

Female investment power – Austrian women plan to increase their investments by 30% 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 13% of Austrians surveyed don't feel that way), it also indicates a huge potential and appetite for investments among women in Austria, with three quarters (74%) of women planning to increase their monthly investment sum to an average of €1,296 – almost a third (30%) more than they currently invest.

In all, N26 surveyed 990 women who currently invest and those who don't across Austria in February 2022. The study also compared their responses to the investment behaviour and attitude of 997 men.

Savings accounts, crypto, real estate – women invest 40% of their income

In Austria, 2 in 5 (40%) women who invest rank bank products, such as savings accounts as their favourite investment products, followed by insurance products

¹ The 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.

(e.g. life insurance and pensions) (35%), and cryptocurrencies (31%). Banking products are particularly popular among women working in the trade and crafts industry as well as public administration, where 61% and 53% respectively state this as the product of their choice. Interestingly, female investors working in law as well as the technology sector place their priorities elsewhere. They invest mostly in cryptocurrencies (55% and 48% respectively) while those working in entertainment prefer crypto, and art, furniture and collectables (both 50%). The most popular investment products overall are mirrored by men who invest, albeit in different order. One in two men (49%) rank cryptocurrencies top of their list, followed by stocks and stock options (29%) and bank products (28%).

Austrian women who invest allocate a monthly average of €999 or an average share of 42% of their monthly income to their investments. This counts to be 27% less than Austrian men who invest on average €1,361 or 43% of their income per month.

The study also suggests:

- Of the women who do invest, those working in politics and law put the largest sums into their investments, investing an average €3,406 and €2,051 respectively per month
- Women employed in entertainment and education invest the least by amount, with an average €378 and €580 per month
- Women who considered themselves very extroverted or very introverted invest with a monthly average of €1,930 and €1,747 respectively, not only above average, but also 50%-54% more than the women describing themselves on the middle of the introvert / extrovert scale

Caring for the family over saving for retirement – why women invest

When looking into the motives of Austrian women to invest, building financial security for their family or children comes first (49%) – a motivation that ranks only third among investing men in Austria (35%). For almost one in two investor women, saving for their retirement (45%) and growing their money in the long term (44%) are also primary reasons behind their investment activities.

While diversification is a buzzword often mentioned in financial jargon, it comes only second last (tenth place) among factors that are important for women when they invest. 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 Austrian investor women in their investment strategy. Just 26% of women that invest in Austria rank it amongst their top 3 criteria. So, what does top the list? Value for money (49%), long-term yields (33%) and fully understanding the product (32%).

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

- In Kärnten, it comes second together with fully understanding the product (both 30%), topped only by value for money (39%)
- It also ranks second in Salzburg, together with value for money (both 33%) and after minimising risk (38%)
- In Vorarlberg it also comes second (33%) after value for money (53%).

Female investment power – this is just the beginning

Almost two thirds (65%) of Austrian 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 Austrian women who are already investing: growing their money in the long-term (48%), building financial security for their family or children (43%), and saving for retirement (35%). Especially open to investing in the future are women aged 18-24, where over three quarters (77%) have thought about starting.

The highest proportion of women who don't invest (47%) say they would most likely start with real estate, followed by an equal share between precious metals, such as gold, and banking products (both 23%), and cryptocurrencies in fourth place (22%). The average non-investing Austrian could see herself setting aside €380 monthly for this – an average share of 26% of their monthly income.

The study also suggests:

- Vienna stands out as home to the women who are willing to invest the most in absolute numbers – €604 monthly, 58% above the overall average in Austria
- Burgenland has the most reserved potential first time investors: these women say they've consider sparing €148 monthly, 75% less than the overall average in Austria

And there's more potential among women in Austria: A vast majority (74%) of those already investing say in 2022 they plan to increase their monthly sum to an average of €1,296. Female investors aged 25-34 are planning to up the stakes the most, with plans to invest an average of €1,402 monthly – 38% 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 (48% and 54% respectively). A quarter of investor women also name risk aversion (27%) and uncertainty about

their financial stability in the future (26%) as blockers. For women who don't yet invest, the lack of knowledge (44%) and risk aversion (25%) are also main barriers. When asked about what would help them to start investing, a third (33%) of women who don't yet invest wished for more open conversations about the benefits and risks of investing and a quarter (25%) would specifically like other women to talk more openly about the topic. As a matter of fact, almost half (42%) 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 an increase of available investment products that are more tailored to women's needs (23%).

While the lack of knowledge is not a barrier for Austrian investor women and over 4 in 5 (84%) feel confident in making investment decisions, only half (46%) do feel knowledgeable about investments (with the rest feeling unknowledgeable (20%) or neither (33%)). The gap is particularly visible among 18-24 year olds where 90% feel confident but only 48% feel knowledgeable.

The study also suggests:

- Women in Kärnten feel the most knowledgeable across Austria with 67% saying they feel that way
- Women in Oberösterreich feel least knowledgeable (35%)
- The most knowledgeable (and above average) are women working in law (100% state themselves as knowledgeable), E-Commerce (67%), Finance (67%) and Technology (63%).
- Men feel just as confident as women (84%) but consider themselves more knowledgeable – with two thirds (65%) stating that's the case
- Men in Steiermark feel particularly knowledgeable with three quarters (76%) saying that's the case

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

The current pandemic has affected women who invest more than men who do. For these women, almost half state that they are now more cautious (45%) and take less risks (45%) while only 36% of men who invest are now more cautious and 39% take less risks. Women between the ages of 45-54 are especially more cautious (60%) and more likely to take less risks (59%) due to the pandemic. Interestingly, being single or married, or in a domestic partnership also has an effect: only a third (36%) of single women invest more cautiously versus half (50%) of women in relationships.

When looking at regional comparisons, investor women based in Salzburg and Vienna are most likely to be cautious as a result of the pandemic, with 54% and 52% respectively saying that's the case, compared to Kärnten where just 33% – the smallest percentage nationally, said the same.

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While the pandemic has affected Austrian women's risk appetite, it has not affected the monthly sum most of them invest. 53% did not reduce the amounts they had set aside for investing, and women who made cuts in levels of investment pulled back most when it came to investing in art, furniture and collectibles (37%), non-fungible tokens (NFTs) (35%), and index funds (33%). Women that invested more since the pandemic topped up their monthly funds in cryptocurrencies (25% of women invest more), real estate (22%) and more traditional, less risky forms of investment such as bank products, stocks and stock options, and insurance products (all 21%).

Paula Mariani, Director of User Experience at N26, says: “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, Dragoner 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.

N26 Press Contact
press@n26.com