

Atradius Payment Practices Barometer

Slovakia

Focus on B2B payment practices
in the agri-food, chemicals, consumer durables,
steel/metals and transport industries



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. The 2022 edition of the Atradius Payment Practices Barometer survey findings for Slovakia is a valuable opportunity to hear directly from companies in the local agri-food, chemicals, consumer durables, steel/metals and transport industries about how their business operations are coping with the disruptive impact of the current challenging economic and trading circumstances.

Of course, this survey is a snapshot taken in a very volatile economic environment, and the findings should be viewed with this in mind. The survey, which was conducted at the beginning of the last quarter of 2022, is a snapshot of each industry at that time.

Topics covered include: the impact of late or non-payment on the industries polled, the average time it takes to turn overdue B2B invoices into cash, how businesses manage payment default risks related to selling on credit to B2B customers and expected challenges to profitability during the coming months.





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Agri-food

Overview of the key survey findings

Sales on credit rise with longer payment terms

- A considerable change of approach to selling on credit in B2B trade occurred during the past twelve months in the Slovakian agri-food industry. 35% of companies polled said they sold more on credit to B2B customers, compared to just 21% last year. Businesses polled said the main reason for the switch of policy was to win new customers. Currently, nearly half of all B2B industry sales are transacted on credit, up from 45% a year ago.
- The majority of companies across the Slovakian agri-food industry told us they did not change their customary payment terms in the past year. 60% of businesses polled reported this stable situation. Where companies did alter their approach it was usually to shorten payment terms to B2B customers. Overall, the average payment term stands at 38 days from invoicing, around ten days shorter than a year ago. Companies polled said terms were set in response to competitive pressures, the costs of obtaining external finance, and past payment history of B2B customers.

Cash flow struggle as bad debts increase

- Our survey found that 41% of all invoiced B2B sales across the Slovakian agri-food industry remained unpaid at the due date, an average 8% decrease during the past twelve months. However, this was not as positive as it looked. The typical payment pattern of B2B customers was to pay smaller invoices quickly and delay paying larger ones. This led to an increase in very long overdue trade debts written off as uncollectable. These now stand at 7% of all B2B invoiced sales, up from 5% a year ago.
- This problem with late payments from B2B customers put a financial strain on companies in the Slovakian agri-food industry and they responded with a range of measures to ease their liquidity position. The most frequently used tactic by companies polled was to delay payments to their own suppliers. They also spent more time and resources in resolving unpaid invoices. This involved an extra cost burden, added to by the need to seek external finance to bridge liquidity shortages.

DSO worsening prompts growing appetite for credit insurance

- Cash flow problems for companies across the Slovakian agri-food industry were also evident in the survey findings around Days Sales Outstanding (DSO). This now stands at an average of about 80 days, which means a significant number of businesses polled needed to wait more than 40 days longer than the average invoice due date to collect payments from B2B customers. Amid concern over a further deterioration of their DSO, the key measure used by companies polled to accelerate cash inflows and stabilise DSO was offering discounts for early payment of B2B invoices.
- Many businesses in the Slovakian agri-food industry told us they used these measures within the framework of in-house retention and management of customer credit risk. This involves setting aside funds to cover potential losses from defaulting B2B customers. However, 25% of companies polled expressed concern about this approach, telling us it was very challenging in the current turbulent economic environment to keep enough cash reserves to ensure business viability. Companies polled said they would move towards a strategic approach to credit management involving the use of credit insurance.

2023 industry outlook: insolvency fears cloud picture

- There is a range of worries looking ahead for companies across the Slovakian agri-food industry, notably a deep uncertainty about the effects of the pandemic and global economic downturn. The big fear is that this will lead to an increase of insolvencies and a consequent negative impact on the domestic economy. Another key concern for companies polled is future restrictions being placed on movement of goods. 57% of businesses polled also told us they anticipate a significant deterioration of DSO and thus a struggle for cash flow.
- All these anxieties meant our survey found increasing pessimism about future business growth among companies in the Slovakian agri-food industry. Only 67% of companies polled said they feel positive about this, compared to 76% last year. However, there is anticipation across the industry of a wider appetite to sell on credit in B2B trade during the months ahead, to protect sales from competition and attract new business. This comes with some cautious optimism expressed by companies polled about future B2B customer payment behaviour.

Key figures and charts of the survey can be found on the following pages

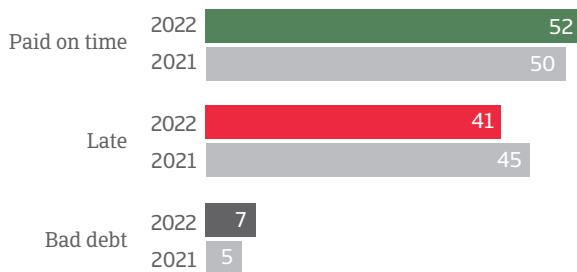


Agri-food

Late payments and cash flow

Agri-food industry in Slovakia

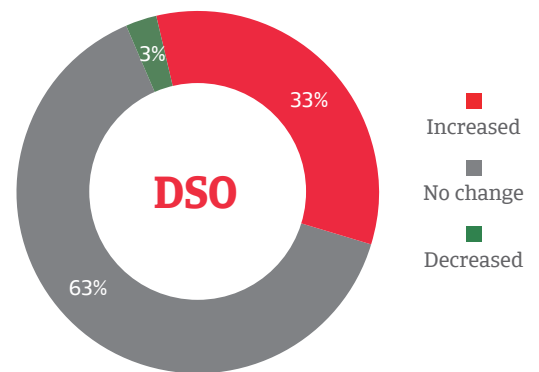
% of the total value of B2B invoices paid on time, overdue and written off as uncollectable (2022/2021)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Agri-food industry in Slovakia

% of respondents reporting DSO changes over the past 12 months

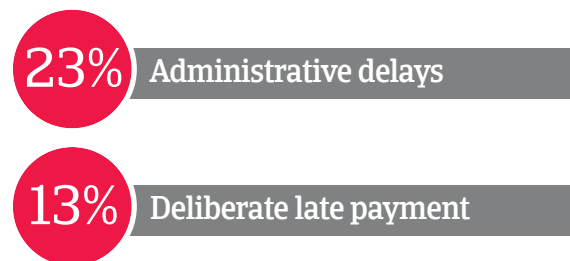
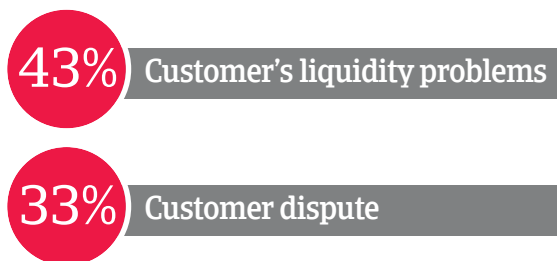


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Agri-food industry in Slovakia

Main reasons that B2B customers pay invoices late

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

SURVEY QUESTION

What measures did you put in place to protect your cash flow against customer credit risk?

- #1 Delay payments to my own suppliers
- #2 Increase time, costs and resources spent on resolving unpaid invoices
- #3 Seek external financing





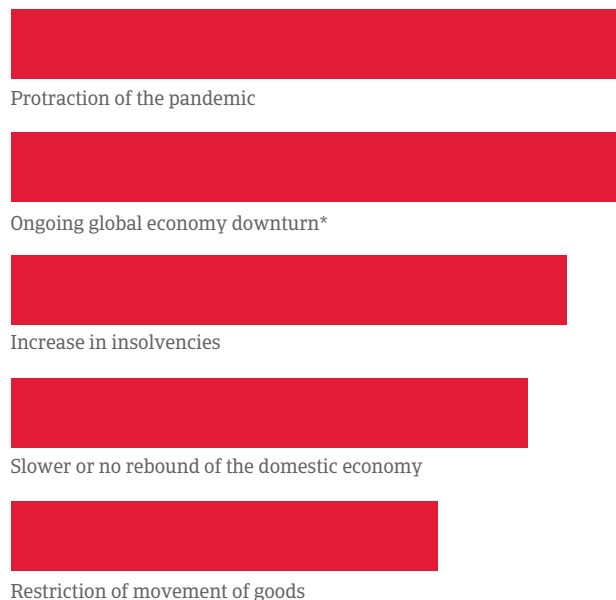
Agri-food

2023 industry outlook

Agri-food industry in Slovakia

Looking into 2023: top 5 concerns expressed by businesses in the industry

(% of respondents)



* Due to the interplay among higher energy prices, commodity prices surge, inflation, supply chain disruptions and geopolitical tensions

Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

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

(% of respondents)

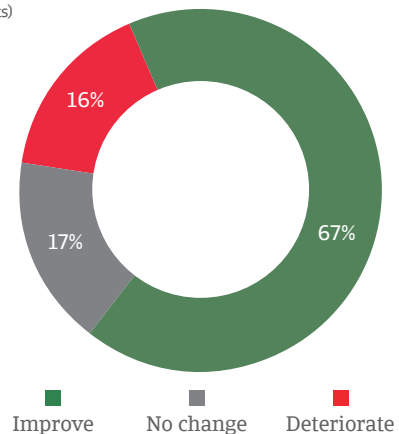
- 33%** Improve
- 10%** No change
- 57%** Deteriorate



Agri-food industry in Slovakia

Looking into 2023: how do you feel about your potential business growth?

(% of respondents)

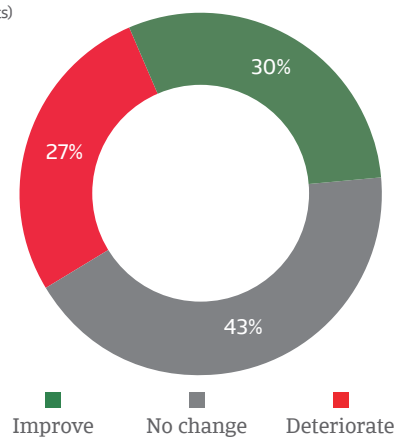


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Agri-food industry in Slovakia

Looking into 2023: how do you expect the payment practices of your B2B customers to change?

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022



Chemicals

Overview of the key survey findings

Shorter payment terms as sales on credit increase

- The clear finding of our survey is how important B2B trading on credit has become for companies across the Slovakian chemicals industry. There was a marked increase during the past twelve months, with 64% of businesses polled telling us they sold more on credit. The key reasons behind the changed approach were to win new business and protect current sales from competition. Companies who did not change their policy cited the higher likelihood of B2B customer payment default. Currently, half of all B2B industry sales are transacted on credit.
- Despite this greater appetite for selling on credit in B2B trade, nearly 40% of companies in the Slovakian chemicals industry told us they shortened payment terms for B2B customers during the past twelve months. A similar number of businesses polled said they did not alter their payment terms. This means the average payment term in the industry now stands at 32 days from invoicing. Companies polled said the main factors influencing payment terms were those received from their suppliers and the profit margin on sales.

Bad debts and DSO deteriorate significantly

- Nearly half of all industry B2B invoices in the Slovakian chemicals industry remained unpaid at the due date during the past twelve months, putting a severe strain on cash flow. The key reasons behind late payments were disputes with B2B customers, which prompted late payment, as well as administrative delays in the customer payment process. Companies polled said this was likely to be a disguise for customer liquidity bottlenecks. A struggle to collect long overdue trade debt is reflected by 8% of all B2B invoiced sales being written off as bad debts.
- A similar issue was found in the figures for Days Sales Outstanding (DSO) in the Slovakian chemicals industry. 42% of companies polled reported very long outstanding trade debts, with negative repercussions on their financial picture. A significant consequence for many businesses polled was the need to tap into sources of external finance to bridge potential liquidity gaps. This was one of a range of reactions to the issue of late payments reported by companies across the industry.

Range of cash flow measures amid switch to credit insurance

- Another crucial measure used by companies across the Slovakian chemical industry was strengthening the internal credit control process, as well as spending extra time and resources to resolve unpaid invoices. Companies polled said they more frequently offered discounts for early payment to help free up capital. 63% of businesses polled said that if they lacked information about the credit quality and past payment record of B2B customers, they requested payment with cash.
- For 70% of companies polled in the Slovakian chemicals industry these range of tactics to ease cash flow mostly came within the framework of in-house retention and management of customer credit risk. This involved setting aside funds to cover losses caused by defaulting B2B customers. However, 40% of businesses polled said this approach had downsides, notably that it was very challenging to maintain enough large cash reserves in the current unsettled economic environment. This led to growing interest in using credit insurance as part of a strategic credit management approach.

2023 industry outlook: cautious optimism mixed with liquidity fears

- The main concern looking ahead for companies in the Slovakian chemicals industry is that the ongoing global economic downturn could hamper any rebound of the domestic economy and cause major liquidity issues. A further fear is that this could in turn trigger a severe deterioration of the risk of payment default by B2B customers. 60% of companies polled anticipate a struggle for cash flow in the year ahead as a consequence of worsening DSO. This tallies with the growing appetite among businesses polled for using credit insurance.
- In contrast, there is more optimism about business growth in the year ahead across the Slovakian chemicals industry. 62% of companies polled said they feel positive about this, and more than half of these businesses said they would make more use of trade credit in the months ahead to boost sales and protect themselves against competitors. This confidence reflects the finding in our survey that companies expect a more positive trend in B2B customer payment practice in the year ahead.

Key figures and charts of the survey can be found on the following pages

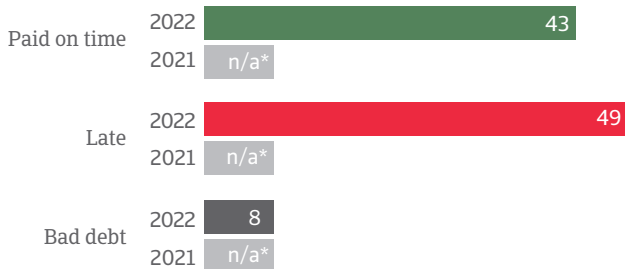


Chemicals

Late payments and cash flow

Chemicals industry in Slovakia

% of the total value of B2B invoices paid on time, overdue and written off as uncollectable (2022/2021)

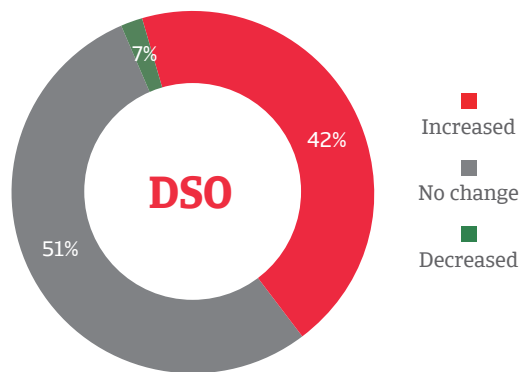


*n/a= 2021 data not available

Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Chemicals industry in Slovakia

% of respondents reporting DSO changes over the past 12 months

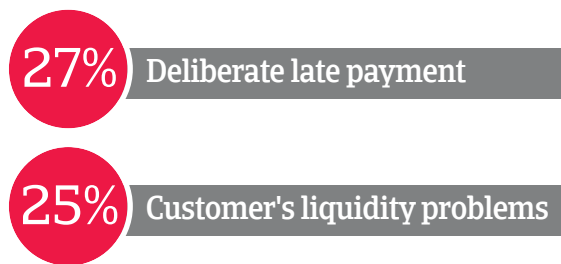
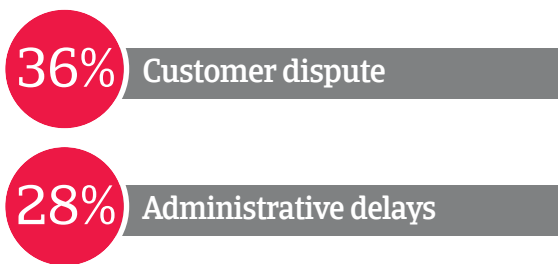


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Chemicals industry in Slovakia

Main reasons that B2B customers pay invoices late

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

SURVEY QUESTION

What measures did you put in place to protect your cash flow against customer credit risk?

- #1 Strengthen internal credit control process
- #2 Increase time, costs and resources spent on resolving unpaid invoices
- #3 Seek external financing





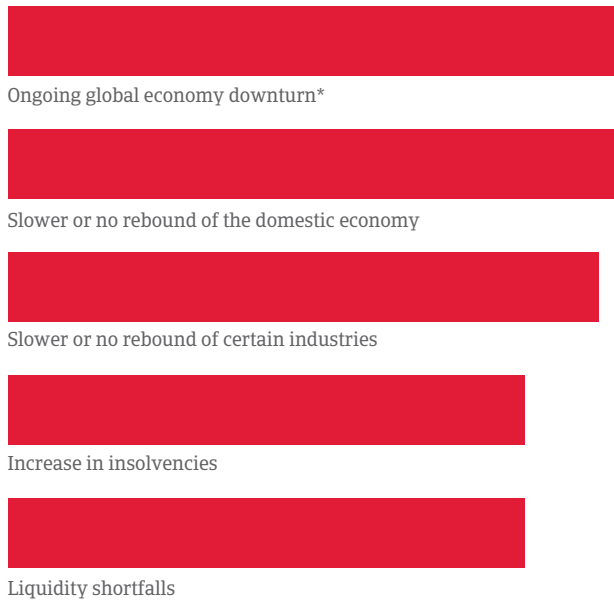
Chemicals

2023 industry outlook

Chemicals industry in Slovakia

Looking into 2023: top 5 concerns expressed by businesses in the industry

(% of respondents)



* Due to the interplay among higher energy prices, commodity prices surge, inflation, supply chain disruptions and geopolitical tensions

Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

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

(% of respondents)

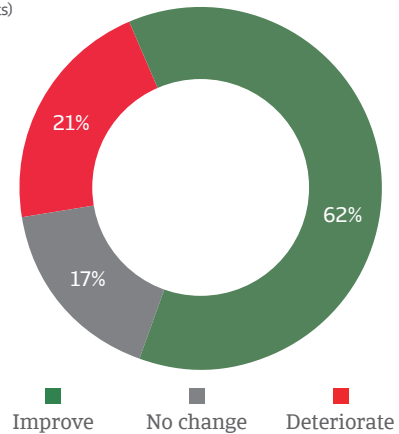
- 9% Improve
- 31% No change
- 60% Deteriorate



Chemicals industry in Slovakia

Looking into 2023: how do you feel about your potential business growth?

(% of respondents)

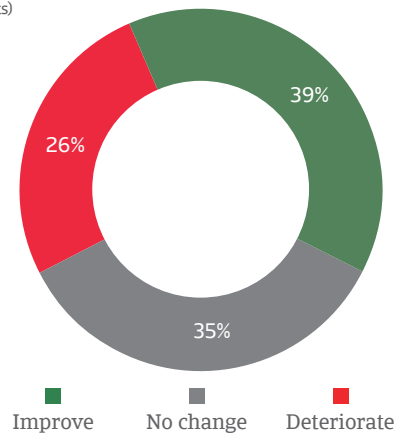


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Chemicals industry in Slovakia

Looking into 2023: how do you expect the payment practices of your B2B customers to change?

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022



Consumer durables

Overview of the key survey findings

Shorter payment terms as selling on credit falls

- A more risk averse approach to selling on credit in B2B trade was found in our survey of the Slovakian consumer durables industry. Companies polled said this was chiefly due to the increased risk of payment default by B2B customers, as well as concern about in-house credit management costs. 33% fewer businesses than last year sold on credit, which meant a significant decrease in B2B credit-based sales during the past twelve months. Currently, nearly 40% of all B2B sales in the industry are transacted on credit.
- Worries about deterioration of the risk of payment default prompted many companies in the Slovakian consumer durables industry to significantly shorten their payment terms offered to B2B customers. Payment terms decreased to an average of just 23 days from invoicing compared to a 49-day average last year. Companies polled in the industry told us decisions about payment terms for B2B customers were most often determined by consideration of profit margins on sales.

Significant increase in late payments and bad debts

- Our survey found an increase in late payments by B2B customers across the Slovakian consumer durables industry during the past year. Currently, more than half of all industry B2B invoiced sales are overdue. Companies polled said late payments were most often attributable to financial distress among B2B customers. There were also frequent disputes with customers who paid deliberately late. Deterioration of B2B customer payment behaviour is reflected in the level of bad debt write-offs. These now stand at 6% of all B2B invoiced sales, up from 4% last year.
- The negative impact of increased customer credit risk prompted companies in the Slovakian consumer durables industry to take a firmer grip on credit management. The main measures used were dedicating more time and resources to chasing unpaid invoices and outsourcing collection of problem accounts. 50% of companies polled said this helped to successfully contain swings of Days Sales Outstanding (DSO) during the past twelve months. However, 40% of companies reported a deterioration of DSO, and one-quarter of them needed to reduce the workforce or delay investment in the business.

Rising interest in benefits of using credit insurance

- Despite the finding of our survey that companies in the Slovakian consumer durables industry are highly inclined to request cash payments from B2B customers, almost 60% of businesses polled said they opted for in-house retention and management of customer credit risk. This involved setting aside funds to cover potential losses from defaulting customers, but 40% of companies polled said the approach had downsides. These included the burden of extra costs incurred in managing overdue receivables as well as depriving the business from using funds in its operations.
- Appreciation of these downsides prompted many companies across the Slovakian consumer durables industry to consider a more strategic approach to credit management during the past twelve months. This switch of policy was most likely to mean using credit insurance. Companies polled said that insuring receivables would help to enhance the credit management process in the current unsettled economic and trading environment.

2023 industry outlook: widespread pessimism about business growth

- Uncertainty about the ongoing global economic downturn is a major concern across the Slovakian consumer durables industry. Companies polled said anxiety about the pandemic, energy crisis and geopolitical instability all gave them a pessimistic outlook for the domestic economy in the year ahead. Fears that it could cause further insolvencies was also widespread. Businesses polled said they had little confidence in any improvement in B2B customer payment behaviour during the coming months.
- There was a marked decrease in optimism about future business growth in the Slovakian consumer durables industry. Only 59% of companies polled said they were confident of growth, compared to 94% who said so twelve months earlier. 31% of businesses polled said they were very negative about potential growth. However, there was an appetite found for continuing to sell on credit to B2B customers. This perhaps reflects the firmer grip on credit management, which also explains why more than 40% of companies polled expect no significant swings of DSO.

Key figures and charts of the survey can be found on the following pages

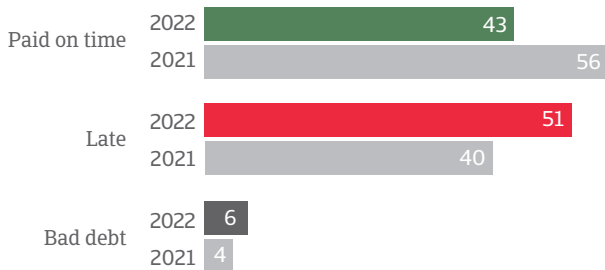


Consumer durables

Late payments and cash flow

Consumer durables industry in Slovakia

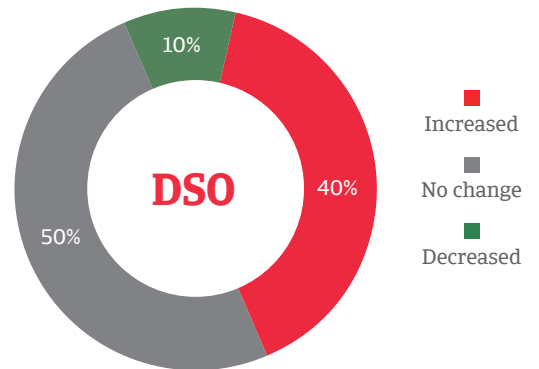
% of the total value of B2B invoices paid on time, overdue and written off as uncollectable (2022/2021)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Consumer durables industry in Slovakia

% of respondents reporting DSO changes over the past 12 months

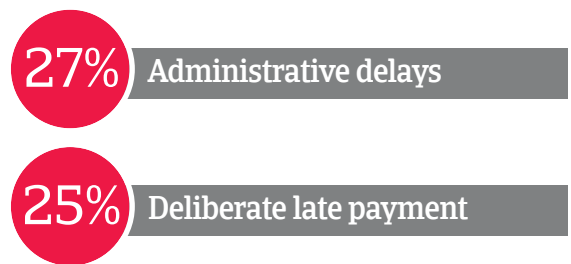


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Consumer durables industry in Slovakia

Main reasons that B2B customers pay invoices late

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

SURVEY QUESTION

What measures did you put in place to protect your cash flow against customer credit risk?

- #1 Increase time, costs and resources spent on resolving unpaid invoices
- #2 Reduce the workforce
- #3 Delay investment in the business





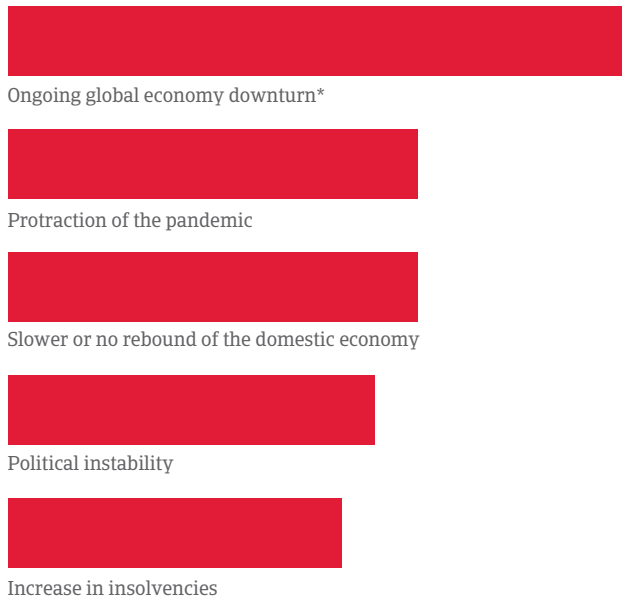
Consumer durables

2023 industry outlook

Consumer durables industry in Slovakia

Looking into 2023: top 5 concerns expressed by businesses in the industry

(% of respondents)



* Due to the interplay among higher energy prices, commodity prices surge, inflation, supply chain disruptions and geopolitical tensions

Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

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

(% of respondents)

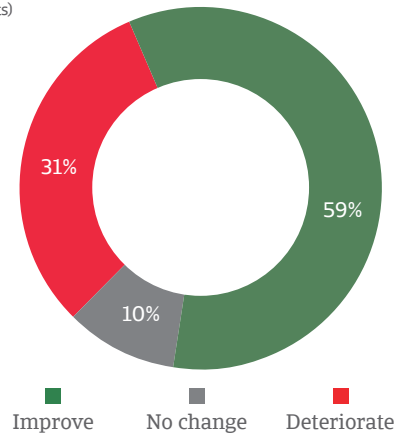
- 20% Improve
- 45% No change
- 35% Deteriorate



Consumer durables industry in Slovakia

Looking into 2023: how do you feel about your potential business growth?

(% of respondents)

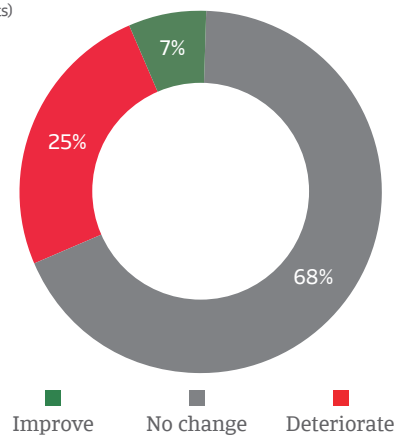


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Consumer durables industry in Slovakia

Looking into 2023: how do you expect the payment practices of your B2B customers to change?

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022



Steel/metals

Overview of the key survey findings

Payment terms shortened due to increased default risk

- A more stringent approach to selling on credit in B2B trade was evident in the Slovakian steel/metals industry during the past twelve months. More than 25% of companies polled said a perceived deterioration of risk of payment default prompted a decrease in sales made on credit to B2B customers. Significant numbers of businesses polled who decided to continue selling on credit said they did so mainly to attract new customers and protect existing sales levels from competition. Currently, 43% of all B2B industry sales are transacted on credit.
- Our survey found a significant shortening of payment terms in the Slovakian steel/metals industry. 30% of companies polled, compared to none last year, told us they granted shorter payment terms to B2B customers. More than 40% of businesses polled said the key factors in setting payment terms were the cost of obtaining funds from external sources and the profit margin on sales. Industry standards also played a key role. B2B customer payment terms in the industry now average 25 days from invoicing.

DSO deterioration sparks cash flow struggle

- Late payments by B2B customers are a significant issue across the Slovakian steel/metals industry during the past twelve months. They affect a larger proportion of B2B sales and now amount to 50% of all invoiced B2B sales. Most companies polled said the main reason for late payments was administrative delays in the customer payment process, probably a disguise for liquidity issues. More than 40% of businesses polled said they responded to late payments by strengthening their credit control process, as well as seeking external finance to bridge liquidity shortfalls.
- The rising number of late payments brought a deterioration of Days Sales Outstanding (DSO) for 75% of companies polled in the Slovakian steel/metals industry. This prompted a range of tactics to accelerate cash inflow. The most popular measure was offering discounts for early payment of invoices. 63% of companies polled said they outsourced collection of long overdue B2B invoices, while many dedicated more time and resources to chasing unpaid invoices. Despite this, the proportion of bad debt write-offs now averages 5% of all B2B industry invoices, up from 1% last year.

Strategic credit management growing in popularity

- Other measures were also adopted by companies across the Slovakian steel/metals industry in the struggle to maintain cashflow. This included avoiding concentration of customer credit risk, as well as trade debts securitisation. For most businesses polled, the firmer grip on credit management came within the framework of in-house retention and management of customer credit risk. This involved setting aside cash to cover losses from defaulting B2B customers, but with the downside of being deprived of funds to use in the business.
- For many companies polled in the Slovakian steel/metals industry another significant downside of in-house retention and management of customer credit risk was the costs involved in managing overdue receivables. The response of around one third of businesses during the past twelve months was to opt for a more strategic credit management approach that came with using credit insurance. Companies polled said the benefits of this included access to valuable information and facilitated access to external finance.

2023 industry outlook: liquidity shortfalls among range of worries

- Strong concern about the outlook for the domestic economy was expressed by companies across the Slovakian steel/metals industry as they focused on the year ahead. Interplay between the energy crisis, ongoing supply chain disruptions and high inflation is expected to place a strain on GDP growth in the coming year. Nearly 40% of businesses polled said potential liquidity shortfalls could negatively affect their financial picture. Deterioration of B2B customers' payment practices is envisaged by 32% of companies polled, compared to none last year.
- Against this background, more businesses polled in the Slovakian steel/metals industry than last year anticipate a worsening of DSO in the months ahead. However, more than 80% of companies do anticipate some business growth in the coming year, perhaps because the majority of businesses polled said they will continue to sell on credit in B2B trade. The key factor in this decision is to win new business. Companies polled said it would be helped by a strategic approach to credit management to navigate the current turbulent economic and trading conditions.

Key figures and charts of the survey can be found on the following pages

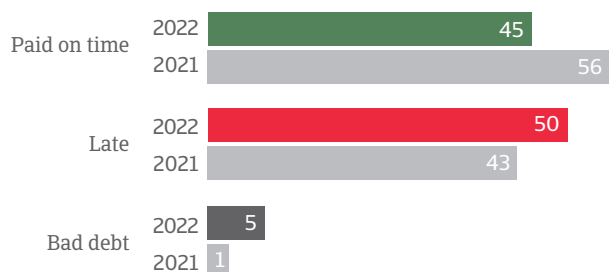


Steel/metals

Late payments and cash flow

Steel/metals industry in Slovakia

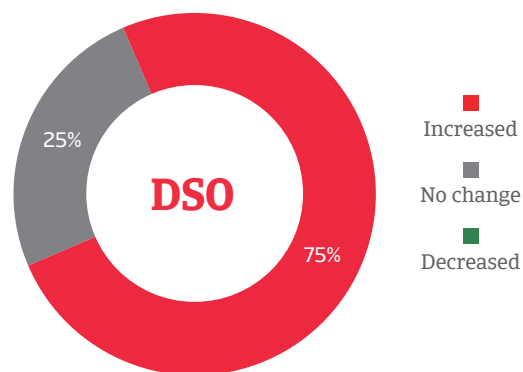
% of the total value of B2B invoices paid on time, overdue and written off as uncollectable (2022/2021)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Steel/metals industry in Slovakia

% of respondents reporting DSO changes over the past 12 months

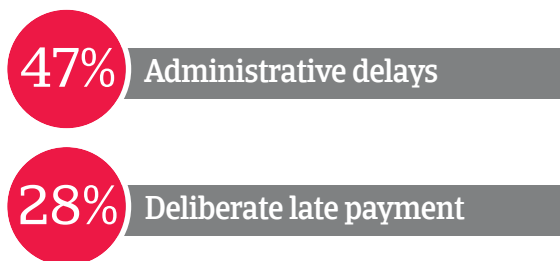


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Steel/metals industry in Slovakia

Main reasons that B2B customers pay invoices late

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

SURVEY QUESTION

What measures did you put in place to protect your cash flow against customer credit risk?

- #1 Strengthen internal credit control process
- #2 Seek external finance
- #3 Delay investment in property, plant and equipment



Steel/metals

2023 industry outlook

Steel/metals industry in Slovakia

Looking into 2023: top 5 concerns expressed by businesses in the industry

(% of respondents)



* Due to the interplay among higher energy prices, commodity prices surge, inflation, supply chain disruptions and geopolitical tensions

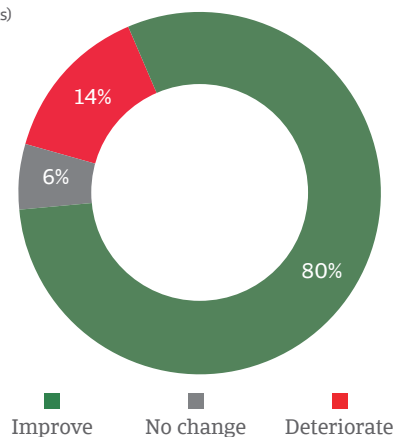
Sample: all survey respondents

Source: Atradius Payment Practices Barometer - December 2022

Steel/metals industry in Slovakia

Looking into 2023: how do you feel about your potential business growth?

(% of respondents)



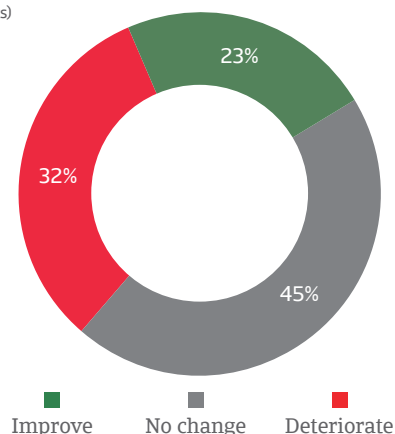
Sample: all survey respondents

Source: Atradius Payment Practices Barometer - December 2022

Steel/metals industry in Slovakia

Looking into 2023: how do you expect the payment practices of your B2B customers to change?

(% of respondents)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer - December 2022

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

(% of respondents)

10% Improve
30% No change
60% Deteriorate





Transport

Overview of the key survey findings

Repeat business key to selling on credit

- The B2B trade credit policy of companies across the Slovakian transport industry remained relatively stable during the past twelve months. 55% of businesses polled said they did not alter their approach. Where companies did make a change it was more often to increase selling on credit to B2B customers. The chief reasons reported for making sales on credit were to encourage repeat business with established B2B customers and to protect current sales against global competition. Currently, 30% of all industry B2B sales are transacted on credit.
- Payment terms also remained generally static in the Slovakian transport industry during the last year. Nearly 60% of companies polled said they did not alter payment terms in this period. Decisions about how long to extend trade credit to B2B customers were mainly influenced by payment terms received from suppliers as well as the trade relationship with the customer. B2B customer payment terms across the industry now average around two months from invoicing.

Range of measures keep DSO and bad debts stable

- Our survey of the transport industry in Slovakia found that late payments now affect an average 42% of B2B sales. Most of the companies polled said the main reason B2B customers delayed payments was due to liquidity shortages. More than 33% of businesses polled said they reacted to late payments by slowing down payment of invoices to their own suppliers. They also told us they spent more time and internal resources to resolve unpaid invoices.
- Actions taken to accelerate cash inflows and unlock liquidity tied up in long overdue accounts had a positive impact across the Slovakian transport industry. 66% of companies polled said they contributed to minimising swings of Days Sales Outstanding (DSO) during the past twelve months. 21% of businesses polled said that late payments had worsened DSO and thus jeopardised their cash position. Strengthening of trade debt collection through outsourcing in the problem helped to keep the proportion of bad debt write-offs in the industry to an average 2% of all B2B invoices.

Strong appetite for value of credit insurance

- More than 60% of companies polled in the Slovakian transport industry told us they acknowledged the value of strategic credit management that involves using credit insurance. Businesses polled said it helped to protect both cashflow and profitability during the current unsettled economic and trading environment. The chief reason reported for choosing to insure receivables was the ability to assess and monitor the credit quality of B2B customers, and being able to take mitigating action in case of a deterioration of customer credit risk.
- There was a contrast with companies across the Slovakian transport industry who opted for in-house retention and management of customer credit risk during the past year. They told us this was the most suitable strategy for their business, although acknowledging it came with downsides. The issue they particularly reported was uncertainty surrounding capability to set aside enough funds to cover big losses or unexpected B2B customer defaults that could threaten the viability of the business.

2023 industry outlook: widespread concern about domestic economy

- Companies polled across the Slovakian transport industry expressed strong pessimism about the outlook for the domestic economy. They fear that, along with concerns about the global economy, this could lead to liquidity troubles and increasing B2B customer defaults. The ongoing effects of the pandemic are also reasons for concern. Only 38% of companies polled said they expect some business growth in the year ahead, while 31% of businesses told us they felt negative about growth. Another 31% expressed uncertainty on this issue.
- Against this uncertain background, 50% of companies polled in the Slovakian transport industry told us they anticipate no change in B2B customer payment practices during the coming months. 25% said they expect improvement, and the remaining 25% envisage a deterioration. This mixed picture may explain why most businesses said they would not alter their trade credit policy. 48% of companies polled said they expect no significant swings of DSO in the year ahead, which may reflect the widespread move towards using credit insurance.

Key figures and charts of the survey can be found on the following pages

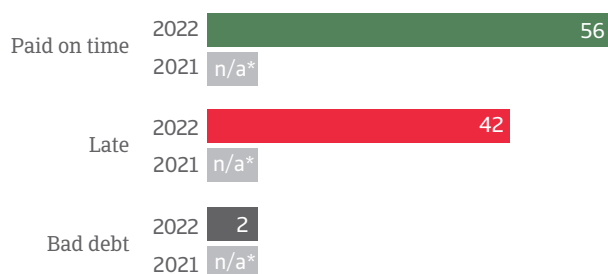


Transport

Late payments and cash flow

Transport industry in Slovakia

% of the total value of B2B invoices paid on time, overdue and written off as uncollectable (2022/2021)



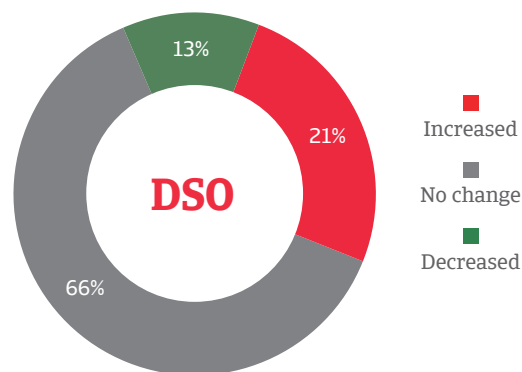
*n/a= 2021 data not available

Sample: all survey respondents

Source: Atradius Payment Practices Barometer - December 2022

Transport industry in Slovakia

% of respondents reporting DSO changes over the past 12 months



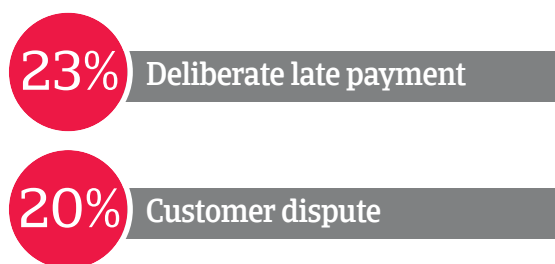
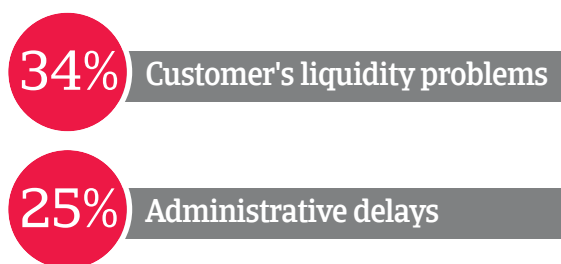
Sample: all survey respondents

Source: Atradius Payment Practices Barometer - December 2022

Transport industry in Slovakia

Main reasons that B2B customers pay invoices late

(% of respondents)



Sample: all survey respondents

Source: Atradius Payment Practices Barometer - December 2022

SURVEY QUESTION

What measures did you put in place to protect your cash flow against customer credit risk?

- #1 Delay payments to my own suppliers
- #2 Increase time, costs and resources spent on resolving unpaid invoices
- #3 Strengthen internal credit control process





Transport

2023 industry outlook

Transport industry in Slovakia

Looking into 2023: top 5 concerns expressed by businesses in the industry

(% of respondents)



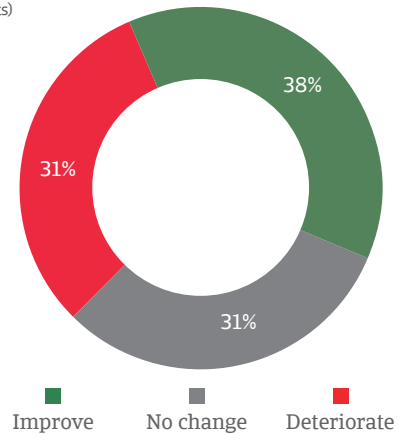
* Due to the interplay among higher energy prices, commodity prices surge, inflation, supply chain disruptions and geopolitical tensions

Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Transport industry in Slovakia

Looking into 2023: how do you feel about your potential business growth?

(% of respondents)

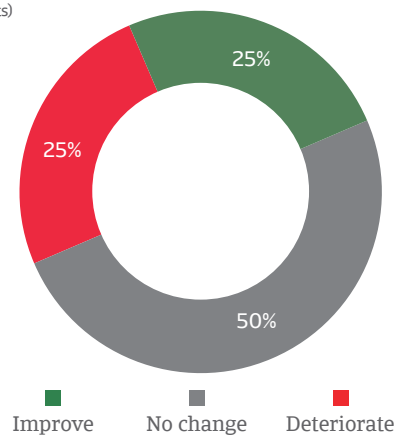


Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

Transport industry in Slovakia

Looking into 2023: how do you expect the payment practices of your B2B customers to change?

(% of respondents)



Sample: all survey respondents
Source: Atradius Payment Practices Barometer - December 2022

SURVEY QUESTION

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

(% of respondents)

11% Improve

48% No change

41% Deteriorate

Survey design

Survey objectives

Atradius conducts annual reviews of international corporate payment practices through a survey called the Atradius Payment Practices Barometer. Companies polled in Slovakia are the focus of this report, which forms part of the 2022 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 241 interviews in total. All interviews were conducted exclusively for Atradius.

Survey scope

- **Basic population:** Companies from Slovakia 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=201 people were interviewed in total. A quota was maintained according to three classes of company size.
- **Interview:** Computer Assisted Web Interviews (CAWI) of approximately 15 minutes duration.
Interview period: beginning of the last quarter of 2022.

Sample overview – Total interviews = 201

Business sector	Interviews	%
Manufacturing	78	39
Wholesale	44	22
Retail trade / Distribution	51	25
Services	28	14
TOTAL	201	100
Business size	Interviews	%
Micro enterprises	106	53
SME - Small enterprises	30	15
SME - Medium enterprises	43	21
Large enterprises	22	11
TOTAL	201	100
Industry	Interviews	%
Agri-food	30	15
Chemicals	81	40
Consumer durables	29	14
Steel/metals	32	16
Transport	29	14
TOTAL	201	100

Statistical appendix

Find detailed charts and figures in the Statistical Appendix. This is part of the December 2022 Payment Practices Barometer of Atradius, available at www.atradius.com/publications
[Download in PDF format](#) (English only).

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For more insights into the B2B receivables collection practices in Slovakia and worldwide, please go to

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