

The GB economic downturn

Statistics by sector



National overview in 2008:

- **57%** of SMEs nationwide have experienced late payments at one time or another
- **£38,000:** The national mean amount outstanding to the average SME
- **684,000** SMEs in GB are affected by late payments at one time or another
- **Almost £26 billion** is outstanding in late payments nationwide
- **51%** of SMEs nationwide ask for payment 30 days / end of month after receipt of invoice
- **22%** ask for payment on receipt of invoice
- **41.6 days:** the length of time the average SME waits beyond agreed payment terms for an invoice to be paid
- **78%** of SMEs want to make their business more efficient in 2009
- **Half of all SMEs (50%)** want to keep more on top of debtors
- **Almost a third (32%)** of SMEs plan to automate more of their essential business payments
- **24%** of SMEs cited cash flow problems as the main reason for late payments in 2008



Manufacturing



- **65%** of SMEs in manufacturing have experienced late payments at one time or another
- **£51,000:** the amount manufacturing SMEs are owed on average – far higher than the national average
- **200,000** SMEs in the manufacturing sector are affected by late payments
- **£10 billion** is owed to manufacturing SMEs at any one time
- **65%** of manufacturing SMEs ask for payment 30 days / end of month after receipt of invoice
- **12%** ask for payment on receipt of invoice
- **47.5 days:** the average length of time manufacturing SMEs wait beyond agreed payment terms
- **81%** of manufacturing SMEs want to make their business more efficient in 2009
- **Over half (54%)** of all manufacturing SMEs want to keep more on top of debtors
- **34%** of manufacturing SMEs plan to automate more of their essential business payments
- **35%** of manufacturing SMEs cited cash flow issues as the main reason for late payments

Service sector



- **53%** of SMEs in the service sector have experienced late payments at one time or another
- **£19,000:** the amount service sector SMEs are owed on average – far less than the national average
- **315,000** SMEs in the services sector are affected by late payments
- **£6 billion** is owed to SMEs in the service sector at any one time
- **Almost half (44%)** ask for payment 30 days / end of month after receipt of invoice
- **22%** ask for payment upon receipt of invoice
- **35.3 days:** the average length of time service sector SMEs wait beyond agreed payment terms
- **73%** of service sector SMEs want to make their business more efficient in 2009
- **47%** want to keep more on top of debtors
- **27%** of service sector SMEs plan to automate more of their essential business payments
- **16%** of service sector SMEs cited the economic downturn as the main reason for late payments

Distribution



- **56%** of SMEs in distribution have experienced late payments at one time or another
- **£61,000:** the amount distribution SMEs are owed on average – almost twice the national average
- **169,000** SMEs in the distribution sector are affected by late payments
- **£10 billion** is owed to distribution SMEs at any one time
- **Half (50%)** of distribution SMEs ask for payment 30 days / end of month after receipt of invoice
- **31%** ask for payment upon receipt of invoice
- **46.6 days:** the average length of time distribution SMEs wait beyond agreed payment terms
- **84%** of distribution SMEs want to make their business more efficient in 2009
- **Over half (54%)** of all manufacturing SMEs want to keep more on top of debtors
- **39%** of distribution SMEs plan to automate more of their essential business payments
- **30%** of distribution SMEs cited cash flow issues as the main reason for late payments