

9th Annual Edition

European Consumer Payment Report 2021

intrum

Intrum in brief

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Intrum's purpose is to lead the way to a sound economy. A credit market in which people and companies can efficiently provide and receive credit is a prerequisite for the business community to be able to function. The opportunities increase for a society and its economy to flourish if companies are paid on time, as this enables them to invest, employ and grow – at the same time, individuals lift themselves out of debt and are therefore able to improve their circumstances.

A client offering provided through two service lines

We work with late and non-payments. We ensure that companies are paid by offering two types of services – credit management services and portfolio investments. We perform credit management services on behalf of companies to ensure that their customers pay them for the goods and services they sell. In our portfolio investment operations, we assume responsibility for overdue receivables, whereby we pay the client and then seek a solution with the customer for settling the receivable. Beyond this, we offer a full range of services covering companies' entire credit management chain.

10,000 employees take care of 250,000 customer contacts

About 10,000 people work at Intrum. We help our clients develop by caring for their customers. This is achieved through the roughly 250,000 customer contacts that our employees have on a daily basis, in which we help people and companies become debt-free while our clients secure payment.

80,000 clients in 25 countries

Intrum has some 80,000 clients in the 25 countries in which we operate. They are active in many sectors, and we specialise in assisting major companies and financial institutions with large volumes of receivables. Our clients also include tens of thousands of small and medium-sized companies.

Three strategic sustainability areas driving our efforts to achieve a sound economy

Enable sustainable payments

By ensuring sustainable payment flows between companies and individuals, we fulfil an important function in society and promote a sound economy.

Growing by making a difference

Our market-leading position allows us to drive the development of the entire industry in a more ethical direction, thereby creating value and meaning for our employees.

Being trusted and respected

A basic prerequisite for us to succeed in our efforts is that we have the complete trust of our clients and their customers.

Hope takes hold

The outlook is distinctly brighter now than it was 12 months ago, when we published our last European Consumer Payment Report. With most adults in the EU now fully vaccinated against Covid-19, the economic recovery appears at last to be taking hold. Some economists suggest that European businesses are 'roaring back' and outpacing the recovery in China and the US.¹

At the time of writing, there are many reasons to be hopeful. Still, it would be premature to believe that the crisis is over. The recovery is, for example, arriving for some consumers and some regions faster than it is for others. We also do not know how evolving challenges – including supply chain bottlenecks, rising energy prices, and the emergence of new strains of the virus – will impact consumers' financial wellbeing in the months ahead.

Our survey highlights three key trends:

The recovery is revealing inflation fears as well as generational and geographic divides

It's been many years since inflation was last a cause of widespread concern in Europe. Today, however, consumers tell us that they are worried about rising prices having a negative impact on their personal finances. Many also believe that their financial wellbeing will be at risk for some time to come, with a significant minority expecting the crisis to affect their finances for at least another 12 months.

We also see how the pandemic has left some countries and consumer groups worse off than others. As a business, we have seen how the pandemic has deepened existing inequalities, and this also plays out in the survey. Those in low-income households are, for example, more likely to be worse off now than they were before the crisis. There is also a growing generational divide, with many more Gen Z consumers (aged 18 to 21) than Baby Boomers (55 and up) saying they are worse off. Consumers in Southern and Eastern Europe are also disproportionately more likely to have been affected.

Consumers are embracing sustainable behaviours, creating new challenges for businesses

Over the last 12 months, Europe has seen a series of devastating weather events, which have ensured that climate and the environment remain front of mind. Our study suggests that these concerns are increasingly influencing consumer behaviour, with many saying that they don't want to give their money to a company that they knew harmed the environment.

This sentiment has broader implications for customer payments. We find consumers – especially Gen Z respondents – having no second thoughts about paying a company later than agreed if they thought that company was unethical. While it's true that consumer intentions don't always translate into action, businesses would be wise to pay attention to this growing trend.



Consumers see an opportunity for future stability but need help to secure financial wellbeing

In our 2020 research, we found that consumers were enriching their financial literacy to help them manage the impact of the pandemic on their finances. Encouragingly, this year's study suggests that many have upheld this ambition. The crisis has motivated consumers to set targets to better manage bills, while the majority of parents say they are spending extra time helping their school-age children understand financial terms and principles.

Considering the challenges posed by inflation and other economic developments, consumers would be right to deepen their understanding of financial matters. It is concerning, however, that there is still plenty of uncertainty about how inflation would affect people's savings. Many would likely also benefit from exploring what rising interest rates might mean for their household finances.

Foundations of financial wellbeing

The economic and social fallout that we have lived through has been unprecedented in modern times. Despite the economic rebound, many consumers face financial challenges for many years to come. As they look ahead, financial literacy and planning will be key to building a stable future for themselves and their families.

Intrum's purpose – to lead the way to a sound economy – is at the heart of our business. Speaking to 250,000 people in debt every day, we are passionate about helping consumers improve their financial literacy, helping them make responsible decisions about their borrowing and debt management. In so doing, we can help pre-empt late payments and excessive debt, and encourage sustainable payment flows to help businesses thrive.

Anders Engdahl
President & CEO Intrum

¹ <https://www.ft.com/content/4d0cde78-fbdd-4091-be8b-4a5a0fea2466>

Pan-European key findings

The crisis enters new phase



1. The recovery is revealing inflation fears

Normality is returning to Europe. Restaurants and theatres are opening their doors, employees are heading back to their offices, and tourists are flocking to holiday destinations.² But we are certainly not yet out of the woods. In the European Consumer Payment Report (ECPR) 2021, we find the pandemic casting a long shadow over consumers' financial wellbeing.

Across Europe, four in 10 (43 per cent) consumers believe that Covid-19 will have a negative impact on their finances for at least another 12 months. Almost a quarter (22 per cent) predict it will be two years or more until their financial wellbeing returns to normal.

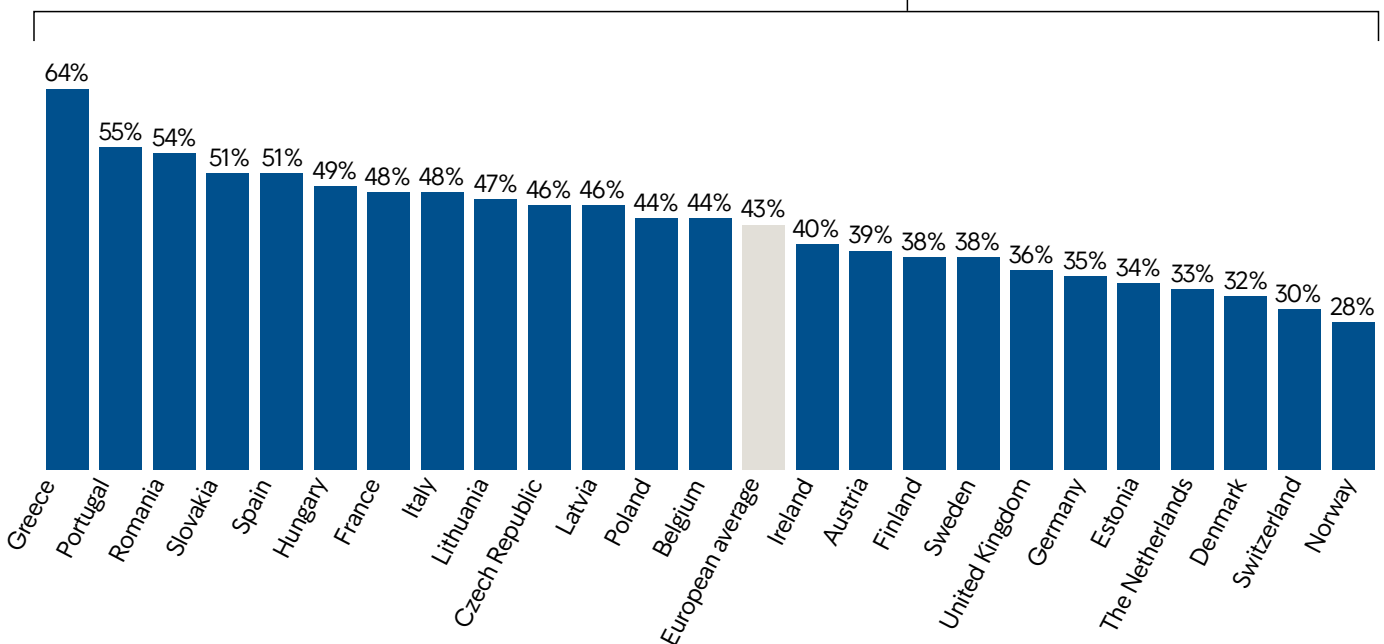
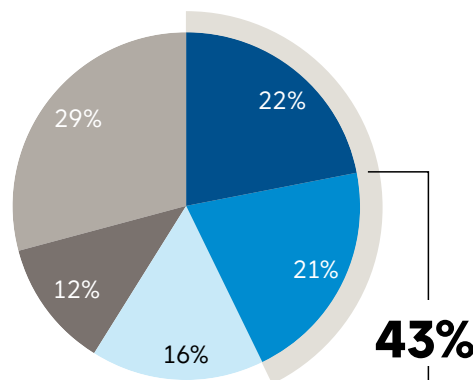
Looking at country by country, it seems like Southern Europe is expecting a long recovery, with Greek consumers (64 per cent) and Portuguese consumers (55 per cent) expecting it will take more than 12 months until things return to normal.

2) <https://www.schengenvisainfo.com/news/how-europes-top-tourism-destinations-are-opening-for-summer-2021-a-country-by-country-guide/>

To your best estimate, when do you think Covid-19 will stop having any negative impact on your financial wellbeing (i.e. your ability to pay bills or put money into savings)?

European average

- More than two years
- Between a year and two years
- Between six months and a year
- Less than six months
- Covid-19 has already stopped having, or has never had, any negative impact on my financial wellbeing



39%

of European consumers answered incorrectly when asked to calculate inflation.

Inflation fears are causing sleepless nights

As the recovery picks up, rising inflation across Europe is making some consumers worse off financially. This, in turn, is restricting spending power and rattling labour markets. Workers in Germany have gone on strike to demand wage increases in line with the country's inflation rate, which hit 4.1 percent in September 2021 – a 29-year high³.

Prices are rising after a long period in which consumers became accustomed to low inflation, with rates in the EU averaging at 1.6 per cent between 2009 and 2019.⁴ As inflation grows, some seven in 10 (69 per cent) are concerned about its impact on their financial well-being, and it's likely that many would struggle to accommodate a general hike in prices. According to our survey, four in 10 have less than 20 per cent of their salary left after paying bills.

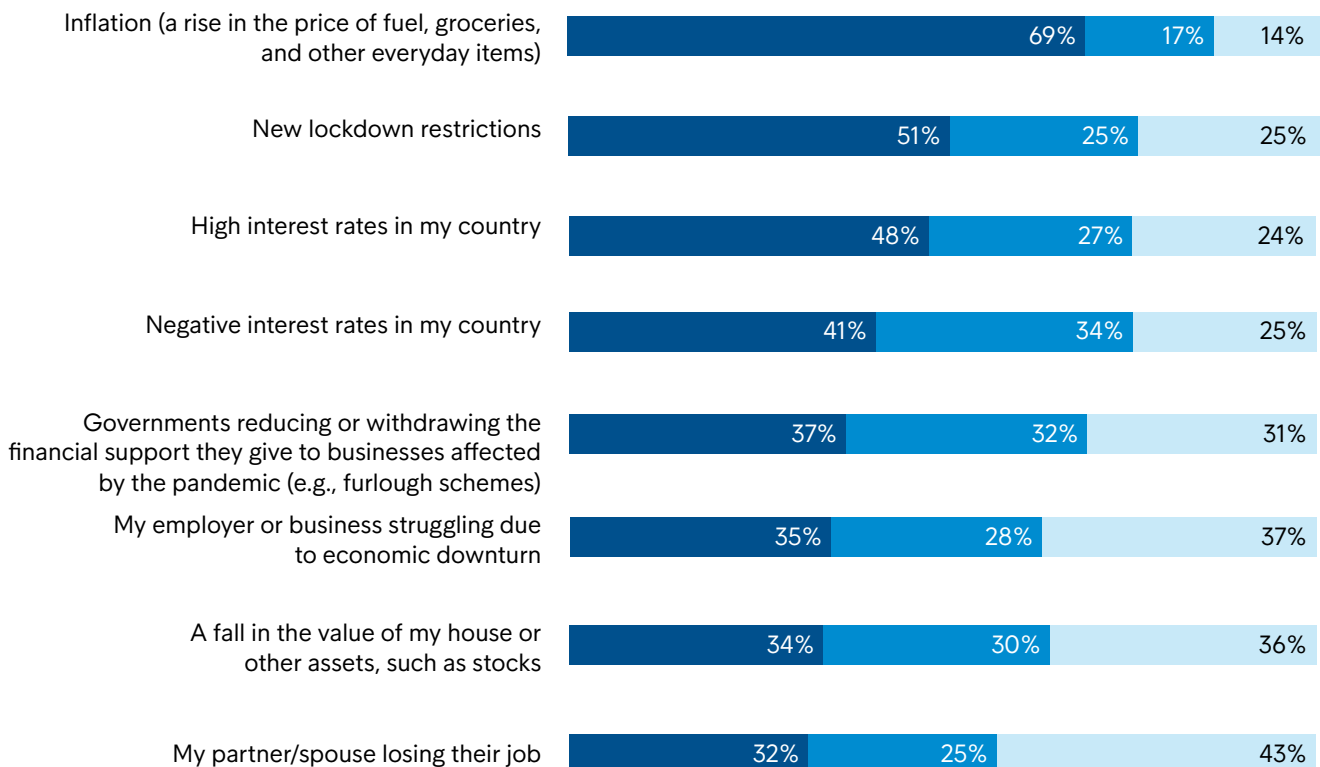
Price volatility will impact credit demand and defaults. Supply chain disruption, along with higher energy prices, has increased producer prices significantly in 2021. In addition, salary inflation has not grown at the same pace across Europe, with some countries in Southern Europe experiencing the lowest wage growth in the continent relative to inflation rate. As a result, Southern European consumers could be more at risk of default.

Inflation in Europe is most likely a temporary phenomenon, as it is not being driven by high pressure on the demand side, but we can expect to see a growing need for credit and higher default rates among certain consumer groups. On the other hand, consumers who have saved money during the pandemic will be better placed to meet higher costs without falling into payment difficulties. This again highlights the growing polarisation between different consumer groups.

3) <https://www.politico.eu/article/eurozone-inflation-hits-3-4-percent-in-september/>
4) <https://ec.europa.eu/eurostat/databrowser/view/tec00118/default/table?lang=en>

To what extent, if at all, are you concerned about the following having an impact on your financial wellbeing?

● Concerned ● Neutral ● Not concerned



Uncertainty adds to the pressure of rising bills

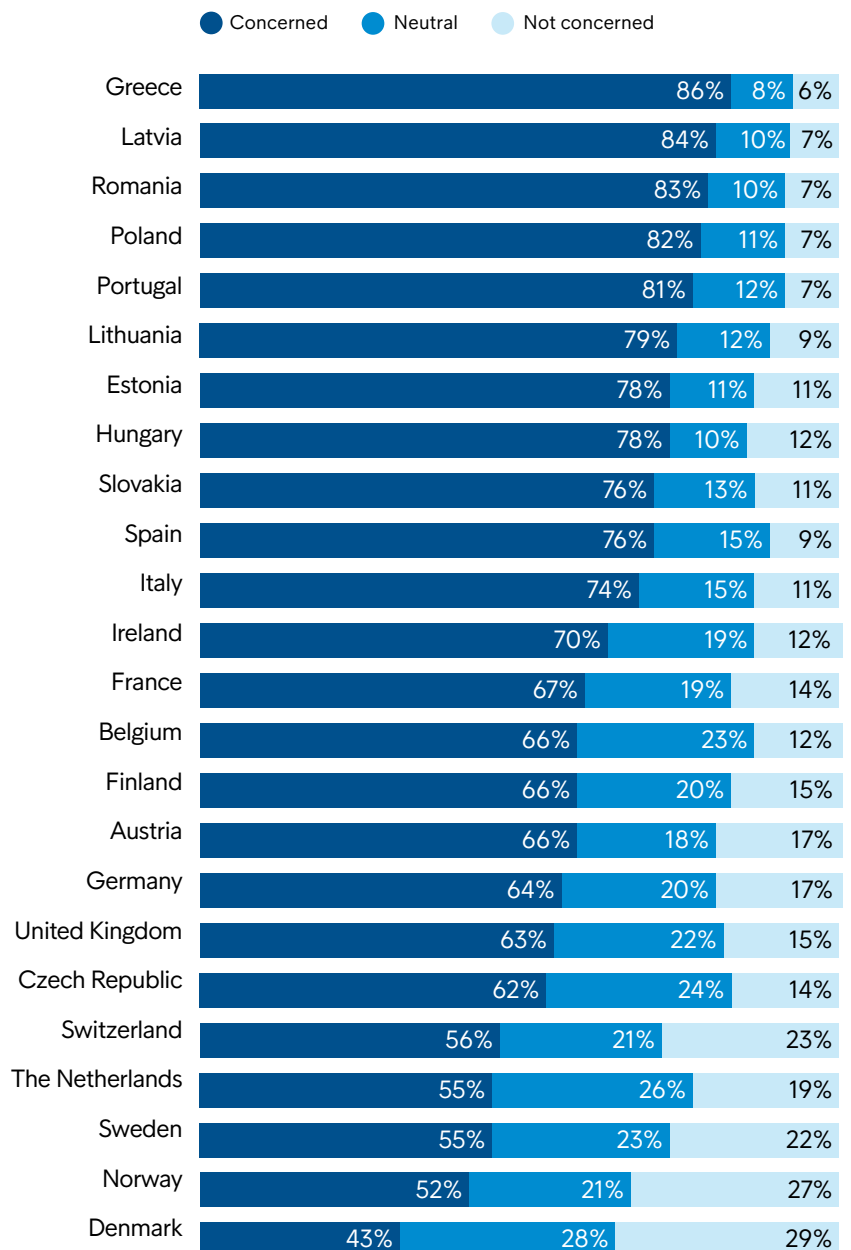
Financial anxiety is most acute in countries such as Greece, where 86 per cent are worried about the effect of inflation on their financial wellbeing, followed by Latvia (84 per cent) and Romania (83 per cent). Countries in Northern Europe such as Denmark (43 per cent), Norway (52 per cent), and Sweden (55 per cent) are the least concerned.

Inflationary pressures in Romania and Poland have already seen both countries hike their interest rates – the latter for the first time in almost a decade – following rises elsewhere in central Europe.⁵

There is uncertainty about what inflation would mean for household finances. Just 62 per cent of consumers understand how their money would be affected if inflation were higher than the interest rate on their savings, which highlights the need for stronger financial education – even if many households may be forced to learn quickly.

5) <https://www.bloomberg.com/news/articles/2021-10-06/poland-unexpectedly-raises-interest-rates-after-inflation-surge>

To what extent, if at all, are you concerned about the following having an impact on your financial wellbeing? (filtered by Inflation)





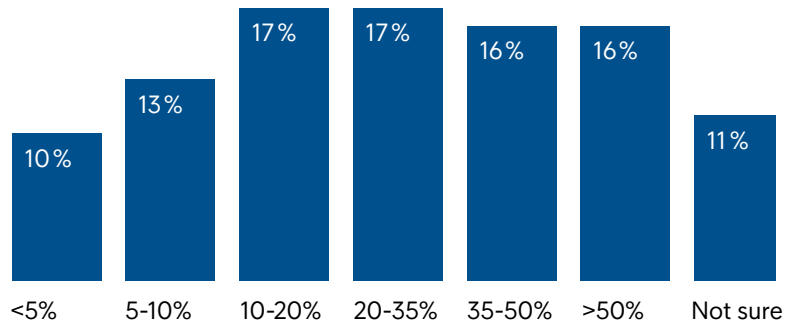
Anna Zabrodzka
Senior Economist
Intrum

“The pandemic has left some groups of consumers worse off and some have taken on additional debt to make ends meet. Our survey finds that many have lost track of how much they owe in total. Given this and increasing inflation, we expect more payment problems in the future. Businesses will need to review their credit management strategies to meet the challenges ahead and reduce credit losses.”

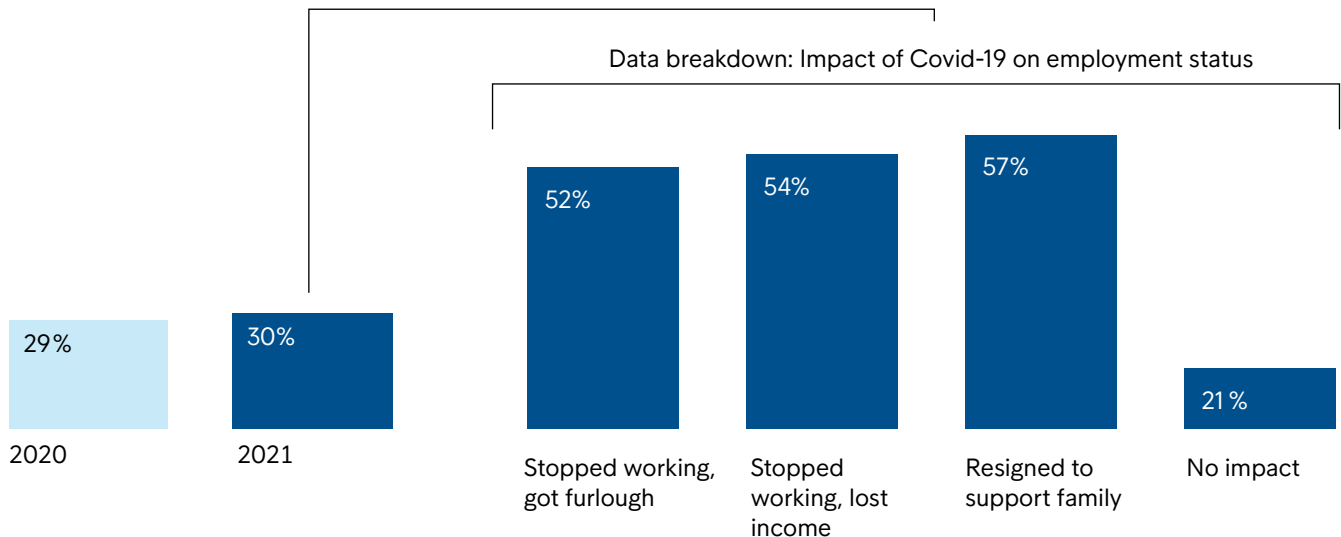
40%

of European consumers have less than 20 per cent of their salary left after paying all monthly bills.

What percentage of your monthly salary is left after you have paid all of your household bills (including rent/mortgage/utilities and any loan/credit card repayments)



During the last 12 months, have you at one or several times not paid a bill on time? (yes)



51%

of Greek consumers say they have missed paying one or several bills on time the past year, ranking highest in Europe.

Barriers to paying bills on time

Across Europe, an average of three in 10 consumers say they were late in paying a bill over the last 12 months.

Greek consumers rank highest in Europe when it comes to missing bill payments, with 51 per cent saying they have done this once or several times during the last 12 months. The issue is not, however, confined to the least wealthy countries in our survey, as 42 per cent of consumers in Finland and Norway have also recently paid bills later than agreed.

One important difference, however, is that debt collection cases are decreasing in the Nordics. This suggests that businesses have been more flexible on the debt collection process during the pandemic, and that consumers are more likely to pay the reminder before the invoice goes to debt collection.

This trend is visible in our survey findings. When we asked consumers why they did not pay on time, four in 10 Northern European consumers say they simply forgot to pay the invoice.

On the other end of the spectrum, in Southern Europe, access to money seems to be the principal challenge. 45 per cent say they did not have the money to pay on time, and 24 per cent say they lost income due to Covid, the highest number in Europe.

Social welfare systems are broader and more generous in Northern Europe. If consumers lose their job in this region, they will experience a smaller drop in income than those in Southern Europe. This helps explain why we see the differences in the results.

What were the reasons for not paying your bill(s) on time? (Top 3 reasons per European region)



Recovery rates differ by region and income

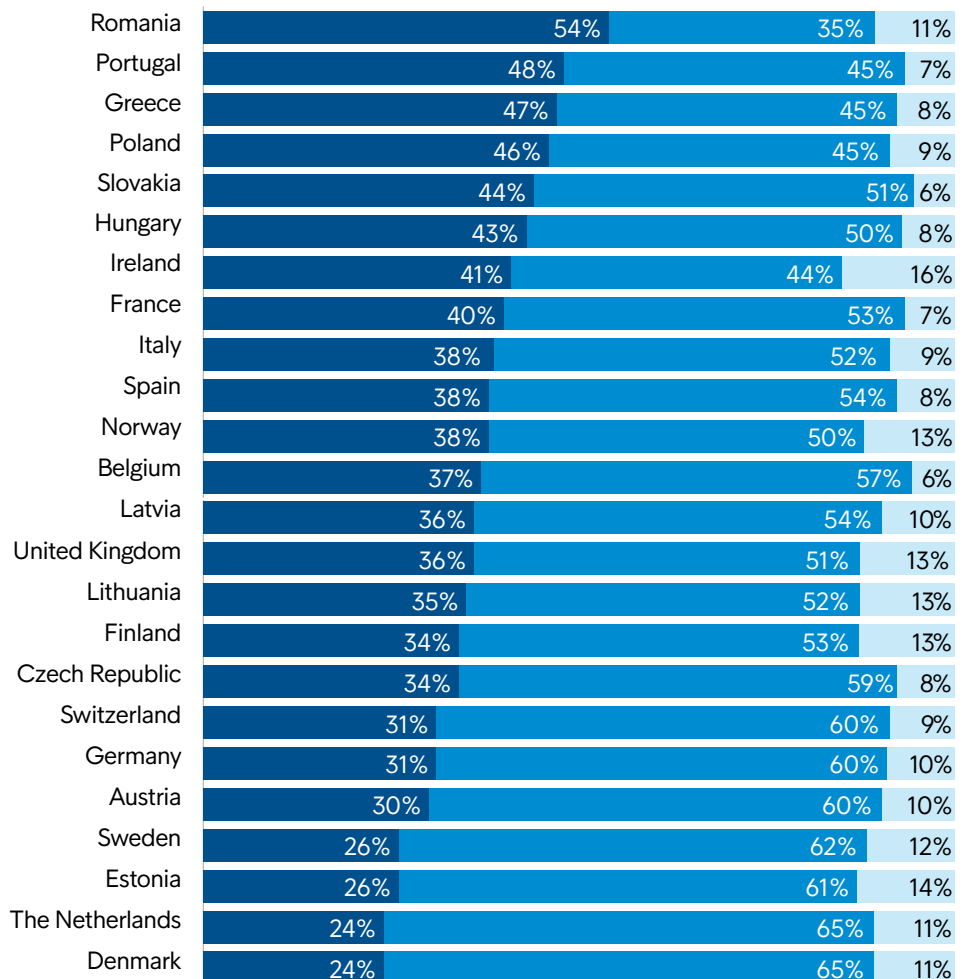
The recovery is coming faster to some countries than others. The outlook is worst in Southern Europe, whose countries were the first to feel the impact of the health crisis in the very beginning of 2020 due to their economies' relatively high share of tourism and the severity of their lockdown measures⁶. These countries' economies also rely more heavily on sectors that are inherently less flexible⁷. More than half (54 per cent) of respondents in the region expect at least another year of financial disruption.

Our findings lay bare the damage that the pandemic has wrought on household incomes, and how disproportionately it has impacted different countries and demographic groups. Almost four in 10 (37 per cent) say they are poorer today than they were before the crisis began, but the figure rises to 44 per cent in Eastern Europe, and 43 per cent in Southern Europe. By comparison, it is just 31 per cent in Northern Europe. Intrum's data from the Nordics also points to a fall in debt-collection cases among those under 30 in the region.

6) <https://www.bruegel.org/2020/09/why-has-covid-19-hit-different-european-union-economies-so-differently/>
7) <https://www.economist.com/graphic-detail/2020/04/17/viral-vulnerabilities>

Which of the following best describes your overall financial wellbeing today (i.e., your ability to pay bills or put money into savings), compared with how it was before the pandemic?

● I am worse off than I was ● I am about the same ● I am wealthier than I was



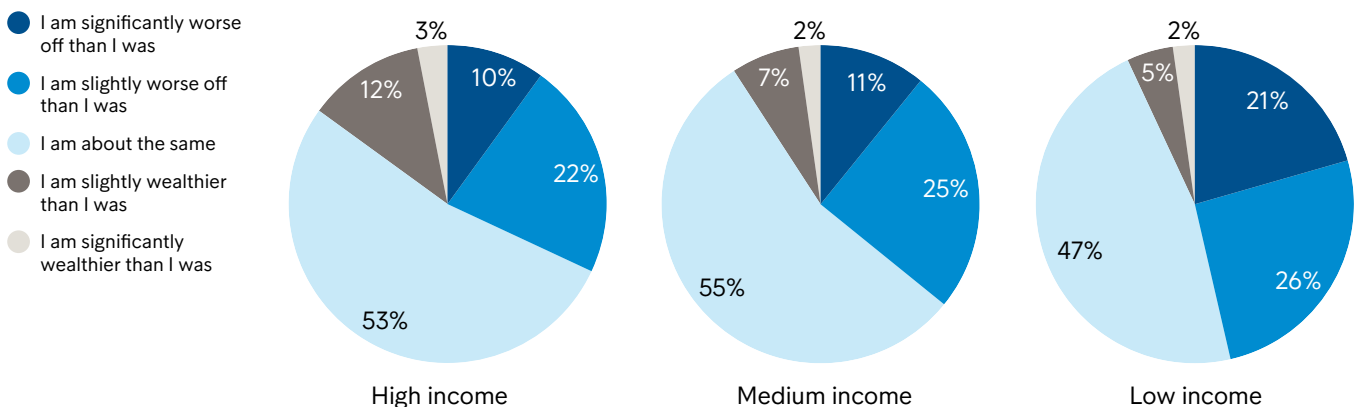
Individuals in low-income households, who are more likely to experience poor health than their wealthier peers⁸, have been particularly badly affected. Last year, our European Consumer Payment Report signalled the beginning of increased inequality for vulnerable consumer groups, with 40 per cent of respondents on low income reporting a drop in earnings because of the crisis, versus 32 per cent of those with high incomes.

Today, almost one in two (47 per cent) consumers in lower-income households indicates that they are poorer than they were, and one in five (21 per cent) is significantly worse off following the pandemic.

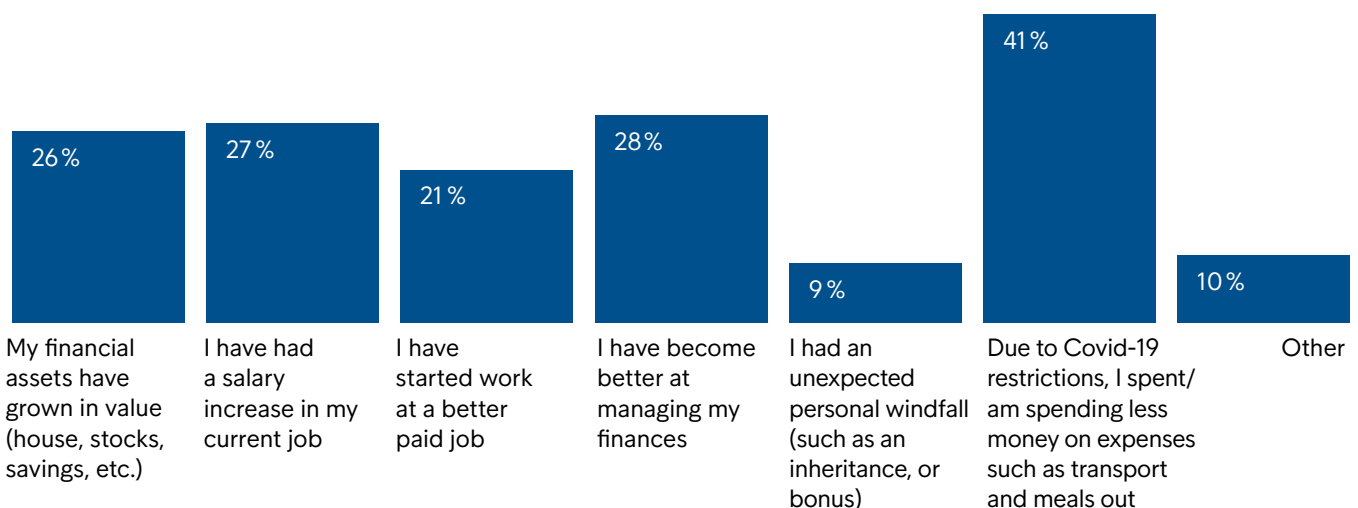
By contrast, consumers in countries including Ireland (16 per cent) Estonia (14 per cent), Finland (13 per cent) and the UK (13 per cent) are most likely to say they are wealthier than they were before the pandemic, versus 10 per cent on average across Europe. The most common reason given is reduced expenditure on transport and meals out, because of lockdown restrictions.

8) <https://www.health.org.uk/publications/long-reads/living-in-poverty-was-bad-for-your-health-long-before-COVID-19>

Which of the following best describes your overall financial wellbeing today (i.e., your ability to pay bills or put money into savings), compared with how it was before the pandemic?



You indicated that you are wealthier now than you were before the pandemic. Why is that?



Younger adults bear the brunt

The economic fallout of the crisis continues to put younger people under strain. Nearly a third of all consumers in our study (31 per cent) say they had to stop working at some point during the pandemic, and more than half of these consumers (53 per cent) were aged 18 to 37. This finding echoes our 2020 report, in which 50 per cent of Gen Z consumers – those aged 18 to 21 – said Covid-19 had decreased their income, versus 15 per cent of working-age Baby Boomers.

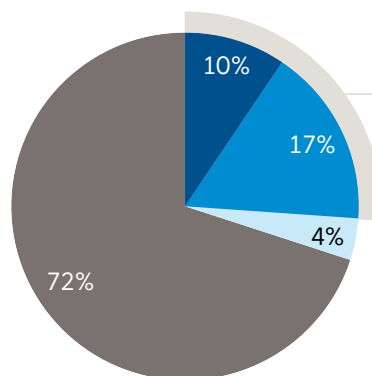
In our study, we find that four in 10 (43 per cent) Gen Z respondents are worse off than they were before the crisis, compared with 30 per cent of Baby Boomers. One explanation for this is that there are significantly more students among Gen Z respondents, and students are more likely to have been employed in hospitality, tourism and other sectors hit hardest by the pandemic⁹.

⁹ <https://www.oecd.org/coronavirus/en/data-insights/young-people-and-women-hit-hard-by-jobs-crisis-august-2020>



In what ways has the Covid-19 pandemic, since it began, affected your employment situation? (age split)

- Stopped working, got furlough
- Stopped working, lost income
- Resigned to support family
- No impact



Split by age groups	Stopped working
18-21	48%
22-37	40%
38-44	33%
45-54	25%
55-64	18%
65+	6%
Millennials	38%
Boomers	12%

58%

of European women are concerned that they will not afford a comfortable retirement, compared to 50 per cent of European men.

10) <https://www.ft.com/content/239c95cc-d34f-43e9-a61e-faa7954277b6>

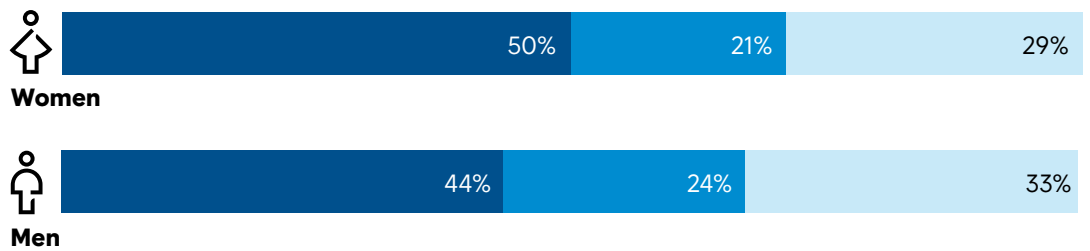
Women more concerned about financial wellbeing than men

Our findings show little gender variation among those whose financial situation has been, to date, adversely affected by the Covid-19 crisis. In our study, around the same proportion of women and men say they are worse off now than they were before Covid-19.

Women are, however, more likely than men to say that their income is growing at a slower rate than their bills (50 per cent compared to 44 per cent) and are also noticeably more worried about rising inflation (73 per cent versus 65 per cent of men) and the impact of new lockdown restrictions on their finances (54 per cent versus 48 per cent of men). These concerns are perhaps reflective of recent analysis which highlights that the wage gap in Europe has grown since 2019, with women in the UK getting paid 87p for every £1 paid to men¹⁰.

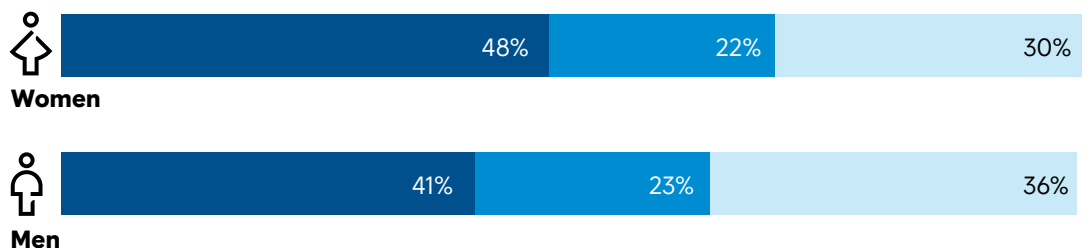
“My bills are increasing at a higher rate than my income”

- Agree
- Neither agree nor disagree
- Disagree



My concerns about rising bills are having a negative effect on my general wellbeing”

- Agree
- Neither agree nor disagree
- Disagree

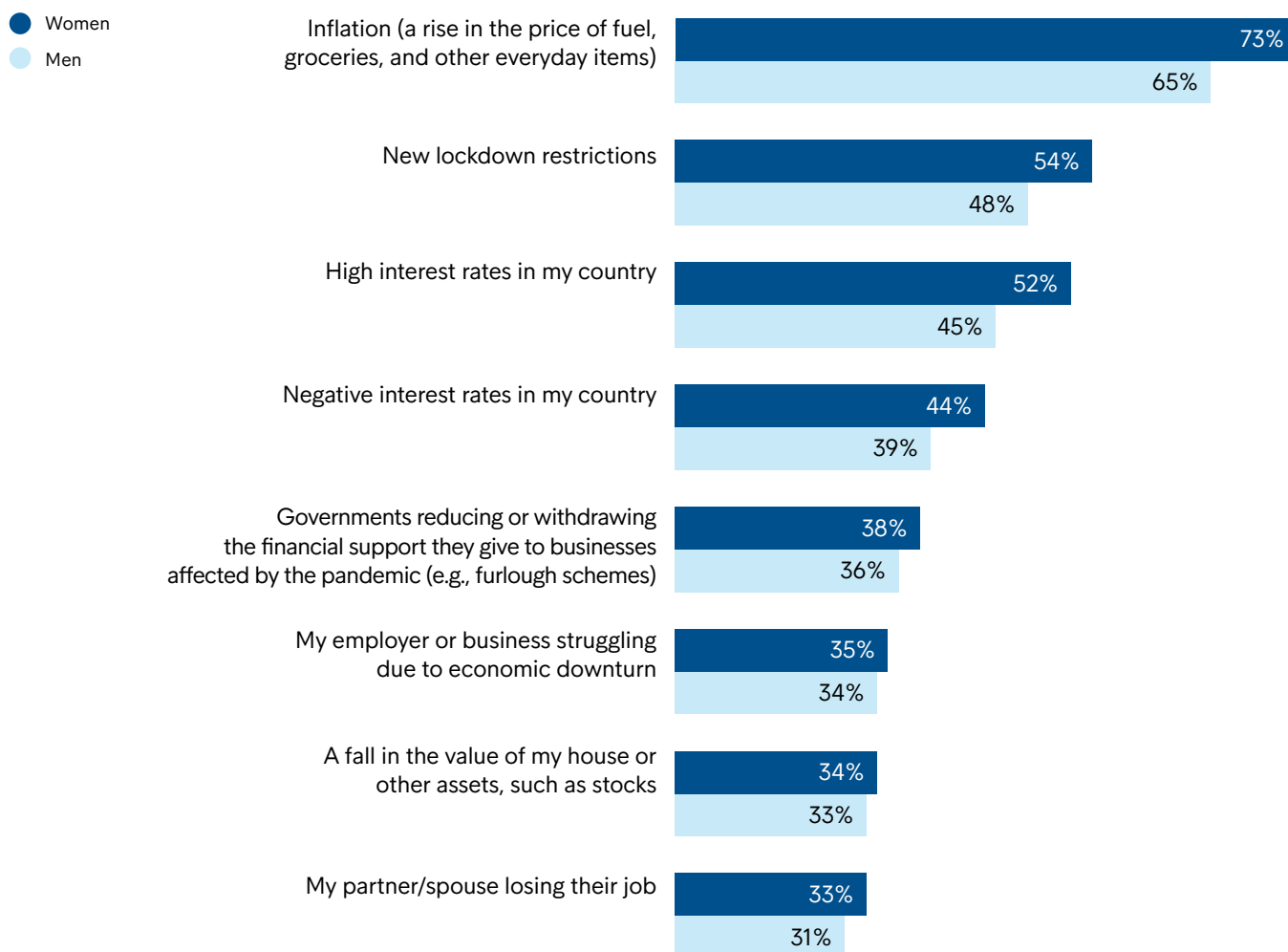




Anna Zabrodzka
Senior Economist
Intrum

“Across Europe we see signs of hope, but it is premature to believe that the crisis is over. The recovery is happening faster for some consumers and some regions than it is for others. There is also still a lot of uncertainty over how key challenges – such as supply chain bottlenecks, rising energy prices, and the emergence of new strains of the virus – will evolve and impact consumers’ financial wellbeing in the months ahead.”

Are you concerned about the following having an impact on your financial wellbeing? (agree)



2. Consumers are embracing sustainable behaviours, creating new challenges for businesses

58%

say they cannot live as sustainable as they would like to, as environmentally friendly products are expensive.

11) https://www.accenture.com/_acnmedia/PDF-134/Accenture-COVID-19-Pulse-Survey-Wave7.pdf - zoom=40

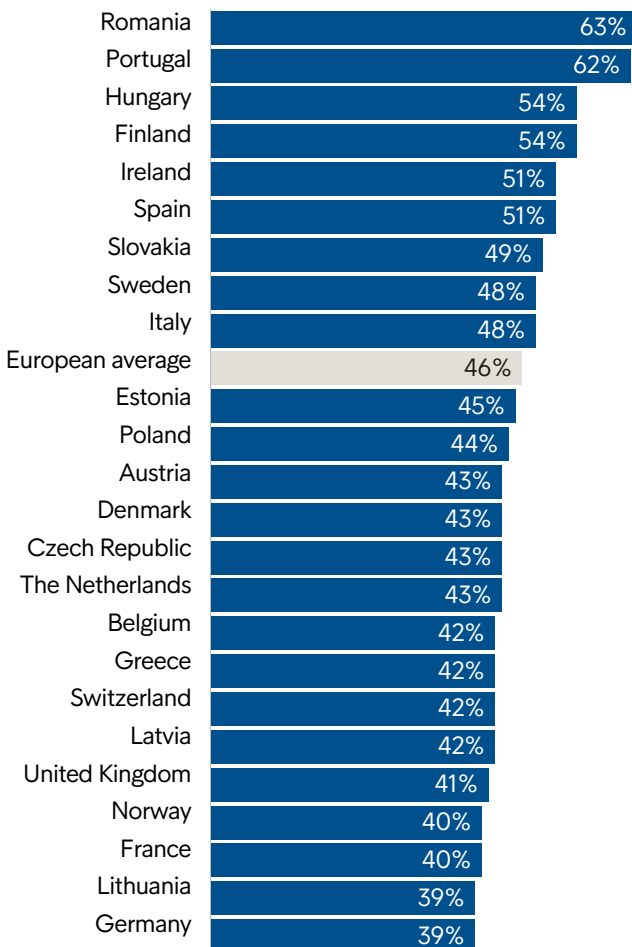
During a year of extreme weather events, including devastating floods in Germany and wildfires in Greece, consumers are demanding stronger environmental performance from businesses – and will apparently vote with their wallets if companies don't live up to their values.

The growing interest in ethical business appears to be part of a wider consumer revolution across age groups, driven in part by the Covid-19 crisis, which has focused minds on creating a healthier, more sustainable world.

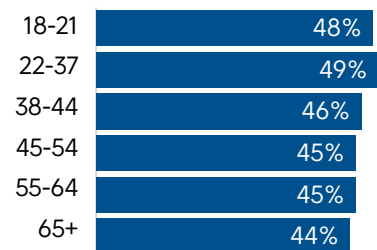
A 2020 global survey¹¹ by consultancy Accenture noted that consumers had "dramatically evolved" in their mindsets, with 60 per cent reporting making more environmentally friendly, sustainable, or ethical purchases since the start of the pandemic. The report added that nine out of 10 of those consumers said they were likely to continue doing so.

"My interest in sustainability has motivated me to limit my spending" (agree with statement)

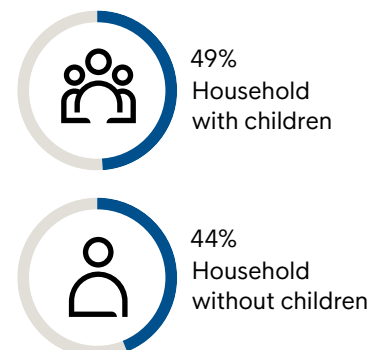
Split by country:



Split by age groups:



Split by household situation:



58%

of European parents say that social media creates a pressure to consume more than they should.

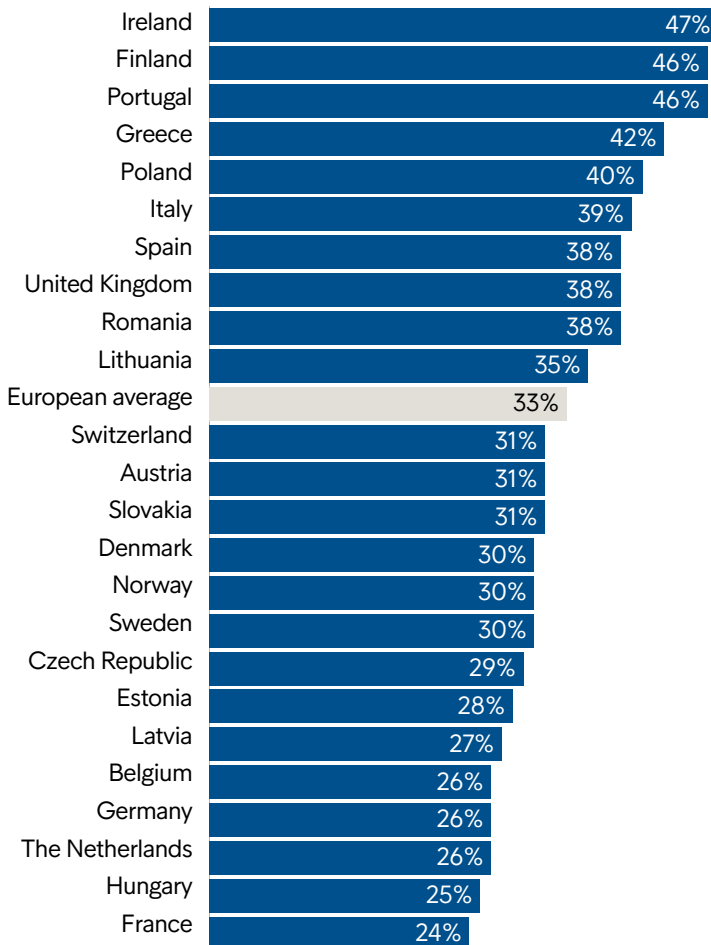
Young people use social media to drive sustainability

In late 2021, the COP26 summit in Glasgow ensured that the world's attention was focused on climate change and its implications for humanity. At the same time, young activists, often inspired by Sweden's Greta Thunberg, brought new energy to the debate and used social media to organise protests and share their concerns around flooding, forest fires, and other climate-related disasters.

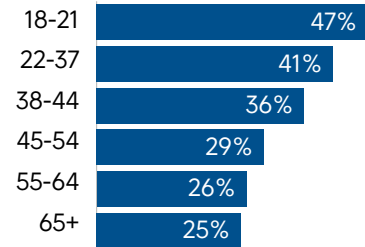
Our survey reflects younger people's use of social media to drive more sustainable behaviours. We find, for example, one in three (33 per cent) consumers saying that social media has increased their awareness of goods that are ethical or more sustainable. This proportion rises to 41 per cent of Millennials and 47 per cent of Gen Z, and compares to just 26 per cent of Baby Boomers.

"Social media has increased my awareness of buying goods that are ethical/sustainable" (agree with statement)

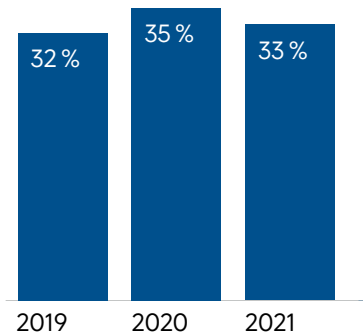
Split by country:



Split by age groups:



European average



58%

say they eat more leftovers than they used to, instead of buying new food, to reduce my impact on the environment.

65%

say they are increasingly fixing and recycling old items rather than buying new things.

Consumers continue to turn against waste

The shift towards sustainability plays out in our research, where around half of respondents (46 per cent) are using their influence as consumers to drive positive social change, and nearly six in 10 (57 per cent) are buying fewer items than they were before the pandemic, to live a simpler life. The proportion living more simply rises to 61 per cent of women (compared to 52 per cent of men) and is also higher in Southern and Eastern Europe (65 per cent and 60 per cent respectively) than in wealthier Northern Europe (50 per cent), suggesting that economic considerations may also be driving this trend.

Despite sales surging during retail events such as Black Friday in recent years and rapid growth in consumption of goods throughout the pandemic – aside from a few months in spring 2020 – our survey highlights a heightened consumer awareness around environmental issues such as landfills and discarded plastics. More than one in three respondents state that they have become disillusioned with seasonal discounts due to the waste that is produced.



Do you agree with the following statement?

33%

agree

Social media has increased my awareness of buying goods that are ethical/sustainable.

38%

agree

Social media creates a pressure to consume more than I should.

46%

say this is true

I am using my influence, as a consumer, to drive positive social change.

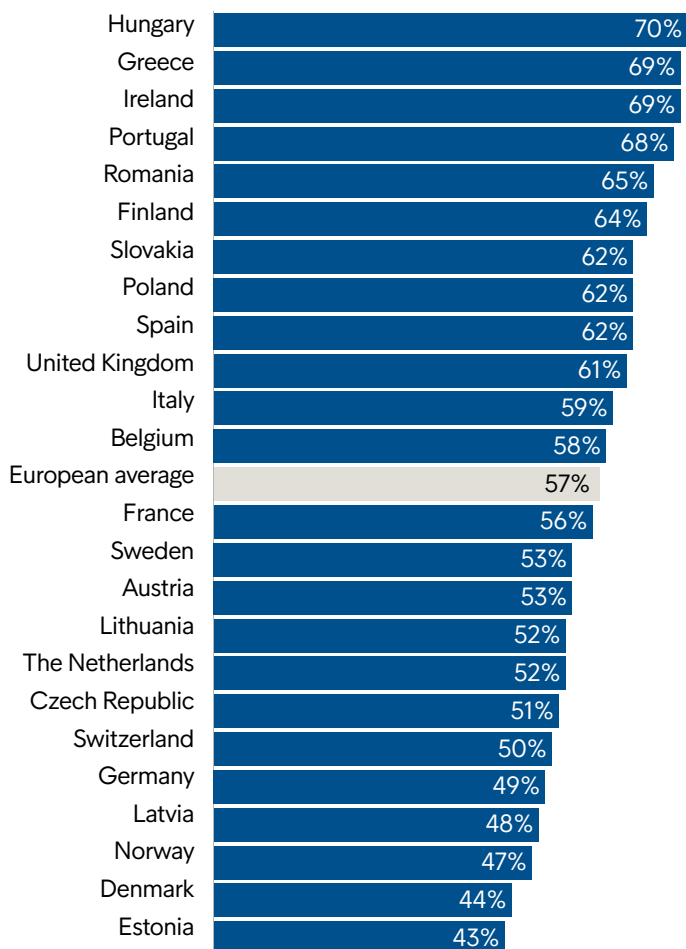


Vanessa Söderberg
Sustainability Director
Intrum

“As climate change rises up the consumer and corporate agenda, our findings highlight the need for companies to better understand how their brand’s impact on the environment is perceived by consumers. Our survey finds that consumers, especially the younger generation, which is only just starting to exert its consumer power, are using their consumption to exert pressure around climate issues. By focusing on sustainability, businesses of all sizes can balance their risks, maintain a healthy cash flow, and be better equipped to prosper and grow.”

“I am buying less than I used to before the pandemic, to reduce clutter and live more simply”
(agree with statement)

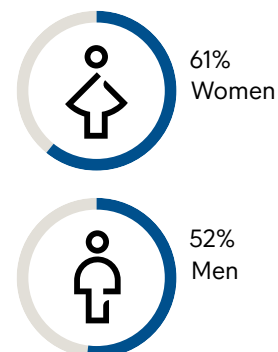
Split by country:



Split by age groups:



Split by gender:



52%

say they won't buy from a company that they know is responsible for harming the environment.

Consumers penalise unethical firms

In this year's ECPR, three in 10 respondents (29 per cent) say they would feel no guilt about paying a company later than agreed if they thought the company was unethical. The figure rises to 42 per cent of Gen Z consumers, reflecting the extent to which this cohort – which is only just starting to exert its consumer power – is willing to take action around climate issues¹².

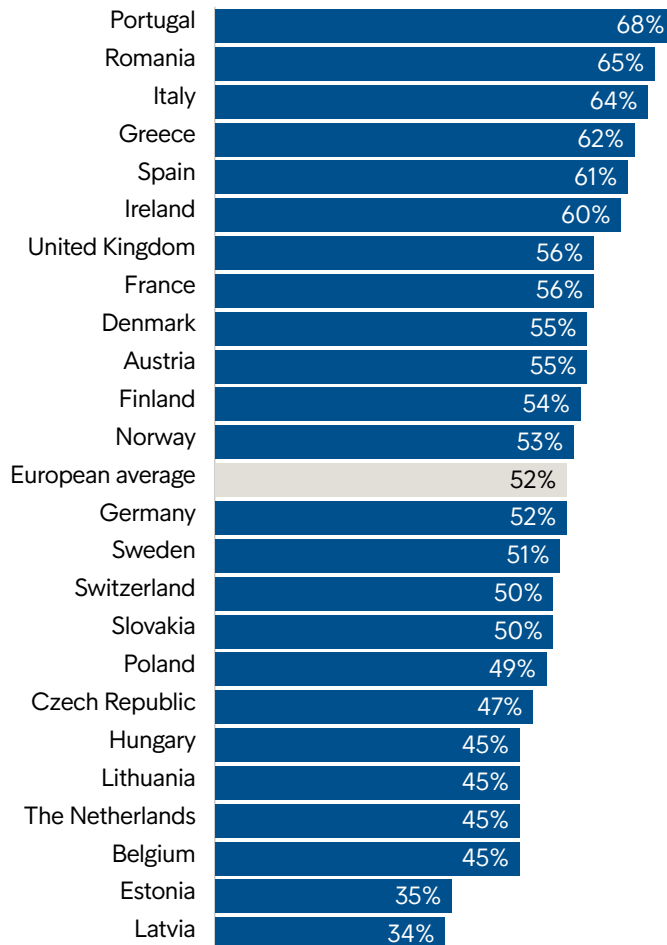
A related finding, and a further sign that consumers will increasingly hold firms accountable for their sustainability commitments, is that more than half of consumers (52 per cent) wouldn't buy from a company that they knew to be responsible for harming the environment. This figure rises as high as 68 per cent among consumers in Portugal, which vowed to step up efforts to address extreme weather events following severe wildfires, and to 62 per cent in Greece.

Businesses should pay attention if they want to retain the loyalty of these customers and protect their cash flow. The 'intention-behaviour' gap certainly exists, in which consumers' good intentions are not always carried through to the point of sale – and company 'greenwashing' can also obscure a company's true performance – but environmental sentiments are recurring year on year, especially among the younger cohort. In our 2020 survey, Gen Z and Millennials were also more likely to say that their interest in sustainability had motivated them to limit their spending overall.

12) <https://www.forbes.com/sites/gregpet-ro/2020/01/31/sustainable-retail-how-gen-z-is-leading-the-pack/?sh=194c32052ca3>

"I won't buy from a company that I know is responsible for harming the environment" (agree with statement)

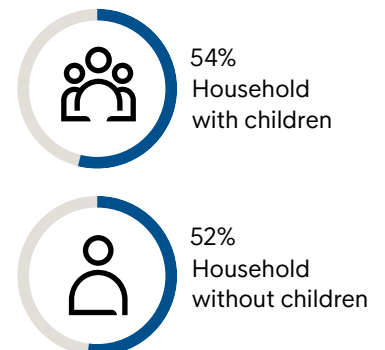
Split by country:



Split by age groups:



Split by household situation:



24%

are more likely to request longer payment terms, when paying for items or services, than before the pandemic.

Implications for the payment gap

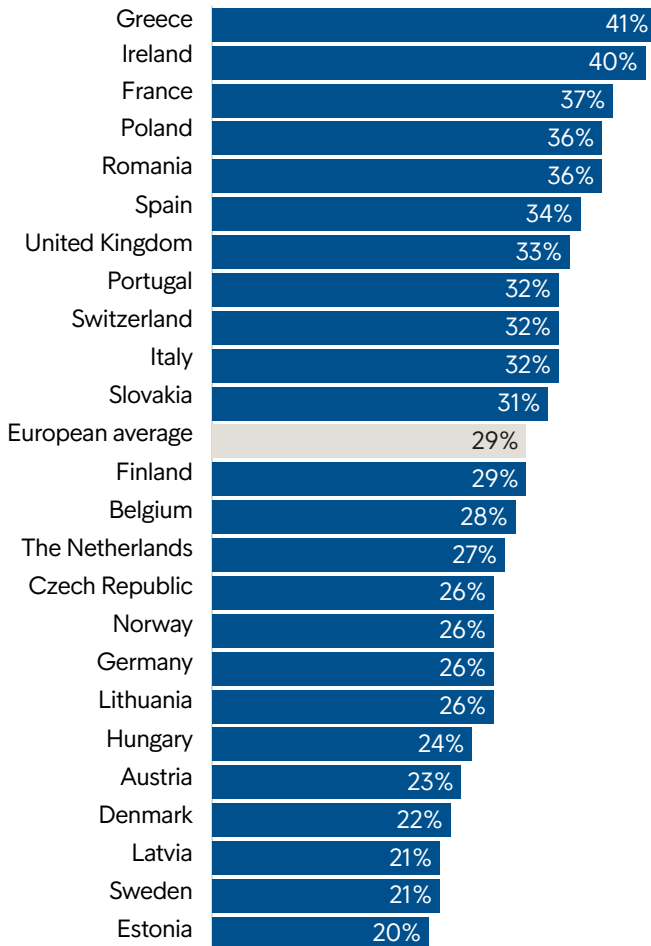
Consumer shifts in behaviour come at a time when B2C companies are already grappling with falling revenues and late consumer payments.

As finances tighten, consumers are paying businesses later than agreed: one in four (24 per cent) says, for example, that they are more likely to request longer payment terms than before the pandemic. Among those who are worse off financially than they were before 2020, this figure rises to 40 per cent. Geographically, Greek consumers are most likely to request longer payment terms (42 per cent) and across age groups, 22-37- and 18-21-year-olds (both 32 per cent) are most prone to this behaviour.

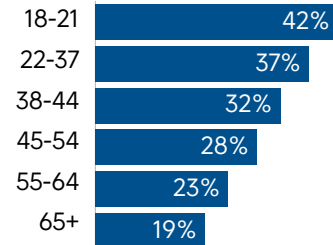
The trend was reflected earlier this year in our European Payment Report. In this research, surveying more than 11,000 businesses across Europe, we found that the average consumer payment gap – the number of days between the agreed payment terms and the receipt of funds – has risen over 12 months from seven days to nine.

“If I thought a business was unethical, I would feel no guilt about paying them later than agreed”
(agree with statement)

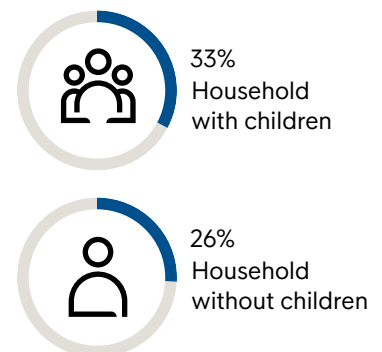
Split by country:



Split by age groups:



Split by household situation:



3. Consumers see an opportunity for future stability but need help to secure financial wellbeing

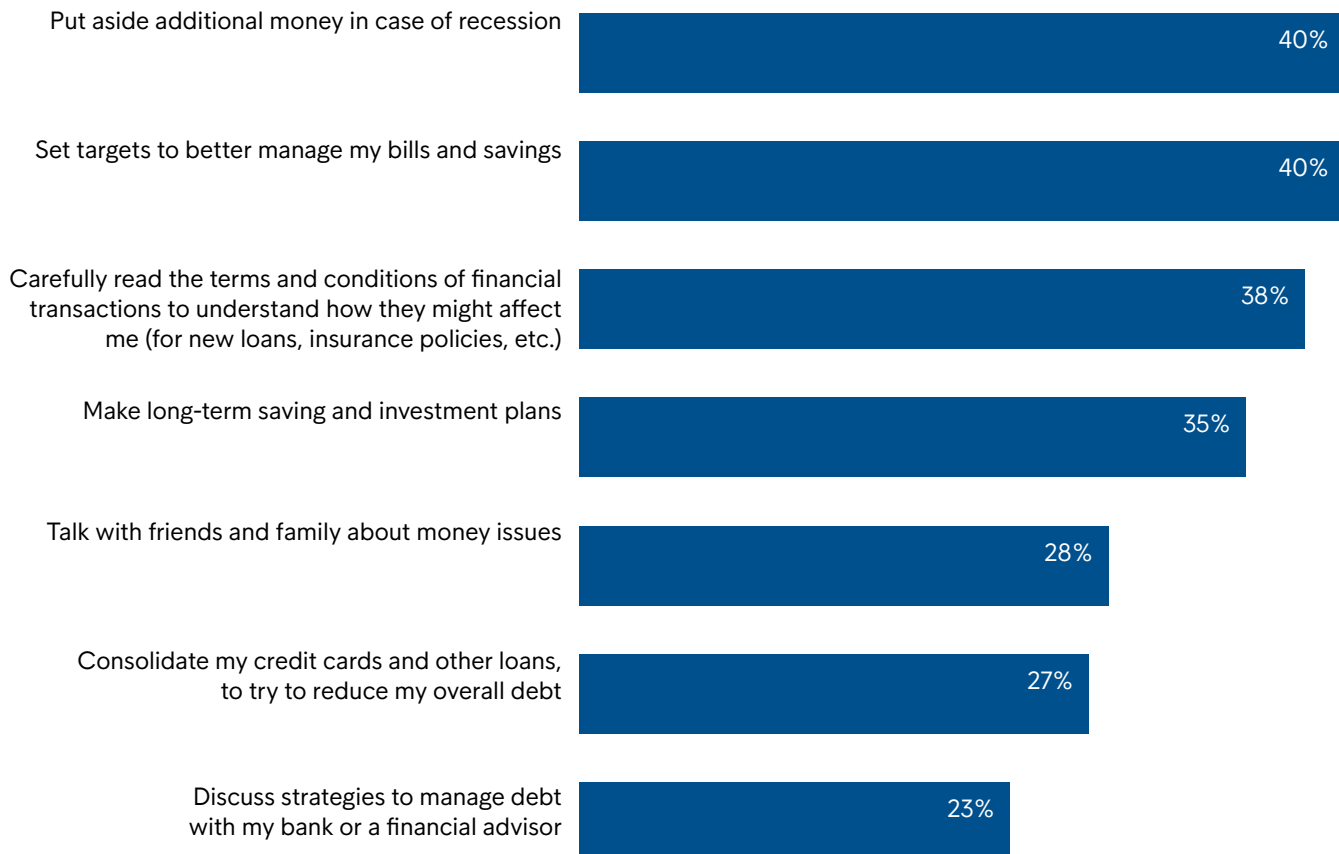
After the disruption of Covid-19, we see encouraging signs that consumers are taking steps to improve their financial literacy and resilience.

Europeans prepare for the worst

Six in 10 (59 per cent) say they expect another global pandemic within their lifetimes, and so want to ensure they are in a stronger financial position before the next one hits. In parallel, consumers are striving to improve their financial wellbeing. Four in 10 (40 per cent), for example, are setting targets to better manage bills, and are putting aside 'buffer' money in case of a recession.

At the same time, younger consumers are more likely than their older peers to see the crisis as an opportune moment to improve their finances and build a more stable future for themselves and their families. Four in 10 (40 per cent) Gen Z consumers and 37 per cent of Millennials feel this way, compared with 27 per cent of the total sample. The sentiment is also more common among those who had to rely on government support during the pandemic (49 per cent).

Since the economic disruption of Covid-19, what would you say you are more likely to do to protect your financial wellbeing?



82%

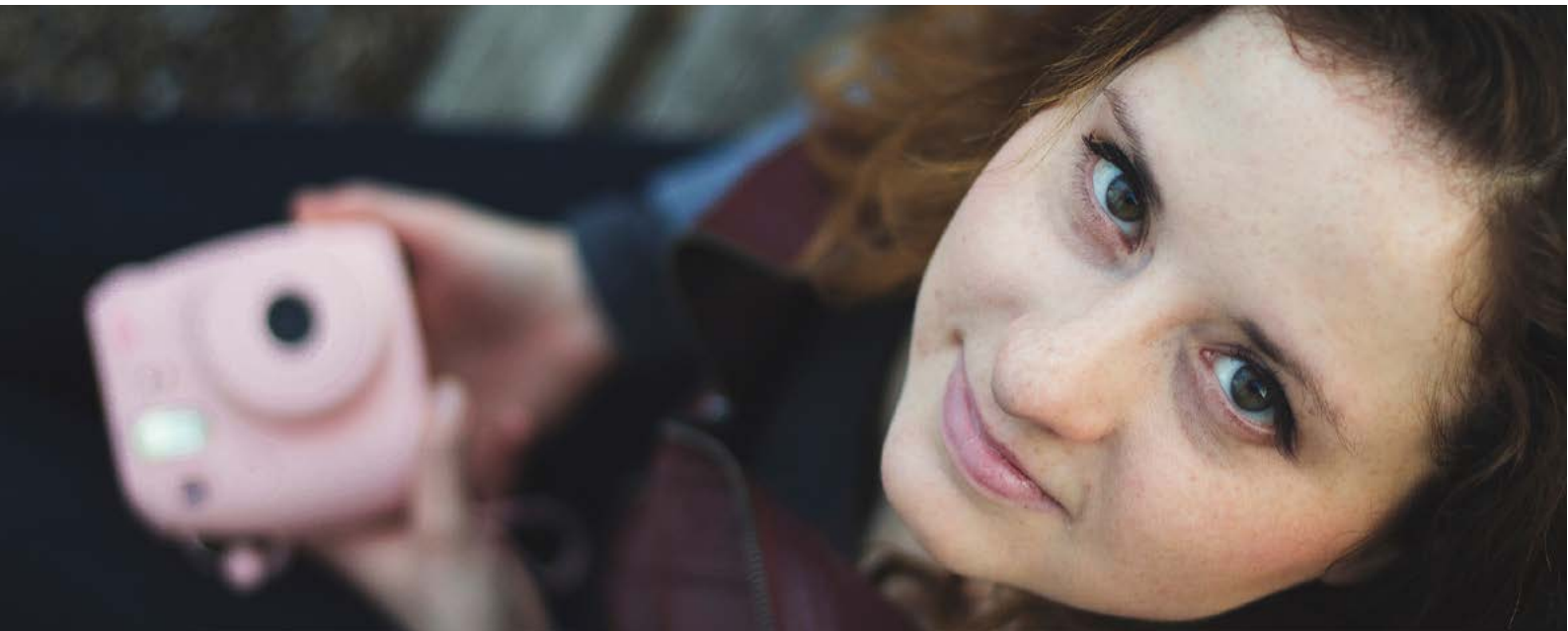
say they received sufficient or excellent financial education.

Getting to grips with financial nuances

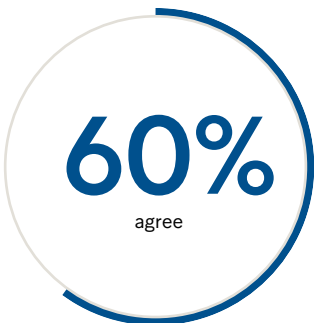
Parents recognise the importance of starting financial education from an early age and are attempting to instil positive behaviours in the next generation. For instance, 57 per cent of those with children under 18 say they are spending more time helping their children understand the principles of financial management than they were before the crisis.

One challenge here is that, although well-meaning parents are passing advice to their children, it may prove to be counterproductive if the parents themselves have not had a solid financial education, or do not take care to explain the nuances within financial management.

Six in 10, for example, say they are more likely than they were to urge their children not to take on debt. Managed correctly, however, debt supports the entrepreneurial pursuits of consumers, and forms an integral part of the business community and wider economy.



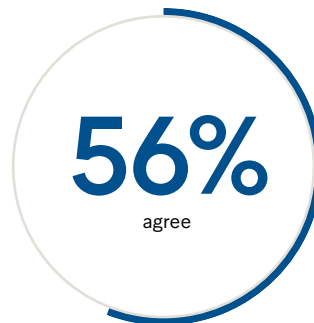
As a parent, with a child or children under 18, would you say you are more likely to do the following than you were?



Warn my child/children not to take on debt.



Spend time helping my child/children understand financial terms and principles of financial management.



Put aside more money as a safety net for my child/children.

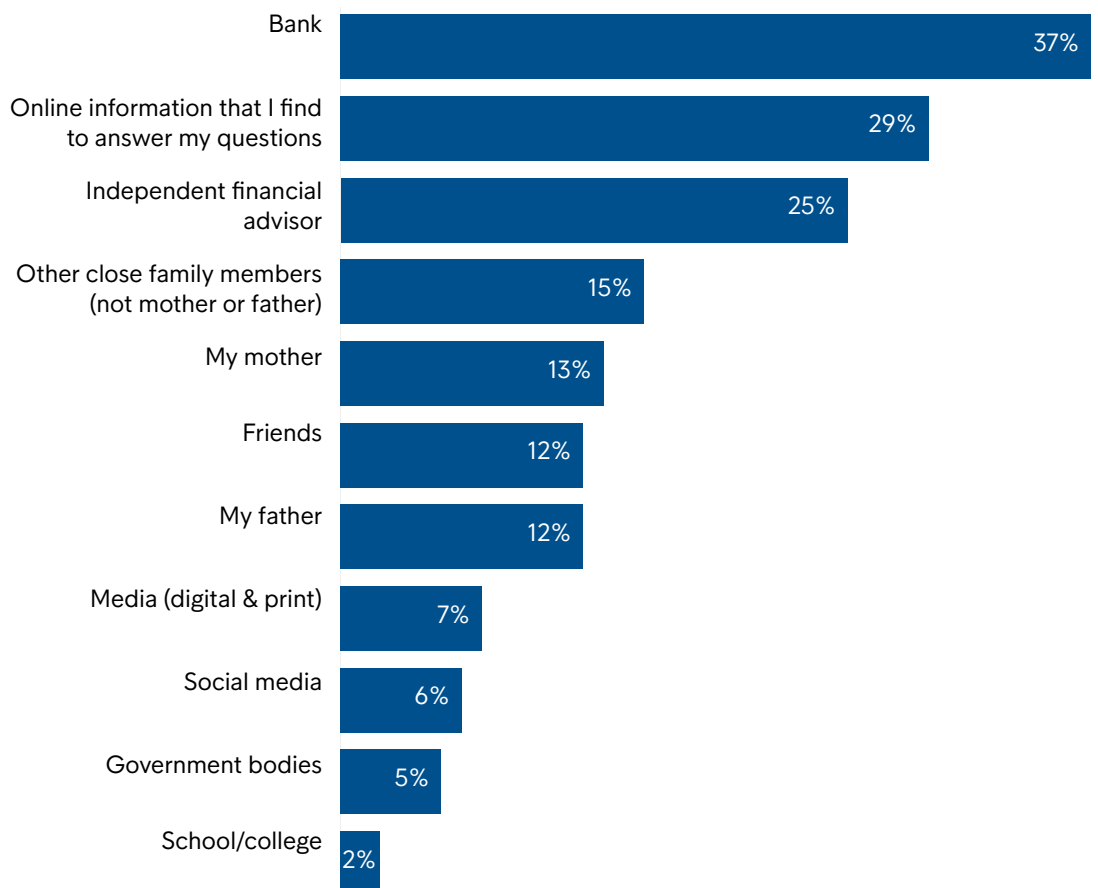


Advise my child/children to get a high-paying job, rather than following dreams in a low-paying occupation.

Please select the statement which is most relevant to you



When you look for financial advice, which of the following sources do you trust the most?



22%

say when interest rates change, they do not try to understand how it will affect my debt obligations.

Consumer lending is declining in Europe, but some consumers are borrowing more each month

The desire for financial wellbeing is a welcome trend given the level of monthly consumer borrowing that is evident in this year's survey.

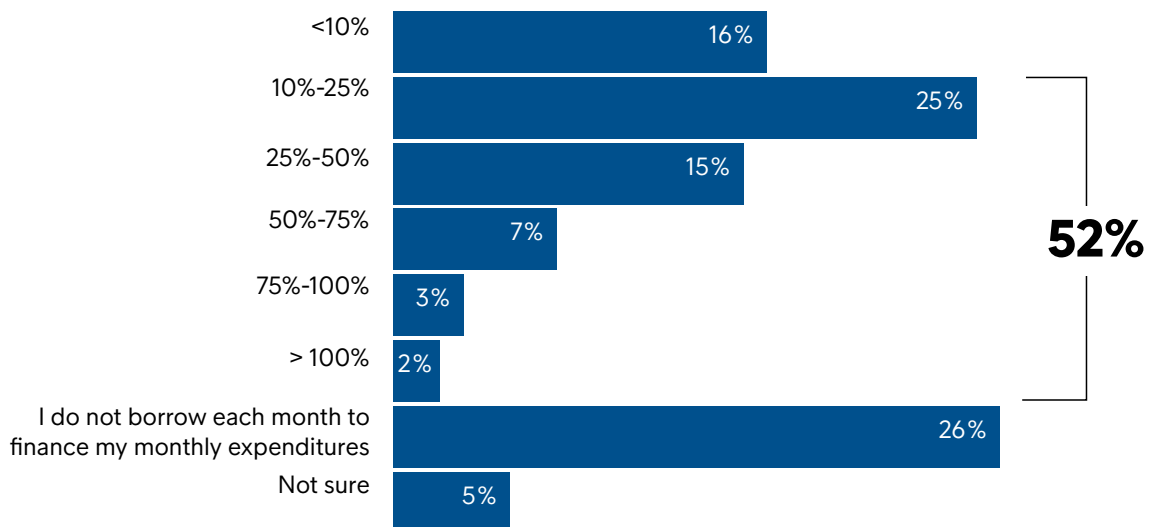
More than half of consumers (52 per cent) who borrow each month tell us that they are borrowing at least 10 per cent of their income, and this level rises to 66 per cent among the hard-hit Gen Z cohort. In 2020, these figures stood at 43 per cent of consumers overall and 52 per cent among Gen Z consumers.

This finding provides a different perspective on the broader trend for consumer lending in Europe, which remained broadly unchanged or declined during the pandemic¹³, likely because higher income consumers – who would primarily have used credit to pay for holidays abroad – were unable to travel because of lockdown restrictions.

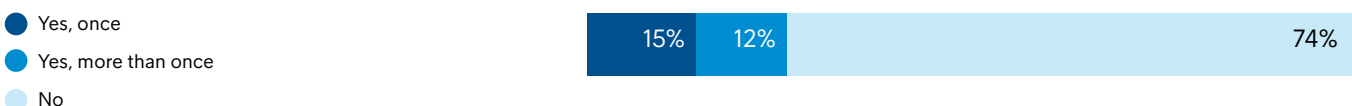
As inflation increases and consumers experience a hike in prices, this will also impact the need for temporary increased credit for some consumer groups, and we expect an increase in defaults going forward.

¹³ <https://www.ecb.europa.eu/press/pr/date/2021/html/ecb.pr210720-f6f714aaf7.en.html>

On average, how much do you borrow each month in relation to your monthly income (not including mortgage and credit card)?



Over the past 6 months, have you borrowed money, apart from a mortgage, or reached your credit card limit in order to pay bills?



37%

say they feel less comfortable about taking on credit now than before the pandemic.

Debt concerns grow

Our 2021 survey also suggests that a notable proportion of consumers are borrowing money or hitting their credit card limit when paying bills: more than a quarter (26 per cent) have done this over the past six months, rising to around 40 per cent of consumers under the age of 37. Again, however, these consumers were more likely to come from low-income households, whereas those on higher incomes borrowed less overall during the year.

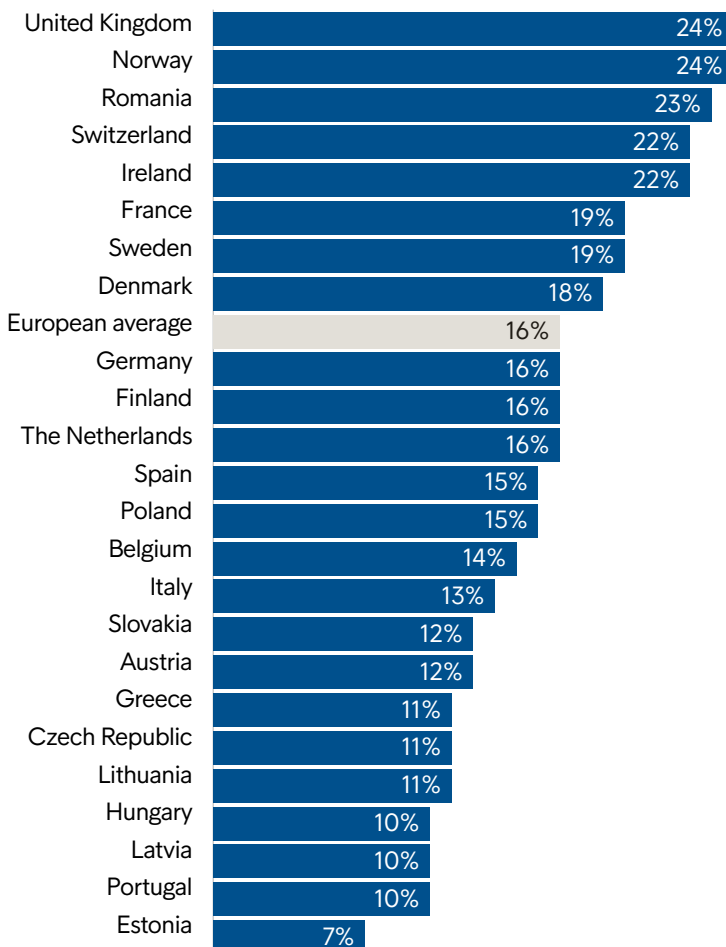
Moreover, one in four low-income respondents (25 per cent) says they are now more likely to miss a debt payment than at any other point they can remember. Similar payment practices are playing out elsewhere in the European banking sector as Stage 2 loans (loans with more credit risk) rise¹⁴ and experts forecast¹⁵ an increase in non-performing loans (loans subject to late repayment or unlikely to be repaid by the borrower in full) as moratoria and support measures are withdrawn.

On a European level, one in six (16 per cent) say they do not have control of their own debt, and in the UK almost a quarter, 24 per cent, state they don't know how much they owe. Looking at the age groups, we see that it is particularly the younger generations who have lost track of the size of their debt obligations. It is concerning that many young consumers have little control of their personal finances, especially as they may find themselves in a difficult financial situation at an early stage of life. However, this age group have less disposable income than other age groups and the credit they are granted is limited because of their income level, which means the outstanding balances are lower.

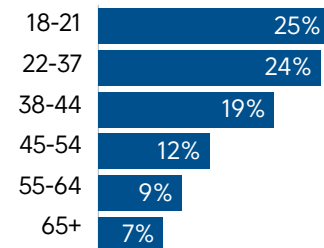
14) <https://www.eba.europa.eu/eba-points-rising-share-loans-show-significant-increase-credit-risk-stage-2-loans>
15) <https://www.jll.co.uk/en/newsroom/npl-volumes-forecast-to-rise-after-ratio-falls-to-a-decade-low>

"I don't want to know how much money I owe in total"

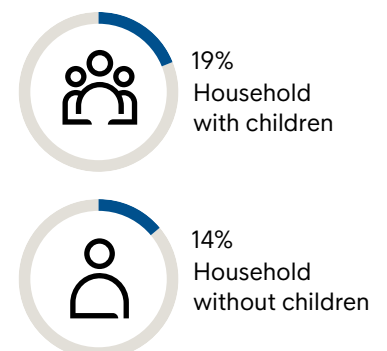
Split by country:



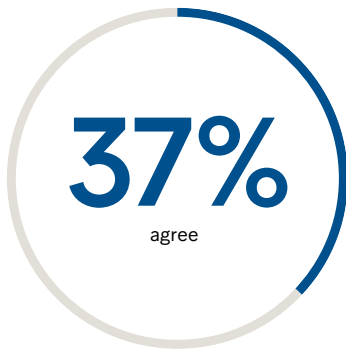
Split by age groups:



Split by household situation:



Do you agree with the following statement?



I feel less comfortable about taking on credit now than I did before the pandemic.



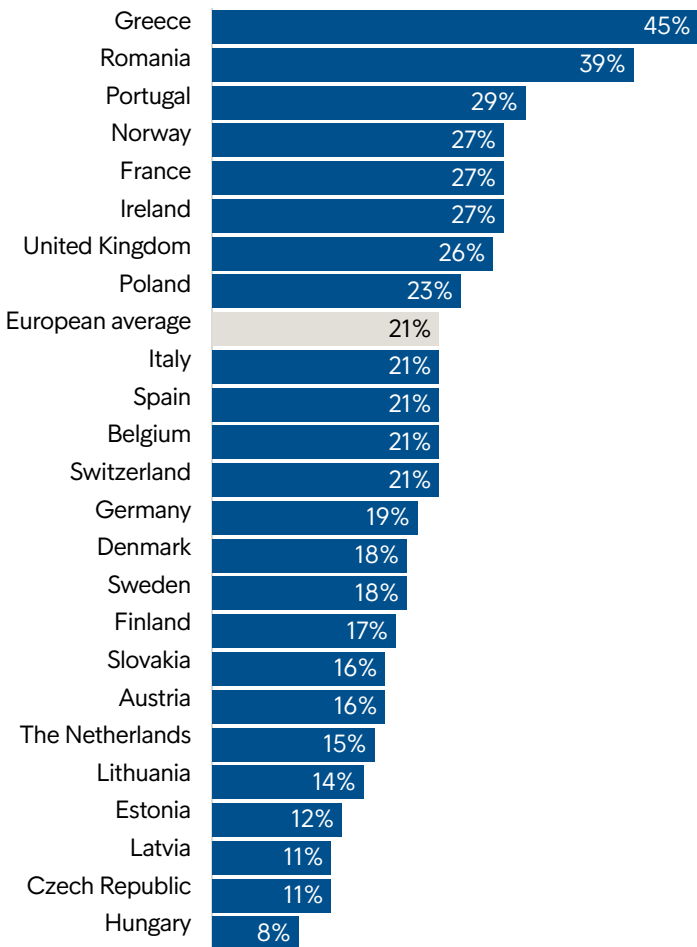
I have lost track of the amount of money I spend each month on digital subscriptions (e.g., streaming platforms and apps).



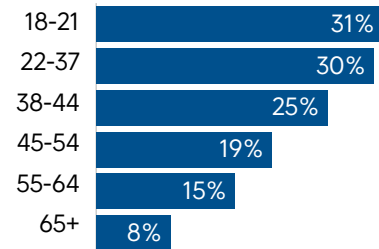
I am more likely to miss a debt payment now than at any other point I can remember.

“I am more likely to miss a debt payment now than at any other point I can remember”

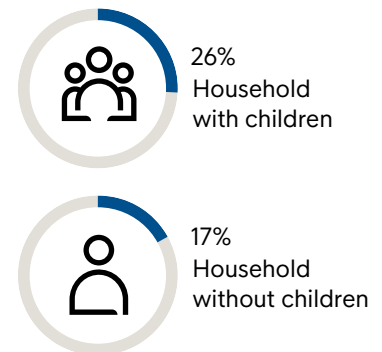
Split by country:



Split by age groups:



Split by household situation:



Conclusions and recommendations

Time to focus on greater financial literacy

The Covid-19 crisis is a stark reminder of the essential role that financial education plays in helping consumers manage their money and withstand curveballs when they arise.

We hope the world will not see another catastrophe on the scale of Covid-19 in the near future, but we agree with the 59 per cent of consumers who want to be prepared in case it does. For another year, however, our consumer survey has revealed a knowledge gap regarding personal finance issues.

Our findings highlight a particular need for better financial literacy regarding interest rates and inflation. The prolonged period of ultra-low interest rates across much of Europe has come to an end but many consumers do not understand what that will mean for their finances – especially in terms of debt sustainability.

Some business, including financial services companies like Intrum, have a legal and moral responsibility to help support the financial literacy of consumers so they have the skills, confidence, and knowledge to make responsible decisions about their borrowing and debt management.

In its November 2020 Financial Literacy Playbook for Europe, the European Banking Federation found that 35 European countries were taking part in the European financial literacy movement, with around 125 separate initiatives across Europe promoting financial education and boosting financial literacy. While these efforts are encouraging, more lasting change could come from a mandatory approach to financial education. In the meantime, we will continue to work with educational initiatives across Europe and urge other financial services businesses to do the same.

Policymakers and businesses can better support consumers through the end of the crisis

The magnitude of the economic and social fallout that consumers are living through has been extraordinary. Despite a strong economic rebound, consumers find themselves in challenging financial circumstances. These challenges will persist for years to come.

For central banks, growing concerns around inflation should be viewed as a red flag. Although the acceleration in price growth has been exacerbated by supply chain disruptions and bottlenecks that should dissipate as working conditions normalise, there is a serious risk that pressures become more general and persist. If they do so, consumer uncertainty about the impact of inflation on their finances and spending power could lead to further economic instability – particularly given that many consumers do not fully understand how inflation impacts their savings.

We – and other businesses – must ask ourselves how else we can support those who encounter difficulty, for example through innovative payment solutions, to empower and enable them to lift themselves out of debt and improve their own circumstances.

Businesses need to make sustainability a top – and visible – priority

As climate change rises up the consumer and corporate agenda, our findings highlight the need for companies to better understand how their brand's impact on the environment is perceived by consumers on an ethical level. They should take material steps to address any areas of concern, such as carbon emissions and avoidable use of plastics.

Wherever possible, businesses should ask how they can improve their reputation among sustainably minded consumers, particularly the younger generations who will grow in spending power as they graduate and climb the corporate ladder, and whose experience of inequality may encourage a stronger tendency towards consumer activism in years to come.

In doing so, businesses of all sizes will balance their risk portfolio, maintain a healthy cashflow, and be better equipped to prosper and grow.



Country snapshots



Austria

Austrian consumers weather the Covid storm

Austria's economy was hit harder by Covid-19 than many of its EU neighbours,¹ but high household incomes and relative financial conservatism has enabled consumers to keep up with their bill payments.

Overall, Austrian respondents are less likely to have experienced a decline in their financial wellbeing over the year. Three in 10 (30 per cent) say they are worse off now than they were before the crisis, which compares to a European average of 37 per cent.

Our survey finds that Austrian consumers are outperforming the European average when asked to match basic financial terms to their definitions. Around seven in 10 (69 per cent) Austrians matched 'annual percentage rate' (APR) with its correct definition, which is higher than the European average of 57 per cent.

Saving for the future

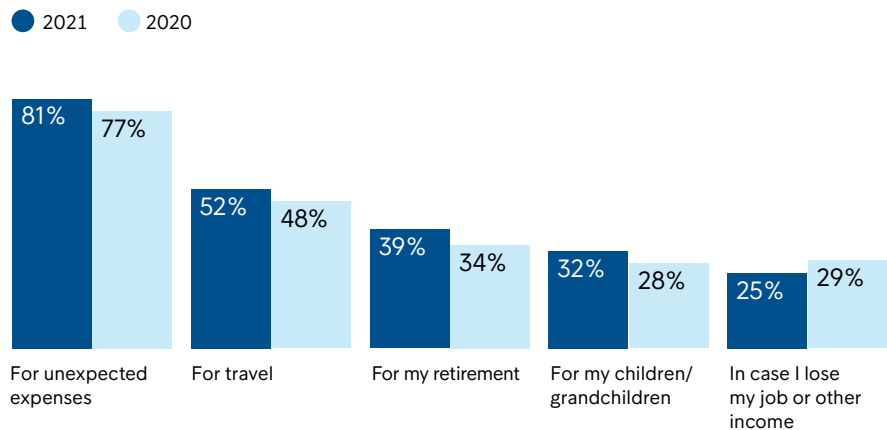
75%

say they are able to save each month. In 2020, 75 per cent stated the same. The European average for 2021 is 78 per cent.

49%

are dissatisfied with the amount they are able to save each month. In 2020, 51 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

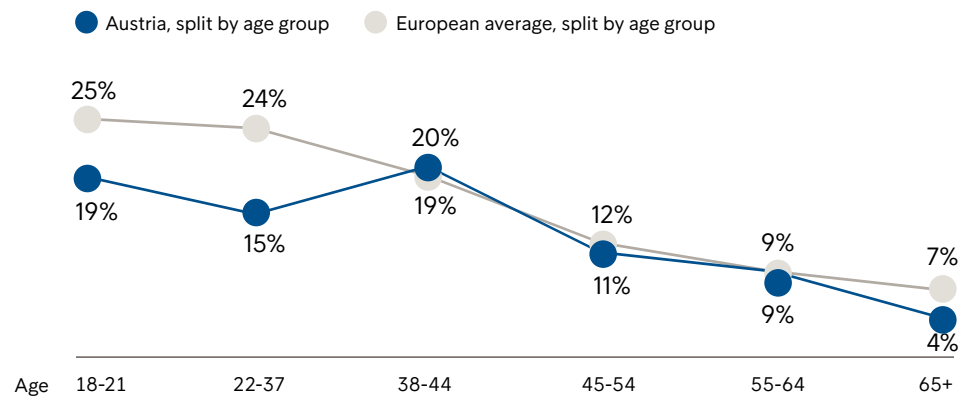


Managing credit and debt during the pandemic

23%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 19 per cent stated the same.

I don't want to know how much money I owe in total (agree)



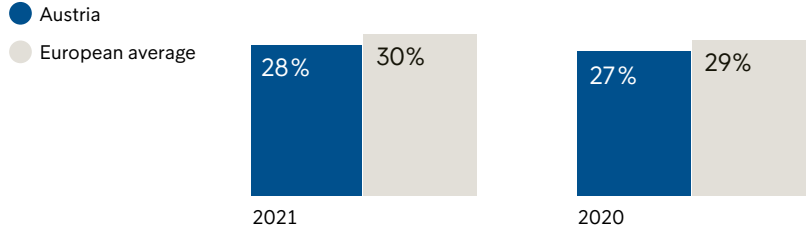
¹ <https://www.ft.com/content/1f50584b-7656-4036-809a-f654f4c08c91?email-id=612f4b4d3172cc0004825269&segmentId=13b7e341-ed02-2b53-e8c0-d9cb-59be8b3b>

Ability to pay bills on time

40%

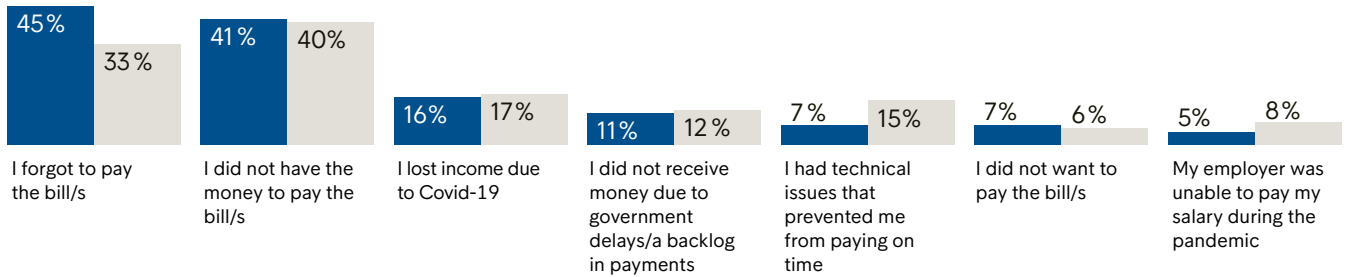
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 44 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Austria ● European average



Financial literacy

89%

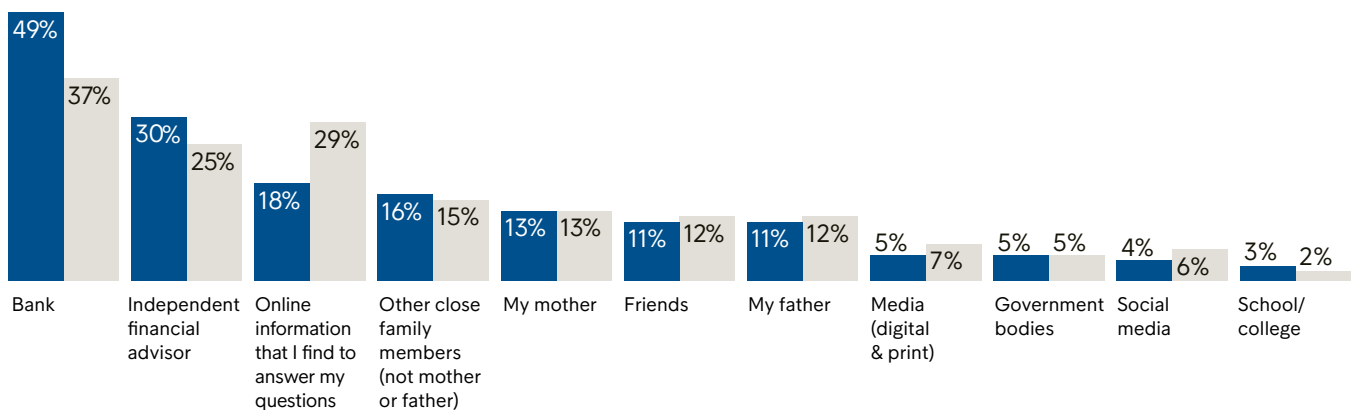
say they received sufficient or excellent financial education. Off the total, 55 per cent still need advice on complex financial matters.

24%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Austria ● European average



Belgium

Inflation fears drive concern about economic recovery

Rising inflation in Belgium is hindering consumers' ability to save for the future and contributing to the country's decline in financial well-being over the year. Almost six in 10 (57 per cent) say their bills are rising faster than their income, which is higher than the European average of 47 per cent.

Although the Belgium government is planning several recovery-oriented reforms for the country, with an expectation that the economy will return to pre-pandemic levels by the end of 2021¹, nearly a quarter of Belgium consumers (24 per cent) say they save less than 5 per cent of their salary each month – slightly above the European average.

We also find some pessimism among Belgian respondents about the probable speed of the recovery, despite the official estimates about a return to normality. One in four (24 per cent) expects it will be at least two years until their finances are no longer affected, while 44 per cent believe it will be 12 months or more.

Saving for the future

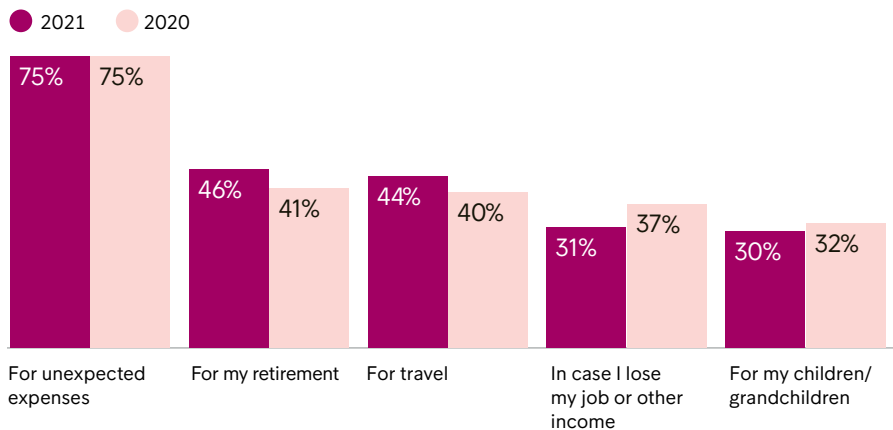
80%

say they are able to save each month. In 2020, 81 per cent stated the same. The European average for 2021 is 78 per cent.

48%

are dissatisfied with the amount they are able to save each month. In 2020, 50 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

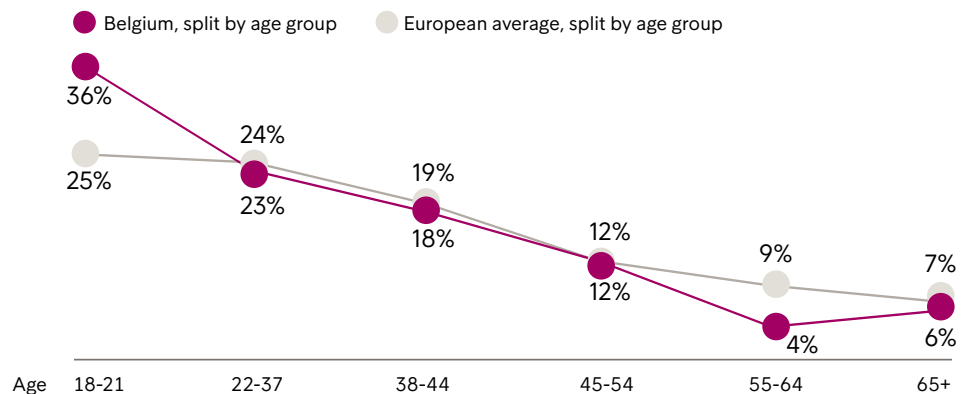


Managing credit and debt during the pandemic

25%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)



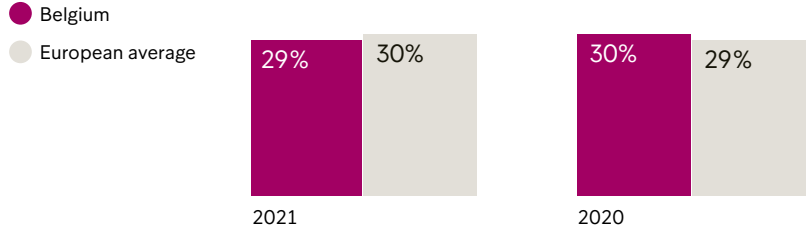
¹ <https://www.brusselstimes.com/belgium/184533/belgian-economy-should-return-to-its-pre-crisis-level-before-the-end-of-the-year/>

Ability to pay bills on time

40%

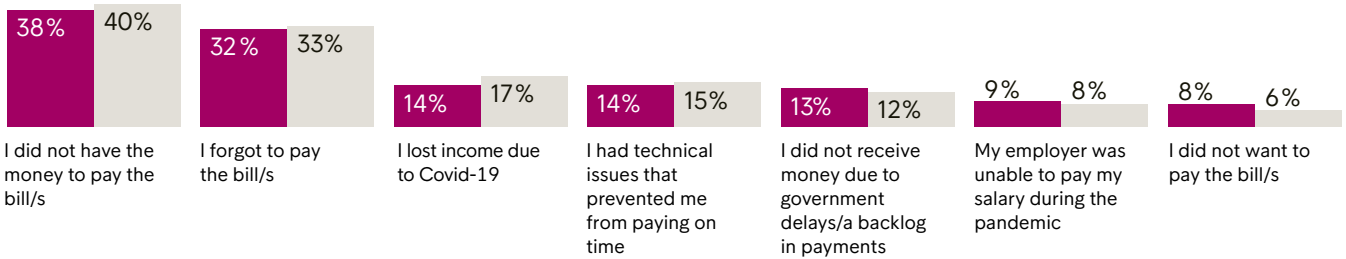
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 44 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Belgium ● European average



Financial literacy

85%

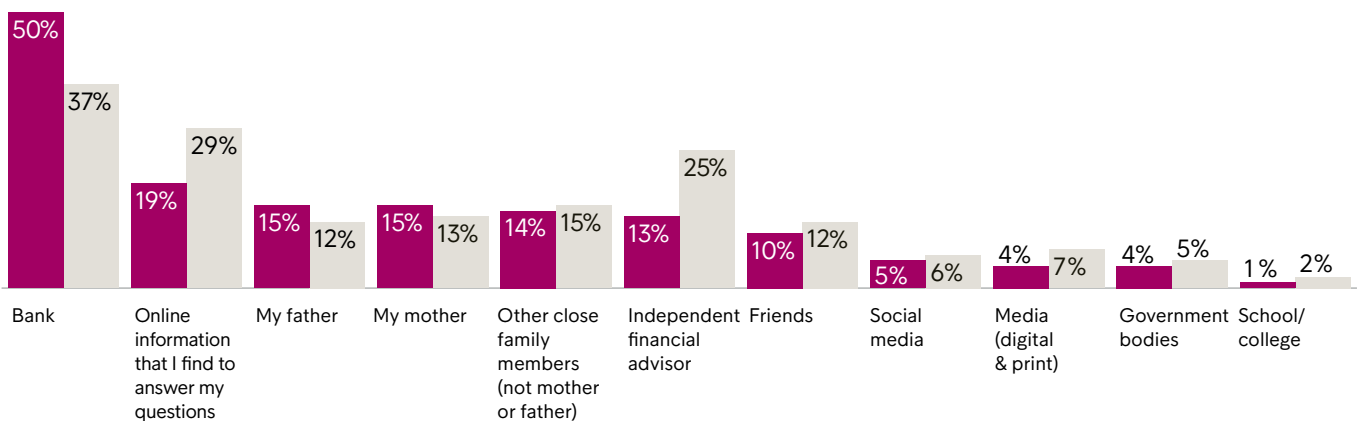
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

26%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Belgium ● European average



Czech Republic

Savings culture supports financial wellness despite rising prices

Low unemployment and rising wages¹ are helping shield Czech consumers from some of the inflationary pressures hitting the country and much of Europe. Six in 10 (59 per cent) say that their financial situation is much the same now as it was before the pandemic, higher than the European average of 53 per cent.

Nearly a fifth of Czech consumers (19 per cent) save more than 20 per cent of their salary each month – six percentage points above the European average. Their gross household saving rate also ranks fifth among all the European countries surveyed, at 21.1 per cent.

The country's financial literacy performance is, however, less strong than most other countries in Europe. For example, 46 per cent of Czech consumers matched the term 'credit score' to its correct definition, versus 62 per cent across Europe.

Saving for the future

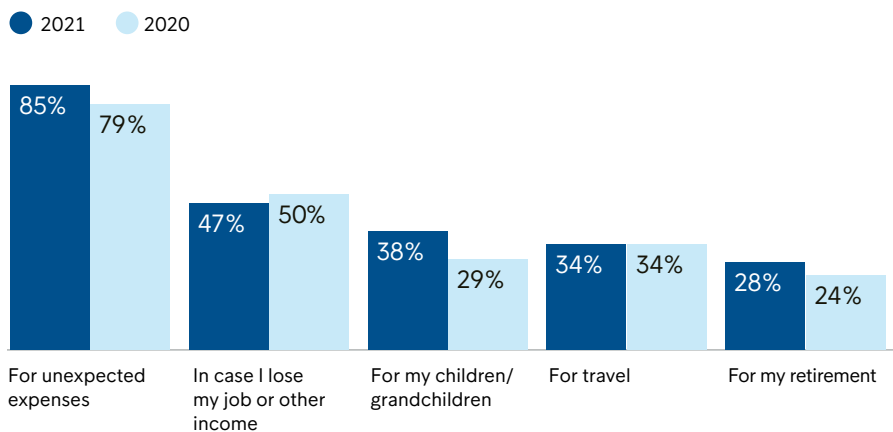
88%

say they are able to save each month. In 2020, 85 per cent stated the same. The European average for 2021 is 78 per cent.

49%

are dissatisfied with the amount they are able to save each month. In 2020, 54 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

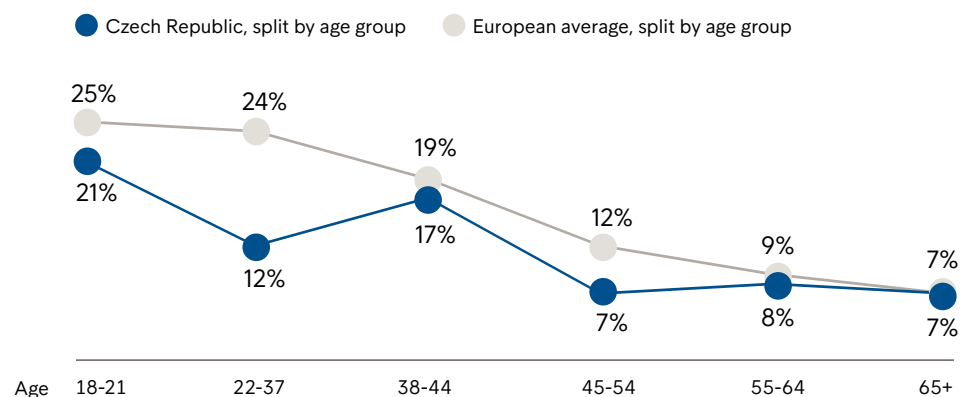


Managing credit and debt during the pandemic

22%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)



¹ <http://www.reuters.com/business/finance/czech-central-bank-shocks-with-75-basis-point-interest-rate-increase-2021-09-30/>

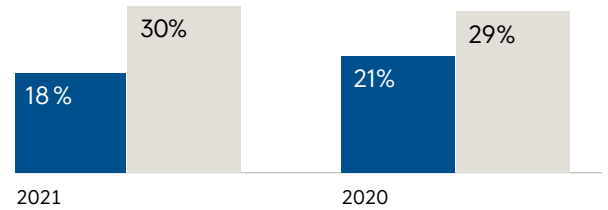
Ability to pay bills on time

41%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 48 per cent in 2020. The European average for 2021 is 45 per cent.

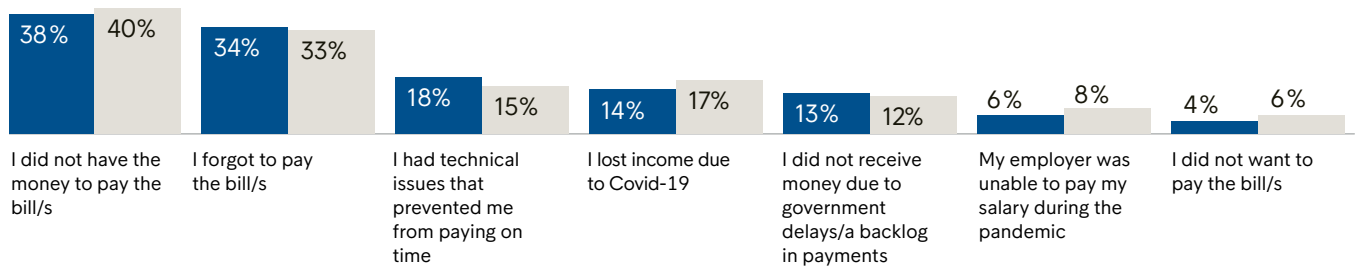
During the last 12 months, have you at one or several times not paid a bill on time? (yes)

● Czech Republic
● European average



What were the reasons for not paying your bill(s) on time?

● Czech Republic ● European average



Financial literacy

85%

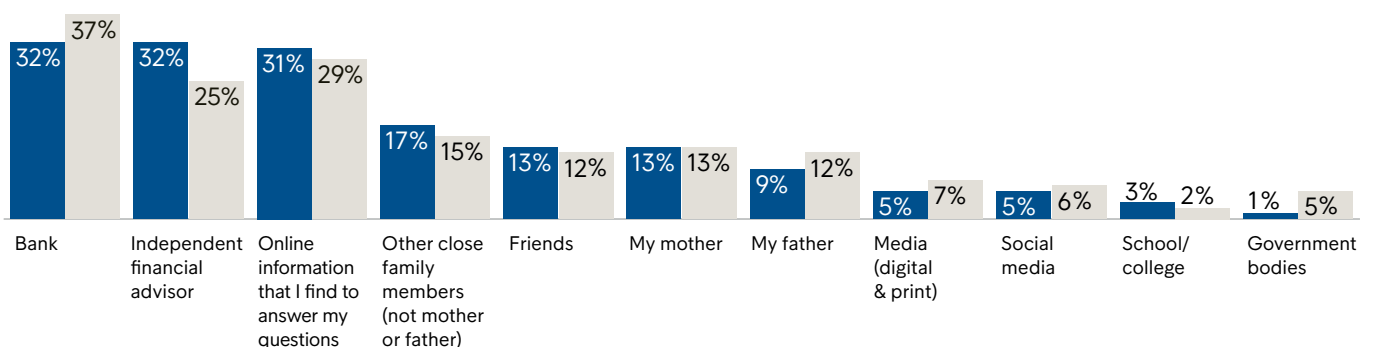
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

21%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Czech Republic ● European average



Denmark

Financial literacy in Denmark has room for improvement

Falling unemployment¹ and a strong savings culture has helped Danish consumers save for the future and ensure they can pay their bills on time.

More than a quarter of Danish consumers (26 per cent) say that, in the event of an unforeseen event, they could afford to pay two to three times their monthly salary out of their savings before falling into debt – two percentage points above the European average.

Financial literacy in Denmark presents a mixed picture. The country's consumers were least likely to correctly answer our question about the impact of interest rates on savings (59 per cent answered correctly, compared with a European average of 66 per cent). At the same time, just one in five (21 per cent) say they are more likely to carefully read the terms and conditions before going ahead with financial transactions, versus 39 per cent across Europe. They are, however, more likely to match basic financial terms with the correct definition.

Saving for the future

79%

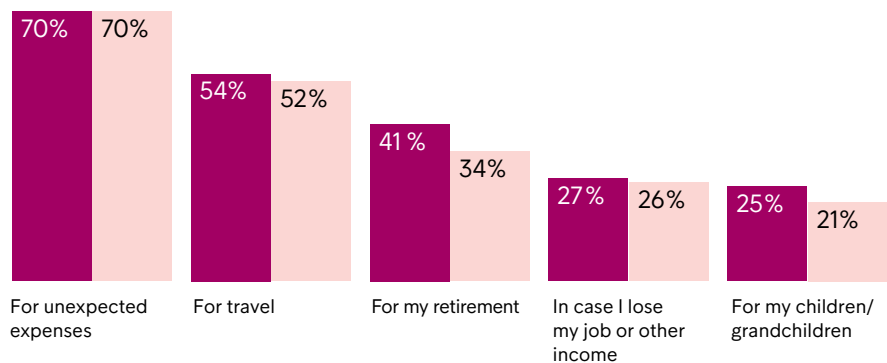
say they are able to save each month. In 2020, 77 per cent stated the same. The European average for 2021 is 78 per cent.

41%

are dissatisfied with the amount they are able to save each month. In 2020, 43 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

● 2021 ● 2020



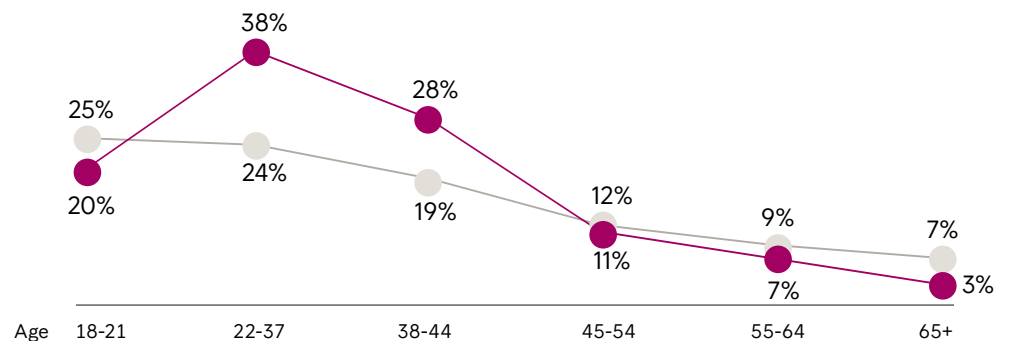
Managing credit and debt during the pandemic

25%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)

● Denmark, split by age group ● European average, split by age group



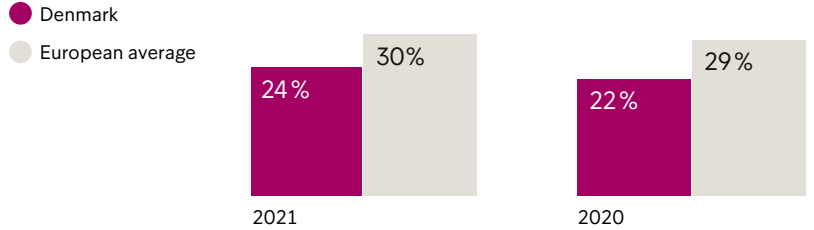
¹ <https://www.thelocal.dk/20210930/economically-stable-denmark-signals-end-of-coronavirus-help-for-businesses/>

Ability to pay bills on time

27%

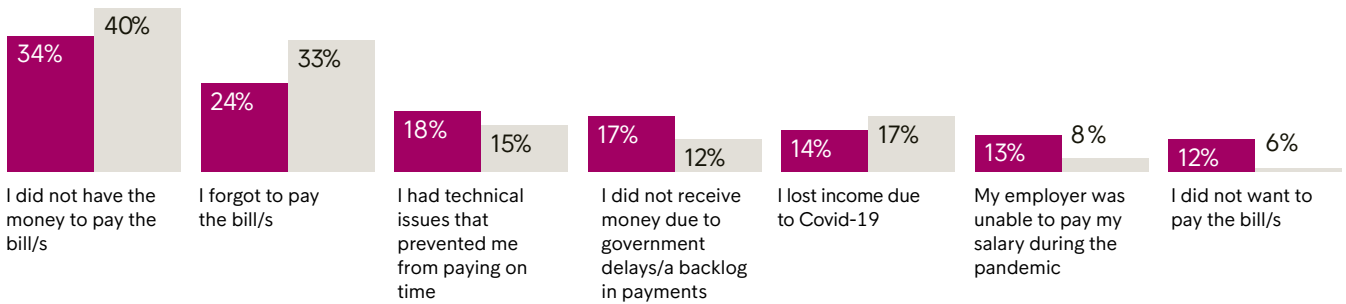
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 31 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Denmark ● European average



Financial literacy

88%

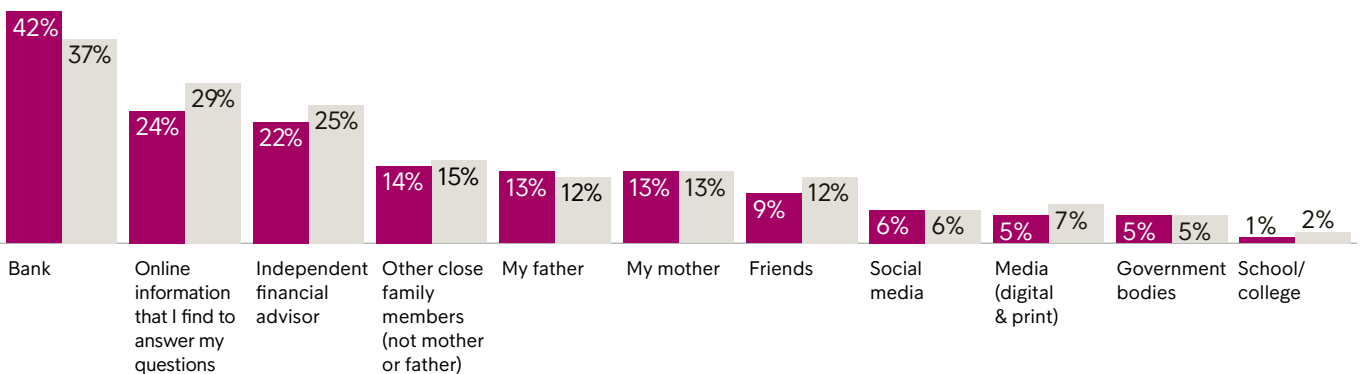
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

31%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Denmark ● European average



Estonia

Financial constraints prevent Estonians from shopping more sustainably

Private consumption is growing in Estonia, although some parts of the economy, such as the accommodation and food-service sectors, were reported as struggling at the time of writing.¹

Consumers show some dissatisfaction with their ability to save, with 61 per cent of Estonians saying they put aside less than they would like (higher than the European average of 54 per cent). When Estonians were asked how much they could they afford to pay out of savings without falling into debt, the most common answer was less than one month's salary (28 per cent) – slightly higher than peers across Europe.

There are also signs that consumers in Estonia are less able to shop sustainably than in other countries, due to financial constraints, with 64 per cent indicating that they consider environmentally friendly products too expensive. One in three Estonians (35 per cent) says they wouldn't buy from a company they knew harmed the environment, compared with 52 per cent across Europe.

Saving for the future

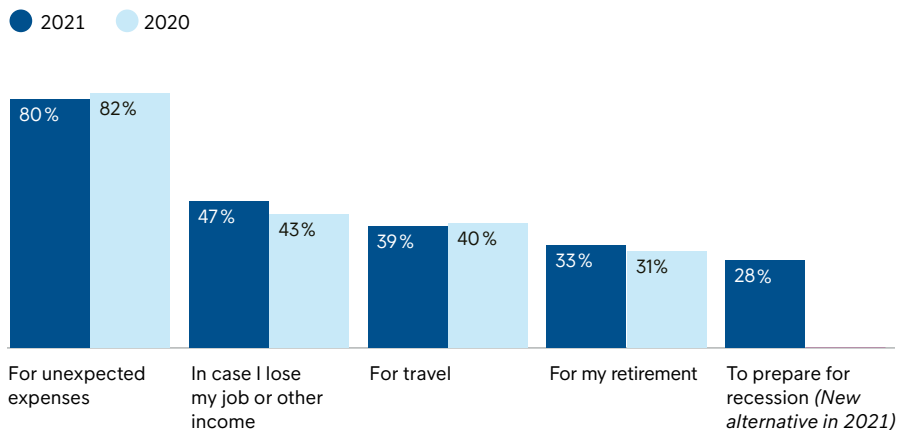
74%

say they are able to save each month. In 2020, 74 per cent stated the same. The European average for 2021 is 78 per cent.

61%

are dissatisfied with the amount they are able to save each month. In 2020, 65 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

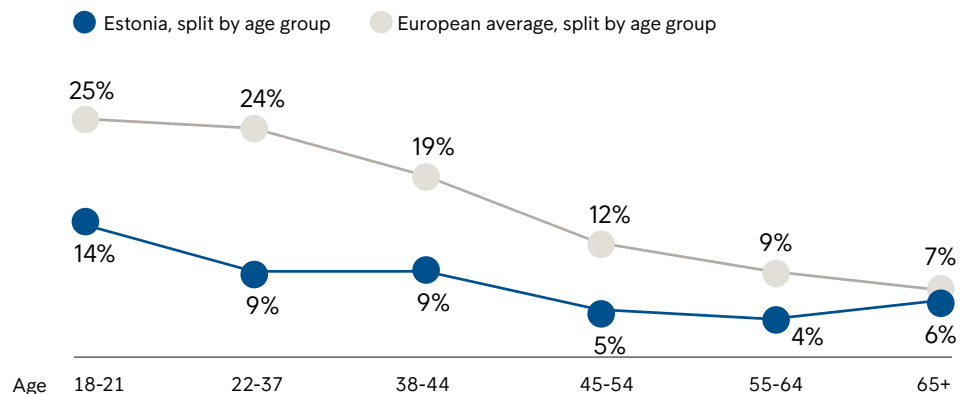


Managing credit and debt during the pandemic

16%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 10 per cent stated the same.

I don't want to know how much money I owe in total (agree)



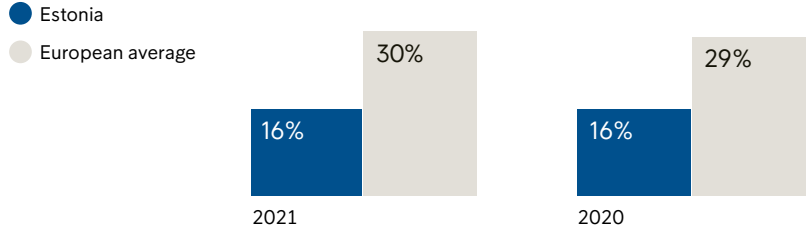
¹ <https://estonianworld.com/business/estonia-gdp-grows-12-9-in-q2-2021/>

Ability to pay bills on time

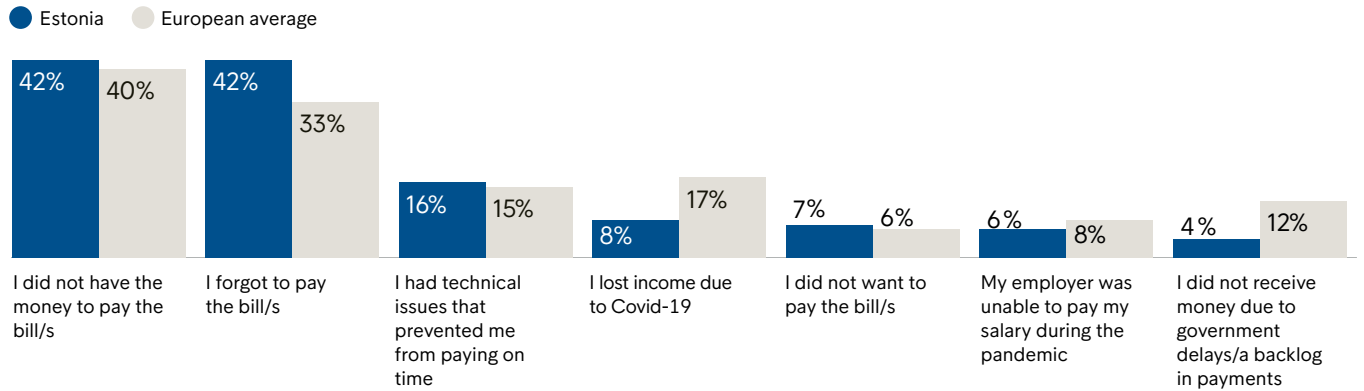
41%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 41 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

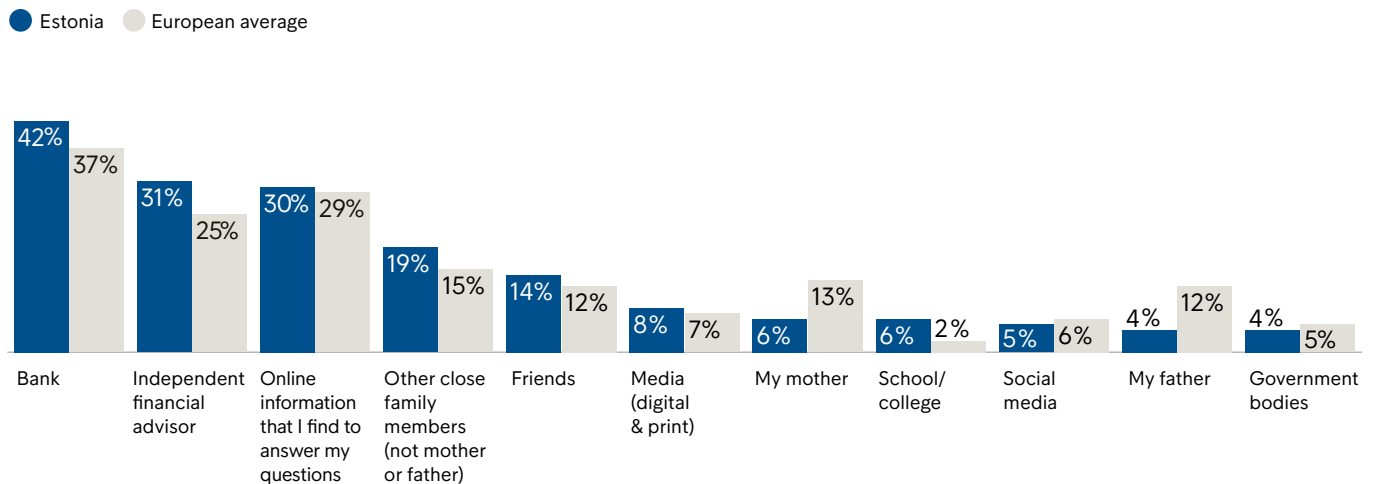
83%

say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

18%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



Finland

Finnish consumers more likely to see return to pre-Covid normality

Finland's economy is recovering swiftly from the Covid-19 crisis with consumer confidence hitting an all-time high in September 2021, albeit with some concerns about the availability of skilled labour in the country.¹

Consumers in Finland are more likely to say that Covid-19 has stopped having, or never did have, a negative impact on their finances. 39 per cent say that this is the case, compared with 29 per cent on average across Europe.

Finnish consumers continue to score highly in our survey when asked to match financial terms to their definitions. 80 per cent correctly linked the term 'credit score' to its definition – 18 percentage points above the European average. At the same time, 66 per cent of Finnish parents say they are now spending more time educating their children about the principles of sound financial management, compared with the European average of 57 per cent.

Saving for the future

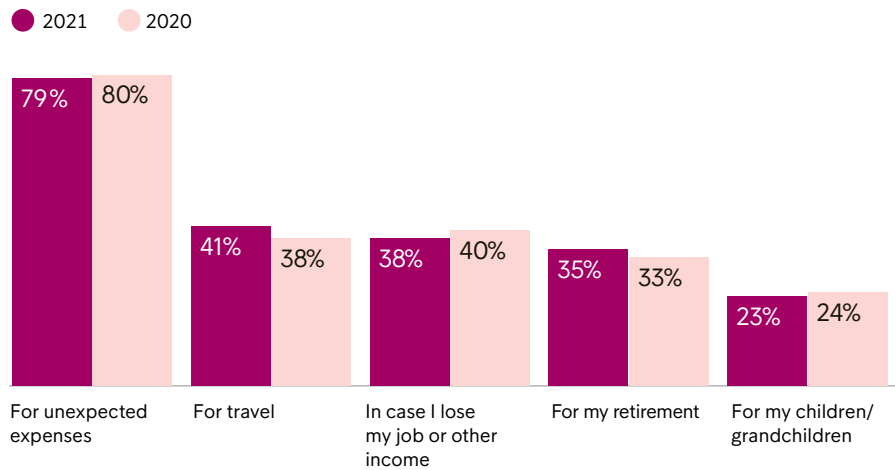
67%

say they are able to save each month. In 2020, 69 per cent stated the same. The European average for 2021 is 78 per cent.

61%

are dissatisfied with the amount they are able to save each month. In 2020, 61 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

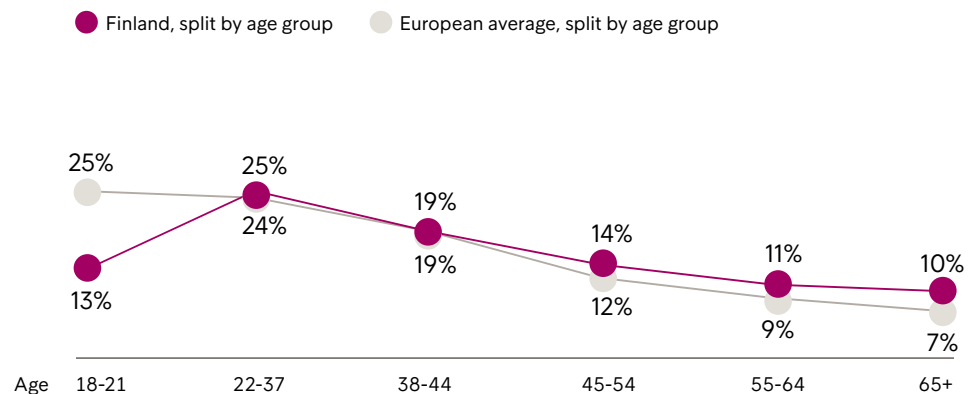


Managing credit and debt during the pandemic

30%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 25 per cent stated the same.

I don't want to know how much money I owe in total (agree)



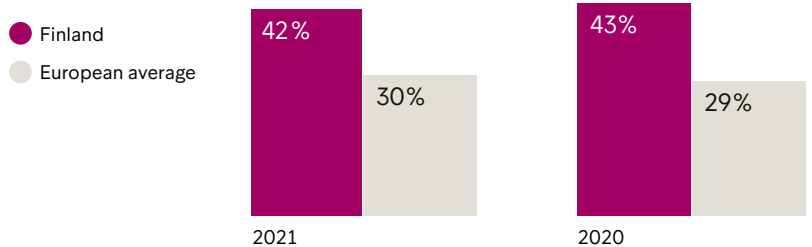
¹ https://stat.fi/til/kbar/2021/09/kbar_2021_09_2021-09-27_tie_001_en.html

Ability to pay bills on time

46%

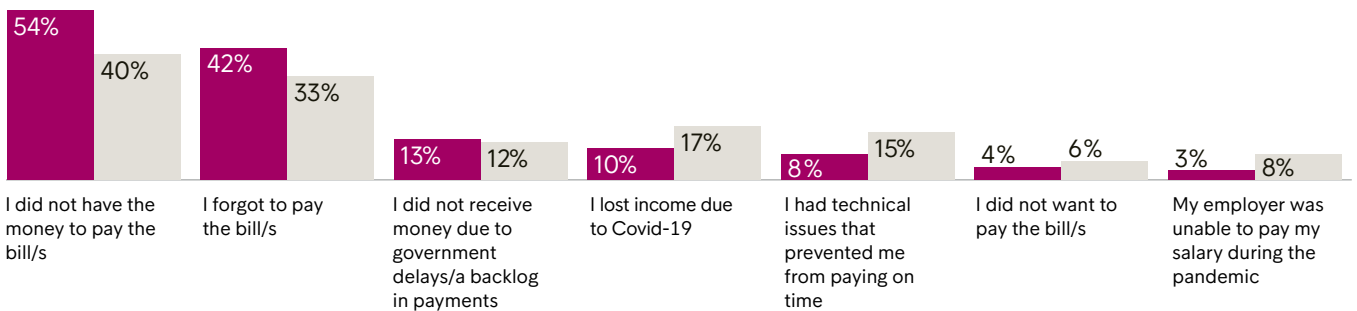
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 49 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Finland ● European average



Financial literacy

85%

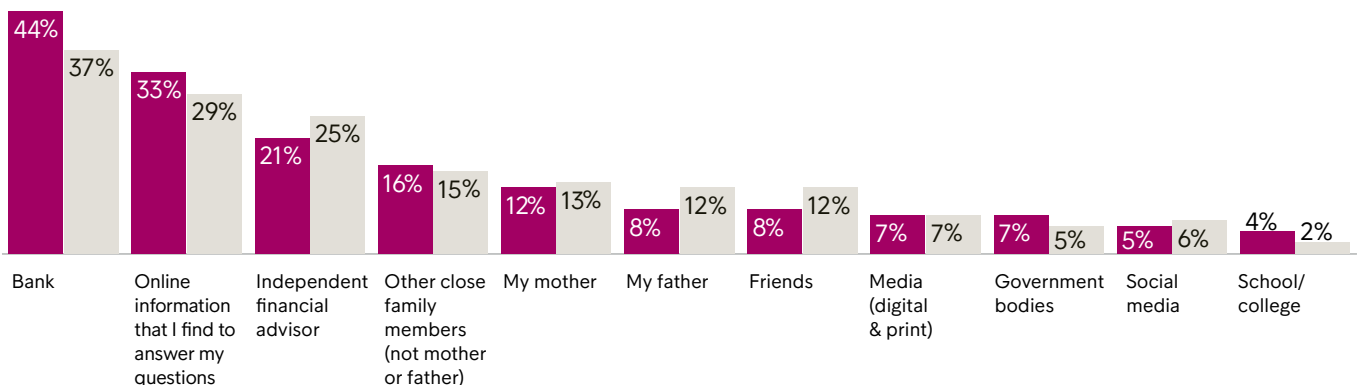
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

22%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Finland ● European average



France

Financial literacy in France remains relatively low

France's economy grew faster than expected in the three months to June 2021¹, and the country appears to have successfully overcome vaccine hesitancy in its population.²

Compared to their peers across Europe, French consumers continue to score poorly on financial literacy questions. Less than half (46 per cent) correctly matched the term 'credit score' to its definition – 16 percentage points below the European average.

Two in three French respondents (67 per cent) indicate they are concerned about the impact of general inflation, although just 54 per cent correctly calculate the impact of rising prices on savings (compared with 62 per cent across Europe). At the same time, 45 per cent match the term 'inflation' to the correct definition, versus 58 per cent on average.

Saving for the future

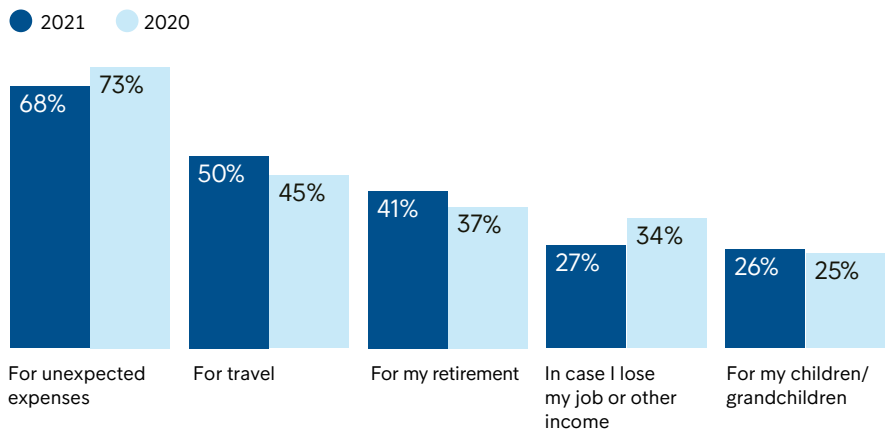
80%

say they are able to save each month. In 2020, 81 per cent stated the same. The European average for 2021 is 78 per cent.

44%

are dissatisfied with the amount they are able to save each month. In 2020, 49 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

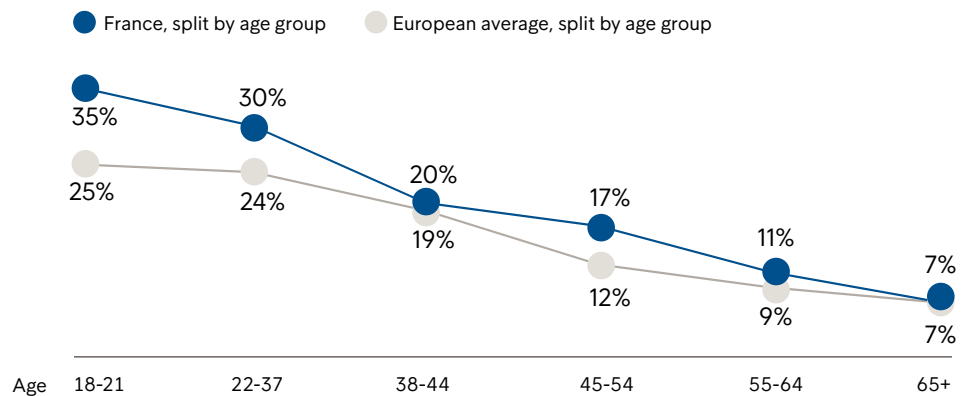


Managing credit and debt during the pandemic

28%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 21 per cent stated the same.

I don't want to know how much money I owe in total (agree)



1) <https://www.ft.com/content/e5c4a1f8-dcbf-449d-8958-142c43a5ab9d#post-4489d961-bcf2-4f7b-9848-6f6ae347e13e>

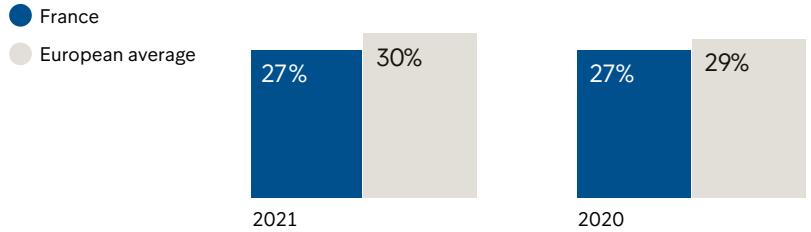
2) <https://www.wsj.com/articles/how-france-overcame-covid-19-vaccine-hesitancy-11632735002>

Ability to pay bills on time

43%

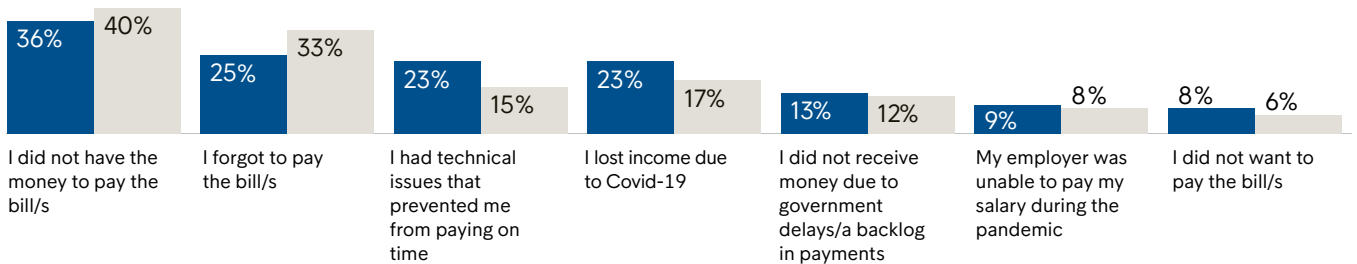
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 51 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● France ● European average



Financial literacy

84%

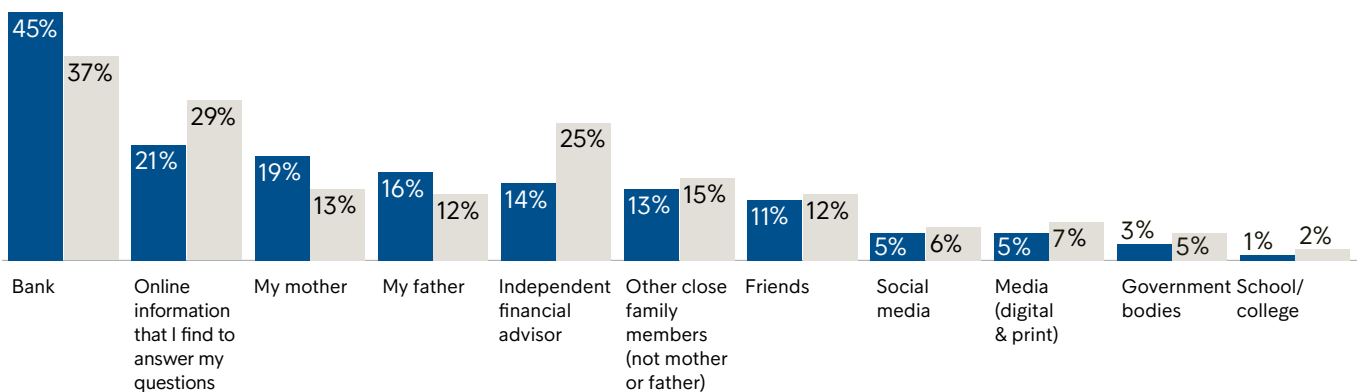
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

31%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● France ● European average



Germany

German consumers maintain high level of financial wellness

Despite a fragmented political landscape¹ and soaring inflation,² Germany's relatively high gross disposable household income per capita and household savings rate has boosted consumers' ability to pay their bills on time and provides protection against unforeseen events.

More than half (53 per cent) of German consumers say they have more than a fifth of their salary left after paying all their household bills – four percentage points above the European average.

In the event of an unforeseen event, 13 per cent of German consumers say they could rely on savings to pay out more than 12 times their monthly salary without falling into debt, versus 10 per cent of Europeans on average.

Saving for the future

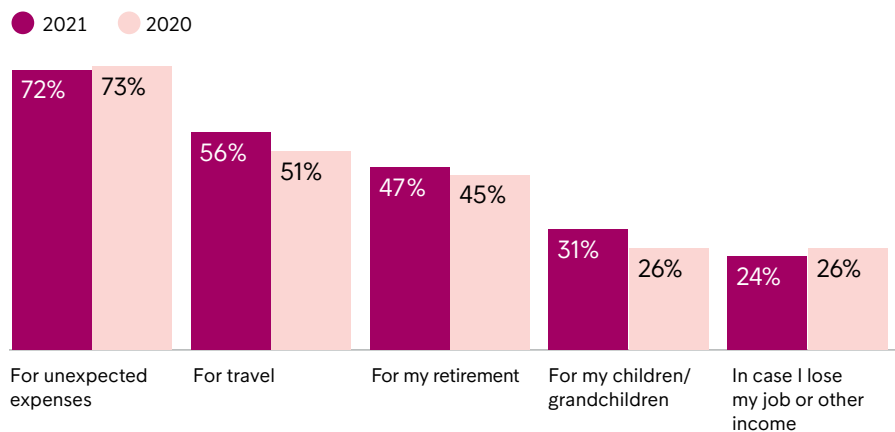
77%

say they are able to save each month. In 2020, 77 per cent stated the same. The European average for 2021 is 78 per cent.

45%

are dissatisfied with the amount they are able to save each month. In 2020, 43 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

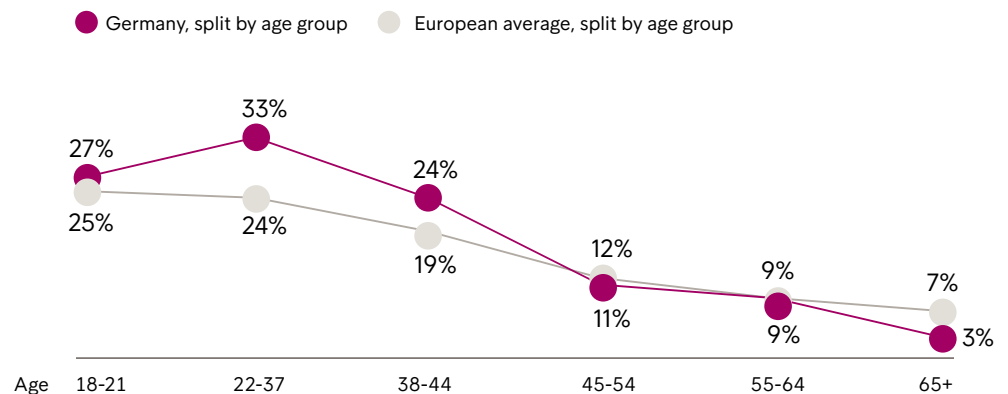


Managing credit and debt during the pandemic

27%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)



1) <https://www.ft.com/content/1fb608e3-1b57-4361-894e-7dcd1a5abfd>

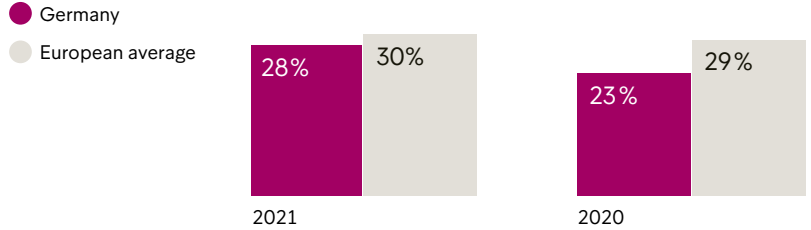
2) <https://www.ft.com/content/e1a5ce6e-4c13-4ae7-a821-d15a094a4755>

Ability to pay bills on time

38%

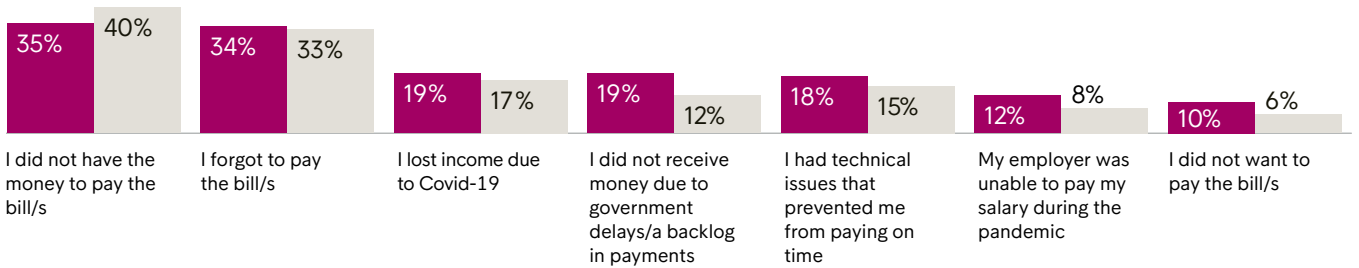
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 38 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Germany ● European average



Financial literacy

87%

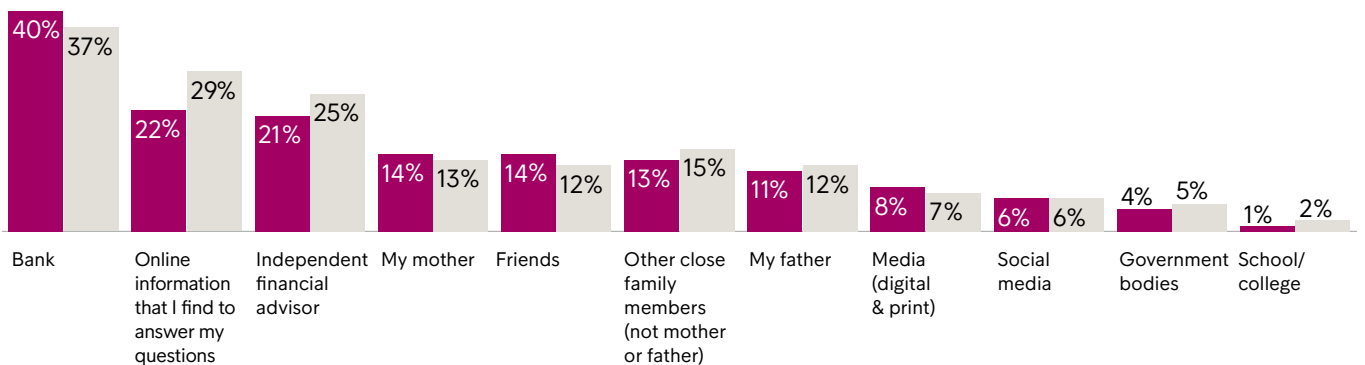
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

27%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Germany ● European average



Greece

Greek consumers at high risk of missing debt payments

Greece experienced a deep recession in 2020 following the effects of the pandemic.¹ Notwithstanding a 3.4 per cent rebound in the economy in the second quarter of 2021,² consumer finances have been squeezed over the past 12 months.

The downturn has taken its toll on Greek consumers' ability to pay their bills on time and save for the future. During the last year, 51 per cent of Greek consumers say they have paid one or more bills late – 21 percentage points above the European average. At the same time, approaching half (45 per cent) say they are now more likely to miss a debt payment than at any other time they can remember.

The country continues to make headway on financial literacy, however, after scoring second highest among all European countries on the survey's mathematics test, which asks respondents to calculate how a bank's interest rate would impact savings over time.

Saving for the future

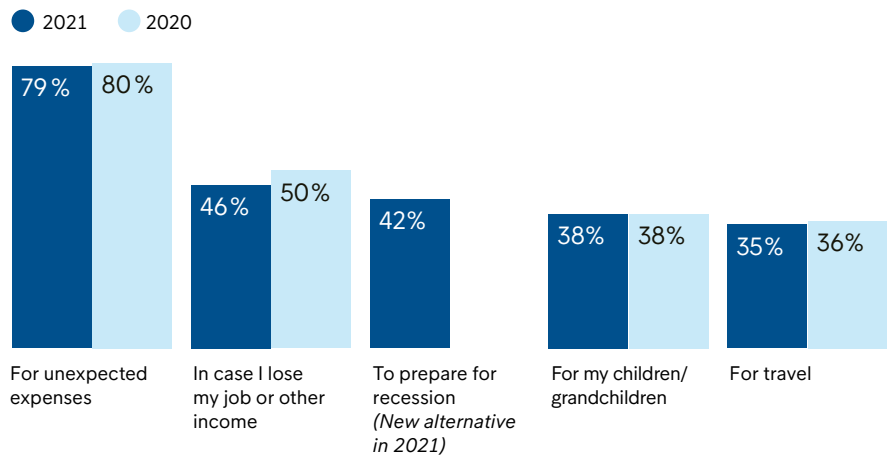
60%

say they are able to save each month. In 2020, 59 per cent stated the same. The European average for 2021 is 78 per cent.

73%

are dissatisfied with the amount they are able to save each month. In 2020, 77 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

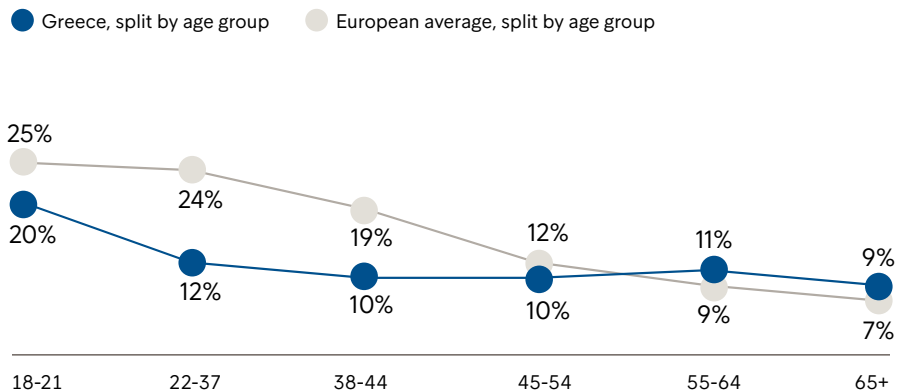


Managing credit and debt during the pandemic

36%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 37 per cent stated the same.

I don't want to know how much money I owe in total (agree)



1) <https://voxeu.org/article/pandemic-and-greece-s-debt-day-after>

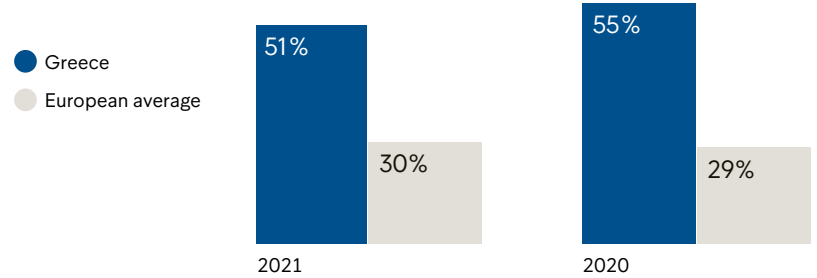
2) <https://www.reuters.com/world/europe/greek-pm-says-economy-rebound-59-this-year-outlines-tax-relief-2021-09-11/>

Ability to pay bills on time

67%

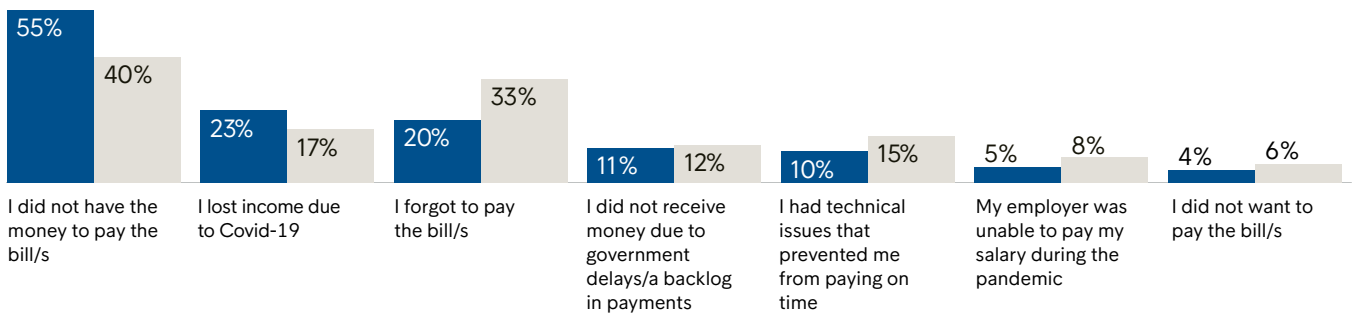
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 69 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Greece ● European average



Financial literacy

78%

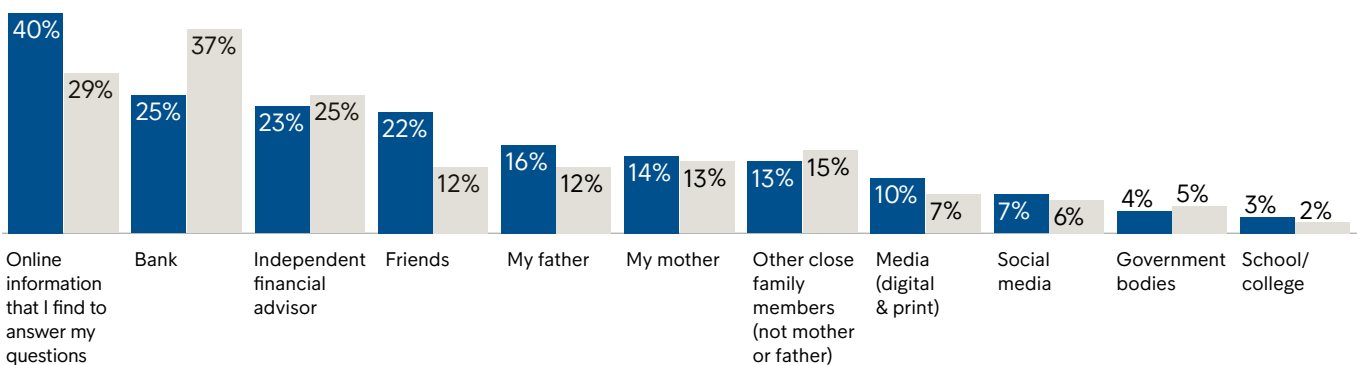
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

25%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Greece ● European average



Hungary

Hungarian savings take a hit

The pandemic has impacted Hungarian consumers' ability to save for the future. Today, more than one in three Hungarian consumers (31 per cent) say they do not save money each month, compared with 22 per cent of Europeans on average.

In the event of an unforeseen event, a third of Hungarian consumers (33 per cent) say they could afford to pay out less than one month's salary from their savings before falling into debt, versus 26 per cent of Europeans on average.

Our research indicates that Hungarian respondents are more likely to be adopting sustainable consumer behaviours, with 70 per cent saying that they are more likely to reduce clutter since the pandemic ended (compared with 57 per cent across Europe) and 77 per cent increasingly fixing old things rather than buying new ones (versus 65 per cent).

Saving for the future

69%

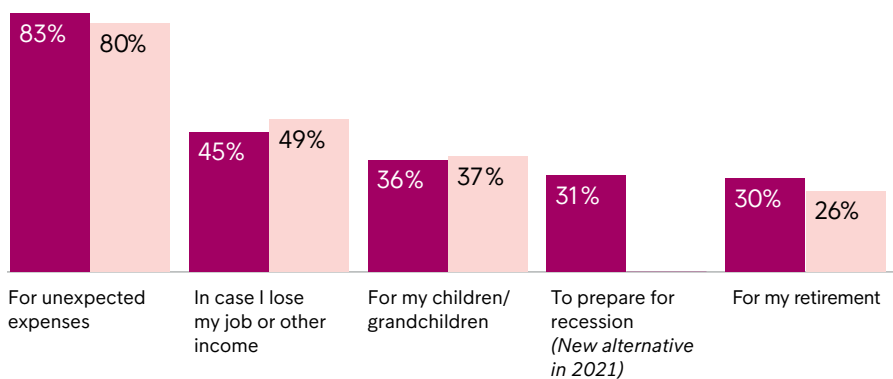
say they are able to save each month. In 2020, 70 per cent stated the same. The European average for 2021 is 78 per cent.

50%

are dissatisfied with the amount they are able to save each month. In 2020, 51 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

● 2021 ● 2020



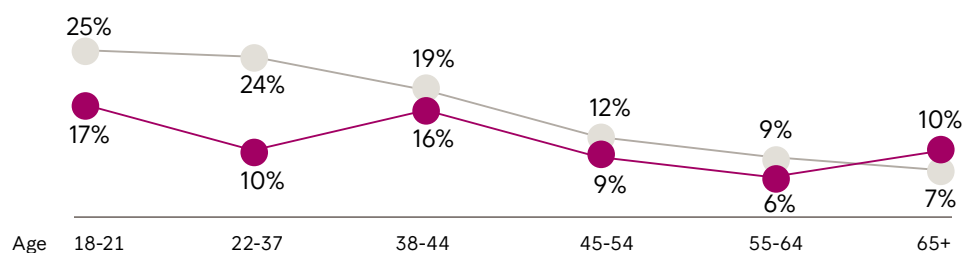
Managing credit and debt during the pandemic

24%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)

● Hungary, split by age group ● European average, split by age group

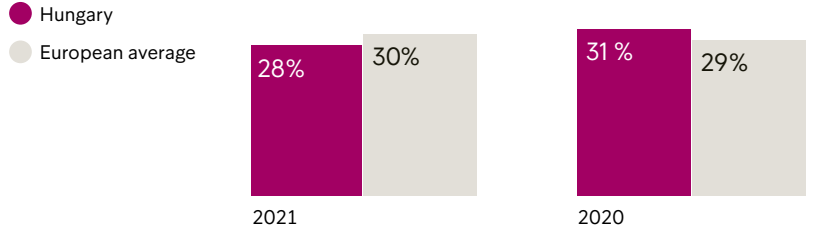


Ability to pay bills on time

44%

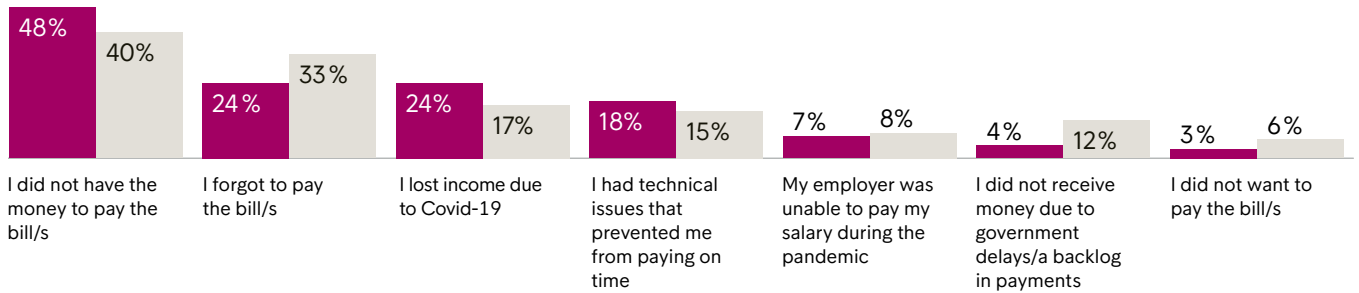
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 50 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Hungary ● European average



Financial literacy

70%

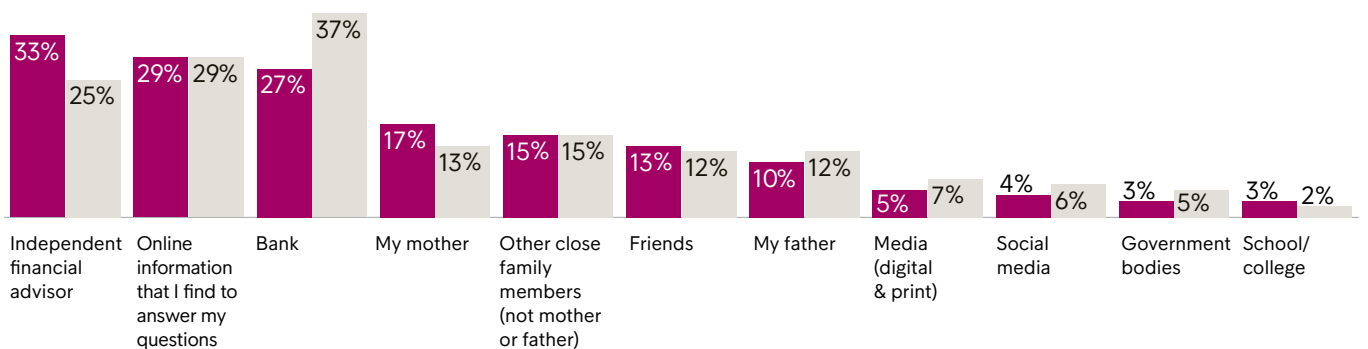
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

11%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Hungary ● European average



Ireland

Economic crisis leaves four in 10 Irish consumers worse off than before

In late 2021, the Irish government announced plans to invest €165 bn in new infrastructure projects before 2030 – including roads, train connections and broadband – in a bid to unlock growth¹.

More immediately, Covid-19 crisis has hampered Irish consumers' ability to save for the future and dented their financial wellbeing. More than one in three (37 per cent) respondents in the country says they had to stop working at some point, with or without furlough, during the pandemic, higher than the European average of 28 per cent.

At the same time, 41 per cent indicate that they are worse off now than they were before the crisis began, compared with an average of 37 per cent across Europe.

Saving for the future

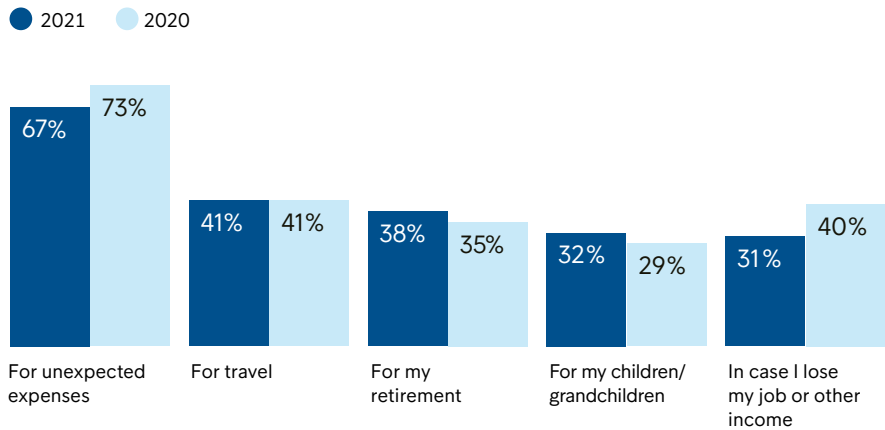
86%

say they are able to save each month. In 2020, 84 per cent stated the same. The European average for 2021 is 78 per cent.

54%

are dissatisfied with the amount they are able to save each month. In 2020, 56 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

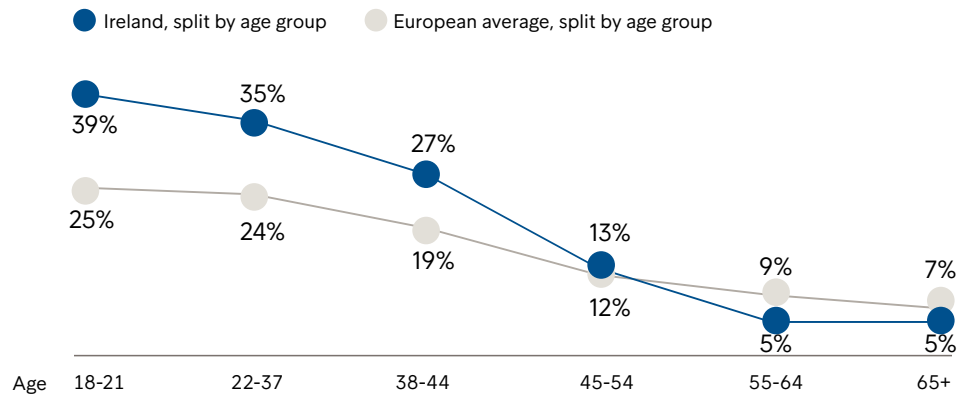


Managing credit and debt during the pandemic

34%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 24 per cent stated the same.

I don't want to know how much money I owe in total (agree)



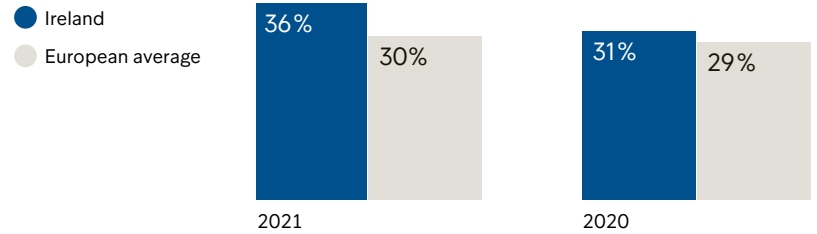
¹ <https://www.ft.com/content/4ebb88e4-bfee-4ca2-9029-296f0dd0fb46>

Ability to pay bills on time

43%

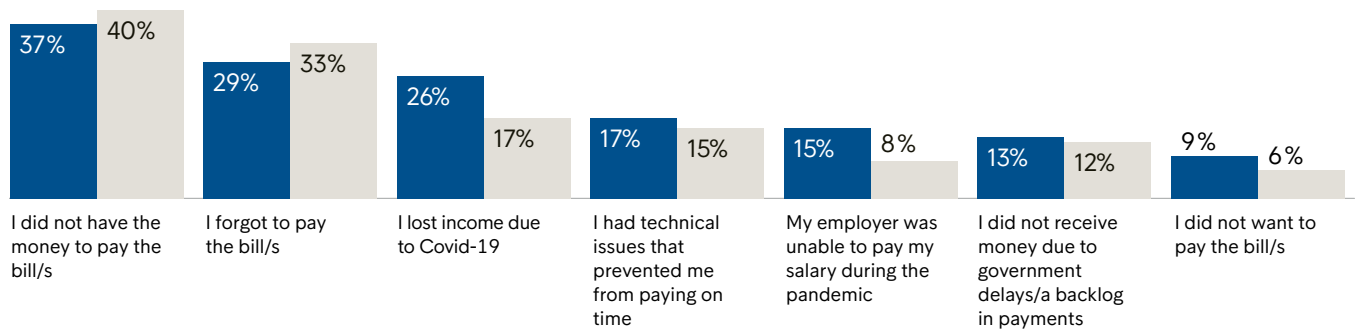
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 49 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Ireland ● European average



Financial literacy

78%

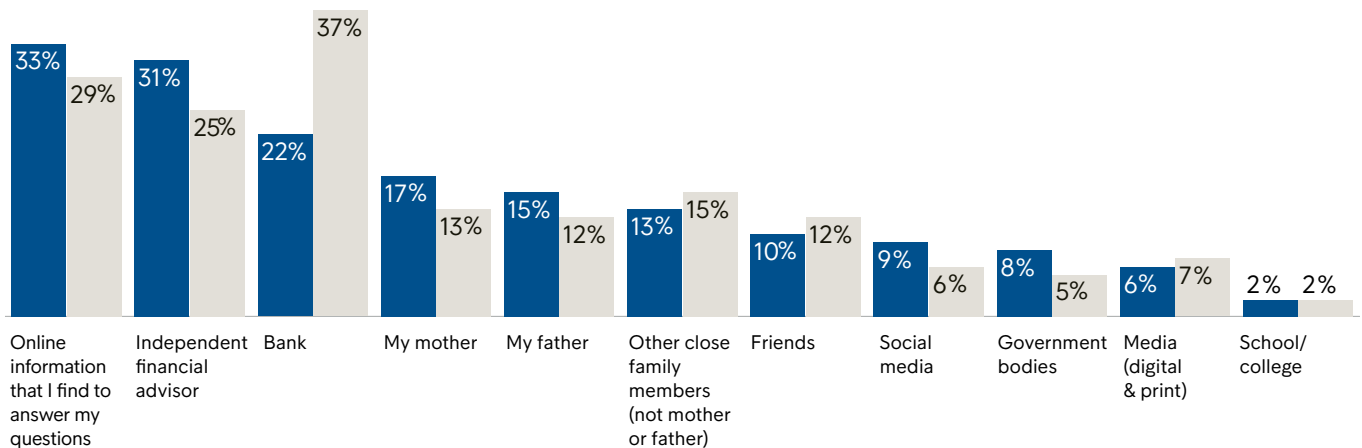
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

49%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Ireland ● European average



Italy

Italian respondents strive to improve personal finances

The rollout of Covid-19 vaccines, along with relaxed lockdown restrictions¹ and accelerated digitalisation², have boosted Italian businesses and consumer confidence, helping the economy outperform predictions.

Our survey suggests there has been an improvement in Italian consumers' ability to save for the future, with 45 per cent saying that they are now more likely to set targets to manage bills and savings than they were before the pandemic began. More than a third of Italian consumers (34 per cent) also say that they can save 10 per cent or more of their salary each month – four percentage points above the European average.

Looking ahead, most Italian respondents express concern about the prospect of inflation (74 per cent) and rising interest rates (61 per cent) on their finances, higher than the European average of 69 per cent and 48 per cent respectively.

Saving for the future

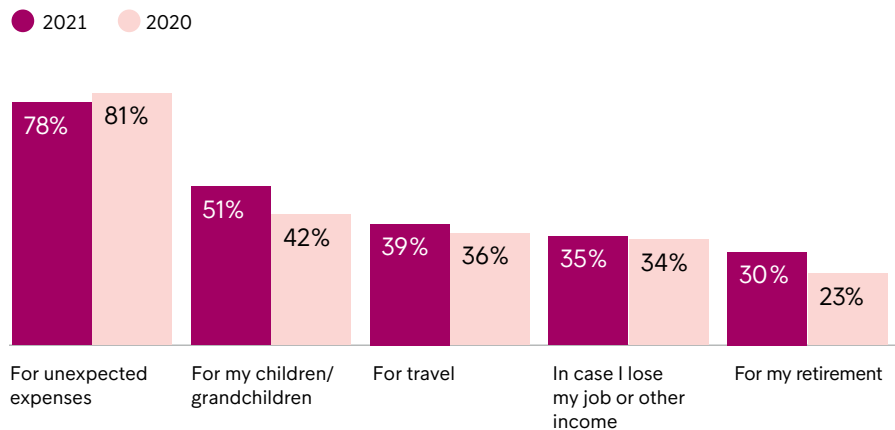
84%

say they are able to save each month. In 2020, 83 per cent stated the same. The European average for 2021 is 78 per cent.

56%

are dissatisfied with the amount they are able to save each month. In 2020, 58 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

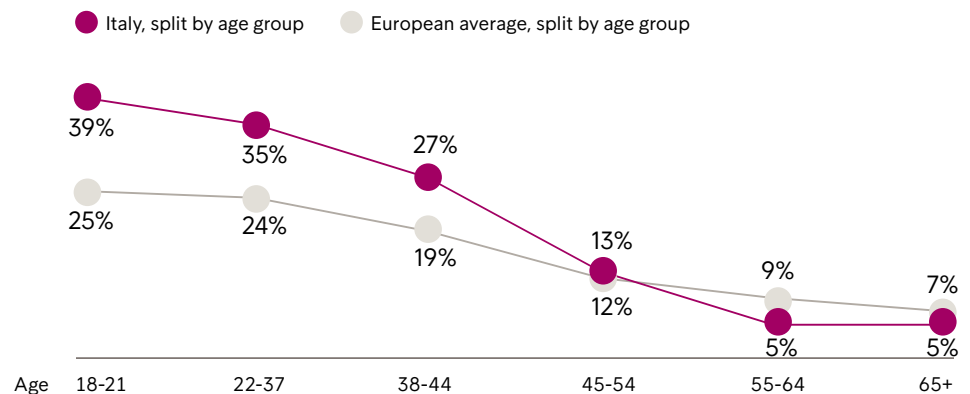


Managing credit and debt during the pandemic

25%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 21 per cent stated the same.

I don't want to know how much money I owe in total (agree)



1) <https://www.ft.com/content/a9f62510-fb2d-4c72-b360-addc1789ee58>

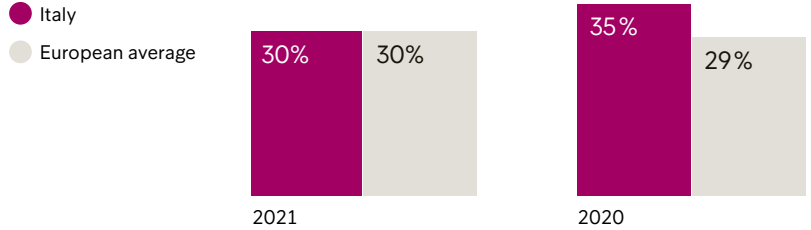
2) <https://www.ft.com/content/dfb16c93-9e1f-45ad-98c7-d477f05fa9f6>

Ability to pay bills on time

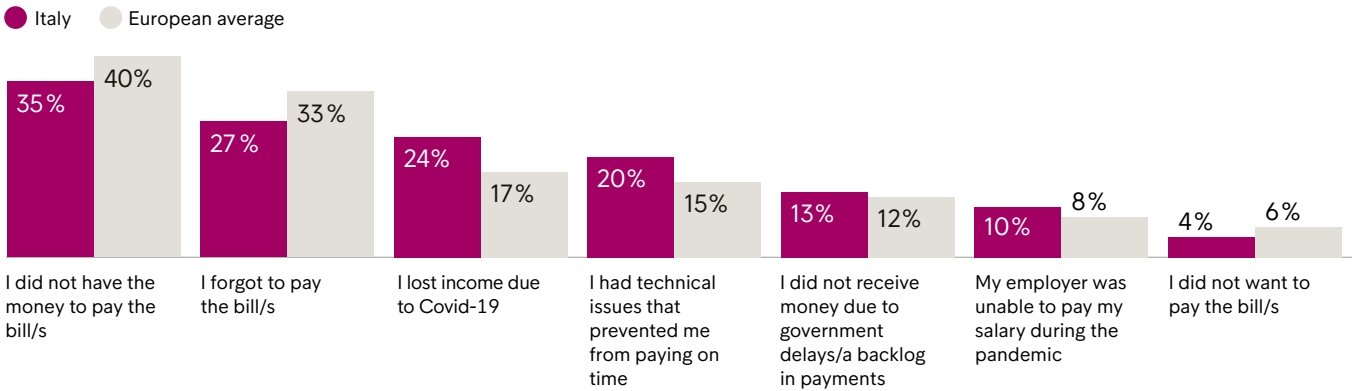
40%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 43 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

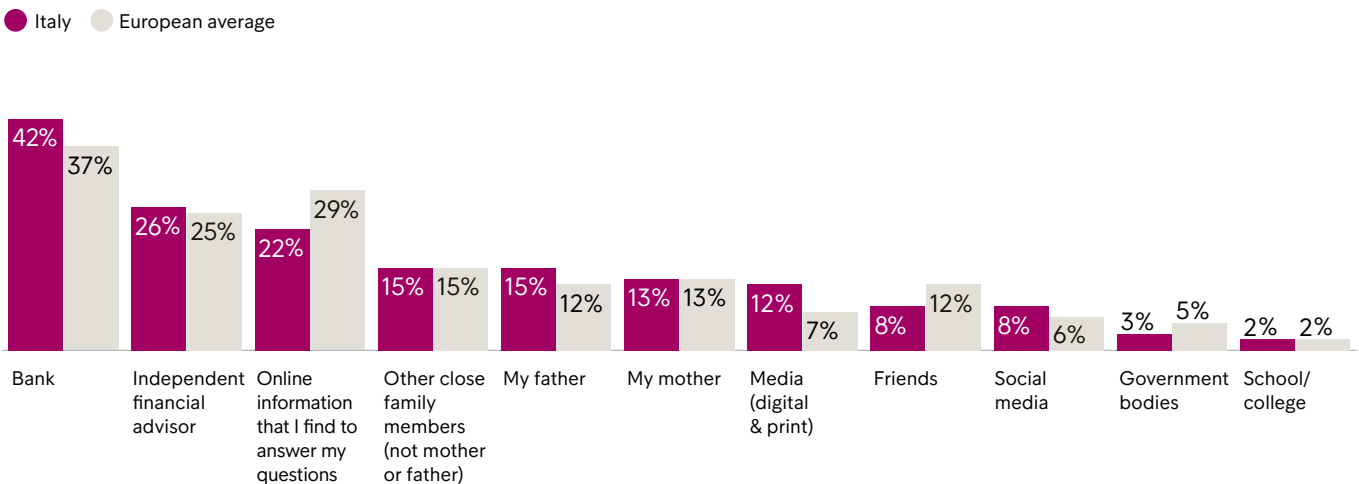
72%

say they received sufficient or excellent financial education. Off the total, 48 per cent still need advice on complex financial matters.

28%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



Latvia

Inflation poses threat to Latvian financial wellbeing

Economists anticipate that Latvia's recovery will take place sooner than originally expected,¹ but its performance depends in large part on the ongoing level of Covid-19 infection rates, as well as vaccination availability and uptake. Respondents in the country are, however, highly likely to be concerned about inflation, with 84 per cent saying they are worried about the impact of rising prices on their financial wellbeing.

Latvian consumers continue to take care of their finances: nearly eight in 10 consistently pay their bills on time (79 per cent), 11 percentage points above the European average, and up from 75 per cent a year ago.

Latvia continues to enjoy a sound level of financial literacy. Nearly two-thirds of Latvian consumers (63 per cent) say they received sufficient financial education to manage their day-to-day finances, versus just over half of Europeans, on average (51 per cent).

Saving for the future

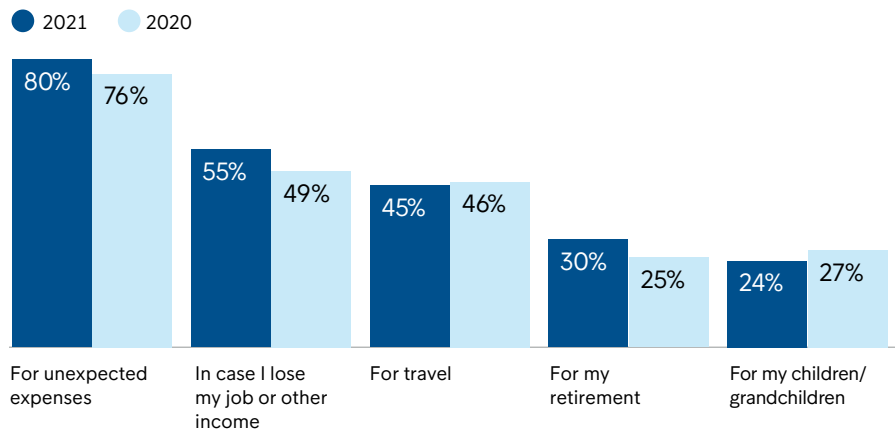
67%

say they are able to save each month. In 2020, 69 per cent stated the same. The European average for 2021 is 78 per cent.

59%

are dissatisfied with the amount they are able to save each month. In 2020, 57 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

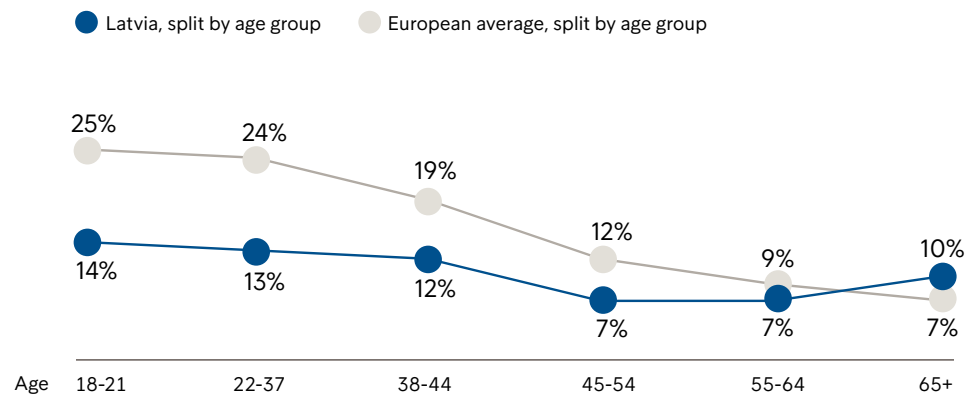


Managing credit and debt during the pandemic

20%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 18 per cent stated the same.

I don't want to know how much money I owe in total (agree)



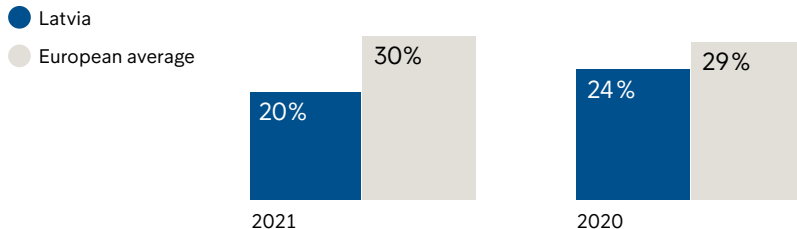
¹ <https://bnn-news.com/bank-of-latvia-upgrades-gdp-growth-outlook-to-5-3-for-2021-228632>

Ability to pay bills on time

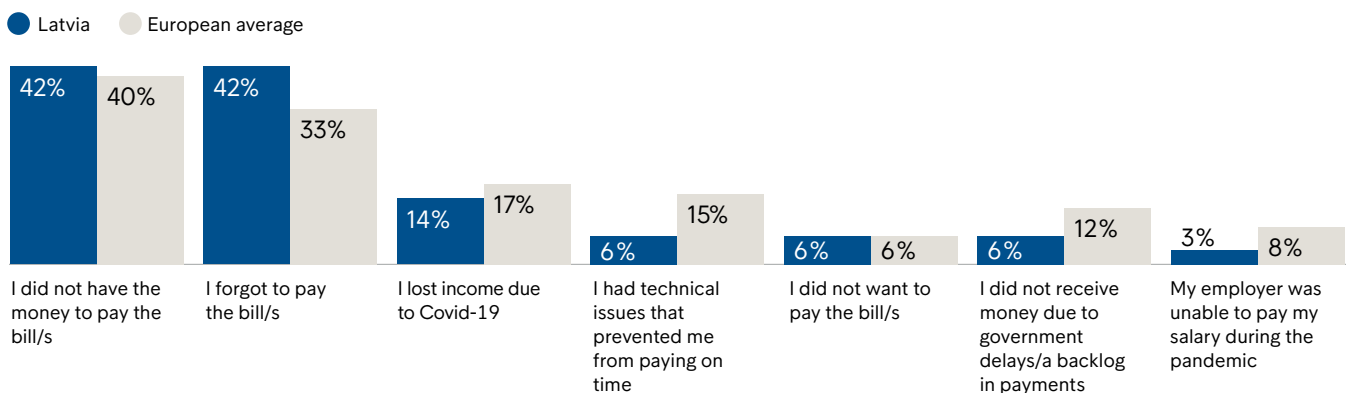
57%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is an increase from 52 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

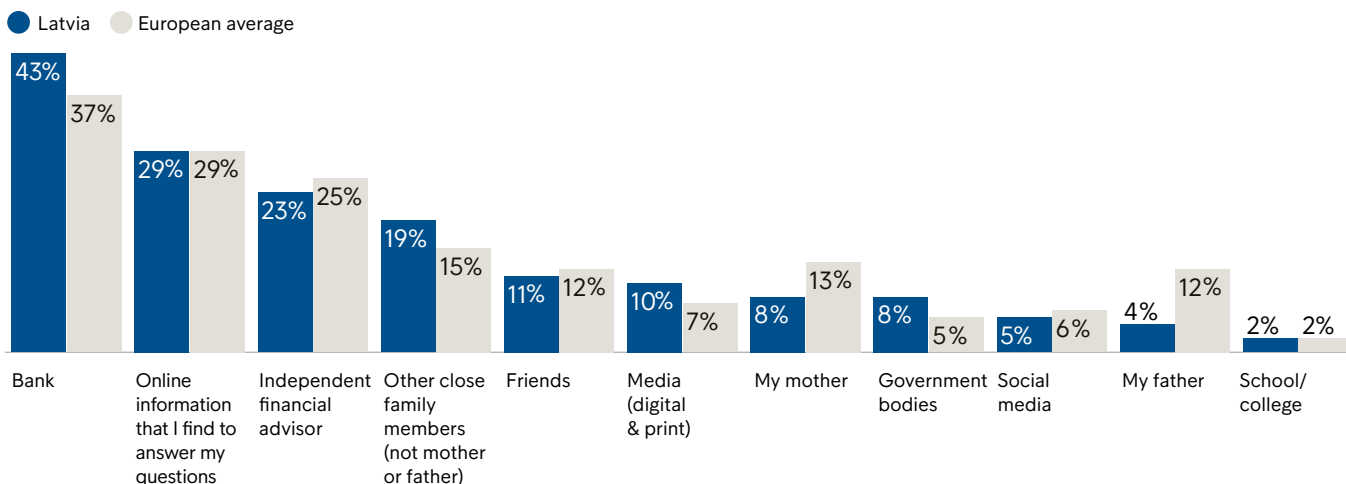
84%

say they received sufficient or excellent financial education. Off the total, 63 per cent still need advice on complex financial matters.

23%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



Lithuania

Lithuanian consumers enjoy relatively high disposable income

Question marks remain over the economic implications of Lithuania's diplomatic spat with China¹. At the present time, however, our research suggests that the country performs relatively well in terms of consumers' discretionary spending and ability to make payments on time.

Approaching four in 10 (37 per cent) Lithuanian consumers say they have more than 50 per cent of their monthly salary left after paying all household bills – more than twice that of Europeans, on average (16 per cent).

As with the other Baltic countries in our survey, Lithuanian respondents show a relatively high level of financial literacy. Since the pandemic, 61 per cent of Lithuanian consumers with children under 18 say they are spending more time than they were helping their families understand the principles of sound financial management.

Saving for the future

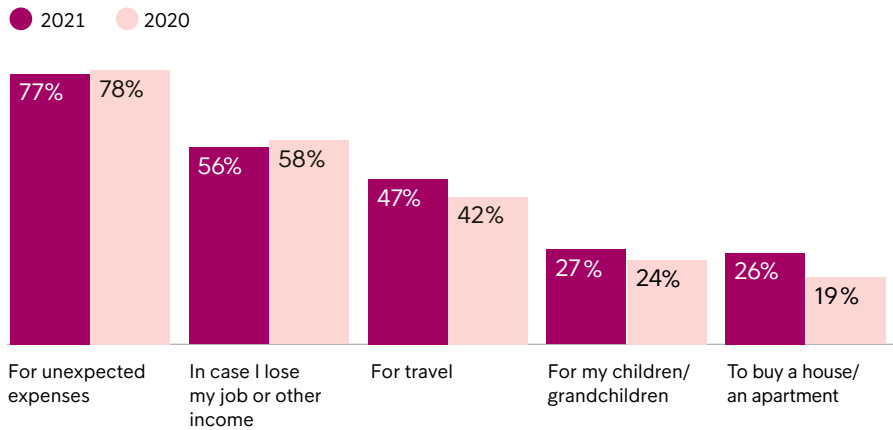
77%

say they are able to save each month. In 2020, 78 per cent stated the same. The European average for 2021 is 78 per cent.

54%

are dissatisfied with the amount they are able to save each month. In 2020, 58 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

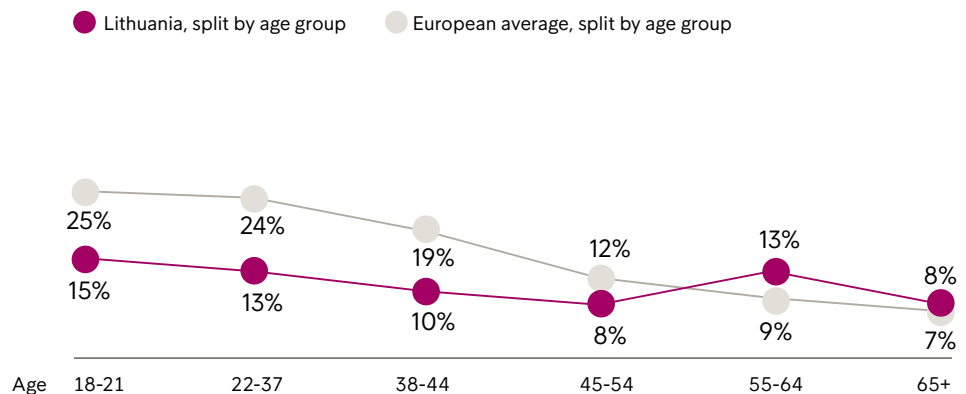


Managing credit and debt during the pandemic

21%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 13 per cent stated the same.

I don't want to know how much money I owe in total (agree)



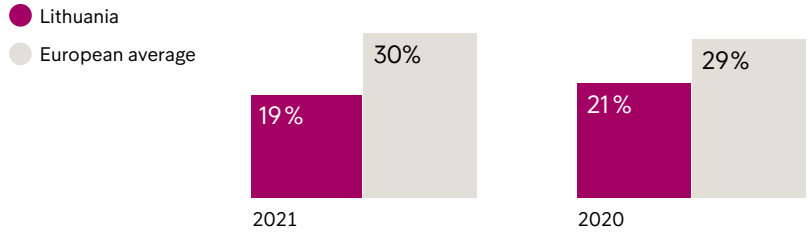
¹ <https://nationalinterest.org/feature/china%E2%80%99s-economic-blackmail-lithuania-could-backfire-194897>

Ability to pay bills on time

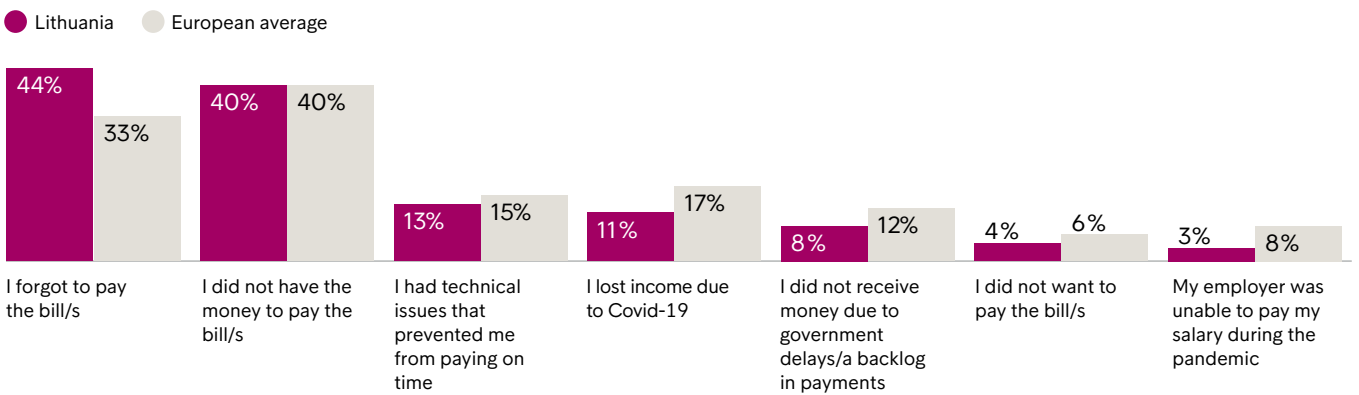
46%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is an increase from 42 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

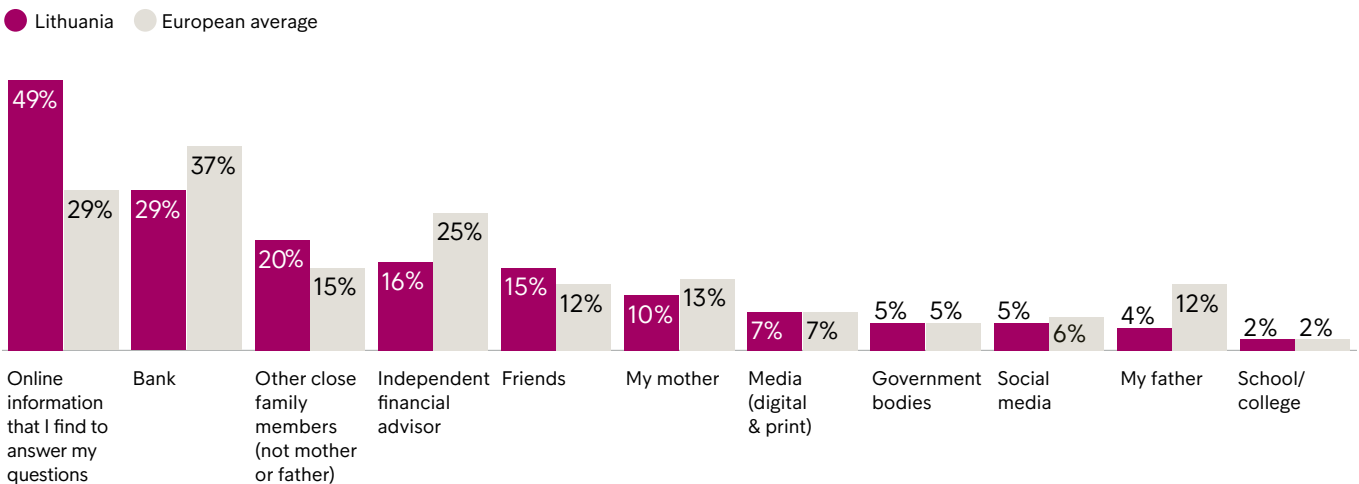
71%

say they received sufficient or excellent financial education. Off the total, 47 per cent still need advice on complex financial matters.

23%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



The Netherlands

Economic crisis passes by two in three Dutch respondents

The Netherlands' economy weathered the pandemic comparatively well, experiencing a smaller recession than much of Europe in 2020 and seeing a strong recovery in 2021¹.

In turn, around two in three (65 per cent) say their financial wellbeing is approximately the same now as it was before the crisis, higher than the European average of 53 per cent.

Just four in 10 Dutch respondents say they are dissatisfied with the amount they save each month, which is 14 percentage points lower than the average across Europe. On average, more than two thirds (68 per cent) save up to 20 per cent of their salary each month, slightly above the European average.

Saving for the future

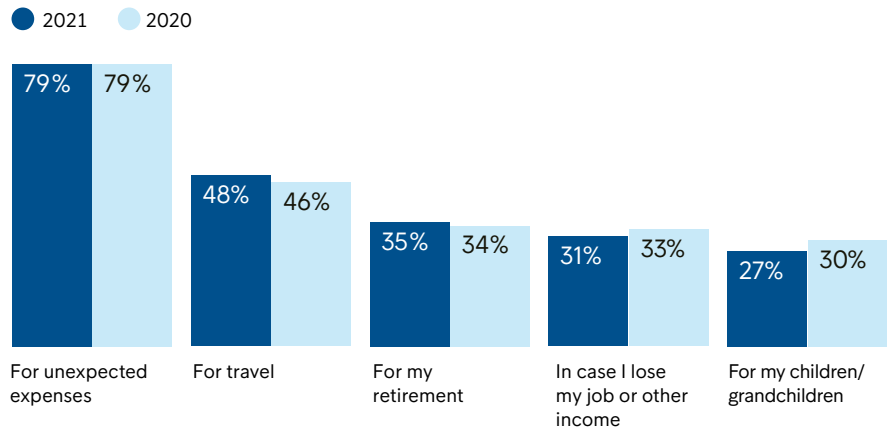
79%

say they are able to save each month. In 2020, 77 per cent stated the same. The European average for 2021 is 78 per cent.

40%

are dissatisfied with the amount they are able to save each month. In 2020, 44 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

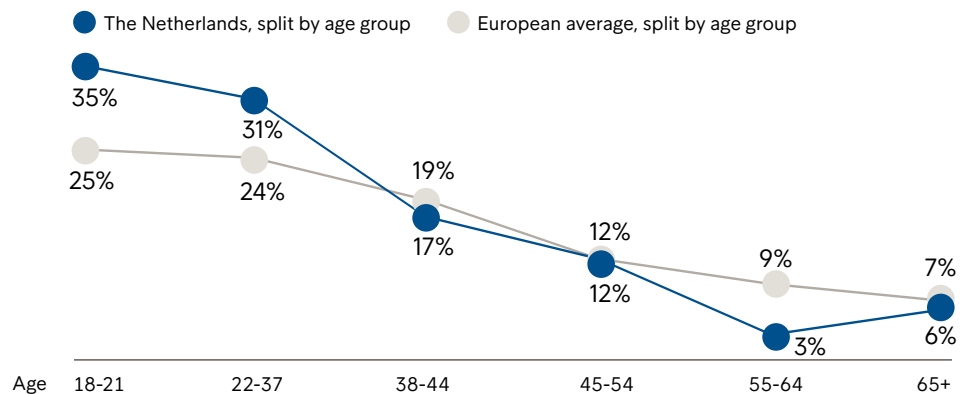


Managing credit and debt during the pandemic

20%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 17 per cent stated the same.

I don't want to know how much money I owe in total (agree)



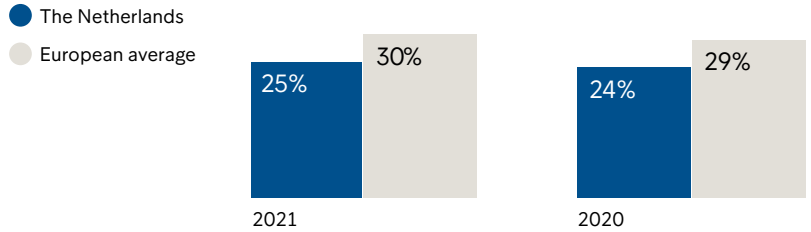
¹) <https://www.imf.org/en/News/Articles/2021/09/27/mcs092821-kingdom-of-the-netherlands-the-netherlands-staff-concluding-statement-2021-art-iv-mission>

Ability to pay bills on time

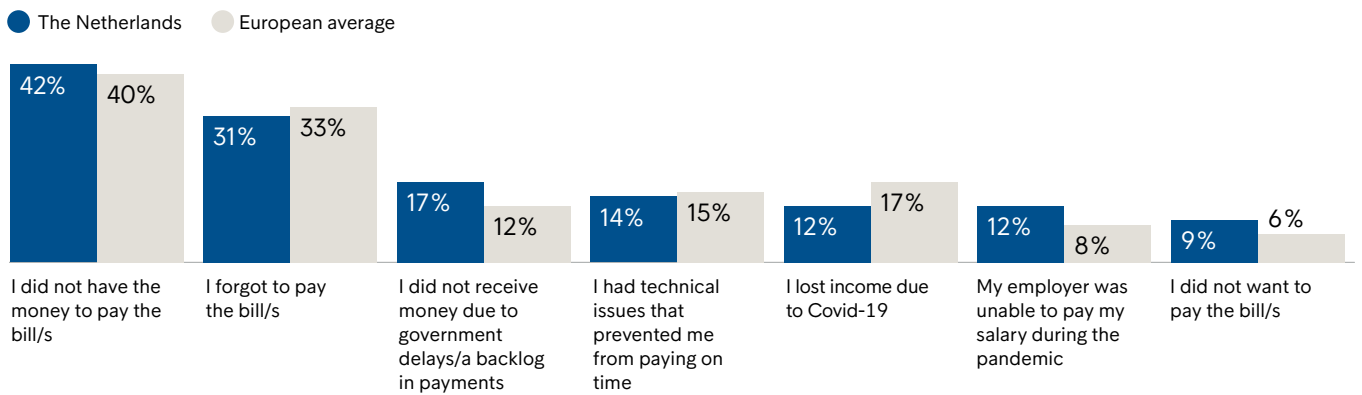
30%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 36 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

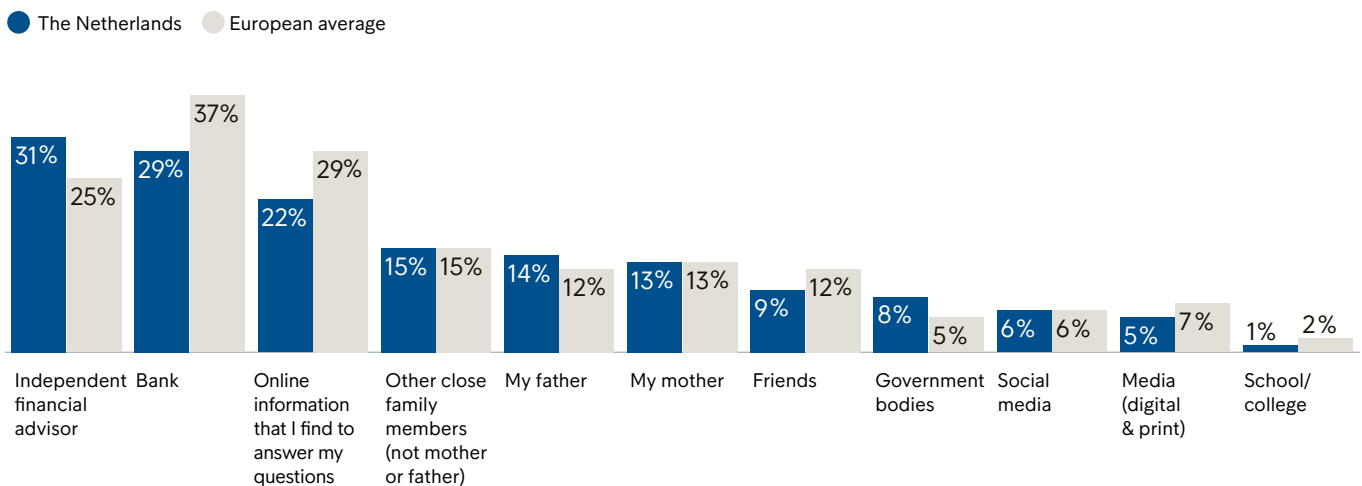
91%

say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

26%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



Norway

Norway anticipates a return to normality

Norway has had one of the lowest Covid-infection rates across Europe, throughout all three waves of the pandemic, thanks to low population density, the country's relative isolation in Northern Europe and decisive action by the government and health authorities¹.

The above factors have helped shield Norway's economy from disruption on the scale seen elsewhere in Europe, while healthy disposable incomes have boosted its consumers' capacity for saving. More than a third of Norwegians (34 per cent) tell us they are putting away more than 10 per cent of their monthly salary for a rainy day, versus an average of 30 per cent across Europe.

Norwegian respondents are more optimistic than their peers across Europe about the pandemic coming to an end. 40 per cent say they expect the pandemic to stop having an impact on their finances within the next year, compared with the European average of 28 per cent. A further 32 per cent say they already feel no impact on their financial wellbeing.

Saving for the future

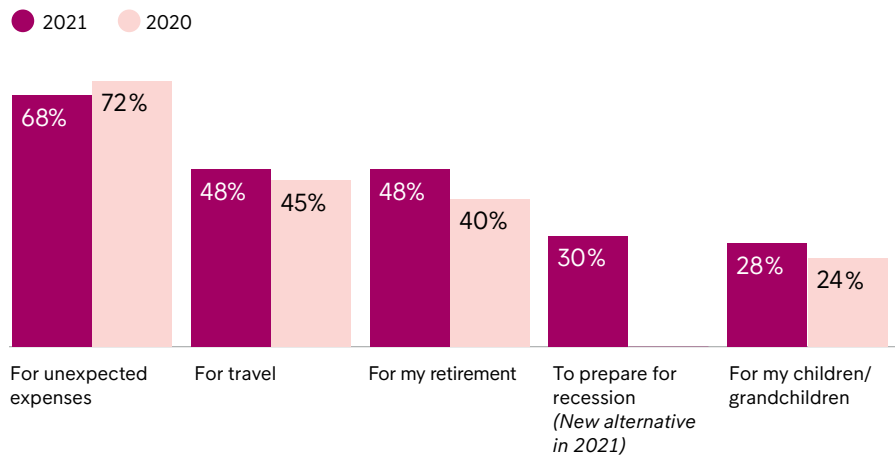
83%

say they are able to save each month. In 2020, 77 per cent stated the same. The European average for 2021 is 78 per cent.

50%

are dissatisfied with the amount they are able to save each month. In 2020, 48 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

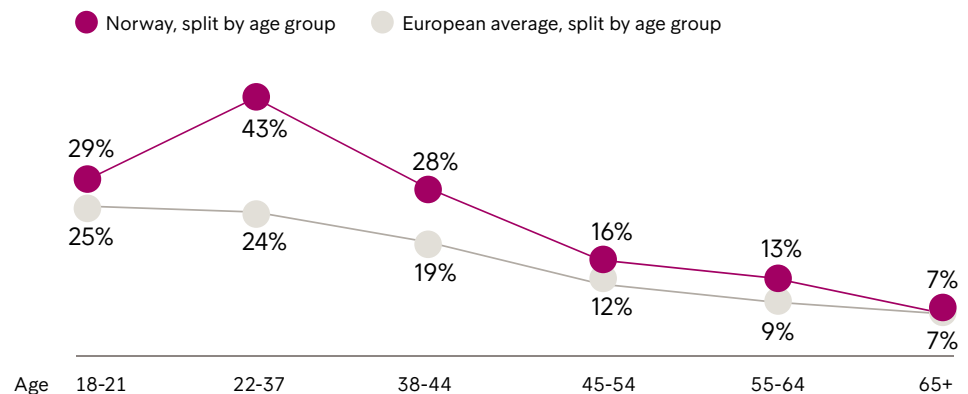


Managing credit and debt during the pandemic

34%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 22 per cent stated the same.

I don't want to know how much money I owe in total (agree)



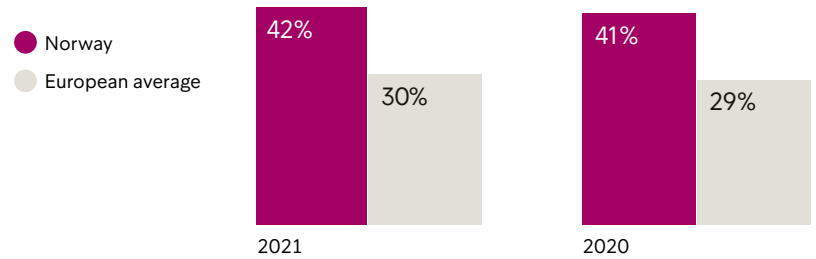
¹) <https://www.ft.com/content/f47c2b96-d3d9-4bfc-ab51-c1b5f2153f3a>

Ability to pay bills on time

36%

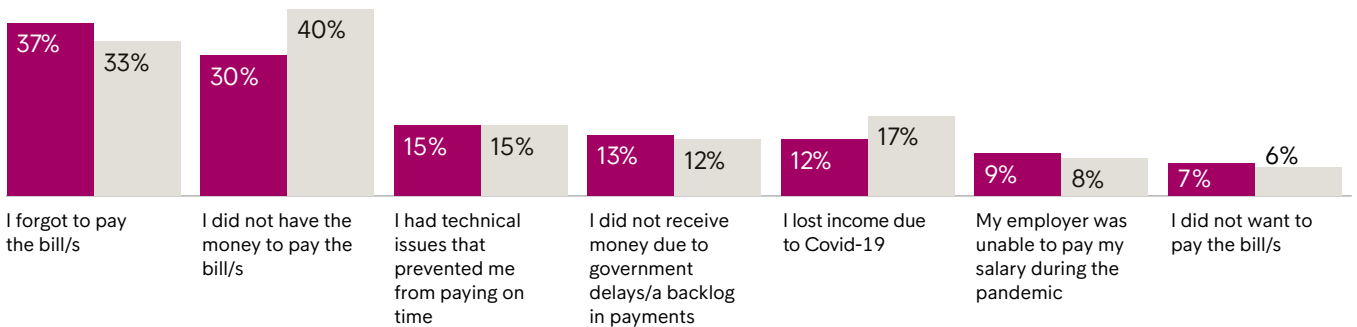
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 42 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Norway ● European average



Financial literacy

89%

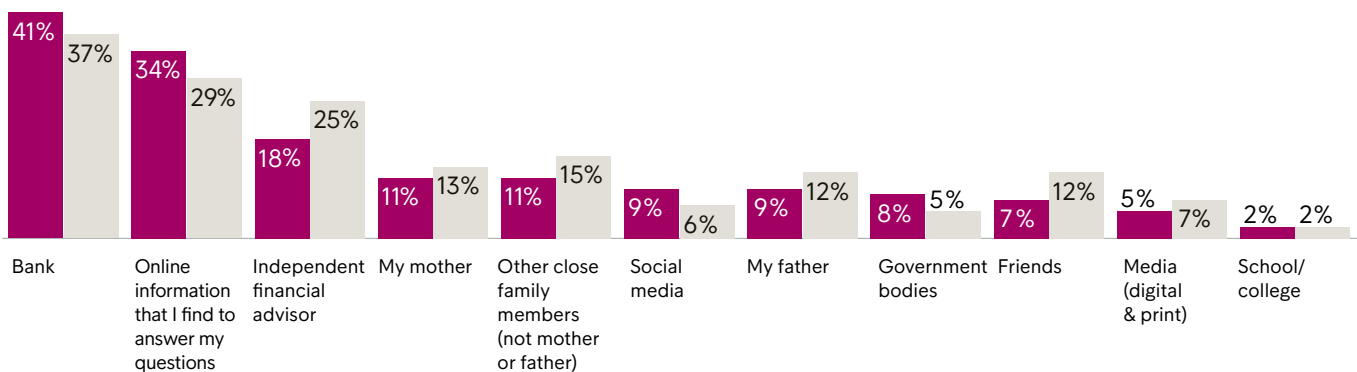
say they received sufficient or excellent financial education. Off the total, 60 per cent still need advice on complex financial matters.

38%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Norway ● European average



Poland

More than eight in 10 Polish consumers worry about inflation

Following the country's first recession in three decades,¹ and as government plans for economic stimulus are rolled out, respondents in Poland indicate that they are increasingly struggling to pay bills on time. 15 per cent of Polish consumers say they have 10–20 per cent of their monthly salary left after paying all their household bills, slightly below the European average.

According to our survey, 46 per cent of Polish respondents are worse off today than they were before the pandemic, which is higher than the European average of 37 per cent. They are also more likely to be concerned about the prospect of inflation, with 82 per cent saying they are worried about the impact of rising prices on their finances (versus 69 per cent across Europe).

Our research suggests that Polish consumers are less proficient in financial literacy than peers across Europe. Just over half of Polish consumers (54 per cent) correctly matched the term 'budget' to its definition – 15 percentage points below the European average.

Saving for the future

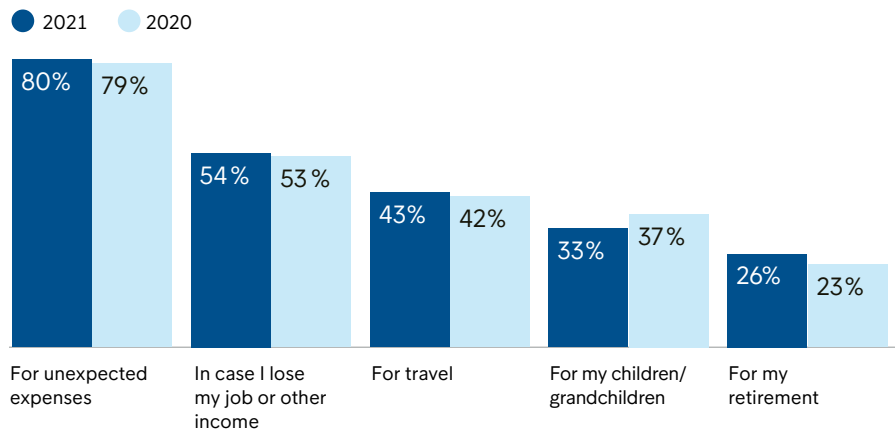
76%

say they are able to save each month. In 2020, 80 per cent stated the same. The European average for 2021 is 78 per cent.

65%

are dissatisfied with the amount they are able to save each month. In 2020, 69 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

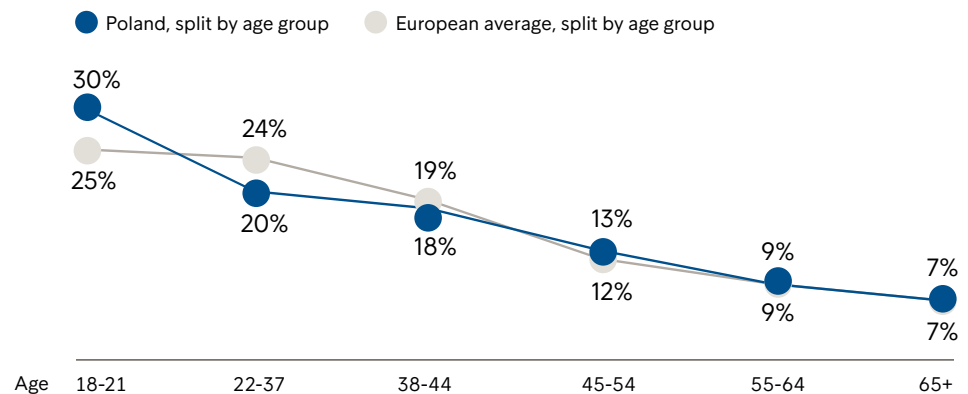


Managing credit and debt during the pandemic

32%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 32 per cent stated the same.

I don't want to know how much money I owe in total (agree)



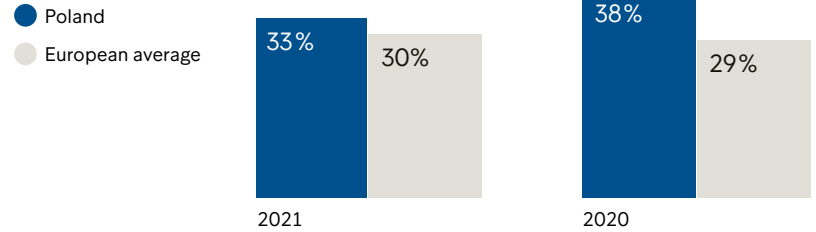
¹ <https://www.ft.com/content/d6abdb5c-8560-40c7-b229-a2cf6fefe254>

Ability to pay bills on time

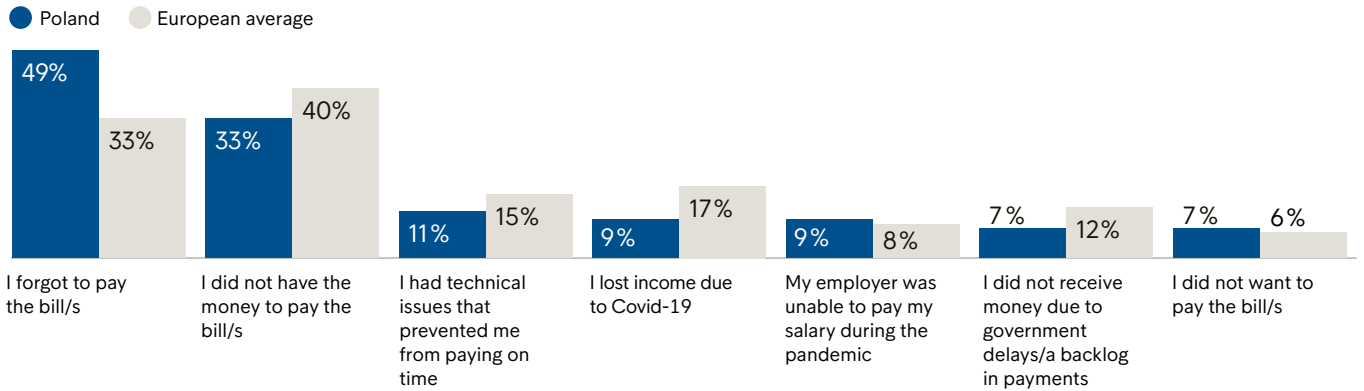
55%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 61 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

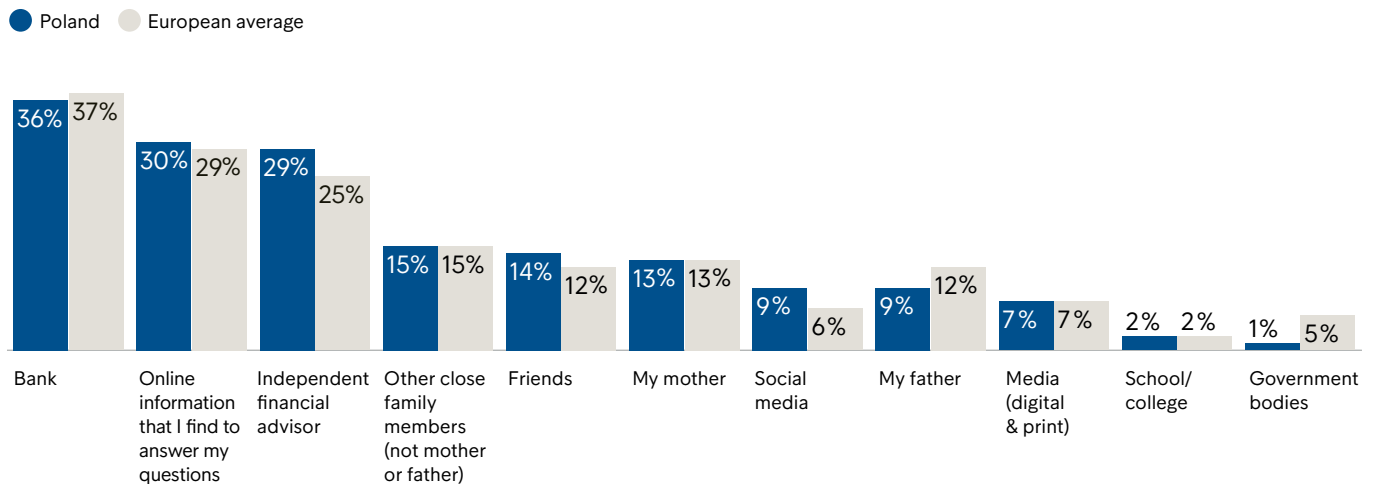
72%

say they received sufficient or excellent financial education. Off the total, 46 per cent still need advice on complex financial matters.

30%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



Portugal

Consumers in Portugal fear impact of Covid will last beyond another year

Portugal was the first nation to have its recovery plan approved by the European Commission¹, while reductions in the entry restrictions for travellers are boosting hopes of a tourism recovery².

In line with these positive developments, consumers' payment punctuality has improved since our last survey, with more than three-quarters of consumers (76 per cent) saying they have paid all their bills on time over the last 12 months – 8 percentage points above the European average.

Portuguese consumers are, however, less hopeful than other countries about a sudden return to normality. 55 per cent believe it will be at least a year until the pandemic stops having a negative impact on their finances, higher than the European average of 43 per cent.

Saving for the future

84%

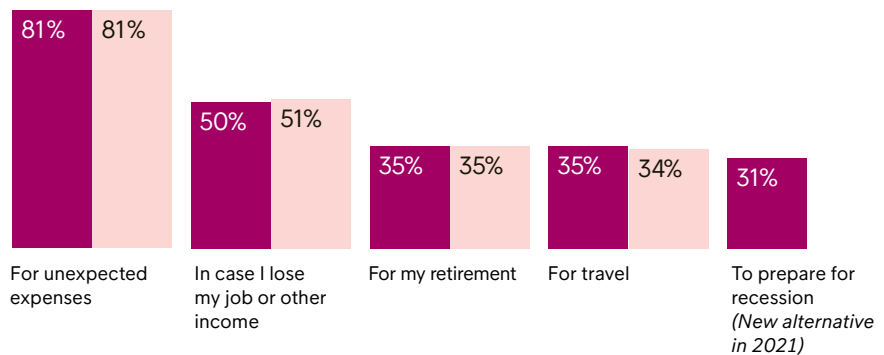
say they are able to save each month. In 2020, 83 per cent stated the same. The European average for 2021 is 78 per cent.

63%

are dissatisfied with the amount they are able to save each month. In 2020, 66 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

● 2021 ● 2020



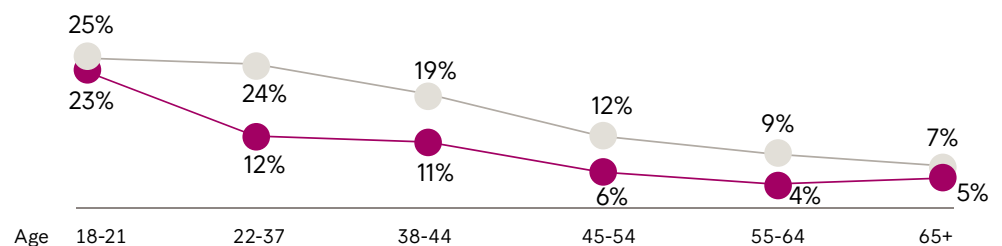
Managing credit and debt during the pandemic

26%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 23 per cent stated the same.

I don't want to know how much money I owe in total (agree)

● Portugal, split by age group ● European average, split by age group



1) <https://www.ft.com/content/59e582a1-bfd5-4b38-8626-27f9b9c59a5a>

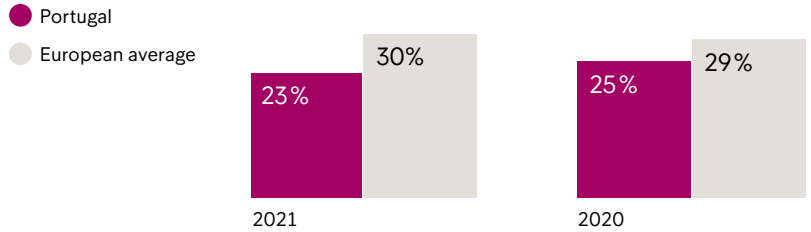
2) <https://travelweekly.co.uk/news/tour-operators/portugal-eases-entry-rules-so-only-negative-test-is-required>

Ability to pay bills on time

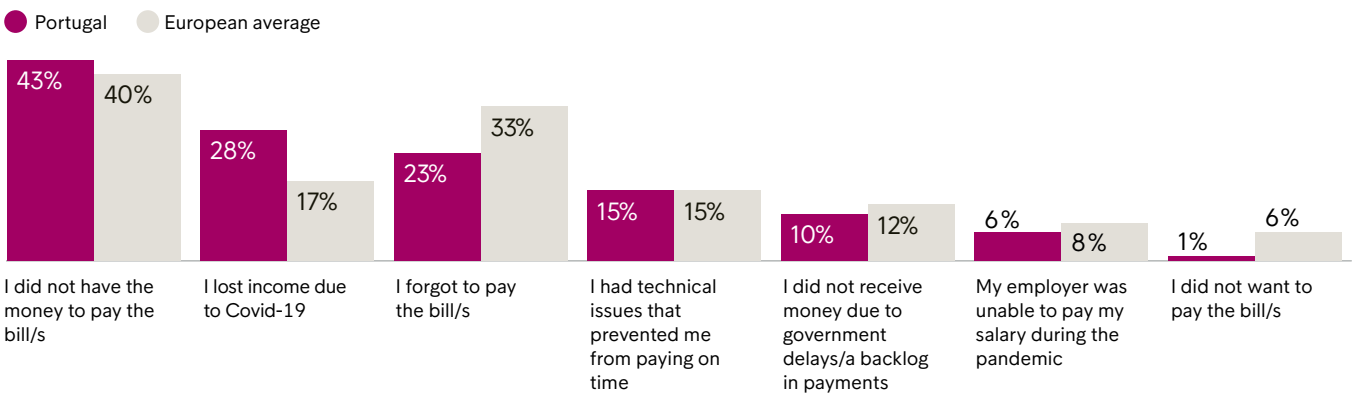
63%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 67 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

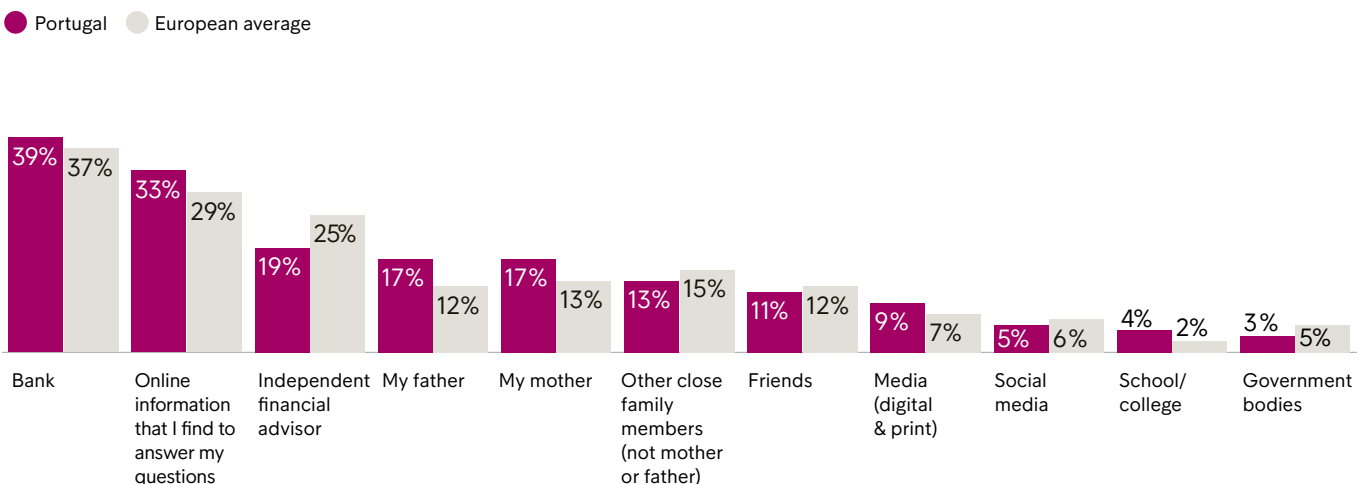
80%

say they received sufficient or excellent financial education. Off the total, 51 per cent still need advice on complex financial matters.

34%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



Romania

Most Romanians worse off than before pandemic

At the time of writing, Romania's economic recovery in the first half of 2021 had outperformed many prior projections, driven largely by private consumption and public investment, but was showing signs of slowing down¹.

Romanian consumers are still feeling the impact of pandemic-related disruption. More than half (54 per cent) say they are worse off now than they were before the crisis began, compared with 37 per cent across Europe. 38 per cent of Romanian consumers say they had to stop working during the pandemic, with or without government support, which is 10 percentage points higher than the survey average.

As a result of the pandemic, Romanian consumers say they are now more likely to put money aside in case of recession (49 per cent) and to consolidate their credit cards and other loans, to reduce debt (45 per cent). More than a fifth (22 per cent) have over half their salary left after paying household bills – 6 percentage points above the European average.

Saving for the future

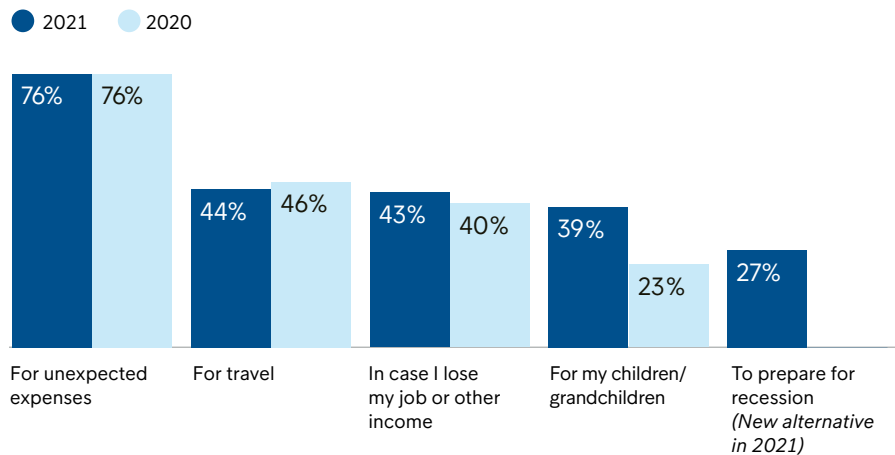
74%

say they are able to save each month. In 2020, 77 per cent stated the same. The European average for 2021 is 78 per cent.

71%

are dissatisfied with the amount they are able to save each month. In 2020, 72 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

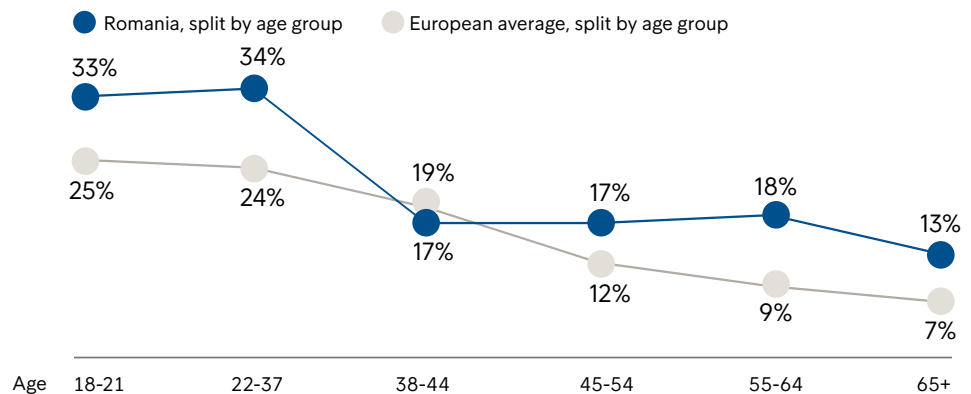


Managing credit and debt during the pandemic

40%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 32 per cent stated the same.

I don't want to know how much money I owe in total (agree)



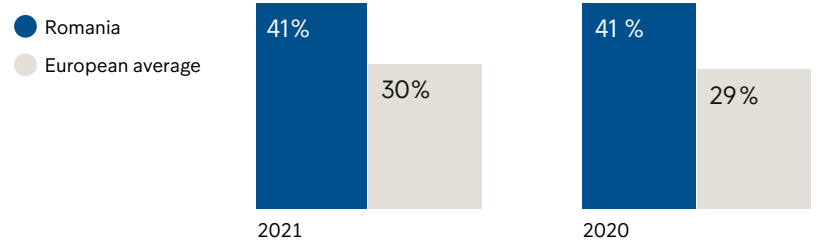
¹ <https://www.bne.eu/ing-romania-econo-my-cooling-looking-for-new-drivers-221474/>

Ability to pay bills on time

58%

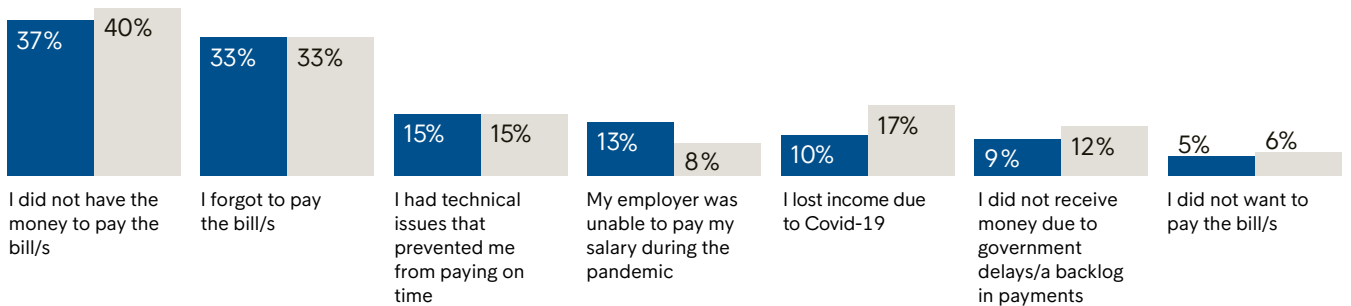
say their concerns about rising bills are having a negative effect on their general wellbeing. This is an increase from 50 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Romania ● European average



Financial literacy

79%

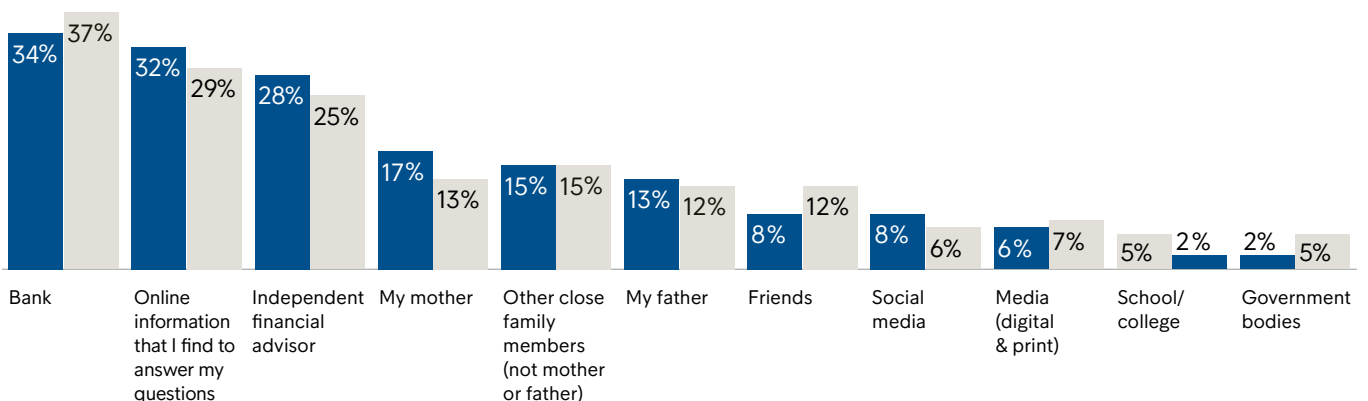
say they received sufficient or excellent financial education. Off the total, 49 per cent still need advice on complex financial matters.

30%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Romania ● European average



Slovakia

Inflation looms large in Slovakian consumers' minds

Economic sentiment in Slovakia was showing signs of improvement at the time of writing, despite uncertain consumer confidence.

There is no denying that Slovakian consumers experienced a negative impact as a result of the crisis. 44 per cent say they are worse off now than they were before the pandemic began, compared with 37 per cent across Europe. Today, more than a quarter of Slovakian consumers (26 per cent) save less than 5 per cent of their salary each month, which is higher than the European average.

Looking ahead, 76 per cent of Slovakian consumers are worried about the impact of inflation on their finances in the months to come, 7 per cent higher than the European average.

Saving for the future

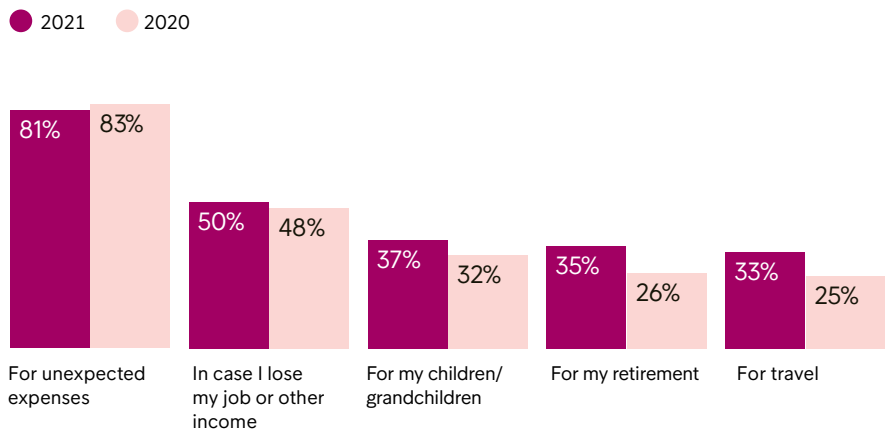
80%

say they are able to save each month. In 2020, 82 per cent stated the same. The European average for 2021 is 78 per cent.

64%

are dissatisfied with the amount they are able to save each month. In 2020, 64 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

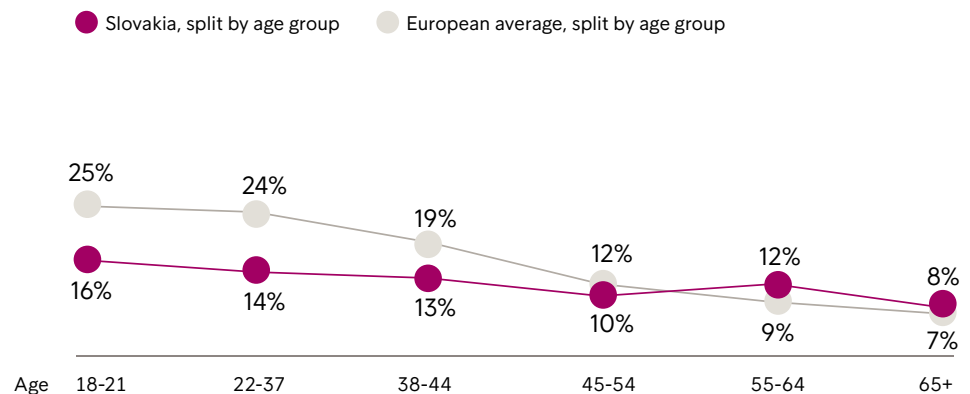


Managing credit and debt during the pandemic

22%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)

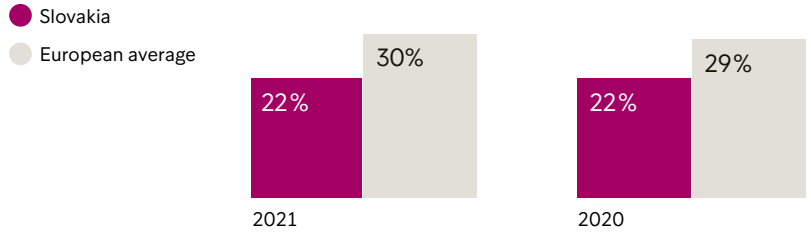


Ability to pay bills on time

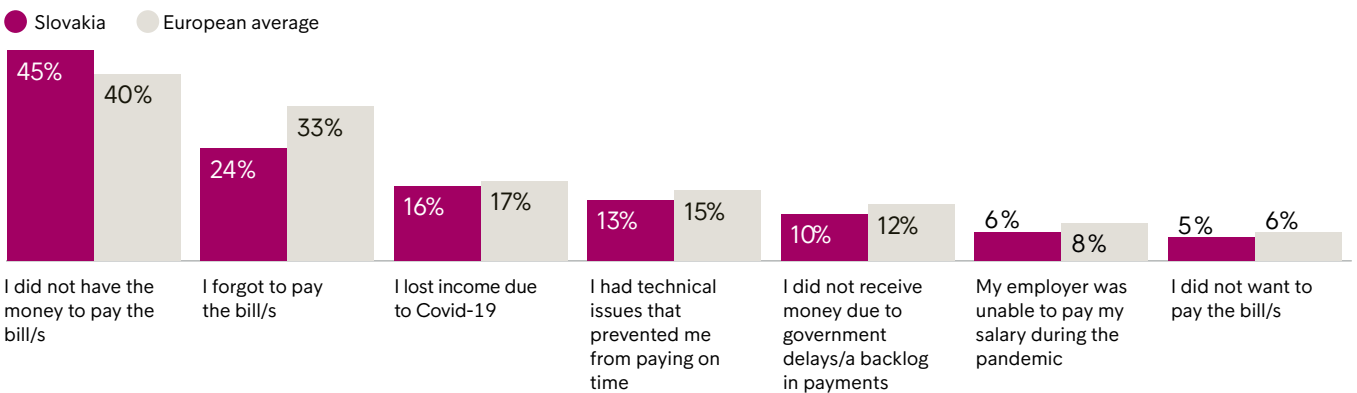
52%

say their concerns about rising bills are having a negative effect on their general wellbeing. This is the same as in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?



Financial literacy

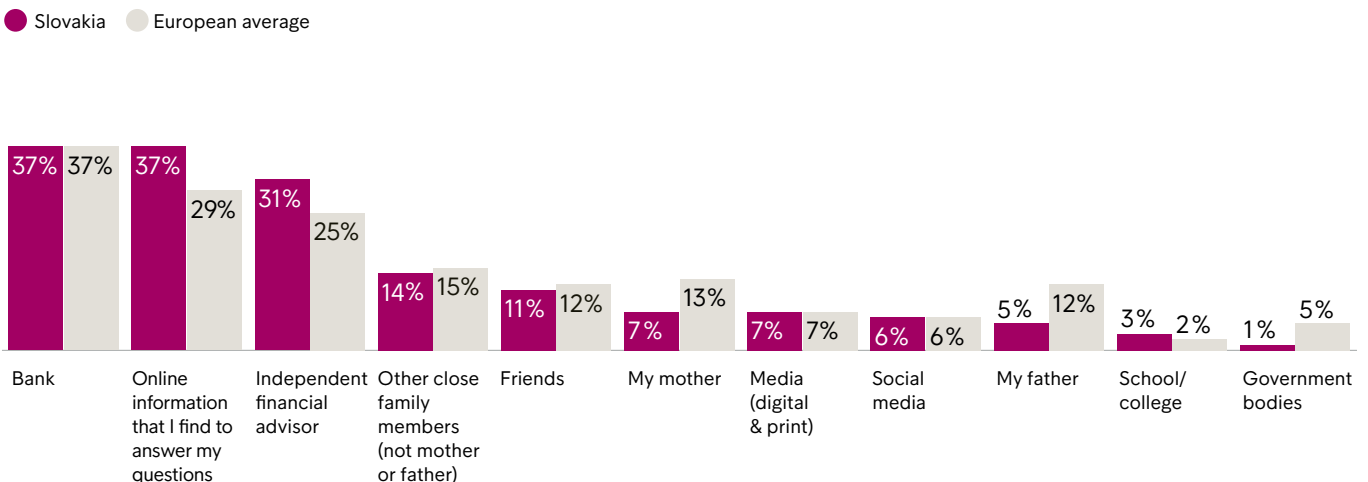
85%

say they received sufficient or excellent financial education. Off the total, 65 per cent still need advice on complex financial matters.

16%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?



Spain

Covid inspires healthier financial habits in Spain

Spain's economy was hit hard by the Covid-19 crisis¹ due to its high dependency on tourism and a resurgence of infections following a relaxation of restrictions in summer 2020. In total, 38 per cent of Spanish respondents say they had to stop working at some point during the crisis, with or without government aid.

Today, more than half (51 per cent) of Spanish respondents believe it will be at least another year until the pandemic stops having a negative impact on their finances. After inflation, their principal concern is the introduction of new lockdown restrictions (59 per cent), which would undermine a tourism-led recovery.

The crisis has motivated consumers in the country to try to improve their financial wellbeing, with 49 per cent saying they are now more likely to set personal savings targets, and 51 per cent putting aside more money in case of recession.

Saving for the future

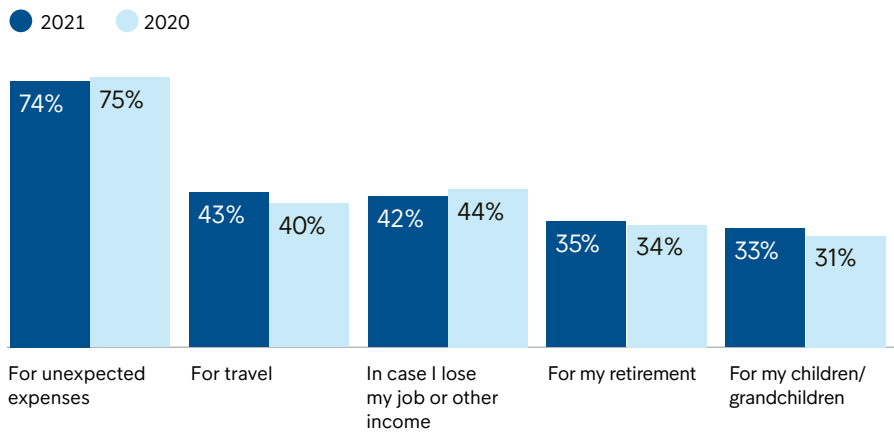
87%

say they are able to save each month. In 2020, 85 per cent stated the same. The European average for 2021 is 78 per cent.

53%

are dissatisfied with the amount they are able to save each month. In 2020, 55 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

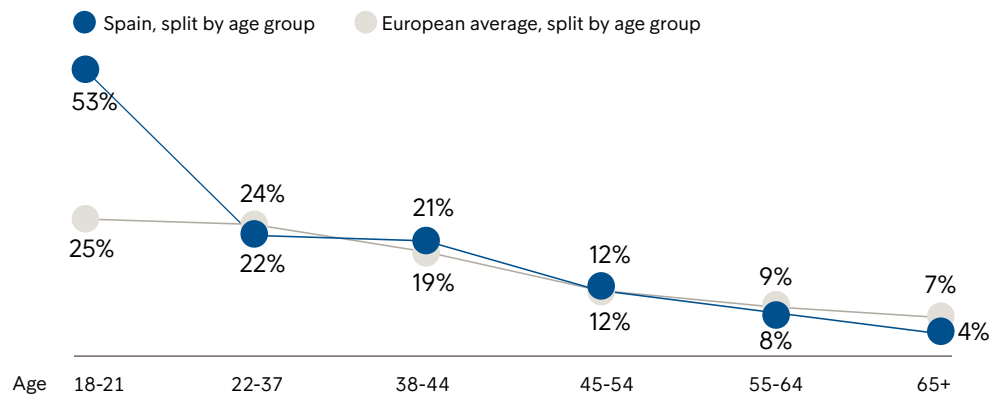


Managing credit and debt during the pandemic

28%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 24 per cent stated the same.

I don't want to know how much money I owe in total (agree)



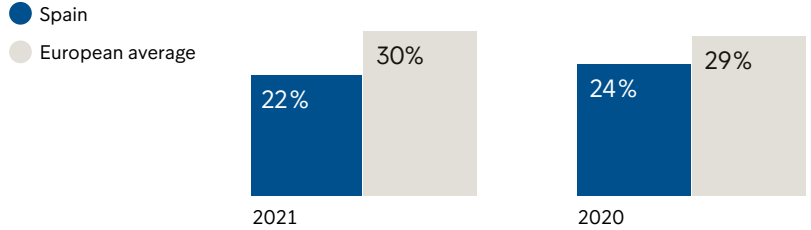
¹ <https://www.ft.com/content/53ab7751-56cb-4c19-8855-43065aea6448>

Ability to pay bills on time

41%

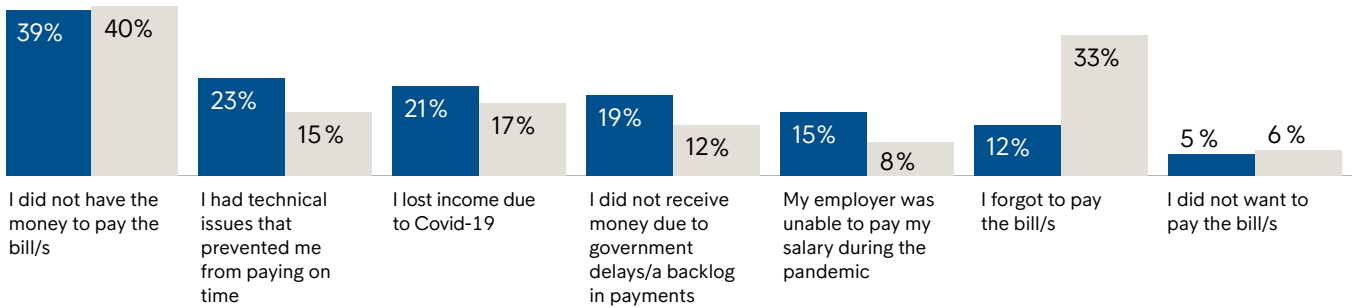
say their concerns about rising bills are having a negative effect on their general wellbeing. This is the same as in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Spain ● European average



Financial literacy

76%

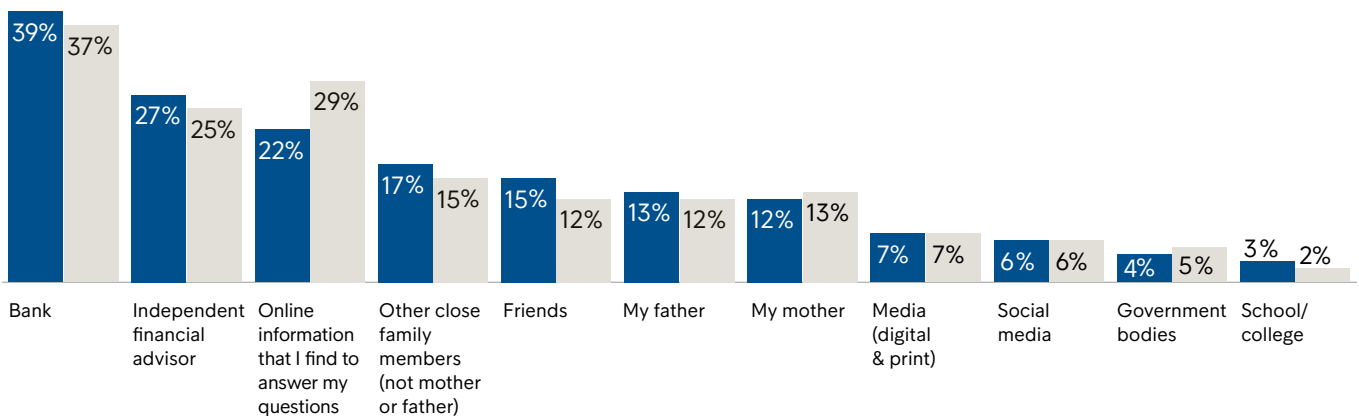
say they received sufficient or excellent financial education. Off the total, 50 per cent still need advice on complex financial matters.

28%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Spain ● European average



Sweden

Swedish consumers less likely to feel economic impact of Covid than European peers

Sweden's refusal to adopt a formal lockdown appeared to help it recover faster than many of its European peers,¹ but we see a decline in its consumers' disposable income levels.

Just over a quarter of Swedish consumers (28 per cent) say they have between 5 per cent and 20 per cent of their monthly salary left after paying all household bills (25 per cent in 2020) – versus 30 per cent of Europeans, on average.

Nonetheless, many Swedish consumers have fared better during the crisis than their peers across Europe. 80 per cent say their employment situation remained the same throughout the pandemic, without any loss of income, compared with 72 per cent across Europe. Today, respondents in the country are also less worried about the prospect of inflation and high interest rates than those in most other countries.

Saving for the future

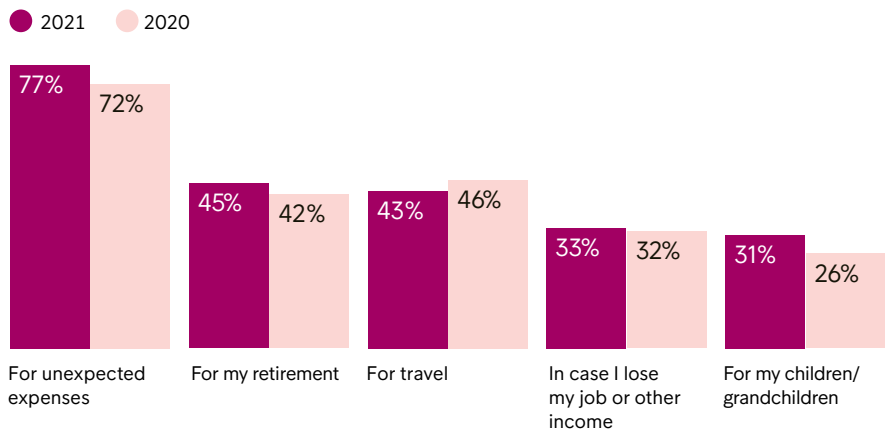
80%

say they are able to save each month. In 2020, 82 per cent stated the same. The European average for 2021 is 78 per cent.

45%

are dissatisfied with the amount they are able to save each month. In 2020, 46 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

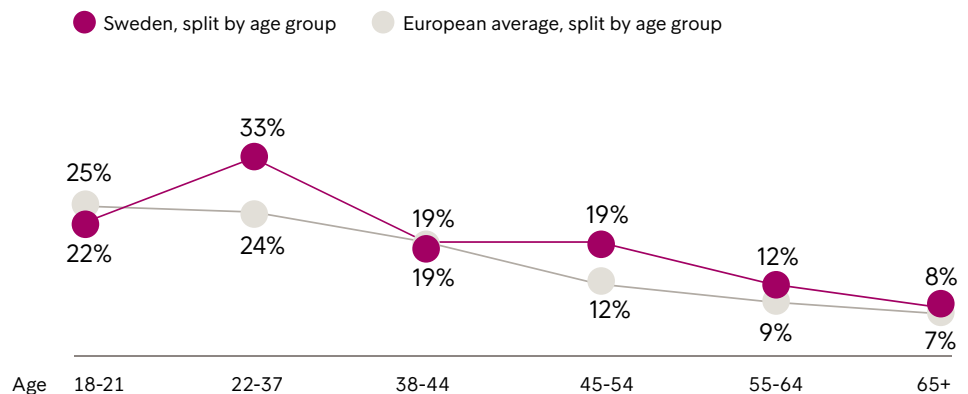


Managing credit and debt during the pandemic

24%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 23 per cent stated the same.

I don't want to know how much money I owe in total (agree)



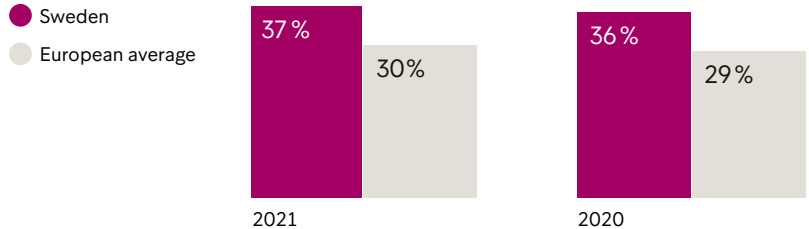
¹) <https://www.ft.com/content/d9bd14f6-e1dc-4b2b-ae9d-920422de757c#post-62996696-7621-4dc1-97f9-c71e9dc7666>

Ability to pay bills on time

43%

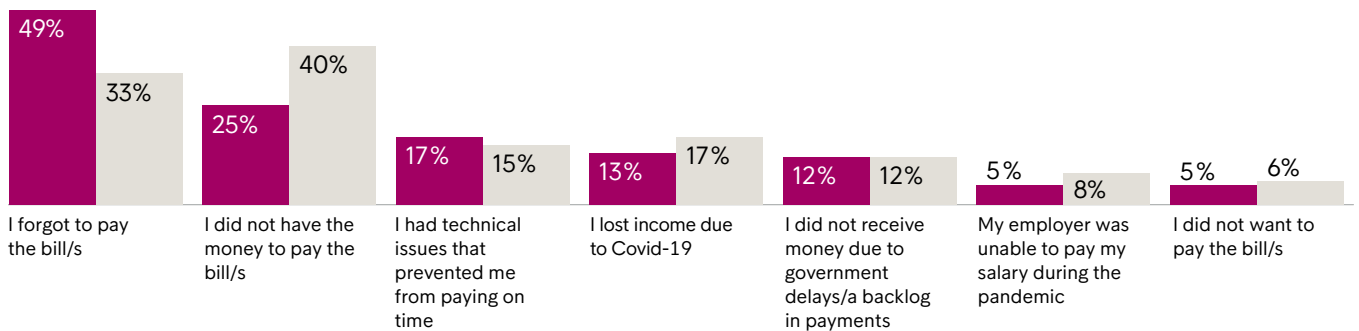
say their concerns about rising bills are having a negative effect on their general wellbeing. This is an increase from 41 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Sweden ● European average



Financial literacy

83%

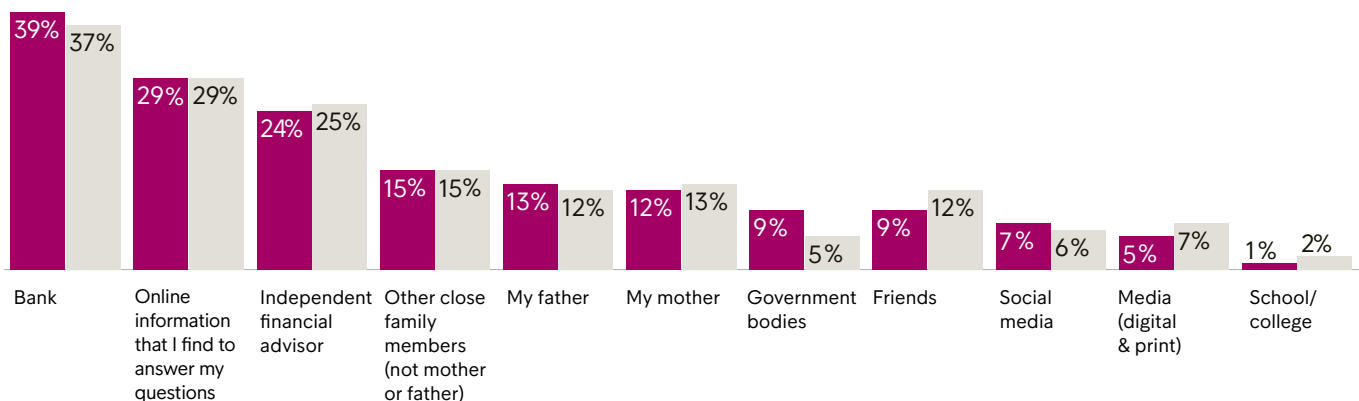
say they received sufficient or excellent financial education. Off the total, 43 per cent still need advice on complex financial matters.

25%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Sweden ● European average



Switzerland

Almost half of Swiss respondents say Covid is having no impact on finances

The Swiss economy has shown strong signs of recovery, supported by the easing of restrictions in 2021, and was only 0.5 percent below its pre-crisis level at the time of writing¹.

Approaching half of Swiss respondents (45 per cent) say the pandemic has already stopped, or has never had, a negative impact on their financial wellbeing, which is notably higher than the European average of 29 per cent.

We see improvements in Switzerland's household savings rate. On average, half of Swiss respondents (50 per cent) save up to 10 per cent of their monthly salary, versus 47 per cent of Europeans on average. Moreover, 44 per cent of Swiss consumers say the pandemic has motivated them to put aside more money in case of recession.

Saving for the future

76%

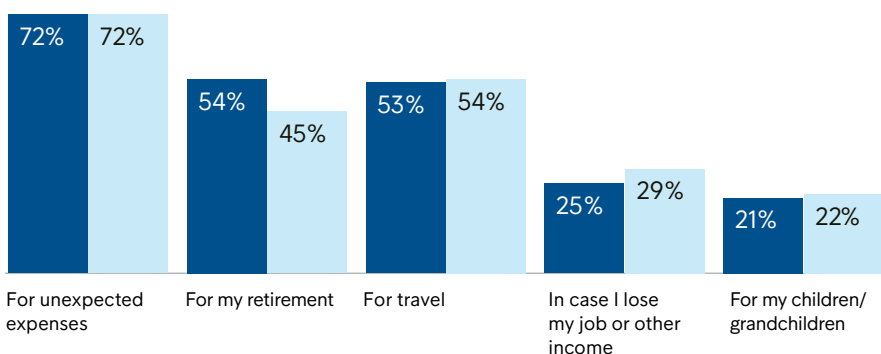
say they are able to save each month. In 2020, 74 per cent stated the same. The European average for 2021 is 78 per cent.

51%

are dissatisfied with the amount they are able to save each month. In 2020, 53 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

● 2021 ● 2020



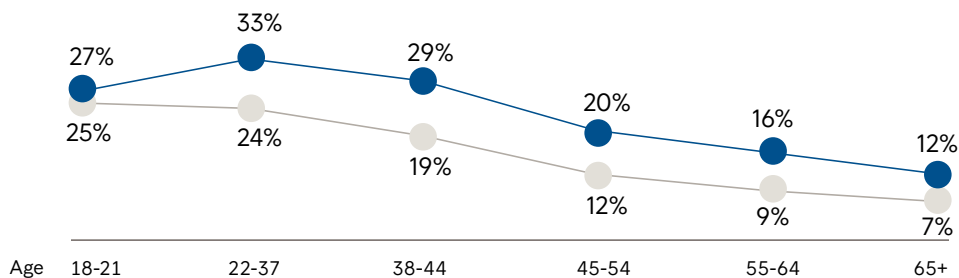
Managing credit and debt during the pandemic

22%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)

● Switzerland, split by age group ● European average, split by age group



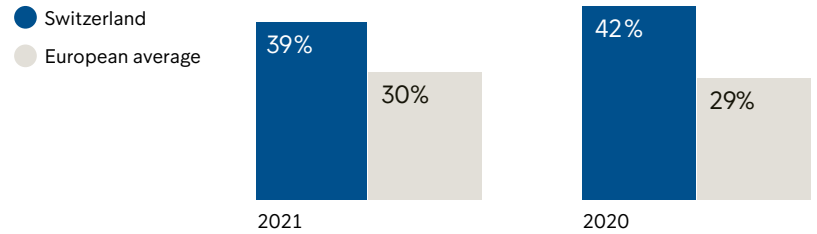
¹) <https://think.ing.com/articles/swiss-economy-close-to-its-pre-crisis-level>

Ability to pay bills on time

40%

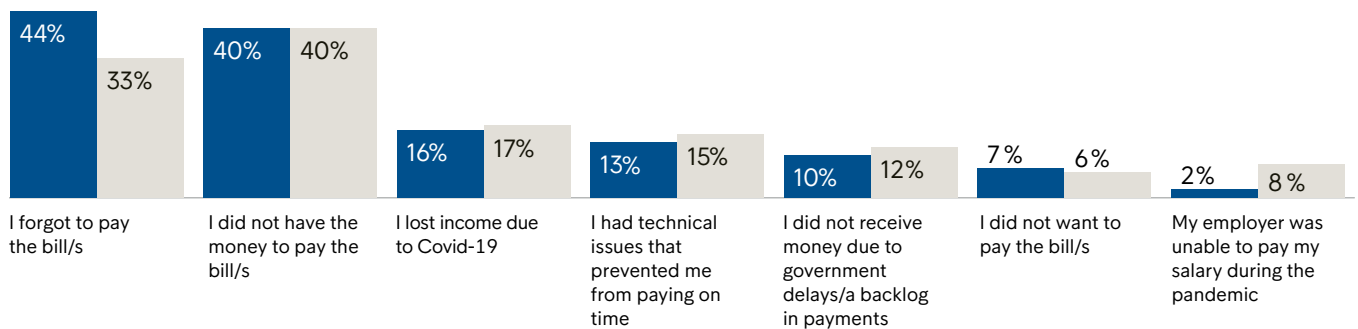
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 47 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● Switzerland ● European average



Financial literacy

91%

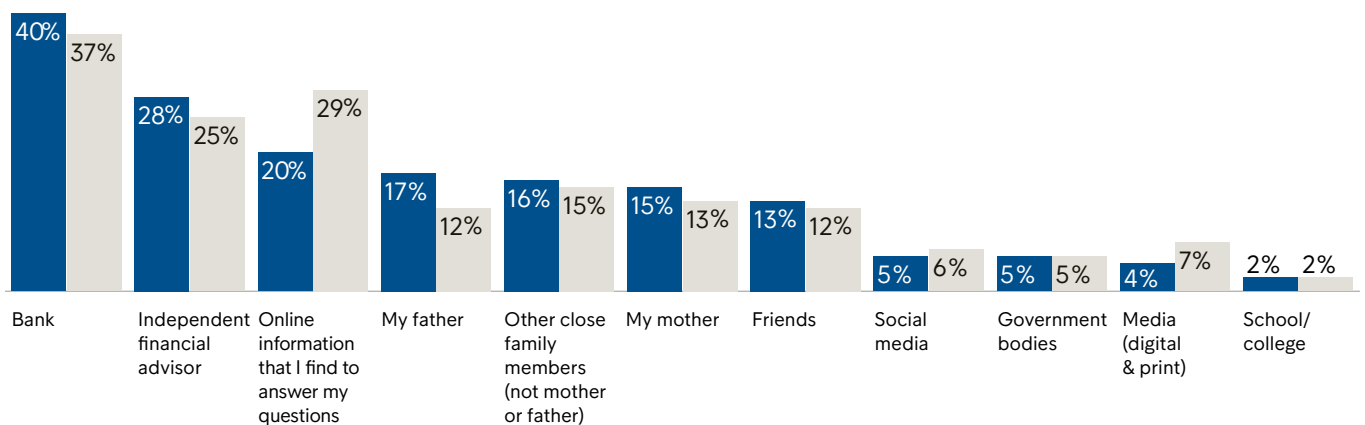
say they received sufficient or excellent financial education. Off the total, 56 per cent still need advice on complex financial matters.

28%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● Switzerland ● European average



United Kingdom

Young Britons underperform in financial literacy

The Covid-19 crisis took its toll on the financial wellbeing of UK consumers, as the economy lagged other major economies during 2021.¹

Respondents in the UK are, however, optimistic about the speed of the recovery, with 37 per cent expecting to feel no negative impact on their finances within 12 months.

In our findings, we see a decline in the country's overall financial literacy compared with last year, although the results differ noticeably by age of respondent. When asked to calculate the impact of interest rates on savings, for example, just 36 per cent of Gen Z (aged 18–21) give the right answer, compared with 76 per cent of Baby Boomers (aged 55+). Similarly, just 25 per cent of Gen Z identify the correct definition of 'inflation', compared with 81 per cent of Baby Boomers.

Saving for the future

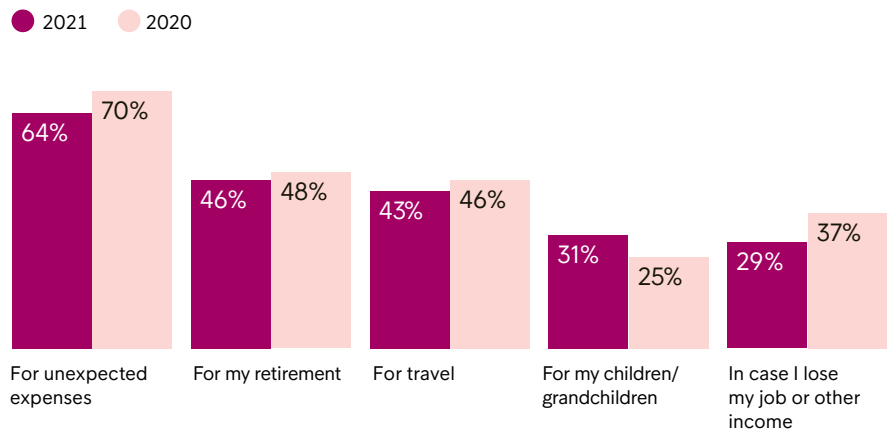
81%

say they are able to save each month. In 2020, 78 per cent stated the same. The European average for 2021 is 78 per cent.

45%

are dissatisfied with the amount they are able to save each month. In 2020, 49 per cent stated the same. The European average for 2021 is 54 per cent.

Top five reasons for saving money each month (filtered by 2021)

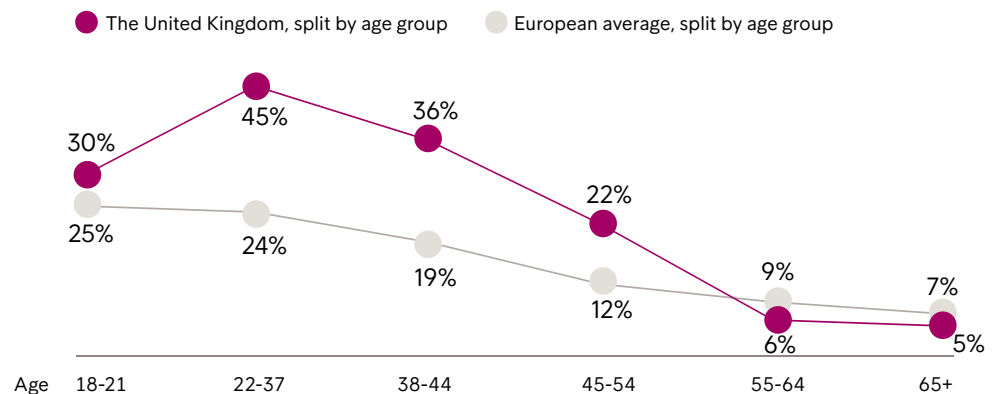


Managing credit and debt during the pandemic

30%

say that they have borrowed money or reached their credit card limit in order to pay bills during the past six months. In 2020, 20 per cent stated the same.

I don't want to know how much money I owe in total (agree)



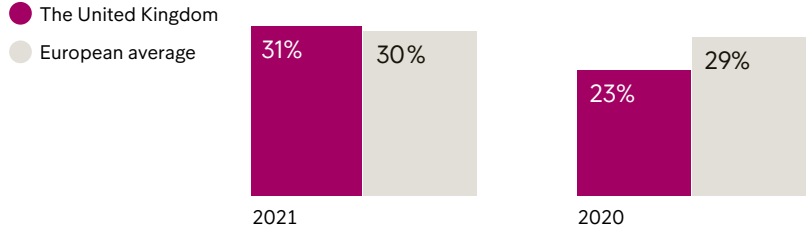
¹ <https://www.bbc.co.uk/news/business-57427997>

Ability to pay bills on time

39%

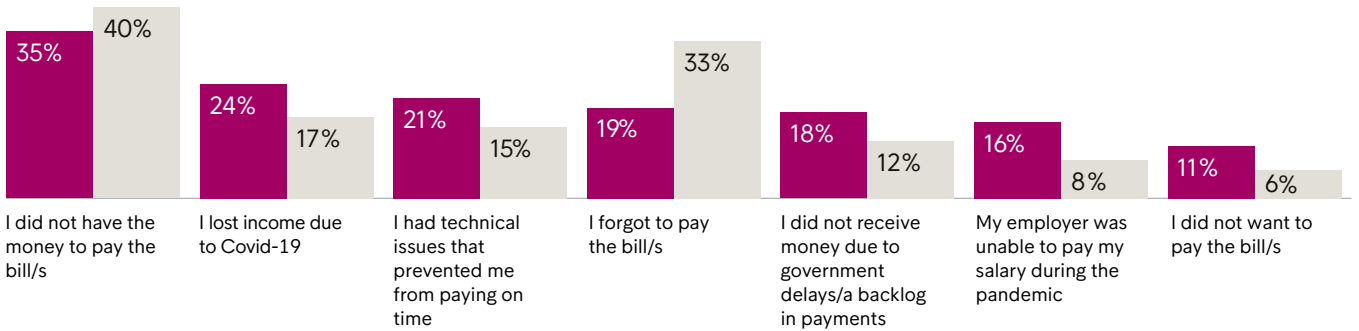
say their concerns about rising bills are having a negative effect on their general wellbeing. This is a decrease from 40 per cent in 2020. The European average for 2021 is 45 per cent.

During the last 12 months, have you at one or several times not paid a bill on time? (yes)



What were the reasons for not paying your bill(s) on time?

● The United Kingdom ● European average



Financial literacy

82%

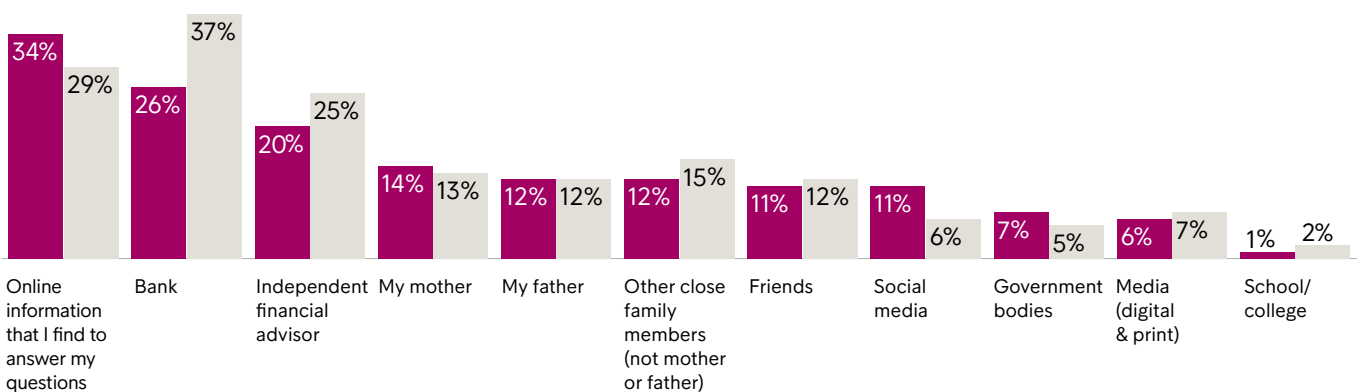
say they received sufficient or excellent financial education. Off the total, 50 per cent still need advice on complex financial matters.

41%

say they see the pandemic as a perfect opportunity to start improving finances and building a more stable future for themselves and their family.

When you look for financial advice, which of the following sources do you trust the most?

● The United Kingdom ● European average



About the report

European Consumer Payment Report provides insights into European consumers' everyday life; their spending habits and ability to manage their household finances on a monthly basis. Intrum has published the European Consumer Payment Report on a yearly basis since 2013 and this is the 9th annual edition of the report.

The Intrum European Consumer Payment Report 2021 is based on an external research conducted by Longitude, a specialist provider of thought leadership and research services to a multinational corporate and institutional client base, headquartered in London, England. Dynata has supported in field work across all 24 European countries.

Design by Passion/Jeanette Friman.

The report is published in November 2021. You can find more insights about trends and development of late payments on intrum.com.

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About the survey methodology

Intrum has gathered data from 24,012 consumers across 24 European countries. This study has been conducted by means of self-completion online research.

The target group of this research was defined as persons (both male and female) of 18 years and over who were mainly or partly responsible for their personal or household financial administration. Per country quotas were set on gender, age and region in order to achieve a national representative sample for each country.

Respondents completed the questionnaire on their computer, laptop, tablet or smartphone. Per country at least n=1,000 respondents have participated resulting in n=24,012 in total for all 24 countries.

The fieldwork for the study was conducted between the 21st of July and 26th of August 2021.

Glossary

Financial Wellbeing: Having the financial security to meet everyday spending needs and be in control of ones finances.

Financial Literacy: Possessing the skills and knowledge on financial matters to effectively manage ones personal finances.

Note: Please note that, due to rounding, the numbers presented throughout this report may not add up exactly to 100 per cent.

Details of the European survey sample

Countries included in the survey:

Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, The Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and The United Kingdom.

Respondents completed the questionnaire on their computer, laptop, tablet or smartphone.

Per country at least n=1,000 respondents have participated, resulting in n=24,012 in total for all 24 countries.

The target group of this research was defined as persons (both male and female) of 18 years and over who were mainly or partly responsible for their personal or household financial administration.

The fieldwork for the study was conducted between between the 21st of July and 26th of August 2021.

Age:

18-21	6%
22-37	28%
38-44	14%
45-54	18%
55-64	16%
65 or older	19%

Gendersplit:

Male	48%
Female	52%

Household situation:

Single household	24%
Single with children	6%
Living with partner	31%
Living with partner and children	28%
Living with friend(s) (e.g shared apartment)	1%
Living with parents or other relatives	8%
Other (please specify)	1%
I would prefer not to say	1%

Employment status:

Employed full-time	47%
Employed part-time	10%
Self-employed	5%
Unemployed	6%
Retired	22%
Student	4%
Homemaker	4%
Other	2%
Working short-term or casual contracts on demand (e.g., delivering for online platforms in the "gig economy")	0%

Residential area:

City/ Urban centre	54%
Suburb	23%
Rural	22%
Other	1%

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