

6 ESTIMATING MOBILE APP DEVELOPMENT COST

6.1 Review

How much does it cost to make an app? Likely, this is one of the first questions that app brands and developers need to know an answer for, when they launch an app development project. An app development cost estimate is the most basic and yet crucial component of a budget for any mobile app development project. Quite often a company owner finds herself trying to answer these two questions – how much does it cost to create an app for my business via hiring an app development company versus how much does it cost to develop an app internally.

Determining the cost of mobile app development isn't a one-size-fits-all process. It involves several factors such as features, complexity, platforms and that vary from one project to another.

6.2 Factors that Influence Mobile Development Cost

- 1. Features and functionalities of the App:** A simple app with basic functionality will cost significantly less than a complex app with advanced features like data synchronization, user authentication, complex backend. More features will require more more number of screens/pages in the app. More screens mean more design, development, and testing effort, thus higher cost.
- 2. Platforms (iOS, Android, Both):** The type of platform chosen also affects the cost. Developing for one platform (iOS or Android) is less costly than creating a cross-platform app. However, depending on your target audience, you may need to consider developing for both platforms. Also, the cost for developing an iOS app is higher than that of an android app.
- 3. Design (UI and UX):** Complex designs with custom graphics, animations, and transitions (like Amazon mobile app) will require more effort, hence increased costs. Simpler designs, (such as a simple calculator app) on the other hand, will be less expensive but might not stand out in the crowded app market.
- 4. Third-party integration and Backend Development:** Building a mobile app that fetches data from a server or requires real-time synchronization (like in a chat app), a backend server will need to be developed, increasing costs. Similarly, if your app needs to interact with other apps or services using APIs, it will require additional development effort.
- 5. Location and Development Team:** The location of your development team significantly influences the cost due to varying labor rates. Developers in North America tend to be more expensive than those in Africa. Additionally, a larger team with specialized roles (UI/UX designers, front-end and back-end developers, QA testers) will ensure a high-quality app but will also increase costs.

6. Maintenance and Updates: Post-launch costs like server costs, emergency maintenance, app updates, and customer support are often overlooked but should be factored into the overall budget. Regular updates to keep up with platform changes (like new OS releases) and new feature additions are also a part of the total cost.

7. Development Time: Development time depends on factors like the complexity of features, integration requirements, testing, and iteration cycles. Agile development methodologies, which involves iterative development and frequent feedback, may affect the cost compared to traditional waterfall methods.

6.3 Method for Estimating Mobile App Development Costs

1. Fixed Price Model: Ideal for small projects with well-defined and unchanging requirements, this model ensures clients know the total project cost upfront. While it aids in budget planning, it lacks flexibility for changes once development begins.

2. Time and Material Model: Suited for projects with evolving or undefined requirements, clients are billed based on actual time and resources utilized. This model allows for flexibility during development but may result in costs exceeding initial estimates if project scope expands.

3. Dedicated Team Model: Tailored for long-term projects with changing requirements, clients benefit from a dedicated team working exclusively on their project. Costs are based on team size and time spent, offering control over the development process and ensuring team commitment.

6.4 How to Reduce Mobile App Development Costs

Set clear goals for your app: Comprehensive planning at the outset can save both time and money down the line. A clear understanding of your target audience, the app's purpose, and its key functionality requirements is crucial. This also helps avoid unnecessary revisions or feature additions in later stages, thus preventing cost overruns. A handy framework to use is the **SMART** (Specific, Measurable, Attainable, Relevant, and Time bound) goals framework

Develop a cross-platform app: Cross-platform development is an increasingly popular approach to mobile app development. According to NetGuru, building a cross-platform app can be **up to 30% cheaper** than building 2 separate native apps. That's because you only need a single team of engineers to build a cross-platform app.

And the app uses a single codebase to run on both operating systems. This **significantly reduces development time** and that can save you a lot of money.

Adopting a Minimum Viable Product (MVP) Approach: Prioritizing the development of a minimum viable product (MVP) is a great way to reduce your mobile app development costs. This strategy focuses on developing and releasing a version of the app with only the most essential features that bring users the most value. MVP approach can significantly lower mobile app development costs, a valuable advantage in the face of limited budgets.

6.5 Reference

<https://itcraftapps.com/blog/estimating-mobile-app-development-costs-a-comprehensive-guide/>

<https://www.businessofapps.com/app-developers/research/app-development-cost/>