The Ultimate Guide to Recruitment Marketing Analytics

The Data You Need to Understand and Optimize Your Job Advertising Strategies
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An Introduction to Recruitment Marketing Analytics

What are “recruitment marketing analytics” and why are they so important?

Simply put, recruitment marketing analytics are the data points gathered from your recruitment marketing efforts, and they’re critically important to understand in order to increase the ROI of your online job advertising investment and your overall recruitment efforts.

Here’s why. We live in a time where everything is “smart”--the phones in our pockets, our wifi networks, cars, appliances and nearly every piece of software we use at home and in the office. But “smart” just means that these devices and software platforms are using advanced data and analytics to provide you with the best services and results possible. And that’s what’s at the epicenter of recruitment marketing analytics--it’s all about making smarter, data-driven decisions about your recruitment marketing and job advertising strategies in order to produce the best talent acquisition results possible, and to achieve your recruitment goals.

For your organization, this could mean making the hires you need most cost-effectively, it could mean making more placements to increase gross margin or it could mean driving more applicants to specific jobs or companies in order to retain clients. In any scenario, you’re going to need access to deep recruitment marketing analytics to achieve those goals.

We’ll get into more detail about which recruitment marketing analytics you should be measuring and why, but to start, the takeaway is simple: Recruitment marketing analytics give you the information you need to make smarter, data-driven decisions that lead to a more efficient strategy and a greater ROI.
Understanding the Key Recruitment Marketing Metrics

Recruitment marketing analytics can help you better understand your talent acquisition efforts and identify areas of your current strategy that could use improvement. However, before your analytics can tell the story of your current performance and how to improve it, you must first understand which key performance indicators (KPIs) to look for, and how they’re measured.

It’s also important to understand how these KPIs flow in the full, end-to-end recruitment marketing analytics funnel. At each level of the funnel, you have conversion rates and cost metrics that provide deeper insight into how your recruitment marketing strategies are performing.

Metrics like impressions and clicks, or “top of funnel” recruitment metrics, tell the story of how candidates are finding and engaging with your online job advertisements. But to get the best insights from your recruitment marketing analytics, integrate your “top of funnel” metrics with the data from your applicant tracking system (ATS), or your “bottom of the funnel” metrics. These help tell a more complete story about your talent acquisition efforts from the job advertisement click all the way through to the hire—giving you the ammunition you need to improve processes, increase efficiencies and lower costs.
Recruitment Marketing KPIs

So, let’s start by briefly reviewing the end-to-end recruitment marketing funnel and the KPIs at each level:

**IMPRESSIONS**
The number of people who were served your job advertisement in search results pages. Impressions are the highest level metric and, as such, tell you the least about the performance of your jobs. Many vendors don’t even provide this data point.

**CLICKS**
The number of times one of your online job advertisements have been clicked on or viewed by anyone. These clicks should not be confused with unique visitors. If someone clicks on your job advertisement, leaves and then comes back to review your job advertisement again, that would count as two clicks. A “click” can also be known as a “job view.”

**CLICK-THROUGH RATE (CTR)**
The percentage of people who saw your job in their search results, and then decided to click-through and view your description. Click-Through-Rate is calculated by taking the number of clicks for a given job, dividing it by the number of impressions and then multiplying the result by 100 to find your percentage. Since CTR is calculated using impressions, it’s can only be calculated when a vendor provides that metric.

**SPEND**
How much you’ve invested in your job advertisements. Spend is a particularly important KPI because it can be looked at in a variety of ways. For instance, you could find the spend of an individual job, of a set of jobs or for a particular source. Each have their own benefits and importance, which will discuss later on in this resource.

**COST-PER-CLICK (CPC)**
How much you’ve spent, per click, on a single job or on a set of jobs. Cost-per-click (CPC) is calculated by taking your spend and dividing it by clicks. CPC is a metric that can be calculated on any media that you track clicks for, including job postings, job slots and even social media.

**APPLICANTS**
The number of applicants who’ve completed applications for a particular job or set of jobs.
CONVERSION RATE (CR%)
The percentage of applicants on a given job, or set of jobs, out of the total clicks on the same job(s). Conversion rate is calculated by taking your applicants and dividing it by clicks, and multiplying by 100 to get your percentage.

COST-PER-APPLICANT (CPA)
How much you’ve spent for each applicant you’ve received on a job or set of jobs. Cost-per-applicant (CPA) is calculated by taking your spend and dividing it by the total number of applicants you’ve received for the same job(s).

QUALITY APPLICANTS
The number of applicants that pass through some sort of pre-qualifying phase in the application process. This “pre-qualifying phase” in the application process is determined by each individual organization and will vary by company.

QUALITY CONVERSION RATE (QCR)
The percentage of applicants you received that were deemed quality applicants. To calculate quality conversion rate take the number of quality applicants you receive for a job or set of jobs, and divide by the total number of applicants received on the same jobs, and multiply the result by 100 for the percentage.

COST-PER-QUALITY-APPLICANT (CPQA)
How much you’ve spent on a job or set of jobs to produce an applicant that was deemed “quality.” To calculate your CPQA, take your total spend on a particular job or set of jobs and divide it by the total number of quality applicants received on the same job(s).

HIRES
The number of hires you were able to make off the applicant pool you generated through your job advertisements.

COST-PER-HIRE (CPH)
How much you’ve spent on a job or set of jobs to make the necessary hires needed to fill those positions. CPH can be calculated by taking the total spend on a job or set of jobs and dividing by the total number of hires made on the same job(s).

There’s no doubt that this is a lot of data to keep track of, but the benefits of doing so are well worth it. Once these analytics begin to tell a story, you’ll be able to identify areas of wasted spend and clear paths towards optimization in your strategy that will help you improve ROI.

WANT MORE INFO?
Check out the Recruitment Marketing Formulas “Cheat Sheet” on page 13 of this guide to learn how to calculate each of these metrics in more detail.
Leveraging Data to Answer Important Questions About Your Strategies

How are your online job advertisements performing?

It’s an abstract question, but it is ultimately the big question you should be trying to answer when you take a dive into your recruitment marketing analytics. In order to answer this question about performance, you first need to answer a few other questions that lie underneath performance.

Now, let’s take a look at which questions you need to ask yourself to understand performance and which KPIs you should be leveraging to form your answers.
Are Candidates Interested in Your Jobs?

Advertising your jobs online can be frustrating at first, sometimes feeling as if you’re shouting into an empty abyss. In today’s “war for talent,” the candidates hold the upper hand, and it has become your job to initiate the hiring process. Step one of that process lies in attracting talent to your open positions in the first place. With that said, you’ll want to ask yourself, “are candidates interested in my jobs?” In using your click data, and click-through-rate (CTR) when available, you’ll be able to properly assess this question. Here’s how:

**Clicks** can be a telltale sign of general job seeker interest in your specific job title and that type of job overall. Typically, more clicks means more interest, reflecting a well-written job title, a high-demand opportunity, or an easy-to-fill job type.

**Click-Through-Rate (CTR)** takes your understanding of “interest” one step further by providing you a measure of job seeker engagement with your job advertisements, if you have access to impression data. Unfortunately, not every website you advertise jobs on will provide the impression data needed to calculate this metric, as mentioned earlier in this resource. But when available, understanding the story this KPI tells is simple--the higher the CTR, the more intrigued job seekers are by your job.

So, are job seekers interested in the jobs you’re advertising online? If you’re clicks and CTR are high, then chances are job seekers are in fact interested in what your organization is posting. If not, then you may need to take a closer look into these metrics in order to better understand why job seekers aren’t as interested in your jobs as you may have thought.

**OPTIMIZATION OPPORTUNITY!**

Low click volume and/or low CTR can be an indicator of a hard-to-fill or low demand job, but these metrics can also highlight a poorly-written job title. Dig deeper into this data to better understand whether your job title needs improvement or if more advertising support is needed to fill a particular low demand or hard-to-fill job.
How Much Do You Spend on Job Advertising?

Since your goal is to increase ROI, you need to understand where your money is being spent well and where it may be wasted. However, before you can get there you’ll need to understand how much you’re spending to advertise your jobs online. **By leveraging the spend and cost-per-click (CPC) KPIs, you’ll be able to make this assessment. Here’s how:**

**Spend** might seem like the obvious metric to look at, but it’s often analyzed at the highest-level, making insights difficult to uncover. But, once you begin breaking it down to the job level, you can really start to get at important insights. For instance, in understanding how much you’re spending on each individual job, you’ll easily be able to identify which jobs may be producing waste or inefficiency in your budget by spending more or less than what’s needed.

**Cost-Per-Click (CPC)** can help you break down job spend data and understand competition even further. If you analyze your CPC at deeper levels - by job, by department, by source, by location and more - you’ll get a better understanding of which jobs, or which groups of jobs, are more or less competitive on certain sources or in certain locations. This level of spend granularity can also help you determine where the reallocation of funds are needed most--or conversely, where your budget is being wasted most.

When it comes to analyzing your online job advertising budget, it’s simply not enough to understand the total cost. By digging into your data to unearth your job-level spend and cost-per-click at varying levels, you can understand where your budget dollars are going and what effect they have on your ROI.

**OPTIMIZATION OPPORTUNITY!**

Keep an eye out for jobs with very high or very low spend. These extremes can be indications that you’re wasting budget on jobs that are getting more than enough traffic or that aren’t getting enough traffic. Either way, you should be setting goal-oriented rules in a programmatic job advertising platform in order to automatically stop spending on jobs when they hit a certain number of clicks or applications, or to automatically reallocate your budget to jobs that are struggling.
Where Are Your Top Candidates Coming From?

At this point, you should now be able to figure out if candidates are interested in your jobs and what the cost associated to advertise these jobs is, at a number of different levels. Next, let’s talk about quality. In the end, recruitment marketing is about hiring the right talent to drive your business forward. Before you can hire the right talent, though, you’ll first need to determine who “the right talent” is--who are your ideal, top candidates. Once you know that, you’ll want to ask yourself, “where are my top candidates coming from?” The conversion rate and quality applicants metrics can help you answer that question. Here’s how:

**Conversion Rate**, analyzed specifically by source, can help you understand source quality. For instance, you might have one source that generates a high volume of clicks but a very low volume of applications. What this may tell you is that candidates from this source are interested in your jobs (based on the job title), but then decide not to apply for whatever reason. In this case, that source may simply be attracting a lower quality of candidate than what your job demands, and this tells you that posting that particular type of job on that particular source may not be beneficial.

**Quality Applicants**, also analyzed by source, can help you determine which sources are driving the most valuable candidates to your jobs. Furthermore, quality applicants can be looked at on the job-level to help you determine which sources are best for advertising particular jobs on.

Most importantly, by determining where your top candidates come by leveraging your conversion rate and quality applicant data, you’ll be able to answer the next, and possibly the most important, question.

**OPTIMIZATION OPPORTUNITY!**

Sources or jobs with very low conversion rates could indicate technical issues on the job or in the apply process, bot traffic, or poorly written job descriptions - and these will cost you important budget dollars while producing little to no return! Always look into sources or jobs that have low conversion rates to ensure there’s not a bigger problem at hand. Additionally, consider moving budget to sources that are producing more quality applicants than others.
How Much Does it Cost to Make Great Hires?

As you progress further and further down the recruitment marketing analytics funnel, you’re likely trying to understand what it costs to put people in the positions that drive your business forward. So ultimately, what you want to ask yourself is, “how much is it costing me to make great hires?” By evaluating your cost-per-applicant, cost-per-quality-applicant and cost-per-hire, you can get at that answer. Here’s how:

**Cost-Per-Applicant** will tell you how cost-effective you’ve been in attracting talent initially, since an applicant is the final piece of the top of your funnel. This is the first piece of the puzzle in determining how much it costs to bring top talent through your organization’s doors.

**Cost-Per-Quality-Applicant** goes one step further by showing you how much you’ve spent to produce applicants you deem “qualified.” CPQA takes you out of the top of the funnel and into the hiring process. It explains your cost associated with finding talent worthy of an interview.

**Cost-Per-Hire** is no doubt the metric you’ve been waiting for. The CPH metric ultimately answers your question of, “how much is it costing me to make great hires,” but all the prior metrics discussed go into answering this question in the end.

The question of performance isn’t one that can be answered simply. However, they can be answered if you have end-to-end recruitment marketing analytics. And until you can answer these questions, you can’t really identify areas of waste and inefficiency to be able to optimize for improved ROI.

**OPTIMIZATION OPPORTUNITY!**

A high CPA, CPQA and/or CPH may indicate that a job is in high demand or is hard-to-fill, but it may also indicate that you’re spending too much on advertising for that job. Keep an eye on your cost metrics for each job to better understand what your costs SHOULD be and what they actually are, as there’s likely an opportunity to move budget dollars around for improved cost efficiency.
Recruitment Marketing Analytics Self-Assessment

We want you to feel confident about your recruitment marketing analytics and how you can leverage them to improve your job advertising strategies. So, we’ve put together a self-assessment to quickly help you evaluate you and your organization’s recruitment marketing analytics capabilities.

Take this quick, two-part self-assessment to find out if you’re a recruitment marketing analytics pro, or if you have some room for improvement. Add up your points from A and B to get your results.

A. Give yourself 1 point for every KPI below that you can measure for every single job that you advertise online:

_____ Spend
_____ Clicks
_____ Applicants
_____ Conversion Rates
_____ Cost-Per-Applicant
_____ Quality Applicants
_____ Quality Conversion Rates
_____ Cost-Per-Quality-Applicants
_____ Hires
_____ Cost-Per-Hires

_____ TOTAL A POINTS

B. Give yourself 1 point for every question below that you answer “yes” for:

I have data that helps me understand whether candidates are interested in my jobs or not.
(YES or NO)

I have access to my spend/cost data for every job that I advertise online.
(YES or NO)

I have data that helps me understand where my highest quality candidates are coming from.
(YES or NO)

I have data that helps me understand how much it costs me to make a hire.
(YES or NO)

_____ TOTAL B POINTS

For your results, continue on to the next page.
Recruitment Marketing Analytics Self-Assessment Results

Now, add up your Total A points and Total B Points to get your results.

____ TOTAL A + B POINTS

10-14 Total Points
You’re a recruitment marketing analytics pro!

It sounds like you have a solid understanding of why it’s important to measure your recruitment marketing analytics, which metrics are KPIs and how this data can be leveraged to better understand your overall job advertising strategies. If you’ve already got a platform that gives you access to all of this data and information in one dashboard with easy, one-click reporting, then you’re ahead of the game!

5-9 Total Points
You’re on your way to data-driven efficiency.

You seem to have access to the basic analytics needed to make some strategic decisions. There may be an opportunity to gain further insights by finding an end-to-end analytics dashboard where you can see job-level data, from click through to hire, with spend from all of your sources in a single dashboard. You may also want to consider a programmatic job advertising platform to automate and optimize your strategy.

0-4 Total Points
You may want a new analytics platform...

It’s critical to track, analyze and understand your recruitment marketing analytics for every job and for every source. Without data, it’s near impossible to optimize your recruitment marketing strategies for improved ROI. We have a FREE recruitment marketing analytics dashboard that can help make it easy for you to understand your job advertising strategies. Don’t wait, request your access today!

So, how’d you do? If you aced this assessment, congratulations! You’re a recruitment marketing analytics pro, and chances are you’re probably running a lean and mean job advertising strategy already. However, if your quiz results showed some room for improvement, don’t worry! You don’t need to be a pro to understand and optimize your job advertising strategy.

To learn more about how we can provide you access to your recruitment marketing analytics and help make it easy for you to understand and optimize your job advertising strategies, contact Recruitics today.
Recruitment Marketing Analytics Formulas “Cheat Sheet”

Here’s a “cheat sheet” of the recruitment marketing analytics formulas we’ve reviewed in this resource. Print this out and keep it handy so you always know how to calculate the KPIs you need to make data-driven decisions in your job advertising efforts.

### COST FORMULAS

<table>
<thead>
<tr>
<th>Formula</th>
<th>Description</th>
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| CPC | \[
\text{CPC} = \frac{\text{SPEND}}{\text{CLICKS}}
\] |
| CPA | \[
\text{CPA} = \frac{\text{SPEND}}{\text{APPLICANTS}}
\] |
| CPQA | \[
\text{CPQA} = \frac{\text{SPEND}}{\text{QUAL. APPS.}}
\] |
| CPH | \[
\text{CPH} = \frac{\text{SPEND}}{\text{HIRES}}
\] |
| CTR | \[
\text{CTR} = \left( \frac{\text{CLICKS}}{\text{IMPRESSIONS}} \right) \times 100
\] |
| CR | \[
\text{CR} = \left( \frac{\text{APPLICANTS}}{\text{CLICKS}} \right) \times 100
\] |
| QCR | \[
\text{QCR} = \left( \frac{\text{QUAL. APPS.}}{\text{APPLICANTS}} \right) \times 100
\] |

To learn more about how we can provide you access to your recruitment marketing analytics and help make it easy for you to calculate, understand and optimize your job advertising strategies, contact Recruitics today.

We also have a FREE recruitment marketing analytics dashboard that can help make it easier for you. Learn more about Recruitics’ analytics platform today.
About Us

Recruitics is a data-centric recruitment marketing agency that makes it easy for the world’s leading brands to attract and hire great talent. Our Four Pillars of Talent Attraction are powered by our award-winning recruitment marketing analytics and optimization platform. We revolutionized recruitment advertising in 2012 with the introduction of the world’s first recruitment marketing analytics and optimization platform.

For more information about Recruitics, contact us: 877 410 8004 or info@recruitics.com.