

Regional disparities in consumption: what do bank card transaction data tell us?

The aggregated data used in this sheet were provided by Cartes Bancaires CB and cover the majority of bank card transactions. They consist of data extracted from anonymised transactions aggregated at departmental level so that confidentiality requirements are respected. This information does have some limitations. The data used here concern any holder of a CB bank card on French territory, and this can be households but also businesses. These data do not include transactions using other payment methods (cash, cheque, luncheon vouchers, etc.). In addition, unlike the data used at national level, in particular for estimating the loss of household consumption, departmental data include certain transactions that cannot be assimilated to consumption (donations to associations, purchase of tax stamps, etc.). Finally, remote transactions (especially online transactions) are not taken into account.

A general decline in all areas of the country

All regions of Metropolitan France experienced a sharp decline in their bank card transactions when lockdown was imposed. Île-de-France is the metropolitan region that was most affected with a 65% decrease in bank card transactions during the week of 23 to 29 March (first full week of lockdown) compared with the same week in 2019. In the other regions the number of transactions during this week declined by between 59% and 52%. Since then, bank card transactions have picked up slightly. The week of 20 to 26 April was notable for decreases ranging from 35% to 51% compared with the same week in 2019.

Although these regional disparities remain fairly small, they hide more significant local differences (Figure 1). The overall amount of transactions carried out in Paris during the week of 23 to 29 March was down 78% compared to last year and in

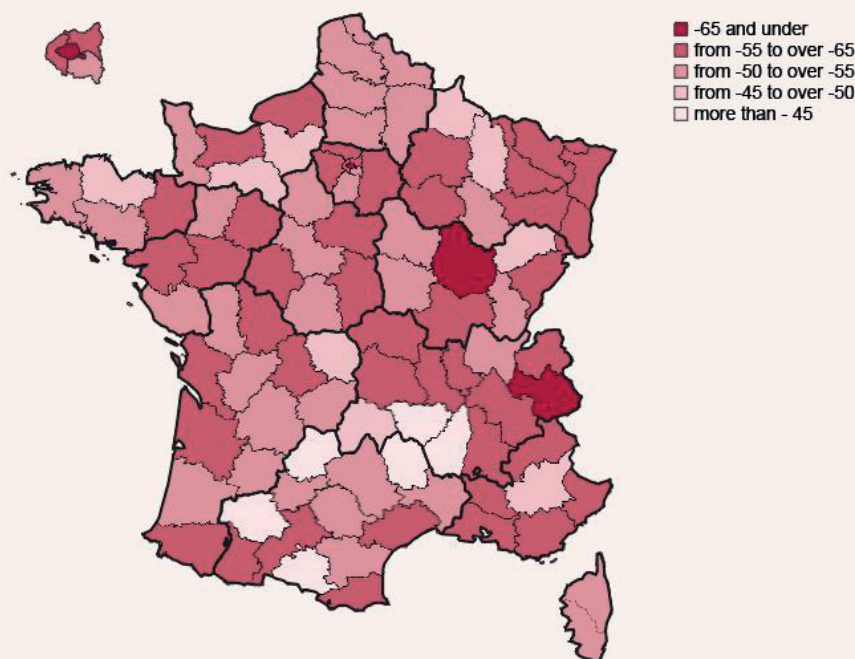
Côte-d'Or this amount was down 66%. Conversely, the Ariège, Lozère and Gers departments saw their overall amount of transactions decline by 40% to 43% compared with the same week last year.

Regional factors of resistance

In the most sparsely populated departments, the overall amount of bank card transactions seems to have held up rather better (Figure 2-A). In the most densely populated departments, transaction amounts tumbled by 60% between the week of 2 to 8 March and the week of 23 to 29 March, for example, while this slump in the most sparsely populated departments was around 50%. In the departments of Paris, Savoie, Hautes-Alpes and Hautes-Pyrénées, there were some significant and atypical variations in bank card transactions, probably due to the early closures of winter sports resorts, the drop in tourist numbers, as well as the population movements observed when lockdown was announced.

Figure 1 - Bank card transaction amounts by department during the week of 23 to 29 March

year-on-year weekly bank card transaction amounts in 2020 compared with those of the corresponding week in 2019, %



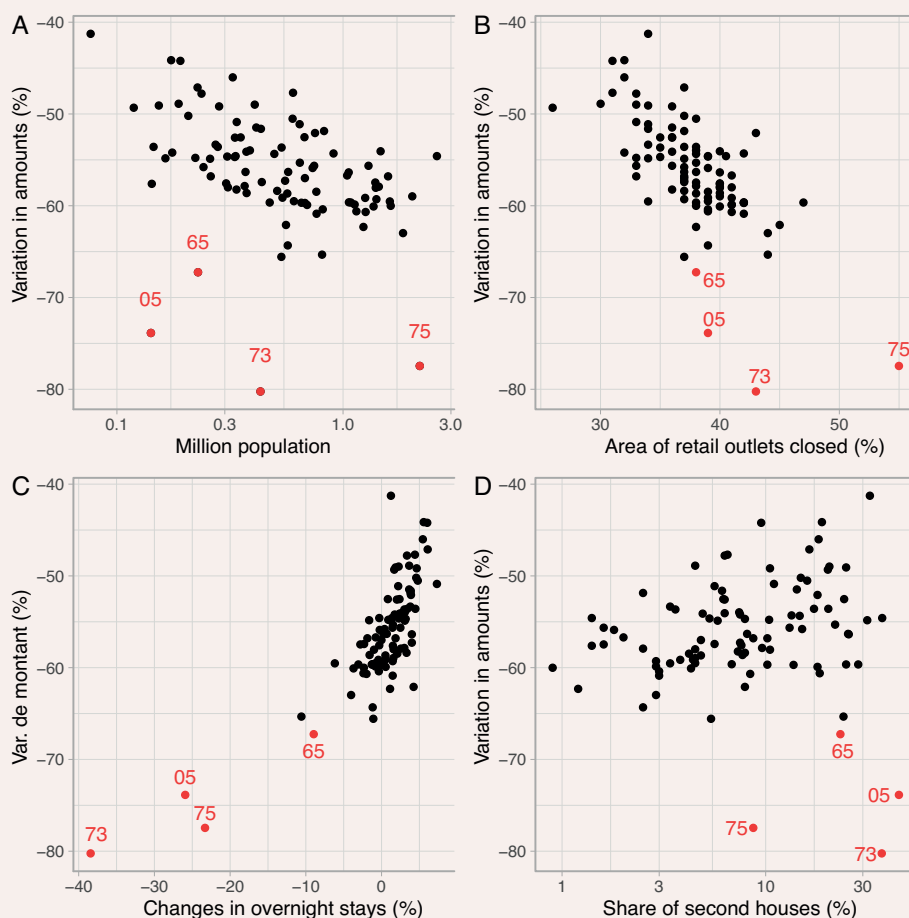
How to read it: During the week of 23 to 29 March, the departmental transaction amount in Côte-d'Or declined by 66% compared with the same week in 2019

Sources: Cartes Bancaires CB, INSEE calculations

In fact, this departmental variability can be explained in part by supply shocks. The obligation to close all establishments open to the public did not affect all departments in the same way. The most populous are also the ones that contain proportionally more retail space allocated to businesses supplying personal and household equipment. These businesses were obliged to close their stores, while food shops were exempt from closure. The correlation between retail space and variations in amounts was therefore very negative (Figure 2-B).

There are other explanatory factors to be found on the side of demand shocks. The correlation between variations in aggregated bank card transaction amounts and variations in overnight stays observed by INSEE from anonymised aggregated data from Orange was also very high. Transaction amounts declined further in departments where there was a decrease in overnight stays (Figure 2-C). Lastly, departments with the most second homes experienced, for the most part, a smaller drop in spending (Figure 2-D). ■

Figure 2 - Some explanatory factors for departmental disparities in variations in transaction amounts before and during lockdown



How to read it: The Côte-d'Or department experienced a 66% decline in the amount of transactions between week 13 and week 10 of 2020. The population of the department is the municipal population for 2017. The area of retail outlets closed is calculated mainly from the real estate contribution paid by businesses (CFE) (see Box 1 of INSEE Focus n°188 <https://www.insee.fr/fr/statistiques/4474959>). Changes in overnight stays correspond to scenario 1 from the Press Release of 8 April 2020 in collaboration with Orange. The share of second homes (including occasional dwellings) in the total number of dwellings 2016 is based on the population census.

Sources: INSEE, Cartes Bancaires CB, INSEE calculations