="#">Yaioa</a>	<a href="#">Headhunters in the Netherlands</a>
Sweden	<a href="#">Sweden</a>	<a href="#">Headhunters in Scandinavia</a>
Norway	<a href="#">Job board finder</a>	<a href="#">Headhunters in Scandinavia</a>
Germany	<a href="#">Germany Simplified</a>	<a href="#">Headhunters in Germany</a>

If you chose to use a job board to make a vacancy posting, we advised you to first compare the job sites in each country to determine which are most appropriate to find the sales agent you are looking for. Some job boards have a different focus or target group than others.

## Industry associations

Industry associations are a good way to build a network and find intermediaries or other BPO and ITES service providers. There are multiple associations across Europe. Interesting ones for Senegal and Uganda to look at are shown in table 7.



Table 7: Industry Associations in Europe

Country	Relevant Industry Association
Focus for Senegal	
France	<a href="#">The Ae-SCM Association</a>
Albania	<a href="#">Albania Business Services Association ASBA</a>
Bulgaria	<a href="#">The Bulgarian Outsourcing Association AIBEST</a>
Romania	<a href="#">Association of Business Service Leaders ABSA</a>
Germany, Switzerland	The <a href="#">German Outsourcing Association</a> , which represents companies and intermediaries in Germany, Austria and Switzerland.
Focus for Uganda	
United Kingdom	<a href="#">Global Sourcing Association</a>
The Netherlands	<a href="#">Sourcing Nederland</a>
Sweden, Norway, Denmark	<a href="#">IAOP</a>
Germany, Switzerland	The <a href="#">German Outsourcing Association</a> , which represents companies and intermediaries in Germany, Austria and Switzerland.

### Tip:

- Download a free translate extension for your browser. Examples include [Translate Safari extension for Mac](#), [Simple Translate](#) for Firefox and [Google Translate](#) for Google Chrome. Not all association websites are available in English or French. It is therefore recommended that you use translate extensions to allow you to translate any webpage into your own language, if necessary. This way you can find your way around finding members more easily.

## Social media channels

Social media, especially professional networks, can provide you with interesting opportunities to find potential

customers. [LinkedIn](#) is the most common business-to-business network in Europe. On LinkedIn, you can search for potential customers using the search box in the top left of the screen, using keywords such as 'BPO', 'ITES' or the specific service you are specialised in, such as 'call centre'. After typing in your keyword, you can filter it for companies. A premium membership will give you extra filtering capabilities, allowing you to perform more advanced and specific searches.

LinkedIn can also be used to join discussion groups which will help increase your chances of finding potential customers. In such discussion groups, make sure you ask the right questions. Instead of asking a yes-or-no question such as 'Do you know how to enter the French BPO market?', you should ask an open question, such as 'With whom should I get into contact to learn more about market entry channels to the French BPO market?'

Examples of LinkedIn discussion groups that might be interesting are '[Animated BPO](#)', '[BPO – Business Process Outsourcing](#)', and '[Call Centre & BPO World](#)', which will help you find potential buyers, but also help you identify your competitors.

### Tip:

- Look up [this map on agrowthacker](#) to see how active business in different European countries are on LinkedIn. It can also help you to see how relevant LinkedIn is in your target market. Plus, you can also see that a large number of LinkedIn users are based in Morocco, Egypt, Nigeria, South Africa and Kenya.

## Directories

You can also use directories to look for potential customers. One example of an online directory that can be helpful to find potential customers in Europe is [the European Business Services Association](#) directory, which provides databases about Central and Eastern European companies in the businesses services sector. Another example is [EUBIS](#), which is an ITO-BPO-RPA Industry and events directory. EUBIS publishes extensive destination guides for countries including Bulgaria and Romania.

Do not forget that Google Search, to some extent, is a directory too. By using the right keywords, you can find companies in your target market.

### Tips:

- Take a look at our studies on [finding Buyers](#), [doing business](#), organising exports and [buyer requirements](#). Although these studies primarily focus on ITO, there are many similarities with BPO that will help you get a more extensive idea about how to tackle the European market.
- Check member lists of industry associations to look for potential partners and customers.
- Note that when you seek potential customers using the sources discussed in this chapter, you must take your target market, product and services, company size, and entry strategy into consideration. The more homework you do in terms of who to approach, the higher your chances of success will be.

## International and local assistance

Business support organisations (BSOs) exist to support your business. They can provide you with knowledge, contacts, connections and insights that you may never acquire yourself, or at least not as quickly. Many BSOs invest in export promotion, organising events and event participation abroad, such as B2B matchmaking, roadshows, and participation in conferences and trade fairs.

Furthermore, BSOs often organise trade missions. Organisers of these missions have strong relationships with businesses in your target markets. They can help you identify, screen and meet prospective buyers.

A large number of international organisations and governments that are also eager to help offshore providers from developing countries make expensive first steps in exporting their services. Examples of such organisations are the [International Trade Centre \(ITC\)](#), [The German Development Cooperation \(GTZ\)](#), and [The Centre for the Promotion of Imports from developing countries \(CBI\)](#). Such organisations have interest in helping developing countries grow their BPO and ITES export industries, and they offer services that can help you find buyers and build a network.

## **What export promotion activities are recommended?**

Once you have made a decision about your target markets, it is important that you make your company visible to your potential customers. This is a weakness of Senegalese and Ugandan service providers.

Trade events are not considered an effective method of approaching potential customers. The reason for this is because there are few trade fairs that buyers visit to meet potential suppliers. On the other hand, websites, online presence, social media presence and direct marketing are good places to start promoting yourself.

European buyers are savvy internet users. Therefore, Senegalese and Ugandan companies that are able to promote themselves well on the internet have an advantage when targeting European markets.

Keep in mind that you must have a clear promotional goal that follows SMART criteria: specific, measurable, achievable, realistic and timely. The tools you use must also be integrated and aligned. Your website and social media should not be separate entities. You must also make sure that your promotional efforts must be continuous in time.

## **Unique value proposition**

Before you plan your promotional activities, you should decide what your unique value proposition (UVP) is. You should ask yourself what makes your service unique compared to those of your competitors. This UVP is your promotional message that distinguishes you from your competitors.

To determine your UVP, you must understand the needs and motivations of your potential clients and be well informed about the advantages your potential customers can benefit from when outsourcing to you in Senegal or Uganda.

General value propositions for Ugandan and Senegalese service providers include a growing, computer literate workforce, attractive rates, similar time zones, political stability and linguistic capabilities (French or English), depending on the target market. Historical and trade ties are another value proposition. In order to set your company apart from the crowd, you must be able to highlight how your services meet all the motivations and needs that your potential customer may have. Part II of this report provides more detail about how unique value propositions can differ for different services.

## **Website**

Buyers no longer wait for companies to introduce themselves. They will be looking for you themselves and likely will do their own research. Your website is the first place where prospects will look for more information about your company and your services. Their first impression of your website is of great importance. This means that you need a professional, properly maintained website.

Try to understand how your clients think. What are their wishes and challenges, what information do they need? Make sure your website is not so much about you, but rather for your customers. Good professional web presence is important, but when it comes to initiating partnerships, then live meetings are much more essential.

A website is particularly interesting, as it allows you to promote your company without having to leave your country. It provides information about your company, and on top of that, you can use it as a tool to convert a site visitor into a customer. Here are some tips for BPO and ITES service providers from Senegal and Uganda:

1. Keep your website clean and simple. Too much information can be a distraction.
2. Make your content right to the point and answer the 'what', 'where', 'when', 'how' and 'why' precisely.
3. Consider using a professional web designer to design your website in order to ensure a good first impression.
4. Translate content into the local language. If this is costly, only translate key information. The importance of translating information varies per country, but for Germany, for instance, translation is very important and shows your commitment to the market.
5. Consider acquiring the country level domain for your website in your target country, meaning '.fr' for France, '.ro' for Romania, '.uk' for the United Kingdom, '.se' for Sweden, and so on. This could increase your level of professionalism in the eyes of target country customers.

## The AIDAS model

The AIDAS model describes the phases that a customer goes through in the purchasing cycle of a product or service, from being exposed to an advertisement to becoming a customer. This model can also be used to design a website. On table 8, you will find a short explanation of each phase of the AIDAS model.

Table 8: The AIDAS model

The Model	Description
Attention	Attract your visitor's attention. You only have a few seconds to get someone's attention. This can be done by, for example, having a catchy UVP, a catchy image or interesting content
Interest	Get the visitor interested. After you catch the visitor's attention, make sure there is an element that will get them interested in your website or what you have to offer. For example, the benefits and advantages of using your service.
Desire	Stimulate the visitor to want your service. Tell the visitor what you can offer, how you can solve his problems, what you can promise and why you are different from your competitors.
Action	Tell the visitor how to get it. If the visitor is interested in your services, what should they do? A call to action on your website should be clear and noticeable. Should they contact you? If so, how?
Satisfaction	Create an amazing user experience for your visitors so that they are satisfied with your website, which will result in repeat visits and referrals too.

Additional components to include on your website to convince potential customers of your capabilities are quality standards, testimonials, an overview of your portfolio and an overview of your clients.

### Tips:

- Treat your website as your most important and most valuable marketing asset. Provide enough high-quality information that your prospects can find easily. Make sure the information is accurate, to the point and up to date. Make sure your website includes a call to action.
- Take a look at [the guidelines of usability.gov](#), a guide for developing usable and useful websites. These guidelines can help you analyse your own website and check where it needs improvements.

## Search engine optimisation (SEO)

Having a good website is only part of your success. How easy it is for your target companies and intermediaries to find it is the other part. Google and social media advertising are not recommended for SMEs as there are countless large companies that do this too, dominating such advertising. But there are other methods you can apply to increase your ranking on search engines.

### Tip:

- Take a look at websites that give the latest tips about SEO. Some of these include [moz](#), [optinmonster](#), and [databox](#). By apply current SEO tips, you can increase the chances of your website being found by potential customers and contribute to the effectiveness and conversion rate of your website.

## Social media marketing

The number of BPO service providers that use social media as a tool to increase their visibility has been on the rise. Social media platforms represent a live communication and real-time tool for you to interact with IT companies and intermediaries from European countries.

When performing social media marketing, it is important that you deliver catchy content that is interesting and worthwhile for potential customers. It is equally important that you are active. The more interaction you have with your community, the higher your visibility. Momentum is another important aspect of it. You should try to attract interested companies and intermediaries to follow you and actively maintain their interest.

Once you are perceived as an expert, engage your visitors in online activities to obtain their names and email addresses. Then you can add their contact data to your list of potential customers.

You are recommended to focus your efforts on LinkedIn, which is the most popular business-to-business network in Europe. In Germany, [Xing](#) is also an important business network. These professional networks are increasingly used to find companies and professionals. Promote yourself on LinkedIn by creating a company page. If your target market is Germany, you are also recommended to create a company page on Xing. A company page allows you to present your company information, announce your activities, and lets other LinkedIn users follow your activities or share your company page on their personal profile.

Table 9: Number of LinkedIn users in different European target markets for Uganda and Senegal 2019

Country	Number of users
Focus for Senegal	

France	>17 million
Belgium	>3 million
Albania	>0.3 million
Bulgaria	>0.7 million
Romania	>2 million
Germany, Switzerland, Austria	>12 million
Focus for Uganda	
United Kingdom	>25 million
The Netherlands	>7 million
Sweden	>3 million
Norway	>2 million
Denmark	>2 million
Germany, Switzerland, Austria	>12 million

### Tip:

- Use the [Napoleoncat website](#) to see what the leading social media channels are in different countries. You can also use this site to see how Senegal and Uganda compare with other competing countries.

## Blogs

Bloggging can increase your visibility among potential customers. A blog is a place for in-depth discussion, suitable for posting news and informative articles. It is a good way of showing your expertise on a subject, provided that you have a lot of knowledge to share. Most blogs allow readers to post comments on the article, which can help to get discussions going. Posting blog entries on your website and social media channels also helps enhance your company's search engine ranking, as it helps to keep your channels active and updated.

### Tip:

- Post a blog entry on your website at least twice a month. This will enhance the search engine optimisation of your website and will increase your visibility among potential customers.

## Trade shows

Trade shows have not proven to be successful to finding buyers. They are becoming increasingly specialised and exhibitors generally offer solutions for the industry rather than the service itself. An example is [the leading event for call centre business in Europe, CCW](#). Exhibitors usually include providers of contact centre software and hardware, such as headsets, but are rarely providers of actual contact centre services. Such tradeshow can be useful to visit from a market research perspective, to identify what developments are taking place in the industry, but they are not likely to generate buyer leads.

Tradeshows might not offer direct sales opportunities, but they do provide good opportunities to build a valuable professional network and can contribute to overall market entry success potential. When determining which trade shows to participate in or visit, then event selection, preparation and follow-up are crucial in order to have positive results. If you are a BPO or ITES service provider focusing on the tourism industry, for example, it could be useful to attend travel and tourism related events in Europe. Such tradeshow could be a good place to build up a professional network of contacts and improve your knowledge of the industry and potential buyers.

### Tip:

- Find relevant trade shows on [auma.de](#), a database listing trade shows on all sectors worldwide.

## Brochures

Brochures can provide your potential customers with essential information about your business. They are therefore another tool that can help you promote yourself among BPO and ITES companies and intermediaries in Europe. However, brochures should be a support of your marketing efforts, not your primary instrument.

Consider developing a brief and to-the-point company brochure, preferably on A4 size, landscape, folded in three, double-sided print. This brochure should be usable at any occasion together with a business card.

Make sure that you address the selection criteria of potential customers in your target market in your brochure. You should have printed and digital versions of your brochure. The advantages of online brochures are that they are cheaper and can be adjusted easily. You can send your brochures to potential customers as a printed version by post or as an attachment in an email.

You should also place a downloadable version of your brochure on your website. Your brochures should be in the same style as your other promotional tools, for example, the colours used on your website. The following information can influence your target company's outsourcing decision:

1. Highlight your unique value proposition and success stories by, for example, showing testimonials, quality certifications or names of satisfied customers, especially European countries or large organisations in your home country.
2. Emphasise Uganda's or Senegal's available pool of competent BPO and ITO skilled workers, your language skills, the economic and political stability of your country and your experience.
3. Ask a professional graphic designer to design your brochure. This will make your brochure look professional and increase the chance of potential customers taking you seriously.
4. For the Dutch, Swedish, Danish, Norwegian, and British markets, it is enough to have an English brochure. However, for Germany and France, you should consider offering a brochure in German or French, which will please your buyers. For Senegalese service providers targeting French-speaking customers in Eastern Europe, then a French brochure is sufficient, although the majority of businesses in Eastern Europe normally use English too.
5. On your brochure, make sure that your value proposition is clear, that you use high-quality images and graphics, and that you limit your written content. Make use of the AIDAS principles mentioned earlier also in

your brochure, so that you can stimulate the reader to take action.

- If you do have printed brochures, make sure they are printed in high quality on high-quality paper, which will reflect the quality of your company.

Table 10: Brochure checklist

Front Page	Inner Pages	Back Page
<ul style="list-style-type: none"> <li>• Company name, logo;</li> <li>• Tagline;</li> <li>• Attract attention, be visually appealing;</li> <li>• Have a perfect picture supporting your proposition;</li> <li>• Highlight the benefits to your key customers;</li> <li>• What makes your company an interesting business partner?</li> <li>• Stimulate the reader to turn the page.</li> </ul>	<ul style="list-style-type: none"> <li>• Relate to the needs of your clients, use personal tone;</li> <li>• Product description: sell benefits, no overkill of technical info, which go on separate insert product sheets;</li> <li>• Provide company data size and date of establishment, not a history book;</li> <li>• Working procedures;</li> <li>• Market position data;</li> <li>• Make content easy to scan and easy to read by combining headlines, perfect pictures;</li> <li>• Existing clients and testimonials;</li> <li>• Process and quality certificates prominently featured;</li> <li>• Include a call to action, such as contacting you for a quote or estimate.</li> </ul>	<ul style="list-style-type: none"> <li>• Include your contact details;</li> <li>• Include confidence building techniques, such as testimonials, client list, certifications;</li> <li>• Include professional image.</li> </ul>

**Tip:**

- Apply the AIDA model mentioned on table 8 to enhance the effectiveness of your brochure.

**How do you do business in European markets?**

Knowing which promotion techniques are most effective to promote yourself among BPO and ITES companies and intermediaries in Europe is just one step. You must also know how to communicate with potential customers in your target countries and know what their business culture is like. It is also very important that you realise that your own way of communicating and doing business can strongly influence your level of success.



## Build trust

You must think about long-term relationships instead of immediate business results. Building trust is essential for such long-term partnerships, but it takes time to build up, which you must be willing to invest. There are four key steps in building trust, which are shown on table 11.

Table 11: Four key steps to building trust

<p>Step 1: Build trust as a person</p>	<p>You must begin by obtaining your potential customer's trust in you as a person. The first time you meet a potential customer, try to come across as a trustworthy and pleasant person. Establish connections at human level with your potential customer.</p> <p>A simple rule is to behave and act in a way that people consider likeable and respectable. It is important to show interest in what your potential customer says and continue the conversation in a friendly manner. Be natural and avoid pushing, manipulating, arrogance, or appearing egocentric.</p>
<p>Step 2: Build trust as a professional</p>	<p>When you feel there is a connection between you and your potential customer, try to introduce a more professional topic of discussion, for example, about their business and BPO and ITES needs. Position yourself as a professional and knowledgeable person.</p> <p>You can build trust as a professional by leading the conversation in a structured manner, which signals that you are taking the leadership in the communication. Play the role of a consultant and ask important questions, such as what their needs are and why they matter. Let your potential customer talk as you analyse the causes, symptoms and importance of their problems. The information you obtain here is essential to determine if and how well you could meet their needs.</p> <p>Make sure you have solid pitches prepared about yourself, your company and your services. If you succeed in gaining trust at this stage, and you feel there is a mutual interest, you can suggest making a presentation on how you could help your potential customer reach their goals.</p>

<p>Step 3: Build trust in your methodology</p>	<p>You also need to obtain trust in the way you structure information and approach problems.</p> <p>Invest enough time in your methodology. How do you think you can solve your potential customer's BPO or ITES problem and reach their goal? Draw up an action plan on how you will carry it out. Remember that when you present your suggestions, your potential customer can become an actual customer.</p>
<p>Step 4: Build trust in your solution</p>	<p>Hopefully, you have already proved to a large extent how well you, your organisation and the way you work match your potential customer's needs and wishes.</p> <p>This stage involves presenting your BPO and ITES services and closing the deal. Note that, if the customer has no confidence in you as a person, as a professional or in you the way you handle things, you will have a hard time closing the deal.</p>

## Consultative selling

Consultative selling is another effective approach to establish trust. It is a process of diagnosing a potential customer's needs before aligning your solution. Consultative selling is done in the reverse direction of traditional sales, where a person pushes a product's benefits to a potential customer without knowing their needs. In consultative selling, you act as a consultant who helps the potential customer identify their needs before suggestion a suitable solution.

### Tip:

- Focus on long-term relationships instead of immediate business results. Invest time in gaining trust. This does not happen overnight and is crucial to developing long-term relationships.

## Doing business interculturally

Senegal has historical and long-standing trade ties with France and other francophone communities in Europe. Uganda has historical and long-standing trade ties with the United Kingdom. Nevertheless, there are cultural differences that may hinder business relationships. This equally applies to countries without relevant historical ties, such as between Senegal or Uganda and Germany.

Remember that Europe is by no means a uniform market. What may be acceptable in one market or culture may create irritation or conflict in another culture. To create strength from cultural differences in international collaboration one needs to manage expectations.

### Tips:

- Read about international business culture and business etiquette in different European markets on

[passport to trade](#), which provides tips on doing business in individual European countries. This includes all countries we recommended for Senegalese and Ugandan providers to target in Europe.

- Apply these business techniques with European buyers present in your local market too. Although all these tips are mentioned for when you do business in Europe, they equally apply when you seek to do business with Europeans that are present in Uganda and Senegal.

## Contracting

Proper contracting practices are very important in an outsourcing relationships. The contract terms and the quality of a contract will largely influence an outsourcing relationship, governance and the overall success of an outsourcing project.

Contracting is a very delicate matter, especially when it concerns international contracts. We strongly recommend Senegalese and Ugandan service providers to ask for professional assistance from a law firm that knows the laws of your target market.

### Tips:

- Use a law firm in your target market to support you in proper contracting practices.
- Take a look at our studies about [doing business](#) and organising your exports. Although it focuses on IT outsourcing, many elements are equally relevant for BPO and ITES.

This study was carried out on behalf of CBI by [Globally Cool](#).

Please review our [market information disclaimer](#).