

15 MATERIAL HANDLING BUSINESS TRENDS OF 2025

As we move into 2025, MHEDA's Executive Committee has pinpointed 15 crucial business trends that will significantly impact the material handling industry. Several trends hold particular importance for our organization and our valued customers.

- Cautiously optimistic economic outlook in specific regions and industry segments, with unpredictable recovery in other areas as the market normalizes.
- Integrating AI-driven technologies, such as autonomous robots, predictive analytics, and real-time supply chain visibility, will transform traditional processes and set new standards for operational excellence.
- Pressures from other market segments, with manufacturers' capacities outpacing customer demand, are placing pressure on the storage and handling segment.
- There is a need for quick development of tech-driven solutions to integrate emerging technologies into traditional automation solutions.
- Continued impact on member sales and aftermarket operations from equipment electrification, mobile robots, and automated guided vehicles (AGV). Strategic partnerships between manufacturers and distributors are becoming increasingly important as demand for direct consumer business rises.
- Growing pressure on margins for distributors and manufacturers due to increased low-cost imported products.

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01 ECONOMY
The economic outlook presents a cautiously optimistic outlook in certain regions and industry segments, with unpredictable recovery in other areas as the market normalizes.

02 ARTIFICIAL INTELLIGENCE
The integration of AI-driven technologies, such as autonomous robots, predictive analytics, and real-time supply chain visibility, will transform traditional processes and set new standards for operational excellence.

03 CASH FLOW
The industrial truck segment is experiencing cash flow pressure due to increased competition, lower sales, and higher costs, leading to a reduction in capital expenditures and used equipment sales.

04 MARKET PRESSURE
The storage and handling segment is experiencing pressure from other segments, with manufacturers' capacities outpacing customer demand.

05 EMERGING TECHNOLOGIES
Emerging technologies are requiring manufacturers to quickly develop and integrate additional automation solutions.

06 CYBER SECURITY
Increased cybersecurity risks are prompting manufacturers to invest in advanced security solutions to ensure system reliability, data integrity, and business continuity.

07 CONSOLIDATION
Consolidation continues with acquisitions by private equity firms, manufacturers, and distributors.

08 CORPORATE GOVERNANCE
There are increased demands from investors and regulators for members to adhere to environmental, social, and corporate governance requirements.

09 HEALTH & WELLNESS
Employers are focusing on employee safety and health to ensure a productive workforce and reduce absenteeism.

10 REQUIREMENTS
Requirements continue to increase for advanced and customized solutions, as well as enhanced training and safety.

11 ELECTRIFICATION
Equipment electrification, mobile robots, and automated guided vehicles (AGV) will continue to present market risks and aftermarket opportunities.

12 GEOPOLITICS
The volatile geopolitical environment creates risks to global markets and business operations.

13 TALENT GAP
The talent gap continues to grow, increasing the challenge of finding skilled employees for members.

14 PARTNERSHIPS
Strategic partnerships between manufacturers and distributors are more important than ever as demand for direct consumer business continues.

15 IMPORTED PRODUCTS
There is an increase in low-cost imported products putting pressure on margins for both distributors and manufacturers.

Learn More About the 2025 Business Trends Today!
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