

The third lockdown seems to have curbed consumer and mobility behaviour a little less than that in November

The effects of the third lockdown, which came into force in 16 departments on 20 March 2021 then across the entire country at the start of April, can be studied through “high-frequency” indicators, such as CB bank card transactions, or mobility indicators provided by Google. This lockdown would appear to have been less restrictive than the previous one: bank card spending fell back less than in November 2020, especially spending on fuel, and the numbers going to shops and using public transport seem to have fallen back less than in November 2020.

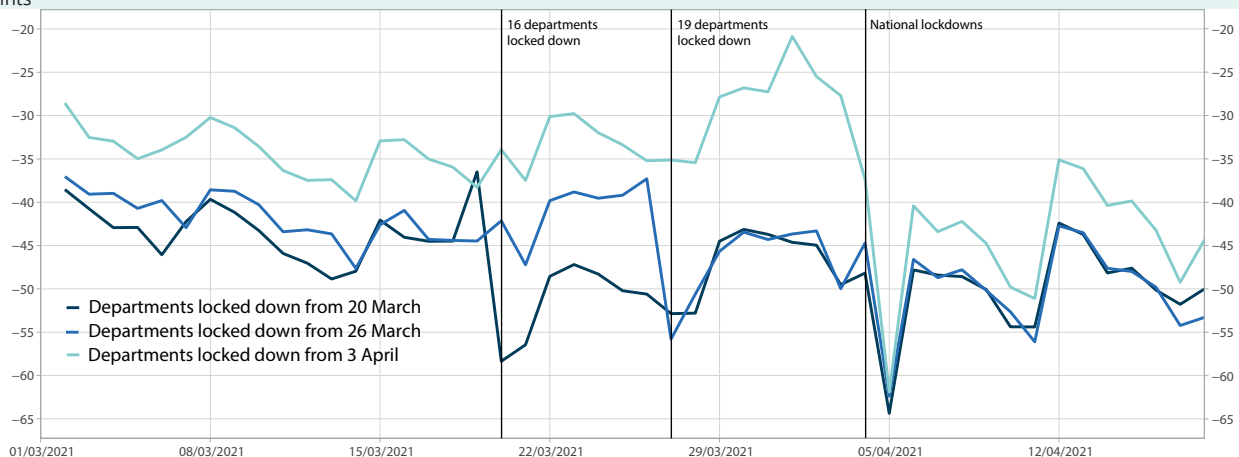
The succession of increasingly restrictive health measures in March resulted in a decline in departmental bank card spending and in numbers visiting “non-essential” businesses

Lockdown was introduced in 16 departments as of 20 March. It was then extended to 3 more departments on 26 March, then to the entire country on 3 April. Using “high-frequency” indicators, like the *Google Mobility*

Reports which chart movement trends across specific places and are available at departmental level, these successive lockdowns can be tracked. In particular, before the start of each lockdown, the indicator for time spent in non-food shops and recreational venues saw a considerable rise in the departments concerned, which probably suggests anticipatory behaviour (► **Figure 1**). Departmental level CB bank card spending (physical sales) has a similar profile (► **Figure 2**).

► 1. Change in the indicator of time spent in non-food retail outlets and places of recreation

in points



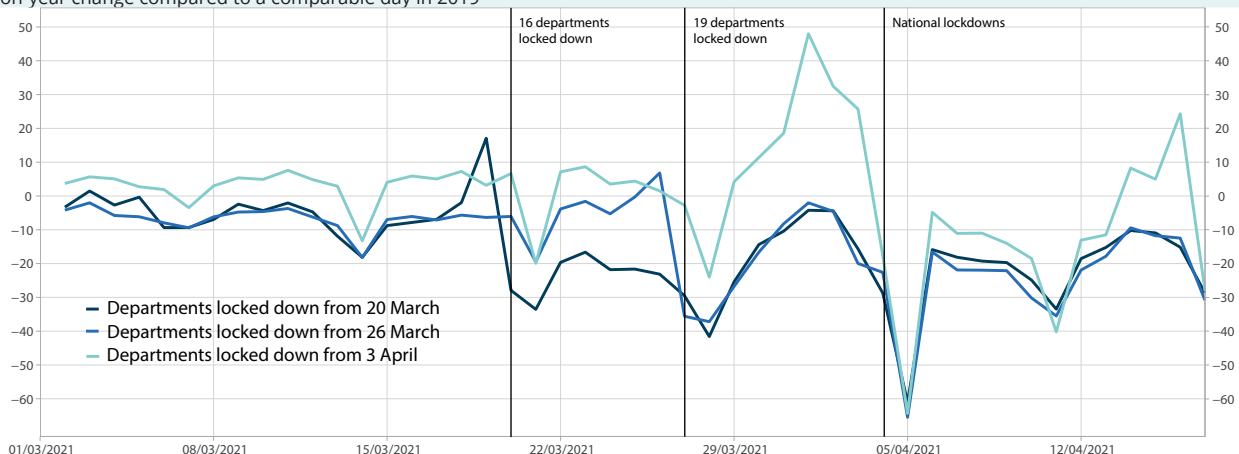
How to read it: on Saturday 20 March 2021, the indicator for the number of visitors to non-food shops and places of recreation was -58 points in the 16 departments first concerned by the local lockdown. It stood at -44 points in the 3 departments under lockdown the following week and -34 points in the rest of the country.

Note: departmental values of the indicator are aggregated by weighting according to departmental population.

Source: *Google Mobility Reports, INSEE calculations*

► 2. Change in departmental CB bank card transaction amounts in physical shops

year-on-year change compared to a comparable day in 2019



How to read it: on 20 March, the amount of departmental consumption expenditure by CB bank card was 28% lower than on a comparable day in 2019 for the 16 departments under lockdown on that day. In the 3 departments placed under lockdown the following week, local spending was 7% lower and in the rest of the country, it was 6% higher than on a comparable day in 2019.

Note: the bank card transactions represented here concern only physical sales.

Source: *Cartes Bancaires CB, INSEE calculations*

French economic outlook

The start of lockdown in the departments concerned resulted in a fairly different change in consumer and mobility behaviour from that observed in the departments not under lockdown. As an illustration, we consider the 16 departments that entered lockdown on 20 March, comparing behaviour before and after 20 March; we then do the same in the departments that entered lockdown later (► **Figure 3**). Thus, the time spent at home decreased after 20 March in the departments not yet under lockdown, perhaps linked to the shifting of the curfew from 6pm to 7pm, whereas it increased slightly in the 16 departments under lockdown from 20 March. The difference in time spent on public transport between departments reflects the travel restrictions, while the closure of “non-essential” businesses was accompanied by a sharp decline in local consumption expenditure by CB bank card. The relative stagnation in time spent at the workplace can be explained by the fact that employees were authorised to spend one day on site per week for those whose jobs were compatible with teleworking, in a context where people were already strongly encouraged to work from home even before the latest lockdown.

The impact of the third national lockdown on consumption and mobility seems to be slightly less than in November, when the economic effect was in turn less pronounced than in spring 2020

The loss of consumption associated with the lockdown in November was significant but much less than in spring 2020, as can be seen from the smaller decline in

CB bank card transaction amounts but also in numbers of visitors to retail outlets, both food and non-food, and to places of recreation (► **Figure 4**). The numbers visiting parks also declined less than in spring 2020, an indication of the less strict health measures (opening up of green spaces). The same was the case for public transport and workplaces, with on-site working now possible in sectors where it was necessary.

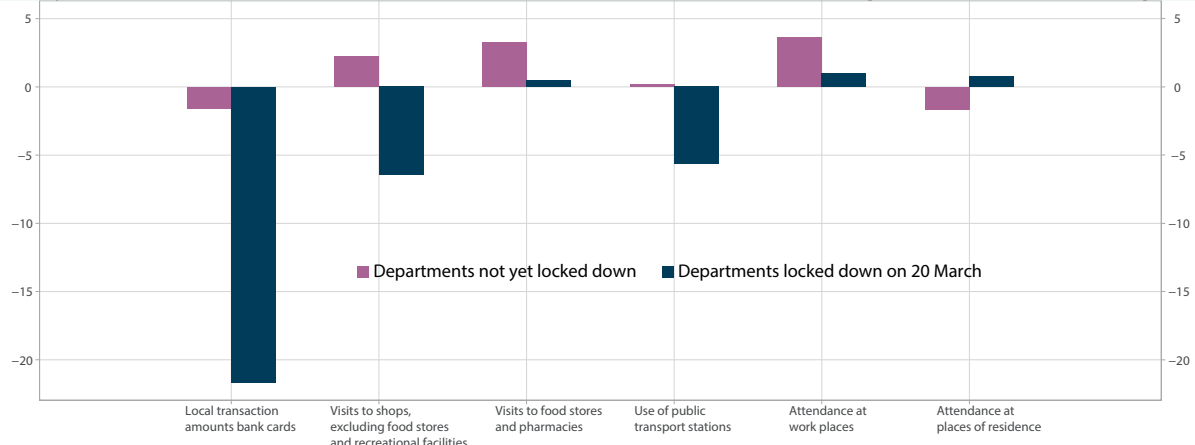
In terms of consumer behaviour and mobility, the national lockdown in April 2021 appears to be fairly similar to that in November 2020 and even a little less restrictive: mobility restrictions were indeed less severe and a greater range of shops were open. As a result, the fall in CB bank card transaction amounts appears to be less pronounced in April 2021 than last November (decline by about half). The number of trips to shops also declined less, especially in essential outlets (food shops, pharmacies) where they would seem to have remained at their pre-crisis level. This was also the case for numbers visiting parks. In terms of numbers in the workplace and at home, the April 2021 lockdown is not much different from that of November 2020, confirming the use of teleworking, resorting to on-site working when necessary.

The first weeks of the third lockdown confirmed the boom in online sales

During the second lockdown (November 2020), the smaller decline in total bank card transaction amounts reflected a smaller decline in physical sales but also a sharp increase in online sales. They did indeed increase significantly compared to their pre-crisis level

► 3. Change in behaviour between the periods before and after 20 March, according to whether or not the department was in lockdown (double difference)

difference (in points) in local CB transaction amounts or in local index of visitor numbers between the 15 days after 20 March and the 15 days before



How to read it: during the first 15 days of local lockdown, in the 16 departments concerned, local consumption expenditure by CB bank card in physical shops decreased by more than 21 points compared to the previous two weeks, whereas in departments that were not in lockdown before 3 April, this spending declined by only 1.6 points.

Source: Cartes Bancaires CB, Google Mobility Reports, INSEE calculations

of 2019, despite falling, albeit only slightly, during the first lockdown (► **Figure 5**). The spring 2021 lockdown confirmed this trend: in April 2021, online sales were well above their 2019 level, even more so than in November 2020. Meanwhile, physical sales, as measured using CB bank card transactions, fell back a little less than in November 2020.

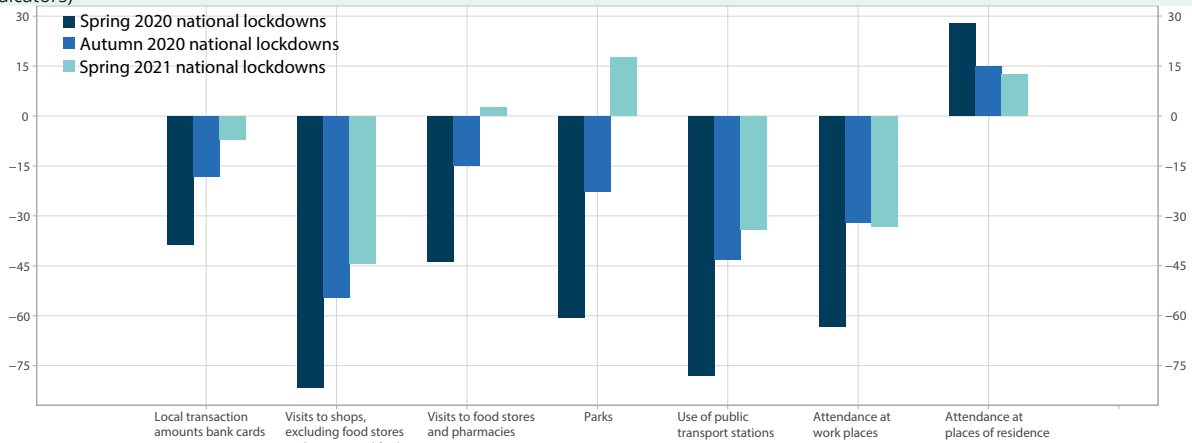
A smaller reduction in spending on fuel

With differences in certain types of spending, in April 2021, CB bank card transaction amounts revealed a much smaller decline than during the first lockdown

(► **Figure 6**). However, the difference between the November 2020 lockdown was less pronounced. In clothing-footwear, bank card transaction amounts declined significantly less during the second lockdown, as did online sales: the first weeks of April 2021 followed the same pattern. However, amounts seemed to have declined a little more than in November 2020, perhaps because the April 2021 lockdown followed on from the winter sales, which ended in early March. In household equipment, the decline in bank card transaction amounts seems to be less notable in April 2021 than in November 2020, and in any case much less pronounced than in spring 2020.

► 4. Variation in CB bank card transactions and Google mobility indicators compared to a pre-crisis period, for each of the three national lockdowns

difference in % from a similar period in 2019 (for CB transaction amounts) and difference in % from the period January-February 2020 (for Google Mobility trend indicators)



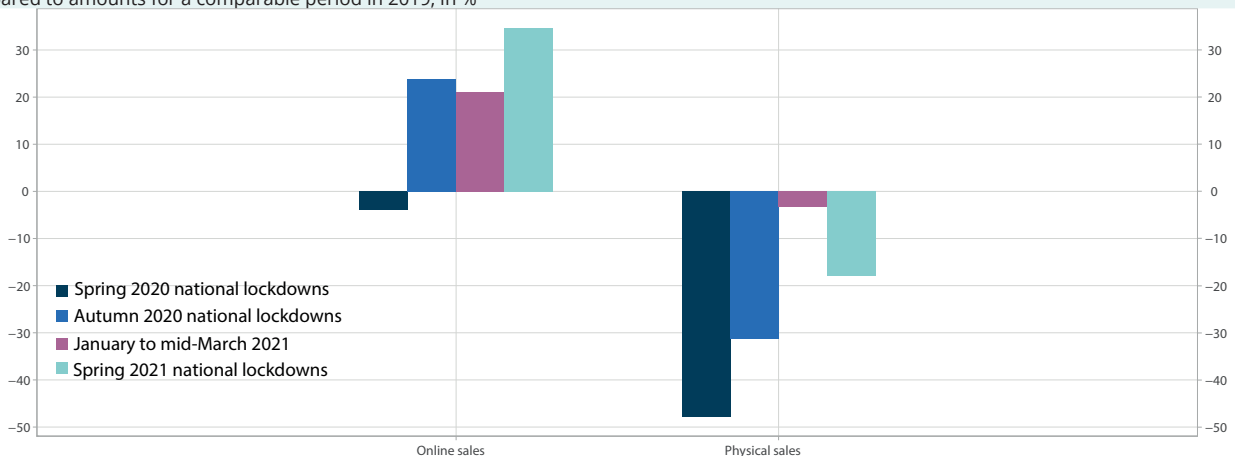
How to read it: the average value of the previous indicator in non-food shops and places of recreation was -81 points during the spring 2020 lockdown, -55 points during the autumn 2020¹ lockdown and -44 points during the first weeks of national lockdown in spring 2021. The total amount of CB bank card transactions during the April 2021 lockdown was 7 points below the total amount of CB bank card transactions during the equivalent period in 2019. Note: the national lockdown in April 2021 covers the period 3 to 25 April 2021.

Source: Cartes Bancaires CB, Google Mobility Reports, INSEE calculations

¹ In this part and those that follow, it was assumed that the autumn 2020 lockdown ended when all shops reopened, on 28 November.

► 5. CB bank card transaction amounts, by type of payment

compared to amounts for a comparable period in 2019, in %



How to read it: during the April 2021 lockdown (until 25 April 2021), the amount of physical transactions by CB bank card was 18% lower than in a comparable period in 2019. On average during the November 2020 lockdown, it was 31% lower than in a comparable period in 2019.

Note: the national lockdown in April 2021 covers CB transaction amounts up to 25 April 2021.

Source: Cartes Bancaires CB, INSEE calculations

French economic outlook

It is in purchases of fuel that the April 2021 lockdown (at least the first few weeks) seems to differ from that of November 2020: the decline in bank card transactions was much less substantial, probably as a result of less severe restrictions on movement (authorisation to travel within a radius of 10 km against 1 km during the autumn 2020 lockdown).

In accommodation and catering, further deterioration in April 2021

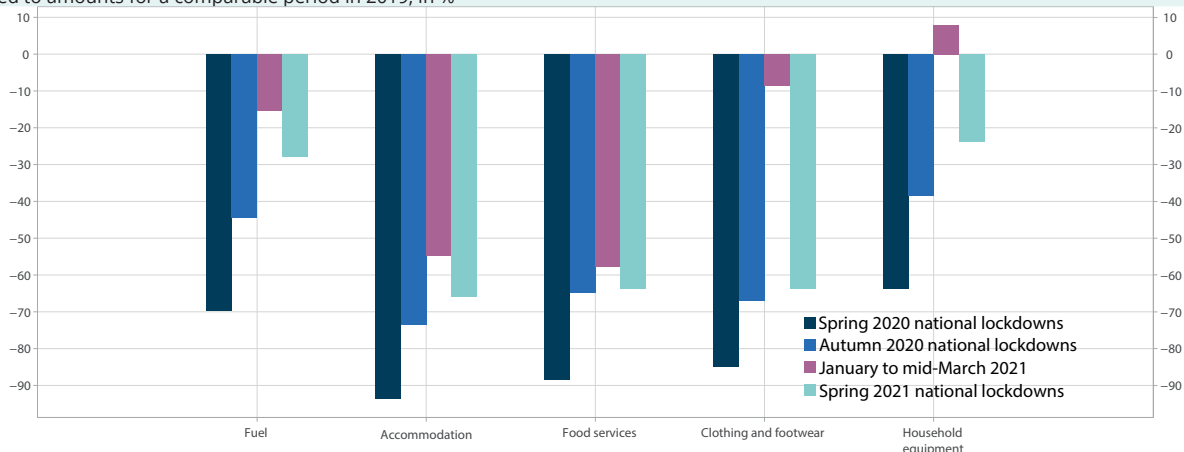
In accommodation and catering, bank card transaction amounts had continued their sharp decline since the start of the second lockdown, as a result of the restrictive

measures in place (► **Figure 6**): curfew, closure of restaurant dining and bars. However, between January and mid-March, this decline was eased a little, more noticeably in accommodation. Conversely, the first weeks of April 2021 were distinguished by a further deterioration in bank card transaction amounts. In accommodation, this decline, compared to the 2019 level, was still less significant than in November 2020. In catering, it was at a similar level: the sector had already partly adapted to lockdown in November, mainly via takeaway sales. This adaptation continued through the winter curfew then the spring 2021 lockdown, although bank card transaction amounts were no greater than in November. ●

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► 6. CB bank card transaction amounts, by type of product

compared to amounts for a comparable period in 2019, in %



How to read it: during the April 2021 lockdown (until 25 April 2021), bank card transaction amounts relating to purchases of fuel were 28% lower than in a comparable period in 2019. On average during the November 2020 lockdown, they were 44% lower than in a comparable period in 2019.

Note: the national lockdown in April 2021 covers CB transaction amounts up to 25 April 2021.

Source: Cartes Bancaires CB, INSEE calculations