

HOW MUCH DOES APP DEVELOPMENT COST?



Dennis Javvis, business analyst and project manager, shares the results of his research on how much it costs to make a mobile application in 2019.

Mobile application development cost review

I've analysed the statistical data provided by several R&D firms and gathered the leading app development agencies' prices from open sources – such as on-site price-lists, public directories, financial reports and press releases – as well as client reviews left across different platforms within the past five years. Finally, I rechecked, structured and grouped all the information.

The consolidation of this data is represented in my post. If you have something to add, let me know. I value your support and will publish updates ASAP.





Estimation of mobile app development costs 2019

Below you'll find six blocks of information:

- App development price comparisons from independent aggregators (Clutch, Business of Apps, AppFutura);
- · Official prices from five global leaders in application development;
- Price comparisons for the top mobile app constructors;
- Breakdown of low-code development platform fees;
- A survey of post-launch support costs;



Aggregated data from top R&D agencies on app cost surveys for 2017-2019.

Price comparisons from 3 leading independent aggregators

This traffic estimation diagram of 3 most popular app development aggregators for the period of March 2019-May 2019 will help you to choose the most reliable source. Data represented by the platform Similar Web.



Clutch

Clutch is one of the most frequently mentioned among SEPRs resources for software and app development.

It provides you with detailed information about hourly rates, minimal project sizes and the profiles and portfolios of the IT companies, as well as offering its own ranking system.

The leaders' matrix data:

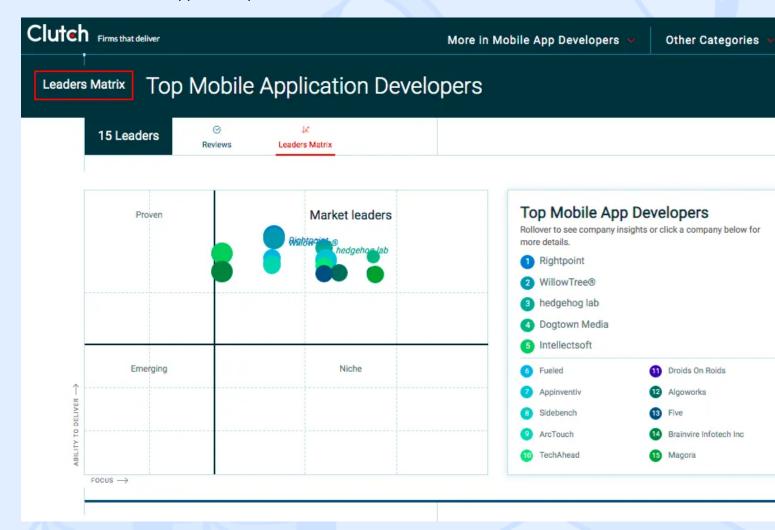
- Mode for developer's cost per hour: \$150-\$199.
- Median for the top 10 developer fees: \$120-\$150.
- Average project estimation begins from \$25K.
- Companies with higher prices have higher minimal project volume.







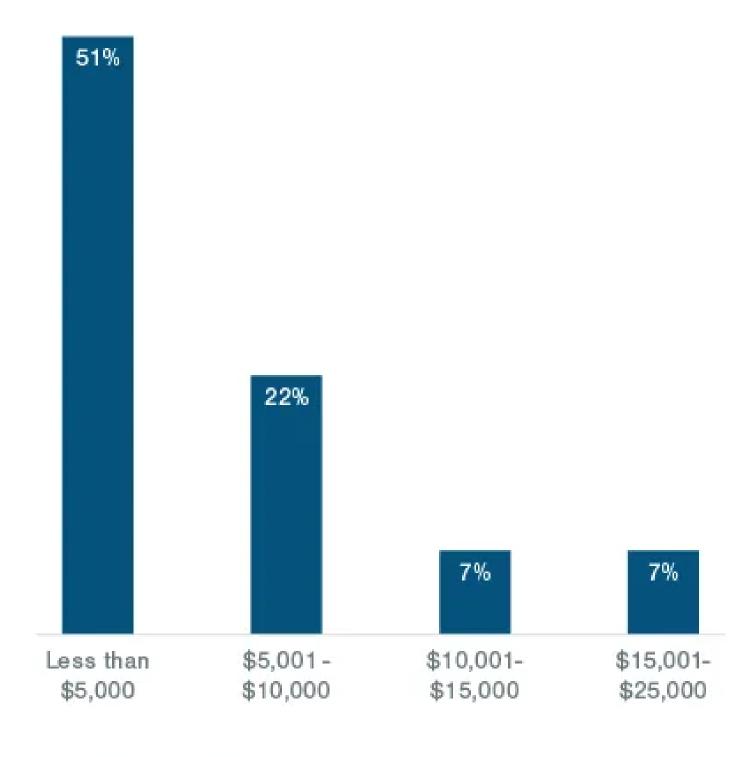
• The best mobile app developers are concentrated in LA, NY and London.



More detailed data from Clutch's research: https://clutch.co/research/top-mobile-application-developers

Additional information on the deviation of costs for the initial stage of the software development process – the discovery phase:

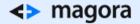
Average Cost of App Development Discovery Stage



More than \$25,001 = 4%

N = 68 mobile app development firms that require a discovery stage Source: Clutch 2017 App Development Cost Survey



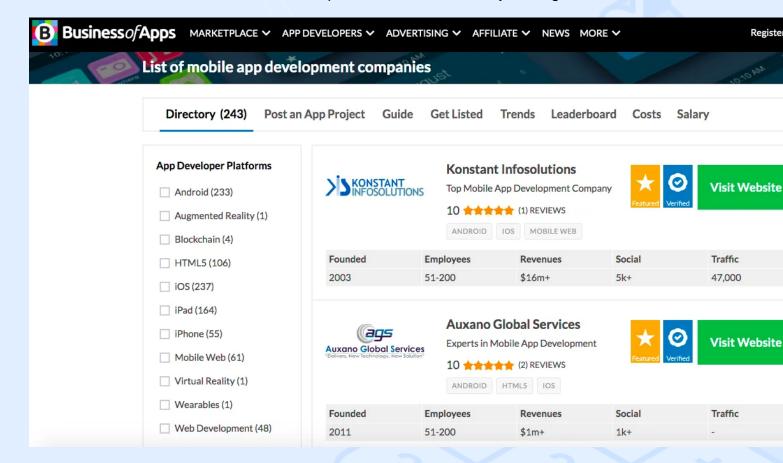


An affiliate domain of Clutch – themanifest.com – indicates the same figures.

Business of Apps

Business of Apps is another software developer listing platform. The number of apps mentioned there totals in the hundreds of companies, compared with thousands on Clutch.

Along with each of the developer's profiles you'll find their revenue per year, traffic and number of employees, individual ratings and reviews. Prices are not provided in the company profile, but several estimations are mentioned as a niche example based on the industry average.



AppFutura

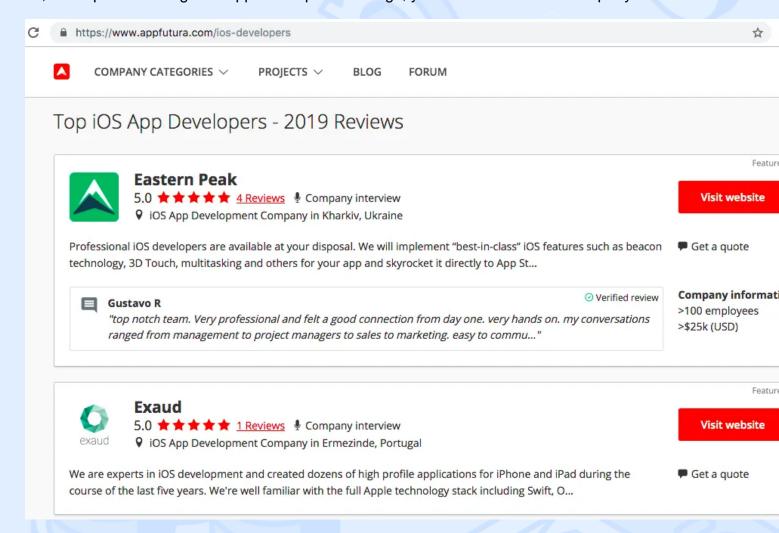
AppFutura conducted its own <u>survey</u> in 2017 based on the geography of developers, represented here:

- For the US and Western Europe, the average hourly rate is between \$75 and \$150 per hour.
- For developing countries like India and Nigeria, the mode for mobile app development cost is \$15-\$30 per hour.

This resource allows you to post a project in order to find a developer. You can also see the IT company's profile details, like reviews and ratings, number of employees and minimal project size.



The number of companies listed is rather limited. Estimate the relevance of the data based on the fact that, in 1st place in the global app development ratings, you'll see a Ukrainian company.

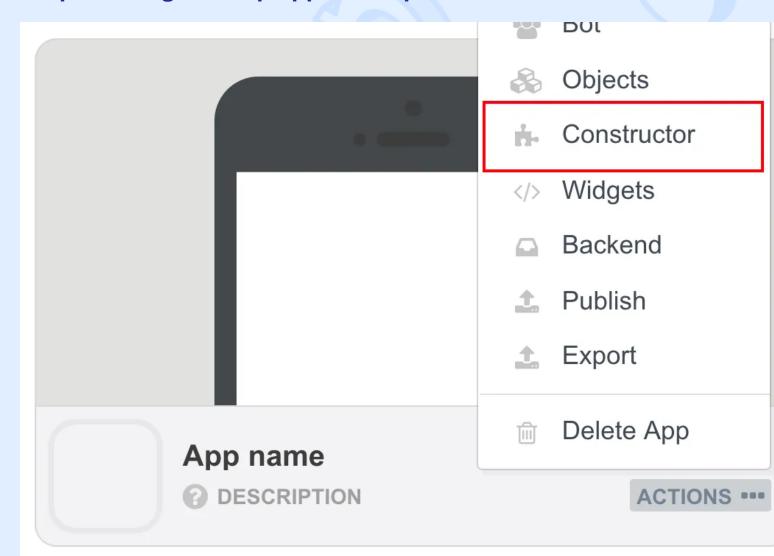


Official prices from five global app development leaders

Price review of the top-listed IT companies, as published in open internet sources:

- App development projects come in at "anywhere from \$25,000-500,000" Dogtown media;
- The prices "for a first high-quality, richly-designed, native iOS or Android release typically starts at \$200,000" – Archtouch;
- "We charge \$30,000-\$500,000 per project" Magora;
- "60% of our work has fallen between the \$40,000-\$60,000 price range, 20% between the \$60,000-\$100,000, 10% between the \$100,000-\$150,000, 5% between the \$150,000-\$200,000 and, lastly, the remaining amount all over \$200,000(+)" ChopDawg.
- Konstantinfo declares that "a native app for iOS is about \$15,000-40,000." They also state that
 the price differs based on what category the app belongs to.

The price range for top app development constructors



Here I review a special class of app development companies who provide you with the opportunity to gather the application's features based on a set of ready functions by ticking the necessary components or choosing a subscription with a limited set of options.

App calculators

It would be great if every IT agency could predict the cost of app development with a simple tool like a calculator. However, using one for a real bespoke project estimation is more amusing than beneficial. It's too vague.

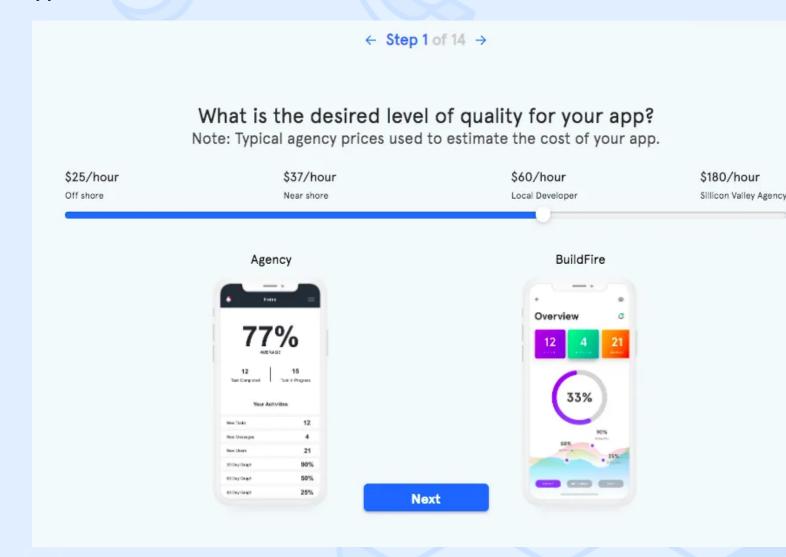
Sharing with you examples of such calculators:

https://buildfire.com/how-much-to-make-a-mobile-app-calculator/

- https://magora-systems.com/app-cost-calculator/
- https://waspmobile.com/services/mobile/app-cost-calculator/

The only situation where it really works is when you make an app in one of the online constructors (=app builders).

App builders

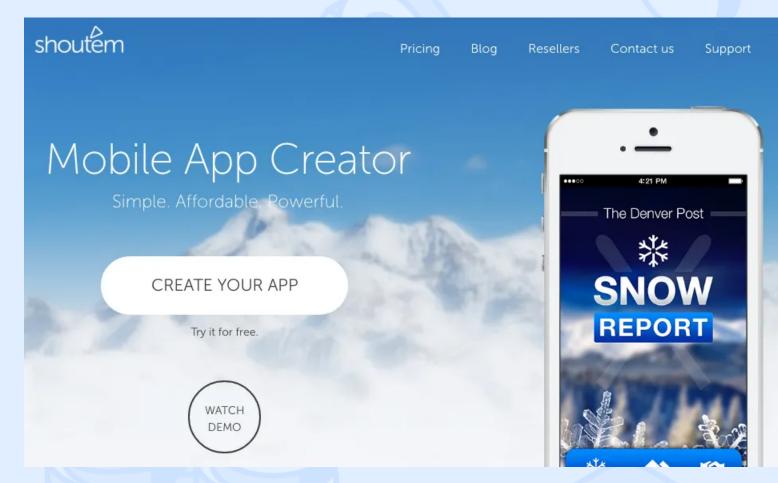


When your task is an application of the simplest sort and the deadlines were yesterday, it could be a real bargain.

Such platforms let you have a basic app by subscription. Usually, the cost deviation for single-user access is between \$40 to \$150 per month with a mode of \$50. However, the subscription can reach as much as \$1,660 monthly, e.g. for a bundle package of 20 apps per month on a yearly basis as seen here.



Data for the top five app builders' subscription rates:



Appipie – \$36-\$120 per user monthly. Free trial.

https://www.appypie.com/pricing-plan

Shoutem – \$49-\$149 per person, monthly. Free trial.

https://new.shoutem.com/pricing/

Goodbarber costs \$32-\$200 per user per month.

https://www.goodbarber.com/pricing/

Theappbuilder payment starts at \$1.7 per user per month on a yearly contract.

https://www.theappbuilder.com/pricing

Appery's prices begin at \$70-\$135 monthly per single-user licence.

https://appery.io/pricing/

Note: the Apple App Store fee: \$99 annually; Google Play - one-time fee: \$25.

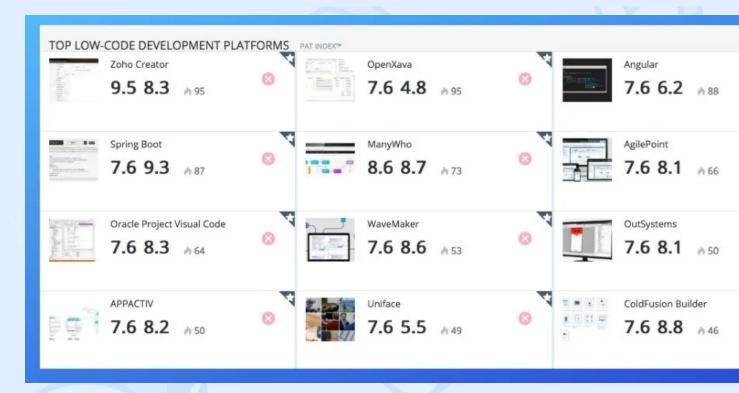
Below is the link to a detailed comparison of the top 10 app makers, published by Mashable.

Low-code and no-code development costs



Low-code and no-code development platforms help to speed up the software creation process as well as significantly decreasing the costs. In low-code, a programmer can customise some of the features to the needs of a particular company. In no-coding development, drag-and-drop techniques are used to create software.

 OpenXava, Angular, Spring Boot, ManyWho and AgilePoint are among the top low-code development platforms.



The minimum prices begin at \$99 per person monthly for the basic tariffs and vary from \$300 to \$599 for enterprise-level services.

The highest prices indicated stand at \$9000 per year for a single-user license for an advanced enterprise package.

Compare the features and costs of the most popular low-code platforms here.

According to <u>research by Markets and Markets</u>, the low-code development market will grow from \$4.3 billion in 2017 to more than \$27 billion by 2022.

A Forrester Consulting survey on low-code and no-code development implemented on behalf of appian.com in March 2019 shows that 100% of their respondents are ready to implement this approach. At the same time, 59% of the answers mentioned security issues as the top challenge when it comes to the adoption of low-code platforms.

Post-release costs

During May and June 2019, I carried out qualitative research in the form of personal interviews. By asking 28 mobile application business owners about the estimation of post-release costs, I got a deviation from the initial investment for the app creation of between 15% and 40%.

Maintenance and technical support



Official statistics provided by <u>AppPress</u> estimate that average maintenance costs per year are equal to approximately 20% of the initial investment.

This includes bug correction, technical capability enhancements, optimisation and maintainability measurement. In the case of integration of new features, the costs should be estimated as a separate project.

Aggregated data from top R&D agencies, dated 2017-2019

VDC Research survey

According to a VDC Research survey, \$140,000 is the average cost per app. It also estimates that the average amount of time corporations spend on developing and deploying a mobile app is six months, but that they would like to receive it even faster.

Outsystems

An Outsystems report on the State of Applications development in 2019 describes a couple of factors that affect costs. They note that app demand is higher than ever and, therefore, a shortage of developers with the necessary technical or development skills is apparent.

• The most in-demand are BI specialists, AI and machine-learning and cybersecurity. So if your project might require any of these things, get ready to pay more.

Progress Guide

Progress's "The cost of an Enterprise Mobility Strategy Guide" offers an insight not only into the initial investment but also into yearly maintenance and a five-year cost summary.

 Making the same app for iOS, Android plus a web application, according to their estimation, would cost \$936,000. After release, maintenance costs stand at about \$140,000 per year. So, after five years, it will cost \$1,497,600 (including adapting it to business requirements, bug-fixing and screen-size adaptation for the new devices that are being released every year).

Some more valuable articles

- On this site, you'll find a convenient tool to compare the prices of ready-made software solutions: https://www.capterra.com/
- To see the historical data about custom application development prices for 2017, take a look at this reliable post.
- Follow this link for the full explanation of how cost correlates with project complexity.







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