

RecTech 2016: Digital tsunami envelops recruitment classifieds

AMSTERDAM – The impact of programmatic ads, the LinkedIn acquisition and the waning influence of recruiters: just some of the hot topics discussed last month at a gathering of who's who in recruitment classifieds.

Organised by the AIM Group and TAtch, an association for talent acquisition solutions, [RecTech 2016](#) was certainly timely as the jobs market experiences turbulent times and new players are readying for market entry.



Keynote speaker **David González Castro**, an internet entrepreneur and serial classified business leader, summed up the environment well:

“Being in the internet business is like skating on thin ice. If you are not fast enough, you will sink,” he said.



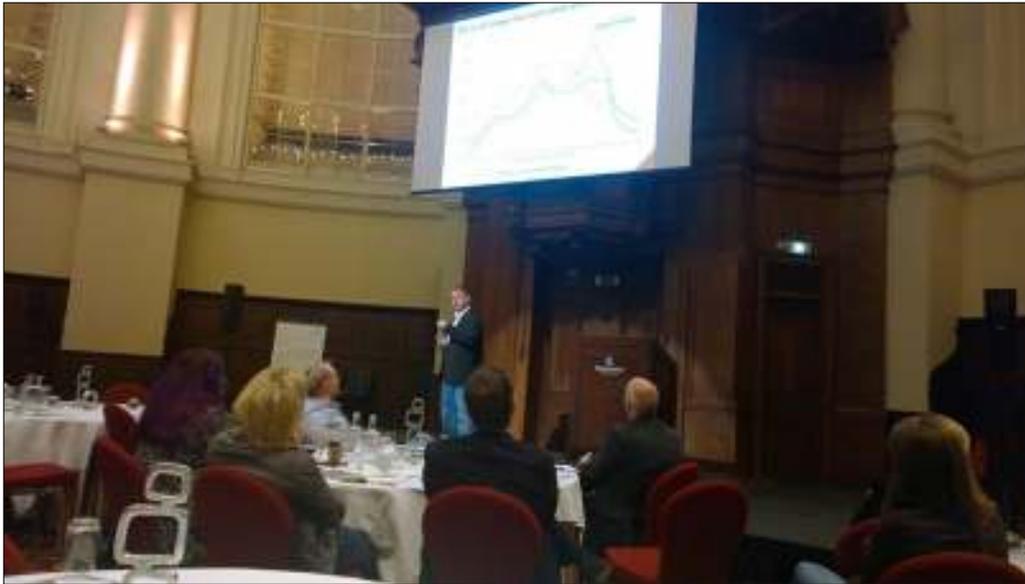
González helped grow Anuntis Segundamano into the leading general, cars and real estate online classifieds company in Spain before selling it to Schibsted in 2013. Currently, he devotes most of his energy to Red Arbor, the company he founded in 1998. It holds Computrabajo, the Brazilian job board that González described as the fourth biggest online job board group in the world, including InfoJobs Brazil, a site González has led to the top in Brazil from its inception in 2004, and other online businesses.

Unsurprisingly for a classified career spanning more than 23 years and several continents, Gonzalez has a unique understanding of the disruption affecting classifieds. He has overseen “three waves of the digital tsunami.” The first wave being the desktop computer – “the house PC age” – is dead, he said, followed by mobile internet and now mobile apps.

While González conceded younger users focus on mobile channels, he sees major problems in pure app players like CornerJob, JobAndTalent and Job Today. Grippled by app fever, these classifieds businesses have focused all of their energy into downloads and investments, a problematic situation in a recruitment landscape where mobile is still not seen as an optimum solution for a job application process.

González was more optimistic about opportunities for recruitment classifieds in education and the future tie-ins between the two segments. He cited Seek, the major Australian classifieds group, as an example as it is already receiving 50 percent of its revenues in its home market from the education business.

Another major area of growth for recruitment classifieds is Big Data and people analytics. “Deep knowledge of people is key for Job boards. User data is the petroleum of the 21st century,” he said. Being in control of information about candidates is the future in jobs.



David González Castro (pictured presenting at RecTech 2016), the founder of Red Arbor, sees the future of recruitment in education, Big Data and people analytics.

ed, while adding that LinkedIn is not relevant in Brazil and Indeed is growing faster in the U.S.

Programmatic: the beginning or the end for job boards?

Programmatic in jobs was a particular source of heated debate in Amsterdam. The industry is clearly divided over its future.

“Programmatic is a road to zero revenues from job ads. It will all just belong to Google, so I think this is a terrible idea,” said **Henrik Christensen**, the CEO of Swedish job board [Jobsafari](#).

On the other side of the fence, understandably as his business relies on it, was **Chris Forman**, CEO of Appcast, a U.S. programmatic job ad software company. He underlined both the weak usage of programmatic among job sites and the benefits that can be extracted from it. According to Forman, more than 67 percent of U.S. digital display spending is programmatic but job ads right now are only 2 percent based on programmatic buys.

What about the threats? González views professional social networks, job aggregator Indeed and apps as the biggest challenges to traditional job boards. He is, however, reserved about Microsoft’s acquisition of LinkedIn. News of the \$26.2 billion acquisition broke during the conf.

“They paid around \$60 per user,” González noted,

“Ultimately, programmatic is a much more effective tool in filling positions and finding the right candidates. And aren’t we all trying to achieve that in this industry?” Forman said.

Specialization – the future is niche

A common theme among RecTech participants was the accelerating drive towards specialization in recruitment, both in terms of specific position-based services and position-based pricing.

“We need more sophisticated pricing. Different costs for different roles. For example, right now a programmer in San Francisco costs as much as a customer service rep in New York. This will change,” said **Andrea Bertone**, president for Monster Europe.

Yet many also commented on the difficulty of finding the right candidates for specific roles, particularly in emerging markets.

With many job boards increasingly losing patience with recruiters (“They are cowboys, and mostly useless in getting the high-quality candidates,” said one person), alternate methods are being sought.

Referrals is one. **Robyn McGirl**, the founder and CEO of U.K. referral app Nudj, believes a more personal touch is increasingly bringing more value to companies.

“Only around 20 percent of the desired people are looking for work on job boards. We believe in leading with a conversation, not a CV,” she said.

In California, **Aline Lerner**, the founder of recruitment solutions platform [Interviewing.io](#), arranges quick-fire “blind dates” between candidates and Silicon Valley employers to find that magic working relationship.

Simplification a necessity for the user experience

As recruitment technology becomes ever more complicated, classifieds are in danger of overcomplicating the process for users. Nevertheless, this is something that companies are acutely aware of.

“Simplifying the consumption experience is key. It is becoming difficult to manage all the log-ins, services and accounts,” Bertone said.

Having the right software and site layout plays a massive role in retention, according to **Omar Tahboub**, VP of products at Bayt.com, one of the Middle East’s largest job sites.

“It is important for us to keep users coming back – attracting new job-seekers is expensive. The right interface can make a big difference in user interaction,” he said.