

PAYMENT PROTECTION INSURANCE IN GERMANY

Market Study 2022

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







Extract from the Market Study 2022 – Consumer and Vehicle Financing

GAME CHANGERS



About the study

Extract from the market study on Consumer and Vehicle Financing 2022

 METHOD	Survey, supporting study: GfK Financial Market Panel (written survey, in parts online)
 SURVEY PERIOD	24 June 2022 to 18 July 2022
 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=1,794 interviews; results were weighted according to age, profession, income, family status and size of location
 FREQUENCY OF THE STUDY	Once a year
 SURVEYED AREA	Federal Republic of Germany

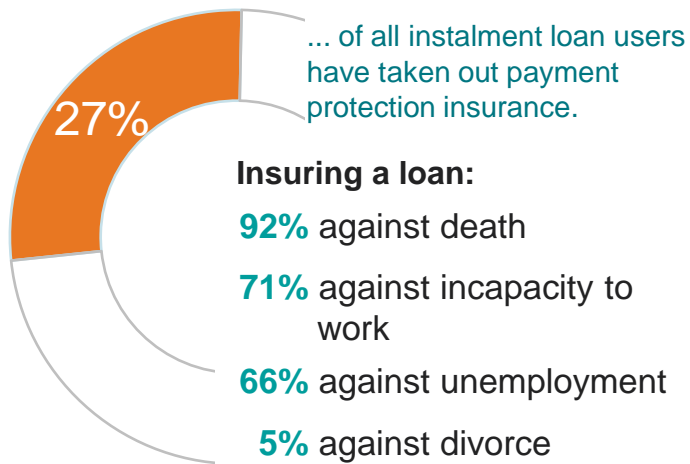
NOTICE: The results are based on the information provided by consumers in June/July 2022 and refer to all financing used at that time, regardless of when the contract was concluded. In particular, the attitudes of consumers and financing intentions depend on the respective framework conditions at the time of the survey. The war in Ukraine, with its economic, political and social consequences, should be mentioned here above all.



Key findings

Payment protection insurance

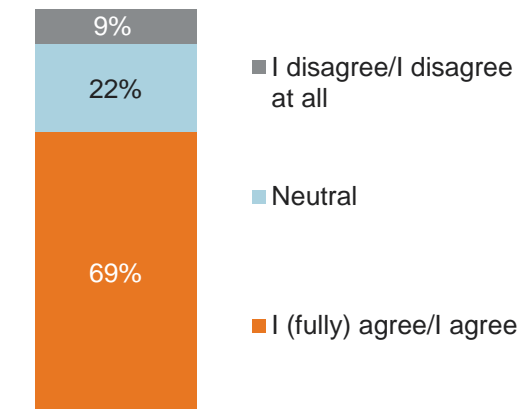
Conclusion of payment protection insurance



More than every fourth instalment loan is covered by payment protection insurance. Securing the loan in the event of death is the most frequently insured risk.

Consumer expectations

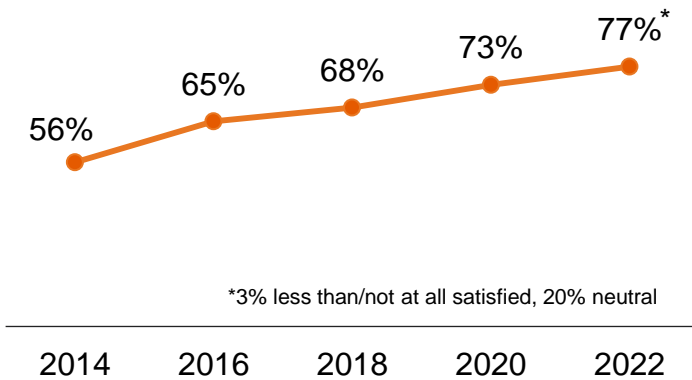
The bank should point out and offer the various coverage options of a payment protection insurance (e.g., in the event of unemployment or death).



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

Satisfaction with payment protection insurance

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



Satisfaction with payment protection insurance increases sharply over time. More than three quarters of instalment loan users with payment protection insurance are (very) satisfied with it in 2022.

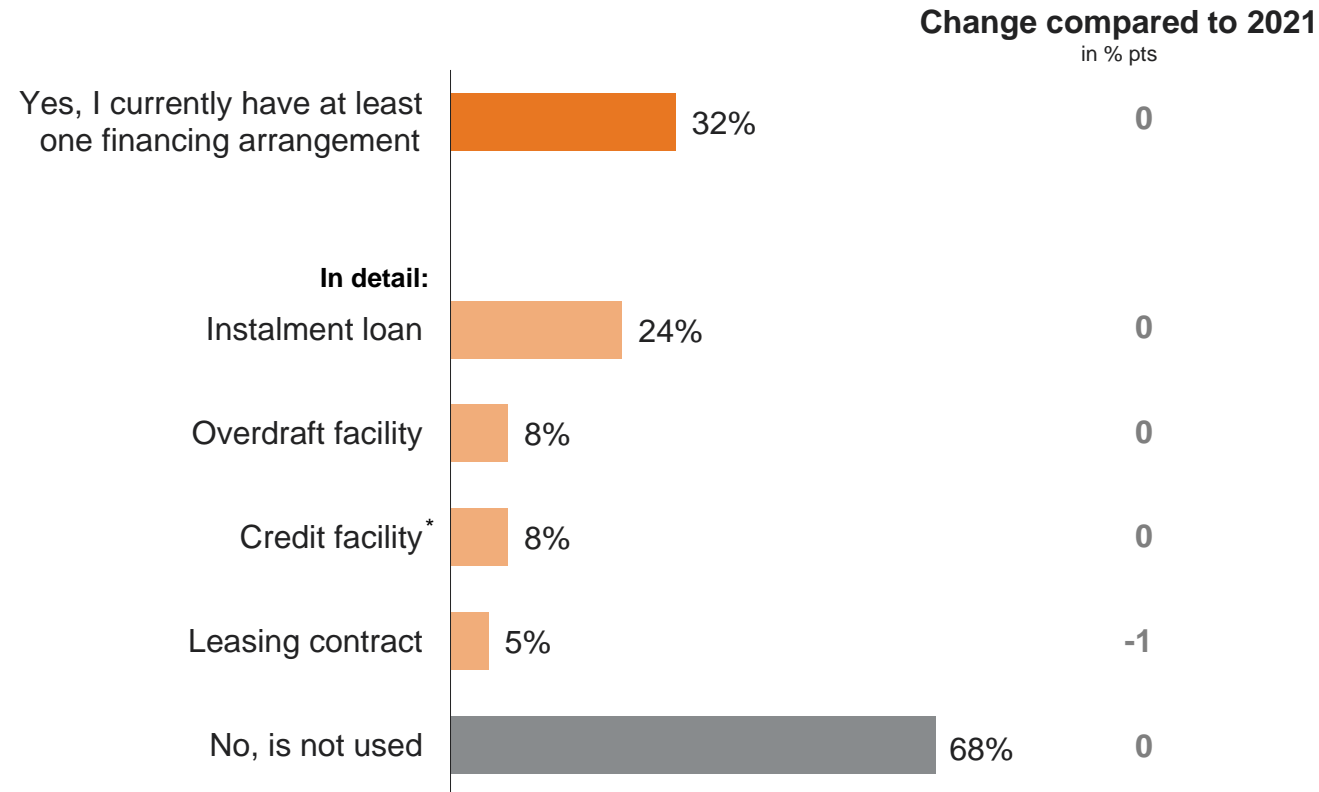
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The most common form of financing used by consumers to purchase consumer goods is the instalment loan.

Use of financing

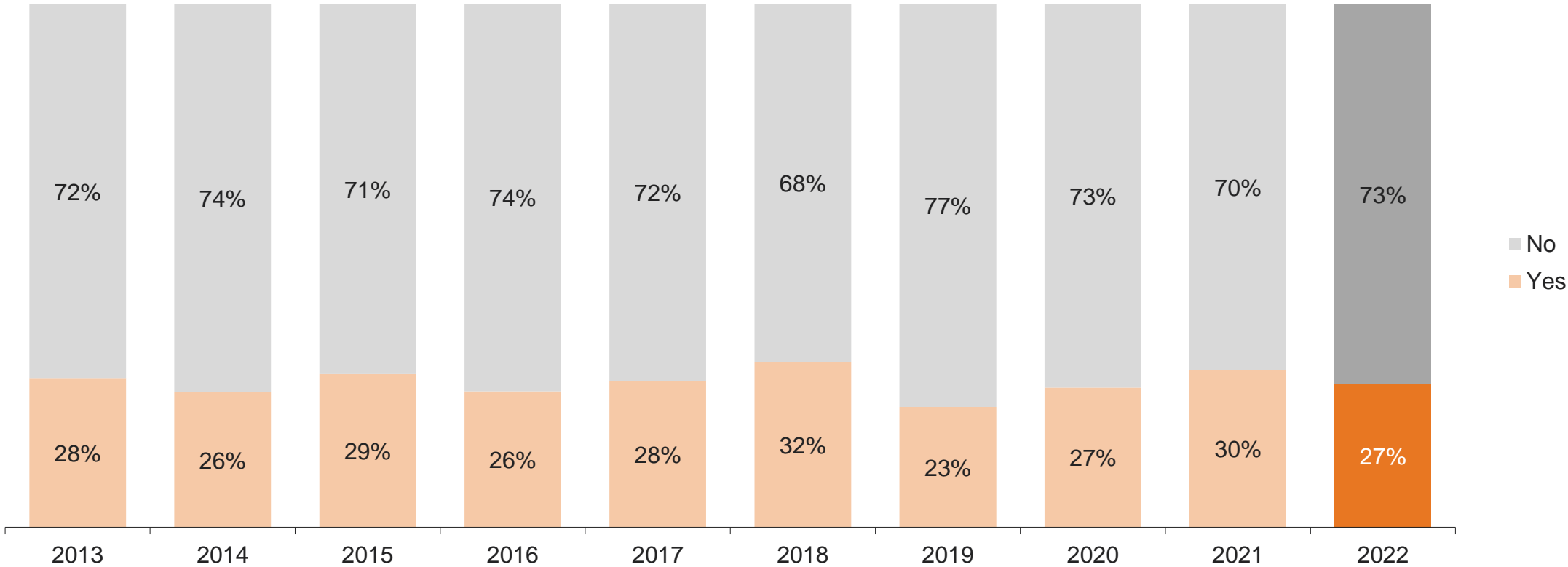


Q2a: Are you currently using one of the following loans/forms of financing?
Basis: All respondents n=1,794; multiple answers possible; *without overdraft facility



27% of all instalment loan users cover their instalment loan with payment protection insurance. This value has stayed at a comparable level over the past ten years.

Conclusion of a payment protection insurance over time



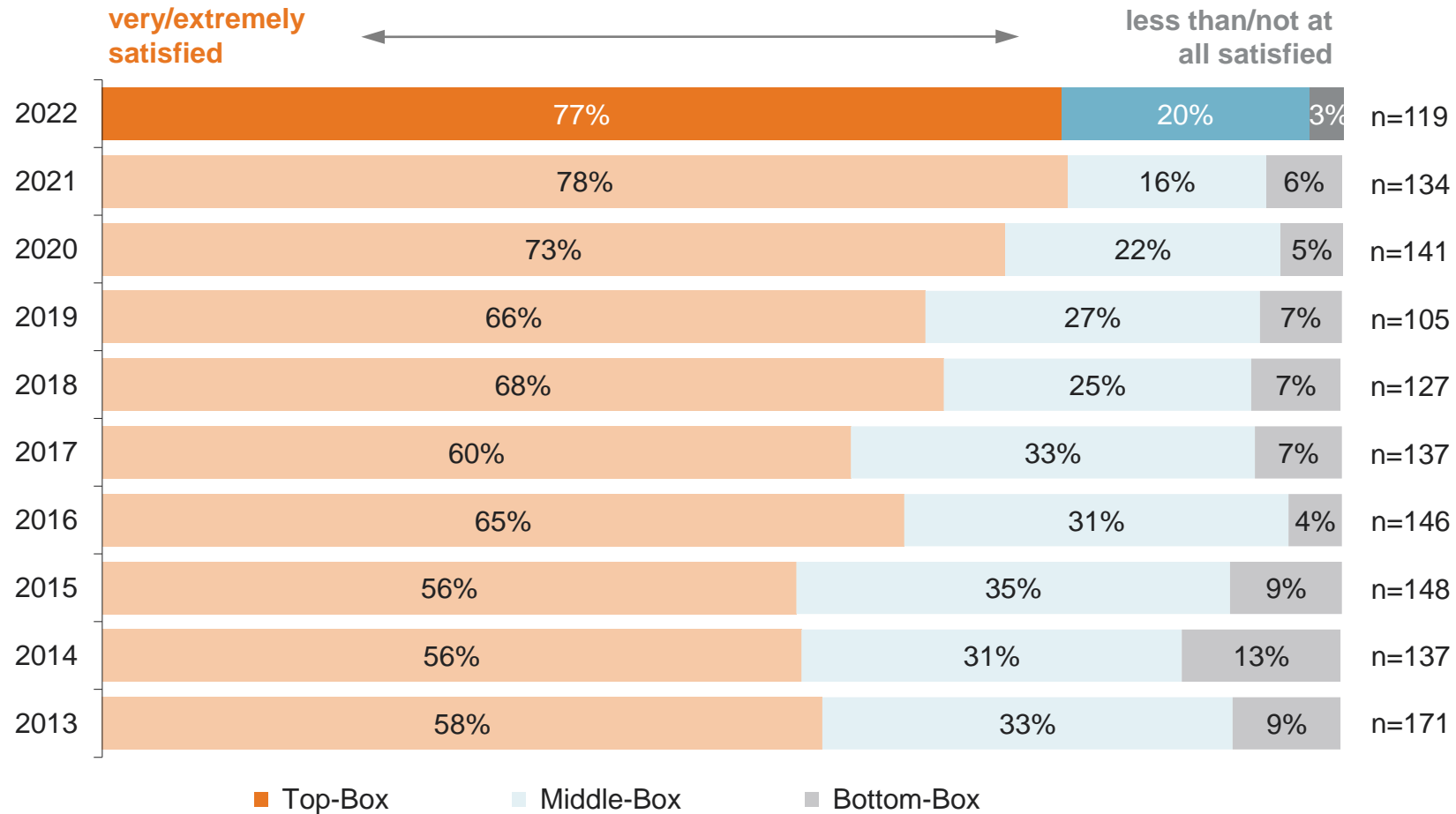
① On average, 28% of all instalment loan users have taken out payment protection insurance.

Q10: Have you taken out payment protection insurance for your most recent instalment loan?
Basis: Instalment loan users 2022 n=435



Satisfaction with payment protection insurance remains very high. More than three quarters of all insured persons are (very) satisfied.

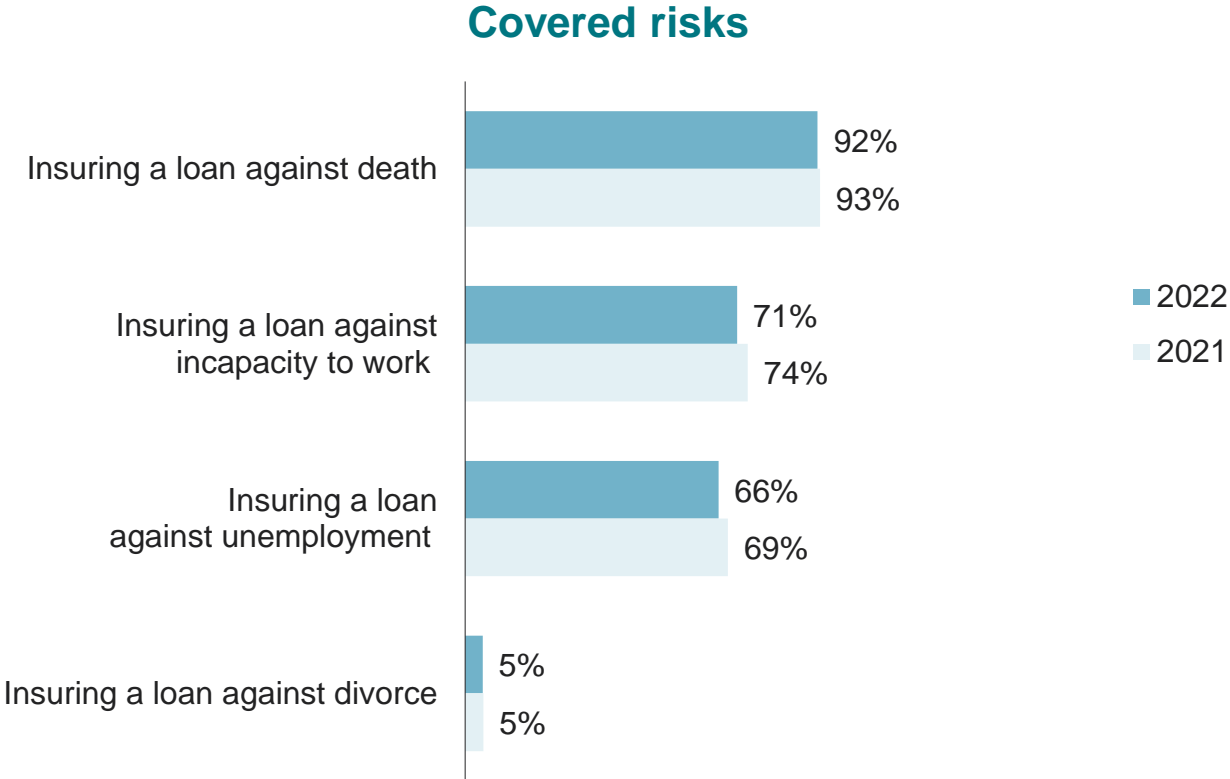
Satisfaction



Q14: How satisfied are you overall with your payment protection insurance?
Basis Instalment loan users with payment protection insurance (without don't know), rounding-off differences possible

An instalment loan is most often protected against the risk of death. But incapacity to work and unemployment are also focused by the insured.

Covered risks

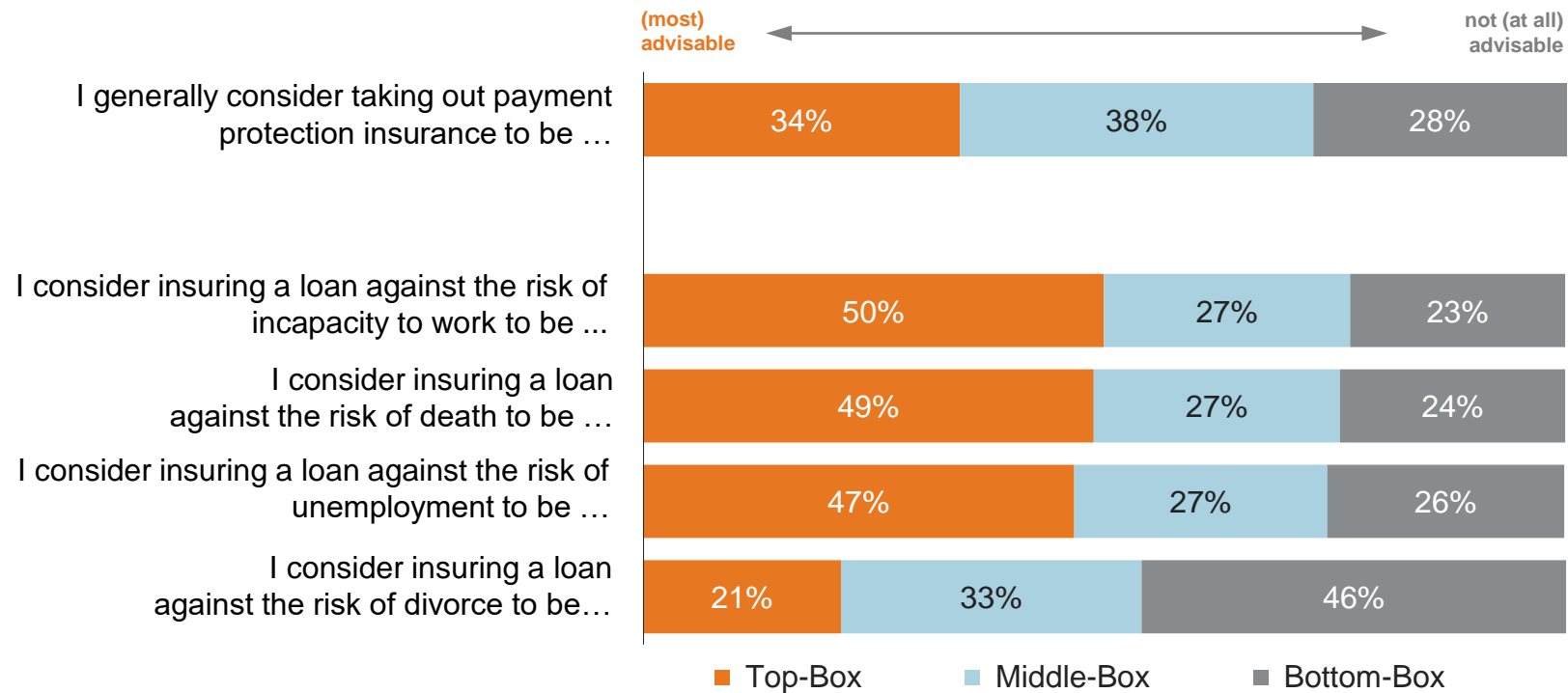


Q13: What risks does your payment protection insurance cover?
Basis: Instalment loan users with a payment protection insurance (without don't know) 2021 n=133, 2022 n=119; multiple answers possible



Around half of the users of financing products consider protection in case of incapacity to work, death or unemployment to be (very) useful.

Need for protection

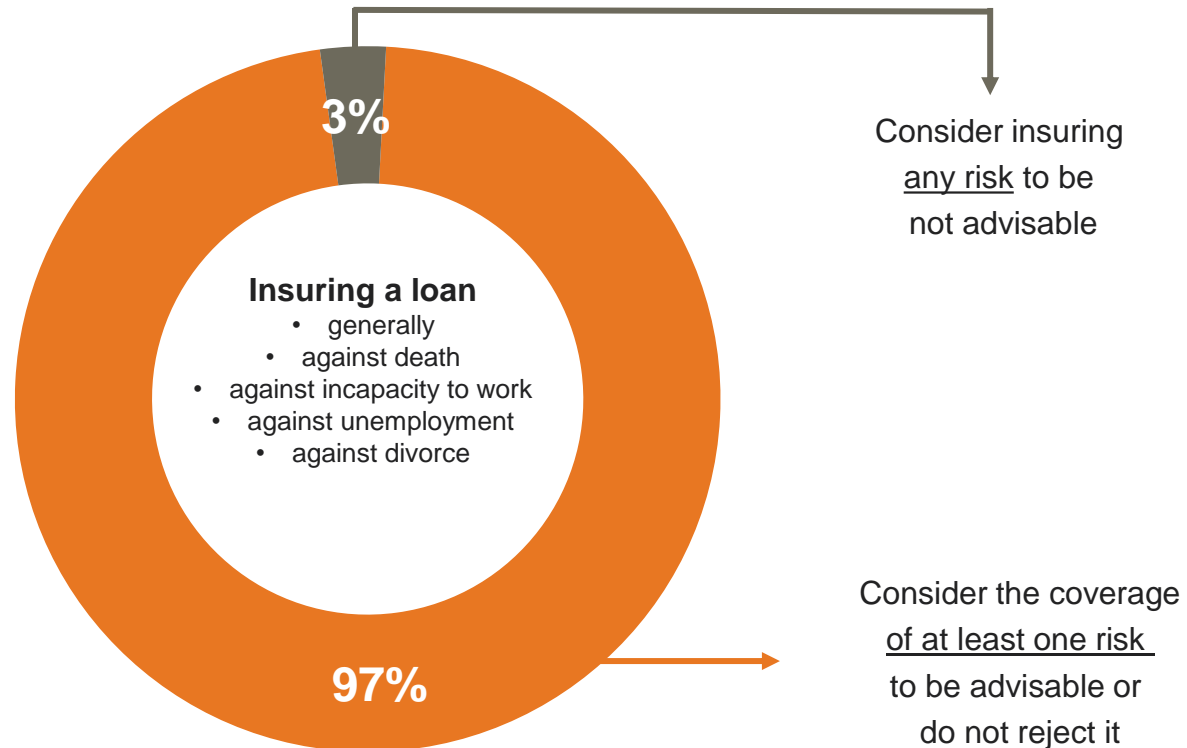


Q15a: How advisable do you think it is to take out payment protection insurance in general, and how advisable do you consider it is to cover the following specific risks with payment protection insurance?
Basis: Users of financing products n=568; rounding-off differences possible



Nearly all financing users consider it useful to protect against at least one risk.

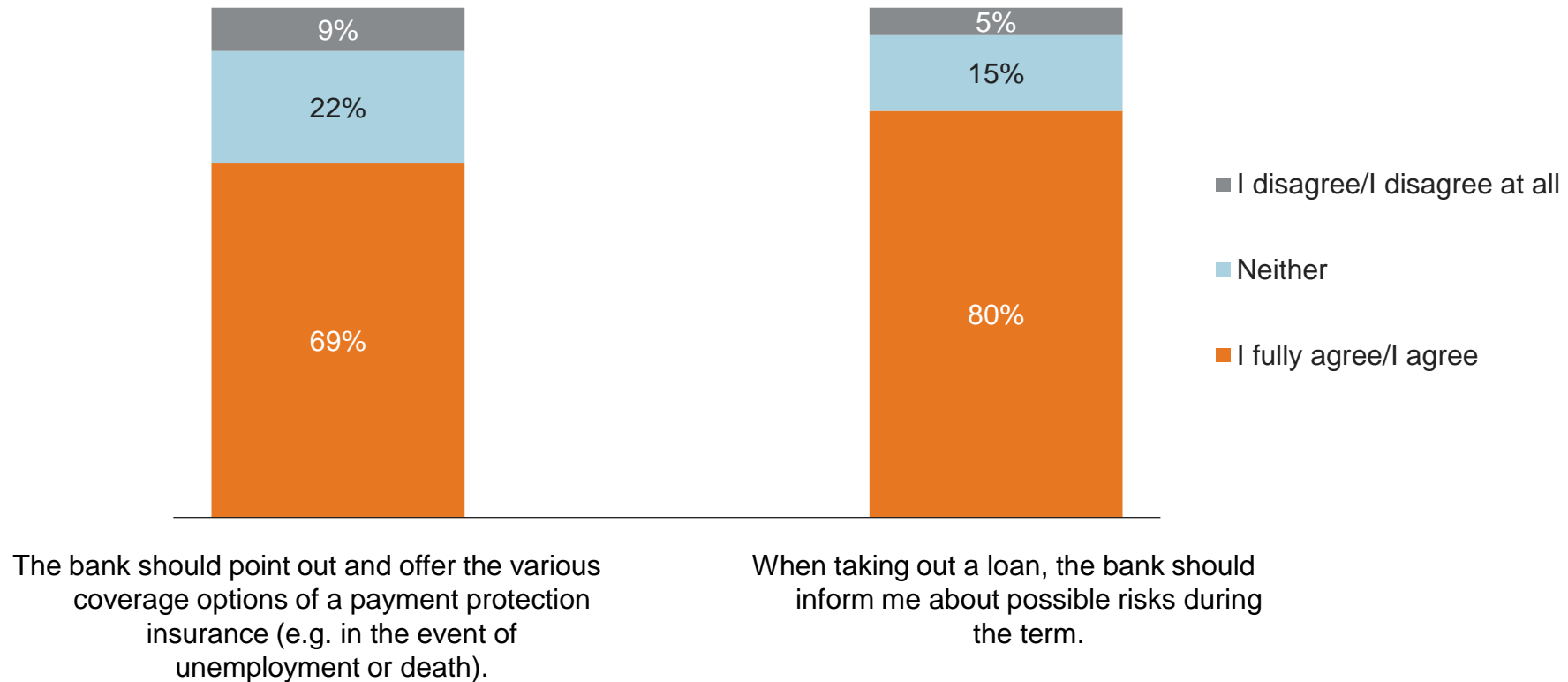
Need for protection



Q15a: 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=568

Eight out of ten consumers would like to be informed about the risks during the term of the credit when taking out the credit.

Consumer expectations



Q15c: How do you rate payment protection insurance in general in terms of the following aspects?
Basis: All respondents (without don't know) n=1,782; rounding-off differences possible



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 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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