2025 INDUSTRY RESEARCH

A View Into the Electrical & Automation Markets

ELECTRO FEDERATION CANADA EFC

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Executive Summary / Methodology

Change is one of the only true constants, though it seems that we continue to face change and its challenges at a pace rarely seen before.

In 2021, EFC and Kerrwil conducted in-depth research that focused on the implications and opportunities for the Canadian Electrical Industry to emerge from the pandemic stronger. We noted then that the crisis both required and accelerated digital transformation and fundamentally shifted the way companies will do their business, leading many leaders to ask:

"What comes next?"

This question was the impetus behind the 2021 study. Now, in 2025, we look to refresh the results and further consider changes in the post-pandemic landscape, along with the added economic uncertainty brought on by global trade instability. The current report examines the changing customer behaviour in the electrical and automation industry, with a specific focus on how these changes impact **Manufacturers, Distributors, and Sales Representatives.** We will review **customer preferences and decision-making processes, purchasing behaviours, and service expectations** that will support the strategic aligning of your operations to meet growing demands.

To capture the full scope of this consideration, EFC partnered with Kerrwil Media Limited to conduct primary research involving interviews and surveys with over **1000 industry members, including Industry Leaders, Electrical Contractors, Systems Integrators, OEMs, Manufacturers, and Distributors.** Secondary source material has also been included to provide multiple points of corroboration and additional macro factors affecting the markets we serve.

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1 Key Research Takeaways

Contractors

Supply Chain issues continue to be a focus for Contractors who have had to put in place plans for sourcing when supply issues arise, or specifications need to be changed.

The main source of product/service information comes directly from
Manufacturers and Distributors,
followed by
Online searching, and Industry Publications.

49% of Contractor purchases are made **directly at Distributor branches.**

35% of Contractors will seek other electrical/automation Distributors **outside of their existing network** when supply issues require new suppliers.

OVER 80% of Contractors plan to make at least some online purchases this year, indicating the **continuing momentum of online purchasing.**

41% of Contractors **will change specs** for alternate products when supply issues are encountered, but **prefer to continue to source from existing suppliers.**

OVER 50% of all interactions with Distributors are **in person**, though 36% of **Contractors expect virtual interactions to increase** over the next year. Integrators and OEMs note that virtual interaction will **remain the same or decrease.**

Among all customer types the primary purchasing factors remain:
Price, Product Brands, and Availability

From the Counter:

40% of Contractors regularly make purchases not originally on their list (impulse buy)

Contractors agree that the primary focus of impulse buys are:
Tools,
Lighting,
and Wire and Wiring Products

The primary influence behind impulse buys are
Special Display/Advertisements,
Discounted Prices,
and Salesperson Influence

Alberta and British Columbia have a higher focus on
In-Person Purchases
over Pick-up and Self-serve Orders.

Small Electrical Contractors
(1-10 employees) prefer
In-Person Branch Purchases

1 Key Research Takeaways

Part 3: Market

In 2021, it was noted that implemented protocols established new baselines for commercial, industrial and residential spaces that included **air purification, surface disinfectants and configuration.** There remains a focused effort to continue enhancing these protocols, now coupled with additional alignment of energy management and smart control.

Builders are constructing **functional and exciting** spaces that deliver **visual appeal** and **accentuate nature and natural moods.**

Data centre construction remains one of the **fastest growing segments in North America** with a high demand for electrical infrastructure and maintenance.

Manufacturing facility builds and plant floor configuration will focus on **adaptable layouts that can accommodate shifts in production**, as well as **automation and less human-centric designs.**

Last Mile Distribution continues to receive attention within primary urban centres (Toronto, Montreal, Vancouver)

The advancement of **smart home technology**, **sustainable living** and **strategic planning** have altered the way many new homes are being built.

Hybrid work models are also having an effect on residential construction with regard to **design and layout that now incorporate dedicated workspace** (No need to hijack the dining table anymore!)

Part 4: Supply and Support

Price Pressure, Supply Chain Issues, and Increased Competition have presented the greatest challenge over the last two years

82% of Manufacturers and Distributors identify **price sensitivity** as the primary customer expectation that has impacted their sales process.

56% & **75%**
of Manufacturers of Distributors

have **changed their sales process** over the last two years with the rise of **E-Commerce and digital usage tools** leading the way.

OVER 80% of Manufacturers and Distributors say they have **altered their marketing process** over the last two years. The greatest focus has been on **increased digital marketing (SEO, social media, e-mail campaigns, etc.),** followed by more **personalized customer outreach** and **expanded content marketing.**

Manufacturers and Distributors agree the top priorities of sales and marketing over the next year are to **improve customer experience and strengthen customer retention.**

48% of Distributors note that their mixture of spending and headcount for inside and outside sales has remained the same since the pandemic. The remaining 50% are split evenly with **25%, noting an increase in outside sales and 25% identifying an increase among inside sales.**

62% of Manufacturers state their mix on spending and headcount has remained the same since the pandemic, while **27% identify an increase in outside sales.**

61% of Distributors have seen an increase in **time and speed expectations.**

Contractors have shown **increased interest** in the availability of **Canadian-made products.**

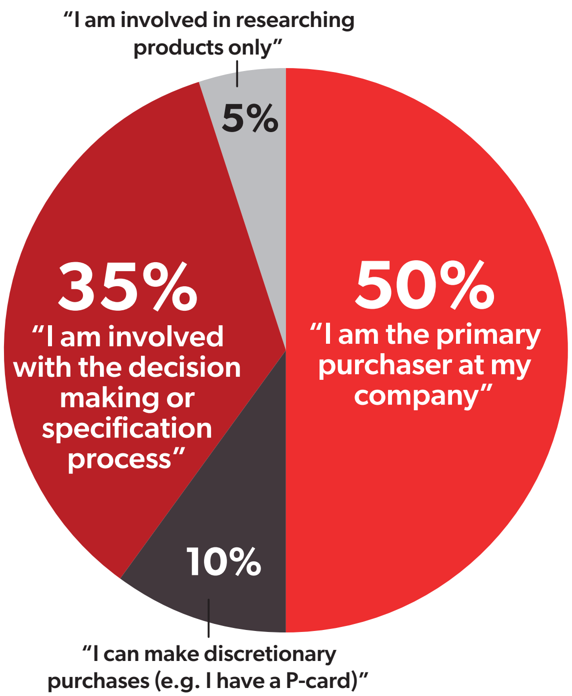
2 Looking at the Customer

The 2021 industry research report, *Covid-19 Implications & Opportunities for the Canadian Electrical Industry,* closely examined how the pandemic was affecting customers and the shifts that were implemented to ensure the continuity of their operations. Input from **Contractors, Integrators, and OEMs** aided in understanding their needs so Manufacturers and Distributors could best support their customers.

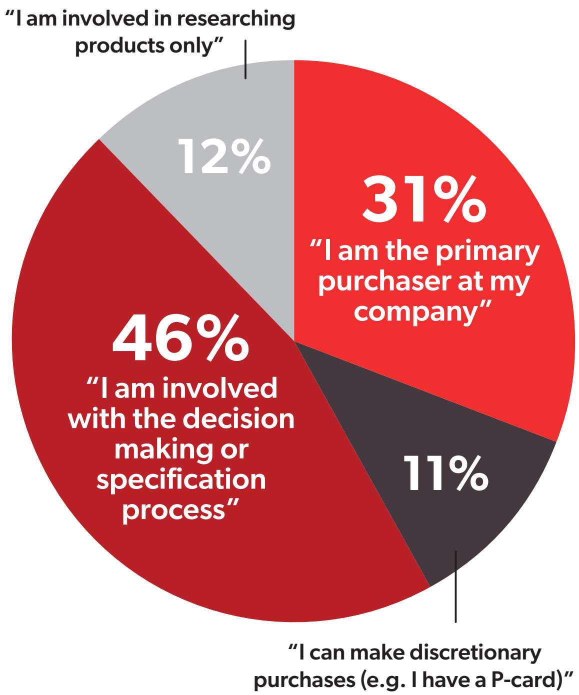
In 2025, we again turn to the customer for insight into how the lingering impacts of the pandemic, new technology and supply chain issues are considered and addressed. Below, we will review customer preferences, decision making processes, purchasing behaviours and service expectations.

Survey Respondent Profiles

CONTRACTORS

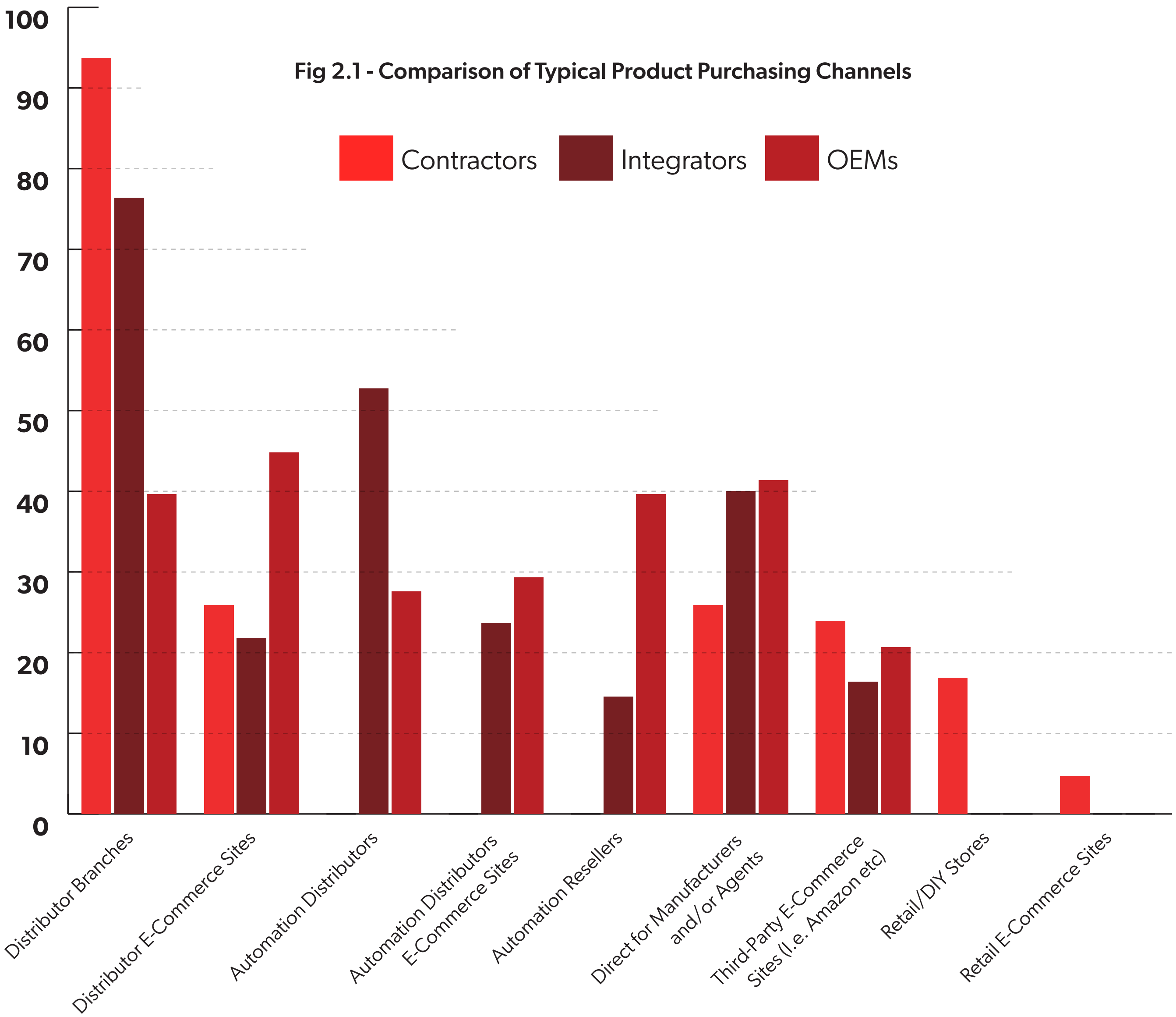


INTEGRATORS



OEMs

2 Looking at the Customer



UPWARDS OF

90%

of Contractors state they will typically utilize **Distributor branches** to buy their electrical products.

NEARLY

80%

of Integrators also **prefer the Distributor branch**, identifying it as their typical channel, followed closely by Automation Distributors.

OEMs,

reflect a more **even spread regarding product purchasing.** Electrical Distributor E-Commerce sites were most prominent, followed by direct from Manufacturer and/or Agent.

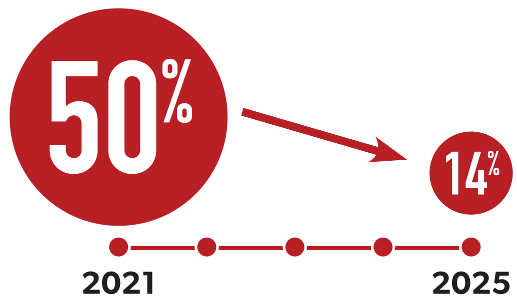
2 Looking at the Customer Cont.

Customers learn about products from various channels - understanding their habits and preferences helps the industry respond accordingly.

OVER 50% of **Contractors** note that product learning comes directly from **Manufacturers, Manufacturers' Agents and from Distributors. Google, Industry Publications and Trade-shows** make up the bulk of the remaining product learning among Contractors.

OVER 55% of **Integrators** focused on **Manufacturers, Manufacturers' Agents and from Distributors** through direct discussion or **Google search.** This demonstrates a similar approach to Contractors.

Direct Distributor Email has dropped from over 50% in 2021 to 14% in 2025, with greater focus on direct online search and industry publications.



Social Media ranked lowest amongst all groups with less than

4%

using it for learning about new products.*

*Although respondents state that they don't search via social media for product information, it does not mean that they do not receive product information and awareness from social media.

30% of **OEMs** note their primary source for learning about new products/services are **Manufacturer Email Communication/ Blogs, Distributor Email Communication/ Blogs and Industry Publications.**

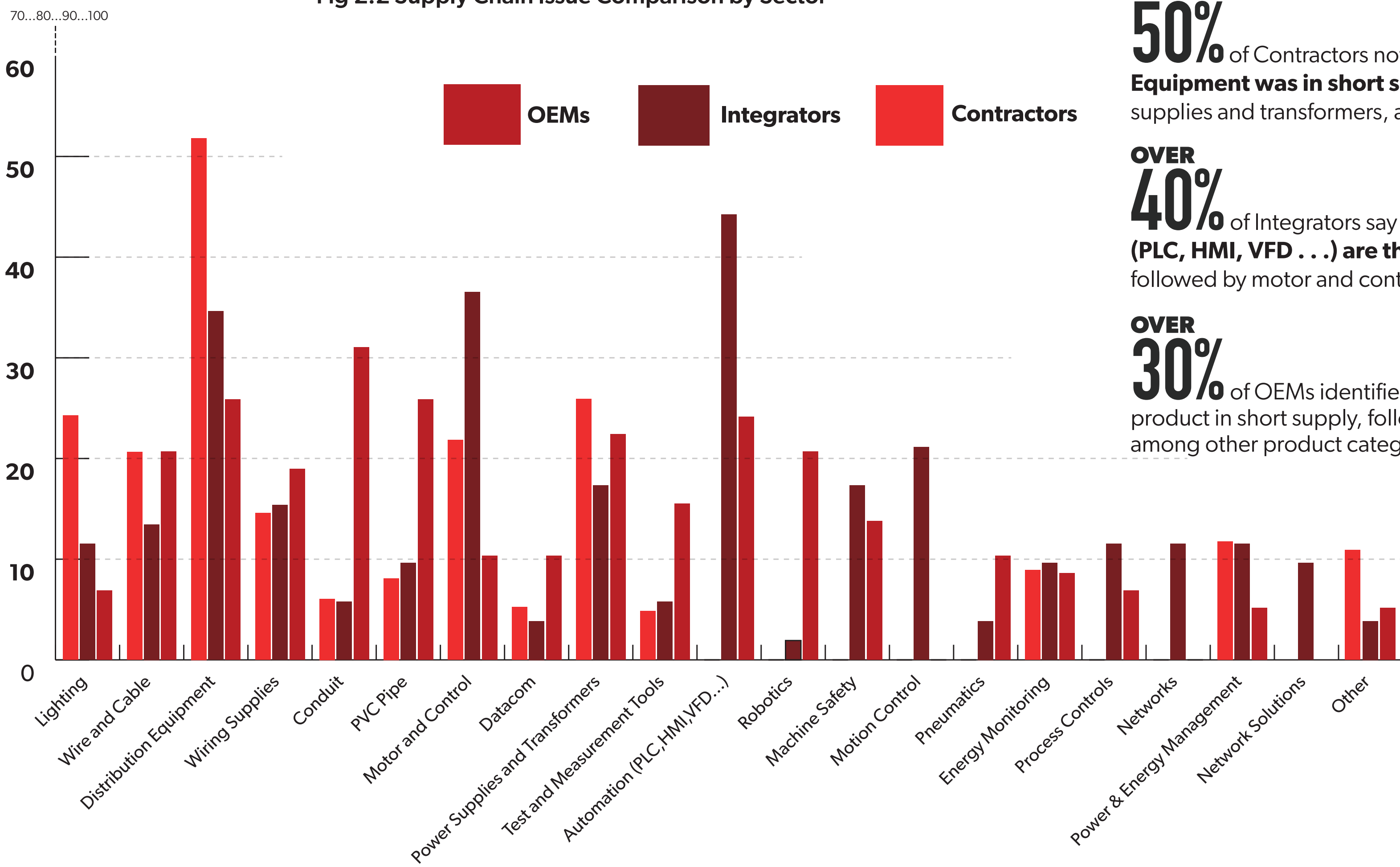
Among OEMs there is more balance with information being provided by Manufacturers and Manufacturers' agents.

It is interesting to note that while **Manufacturer email outreach declined among Contractors, it has increased among OEMs.**

2 Looking at the Customer Cont.

Unfortunately, much like in 2021, Supply Chain issues continue to be at the forefront of discussions. Being aware of supply chain issues from the perspective of the customer provides details on their pain points and where work needs to be done.

Fig 2.2 Supply Chain Issue Comparison by Sector



OVER **50%** of Contractors noted that **Distribution Equipment was in short supply,** followed by power supplies and transformers, and lighting.

OVER **40%** of Integrators say that **automation equipment (PLC, HMI, VFD . . .) are the hardest to acquire**, followed by motor and control and distribution equipment.

OVER **30%** of OEMs identified that **conduit** was the primary product in short supply, followed by a quite even spread among other product categories.

2 Looking at the Customer Cont.

As a result of Supply Issues many Contractors note that they are willing to break specifications and source products from new or existing Suppliers. In 2025, **61%** of Contractors are willing to break specs and source from new or existing suppliers. This is down slightly from **70% in 2021.**

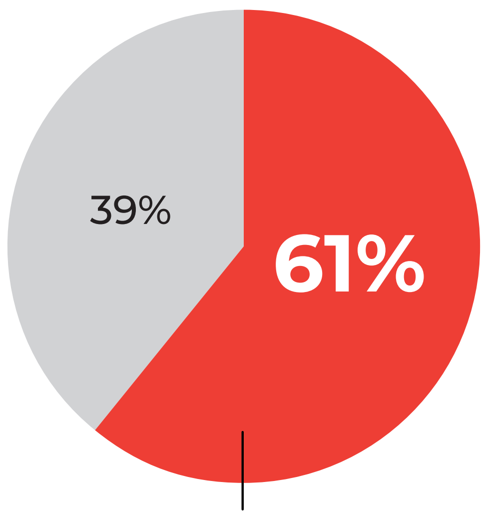


Fig. 2.3 - Percentage of Contractors Willing to Seek Other Suppliers

Some Contractors are willing to move outside of their existing network when supply chain issues are present.

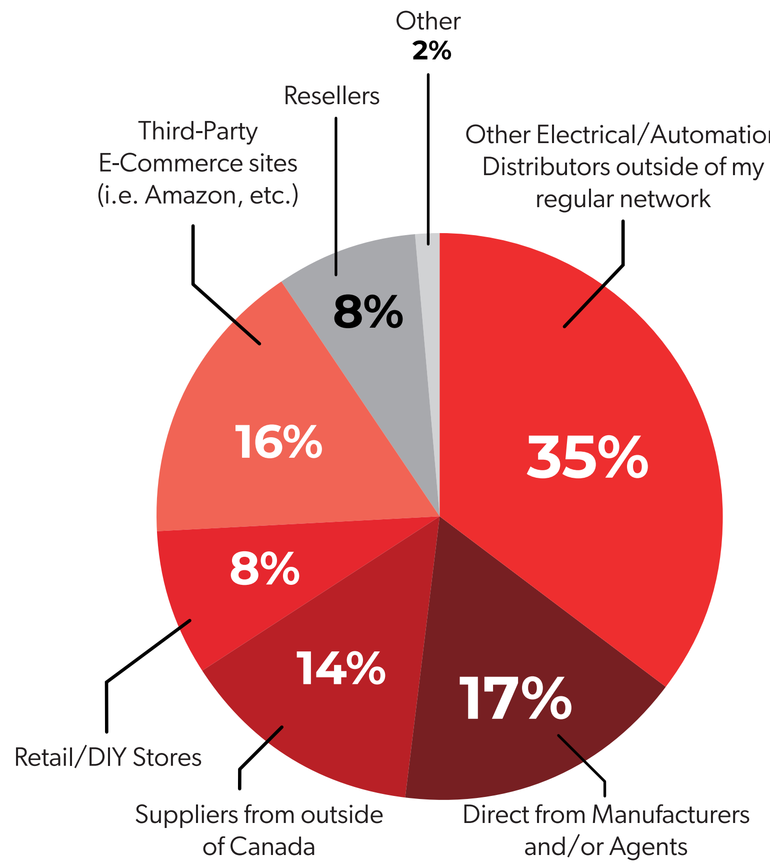


Fig. 2.4 - Supply Chain Alternative Sources

Online Purchasing and Support continues to build momentum in Canada.

CONTRACTORS

OVER 80% of Contractors will make online purchases from E-Commerce and Distributor sites. This is up significantly from **40% of Contractors in 2021.**

OVER 55% of these Contractors expect to make up to **20%** of their purchases online.

ONLY 14% of Contractors do not use online purchasing at all.

AUTOMATION

When considering the automation field, the focus on online purchasing is somewhat higher than among Contractors.

23% of Integrators expect to make between **21% and 40%** of their purchases online.

79% of OEMs plan to make between **11% and 40%** of their purchases online. This marks an aggressive adoption of online purchasing. Among OEMs, less than **2%** plan to use no online services.

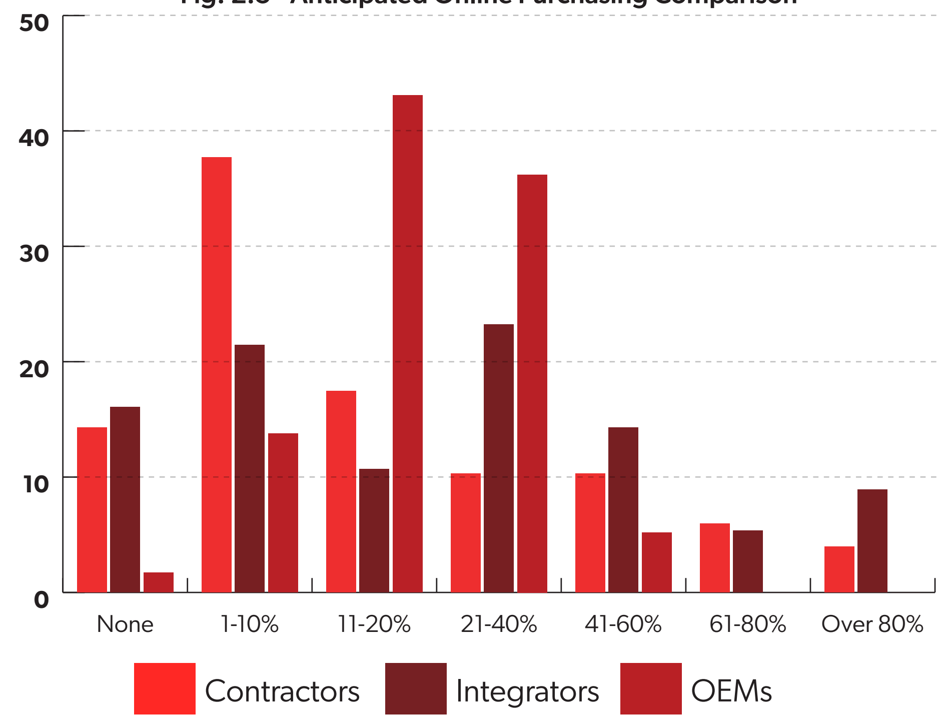
VIRTUAL INTERACTION

The focus toward virtual interaction is also becoming critical to the day-to-day operations among Contractors, Integrators and OEMs, particularly as they move to more online purchasing.

36% of Contractors expect virtual interactions to increase over the next year.

OVER 50% of interaction between Distributors and Contractors are in-person, although that drops to around **35%** when meeting with Manufacturers.

Fig. 2.5 - Anticipated Online Purchasing Comparison



Integrators and OEMs are largely aligned with Contractors in that over **50%** of interactions with Distributors remain in person. In-person interaction with Manufacturers is slightly lower at just over **40%.**

Notable however is that Integrators and OEMs expect virtual interaction to remain unchanged or decrease, a stark difference to the increase that Contractors anticipate.

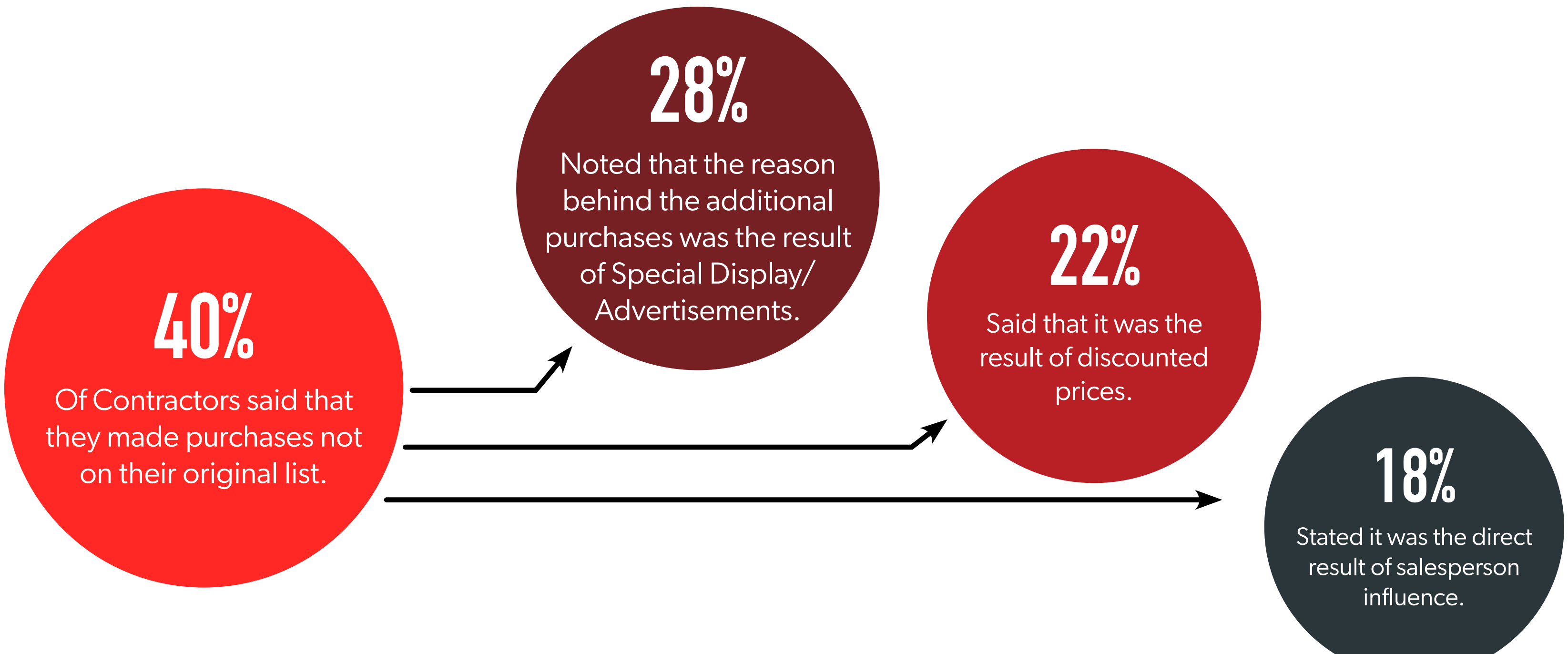
2 Guidance from the Counter

Direct counter sales and in-person interaction remains the primary purchasing avenue, providing a valuable opportunity for Distributors and customers to build relationships. To better understand the in-person buying psychology among contractors, EFC and Kerrwil Media worked alongside Distributors to provide insight directly from those purchasing at Distributor branches across Canada in April 2025. Further insight was provided through additional research.

Over 70% of the Contractors providing insight are the **owner/manager or electrician/foreman for their company** with **78%** of those companies having a **maximum of 10 employees**.

This provides direct insight into the buying practices of small electrical Contractors, while also speaking to the primary Contractor size that are utilizing counters daily.

A further **16%** of companies fall into **11-50 employees**, while the remaining **5%** have **greater than 50 employees.**



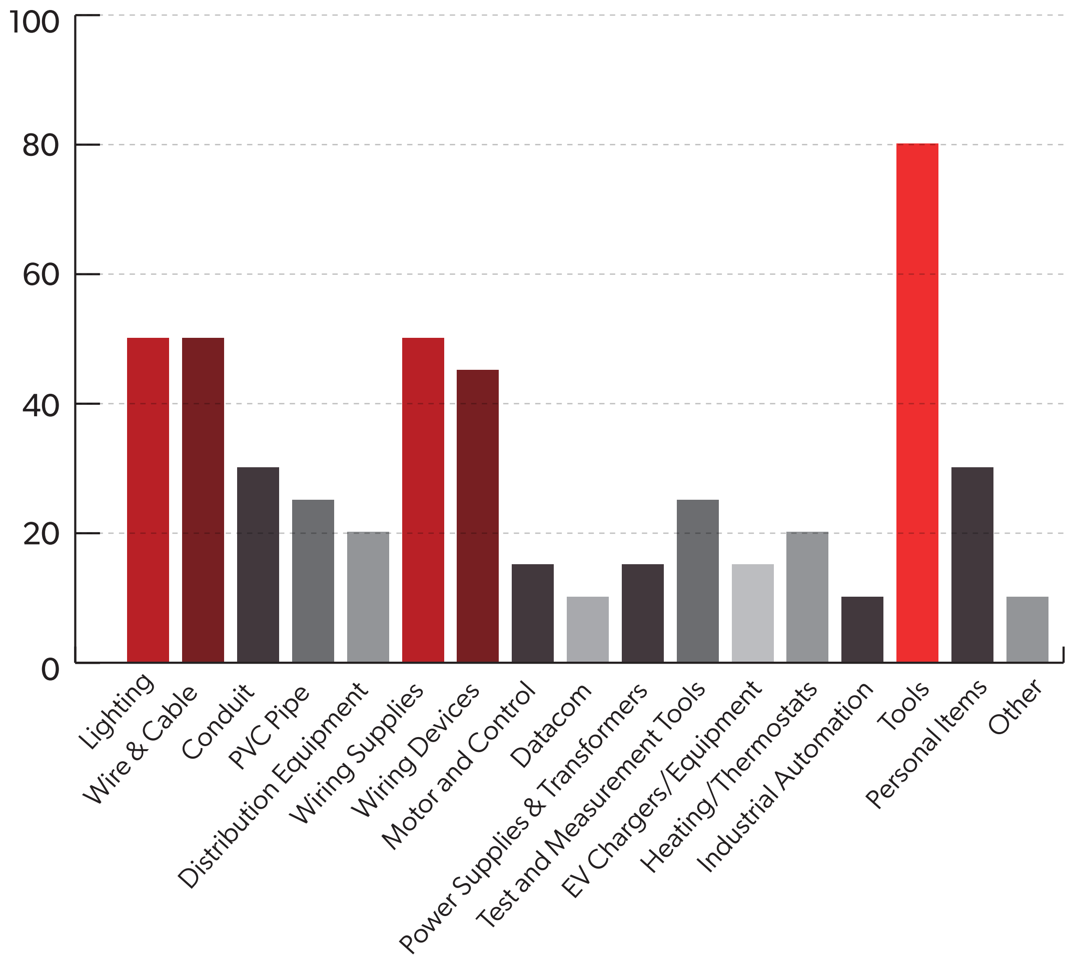
This speaks strongly to the advantages of branch layout (promoting specials and discounts) coupled with a knowledgeable staff that can potentially increase the final sales to upwards of **40% of Contractors.**

2 Guidance from the Counter Cont.

It should not be shocking that among the Contractors surveyed, **80% of them reported that Tools were their primary impulse buy.** Following not far behind was **lighting** and all things **wire related** (wire and cable/wiring supplies/wiring devices).

For a full breakdown of impulse buys among Contractors, refer to the chart.

Fig. 2.6 - Impulse Buys by Department



2 Guidance from the Counter Cont.

Further analysis of counter activity offers insight into purchasing behaviors across specific geographic regions. Specifically, we will consider variations among small Contractors* in **Ontario, Quebec and Western Canada (Alberta/British Columbia).**

Note that the geographic perspective presented reflects a general overview of respondents and does not account for variables such as counter type, current marketing efforts, promotional channels, or other purchasing influences.

ONTARIO

35% of small Contractors noted they made purchases off their list, with tools, lighting, wire and wiring supplies, and conduit being the primary focus of impulse buys.

Notably 40% of impulse buys were the result of influence from counter staff.

QUEBEC

100% of Contractors surveyed noted that they purchased both items from their list as well as additional impulse items.

73% of respondents were small Contractors that identified similar impulse buys to those in Ontario, with tools, lighting, wiring products as well as PVC pipe being the primary impulse buys.

43% said that special displays/ advertisements were the main reason for their impulse buy.

20% noted it was the result of salesperson influence.

WESTERN CANADA

100% of Contractors surveyed in Alberta and British Columbia (including large Contractors 100+) noted that they purchased both items from their list as well as additional impulse items.

76% were identified as small Contractors with a greater number of owners and foreman making counter trips than in Ontario or Quebec.

The primary focus of impulse buys remains tools, though wire and wiring products followed closely in Western Canada, with less consideration of lighting than in other regions.

*Small Contractors are considered to be those with 1-10 employees

3 Market Outlook

The pandemic shifted market opportunities and introduced new baselines in construction, products and services, and how employees are supported. Now years on from the pandemic, we continue to see those trends develop, while also bracing and discussing how new challenges may again cause change at a whiplash pace.

In 2021, the focus here was significantly on developing protocols (air purification, disinfectants, configuration) and enhancing space to provide safer and more efficient workflow. And we see much of this continue. Updated building codes such as those in Ontario have increased focus on ventilation and air purification (ANSI/ASHRAE 62.1).[1]

Smart Technology also continues to be implemented, driven in part by the opportunities it provided during the pandemic, and today the health benefits coupled with efficiency continue to push forward smart technology such as IoT sensors, occupancy analytics and building automation.

CONSTRUCTION OVERVIEW

There is no question that the pandemic altered how we construct buildings and the services that those buildings can offer. And yes, we do mean that. Building construction no longer focuses on simply erecting a structure that will serve an intended purpose, today

"builders are crafting functional and exhilarating spaces that ooze visual appeal and accentuate the mood"[2]

In 2021, it was anticipated that construction activity would return to pre-pandemic levels by 2025. However, additional challenges could not be anticipated. There is a growing emphasis on sustainability, with a shift towards green building practices, including the adoption of eco-friendly materials, energy efficient systems, and waste reduction strategies. According to the Canada Green Building Council, Green construction is expected to account for 25% of the market in 2025.[3] [4]

Further, interest rate increases in 2022 slowed momentum alongside a **growing labour shortage.** Move forward and consider global trade concerns and we see another blow to the construction market as supply chain shortages and rising costs place much new construction out of the reach for average Canadians and **most provinces are showing a downturn in acquiring building permits.**[5]

New Trends Will Drive the Market

RESIDENTIAL

The advancement of:

- **smart home technology**
- **sustainable living**
- **strategic planning**

have altered the way many new homes are being built. Of course, we will see new residential communities with a similar exterior look, but the customizable options within the home have advanced residential construction in new and demanding avenues.

Top trends identified in residential home building in **2024** were:

- **Sustainable Living,**
- **Multi-functional spaces**
- **Smart Home technology**
- **Biophilic design**
- **Personalized interiors**
- **Modular construction**

These designs are quickly becoming a new focus, and although they are not instituted protocols much **change is being driven by the challenges faced from the rapid work from home models that were enacted during the pandemic**, and the new view we have developed regarding our home and workspace.[6]

COMMERCIAL

Commercial space saw some of the **strictest protocols implemented during the pandemic**, and is expected considering the nature of commercial space and the difficulty presented in adapting existing space to accommodate staff and potentially the public.

RETAIL IS EXPERIENCING A STRONG RESURGENCE!

Although online shopping continues to soar, we are seeing a **resurgence in retail space** that is updated and modernized.[7] This includes a new focus on experiential retail and showrooms.

Notable as well is commercial and office space that has been the subject of much attention as we moved out of the pandemic and new ways of working are still being developed. There are many instances of

hybrid work situations that spawned advanced design to accommodate concerns that arose during the pandemic

(air filtration, disinfection. . .) as well as improved technology such as IoT sensors, occupancy analytics and building automation to support more efficient work and smaller carbon footprint.[8]

The **demand for rapid delivery** across all markets (including consumer) has also driven a demand in warehouse development, particularly **last-mile distribution centres and logistics hubs in urban areas**.

In 2024, there was an estimated 35.6 million square-feet of new warehouse space added.[9]

Toronto, Vancouver and Montreal have seen large-scale booms for these facilities.

Data Centre construction remains one of the fastest growing segments in North America with a high demand for electrical infrastructure and maintenance.

This is being driven in part by increases in digital usage tools and E-Commerce.

New Trends Will Drive the Market Cont.

INDUSTRIAL

Manufacturing is one of the most difficult to track as it is **particularly susceptible to external influence.**

Manufacturing and distribution facilities have presented the best opportunity for additional growth within Canada, however much **research on this topic was conducted as we emerged from the pandemic** without the anticipation of additional **global supply concerns which have likely slowed potential advancements.**

There does continue to be a **strong focus on onshore and near shore manufacturing**,[10] that should prove advantageous. And likely as Manufacturing repositions itself, there will be an **enhanced focus on adaptable layouts that can accommodate shifts in production**[11], as well as **more focus on automation and less human-centric designs.**[12]

IN 2021

43% of Integrators said the pandemic had most impacted the re-configuration of plant floors to support workers' health and safety requirements.[13]

IN 2025

23% of Integrators note that between 1% and 10% of their applications continue to be the re-configuration of plant floors.

FURTHER 22% of Integrators identify over **80% of their applications** include implementing robotics and automation, a notable factor when considering that **76% of Integrators surveyed work within the Industrial space.**

2021 2022 2023 2024 2025

4 Supply & Support

The hits seem to keep coming, but through it all, Canada remains strong and committed to advancement.

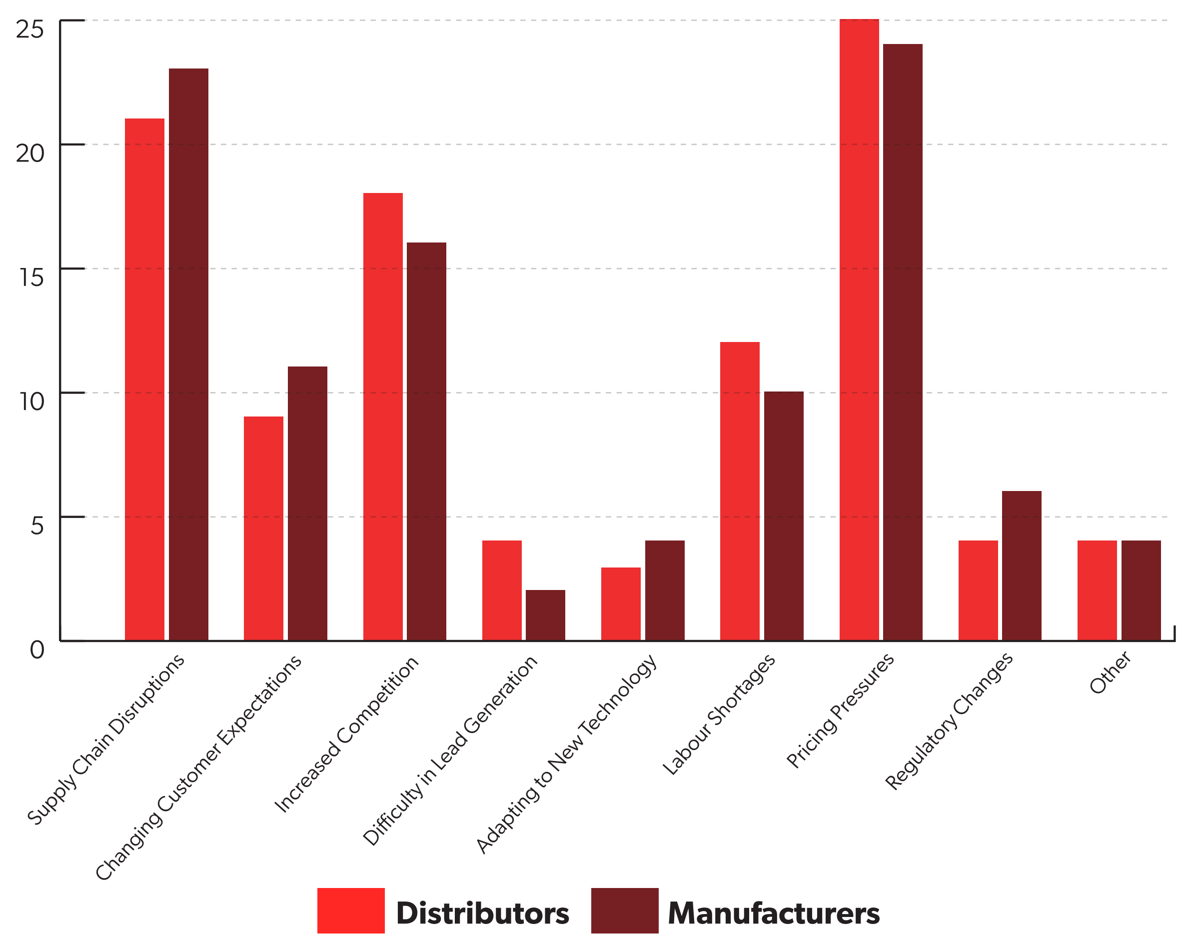
Just as in 2021, we face substantial uncertainty as the global trade networks have been disrupted by tariffs, the threat of tariffs, and a general uncertainty as the global economy is knocked around like a ping pong ball.

25% of **Distributors** and **24%** of **Manufacturers** identified **pricing pressures** as their primary challenge.

21% of **Distributors** and **23%** of **Manufacturers** said **supply chain disruptions** have been the greatest challenge they have faced in the last two years. The greatest challenge faced by Distributors was price pressure while increased competition came in third.

Among **Manufacturers, supply chain disruptions** and **price pressure** achieved **near identical results as the primary challenge** again followed closely by increased competition.

Fig. 4.1 - Key Challenges Among Manufacturers and Distributors



4 Supply & Support

How have Manufacturers and Distributors changed the landscape over the last two years and has it positioned them to better address current issues?

82%
of Manufacturers and Distributors identify

PRICE SENSITIVITY

as the primary customer expectation that has impacted the sales process. This is followed closely by considerations of speed and flexibility and global sourcing/local concerns.

This aligns directly with customer input:

83% of Contractors

84% of Integrators

53% of OEMs

stated price is the biggest concern.*

Addressing the concern with new sales and marketing strategies are the primary focus for both Manufacturers and Distributors.

56% of Manufacturers noted significant changes in the sales process over the past two years with a focus on expansion of E-Commerce and digital usage tools.

75% of Distributors said they have made changes to their sales process over the last two years.

72% of these Distributors noted the expansion of E-Commerce as the main shift, followed again by an increase in digital usage tools.

*OEMs identified lead times/availability as equally

4 Supply & Support

E-COMMERCE

The focus on E-Commerce and digital usage tools among Manufacturers and Distributors accentuates the knowledge of the market and its needs.

14% of Contractors

16% of Integrators

2% of OEMs

anticipate NO online purchases.

50% of Contractors and Integrators have both expanded their use of digital tools over the last 2 years.*

61% of Distributors have seen an increase in time and speed expectations over the past two years. This aligns with data from Contractors, Integrators and OEMs that note pressure on them has increased between 40 and 65%. This supports the increasing needs for E-Commerce supports for the customer.

MADE IN CANADA

A final note on Supply Chain resiliency required us to further consider the 'Made in Canada' focus that has rapidly been pushed to the front of any supply discussion.**

There has been substantial focus on marketing of Canadian companies and products in 2025 driven by trade and political tensions that have encompassed most recent discussions. This was directly identified by numerous Contractors who noted that they have adjusted their product considerations to seek out "Canadian Products", "Canadian Brands" or those products that are identified as "Canadian Made".

*See digital tool usage for an overview of identified tools on page 42.

**We will not wade into the debate surrounding made in Canada vs. assembled here, but will focus more on direct responses input from industry members without additional analysis.

5 Environmental, Sustainable and/or Social Considerations

Environmental, Sustainable and/or Social Considerations (commonly referred to as Environmental, Social, and Governance or ESG) continue to **grow in focus and are being driven from both the end-user up and the Manufacturer down.**

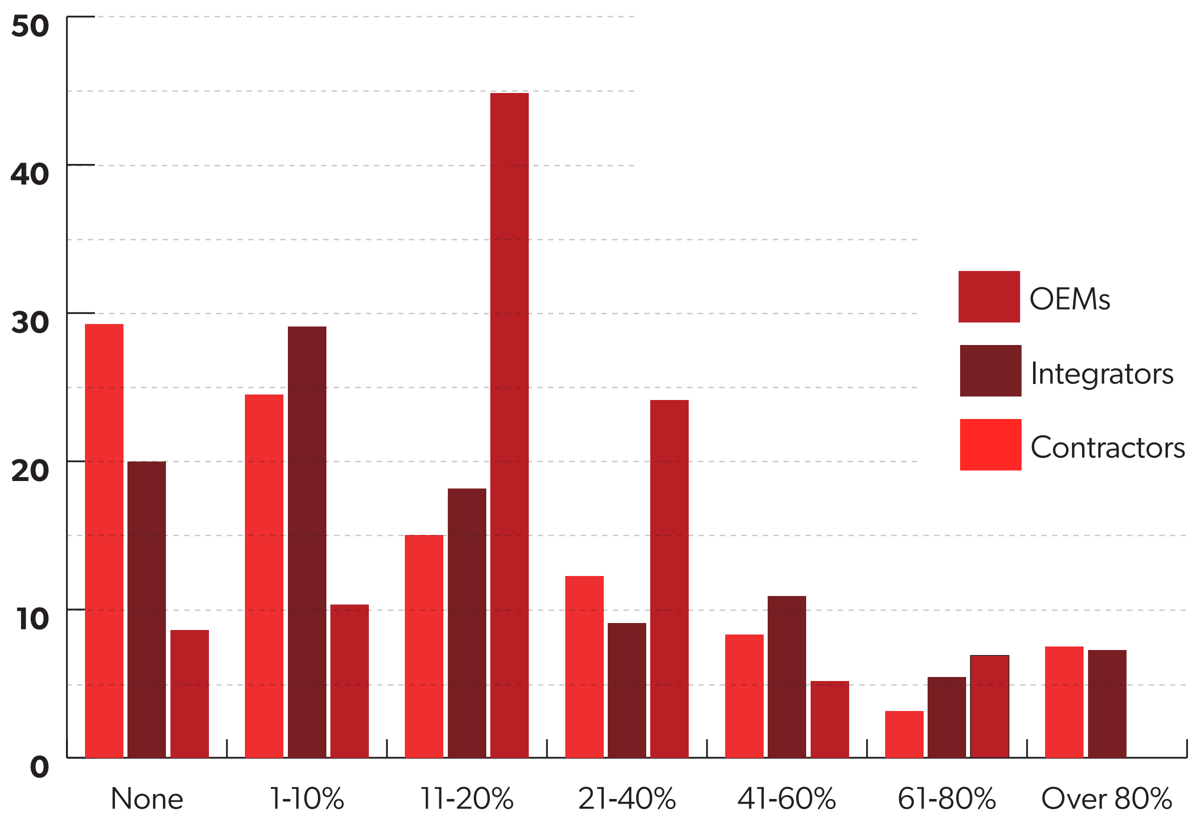
47% of Manufacturers noted that their customers have ESG requirements.

Among Contractors, Integrators, and OEMs there remains an open spread regarding the percentage of clients with these requirements.

However, Contractors and Integrators both stated that **only 8% of their clientele currently has ESG demands.**

This reflects a strong drive among Contractors and Integrators to address ESG's as their requirements from Manufacturers remain higher than from their clientele.

Fig 5.1 - Comparison of ESG by Sector

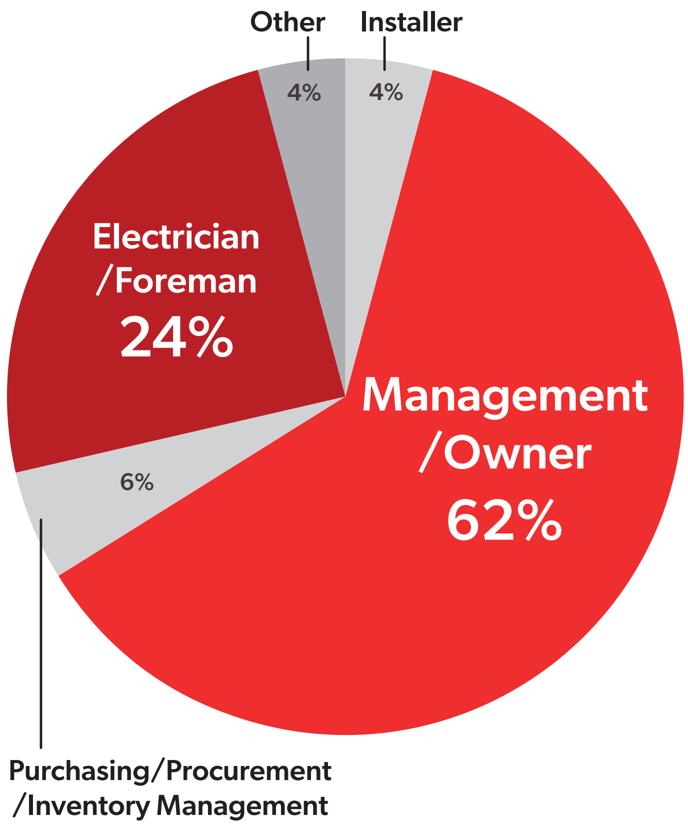


APPENDIX 1 - Letting the Data Speak
A Look at the Contractor

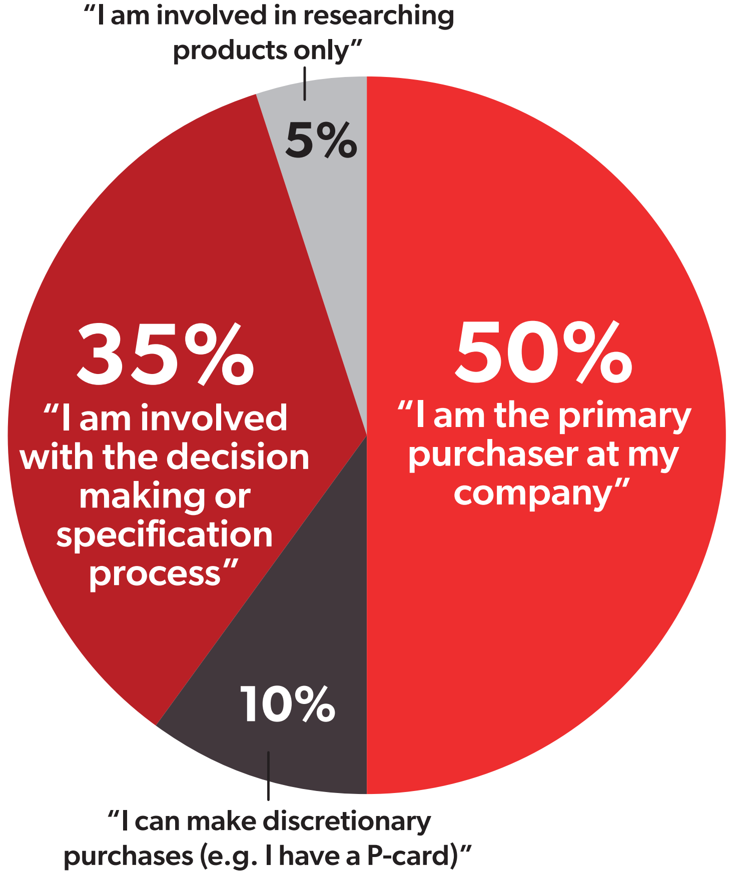
In this section, and the following, we take a deeper look at some of the research conducted by EFC and Kerrwil that provided the basis of this study.

Part 1 – Contractor

APP. 1 - Primary Role



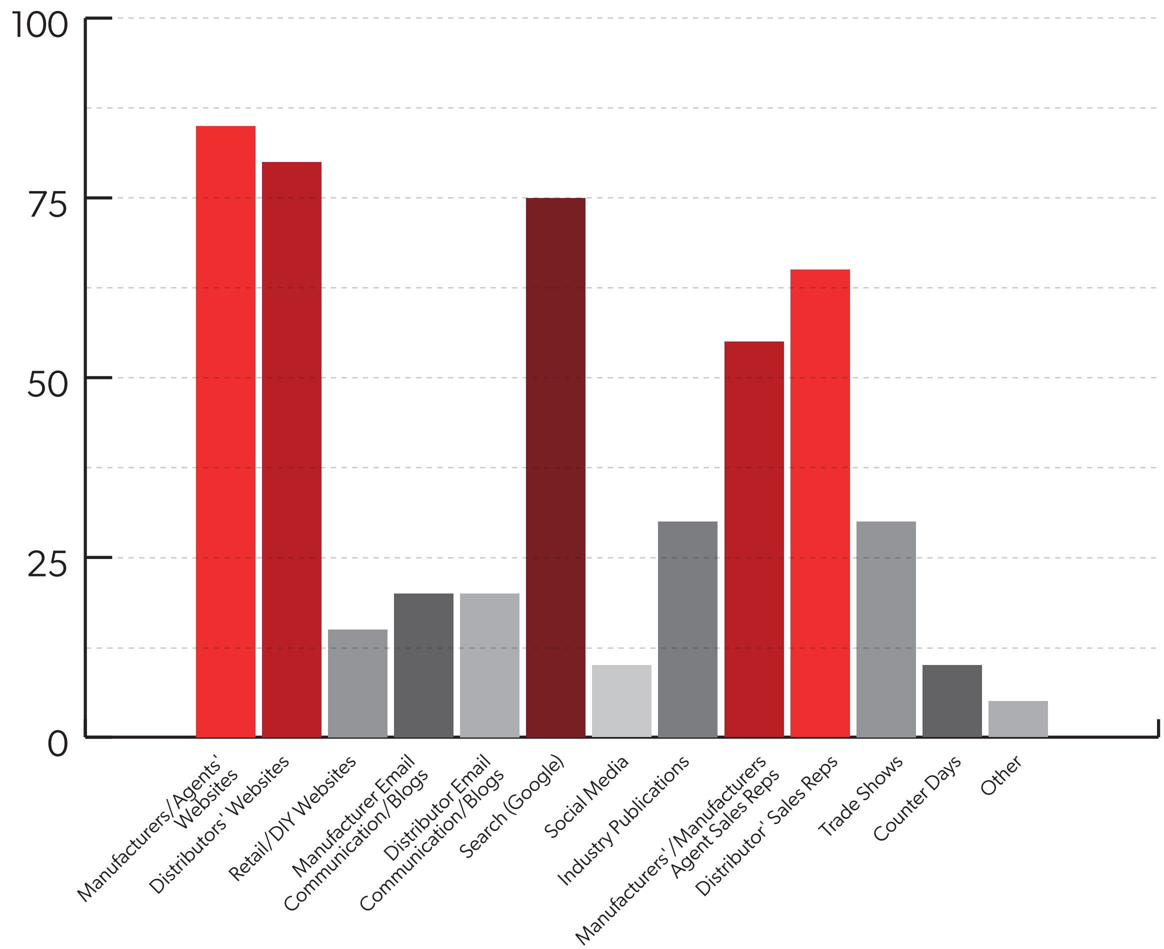
APP. 2 - Influence over Product Purchases



Part 1 – Contractor - Product Knowledge and Purchasing

Product Knowledge and purchasing has been a key component of this study as it details where Contractors are learning about new products, their primary purchasing channels and what influences their purchases. Below is a comprehensive overview of what influences Contractors' choices, their preferred learning and purchasing channels.

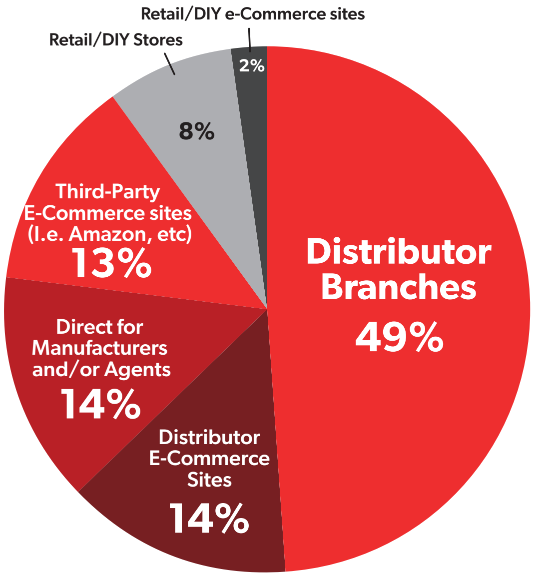
APP. 3 - Sources of Product/Service Information



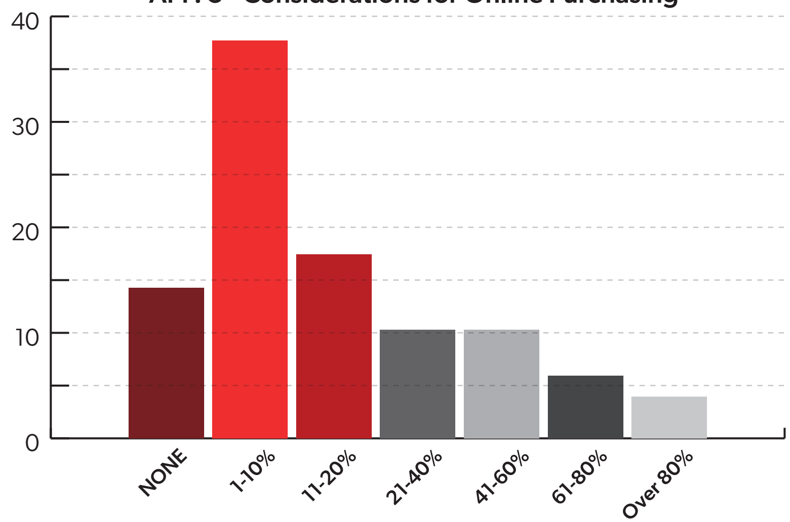
APPENDIX 1 - Letting the Data Speak
A Look at the Contractor

Part 1 – Contractor - Product knowledge and Purchasing Cont.

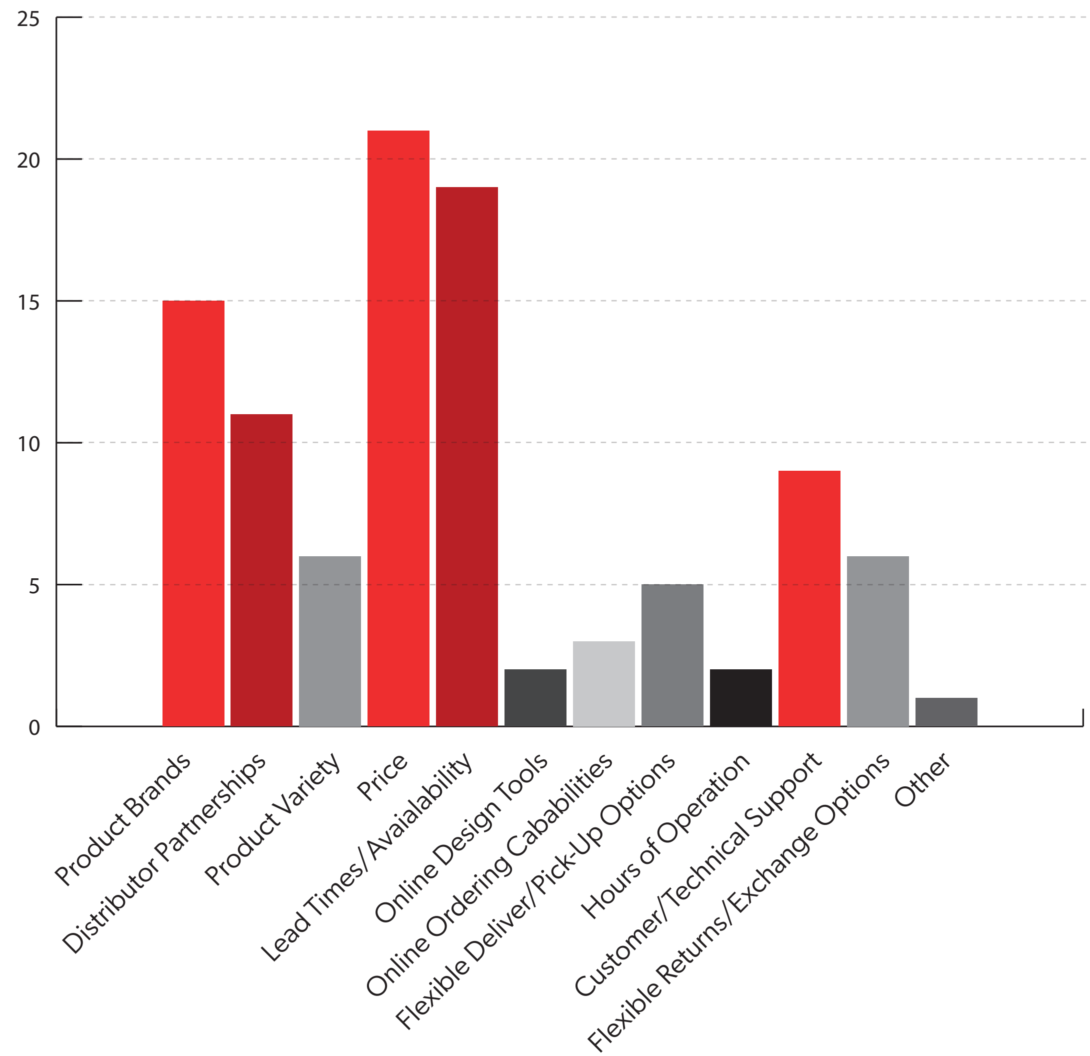
APP. 4 - Primary Purchasing Channels



APP. 5 - Considerations for Online Purchasing



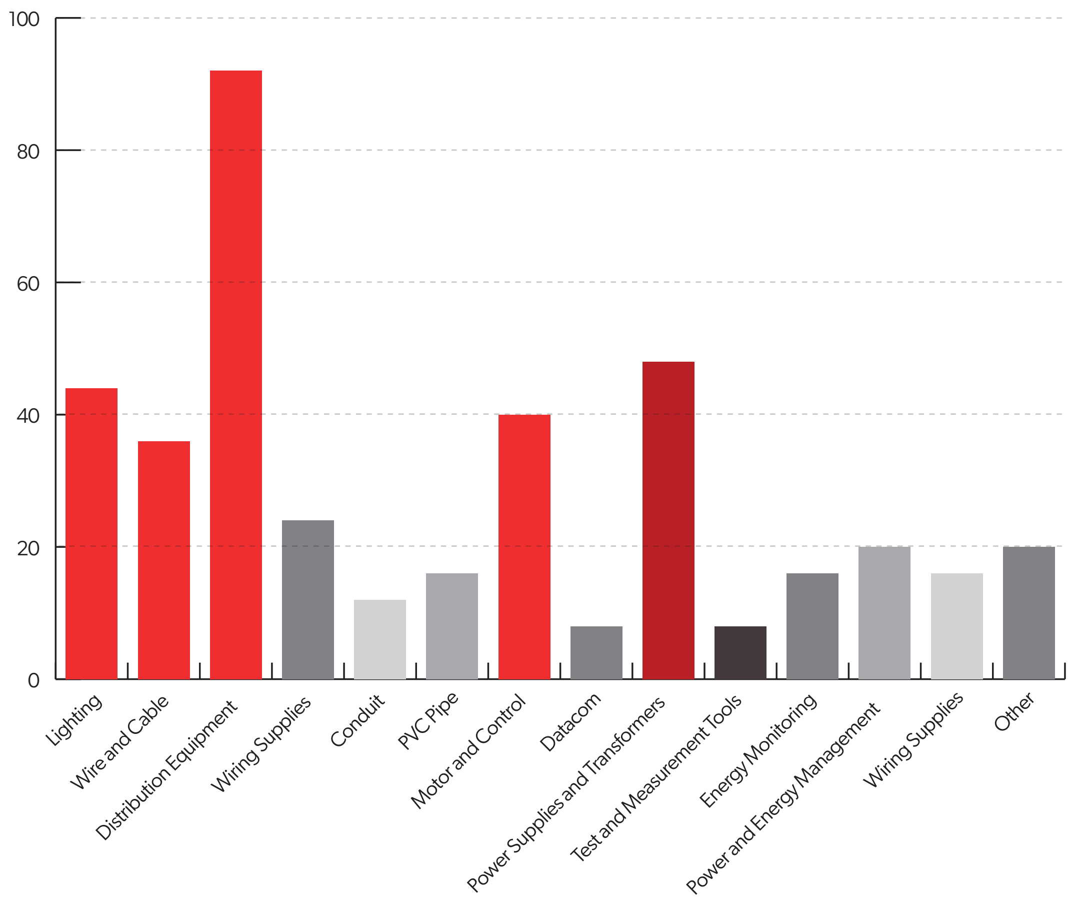
APP. 6 - Most Important Factors for Product Purchasing



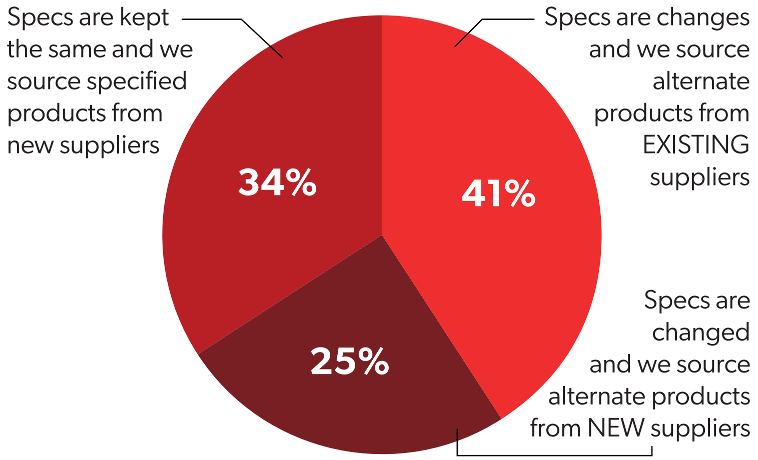
Part 1 – Contractor Supply Concerns

Below is a full overview of Contractor responses regarding supply issues and how Contractors are reacting locally to ensure they can maintain operations.

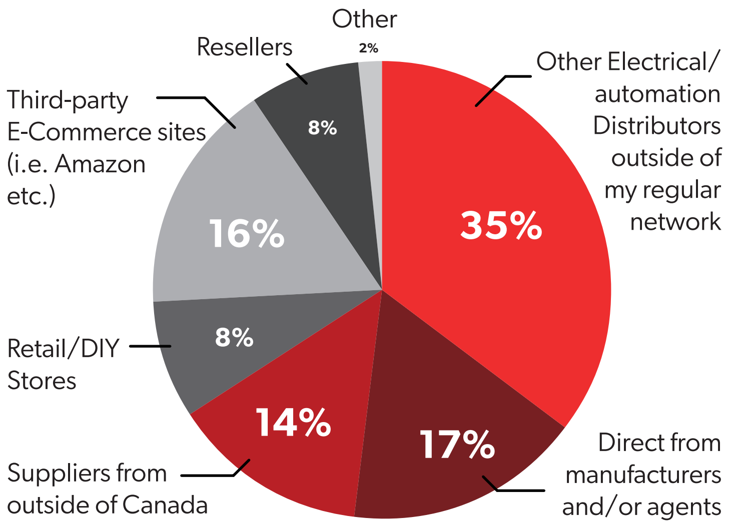
APP. 7 - Products in Short Supply



APP. 8 - Dealing with Supply Issues



APP. 9 - New Supplier Considerations



APPENDIX 1 - Letting the Data Speak
A Look at the Contractor

Part 1 – Some Valuable Contractor Insight

The Customer may not always be right, but that doesn't mean you shouldn't listen. Throughout our research, we received a large amount of feedback from a wide range of your customers – from senior contracting firms to current apprentices. Below is an overview of some of the notes provided that showcase what is important to them.

We don't change specs, we just have to hunt harder for it.

Easy to use websites with intuitive search functions Any time a website has accessories listed with parts is very helpful when looking for mounting brackets etc

More online support

Canadian Made

We stick with our existing suppliers

Supply data sheets for products instead of having to find it myself online.

Modified or Configurable Products – Tailored sensors, PLCs, or enclosures.

Suggested complimentary parts and supplies upon order request. (example - order a motor & suggest keystock or cable glands to match) Alternate solutions to obsolete/ unavailable parts & products.

Train new staff on the product they are selling

Better access to manufacturers to provide technical details. Especially in a timely manor.

Canadian Product

Provide training for specific manufactured goods that need certification or a certified installation.

Flexible returns/ exchanges. Financing for long-lead time items requiring pre-payment/ deposits

Store in their warehouse until needed at site.

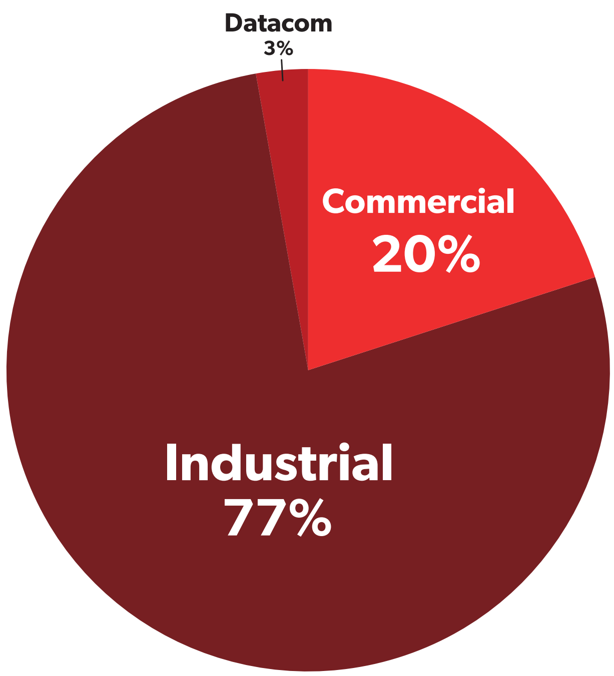
Assist in finding comparable products to the OEM components

Part 2 - A Look at the Integrator

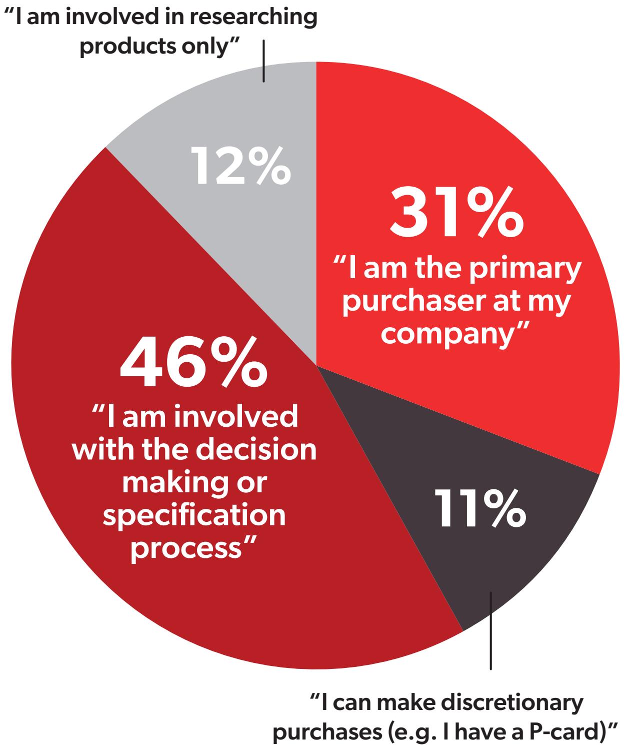
The Integration sector in Canada continues to grow at a rapid pace with a primary focus in General Manufacturing, Construction, Automotive Manufacturing, F&B, Mining and Building Automation.[14] In 2019, the Integrator market was projected to grow at a **compound annual growth rate (CAGR) of 5% through 2022**.[15] This looked promising and in Canada, we appeared to be ahead of this trend as **Systems Integrators noted a 66% increase in order activity through 2019.**[16]

New data, however, anticipates growth at a **CAGR of 8.2% from 2024 to 2030**. This growth is corroborated by the current Navigator research that shows an increase in order activity in 2024 that **increased 39% over 2023.**

Below, we provide some further analysis into the responses provided by Integrators regarding their market focus and the decision-making abilities of respondents.



APP. 10 - Primary Market Segment



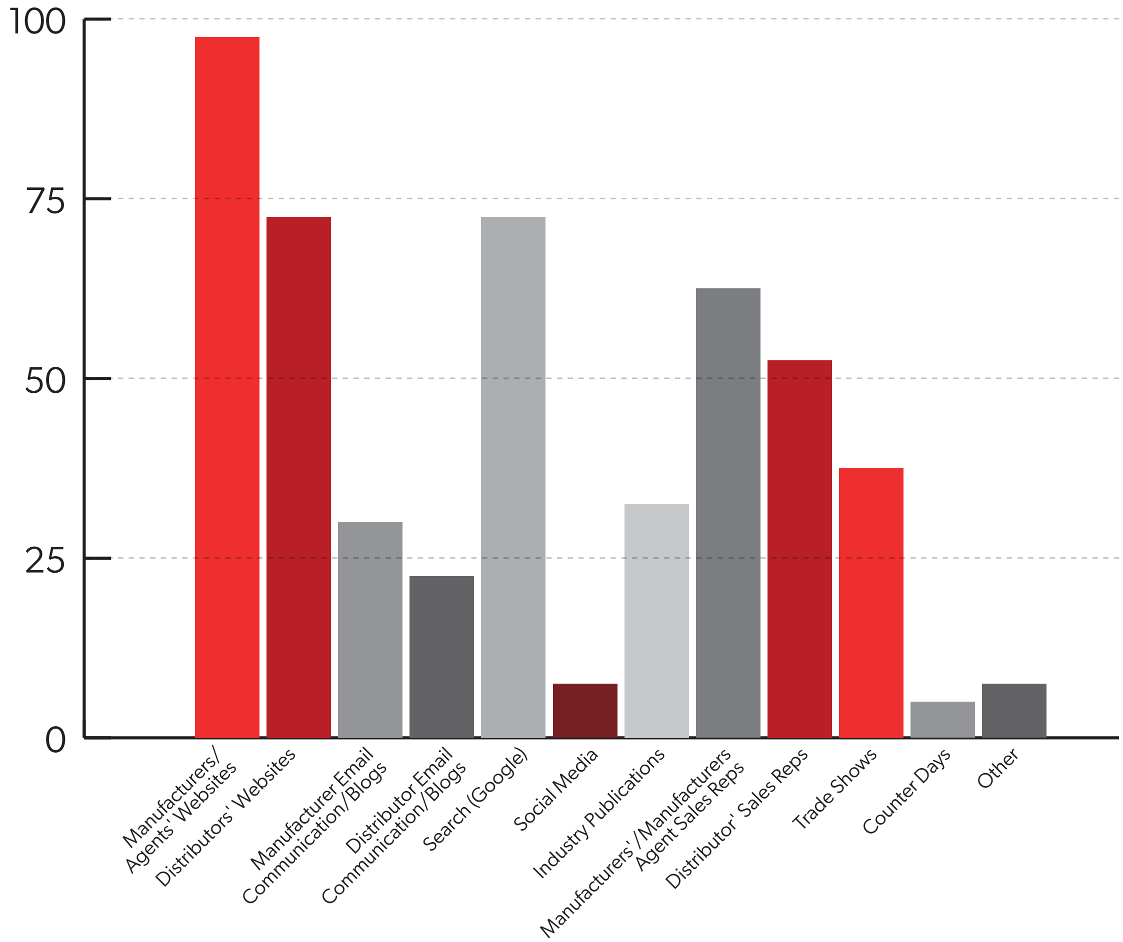
APP. 11 - Influence Over Product Purchases

Part 2 - Integrator Product Knowledge and Purchasing

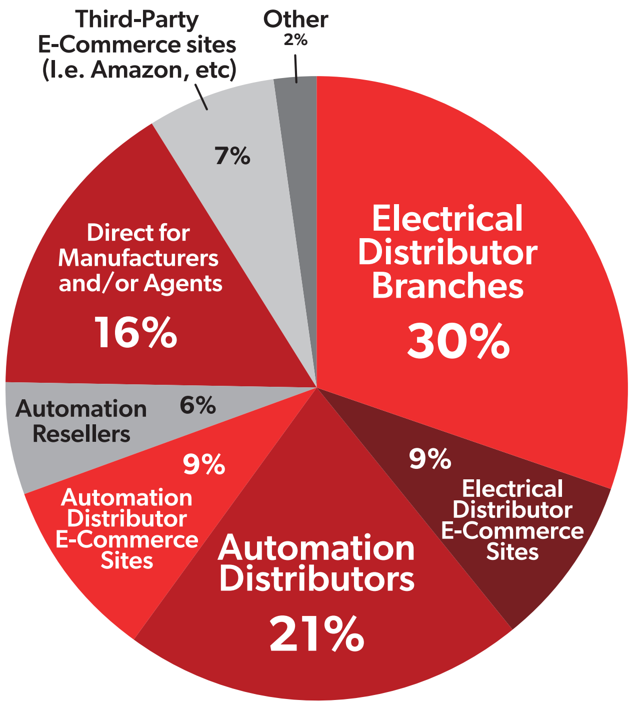
The below overview provides a close review of how Integrators are learning about new products/services, their purchasing process and what most influences their purchase choice.

Interesting to note here is a greater focus on **wanting Canadian products** due to the concern of increased costs as a result of tariffs.*

APP. 12 - Sources of product/service information



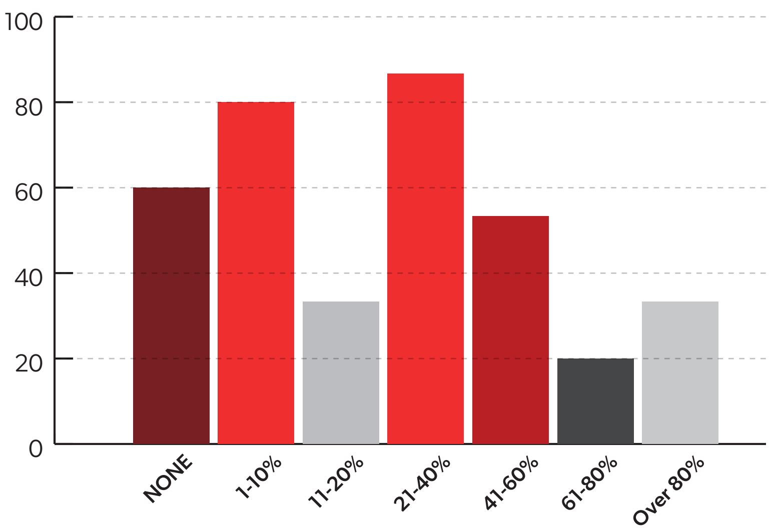
APP. 13 - Primary Purchasing Channels



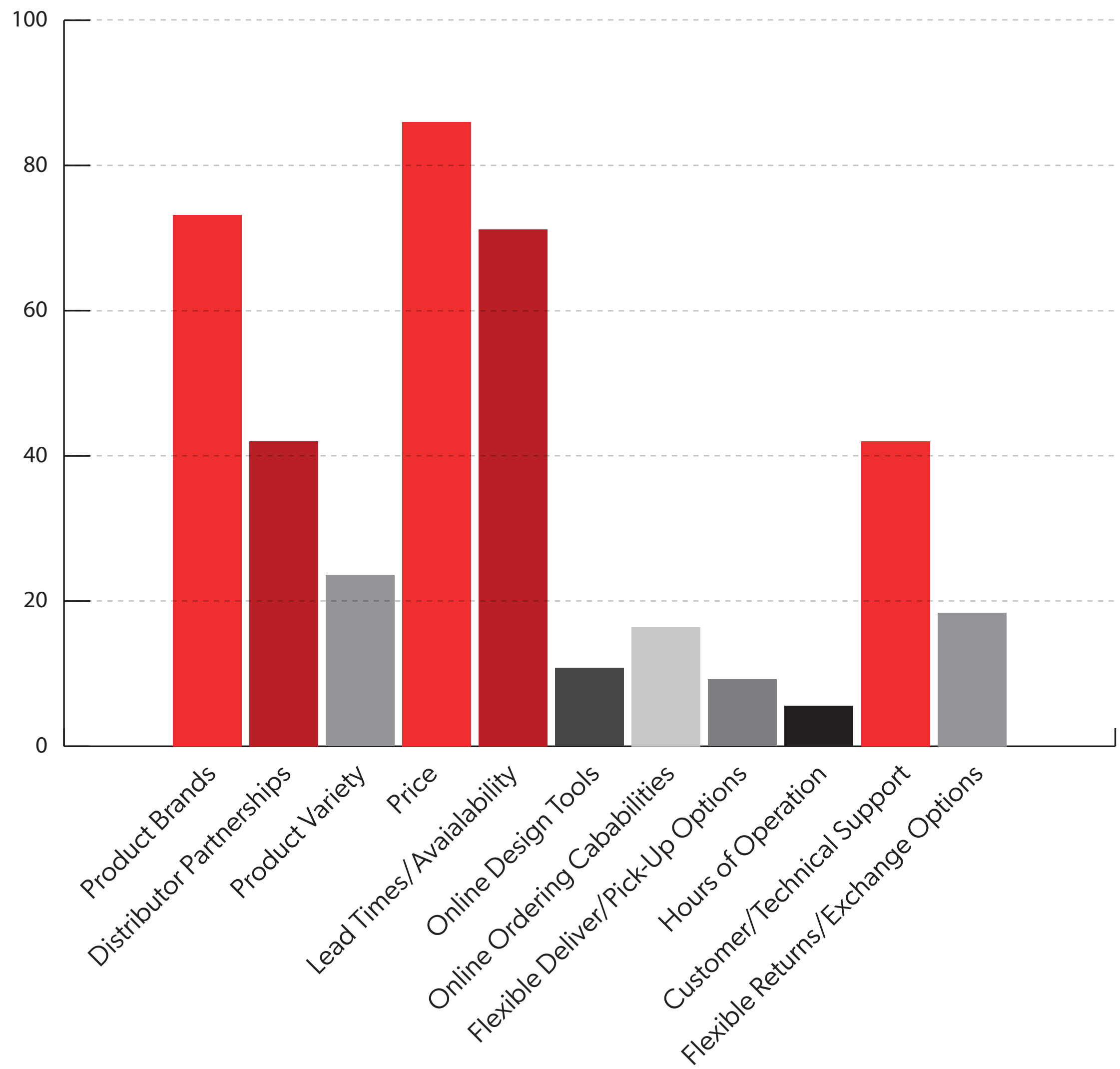
*44% of Integrators are concerned that increased costs from tariffs will be transferred to Canadians. - Navigator Research 2024

Part 2 - Integrator Product Knowledge and Purchasing Cont.

APP. 14 - Considerations for Online Purchasing



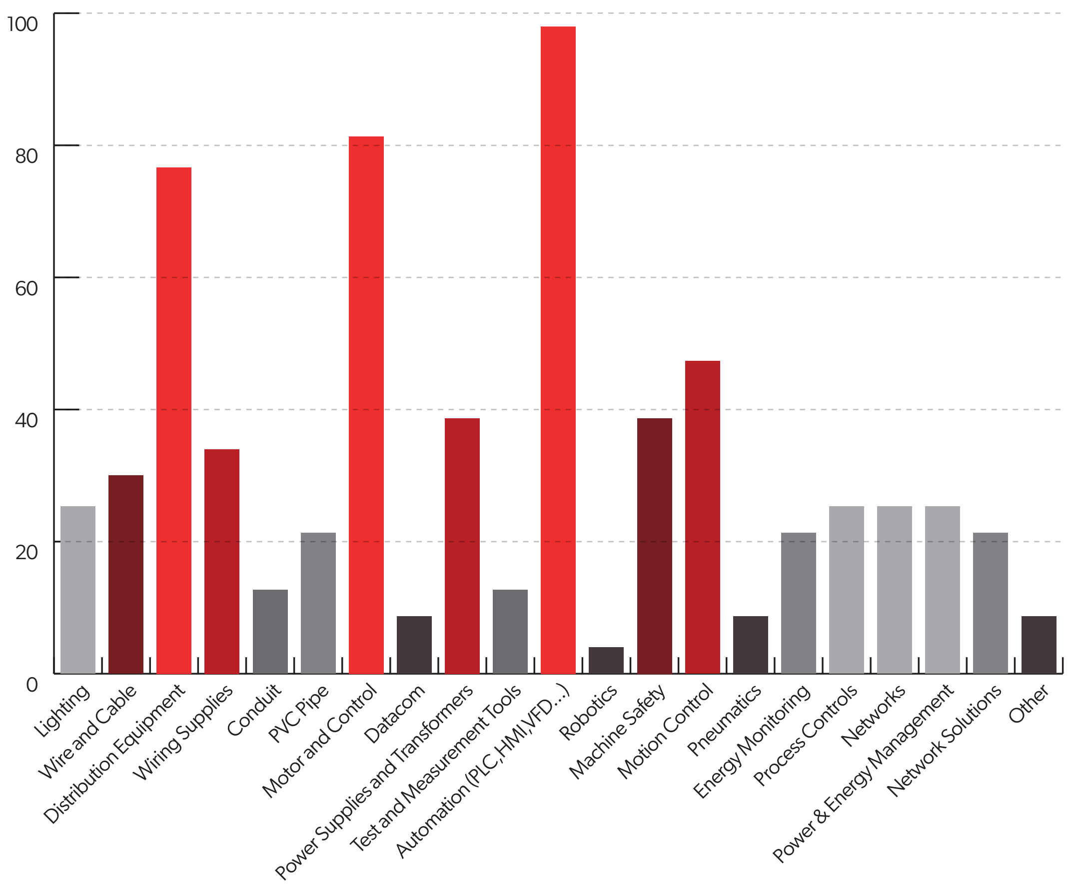
APP. 15 - Most Important Factors for Product Purchasing



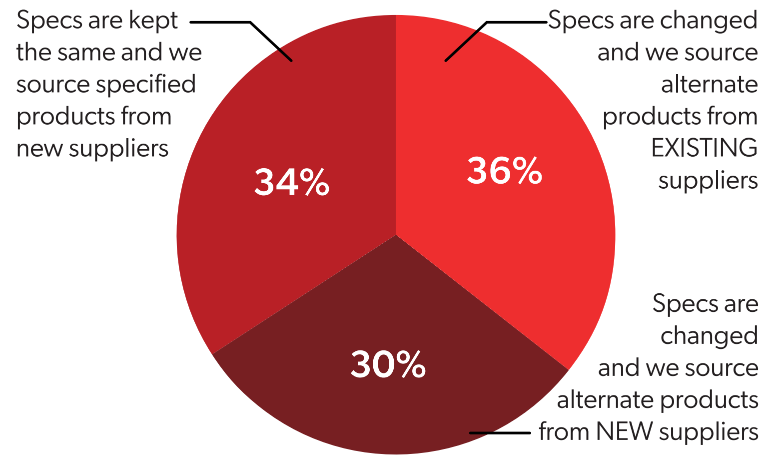
Part 2 - Integrator Product Concerns

Below provides an in-depth view of what products Integrators see in short supply and the primary ways they handle supply issues.

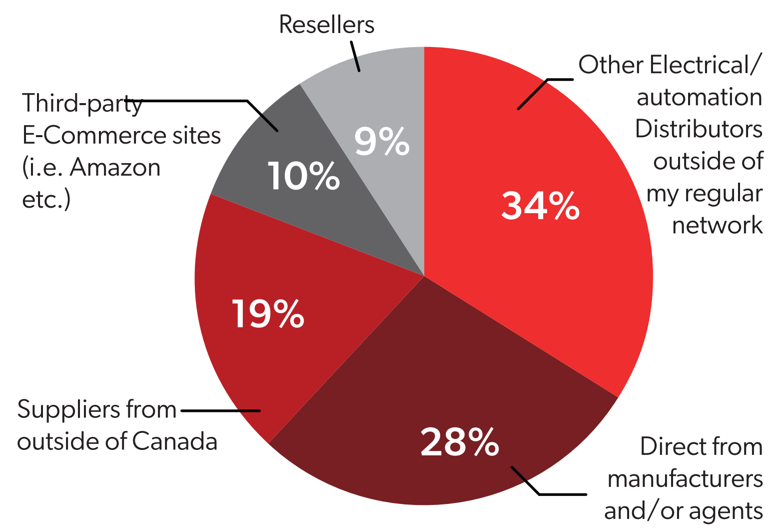
APP. 16 - Integrator Products in Short Supply



APP. 17 - Integrator Response to Supply Chain Issues



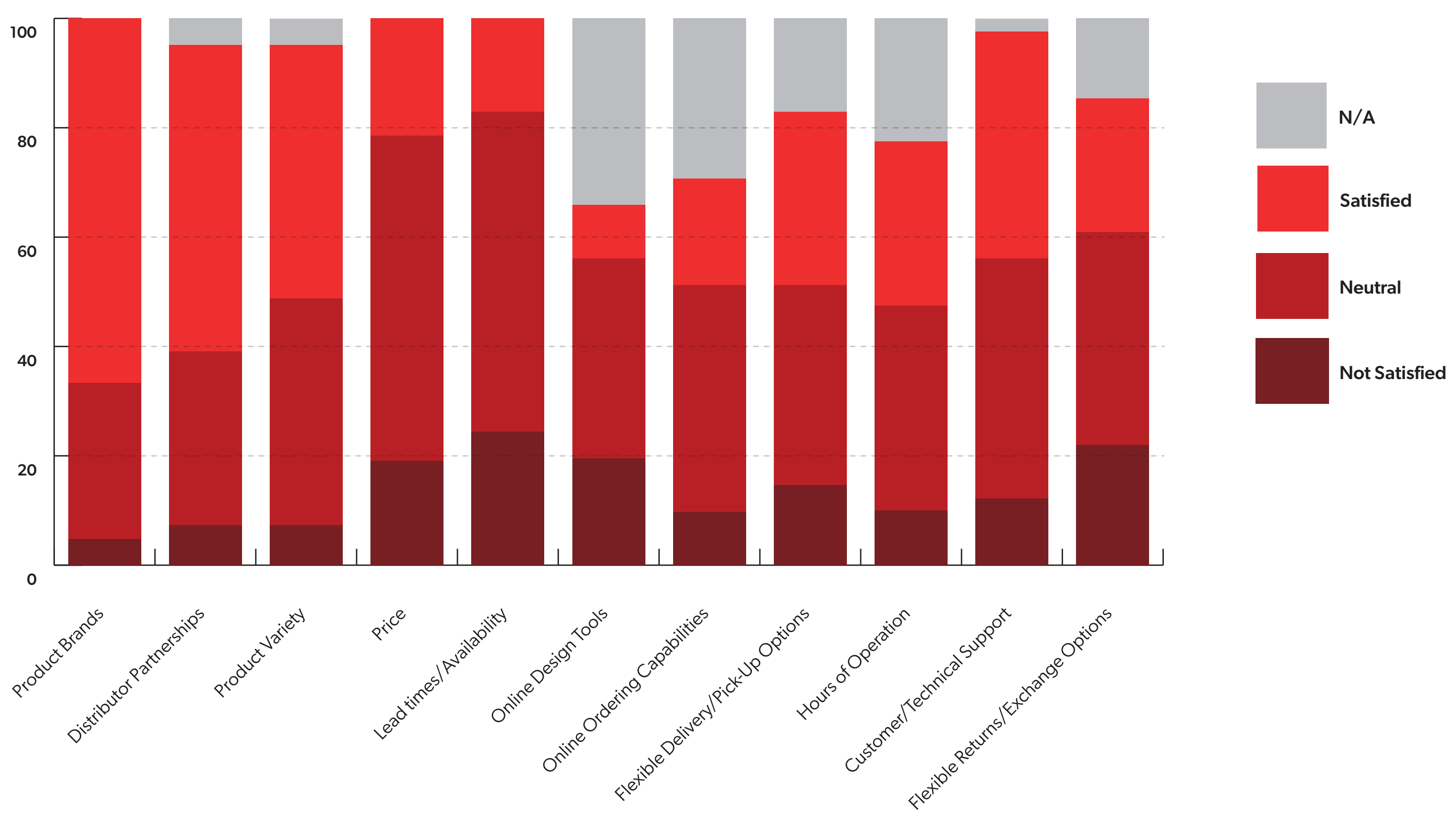
APP. 18 - Integrator New Supplier Considerations



Part 2 - Integrator Satisfaction with Distributors

Satisfaction with Distributors is a key metric for Distributors to understand how they are performing in the areas that are most important to the Integrator. The graph shows the level of satisfaction they have in each field, providing strong insight into areas of success and some that need additional work.

APP. 19 - Integrator Satisfaction with Distributors



Some Valuable Integrator Insight

Distributors and manufacturers can provide value-added services like technical support and application engineering to ensure proper product selection and integration. They can also offer inventory management, custom packaging, training, and predictive maintenance insights, helping reduce downtime and streamline operations.

Availability and lead times

Social/Networking Events

Cable cuts online stock and pricing checks online manufacturer stock checks

Online inventory searches

Distributors need to offer more than just "order fillers" they can do more to help choose options for solutions

Better catalogs and pricing online

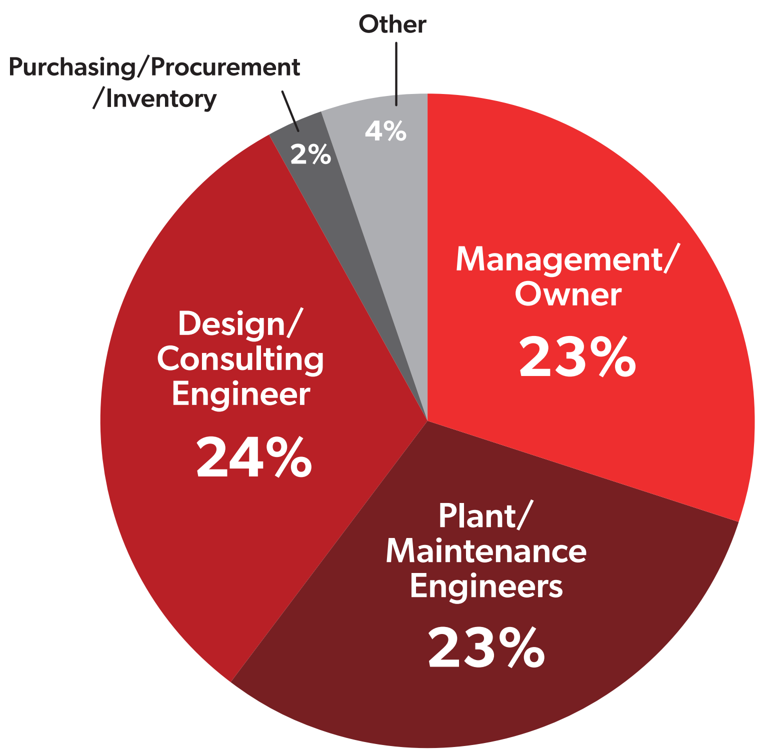
Better search options with less complicated sites

Packaging, labelling, advising shipping of orders via email

APPENDIX 1 - Letting the Data Speak
A Deeper Look at OEMs

The OEM market is one of the most interesting and fastest growing markets in the automation sector,*[17] particularly in automotive. A combination of new advancements in Canada and exported builds is rapidly developing this sector. Below is a close review of data collected from OEMs in April/ May 2025.

Note that anticipated growth models predate current automotive and metal tariffs that have caused substantial concern within the automotive sector. Currently, a 25% automotive tariff is in place, although CUSMA compliant vehicles and parts are currently exempt. Steel and Aluminum are also subject to a 25% tariff, which Canada has reciprocated. The tariff situation remains fluid causing difficulty in providing reliable projections.



APP. 20 - OEM Primary Role

APP. 21 - OEM Influence on Product Purchases

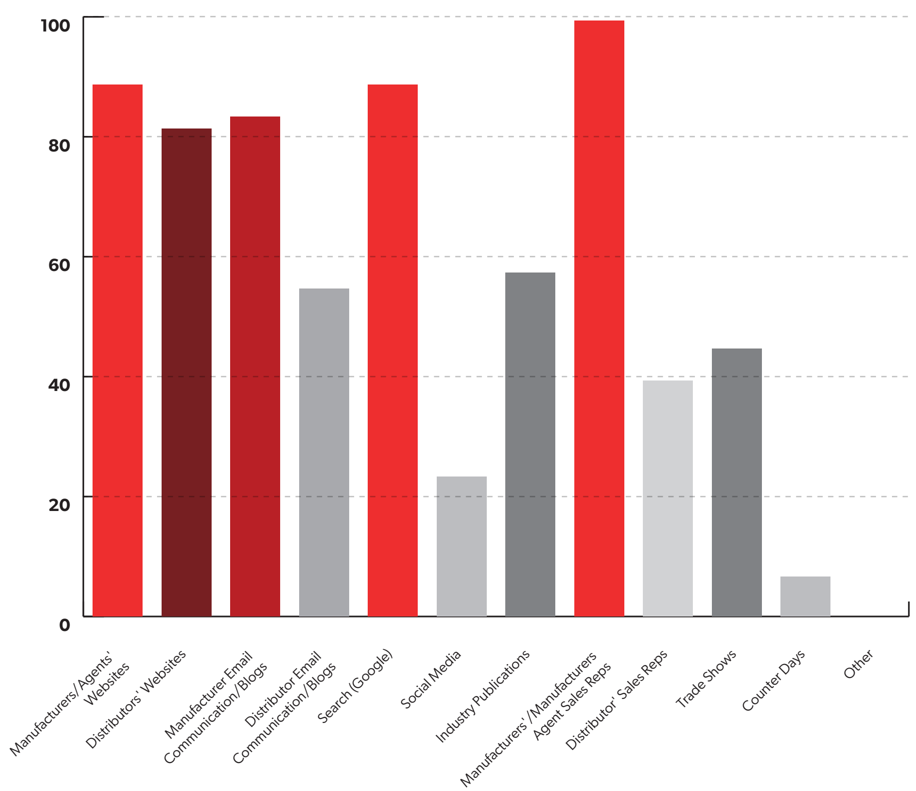
*The global automotive OEM market alone is anticipated to reach 50 Billion by 2031.

APPENDIX 1 - Letting the Data Speak
A Deeper Look at OEMs

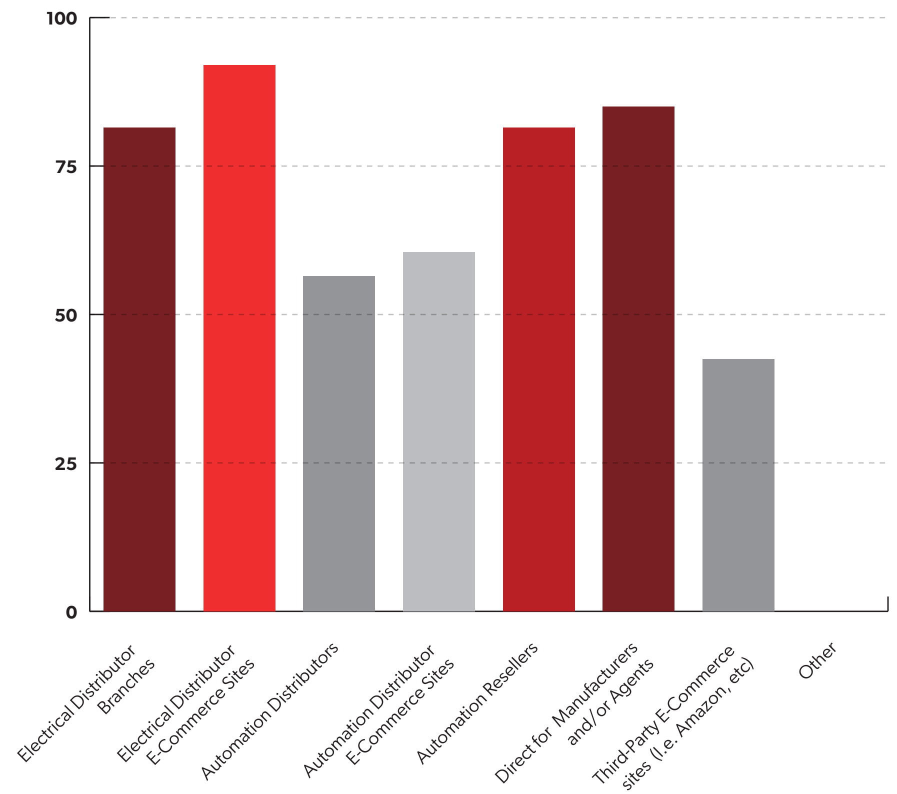
Product Knowledge & Purchasing

The below overview provides a close review of how Integrators are learning about new products/services, their purchasing process and what most influences their purchase choice.

APP. 22 - Sources of Product/Service Information



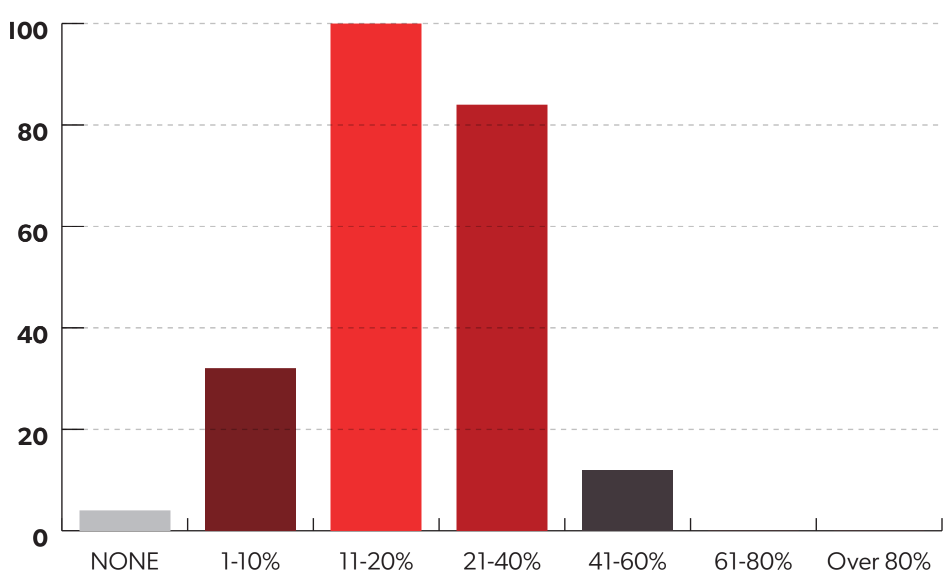
APP. 23 - Primary Purchasing Channels



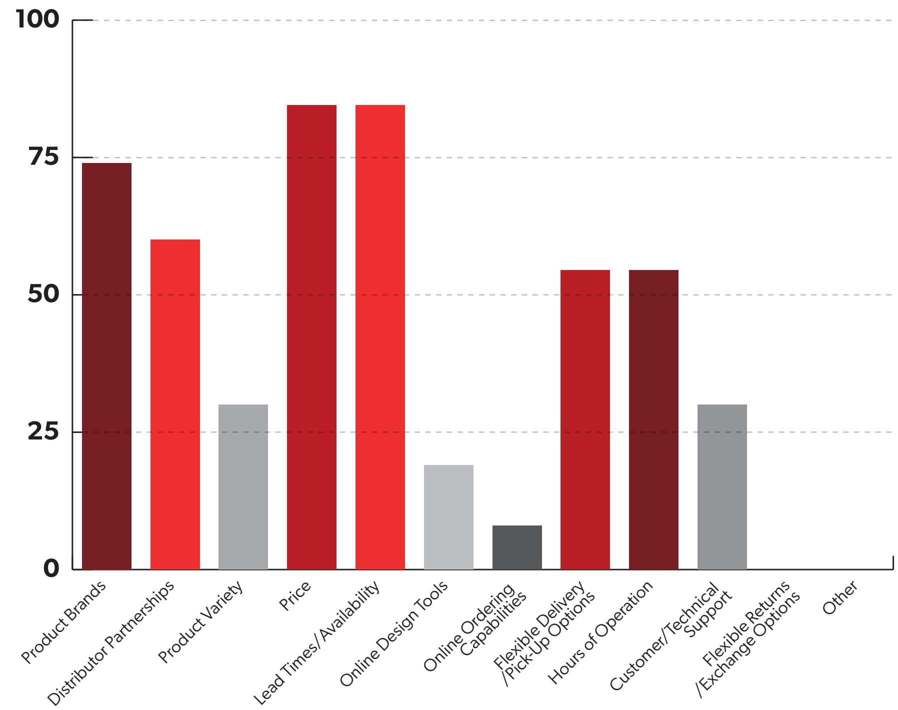
APPENDIX 1 - Letting the Data Speak
A Deeper Look at OEMs

Product Knowledge & Purchasing Cont.

APP. 24 - OEM Considerations for Online Purchasing



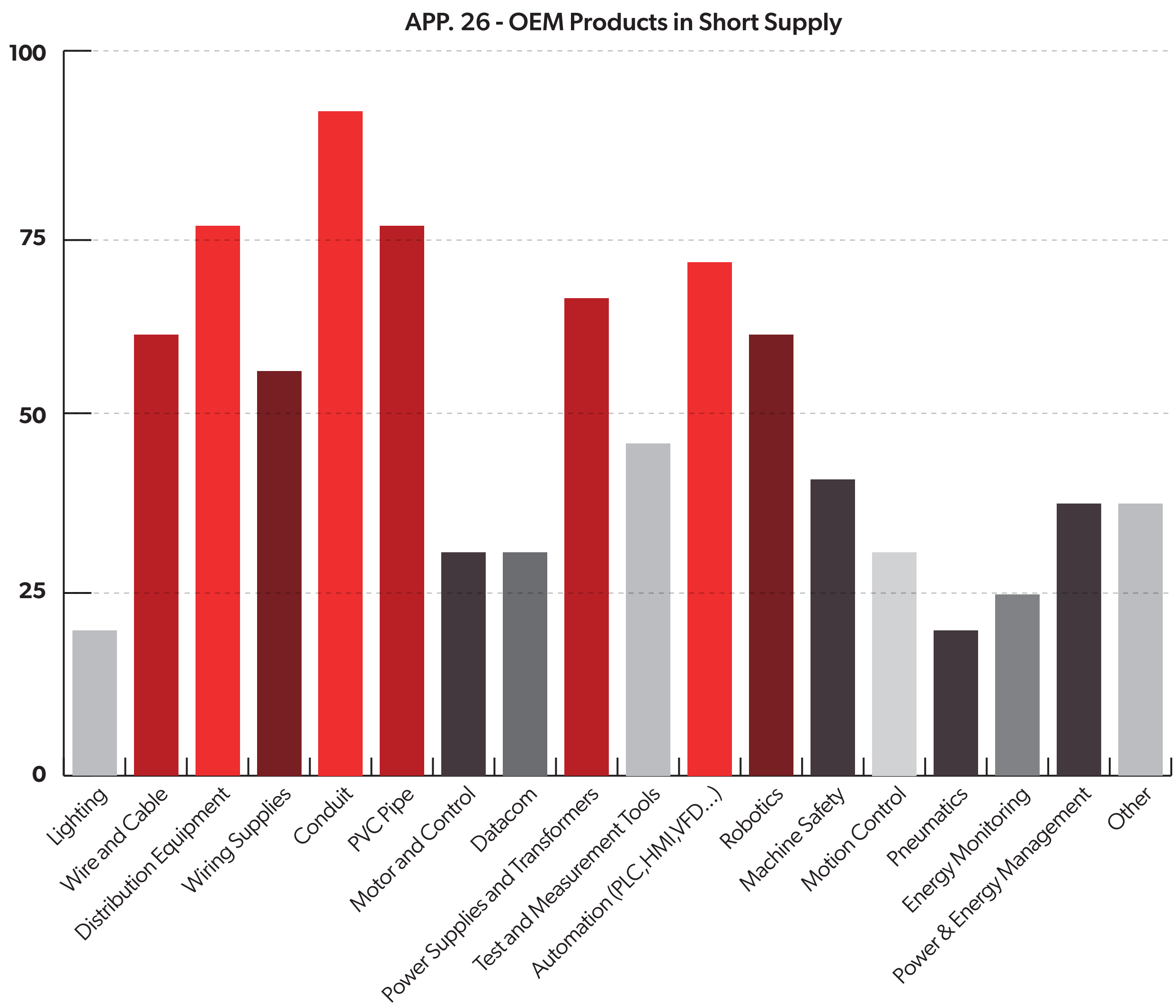
APP. 25 - OEM Most important factors for Product Purchasing



APPENDIX 1 - Letting the Data Speak
A Deeper Look at OEMs

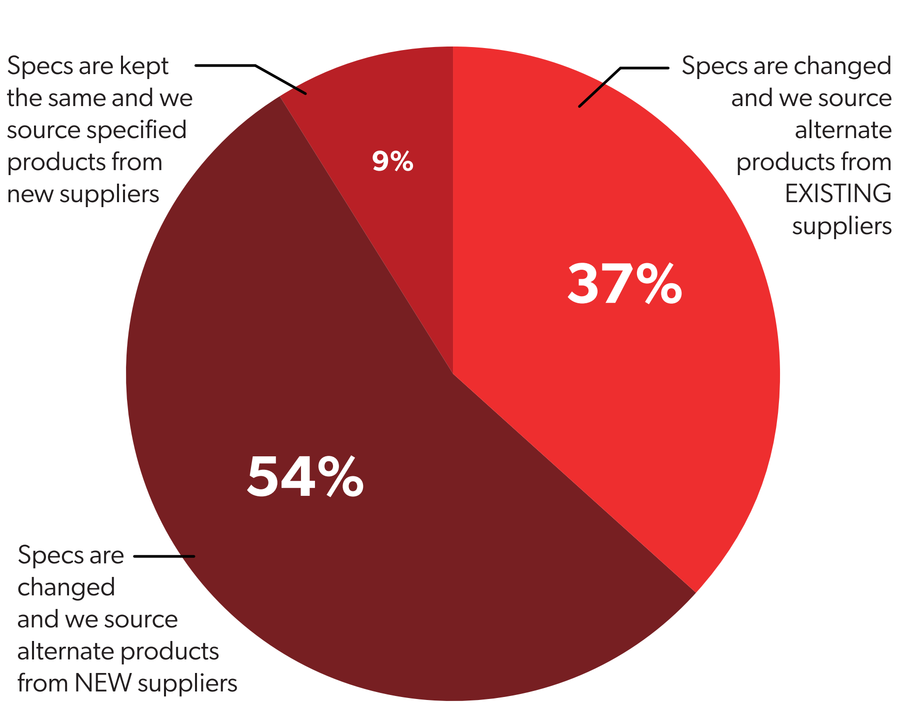
Product Concerns

Below provides an in-depth view of what products OEMs see in short supply and the primary ways they handle supply issues.

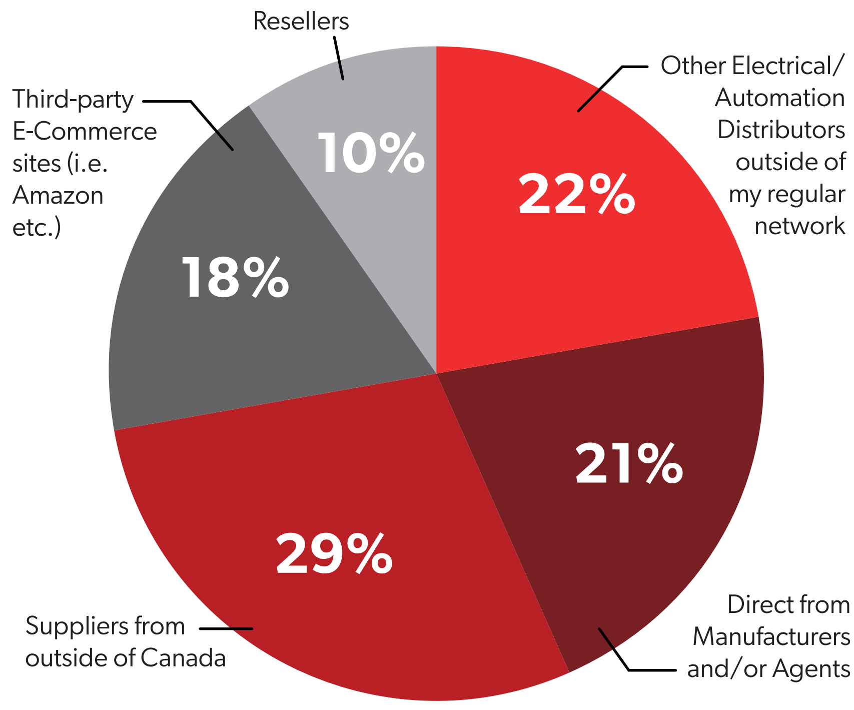


Product Concerns Cont.

APP. 27 - OEM Response to Supply Chain Issues



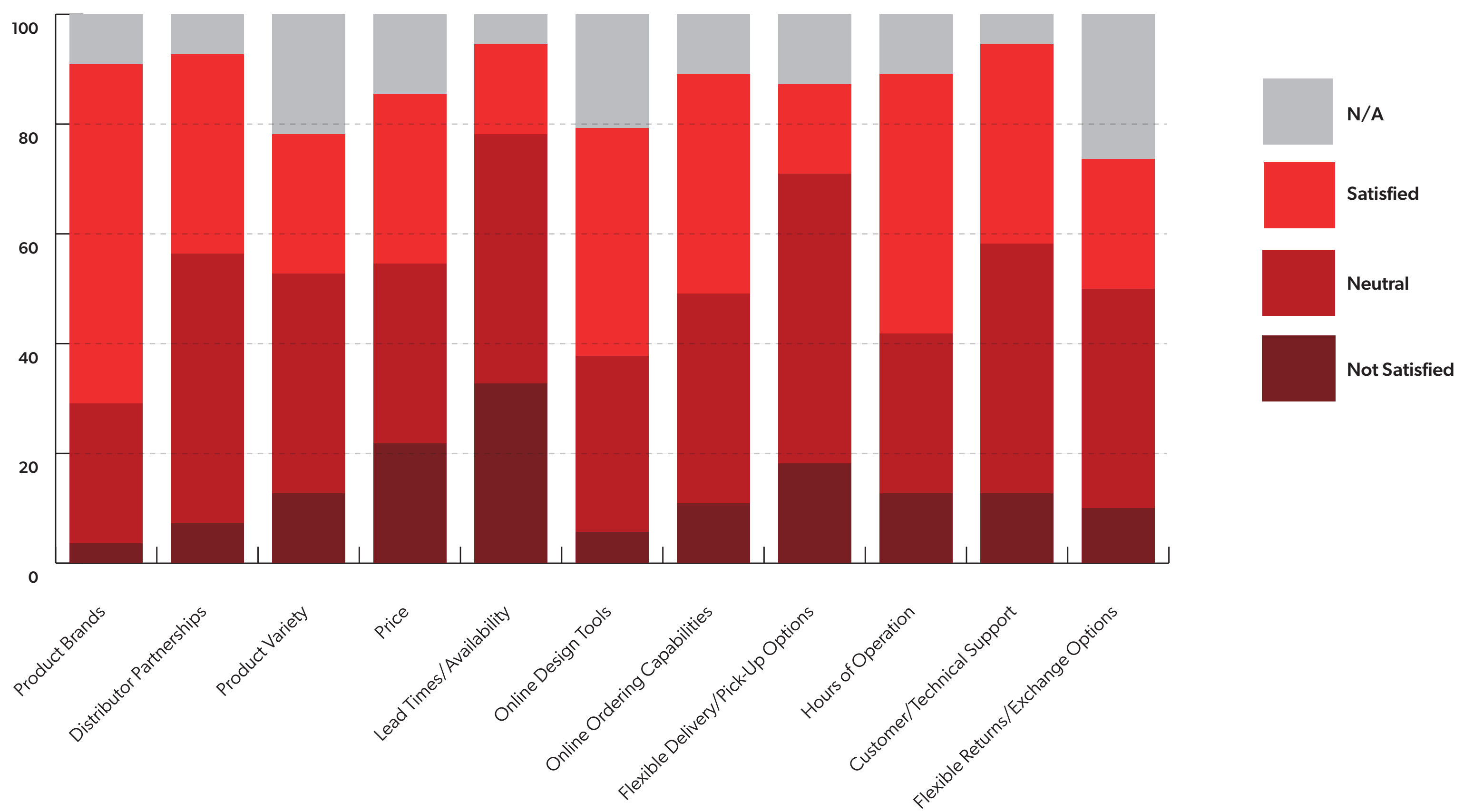
APP. 28 - OEM New Supplier Considerations



OEM Satisfaction with Distributors

Satisfaction with Distributors is a key metric for Distributors to understand how they are performing in the areas that are most important to the OEM. The graph shows the level of satisfaction they have in each field, providing strong insight into areas of success and some that need additional work.

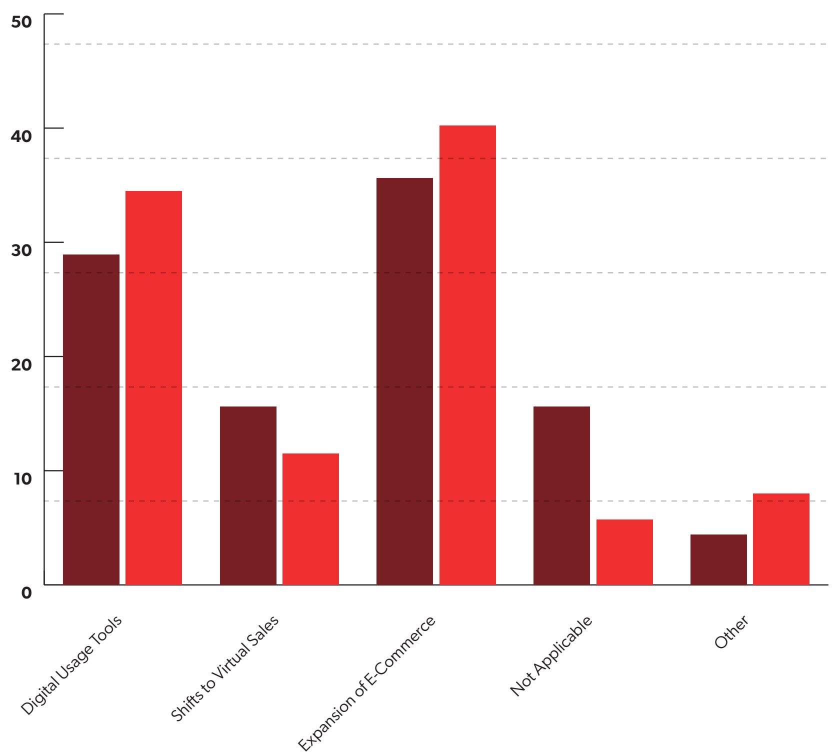
APP. 29 - OEM Satisfaction Survey



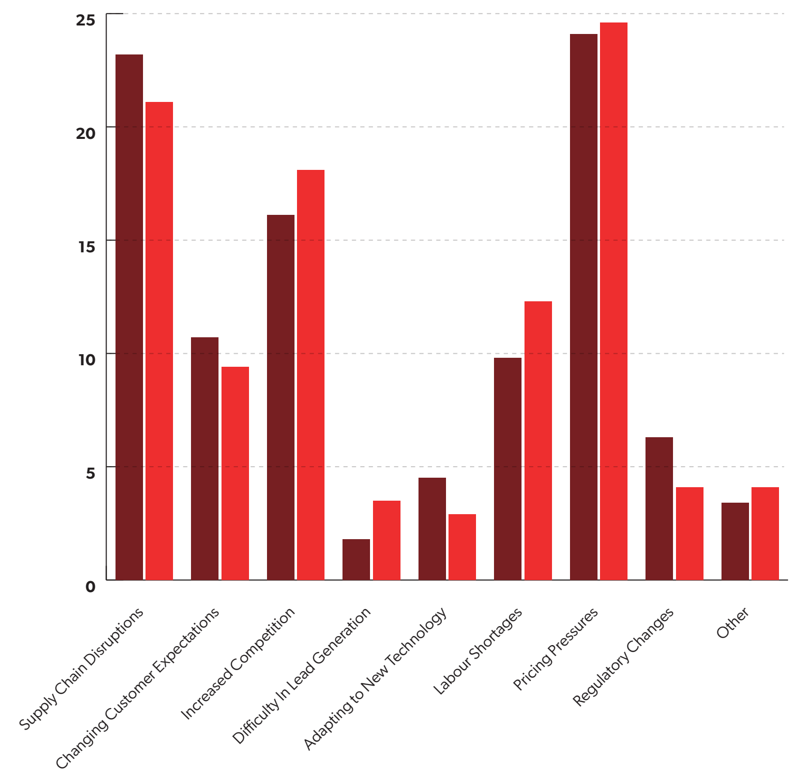
Sales Process Changes over the last two years:

In this section, we take a closer review of Manufacturers and Distributors through a comparative approach. Each page provides a comparative graph that considers the Manufacturer and Distributor approach to key topics. The comparative approach shows how Manufacturers and Distributors are aligning their efforts to support market growth as well as instances where focus deviates.

APP.30 - Manufacturer vs. Distributor Sales Process Changes Over the Last 2 Years



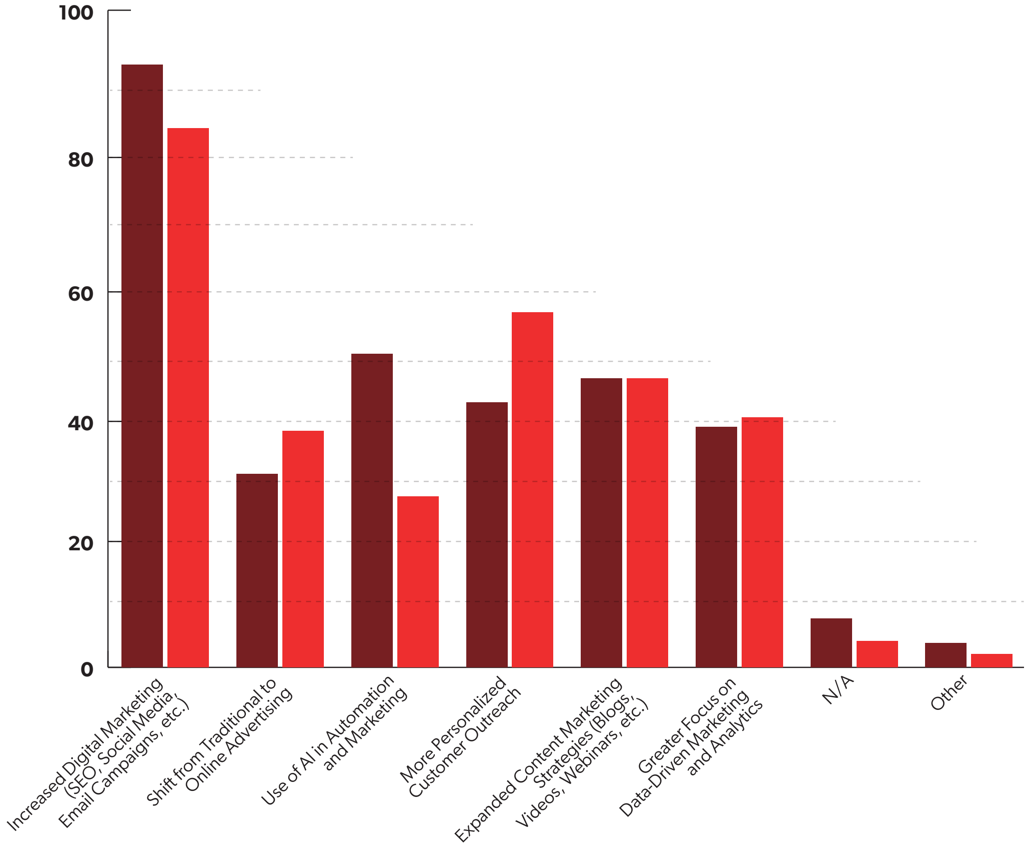
APP. 31 - Manufacturer vs. Distributor Challenges



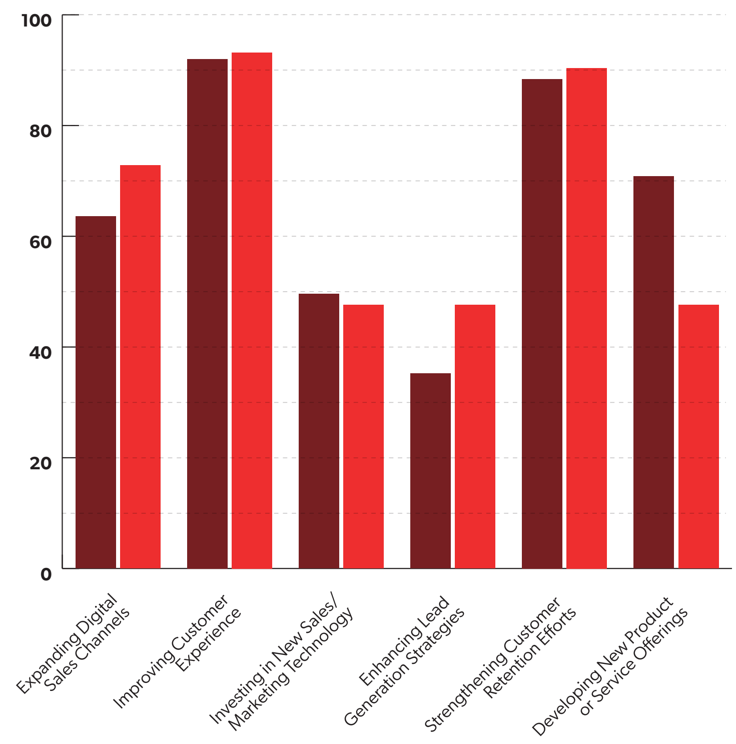
Manufacturer **Distributor**

Biggest Challenges over the Last Two Years

APP. 32 - Manufacturer vs. Distributor Marketing Strategies Over the Last 2 Years

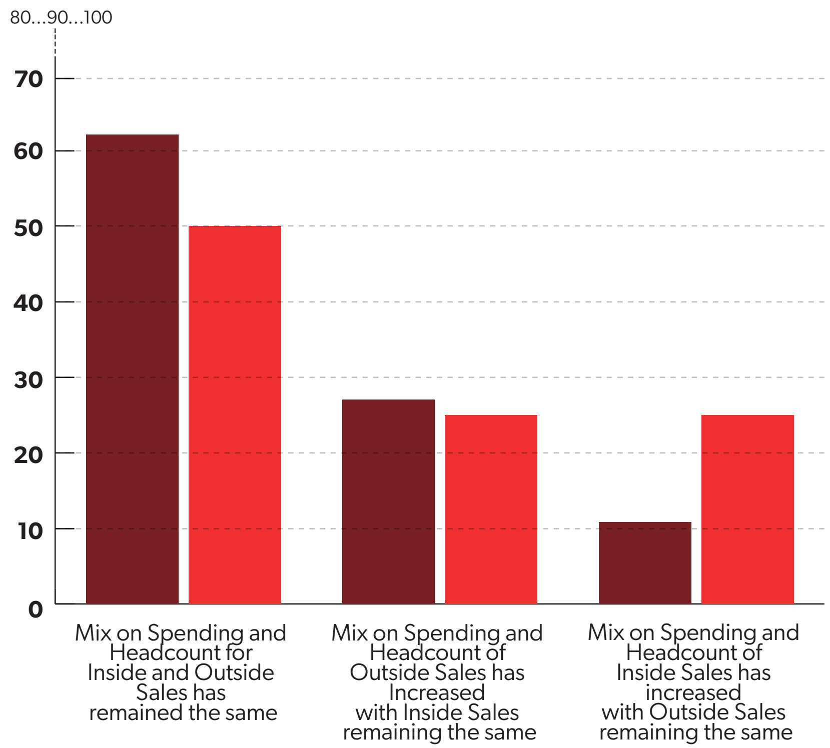


APP. 33 - Manufacturer vs. Distributor Top 6 Marketing Priorities

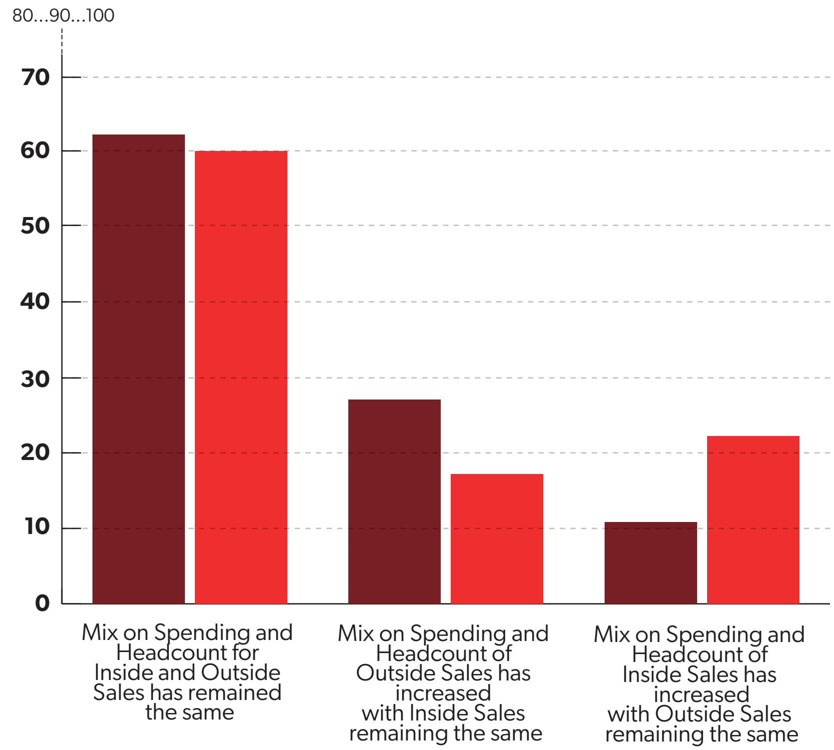


Manufacturer
Distributor

APP. 34 - Manufacturer vs. Distributor Sales Budget Changes

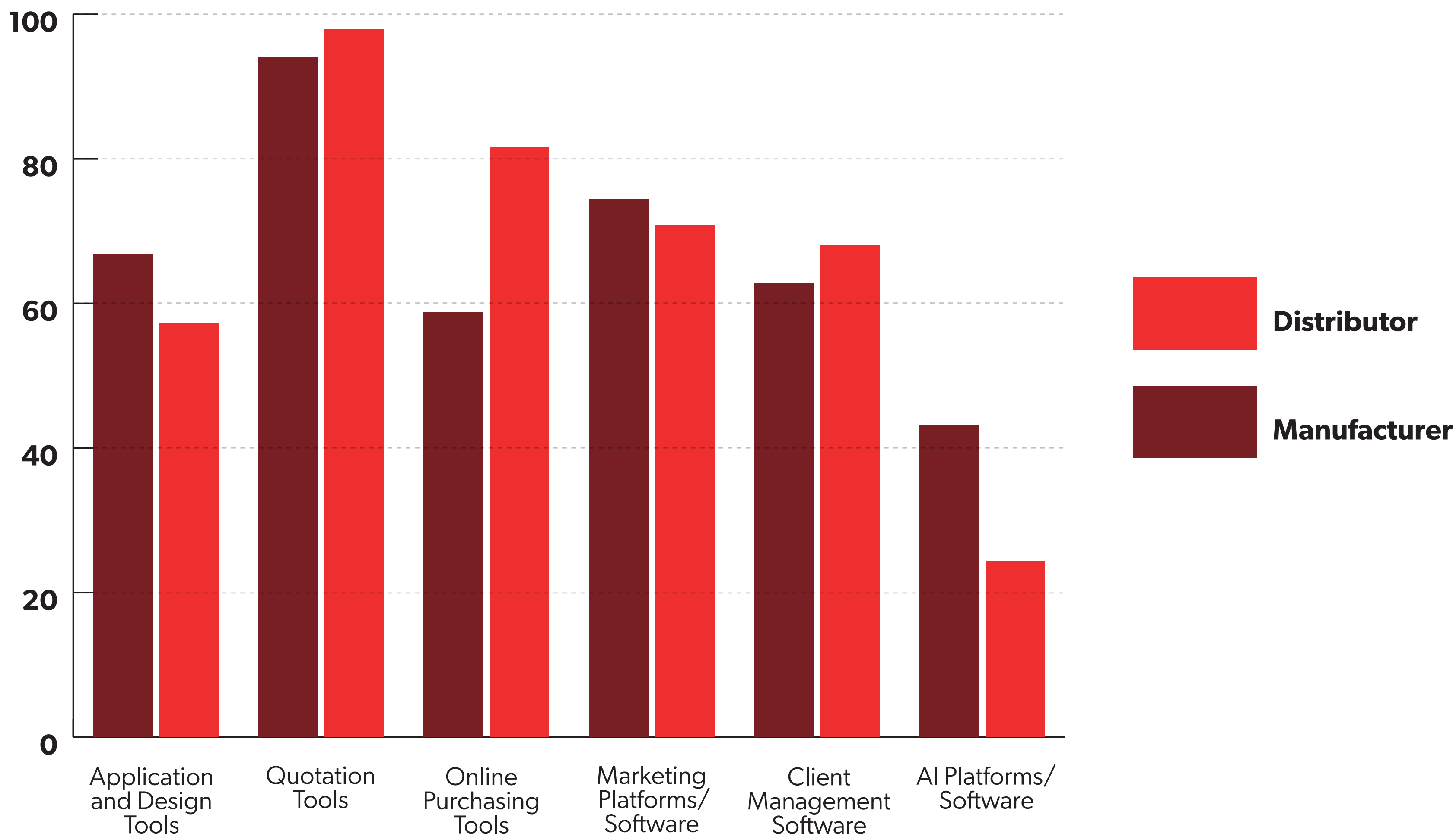


APP. 35 - Manufacturer vs. Distributor Marketing and Sales Mix Changes



APPENDIX 1 - Letting the Data Speak
A Closer Look at Manufacturers and Distributors

APP. 36 - Manufacturer vs. Distributor Digital Product Usage



End Notes

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Index of Tables and Graphs

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