



Atradius Payment Practices Barometer 2024



B2B payment practices trends

Sweden

Trade credit plays vital role
in B2B sales strategy





About the Atradius Payment Practices Barometer

The Atradius Payment Practices Barometer is an annual survey of business-to-business (B2B) payment practices in markets across the world.

Our survey provides us with the opportunity to hear directly from companies polled about how they are coping with the impact of the current challenging economic and trading environment on payment behaviour of their B2B customers. This can give valuable insights into how businesses are paid by their B2B customers, and how they tackle the pain points caused by poor payment practices.

The findings about what measures are undertaken to fund a sudden need for cash, and what credit management tools they use to mitigate the risk of long-term cash flow problems, may also be valuable information in helping understand how companies respond to the crucial issue of late or non-payment in the current uncertain times.

However, the survey also has a strong focus on the challenges and risks that companies polled believe they will encounter during the coming months, and their expectations for future business growth.

The results of our survey can supply useful insights into the current dynamics of corporate payment behaviour in B2B trade, and identify emerging trends that may shape its future. This can be extremely useful to companies doing business, or planning to do so, in the markets polled.

In this report, you will find the survey results for Sweden.

The survey was conducted between the end of Q1 and the beginning of Q2 2024. The findings should therefore be viewed with this in mind.



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Sweden

B2B payment practices trends

Trade credit plays vital role in B2B sales strategy

Four out of five companies in Sweden say they offer trade credit to B2B customers, revealing the key role this tool plays in sales strategy across all sectors of our survey. 60% of all sales to B2B customers are currently being transacted on credit, a steady trend from a year earlier. This figure rises to 68% of all B2B sales in the Swedish electronics/ICT industry as companies use trading on credit to drive sales growth and nurture customer loyalty. Transport companies in Sweden tell us they leverage trade credit to fuel business growth and are conducting an average of 58% of all B2B sales in this fashion. It demonstrates the sector's commitment to adapting to the needs of customers as it capitalises on market opportunities. By contrast, there is a significant downward trend in B2B selling on credit among companies in the Swedish consumer durables industry, declining to just 43% of all B2B sales.

This downward trend is being complemented by a significant tightening of B2B customer payment terms by businesses in the Swedish consumer durables sector. These are now three weeks shorter than a year earlier, at an average of one month from invoicing. The decisions on payment terms are being influenced by considerations such as the availability and costs of obtaining finance to bridge liquidity gaps arising from late or non-payment from B2B customers on credit. By aligning terms with prevailing market conditions and the financial capability of the business, the aim is to safeguard consistent cashflow and ensure operational stability. Additionally, it underscores the sector's commitment to

Key survey findings

- Trading on credit continues to be a key element in the B2B sales strategy of companies in Sweden. 60% of all B2B sales are currently being made on credit, a consistent trend from the previous year. However, our survey shows a decline in B2B sales on credit in the consumer durables sector, down to 43% of all sales.
- Companies in the Swedish consumer durables industry are offering significantly tighter payment terms to B2B customers, nearly three weeks shorter than a year earlier at an average one month from invoicing. The electronics/ICT and transport sectors have steady payment terms at 43 days and 70 days respectively from date of invoicing.
- Payment practices are stable for most businesses across all sectors in Sweden. Late payments currently affect 35% of all B2B sales on credit, while bad debts stand at an average 6% of all B2B sales. Where there is a change in B2B customer payment behaviour it is more likely to be an improvement rather than deterioration.

prudent customer credit risk management and the prioritisation of long-term financial stability. The Swedish electronics/ICT industry has almost unaltered payment terms from last year at 43 days from invoicing, reflecting stability in the sector. In the transport industry terms are also steady, in this case at 70 days from the date of invoicing, and many companies say they synchronise payment terms with those received from suppliers.

Key figures and charts on the following pages

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Sweden

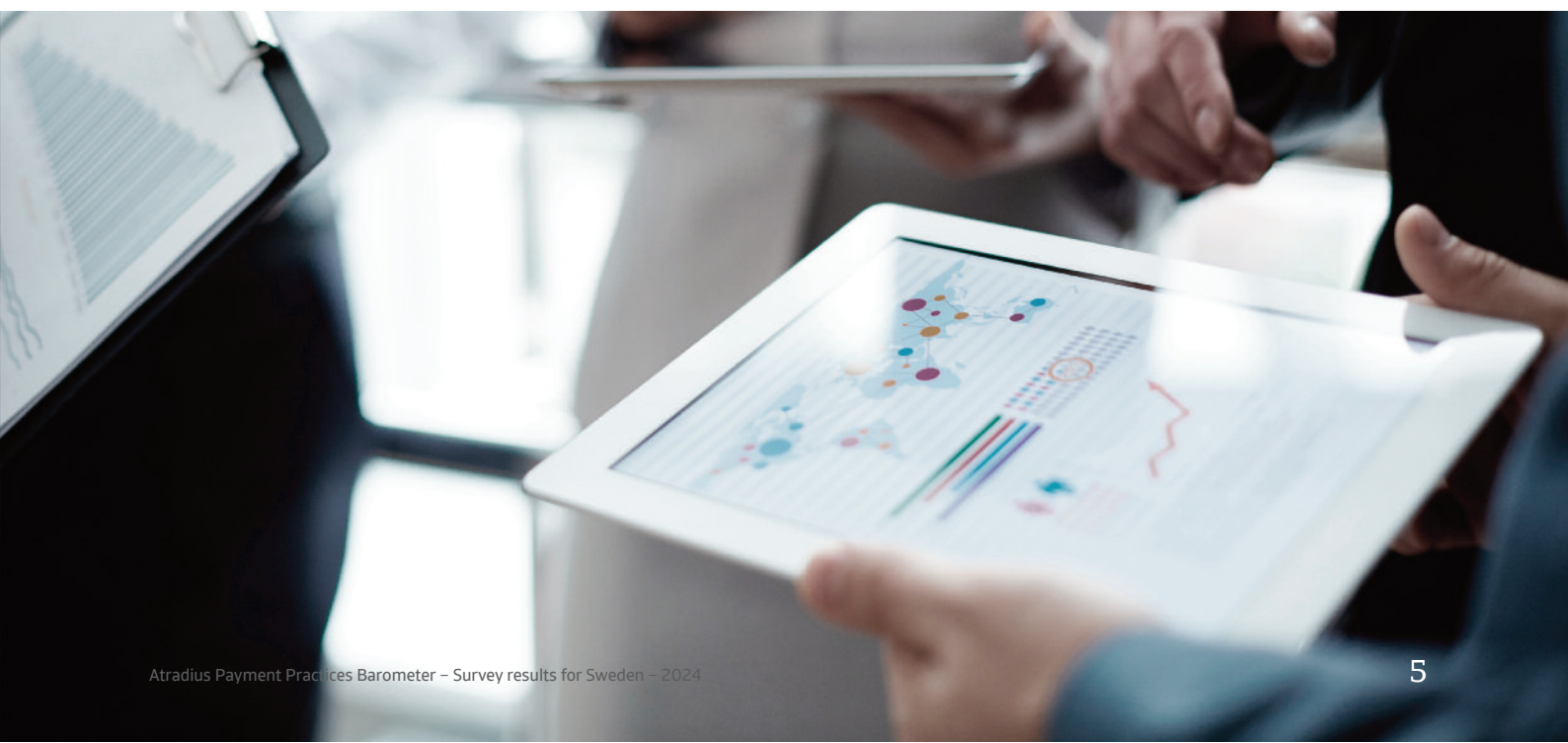
The majority of businesses across all sectors in our survey of Sweden also say that B2B payment practices remain relatively stable. Late payments currently affect an average 35% of all B2B sales on credit while bad debts written off as uncollectable stand at an average 6% of all B2B credit sales. Where there is a change in B2B customer payment behaviour, companies tell us this is more likely to be an improvement than a deterioration. This is particularly so in the Swedish consumer durables sector, indicating a positive outcome from their policy of shortening payment terms in order to maintain liquidity. B2B customers are settling overdue invoices significantly quicker than a year earlier, on average three weeks past the due date. The same timescale is found among companies in the electronics/ICT industry, while businesses in Swedish transport sector say overdue invoices are being settled on average one month past the due date. Delays in the customer payment process is the main reason for late payments given across all sectors of our survey, and when these occur they can cause cashflow challenges.

A similar steady trend is also found in the figures for Days-Sales-Outstanding (DSO) in our survey of Sweden. More than half of businesses say there is no significant change in debt collection efficiency from a year earlier, while 27% of companies tell us there is an improvement in DSO. However, those who report a deterioration have difficulties in collecting large, long-overdue payments from customers, which is leading to liquidity problems. This is especially the case in the Swedish electronics/ICT industry, and the persistence of a relatively high number of businesses reporting DSO of more than 90 days underscores the challenges faced by businesses in this sector. It also emphasises the need for a proactive

- A positive outcome from the shortening of payment terms is evident in the Swedish consumer durables sector as overdue invoices are now being settled more quickly at an average three weeks past the due date. It is a similar figure in the electronics/ICT industry, and four weeks past due date for transport businesses.
- To manage cashflow challenges arising from customer payment risk, companies in the consumer durables industry mostly look to trade credit, supplemented by invoice discounting. In both the Swedish transport and electronics/ICT sectors the preference of most businesses is for invoice discounting.
- More than half of companies in our survey of Sweden report no significant change in Days-Sales-Outstanding (DSO) from a year earlier, while 27% of businesses say there is an improvement in debt collection efficiency. The minority across all sectors who report a worsening of DSO say this is down to large, long-overdue invoices, which can lead to liquidity challenges.

approach to customer credit risk management to ensure financial stability. To manage cashflow challenges arising from B2B customer payment risks, most electronics/ICT companies resort to invoice discounting. The same measure is being used in the transport sector, but Swedish consumer durables companies say they look to trade credit as a primary source of finance to ease liquidity concerns.

Key figures and charts on the following pages

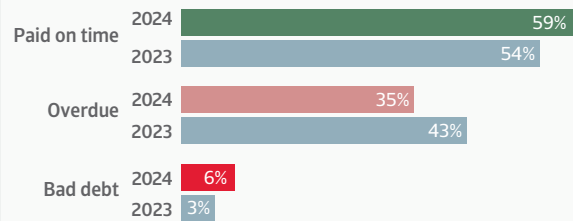




Sweden

Sweden

% of the total value of B2B invoices paid on time, overdue and bad debt (2024/2023)

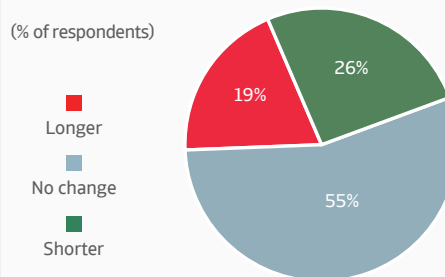


Sample: all survey respondents

Source: Atradius Payment Practices Barometer Sweden – 2024

Sweden

% of respondents reporting changes in payment duration* over the past 12 months



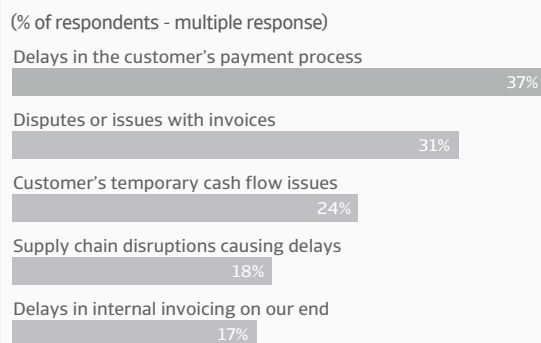
*average amount of time to get paid from B2B customers

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Sweden – 2024

Sweden

Over the past 12 months, have late payments from your B2B customers led your company to experience any of the following situations?



Sample: all survey respondents

Source: Atradius Payment Practices Barometer Sweden – 2024

Sweden

What are the main sources of financing that your company used during the past 12 months?

- 56% Invoice financing
- 44% Bank loans
- 42% Trade credit
- 17% Internal funds

(% of respondents - multiple response)

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Sweden – 2024

Sweden

Looking ahead

Insolvency fears rise amid concerns about economy and cybersecurity

The health of the domestic economy is the primary concern in both the short-term and long-term for companies in our survey of Sweden. This is despite the Swedish economy beginning the year positively and an expectation of gradual GDP growth during the coming months. This worry being expressed across all sectors perhaps reflects a widespread perception that Swedish GDP has stagnated in recent quarters due to production challenges and high interest rates. Another wide-ranging concern among businesses is the threat posed by cybersecurity risks, particularly with regard to data integrity and confidentiality. There is concern in both the consumer durables and electronics/ICT industries about cyberattacks, where the reliance on digital technologies is substantial. These concerns are compounded by apprehension surrounding environmental and sustainability issues amid a growing emphasis on these areas and the introduction of strict regulations. The Swedish transport sector has acute anxiety as it grapples with the imperative to reduce its environmental footprint. One-third of consumer durables businesses express worry about regulatory compliance.

A major worry in the long-term outlook for many businesses in Sweden is the current volatile geopolitical landscape. There is significant concern about how political instability in key markets and general geopolitical tensions will impact on global operations. This is particularly keenly felt in the Swedish electronics/ICT sector, which is heavily

Key survey findings

- Despite a positive start to the year and the anticipation of gradual GDP growth in the coming months, the state of the domestic economy is the primary concern in both the short-term and long-term for companies in Sweden. This is felt across all sectors and reflects a perception that GDP growth has been stagnant in recent quarters.
- A significant short-term worry evident in our survey is about cybersecurity and associated risks, particularly data integrity and confidentiality. This is expressed by both the Swedish consumer durables and electronics/ICT sectors, and is compounded by concern about environmental and sustainability issues as well as difficulties in accessing financing or capital.
- The most pressing long-term anxiety for companies in Sweden is the geopolitical landscape, and that instability in key markets and political tensions will impact on global operations. This is keenly felt in the electronics/ICT sector. There are also widespread concerns about trade policy, tariffs and supply chain disruptions.

influenced by trade dynamics and international relations. Uncertainty about trade policies, tariff disputes and supply chain disruptions can affect profitability for companies in the industry. A further concern for businesses across all industries in Sweden is about potential financial constraints and difficulties in accessing capital or financing.

Key figures and charts on the following pages

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Sweden

This is fuelled by uncertainty surrounding future interest changes, and there is a fear that insufficient cashflow could impede business growth and threaten their financial stability.

Concern about a potential deterioration of insolvency risk during the year ahead is evident in our survey of Swedish companies. 36% of businesses across all sectors tell us they are preparing for possible challenges related to the outlook for insolvency, while the remaining businesses do not have a clear opinion on the matter. There is particular anxiety in the consumer durables and electronics/ICT sectors, where two out of five companies say they anticipate a worsening of prospects for the risk insolvency among their B2B customers. This heightened apprehension reflects the potential impact of economic uncertainties and liquidity constraints faced by B2B customers. In contrast, there is more positivity in the Swedish transport industry about insolvency risk, and generally a higher degree of optimism about B2B customer payment behaviour during the coming months. Almost half of businesses anticipate no significant change in payment practices, and the majority of the rest expect an improvement rather than deterioration. Overall, the divergence in confidence levels highlights the importance of proactive risk management and strategic planning.

There is also a divergence of opinion about the prospects for Days-Sales-Outstanding (DSO) during the year ahead among businesses in Sweden. 44% of companies across all sectors anticipate no major shifts in debt collection efficiency and cashflow management in the coming months, but a varied outlook is evident through the different industries. A majority of businesses in the Swedish consumer durables sector say they expect an improvement of DSO, reflecting confidence in collecting long-overdue, high-value invoices and thus

- 36% of businesses in Sweden across all industries in our survey say they are preparing for potential insolvency challenges in the year ahead. These worries are particularly felt in the consumer durables and electronics/ICT sectors, where two out of five companies expect an increased risk of insolvency among B2B customers.
- There is more optimism about the outlook for B2B customer payment behaviour during the coming 12 months. Half of the businesses in our survey say they anticipate no significant change, while among the rest they expect improvement rather than deterioration of payment practices.
- Similar positivity is found about the prospects for Days-Sales-Outstanding (DSO). 44% of Swedish companies expect no change, while an improvement in debt collection efficiency is anticipated in the consumer durables sector. However, the Swedish transport industry expresses concern about a deterioration in DSO that could create cashflow challenges and financial constraints in the short-term.

alleviating financial pressures. The electronics/ICT industry has a more neutral view, foreseeing no significant change in DSO. However, companies in the Swedish transport sector tell us they anticipate DSO deterioration in the months ahead, which aligns with widespread concerns about financial constraints and cashflow challenges. This signals a need for proactive measures to manage liquidity and financial stability.

Key figures and charts on the following pages

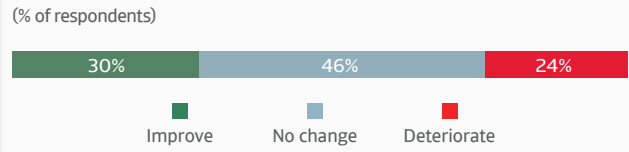




Sweden

Sweden

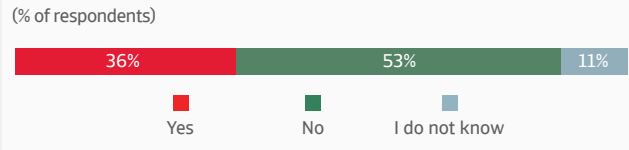
Looking ahead to the next 12 months: how do you expect the payment practices of your B2B customers to change?



Sample: all survey respondents
Source: Atradius Payment Practices Barometer Sweden – 2024

Sweden

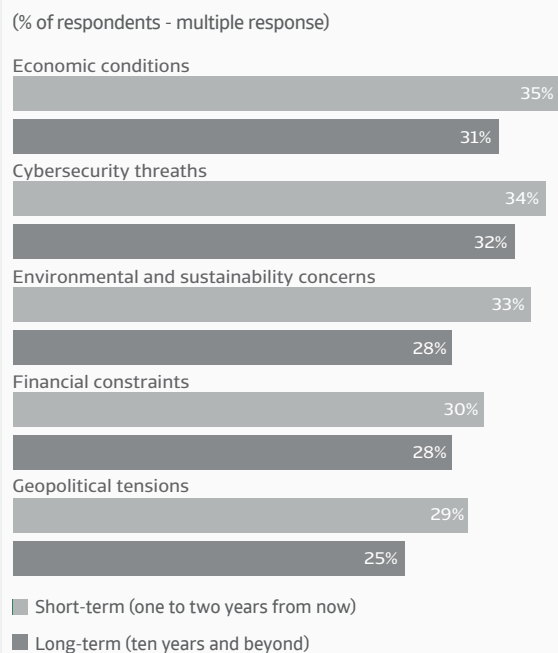
Do you see an increased insolvency risk for your customers in the next 12 months?



Sample: all survey respondents
Source: Atradius Payment Practices Barometer Sweden – 2024

Sweden

Looking ahead: top 5 concerns expressed by businesses polled



Sample: all survey respondents
Source: Atradius Payment Practices Barometer Sweden – 2024

Sweden

How do you expect your average DSO to change over the next 12 months?

- 41% Improve
- 44% No change
- 15% Deteriorate

(% of respondents)

Sample: all survey respondents
Source: Atradius Payment Practices Barometer Sweden – 2024

Survey design

Atradius conducts annual reviews of international corporate payment practices through a survey called the Atradius Payment Practices Barometer. Companies polled in Sweden are the focus of this report, which forms part of the 2024 edition of the Atradius Payment Practices Barometer. A change in research methodology means year-on-year comparisons are not feasible for some of these survey results. Using a questionnaire, CSA Research conducted 212 interviews in total. All interviews were conducted exclusively for Atradius.

Survey scope

- **Basic population:** Companies from Sweden were surveyed, and the appropriate contacts for accounts receivable management were interviewed
- **Sample design:** The Strategic Sampling Plan enables us to perform an analysis of country data crossed by sector and company size. It also allows us to compare data referring to a specific sector crossed by each of the economies surveyed.
- **Selection process:** Companies were selected and contacted by use of an international Internet panel. A screening for the appropriate contact, and for quota control, was conducted at the beginning of the interview.
- **Sample:** N=212 people were interviewed in total. A quota was maintained according to four classes of company size.
- **Interview:** Computer Assisted Web Interviews (CAWI) of approximately 15 minutes duration. Interview period: The survey was conducted between the end of Q1 and the beginning of Q2 2024. The findings should therefore be viewed with this in mind.

Sample overview – Total interviews = 212

Business sector	Interviews	%
Manufacturing	68	32
Wholesale trade	23	11
Retail trade/Distribution	74	35
Services	47	22
TOTAL	212	100
Business size	Interviews	%
SME: Small enterprises	63	30
SME: Medium enterprises	94	44
Medium Large enterprises	30	14
Large enterprises	25	12
TOTAL	212	100
Consumer Durables	70	33
Electronics/ICT	70	33
Transport	72	34
TOTAL	212	100

Statistical appendix

Find detailed charts and figures in the Statistical Appendix. This is part of the 2024 Payment Practices Barometer of Atradius, available at www.atradius.com/publications [Download in PDF format](#) (English only).

Interested in finding out more?

Please visit the Atradius website where you can find a wide range of up-to-date publications. [Click here](#) to access our analysis of individual industry performance, detailed focus on country-specific and global economic concerns, insights into credit management issues, and information about protecting your receivables against payment default by your customers.

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