INTRODUCTION


As one of the UK’s top trusted fragrance retailers we understand how important it is to ensure we provide the best possible experience for our employees, as well as our customers.

Our employees are fondly known to us as our Perfume People, this is because they embody our company values of being passionate about the fragrance service that they provide to our customers, both on the high street and online. Without an engaged team of Perfume People we would not be able to provide the high level of knowledge and expertise to our customers day in, day out. This is why in 2018 we were awarded the sought-after title of the National Fragrance Retailer of the Year 2018, showing that our employees are well respected in our industry.

It is important that our Perfume People feel they work in an environment which is fair, inclusive and diverse and to which they can grow, develop and progress regardless of gender, background, culture and perspective. In 2018 we were able to showcase exactly this when we were placed #22 in Indeed’s Top Rated Workplaces, based on our current and ex-employee reviews of what it is like to work at The Perfume Shop.

There are lots of ways that we enable equal opportunities and diversity within our business. However, for the purpose of this report we will be concentrating on our gender pay gap and reporting this in line with the regulatory requirements.

This is the second published Gender Pay Gap Report and we are pleased that we have improved our top line figures. We will continue to place a focus on ensuring equal opportunities within the business year on year.

Michelle Fellows
People & Development Director,
March 2019
UNDERSTANDING THE GENDER PAY REPORT

In this report we have published both our mean and median gender pay gap - two methods of comparing the average rate of pay for our male employees against the average rate of pay for our female employees.

Gender pay gap figures show the difference in the average pay of men and women, regardless of the nature of their work, across a whole organisation. A gap can be driven by having an unequal number of men and women across different roles throughout the business.

Gender pay gap reporting regulations ask that companies report both the mean and median gender pay gaps.

Where there is a positive pay gap, this means that on average male employees are earning more than female employees. A negative pay gap would mean that on average female employees are paid more than male employees.

It is important to note that gender pay is not the same as equal pay for men and women. Equal pay comparisons involve a direct comparison between men and women doing the same, similar or equivalent work. Having a gender pay gap does not mean that an employer does not pay the same to both male and female employees, where they are working the same role.

HOW DO YOU CALCULATE THE MEDIAN GENDER PAY GAP?

Imagine if we asked all our male employees to stand in line in order of their pay, from the lowest hourly rate of pay to the highest. And then asked our female employees to do the same, in order of their hourly pay. The median gender pay gap is taken from identifying the male employee in the middle of his line, and the female employee in the middle of her line, and then looking at the difference in their hourly rate of pay.

HOW DO YOU CALCULATE THE MEAN GENDER PAY GAP?

The mean gender pay gap shows the difference in average hourly rates of pay between men and women. So simply taking an average across male or female employees regardless of their role and experience.

WHAT ARE PAY QUARTILES?

In addition to reporting the mean and median, we have also demonstrated the gender pay gap information in quartiles. These are calculated by listing the rates of hourly pay for each employee across the business from the lowest to the highest, and then splitting these into four equally sized groups, from the lowest paid quartile (Q1) to the highest paid quartile (Q4).
GENDER PAY GAP REPORT

At The Perfume Shop we employ around 2,200 employees, mostly based within our 260 stores but also including around 50 employees in our distribution centre and 150 employees at our head office.

We are pleased to report that our mean gender pay gap has improved since 2017 and overall our mean and median gender pay gap is consistently lower than the national average for the retail sector as reported by the Office for National Statistics (ONS).

In addition to reporting the mean and median, we have also demonstrated the gender pay gap information in quartiles. These are calculated by listing the rates of hourly pay for each employee across the business from the lowest to the highest, and then splitting these into four equally sized groups, from the lowest paid quartile (Q1) to the highest paid quartile (Q4).

Within each of the quartiles the percentages of men and women represented has remained reasonably consistent with our 2017 results.

We have a median pay gap of 7.3%, this means that the difference of the middle of male pay is 7.3% higher than the middle of female pay when lined up next to each other.

This shows that our “Grow Our Own” policy is delivering on its objectives and that both male and female employees alike are being encouraged to progress and succeed, and are taking opportunities when they arise.

We are also pleased to note that the majority of our employees receive a bonus, with 84% of male employees (2017: 87%) and 86% of female employees (2017: 90%) receiving a bonus in the relevant year (2018).

Our mean bonus gap for 2018 is 26% and our median bonus gap for 2018 is 27%.