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## **[A FAIR PRICE FOR A WEBSITE?]**

This document has been designed for marketers to understand what a fair price is to pay for a website and understand the fundamentals that go into making a good website.

## How much should I pay for my website?

It's a great question, how much should you pay for your web site? There does not appear to be a simple answer; we have carried out a lot of research in this area and there are many different variables to take into account. These variables tend to be based upon risk, time frames, levels of technicalities, design and dare we say it; how commercially savvy the web site buyer is.

We will try to explain how much you should expect to pay for your website. A lot of our comments will be open to debate, so please do not hesitate to contact us or write back to us at [info@generateuk.co.uk](mailto:info@generateuk.co.uk) with any comments you have.

To help understand we have created a fictional company called ACME MOTORS.

ACME MOTORS provide corporate companies with leased vehicles and have been in business for many years, they are well known in their industry, respected in their community and known for the service and value they provide. Their website is eight years old and has not changed a lot since its original creation. ACME MOTORS do not have a technical person in house.

As ACME MOTORS have grown, so has their client base and profile. They are now working with large enterprise customers who are interested in the types of companies they procure from and partner with so will visit the ACME MOTORS' web site. For this reason ACME MOTORS would like to upgrade or revamp their website to increase their branding online.

Regardless of the hype from digital marketing agencies, this is not an unusual situation. There are thousands of companies out there that have a very basic website and still have a successful and thriving business. It is possible that with a great new web site business can increase further, however it is critical that the foundations are in place to support ACME's current situation as well cater for future business growth.

So where does ACME start and how can they budget for a website whilst not knowing too much about it?

First things first, they must make a list of their needs i.e. what do they need the website to do and what are the website objectives? How do they envisage their website looking at the end of the project? Make a list and then start to work backwards.

To provide an average price for a website is impossible, cost will depend on numerous permutations and will generally boil down to the size of the site and how complex it is? What does your website need it to deliver? For example; the more functionality a web site has the more people will need to be available to know how it works. This means added layers of complexity and cost as you recruit the skills you do not currently have. So finding that balance between functionality and being able to support and use that added complexity is important. Many thousands of companies out there are more than happy with their current situation and perhaps a little in fear of what might happen if they attempt to change.

In this example, once ACME MOTORS have decided to upgrade their web site they will most likely go to market and approach web design companies who should be able to help them. This is where it can get confusing as this is where we start to look at the price to build a new web site.

For our example ACME have already decided on their requirements and these are; professional site with a clean design, navigation and flash banner, consisting of approximately 30 pages in total that would incorporate the standard home page, about us, news (requiring a news feed) a product catalogue (requiring ACME MOTORS to upload themselves when new vehicles and certain models becomes available on their books), request a test drive page, dealerships, glossary , site map, careers, contact us etc. So how much should ACME expect to pay for all this?

Several factors go into the final cost of a website and time is prevalent in all the areas identified:

- Design & Navigation; the look and feel.
- Scalability & Consultation Service; size of the site i.e. pages, layers, secure areas etc
- Content and Images; copy writing, uploading, sourcing images, accessibility and search engine optimisation (SEO).
- Software Investment; CMS, e-commerce, forums, blogs, video streaming etc.
- Site Build, development and testing (making it all work!)
- Digital Marketing; PPC, ongoing SEO, e-marketing

1. **Design & Navigation** - The design of a website can be a very subjective matter and is often based on personal preferences and experiences when using websites. Navigation is critical during this process and should be taken into account when a design is being developed. This is where strong consultation services should be adhered to and the methodology behind the advice. The design of the website template, if it is a new website would typically involve a designer coming up with a number of concepts and ideas based on navigation and user experience. Don't forget that you'll probably need a few different templates for your website i.e. home page, sub navigation page, product page, contact us etc. The price will be dependent on the experience of the designer, complexity of the site and how many concepts.

Design charges typically range from £500 to £2,500.

ACME requires three different templates so design should cost no more than £1000 incorporating the consultation services.

2. **Scalability** – The size of the site can have a massive impact on the overall cost, this can be a timely and a costly exercise as there's not only the time needed to populate the page details, functionality, content, images etc additional areas may be needed such as an extranet or intranet facilities for different audiences. Careful thought needs to be given to the structure of the site and how your audience interacts with different areas and as a result a user group may be warranted? A user group is a good way to understand first hand how people will use and interact with a site. How many layers will your site have? I.e. how many pages deep will a user have to travel to find content? If there are many layers navigation becomes even more important so that your user doesn't become lost within the site and leaves. This is where good consultancy is critical and the project process should be documented as the project takes on different phases.

ACME Example site is not huge (approximately 30 pages) so a consultation/scoping exercise should take approximately half a day and would normally cost in the region of £500

3. **Content and Images** - The importance of content must not be overlooked, CONTENT IS KING! If there is one thing you take away from this paper that is it! For search engines it is imperative that you use unique and original content and do not fall into the trap of writing for search i.e. incorporating your keywords within for the sake of incorporating for search.

## ***The website is your shop window!***

To deliver digestible, grammatically correct and what we would refer to as 'web talk' (content that is not too sale driven but at the same time not under selling the company's attributes) whilst taken into consideration SEO, (content that is easy for search engines to optimise) and accessibility (content that is compliant to web standards) is a must.

You would be surprised how many people firstly get bored and are put off by your site if it's not well written or has grammatical mistakes. Secondly, if SEO and accessibility is not addressed in a correct way people will not be able to find your site in the first place.

A good web agency will work with the client to deliver excellent content taking into consideration search engines and web accessibility.

At the end of the day the client knows their business better than the web agency and they'll often submit the raw content, however the web agency should have the knowledge and skills in place to deliver their content online in the correct way.

For more information on Search Engine Optimisation please click here: <http://generateuk.co.uk/index.php/SEO.html> or for the basic principles of Search Engine Optimisation please click here: [http://www.generateuk.co.uk/documents/Basics\\_of\\_SEO\\_by\\_Generate\\_UK.pdf](http://www.generateuk.co.uk/documents/Basics_of_SEO_by_Generate_UK.pdf)

We should highlight another point in relation to images as this can also relate to the design cost; a great image can really give a site the wow factor! Additional images to be used within the content can be sourced free of charge but can cost thousands in some instances and there are plenty of image/photo companies out there willing to sell quality images which you can use.

In our experience and generally speaking for a 30 to 40 page website, you should expect to pay in the region of £2,000 to £3,000 (approximately £50-£75 per page and this would consist of approximately 200-300 words per page and include a good level of SEO and Accessibility i.e. keywords, meta data and alt tags etc).

ACME Example site content should cost no more than £2000

- 4. Additional Software Investment** – a big question that requires careful thought and consideration. Most websites are built using web languages such as php, asp, html, xhtml and traditionally if you required changes to your website you would most likely have to go back to the web agency that built the site. This can work out to be a costly and more importantly a timely process.

Introducing Content Management and Web CMS (Content Management Systems), do you need to control your website and have the flexibility to add new pages, change content, link to external sites, add keywords, meta data etc? For some businesses it is essential to have this type of control as it can significantly increase business and the way that they communicate and market to their customers and prospects. For others businesses it is not needed and whilst a CMS would be nice they simply cannot justify the extra cost, every business is different and has different web requirements.

Content Management Systems is a market in itself and picking the right CMS for your website again needs careful consideration. If you require a CMS we are soon to publish 'The CMS Puzzle' an interesting read looking at the CMS market and functionality versus cost, email us [info@generateuk.co.uk](mailto:info@generateuk.co.uk) and we'll send you a copy once published. The two key components to choosing a good CMS is usability and functionality, you must feel comfortable using the system and it must contain the functionality needed to operate your website. There are many cheap and nasty CMS systems in the market place so be careful and request a full specification and a demonstration. <http://www.cmsmatrix.org/> is a good place to start as you read about different CMS and compare functionality against cost. Generally speaking you would expect to either pay a one off cost and a yearly maintenance fee or a yearly/monthly license fee.

A small to mid size business (and using our example ACME) should be looking to invest approximately £2k per annum into a good intuitive CMS that provides all your basic CMS necessities, i.e. easy to use, add and change content, SEO friendly, publishing process, storage library for images, documents etc.

Other additional software's that may be required are ecommerce, if you are looking to sell products through the website? You may require a forum or blog to create a community and interact with your audience or maybe

some video stream software for demonstration purposes? In many cases a good CMS will hold this software/functionality and are called plug-ins, normally there is an extra charge for individual plug-ins.

5. **Site Build** - development and testing (making it all work!) – whether your appointed web agency or developer is developing the site based on a CMS or if it's a bespoke build, time is needed to make sure the site is functioning correctly using the design and navigation that you need. It must then be tested which is often referred to as de-bugged (this is where there may be incorrect code in place or where a site browser is too old and does not recognise a certain command?)

How long does this take? This is the question you should ask and inevitably things take longer and time is usually based on the size of the site and the functions you require the site to deliver? The web agency should be able to provide an approximate time scale, cost and document activity. Generally speaking between £200-300 a day is accepted as standard.

ACME MOTORS website is not massive so should not take no longer than six working days to develop, upload and test from start to finish. If we take an average of £250 per day for build this provide us with a total of £1,500 for the overall cost of the website to be built.

6. **Digital Marketing i.e. Pay Per Click advertising, ongoing SEO**, e-marketing etc – often over looked at the start of the project but it must surely be associated with the overall project costs. What is the point of having a lovely new website if no one ever sees it? Yes you can perform a level of SEO so the search engines recognise it however if you're not proactive in marketing it you simply will not see the returns. Online PR activities, Link Building, Pay per Click, Email marketing can all help drive traffic and help to deliver great returns on your new investment. If this is of interest you may be interested in reading

[http://generateuk.co.uk/documents/wake\\_up\\_and\\_smell\\_the\\_coffee.pdf](http://generateuk.co.uk/documents/wake_up_and_smell_the_coffee.pdf)

providing you with a quick snap shot into the world of online marketing and the sheer growth. And for more information on digital marketing services please check out our website [www.generateuk.co.uk](http://www.generateuk.co.uk)

For our fictional company ACME we are going to provide them with a couple of managed service e-marketing campaigns (£1,000) (one to their existing customer base and one to new prospects), purchase 3000 new contacts details with email addresses fitting the profile of the typical ACME customer (£1,000) and trial a month's PPC campaign using a set

budget (£1,000).

So referring back to our fictional site ACME Motors we conclude that they should be looking to pay in the region of £6-7k for the website and approximately £3k for their digital marketing, the breakdown of costs are listed below.

- Design & Navigation £1,000
- Consultation Service £500
- Content and Images £2,000
- Software Investment; CMS £2,000 (per annum)
- Site Build, development and testing (making it all work!) £1500

**Total site build £7,000**

- Marketing; PPC, ongoing SEO, e-marketing £3,000

**Total project cost £9,750**

## Summary

We hope this article has been of use to you? We would like to point out that the price above is a ball park figure and as we mentioned will change depending on your needs so don't be afraid to ask for a breakdown of services and the costs associated.

The worldwide web is still a relatively new medium and the lack of knowledge when it comes to finding a fair price for a website and web service is still fairly high and some companies will take advantage of this situation which we feel is unfair.

The internet is a fantastic opportunity for many companies to make new revenues streams and effectively communicate with their customers and new prospects; however there are many ways to do this effectively and finding the best way and most cost effective way will remain the challenge for most businesses.

If you would like to discuss this document in more depth or would like to provide some feedback please email [info@generateuk.co.uk](mailto:info@generateuk.co.uk) or pick up the phone and phone us on 0845 388 9185.