

The first days of the second lockdown were marked by smaller declines in consumption than in March, mainly due to an increased use of online sales

While 30 October marked the start of a new lockdown, consumption behaviour at the end of October and the beginning of November differed in several respects from that in mid-March. Thus online sales seemed to be much more buoyant than during the first lockdown. Some anticipatory behaviours that had been especially notable in March (food, fuel) were much less noticeable at the end of October. Experience acquired during the first lockdown was probably a factor in explaining these differences.

Since the start of the health crisis, the daily amounts of CB bank card transactions, aggregated by product, and sales in major retail outlets, have been ideal sources of data to analyse household consumption virtually in real time. In the context of the second lockdown, which began on 30 October, these data can be used in particular to compare consumption behaviour between the first and second lockdowns, on the days that preceded them and the days immediately after they came into force.

First, with regard to the total amount of CB bank card transactions, one of the main features of the first lockdown was a peak in purchases just before the lockdown began (on J-1 and to a lesser extent on J-4, *Graph 1*) then a dramatic decline immediately after (on J+1). The second lockdown revealed movements that were rather less sudden: some anticipatory behaviour was visible, especially on J-1 and J-2¹, but on a smaller scale than in the first lockdown, while the decline in purchases, which was also visible on J+1, appeared less dramatic than in March.

As in March, anticipatory behaviours seemed to be driven by physical sales, as was the sharp decline in purchases immediately after the start of lockdown.

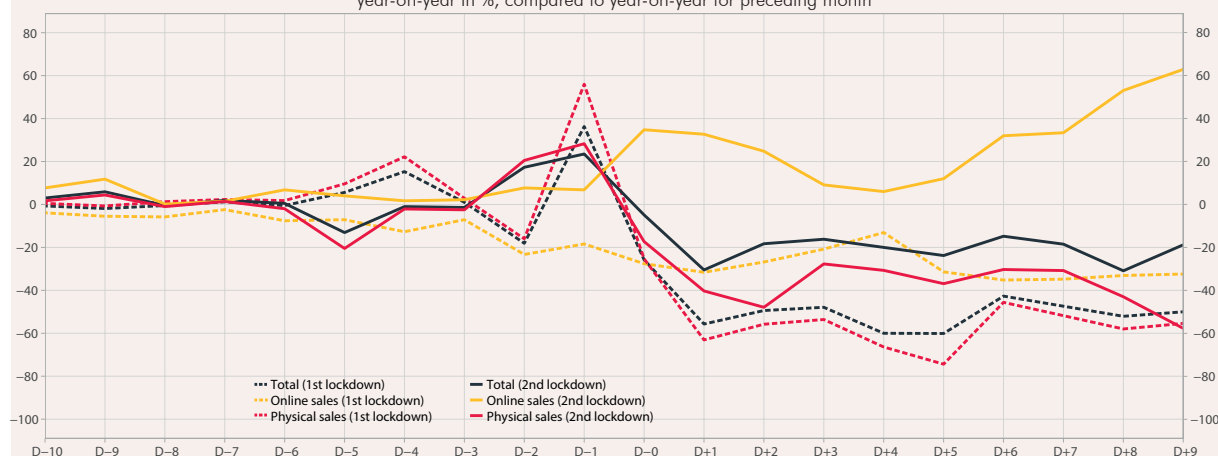
However, the momentum of online sales, which in October accounted for 24% of total transactions, represented a significant difference between the two lockdowns. In March, online payments began to decline several days before the lockdown started, a trend that continued until the beginning of April, whereas in October, no downward trend was visible in the days preceding 30 October. On the contrary, as people went into lockdown this immediately caused a significant increase in online transactions, which continued in its dynamism, sustaining all bank transactions. Thus online sales seem to have taken over from physical sales in these first days after re-entering lockdown.

At a more detailed level of the types of product consumed, other differences emerge between the two periods of lockdown. At the start of the first lockdown, the very low level of spending on fuel, accommodation and catering was an illustration of the consequences of the regulations that came into force on 17 March (drastic decline in mobility, virtually total shutdown of catering and hospitality). The dynamics observed during the second lockdown showed profiles that were less pronounced. In the first place, the decline in transactions of fuel,

1. In particular, the fact that the second lockdown started on a Friday probably meant that households were able to spread out their purchases over the previous days, which would have been more difficult for the first lockdown, which came into force on a Tuesday.

1 - Daily CB bank card transaction amounts

year-on-year in %, compared to year-on-year for preceding month



How to read it: during the 2nd lockdown, on J+1 (31 October 2020), year-on-year change in the total amount of CB bank card transactions was 31% lower than for this same amount in September.

Note: year-on-year changes are shown in relation to the month preceding the start of lockdown (February for the first lockdown, September for the second). In this way the rise in the rate of bank card use since March can be monitored.

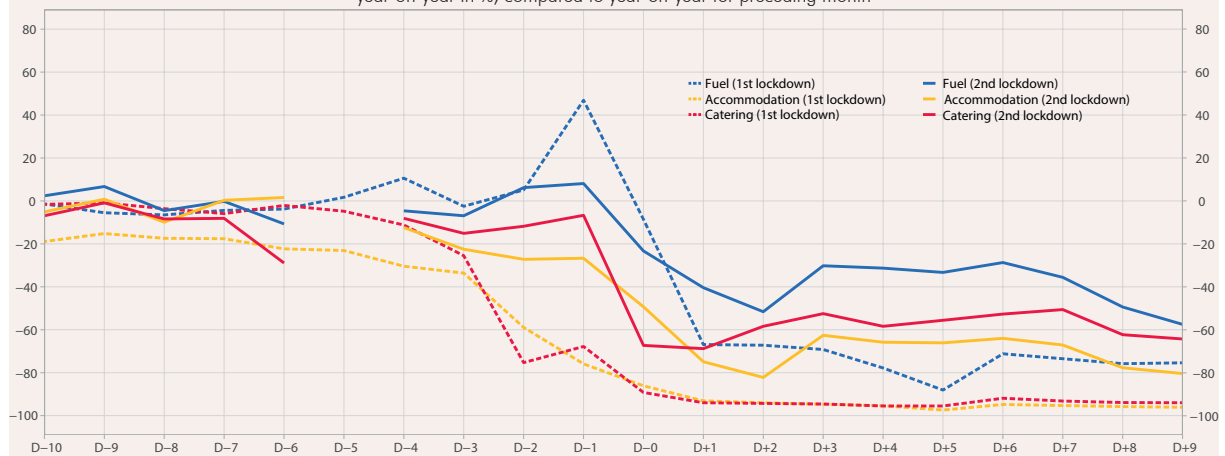
Source: Cartes Bancaires CB, INSEE calculations

catering and accommodation seemed this time to be less drastic than during the first lockdown (Graph 2). With regard to fuel, this may reflect the lesser restrictions on travel by households during the second lockdown: home-work travel continued for those who could not work from home, on the understanding that the activities concerned were able to adapt to operating under health restrictions. With regard to catering and hospitality, the smaller decline in bank card transactions may be linked to growth in takeout sales or to the fact that business trips were maintained, both factors of difference in relation to the first lockdown, but also to the fact that in October the level of activity in these sectors was already in decline.

In the second place, the momentum observed in the days preceding lockdown differed from March to October. This was particularly the case for purchases of fuel, which in March were marked by high levels of anticipatory behaviour that were not seen in October: the experience gained during the first lockdown and the probable reduction in movement of the population during the second lockdown, at a time when schools remained open, probably account for these differences. In accommodation and catering, a sharp fall in consumption began several days before the first lockdown, from J-2, in connection with measures to close restaurants, which came into force two days earlier (Sunday 15 March).

2 - Daily CB bank card transaction amounts for purchases of fuel, accommodation and catering

year-on-year in %, compared to year-on-year for preceding month



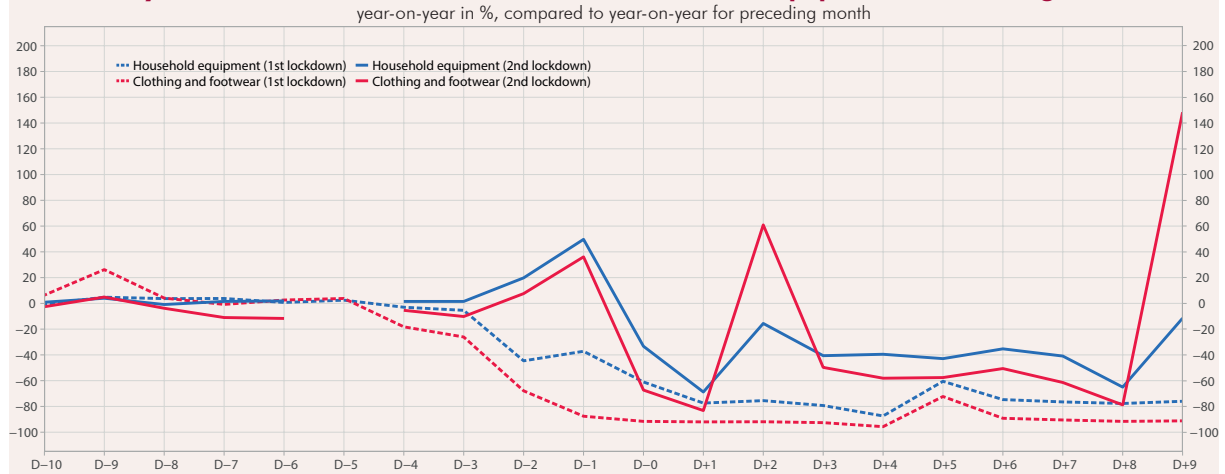
How to read it: during the 2nd lockdown, on J+1 (31 October 2020), year-on-year change in the accommodation and catering amount of CB bank card transactions was 69% lower than for this same amount in September.

Note: year-on-year changes are shown in relation to the month preceding the start of lockdown (February for the first lockdown, September for the second). In this way the rise in the rate of bank card use since March can be monitored. Year-on-year changes for J-5 of the second lockdown (25 October) are not shown as data are only partial for that day.

Source: Cartes Bancaires CB, INSEE calculations

3 - Daily CB bank card transaction amounts for household equipment and clothing-footwear

year-on-year in %, compared to year-on-year for preceding month



How to read it: during the 2nd lockdown, on J+1 (31 October 2020), year-on-year change in the clothing-footwear amount of CB bank card transactions was 83% lower than for this same amount in September.

Note: year-on-year changes are shown in relation to the month preceding the start of lockdown (February for the first lockdown, September for the second). In this way the rise in the rate of bank card use since March can be monitored. Finally, the high year-on-year levels on J+2 and J+9 of the second lockdown are probably linked to the fact that these were Sundays, with purchases made during lockdown following little or none of the seasonality usually seen in a normal period.

Source: Cartes Bancaires CB, INSEE calculations

Concerning durable goods, and more precisely household equipment and clothing-footwear, the main feature of the first lockdown was a fall in bank card transactions even before 17 March, with transaction amount later settling at a very low level, in line with the closure of specialist points of sale (*Graph 3*). The momentum observed since the end of October has shown up several differences. First, bank card transactions suggested a peak in purchases the day before entering lockdown, perhaps linked with experience acquired during the first lockdown or related to the time of year, when this type of purchase is made and which, because of the start of lockdown, could have been concentrated on the previous day. Subsequently, transactions plummeted during the first two days after re-entering lockdown but in the days that followed the profile was less degraded than in the

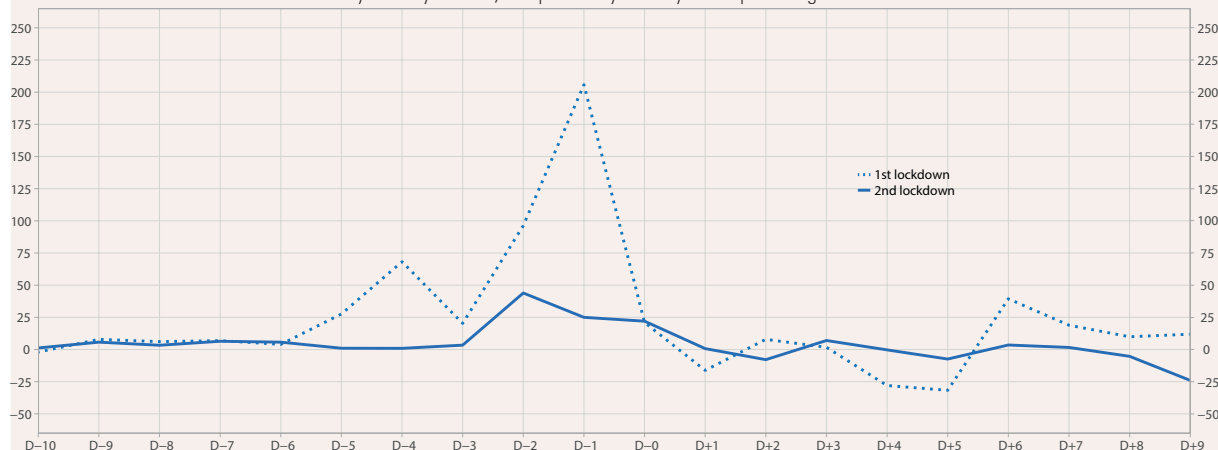
first lockdown, especially for household equipment. The opening of shops selling home equipment and DIY stores, or the boom of online sales noted above, can explain this increase in spending compared to mid-March.

Finally, spending on food was characterised by significant anticipatory behaviour on the day before the first lockdown (J-1 and J-4 to a lesser extent). This type of behaviour could also be seen just before the second lockdown, but on a much more modest scale, probably as a result of feedback from experiencing the first lockdown, when fears of food shortages proved to be unfounded. However, as during the first lockdown, and unsurprisingly, the first days of November saw no drop in food spending at all, as the lockdown situation contributed to an increase in the number of meals eaten at home. ■

Olivier Simon ■

4 - Daily amounts of sales of agricultural and agrifood products by major retail outlets

year-on-year in %, compared to year-on-year for preceding month



How to read it: during the 2nd lockdown, on D+1 (31 October 2020), the sales of agricultural and food products by the mass retail sector showed a year-on-year change of 1% higher than the year-on-year change in these same sales for the month of September.

Note: the year-on-year changes are represented as a deviation from the year-on-year change for the month preceding the entry into force of the containment (February for the first containment, September for the second).

Source: cash register data of several supermarket and hypermarket signs, INSEE calculations