

**Model of Excellence**

PayScale

Company:

Business Model:

**Payscale**  
**Seattle, WA 94104**  
**www.payscale.com**

**Subscription Supported:**  
**User Contributed Data**

Business Model

The **Subscription Supported: User Contributed Data** business model is a new business model where subscribers to the database are paid, can offset their subscription fee or are otherwise incented to contribute content or content updates to the database. In its broadest manifestation, the database is fully built and maintained by participants; more modest variants of the model seek to involve subscribers in data maintenance. In some cases, users are providing and maintaining data about themselves or their organizations. Revenue models vary, but generally involve some sort of payment to access the database.

Overview

Comparable, trustworthy and current salary information is hard to obtain, but Payscale has found an innovative approach that is elegant in its simplicity. Users anonymously contribute information about their jobs and salaries, and in exchange are able to access and receive an apples to apples match of people just like them. The company makes its data available through its online search tools, free basic salary reports, and comprehensive salary studies at [www.payscale.com](http://www.payscale.com).

PayScale has launched the concept of anonymously comparing your salary online – in detail - to other real people with similar individual and job characteristics (I.e., location, company type and size, job, experience, education, skills, and more.) Using an advanced search and proprietary matching technology, PayScale finds a relevant peer group from their data set that matches the user-provided job information. The system allows every user’s job profile to be unique and relevant to his/her different job requirements, thus creating a level of accuracy that cannot be achieved with traditional methodologies.

Founded in 2002, well before the current frenzy over user-contributed content, Payscale is a clear success story for this model, with over 7 million unique profiles and over 3,000 business customers. The ongoing survey is the largest salary survey in the world and could not be replicated via the more traditional publishing approaches.

Overall, Payscale represents an impressive success in an area where most other companies are still trying to find their way.