



# 2024 LABOR MARKET OUTLOOK

Transportation & Warehousing

# The State of Transportation & Warehousing

The transportation and warehousing sector has emerged as the fastest-growing industry, both in the aftermath of the pandemic and throughout the past decade. While many services have successfully undergone digital transformation, time and space constraints have propelled the need for physical transportation and warehousing solutions. The surge in e-commerce from 0.6% of retail sales in 1996 to 15.6% today,<sup>1</sup> and increased consumer demand for rapid and reliable shipping, have been a major driving force.

The industry faces several pressing workforce issues, such as shortages of drivers and warehouse workers, an aging trucking workforce, high employee turnover, and relatively high accident and injury rates. Some companies have responded to hiring challenges by relying on independent contractors, but they are often scarce. The surge in e-commerce from 0.6% of retail sales in 1996 to 15.6% today, along with increased consumer demand for rapid and reliable shipping, have been major driving forces for this trend.



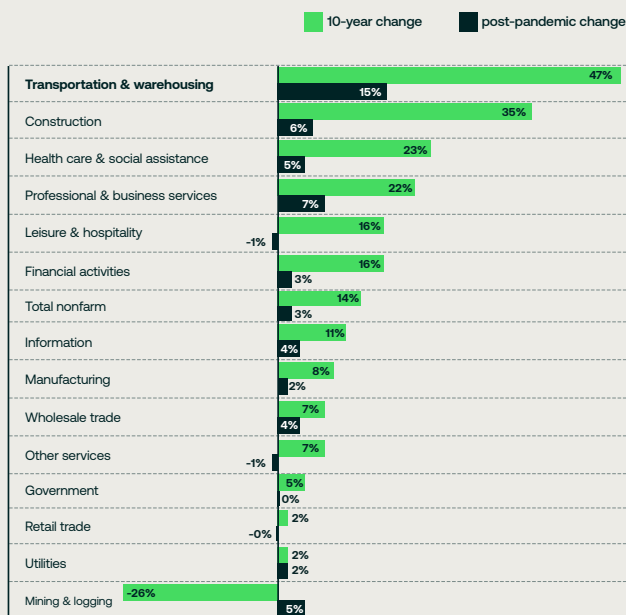
The 2020s are reminiscent of the transformative Roaring Twenties in that transportation is once again at the forefront of innovation. Then, it was the technological leap from horse-drawn carriages to automobiles and tractors. Now, it's the leap from gas-powered, driver-operated cars and trucks to electric and autonomous ones. Both shifts have sweeping implications for the labor market and the country's economic geography.

-Julia Pollak,  
ZipRecruiter Chief Economist



## The transportation & warehousing sector has added the most jobs since the pandemic, and over the past decade

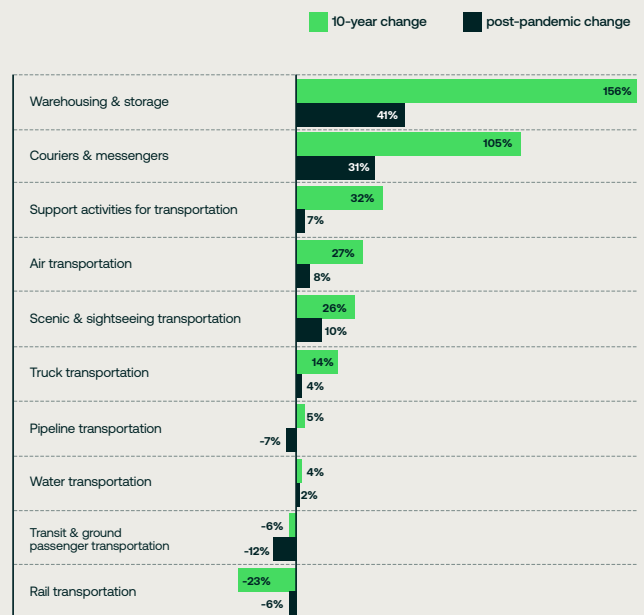
% change in payroll employment, Nov. 2013 - Nov. 2023, and Feb. 2020 - Nov. 2023



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

## Within the sector, the warehousing & storage category has added the most jobs

% change in payroll employment, Nov. 2013 - Nov. 2023, and Feb. 2020 - Nov. 2023



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

<sup>1</sup> "Quarterly Retail E-Commerce Sales," U.S. Census Bureau.

# Industry Snapshot

## Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Corporate Pilot



Freight Dispatcher



Materials Inspector



Transportation Agent



Logistics Support

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

## Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Distributor



Van/Box Truck Operator



OTR Tanker Truck Driver



Truck Dispatcher



Warehouse Order Puller

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

# Mismatches Between Supply and Demand

In the transportation sector, mismatches between employer demand and labor supply often appear to be driven by insufficient candidate awareness about what the roles entail. For example, airline job candidates are often drawn to flight attendant roles due to the travel discounts, unaware that ground employees receive the same perks. Trucking candidates are often unaware of how much more they could earn as tanker drivers. Employers can address some of these localized shortages with more informative job descriptions and more visible, persuasive, inclusive recruitment marketing efforts.

## Top-performing markets

Based on average # of applies per posting

Job seekers in transportation and warehousing on ZipRecruiter express the greatest interest in these markets:



New York, NY



Greater Houston area, TX



Greater Los Angeles area, CA



Forest Park, GA



Las Vegas, NV



Burlington, NC

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.



# Three Trends to Watch

## 1. Supply chain agility

Following the experience of supply chain disruptions during the pandemic, companies are proactively reinventing their logistics processes for greater efficiency, flexibility, and resilience. That means strategically positioning inventory closer to buyers or across multiple fulfillment centers, adopting advanced inventory management systems, diversifying transportation methods, automating last-mile deliveries, and delivering multi-channel fulfillment. Logistics support roles key to the transformation are among the fastest-growing on ZipRecruiter<sup>2</sup> and are projected to grow 18% over the next decade—far faster than average.<sup>3</sup>



## 2. Digitalization and automation

The transportation and warehousing industry has the third-highest automation potential of any sector, according to McKinsey Global Institute.<sup>4</sup> Sophisticated warehouse management systems have become table stakes, and companies are increasingly investing in next-generation technologies, such as robotic picking systems, automated guided vehicles, delivery drones, and predictive models. These technologies promise to improve efficiency and help the industry overcome labor shortages, but they will require a large investment in new equipment, software, and tech talent.

## 3. Reshoring and nearshoring

Due to lessons learned during the pandemic, ongoing U.S.-China tensions, and government incentives, U.S. companies are increasingly pledging to “reshore” or “nearshore” their production domestically or locate it in Mexico. We could see a decline in demand for international air cargo and sea freight transportation services across the Pacific, alongside higher demand for warehousing along the southern border. We could also see higher demand for local warehousing and land transportation services throughout the U.S.



<sup>2</sup> ZipRecruiter, Inc. internal data, Jan. 1 - Oct. 24, 2023; roles with over 100 postings.

<sup>3</sup> “Occupational Outlook Handbook, Logisticians,” U.S. Bureau of Labor Statistics, Dec. 13, 2023.

<sup>4</sup> Dekhne, Ashutosh, et al. “Automation in logistics: Big opportunity, bigger uncertainty,” McKinsey & Company, April 24, 2019.

# Attracting the Workforce of Tomorrow

## What workers want

Job seekers like transportation and warehousing roles for the low stress and financial security they provide, but are looking for positions that are not too physically demanding.



- Low stress
- Financial security
- Paid holidays
- Work that is not physically demanding
- Schedule flexibility

Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

**49.2%**

of transportation and warehousing job postings on ZipRecruiter are hourly.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

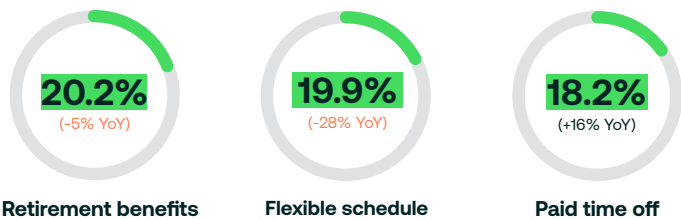
**2.5%**

of transportation and warehousing job postings on ZipRecruiter are remote.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

## Trending benefits

Transportation and warehousing jobs on ZipRecruiter are increasingly offering paid time off, but mentions of retirement benefits and schedule flexibility have declined over the past year.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

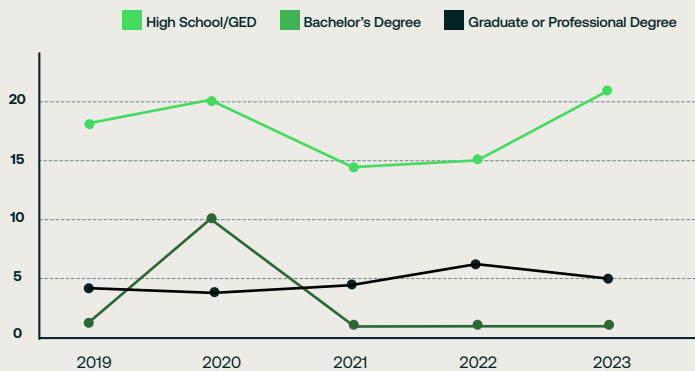
## Job Quality and the War for Talent

When consumer demand shifted from services to goods during the pandemic, the surge in demand for shipping—and for the drivers, warehouse workers, and logistics specialists—led employers to bulk up pay and benefits. Many also improved non-monetary aspects of their roles, such as the use of more ergonomic assistive technologies, greater schedule flexibility, and improved safety procedures.

Shipping demand has since normalized, and industry employment ebbed. However, it still remains well above its pre-pandemic trend because the structural shift to e-commerce has largely offset the recent cyclical correction. Wage growth pressures and worker demands for better working conditions are also unlikely to abate in a labor market with below -4% unemployment and a wide array of competing employment opportunities that offer greater flexibility.

## Stable job requirements

Warehousing jobs have a relatively low bar to entry, but driving jobs typically require commercial driving licenses and clean driving records. There has been little change in requirements in recent years, other than increased demand for tech professionals with advanced degrees.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.

## Women in Transportation and Warehousing

Women rapidly rose from 11% to 27% of the transportation and warehousing workforce between 1972 and 2001,<sup>5</sup> but have not made further inroads since. Attract female talent by creating mentor programs, offering flexible working hours and highlighting your commitment to safety.

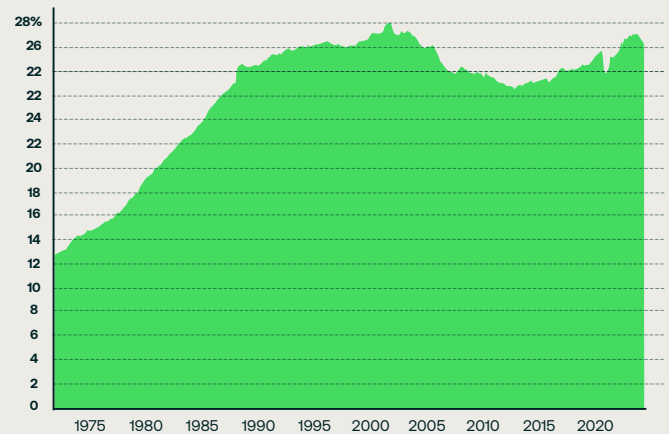
**27%**

**of transportation and warehousing employees are women.**

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

### The female share of transportation & warehouse workers appears to have peaked

Women as a % of all the employees, seasonally adjusted



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

## 2024 Spotlight: New Jobs Being Created by the Transition to Electric Vehicles

The White House has declared its aim of making 50% of all new vehicles sold in the U.S. in 2030 zero-emission vehicles,<sup>6</sup> and the state of California has outlined a state target of 100% by 2035.<sup>7</sup> Many of the nation's leading logistics companies have signed onto ambitious electric vehicle targets for their fleets.

Reaching these goals will be a tall order, but steady progress toward them is almost certain, not only due to government pressure but also because renewable energy sources and batteries are becoming ever more competitive on price. Already, jobs necessary for the transition are on the rise, including: EV Infrastructure Planners, EV Fleet Managers, EV Charging Maintenance Technicians, and Fleet Data Analysts.

### ZipTips

#### To recruit and retain top talent:

##### 1. Showcase modern fleets

Communicate your investment in a modern and well-maintained fleet. Highlight the use of advanced technology and fuel-efficient vehicles.

##### 2. Emphasize safety culture

Highlight your commitment to safety in job listings and during recruitment. Minimizing the risk of accidents or crime is crucial to recruiting new talent.

##### 3. Improve work-life balance

Flexible scheduling and predictable routes can be highly attractive to potential hires.

##### 4. Develop reskilling programs

Many workers in the transportation and warehousing sector fear job displacement through automation. Establish upskilling and reskilling programs that train workers on how to use and maintain new technologies, and provide opportunities for workers to transition from obsolete to emerging roles.

5 U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

6 "Executive Order on Strengthening American Leadership in Clean Cars and Trucks," The White House, Aug. 5, 2021.

7 "California moves to accelerate to 100% new zero-emission vehicle sales by 2035," California Air Resources Board, Aug. 25, 2022.