

**Program Endorsement Brief: 1303.20/Fashion Merchandising
Fashion Retailing Fundamentals**

Los Angeles/Orange County Center of Excellence, August 2020

Summary Analysis

Program Endorsement:	Endorsed: All Criteria Met	<input type="checkbox"/>	Endorsed: Some Criteria Met	<input checked="" type="checkbox"/>	Not Endorsed	<input type="checkbox"/>
Program Endorsement Criteria						
Supply Gap:	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>		
Meets Living Wage: (Entry-Level, 25th)	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>		
Educational Attainment:	HS Diploma or Less	<input checked="" type="checkbox"/>	Some College/ Cert./AA	<input checked="" type="checkbox"/>	Bachelor's Degree	<input checked="" type="checkbox"/>
					Graduate Degree	<input type="checkbox"/>
Emerging Occupation(s)						
Yes <input type="checkbox"/>			No <input checked="" type="checkbox"/>			

The Los Angeles/Orange County Center of Excellence for Labor Market Research (COE) prepared this report to provide Los Angeles/Orange County regional labor market supply and demand data related to three occupations: *Wholesale and Retail Buyers, Except Farm Products* (13-1022), *First-Line Supervisors of Retail Sales Workers* (41-1011), and *Retail Salespersons* (41-2031). This report is intended to help determine whether there is demand in the local labor market that is not being met by the supply from community college programs that align with the relevant occupations.

The occupational data displayed in this report is primarily based on Occupational Employment Statistics (OES) information obtained from the Bureau of Labor Statistics (BLS). In May 2017, the OES aggregated occupations that were highly related¹. The occupation, *Wholesale and Retail Buyers, Except Farm Products* (13-1022), along with two other closely related occupations, was aggregated at the broader occupation level, *Buyers and Purchasing Agents* (51-2028). In order to utilize the most recent occupational data available, this report displays information for *Buyers and Purchasing Agents*.

Based on the available data, there appears to be a supply gap for fashion merchandising occupations in the region. Since the three occupations in this report are employed in various industries and sub-industries and not solely in the fashion merchandising field, the occupational demand is overstated. However, industry staffing patterns reveal that these three occupations account for over half of total employment in fashion merchandising industries, or just over 47,000 jobs in 2019. Thus, **the COE endorses this proposed program and recommends consulting with local employers to understand their current employment needs.** Reasons for endorsement include:

¹ Upcoming occupational and industry aggregations in the May 2017 Occupational Employment Statistics estimates, BLS, 2017. Retrieved from: https://www.bls.gov/oes/changes_2017.htm

Demand:

- Over the next five years, there are projected to be **32,043 jobs available annually** in the region due to replacements, **which is more than the 706 awards conferred annually** by educational institutions in the region.
 - However, all three occupations are present in various industries and sub-industries. Since these occupations are not solely employed within the fashion merchandising field, **the number of annual job openings is overstated.**
- Over the past 12 months, there were **3,923 online job postings within the fashion merchandising industries related to these occupations.** The highest number of job postings were for sales associates, key holders, retail sales associates, assistant managers, and assistant store managers.
- The national-level educational attainment data indicates **between 34.5% and 38.8% of workers in the field have completed some college or an associate degree.**
- *Wages for these occupations in Los Angeles and Orange Counties vary.*
 - The typical regional entry-level hourly wage for **Buyers and Purchasing Agents is \$23.45, which is higher than the California Family Needs Calculator** hourly wage (living wage) for one adult in the region (\$15.04 in Los Angeles County and \$17.36 in Orange County).²
 - However, **Retail Salespersons and First-Line Supervisors of Retail Sales Workers** have regional entry-level wages between \$11.64 and \$13.66, which are **below the living wage in both Los Angeles and Orange Counties.**
 - Occupational wages for experienced workers are between \$16.37 and \$41.11, which are **higher than the living wage estimate for Los Angeles County.**
 - Wages for *Retail Salespersons* do not exceed the Orange County living wage at any level of experience.

Supply:

- There are **9 community colleges** in the region that have issued awards related to fashion merchandising, conferring an average of **135 awards annually** between 2016 and 2019.
- Between 2014 and 2017, there was an average of **571 awards conferred annually** in related training programs by one non-community college institution in the region.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for the three fashion merchandising occupations. In Los Angeles/Orange County, the number of jobs related to these

² Living wage data was pulled from California Family Needs Calculator on 6/9/20. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

occupations is projected to decrease by 1% through 2024. Despite this, there will be nearly 32,043 job openings per year through 2024 due to replacement needs.

This report includes employment projection data by Emsi which uses EDD information. Emsi's projections are modeled on recorded (historical) employment figures and incorporate several underlying assumptions, including the assumption that the economy, during the projection period, will be at approximately full employment. To the extent that a recession or labor shock, such as the economic effects of COVID-19, can cause long-term structural change, it may impact the projections. At this time, it is not possible to quantify the impact of COVID-19 on projections of industry and occupational employment. Therefore, the projections included in this report do not take the impacts of COVID-19 into account.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Geography	2019 Jobs	2024 Jobs	2019-2024 Change	2019-2024 % Change	Annual Openings
Los Angeles	177,395	174,827	(2,568)	(1%)	23,563
Orange	63,767	63,138	(629)	(1%)	8,480
Total	241,162	237,965	(3,197)	(1%)	32,043

Wages—Typical regional entry-level hourly wages for fashion merchandising occupations are between \$11.64 and \$23.45, and vary by occupation. The regional entry-level wage for *Buyers and Purchasing Agents* (\$23.45) is higher than the California Family Needs Calculator hourly wage (living wage) for one adult in the region (\$15.04 in Los Angeles County and \$17.36 in Orange County). However, *Retail Salespersons* and *First-Line Supervisors of Retail Sales Workers* have regional entry-level wages between \$11.64 and \$13.66, which are lower than the living wage in both Los Angeles and Orange counties. Experienced workers can expect to earn regional wages between \$16.37 and \$41.11. The experienced regional wage for *Retail Salespersons* (\$16.37) is higher than the living wage for Los Angeles County but less than the living wage for Orange County. Wage information, by county, is provided in Appendix A.

Industries – This section of the report defines fashion merchandising-specific industries. A review of the North American Industry Classification System (NAICS), finds that the fashion merchandising industry group is comprised of two industry groups, apparel, piece goods, and notion merchant wholesalers (NAICS 4243) and clothing stores (NAICS 4481). Industry definitions are displayed below:

Apparel, Piece Goods, and Notion Merchant Wholesalers (NAICS 4243): This industry group comprises establishments primarily engaged in the merchant wholesale distribution of piece goods, notions, and other dry goods; men's and boys' clothing and furnishings; women's, children's, and infants' clothing and accessories; and footwear.

³ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

Clothing Stores (NAICS 4481): This industry group comprises establishments primarily engaged in retailing new clothing.

Combined, these fashion merchandising industry groups accounted for 94,638 jobs in 2019 across Los Angeles and Orange counties. Staffing patterns, which detail the occupational composition of industries, reveal that the fashion merchandising occupations included in this report account for 52% of total employment in fashion merchandising industries. Exhibit 2 displays the total number of jobs within each fashion merchandising industry group.

Exhibit 2: Fashion Merchandising Industry Group Jobs (NAICS 4 level)

NAICS 4	Industry Description	2019 Jobs
4243	Apparel, Piece Goods, and Notions Merchant Wholesalers	30,553
4481	Clothing Stores	64,085
	Total	94,638

For reference purposes, the detailed industries operating within these fashion merchandising industry groups are displayed in Exhibit 3 along with the associated number of jobs in 2019. Of all the fashion merchandising industries in the region, the three with the most jobs in 2019 are family clothing stores (33,532 jobs in 2019), women's, children's, and infants' clothing and accessories merchant wholesalers (18,517 jobs), and women's clothing stores (14,849 jobs).

Exhibit 3: Detailed Fashion Merchandising Industries (NAICS 6 level)

NAICS 6	Industry Description	2019 Jobs
424310	Piece Goods, Notions, and Other Dry Goods Merchant Wholesalers	5,227
424320	Men's and Boys' Clothing and Furnishings Merchant Wholesalers	3,515
424330	Women's, Children's, and Infants' Clothing and Accessories Merchant Wholesalers	18,517
424340	Footwear Merchant Wholesalers	3,293
448110	Men's Clothing Stores	2,355
448120	Women's Clothing Stores	14,849
448130	Children's and Infants' Clothing Stores	2,141
448140	Family Clothing Stores	33,532
448150	Clothing Accessories Stores	4,572
448190	Other Clothing Stores	6,635
	Total	94,638

Job Postings—There were 3,923 online job postings related to the three fashion merchandising occupations within the specific fashion merchandising industries listed in the past 12 months. The highest number of job postings were for sales associates, key holders, retail sales associates, assistant managers, and assistant store managers. The top skills were: sales, retail industry knowledge, customer service, merchandising, and product knowledge. The top employers, by the number of job postings, in the region were: Bloomingdale's, VF Corporation, Cotton On, Victoria Secret, and Ross Stores.

It is important to note that the job postings data included in this section reflects online job postings listed in the past 12 months and does not yet demonstrate the impact of COVID-19. While employers have generally posted fewer online job postings since the beginning of the pandemic, the long-term effects are currently unknown.

Educational Attainment—The Bureau of Labor Statistics (BLS) lists no formal education as the typical entry-level education for *Retail Salespersons*; a high school diploma or equivalent as the typical entry-level education for *First-Line Supervisors of Retail Sales Workers*; and a bachelor’s degree as the typical entry-level education for *Buyers and Purchasing Agents*. The national-level educational attainment data indicates between 34.5% and 38.8% of workers in the field have completed some college or an associate degree as their highest level of educational attainment. Of the 37% of fashion merchandising job postings listing a minimum education requirement in Los Angeles/Orange County, 98% (1,456) requested a high school diploma, and 2% (24) requested an associate degree.

Educational Supply

Community College Supply—Exhibit 4 shows the annual and three-year average number of awards conferred by community colleges in the related TOP code: Fashion Merchandising (1303.20). The colleges with the most completions in the region are: LA Trade, Santa Monica, and Mt. San Antonio. Over the past 12 months, there was one other related program recommendation request from a regional community college.

Exhibit 4: Regional community college awards (certificates and degrees), 2016-2019

TOP Code	Program	College	2016-2017 Awards	2017-2018 Awards	2018-2019 Awards	3-Year Award Average
1303.20	Fashion Merchandising	El Camino	5	1	5	4
		LA Trade	34	23	20	26
		Long Beach	10	12	16	13
		Mt. San Antonio	17	33	11	20
		Santa Monica	19	34	25	26
		LA Subtotal	85	103	77	88
		Fullerton	11	8	8	9
		Orange Coast	20	16	19	18
		Saddleback	23	7	16	15
		Santa Ana	10	2	-	4
		OC Subtotal	64	33	43	47
		Supply Total/Average			149	136

Non-Community College Supply—It is important to consider the supply from other institutions in the region that provide fashion merchandising training. Exhibit 5 shows the annual and three-year average number of awards conferred by this institution in the related Classification of Instructional Programs (CIP) Code: Fashion Merchandising (52.1902). Due to different data collection periods, the most recent three-year period of available data is from 2014 to 2017. Between 2014 and

2017, one non-community college institution in the region conferred an average of 571 awards annually in a related training program.

Exhibit 5: Regional non-community college awards, 2014-2017

CIP Code	Program	College	2014-2015 Awards	2015-2016 Awards	2016-2017 Awards	3-Year Award Average
52.1902	Fashion Merchandising	Fashion Institute of Design and Merchandising (FDIM) Los Angeles	683	589	440	571
Supply Total/Average			683	589	440	571

Appendix A: Occupational demand and wage data by county

Exhibit 6. Los Angeles County

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
Retail Salespersons (41-2031)	119,956	118,814	(1,142)	(1%)	17,460	\$11.69	\$13.27	\$16.61
First-Line Supervisors of Retail Sales Workers (41-1011)	42,811	42,102	(709)	(2%)	4,696	\$13.82	\$18.35	\$25.29
Buyers and Purchasing Agents (13-1028)	14,628	13,912	(716)	(5%)	1,407	\$23.31	\$31.16	\$40.92
Total	177,395	174,827	(2,568)	(1%)	23,563			

Exhibit 7. Orange County

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Retail Salespersons (41-2031)	43,233	42,922	(311)	(1%)	6,297	\$11.54	\$12.94	\$15.86
First-Line Supervisors of Retail Sales Workers (41-1011)	14,604	14,451	(153)	(1%)	1,607	\$13.18	\$17.36	\$23.85
Buyers and Purchasing Agents (13-1028)	5,931	5,765	(166)	(3%)	577	\$23.80	\$31.71	\$41.57
Total	63,767	63,138	(629)	(1%)	8,480			

Exhibit 8. Los Angeles and Orange Counties

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Retail Salespersons (41-2031)	163,188	161,736	(1,452)	(1%)	23,757	\$11.64	\$13.18	\$16.37
First-Line Supervisors of Retail Sales Workers (41-1011)	57,415	56,553	(862)	(2%)	6,303	\$13.66	\$18.09	\$24.95
Buyers and Purchasing Agents (13-1028)	20,559	19,676	(883)	(4%)	1,984	\$23.45	\$31.32	\$41.11
Total	241,162	237,965	(3,197)	(1%)	32,043			

Appendix B: Sources

- O*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (Emsi)
- Bureau of Labor Statistics (BLS)
- Employment Development Department, Labor Market Information Division, OES
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- California Family Needs Calculator, Insight Center for Community Economic Development
- Chancellor's Office Curriculum Inventory (COCI 2.0)
- North American Industry Classification System (NAICS)

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