

REPORT ON MANPOWER SITUATION OF THE HONG KONG RETAIL INDUSTRY

SALARY TRENDS FOR 2021



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1. About the 2021 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 2021; and the data covered the period from 1 April to 30 June 2021.
- 1.3 A total of 60 companies participated in the Survey, involving 4,068 retail outlets with employment of 107,025 staff, representing 43% of local retail workforce (248,082) 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	127	1,984
Catering / Food	579	28,070
Department Stores	124	5,736
Electronic & Electrical Appliances / Telecommunications	221	4,887
Fashion & Accessories	442	4,628
Furniture & Home Accessories	44	1,760
Personal Health Care / Drugs Stores	654	6,581
Specialty Stores [#]	25	856
Supermarket / Convenience Stores	1,576	47,066
Watch & Jewellery	276	5,457
OVERALL INDUSTRY	4,068	107,025

[#] ‘Specialty Stores’ sector includes retailers in the business of flower shop, leisure products retailing, toys and gift shops.

- 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	5%
51-100	15.5%
101-200	15.5%
201-500	21%
Above 500	43%

2. Survey Highlights

- 2.1 The COVID-19 pandemic has become stable since second half in 2021, there were fewer companies adopted measures of no paid leave (13%), salary reduction (3%) and layoff (12%) in the first half of the year.
- 2.2 In 2021, there was 42% of the participating companies gave salary increase to their Sales Persons which was higher than that of 28% recorded in 2020.
- 2.3 The salary increase for frontline and managerial staff ranged from 4.7% to 4%, which were higher than that of 2.7% to 3% in 2020.
- 2.4 Among all positions, Sales Persons registered the highest average salary growth rate at 5.4%; while the Retail/ Operations Managers recorded the lowest average salary growth at 3.9%.
- 2.5 In 2021, the new entry staff in frontline positions recorded higher monthly Basic Salaries, while those in managerial positions recorded similar or even slightly drop average salary than previous year.
- 2.6 On Average Commission / Incentive for existing staff, Area/District Managers (35%), Sales Persons (11%) and Store Supervisors (4.5%) recorded increase; while Retail/Operations Managers (-9%) and Store Managers (-7.1%) recorded drop vs previous year.
- 2.7 On Average Guaranteed Bonus, Sales Persons (64%) registered substantial increase and Retail/Operations Managers (2%) recorded mild increase; while Store Managers (-42.4%), Store Supervisors (-20.4%) and Area/District Managers (-5%) recorded negative growth.
- 2.8 The average vacancy rate of frontline staff in 2021 was 6.6%, which is higher than that of 2.7% in previous year.
- 2.9 Overall annual staff turnover rate in 2021 was 27%, which was slightly lower than that of 2020.
- 3.0 For the overall industry, the ratio of full-time staff to part-time staff was 77% vs 23%.
- 3.1 The average hourly rate for new part-time staff in 2021 was HK\$54, which is similar to the level of previous year.
- 3.2 For existing staff, the average hourly rate for part-time staff was in a range from \$54-\$64.
- 3.3 Regarding the education background of the junior sales staff, 77% attained Secondary 5 or below and 23% got Post Secondary or University qualifications.