The difference between the two is that two-tiered runs the application on the client's/users machine and invokes database functionality from the application, while three tiered architecture runs the database on a browser or something similar and does not have any direct database calls on the machine but it does on the server that the client's computer connected to.

Three-tier architecture would be better suited for web applications.

It is better suited for web applications because the person does not have to install any special application on the client's computer where something might not be updated on one machine but on the others, it is updated. It helps keep thing synced up, plus the actions/calls are embedded in the server itself and not the clients machine. Also, if the applications are big, it is better to use it through the Web than a person's computer.