

N26

The Revenge Shopping is digital: payments and online purchases continue to grow even after the lockdown

Milan, 14 July 2020 - The months of lockdown have inevitably influenced and contributed to change the buying and payment habits of Italians but, as the latest analysis of the N26 mobile bank shows, many of these changes seem to persist despite the gradual return to normality. In fact, it seems that, even with the reopening and the relaxation of the restrictive measures, Italians - regardless of age - continue to prefer digital card payments and do not miss the opportunity to buy online, a habit consolidated during the lockdown period.

Taking into consideration the use of e-commerce, in fact, the growth trend in volumes tracked (+ 33%) in the lockdown phase shows no signs of decreasing, but rather has grown by a further 4% during the so-called "phase 2" . The number of e-commerce transactions carried out also continues to grow for both men and women, registering a + 33% and a + 47% compared to the months prior to the lockdown and overall a + 56% for the group of over 65.

The trend in the use of digital payments is also continuing to rise: currently the volumes of card transactions have increased by 70% for women and 53% for men if compared with the lockdown phase and overall recorded a + 94% in the number of transactions compared to the pre-Covid period. Specifically, the over 65s who mark a + 19% in the use of cards compared to the period prior to the restrictive measures, a sign of a gradual disaffection with cash even for the more mature generations.

In addition, spending habits are slightly modified, which return to include costs and payments related to transport and cars, certainly more used even with the start of the summer season and with a special eye on sharing mobility (from scooters to electric scooters). Among the top merchants, however, the main entertainment platforms such as Apple Store, Netflix and Amazon Prime remain in the first position and there is a growth in transactions for shopping - mainly online on platforms such as Aliexpress, Amazon and Wish. Supermarkets follow in third place and in slight growth, as well as food delivery which continues to grow

despite the easing of measures, a sign of a habit that is now rooted and an integral part of people's daily lives, especially in main Italian cities.

"In April we had already started to monitor these trends in the digitization of payments and the growing use of e-commerce, confident that the lockdown would have accelerated some processes and changed habits that in a normal context would have taken years to reach especially in some segments of the population. What we see today is that not only payments and online purchases have entered everyday life in recent months, but they continue to be a fundamental component in everyone's life, regardless of age. Our ambition has always been to offer banking services that can facilitate and make the mobile banking experience more transparent, through products and services characterized by immediacy and ease of use. The fact that despite the end of the lockdown our customers - and in particular some age groups - continue to prefer digital forms of payment and purchase, it makes us understand that we are on the right path", commented Andrea Isola, General Manager Italy of N26.

About N26

N26 is building the first mobile bank the world loves to use. Valentin Stalf and Maximilian Tayenthal founded N26 in 2013 and launched the initial product in early 2015. Today N26 has more than 5 million customers in 25 markets. The company employs more than 1.500 employees across 5 office locations: Berlin, New York Barcelona, Vienna and São Paulo. With a full European banking license, state-of-the-art technology and no branch network, N26 has redesigned banking for the 21st century and is available on Android, iOS, and desktop. N26 has raised more than \$800 million from the world's most established investors, including Insight Venture Partners, GIC, Tencent, Allianz X, Peter Thiel's Valar Ventures, Li Ka-Shing's Horizons Ventures, Earlybird Venture Capital, Greyhound Capital, Battery Ventures, in addition to members of the Zalando management board, and Redalpine Ventures. N26 currently operates in: Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland and the US, where it operates via its wholly-owned subsidiary, N26 Inc., based in New York. Banking services in the US are offered by N26 Inc. in partnership with Axos® Bank, Member FDIC.

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