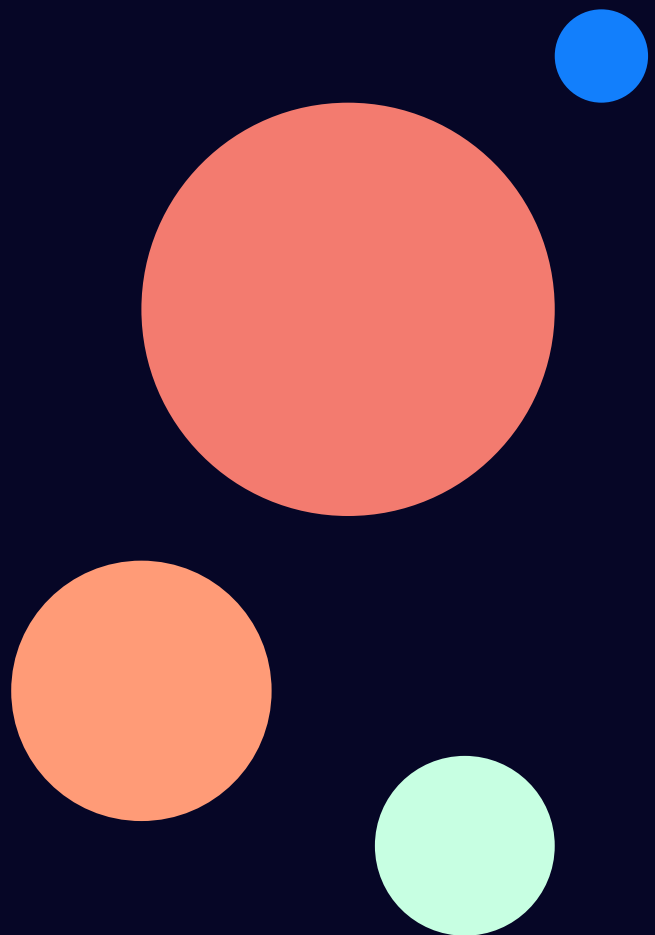




Job Ad Content: How Benefits Impact Candidate Attraction



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Benefits. Hiring organizations certainly understand the importance of offering them. And when recruiting for open positions, talent acquisition professionals typically include some mention of benefits in job ads.

But does including benefits in job ads make a difference when it comes to candidate attraction?

The short answer is yes.

Previous research, conducted in 2018 by behavioral scientist Ashley Whillans, PhD, Harvard Business School, and others, using Appcast data, found that each benefit you include in a job ad increases the apply rate by 1% to 5%.

While this has served as a good rule of thumb, Appcast wanted to determine if it is still a best practice and dive deeper into the impact of benefits in job ads.

Specifically, are all benefits listed in job ads equal? That is, do some carry more weight than others? Moreover, is the result the same for all industries / job functions?

Additionally, are there benefits of interest to job seekers, which employers may offer but not include when recruiting for open positions, that should be touted in job ads? Similarly, do other benefits resonate with job seekers that employers should consider offering and advertising?

With these questions as a starting point, Appcast looked more closely at how benefits language in job ads drives candidate engagement.

Methodology

Appcast Research looked at 7.6 million job ads for the period January 1 through July 31, 2021. These job ads corresponded to approximately 500,000 distinct job descriptions (many job ads use the same job description). We then randomly selected 100,000 job descriptions for a representative sample. The average apply rate remained consistent at 5.4%.

The job ads analyzed account for \$32 million in spend and represent a wide range of industries / job functions.

When looking at benefits by individual industry / job function, we established a threshold of at least 100 mentions per benefit.

These industries / job functions were part of the study:

- | | |
|--|------------------------------------|
| Administration | Management |
| Business & Consumer Services | Manufacturing |
| Construction & Skilled Trades | Marketing & Advertising |
| Customer Service | Real Estate |
| Education | Retail |
| Finance | Sales |
| Food Service | Science & Engineering |
| Healthcare | Security |
| Hospitality | Technology |
| Human Resources & Staffing | Transportation |
| Insurance | Warehousing & Logistics |
| Legal | |

Note: Several industries / job functions were excluded from the analysis because there was not enough data for results to be meaningful.

Once the parameters were set, we looked at these benefits:



Healthcare Benefits

- Health Insurance
- Dental Insurance
- Vision Insurance
- Pet Insurance
- Behavioral Health Benefit



Family Benefits

- Parental Leave
- Adoption Benefit
- Onsite Childcare
- Childcare Benefit



Additional Compensation

- Referral Bonus
- Performance Bonus
- Signing Bonus
- Regular Increment Bonus
- Stock Options
- 401(k)



Education / Professional Development Benefits

- Tuition Assistance
- Student Loan Repayment
- Professional Development



Paid Time Off

- Paid Vacation
- Paid Sick Time
- Paid Personal Time

We purposely did not include Flexibility Benefits, such as flexible hours, remote work, and hybrid work arrangements, as these benefits require different analysis and will be covered in a separate paper.

We also did not include Office Perks, such as onsite fitness centers, as these types of offerings are numerous and most are not widely applicable.

After determining benefits categories, we relied on natural language for the study, querying common benefits terms as well as synonyms for those terms. As an example, in the Additional Compensation category, synonyms for “signing bonus” included “sign-on bonus,” “sign on bonus,” and “hiring bonus.”

In addition to accounting for a variety of word choices, there were other challenges with this study. Some employers use the same job description for thousands of jobs; others have a separate job description for each job ad. Random sampling, along with attention to job ads and benefits language by industry / job function, helped address these challenges.

Overview

Appcast Research found that only **52% of the job descriptions in our sample mentioned any of these benefits**. This suggests that many employers are not offering benefits (likely the case with hourly positions) or that they are not including benefits in their job ads.

Despite a wide array of offerings, which vary from employer to employer and by industry / job function, overall, the benefits that have the most positive impact on apply rate are those with a bottom-line value to job seekers.

Mentions of the following benefits in job ads are associated with an overall increase in apply rate as shown.

Regular Incremental Bonus	13.9% vs. 5.4%	+155.1%
Pet Insurance	7.4% vs. 5.4%	+37.0%
Health Insurance	7.1% vs. 5.4%	+29.8%
Stock Options / Employee Stock Purchase Plan	6.9% vs. 5.4%	+27.5%
401(k)	6.5% vs. 5.4%	+20.5%

The biggest surprise here is pet insurance, although maybe we should have anticipated it. Approximately 67% of U.S. households or about 83 million families own a pet, according to the Insurance Information Institute (III). And, as pet owners will confirm, taking care of these family members can be costly. Arguably too, people have become even closer to their pets while working remotely during the pandemic.

It should be noted, though, that pet insurance was most often mentioned in job descriptions containing four or more benefits. Pet insurance is likely valuable, but its inclusion with other offerings could also be an indicator that the employer offers a strong benefits package overall.

We found the same to be true for stock options / employee stock purchase plans.

Regardless, money and insurance (which equates to money) are what drive job seekers to apply for jobs.

However, it appears as though job seekers are looking at finances longer term. In general, quick cash, like referral bonuses and signing bonuses, do not increase apply rates.

The phrase that comes to mind is “financial security.” Job seekers are motivated by benefits that offer financial security.

Findings by Benefits Terms and Industry / Job Function

After looking at the overall impact of individual benefits on apply rates, we then focused on differences by industry / job function. We wanted to know if certain benefits were more attractive to job seekers looking for employment in specific fields.

Admittedly, getting our arms around this wasn’t easy, and presenting our findings is challenging as well. We decided that the most logical approach is to share findings by benefits terms, with attention to the industries / job functions most impacted. For easy reference, these disciplines are listed in alphabetical order in the various benefits categories.

1 Healthcare Benefits

Health Insurance

As previously stated, when health insurance was included in job ads it generally was associated with a higher apply rate. This is true overall and across many industries / job functions.

These industries / job functions showed a notable increase in apply rate when job ads mentioned health insurance.

Customer Service	3.77% vs. 10.64%
Education	6.71% vs. 5.71%
Healthcare	5.58% vs. 4.43%
Legal	5.06% vs. 4.05%
Marketing & Advertising	17.02% vs. 11.41%
Science & Engineering	7.38% vs. 5.85%
Technology	11.66% vs. 7.67%
Transportation	3.03% vs. 2.71%

There were also smaller upticks in these industries / job functions.

Administration	10.81% vs. 10.67%
Business & Consumer Services	6.99% vs. 5.76%
Construction & Skilled Trades	4.68% vs. 4.60%
Insurance	11.24% vs. 10.66%
Management	5.76% vs. 5.19%
Real Estate	7.11% vs. 6.32%
Transportation	3.03% vs. 2.71%

But there were a few exceptions. In these disciplines, when health insurance was mentioned in job ads, the benefit did not increase apply rate.

- Finance
- Food Service
- Hospitality
- Manufacturing
- Retail
- Sales
- Security
- Warehousing & Logistics

For some of these industries / job functions, it may be that intense competition for workers and shortage of candidates are factors, as opposed to the benefit itself.

For Human Resources & Staffing, there weren't enough job ads with the term and the impact could not be measured.

Note: *In the job ads we sampled, health insurance, as a benefit, was often listed in connection with dental insurance, for example, as "medical/dental."*

Dental Insurance

Dental insurance was not often mentioned as a separate benefit in the job ads we sampled; it was typically included in the health insurance category.

This created limitations from the standpoint of data analysis. Looking at the impact of the individual benefit by industry / job function was not feasible.

Vision Insurance

Vision insurance, on the other hand, was mentioned more frequently. Yet, in general, there was no positive impact on apply rate, except for these disciplines, where the apply rate increased, perhaps because the benefit has more value to workers in these fields.

Business & Consumer Services	7.26% vs. 5.76%
Construction & Skilled Trades	4.64% vs. 4.60%
Manufacturing	5.14% vs. 4.87%
Science & Engineering	9.76% vs. 5.85%
Warehousing & Logistics	7.03% vs. 4.16%

Pet Insurance

Despite the overall number of mentions of pet insurance in the job ads we sampled, there usually weren't enough mentions of the benefit in individual industries / job functions to draw any conclusions about specific disciplines and apply rate.

This said, there were two disciplines that met our threshold, and if they are any indication, pet insurance is as hot as overall results suggest.

Healthcare	7.52% vs. 4.43%
Science & Engineering	10.92% vs. 5.85%

Behavioral Health Benefit

With organizations stressing the importance of mental health and the pandemic drawing attention to the same, it is likely that behavioral health benefits will gain traction.

But so far, there is not widespread mention of the benefit in job ads across industries / job functions. It was only included in 2.9% of job ads in our total sample.

In the few disciplines where results could be measured there tended to be an increase in apply rate.

Construction & Skilled Trades	6.21% vs. 4.60%
Healthcare	5.08% vs. 4.43%
Science & Engineering	8.09% vs. 5.85%

2 Family Benefits

Parental Leave

In general, parental leave is not a benefit regularly mentioned in job ads; it was only included in 2.4% of job ads in our sample. When the impact of the benefit could be measured, it did not increase the apply rate, with the exception of these disciplines.

Healthcare	4.67% vs. 4.43%
Sales	7.84% vs. 6.26%

Adoption Benefit

Similarly, adoption benefit is not often mentioned. When the impact of the benefit could be measured, it did not increase the apply rate, with the exception of one discipline.

Finance	10.04% vs. 8.42%
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Onsite Childcare

Although childcare is frequently given as a reason for the worker shortage, very few employers advertise this benefit, if they indeed offer it. In total, only 88 job ads included onsite childcare; 56 of them were in Healthcare.

The sample was too small to effectively measure the impact on apply rate.

Childcare Benefit

In all the job descriptions we looked at, there were only 37 mentions of other childcare benefits across all disciplines. Here again, the sample was too small to measure the impact on apply rate.

3 Additional Compensation

Referral Bonus

Referral bonus, sometimes called employee referral program, is mentioned much more frequently than childcare in job ads, but it appears to have little impact on apply rate.

These disciplines are the only two where the apply rate increased when the benefit was mentioned.

Construction & Skilled Trades	5.70% vs. 4.60%
Warehousing & Logistics	4.79% vs. 4.16%

Performance Bonus

There weren't enough mentions of performance bonus in individual disciplines to effectively measure the impact of apply rate.

Signing Bonus

Despite employers' efforts at enticing candidates with signing bonuses, the impact on apply rate across industries and job functions is not positive.

The issue may be that when job ads mentioned signing bonus, it was likely to be the only benefit included in the ads. This benefit, offered in isolation, is likely not enough to motivate job seekers to apply.

There is one industry / job function where there was an increase in apply rate.

Warehousing & Logistics	6.72% vs. 4.16%
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Regular Increment Bonus

With regular bonuses, though, there is a difference.

The following industries / job functions showed a notable increase in apply rate when job ads mentioned a bonus.

Construction & Skilled Trades	9.96% vs. 4.60%
Customer Service	26.44% vs. 10.64%
Science & Engineering	8.54% vs. 5.85%
Technology	17.40% vs. 7.67%

There were also smaller upticks in these industries / job functions.

Healthcare	4.63% vs. 4.43%
Retail	6.48% vs. 5.97%
Sales	7.02% vs. 6.26%

Interestingly, there was no increase in apply rate in Food Service and Transportation. This could be due to intense competition for workers in these fields.

Stock Options / Employee Stock Purchase Plans

When job ads mentioned stock options / employee stock purchase plans, the ads tended to get more applies across a variety of disciplines, including some you might not expect.

Administration	11.86% vs. 10.67%
Construction & Skilled Trades	7.57% vs. 4.60%
Education	6.47% vs. 5.71%
Food Service	14.12% vs. 9.27%
Healthcare	6.40% vs. 4.43%
Management	5.78% vs. 5.19%
Science & Engineering	12.06% vs. 5.85%
Transportation	3.67% vs. 2.71%
Warehousing & Logistics	7.67% vs. 4.16%

Of note, stock options / employee stock purchase plans did not increase the apply rate for Sales jobs.

401(k)

Likewise, including 401(k) in a job ad is a draw for some disciplines and not others.

When job ads for these industries / job functions mentioned 401(k) as a benefit, there was an increase in apply rate.

Customer Service	13.06% vs. 10.64%
Education	6.57% vs. 5.71%
Finance	10.57% vs. 8.42%
Food Service	9.99% vs. 9.27%
Healthcare	4.58% vs. 4.43%
Hospitality	10.16% vs. 10.06%
Insurance	11.25% vs. 10.66%
Legal	4.73% vs. 4.05%
Marketing & Advertising	15.09% vs. 11.41%
Real Estate	8.57% vs. 6.32%
Retail	6.95% vs. 5.97%
Science & Engineering	6.76% vs. 5.85%
Technology	9.33% vs. 7.67%
Warehousing & Logistics	5.69% vs. 4.16%

4 Education / Professional Development

Tuition Assistance

These are the disciplines where including tuition assistance in job ads had a positive impact on apply rate.

Business & Consumer Services	5.78% vs. 5.76%
Construction & Skilled Trades	4.64% vs. 4.60%
Education	7.01% vs. 5.71%
Food Service	12.62% vs. 9.27%

Healthcare	5.78% vs. 4.43%
Management	5.49% vs. 5.19%
Manufacturing	5.05% vs. 4.87%
Science & Engineering	7.68% vs. 5.85%
Transportation	3.56% vs. 2.71%

Student Loan Repayment

For all the talk about student loan repayment, and the political debate around student loan forgiveness, the impact of student loan repayment as a benefit in job ads is basically non-existent. It was mentioned in only 3.9% of job ads in our sample.

Professional Development

Although professional development is frequently mentioned in surveys as a benefit job seekers value, professional development is not often mentioned in job ads – and in job ads where it was mentioned, it did not result in a higher apply rate.

5 Paid Time Off

Paid Vacation

As a benefit listed in a job ad, paid vacation gets mixed results. Possibly this is because job seekers presume they will get a paid vacation and do not consider the benefits language when deciding to apply or not apply for jobs.

For some disciplines, though, paid vacation was associated with a higher apply rate.

Administration	14.22% vs. 10.67%
Business & Consumer Services	5.92% vs. 5.76%
Education	6.45% vs. 5.71%
Finance	10.64% vs. 8.42%
Food Service	9.80% vs. 9.27%
Healthcare	4.91% vs. 4.43%
Legal	4.35% vs. 4.05%

Marketing & Advertising	18.68% vs. 11.41%
Real Estate	8.42% vs. 6.32%
Retail	6.94% vs. 5.97%
Science & Engineering	7.16% vs. 5.85%
Technology	7.70% vs. 7.67%

Paid Sick Time

Because it was mentioned so infrequently in job ads, it is difficult to measure the impact of paid sick time. This said, two disciplines for which there was sufficient data had an increase in apply rate.

Business & Consumer Services	8.06% vs. 5.76%
Healthcare	5.29% vs. 4.43%

Paid Personal Time

As with paid sick time, there were few job ads that mentioned paid personal time. For this benefit, no discipline had enough job ads to effectively measure the impact.

Other Offerings

There were several other benefits we looked at, including paid sabbatical, relocation assistance, and paid lodging, but the mentions in job ads did not meet the threshold for analysis.

Conclusion

Are candidates interested in some benefits more than others? Based on analysis of apply rates, the answer is yes.

Are candidates in certain industries / job functions motivated by specific benefits? Based on analysis of apply rates, the answer also appears to be yes.

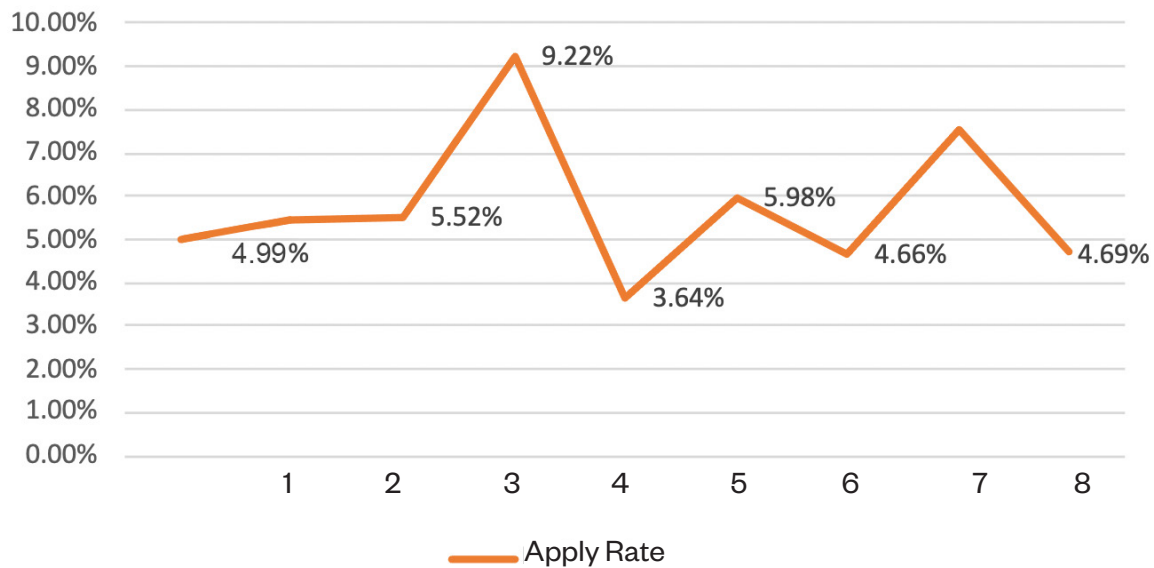
How do you explain the difference between various survey findings and what Appcast Research shows? While surveys reflect what job seekers ideally want, apply

rate is a better measure of what they actually want. It's where the rubber meets the road, so to speak.

And that's not all.

Where previous research showed an increase in apply rate for every benefit included in a job ad, there is no longer a linear relationship. Job ads that included three benefits had the highest apply rate.

Apply Rate by Number of Benefit Mentions



Source: Appcast Research

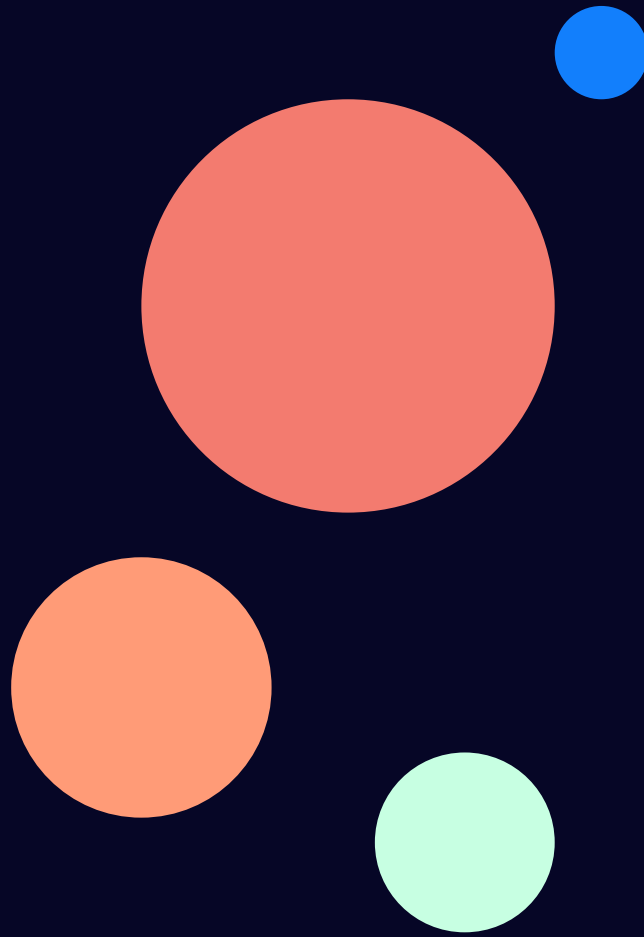
This further supports study findings that, in the current labor market, job seekers are interested in specific benefits.

Actionable advice is relatively straightforward:

Look at your benefits. Determine if the benefits you offer are those that will motivate job seekers to apply for positions at your organization. If not, consider making changes.

Look at your job ads. Determine if you are including benefits, from among those you offer, that will motivate job seekers to apply. If not, rewrite your job ads, with attention to the three best benefits you offer. Use the findings from this study as a guide.

Including the right benefits in job ads can help increase your apply rates, which will have a positive impact on your recruitment advertising goals. As important, it will allow you to connect with candidates who truly value what your organization has to offer.



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