



Press release
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Coming out of lockdown: the Afterbanking Observatory has analysed the impacts of the crisis on French consumer habits and payment practices

The Observatory of Banking Uses is a study which measures the impact of digital technologies on relationships to money and banking. This new edition presents the results of a study carried out in partnership with OpinionWay during the end of the lockdown period in France, from 22 May to 1 June 2020, alongside an analysis of how Orange Bank customers' behaviour has changed over the past four months. The study enables us to assess the impact of the health crisis on payment methods, relationships with banks and consumer behaviour before, during and after the lockdown.

The two main takeaways from this study are that the digitisation of payment methods is accelerating fast and that consumer spending has returned in France.

The digitisation of payment methods is accelerating

The study reveals that one in five people in France have already used their smartphone to make a contactless payment in a shop (up 6 points over 18 months) and one in 10 do so regularly. Active young people (ages 25-34) are particularly keen (31% have already used this payment method). All socio-professional categories are well-represented; mobile payments are becoming widespread - they are no longer the preserve of an elite clientele.

Furthermore, contactless card payments continue to grow (76% or +11 points over 18 months). The over-65s group has contributed most to the increase in contactless card users; 82% of them use contactless (up 6 points from autumn 2019).

As the digitisation of payment methods accelerates, there has been a significant decrease in the use of cash and cheques, with respective drops of minus 13 points and minus five points compared with last autumn.

The appeal of new banks is now undeniable: 65% of internet-only or mobile bank customers say they are ready to make it their main account, while the trend for customers with multiple bank accounts has been reversed (showing that neobanks are now seen as a viable alternative to traditional banks).

As the lockdown came to an end, financial stability and reputation emerged as the main factors which determined how much French people trusted their bank. Telecoms operators and supermarkets have emerged as the main alternatives to traditional banks for 20% of French people, ahead of Google, Amazon, Facebook and Apple, with 16%.

Coming out of lockdown: consumer spending is back

Using text-mining and data-mining techniques on over 7.3 million transactions, Orange Bank was able to analyse its clients' uses over the past four months.

Since the end of lockdown:

- Mobile payments have settled at a much higher level than normal (+8% vs the start of 2020);
- The increase in the average transaction value for mobile payments continues - it has grown by +64% since the start of 2020;
- While spending on food remains high (+24%), spending on clothing has exceeded pre-crisis levels with growth of +11%;
- Finally, spending on online purchases and entertainment remains very high after lockdown, with increases of respectively +46% and +32% on the start of the year.

Paul de Leusse, Chief Executive Officer of Orange Bank, concludes : “ *The lockdown accelerated the digitisation of financial services in many respects: online purchases, using mobile payment methods, using neobanks as the main bank account... These trends did not end as we came out of lockdown, suggesting a change in behaviours which is here to stay.* ”

Find the article at:

<https://media.orange.com/c/sirius/Observatoire%20Afterbanking%20Juin%202020.pdf>

About Orange

Orange is one of the world's leading telecommunications operators with sales of 42 billion euros and 147,000 employees worldwide at 31 December 2019, including 87,000 employees in France. The Group has a total customer base of 266 million customers worldwide at 31 December 2019, including 207 million mobile customers and 21 million fixed broadband customers. The Group is present in 26 countries. Orange is also a leading provider of global IT and telecommunication services to multinational companies, under the brand Orange Business Services. In December 2019, the Group presented its new "Engage 2025" strategic plan, which, guided by social and environmental accountability, aims to reinvent its operator model. While accelerating in growth areas and placing data and AI at the heart of its innovation model, the Group will be an attractive and responsible employer, adapted to emerging professions.

Orange is listed on Euronext Paris (symbol ORA) and on the New York Stock Exchange (symbol ORAN).

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Press contacts: +33 (0)1 44 44 93 93

Emmanuel Gauthier; emmanuel2.gauthier@orange.com

Tom Wright; tom.wright@orange.com, 06 78 91 35 11