



# MOBILE RECRUITMENT AND THE GIG ECONOMY

Why Staffing Agencies Need a  
Mobile Strategy to Stay Ahead

TIMESA<sup>VED</sup>



The term gig economy was reportedly coined in 2009. But 2015 was the year when it began to dominate conversations, and headlines like “The Gig Economy is Coming” graced the front page of many notable reporting outlets.<sup>[1]</sup> It was the year identified as **the tipping point for the contingent workforce’s growth and evolution.**<sup>[2]</sup>

It also happened to be the year when those same publications first reported that mobile was the most popular way to browse the internet. And the year when tech-advanced industries like finance were beginning to cash in on this trend with mobile-forward strategies.<sup>[3]</sup>

Three years later the gig economy is continuing to grow, and the staffing industry is poised to benefit greatly, if they are prepared. Adopting a mobile strategy is key to taking advantage of the shifting workforce. Read on to see why, and what you can do to stay ahead.

## The rise of the gig economy and what that means for the staffing industry

Around the same time that the gig economy started to dominate conversations, the staffing industry saw healthy growth as well—an increase of 13.6% over three years.<sup>[4]</sup>

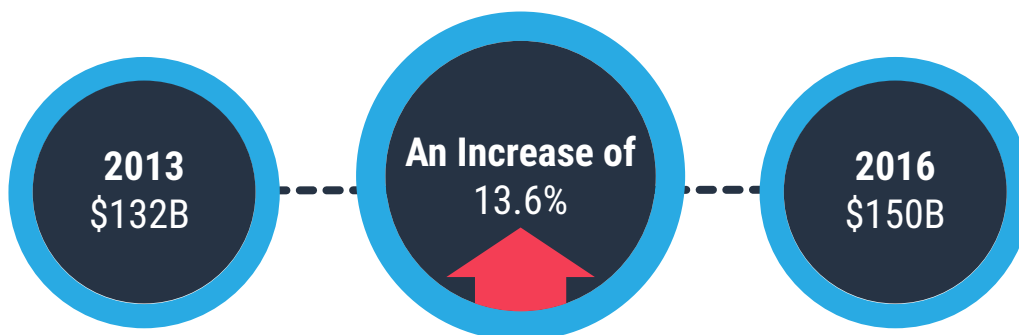


FIG 1: Staffing industry growth

But that doesn't mean that staffing agencies should rest easy.

While staffing industry growth has outpaced overall economic and employment growth, it employs only 2% of the U.S. nonfarm workforce.<sup>[5]</sup> Contrast that with the gig economy, which represents 34%, and is on track to hit 43% by 2020 – a 26% increase.<sup>[6]</sup>

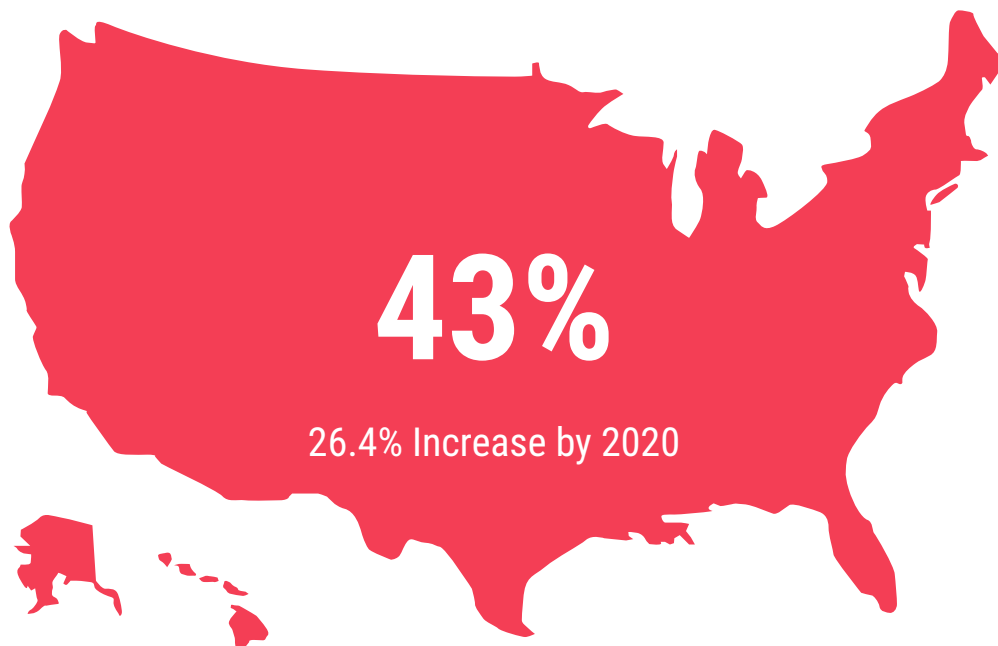


FIG 2: Gig economy growth

So not only does the gig economy currently represent a much larger percentage of the workforce, but it's growing at double the pace. This growth is a result of the cultural shift that's seen workers prioritizing flexible work options and craving the ability to choose when, where and how they work.

And businesses too are being increasingly drawn to the benefits of an agile workforce. In a 2017 report from Ardent Partners, more than 60% of the 400 organizations surveyed said they planned to move forward with a "companywide 'agile talent' acquisition strategy".<sup>[7]</sup>

Essentially, there is more demand for contingent placements and more workers to be placed than ever before, and staffing agencies are struggling to scale efficiently with their current processes.

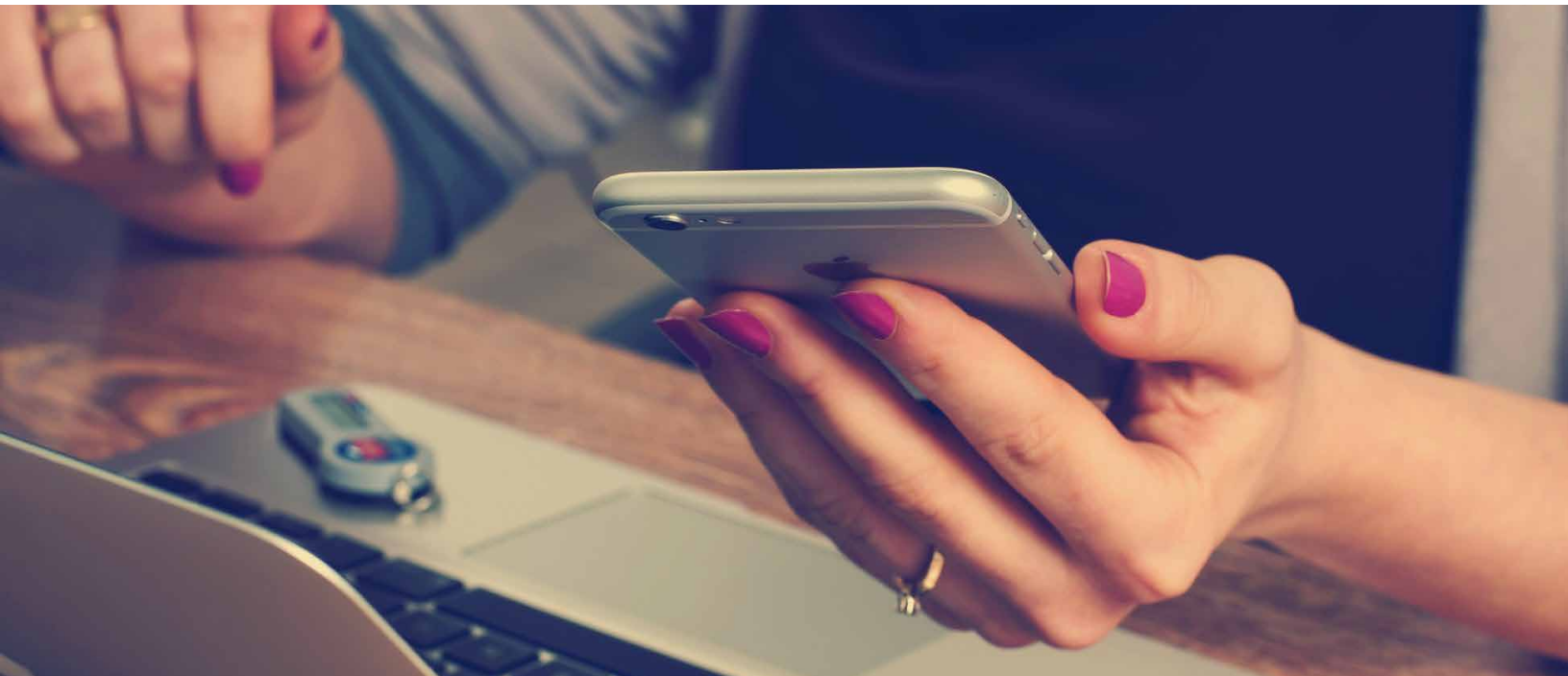
## **Enter third party apps and direct sourcing platforms.**

Companies like Wonolo are shaking up the recruiting world by providing contingent workers the convenience of an on-demand experience. They're benefiting from the growth in the gig economy by optimizing for a candidate-driven market and putting the power, quite literally, in the hands of the worker. Just as Uber transformed the transportation industry and Airbnb transformed the hospitality industry, these mobile-forward platforms are threatening to change the face of recruiting.

## **So what can traditional staffing agencies do to stay ahead? How can they capitalize on this increase of contingent workers?**

They need to introduce time-efficient technology that equips them to communicate with more candidates. And they need to do so without compromising the quality of human connection that distinguishes them from these third party apps.

But above all, they need to meet candidates where they are with a user-first, on-demand experience.





Mobile devices account for the majority of job search across most occupations and especially for physical, blue collar work.



~ Indeed Hiring Lab Chartbook

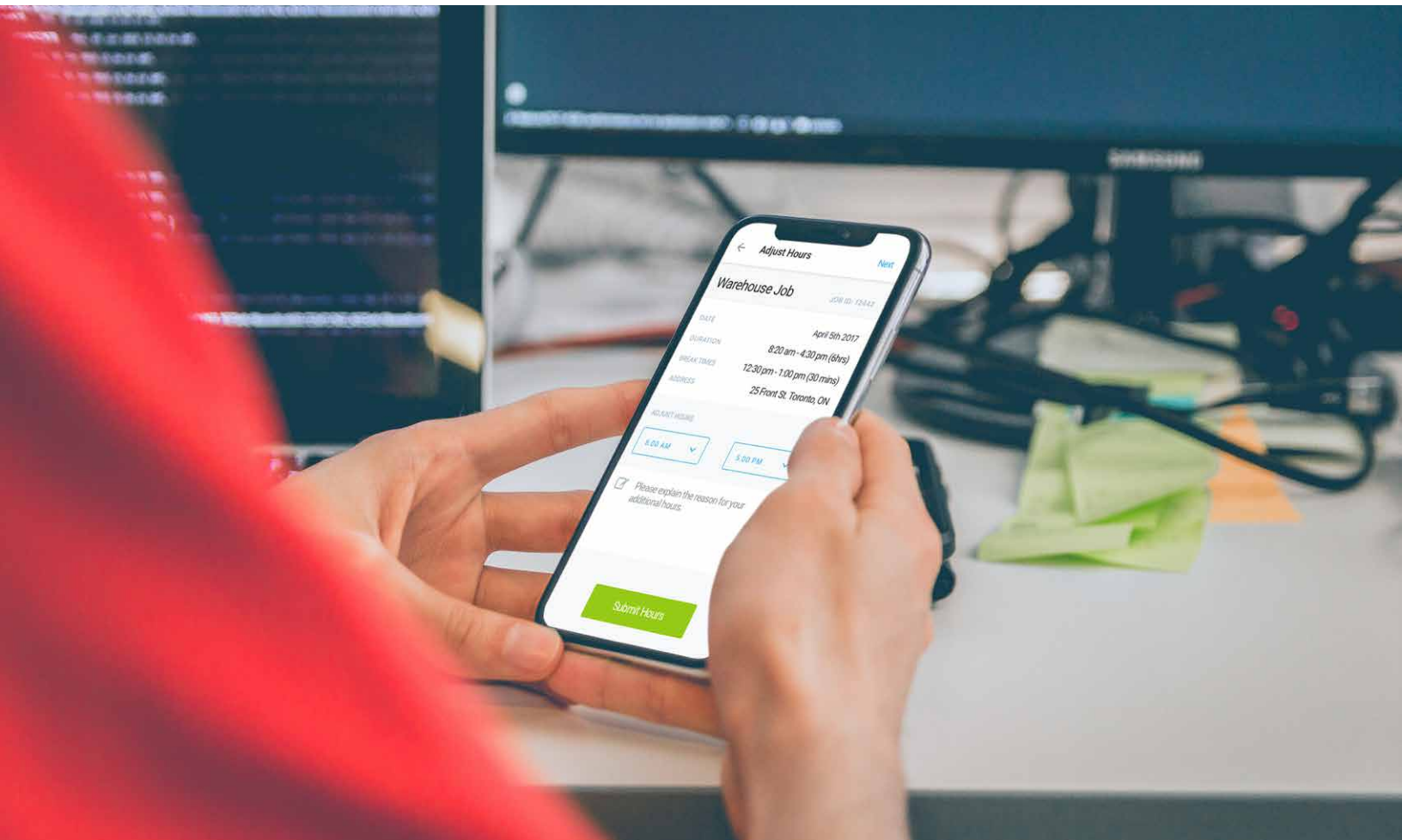


## Why texting and apps are important and what this means for you

The shift to mobile is happening now, and job search is already on mobile. Indeed.com revealed in their latest job seeker stats that 80% of Asian job seekers (Japan, Korea, Taiwan) use mobile for job search, along with 60% of American job seekers and 50% of Canadian job seekers.<sup>[8]</sup>

Geoff Clandenning, VP of Business Development at Armor People Link, shared that over **97% of their candidates viewed their job postings and website on mobile devices.**

So if mobile is where job seekers are spending their time, then not optimizing for mobile recruitment represents a potentially huge loss.



## Increasing time efficiency

Let's look at the efficiency of two main communication channels for recruitment: email and phone.

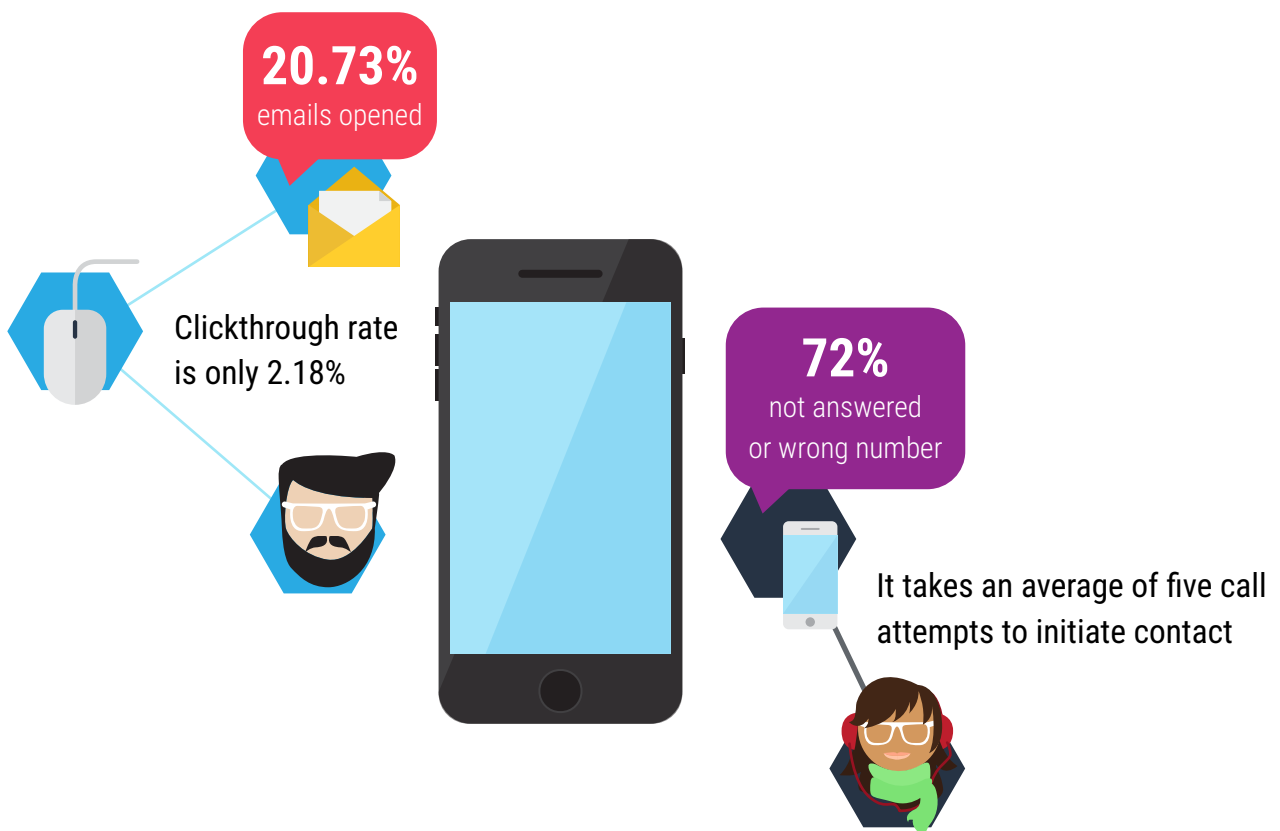
### Email

Clients we surveyed send an average of 100 to 20,000 emails daily. These large numbers work to offset the comparatively low engagement (open and clickthrough) rates:

- In the recruitment and staffing industry, only 20.73% of emails get opened.
- Of those opened emails, the clickthrough rate is only 2.18%<sup>[9]</sup>

### Phone

- It takes an average of five call attempts to initiate contact.
- 72% of calls are not answered or wrong numbers.<sup>[10]</sup>



The inefficiency of these communication channels waste valuable time that recruiters could spend relationship building with candidates.



Calculating average typing speed, reading speed, response rate, volume of email, average salary, and total employees, [we're] looking at a seven-figure price tag to quantify our email pollution. [This] "free and frictionless" method of communication had soft costs equivalent to procuring a small company Learjet. Each individual email ate up 95 cents of labor costs.

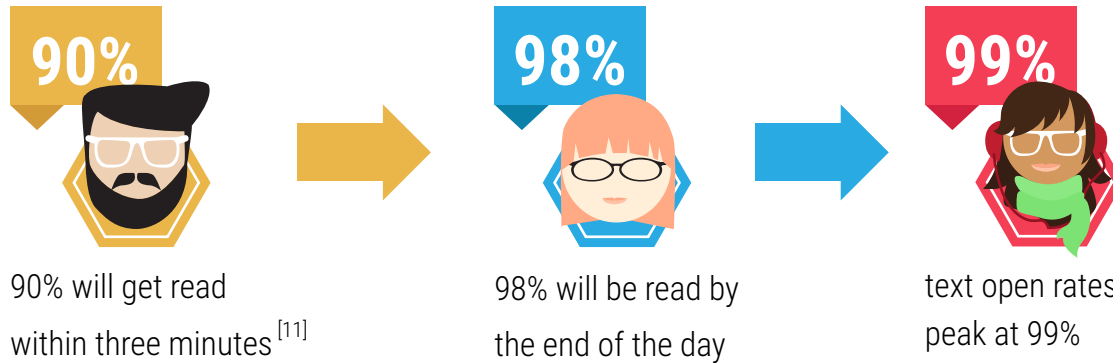


**Tom Cochran**, Harvard Business Review <sup>[2]</sup>



## Now let's contrast that with text messaging

Compared to email's 20.73% open rate and phone's 28% response rate, **text open rates peak at 99%.**

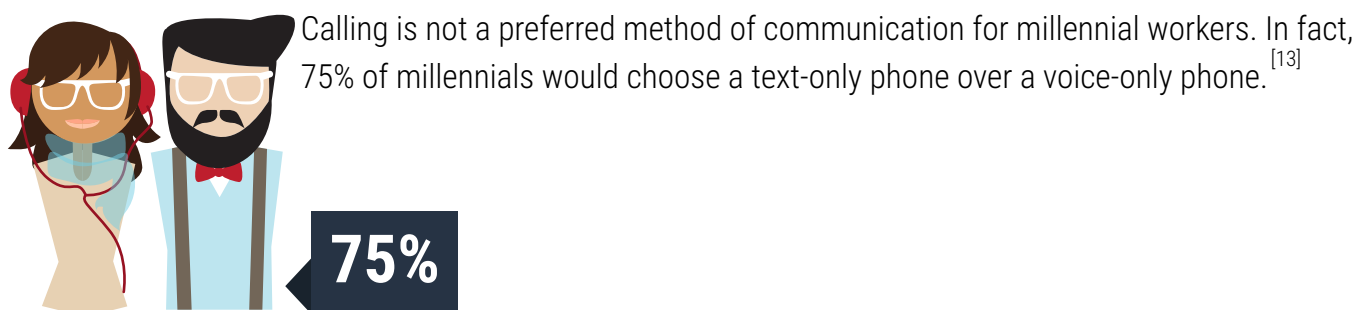


In a study by SAP Software Solutions and Loudhouse Research, 64% of respondents said that businesses should use SMS messages to interact with customers more often than they currently do.<sup>[12]</sup>

As opposed to cold emails that can go straight to spam or be ignored by the recipient and cold calls that get blocked by caller ID and simply don't get answered at all, cold texting works. In the same study by SAP, 70% of respondents say using SMS/text messaging is a good way for an organization to get their attention.

## Putting the candidate first

It's important that the method of communication you use is time efficient, but it's more important that it's what the candidates actually want. Texting is the preferred method of communication for millennials, who represent the largest portion of the gig economy.



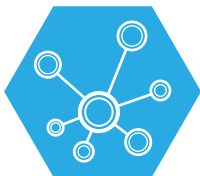
## The case for mobile apps

Across continents from America, to Europe and Asia, people in nine countries (US, Canada, UK, Mexico, Spain, Italy, Brazil, Indonesia, China), spend the majority of their time online on mobile devices (62% to 91%).

**80-90% of that time is spent on mobile apps**<sup>[14]</sup>

Texting and mobile communication is the preferred way to reach the majority of today's workforce, especially those who are part of the growing gig economy. And having a workforce management tool that allows you to communicate via someone's preferred method, whether it's text, in-app chat, email, or a combination, makes it easier to optimize worker engagement.

But what of the other benefits of having a mobile solution? Beyond just increasing message engagement, apps can provide benefits for better branding, worker tracking and analytics.



### **Provide a centralized, real-time communication hub**

Having a real-time communication hub will not only empower workers through a direct channel to a recruiter, but it will help keep them organized by offering all the details they need in one place.

### **Pre-filter with up-to-date worker information**

Offering up-to-date worker information like availability and skills has several benefits unto itself. It empowers workers, giving them flexibility and fit in their job selection, and it allows recruiters to be more targeted. Recruiters can save time in outreach by pre-filtering through key fields and set up campaigns that target specific preferences.





## Track workers through GPS

Mobile apps allow you to utilize every smartphone's built-in GPS function to track workers. This can help recruiters preempt job issues like no shows or late arrivals before they arise, keeping things running smoothly with clients.

## Increase your brand exposure

Apps allow you to offer a true extension of your agency in the hands of your workers. Having your company logo visible on a smartphone screen, and having a positive user experience bolster that brand equity, is a great way to stand out and solidify value for workers.



## Gather worker stats for better engagement



Apps help gather valuable data on candidate engagement so recruiters can dive deeper to find meaning and drive success. Find out what individual workers' true job preferences are by easily tracking the mobile messages they do and do not interact with.

Today's candidate expects and demands engagement. Apps can deliver. From auto-responses for every sent application to job postings, job match alerts and updates during the application process, each update sent establishes a connection with your candidate. And it helps build your brand.

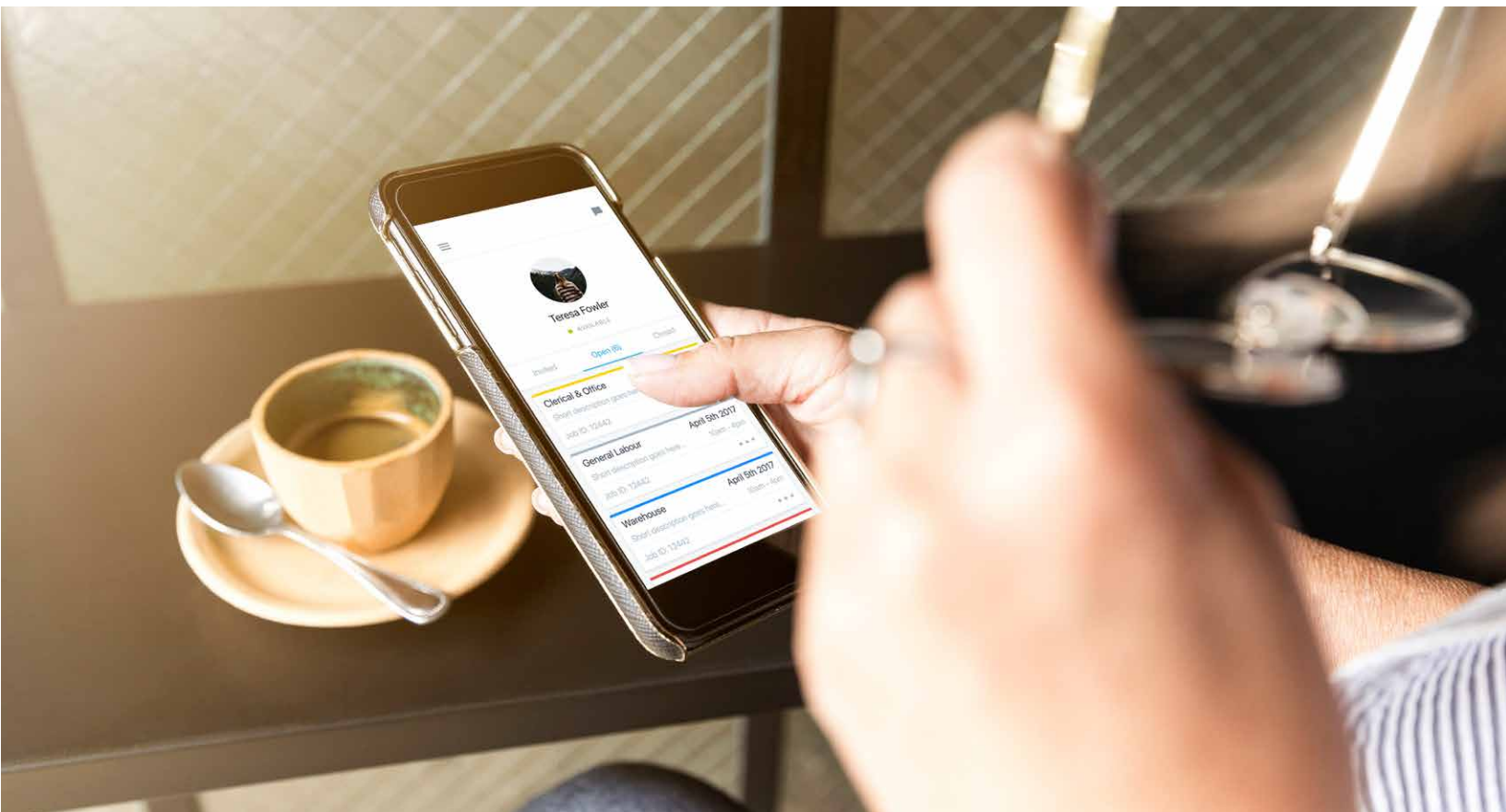
## What to look for in a recruiting app

According to the 2017 State of Marketing Report by Salesforce, marketing leaders today say 34% of their budget is spent on channels they didn't know existed five years ago.

SMS and mobile apps are top among those channels, growing 197% and 161% respectively.<sup>[15]</sup>

If you decide that a mobile app is the best way to optimize your mobile recruiting strategy, make sure you prioritize the candidate experience. You need a solution that candidates will be excited to use.

TimeSaved focuses on user experience in order to empower and engage users through an intuitive platform that's innovative, seamless, and easy to use. Learn more about how to engage your candidates by visiting [gettimesaved.com](http://gettimesaved.com)



## Sources

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