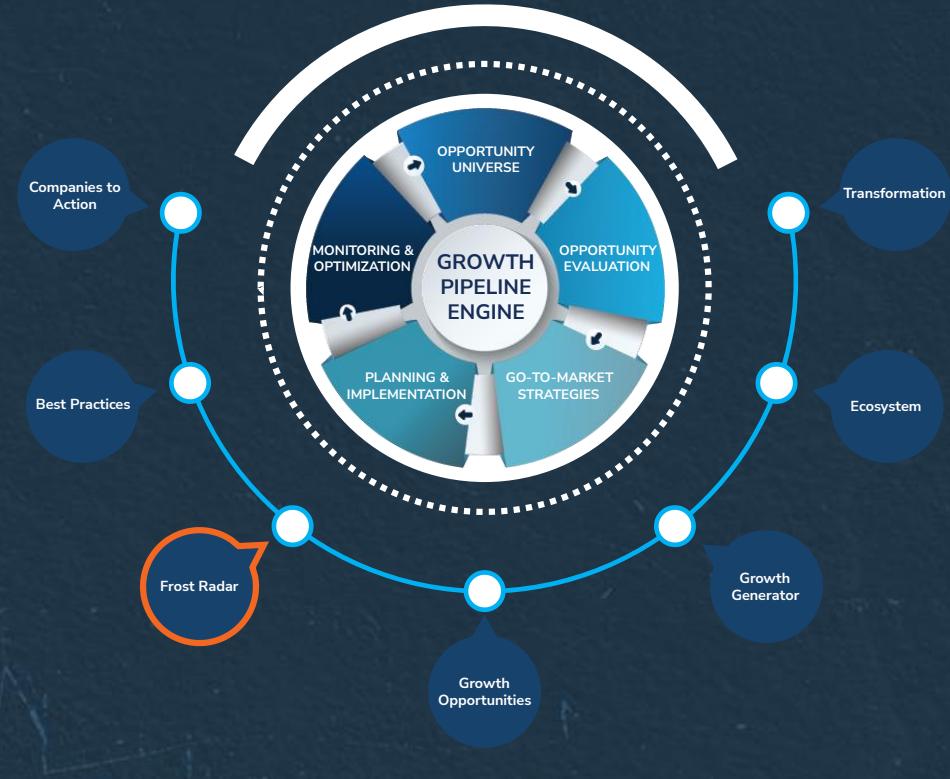


Frost Radar™: Hiring Platforms, 2024

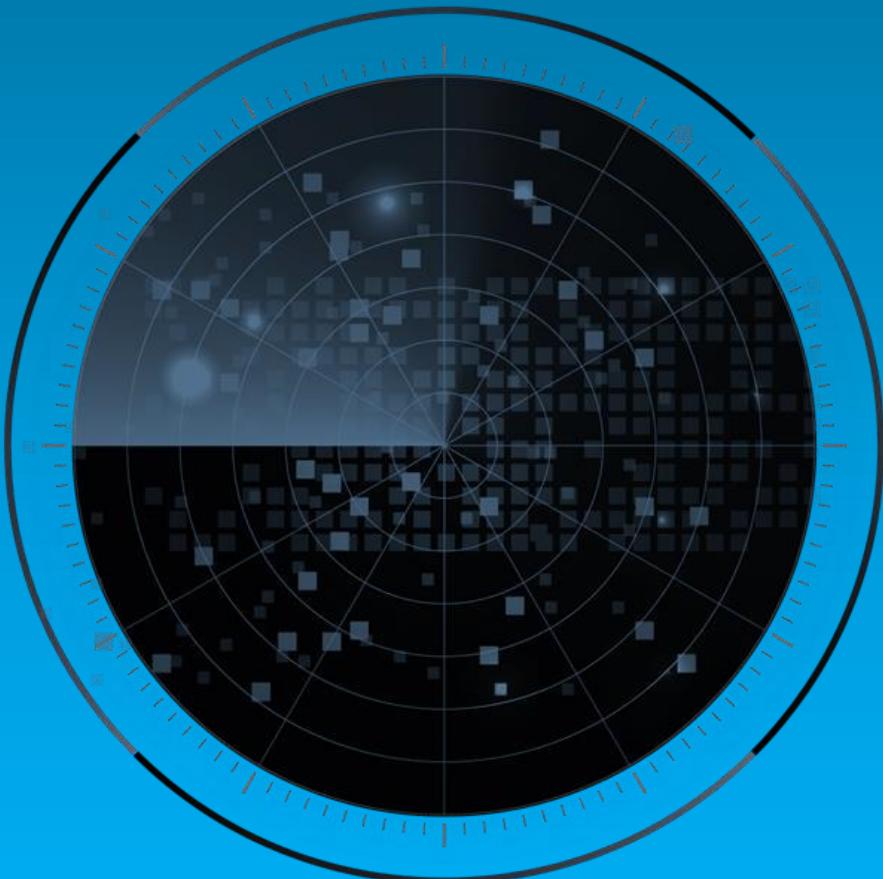
A Benchmarking System to Spark Companies to Action - Innovation That Fuels New Deal Flow and Growth Pipelines

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Strategic Imperative and Growth Environment



Strategic Imperative

- Securing top talent is imperative in today's challenging economic landscape. With fierce competition and limited resources, recruiters need to refine their hiring strategies. Leveraging next-gen, AI-powered hiring platforms can significantly improve candidate matching and speed up the hiring process.
- Hybrid and remote work remains central to many industries, enabling companies to source talent globally. Employers increasingly utilize hiring platforms that integrate talent pools from various regions, offer robust security to protect candidate data in line with local regulations and comply with international labor laws. For job seekers, this means competing with a significantly larger pool of candidates worldwide.
- Recruiters need tools that deliver precise data on metrics such as time to hire, source of hire, and recruitment costs, along with predictive analytics to pinpoint candidates most likely to accept offers, stay long term, and fit the company culture. These insights support data-driven decisions that align with the overall HR strategy. Real-time tools are also essential because employers need immediate visibility into the performance and return on investment (ROI) of their recruitment efforts.
- The demand for flexible work arrangements, including remote and flexible schedules, is fueling the rise of alternative work categories. This shift from hiring full-time employees to "borrowing talent" is driving growth in recruitment platforms that connect businesses with a diverse pool of gig, freelance, and contract workers.
- Recruitment departments are no longer only responsible for hiring the right candidates but are also required to enhance the job seeker experience from the time of approaching candidates to hiring. To this effect, organizations are choosing recruitment platforms that streamline the interview process, consolidate communication with the candidate, and manage onboarding swiftly and automatically from a single tool. This also allows recruiters to manage hiring across different functions and hiring stages.

Strategic Imperative (continued)

- Businesses should prioritize enhancing workforce diversity and inclusivity. Recruitment tools that offer features such as anonymized screening to mitigate unconscious bias will continue to see growth in adoption as they support businesses in executing diversity and inclusion strategies and enable unbiased hiring across a variety of candidates, including immigrants, veterans, and individuals of different gender identities.
- Candidates are more inclined to opt for employers that focus on employee well-being. Advanced recruitment solutions allow employers to highlight their employee care programs via employer branding, perks offered with wages and salaries, and candidate/employee reviews of the company. Candidates can use relevant filters to find companies that have employee well-being as a priority using recruitment platforms.
- AI-driven recruitment platforms streamline hiring by automating resume screening, candidate scoring, and pre-employment assessments. AI chatbots interact with candidates, handling questions, scheduling interviews, and conducting background checks. Additionally, AI tools help with job description writing, personalized outreach, and internal candidate matching. As GenAI adoption increases, demand will rise for vendors providing consulting and training to optimize its use in recruitment.
- Despite technological advancements, expert customer service is vital for fully leveraging feature-rich hiring platforms. While AI manages many tasks, personalized support is critical for addressing complex issues, tailoring solutions, and ensuring smooth integration. This expertise turns extensive platform features into improved hiring outcomes and a better overall experience for recruiters.
- A best-in-class solution should have AI-driven efficiencies, advanced analytics and reporting, workflow integrations, superior matching capabilities, features to eliminate bias, internal talent mobility and career pathing, accelerated time to hire, and a choice of pay plans.

Strategic Imperative (continued)

- A job search site or job board (terms that are used interchangeably) is a marketplace where employers post job openings and prospective candidates apply to positions that interest them. Traditional job sites were static, with simple search functionality based on keywords. Today's job sites are augmented by AI-based recruitment and matching capabilities that identify a broader range of qualified candidates from disparate sources.
- Hiring platforms enable enterprise recruiters to track and manage all activities in the hiring process, from job ads to offers, in one place. While job boards have a two-way value proposition, catering equally to the job search needs of the individual and the recruiting and branding needs of the employer, hiring platforms exclusively target the corporate recruiter or staffing agency, with job seekers benefiting only indirectly from a more seamless candidate experience with one partner.
- A career site is a dedicated web property that an organization uses to post open positions and project its brand, values, and mission to the outside world. It is almost always powered by and/or integrated with multifunctional hiring platforms, so candidates from multiple platforms can be considered.
- Applicant tracking systems (ATSSs) aggregate and organize job applicants through various job boards and career sites and enable recruiters to automate parts of the process. ATS capabilities can be integrated with other hiring functions (recruitment, candidate assessment, onboarding) for an end-to-end hiring solution that can be managed in one place, like a hiring platform.
- HR information systems (HRISs) empower enterprises to manage their workforce throughout their employment journey, from onboarding to payroll and performance management. Some HRIS solutions help recruiters manage and streamline the recruitment process with automation, resume screening, candidate information storage, and onboarding, but the features tend to be less sophisticated and comprehensive than those of pure-play recruiting platforms.

Strategic Imperative (continued)

- A robust hiring and matching platform does it all: supports candidates throughout the hiring journey; guides candidates through the application and interview process; vets applicants based on qualifications; automatically rejects unqualified applicants; incorporates specific requirements for every open position; integrates with leading ATSSs; bolsters postings with job advertising and advanced data analytics; and optimizes matching capabilities.

Growth Environment

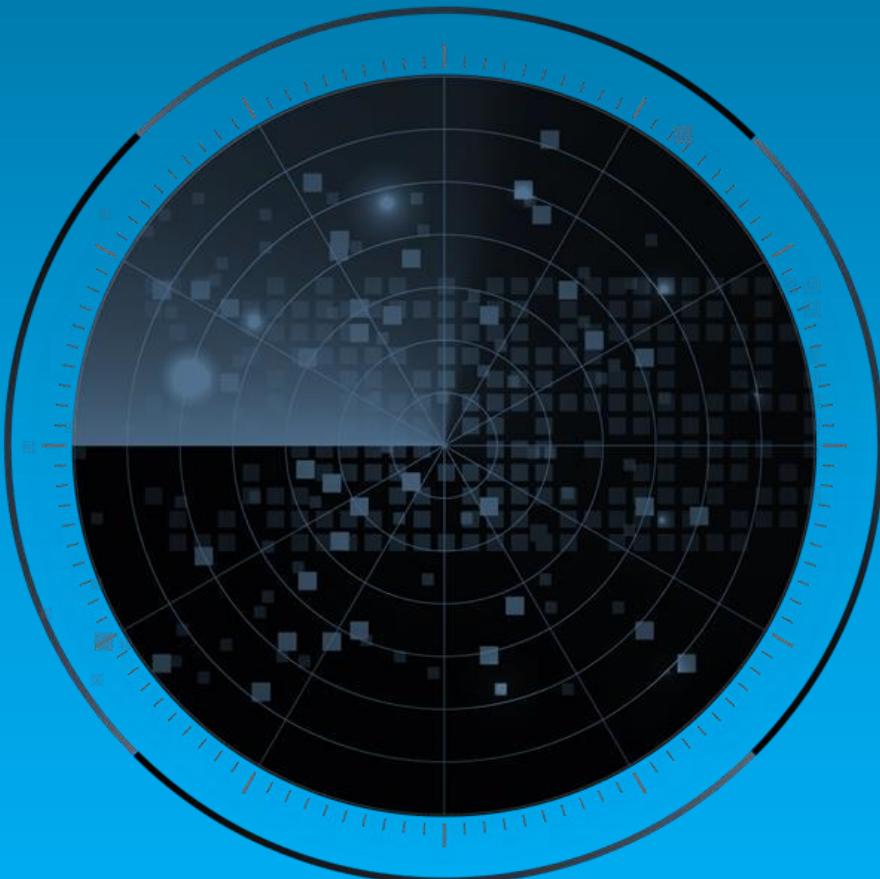
- The HR technology and hiring platform industry experienced a tumultuous year in 2023, which has continued in 2024. The global economy teetering on the edge of a recession amid geopolitical turmoil and widespread layoffs in various regions and verticals contributed to hiring freezes and a marked reduction in technology spending. Reflecting these headwinds, Frost & Sullivan estimates that the market grew at a meager 1.6% in 2023 to \$28 billion. This sluggish growth is projected to persist through 2025.
- The timely emergence of Generative AI (GenAI) in early 2023 has been an industry game-changer. AI is revolutionizing hiring by simplifying job postings, enhancing communication between employers and job seekers, and improving talent matching while maintaining the human element of recruiting. Companies that effectively utilize GenAI and automation to create meaningful product improvements stand to gain a considerable competitive edge in this highly competitive environment. This includes established platforms such as Indeed (known for its end-to-end hiring and matching capabilities), Zoho Recruit (an ATS), and newer entrants, including Eightfold AI, with its cutting-edge talent intelligence suite.
- Employers and job seekers are adopting a more cautious approach given the economic uncertainty. Layoffs, particularly impacting recruiters and diversity, equity, and inclusion (DEI) professionals, coupled with job seekers prioritizing stability over new opportunities, have also created a challenging landscape. Recruiters today face the daunting task of doing more than ever but with fewer resources. This heightened pressure underscores the value of advanced hiring platforms to significantly improve recruitment efficiency and effectiveness.

Growth Environment (continued)

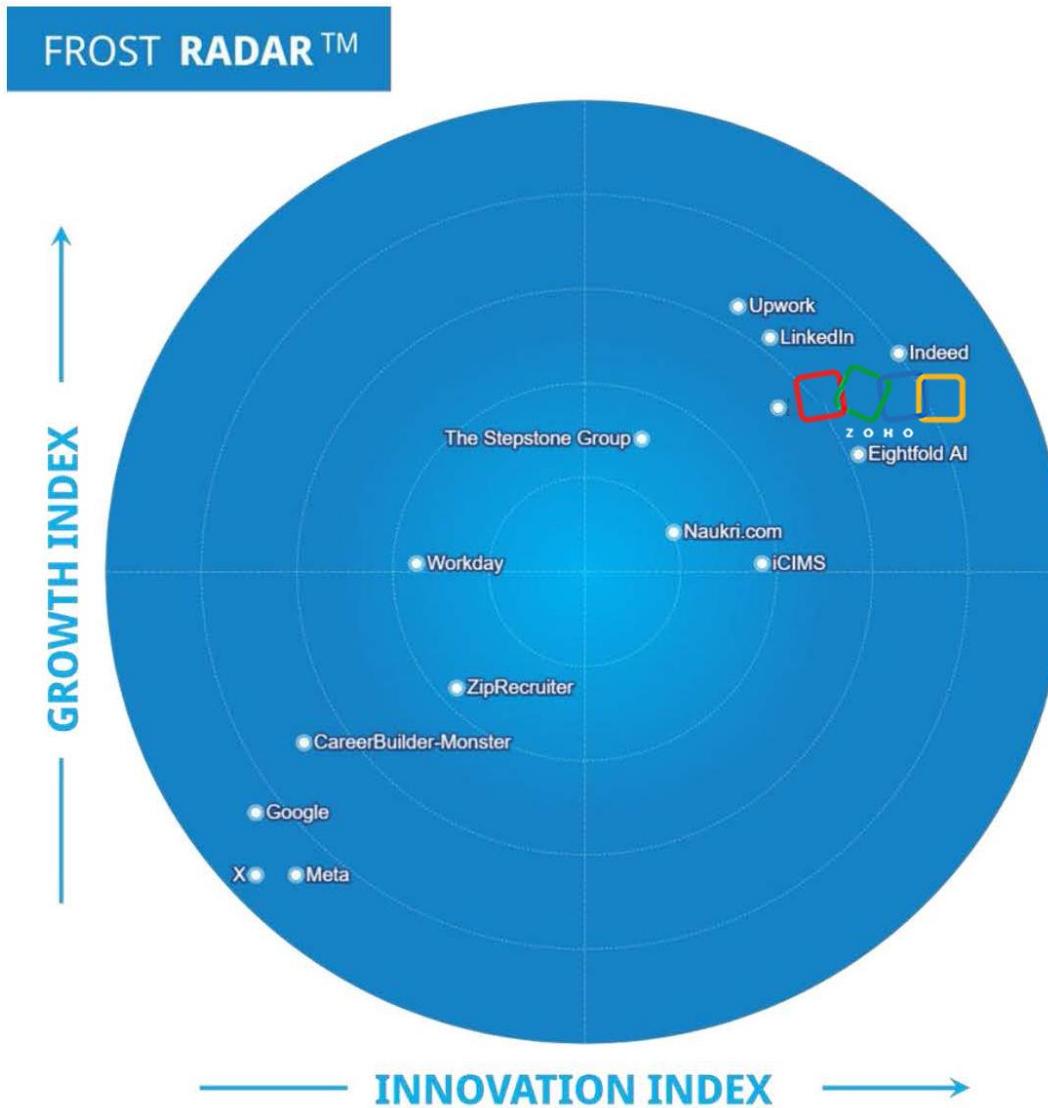
- Employers' recruiters often use multiple tools (up to 23 per hire), which can be inefficient and cumbersome. Customers (employers) display a growing appetite for end-to-end hiring platforms that serve as comprehensive partners for employers and job seekers. These platforms streamline the entire hiring process, from sourcing and matching to interviews and job offers. By eliminating the inefficiencies associated with switching between tools, such platforms can drastically reduce the time to hire in a competitive job market.
- While the core functions of hiring platforms broadly apply to multiple industries and job roles, regional and local expertise remains critical. Labor markets differ significantly across locations, and companies often favor platforms with a deep understanding of their specific region. Naukri.com (India), Stepstone Group (Germany and Austria), and Totaljobs (United Kingdom) are prime examples of providers with extensive local presence. Global players face an uphill battle against well-established local competitors; similarly, European/Asia-Pacific platforms struggle to gain meaningful market share in North America.

F R O S T & S U L L I V A N

Frost Radar™: Hiring Platforms, 2024



Frost Radar™: Hiring Platforms, 2024



Competitive Environment

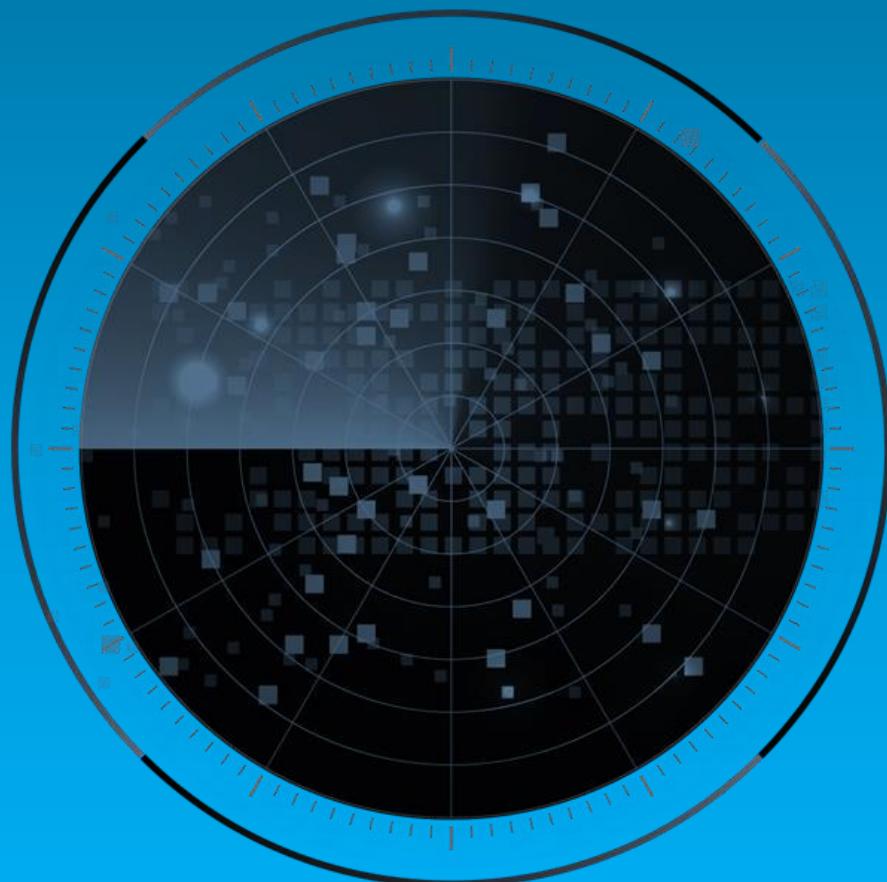
- Frost & Sullivan identified the top 14 platform providers that fit the inclusion criteria from the pool of hiring technology providers across various regions. This Frost Radar™ features Indeed, LinkedIn, Eightfold AI, iCIMS, Zoho, Workday, CareerBuilder-Monster, Google, Meta, X, Naukri.com, Upwork, The Stepstone Group, and Totaljobs. The HR tech and hiring platform market is poised for consolidation and expansion in the coming years as traditional players merge or exit and AI-driven companies increasingly enter the landscape.
- The Frost Radar™ participants include Indeed and LinkedIn, which provide end-to-end platforms; Eightfold AI, a talent intelligence suite; iCIMS, Zoho, and Workday, which provide specialized solutions; pure-play job boards CareerBuilder and Monster; opportunistic players Google, Meta, and X; and regional players Naukri.com, The Stepstone Group, Totaljobs, SEEK, and Reed.
- Some of the older and more established companies in this market still operate job boards; however, job boards have become a largely commoditized and declining business, as evidenced by the downfall of Monster over the years. Companies that have thrived have strategically expanded their footprint beyond job boards by venturing into new regions and diversifying their revenue streams. These include areas such as employer branding, sponsored content, targeted ads, premium subscriptions, certifications, and educational content. This growth has been achieved organically and through strategic acquisitions. CareerBuilder has attempted to offer employer solutions and assessments but has struggled to keep pace with competitors focused on product innovation and evolution.
- Indeed has expanded its offerings to cater to the entire hiring process. Together with its sister company, Glassdoor, they offer comprehensive services targeting employers and job seekers. By integrating matching tools, video interviewing, and onboarding services, they empower recruiters to build more robust talent pools and accelerate hiring speed.

Competitive Environment (continued)

- LinkedIn capitalizes on its existing network of businesses and job seekers to explore adjacent markets. This includes premium subscriptions, B2B sales and advertising, marketing solutions, and training services.
- Talent intelligence suites enable data collection and analysis of a company's existing talent pool and external candidates, which are then layered on top of public datasets. These tools drive strategic decision-making for current and future workforce planning and optimization. Workday and Eightfold AI are leading the way in this space.
- Some platforms address specialized needs in the talent acquisition space. iCIMS and Zoho Recruit focus on enterprise-level applicant tracking systems and integrations. Upwork caters to freelance and gig work, while The Stepstone Group includes companies specializing in industry-specific hiring.
- Strong regional favorites exist alongside global platforms. They include Totaljobs and Reed (United Kingdom), Stepstone (Germany), SEEK (Asia-Pacific), and Naukri.com (India), which local recruiters prefer because of their regional expertise.
- Technology giants Google, Meta, and X (formerly Twitter) have entered the job board business in the past few years. However, this area does not form a preliminary focus for these companies; it is more of an opportunistic play.

F R O S T & S U L L I V A N

Frost Radar™: Companies to Action



Zoho

INNOVATION

- Zoho Recruit, Zoho's talent acquisition suite, offers three editions, each targeting a specific type of hirer or jobseeker: staffing agencies, a marketplace for temporary workers, and corporate HR. Zoho Recruit covers recruitment marketing, candidate relationship management, analytics, and compliance. To date, Zoho Recruit's offerings are holistic and unmatched in the hiring industry.
- Zoho combines AI with business context in its products to offer customers contextual intelligence. Zoho Recruit's AI-powered blueprint exemplifies this approach by enabling recruiters to map out the hiring process from start to finish and manage recruitment for different roles with contextual analytics.
- In June 2024, Zoho announced the integration of Zoho Recruit's chatbot with the candidate portal to empower candidates to find matching jobs, save them within the portal, and track applications.
- In June 2024, Zoho introduced an innovative enhancement—Zoho Recruit's WhatsApp Interactive Templates—that allows users to engage with candidates efficiently using automated follow-ups and call-to-action response options through the WhatsApp communications platform.

Zoho (continued)

GROWTH

- Zoho reported 23% year-over-year (YoY) new customer growth for Zoho Recruit, a cloud-based hiring platform with an impressive customer base comprising 12,000+ businesses across 124+ countries and 20+ industry verticals. Zoho Recruit's top revenue-generating industries are HR and related services, IT hardware and associated services, and professional services, followed by real estate and construction, healthcare, pharma and life sciences, banking, financial services, and insurance (BFSI), manufacturing and retail, and education.
- Zoho partners with 80+ certified implementation partners to ensure ease of implementation for Zoho Recruit customers. The company reported that 18% of Zoho Recruit's total revenue came from its partner network in 2023. Regionally, Zoho Recruit's partner network in the Middle East and Africa contributed the highest revenue share, followed by Latin America and Asia-Pacific.
- Zoho Recruit offers 200+ marketplace integrations with popular business and social applications. In 2023, Zoho Recruit announced its integration with Shine and CareerJunction job boards. With the integration, employers can post job openings directly to Shine and CareerJunction from Zoho Recruit to reach a larger pool of potential candidates. Since 2022, LinkedIn's Premium Job Posting integration with Zoho Recruit has allowed hirers to publish, track, and optimize job postings on LinkedIn directly from Zoho Recruit.

Zoho (continued)

FROST PERSPECTIVE

- Zoho taps into less-crowded markets in the Middle East and Africa, particularly solidifying partner networks in these regions. The company should invest in more region-specific efforts and accelerate investment to expand its footprint in verticals such as BFSI, healthcare, pharma and life sciences, and manufacturing and retail to boost Zoho Recruit's market growth.
- Frost & Sullivan recognizes that although Zoho's uptake of GenAI is decidedly slower than other market players, it prioritizes delivering an efficient and smooth AI-powered experience to corporate customers. This approach will allow Zoho to play on its strengths, which include ease of implementation and ease of use. Zoho should continue to invest in AI-related R&D and upgrades across its product set to remain at the forefront of HR technology advancements,
- Zoho is one of the few firms targeting staffing agencies, with unique management tools for agencies and their customers. Further investment in catering to the unique needs of agencies will prove to be lucrative for Zoho Recruit in the long term.
- As part of its Transnational Localism effort, Zoho is partnering with local governments and communities to lower the technology adoption barrier for businesses. It has also opened hub-and-spoke model offices that allow employees to stay in their hometowns. This initiative has expanded Zoho's visibility as a desired technology partner.

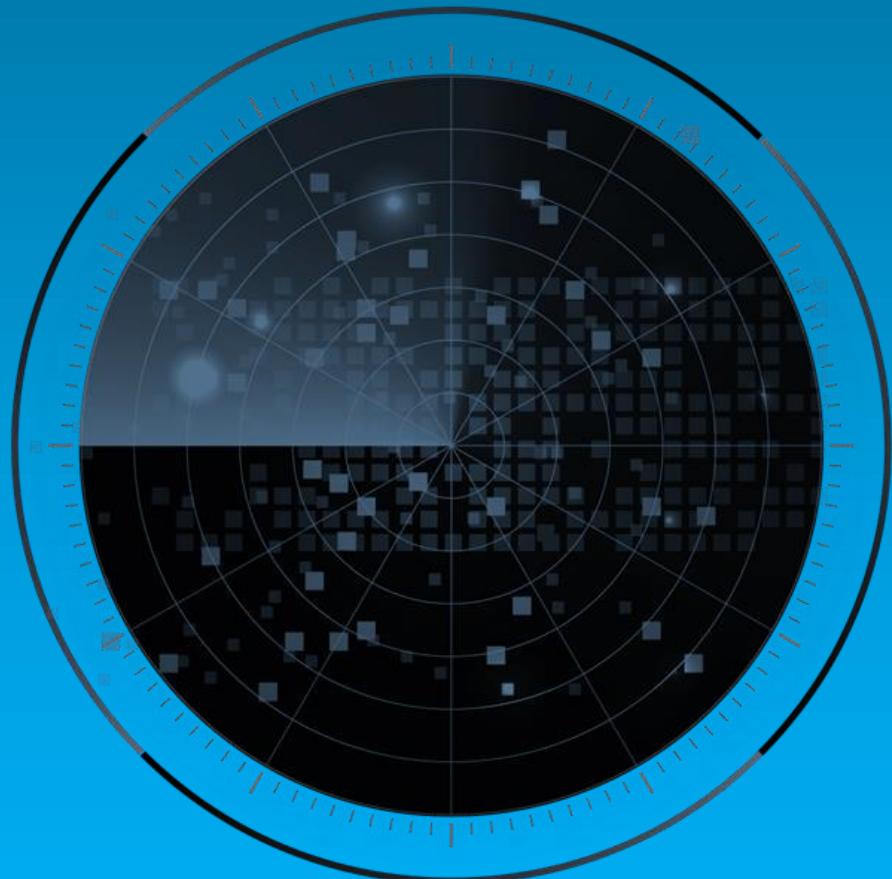
Zoho (continued)

FROST PERSPECTIVE

- Owing to economic volatility, customers opt for technology solutions with flexible payment options and no lock-in period. Zoho Recruit is increasingly popular among companies of all sizes because of its holistic capabilities and pay-as-you-go model based on actual consumption. Flexible payment options can be a powerful marketing strategy for the company to attract and retain more customers. The flexibility will likely entice a significant number of customers to switch from other hiring platforms to Zoho Recruit within the next year.

F R O S T & S U L L I V A N

Best Practices & Growth Opportunities



Best Practices

1

Hiring platforms are undergoing transformation with the integration of AI and automation, which offer significant advantages for job seekers and employers. As investment in AI-powered hiring platforms is expected to grow in the short term, vendors should strive to differentiate themselves by ensuring the accuracy and effectiveness of their AI features to enhance the quality of candidate matching and command premium pricing.

2

The traditional job boards market is declining, and many workforce challenges remain, offering opportunities for innovation. Companies that stand out have diversified revenue streams and actively leveraged GenAI to enhance talent pool development and skills-based hiring. Creating products that work effectively across regions also adds significant value. Anticipating future workforce needs like reskilling, upskilling, and adapting job roles is crucial, with AI playing a critical role in these areas.

3

The game-changing impact of GenAI on recruitment processes is immense and provides hiring platform vendors a considerable edge over the competition. For example, LinkedIn's GenAI tools across its Recruiter and Job Description offerings streamline repetitive tasks (e.g., crafting job descriptions and scanning resumes) and accelerate time to hire through enhanced candidate screening and assessment, while Eightfold AI's patented AI-powered Talent Intelligence Suite is propelling its growth in the talent acquisition market.

Growth Opportunities

1

The market for hiring platforms is crowded and fragmented, with post-pandemic revenue growth slowing in some cases and declining in others. As the market shifts away from job boards to a mix of hiring platforms and talent intelligence, the market landscape is rife with consolidation opportunities, particularly among job marketplaces, point solutions that aid the hiring process, AI startups, and other providers in the HR technology ecosystem.

2

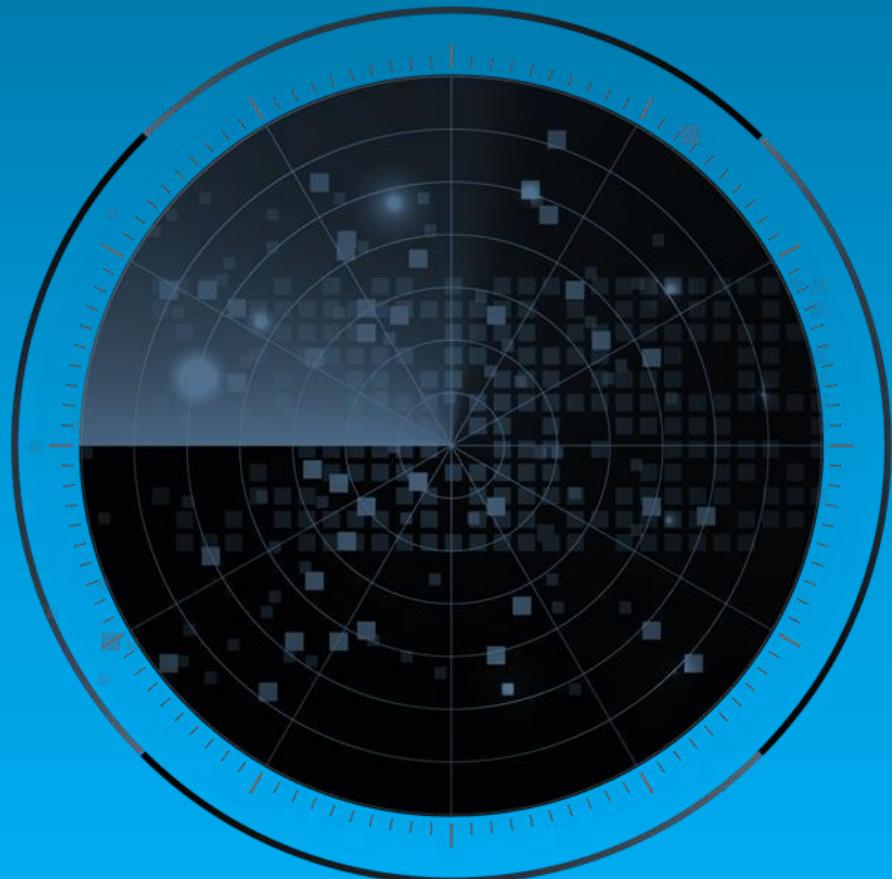
Organizations increasingly prioritize internal hiring to optimize talent, reduce recruitment costs, and enhance employee engagement. As external hiring becomes more competitive, companies in the hiring tech space can capture revenue generation opportunities by offering solutions for internal mobility, skills-based hiring, and dynamic career pathing.

3

Focusing on the job seeker side presents a valuable growth opportunity for hiring tech companies. By offering AI-driven solutions such as Indeed's Pathfinder, companies can assist individuals in identifying roles that match their skills and career ambitions, highlight any skills gaps, and suggest targeted learning resources. This strategy will not only support job seekers in advancing their careers but also help employers find well-suited candidates, effectively addressing talent shortages.

F R O S T & S U L L I V A N

Frost Radar™ Analytics



Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

Growth Index

Growth Index (GI) is a measure of a company's growth performance and track record, along with its ability to develop and execute a fully aligned growth strategy and vision; a robust growth pipeline system; and effective market, competitor, and end-user focused sales and marketing strategies.



Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform (continued)

Innovation Index

Innovation Index (II) is a measure of a company's ability to develop products/ services/ solutions (with a clear understanding of disruptive Mega Trends) that are globally applicable, are able to evolve and expand to serve multiple markets and are aligned to customers' changing needs.



INNOVATION SCALABILITY

This determines whether an organization's innovations are globally scalable and applicable in both developing and mature markets, and also in adjacent and non-adjacent industry verticals.

RESEARCH AND DEVELOPMENT

This is a measure of the efficacy of a company's R&D strategy, as determined by the size of its R&D investment and how it feeds the innovation pipeline.

PRODUCT PORTFOLIO

This is a measure of a company's product portfolio, focusing on the relative contribution of new products to its annual revenue.

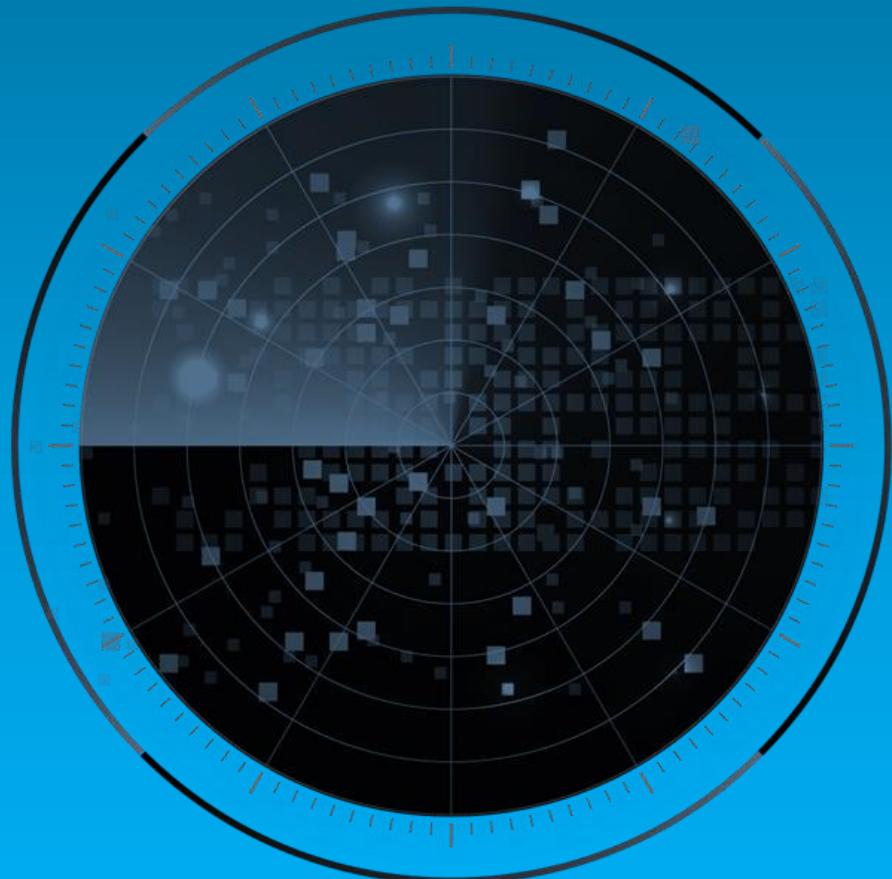
MEGA TRENDS LEVERAGE

This is an assessment of a company's proactive leverage of evolving, long-term opportunities and new business models, as the foundation of its innovation pipeline. An explanation of Mega Trends can be found [here](#).

CUSTOMER ALIGNMENT

This evaluates the applicability of a company's products/services/solutions to current and potential customers, as well as how its innovation strategy is influenced by evolving customer needs.

Next Steps: Leveraging the Frost Radar™ to Empower Key Stakeholders



Significance of Being on the Frost Radar™

Companies plotted on the Frost Radar™ are the leaders in the industry for growth, innovation, or both. They are instrumental in advancing the industry into the future.

GROWTH POTENTIAL

Your organization has significant future growth potential, which makes it a Company to Action.

BEST PRACTICES

Your organization is well positioned to shape Growth Pipeline™ best practices in your industry.

COMPETITIVE INTENSITY

Your organization is one of the key drivers of competitive intensity in the growth environment.

CUSTOMER VALUE

Your organization has demonstrated the ability to significantly enhance its customer value proposition.

PARTNER POTENTIAL

Your organization is top of mind for customers, investors, value chain partners, and future talent as a significant value provider.

Frost Radar™

'

STRATEGIC IMPERATIVE

- Growth is increasingly difficult to achieve.
- Competitive intensity is high.
- More collaboration, teamwork, and focus are needed.
- The growth environment is complex.

LEVERAGING THE FROST RADAR™

- The Growth Team has the tools needed to foster a collaborative environment among the entire management team to drive best practices.
- The Growth Team has a measurement platform to assess future growth potential.
- The Growth Team has the ability to support the CEO with a powerful Growth Pipeline™.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**
- **Growth Pipeline™ Dialogue with Team Frost**

Frost Radar™ Empowers Investors

STRATEGIC IMPERATIVE

- Deal flow is low and competition is high.
- Due diligence is hampered by industry complexity.
- Portfolio management is not effective.

LEVERAGING THE FROST RADAR™

- Investors can focus on future growth potential by creating a powerful pipeline of Companies to Action for high-potential investments.
- Investors can perform due diligence that improves accuracy and accelerates the deal process.
- Investors can realize the maximum internal rate of return and ensure long-term success for shareholders.
- Investors can continually benchmark performance with best practices for optimal portfolio management.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Opportunity Universe Workshop**
- **Growth Pipeline Audit™ as Mandated Due Diligence**

Frost Radar™ Empowers Customers

STRATEGIC IMPERATIVE

- Solutions are increasingly complex and have long-term implications.
- Vendor solutions can be confusing.
- Vendor volatility adds to the uncertainty.

LEVERAGING THE FROST RADAR™

- Customers have an analytical framework to benchmark potential vendors and identify partners that will provide powerful, long-term solutions.
- Customers can evaluate the most innovative solutions and understand how different solutions would meet their needs.
- Customers gain a long-term perspective on vendor partnerships.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Growth Pipeline™ Diagnostic**
- **Frost Radar Benchmarking System**

Frost Radar™ Empowers the Board of Directors

STRATEGIC IMPERATIVE

- Growth is increasingly difficult; CEOs require guidance.
- The Growth Environment requires complex navigational skills.
- The customer value chain is changing.

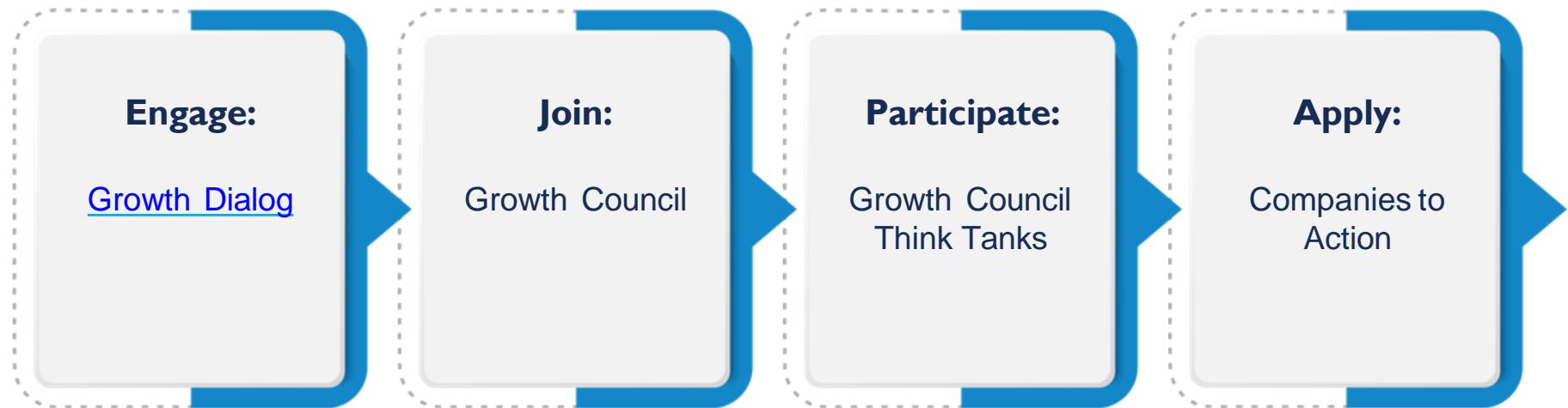
LEVERAGING THE FROST RADAR™

- The Board of Directors has a unique measurement system to ensure oversight of the company's long-term success.
- The Board of Directors has a discussion platform that centers on the driving issues, benchmarks, and best practices that will protect shareholder investment.
- The Board of Directors can ensure skillful mentoring, support, and governance of the CEO to maximize future growth potential.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**

Next Steps



Does your current system support rapid adaptation to emerging opportunities?

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