



Technology Trends 2025:

Future Predictions for a Rapidly Evolving Industry

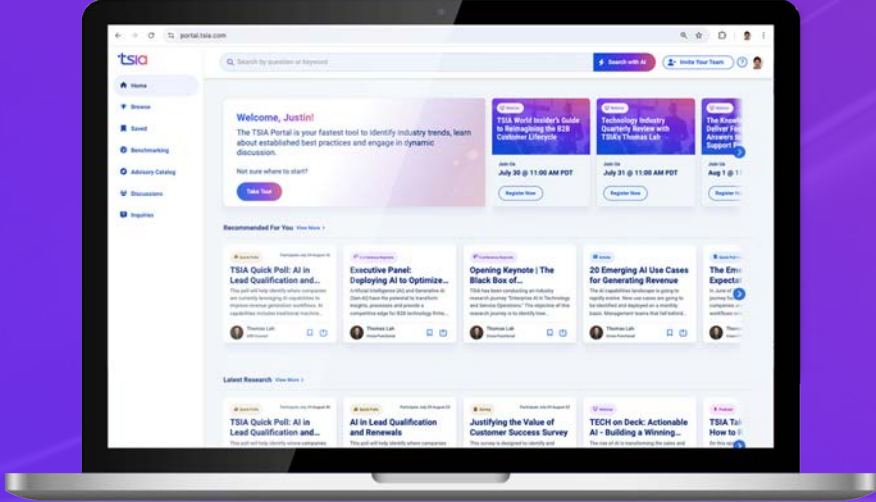


Introduction

The technology landscape will undergo significant changes in the upcoming year, driven by advancements in artificial intelligence, evolving digital ecosystems, and a growing demand for personalized customer experiences. These shifts, combined with the widespread transition to subscription and as-a-service models, are reshaping every aspect of the industry—from product development and sales, to service delivery and customer success. This ebook is a valuable resource to help you navigate these changes and adapt your business strategies for future success, with TSIA's top predictions for trends shaping tech business models in the coming year and beyond.

These insights, rooted in TSIA's extensive history of data-driven analysis and deep industry expertise, are designed to empower you with practical knowledge. They will help you identify new opportunities and avoid the pitfalls of outdated operational models, ensuring your business stays ahead in the rapidly evolving tech industry.

Let's delve into the trends set to shape the technology industry's future. Whether you're at the helm of a large enterprise or steering a fast-growing startup, these insights will equip you with the knowledge you need to stay competitive and prepared for the next wave of transformation in your specific area of the tech industry.



We're thrilled to introduce you to our TSIA Portal,

designed to give tech executives, department heads, and senior managers free access to a wealth of career-advancing and proprietary data, research, and insights. Powered by AI, the portal lets you easily search and find what you're looking for in seconds. With a customized profile, you'll get personalized recommendations on the topics that matter to you most delivered directly to your inbox. While a TSIA membership will give you the most value, there are so many benefits you can enjoy with a free TSIA Portal account.

Sign up now

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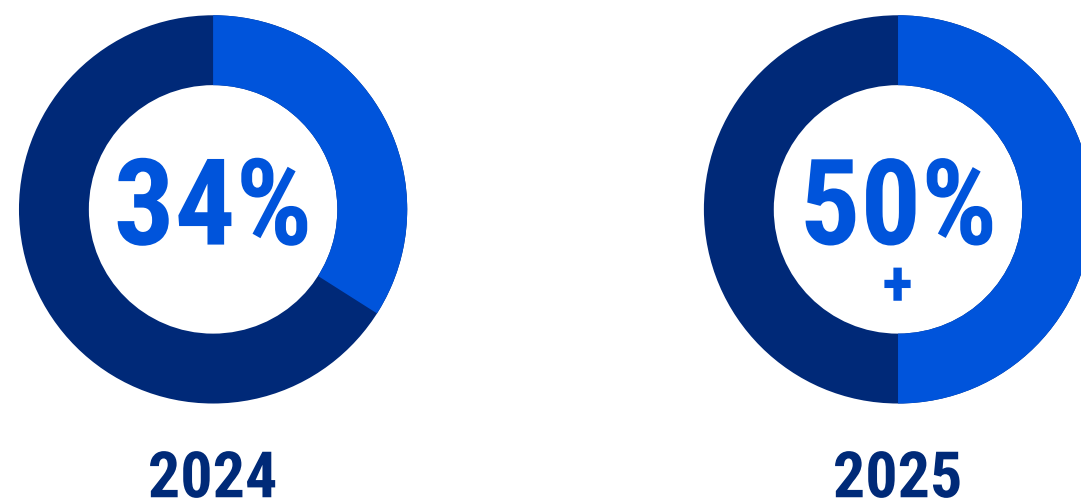
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1. Majority of Companies Will Achieve Positive ROI From AI Capabilities

In 2025, more than half of technology companies will report clear ROI from their AI investments. This is a leap from 2024, when only 34% saw measurable returns, thanks to the maturing AI applications in Support Services, Education Services, and Managed Services. By driving cost efficiencies in these areas and [expanding AI deployment](#) into revenue-generating workflows, you can expect AI to become a powerful asset for your organization's bottom line.

ROI due to Maturing AI applications in

 Support Services  Education Services  Managed Services



2. AI Will Reshape the Cost Structure of B2B Sales and Marketing

AI is set to redefine [B2B sales](#) and marketing without entirely replacing human agents. Instead, AI will transform critical workflows with advanced automation—from generating personalized marketing content to handling complex RFP responses in minutes. With over 52% of companies already using AI for revenue maximization in renewals, 2025 will bring a new era of AI-driven transformation. As you adopt these tools, your sales and marketing strategies can become leaner, more responsive, and more efficient.

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3.

Data-Driven Revenue Forecasting Becomes the Norm

In 2025, revenue forecasting will reach new heights of precision with AI. [AI models will deliver](#) more accurate revenue predictions by analyzing data from sales channels like emails, calls, and pipeline metrics. Platforms like Clari and Xactly will become essential tools, helping you and your team make data-informed revenue forecasts with confidence and accuracy.

4.

Data-Driven Pricing Enhances Profit Margins

[AI-powered pricing models](#) will unlock new revenue opportunities by optimizing offer pricing based on historical data. Some companies already see [benefits from using AI](#) to price support contract renewals, resulting in higher renewal rates and lower discounts. This shift toward data-driven pricing means you can achieve more consistent margins and deliver competitive offers that meet customer expectations.

5.

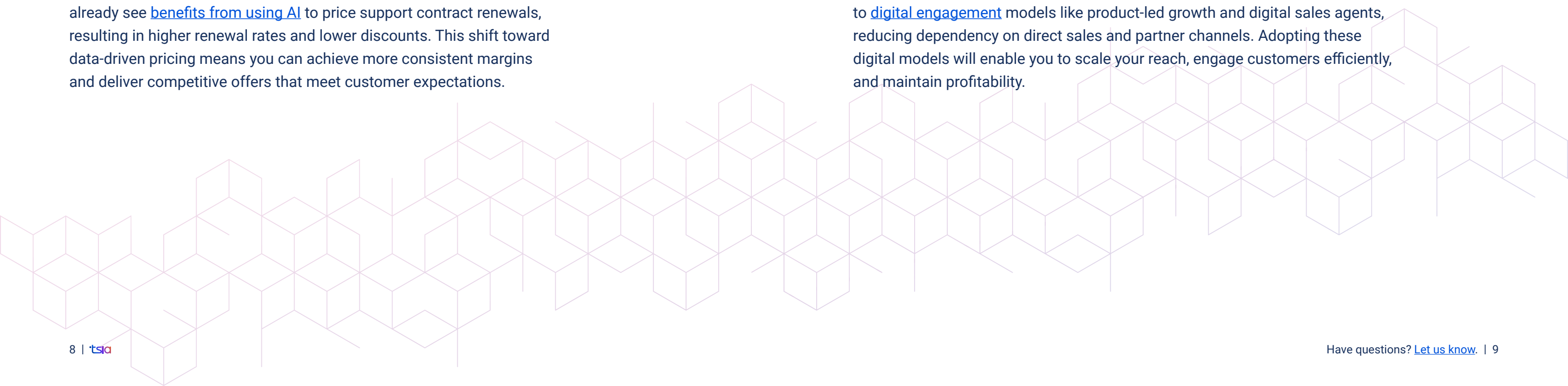
Convergence of Organizational Functions

As AI enables employees to handle multiple customer-facing roles, traditional department boundaries will begin to blur. Specialized [functions like support services](#), customer success, and education services will start integrating, creating more adaptable structures. You might see companies like Salesforce combining roles that were once distinct, pointing to a future where streamlined teams deliver a unified customer experience.

6.

Digital-First B2B Engagement Models Gain Ground

Digital channels, long proven by B2C companies, will start to dominate B2B revenue strategies. Under cost pressures, [B2B companies](#) will increasingly turn to [digital engagement](#) models like product-led growth and digital sales agents, reducing dependency on direct sales and partner channels. Adopting these digital models will enable you to scale your reach, engage customers efficiently, and maintain profitability.



7. Profitability Takes Priority

In 2024, the technology companies TSIA tracks reduced their SG&A spending by an average of 4%, while SaaS companies improved their gross margins by 3%—lowering SG&A spending by 6%. As interest rates remain high, [profitability will remain a critical metric](#) for tech companies in 2025. While investors still value growth, they demand profitable growth and are pushing companies to focus on efficiency and cost management. Maintaining or boosting profitability will be essential for your organization, even if growth at any cost fades as an industry priority.

8. User-Based Pricing Models Will Face Pressure

With AI empowering companies to achieve more with fewer employees, user-based pricing models will become challenging. As you look to grow without adding headcount, technology providers will need to rethink how they charge for their services. Expect an [exploration of alternative pricing strategies](#) that better align with value delivered to customers, ensuring continued revenue growth.

9. Next-Generation Resource Management for Field Services

AI-driven scheduling will revolutionize [field services management](#) in 2025, optimizing technician deployment based on skills, location, priority, and parts availability. As your field services organization adopts these intelligent scheduling solutions, you can reduce response times, improve efficiency, and enhance customer satisfaction.



TSIA benchmark shows that Field Services organizations that have adopted two or more AI use cases, **reduce their average onsite response time by over 50% compared to those that do not leverage AI capabilities.**

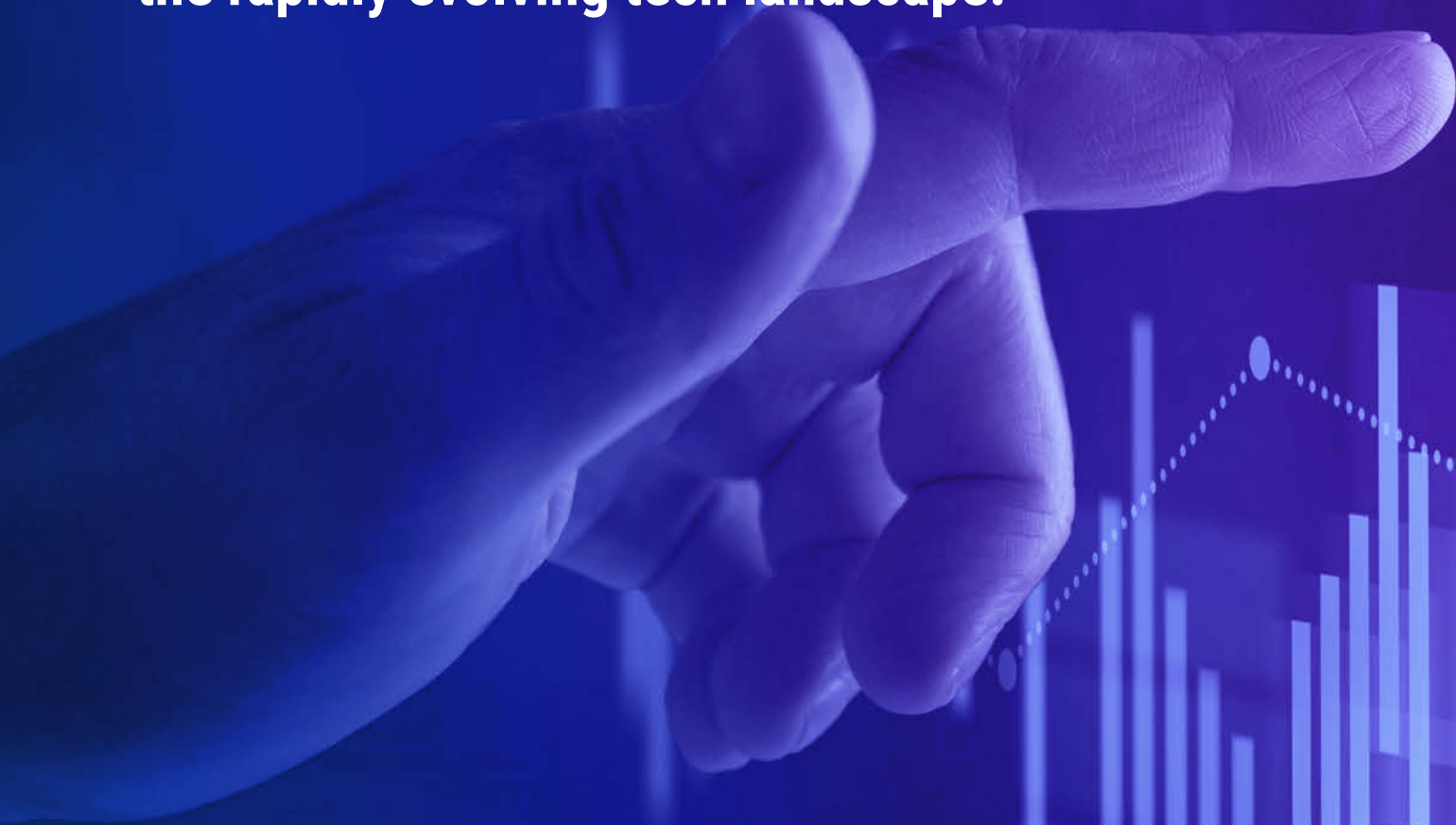
10. Accelerated Evolution of Digital Operations

Digital operations are set to undergo a transformative acceleration, moving from basic event analytics to advanced automation. With AI-driven orchestration, change management, and cognitive operations, your organization can achieve new levels of operational agility. By embracing these [advanced digital operations](#), you'll be positioned to deliver faster, more efficient, and highly adaptive service that meets your customers' evolving needs.



Each of these trends offer actionable insights to help your organization confidently navigate the future.

By staying informed and adaptable, you can make strategic moves that keep your business competitive and innovative in the rapidly evolving tech landscape.



Summary of key predictions TSIA has made over the years

Complexity Avalanche (2009)

- [The consumption gap](#): The lack of product feature adoption will become a significant problem for technology providers.
- The revenue mix of technology providers shifts from Product revenues to Service revenues.



The XaaS Playbook (2016)

- The health of technology business models will be driven by the ability to renew and expand existing customers ([LAER: Land, Adopt, Expand, Renew](#)).
- SaaS companies will be forced to improve their profitability rapidly.
- The rise of the Chief Customer Officer responsible for all customer engagement post-sales.



The Rise of AIOps (2020)

Custom outsourcing and resource-intensive managed services are dying, replaced by standard service catalogs delivered by digital/AIOps platforms at scale.



Digital Hesitation (2022)

- Enterprise sales will need to become a data and analytics-driven activity.
- Customer Success must monetize some services and own some commercials to validate its existence.

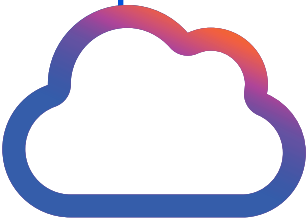


Digital Hesitation - The Digital Operations and Customer Experience Platform (2022)

Through intelligent integrations, companies will begin to master their once-fractured data stores. This will fuel accelerated data-driven decision-making by leveraging advanced analytics.

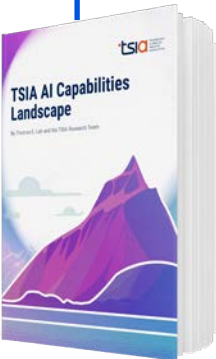
The Rise of Digital Managed Services (2021)

Custom outsourcing and resource-intensive managed services are dying, replaced by standard service catalogs delivered by digital/AIOps platforms at scale.



The AI Capabilities Landscape (2024)

AI use cases will dramatically change the internal workflows of technology professionals. [AI capabilities](#) will induce headcount reductions.



Conclusion

As the technology landscape evolves, keeping up with these industry-defining trends will be crucial for your organization’s success, and the insights provided in this ebook are just the beginning. To stay competitive, informed, and prepared for the next wave of transformation, ongoing access to the latest research, strategies, and expert guidance is essential.

[The TSIA Portal](#) is your resource for staying ahead of the trends and adapting your business strategy to this rapidly shifting environment. Whether you’re looking to drive ROI from AI, optimize your pricing models, or refine your customer success approach, TSIA is here to help.

[Visit the TSIA Portal today](#) and gain access to exclusive tools, insights, and best practices designed to keep you at the forefront of innovation. Embrace the future confidently and ensure your organization is always positioned for success in the ever-evolving tech industry.

Visit the TSIA Portal to Stay Ahead



Research Areas

Discover TSIA's exclusive research, frameworks, and expert guidance, designed to help technology organizations master today's business challenges and achieve profitable, scalable growth.



CRO Council

Join an exclusive, research-driven community of executives committed to maximizing XaaS revenue by optimizing the entire customer life cycle.



Customer Growth and Renewal

Turn your existing customer base into a powerhouse for subscription revenue growth. TSIA provides proven strategies to sustain and expand your customer relationships.



Customer Success

Build a robust, data-driven customer success program with the world's most extensive library of insights, best practices, and proven methodologies.



Education Services

Maximize the impact of your learning content and programs to drive adoption, fuel growth, and secure renewals.



Executive Leadership

Empower your leadership with TSIA's data-driven insights, helping you make informed decisions, streamline operations, and fuel your organization's success.



Field Services

Elevate your field services with TSIA's expertise, delivering optimized service experiences and driving meaningful digital transformation.



Managed Services

Achieve sustainable growth in managed services and XaaS revenue with TSIA's proven strategies for customer life cycle optimization.



Offering Management

Craft compelling service and product offerings with TSIA's deep industry insights, helping you align portfolios, set optimal pricing, and drive differentiation.



Professional Services

Streamline your professional services operations with TSIA's guidance, ensuring every solution delivers value while driving operational excellence.



Support Services

Optimize your support operations to enhance efficiency, improve customer satisfaction, and deliver exceptional service experiences.



Make smart decisions.™

TSIA (Technology & Services Industry Association) is dedicated to helping technology and services organizations, large and small, grow and advance in the technology industry. Find out how you can achieve success, too.

Have questions? [Let us know.](#)

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