HIREMATIC

Metrics for Success
in Recruitment Marketing

Building the foundations of an optimised,
high-performance recruitment marketing engine

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The ROI of Recruitment Marketing

Recruitment marketing requires a significant investment of time, resources, and money, which is why it's essential to measure its return on investment (ROI).

In this guide, we'll explore the ROI of recruitment marketing and provide you with insights on how to maximise the impact of your recruitment marketing efforts. We'll discuss the benefits and challenges of recruitment marketing and provide practical tips on how to streamline advertising processes, reduce costs, and meet your hiring goals.

Whether you're an HR or talent acquisition manager looking to hire a large number of employees quickly, an account manager at an RPO, or a digital ad agency that specialises in job ads, this guide will help you understand the ROI of recruiting marketing and make informed decisions about your recruitment strategy.

Understanding Recruitment Marketing KPIs
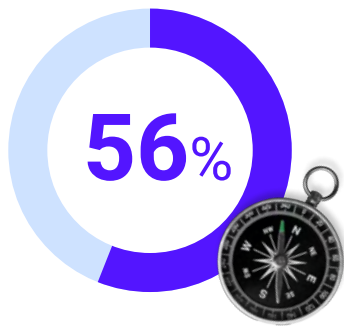
56% **Only 56% of companies use data to drive decisions in recruitment marketing. This is a huge missed opportunity by almost half of recruitment leaders.**

Metrics play a crucial role in recruitment marketing as they help recruiters and hiring managers measure the effectiveness of their recruitment efforts and make data-driven decisions. From the speed of filling open positions to the cost of recruitment advertising and the acceptance rates of job offers, every metric is important in evaluating recruitment strategies.

Recruitment marketing metrics provide valuable insights into candidate behaviour, the effectiveness of job advertisements, and the overall recruitment process. Metrics also allow recruiters to quantify the return on investment of their recruitment advertising efforts. Using the cost-per-hire metric, for example, recruiters can evaluate the effectiveness of different advertising channels and determine where to allocate their recruitment budget.

11 Key KPIs for Recruiters to Track

By tracking the metrics outlined in this ebook, recruitment leaders can identify areas for improvement and optimise recruitment strategies to attract and retain top talent and reduce the cost of recruitment.

① Click-Through Rate (CTR)

CTR is a metric used in digital advertising and marketing to measure the effectiveness of an advertising or marketing message. It represents the percentage of people who click on a specific link or call to action (CTA) after being presented with the opportunity to do so. Therefore, in recruitment marketing, CTR is the percentage of job seekers who click on your job ad after seeing it.

Why it's important:

A high CTR indicates that your job ad is appealing and relevant to your target audience, while a low CTR suggests that your ad may not be resonating with job seekers.

How to Calculate?

To calculate CTR, you can divide the number of clicks on your job ad by the number of impressions (i.e., the number of times your ad was displayed). A programmatic job ad platform like Hirematic can help you accurately and efficiently calculate CTR.

② Cost-per-Click (CPC)

CPC measures the cost you pay each time a job seeker clicks on your job ad.

Why it's important:

CPC helps you understand the return on investment of your job advertising spend.

How to Calculate?

To calculate your CPC for a specific ad, divide the total advertising cost by the total number of clicks. For example, if you post a job for £2,000 and you receive 1,600 clicks on that job, your CPC would be £1.25. To take the manual work out of tracking CPC, you can use a platform like Hirematic that also helps optimise your CPC.

3 Cost-per-Application (CPA)

CPA is a metric that measures the aggregate cost to acquire one applicant on a campaign or channel level. This metric helps you understand the cost-effectiveness of your recruitment efforts.

Why it's important:

CPA is a measure of campaign cost performance. A low CPA indicates that your job ad is effectively attracting qualified candidates at a reasonable cost, while a high CPA may suggest that you need to adjust your ad targeting or make changes to your application process to encourage more submissions.

How to Track? **You can track CPA through a variety of methods, including:**

- Using UTM parameters to generate link codes for social or affiliate marketing

- Using promotional codes and building custom links for internal campaigns

- Including a form field on application forms that asks candidates how they found out about a job

- Exporting PPC campaign data from Google AdWords

- Implementing a CRM or ATS system

- Using a programmatic ads platform

Using a programmatic ads platform is hands down the best way to track CPA. If you use a solution like Hirematic, the best part is you only pay per application — so it's a win-win.

4 Conversion or Apply Rate

The conversion or apply rate measures the percentage of job seekers who take action after clicking on your job ad, such as submitting an application or contacting you for more information.

Why it's important:

A high conversion or apply rate means that your job ad is effectively driving job seekers to take action, while a low conversion rate indicates that there may be obstacles or barriers preventing job seekers from applying.

How to Calculate?

Apply rates are calculated by taking the number of applications and dividing that by the number of total ad interactions that can be tracked to an application during the same time period. For example, if you had 200 applications from 1,000 interactions, your conversion rate would be 20%.

⑤ Application-to-Hire Rate

Do you know how many applications you need to find one successful hire? If you're receiving too many, you're wasting time sifting through unsuitable resumes; too few, you might not find the skills or talent you need for the role. To determine your sweet spot, calculate your applicant-to-hire rate or the percentage of applicants to hire.

Application-to-hire rate is a little more granular than the conversion rate as it measures the percentage of job applicants who ultimately get hired.

Why it's important:

This metric helps you understand the effectiveness of your recruiting process and the quality of your candidate pool.

A high application-to-hire rate indicates that your recruiting process is efficient and effective at identifying qualified candidates, while a low application-to-hire rate may suggest that you need to improve your screening process or adjust your job ad to attract more qualified candidates.

⑥ Time on Page

Measuring the time job seekers spend viewing your job ad is crucial in identifying which parts of your job ad are most effective in keeping job seekers engaged.

A longer time on the page suggests that your job ad is engaging and relevant, while a shorter time on page may indicate that your ad is not capturing job seekers' attention.

Why it's important:

The time on page metric helps you understand job seekers' behaviour on your job ad and improve its content and design to increase engagement and conversions.

7 Applicant Quality

Applicant quality is a metric that measures the quality of candidates who apply for your job opening. A high-quality applicant pool means that your job ad is effectively targeting and attracting qualified candidates who are a good fit for the position and your company culture. On the other hand, a low-quality applicant pool may indicate that your job ad is not effectively targeted or that the job requirements are not clear or relevant.

How to Measure?

Applicant quality can be measured using various criteria such as education, experience, skills, and qualifications.

➡ **CV screening:** Look for relevant experience, skills, and qualifications that match the job requirements. You can also look for achievements, awards, or recognition that demonstrate the candidate's potential.

➡ **Pre-employment assessments:** Evaluate candidates' skills, cognitive abilities, and personality traits. You can use different types of assessments, such as behavioural assessments, cognitive tests, or skills tests, depending on the job requirements.

➡ **Interviews:** You can ask behavioural-based questions to evaluate how candidates would handle situations relevant to the job. You can also ask technical questions to evaluate their knowledge and experience.
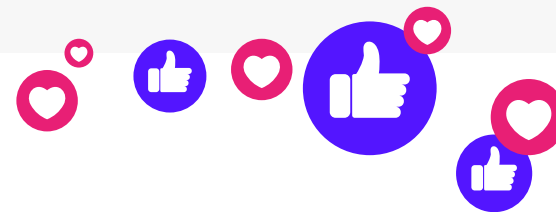
Why it's important:

By tracking applicant quality, you can improve your job ad and hiring process to attract more qualified candidates and improve your hiring outcomes.

8 Social Engagement

Measuring social engagement is becoming increasingly important in understanding how your job ad resonates with job seekers.

Social engagement measures the number of likes, comments, and shares that your job ad receives on social media platforms. A high level of social engagement indicates that your job ad is generating interest and has the potential to go viral, while a low level of social engagement may suggest that your ad is not effectively targeting your audience or that it is not shareable or appealing.

Why it's important:
Measuring social engagement allows you to identify which social media platforms are the most effective in promoting your job ad.

9 Time to Fill

Time to fill is a critical metric that measures the amount of time it takes to fill a job opening.

Why it's important:

A longer time to fill may indicate that you are not effectively targeting your job ad or that your hiring process is too complex or lengthy. By streamlining your hiring process and optimising your job ads across multiple channels, you can reduce your time to fill and attract more qualified candidates.

10 Diversity Metrics

As companies strive to promote diversity and inclusivity, measuring diversity metrics is essential in ensuring that your job ads are reaching a diverse pool of candidates and that your hiring practices are inclusive and equitable.

Diversity metrics measure the diversity of your applicant pool and workforce, such as gender, race, and ethnicity.

Why it's important:

Diversity metrics help you identify any gaps in your hiring practices and make necessary changes to ensure more inclusive hiring.

11 Retention Rate

Measuring retention rate helps you understand how effective your job ad is in attracting candidates who are a good fit for the company culture and job requirements. This is particularly helpful in recruitment strategies where there may be a high turnover of staff.

Retention rate measures the percentage of new hires who remain with the company for a specified period of time, such as 6 months or 1 year. A higher retention rate indicates that your job ad is effectively attracting candidates who are a good fit for the company, while a lower retention rate may suggest that your job ad is not accurately representing the job or the company culture.

Why it's important:

Measuring retention rate helps you identify any issues with your job ad or hiring process that may be contributing to a low retention rate and make necessary changes to improve it.

Summary of Recruitment KPIs

| Metric	What It Indicates
Click-Through Rate (CTR)	Job ad relevancy among target audience
Cost-Per-Click (CPC)	Target audience and ad placement accuracy as well as the competitiveness of your industry
Cost-Per-Application (CPA)	Return on investment in recruitment marketing
Conversion or Apply Rate	Actionability, obstacles, and barriers to application completion
Application-to-Hire Rate	Effectiveness of recruiting process and quality of candidate pool
Time on Page	Relevancy of job ad content to the audiences your ads are capturing
Applicant Quality	Target audience accuracy and content clarity
Social Engagement	Relevancy of specific social channels among your target audience
Time to Fill	Effective targeting and process Length
Diversity Metrics	Diversity gaps in your hiring practices
Retention Rate	Whether you are attracting good-fit candidates to your job openings

Integrating Technologies to Improve Metrics

Overall, metrics in recruitment marketing help recruiters and hiring managers to make data-driven decisions, optimise their recruitment strategies, and improve the overall candidate experience, leading to more successful hiring outcomes.

This all sounds great but how can anyone possibly track all these metrics when we are so busy with our day-to-day tasks?

Technology can automate and streamline data collection processes, reducing manual errors and increasing the accuracy of the data. For example, applicant tracking systems can capture data on the recruitment process and the candidate experience, allowing recruiters to analyse trends, identify bottlenecks, and improve the overall hiring process. Additionally, using programmatic job ad platforms can help target the right candidates, track the performance of job ads, and increase the reach and visibility of job postings.

Integrating HR technologies can significantly improve the quality of metrics used in recruitment marketing. Using an integration partner like Kombo or similar, Hirematic connects easily to any applicant tracking system (ATS) so you can ensure a streamlined process for applicants and a robust recruitment solution that captures data from the time an application clicks on your job ad to their first day on the job!
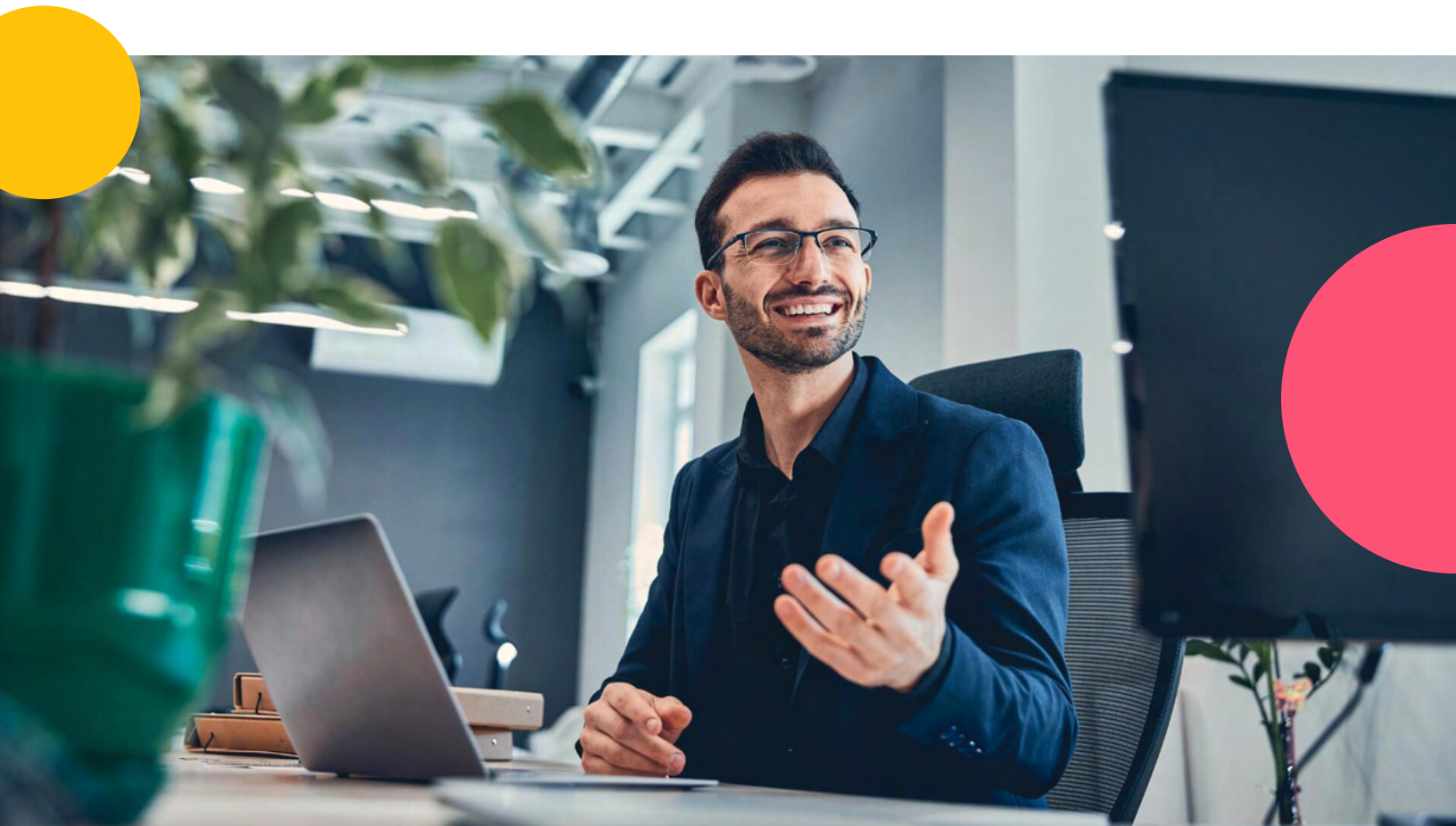
Recruitment Marketing Benchmarks

Recruitment marketing benchmarks are linked to — but distinct from — the metrics discussed in the previous chapter. While metrics are quantifiable data points that can be clearly demonstrated and proven, benchmarks are the numbers, states, or conditions against which future metric results can be compared.

Metrics: Quantifiable data points that can be clearly demonstrated and proven

Benchmarks: Numbers, states, or conditions against which future metric results can be compared.

How to Determine Recruitment Marketing Benchmarks for Your Team

To determine the recruitment marketing benchmarks to measure against, you can start by researching industry standards and best practices for the specific metrics you want to track.

Additionally, you can look at your own historical data and performance to establish a baseline and identify areas for improvement. By analysing your past recruitment metrics, you can identify trends and patterns that can help you set realistic benchmarks and goals for the future. If you don't have historical metrics, start tracking today's metrics and look back on them in one month, one quarter, and one year, to set a new benchmark.

It's also important to consider the unique characteristics of your organisation, such as size, location, and industry, as well as the specific roles you are recruiting for. This can help you set benchmarks that are tailored to your organisation's needs and goals.

By regularly tracking and analysing your recruitment metrics against these benchmarks, you can continuously improve your recruitment strategies and achieve your hiring goals.

Sample Recruitment Marketing Benchmarks

Overall, establishing benchmarks requires a combination of industry research, historical data analysis, and consideration of organisational and role-specific factors. However, there are some metrics discussed in this guide that have generic benchmarks you can use as a starting point.

1 Click-Through Rate (CTR)

To calculate CTR, you can divide the number of clicks on your job ad by the number of impressions (i.e., the number of times your ad was displayed).

Across all industries, the average CTR for a search ad is 1.91% and 0.35% for a display ad. For recruitment, the CTR for a search ad is 2.13% and 0.14% for a display ad.

2 Cost Per Click Benchmark

To calculate your cost per click, divide the total advertising cost by the total number of clicks. For example, if you post a job for £2,000 and you receive 1,600 clicks on that job, your CPC would be £1.25.

3 Cost Per Application Benchmark

To determine CPA, add up all your recruitment expenses, including advertising costs and onboarding time, and divide by the number of hires during the same period. For instance, if you spent £30,000 over three months and received 1,575 applications, your cost per application during that period was £19.05.

We recommend setting your own benchmark by keeping a record of your costs per application. The record serves as both a goal to stay below and a benchmark for investments in future recruitment cycles.

You can also look at the past performance of your hiring team by asking questions like:

➡ Did we meet our hiring goals compared to other quarters?

➡ Have we reduced the time and costs associated with hiring?

➡ How effective are our sourcing channels?

➡ Has our attrition rate of new hires increased or decreased?

4 Apply Rate Benchmark

Apply rates are calculated by taking the number of applications and dividing that by the number of total ad interactions that can be tracked to an application during the same time period. For example, if you had 200 applications from 1,000 interactions, your conversion rate would be 20%.

Apply rates shift based on many factors, including the geographic market you're recruiting in. Tracking your local competition along with your industry's recruiting trends paints a more holistic picture of your hiring landscape.

Other factors that affect apply rate are:

➔ **Job seeker preferences** — Do you know what makes your candidates click?

➔ **Ad location** — Have you researched the best job posting site for your ad?

➔ **Enough traffic** — Where does your ad rank on the search results page?

➔ **Type of job** — Some skills are more in demand than others, and there are not always enough applicants in the talent pool

The best way to benchmark your apply rate performance is to test and record over defined periods of time, by campaign or quarter for example. Running audits on your application process can also help uncover opportunities to attract candidates more efficiently and improve the candidate experience.

5 Application to Hire Benchmark

Do you know how many applications you need to find one successful hire? If you're receiving too many, you're wasting time sifting through unsuitable resumes; too few, you might not find the skills or talent you need for the role.

To determine your sweet spot, calculate your applicant-to-hire rate or the percentage of applicants to hire.

According to global PageUp research, on average globally and across all industries, 25 applications are needed for one hire. The exact numbers vary based on the industry. **Higher Education hires approximately 7% of applicants whereas retail hires approximately 3% of applicants.**

Your organisation's metrics will also differ from the benchmark so discover the volume of applications your company requires to find the right person for the role.

6 Time to Fill Benchmark

Time to fill is a critical metric that measures the amount of time it takes to fill a job opening. According to Bersin research, the average time to fill a role across all industries is 44 days.

The government and public sector industry has the longest average time to hire of all UK industries at 6 weeks — this is likely due to lengthy administrative processes being involved in government jobs, such as security clearance for employees working with sensitive information.

Industry	Average time to hire (weeks)
Goverment & Public Sector Establishments	6
Banking & Financial Services	5.9
Education & Training Establishments	5.2
Medical & Health	5.2
Importers, Exporters & Agents	5.1
Wholesale, Distribution & Servicing	5.1
Industrial Companies	4.9
Legal & Accounting Firms	4.8
Information Technology	4.7
Transport, Shipping & Storage	4.7
Farming & Animal Establishments	4.5
Professionals	4.5
Sport & Leisure Establishments	4.4
Retailers	4.1
Hotels & Catering Establishments	3.9
Average	**4.9**

The Importance of Automation in Recruitment Marketing

Automation is the process of using technology to automate repetitive tasks, streamline workflows, and reduce manual effort. When applied to recruitment marketing, automation can help organisations achieve more with less effort — and less money!

Benefits of Automation in Recruitment Marketing

Here are some of the benefits of using automation in recruitment marketing:

1 Increased Efficiency

Automation can help recruiters to be more efficient by reducing the time spent on manual tasks. For example, automation can be used to send out personalised emails to candidates, schedule interviews, and track candidate progress through the hiring process. New technologies are even enabling the automation of job advertising!

2 Better Candidate Experience

Candidates today expect a seamless, personalised experience throughout the recruitment process. Automation can help recruiters to deliver this by sending targeted communications to candidates and keeping them informed at every stage of the process.

3 Improved Accuracy

Human error is inevitable, but automation can help to reduce errors and ensure that all candidates are treated fairly and consistently. For example, automated screening tools can help to eliminate bias in the hiring process.

4 Cost Savings

Recruitment can be a costly process, but automation can help to reduce costs by eliminating the need for manual labour and streamlining workflows. This can be especially beneficial for recruitment campaigns which can eat up recruitment budgets in no time — Aptitude Research found that up to 40% of job advertising budgets are wasted due to inefficient cost-per-click (CPC) deals or manual or low-frequency ad optimisation practices.

Up to **40% of job advertising budgets are wasted** due to inefficient cost-per-click (CPC) deals or manual or low-frequency ad optimisation practices.

Source: Aptitude Research

5 Data-Driven Decision Making

Automation in recruitment marketing generates a wealth of data that can be used to measure the effectiveness of job ad campaigns. This data can be used to identify areas for improvement and make data-driven decisions that improve the quality of hires.

In fact, automation can even extend to decision-making in some cases. With programmatic job advertising, intelligent solutions can make better decisions in real time about where and when to advertise.

The Role of Programmatic Job Advertising in Recruitment Marketing

Programmatic job advertising is the latest in HR recruitment technology. It brings automation to the very top of the recruitment funnel: job advertising.

Hirematic is a great example of a cutting-edge programmatic job ad platform. It is trusted by companies like Uber and Amazon to fulfil their hiring goals. It maximises job offer visibility and reaches across a vast network of recruiting channels. You can monitor traffic and applications across all channels in real time and optimise as required — or leave it to our team of experts.

The Benefits of Programmatic Job Advertising

Hirematic's platform is multi-country by design, so global organisations can build and manage job ad campaigns across 30+ countries — even with localised budgets. The intelligent recruiting solution uses AI and automation to help you optimise your recruiting spend and improve the quality of your applicant field and achieve a number of benefits including:

More Applicants

Maximise job offer visibility with automated distribution, replication, and optimisation across many channels in real time.

Lower CPA

Improve performance on existing job ad channels, reduce cost per click on job ads, and gain greater diversity in channel mix for better performance.

Low Touch

Manage multi-channel ads and budgets from one place and enjoy a fully managed service so you can focus on higher-value recruitment tasks.

Greater Insights

Achieve greater transparency into ad budget performance with granular insights and view which digital channels are driving results.

Automated Optimisation

Hirematic adjusts ad bids and shifts budgets continuously to lower cost-per-application and maximise applicant volumes. Our tech-enabled services model ensures you get the power of AI with the refinement of human expertise.

Optimising the ROI of Recruitment Marketing

Measuring the return on investment for recruitment marketing can be challenging. Traditional ROI calculations involve subtracting the initial cost of an investment from its final value, dividing that number by the cost of the investment, and multiplying it by 100.

How to Measure ROI on Recruitment

$$\frac{\text{Final recruiting value - Initial cost}}{\text{Cost of investment}} \times 100 = \text{ROI(\%)}$$

However, recruitment marketing involves various costs and is influenced by external factors such as market trends and seasonality, making it more complex to get to an accurate ROI number.

Let's walk through a number of steps that will help you calculate an ROI based on your unique business challenges.

Reducing the Cost of Recruitment Marketing

According to CIPD, the average cost per hire is approximately £6,125. However, depending on your business's size, scope, and the positions you are recruiting for, this figure can be three to four times the position's salary. If you are hiring a large number of employees at once, costs can quickly add up. Recruiting new staff involves a significant amount of work. The recruitment process can consume a considerable amount of your internal team's time and expenses related to job ad placement can be eye-wateringly high.

So how can you optimise your recruitment marketing to keep costs under control?

The Average Cost Per Hire:

£6,125

1 Employer Branding

Build a strong employer brand to attract candidates who are a good fit for your organisation. This can help reduce costs associated with high turnover rates and candidate drop-off rates.

2 Employee Referral Programs

Encourage your existing employees to refer candidates through a structured referral program. This can save you money on recruitment advertising and lead to higher-quality candidates.

3 Optimised Advertising

Instead of spending a large amount of money on broad advertising, target your recruitment ads to reach specific audiences. Use demographic data and social media targeting to get your job ads in front of the right people.

4 Data Analysis

Use data analysis to determine the most effective recruitment channels and job posting sites for your organisation. By analysing your recruitment marketing metrics, you can focus your efforts on the most effective channels and save money on less effective ones.

5 Work with Recruitment Marketing Experts

Consider partnering with recruitment marketing experts who can help you optimise your recruitment strategy and manage costs. These experts can provide insights into the latest recruitment marketing trends and technologies, and help you design effective recruitment campaigns.

Identify and Address Recruitment Marketing Challenges with Programmatic Job Advertising

Proving the ROI of your recruitment marketing begins with identifying key business challenges that your marketing efforts are solving. Below are the three most common challenges we see in the industry to get you started:

Business Challenge #1

Talent acquisition managers are struggling to source workers.

Talent shortages that emerged around the Great Resignation aren't going away any time soon. Despite the ongoing news about mass layoffs in some industries, recent employment numbers published by the Office for National Statistics put unemployment at 3.8%.

> **Programmatic job advertising can help you find more qualified applicants to fill roles, faster.**
>
> The platforms automate everything and provide you with the ability to maximise job offer visibility with automated distribution and replication. A recent research study found 57% of companies that are using programmatic advertising plan to increase their investment in it as it is so effective.

Business Challenge #2

The cost of recruitment marketing is increasing.

The average cost per candidate application (CPA) rose by 43% in 2021 compared to 2020. And even if ad budgets increased to reflect this new reality, many ad campaigns are not optimised.

> **Programmatic job advertising delivers a lower CPA on job ads and offers the ability to improve performance on existing job ad channels and reduce cost per click on job ads.**
>
> Aptitude Research describes a programmatic model as a "cost savings solution, designed to help companies reduce spend and make performance-driven decisions that will ultimately save money by replacing ineffective advertising methods."

Many job ad budgets are squandered on pay-per-click campaigns that don't yield results.

Aptitude Research found that up to 40% of job advertising budgets are wasted due to inefficient cost-per-click (CPC) deals or manual or low-frequency ad optimisation practices.

> **Programmatic job advertising provides greater transparency into ad budget performance so you can see which channels are driving results and which ones are not.**
>
> Research found programmatic job advertising boasted 51% better job ad targeting and 48% improved campaign effectiveness.

The Hirematic Advantage

✓ **Designed for Results, Not Clicks**

With Hirematic, you only pay per job application — not per ad impression — so you can ensure your recruitment dollars are working hard for you.

✓ **Multi-Channel Job Advertising**

Never waste another dollar of ad spend in the wrong place. Our easy-to-use platform optimises ads across channels in real time to achieve the best possible ROI.

✓ **World-Class Optimisation Services**

You don't have to become a job advertising specialist to hit your hiring goals. Hirematic experts do all the legwork for you, so you can focus on hiring great people.

✓ **Self-Serve Model, If Required**

Hirematic's intuitive dashboard with real-time analytics helps specialist recruitment marketers to self-manage campaigns.

Hire More. Hire Fast. Hirematic.

Need help developing a high-performance recruiting strategy? Contact our job ad experts to see how Hirematic's programmatic solution can work for you.

✉ hello@hirematic.com   🌐 www.hirematic.com