

The 2021 winter sales took place in an unusual context

The sales are an important period of consumption in several sectors of retail trade. In 2021, the context of the winter sales was rather unusual: on the one hand total transactions over the season were affected particularly badly by the second national lockdown, generating potentially large quantities of unsold inventory, especially in clothing and sports articles. On the other hand, different economic measures may have influenced the usual commercial activity of this period. The two-week delay in starting the sales and the two-week extension may well have helped reduce the unsold goods. However, restrictive measures, especially the curfew, the introduction of limits on the number of people in shops and the closure of non-food retail outlets in shopping centres larger than 20,000 m² may have limited any increase in sales. The jump in consumption as a result of the first markdowns seems less clear-cut.

The sales are a critical time for purchases in several retail sectors

In several sectors of retail trade, the winter sales are a time when particularly large amounts of goods are sold. This is especially the case in clothing, sports articles, household electrical goods and, to a lesser extent, furniture and household equipment.

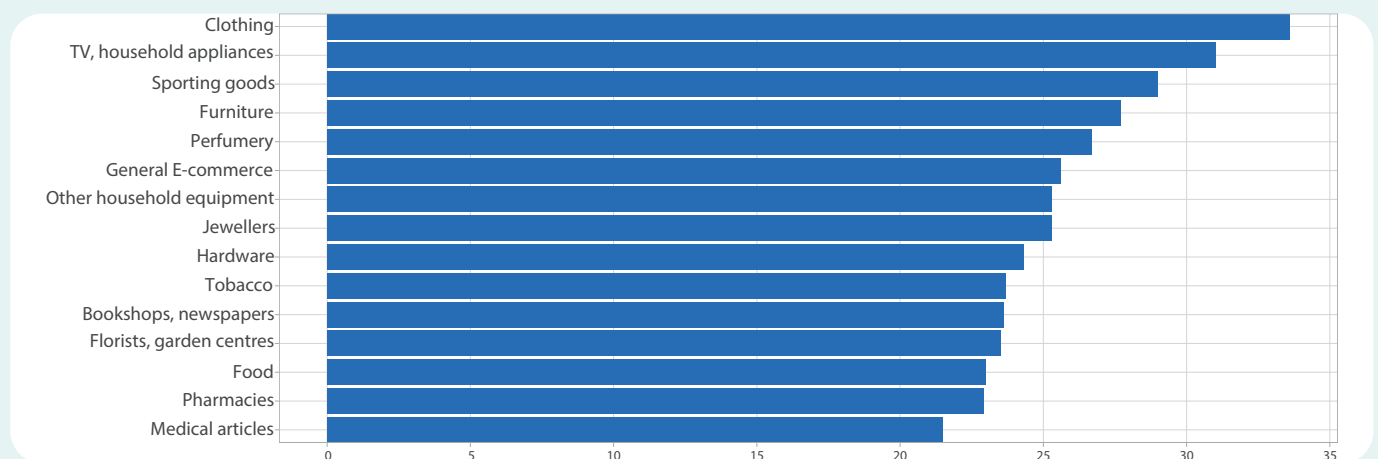
In January 2020, 34% of bank card transactions in clothing took place during the first week of the sales (► [figure 1](#)). In other sectors, such as food or pharmacies, the first week of the sales was similar to a standard week: 23% of purchases in January took place during this week, which corresponds to the proportion of the number of working days in the month.

¹ For illustrative purposes, the start of the autumn-winter season is taken to be 15 September.

An autumn-winter season full of contrasts

In 2021, the sectors affected by the winter sales (i.e. where the winter sales represent a significant increase in bank card transactions) faced an autumn-winter season of contrasts. On the date the sales were originally due to start (Wednesday 6 January 2021), the cumulated total of bank card transactions recorded for clothing and sports articles over the autumn-winter season 2020-2021¹ was in fact 10% lower than that in 2019-2020 over the same period (► [figure 2](#)). The furniture sector was 8% down, while conversely, general e-commerce and household electrical goods transactions saw a significant increase (+30 to +40%). The second lockdown and the reopening of “non-essential”

► 1. Importance of the first week of the sales in January 2020



How to read it: in January 2020, 34% of bank card spending on clothing took place during the first week of the sales.
Source: Cartes Bancaires CB, INSEE calculation

French economic outlook

businesses in December were in fact accompanied by a strong momentum in bank card transactions in these sectors of activity. The following commentary mainly focuses on bank card transactions in clothing, sports articles and furniture.

When the winter 2021 sales started, the cumulated total of bank card transactions in the sectors concerned was identical to that on the first day of the 2020 sales

Postponing the start of the 2021 winter sales by two weeks automatically extended the autumn-winter season. For clothing, sports articles and furniture, this delay meant a longer period of exposure of this season's articles, therefore reducing the risk of being left with unsold items. On the first day of the 2021 sales, the cumulated total of bank card transactions for the 2020-2021 autumn-winter season (15 September 2020 – 20 January 2021) appeared to be similar² to that for the 2019-2020 autumn-winter season when the 2020 sales began (► [figure 2](#)) (total from 15 September 2019 to 8 January 2020), but over a longer period of time.

Fairly sluggish winter sales in 2021

In 2021 and compared to previous years, the first week of the sales was less dynamic in terms of bank card transactions, especially in clothing and sports articles. In 2019 and 2020, on the first Wednesday of the sales period, there were 4.2 to 4.8 times more transactions in clothing than on the Monday preceding it. In 2021, this increase was only 3.3 times (► [figure 3](#)). The first Saturday of the sales is usually the day with the highest amount of bank card transactions: once again, the peak observed in 2021 was lower than in 2020 or 2019. However, the second week saw a return to similar transaction amounts to those of 2020 and 2019. Findings were the same in sports shops, while furniture stores seem to have been less affected overall. Some restrictive health measures (limiting numbers in shops, 6pm curfew) can account for this slower rebound in consumption.

Bank card transactions in clothing and furniture experienced a relatively large fall-off during the third, fourth and fifth Saturdays of the sales. There are several factors that can account for this phenomenon. First, the extended duration of the sales in 2021 (6 weeks instead of 4 in 2020) may have resulted in a dilution of purchases of sale goods over a longer period (► [Box](#)). Second, some restrictive measures (limiting numbers in shops, closure of non-food shops in shopping centres larger than 20,000 m²) affected clothing and furniture shops more severely. ●

² This observation has to be qualified, however, as the rate of payment by bank card has been higher since the start of the health crisis.

Arthur Cazaubiel

► 2. Cumulated bank card transactions during the autumn-winter season

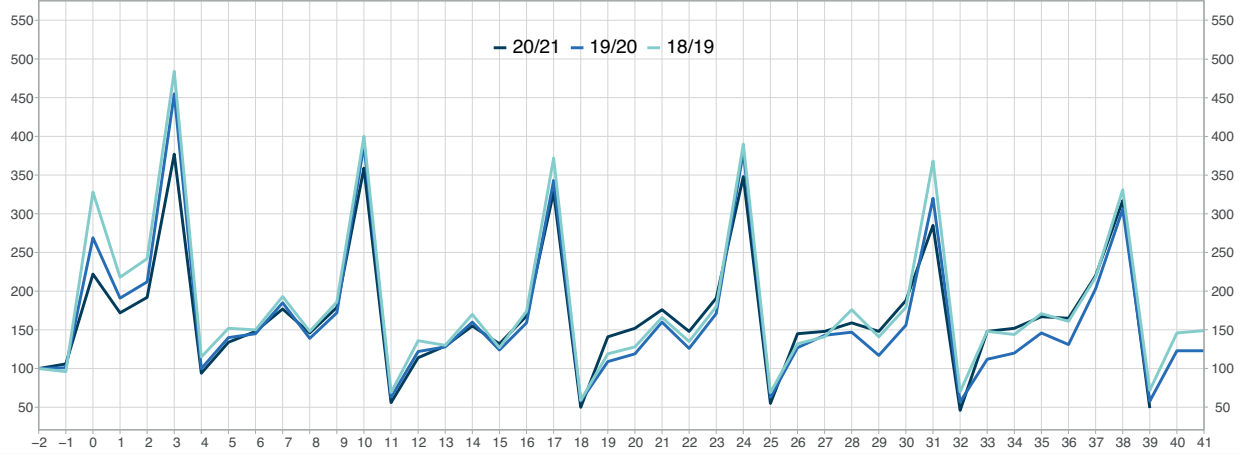
Sectors	Annual change (%)	
	From 15 September to the first Wednesday in January	From 15 September at the opening of the sales
Sports articles	-13	1
General e-commerce	29	43
Clothing	-12	-1
Furniture	-8	6
TV, electrical household appliances	39	53

How to read it: the cumulated total for bank card transactions in clothing during the autumn-winter season 2020-2021 (from 15 September 2020 to 6 January, 2021) was 12% lower than in the previous season (from 15 September 2019 to 8 January 2020). Changes in the right-hand column are compared to the same period 2019-2020

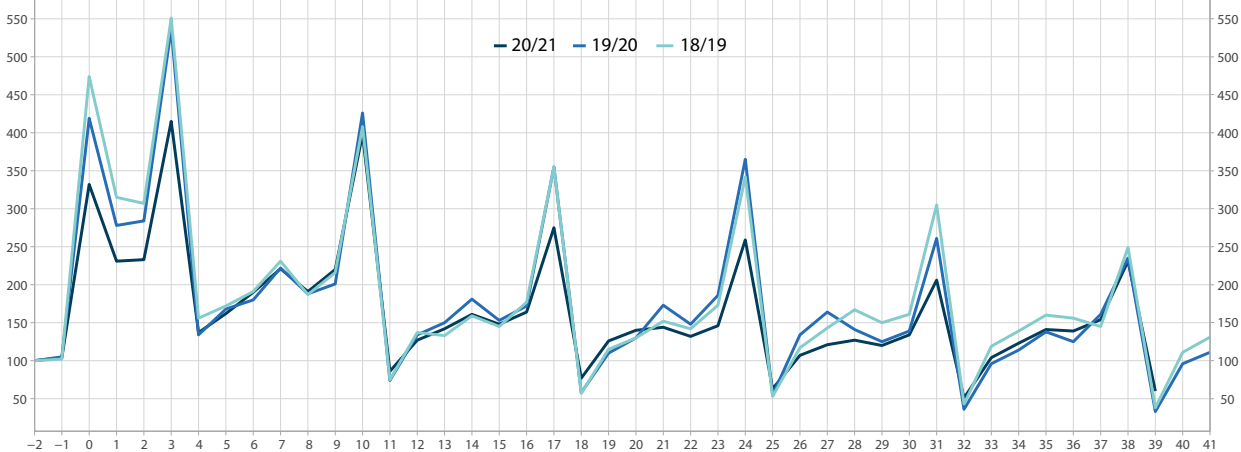
Source: *Cartes Bancaires CB, INSEE calculations*

► 3. Daily bank card transactions during the sales period

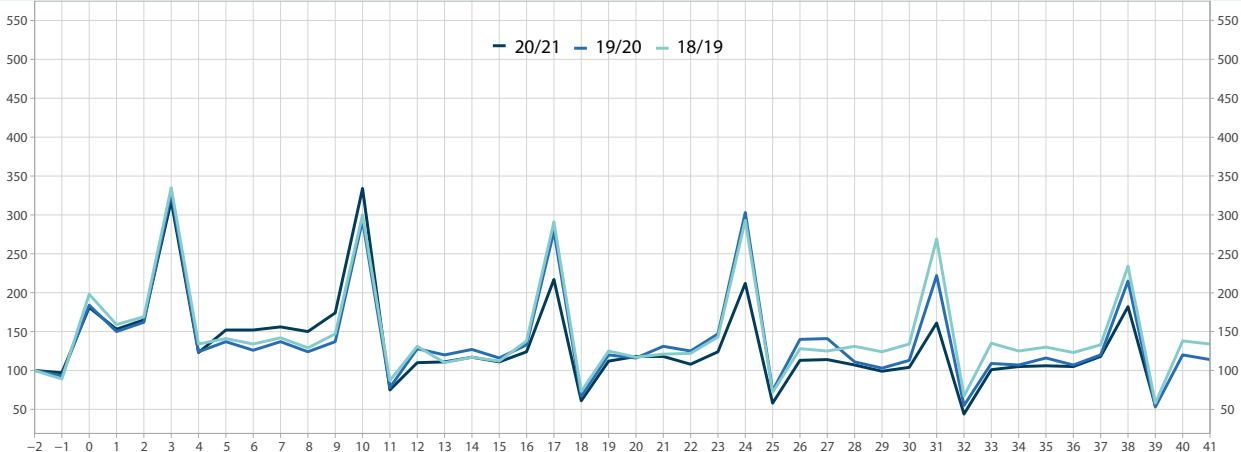
Sports articles



Clotting



Furniture



How to read it: in the furniture sector, the amount of bank card transactions on the first day of the sales (0) in the 18/19 season was double that for the Monday preceding the start of the sales (-2).

Note: daily amounts standardised to the Monday preceding the start of the sales.

Source: INSEE

An increase in bank card transaction amounts slightly impacted by the length of the sales

In 2021, the total duration of the winter sales was extended by two weeks, to 6 weeks, as in 2019, compared to four weeks in 2020. In 2020, the shorter winter sales period did not significantly affect the bank card transaction amounts in clothing, sports articles or furniture (► [figure 4](#)). In fact, during the 2019-2020 winter sales, bank card transactions were more concentrated during the available sales period, with more marked increases in transactions during the last weeks, compared to the previous year. The rebound in transactions generated by the last markdowns was more clearly visible here than during the 2018-2019 winter sales.

The first week of the sales corresponds more to physical sales

Concerning bank card transactions, the share of online sales showed substantial volatility throughout the year. In 2019 and 2020, Black Friday represented a high point in online sales, as opposed to physical sales made in the run-up to Christmas. Meanwhile, the winter sales did not seem to favour one payment method over another. The 2020-2021 autumn-winter season was very much affected by the second lockdown, a period when online sales boomed. During the winter sales, online purchases seemed to follow their general trend of increasing their share in the total bank card transaction amounts. The first week of the sales was again above all a time of consumption in the shops: the share of online purchases in the first weekend of the sales seemed to be down on the previous weeks. In the second and third weeks of the sales, the share of online transactions increased more significantly: more than 50% of clothing transactions on Sundays took place online, and this increased more substantially in the second and third weeks (► [figure 5](#)). ●

► 4. Total standardised amount sold during the six weeks following the start of the sales period

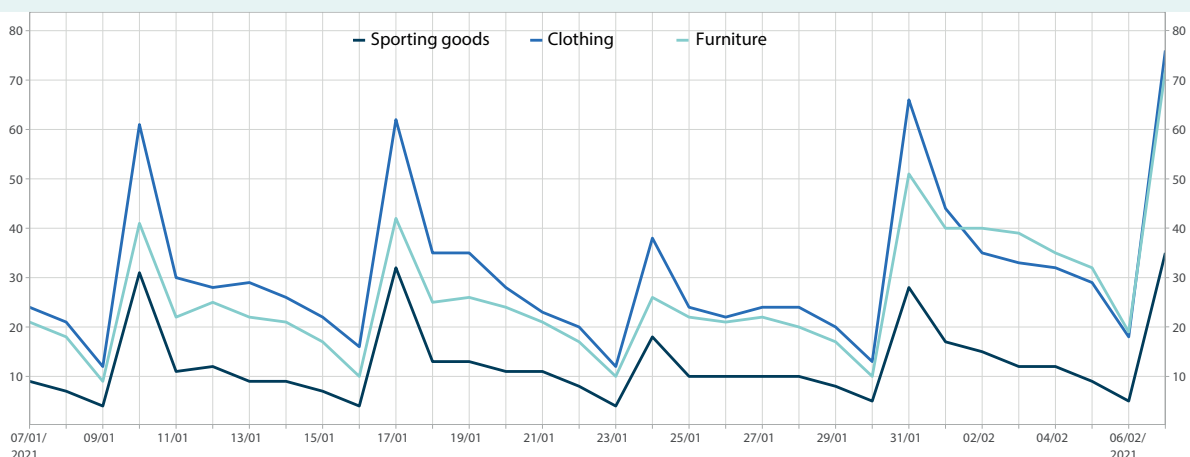
Secteurs	2019 (6 semaines de soldes)	2020 (4 semaines de soldes et 2 semaines suivantes)	Variation annuelle (%)
Habillement	8,3	8,4	2
Articles de sport	6,8	7,0	3
Meubles	6,9	6,8	-2

How to read it: during the 6 weeks of the 2019 winter sales, the total amount of bank card transactions represented 8.3 "standard weeks". In 2020, the 4 weeks of sales, and the following two weeks counted for 8.4 "standard weeks".

Note: amounts standardised in relation to the average weekly transactions in weeks 7, 8 and 9 after the sales.

Source: Cartes Bancaires CB, INSEE calculations

► 5. Share of online transactions in 2021



How to read it: on Sunday 24 January 2021, 38% of bank card transactions in clothing were made online.

Source: Cartes Bancaires CB, INSEE calculations