



Indeed Insights

How to Attract and Retain Seasonal Workers



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Introduction

U.S. retailers hire [around 500,000 seasonal workers](#) each holiday season, but for years they have [found it difficult](#) to attract enough talent during the busy end-of-year season. Seasonal workers suffer from the same dissatisfactions as permanent retail employees, 42% of whom responded to [a 2021 study](#) that they were planning to leave the industry in the next few years. Many of them reported feeling neglected and unvalued by their employers. To attract

[seasonal workers](#), retailers must respond to the needs, concerns and experiences of job seekers who have spent the pandemic-era years wishing for better working conditions.

In a study conducted with global insights agency SKIM, Indeed surveyed over 750 retail job seekers in the US and 150 retailers to learn more about how to attract and retain seasonal employees.



Hiring challenges for retail employers

According to Hiring Labs [US Retail Labor Market 2023 Q2 Update](#) year-over-year wage growth rests just below the labor market average of 5.3%. In fact wage growth for the Retail and Food Preparation & Service categories has fallen sharply in the past year. We've seen front-line workers express a need for [flexible work](#)

and people feeling burnt out and stressed: Only [29% of workers are thriving](#). Knowing this, how can retailers stay competitive going into the holiday season? We'll explore the challenges and opportunities for employers attracting seasonal workers this year.

It's hard to find experienced candidates

Hiring managers are looking for experienced candidates, but finding them can be surprisingly challenging. We found that a large number of retail job seekers, 52% to be exact, are reaching out to friends and family when looking for opportunities but the majority are applying through online job sites (72%).

Roles like [assistant store manager](#) were particularly difficult to hire for — 59% of hiring decision makers agreed that there were not enough applicants for this role. For less senior roles like [server](#) and [retail sales associate](#), a similar picture emerges — 46% reported that there were not enough retail sales associate applicants and 56% claimed there weren't enough server applicants.

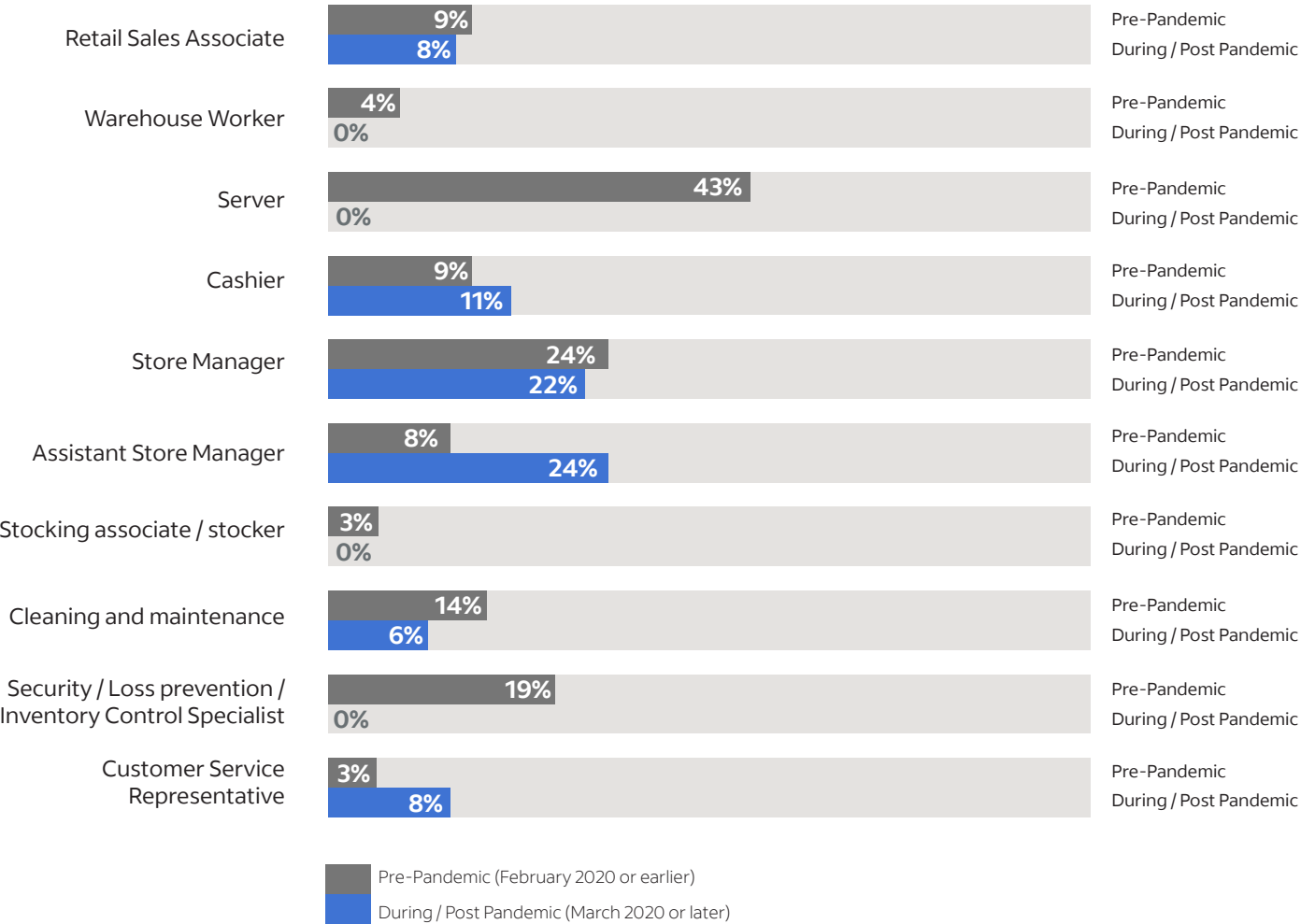
So what gives? In the past 6 months 48% of retailers surveyed said they have been hiring more. In fact, demand for workers remains quite strong. As of July 7th, 2023 the Indeed Job Postings Index rested at 127, meaning job postings remain [27% above](#) their pre-pandemic baseline. With 72% of retail job seekers stating that they would only consider a new job to get a better salary/hourly wage, employers may need to consider what they need and adjust their strategy accordingly.

Employers are losing out on qualified workers due to salary limitations

Retail workers are typically paid lower wages — often minimum wage — 52% making between \$20,000 - \$39,000 per year before taxes. Employers that aren't offering a competitive wage are likely to miss out on the most qualified workers. Large online retailers tout hiring workers at [more than \\$18 per hour plus sign-on bonuses](#). Our research shows that 35% of hiring decision makers found that one of their hiring challenges was being able to offer a competitive

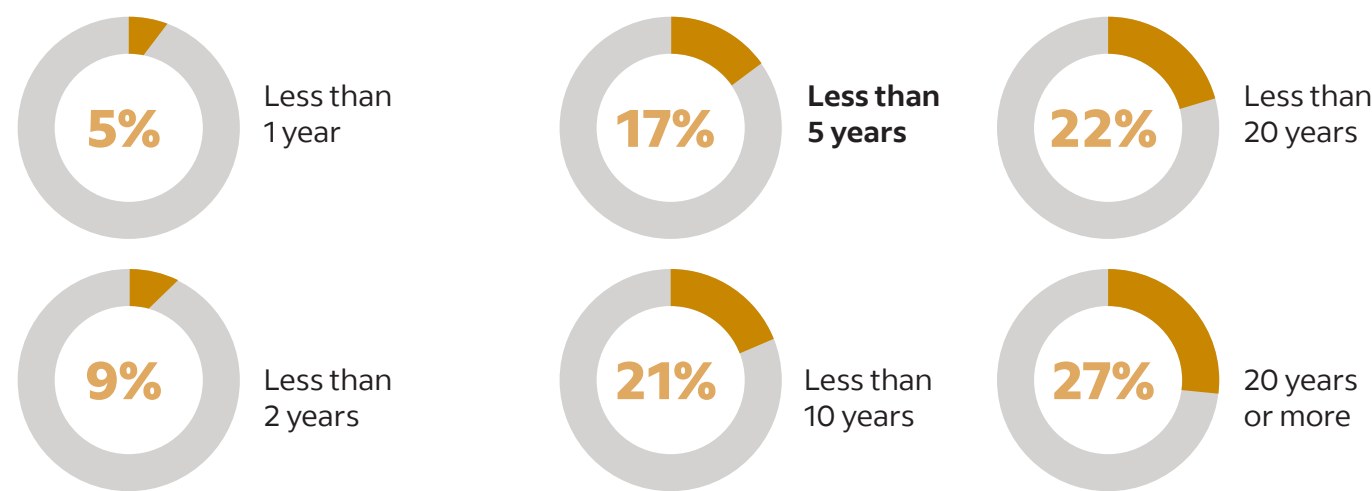
salary. This means that managers may face the frustration of watching experienced job seekers take positions at competitors that can pay more. If you're looking for experienced talent, raising your hourly wage can help you attract workers during the seasonal rush.

How challenging is it to hire for each of the following types of roles currently?
BB (Very difficult)



SKIM insights-based research commissioned by Indeed, "Retail Research Report" June 30, 2023 - July 17, 2023, Total N=from 3 to 125; total n = 150; 147 missing; 83% filtered out, employers, question HDM8

Worker’s years of experience in current industry



SKIM insights-based research commissioned by Indeed, “Retail Research Report” June 30, 2023 - July 17, 2023, Total N= from 596 to 750; total n = 750; 154 missing; 17% filtered out, job seekers, question JS1

Soft skills can often be overlooked

Often, recruiters look at a candidate’s work experience to assess if they are qualified for the role. But in some cases — especially for [unique jobs](#) that don’t require a lot of hard skills — what matters more are [soft skills](#). These types of skills, such as agreeableness, politeness and empathy, are particularly important for retail workers who interface all day with the public. It’s important that in a competitive market employers are cognizant of “must-have” versus “nice-to-have” abilities and traits — genuine

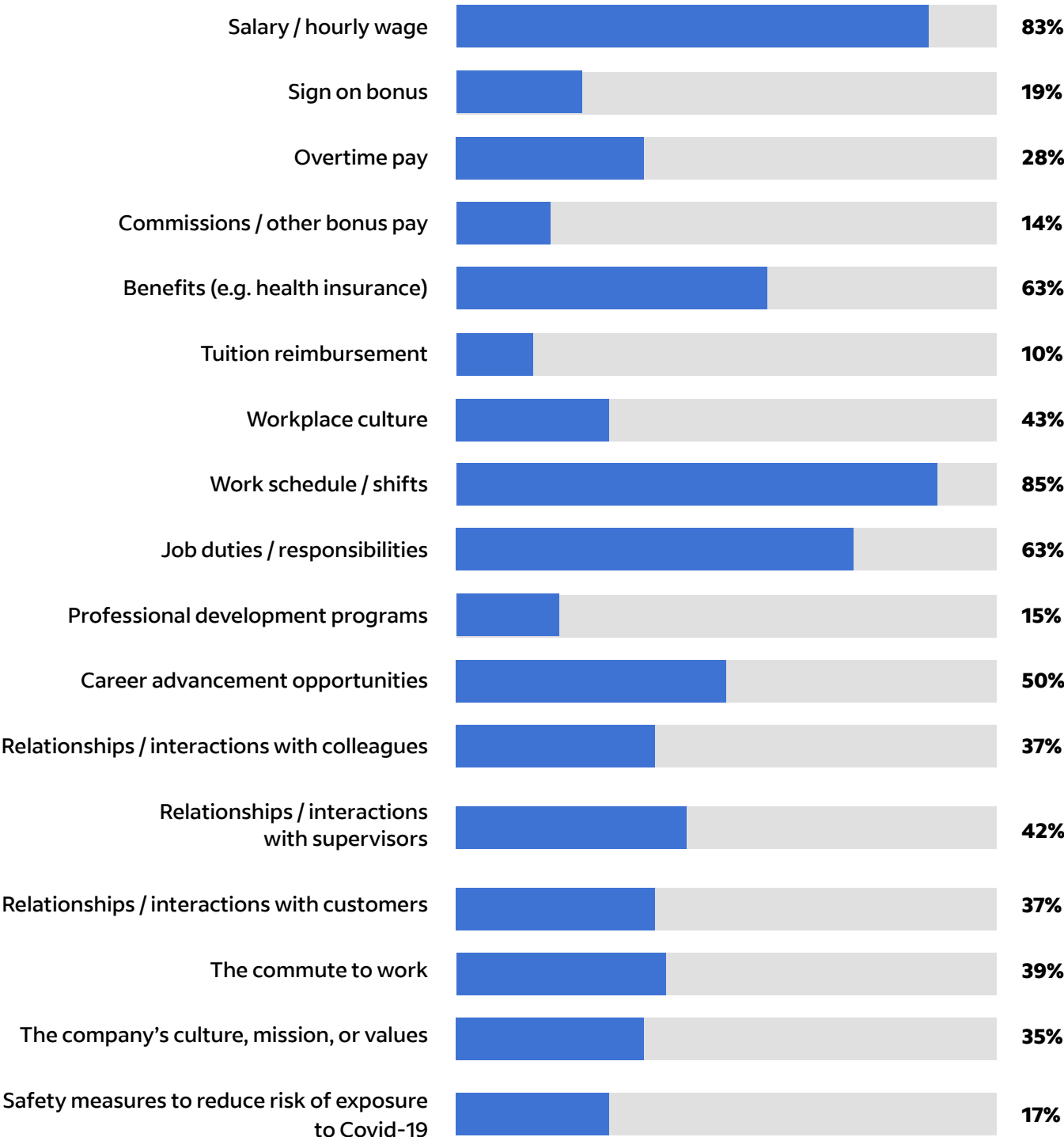
passion and enthusiasm can go a long way. With Gen Z entering the workforce and 17% of those surveyed saying they have less than 5 years of experience, now’s the time to take a second look at candidates with transferable skills or unconventional backgrounds and observe their performance on the job.

Employers struggle to pin down candidates on schedules

Employers hire not only with an eye toward qualifications, skills and experience of candidates, but also to fill specific shifts and schedules. Hiring managers know work schedules and shifts are important to job seekers when considering new roles (85%) and 80% of job seekers agree. Hiring managers highly prize knowledge about candidates’ availability which is why you may also see them offering [shift differential pay](#) to employees who work shifts scheduled outside of regular

business hours. The last thing an employer wants to face is the frustration of putting resources into candidate interviews only to find out late in the process that the person’s availability limitations disqualify them from the job. Agreeing on a schedule that works for both parties can make or break an offer so being clear about [shift availability and flexibility](#) upfront is key.

Important factors for job seekers when they are considering applying for a new job



SKIM insights-based research commissioned by Indeed, “Retail Research Report” June 30, 2023 - July 17, 2023, Total N= from 122 to 150; total n = 150; 28 missing; 83% filtered out, job seekers, question HDM16



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Staffing challenges for retail employers

Employers are facing the challenges of hiring the right workers within the context of a fast-moving staffing landscape.

The retail industry has high turnover

The retail industry has notoriously high turnover, annual employee turnover among frontline retail workers has been [at least 60 percent](#) for a long time. A whopping 57% of the hiring decision makers we surveyed stated that high turnover of employees was challenging and 55% reported that of their biggest hiring challenges was employee “[ghosting](#)”, where a

current employee stops showing up to work. This situation makes it difficult for retailers to maintain adequate staffing levels and requires them to spend large amounts of time and resources on training new workers. The main reason for high turnover was that other jobs offered better pay (63%), making this the main priority for many employers.

Workers’ tenure is very short

Indeed’s study shows 28% of in-store employees stayed at a company for less than one year, and another 23% less than two years — meaning that around half of retail employees leave within a maximum of two years working for a retailer. This means that their tenure

is often quite short. Providing incentives for employees to stay longer, including development opportunities and benefits that promote wellness, is a key way to increase worker tenure.

Employers are constantly hiring

Because tenure is so short and turnover is so high, retail hiring managers are rarely idle. They are constantly hiring, especially considering that several months of the year they are focused on extra seasonal hiring. The never-ending hiring process is a drag on retailers’

resources, but a burden that can be reduced by incentivizing workers to stay in their positions longer with [upskilling tactics](#).

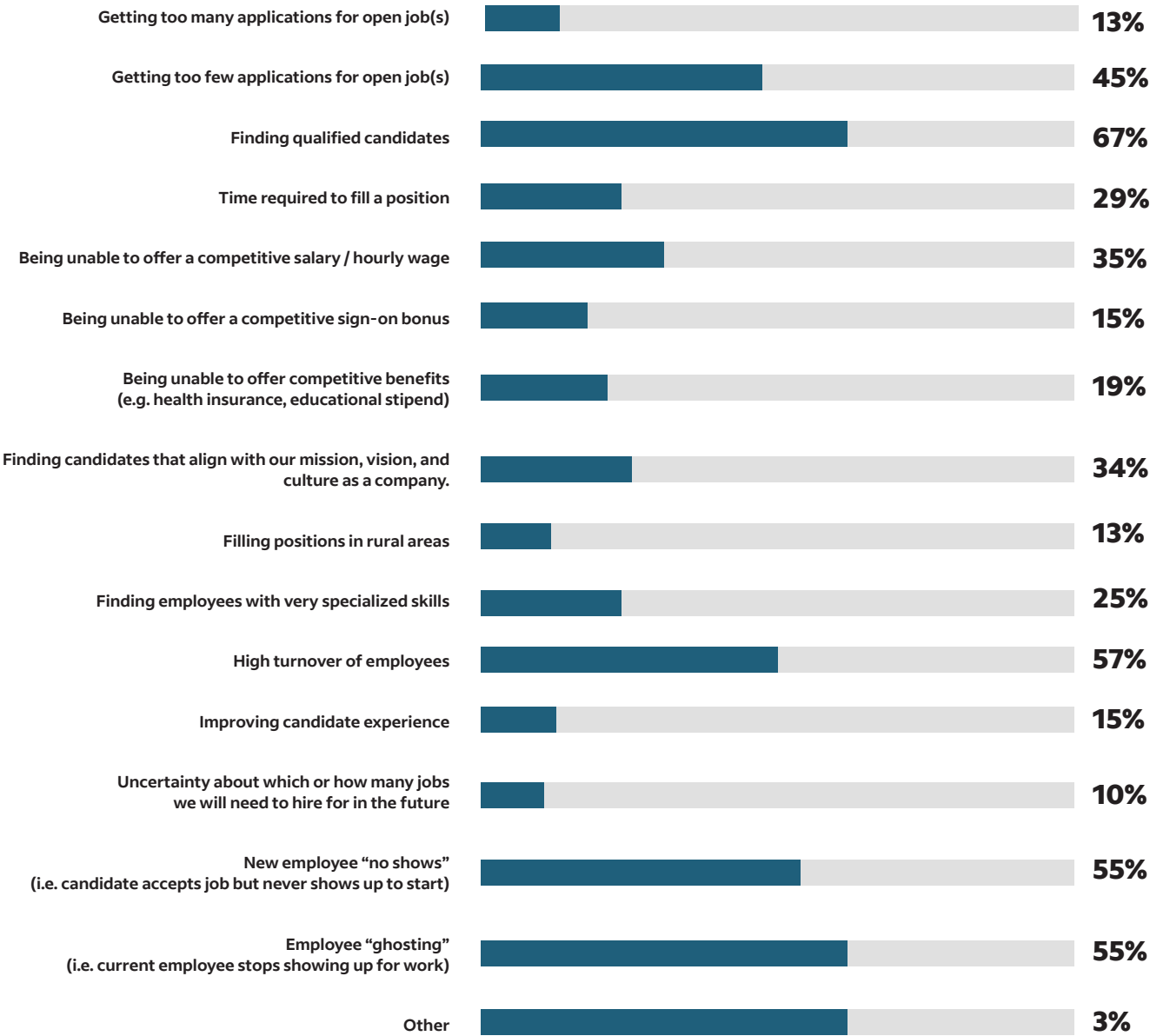
With an effective retail training and development plan employees learn from their coworkers and understand the work environment and customer needs quickly

Seasonal hiring needs lead time

Retailers reported in our survey that 21.9% of in-store roles they were hiring for were seasonal/temporary work, and that 18.9% were unsatisfied with the hiring process. They need a large number of seasonal workers for the holiday rush, but this hiring can’t wait until the last minute. The seasonal hiring process begins as early as July and is in full effect during

September and October. Hiring early in the season and offering on-the-job training is effective for new employees because they are immersed in their work environments. With an effective [retail training and development plan](#) employees learn from their coworkers and understand the work environment and customer needs quickly.

Current hiring challenges



SKIM insights-based research commissioned by Indeed, “Retail Research Report” June 30, 2023 - July 17, 2023, Total N= from 122 to 150; total n = 150; 28 missing; 83% filtered out, employers, question HDM10



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What retail job seekers are looking for

Today's retail job seekers have particular needs and desires that employers should prioritize to attract the best candidates.

Workers prioritize schedule flexibility

Retail work is difficult. It can be physically and emotionally demanding, with long hours of customer interface and repetitive physical tasks. We found that 28% of job seekers are going as far as to look for a new job that offers them this increased flexibility with work hours or schedule.

Job seekers want to ensure not only that the demands of a given job will be reasonable,

but that they are also able to have some level of control over when they do this work. Poor scheduling can leave workers unable to plan for work-life balance and dissatisfied with their position. It can also result in them feeling obligated to be on the job at times when they are not prepared to take on the demands of the work.

Retail associates seek fair pay

Our survey found that 48% — almost half — of retail job seekers are unsatisfied with their current salary or hourly wage, and another 23% were completely unsatisfied. Among retail job seekers, better pay was the top reason for why they were currently looking for a new job opportunity.

Employers who only offer minimum wage may find they are unable to attract competitive candidates. Employers who offer extras like sign-on bonuses, profit-sharing, tuition assistance or childcare are likely to attract and retain top retail talent.

Managers want fair pay and benefits too

Retail Store Managers make an average of [\\$43,911 per year](#). Because they often supervise, train, promote and hire, offering salary,

overtime pay, and benefits like health insurance are key.

Location and commute matter

Retail job seekers are cognizant of their commute. According to our research, 48% of retail workers claim that their current job's commute to work was satisfactory. However, it's only one of the main reasons why retail job seekers are looking for new roles — only 10% cited this as the main reason for doing so.

Knowing this chain retailers with many locations can benefit from shifting personnel among stores to help workers reduce commute times.



Retail candidates' job search experience

Retail job seekers are using the resources at their disposal and applying widely, but it is still difficult to rise above the noise.

Job seekers are making good use of the resources and career services available to them. They are typically using job sites (79%), employer websites (62%) and friends and family (56%) in order to help them in their job search.

The unique challenges of retail job seeking can be amplified for seasonal job seekers, who must plan ahead to enter the seasonal job market in time and face a large amount of competition. Efficiency is key, cumbersome tedious application processes can deter talent

from applying leaving employers with a smaller pool of candidates to choose from. In a competitive environment, it can be difficult for candidates to stand out yet they may find the details of job offers underwhelming. In fact 40% of job seekers said they are interested in working a "gig" job. These jobs often offer easy onboarding, flexible scheduling, and quick compensation since most workers are paid upon completion. Seasonal jobs come with limited opportunity for advancement and earnings, the likelihood of irregular hours and the anticipation of being out of work again after several months can be daunting.



Turning seasonal workers into long-term hires

Savvy retail employers can transform the best seasonal workers into long-term hires if they are willing to invest in these team members.

Meet retail employees' needs

Retail employees value [schedule flexibility](#), pay, benefits, transparency, integrity from the employer and a sustainable commute. While seasonal workers may be willing to compromise on some or all of these elements due to the short-term nature of the work,

they are unlikely to transition into permanent employees without some of those needs being met. Employers can entice workers to become permanent hires by offering the best possible versions of all these factors.

Prioritize workers' wellbeing

Work wellbeing expectations continue to rise, with [47%](#) of people reporting their work wellbeing expectations are higher than they were just one year ago. When people are confident they're being paid fairly and competitively for their work they're [more productive and loyal to their employers](#).

Consider this: 86% of employees with high wellbeing plan to stay with their employer. So it goes to show how much wellbeing (as a factor on its own) can contribute to business efficiency when attracting and retaining talent. It comes as no surprise that 38% of active job seekers are looking for a new job opportunity

so that they can gain better benefits like health insurance and 30% of those actively looking for a new job are currently dissatisfied with their current benefits.

Employers who want to entice seasonal workers to stay long-term can do so in part by prioritizing their employees' wellbeing with such offerings as scheduling predictability, health insurance benefits and supportive managerial culture.

Offer training and development opportunities

Seasonal employees may need extra training and [development opportunities](#) to successfully transition into permanent roles. Among active job seekers, a considerable 54% are dissatisfied with the career advancement opportunities available to them and only 14% were happy with those offered in their current role. This means that candidates may be enticed by strong career progression routes and skills

development and employers may do well to clearly promote these offerings.

Employers who want to encourage this can invest in comprehensive training and development to set them up for success. Workers may also appreciate a chance for hands-on skill-building, cross-training in a variety of roles and mentorship opportunities.

Development opportunities:

- ☑ **Assess organizational goals**
- ☑ **Identify desired competencies**
- ☑ **Do a gap analysis**
- ☑ **Set up a formal training program**
- ☑ **Offer mentoring opportunities**
- ☑ **Provide resources for self-directed development**





Strategies for attracting seasonal workers

Employers can take a number of steps to help them attract qualified seasonal workers who might just make great long-term hires.

Meet job seekers where they are

Learn which resources and career services your potential candidates are using most and target those for outreach. Some types of workers may attend job fairs or other [hiring events](#), while others focus on online searches. Employers will be able to attract the best candidates by taking a proactive approach to finding them.

Start the hiring process early

It can take a month or more to hire an employee for seasonal work, by giving yourself time to find and train multiple candidates you can avoid an unpleasant scramble at the last minute. Start as early as July for the end-of-year season to ensure that the hiring process is in full swing by the fall.

Increase pay

Workers expect fair pay, so a sure way to attract top candidates for your seasonal staffing needs is to put forward a competitive offer. Rising above minimum wage will immediately make you stand out, as will other financial offers like sign-on bonuses and shift differential pay.

Provide extra perks

Along with better pay, seasonal workers find a range of [benefits and perks](#) attractive. Offering appealing incentives like childcare, tuition assistance, wellness programs, discounts on merchandise or catered food can make offers more enticing. Such extras are likely to make seasonal workers more open to the idea of becoming a permanent employee.

Employers will be able to attract the best candidates by taking a proactive approach to finding them

Boost flexibility

Employers who need seasonal workers should make an effort to be flexible to accommodate schedules. Many seasonal workers may not be available on demand since they commonly work more than one job. Employers can attract seasonal workers by offering [flex shifts, split shifts or fixed shifts](#) where possible.

Evaluate your application process

Retail job-searchers may be applying to a number of jobs in the hopes of finding the right fit for the season, this can be time consuming. Evaluate your job application processes to make sure it's fast and efficient. Employers who have optimized their websites or online hiring process to be streamlined will attract more candidates.

Be alert to transferrable skills

You may have certain skills and experience in mind when posting a job, but if you're locked into those ideas, you can overlook candidates with high potential to succeed. Keep an eye out for transferable skills in your applicants, this can broaden your candidate pool and help you find the perfect addition to your team.

Think long-term

Think of your seasonal hires as workers trying out for longer-term work. Your top seasonal performers are likely to be excellent permanent hires.

Employers can attract seasonal workers by offering flex shifts, split shifts or fixed shifts where possible



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Get to know your retail employees' priorities

Simplifying the hiring process, offering a competitive wage, looking for soft skills and offering perks and flexibility will position you for success as you approach the holiday season. Once you have a sense of what job seekers are really looking for, you can respond with an attractive offer that will bring the best candidates in the door.



Between June 30, 2023 - July 17, 2023, Indeed partnered with SKIM to conduct an online quantitative survey with 750 retail job seekers and 150 retail hiring decision makers.

