

A Fair Price for a Business Website

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When it comes to selecting the technology to build the website for your business there is just too many choices which is rather confusing to say the least; it also isn't obvious which option is better. Why is it that some ads offer to create a professional website for free while some agencies charge tens of thousands of us dollars for what seems to be the same gig? What are my options and which one is more preferable? How much should you expect to pay to make a website for your company? This essay dives into these questions and explores the best ways to cut through this entanglement.

The Problem

One couldn't help but notice the amount and variety of advertised solutions to make a website for your business. For anyone outside of the web design & development industry seeing such a vast dispersion of offers is really frustrating: on the one hand you see ads claiming that you could get a website for your business **for free**, on the other hand there are articles that describe how it is not so uncommon for a business website to cost tens and even hundreds of **thousands of US dollars**. Adding to the pile of the confusion there is yet another hand – some ads propose a fixed 250 USD fee for a “unique website”.

I had decided to tighten my web-designed belt, put on my entrepreneurial spectacles and examine available options in order to provide fellow decision-makers with a brief yet meaningful guide on how to separate the wheat from the chaff in regard to those offers, choose the most optimal solution for building a website for the company and discover what a fair price for making a business website could be.

This essay is for marketing teams, entrepreneurs and general managers who have little to none experience in creating business websites and assigning budgets to web application projects. By the end of this article you will become more astute and will be able to make a considered decision next time you'd need to make a website for the company.



What are my Options for Creating a Business Website?

To put it simply – any website is a bunch of folders with a bunch of files that contain a bunch of code that is interpreted by the browser. In order to get a functional website you'd need to have that code and deploy it on the server so that anyone could get access to it through the Internet connection. There are different ways how you can obtain those files.

To get more in-depth knowledge I suggest reading about [pros and cons of different options to create a business website](#) in detail following this link. This is a brief summary of the contents of that page:

1. Open-Source Software is free to download and you'd either have to DIY or hire a web **developer**.
2. Online Website Builders have free-tier options and you'd either have to hire a web **designer** or DIY.
3. Subscription-based Online Website Builders require recurring payments and have a rather steep learning curve; you can (try to) use them yourself or hire web developers and web designers (web DDs).
4. Low-cost Fixed-price Websites is another option when you don't want to search for web DDs, have very limited funds and don't feel like paying more than you think you should.
5. Custom-Made Websites is usually the most expensive option but hold the most value for the business.
6. In-house built Websites is a good option but requires searching, managing and nurturing talent.
7. AI-built Websites produce more buzz than value although this approach helps with eliminating the overwhelming amount of choice.

One way of looking at pros and cons of any website building tool is through the criteria of control. You could divide all of the above instruments into 2 groups.

Website builders like WordPress, Drupal, Joomla and Magento; frameworks like Laravel, React and Vue fall into the category of **maximum control** – you have all the web app's files in your possession and your abilities to manipulate the code are limited only by the skill level of the web developer.

The second one is a **limited control** group with platforms like Webflow, Shopify and Squarespace as its constituents. It is distinctive of the former group by the access to the web app's files – your web developers would not be able to alter most of the back-end source code which implies limitations on what can be achieved. Eventually you might figure out that you got “stuck” with the platform due to inability to migrate your business website in full to a different platform or own servers.



Use Cases

Now that we've untangled this web knot of options let's look into several real world examples to give us an idea about how we would go about selecting the one that best fits our needs.

Boiling things down to the bare bones – it's all about the business goals. Any company will have different business objectives and financial capabilities for each stage of development. Early stage, bootstrapped companies that are struggling to find first customers would have very limited funds while large, established business entities would have a steady cash flow and will be able to dedicate a hefty budget. Thus, the most appropriate web development options will be different.

Bootstrapped Startup Testing the Market

The business goal for a website could be to test waters and acquire first customers while keeping expenses at minimum. A one-page WordPress (any free DIY) website will be all you need. You can find a developer who'd set it up for 100-200 USD; the amount of time required to get it up and running shouldn't take more than 2-4 hours. The design and content aren't taken into account of course.

The ideal scenario would be to hire a web developer you can trust to pick a free WP theme for you, deploy the software on the server and show you how to enter your private, sensitive data yourself. I would recommend refraining from hiring 5-dollar "gurus" on freelance platforms and classifieds as it would most likely end in a catastrophe. You can read more about the reasons in my concise book: "[Business Website 1.01](#)".

If you would like to support this work, consider purchasing this [book for bootstrapped startups and small businesses](#) on Amazon; this way I'd be able to know whether this is something of value and if it makes sense to write the next piece.

New E-commerce Store

When your business goal is to sell products online, your budget is super tight but you think that your business will be fine with the most "basic" functionality for your online store, you could choose **WordPress** with **WooCommerce** plugin. When your business needs a more complicated solution and you have some coin jingling in your pockets you could go with **Magento** or **OpenCart**.



If you are OK with monthly fees for using a software, aren't planning to migrate the store in the near (1 year) future and you're not too concerned with limitations and less control over your app's files, you could go with subscription-based platforms like **Shopify** or **Webflow**.

If your inventory consists of thousands SKUs, you want to have the full control of the application, you are concerned about the security of the app and don't want to have any constraints – a custom e-commerce website based on a **framework** such as **Laravel** is your ticket to success.

Multi-purpose Web Portal

Most of the plugins and add-ons that are available for platforms and systems like Shopify and WordPress are very generic, hence not tailored to specific business needs but rather aimed at satisfying most common requests in a most generic way possible. Average solutions for average businesses. Chances are your business problems are unique to your business, thus common Plug'n'Play products won't do you any good.

I wouldn't recommend building a complicated system using third-party plugins but this is a separate topic in and of itself, so I will not be covering it in detail here.

When your organization has multiple divisions, business directions and objectives; when you are targeting different audiences through various channels a **custom, framework-based website** is the best choice because it can provide you with the highest level of flexibility that is essential to multi-purpose web hubs. As the company grows so does the amount of processes, relationships and dependencies; a web hub capable of catering to the needs of different stakeholders is a must when your job is to make the company efficient and more competitive.

Reality Check

While these few use cases are great, they are meant to be used as a point of reference; often times you will find yourself not having to contend with the problem of choosing the best platform or tool but with the absence of the right partner to work with.

A good web designer can create a great piece of work on any platform using either of the available tools; a great web developer can build a solid website using any programming language, framework or open-source software. So when you find the right person or [the best web design](#)



[agency from NYC](#) (*product placement*) to work with it will be up to them to recommend and even insist on using one tool over the other based on your business needs.

When you have access to a [trustworthy web developer](#) who knows how to build websites in Shopify and is good at it, there is no reason why not to go with this option. If the person or agency only works in PHP using Laravel framework – that’s great, there is no reason why this option wouldn’t work for you either.

What is the **optimal solution** for creating a professional website for the company? There is no undisputable, one-and-only, perfect tool. But there is a method.

The secret recipe requires you to identify your business goals, to put a number to tangible results, to set parameters that measure the success rate, devote a budget, a timeframe and test your hypothesis.

For example, if your business relies on selling goods over the Internet and by means of online advertising you want to spend 15 000 USD in 3 months on ads in order to get additional revenue of at least 60 000 USD, your business goal could be to create compelling marketing messages that will help in driving traffic to your e-commerce website where you would AB test two landing pages to figure out which messaging, images and layout result in better conversion rates. Based on your margins and business model you can easily calculate whether your company would be able to afford those landing pages and then make adjustments to variables if necessary.

Custom-made Website Pricing

Eventually you will come to understand that custom website is the best option and as your business becomes mature enough you will finally be able to join the ranks of the successful companies who can afford it.

Those of us who had ever commissioned a tailor to design and sew a custom-made dress or a suit would know what I mean – things will just fit and work and look great. If you haven’t done that yet, consider doing so if only for the sake of the experience.

Every web design agency has a different approach in regards to how they calculate the price of a custom developed web application. Basically there are three different ways how the cost of making a website will be estimated: **per hour**, **per project** or **per value**. The first two options are more common; you might get a combination of the two as well.



Making a Website on a Per Hour Basis

This approach is similar to the services you'd get from a legal firm – there is a minimum fee, an estimate of how many hours it will take to design, develop and launch your website and a per hour rate for any additional services.

This is the most advantageous option from the developer's perspective – it doesn't matter how much money a company can afford to spend, they'd work on a project as long as they're getting paid. With this model web developers and designers might be too tempted not to say “No” to prolonging the execution times by (e.g.) suggesting additional revisions or creating unnecessary variations of the layouts. The consequences? The project gets delayed, off-budget and everyone is frustrated with it.

The disadvantages to the client are: unknown time frame and unpredictable total costs.

Even when you had some experience dealing with web design and development projects in the past it is still quite challenging to figure out how much time it will really take to complete a specific task, therefore this issue might raise the question of an adequacy of the hourly rates, plant the seeds of doubt and create unnecessary friction.

You might find yourself in a situation when a rather common task of making a contact form on the website that used to take several hours on previous projects becomes a week long assignment for the developers. It isn't such a rare case when a [decision to remove CAPTCHA](#) or the desire to add unique animations to the form will (unexpectedly for the client) create a lot of additional work increasing the costs.

As regards to web **design**, I believe this approach is devastating to the creative process in general and should never be applied to the magical flow of creativity.

Building a Website on a Per Project Basis

This approach is similar to the services of a construction company. You'd get several options with different components and make a guess at which solution would work best for your company.

Just like the family townhouse project designed by a scrupulous architect is going to be more valuable – therefore pricier – than a ready-to-use, good-for-(nothing)-everyone, dust-covered-bottom-shelve blueprint, the work of a web designer who pays attention to details will require more time, hence will cost more money.



Just like the contractor who is required to finish the project faster will have to hire more people and use more expensive tools, the web application will become more expensive if it would have to be built in a shorter period of time. And just like the custom-made furniture in the apartment that might have some neat functionality with a few finishing touches is going to increase its price tag, the unique features, animations and iconography of the website will make the project more expensive as well.

This option has advantages from the client's perspective – due to a fixed price you'd be able to plan your costs in advance. The challenge here, however, is that the technical specs have to be really thorough in order to avoid the necessity of fighting over ridiculously obvious functionality that hasn't been built. But just like manuals – no one likes writing those technical specs as it consumes tremendous amount of time and no one reads them anyway unless there is a dispute.

Hiring a web developer or a web designer to build a website on a per project basis works really well for the client when all the objectives have been thought through and discussed. For a web developer this approach works best when the client has no clue about what they need or want and have no objections after the project is complete.

Creating a Website on a Per Value Basis

This is the toughest one to crack for both parties because it is not so evident how the VALUE of the end result is going to be determined and therefore this approach requires more time, effort, attention, patience and trust. But simultaneously it holds the most beneficial outcomes to both parties.

In order to simplify the conceptualization of this approach I'll give you an example. If a company that sells \$1 million worth of goods online wants to increase the sales by 5% next year, the offer from an agency could be in the range of \$15 000 to \$45 000. The benefit for the client is that they wouldn't have to think in high resolution about what features, elements, functionality or actions have to be taken in order to get to the specified target – that is up to the agency to make everything in their power to make it happen.

This approach creates a win-win situation:

1. The agency does what it thinks is necessary to reach the defined business goals instead of doing whatever's outlined in the technical specs.
2. Since the per hour pricing does not apply here, the agency is incentivized to work faster, therefore, the client gets the results in the shortest period of time possible.
3. The client invests the amount they feel comfortable with.



4. The initial longer sessions devoted to discovery and strategy result in less revisions and back-and-forths over the lifespan of the project.
5. Instead of having a website as a result the per value approach is based on defining targets to aim at in order to have a meaningful website with a purpose.

In comparison, the former two methods are the easier way out for the web developer: “This will cost 2500 USD” or “We’re charging 200 USD per hour” – go figure. The **per value approach** expects parties to have a lengthy, meaningful conversation about business goals and the necessity of spending money and effort on useful actions.

The results of such a discussion are amazing – the website gets just the right amount of features required to hit the target; nothing is built on the principles of “Why not?” There will be no Twitter or Instagram icons pointing at social media accounts that hold nothing but a single image posted eight years ago. There won’t be a blog page if there is no meaningful content to be published there. You won’t find any extra links in the navigation menu leading to vacuous just-in-case pages. All of the nonsense, clutter and noise will be absent because that goes against the point of VALUE.

What is a Fair Price for a Website?

Businesses are supposed to make a profit. The higher the margins the more likely the company will be profitable. One of the ways to increase the margins is to lower the costs. It comes naturally for businesses to aim at that. But web design & development agencies are businesses too; they also have a natural tendency to aim at lower costs.

Whenever both parties get carried away with bringing the costs down the project becomes the front runner in the race to the bottom. You don’t want that because it will inevitably decrease the quality of the output. I doubt that any sane decision-maker would want to have a poor quality of anything.

Neither web DDs should work for peanuts nor businesses should be taken advantage of and overpay for crap. The fair price works both ways.

Even though the concept of the **fair price** is always subject to the specific situation and subjective interpretation, the underlying principles remain the same:

1. Hiring someone to do the job should cost you less than doing it yourself.
2. The level of expertise of the executants must not be lower than your own.
3. The generated value is larger than the costs.
4. The sooner the job needs to be done, the more expensive it will get.



To avoid frustrations you should take your time to understand what goes into calculations of most website projects. Having done that, you'd get closer to figuring out the "fairness" of the price and setting the budget for your company's web application.

How to Set the Budget for a Business Website?

In order to set the budget for your website project you will probably do some research, read some articles, talk to colleagues and ask for offers from web developers and design agencies. This way you will be able to gather enough information required to help you in figuring out what a fair price should be.

To get the best estimate from an agency or a freelancer you'd have to be aware of the pricing process behind the scenes and be able to communicate your business objectives. Here is brief list of what goes into calculations of a custom web design offer:

1. Platform. Is it free DIY, open-source software, a subscription-based platform or custom-made content management system?
2. Deadline. How soon do you need your project done? If you are OK with waiting, then the price should be lower, if you're in a rush the price will go up because the agency will have to secure extra hands on deck.
3. Design. How many design options do you need? Each design variant will increase the price. Do you require mockups for mobile, tablet and laptop devices to see how the pages will look like before they are created? This will have an impact on price as well.
4. UI & UX. Are you looking to craft a unique user experience and create an easy-to-use user interface for every device? Open up your corporate wallet wider.
5. Brand identity. Do you have brand guidelines with colors, typography, messaging and elements that have to be included and communicated? If not, perhaps this is the perfect opportunity to address this issue.
6. Pages. How many unique pages do you need? The more pages you'd need the more layout designs there'd have to be created.
7. Prototype. Do you need to have a prototype to confirm with other stakeholders prior to developing the final version? Having a prototype presumes additional testing and an extended deadline.
8. Content. Who is going to provide the content to fill your website with? Who will choose and supply images; who will write copy?
9. Custom elements. If you want your website to stand out by having unique graphics, animations, icons or customized typography this would increase the costs too.



10. SEO. Do you need a “basic” search engine optimization that includes the title and description of the page or do you need a more serious approach with custom schema, page images, keyword research and unique, valuable content?
11. SMM. Do you want your web pages when shared have the images, titles, descriptions and call-to-actions tailored to specific social media channels? Does your project require standard or custom SM integrations?
12. Infrastructure. Is this going to be high-traffic, video streaming platform or a brochure type business website with few visitors?
13. Database. Do you need a large database with custom business logic and complicated relationships or would it suffice to have a single table for contact inquiries?
14. Integrations. Do you need your application to “talk” to other services and exchange data? Do you need to create documents, spreadsheets, images or barcodes?
15. Licenses. Will your project require licenses, e.g. professional images, typography, third-party software?
16. Fees. Are there any transactions fees or monthly payments for payment processors, SSL certificates, hosting?
17. Maintenance. Will your website require updates, upgrades or other services on a regular basis?

As you can see these are some serious questions that have to be discussed and there is a ton more. No wonder so many companies are drawn towards a tempting shortcut of making “a professional website for free”. Would you rather invest money and effort into something that **could work** or participate in the creation of something that is **designed to work**. It doesn’t mean that either choice will guarantee a business success but there is a massive difference between the two.

When the people responsible for the company website decide to shop around for website builders they make a choice towards a **reactive** approach: “Let’s examine available options and select the one we can afford” – they would have to adjust their business needs to whatever features web builders are offering. An average solution for an average business.

People who are taking a **proactive** approach think this way: “Let’s figure out our business needs, prioritize the goals and then create the tools we can afford.”

To make your life a little easier, I have developed a calculator that you can use for free to estimate [how much it might cost you to build a website for your business](#). Make sure to check it out; you won’t have to leave your email address to see the results – I promise.



Summary

There are several tools you can use to make a website for the company: open-source DIY software, free online website builder, framework or subscription-based content management systems – every option has its flaws and advantages.

It is possible to build a high quality, professional website for business using either of the available tools; a skilled, diligent web artisan is capable of delivering VALUE using the instruments that make most sense for the circumstances. The challenge is not in the implementation of features but rather in figuring out the most relevant business objectives to aim at.

What should a fair price for a website design and development look like? A fair price should reflect the amount of work and attention to detail put into the creation of professional website for the business. Plug-and-Play solutions with average features for average companies should be among the cheapest options. Custom-made, meaningful websites that are worth making should be priced higher.

All in all – the more value the website is going to bring, the more sense it makes for it to have a higher price. The trick is to have a meticulous conversation about the business goals in order to try and figure out what kind of VALUE the company is aiming at.

When it comes to choosing the platform or software as a tool to bring your website idea into being, consider focusing on the partner – a web developer and a web designer (web DD) who will aid your company, rather than the technology. You can substitute one technology with another to achieve your business goals; the right, competent, **trustworthy partner is irreplaceable.**

About the author: Sergei is an entrepreneur with over 16 years of international experience in business development across various industries: construction, real estate, retail, wholesale, manufacturing, entertainment and digital services. He works at awezzom [Digital Brand Strategy Design agency](#) as an Art Director and Brand Strategist.

The original article can be found here:

<https://awezzom.com/blog/web-development/fair-price-business-website-costs>

