

How Much Does A Small Business Website Cost?

How Much Does A Website Cost?

Almost every potential client asks this question. I'll get to the answer in a roundabout way but first some obligatory back-story. Over the past 13 years we have developed hundreds of website with budgets ranging from \$1000 to \$50,000. We have also worked on Fortune 500 company websites in conjunction with other development companies, these total budgets have been \$100,000 – \$1,000,000. For websites of this scope the team can consist of 10 or more people working full-time for six months or longer.

Websites just don't happen, they are the result of the execution of a methodology or process that arrives at a successful result. Our website design methodology is based on 13 years of experience, starting with a website for FootLocker.com back in 1996. Our methodology has evolved over time, to make the process more streamlined and flexible. Our basic approach is:

1. **Discovery**
2. **Planning**
3. **Interface Design**
4. **Integration**
5. **Testing**
6. **Launch/Maintain**

This simple 6-step process can be modified to fit a smaller project by reducing the amount of effort spent on various steps. For example the "Discovery" process can involve just one simple phone call with the client to learn about their brand and goals or it can involve several all-day meetings. The "Planning" process can involve a short document that addresses the creative and technical requirements or it can involve days of research into the competition and building matrices of features and functionality. So you can see that each step in this process is flexible and can be modified to fit a target project budget and requirements.

Flexible process = Flexible Effort = Flexible Cost.

So, how much does a website cost?

It depends on what you are trying to build. Here are some of the key elements that we need to consider:

- **Online Marketing Strategy:** Do you have one? Don't think that "if we build it they will come". It's important to have an understanding of marketing channels and how your business will use them.
- **Branding/logo:** Do you have your logo developed? Do you have a style guide for your brand?
- **Interface Design:** How long will it take to arrive at the look-and-feel that you envision for your business?
- **Features and Functionality:** This is the meat of the website, what features do you want (online portfolio, media downloads, etc) and what functions do you need (ecommerce, interactive forms, etc.)? Although ecommerce, search and membership are commonplace on the web –

that does not mean that this is easy to develop. There are a lot of pre-built (open source) solutions but they invariably have to be customized and that effort can be time-intensive.

- **Hosting:** This is usually a small cost but still an important part of the process. Will your hosting company allow us to easily configure the options we need for your website?
- **Testing:** The more complex your website, the more testing is required. Also what browsers do you want your site to work on? If you want IE 6.0 or Safari that could take a lot of additional time to test and troubleshoot.

The above list illustrates that there is a wide difference in requirements for websites and many questions that need to be answered.

More Requirements = More Complexity = Higher Costs.

So how much does a website cost?

When we estimate a project we try to get a good understanding of the project requirements and then estimate the number of hours required for the following 3 primary tasks:

- **Interface Design** = Design for all site graphics and page layouts, may also include Flash animation design (if required).
- **Programming** = Hosting setup, database setup, application design and programming, testing, technical project management.
- **Project Management** = Primary point of contact with the client, project schedule and milestones, communication, consultation and testing.

Other tasks like Logo Design, copywriting, and Marketing Strategy can also be added to the requirements if needed.

Once we have estimated the number of hours for each task we multiply that by our hourly rate which (at the time of this article) is approx. \$90 an hour for all services. We then provide the final project estimate to the client and if accepted, our in-house team strives to keep the project within the approved budget. During development, if there is danger of the project exceeding the budget due to unforeseen circumstances or new client requests, the issue is brought to the client's attention so that the budget can be adjusted or compromises made.

Note about our rates: If you search for website design and development services you will find a wide range of fees. Offshore companies may have rates as low as \$17 an hour. Students fresh out of school may charge \$15 an hour, boutique development companies range from \$75 – \$150 an hour, larger national firms can easily charge \$250 and more per hour. Keep in mind that there is a world of difference between the experience of a \$17 an hour developer and a \$150 an hour developer. Our rate is based on what we believe is reasonable for the bulk of our clientele which are small to mid-sized, Los Angeles-based businesses. Our methodology has been tailored to deliver design and development services based on that cost.

So, how much does a website cost?

Let's walk through a few brief client scenarios to help you get an understanding of costs:

Client One: MJ Associates

This small, professional services business needs a website primarily for marketing purposes. They have an offline brand/logo and some website design ideas. They will provide the content for their website which consists of text, headshots, logo and a video of their CEO. They provide a short list of websites they like during a meeting that our Project Manager and Art Director have with them in our/their offices. They don't require any databases but we will hook up a 3rd-party email management tool for them so they can collect client inquiries and send out email blasts. There will be approximately 8-10 pages.

Estimate is as follows:

Interface Design: 18 hours – will include some Flash design

Programming: 24 hours – HTML, PHP and CSS

Project Management: 12 hours

Total: 54 hours = \$4,860

Deliverables:

Following is a semi-complete list of the deliverables from our team:

- Planning document that lists creative and website goals
- Content checklist and schedule
- Access to our project management tool (if desired)
- 2 home page design options that get modified based on client input to arrive at one approved design
- Design for website pages (based on the home page design) and all associated graphics
- Flash design elements (usually a promotional animation)
- Programming for the website and integration of 3rd-party email management tool
- Integration of all client content
- Integration of Google Analytics
- Upload to client's hosting server and setup of email addresses
- Testing and Launch
- Proactive submission of site to the major search engines
- At the end of the project we provide the client with a complete copy of all our original files on CD (.PSD, .FLA, HTML, etc)

This type of project accounts for about 1/2 of the projects we do. Post-launch, these companies often come back to us for content updates and enhancements. We bill these at our regular hourly rates or fraction thereof. Clients who require regular edits can save money by getting one of our Retainer Plans that offer discounted rates.

Client Two: Ecommerce Website

This mid-sized business needs a marketing website and ecommerce for their product line. They have an offline brand/logo and some design ideas. They will provide the content for their website which

consists of text, headshots, logo, product photos and PDF downloads. They provide a short list of websites they like during a meeting that our Project Manager, Art Director and Tech Director have with them in our/their offices. They have a merchant account.

Estimate is as follows:

Interface Design: 24 hours – will include some Flash design

Programming: 50 hours – HTML, PHP and CSS plus integration and customization of ZenCart (or similar) for online shopping.

Project Management: 24 hours

You can expect to pay a little more for the hosting and an SSL certificate

Total: 98 hours = \$8,820

Deliverables:

Same as client one above but add a few hours for training on the ecommerce solution.

Client Three: Membership Website with CMS

This business needs a marketing website for a new brand. They also need membership and email marketing components. They will provide the content for their website which consists of text and video clips. They provide a short list of websites they like during a meeting that our Project Manager, Art Director and Tech Director have with them in our/their offices.

Estimate is as follows:

Branding design and online style guide: 36 hours

Interface Design: 60 hours – will include some complex Flash design

Programming: 120 hours – HTML, PHP and CSS plus integration and customization of Drupal or similar CMS and membership modules.

Email template design and programming: 16 hours

Project Management: 48 hours

You can expect to pay a little more for the hosting and an SSL certificate

Total: 280 hours = \$25,200

Deliverables:

Same as client one above but add a few hours for training on the CMS solution.

Cost of Website Add-ons

There are a thousand add-ons you can use to enhance your website. The estimates below reflect the general requirements we have seen, however there are many factors that can push these estimates higher. If you don't see your add-on here just give us a call and we can provide an estimate.

- Custom Content Management Systems- for clients who want to manage their own content we integrate and customize content management systems (CMS). We work with PHP-based open-

source CMS solutions like Drupal. Costs for integrating and customizing Drupal can range from \$4,000 to \$20,000.

- Custom Blog- Many clients want a WordPress blog within their website customized to their website branding and design. This ranges from \$1,250 – \$3,000.
- Email Marketing Campaigns- Clients that want to gather emails and send out branded email blasts for announcements or newsletters require an Email management tool. We integrate the 3rd-party tools (graphicmail, mailchimp, constant contact, etc.) and create an email blast template design, we can even manage your email blast. \$720 and up.
- Branding/Identity Development- Logo design is something we are often asked to do. We start with an 8-hour process that generates about 6 rough logo concepts. If one of these is chosen we go through several rounds of edits to arrive at a final version. \$900 – \$3,200
- Style Guides- An online styleguide is important because it establishes brand consistency and provides a guide for all your print collateral and online marketing. Basic styleguide \$1,440.
- Targeted Landing Pages- Landing pages are pages that promote a specific product or service. They are usually part of an email, social media, or banner ad campaign. We can design and create these pages starting at \$450.

So that's how much a small business website costs.

One final note: If this website will be a significant part of your business please don't skimp on the design and development. If you'd expect to pay \$100,000 for a brick and mortar retail shop (inventory, interior design, furniture, rent, utilities, staff, equipment, insurance, etc) – then don't balk at paying reasonable rates for the creation of your online business.

We send out 5 – 10 proposals a month for all types of web projects, so feel free to send us your requirements or call 310-754-3807, and we'll get back to you quickly to let you know how much your website will cost.