

Female investment power – 2 in 3 German women plan to investment over 50% more in 2022

Berlin, 8.03 – From Wall Street to mainstream – investing and growing wealth has long started to be a trending and frequently discussed topic among more and more consumers. However, the latest research from The Mobile Bank N26 shows there's more to do when it comes to finding parity in investment opportunities among men and women.

What obstacles are women (still) facing when investing their money? And, what are their motives and preferences? How much of their monthly income do they invest and how do factors like regional differences, occupation and marital status influence their investment behaviour?

N26's research¹ on the topic has shown that investment is still widely perceived as an activity dominated by men (only 14% of Germans surveyed don't feel that way), it also indicates a huge potential and appetite for investments among women in Germany, with over two thirds (70%) of women planning to increase their monthly investment sum to an average of €1,439 – 54% more than they currently invest.

In all, N26 surveyed 1994 women who currently invest and those who don't across Germany in February 2022. The study also compared their responses to the investment behaviour and attitude of 1999 men.

Savings accounts, crypto, real estate – women invest 31% of their income

The preferences of German women who invest are widely spread with the top six products all ranked closely in terms of their popularity: insurance products (e.g.

¹The survey was conducted among a total number of 16030 women and men in Austria (2006 survey participants from Burgenland, Kärnten, Niederösterreich, Oberösterreich, Salzburg, Steiermark, Tirol, Vorarlberg, Wien), France (4006 survey participants from Bassin parisien, Centre-est, Départements d'outre-mer, Est, Île de France, Méditerranée, Nord - pas-de-calais, Ouest, Sud-ouest), Germany (4008 survey participants from Baden-Württemberg, Bayern, Berlin, Brandenburg, Hessen-Thüringen, Mecklenburg-Vorpommern, Niedersachsen-Bremen, Nordrhein-Westfalen, Rheinland-Pfalz-Saarland, Sachsen- Sachsen-Anhalt, Schleswig-Holstein-Hamburg), Italy (3005 survey participants from Central Italy, Islands, Northeastern Italy, Northwestern Italy, Southern Italy), and Spain (3005 survey participants from A.M Barcelona, A.M Madrid, Centro (Central), Levante (Central East), Noreste (North East), Noroeste (North West), Nortecentro (North Central), Sur (South)), with an equal split between those who invest and those who do not. In this survey "investing" includes options like stocks, bank products, real estate, exchange traded funds etc. and "investing" is limited to survey participants investing their own money, excluding investments as part of their profession. The interviews were conducted online in February 2022 by the research institute Sapio on behalf of N26 using an email invitation and an online survey. The asked questions aimed to find out about the participants' preferences, needs, wishes and pain points when investing / considering to invest. The survey defines "women" and "men" as all persons identifying as such. Persons who identified as "non-binary" were not included in the analysis due the sample size not being representative. Please note that N26 does not give investment advice and that investing comes with financial risk up to losing the invested funds.

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life insurance and pensions) (34%), bank products (e.g. savings accounts) (33%), cryptocurrencies (26%), real estate (23%), exchange-traded funds (ETFs) (23%). Crypto is particularly popular among women working in entertainment and tourism where 60% and 41% respectively state this as the investment product of their choice.

The former is also most often represented in the investment portfolios of German men with over a third (40%) investing in crypto, followed by stocks and stock options (35%) and exchange-traded funds (ETFs) (33%)

German women who invest allocate a monthly average of €932 or an average share of 31% of their monthly income to their investments. This counts to be a whopping 43% less than German investing men who invest on average €1,331 or 37% of their income per month.

The study also suggests:

- German female citizens who migrated are more likely to invest in crypto (29%) followed by real estate (28%)
- Women living in Sachsen-Anhalt invest an average of €535 monthly, 74% below average and the least in Germany
- Women in Berlin invest an average of €1,421 monthly, 52% above average and the most in Germany
- Women who considered themselves very extroverted or very introverted invest with a monthly average of €1,828 and €1,175 respectively, not only above average, but also significantly more than the women describing themselves as somewhat introverted (investing an average of €788 per month) or as somewhat extrovert (investing an average of €794 per month)

Retirement and caring for their family – why women invest

When looking into the motives of German women to invest, saving for their retirement comes first (49%), followed by building financial security for their family or children (47%), and growing money in the long term (45%)

While diversification is a buzzword often mentioned in financial jargon, it comes only third last (9th place) among factors that are important for women when they invest (15%). Also surprisingly: despite the global attention that's been drawn to the climate crisis in the past year in particular, sustainability does not rank highly in importance for German investor women in their investment strategy. Just 17% of women that invest in Germany rank it amongst their top 3 criteria. It is, however, higher prioritised than ethical standards, which was mentioned by only 9% of women that invest in Germany as relevant to them.

So, what does top the list? Value for money (48%), long-term yields (39%) and fully understanding the product (29%).

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The study does however suggest that sustainability does matter to female investors in certain regions of the country:

- In Rheinland-Pfalz, it comes second together with fully understanding the product (both 30%), topped only by value for money (33%)
- It ranks fourth in Brandenburg, together with minimising risk (both 33%) and after long-term yields (68%, a strong first place), value for money (47%) and fully understanding the product (29%)
- It ranks fourth in Hessen, after value for money (42%) long-term yields (36%), and fully understanding the product (30%)

Female investment power – the opportunity

Over half (56%) of German women who have not invested before say they have considered it in the past. When asked about what would drive them to start, they follow similar motivations as German women who are already investing: saving for retirement (41%), growing their money in the long-term (39%), building financial security for their family or children (35%). Especially open to investing in the future are women aged 18-24, where two thirds (66%) have thought about starting.

The highest proportion of women who don't invest (36%) say they would most likely start with real estate, followed by an equal share between precious metals, such as gold, and banking products (both 22%), and insurances in fourth place (16%). The average non-investing German could see herself setting aside €479 monthly for this – an average share of 24% of their monthly income.

The study also suggests:

- Berlin stands out as home to the women who are willing to invest the most in absolute numbers – €1,107 monthly, a whopping 131% above the overall average in Germany
- Mecklenburg has the most reserved potential first time investors: these women say they've consider sparing €196 monthly, 82% less than the overall average in Germany

And there's more potential among women in Germany: A vast majority (70%) of those already investing say in 2022 they plan to increase their monthly sum to an average sum of €1,439. Female investors aged 18-24 are planning to up the stakes the most, with plans to invest an average of €1,526 monthly – 87% more than they currently invest – to seize new investment opportunities.

Why women don't invest (more)

Both groups, women who already invest and those that are considering starting, name lack of disposable income as the number one obstacle to why they don't invest more and why they haven't started yet (44% and 50% respectively). A

quarter of investor women also name risk aversion and uncertainty about their financial stability in the future (both 26%) as blockers, followed by concerns about current and potential future pandemics (24%) in third place. For women who don't yet invest, the lack of knowledge (40%) and risk aversion (24%) are also main barriers.

When asked about what would help them to start investing, over a quarter (28%) of women who don't yet invest wished for more open conversations about the benefits and risks of investing and 22% would specifically like other women to talk more openly about the topic. As a matter of fact, almost half (45%) of the women who don't invest state that they don't talk about investments to anybody. Another helpful factor, according to women who don't invest, would be seeing more other women invest (21%) and if the investment field were less male dominated (20%).

While the lack of knowledge is, according to them, not a main barrier for German investor women and over 4 in 5 (84%) feel confident in making investment decisions, only half (54%) do feel knowledgeable about investments (with the rest feeling unknowledgeable (16%) or neither (31%)). The gap is particularly visible among investing women in Brandenburg where 87% feel confident but only 45% feel knowledgeable.

The study also suggests:

- The most knowledgeable (and above average) feel women working in finance (76%) and entertainment (70%), e-commerce (67%), the least in social work (46%) and trade and craft (44%)
- Men feel slightly more confident than women (89%) and also consider themselves more knowledgeable – with two thirds (67%) stating that's the case

Investing and the pandemic – singles are less cautious than those that are coupled up

The current pandemic has only minor effects on the German investing women's level of cautiousness. Almost half (46%) of them state to be as cautious as before Covid-19. However, two in five women (42%) do claim to be less likely to take risks due to the pandemic. Women aged 55-64 feel the most influenced by the Pandemic in that sense, with 43% being more cautious and 56% taking less risks.

The pandemic has also not affected the monthly sum most of them invest. 53% did not reduce the amounts they had set aside for investing. Women who did make cuts in levels of investment pulled back most in luxury products (such as jewellery or designer items) (34%), art, furniture and collectibles and index funds (both 32%) as well as non-fungible tokens (NFTs) and businesses and business ideas (both 31%). Women who have invested more since the pandemic topped up their

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monthly funds in cryptocurrencies and stocks and stock options (23% of women invest more in each), and bank products (22%).

Paula Mariani, Director of user experience at N26, said: “This research clearly demonstrates just how much more opportunity there is for women within the investment landscape. It’s great to see investing becoming more a topic among women, as more of them explore ways to grow their wealth. Proactively contributing to this development by facilitating the conversation among women and creating money management and investment products that are more inclusive is an absolute priority for us at N26. For instance, our user research shows that the share of women holding Bitcoins has tripled in the past three years. However, it also shows that the share of men holding Bitcoins is six times as big. There is still a lot to do and we are looking forward to building towards an investment industry that is accessible for everybody.”

To find out more and explore the findings, check out [our page](#).

About N26

N26 GmbH (“N26”) is building the first mobile banking platform the world loves to use. Valentin Stalf and Maximilian Tayenthal founded N26 in 2013 and launched the initial product in early 2015. Today N26 has more than 7 million customers in 25 markets. The company employs more than 1,500 employees across 10 office locations: Amsterdam, Berlin, Barcelona, Belgrade, Madrid, Milan, Paris, Vienna, New York and São Paulo. With a full European banking license, state-of-the-art technology and no branch network, N26 has redesigned banking for the 21st century and is available on Android, iOS and desktop. N26 has raised close to \$1.8 billion from the world’s most established investors, including Third Point Ventures, Coatue Management LLC, Dragoneer Investment Group, Insight Venture Partners, GIC, Tencent, Allianz X, Peter Thiel’s Valar Ventures, Li Ka-Shing’s Horizons Ventures, Earlybird Venture Capital, Greyhound Capital, Battery Ventures, in addition to members of the Zalando management board, and Redalpine Ventures. N26 currently operates in: Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland. For more information about N26, please visit n26.com.

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