MHEDA | 2027 BUSINESS TRENDS

THE FORCES RESHAPING MATERIAL HANDLING

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5 FORCES. 18 TRENDS. ONE INDUSTRY IN MOTION.

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In 2027, the material handling industry is navigating five connected forces that are changing how companies operate, compete, lead and grow. The 18 trends below reveal where those forces are showing up, and where leaders should focus next.

COMMUNITY KEY:

ALL All Communities | IT Industrial Truck | SH Storage & Handling | SI Systems Integrators

01 TECHNOLOGY & DIGITAL ACCELERATION

Technology is moving from a supporting tool to the operating system of the business.

AI ADOPTION — ALL

AI is rapidly transforming every business function and solution. The pace of change continues to exceed many organizations' ability to understand its capabilities and achieve broad workforce adoption.

DIGITAL BUYING JOURNEY — ALL

E-commerce and AI-generated search are changing how customers evaluate and purchase products.

CYBERSECURITY RISK — ALL

AI is increasing the speed, sophistication, and scale of cybersecurity threats.

CONNECTED TECHNOLOGIES — SI

Integrators are increasingly using connected technologies and digital twins to model, test, and deploy systems.

OPEN ARCHITECTURE CONTROLS — SI

Customers are increasingly pushing the industry away from proprietary controls and toward open architecture.

02 WORKFORCE & LEADERSHIP TRANSITION

The industry must replace scarce skills and transfer hard-won knowledge at the same time.

WORKFORCE & SKILLED LABOR SHORTAGE — ALL

Limited labor availability and shorter employee tenure continue to create shortages across leadership, sales, and skilled technical roles.

SUCCESSION & LEADERSHIP TRANSITION — ALL

Generational retirements are creating a concentrated period of workforce transition. Tribal knowledge and experience are leaving at every level of the organization, from company principals to technicians.

03 CUSTOMER, SALES & CHANNEL DISRUPTION

Power is shifting toward informed buyers, changing how value is created, sold and delivered.

CUSTOMER EXPECTATIONS — ALL

Customer expectations are placing greater pressure on pricing, payment terms, rebates, and contract requirements.

SALES TRANSFORMATION — ALL

The salesperson's role is shifting toward value creation as customers become better informed and products and services increasingly commoditized.

DIRECT SALES — ALL

Customers are increasingly seeking direct relationships with manufacturers, disrupting traditional distribution channels, dealer relationships, and value propositions.

THIRD-PARTY COMPETITION — ALL

Third parties are increasingly entering the material handling market and placing themselves between OEMs, distributors, dealers, and end users.

MOTIVE POWER SUPPLY CHAIN — IT

Motive power solutions are increasingly being incorporated into turnkey equipment packages, reducing traditional dealer margins and creating new service, integration, warranty, and technician requirements.

04 MARKET & ECONOMIC RESTRUCTURING

External volatility and capital are reshaping demand, competition, ownership and investment decisions.

GEOPOLITICAL & TRADE VOLATILITY — ALL

Global trade policies, tariffs, and geopolitics are becoming increasingly volatile, reshaping global supply chains and pricing strategies.

MARKET OVERSUPPLY — ALL

New entrants and expanded capacity are creating oversupply, increasing pressure on manufacturers and distributors.

CONSOLIDATION — ALL

Investment-backed ownership, succession challenges, factory ownership, and financial pressure continue to accelerate distributor and integrator consolidation.

AI DATA CENTERS & INFRASTRUCTURE — ALL

Hyperscale data center development is creating significant demand for material handling equipment, services, and supporting infrastructure. The scale of investment is also affecting resource availability, credit markets, and inflation.

05 OPERATIONS, RISK & REQUIREMENTS

Compliance and safety are becoming more complex, contractual and central to the customer promise.

CODE COMPLIANCE — SH SI

Enforcement of permitting and engineering requirements is becoming more rigorous, complex, and variable across jurisdictions.

SAFETY — ALL

Safety is becoming a contractual requirement rather than simply an operational responsibility.

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