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Research Article

A comparative analysis of the cost and quality of interior design services in the United States and Eastern Europe

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ABSTRACT

The globalization of the design services market has made the comparative study of price and quality characteristics across different geographic contexts increasingly relevant. The purpose of this study is to conduct a systematic comparative analysis of the cost, delivery speed, and quality of interior design services in the United States and Eastern Europe, with particular attention to business models that secure competitive advantage. The methodological framework combines comparative analysis, a systematic review of academic and industry sources, and a case analysis of the real-world practice of a company operating under a hybrid transcontinental model. The findings indicate that Eastern European studios offer design services starting at USD 5/ft^2, while delivering projects at roughly twice the speed and with a superior level of 3D visualization compared with comparable firms in the U.S. market, where prices begin at USD 10/ft^2. A substantial shortage of qualified CGI competencies and general contractor partners was identified in the American segment. An original concept, the Hybrid Design Delivery Model (HDDM), is proposed as a mechanism for combining European quality with local implementation capacity. The information presented in the article may be of interest to developers, investors, property management companies, and design industry professionals oriented toward international markets.

KEYWORDS

interior design, comparative analysis, United States, Eastern Europe, cost of design services, 3D visualization, hybrid business model, CGI studio, International Property Awards, competitiveness.

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INTRODUCTION

The interior design industry is undergoing a structural transformation shaped by digitalization, the migration of talent resources, and the post-pandemic redistribution of demand. According to Allied Market Research [1], the global interior design market was valued at USD 134.2 billion in 2023 and is projected to reach USD 216.1 billion by 2034, at a CAGR of 4.6%.

The American market is characterized by a high price level and a chronic shortage of specialists in computer graphics. According to IBISWorld [3], the average cost of interior design in the United States ranges from USD 10 to 25/ft^2, a pattern largely driven by high labor costs, local office overhead, and mandatory licensing requirements. On average, American design firms spend from 14 to 20 weeks completing a standard residential project [4].

Eastern European studios have established a competitive niche by offering European-quality execution within a price range of USD 3–8/ft^2. The academic discussion of this issue remains fragmented. The works of Kazmierczak and Varga [5] and Mrak [6] examine pricing in a Western European context; however, no comparative study covering a transcontinental hybrid model for delivering design services to the U.S. market has been identified in the current literature.

The purpose of this study is to conduct a systematic comparative analysis of the cost, delivery speed, and quality of interior design services in the United States and Eastern Europe, with an emphasis on business models that provide competitive advantage.

The scientific novelty of the study lies in the substantiation and conceptualization of the Hybrid Design Delivery Model (HDDM) as an original transcontinental business model integrating Eastern European design competencies with American market infrastructure.

The author's hypothesis rests on the assumption that a hybrid business model combining Eastern European design resources with American client infrastructure delivers superior performance across the core "price-quality-speed" metrics when compared with local competitors, while preserving a high standard of implementation.

Materials and Methods

The study is built on three complementary methodological approaches. The first, a systematic literature review, involved the analysis of publications from the Scopus, Web of Science, and Google Scholar databases published across the following clusters: "interior design pricing," "design services Eastern Europe," "3D visualization market," and "hybrid design business model." From an initial pool of 74 sources, 20 were selected after the application of the inclusion criteria.

The second approach, comparative market analysis, was based on the comparison of quantitative and qualitative characteristics of design services across two geographic segments: The United States and Eastern Europe (Ukraine, Poland, the Czech Republic, and Romania). The comparison parameters included service cost (USD/ft^2), average project completion time (weeks), the level of 3D visualization and digitalization, and the availability and quality of contractor infrastructure, including GC partners.

The third approach, case analysis, involved a detailed examination of the operations of an interior design studio functioning under a hybrid transcontinental model: management is concentrated in the United States, specifically Florida, while the professional design team is based in Eastern Europe. The cumulative professional experience amounts to 15 years, including 4 years directly in the U.S. market. The case is verified by financial performance indicators and by awards received from the International Property Awards.

The source base includes Scopus- and WoS-indexed academic articles; industry reports by Allied Market Research, IBISWorld, Grand View Research, and Statista; regulatory and professional documents issued by ASID and AGCA; and the primary data of the case company. All quantitative indicators were verified through internal reporting and public materials published by the award program.

Results and Discussion

The comparative analysis revealed a substantial structural imbalance between the U.S. and Eastern European markets. The average price range for interior design in the United States stands at USD 10–25/ft^2 for residential properties and USD 15–35/ft^2 for commercial spaces [2, 3]. This price level is driven by high payroll costs, with the average designer salary reaching USD 62,510 per year [7], along with the expenses associated with maintaining a local office and complying with mandatory licensing requirements. Eastern European studios, by contrast, offer comparable services at USD 3–8/ft^2, while the average specialist salary ranges from USD 1,500 to USD 2,400 per month [8], which is structurally lower by a factor of 3.2 to 4.1 [9].

The hybrid studio examined in this study operates at rates starting from USD 5/ft^2 while delivering a level of quality consistent with the premium segment of the American market. This price arbitrage has been a key driver of growth: bookings have increased from $166,000 in 2023 to a projected $376,000 in 2025, representing an 88% increase in the past year alone and exceeding 20 contracts overall (see Figure 1).

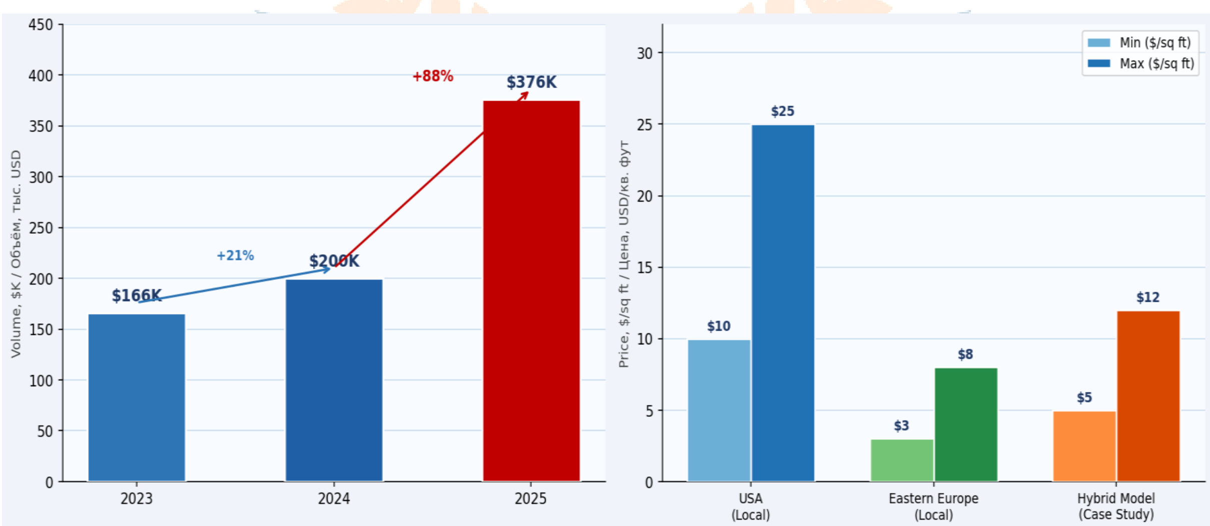

Figure 1. Dynamics of the studio's order volume and a comparison of price ranges in the U.S. and Eastern European markets (compiled by the author based on [1, 3]).

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The comparative analysis of the key parameters of the interior design markets is presented in Table 1

Table 1. Comparative analysis of the key parameters of the interior design markets: The United States, Eastern Europe, and the hybrid model (compiled by the author based on [1, 3, 10]).

Parameter	United States (local companies)	Eastern Europe (local companies)	Hybrid model (case study)
Cost, USD/ft^2	10–25	3–8	5–12
Project speed (weeks)	8–20+	4–12	2–10
Level of 3D visualization	Medium	High	Highest
Availability of GC partners	Limited	Broad	Specialized
Design style	Local / standard	European	Top-tier European
International awards	Rare	No data	International Property Awards
Order volume (USD)	—	—	166K → 200K → 376K (2023–2025 forecast)

The quality of design services warrants closer consideration, since it constitutes a multidimensional construct that includes conceptual sophistication, technical documentation, the realism of 3D CGI, the correspondence between the completed object and the design proposal, and the contractor's capacity to implement the design solution in practice. A systematization based on these parameters is presented in Table 2.

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Table 2. Comparative characteristics of the interior design markets in the United States and Eastern Europe (compiled by the author based on [9, 10, [11]).

Market characteristic	United States	Eastern Europe	Gap
Market volume (2023)	USD 34.9 billion	USD 4.2 billion	8.3x
CAGR (2023–2030)	4.1%	7.3%	+3.2 p.p.
Number of top CGI studios	~320	~890	Shortage in the U.S.
Average designer salary/month	USD 6,800	USD 1,900	3.6x
Share of digital design	41%	68%	+27 p.p.
BIM/parametric adoption	38%	61%	+23 p.p.
Average project duration (weeks)	14	7	2x faster (EE)

The Eastern European market demonstrates a higher level of BIM adoption, reaching 61% versus 38% in the United States [12]. This gap appears to be driven by the younger average age of specialists, the mandatory digitalization of educational programs, and the competitive necessity of differentiating through technology. According to Kazmierczak and Varga [5], high-quality 3D visualization reduces coordination iterations by 35–45%, which, for a project valued at USD 2–15 million, translates into savings of USD 80,000–200,000 for the developer.

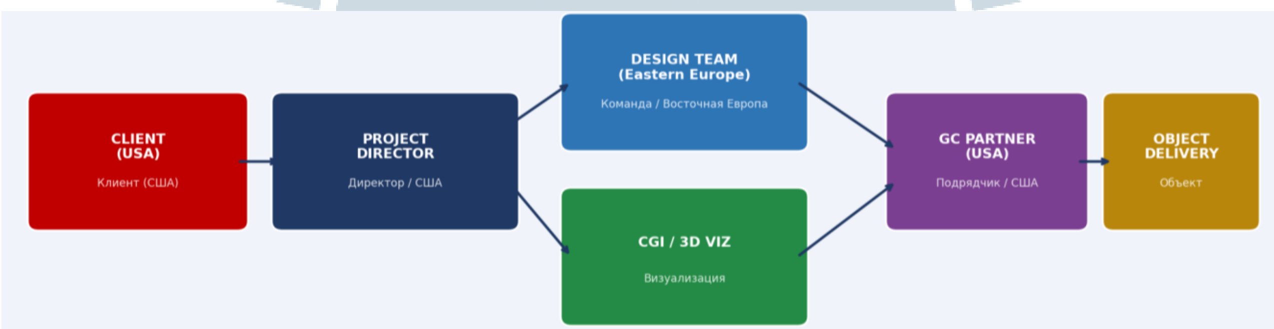

Figure 2. The author's conceptual framework of the Hybrid Design Delivery Model (HDDM) (compiled by the author based on [3, 4, 13, 14]).

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One of the more consequential barriers to the implementation of complex design projects in the U.S. market is the shortage of general contractors capable of translating non-standard authorial concepts into built form. According to AGCA [15], 72% of contractors are expected to report skilled labour shortages in specialised segments including custom finishes, bespoke joinery and complex engineering by 2024.

For projects built around European design concepts, the problem becomes especially acute. Natural stone in unconventional formats, custom furniture, and bespoke lighting solutions all require contractors with a matching level of technical competence. The company examined in this study addresses this challenge through its own pool of verified GC partners, which creates an additional barrier for competitors and strengthens the durability of its advantage.

Figure 3 presents a comparative competency map.

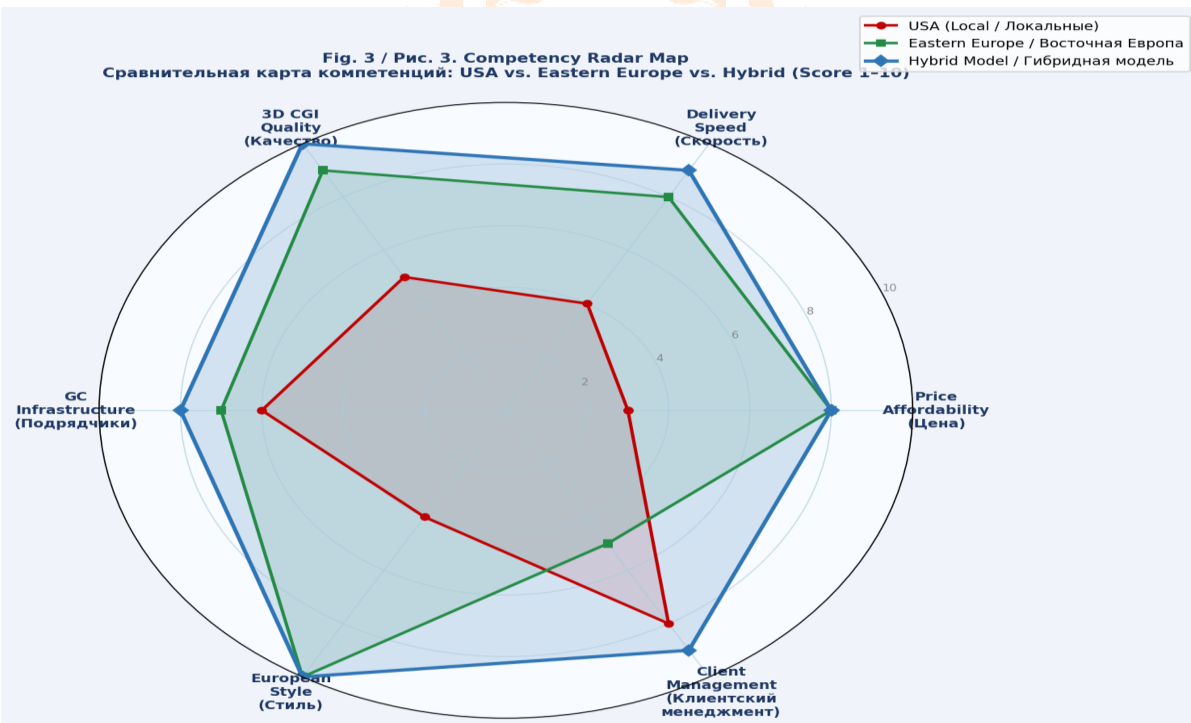

Figure 3. Comparative competency map: The United States vs. Eastern Europe vs. the hybrid model (assessment scale: 1–10) (compiled by the author based on [1, 3, 15, 19, 20]).

The time parameter carries direct economic value: reducing the design phase by 4–6 weeks allows a developer to commence construction earlier. With average residential rental costs in Miami and New York ranging from USD 4,500 to USD 8,000 per month, this generates a measurable financial gain. The company examined in this study completes a residential project within 2–10 weeks, whereas local American studios require, on average, 14–20 weeks [4]. This speed advantage is achieved through a combination of factors: robust technical infrastructure, including workstations configured to U.S. standards; the process

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maturity of the team; the parallel execution of project stages; and the minimization of internal approval cycles. According to McKinsey Digital [16], asynchronous work formats in creative industries generate productivity gains in the range of 20–35%.

The company received the International Property Awards in the category "Best CGI Studio" for both the United States and the state of Florida, the most competitive regional market characterized by a high concentration of luxury development projects.The International Property Awards constitute one of the most authoritative competitions in the fields of real estate and design, held annually since 1993 [17], with a jury composed of more than 100 experts. Such recognition produces a substantial reputational effect in the American market.

Financial dynamics confirm the hypothesis of a sustainable competitive advantage: USD 166,000 (2023) is expected to reach the level of USD 200,000 by 2024 and is expected to reach the level of USD 376,000 by 2025, with growth of 88% in the most recent period and more than 20 active contracts. This dynamic was achieved while maintaining an entry price approximately two times lower than the U.S. market average.

Despite its evident advantages, the hybrid model is associated with a set of structural risks. Their systematization is presented in Table 3.

Table 3. Barriers and risks of the hybrid design services model and mitigation strategies (compiled by the author based on [4, 15, 16]).

Risk level	Barrier / Risk	Mitigation strategy
High	Regulatory barriers (state-level licensing)	Verification of documentation; partnership with licensed U.S. specialists
Medium	Cultural divergence in design preferences	Client workshops at the pre-design stage; adaptation of European concepts
Medium	Shortage of GCs for the delivery of complex projects	Formation of a verified pool of GC partners; on-site training
Low	Currency and tax risks	Contracts denominated in USD; payment platforms with hedging mechanisms
Medium	Communication gap (time zones)	Asynchronous workflow; project manager located on the U.S. side
Low	Reputational risks associated with delays	KPI-based reporting system; buffer timelines of +15%

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A serious barrier lies in the regulatory environment: in a number of states, including Florida, Nevada, and Louisiana, professional interior design activity requires a license. The case company addresses this issue through partnerships with licensed specialists and by positioning itself within the segment of "design consulting + visualization." The cultural barrier is overcome through pre-project workshops, which make it possible to formulate a detailed brief and minimize rework.

On the basis of the analysis, the authors propose the concept of the Hybrid Design Delivery Model (HDDM) as a reproducible strategic framework applicable to transcontinental design collaborations. HDDM rests on three principles: (1) the geographic distribution of roles according to comparative advantages; (2) digital integration as the single axis of interaction; and (3) verification of partner infrastructure as a key element of quality management.

The authors' proposal for the industry consists in developing a standardized certification system for GC partners working with foreign design studios. By analogy with NCIDQ certification [18], the professional community appears to require an instrument for contractor verification based on the criterion of "the ability to implement non-standard European design." In addition, the development of an industry-wide Design Value Index (DVI) is proposed as an integral indicator of the price-quality-speed ratio, capable of improving market transparency when selecting a design partner.

Conclusion

The comparative analysis conducted in this study confirmed the authors' hypothesis regarding the existence of a structural gap between the markets and the possibility of using that gap productively within a hybrid transcontinental model. The principal conclusions of the study are as follows.

First, the price differential between the U.S. market (USD 10–25/ft^2) and Eastern Europe (USD 3–8/ft^2) is structural and persistent, reflecting differences in operating costs and in the organizational models of design studios. This gap is unlikely to disappear in the near term, which creates a long-term foundation for hybrid business models.

Second, the qualitative competencies of Eastern European studios in the domains of 3D CGI visualization and parametric design exceed the average American level: BIM adoption is higher by 23 percentage points, project execution is approximately twice as fast, and the level of photorealism in visualization is assessed by the expert community as superior.

Third, one of the key structural barriers in the American market is the shortage of general contractors capable of implementing complex authorial design solutions. The formation of a verified pool of GC partners is therefore a necessary condition for scaling the hybrid model.

Fourth, the case analysis of a company with 15 years of cumulative experience and 4 years of presence in the U.S. market, a two-time winner of the International Property Awards, and order growth of 88% confirmed the viability and scalability of HDDM under competitive market conditions.

The authors' HDDM concept and the proposed Design Value Index (DVI) represent promising directions for industry regulation and for further academic inquiry. The practical significance of the study is defined by the applicability of its results for developers, investors, property management companies, and design industry professionals operating in the U.S. market or building transcontinental partnerships.

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