Here's What We'll Cover

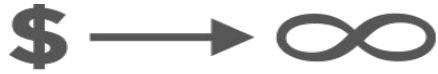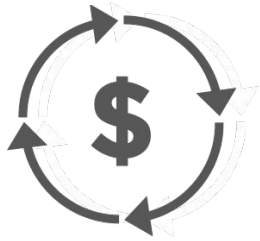Pricing models

Pricing ranges

Unexpected costs

Pricing of popular systems

Two Common Pricing Models

Perpetual License

An upfront sum for the license to own the software and use it in perpetuity. This is the more traditional model and is most common with on-premise applications.

Subscription

A monthly fee to use the software for a specific amount of time. Subscription pricing became popular with the advent of Software as a Service (SaaS).

Comparing Costs by Pricing Model
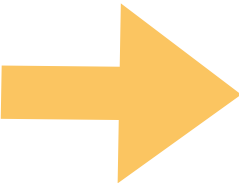
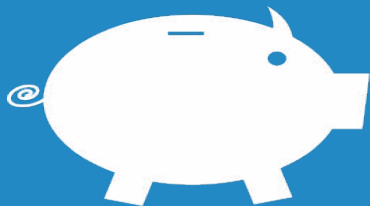|	Upfront costs	Recurring costs	Other costs
Perpetual License	HIGH	LOW	MEDIUM
Subscription	LOW	HIGH	LOW

Perpetual License Costs

Upfront costs

- Perpetual license fee
- Customizations
- Installation/setup
- Integration with existing systems

Recurring costs

- Maintenance (updates, patches & upgrades)
- Premium support services

⚠️ Customization and integration costs can be significant—often as much or more than the software—if you choose to change the software substantially.

Subscription Costs

Upfront costs

- Customizations
- Installation/setup
- Integration with existing systems

Recurring costs

- Subscription fee
- Premium support services

⚠️ Customization and integration costs are often less costly simply because SaaS systems have not provided as much flexibility in this area. Although that is changing as SaaS systems evolve.

Total Cost of Ownership

While a perpetual license may cost more upfront, the total cost of ownership typically converges with subscription packages in about seven to 10 years.

Visit our Total Cost of Ownership Calculator for a more detailed estimate.

Subscription Price Ranges

Monthly fee

Starter
(1-100 employees)

$10 - $1,450

Mid-range
(101-250 employees)

$250 - $3,625

Enterprise
(251+ employees)

$600 - $2,500+

Functional breadth and depth
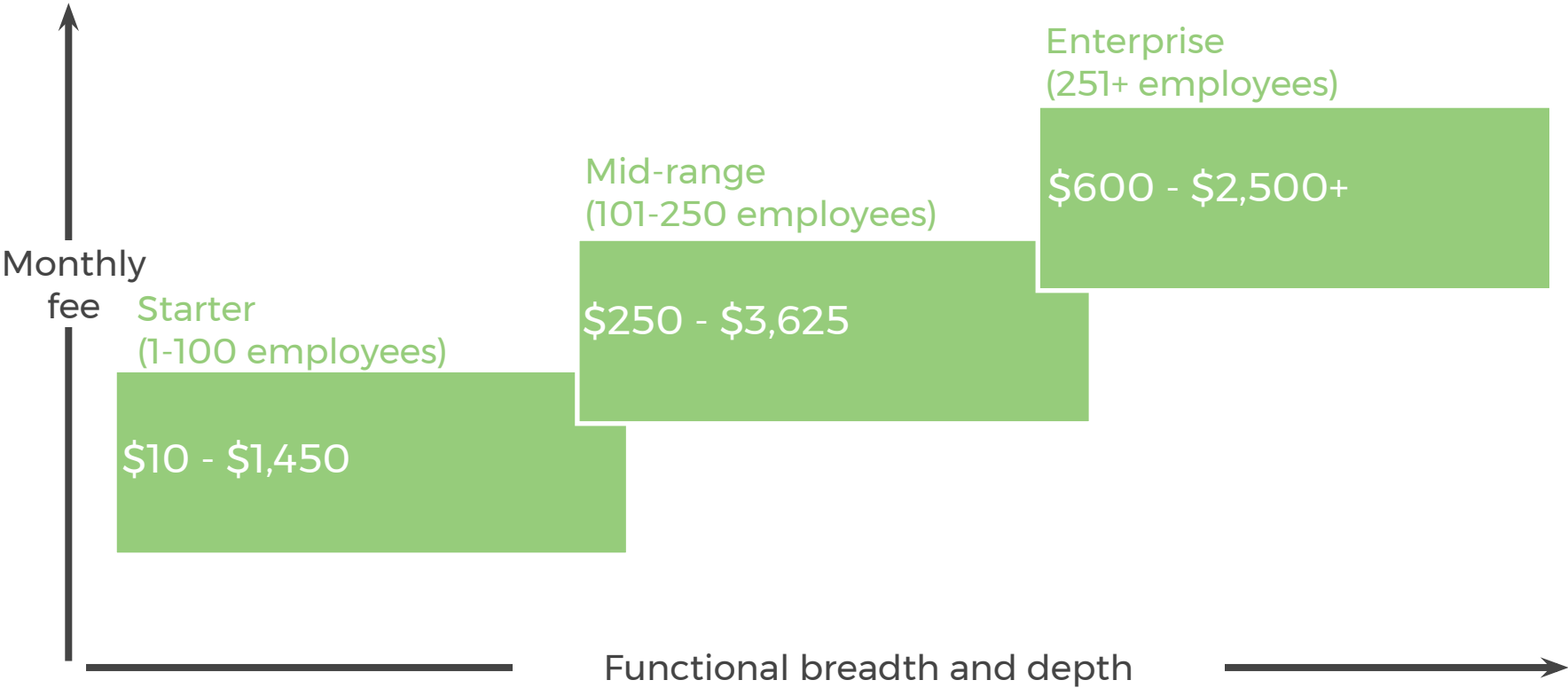
Often Overlooked Costs
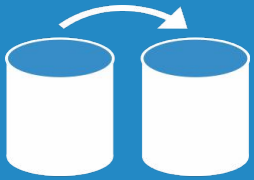
Data migration

While this can be done in-house, most will want to pay the vendor to transfer data.

Training

Often web-based training is included, but vendors will charge for in-person training.

Hardware & IT

This can be a major expense for on-premise software buyers that need their own servers.

Pricing for Popular Packages

Product	Pricing Model	Starter	Mid-Range	Enterprise
BambooHR [1]	Subscription (per month)	$99 - $800	$800 - $2,000	$2,000+
BrightPay [2]	Subscription (per year)	$120 - $1,200	$120 - $1,200	$120 - $1,200
Dayforce HCM [3]	Subscription (per month)	$10 - $1,000	$1,010 - $2,500	$2,510+
Gusto [4]	Subscription (per month)	$45 - $639	Unavailable	Unavailable
Patriot Payroll [5]	Subscription (per month)	$10 - $250	Unavailable	Unavailable
Paycor Perform [6]	Subscription (per pay period)	$11.15 - $125	$125 - $297.50	$297.50+
Payroll by Wave [7]	Subscription (per month)	$19 - $415	Unavailable	Unavailable
QuickBooks Full Service Payroll [8]	Subscription (per month)	$52 - $559	$552 - $1,309	$1,302+
Sage 50 Payroll [9]	Subscription (per month)	$25 - $70	Unavailable	Unavailable
Sentric Payroll [10]	Subscription (per month)	$157.50 - $1,450	$454.50 - $3,625	$1,129.50+

Pricing for Popular Packages Continued

Product	Pricing Model	Starter	Mid-Range	Enterprise
SurePayroll [11]	Subscription (per month)	$50 - $450	Unavailable	Unavailable
Wagepoint [12]	Subscription (per pay period)	$22 - $220	Unavailable	Unavailable
Xero [13]	Subscription (per month)	$30 - $180	Unavailable	Unavailable
Zenefits Payroll [14]	Subscription (per month)	$40 - $535	Unavailable	Unavailable

Sources of Pricing Data

The pricing information included in this presentation was collected from the vendors' websites in April 2017. Software Advice is not in a position to provide detailed price quotes on behalf of these vendors, and this data should not be considered as such. The information is simply a compilation of what is publicly available online. Buyers should contact the software vendor for actual pricing. Below is a list of sources for where this information was collected:

1. https://www.getapp.com/hr-employee-management-software/a/bamboohr-saas-hr-software/pricing/
2. https://www.brightpay.co.uk/pricing/
3. https://reviews.financesonline.com/p/dayforce-hcm/
4. https://gusto.com/product/pricing
5. https://www.patriotsoftware.com/payroll/
6. https://www.micatholic.org/assets/files/benefits/paycor/PaycorPriceSheet.pdf
7. https://www.waveapps.com/pricing/
8. https://quickbooks.intuit.com/payroll/full-service/
9. http://www.sage.co.uk/software-and-services/payroll/sage-50-payroll/pricing
10. https://sentrichr.com/hr-and-payroll-software-pricing-2/
11. http://www.businessnewsdaily.com/7492-best-payroll-service-household-employer.html
12. https://wagepoint.com/pricing
13. https://www.xero.com/us/pricing/
14. http://www.softwareadvice.com/resources/zenefits-z2-overview/

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