AMID UNCERTAINTIES, LOGISTICS LEADERS REMAIN COMMITTED TO MODERNIZATION

2026-27 Logistics Pressures & Priorities Survey Results



BRADY

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INTRODUCTION

> More than 60% of companies plan to cut their costs in 2026-27 but only 10% plan to reduce their logistics-related technology spending in the same period, the AIM-Brady 2026 Logistics Pressures & Priorities survey found.

Tech is being buffered from budget cuts because companies are clearly counting on it to solve their logistics-related business challenges, including to provide paths to profitability as they navigate tariffs, high oil prices, skills and labor limitations plus compliance and performance pressures. Despite those challenges, the strong enterprise belief that tech projects will deliver business benefits creates many opportunities for solution providers that can tailor their proposals to individual customers' existing environments and specific needs.

Organizations want to invest in modernization but integration complexity and internal skills gaps are preventing many from carrying out their planned tech upgrade programs. These enterprise influences and tech adoption barriers represent a market need that solution providers can fill. Enterprise budgets are tight, but the market offers opportunities to win deals on a value proposition beyond price – more enterprises are strongly influenced by prospective solution providers' service offerings and quality than by their solution cost, and twice as many are more strongly influenced by service than technology (Figure 2).

It's notable that more enterprises would be influenced to switch service providers for a service upgrade than to reduce costs at a time when 63% are prioritizing cost reduction. This is a sign that businesses see technology system effectiveness as essential to their performance and as an asset for addressing their business challenges.

This report presents new data on enterprise business pressures and priorities for their transportation, warehousing, logistics and distribution (TWLD) operations, where they think technology solutions can provide the most value, and the qualities they value most in technology solution providers.



Figure 1: Tech programs are being protected from logistics cost-cutting programs

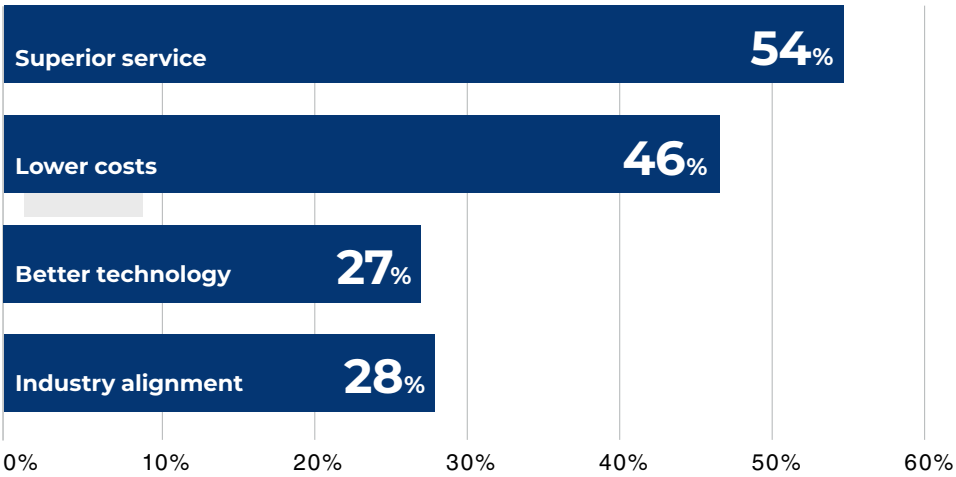


Figure 2: Responses to "What would strongly influence you to switch technology solution providers?"

ABOUT THE REPORT

RESPONDENTS AND RESULTS

In March and April 2026, AIM, the trade association for the automated data capture technologies industry (commonly referred to as "AIDC"), surveyed executives and logistics operations professionals worldwide. The survey asked about issues affecting the respondents' business, priorities for transportation, warehousing, logistics and distribution (referred to as "TWLD"), attitudes toward how technology could help their business, tech spending plans, adoption challenges and desired qualities in solution providers. Results presented in this report are for the 270 respondents from end-user enterprises; responses from technology solution provider companies were excluded. Seventeen percent of the respondent end user enterprises operate globally, 86% operate in North America and no other region is serviced by more than 14%.



A CLOSER LOOK

Figures 3 through 5 provide additional demographic information. Most (74%) end-user enterprises have less than $100 million in annual revenue. Filtering responses by company size showed companies above and below that revenue threshold generally share the same challenges. Large companies reported being influenced by more developments and facing more challenging conditions. Their technology spending plans reflect this, because large companies are more likely to be increasing spending on multiple technology categories.

Many questions asked respondents about their "transportation, logistics, warehousing and distribution (TLWD)" operations. These disciplines are collectively referred to as "logistics" throughout the report text. Percentages shown in graphics do not always total 100% because of rounding or because multiple responses were allowed. Rankings are based on the average of all response options for the question; some graphics only show a subset of response options.

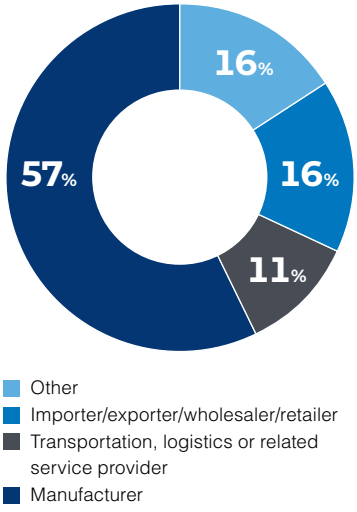


Figure 3: Respondents by business type

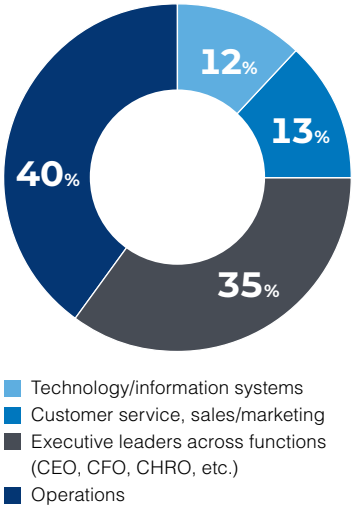


Figure 5: Respondents role in organization

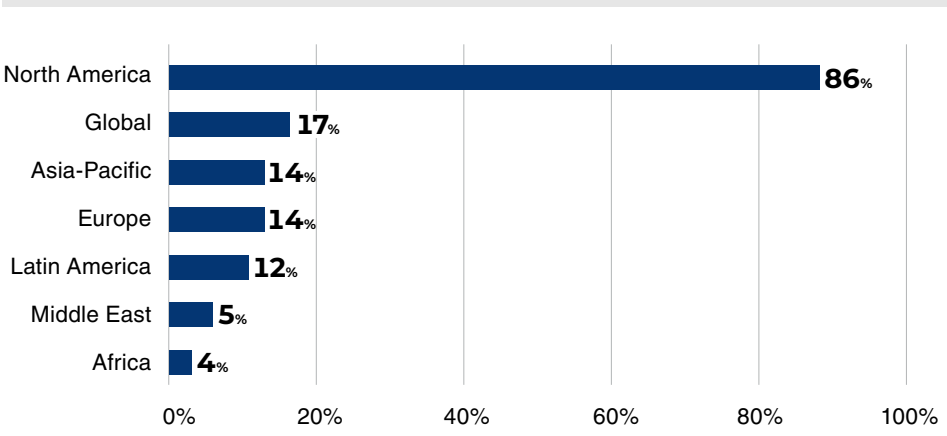


Figure 4: Where respondents operate

TECHNOLOGY SPENDING PLANS

Approximately 60% of enterprises expect their technology spending to be flat through the end of next year. Among those where budgets are changing, 31% plan to increase spending on technology and only 10% to decrease it (Figure 6). The differentials and ratios vary among the seven specific technology categories measured. AI and analytics has the most respondents planning to increase spending, (36%, which is 5x more than are reducing spend). IoT has the fewest with 25%, but that is still more than twice as many (12%) than are planning to cut their investment.

TECHNOLOGY CATEGORY	RESPONDENTS DECREASING SPENDING	RESPONDENTS INCREASING SPENDING	NET GAIN FOR INCREASING SPENDING
AI and analytics platforms	7%	36%	29%
Automation technologies and material handling equipment	6%	34%	28%
Automatic identification and traceability technologies	9%	30%	21%
Operations systems (e.g. TMS, WMS, ERP, SCE)	11%	33%	22%
Handheld and/or vehicle-mounted computers	12%	31%	19%
IoT and sensor systems	12%	25%	13%
Simulation and forecasting technologies (digital twins, demand planning software)	15%	26%	11%
Averages	10%	31%	21%

Figure 6: Spending decreases vs. increases across technology categories



WHAT ABOUT AI SPENDING?

More detailed data on the categories (Figure 7) show spending plans don't quite match the buzz for AI. More enterprises are planning to increase investment in analytics and AI solutions for their logistics operations than any other category, but only 6% are planning significant increases in 2026-27. Current AI use within these technology categories (excluding AI and analytics) averages 47%, with another 9% planning to introduce AI this year. Eighteen percent of respondents are unsure of their organization's status and plans are for using AI in logistics operations, and 26% say they are not and will not use AI.

WHERE IS THE SPENDING?

The automation technologies category includes material handling systems, drones and robots. It ranked second among categories in net enterprises that are increasing spending, slightly ahead of the operations software options (warehouse management systems, supply chain execution, etc.) and AIDC and traceability technologies. Simulation and forecasting technologies covers digital twins and software for demand planning and other functions. It ranked last in planned spending growth, but with only 10% fewer respondents planning to increase spending than the top-ranked AI and analytics category. However, simulation and forecasting is the only category where 15% of enterprises are planning to reduce their spending.

Spending plans are not dramatically different across the categories, and all have between 56% and 63% of respondents planning to keep budgets flat for several years. These results are very consistent with the spending intentions discovered in AIM's 2025 Industry Directions report, which forecast a tight, low-growth environment for most of the same technology categories. That study measured planned investment for specific AIDC product categories through the end of 2026. Sensors, handheld barcode readers and IoT infrastructure (both hardware and software) projected to have strongest demand in the period. More enterprises were planning to increase spending on barcode products (handheld readers, stationary readers, printers) than their RFID counterparts. The Industry Directions report also found 38% of enterprises had definite plans to invest in AI solutions for industrial environments, which is very consistent with the 36% that are currently planning to increase AI spending for their logistics operations.

	NOT USING AI AND WON'T USE IT	INTRODUCING AI NOW	USING AI BUT NOT EXPANDING	USING AI AND EXPANDING USE	TOTAL USING AND EXPANDING
Operations systems	20%	11%	18%	34%	52%
Simulation and forecasting technologies	21%	10%	18%	33%	52%
Handheld and/or vehicle-mounted computers	30%	7%	20%	26%	46%
Automation technologies and material handling equipment	27%	11%	19%	26%	45%
Automatic identification and traceability technologies	28%	10%	17%	26%	44%
IoT and sensor systems	30%	6%	17%	27%	43%
Averages	**26%**	**9%**	**18%**	**29%**	**47%**

Figure 7: AI adoption within technology categories

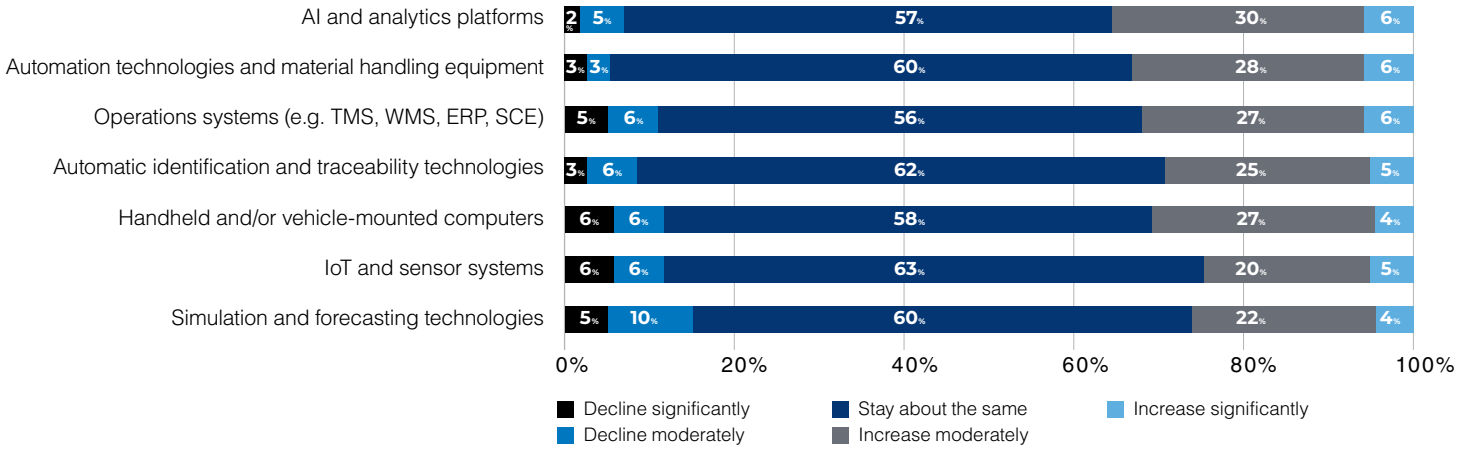
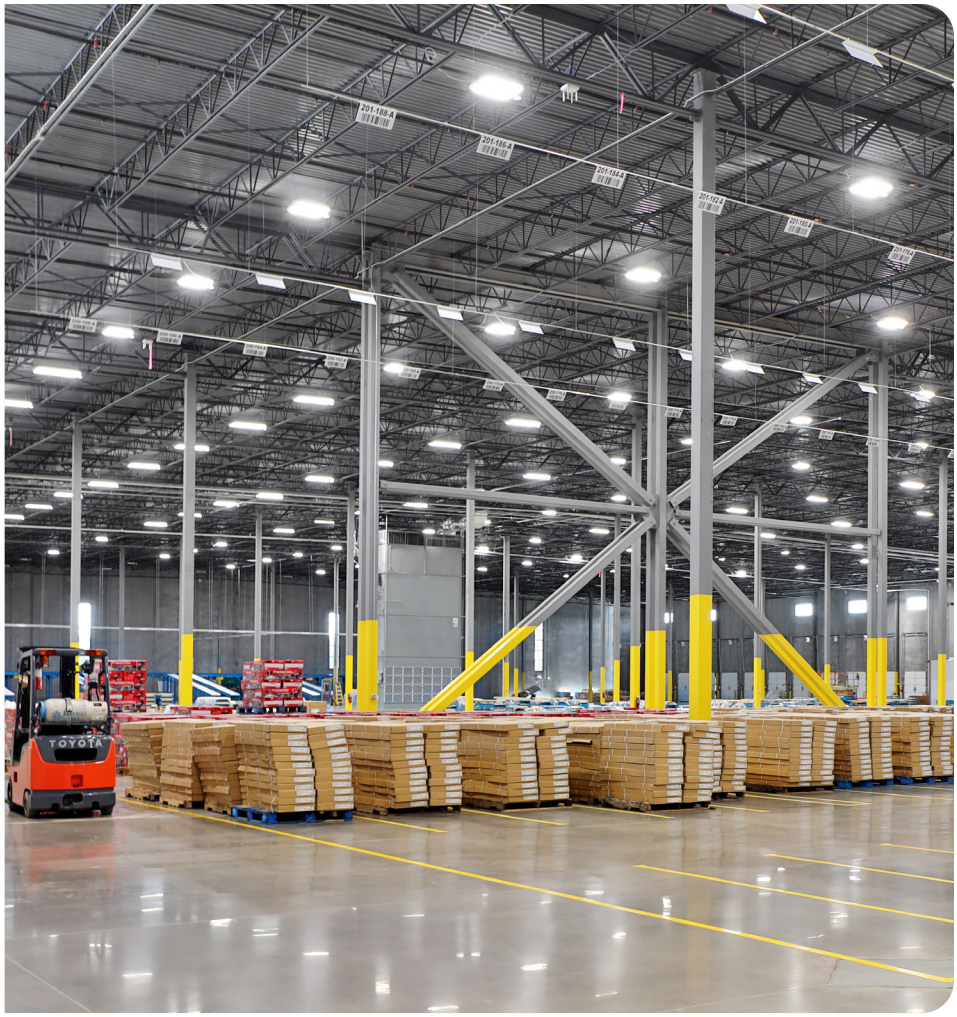


Figure 8: Enterprise tech spending plans, ranked in growth order

SPENDING BARRIERS

Spending is mostly flat because enterprises lack funds and lack people to run all the projects they want to pursue, not because they lack confidence that tech investment is worthwhile. Enterprise priority ranks last among barriers to adopting technology for logistics (Figure 9) and nearly four out of five (79%) respondents report it is not very challenging to justify the business case. Budget is the top barrier. The next two – internal staffing limitations and overall integration complexity – are problems that solution providers can strongly position themselves to help companies solve. Prospective clients see value in services that will reduce the staff time they need to dedicate to carry out the technology project, take interface development and other integration tasks off their plates and provide training for workers that will use the new systems.



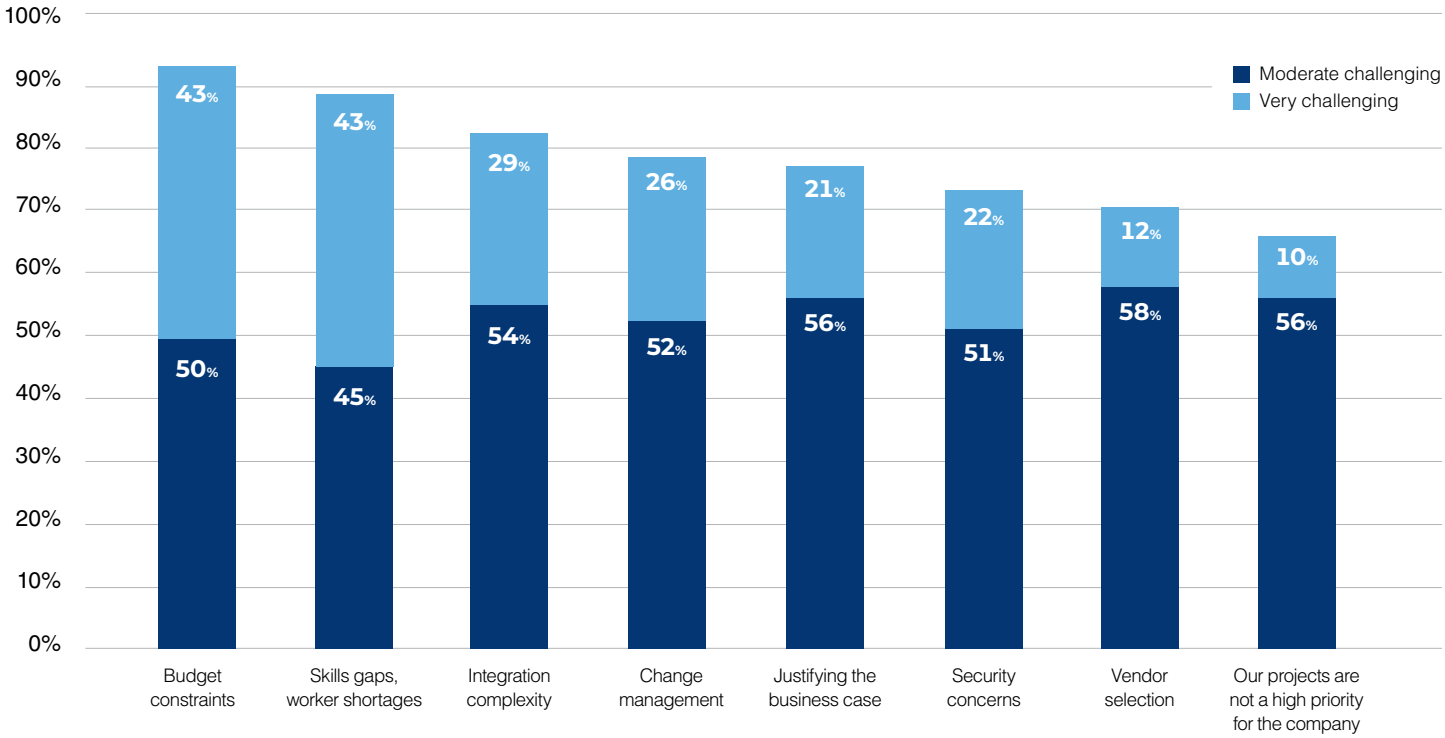


Figure 9: Enterprise barriers to adopting logistics technology (ranked)

VALUE OF THE SOLUTION PROVIDER

Respondent data confirms this. Customer support edged out cost effectiveness as the quality that enterprises value most from their technology solutions providers, with 71% valuing the former and 68% the latter (Figure 10). Because support is so highly valued, it isn't surprising that more enterprises rated superior service as the factor that would influence them to switch service providers than anything else (as shown in Figure 2).

Winning business by providing the skills clients need and solving their integration complexities will involve understanding their needs, motivations and limitations. Data presented so far provides guidance on where companies want to invest, what is preventing them and who they want to work with. The following sections give insight into why and how they want to modernize.

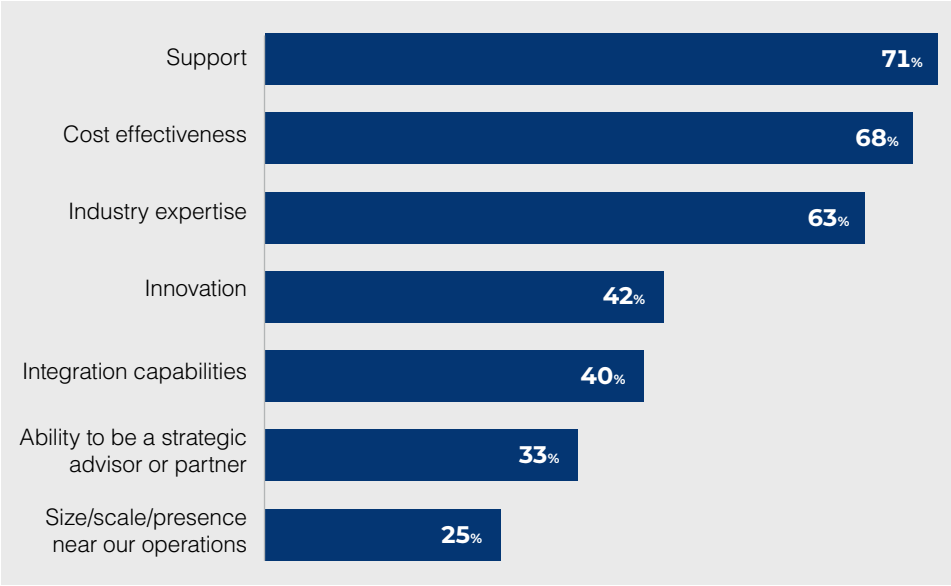


Figure 10: What do enterprises value in solution providers?



LEADING LOGISTICS CHALLENGES AND INFLUENCES

Respondents were asked how 14 different conditions were affecting their business, and 13 are currently considered challenging for a majority (see Figure 11). The top seven are problematic for at least 80% of companies. Three burdens that rank in the top five are topical, volatile and largely out of enterprise control – fuel prices, tariffs and the trade policy climate and supply chain uncertainties.



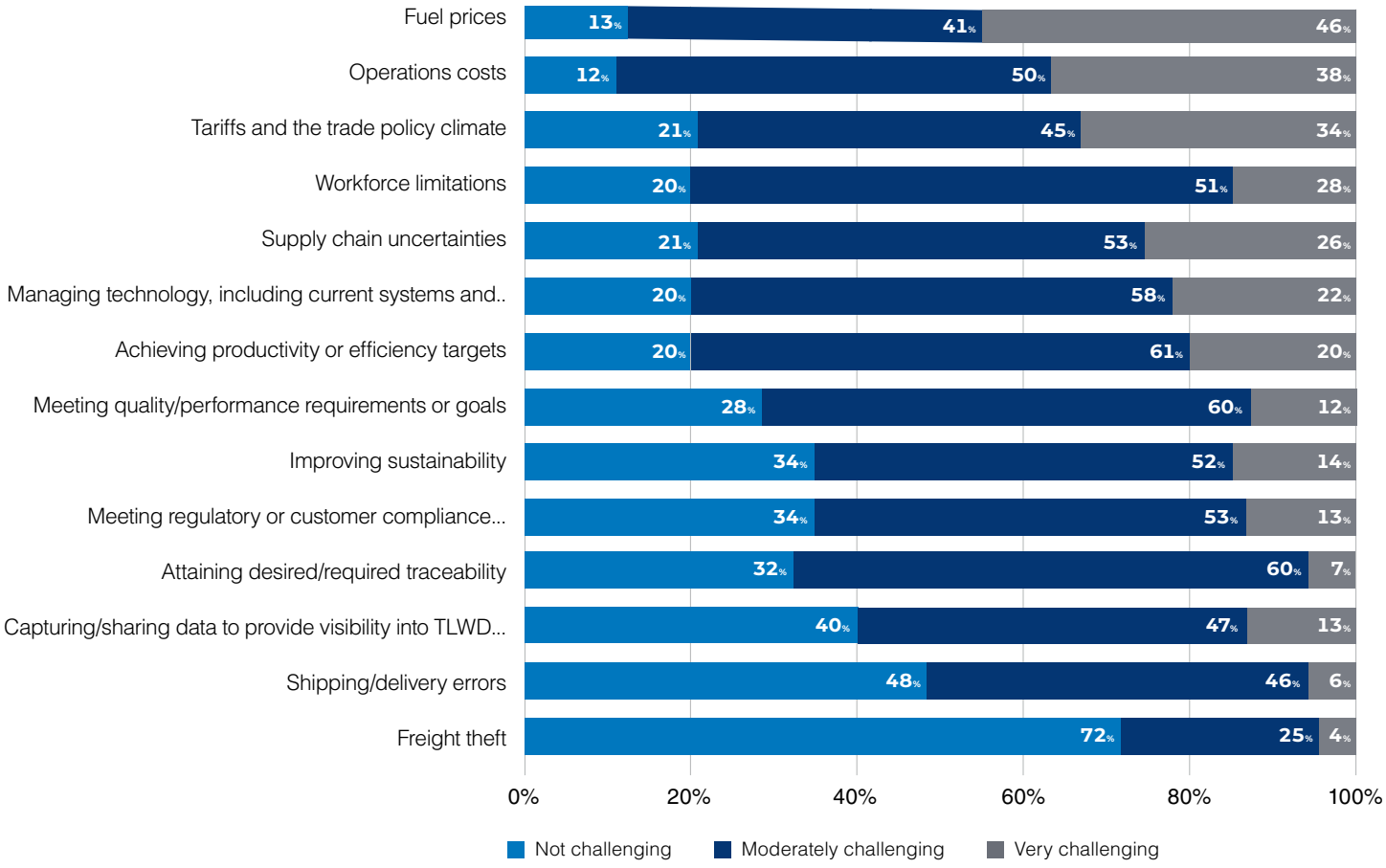


Figure 11: Current Business Challenges (in rank order)

ENTERPRISE PRIORITIES

It can be hard for technology resellers and integration firms to draw a straight line that connects the solutions they sell to geopolitical and macroeconomic challenges that are top of mind with buyers. Modernizing factories and distribution centers doesn't reopen shipping lanes, reduce crude oil prices or get tariffs overturned. Fortunately, while these issues are among the biggest things enterprise leaders are worrying about, they are prioritizing action on initiatives where they have more control (Figure 12). Their improvement priorities provide many paths for solution providers to solve problems and add value through their offerings.

PRIORITIZING ACTIONS

Reducing costs is by far the most common priority within logistics operations, with 63% of business ranking it a top or high priority.

Complying with customer and regulatory requirements ranked second, with 35% citing it as a high-level priority, followed by improving internal performance and IT upgrades. Ironically, the desire to cut overall costs helps explain why relatively few organizations are cutting their technology spending. As noted, only 21% of respondents said it was very difficult to justify the business case for proposed technology spending (Figure 9). The factors that are more likely to inhibit technology are budget, lack of knowledgeable workers to execute the project and change management. Solution providers can help in all those areas, by being able to demonstrate that their offerings can save money, raise efficiency and help satisfy customer demands or regulatory compliance.

These messages and corresponding services and solutions will align providers with enterprise priorities.

While more organizations ranked cost reduction as their leading priority than anything else, 37% of respondents did not rank it as one. Their most important focus areas are to upgrade IT infrastructure (cited as a high/top priority by 24%, compared to only 9% prioritizing OT and materials handling upgrades) and to expand or upgrade their TWLD facilities (23%).

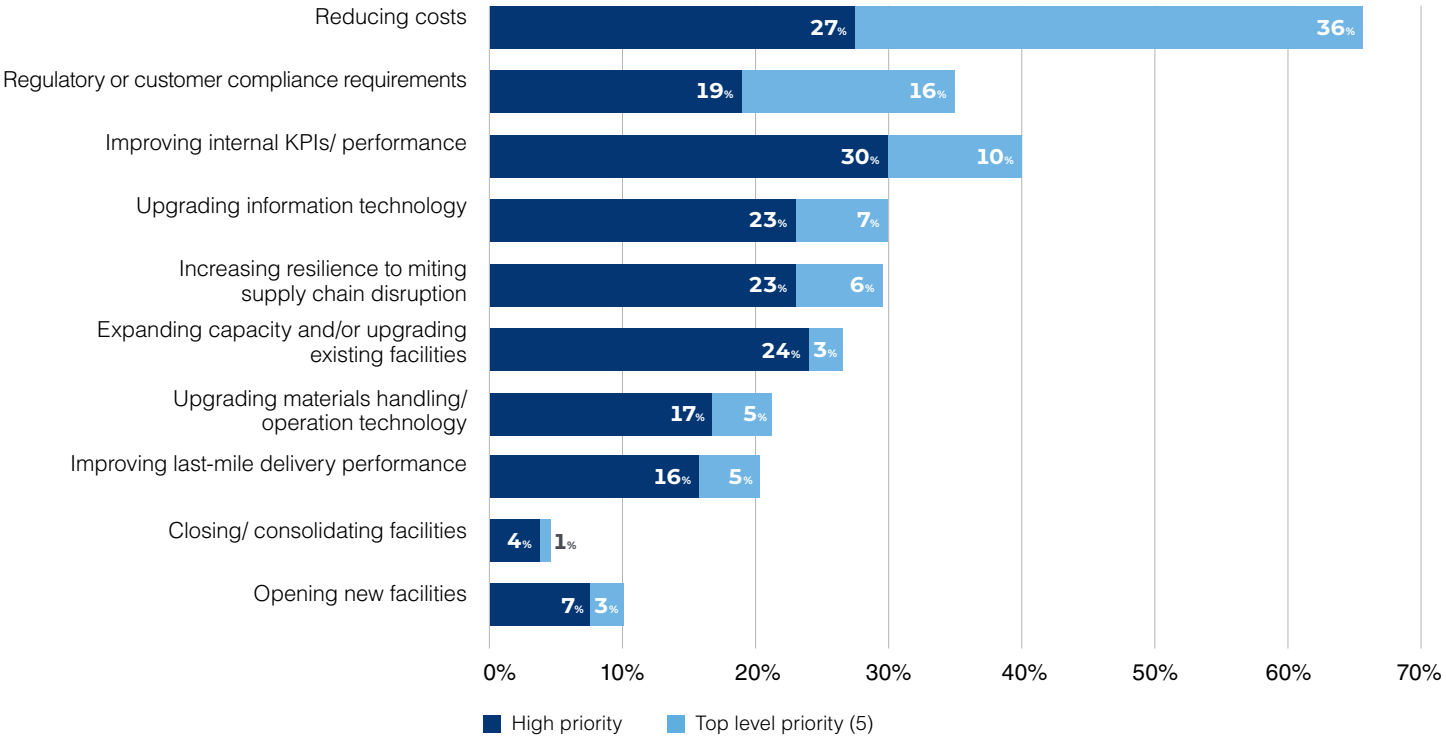


Figure 12: Enterprise priorities for logistics operations (in rank order*)

* Rank is determined by response average. When all responses are considered (including "Not a priority"), "Satisfying regulatory or customer compliance requirements" outranks "Improving internal KPIs/performance" despite scoring lower as a high or top priority.

TECHNOLOGY AND LABOR

WHERE TECHNOLOGY HAS THE MOST IMPACT

Enterprises have the most confidence that technology can help them manage and reduce operations costs, but they also believe it can contribute to addressing a wide range of business challenges. Respondents were asked how much impact they thought technology could have on various business issues. Some of the issues measured matched the topics that enterprises consider challenging. Figure 13 presents the business challenges in rank order on the left, with the percentage of respondents that believe technology can make a moderate or significant impact on them on the right.

The data show enterprises are largely convinced of technology's ability to provide traceability into logistics operations, make operations efficient and meet performance targets, reduce labor needs, prevent shipping and delivery errors and help control operations costs. Nearly three quarters believe tech can mitigate the current top-ranked challenge – high fuel costs – and 71% see a positive role for dealing with tariffs and trade policy challenges. Linking project proposals to these business issues can help solution providers tap into enterprises' planned tech spending.

WHAT ABOUT THE LABOR SHORTAGE?

Respondents provided some interesting and somewhat contradictory data (Figure 14) about the relationship between the labor market and logistics performance: 80% of organizations say their TWLD operations are challenged by workforce limitations but only 29% of organizations have strategies to reskill their TWLD workers.

As we've seen with other business obstacles, companies want to use technology to close the gap – 77% believe it can mitigate their workforce challenges. A potential positive for solution providers is that enterprise workforce woes extend to the professionals that would be most involved in executing technology projects. Four out of five enterprises reported they find it challenging to manage technology (Figure 11), and skills gaps and workforce challenges are their second-highest barrier to implementing new systems (Figure 9; integration ranked third). Besides core implementation and integration services, solution providers may be able to capitalize on a market opportunity for training and after-sale services.

RANK	CHALLENGE	RESPONDENTS
1	Fuel costs	74%
2	Operations costs	90%
3	Tariffs and the trade policy climate	71%
4	Workforce limitations	76%
5	Supply chain uncertainties	N/A
6	Managing technology	N/A
7	Achieving productivity or efficiency targets	94%
8	Meeting quality/performance requirements or goals	86%
9	Improving sustainability	75%
10	Meeting regulatory or customer compliance requirements	84%
11	Attaining desired/required traceability	89%
12	Capturing/sharing data to provide visibility into TLWD operations	81%
13	Shipping/delivery errors	89%
14	Freight theft	56%

Figure 13: Respondent confidence in tech's ability to help meet business challenges



Figure 14: Respondents somewhat contradictory data about relationship between the labor market and logistics performance

CONCLUSION

High fuel costs, tight labor markets and uncertainties around supply chains and market access are not stopping enterprise technology spending to modernize logistics – in fact, they're driving it. Enterprises' top priority is to reduce operating expenses and they strongly believe AIDC technologies and mobile and wireless computing systems can fuel the software and emerging AI solutions to take costs out of operations. Enterprises want to do more with technology than their budgets and staffing levels allow, which creates the potential for solution providers to use value-added services to win deals. Solution providers are under pressure to keep their own costs low because tight technology budgets may not leave much room for margin in project proposals. However, prospective clients value service over price and show willingness to work with new providers that can add value through exceptional support.

ABOUT AIM

AIM is the leading international industry association, global authority and resource in automatic identification and data capture (AIDC) technologies and innovations. For more than 50 years AIM has championed the growth and acceptance of these technologies through industry education, standards and advocacy.

Since AIM's inception in the 1970s, industry leaders from the AIDC global community have continued to work within AIM to promote the adoption and application of emerging technologies and innovations. AIM actively supports the development of standards through its own committees as well as through participation at the industry, national (ANSI) and international (ISO) levels.

AIM members are manufacturers, distributors, resellers, educators, system integrators, and technology users of barcode, RFID, the Internet of Things (IoT), RAIN, RTLS and NFC services and solutions. AIM delivers accurate and unbiased information on technologies, standards, and applications. Through AIM committees and alliances, AIM provides an unbiased technology perspective to legislators, media and consumers.



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