PREDICTIONS REPORT

Predictions 2026: Smart Manufacturing And Mobility

October 21, 2025

By Paul Miller, Charlie Dai, George Lawrie with Pascal Matzke, Martha Bennett, Sam Higgins, Hannah Jachim, Ashutosh Sharma, Lea Schiller, Rachel Birrell

FORRESTER®

Summary

Geopolitical uncertainty, the rebalancing of where products get made and used, robots, and the influence of AI will give manufacturers plenty to think about in 2026 as they walk the line between durable business transformation and expensive experiments. This report outlines Forrester's most important predictions for business and technology leaders in smart manufacturing and mobility in 2026.

For even more insights about this topic, check out the interactive online session featuring our experts and your peers: Predictions 2026: Smart Manufacturing And Mobility webinar

Visit the Predictions research hub to learn more.

Manufacturers Must Focus On The Basics While Looking To The Future

Forrester's report on The Future Of Manufacturing highlighted four big trends driving the modernization of the sector, and these will still matter in 2026. Manufacturers continue to focus on integrating digital technologies with physical products; adapting to a changing world order with local, near, and far manufacturing capacity; and balancing the automation triangle to get the best from hardware, software, and people. Moving into 2026, we expect business and technology leaders across the sector to build on their existing investments in complex physical assets and their supporting digital systems while prioritizing changes that deliver organizational resilience and flexibility in an unpredictable world.

- **Over 50% of global manufacturers will refocus supply chain leadership on growth.** Manufacturers are shifting from economies of scale and supply chains optimized for cost to economies of scope and supply networks optimized for resilience. They're also changing where and how goods are manufactured. At the same time, supply chain leaders are being asked to step up and play a bigger role in setting and delivering corporate strategy. General Motors (GM) gives its chief supply chain officers cross-functional authority over procurement, logistics, and supplier risk, while Siemens has elevated supply chain leaders to oversee strategic resilience planning, nearshoring, and AI-driven forecasting. Recent geopolitical uncertainties show no sign of diminishing, and customer enthusiasm for choice and customization is here to stay. In this environment, GM and Siemens won't be the last to recognize that suitably skilled and empowered supply chain leaders are well-placed to step forward and worry less about procuring the cheapest parts and more about resiliently anticipating customer needs.
- **Robotaxis will drive out of China and the US.** Chinese vehicles and AI, initially paired with US ride-hailing apps, will go global. Chinese firms are leveraging cost-optimized production to deliver autonomous vehicles to new markets. Apollo Go,

Pony.ai, and WeRide began operating in the United Arab Emirates with safety drivers in 2025, with commercial operations expected in 2026; Dubai is targeting 25% of transportation being autonomous by 2030. In Europe, Apollo Go is launching pilot services in Germany, Switzerland, and the UK; Pony.ai has test vehicles in Luxembourg; and WeRide operates autonomous buses in the Belgian city of Leuven and the French department of Drôme. Volkswagen hopes to operate its MOIA autonomous vans in Hamburg without safety drivers next year, and UK embedded-AI startup Wayve aims to carry paying passengers in London during 2026. Waymo cars have completed test drives in Japan, but the US-based robotaxi fleet operators mostly seem content to expand in their home market for now. Their asset-light ride-hailing peers are more expansionist, with Lyft or Uber involved in almost all the overseas deployments we expect in 2026.

- **US manufacturers will reboot and reskill.** Manufacturing is growing in the US: It contributed $2.9 trillion to the economy in 2024. As manufacturers look to rebalance their supply chains, software-defined factories, microfactories, and other forms of automation make it more feasible to shift work from lower-cost manufacturing locations. While these new facilities require fewer people than in the past, there is still a pressing need for more skilled workers. An Executive Order in April 2025 called for 1 million new apprenticeships, and the Departments of Labor, Commerce, and Education unveiled America's Talent Strategy to build pipelines of skilled talent for critical industries. German companies are encouraged to apply well-regarded apprenticeship programs to US factories: BMW's Scholars Program provides a pattern in South Carolina that others are keen to emulate. In 2026, governments and employers in the US will start to address the current lack of domestic skilled workers but will continue to import skills from overseas to support their growth, reinforcing a tension between business growth and domestic jobs.
- **Only a few humanoid robots will get paid to do useful work in 2026.** Agility Robotics signed a commercial agreement with GXO back in 2024, making Digit one of the first humanoid robots paid for real work. Despite all the press releases, videos, and investment announcements since, we see little evidence of more humanoids getting paid to do a day's work. First, there's too much focus on (humanoid) form over (useful) function: Select the right tool for the job. Second, the humanoid body is a set of compromises: Squeezing enough battery life, strength, dexterity and intelligence into a biped is hard. As a result, recent pilots mostly comprise small numbers of humanoid robots slowly tackling simple tasks for short periods — before humans step in to reset the task and recharge the robot. Advances in embodied AI promise to transform autonomous mobility, robotics, and

more. Humanoid robots will benefit from these advances too but remain flawed: Manufacturing leaders with work to complete in 2026 should pay more attention to smarter drones, collaborative robots, or robotic arms for now.

- **Euro NCAP's new rules will slow the spread of screens.** It's hard to miss the digital screens filling the interiors of modern cars, but it's harder to hit the right bit of those screens when driving. Europe's new car [safety] assessment program (Euro NCAP) wants car makers to slow the rush to ditch buttons and switches: From January, new cars lacking physical controls for safety-critical features like turn signals or windshield wipers won't be eligible for Euro NCAP's highest five-star rating. Switches are expensive, and their kilometers of wiring add weight and complexity that car makers would prefer to avoid, but safety assessors, drivers, and designers agree that cost-cutting simplification has gone too far. In China, user-configurable buttons are an optional extra in Xiaomi's new SUV, and Tesla Model 3 customers can buy kits to retrofit a physical turn signal. Screens may find their role further diminished by the growing power of voice: Car makers are partnering with firms like Cerence AI to replace the stilted language of early speech interfaces with genAI-powered chat, while foundation models for language are just getting started.

FORRESTER®

We help business and technology leaders use customer obsession to accelerate growth.

FORRESTER.COM

Obsessed With Customer Obsession

At Forrester, customer obsession is at the core of everything we do. We're on your side and by your side to help you become more customer obsessed.

Research

Accelerate your impact on the market with a proven path to growth.

- Customer and market dynamics
- Curated tools and frameworks
- Objective advice
- Hands-on guidance

Learn more.

Consulting

Implement modern strategies that align and empower teams.

- In-depth strategic projects
- Webinars, speeches, and workshops
- Custom content

Learn more.

Events

Develop fresh perspectives, draw inspiration from leaders, and network with peers.

- Thought leadership, frameworks, and models
- One-on-ones with peers and analysts
- In-person and virtual experiences

Learn more.

Contact Us

Contact Forrester at www.forrester.com/contactus. For information on hard-copy or electronic reprints, please contact your Account Team or reprints@forrester.com. We offer quantity discounts and special pricing for academic and nonprofit institutions.

Forrester Research, Inc., 60 Acorn Park Drive, Cambridge, MA 02140 USA
Tel: +1 617-613-6000 | Fax: +1 617-613-5000 | forrester.com