



International Association
of Employment Web Sites
The Sources of Success™

IAEWS BENCHMARK STUDY 2011

Overview

In the summer of 2011, the International Association of Employment Web Sites or IAEWS (www.EmploymentWebsites.org), conducted the first worldwide industry benchmark study for job boards. Over 100 boards participated and sent their confidential information to a market research company and then benefited from a detailed report of the aggregated data. Job board executives have commented that they plan to use the data to enhance the performance and effectiveness of their sites. The following summary contains some top level results derived from the data, as well as some of the comments and feedback from participants in the discussion forums held in Fort Lauderdale USA (IAEWS Conference) and London UK (Jobg8 Survey Roundtable Conference).

2011 Sponsor



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Overview

The International Association of Employment Web Sites or IAEWS (www.EmploymentWebsites.org) is the trade organization for the global online employment services industry. Its members include job boards (commercial, association, publication and affinity group based), social media sites, aggregators, platform providers, content developers, and recruitment advertising agencies. Collectively, they power or operate over 60,000 sites worldwide.

During the summer of 2011, IAEWS spearheaded an effort to compile the first benchmark survey for the worldwide job board industry. A number of job boards provided guidance regarding the scope and detail of the questions that should be asked to generate strategically useful data. In addition, an outside market research company was retained to distribute the survey and maintain confidentiality throughout the collection and analysis phases of the project.

Participation in the survey was open to all job boards worldwide. IAEWS Members from the US, Canada, European Union and Asia submitted data. Jobg8, the study sponsor, also utilized its personnel in the US, UK and Canada to generate support for and participation in the study.

Scope

During the planning meetings in the spring of 2011, IAEWS members in the US and the UK provided input that guided the creation and development of the survey. There was general consensus that this first study should provide benchmark data for many areas of a job board operation without delving too deeply into any one area. The planning committee expected that there would be significant feedback and discussion among the participating boards that would provide direction and enhancements for future studies.

There were 121 separate job board companies that signed up to participate and 101 that completed the survey. Approximately 60% of the respondents were from North America, 25% were from the UK and the remainder was from other regions. In addition, 67% classified themselves as “niche boards” (geographic or industry specific) with significant experience in the industry (45% have been in business greater than 10 years). Although there was diversity in terms of industry and geography, a majority of the job boards were smaller companies averaging 3.5 full-time employees.

For the initial survey, the following areas were covered with specific questions:

- ✚ *Website visitor traffic sources and quantities*
- ✚ *Registered Job seekers*
- ✚ *Job board tenure and niches*
- ✚ *Job board features and offerings*
- ✚ *Sources of job postings*

- ✚ *Job posting activity and application production for paid postings*
- ✚ *Job seeker activity on site, time on site, frequency of visits, registration, and bounce rates*
- ✚ *Sales, Marketing and Technology expense as a percentage of annual revenue*

Methodology

After the survey draft was approved by the planning sub-group, Critical Insights, a professional market research firm, was hired by the survey sponsor to provide further guidance and to ensure the data and results were kept confidential. In June all members of the IAEWS and members of the Jobg8 network received an invitation to participate in the survey. In early July a secure link to the survey was sent by Critical Insights to all parties that expressed an interest in participating. Companies completed the survey online during late July and August. Critical Insights then sent a final report of the compiled results to each company that completed the survey. The report included their own responses as well as the aggregated data for all respondents. Only those members who completed the survey received a complete copy of the survey data. Summary data and some highlights of the study results were presented at the IAEWS conference in September and are included here.

Significant Findings

- ✚ Most boards offer similar products and have similar features. The exceptions are that only 29% offer a “job seeker referral program” and only 10% offer an iPhone app, while 6% offer an Android application.
- ✚ Sources of job seeker traffic varied by region and niche. However, search engine marketing (SEO), pay-per-click (PPC) campaigns and aggregators accounted for approximately 50% of the traffic in most regions. The percentage of job seeker traffic from aggregators alone varied significantly among regions (11.6% in Canada to 22.8% in the USA).
- ✚ The median application production per posting for ATS positions was 5.0 and 3.3 for email positions. The production rates were slightly higher for niche sites and job boards that had been in business for more than 3 years.
- ✚ 75% of website traffic (median value) was “window shoppers” or job seekers that fail to register or apply for a position.
- ✚ Marketing expense as a percentage of annual revenue varied by region and size of board. (1%-14%) The average for all boards reporting was 6.7% of annual job board revenue.
- ✚ The cost of selling (direct sales expense) also varied by region (11- 20%) , with an average of 15.4% of annual job board revenue. .
- ✚ Technology expense associated with the development and maintenance of the website also varied by region and size of the job site with an average of 5.7% of annual revenue.

Discussion Points (Ft. Lauderdale and London survey participant meetings)

- # There was significant discussion about job board features that job seekers find important and the type of future enhancements deemed to be important.
- # The impact of social media, especially LinkedIn was discussed in depth.
- # New pricing models, including a “pay-per-application” model were debated. There was discussion about assuming “more of the risk” with the client and a general agreement that the “pay to post” model may be on the decline.
- # The growth of mobile applications was discussed as well as the implication for content delivery and product development.
- # The relative quality of the website traffic from different sources was compared and discussed. Many participants stated that aggregator traffic was expensive and may not yield the same rate of applications or registered users as traffic from other sources.
- # The concept of “traffic” or “views” as an over-rated job board metric was discussed. Job board executives understand the need to be a high quality and low cost source of qualified applications for their clients, noting that competitive pressure was mounting from other sources including social media websites.
- # Job board owners are looking for new sales and marketing models and resources but expect that promotion and sales efforts will increase in 2012 and beyond.
- # Strong support was voiced for an enhanced survey in 2012. Many participants volunteered to be on the planning committee and there was discussion on additional topics and clearer question definitions that will enhance response rates in the 2012 study.

Conclusion

- # Job board owners were generally pleased with the data and the confidential opportunity to compare their operation to industry averages.
- # Respondents that participated in the discussion sessions provided excellent suggestions to enhance the survey and provide even better metrics in 2012
- # There were a number of areas where job board owners realized that deeper analysis and better data (application production by job type, quality and cost of traffic sources, sales/marketing/technology costs) would allow for a deeper understanding of their own operation.
- # Collecting data that shows the effectiveness of a job board and the cost to deliver qualified applications vs. other channels will assist job boards in proving their value vs. competitive sources. As our industry matures, the need to prove value with accurate historical data becomes more acute.
- # There was general optimism that serious job boards can continue to be a source of high quality and low cost applicants for their clients. Job boards need to continue to add enhancements and monitor performance to remain as a viable source of quality applicants.

If your organization would like to participate in the 2012 IAEWS Industry Benchmark Survey, sponsored by Jobg8, please contact the IAEWS Executive Director, Peter Weddle, at director@employmentwebsites.org.