

PAYMENT PROTECTION INSURANCE IN GERMANY

Market Study 2020

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

Extract from the Market Study 2020 – Consumer and Vehicle Financing







GAME CHANGERS



About the study

Extract from the market study on consumer and vehicle financing 2020

Source: www.bfach.de/Downloads

 METHOD	Survey, supporting study: GfK Financial Market Panel (written survey, in parts online)
 SURVEY PERIOD	01 July 2020 to 27 July 2020
 TARGET GROUP	A representative selection of people between the age of 18 and 69, chosen according to age, profession, the size of city they live in, and federal state
 SAMPLE	n=1,974 interviews; results were weighted according to age, profession, income, family status and size of location
 FREQUENCY OF THE STUDY	Once a year (autumn), published in November 2020
 SURVEYED AREA	Federal Republic of Germany

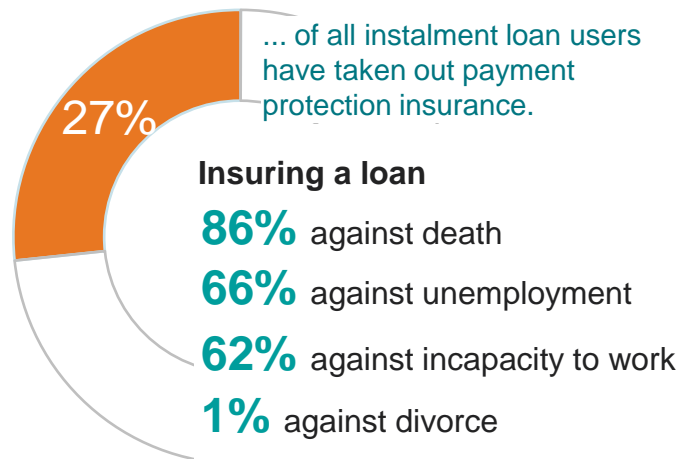
Notice: The results are based on information provided by consumers in July 2020 and refer to all financing used at that time, regardless of when the contract was concluded. In particular, consumer attitudes and financing intentions should be considered in the light of the specific situation of the COVID-19 pandemic.



Key findings

Payment protection insurance

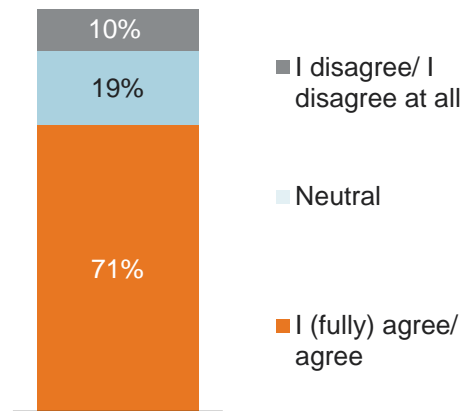
Conclusion of payment protection insurance



Almost every 4th instalment loan is concluded with a payment protection insurance. The coverage of the loan in the event of death is the most frequently insured risk.

Consumer expectations

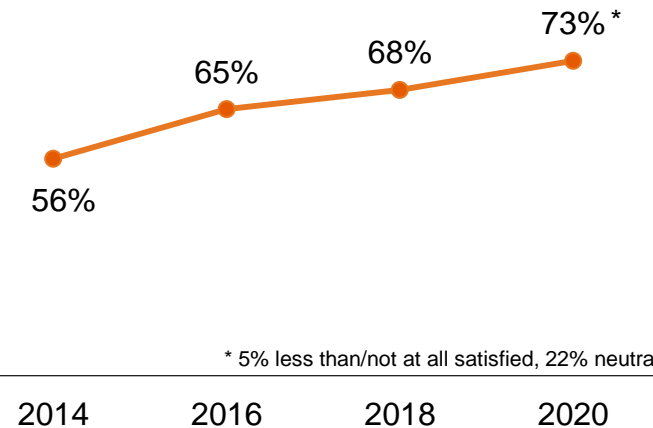
The bank should point out and offer the various coverage options of a payment protection insurance (e.g. in the event of unemployment or death).



The vast majority of consumers want to be informed about the various coverage options.

Satisfaction with payment protection insurance

(Top-Box = very/extremely satisfied) in annual comparison



Satisfaction with payment protection insurance increases over time. Around three quarters of users of instalment loans with payment protection insurance are in 2020 (very) satisfied with it.

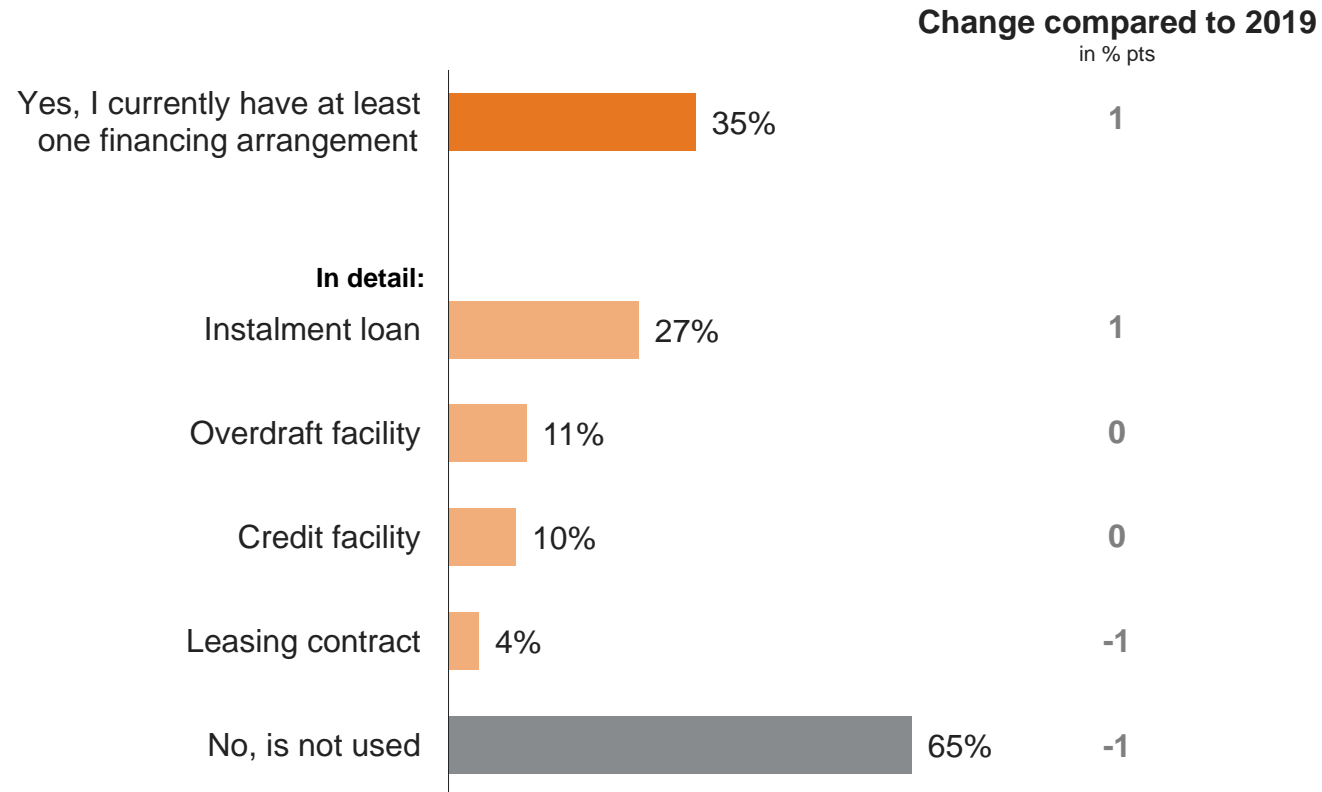
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Instalment loans are the most commonly used form of financing.

Use of financing



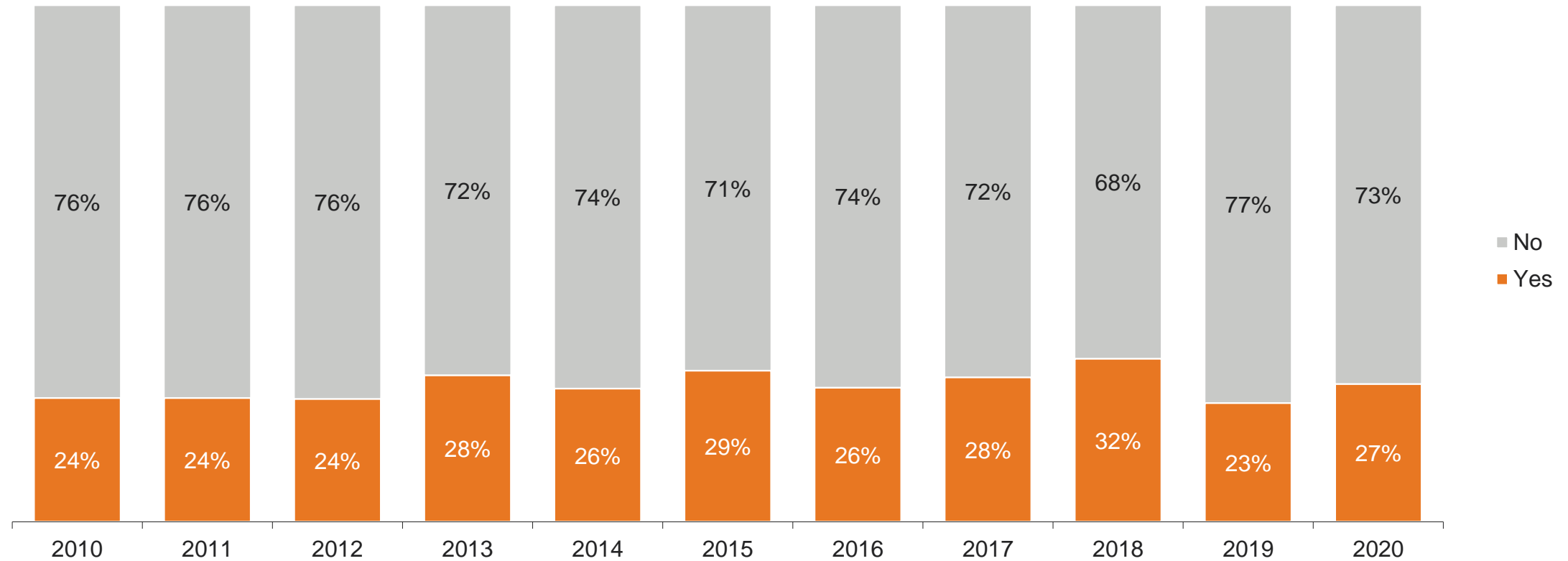
Q2a: Are you currently using one of the following loans/forms of financing?

Basis: All respondents n = 1,974; rounding-off differences possible; multiple answers possible



27% of all instalment loan users have taken out payment protection insurance.

Conclusion of a payment protection insurance over time

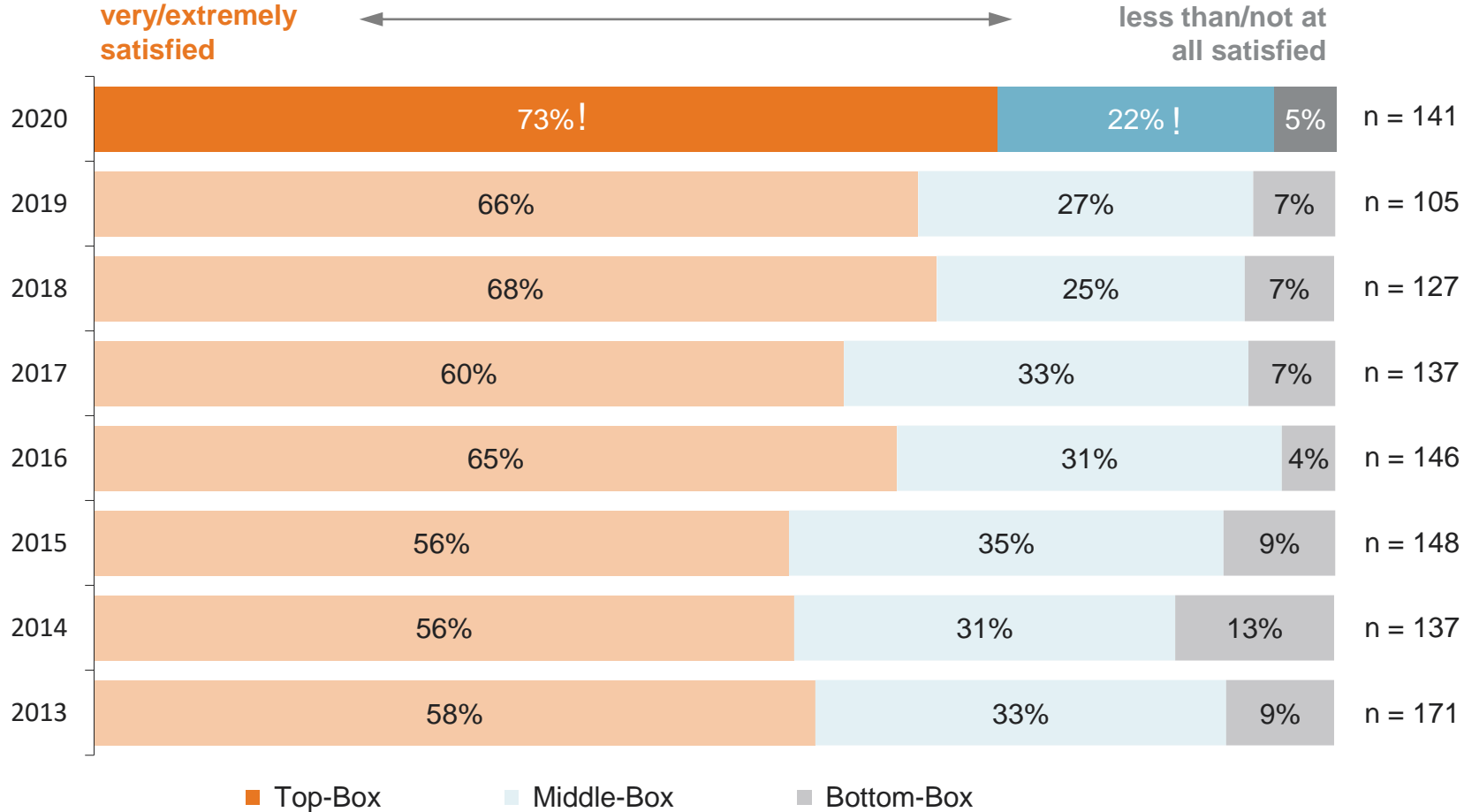


Q12a: Have you taken out payment protection insurance for your most recent instalment loan?
Basis Instalment loan users 2020 n = 529



The satisfaction with the payment protection insurance is rising over the time.

Satisfaction

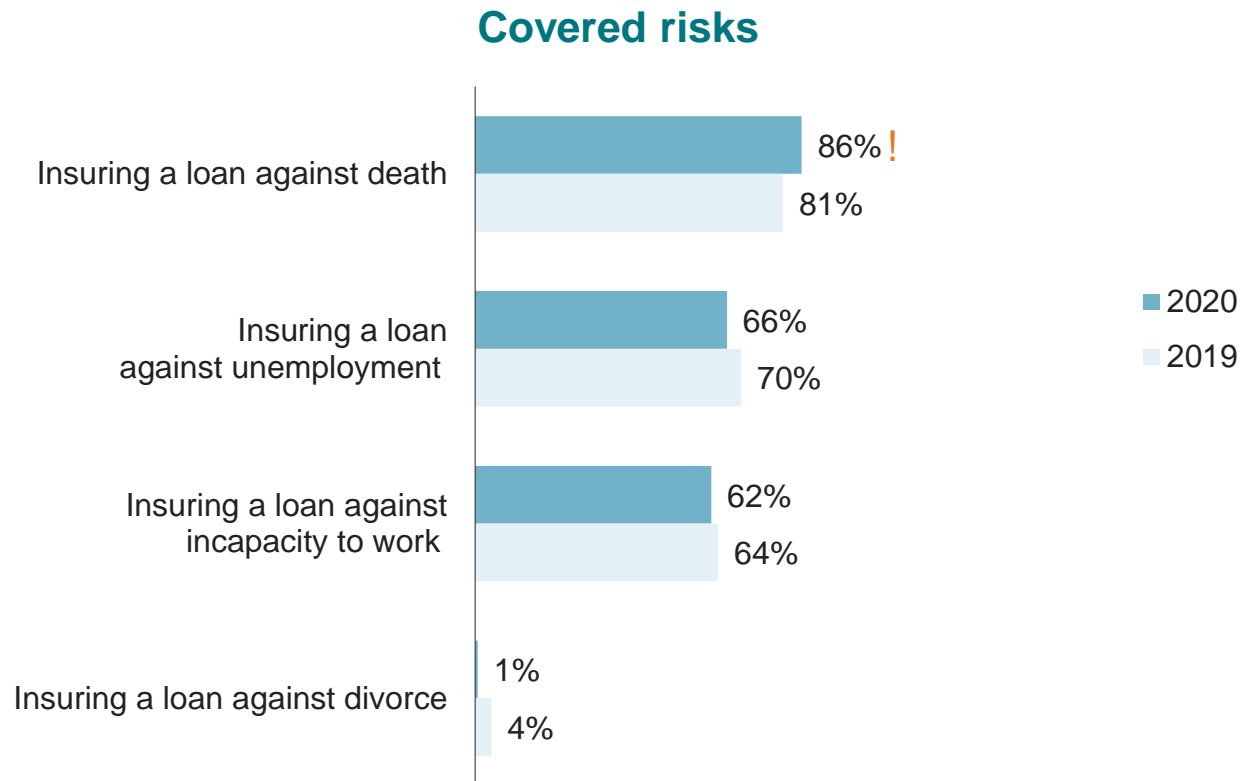


Q15: How satisfied are you overall with your payment protection insurance?
Basis: Instalment loan users with payment protection insurance



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

Covered risks



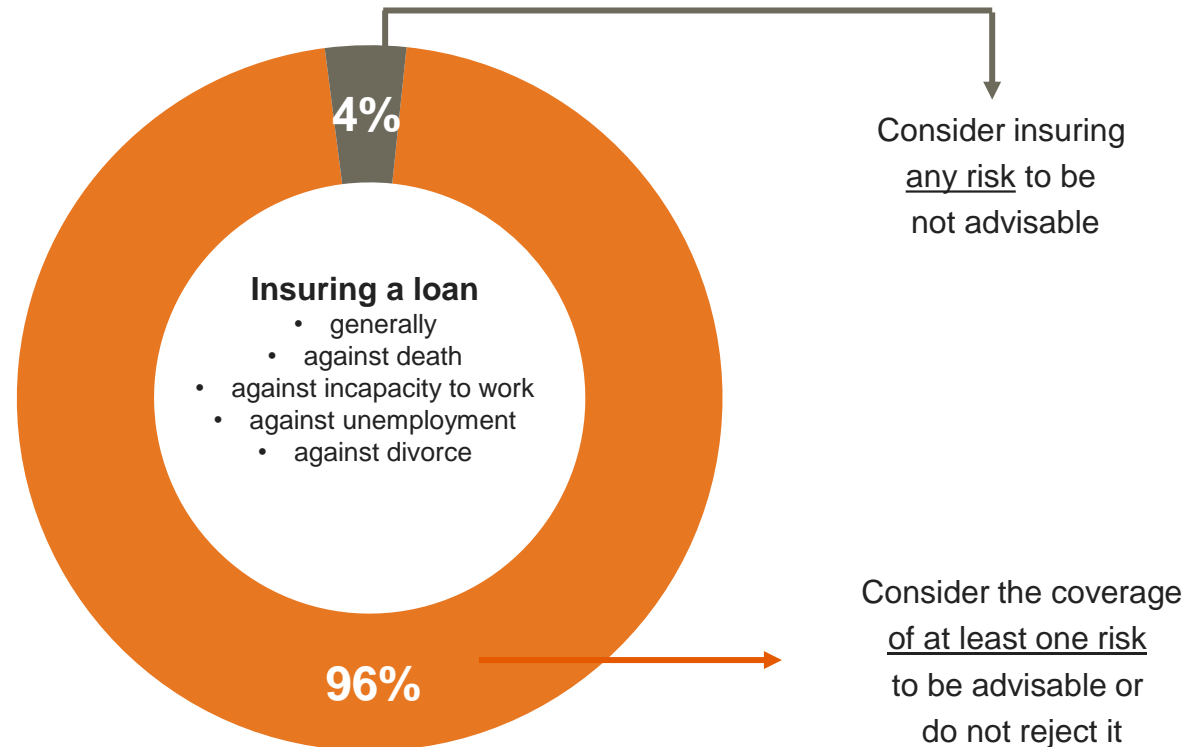
Q14: What risks does your payment protection insurance cover?

Basis: Instalment loan users with a payment protection insurance 2019 n = 105, 2020 n = 140; multiple answers possible, some tendency statements



96% of users of financing products believe that insuring at least one risk is advisable.

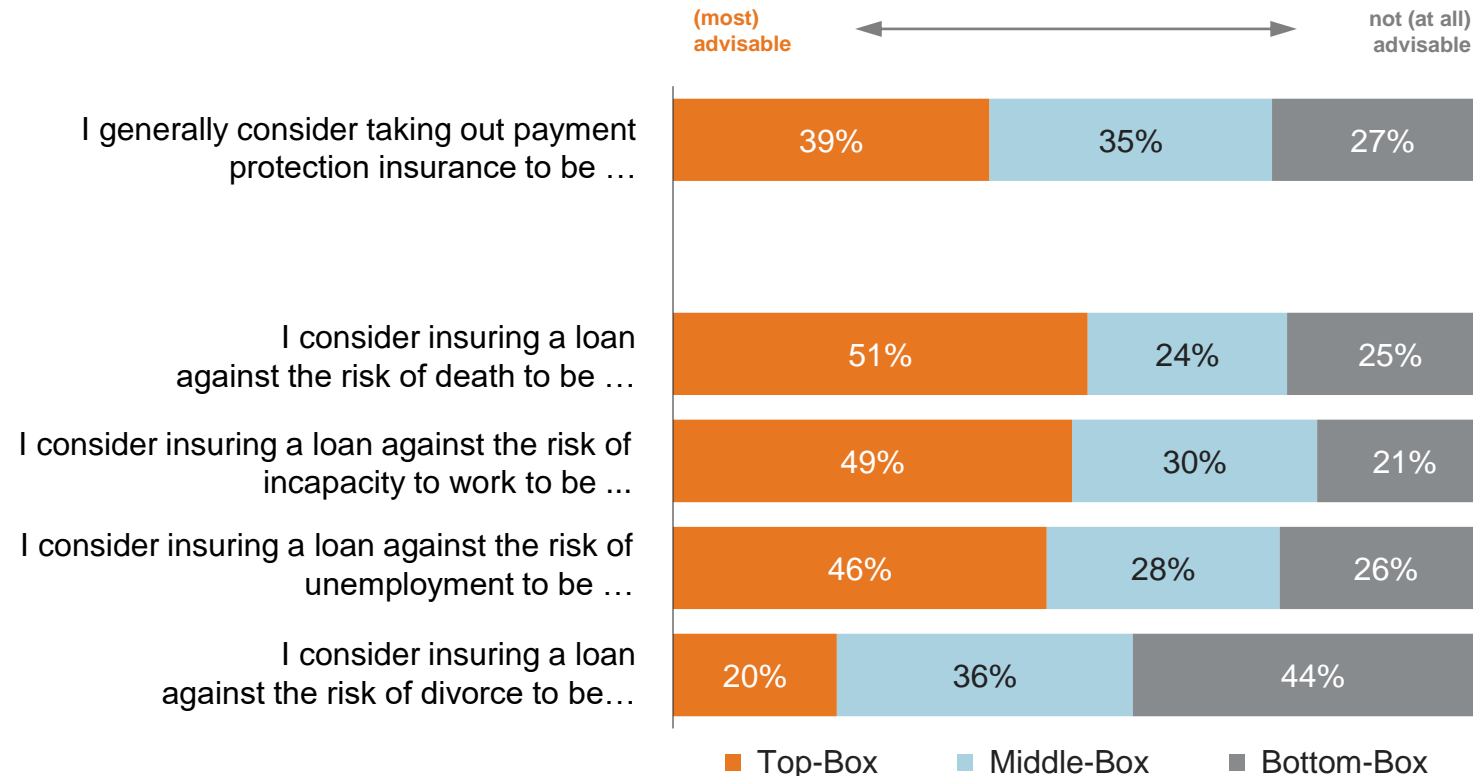
Need for protection



Q16a: 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: Users of financing products n = 687

About half of the users of financing products consider the coverage of individual risks like incapacity to work, unemployment and death to be advisable.

Need for protection

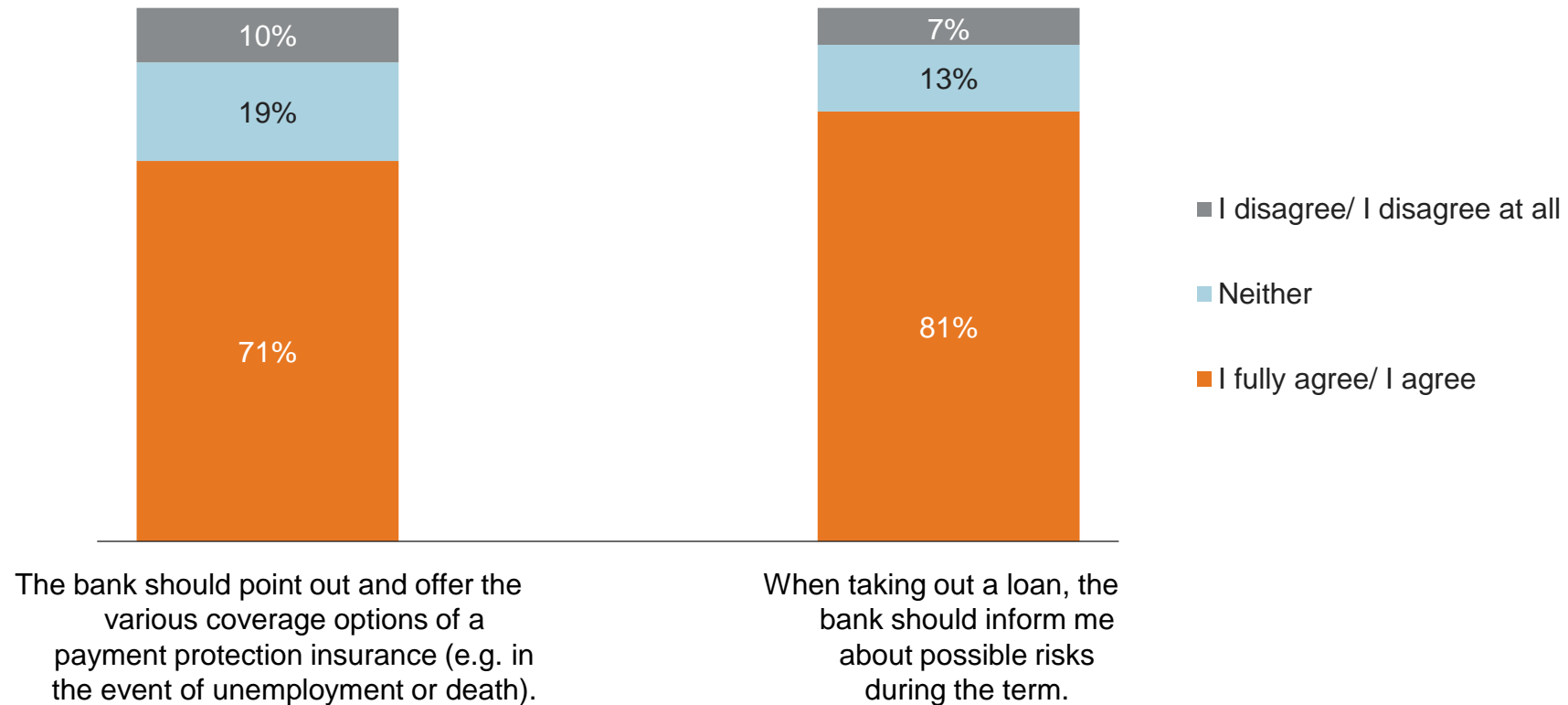


Q16a: How advisable do you think it is to take out payment protection insurance in general, and how advisable do you consider it is to cover the following specific risks with payment protection insurance?
Basis: Users of financing products n = 687



The vast majority of consumers want to be informed about the risks during the term when taking out a loan.

Consumer expectations



Q16c: How do you rate payment protection insurance in general in terms of the following aspects?
Basis: All respondents n = 1,968



ABOUT IPSOS

Ipsos is the number 3 worldwide in the market research sector. With a strong presence in 87 countries, Ipsos employs more than 16,000 people and conducts market research in more than 100 countries. Founded in 1975 in Paris, Ipsos is still managed by researchers today. With a positioning as a multi-specialist, a solid group was built up - media and advertising research; marketing research; customer and employee relationship management; social and political research; mobile, online, offline data collection and delivery.

In Germany, Ipsos is present with approx. 750 employees at six locations: Hamburg, Frankfurt, Nuremberg, Munich, Berlin and Mölln.

Ipsos has been listed on the Paris Stock Exchange since 1999.

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Ipsos buys the GfK Financial Market Panel

Since 2008, the Bankenfachverband has been conducting studies on consumer and vehicle finance together with GfK.

In October 2018, for strategic reasons, GfK withdrew from four custom research business units.

The four divisions Experience Innovation, Customer Experience, Health and Public Affairs with around 1,000 employees in 25 countries were taken over by Ipsos.

The units acquired by Ipsos also include the GfK Financial Market Panel and its support team, which is also responsible for carrying out and analyzing the market study "Consumer and Vehicle Financing in Germany".

The survey will continue to be conducted using the same method in the GfK Household Panel in order to ensure a stable database and maximum comparability.



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