

MHEDA's Executive Committee developed the top business trends impacting the material handling industry for 2025. We encourage you to use these trends to discuss these topics with your MHEDA-NET Group. Please reach out to MHEDA if we can provide any additional resources.

Economy

The economic outlook presents a cautiously optimistic scenario in certain regions and industry segments while others continue to have an unpredictable recovery as the market normalizes.

- How are your companies approaching strategic planning to manage regional disparities and sudden economic shifts?
- What key economic indicators are you using to stay ahead of the changes?
- What lessons can be learned from regions or segments with a more predictable recovery?
- What new opportunities are emerging from the regions and segments with a more predictable recovery?

Artificial Intelligence

The integration of AI-driven technologies, such as autonomous robots, predictive analytics, and real-time supply chain visibility, is transforming traditional processes and setting new standards for operational excellence.

- What AI-driven technologies have you found most transformative in your organizations?
- How do you anticipate these technologies impacting industry standards and competition?
- How can businesses assess which AI technologies provide the most value for their operations?
- What steps can organizations take to ensure a smooth transition to AI-driven tools?

Cash Flow

The industrial truck segment is experiencing cash flow pressure due to increased inventory, interest rates, tightening credit conditions, and extended payment terms along with a reduction in rental utilization and used equipment values.

- What financial strategies or adjustments have you made to address cash flow pressures?
- What policies have you implemented with customers and suppliers to relieve some of the pressure on your organization?
- What role do alternative financing or leasing options play in alleviating financial strain?
- What actions can companies take now to prepare for potential improvements in market conditions?
- How might technological innovations or operational changes help mitigate financial pressures in the long term?

Market Pressure

The storage and handling segment is experiencing pressures from other segments entering their market and manufacturers' capacities outpacing customer demand.

- What approaches are you taking to differentiate and protect your market share?
- What steps can companies take to better align manufacturing capacity with customer demand?
- How can businesses in this segment leverage innovation to maintain a competitive edge?
- Are there opportunities for partnerships or collaborations to counteract pressures from new market entrants?

Emerging Technologies

Emerging technologies are requiring members to quickly develop tech driven solutions and integrate them into traditional automation solutions.

- How are you incorporating emerging technologies into your traditional processes?
- What challenges or successes have you experienced in adopting new technologies into traditional integration?
- What steps are you taking to upskill your workforce to effectively implement and manage emerging technologies?
- How do you address resistance to change when introducing new tech-driven solutions?

Cyber Security

Heightened cybersecurity risks are impacting companies' ability to safeguard sensitive data and to ensure customer trust, supply chain continuity and business stability.

- How are you safeguarding sensitive data?
- What strategies are you finding effective in staying ahead of cybersecurity risks?
- What resources are you using to educate your employees on cybersecurity?
- How do cybersecurity breaches affect customer trust, and what strategies can companies use to rebuild it?
- What role should industry associations or external organizations play in addressing cybersecurity threats?

Consolidation

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

- How is the trend of consolidation through acquisitions affecting your business model?
- What opportunities or risks do you see in the industry's continued consolidation?
- How can businesses adapt their strategies to remain competitive in an industry dominated by larger consolidated entities?
- What sectors within the industry are most likely to see increased consolidation in the near future?
- What lessons can be learned from businesses that have successfully integrated or adapted to consolidation?

Corporate Governance

There are increased demands from customers and suppliers for members to adhere to environmental, social, and corporate governance requirements.

- How can companies work with suppliers and customers to collaboratively address ESG challenges?
- How are you balancing these requirements with other priorities?
- What metrics are most effective for tracking progress on ESG initiatives?
- How can businesses communicate their ESG achievements to customers and suppliers to build trust and credibility?

Health & Wellness

Employees are facing increased pressure and look to employers for financial and mental health services.

- What initiatives are you implementing to support the financial and mental health of your employees?
- What impacts from new or existing programs have you experienced?
- How do you measure the success of financial and mental health initiatives in your organization?
- What feedback mechanisms are in place to assess employee satisfaction with the support provided?

Requirements

Requirements continue to increase for permitting and engineering as well as contractor licensing and safety.

- How are you adapting to stay compliant while minimizing that impact on your overall operational efficiency?
- How can companies work with contractors, engineers, and regulators to streamline permitting and licensing processes?
- What role do industry associations or professional organizations play in navigating these requirements?
- What training programs or certifications have been effective in preparing teams to meet increased licensing and safety requirements?
- How can businesses support employees in obtaining and maintaining the necessary certifications?

Electrification

Equipment electrification, mobile robots and automated guided vehicles (AGV) will continue to impact member sales and aftermarket operations.

- How is the growing demand for equipment electrification influencing sales strategies in your organization?
- What impact do mobile robots and AGVs have on aftermarket operations, such as parts and services?
- What challenges are businesses facing in incorporating electrified equipment, mobile robots, and AGVs into their product offerings?
- How can companies overcome resistance from customers or internal teams regarding these technologies?
- What innovations do you anticipate in the maintenance and support of electrified and automated equipment?

Geopolitics

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

- What risk management practices are you implementing to safeguard your operations?
- How are you minimizing the exposure to your supply chain?
- How does the current geopolitical environment impact your organization's operations and strategic planning?
- What tools or resources do you use to monitor and assess geopolitical risks?
- What approaches have been effective in balancing risk mitigation with growth opportunities in volatile markets?

Talent Gap

The talent gap continues to grow, increasing the challenge of hiring skilled employees for members.

- How are you addressing the talent gap in skilled labor?
- What role does training and upskilling play in addressing the talent gap?
- What approaches have been most successful in attracting and retaining skilled employees?
- What factors are contributing most to the growing talent gap in your industry?
- How has the talent gap affected your organization's ability to meet business goals?

Partnerships

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

- How are you strengthening or re-evaluating your partnerships with business partners (distributors, manufacturers or suppliers)?
- How do you ensure you have a strong relationship with your business partners (distributors, manufacturers or suppliers)?
- How can manufacturers and distributors align their strategies to address the rising demand for direct-to-consumer business?
- What role do partnerships play in enhancing the consumer experience through seamless supply chain integration?

Imported Products

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

- How are low-cost imported products affecting pricing strategies for distributors and manufacturers?
- What specific challenges do these imports pose to maintaining profit margins?
- How does the influx of low-cost imports impact supply chain decisions, such as sourcing and inventory management?
- How can businesses educate customers on the long-term value of higher-quality, locally sourced products versus low-cost imports?
- What strategies have been successful in building customer loyalty in price-sensitive markets?