



## “Next-wave” Location Profile – Johannesburg, South Africa

Locations Insider™ (LI)

Market Report – August 2018: Complimentary Abstract / Table of Contents

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- This report is included in the following research program(s)
  - **Locations Insider™**
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In addition to a suite of published research, a membership may include

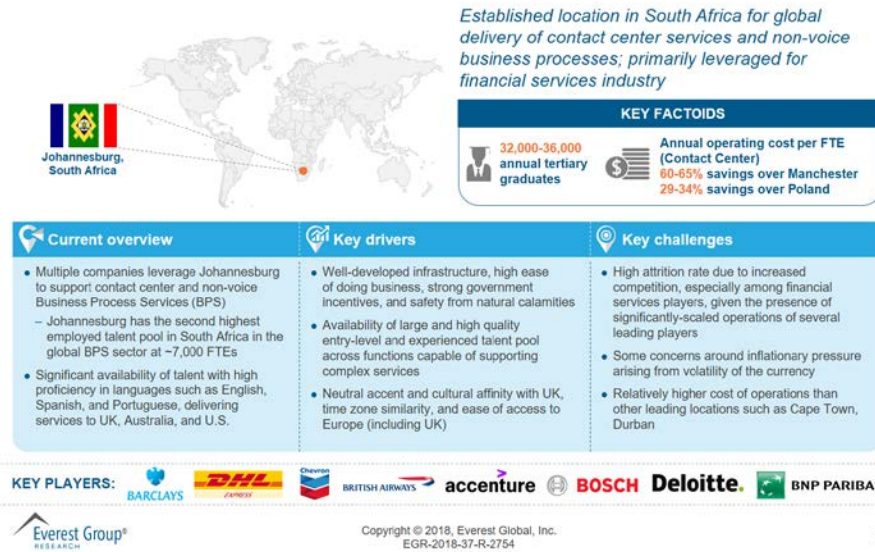
- Price book
- Pinnacle Accelerators
- Data cuts
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- Virtual Roundtables
- Workshops

## Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

# This report provides perspectives on key aspects of the global sourcing market in Johannesburg

## Johannesburg | Quick snapshot



## Johannesburg | Risk profile (page 1 of 2)

Geopolitical stability and strong infrastructure make Johannesburg an attractive destination for global services delivery

Parameter	Everest Group rating	Comments
Geopolitical	Highly favorable	<ul style="list-style-type: none"> <li>South Africa scored 39<sup>th</sup> rank worldwide in the Democracy Index 2017 compiled by Economic Intelligence Unit, which measures the state of democracy in 167 countries</li> <li>The political system functions adequately and the mechanism for transfer of power is well established</li> <li>The official opposition party, Democratic Alliance's (DA) performance in terms of boost in share of the vote is a broadly positive development, as the party is more pro-market than the African National Congress, and a stronger opposition will contribute to wider democratic development</li> </ul>
Macroeconomic	Favorable, some concerns	<ul style="list-style-type: none"> <li>South Africa's economy is likely to fare well with estimated GDP growth from 1% in 2017 to 2% in 2018. However, the budget will remain in deficit throughout the next five years because of heavy investment in infrastructure, high wage costs and sluggish revenue growth</li> <li>Some concerns around the weakness of the currency owing to                             <ul style="list-style-type: none"> <li>Weak economic growth</li> <li>Domestic political and economic risks (Moody's Fitch gave Baa3 rating to South Africa in 2018, implying that it is subject to moderate credit risk)</li> <li>Overvaluation of currency</li> </ul> </li> </ul>
Infrastructure	Highly favorable	<ul style="list-style-type: none"> <li>Global Competitiveness Index 2017-2018 (World Economic Forum) ranks South Africa 25 out of 138 countries for the quality of air transport infrastructure, 27 for mobile-cellular telephone subscriptions, and 50 for quality of roads</li> <li>The infrastructure rankings for South Africa are better in comparison to its peers (India and the Philippines)</li> <li>Johannesburg offers superior quality transport infrastructure, particularly in the business district, characterized by cheap taxi cabs, increased rail connectivity through the Gautrain railway system, and international air connectivity (two airports and 141 flights to London, Sydney, and Tampa, daily)</li> </ul>

Source: Everest Group (2018); EIU; World Bank; Moody's; interviews with market participants

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EGR-2018-37-R-2754

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# Research calendar – Locations Insider™

■ Published   ■ Planned   ▨ Current release

## Flagship Locations Insider™ reports

### Release date

"Next-wave" Location Profiles – Atlanta, United States .....	January 2018
"Next-wave" Location Profiles – Manchester, United Kingdom .....	February 2018
Global Locations Annual Report 2018: Service Delivery Portfolios in a Disrupted World .....	June 2018
"Next-wave" Location Profile – Timisoara, Romania .....	June 2018
"Next-wave" Location Profiles – Santiago, Chile .....	June 2018
"Next-wave" Location Profile – Bangalore, India .....	July 2018
<b>"Next-wave" Location Profiles – Johannesburg, South Africa .....</b>	<b>August 2018</b>
"Next-wave" Location Profiles – Campinas, Brazil .....	Q3 2018

## Thematic Locations Insider reports

Changing the Contact Center Delivery Model to Target Customer Experience .....	October 2017
What is the True Maturity of Indian Contact Center Market? .....	October 2017
Brexit, GDPR, and Digital Winds of Change: Disruption or Transformation of Service Delivery to the UK and Ireland? .....	October 2017
Poland Tier-2/3 Cities: Complementing Tier-1 Cities or Carving a Niche for Digital Services .....	December 2017
Betting on the Future – The Bangladesh IT-ITeS Industry is Poised for Growth .....	December 2017
What Will 2018 Have in Store for Locations Strategies? .....	May 2018
Contact Center Services for the U.S. Market: Shifting Location Strategies for Shifting Market Demands .....	Q3 2018
Where are FinTech Startups Concentrated? .....	Q3 2018

Note: For a list of all Locations Insider™ reports published by us, please refer to our [website page](#)

# Additional research references

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The following documents are recommended for additional insight into the topic covered in this report. The recommended documents either provide additional details or complementary content that may be of interest:

1. **Global Locations Annual Report 2018: Service Delivery Portfolios in a Disrupted World** ([EGR-2018-37-R-2646](#)); 2018. The Global Locations Annual Report 2018 is a unique and comprehensive guide to understanding the nuances of the global services locations landscape and interpreting locations-related developments and trends to frame locations strategy. This report has three tenets – Key Trends Shaping the Landscape, Risk Watch, and Locations PEAK Matrix. It presents insights into the size and growth of the global services market, update of locations activity, changes in risk profiles of locations, and an analysis of the relative maturity, arbitrage, and potential of locations for multiple functions
2. **“Next-wave” Location Profile – Guangzhou, China** ([EGR-2018-37-R-2628](#)); 2018. This report analyzes Guangzhou and offers perspectives on global sourcing profile of Guangzhou, key opportunities, drivers, and challenges, along with an overview of talent availability, operating costs, and environment risks
3. **“Next-wave” Location Profile – Bangalore, India** ([EGR-2018-37-R-2725](#)); 2018. This report analyzes Bangalore and offers perspectives on global sourcing profile of Bangalore, key opportunities, drivers, and challenges, along with an overview of talent availability, operating costs, and environment risks

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