

2025 Forwarder/Broker Benchmark Study

*Caught Between Today's Pressures
and Tomorrow's Promise*



Introduction

The *2025 Descartes Forwarder/Broker Benchmark Study* reveals a cautious yet optimistic logistics industry, caught between today's pressures and tomorrow's promises. Forwarders and brokers face concerns about global instability and tariff uncertainty, and yet they remain hopeful about the possibilities artificial intelligence (AI) technology offers—such as automation, efficiency, analysis and intelligence.

The 9th edition of the benchmark report provides a deep dive into how perspectives, strategies and future plans have changed over time, from 2019 to 2025. Survey results were also indexed by company size (*Large vs. Small companies*), performance (*Thrivers vs. Survivors*), and region, offering additional observations in the report.

Survey participants representing a wide range of respondents including Descartes customers and followers, trade association members and industry publication readers—across North America; Europe, Middle East and Africa (EMEA); Asia-Pacific (APAC); and Latin America—to provide a broad view of the global forwarding and brokerage community.

Top Level Findings

Below are high-level takeaways from the benchmark survey findings:



Supply Chain Challenges

Faced with global instability (61%), cost and regulatory pressures, and tariff shocks (42%), many forwarders and brokers are taking a wait-and-see approach to growth and technology, while others are assertively leveraging this opportunity to gain a competitive edge.



Focus on Optimization

Rather than proactively driving growth, many forwarders and brokers—hampered by a lack of capital—are cutting costs (31%) and focusing on process automation and efficiency (52%).



Adoption of Advanced Technology

Forwarders and brokers widely agree on the importance of technology (64%), and the power of AI (42%), however, only large companies and industry leaders are aggressively pursuing a technology-driven strategy.



The 2025 Forwarder/Broker Benchmark Study examines key economic, regulatory, and industry trends as well as the strategies and tactics companies are using to adapt and drive growth.

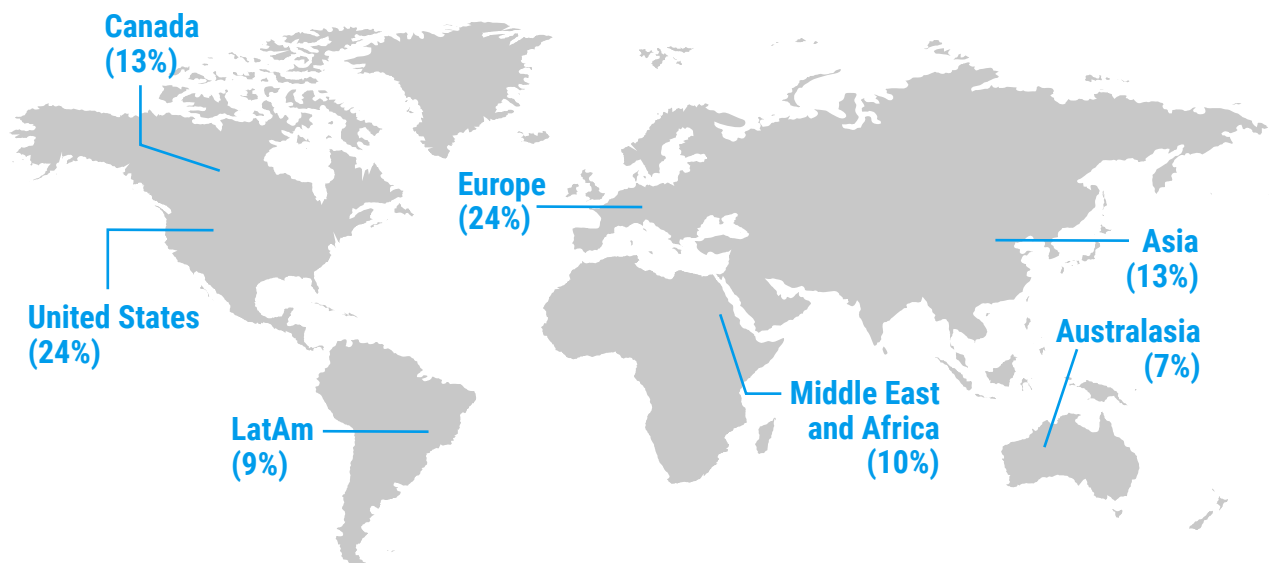
About the Survey

The 2025 Forwarder/Broker Benchmark Study draws on insights from 434 customs brokers and freight forwarders, offering a comprehensive look at the forces shaping the logistics industry. The report examines key economic, regulatory, and industry trends that are creating new challenges, while also highlighting the strategies and tactics companies are using to adapt and drive growth. It explores the competitive landscape, as well as evolving perceptions, adoption, and investment in technology. Finally, the study provides fresh insights into the impact of emerging technologies—such as AI—on the industry's future.

Survey Respondents by Location

Survey respondents were asked to select the locations where they operate worldwide with the option to select multiple choices. The below map illustrates the global reach of the survey and the diversity of respondents by geography.

Location of Operations

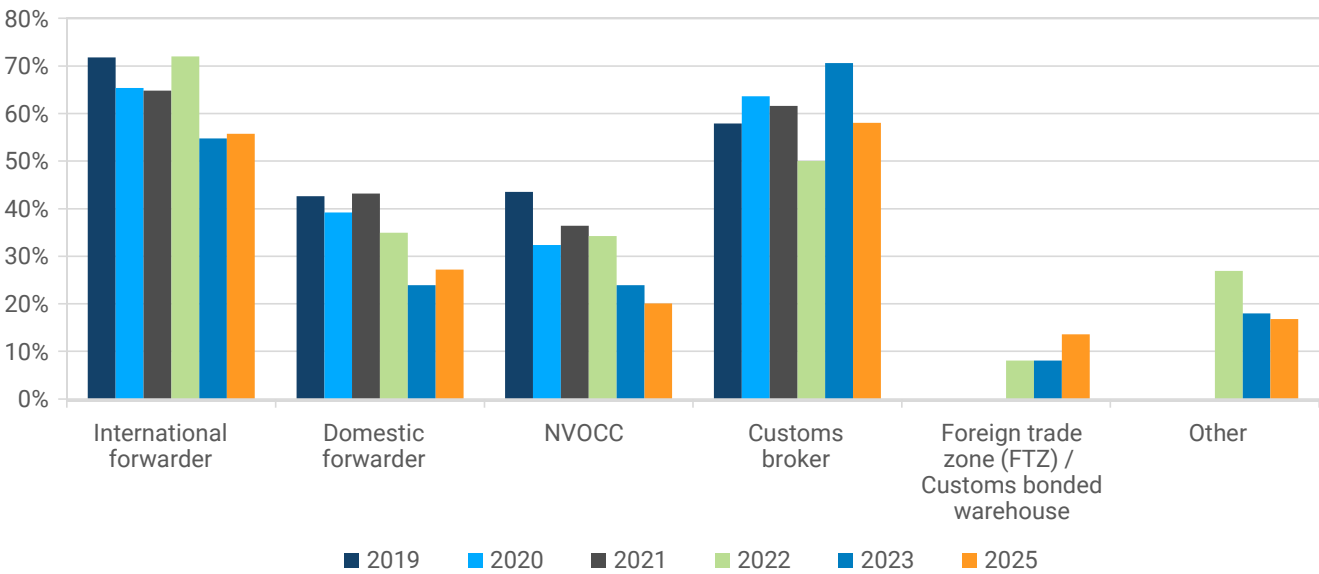


Those surveyed spanned multiple geographic regions across North America, Europe, the Middle East and Africa, Asia-Pacific, and Latin America to provide a rich data set.

Services Provided

Our study analyzed offerings across a range of logistics services. There was a 13% decrease from 2023 (71%) to 2025 (58%) in those who selected *Customs Broker* as a service offering. Also noteworthy is an increase in those who selected *FTZ/Customs Bonded Warehouse* as a service, with 8% selecting this option in 2023 vs. 14% that selected this same option in 2025.

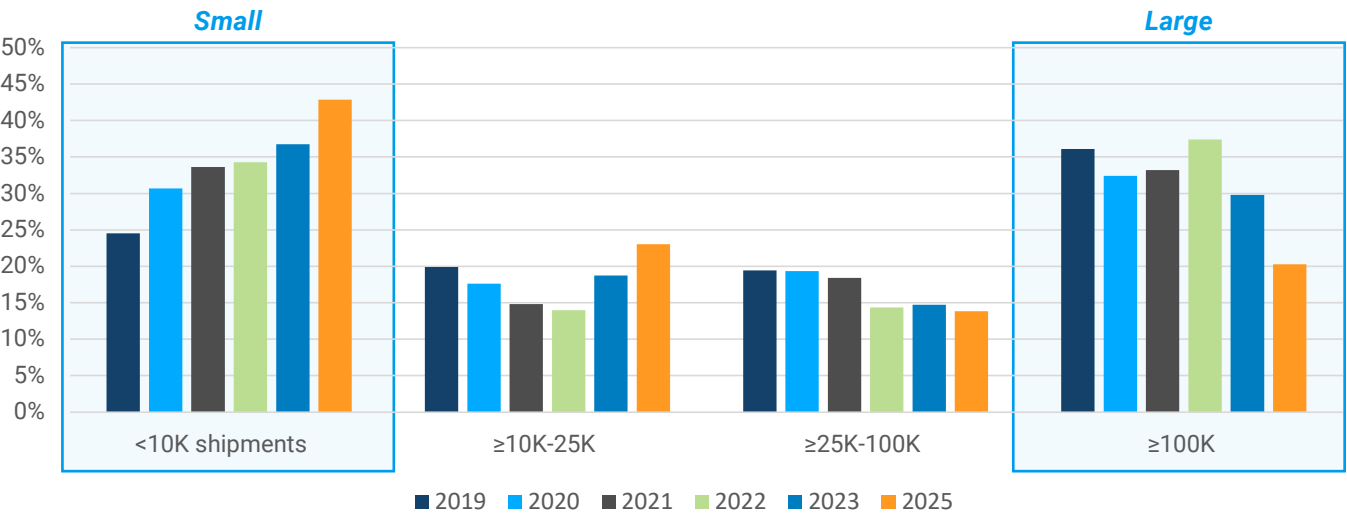
Logistics Service Offerings



Shipment Volume

There has been a marked increase in respondents citing a shipment volume of less than 10K versus a focus on higher shipment volume in our latest survey. The ongoing consolidation trend may have potentially reduced the number of forwarders with high volumes. In this study, we will also define *Small* respondents as those that self-report <10K shipments per year, and *Large* respondents as those that report ≥100K shipments annually.

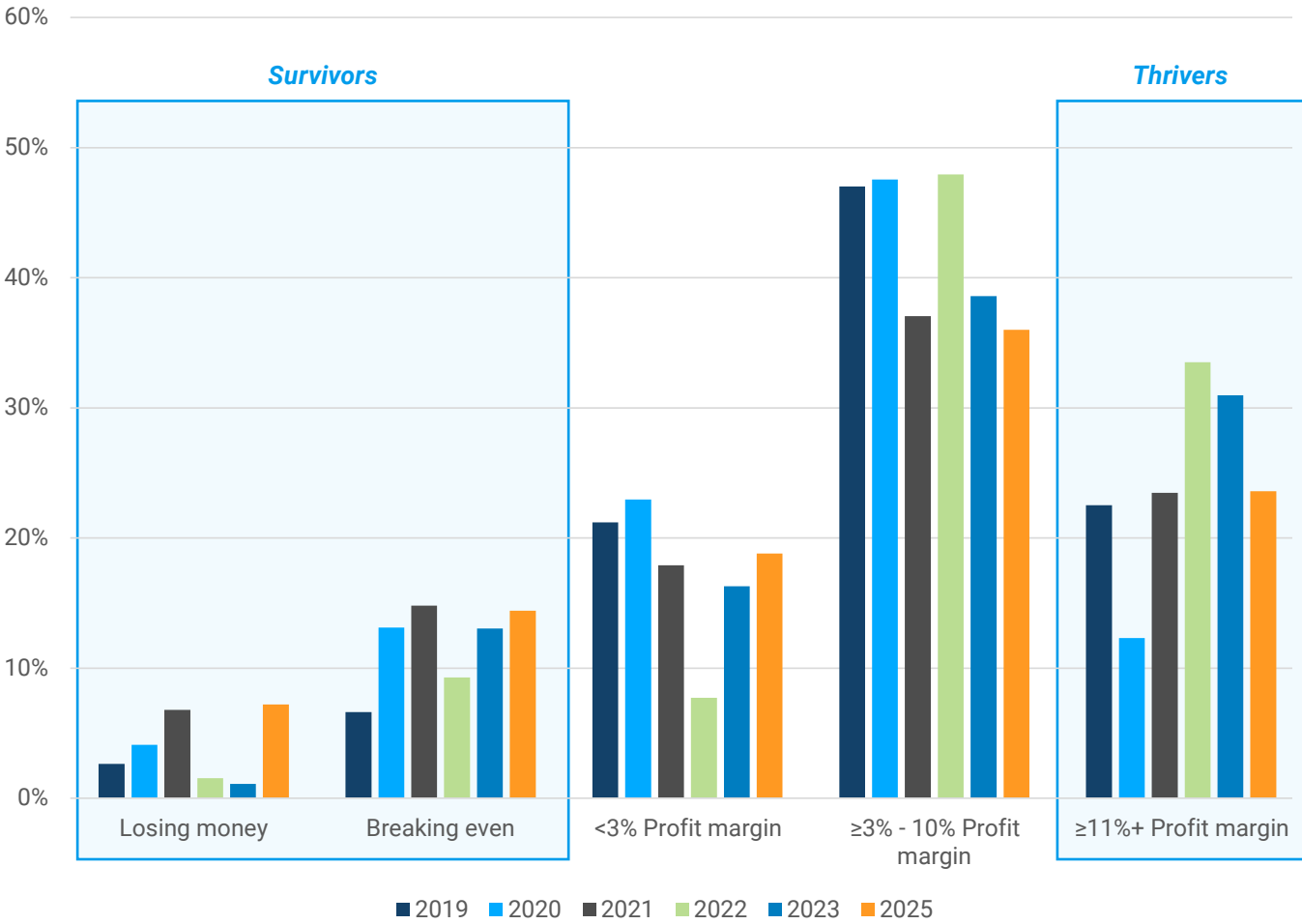
Self-reported Yearly Shipment Volume



Financial Performance

As in all previous benchmark surveys, we asked respondents to rank their company's financial performance based on profits. Based on this information, respondents were consolidated into self-identified performance groups for further analysis and comparison with results from earlier benchmark surveys. Here, we define two performance groups as was done previously, with one group called *Survivors* which includes those that identified as *Losing Money* or *Breaking Even*, and a second group called *Thrivers*, defined as those who reported a ≥ 11 percent profit margin.

Self-reported Financial Performance



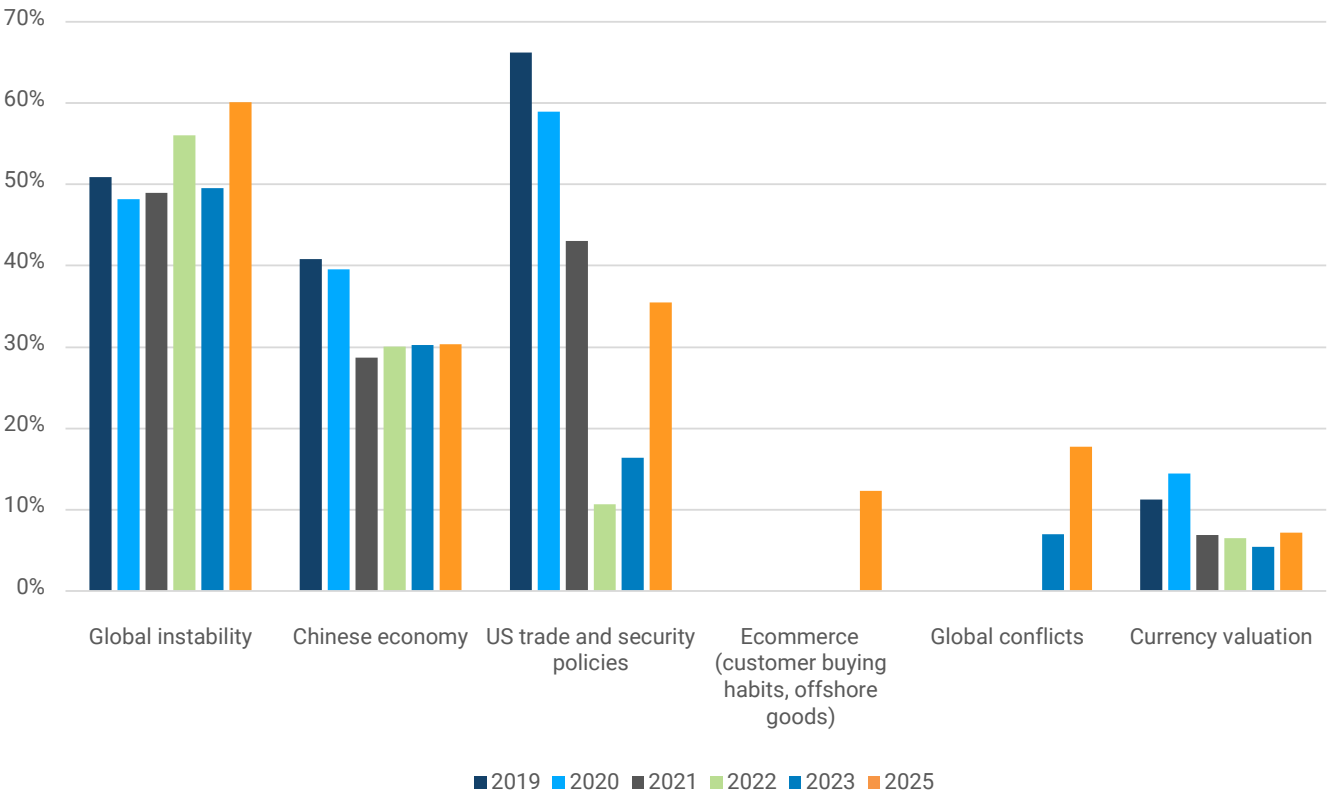
In our study, we took a deep dive into responses to analyze results based on self-identified financial performance.

Macroeconomic Challenge: Global Instability

Forwarders and brokers see *Global Instability* as the macroeconomic challenge that will have the most impact on the industry over the next five years. This view has been strong and persistent since 2019 and reached the highest peak yet in 2025 at 60%, reflecting ongoing geopolitical conflicts and uncertainty on multiple fronts resulting in an unpredictable supply chain. Further supporting this outlook, *Global Conflicts* was introduced as a separate but similar option in the previous survey and quickly rose to almost 20% in 2025.

The historical survey results also show *U.S. Trade and Security Policies*, the top macroeconomic challenge in 2019 (66%), had become significantly less of a concern by 2022 (16%). However, some rebound is apparent in 2025, making this the second most popular choice (35%), likely due to the current volatile trade climate.

Macroeconomic Changes that Will Have the Greatest Effect on the Industry Over the Next 5 Years



Dominant and persistent drivers have widened to multi-front global instability challenges.

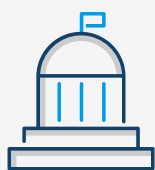
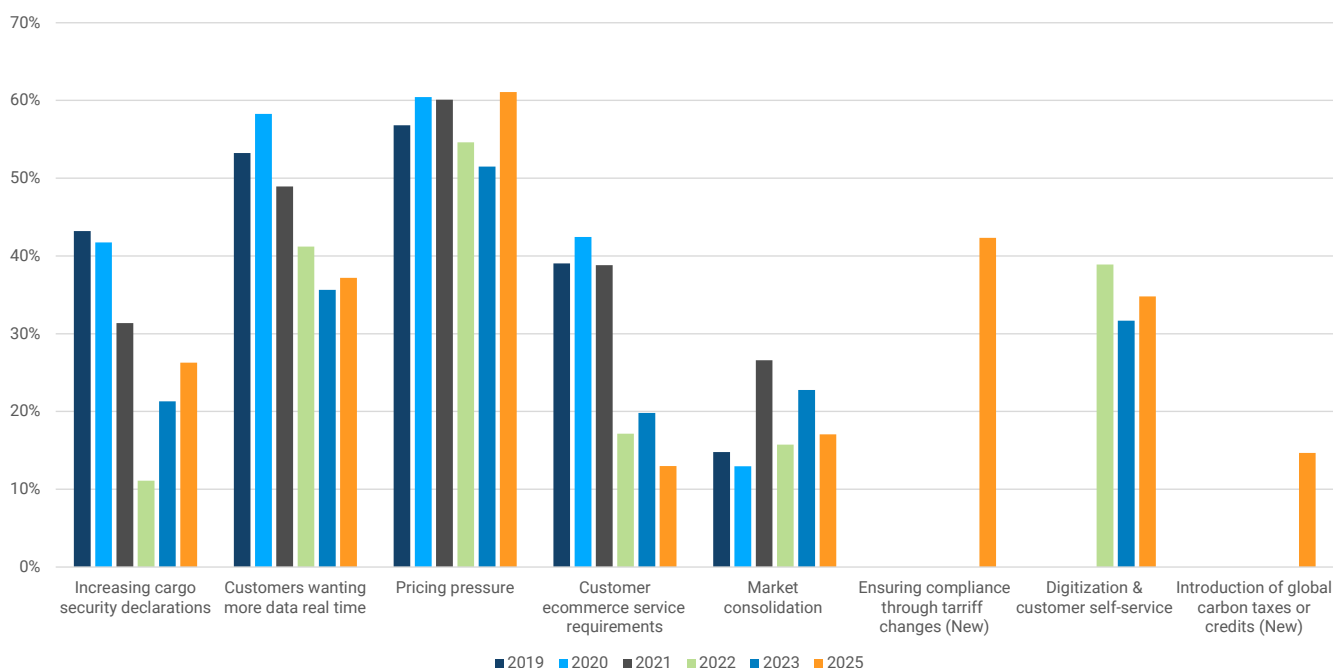
Regulatory and Industry Challenges: Cost and Compliance

Cost and compliance pressures are predictably the highest ranked regulatory or industry changes that will have the greatest impact over the next five years. In 2025, forwarders and brokers are facing dual challenges. On one side, they face emerging regulatory requirements such as tariffs (42%) and sustainability (15%). On the other side, they face customer demands, such as lower prices (61%) and technology-driven services including digitization and self-service (35%) and real-time visibility (37%).

With increased competition for fewer shipments and a push to cut rates, *Pricing Pressure* tops the list in 2025, remaining the primary concern for the last six years. *Ensuring Compliance Through Tariff Changes*—a new option for the 2025 survey—has quickly risen as the second highest concern, an obvious reaction to U.S. tariff inconsistency.

For the next five years, forwarders and brokers expect to be battling cost pressures, along with an increasingly complex web of regulatory requirements. Winners will be those who manage costs relentlessly and gain compliance agility, as well as meet customers' growing expectations for digital services and intelligence.

Regulatory or Industry Changes that Will Have the Greatest Impact on the Industry Over the Next 5 Years



Regulatory and Industry challenges have shifted to cost pressures and compliance complexity.

Ecommerce Impact: Tariff Costs

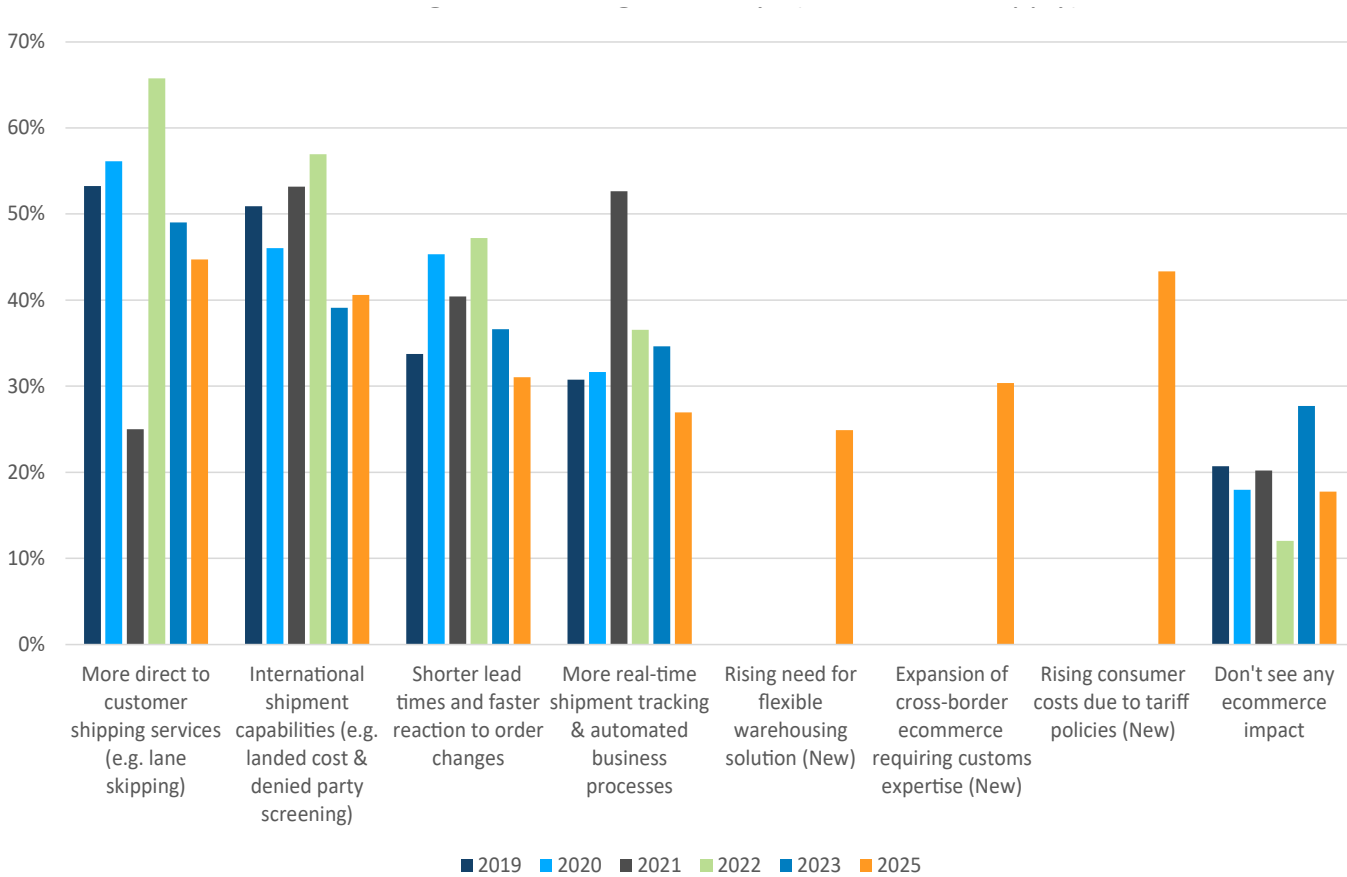
In 2025, the greatest ecommerce impact is seen as *Direct-to-Consumer Shipping* at 45%, although that answer is becoming noticeably less common since 2022 when it peaked at 66%.

Rising Consumer Costs Due to Tariff Policies (43%)—a new option introduced in the latest survey—is ranked second, a direct reaction to U.S. tariff practices.

Real-Time Shipment Tracking and Automated Business Processes (27%) and *Shorter Lead Times and Faster Reaction to Order Changes* (31%) are still priorities for logistics service providers, although both options reached their lowest percentages in six years.

Two additional new choices in the 2025 survey are both relatively strong debut entries: *Flexible Warehousing* (30%) and *Expand Cross-Border Ecommerce Requiring Customs Expertise* (25%)—presumably an acknowledgment of changes in U.S. trade policy on ecommerce shipments.

The Impact of Ecommerce on the Industry



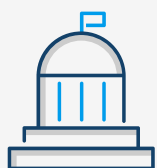
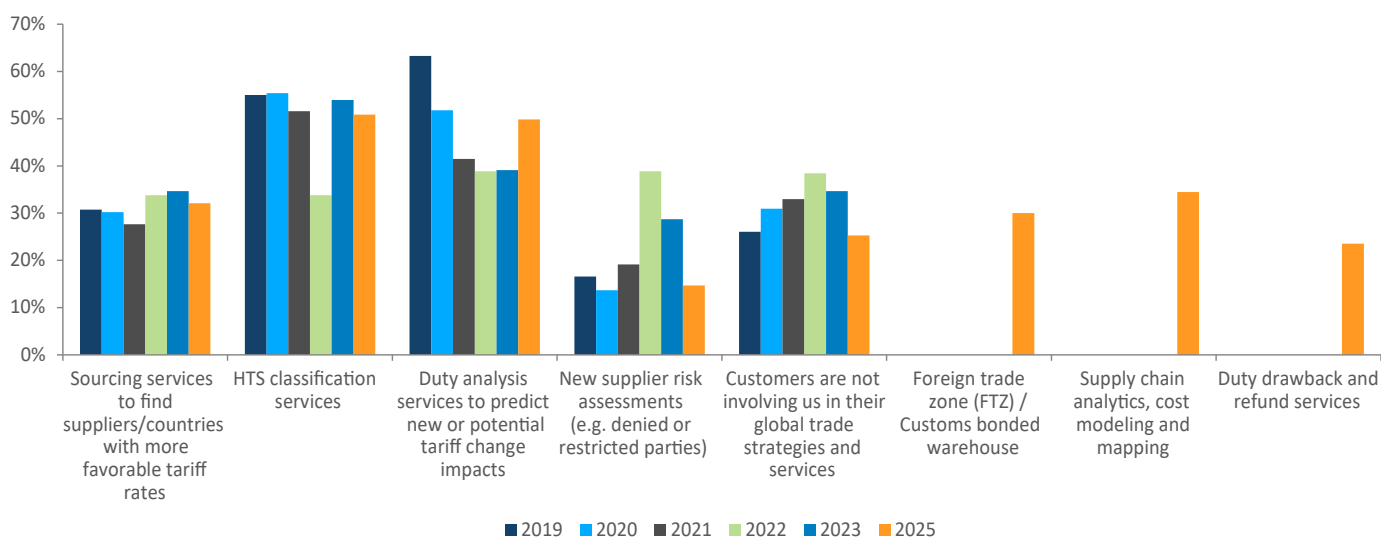
Trade Services: Mitigating Tariffs

Harmonized Tariff Schedule (HTS) Classification Services (51%) and *Duty Analysis Services to Predict New or Potential Tariff Impacts* (50%) are the two top requests from customers in 2025, as they have been for the last several years. However, *Duty Analysis Services*, which has been dropping in the rankings since 2019, jumped up 10 percentage points in 2025, which comes as no surprise given tariff volatility this year. By utilizing these services, forwarders and brokers are not just concentrating on meeting compliance requirements but are also optimizing internal processes via compliance analysis capabilities.

Supply Chain Analytics, Cost Modeling and Mapping (34%), *Foreign Trade Zones (FTZ)/Customs Bonded Warehouse* (30%), and *Duty Drawback and Refund Services* (24%)—three new options in the 2025 survey—all captured statistically significant responses as well, as forwarders and brokers are looking to mitigate tariff impacts for their customers. On a related note, the survey demographics show an increase in respondents who offer *FTZ/Customs Bonded Warehouse* as a service, from 8% in 2023 to 14% in 2025.

Meanwhile, *New Supplier Risk Assessment*, a previously growing priority peaking in 2022 at 39%, has been rapidly relegated to a lower rank in 2025 (15%) as other concerns such as tariffs, costs and supply chain instability become more consequential now.

Trade-related Services Requested by Customers



Given the level of trade policy volatility, respondents are focusing on how to reduce risk and duty spend for their customer base.

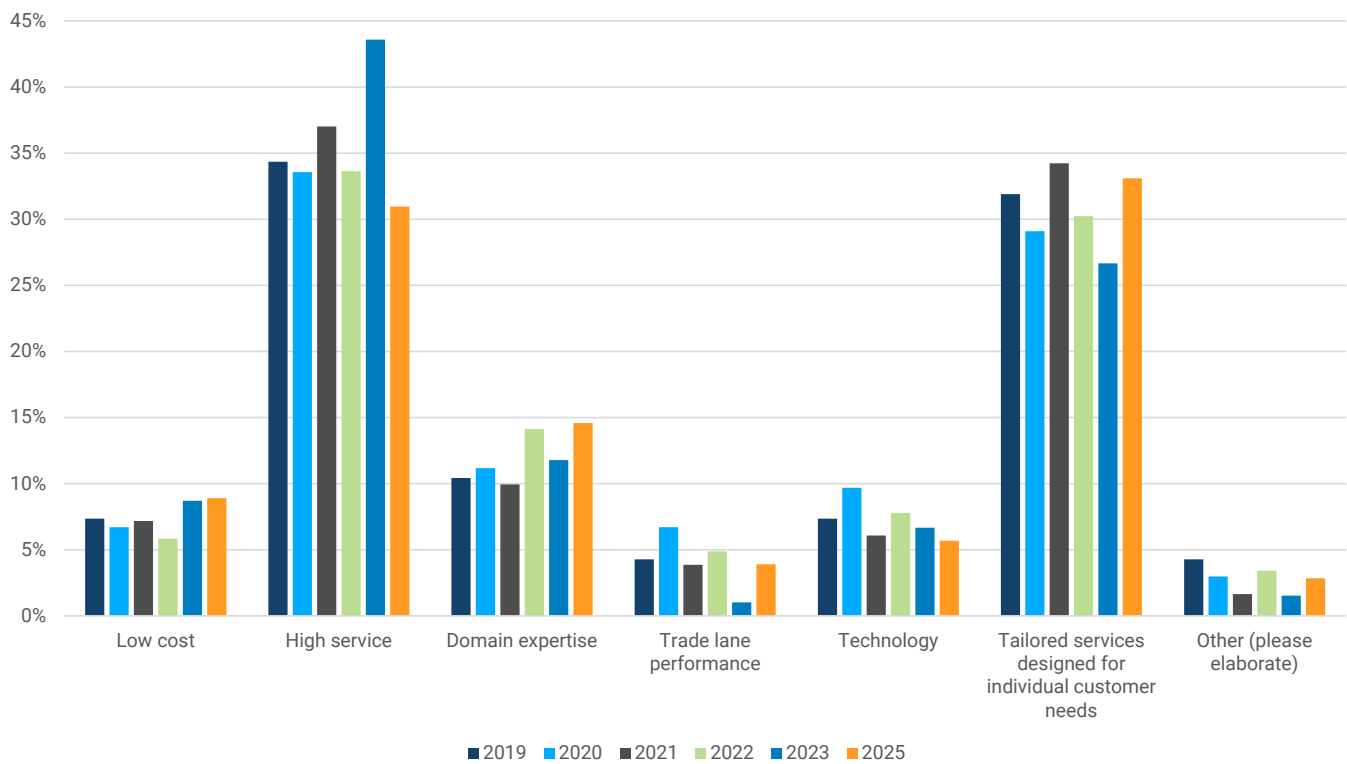
Competitive Advantages: Expertise and Customization

High Service and *Tailored Services* have consistently remained the top competitive advantages in logistics since 2019. However, competitive advantage seems to be evolving. In previous years, the surveys show most respondents concentrating on *High Service* as their greatest competitive advantage, peaking in 2023 at 44%. However, the current survey shows *High Service* dropping by 13 percentage points in 2025 to 31%.

In 2025, *Tailored Services* has taken the top spot for competitive advantage (33%). Domain Expertise is also a rising competitive advantage, in third place this year (15%). These numbers suggest that forwarders and brokers are moving beyond the message “We serve better” to the more nuanced message “We know more and customize better.” The revised mission is to create services tailored for specific customer or industry needs, supported by experience and proven competence in the logistics field.

Notably, however, deeper analysis by region reveals that the displacement of *High Service* by *Tailored Services* in 2025 is only seen in EMEA (27% vs. 32%), APAC (26% vs. 38%) and Latin America (28% vs. 41%). In North America, *High Service* (34%) is still more popular but *Tailored Services* (32%) is close behind. A similar divide is also seen with company size and performance, as *Large* companies and *Thrivers* still prefer *High Service*, while *Small* companies and *Survivors* are looking to compete by offering *Tailored Services*.

Greatest Competitive Advantages

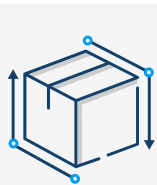
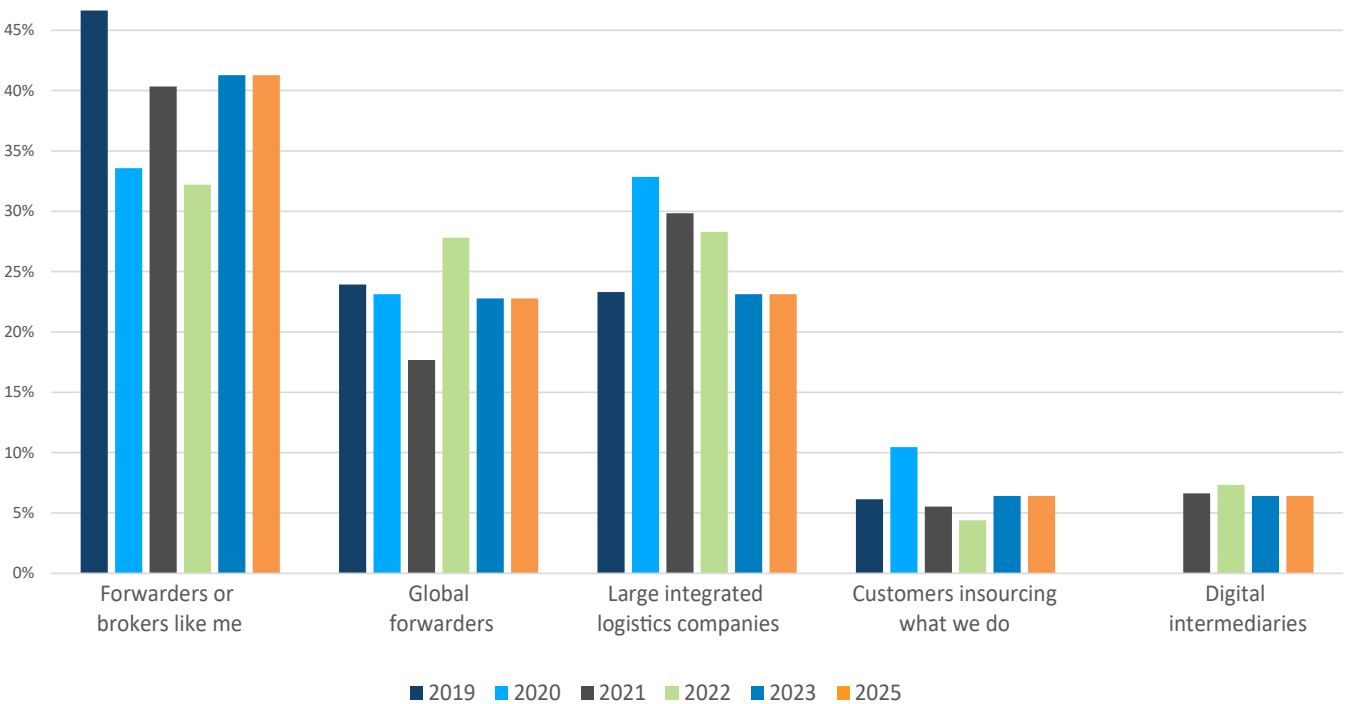


Competitive Landscape: Traditional Competition

When assessing the competitive landscape, Descartes asked survey respondents to select their top competitors. The traditional competition remains dominant for the last several years, with *Forwarders or Brokers Like Me* seen as the principal competitors (41%), followed by *Integrators* and *Global Forwarders* at about 23% each. In recent years, there is also minor disruption from Digital Intermediaries and Insourcing, at about 6% each.

Results based on company size show that *Large* companies consider *Global Forwarders* as their main competitors, while *Small* companies are more prone to compete with their peers (*Forwarders or Brokers Like Me*). Results based on region show Latin America and APAC competing with Global Forwarders while North America and EMEA view peers as the competition.

Who Forwarders and Brokers See as Their Competitors



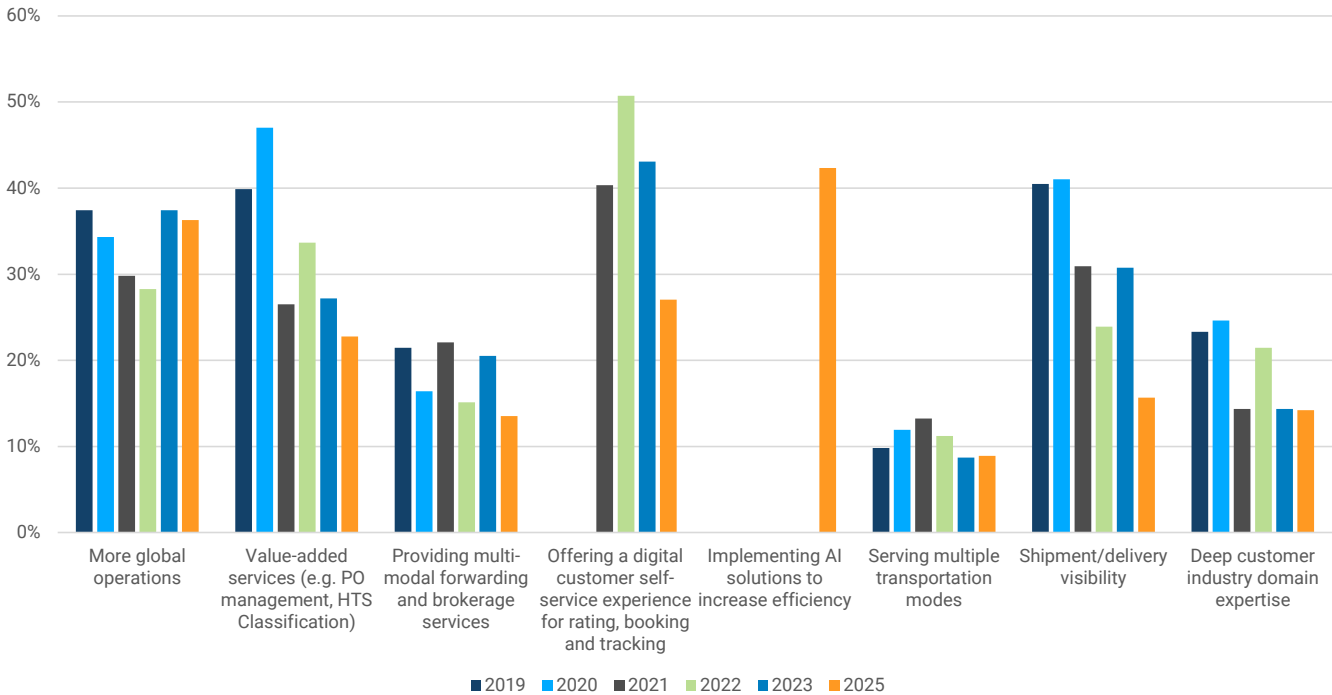
Traditional rivals persist, but Digital Intermediaries have become more prevalent players.

Competitive Advantage: Artificial Intelligence

Implementing AI Solutions to Increase Efficiency (42%) rapidly became the top competitive advantage that forwarders and brokers aspire to—during its first year on the survey. More Global Operations, a popular option since 2019, was ranked second at 36%. Most other options dropped in the rankings since 2019, likely because formerly critical advantages such as Digital Customer Self-Service and Shipment/Delivery Visibility have become a reality today, ubiquitous across the industry, rather than a future goal. The industry’s competitive aspiration cycle has accelerated, and yesterday’s differentiators are today’s table stakes.

The historical survey results expose the fluidity of competitive advantage as forwarders and brokers chase the moving target of differentiation. In 2019 and 2020, respondents focused on advantages such as value-added services and shipment visibility. From 2021 to 2023, the competitive benchmark shifted to digital self-service platforms, peaking during the pandemic-driven digital surge. In 2025, however, the competitive advantage shifted yet again, with AI quickly emerging as the new target.

Competitive Advantages that Forwarders and Brokers Aspire to





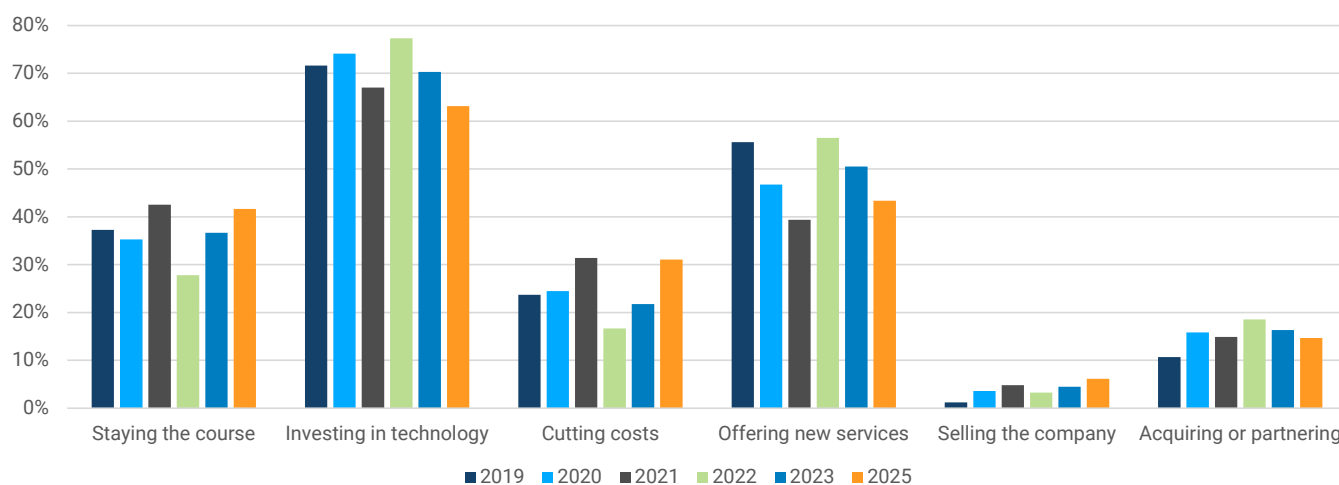
Implementing AI has emerged as a key tool to drive differentiation.

Preparing for Change: Normalization After the Crisis

Investing in Technology has been the dominant strategy to address economic, regulatory and industry changes in six consecutive surveys, although the enthusiasm has dropped in recent years from a peak of 77% in 2022 to 63% in 2025. Similarly, *Offering New Services* is second in 2025 (43%), but also dropped from a peak in 2022 (56%). Meanwhile, *Cutting Costs* is back on the rise, from 16% in 2022 to 31% in 2025, as well as *Staying the Course*, up from 28% in 2022 to 42% in 2025.

These results show the industry moving from a reactive innovation cycle—crisis adaptation induced by the pandemic when technology and service expansion surged while cost-cutting and stability were deprioritized—to a normalized strategic maturity cycle, with companies reverting back to efficiency and margin control. Technology is embedded, service differentiation is stabilizing, and companies are looking to optimize processes. This maturity produces some stability for companies in the face of an otherwise volatile trade environment.

Strategies to Prepare for Macroeconomic, Industry and Regulatory Changes



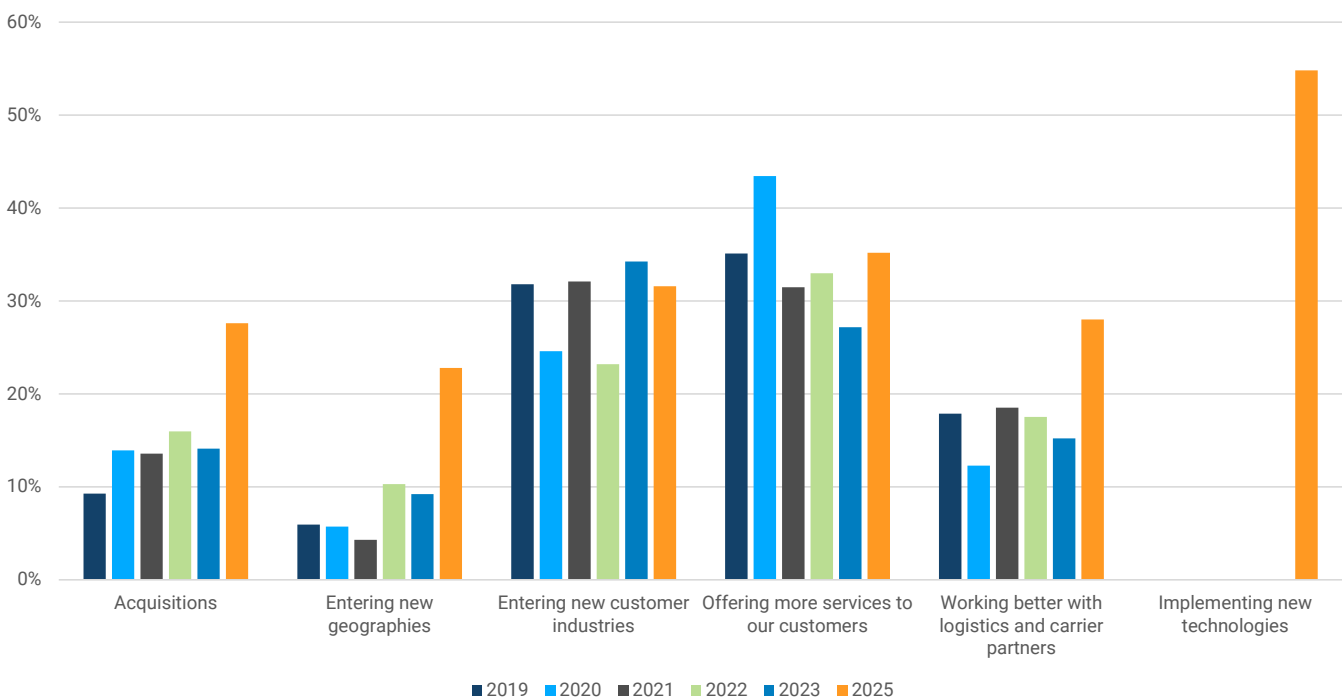
Our survey results show that the market is normalizing in the post-pandemic area with a focus on technology as well as cutting costs and offering new services to drive up the bottom line.

Competitor Growth Strategy: New Technologies

The 2025 survey results uncover a transformational pivot to technology, with *Implementing New Technologies* (55%) debuting on the survey as the top competitor growth strategy.

Offering More Services is ranked second in 2025 (35%), however, growth through *Acquisitions* (28%), *Entering New Geographies* (23%), and *Working Better with Logistics and Carrier Partners* (28%) have all increased dramatically this year. These findings indicate the growth playbook is taking a two-pronged approach with traditional scaling—such as acquisitions, global expansion and broader service portfolios—paralleled with technological advancement.

Competitor Growth Strategies



While demand to provide new services is still strong, there is an apparent shift towards implementing and scaling new technologies.

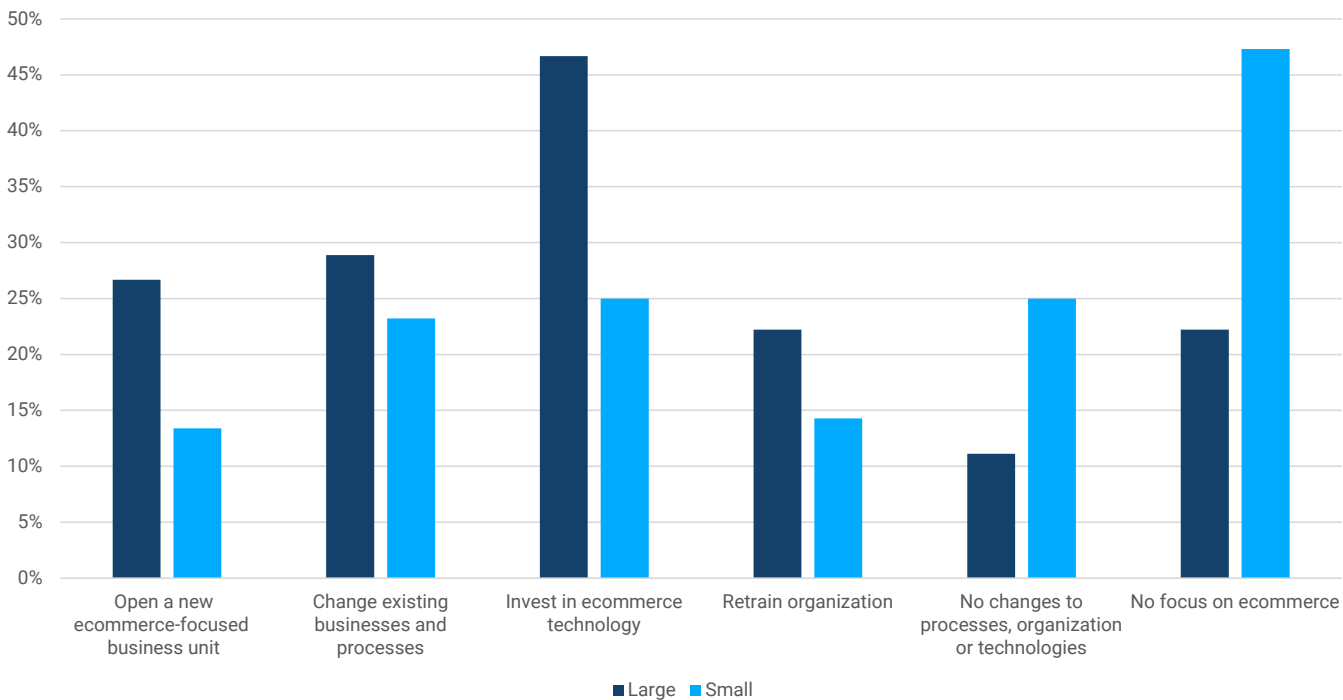
Ecommerce Strategy: Fading Momentum

While interest in ecommerce surged in previous years, peaking during the pandemic in 2022, the survey results show momentum slowing. In 2025, it is notable just how many forwarders and brokers do not see the value of ecommerce and have no focus on (41%) or no strategy for (21%) ecommerce. In fact, *No Focus on Ecommerce* was the predominant strategy in the two most recent surveys.

Meanwhile, the remaining logistics companies maintain moderate but fading interest in ecommerce. For example, strategies to *Retrain Organization* (17%), *Open a New Ecommerce-Focused Business Unit* (15%) and even *Invest in Ecommerce Technology* (26%) have all fallen to their lowest levels since 2019.

However, the survey did uncover an ecommerce strategy divide based on company size. Smaller companies may have less interest in ecommerce because it requires volume for profitability. The below figure shows how 47% of *Small* companies have no focus on ecommerce, compared to only 22% of *Large* companies. In contrast, 47% of *Large* companies are investing in ecommerce technology, compared to only 25% of *Small* companies.

Large vs. Small Company Strategies to Capture More Ecommerce Business



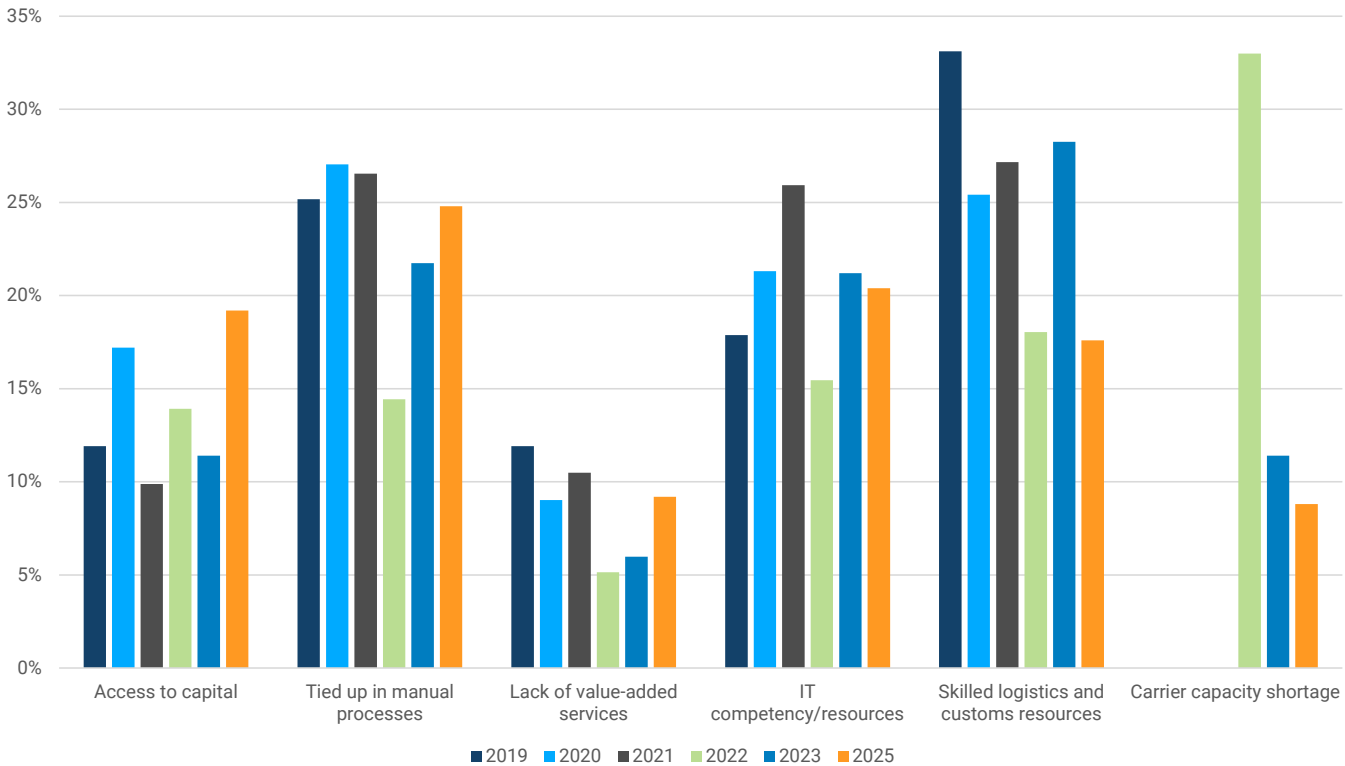
Growth Inhibitor: Manual Processes

The industry has experienced changing growth inhibitors over the last six years. In 2019, the greatest inhibitor to growth was a lack of *Skilled Logistics and Customs Resources*, but this option has fallen significantly from 33% in 2019 to 17% in 2025. In 2022, *Carrier Capacity Shortage* (33%) redefined growth barriers, underscoring vulnerability to the global supply chain crisis, but quickly dropped to only 8% by 2025.

During this time, *Manual Processes*—the top selection in 2025 at 25%—has remained a prevailing growth inhibitor since 2019. The other primary growth inhibitors this year are *Access to Capital* (19%) and *IT Competency/Resources* (20%).

Again, the results highlight the importance of technology, as forwarders and brokers seek support from IT to automate manual processes, especially *Large* companies which identify both *Manual Processes* and *IT Competency/Resources* as their main growth inhibitors in 2025 at 24% each. In contrast, the top growth inhibitor for *Small* companies is *Access to Capital* (27%).

Greatest Growth Inhibitors

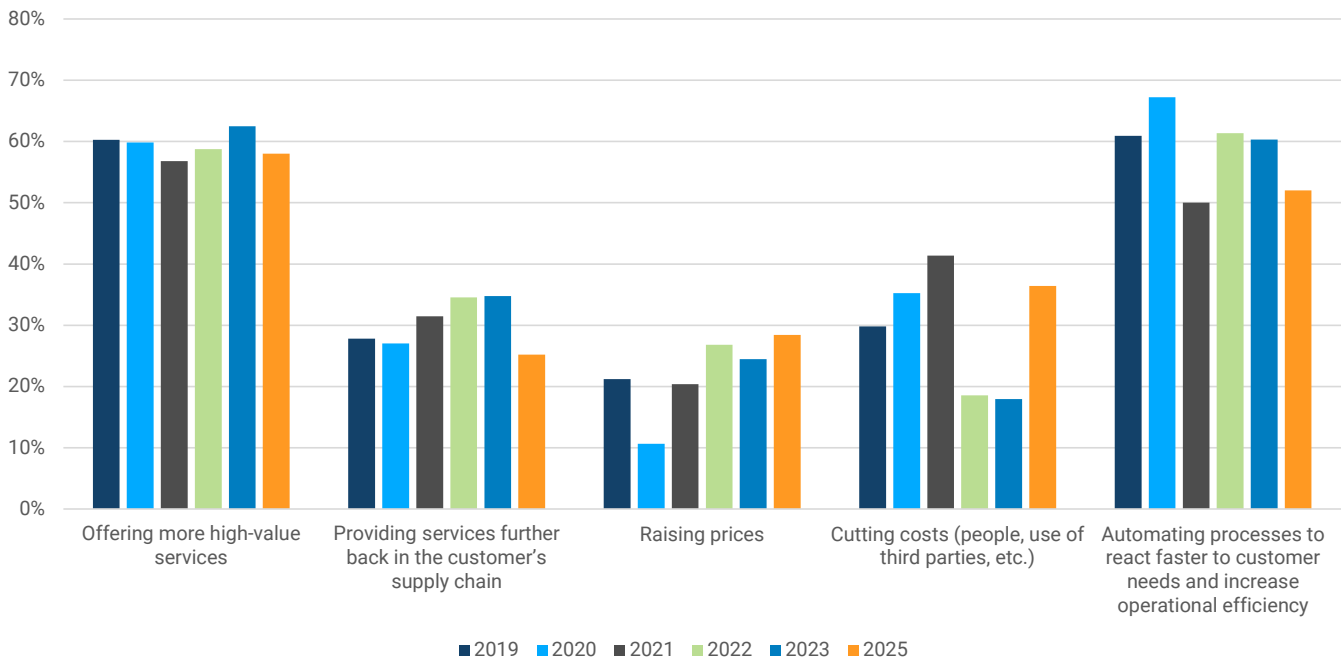


Improving Margins: Balance Between Proactive and Defensive

Offering More High-Value Services (58%) and Automating Processes (52%) have consistently been the leading tactics to improve margins since 2019. However, survey results show the industry’s margin strategy oscillating between service-led growth and defensive austerity. In 2025, forwarders and brokers are employing a blend of proactive measures such as services and automation, and defensive tactics such as *Cutting Costs* (36%) and *Raising Prices* (28%).

The statistics also display a divide between *Thrivers* and *Survivors* along these lines. *Thrivers* focus more on *High-Value Services* (59%) and *Automating Processes* (64%), while *Survivors* are *Cutting Costs* (53%) and *Raising Prices* (44%).

Tactics to Improve Margins



Industry margins oscillate between service-led growth and defensive austerity.

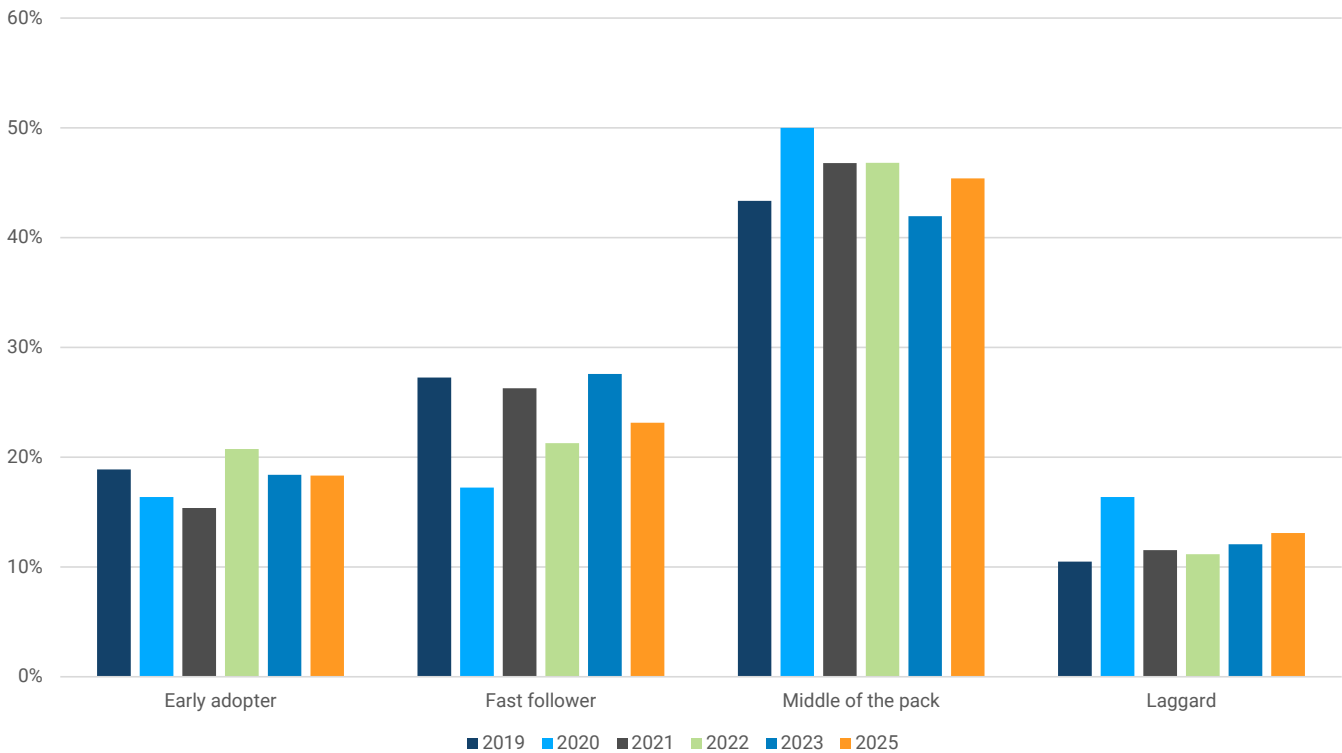
Technology Strategy: Conservative Rather Than Transformational

While technology is seen as mission critical, as referenced in several graphs in this report, it is interesting to see in the below figure that the industry’s actual technology adoption strategy reflects incrementalism rather than transformation, highlighting the “wait-and-see” hesitation of many forwarders and brokers who would rather stick to proven solutions than lead innovation. The majority identify as *Middle of the Pack* consistently from 2019 to 2025, and the percentage of self-identified *Laggards* has actually been increasing over the past few years.

A small but steady group of *Early Adopters* continues to invest in and experiment with technology, but this is on a smaller scale than the transformative initiatives we have seen in the past. From 2021 to 2022, the survey results show an acceleration in technology adoption, with more *Fast Followers* emerging in 2021 and more *Early Adopters* in 2022. However, from 2023 to 2025 momentum is clearly slowing. The innovation curve has plateaued, with most firms settling back into the conservative strategies exhibited during 2019 and 2020.

The survey results also show that *Large* companies have more aggressive technology strategies. While the majority of both *Large* and *Small* companies identify as *Middle of the Pack*, about one-third (32%) of *Large* companies are *Early Adopters* versus only 17% of *Small* companies.

Technology Strategies



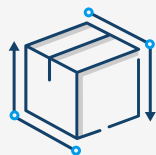
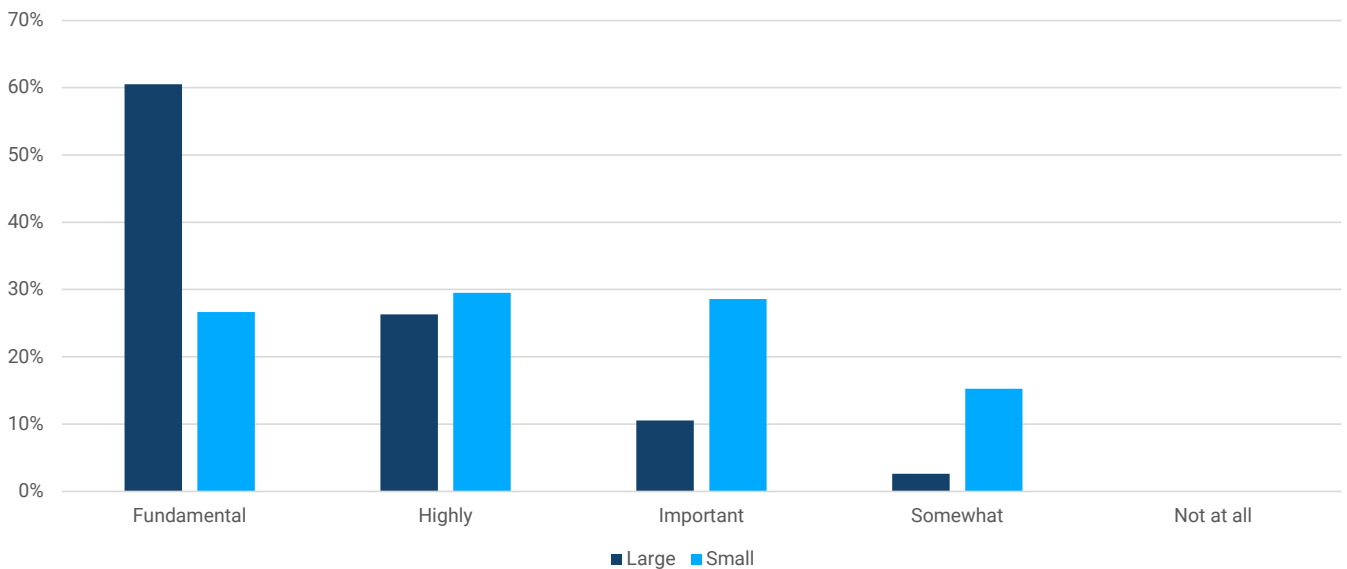
Technology and Growth Strategy: Key for Large Companies

Technology is universally acknowledged by forwarders and brokers as a key to growth, but similar to the previous graph on technology adoption the depth of commitment varies widely. Only a third fully commit to technology as *Fundamental* to growth.

While technology is highly valued, the actual integration is tempered by the wait-and-see approach, likely in response to economic and regulatory uncertainty. Forwarders and brokers are cautiously waiting to see where the trading environment is headed before they bet big on new technology initiatives.

Echoing the results for the *Technology Strategy* category, *Large* companies are significantly more focused on technology as a key to growth (60%) compared to *Small* companies (27%)—a 33 percentage point difference. While *Large* logistics companies depend on technology to automate processes and handle high volumes, many *Small* companies do not have access to the capital required to make major technology investments, as seen in the results for the *Growth Inhibitor* category.

Large vs. Small Company Value of Technology to Growth Strategy



While there is universal recognition on the importance of technology integration, there is an uneven commitment across large and small companies in particular.

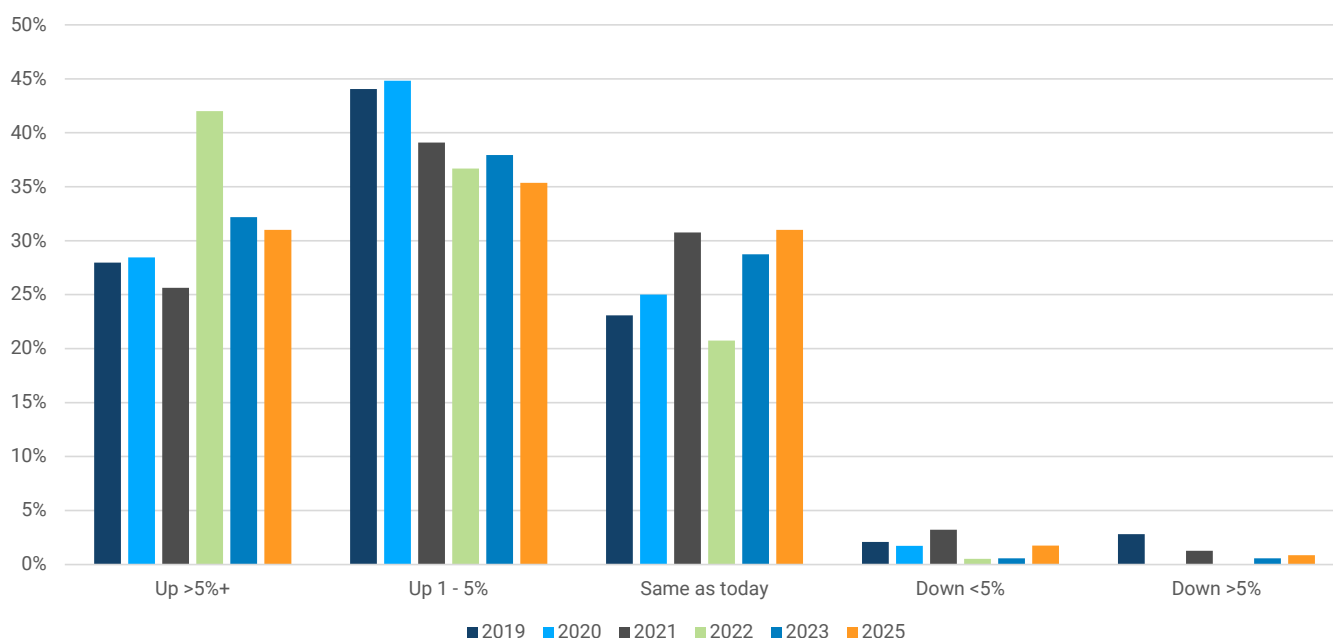
IT Spending: Moving Toward Stabilization

In 2025, most forwarders and brokers plan to increase spending between 1% and 5% over the next two years, which has remained the predominant strategy since 2019, other than a spike in 2022 when the majority invested more than 5%. This year, about one-third are also planning to increase by more than 5%, and another third expect to invest the *Same as Today*.

The number of respondents that plan to invest the *Same as Today* has increased over the years, from 23% in 2019 to 31% in 2025, while those spending 1-5% is at the lowest level in the past six years, from a peak of 45% in 2020 down to 35% in 2025. While many are still investing aggressively, results show incremental increases shrinking, aggressive growth stabilizing, and flat spending rising. Again, this reflects the wait-and-see approach demonstrated throughout the survey.

Drilling down to company size reveals a familiar division: Most *Large* companies (50%) plan to increase IT spend to more than 5%, while most *Small* companies are keeping spending the same (37%), again spotlighting the critical importance of technology to enterprise businesses.

IT Spending Change Over the Next 2 Years



While there is less of a focus on technology spend than during the pandemic, the majority of those surveyed plan to up their IT spend by 1-5% in the next two years.

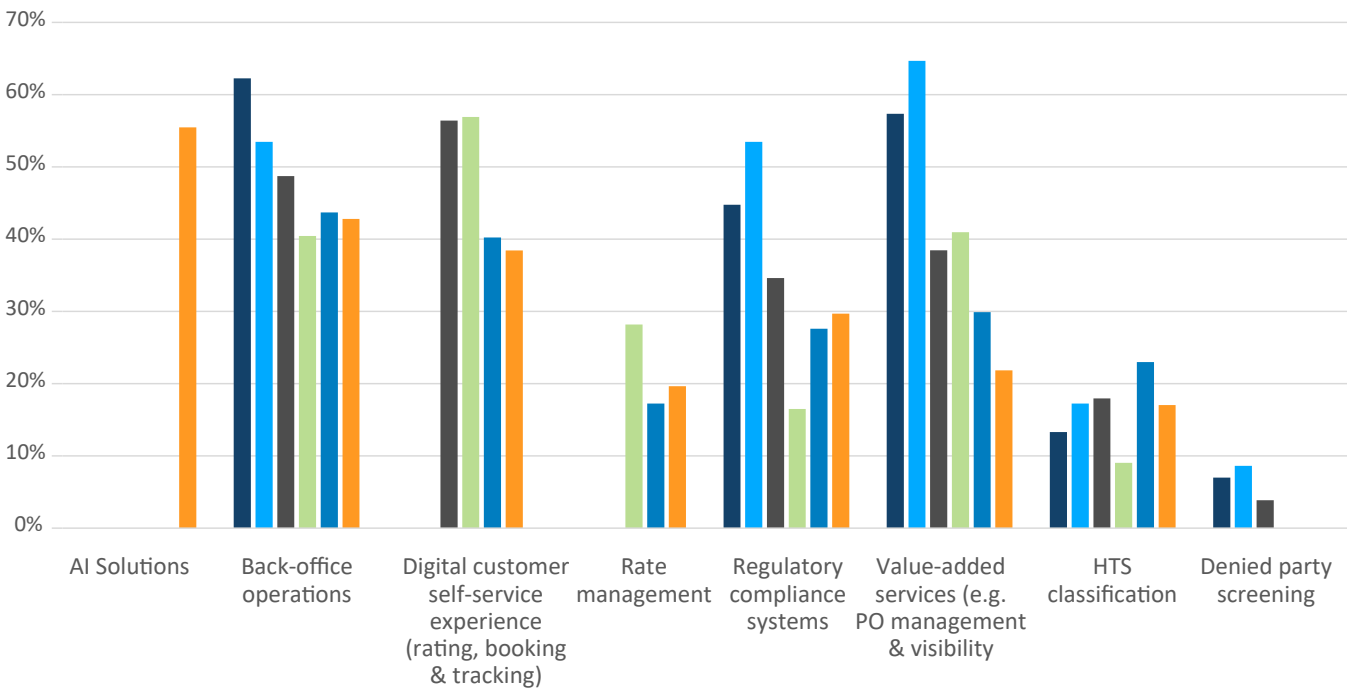
IT Value: Analytics and Intelligence

In the *IT Value* category, the 2025 survey results reveal a noticeable shift in focus, as artificial intelligence (AI) takes center stage and many traditional technologies see a decline in perceived value. Yet, two essential areas—*Rate Management* and *Regulatory Compliance Systems*—stand out as exceptions, both showing gains in 2025. *Rate Management* has grown in importance for its ability to deliver automated, self-service rating and quoting capabilities to customers, while *Regulatory Compliance Systems* continue a three-year upward trend, reflecting the logistics industry’s growing emphasis on meeting complex and evolving regulatory demands.

Over the past six years, IT’s role in logistics has transformed dramatically—from streamlining back-office operations to enabling digital customer engagement, and now to harnessing intelligent automation. Between 2019 and 2020, forwarders and brokers focused on efficiency and compliance improvements. The next phase, during 2021 and 2022, brought rapid investment in customer-facing platforms and enhanced visibility. By 2025, *AI Solutions* emerge as the new benchmark of IT value, with 65.5% identifying AI as the leading contributor—a clear indication that the industry is entering an intelligence-driven era.

This shift is mirrored in IT investment priorities. For the first time, AI dominates as the top area of planned investment, with 55% of respondents confirming it as their main focus for the next two years. Though AI captures the largest share, other technologies continue to gain traction—*Rate Management* rises to 20%, and *Regulatory Compliance Systems*, propelled by ongoing regulatory pressures, climb to 30%, securing the third position overall. Meanwhile, other areas, including *Digital Customer Self-Service Experience* (38%), have seen declines. The overarching narrative of IT investment has evolved in step with technological maturity: from efficiency (2019–2020) to digitization (2021–2022), and now to intelligence and automation (2023–2025).

Greatest Value for IT Over the Next 2 Years

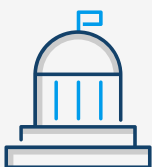
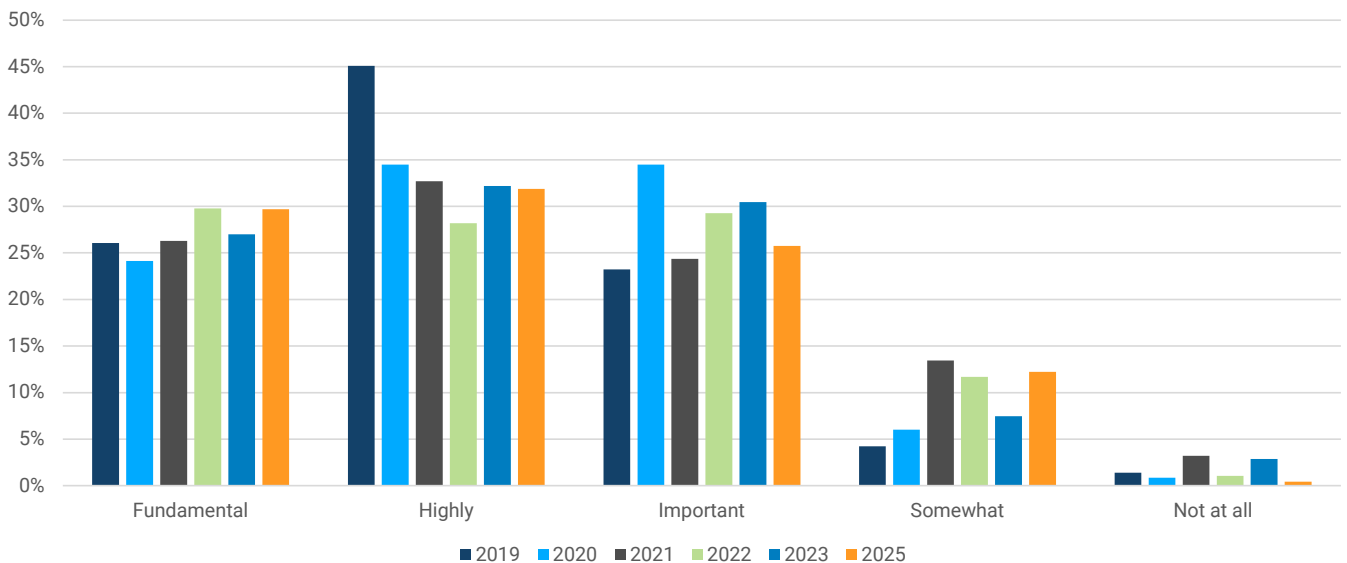


Technology for Regulatory Compliance: Varying Commitment

The industry recognizes technology as central to regulatory compliance—30% of survey respondents and 50% of *Large* companies say it is *Fundamental*, and another 32% of respondents and 39% of *Large* companies believe it is *Highly* important. In the *IT Value* category, we also see the value of regulatory compliance systems rising in the last three surveys, suggesting a reaction to increased regulatory pressures and constantly changing tariff policies.

However, the commitment to technology for regulatory compliance still varies. The number of respondents classifying technology as *Important* or *Highly* important is slowly eroding in recent years, while the percentage for *Somewhat* important is rising. Progressive companies use technology as the foundation of compliance resilience, but many others do not view it as critical, ultimately leaving them at risk as they navigate the increasing complexity of the regulatory landscape.

Technology’s Support for Regulatory Compliance Initiatives



Those companies that view technology as less important may expose themselves to greater risk as regulatory demands grow more complex.

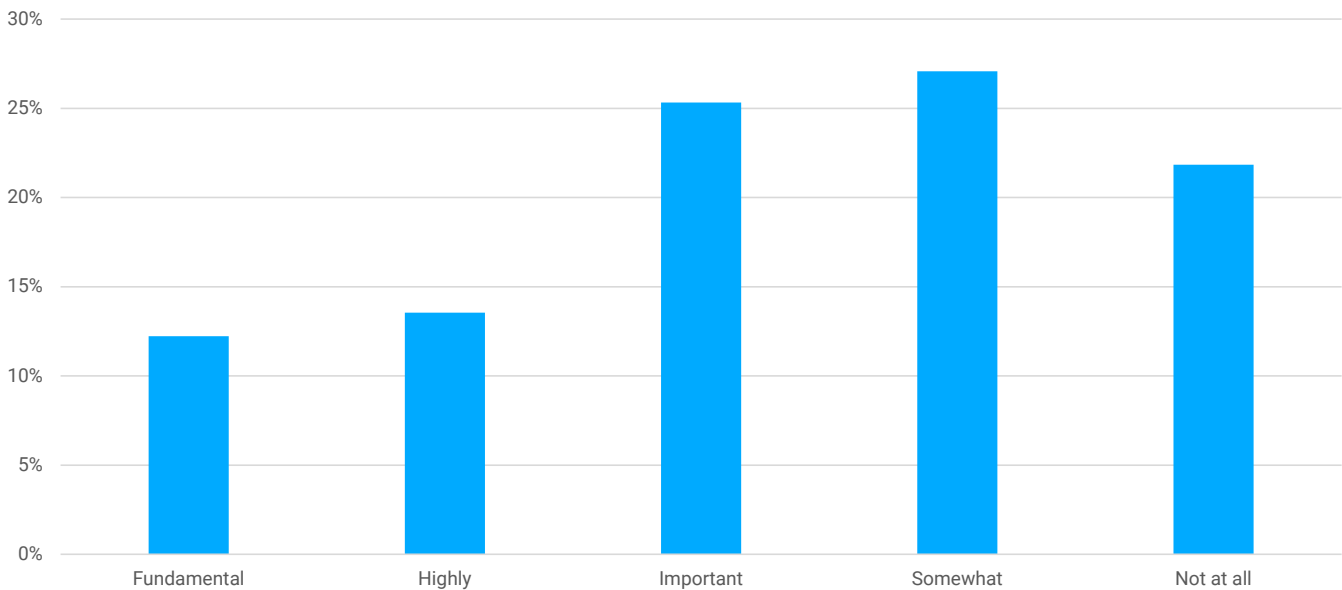
Importance of GenAI: Just Getting Started

According to the survey, Generative AI (GenAI) is seen as consequential by most organizations, but not all, despite its seemingly unstoppable momentum.

Results from 2025, the first year GenAI was included in the survey, show a quarter of forwarders and brokers are all-in—designating GenAI as *Fundamental* or *Highly important*, and leveraging the competitive advantage early. Over half the industry is in testing or cautious exploration mode—calling GenAI *Important* or *Somewhat important*, and waiting for more clarity on Return on Investment (ROI), best practices, regulations and governance. One-fifth remain disengaged, at risk of falling behind as GenAI adoption escalates.

While GenAI adoption is moving forward, this is just the beginning and some forwarders and brokers express trepidation, likely driven by lack of understanding or being able to identify direct results from current technology solutions. Everyone hears the buzz about AI and how it’s the next big technology advancement, or even how it will transform the industry, but understandably there is still a gap in connecting that concept to the reality of how AI will actually impact the user’s business.

Importance of GenAI to the Organization



AI is widely hailed as the next big technological revolution, but many of our survey respondents are on the fence about how adoption will tangibly impact their operations.

AI Impact: The Age of Exploration

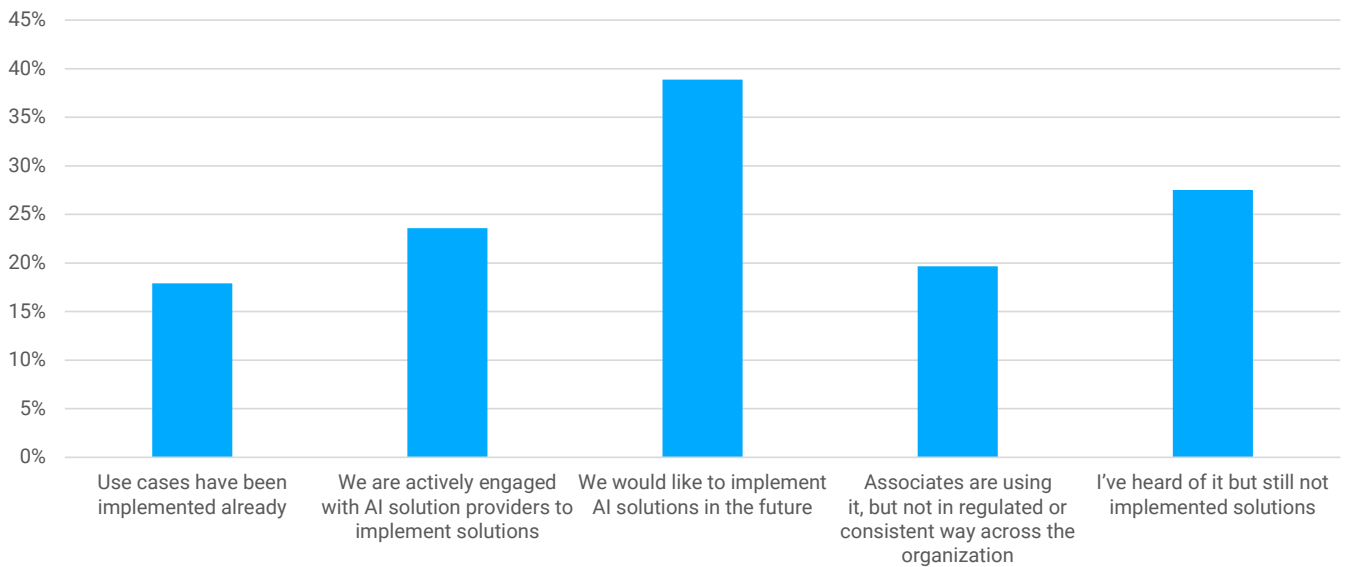
The majority of firms are still in the early to middle stages of AI maturity, expressing curiosity and intention, even pursuing exploration, but not fully executing.

According to the 2025 survey results, just under one-fifth (18%) are pioneers on the cutting edge, already extracting value from AI through live use cases. About one quarter (24%) are in the process of implementing solutions. One-fifth (20%) of respondents—which may be an overlap of these two groups—are informally experimenting with AI tools, demonstrating innovation potential but also posing compliance risks as these users are not managed or regulated. AI can be a double-edged sword, offering a productivity boost while simultaneously exposing the company to security vulnerabilities, so true maturity requires a balance of governance and innovation.

The largest group (39%) express a desire to implement AI solutions in the future, but have yet to do so, and just over one quarter (28%)—the group most at risk of falling behind—may be aware of AI’s potential but have not implemented any AI solutions.

A previous graph representing the *Competitive Advantage* category, also positions AI as an aspiration. In that category, forwarders and brokers see AI as their competition’s greatest competitive advantage but not their own. This statistic further supports the conclusion that AI is still just a concept for many in the industry, rather than a reality. However, it is also important to understand that this does not negate the massive impact AI is expected to have on the logistics industry in the near future.

Impact of AI on the Business



Conclusion

Strategic Divide: Proactive Growth vs. Defensive “Wait-and-See” Approach

In 2025, the logistics industry faces volume declines and cost pressures, primarily driven by the global instability cited by respondents as the number one macroeconomic challenge. Survey respondents report the largest decline of greater-than-100K shipment volumes since 2019—down 17 percentage points since the peak in 2022—and the greatest increase in less-than-10K shipment volumes.

Tariff volatility, an unprecedented challenge arising this year—ranking high in many of the 2025 survey categories—adds to the uncertainty of the global trading environment. Meanwhile, many forwarders and brokers, especially smaller companies, lack the capital to invest assertively in growth.

Consequently, many logistics companies are shifting from a proactive growth stance to a more defensive posture, taking a wait-and-see approach, simply trying to survive the economic, geopolitical and regulatory storms. This is evident in the accelerated move back to cutting costs and raising prices; a focus on process optimization, automation and efficiency; as well as an increase in acquisitions, consolidation and even exiting the industry.

Conversely, however, some companies—especially large enterprises—are taking advantage of the opportunity, investing in growth and technology to gain an edge on competitors and capture market share. These companies will plausibly emerge as the winners when the supply chain turbulence subsides.

Embracing Technology with a Wavering Commitment

Technology is clearly seen as an essential competitive advantage and key growth driver by forwarders and brokers, cited as the top strategy to prepare for change and the top competitor strategy for growth. In addition, a majority (67%) see technology as fundamental or highly important for growth. The survey reveals a rising interest in critical technologies such as rate management and compliance management—correlating with pricing and regulatory pressures which are seen as major challenges in 2025.

However, despite this theoretical appreciation for technology, many are hesitating to actually increase technology investments, instead taking the wait-and-see approach discussed earlier. In fact, less than 6% of respondents claim technology as a competitive advantage.

This hesitation is compounded by another issue, a lack of access to capital, especially for *Small* companies and *Survivors*. *Large* companies and *Thrivers* are not as restricted financially, and consequently are pursuing more aggressive innovation strategies.

The ability to leverage AI to automate processes, such as rate management and compliance, is poised to transform technology in logistics—and is designated as the top competitive advantage that forwarders and brokers aspire to. A majority say AI is the main source of IT value over the next two years, and plan to make AI the focal point of their IT investment over that same period.

However, similar to technology in general, we also see an uneven commitment to AI across the industry. For example, almost a third of respondents have not implemented any AI solutions. Generative AI, a subset of AI that is making a lot of headlines recently, has even less traction, with only 12% confirming that GenAI is fundamental in their organization, while in contrast 21% say it is not important at all. But it is worth noting that these statistics do not necessarily downplay the importance of AI.

How Descartes Can Help

With more than 30 years of industry experience, Descartes is uniquely positioned to help organizations thrive. By combining deep industry expertise with advanced, scalable solutions, Descartes empowers companies to overcome macroeconomic changes, optimize operations through smart automations, and embrace the transformative power of technology.

Supply Chain Challenges

In today's unpredictable global environment, forwarders and brokers face mounting pressures from shifting tariffs, regulatory complexity, and volatile market conditions. Descartes helps businesses navigate this uncertainty with flexible, scalable solutions that provide visibility across the entire supply chain. By offering real-time data integration, compliance automation, and advanced trade intelligence, Descartes empowers companies to make informed decisions quickly, adapt to regulatory changes, and turn instability into opportunity. Instead of waiting and reacting, organizations can proactively leverage Descartes solutions to stay compliant, competitive, and resilient in the face of global shocks.

Focus on Optimization

As many logistics providers tighten budgets and prioritize efficiency, Descartes enables organizations to achieve more with less. With powerful automation tools and streamlined workflows, companies can reduce manual processes, minimize errors, and cut costs while maintaining high service levels. Descartes solutions optimize customs filings, deliver end-to-end financial and operational management, and customer-facing quoting to free up capital and resources. This operational efficiency not only drives cost savings but also positions forwarders and brokers to scale sustainably amid challenging macro-level change.

Adoption of Advanced Technology

While the logistics industry recognizes the transformative potential of AI and machine learning, adoption often lags due to resource limitations. Descartes bridges this gap by delivering accessible, industry-leading technologies tailored for businesses of all sizes. From shipment visibility to analytics, Descartes provides tools that help organizations harness technology without the burden of building it in-house. By equipping forwarders and brokers with scalable innovation, Descartes levels the playing field, enabling small to mid-size forwarders to better compete alongside larger industry players who have already embraced a technology-first strategy.

About Descartes Systems Group

Descartes (Nasdaq:DSGX) (TSX:DSG) is the global leader in providing on-demand, software-as-a-service solutions focused on improving the productivity, security and sustainability of logistics-intensive businesses. Customers use our modular, software-as-a-service solutions to route, track and help improve the safety, performance and compliance of delivery resources; plan, allocate and execute shipments; rate, audit and pay transportation invoices; access global trade data; file customs and security documents for imports and exports; and complete numerous other logistics processes by participating in the world's largest, collaborative multimodal logistics community. Our headquarters are in Waterloo, Ontario, Canada and we have offices and partners around the world.

Learn more at www.descartes.com and connect with us on [LinkedIn](#) and [X](#).

Contact Descartes to learn how to adapt to evolving industry and macroeconomic change through best-in-class technology.

Uniting the People & Technology That Move the World.