



## Nearshore competitive advantages:

- Colombia
- Dominican Republic
- Jamaica



## Jamaica:

- Former British colony with a parliamentary government
- Famous for its beaches, music, culture & cuisine
- 2.72 million inhabitants
- Stable government with friendly US ties
- Native English speaking population



## Jamaica Cons:

- Small labor market: 2.72 million in the entire country, roughly the size of Medellín or Santo Domingo (Dominican Republic)
- Has struggled with a lack of real estate for large BPO
- Largest city, Kingston less than 700,000: Small market means more expensive goods like computers, etc.
- Subject to Hurricanes
- Very high electricity costs - all fuel must be imported



## Jamaica Pros:

- Native English - everyone speaks, reads and writes it
- Legal system based on Common Law (like USA)
- Montego Bay is a very attractive beachfront tourism destination with direct international flights - Xceligent staff won't hesitate to spend time there
- Proactive investment promotion agency that would consider us a significant win. They have been extremely responsive. I have an existing relationship with them going back several years.



## Jamaica - key facts:

- Population: 2,720,000
- Minimum wage: \$1.21 USD/hour
- Entry level contact center wage: \$1.72 USD/hour
- Monthly electricity estimate for 100 seats: \$3596 USD  
(government provided estimate)



## Dominican Republic:

- Former Spanish colony, congressional government
- Famous for beaches, music, fanatical baseball
- 10 million inhabitants
- Stable government with close US ties
- Large English speaking population. 1/10<sup>th</sup> of the Dominican population is estimated to live some part of their lives in the US, especially the East Coast. Former president graduated from high school in New York.

## Dominican Republic Cons:

- Has long suffered from corruption & patronage issues
- Unstable electrical grid: Almost all businesses (& most households) use backup power generators or batteries
- Somewhat onerous labor regime, active labor unions, complex regime of mandatory benefits
- The most inconsistent education of the 3 countries
- Not a native-English speaking country (Spanish)
- Coastal areas are subject to hurricanes



## Dominican Republic Pros:

- Probably the most pro-US populace anywhere outside of the USA.
- 10 million population means a significant labor pool
- BPO work is considered prestigious and professional
- Up to 7 cities with direct flights to the USA
- Relatively good telecommunications infrastructure
- Ample English-language skills

## Dominican Republic - key facts:

- Population: 10,000,000
- Minimum wage: \$1.76 USD /hour (may vary based on business size and location)
- Entry level bilingual contact center wage \$2.71 USD /hour
- Monthly electricity estimate for 100 seats \$2,733 (extrapolated from government quoted \$0.19 kw/h - 76% of Jamaica's \$0.25 kw/h)
- Relatively good telecommunications infrastructure
- Ample English-language skills

## Colombia:

- Former Spanish colony, congressional government
- Famous for coffee, ecotourism, emeralds
- 50 million inhabitants
- Strong US ally - home to one of the 3 largest US embassies in the world
- Modern major metropolitan areas
- Adequate English-language skills
- Colombia is a petroleum based economy but most domestic electricity is generated by renewable hydropower

## Colombia - cons:

- High inequality - vast differences between modern cities and jungle villages or wealthy areas & slums
- Not a native - English speaking country (Spanish)
- Some risk of earthquakes & floods
- Colombia is still healing from the unrest and instability of past decades. The country is healing successfully but some of the scabs are still there.
- Complex tax & accounting system designed to combat money laundering and tax evasion: “There is no such thing as a Colombian version of Quickbooks.”



## Colombia - pros:

- Very large labor market compared to alternatives
- Existing operations can scale instantly, including to other cities and regions (Bogotá, Caribbean, etc.)
- Low corruption & excellent government relations
- Existing operations - no risk of unknown factors
- Relatively good education
- Adequate English talent
- Inexpensive electricity from renewable hydroelectric power sources, USA level of electrical & telecom reliability
- Low political risk, relatively strong institutions



## Colombia - key facts:

- Population: 50,000,000
- Minimum wage: \$1.38 USD/hour
- Entry level bilingual contact center wage: \$1.50 /hour
- Monthly electric estimate for 100 seats: \$900 USD  
(based on actual Unido Digital electrical rates)
- Good telecommunications infrastructure
- Many existing regions within Colombia suitable for expansion
- Adequate English skills



## All three countries:

- Close political & cultural ties with the USA
- 3 hours or less from US mainland
- US oriented tourism sector means “visitors welcome”
- Actively seeking foreign direct investment in BPO
- Stable governments, no serious human rights issues
- Ample telecommunications connectivity & capacity
- US Eastern/Central time zone
- Low cost compared to other nearshore locations:  
México, Costa Rica, Puerto Rico, Bahamas, Panamá,  
etc.