Zhaopin Human Resources Online Platform:
User Data Leaks Exposed

Yuqing Shao

Beijing Normal University-Hong Kong Baptist University United International College, China

EXECUTIVE SUMMARY

At the CCTV Consumer Rights Day Gala on March 15, 2021, one of the major online recruitment platforms in China, Zhaopin was exposed for leaking the resumes of many platform users. These resumes were illegally resold after being leaked, and many even fell into criminals' hands. After this incident came to light, intense criticism quickly developed on social media in China. In response to this issue, Zhaopin released a statement on social media immediately after the exposure, stating that it would carry out the rectification of its data security policies. The platform became more secure after the correction, and the public's attitude toward the company has also eased.

BRAND BACKGROUND

Founded in 1997, Zhaopin (Zhaopin.com, n.d.) is one of the earliest and most popular Human Resource service providers in China. It was formerly known as Alliance, a headhunting company founded in 1994. After 28 years of development, Zhaopin has grown into a one-stop professional HR service provider for large companies and fast-growing SMEs, including online recruitment, campus recruitment, headhunting services, recruitment outsourcing, corporate training, and talent assessment. Currently, Zhaopin has over 260 million workplace users and an accumulated 6.16 million corporate users. According to a third-party survey, 4 out of every 10 Chinese job seekers find a job through Zhaopin.

With more than 6,000 employees, Zhaopin has a team of professional consultants providing localized services through 37 branches, with operations in more than 200 cities across China. At the same time, through investment, Zhaopin has grafted on outstanding models in the niche areas. It has invested in ATS, a provider of assessment exams, 51 Social Security, a leading payroll, tax, and insurance platform, Oxcoder, a programmer assessment platform, and Mai Mai, a workplace social networking platform.

In terms of products and services, Zhaopin pioneered the concept of 3 of 3 in the recruitment industry. That is to match students, white-collar and high-end (professionals or managers) with three types of products: assessment (who am I), online recruitment (what can I do), and education and training (how can I improve). Through the three channels of online, offline, and wireless, it creates a comprehensive development platform for workplace people.

Zhaopin's revenue comes mainly from corporate users, with its most significant business in online recruitment. There is no fee for job seekers to register their accounts and place their resumes on the website. The paid services Zhaopin provides for corporate users can be classified into four main areas: recruitment, talent assessment, training courses, and HR service outsourcing. Among them, recruitment service is the most prominent business of the platform. Companies can purchase advertising space on the website to attract job seekers and enjoy other features after purchasing a website membership. After purchasing a membership, corporate users can post jobs and accept resumes from talented people. They can also take the initiative to find the right talent for online chat directly without the talent submitting a resume, as well as proactively downloading the talent's resume. In addition, companies can refresh jobs to be at the top of the search results.

After its inception, Zhaopin began a frenzied expansion, raising a total of five rounds of funding from 2000 to 2008. In October 2010, Guo Sheng became the new CEO, leading the company to a successful IPO on the New York Stock Exchange in 2014 (The Paper, 2014). Three years after the IPO, in 2017, Zhaopin chose to sign an acquisition agreement and became a private company (Li, 2017). Before its delisting in 2017, Zhaopin performed better than other recruitment platforms in terms of both the number of users and user activity.

This development didn't come without problems. In 2014, Zhaopin already had some issues regarding the security of its data. The company responded quickly and handled the situation properly so that the incident did not have any significant impact on the company. However, starting in 2017, with the rapid development of the industry, many new recruitment websites were established. Around the same time, all sorts of problems started to gradually appear, and Zhaopin started to face an increasingly serious challenge.

For example, in March 2017, one user tried to find a job through the platform but was cheated out of 120,000 yuan by a non-existent company. And In June 2017, two employees were charged with violating citizens' personal information by stealing and reselling user information. As a market pioneer and leader in the recruitment business, Zhaopin naturally had a relative advantage. However, in an increasingly competitive market environment, Zhaopin must also further innovate and develop its services and face up to the brand crises that have started to emerge.

THE CONTROVERSIAL ISSUE

In the 2021 CCTV Consumer Rights Day Gala, Zhaopin was exposed for having leaked job seekers' resumes (Sun, 2021). To better understand, it is important to understand how the personal information of candidates and job seekers is normally accessed.

On the website of Zhaopin, there are two ways to access the personal information of job seekers. First, through subscription, anyone who registers a corporate account and applies for membership can download a complete job seeker`s resume containing key information, such as name, phone number, email, address, and work experience without any restrictions. Second, pay per CVs, after logging in to the

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