

21st Annual Edition

European Payment Report 2019

intrum

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Intrum in brief

Intrum leads the way to a sound economy for people, companies and society as a whole

A credit market in which people and companies can safely and efficiently provide and gain credit is a prerequisite for the business community, and consequently for societies as a whole, to perform properly. As a market leader, Intrum leads the way to a sound economy in which people rid themselves of debt and companies are paid. In a sound economy, people feel better, companies grow and entire societies flourish.

Two areas of service

We ensure that companies are paid by offering two types of services. Credit management services with a focus on late payments and collection, and purchasing of portfolios of overdue receivables. Beyond these, we offer a full range of services covering companies' entire credit management chain.

80,000 clients

Intrum has about 80,000 clients. They operate in virtually all sectors, and assisting major companies and financial institutions with large volumes of receivables is our specialty. We also work with tens of thousands of small and medium-sized companies. Our clients see the benefit of focusing on their core business rather than on credit management.

9,000 employees

Approximately 9,000 employees work at Intrum. We help companies prosper by caring for their customers through some 250,000 daily communications in which we help people become debt free and ensure that companies are paid.

25 countries

Intrum's operations are divided into the four regions: Northern Europe, Central and Eastern Europe, Western and Southern Europe, and the Iberian Peninsula and Latin America. We maintain operations in a total of 24 European countries.

A word from the CEO

Know your customers when the economy turns



Most European countries have seen a period of economic growth, but clouds are appearing on the horizon. Companies all over Europe report signs of recession. Bad debt losses are increasing and companies are reporting longer average payment times, despite increasingly stricter payment terms. The ability to predict cash flow is key to all businesses, as financial stability is the foundation for growth. For companies this means it is more important than ever to choose the right customers.

For this year's European Payment Report we asked 11,856 companies across 29 countries about their outlook on payment behaviour, the financial health of their company and economic development in their country. Our findings show a clear change to the optimism of prior years. A growing number of companies foresee increased risks for their debtors. At the same time, they also expect a higher level of yearly revenue to be written off.

Europe is split

Although European companies are split when it comes to when an economic down-turn is expected in their country, more than half of them believe that a recession will occur within five years. In preparing for an economic decline, companies are prepared to take various measures to protect their revenues, such as cutting costs and being more cautious about taking on debt. On a positive note, it is encouraging that almost one-third of the companies report that they will accelerate their sales operations to manage a potential down-turn.

The split between countries is distinct when it comes to prediction of a cashless society. 48 per cent believe their national economy will be cashless within 10 years. A cashless society entails that all transactions are digital, with new possibilities to buy on credit as one likely consequence. In an economy where credit is becoming even more central, it will be necessary to know who is creditworthy, in order to avoid losing revenue.

Sound payment terms should be the norm

An important ingredient in a sound economy is safe and sound payments. Equally important is the change of attitude towards payment behaviour. We at Intrum acknowledge the importance of paying on time and we support numerous initiatives regarding defined payment times. Both the corporate and public community have an obligation to stick to its commitments. Our findings demonstrate the opposite: both sectors are increasing their average payment times. This is an alarming signal, which needs to be addressed.

And the fact is that at the same time, many European companies are clearly demanding initiatives to prevent late payments, both on a national and European level. More than four out of ten say new national legislation and voluntary initiatives would diminish the problem of late payments. Our report also shows that the effect of the EU Late Payment Directive is still fairly low. 71 per cent of the companies surveyed state they are not aware of the directive. Sound payment terms and on-time payments require long-term changes in payment behaviour among European businesses. Until we get there, educational initiatives, voluntary codes and willpower from NGOs, policy makers and stakeholders' associations will be the drivers of good payment morale to support healthy economies.

Sustainable economy for people and businesses

For us at Intrum, it is important to contribute to a sustainable economy for both businesses and individuals. We support people with debt to get their personal finances in order. At the same time, we help our clients get paid for their goods and services. And we take pride in using our unique insights to develop solutions that work both for the ones who provide and those who receive credit. By that, Intrum leads the way to a sound economy.

Mikael Ericson
President & CEO
Intrum

Executive summary

Signs of a new recession: Debt risks and bad debt losses increase in Europe

After a period of economic growth, European businesses report a possible recession in sight. Bad debt losses have increased from 1.69 per cent (2018) to 2.31 per cent (2019) after steadily declining since 2016. Additionally, European companies foresee a higher risk for their debtors, as 16 per cent predict an increased risk the next twelve months, an increase from 12 per cent who stated the same in 2018.

European businesses are split regarding when a recession in their country is imminent. Half of European companies (54 per cent) state that a recession is imminent within five years, while 30 per cent of businesses believe that a recession will not occur in their country in the foreseeable future. There is a large difference between countries, where Greece (93 per cent), Italy (84 per cent) and Portugal (82 per cent) report that recession is imminent, while smaller numbers of companies from Austria (23 per cent), Germany (31 per cent) and Denmark (35 per cent) hold this view.

Companies are planning a variety of measures to prepare for an economic decline that could impact their revenue negatively. Cutting costs (45 per cent) and being cautious about taking on more debt (36 per cent) are the most prominent ones, but on the more positive note, close to one-third (29 per cent) say they plan to increase their sales operations.

Businesses pay later and the public sector is still an issue concerning late payments

Late payments are problematic for companies, whether they are large or small. The ability to predict cash flow is key to all businesses, as financial stability is the foundation for growth.

The average payment time for consumers is 23 days, up from 22 days in 2018. Businesses pay their bills on average after 40 days, up from 34 days in 2018. The public sector pays after 42 days, up from 40 days in 2018. This indicates that the bad payment habits of both businesses and the public sector are worsening.

Increased demands for national actions to prevent late payments

A total of 41 per cent of companies in Europe state that new national legislation would solve the problem of long payment terms and 45 per cent state the same when it comes to the solving the problem of late payments. This is an increase from 2018, where 38 per cent and 42 per cent, respectively, held this position.

There is also an increased demand for voluntary initiatives from corporations, with one-third (33 per cent) believing it would tackle the problem of long payment terms and another third (33 per cent) believing it would tackle problem of late payments.

For several years the European Payment Report has examined the impact of the EU Late Payment Directive.



Awareness of the directive is still fairly low, as only 29 per cent of European businesses are familiar with it, up slightly from 28 per cent in 2018. Well over half (57 per cent) of the companies familiar with the directive say they never use the right to charge a minimum of 40 Euro and interest in B2B and public sector transactions.

Many companies could hire more employees if they received payments faster

One-fifth (21 per cent) say faster payments would enable them to hire more employees. Around half of the companies in Italy (52 per cent), Bosnia and Herzegovina (50 per cent) and Romania (49 per cent) state the same.

The consequences of late payment are getting less and less severe, but dismissing employees (12 per cent) or not hiring new ones (18 per cent) stand out as significant negative consequences of late payments.

Half of European companies think their country will be cashless in ten years or less

A cashless society entails a national economy where digital modes of conducting economic transactions (credit cards, etc.) have replaced the use of physical coins and banknotes.

Nearly half, or 48 per cent of companies across Europe say that they think their country will be cashless in ten years or less. The most positive predictions for a

cashless society are made by companies from Greece (67 per cent), Ireland (63 per cent) and Romania (63 per cent). On the other side of the scale are companies from Serbia (18 per cent), Estonia (22 per cent) and Hungary (26 per cent), who believe their national economy will be cashless in 10 years or less.

In a cashless society, European businesses believe that exposure to cyber-attacks (58 per cent), efficiency of payment routines and accounting (35 per cent) and transaction data information available to them (34 per cent) are areas that will increase.

Local culture and payment routines influence international payments

On average, 10.7 per cent of European companies' income is international. Companies in the Czech Republic (18.4 per cent), Portugal (18.2 per cent) and Bulgaria (17.2 per cent) have the largest percentage of international payments in Europe, while companies in Poland, Norway and Bosnia and Herzegovina have the smallest percentages, 5.7 per cent, 7.0 per cent and 7.2 per cent, respectively.

One-fourth (26 per cent) of the companies in Europe say local payment culture impacts international payments in a negative way. One-fourth (24 per cent) also state that local payment routines do the same, as well as customer payment methods (23 per cent).

European results

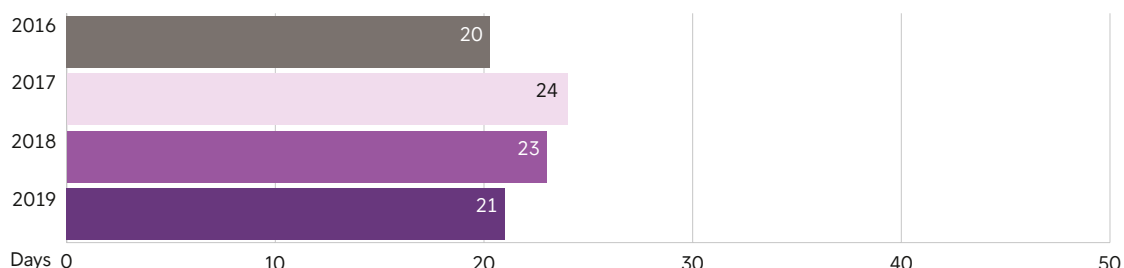
Payment terms

Late payments are problematic for companies, whether they are large or small. The ability to predict cash flow is key to all businesses, as financial stability is the foundation for growth.

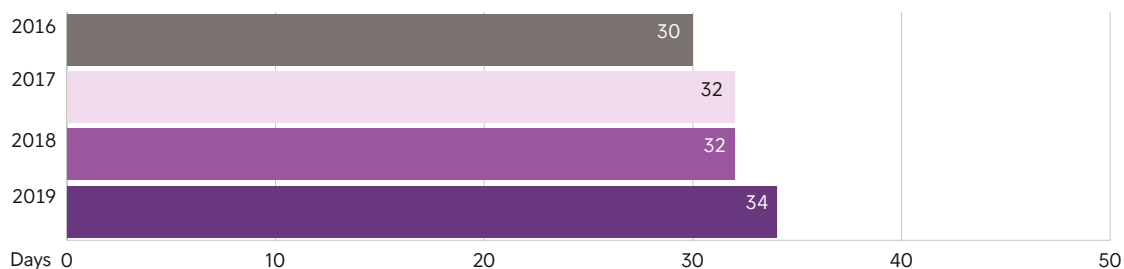
The average payment time continues to increase, particularly in B2B, with an increase from 34 days in 2018 to 40 days in 2019. The public sector is also paying later, increasing from 40 days to 42 days. The average payment time for consumers is 23 days, up from 22 days in 2018. Six out of ten (61 per cent) companies have been asked to accept longer payment terms than they feel comfortable with. 58 per cent have accepted longer payment terms.

What payment terms do you allow your customers, on average? (European average)

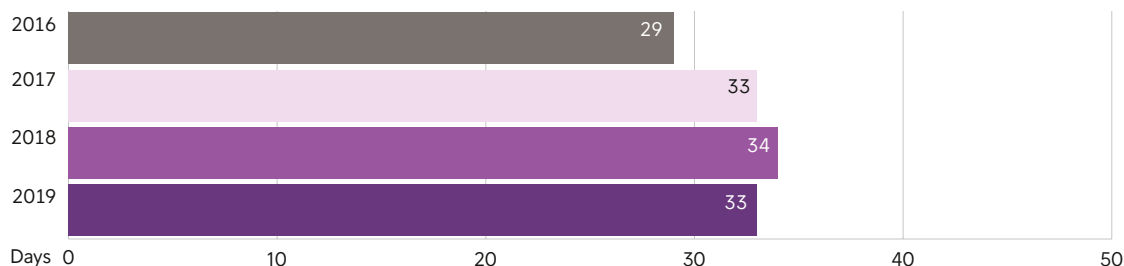
B2C



B2B

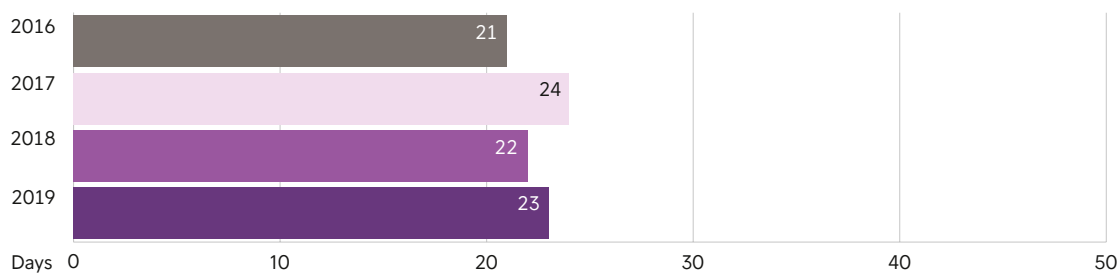


Public sector

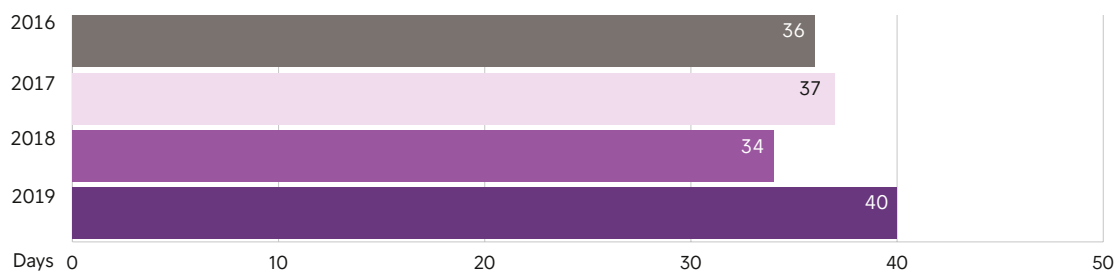


What is the average time actually taken by customers to pay? (European average)

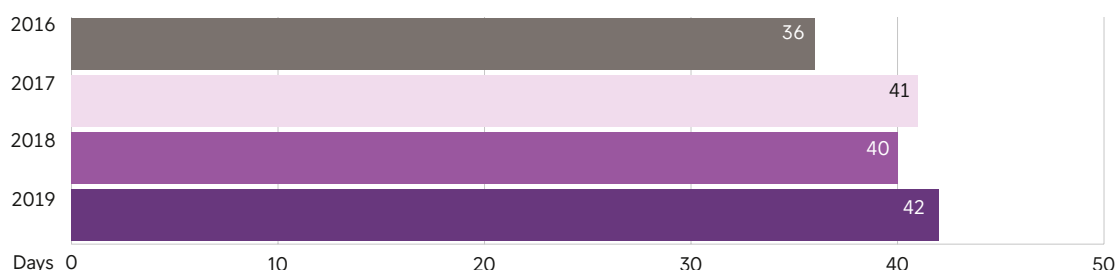
B2C



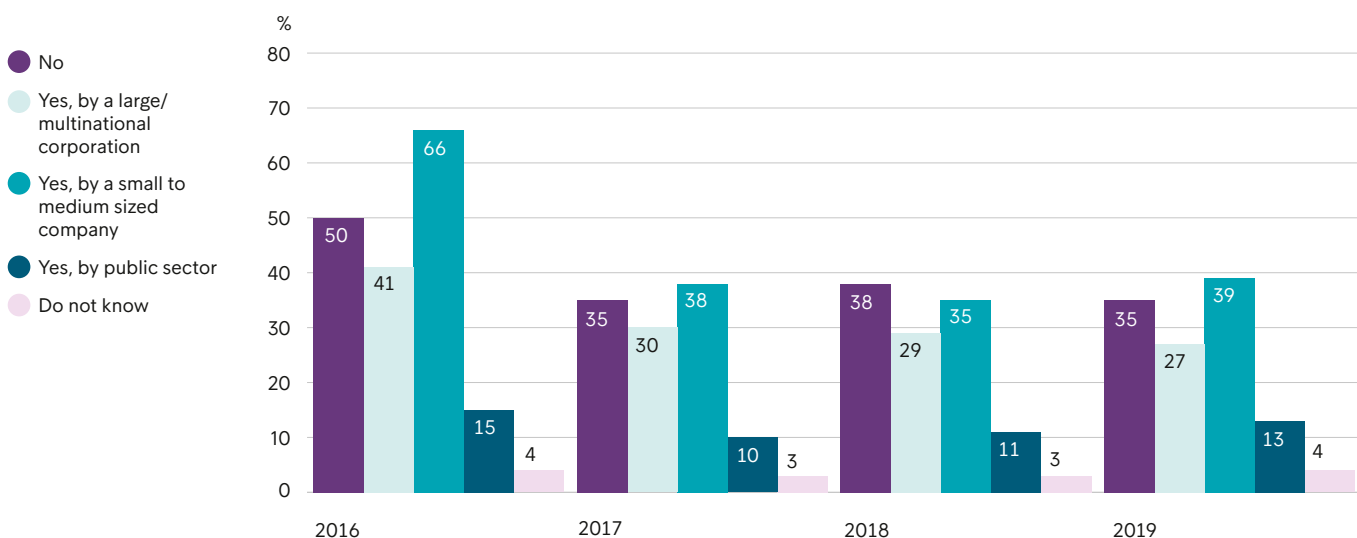
B2B



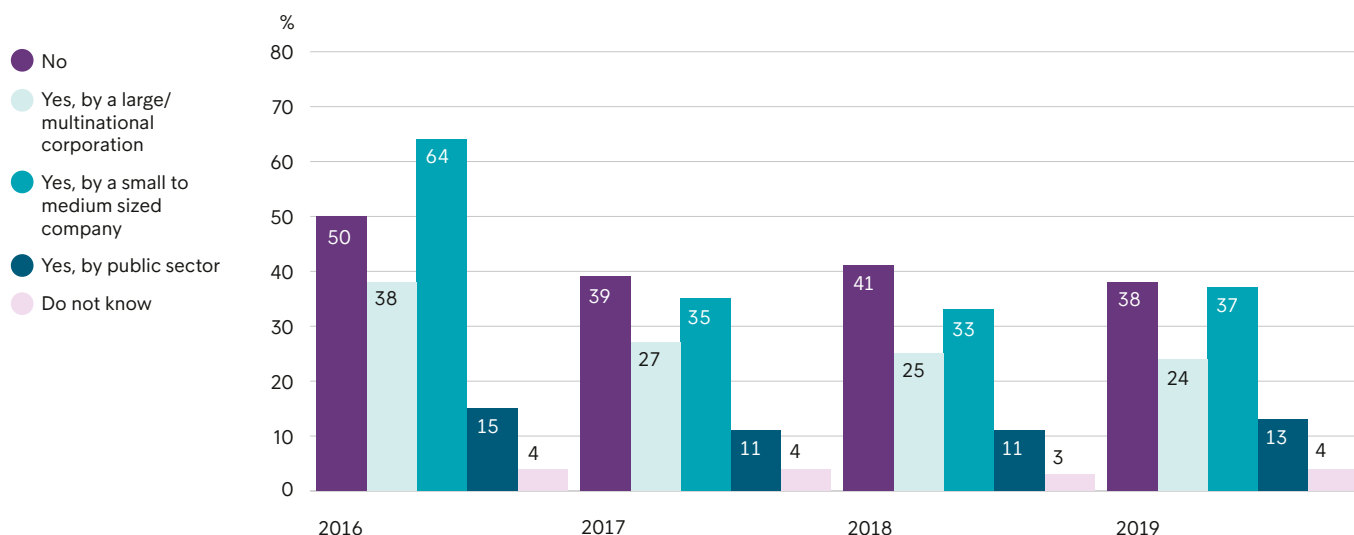
Public sector



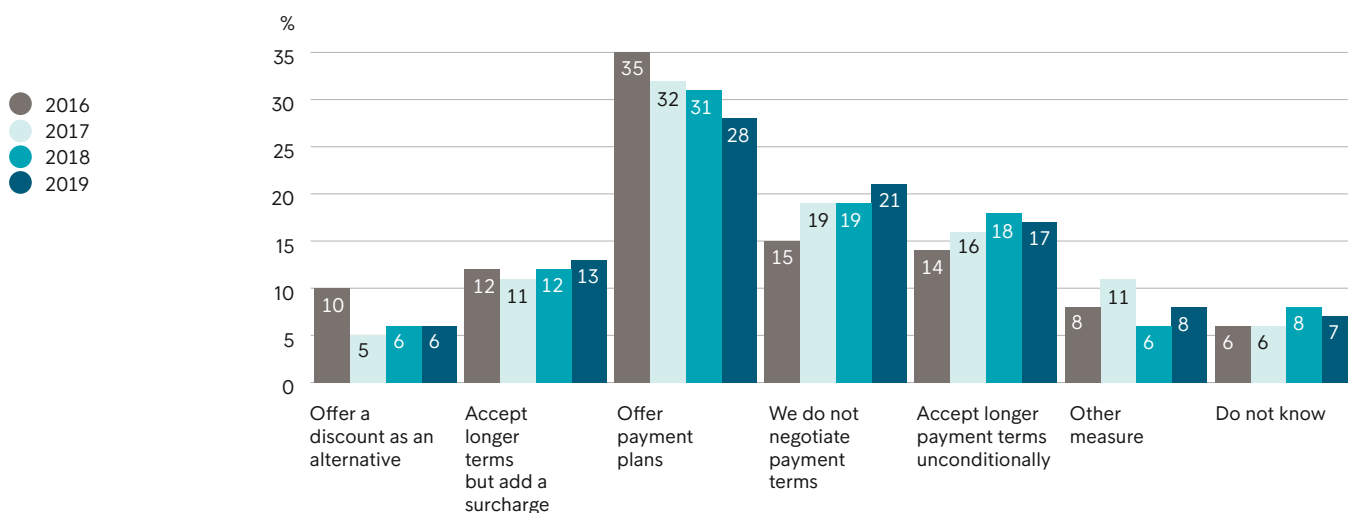
Have you been asked to accept longer payment terms than you feel comfortable with? (European average)



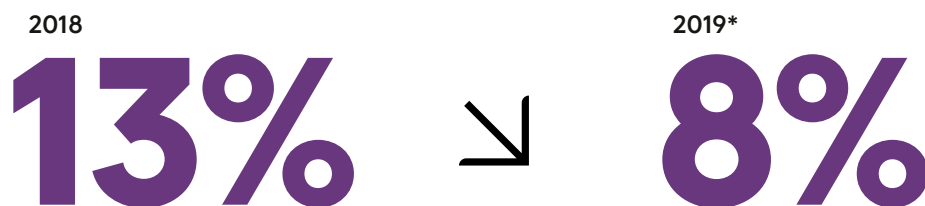
Have you ever accepted longer payment terms than you feel comfortable with? (European average)



Generally speaking, what measure do you primarily take when a customer asks for longer payment terms? (European average)



Of all your outstanding bills, how large share do you pay late? (i.e. not within the required payment terms)



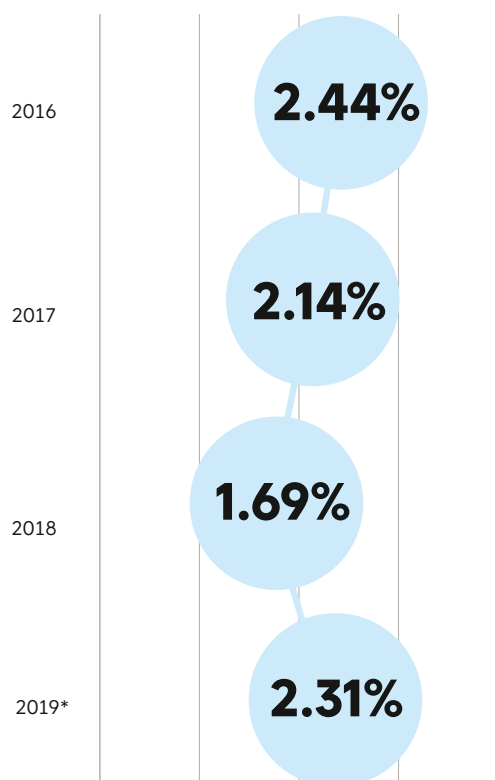
*2019: Poland not included due to data error.

Late payments

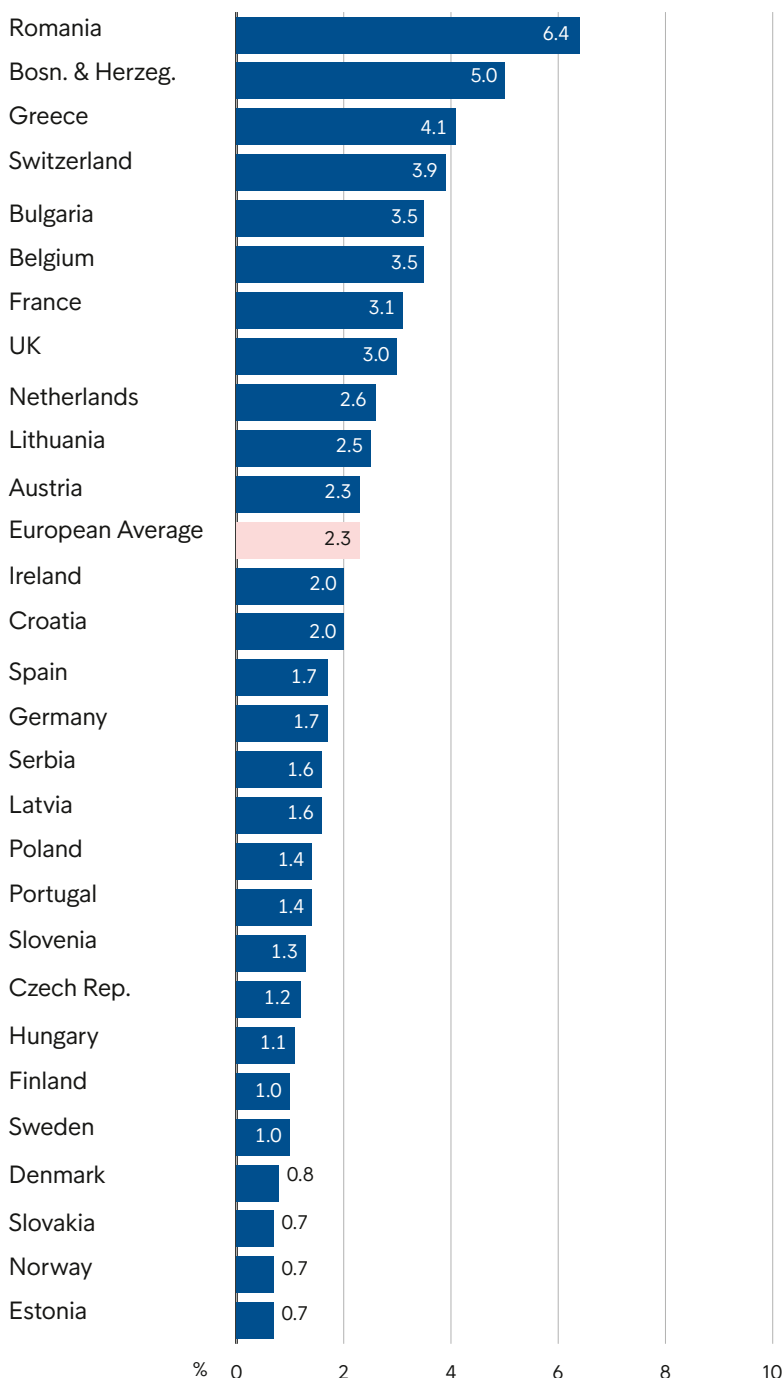
Not getting paid on time is problematic. The ability to predict cash flow is key to all businesses, as financial stability is the foundation for growth.

In 2019, companies report that bad debt losses have increased from 1.69 per cent (2018) to 2.31 per cent (2019). Additionally, European companies foresee a higher risk for their debtors, as 16 per cent predict an increased risk the next twelve months, an increase from 12 per cent who stated the same in 2018. 14 per cent stated that credit losses increased during 2018. The main cause for late payments is still debtors in financial difficulties (54 per cent), despite a decreasing trend since 2016.

Yearly revenue written off (European average 2016–2019*)

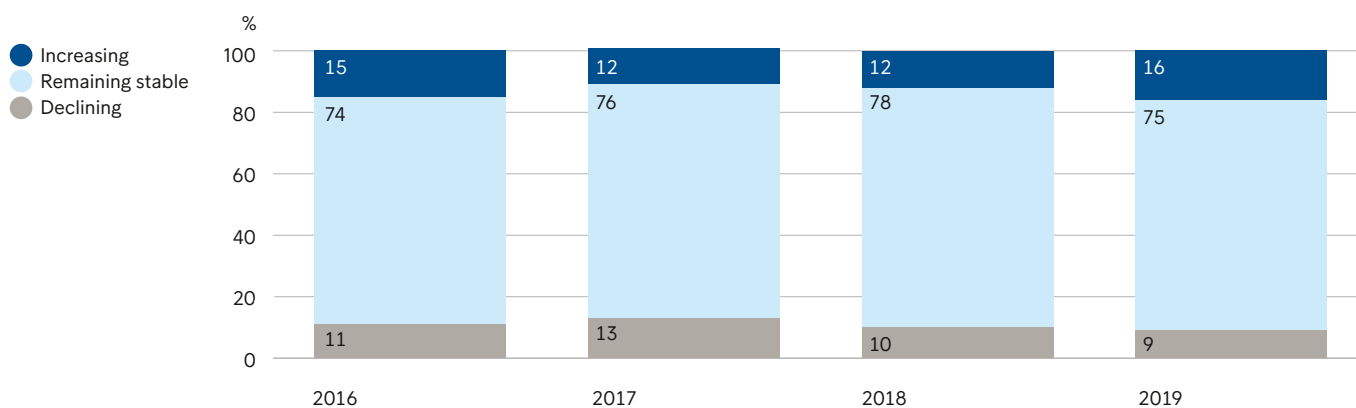


Yearly revenue written off in the European countries

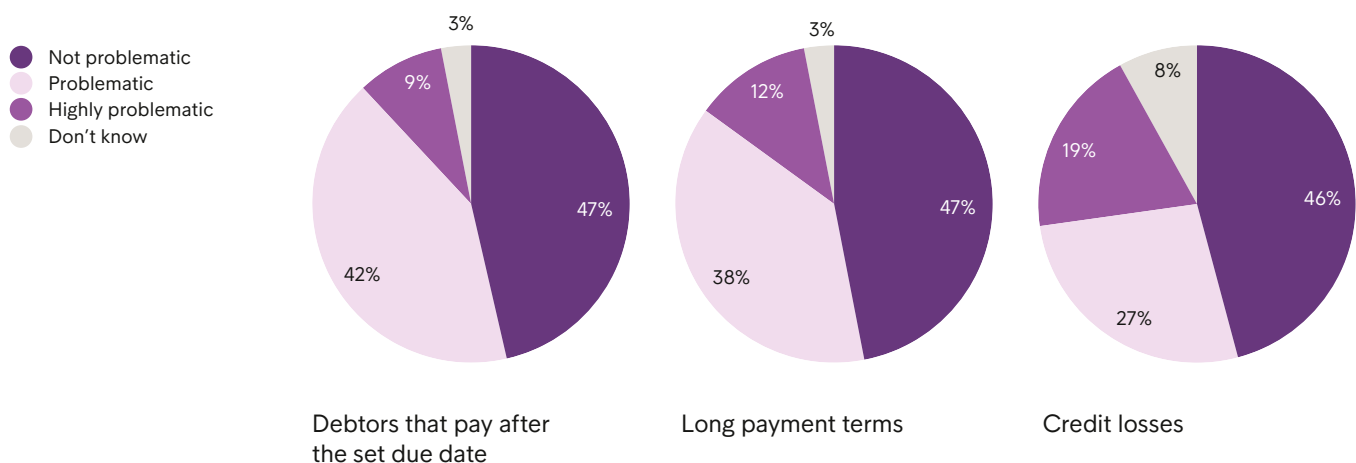


* 2019: Italy not included due to data error.

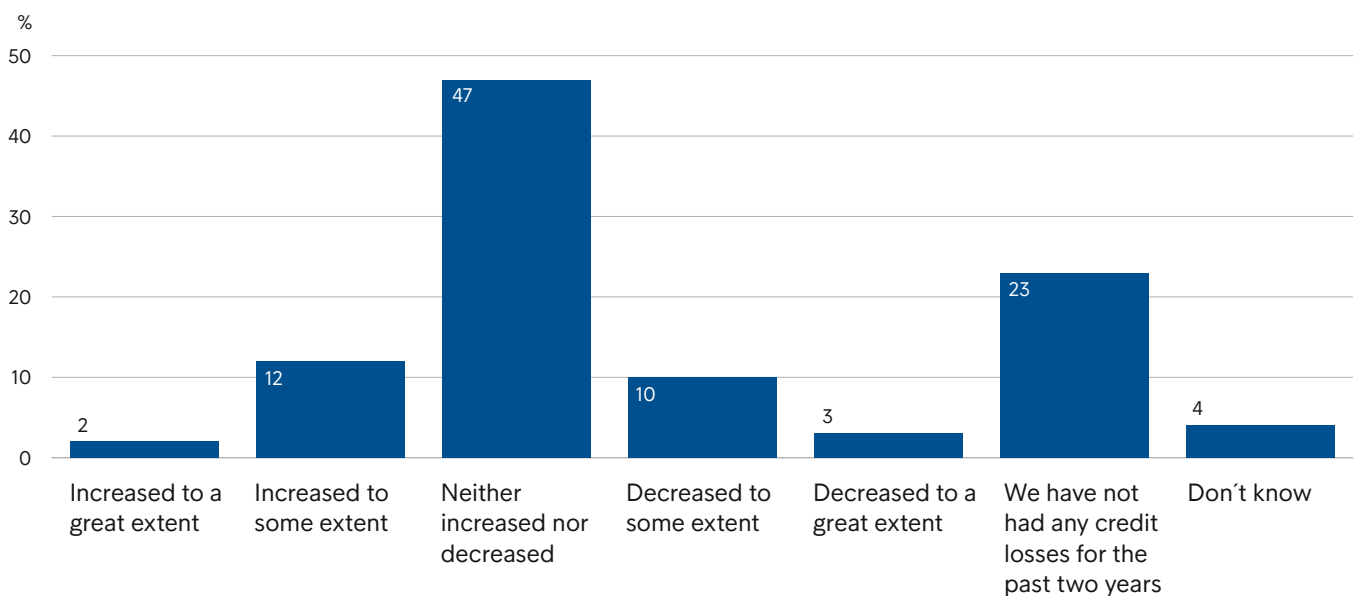
How do you see risks from your company's debtors developing during the next 12 months? (European average)



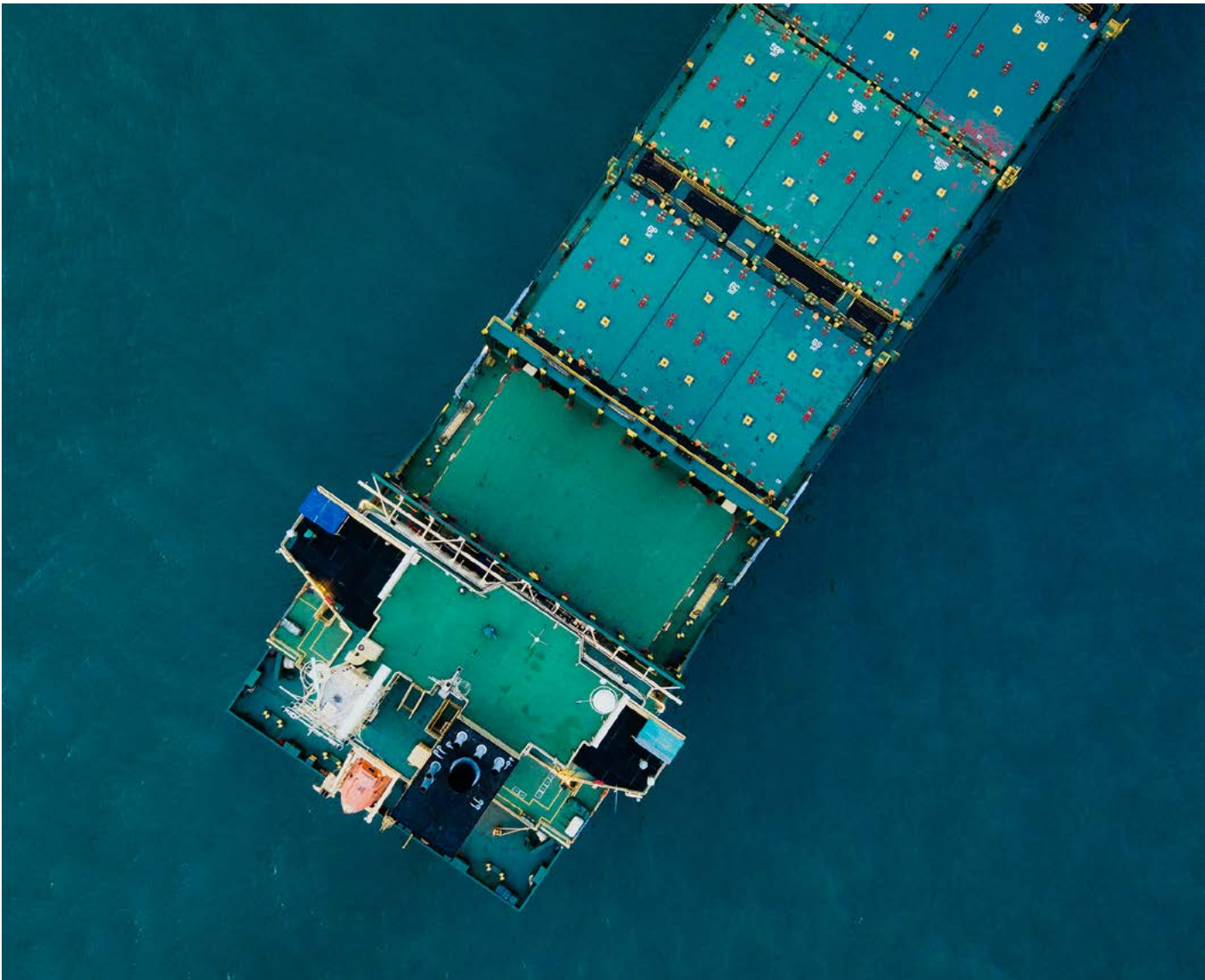
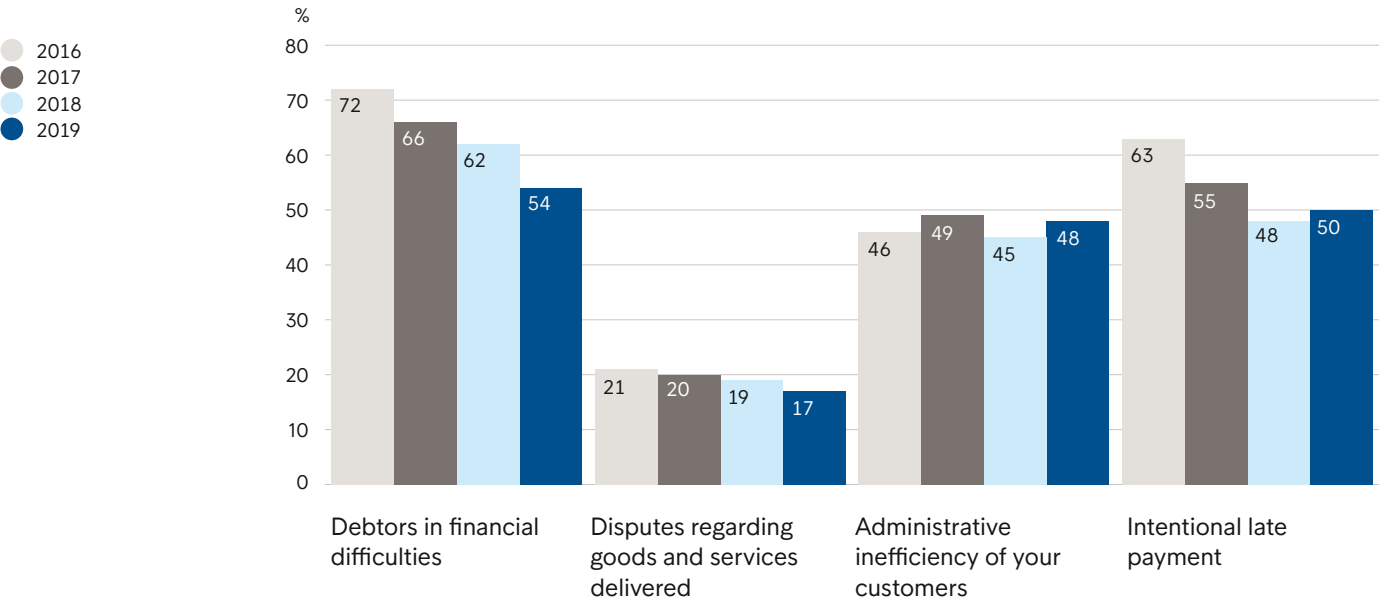
What is your level of concern regarding the following areas when it comes to problems with payments? (European average)



Have your credit losses increased, decreased or remained stable in 2018 compared to 2017? (European average)



What are the main causes of late payment of your own customers? (European average)



Consequences of late payments

If a company does not get paid on time, consequences may be severe. Though the over-all consequences of late payments show a decreasing trend since 2016, businesses in Europe still experience liquidity pressure (30 per cent), loss of income (28 per cent) and limitations on growth (23 per cent).

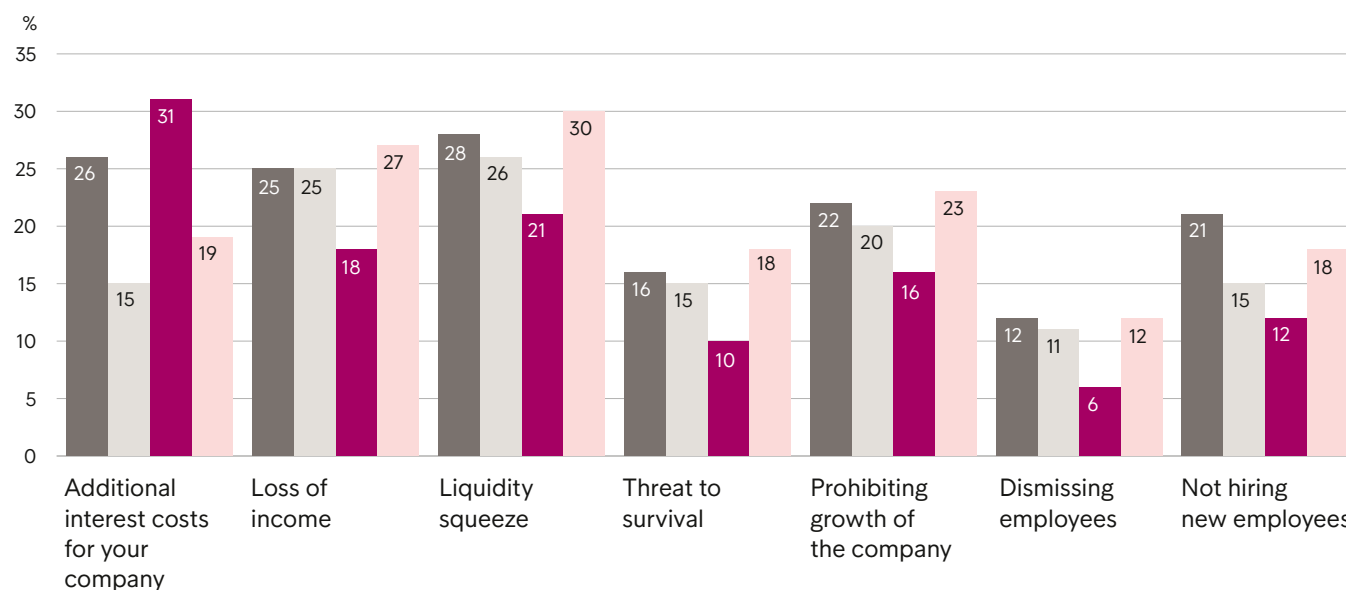
One-fifth (21 per cent) say faster payments would enable them to hire more employees. To protect against bad payments, over one-third (39 per cent) still use pre-payment as a precaution, despite a decreasing trend since 2016.



How do you rate the consequences of late payments for your company with regards to: (European average)



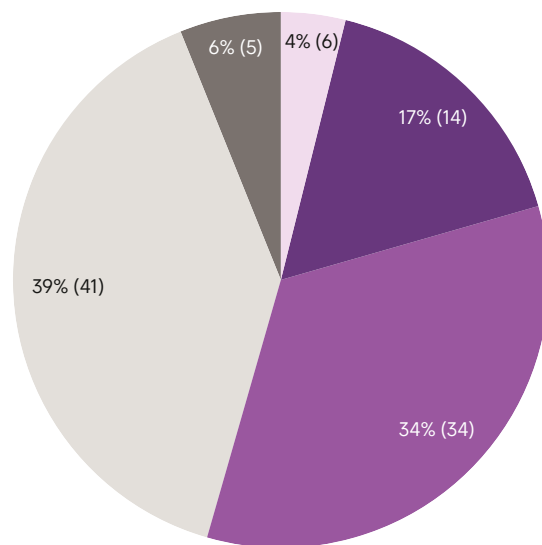
Answers presented below are only 4–5 (high impact) on a scale from 1–5.





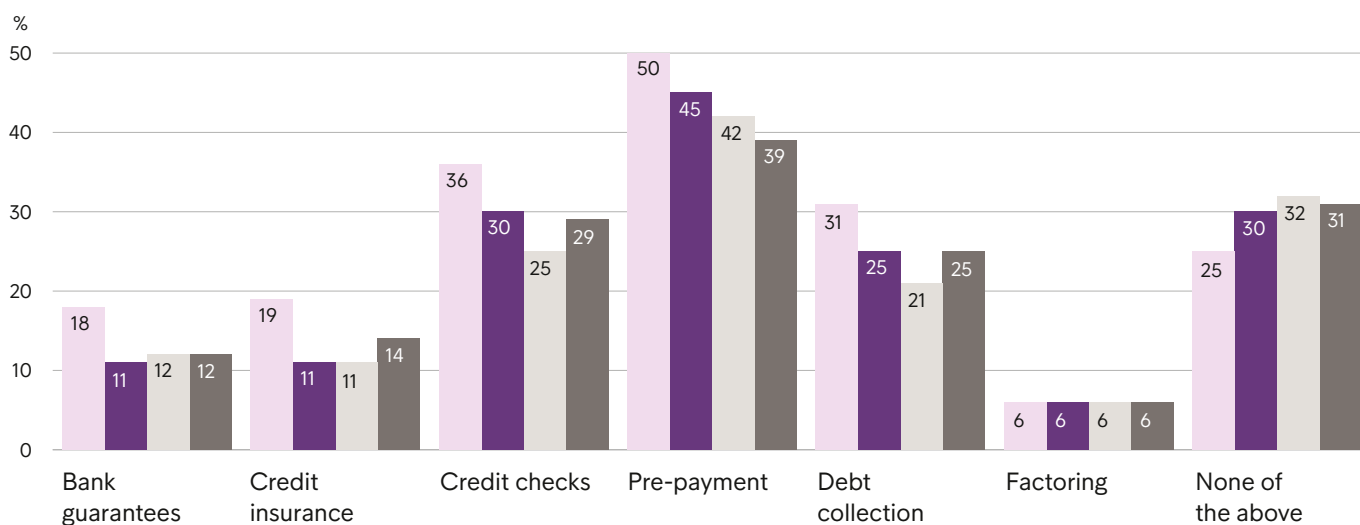
Would faster payments from your debtors enable your company to hire more employees? (European average)

- Yes, definitely
- Yes, probably
- No, probably not
- No, definitely not
- Do not know (versus last year)



What precautions does your company undertake to protect against bad payment? (European average)

- 2016
- 2017
- 2018
- 2019

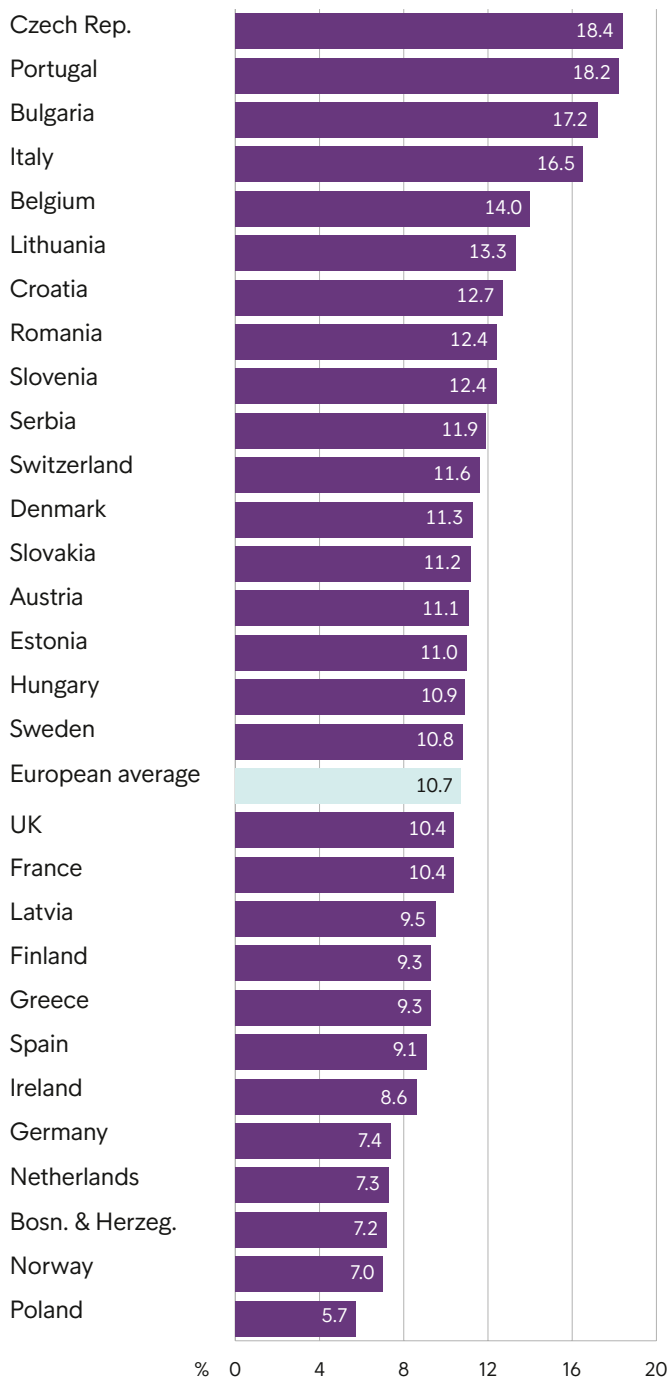


International payments

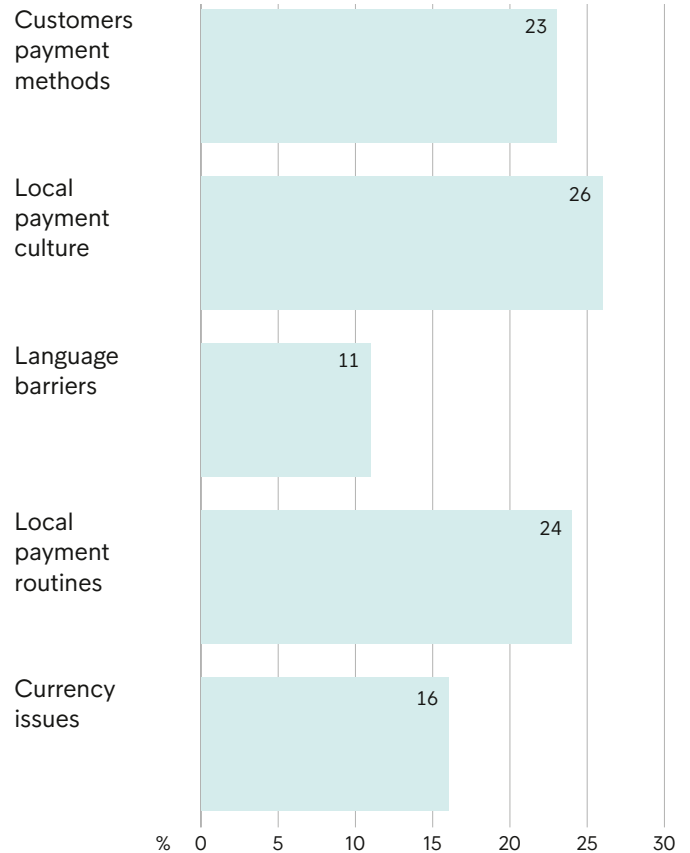
As our world becomes smaller, we see an increase in many export and import markets, where international payments become even more important for local businesses than before.

On average, 10.7 per cent of European companies' income is international. One in four (26 per cent) of them say local payment culture impacts international payments in a negative way. Again, one-fourth (24 per cent) state that local payment routines do the same, as well as customer payment methods (23 per cent).

What share of your incoming payments are international?



Which of the following factors impact the international payments in a negative way? (European average)



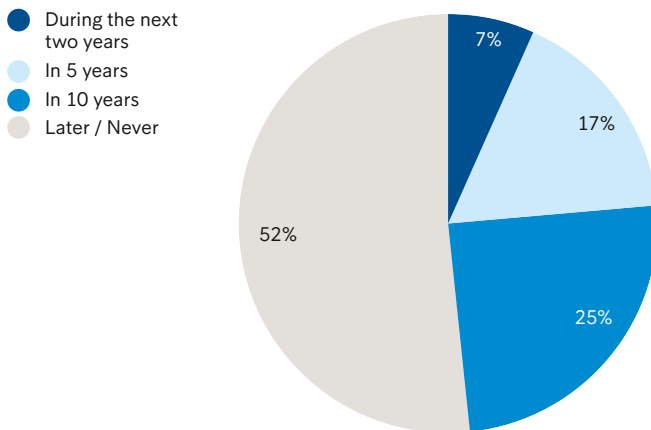
Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Prediction of a cashless society

As consumer payment behaviour changes over time, new digital payment methods arise to respond to the increasing demand for simple and easy payment solutions. Almost half of European companies (48 per cent) say they think their country will be cashless in ten years or less.

Most positive predictions for a cashless society are companies from Greece (67 per cent), Ireland (63 per cent) and Romania (63 per cent). On the other side of the scale are companies from Serbia (18 per cent), Estonia (22 per cent) and Hungary (26 per cent), who believe their national economy will be cashless in 10 years or less.

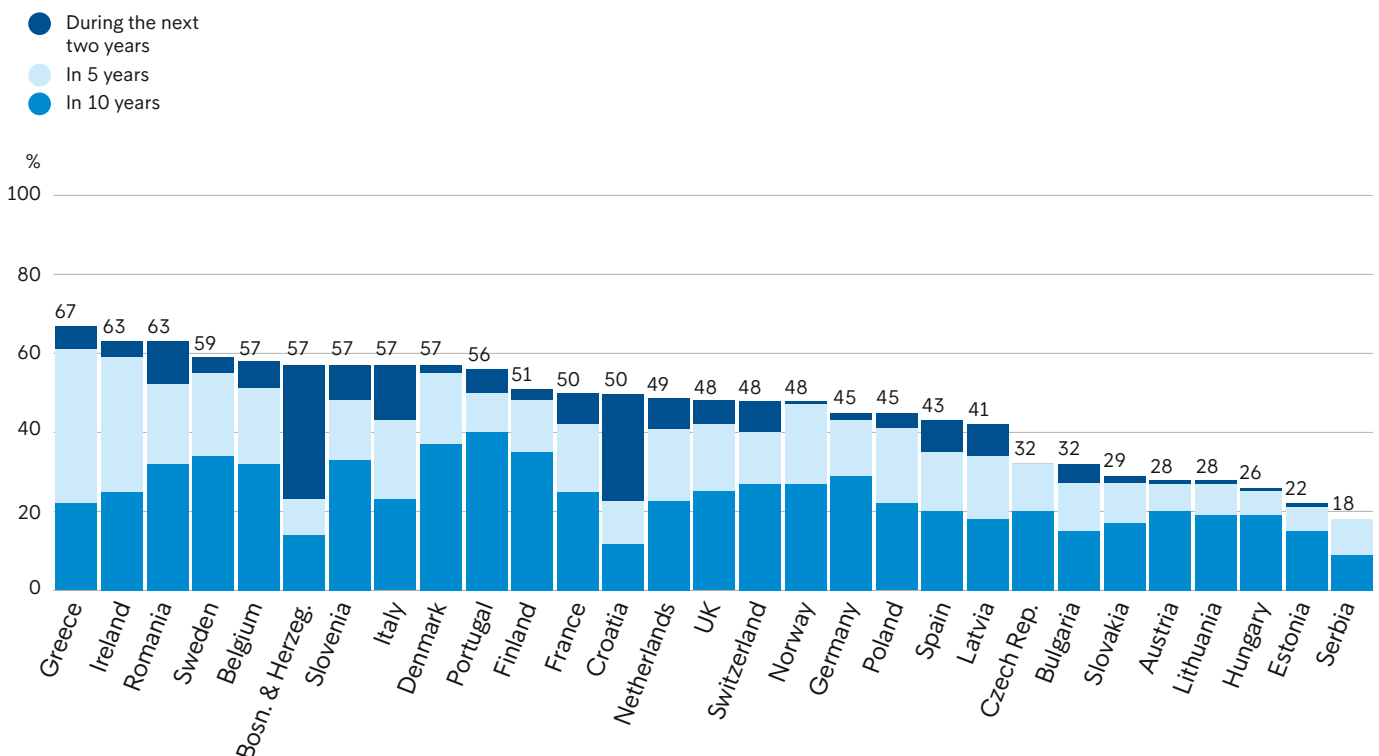
When do you think your country will be cashless? (European average)



48%

of all European businesses believe that their country will be cashless in a decade or less.

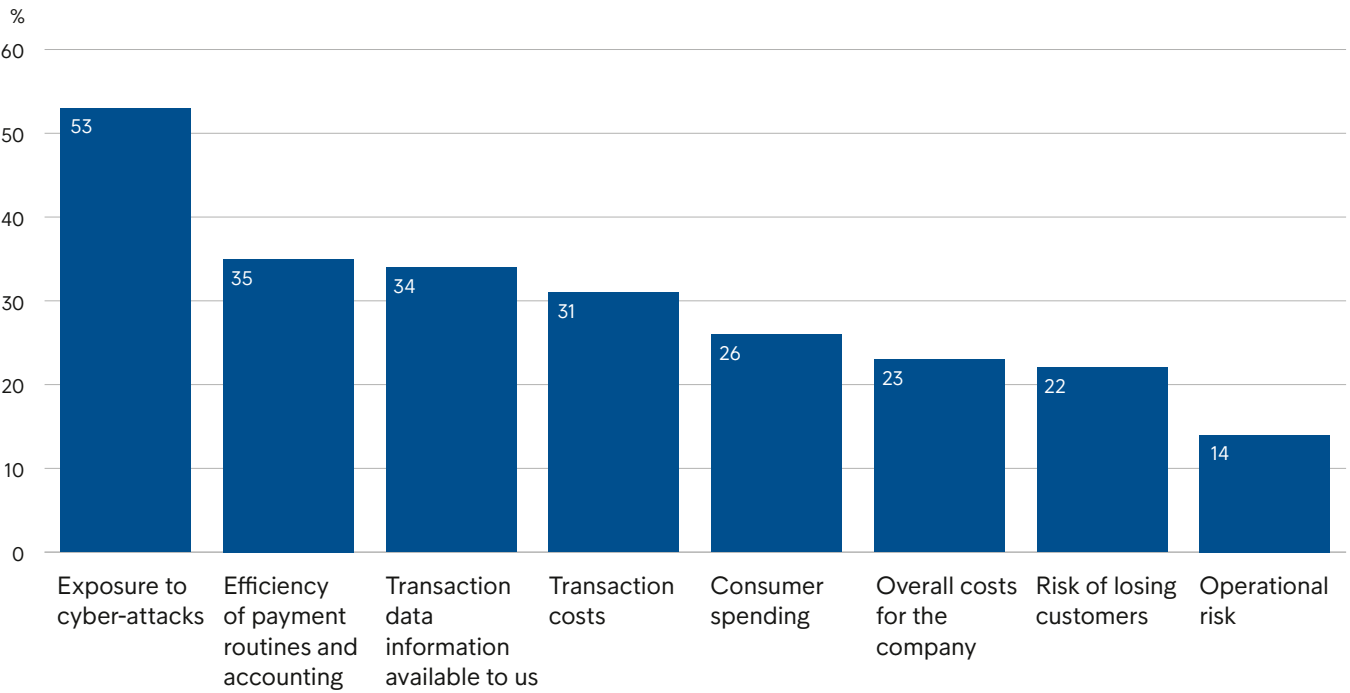
When do you think your country will be cashless?



Percentage shows the sum that has answered any of the alternatives listed in the graph.



**How do you think a cashless society would impact your company regarding the following areas?
(European average)**

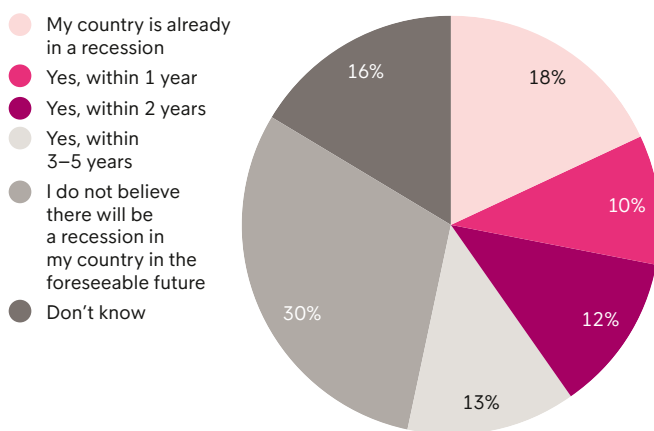


Recession in sight?

Europe's economy is weakening and in some countries an economic decline is more evident than in others. European businesses are split when it comes to when a recession is imminent in their country. Half of European companies (54 per cent) state that recession is imminent within five years, while 30 per cent of businesses believe that recession in their country will not happen in the foreseeable future.

Companies are planning a variety of measures to prepare for an economic decline that could impact their revenue negatively. Cutting costs (45 per cent) and being cautious about taking on more debt (36 per cent) are the most prominent ones, but on the more positive note, close to one-third (29 per cent) say they plan to increase their sales operations.

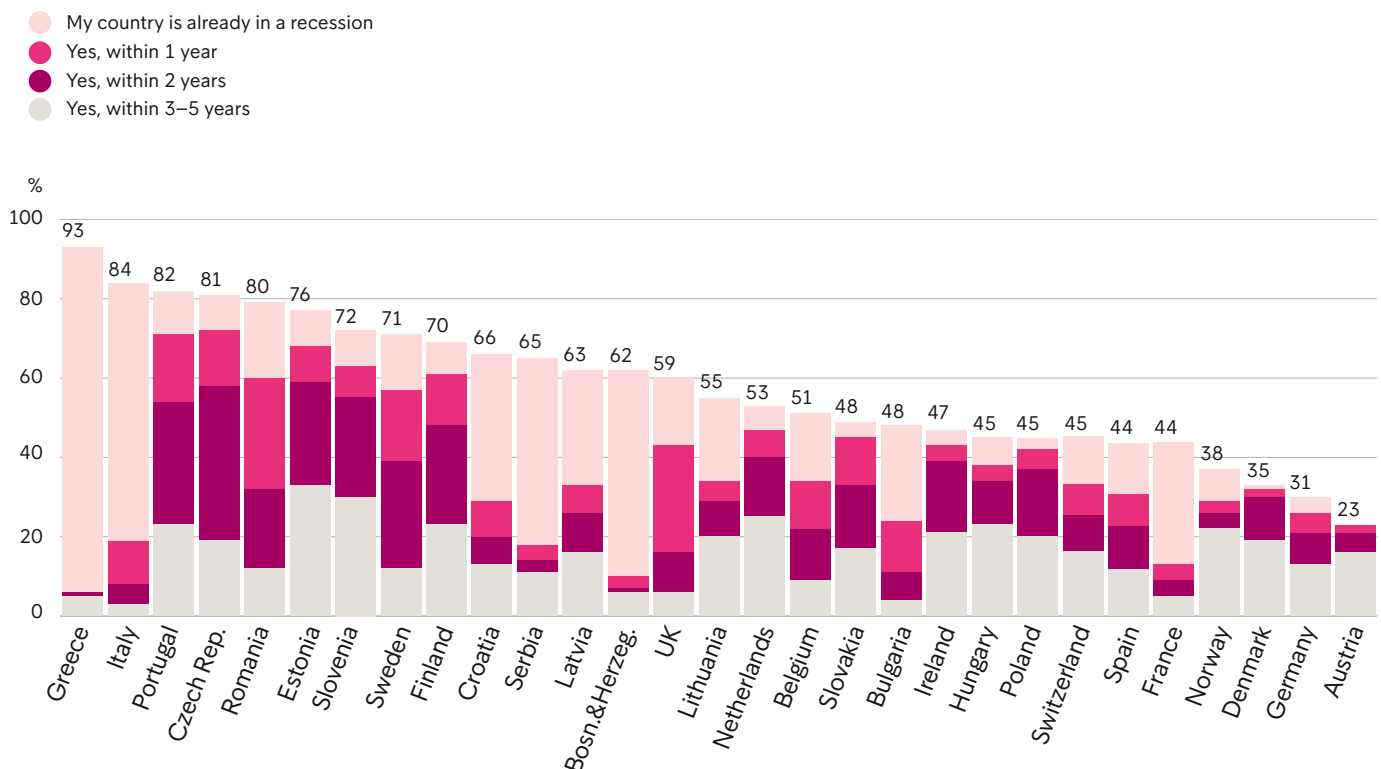
Do you believe that a recession is imminent in your country? (European average)



54%

of European companies state that recession is imminent in their country within half a decade.

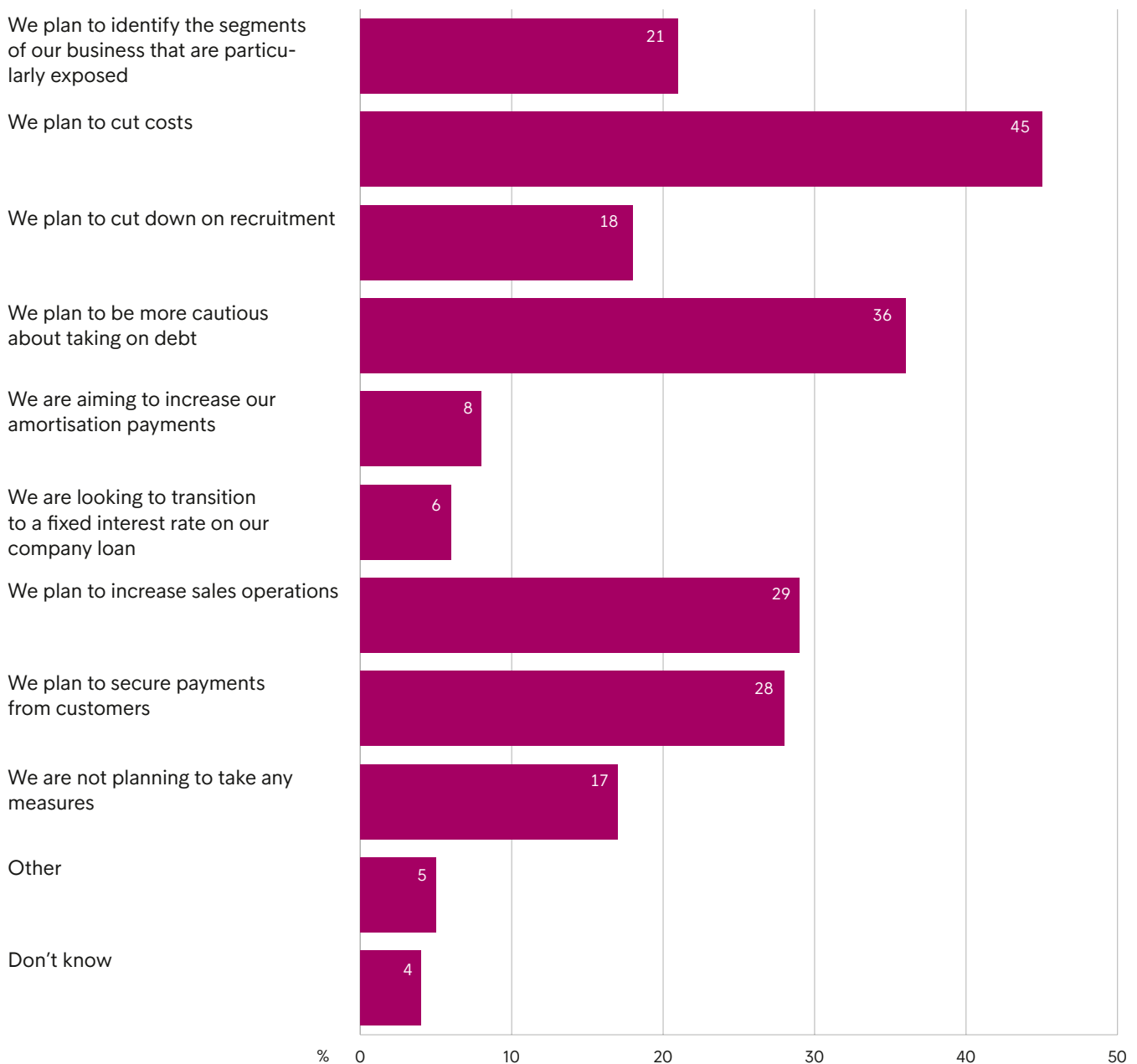
Do you believe that a recession is imminent in your country?



Percentage shows the sum that has answered any of the alternatives listed in the graph



What measures, if any, are you taking in order to prepare your company for an economic decline that would impact your revenues negatively? (European average)



This is a multiple answer question, thus the sum of all answers can be above 100 %.

Legislation – EU and national

The European Late Payment Directive is an initiative from the European Commission aimed at resolving the problem of late payments, or at least stemming the tide. This Directive recommends that payment periods for companies to be at most 60 days and for public authorities 30 days.

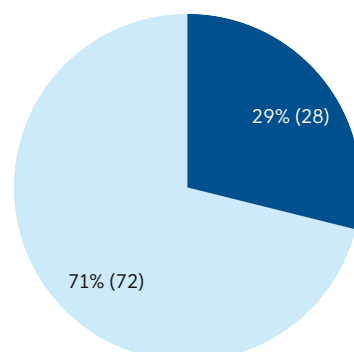
Awareness of the ELPD is still fairly low, as only 29 per cent of European business are familiar with it, up from 28 per cent in 2018. Well over half (57 per cent) of the companies familiar with the directive say they never use the right to charge a minimum of 40 Euro and interest in B2B and public sector transactions.

There is an increased demand for national actions that prevent late payments. Fully 41 per cent of companies in Europe state that new national legislation would solve the problem of long payment terms and 45 per cent state the same when it comes to the solving the problem of late payments.



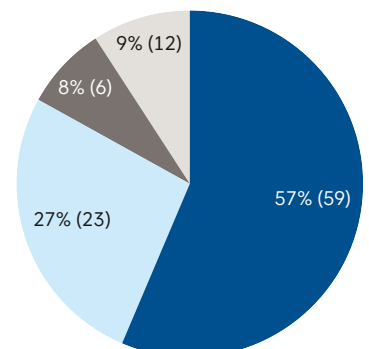
Are you familiar with the European Late Payment Directive? Applicable for B2B and public sector payments. (European average)

● Yes
● No
(versus last year)

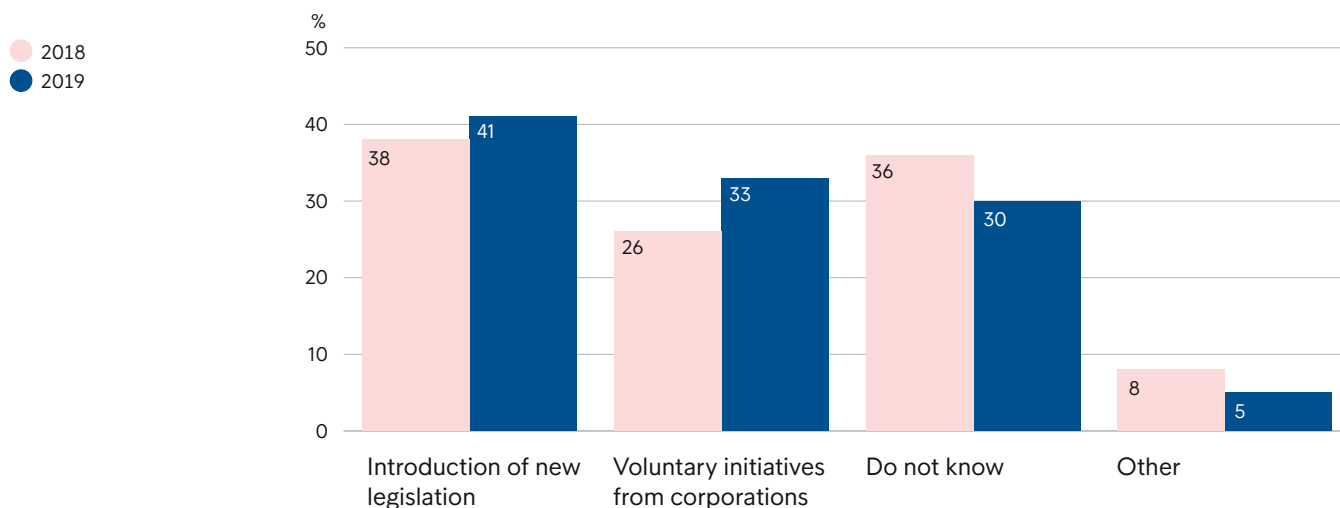


Now that you have the right to charge min. 40 euro and interest in B2B and public sector transactions, to what extent do you use it? (European average)

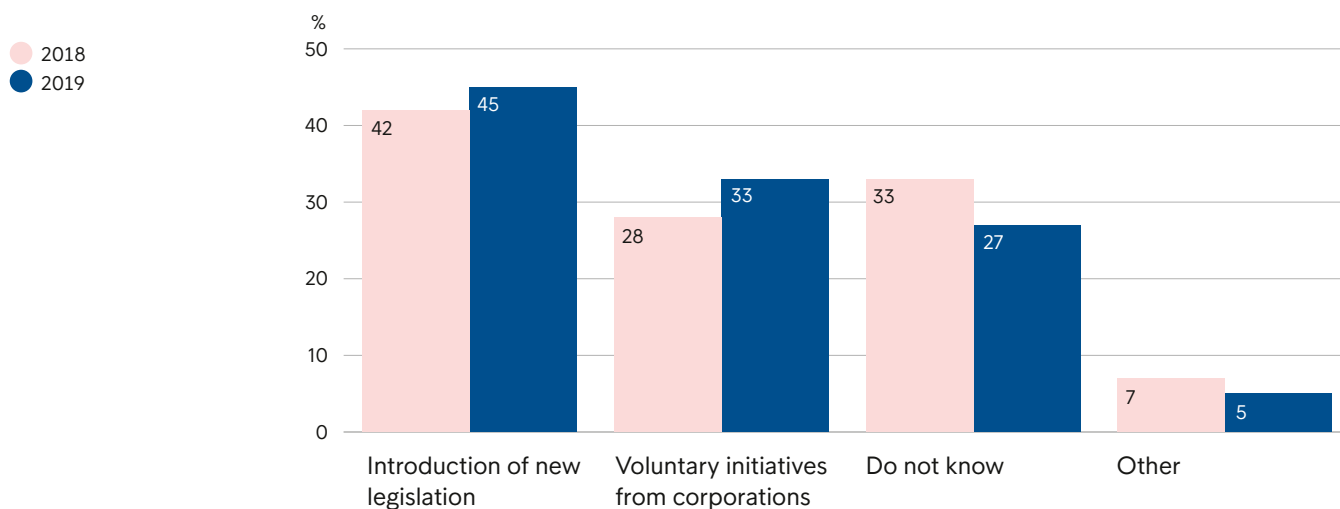
● Not at all
● Sometimes
● Always
● Do not know
(versus last year)



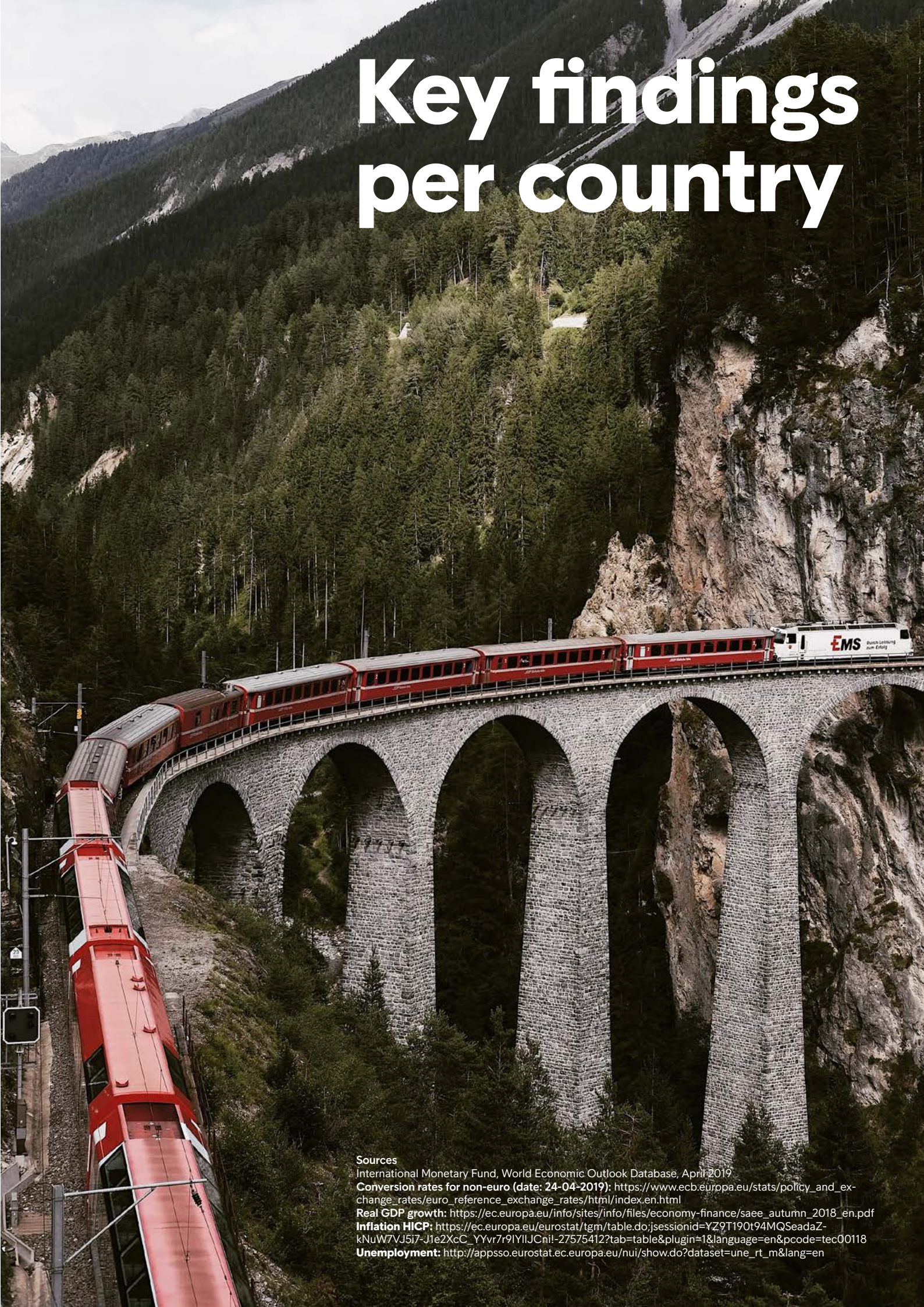
What of the following would you like to see nationally in order to solve the problem of long payment terms (i.e. demand of payment terms that are longer than national practice/law)?



What of the following would you like to see nationally in order to solve the problem of late payments? (i.e. outstanding invoiced paid after due date.)



Key findings per country



Sources

International Monetary Fund, World Economic Outlook Database, April 2019

Conversion rates for non-euro (date: 24-04-2019): https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html

Real GDP growth: https://ec.europa.eu/info/sites/info/files/economy-finance/saee_autumn_2018_en.pdf

Inflation HICP: https://ec.europa.eu/eurostat/tgm/table.do?jsessionid=YZ9T190t94MQSeadaZ-kNuW7VJ517-J1e2XcC_YYvr7r9IYIIJCnI!-27575412?tab=table&plugin=1&language=en&pcode=tec00118

Unemployment: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_m&lang=en

Austria

Key findings

Still low awareness of the European Late Payment Directive in Austria

The level of awareness regarding the European Late Payment Directive remains low in Austria. Only 11 per cent of businesses in Austria say that they are familiar with the European Late Payment Directive, which is only one percentage point higher than last year. This can be compared with the overall average in Europe this year, where 29 per cent say they are familiar with the directive.

High belief among Austrian companies that a recession is not a major concern

Among the Austrian companies polled, 65 per cent do not believe that a recession is imminent in Austria in the foreseeable future. This is significantly higher than the European average of 30 per cent of businesses stating the same. Among the businesses that do believe a recession is imminent in Austria, 46 per cent are not planning to take any measures to prepare the company for an economic decline that would affect their revenues negatively, which is significantly higher than the European average of 17 per cent.

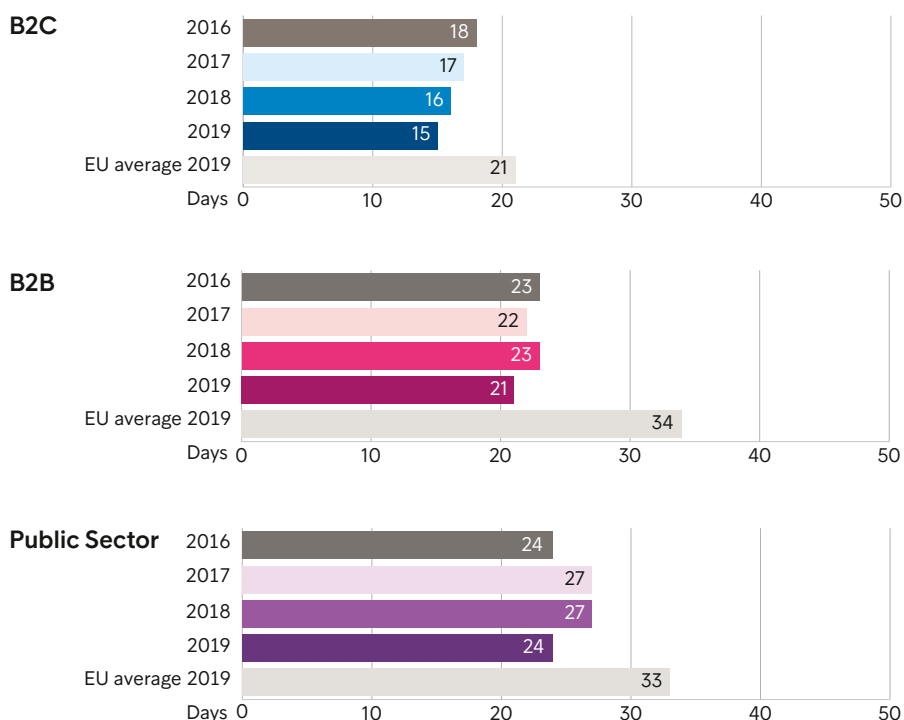
Austrian companies, to a large extent, do not believe that credit losses are problematic

Austria has the highest percentage of companies in Europe saying that credit losses are not problematic, when estimating the level of concern for problems with payments. A total of 91 per cent of Austrian companies say that credit losses are not problematic, which can be compared with the European average, where only 46 per cent of companies share a similar opinion.

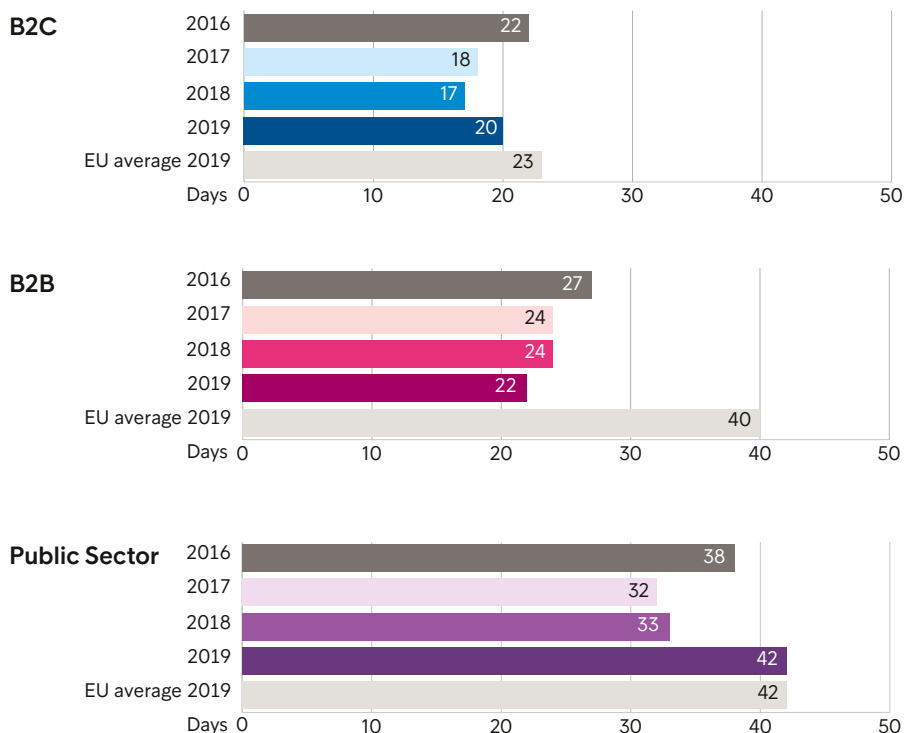
Economic development 2018

	Austria	EU, average
GDP per capita in euro 2018	46,128.31	30,349.34
GDP percentage growth on previous year 2018	2.7	2.1
Inflation, % 2018	2.1	1.9
Unemployment rate, % 12-2018	4.6	6.6

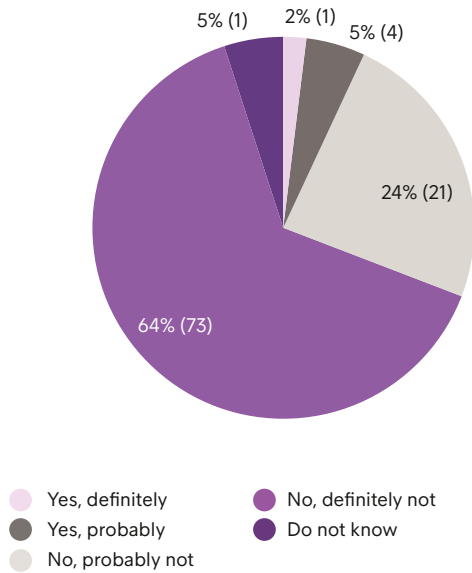
What payment terms do you allow your customers, on average?



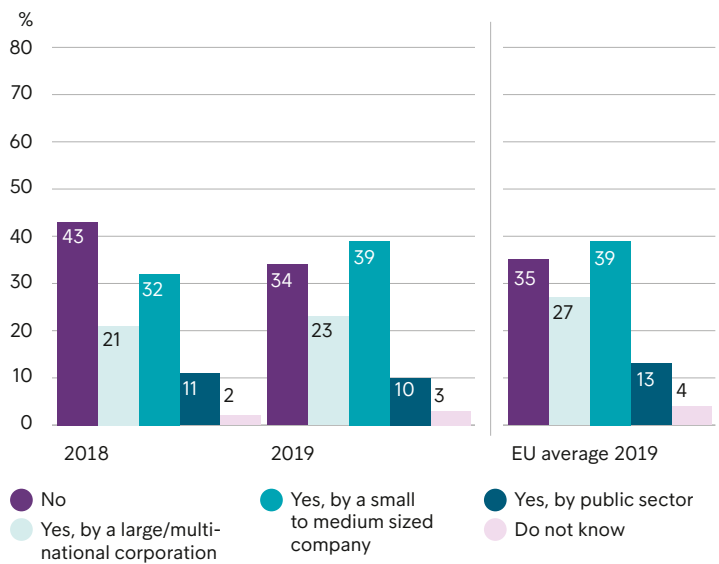
What is the average time actually taken by customers to pay?



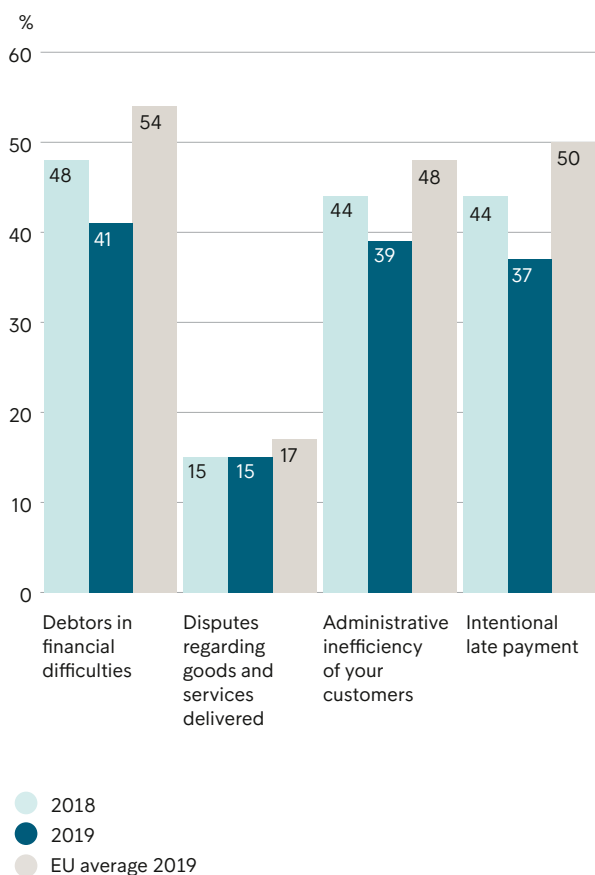
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



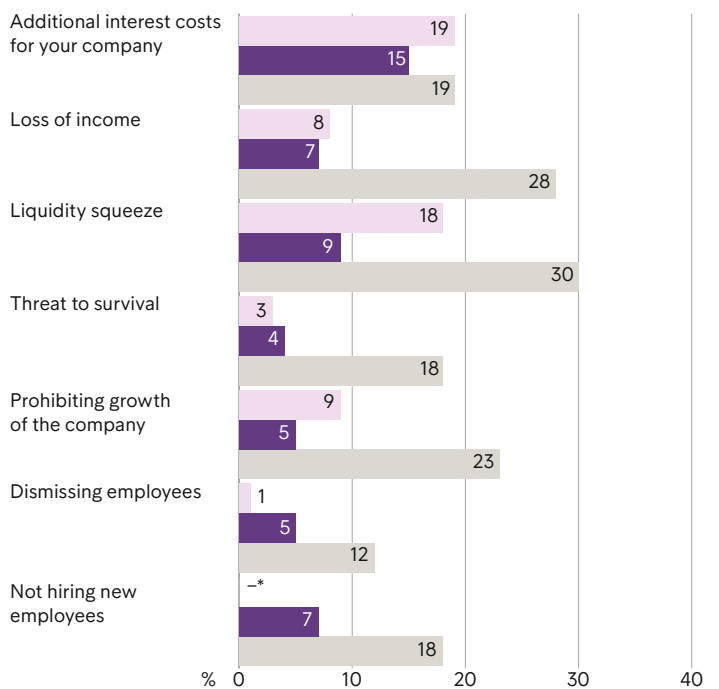
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

*Austria did not include this option in 2018.

Belgium

Key findings

Belgian companies find long payment terms problematic, and state that intentional late payment is the main cause of late payment from their customers

Two-thirds (67 per cent) of Belgian companies surveyed find long payment terms problematic. This can be compared with the European average of 50 per cent of companies stating the same. Of the Belgian businesses polled, 64 per cent say that intentional late payment is the primary cause of late payments from their customers, which is higher than the European average of 50 per cent.

High risk among debtors according to Belgium companies

Of Belgian companies polled, 26 per cent said that they foresee an increased risk from company debtors within the next twelve months. This is significantly higher than the European average of 16 per cent, meaning that Belgian companies are among the least confident when it comes to future debt risks, according to the survey.

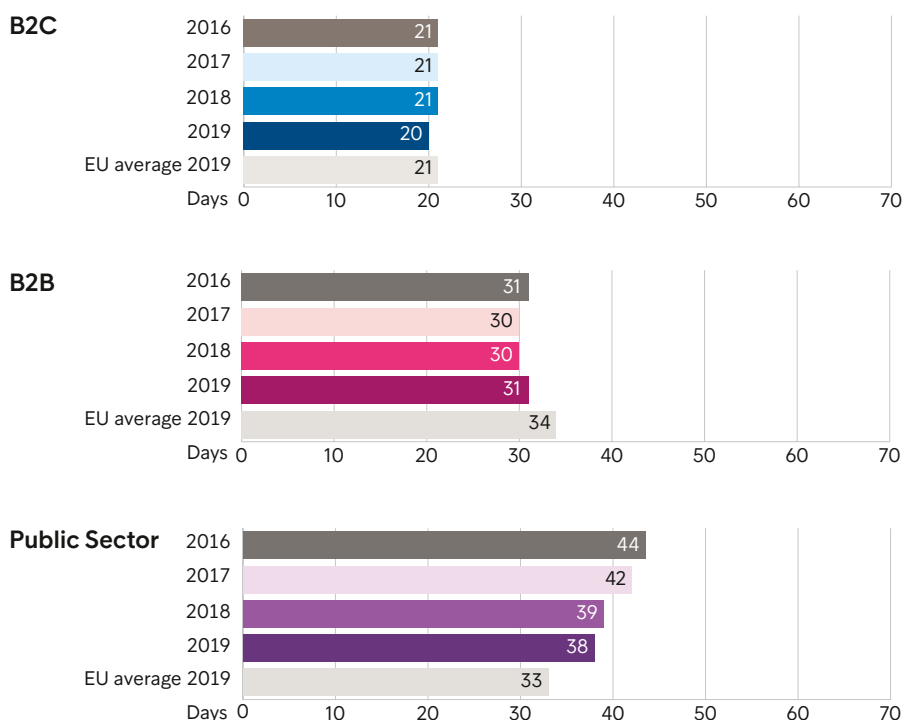
A majority of Belgian companies surveyed believe their country will be cashless within a decade

When asked when their country would become cashless, 57 per cent of Belgian companies believe it would occur in ten years or less. Almost half (48 per cent) of European businesses stated the same. Among the companies that believe Belgium will be cashless in ten years or less, 62 per cent stated that a cashless society would have no impact on consumer spending, which is higher than the European average of 55 per cent.

Economic development 2018

	Belgium	EU, average
GDP per capita in euro 2018	41,909.66	30,349.34
GDP percentage growth on previous year 2018	1.5	2.1
Inflation, % 2018	2.3	1.9
Unemployment rate, % 12-2018	5.8	6.6

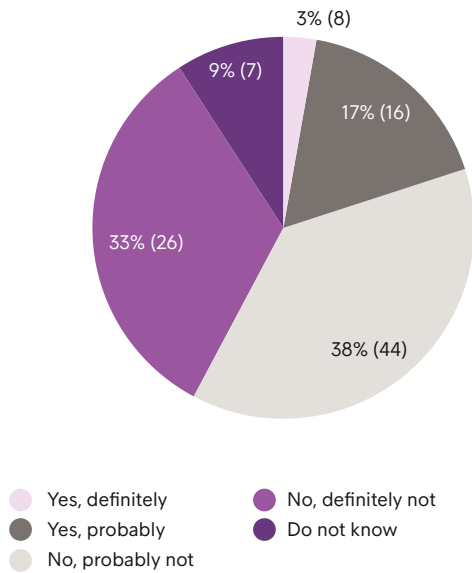
What payment terms do you allow your customers, on average?



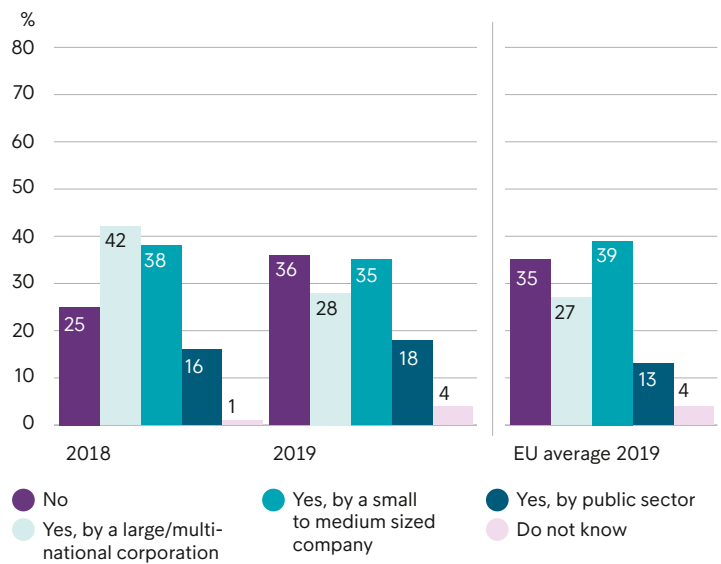
What is the average time actually taken by customers to pay?



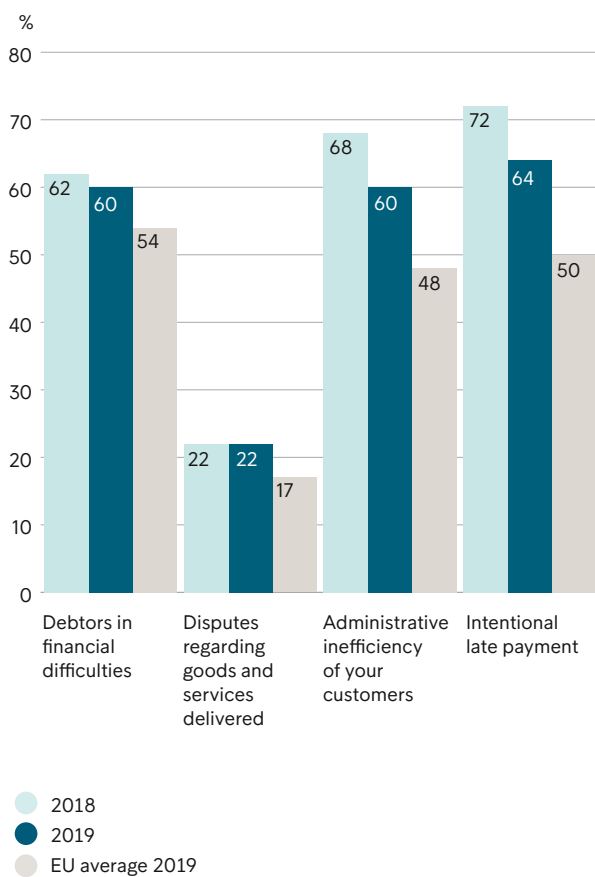
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



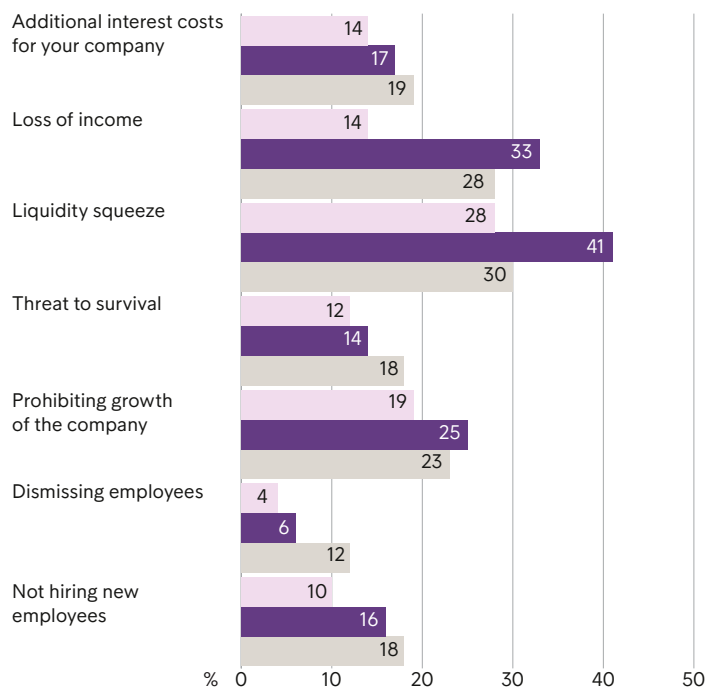
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Bosnia and Herzegovina

Key findings

For businesses in Bosnia and Herzegovina, late payments have a high impact on both income and additional hiring

Of the businesses polled in Bosnia and Herzegovina, 51 per cent fear loss of income as a result of late payment. Together with Romania, this is the highest reported percentage among European nations, where the average is 28 per cent. Half (50 per cent) of Bosnian-Herzegovinian companies also state that they would be able to hire more employees if their debtors were faster with the payments. This is significantly higher than the European average of 21 per cent.

A majority of businesses in Bosnia and Herzegovina state that customers' payment methods negatively affect international payments

Of the businesses surveyed in Bosnia and Herzegovina, 51 per cent state that customers' payment methods negatively influence international payments. One-fifth (23 per cent) of businesses in Europe share the same opinion. Additionally, the other leading issues for businesses in Bosnia and Herzegovina when it comes to international payments are currency issues (50 per cent), local payment culture (42 per cent) and local payment routines (42 per cent).

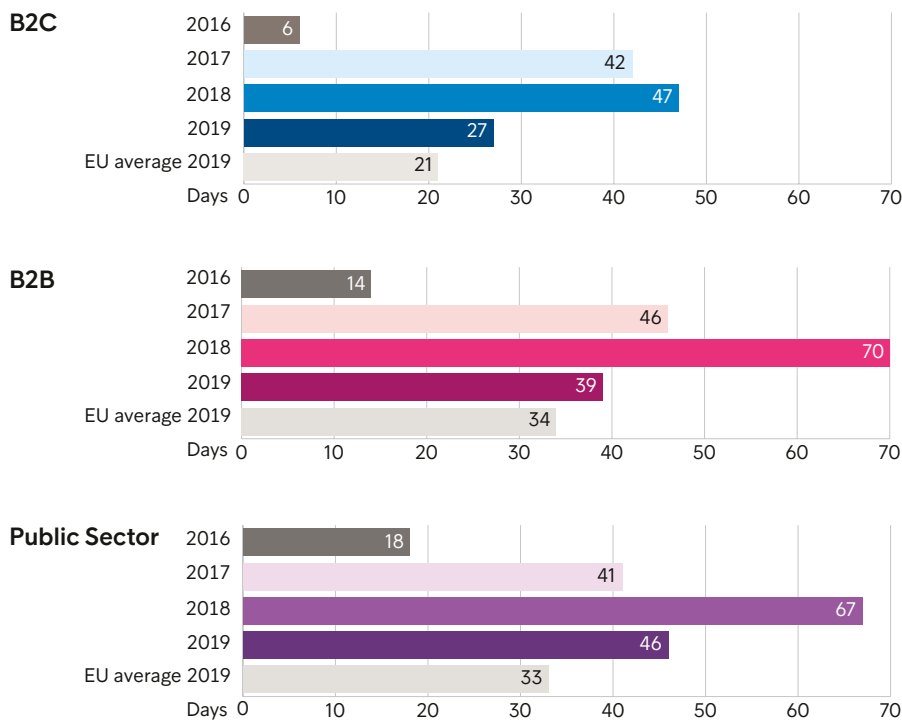
More than half of companies in Bosnia and Herzegovina believe that their country is already in a recession

Among the companies surveyed in Bosnia and Herzegovina, 52 per cent believe that their country is already in a recession, which is substantially higher than the European average of 18 per cent. Moreover, only 13 per cent of businesses surveyed in Bosnia and Herzegovina do not believe a recession is imminent in their country in the foreseeable future, compared to the European average of 30 per cent.

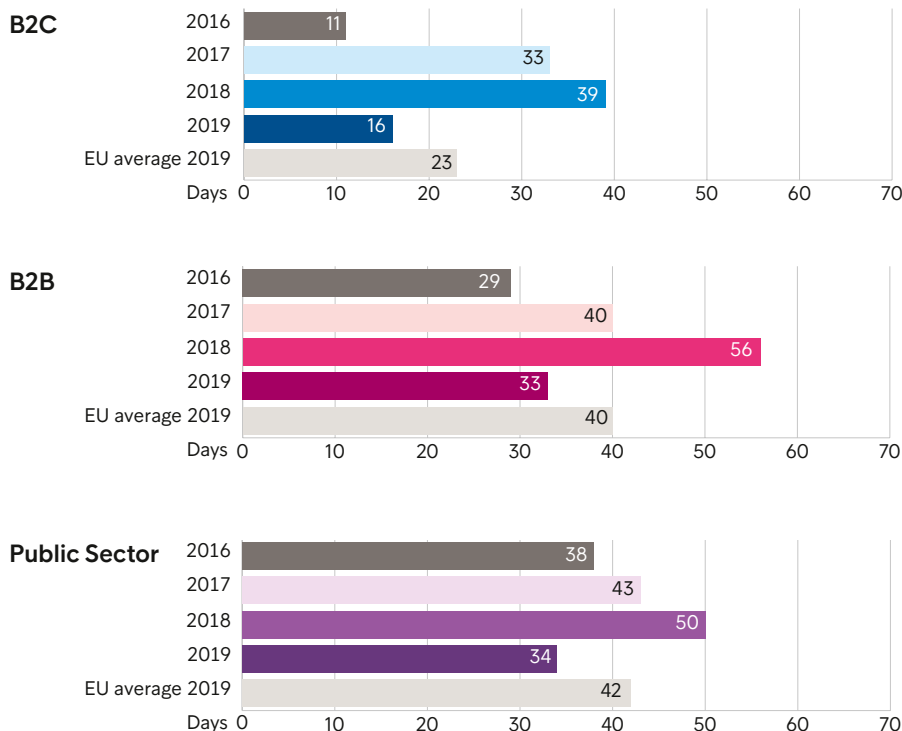
Economic development 2018

	Bosnia and Herzegovina	EU, average
GDP per capita in euro 2018	5,088.42	30,349.34
GDP percentage growth on previous year 2018	3.4	2.1
Inflation, % 2018	1.8	1.9
Unemployment rate, % 12-2018	34.8	6.6

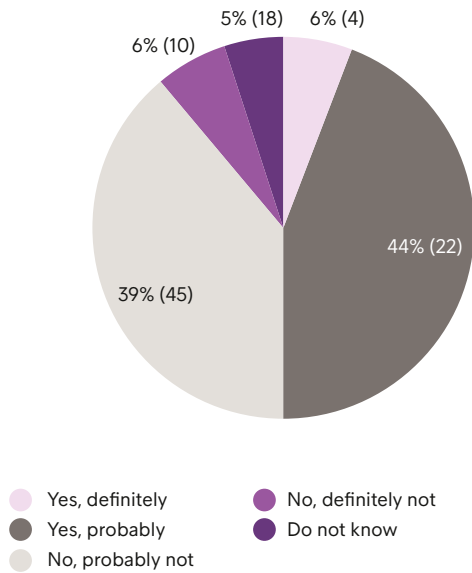
What payment terms do you allow your customers, on average?



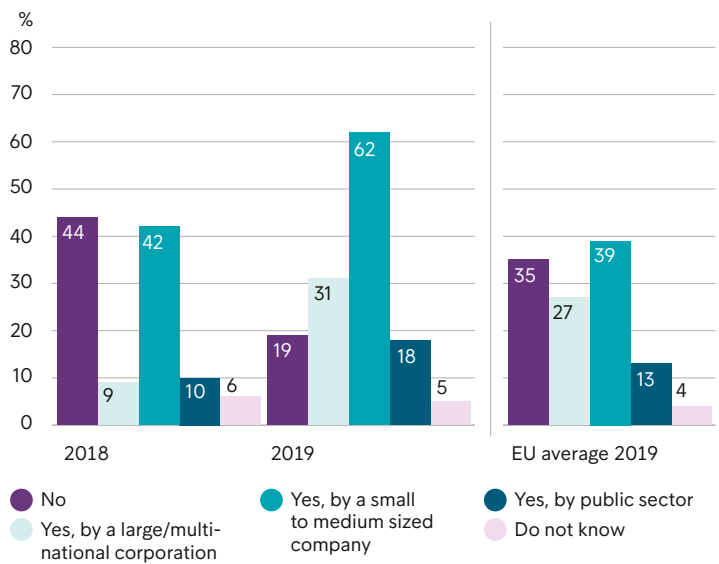
What is the average time actually taken by customers to pay?



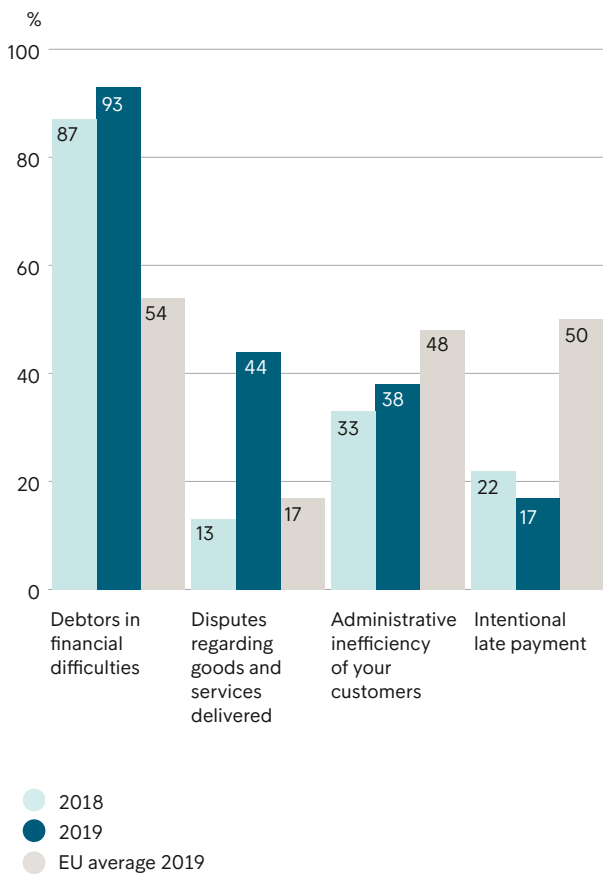
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



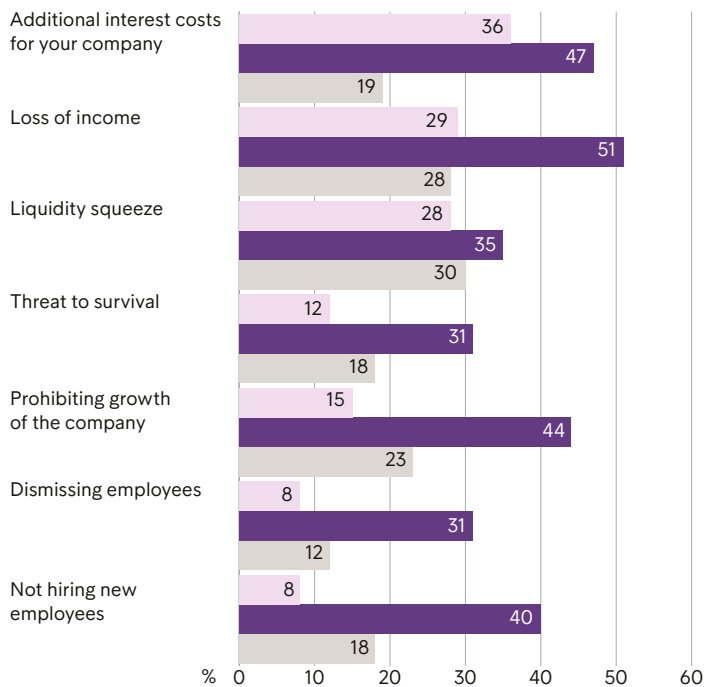
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Bulgaria

Key findings

Bulgarian companies offer the shortest payment terms to the public sector among all European companies surveyed
When it comes to payment terms, Bulgarian companies surveyed offer an average of 8 days to public sector customers, which is the shortest period among all European companies polled. The European average is 33 days. The time actually taken to pay by customers in the Bulgarian public sector is 12 days, while the corresponding average for all European companies surveyed is 42 days.

Faster payments from debtors would allow Bulgarian companies to increase their hiring

Of the companies surveyed in Bulgaria, 43 per cent state that faster payments from their debtors would enable them to hire more employees. One-fifth (21 per cent) of all the European companies surveyed believe the same. Furthermore, 38 per cent of Bulgarian companies say that late payments from their debtors lead to loss of income, which is higher than the European average of 28 per cent.

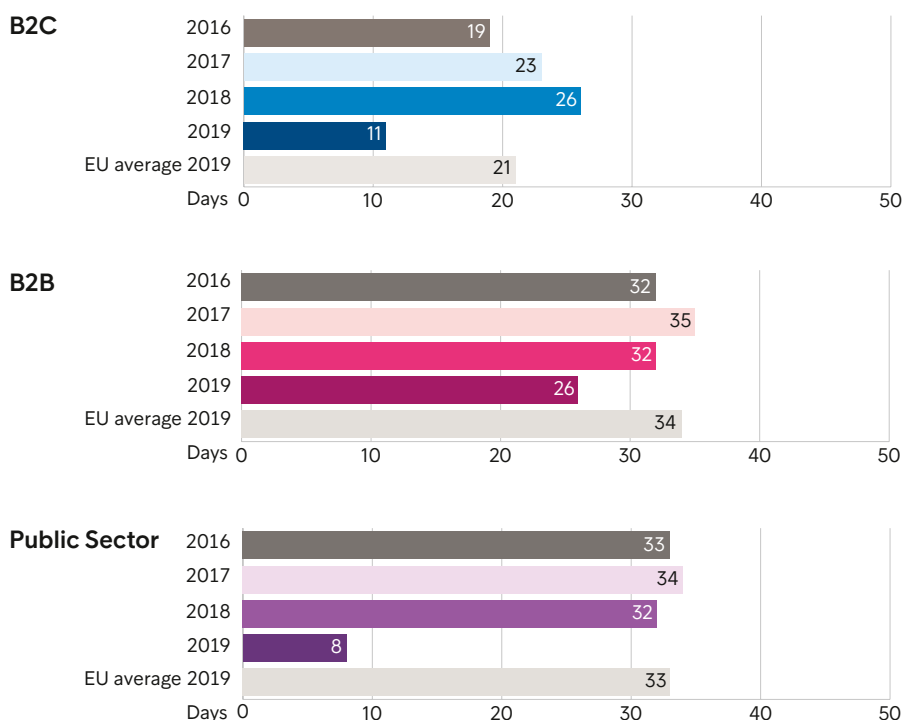
Bulgarian companies face issues with long payment terms and debtors paying after the due date

When it comes to problems with payment, 58 per cent of Bulgarian businesses surveyed say they face problems with long payment terms, while the corresponding average for European businesses is 50 per cent. Late payments are another leading issue for 51 per cent of Bulgarian companies, which is equal to the European average. Late payments are believed to limit growth among 36 per cent of Bulgarian companies, which is higher than the European average of 23 per cent of businesses stating the same.

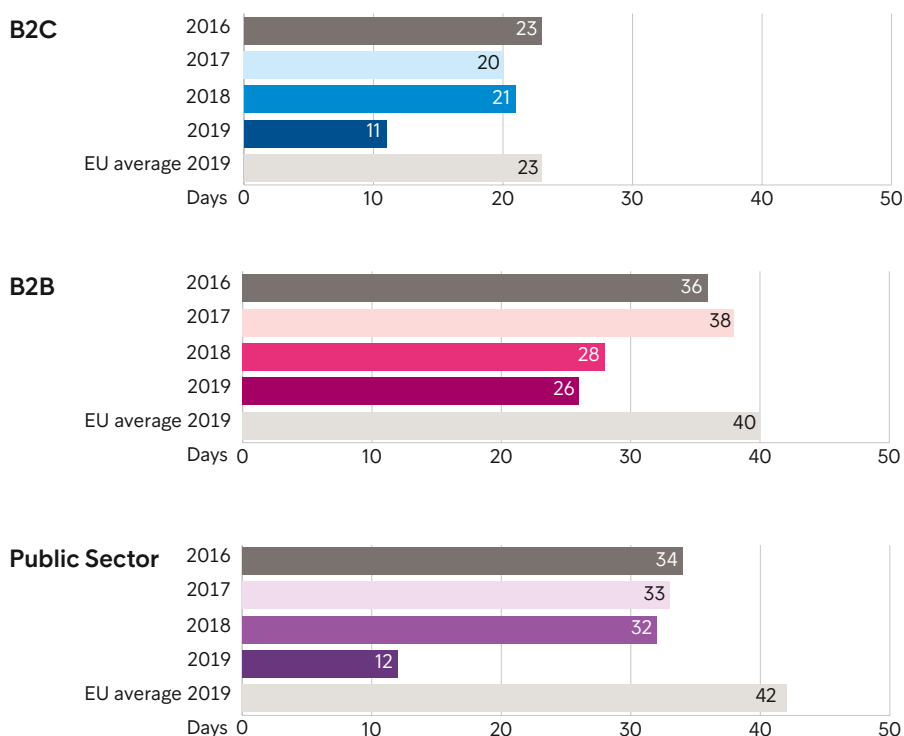
Economic development 2018

	Bulgaria	EU, average
GDP per capita in euro 2018	8,100.50	30,349.34
GDP percentage growth on previous year 2018	3.5	2.1
Inflation, % 2018	2.6	1.9
Unemployment rate, % 12-2018	4.8	6.6

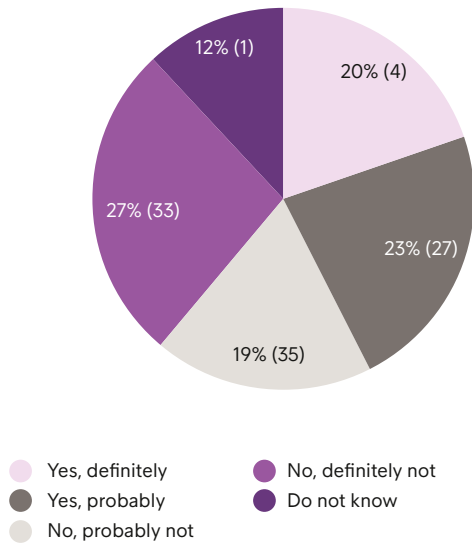
What payment terms do you allow your customers, on average?



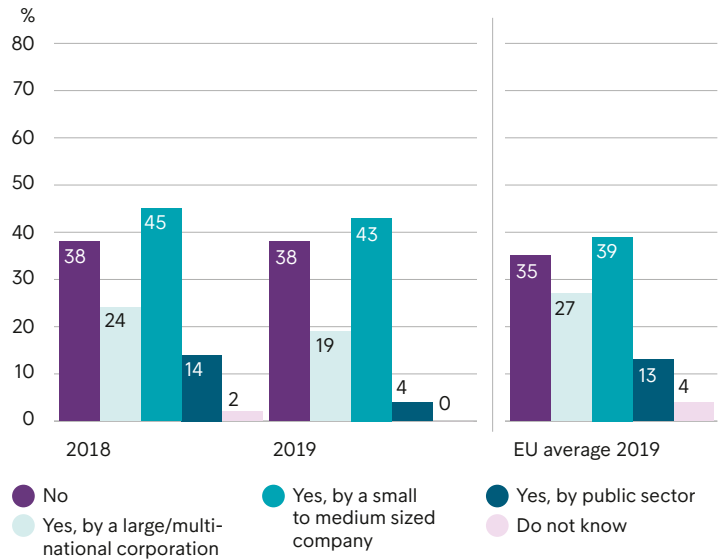
What is the average time actually taken by customers to pay?



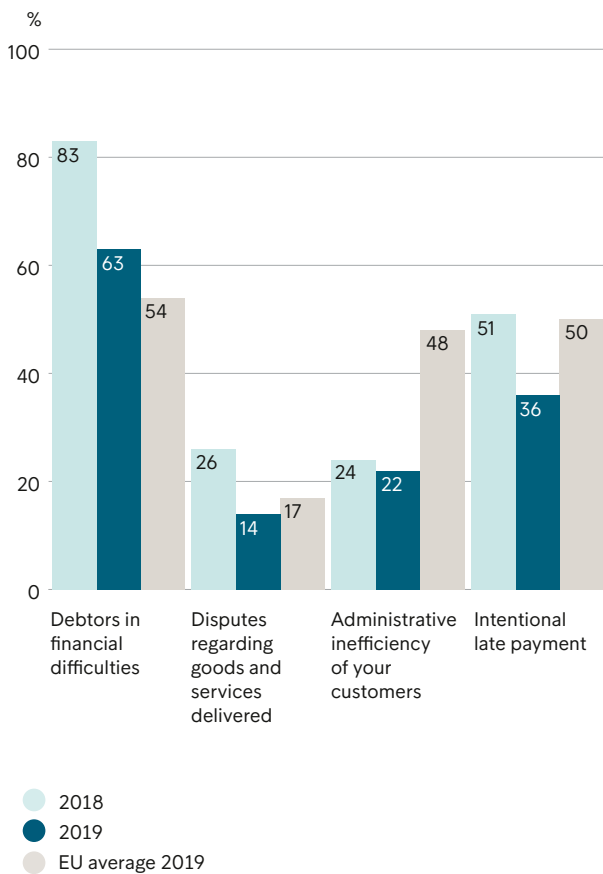
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



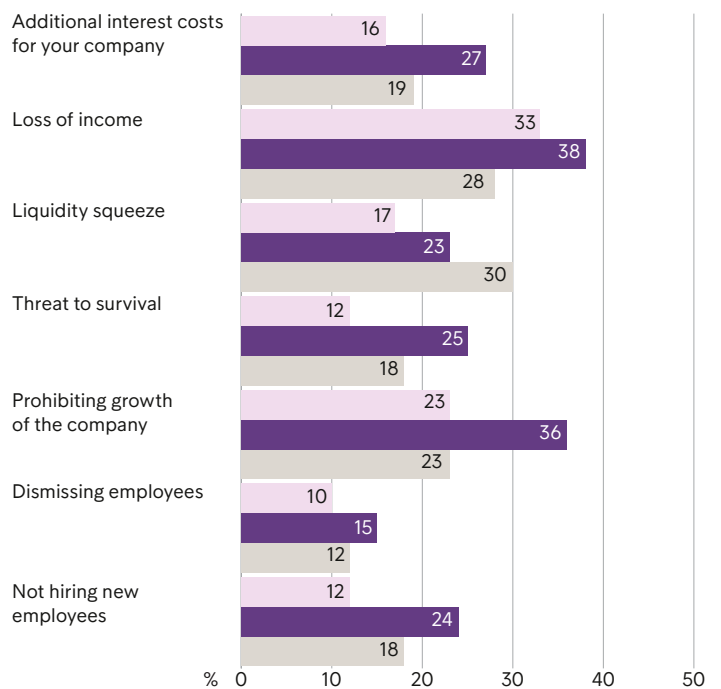
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Croatia

Key findings

Companies in Croatia believe a recession is likely to occur in the near future and plan to cut costs to prepare for an economic decline

37 per cent of companies polled in Croatia believe that their country is already in a recession, which is higher than the European average of 18 per cent. In addition, 29 per cent of businesses surveyed in Croatia believe that their country will be in a recession within one to five years. Among the companies that believe a recession is imminent, 46 per cent plan to cut costs to prepare for an economic decline.

In a cashless society, Croatian companies believes the exposure to cyber-attacks and transaction data information available to them will increase

When asked when their country would become a cashless society, the Croatian companies were divided 50/50, where one-half believes it will occur within ten years and the other half claims it will never occur or occur after more than ten years. Among the companies that believe their country will be cashless within a decade, 55 per cent believe that exposure to cyber-attacks is likely to increase and 51 per cent that transaction data available to them will increase.

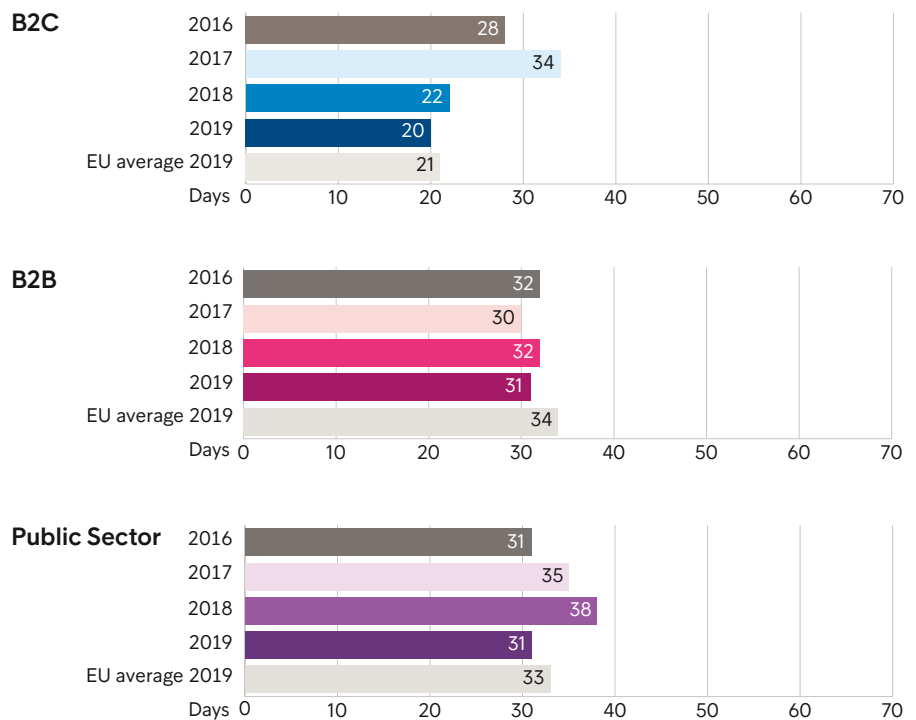
Croatian companies would like to see new national legislation to overcome the issue of late payments

Among Croatian companies polled, 63 per cent would like to see the introduction of new legislation to solve the late payment problem. This figure is higher than the European average of 45 per cent. 17 per cent would instead prefer voluntary initiatives from companies to solve the issue of late payments, while across companies surveyed in Europe, only 33 per cent prefer this alternative.

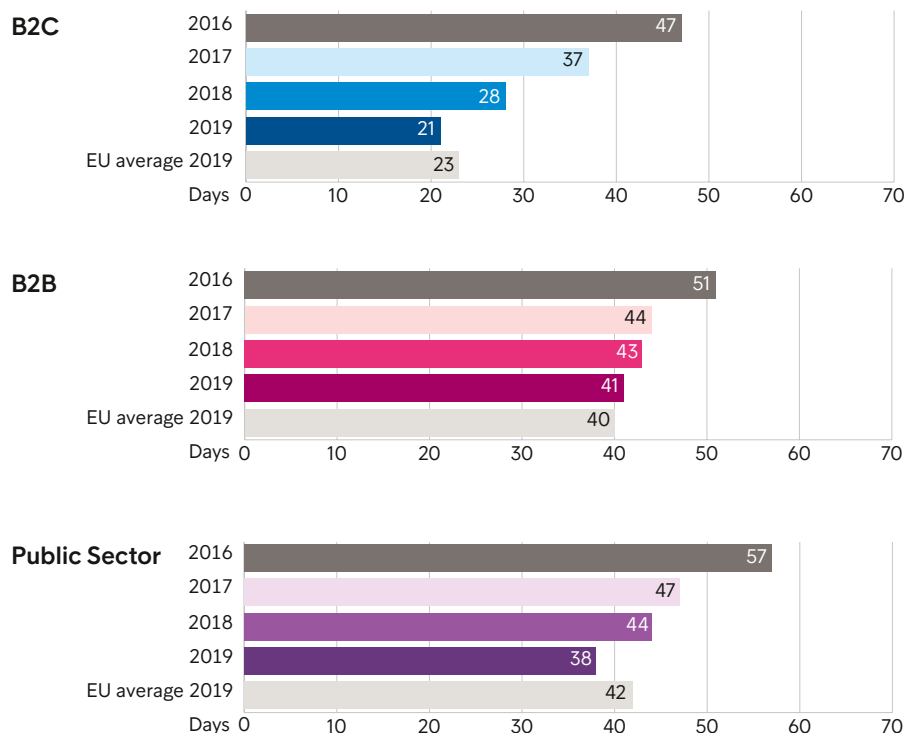
Economic development 2018

	Croatia	EU, average
GDP per capita in euro 2018	13,058.08	30,349.34
GDP percentage growth on previous year 2018	2.8	2.1
Inflation, % 2018	1.6	1.9
Unemployment rate, % 12-2018	7.7	6.6

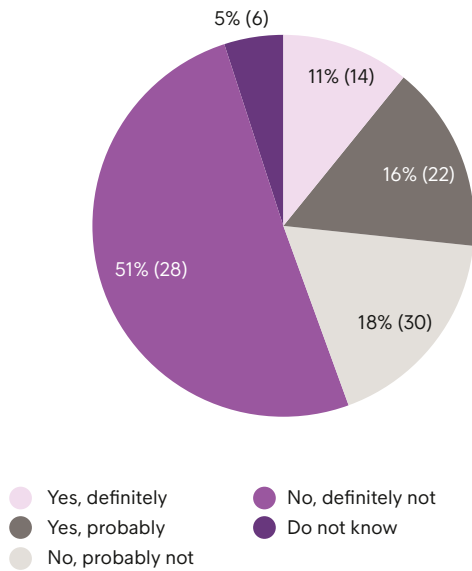
What payment terms do you allow your customers, on average?



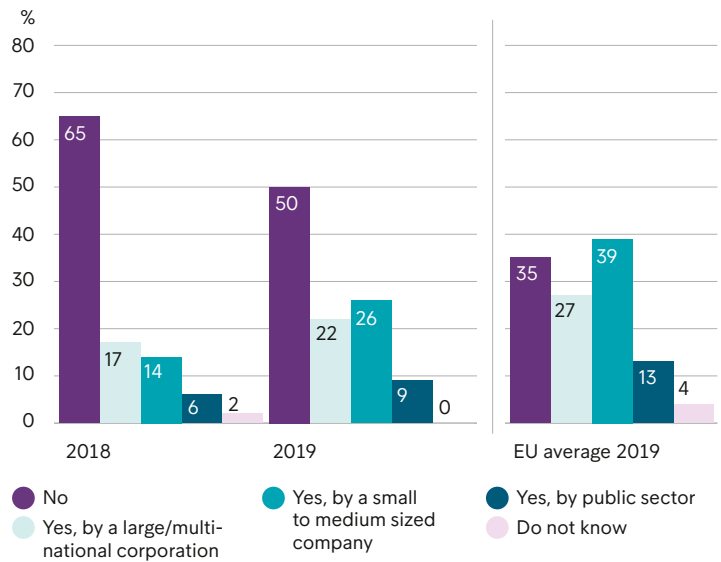
What is the average time actually taken by customers to pay?



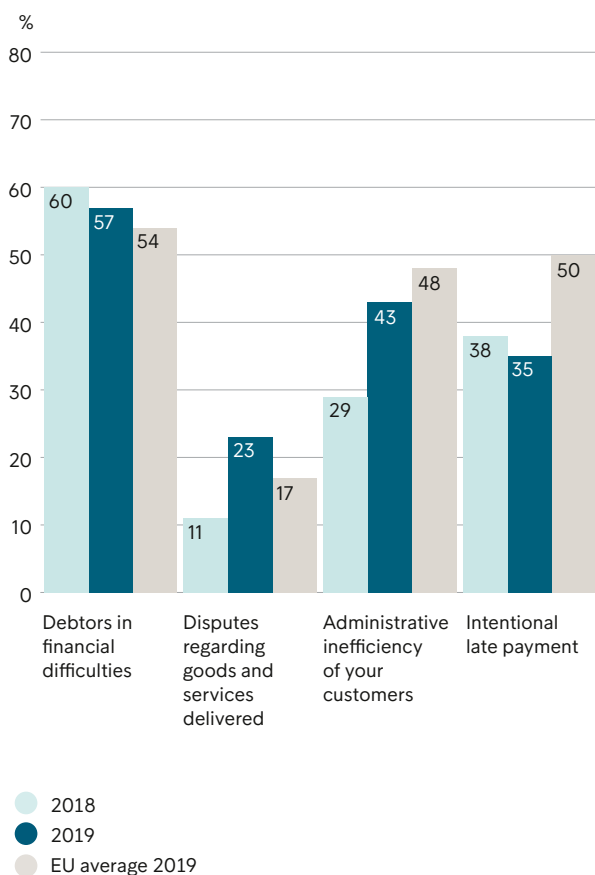
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



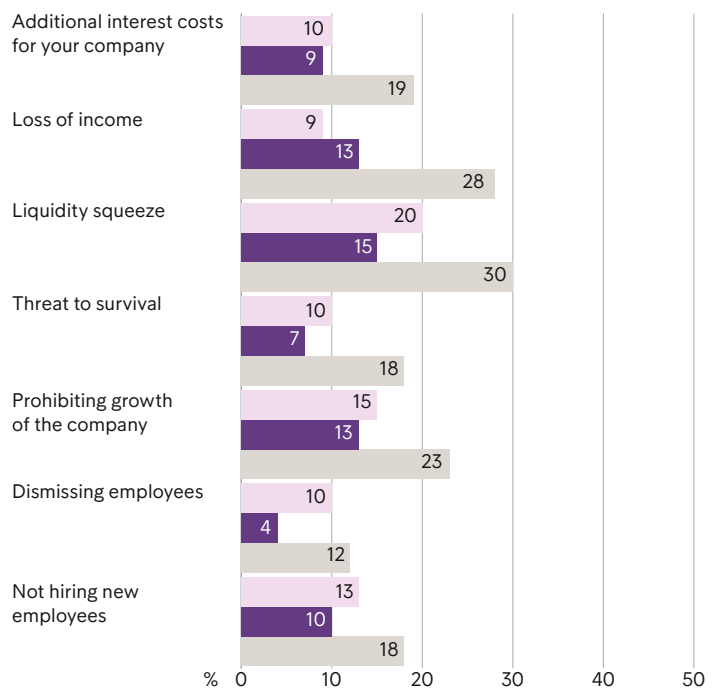
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

Czech Republic

Key findings

To prepare for an economic decline, companies in the Czech Republic would cut costs, identify particularly exposed segments, and be more cautious with taking on debt

Among the Czech companies surveyed that believe a recession is imminent in the near future, 66 per cent would prepare for an economic decline by cutting costs, 37 per cent by being more cautious about taking on debt and 32 per cent by identifying particularly exposed segments in their business. The preference for these measures is higher than the European averages, where 45 per cent plan on cutting costs, 36 per cent plan to be more cautious with taking on debt and 21 per cent plan to identify particularly exposed segments.

A majority of the Czech companies surveyed face problems with debtors paying after due date

When asked about their level of concern regarding late payments, 70 per cent of companies polled in the Czech Republic state that they face problems with late payments. This is 19 percentage points higher than the European average of businesses stating the same. Furthermore, when asked about the main causes of late payments, 72 per cent of Czech companies state intentional late payments, 68 per cent debtors in financial difficulties and 43 per cent administrative inefficiency of their customers.

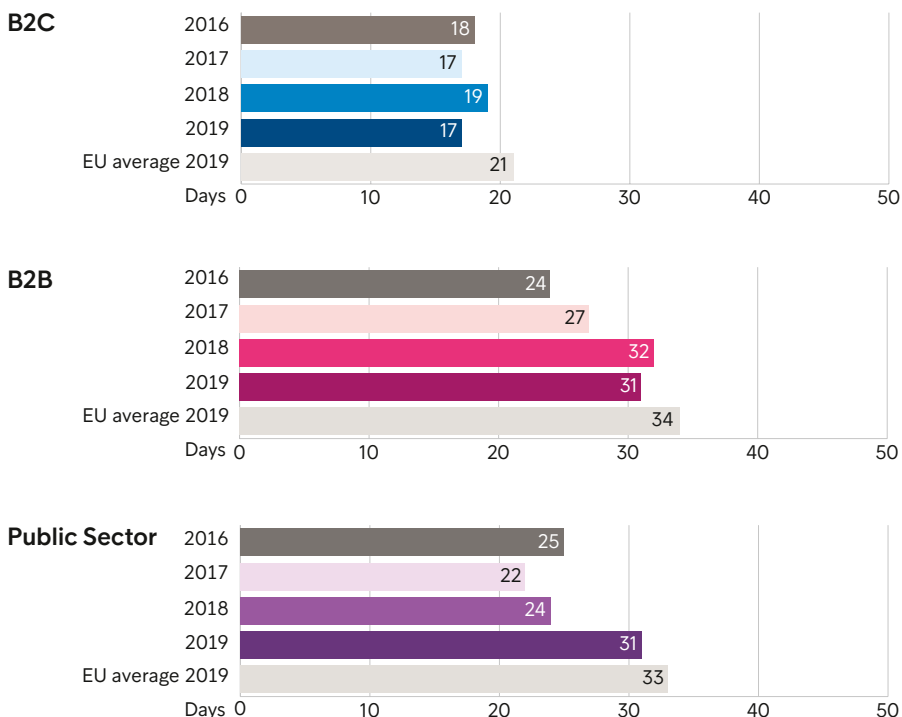
Companies in the Czech Republic have accepted excessively long payment terms

Of the Czech businesses surveyed, 88 per cent say that they have accepted payment terms that are longer than what they actually feel comfortable with. Comparatively, only 58 per cent of all the European companies state the same. Over half (57 per cent) of Czech companies polled claim that they have accepted longer payment terms from large or multinational companies, 60 per cent from small to medium-sized companies and 31 per cent from the public sector. These shares are substantially higher than the corresponding European averages, where 24 per cent claim to have accepted longer payment terms from large or medium-sized companies, 37 per cent from small to medium-sized companies and 13 per cent from the public sector.

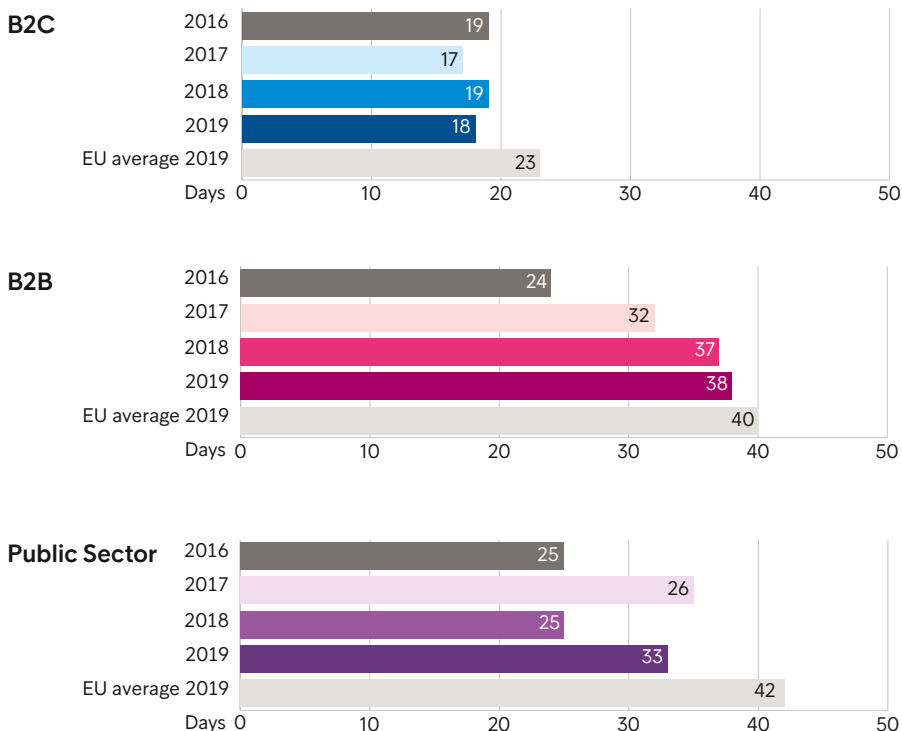
Economic development 2018

	Czech Republic	EU, average
GDP per capita in euro 2018	20,594.30	30,349.34
GDP percentage growth on previous year 2018	3.0	2.1
Inflation, % 2018	2.0	1.9
Unemployment rate, % 12-2018	2.1	6.6

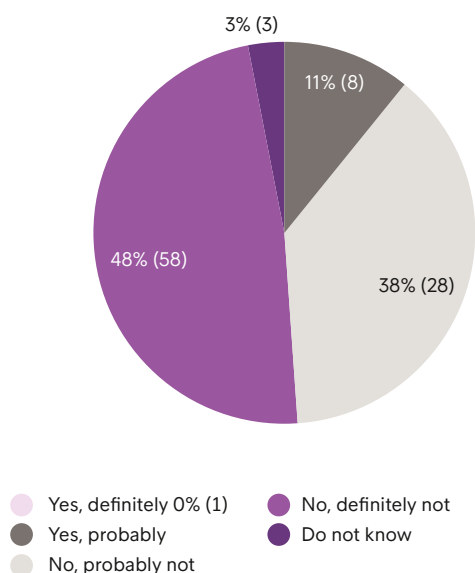
What payment terms do you allow your customers, on average?



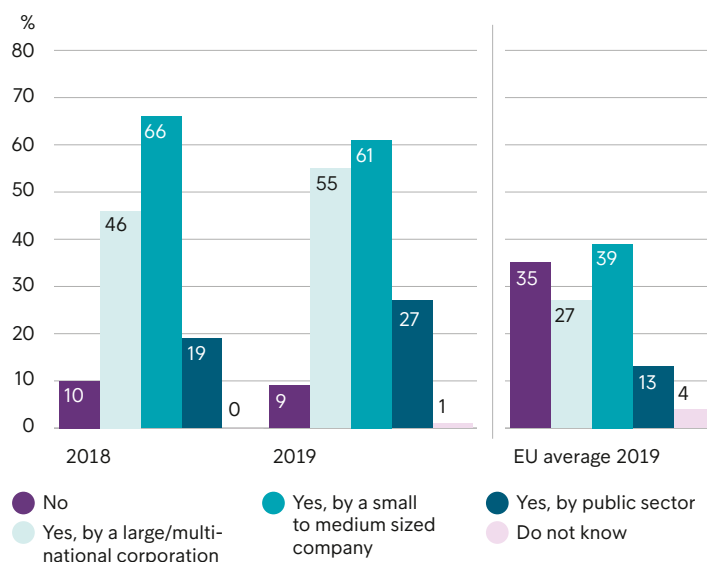
What is the average time actually taken by customers to pay?



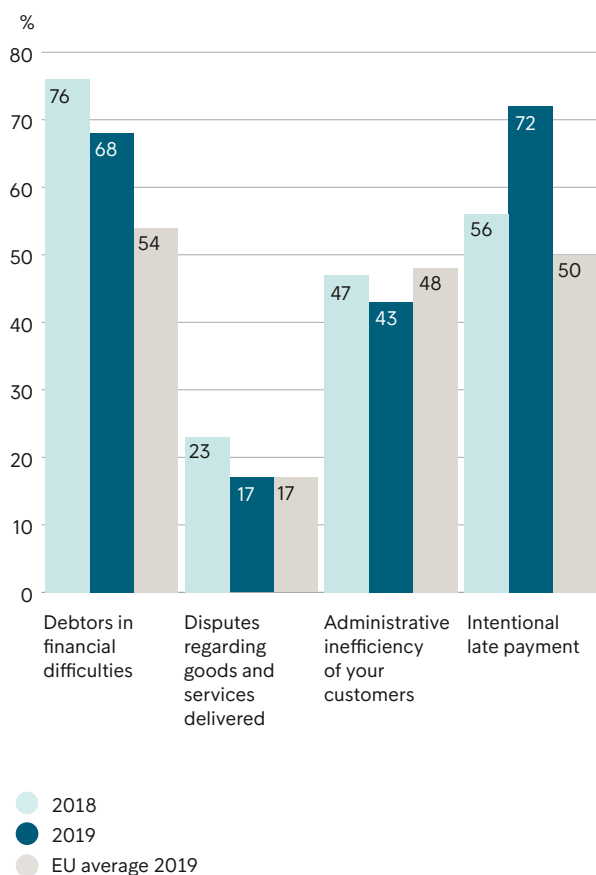
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



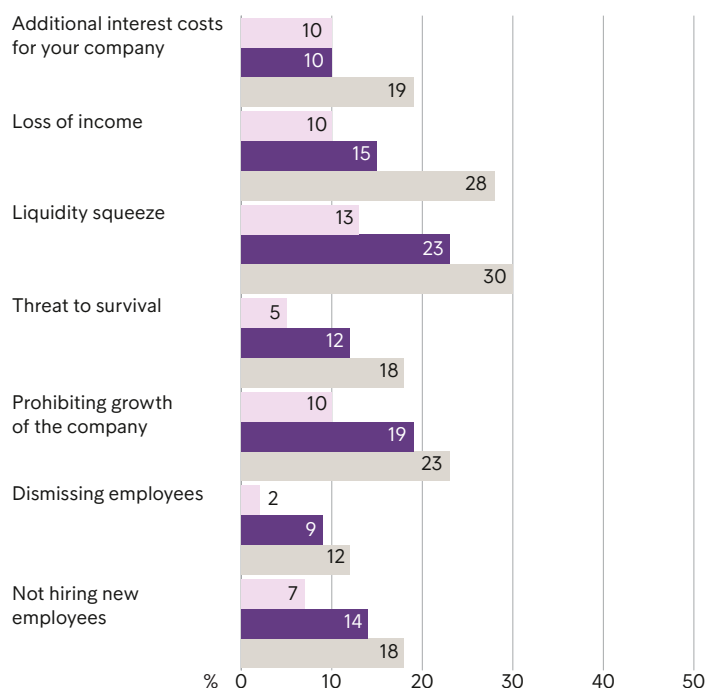
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Denmark

Key findings

Danish businesses seek action against late payments

Of the respondents from Denmark, 52 per cent say they want to see voluntary initiatives from companies to solve the late payment problem. This is significantly higher than the European average of 33 per cent. Furthermore, Danish companies are less inclined to fight the issue through the introduction of new legislation than businesses in many other European countries. Of the companies polled in Denmark, only 24 per cent stated that introduction of new legislation would be the preferred solution, compared with 45 per cent of European businesses.

Bad debt loss remains low in Denmark

Denmark has one of the lowest reported levels of bad debt loss as a percentage of total annual revenue, in 2018 within Europe. Reported bad debt loss among Danish companies amounts to 0.8 per cent. This is a higher percentage than the previous year when bad debt losses averaged 0.6 per cent. Meanwhile, bad debt losses averaged 2.3 per cent among European companies this year.

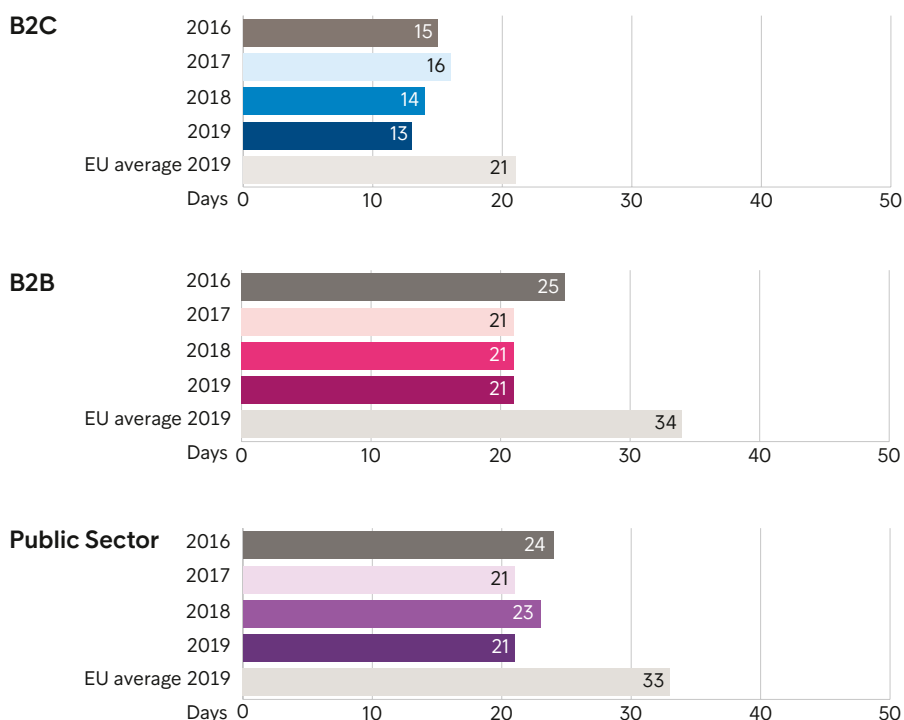
A high percentage of Danish companies stated that a recession is not imminent in Denmark

Among the Danish companies polled, 49 per cent do not believe that a recession is imminent in Denmark. This is a higher percentage than the European average of 30 per cent businesses. Furthermore, among the businesses that believe a recession is imminent in Denmark, 37 per cent companies are not planning to take any measures to prepare the company for an economic decline, which is higher than the European average of 17 per cent.

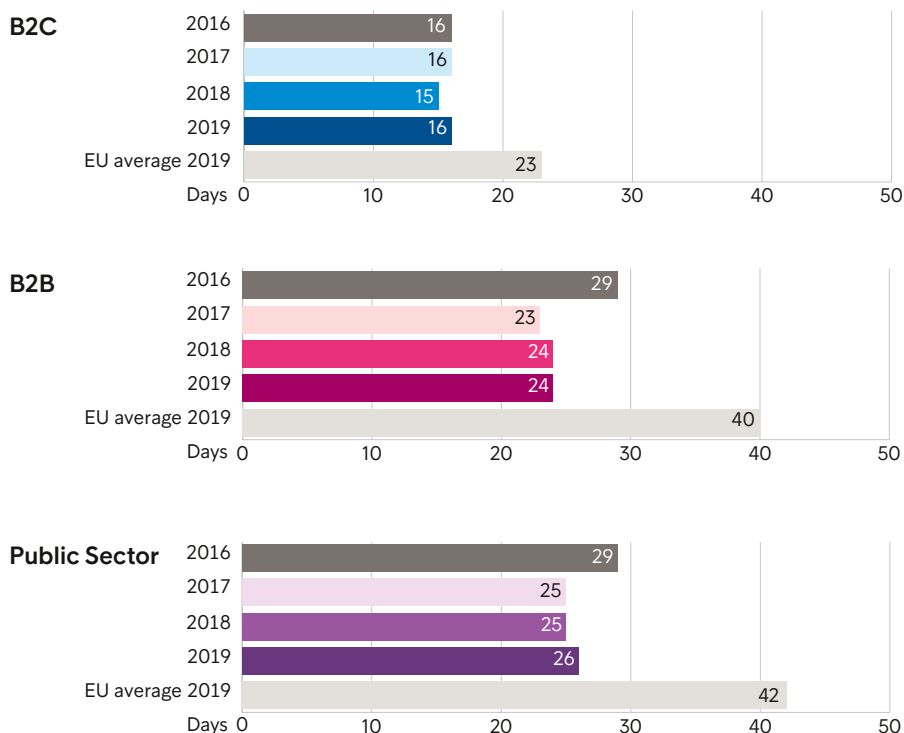
Economic development 2018

	Denmark	EU, average
GDP per capita in euro 2018	54,620.59	30,349.34
GDP percentage growth on previous year 2018	1.2	2.1
Inflation, % 2018	0.7	1.9
Unemployment rate, % 12-2018	4.9	6.6

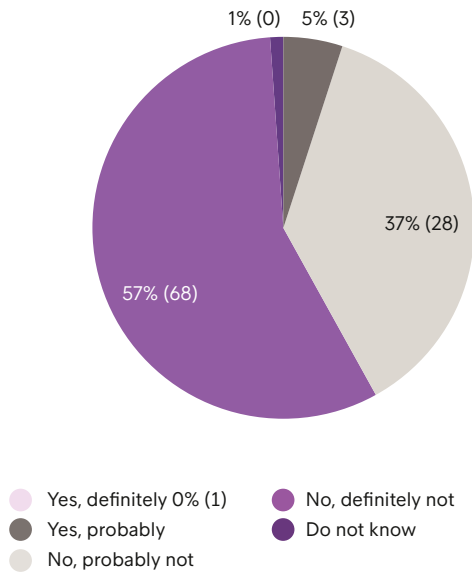
What payment terms do you allow your customers, on average?



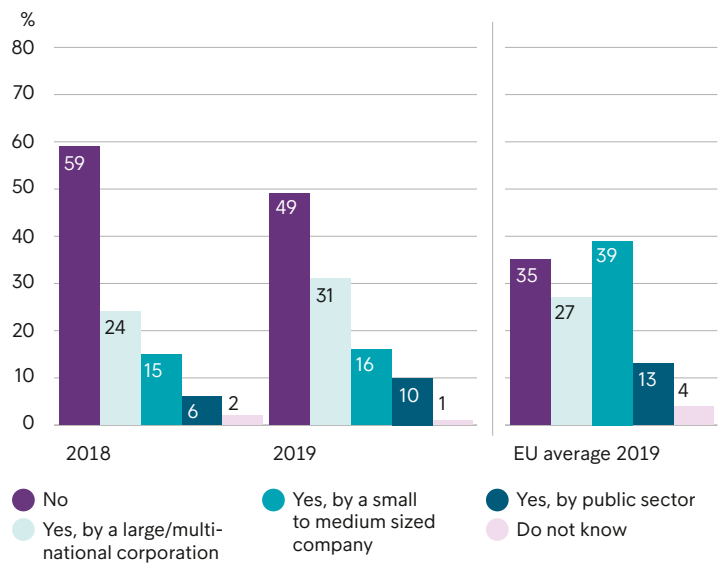
What is the average time actually taken by customers to pay?



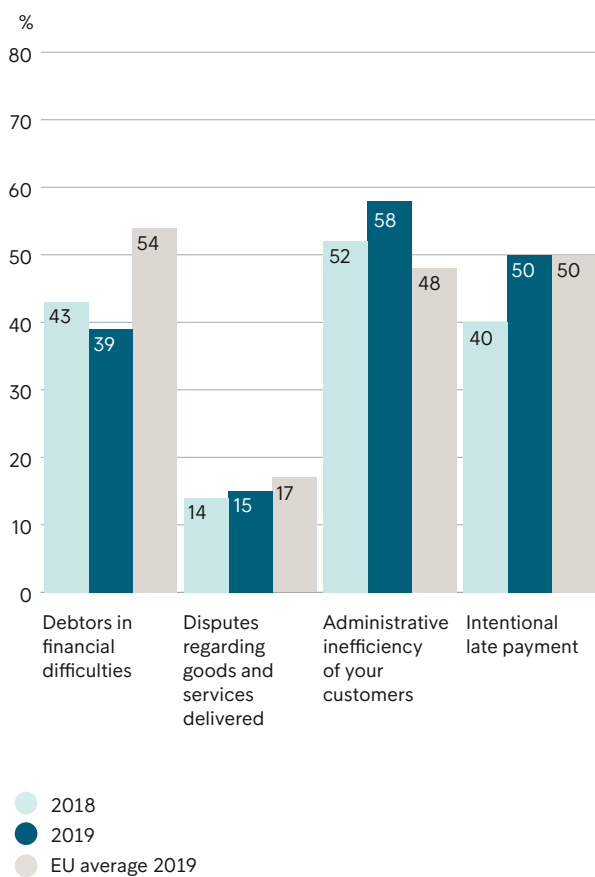
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



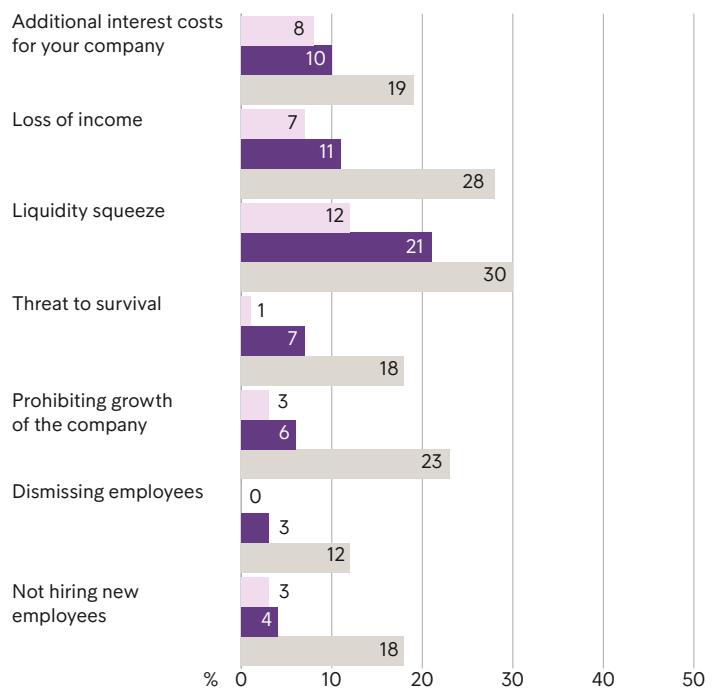
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Estonia

Key findings

Estonian companies do not expect their country to be cashless in the near future
Among the Estonian companies surveyed, 78 per cent believe that Estonia will become a cashless society in more than ten years, or never. This is second only to Serbia, where 82 per cent of companies stated the same. The Estonian result on this issue is substantially higher than the European average of 52 per cent.

Estonian companies believe a recession is probable in the near future and plan to cut costs to prepare for an economic decline

Two-thirds (67 per cent) of Estonian companies polled state that a recession is imminent in Estonia within one to five years. This can be compared with the European average, where 35 per cent of companies stated the same. Furthermore, 41 per cent of the Estonian companies that believe a recession is imminent plan to cut costs in preparing for an economic decline. This is slightly lower than the European average of 45 per cent.

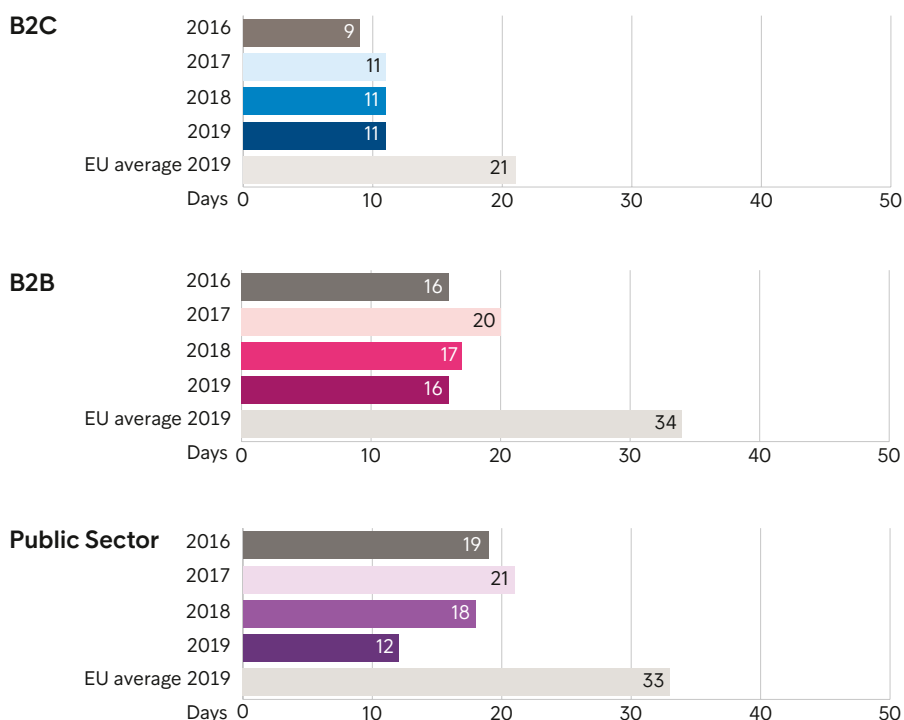
B2B customers experience short payment terms from companies in Estonia

Estonia offers the lowest number of days when it comes to extending payment terms to B2B customers within Europe. On average, a B2B customer in Estonia is allowed 16 days to pay amounts due, which can be compared to the European average of 34 days. The average time actually taken by B2B customers to pay in Estonia is 17 days, which is substantially lower than the European average of 40 days.

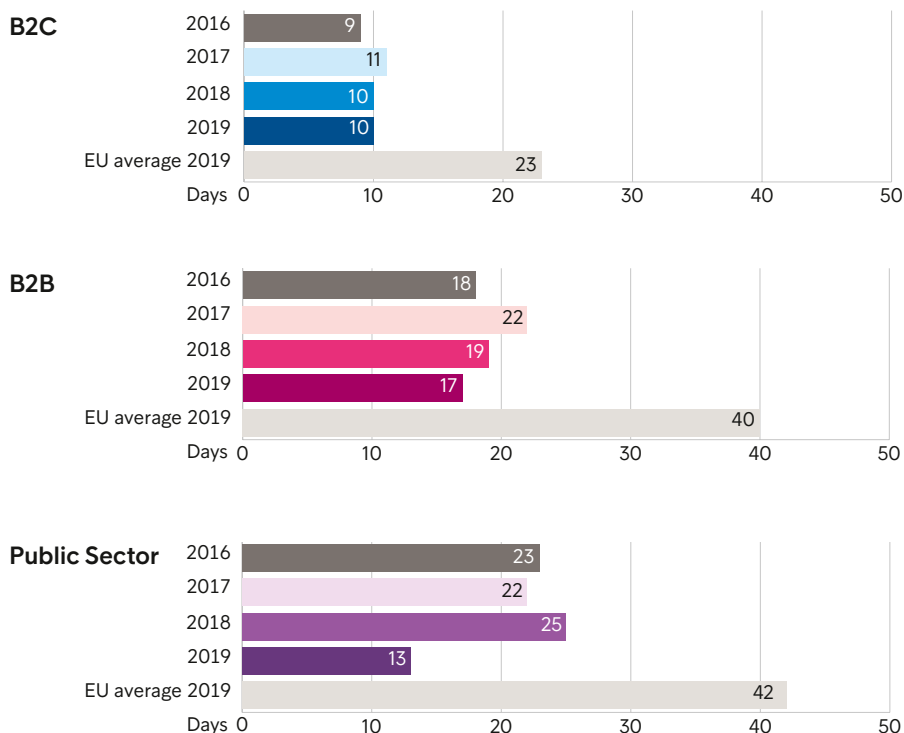
Economic development 2018

	Estonia	EU, average
GDP per capita in euro 2018	19,997.94	30,349.34
GDP percentage growth on previous year 2018	3.5	2.1
Inflation, % 2018	3.4	1.9
Unemployment rate, % 12-2018	4.2	6.6

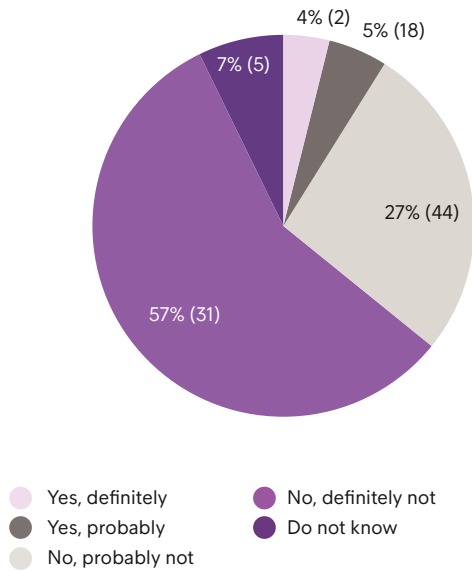
What payment terms do you allow your customers, on average?



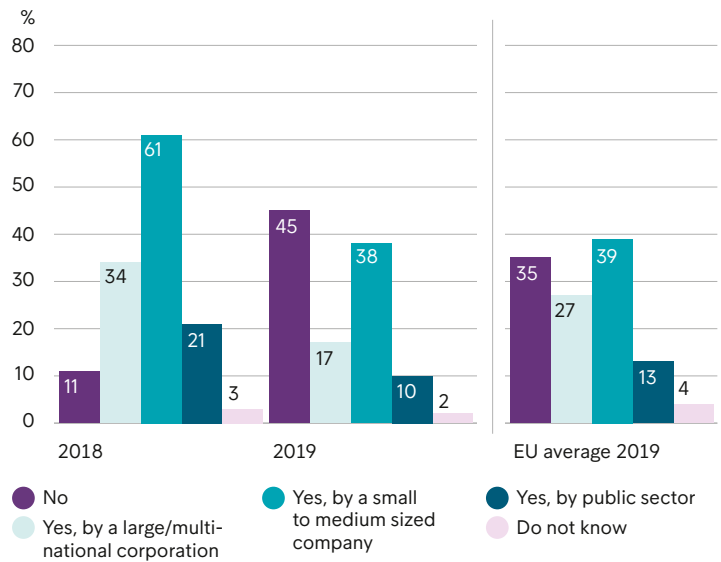
What is the average time actually taken by customers to pay?



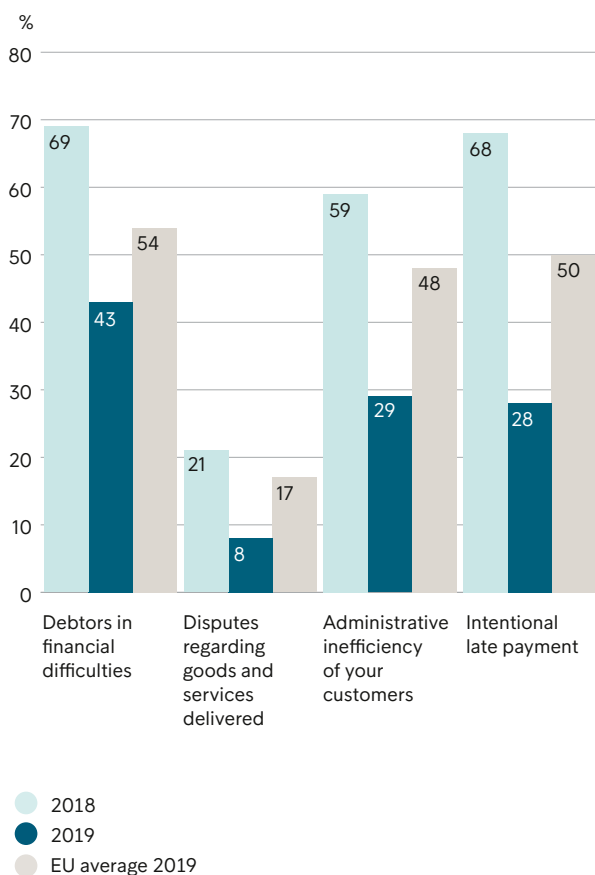
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



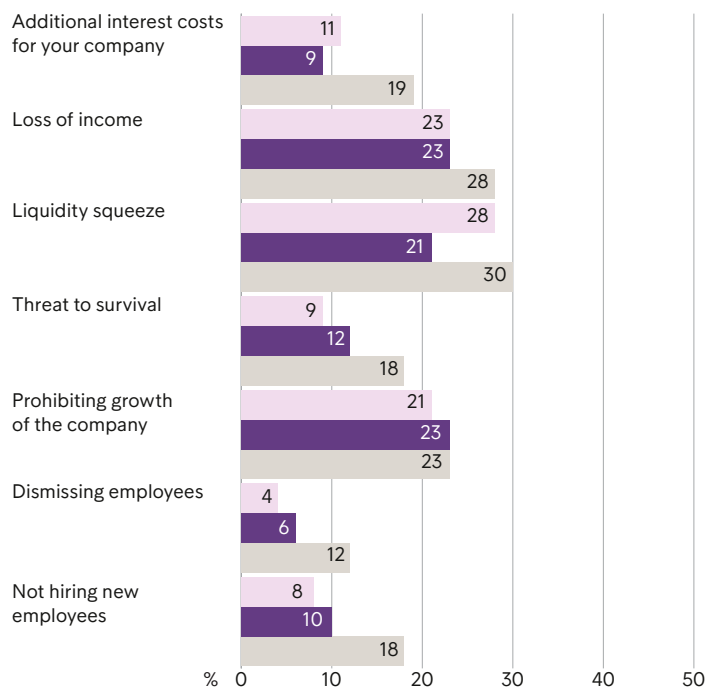
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



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Finland

Key findings

Finnish companies more pessimistic about risk from debtors than last year

Finland reported a high percentage of companies expecting an increased risk from debtors over the next twelve months, with 23 per cent of the companies issuing such a forecast. The European average for the same forecast is 16 per cent. The Finnish companies exhibit a more pessimistic outlook when compared to last year, where only 13 per cent of businesses stated that they thought risk from debtors would increase in the coming twelve months.

Debt collection and credit checks are the two leading methods to protect against bad payments among Finnish companies

Among Finnish businesses, 52 per cent report using debt collection as a means of protecting themselves against bad payment. This is significantly higher than the European average of 25 per cent. Of the Finnish companies surveyed, 38 per cent also say that they use credit checks to avoid bad payments, which can be compared to Europe as a whole, where 28 per cent of companies report the same practice.

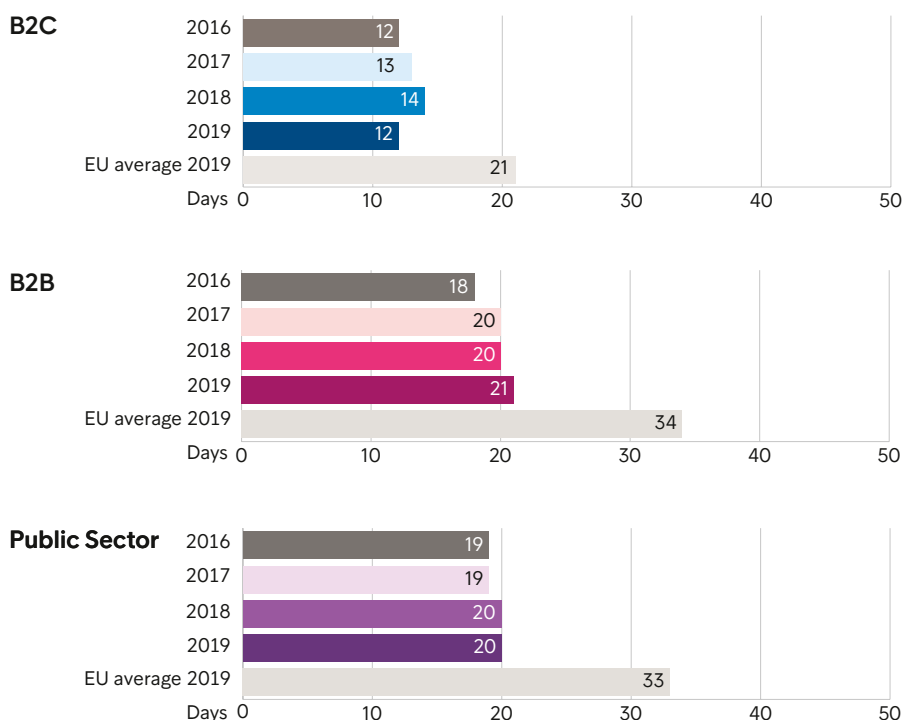
Finnish companies less concerned about exposure to cyber-attacks in a cashless society

About half (51 per cent) of companies surveyed in Finland believe that their country will be cashless in ten years or less. The European average is 48 per cent. Of the Finnish businesses that believe Finland will be cashless in ten years or less, only 34 per cent state that they believe the exposure to cyber-attacks will increase as a result, compared to the European average of 52 per cent.

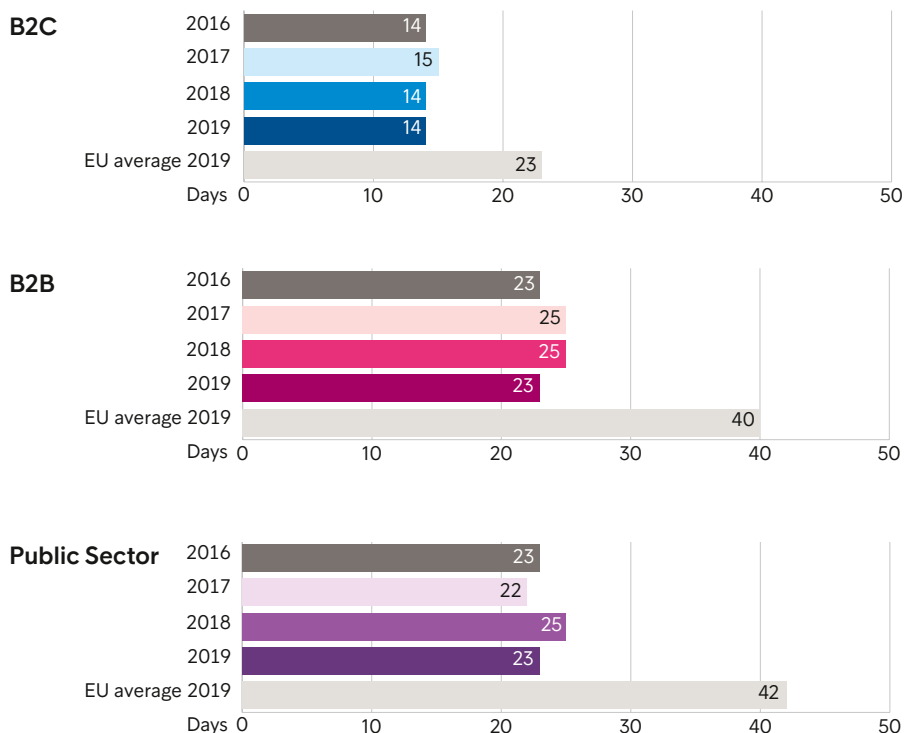
Economic development 2018

	Finland	EU, average
GDP per capita in euro 2018	44,665.73	30,349.34
GDP percentage growth on previous year 2018	2.9	2.1
Inflation, % 2018	1.2	1.9
Unemployment rate, % 12-2018	6.7	6.6

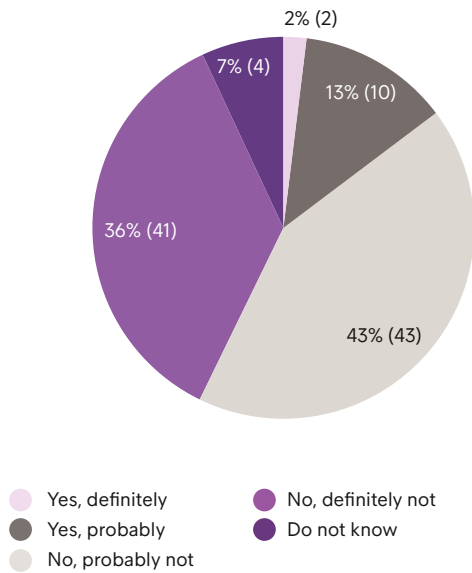
What payment terms do you allow your customers, on average?



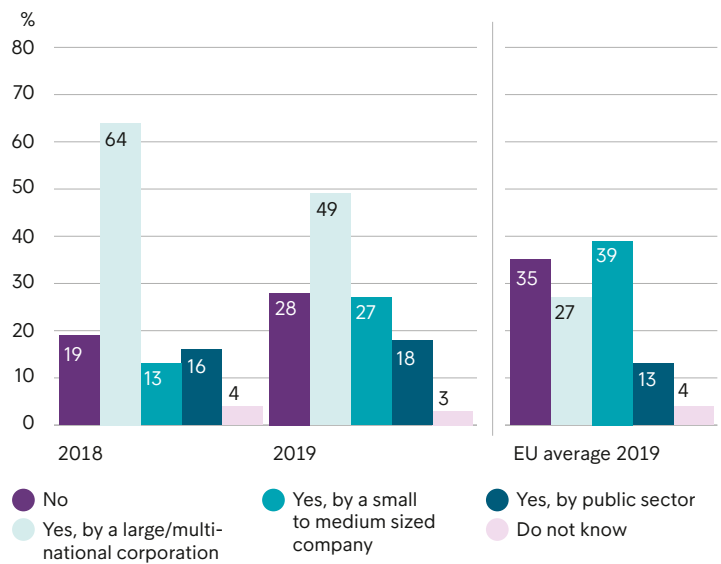
What is the average time actually taken by customers to pay?



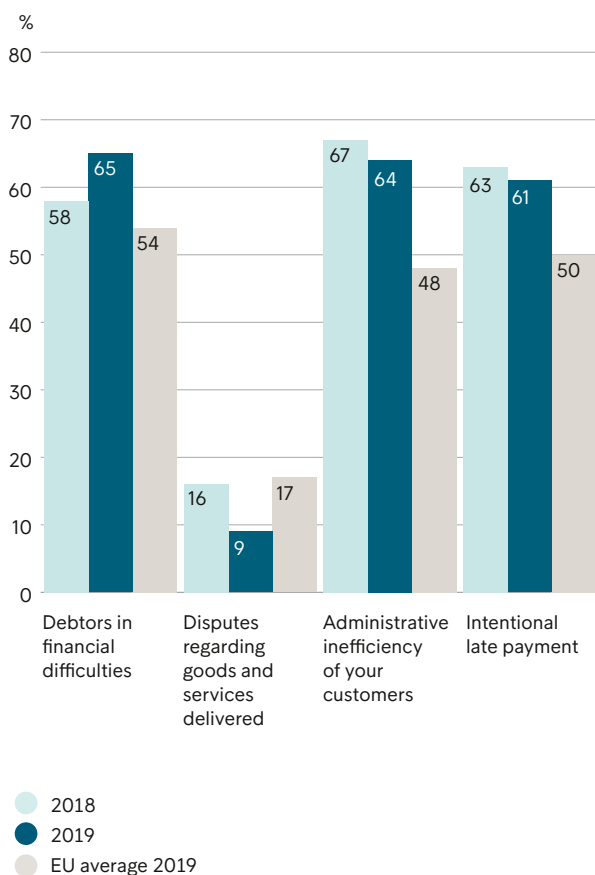
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



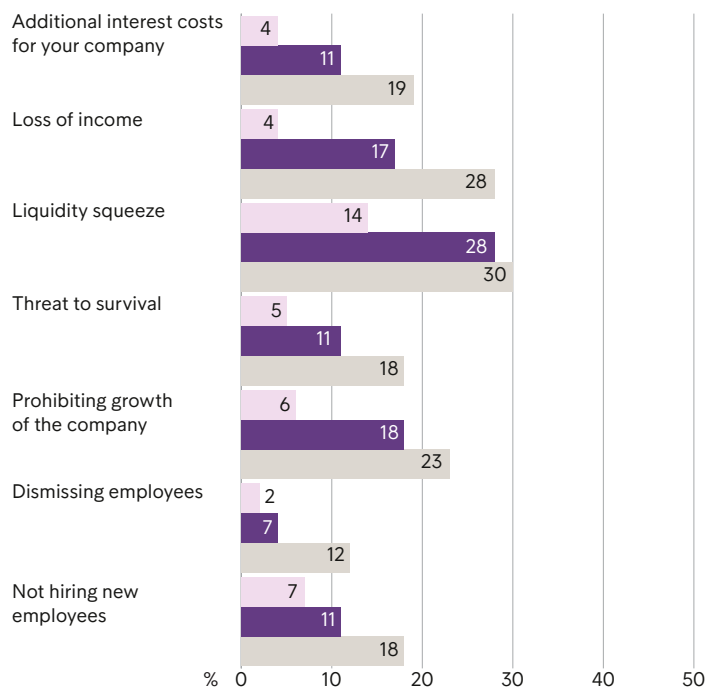
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



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France

Key findings

Debtors in financial difficulties cited as main cause of late payment in France

Of the French companies surveyed, 66 per cent state they find late payments problematic, which is higher than the average response among European businesses, where 50 per cent state the same. Seven out of ten (73 per cent) French businesses also cite debtors in financial difficulties as a primary cause of late payments, which can be compared to the European average of 54 per cent.

Increase in awareness among French companies regarding the European Late Payment Directive

Two out of three (65 per cent) French businesses polled state that they are familiar with the European Late Payment Directive, which is a substantial increase in awareness compared to last year's result of 49 per cent. Among the French businesses that are familiar with the Directive, 46 per cent state that they use the right to charge a minimum of 40 euros plus interest in B2B and the public sector, while for Europe as whole 33 per cent of companies report using the fee.

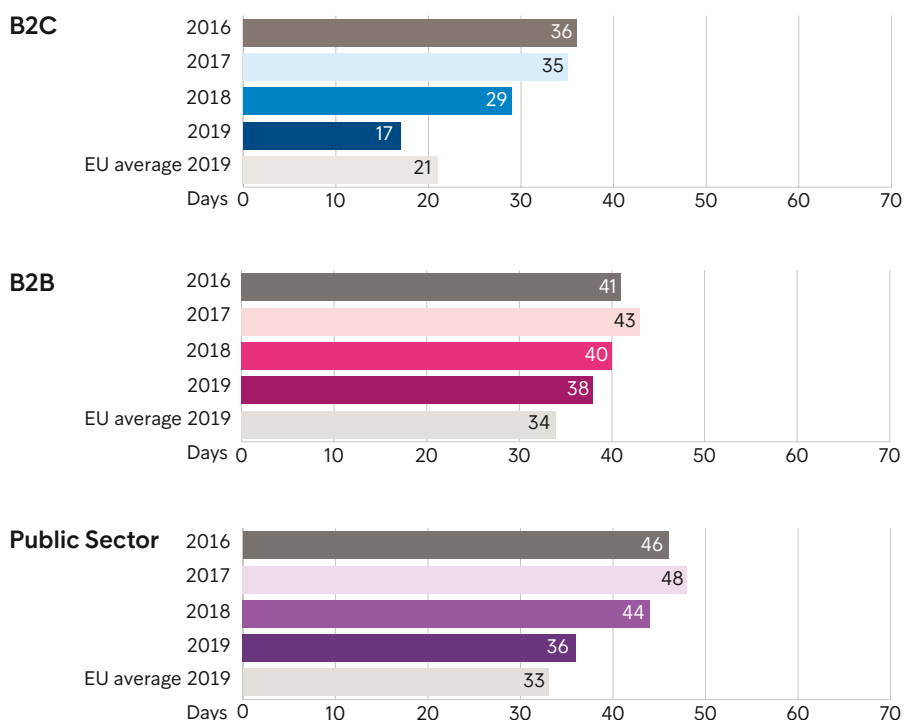
French companies express they have accepted excessively long payment terms

Among the French companies surveyed 70 per cent say that they have accepted longer payments terms than they actually feel comfortable with. The European average stating the same is 58 per cent. Over half (54 per cent) of French companies state they have accepted longer payment terms from small to medium-sized companies than they feel comfortable with, which is a higher percentage than the European average of 37 per cent.

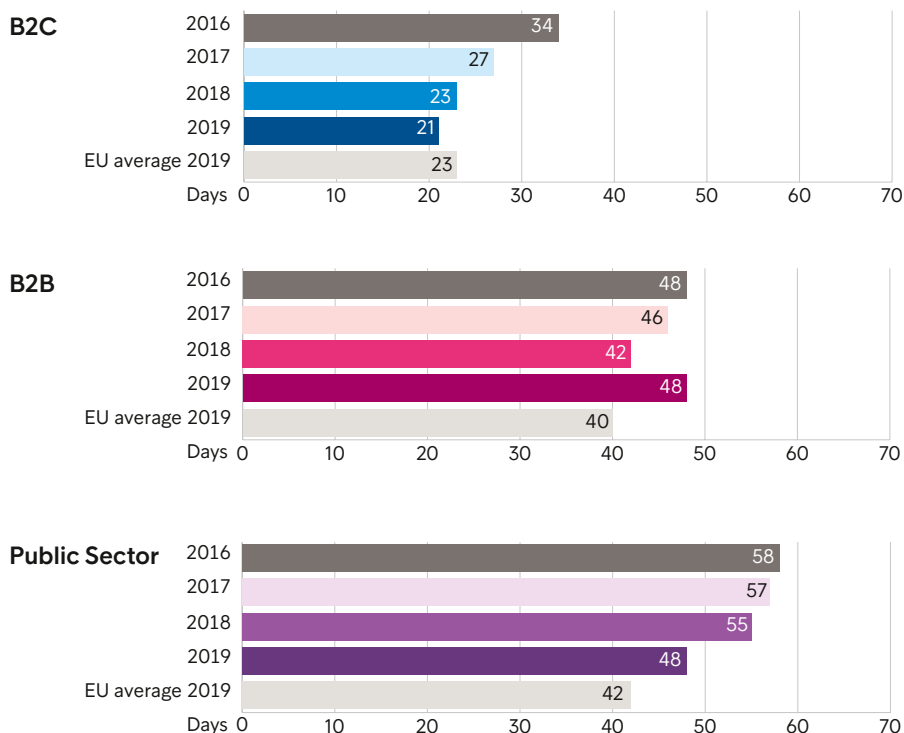
Economic development 2018

	France	EU, average
GDP per capita in euro 2018	38,298.54	30,349.34
GDP percentage growth on previous year 2018	1.7	2.1
Inflation, % 2018	2.1	1.9
Unemployment rate, % 12-2018	8.9	6.6

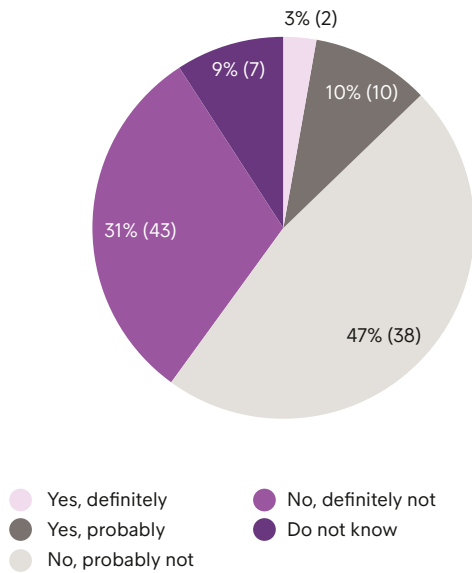
What payment terms do you allow your customers, on average?



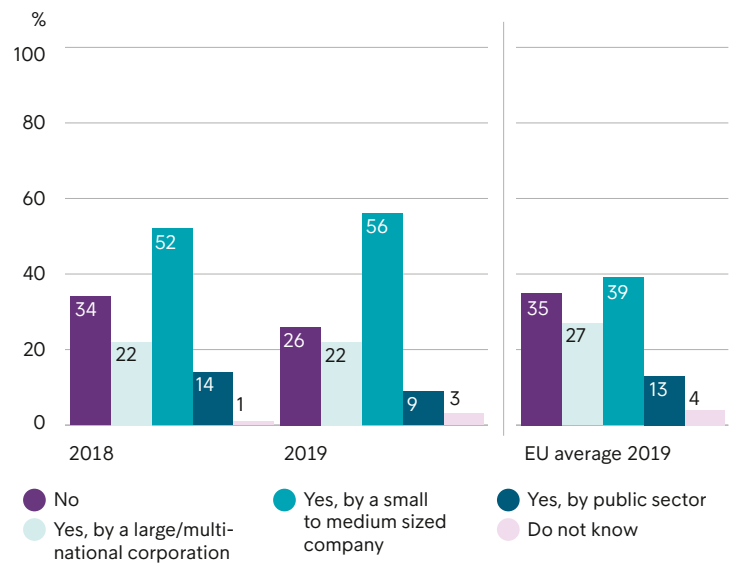
What is the average time actually taken by customers to pay?



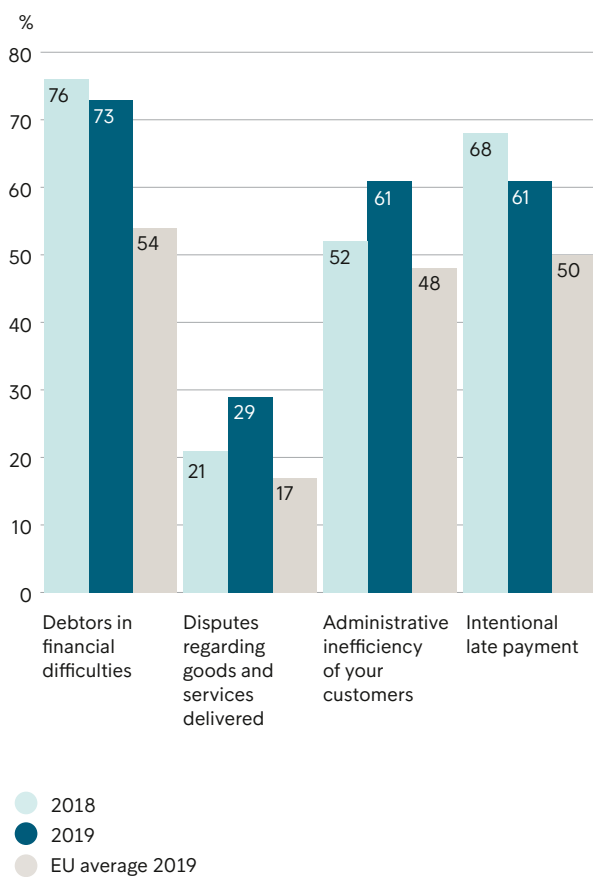
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



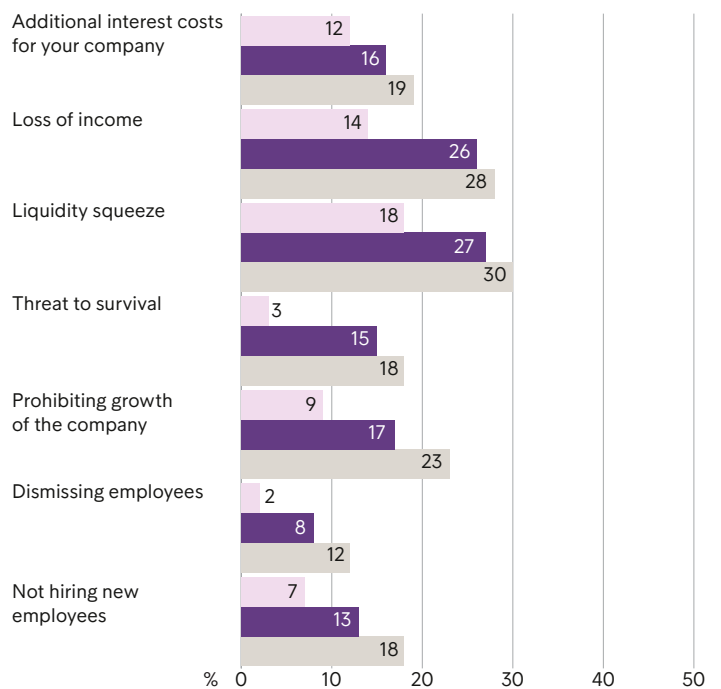
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Germany

Key findings

A majority of German companies surveyed do not believe that there will be a recession in the country in the foreseeable future

Among the German companies surveyed, 62 per cent say they do not believe that there will be a recession in their country in the near future, differing significantly from the European average of 30 per cent. Meanwhile, 4 per cent of German companies believe that their country is already in a recession, a significantly lower percentage than the European average of 18 per cent.

Debtors who pay after the due date is the strongest cause of concern for German companies when it comes to problems with payments

Seven out of ten (77 per cent) of German companies surveyed find it problematic with debtors who pay after the due date, which is a significantly higher percentage than the European average of 51 per cent. The second most concerning issue when it comes to problems with payment is long payment terms, where 52 per cent of German companies have stated that they find them problematic.

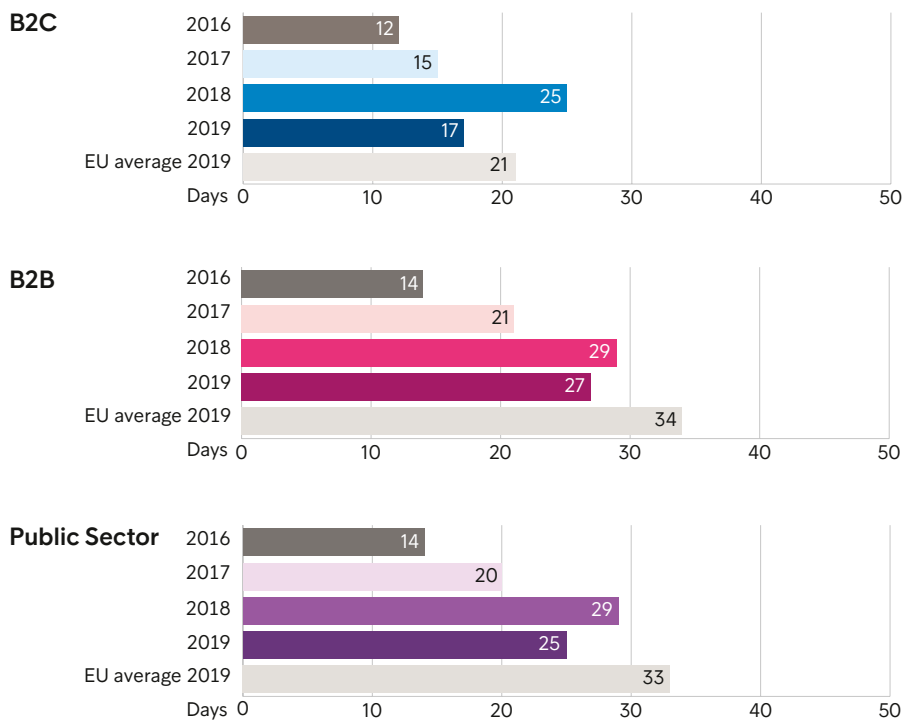
German companies inclined to believe a cashless society would increase the risk of cyber-attacks

Among the German companies surveyed that believe Germany will be cashless within a decade (45 per cent), about two-thirds (68 per cent) believe that this will mean increased exposure to cyber-attacks, and 41 per cent that it will increase the risk of losing customers. Moreover, 54 per cent believe transaction data will be more available, and 49 per cent that consumer spending will increase.

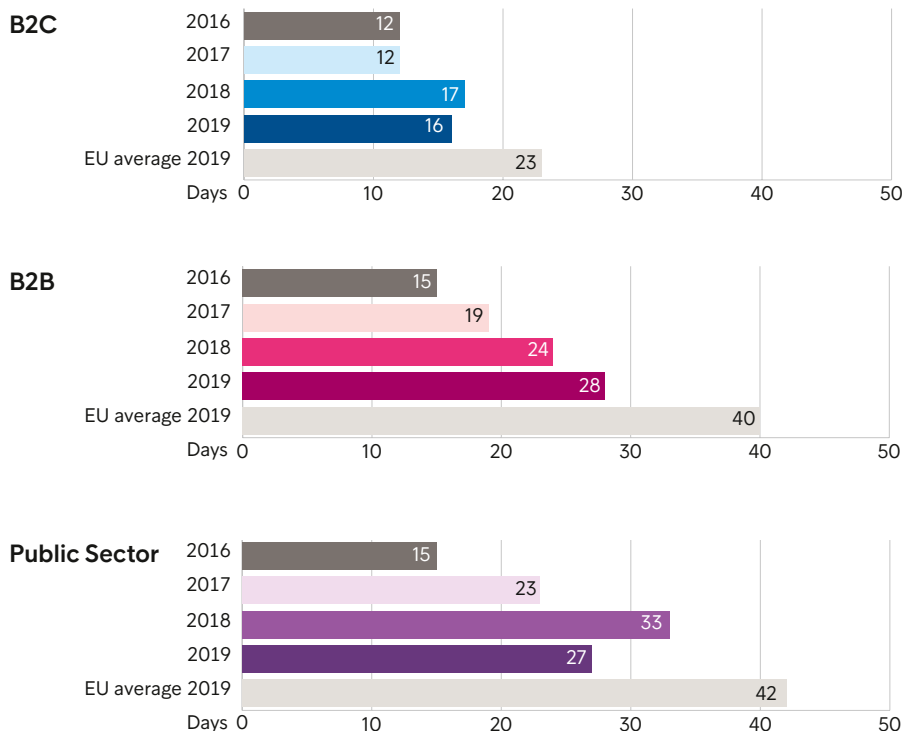
Economic development 2018

	Germany	EU, average
GDP per capita in euro 2018	43,418.18	30,349.34
GDP percentage growth on previous year 2018	1.7	2.1
Inflation, % 2018	1.9	1.9
Unemployment rate, % 12-2018	3.3	6.6

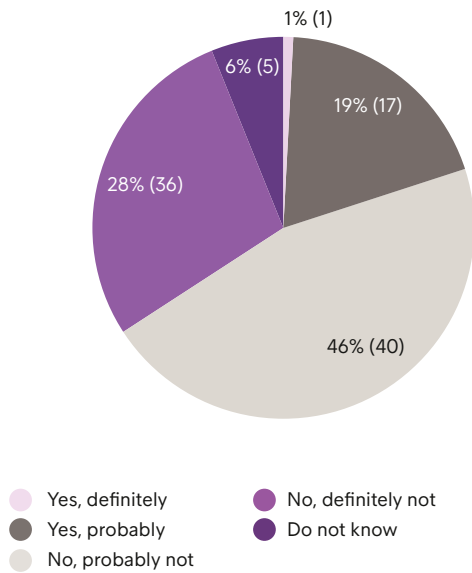
What payment terms do you allow your customers, on average?



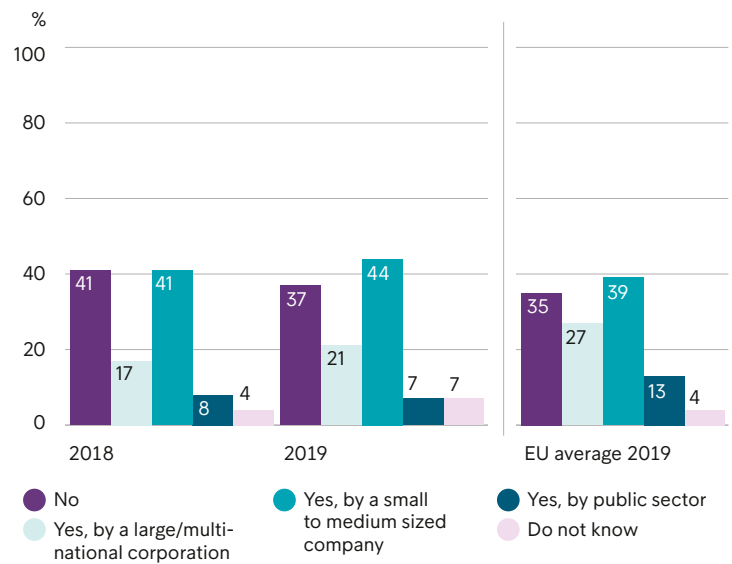
What is the average time actually taken by customers to pay?



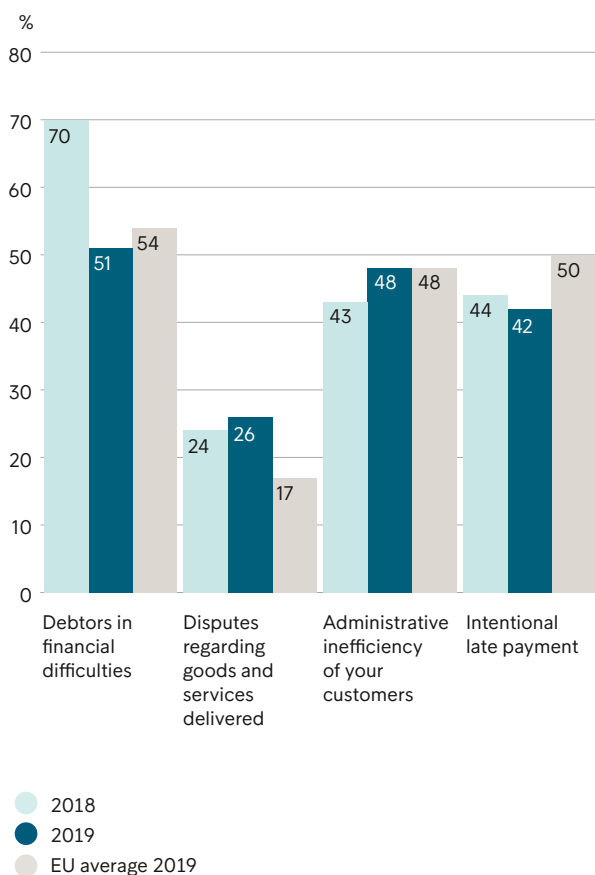
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



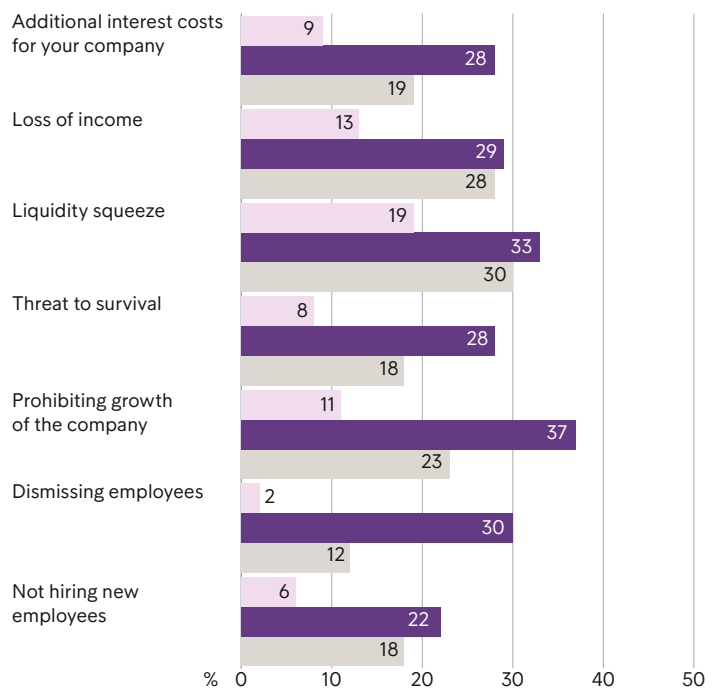
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Key findings

A high percentage of Greek companies surveyed believe faster payments from their debtors would enable them to hire more employees

Over one-third (38 per cent) of Greek companies believe that faster payments from debtors would enable them to hire more employees. This can be compared with the European average of 21 per cent of businesses stating the same. When inquired about the main cause of late payments from customers, 71 per cent of Greek companies cited debtors in financial difficulties as the leading cause, while the European average is 54 per cent.

High belief among Greek companies that a cashless society is imminent

Of the Greek companies surveyed, 45 per cent believe that their country will be cashless within five years, while the average for Europe is only 23 per cent. Among the Greek companies that think Greece will be cashless within a decade, 62 per cent believe that transaction costs will increase. On a more positive note, 54 per cent of the companies believe that operational risks will decrease.

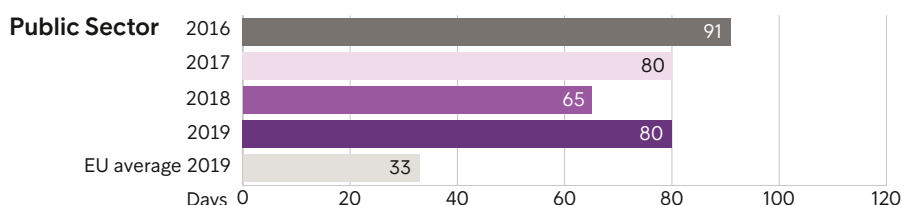
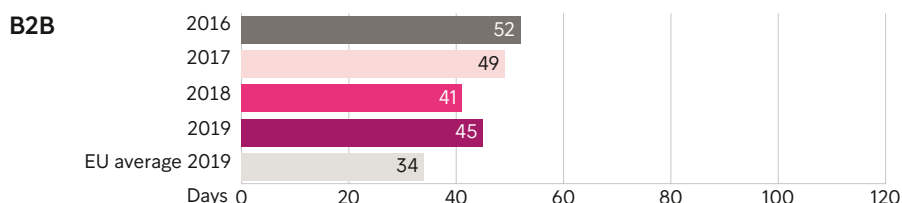
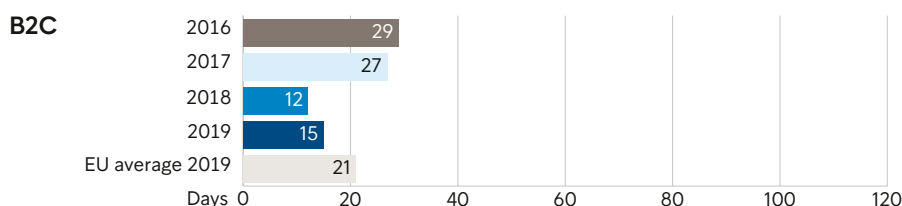
A vast majority of Greek companies surveyed believe their country is already in a recession

Among the Greek companies polled, 87 per cent believe their country is already in a recession. This is the highest figure among all European countries surveyed, where the average for the whole is a mere 18 per cent. Furthermore, among the Greek businesses that believe a recession is imminent, cutting costs (67 per cent) and planning to secure payments from customers (51 per cent) are the measures of choice in preparing for an economic decline.

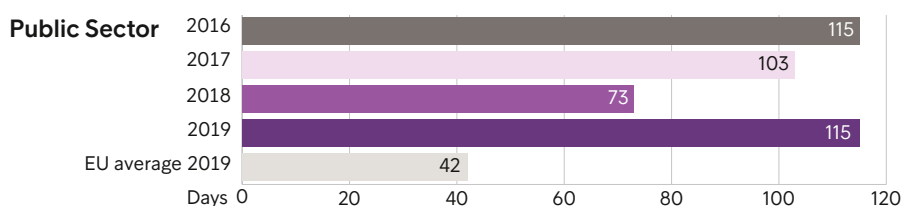
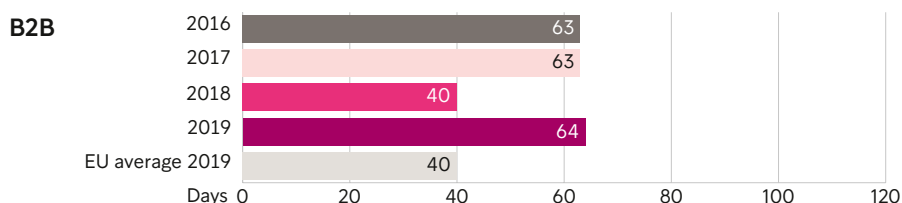
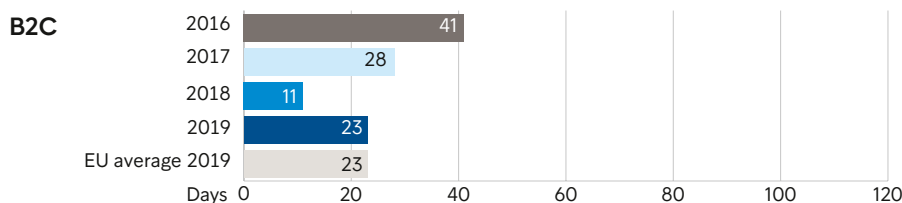
Economic development 2018

	Greece	EU, average
GDP per capita in euro 2018	18,119.46	30,349.34
GDP percentage growth on previous year 2018	2.0	2.1
Inflation, % 2018	0.8	1.9
Unemployment rate, % 12-2018	18.5	6.6

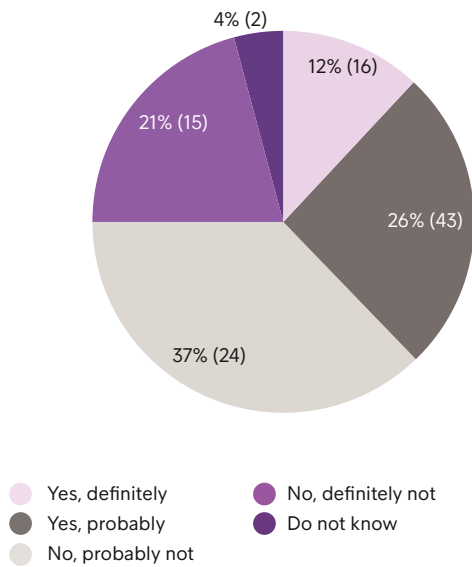
What payment terms do you allow your customers, on average?



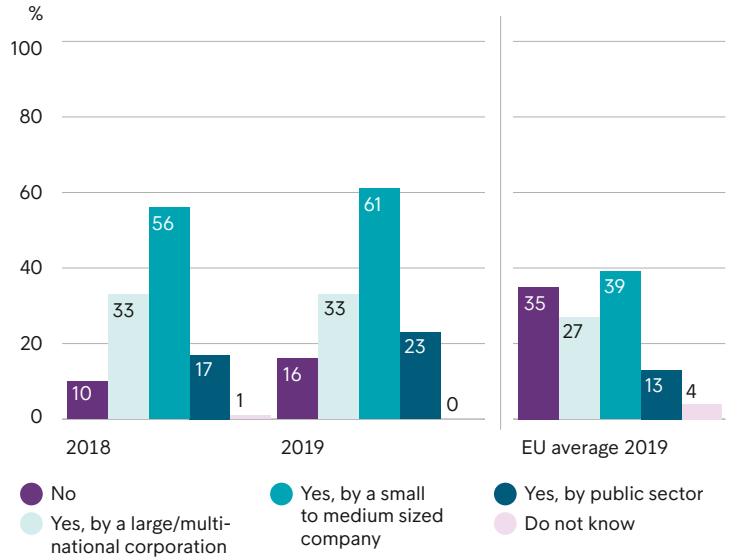
What is the average time actually taken by customers to pay?



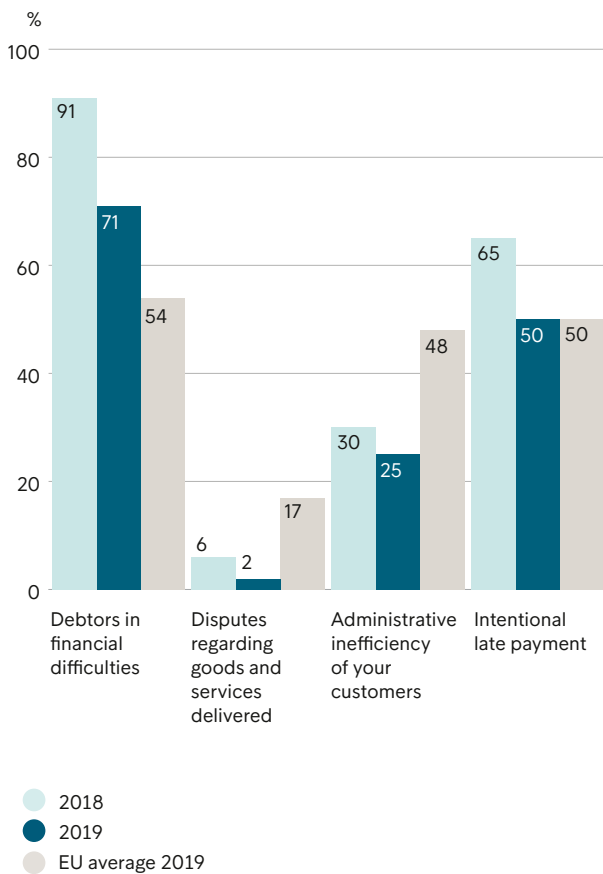
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



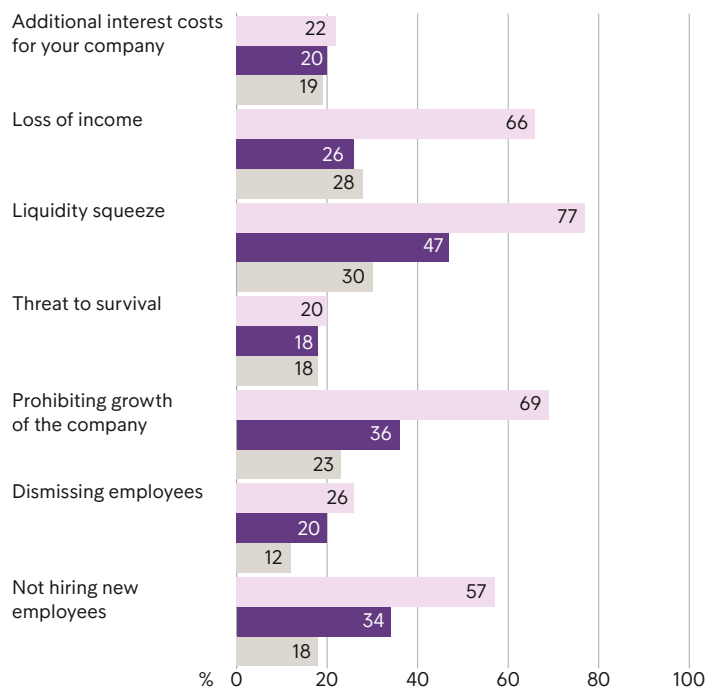
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

2018
2019
EU average 2019

Hungary

Key findings

Hungarian companies do not see risk from debtors changing in the coming year

Of the Hungarian businesses polled, 88 per cent expect risk from their debtors to remain stable over the next twelve months, which is the highest observed percentage in Europe where the average is 75 per cent. Only 2 per cent of Hungarian companies believe risks from debtors will increase, while for Europe as a whole, 16 per cent of observed companies anticipate the same.

Hungarian companies call for new national legislation to remedy overly long payments

57 per cent of Hungarian businesses prefer the introduction of new national legislation to solve the problem of long payments. This is higher than the European average, amounting to 45 per cent of companies stating the same. 44 per cent of Hungarian companies also point to voluntary initiatives from companies as a method of solving the late payment problem, with the European average standing at 33 per cent.

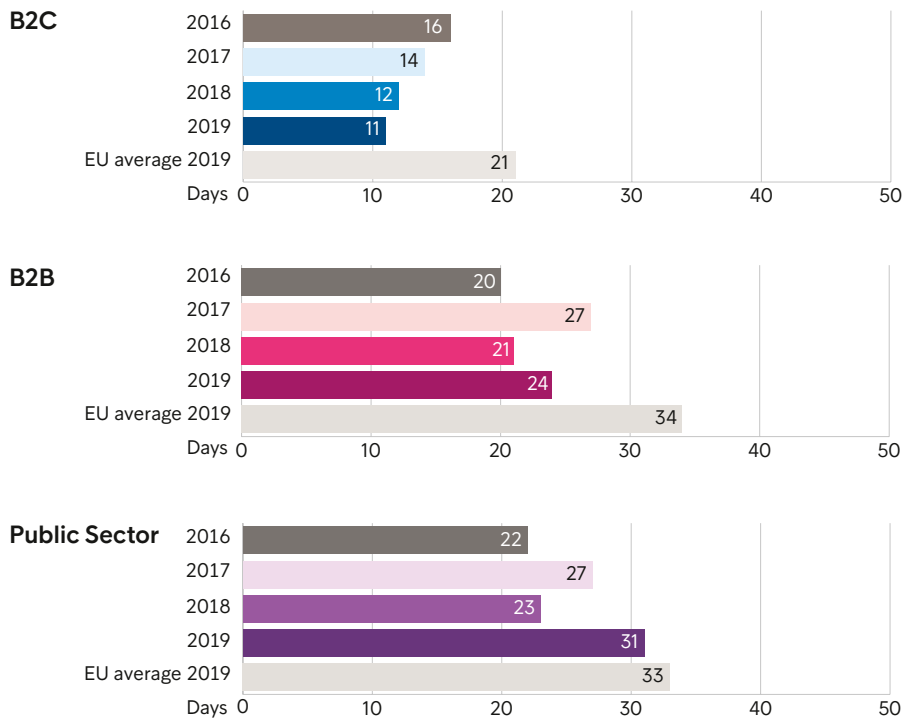
Hungarian companies more inclined to unconditionally accept when customers ask for longer payment terms

Among the Hungarian companies surveyed, 65 per cent claim that they have accepted longer payment terms than what they feel comfortable with, which is higher than the European average of 58 per cent. In Hungary, 45 per cent of the companies polled say they unconditionally accept when a customer asks for longer payment terms. This is the highest percentage observed of all European companies polled in this survey and can be compared to Europe as a whole, where only 18 per cent of businesses claim they use the same practice.

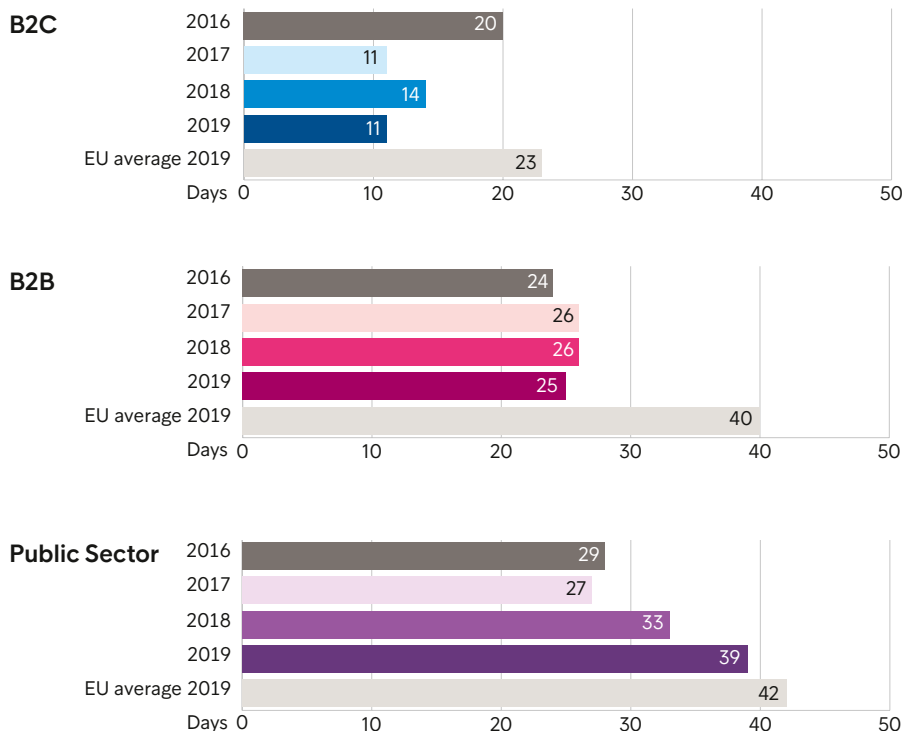
Economic development 2018

	Hungary	EU, average
GDP per capita in euro 2018	14,287.91	30,349.34
GDP percentage growth on previous year 2018	4.3	2.1
Inflation, % 2018	2.9	1.9
Unemployment rate, % 12-2018	3.7	6.6

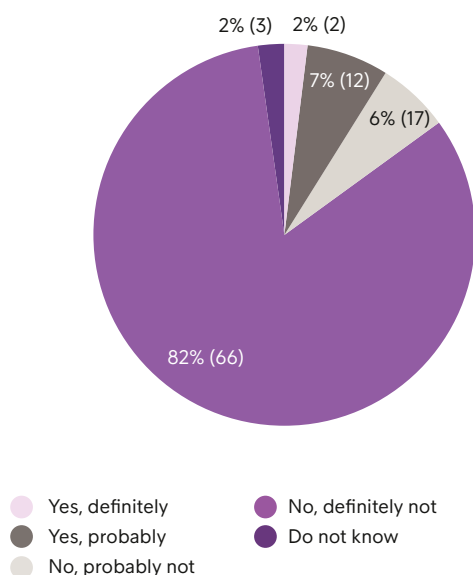
What payment terms do you allow your customers, on average?



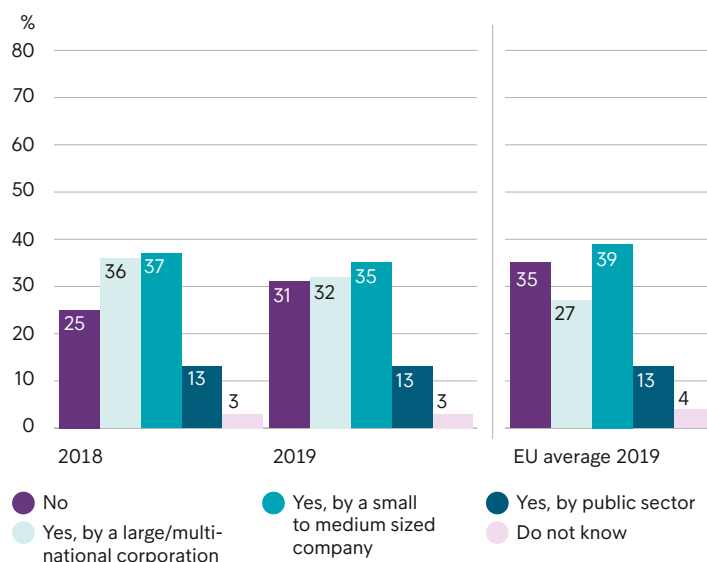
What is the average time actually taken by customers to pay?



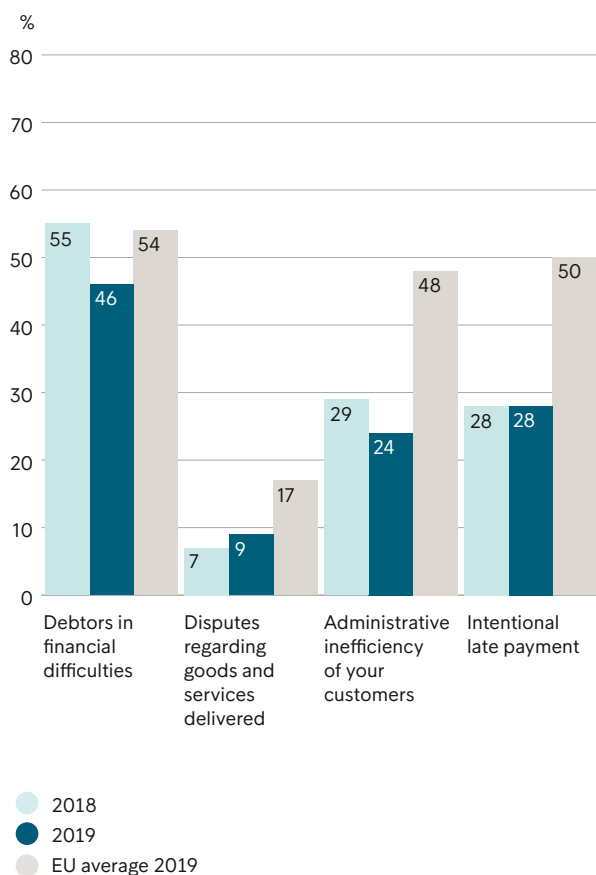
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



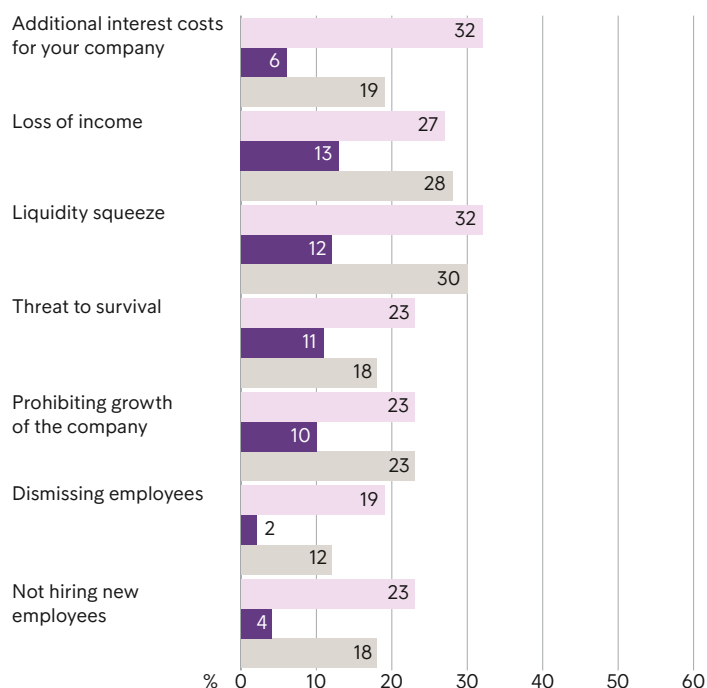
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.



Ireland

Key findings

Compared to last year, Irish companies are more inclined to believe that risk from debtors will decrease
Of the companies surveyed in Ireland, 16 per cent anticipate that risk from debtors will decrease in the coming twelve months. This is a higher reported percentage compared to 2018, when the corresponding figure was 11 per cent. Moreover, 11 per cent of Irish companies this year anticipate that risk will increase in the next twelve months, which is only 1 percentage point higher than 2018. For European businesses as a whole, 9 per cent believe that risk from debtors will decrease, and 16 per cent anticipate it will increase over the next twelve months.

Irish businesses believe a cashless society will decrease operational risk and the risk of losing customers

Among the Irish companies that believe a cashless society will occur within a decade (63 per cent), 55 per cent believe it will decrease operational risk and 50 per cent foresee a reduced risk of losing customers. These figures are significantly higher than the European average of 28 per cent and 17 per cent, respectively. Moreover, a cashless society in Ireland is expected to result in an increase in consumer spending (50 per cent) and efficiency of payment routines and accounting (58 per cent). The corresponding figures for all European businesses polled stand at 26 per cent and 35 per cent, respectively.

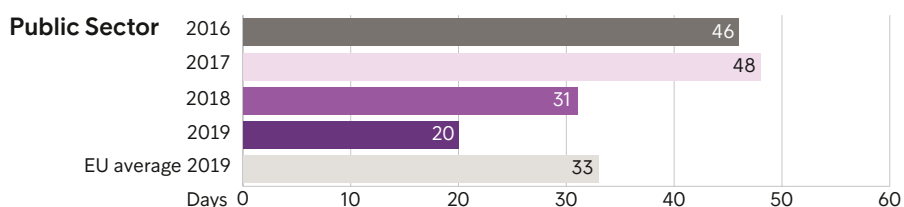
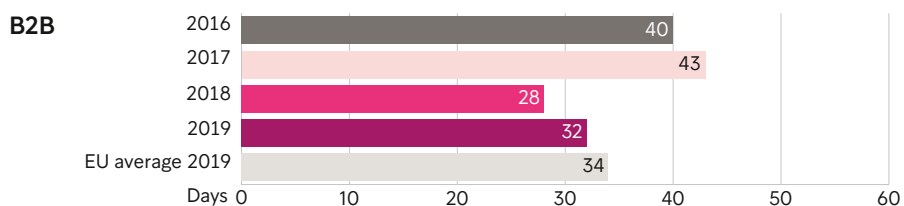
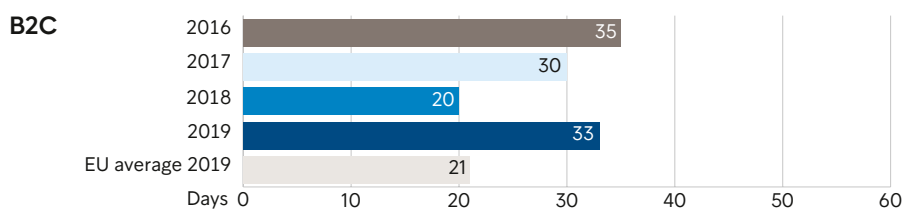
Half of Irish companies polled do not negotiate payment terms

When asked about what measures they usually take when a customer asks for longer payment terms, 50 per cent of the Irish companies surveyed state that they do not negotiate payment terms. This is the highest reported percentage among all European companies polled, where the corresponding average is 21 per cent. Additional measures proposed by Irish companies are to offer longer payment terms (24 per cent) and accept longer payment terms while adding a surcharge (11 per cent).

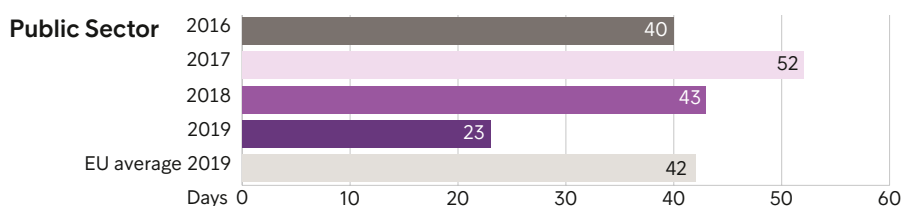
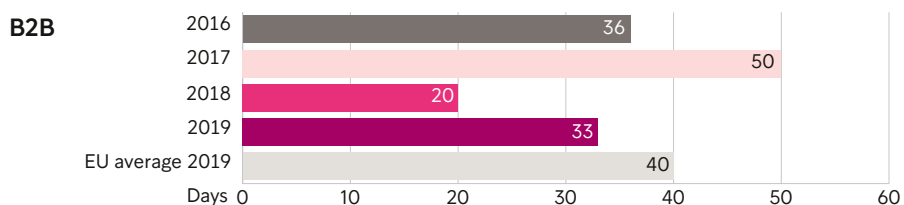
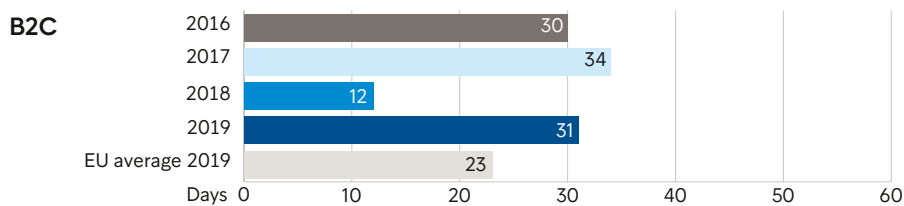
Economic development 2018

	Ireland	EU, average
GDP per capita in euro 2018	67,079.04	30,349.34
GDP percentage growth on previous year 2018	7.8	2.1
Inflation, % 2018	0.7	1.9
Unemployment rate, % 12-2018	5.5	6.6

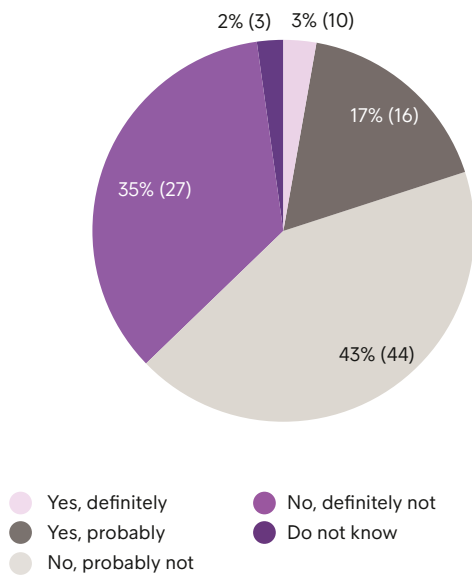
What payment terms do you allow your customers, on average?



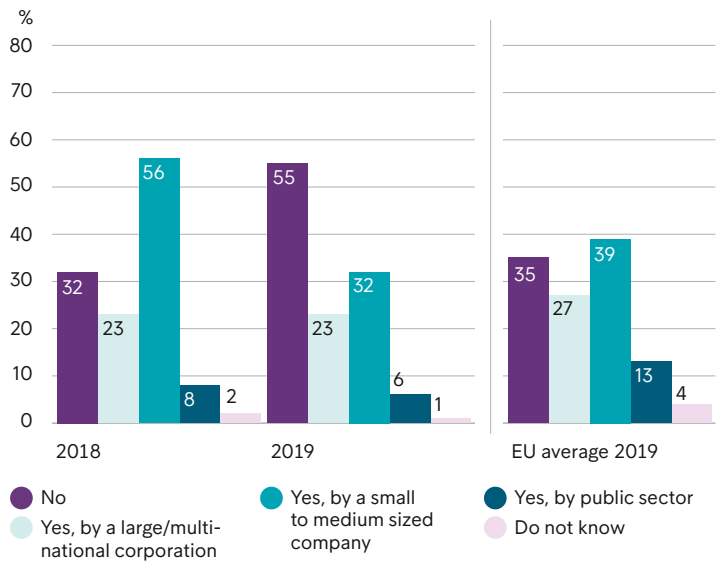
What is the average time actually taken by customers to pay?



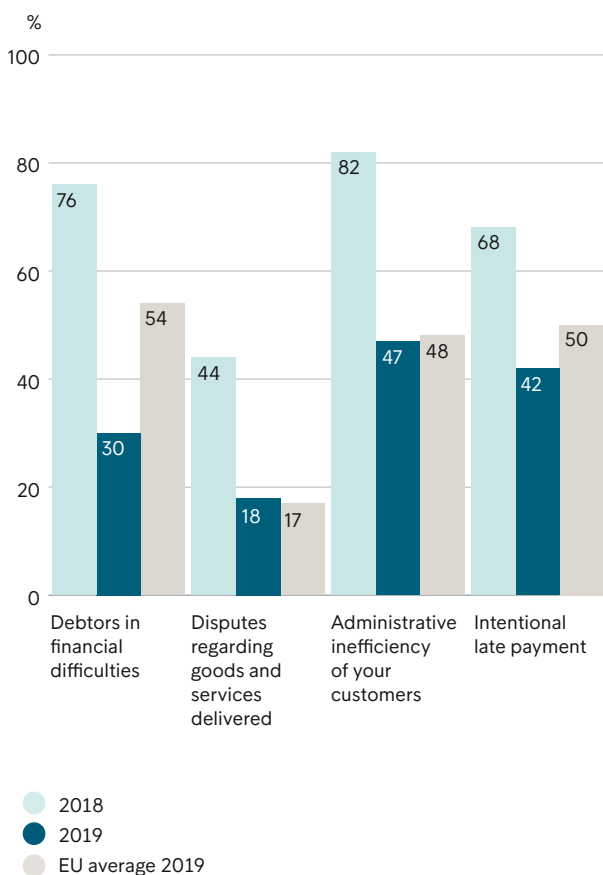
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



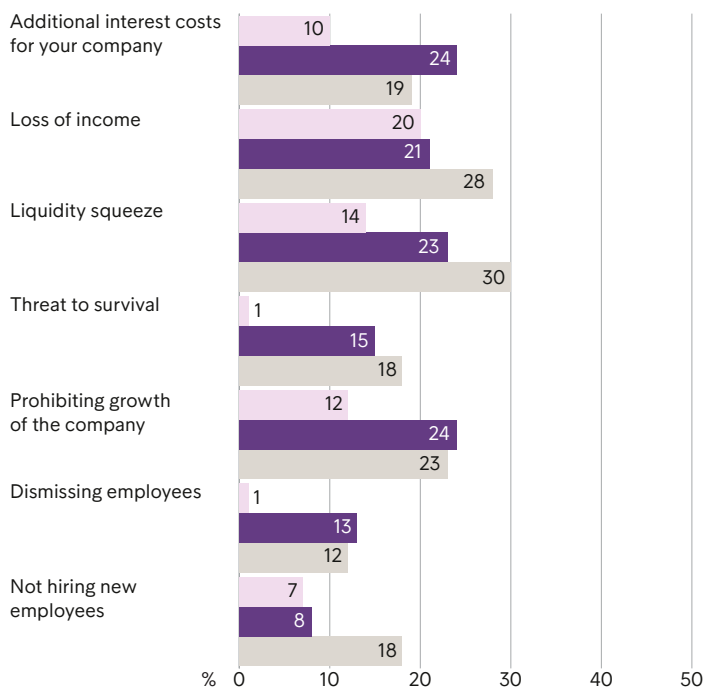
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

2018
2019
EU average 2019

Key findings

Financial difficulties among debtors cited as main reason for late payments by Italian companies

Seven out of ten (72 per cent) of Italian companies cite debtors encountering financial difficulties as one of the leading causes of late payments, which is significantly higher than the European average of 54 per cent. More than two-thirds (68 per cent) of Italian companies also name intentional late payment from customers as one of the main causes of late payments. This can be compared with the European average of 50 per cent of businesses.

A large majority of Italian companies surveyed believe their country is already in a recession

Among the Italian companies polled, two-thirds (65 per cent) believe their country is already in a recession, which is substantially higher than the European average of 18 per cent. Furthermore, among the Italian businesses that believe a recession is imminent, common measures they plan to take in preparing for an economic decline, are cutting costs (55 per cent) and being more cautious about taking on debt (40 per cent).

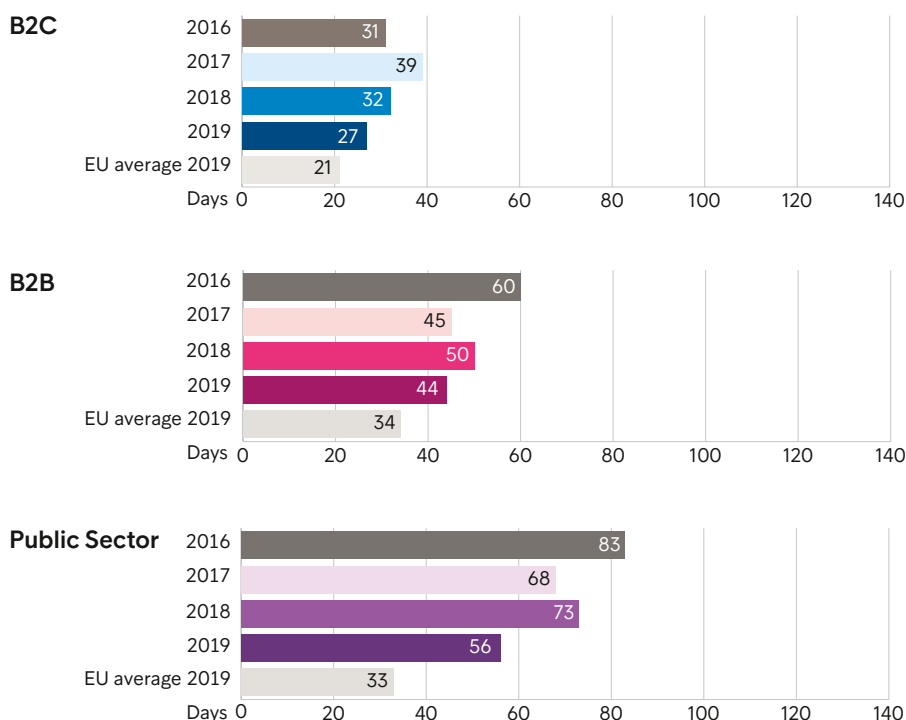
Italian companies fear loss of income and liquidity squeeze as consequences of late payment

Of Italian companies surveyed, 50 per cent state that late payments affect their business negatively in the form of liquidity squeeze, a higher reported percentage than the European average of 30 per cent. Moreover, 48 per cent also express that late payment affect their business negatively by leading to loss of income, which can be compared to the European average of 28 per cent.

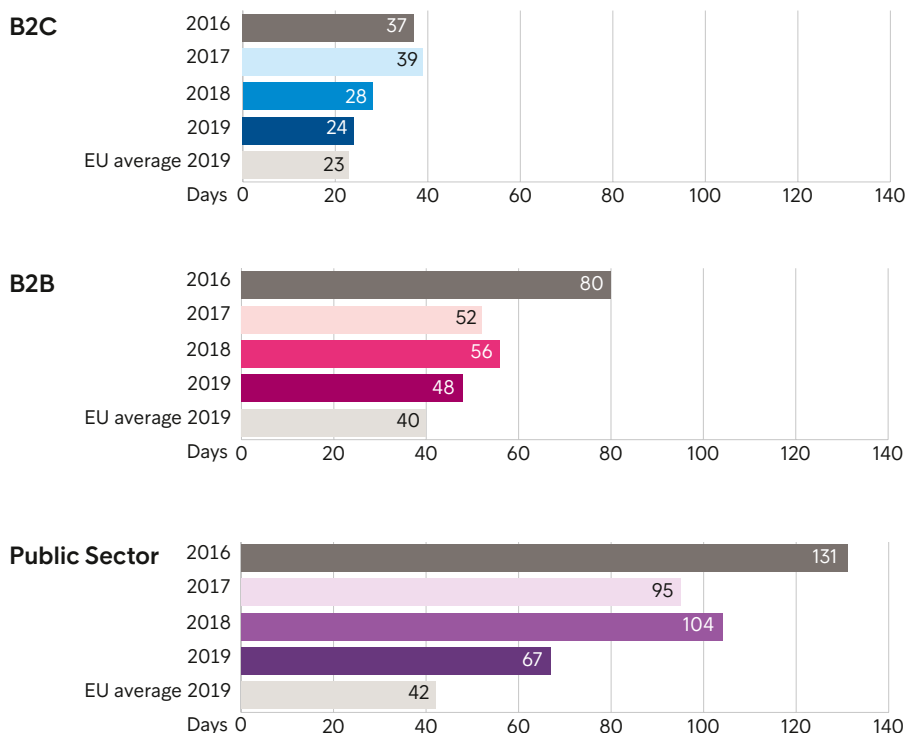
Economic development 2018

	Italy	EU, average
GDP per capita in euro 2018	30.642,94	30,349.34
GDP percentage growth on previous year 2018	1.1	2.1
Inflation, % 2018	1.2	1.9
Unemployment rate, % 12-2018	10.5	6.6

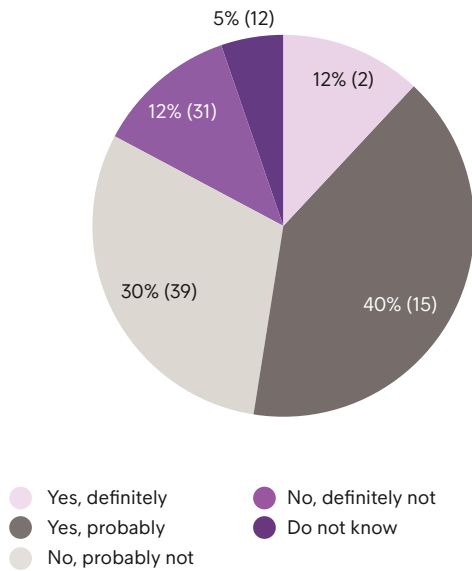
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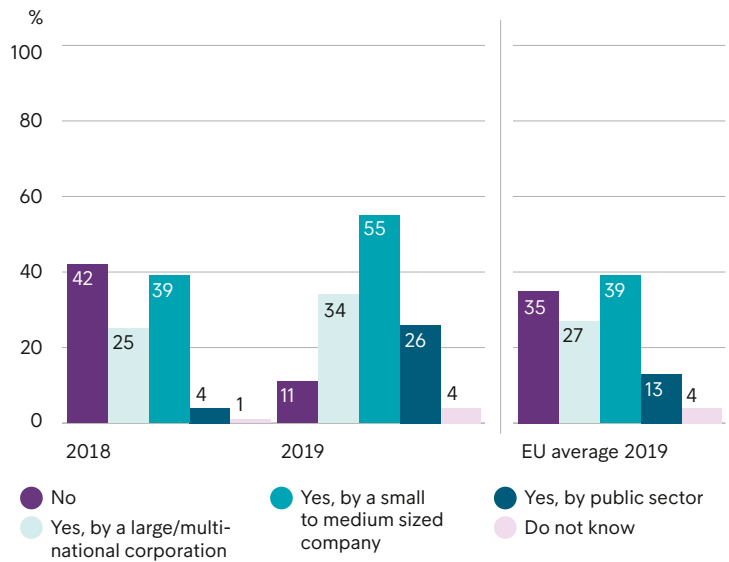
What is the average time actually taken by customers to pay?



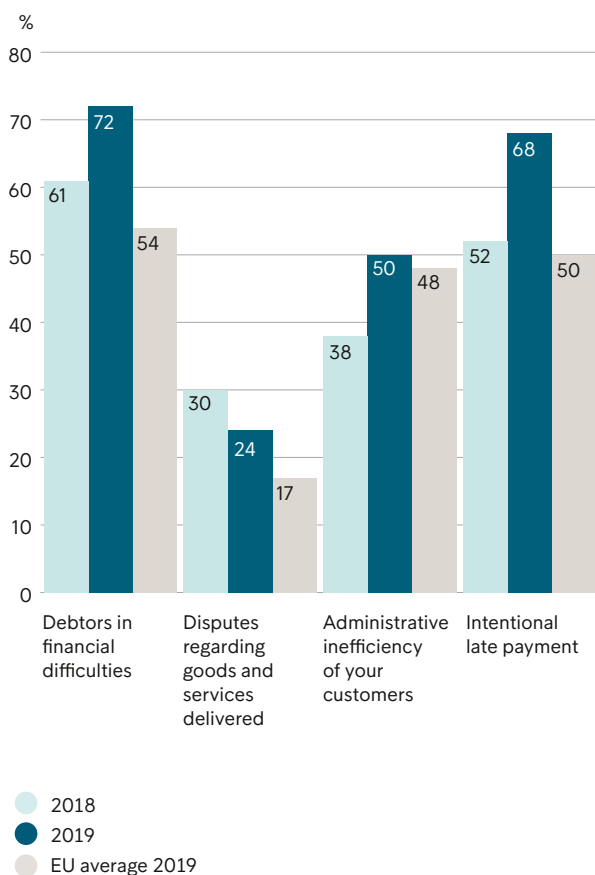
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



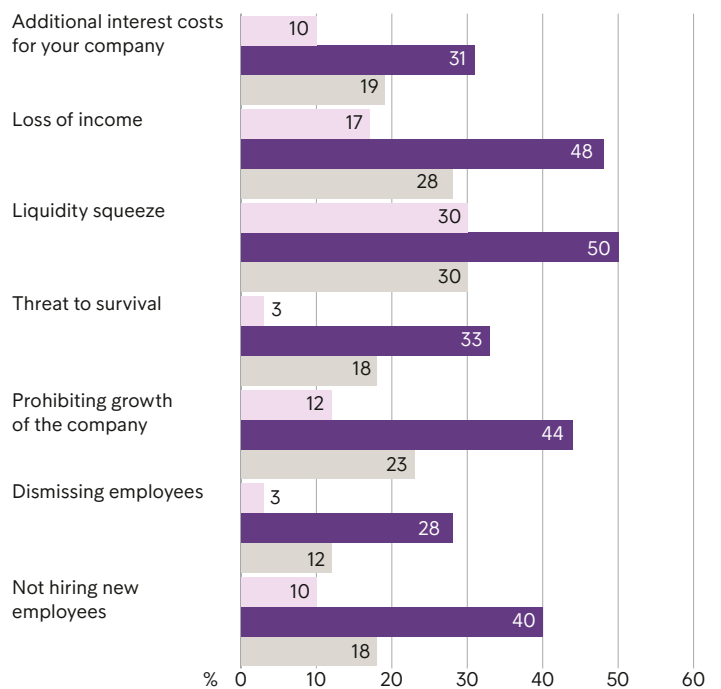
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.



Key findings

A high percentage of Latvian companies believe that their country is already in a recession

Of Latvian companies surveyed, 29 per cent believe their country is already in a recession, which can be compared to the European average of 18 per cent of companies stating the same. Among the Latvian companies that believe a recession is imminent, 34 per cent state that they do not plan to take any measures to prepare for an economic decline.

Latvian companies less inclined to believe that a cashless society will increase the efficiency of payment routines

Among Latvian companies surveyed, 41 per cent believe that their country will be cashless within ten years, which is slightly less than the average number for Europe as a whole, where 48 per cent state the same. Among the Latvian companies that believe their country will be cashless within a decade, only 11 per cent say it would increase the efficiency of payment routines and accounting, which significantly differs from the European average of 35 per cent.

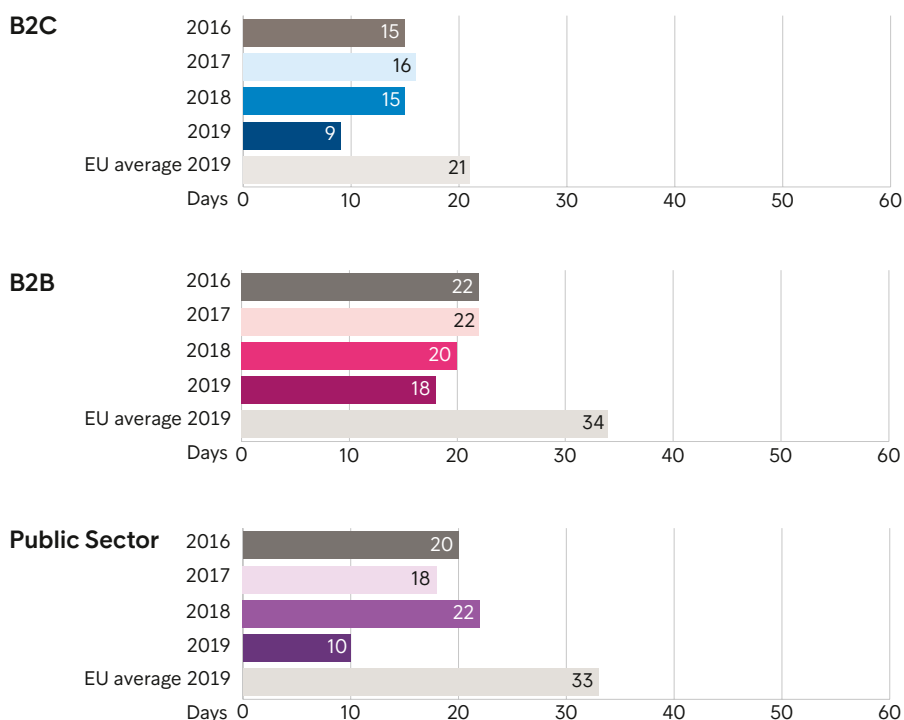
Comparatively low level of concern among Latvian companies when it comes to problem with payments

Of Latvian companies polled, 28 per cent state they face problems with debtors who pay after the due date. This can be compared to the European average of 50 per cent. Only 14 per cent of Latvian companies face problems with credit losses, which is substantially lower than the European average of 46 per cent.

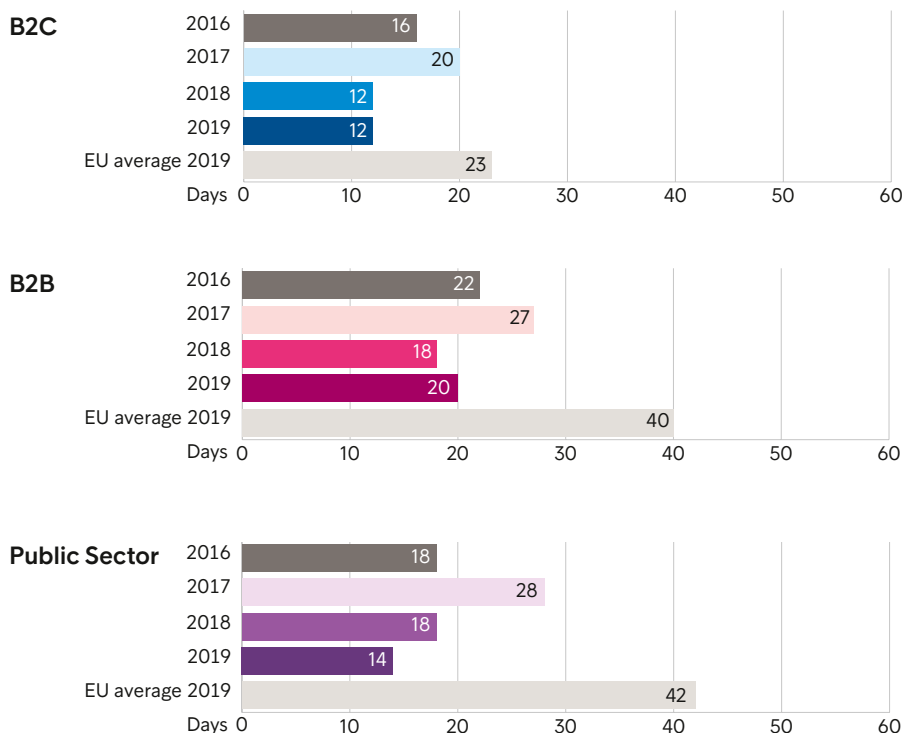
Economic development 2018

	Latvia	EU, average
GDP per capita in euro 2018	15,731.62	30,349.34
GDP percentage growth on previous year 2018	4.1	2.1
Inflation, % 2018	2.6	1.9
Unemployment rate, % 12-2018	7.1	6.6

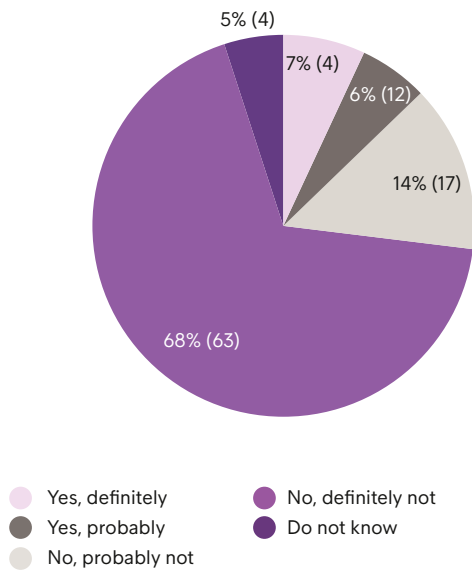
What payment terms do you allow your customers, on average?



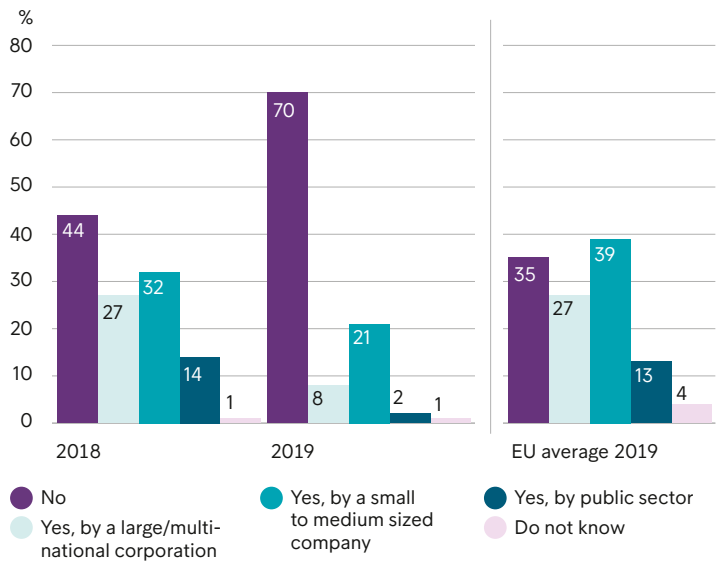
What is the average time actually taken by customers to pay?



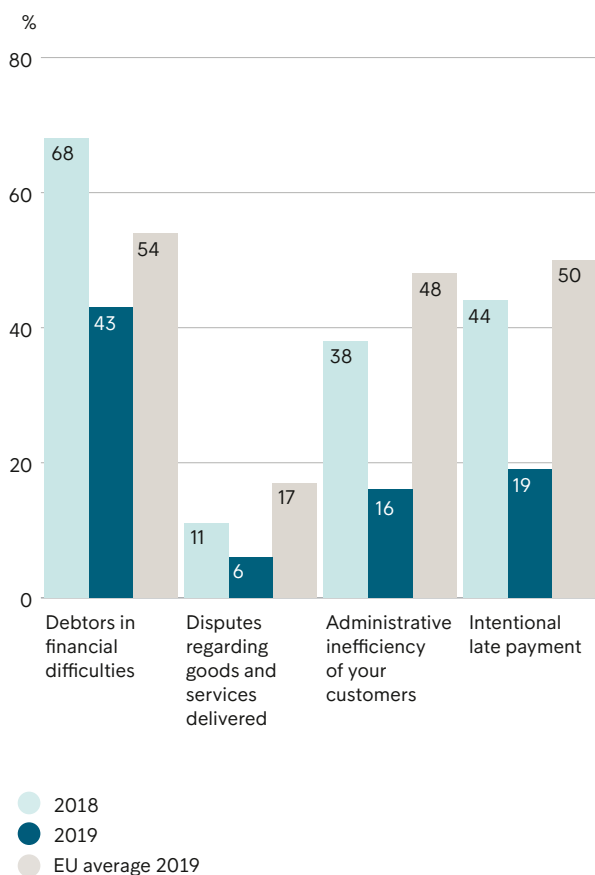
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



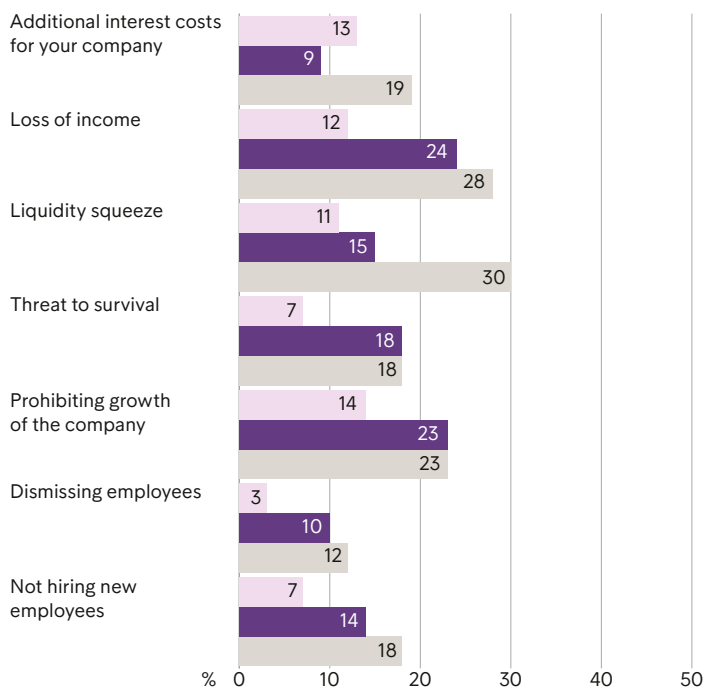
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

2018
2019
EU average 2019

Lithuania

Key findings

A majority of Lithuanian companies believe that a cashless society is more than ten years in the future, or that it will not happen at all

When Lithuanian are asked when they think their country will be cashless, 72 per cent state that they believe it will take more than a decade, or that it will never happen. This figure is only higher in Serbia (82 per cent), Hungary (74 per cent) and Estonia (78 per cent), and is substantially higher than the European average of 52 per cent.

Almost one-third of Lithuanian companies believe that faster payments from debtors would enable them to hire more employees

Of the Lithuanian businesses surveyed, 30 per cent believe that faster payments from debtors would enable them to hire more employees, which is a higher reported percentage than the European average of 21 per cent.

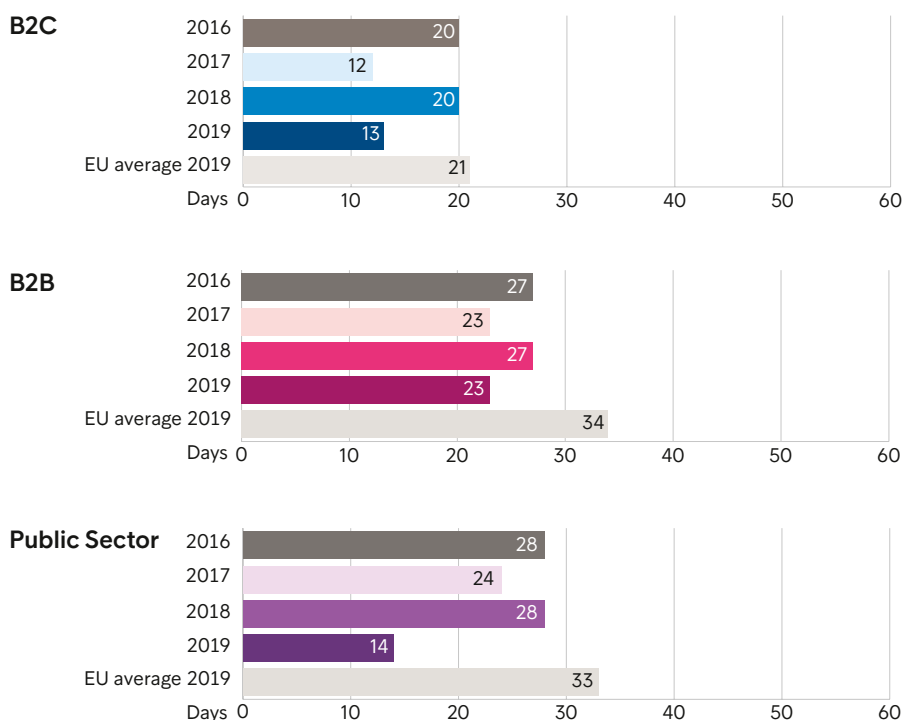
Lithuanian companies cite financial difficulties among debtors as main reason for late payments from customers

When Lithuanian businesses were surveyed about the leading causes of late payment, 45 per cent state debtors encountering financial difficulties as one of the main causes. This is still, however, lower than the European average of 54 per cent. A third (32 per cent) of Lithuanian companies also state intentional late payment as one of the leading causes of concern regarding late payments, a lower reported percentage than the European average of 50 per cent.

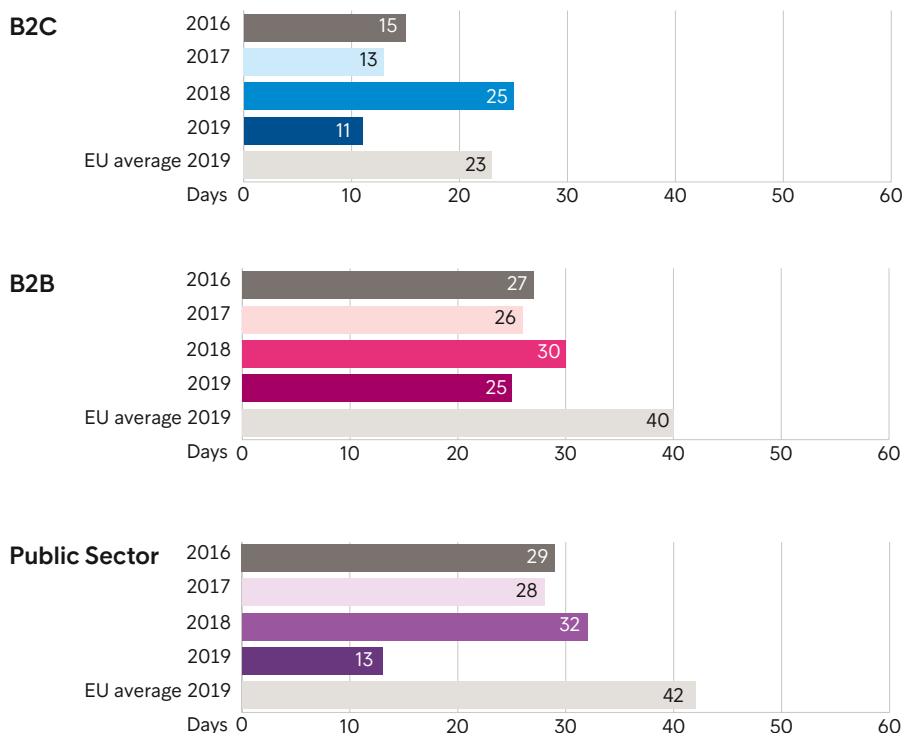
Economic development 2018

	Lithuania	EU, average
GDP per capita in euro 2018	16,822.20	30,349.34
GDP percentage growth on previous year 2018	3.4	2.1
Inflation, % 2018	2.5	1.9
Unemployment rate, % 12-2018	5.8	6.6

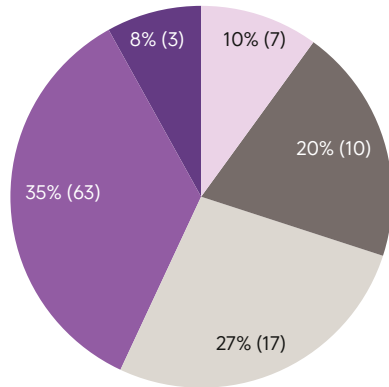
What payment terms do you allow your customers, on average?



What is the average time actually taken by customers to pay?

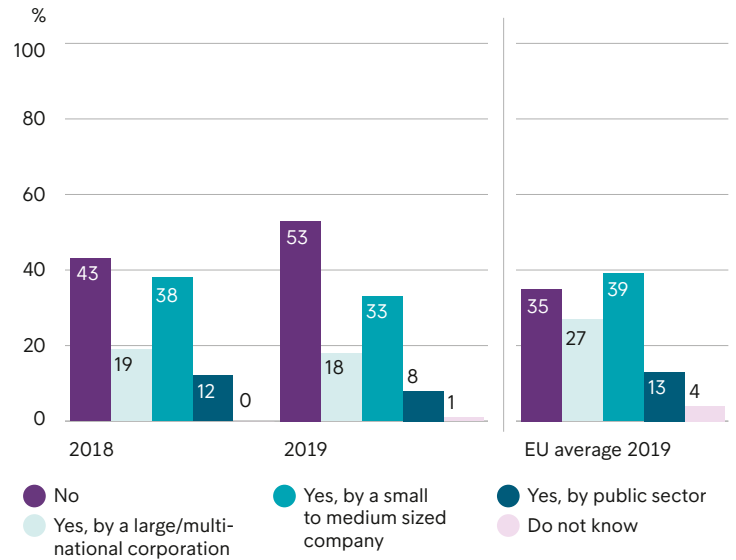


Would faster payments from your debtors enable your company to hire more employees (versus last year)?



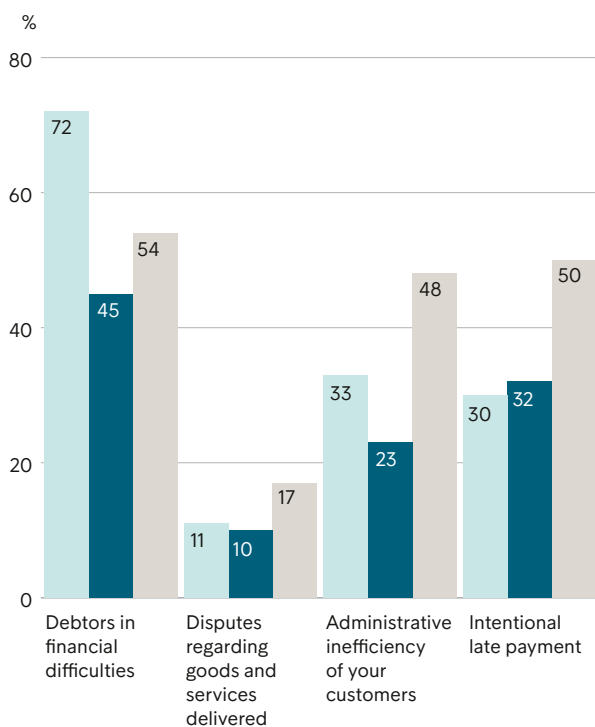
Yes, definitely
 Yes, probably
 No, probably not
 No, definitely not
 Do not know

Have you been asked to accept longer payment terms than you feel comfortable with?



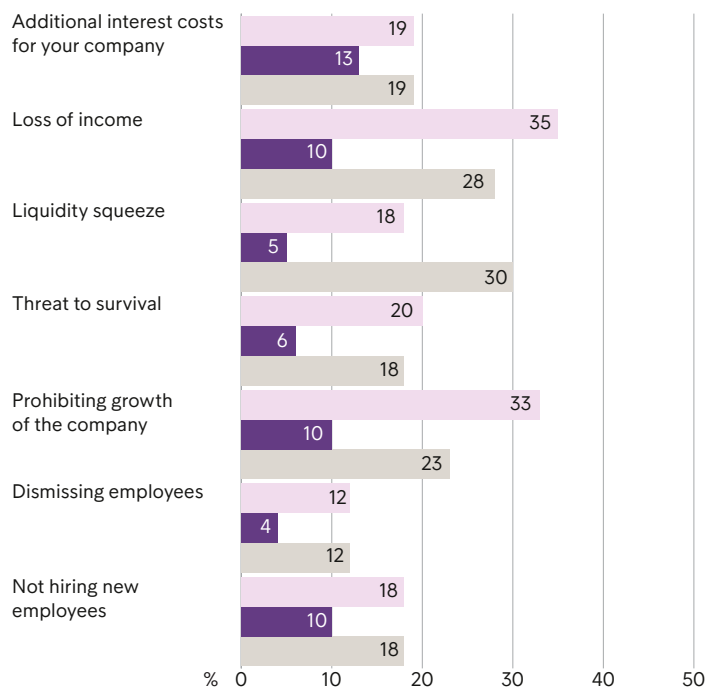
No
 Yes, by a large/multi-national corporation
 Yes, by a small to medium sized company
 Yes, by public sector
 Do not know

What are the main causes of late payment of your own customers?



2018
 2019
 EU average 2019

How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

2018
 2019
 EU average 2019

The Netherlands

Key findings

The Netherlands is likely to enter into a recession within five years or less, according to the Dutch companies surveyed

48 per cent of Dutch companies believe that their country will be in a recession within five years or less, which is a higher reported percentage than the European average of 35 per cent. However, only 6 per cent believe that their country is already in a recession, a significantly lower percentage than the European average of 18 per cent.

Awareness about the European Late Payment Directive among Dutch companies decreased in 2019

Compared to the survey done in 2018, awareness regarding the European Late Payment Directive (ELPD) in the Netherlands has decreased. In this year's survey, 16 per cent of the Dutch companies surveyed state that they are familiar with the directive, which is 5 percentage points lower than in 2018. This year's result is also lower than the European average of 29 per cent businesses stating that they are familiar with the directive. On the other hand, 42 per cent of Dutch companies aware of the ELPD state that they use the right to charge a minimum of 40 euro, and 51 per cent do not use it at all. The corresponding European averages are 34 per cent and 57 per cent, respectively.

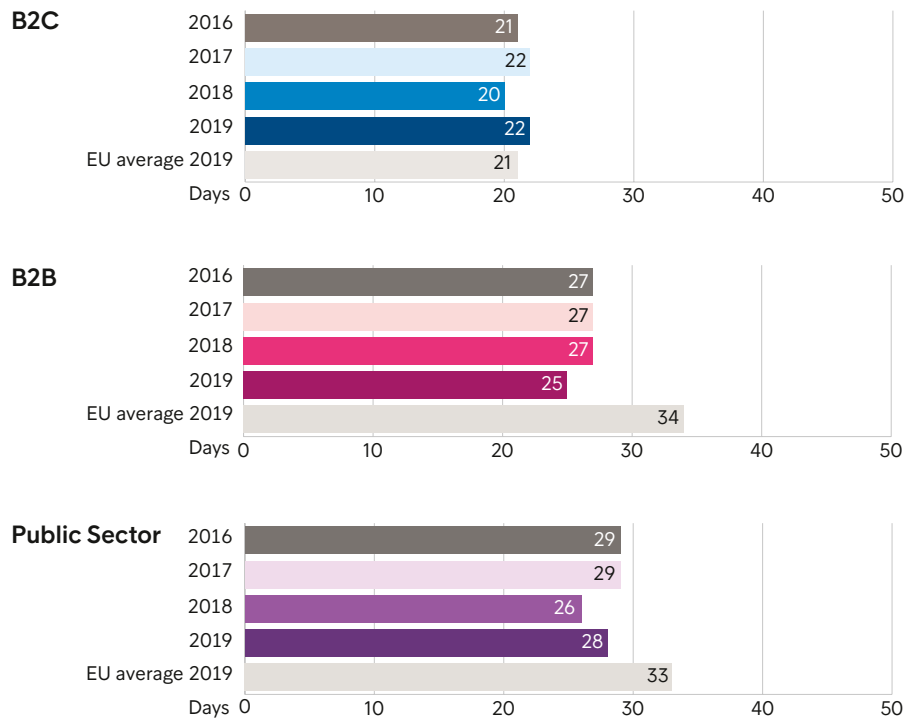
Dutch companies not concerned about late payments limiting firm growth

When companies in the Netherlands were asked to rate the impact of late payments on the growth of their company, only 2 per cent of the businesses rate the impact to be high. This is the lowest reported percentage among all European companies surveyed, where an average 9 per cent reported high impact. Only Austria and Serbia reported a similarly low impact (2 per cent).

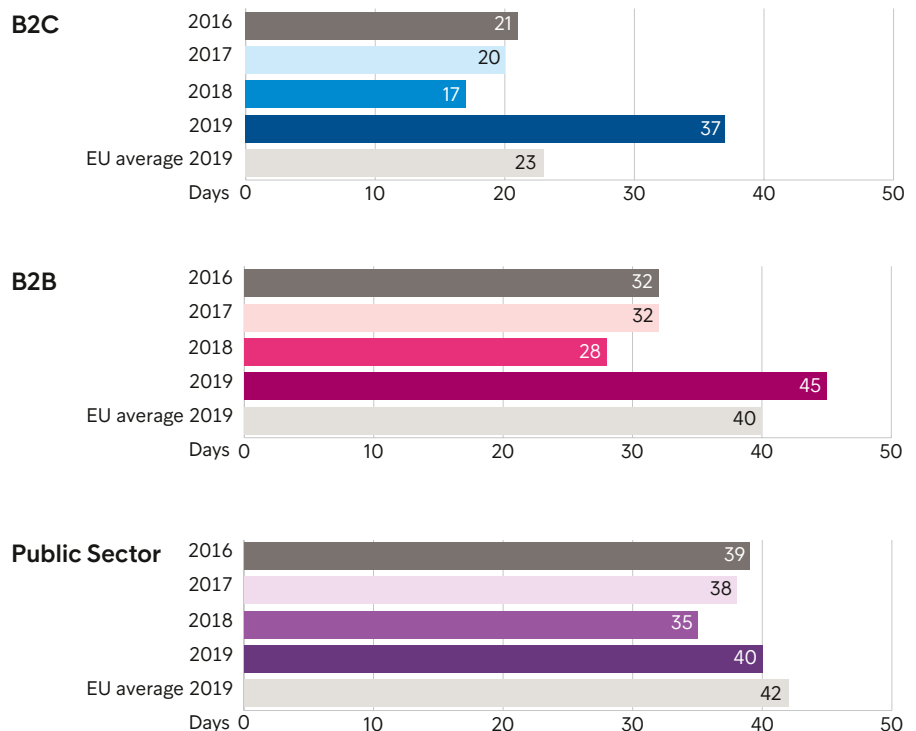
Economic development 2018

	The Netherlands	EU, average
GDP per capita in euro 2018	47,336.53	30,349.34
GDP percentage growth on previous year 2018	2.8	2.1
Inflation, % 2018	1.6	1.9
Unemployment rate, % 12-2018	3.6	6.6

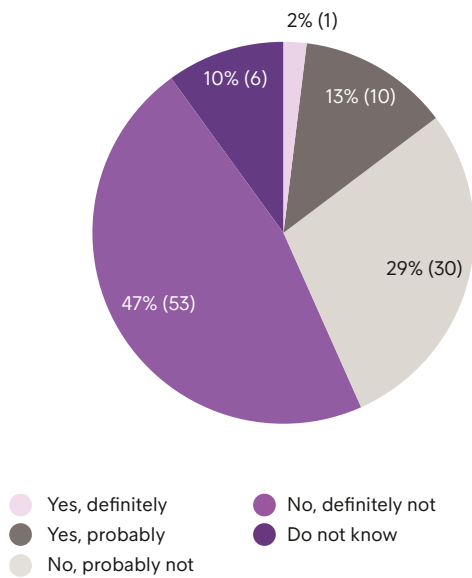
What payment terms do you allow your customers, on average?



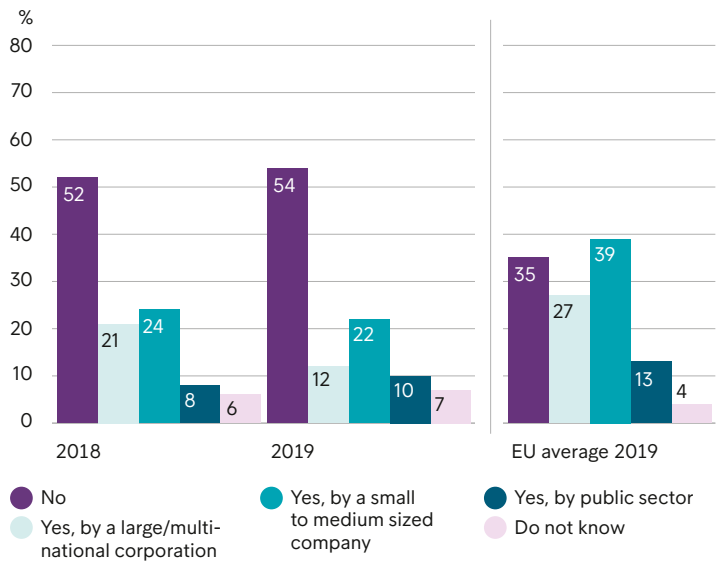
What is the average time actually taken by customers to pay?



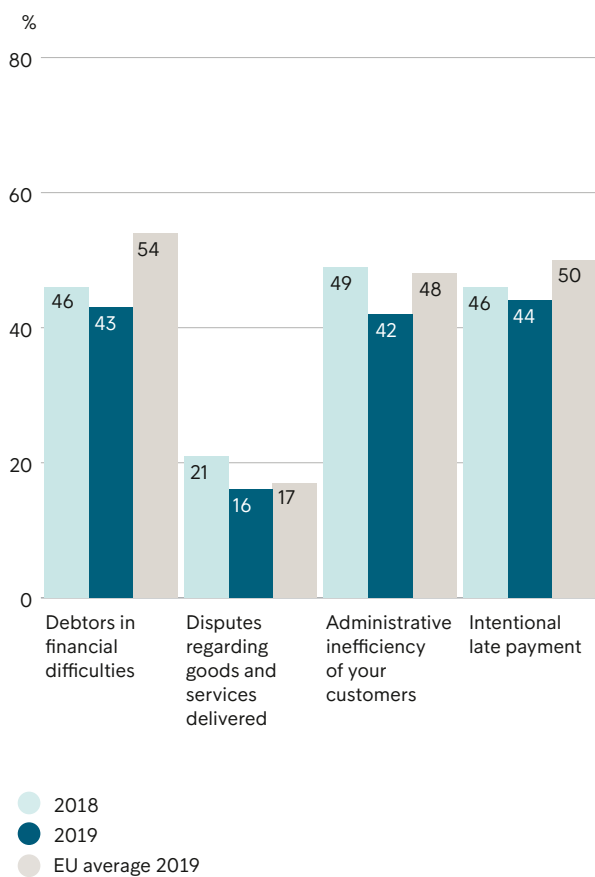
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



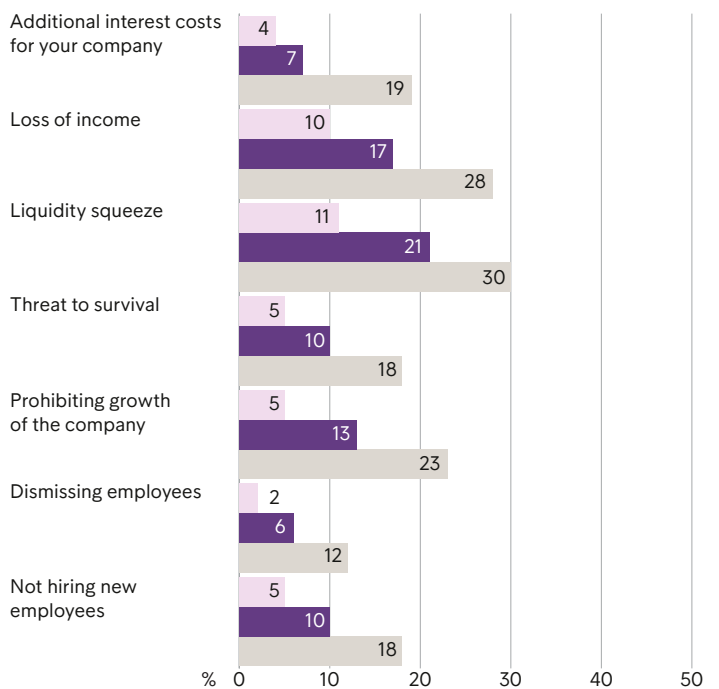
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

2018
2019
EU average 2019

Norway

Key findings

Low concern among Norwegian companies regarding problems with payments

Seven out of ten (77 per cent) of Norwegian companies surveyed find long payment terms non-problematic, while the average for European companies is a significantly lower 47 per cent. Similarly, seven out of ten (74 per cent) of the Norwegian companies also express that credit losses are not problematic, and 72 per cent state that debtors paying after the due date is not an issue. The European averages for these issues differ – 46 per cent of all companies polled in Europe say that credit losses are not problematic, and 47 per cent state that long payment terms and debtors who pay after the due date is not an issue.

Norwegian companies protect against bad payment with credit checks and pre-payment

When asked what precautions companies undertake to protect against bad payments, the leading alternative for Norwegian companies surveyed is credit checks (55 per cent). Among European companies as a whole, credit checks are the second most preferred option, with 29 per cent choosing this as a precaution. The second most popular alternative for Norwegian companies to protect them against bad payment is pre-payment, with 49 per cent of companies surveyed choosing this alternative. The European average is 39 per cent.

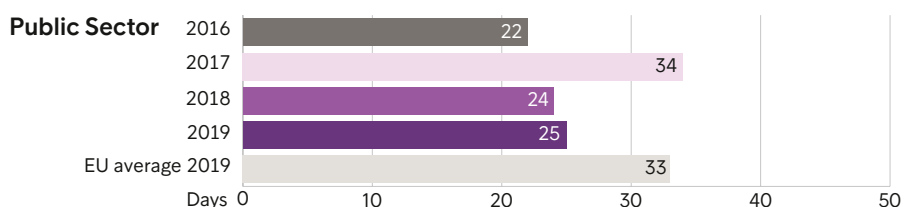
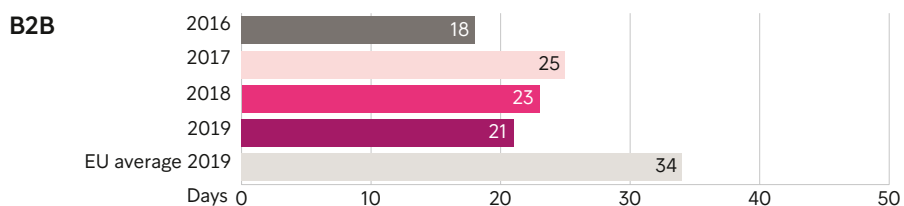
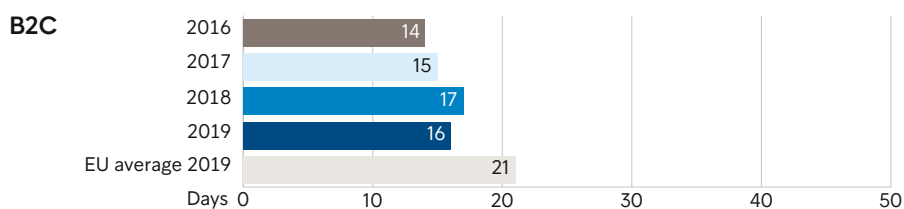
A high percentage of Norwegian companies do not believe that there will be a recession in their country in the near future

Among the Norwegian companies polled, 44 per cent do not believe that a recession is imminent, while only 30 per cent of European companies hold this belief. Moreover, of the Norwegian businesses that believe a recession is imminent, increasing sales operations (68 per cent) and cutting costs (58 per cent) are the measures of choice in preparing for an economic decline.

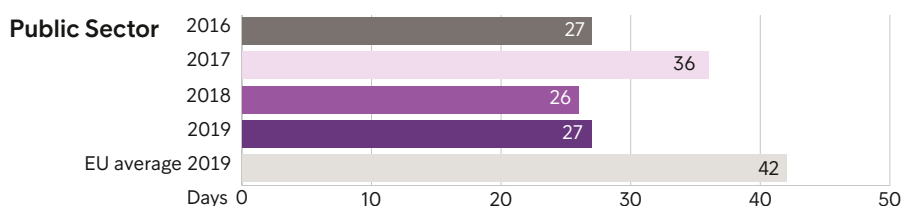
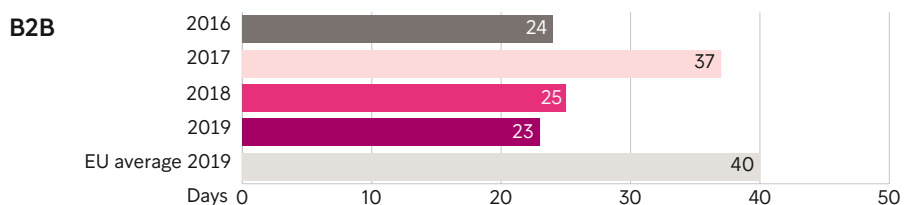
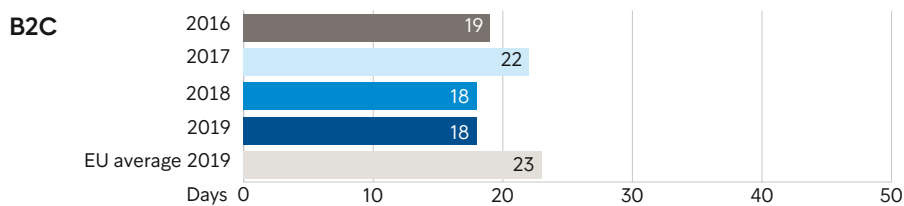
Economic development 2018

	Norway	EU, average
GDP per capita in euro 2018	73,650.99	30,349.34
GDP percentage growth on previous year 2018	1.9	2.1
Inflation, % 2018	3.0	1.9
Unemployment rate, % 12-2018	3.8	6.6

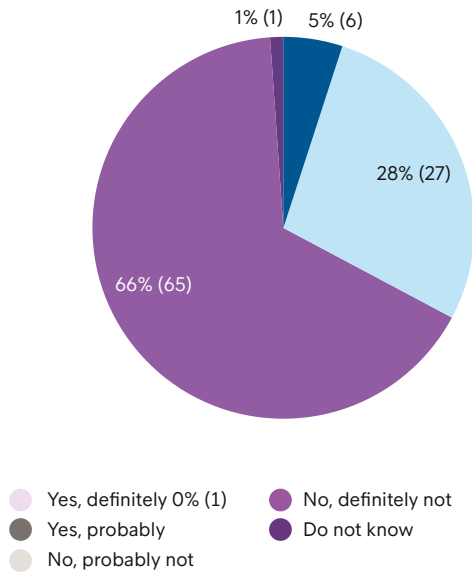
What payment terms do you allow your customers, on average?



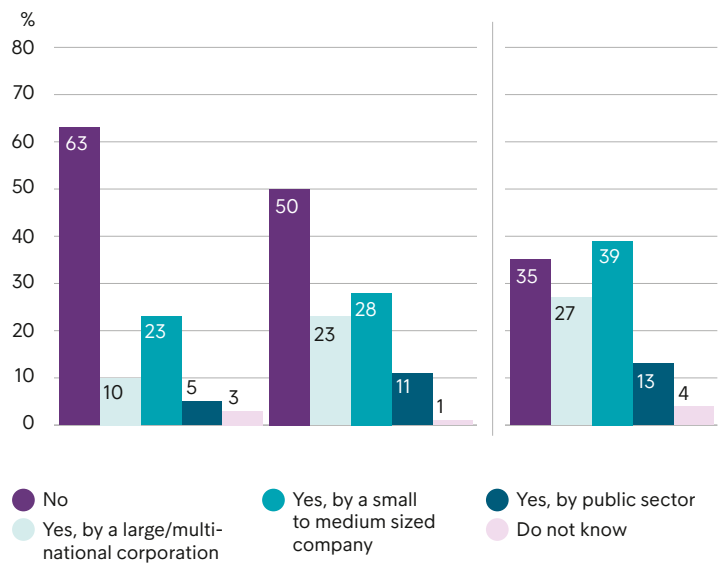
What is the average time actually taken by customers to pay?



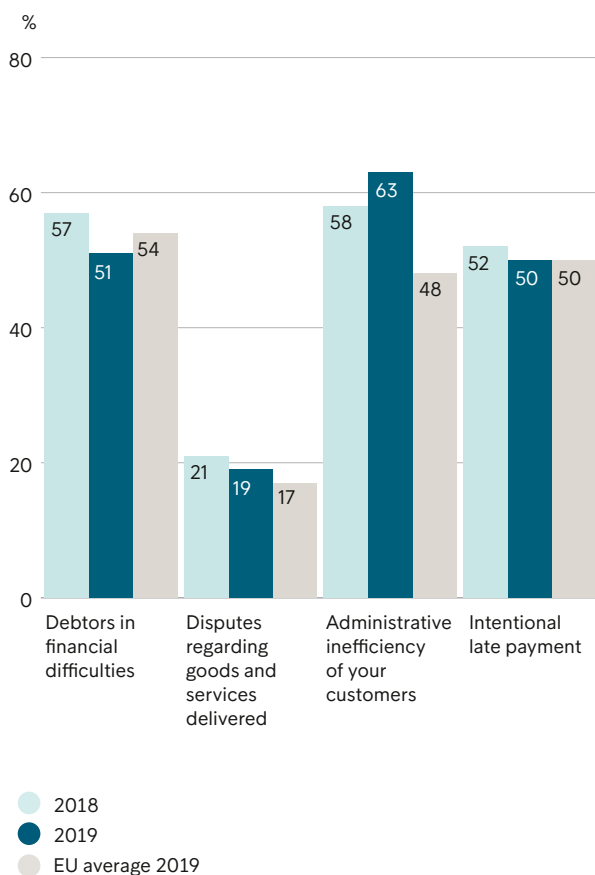
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



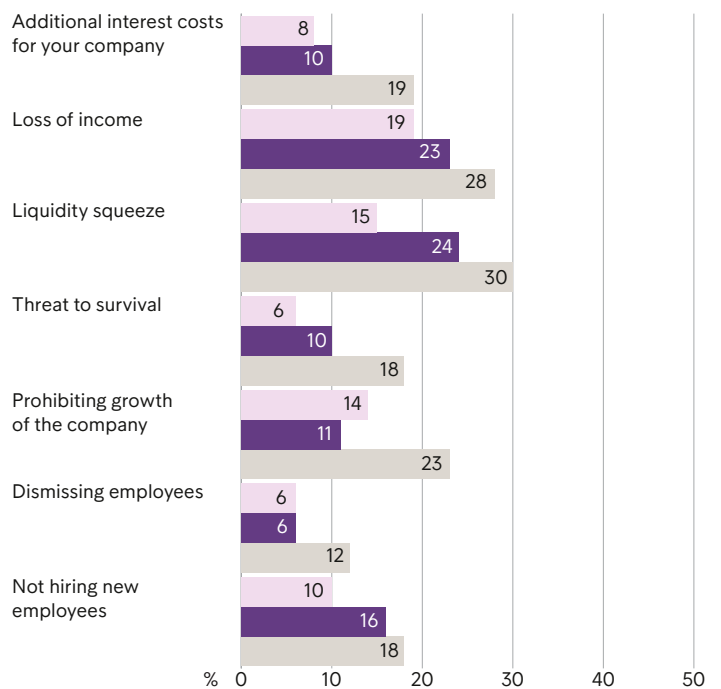
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

2018
2019
EU average 2019

Poland

Key findings

A high percentage of Polish companies that believe a cashless society is in the near future, believe the exposure to cyber-attacks will increase as a result

Among Polish companies polled that believe a cashless society is likely within a decade, 71 per cent believe that exposure to cyber-attacks will increase as a result. This can be compared to the European average of 52 per cent. One-third (34 per cent) of Polish companies also believe that the risk of losing customers will increase, which is a higher reported percentage than the European average of 21 per cent.

A large percentage of Polish companies surveyed believe a recession will occur in their country within 1–5 years

Among Polish companies surveyed, 41 per cent believe a recession in Poland is imminent within one to five years. This is a higher reported percentage than the European average of 35 per cent businesses that voice similar concerns. Only 3 per cent of Polish companies said their country is already in a recession, which is significantly lower than the European average of 18 per cent.

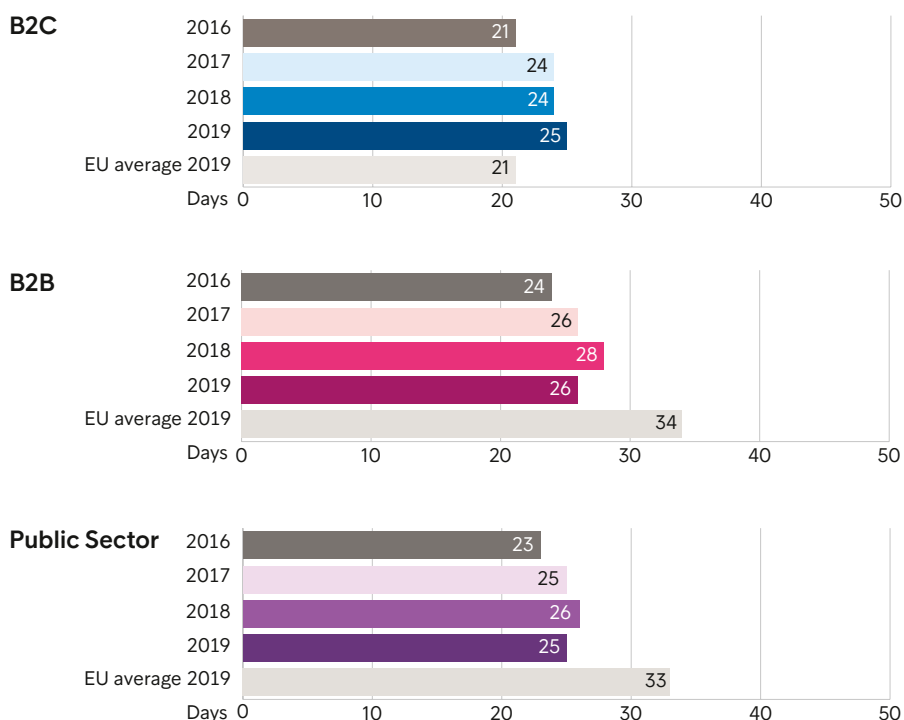
Polish businesses fear late payments lead to liquidity squeeze and loss of income

Four out of ten (44 per cent) of Polish companies state that late payments affect their business negatively in the form of liquidity squeeze, a higher reported percentage than the European average of 30 per cent. Furthermore, 43 per cent also express that late payments affect their business negatively by leading to loss of income, which can be compared to the European average of 27 per cent.

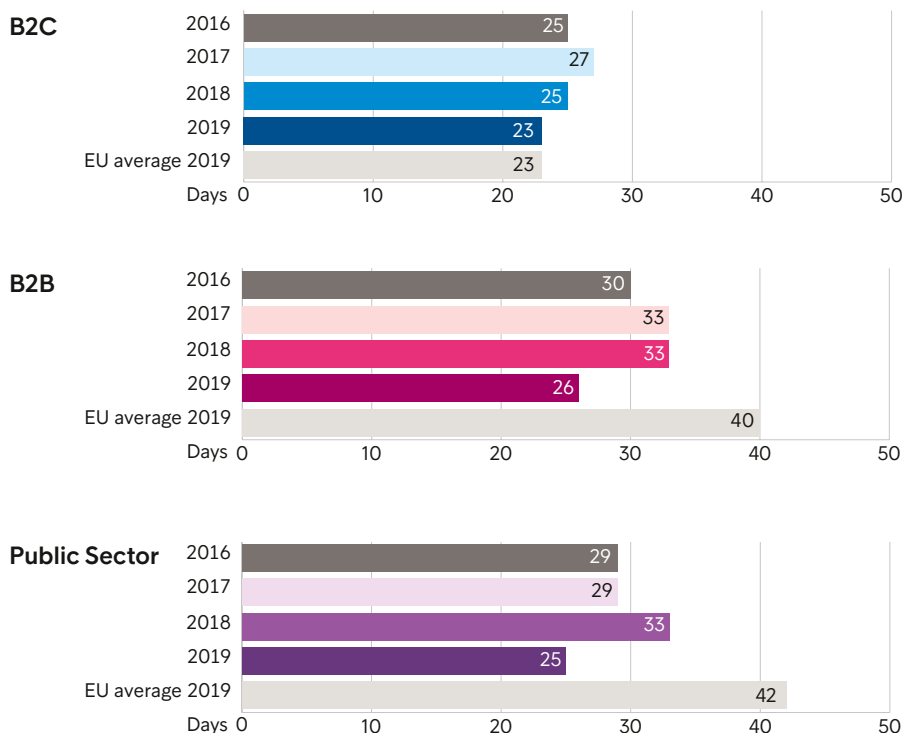
Economic development 2018

	Poland	EU, average
GDP per capita in euro 2018	12,936.90	30,349.34
GDP percentage growth on previous year 2018	4.8	2.1
Inflation, % 2018	1.2	1.9
Unemployment rate, % 12-2018	3.7	6.6

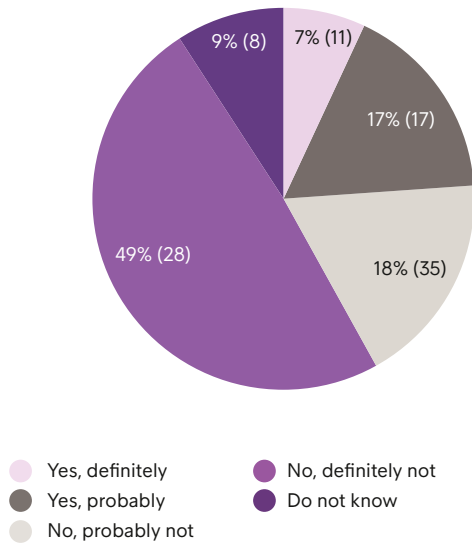
What payment terms do you allow your customers, on average?



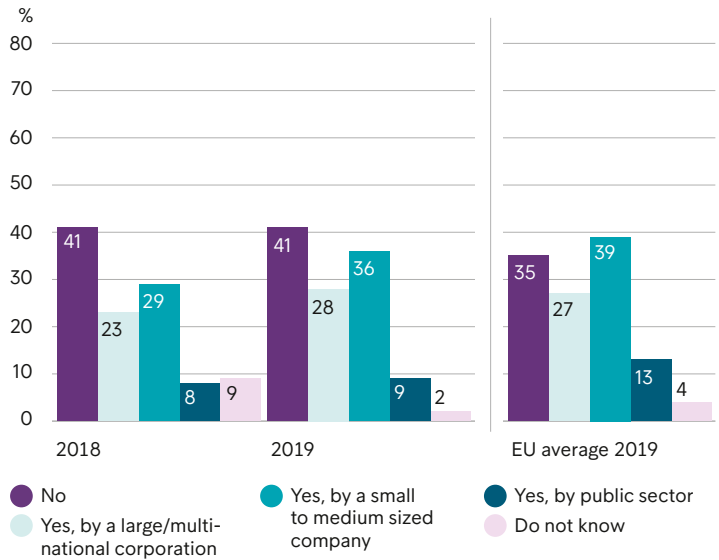
What is the average time actually taken by customers to pay?



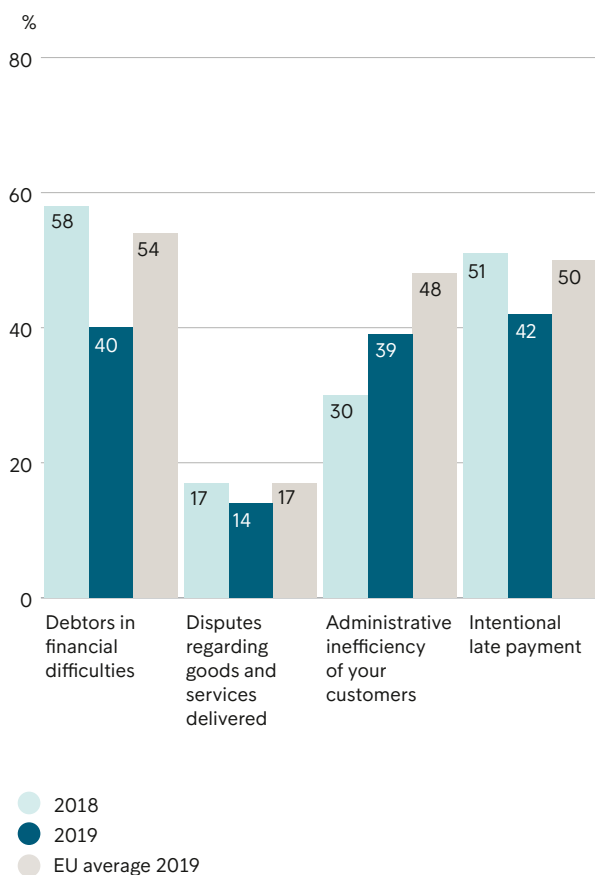
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



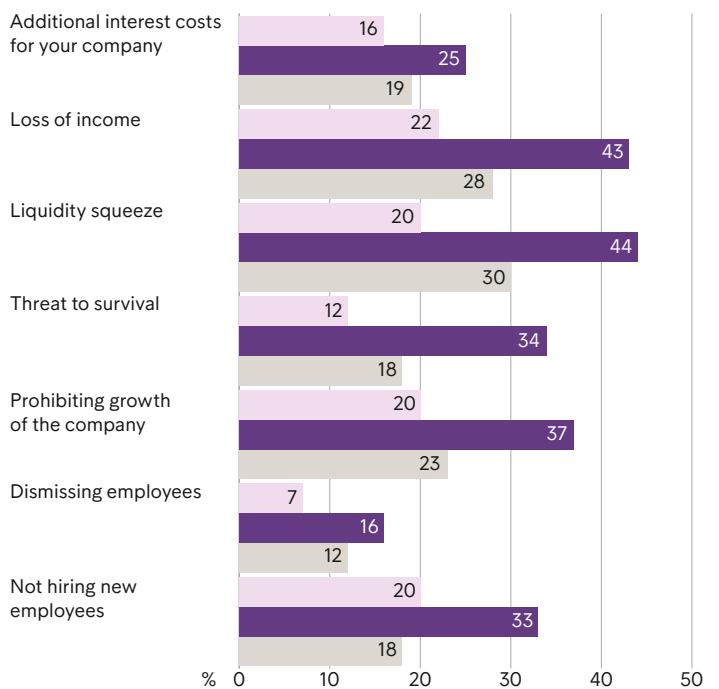
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

2018
2019
EU average 2019

Portugal

Key findings

Credit losses and long payment terms raise concern for Portuguese companies when it comes to payment problems

When it comes to payment problems, 80 per cent of Portuguese companies polled state that they find credit losses problematic, differing from the European average of 46 per cent. Long payment terms are also found to be problematic for 80 per cent of Portuguese companies, while the corresponding average for European companies is 50 per cent.

A large majority of Portuguese companies surveyed expect a recession in the near future

Seven out of ten (71 per cent) of Portuguese companies surveyed believe a recession could occur within one to five years. This is significantly higher than the European average of 35 per cent businesses stating the same. The three most common measures that Portuguese companies state they intend to take in preparing for an economic decline are: being more cautious about taking on debt (56 per cent), planning to secure payments from customers (52 per cent) and cutting costs (52 per cent).

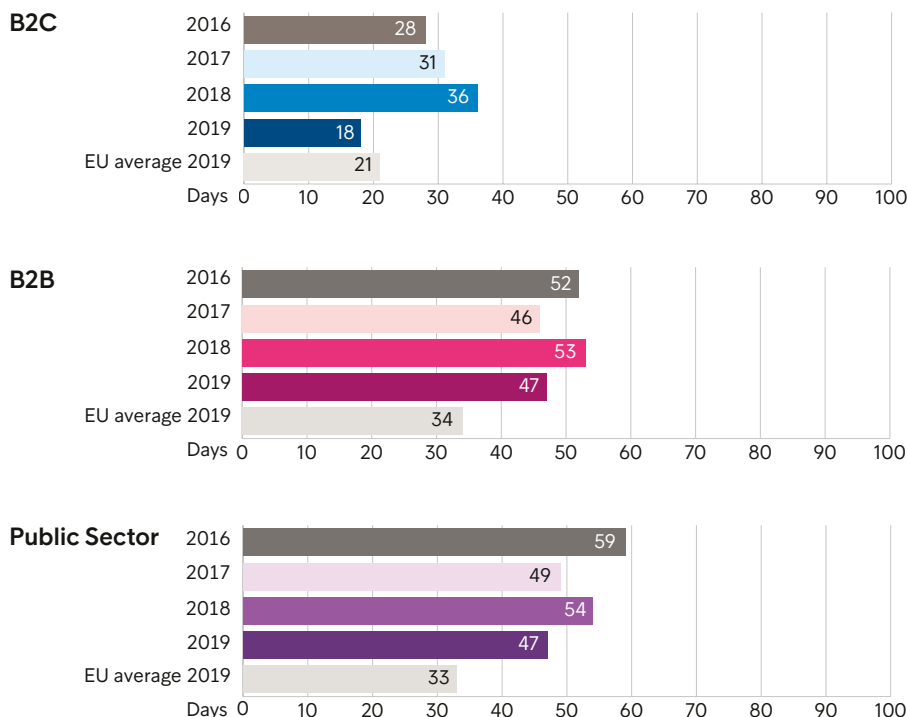
More than one-third of Portuguese companies believe faster payments from debtors would enable them to hire more employees

Of the Portuguese businesses surveyed, 35 per cent believe that faster payments from debtors would enable them to hire more employees, which is a higher reported percentage than the European average of 21 per cent.

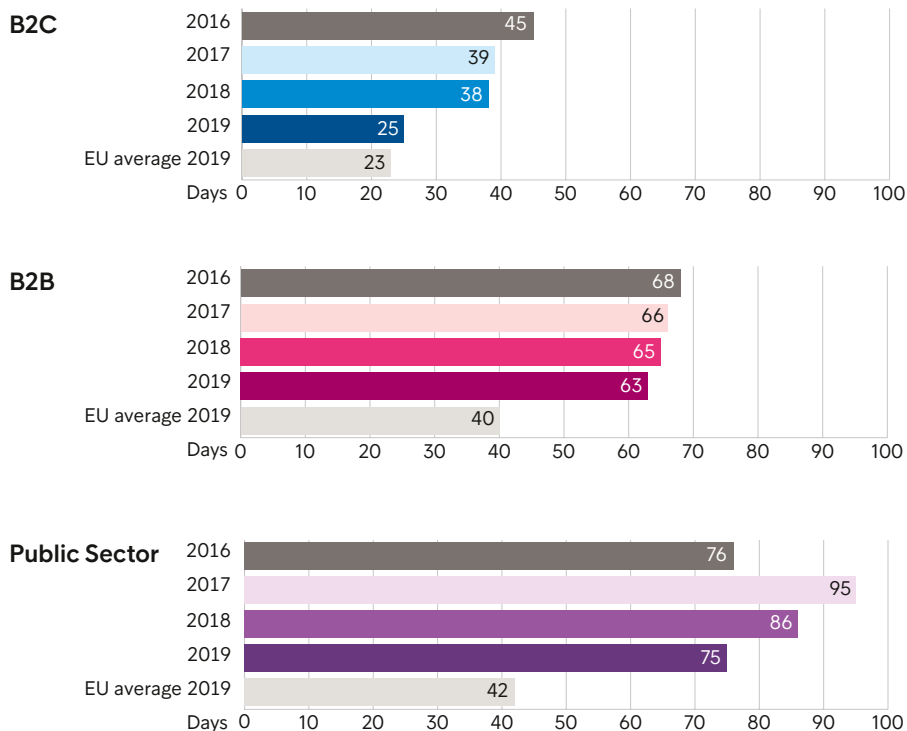
Economic development 2018

	Portugal	EU, average
GDP per capita in euro 2018	20,657.83	30,349.34
GDP percentage growth on previous year 2018	2.2	2.1
Inflation, % 2018	1.2	1.9
Unemployment rate, % 12-2018	6.6	6.6

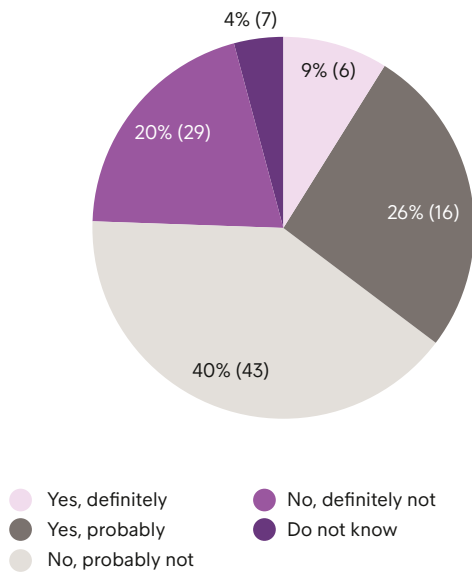
What payment terms do you allow your customers, on average?



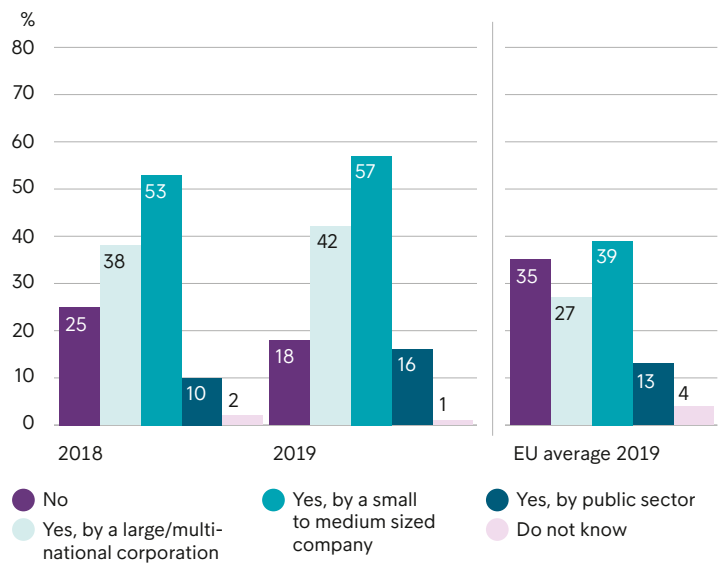
What is the average time actually taken by customers to pay?



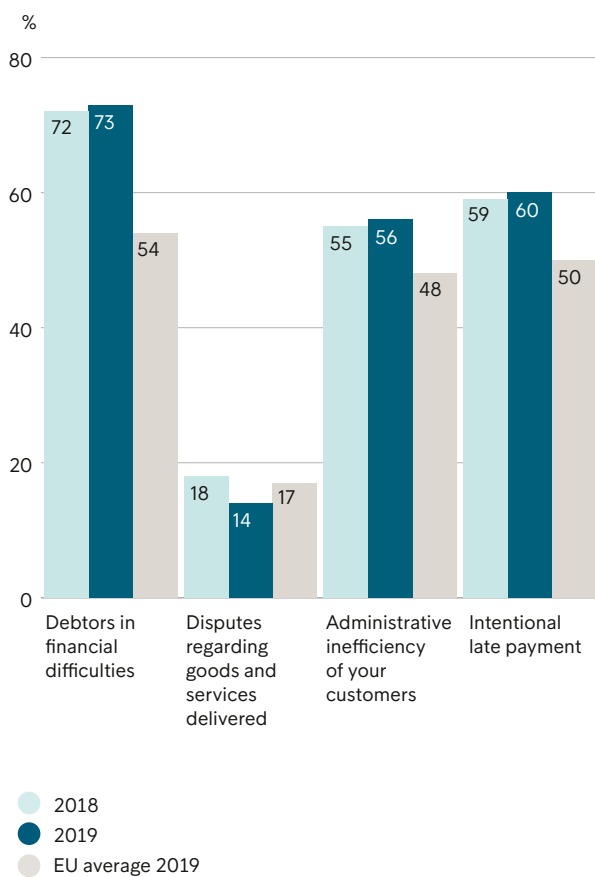
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



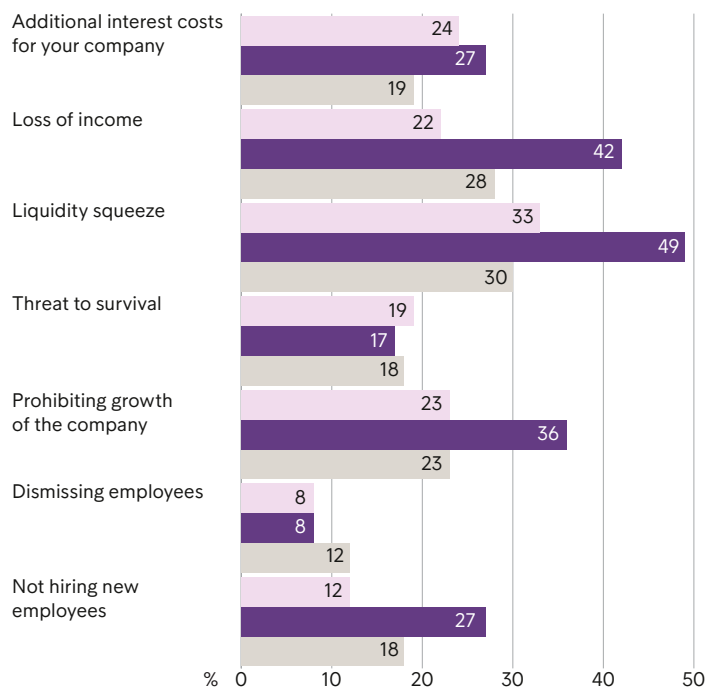
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.



Romania

Key findings

Romanian companies more concerned about risk from debtors than last year

28 per cent of the Romanian companies surveyed believe that risk from debtors will increase in the coming twelve months. In 2018, the corresponding figure was 19 per cent. When it comes to problems with payments, 78 per cent of Romanian companies are concerned about debtors who pay after the due date, which is significantly higher than the European average of 51 per cent. Similarly, 78 per cent of Romanian companies find long payment terms to be problematic, while only 50 per cent of the entire European companies surveyed percentage the same opinion.

A majority of Romanian companies believe their country will be cashless within a decade

Of the Romanian companies surveyed, 63 per cent believe Romania will be cashless within ten years. The corresponding average is 48 per cent for all European businesses surveyed. Furthermore, among the Romanian businesses that believe their country will be cashless within a decade, 41 per cent believe that consumer spending will decrease in a cashless society. On a more positive note, the percentage of companies that believe overall costs for companies and risk of losing customers will decrease are 45 per cent and 36 per cent, respectively.

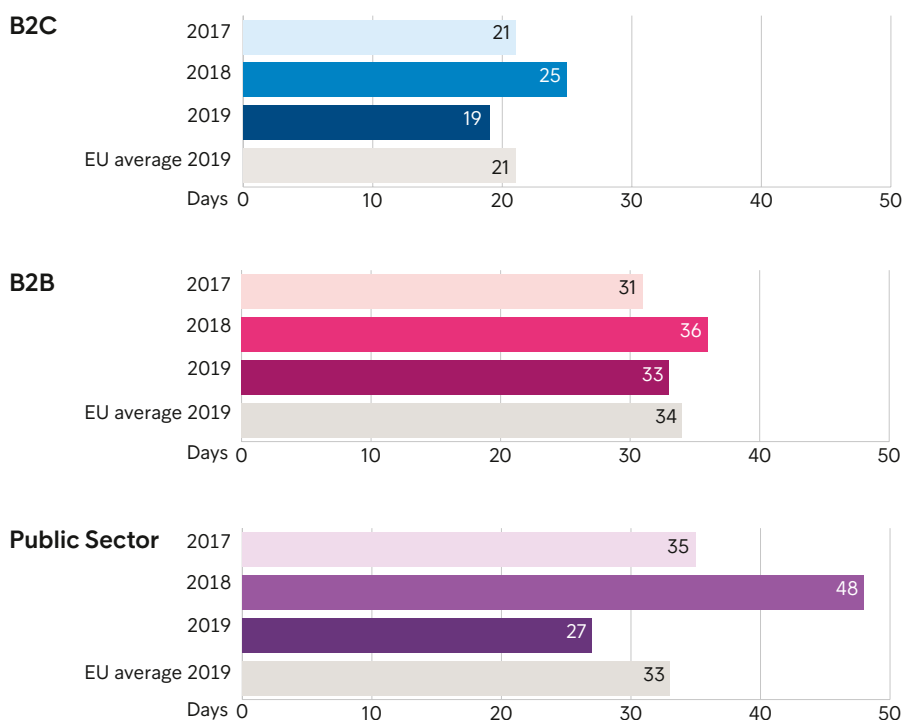
A high percentage of Romanian companies believe a recession is imminent within one to two years

Almost half of the Romanian companies surveyed (49 per cent) believe that a recession is imminent within one to two years; a significantly higher percentage than the European average of 22 per cent. Among the Romanian businesses that believe a recession is imminent, cutting costs (59 per cent), being more cautious about taking on debt (56 per cent) and securing payments from customers (55 per cent) are the measures of choice in preparing for an economic decline.

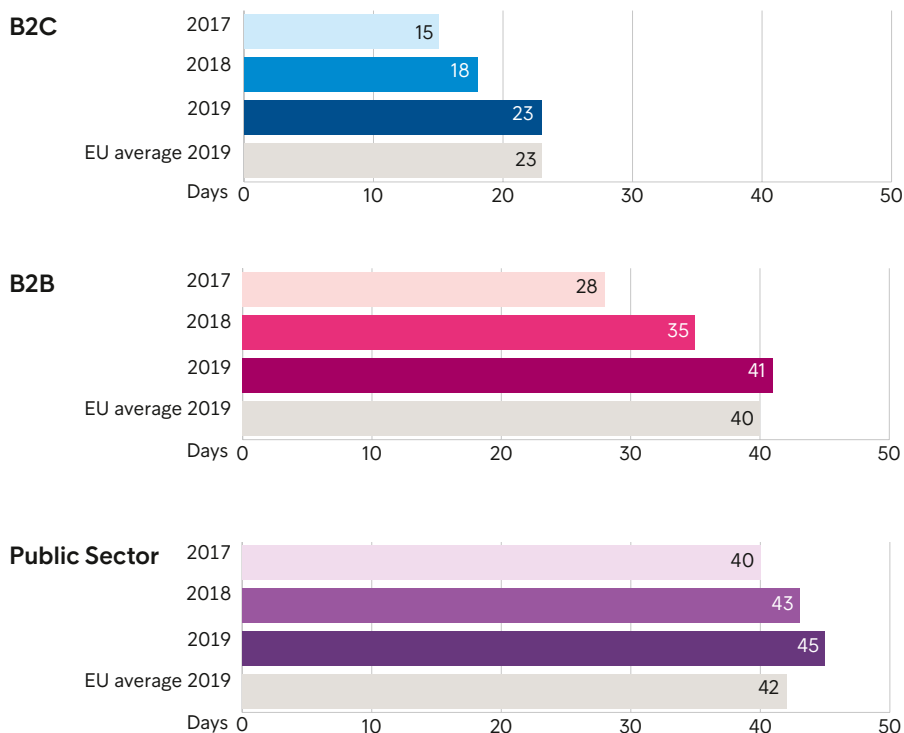
Economic development 2018

	Romania	EU, average
GDP per capita in euro 2018	10,989.86	30,349.34
GDP percentage growth on previous year 2018	3.6	2.1
Inflation, % 2018	4.1	1.9
Unemployment rate, % 12-2018	4.0	6.6

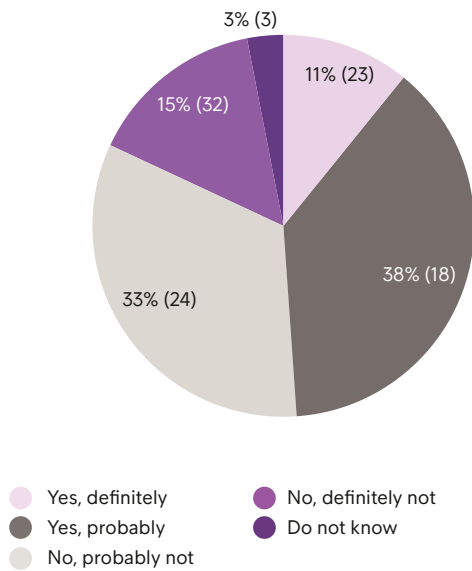
What payment terms do you allow your customers, on average?



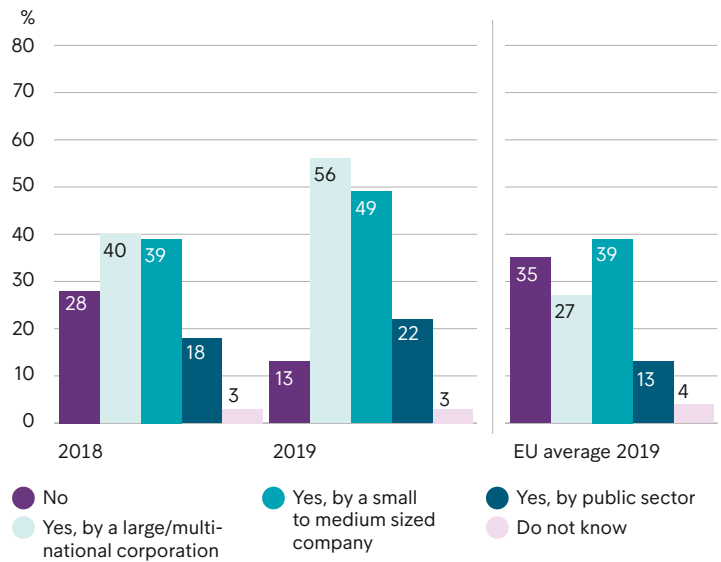
What is the average time actually taken by customers to pay?



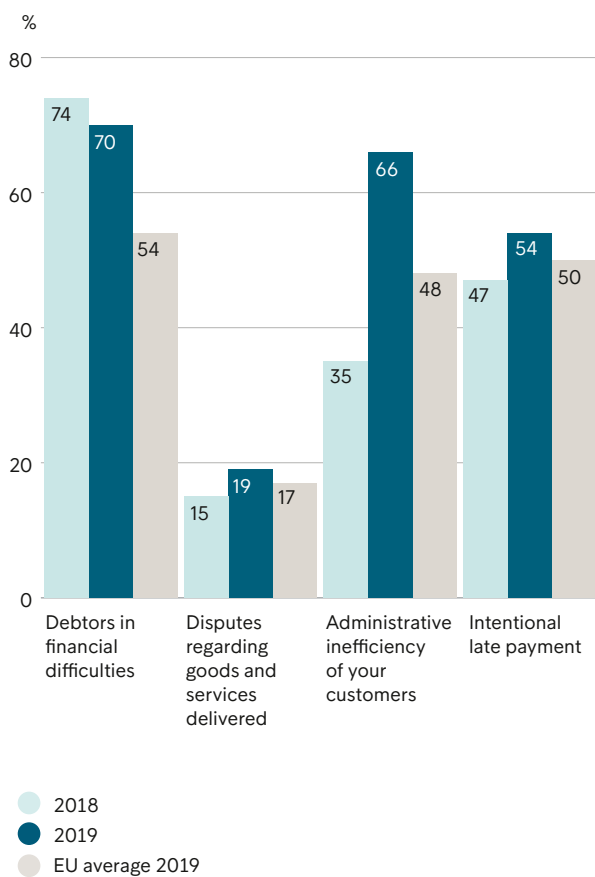
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



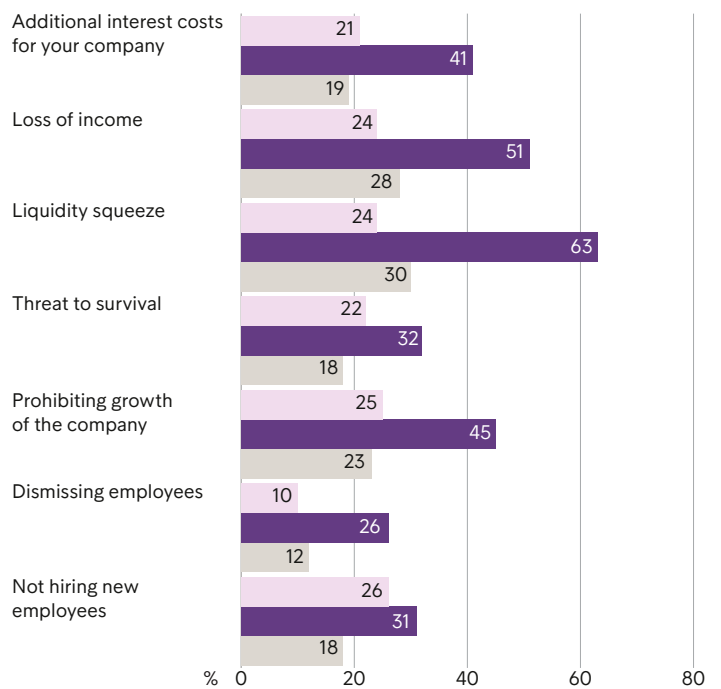
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

Key findings

Late payments are mostly caused by debtors in financial difficulty, according to Serbian companies

Of the Serbian companies polled, 72 per cent state that debtors in financial difficulty is the leading cause of late payment from customers. This can be compared with the significantly lower European average of 54 per cent. The preferred precaution among Serbian companies to protect against bad payment is pre-payment, with 65 per cent of Serbian companies favouring this alternative. But the European average for this alternative is 39 per cent.

Serbian companies do not believe a cashless society will happen in the near future

When companies were asked about the possibility of a cashless society in their country, as many as 82 per cent of Serbian companies believe it will take more than a decade, or that it will never happen. This is the highest figure among all the countries in the survey. However, the Serbian companies that believe the country will be cashless within a decade see a number of advantages. For example, 55 per cent believe that overall costs for their companies will decrease, and another 55 per cent believe that transaction costs will decrease.

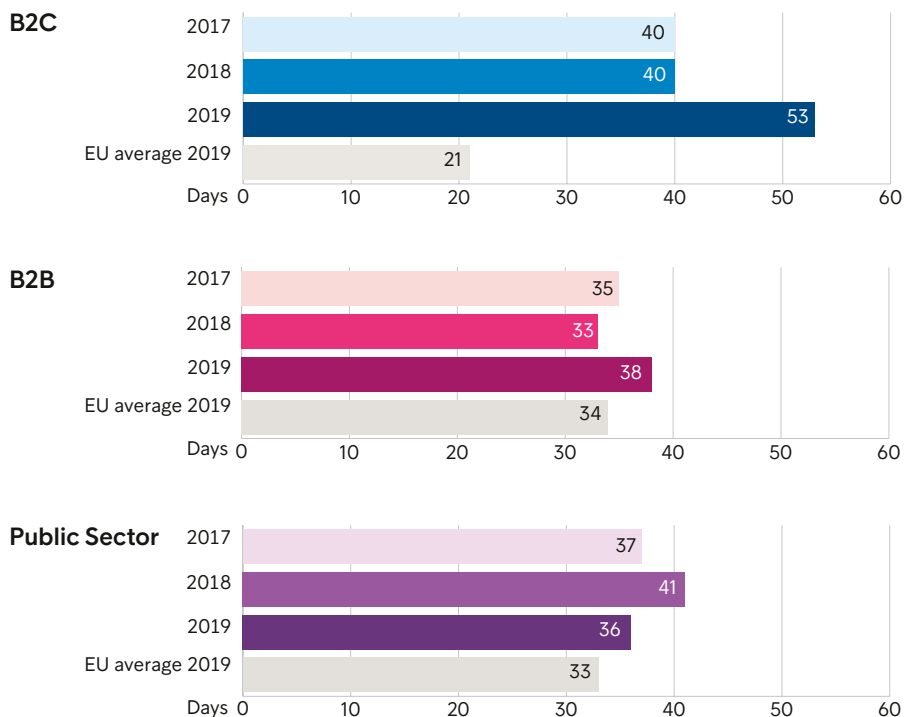
A high percentage of Serbian companies believe their country is already in a recession

Almost half of the Serbian companies surveyed (47 per cent) believe their country is already in a recession. A significantly higher percentage than the European average of 18 per cent. Among the Serbian companies that believe a recession is imminent, cutting costs (70 per cent) and securing payments from customers (41 per cent) are the measures of choice in preparing for an economic decline. When looking at the average for European companies asked the same question, 45 per cent plan to cut costs and 28 per cent plan to secure payments from customers.

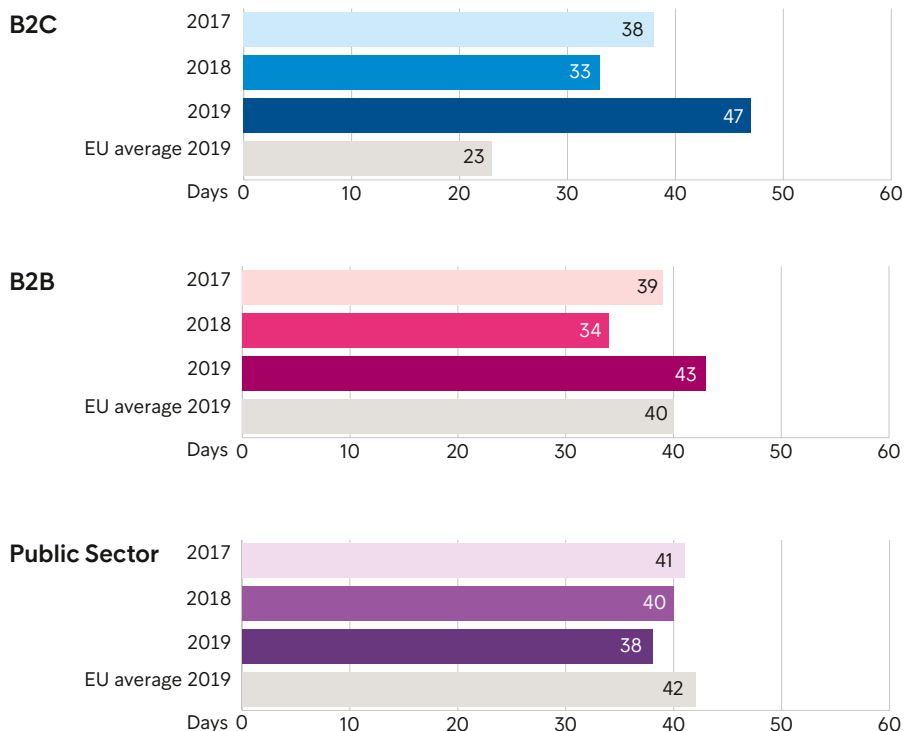
Economic development 2018

	Serbia	EU, average
GDP per capita in euro 2018	6,093.27	30,349.34
GDP percentage growth on previous year 2018	3.8	2.1
Inflation, % 2018	2.0	1.9
Unemployment rate, % 12-2018	11.3	6.6

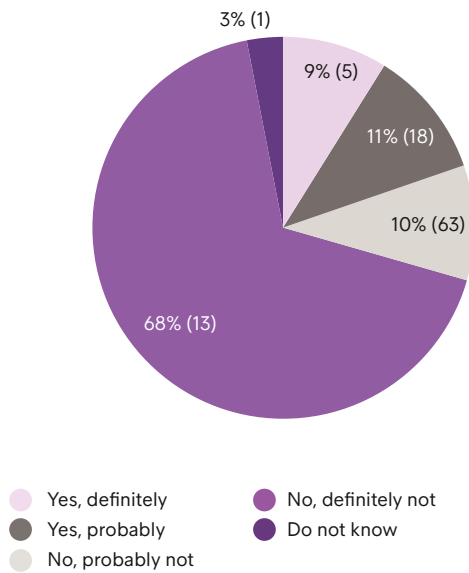
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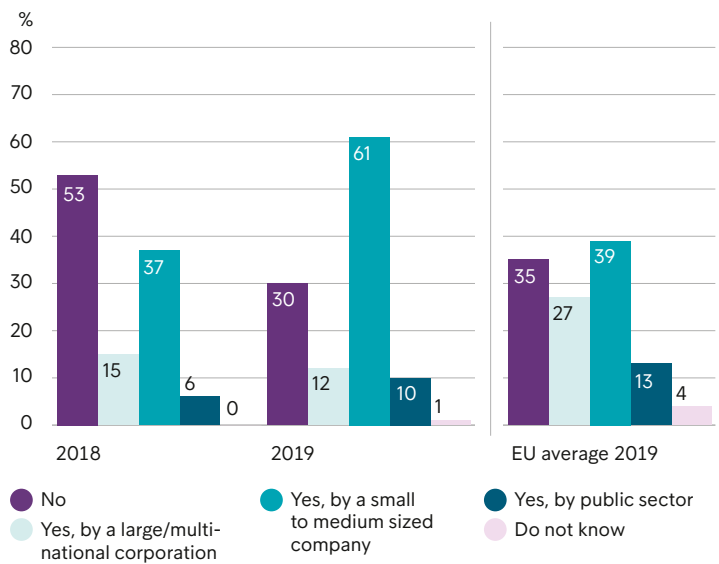
What is the average time actually taken by customers to pay?



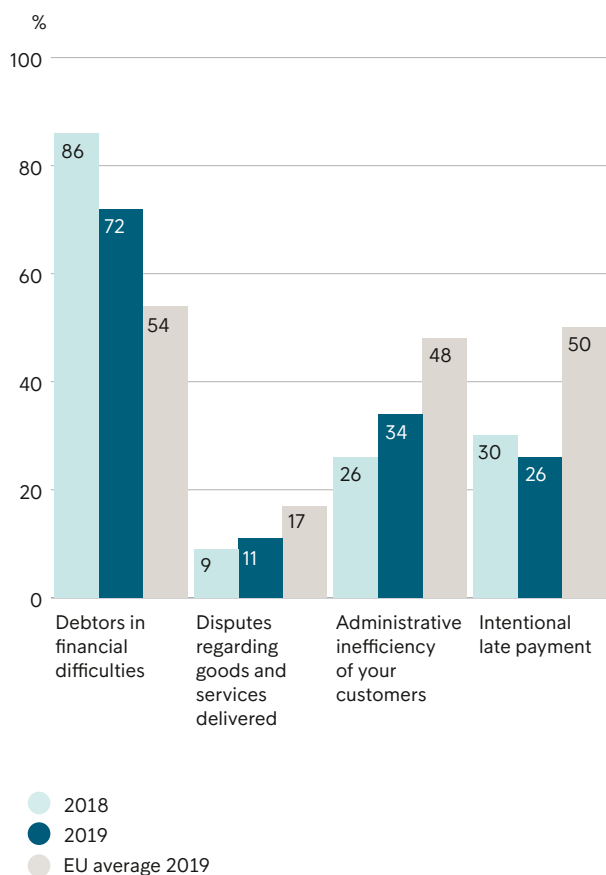
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



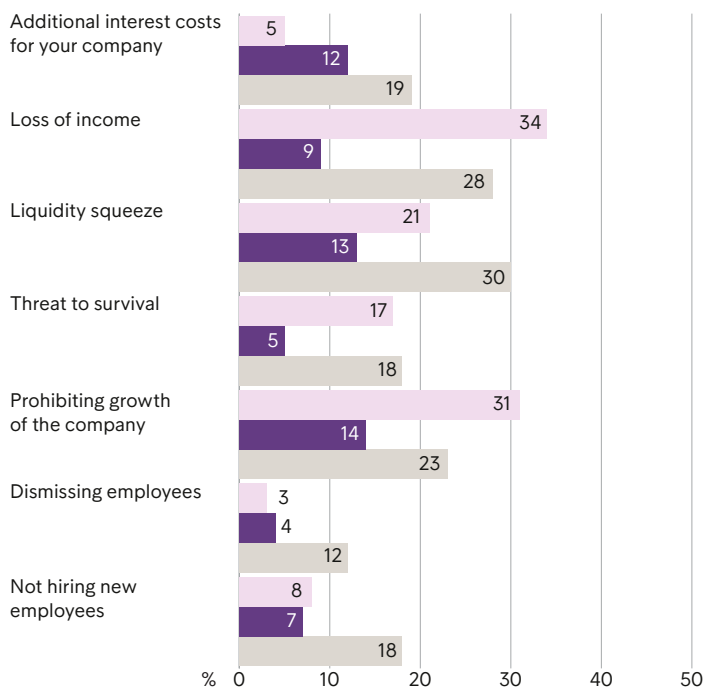
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

Slovakia

Key findings

Slovakian companies do not believe a cashless society will happen in the near future

When companies were asked about the possibility of a cashless society in their country, as many as 71 per cent of Slovakian companies state that it will take more than a decade, or that it will never happen. This is significantly higher than the European average of 52 per cent. Moreover, among Slovakian companies that believe the country will be cashless within a decade, 47 per cent fear exposure to cyber-attacks will increase.

A high percentage of Slovakian companies expect a recession within one to five years

Of Slovakian companies polled, 45 per cent believe that a recession is imminent in their country within one to five years. This can be compared with the European average of 35 per cent stating the same. Meanwhile, only 4 per cent of Slovakian companies believe their country is already in a recession, while the average for European companies is 18 per cent. Among Slovakian companies that believe a recession is imminent, being more cautious about taking on debt (60 per cent) and cutting costs (51 per cent) are the measures of choice in preparing for an economic decline.

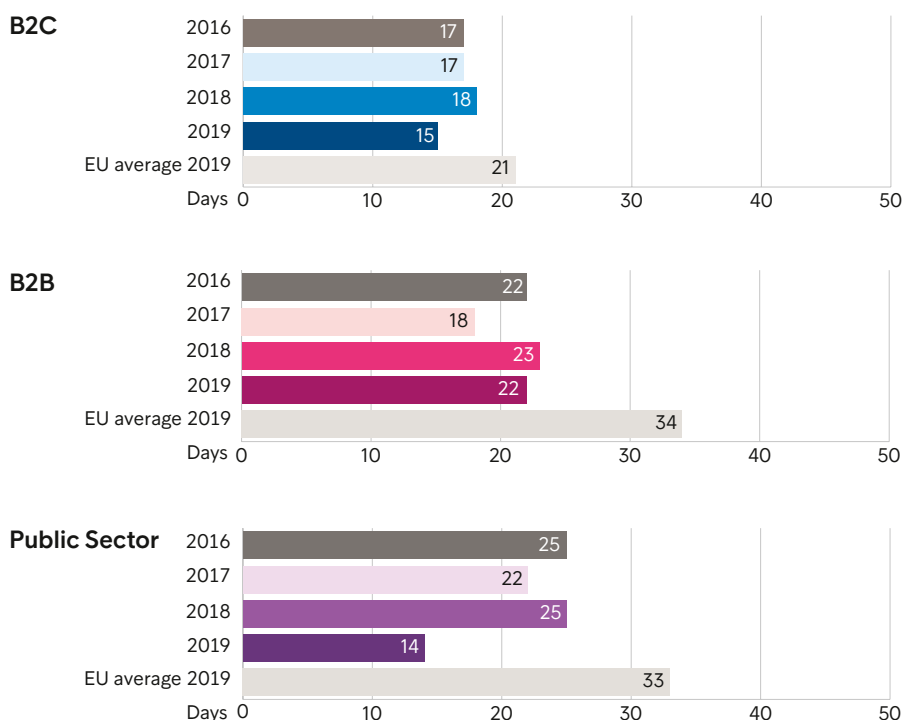
Awareness in Slovakia about the European Late Payment Directive lowest among all countries surveyed

Slovakia and Latvia together exhibit the lowest reported awareness among all countries surveyed about the European Late Payment Directive. Only 4 per cent of Slovakian companies say they are familiar with the directive. This is significantly lower than the European average of 29 per cent. When asked what initiatives companies would like to see in order to solve late payment problem, 74 per cent of Slovakian companies surveyed wish to solve the issue through new national legislation. Only 14 per cent would like to see voluntary initiatives from companies to solve the matter of late payments.

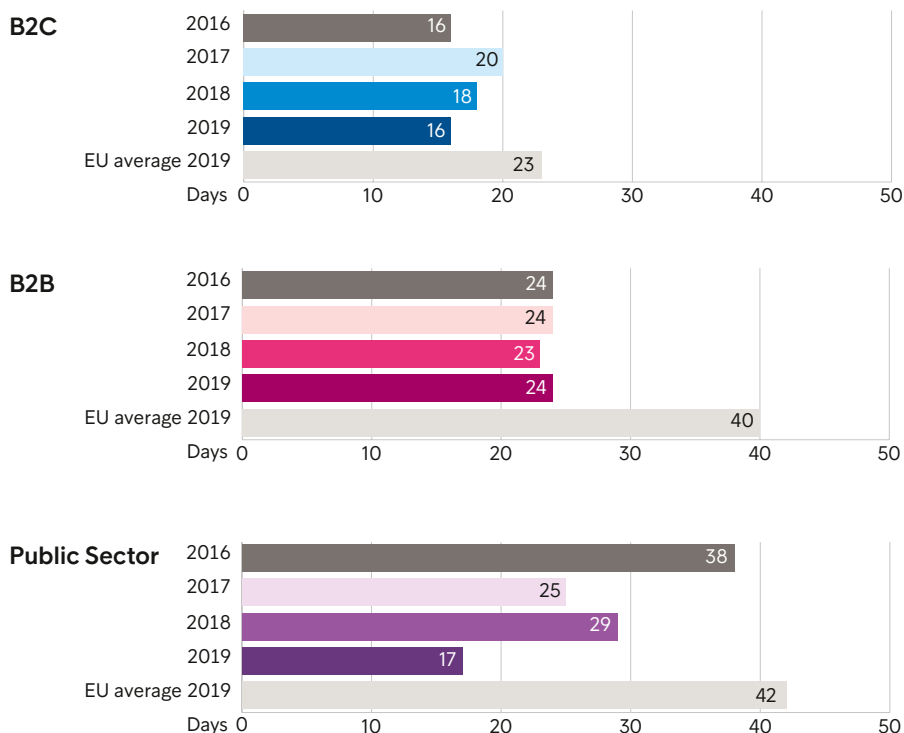
Economic development 2018

	Slovakia	EU, average
GDP per capita in euro 2018	17,562.44	30,349.34
GDP percentage growth on previous year 2018	4.0	2.1
Inflation, % 2018	2.5	1.9
Unemployment rate, % 12-2018	5.9	6.6

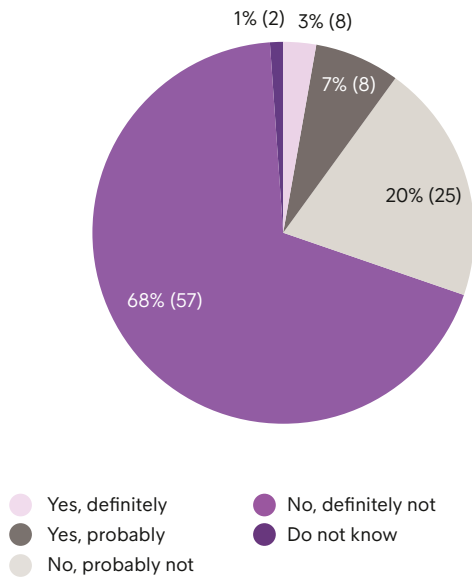
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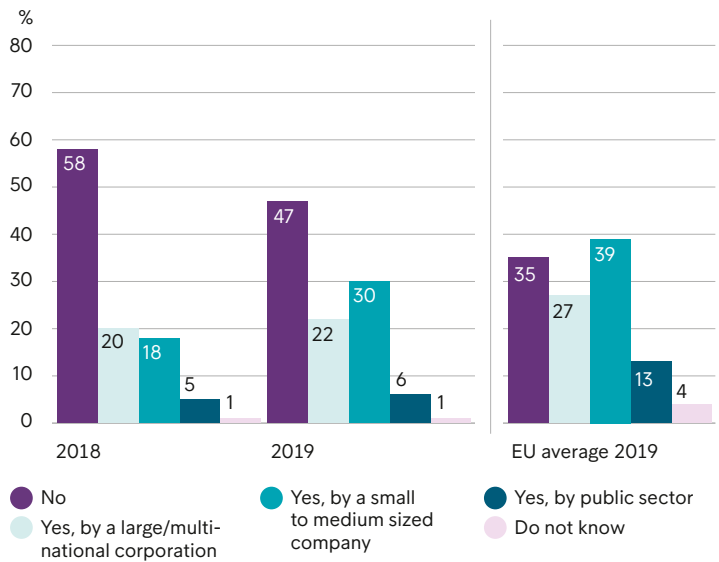
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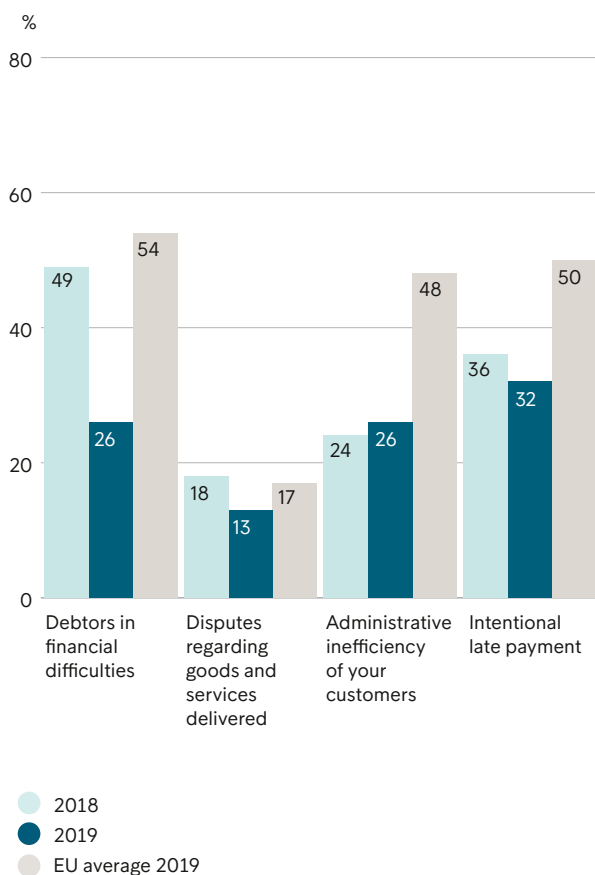
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



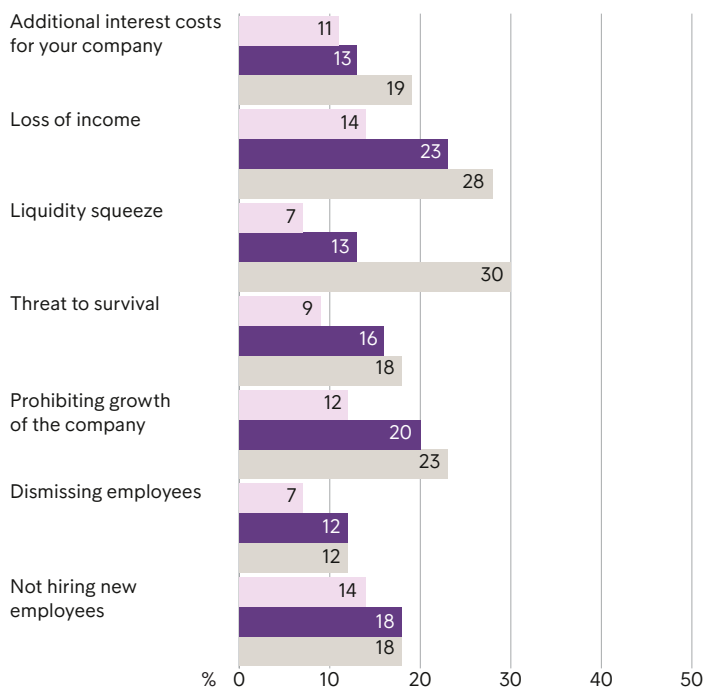
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.



Slovenia

Key findings

Slovenian companies say late payments lead to loss of income and slow-down of company growth

When companies were asked to rate consequences of late payment, the highest-rated outcomes for Slovenian companies were loss of income (35 per cent) and limiting growth of the company (27 per cent). This can be compared to Europe as a whole, where 28 per cent think that late payment cause loss of income, and 23 per cent believe it limits growth of the company. 66 per cent of Slovenian companies would like to new legislation to solve the late payment problem, while the average European preference for this alternative is 45 per cent.

A majority of Slovenian companies believe their country will be cashless within a decade

Of the Slovenian companies polled, 57 per cent believe Slovenia will be cashless within ten years. In Europe as a whole, the corresponding figure is 48 per cent. Furthermore, among the Slovenian companies that believe their country will be cashless within a decade, 34 per cent expect it to result in reduced transaction costs, and 36 per cent believe transaction data information available to them will increase.

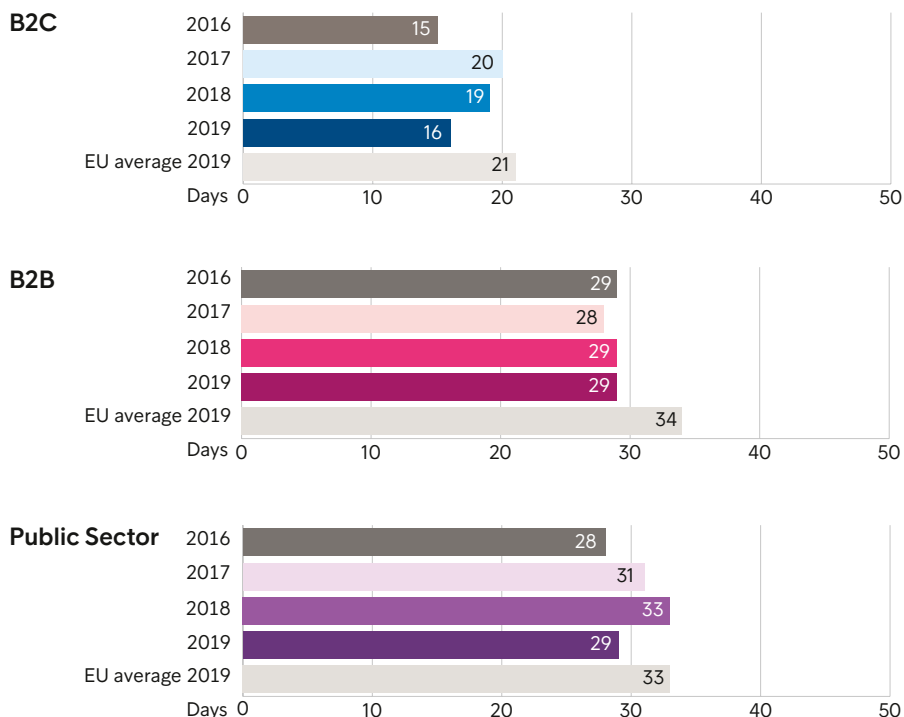
A majority of Slovenian companies expect a recession within one to five years

Of the Slovenian companies asked, 63 per cent believe that a recession is imminent in their country within one to five years. This is significantly higher than the overall European average of 35 per cent voicing the same concern. Meanwhile, only 9 per cent of Slovenian companies believe their country is already in a recession, while the corresponding average for European companies is 18 per cent. Among Slovenian companies that believe a recession is imminent, cutting costs (55 per cent) and being more cautious about taking on debt (52 per cent) are the measures of choice in preparing for an economic decline.

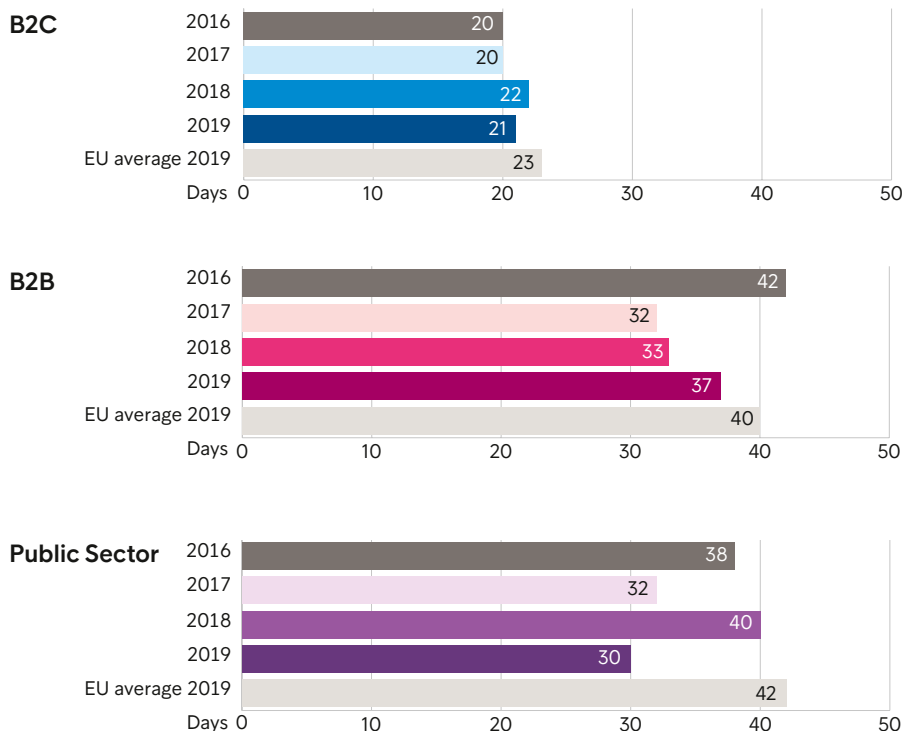
Economic development 2018

	Slovenia	EU, average
GDP per capita in euro 2018	23,771.18	30,349.34
GDP percentage growth on previous year 2018	4.3	2.1
Inflation, % 2018	1.9	1.9
Unemployment rate, % 12-2018	4.3	6.6

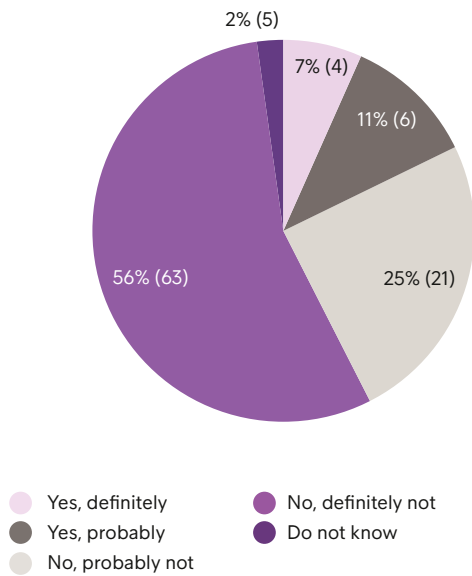
What payment terms do you allow your customers, on average?



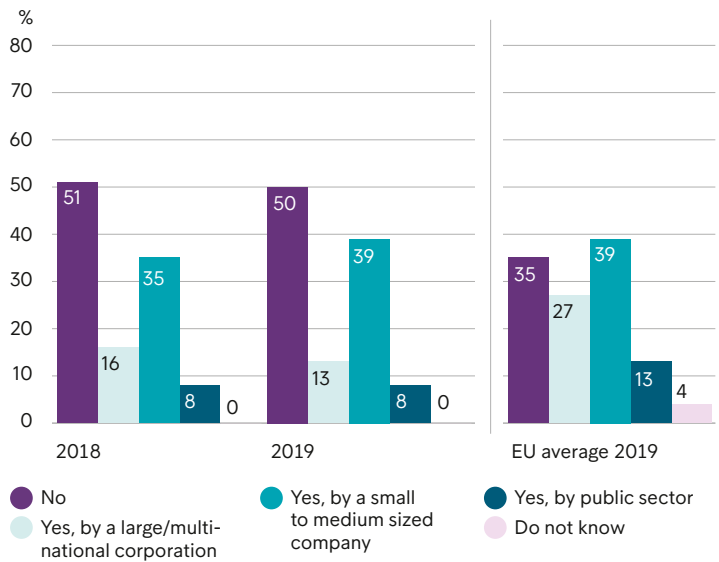
What is the average time actually taken by customers to pay?



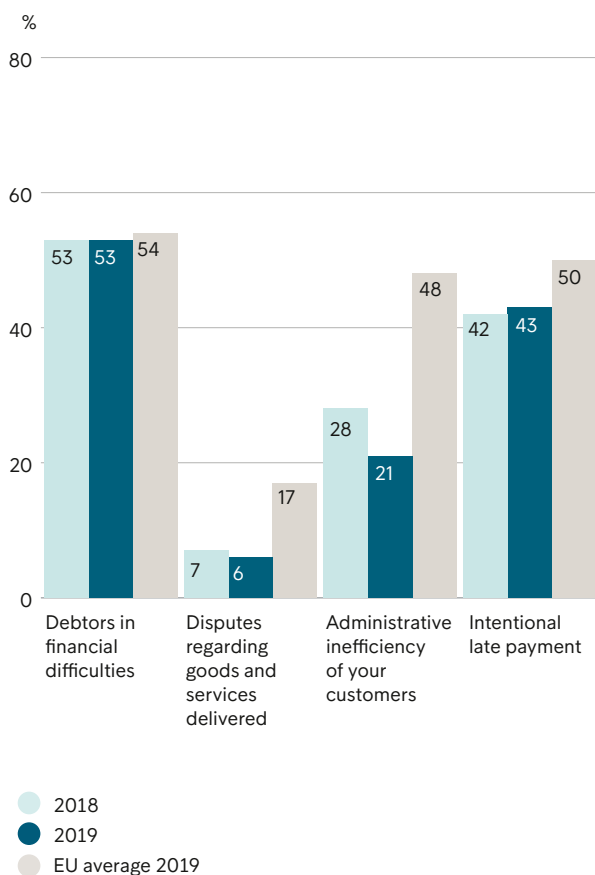
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



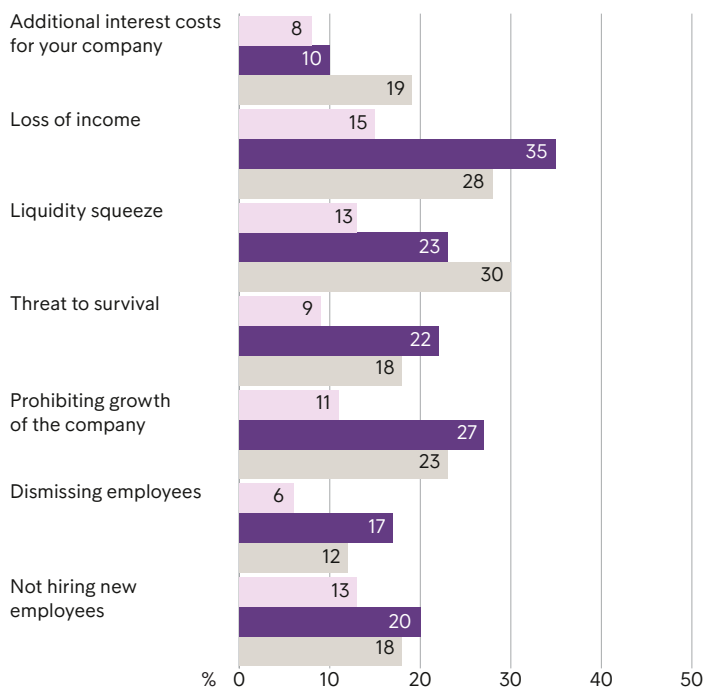
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.

2018
2019
EU average 2019

Spain

Key findings

Spanish companies do not see the issue of long payment terms being solved by voluntary initiatives from companies

Among all companies surveyed, Spain has the lowest tendency to think that voluntary initiatives from companies will solve the issue of long payment terms, with only 11 per cent preferring for this alternative. In Europe as a whole, the average is 33 per cent. On the other hand, 41 per cent of Spanish companies would prefer new legislation to solve the issue of long payment terms.

Spanish companies think a cashless society might lead to less transaction data available and decreased consumer spending

Among the Spanish companies that believe a cashless society will occur within a decade (43 per cent), one-third (32 per cent) believe transaction data information available to them will decrease. This can be compared with the European average of 11 per cent. Similarly, one-third (34 per cent) of Spanish companies believe that consumer spending will decrease in a cashless society. This is significantly higher than the European average of 14.

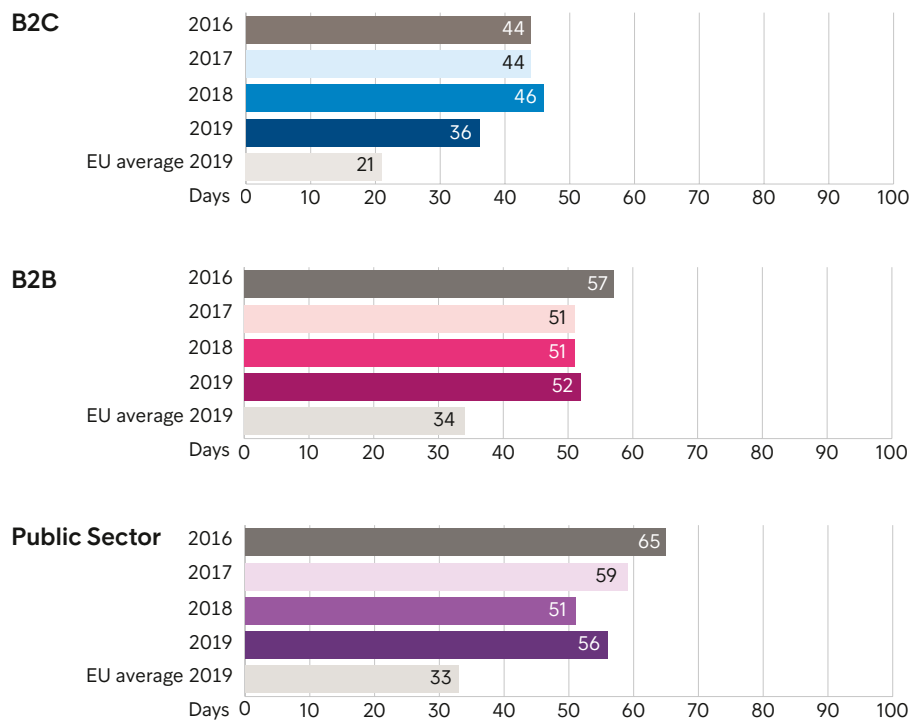
Intentional late payment and administrative inefficiency of customers less concerning for Spanish companies, compared to Europe

Thirty-two per cent of Spanish companies surveyed state intentional late payment as a reason of late payments from customers. This is significantly lower than the European average of 50 per cent of businesses that stated the same. Moreover, 36 per cent of Spanish companies cite administrative inefficiency of customers as a reason for late payments, which also is lower compared to the European average of 48 per cent.

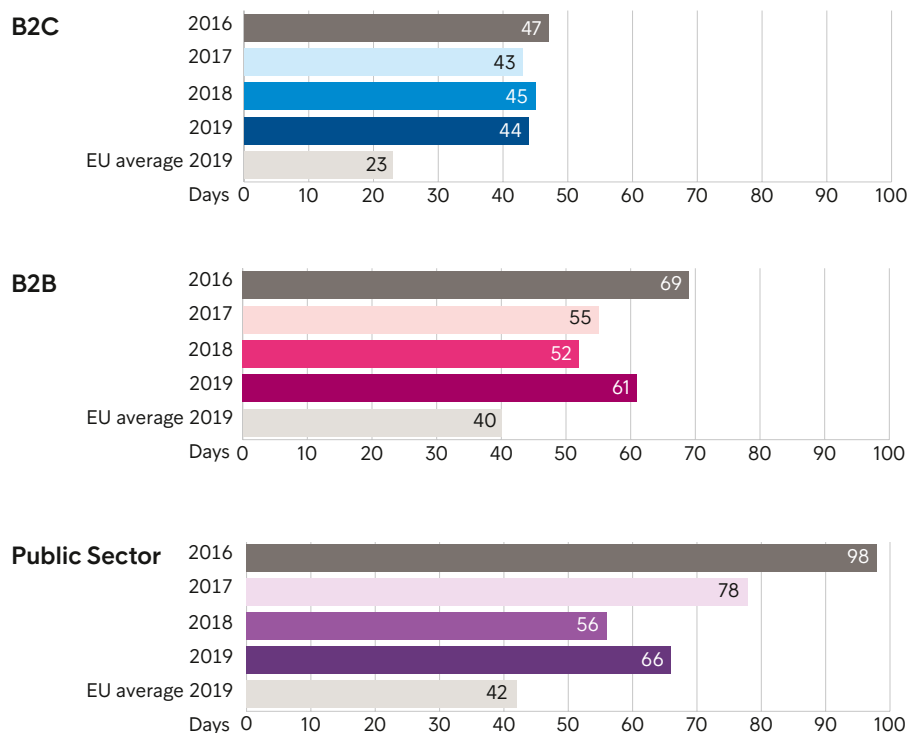
Economic development 2018

	Spain	EU, average
GDP per capita in euro 2018	27,771.0	30,349.34
GDP percentage growth on previous year 2018	2.6	2.1
Inflation, % 2018	1.7	1.9
Unemployment rate, % 12-2018	14.4	6.6

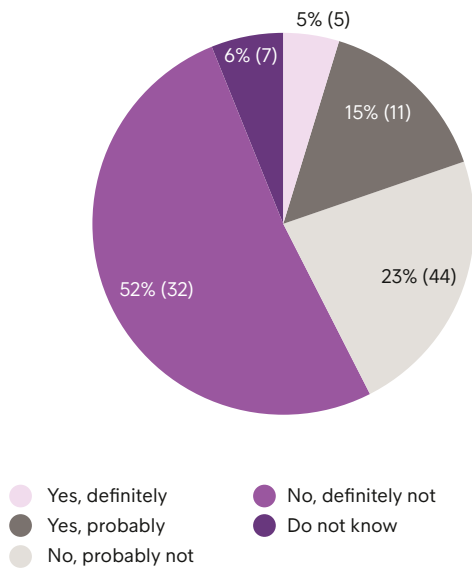
What payment terms do you allow your customers, on average?



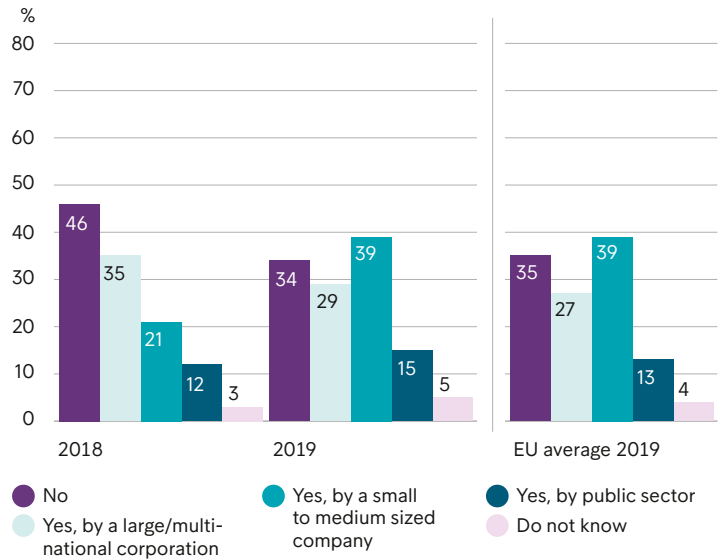
What is the average time actually taken by customers to pay?



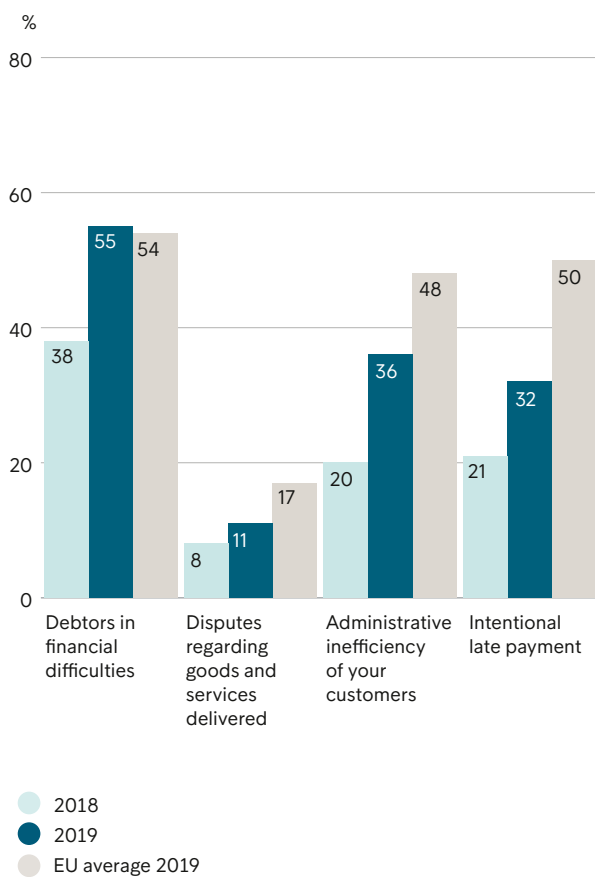
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



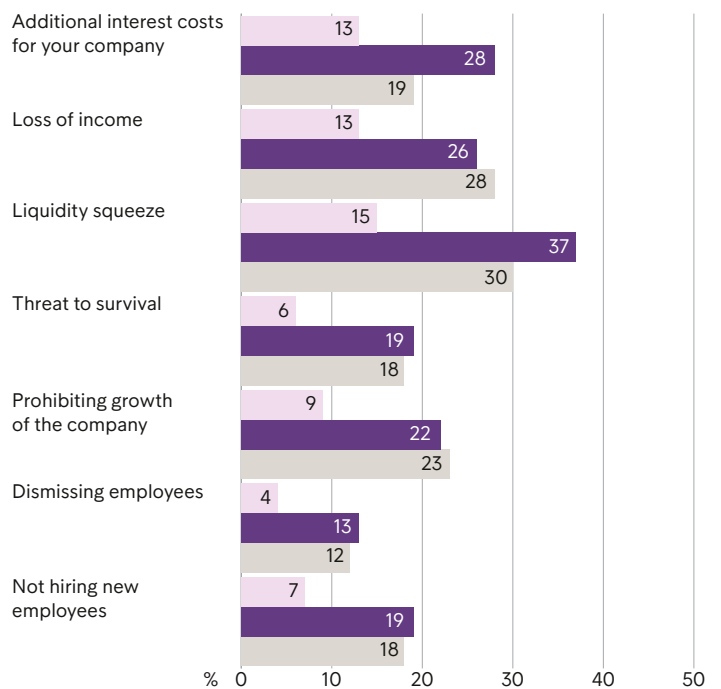
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

2018
2019
EU average 2019

Sweden

Key findings

A majority of Swedish companies expect a recession in the near future
57 per cent of Swedish companies believe a recession is imminent in the country within one to five years, which is higher than the European average of 54 per cent. Furthermore, among Swedish businesses that believe a recession is imminent, caution while taking on debt (45 per cent) and cutting costs (43 per cent) are the measures of choice in preparing for an economic decline.

A high percentage of Swedish companies say that international payments are affected negatively by the local payment culture and routines of other countries
When Swedish companies with international payments were asked to rate various factors that affect those payments, 41 per cent stated that the local payment culture affects such payments negatively. The second biggest issue of concern is local payment routines, which was cited by 33 per cent of the Swedish companies as having a negative impact on international payments.

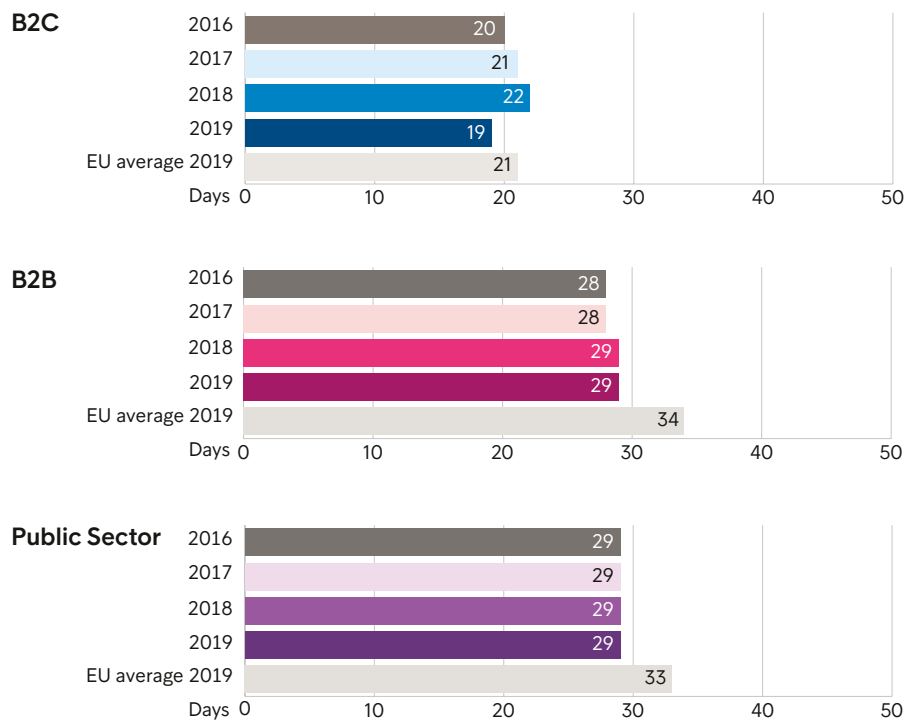
Intentional late payment and administrative inefficiency cited as main causes of late payment by Swedish companies

More than two-thirds (68 per cent) of Swedish companies surveyed find intentional late payment from customers to be one of the leading causes of late payments. This is significantly higher than the European average of 50 per cent businesses that stated the same. Similarly, more than two-thirds (68 per cent) of Swedish companies find administrative inefficiency as one of the main causes of late payment by customers, also a significantly higher percentage than the European average of 48 per cent.

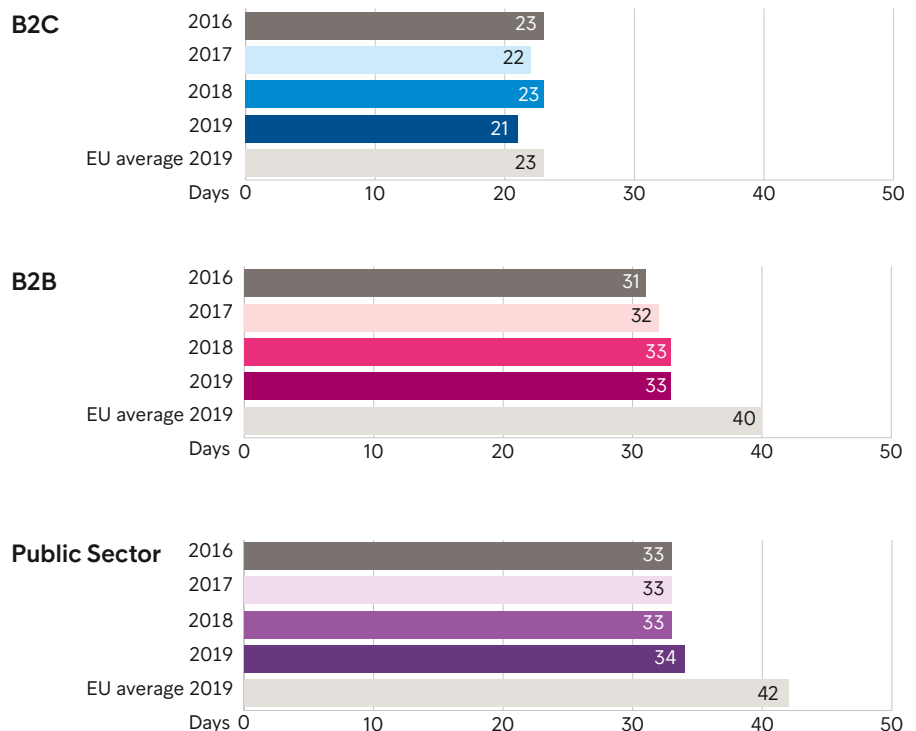
Economic development 2018

	Sweden	EU, average
GDP per capita in euro 2018	48,173.60	30,349.34
GDP percentage growth on previous year 2018	2.4	2.1
Inflation, % 2018	2.0	1.9
Unemployment rate, % 12-2018	6.4	6.6

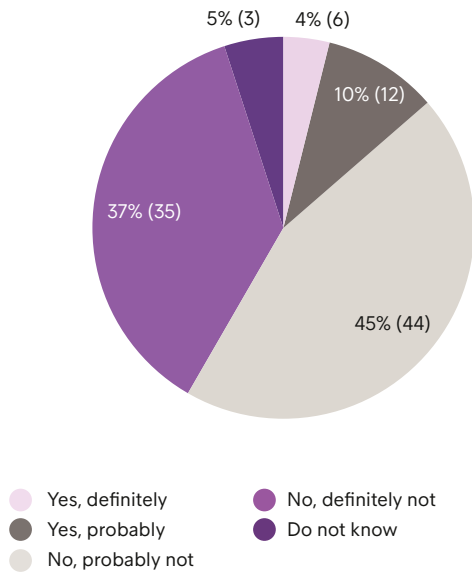
What payment terms do you allow your customers, on average?



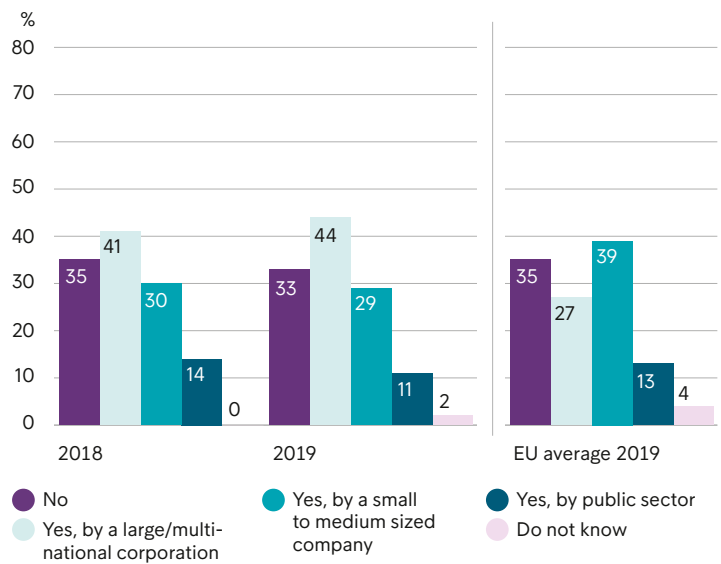
What is the average time actually taken by customers to pay?



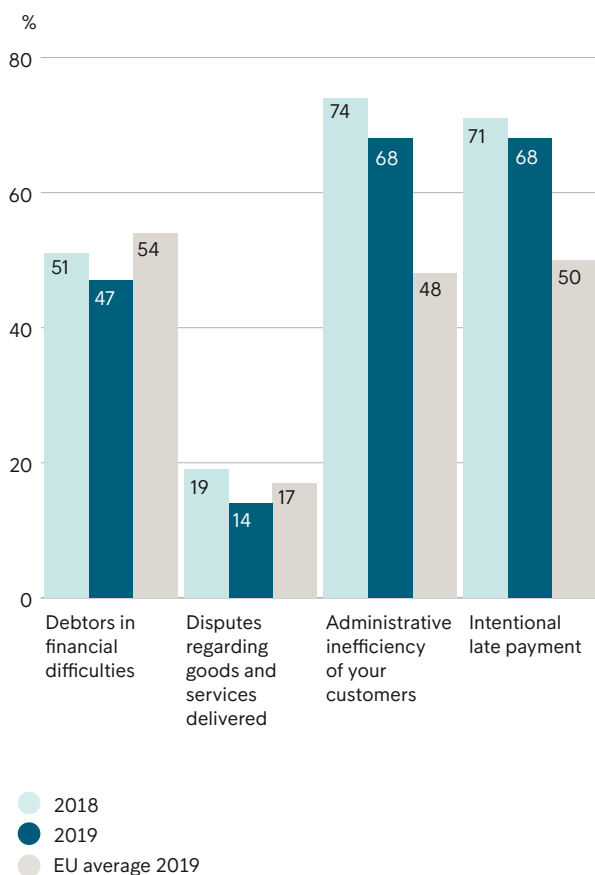
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



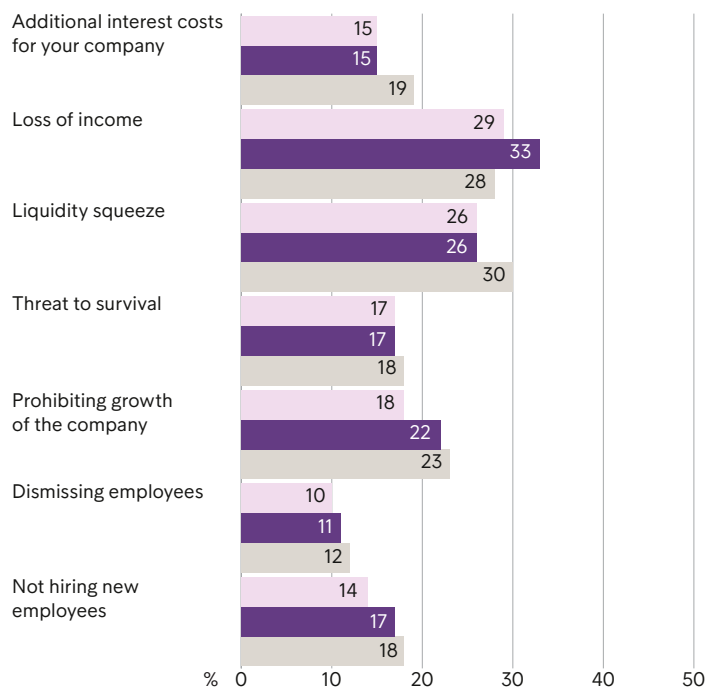
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

2018
2019
EU average 2019

Switzerland

Key findings

Swiss companies are significantly more concerned about risk from debtors in comparison to last year

One-third (37 per cent) of Swiss companies surveyed believe that risk from their debtors will increase in the coming twelve months. In 2018, the corresponding figure was 7 per cent. This year, only 6 per cent of Swiss companies estimate that the risk from debtors will decline in the next twelve months, which is a significant drop of 13 percentage points compared to 2018. For European companies as a whole, 16 per cent believe that risk from company debtors will increase in the next twelve months, while 9 per cent believe that it will decline.

Debtors who pay after the due date and credit losses raise concern for Swiss companies when it comes to payment problems

When it comes to payment problem, 71 per cent of Swiss companies surveyed express that they face problems with debtors who pay after the due date, which is substantially higher than the European average of 51 per cent. Credit losses are also found to be problematic for 61 per cent of Swiss companies, while the corresponding figure for European companies is only 47 per cent.

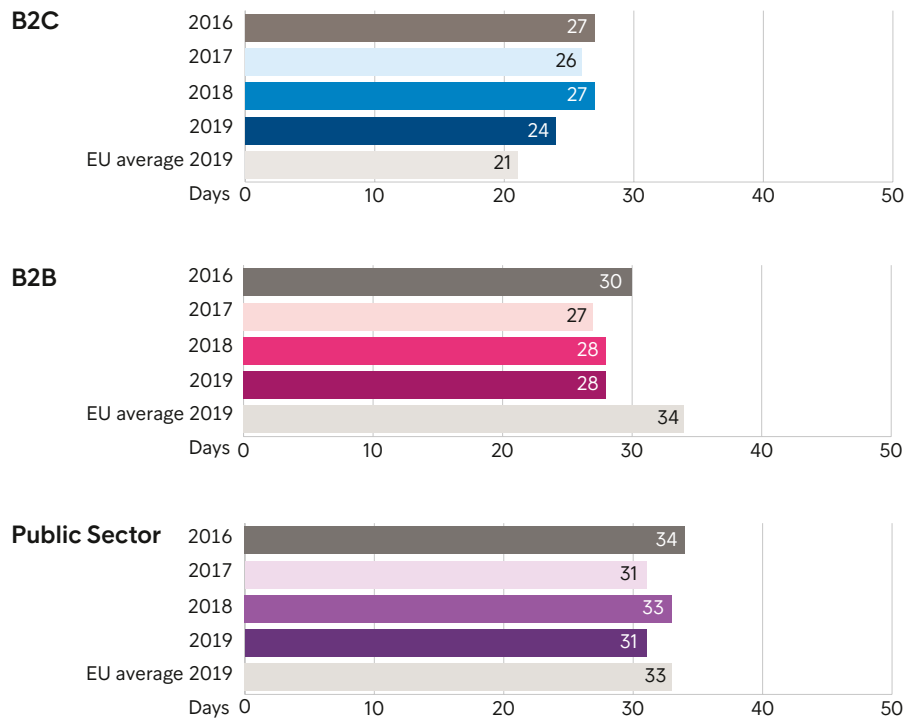
With the emergence of a cashless society, exposure to cyber-attacks and transaction data available will increase according to Swiss companies

Of the Swiss companies that believe a cashless society will occur within a decade (48 per cent), 63 per cent believe it will increase the exposure to cyber-attacks, compared to the European average of 53 per cent. 44 per cent of Swiss companies also believe that transaction data available to them will increase with the emergence of a cashless society, which is a higher reported percentage than the European average of 34 per cent.

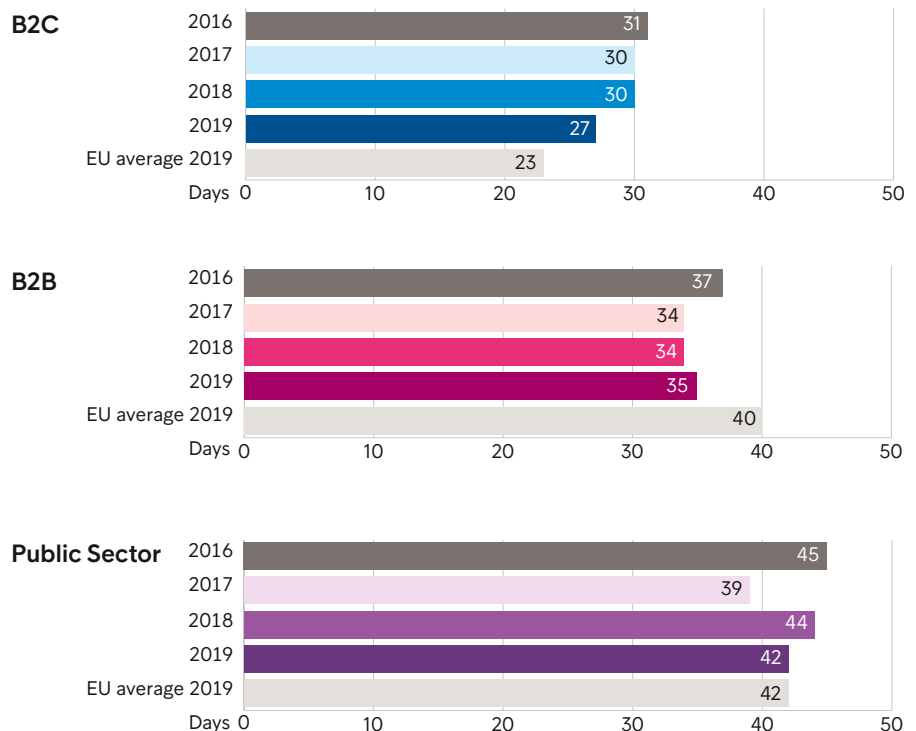
Economic development 2018

	Switzerland	EU, average
GDP per capita in euro 2018	74,748.81	30,349.34
GDP percentage growth on previous year 2018	2.4	2.1
Inflation, % 2018	0.9	1.9
Unemployment rate, % 12-2018	2.7	6.6

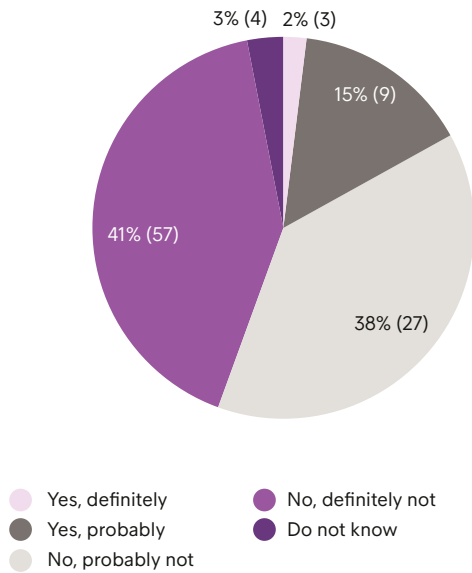
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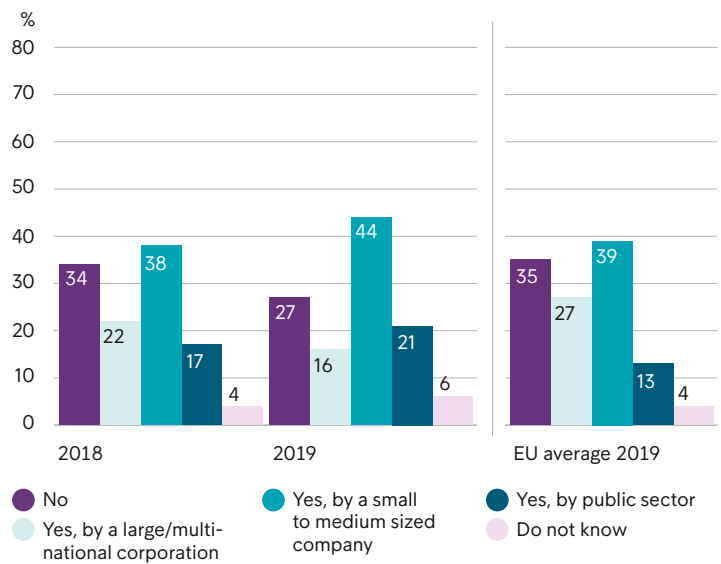
What is the average time actually taken by customers to pay?



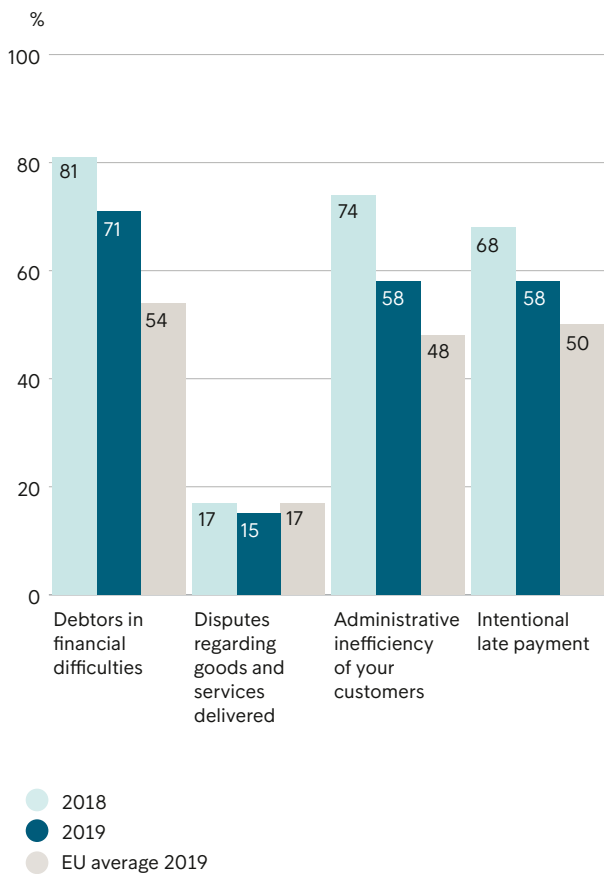
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



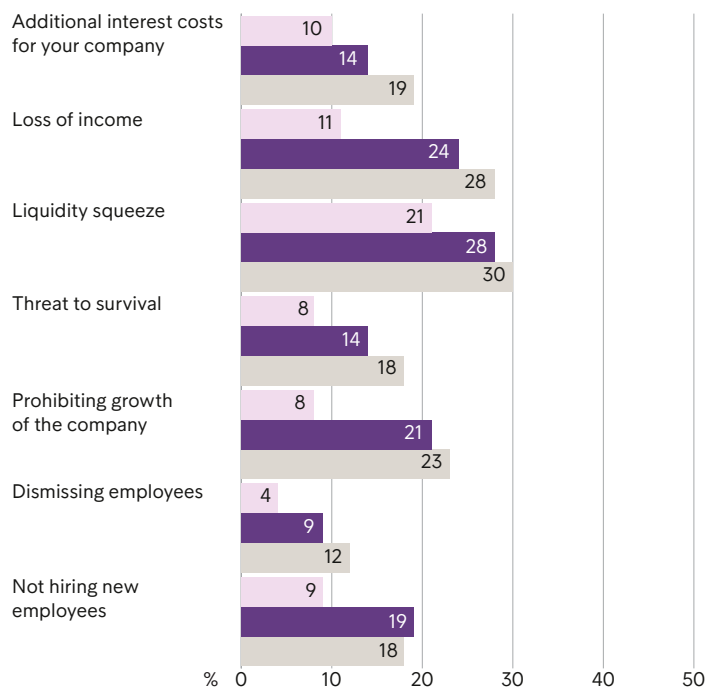
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4-5 (high impact) on a scale from 1-5.

2018
2019
EU average 2019

United Kingdom

Key findings

Currency issues, customers' payment methods and local payment culture negatively affect international payments in the United Kingdom

32 per cent of companies surveyed in the United Kingdom with international payments state that currency issues affect such payments negatively, which is twice the European average (16 per cent). Additional factors that influence international payments negatively are customer payment methods (30 per cent) and local payment culture (28 per cent). The corresponding figures for Europe as a whole are 23 per cent and 26 per cent, respectively.

Companies surveyed in the United Kingdom offer long payment terms to B2B and B2C customers

The businesses polled in the United Kingdom offer longer payment terms on average than the European average for consumer and corporate customers. Companies surveyed in the United Kingdom offer corporate customers (B2B) 45 days and consumers (B2C) 25 days on average to pay their debts. The corresponding European averages are 34 days for B2B customers and 21 days for B2C clients.

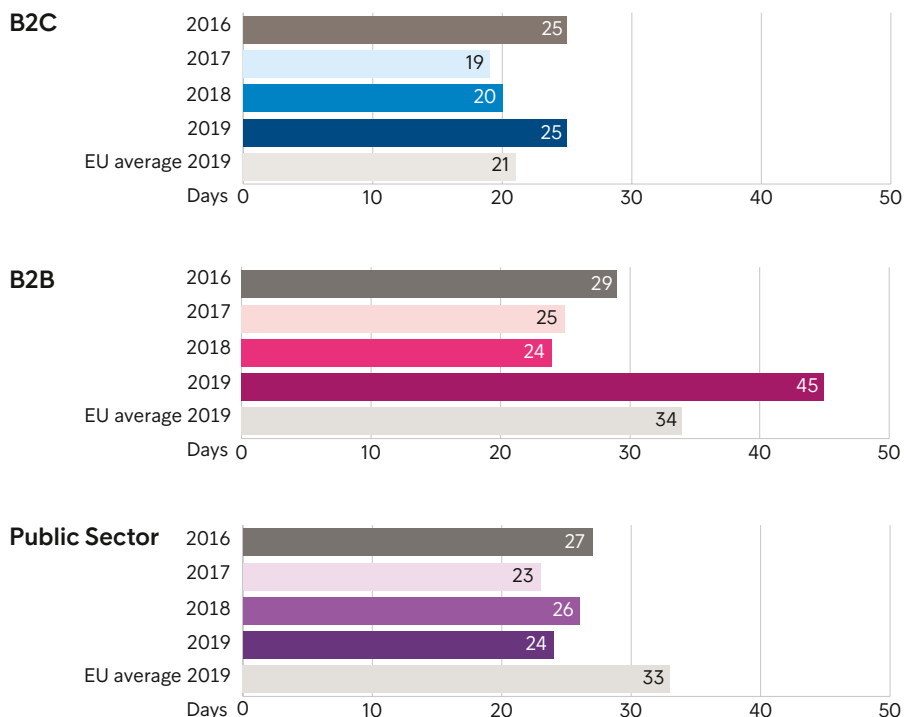
High belief among companies in the United Kingdom that a cashless society will increase exposure to cyber-attacks

Of British businesses surveyed that believe a cashless society will occur within a decade, 54 per cent believe that exposure to cyber-attacks will increase as a result. This concern is similar to the European average of 52 per cent. Forty per cent of companies in the United Kingdom also believe that the efficacy of payment routines and accounting will increase in a cashless society, which is a higher percentage than the European average of 36 per cent.

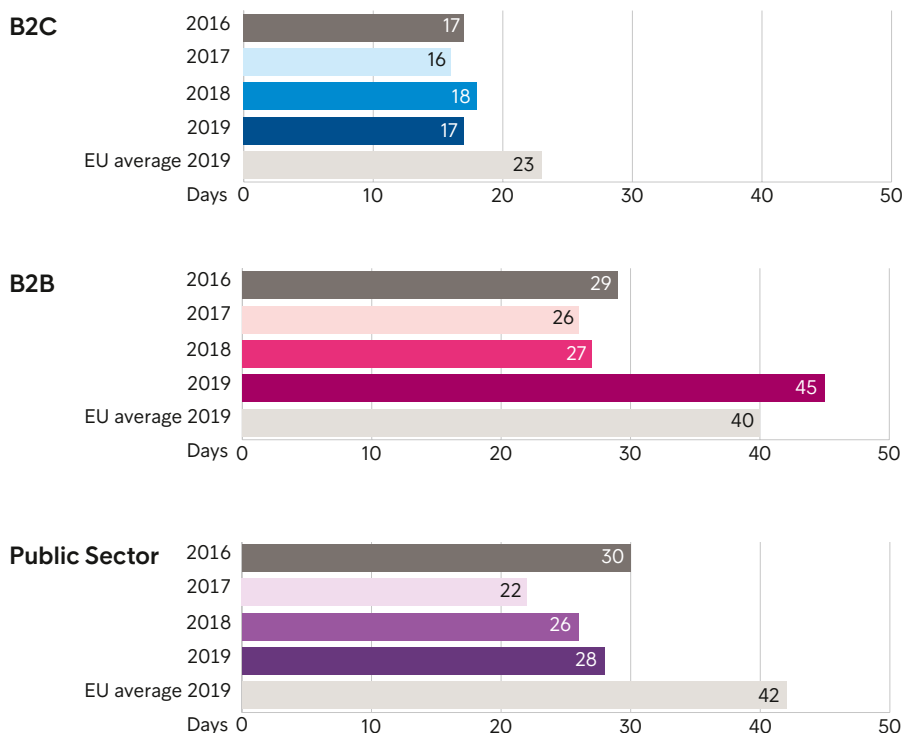
Economic development 2018

	United Kingdom	EU, average
GDP per capita in euro 2018	37,700.97	30,349.34
GDP percentage growth on previous year 2018	1.3	2.1
Inflation, % 2018	2.5	1.9
Unemployment rate, % 12-2018	3.8	6.6

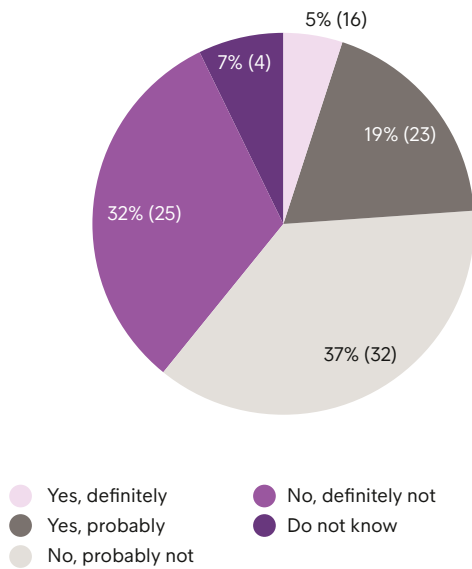
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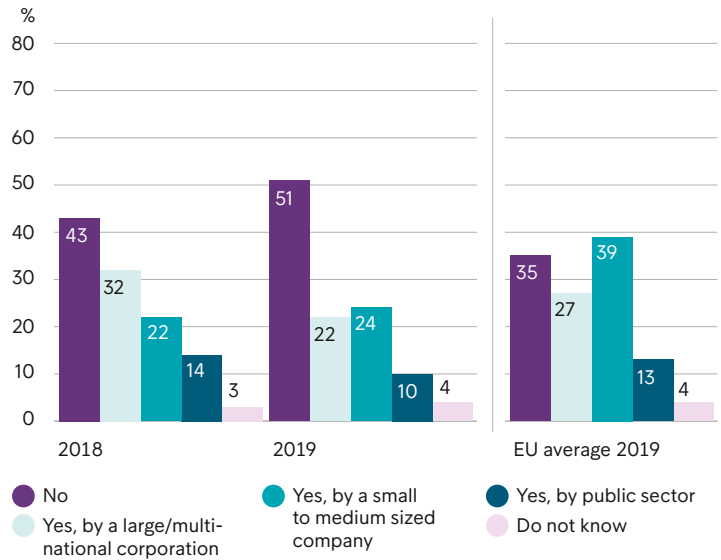
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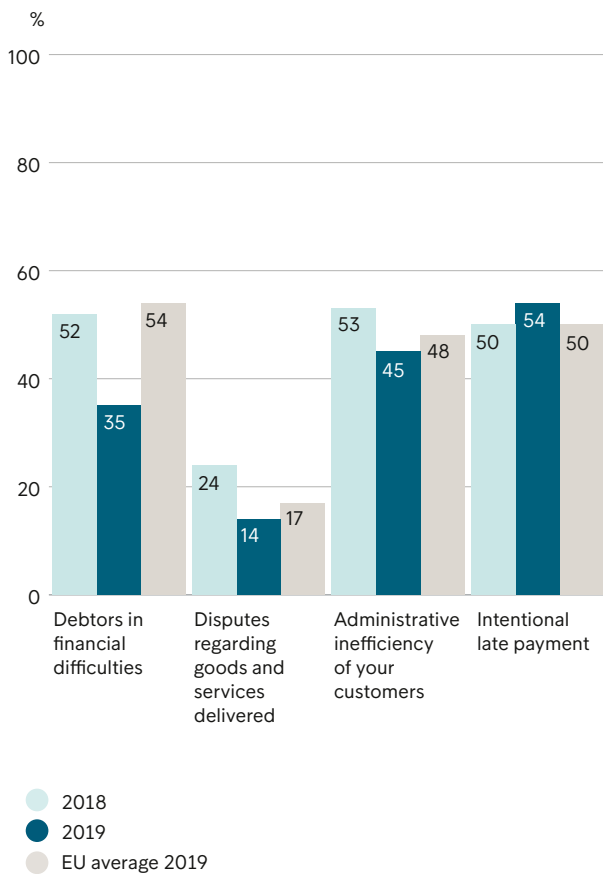
Would faster payments from your debtors enable your company to hire more employees (versus last year)?



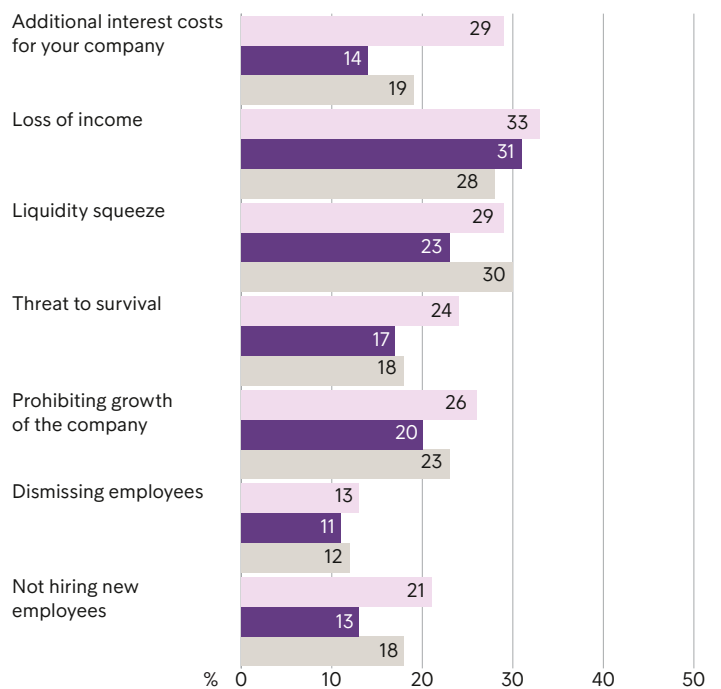
Have you been asked to accept longer payment terms than you feel comfortable with?



What are the main causes of late payment of your own customers?



How do you rate the consequences of late payments for your company with regards to:



Answers presented above are only 4–5 (high impact) on a scale from 1–5.



About the report

Intrum has published the European Payment Report on a yearly basis since 1998. This is the 21st Annual Edition of the report.

The report is based on a survey that was conducted simultaneously in 29 European countries between 31st of January and 5th of April. A total of 11,856 companies across Europe participated in the research.

The content of the report is developed by Intrum in cooperation with Prime and United Minds. Design by Passion/Jeanette Friman. The report is published June 2019.

Through the comprehensive survey among European companies, Intrum generates awareness and debate among politicians and the media regarding how late or non-payments impact economies in Europe.

Intrum participates in seminars and meetings in Brussels to inform EU delegates of the situation and the best approach for working towards a sound economy and secure payments in Europe.

Since 2013 Intrum has, as the representative of the business community, spoken about the consequences of late payments to the European Union. Intrum continues through 2019 to participate in dialogue with the EU Commission on how to make the implementation of the Late Payment Directive as effective and forceful as possible. The Late Payment Directive recommends that payment periods for companies to be at most 60 days and for public authorities 30 days.

Information about the survey

The European Payment Report is based on a survey that was conducted simultaneously in 29 European countries between 31st of January and 5th of April 2019. In this report Intrum gathered data from 11,856 companies across Europe to gain insights into the payment behaviours and financial health of European businesses. The companies are selected randomly based on size and industry.

The research was conducted through web panels, telephone interviews and online survey participation (web questionnaire). The questionnaire was translated into the respective national language. Dispatch and return of the questionnaires was carried out on a decentralized basis by the countries concerned, whereas the analysis was carried out centrally in accordance with predetermined guidelines and validation rules.

All information has been verified and uncertainties were not included in the evaluation.

Following sub-contractors have supported in the data collection:

Bellresearch (Hungary)
 Crystal Call (Slovakia)
 Cuneo (Spain)
 Data diggers (Bulgaria, Ireland, Slovenia, Bosn.&Herzeg., Serbia, Croatia, Greece, Germany)
 Gallup (Austria)
 GPF associate (Italy)
 Kantar TNS (Latvia, Lithuania, Estonia)
 Markteffect (Belgium, UK, Netherlands, France, Switzerland)
 Mkor (Romania)
 Norstat (Norway)
 S8 (Poland)
 Unisono (Spain)
 Weberschandwick (Czech Rep.)
 Sweden, Finland and Portugal are the only countries where Intrum is fully responsible for collecting all data in the research.

The structure of the sample

Company size:

Up to 19 employees	81 %
20 to 49 employees	8 %
50 to 249 employees	6 %
250 to 499 employees	2 %
500 to 2,499 employees	2 %
More than 2,500 employees	1 %

Business sector:

Agriculture, forestry and fishing	6 %
Mining and quarrying	0.1 %
Electricity, gas, steam and air conditioning supply	1 %
Manufacturing	8 %
Construction	10 %
Wholesale and retail trade	20 %
Transportation and storage	4 %
Accommodation and food service activities	4 %
Information and communication	4 %
Financial and insurance activities	1 %
Real estate activities	3 %
Professional, scientific, technical, administration and support service activities	15 %
Public administration, defense, education, human health and social work activities	5 %
Other services	19 %

Explanation of economic indicators

The Eurostat data presented in the report refers to 2018, or in some cases 2017, if that is the latest year for which annual data is available, as of April 2019. The unemployment rate is presented as the annual average for 2018. For countries where Eurostat data is unavailable, data has been sourced from the applicable national statistics office.

Gross domestic product (GDP)

Gross domestic product (GDP) is a measure for economic activity. It is defined as the value of all goods and services produced less the value of any goods or services used in their creation.

GDP growth rate

GDP growth rate is presented as change in percentage on previous years. The calculation of the annual growth rate of GDP volume

allows comparisons of economic development both over time and between economies of different sizes, irrespective of changes in price. Growth of GDP volume is calculated using data at previous year's prices.

Unemployment rate

Unemployment rate represents unemployed persons as a percentage of the labour force.

The labour force is the total number of people employed and unemployed.

Inflation rate

All information given represents the annual average rate of change in Harmonized Indices of Consumer Prices (HCIP). The inflation rate is the rate of increase of the average price level.

Legal disclaimer

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The full European Payment Report can be downloaded as a pdf document at intrum.com/epr2019.

Our other publications

Intrum is the undisputed market leader in credit management in Europe. We help companies succeed by taking care of their customers and considerably helping people pay. Intrum is leading the way towards a sound economy where payment flows work, and people become debt free. We have a lot of insights and knowledge regarding the late or non-payment impact on economies throughout Europe.

Intrum actively participate in seminars and meetings in Brussels to inform EU delegates of the situation and the best approach to secure payments in Europe. Through our publications you can learn more about the development of late payment trends from a local, regional and pan European view.



Country specific EPR

The results from European Payment Report (EPR) is published in country specific reports across all 24 European markets where Intrum is present, describing the impact late payment has on national level.

Download the latest report at your local Intrum webpage.



European Industry White Paper

The European Industry White Paper looks at the impact of late payment behaviour from a sectoral perspective, based on the survey conducted for European Payment Report. The Industry White Paper includes key findings on the European level, in addition to a national analysis from the perspective of selected business sectors in each country where Intrum is present.

Download the latest report at www.intrum.com/whitepaper2018



European Consumer Payment Report

The European Consumer Payment Report (ECPR) is based on an annual survey conducted in 24 European countries covering over 24,000 respondents throughout the continent. The report provides insights to European consumers' views on their economic outlook, and aim to gain insight in European consumers' everyday life; their behaviour of spending, behaviour of paying for products and services, perception on credit and ability to manage their household finances on a monthly basis.

Download the latest report at www.intrum.com/ecpr2018



Nordic Debt Collection Analysis

The Nordic Debt Collection Analysis (NDCA) seeks to close the knowledge gap between debt collection and the general economic development. The analysis provides insight on which direction the default market is currently heading and to point out the key drivers behind the observed market movements. The analysis is based on our internal data.

Download the latest report at www.intrum.com/nordic-analysis2019

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