

HELLO

my name is

Seasonal
Hiring

Will Your Company
Make the Nice List?

A Look into the Current State of Holiday Hiring

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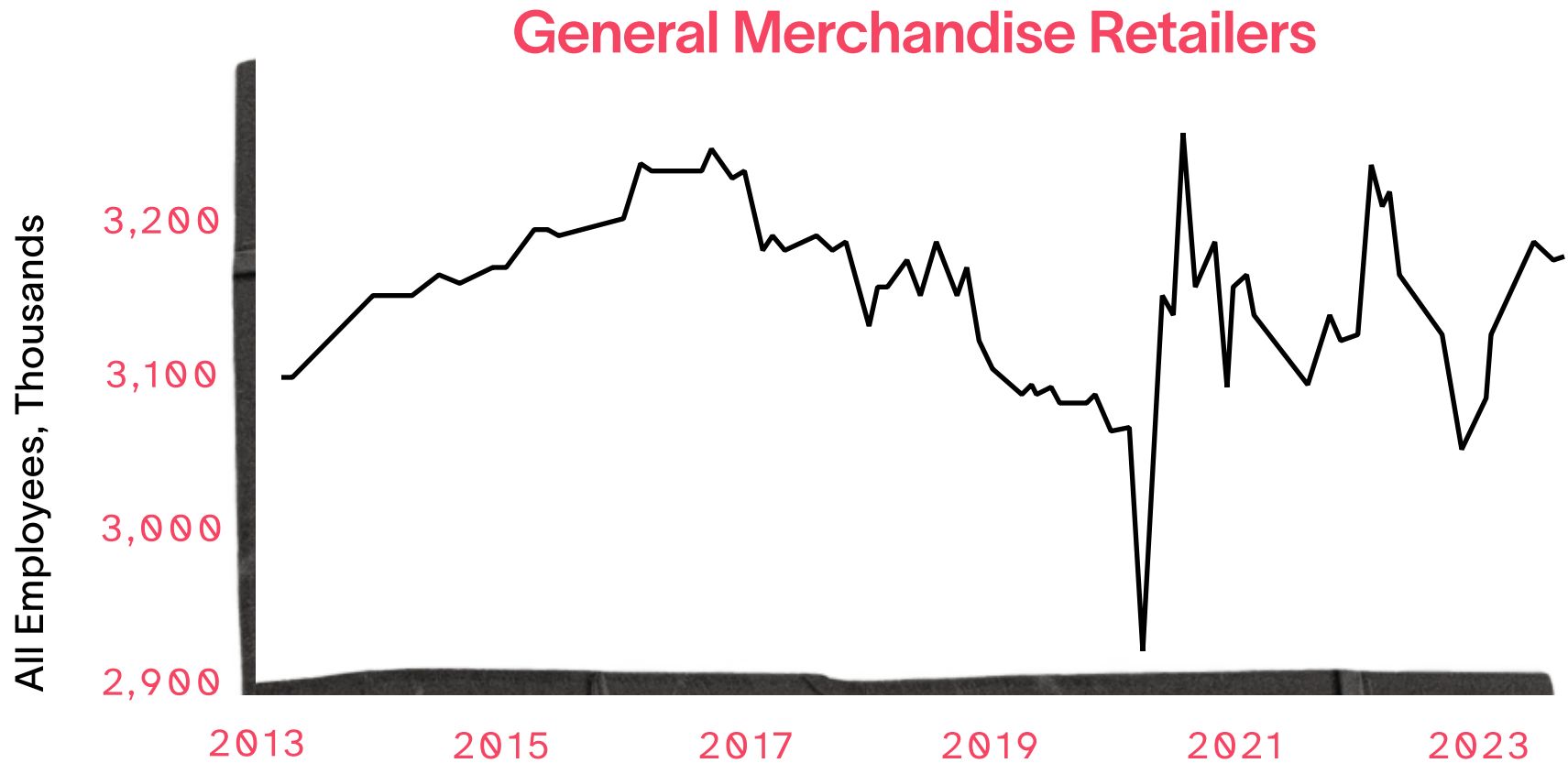
'Tis the season for holiday cheer... and for businesses in related industries to bolster their workforces. Despite anticipated record-breaking holiday spending, estimated to range between \$957.3 billion and \$966.6 billion, companies poised to benefit from this surge still face challenges in securing necessary holiday talent.

Persistent worker shortages and shifting consumer preferences have created the perfect (snow) storm in recent years. Here, we explore hiring trends in two of the top seasonal hiring sectors—*Retail and Transportation and Warehousing*. We'll also address the factors impacting current worker supply as well as provide recommendations to connect with available talent pools.

So, grab a cup of cocoa, cozy up by the fire, and join us on this chilly journey through the current state of holiday hiring...

Retail Trade

Advanced retail sales remain at nearly double their trend line prior to the pandemic and have continued to grow in the past six months, despite sticky consumer product inflation. Although it has been a rocky several years, general merchandise stores have 116,000 more employees now than before the pandemic, which offsets the nosedive that was occurring in 2019.



Source: BLS, Lightcast Analysis, 2023

Year



Retail Trade

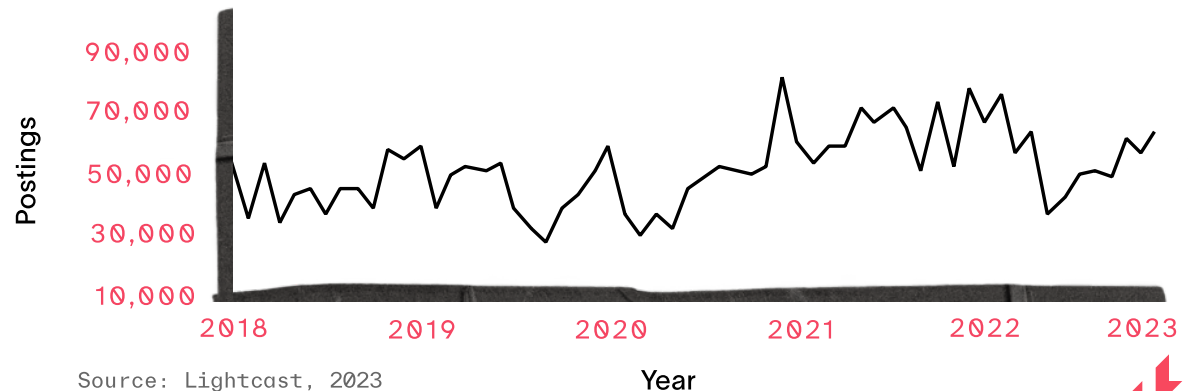
Lightcast job postings have surged throughout the year but are still below 2022 levels. While it is true that department stores have seen a continual decline in demand, it doesn't mean that consumers aren't purchasing the same goods.

The reality is that American consumers have switched to warehouse clubs and supercenters.

Costco, anyone?



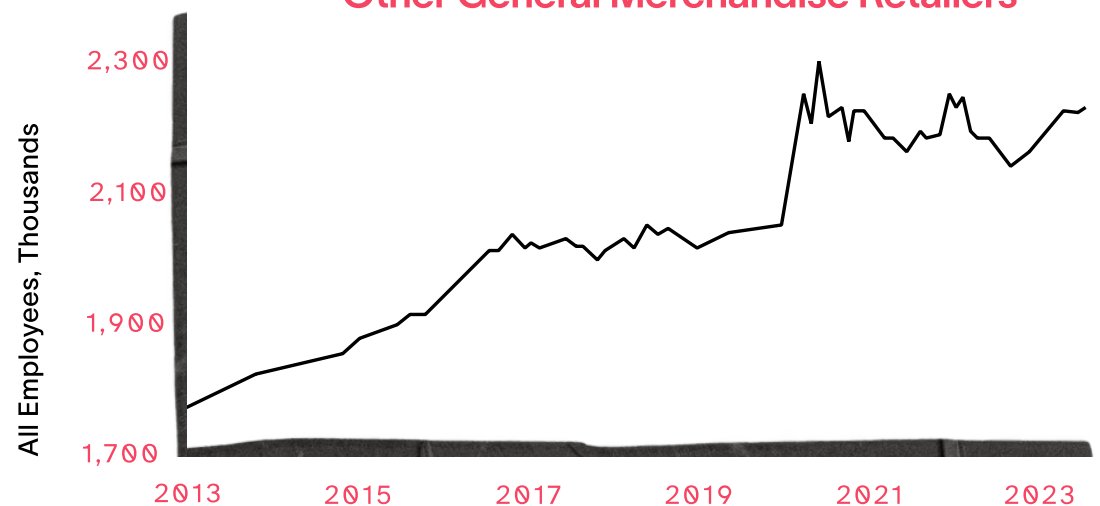
Unique Postings Trend



Source: Lightcast, 2023

Year

Warehouse Clubs, Supercenters, and Other General Merchandise Retailers



Source: BLS, Lightcast Analysis, 2023

Year

Retail Trade

As we look toward the holidays, several large retail chains have announced job hiring intentions:

100K

Target

40K

Walmart

250K

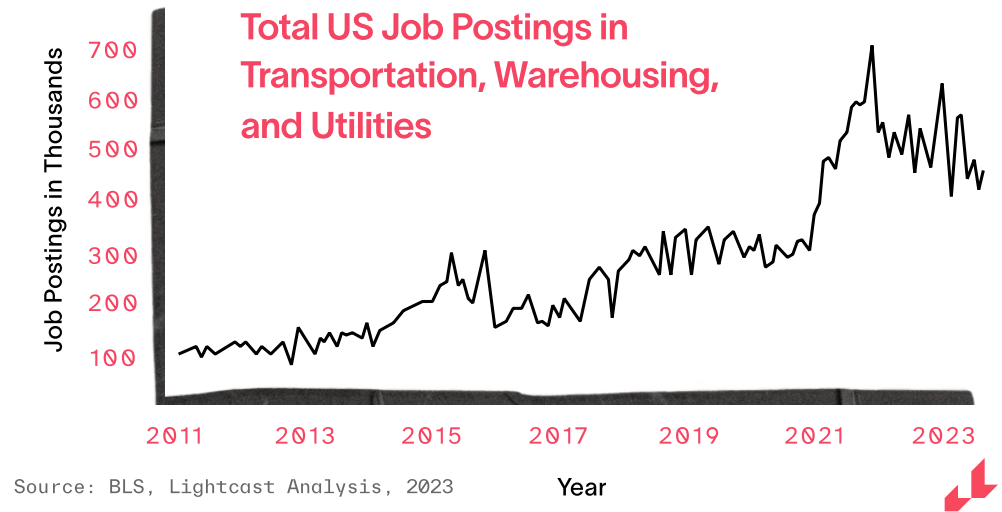
Amazon

Overall, Retail Trade had **674,000 job openings** in September, with expectations for a strong surge into October and November.

Another important consideration is that the BLS removed the distinction from online and store-based retail in the 2022 NAICS revision. This means that companies like Amazon are now distributed across industries, including groceries. And they're hiring even more seasonal workers this year, up 100,000 from just last year.

Transportation and Warehousing

From mid-2017 to the end of 2020, Transportation and Warehousing saw no net increases in job postings before the incredible gain they saw in 2021. And this number has only partly subsided, with postings still up **25%** compared to levels prior to January of 2021. So, while it is easy to get lost in the declines of recent months, it's important to keep the long-term picture in mind and consider that demand for these workers is still historically outsized.



Lightcast data indicates that new job postings for warehousing have held steady but all active postings have decreased compared to recent years. However, they continue to align with pre-pandemic levels. This trend also extends to trucking, both local and long distance: the continuous decrease in all active postings is obscuring the fact that new job openings are consistent.

Additionally, large shipper UPS announced plans to **hire 100,000 workers** for the holiday season, and it is highly likely that other carriers will follow suit in ramping up their hiring efforts.

Supply: The Big Issue

1. Employer Hoarding

Despite recent economic actions that historically create weaker labor markets, employers in holiday-focused industries have retained their workers. In the decade leading up to the pandemic, industries like Retail Trade typically saw layoffs averaging around 200,000 per month, and often higher. This year, however, that average has been around 162,000 per month, with September registering an exceptionally low 137,000. Transportation and Warehousing has experienced elevated layoffs in 2023, but numbers recently sank to a 15-month low in September.

2. Low Participation of 16 to 19-Year-Olds

The holiday-coveted 16 to 19-year-old population is 3.4 million larger than it was in 1966, yet the labor force is 400,000 lower than it was back then. Despite a slight improvement in the past four years, the current labor force participation rate is still below 40% versus the mid-50% levels seen up until 2001.

3. Historically Low Unemployment Claims

Currently, only 1.6 million people are receiving unemployment, a stark contrast to numbers seen in the 1980s when the population was over 100 million smaller. While about six to seven million people are claiming to be unemployed, the limited number of individuals actually collecting unemployment shows the intensity with which they are seeking another job.

4. Additional Options

Individuals holding high school diplomas are seeing unprecedented opportunities in the labor market with increasingly competitive wages. Construction, manufacturing, retail, restaurants, government, and even emerging industries like social media and e-currency trading have sustained intense hiring pressure in the market. And when one segment weakens, another is quick to hire any displaced workers. As a result, companies will likely need to find displaced workers versus attracting them from the sidelines.

What Can Employers Do?

In light of persistently tight labor market conditions going into the 2023 holiday season, companies can take proactive steps to find the talent they need:

1. Take a Skills-First Approach to Hiring

Look beyond resumes and focus on skills rather than traditional qualifications for your seasonal hires. Over 70% of employers agree that skills-based hiring is more effective than resumes and report that they have reduced the amount of mis-hires by 88% as a result of using this approach. By emphasizing skills rather than credentials or experience, companies can tap into a broader talent pool and access candidates who possess the practical abilities necessary to succeed.

2. Leverage Your Current Workforce + Social Media Presence

Your top employees are often your most effective talent scouts. But before enlisting their help, make sure they are happy with their current role, as negative word of mouth is even stronger than a positive endorsement. Leveraging satisfied employees as brand ambassadors can be a powerful recruiting tool, so encourage them to share their positive experiences on social media platforms. Did you know eighty-six percent of job seekers use social media in their job search? Make sure your online image is favorable, and highly shareable.

3. Showcase Unique Job Benefits

Move past the simple “We’re Hiring” announcement to convey more detail into what potential employees can look forward to about working at your company. Ninety-six percent of hourly employees have said schedule flexibility is the top benefit that would motivate them to take a new job. In addition to creative scheduling options, highlight any additional perks you offer, such as employee discounts, guaranteed minimum hours, or available bonuses. A well-crafted message can make your job postings much more informative and appealing.

About

As holiday demand ramps up, consider how you can take innovative approaches to your talent acquisition strategy and secure your spot on the “Nice List” this season.

Need talent and skills insights to help with your recruiting strategy? Connect with Lightcast before the holiday rush!

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Lightcast is the world's largest and most trusted provider of labor market data and talent intelligence, delivering clarity to companies looking to make critical talent and business decisions.

Unlike most talent intelligence systems, Lightcast's data is completely vendor-neutral and third-party-validated, offering clients a more trusted and easily accessible level of insights and intelligence. Whether you have a team of people analysts looking to access the most comprehensive labor market data, need to layer in more intelligence into your own talent data, or seek a team of consultants to create a data-driven talent strategy, Lightcast can help.

Lightcast's solutions, data, and consulting services are trusted by more than 400 global organizations, including 67 of the Fortune 100 and 10 of the world's largest consulting management companies.

For more information, visit lightcast.io.