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Press release

A dramatic year for European consumers: financial wellbeing continues to decline in the wake of Covid-19

1 in 3 Europeans (35 per cent) have lost income as a direct result of Covid-19, and almost half (47 per cent) say they are more concerned about their financial situation than they have been at any other point in their life. The European Consumer Payment Report 2020 paints a gloomy picture of financial wellbeing in Europe - but also highlights growing consumer interest in financial education.

Intrum's annual European Consumer Payment Report, which asks 24,000 European consumers for their perspectives on their financial wellbeing, consumption preferences and payment behavior, suggests that financial wellbeing is in decline in Europe, in the wake of Covid-19.

1 in 3 (35 per cent) has lost income due to Covid-19

Just over 1 in 3 respondents (35 per cent) say that they have lost income as a direct result of the pandemic.

Young consumers have been affected most; 50 per cent of 18-21 year-olds have seen a drop in income following Covid-19. On a regional level, the loss of income has been most pronounced in Southern Europe, with Greece coming top (49 per cent), followed by Portugal (47 per cent), Italy (47 per cent) and Spain (43 per cent).

- The survey suggests that the crisis is having a disproportionate impact on consumers who already have less secure finances, such as those with lower incomes, unreliable employment or challenging family responsibilities, says Anders Engdahl, President and CEO of Intrum.

Summary of the most common measures taken by consumers who lost income:

- 57 per cent cut spending on non-essential items
- 21 per cent sought additional work/job
- 16 per cent relied on their savings

Consumer stress levels on the rise

This year, around half (47 per cent) of the 24,000 respondents to our survey say they have never before felt as anxious about their financial wellbeing as they do today. The highest stress levels are found Southern Europe. In Greece, 49 per cent of respondents lost earnings due to the pandemic and close to 3 in 4 (73 per cent) say they have never been so worried about their finances.

The survey indicates that the effects on the financial wellbeing of Northern European consumers have been less severe so far. A comparatively modest 29 per cent of Danish consumers have never been as anxious about their financial wellbeing, and less than 1 in 5 (19 per cent) have lost income as a direct result of Covid-19. Relatively low levels of concern about financial wellbeing are also found in Sweden (36 per cent) and Germany (37 per cent).

The pandemic has motivated Europeans to increase their financial literacy and financial security

One silver lining in 2020 is that European consumers are making a clear effort to deepen their financial understanding and attain greater control of their personal finances - 4 in 10 Europeans say they are taking steps to improve their financial literacy.

Reading newspapers' financial sections is the most popular way for these European consumers to educate themselves (24 per cent), followed by listening to podcasts (13 per cent).

Consumer interest in improving financial security overall is most significant in at-risk countries across southern Europe. In Portugal, 66 per cent say improving financial security has become a top priority for them, since the Covid-19 crisis began, followed by Italy (55 per cent). This compares to the European average of 47 per cent.

- Considering the immediate impact of the Covid-19 crisis and its unknown longer-term implications, we doubt there are many consumers who would regret an investment in improving knowledge about key financial terms and concepts. Possessing relevant financial skills is a starting point to a financially balanced life, and one potential key for individuals to meet the challenges posed by the pandemic, says Anders Engdahl.

[Download the full European Consumer Payment Report 2020](#)

About European Consumer Payment Report 2020

The European Consumer Payment Report is an instrument for gaining insight into

European consumers' everyday lives; their spending and ability to manage their household finances on a monthly basis. The report is based on an external survey and research conducted by [Longitude](#) in 24 countries in Europe. A total of 24,198 consumers participated to the 2020 edition of the survey. The fieldwork for the study was conducted between 28 August to 5 October, 2020.

For further information, please contact:

Anna Fall
Chief Brand & Communications Officer
+46 (0)709 96 98 21
anna.fall@intrum.com

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