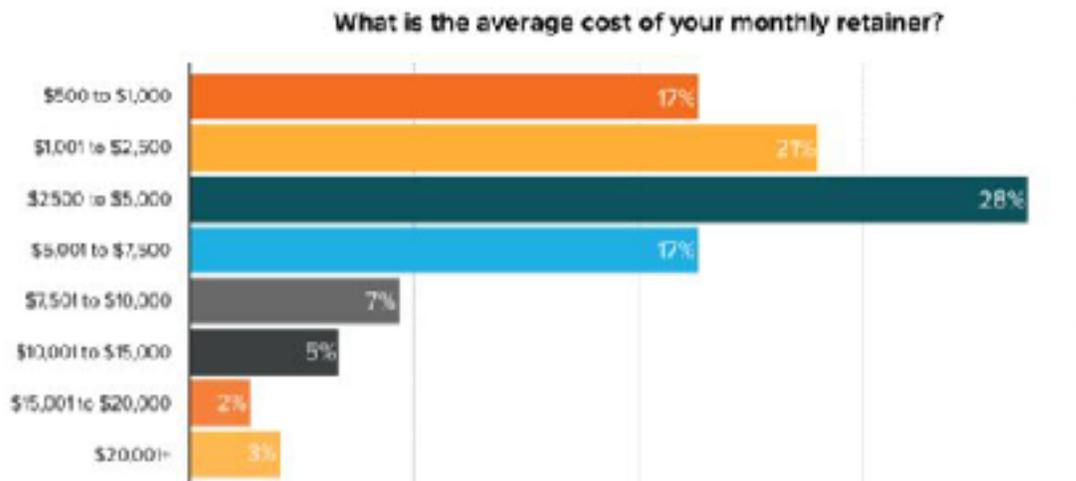


SEO Pricing in 2017: Understanding the Average Cost of SEO Services

Even though many business owners understand the importance of SEO, the industry has such wide pricing variations that it is hard for many business owners to wrap their mind around the average cost.

Long gone are days of cheap outsourced SEO consisting of directory and article submissions. In today's competitive digital landscape, you need a comprehensive strategy if you are going to leave your mark. Your SEO provider should be developing content, optimizing your website for speed, user experience and ensuring the technical elements of your site are properly optimized. Links continue to rank as one of the most important ranking factors, yet many agencies fail to offer link building services as part of their strategy, something to consider when comparing agencies.

Recently, HubSpot released the results from a survey of 750 SEO agencies, revealing the following average monthly retainer amounts:



The majority of agencies charge between \$2,500 and \$5,000, while the second most common price range is \$1,001 to \$2,500.

As you can see, around two years ago we suggested a minimum of at least \$750 per month for SEO or \$100 per hour as an agency minimum hourly price. While at the time, those price ranges could make a dent in many niches, the past 24 months of updates from Google has reshaped the role of an SEO agency.

In the past, SEO was less reliant on content, required less Web development expertise and there were still a number of “short cuts” an unscrupulous agency could take to get users results at a low (under \$500/mo) price point. In order to better understand why the average cost of SEO services has increased, let’s look at some of the additional roles now falling under the umbrella of “SEO.”

- Website speed optimization
- User experience optimization (split testing)
- Comprehensive content research
- Text/video content creation
- Press outreach for links (e.g., HARO)
- Content marketing

The list could continue for quite a while as many SEO agencies offer integrated digital marketing campaigns. We will get back to the evolving role of SEO providers but first, let’s look at the average costs for a few other popular forms of marketing.

Television advertising is one of the most well-known and commonly used marketing channels for businesses of all sizes. In Nashville, TN, a mid-sized market, 15 minutes of air time per month will set you back \$5,000

2016 Marketing Plan Option A
TV and Digital

:30 TELEVISION SCHEDULE
Flight Dates: First 2 weeks of month

<u>PROGRAM</u>	<u>TIME</u>	<u>Days</u>	<u>Spots Per Week</u>
Channel 4 Evening News	5-7p	M-F	5x
Heartland Network	5a-12a	M-Su	10x

Digital Impressions: 200,000 Impressions targeted to Williamson CO.

30x Total :30 Commercials

910,000 Impressions – A18+

Monthly Investment = \$5,000

Stellar SEO 10
Business Online Marketing Solutions

Radio is another go-to marketing strategy for business owners. Again, let's look at what this runs in a mid-sized market.

Get Heard. Be Loved.

Connecting Your Brand with Our Audience.

Start-Up	Growth	Enterprise
\$5,000/mo	\$10,000/mo	\$25,000/mo
Includes	Includes	Includes
Minimum Audience Exposure of 250,000	Minimum Audience Exposure of 500,000**	Minimum Audience Exposure of 1,500,000*
1 script (+1 revision) 1 Produced commercial (+1 revision)	Up to 2 scripts (+1 revision) Up to 2 Produced commercials (+1 revision)	Up to 6 scripts (+2 revisions) Up to 6 Produced commercials (+2 revisions)
\$149 Activation Fee	\$99 Activation Fee	NO Activation Fee

Features such as Endorsements, Station On-Site, :15 or :30 second Audio Commercials are also available.
Ask your iHeartMedia Account Executive for more information!

As you can see above, the suggested monthly cost for a “starter” campaign is \$5,000 per month. Is \$2,500 per month for SEO sounding better yet? If not, consider the following.

What Does an Average SEO Campaign Entail?

As we touched on above, the role of your SEO provider now requires knowledge of Web development, content marketing, technical SEO, link building and general marketing. Even the most basic SEO campaign should include the following:

- Analytics implementation & setup
- Keyword research and mapping
- Technical SEO audit
- Technical SEO corrections
- Site speed optimization
- Website hierarchy (architecture) review
- Content research & creation

- On page content optimization
- Link building & link outreach
- Campaign tracking & reporting

Now if we take the average hourly rates from above (\$100/hr), how much do you really think you are getting from an agency for \$399 per month? For clarity, many agencies bill on a retainer model, not hourly. Even so, if you think about the internal company breakdown on a retainer model, how much work do you really think you get for \$399 or more importantly, what quality of work will you receive? Chances are, not that great. Maybe you are thinking, “Why not just do it in house to save costs without compromising quality?” Good question and here is why.

Hiring in House for SEO Vs Hiring an Agency

According to the [Bureau of Labor Statistics](#) the median yearly salary of a skilled copywriter was \$60,250 in 2015, coming out to \$28.97 per hour. The median yearly salary of a [Web developer](#) is \$64,970, coming out to \$31.23 per hour. If you were to hire either one of those as part of your in-house marketing team, it would cost you over \$5,000 per month and they wouldn’t have all the skills needed to execute a full SEO campaign. An agency providing all the services listed above and many more for \$2,500 (or even 5K) per month a steal in comparison to the cost in-house employees. Additionally, an agency doesn’t call in sick, need benefits, or have to spend time at your expense learning how to do SEO. Let’s look at how an agency might use 20 hours to promote your website.

Understanding How Your Budget is Being Used

According to the same HubSpot survey referenced above for average monthly retainers, “An hourly rate of \$125 and \$150 were the most common rates listed in response to our question for the respondent's hourly blended rate. The average of the hourly rate/blended rate respondents listed was \$126.”

If an agency bills hourly, you would get about 20 hours per work each month for \$2,500. As indicated above, the most common billing is retainer based, not hourly. The retainer pricing model is so popular because it combines value for the customer with the internal ability to accurately budget for expenses. Let’s look at what the budget breakdown looks like for a \$2,500/month retainer.

Content Research – 2 hours to review the top 5-10 posts about a particular topic, identify areas that could be improved, and identify an angle for your content.

Content Creation - \$300 - \$500 per 1,000 words of premium content created by freelancer knowledgeable in the field. Some in-depth content can cost several thousand dollars but for this example, we will stick to “average” awesome content.

Link Prospecting – 3 hours per month to identify resource, skyscraper, broken and guest post opportunities.

Current Total Expense: \$930 - \$1,130 (depending on cost of content)

Link Outreach – 10 hours per month of outreach link building comes to \$1,260 per month.

Current Total Expense: \$2,190 - \$2,390 (depending on cost of content)

Now from the remaining budget of \$110-\$310 per month, an agency also usually covers analytics setup and tracking, on-page optimization, technical site audit and revision, page speed optimization, client reporting and 2-4 hours per month on the phone with a client. That is before the company takes in account their overhead or customer acquisition costs.

Now, I know what you are thinking – “We pay SEOs to get results and to do so efficiently.” Your point is well understood by the industry and in attempts to satisfy customer expectations of productivity while cutting costs, some of the most damaging strategies were born. Spinning content, automated link building, submission spam, and even low-quality guest posting were all a result of companies trying to cut costs and expedite the ranking process. By now, most of you should know how that ended!

What About ROI?

Putting aside the “how to” for a moment, let’s discuss the most important factor in determining an SEO budget and measuring success, ROI. The biggest breakdown I have seen in this industry is the understanding of cost versus value among customers. If you doubt it, just search for “cheap SEO” or similar terms and look at the offers.

About 1,733,833 results (0.37 seconds)

SEO Services - Starts from \$199/month - ebrandz.com

www.ebrandz.com/SEO_US

SEO for Small Businesses - Fast Page Rankings for 500+ Customers - 12 Years Exp.
Free SEO Analysis - Free Marketing Dashboard - Plans Start at \$199/M
Compare SEO Packages - Check out Client Rankings - 1000+ Happy Clients

Want Top Website Rank? - SEO Services Starts \$160/month

www.seo.com/seo

100% Client Retention - 12+ Years Exp. Free SEO Audit Report worth \$249
100% Client Retention Rate - Free SEO Audit worth \$249 - Proven 1st Page Results
Services: Local SEO, National SEO, PPC, SEO Reviews, SMO, Website Design
SEO Case Studies - Clients Portfolio - 100+ Clients on 1st Page - Proven Proven SEO Rankings

Rio SEO - The Only Leader - RioSEO.com

www.rioseo.com/seo

100% Client Retention - 12+ Years Exp. Free SEO Audit Report worth \$249
100% Client Retention Rate - Free SEO Audit worth \$249 - Proven 1st Page Results
Services: Local SEO, National SEO, PPC, SEO Reviews, SMO, Website Design
SEO Case Studies - Clients Portfolio - 100+ Clients on 1st Page - Proven Proven SEO Rankings

RankPay™ - Performance-based SEO Services - rankpay.com

www.rankpay.com/google-seo

100% Client Retention - 12+ Years Exp. Free SEO Audit Report worth \$249
100% Client Retention Rate - Free SEO Audit worth \$249 - Proven 1st Page Results
Services: Local SEO, National SEO, PPC, SEO Reviews, SMO, Website Design
SEO Case Studies - Clients Portfolio - 100+ Clients on 1st Page - Proven Proven SEO Rankings

Affordable SEO Packages Prices fr \$49 Monthly | CheapSEO.Services

www.cheapseo-services.com/cheap-seo-packages/

Monthly cheap SEO pricing fr \$49. There is no contract, cancel any time! If you need SEO for business that's why you'll want to your business.

Cheap SEO Packages \$58 | Affordable ecommerce monthly SEO ...

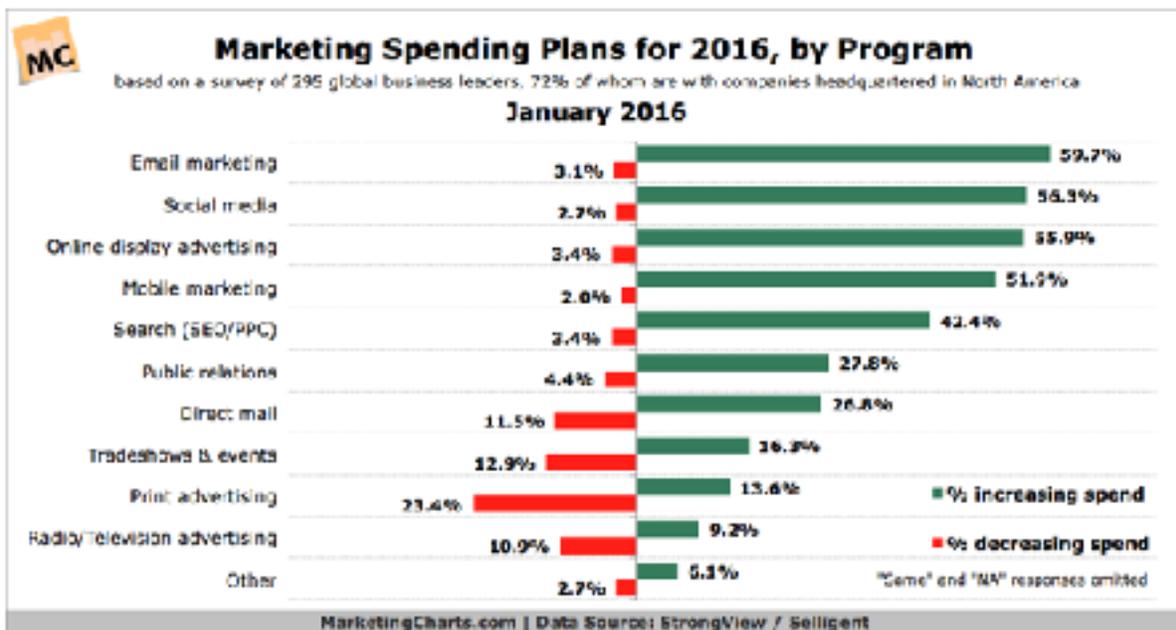
www.affordable.com/seo-packages-ecom/

SEO services @ \$58 ONLY. Our monthly SEO packages are cheap yet effective. Start e-commerce SEO at an affordable SEO pricing. Best SEO plans for small ...

Now, for the record, I don't know these companies or what they offer, but, if you think about everything discussed up until this point, what could they really be doing for \$49 or \$150 per month? Even so, people buy cheap packages every day. Many times, because they don't understand SEO or exactly what is involved. Put yourself in the shoes on an uninformed consumer (those poor souls not reading Website Magazine!) for a moment, if someone offered to "rank you" for \$100 or \$2,500, which would you choose? Apparently, plenty of folks would go with the cheaper one since these types of services have been around for years.

Let's step back for a second and think about this, aside from used car sales, which industry gets the most criticism? SEO and it is because of low value offers being pushed to consumers who then think that SEO must not work for their business rather than understanding that "cheap" SEO was the real problem.

To avoid falling into that cycle yourself, you must assess the ROI of SEO as compared to other marketing channels and budget accordingly. A 2014 survey by [Data Mentors](#) shows that the growth in online marketing expenditure is double that of the second closest competitor which is tradeshows.



The most recent survey conducted by [Data Mentors](#) shows the continual growth of expenditure on digital marketing channels.



The old saying “actions speak louder than words” holds true in marketing budget allocation too. As you can see, companies are continuing to invest more into online channels. I could talk all day about the ROI of SEO and how to calculate it but, this survey makes it clear. People are voting with their money, and those votes are for digital marketing.

As a business owner, I hope this opens your eyes to the evolving landscape of digital marketing and more importantly, why you should run when you get a cheap offer that seems too good to be true. Quality SEO work is time, knowledge and resource intensive. Anyone who tells you otherwise is probably trying to make a quick buck at your expense.