

PAYMENT PROTECTION INSURANCE (PPI)

Extract from the Market Study 2014 - Consumer and Vehicle Financing

GfK Financial Market Research

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



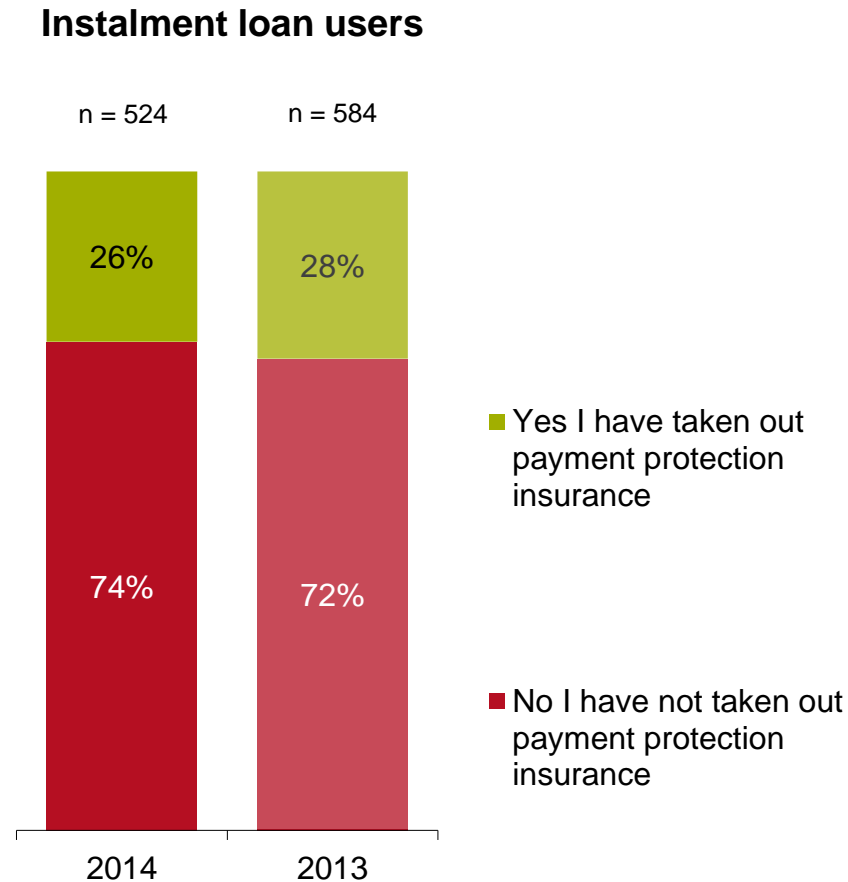
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1. Arrangement of payment protection insurance

Instalment loan users



More than a quarter of all instalment loan users has taken out payment protection insurance. This figure has decreased slightly against that of the previous year.

Q12: Have you taken out payment protection insurance for your most recent instalment loan?

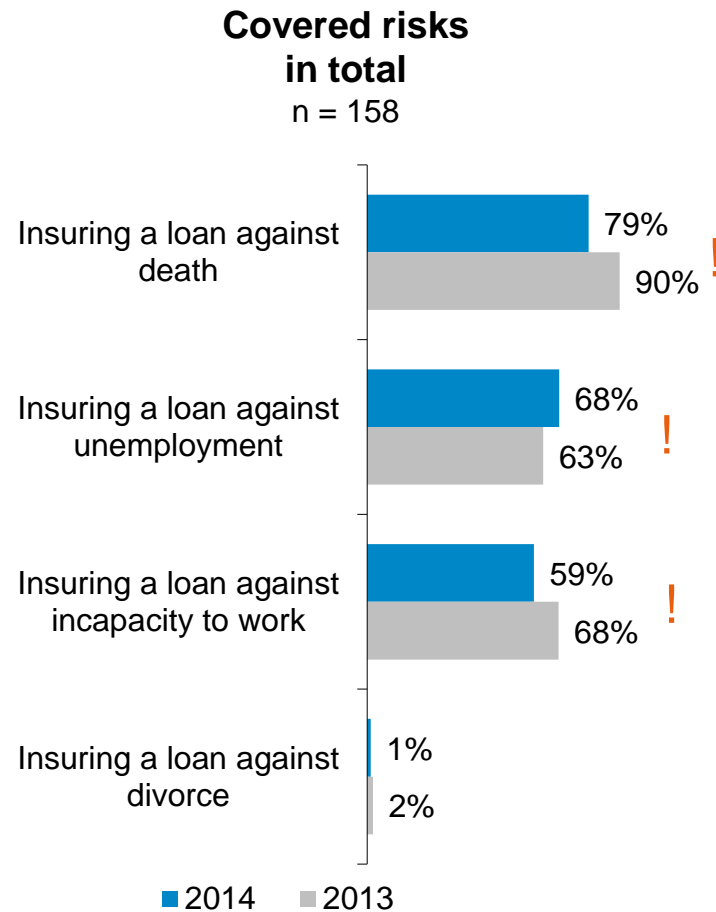
Basis: excl. no response

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2. Covered risks I

Holders of payment protection insurance



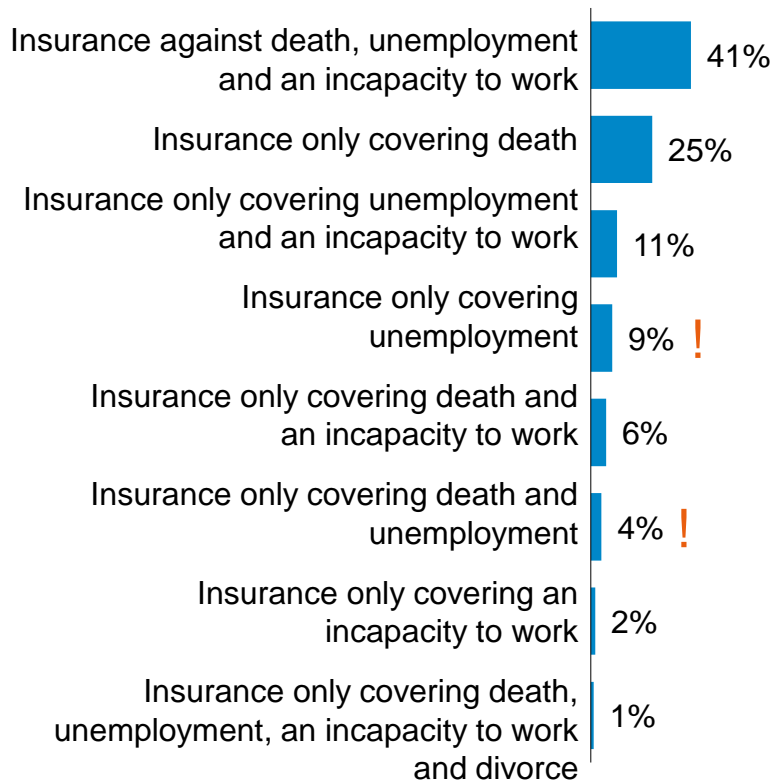
Securing a loan for the event of death and incapacity to work has declined considerably, while it has risen for unemployment.



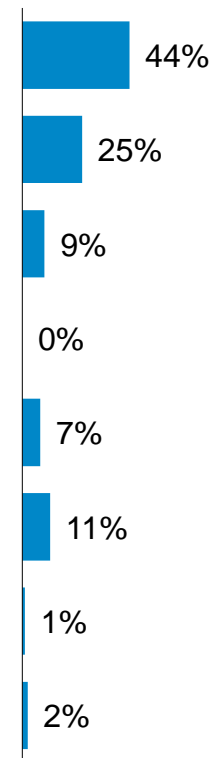
2. Covered risks II

Holders of payment protection insurance

**Covered risks
2014 in detail**
n = 158



**Covered risks
2013 in detail**
n = 174

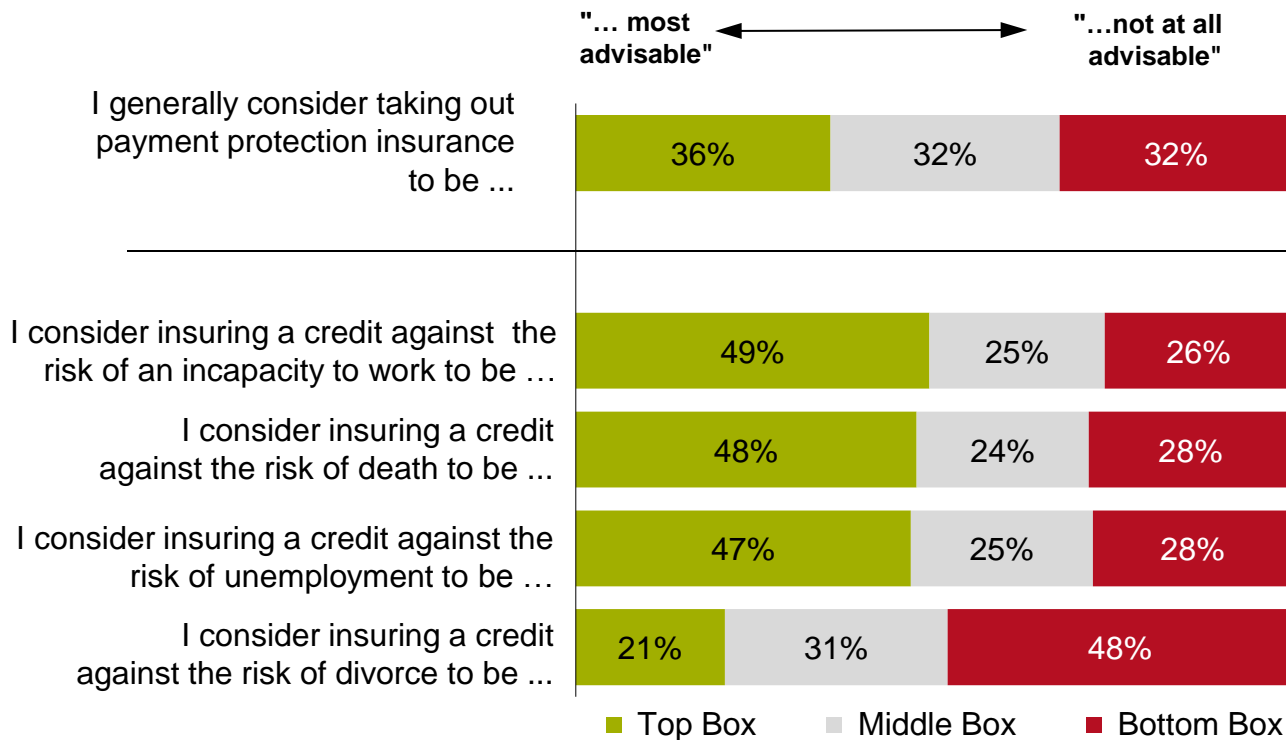


Most payment protection insurances contain a combination of "death, incapacity to work and unemployment" risks.



3. Consumer attitudes

Users of financing products



36% of users of financing products generally consider payment protection insurance to be advisable. As many as around every second user of financing products considers insuring the individual risks of work incapacity, unemployment and death to be advisable.

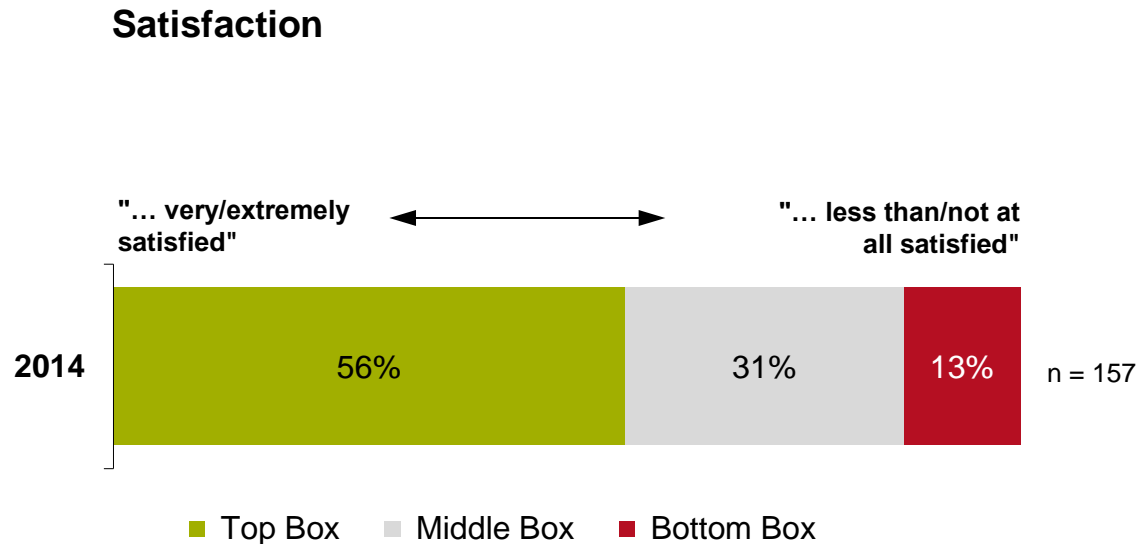
Q16a: How advisable do you think it is to take out payment protection insurance in general and how advisable do you consider it is to cover the following specific risks with payment protection insurance? Basis: n = 683 excl. no response



4. Satisfaction

Holders of payment protection insurance

The majority of payment protection insurance holders is (extremely) satisfied with their insurance; only 13% are (extremely) dissatisfied.



Q15a: If you have taken out payment protection insurance: How satisfied are you overall with your payment protection insurance?

Basis: excl. no response

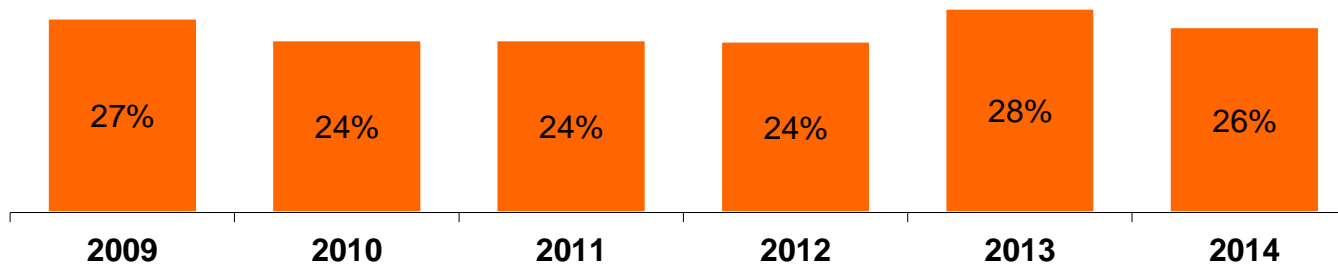
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5. Conclusion of a payment protection insurance over time Instalment loan users



About a quarter of all instalment loan users owns a payment protection insurance.

This figure is remaining constant since six years.



F12: Have you arranged payment protection insurance in respect of your instalment loan?

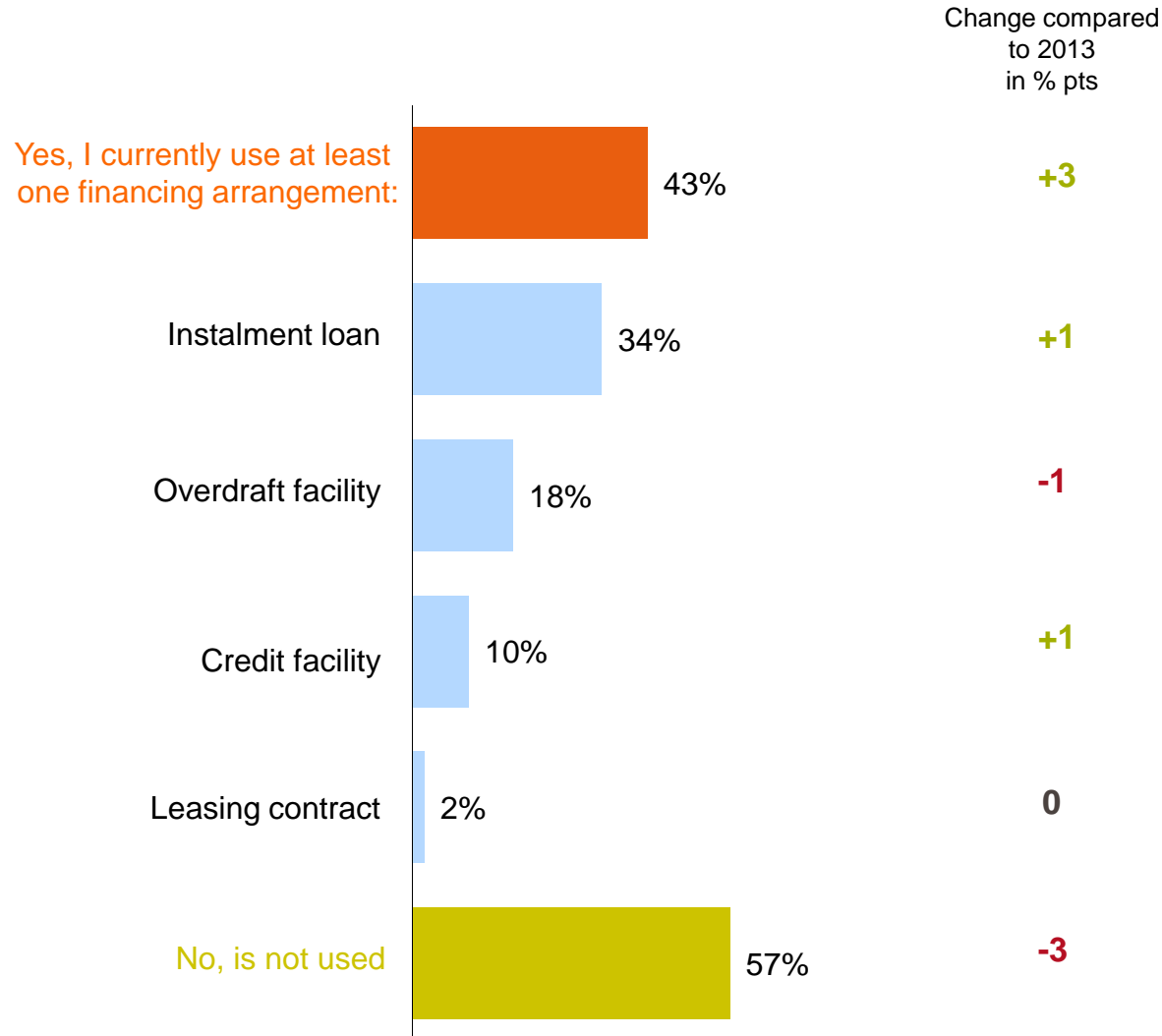
Basis: 2014 n = 524 excl. no response

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6. Use of financing

All respondents



The use of financing has increased slightly overall.

7. Summary



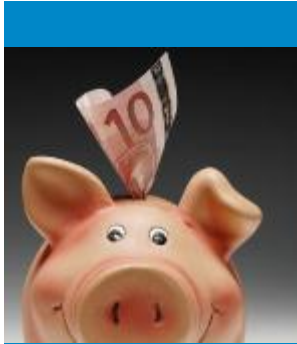
Payment protection insurance

- 26% of those who have taken out an instalment loan have taken out payment protection insurance alongside the loan – the proportion has decreased slightly since last year (page 3).
- Most payment protection insurances are for a combination of "death, incapacity to work and unemployment" risks. Securing a loan for the event of death and incapacity to work has declined considerably, while it has risen for unemployment (page 4/5).
- 36% of users of financing products generally consider payment protection insurance to be advisable. As many as around every second user of financing products considers insuring the individual risks of work incapacity, unemployment and death to be advisable (page 6).
- The vast majority of holders of payment protection insurance are very satisfied with their insurance. Only 13% are less satisfied and almost one third is impartial (page 7).



8. Study design

Sample



Survey method

Written survey, supporting study: GfK financial market panel

Target group

Representative sample of German households, up to 75 years old

Surveyed area

Federal Republic of Germany



Sample

n=1,607 interviews, the results were subsequently weighted

Survey period

18 June 2014 to 22 July 2014

Publication

October 2014



9. Contact



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