

Invest in Sweden

Contact Centers



The quality choice for contact centers in Northern Europe



Invest in Sweden Agency

The quality choice for contact centers in Northern Europe

Reasons to choose Sweden

- Sweden is the largest market in the Nordic region.
- Good availability of skilled labor with excellent language and IT skills.
- Best recruitment base for Nordic native-speakers.
- Attractive cost position.
- Strategic location in Northern Europe/ the Baltic Sea region.
- Leading information society with advanced IT and telecommunications infrastructure.
- High productivity due to Swedish business culture and management style.
- Largest contact center operator in the Nordic countries.

Note: Northern Europe/the Baltic Sea region includes Sweden, Denmark, Norway, Finland, Estonia, Latvia, Lithuania, northern Poland, the St. Petersburg region in Russia and northern Germany.

Sweden is strategically placed at the heart of Northern Europe/the Baltic Sea region.



To most companies, the customer contact center is a strategic priority and an important part of the company product and service mix. Encouraged by an ongoing challenge to reduce costs and improve customer satisfaction, enterprises are continuously reviewing their contact center operations to identify areas of potential opportunity.

Consolidating contact center activities to support a regional growth strategy in Northern Europe is increasingly popular. Whether you are seeking new market opportunities or a way to cover several markets from a central location, Sweden should be the obvious choice.

Sweden is the preferred location for multi-country contact centers in Northern Europe/the Baltic Sea region. The country offers qualified and experienced staff, by far the best availability of Nordic and Baltic native speakers and a business environment that is tailor-made for international business operations. In addition, business costs are highly competitive.

The fact that Sweden is the largest economy in the Nordic region has a major impact on location decisions. With its sizeable population and export-oriented core industries, most multinationals find their largest customer base here. The highly internationalized Swedish industry means that management skills and international business experience is readily available.

Sweden excels in contact center assignments that focus on qualified and personalized customer care. Few other places offer such good prerequisites for technology-enabled contact centers. Being advanced users of IT, Swedes have successfully integrated today's leading communication technologies into daily business life. Efficiency and productivity are enhanced by a business culture where responsibility is delegated throughout company organizations.

A switch from pan-European or national operations to a regional contact center with multi-country responsibility can help you reduce costs, drive sales and build customer loyalty. Join Canon, DHL, Microsoft and Vodafone – choose Sweden for your regional contact center!

Welcome to Sweden!

“With easy recruitment, a good cost position and great support from local municipalities, Sweden is the best choice to cover the Nordic region.”

*Johnnie Müller
Customer Service Director
DHL Nordic*

“Consolidating contact center activities to Sweden means better scope to serve customers, more consistent quality and an opportunity to drive incremental sales.”

*Otto Drakenberg
General Manager
Goodyear Dunlop Nordic*

The largest market in the Nordic region

Sweden is at the center of one of Europe's most exciting and dynamic economic arenas. The integration of emerging economies in Estonia, Latvia and Lithuania with mature markets in Scandinavia (Sweden, Denmark, Norway and Finland) has created a rapidly growing region.

With nine million of the region's 31 million consumers and a share of 35 percent of the seven countries' combined GDP, Sweden is by far the largest market. Sweden receives almost 50 percent of inbound foreign direct investment (FDI) into the region, i.e. almost as much as the six other nations combined. Sweden is also the most common choice for regional headquarters. Two-thirds of the Fortune 100 companies that operate regional headquarters do so from a base in Sweden.



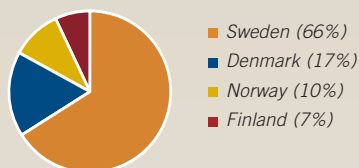
Gross domestic product – GDP

EUR billion

Sweden	259.9
Denmark	171.6
Norway	135.8
Finland	130.1
Lithuania	12.2
Latvia	7.8
Estonia	5.6
Total	723.0

Source: The Øresund Institute, 2004

Regional headquarters in the Nordic region

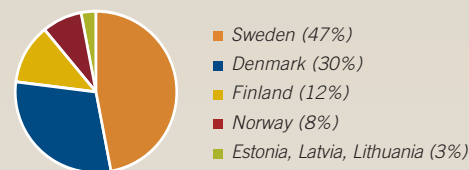


DHL, Goodyear Dunlop, Honda, IBM, Mitsui, Procter & Gamble and Unilever are examples of companies with regional headquarters in Sweden.

Source: Invest in Sweden Agency, 2003

Share of FDI inflows

Total inflow of FDI 1999-2003: USD 235 billion



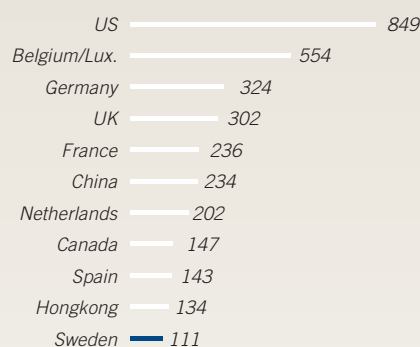
Source: Unctad, 2004

Sweden – engine for growth

There are several reasons why Sweden is attractive to foreign business. For one, investors gain access to sophisticated products and technologies, skills, innovations, and first-rate infrastructure. Establishing a position in Sweden means a triple market presence in Scandinavia, the Northern Europe/Baltic Sea region, and the European Union – home to some 450 million consumers. Additional advantages include a qualified workforce, extensive R&D facilities, an advanced testing market, and demanding customers and suppliers providing the foundation for business operations of the highest caliber. The Swedish business climate and growth prospects earn high rankings in most internationally recognized studies and surveys.

Largest recipients of FDI

1999–2003, USD billion



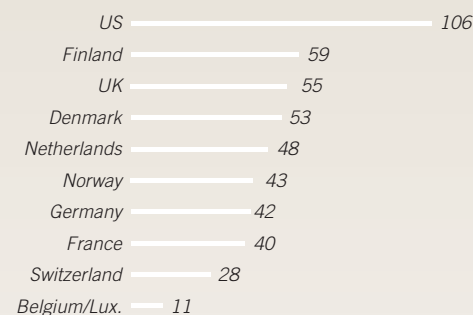
Sweden is one of the world's main recipients of foreign direct investment (FDI).

Note: Figures for Belgium/Luxembourg are not comparable since the registered capital flows to a large extent are channelled to other countries.

Source: Unctad, 2004

Foreign-owned companies are major employers

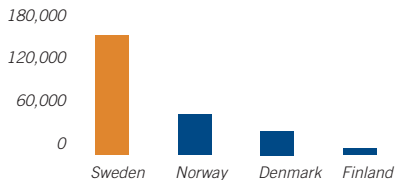
2003, employees (000s)



Sweden is an internationalized business community. In 2003, 10,100 foreign-owned companies employed a total of 564,200 Swedes, or approximately 23 percent of all employees in the private sector.

Source: Swedish Institute of Growth Policy Studies, 2004

Best recruitment base for Nordic native personnel

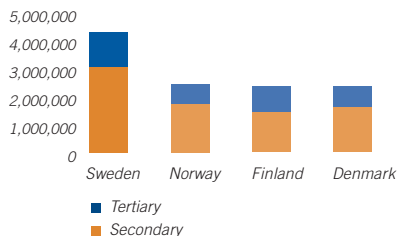


The graph presents the size of the population from other Nordic countries. By January 1, 2003 more than 160,000 citizens from Denmark, Finland and Norway lived in Sweden. In comparison, less than 33,000 citizens from Finland, Norway and Sweden lived in Denmark.

Source: Nordic Statistical Yearbook 2003

People with secondary and tertiary education

Level of education attained, 2002



Source: Nordic Statistical Yearbook 2003

Swedes are early adopters of new technology

85%	Broadband access penetration
80%	PC residential access
78%	Internet users
75%	3G coverage
75%	Residential cable TV subscribers
32%	Digital TV access

Source: Invest in Sweden Agency, 2004

Why Sweden should be your choice

From Sweden, contact centers can be run with high levels of quality and service. A well-educated workforce with excellent language and computer skills, competitive operating costs and world-class telecommunications make Sweden the perfect location for complex contact center tasks. Sweden is also the largest contact center operator in the Nordic countries.

Market size and location Companies that consolidate contact center activities in Northern Europe, typically have their largest market in Sweden. In other words, Sweden is where the majority of activities to be centralized are already performed. Choosing Sweden makes economic sense, and reduces time and cost spent on recruitment and possible reassignment of staff. The nation's strategic position at the heart of Northern Europe offers possibilities to cover several markets from one central location.

Attractive recruitment base Sweden's diversified economy, with world-leading companies active in a range of industry and service sectors, has promoted a need for skilled staff at all organization levels. In a study conducted by Cap Gemini Ernst & Young in 2004, the quality of the Swedish labor force was estimated to be the highest in the EU, including the accession countries. Measured criteria included average number of years of education and percentage of the population with tertiary education. Sweden also offers good access to highly skilled IT workers.

Excellent language skills Recruitment to multi-country contact centers is facilitated by the large number of people in Sweden with roots in neighboring countries. More than 80 percent of the population speaks English. The workforce is recognized as being efficient and service-oriented.

Cost competitiveness Overall, Sweden offers an attractive cost position with low corporate taxes, competitive costs for salaries, and low costs for telecommunications and IT services. Minimal red-tape is another factor that contributes to low total business costs.

Advanced IT and telecommunications infrastructure The IT and telecommunications infrastructure has evolved to accommodate the needs of global business operators. As a result of large infrastructure investments and high levels of business and personal IT usage, Sweden has been ranked the world's leading IT nation for four consecutive years. Sweden has also been named one of the most e-business ready countries in the world.

Open-minded and technologically curious, Swedes are consistent early adopters of new technology. Sweden has the most extensive high-capacity broadband network of any European country, reflecting the determination of the Swedish government to make broadband access for everyone a national priority. This makes Sweden particularly well suited for highly personalized and technology-enabled contact centers.

Research and education Some eight Swedish universities and colleges perform CRM (Customer Relationship Management) and contact center-related research. Contact center studies are increasingly being integrated into regular course programs. Mid Sweden University runs a yearlong corporate training program in contact center management and offers third-year students half- and full-year CRM specialization programs. The university has also established a co-operative agreement with Purdue University in the US, one of the internationally leading institutes for contact center research.

Fertile business climate Doing business in Sweden is a hassle-free experience. There is good access to highly qualified business service providers in IT, telecommunications and financial services. Swedish industry, including multinationals such as AstraZeneca, Atlas Copco, Electrolux, Ericsson, SKF, Saab, Scania and Volvo have fostered international business skills and promoted the build-up of an advanced business services infrastructure. The Swedish business culture is characterized by the delegation of responsibility throughout company organizations. This is an advantage to contact centers, as staff can be relied upon to resolve issues with customers in a positive way.

Total salary costs - customer service officer and assistant

EUR per year

Country	Customer service officer ¹⁾		Assistant ¹⁾	
	Low	High	Low	High
Denmark	36,667	45,556	26,667	32,222
Finland	33,333	42,222	23,333	30,000
France	48,889	61,111	35,556	43,333
Germany	48,889	58,889	34,444	41,111
Ireland	32,222	56,667	17,778	31,111
Netherlands	36,667	46,667	26,667	32,222
Norway	41,111	46,667	31,111	34,444
Sweden	36,667	42,222	26,667	28,889
UK	31,111	50,000	23,333	31,111

¹⁾ Gross salary + employers charges. Salary figures from 2001 in USD, converted to EUR at rate 1 EUR = 0.9 USD

Customer service officer: Normally reports to Customer Service Manager. Provides technical advice or services to clients. Responsible for customer support and after-sales services. Normal requirements: diploma, with 2-3 years of relevant experience.

Customer service assistant: Normally reports to Customer Service Officer. Provides administrative support to customer service officer such as filing and typing of documents. Handles bookings by phone. Normal requirements: Senior high school, with 1-2 years relevant experience.

Source: Mercer Sweden and Invest in Sweden Agency



Share of ICT services in total business services

Ranking by value added

1. Ireland

2. Sweden

3. Finland

4. Belgium

5. UK

6. Czech Republic

7. Netherlands

8. US

9. Hungary

10. Portugal

Sweden is a country with widespread use of the latest communication technologies. Companies invest heavily in services and tools to become more efficient and competitive.

Source: OECD Science, Technology and Industry Scoreboard, 2003

Sweden hosts successful contact centers

Using Sweden as a base for customer care management in Scandinavia and Northern Europe has proven highly beneficial to many international companies.

Foreign-owned companies with multi-country contact centers in Sweden

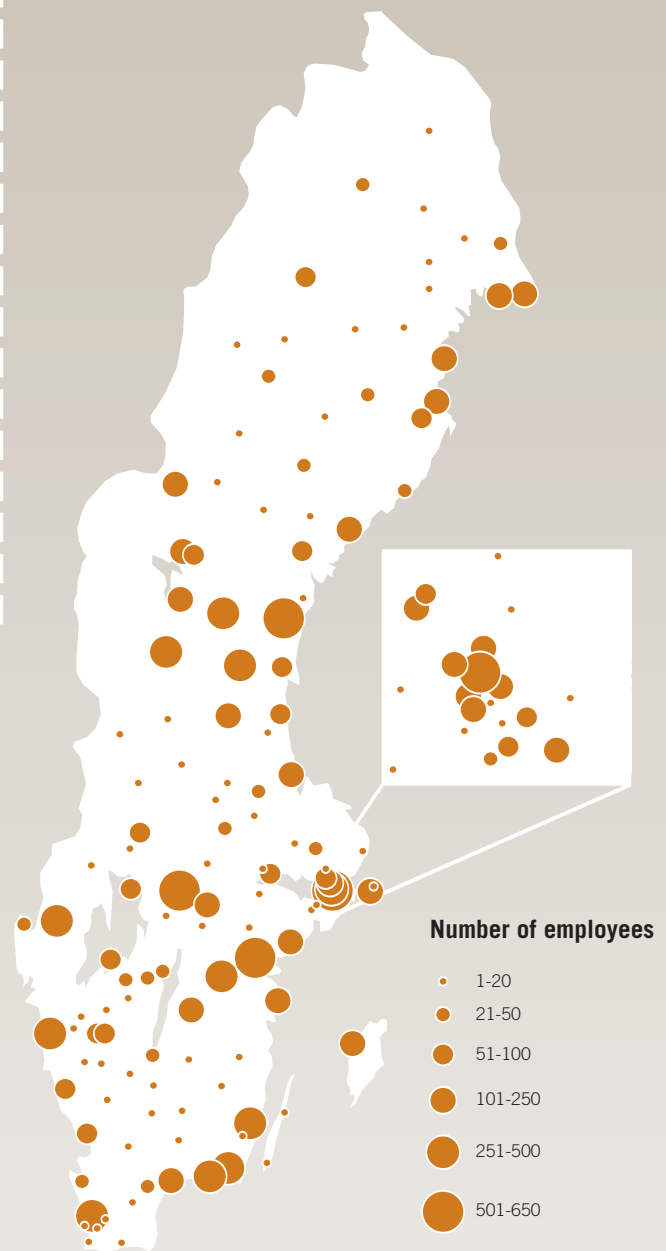
Aon (US)	Risk management
Canon (Japan)	Business and consumer electronics
Dell (US)*	Computer equipment
DHL (Germany)	Transport and logistics
Dressner Wayne (US)	Petrol pumps and electronic payment systems
EDS (US)	IT service provider
Epson (Japan)*	Printing and imaging products
FedEx (US)	Transport and logistics
Genesys (France)	Conference technology provider
Goodyear Dunlop (US)	Tires
Honda (Japan)	Automotive
Maersk Sealand (Denmark)	Shipping
Michelin (France)	Tires
Microsoft (US)*	Software
UPS (US)	Transport and logistics
Vodafone (UK)	Mobile communications
Yamaha (Japan)	Musical instruments

* Outsourced

Examples of outsourcing service providers in Sweden

Excellent-SNT
Manpower
Multipartner
Sitel
Softcom
Stream
Sykes
Teleperformance
Transcom
twenty4help

Swedish contact centers are located all over the country



The map shows the approximate distribution of contact centers in Sweden.

Source: Invest in Sweden Agency

DHL: “Sweden is the best choice for multi-country contact centers.”

From Sweden, DHL handles off-hours customer enquiries for eight countries in Northern Europe. “Our experiences are very positive,” says Johnnie Müller, Nordic head of customer service. “It is easy to recruit and we get very good support from the municipalities.”

Following the 2003 merger between US-based DHL and Germany’s Danzas, the new company, the world’s largest express and logistics firm, initiated a consolidation of contact center activities. Once completed, the number of sites in Sweden, Denmark, Finland, Norway, Estonia, Latvia, Lithuania and Iceland will be reduced from 50 to 10. “Our view is that larger, process-driven (i.e. specialized) contact centers give the best quality for money,” says Müller. “Scale is important.”

The sheer volume of DHL contact center activities means that national contact centers take care of customer contacts during the working day. During non-office hours, however, it is more rational to handle contacts from one location due to the limited volumes. “Customers care about being served immediately and efficiently,” says Müller. “From Sweden, we can easily do this on a multi-country basis. Recruitment of native Nordic speakers is good, costs are competitive and we get great support from the municipalities.”

The Nordic off-hours team in Ljusdal employs some 30 people of whom 15 to 20 are native Danish, Norwegian and Finnish speakers. Customers in Iceland and the Baltic States are served in English. The Ljusdal site, with approximately 120 agents in total, is one of three DHL contact centers in Sweden. Each center is responsible for specific tasks before, during and after transport. The frontline center in Växjö handles bookings, price requests and general information needs. Ljusdal manages track and trace while claims and complaints are handled from Stockholm. Some 300 agents are employed in Sweden, which accounts for 60 percent of DHL Nordic’s contact center volume.

To Müller, contact center specialization strategies will be more common in future. “It is a question of quality – having the right languages, the right skills and the right processes.”

Goodyear Dunlop: “More consistent quality and increased sales.”

Goodyear Dunlop, the world’s largest tire manufacturer, manages its business in Northern Europe from headquarters in Stockholm, Sweden. As part of a recent reorganization, all customer service activities were transferred to Sweden. “Consolidation means better scope to serve customers and an opportunity to drive incremental sales,” says Otto Drakenberg, general manager for Goodyear Dunlop Tires Nordic.

Goodyear has managed its business in Sweden, Denmark, Finland, Norway, Estonia, Latvia and Lithuania from Stockholm since the spring of 2004. Here, 70 staff oversee a business with an annual turnover exceeding EUR 160 million.

The Nordic customer service organization employs some 25 staff in customer service, order management and after sales support. Drakenberg points out that centralization of these tasks provides Goodyear with critical mass and an ability to serve customers more consistently and with better quality.

“Previously our contact centers were staffed with agents and team leaders solely. In the new organization, we have appointed a regional customer service manager, to address core strategic issues adequately.” Currently this means a focus on improving customer access, ensuring more consis-

tent quality in customer contacts and seizing all opportunities for incremental sales.

Sweden, which accounts for the bulk of Goodyear’s Nordic revenues, was the natural location, says Drakenberg. “Sweden is the single largest market.” He also notes that Sweden offers the best recruiting base for Nordic native personnel. “From a flexibility, access and cost point of view, it is excellent if you are able to recruit bilingual agents. Although this may be a challenge, it is certainly doable, and Sweden is the best base for it.”

Moreover, Drakenberg says, Swedish is a language that can serve both Norwegian and Finnish customers. “We obviously strive to serve customers in their native language, but even more important is to serve customers rapidly and efficiently.”

ISA – Business facilitator

Invest in Sweden Agency (ISA) is the government agency responsible for informing about business and investment opportunities in Sweden. Companies planning to establish or expand operations in Sweden can, free of charge, obtain information and assistance from ISA and its regional and international network.

With headquarters in Stockholm, ISA has international operations and representation in major European, North-American and Asian cities. The vast majority of ISA staff have a background in the corporate sector and expertise in the investment process. These attributes help ensure professional guidance for successful business launches in Sweden.

Welcome to the ISA web site at www.isa.se

Sweden Invest in Sweden Agency Phone: +46 8 402 78 00 E-mail: isa@isa.se	UK Invest in Sweden Agency Phone: +44 20 7723 2000 E-mail: isa.uk@isa.se	Germany German-Swedish Chamber of Commerce Phone: +46 8 665 18 96 E-mail: germany@isa.se	Denmark Danske Bank Phone: +45 4339 24 91 E-mail: denmark@isa.se
The Netherlands CDI Global Phone: +31 20 662 55 36 E-mail: netherlands@isa.se	US Invest in Sweden Agency Phone: +1 212 702 8780 E-mail: isa@usa.isa.se	China Invest in Sweden Agency Phone: +86 21 6390 6598 E-mail: shanghai@isa.se	Japan Invest in Sweden Agency Phone: +81 3 5562 5014 E-mail: isa@isatokyo.org