Website costs – how much should you pay?
A Guide for SMEs

2021 EDITION

We are often asked by micro-businesses and SMEs how much they should expect to pay for a website for their business.

This is one of the most frequently asked but tricky to answer questions in the world of web design and digital marketing. Even now, there is no magic formula for calculating the cost of a new website.

After 20 years working with Irish businesses we've compiled all the information you need when deciding on a budget for your website.

Our advice is broken down into practical and manageable steps, showing you what you need to consider when going through the process.

.ie We are Ireland online

Where to start

We hear from industry bodies like the SFA, ISME and others that SMEs find it difficult to get accurate, comparable quotes for website development. They often range from €5k to €20k and it can be difficult to know what the right cost should be.

A website is a key part of an SME's marketing mix. It is generally accepted that businesses should spend 5% of their turnover on marketing if they want to stand still, and 10% if they are trying to grow. Marketing statistics in the U.S. indicate that 62% of small businesses are investing 4% or more of their revenue in marketing.[1]

So how can an SME decide on the right amount to spend? It will of course depend on the size and nature of your business, as well as the sophistication of the website itself in terms of the technical elements needed. It also depends on how the website is positioned in terms of your overall marketing strategy.

The Covid-19 pandemic has resulted in a significant increase in online activity, both from the consumer and business owner point of view. Our **.IE Tipping Point Report 2021** shows that 68% of consumers said they spent more online in 2020 than they did in 2019. Consumers are patriotic and want to support Irish businesses. 78% of SMEs that invested in their online services say they are busier than or as busy as before the Covid crisis. All this points to the need for a slick website that is easy for consumers to buy from. Our research shows that just 30% of SMEs sell online.

We're here to help – to provide relevant and up to date information for businesses that want to get online. The very first step is to decide on the purpose of your website. What are you trying to sell? Is it a product or service? This will determine the functionality, style and layout of your website. Then you are ready to move into the specification stage and hire an expert to build your website or use a do-it-yourself website builder.

We recommend contacting your **Local Enterprise Office** which provides funding though the **Training Online Voucher Scheme**.

WHAT ARE YOU TRYING TO SELL? IS IT A PRODUCT OR SERVICE?

In this guide, we will take a closer look at the costs involved, and how to make the most of your budget when developing a new website. We're going to profile four typical Irish business scenarios:

START-UP/HOBBYIST
1 part time staff

MICRO-BUSINESS
Less than 3 employees

SMALL BUSINESS
Less than 5 employees

MEDIUM-SIZED BUSINESS
Up to 20 employees

[1] www.engage2connect.com

Website costs – how much should you pay? A Guide for SMEs | 2

STARTUP:
Hobbyist cake maker testing the market

The owner of this business has just started out. She is a highly skilled cake maker in her spare time, providing cakes for special events locally.

The cakes really have the wow factor, so she's been encouraged to test the market to see if she can make a business out of her hobby.

The fastest way to promote her business is to develop a small website, but the challenge is that she is in start-up mode and only has a tiny budget to work with. As cake making is very visual, one of the key things is to be able to share images, which she's currently doing on Instagram and Facebook. However, she now wants potential customers to be able to see samples of her cakes, place orders and make enquiries. She also wants to showcase her own skills by providing more information on awards she has won and her qualifications. It is important for her to show that she has very high standards, complying with food hygiene regulations. Finally, she knows that by developing a website she will control her own business online.

So, with a minimal budget, the cake maker has decided to go for a DIY website builder as it will allow her test her business idea without having to make a huge investment. A key advantage of a DIY website is that it can be done easily by the business owner, and no web development skills are needed – it's a simple drag and drop solution. She wants about 10 pages initially and the ability to show images and video. A contact form for orders will be needed, as will limited e-commerce to allow customers purchase cakes from the website. She also wants to get a domain name for her business and a matching, professional email address.

DIY web builder packages are widely available from hosting companies in Ireland from as little as €8 per month. Some reliable companies are listed here **www.weare.ie/accredited-registrar-list**

Requirements checklist

- ✔ **10 page website**
- ✔ **Images**
- ✔ **Video**
- ✔ **Limited e-commerce**
- ✔ **Contact form**
- ✔ **Social media integration**
- ✔ **Google Analytics**
- ✔ **Google My Business page**

MICRO BUSINESS:

A hairdresser based in County Wexford with an annual turnover of €95k and a team of 2 staff
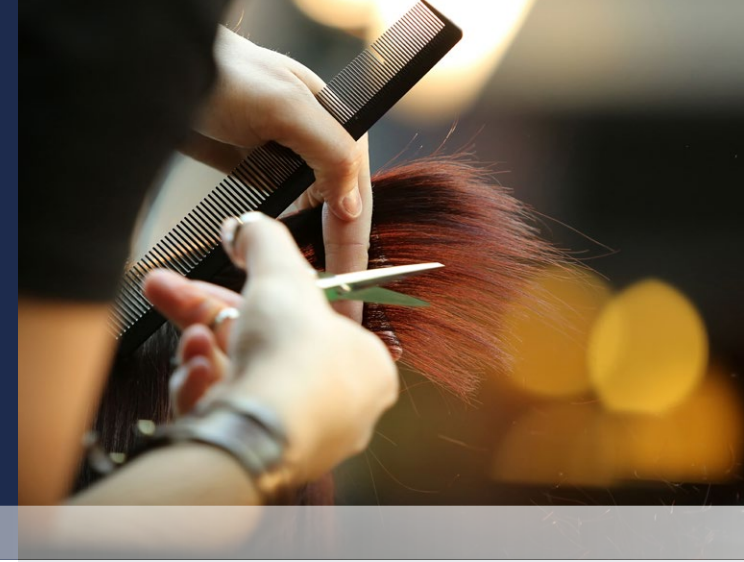
The business carries out its marketing within the immediate locality and wants a website with details about opening hours and location, the ability for clients to make appointments online and an image-based section illustrating previous client hairstyles to promote their growing wedding business.

Looking at their turnover, the total marketing budget available is €4,750 (5%). This budget will have to cover all activities, not just the website. It will need to cover design and print costs for flyers and brochures, as well as the costs of attendance and exhibitions at industry events, sponsorships, social media and any online and offline advertising. Therefore, the business will have to prioritise what is most important, and what will deliver the best return in terms of additional revenue. In this case, they want to appeal to more customers who are looking for hair stylists for their wedding.

So it's important that they have a strong online presence and appear in Google searches for wedding hair stylists.

With this in mind, what exactly could the business justify spending on a website?

Looking at what they are trying to achieve in terms of functionality and design, the website is a reasonably straightforward 'brochure' style site with a contact booking form. They want to grow their wedding business and so this section of the website will need careful planning. However, the website does not need in-depth e-commerce functionality. A budget of €1,500-€3k should suffice in terms of creating a modern, responsive and fit-for-purpose website. It is important to note that this cost will be spread over time – up to 3 years – as a website does not need to be redesigned from scratch every year.

Requirements checklist

✔ **Image gallery with zoom feature**

✔ **Image carousel**

✔ **Appointment booking**

✔ **Mobile first design**

✔ **Google map**

✔ **Social media integration**

✔ **SEO**

✔ **Google My Business page**

SMALL BUSINESS:

An architectural practice based in Dublin with an annual turnover of up to €250k and a team of 4 staff

The company does a mix of residential extensions, refurbishments and new builds. Their clients are mainly individual homeowners who engage them for a once-off project. Word of mouth recommendations have been important, but clients now want to browse examples of their portfolio of work online before making contact. For this reason, they now want to update their website from a basic brochure site to one which can display their work visually, using high quality photography and video, generate leads through a 'get a quote' system, book consultations and provide useful template documents such as how to create a project brief. The company specialises in providing independent living solutions for people with disabilities so a section featuring this will be important, including downloadable specification documents.

The website must include details about the company, the owner and staff, qualifications and awards, client testimonials, consultation costs and it needs to be optimised for SEO and include social media integration. It also must be optimised for mobile as most searches start there.

Looking at their turnover, this company will most likely need to allocate 4% of the annual turnover towards its growth plans. This means they have €10k for total marketing spend. So, for this company, what exactly could they justify spending on a website? In order to attract new clients, and grow their client base, they need to ramp up the marketing strategy to include the new website, online promotion and potentially, paid-for search marketing on Google to promote the website in search rankings. Social media will also be important, especially Instagram, Pinterest and Facebook where their core market is likely to be. The website will need careful design and development to deliver really high quality visual design and impact. A budget of €5-€8k should suffice in terms of creating a robust, reliable website.

Requirements checklist

✔ **Mobile first design**

✔ **Image gallery with zoom feature**

✔ **Video**

✔ **Google map**

✔ **Google My Business page**

✔ **SEO**

✔ **Social media integration**

✔ **Downloadable pdfs**

✔ **Quotation system**

✔ **Book a consultation system**

MEDIUM BUSINESS:

A food producer/retail shop based in West Cork with an annual turnover of €750k and a team of 15 staff

This company has expanded rapidly over the past few years, and the website that was initially built for them is no longer fit for purpose. It has no e-commerce functionality, very little imagery or photos and is not responsive on tablets or mobile devices. Although not a large scale producer, they offer a small range of organic farm produce, which they are successfully selling as 'Seasonal Veggie Boxes' in the local area. For this reason, they need a robust ordering and online selling section on their website so orders can be placed and fulfilled.

Looking at their turnover, the total marketing budget available to them is €37,500 (5%). The marketing plan needs to cover existing activities such as social media marketing, PR activities and online advertising to highlight their 'Seasonal Veggie Box' offering. They also sponsor some local sporting clubs. They know that a new website will support a lot of their existing marketing campaigns, so they are keen to upgrade it to keep it in line with the rest of their activity.

For this business, the website needs to reflect the brand, which has a high-quality, modern and vibrant personality. The values of organic, local and seasonal produce are important for their brand and business. It won't need too many pages but the content must showcase the produce. For example, a lot of images using great photography and graphics with suggested recipes and uses for the produce. There must also be bandwidth to upload video content as the team has produced some nice footage of chefs using the produce in their recipes. The company wants to set up an online shop to start selling directly to its customers. This will also impact the overall specifications and cost of the website. Added to this, they want to look at an interactive customer comment area.

A budget of €8k will be needed so that the website is fully responsive, enabled for e-commerce and displays high quality imagery and graphics in keeping with the brand.

Requirements checklist

✔ **Mobile first design**

✔ **High quality images**

✔ **Video content**

✔ **Payment system**

✔ **Online shop**

✔ **Advanced search**

✔ **Interactive customer comments**

✔ **Social media integration**

✔ **SEO**

Pulling together the brief for your website

There are a number of important steps involved in developing a new website for your business, from drawing up the brief to looking for quotes from web developers.

Do your Needs Analysis

The first thing to do when creating the brief for your website is to carry out a Needs Analysis. This is a detailed breakdown of what you need for the website, taking into account the unique needs of your business. It will form the basis for your brief and will ensure there is no room for misinterpretation by the web developer.

You should aim to include the following within this document:

▶ An overview of the business (length of time in business, products/services offered, staff numbers etc).

▶ Description of your target audiences and geographic markets.

▶ The objective of the site. If you plan to increase revenue via the website, what is your target number? This should include overall revenue e.g. €20k per annum and the number of sales needed to reach that goal.

▶ Design and content requirements. This includes the number of pages and type of content needed. Will you provide the content yourself or will you need the developer/agency to source it?

▶ Images, logo and visuals – will you supply these or will you need the agency to provide them?

▶ Functionality and technical requirements (PayPal/Stripe integration, social media integration, content management, log-in requirements etc).

▶ Level of follow-up support needed.

Do your research

▶ Tap your networks for names of agencies or developers.

▶ Look into web developers or agencies that specialise in your particular industry. This will mean they can quickly get to grips with your requirements.

▶ Look at competitors or websites that you like. It is always useful to have some examples of styles or approaches that you would like for your website.

▶ Read up on latest consumer trends when it comes to online usage. For example, in Ireland, smartphones have taken over as the device of choice for accessing e-commerce sites, accounting for 54% of revenue and 70% of traffic.[2] This will be important to the layout and style of the website.

Have a budget in mind. This will allow you to focus your search efforts, and narrow down quotes received based on price.

Select 2-3 web developers and send them the same brief to get comparable quotes. The reason many SMEs can get wildly varying quotes is that they don't ask all companies for exactly the same thing.

Consider the **maintenance and upkeep of the website.** Do you have the necessary skills in-house to maintain the website? Is the Content Management System easy to navigate? Are you happy that you can troubleshoot any technical issues if they arise? If not, it may be worth looking at some form of support contract as part of the overall project.

[2] Wolfgang Digital KPI Report 2020

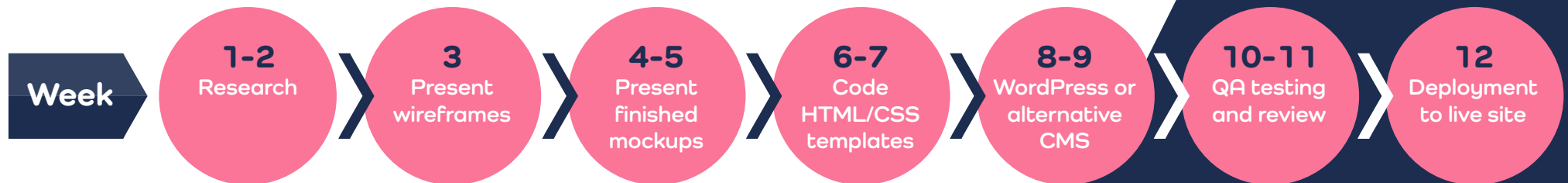Website costs – how much should you pay? A Guide for SMEs | 7

Handy tips for choosing your developer

▶ Ask for **examples of previous work** or **client recommendations**. Check whether they have carried out work for similar clients.

▶ Look for **2-3 references** and follow these up. In particular, ask about the **company's responsiveness** and general **project management** of the job.

▶ Ask the web developer for a copy of their **tax clearance certificate**.

▶ Enquire as to the **range of services provided** – for example, web design, web development, app development, e-commerce, digital marketing, copywriting, quality assurance, hosting, social media.

▶ Ask about **the team** (number of staff, years with the company, skillsets etc).

▶ Get information on their physical **location**. While working remotely will work for some companies, many SMEs and microbusinesses prefer a supplier located in their own area.

▶ Ask about **payment terms**. Many web developers will ask for a percentage upfront. Never pay more than 20% upfront and only do this if you've done all your checks.

▶ Ask the web developer to provide the **number of days** and the associated **cost per day**.

▶ When you choose your developer, make sure the **contract is documented and signed** by both parties.

▶ Make sure your developer provides you with **logins and admin details** for your website. This will ensure that you have full control over the site.

Website Development Timeline

The length of time required to build a new website will depend on the scope of the project. Simple, brochure-style websites will naturally be developed quicker than more intricate, technical websites. However, in both cases it's important to understand, from the beginning, how long it will take and whether this will fit in with your business planning. The following timeline highlights the typical time taken at each stage of the project for a multi-paged, e-commerce enabled website.

Week

| 1-2 Research | 3 Present wireframes | 4-5 Present finished mockups | 6-7 Code HTML/CSS templates | 8-9 WordPress or alternative CMS | 10-11 QA testing and review | 12 Deployment to live site |

To complete the work outlined in the project scope, allow approximately 12 weeks from beginning to end, depending on when feedback is provided at each milestone. Upon signing the proposal work will start immediately.

Further reading

www.weare.ie/sme-start

www.weare.ie/sme-evolve

www.weare.ie/blog

www.localenterprise.ie/Discover-Business-Supports

Handy checklist

✔ **Needs Analysis**

✔ **Clear concise brief**

✔ **Contact 2-3 web developers**

✔ **Create a plan to promote your new website, allocating some budget for this if required**

✔ **Be comfortable with the ongoing maintenance of the website or negotiate an after-care plan**

Unlock the power of the internet with a trusted Irish .ie online identity

It's uniquely Irish

The official Internet country code for Ireland is **.ie** and is the only online address that is Irish. A **.ie** tells the global community that you are Irish and tells the Irish community that you are local. You can even register an Irish language name if required, fadas and all.

It's more likely to be available

There is a wider choice of available **.ie** domain names compared to .com, as significantly more of those names are already registered.

It lets your customers find you online

.ie addresses rank higher than .com addresses on Irish based search engines like Google.ie. Irish consumers are more likely to click on local website addresses.

It's trusted

Every **.ie** applicant's identity is checked and validated at the point of registration. Consumers will have confidence in your business as **.ie** is a well-established and trusted domain. 77% of Irish consumers prefer a **.ie** website when buying online, instead of a .com.[3]

It's the preferred online address for business in Ireland

91% of Irish consumers associate **.ie** websites with Irish businesses over other websites like .com.[3] The **.ie** domain accounts for the majority of hosted domains in Ireland.[4]

It protects your brand

Securing your **.ie** online address strengthens your brand and protects your online identity. All **.ie** domains are registered on a first-come, first-served basis.

.IE
2 Harbour Square
Dun Laoghaire
Co Dublin
A96 D6R0

Tel +353 (0) 1 236 5400
Email marketing@weare.ie
Twitter dot_IE

www.weare.ie

.ie We are Ireland online

[3] .IE Consumer Trust 2020

[4] .IE Domain Profile Report