

REPORT ON MANPOWER SITUATION OF THE HONG KONG RETAIL INDUSTRY – SALARY TRENDS FOR 2020

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1. About the 2020 Salary Survey of Retail Staff

- 1.1 The Hong Kong Retail Management Association conducts the Salary Survey of Retail Staff (“The Survey”) on a yearly basis. The Survey aims to provide a comprehensive overview on the latest salary trends of frontline and managerial staff of the Hong Kong’s retail industry.
- 1.2 The Survey was conducted between July and October 2020; and the data covered the period from 1 April to 30 June 2020.
- 1.3 A total of 67 companies participated in the Survey, involving 4,500 retail outlets with employment of 100,483 staff, representing 40% of local retail workforce (249,359) in Hong Kong.
- 1.4 The Survey covered 3 frontline positions, namely Sales Person, Store Supervisor, and Store Manager, and 2 managerial positions including Area/District Manager and Retail/Operations Manager.
- 1.5 The participating companies were grouped into 10 retail categories.

Type of Retail Business	No. of Outlets	Total Employment Size
Beauty / Cosmetics	201	2,735
Catering / Food	807	37,031
Department Stores	109	4,607
Electronic & Electrical Appliances / Telecommunications	202	3,556
Fashion & Accessories	427	4,319
Furniture & Home Accessories	58	2,372
Personal Health Care / Drugs Stores	785	7,389
Specialty Stores [#]	145	1,765
Supermarket / Convenience Stores	1,536	31,059
Watch & Jewellery	230	5,650
OVERALL INDUSTRY	4,500	100,483

[#] ‘Specialty Stores’ sector includes retailers in the business of flower shop, leisure products retailing, toys, souvenir shop, wine and other specialty stores.

- 1.6 Among the 67 participating companies, 13% were SMEs employing staff of 50 or fewer; and 41% were companies with employment size exceeding 500 persons.

Employment Size (Persons)	Ratio of Participating Companies
50 and below	13%
51-100	14%
101-200	16%
201-500	16%
Above 500	41%

2. Survey Highlights

(The data covered the period from 1 April to 30 June 2020.)

- 2.1 Since February 2020, the retail industry was hard hit by the outbreak of COVID-19 pandemic. The salary and commission of retail staff were affected in the year.
- 2.2 In 2020, around 28% of the participating companies gave salary increase to their Sales Persons which was much lower than that of 84% recorded in 2019.
- 2.3 The salary increase for frontline and managerial staff ranged from 2.7% to 3%, while the increase in 2019 ranged from 3.4% to 4.1%.
- 2.4 Among all positions, Store Managers registered the highest average salary growth rate at 3%; while the Store Supervisors and Area/District Managers recorded the lowest average salary growth at 2.7%.
- 2.5 In 2020, new entry staff for all positions recorded lower monthly Basic Salaries than that of previous years. The Area/District Managers (-25%) registered the highest drop, then followed by Retail/Operations Managers (-21%).
- 2.6 On Average Commissions, other than Retail/Operations Managers (32%) and Store Managers (0.3%), Sales Persons (-8%), Store Supervisors (-0.2%) and Area/District Managers (-19%) recorded drop in 2020.
- 2.7 On Average Guaranteed Bonus, Store Supervisors (37%) and Store Managers (62%) registered substantial increase in 2020; while Sales Persons (-6%), Area/District Managers (-13%) and Retail/Operations Managers (-5%) recorded negative growth.
- 2.8 The overall benefit package of retail staff in 2020 was similar to previous year.
- 2.9 The average vacancy rate of frontline staff in 2020 was 3%, which is lower than that of 9% of previous year. The vacancy rate of both frontline full-time and part-time staff was also 3%. (2019: 11% and 7% respectively)
- 3.0 The overall staff turnover rate in 2020 (30%) was much lower than previous years (2019: 43%; 2018: 44%).
- 3.1 For the overall industry, the ratio of full-time staff to part-time staff was 74% vs 26%.
- 3.2 The average hourly rate for new part-time staff in 2020 was HK\$53, which is similar to the level of previous year.
- 3.3 For existing staff, the average hourly rate for part-time staff was in a range from \$50-\$65. (2019: \$50-\$62; 2018: \$48-\$58).
- 3.4 Regarding the education background of the new junior sales staff, 77% attained Secondary 5 or below and 23% got Post Secondary or University qualifications. (2019: 75% vs 25%; 2018: 79% vs 21%)