

Atradius Payment Practices Barometer

B2B payment practices trends Asia 2025



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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 gives you the opportunity to hear directly from businesses trading on credit with B2B customers about how they are coping with evolving trends in customer payment behaviour. Staying informed about these trends is vital because it helps to identify emerging shifts in customer payment habits, allowing businesses to address potential liquidity pressure and maintain smooth operations.

Businesses operating in – or planning to enter – the markets and industries covered by our survey can gain valuable insights from our reports, which also shed light on the challenges and risks companies anticipate in the coming months, as well as their expectations for future growth.

In this report you will find the survey results for **Asia**.
Markets surveyed: China, Hong Kong, India, Indonesia, Japan, Singapore, Taiwan and Vietnam.
The survey was conducted during the second half of Q2 2025.
Findings should therefore be viewed with this in mind.

All reports highlighting market and sector-specific findings of the 2025 edition of the Atradius Payment Practices Barometer for Asia are available for download from the Atradius website
<https://group.atradius.com/knowledge-and-research#reports>



B2B payment practices trends

Concern about cash flow and profits in fragmented B2B customer payment risk landscape

A varied B2B customer payment risk landscape is revealed by our survey of companies across Asia, with an almost even split between businesses experiencing stable, improved or deteriorating customer payment behaviour. Overdue invoices currently affect an average 44% of all B2B credit sales across the region, highlighting a degree of strain on corporate cash flows. The key drivers of these delays are customer liquidity challenges and inefficiencies in internal payment processes. Bad debts average around 5% of B2B invoices, a seemingly contained figure, yet one that can have a significant impact on profitability.

Despite ongoing cash flow pressures, three in five companies across Asia have expanded their trade credit offerings in recent months as a strategy to maintain customer loyalty and encourage sales. However, this increased credit exposure has been partially offset by steady payment policies, with more than half of businesses keeping payment policies unchanged. Currently, 54% of all B2B sales are transacted on credit, with average payment terms standing at a 48-day average, highlighting the central role of trade credit in B2B trade across Asia.

Working capital management trends are mixed. Most companies across the region report either no change or an improvement in payment collection timelines, reflected in stable or decreasing Days Sales Outstanding (DSO). Inventory trends are evenly split between steady turnover and stock build-ups, the latter indicating liquidity being locked in unsold goods, potentially straining cash flow and limiting operational flexibility. The majority of firms say there is no change in the timing of payments to suppliers. However, among those who altered their approach, delayed payments outnumber faster ones, suggesting an effort to manage liquidity pressures by slowing cash outflows.

Businesses across Asia rely on bank loans as their main source of external financing to support operations. Supplier credit and invoice financing also play important roles in maintaining liquidity and managing cash flow, providing businesses with flexible short-term funding options. However, internal funds are used less frequently, often preserved for contingencies. 60% of companies use a combination of internal provisioning and outsourced credit management, such as insurance, to mitigate the risk of customer payment defaults.

For detailed market-specific findings, please refer to the dedicated reports comprising the 2025 edition of the Payment Practices Barometer for Asia.

Key figures and charts on the next page



Key figures and charts

Asia

% of the total value of B2B invoices paid on time, overdue and bad debts

(change vs. 2024)



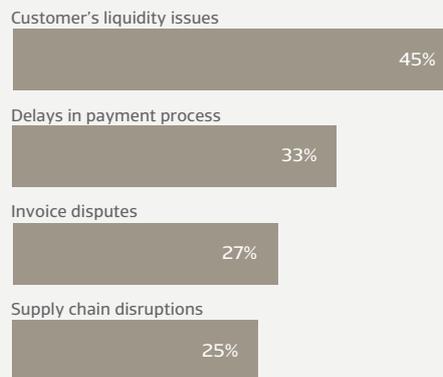
Sample: all survey respondents

Source: Atradius Payment Practices Barometer Asia – 2025

Asia

What are the top 4 reasons your B2B customers pay invoices late?

(% of respondents - multiple response)



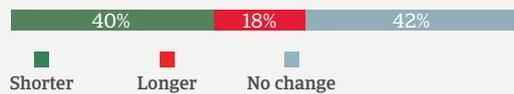
Sample: all survey respondents

Source: Atradius Payment Practices Barometer Asia – 2025

Asia

% of respondents reporting changes in Days Sales Outstanding (DSO)* over the past 12 months

(% of respondents)



*average amount of time to collect payment after a sale

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Asia – 2025

Asia

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

(% of respondents - multiple response)

- **61% Bank loans**
- **55% Trade credit**
- **55% Invoice financing**
- **49% Internal funds**

Sample: all survey respondents

Source: Atradius Payment Practices Barometer Asia – 2025





Looking ahead

Rising anxiety about insolvency risk amid global trade policy uncertainty

A striking 50% of businesses across Asia tell us they anticipate an increase in B2B customer insolvencies during the months ahead. This concern reflects growing unease as elevated global trade policy uncertainties continue to ripple through domestic economies. The remaining half expect the current situation to remain stable, illustrating a region marked by a combination of cautious optimism and underlying fragility as companies look toward the second half of the year and beyond.

Our survey finds a divided picture on the expectations of firms about working capital management. For example, companies are evenly split between those forecasting changes in Days Sales Outstanding (DSO), the time taken to collect payments, and those anticipating stability. This uncertainty underscores the unpredictability surrounding cash flow cycles. Most businesses across the region say they anticipate inventory turnover to remain unchanged, but a significant number express concern about potential stock build-ups, which could lock up liquidity and strain working capital going forward.

Although the majority of firms expect no shift in payment timelines to suppliers, one third of companies are considering delays to manage cash, while others face the prospect of stricter payment terms as suppliers seek to reduce the risk of liquidity bottlenecks. Despite this, sales performance and profitability projections across Asia remain cautiously optimistic. This may explain why most companies intend to maintain their current approach to payment risk management. However, with some rising worry about unpredictable B2B customer payment behaviour, there is growing interest in supplementing traditional internal provisions with outsourced credit risk management solutions, involving insurance.

Looking ahead, half of Asia's corporate sector acknowledges the critical importance of being responsive and adaptable to volatile economic and market shifts. Increasing regulatory compliance demands and heightened environmental concerns are driving companies to adopt more sustainable practices, which presents new operational challenges. Taken together, these features point to a corporate landscape that, while resilient, faces potential financial vulnerabilities. The balance of maintaining liquidity and managing risk in an uncertain environment will be pivotal for businesses navigating the months ahead.

For detailed market-specific findings, please refer to the dedicated reports comprising the 2025 edition of the Payment Practices Barometer for Asia.



Survey design

Atradius conducts annual reviews of international corporate payment practices through a survey called the Atradius Payment Practices Barometer.

Sample overview – Total interviews = 2,100

Markets			
China	India	Japan	Taiwan
Hong Kong	Indonesia	Singapore	Vietnam
Sectors			
Agri-Food	Electronics and ICT	Steel-Metals	
Automotive	Energy and fuel	Transport	
Chemicals	Machines	Textiles and clothing	
Construction	Packaging		
Consumer Durables	Pharma		
Business sector		Interviews	%
Manufacturing		1226	58
Wholesale trade		358	17
Retail trade/Distribution		376	18
Services		140	7
TOTAL		2,100	100
Business size		Interviews	%
SME: Small enterprises		292	14
SME: Medium enterprises		681	32
Medium Large enterprises		752	36
Large enterprises		375	18
TOTAL		2,100	100

Survey scope

- Basic population: Companies from Asia were surveyed and the appropriate contacts for accounts receivable management were interviewed.
- Sample design: The Strategic Sampling Plan enabled us to perform an analysis of country data crossed by sector and company size.
- 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=2,100 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.
- The survey was conducted during the second half of Q2 2025. Findings should therefore be viewed with this in mind.

This is part of the 2025 edition of the Atradius Payment Practices Barometer for Asia available at

<https://group.atradius.com/knowledge-and-research#reports>



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 customers.

To find out more about B2B receivables collection practices in **Asia** and worldwide, please visit [atradiuscollections.com](#).

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