Software Advice IndustryView: Advertising Cost-per-Hire Survey

Trends and best practices from the industry.
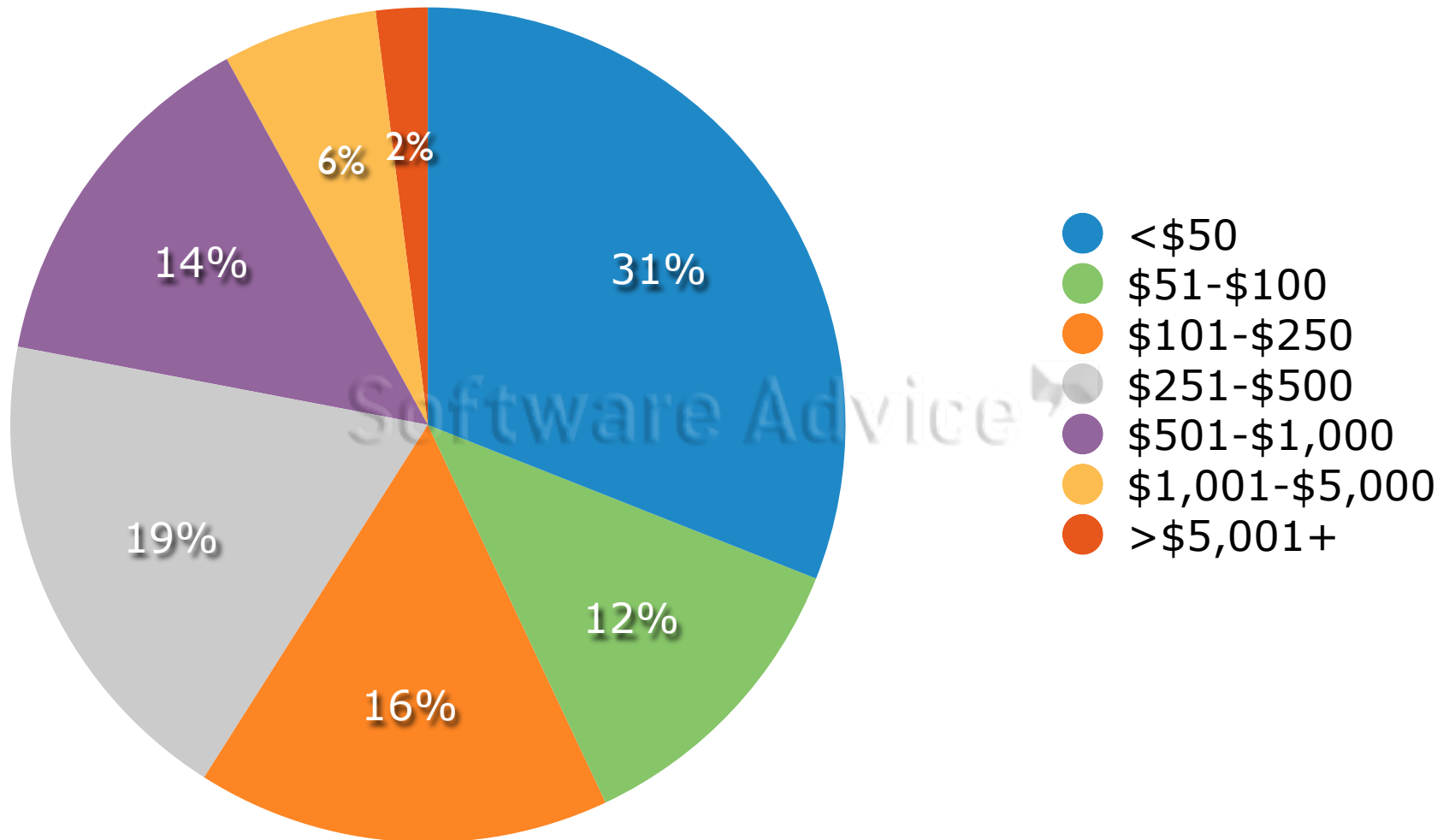
Software Advice

Abstract

Using the Society for Human Resources Management's cost-per-hire algorithm, we surveyed recruiters in North America to determine how much companies are spending on advertising and marketing their open positions.

- Companies spend, on average, $86 on advertising for each new hire.

- Small companies spend more, on average, for each new hire than larger companies.

- Seventy-two percent of respondents said job boards were a primary advertising channel for their companies.
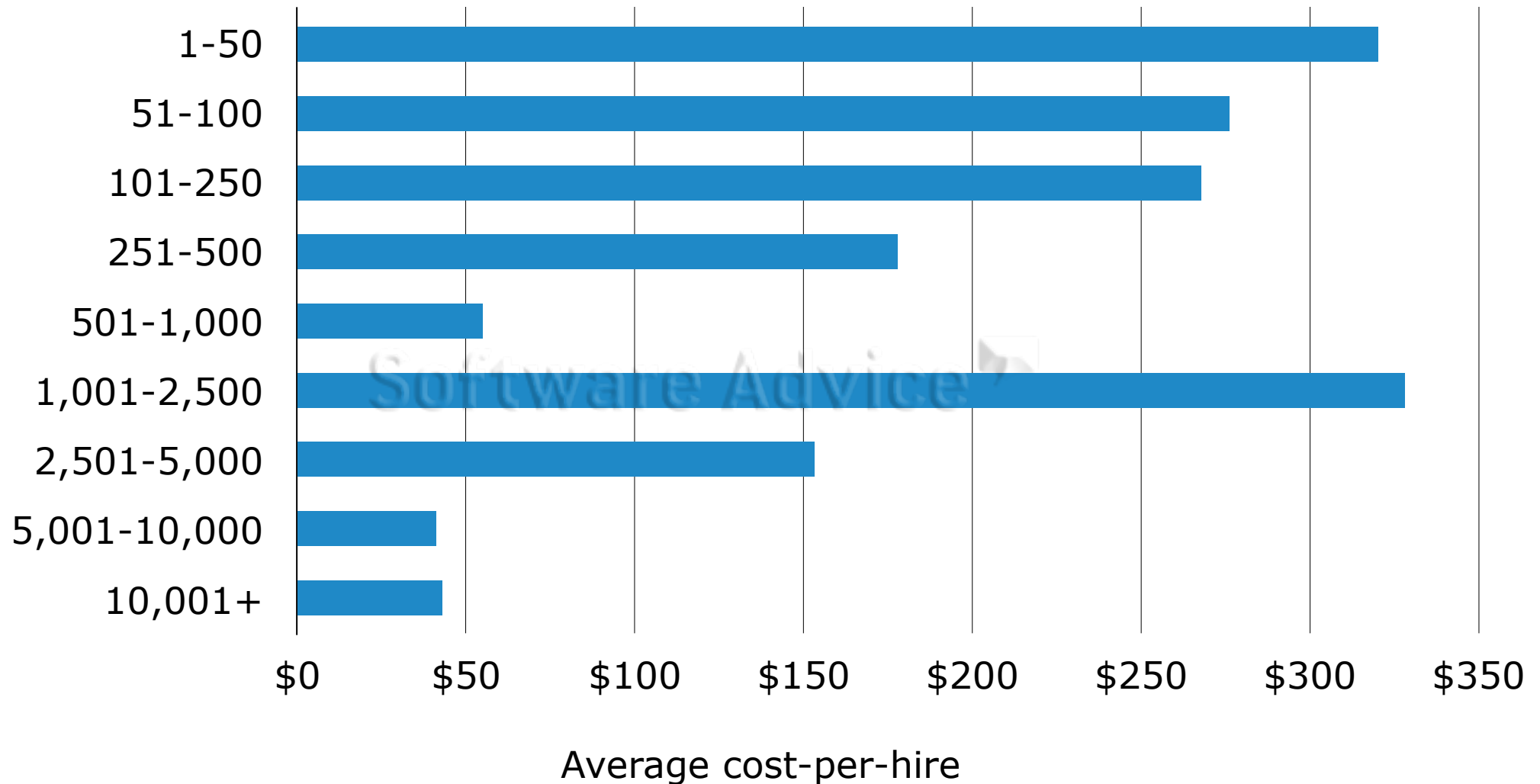
Average Advertising Cost-per-Hire Less than $100

Legend:
- <$50
- $51-$100
- $101-$250
- $251-$500
- $501-$1,000
- $1,001-$5,000
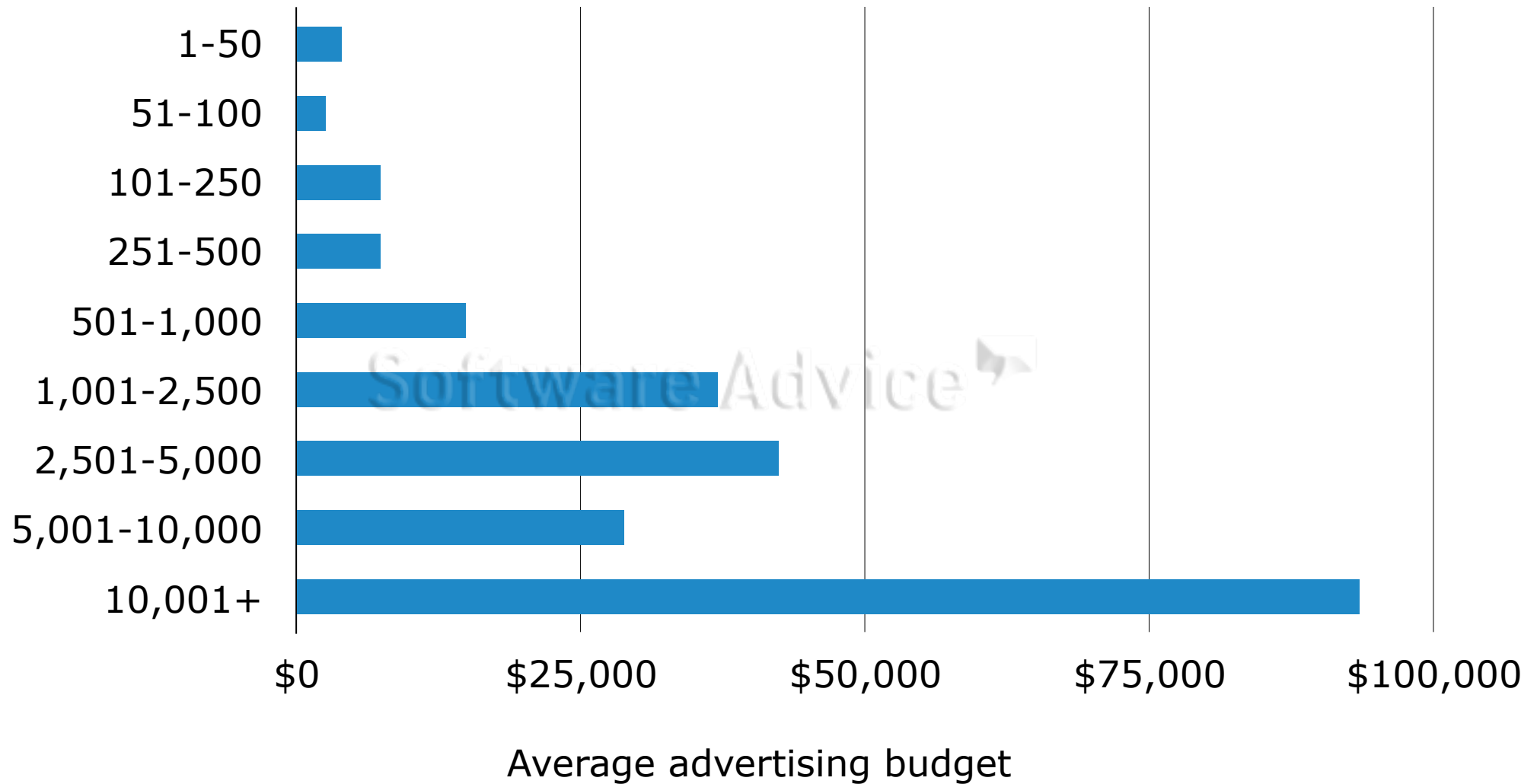- >$5,001+

Pie chart values: 31%, 12%, 16%, 19%, 14%, 6%, 2%

About one-third of respondents reported spending less than $50 in advertising costs for each new hire, while the majority reported spending less than $500.

Smaller Businesses Spend More per Hire

| Company size	Average cost-per-hire
1-50	$320
51-100	$275
101-250	$265
251-500	$177
501-1,000	$55
1,001-2,500	$327
2,501-5,000	$155
5,001-10,000	$42
10,001+	$44

Average cost-per-hire

We found that the average cost of each new hire tends to decrease as the size of business increases.

Larger Businesses Have Larger Advertising Budgets

Business size	
1-50	
51-100	
101-250	
251-500	
501-1,000	
1,001-2,500	
2,501-5,000	
5,001-10,000	
10,001+	

Average advertising budget

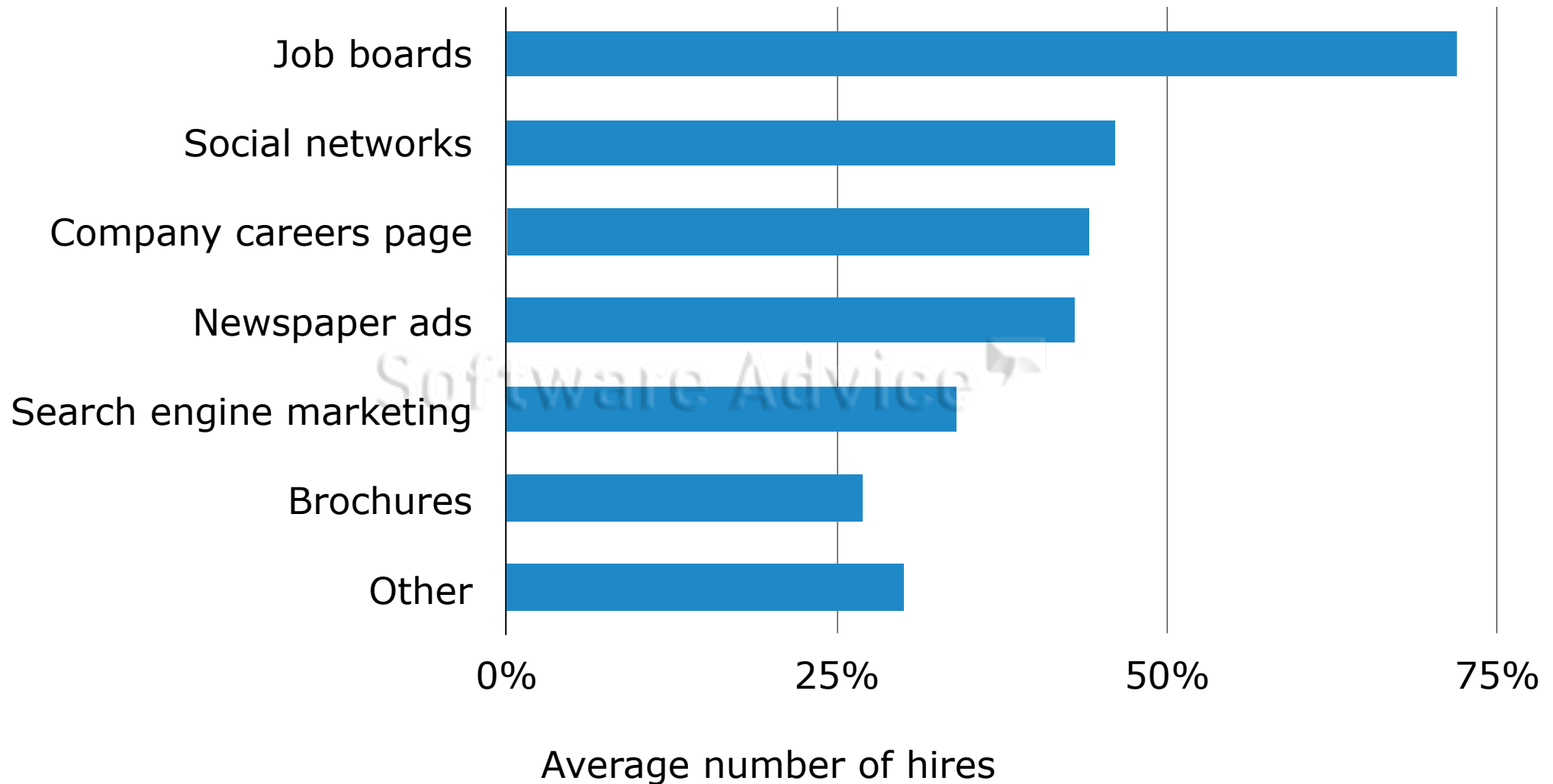$0 $25,000 $50,000 $75,000 $100,000

We averaged the advertising budget of recruiting departments according to business size. Generally, the larger the business, the larger the advertising budget.

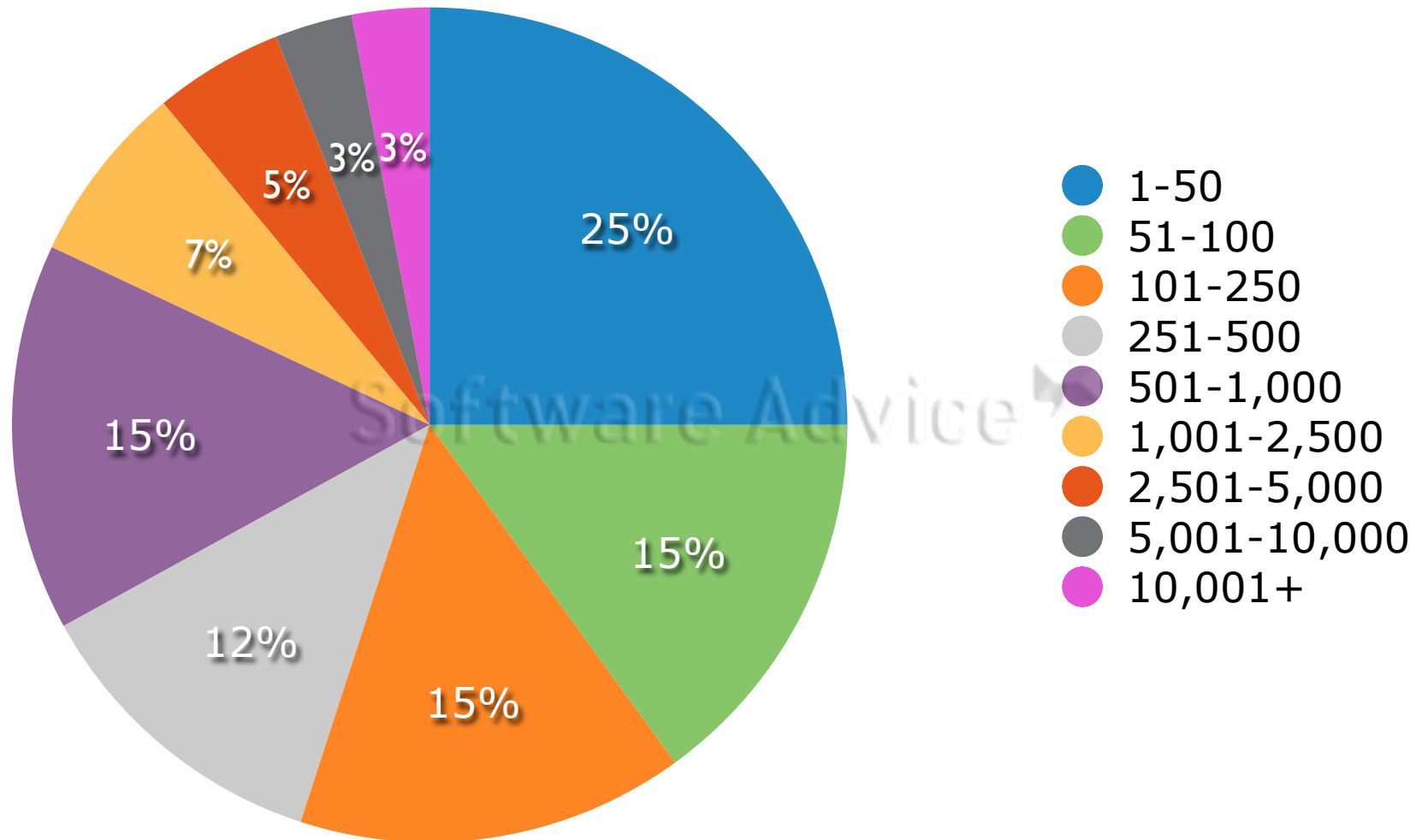# Number of New Hires Increases with Business Size
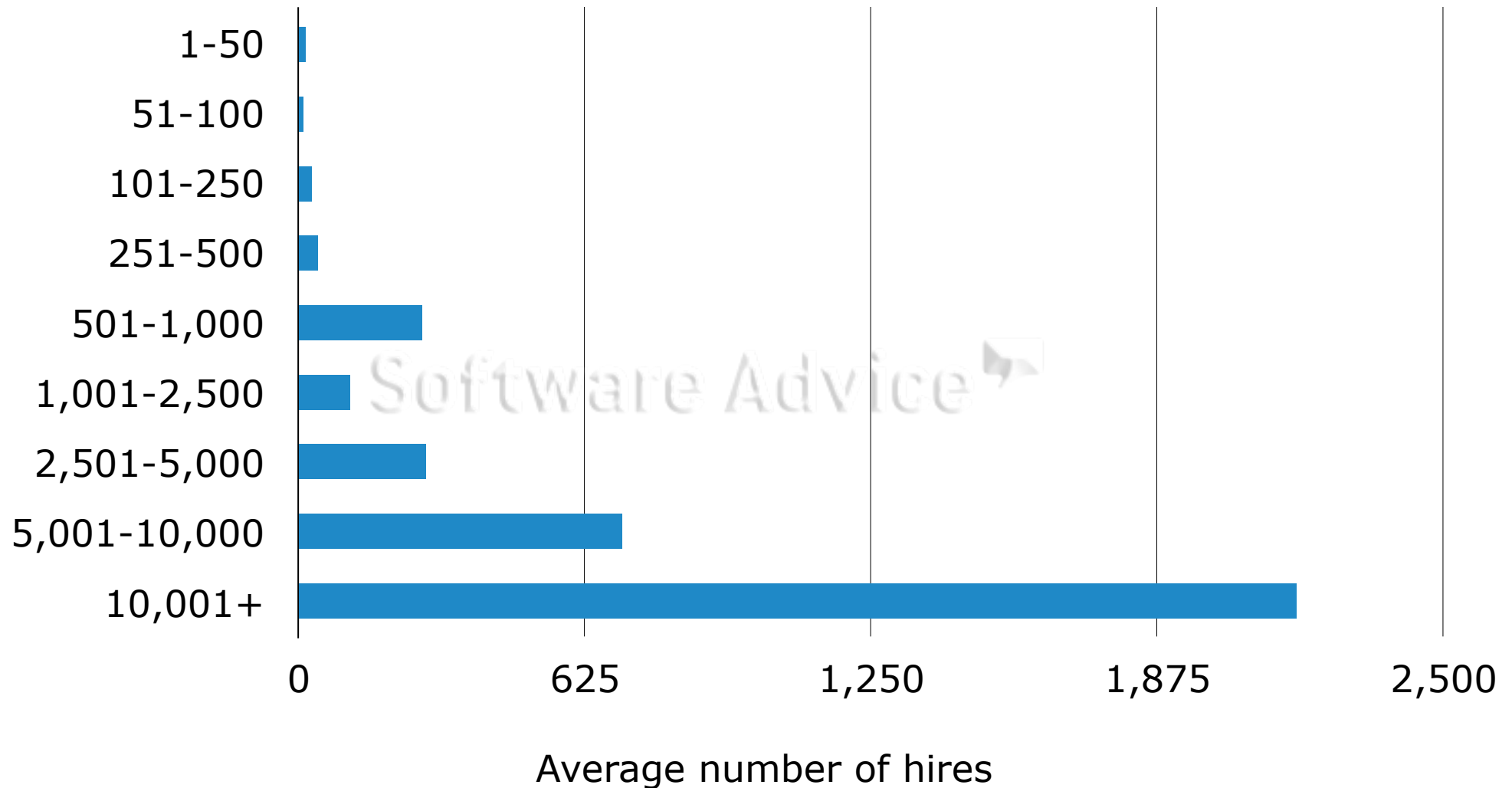
Companies with 1-50 employees hired, on average, 13 new hires over the course of the past year, while those with 10,001 employees or more averaged 2,181.

Job Boards Still the Most Popular Way to Advertise Jobs

Average number of hires

Category	
Job boards	~72%
Social networks	~46%
Company careers page	~44%
Newspaper ads	~43%
Search engine marketing	~34%
Brochures	~27%
Other	~30%

Almost 75 percent of respondents used job boards to advertise open positions, while social networks were the second most popular means of advertising jobs.

Average Advertising Cost-per-Hire Less Than $100

Legend:
- 1-50
- 51-100
- 101-250
- 251-500
- 501-1,000
- 1,001-2,500
- 2,501-5,000
- 5,001-10,000
- 10,001+

Pie chart values: 25%, 15%, 15%, 12%, 15%, 7%, 5%, 3%, 3%

Most of the respondents to our survey (67 percent) were representatives of small to mid-sized businesses with 250 employees or fewer.

Read Report

Read about our findings in more detail.

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