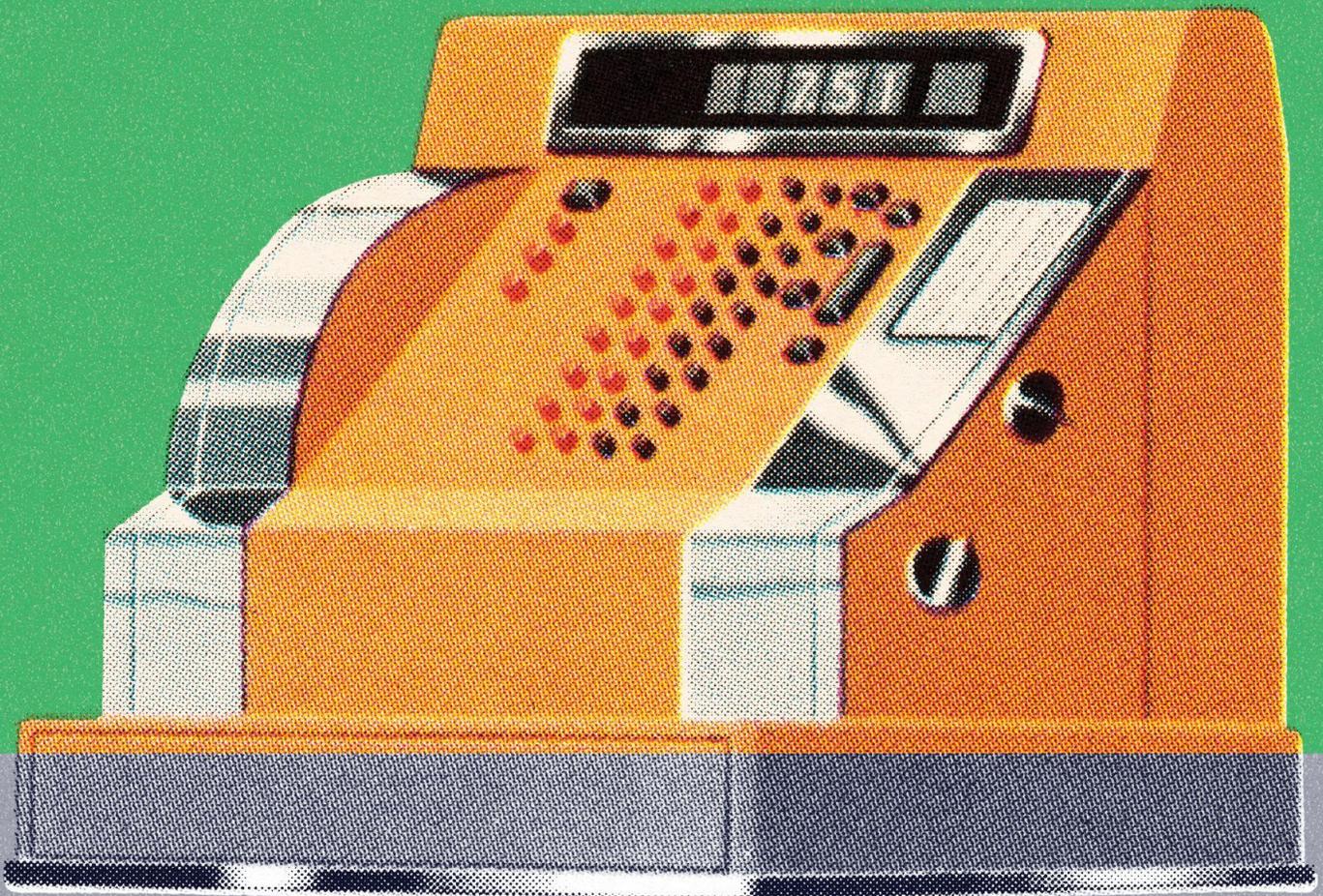


# Appcast Retail Snapshot

Job Losses During the Seasonal Hiring Period



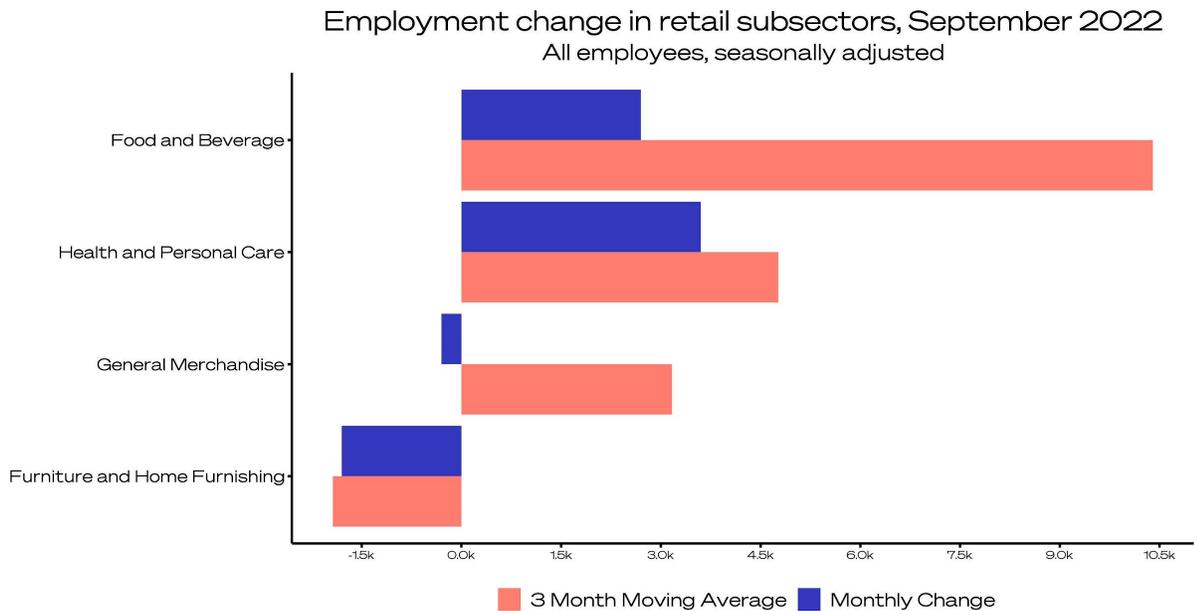
## Economy-wide breakdown:

- The U.S. economy added 267,000 net new jobs in September, subdued gains compared to the 420,000 average monthly gains so far this year. Though lower than average for 2022, these gains show the resilience of the labor market against several challenges. The unemployment rate dropped to a historically low 3.5%.
- Consumer spending shifts officially made their mark on the jobs report in September – many goods-producing sectors suffered employment losses, while service-providing sectors added jobs at an impressive clip.
- Wage growth once again steadied – promising news for the Federal Reserve and its commitment to price stability. Job openings also cooled significantly (without layoffs rising), suggesting its hope for a “soft-landing” is within grasp.
- Labor force participation rates continue to disappoint and have yet to return to pre-COVID levels. In September, prime-age labor force participation was at 82.7%, compared to 83% in February 2020.
- [Read our economy-wide breakdown of the September numbers.](#)

## Employment Trends in Retail

Retail Trade, the BLS category, lost 1,100 jobs in September. This decline followed impressive gains in August, when the sector added a solid 42,600 jobs. It was a disappointing month overall, especially compared to the previous three months' solid job gains. This dip in employment is especially concerning given the proximity to the holidays. Seasonal hiring has always been a hallmark of retail employment growth, [but this year is poised to be different](#).

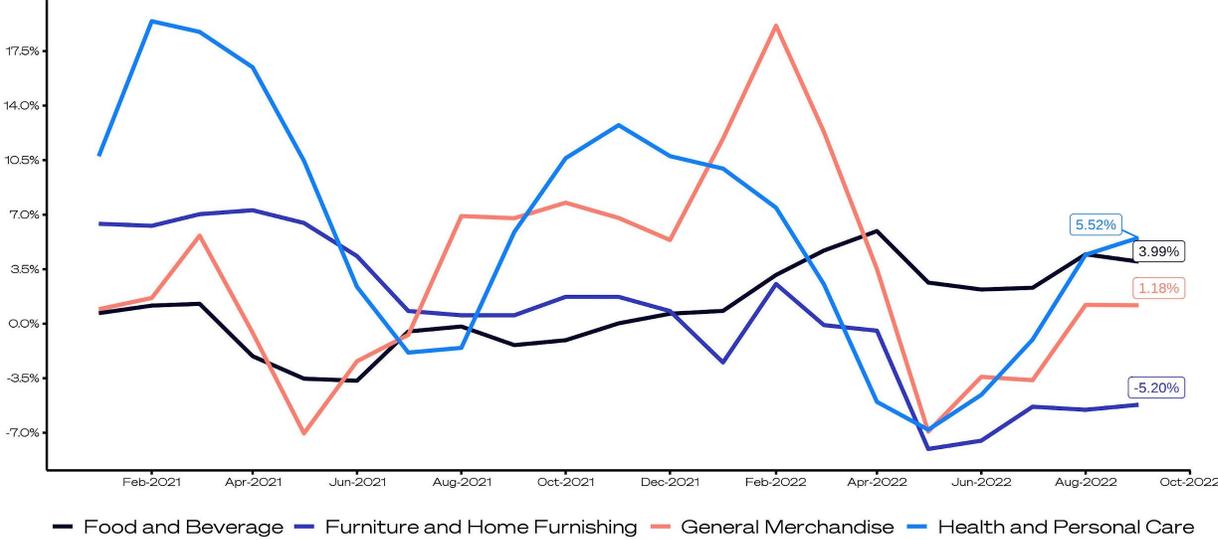
Within the retail category, food and beverage stores have been the strongest subsector – gaining 10,500 new jobs over a three month average. Health and Personal Care Stores follow at 4,600 jobs. Furniture and Home Goods stores have been hit the hardest, losing 1,600 jobs over three months. Higher interest rates have cooled the housing market and perhaps demand for new couches and mattresses.



Source: Bureau of Labor Statistics; Created on Oct 10 2022



Employment change in retail subsectors  
3 month annualized percent change, all employees, seasonally adjusted

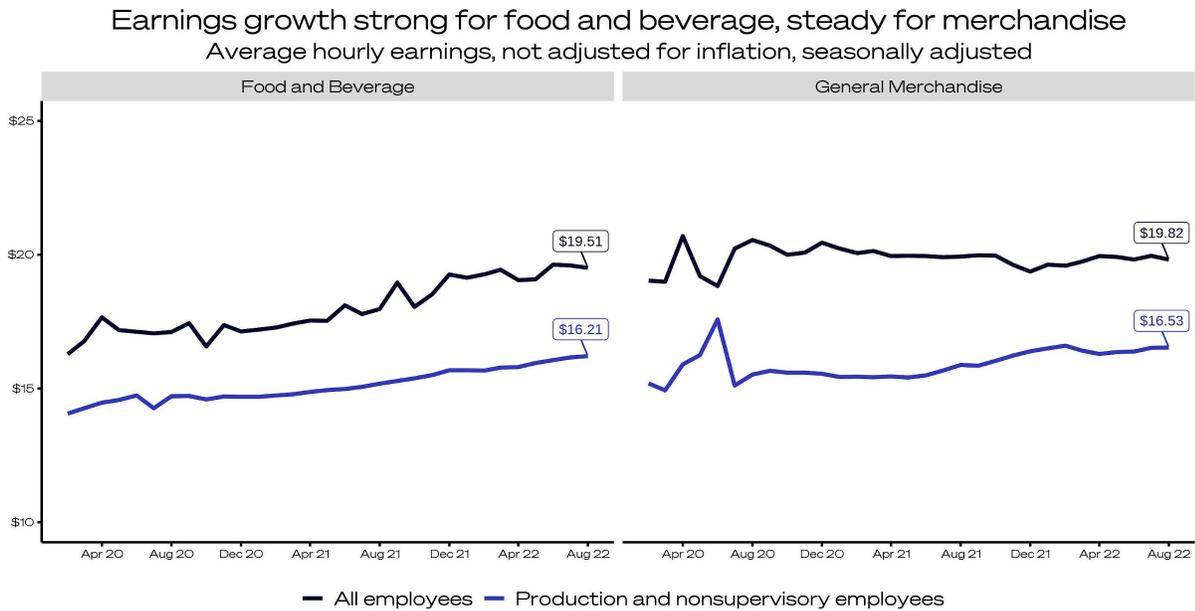


Source: Bureau of Labor Statistics; Created on Oct 10 2022



## Wage Trends in Retail

Average hourly earnings have been improving for “rank-and-file” workers (non-managers), with wages for those in grocery stores ticking up to \$16.21 an hour. Rank-and-file workers in general stores saw their wages increase to \$16.53. Both Food and Beverage and General Merchandise store managers saw their wages decline, to \$19.51 and \$19.82, respectively.

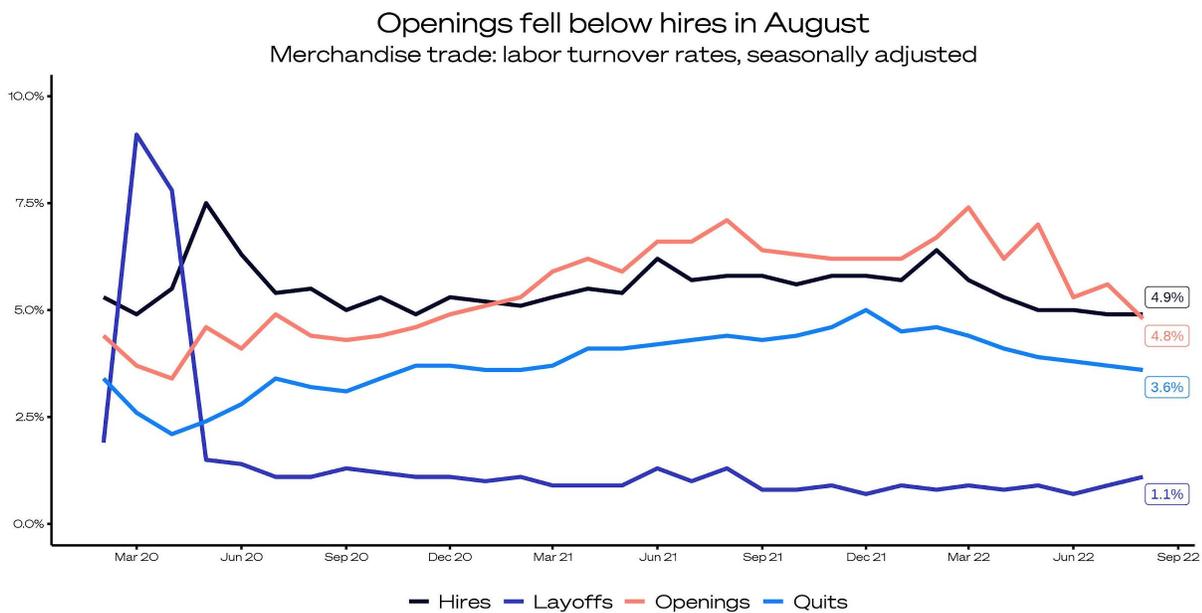


Source: Bureau of Labor Statistics; Created on Oct 10 2022



## Openings and Turnover Trends in Retail

The job openings rate finally fell below hiring, marking an important step in the post-COVID recovery. Hiring has been consistently below openings since early 2021, and now – more than halfway through 2022 – the trend has reversed. With hires at 4.9% and openings at 4.8%, hiring supply actually exceeds demand. After a significant increase in quits in 2021, that trend is reversing: in September, the rate dropped to 3.6%. Layoffs have increased slightly, to 1.1%.



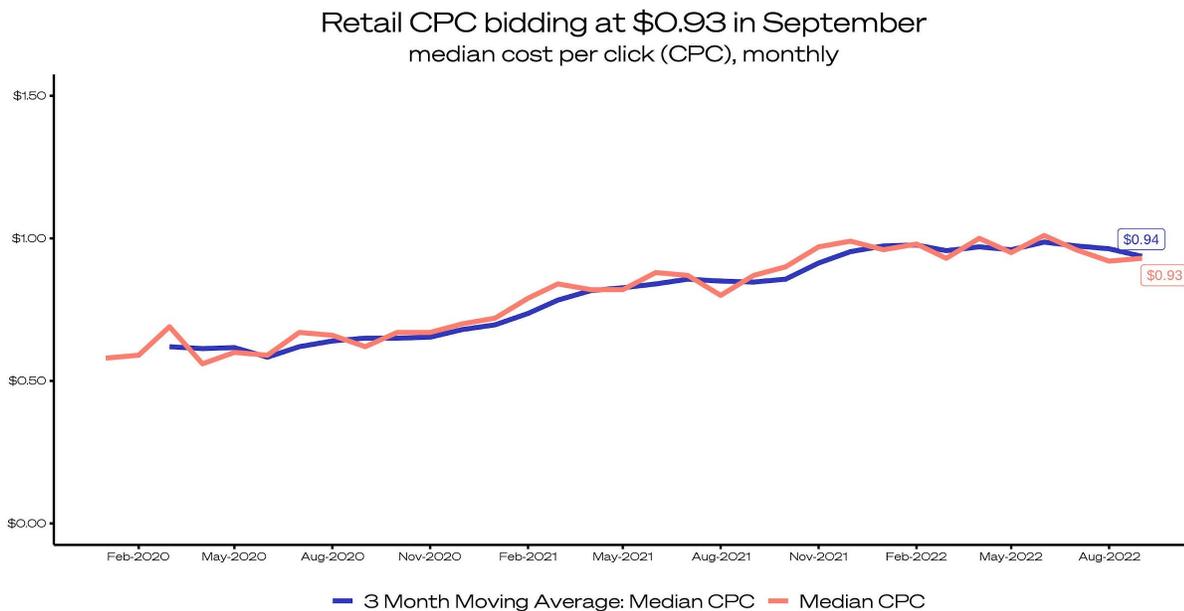
Source: Bureau of Labor Statistics; Created on Oct 10 2022



## Recruitment Marketing Trends in Retail

Across the board, recruiting costs have plateaued. This coincides with August’s Job Opening and Labor Turnover Survey (JOLTS) that indicated hiring demand had exceeded supply. Meager employment growth and reduced hiring demand during the seasonal hiring period should result in lower costs to acquire talent.

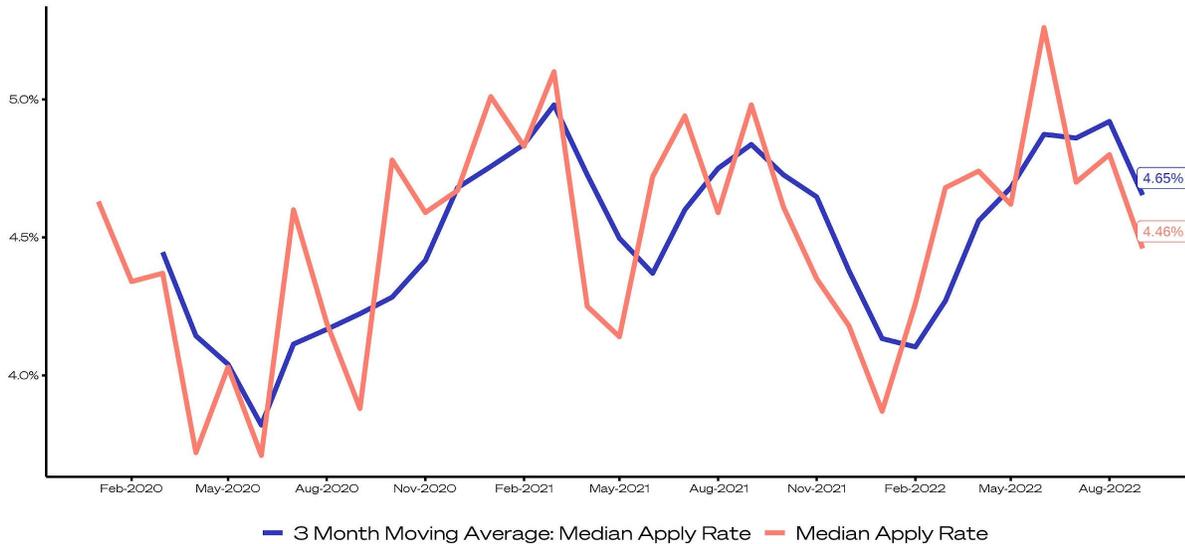
The median CPC in retail averaged \$0.94 in the three months through September 2022. Apply rates moved higher, to 4.65%, over the same period. CPA held steady \$19.33. Overall, September’s numbers were flat – the same as August.



Source: Appcast; Created on Oct 10 2022



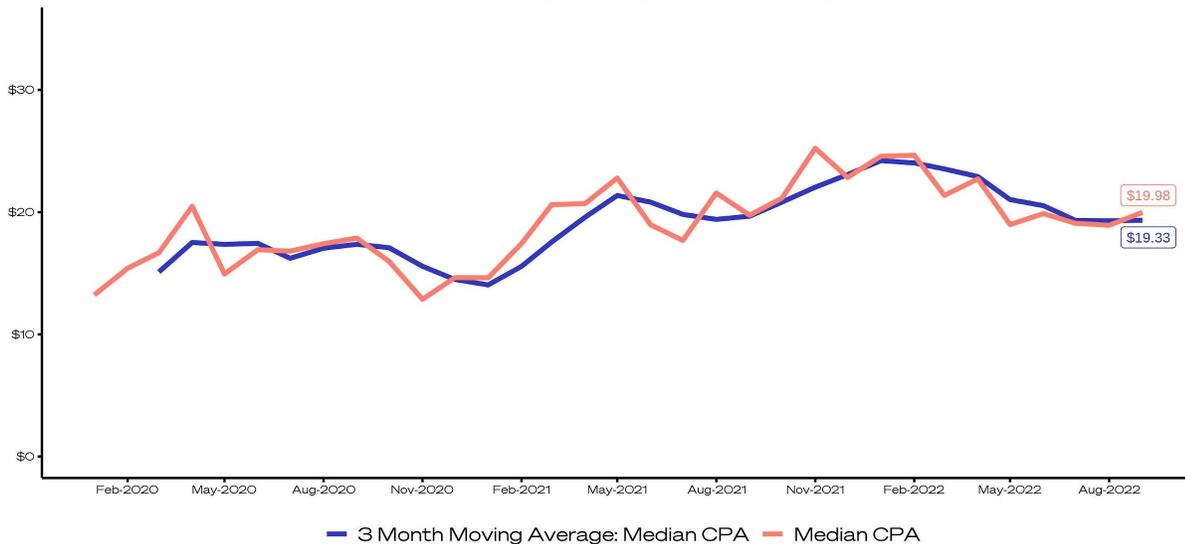
Retail Apply Rates at 4.46% in September  
median apply rate, monthly



Source: Appcast; Created on Oct 10 2022



Retail CPA bidding at \$19.98 in September  
median cost per apply (CPA), monthly



Source: Appcast; Created on Oct 10 2022



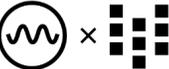
## What does this mean for Retail?

Although BLS employment data is seasonally adjusted, retail losing employment heading into the holidays is not a great signal. In fact, this could indicate a more worrisome trend across the U.S. economy. For recruiters, costs have been consistently declining after reaching a peak earlier this year as competition decreases. Acquiring talent like cashiers, stockers, and sales people should generally be easier than compared to 2021.



# 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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