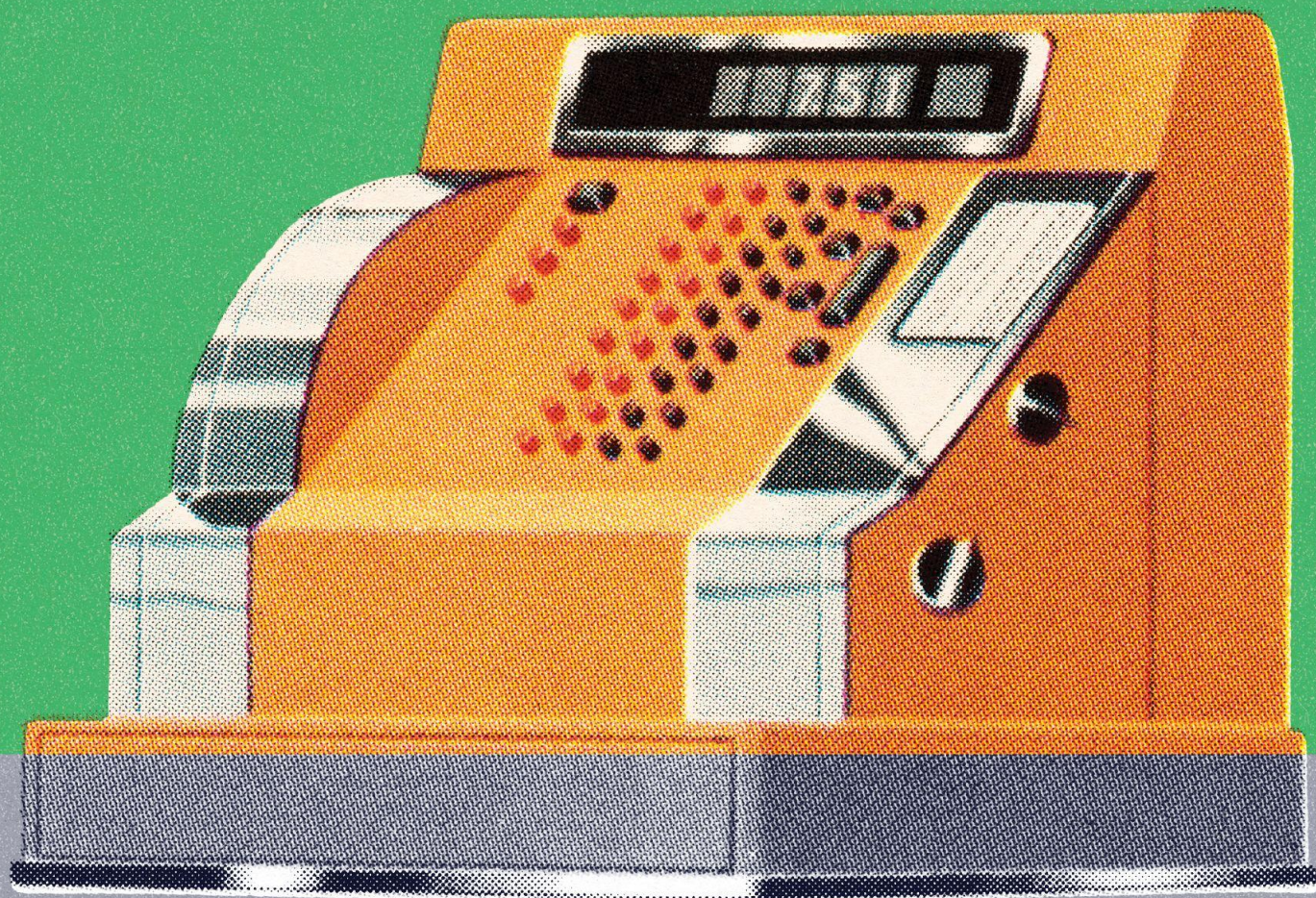


Appcast Retail Snapshot

Retail Job Gains Resilient Despite Warnings Of
Excess Inventories



Economy-wide breakdown

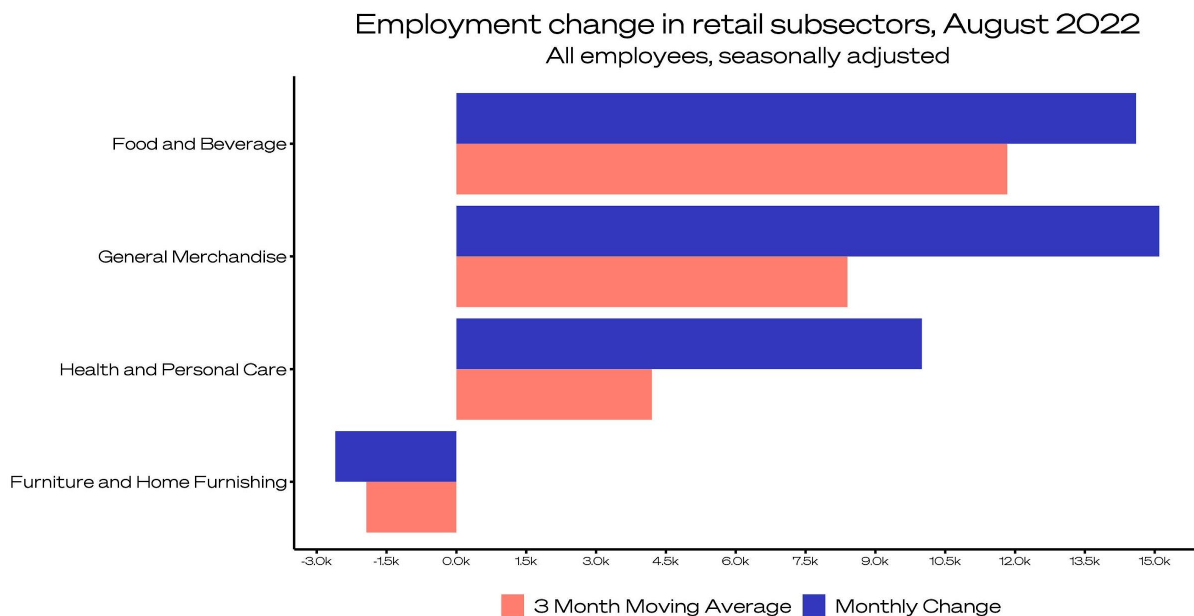
- The U.S. economy added 315,000 net new jobs in August 2022. The unemployment rate rose slightly to 3.7% from a historically low 3.5% – but for *good* reasons. Labor force participation among prime-age workers rose in August to its highest point since February 2020.
- The Fed should be thrilled with the August jobs report. In addition to strong hiring and a rise in the labor force, growth in average hourly earnings slowed, easing fears of a wage-price spiral. Its hope for a “soft-landing” remains alive.
- Every major industry posted job gains in August. Healthcare and Professional and Business Services were especially strong, reflecting the continued shift to services-providing employment from goods-providing. This month’s gains bring the three-month moving average to 400,000 – nowhere near a recession.
- [Read our economy-wide breakdown of the August numbers.](#)



Employment Trends in Retail

Retail Trade, the BLS category, gained 44,000 jobs in August, the third consecutive month of gains. [Higher inventories](#) have yet to suppress robust hiring. Compared to pre-COVID recession (February 2020) levels, retail jobs as a whole have grown 1.7%. That said, the BLS [recently issued benchmark revisions](#) for March 2022 that showed a large 2.1% decline in its estimate of retail employment – so there were over 300,000 *fewer* retail jobs that month that previously reported. This is a warning sign that current retail payroll figures may be overestimated.

Within the retail category, food and beverage have added 12,000 jobs on average over the last three months. Over the same period, general merchandise stores (“general stores”) have added about 8,000; health and personal care stores just over 4,000. Meanwhile, furniture and home furnishing stores have shed jobs at a rate of over 1,000 per month.

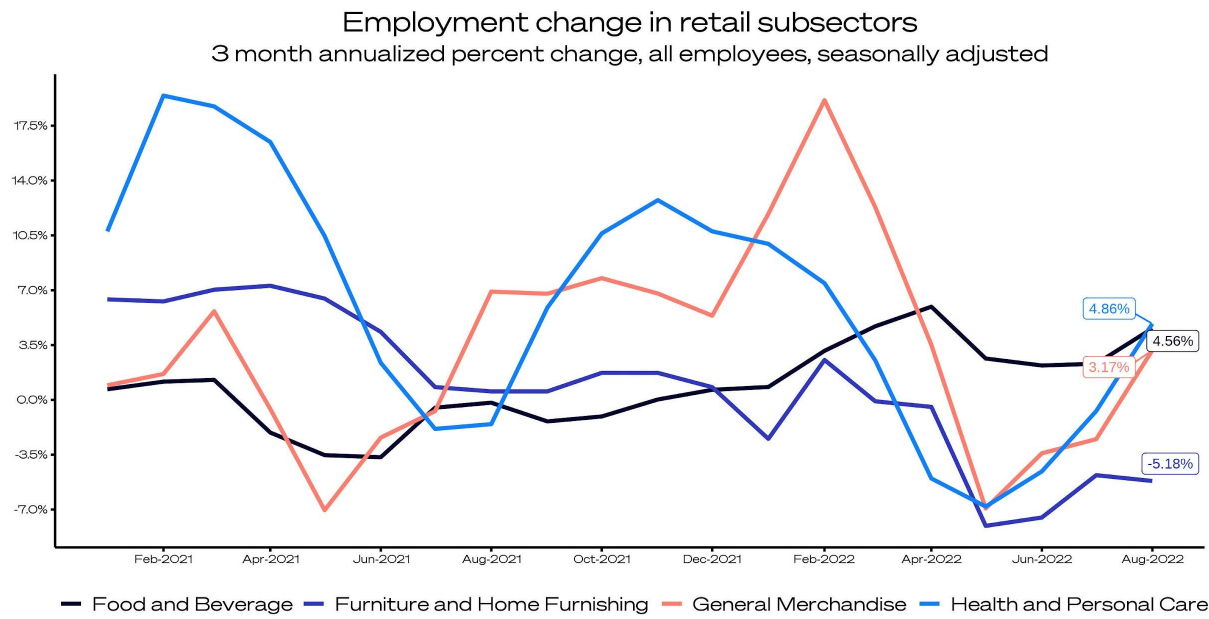


Source: Bureau of Labor Statistics; Created on Sep 07 2022

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Employment Trends in Retail

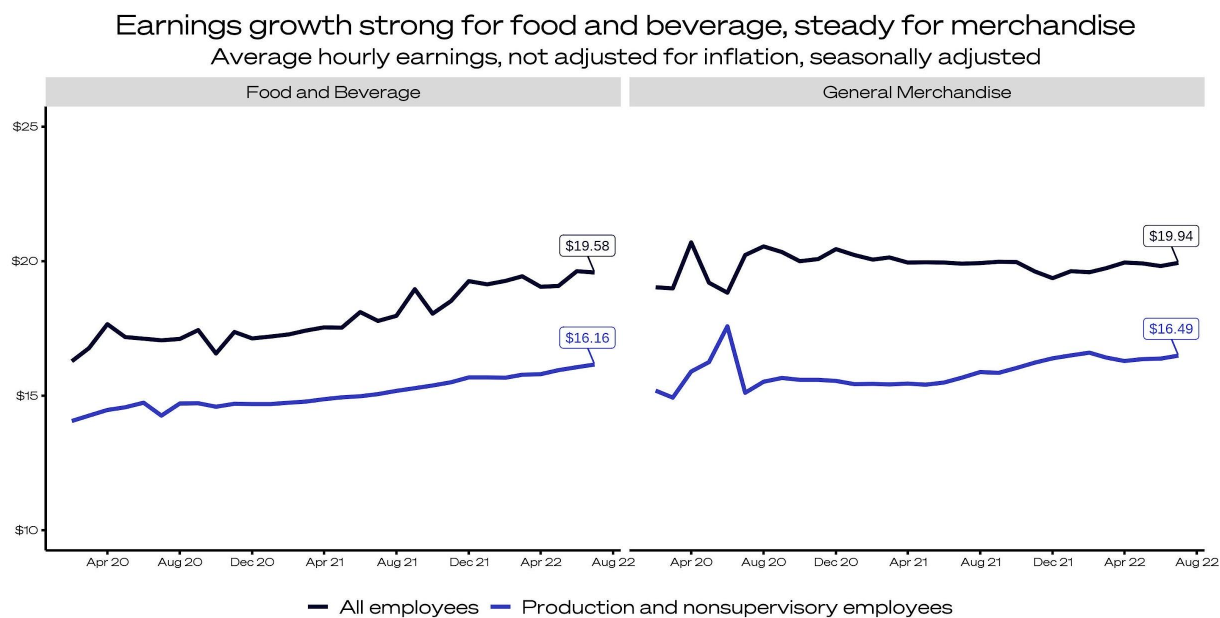


Source: Bureau of Labor Statistics; Created on Sep 08 2022



Wage Trends

Average hourly earnings have been improving for “rank-and-file” workers (non-managers), with wages for those in grocery stores ticking up to \$16.16 an hour. Rank-and-file workers in general stores saw their wages tick up to \$16.49. Food and beverage store managers had flat wage growth at \$19.58 in August.

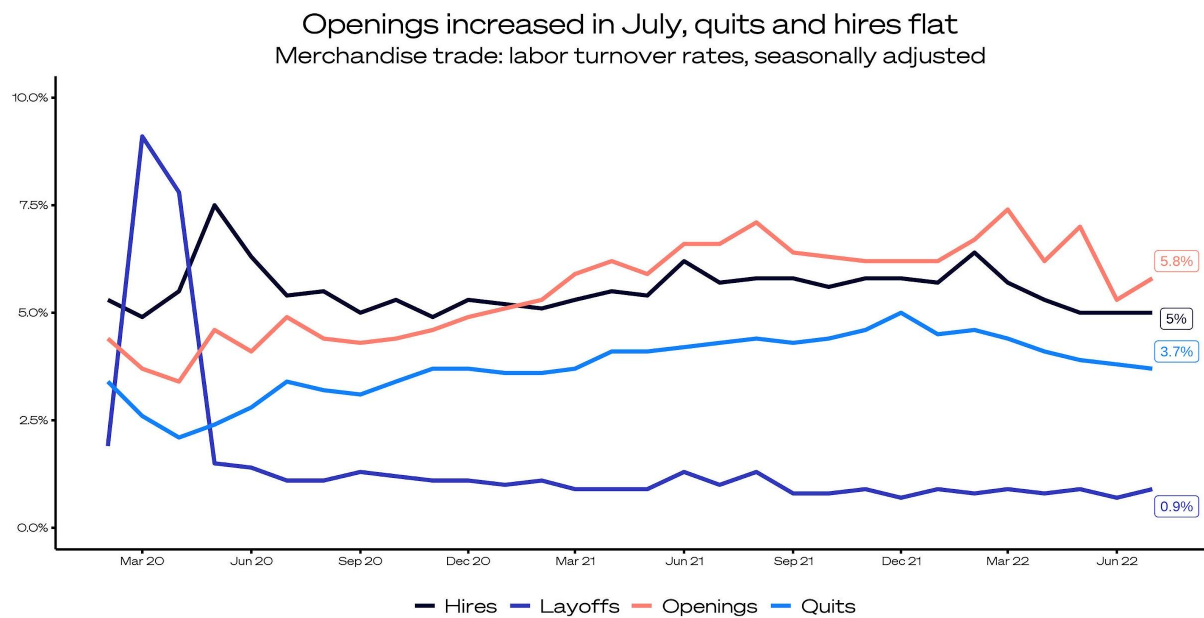


Source: Bureau of Labor Statistics; Created on Sep 07 2022



Openings and Turnover Trends

The job openings rate in retail moved higher in July, to 5.8%. The quits rate continued its downward slide to 3.7%. The layoffs rate inched higher, hitting 0.9%, which is still very low. The declining quits rate and slightly elevated layoffs are signs that the market for retail workers could be cooling.



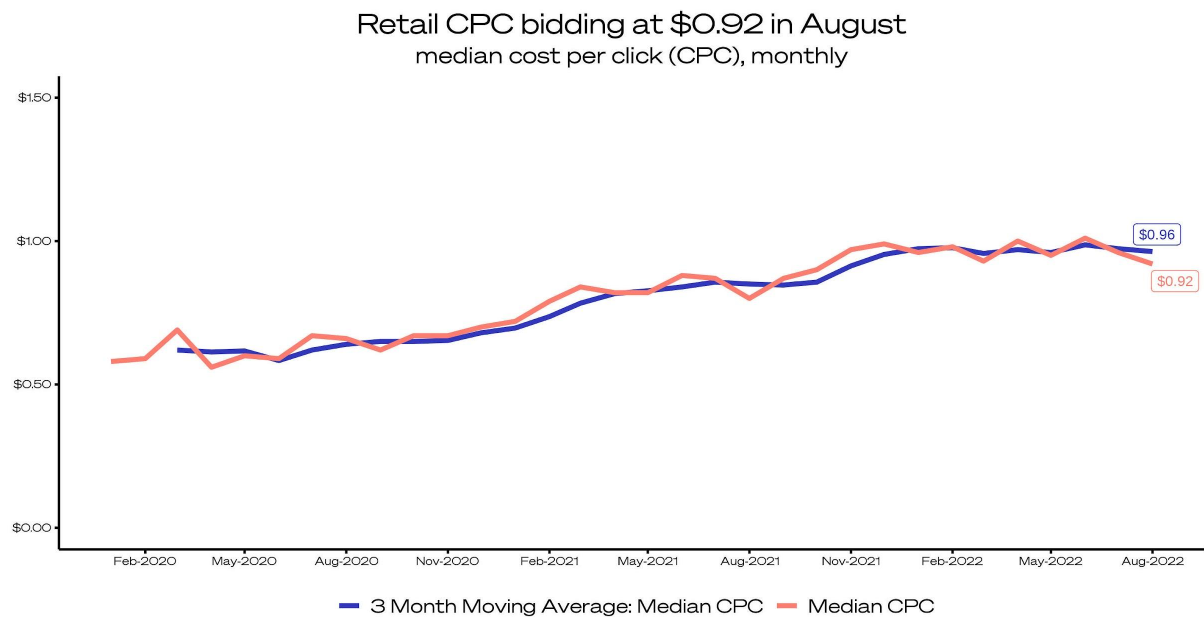
Source: Bureau of Labor Statistics; Created on Sep 07 2022



Recruitment Marketing Trends

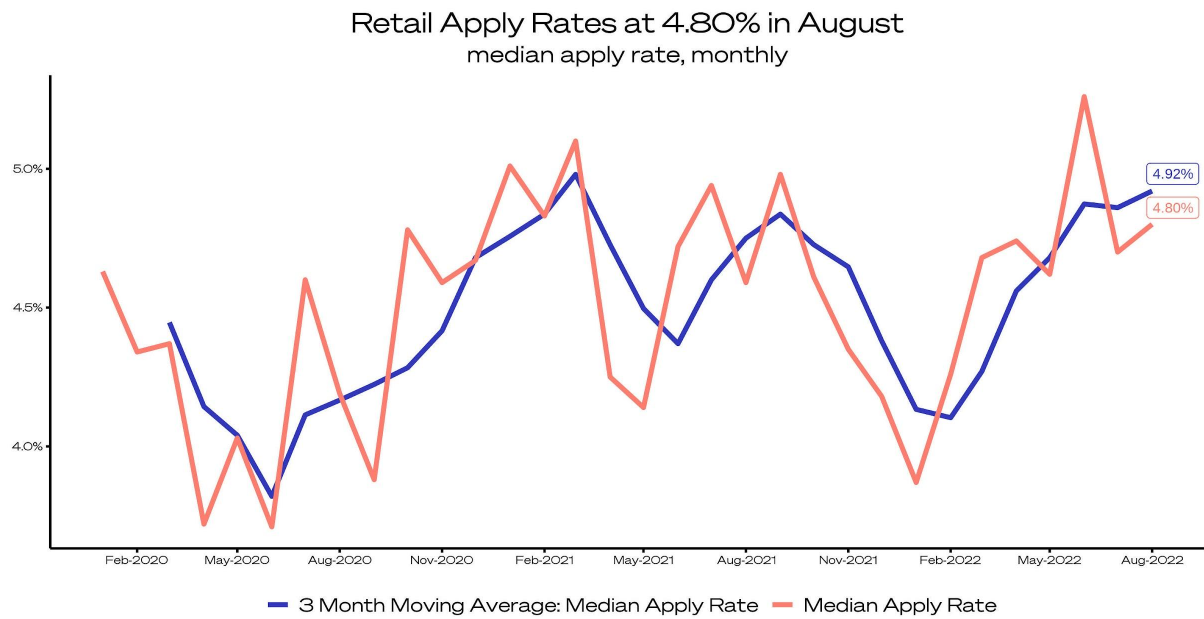
Recruitment marketing trends in the retail sector are easing from the highs of 2021, although hiring is still more competitive compared to 2019. Both cost per click (CPC) and cost per apply (CPA) were flat in the three months through August but down from the highs in Q4 of 2021.

The median CPC in retail averaged \$0.96 in the three months through August 2022. Apply rates moved higher, to 4.9%, over the same period. CPA held steady \$19.30. Retail recruiters experienced more stable costs in August relative to July.

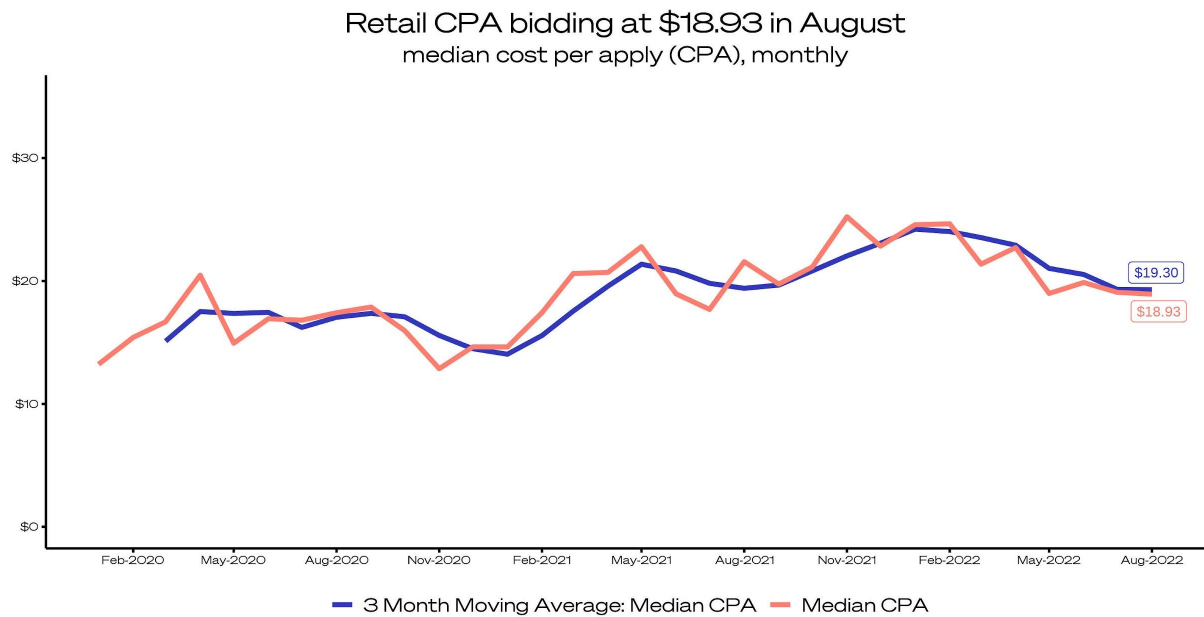


Source: Appcast; Created on Sep 07 2022





Source: Appcast; Created on Sep 07 2022



Source: Appcast; Created on Sep 09 2022



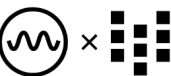
What does this mean for Retail?

Recruiting costs, though flat in August, remain stubbornly above their pre-COVID levels as job openings outstrip hiring. The U.S. economy overall added 315,000 new jobs in August despite murmurs of a recession and retail specifically posted a third month of gains. Elevated retail inventories are causes for concern, however they have not yet translated to decreased employment in the sector. Quitting among retail workers is trending downward, although from a high level; layoffs have trended up slightly. Workers have leverage, but the market is cooling.



Thank you

Why Recruitonomics?



Recruitonomics is a hub for data-driven research, powered by Appcast, that aims to make sense of our evolving world of work. Combining labor economics and recruitment best practices, Recruitonomics seeks to bring clarity to the chaos of a changing economic landscape.

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