

Appcast Transportation and Warehousing Snapshot

Consumer Demand Shifts Make Their Impact



Economy-wide breakdown:

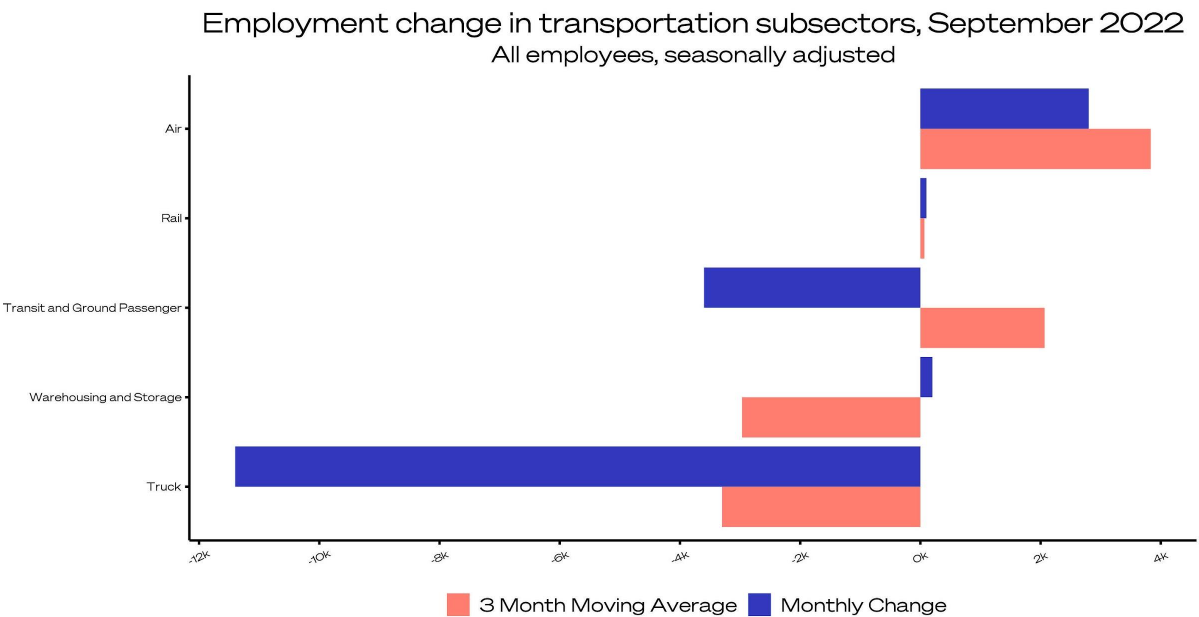
- The U.S. economy added 267,000 net new jobs in September, subdued gains compared to the 420,000 average monthly gains so far this year. Though lower than average for 2022, these gains show the resilience of the labor market against several challenges. The unemployment rate dropped to a historically 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 Transportation and Warehousing

One of the key trends we noted in our September Jobs Day blog was a shift in consumer spending from goods to services. This trend was clearly demonstrated by the 7,900 jobs lost in Transportation and Warehousing in September.

As consumers substitute their spending on new TVs and headphones for week-long vacations, the demand for short and long haul transportation workers is reduced. Truck transportation lost a substantial 11,400 jobs – the largest decline since April of 2020. Transit and ground transportation also lost a significant 3,400 jobs.

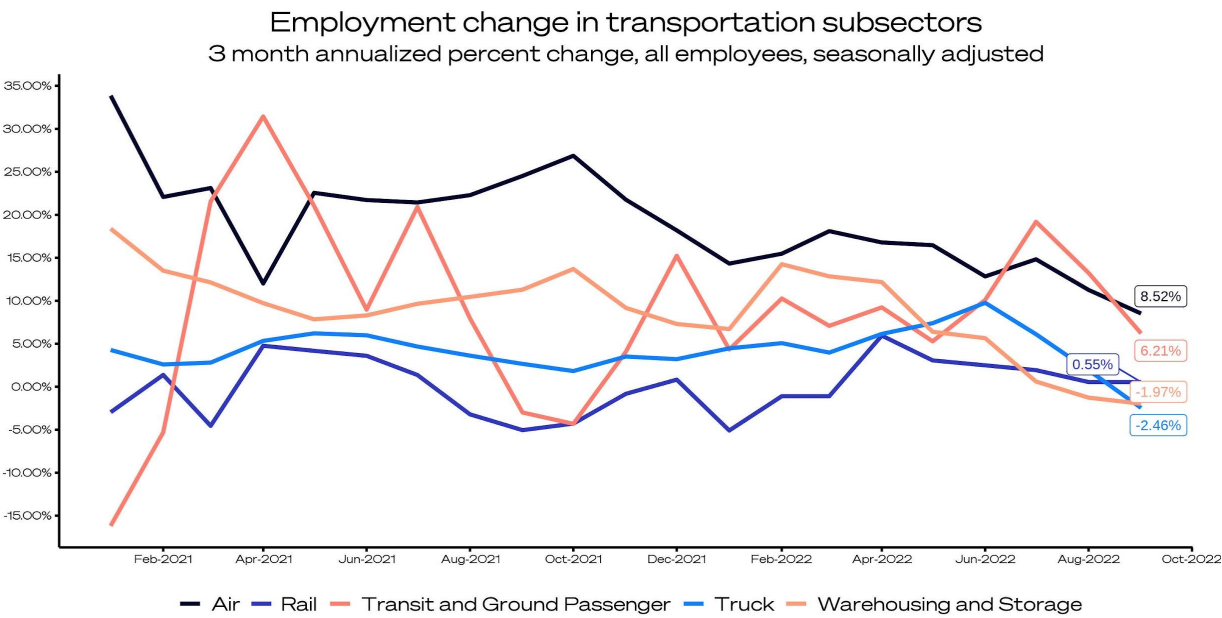


Source: Bureau of Labor Statistics; Created on Oct 10 2022



Employment Trends in Transportation and Warehousing

Warehousing and storage jobs are rapidly cooling after significant gains in 2021 – down to 6.21% annual growth in September. The transit and truck subsectors both had negative growth, at -1.97% and -2.46%, respectively.

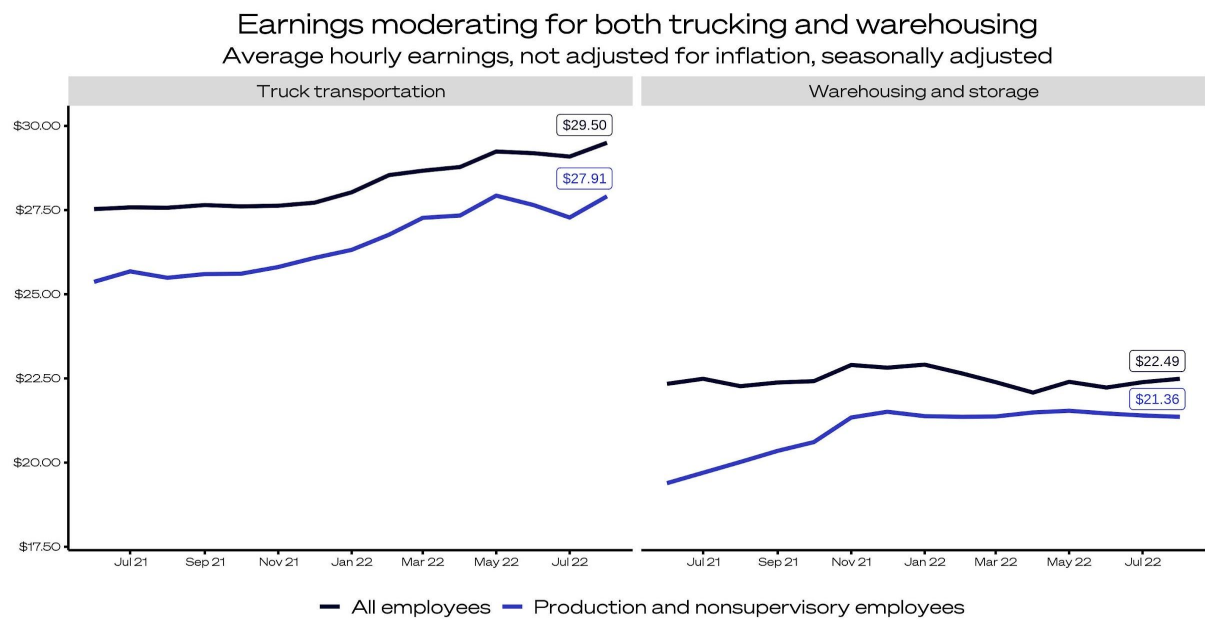


Source: Bureau of Labor Statistics; Created on Oct 10 2022



Wage Trends in Transportation and Warehousing

Despite negative job growth, truck transportation hourly earnings are continuing to increase, up to \$29.50 in August. For warehousing and storage, wage growth has remained fairly flat at \$22.49.

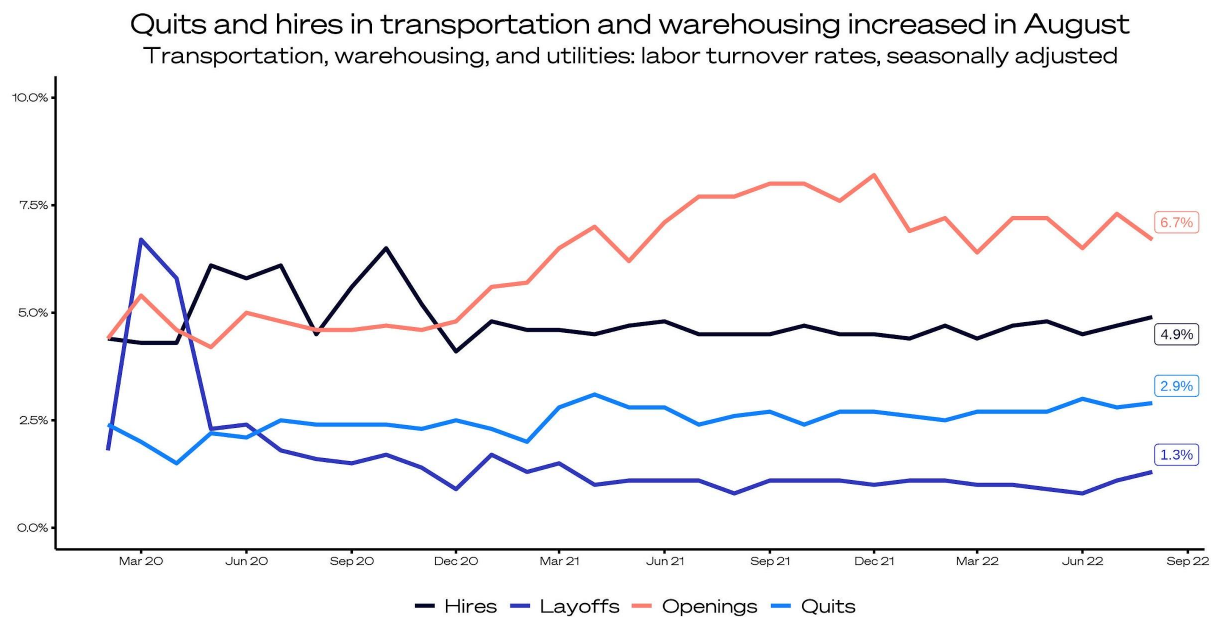


Source: Bureau of Labor Statistics; Created on Oct 10 2022



Openings and Turnover Trends in Transportation and Warehousing

Two key trends to note for this month: a decline in openings (6.7%) and an increase in hiring (4.9%). This is the closest the openings-to-hire ratio has been since 2020, indicating that the demand for transportation and warehousing workers is normalizing. Both quits and layoffs had noticeable gains in August, increasing to 2.9% and 1.3%, respectively.



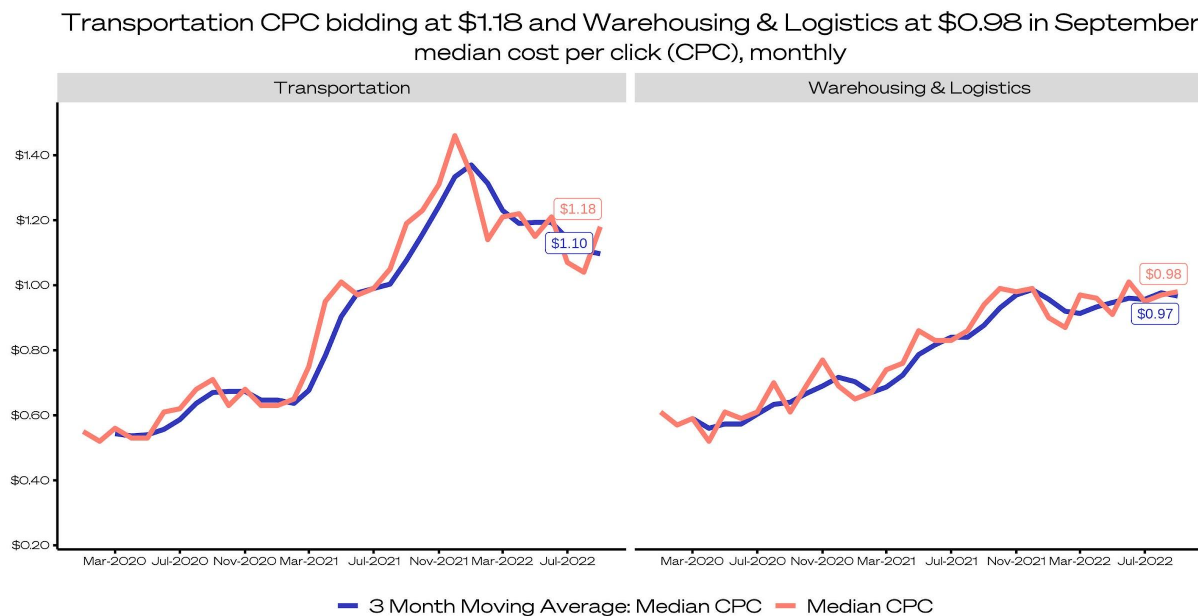
Source: Bureau of Labor Statistics; Created on Oct 12 2022



Recruitment Marketing Trends in Transportation and Warehousing

Both transportation and warehousing recruiting costs have reached a steady-state after a period of significant gains.

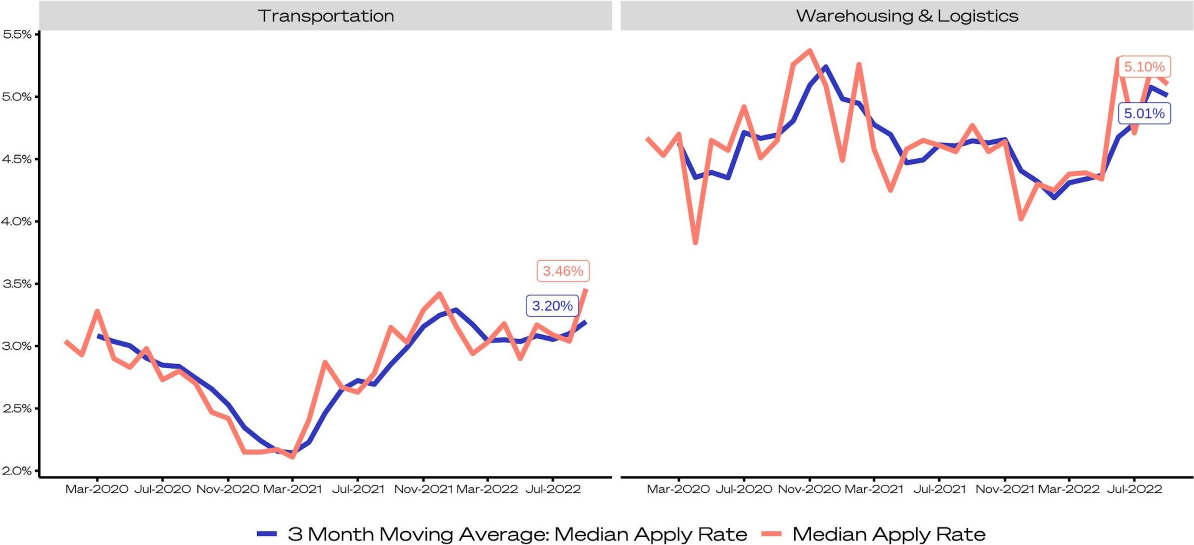
The median CPC in transportation ticked up to \$1.18 and has averaged \$1.10 over the last three months. In warehousing, the typical CPC was stable at \$0.97. Apply rates continue to be low for transportation, increasing slightly to 3.46%. Warehousing apply rates held steady at 5.10%. The typical CPA over the last three months in warehousing is \$22.69, compared to \$37.73 in transportation.



Source: Appcast; Created on Oct 10 2022



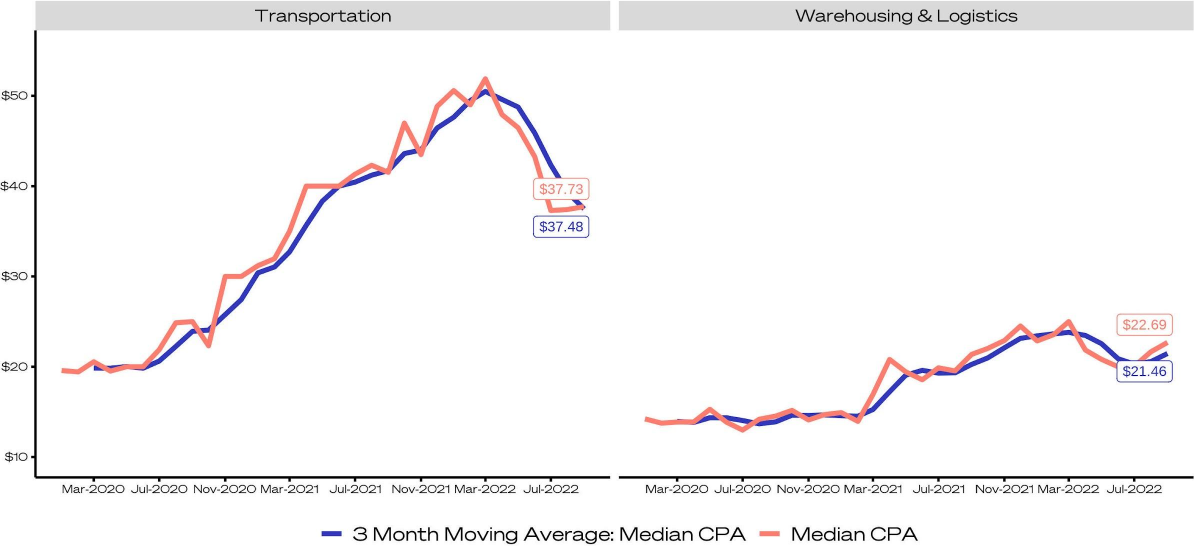
Transportation apply rates at 3.46% and Warehousing & Logistics at 5.1% in September median apply rate, monthly



Source: Appcast; Created on Oct 10 2022



Transportation CPA bidding at \$37.73 and Warehousing & Logistics at \$22.69 in September median cost per apply (CPA), monthly



Source: Appcast; Created on Oct 10 2022



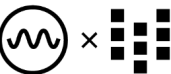
What does this mean for Transportation and Warehousing?

In 2020, consumers substituted dining at restaurants for a new 60-inch TV or VR headset; now, the opposite is true. This shift is making its impact on the demand for transportation and warehousing workers as openings fell and employment growth went into the red. Several shipping companies have issued profit warnings, indicating weaker demand is reducing their need to hire. This trend in publicly available data is also affecting Appcast's data on recruiting marketing costs. Both CPCs and CPAs have been flat or declining for several months now, potentially showing that competition for transportation and warehousing workers is easing.



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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