

7th Annual Edition

# European Consumer Payment Report 2019

**intrum**



# Intrum in brief

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

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

## **Two areas of service**

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

## **80,000 clients**

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

## **10,000 employees**

Approximately 10,000 employees work at Intrum. We help companies prosper by caring for their customers through some 250,000 daily communications in which we help people become debt free and ensure that companies are paid.

## **25 countries**

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

# European consumers must learn to navigate an increasingly uncertain world

Our 2018 European Consumer Payment report showed consumers were feeling the benefits of Europe's long run of economic growth, with savings and financial wellbeing on the rise. Yet, even against this backdrop, we saw challenges setting in: a rising number of consumers were borrowing – and one in five needed to do so just to pay household bills.

Reflecting this trend, there has been a marked decrease in consumer confidence since last year's survey: the OECD's Consumer Confidence Index suggests confidence among European consumers has dropped dramatically since our last survey, amid slower economic growth and rising political uncertainty.<sup>1</sup>

## **Financial stress among European consumers is rising**

Our 2019 pan-European study reveals that consumers feel under increasing financial stress. We asked 24,000 consumers across Europe about their ability to manage household finances. The minority that was borrowing to finance bills in 2018 has expanded by 4 percent. More worryingly, almost half (45 percent) of European consumers we surveyed say their bills are rising at a faster rate than their incomes, with 43 percent saying these concerns are negatively affecting their general wellbeing.

Against this backdrop, the need to save for the future is becoming an increasing priority. Yet, while the majority (75 percent) of European consumers are managing to save each month, more than half are dissatisfied with the amount they can afford to save. And, rather than saving money to strengthen their long-term security, many are doing so to support short-term spending on travel and consumption.

## **Consumers are over-estimating their financial literacy**

Improving financial literacy across Europe will be key to helping consumers to navigate the financial complexity and related stress that they feel they are facing. But there is some cause for concern here, too: despite 69 percent of consumers feeling comfortable with their level of financial education, we find that on average more than one-third don't understand basic financial terms.

The good news is that the situation is salvageable – but action is required in key areas from consumers, financial services firms, policymakers and education institutions. For instance, saving habits are not perfect but they are widespread, and better education could help ensure consumers are getting the balance right between short- and long-term



goals. There also appears to be some leeway to rein in excessive consumption, which could contribute to better financial health if consumers can strike a more effective balance between spending and borrowing. We hope that the insights of this report will further benefit much needed discussions and prompt the actions needed in order to reduce financial stress and develop financial literacy.

Understanding, and taking steps to improve, the financial wellbeing of European consumers is core to our vision at Intrum. As part of this year's study, we have created the Intrum Financial Wellbeing Barometer to rank European countries on different aspects of their citizens' financial health and competence.

At Intrum, it is our mission to support people with debt in getting their personal finances in order, and lead fulfilling lives. In this way, Intrum is leading the way to a sound economy.

Mikael Ericson  
President & CEO  
Intrum

1.) OECD Consumer Confidence Index (CCI), OECD data, 2019

# Executive summary

## **Bills are outpacing income, increasing financial stress**

Our survey shows that European consumers are feeling the pressure of the increased cost of living. Almost half (45 percent) of European consumers say that their bills are increasing at a higher rate than their incomes. Moreover, 43 percent of European consumers say that concerns surrounding rising bills are having a negative effect on their wellbeing, a number that climbs to 48 percent for households with children.

## **As financial challenges mount, consumers are struggling to save for their long-term financial security**

As living costs rise, our survey shows the majority (75 percent) of consumers are still managing to save part of their salary each month, but over half (52 percent) are dissatisfied with the amount they can save.

Closer examination of consumers' motivations for saving reveal they are not taking a long-term view. The risk posed by unexpected expenses is the top reason for saving each month, followed by travel (39 percent) and consumption (36 percent). Only 30 percent of respondents cite saving for retirement as a key motivation, while nearly two-fifths (36 percent) think they will struggle to afford a comfortable retirement based on their ability to save long-term.

## **Borrowing culture is on the rise, especially among the young**

European consumers are becoming increasingly reliant on credit to fund their living expenses. A quarter (24 per-

cent) of our survey respondents have borrowed money or reached their credit card limit to pay bills over the past six months, increasing from 20 percent in last year's survey.

Technology is making it easier for consumers to access credit, and this could be playing a part in the increased level of borrowing seen in this year's survey: 59 percent of European consumers are concerned that the ease of access to credit via smartphones may cause those who are not in a financial position to take on loans to be tempted.

The number of consumers borrowing to pay bills increases further – to 31 percent – among 18–21-year-olds. This is a concerning statistic, given that consumers in this age group often have a lower disposable income than those in older generations. Social media, new lenders coming to market and online shopping are all putting pressure on 'millennials' to spend at unsustainable levels. For instance, more than half (51 percent) of 18-21-year-olds say social media puts pressure on them to consume more than they should, compared to 38 percent of other consumers.

## **European consumers are over-estimating their financial literacy**

Confidence surrounding levels of financial literacy is high among European consumers. Our survey shows that 69 percent feel they have gained an adequate financial education. However, we also found that an average of 37 percent of





European consumers could not match common financial terms to their correct definitions ('budget', 'credit score', 'APR', 'inflation' and 'variable interest rate'). This indicates that, while confidence surrounding financial literacy is high, in reality many respondents lack basic financial acumen. This lack of knowledge is more evident among the young, with just an average of 50 percent able to define these common terms related to savings and personal finance.

For the majority (51 percent) of European consumers, the primary source of financial education is their parents, although, for their children, they are increasingly looking for schools to take greater responsibility for this: more than six in ten (63 percent) respondents say schools should do more, up from 57 percent last year.

#### **Even high-income renters are struggling to save, and worry about retirement**

House prices across the Eurozone are rising at their fastest rate since before the global financial crisis,<sup>1</sup> leaving younger generations priced out of the housing market and forced to contend with rising rental costs.

This growing tension is mirrored in our survey results: 44 percent of renters are concerned they will never be able to afford their own homes. This dissatisfaction is even being felt among high-income renters: more than half (51 percent) are dissatisfied with the amount they can save each month,

compared with 46 percent of high-income homeowners. Further, 45 percent say they are struggling to save enough for a comfortable retirement, compared to 40 percent of homeowners in the same income bracket.

#### **Potential for a weakened EU is concerning less affluent consumers**

An economic slowdown across the Eurozone, the UK's withdrawal from the EU, and growing political instability are increasing concerns surrounding the future of the Eurozone.<sup>2</sup> For consumers, the uncertainty is intensifying worries related to personal finances.

Almost half (44 percent) of European consumers are worried that a weakened EU would have a negative effect on their finances, compared to 42 percent that said this in 2018. This figure increases among nations who took longer to recover from the global financial crisis, such as Portugal and Spain; these countries are also set to be hit the hardest by a weakened EU economy.

1.) "Eurozone house prices rise at fastest pace since financial crisis", Financial Times, July 10 2018 <https://www.ft.com/content/d5a3dae4-843f-11e8-a29d-73e3d454535d>  
 2.) "Eurozone economy slows amid trade decline and Brexit fears", The Guardian, Sept 23 2019 <https://www.theguardian.com/business/2019/sep/23/eurozone-economy-slows-trade-brexit-manufacturing>

# Introducing: Intrum Financial Wellbeing Barometer

## Aims and approach

This year, we have launched the Intrum Financial Wellbeing Barometer to compare and track the financial wellbeing of consumers across 24 European markets.

We define 'financial wellbeing' as having the financial security to meet everyday spending needs and be in control of your finances.

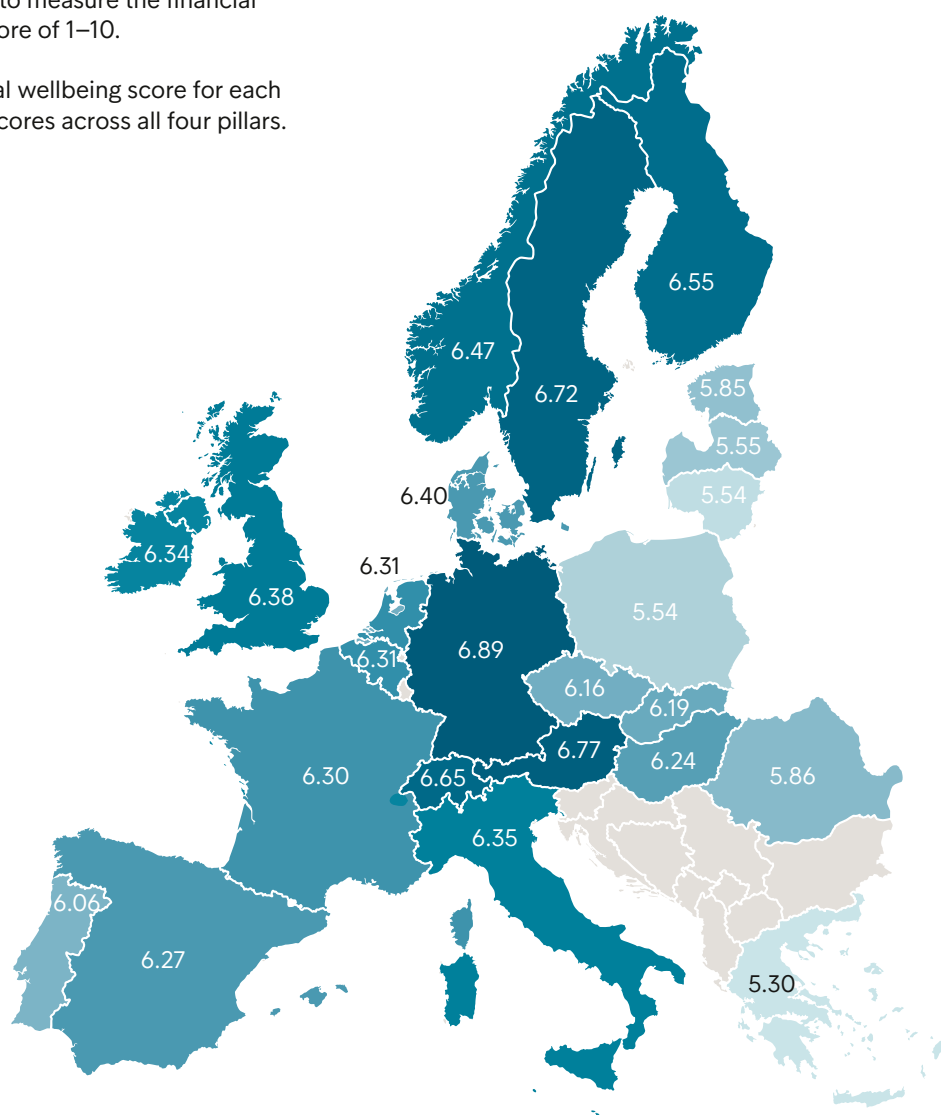
The Barometer measures financial wellbeing using four key pillars:

- Ability to pay bills on time
- Credit freedom
- Saving for the future
- Financial literacy

Under each pillar, we use key indicators – derived from our survey and, in some cases, from third-party sources – to measure the financial wellbeing of each country, generating a score of 1–10.

The Barometer presents an overall financial wellbeing score for each country – an aggregate score combining scores across all four pillars.

Overall Ranking		
Rank	Country	Score (0-10)
1	Germany	6.89
2	Austria	6.77
3	Sweden	6.72
4	Switzerland	6.65
5	Finland	6.55
6	Norway	6.47
7	Denmark	6.40
8	United Kingdom	6.38
9	Italy	6.35
10	Ireland	6.34
11	Belgium	6.31
12	The Netherlands	6.31
13	France	6.30
14	Spain	6.27
15	Hungary	6.24
Average		6.21
16	Slovakia	6.19
17	Czech Republic	6.16
18	Portugal	6.06
19	Romania	5.86
20	Estonia	5.85
21	Latvia	5.55
22	Poland	5.54
23	Lithuania	5.54
24	Greece	5.30



# Ability to pay bills on time

Ability to pay bills on time		
Rank	Country	Score (0-10)
1	Germany	7.82
2	Denmark	7.48
3	Austria	7.43
4	Norway	7.38
5	Sweden	7.37
6	Switzerland	7.35
7	Finland	7.07
8	The Netherlands	7.06
9	Belgium	7.01
10	France	6.98
11	United Kingdom	6.90
12	Italy	6.86
	Average	6.69
13	Lithuania	6.57
14	Ireland	6.51
15	Czech Republic	6.38
16	Spain	6.38
17	Slovakia	6.35
18	Estonia	6.23
19	Poland	6.16
20	Hungary	6.07
21	Romania	5.99
22	Latvia	5.97
23	Portugal	5.92
24	Greece	5.39

This pillar measures the extent to which consumers are able to pay their bills on time; the proportion of their salary they have remaining once their monthly bills are paid; and gross disposable household income per capita.<sup>1</sup>

Our survey finds that German consumers are particularly diligent in paying their bills on time, reflecting a healthy economy and strong saving culture. The research shows nine in ten (90 percent) German consumers are confident they can pay their bills each month – the highest percentage across Europe.

Greek consumers, conversely, rank lowest in Europe, with only 57 percent confident in their ability to pay their bills each month. Nearly seven in ten (67 percent) of those who haven't paid their bills say this is a regular occurrence, the highest in Europe.

## Key takeaways

### German consumers' confidence in paying bills on time

German consumers' confidence in paying bills on time may stem from high disposable income levels. According to Eurostat data, Germany ranks highest in Europe on this measure.<sup>2</sup> Almost three-quarters (74 percent) of German consumers have paid all their bills on time over the past year – above the European average of 65 percent.

### Healthy disposable incomes in the Nordics

The Nordic countries of Sweden, Denmark and Norway also rank highly on this pillar. Like Germany, these countries all benefit from healthy disposable incomes, according to Eurostat data.<sup>3</sup> Our survey shows that these countries are more likely to disagree with the statement: 'My bills are increasing at a higher rate than my income.' Over four in ten (42 percent) of Danish consumers disagree with this statement, compared to the European average of 29 percent.

### Challenging financial picture in Greece

Greek consumers, in contrast, are grappling with a much more challenging financial picture. Greece's average wage figure is one of the lowest in Europe, and unemployment is the highest.<sup>4,5</sup> The disparity between wage growth and rising living costs is ramping up the pressure on Greek consumers yet further: 61 percent say that their bills are increasing at a higher rate than their income (above the European average of 45 percent).

1-3.) 'Adjusted gross disposable income of households per capita in PPS', Eurostat, 2019

<https://ec.europa.eu/eurostat/databrowser/view/tec00113/default/table?lang=en>

4.) Average wages, OECD data, 2018

<https://data.oecd.org/earnwage/average-wages.htm>

5.) Unemployment statistics, Eurostat, 2019

[https://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment\\_statistics](https://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment_statistics)

# Credit freedom

Credit freedom		
Rank	Country	Score (0-10)
1	Hungary	7.97
2	Czech Republic	7.95
3	Estonia	7.95
4	Latvia	7.93
5	Slovakia	7.89
6	Romania	7.86
7	Lithuania	7.84
8	Portugal	7.75
9	Austria	7.66
10	Poland	7.66
11	Germany	7.47
12	Greece	7.45
13	Spain	7.42
14	Italy	7.40
Average		7.39
15	Finland	7.29
16	France	7.28
17	Belgium	7.16
18	Ireland	7.10
19	Switzerland	6.96
20	Sweden	6.87
21	United Kingdom	6.86
22	Norway	6.76
23	The Netherlands	6.49
24	Denmark	6.48

This pillar measures the extent to which consumers are borrowing money to pay bills, their level of borrowing in relation to monthly income, and the gross debt-to-income ratio of households.<sup>1</sup>

Our survey shows that consumers in relatively wealthy countries are burdening themselves with an increasing amount of debt. Eurostat household debt statistics show that some wealthy European countries have a disproportionately high gross debt-to-income ratio of households.<sup>2</sup>

Denmark, for example, has the highest household debt-to-income ratio in Europe,<sup>3</sup> one of the reasons it ranks in 24th place on the Credit freedom pillar.

Hungary, in contrast, ranks first on the Credit freedom pillar, indicating low dependency on credit. The country's household debt-to-income ratio is currently the lowest across Europe, according to Eurostat data.<sup>4</sup> Over three-quarters (76 percent) have not borrowed money, apart from a mortgage, or reached their credit card limit in order to pay bills, over the past six months.

## Key takeaways

### Borrowing culture in countries with high debt-to-income ratio

The countries that rank lowest under this pillar – for example Denmark, The Netherlands and Norway – tend to rank higher across other pillars, suggesting that, though they are more reliant on credit than their European peers, this isn't creating undue risk to their overall financial wellbeing. However, given the economic headwinds envisioned in 2020, consumers in these countries may be putting themselves at greater risk than they think through their borrowing habits.

### Rising borrowing culture in Central and Eastern Europe

Central and Eastern European consumers, meanwhile, who currently tend to score well with respect to Credit freedom, will likely be targeted by new credit products over the coming years as banks seek to capitalise on economic growth in the region by expanding their consumer loan portfolios.<sup>5</sup> This may accelerate the rise of a 'borrowing culture' among these countries – a trend that will need to be monitored to ensure that the level of borrowing is sustainable for consumers.

1-4.) Gross debt-to-income ratio of households, Eurostat, 2019

<https://ec.europa.eu/eurostat/databrowser/view/tec00104/default/table?lang=en>

5.) 'Best Banks in Central and Eastern Europe 2019: Rising Demand,' Global Finance, November 13 2019

<https://www.gfmag.com/magazine/may-2019/best-banks-central-and-eastern-europe-2019>



# Saving for the future

Saving for the future		
Rank	Country	Score (0-10)
1	Sweden	5.63
2	Switzerland	5.43
3	Germany	5.40
4	The Netherlands	5.08
5	Austria	4.94
6	Belgium	4.90
7	Denmark	4.85
8	France	4.81
9	Norway	4.78
10	Italy	4.76
11	Ireland	4.63
12	Spain	4.58
13	Estonia	4.57
14	Czech Republic	4.53
15	United Kingdom	4.53
16	Slovakia	4.46
	Average	4.43
17	Hungary	4.40
18	Portugal	4.15
19	Finland	4.09
20	Poland	3.71
21	Lithuania	3.49
22	Latvia	3.45
23	Romania	3.07
24	Greece	1.96

This pillar measures the amount that consumers are able to save each month; their ability to save for an unforeseen event; and the gross household saving rate for each country.<sup>1</sup>

With a gross household saving rate of 18 percent, Swedish consumers are some of the most active savers in Europe.<sup>2</sup> This strong culture of saving is reflected in our survey: 15 percent of Swedish consumers surveyed save more than one-fifth (20 percent) of their salaries each month – the largest group of consumers in any country managing to save this much regularly.

Greek consumers rank lowest in Europe under this pillar. The country's household net savings rate stood at -16.9 percent in 2017 – the lowest in Europe.<sup>3</sup> Our survey shows that 38 percent of Greek consumers fail to save money each month – the highest in Europe.

## Key takeaways

### Long-term saving for highest-ranking countries

Countries ranking higher on this pillar (Sweden, Switzerland and Germany) tend to be saving for the longer term. Two-fifths (41 percent) of Swiss consumers, for example, choose saving for retirement as one of their top three reasons for saving each month – above the European average of 30 percent that say the same.

### Stronger levels of financial education in highest-ranking countries

The highest-ranking countries also generally report stronger levels of financial education. Almost a third (32 percent) of Swedish consumers, for example, say that they have received an excellent financial education, and feel confident managing complex financial matters. This indicates a link between the financial education that Swedish consumers have received and their ability to save for the future.

### Lowest ranking countries display different saving habits

Yet those countries which rank the lowest (Greece, Romania and Latvia), display very different saving habits. Just 18 percent of Romanian consumers rank saving for retirement within their top three motivations for saving each month. They are much more likely to save for consumption – 41 percent rank this within their top three reasons (above the European average of 36 percent).

1-2.) 'Adjusted gross disposable income of households per capita in PPS', Eurostat, 2019  
<https://ec.europa.eu/eurostat/databrowser/view/tec00113/default/table?lang=en>  
 3.) Household savings, OECD data, 2018  
<https://data.oecd.org/hha/household-savings.htm>

# Financial literacy

Financial literacy		
Rank	Country	Score (0-10)
1	Finland	7.74
2	United Kingdom	7.23
3	Ireland	7.14
4	Austria	7.03
5	Sweden	6.99
6	Norway	6.94
7	Germany	6.86
8	Switzerland	6.85
9	Denmark	6.79
10	Spain	6.72
11	The Netherlands	6.60
12	Hungary	6.54
13	Romania	6.50
14	Portugal	6.41
15	Greece	6.41
16	Italy	6.37
Average		6.32
17	Belgium	6.18
18	France	6.13
19	Slovakia	6.07
20	Czech Republic	5.78
21	Latvia	4.86
22	Estonia	4.65
23	Poland	4.63
24	Lithuania	4.25

**This pillar measures the extent to which consumers understand basic financial terms and calculations related to savings.**

Finnish consumers display the highest level of financial literacy in Europe – according to our Barometer – occupying 1st position on the Financial literacy pillar. Our survey finds that 82 percent of Finnish respondents were able to match financial terms to their correct definitions. Furthermore, 92 percent of Finnish consumers with children say they try to teach their children how to handle money – the highest percentage in Europe.

Lithuania is ranked in last place on this pillar. Only 52 percent of Lithuanian respondents could match financial terms<sup>1</sup> to their correct definitions, below the European average of 63 percent. And just 56 percent of Lithuanian consumers surveyed say they have received a sufficient financial education, well below the European average of 69 percent.

## Key takeaways

### Correlation between financial literacy and saving for the future

Financial literacy will be a key skill if consumers are to navigate the challenges ahead. There appears to be a link between those countries ranking below average on this pillar, and those ranking below the European average on our Saving for the future pillar, suggesting that limited financial education is impacting consumers' propensity to save.

### Lithuania as an example of correlation between pillars

Lithuania is an example of a country that ranks poorly on both the Financial Literacy and Saving for the Future pillars. Just 56 percent of Lithuanian consumers say they have received a sufficient financial education, well below the European average of 69 percent. Meanwhile, 65 percent of Lithuanian consumers are concerned that they won't be able to afford a comfortable retirement – 17 percent higher than the European average. Poor financial literacy could not only be impacting their understanding of how saving products work, but also their ability to plan for the future.

### Broad range of educational sources among countries who rank high

Those who rank highly on this pillar are more likely to gain their financial education from a broad range of sources. UK and Irish consumers, for example, are more likely to seek advice from independent financial advisors compared to their European peers; 15 percent of both UK and Irish consumers chose this as a primary source of financial education over their lifetime – above the European average of 10 percent.

1.) The definitions that we tested consumers on were: 'budget', 'credit score', 'Annual Percentage Rate' (APR), 'Variable Interest Rate' and 'inflation'.

# Conclusions and recommendations



## 1. Bridge the financial education gap in a digital age

Our research reveals a disparity between the level of financial literacy that European consumers feel that they have achieved, and their basic financial knowledge. While 69 percent of our survey respondents feel they have gained an adequate financial education, 37 percent could not match common financial terms to their correct definitions.<sup>1</sup>

This statistic is significant, as it shows there is much work to be done in order to improve basic financial literacy among European consumers. This need is growing day by day, due to the influx of technology into the personal finance space, along with an increasing range of financial products being marketed to European consumers. While digital payment tools increase convenience for consumers, they also increase product choice and heighten risks such as cyber-crime, both of which require a more tailored financial education for consumers.

## 2. Strike a better balance between borrowing and saving

Our research also highlights an increase in borrowing to pay bills year on year, a trend that is increasingly prevalent among younger generations. A quarter (24 percent) of our survey respondents have borrowed money or reached their credit card limit to pay bills over the past six months, increasing from 20 percent in last year's survey.

An increase in the availability of credit marketed at millennials is one potential reason behind this trend, leading to the possibility of this age group borrowing more than they can afford. Steps need to be taken in order to ensure that this generation is not burdened with debt from a young age. School education is vital in order to promote a healthy balance between borrowing and saving. Indeed, 63 percent of our survey respondents believe that schools should take responsibility when it comes to educating children on managing their finances.

## 3. Seek advice to get your finances under control

A key takeaway from this year's survey is the increasing stress felt among European consumers regarding their personal finances. More than four in ten (43 percent) of European consumers say that concerns surrounding rising bills are having a negative effect on their wellbeing, a number that climbs to 48 percent for households with children. This is compounded by an increase among European consumers in borrowing merely to pay their bills each month.

When personal finances become out of control, it can be difficult for those affected to see a clear path ahead. Yet help is at hand, and consumers should seek help from Intrum's experienced team in order to alleviate the stress that debt can bring. Simply picking up the phone will connect individuals to a trusted partner, helping them to feel less isolated. By seeking advice, consumers will be able to achieve a good quality of life, and access better opportunities in order to achieve their goals.

1.) The definitions that we tested consumers on were: 'budget', 'credit score', 'Annual Percentage Rate' (APR), 'Variable Interest Rate' and 'inflation'.

# European results

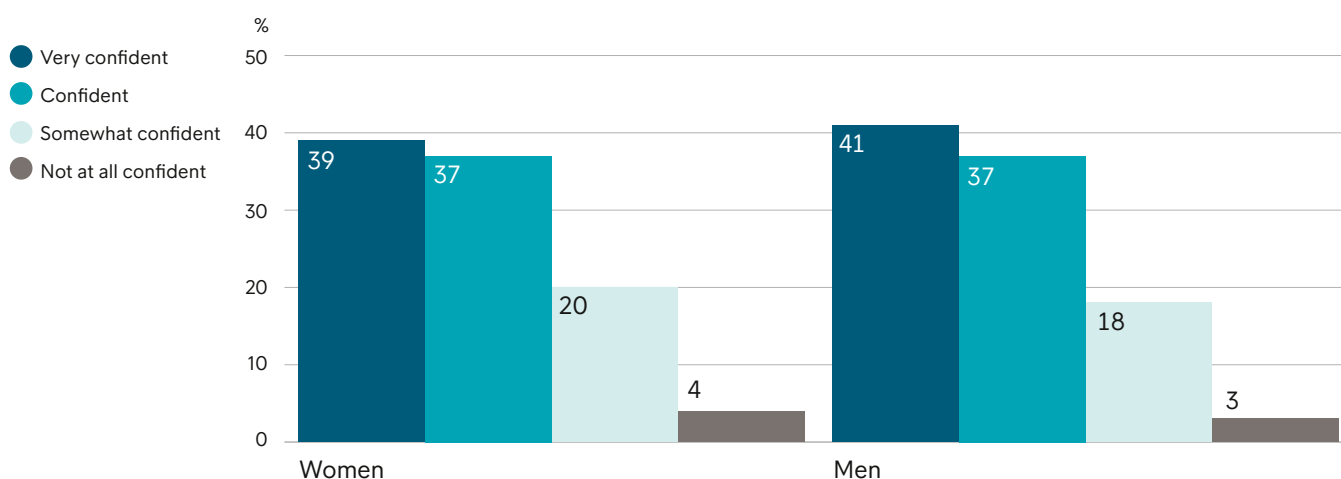
## Payment of bills

Everybody receive bills from time to time. Though most of us pay within due date, some have challenges to keep up and therefore can end up in financial strain. Being able to pay bills on time and have control of personal finances highly impact our general wellbeing.

A third (33 percent) of European consumers say they have missed paying a bill on time the last 12 months, and almost half (47 percent) of these consumers say it is a regular occurrence. This is most prominent among consumers in Greece (61 percent), Norway (48 percent) and Finland (46 percent). On European average, almost half (48 percent) of consumers cite not having money as the main reason for not paying a bill on time. This is also evident when looking at income levels; almost six in ten (59 percent) of consumers with low income cite lack of money as the main reason. On the other side, consumers with high income say the main reason was that they forgot to pay the bill.

The prioritisation of bills naturally depends on living situation. Among European consumers that rent their home, the top prioritised bills are rent payment (75 percent) and gas, water and electricity (74 percent). In contrast, consumers that own their home cite to prioritize gas, water and electricity bills (82 percent) and internet/broadband costs (59 percent).

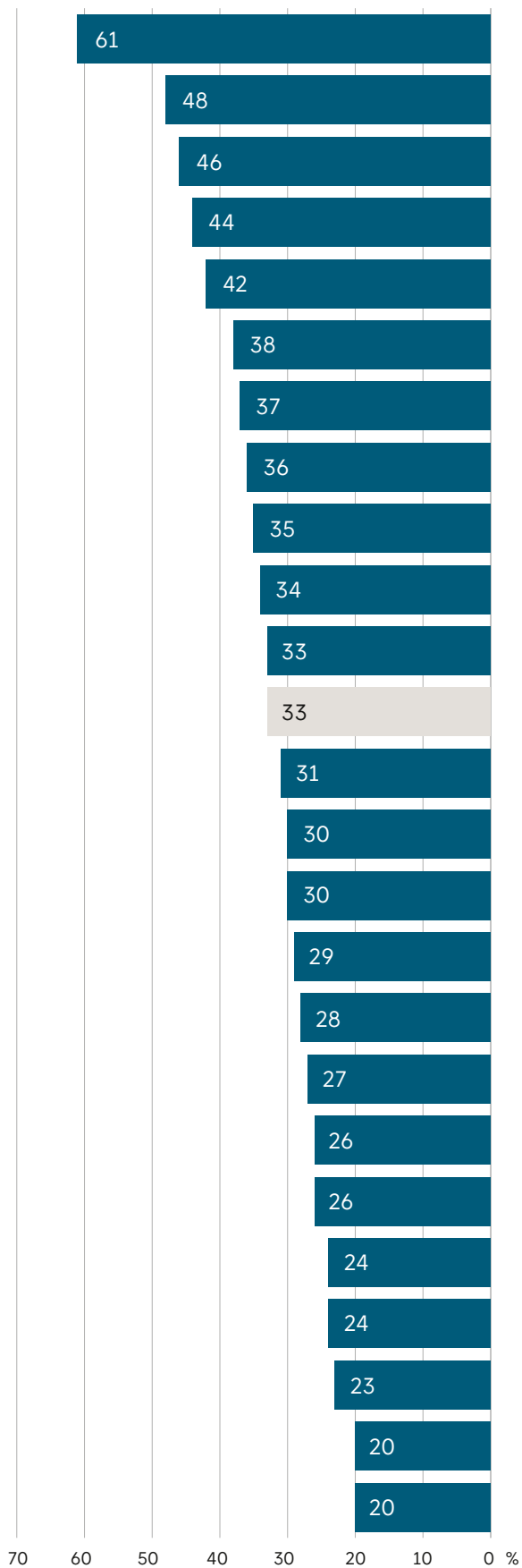
### How confident are you with your ability to pay your household bills on time each month?





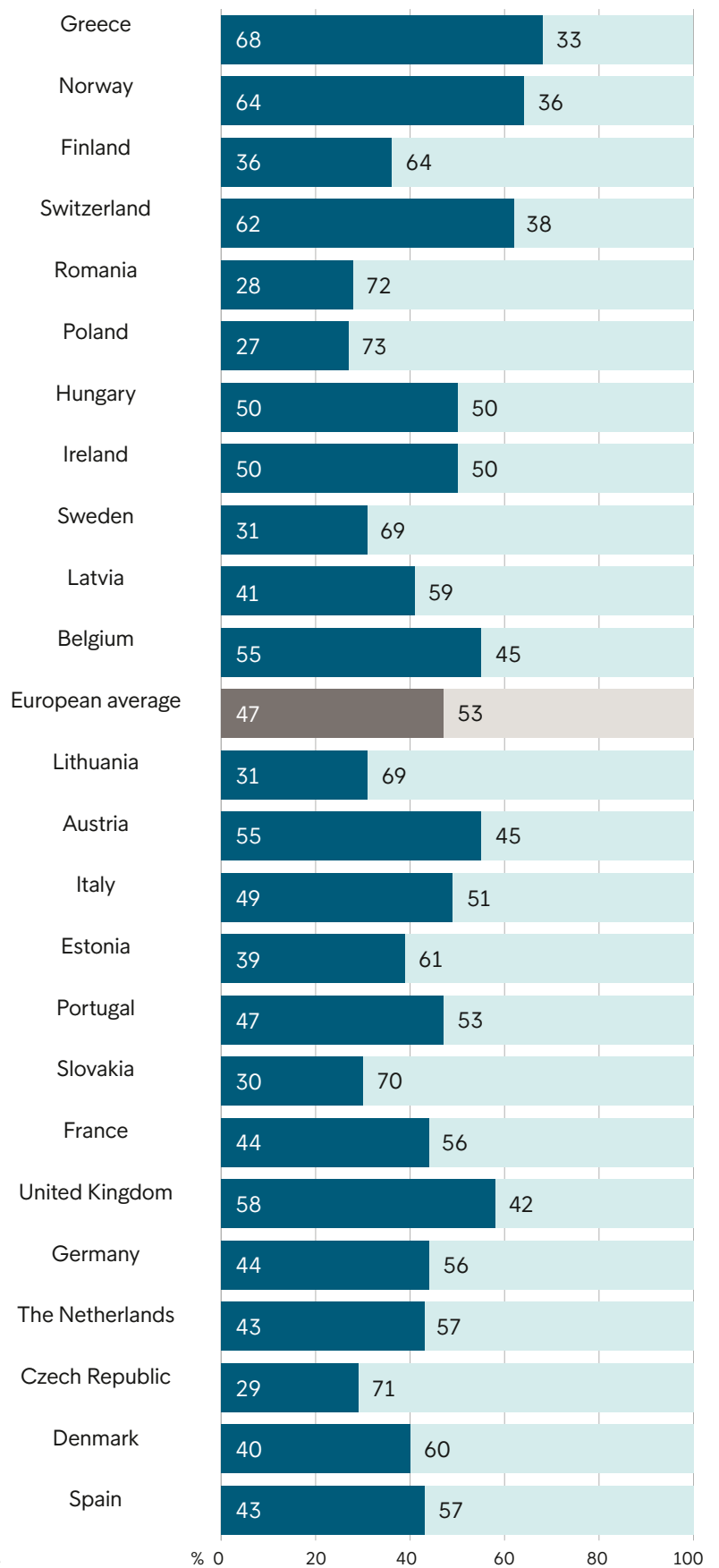
**During the last 12 months, have you at one or several times not paid a bill on time?**

● Yes

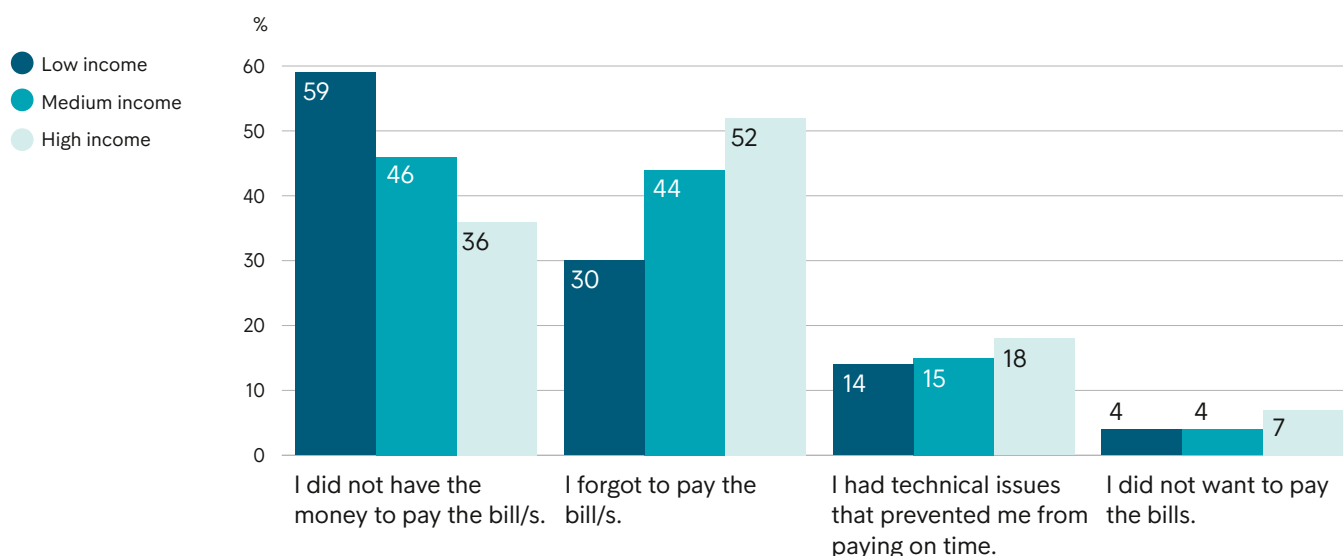


**You have said that you haven't paid more than one bill on time over the past 12 months. Would you describe this as:**

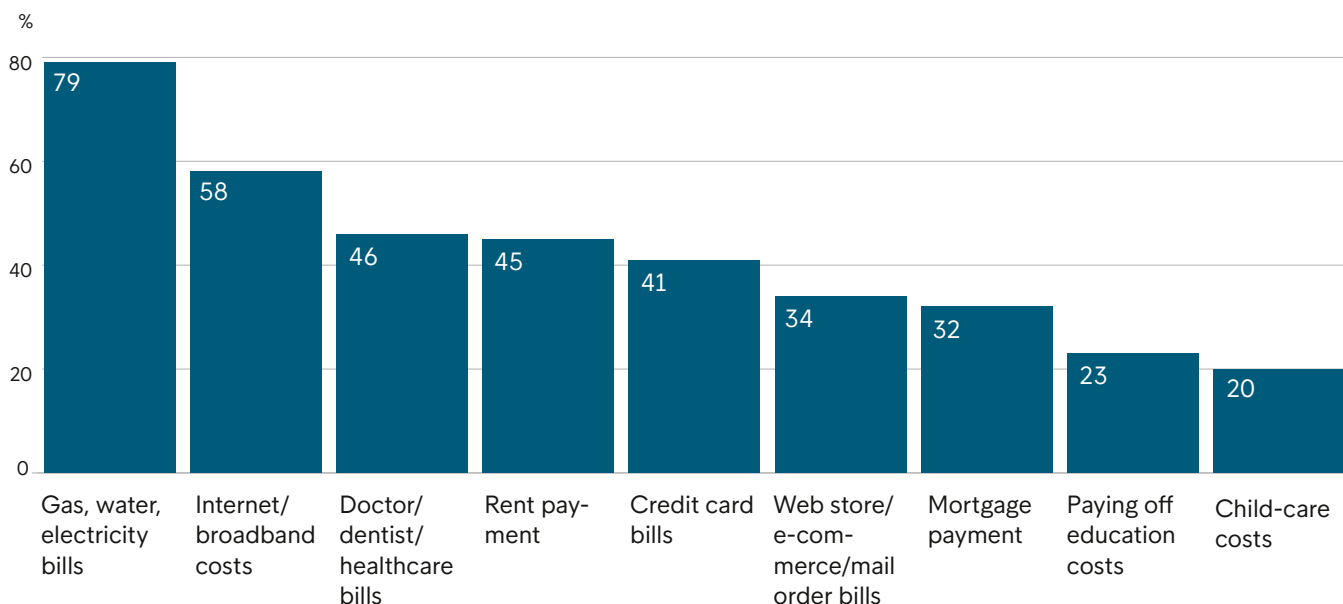
● A regular occurrence ● A one-off event



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

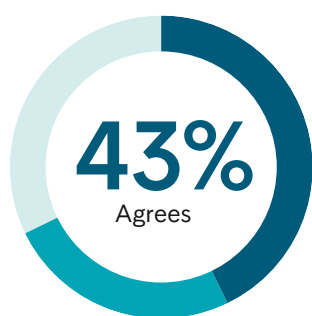


## Which of the following types of bill do you prioritise each month?



## To what extent do you agree/disagree with the following statements?

Legend: Agree (Dark Blue), Neither agree nor disagree (Teal), Disagree (Light Blue)



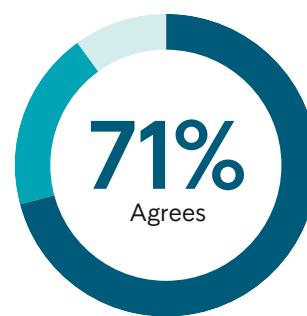
My concerns about rising bills are having a negative effect on my general well-being.



After having paid my bills I rarely have enough money to last until the end of the month.



My bills are increasing at a higher rate than my income.



I prioritise paying bills over everyday spending.

# Loans and borrowed money

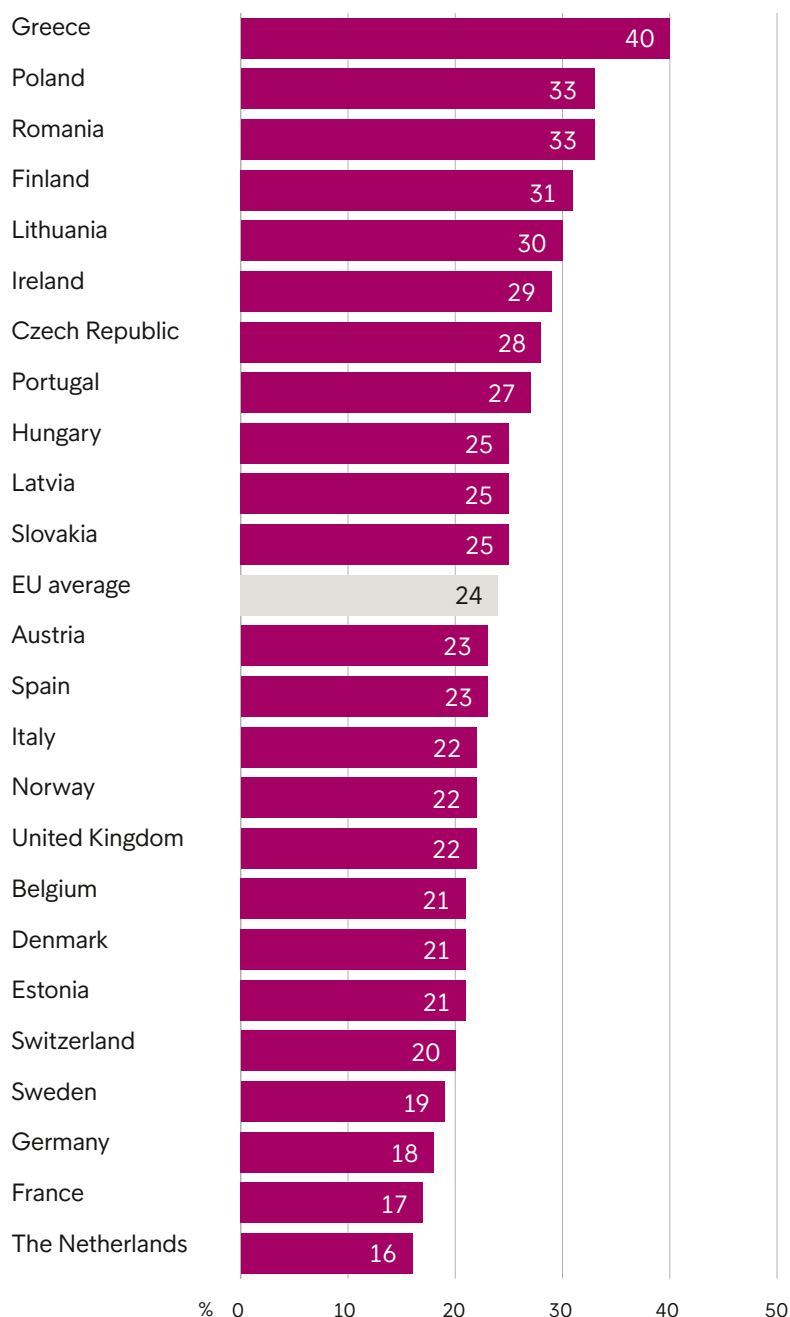
Borrowing money from either a lender or a bank means different things to different people. One of the most common reasons we borrow money is because we want to purchase something that we are unable to pay for right now. Loans can help us to reach our dreams, but it's important to not lend beyond our means.

One in four (24 percent) of European consumers say they borrow money to pay bills, an increase from 20 percent in 2018. This is most prominent among consumers in Greece (40 percent), Poland and Romania (both 33 percent). We see a notable difference between men and women when looking at the source of borrowed money. More than six in ten (65 percent) women say they borrowed from family/friends. Though unofficial loans from family/friends are the main source for men as well, more men than women cite to have borrowed money from banks.

# 22%

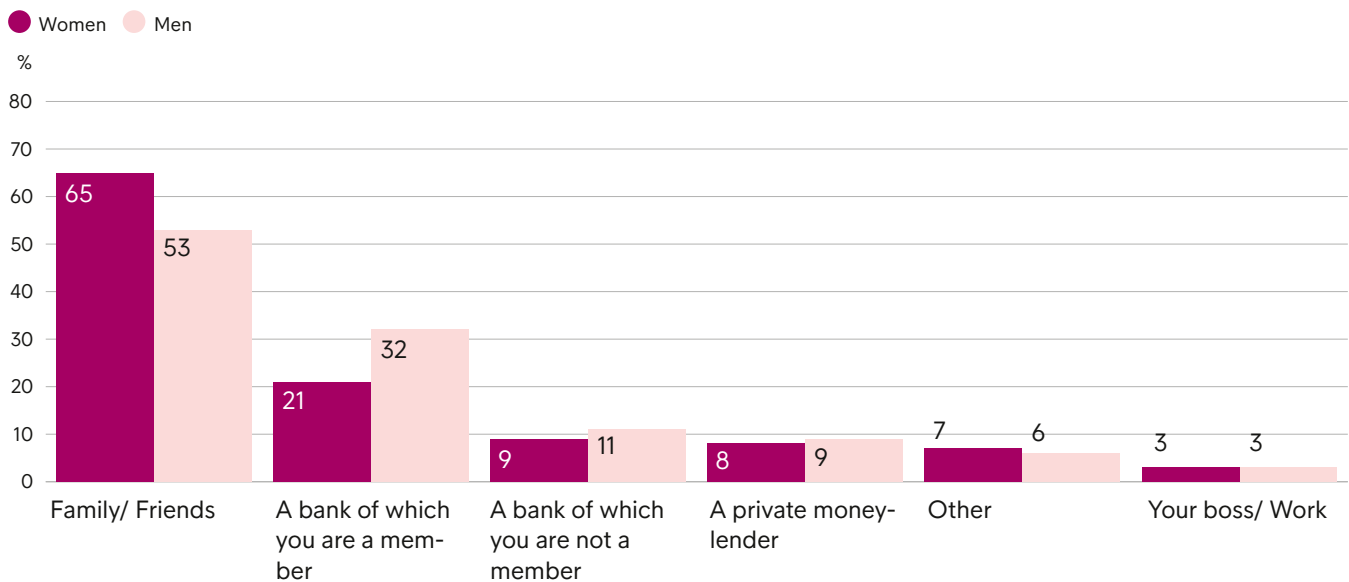
agree with the statement "I would need to borrow to pay even for a minor unexpected bill (e.g. repairing the car)" 19% neither agree nor disagree and 59% do not agree.

## Proportion of consumers saying they have over the past 6 months borrowed money, apart from a mortgage, or reached their credit card limit in order to pay bills



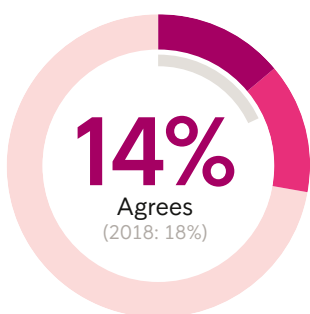


### Where did you borrow money from in order to pay for your bills?

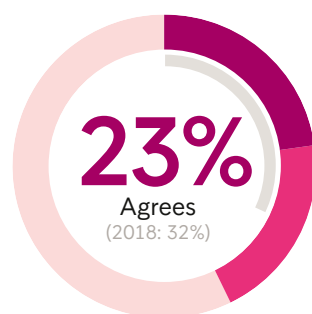


### To what extent do you agree/disagree with the following statements (versus last year)?

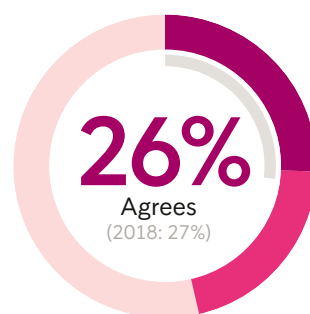
● Agree ● Neither agree nor disagree ● Disagree



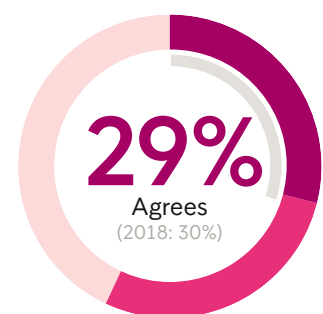
I sometimes need to borrow money/max out my credit card in order to be able to buy presents for Christmas.



I normally spend more money on Christmas presents than I can comfortably afford.



I worry about how to afford buying Christmas presents.



January is the most difficult month for me financially.



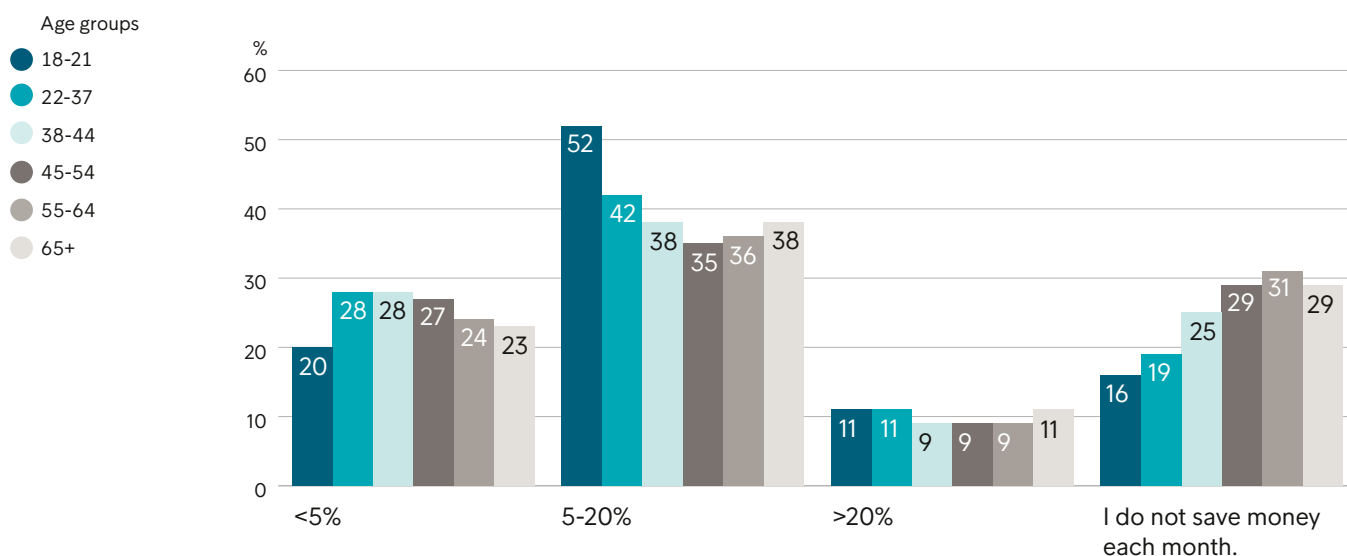
# Saving for the future

None of us can predict the future, and saving money can help us become financially secure. Though 75 percent of Europeans save money each month, over half (52 percent) say they are not happy with the actual amount.

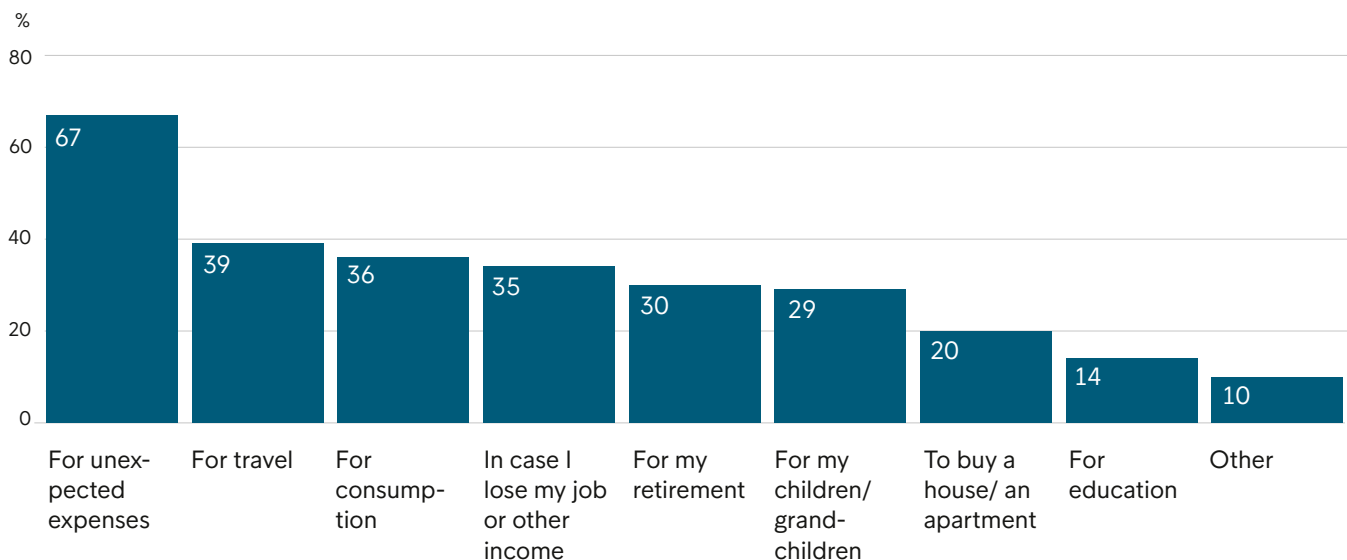
When looking at age groups we see, perhaps not surprisingly, that young Europeans, 18-21-year-olds, are the most active savers. On the other side, 11 percent of seniors over the age of 65 years cite to save more than 20 percent of their income each month.

Short-term savings seems to dominate among European consumers; 67 percent save for unexpected expenses and 39 percent save for travel. Though Europeans say they prioritize to save for unexpected events, close to three-fifth (57 percent) say they could only afford to pay one month salary or less in the event of an unforeseen expense.

## On average, what percentage of your salary do you save each month?



## What are your main reasons for saving money each month?



## To what extent do you agree/disagree with the following statements?



I am concerned I will never be able to afford my own home.

**44%**

Agrees

**24%**

Neither agrees nor disagrees

**31%**

Disagrees



I would prefer to rent a home rather than buy my own.

**18%**

Agrees

**20%**

Neither agrees nor disagrees

**62%**

Disagrees



I'd rather spend my money enjoying today than save for retirement.

**26%**

Agrees

**36%**

Neither agrees nor disagrees

**37%**

Disagrees



I worry that I won't be able to afford a comfortable retirement.

**48%**

Agrees

**26%**

Neither agrees nor disagrees

**26%**

Disagrees



I am dissatisfied with the amount I am able to save each month.

**52%**

Agrees

**24%**

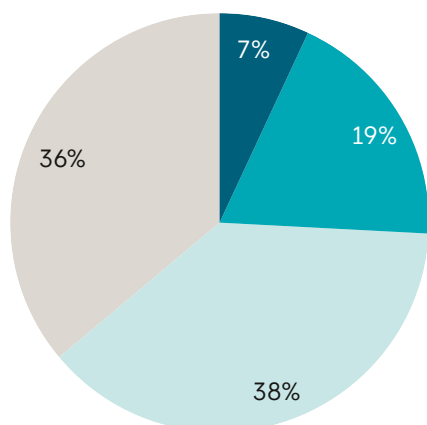
Neither agrees nor disagrees

**23%**

Disagrees

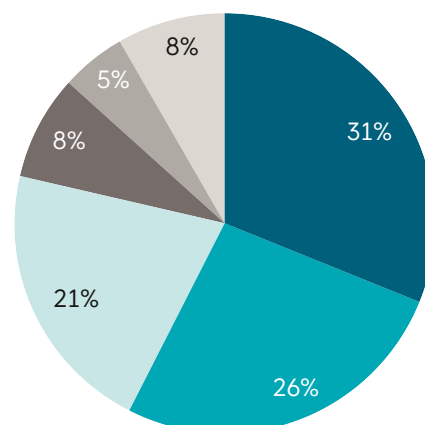
Using the scale below, how confident are you that you will be able to afford a comfortable retirement based on your ability to save for the long term?

- Very confident
- Confident
- Somewhat confident
- Not at all confident



In the event of an unforeseen event (e.g repairing your car), how much could you afford to pay out of your savings without falling into debt?

- Less than one month's salary
- One month's salary
- 2-3 times my monthly salary
- 4-6 times my monthly salary
- More than 6 times my monthly salary
- More than 12 times my monthly salary



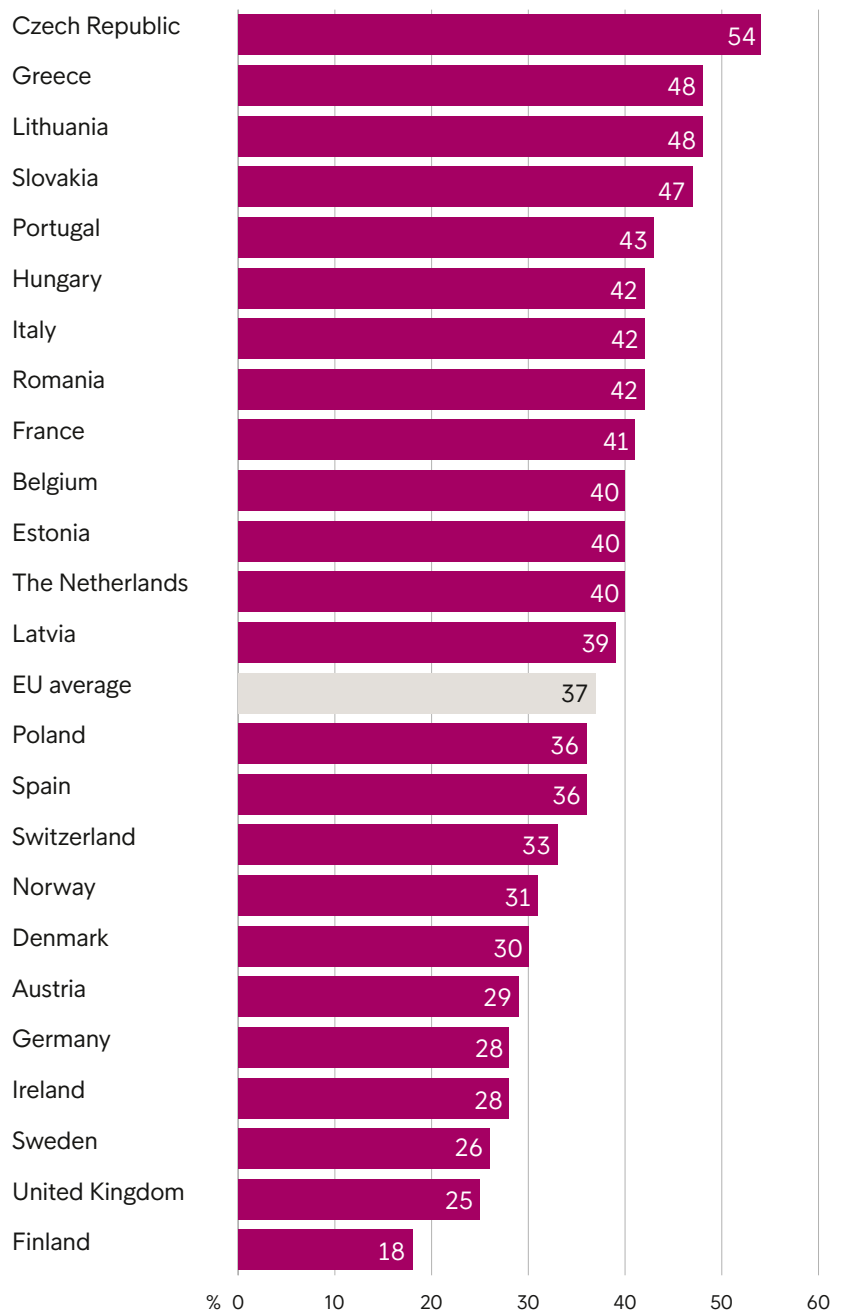
# Financial literacy

Financial literacy is the ability to understand how money works: the set of skills and knowledge that allow us to make informed and effective financial decisions. High financial literacy is a key for consumers to navigate the challenges ahead.

European consumer are over-estimating their financial literacy. 69 percent believe their financial education has been sufficient. Yet, when tested 37 percent failed to match basic financial terms<sup>1</sup> to their correct definitions.

Women seems to rely more on people close to them when it comes to financial education than men. While more women say their primary source for financial education has been their parents, other family members and friends, men have also ranked school, internet and bank higher than women, indicating that they have a broader range of sources for education.

## Proportion of consumers that was not able to match basic financial terms<sup>1</sup>

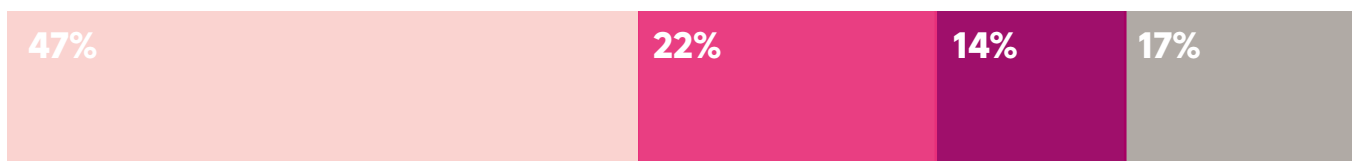


1.) The financial terms tested was budget, credit score, annual percentage rate (APR), variable interest rate and inflation.

Proportions of consumers who answered correctly when asked:

# 70%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"



I received sufficient financial education to manage my day-to-day finances, although I still need advice on more complex financial matters (e.g pension planning and stock market investment).

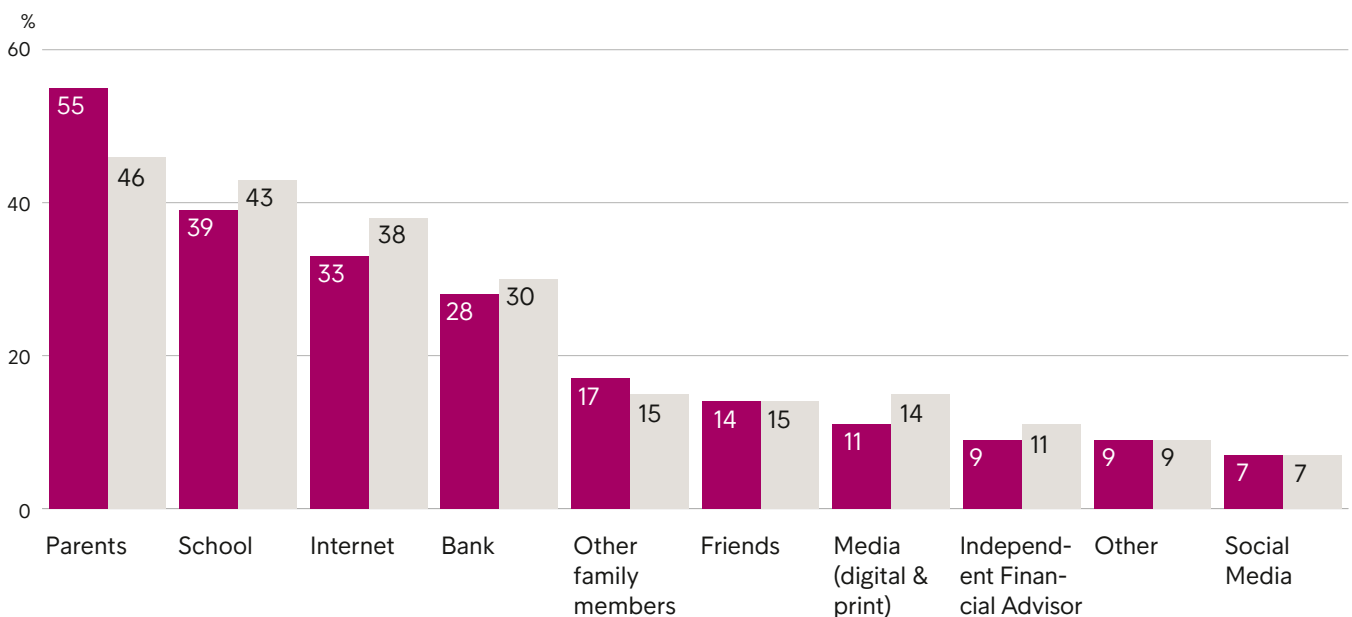
I received an excellent financial education, and feel confident managing complex financial matters.

I do not feel I received sufficient financial education to manage my day-to-day finances, and I often seek external advice.

I am keen to gain more knowledge on how to manage my finances.

Over the course of your lifetime, what have been your primary sources of financial education?

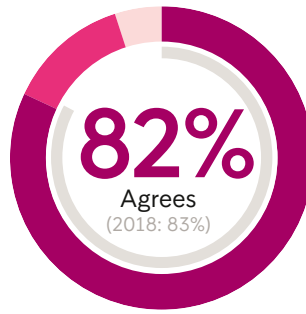
Women Men



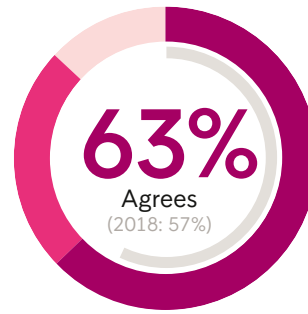


## To what extent do you agree/disagree with the following statements?

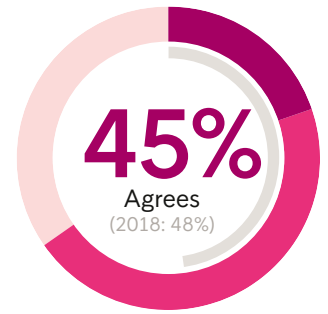
- Agree
- Neither agree nor disagree
- Disagree



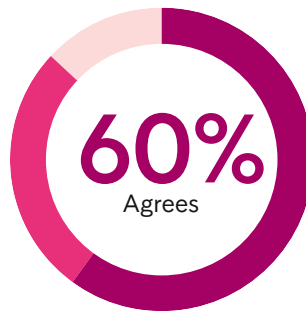
I try to teach my children how to handle money.



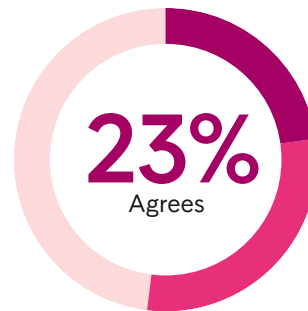
Schools should take responsibility when it comes to educating children on the household economy.



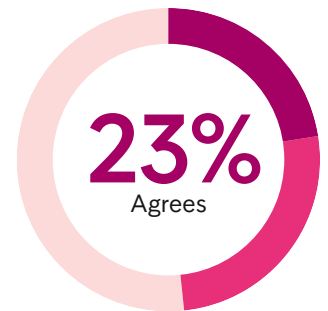
I wish I learned more about household finance at school.



Technology has made it easier for me to manage my finances.



I struggle to keep up with new technologies in order to manage my finances.



I use smartphone apps to avoid over-consumption.



# Outlook: Consumer confidence and behaviour

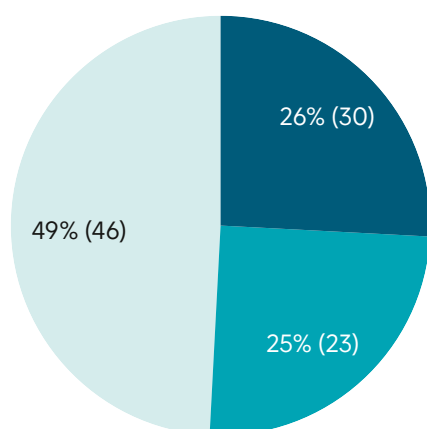
The world is changing around us; an economic slowdown and growing political instability are increasing uncertainty for European consumers private economy.

Almost half (44 percent) of European consumers are worried that a weakened EU would have a negative effect on their finances, compared to 42 percent that said this in 2018. This is most prominent among consumers from Portugal (64 percent), Greece (63 percent) and Spain (62 percent).

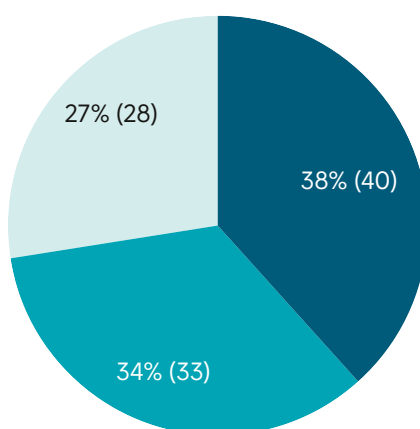


To what extent do you agree/disagree with the following statements (versus last year)?

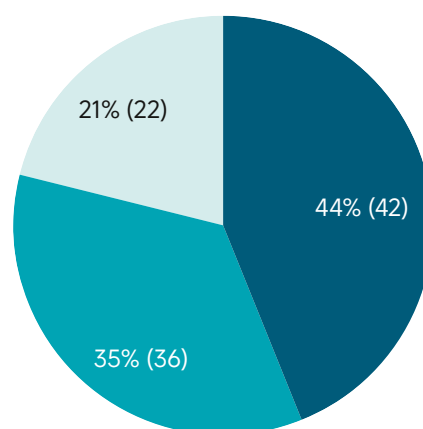
● Agree ● Neither agree nor disagree ● Disagree



At the moment I do not have enough money for a dignified existence.



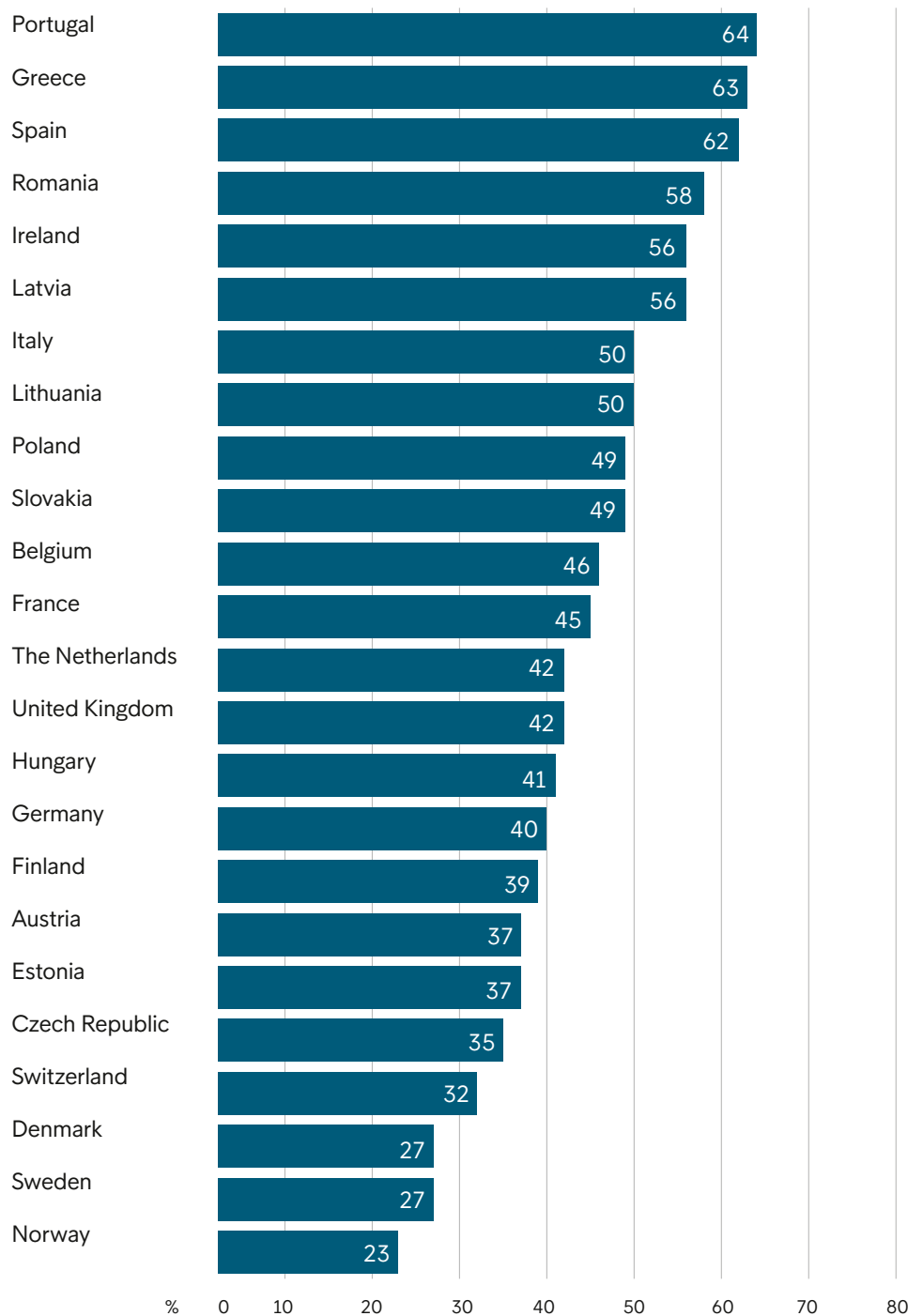
I am or will be financially better off than my parents.



I am worried that a weakened European Union might have a negative impact on my personal finances.

## Country overview

Proportion of consumers that believe a weakened EU might have a negative impact on their personal finances.



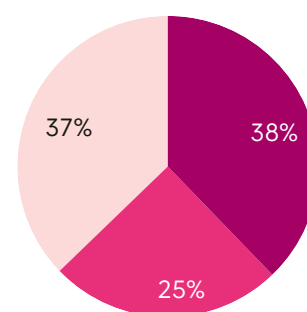
# Family and household economy

Making sure our family and loved ones have everything they need is something most of households care about. So much, that out of the 24 percent of Europeans that said they borrowed money to pay bills, more than seven in ten (73 percent) parent say they have borrowed money to pay for an item for their child.

For many, being in debt can be a difficult situation which can impact private relationships. One in four (26 percent) of European consumers say financial matters are a source of tension between themselves and their partner, where more women than men (respectively 29 percent and 22 percent) state the same. Furthermore, 23 percent of European consumers say they struggle to talk openly about finances with their partner.

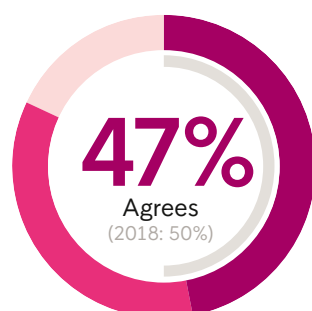
Over the past 6 months, have you borrowed money, apart from a mortgage, or reached your credit card limit in order to buy an item for your child/ children (versus last year)?

- Yes, once
- Yes, more than once
- No

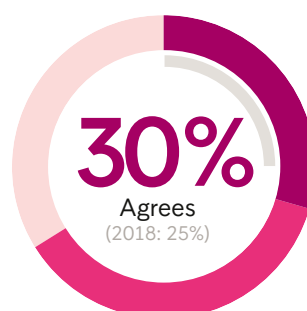


To what extent do you agree/disagree with the following statements?

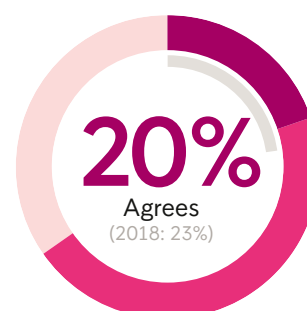
- Agree
- Neither agree nor disagree
- Disagree



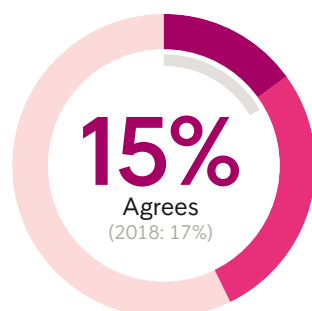
I believe I will need to financially support my children after they have moved out of our common residence.



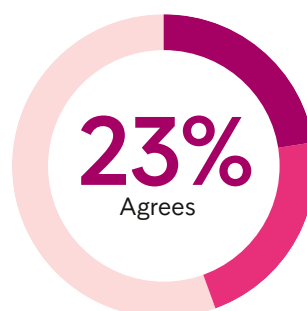
Due to financial reasons, my children won't be able to move away from home as early as they would like to.



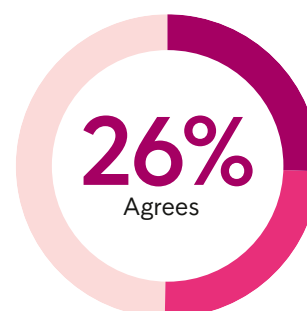
My children will be financially worse off than me.



My financial situation has been a factor for not ending a romantic relationship.



I struggle to talk openly about finances with my partner.



Financial matters are a source of tension between myself and my partner.

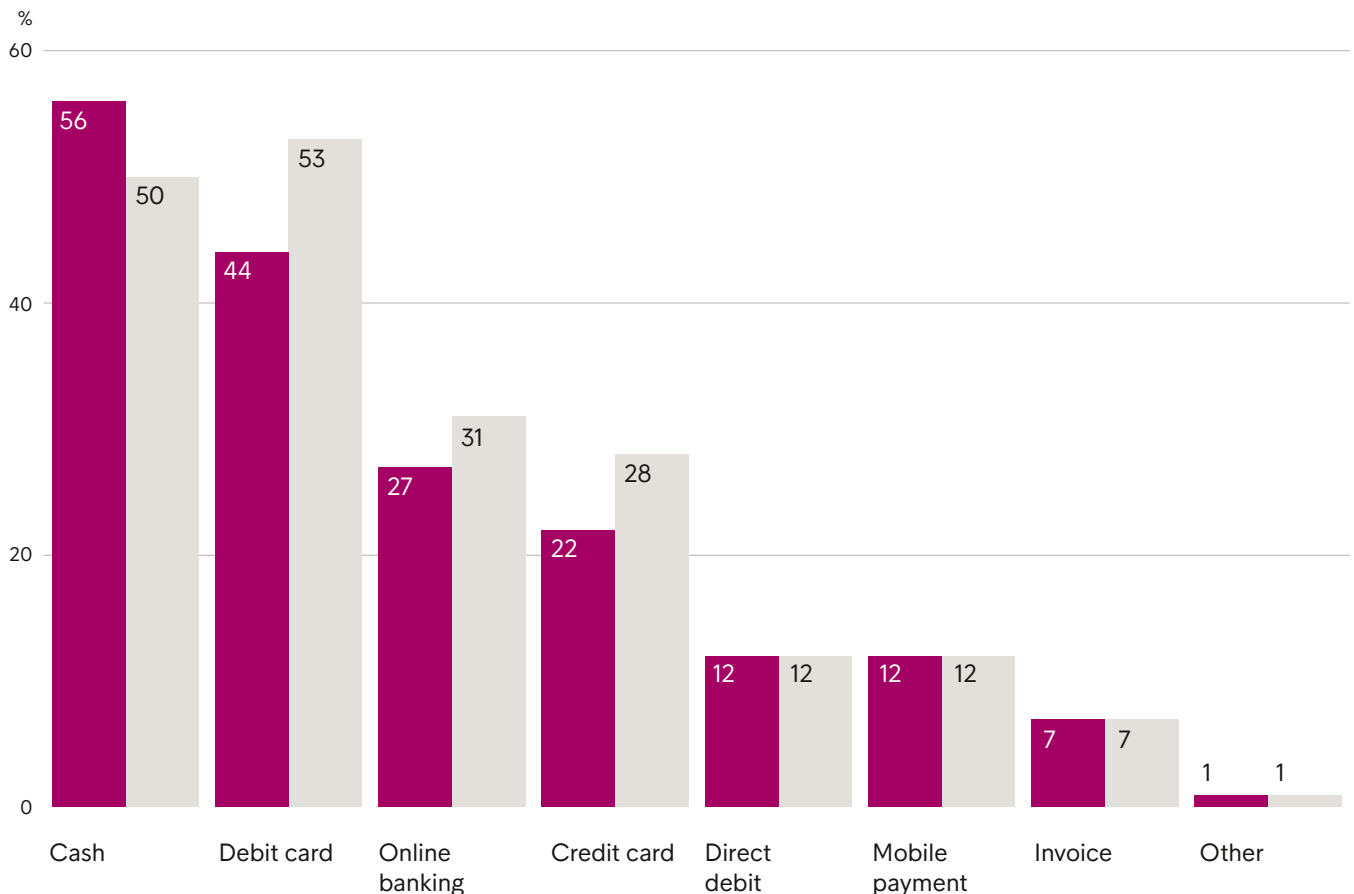
# Payment methods

Our payment preferences changes over time depending on what methods are offered when we are in a payment situations. Young Europeans seems to adapt to new payment methods, faster than any other age group. 18 percent of 18-21-year-olds state mobile payments to be their preferred method of payment, compared to European average of 12 percent.

There is also a notable difference among consumers with different educational level. 52 percent of European consumers with high educational level, university or other post-secondary school, prefer debit over any other payment methods for everyday spending. On the other side, 56 percent of consumers with lower educational level, primary or secondary school, prefer cash as main payment option.

## What is your preferred method of payment for everyday spending?

Education level    ● Primary or secondary school    ● University or other post-secondary school education



# Globalised e-commerce

European consumers are becoming increasingly reliant on credit to fund their living expenses. This culture is fuelled by social media pressure, increased accessibility to fast credit and online shopping. About half (51 percent) of the surveyed 18-21-year-olds claim social media puts pressure on them to consume more than they should, compared to European average. Six in ten (59 percent) of European consumers are worried about the easy access to credit.

To what extent do you agree/disagree with the following statements?



The easy access to credit via smartphones worries me, since people who should not take loans might become tempted.

**59%**

Agrees

**25%**

Neither agrees nor disagrees

**16%**

Disagrees



I often worry that my personal details will end up in the wrong hands when I buy things online.

**50%**

Agrees

**26%**

Neither agrees nor disagrees

**23%**

Disagrees



Compared to one year ago, I make a larger share of my purchases online.

**41%**

Agrees

**30%**

Neither agrees nor disagrees

**29%**

Disagrees



Over the past year, I have been a victim of credit card fraud.

**10%**

Agrees

**10%**

Neither agrees nor disagrees

**80%**

Disagrees



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

**39%**

Agrees

**25%**

Neither agrees nor disagrees

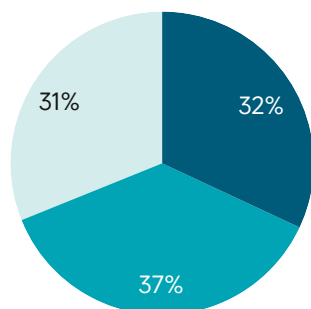
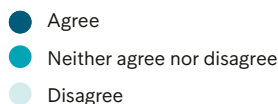
**36%**

Disagrees

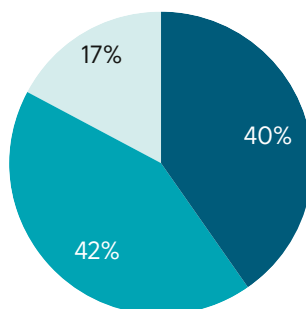
# Sustainable spending

Though many Europeans struggle with the pressure to consume more, we see an indication of a shift towards a sustainable consumption. More than two-fifth (42 percent) say their interest in sustainability motivates them to limit their spending. This indicates a split picture among consumers across Europe. Most prominent is this finding among consumers from Greece (61 percent), Slovakia and Romania (both 58 percent) and Portugal (57 percent). On the other side of the scale we find consumers from The Netherlands (26 percent), The UK (29 percent) and Belgium (32 percent) stating the same.

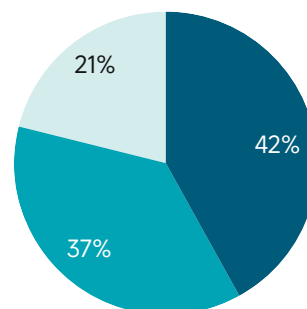
To what extent do you agree/disagree with the following statements?



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



I am more likely to buy a product which is ethically sourced.



My interest in sustainability has motivated me to limit my spending.



# Country snapshots



# Austria

- Overall financial wellbeing: 2nd
- Ability to pay bills on time: 3rd
- Saving for the future: 5th
- Credit freedom: 9th
- Financial literacy: 4th

## Punctual bill payment and high levels of financial literacy support Austria's financial wellbeing

Austria ranks second overall on the Financial Wellbeing Barometer. Stable economic growth, a healthy average wage and low unemployment rates have all contributed to this score.

These strong economic indicators are translating into punctual bill payment. Austria ranks third under the Ability to pay bills on time pillar. Our survey shows that 88 percent of Austrians are confident in their ability to pay their bills each month, 11 percentage points above the European average.

Austria also ranks within the top five European countries for Financial literacy. Austrian consumers rely on schools for their financial education: 52 percent cite schools as their primary source of financial education – 11 percentage points above the European average. This appears to be having a positive effect on financial literacy levels: our survey shows that 71 percent of Austrian consumers can match common financial terms with their correct definitions, above the European average of 63 percent.

## Saving for the future

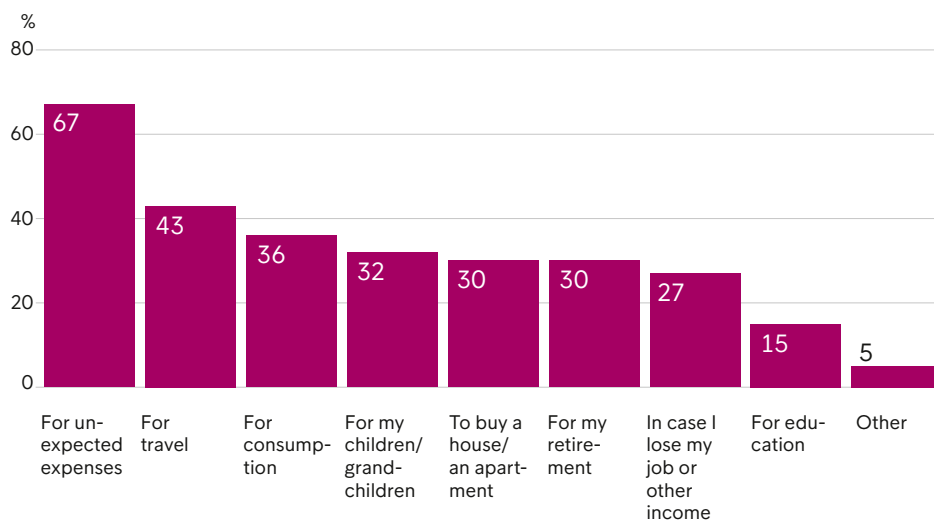
# 77%

say they are able to save each month. In 2018 65% stated the same. European average for 2019 is 75%.

# 48%

are dissatisfied with the amount they are able to save each month, 18% neither agree or disagree with this statement and 34% disagree.

## What are your main reasons for saving money each month?

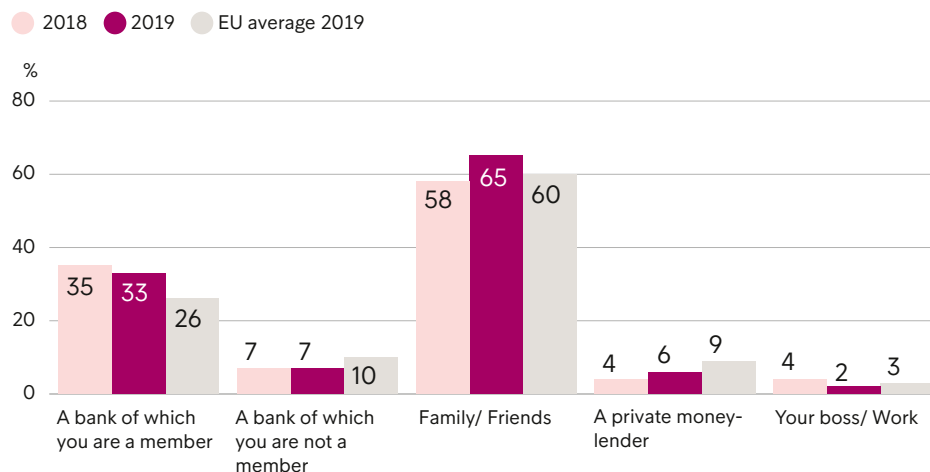


## Loans and borrowed money

# 23%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



## Economic development

GDP per capita, €:	43,700
EU:	30,900
Real GDP growth:	2.7
EU:	2.0
Inflation rate, %:	2.1
EU:	1.9
Unemployment rate, %:	4.9
EU:	6.8

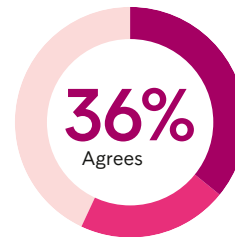
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

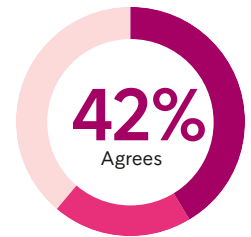
# 30%

say they have missed paying a bill on time during the last 12 months. In 2018 40% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



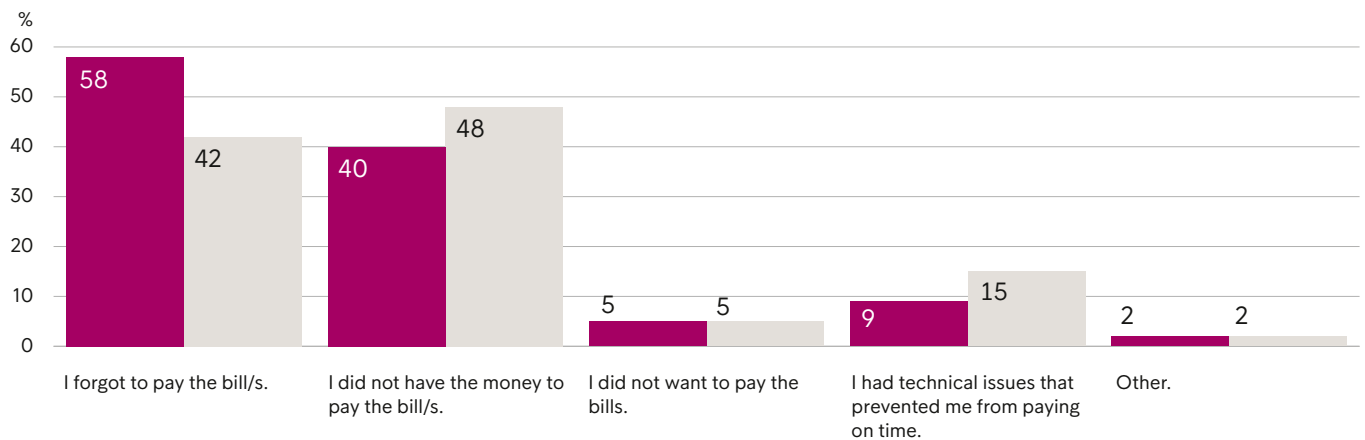
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019    ■ EU average 2019



## Financial literacy

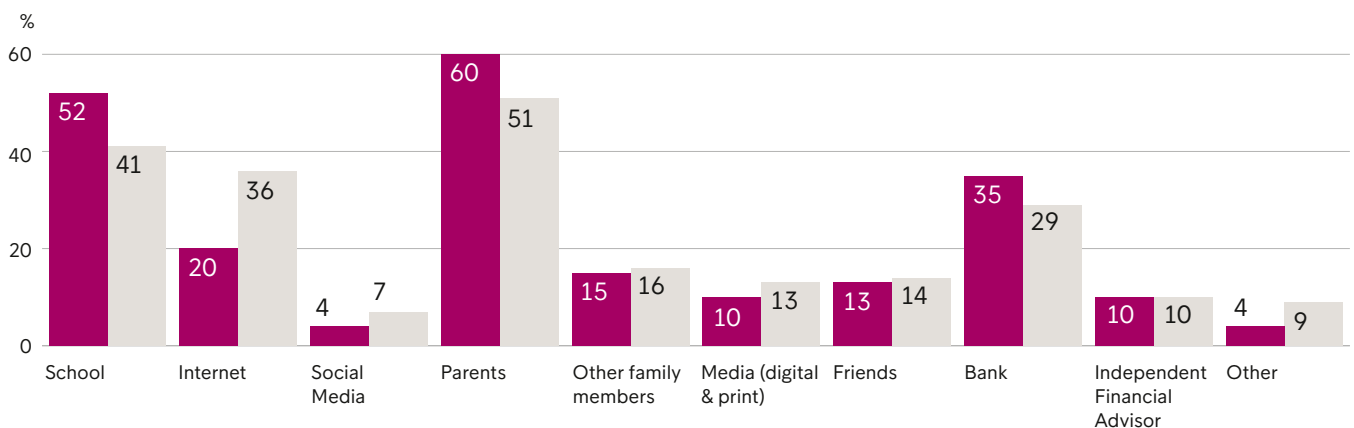
Proportions of consumers who answered correctly when asked:

# 70%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019    ■ EU average 2019



# Belgium

- Overall financial wellbeing: 11th
- Ability to pay bills on time: 9th
- Saving for the future: 6th
- Credit freedom: 17th
- Financial literacy: 17th

**Belgian consumers are saving for the future, despite below-average financial literacy levels**

Belgium scores strongly for its ability to save – ranking 6th on the Saving for the future pillar. Our survey shows that 77 percent are saving part of their salary each month, above the European average of 75 percent.

Yet, despite the healthy saving environment, Belgian consumers are concerned about their ability to pay bills in the future; 52 percent say their bills are increasing at a higher rate than their incomes (compared to the European average of 45 percent).

The financial literacy of Belgian consumers is also below the European average; despite 77 percent saying they have received either an 'excellent' or 'sufficient' financial education, 40 percent were unable to match the selected financial terms to their correct definitions.

## Saving for the future

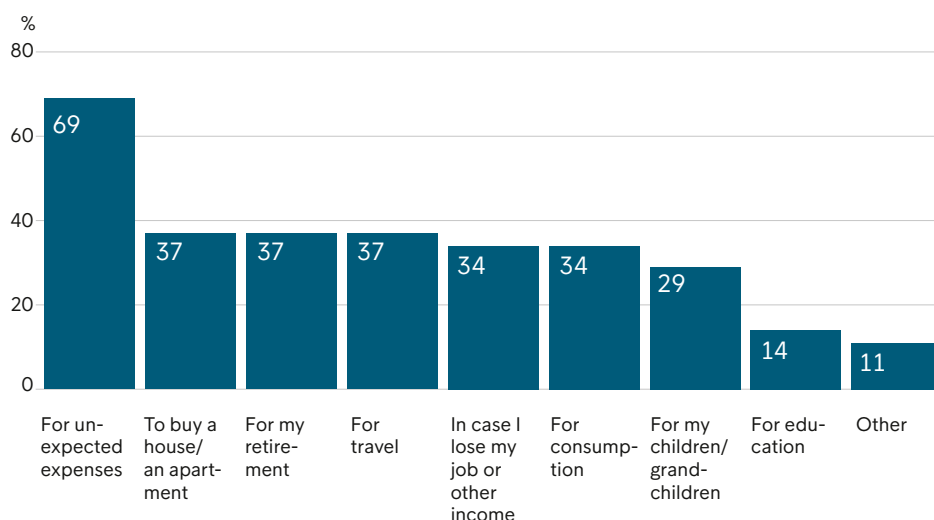
# 77%

say they are able to save each month. In 2018 56% stated the same. European average for 2019 is 75%.

# 46%

are dissatisfied with the amount they are able to save each month, 31% neither agree or disagree with this statement and 24% disagree.

## What are your main reasons for saving money each month?

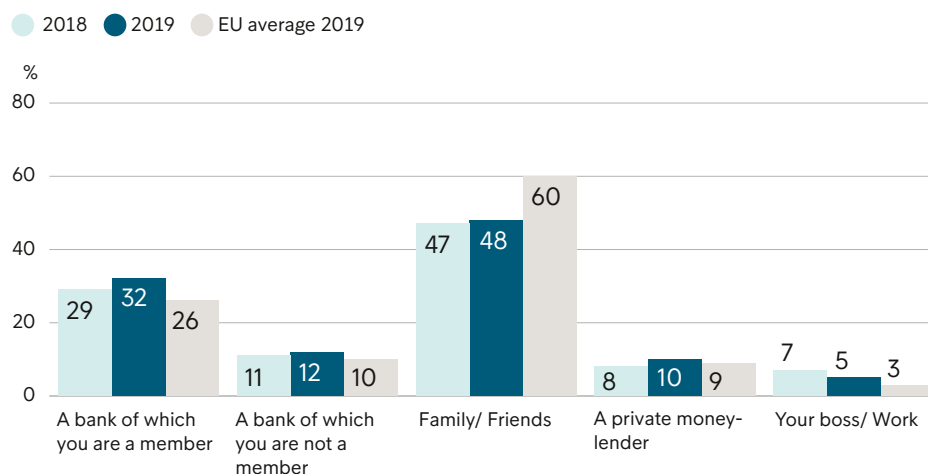


## Loans and borrowed money

# 21%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:  
EU: 39,500  
30,900

Real GDP growth:  
EU: 1.4  
2.0

Inflation rate, %:  
EU: 2.3  
1.9

Unemployment rate, %:  
EU: 6.0  
6.8

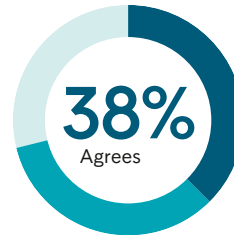
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

# 33%

say they have missed paying a bill on time during the last 12 months. In 2018 40% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



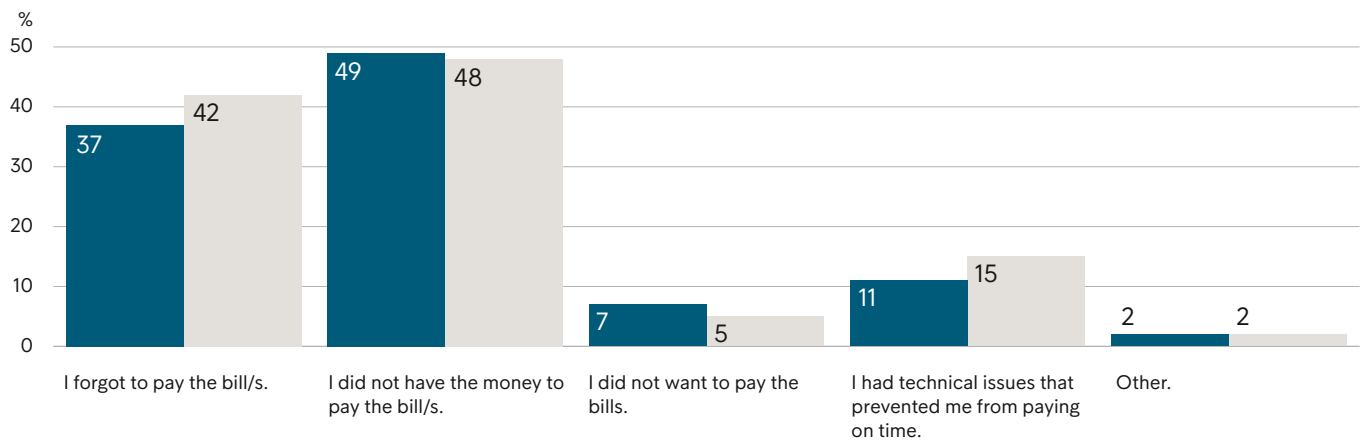
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

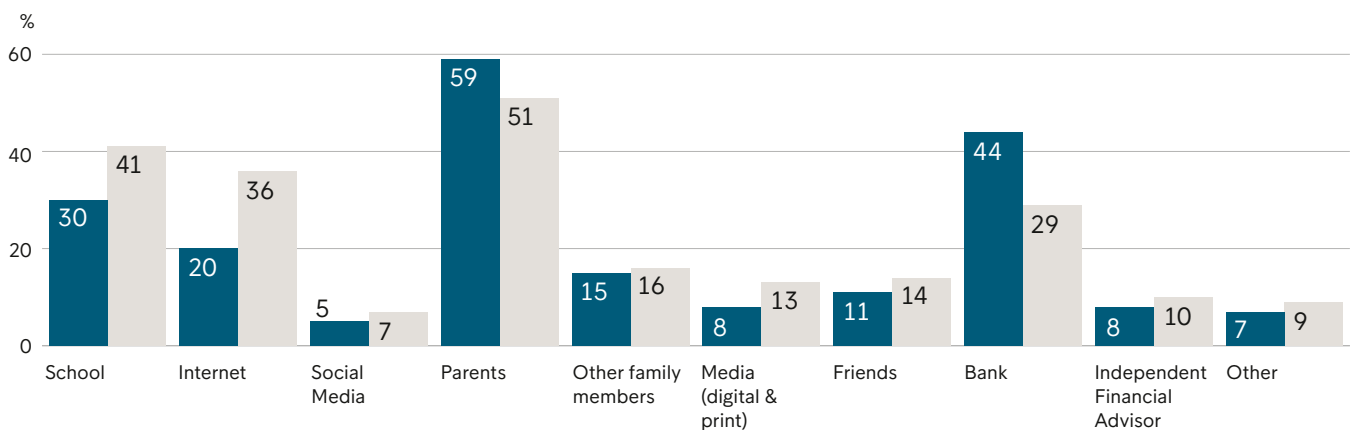
Proportions of consumers who answered correctly when asked:

# 64%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019





# Czech Republic

- Overall financial wellbeing: 17th
- Ability to pay bills on time: 15th
- Saving for the future: 14th
- Credit freedom: 2nd
- Financial literacy: 20th

**Financial literacy among Czech consumers is below average, but the majority aren't putting the onus on schools to fix this**

Financial literacy of Czech consumers is below average, ranking in 20th place. Our survey finds that under half (46 percent) of Czech consumers could match selected financial terms to their correct definitions – well below the European average of 63 percent. Yet, despite this fact, just 40 percent are looking for schools to improve their financial education, the second-lowest percentage in Europe.

## Saving for the future

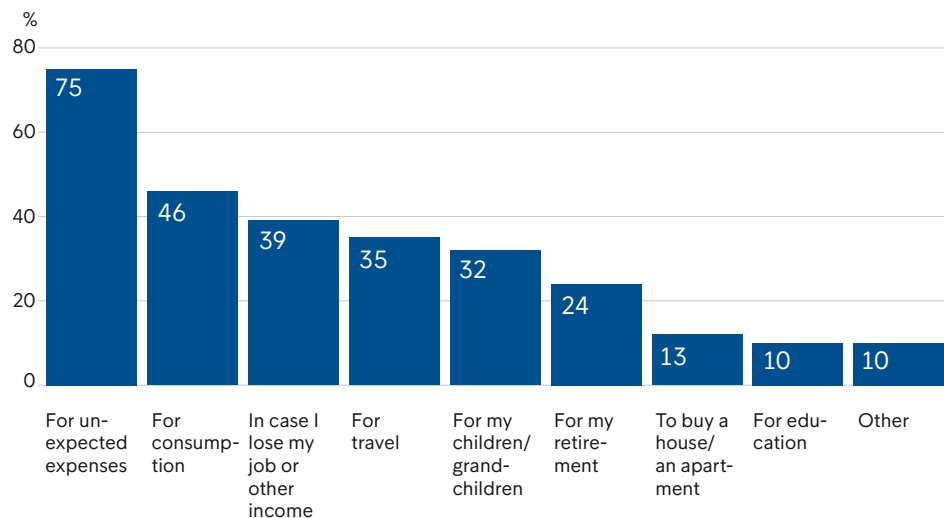
# 84%

say they are able to save each month. In 2018 72% stated the same. European average for 2019 is 75%.

# 37%

are dissatisfied with the amount they are able to save each month, 29% neither agree or disagree with this statement and 34% disagree.

## What are your main reasons for saving money each month?

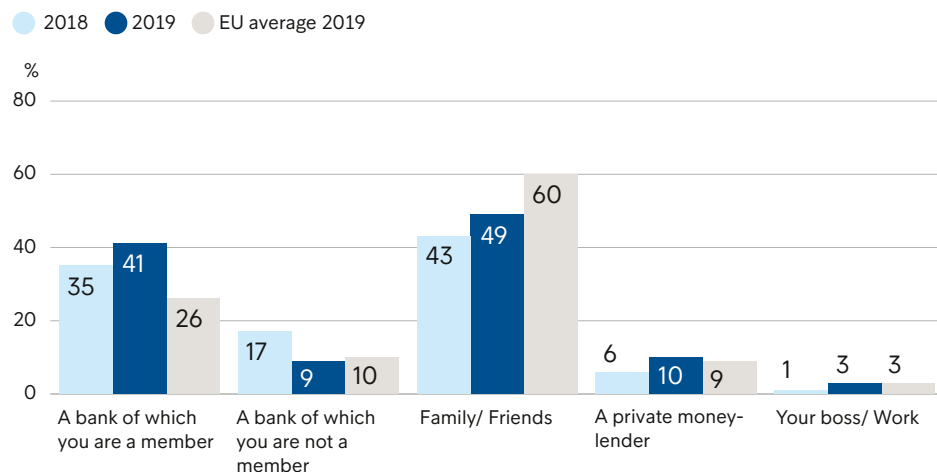


## Loans and borrowed money

# 28%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	19,600
EU:	30,900
Real GDP growth:	3.0
EU:	2.0
Inflation rate, %:	2.0
EU:	1.9
Unemployment rate, %:	2.2
EU:	6.8

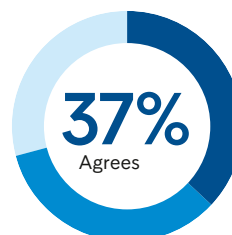
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

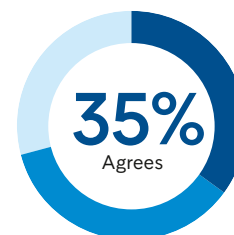
# 23%

say they have missed paying a bill on time during the last 12 months. In 2018 31% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



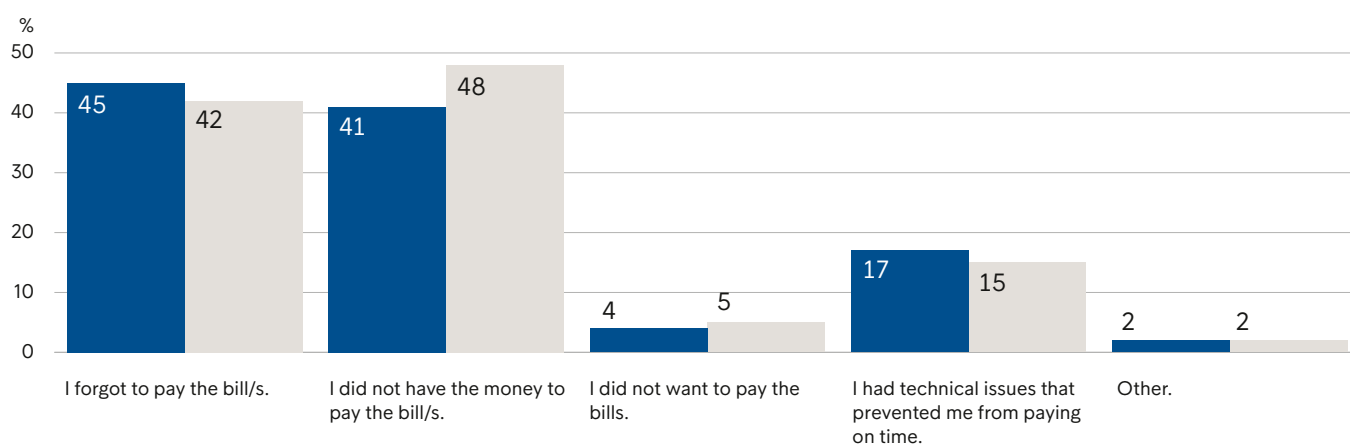
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

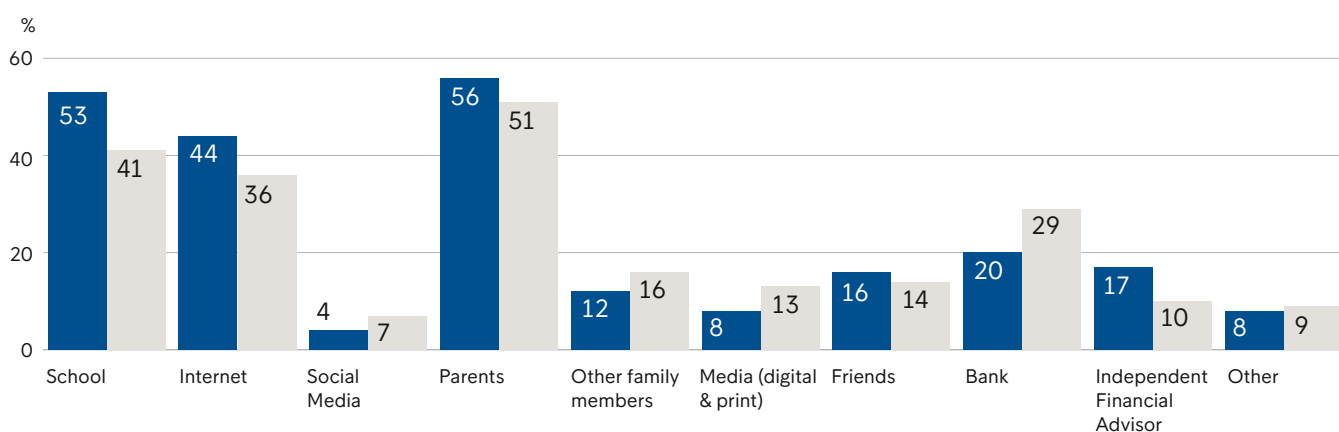
Proportions of consumers who answered correctly when asked:

# 69%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# Denmark

- Overall financial wellbeing: 7th
- Ability to pay bills on time: 2nd
- Saving for the future: 7th
- Credit freedom: 24th
- Financial literacy: 9th

**Danish consumers are confident in their ability to pay bills on time, yet are strongly dependent on credit**

Denmark's GDP per capita has grown steadily over the past few years, to reach €51,500 in 2018 – one of the highest in Europe.<sup>1</sup>

Danish consumers are confident in their ability to pay bills on time, ranking second in Europe on this pillar, behind Germany. Over three-quarters (78 percent) of consumers have paid all their bills on time over the past 12 months. Meanwhile, just 19 percent say that 'having paid bills they rarely have enough money to last until the end of the month' – the lowest in Europe.

Yet, Danish consumers score the lowest in Europe on the Credit freedom pillar. This can be explained in part by the fact that Denmark had the highest gross debt-to-income ratio of households in Europe in 2018.<sup>2</sup>

## Saving for the future

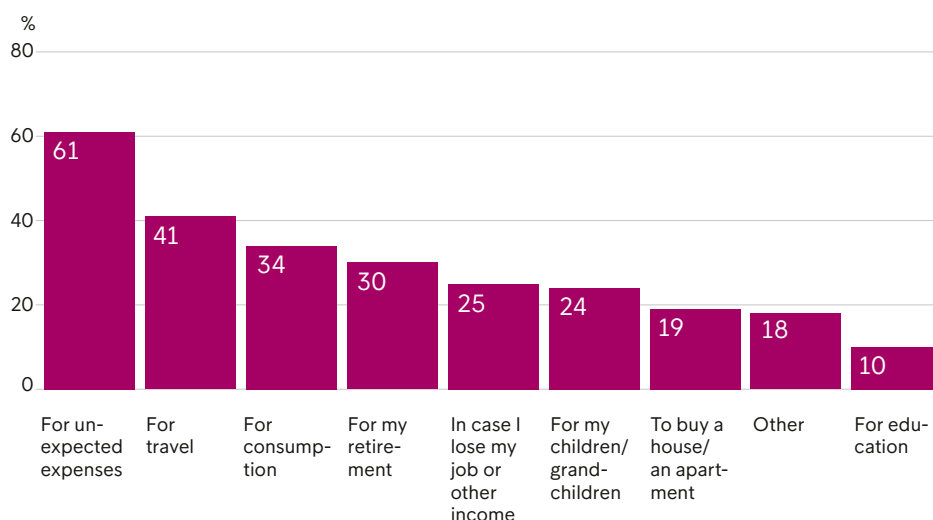
# 75%

say they are able to save each month. In 2018 55% stated the same. European average for 2019 is 75%.

# 40%

are dissatisfied with the amount they are able to save each month, 30% neither agree or disagree with this statement and 30% disagree.

## What are your main reasons for saving money each month?



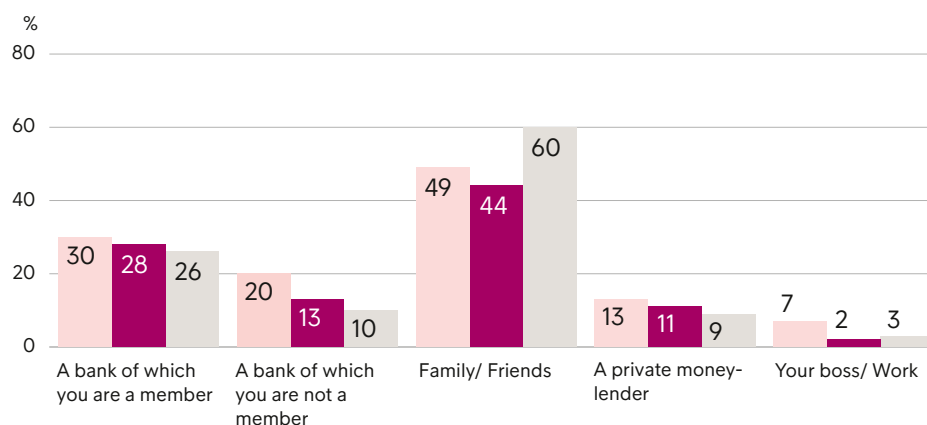
## Loans and borrowed money

# 21%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

● 2018 ● 2019 ● EU average 2019



### Economic development

GDP per capita, €:	51,500
EU:	30,900
Real GDP growth:	1.5
EU:	2.0
Inflation rate, %:	0.7
EU:	1.9
Unemployment rate, %:	5.0
EU:	6.8

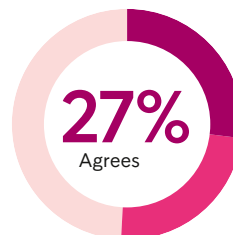
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

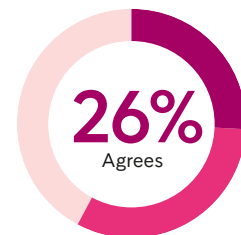
20%

say they have missed paying a bill on time during the last 12 months. In 2018 37% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



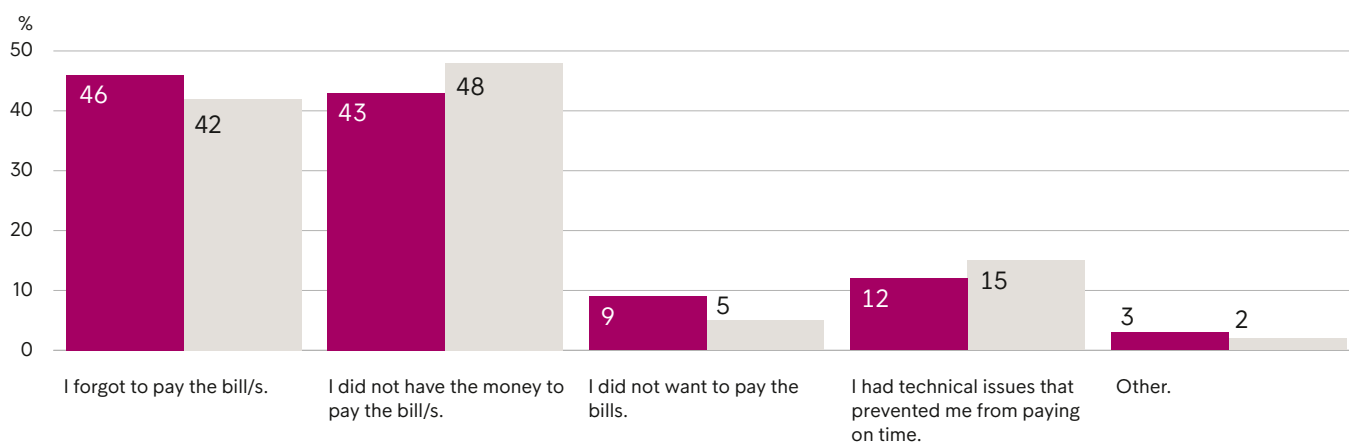
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019 ■ EU average 2019



## Financial literacy

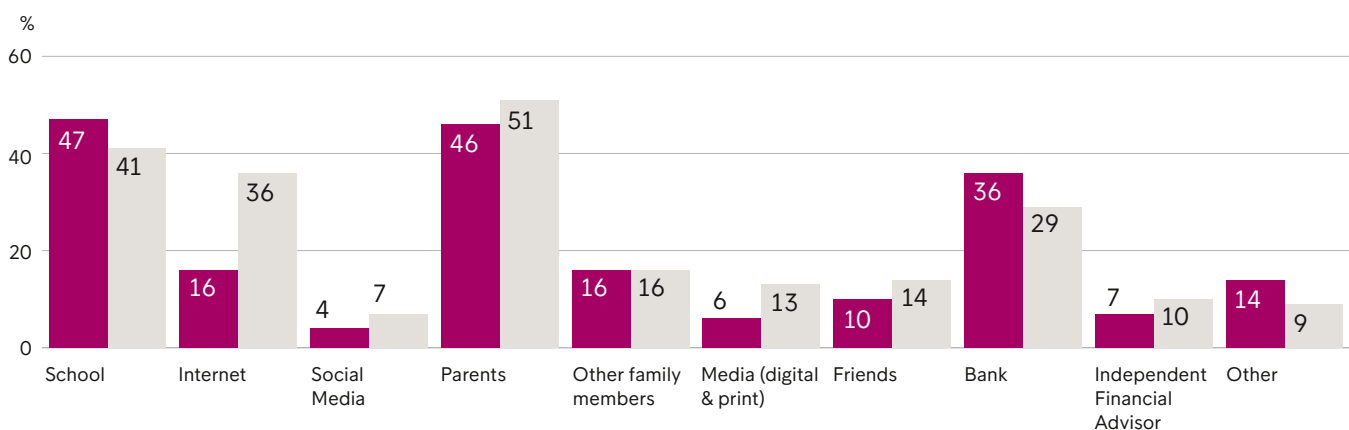
Proportions of consumers who answered correctly when asked:

66%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019 ■ EU average 2019



# Estonia

- Overall financial wellbeing: 20th
- Ability to pay bills on time: 18th
- Saving for the future: 13th
- Credit freedom: 3rd
- Financial literacy: 22nd

**Estonian consumers rank poorly for financial literacy, while concerns surrounding rising bills are affecting general wellbeing**

Estonia's overall ranking on the Financial Wellbeing Barometer was brought down by its ranking on the Financial literacy pillar (22nd). Four in ten Estonian consumers (40 percent) were unable to define financial terms correctly when asked in our survey. Yet only 53 percent are looking for schools to improve their financial education (10 percent below the European average of 63 percent).

Estonian consumers have a lower disposable income than the EU average.<sup>3</sup> This may go some way towards explaining the challenges Estonians report in paying bills each month, with the country ranking 18th in this category. Almost half (46 percent) of Estonian consumers say that concerns surrounding rising bills are having a negative effect on their wellbeing – above the European average of 43 percent.

## Saving for the future

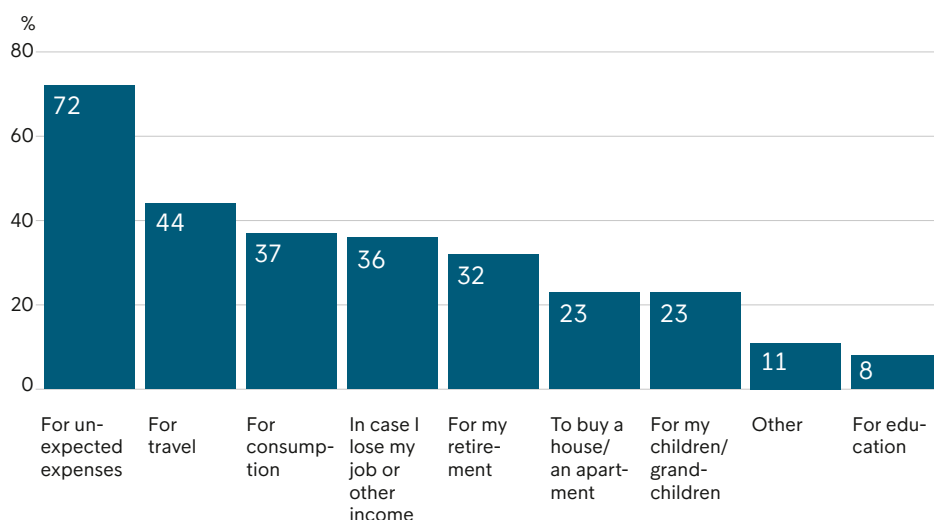
# 64%

say they are able to save each month. In 2018 62% stated the same. European average for 2019 is 75%.

# 61%

are dissatisfied with the amount they are able to save each month, 24% neither agree or disagree with this statement and 15% disagree.

## What are your main reasons for saving money each month?

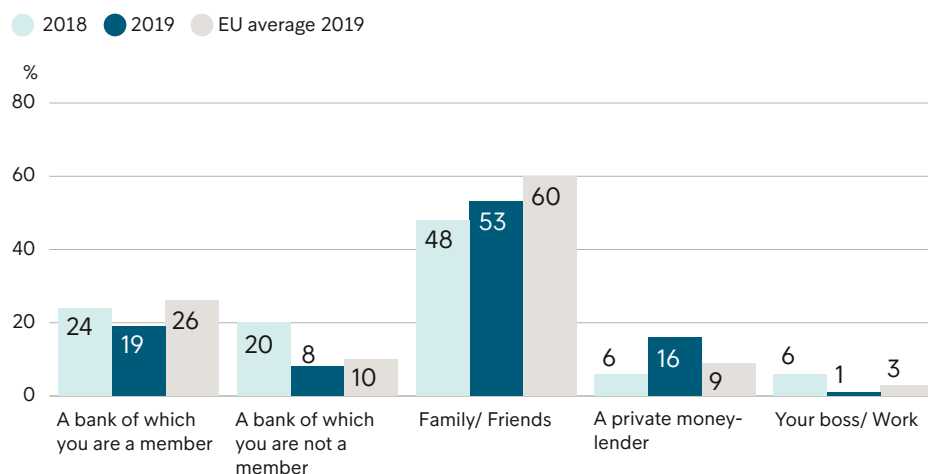


## Loans and borrowed money

# 21%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	19,500
EU:	30,900
Real GDP growth:	3.9
EU:	2.0
Inflation rate, %:	3.4
EU:	1.9
Unemployment rate, %:	5.4
EU:	6.8

All figures are from 2018 unless other is specified.

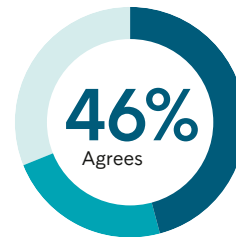


## Ability to pay bills on time

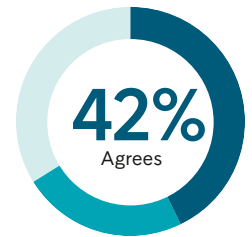
# 29%

say they have missed paying a bill on time during the last 12 months. In 2018 32% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



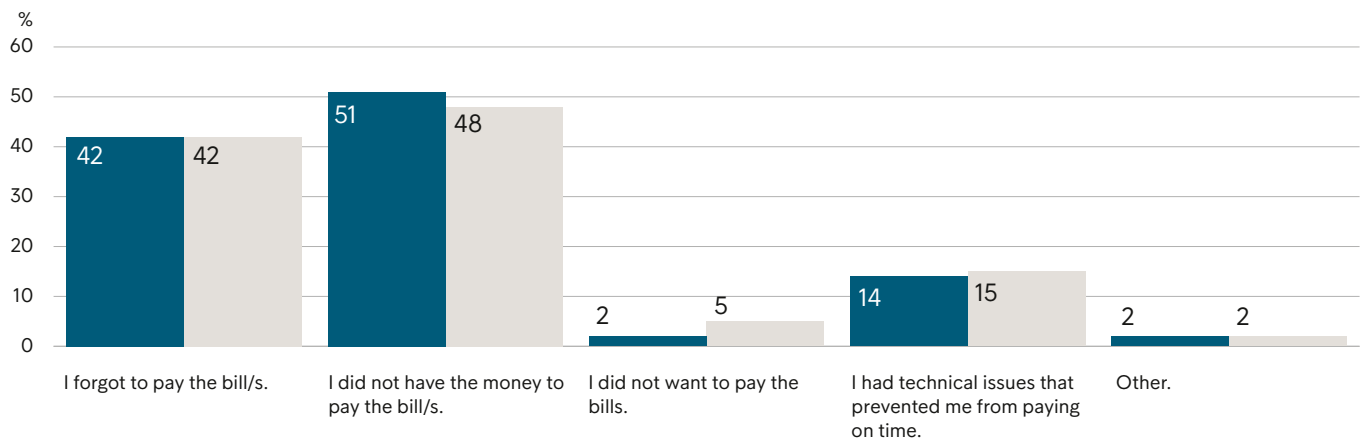
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

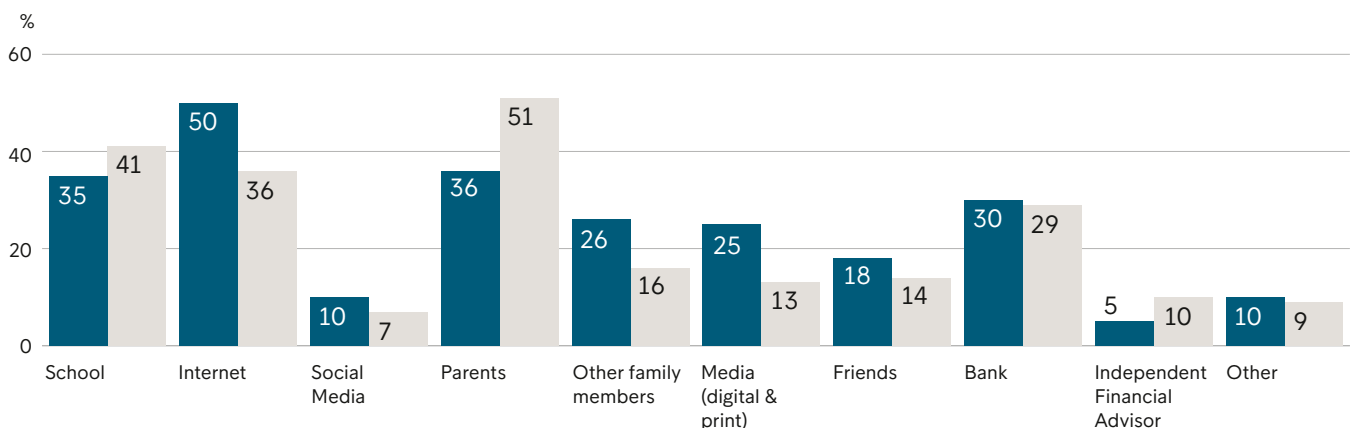
Proportions of consumers who answered correctly when asked:

# 73%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# Finland

- Overall financial wellbeing: 5th
- Ability to pay bills on time: 7th
- Saving for the future: 19th
- Credit freedom: 15th
- Financial literacy: 1st

**Finnish consumers rank 1st in Europe for their financial literacy, yet consumer confidence has dropped to the lowest in Europe**

Finland displays the highest level of financial literacy in Europe, ranking 1st on the Financial literacy pillar – 82 percent of Finnish respondents were able to match financial terms to their correct definitions (above the European average of 63 percent). Furthermore, 92 percent of Finnish consumers with children say they try to teach their children how to handle money – the highest percentage in Europe.

However, consumer confidence in Finland has dropped to the lowest in Europe, according to the OECD Consumer Confidence Index (CCI).<sup>4</sup> This is reflected in our survey: 49 percent of Finnish respondents say their concerns about rising bills are having a negative effect on their wellbeing (above the European average of 43 percent).

## Saving for the future

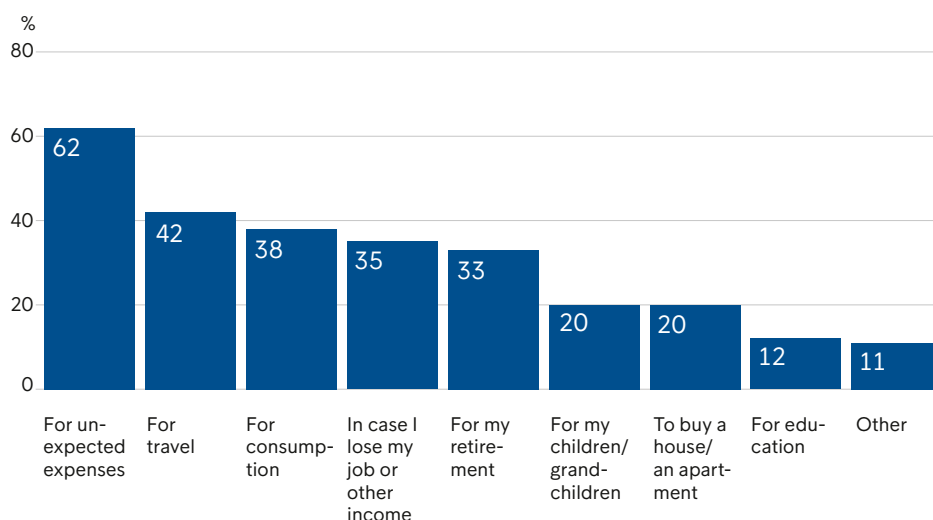
# 63%

say they are able to save each month. In 2018 50% stated the same. European average for 2019 is 75%.

# 55%

are dissatisfied with the amount they are able to save each month, 22% neither agree or disagree with this statement and 23% disagree.

## What are your main reasons for saving money each month?

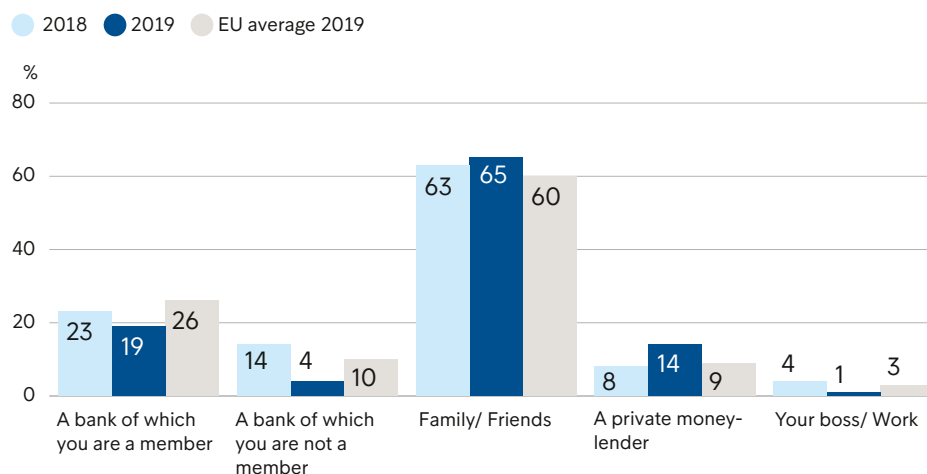


## Loans and borrowed money

# 31%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €: 42,100  
EU: 30,900

Real GDP growth: 1.7  
EU: 2.0

Inflation rate, %: 1.2  
EU: 1.9

Unemployment rate, %: 7.4  
EU: 6.8

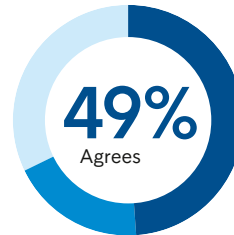
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

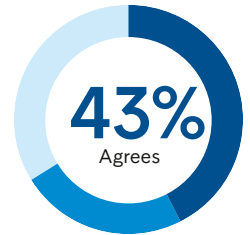
# 46%

say they have missed paying a bill on time during the last 12 months. In 2018 52% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



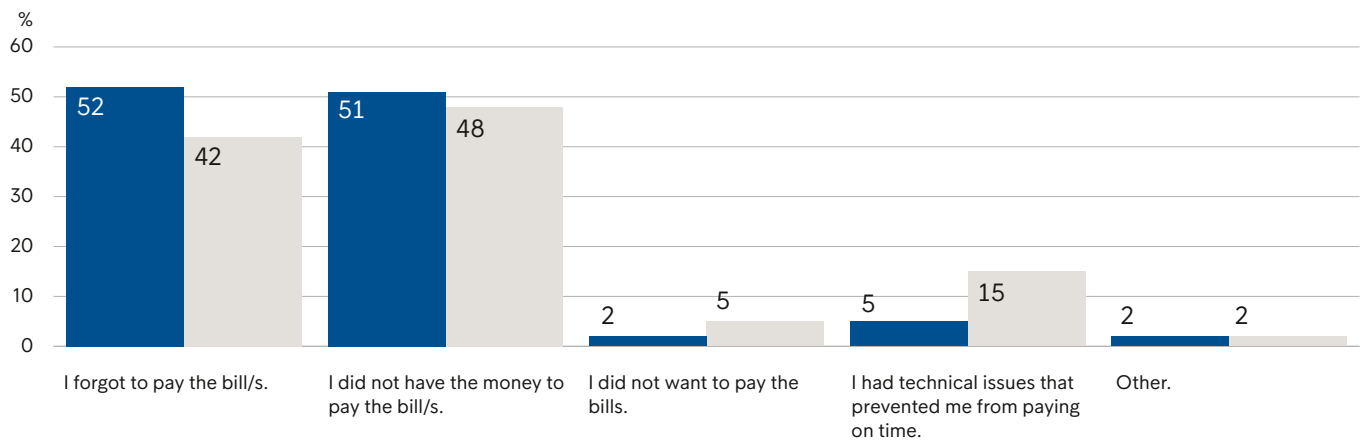
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

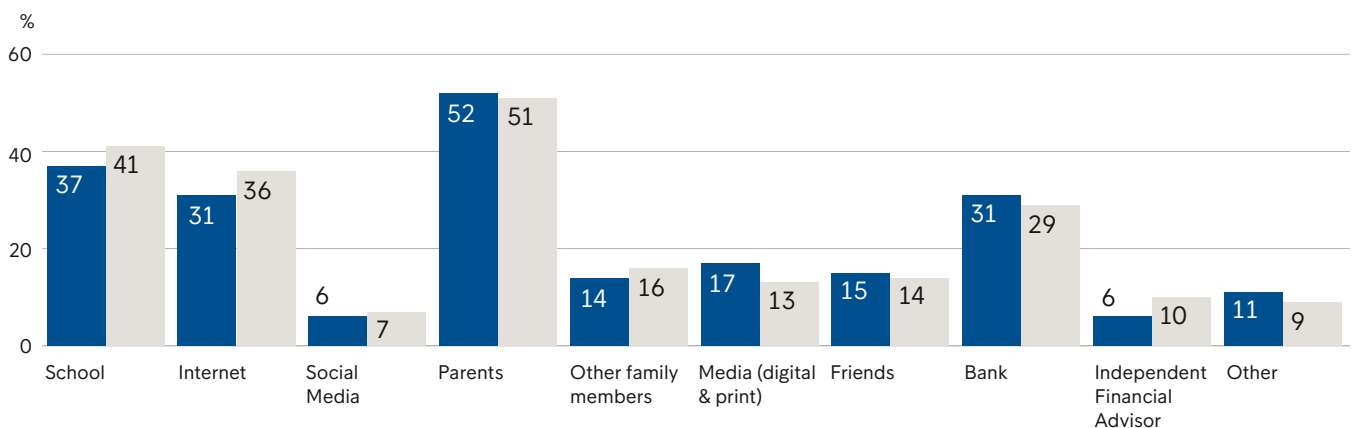
Proportions of consumers who answered correctly when asked:

# 73%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# France

- Overall financial wellbeing: 13th
- Ability to pay bills on time: 10th
- Saving for the future: 8th
- Credit freedom: 16th
- Financial literacy: 18th

**French consumers, who face the highest income taxes in Europe, report challenges meeting their monthly bills**

Our survey highlights significant concern for the future with regards to bill payments: 63 percent say their bills are increasing at a higher rate than their incomes – the highest percentage of all the European countries.

This concern surrounding bill payment could be owing to the high level of taxation in the country. A 2017 OECD report found that France's tax to GDP ratio stood at 46.2 percent in 2017 – the highest in Europe.<sup>5</sup>

French consumers rank below average for financial literacy (18th); 59 percent were able to match common financial terms to their correct definitions, below the European average of 63 percent. Yet, despite this below-average ranking, only 38 percent of French consumers are looking for schools to take more responsibility for financial education – the lowest percentage across Europe.

## Saving for the future

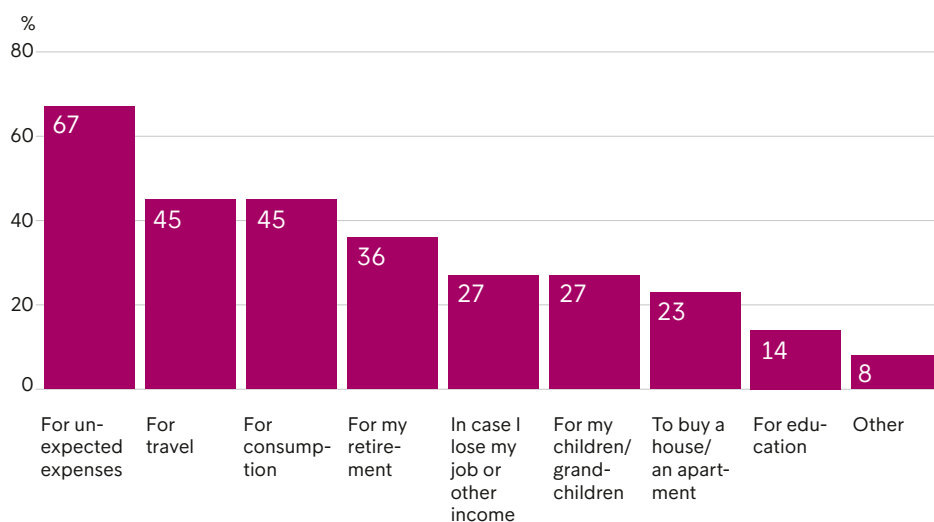
# 77%

say they are able to save each month. In 2018 59% stated the same. European average for 2019 is 75%.

# 46%

are dissatisfied with the amount they are able to save each month, 31% neither agree or disagree with this statement and 23% disagree.

## What are your main reasons for saving money each month?

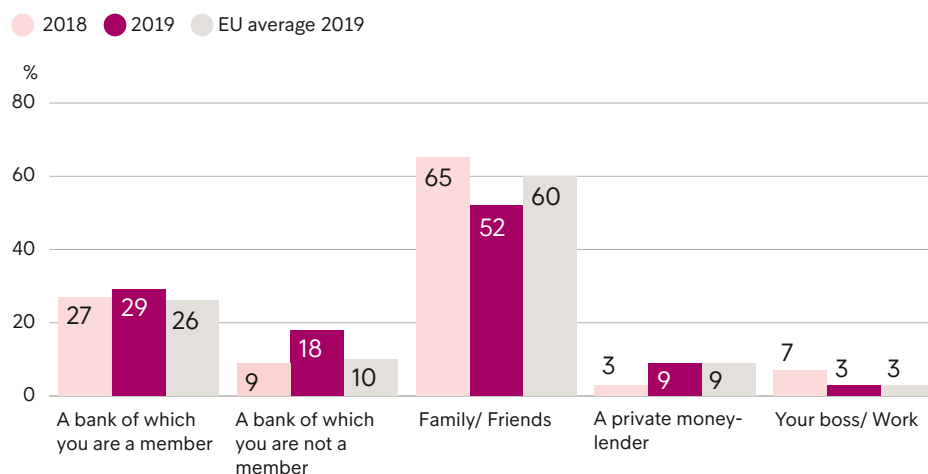


## Loans and borrowed money

# 17%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	35,000
EU:	30,900
Real GDP growth:	1.7
EU:	2.0
Inflation rate, %:	2.1
EU:	1.9
Unemployment rate, %:	9.1
EU:	6.8

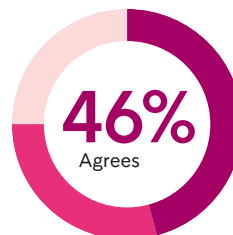
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

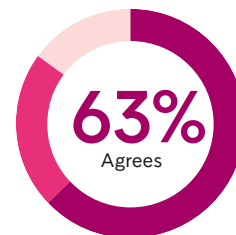
# 26%

say they have missed paying a bill on time during the last 12 months. In 2018 39% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



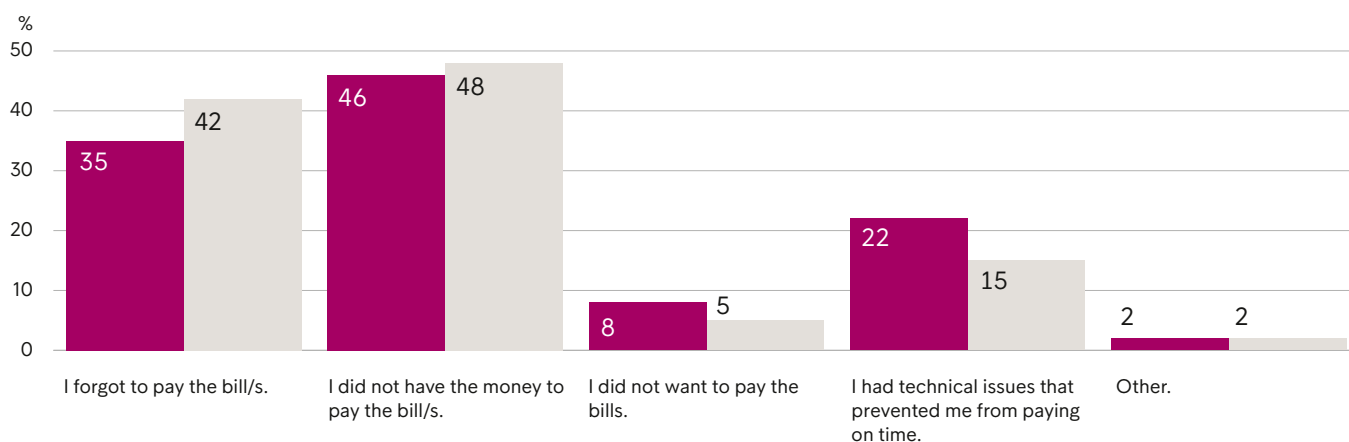
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019    ■ EU average 2019



## Financial literacy

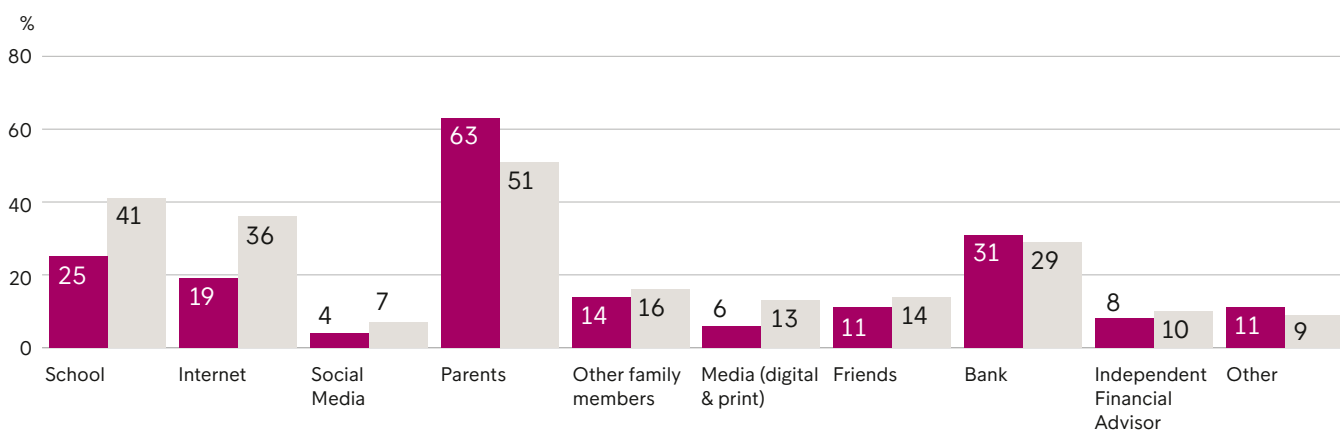
Proportions of consumers who answered correctly when asked:

# 63%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019    ■ EU average 2019



# Germany

- Overall financial wellbeing: 1st
- Ability to pay bills on time: 1st
- Saving for the future: 3rd
- Credit freedom: 11th
- Financial literacy: 7th

## Punctual bill payment and a strong savings culture contribute to German consumers' financial wellbeing

Our survey results indicate strong consumer confidence in Germany, with consumers ranking top on the Ability to pay bills on time pillar. 90 percent of German consumers are confident in their ability to pay their bills each month – the highest in Europe. And almost three-quarters (74 percent) of consumers have paid all their bills on time over the past year – above the European average of 65 percent.

German consumers are also confident in their ability to save for the future. They have developed a good reputation for their saving habits, with a household saving rate of 18.5 percent – the highest in Europe.<sup>6</sup> Our survey reflects this trend: 38 percent of German consumers feel confident in their ability to save for a comfortable retirement, above the European average of 26 percent.

## Saving for the future

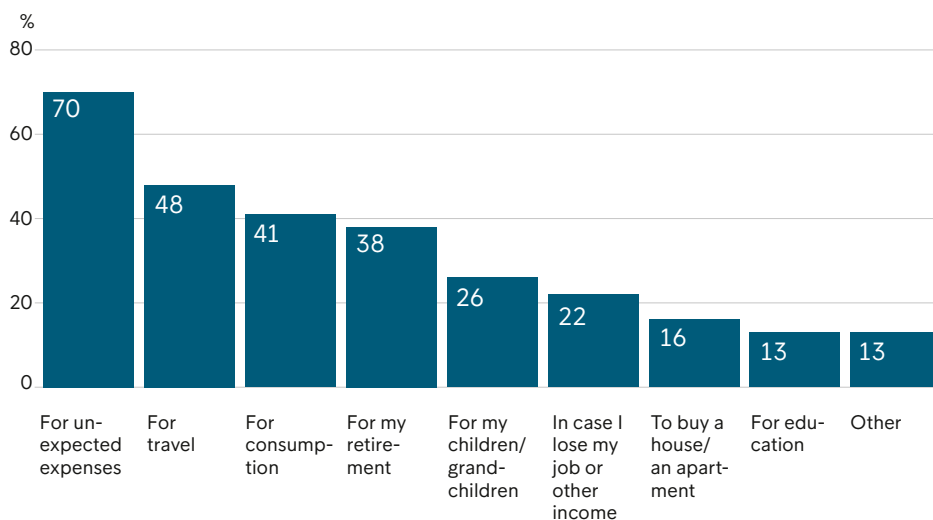
# 76%

say they are able to save each month. In 2018 63% stated the same. European average for 2019 is 75%.

# 42%

are dissatisfied with the amount they are able to save each month, 22% neither agree or disagree with this statement and 36% disagree.

## What are your main reasons for saving money each month?



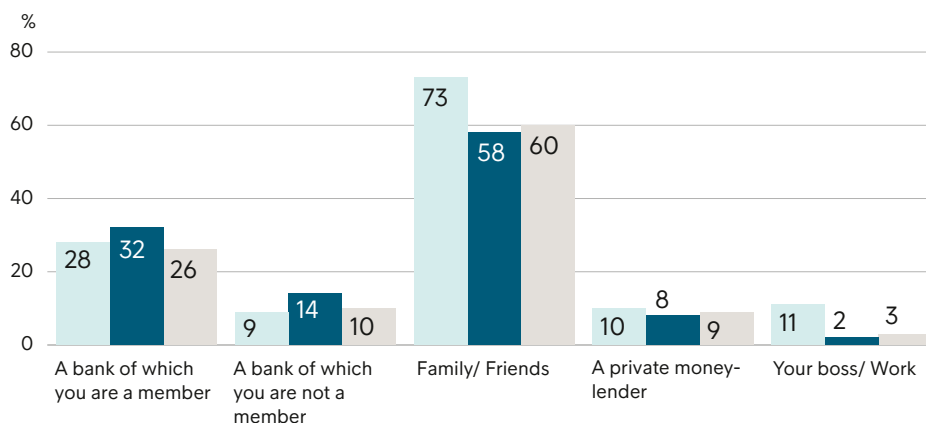
## Loans and borrowed money

# 18%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

2018 2019 EU average 2019



## Economic development

GDP per capita, €:  
EU: 40,300  
30,900

Real GDP growth:  
EU: 1.5  
2.0

Inflation rate, %:  
EU: 1.9  
1.9

Unemployment rate, %:  
EU: 3.4  
6.8

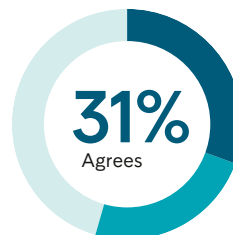
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

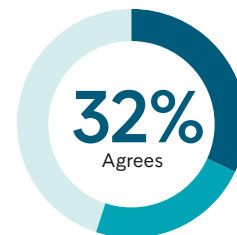
# 24%

say they have missed paying a bill on time during the last 12 months. In 2018 46% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



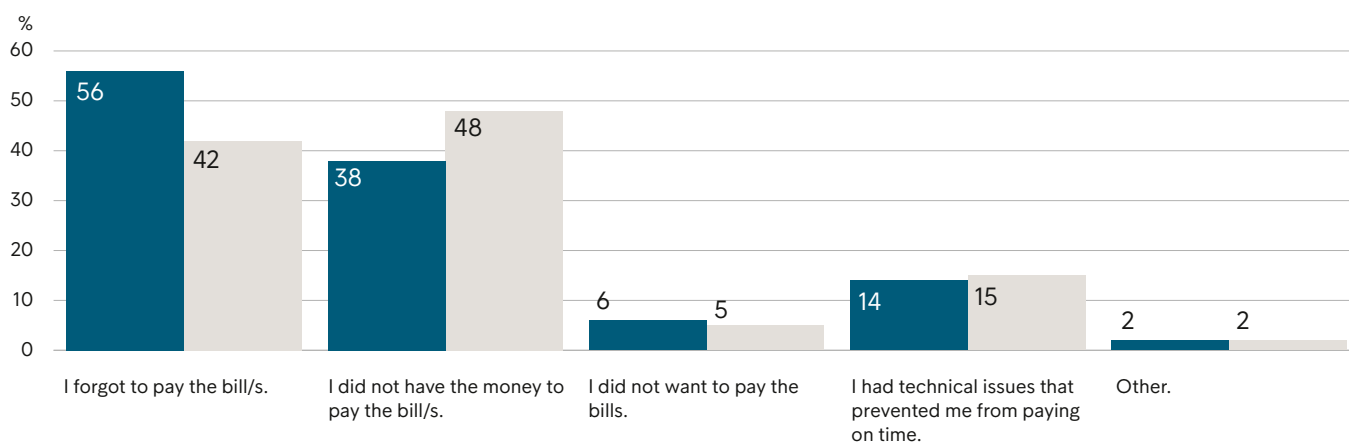
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

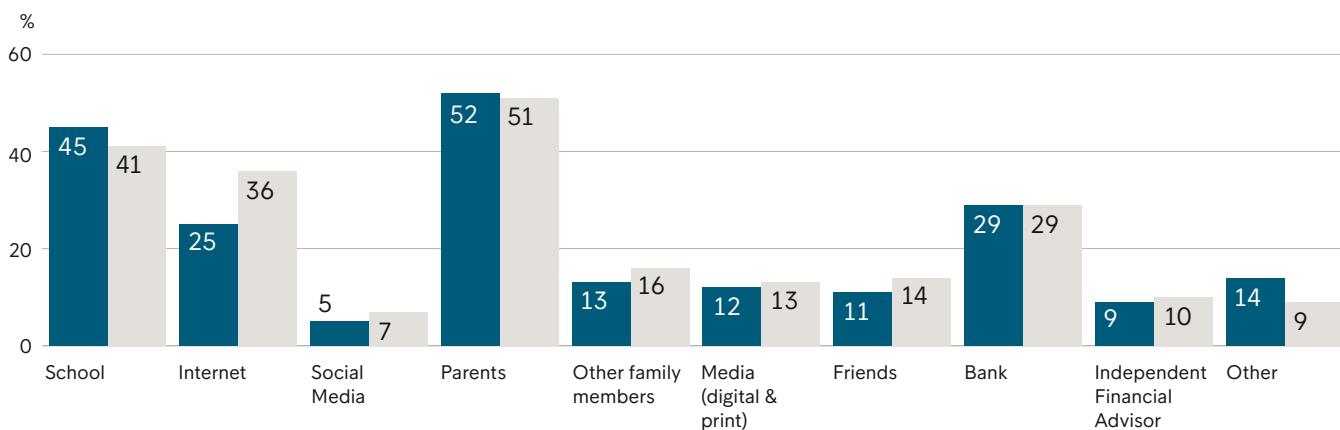
Proportions of consumers who answered correctly when asked:

# 65%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019





# Greece

- Overall financial wellbeing: 24th
- Ability to pay bills on time: 24th
- Saving for the future: 24th
- Credit freedom: 12th
- Financial literacy: 15th

**Low disposable incomes and high unemployment are negatively affecting Greek consumers' financial wellbeing**

Greek consumers rank lowest in Europe on the Saving for the future pillar. Only 56 percent of Greek consumers are confident in their ability to pay their bills each month. 67 percent of those who haven't paid their bills say that this is a regular occurrence (the highest in Europe). This is reflective of a challenging financial backdrop. At 17 percent, the unemployment rate is by far the highest in Europe.<sup>7</sup>

Greece also ranks lowest in Europe on the Saving for the Future pillar. This is perhaps unsurprising, given the country's net household saving rate, which was the lowest in Europe when last recorded.<sup>8</sup> Our survey shows that 38 percent of Greek consumers do not save money each month – the highest in Europe.

## Saving for the future

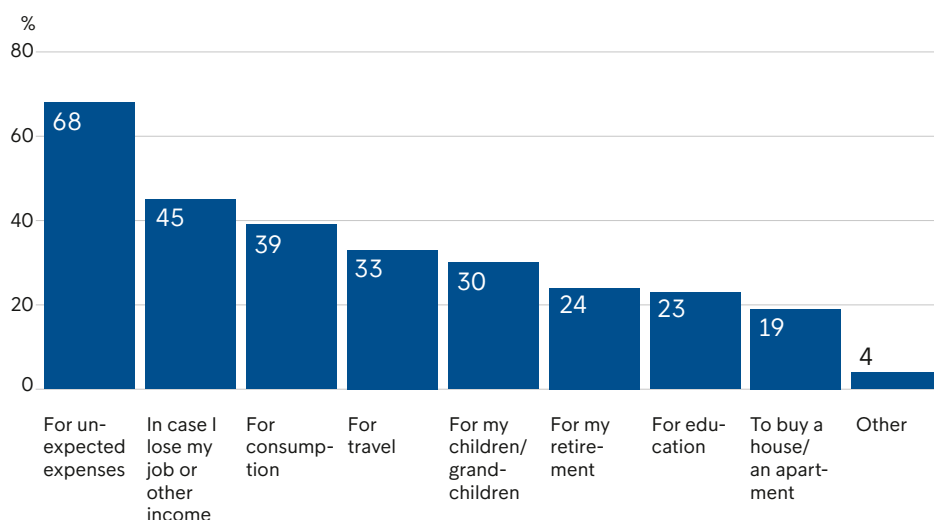
# 62%

say they are able to save each month. In 2018 43% stated the same. European average for 2019 is 75%.

# 75%

are dissatisfied with the amount they are able to save each month, 17% neither agree or disagree with this statement and 8% disagree.

## What are your main reasons for saving money each month?

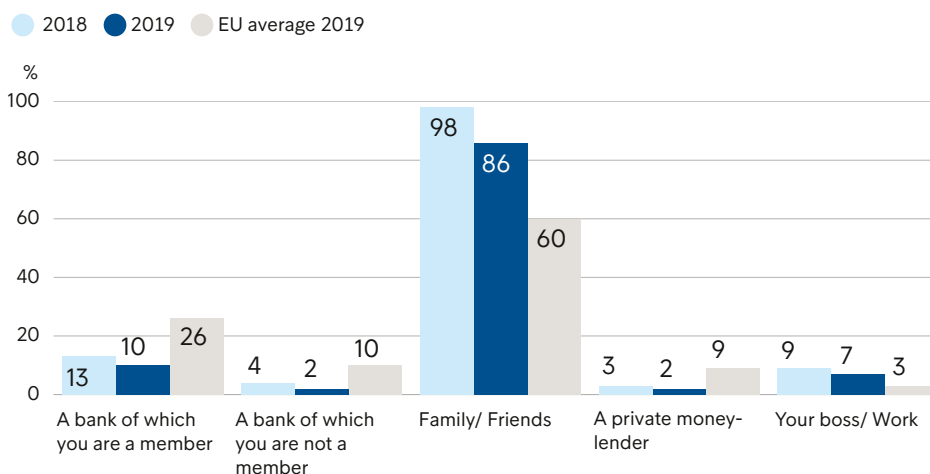


## Loans and borrowed money

# 40%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €: 17,200  
EU: 30,900

Real GDP growth: 1.9  
EU: 2.0

Inflation rate, %: 0.8  
EU: 1.9

Unemployment rate, %: 19.3  
EU: 6.8

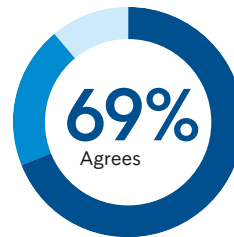
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

# 61%

say they have missed paying a bill on time during the last 12 months. In 2018 66% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



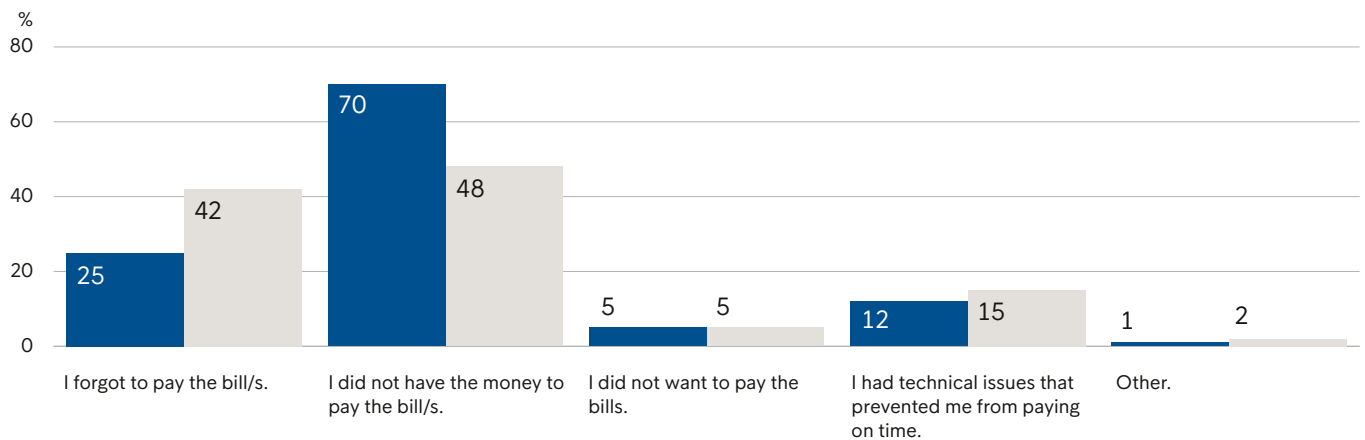
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

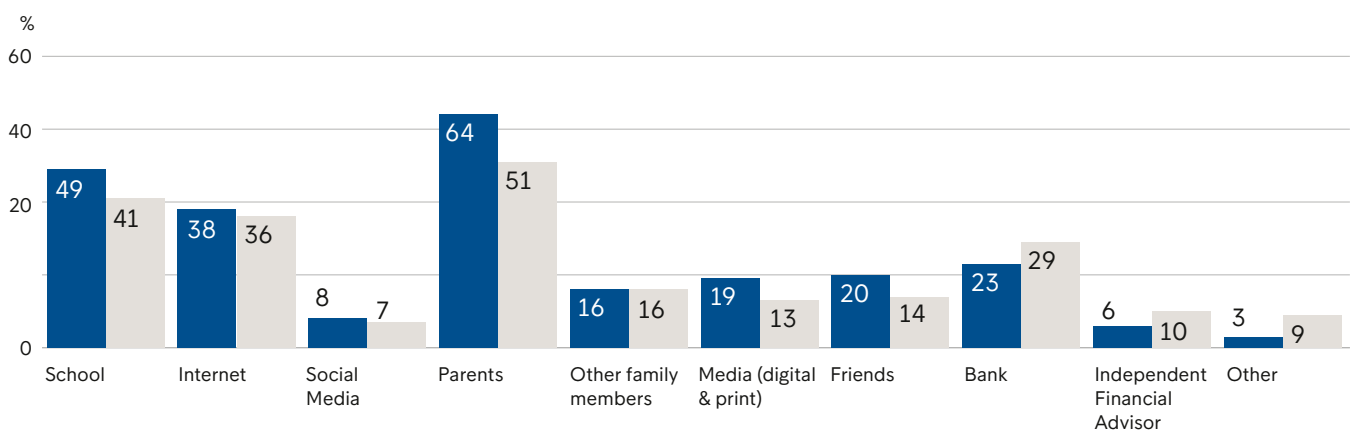
Proportions of consumers who answered correctly when asked:

# 76%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# Hungary

- Overall financial wellbeing: 15th
- Ability to pay bills on time: 20th
- Saving for the future: 17th
- Credit freedom: 1st
- Financial literacy: 12th

**Hungarian consumers have a low dependence on credit, yet are dissatisfied with the level of financial education they have received**

Hungary ranks first on the Credit freedom pillar, indicating low dependency on credit to fund life-style. The country has the lowest household debt-to-income ratio in Europe.<sup>9</sup> This lack of dependency is reflected in our survey: Over three-quarters (76 percent) have not borrowed money, apart from a mortgage, or reached their credit card limit in order to pay bills, over the past six months.

Hungarian consumers are generally dissatisfied with the financial education that they have received – just 36 percent of survey respondents say that this was sufficient, well below the European average of 47 percent. Yet 38 percent say they are keen to gain more knowledge of how to manage their finances – the highest percentage in Europe.

## Saving for the future

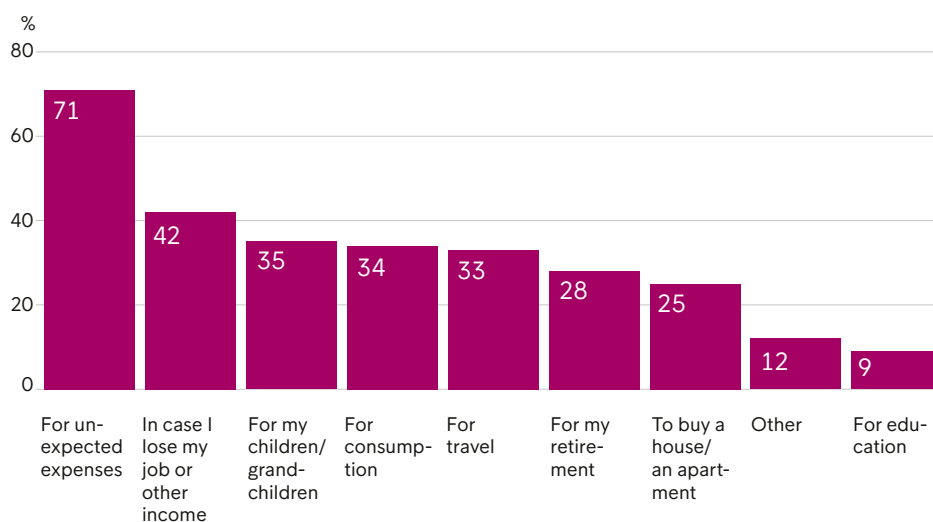
# 67%

say they are able to save each month. In 2018 56% stated the same. European average for 2019 is 75%.

# 48%

are dissatisfied with the amount they are able to save each month, 20% neither agree or disagree with this statement and 33% disagree.

## What are your main reasons for saving money each month?

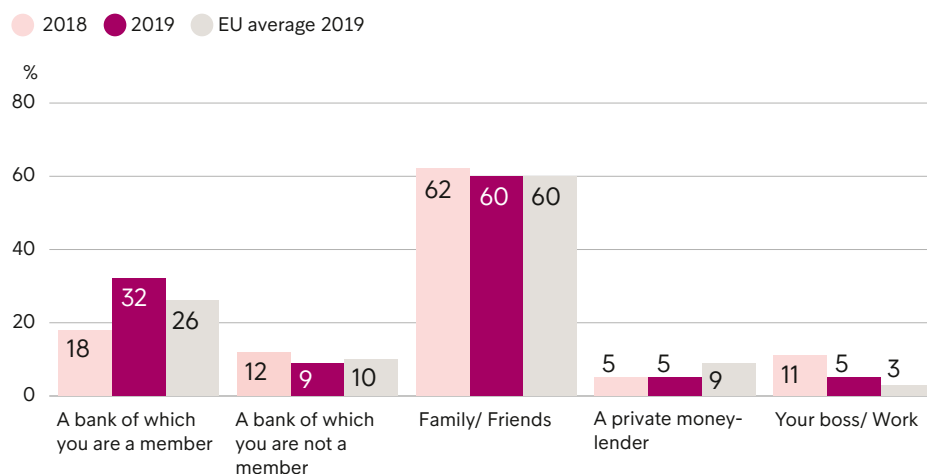


## Loans and borrowed money

# 25%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	13,500
EU:	30,900
Real GDP growth:	4.9
EU:	2.0
Inflation rate, %:	2.9
EU:	1.9
Unemployment rate, %:	3.7
EU:	6.8

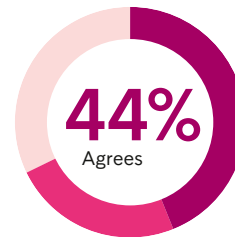
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

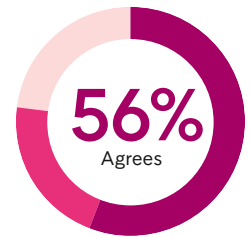
**37%**

say they have missed paying a bill on time during the last 12 months. In 2018 42% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



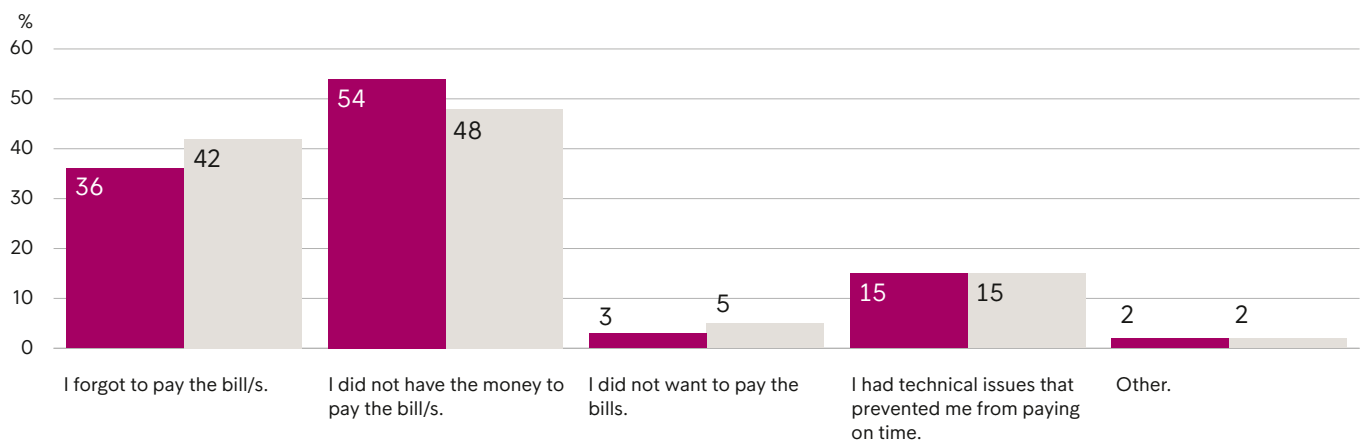
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019    ■ EU average 2019



## Financial literacy

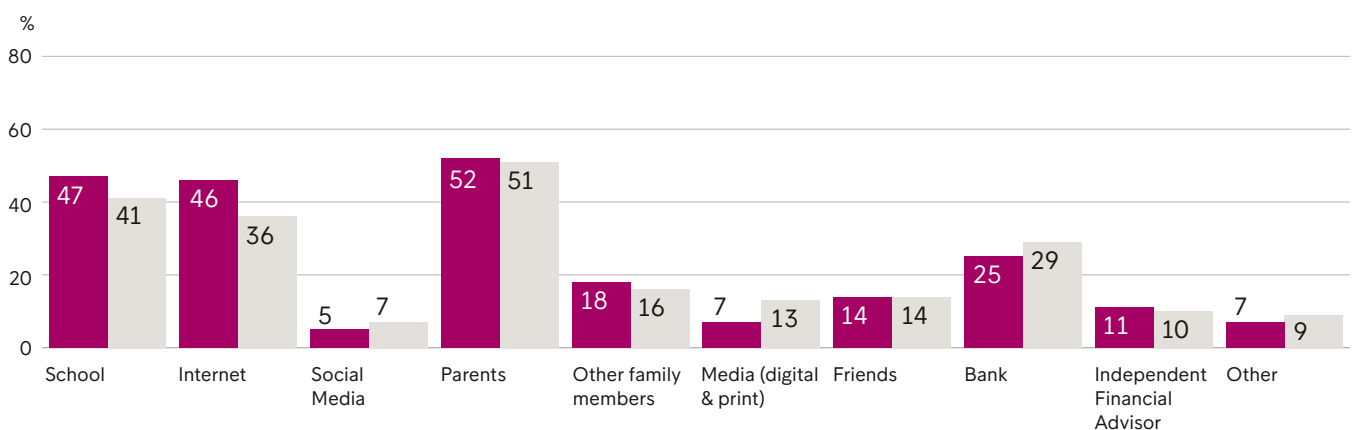
Proportions of consumers who answered correctly when asked:

**73%**

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019    ■ EU average 2019



# Ireland

- Overall financial wellbeing: 10th
- Ability to pay bills on time: 14th
- Saving for the future: 11th
- Credit freedom: 18th
- Financial literacy: 3rd

**Despite strong economic growth, Irish consumers are not confident in their ability to pay bills**

Ireland is one of the fastest-growing economies in Europe, having posted GDP growth of 8.2 percent in 2018, while personal consumption of goods and services grew by 3.4 percent.<sup>10</sup>

Yet, despite this strong growth, Ireland ranks 14th for its ability to pay bills on time. After paying their bills, 38 percent of Irish consumers rarely have enough money to last until the end of the month – above the European average of 30 percent.

Irish consumers, however, rank higher in terms of their financial literacy, ranking 3rd in Europe. 72 percent of survey respondents were able to match financial terms to their correct definitions in our survey – above the European average of 63 percent.

## Saving for the future

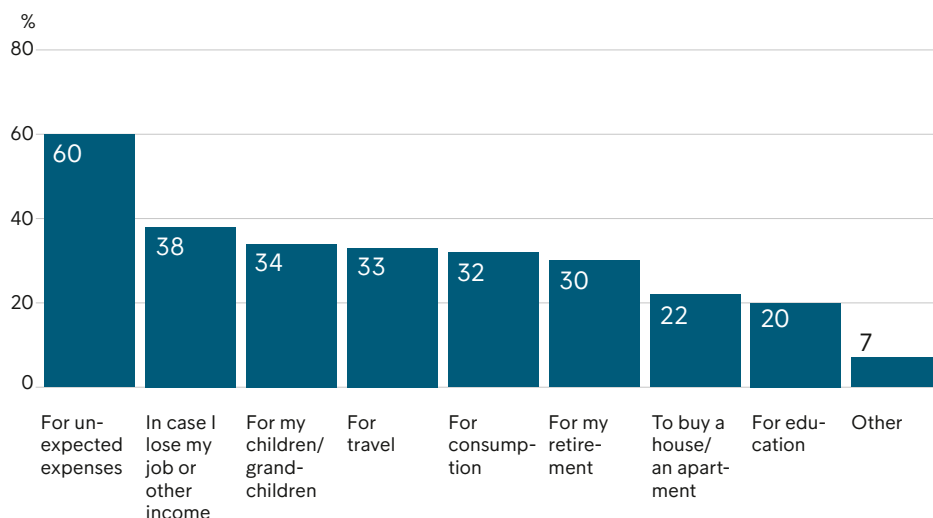
# 80%

say they are able to save each month. In 2018 64% stated the same. European average for 2019 is 75%.

# 61%

are dissatisfied with the amount they are able to save each month, 21% neither agree or disagree with this statement and 17% disagree.

## What are your main reasons for saving money each month?

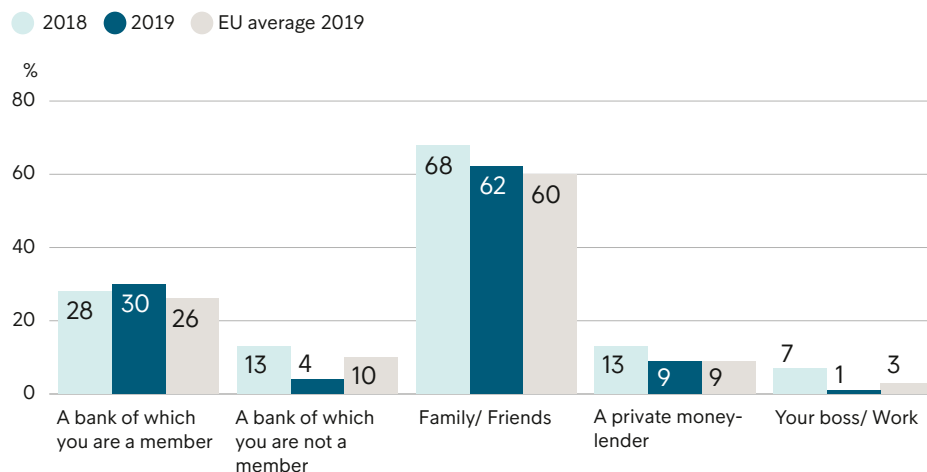


## Loans and borrowed money

# 29%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	66,700
EU:	30,900
Real GDP growth:	8.2
EU:	2.0
Inflation rate, %:	0.7
EU:	1.9
Unemployment rate, %:	5.8
EU:	6.8

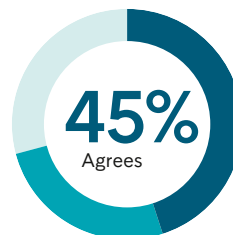
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

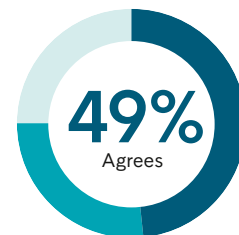
# 36%

say they have missed paying a bill on time during the last 12 months. In 2018 46% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



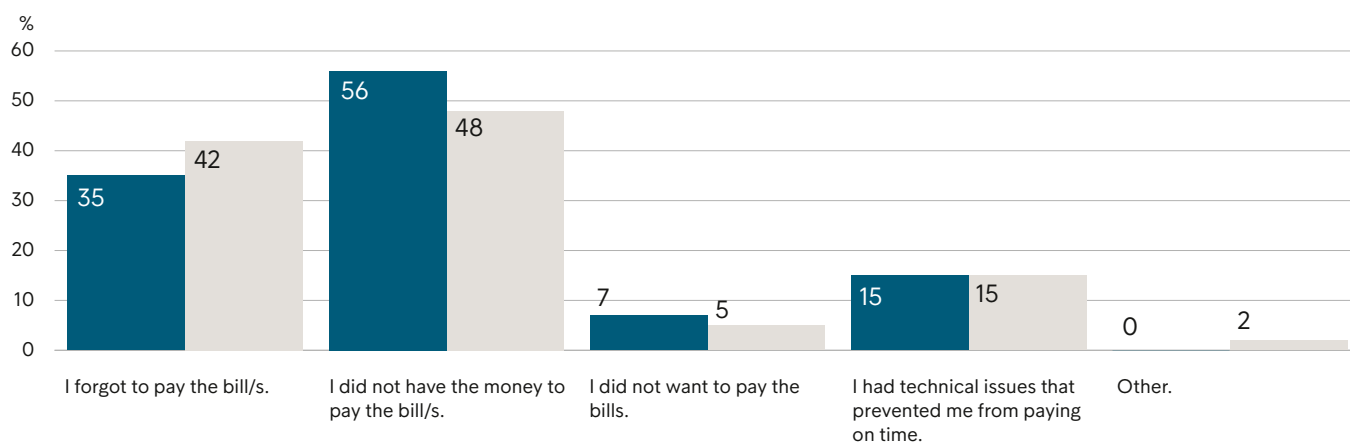
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

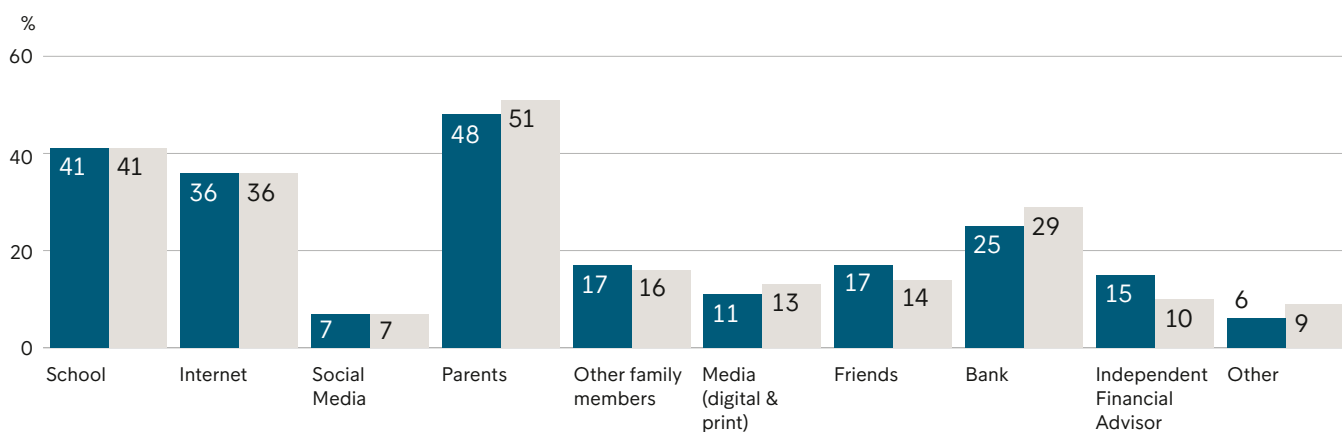
Proportions of consumers who answered correctly when asked:

# 71%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019





# Italy

- Overall financial wellbeing: 9th
- Ability to pay bills on time: 12th
- Saving for the future: 10th
- Credit freedom: 14th
- Financial literacy: 16th

**Italian consumers are saving in healthy measures, yet are still not confident in their ability to save for the long term**

Our survey results indicate a strong saving culture among Italian consumers: 84 percent are saving part of their salary each month – above the European average of 75 percent. Yet, despite this clear intention to save, 40 percent are ‘not at all’ confident in their ability to afford a comfortable retirement based on their ability to save for the long term.

Italy’s lowest score was on the Financial literacy pillar – ranking 16th out of 24 countries, with 58 percent of respondents matching financial terms to their correct definitions (below the European average of 63 percent). And three-quarters (75 per cent) of Italian consumers are looking to schools to take more responsibility for financial education – well above the European average of 63 percent.

## Saving for the future

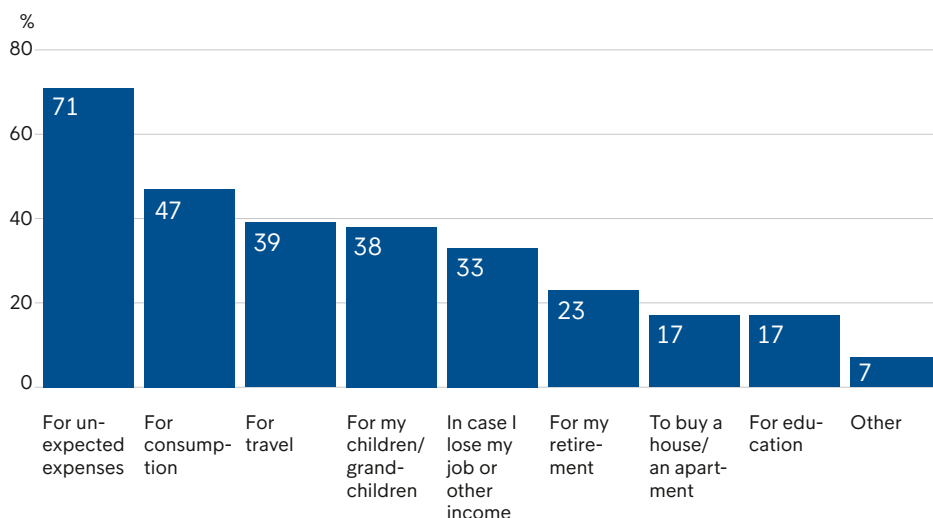
# 84%

say they are able to save each month. In 2018 54% stated the same. European average for 2019 is 75%.

# 53%

are dissatisfied with the amount they are able to save each month, 28% neither agree or disagree with this statement and 19% disagree.

## What are your main reasons for saving money each month?



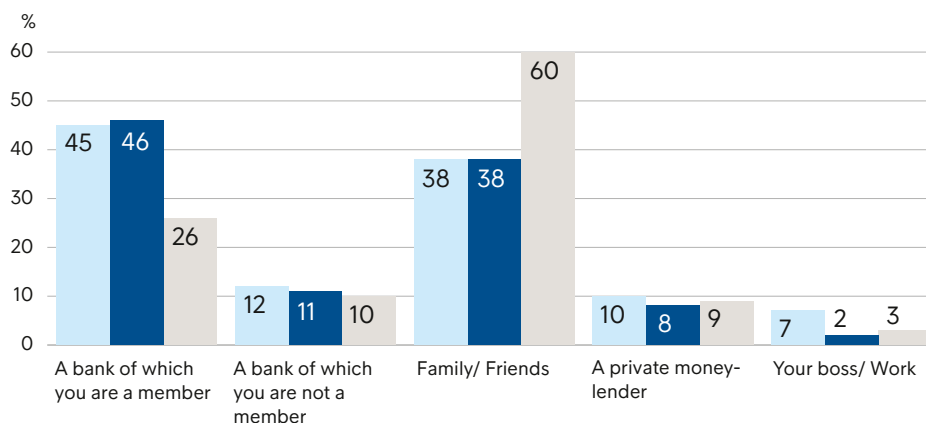
## Loans and borrowed money

# 22%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

● 2018 ● 2019 ● EU average 2019



### Economic development

GDP per capita, €:	29,100
EU:	30,900
Real GDP growth:	0.9
EU:	2.0
Inflation rate, %:	1.2
EU:	1.9
Unemployment rate, %:	10.6
EU:	6.8

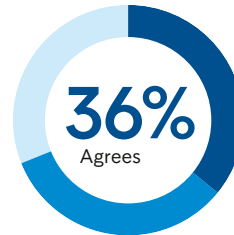
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

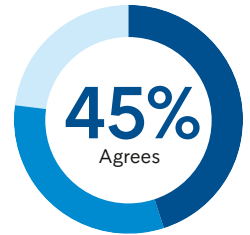
# 30%

say they have missed paying a bill on time during the last 12 months. In 2018 47% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



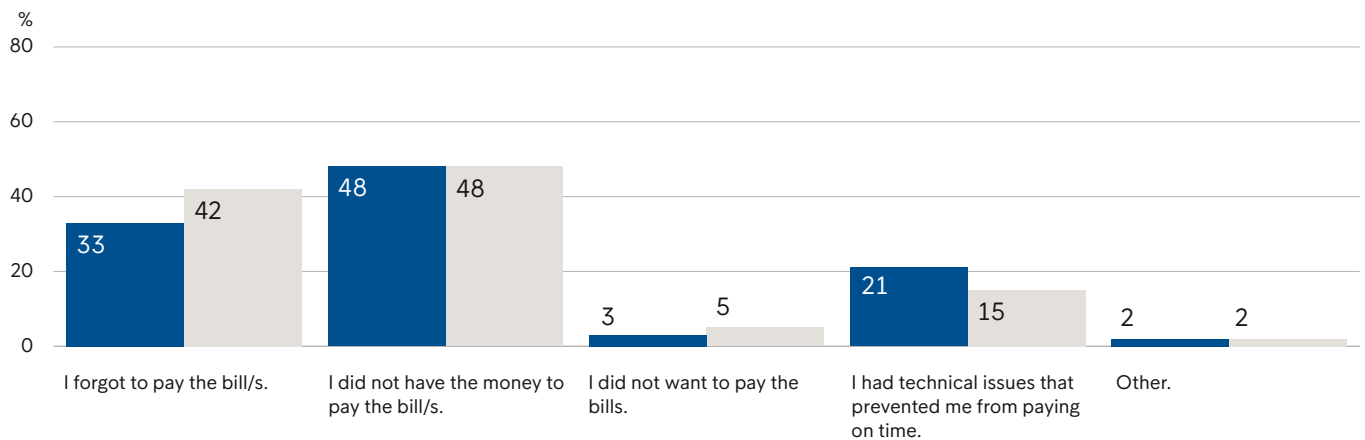
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

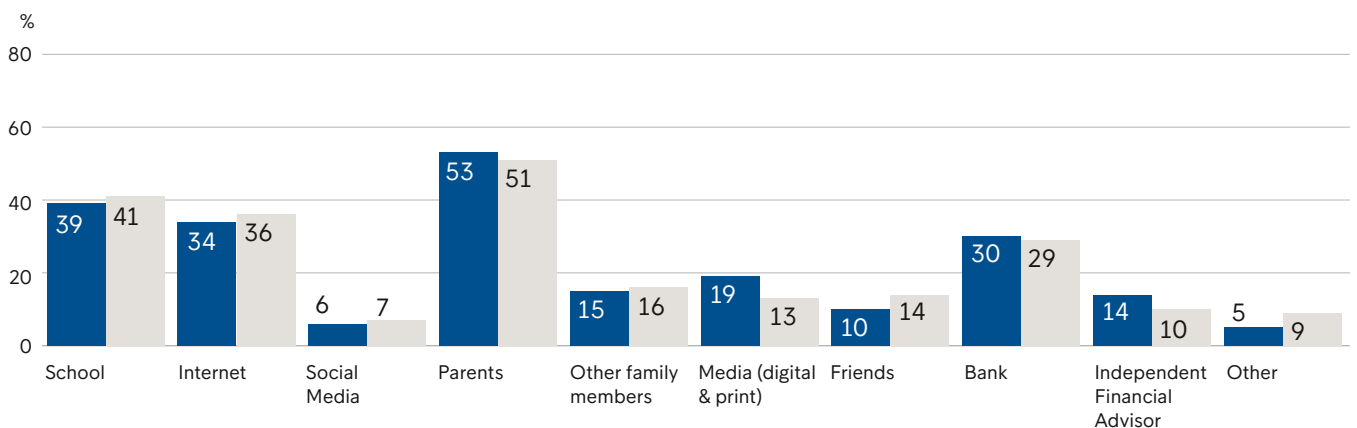
Proportions of consumers who answered correctly when asked:

# 70%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# Latvia

- Overall financial wellbeing: 21st
- Ability to pay bills on time: 22nd
- Saving for the future: 22nd
- Credit freedom: 4th
- Financial literacy: 21st

**While Latvian consumers are not heavy credit users, low disposable incomes limit their saving potential and overall financial wellbeing**

Latvia ranks 22nd on the Ability to pay bills on time pillar. 58 percent of Latvian consumers say that concerns about rising bills are having a negative effect on their general wellbeing (above the European average of 43 percent). Meanwhile, 55 percent say that their bills are increasing at a higher rate than their incomes – 10 percent above the European average.

Latvian consumers also rank below average on the Saving for the future pillar – 22nd out of 24 European countries. Our survey finds that 65 percent are saving part of their salary each month (below the European average of 75 percent). And 60 percent are not at all confident in their ability to afford a comfortable retirement, based on their ability to save for the long term.

## Saving for the future

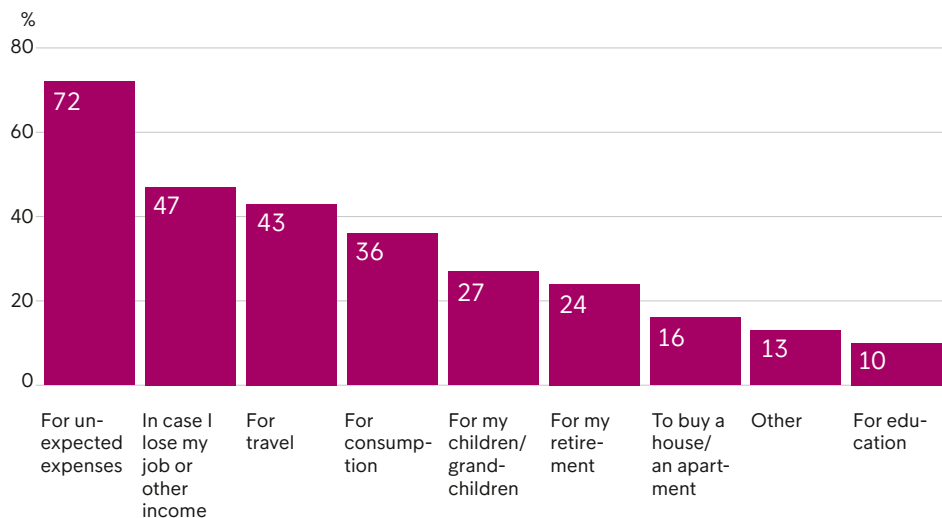
# 65%

say they are able to save each month. In 2018 42% stated the same. European average for 2019 is 75%.

# 59%

are dissatisfied with the amount they are able to save each month, 27% neither agree or disagree with this statement and 14% disagree.

## What are your main reasons for saving money each month?

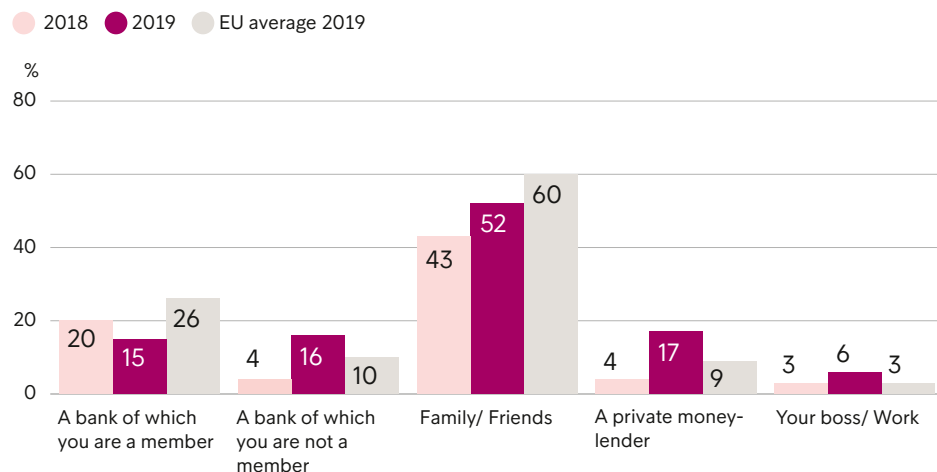


## Loans and borrowed money

# 25%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	15,300
EU:	30,900
Real GDP growth:	4.8
EU:	2.0
Inflation rate, %:	2.6
EU:	1.9
Unemployment rate, %:	7.4
EU:	6.8

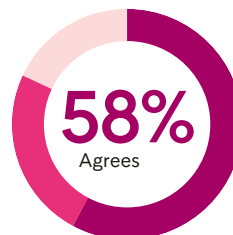
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

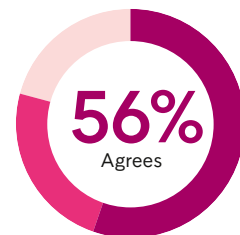
# 34%

say they have missed paying a bill on time during the last 12 months. In 2018 45% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



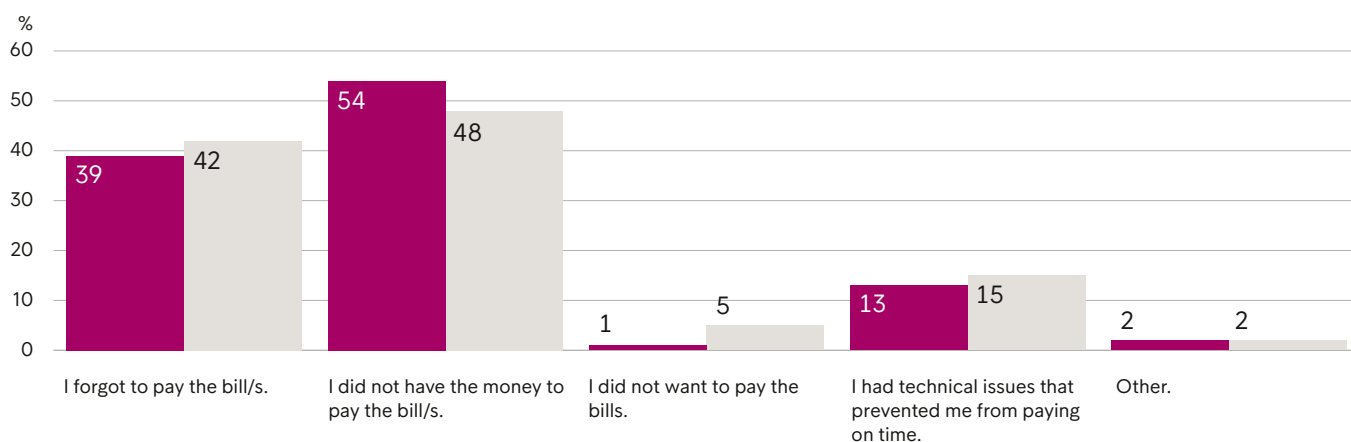
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019 ■ EU average 2019



## Financial literacy

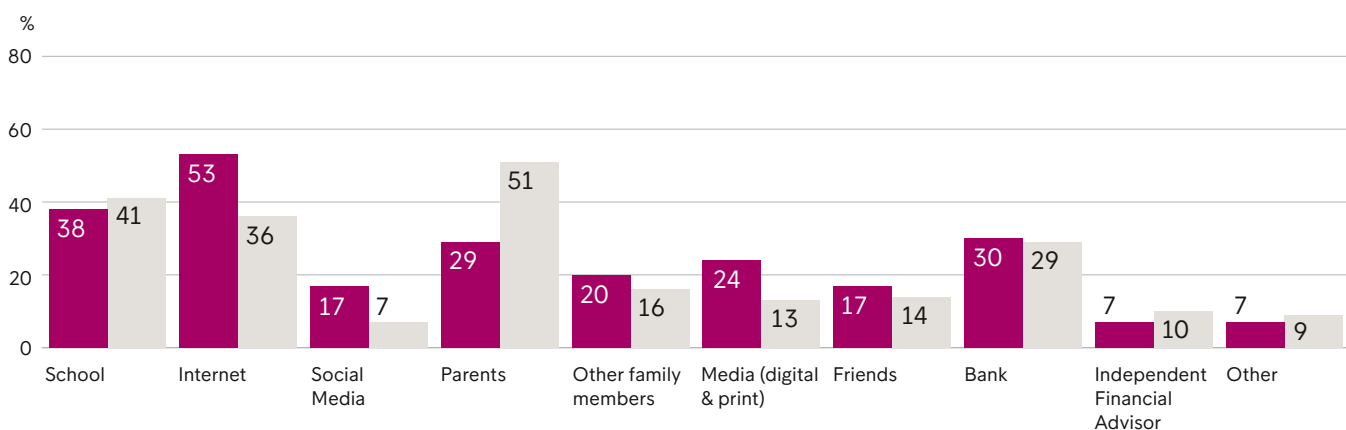
Proportions of consumers who answered correctly when asked:

# 75%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019 ■ EU average 2019



# Lithuania

- Overall financial wellbeing: 23rd
- Ability to pay bills on time: 13th
- Saving for the future: 21st
- Credit freedom: 7th
- Financial literacy: 24th

**Despite poor financial literacy, Lithuanian consumers are diligent in paying bills on time**

Lithuania ranks 24th on the Financial literacy pillar – the lowest of all the European countries. Just over half (52 percent) can match financial terms to their correct definitions, below the European average of 63 percent. And just 56 percent say they have received an adequate financial education, well below the European average of 69 percent.

Lithuanian consumers are diligent when it comes to bill payment: just over two-thirds (67 percent) have paid all their bills on time over the past 12 months. Of those consumers who had not paid their bills, 69 percent described this as a one-off event, while just 31 percent described it as a regular occurrence (below the European average of 47 percent).

## Saving for the future

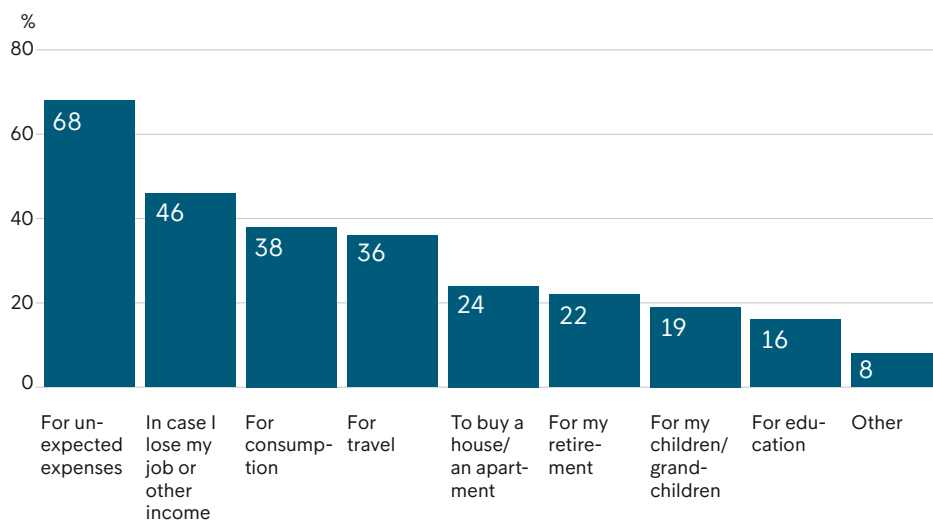
# 71%

say they are able to save each month. In 2018 55% stated the same. European average for 2019 is 75%.

# 59%

are dissatisfied with the amount they are able to save each month, 22% neither agree or disagree with this statement and 20% disagree.

## What are your main reasons for saving money each month?

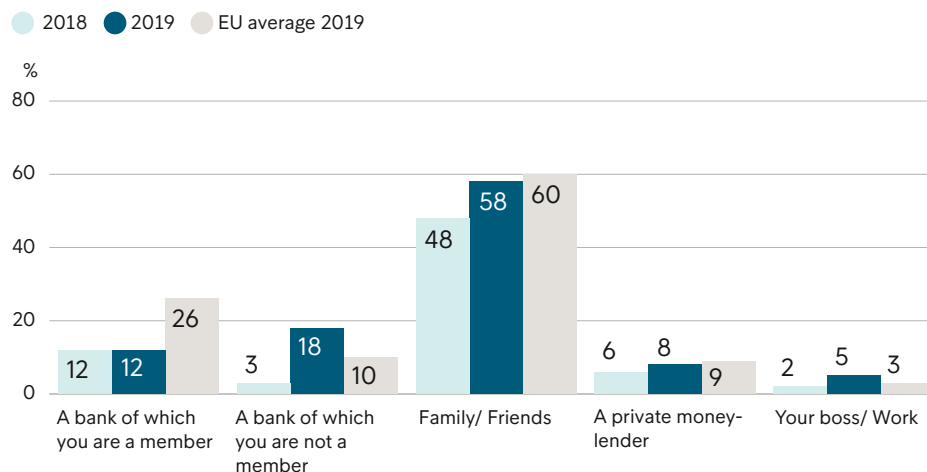


## Loans and borrowed money

# 30%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	16,100
EU:	30,900
Real GDP growth:	3.5
EU:	2.0
Inflation rate, %:	2.5
EU:	1.9
Unemployment rate, %:	6.2
EU:	6.8

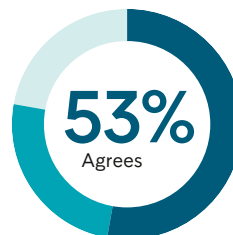
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

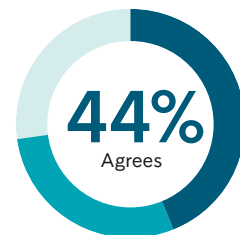
**31%**

say they have missed paying a bill on time during the last 12 months. In 2018 39% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



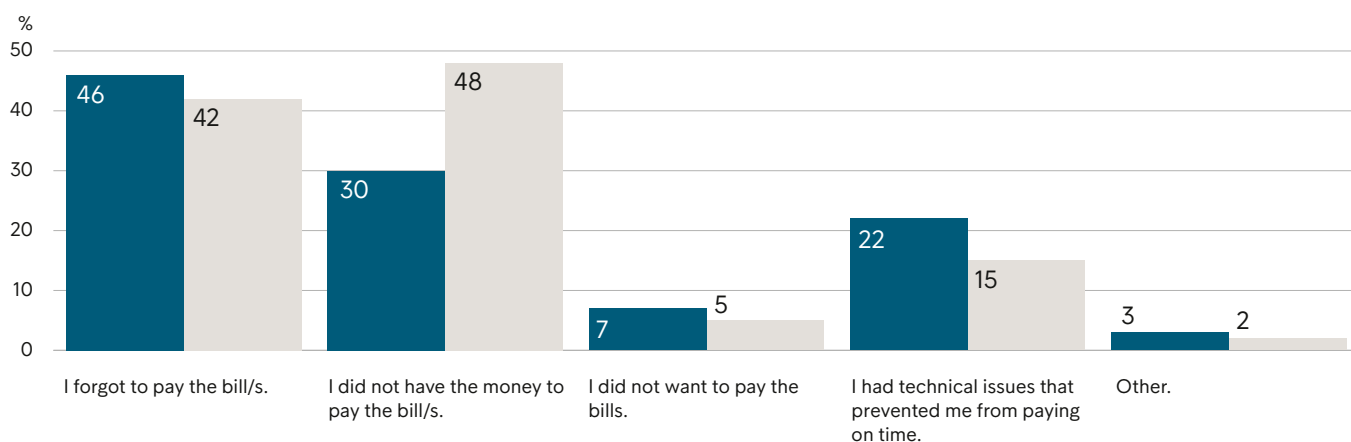
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

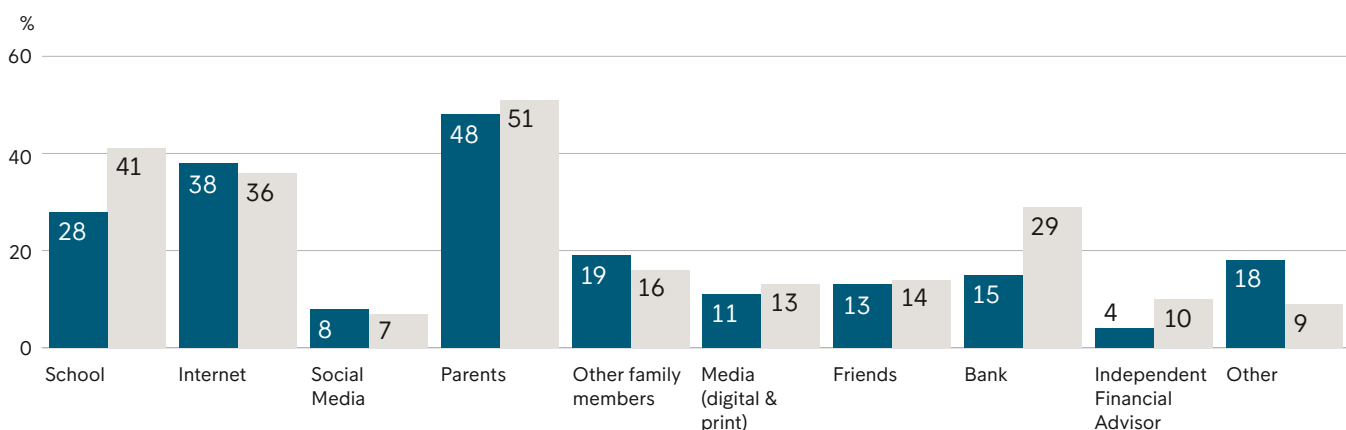
Proportions of consumers who answered correctly when asked:

**65%**

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019





# The Netherlands

- Overall financial wellbeing: 12th
- Ability to pay bills on time: 8th
- Saving for the future: 4th
- Credit freedom: 23rd
- Financial literacy: 11th

**Dutch consumers are punctual bill payers, yet are over-confident about their financial literacy**

Dutch consumers are diligent with regards to bill payment: 73 percent have paid all their bills on time over the last 12 months – above the European average of 65 percent. Of those who had not paid a bill on time over the past 12 months, 57 percent described this as a one-off occurrence.

Saving for the future is a priority for Dutch consumers: 65 percent are confident in their ability to have a comfortable retirement based on their ability to save for the long term. Almost a quarter (24 percent) would be able to pay out 2–3 times their salaries in case of an unforeseen event.

And Dutch consumers are confident about their financial literacy: 38 percent say they received an excellent financial education and feel confident managing their day-to-day finances – the highest percentage among the European countries surveyed. Yet, despite this confidence, 40 percent of Dutch consumers were unable to match financial terms to their correct definitions.

## Saving for the future

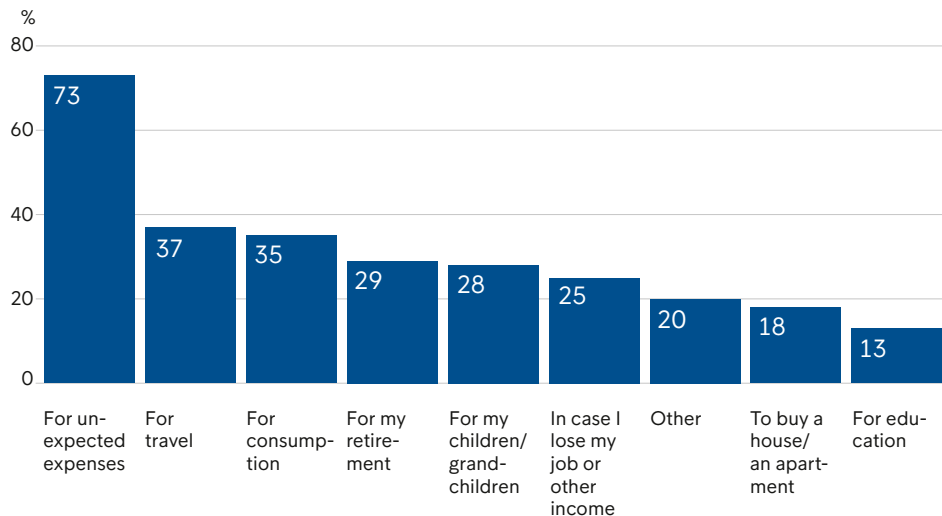
# 75%

say they are able to save each month. In 2018 60% stated the same. European average for 2019 is 75%.

# 42%

are dissatisfied with the amount they are able to save each month, 30% neither agree or disagree with this statement and 28% disagree.

## What are your main reasons for saving money each month?

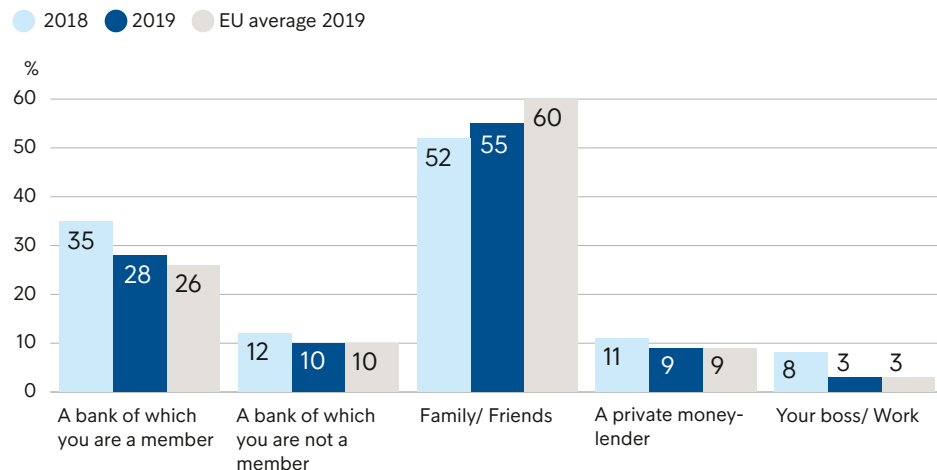


## Loans and borrowed money

# 16%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	44,900
EU:	30,900
Real GDP growth:	2.6
EU:	2.0
Inflation rate, %:	1.6
EU:	1.9
Unemployment rate, %:	3.8
EU:	6.8

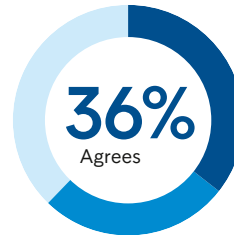
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

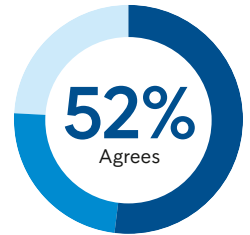
# 24%

say they have missed paying a bill on time during the last 12 months. In 2018 40% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



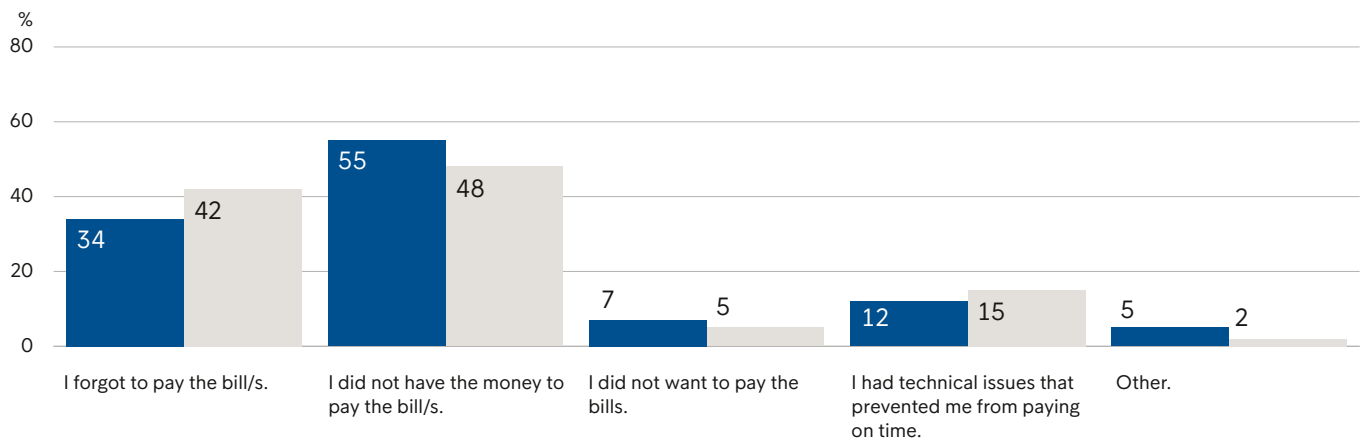
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

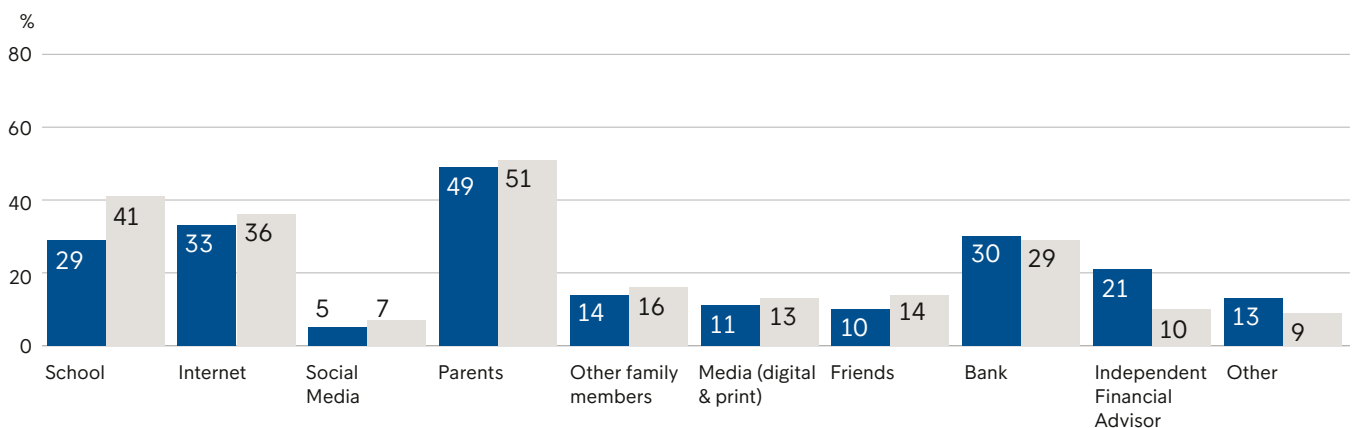
Proportions of consumers who answered correctly when asked:

# 72%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# Norway

- Overall financial wellbeing: 6th
- Ability to pay bills on time: 4th
- Saving for the future: 9th
- Credit freedom: 22nd
- Financial literacy: 6th

**Norwegian consumers are confident in saving for retirement, yet are heavily dependent on credit**

Norwegian consumers display healthy saving habits in our survey; 40 percent are confident that they will be able to afford a comfortable retirement based on their ability to save for the long term.

And Norwegian consumers are more confident surrounding the impact of a weakened EU on their personal finances than are their European peers; just 23 percent are concerned that a weakened EU would have a negative effect on their finances (below the European average of 44 percent).

Yet, as a nation, our survey finds that Norway is heavily dependent on credit, ranking 22nd out of the 24 European countries surveyed, and has one of the highest gross debt-income ratios in Europe.<sup>11</sup> The Norwegian government raised interest rates for the first time in seven years in 2018, signalling a less favourable lending environment for Norwegian consumers.<sup>12</sup>

## Saving for the future

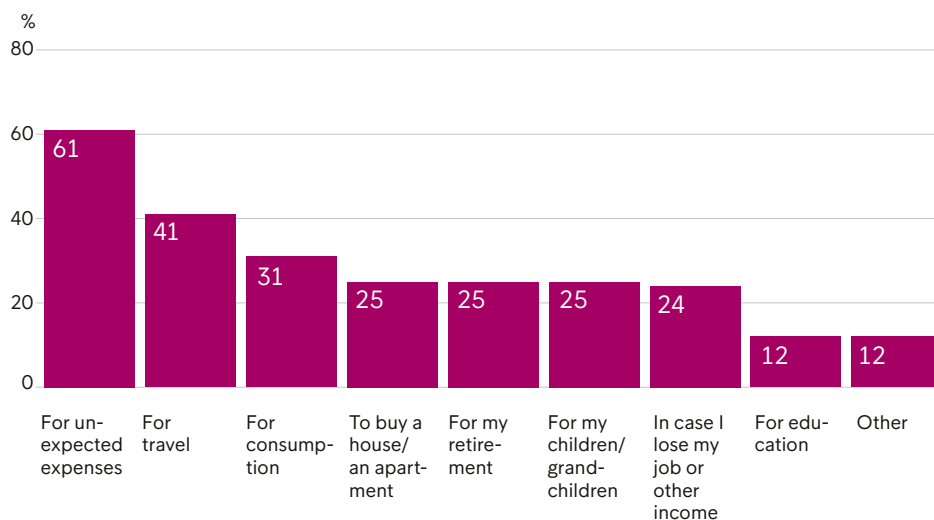
# 74%

say they are able to save each month. In 2018 64% stated the same. European average for 2019 is 75%.

# 48%

are dissatisfied with the amount they are able to save each month, 27% neither agree or disagree with this statement and 26% disagree.

## What are your main reasons for saving money each month?

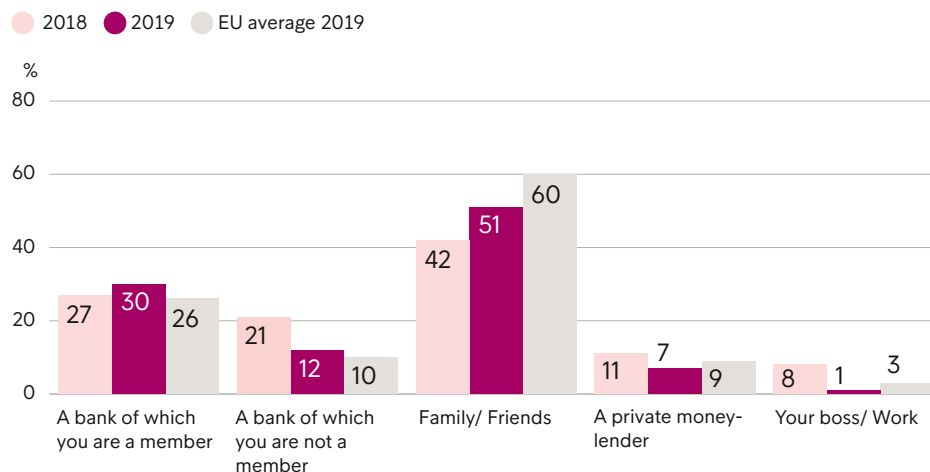


## Loans and borrowed money

# 22%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	69,200
EU:	30,900
Real GDP growth:	1.3
EU:	2.0
Inflation rate, %:	3.0
EU:	1.9
Unemployment rate, %:	3.9
EU:	6.8

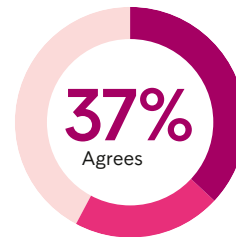
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

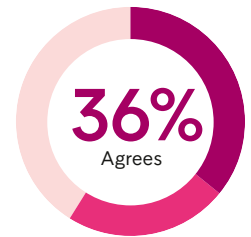
**48%**

say they have missed paying a bill on time during the last 12 months. In 2018 52% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



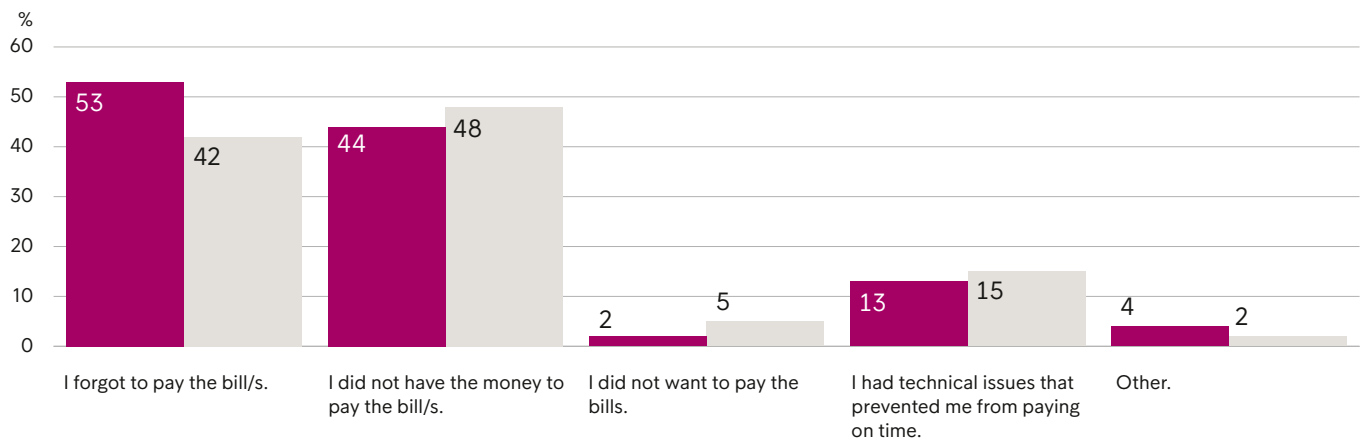
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019    ■ EU average 2019



## Financial literacy

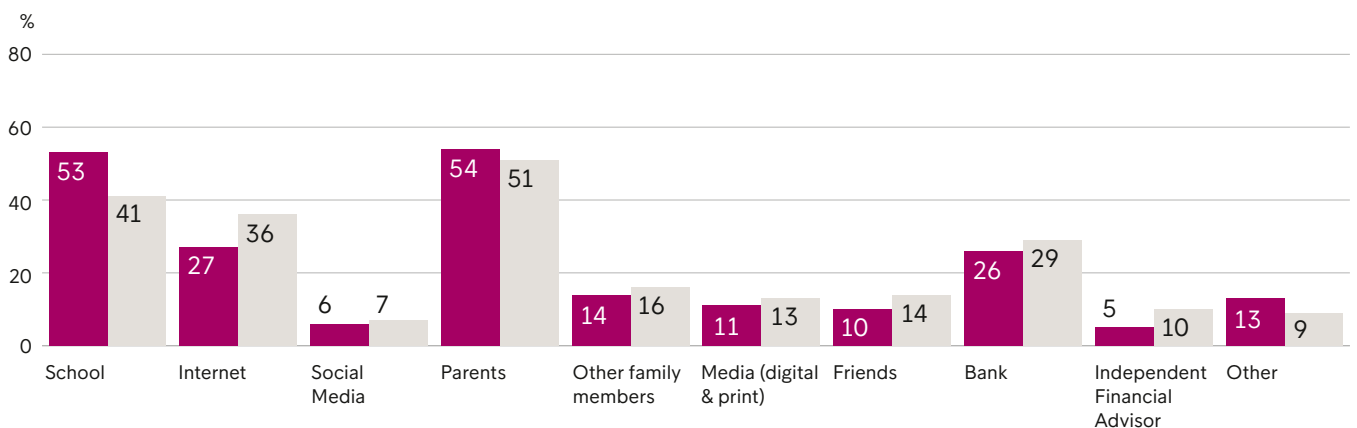
Proportions of consumers who answered correctly when asked:

**69%**

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019    ■ EU average 2019



# Poland

- Overall financial wellbeing: 22nd
- Ability to pay bills on time: 19th
- Saving for the future: 20th
- Credit freedom: 10th
- Financial literacy: 23rd

**Concerns surrounding bills are having a negative effect on Polish consumers' wellbeing. They are prioritising bill payment over everyday spending**

Poland's economy has seen robust growth over recent years, experiencing GDP growth of 5.1 percent in 2018.<sup>13</sup> However, a lack of disposable income is putting pressure on consumers: Poland's gross disposable income was one of the lowest in Europe in 2017.<sup>14</sup>

This appears to be affecting consumers' ability to pay their bills. Almost half (47 percent) of Polish respondents say that rising bills are having a negative effect on their wellbeing.

Furthermore, 35 percent of households with children have borrowed money to pay bills over the past six months (above the European average of 30 percent). Yet, despite these concerns, Polish consumers are the most diligent in paying bills in Europe – 85 percent say that they prioritise bills over everyday spending.

## Saving for the future

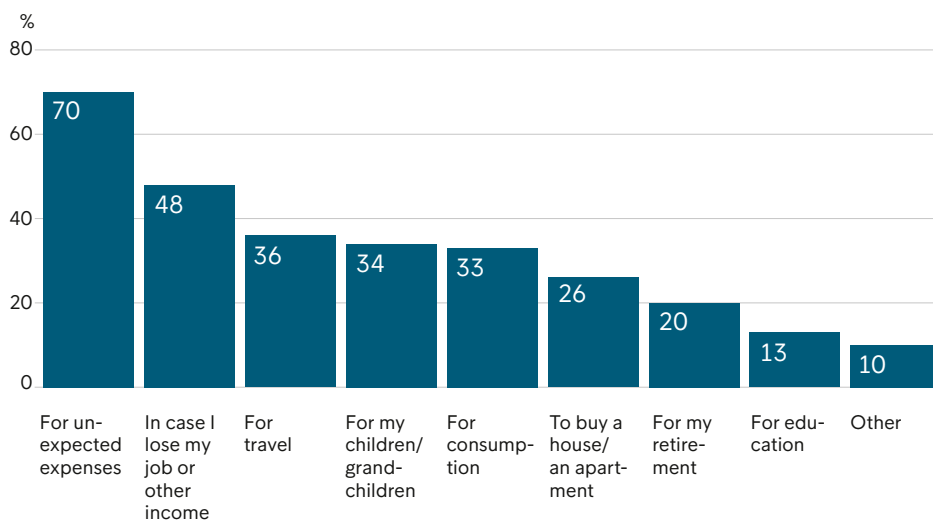
# 79%

say they are able to save each month. In 2018 64% stated the same. European average for 2019 is 75%.

# 65%

are dissatisfied with the amount they are able to save each month, 25% neither agree or disagree with this statement and 10% disagree.

## What are your main reasons for saving money each month?



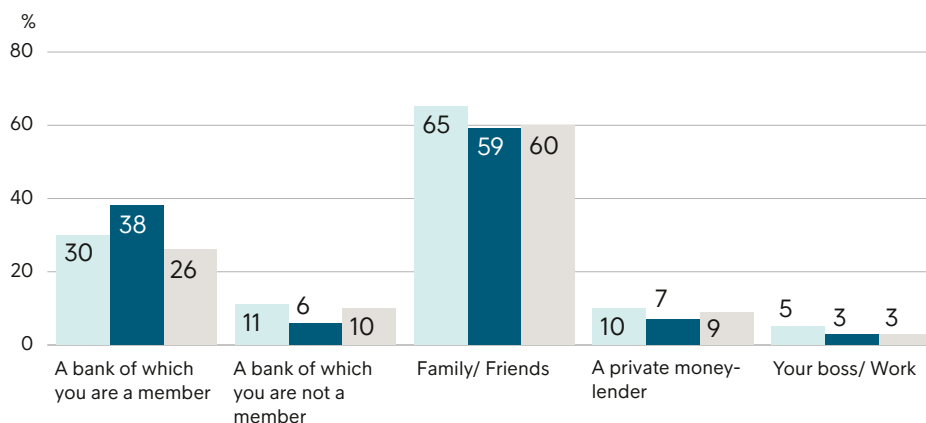
## Loans and borrowed money

# 33%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

2018 2019 EU average 2019



### Economic development

GDP per capita, €:	12,900
EU:	30,900
Real GDP growth:	5.1
EU:	2.0
Inflation rate, %:	1.2
EU:	1.9
Unemployment rate, %:	3.9
EU:	6.8

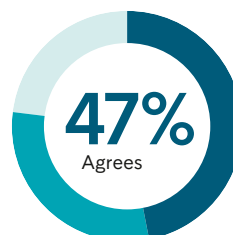
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

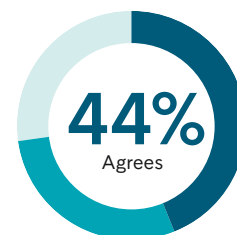
# 38%

say they have missed paying a bill on time during the last 12 months. In 2018 50% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



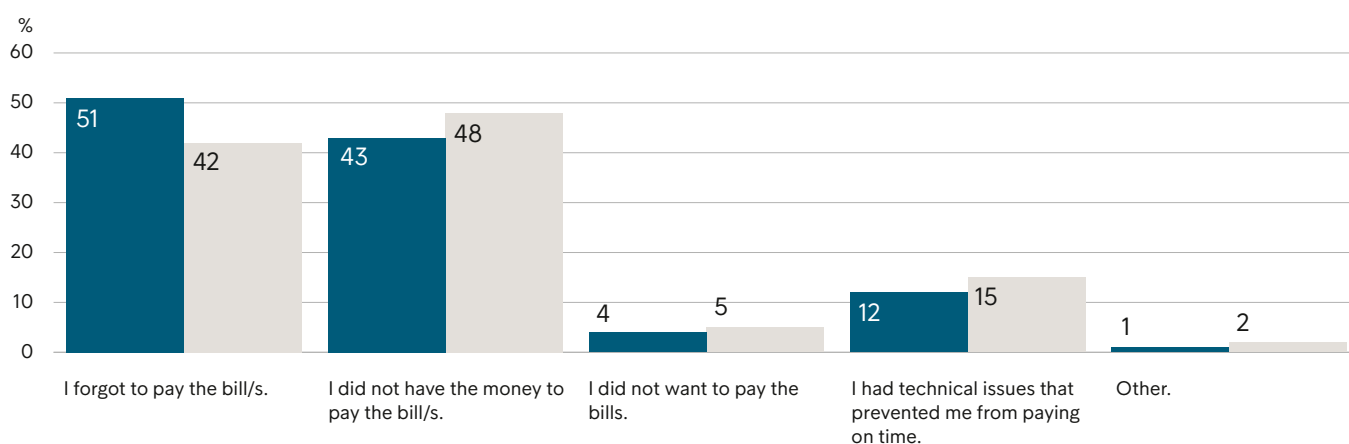
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

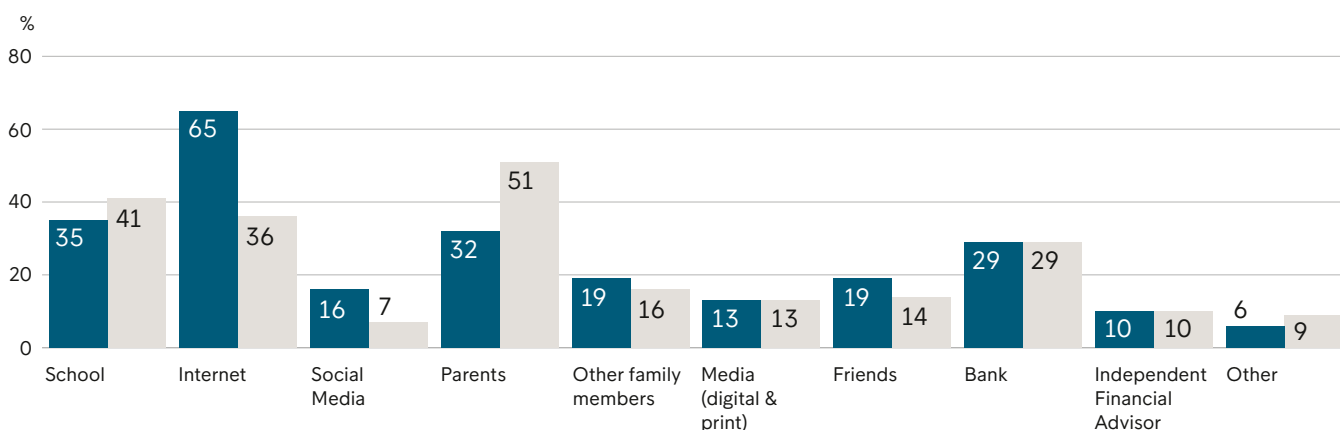
Proportions of consumers who answered correctly when asked:

# 72%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019





# Portugal

- Overall financial wellbeing: 18th
- Ability to pay bills on time: 23rd
- Saving for the future: 18th
- Credit freedom: 8th
- Financial literacy: 14th

**Portuguese consumers are struggling to pay the bills, and are concerned that a weakened EU will have a negative effect on their finances**

The Portuguese economy continues to recover from the financial recession of 2010-14, with real GDP growing by 2.4 percent in 2018.<sup>15</sup> Yet, despite positive moves in the economy, Portuguese consumers are still struggling to pay their bills: 61 percent say concerns surrounding bills are having a negative effect on their wellbeing – the second-highest percentage in Europe, following Greece.

The squeeze on personal finances appears to be affecting the outlook of Portuguese consumers, who as a nation are the most concerned that a weakened EU would have a negative effect on their finances – 64 percent say that this is the case.

## Saving for the future

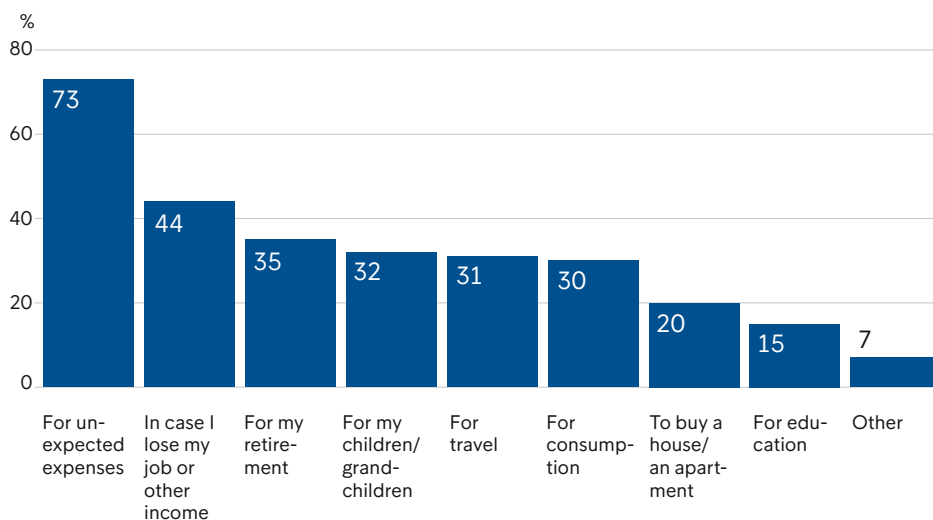
# 81%

say they are able to save each month. In 2018 59% stated the same. European average for 2019 is 75%.

# 61%

are dissatisfied with the amount they are able to save each month, 18% neither agree or disagree with this statement and 20% disagree.

## What are your main reasons for saving money each month?



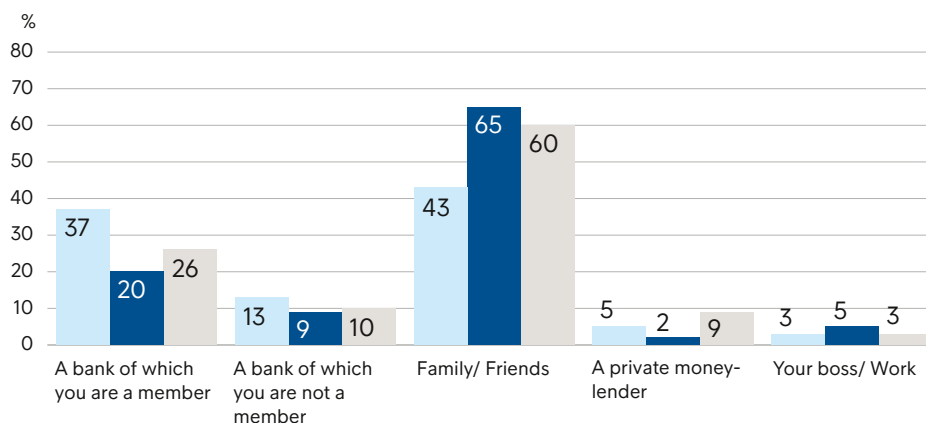
## Loans and borrowed money

# 27%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

● 2018 ● 2019 ● EU average 2019



### Economic development

GDP per capita, €:	19,600
EU:	30,900
Real GDP growth:	2.1
EU:	2.0
Inflation rate, %:	1.2
EU:	1.9
Unemployment rate, %:	7.0
EU:	6.8

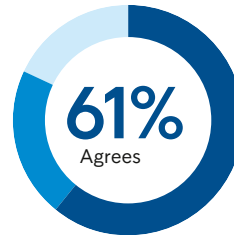
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

# 28%

say they have missed paying a bill on time during the last 12 months. In 2018 37% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



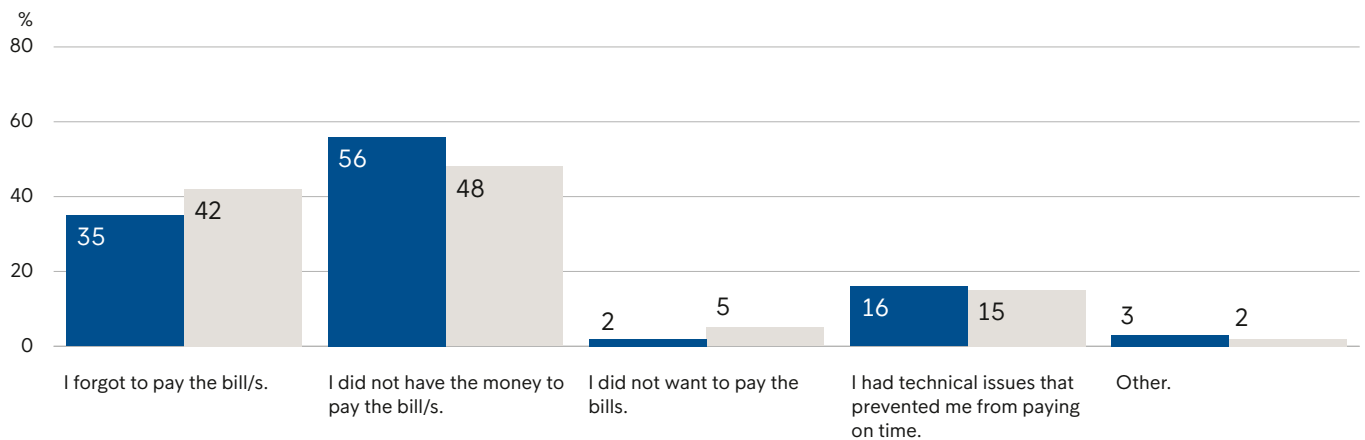
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

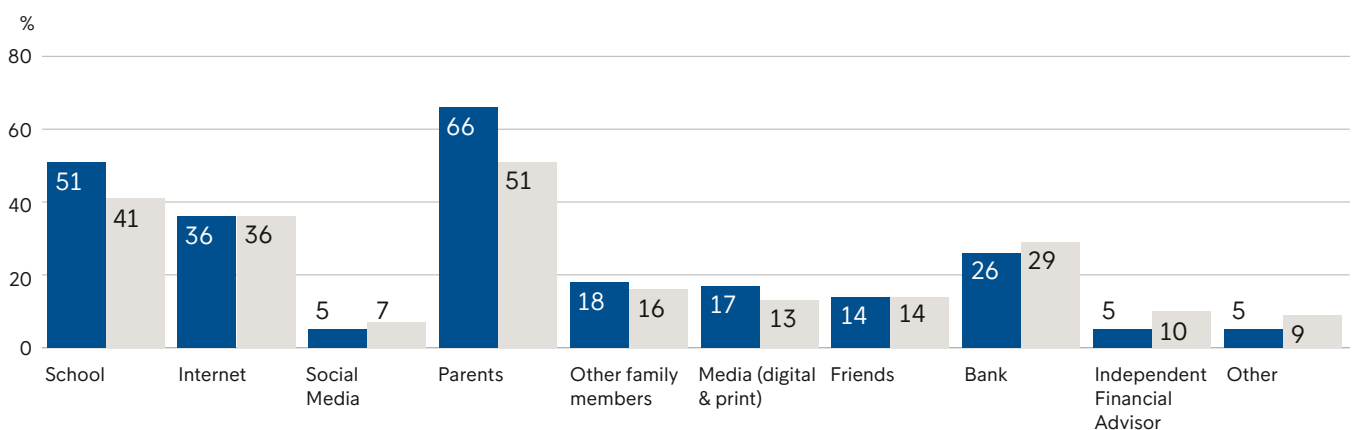
Proportions of consumers who answered correctly when asked:

# 71%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# Romania

- Overall financial wellbeing: 19th
- Ability to pay bills on time: 21st
- Saving for the future: 23rd
- Credit freedom: 6th
- Financial literacy: 13th

**Romanian consumers are struggling to save. After paying their bills, many rarely have enough money to last until the end of the month**

Romanian consumers rank among the lowest in Europe for their ability to pay bills on time. After paying bills, 41 percent of those surveyed rarely have enough money to last until the end of the month – the second-highest percentage following Greece.

A negative household saving rate helps to explain Romania's ranks below average on the Saving for the future pillar. Romania's gross savings rate in 2018 was -2.35 percent.<sup>16</sup> Our survey results reflect this trend: 61 percent of Romanian consumers are dissatisfied with the amount they save each month – well above the European average of 52 percent.

## Saving for the future

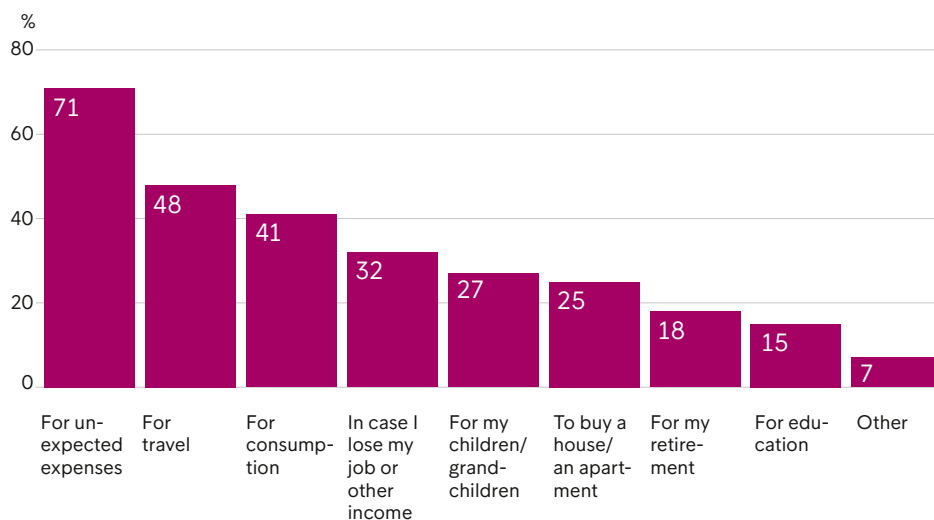
# 74%

say they are able to save each month. In 2018 59% stated the same. European average for 2019 is 75%.

# 61%

are dissatisfied with the amount they are able to save each month, 22% neither agree or disagree with this statement and 17% disagree.

## What are your main reasons for saving money each month?



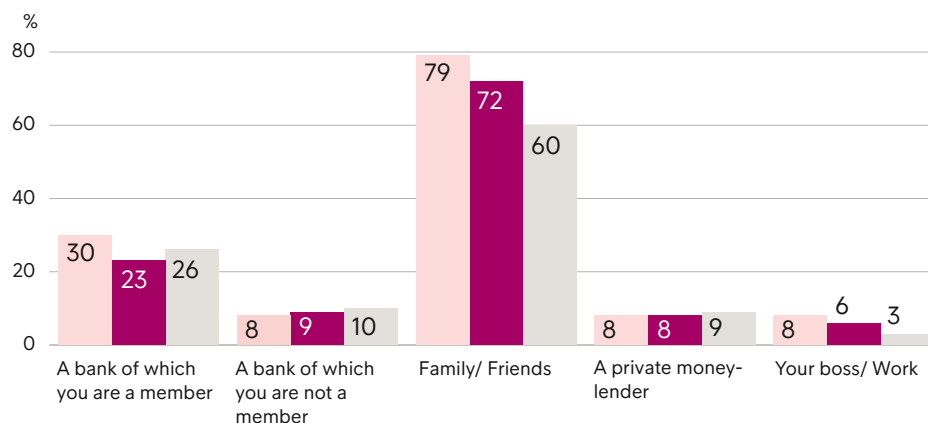
## Loans and borrowed money

# 33%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

● 2018 ● 2019 ● EU average 2019



### Economic development

GDP per capita, €:	10,400
EU:	30,900
Real GDP growth:	4.1
EU:	2.0
Inflation rate, %:	4.1
EU:	1.9
Unemployment rate, %:	4.2
EU:	6.8

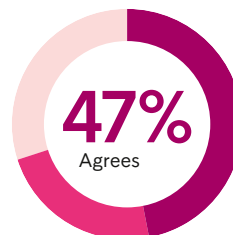
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

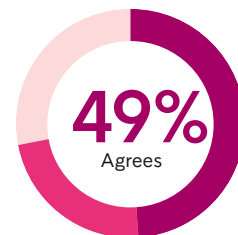
# 42%

say they have missed paying a bill on time during the last 12 months. In 2018 52% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



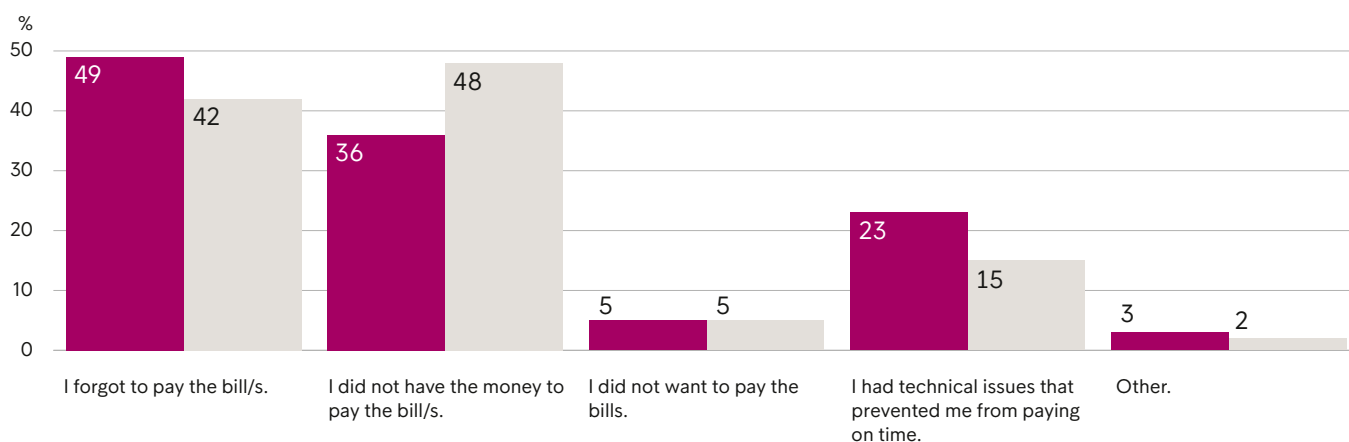
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019    ■ EU average 2019



## Financial literacy

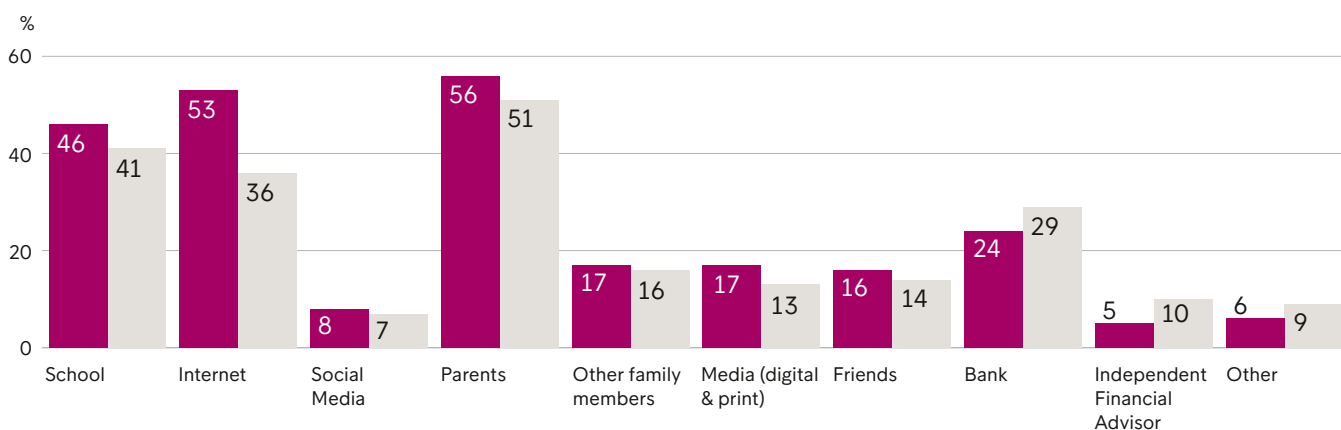
Proportions of consumers who answered correctly when asked:

# 72%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019    ■ EU average 2019



# Slovakia

- Overall financial wellbeing: 16th
- Ability to pay bills on time: 17th
- Saving for the future: 16th
- Credit freedom: 5th
- Financial literacy: 19th

The pressure to pay bills is having a detrimental effect on Slovakian consumers' general wellbeing, while over half wish they had learnt more about household finances at school

A third (33 percent) of the Slovakian consumers surveyed say that, after paying their bills, they rarely have enough money to last the month.

And the pressure to pay bills is having a detrimental effect on general wellbeing; almost half (49 percent) of Slovakian consumers say that concerns about rising bills are having a negative effect on their general wellbeing (above the European average of 43 percent).

Slovakia also ranks below average on the Financial literacy pillar (19th). Over half (55 percent) say they wish they had learnt more about household finances at school – 10 percent above the European average.

## Saving for the future

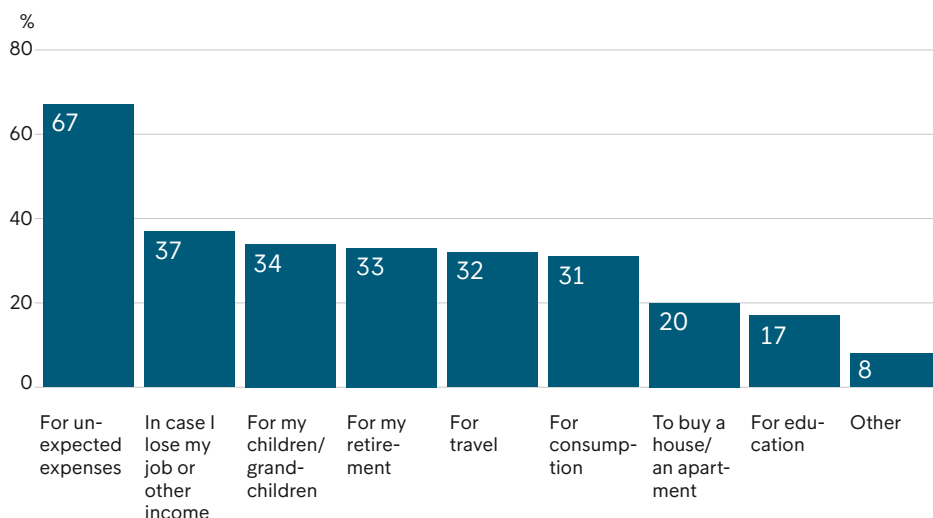
# 80%

say they are able to save each month. In 2018 71% stated the same. European average for 2019 is 75%.

# 63%

are dissatisfied with the amount they are able to save each month, 14% neither agree or disagree with this statement and 23% disagree.

## What are your main reasons for saving money each month?



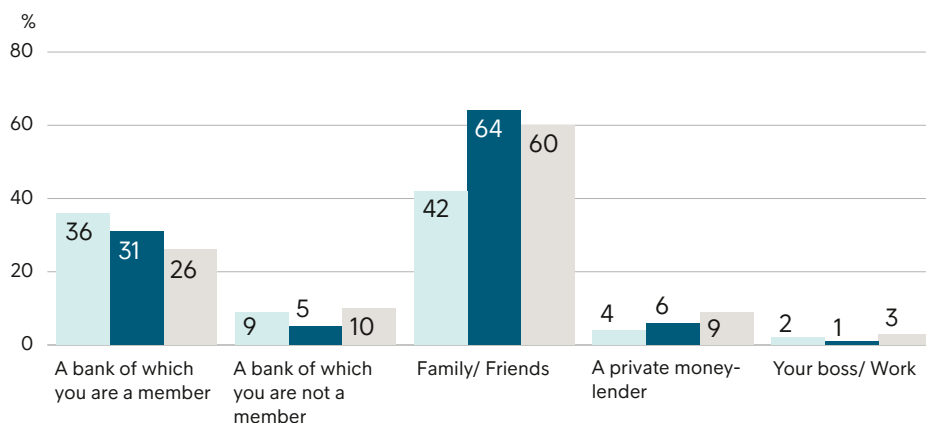
## Loans and borrowed money

# 25%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

2018 2019 EU average 2019



### Economic development

GDP per capita, €:	16,600
EU:	30,900
Real GDP growth:	4.1
EU:	2.0
Inflation rate, %:	2.5
EU:	1.9
Unemployment rate, %:	6.5
EU:	6.8

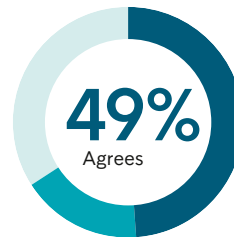
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

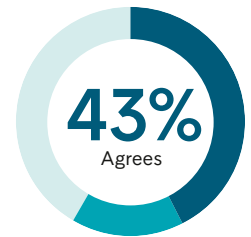
# 27%

say they have missed paying a bill on time during the last 12 months. In 2018 36% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



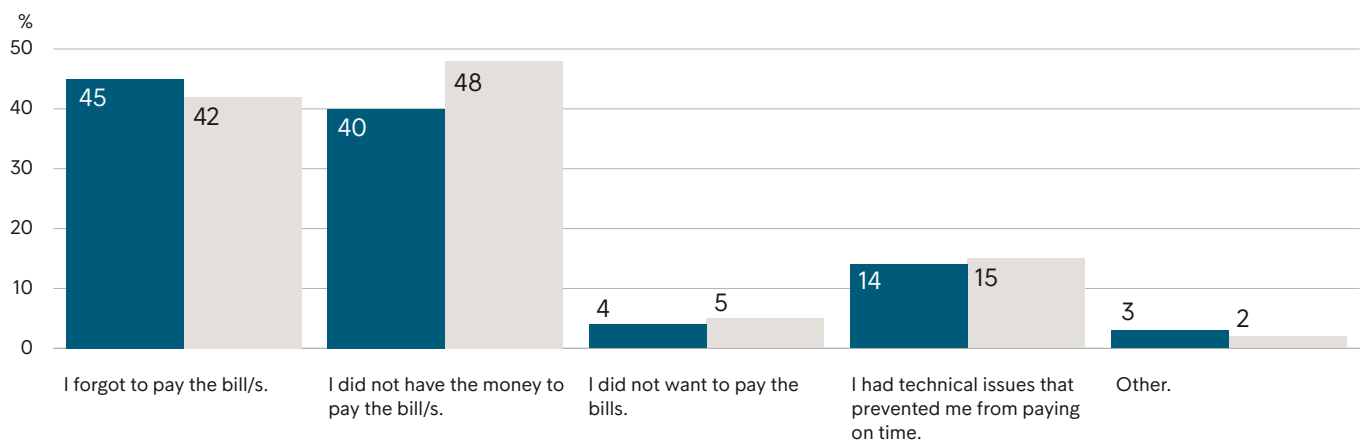
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019    ● EU average 2019



## Financial literacy

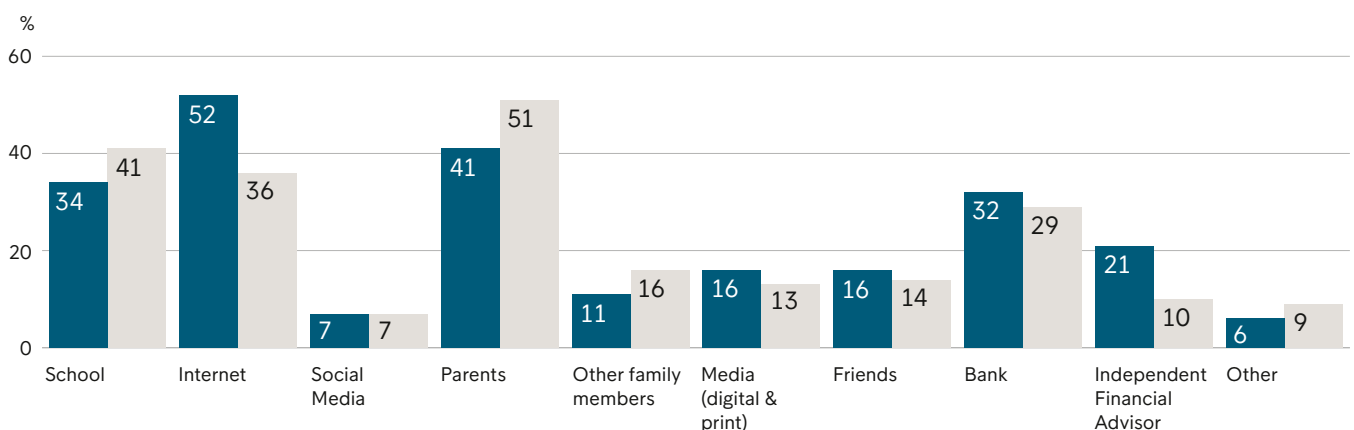
Proportions of consumers who answered correctly when asked:

# 68%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019    ● EU average 2019



# Spain

- Overall financial wellbeing: 14th
- Ability to pay bills on time: 16th
- Saving for the future: 12th
- Credit freedom: 13th
- Financial literacy: 10th

**Spanish consumers are dissatisfied with their financial education, and are concerned about their ability to save for retirement**

Spanish consumers are the most dissatisfied in Europe in terms of the level of financial education they have received. Almost a quarter (24 percent) state that they have not received a sufficient financial education to manage their day-to-day finances. Furthermore, 62 percent say they wish they had learnt more about household finances at school.

Spain has a relatively low household saving rate compared to the rest of Europe: 5.94 percent in 2018.<sup>17</sup> 62 percent of respondents are concerned that they won't be able to afford a comfortable retirement (well above the European average of 48 percent). And 62 percent of Spanish consumers surveyed are concerned that a weakened EU will have a negative effect on their finances – the third-highest proportion in Europe after Portugal (64 percent) and Greece (63 percent).

## Saving for the future

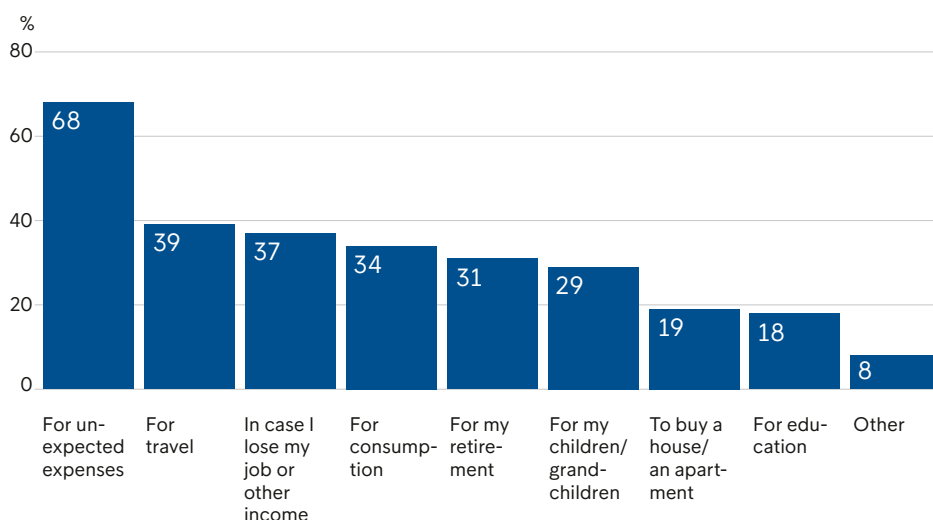
# 85%

say they are able to save each month. In 2018 64% stated the same. European average for 2019 is 75%.

# 57%

are dissatisfied with the amount they are able to save each month, 24% neither agree or disagree with this statement and 19% disagree.

## What are your main reasons for saving money each month?

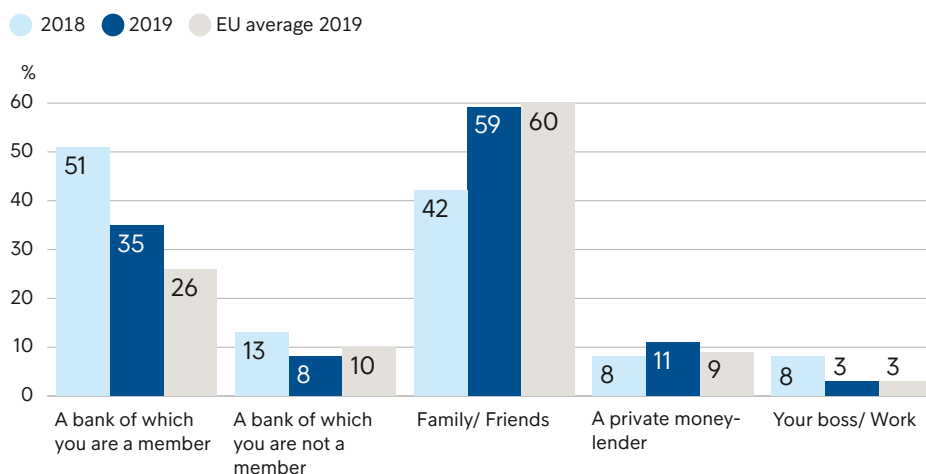


## Loans and borrowed money

# 23%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	25,700
EU:	30,900
Real GDP growth:	2.4
EU:	2.0
Inflation rate, %:	1.7
EU:	1.9
Unemployment rate, %:	15.3
EU:	6.8

All figures are from 2018 unless other is specified.

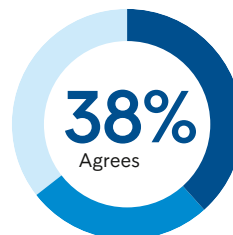


## Ability to pay bills on time

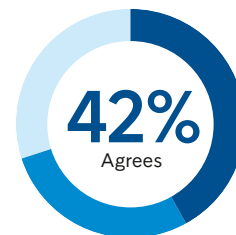
# 20%

say they have missed paying a bill on time during the last 12 months. In 2018 36% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



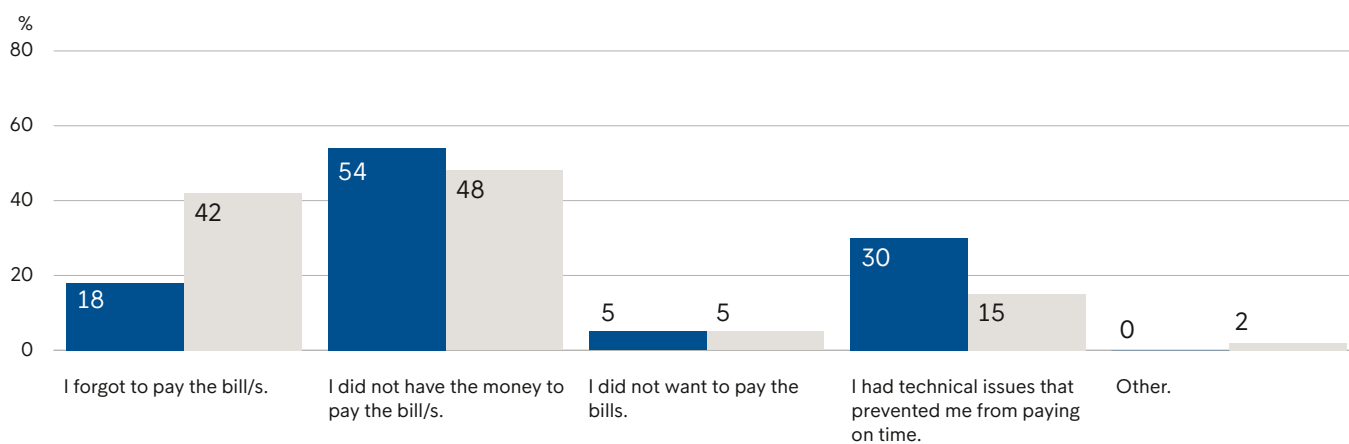
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

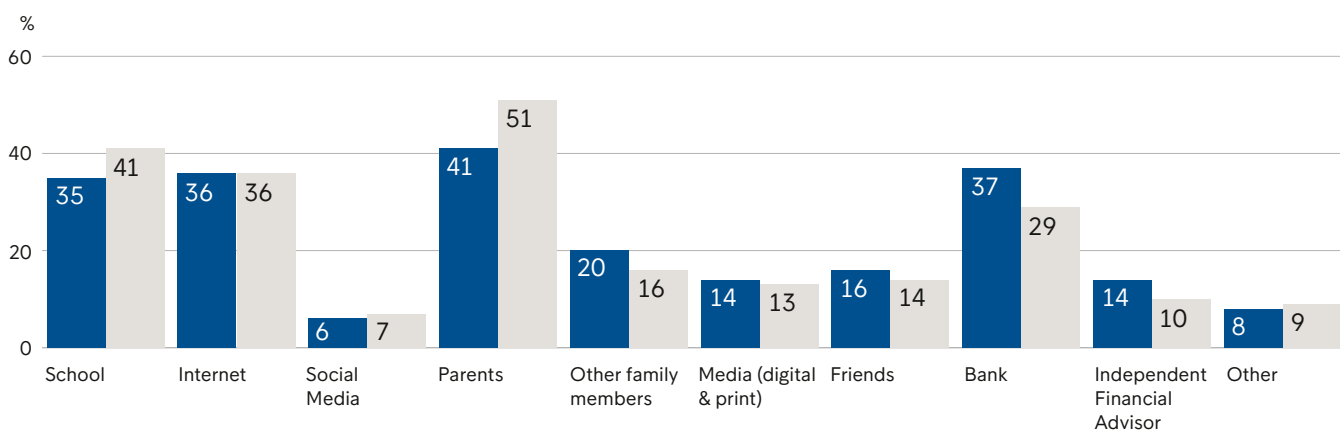
Proportions of consumers who answered correctly when asked:

# 70%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# Sweden

- Overall financial wellbeing: 3rd
- Ability to pay bills on time: 5th
- Saving for the future: 1st
- Credit freedom: 20th
- Financial literacy: 5th

**Swedish consumers are among the most active savers in Europe. They are less concerned with the prospect of a weakened EU than are their European peers**

With a gross household saving rate of 17.96 percent, Swedish consumers are some of the most active savers in Europe.<sup>18</sup> This strong culture of saving is reflected in our survey results: 15 percent of Swedish consumers surveyed save over 20 percent of their salary each month – the highest saving within this bracket in Europe.

And only 28 percent cite 'not having enough money' as a reason for missing a bill payment; the lowest percentage across the European countries surveyed. These strong economic indicators mean that Swedish consumers are more confident in the face of a weakened EU; just 27 percent are concerned that a weakened EU would have a negative effect on their finances (below the European average of 44 percent).

## Saving for the future

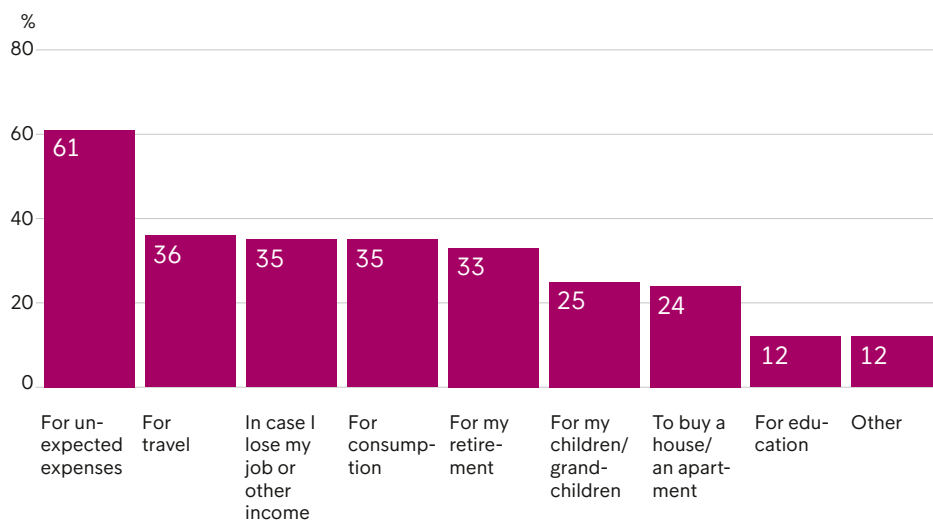
# 77%

say they are able to save each month. In 2018 74% stated the same. European average for 2019 is 75%.

# 35%

are dissatisfied with the amount they are able to save each month, 32% neither agree or disagree with this statement and 33% disagree.

## What are your main reasons for saving money each month?

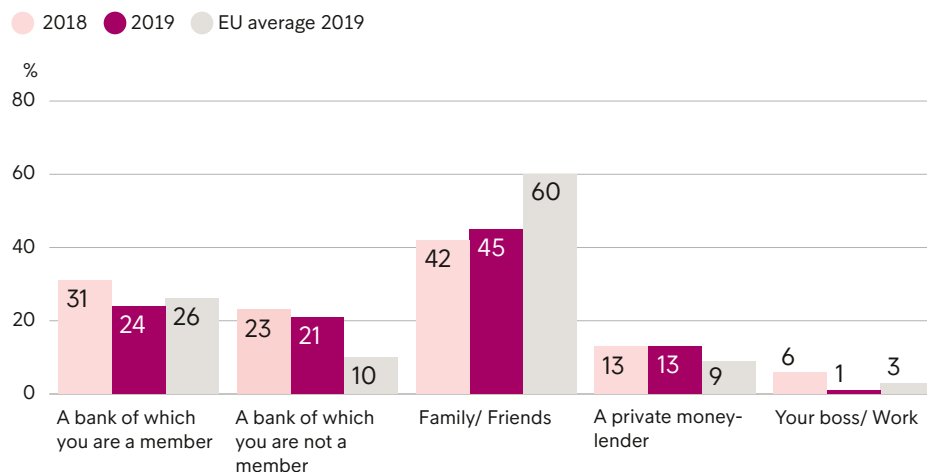


## Loans and borrowed money

# 19%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	46,300
EU:	30,900
Real GDP growth:	2.3
EU:	2.0
Inflation rate, %:	2.0
EU:	1.9
Unemployment rate, %:	6.3
EU:	6.8

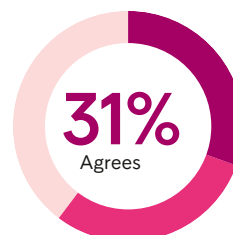
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

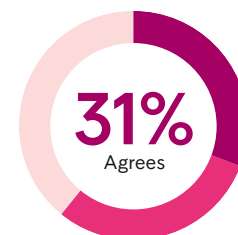
# 35%

say they have missed paying a bill on time during the last 12 months. In 2018 47% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



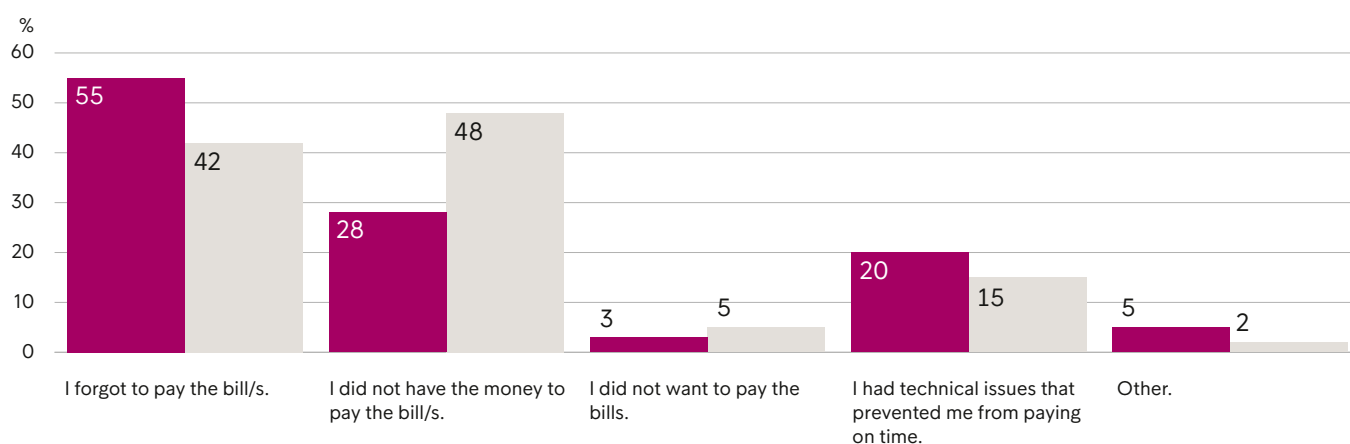
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

■ 2019    ■ EU average 2019



## Financial literacy

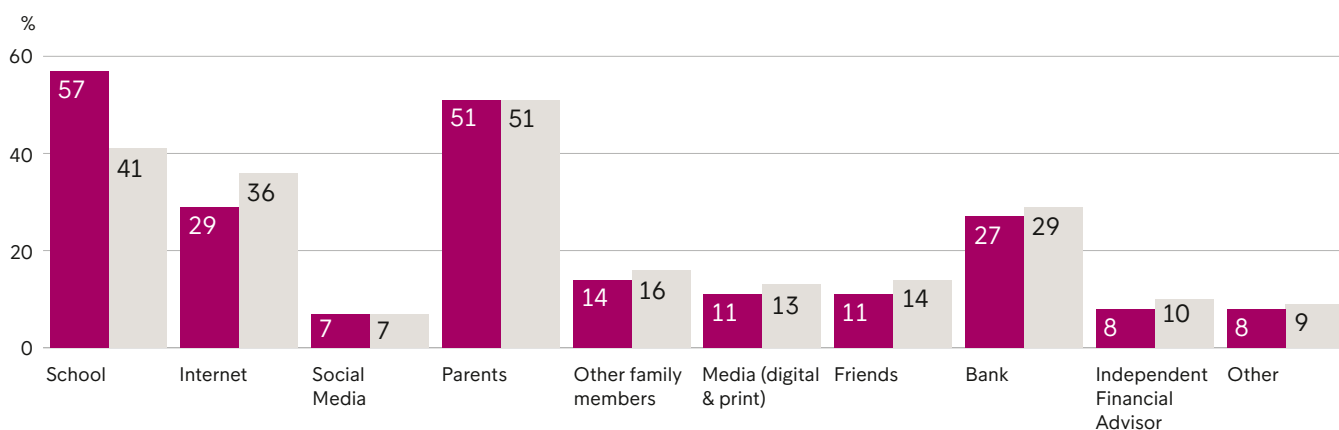
Proportions of consumers who answered correctly when asked:

# 66%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

■ 2019    ■ EU average 2019



# Switzerland

- Overall financial wellbeing: 4th
- Ability to pay bills on time: 6th
- Saving for the future: 2nd
- Credit freedom: 19th
- Financial literacy: 8th

**Swiss consumers display a strong culture of saving, motivated by long-term goals**

Swiss consumers rank 2nd on the Saving for the future pillar, behind Sweden. And they are more focused on saving for the long term: 41 percent of Swiss consumers choose saving for retirement within their top three reasons for saving each month – above the European average of 30 percent. More than three in every ten (31 percent) Swiss consumers are confident in their ability to save for retirement.

## Saving for the future

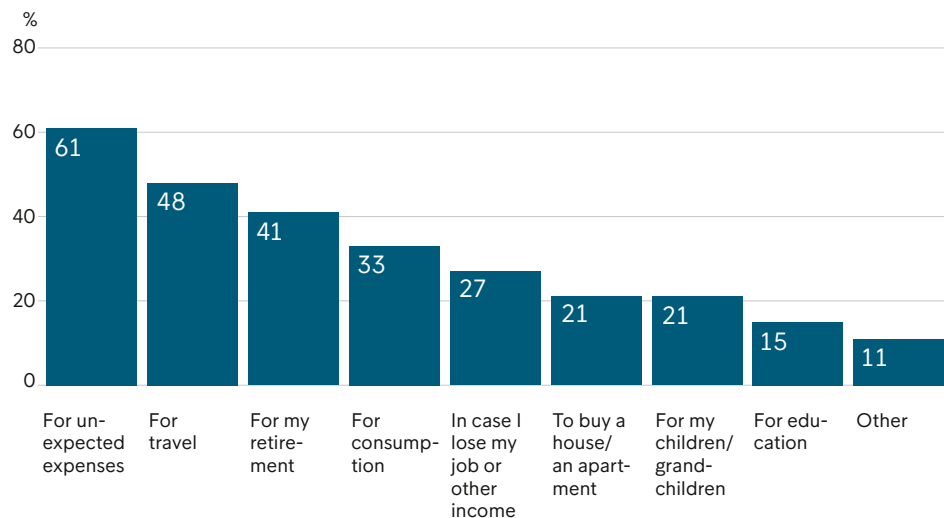
# 74%

say they are able to save each month. In 2018 56% stated the same. European average for 2019 is 75%.

# 48%

are dissatisfied with the amount they are able to save each month, 22% neither agree or disagree with this statement and 30% disagree.

## What are your main reasons for saving money each month?

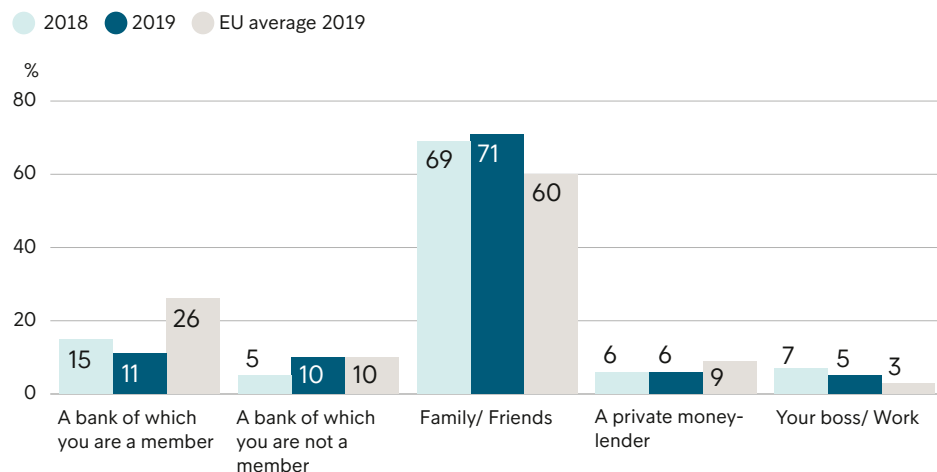


## Loans and borrowed money

# 20%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?



### Economic development

GDP per capita, €:	70,100
EU:	30,900
Real GDP growth:	2.8
EU:	2.0
Inflation rate, %:	0.9
EU:	1.9
Unemployment rate, %:	2.6
EU:	6.8

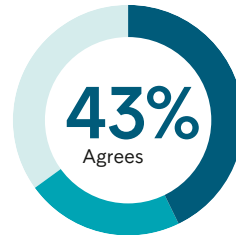
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

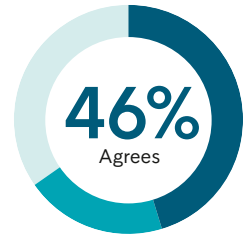
# 44%

say they have missed paying a bill on time during the last 12 months. In 2018 54% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



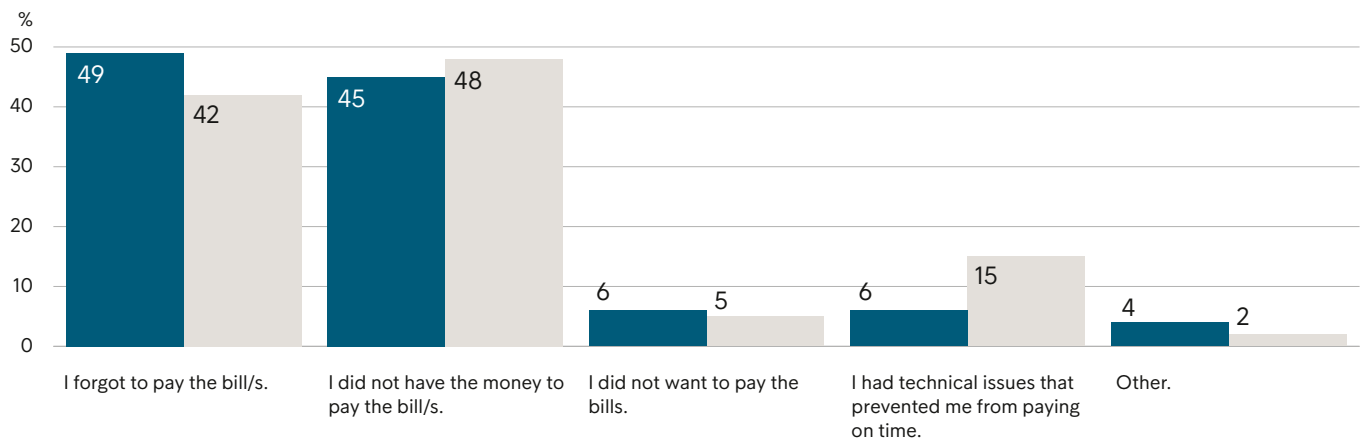
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

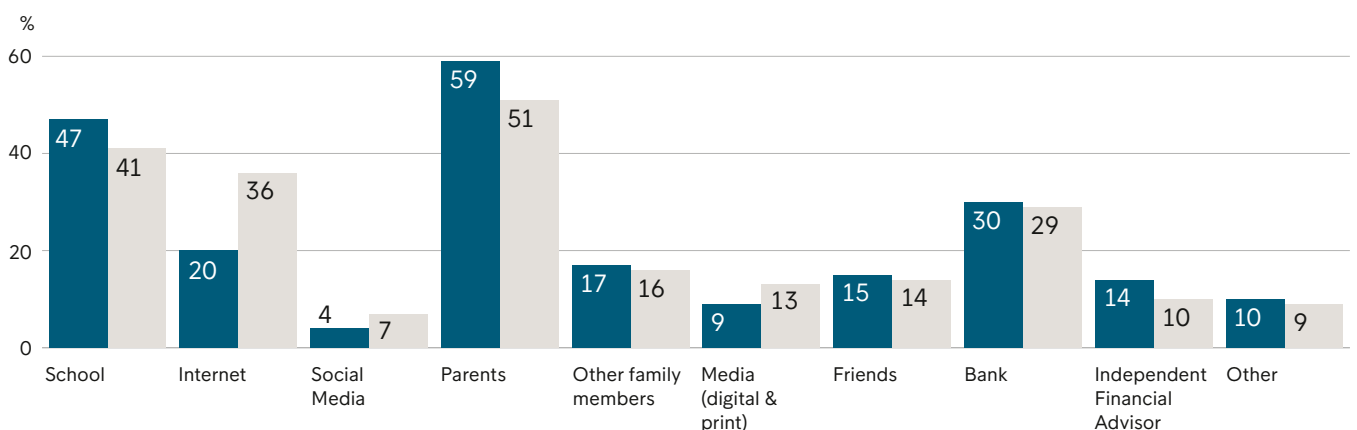
Proportions of consumers who answered correctly when asked:

# 70%

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019



# United Kingdom

- Overall financial wellbeing: 8th
- Ability to pay bills on time: 11th
- Saving for the future: 15th
- Credit freedom: 21st
- Financial literacy: 2nd

**UK consumers are highly financially literate, yet also highly dependent on credit. They borrow more frequently than their European neighbours**

UK consumers score highly in terms of financial literacy – 75 percent were able to match financial terms to their correct definitions. And over two-thirds (67 percent) say that technology has made it easier for them to manage their finances (above the European average of 59 percent).

Yet, despite high levels of financial literacy, UK consumers are heavily reliant on credit to fund their lifestyles. Our survey finds that UK consumers are borrowing money more frequently than do their European peers. Of the 22 percent of UK consumers who have borrowed money to pay bills over the past six months, 63 percent have done so on more than one occasion (almost double the European average of 38 percent).

## Saving for the future

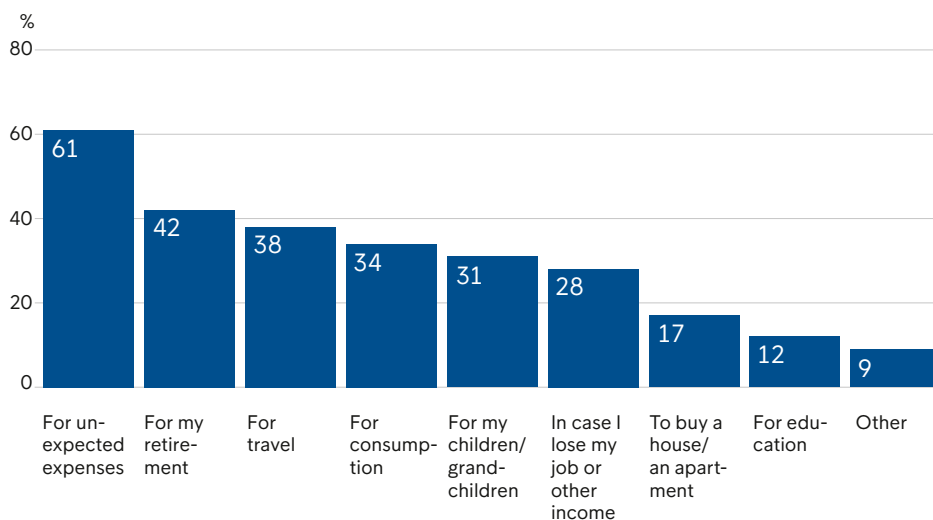
# 78%

say they are able to save each month. In 2018 59% stated the same. European average for 2019 is 75%.

# 48%

are dissatisfied with the amount they are able to save each month, 28% neither agree or disagree with this statement and 24% disagree.

## What are your main reasons for saving money each month?



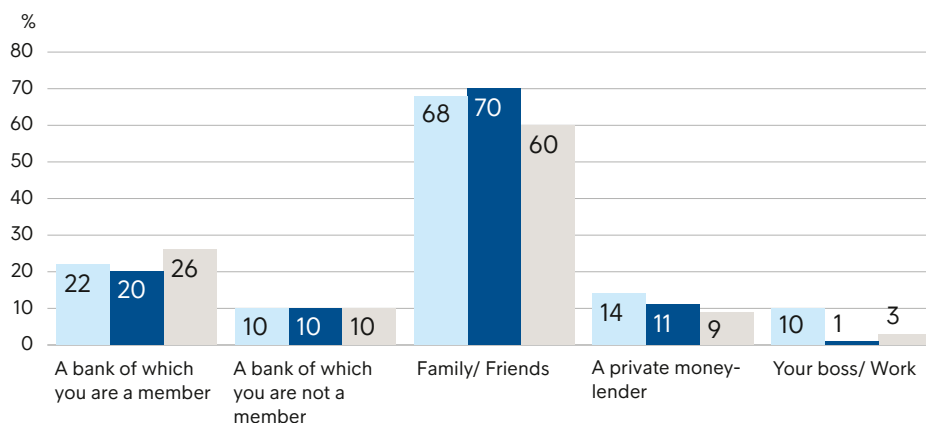
## Loans and borrowed money

# 22%

say they over the past 6 months, have borrowed money, apart from a mortgage, or reached the credit card limit in order to pay bills. European average for 2019 is 24%.

## Where did you borrow money from in order to pay for your bills?

● 2018 ● 2019 ● EU average 2019



### Economic development

GDP per capita, €:	36,000
EU:	30,900
Real GDP growth:	1.4
EU:	2.0
Inflation rate, %:	2.5
EU:	1.9
Unemployment rate, %:	4.0
EU:	6.8

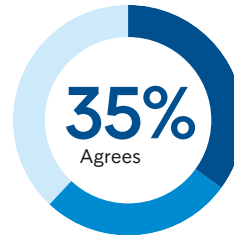
All figures are from 2018 unless other is specified.

## Ability to pay bills on time

**26%**

say they have missed paying a bill on time during the last 12 months. In 2018 50% stated the same. European average for 2019 is 33%.

● Agree  
● Neither agree nor disagree  
● Disagree



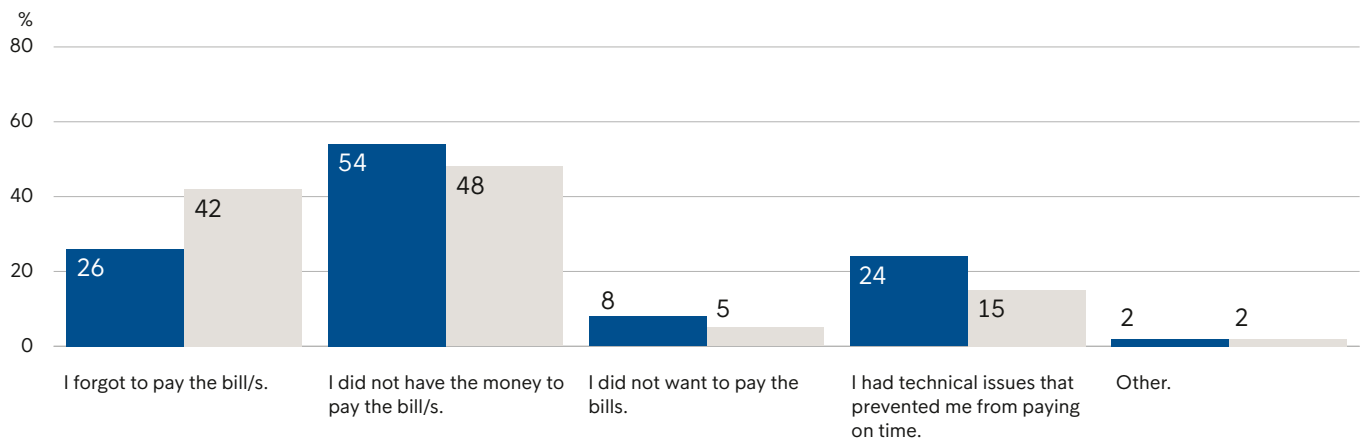
My concerns about rising bills are having a negative effect on my general wellbeing.



My bills are increasing at a higher rate than my income.

## Reasons for not paying your bill(s) on time

● 2019 ● EU average 2019



## Financial literacy

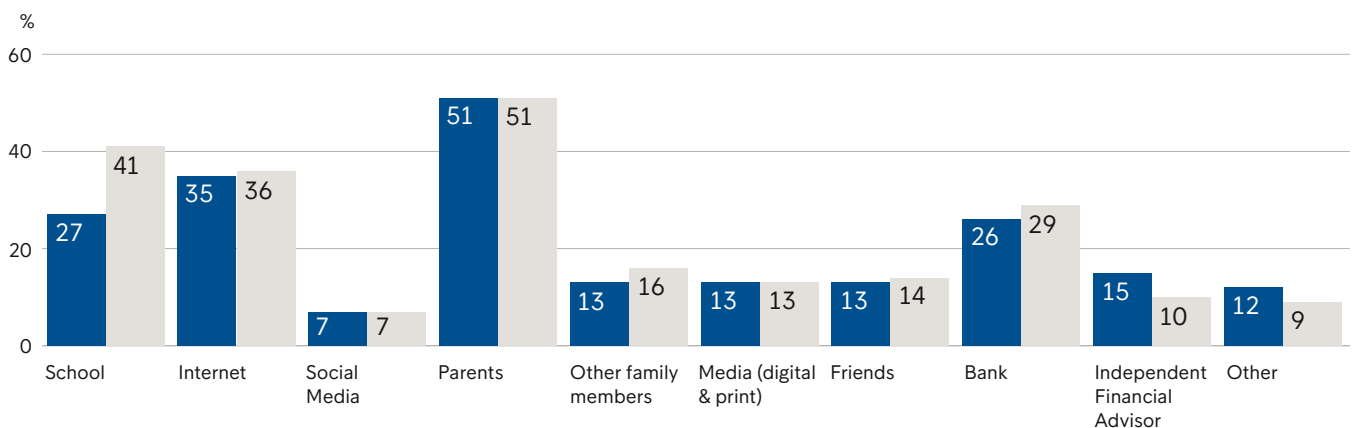
Proportions of consumers who answered correctly when asked:

**69%**

"If you had €200 in a savings account earning 2% interest a year, how much would you have in the account after five years (assuming you didn't pay any new money into the account or make any withdrawals)?"

## Over the course of your lifetime, what have been your primary sources of financial education?

● 2019 ● EU average 2019





# About the report

Intrum has published the European Consumer Payment Report on a yearly basis since 2013. This is the 7th annual edition of the report.

The European Consumer Payment Report gain insights into European consumers' everyday life; their spending and ability to manage their household finances on a monthly basis.

The report is based on an external survey that was conducted simultaneously in 24 countries in Europe. A total of 24,004 consumers participated to the survey.

The content of the report is developed by Intrum in cooperation with Longitude. The report is published November 2019.

Through the comprehensive consumer survey, Intrum generate awareness and debate among politicians and the media regarding the need for financial education and how financial literacy is a key skill for Europeans to navigate the challenges ahead.

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

## Sources GDP

GDP per capita:  
[https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=nama\\_10\\_pc&lang=en](https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=nama_10_pc&lang=en)  
GDP growth:  
<https://ec.europa.eu/eurostat/databrowser/view/tec00115/default/table?lang=en>  
Inflation:  
<https://ec.europa.eu/eurostat/databrowser/view/tec00118/default/table?lang=en>  
Unemployment rate:  
<https://ec.europa.eu/eurostat/databrowser/view/tps00203/default/table?lang=en>  
Date of extraction: 25 Sept 2019

## Sources Country Snapshots

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- 8.) Household savings, OECD data, 2018 <https://data.oecd.org/hha/household-savings.htm>
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# About the survey

Intrum has gathered data from 24,004 consumers across 24 European countries. This study has been conducted by means of self-completion online research. Respondents completed the questionnaire on their computer, laptop, tablet or smartphone. Per country at least n=1,000 respondents have participated resulting in n=24,004 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. Per country quotas were set on gender, age and region in order to achieve a national representative sample for each country.

The fieldwork for the study was conducted between the 2nd and 27th of September.

The Intrum European Consumer Payment Report 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.

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

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## The Intrum Financial Wellbeing Barometer

### Introduction and methodology

This year, Intrum, in partnership with Longitude, has created the Intrum Financial Wellbeing Barometer – a tool to measure and compare the Financial Wellbeing of European Consumers across 24 European markets.

We define 'financial wellbeing' as having the financial security to meet everyday spending needs and be in control of your finances.

The Financial Wellbeing Barometer measures financial wellbeing on the basis of 11 indicators – eight survey-based and three hard-data-based – grouped into four key pillars:

#### 1. Ability to pay bills

The level at which consumers are able to pay their bills on time; the proportion of their salary they have remaining once their monthly bills are paid (survey-based indicators); and the gross disposable household income per capita (hard data).

#### 2. Credit freedom

The extent to which consumers are borrowing money to pay bills; their level of borrowing in relation to monthly incomes (survey-based indicators); and the gross debt-to-income ratio of households (hard data).

#### 3. Saving for the future

The level at which consumers are able to save each month; their ability to save for an unforeseen event (survey-based indicators); and the gross household saving rate (hard data).

#### 4. Financial literacy

The extent to which consumers understand basic financial terms and calculations (survey-based indicators).

### **Data sources and scoring**

8 of the 11 indicators are based on data collected through a consumer survey conducted in September 2019. Each survey-based indicator is computed via the attribution of scores (on a 0–10 scale) to each possible survey response, with the best possible answer – i.e. warranting the highest financial security – receiving ten points and the worst possible answer, zero points. In a second step, the country score is calculated using the average of the 1,000 consumer responses for that country and indicator.

The remaining three indicators are based on data from Eurostat. To normalise these indicators – that is, to turn the raw data into scores (on a 0–10 scale) – each country's value is first measured against the mean and expressed in multiples of the standard deviation. In a second step, these standard deviations are transformed into 0–10 scores, whereby countries with a standard deviation of +2.5 receive ten points and those with standard deviations of -2.5, zero points.

The scores for each pillar represent the average scores of the underlying indicators. The Overall financial wellbeing score is the average of the underlying four pillars.

The 24 countries are ranked in descending order and on the basis of their scores rounded to the second decimal.

Within each pillar the weights for indicators are kept equal, and within the overall barometer the weights for each pillar are kept equal. In other words, each pillar is judged to be equally important to achieving financial security.

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# Our other publications

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

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



## Country reports

The results from European Consumer Payment Report (ECPR) is published in country specific reports across all 24 European markets where Intrum is present, describing the consumers' views on their economic outlook; perception on credit and ability to manage their household finances.

Download the latest report at your local Intrum web page



## The European Payment Report

The European Payment Report (EPR) describes the impact late payment has on the development and growth among European enterprises. The report is based on a pan European survey carried out by Intrum in 29 European countries on an annual basis involving almost 10,000 enterprises in Europe.

Download the latest report at [www.intrum.com/epr2019](http://www.intrum.com/epr2019)



## European Industry White Paper

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

Download the latest report at [www.intrum.com](http://www.intrum.com)



## Nordic Debt Collection Analysis

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

Download the latest report at [www.intrum.com](http://www.intrum.com)

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