



Retail

HR Trends Report

BidRecruit





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Report



Employing over 2.8 million people, retail is one of the largest industries in the UK. According to the *House of Commons Library*, retail sales were worth 395 billion pounds in 2017, and there were 319,000 retail businesses in 2018. Similarly, according to statistics from *Retail Ireland*, the retail sector is the biggest contributor to the Irish exchequer, generating 23% of total tax receipts in Ireland and it accounts for 14% of national employment.

However, the retail industry is changing. As more and more consumers are doing their shopping online, brick and mortar shops are closing and digital shops are opening. In fact, internet sales increased by 14% in 2018 (House of Commons Library).

Retail employers are having to adapt their recruitment strategies to reflect these industry changes. In order to help you make the most out of your hiring process, we've rounded up all the current industry stats and figures in this 2019 Retail HR Trends Report.

1. The Rise of Technical Skills in the Retail Industry
2. The New Candidate Persona in the Retail Industry
3. Challenges in the Retail Industry
4. Attracting and Retaining Talent in the Retail Industry



The Rise of Technical Skills in the Retail Industry

As the retail industry goes digital, companies must do the same. Because of this, there is a current demand for retail employees with wider range of skills.

As *Ellen Davis*, the president of the *National Retail Federation*, says, “We’ve seen many new jobs created in distribution centers, in response to the rise in online shopping. Companies have invested heavily in warehouse operations to cope with this increased demand on inventory and ensure timely and accurate delivery to consumers. We are also seeing tremendous growth in data analytics and data science, and with the access to information and consumer behavior our industry has, that is a fascinating part of the business to be in right now”.

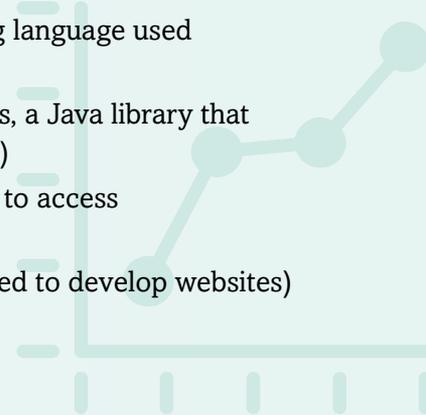
According to data by *Indeed*, there has been a 31% growth in retail roles in:

- ✓ Warehouse
- ✓ Marketing
- ✓ Tech

However, employers are struggling to find candidates that have both the standard customer service skills required for retail and up-to-date technical skills. In fact, 70% of retail employers state that they struggle to hire in-store candidates with these new required technical skills, according to an Indeed survey.

According to research by *LinkedIn*, the most popular technical skills that employers are looking for in retail candidates are:

1. Java (a common programming language used for web applications)
2. JavaScript (specifically React.js, a Java library that is used to build user interfaces)
3. SQL (a domain language used to access and edit databases)
4. HTML (a markup language used to develop websites)



The New Candidate Persona in the Retail Industry



Retail's gender profile is 58:42 women and men, in contrast to the total labor force in the UK where women make up 46.5%



Half of all retail employees work part-time, more than twice the amount of the total labour force

As the required skills for candidates change, employers are also having to change their candidate personas. This new persona is based off of current data and demands in the retail industry.

According to UK-based retail recruitment company *The Retail Appointment*



Almost a third of retail employees are under 25 years old, well below the average age of the overall workforce, which is 41

| Most populated sectors in the industry (LinkedIn): | Most common jobs in the industry (LinkedIn): |
|--|--|
| 1. Sales | 1. Sales associate |
| 2. Operations | 2. Logistics specialist |
| 3. Engineering and IT | 3. Software developer |
| 4. Customer support | 4. Marketing specialist |
| 5. Marketing | 5. Operations specialist |

Software developer is now the third most common job in retail. This is a rise from 2013, when it ranked eighth, and its growth can be attributed to the popularity of online shops. This is also a job that will require a different, more technical skill set than a sales associate.



Challenges in the Retail Industry

With these changes to the retail industry and its candidate persona, employers are facing increased challenges when it comes to attracting and retaining employees. The top two challenges affecting the industry are high turnover and a competitive job market.

1. High Turnover

According to data from *LinkedIn*, the retail industry has the second highest employee turnover rates after only the Technology sector.

-  40% of retail employers noticed an increase in turnover in 2016 (*Hay Group survey*)
-  Hourly store employees have the highest turnover rate (Hay Group survey)

-  The turnover rate of an hourly employee increased from 57% in 2015 to 65% in 2016 (Hay Group survey)

According to research by *Monster*, this turnover is due to:

-  Dissatisfaction with salary
-  Lack of career path or opportunities for growth
-  Feelings of being overworked

2. Competitive Job Market

According to the Hay Group survey, 74% of retail workers leave their jobs because they discovered a better opportunity elsewhere. With so many opportunities within the retail industry, employees aren't going to stay at a position that they aren't satisfied with.

According to research by LinkedIn, workers who left their retail jobs took on new positions as:

-  Administrative employees
-  Customer service specialists
-  Students
-  Food service employees





Attracting and Retaining Talent in the Retail Industry

As a response to these challenges, retail employers are adopting new techniques to attract and retain top candidates. Specifically, they are working on improving their employer brand, candidate experience and employee benefits.

1. Employer Brand

New generations of candidates and consumers are more brand aware and brand loyal than older generations. In fact, one in five retail workers say that a good employer brand is a top criteria when making a career decision, according to research by *ManpowerGroup Solutions*.

Their research also found that 92% of retail workers rank *employer-employee trust* as their number one factor when considering whether or not to work with a company. This is compared to 83% of workers across all industries.

2. Candidate Experience

In order to improve candidate experience during the recruitment process, and therefore receive more quality applications, retail employers are making their hiring processes digital. *A.I.-based interviewing platforms* and candidate interaction appeals to a modern and younger candidate persona.

ManpowerGroup found that retail candidates are 1.5 times more likely to apply for jobs on a smartphone app than candidates across other industries.

3. Employee Benefits

With rising competition in the job market, candidates have the agency to choose where, and under what conditions, they want to work. According to research by ManpowerGroup, retail workers most often leave their current jobs in order to work for employers that offer better benefits.

The perks that are attracting retail workers to a role are:

- ✓ Flexibility
- ✓ Complete benefits packages (including a full *wellness programme*)
- ✓ Opportunities for career growth





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