Development and Breakthrough in Chinese Market for Online Video Recruitment Platform in The Era Of "Internet +"

Qiuping Ge;Wenhua Luo;Jue Wan

Abstract

With the help of "Internet +" technology, online video recruitment has overcome the defects of low coverage rate, high cost and poor effect of traditional recruitment mode. Compared with the traditional offline recruitment and general online recruitment, it is more flexible in operating mode, personnel screening, and decision-making mechanism. Better user experience, and higher quality of recruitment. Taking HireVue in the United States as an example, the online video recruitment platform has the potential of Chinese investment value and market development. However, there are economic and administrative barriers to entry, with high yields and high risks coexisting. In the future, we should consider those small to medium enterprises as the focus. Establishing multiple interaction modes; combining endogenous and exogenous financing; establishing a perfect credit system; And focusing on resource openness and private security.

Development and Breakthrough in Chinese Market for Online Video Recruitment Platform in The Era Of "Internet +"

——A Case Study of HireVue in the United States

Qiuping Ge[1], Wenhua Luo[2,] Jue Wang[3]

(Central South University, School of Public Administration, Changsha, 410083)

Abstract

With the help of "Internet +" technology, online video recruitment has overcome the defects of low coverage rate, high cost and poor effect of traditional recruitment mode. Compared with the traditional offline recruitment and general online recruitment, it is more flexible in operating mode, personnel screening, and decision-making mechanism. Better user experience, and higher quality of recruitment. Taking HireVue in the United States as an example, the online video recruitment platform has the potential of Chinese investment value and market development. However, there are economic and administrative barriers to entry, with high yields and high risks coexisting. In the future, we should consider those small to medium enterprises as the focus. Establishing multiple interaction modes; combining endogenous and exogenous financing; establishing a perfect credit system; And focusing on resource openness and private security.

Keyword's: "Internet+"; online video recruitment platform; online recruitment; HireVue

1. Foreword or introduction and Literature review

With the continuous development of "Internet +" technology, the defects of traditional recruitment mode, low coverage, high cost and poor effect gradually appear.Meanwhile, the new recruitment mode, recruitment efficiency, and recruitment effect are constantly emerging. The change and practice of

recruitment, under the environment of "Internet +," has prompted scholars at home and abroad to study it.

The study of foreign scholars has been carried out from the perspective of interview measurement, effective channels of recruitment and influencing factors.Jones (1998) took the lead in providing a clearer illustration of online recruitment[1], and Lee (2009) defined it as organizations identify and attract potential employees through a variety of electronic devices and networking technologies.[2]Cappelli Peter(2001) believes that online recruitment includes four steps below: recruitment advertising and web design; applicants for network assessment technology evaluation; online contact; traditional interview[3]. Timberlake(2006) found that online recruitment is a very effective and economic recruitment method, especially for large enterprises, through data analysis[4]. Mc Dougall(2011) found that the real-time interaction degree of the online recruitment process and the subjective cognition of the applicant were positively correlated with the recruitment attraction[5].

In China, Yu hongyi (2013) and zhang yan (2015) pointed out that there are some problems in website recruitment, such as personal information disclosure, mixed web sites, false information, and low success rate[6]. He Fei, Liu Benhan et al. (2014) considered that recruitment channels, corporate reputation, and employee engagement are the main factors influencing the effectiveness of online recruitment[7].Jin Peng (2017) studied the multi-interactive network recruitment system in the Internet era, and Ren minmin (2016) et al. studied the network recruitment of high-tech talents in Beijing high-tech enterprises.

Zhang Jianguo, the CEO of chinahr.com, pointed out that "the emergence of video recruitment service will make the traditional job fair officially farewell to the historical stage." However, there are few existing studies now.Yuan Sen (2017) pointed out that online video recruitment is an emerging model that accords with the law of economic development. With the further development of the Internet+, more and more organizations and candidates will choose this model [8].

As we can see, the "Internet+" Age with the characteristics of information transparency, beyond time and space, the links and share, Focus on "people" itself [9], making it collide with human resources management with lots of sparks. Related scholars focus on the micro mostly.The effectiveness of the online recruitment, the influencing factors, and existing problems was studied, however there still some defect, such as a lack of standard measurement of the sexual availability of online recruitment; few of the recruitment process of research and evaluation; less research on this new thing about online video recruitment platform.Relevant research in China has not kept pace with the application of industry development, and theory lags behind practice.

2、 Comparison of online video recruitment and existing recruitment methods

2.1 Contrast with offline traditional recruitment methods

The online video recruitment, like all Internet recruitment, has an unparalleled advantage compared with traditional recruitment methods. First of all, the openness and diffusivity of information provide more

options for both parties to break through time and space limitation. Second, the network video recruitment fee is low, which can save recruitment publicity and recruitment travel expenses. However, at the same time, online video recruitment also has the common flaw of Internet recruitment. For example, it is difficult to judge the true degree of information on both sides.Also, The Chinese Internet market is still emerging thing.Related management system and standardize are imperfect.Irregularities in the virtual world are more likely to converge and amplifier, affecting recruitment

2.2 Compared with the general Internet recruitment platform

According to the United States, "Fortune Magazine" statistics, more than 88% of Fortune 500 companies use online recruitment[10]. As an emerging online video recruitment platform for "Internet + HRM," there is the advantage that traditional online recruitment does not have.

2.2.1 Different operating modes

Online video recruitment platform is similar to Tencent video, iQIYI network video playback client, all applicants can be registered login at any time, to browse different industry job candidates interview videos.

Unlike those general network recruitment, online video recruitment process is to choose one or several enterprises enter the system firstly, and then start video assessment, to do the online video interview. Finally, the interviewer gets a comprehensive conclusion through the analysis of the large data and artificial intelligence.

2.2.2 Different personnel screening and decision-making mechanism

In the general network recruitment, the decision-making body is HR personnel; the Internet only plays the role of a link between recruiter and candidate.HR staff and candidates must be online at the same time; recruitment decision-making subjectivity is strong. However, on the online video recruitment platform, the Internet can be the role of a link for decision-making and provide scientific data analysis at the same time.Candidates can record video anytime, anywhere.Meanwhile, recruiters can also view it anytime, anywhere. The results of the hiring process are determined by big data, artificial intelligence, and recruiters.

3. Market potential and investment value analysis of the online video recruitment platform

The product life cycle is divided into four stages: introduction period, growth period, maturity stage

and decline phase, as well as online video recruitment，the emerging products of "Internet + human resource management." This model is in line with the trend of the rapid development of Chinese technology. As long as the time and environmental conditions are ripe, the Chinese market will likely be crowded with the blowout trend.

3.1 The unique advantages of online video recruitment platform

3.1.1 Great flexibility

Enterprise interview content customized by online video platform, according to the characteristics of employers, relatively fixed.The structured interview can not only avoid the reliance on resumes of the traditional video interview and subjective factors but also effectively match the most suitable talents, according to the individual needs of employers. Choosing any time and place to record、view and interact saves both time and cost.

3.1.2 A better user experience

Online video interviewing platforms include "Best Practice Library," "Star Performer" and "Video Library."Applicants not only can search recruitment information but also watch some outstanding recruitment videos and repeated practice through the platform. In the meantime, online video recruitment systems also set up backstage to examine plagiarism and avoid speculation.

3.1.3 Higher quality of recruitment

With a strong language support system, the online recruitment platform can automatically translate the language into a language that the recruiter can understand, which is suitable for global talent recruitment. At the same time, the use of big data and artificial intelligence to identify talent, combines the AI and IO psychology,which finishes the custom evaluation and matches talents with higher quality in the video recording by evaluating some data points such as the candidate's words, tone of voice, facial expressions, gestures and so on.

3.2 Chinese investment value of online video recruitment platform

Based on the Internet, video recruitment platform is both the product of "Internet + human resource management" and the entity enterprise aiming to maximize profits. Its early research technology input cost is extremely high, the technical cost occupies the total cost most part. At present, there is mainly Hirevue and wowzer on the new online video recruitment platform abroad, and there is no similar system professional company in China. Online video recruitment product growth and maturity are the same short

as the vast majority of technology products.As a new product stationed in the Chinese market, online video recruitment platform is likely to face a long period of loss status. Some powerful organizations will get more robust market expansion financial support, once break through the bottleneck period, are likely to dominate the online recruitment market in China.

3.3 China barriers to the online video recruitment platform

In the Chinese market, there are economic barriers and administrative barriers in the field of talent recruitment. Economic barriers include economies of scale, market saturation, technical and consumer preference barriers. Due to the full maturity of traditional recruitment methods, the online video recruitment platform is facing with huge scale economic barriers and consumer preference barriers. At the same time, the online video recruitment platform relies on the Internet, which contains the high technical elements that traditional recruitment methods do not have.

Administrative barriers refer to the barriers to entry of new enterprises through administrative means or by laws and regulations. Since the reform and opening up, China has become more and more tolerant to the outside world. On the one hand, it has given financial support to foreign enterprises on fiscal policy, on the other hand, it has continuously lowered taxes and fees. In the course of steady development, China's socialist market economy strives to reduce the administrative barriers of foreign enterprises, which is a positive development for the online video recruitment platform.

From the exit mechanism, the exit barriers of human resources recruitment industry mainly include sunk cost barriers and administrative regulations. From the point of those related product characteristics in online video recruitment platform, its fixed assets is a large portion, and most of the assets do not have the same generality.Assets are not easy to transfer, so It has a higher sunk cost barrier. Also, the online video recruitment platform as an emerging product in China's talent recruitment market has a small negative externality. In the future, the administrative regulations made by the government will not be the main barrier to the withdrawal of the product.

4、A Case: Development operation and Chinese market analysis of HireVue

4.1 Development of HireVue

HireVue was established in 2004 as one of the first companies to explore online recruitment in the United States and has been committed to online recruitment research. After repeated explorations, HireVue integrated online video interview and recruitment management, Mainly mobile recruitment mode, can make use of AI rating score, and help recruiters search candidates directly, etc. HireVue Insight system can build a machine learning system, based on interview data of more than 3 million candidates, use big data to make a decision and save the tedious links of candidate notification 、interview schedule and so on.

On HireVue App, a job interview consists of three parts: the candidate, the recruiter, and the Team Acceleration interview platform. The whole process does not have to be limited to a specific time and place, and special personnel is not required to participate in the interview broadcast.

HireVue's Insight system will score and predict the response videos of all interviewers, based on tens of thousands of indicators. The interviewer will also rate the interviewers according to their own experience.And the two will be combined to select the best candidate. By the way, all the candidate video information will be stored in HireVue's huge database.

4.2 The breakthrough of HireVue's development in China under the "Internet +" background

At present, China's Internet population is over 100 million and still keeps growing, and the ever-increasing Internet penetration rate has become a powerful thrust of online video recruitment platform in China. From the infrastructure construction, China's eastern coastal city Internet broadband access network and backbone network are relatively perfect; Internet penetration rate is high. In the western region, except chengdu and chongqing, the broadband access market in most areas is still in its infancy. The imbalance of regional development and the existence of digital divide may hinder the development of HireVue and make it more difficult for HireVue to enter the entire Chinese market.

Network information technology market in our country, the enterprise more focus on the use of various means of expanding the user base, while system maintenance and management are far behind, which caused our country average Internet speed and access speed lags are far behind the United States, Japan, and other developed countries Internet. This is a tricky problem for HireVue, an online video recruitment platform that requires strong servers and lightning speeds. Also, with the continuous expansion of the Internet to economic, social and cultural fields, Internet and information security issues have been highlighted, and online fishing incidents have increased. The unstable network and information environment will become one of the important problems in the development of online video recruitment platform, such as HireVue.

4.3 The trend forecast of HireVue entering the Chinese market

The development of new products is characterized by high profitability and high risk. Like most new technology products, HireVue products have the risks of the environment, customer, supporting and collaboration, as well as potential risks such as market, policy, and capital. Even with the rich experience in the US market, there is a great technical risk in HireVue because China and international science have a gradient, and the available technology and operating facilities in China are extremely limited.

Success in technology and production does not mean success in new markets. When online video recruitment platform such as HireVue go into the Chinese market, it is difficult to grasp the recruiters to recruitment demand situation and its change, also can not be sure in human resources recruitment market to accept the new product time and the market capacity in the short term. As an "outsider," HireVue, an

online recruitment platform for video, lacks effective marketing strategies for the Chinese market. But online video recruitment platform fits the time development theme.In the face of the policy, the risk is lesser, HireVue can Develop the Chinese market easily after the E round of financing, cause HireVue enterprise itself had a great enhancement of economic power.

5、The China market development path of Online video recruitment

It is estimated that in 2018, the economic benefits brought by Internet recruitment will reach 6.37 billion. With the in-depth development of "Internet +," new recruitment modes and brand communication channels have been continuously innovated and developed. Online video recruitment platform has broad prospects for development, huge market space, and low-cost recruitment benefits can speed up its development from the following aspects.

5.1 Small and medium-sized enterprises as the focus

Small and medium-sized enterprises have a large base. Under the trend of "mass entrepreneurship and innovation" in China, more and more small and medium-sized enterprises will spring up. The human resources management of these enterprises shows the characteristics of limited investment, various types of talents demand, and fast pace of work.The operation mode and features of the online video recruitment platform precisely fit their needs. In China, a large part of small and medium-sized enterprises are in the ascendant phase and have high acceptance of new things. It is less difficult for the online video recruitment platform to develop this market. Behind the huge number of enterprises is hugely lucrative.

5.2 The combination of exogenous financing and endogenous financing

The online video recruitment platform is developing in the Chinese market and requires huge capital investment. However, in the early stage of development, the online video recruitment platform have to focus on higher-cost external financing due to the lack of funds generated from the results of enterprise operation activities in the short term.Because the rapid rise of technology products, the online video recruitment platform in the following development can use retained earnings for long-term financing.

5.3 Establish multiple interaction patterns

The recruitment method based on the Internet is faced with contradictions based on the transaction mode or the relationship mode in the process of deepening the dependence on technology. Even in the era of "Internet +," online recruitment is not reduced to a management tool. Establishing multiple interactive modes can effectively enhance the exchange of candidates and recruitment enterprises. The multiple interactions between employers, headhunters, candidates and online platforms can fully release and

communicate their respective essential needs in a variety of relational chains and effectively match the man-job posts.

5.4 Resource opening and privacy protection coexist

Some developed countries have achieved universal coverage of the social credit system, which can effectively filter false information and match the recruitment of all parties. At the same time, the online video recruitment platform should pay attention to the balance between resource opening and privacy protection. Recruitment of corporate information and interview questions can be opened, the user interview video can be uploaded in the case of interviewers volunteered to share the cloud, interview resources, experience sharing, but at the same time must respect and protect the privacy of each interviewer. Only in this way, online video recruitment can show a strong vitality and vitality in the "Internet +" era of sudden emergence, an effective tool for network recruitment.

BIBLIOGRAPHY

[1] Jones.Making the most of online recruiting[J].Harvard Business Review, 2001,79(3):139.

[2] Lee. Internet Job Hunting: a Field Study of Applicant Experiences with online recruiting[J].   Human Resource Management, 2009(2):175-192.

[3] Cappelli Peter. Modeling the Benefit of e-recruiting Process Intergration[J]. Decision Support Systems,2001,51(1):230-239.

[4] Timber Lake. Employer's Use of Social Networking Sites Socially Irresponsible Pratice[J]. Journal of Business Ethics,2006(5):507-525.

[5] Mc Dougall. er-Recruitment: the Federal Public Service[J].The Rise of the E-labor Market Service Commission of Canada and it's implications,2010(4):57-58.

[6] An Zhefeng.Research Progress of Internet Recruitment at Hone and Abroad.Journal of Shanghai Business School,2010(1):75-78.

[7]He Fei, Liu Benhan.Factors Effecting Social Network Recruitment Effectiveness. Modern Business Trade Industry,2014(11):148-150.

[8]Yuan Shen.Development prospect of online video recruitment mode.Electronic Technology & Software Engineering,2017(9):31-32.

[9]Li Yanping and Qi Lingyuan.Employee Recruiting Management in "Internet+" Age: Approaches, Influence, and Tendency.Human Resources Development of China,2016(9):6-13.

[10]Liu Bo, Chen Xuewen.Research on the dilemma and countermeasures of China's online recruitment development.Contemporary Economics,2017(2):120-121.