



Business Applications Trends

2025 priorities to accelerate the second wave of digitalisation with Microsoft Dynamics 365 and Power Platform



Discover, with Telefónica Tech, the five key trends transforming Microsoft Business Apps, from hyperpersonalisation to hyperautomation, and turn them into tangible competitive advantages for your organisation.



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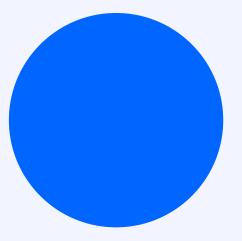


Introduction

As 2025 progresses, organisations are accelerating the transformation of their business models with the aim of achieving sustainable growth. Beyond simple optimisation, companies are embracing deep evolution: modernising legacy systems, adopting low-code/no-code platforms to drive innovation, and creating hyper-personalised customer experiences.

In this context, automation and hyperpersonalisation are becoming key drivers of competitiveness, while integrated enterprise platforms such as Microsoft Dynamics 365 are positioned as strategic pillars to address challenges related to operational efficiency, scalability, and cost control. This guide explores the main trends shaping the evolution of business applications in 2025. More than predictions, it is a collection of real priorities and practical actions that organisations are already implementing to prepare for a new wave of digitalisation. At Telefónica Tech, we remain committed to supporting businesses through this process, helping them turn technological innovation into tangible results.









TREND 01

The Second Wave of Digitalisation

2024: Transforming Legacy Systems

In 2024, companies took significant steps to move beyond fragmented, legacy systems that no longer met modern demands. This was no longer about adding digital layers to existing processes, but about rethinking and rebuilding operations with digitalisation at the core.

The "second wave of digitalisation" goes far beyond the early 2000s, which focused on websites, e-commerce and basic online transactions. In this new phase, advances in computing power enable accelerated adoption of technologies such as artificial intelligence (AI), machine learning and automation. These technologies are now fundamental to delivering seamless omnichannel customer experiences and unified employee experiences.

Key practical transformations include:

- > Omnichannel integration: Businesses prioritised connecting all customer touchpoints to enable consistent experiences.
- > Predictive analytics: Organisations harnessed AI to anticipate customer needs and improve decision-making.
- > Process automation: Manual and repetitive tasks were replaced by automated workflows to improve efficiency and reduce costs.



A standout example is Telefónica Tech's collaboration with Virgin Money. Faced with the challenges of a slow, manual onboarding process that led to high customer drop-out rates, Virgin Money needed a scalable digital solution to compete with other banks. We implemented an onboarding platform built on Microsoft Power Platform that completely transformed the experience.

Key results:

580% increase in customer acquisition:

Conversion rates rose from 5% to 34%.

Faster processing times: Account openings were completed in 10–25 minutes, compared to days or even weeks.

Improved efficiency: Direct requests now account for 20% of all customer onboarding, with minimal staff involvement.



Read the Virgin Money succes story here

2025: Digital Transformation Matures

In 2025, the second wave of digitalisation will gain momentum. Organisations will focus on building systems that not only adapt but anticipate. Advanced analytics, powered by AI, will deliver more personalised customer experiences, while internal processes will continue to be simplified through automation and seamless platform integration.

Top predicted trends for 2025:

- Hyper-integrated ecosystems: Companies will move towards platforms like Microsoft Dynamics 365 that unify CRM, analytics and automation to create a single source of truth.
- > Real-time personalisation: Predictive tools will allow companies to tailor customer interactions in real time, improving satisfaction and loyalty.
- Scalable automation: Hyperautomation will extend to more complex workflows, from customer service to operations, freeing up time to cut costs or reinvest in people to better support customers.



According to IDC, by the end of 2025, 70% of organisations are expected to have completed their transition to fully digital processes, up from just 50% in 2023. This rapid adoption is driven by growing demand for integrated systems that offer flexibility and scalability.

How Telefónica Tech supports this transformation

Telefónica Tech is at the forefront of this second wave of digitalisation. Our expertise lies in helping organisations replace outdated systems with integrated platforms that improve agility, reduce costs, and unlock innovation.

Our approach:

O END-TO-END MODERNISATION

We support companies from initial assessments through to full-scale migrations.

O TAILORED SOLUTIONS

We design custom workflows and automations to meet specific organisational needs.

O INDUSTRY-SPECIFIC KNOWLEDGE

Nos organizamos en torno a los sectores del mercado, no a las tecnologías, y, por lo tanto, nuestro equipo entiende el contexto de su mercado.

O AI-POWERED INSIGHTS

We use advanced analytics to deliver actionable insights and improve decision-making.

As companies continue to navigate this wave of transformation, Telefónica Tech remains committed to being a trusted partner in driving sustainable, high-impact change. Together, we can build a future where technology seamlessly supports your goals.





Low-Code/No-Code Development

2024: Democratise Innovation

In 2024, the adoption of low-code/no-code platforms skyrocketed, revolutionising app development and empowering non-technical users, citizen developers, to create solutions. Tools like Microsoft Power Platform enabled organisations to address global skills shortages and accelerate digital transformation.

With pre-built templates, drag-and-drop functionality, and Al-powered features, these platforms reduced development time, cut costs, and extended innovation beyond traditional IT teams.



of application development activities took place on lowcode platforms in 2024.

Key developments in 2024:

- Accelerated development cycles: Projects that once took months were completed in weeks or days.
- > Boost for experienced developers: Enabled skilled developers to build logic faster than traditional methods, delivering better results.
- Greater accessibility: Non-technical employees could contribute to innovation, fostering a culture of agility and collaboration.
- > Operational efficiency: Automation through low-code/no-code tools streamlined workflows and reduced reliance on external developers.

Gartner

According to Gartner, 65% of application development was done on low-code platforms in 2024, underlining their growing significance. Telefónica Tech has partnered with organisations across sectors to implement low-code solutions, enabling companies to scale operations and improve customer experience without heavy technical resources.

2025: Expanding Accessibility through Al Integration

Looking ahead to 2025, low-code/no-code platforms will evolve with deeper Al integration, further lowering entry barriers and boosting scalability.

These advances will enable business users to collaborate more fluidly with IT teams, ensuring that innovation is fast and effectively managed.

Top trends for 2025:

- Al-assisted development: Generative Al will help write code, automate testing, and optimise workflows, making development even more accessible.
- Enhanced governance: Platforms will include robust governance frameworks to prevent sprawl and ensure security compliance as usage increases.
- Cross-team collaboration: Citizen developers will work alongside IT on projects, bridging the gap between technical and non-technical stakeholders to drive innovation.

How Telefónica Tech technology drives low-code/no-code success

Telefónica Tech is a leader in delivering low-code/nocode solutions that generate measurable business results.

Our approach:

- Custom implementations: Adapting platforms like Microsoft Power Platform to meet specific organisational needs.
- Al-driven enhancements: Using generative Al to optimise workflows and accelerate time to market
- Scalable governance: Ensuring platforms are deployed with the necessary controls to maintain security and compliance.

With a proven track record in delivering low-code/no-code solutions, Telefónica Tech empowers organisations to innovate faster, reduce costs, and enhance the experience of both customers and employees.

FORRESTER®

The Forrester Consulting report "The Total Economic Impact of OutSystems" highlights that low-code platforms can reduce development time by up to 70%, significantly cutting costs and allowing IT teams to tackle more complex challenges.

At the same time, these platforms enable other departments to build apps independently, fostering agility and maintaining competitiveness in a fast-changing market.





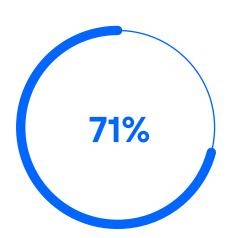
TREND 03

Hyperpersonalisation

2024: Creating Unified Customer Profiles

In 2024, businesses increasingly recognised the power of hyperpersonalisation to drive customer loyalty and operational efficiency.

The ability to create unified customer profiles by aggregating data from multiple sources transformed how organisations engaged with their audiences. Sectors such as finance, retail, and healthcare leveraged platforms like Microsoft Dynamics 365 to deliver personalised experiences across all customer touchpoints.



of consumers expect personalised interactions.

Key developments in 2024:

- Real-time insights: Companies used Al and analytics to identify customer preferences, enabling tailored offers and communications.
- > Omnichannel consistency: Organisations unified customer data from channels such as web, mobile, and in-store interactions to create seamless experiences.
- Operational efficiency: By aligning marketing, sales, and service teams around a single source of truth, businesses streamlined operations and improved customer satisfaction.

A <u>study by McKinsey</u>, for example, revealed that 71% of consumers expect personalised interactions, and companies that deliver these experiences increase their revenue by up to 40%.

Telefónica Tech supported companies in sectors such as financial services by implementing Dynamics 365, enabling hyperpersonalisation that delivered measurable results.

2025: Real-Time Personalisation at Scale

Looking ahead, in 2025, businesses will shift from simple data aggregation to large-scale real-time hyperpersonalisation. Advances in AI, machine learning and automation will enable organisations to anticipate customer needs and dynamically tailor interactions, boosting loyalty and strengthening competitive advantage.

Key trends for 2025:

- > Dynamic pricing and recommendations: Al will enable real-time adjustments in pricing and product recommendations based on individual behaviour and market trends.
- Predictive customer engagement: Companies will use AI to anticipate customer actions, such as churn risk or purchasing behaviour, allowing for proactive intervention.
- Scalable personalisation: Cloud platforms like Microsoft Dynamics 365 and Power Platform will provide the scalability needed to personalise experiences for millions of customers.

Gartner

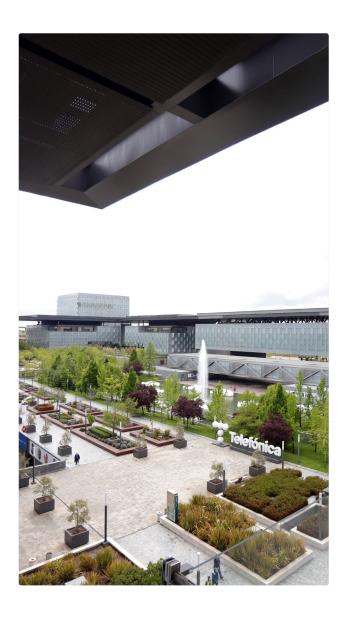
According to Gartner, by 2025, organisations that successfully implement hyperpersonalisation strategies will achieve 20% higher customer retention rates and 15% greater profitability than their competitors. These figures highlight the growing importance of real-time personalisation in shaping the future of customer relationships.

Telefónica Tech's Support for Hyperpersonalisation

At Telefónica Tech, we help companies harness the potential of hyperpersonalisation through the implementation of integrated platforms that unify data and unlock Al-driven insights.

Our expertise:

- Data unification: Creating a single source of truth by consolidating customer data from multiple channels.
- Al-powered insights: Leveraging predictive analytics to dynamically personalise customer interactions.
- End-to-end solutions: Scalable, tailored solutions designed to meet each organisation's specific needs.







TREND 04

Platform Integration

2024: Growing Demand for Integrated Solutions

In 2024, businesses began seeking alternatives to traditional CRMs, driven by rising costs and the increasing need for seamless integration.

Microsoft Dynamics 365 emerged as the leading choice, offering up to 42% cost savings, greater scalability, and native compatibility with the Microsoft ecosystem.

Organisations began to recognise the inefficiencies caused by siloed systems and turned to Dynamics to build unified platforms that integrated sales, marketing, and customer service operations within Microsoft's core environment.

Key developments in 2024:

Optimised sales processes: Dynamics users reported saving an average of 200 hours per year by automating workflows and consolidating tools.

- Al-driven insights: Built-in Al capabilities enabled real-time forecasting and faster decision-making.
- Cost optimisation: Organisations leveraged Dynamics' modular licensing to reduce operational costs and pay only for what they needed.

Telefónica Tech, for example, supported financial services and manufacturing companies in their transition to Dynamics, helping them reduce layoffs, improve customer retention, and achieve a better return on investment.



According to a report by Nucleus Research, companies using Microsoft Dynamics 365 saw an average 15% increase in productivity, demonstrating its impact on organisational efficiency.



2025: Modular Migrations and Scalable Platforms

Looking ahead to 2025, the shift towards integrated platforms will intensify as businesses prioritise flexibility, scalability, and seamless collaboration. Modular migrations will play a crucial role, allowing organisations to transition gradually without disrupting operations or customer experiences.

> Enhanced collaboration: Tight integration with Microsoft Teams and Power Platform will enable seamless workflows across departments, boosting productivity and communication.

Key trends for 2025:

- Phased implementations: Companies will adopt modular migration strategies to minimise risk, rolling out Dynamics features incrementally based on organisational priorities.
- Vertical-specific customisation: Industries such as healthcare and manufacturing will leverage Dynamics' customisable modules to address specific challenges like regulatory compliance and supply chain optimisation.



According to <u>IDC</u>, by 2025, 60% of companies will prioritise integrated platforms like Microsoft Dynamics 365 to eliminate silos and enable end-to-end visibility. This shift reflects the growing demand for unified solutions that deliver both operational efficiency and strategic insights.

How Telefónica Tech Helps Businesses Transform with Dynamics 365 CRM

Migrating to Microsoft Dynamics 365 CRM is more than just switching platforms – it's about unlocking growth, efficiency, and seamless customer experiences. Telefónica Tech leverages its expertise as a trusted Microsoft Inner Circle partner to ensure smooth transitions and high-impact outcomes. We act as your strategic partner in transforming how you manage customer relationships, from discovery through to delivery.

Our Offering:

O SEAMLESS MIGRATION

Whether migrating from Salesforce or another CRM, we simplify the migration process with a proven modular approach that minimises disruption and maximises return on investment.

INTEGRATED SOLUTIONS

Dynamics 365 connects seamlessly with your existing Microsoft environment, bringing Al-driven insights and unified workflows to every team.

CUSTOMISATION AND FLEXIBILITY

Tailored solutions that adapt to the specific needs of your business – whether in finance, manufacturing, healthcare, or beyond.

UNMATCHED EXPERTISE

As one of only two Microsoft Inner Circle members in the UK, we bring six years of proven experience in delivering successful CRM transformations.

Why Dynamics 365?

- Save up to 200 hours a year on sales process management.
- Boost productivity by up to 60% for sales managers.
- > Increase revenue by 15% per customer journey.
- Cut licensing costs by 42% with a flexible pricing model.

Customer success stories

UK Sport "UK Sport's Dynamics 365 Journey: Empowering Sporting Excellence".

Virgin Money "We helped Virgin Money improve customer acquisition".

BabyBjörn <u>"BabyBjörn optimizes global baby product manufacturing with Dynamics 365".</u>

ELES "ELES: Slovenian transmission network with our cloud solution".

JAKO <u>"JAKO AG: Digitalisation of processes at the</u> German sportswear manufacturer".

Accelerate Your Growth Today

Microsoft Dynamics 365 is more than just a CRM – it's a platform for smarter, Al-driven decision–making and a more connected team.

Ready to elevate your customer experience?

Get in touch for expert advice and discover what Telefónica Tech and Dynamics 365 can do for your business.



Hyperautomation

2024: Streamlining Repetitive Tasks

In 2024, organisations embraced hyperautomation as a transformative strategy to streamline operations, cut costs, and boost efficiency. Tools like Microsoft Power Automate and Robotic Process Automation (RPA) became integral to automating complex processes across HR, finance, and IT.

By automating repetitive tasks, organisations freed up employees to focus on higher-value, strategic initiatives

Key achievements in 2024:

- Increased efficiency: RPA reduced manual data entry by up to 70% in sectors like healthcare, leading to significant time and cost savings. For example, one NHS Trust reported £1 million in annual savings by automating administrative workflows.
- Improved employee productivity: Automation removed mundane tasks, allowing employees to focus on innovation and strategic projects.
- Cost optimisation: Automating resourceintensive processes resulted in measurable cost savings, enabling organisations to reallocate budgets to growth areas.



TECHNOLOGY

A report by <u>DXC Technology</u> reveals that companies implementing hyperautomation can achieve a return on investment in as little as 6 to 9 months, highlighting its effectiveness in delivering immediate business value.

2025: Scaling Al-Driven Automation

In 2025, the focus will shift towards scaling hyperautomation across entire organisations, integrating Al-powered automation into workflows to replace manual interventions and unlock new efficiencies.

In this evolution, businesses will adopt AI tools that not only automate tasks but also predict outcomes and dynamically optimise processes.

Key trends for 2025:

- Enterprise-wide automation: Organisations will expand automation from individual departments to interconnected, company-wide processes.
- Al-driven enhancements: Intelligent automation powered by machine learning will enable real-time decision-making and error reduction

Sector-specific solutions: Industries such as manufacturing and healthcare will benefit from tailored automation strategies, such as predictive maintenance and patient data management.



According to <u>«2025 AI Business Predictions»</u> <u>de PwC</u>, Al-driven automation is expected to deliver a 20–30% increase in productivity, time-to-market, and revenue by 2025. This highlights the transformative potential of AI in addressing complex workflows and driving significant business value.

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Hyperautomation Success Powered by Telefónica Tech

Telefónica Tech helps organisations harness the power of hyperautomation to achieve scalable, high-impact results. Our tailored approach ensures the seamless integration of automation technologies across the entire business.

Our Expertise:

O TAILORED AUTOMATION STRATEGIES

Designing and implementing RPA and Al-based workflows aligned with your business goals.

O INTEGRATED PLATFORMS

Leveraging tools like Power Automate within Microsoft Dynamics 365 to build unified automation ecosystems.

O END-TO-END SUPPORT

Guiding organisations from initial assessment through to implementation and continuous optimisation for sustained success.

Accelerate Automation with Telefónica Tech

Hyperautomation isn't just a trend – it's a pathway to long-term success. Ready to unlock the potential of Al-driven automation?

Schedule a consultation and discover how Telefónica Tech can help you scale automation across your entire business. Together, we'll transform the future of work.

Driving Transformation Through Innovation with Telefónica Tech and Microsoft Business Applications

Telefónica Tech is honoured to be part of the prestigious Microsoft Inner Circle for the sixth year in a row. We are one of only two partners in the UK with this distinction, and our long-standing relationship with Microsoft reflects our deep expertise in delivering transformative solutions.

Over more than 30 years of collaboration, we've helped organizations across all industries leverage Microsoft technologies, from CRM and ERP systems to productivity tools and advanced artificial intelligence solutions.

End-to-End Expertise in Microsoft Business Applications

Telefónica Tech is uniquely and strategically positioned to deliver results across the entire Microsoft Dynamics 365 and Power Platform portfolio.

Our Expertise:

- CRM and ERP Solutions: Seamlessly integrate Dynamics 365 to unify customer data, enhance workflows, and drive operational efficiency.
- Power Platform: Automate processes, build custom apps, and visualise data using tools like Power Automate, Power BI, and Power Apps.
- Tailored Industry Solutions: From healthcare to finance and manufacturing, we deliver customised solutions to solve your specific challenges.
- > Real Results Backed by Innovation

Customer Success Stories

"Which?" Partnered with Telefónica Tech to deliver a modern, scalable product testing management system using Power Platform and Azure Data Factory.

Virgin Money <u>Increased customer acquisition from 5%</u> to 34% through the implementation of a fully automated onboarding platform.

UK Sport Enabled seamless digital transformation by customising Dynamics 365 to meet specific requirements.

BabyBjörn Enabled the unification of operations across all global subsidiaries, enhancing operational efficiency and streamlining warehouse management through an ERP system upgrade.



Proven Impact Metrics



Save over 200 hours a year on sales processes with Dynamics 365.



Boost productivity by up to 60% with Al-powered tools.



Increase revenue by 15% per customer journey.



Reduce licensing costs by 42% with flexible pricing models.



Why Telefónica Tech?

A Strategic Partner for Digital Transformation

At Telefónica Tech, we go far beyond delivering solutions. We focus on understanding your challenges, aligning Microsoft's powerful tools with your business needs, and driving tangible outcomes.

Our approach ensures:

O SEAMLESS INTEGRATION

Dynamics 365 works within the Microsoft ecosystem you already know from Teams to Power Platform.

O SECURITY AND COMPLIANCE

Protect your business with Microsoft Azure's robust security and our advanced governance models.

O GLOBAL REACH, LOCAL EXPERTISE

Operating in over 175 countries, we provide the support and knowledge you need wherever you are.

Conclusion

Shaping the Future of Business Applications with Telefónica Tech

As we wrap up this exploration of the trends set to shape business applications in 2025, one thing is clear: the future is defined by transformation, innovation, and agility.

From the second wave of digitalisation to hyperpersonalisation and hyperautomation, businesses are embracing new technologies and strategies to stay ahead in a rapidly evolving landscape.

Each of the trends discussed in this eBook reflects not just where the industry is heading, but also the real opportunities available to organisations ready to adapt and evolve. Low-code/no-code platforms are democratising innovation, integrated platforms like Microsoft Dynamics 365 are unifying operations, and Al-driven automation is redefining efficiency. These changes aren't just about solving today's challenges, they're about building a foundation for sustainable growth and long-term success.

At Telefónica Tech, we're proud to partner with businesses to navigate these exciting opportunities. Our expertise in Microsoft Business Applications, Power Platform, and tailored solutions means we're ready to help you tackle your most complex challenges. Whether it's streamlining operations, enhancing customer engagement or unlocking new efficiencies, we provide the tools, insights, and strategic guidance to deliver meaningful outcomes.

The future of business applications goes beyond technology – it's about enabling organisations to thrive by placing innovation at the heart of their strategy. Telefónica Tech is here to help you bring that future to life.

Together, we'll unlock your business's full potential and turn challenges into opportunities.



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Explore our Microsoft Business Apps solutions

Learn more —

Leading Our Customers' Digital Transformation

Telefónica Tech unlocks the power of integrated technology, uniquely combining top talent with the best technology and platforms, all backed by a dynamic partner ecosystem to make a real difference to every business, every day.

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