

The European market potential for web design and web application development services

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The European market for software development services is growing. Customers are looking for solutions that offer both an excellent customer experience and a design that meets the current style trends. On top of that, generative AI has led to a shift in what is possible for web design and web application development. Combined with the year on year increasing shortage of skilled IT staff, this makes Europe an interesting location to offer web design and web application development services.

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1. Product description

Web design and web application development are 2 closely-related services.

Web design

Web design refers to the process of creating the visual and user interface elements of a website. It involves the aesthetic (how it looks) and functional (how users interact with it) aspects of a website.

Web designers work on:

- Layout and structure: Determining how content and elements on web pages are arranged;
- Visual elements: Selecting and creating graphics, images, icons, and other visual elements;
- Typography: Choosing fonts and text styles for readability and branding;
- User experience (UX) design: Ensuring the website is easy to navigate and has a positive user experience;
- Responsive design: Making sure the website is accessible and functions well on different devices and screen sizes.

Web application development

Web application development refers to the process of creating interactive and dynamic web-based software applications that perform specific functions or tasks. These applications are accessed and used through web

browsers. They can range from simple web forms to complex systems like e-commerce platforms, social networks, content management systems, and more.

Web application developers work on:

- Backend development: Building the server-side logic and databases (such as MySQL, MongoDB, PostgreSQL, or Oracle) that power the web application;
- Frontend development: Creating the user interface and client-side functionality that users interact with;
- Programming languages and frameworks: Using technologies like HTML, CSS, JavaScript, and various backend languages (like Python, PHP, Ruby, Java) and frameworks (like Django, Ruby on Rails, or Node.js) to build the application;
- Database design: Structuring and managing data storage and retrieval;
- Security: Implementing measures to protect the web application from security threats;
- Testing and debugging: Ensuring the application functions correctly and addressing any issues or bugs;
- Deployment and maintenance: making the web application available online and providing ongoing updates and maintenance.

In summary, web design focuses on the visual and user experience aspects of a website, while web application development deals with the creation of functional, interactive web-based software applications. Often, these 2 services go hand in hand, with web designers and web developers collaborating to create a seamless and appealing online experience for users.

Cloud-based web development has become a widely used practice in the sector. This means that instead of relying only on your own computer or server (or your buyer's), you use services and infrastructure offered by cloud platforms to develop, host, and manage your applications.

Another important technology is Software as a Service (SaaS). This means you provide pre-built software solutions (for web design and web application development), and deliver them over the internet as a service. Both development approaches offer advantages in terms of flexibility, scalability and ease of use for you and your buyers.

If a company wants to build a website, web designers and web application developers are the largest technical roles, together with a DevOps engineer. Of course, you also need less technically-based people like a content writer and you might want to hire a project manager, a (quality assurance) tester, a SEO specialist and/or a person to discuss legal issues with.

Web designers and web application developers work with development frameworks. They are a type of software framework that can help develop websites, web apps, web services, web APIs and web resources.

2. What makes Europe an interesting market for web design and web applications development services?

European businesses understand they need attractive and functional websites to be successful. Most European enterprises have a website: [in 2023 a little more than 78%](#). This does not mean there are no market opportunities. On the contrary, all websites need regular updating. This means both enterprises with and without a website are potential buyers of web design and web application development services.

The market is growing fast

The global web development market size was valued at around €56 billion in 2022 and is expected to [grow at a CAGR of more than 8% from 2023 to 2030](#). The global web design market is expected to grow at a slightly higher rate, a CAGR of almost 11% from 2018 to 2030.

The market is growing because of:

- Increased internet use;
- Widespread adoption of smartphone and affordable internet access;
- Rapid growth of e-commerce.

Source: Statista

[In the European Union \(EU\) in 2023, almost 90% of medium-sized enterprises had a website. At the same time, almost 76% of small enterprises had a website.](#) These percentages are growing every year.

In general, the market for web design is bigger than the web application development market. However, both markets are large and show significant growth.

Tips:

Your own website is one of your most important promotion tools. Add features that show buyers what you offer and can do.

If your company also offers services to local buyers, you should consider separating your local offer from your export offer very clearly. You could use a separate domain (or at least a sub-domain) or a separate website.

High demand for e-commerce solutions

Europeans increasingly buy goods and services through e-commerce. The importance of e-commerce has led to an increasing demand for e-commerce solutions on the websites of European enterprises.

In 2023, [69% of EU citizens aged between 16 and 74 bought or ordered goods or services online](#). Of all those purchases, 53% were from sellers based in the same country as the buyer.

Tips:

Consider offering e-commerce solutions, because it is one of the fastest growing segments in web design and web application development services.

Specialise and differentiate. Consider specialising in a niche or offering unique services that set you apart from competitors. Whether it is expertise in a specific industry vertical, experience with emerging technologies, or a focus on innovative design approaches: find ways to differentiate your

services and attract clients.

There is a large digital skills gap in Europe

For years, there has been a large gap between the demand for digitally-skilled people and their availability in Europe. This includes the demand for digitally-skilled web designers and web application developers.

Source: Eurostat

This gap presents an opportunity for outsourcing providers like you. If you can provide high-quality services, you can help European businesses improve their online presence and competitiveness in the digital market.

Furthermore, outsourcing providers like you often have access to a larger pool of talented professionals and resources. This allows you to offer specialised services and innovative solutions to European companies seeking to boost their digital presence.

Tips:

Find the right staff. Consider hiring people with the necessary talents who still need to develop the required competencies. You can train them on the job. Also, make sure you have access to the right people to scale up operations and service clients at short notice.

Employees leaving their job is a big problem among IT professionals. To prevent valuable people from leaving your company, you should invest in their professional development, offer competitive compensation and benefits, provide a good work-life balance and ensure a positive work environment.

You can use online job sites to put together and maintain a global workforce of highly specialised people. Examples are [Appfutura](#) and [Talent Alpha](#) (specialised in SMEs), or [UpWork](#), [Freelancer](#), [Fiverr](#), [ITeXchange](#), [Clutch](#), and [pliXos](#).

Hiring and training new people is very time consuming. Time most European companies do not want to spend. If we work with a service provider and the people that work for them are replaced quickly, we are more likely to look around for other suppliers. We simply do not want to spend a lot of time investing in relations over and over."

Quote from the head of the IT department of a large European food processing company

3. Which European countries offer the most opportunities for web design and web application development?

You have the best chance of selling your web design and web application development services in countries where internet use is very high. This is the case in most European countries. However, in some countries you are more likely to find buyers than in others. Your best chances lie in the Nordics, Ireland and the Benelux countries. Countries like Czechia and Poland can also be interesting for finding partners for whom you could subcontract.

Source: Statista

*Nordics: Norway, Sweden, Finland and Denmark

*Benelux: Belgium, the Netherlands, Luxembourg

Based on [the number of individuals using the internet at least once a week in the last 3 months](#).

If we combine figure 3 with figure 2 you see the top 3 countries in which websites are used the most (the Nordics, Ireland and the Benelux countries) and where it is the hardest to fill the IT vacancies (Czechia, the Netherlands, Germany, Finland and Poland). This leads to the conclusion that the following countries and/or regions offer the most opportunities for web design and web application services:

The Nordics - Region of heavy internet users lacking enough IT professionals

The Nordic region (Norway, Sweden, Finland and Denmark) has been experiencing an IT software talent shortage for years. Although [the Finnish workforce has the highest share of IT professionals in Europe](#) (7.6%), this is not enough to meet the fast-growing demand. This combined with the continuous growth of the software industry, makes the current situation a great driver for outsourcing.

Two-thirds of organisations in this region plan to maintain or increase their outsourcing activities, with 20% considering increasing outsourcing significantly.

[Businesses in the Nordics are increasingly looking at eastern Europe to meet their IT needs](#). The demand for nearshore outsourcing, particularly to eastern European countries, is expected to rise. Nearly 40% of organisations are expressing their intention to include nearshore outsourcing in their outsourcing strategy.

The Nordic region is often overlooked by outsourcing suppliers from outside Europe. The fact that these relationships do not exist much, does not mean they won't in the future. In fact, you might benefit from targeting the Nordic countries, because your competition is not very active there yet.

If companies in Nordic countries decide to homesource, their main motivation is the desire to achieve faster time-to-market and improve quality (say 60% of respondents).

In the Nordics, language barriers are generally not an issue, because the people there have excellent English skills.

Ireland - Large skills shortage and potential strategic partners

Ireland can be an interesting country for web design and web application development. Ireland is seeing a large shortage of IT professionals. A survey by Expleo in 2023 revealed that [94% of Irish businesses struggled to find](#)

[the right hires for IT roles](#) with 74% of business leaders reporting that Ireland is struggling to attract top talent.

Ireland is a very popular nearshoring destination for many European companies. Therefore it can be an interesting location for finding strategic partners that could subcontract work to you.

The Irish are very open towards outsourcing. They have embraced remote working, with [a quarter of Ireland's employees working from home in 2023](#).

Ireland has the 11th-highest GDP in Europe. It also is among the highest percentage of individuals using the internet.

Czechia - Opportunities for finding a strategic partner and updating more old-fashioned websites

Czechia is a well-known software development nearshoring destination in CEE. Renowned IT brands like Avast, AVG and Socialbakers were founded there. [The Czech software industry is expected to grow by a CAGR of 3.64% from 2023 to 2028](#). The [more than 100,000 Czech software developers are in the top 10 best developers in the world](#).

However, in 2021, 77% of Czech companies with IT vacancies struggled to fill these positions. This was the highest rate in Europe. This drives Czech software companies towards subcontracting. Like in Poland, the [relatively high hourly rates for software development in Czechia](#) may benefit you. As a subcontractor who is able to pay lower wages, you can provide the capacity and value they want.

Czechia offers 2 particularly interesting market opportunities for web design and web application developers:

- Collaboration with a local web design and web application service provider. In this case you become the subcontractor.
- Improving existing websites of local companies. The quality of websites in CEE countries is generally a bit lower than the quality of websites in western and northern European countries. So you could offer your web design or web application development services directly. See the ME part of this study for [more information on how to enter this market](#).

Poland - Opportunities for finding a strategic partner and updating more old-fashioned websites

Within CEE, Poland is a major player in the software development industry. The country is [home to about 25% of the developer population in the region](#). This adds up to around [295,000 professional developers](#), in various hubs across the country. It depends on the program, but [Polish professionals are in the top 5 best developers in the world](#), adding to Poland's popularity as a nearshore provider for European buyers.

[Revenue in the Polish software industry is expected to grow from €2.1 billion in 2024 to €2.6 billion in 2028](#), at an average rate of 5.7% per year. The country also has the [highest number of tech-related start-ups in the region](#). To meet the demand from its flourishing software industry, Poland may increasingly need to turn to offshoring. As the country has the [highest hourly rates for software development in central and eastern Europe](#), Polish software companies can save quite some costs by subcontracting to you.

For web design and web application developers, Poland offers 2 particularly interesting market opportunities:

- Collaboration with a local web design and web application service provider.

- Improving existing websites of local companies

Benelux - Large IT industries that lack developers

Benelux is the collective name of Belgium, the Netherlands, and Luxembourg. These 3 countries have very strong GDPs and thriving economies. They are also IT hotspots.

For example, in 2023, it was estimated that the [revenue of the Dutch software development industry would reach a value of almost €52 billion at the end of 2024](#). This is an annual growth rate of 4.2%. Between 2024 and 2028, the revenue in the Dutch software market is expected to increase by almost €1.5 billion; [a growth rate of almost 16%](#).

[The growth of the IT services market in Belgium and Luxembourg is expected to continue in 2024](#). 75% of companies intend to maintain or increase their IT budget for external providers over the next 2 years, according to a survey by Whitelane. On the other hand, 15% plan to reduce the amount spent on external providers, while 10% are uncertain about their sourcing plans.

Although the Benelux countries have a lot of professional software developers, they have one of the highest numbers of hard-to-fill IT vacancies in Europe. This could drive many companies towards outsourcing solutions, making the region an interesting market, despite its small size.

Companies in the Benelux are traditionally open towards outsourcing. Research done on the Dutch market in 2024 found that the main reason for using external providers is access to resources and talent, say 56% of respondents. This is up from third place in 2023 and it is another indication of how hard it is for Dutch companies to find the right talent.

Second in priority is scalability (51%), followed by a focus on core business (49%). It is very interesting that this research also found that [cost reduction has significantly declined in importance, dropping to its lowest point to date from 39% to 23%](#).

Language barriers are generally not an issue, as the inhabitants of the Benelux are very good at English.

Read more about the IT sourcing situation in the Benelux in the Whitelane report of [the Netherlands](#) and the [BeLux](#).

Tips:

Companies that have a relatively old-fashioned website could be interesting companies to target directly.

Select your target market not only based on size, but also by looking at factors such as cultural similarities, historical ties and shared languages.

Use the member lists of relevant industry associations to identify potential buyers, such as [Digital Europe](#), [Bitkom](#), the [Finnish Software and E-business Association](#) and the [Software Development Association Poland](#).

Make sure you have access to skilled professionals, for example by working with universities, setting up training courses or centres, systematically collecting and analysing CVs and having a partner network of companies and individuals.

Emphasise your professional skills in your marketing, as well as the lower costs you offer.

4. Which trends offer opportunities or pose threats in the European web design and web application development market?

Trends in both looks and functions are very important in the web design and web application development industry. [If a website takes too long to load, 88.5% of visitors will leave the website.](#) 75% of people base a website's credibility on the overall design.

Web design trends

User experience (UX) and customer experience (CX) are key

UX and CX play very important roles in web development. For that reason, web designers like you must focus on both aspects. [Businesses can see a 200% increase in conversion rate by improving their user interface design.](#)

Nowadays, users want a personalised experience when visiting a website. So web designers must go to great lengths to study user behaviour and avoid generic designs. In other words, web design statistics show that modern consumers search for unique content, and 67% of users prefer companies that focus on authenticity.

How a user or a customer experiences a website is also based on its looks. Trends in this area change quickly. We give you some current trends, but we advise you to stay up to date on the latest trends to make sure that you have the latest insights.

Current trends in the looks of websites:

- Interactive features like micro-interactions;
- Animation;
- Denser and richer graphics;
- [Skeuomorphism](#);
- Parallax scrolling;
- Kinetic typography; and
- Minimalist and clean interfaces.

Example of how to embrace this trend

As a web design company, you can set yourself apart in the European market by focusing on minimalist and clean interface designs. You could emphasise simplicity, clarity, and user-centric design principles in your projects. You can work with European preferences for sleek and intuitive interfaces. By prioritising minimalist design aesthetics (looks), you can attract clients seeking modern and visually-appealing websites that prioritise user experience and functionality.

Tips:

Read about [how web design can boost the company's digital marketing.](#)

Keep up to date with the latest web design trends as they are changing very fast.

Generative AI for web design

Generative artificial intelligence (AI) can make web design easier by helping to create designs automatically. It works by learning from lots of existing designs and then makes new ones that look similar. This means you can spend less time on repetitive tasks like drawing layouts and more time on making creative decisions.

Benefits of using generative AI in web design are:

- Increased efficiency and productivity. With generative AI, you can quickly try out different design ideas and see what works best. This will save you time and effort. This allows you to focus on the more creative aspects of the design process.
- Improved creativity and innovation. Generative AI can generate new design ideas that you may not yet have thought of yourself. This can lead to more innovative and unique designs that stand out from the competition.
- Improved user experience. Generative AI can analyse user data and preferences to create personalised experiences for website visitors. This can lead to higher user interest and satisfaction.

Personalisation and customisation. Generative AI can create customised designs based on user preferences which will lead to a more personalised experience. This can help businesses build stronger connections with their customers.

Tips:

Use generative AI as a smart assistant. It can help you come up with new designs faster.

Web design trends also depend on the industry and the target audience. Make sure you know from your buyer who the target audience actually is. Also look for industry trends when you do web design for a particular industry. You can do this by looking at websites of similar companies and their other commercial channels such as Instagram.

Example Releaf

Releaf is a Nigeria-based company. Releaf is an Agritech company focused on boosting Africa's agricultural industry through technology. It offers agri-based industrialisation solutions and raw material logistics, connecting farmers directly to food factories.

They work on using technology to make the agricultural supply chain better. Their significant funding and their many fruitful partnerships are proof of their success in using technology for impact.

Web application development trends

Trends that apply mainly to web application development are the adoption of progressive web apps and single-page applications.

Adoption of Progressive Web Apps (PWAs) and Single-Page Applications (SPAs)

The adoption of PWAs and SPAs are important trends in contemporary web development. PWAs offer the advantages of faster loading times and offline functionality, while SPAs provide smoother user experiences and reduced page load times.

PWAs run on HTML, CSS, and JavaScript like websites do, but they take away the browser interface and borders. Unlike native apps, users do not need to download PWAs. They simply save them to their home screens.

The importance of these trends is expected to increase. It will transform the way users interact with web applications and websites.

Example

As a web development company you could capitalise on the trend of PWAs by offering specialised services for building progressive web applications tailored to the European market. You could develop PWAs that leverage features such as offline access, push notifications, and seamless performance across devices, catering to the diverse needs of European businesses and consumers. By integrating PWAs into your product range, you could provide clients with innovative and future-proof web solutions that deliver better user experiences and ensure more interaction.

Artificial Intelligence (AI) and Machine Learning (ML) integration

Integrate AI and machine learning capabilities into your web applications to boost user experience and provide intelligent insights. Use data-driven insights and predictive analytics to create smarter and more efficient web applications that meet the changing needs of users.

You can consider offering building web applications with AI chatbots, for example.

Tip:

Trends in web design and web application development go fast and they will keep changing. See our study on [trends for ITO/BPO](#) for additional information.

Globally Cool carried out this study in partnership with Laszlo Klucs on behalf of CBI.

Please review our [market information disclaimer](#).