

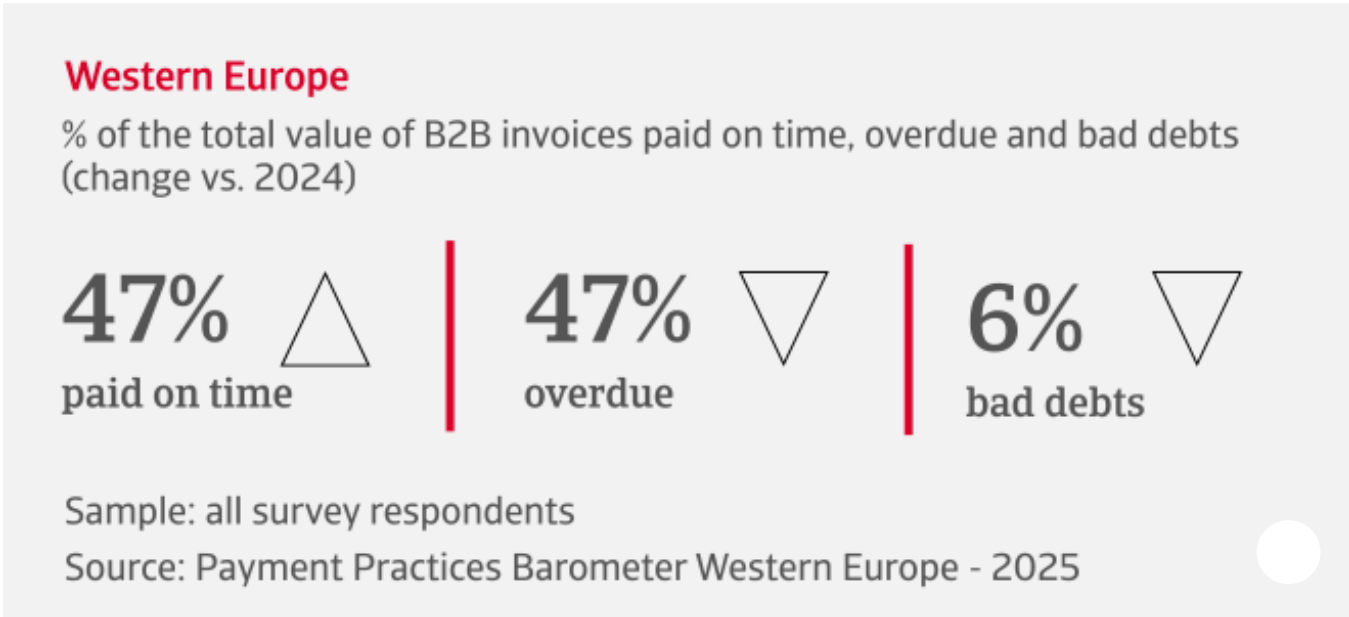
B2B payment practices trends in Western Europe 2025

Our survey of companies across Western Europe reveals growing anxiety about bad debts amid an unpredictable customer payment risk landscape

Why are B2B defaults becoming a growing concern for businesses in Western Europe?

It is clear from our survey that companies across Western Europe are operating in an unpredictable customer payment risk landscape. While 46% of companies tell us payment behaviour of business-to-business (B2B) customers has remained consistent in recent months, 47% of B2B invoices now being overdue, with payment delays largely driven by financial stress across the economy. On average, **bad debts** affect 6% of B2B invoices, representing a significant hit to revenue and a growing concern.

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Three key trends in B2B payment practices

Days sales outstanding trends across Western European markets

Stability of Days Sales Outstanding (DSO) is evident in our survey across many sectors. Inventory levels are mostly steady as well, although more companies report stock build-up than quicker turnover, tying up cash and slowing liquidity. In response, many businesses are delaying payments to suppliers in order to preserve cash. This highlights a broader trend of protecting internal liquidity, even as suppliers face their own financial pressures.

Payment risk management strategies to improve cash flow

Despite the increasingly uncertain trading environment, 50% of firms in Western Europe have not scaled back their credit offerings to B2B customers in recent months. This highlights a strong commitment to customer support and long-term relationships. Payment terms have remained largely stable, with most companies offering average terms ranging between 31 and 60 days from invoicing. More firms are extending payment terms than shortening them, indicating a strategic effort to provide payment flexibility to customers and help them manage cash flow challenges.

Trade credit and external financing solutions

To bridge potential cash flow gaps and sustain operations, most companies across Western Europe rely on external financing sources such as supplier credit, bank loans, and invoice financing. Fewer businesses depend solely on internal funds, underscoring the limitations many are facing in self-financing due to ongoing financial pressures. This reliance on external funding also aligns with how businesses are approaching customer payment risk management. As payment uncertainty grows, 46% of companies use a hybrid model which combines internal processes with outsourced services.

Future outlook: Navigating bad debt risks in uncertain economic conditions

Rising insolvency risk

One of the most significant findings from our survey is that 47% of companies across Western Europe anticipate an increase in B2B customer [insolvencies](#) during the months ahead. Although other businesses do not share this view, the diverse expectations about future economic and trading conditions clearly highlight the uncertainty firms are grappling with as they make future plans.

A more positive outlook is expressed about prospects for Days Sales Outstanding (DSO), which is expected to remain steady by almost 50% of companies.

Businesses in Western Europe are mainly worried about stricter regulations, fluctuating input costs impacting operations, and the pressure to stay agile amid uncertain economic and market conditions

Need for agile payment risk management

Against the backdrop of rising production costs, geopolitical tensions, regulatory changes and growing environmental concerns, companies across Western Europe acknowledge the need to remain agile and resilient. These challenges are expected to continue driving up operational costs and increase uncertainty in financial planning. The ability to respond swiftly and strategically, particularly through effective payment risk management, is essential to maintaining financial stability and safeguarding profitability in the months ahead.



Interested in finding out more?

The Atradius Payment Practices Barometer is conducted annually across markets worldwide to track B2B payment practices trends. The 2025 Western Europe survey was conducted between the end of Q1 and beginning of Q2 2025, covering Austria, Belgium, France, Germany, Greece, Ireland, Italy, the



Netherlands, Spain, Switzerland, and the United Kingdom. Individual country reports will be published as part of the 2025 Payment Practices Barometer series, offering market-specific insights and sector analyses.

For a complete overview of the 2025 survey results for Western Europe download the full report available in the related documents section below.

To explore more on how these insights can strengthen your own credit risk strategy, [speak with us at Atradius](#) to see how we can help you stay ahead.

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