

Software Advice™ 

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# Pricing Guide

## Payroll

# Here's What We'll cover



Pricing Models



Pricing Ranges



Unexpected Costs



Pricing of Popular Systems

# Three 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).



## Open Source

Licenses are usually free of charge, which reduces upfront costs. Implementation, integration and ongoing maintenance, however, can be major expenses.

# Comparing Costs by Pricing Model

Upfront Costs

Recurring Costs

Other Costs

Perpetual License



Subscription



Open Source



# 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.*

# Free & Open Source Costs



## Upfront Costs

- Customizations
- Installation/setup
- Integration with existing systems



## Recurring Costs

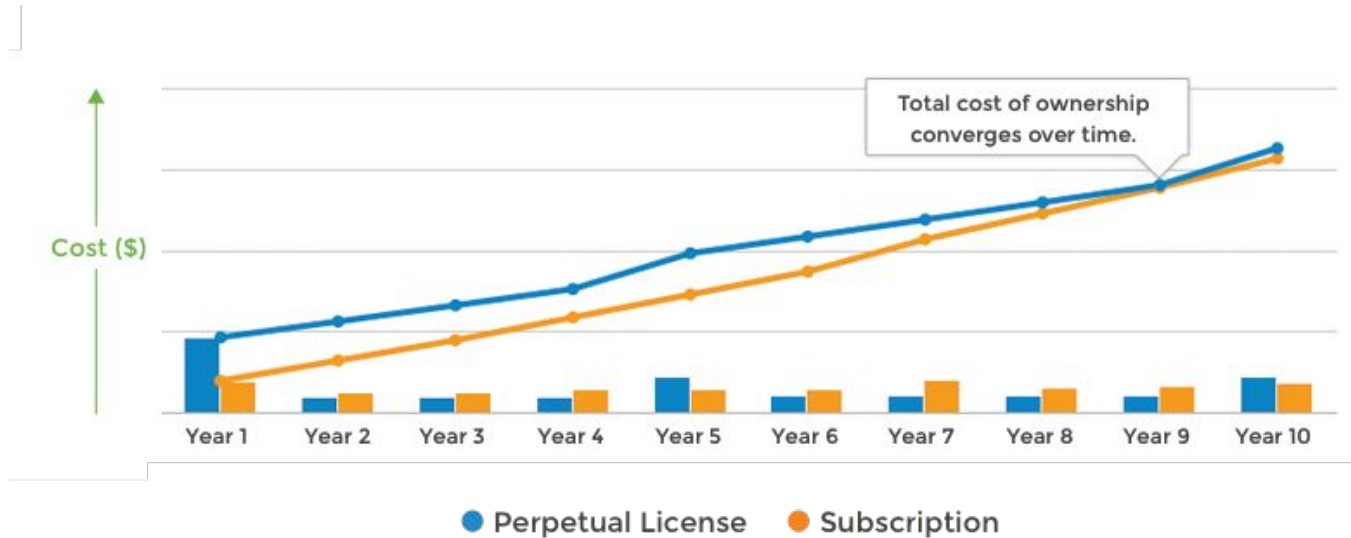
- Maintenance (updates, patches and upgrades)
- In-house or outsourced IT consultants



*Open-source software is typically free to download and develop. Customization, integrations, ongoing maintenance and upgrades, however, can incur major costs.*

# Total Cost of Ownership

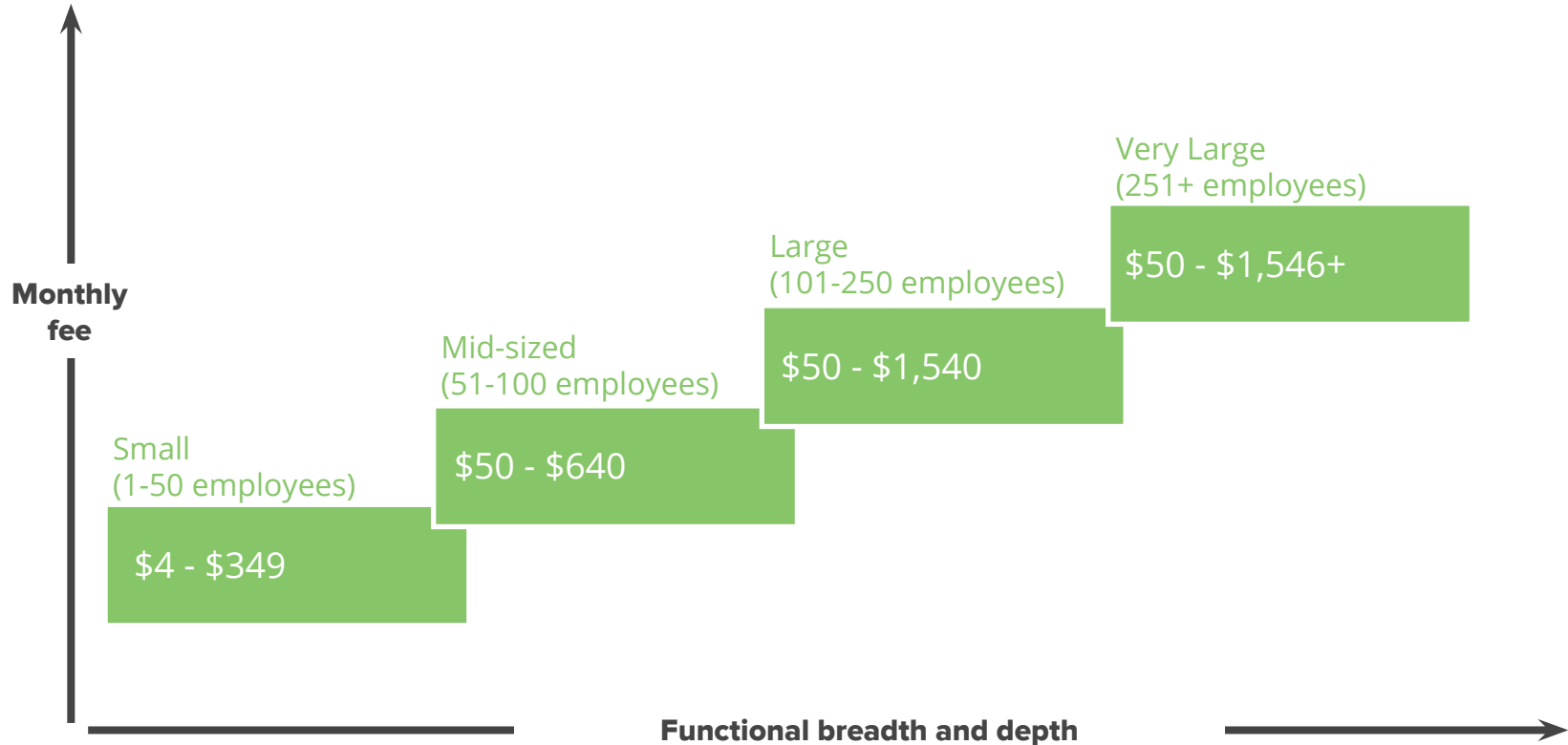
While a perpetual license may cost more upfront, the total cost of ownership typically converges with subscription packages in about 7-10 years.



Visit our [Total Cost of Ownership Calculator](#) for a more detailed estimate.



# Subscription Price Ranges



# Often Overlooked Costs



## Data Migration

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



## Training

Web-based training is often 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.



## Maintenance & Upgrades

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

# Pricing for Popular Packages

PRODUCT	PRICING MODEL	SMALL (1 - 50 employees)	MID-SIZED (51 - 100 employees)	LARGE (101-250 employees)	VERY LARGE (251+ employees)
<b>WebHR<sup>1</sup></b>	Subscription /mo	\$4 - \$198	\$202 - \$391	\$395 - \$940	\$944+
<b>Patriot Payroll<sup>2</sup></b>	Subscription /mo	\$14 - \$210	\$214 - \$410	\$414 - \$1,010	\$1,014+
<b>Payment Evolution<sup>3</sup></b>	Subscription /mo	\$22 - \$75	N/A	N/A	N/A
<b>Wagepoint<sup>4</sup></b>	Bi-weekly subscription	\$22 - \$120	\$122 - \$220	\$222 - \$520	\$522+
<b>Sage 50 Payroll<sup>5</sup></b>	Subscription /mo	\$29 - \$81	\$81	N/A	N/A
<b>Square Payroll<sup>6</sup></b>	Subscription /mo	\$34 - \$279	\$283 - \$529	\$534 - \$1,279	\$1,284+
<b>Gusto<sup>7</sup></b>	Subscription /mo	\$45 - \$349	\$345 - \$639	\$645 - \$1,539	\$1,545+

# Pricing for Popular Packages Continued

PRODUCT	PRICING MODEL	SMALL (1 - 50 employees)	MID-SIZED (51 - 100 employees)	LARGE (101-250 employees)	VERY LARGE (251+ employees)
<b>Zenefits<sup>8</sup></b>	Subscription /mo	\$46 - \$340	\$346 - \$640	\$646 - \$1,540	\$1,546+
<b>Quickbooks Payroll<sup>9</sup></b>	Subscription /mo	\$52 - \$150	\$152 - \$250	\$252 - \$550	\$552+
<b>AccuPay<sup>10</sup></b>	Subscription /mo	\$57 - \$143	\$144 - \$230	\$232 - \$493	\$494+

# Sources of Pricing Data

*The pricing information included in this presentation was collected from the vendors' websites in December 2018. 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://webhr.co/pricing.php>
2. <https://www.patriotsoftware.com/payroll/>
3. <https://www.paymentevolution.com/businessplans>
4. <https://wagepoint.com/pricing.php?r=US>
5. <https://www.sage.com/en-gb/products/sage-50-payroll/>
6. <https://squareup.com/help/us/en/article/6414-square-payroll-pricing-features>
7. <https://gusto.com/product/pricing>
8. <https://www.zenefits.com/pricing/>
9. <https://payroll.intuit.com/full-service-payroll/>
10. <https://accupaysystems.com/pricing/>

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