

# Software Development Services Market Expanding With \$772.46 Billion at 11.6% CAGR by 2029

*The Business Research Company's  
Software Development Services Market  
Expanding With \$772.46 Billion at 11.6%  
CAGR by 2029*

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/EINPresswire.com/ -- "What Is The  
Forecast For The Software

Development Services Market From 2024 To 2029?

Recent years have seen speedy expansion in the software development services market size. A leap from \$443.90 billion in 2024 to \$497.16 billion in 2025, achieving an impressive compound annual growth rate (CAGR) of 12.0%, is expected. This development over time can be credited to



Expected to grow to \$772.47 billion in 2029 at a compound annual growth rate (CAGR) of 11.6%"

*The Business Research  
Company*

increasing enterprise software usage, escalating investment in IT structures, burgeoning digital transformation efforts, the extension of outsourced IT services, and a swell in demand for specifically tailored software solutions.

Anticipated to observe swift expansion in the ensuing years, the market size of software development services is predicted to escalate to \$772.47 billion by 2029, with a

compound annual growth rate (CAGR) of 11.6%. The forthcoming expansion can be ascribed to the rising demand for development in cloud, the proliferating use of artificial intelligence and machine learning in software-related tasks, the increasing need for solutions in cybersecurity, the widespread application of DevOps and agile methodologies, as well as growing investments in automation tools. Key trends anticipated during this forecast period include progress in AI-propelled development, breakthroughs in low-code and no-code platforms, advances in research and quantum computing applications, evolutions in cloud-native software structures, and technological progress in edge computing systems.

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## What Are The Core Growth Drivers Shaping The Future Of The Software Development Services Market?

The anticipated increase in the use of business automation is predicted to boost the expansion of the software development services market. Business automation involves utilizing technology and software tools to manage routine tasks, enhance operational efficiency, and improve decision-making capabilities within businesses. It allows companies to concentrate on strategic, impactful work while decreasing manual labor and error rates. The expansion of business automation is powered by an increased need for efficiency, cost-cutting measures, improved staff productivity, and expedited decision-making across various sectors. Progress in AI, machine learning, and cloud-based systems are expediting the uptake of automation. Software development services play a vital role in this transition by supplying bespoke applications, automation platforms, integration services, and digital solutions that facilitate firms to employ and enlarge automated processes across different divisions like finance, HR, sales, and marketing. For example, the Office for National Statistics reported in March 2025, that in 2023, 9% of businesses adopted AI, while 69% embraced cloud computing in the UK. Hence, the increased use of business automation is contributing to the growth of the software development services market.

## Which Companies Are Currently Leading In The Software Development Services Market?

Major players in the Software Development Services Global Market Report 2025 include:

- Accenture plc
- International Business Machines Corporation
- Oracle Corporation
- SAP SE
- Tata Consultancy Services Limited
- Fujitsu Limited
- Capgemini SE
- Cognizant Technology Solutions Corporation
- Infosys Limited
- DXC Technology Company

## What Are The Top Trends In The Software Development Services Industry?

Key players in the software development services sector are shifting their focus towards infusing artificial intelligence in their development processes, especially in their integrated development environments (IDEs). The goal is to expedite the process of developing software that is more sophisticated and secure using advanced AI-driven techniques for coding, testing, and updating. AI-powered IDEs are essentially software development systems that utilise large language models (LLMs) and variety of AI technologies to support developers in writing, revising and ensuring the security of the code throughout the entire software development process. As an example, IBM, a multinational technology corporation based in the United States, unveiled Project Bob, an AI-centric integrated development environment (IDE) for private tech preview in

October 2025. This innovative IDE assists enterprise developers by facilitating AI-driven code production, multi-step code revision, application updating, and heightened security compliance. Multiple large language models such as Anthropic Claude, Mistral AI, Llama, and IBM's proprietary Granite are integrated and coordinated within a unified development process. Project Bob, with its real-time context recognition and embedded security automation capabilities, simplifies intricate development responsibilities. Ultimately, it provides businesses with a scalable, intelligent, and efficiency-enhancing solution for contemporary software development.

## Comparative Analysis Of Leading Software Development Services Market Segments

The software development services market covered in this report is segmented –

- 1) By Type of Service: Custom Software Development, Application Development, Web Development, Mobile App Development, Software Maintenance and Support, Software Testing and Quality Assurance, DevOps Services
- 2) By Engagement Model: Dedicated Team Model, Fixed Price Model, Time and Material Model, On-Demand Development Model
- 3) By Enterprise Size: Small and Medium Enterprises, Large Enterprises
- 4) By End-User Industry: Banking, Financial Services, and Insurance, Healthcare, Retail, IT and Telecommunications, Manufacturing, Other End-User Industries

### Subsegments:

- 1) By Custom Software Development: Enterprise Software Development, Tailor-Made Business Applications, Legacy System Modernization, Bespoke Software Integration, Custom Database Development
- 2) By Application Development: Desktop Application Development, Cross Platform Application Development, Enterprise Application Development, Cloud Based Application Development, Progressive Web Applications
- 3) By Web Development: Front End Web Development, Back End Web Development, Full Stack Web Development, Content Management System Development, E Commerce Web Development
- 4) By Mobile App Development: Android Application Development, IOS Application Development, Cross Platform Mobile Development, Hybrid Mobile Application Development, Native Mobile Application Development
- 5) By Software Maintenance and Support: Corrective Maintenance Services, Adaptive Maintenance Services, Preventive Maintenance Services, Software Update and Patch Management, Dedicated Technical Support Services
- 6) By Software Testing and Quality Assurance: Functional Testing Services, Performance Testing Services, Usability Testing Services, Security Testing Services, Automation Testing Services
- 7) By DevOps Services: Continuous Integration Services, Continuous Deployment Services, Infrastructure as Code Services, Monitoring and Logging Services, Cloud Environment Management

View the full software development services market report:

<https://www.thebusinessresearchcompany.com/report/software-development-services-global-market-report>

Which Regions Are Dominating The Software Development Services Market Landscape?

In the 2025 Global Market Report for Software Development Services, North America emerged as the leading region for the specified year. The region predicted to experience the most rapid growth is Asia-Pacific. The report encompasses several regions namely; Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East, and Africa.

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Speak With Our Expert:

Saumya Sahay

Americas +1 310-496-7795

Asia +44 7882 955267 & +91 8897263534

Europe +44 7882 955267

Email: [saumyas@tbrc.info](mailto:saumyas@tbrc.info)

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Oliver Guirdham

The Business Research Company

+44 7882 955267

[info@tbrc.info](mailto:info@tbrc.info)

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