

The 2024 LAST MILE OUTLOOK



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01

Note to Readers

The Last Mile Outlook explores how supply chain leaders are thinking about the year just completed and the year ahead. It examines the impact of a variety of economic and environmental factors from rising operational costs to threats of extreme weather.

Like last year's report, findings uncover a myriad of challenges facing the industry and what's on the horizon for 2024.

Here are some key takeaways:

Key Takeaways:

01

Operational costs continue to increase, and so will fees. 86% expect fuel and other operating costs to increase this year and 4 in 10 plan to raise fees as a result.

03

Supply challenges ease. 48% are not concerned with inventory shortages or oversupply this year.

05

Investments in new technology and systems continue. 45% have invested in new technology or expanded their investment in existing technologies this year.

02

The business outlook is mixed. 39% expect business to be down while 29% expect business to be better. 17% are uncertain.

04

Missing delivery windows remain a major concern. 4 in 10 are just as concerned with missing delivery windows this year as last year while 14% are more concerned.



02

COSTS & EXPECTATIONS

Some brace for less business, others expect a **better year**

Business expectations

17%

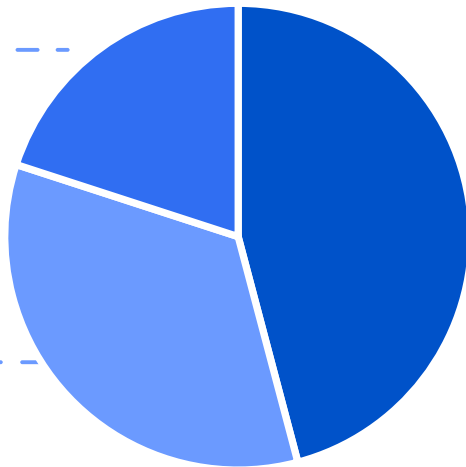
are uncertain

39%

expect less
business this year

29%

expect more
business



2023 holiday revenue expectations

24%

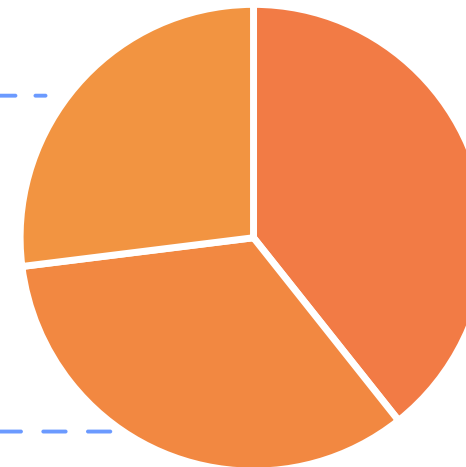
are uncertain

39%

expect a decrease
in holiday revenue
this year compared
to last year

30%

expect an increase

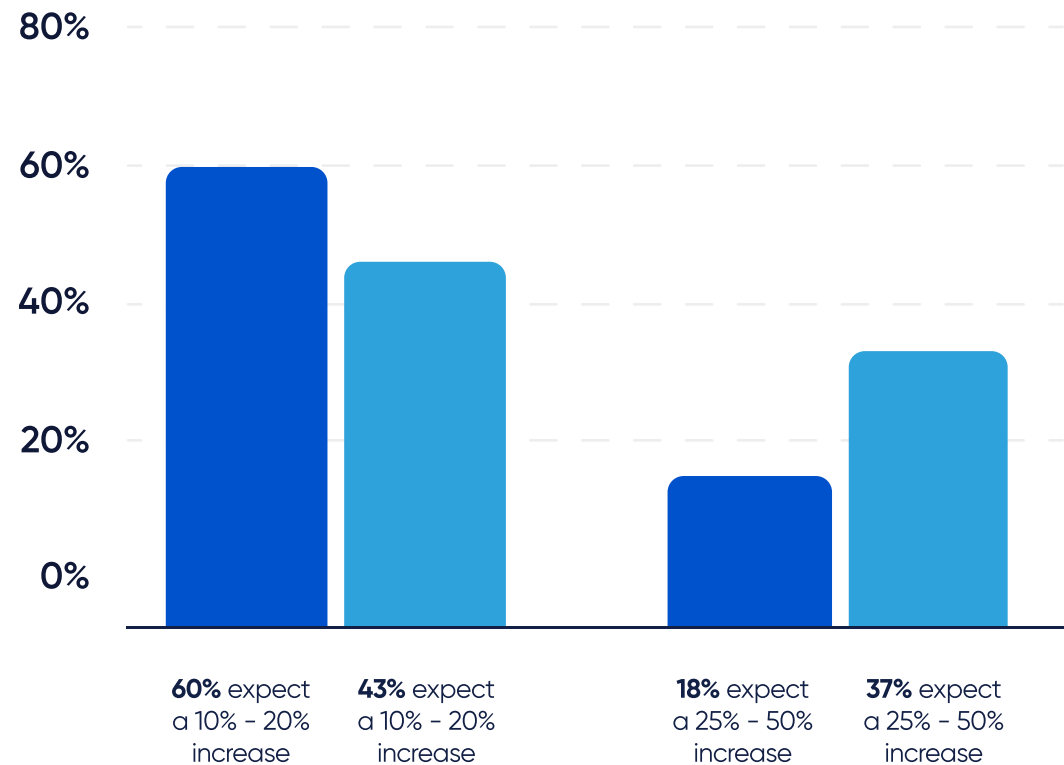




Operating costs have continued to increase, and not just because of fuel prices.

Excluding fuel costs, 81% of businesses anticipate higher operating costs in the coming year

Factoring in fuel prices, operating costs are even higher. 86% expect operating costs to be even higher in the coming year.

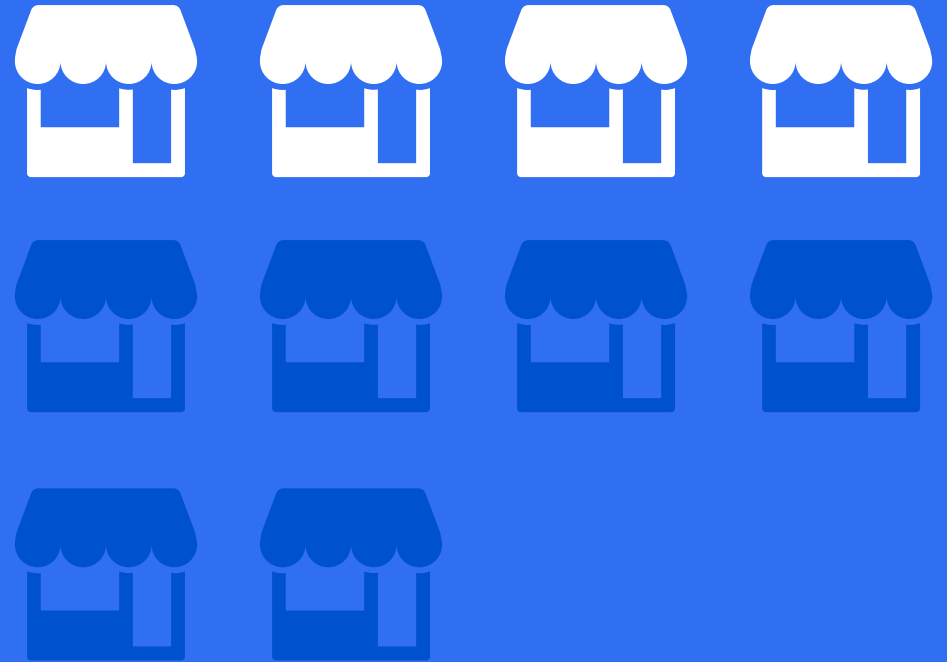


Nearly

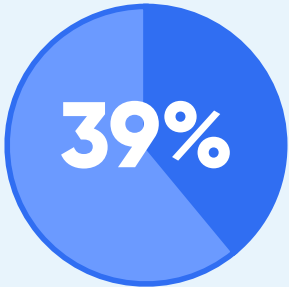
4 in **10**

businesses

plan to increase fees
again this year.



Higher operating costs in 2024

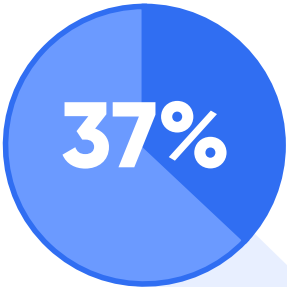


plan to **increase** fees this year

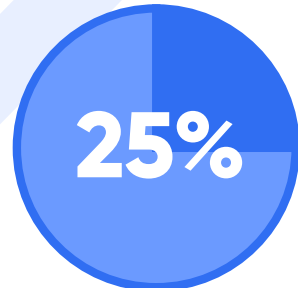
25% due to both inflation and fuel

12% due to both inflation and fuel

2% due to both inflation and fuel



don't plan to increase fees this year



don't plan further increases because they increased fees last year

03

NOTABLE CONCERNS





52% are still concerned with inventory supply this year

22%

inventory shortages

19%

both inventory shortages and oversupply

11%

oversupply

48% are not concerned

Missing delivery windows remain a **primary concern**

41%

are just as concerned as last year

27%

are less concerned

14%

are more concerned



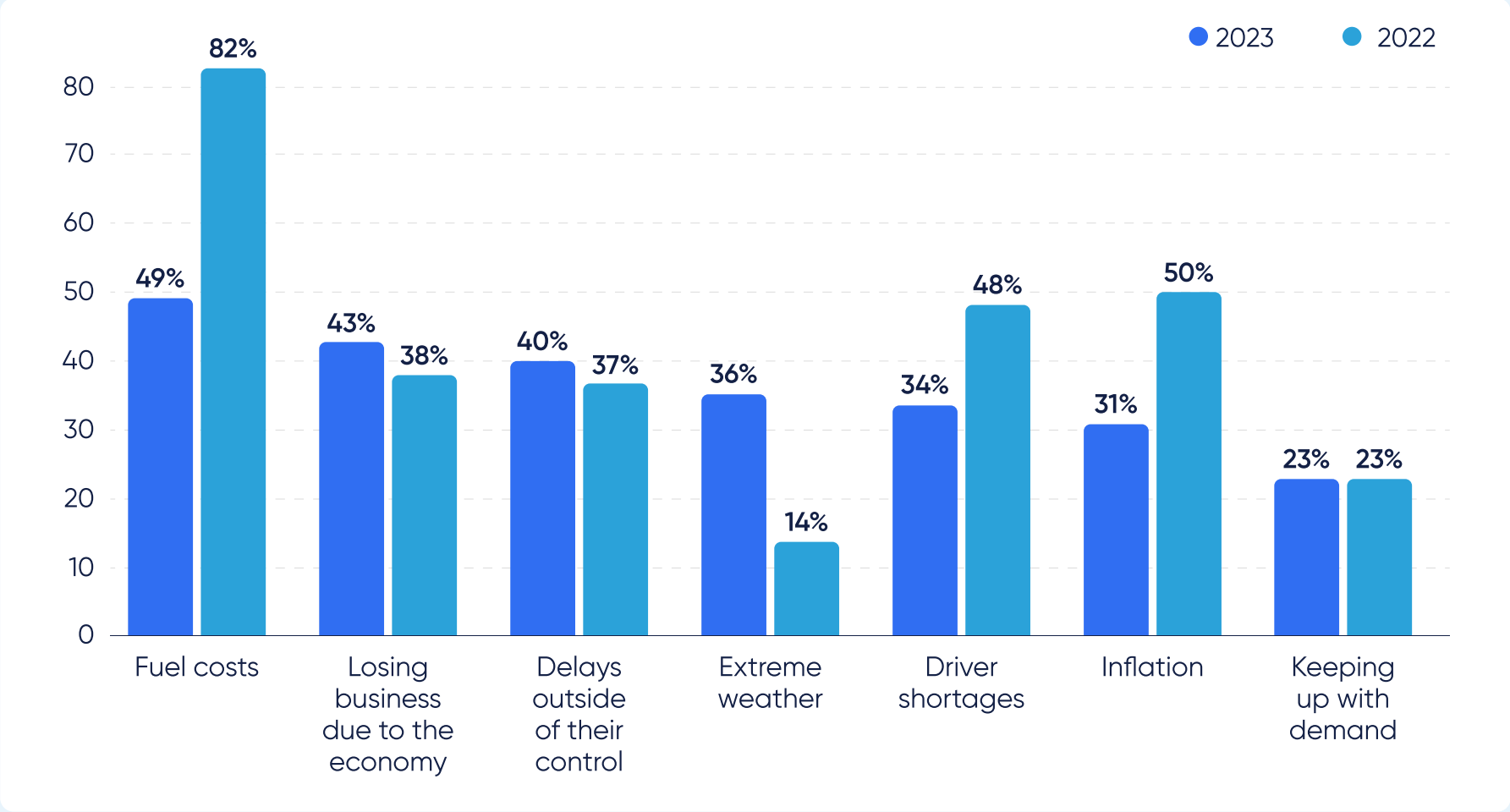
It's harder this year than last year to find and retain drivers

1 in **2**

indicate it's more difficult to recruit and retain drivers this year than last year

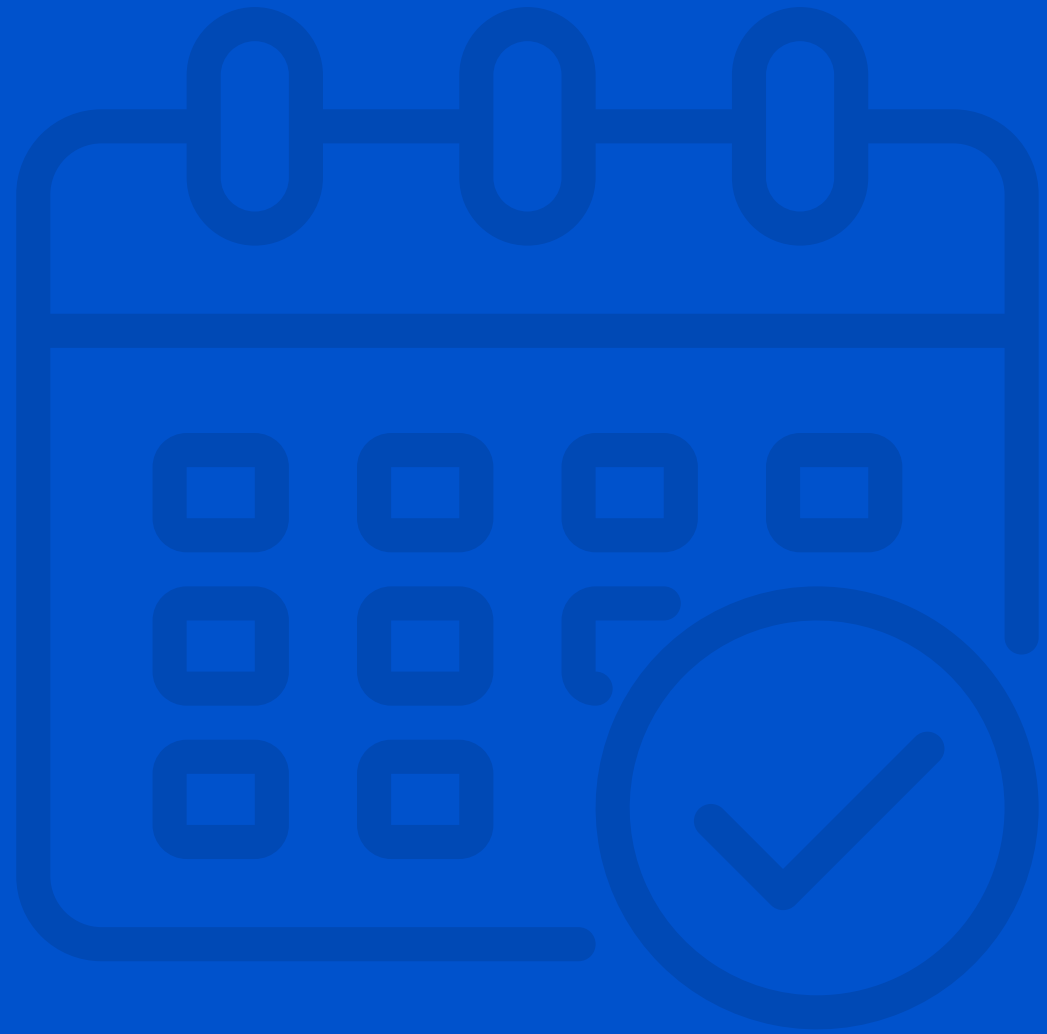


Economic headwinds remain a primary concern, but there's also mounting concern over **extreme weather**



04

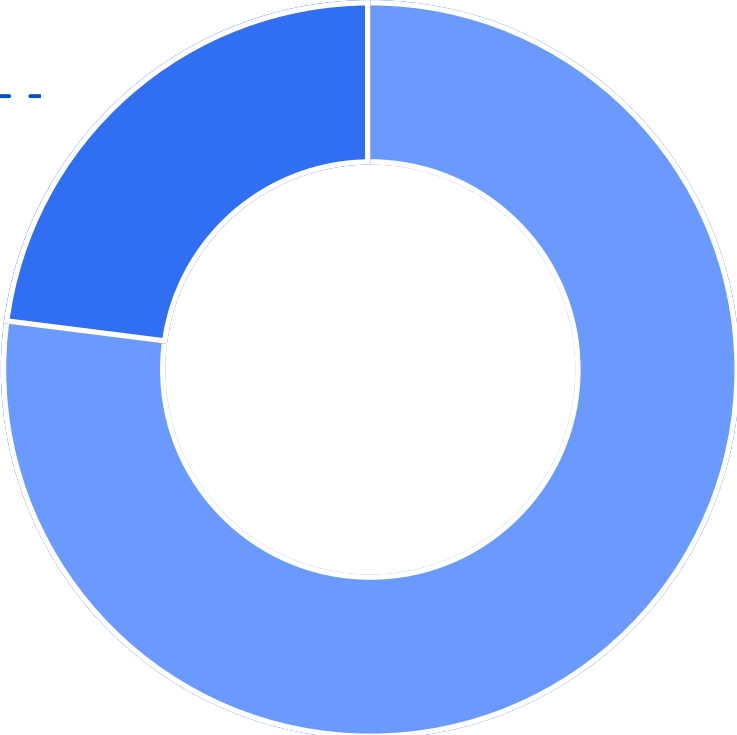
ON THIS YEAR'S AGENDA



Holiday planning is getting earlier for nearly a quarter of businesses

23%

planned for the holidays earlier in 2023.



67%

planned at the same time.

Nearly half have invested in
new technology
or expanded existing technology

45%

have invested in new technology or expanded their existing technology to increase efficiencies this year.

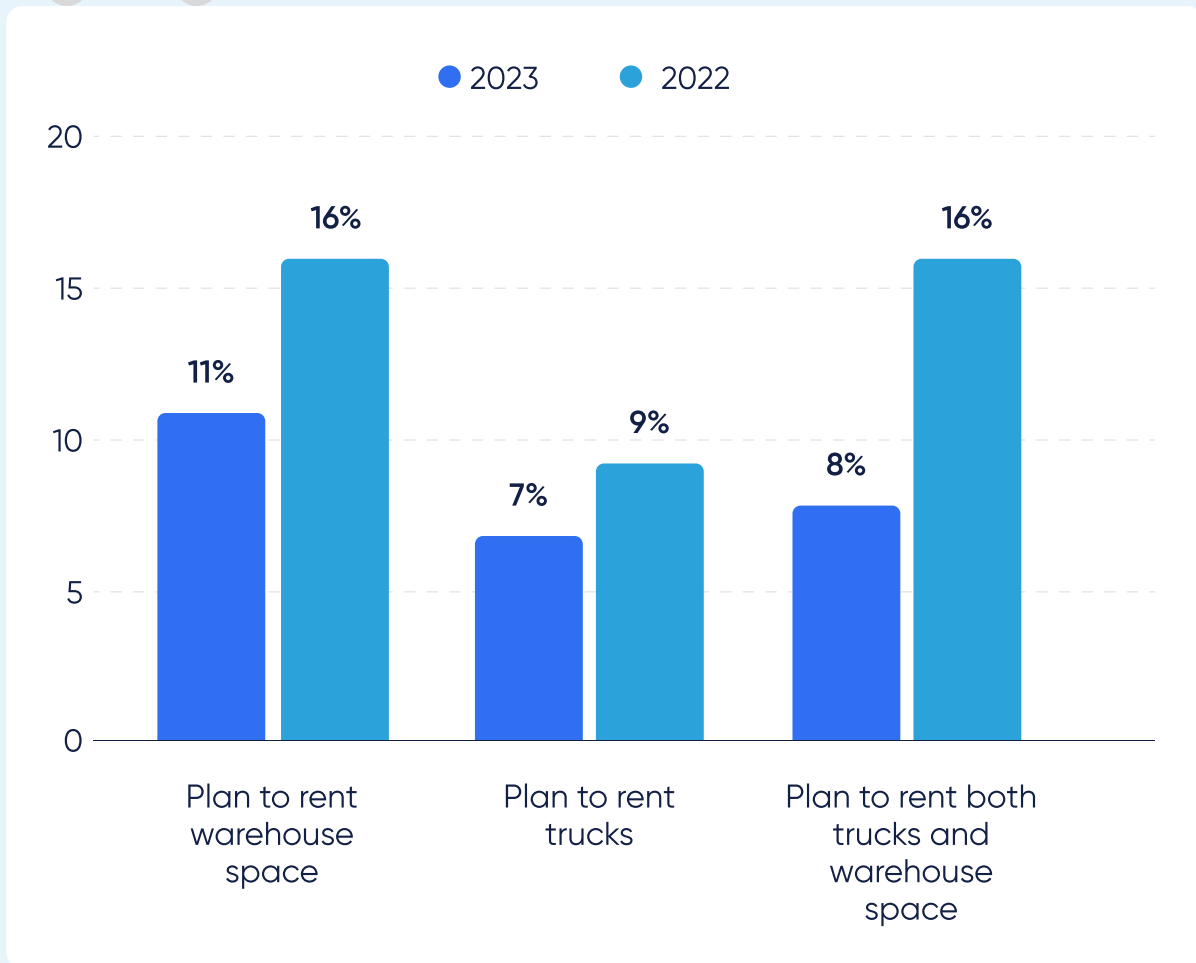


Dip in truck rentals and extra warehouse space.

26%

of businesses plan to either rent trucks and/or warehouse space to prevent fulfillment roadblocks, down from 41% in 2022



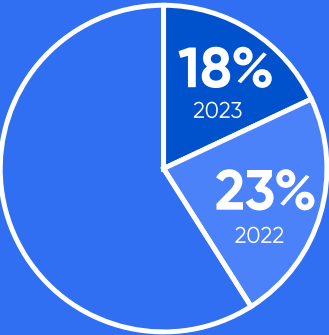


Sustainability initiatives

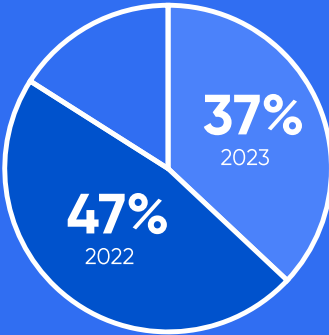
55%

are prioritizing sustainability or plan to in the coming year, down from 70% in 2022

Prioritizing it



Plan to prioritize it



EV trucks

7%

have either added EV trucks or plan to in the coming year, a dip from 15% in 2022

05

Methodology

The online survey was conducted via SurveyMonkey October 12th - November 1st, 2023 among 101 logistics professionals. Industries include furniture and appliances, 3PLs, building supplies, agriculture, auto parts, and food, beverage, and grocery distribution. Employee sizes ranged from 1-10, 11-50, 51-99, and 100+.





About DispatchTrack

DispatchTrack is the global leader in last mile delivery solutions, helping top brands around the globe power successful deliveries 1 million times a day. Since 2010, DispatchTrack's scalable SaaS platform has made delivery organizations more connected, agile, and intelligent using highly configurable capabilities designed to empower better delivery management from end to end. Our proprietary AI-powered routing algorithm ensures 98% ETA accuracy in last mile deliveries, and we're constantly innovating to improve performance and better serve our 2,500+ global customers, including Walmart, Coca-Cola, Ashley, Ferguson Enterprises, Cargill, McCain Foods, and many others. When businesses make promises to their customers—DispatchTrack makes sure they deliver.

You can follow DispatchTrack on LinkedIn and Twitter.





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