

PAYLIFE CUSTOMERS: RISING TREND IN CREDIT CARD USE SLOWED BY CORONA CRISIS

- ▶ **Corona: credit card sales between 16 March and 12 April down 45% year-on-year**
- ▶ **Number of credit card transactions increased by 24% in 2019 compared to 2014**
- ▶ **2019: Austrians use their credit card on average every five days, men more often than women**
- ▶ **Shopping kings instead of queens: Men shop more diligently, spend more than women, also online**

VIENNA, 20 April 2020 - The measures to contain the coronavirus have severely curbed the Austrians' desire to shop - this is shown by a current analysis of credit card payments by PayLife customers: The credit card transaction volume of private and business customers was 45% lower in the first four weeks since the exit restrictions were imposed (16 March 2020 to 12 April 2020) than in the same period of the previous year. E-commerce, on the other hand, recorded only slight declines: between mid-March 2020 and Easter, card revenues were down by only 6% year-on-year.

2019: Around a quarter more credit card transactions than in 2014

Despite from the current situation, however, it is apparent that credit card revenues and transactions among PayLife customers are increasing, as a comparison of the years 2014 and 2019 shows. Last year, for example, there were 24% more credit card transactions than in 2014, and shopping in the World Wide Web is becoming increasingly popular: since 2014, the number of online credit card transactions has risen by 50% and revenues by 26%. In 2014, 49% of all transactions took place in online shops, in 2019 it was already 59%. In contrast, there was less demand for cash services: in 2019, the number of transactions at cash machines with credit cards was one fifth less than 5 years ago. *"In recent years, the credit card has developed more and more from an essential item in your luggage when travelling abroad to become an everyday payment instrument. This is also caused by the growing popularity of online shopping, where credit cards are among the most widely accepted payment options,"* comments **David O'Leary**, Member of the Managing Board of BAWAG Group and responsible for BAWAG P.S.K. Retail & SME in Austria.

2019: A quarter of all transactions related to travel

Although the average amount per transaction declined compared to 2014 (2014: € 96; 2019: € 79), the number of payments is increasing: While in 2014 an average of 45 payments were made by credit card, by 2019 the figure had risen to 74. Annual revenues per credit card also increased by more than a third (35%). In 2019, the largest share of total revenues was generated in the "Travel" (25%), "Leisure" (16%) and "Clothing" (10%) sectors. "Leisure" includes spendings on entertainment and sports activities. The highest revenues per payment were recorded in the "Luxury" sector (€308) including spendings on antiques or jewelry, followed by "Travel" (€284) and "Housing and Construction" (€224). By the way, Austrians pay the highest amounts during the warm season: June is the month with the highest spendings, averaging €81 per transaction, followed by July, August and September with €80.

"Clothing" and "Health" sectors more popular with women

The analysis also shows gender differences. Men use the so called "plastic money" more often and spend more than women. 57% of all PayLife credit cards in 2019 were owned by men, 43% by women. 6 out of 10 credit card transactions in the previous year were made by men. The online shopping revenues of men were more than half (54%) higher than that of women. Women also spent on average €5 less per transaction (women: €76; men: €81). Furthermore, men used their credit cards 9 times more often than women (67 times) in 2019, with an average of 78 transactions. On the other hand, the share of spendings on "Clothing" is higher for women (16%) than for men (6%). This also applies to spendings in the "Health" sector, which includes doctors,

cosmetics and wellness: The proportion was higher for women 5%) than for men 2 %). In contrast, the share of total revenues for men was higher in the "Leisure" 17%; women: 14%) and "Mobility" 10%; women: 6%) sectors. The includes spendings on fuel, car rentals and car repairs.

About BAWAG Group

BAWAG Group AG is the listed holding company of BAWAG P.S.K., which is headquartered in Vienna, Austria, along with easybank, easyleasing and start:bausparkasse. Südwestbank, BFL Leasing, Health Coevo and start:bausparkasse are located in Germany, with the Zahnärztekasse AG factoring business based in Switzerland. With 2.5 million customers, BAWAG P.S.K. is one of Austria's largest banks operating under a well-recognized national brand. The Bank applies a low risk, efficient, simple and transparent business model focused on Austria, Germany and developed markets. We serve retail, small business and corporate customers offering comprehensive savings, payment, lending, leasing, investment, building society, factoring and insurance products and services through various online and offline channels.

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