

March MarketingMasters Luncheon Report

How Talent Landed CareerBuilder a Leading Role

[Richard Castellini](#), chief marketing officer of [CareerBuilder](#), was the keynote speaker at BMA's March MarketingMasters Luncheon Seminar at [The Standard Club](#) in downtown Chicago. The following is a recap of his presentation.



By [Tom Power](#)

If anyone has a finger on the pulse of U.S. labor market, it's Richard Castellini, CMO of CareerBuilder, the largest online recruitment company in the country. And he didn't wait for the question-and-answer session at the end of his keynote presentation at BMA's March luncheon to address the subject.

"We all know the last two years have not been fun," Castellini said in his opening remarks. "Somewhere in the neighborhood of 8.4 million jobs have been lost since November of 2007 and, unfortunately, the unemployment rate has more than doubled in that time."

But there are some signs of life, he told the expectant crowd. "CareerBuilder has seen around a 13% increase in the number of marketing jobs in Chicago over the past six months. So you're seeing some pockets. CareerBuilder's job postings are up around 6% to 7% year over year."

Castellini was quick to point out that those numbers don't mean that the country's labor woes are over. The recovery is going to take time—just like it took time for CareerBuilder to become the leading online recruitment leader.

"There's always a story behind successful businesses, and our story is not one of overnight success," he said. "I started with the company roughly about 10 years ago. And at that time we were a fifth-place competitor, roughly one-fifth the size of the largest player in the space," which at the time was Monster.com.

But five years later CareerBuilder was the nation's largest online job site. Owned by Gannett Co., Tribune Company, The McClatchy Company and Microsoft Corp., CareerBuilder today powers the career areas for more than 9,000 Web sites, including 140 newspapers and broadband portals such as MSN and AOL. More than 300,000 employers post more than 1 million jobs on CareerBuilder. More than 23 million unique visitors come to the site every

month to check out the opportunities in every industry, field and job type. About 32 million resumes are currently posted on CareerBuilder. That translates to about one out of every 10 Americans.

So how did the company turn things around? Castellini attributes much of CareerBuilder's success to the strong relationship that has developed between its marketing and sales departments.

"CareerBuilder in its essence is very much a sales organization," he said. "We don't have the luxury of being, for lack of a better term, a 'Field of Dreams' organization." Castellini said the concept of "if you build it, they will come" was not going to work for CareerBuilder. Employers who post job openings online—the b-to-b side of this business—have choices where to spend their money.

"At CareerBuilder, we need to sell to HR organizations," he said. "So much of our story is about how our marketing group supported and allowed our sales force to reach that market."

It began with public relations. Castellini said back in the days when CareerBuilder was still a fifth-place competitor, the company had little credibility in the market. So it started a public relations effort that included conducting and releasing surveys about how people felt about the workplace. For example, did people feel pressured to check work email while on vacation or whether working mothers felt more or less strain than the year before. CareerBuilder began to be seen as a credible source of human resources information, and soon its leaders were being sought by major print and broadcast media outlets.

"All of this led to a further credibility for the organization," Castellini said. "So now when our sales reps go to market, they can say, 'Did you see our CMO, did you see our CEO, did you see our vice president on CNN or in *The Wall Street Journal*?' And that arms them with a lot of confidence when they go to the market."

Social media has emerged as another crucial b-to-b tool for CareerBuilder, Castellini said. CareerBuilder has a strong presence on Facebook, Twitter and YouTube, and it is always on lookout for the next big thing. It also creates its own opportunities. For the company's Super Bowl ad this year, CareerBuilder decided to let the public make the commercial. It invited people across the country to create 25-second videos and upload them on HireMyTVAd.com, a Web site it created for the contest. Out of some 900 entries CareerBuilder selected three finalists, and one of those, titled "Casual Fridays," appeared during the second quarter of February's big game.

This was the sixth consecutive year that CareerBuilder has sponsored the Super Bowl. An estimated record 106.5 million people watched this year's game, and a 30-second spot cost advertisers between \$2 million and \$3 million.

"CareerBuilder is not a GM, a Verizon, a Coca-Cola, in terms of our ad dollars, so we have to squeeze as much lemon juice out of the lemon as possible," Castellini said, noting that

the social media aspect of the contest behind the commercial helped the company do just that.

“This year we had somewhere in the neighborhood of 422 television mentions because of this conversation about being in social media, about having this as a contest,” he said. “We were able to harness really about four times the amount of value in terms of public relations value versus the dollars that we spent actually in the Super Bowl.”

Castellini said the foundation of CareerBuilder’s success is its five core values:

- Candor
- Discipline Freedom
- Passion
- Agility
- Easy to Do Business With

Of these values, Castellini singled out agility as a real key to CareerBuilder’s business model.

“In today’s business world, you need to be fast,” he said. “You need to get to the marketplace fast; you need to let the marketplace dictate and give you feedback as quickly as possible.

“Agility to us is something that’s at the core of what we do,” he continued. “We would rather be 80% in our ideas and get it to the market versus waiting three more months with what we think is a 100% solution.”

Castellini also stressed the importance of being willing to experiment and learn from mistakes when an idea doesn’t work.

“We need to be willing as a marketing organization to fail,” he said. “I oftentimes tell my people, if you didn’t fail at doing something this year, you didn’t push the envelope hard enough. You were too stuck in your comfort zone.”

Castellini cited CareerBuilder’s first cell phone application as an example of a failure that paid off in the long run.

“CareerBuilder spent a decent amount of money developing its initial mobile application and promoted it all over the site,” he said. Unfortunately, only about 400 people out of CareerBuilder’s 20 million unique visitors at the time signed up.

“It was a complete dud, and it was clunky and it wasn’t one that was effective,” Castellini said. “But what we learned has allowed us today to have the third-largest business application on the iPhone.”

Which leads to product innovation. Castellini noted that CareerBuilder doesn’t have a product innovation group, per se; rather it relies on the imaginations of its entire staff. For

the last four years it has run an internal contest called “Ideas From Everywhere” that asks everyone in the company to submit a business plan for the company going forward.

“The winner gets somewhere in the neighborhood of \$75,000, so there’s definitely skin in the game for the organization,” Castellini said. The contest has led CareerBuilder to enter the training business and venture into new media opportunities it might not have gone into otherwise, he said.

The end result?

“We’ve broadened our services,” Castellini said. “Yes, at the essence, our core of what we are, we are a job board, meaning lining up companies with opportunities to hire the right employees. But we’ve expanded, taking the information that we have on these [32] million resumes and allowing companies to ask deeper, further questions about overall candidate profiles, overall labor demographics, labor movements.

“Our intelligence business is one of our fastest-growing areas,” he continued. “Companies need to brand themselves. The employment brand can’t be forsaken and social media is something we’re going to play in for a long time.”

At the end of his presentation, Castellini took some questions from the audience:

On CareerBuilder’s strategy regarding the fact that temp and contractor positions are becoming a permanent part of the employment picture:

“We’ve developed a site, a niche site, that’s specifically focused on the contract and temporary worker, Sologig.com, because there are different ways in which people engage in the job content in that area.”

On CareerBuilder management’s perception of marketing and what he does to get them to understand the value of it:

“This isn’t our parents’ world, where you get a job and you stay there for 25 years. The stats are that someone the age of 40 will go through at least 10 jobs. We need to continually re-engage the funnel and bring in more job seekers, and so we understand that if you stop investing, you’re going to have a long-term difficulty. I’m lucky in the sense that I have an executive group that understands that we need to continue to invest in it.”

On how CareerBuilder views LinkedIn as a competitive threat that attracts almost exclusively passive talent and how it is meeting that challenge:

“As much as their business is dedicated toward recruitment advertising, it’s not something that they want to go to market as. So they quietly but desperately need to attract the recruitment dollars. For us, we understand the value of recruitment in terms of the social aspect. If you look at any report, referrals are typically the number-one and best source. So for us it’s in investing in relationships with Facebook, where we’re the only authorized

reseller of their media, allowing people to get access to that. It's allowing different tools to acquire passive candidates beyond your network.”

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