

Deloitte TECHTalks | Episode Special | Tech Trends 2025 at CES®

With [Mike Bechtel](#), Chief Futurist, Deloitte Consulting LLP

Raquel Buscaino: Welcome to the Deloitte TECHTalks, I'm your host, Raquel Buscaino and I lead Deloitte's Novel and Exponential Technologies team, or our NExT team, where we sense and make sense of emerging tech.

I couldn't be more excited because we are filming this special edition episode live from CES that is the Consumer Electronics Show here in Las Vegas and really excited because I'm here with a special guest Deloitte's Chief Futurist, Mike Bechtel and who's also a executive editor and sponsor of this year's Tech Trends 2025 report. So this special edition episode will focus on our Tech Trends 2025 and how we're seeing those trends show up on the show floor with change makers who are doing what's doing what's next in tech. So with that Mike welcome to the podcast, it's so great to have you.

Mike Bechtel: Raquel thanks for having me. It's a madhouse in the best way here.

Raquel Buscaino: Yeah, yeah it's pretty great well so Mike this isn't your first CES right?

Mike Bechtel: Right facts.

Raquel Buscaino: Yes this is true. So what is making you excited about CES 2025 in particular?

Mike Bechtel: Well over the last few years you tend to see a hero technology emerge, and then as often as it emerges, it submerges right. Part of part of trends is the risk of fads. But this year I mean it's all AI, all the time, everywhere, and I think a glass half empty person might say, "oh oh it's it's the mother of all fads." Raquel, I think what we're actually seeing is the most important information/technology transition since the World Wide Web, right? We've got AI pure plays; we've got companies we've heard of now doing AI. It's AI everywhere but what's kind of cool is, it's showing up as ubiquitous, as everywhere and in that way, it's going to be less of the hero story and more of the foundation that all these other interesting business stories stand upon, and so I'm not feeling AI fatigue, I'm feeling AI intrigue because it's really the rocket fuel for what's next in just about every sector.

Raquel Buscaino: And in the report, and the main theme, you akin AI to electricity, where there's not a booth that says you know XYZ now with electricity, and that's kind of crazy. So I like your analogy here saying it's pervasive that you don't feel the fatigue because you see the impact of it.

Mike Bechtel: Well you there was a time, I'm old enough to remember when companies would slap the suffix ".com" on everything. I mean you you could have like you know "It's dogfood.com!"

Raquel Buscaino: Very successful company by the way..

Mike Bechtel: I mean yeah...new at 8! Alright it just we just forgot about it, but but the thing is even those companies eventually just went back to their roots not because ".com" didn't matter because it was presumed. And so electricity: presumed. HTTP: presumed. And so if five years from now AI will be all over the CES show floor but it probably won't be yapped about, it'll be presumed.

Raquel Buscaino: Amazing, amazing. Well should we get into our six trends? We have our first trend *Spatial computing takes center stage*. So what does this mean to you in the context of CES 2025?

Mike Bechtel: So one of the things that we've seen over the long lens, is that human computer interaction trends towards simplicity. I mean long before my time, believe it or not, computers were even more complicated than they were 20 years ago right? To work a computer meant to have a PhD, to wear a white lab coat, feed punch cards to a machine the size of a room. Well then it became, "no, no you don't need a PhD you need to go to night school." You know I just needed a dummies book right, and I remember a woman and my team who looked me right in the eye one day and said you couldn't imagine a modern technology needing so much as a book. Well augmented reality, virtual reality, extended reality, spatial computing, when we think of it as heavy headsets, right, computers on your face, you think that's not simple. I'll tell you what, walking around the show floor and talking to clients around the world what we're seeing is the headsets give way to goggles, the goggles give way to glasses, the glasses give way to contacts, and what we're going to find is compared to carrying one or two, or God forbid, I saw somebody out there with three phones--a journalist carried 3 phones around, imagine a world where you just paint pixels where you need them. Raquel, what we're seeing is reality itself is coming online, and it's not about the "Metaverse", it's not about an escape from the real, it's about 'zhuzzing' up the real with the best of digital.

Raquel Buscaino: Yeah, it's incredible. I mean that's kind of what I've seen walking around the show floor too is you know in the past there's been a lot of the XR, MR, the devices and things you put on your head. I've been personally surprised by the amount that I'm seeing on everything besides devices on your head.

Mike Bechtel: Well, one of my favorite exhibits was it was advertising displays, in a brick-and-mortar environment that we're looking back at you to figure out, "okay, approximate age, inferred gender and then by proxy using AI what might your interest be?" And then better yet, there's 13 of you so let's show the best ad for this group of 13. And what I thought was okay, AB testing and optimization isn't new. We've been doing on the web for 20 years. What's new is doing it on the side of a building, reality itself is coming online. That's pretty hype.

Raquel Buscaino: Yeah no I love that, I love that. Okay so talk about AI, second trend is *What's next for AI?*

Mike Bechtel: Well you know when we built this year's Deloitte Tech Trends, it was a clear conundrum. Do we have a trend about AI? Or do we recognize that AI shows up in all of them? We did both right and so the *what's next in AI* trend recognizes that there's a whole set of emerging not-quite-ready-for-prime-time- concepts that by the middle of 2025 will be the new normal.

Multimodal AI: this is the idea that you give it a picture, you get back text. Give it text, you get that a picture right. Music into video. There's going to be more to AI than just to chat, and we're already starting to see that. They've got multi-model AI. One of the big "ahas" we found in this year's report and I see it all over the floor, there's more to life than one big chat box to rule them all right. We saw companies delivering small language models (SLM) on regular old laptops. Why? Because maybe you're a fire station in the middle of the mountains and you can't count on the Internet behaving. Okay you use an SLM right.

The other idea is agentic AI. Now a lot of people are worried that that one is a little up and to the right on the hype cycle. I'll tell you think of it more like replacing a super hero AI that does everything, with an Avengers team of sorts that each has their own power right. We've got a travel agent which drumroll can help you play and travel. Over here you got customer service and returns agent that can, no brainer, help with that. Why is that useful? Because you don't need a Mensa grade super intelligent AI to just do one of those roles. You can do it leaner, meaner, cleaner, less electricity. And it also helps the user because you can say "hmm, where do I go for help with this? Ohh probably that one there." So it's more like a posse then like a singular answer to all life's questions. That's what's next for AI.

Raquel Buscaino: Incredible, incredible.

Mike Bechtel: It's pretty legit.

Raquel Buscaino: And what about there's been a lot of talk on the show for just, you know, as people walking around, on a physical AI. And this you know we'll get into a little bit maybe in the next trend here, *hardware is eating the world*. I mean, I would love your analysis here on as it relates to AI, but also as it relates to robotics a little bit as well.

Mike Bechtel: About 15 years ago, the idea was the only businesses worth your time and attention and treasure, were software businesses, because this was an age where cloud was beginning to take off, where apps reigned supreme, and everything worth doing was bits and pixels, pixels and bits. That's changing. Walking around the show floor, you've got quadruped robots. We've had those for a while but now they're less than \$2,000 bucks.

Raquel Buscaino: Pretty crazy.

Mike Bechtel: Bonkers! I think the technical term is bonkers.

Raquel Buscaino: That is!

Mike Bechtel: You've got humanoid robots. And you say what that's just a gimmick. No, it solves what we might consider to be the last mile problem you know, you might have an industrial robot that lifts and moves stuff like a forklift, but you might need something with fingers and thumbs to actually move it into your kitchen. And so you can think of it as a mash-up between AI and the physical world right, call it physical AI, right? I like to think of it as we've spent the last three years talking about mechanical minds, look out here comes mechanical muscles. The world itself is going to get a lot more interesting when hardware takes center stage.

Raquel Buscaino: Yeah, incredible, incredible. And I've been amazed by seeing the robotics and the difference even between last year and this year, I think, in the number of robotics companies and also just the ability so it's a pretty exciting to watch.

Mike Bechtel: Wild.

Raquel Buscaino: Okay, so those were our first 3, first 3 trends. Our 4th, one these are our grounding forces we call them in tech trends, because either these are the no brainer decisions we need to make

right. First one is *IT amplified: AI elevates the reach and remit of the tech function*. So what is this trend about?

Mike Bechtel: So this is a little more “back-officey.” It’s a little bit more about how the proverbial sausage gets made. What we’ve seen Raquel is that in 2023; 2023 was the year where AI was, was magic or dare I say “witchcraft”. Like, “it’s voodoo and it’s coming for jobs” and you’re like “ohh maybe not.” 2024 was the year of mass experimentation right. We had tons and tons of our Deloitte clients trying it and finding it merely very useful right. 2025 figures to be the moment where companies commit. We’re starting to see people say, “You know what? I can turn my team into superheroes,” right, think of a super suit right? Take your best person you know what’s better them augmented with machine intelligence right, and so where is that happening first? Well shocker in the IT department. Why? Because techies are comfortable with tech. And so what we’re seeing is tech strategy itself, tech strategy is embracing these sort of augmented superhuman worker because we’re seeing it as a better-together story. One of the stories I heard Raquel, which which kind of melted my brain, turns out the best chess players in the world, they’re not humans or machines, they’re humans with machines. Call them centaurs, like that like half half-person half-horse. Weird but it gets the point across. What we’re finding is some of the highest performing employees, centaurs right? Great humans armed with great tools. That’s IT amplified.

Raquel Buscaino: Yeah. I’ll add to this one of the things that I’m really excited by a lot of young people coming to the organization is it’s so native to use AI into an augmented way, and I know you’re probably saying, you’re laughing because maybe relative to you I might be a little bit younger. But it but it is but it is pretty incredible, because when you’ve grown up with this tech and it’s so native, it’s like second nature to you and I think watching that you know become more pervasive in the organization is just going to be exciting.

Mike Bechtel: Raquel, one of my old teammates told me he said says, “I’ve come to reflect upon things you know, in emerging technology is anything that came out after you finished college.” And so you’re you know I mean there’s a whole generation of people being like why wouldn’t I use a robot?

Raquel Buscaino: Exactly yeah, yeah, amazing, amazing. Okay so our fifth trend *The New math solving cryptography in an age of quantum*. Why is this year of particular, pivotal, when it comes to quantum?

Mike Bechtel: So quantum computing it feels like one of the most eye-crossing, mind-bending, nerdy technologies you can imagine. In part because it’s literally physics right. I mean if there’s this great story Richard Feynman, one of my personal heroes. I got a black and white picture of him in my office, along with normal family picture right. But Feynman famously said he said, listen even quantum physicists can barely understand quantum mechanics. And so alas, I I don’t know that I have it in me to really make sense of the the bits or qubits here in our time together but let me tell it to you this way. Quantum computing solves sticky, wicked problems with physics instead of math. And what you find is so much of the way that we secure and protect the modern economy is with math, cryptographic defense.

Well if quantum computers can come along and crack those codes, like child’s play, we’re going to have a bad time. And so what we’re seeing is this moment that we call Y2Q. Y2Q is sort of a play on Y2K but here’s the difference: Y2K, 25 years ago, yeah quarter century, Y2K, a firm deadline. If we don’t fix all the

computers, we're going to have a bad time. We fixed it we didn't have a bad time. The trick with Y2Q is we don't know when these quantum code breakers are going to be ready, these cryptographically relevant quantum computers, and so it's up to business leaders to pull their head out of the urgent and start solving for this important thing, because those who let this creep up on them, that's not great.

Raquel Buscaino: Yeah, yeah, well said, well said. Alright to round us out, our 6th trend, one of our favorites I think: *The intelligent core: AI changes everything for core modernization.*

Mike Bechtel: Ohh yeah, yes so, so here's the scoop. Clients sometimes, they come up to me and they go you know that Deloitte Tech Trends it's so cool because you got all that future facing fancy. And then there's this core modernization bucket that feels definitely old. I had one client referred to it as "that's the rusty and crusty stuff in in back." And why do we have it? Because [70% of enterprise IT budgets](#) go into managing that old stuff in the back right. It's fun to work on the frontier, on the pioneering edge cases. But the fact is if you've got Cobol running on AS400s, you got to figure that out. Here's what's new. Drumroll, shocker! AI is helping there too. Because 3-4 years ago we talked about low code-no code technology. What's that? What that means is people can use plain English to say what they wish to do and the code kind of writes itself. It works for core too. And so in our Tech Trends, we're saying listen what if we can rewrite some of that old spaghetti stuff with plain English. And use intelligent AI agents to get down and do that last bit of plumbing. Game changer! And so AI shows up in the shiny edge case right, all of the stuff on the floor. Engineers are singing Hallelujah because it's helping them do the least fun work of all bringing that 40 year old stuff up to snuff.

Raquel Buscaino: Yeah and I think AI too it's not just that's being used as part of the modernization journey, but it's also the impetus to modernize too, in some ways.

Mike Bechtel: You need to get today to play nicely with tomorrow that's hard enough. The last thing you want to do is to try to get yesterday to jam with tomorrow right? Ain't no room for laggards!

Raquel Buscaino: Yeah, yeah. Alright so as we wrap up a couple thoughts here. Once our conclusion chapter this year that I had the pleasure, pleasure of writing with you, which was pretty fun, but our title for that was: *breadth is the new depth*. I can think of no better place to exhibit that than CES with just the sheer number of companies, we got 150,000 people here 4,000 exhibitors right. What are the intentional intersections or some of the crazy mashups that maybe you've seen here on the show floor?

Mike Bechtel: Well you know Raquel the pleasure was all mine. Like co-writing, co-writing a piece with you it was it was a real peak. But let me tell you. We were touring some board members, some captains of industry around just this morning, and this gentleman pulled me aside and he said he said, you know, you show an automotive executive an automotive innovation they're going to tell you all the reasons it won't work. Because as we like to say right, you can't read the label when you're inside the jar, right. You want to know the reason an innovation can't happen, ask an expert. He turns to me he goes, that's why this farming innovation is so interesting because if we took that tractor idea and brought it over to a four-wheel drive pickup we're on to something hot. And so to me, and I think to us, and certainly to Deloitte, we're starting to see that as AI begins to equal or outperform human potential on known-specialized tasks, the real place for human mojo and human magic it's in the dot-connecting. It's seeing that I'm in

that cosmetics innovation could do wonders over here in retail or vice versa. And that's why I love coming to CES, because like weather in Chicago, if this isn't doing it for you, wait 3 hours and you got totally different scene.

Raquel Buscaino: Ohh, incredible, incredible. Okay so I hope that we get to do this podcast again next year. Say, say that we're doing it a year from now, what are you excited what are you hopeful for that will happen over the next year what is it that's on your horizon as we think about a year from now that could be at CES, or what you'd hope to see yes 2026?

Mike Bechtel: Alright forward-looking statements, my favorite. As a future's professional. I'll tell you what Raquel I've never seen so many shiny hammers at CES. And by hammers I mean tools. My old anthropology professor, rest in peace, Professor Jim Bellis used to say "technology is just a puffy chested 4 syllable synonym for tool". And it always stuck with me right because whether it's a stone flake, the printing press, or AI it's a tool to help us do better stuff. Great what I hope to see next year is a little more energy on the problems worth solving right. I saw, you saw, we've all seen shiny hammer after shiny hammer capable of doing amazing feats. What are the feats we want to solve for right? I think that's the untapped space right now. It's not about copy pasting your competitors use cases and declaring victory right, it's about saying what's the "altogether-new" hotness that we're can now do if not but for all these new hammers. I'm looking for altogether new business problems next year.

Raquel Buscaino: I love that, I love that. Mike thank you so much for being on the TechTalks podcast it's going to be an exciting year ahead.

Mike Bechtel: Thank you Rachel.

Raquel Buscaino: Yes, yes, and to all our Tech Savvy listeners out there thanks for tuning in if you enjoyed this episode please like subscribe. If you'd like to learn more about [Deloitte in 2025 Tech Trends](#) download the report, download the report. Follow Mike or myself and we're looking forward to hearing you out the rest of the year. Thanks so much we'll see you soon. Stay Savvy.

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