INTRODUCTION

’Tis the season for temporary hiring. During the holidays, consumers are shopping, eating and traveling more. And that means employers in retail, restaurant and hospitality need more help.

Given the disruptions in the hourly marketplace, which include a tightening labor market, the rise of the on-demand economy and a changing legislative landscape, hourly employers need to rethink their hiring strategies to stay ahead of the competition. Snagajob, America’s #1 marketplace for hourly work, is here to help.

This report is full of helpful information on how to make this your most successful holiday hiring season yet. See how other employers hire for the holidays, how this has changed over the past few years and what you can do right now to get a competitive edge.

Happy hiring!
BACKGROUND

2016 HOLIDAY HIRING REPORT

ABOUT THE REPORT

This report was commissioned by PEOPLElytics, powered by Snagajob. PEOPLElytics is the data we pull from our marketplace of over 70 million hourly workers and 300,000 hourly employers. We worked with Wakefield Research to survey more than 1,000 hourly employers in the retail, restaurant and hospitality industries about their holiday hiring expectations and plans. There is a 3.1% margin of error at a 95% level of confidence, and all data has been rounded to the nearest whole number.

ABOUT SNAGAJOB

With more than 70 million registered hourly workers and 300,000 customers, Snagajob is America’s #1 hourly marketplace. We focus on creating instant and quality connections so workers can get jobs and employers can hire workers—in minutes. We do this through the Snagajob marketplace and PeopleMatter, our end-to-end platform of talent and workforce management solutions. Our mobile and on-demand sourcing, hiring, training, scheduling and performance management tools drive results for single-location operators to Fortune 500 businesses with thousands of locations, across the restaurant, retail, hospitality and healthcare industries.
## Survey Snapshot

**2016 Holiday Hiring Report**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
<th>Change from Previous Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>90%</td>
<td>Of employers plan on hiring this holiday season</td>
<td>+10% from 2015, +1% from 2014</td>
</tr>
<tr>
<td>55%</td>
<td>Of employers plan on filling all positions by October</td>
<td>-25% from 2015, -19% from 2014</td>
</tr>
<tr>
<td>$13.80</td>
<td>Average employers plan to pay employees</td>
<td>-10% from 2015, -21% from 2014</td>
</tr>
<tr>
<td>27 hr/wk</td>
<td>Average amount of time employers expect employees will work</td>
<td>+17% from 2015, +8% from 2014</td>
</tr>
<tr>
<td>86%</td>
<td>Of employers are likely to keep their temporary workers after the holidays</td>
<td>New data for 2016</td>
</tr>
</tbody>
</table>

The most important thing employers look for in a seasonal employee:

1. Positive attitude/eagerness to have the job
2. Ability to work the daily schedule employers need
3. Commitment to work the entire holiday season
SURVEY DEMOGRAPHICS
2016 HOLIDAY HIRING REPORT

GENDER
- Female: 50%
- Male: 50%

AGE
- 18-24: 10%
- 25-39: 51%
- 40-54: 27%
- 55+: 12%

INDUSTRY
- Restaurant: 10%
- Retail: 14%
- Hospitality: 11%
- Other: 65%

COMPANY SIZE
- <50: 35%
- 50+: 65%

NUMBER OF LOCATIONS
- Single location: 72%
- Multi-locations: 28%
More open positions means more competition.

While the National Retail Federation reports that retail hiring will remain about the same from last year, comScore suggests the biggest increase will be in transportation and warehousing. Big retailers like Target Corp. are looking to hire 7,500 workers at its distribution and fulfillment centers. That’s up from last year. And UPS announced plans to hire 95,000 people for the 2016 holiday season—2,000 more than 2015.

We found the same thing. Employers plan to hire more seasonal holiday employees this year than in 2015 and 2014. With more than half (55%) planning to fill positions by October, the pressure is on hourly employers to secure their holiday hiring strategies now.
ANTICIPATED NUMBER OF APPLICATIONS
2016 HOLIDAY HIRING REPORT

More applicants this year for hourly, summer, seasonal positions than last year

About the same number of applicants this year for hourly, summer, positions as last year

Fewer applicants this year for hourly, summer, seasonal positions than last year

Nearly half of employers expect the same number of applications than they received last year. This is up 9% from 2014.
More employers plan to hire seasonal employees this year than in 2015 and 2014.

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5 employees</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>6-15 employees</td>
<td>20%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>16-30 employees</td>
<td>40%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>31-50 employees</td>
<td>60%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>51+ employees</td>
<td>80%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Do not plan on</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>hiring employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage that</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>plan to hire</td>
<td></td>
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</tr>
</tbody>
</table>
The average number of employees to be rehired from the previous year decreased from 34 in 2014 to 23 in 2015. However, it’s back to 34 in 2016. Employers plan to hire more employees in the 31-50 number range. That number is up 120% from 2015.
The majority of employers still plan on filling all positions by October—but the numbers are down from 2015. That means this year, workers will have more time to look for jobs.
A TIGHT LABOR MARKET MAKES HIRING DIFFICULT

The U.S. Bureau of Labor Statistics reported an unemployment rate of 4.9% in August 2016, which is down almost 4% from this time last year. While the unemployment rate has decreased, the labor participation rate remains about the same at 62.8%. This means that the supply of available workers is decreasing, while the competition among employers to attract workers is increasing.

In fact, according to this year’s survey, 82% of employers experience challenges filling temporary holiday positions. The most common challenges cited are:

• Lack of qualified workers (44%)
• Lack of available workers (34%)
• Competition due to openings by other employers (30%)

TWO THINGS YOU CAN DO RIGHT NOW

• Invest time reviewing applications to find quality candidates. Searching for the right workers will ensure that they invest their time in your business.

• Keep great workers happy so they are likely to stay on after the holidays—saving your time and money in recruiting and onboarding.
Employers are spending more time on hiring. It’s up 16% from 2015.
Most employers plan on turning temporary workers into permanent employees.
On average, employers anticipate 23 of their seasonal employees will remain on staff. That’s up 5% from 2015.
HIRING CHALLENGES
2016 HOLIDAY HIRING REPORT

- Lack of qualified workers
- Lack of available workers
- Competition due to openings by other employers
- Low awareness of our job openings
- I've never experienced a challenge filling temporary holiday positions

The most common challenges are lack of qualified workers, lack of available workers and competition from other employers.
WHAT EMPLOYERS ARE LOOKING FOR

SCHEDULING AND COMMUNICATION IS KEY

Campaigns like San Francisco’s Retail Workers Bill of Rights and the Fair Scheduling Act bring scheduling to the forefront of the push for more workers’ rights. These initiatives ask that employers give their workers at least two weeks’ notice on schedule changes so workers can make necessary arrangements for factors like child care.

According to this year’s holiday hiring survey, employers care about guaranteed scheduling, too. Employers who want employees to work the needed daily schedule went up 8% from last year. A quarter of employers want employees to commit to work for the entire holiday season—up 32% from 2015. Almost all (97%) of employers give advanced notice on changes and more than a third (34%) give at least two weeks’ notice.

It is also important for employers and employees to communicate with one another. 45% of employers have fired seasonal employees for missing shifts while 40% have fired an employee for being late to work.

TWO THINGS YOU CAN DO

• Use a mobile-friendly scheduling tool to help you manage changes in real-time. Workers love the paperless system and the fact that they can see their schedules anywhere.

• Communicate with workers frequently to make sure you’re all on the same page. Workers who feel like their opinions are valued are happier and work hard for you and your bottom line.
IMPORTANT TRAITS EMPLOYERS LOOK FOR

2016 HOLIDAY HIRING REPORT

The most important thing employers look for in a seasonal employee is a positive attitude and eagerness to have the job.

- A positive attitude/eagerness to have the job: 40%
- The ability to work the daily schedule I need: 30%
- Commitment to work entire holiday season/not leave the job early: 20%
- Previous experience in the industry/at the company/location: 10%

2016 vs 2015:
- Positive attitude/eagerness to have the job: 40% vs 30%
- Ability to work daily schedule: 30% vs 20%
- Commitment to work entire season: 20% vs 10%
- Previous experience: 10% vs 0%
91% of employers have fired a seasonal employee—down 2% from 2014. Almost half have fired employees because they couldn’t do the job, they had a bad attitude, and/or they missed shifts.
Almost all employers give hourly employees advanced notice on schedule changes. More than a third give at least two weeks’ notice.
WAGES ARE UP—AND SO ARE PERKS

Employers expect their workers will work an average 27 hours per week, up 8% from 2014 and 17% from 2015. Employers in food service, retail and hospitality also expect to pay employees more.

Even with higher wages and hours, employers need to stay competitive. And they’re doing so by giving workers the perks they want. According to our annual State of the Hourly Worker report, the top three most wanted on-the-perks for hourly workers include:

• Monthly stipend to purchase items from workplace (36.8%)
• Freedom to wear whatever they want (30%)
• VIP vouchers that offer workplace discounts (17.8%)

TWO THINGS YOU CAN DO RIGHT NOW

• Offer alternative benefits and unique perks like transportation discounts as a way to compete with other employers and decrease turnover—which can be as high as 109%.

• Give employees scheduling flexibility and let them help decide when they work—they’re likely to be happier.
Employers expect holiday employees will work an average of 27 hours per week—up 8% from 2014 and 17% from 2015.
The biggest change was in retail, which went from $9.70 in 2015 to $13.90 in 2016.
GET MORE APPLICATIONS—MAKE YOURS MOBILE

According to the U.S. Bureau of Labor Statistics, Millennials make up the largest share of the U.S. workforce at 34%. And that number is growing. The Brookings Institute expects it will be almost 75% by 2025. The most important thing you need to know is that Millennials ARE mobile. 90% search for jobs on their mobile devices—and they use apps.

Right now, employers aren’t using mobile to the extent of job seekers, but are starting to understand its importance. Almost a third of employers say that an easy-to-use, mobile-friendly job application would likely increase their application volume—that’s 23% more than in 2015. Also, almost half said that being able to review candidate application profiles on a mobile device would help them do the job better—up 18% from last year.

TWO THINGS YOU CAN DO RIGHT NOW

• Create a mobile-friendly job posting and take advantage of the 98% completion rate of mobile applications.

• Make your application easy to fill out on a mobile device and get more applications—increasing your chances of getting great quality applicants.
91% of employers are willing to use an app to aid with the hiring process; this is up 7% from 2014.
EMPLOYERS USING TALENT ASSESSMENT

2016 HOLIDAY HIRING REPORT

Talent assessment usage is up 25% from last year.
WHAT INCREASES APPLICATION FLOW

Almost a third realize an easy-to-use mobile friendly job application would increase application flow—up 23% from 2015.

- An online interview scheduling system
- A guarantee that job applicants will hear back from us
- Easy-to-use mobile job application process
- A 1-click job application system
- Shorter candidate assessment surveys
- Other
- None of these

<table>
<thead>
<tr>
<th>Feature</th>
<th>2016</th>
<th>2015</th>
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<td>A 1-click job application system</td>
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<tr>
<td>Shorter candidate assessment surveys</td>
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Note: The chart shows data from both 2016 and 2015.
18% more employers than last year think that being able to review candidate application profiles on a mobile device would help them do their jobs better. More than a third want a job application system that is better optimized for mobile devices, as well as a mobile-friendly candidate assessment.
SOCIAL MEDIA RECRUITING

FIND WORKERS WHERE THEY ARE

According to Pew Research Center, social media usage is up 829% from 2015. Young adults ages 18 to 29 are the most likely to use social media at 90%—that’s Snagajob’s largest demographic.

It is no surprise, then, that employers are continuing to use social media for hiring-related activities. Snagajob’s holiday hiring survey revealed that half of employers have company guidelines for screening job applicants through social media profiles; this has increased 16% over the past two years.

In terms of recruiting on social media, the #1 platform employers use is Facebook (55%), followed by LinkedIn (34%) and Twitter (33%).

TWO THINGS YOU CAN DO RIGHT NOW

• Engage with job seekers on social media so they can learn about your company culture and unique benefits.

• Recruit on social media by posting open positions. The majority of job seekers are there, so it’s a great way to find more candidates.
42% of employers plan on recruiting employees on social media, which is the same number as last year.
Facebook is still the number one platform employers are using to recruit hourly workers.
HOW TO GET MORE GREAT INFO LIKE THIS

We hope this report has given you some great information to help you make this your most successful holiday hiring season yet. We’re committed to bringing you the data insights to help you find and hire the best-fit people for your brand.

Our suite of mobile and on-demand talent and workforce management tools are designed specifically for the service industry to help you source, hire, manage and retain top talent. Wanna know more? We’re just a click or call away.

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