BUSINESS PLAN

2019

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1. Introduction

a. External trends

The decrease in migratory inflow from Sweden to China observed in previous years is continuing, as can be seen in *Fig. 1*. This figure accounts for the total flow, regardless of citizenship. It should be noted that the curve is neither a depiction of the total Swedish population in China nor the net total migratory flow.
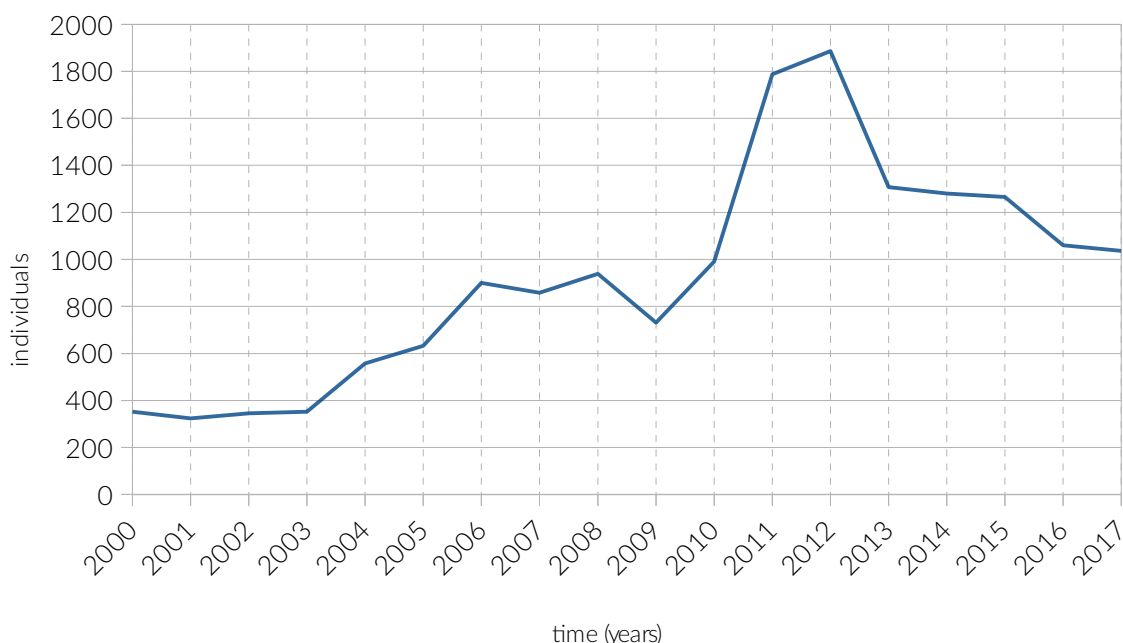

Fig. 1: Migration from Sweden to China (Source: Statistiska Centralbyrån)

The number of Swedish conglomerates with branches in China shrunk for the first time in the latest available data (2016), although employee count picked after a drop in the previous year and places China (*Fig. 2*).
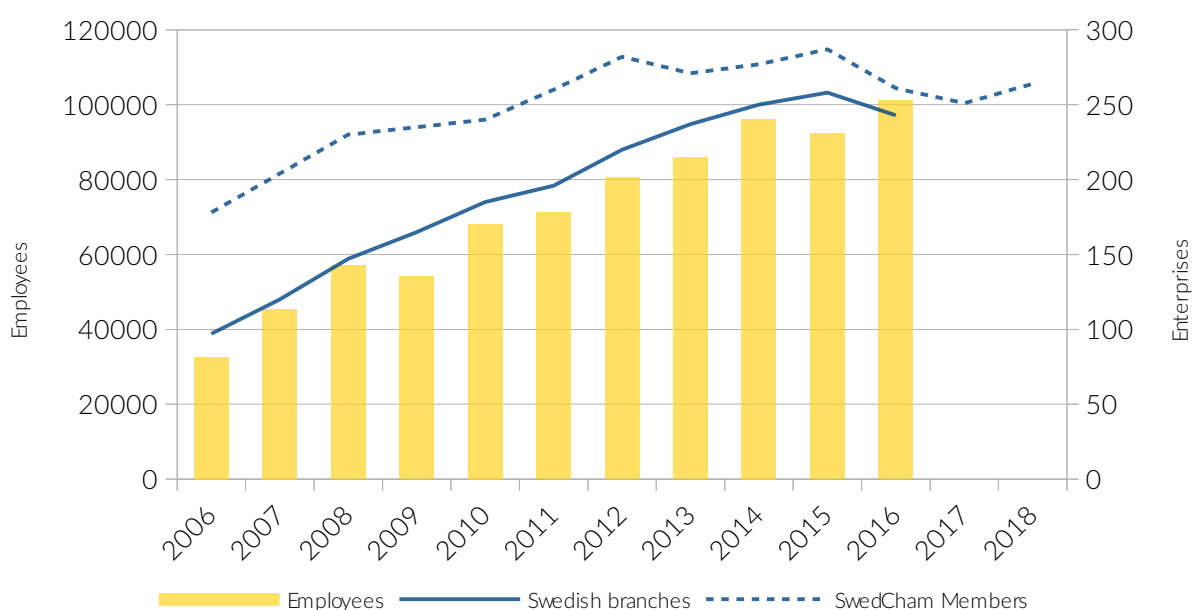

Fig. 2: Swedish enterprises with filials abroad and SwedCham membership (Source: Tillväxtanalys)

b. Internal trends

For the first time, it is possible to follow the year-on-year evolution of internal parameters. Fig. 3 indicates that, among the respondents, more reported China as their country of birth while less reported Sweden in 2018 compared to 2017. With a 6% difference it is deemed statistically significant. This can either mean that the member survey was better at reaching to and prompting a response from China-born CEO:s, or reflect an overall increase of their proportion in the total number of member CEO:s. Observations and reports from member companies corroborate the latter.
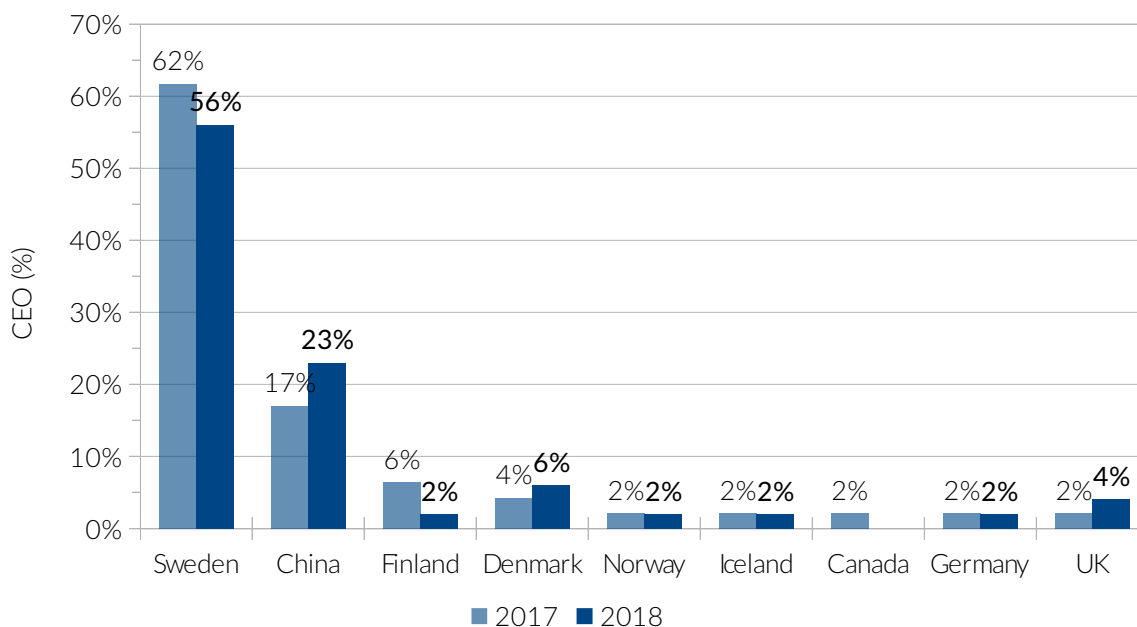

Fig. 3: Member CEO:s by country of birth (Source: SwedCham Member Survey)

The proportion of respondents aged 18-34 increased by 10 percentage points year-on-year. The age group 18-44 now accounts for nearly two-thirds of the responses. The results in Fig. 4 likewise indicate a stronger representation of the corresponding demographics in SwedCham's contact database or overall workforce at member companies. In this case, anecdotal evidence isn't strong enough to rule out one or the other.
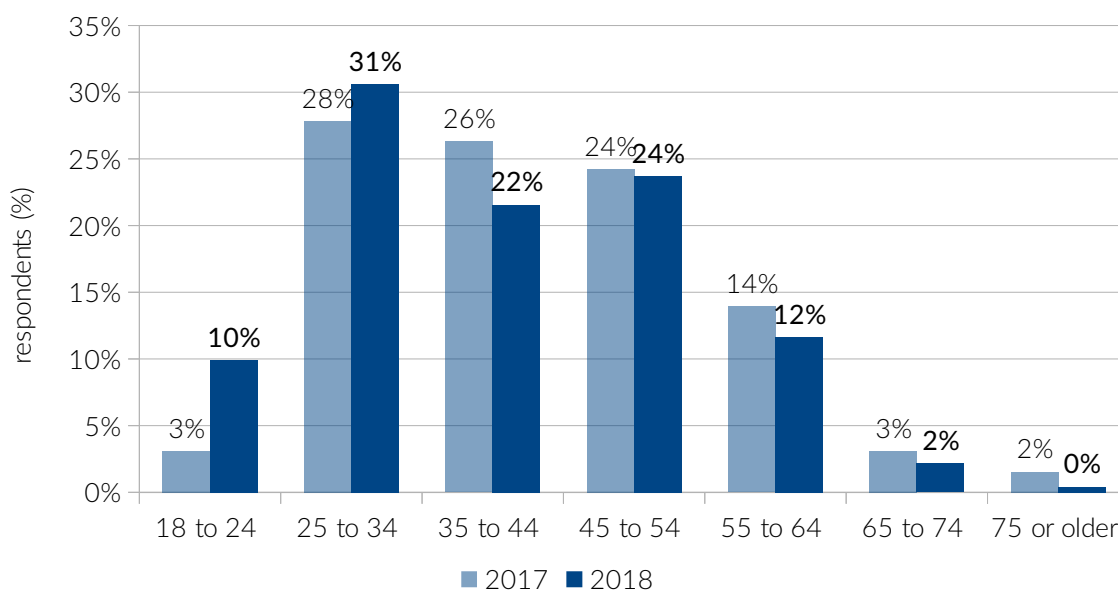

Fig. 4: Age distribution in members and non-members (Source: SwedCham Member Survey)

The areas considered as top-three priority expansion regions (the expansion form was left unspecified) by member and non-member companies are outlined in Fig. 5. Guangdong Province stands out as statistically significant enough to justify further attention.
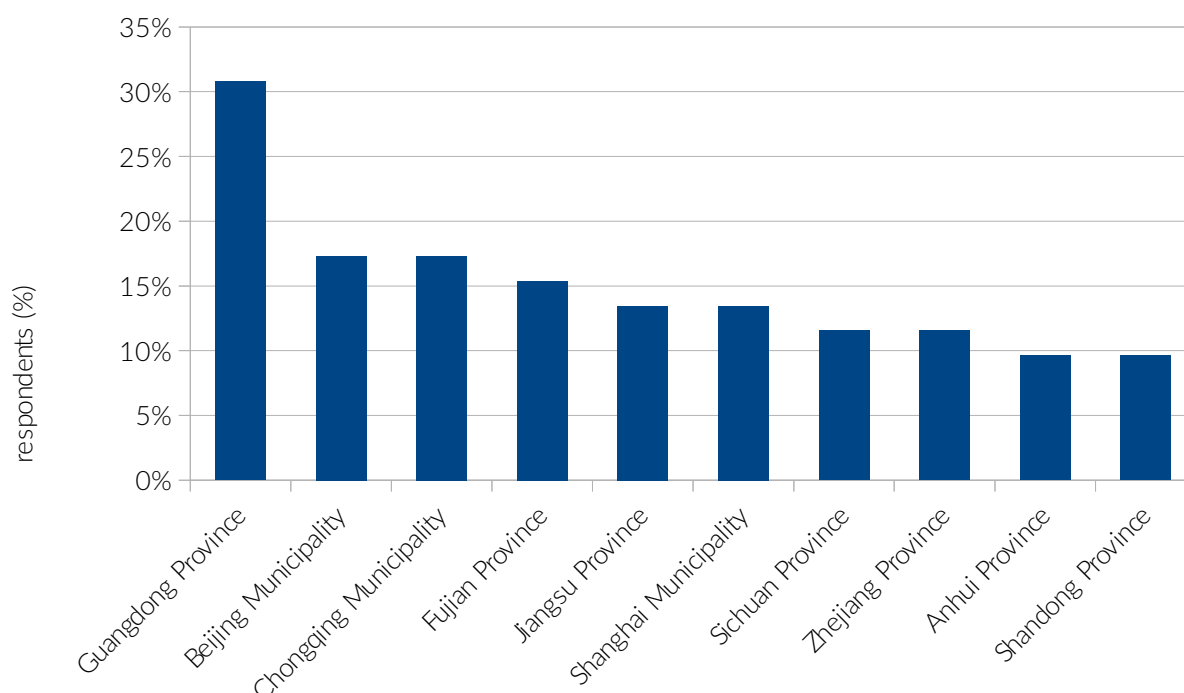
Fig. 5: Top 3 prioritized expansion areas (members & non-members)
(Source: Team Sweden, Business Confidence Survey)

To round off the overview of internal trends, Fig. 6 presents the evolution of member satisfaction between 2017 and 2018.
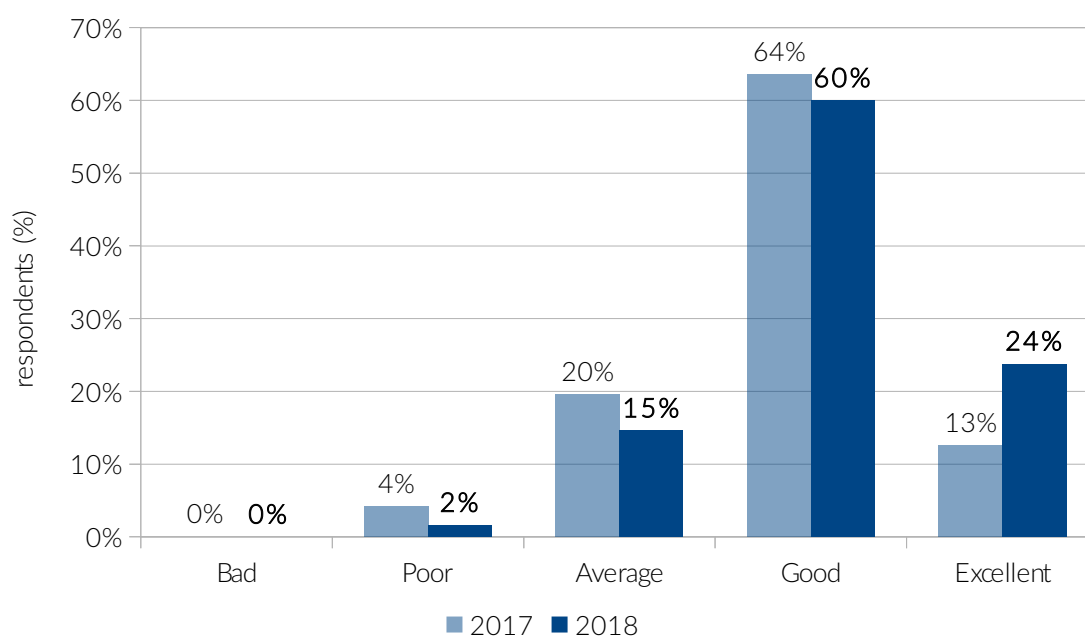
Fig. 6: Member Satisfaction

2. Strategy 2019

In keeping with the Board of Directors' injunction that SwedCham continue adding new members, the trends outlined in Section 1 make it obvious that the Chamber needs to look for further growth potential outside its historical core by 1) targeting unserviced segments and 2) strengthening its position as unique representative of the Swedish business life in China, in all situations and 3) making greater use of available data and information.

a. Priority areas

SwedCham's Strategy Meeting identified 5 priority themes to guide the work of Chamber: Value to Members, Relevance, Market Knowledge, Swedishness and Dynamic Network. The following action points are intended to contribute to one or more of those:

	Member Value			
	Relevance	Market Knowledge	Swedishness	Dynamic Network
Reaching out to the younger demographics, startups, Chinese CEO:s	✕			✕
Making greater use of data analysis to tailor offering	✕	✕		
Tightening contact with members to increase information flow		✕		✕
Increasing the sharing of information and media presence	✕	✕	✕	
Building agile organization	✕			✕
Strengthen external collaborations	✕		✕	
Exploring South China as possible expansion area		✕		✕
Building stronger bridge to Sweden	✕	✕	✕	
Drawing greater advantage from boards' experience	✕	✕	✕	✕

b. Strategic actions break-down

Reaching out to upcoming segments: Startups, Young professionals, Chinese management

Two-way mentorship: Mentorship program connecting Chinese young professionals and Swedish business leaders.

Springboard: Closed-door advisory panel available to Startup Members, quarterly in each city.

Food for Thoughts: Bi-monthly lunch with senior Chinese manager or Board member, sharing their experience with younger demographics.

Making greater use of data analysis to tailor offering

Target group analysis: Review, update and analysis of Social Media audience and CRM.

Segmentation: Based on analysis, definition of segment criteria and application to CRM.

Standardize measurements: Use Net Promoter Score consistently across evaluations.

Tightening contact with members to increase information flow

Network groups: Committed, fixed groups of individuals in the same industry or function meeting regularly to discuss specific common issues. Stronger involvement of local Chapter and office is needed.

Inside Champions: Closer relationships with HR and Communication managers and member companies through targeted offers and meetings to improve internal promotion.

Member visits: Visits to Member Companies, learning more about their needs and challenges and creating a personal bond.

Increasing the sharing of information and media presence

PR and Communications plan: Key messages and advocacy priorities, channel differentiation and use of professional publishing tool. Making use of e.g. webinars for greater reach.

Articles and briefs: Original content about Swedish business in China, based on SwedCham research, events and networks.

Media contact: Database of relevant journalists and closer contact with relevant magazines/platforms: Scandasia, DI, etc. Promotion of Dragon News article in SwedCham's network: event speakers, board members, etc.

Building agile organization

Roles and responsibilities: Role-specific goals and mandates.

Budget ownership: Greater control of, and responsibility for, respective shares of budget for local management.

Team development: Attendance by all team members individually of two workshops, seminars or programs for self-development.

Strengthening external collaborations

External links: Closer collaborations with SSIEC, Nordic Salon, SANC, etc. through joint events and common publications.

Team Sweden: Local collaboration with Business Sweden, Embassy, C.G.. Integrate Team Sweden priorities in SwedCham yearly theme (in Dragon News, at events, etc.).

Co-promotion: Interview presentations of different actors in Team Sweden to publish in own channels.

Exploring South China as possible expansion area

Ground work: Visit companies on site.

Trial run: Pilot recurring event (ex. Swedish A.W.) and/or organize Springboard.

Building stronger bridge to Sweden

SwedCham as knowledge provider: Selective, targeted campaigns with Swedish partners (SCTC, BuS, ...) around e.g. Business Confidence Survey, Kinadagen.

Media relevance: Working pro-actively to provide relevant information about SwedCham's members in media.

Chinese-invested Swedish companies: A growing trend, worth following up upon.

c. Organizational changes

Membership Fee Structure

SwedCham's membership fee structure was last updated in 2014. With eight different categories and a seemingly random cut-off pattern, it is in need of rationalization. Furthermore, fees have remained unchanged since then, while fixed costs like salaries and office rental have followed the market's evolution. It is therefore proposed to both simplify and adjust the fee structure, reducing it to five categories and increasing expected fee revenue by 10% overall.

Current structure
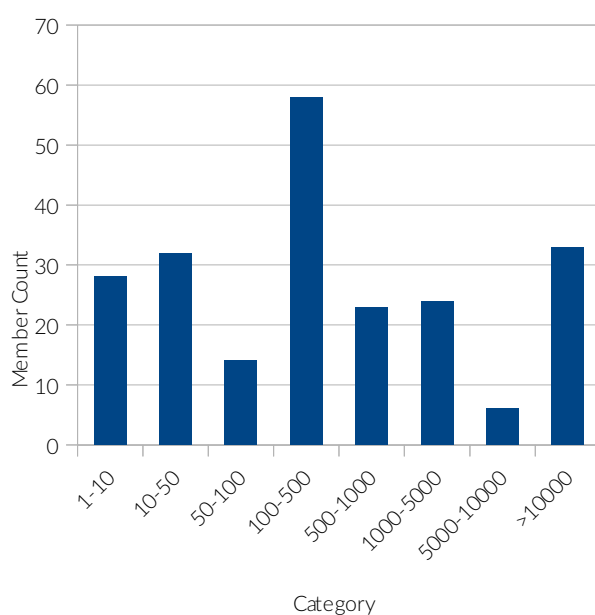
Proposed structure
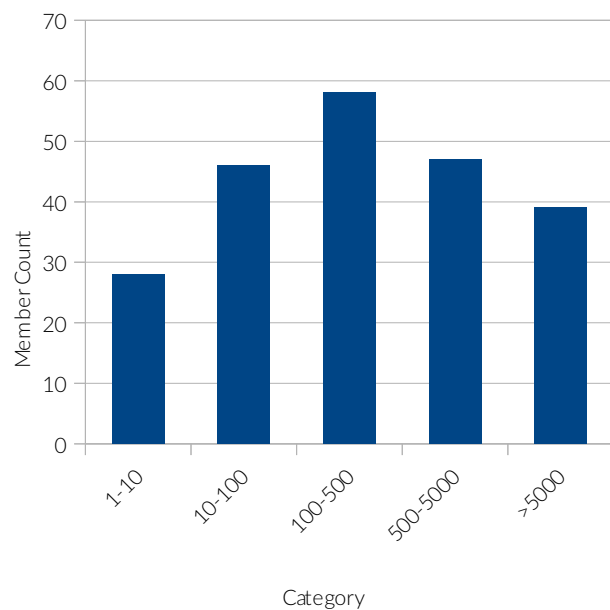
Employee Count	# Members	Fee (RMB)
1-10	28	3500
10-50	32	4000
50-100	14	4500
100-500	58	5000
500-1000	23	7000
1000-5000	24	10000
5000-10000	6	13000
>10000	33	16000

Employee Count	# Members	Fee (RMB)
1-10	28	3900
10-100	46	4900
100-500	58	5900
500-5000	47	8900
>5000	39	14900

d. KPI

To follow up on the priorities above, three overarching KPI:s were devised by SwedCham's boards:

1) Growth

    a – Quantity Growth: membership as a proportion of Swedish companies in China.

    Metric: Number of Swedish Branches in China

    Goal: 100%

2) Satisfaction

    a – Member Satisfaction & Quality Growth: as measured by Member Value Survey.

    Metric: Net Promoter Score (NPS)

    Goal: +25%

3) Brand

    a – Engagement across platforms: Online (social media) and offline (events)

    Metric: TBD

    Goal: TBD

3. Conclusion

In 2017 the brunt of the effort and resources of the Swedish Chamber were focused on modernizing and upgrading its infrastructure, to lay the groundwork for further improvements in terms of member value and communication.

During 2018, focus has been on cementing a strong basic offering of standardized event formats and making use of the new communication channels to increase SwedCham's outreach.

The priorities for 2019 outlined above aim to increase member value by using the data and lessons available thanks to the previous two years' efforts to streamline, segment and strengthen SwedCham's offering.