

New York State Comptroller
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The Retail Sector in New York City

Post-Pandemic Trends

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Prepared by the Office of the State Deputy Comptroller for the City of New York

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Introduction

The retail sector in New York City continues to undergo an uneven recovery since its downturn during the COVID-19 pandemic. While consumer spending rebounded quickly, driven in part by the expansion of e-commerce, its momentum has slowed, and inflation-adjusted retail taxable sales remain below pre-pandemic levels. Retail's recovery has also lagged other major sectors as spending growth has shifted toward services, tourism has not fully rebounded, and commercial corridors continue to feel the effects of hybrid work patterns.

Employment in the sector remains well below pre-pandemic levels. By 2025, retail employment was 14.4 percent lower than in 2019, the third-lowest recovery among private industry sectors (ahead of manufacturing and construction), even as the City's total private sector surpassed its pre-pandemic peak in 2023. Retail job losses have been concentrated in industries such as furniture, electronics, and general merchandise stores, while clothing-related retailers and food and beverage stores have added jobs in recent years. Manhattan's retail workforce has struggled the most, reflecting continued softness in office-dependent foot traffic and tourism that has not fully recovered.

Business trends mirror these challenges. The number of retail firms declined steadily before the pandemic and remains below 2019 levels. Although property values continue to recover more slowly than other commercial categories, the City's latest property assessment roll does show retail property values recently exceeded the pre-pandemic fiscal year (FY) 2021 level in FY 2027. The average asking rent of vacant retail space has increased every year since the trough in 2021 as retail vacancies and asking rents returned close to pre-pandemic rates in 2025.

Retail workers face additional pressures that existed prior to the pandemic. The sector continues to have one of the lowest-average salaries, a high share of part-time jobs, and a workforce that is disproportionately young, foreign-born and lacking a bachelor's degree. These characteristics highlight the importance of stabilizing the sector, especially given its role as an entry point for youth and immigrant workers.

Looking ahead, growth is expected to remain uneven. According to the Federal Reserve, increases in spending have been concentrated among higher-income consumers as small retailers reported sharp declines in activity. A likely driver of spending in 2026 will be tourism, as the City expects the number of visitors to continue to approach pre-pandemic levels. However, weaker consumer sentiment, rising energy prices due to the conflict in the Middle East and slower citywide job growth may constrain demand. The sector's future will depend on how retailers adapt to shifting consumer behavior, inflationary pressures, and a commercial landscape reshaped by hybrid work.

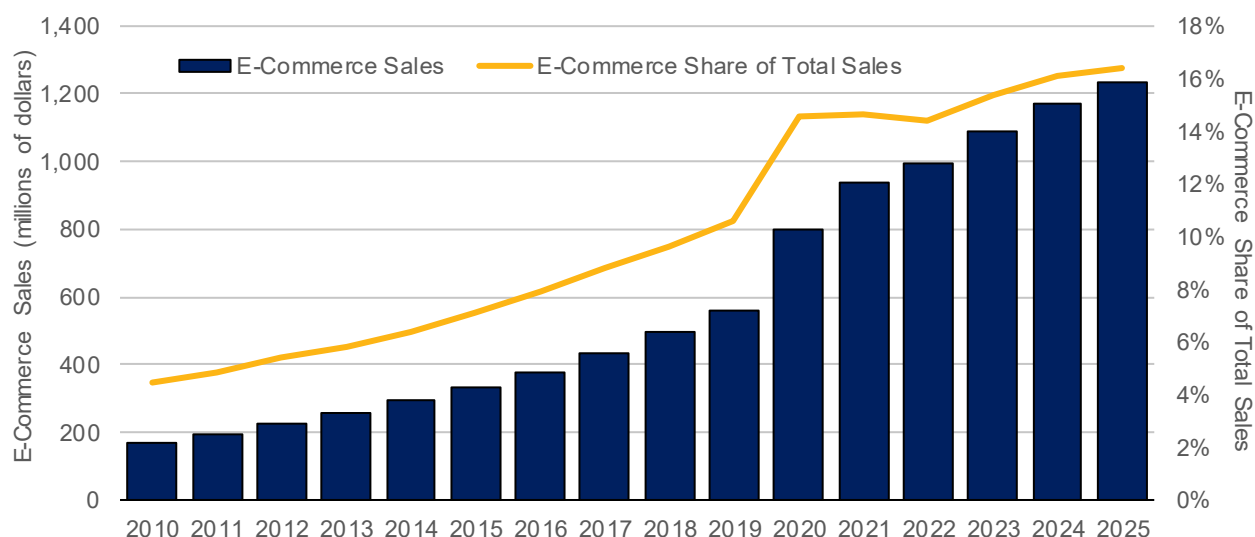
Key Findings

- In 2025, e-commerce continued to reshape the sector, accounting for 16.4 percent of all U.S. retail sales — more than double its share from 2015.
 - Retail taxable sales in the City in 2025-26 were 23.3 percent higher than the pre-pandemic 2019-20 level, though it lagged the 34.7 percent increase in total taxable sales, which was driven by sales of services.
 - In 2025-26, the retail sector accounted for 27.8 percent of the City's taxable sales, the highest share among all major sectors, yet inflation-adjusted retail sales remained 0.9 percent below pre-pandemic levels while total taxable sales increased by 8.3 percent during the same period.
 - In 2025, retail employment was 14.4 percent (49,588 jobs) below 2019 levels, even as total private sector employment exceeded its 2019 level by 4 percent.
 - From 2020 to 2025, retail employment increased by only 3.7 percent, the third-weakest recovery among major sectors, behind only manufacturing and construction, which had declines.
 - From 2022 to 2025, only two retail industries, clothing, clothing accessories, shoe, and jewelry retailers (6.8 percent) and food and beverage retailers (4.5 percent) added jobs, while the furniture, home furnishings, electronics, and appliance retailers had the most job losses and the largest employment decline (4,348 jobs; 18 percent) among the retail industries. General merchandise and health and personal care retailers were the next two largest contributors to retail's job losses (2,862 and 2,457 jobs, respectively).
 - Manhattan's retail sector fared the worst of the boroughs as retail employment remains 21.2 percent below its 2019 level; Brooklyn has performed the best, but is still 6.3 percent below its 2019 level.
 - Among the 55 Census-defined neighborhoods in the City in 2025, retail employment in only six neighborhoods exceeded their pre-pandemic 2019 levels. Four were in Brooklyn (Bedford-Stuyvesant, Williamsburg/Greenpoint, Crown Heights North and Sunset Park/Windsor Terrace) while two were in the Bronx (Riverdale/Kingsbridge/Marble Hill and Fordham/Bedford Park/Norwood).
 - Retail vacancy rates fell to 5.8 percent in Q4 2025 from the pandemic peak of 6.5 percent in Q1 2021 but is still above the pre-pandemic level of 5.2 percent from Q4 2019.
 - Average retail salaries in the retail sector remain among the lowest of all sectors, with the 2025 average of \$59,420 well below the City's total private sector average, even when the high-paying securities industry is excluded (\$106,872), and was the second-lowest among all sectors, behind only social assistance.
 - Over 42 percent of retail workers were foreign-born, a much higher share than the nation's retail share (14 percent) and a slightly higher share than that of all citywide workers (41 percent).
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The Pandemic Accelerated Changes in an Evolving Sector

In 2025, [retail sales](#) in e-commerce¹ reached \$1.23 trillion nationwide, 16.4 percent of all retail sales, up from 7.1 percent from 2015 (see Figure 1).² Before the COVID-19 pandemic, [the retail trade sector](#) was changing amid the rise of e-commerce. From 2015 to 2019, e-commerce sales increased by 69.5 percent, almost five times the growth of total retail sales (14.4 percent). As a result, by 2019, e-commerce accounted for 10.6 percent of the nation's retail sales.

FIGURE 1
U.S. E-Commerce Retail Sales



Sources: U.S. Census; OSC analysis

The onset of the pandemic forced consumers and retailers to rely [even more on e-commerce](#). From 2019 to 2025, sales in e-commerce more than doubled (120 percent), almost three times faster than total retail sales (41.7 percent). E-commerce has become so ubiquitous that in the latest (2022) reclassification of industries, the U.S. Census removed the electronic shopping industry and the data is now distributed into the rest of the retail industries. As a result, since 2022, there is no available data on electronic shopping.

Even with e-commerce, the pandemic hit New York State (data unavailable for the City) spending especially hard. According to the Bureau of Economic Analysis, New York State's consumer spending on goods was flat in 2020, the first year of no growth since 2009. At the same time, the nation's consumer spending on goods increased by 3.9 percent, a rate even higher than the year before (2.7 percent). Over time, the State has risen more quickly after a sluggish rebound. By 2024 (latest data available), the State's spending on goods increased by 2.6 percent over the previous year, faster than the increase in the nation's spending (2.4 percent).

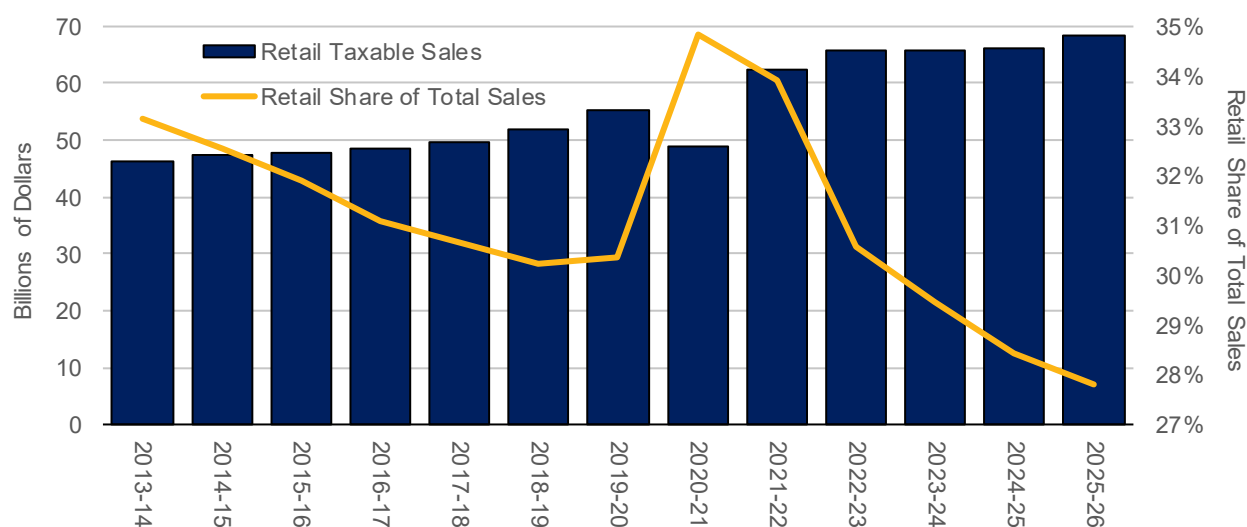
Spending Has Recovered but Growth Has Slowed

One way to study trends in local consumer spending is to review taxable sales data. The sales and purchases subject to state and local sales tax include most tangible goods as well as many services, ranging from maintenance services, admissions to places of amusement, restaurant food and drink, professional services, and utility services. Total taxable sales (from all sectors) in New York City declined by 23.2 percent (\$42.4 billion) to \$140.2 billion from sales tax year (March through February) 2019-20 to sales tax year 2020-21 because of the pandemic.³ In the five years since, taxable sales increased by 75.4 percent to reach \$245.8 billion in sales tax year 2025-26, 34.7 percent higher than the pre-pandemic 2019-20 level.

Retail taxable sales (sales of goods from only retail establishments) fared better in 2020-21 than total taxable sales as retail sales declined by 11.9 percent (\$6.6 billion) to \$48.8 billion, accounting for 34.8 percent of total taxable sales (see Figure 2). Retail sales were not hit as hard, because while the pandemic severely limited consumers from spending on services outside the home, consumers were less constrained to spend on goods because of e-commerce. As a result, taxable sales from electronic shopping increased by 55.4 percent and accounted for over a fifth (20.6 percent) of retail taxable sales, almost double the share (11.7 percent) from the previous year (see the Office of the State Comptroller's report on [NYC Taxable Sales and Purchases](#)).

FIGURE 2

New York City Retail Taxable Sales



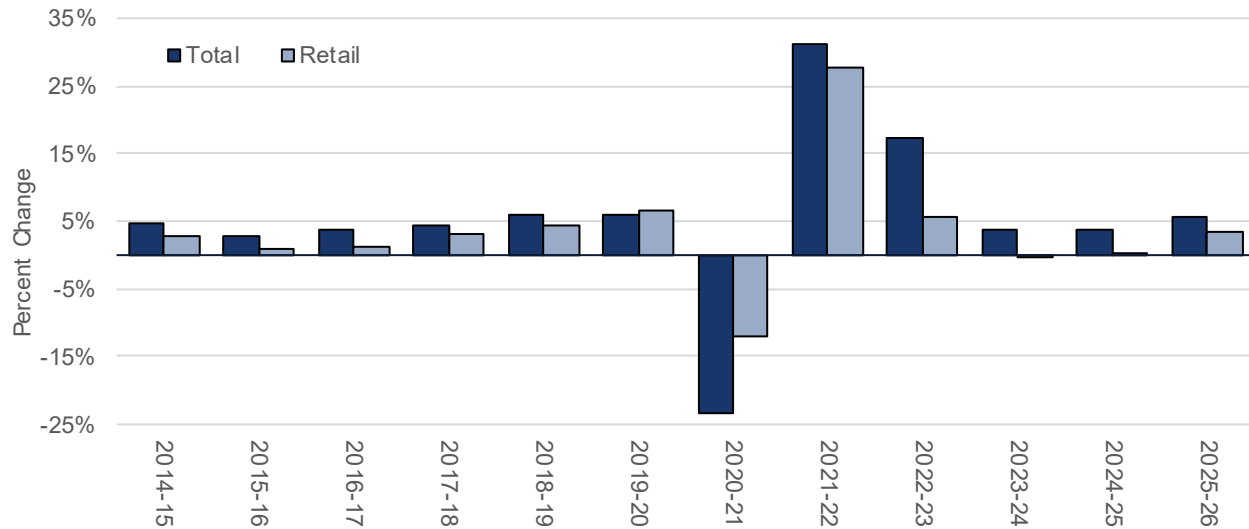
Note: Sales tax year starts March of one year and ends February of the next year.

Sources: NYS Department of Taxation and Finance; OSC analysis

While retail taxable sales more than recovered the following year, it has had slower growth than total taxable sales in each of the five years since 2020-21, as growth in total sales were led by service industries (i.e., leisure and hospitality, transportation and warehousing, and business

services). Retail sales actually had a decline (0.01 percent; \$5 million) in 2023-24 and increased by just 0.3 percent (\$223 million) the following year, as total taxable sales increased by 3.8 percent in each of those two years (see Figure 3). In 2025-2026, growth in retail sales rebounded to 3.4 percent, though this still lagged total growth of 5.8 percent. As a result, compared to the pre-pandemic 2019-20 level, retail sales in 2025-26 were 23.3 percent higher, reaching \$68.4 billion, while total sales were 34.7 percent higher, reaching \$245.8 billion.

FIGURE 3
Annual Growth of New York City Total vs. Retail Taxable Sales



Note: Sales tax year starts March of one year and ends February of the next year.
Sources: NYS Department of Taxation and Finance; OSC analysis

The slow growth in retail taxable sales had started even before the pandemic. From 2014-15 to 2018-19, the growth in retail taxable sales lagged behind that of the City's total every year. As a result, after accounting for a third of total taxable sales in 2014-15, the retail sector accounted for 30.2 percent in 2018-19. The share jumped to 34.8 percent in 2020-21 because of the pandemic, but has since fallen to 27.8 percent in 2025-26, though this is still the highest share out of all major sectors. Because of the reclassification of industries mentioned earlier, it is difficult to determine which industry within retail is holding back growth, though e-commerce is likely still the main driver of growth within the sector.

Growth of taxable sales in the retail sector has lagged behind those of more service-oriented sectors, especially since the pandemic. The three sectors with the next largest shares all had larger increases in taxable sales than retail trade from 2019-20 to 2025-26. During this period, leisure and hospitality, business services, and information increased by 32.4 percent, 56.2 percent and 52.6 percent, respectively. As a result, they now accounted for 20.8 percent, 11.7 percent, and 8.3 percent, respectively, of all taxable sales in 2025-26.

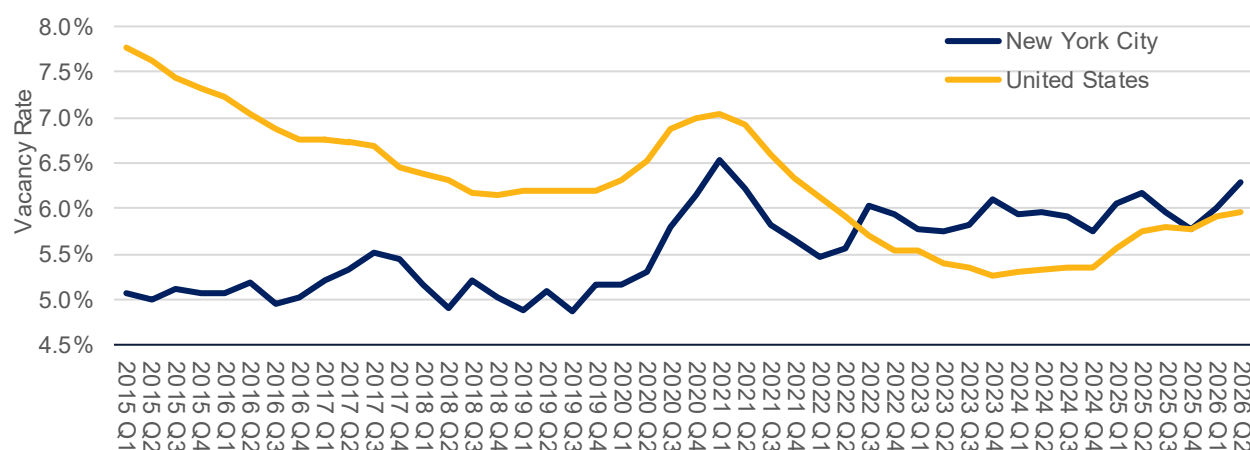
Demand for Retail Properties Has Also Rebounded

As retail taxable sales have recovered to pre-pandemic levels, the values and asking rents of retail properties have also risen close to pre-pandemic levels. According to Cushman & Wakefield, a commercial real estate services firm, average asking rent for vacant retail space in New York City in Q1 2026 reached \$52.93 per square foot, exceeding the pre-pandemic Q1 2019 level of \$52.90. However, the asking rent dropped slightly to \$52.71 per square foot in Q2 2026, which was 1.5 percent below the Q2 2019 level.

The growth in asking rents in the City lagged the nation from Q2 2019 to Q2 2026, as the average asking rent for the nation increased by 26.7 percent. This is because the City's average declined by 10.3 percent from Q3 2019 to \$48.37 per square foot in Q2 2021, while the nation's average increased by 5.4 percent during the same period and the nation has not had a quarter-over-quarter decline since Q3 2012. The City experienced a significant disruption to the number of residents at the onset of the pandemic, which likely contributed to this divergent trend.

Of the 68 million square feet of the City's retail space in Q2 2026, 6.3 percent was vacant, higher than the pre-pandemic rate of 5.1 percent in Q2 2019, but lower than the pandemic peak of 6.5 percent in Q1 2021 (see Figure 4). Recent improvement has come as the nation has seen softening in vacancy rates.

FIGURE 4
Vacancy Rate of Retail Space



Source: Cushman and Wakefield

Before the pandemic, the City's vacancy rate had consistently been below the nation's rate. However, the gap closed during the pandemic and from Q3 2022 to Q3 2025, the nation had a lower vacancy rate.

The values of retail properties have taken longer to recover from the pandemic downturn than other commercial property types. The taxable billable property values (from which the property tax levy is derived) for retail spaces in City fiscal year (which runs from July through June) 2026

were still 0.3 percent below the pre-pandemic level in FY 2021 (because of the length of the valuation cycle, the pandemic impact did not appear until FY 2022) while that of all commercial properties was 3.7 percent higher than its pre-pandemic level (see Figure 5). However, the FY 2027 Property Tax Final Assessment Roll released in May shows that billable retail values grew 5.6 percent over the prior year and now exceed the FY 2021 level by 5.4 percent. This was a slower recovery than for other commercial property types, including office space, which in FY 2027 was up 5.7 percent over FY 2021, and storage and warehousing space, which was up 45.8 percent during the same period, likely due to increased demand for warehouse space resulting from the increase in online shopping seen during the pandemic.

FIGURE 5

Billable Taxable Property Values for Retail and Total Commercial Properties, for Fiscal Years 2021, 2026 and 2027 (in millions)

Property Type	FY 2021	FY 2026	FY 2027	Change FYs 21-26	Change FYs 21-27
Store Buildings	\$18,005	\$17,437	\$18,276	-3.2%	1.5%
Condo Store Buildings	6,208	6,714	7,236	8.2%	16.6%
Total Store Properties	24,214	24,151	25,513	-0.3%	5.4%
All Commercial	\$129,201	\$133,962	\$140,982	3.7%	9.1%

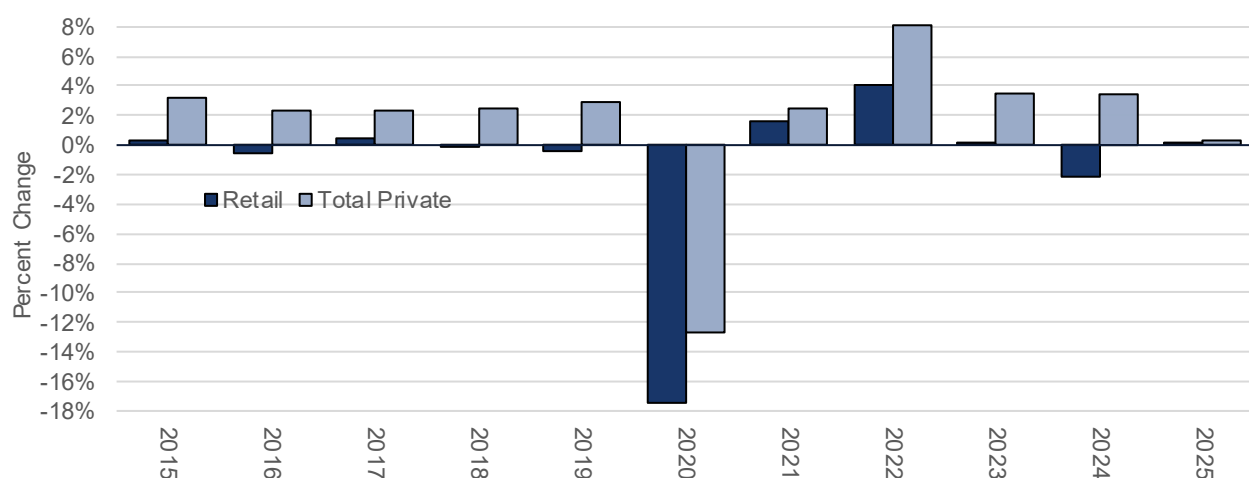
Sources: NYC Department of Finance Property Tax Assessment Rolls; OSC analysis

In 2025, sales of retail properties totaled \$3.1 billion, according to ACRIS property sale data, just short of the \$3.3 billion in sales in 2019. However, this was an increase of 4.7 percent from the prior year, and the highest total since 2021. The median sale price of retail property was \$2.2 million in 2025, up 13.6 percent over the prior year. Growth continued in 2026 as total sales dollar volume of retail properties in the first six months of 2026 increased by 70 percent over the same period last year.

Despite Spending Growth, Retail Employment and Firms Remain Well Below Pre-Pandemic Levels

Before the pandemic, employment in the City's [retail sector](#) already faced challenges as it relied more on e-commerce. Retail employment declined by 0.4 percent from 2014 to 344,589 jobs in 2019 even as total private employment increased by 14.1 percent (see Figure 6). During this period, the electronic shopping and mail-order house industry increased by 25.5 percent, the fastest growing industry in the retail sector.

FIGURE 6
Change in New York City Employment



Sources: NYS Department of Labor's Quarterly Census of Employment and Wages; OSC analysis

The [pandemic hit the sector](#) especially hard as retail employment declined by 17.4 percent (59,988 jobs) in 2020, worse than the decline of 12.6 percent in the total private sector. The sector's decline was the fourth worst, behind leisure and hospitality (41 percent), manufacturing (20.8 percent) and personal services (17.9 percent).

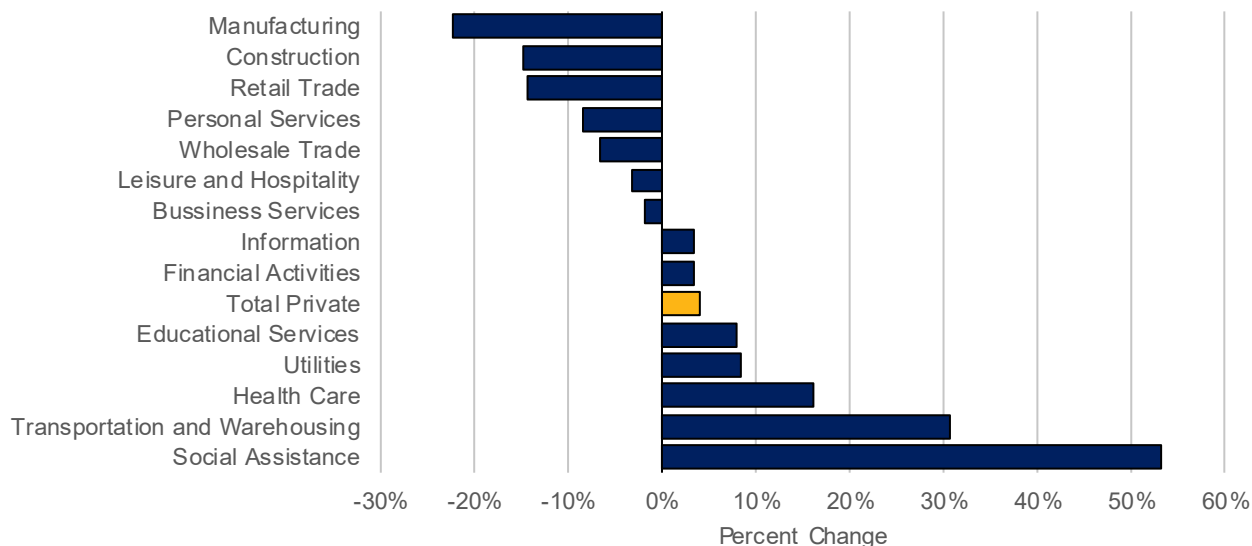
Since then, [retail continues to lag](#) the total private sector as total private employment grew at a faster rate every year. After three years of growth, retail employment declined in each of the next two years by a total of 2.2 percent to 295,001 jobs in 2025 (latest data available), even though total private employment increased by 3.7 percent during the same period.

As a result, from 2020 to 2025, while total private employment increased by 19.1 percent, retail employment had less than a fifth of the increase (3.7 percent). Only the manufacturing and construction sectors fared worse during this period as these were the only sectors that declined (by 1.8 percent and 0.9 percent, respectively) during this period.

When compared to the pre-pandemic 2019 level, retail employment remains 14.4 percent (49,588 jobs) lower, behind only manufacturing and construction (22.2 percent and 14.8 percent lower, respectively). In comparison, the City's total private sector had fully recovered from the pandemic losses by 2023 and by 2025, was 4 percent higher than its 2019 level (see Figure 7).

FIGURE 7

New York City Employment Change by Sector 2019 to 2025



Sources: NYS Department of Labor's Quarterly Census of Employment and Wages; OSC analysis

Retail Industries Experience Varying Trends

Of the nine major industries within the retail sector, the two largest accounted for 47.2 percent (139,314 jobs) of total retail employment in 2025. The food and beverage retailers industry was the largest, accounting for 27.3 percent (80,457 jobs) while clothing, clothing accessories, shoe, and jewelry retailers was the second-largest and accounted for 20 percent (58,857 jobs) (see Figure 8).

Because of the changes in the classification of industries in 2022, industry-level data after the reclassification is not comparable to the data before (while sector-level data is unaffected). As a result, this report looks at the industry trends from 2022 and onward.

From 2022 to 2025, as total retail sector employment lost 6,163 jobs (2 percent), the industry with the most job losses and the largest employment decline was furniture, home furnishings, electronics, and appliance retailers, which lost 4,348 jobs (18 percent decline). General merchandise and health and personal care retailers were the next two largest contributors to the sector's total job losses (2,862 and 2,457 jobs, respectively).

FIGURE 8
Employment Change by Subsector 2022 to 2025

Subsector	2025 Jobs	2025 Share of Retail Total	2022-2025 Jobs Added (Lost)	2022-2025 Employment Change
Food and Beverage	80,457	27.3%	3,488	4.5%
Clothing, Clothing Accessories, Shoe and Jewelry	58,857	20.0%	3,771	6.8%
Health and Personal Care	38,348	13.0%	(2,457)	-6.0%
General Merchandise	36,598	12.4%	(2,862)	-7.3%
Sporting Goods, Hobby, Musical Instrument, Book and Miscellaneous	34,324	11.6%	(2,051)	-5.6%
Furniture, Home Furnishings, Electronics and Appliance	19,788	6.7%	(4,348)	-18.0%
Building Material and Garden Equipment and Supplies	12,775	4.3%	(874)	-6.4%
Motor Vehicle and Parts	9,752	3.3%	(458)	-4.5%
Gasoline Stations and Fuel	4,102	1.4%	(371)	-8.3%
Retail Total	295,001	100%	(6,163)	-2.0%

Sources: NYS Department of Labor's Quarterly Census of Employment and Wages; OSC analysis

During this period, the only two industries that had an increase in employment were the two largest industries. Clothing, clothing accessories, shoes, and jewelry retailers employment increased by 6.8 percent (3,771 jobs) while that of food and beverage retailers increased by 4.5 percent (3,488 jobs).

Employment Trends Differ by Borough

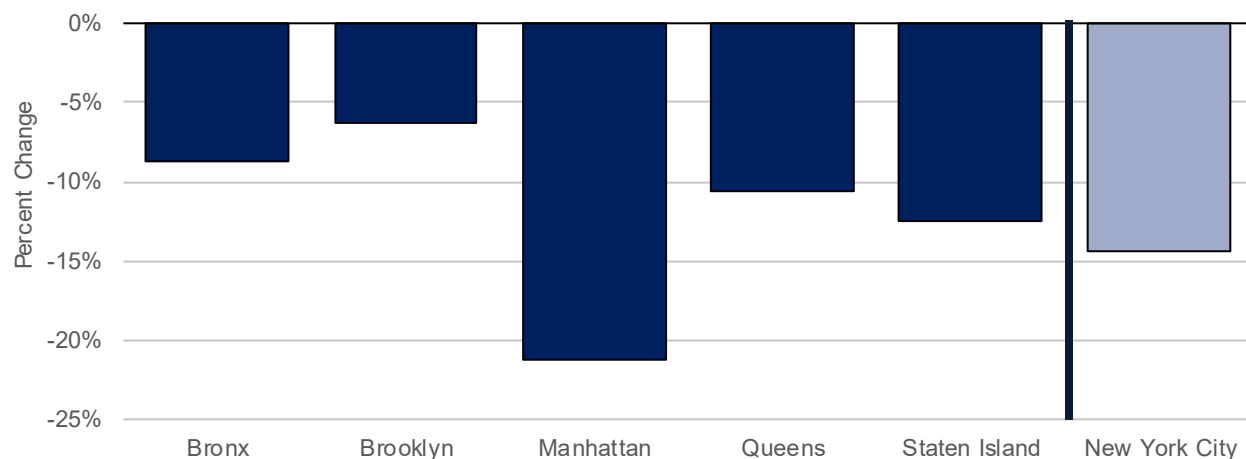
While retail employment in 2025 in each of the boroughs remains below the pre-pandemic 2019 level, Manhattan has fared the worst. In 2020, Manhattan's retail employment declined by 24.6 percent (38,644 jobs), the only borough with a decline greater than the citywide rate of 17.4 percent. The Bronx's retail employment had the smallest decline (7.6 percent; 2,356 jobs).

In the next five years retail employment in Manhattan grew by 4.5 percent (5,352 jobs), faster than the citywide rate (3.7 percent). However, in 2025, Manhattan remained 21.2 percent below its 2019 level, the lowest of all boroughs. Brooklyn fared much better and in 2025 was 6.3 percent below its 2019 level, the best of all boroughs (see Figure 9).

Because Manhattan has lagged so far behind, its share of the City's retail employment has declined from 45.5 percent in 2019 to 41.9 percent in 2025 while every other borough's share has increased. Brooklyn's share had the greatest increase, up 2.1 percentage points to 24.5 percent, the largest share among the outer boroughs.

FIGURE 9

New York City Retail Employment Change by Borough 2019-2025



Sources: NYS Department of Labor's Quarterly Census of Employment and Wages; OSC analysis

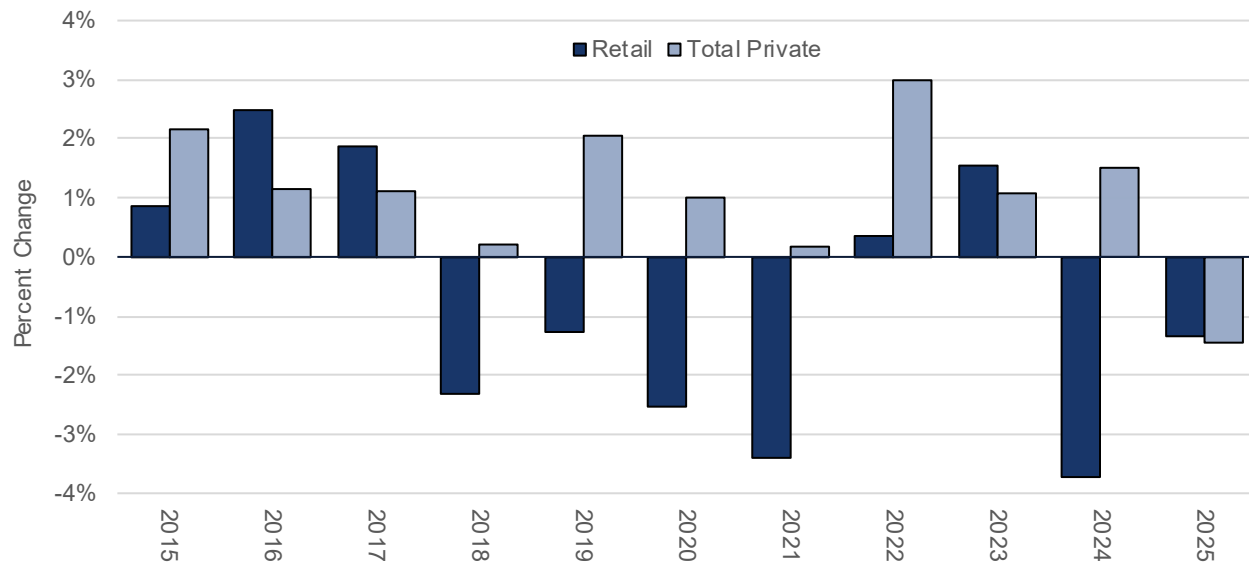
Among the 55 Census-defined neighborhoods in the City in 2025, retail employment in only six neighborhoods exceeded their pre-pandemic 2019 levels. Four were in Brooklyn (Bedford-Stuyvesant, Williamsburg/Greenpoint, Crown Heights North and Sunset Park/Windsor Terrace) while two were in the Bronx (Riverdale/Kingsbridge/Marble Hill and Fordham/Bedford Park/Norwood). The three neighborhoods with employment that were the furthest below the 2019 level were all in Manhattan (Morningside Heights/Hamilton Heights, Midtown/East Midtown/Flatiron, and Upper East Side/Roosevelt Island).

Retail Business Decline Began Before the Pandemic

The decline in the number of retail businesses started in 2018 and continued every year until 2021 to 30,668 businesses. During this time, the number of total private [businesses increased](#) every year, even during the pandemic. As a result, during this period, the number of retail businesses declined by 9.2 percent (3,115 businesses) while that of the total private sector increased by 3.5 percent (see Figure 10).

While the number of retail businesses increased in the next two years after 2021, by a total of 589 businesses (1.9 percent), those gains were wiped out as the number of businesses declined by a total of 1,571 (5 percent) in 2024 and 2025. In comparison, the number of total private sector businesses experienced growth every year until 2025, when it declined by 1.4 percent, the first decline since 2003. As a result, from 2019 to 2025, the number of retail businesses decreased by 8.9 percent (2,891 businesses) while that of the total private sector increased by 5.4 percent.

FIGURE 10
Change in the Number of Businesses in New York City



Sources: NYS Department of Labor's Quarterly Census of Employment and Wages; OSC analysis

These trends in retail businesses held for each of the boroughs. Similar to employment, Manhattan fared the worst as the number of retail businesses in 2025 was 12.9 percent (1,356 businesses) below its 2019 level. The borough that fared the best was Brooklyn, as the number of retail businesses was 6.3 percent (613 businesses) below its 2019 level.

Possible Explanations for Stalled Recovery

Changing Work Patterns Affect Commercial Corridors' Foot Traffic

The onset of the pandemic made working from home prevalent for many workers in New York City. After the pandemic, in 2020, building access activity averaged just 10.5 percent of pre-pandemic levels, according to data from Kastle Systems, which monitors office occupancy at properties that use its access technology. With fewer commuters, demand for retailers shrank.

In the years since, more people have returned to the office. However, the City remains far from fully recovered, averaging 52 percent building access activity in 2025, with the monthly average exceeding 60 percent for the first time in June 2026. Also, MTA [subway ridership](#) remains below pre-pandemic levels. Ridership reached a post-pandemic peak of 80.8 percent of pre-pandemic levels in December 2025.

Visitors to New York City Have Not Fully Recovered

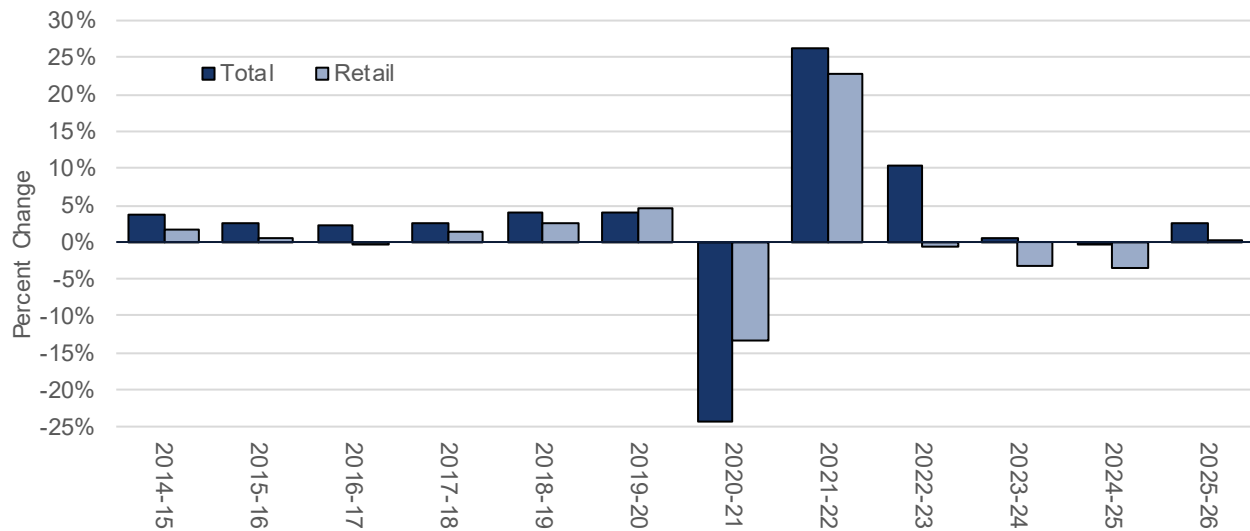
The [number](#) of [visitors](#) to [New York City](#) remains below pre-pandemic levels. According to New York City Tourism + Conventions, while the number of visitors has increased every year since 2020 to reach 65 million in 2025, this is 2.4 percent (1.6 million) below the 2019 record-high level.

Travel industry research firm Tourism Economics estimates that visitor spending in 2025 reached \$49.8 billion, 6.3 percent higher than in 2019. However, when adjusted for inflation, spending is 15 percent lower than in 2019. This is because the recovery of international visitors (who on average spend more) lags behind that of domestic visitors, the latter of which is expected to fully recover [this year](#).

Spending by international visitors reached \$20.6 billion in 2025, but after adjusting for inflation, this was 28.6 percent below its 2019 level as the number of international visitors in 2025 (12.5 million) was 7.4 percent lower than in 2019. In comparison, the number of domestic visitors in 2025 (52.4 million) was 1.3 percent lower than its 2019 level. As a result, spending by domestic visitors reached \$29.2 billion, 1.8 percent lower than its 2019 level after adjusting for inflation.

Retail Sales Have Not Completely Rebounded

When adjusted for inflation, retail taxable sales (of goods from retail establishments) in New York City experienced declines even as total taxable sales (of all goods and services from all sectors) has exceeded pre-pandemic levels. While retail taxable sales recovered from the pandemic drop in just a year even when adjusted for inflation, retail sales declined in each of the following three years, from 2022-23 to 2024-25 (see Figure 11). In those three years, retail sales declined by a total of 7.1 percent even as total taxable sales increased by 10.8 percent. In 2025-26, retail

FIGURE 11**Inflation-Adjusted Annual Growth of New York City Total vs. Retail Taxable Sales**

Note: Sales tax year starts March of one year and ends February of the next year.

Sources: NYS Department of Taxation and Finance; OSC analysis

taxable sales rebounded slightly, increasing by 0.11 percent, though still slower than the growth in total taxable sales (2.4 percent).

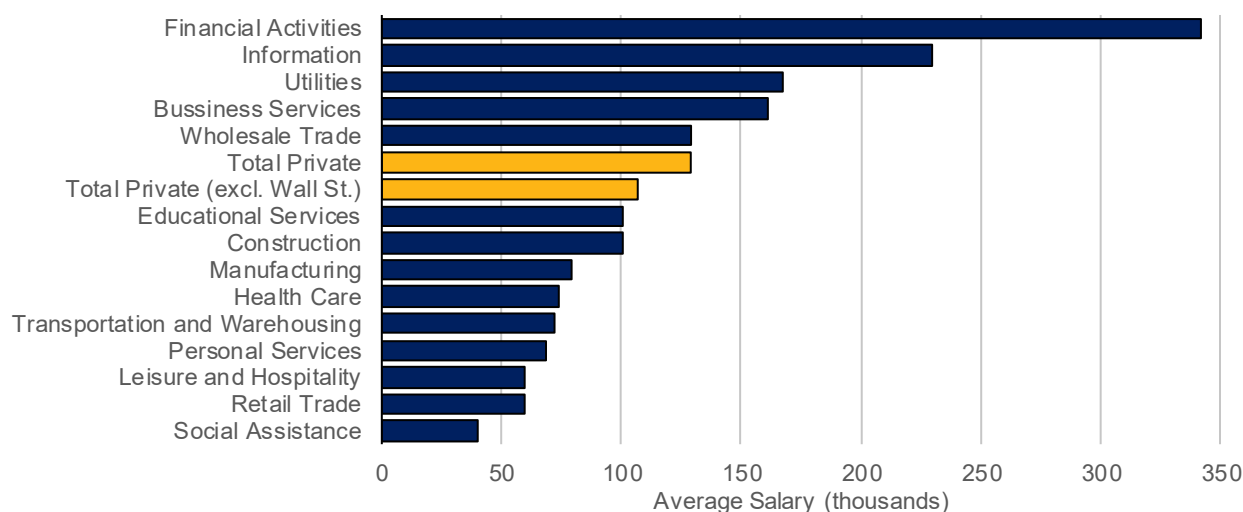
As a result, after adjusting for inflation, retail sales in 2025-26 were 0.9 percent lower than the pre-pandemic 2019-20 level, worse than total taxable sales, which increased by 8.3 percent during the same period. Out of the top eight sectors, which account for 90 percent of all taxable sales in 2025-26, retail was the only one that experienced a decline during this period.

Wages and Salaries in Retail

Total wages in the retail sector reached a record high of \$17.5 billion in 2025. However, total retail wages accounted for just 3.3 percent of total private wages even though retail employment accounted for 7.2 percent of total private employment in the City. This is because the average salary in the retail sector in 2025 was \$59,420, much lower than the total private average of \$129,014 and lower than the total private average (\$106,872) when the high-paying securities industry is excluded. The retail average salary was the second lowest among all sectors, higher than only social assistance (\$40,239). (See Figure 12.)

FIGURE 12

New York City Average Salary by Sector 2025



Sources: NYS Department of Labor's Quarterly Census of Employment and Wages; OSC analysis

From 2019 to 2025, the retail sector's average salary increased by 27.6 percent, a smaller growth than the total private average (32.1 percent). This increase occurred during a period when the State increased the minimum wage in New York City from \$15 (in 2019) to \$16 per hour in 2024 and to \$16.50 in 2025.

In 2025, among the boroughs, Manhattan had the highest average salary in the retail sector (\$79,606). All other boroughs' retail average salaries were below \$50,000. The Bronx had the lowest average (\$40,951). Manhattan's average was also the fastest growing, increasing by 34 percent from 2019 to 2025, while Queens had the smallest increase (19.5 percent).

Among the retail industries in 2025, the highest average salary was \$82,325 for sporting goods, hobby, musical instrument, book and miscellaneous retailers. However, the high average salary is most likely because of the reclassification of industries, when much of the high-paying electronic shopping wages were reclassified into this industry. The industry with the lowest-average salary (\$37,143) was the industry with the most employees: food and beverage retailers.

Characteristics of Retail Workers

Another reason average salaries of retail workers are relatively low is because 36 percent worked only part-time (worked fewer than 35 hours a week and/or fewer than 50 weeks in the past year) in 2024.⁴ While lower than the nation's retail share (51 percent), the City's retail share that worked part-time was much higher than the citywide share of part-time workers (25 percent) and the second-highest among all sectors, behind only leisure and hospitality (39 percent).

Of the City's retail workers 32 percent were White, 31 percent were Hispanic, 17 percent were Asians and 15 percent were Black. In comparison, the shares of the City's total workforce were 37 percent White, 25 percent Hispanic, 17 percent Black and 16 percent Asian.

Over 42 percent of retail workers were foreign-born, a much higher share than the nation's retail share (14 percent) and a slightly higher share than that of all citywide workers (41 percent). Of the foreign-born retail workers, almost half (47 percent) were from Latin America, 35 percent were from Asia, 12 percent from Europe and 5 percent from Africa.

Retail workers were more likely to be City residents as only 15 percent of retail workers commuted from outside the City, lower than the citywide share of 21 percent. Among the sectors, only leisure and hospitality and personal services had a lower share (both 14 percent).

Retail workers were generally younger. The median age of retail workers was 37 years, lower than the median for all City workers (41 years). Of the retail workforce, 18 percent were younger than 25, higher than the citywide share of 8 percent and the highest share out of all sectors. As much of the employment of young workers is dependent on retail trade, the weakness in the industry has contributed to the persistently high [unemployment rate of the City's youth](#).

Almost two-thirds (64 percent) of retail workers do not have a bachelor's degree, a much higher share than that of the total workforce (46 percent).

Within the retail sector, the four most common occupations that accounted for over half (53 percent) of all workers in 2024 were salespersons, first-line supervisors, cashiers, and stockers and order fillers.

Outlook

Even before the pandemic, the retail sector had been undergoing uneven growth with employment lagging, despite an increase in consumer spending. The pandemic caused a sharp contraction, and despite partial gains, the sector has not fully recovered. In the first half of 2026, retail employment continued to decline even as the nation's retail sector rebounded slightly. Looking ahead, the sector will likely continue to experience uneven growth; the City does not anticipate a full employment recovery over the next few years. This takes on particular importance for youth and immigrants who are more likely to work in the industry, as retail spending grows online and job aspects are automated, making a prolonged recovery a concern.

In the Federal Reserve's July Beige Book, consumer spending in the New York district (which includes parts of New Jersey and Connecticut and all of New York State) continued to grow moderately.⁵ According to the Federal Reserve, this was likely driven by strong spending among higher-income consumers; at the same time smaller retailers reported a sharp decline in activity. This dynamic, where spending is correlated more to wealth rather than to income, has implications for the recovery. It also suggests a recession that significantly impacts the valuation of assets could have a more pronounced effect on local spending.

Going forward, consumer spending may also be hampered by softening in the City's labor market. In 2025, the City's total private employment had its slowest growth (0.3 percent) since 2020. The City expects employment growth to remain below 1 percent in 2026, accompanied by slower wage growth, both of which may limit spending.

Despite these concerns, retail property metrics are expected to continue improving as nominal spending rises; asking rents have continued to increase in the first two quarters of 2026.⁶ If sales of retail properties continue to increase, sales would likely exceed the pre-pandemic 2019 levels by the end of the year.

One driver of spending that will likely improve is tourism in the City. According to New York City Tourism + Conventions' latest report, the number of visitors will increase by 2 percent in 2026, reaching 66.3 million.⁷ The City has benefited from a boost this year from major events such as the New York Knicks' NBA Championship, the FIFA World Cup, and America250 celebrations. From June 8-July 4, [New York City Hotels](#) generated approximately \$1.07 billion in room revenue, up 20.6 percent over the same period last year.⁸

A factor that could affect spending is rising inflation, particularly higher energy prices linked to geopolitical conflict in the Middle East and tariffs on imported goods.⁹ Because of these factors and economic uncertainty, consumer sentiment has been weak in recent months, signaling a potential slowdown in household spending in the near future.¹⁰

Overall, the sector is expected to grow unevenly, with tourism and improving property metrics offering support, while labor-market weakness, inflation and soft consumer sentiment present ongoing risks.

Endnotes

- ¹ U.S. Census defines e-commerce sales as sales of goods and services where an order is placed by the buyer or price and terms of sale are negotiated over an Internet.
- ² U.S. Census Bureau, Quarterly Retail E-Commerce Sales, <https://www.census.gov/retail/ecommerce.html>.
- ³ Taxable sales and purchases are sales and purchases that are subject to State and local sales tax. Taxable sales and purchases are reported on a sales tax year schedule and the tax year starts in March and ends in February.
- ⁴ U.S. Census Bureau, American Community Survey, 2024 1-year estimates, <https://www.census.gov/programs-surveys/acs>.
- ⁵ Federal Reserve, “The Beige Book,” July 2026, https://www.federalreserve.gov/monetarypolicy/files/BeigeBook_20260715.pdf.
- ⁶ Cushman & Wakefield, “Marketbeat United States Retail Q2 2026,” July 2026, <https://www.cushmanwakefield.com/en/united-states/insights/us-marketbeats/us-shopping-center-marketbeat-report>.
- ⁷ New York City Tourism + Conventions, “2025 Annual Report,” March 2026, <https://business.nyctourism.com/press-media/press-releases/NYC-Tourism-Annual-Report-March-2026>.
- ⁸ New York Governor, “Governor Hochul Highlights Statewide FIFA World Cup Impacts,” July 20, 2026, <https://www.governor.ny.gov/news/governor-hochul-highlights-statewide-fifa-world-cup-impacts>.
- ⁹ Federal Reserve, “The Beige Book,” July 2026, https://www.federalreserve.gov/monetarypolicy/files/BeigeBook_20260715.pdf.
- ¹⁰ University of Michigan “Survey of Consumers – June 2026,” June 2026, <https://www.sca.isr.umich.edu/files/tbmics.pdf>.



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