



## The Process and Cost of Developing an App

Do you have a great idea for an app, but have no idea how much it costs? If you are like many other people who think that if an app is free to download then it must be cheap to develop, it is not that easy. There are many different factors that go into the cost of building a successful app. Going into 2017, there will be over 1.5 million apps available on the app store and 99.9% of them are relatively unknown. It's not about developing an app and throwing it on the app store, it's about developing a successful app which will result in a favorable return on your investment. The goal is to get to the point where you are monetizing your app and you are running a successful business. So, what is the process and what does it cost to do it the right way?

- **Idea/Concept**

The first and most integral part of App Development is you. Your idea, your concept, and most importantly, your goals. You, first and foremost are and will be the core of your product.

Questions you need to ask yourself about your product before anything else:

- What is the purpose of my product?
- What does my product do?
- Why would someone need my product?
- How will my product appeal to others?

- **Planning**

Although the planning stage may not involve a lot of fixed costs, it can be fairly time consuming. Most successful startups require a small, diverse group of trained professionals like those at DevFactori who can efficiently: evaluate the product viability, the preliminary marketing and user-acquisition strategy, and the most effective business model for your product. In addition to planning the strategic business aspects of your product, this stage also involves initial storyboard design, deciding on key features, and establishing a development timeline.

- **Design**

Once the planning stage is done, you are ready to move into the design phase. This can take anywhere from 2-6 weeks depending on the number of iterations made to your design. If you want your app to be user friendly and eye-catching, you will want to have a world class designer. However, if you have a good designer and allow them the freedom to work and be creative you can often reduce the number of iterations and get this process accomplished relatively quickly. At the end of the design phase, your designer will deliver completed designs of each screen, known as wireframes, that will eventually make up the completed app.

- **Development**

In agile development, a project is broken down into sprints, which are a grouping of features that need to be developed. For example, if there are 50 features that need to be developed in an app and there are ten sprints, then each sprint will have roughly five features. The first sprint will involve the most important features involved in getting started, such as sign-in, setting up a profile, etc. A good developer will stop at the end of each sprint to debug the code that has been written so far and AB split testing and Q&A will take place. In the development world, there is one thing that is clear, you get what you pay for. If you want a world class app, it should have multiple, highly qualified developers for each language that is being developed for.

Once the development phase is complete, the app needs to enter beta testing before it is officially launched to the app store. Beta testers will have the opportunity to work around with the app and give feedback. It is also the last chance the development team will have for Q&A before the app is launched to the app store. Once this is complete, it's time to take your product live.

- **Launch**

Your app must go through an approval process with the app store and then it is launched. This is where the user acquisition strategy starts to take flight. As an example, Uber is a company that had a very strong user acquisition strategy. Uber initially targeted the San Francisco market, specifically taxi drivers that drove to the airport. Once Uber had solid traction in San Francisco they expanded to Los Angeles, then encapsulated all of California, then New York & Chicago, and now they are the world largest Taxi service.

## **Specific Factors That Can Affect Cost**

- **Languages**

The number one factor that influences cost is the number of platforms that you are developing for. Your app can be developed to work with iOS, Android, and/or as a web app. However, web apps and most mobile apps may require a web administration tool. Also, if you are developing for an iPad, there are additional costs involved due to screen size. Starting with iOS or Android only would be significantly less expensive than developing for all three major platforms right off the bat.

- **Maintenance & Support**

Once you have launched, you will need to have a maintenance and support contract with one of our excellent development teams in case any bugs arise. Bugs are inevitable. There has never been software launched to the market that was completely bug free. At DevFactori, we recommend allocating a percentage of your monthly budget that is proportional to your user base. For example, if you only have 20 users, your app will necessitate require very little maintenance and support. On the other end, if you have five million users and monetizing your app, this will necessitate extra attention from your developers. Maintenance and support can run anywhere from \$1k-15k per month according to how much care your app needs.

## Four Types of Apps

- **Basic Apps**

Simplistically designed apps that have anywhere from three to five screens, no login, and do not store any data. After the design phase, they take roughly 2-5 weeks to develop depending on the number of features, and they can run anywhere from \$30-60k.

- **API Integrated Apps**

These apps commonly have a login process, store user information, and utilize an Application Programming Interface to supply the user with data that is available via the internet. However, these apps generally do not have many screens and are not overly complicated. API Integrated apps normally take anywhere from 2-3 months to develop and can cost anywhere from \$70-120k.

- **Startup/Enterprise Businesses with Numerous Features**

Feature rich apps that based on an idea that has not been done before, which necessitates the use of original code. They offer API integration, the ability to store data, numerous screens, and often involve communicating with multiple users at once. Development generally takes about 3-6 months, with pricing starting at \$120k and can increase depending on complexity.

- **Games**

Games are very complicated and pricing is based on how dynamic the development needs to be. Pricing starts at \$120k and development time varies depending on the complexity of the final product design.

## Pricing Examples

**Twitter** - \$200-250k

**Instagram** - \$200-300k

**WhatsApp** - \$250k

**Uber** - \$1M

As you can see, there is a lot that goes into developing a successful app and it's not cheap. But you should not let that discourage you. Keep in mind you're starting a business. If you look at any of the apps that you use, they all have multiple employees and are valued at millions of dollars. If that is your goal, DevFactori wants to help you achieve it.