

Digital payments still not standard practice in Europe

EOS survey shows that: Less than a third of European companies offer digital payment methods / But: Every third company is convinced that digital payment methods would lead to fewer payment delays and defaults

Hamburg, 05. 11. 2018 – The banking app MobilePay is installed on nine out of ten smartphones in Denmark, making it the second most widely used app in the country after Facebook, according to InstaPay, the international instant payment intelligence website. In this respect, the Danes are alone in Europe. Whereas 17 percent of companies in Denmark offer mobile payments, the European average is only 5 percent. This was one of the findings of the representative EOS Survey 'European Payment Practices' 2018, for which market research institute Kantar TNS conducted a poll of companies in 17 European countries.

A total of 29 percent of firms in Europe offer at least one modern payment method. The most common option, at 23 percent, is online transfer via third party providers such as SOFORT GmbH, which offers the Sofortüberweisung instant payment system. In second place at 5 percent, on a par with mobile payment, are e-wallets, i.e. funds on electronic platforms like PayPal. Cryptocurrencies like bitcoins play hardly any role at all, with just 1 percent of firms offering this as a payment option. “What is very clear here is that outside of e-commerce, digital payments continue to play a minor role. I attribute this to the fact that many companies themselves are still in the early stages of the digitalization process. Interfaces to the customer don't come until the next stage. However, I advise companies to act quickly in this conjunction before they are overtaken by the competition,” concludes Klaus Engberding, CEO of the EOS Group.

Few digital ambitions for the future as well

36 percent of European companies see modern payment methods as an opportunity to reduce late and unrecoverable payments. At the same time, a majority of the European companies polled are not considering offering their customers digital payment methods in the near future. For example, 74 percent would not consider mobile payment options, 73 percent reject e-wallets and 59 percent think they can do without online transfers via third-party providers. Cryptocurrencies have the highest rejection rate: 91 percent of companies cannot imagine using this payment method.



“Demand does not seem to be great enough at the moment to replace traditional payment methods on a large scale. But for how long? Global providers like Apple Pay or Google Pay have an increasing presence in European markets. No one can afford to be skeptical about digital payment methods in the long term,” Engberding continues.

East-West comparison

In Eastern Europe, the proportion of companies offering modern payment methods is 30 percent, while in Western Europe it's only 26 percent. The difference is particularly strong in the case of online transfers via third-party providers. In the West, 19 percent of companies rely on such payments, in the East 26 percent.

A comparison between individual countries also reveals strong differences in digital payment options. At 34 percent, Germany companies are roughly at the same level as companies from Belgium, Greece, Croatia and Hungary (33 percent each). Countries that are particularly reticent are Russia (7 percent), Spain (15 percent) and France (20 percent).

About the EOS survey 'European Payment Practices' 2018

In conjunction with independent market research institute Kantar TNS (formerly TNS Infratest), EOS conducted a telephone interview in spring 2018 with 3,400 companies in 17 European countries about the payment practices in their respective locations. 200 companies with an annual turnover of more than EUR 5 million in each of the countries Denmark, Germany, UK, Spain, France, Belgium, Switzerland, Romania, Czech Republic, Croatia, Hungary, Bulgaria, Slovakia, Slovenia, Poland, Russia and Greece answered questions about their own payment experiences, economic developments in their countries and issues relating to risk and receivables management. The survey was conducted for the 11th year in succession. For more results from the survey please go to: <https://de.eos-solutions.com/surveys>

The EOS Group

The EOS Group is one of the leading international providers of customized financial services. As a specialist in the evaluation and processing of receivables EOS deploys new technologies to offer its some 20,000 customers in 26 countries financial security through smart services. The company's core business is the purchase of unsecured and secured debt portfolios. Working within an international network of partner companies, the EOS Group has a workforce of around 7,500 and more than 60 subsidiaries, so it can access resources in more than 180 countries. Its key target sectors are banking, utilities, real estate and e-commerce. For more information please visit: www.eos-solutions.com

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