

PAYMENT PROTECTION INSURANCE IN GERMANY

Extract from the Market Study 2017 - Consumer and Vehicle Financing

GfK Financial Market Research

conducted on behalf of the Bankenfachverband e.V.
(German Association of Credit Banks)

About the study



 METHOD	Survey, supporting study: GfK Financial Market Panel (written survey, in parts online)
 SURVEY PERIOD	02. July 2017 to 31. July 2017
 TARGET GROUP	A representative selection of people between the ages of 18 and 69, chosen according to age, profession, the size of city where they live, and federal state
 SAMPLE	n=1,824 interviews; results were weighted according to age, profession, income, child status and size of location.
 FREQUENCY OF THE STUDY	Once a year (autumn), published in October 2017
 SURVEYED AREA	Federal Republic of Germany



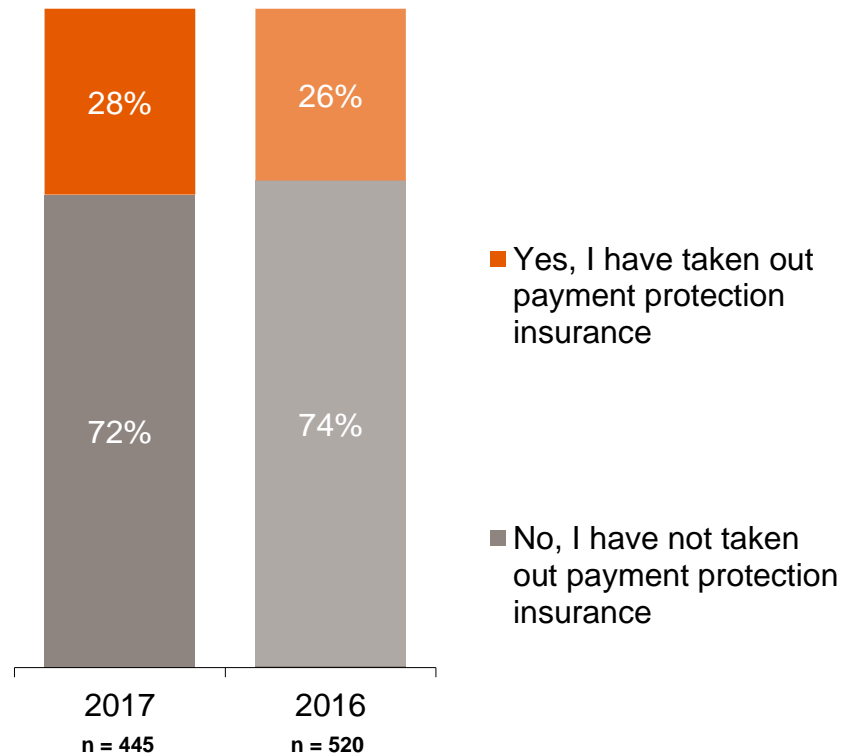
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1. Arrangement of payment protection insurance (PPI) in total

Instalment loan users



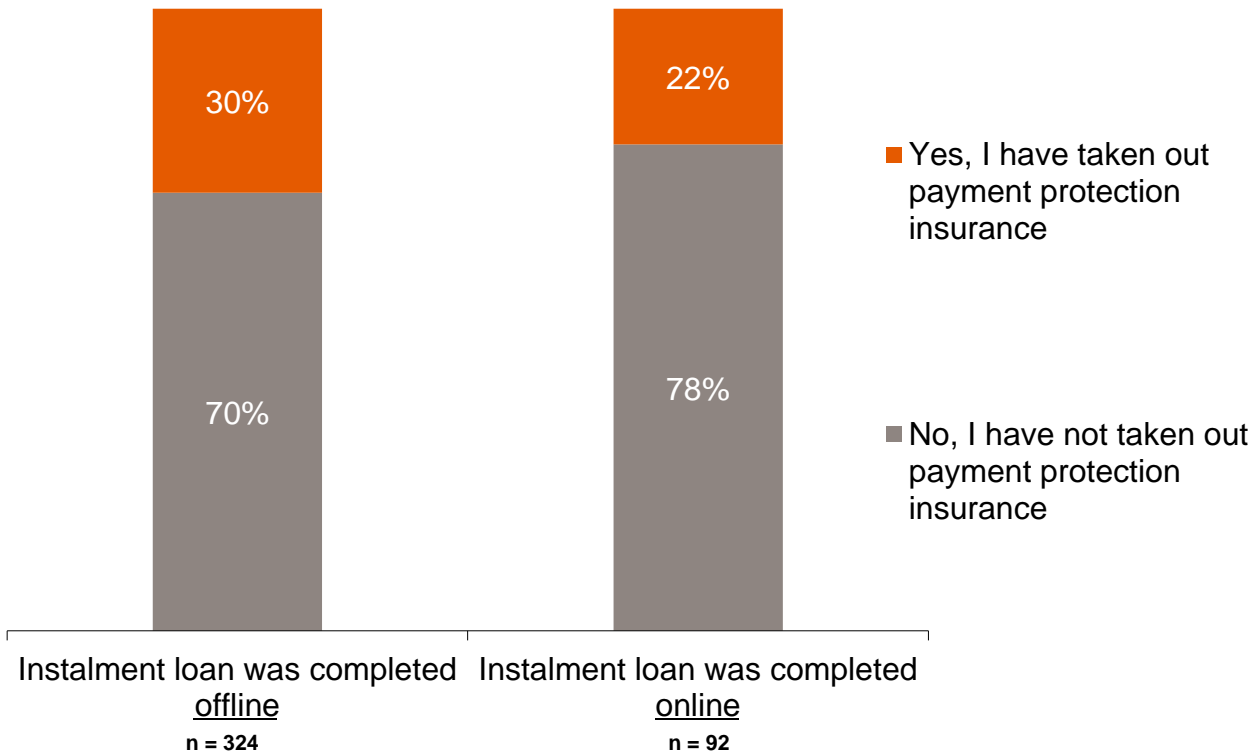
28% of all instalment loan users have taken out payment protection insurance.

Q10: Have you taken out payment protection insurance for your most recent instalment loan?
Basis: excl. no response



1. Arrangement of payment protection insurance by location where instalment loan was concluded

Instalment loan users

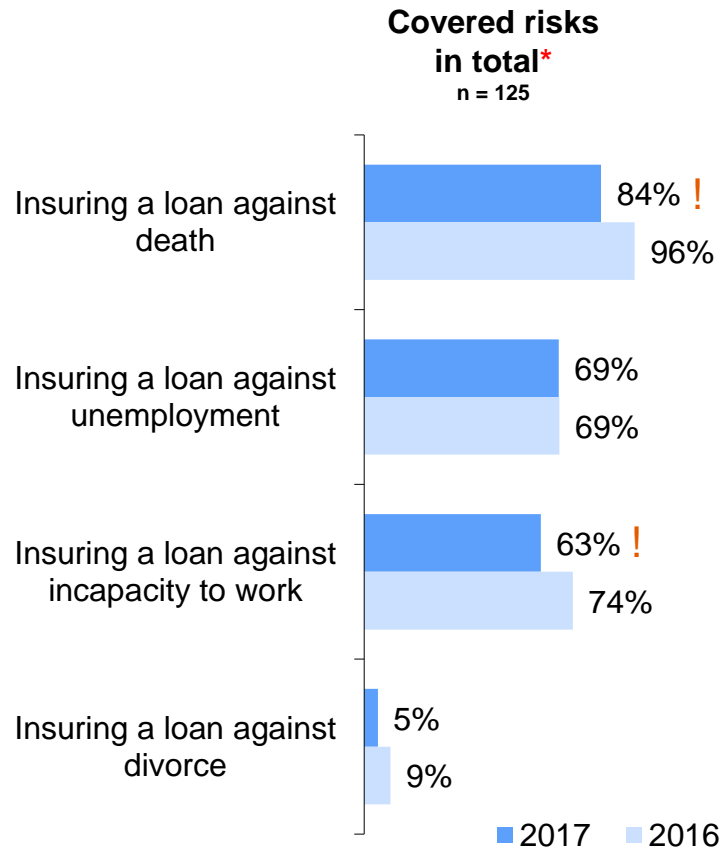


A fifth of instalment loan users, that has concluded their instalment loan online, has taken out payment protection insurance.

Q10: Did you take out payment protection insurance for your most recent instalment loan? Q6c: Irrespective of where you applied for this instalment loan, where did you ultimately complete the contract? Base: excl. no response, multiple responses were excluded

2. Covered risks I

Instalment loan users with payment protection insurance



Insuring a loan against death is the most frequently covered risk.

Q12: What risks does your payment protection insurance cover? *Question changed in 2016, only "experts" are reported
Basis: excl. no response; multiple answers possible, some tendency statements

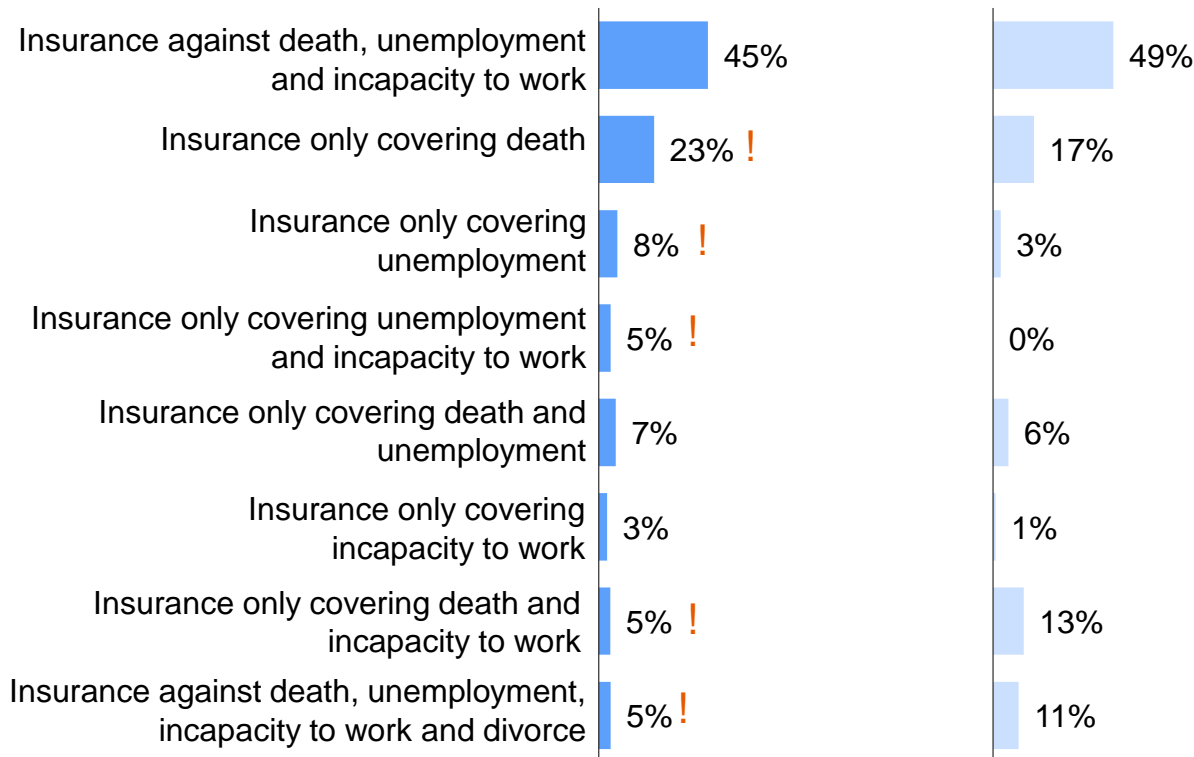


2. Covered risks II

Instalment loan users with payment protection insurance

**Covered risks
2017 in detail**
n = 125

**Covered risks
2016 in detail***
n = 95



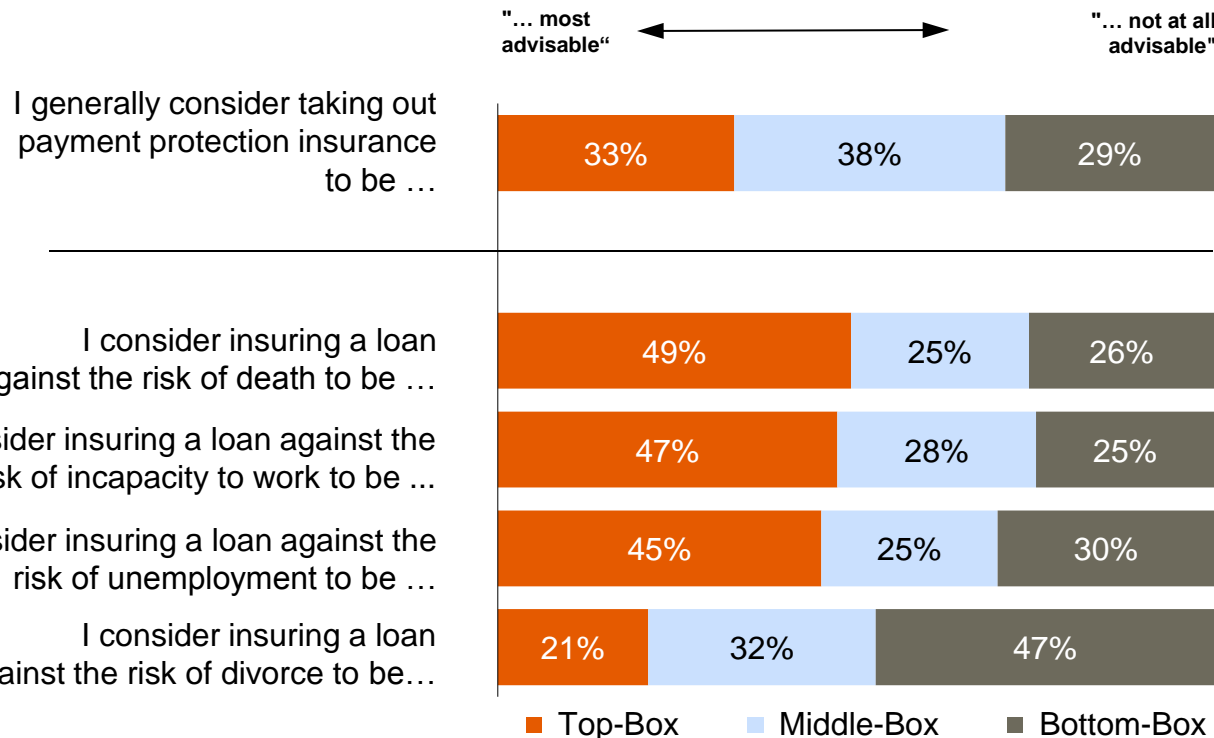
Most payment protection insurance policies contain a combination of the risks of "death, unemployment and incapacity to work".

Q12: What risks does your payment protection insurance cover? *Question changed in 2016, only "experts" are reported
Basis: excl. no response; multiple answers possible, presentation set to 100%, some tendency statements

3. Consumer attitudes

Users of financing products

Statements



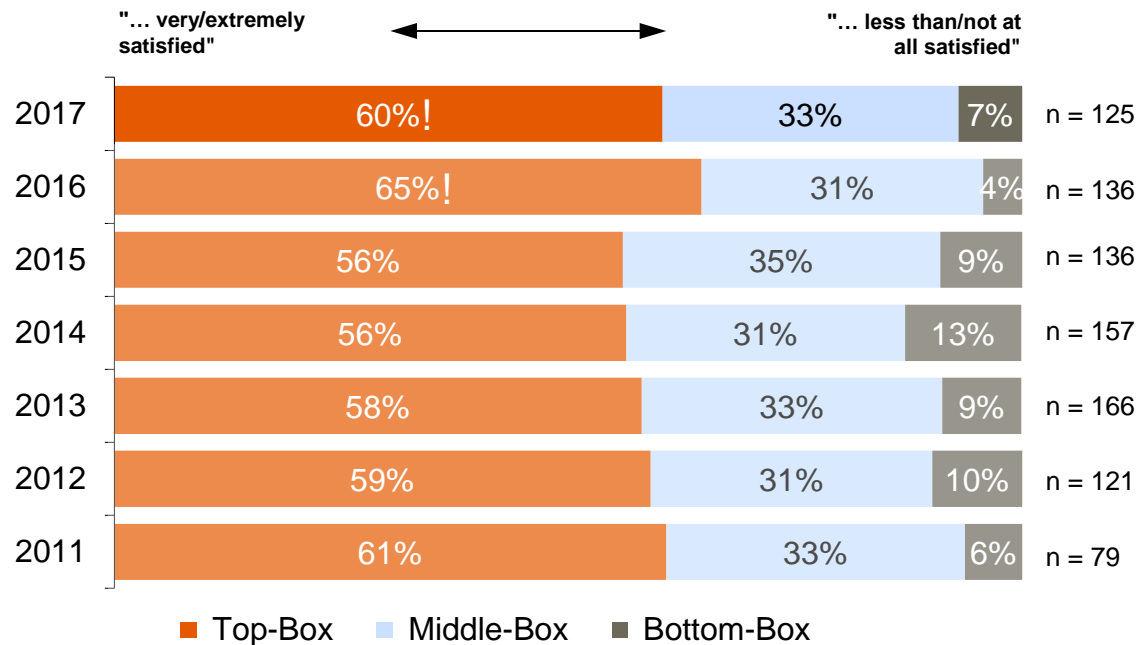
33% of users of financing products generally consider payment protection insurance to be advisable.

Q14a: How advisable do you think it is to take out payment protection insurance in general, and how advisable do you consider it is to cover the following specific risks with payment protection insurance? Basis: n = 647 excl. no response

4. Satisfaction with payment protection insurance

Instalment loan users with payment protection insurance

The majority of instalment loan users with payment protection insurance are (extremely) satisfied with their insurance.

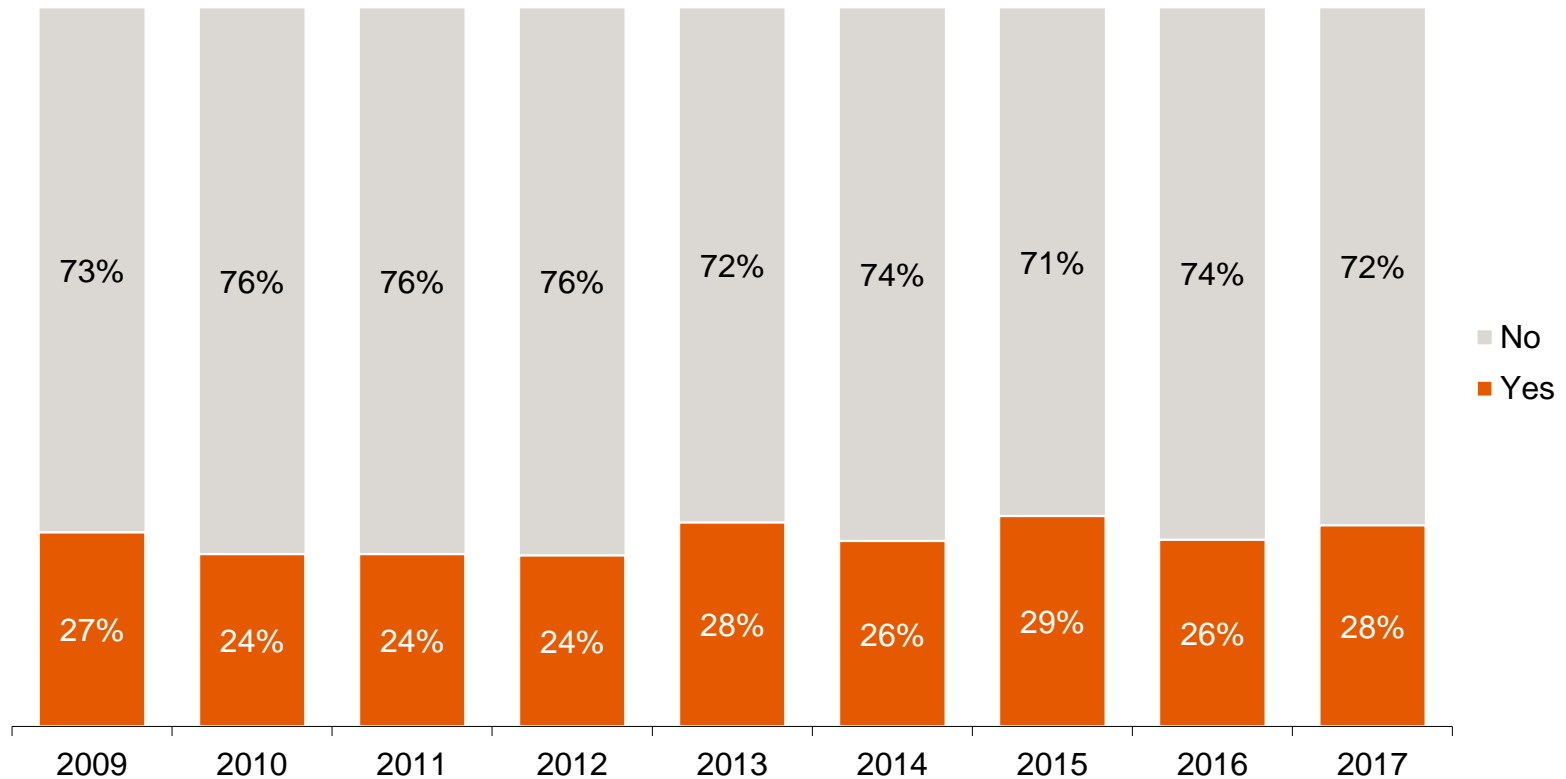


Q13: How satisfied are you overall with your payment protection insurance?
Basis: excl. no response



5. Conclusion of a payment protection insurance over time

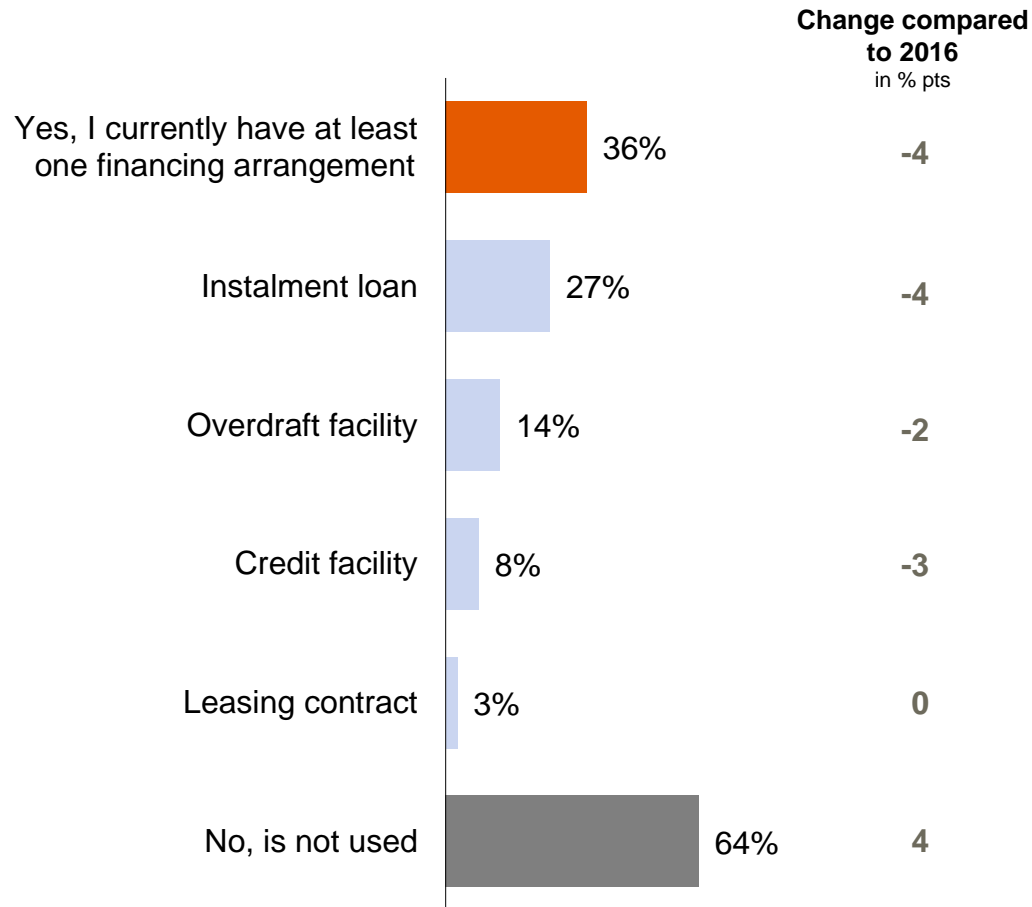
Instalment loan users



Q10: Did you take out payment protection insurance for your most recent instalment loan?
Basis: 2017 n = 445 excl. no response

6. Use of financing

All respondents



Every third respondent currently uses a financing arrangement.

More than one in four respondents currently use an instalment loan.



7. Summary

Payment protection insurance

- 28% of all instalment loan users have taken out payment protection insurance (page 4).
- Most payment protection insurance policies contain a combination of the risks of "death, unemployment and incapacity to work" (page 7).
- Insuring a loan against death is the most frequently covered risk (page 6).
- 33% of users of financing products generally consider payment protection insurance to be advisable (page 8).
- The majority of instalment loan users with payment protection insurance are (extremely) satisfied with their insurance (page 9).

8. Contact



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