Last Mile LEADERS

Hosted By FarEye

2026

EYE ON THE LAST MILE 8.0

EMEA REPORT

THE LAST-MILE CONVERGENCE: WHAT EMEA LAST MILE LEADERS MUST DO NEXT



THE CONTEXT

2026 tipped the coin.

Volatility hit the part of the supply chain that was already the most expensive, and the most fragile.

Feb '26

A conflict involving Iran disrupts shipping through the Strait of Hormuz. Fuel prices and insurance premiums surge.[1]

41%

of total supply chain cost sits in the last mile: the most exposed link when inputs spike.[2]

EMEA

Europe and the Middle East sit at the centre of these events, or close to them. Naturally, they feel it first.



Delivery is a coin.

Cost on one side. Customer experience on the other. Lean too far either way, and it tumbles.

Balancing it takes people, technology, capital, solid distribution lines, carrier relationships and agile operations. Above all, it takes knowing what each one costs. Very few leaders are its artists.

THE ONE QUESTION THAT MATTERS

Which assets, operating models, customer promises and technologies are genuinely worth their cost?

[1] Lubes'N'Greases, "Hormuz Still Choked After Iran Ceasefire", 2026. lubesngreases.com

[2] Capgemini Research Institute, "The Last-Mile Delivery Challenge". capgemini.com

AT A GLANCE

Eight numbers. One story.

96%

of firms are paying more per delivery than a year ago. The typical rise: 9%.

2.3×

Own-fleet operators are 2.3× as likely to see costs outrun revenue (60% vs 26%).

2.5×

Fully outsourced firms are 2.5× as likely to rank exceptions as a top-three cost (50% vs 20%).

51%

of outsourced firms say carrier information is unreliable. Their #1 problem isn't price (22%).

43% / 11%

43% offer same-day delivery. Only 11% say speed is what customers value most.

63%

say reliability is the promise that matters most: a predictable time, right first time.

18%

run AI at scale. Another 51% are stuck somewhere mid-rollout.

64%

of the most mature operations see costs outrun revenue, against 22% of the least mature.

Source: Eye on the Last Mile EMEA 2026, industry-only primary research on shippers and logistics providers.

CHAPTER 1 · THE COST SIDE

Inflation isn't a spike. It's the baseline.

Fuel, insurance and wages all moved the wrong way in 2026. Almost everyone is paying more to deliver, but the weight didn't fall evenly.

76% say costs grew at least as fast as revenue

96% report a rise in cost per delivery

1 in 4 saw rises of 15% or more

9% is the typical rise

Own the fleet, own the squeeze.

Every rise in fuel, wages or vehicle prices lands straight on the owner's books. Own-fleet operators are 2.3× as likely to see costs outrun revenue.



Share reporting costs outpacing revenue

The bill gets the attention.

#1 Fuel is the cost driver ranked first most often (31%)

69% name inefficient routing and high fuel costs as a challenge

Failed deliveries, drop density and regulation sit at the bottom of the list. They never arrive as a single bill, so they rarely get the attention.

SO WHAT?

Measure cost to serve per delivery. It's the only level where the controllable costs show up.

Source: Eye on the Last Mile EMEA 2026 survey.

CHAPTER 2 · THE OPERATING MODEL

Outsourcing moves the problem: from the fleet to the data.

Hand the vans to someone else and their costs become someone else's problem. But the coin then rests on people you don't manage, and data you don't own.

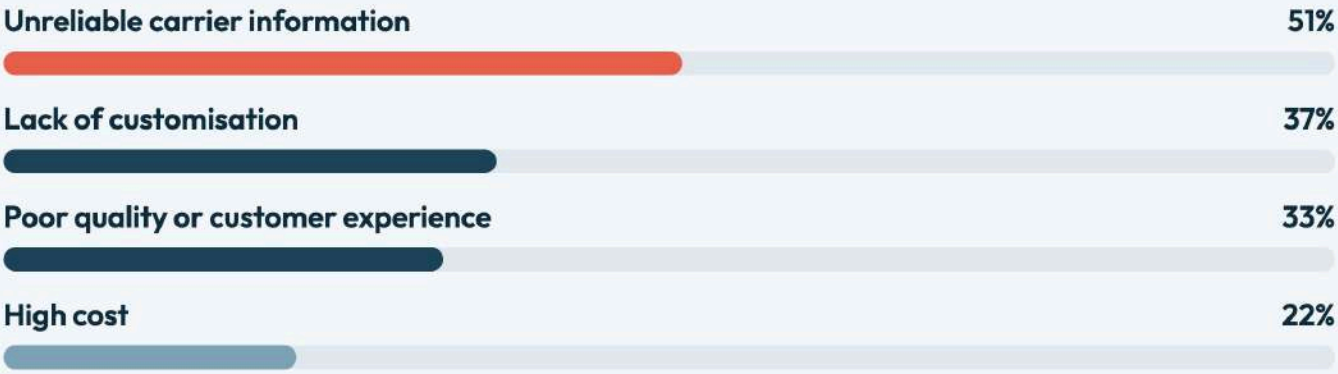
1 in 3

shippers plan to outsource more (36%). They buy flexibility (81%) far more often than savings (49%).

2.5×

Fully outsourced firms are 2.5× as likely to rank failed deliveries and exceptions as a top-three cost (50% vs 20%).

What actually goes wrong? Not the price.



Fully outsourced firms: biggest outsourcing challenges

Both sides are blind in the same place.

47% of shippers struggle with inconsistent carrier data

50% of logistics providers lack real-time visibility themselves

SO WHAT?

Contract for data, not just delivery.

Source: Eye on the Last Mile EMEA 2026 survey.

CHAPTER 3 · THE CUSTOMER SIDE

Customers want it right, not right now.

Businesses keep selling speed. Customers keep asking for certainty.

43%

of firms offer same-day or expedited delivery

11%

say speed is what customers value most

63%

say reliability matters most: a predictable time, right first time

WHAT SHOPPERS SAY

72%

of European shoppers prefer free delivery over paid next-day

Sendcloud, 2026

2×

Free shipping closes twice as many purchases as fast delivery (41% vs 20%)

DHL eCommerce, 2026

92%

of Dutch shoppers rank reliability as the most important delivery attribute

Ingrid, 2026

53%

of Dutch shoppers would wait an extra day for their preferred carrier

Ingrid, 2026

> **Delivery accuracy is more important than delivery speed.**
>
> Retail shipper, survey respondent

SO WHAT?

Free standard delivery by default. Speed as a paid upgrade. A reliable slot the customer chooses.

Shopper figures come from published consumer studies; firm figures from the Eye on the Last Mile EMEA 2026 survey

CHAPTER 3 · THE CUSTOMER SIDE

The promise is made at checkout. Then customers start asking.

AT CHECKOUT: WHAT SHOPPERS DO

48%
abandoned a cart over delivery in the last three months[1]

4 in 10
walk away over unexpected delivery costs[1,2]

8 in 10
would leave if their preferred delivery option is missing[3]

On the firms' side: only 27% show a delivery date before checkout, and only 19% offer narrow delivery windows.

1 in 5

customers ask "Where is my order?" And it's getting louder.

25% vs 15%
Same-day offerers get more order-status calls. Tighter promise, less patience.

20% vs 18%
Firms using AI get as many calls as those that don't.

The customer blames the brand.

42% of shoppers blame the store, not the carrier. 29% stop ordering after a failed delivery.[1]

Customers learned it elsewhere.

Food delivery and ride-hailing apps taught them to watch every step. A parcel that goes quiet for a day now feels lost.

SO WHAT?

Show the date in the basket. Tell customers before they have to ask.

[1] Sendcloud, E-commerce Delivery Compass 2026. sendcloud.com

[2] Baymard Institute, cart abandonment research, 2026. baymard.com

[3] DHL eCommerce, Delivery and Returns Trends, 2026. dhl.com

SPECIAL FOCUS · SHIPPERS AND CARRIERS

Same delivery. Different language.

Shippers and logistics providers look at the same delivery from opposite sides of the invoice.

Same cost, opposite sides.



Share ranking each driver among their top-three last-mile costs

A shipper's rate rise is often a driver's wage rise, passed through.

Different scorecards.

Carriers judge a delivery by the first attempt (40%). Shippers judge it by a predictable time (42%). The customer calls the brand, not the van.

Different pressure.

Carriers are twice as likely to see costs outrun revenue (61% vs 32%). They can't cut wages without losing capacity, so they reprice.

SO WHAT?

Stop haggling over rates. Co-design the cost, and write the shipper's KPI into the contract.

Source: Eye on the Last Mile EMEA 2026 survey.

CHAPTER 4 · THE TECHNOLOGY

AI is in flight. Few have landed it.

Technology should be the steady hand on the coin.

69% are already building with AI

but only 18% run it at scale



At scale 18% Implementing 51% Exploring 20% Not started or no plans 11%

What's holding it back? It's not the money.

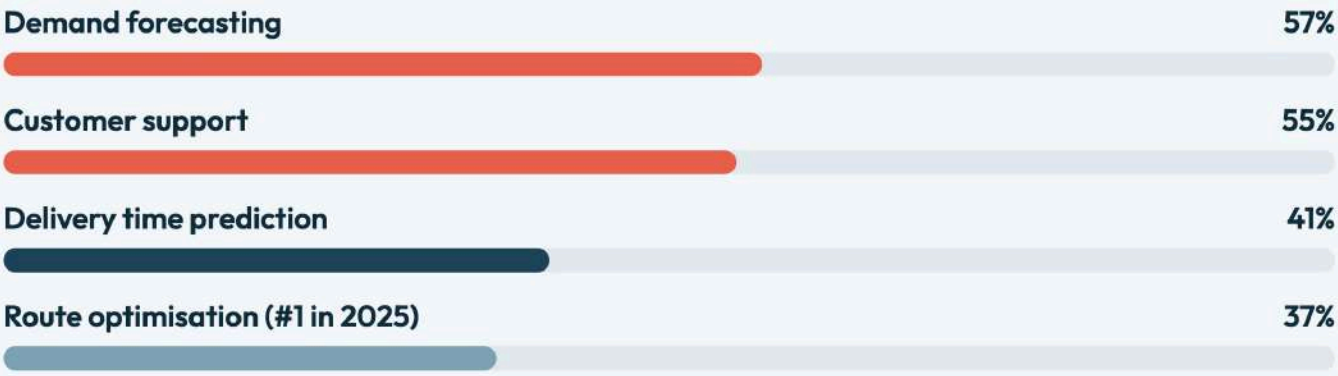
48%
People: expertise, change management, trust

46%
Data: poor data quality and integration

16%
Budget: cost or unclear ROI

Firms not yet running AI at scale: main barriers

AI has moved from the route to the customer.



Most common live AI uses among adopters, 2026

SO WHAT?

Tie every AI investment to a cost-to-serve metric before launch, not after.

Source: Eye on the Last Mile EMEA 2026 survey.

BEYOND THE DOORSTEP

Which delivery gets it right first time, 99% of the time? The locker.

99%+
first-time success for out-of-home delivery

8–25%
of home deliveries fail at the first attempt

€12–20
is what each undelivered parcel costs

7×
a locker courier's peak productivity: up to 1,500 parcels a day

Last Mile Experts, Out-of-Home Delivery in Europe 2026

Operators are moving: 34% of surveyed firms already offer lockers or pickup points. Logistics providers lead, at 56% vs 27% of shippers.

What holds lockers back?

Distance
The best networks sit within 350 metres of the customer.

Free home delivery
When the doorstep costs nothing, the locker is a hard sell.

Habit
Home preference runs from 24% in Poland to 89% in Saudi Arabia.

Last Mile Experts, 2026; TU Delft, 2022; DHL eCommerce, 2026

The edges of the coin.

74% **Returns:** struggle with return cost or experience. Only 15% make it a priority.

88% **Sustainability:** run a green initiative. Only 12% make it a top-three priority.

SO WHAT?

Build the locker case on avoided failed deliveries, not on green credentials alone.

Firm figures: Eye on the Last Mile EMEA 2026 survey. Market figures: published studies as cited.

IN THEIR OWN WORDS

We asked: what's the most under-discussed challenge in the last mile?

44% of answers came back to the same thing: **information**. Visibility, data quality and integration.

"Making it profitable."

Network operator

"The last 10 metres of hand-off, after the majority of the delivery effort is already executed."

CPG shipper

"Disconnect between upstream planning data and real-time physical execution."

Logistics provider

"Data visibility and forecast accuracy across third-party delivery networks."

Shipper

"Parking issues in towns and cities that mean cancelled jobs."

Shipper

"Parcel lockers are convenient, but as their popularity grows faster than capacity, customers regularly experience 'redirection' to another locker."

Retail shipper

"How to get customers to choose locker delivery as the default delivery option."

Network operator

THE ARTISTS OF THE BALANCE

The next advantage isn't doing more. It's knowing what's worth doing.

The firms keeping costs in check, versus the rest:

16% vs 52%
Own less: run their own fleet

16% vs 45%
Promise less: offer 3+ digital promise features

25% vs 55%
Plan leaner: use 3+ planning capabilities

Four decisions every leader has to make.

1. **What to own.** Own capacity only where precision earns its cost. Source the rest.
2. **What to contract for.** Carrier data and your customer KPIs, not just rates.
3. **Which promises to make.** Certainty by default. Speed as a paid upgrade.
4. **Which technology to fund.** Only what moves cost to serve, per delivery.



A good delivery is a balanced coin.

THE ECONOMICS OF A GOOD DELIVERY

ABOUT THE RESEARCH

A survey of shippers and logistics providers across Europe, the Middle East and Africa: 4,000+ data points across 32 questions.

Shopper and market figures come from published studies: Sendcloud, DHL eCommerce, Ingrid, Baymard Institute, Last Mile Experts, TU Delft, Capgemini Research Institute and Lubes'N'Greases.