



Reveel's 2025 Parcel Shipping Intelligence Market Survey Report



Not so long ago, the logistics landscape was relatively predictable and straightforward. Now, however, it has become a more dynamic and complex ecosystem than ever before, and it is being fundamentally reshaped by rising parcel spend. Gone are the days of simplified carrier deals and static pricing; today's reality demands constant oversight, strategic pivots, and relentless optimization to protect profits while enhancing speed and reliability.

This begs the question: How are companies traversing this shift? To understand the current state of parcel spend and shipping strategies, Reveel and Supply Chain Dive's studioID surveyed 150 supply chain and logistics leaders. Their insights paint a clear picture: parcel spend and shipping complexity are undeniably increasing, demanding urgent attention from leaders seeking to turn escalating costs from a burden into a competitive advantage.

This report — the first in a planned annual series — delivers exclusive data to help you benchmark your performance and pinpoint opportunities for parcel spend optimization. By tracking these insights from the beginning, you will gain an invaluable understanding of emerging trends and challenges as they evolve year over year.



Where Is Parcel Spend Headed?

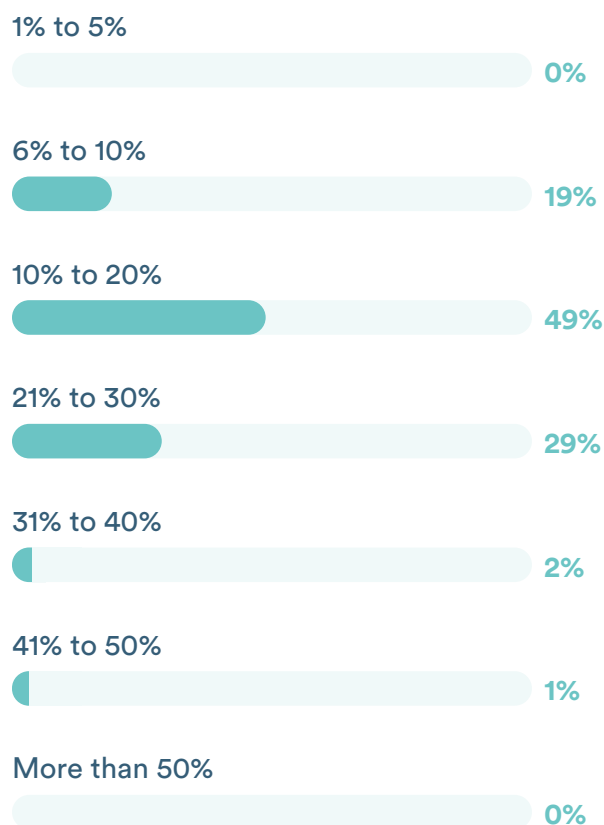
Companies face countless demands on their budgets, from sustainability initiatives and digital transformation to customer experience enhancements and service expansion. Amid these priorities, how much are logistics – and specifically parcel shipping – consuming?

Our survey reveals that logistics commands a significant portion of operational costs, averaging 22% among respondents. Within their overall logistics budgets, respondents report that parcel spend breaks down as follows:

- **37%** allocate between **\$2 million and \$10 million**.
- **42%** allocate between **\$10 million and \$50 million**.
- **21%** allocate **more than \$50 million**.

These figures raise critical questions: Is this allocation the most effective use of profits? More importantly, is this spend under strategic control, or is it uncontrollably eroding funds that could fuel growth?

Percentage of Total Operating Costs Dedicated to Logistics



Why Parcel Costs Keep Rising

Even as a single-digit percentage, parcel spend consumes a considerable amount of most companies' budgets. And it's not always predictable or static. It creeps up and continues to grow unmanaged, especially as increasingly complex logistics drive costs higher.

"Parcel spend is constantly evolving, especially since 2020," says Jack McCrum, director of optimization and analytics at Reveel. "Carriers are getting very creative with how they develop pricing — to the point where they're leaning into definitional changes they don't often tell customers about. As a result, the changes go unnoticed until they become a big issue. Only then do company leaders take note and start to ask: 'What do we do now?'"

Instead of annual rate increases, regular incremental surcharges are now the norm. McCrum also says that fees like additional handling surcharges on unauthorized or oversized packages are increasing by double digits year over year. These changes cause costs to grow considerably, outpacing everything else within the spend category.

Another example, he explains, takes place right before peak season, when carriers reevaluate demand surcharges. It happens at the last minute, so companies don't have time to plan or respond. "All you can do is look at last year's model and bake in a variable percentage that estimates an increase of around 6%," says McCrum. "Sometimes that's effective, but sometimes it isn't."

Tackling this complexity requires dedicated resources. If your company employs a team of analysts with enough time and expertise to constantly dissect carrier invoices and model scenarios, you might manage to stay ahead. However, many organizations lack these specialized internal resources, leaving them vulnerable to hidden costs and missed optimization opportunities.

That's where a shipping intelligence platform comes in. It uses advanced analytics, modeling and simulation, and real-time insights to translate complex shipping data into clear, actionable opportunities for cost savings and operational improvement.

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As Parcel Spend Increases, So Does Shipping Complexity

As carriers adjust pricing models, logistics networks require more coordination, and consumers expect faster deliveries, supply chain leaders report that there's simply more to manage with shipping today.

Survey data illustrates where and how complexity is intensifying.

No Shipping Slowdown in Sight: Volumes Are Holding Steady or Expanding

In the next 12 months, 100% of supply chain and logistics leaders expect shipping volumes to either remain steady or grow compared to last year. Specifically, **87% of survey respondents predict more shipping this year**, while 13% anticipate the same level as last year.

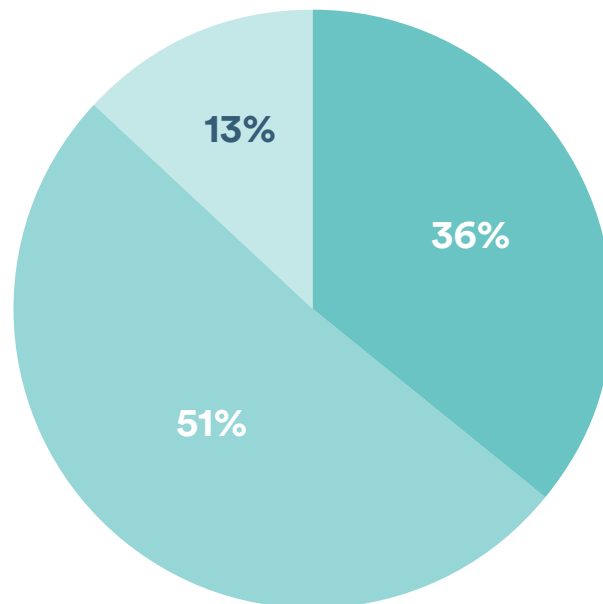
There are many drivers behind this increase:

- **The need to fulfill direct-to-consumer orders at scale.** Certain segments of e-commerce, such as social commerce, are experiencing explosive growth. This year, according to [McKinsey](#), the global social-commerce market is expected to exceed \$2 trillion.
- **The upsurge in subscription-based services.** Over the last decade, the subscription economy has [grown by 435%](#). This year, it's projected to reach a market size of \$1.5 trillion.
- **More generous return policies, which prompt an increase in returns.** In 2024, retailers saw returns totaling [approximately \\$890 billion](#) (17% of all merchandise sold).
- **International parcel volume growth.** In spite of economic fluctuations, shipping and logistics company Maersk reports that global container trade remained strong in early 2025, with fleet size [expanding by 10%](#) compared to 2024.

As companies ship more packages more frequently, managing parcel spend becomes progressively more complex. As a result, leaders must be more strategic about how they track costs, optimize carrier contracts, and identify and resolve bottlenecks.

By taking a proactive approach to addressing these inefficiencies, leaders can not only reduce expenses but also improve delivery speed and customer experiences, turning shipping into a strong competitive advantage.

In the next 12 months, does your company expect its shipping volume to increase or decrease?



- Significant increase
- Moderate increase
- It will stay about the same

Companies Expand Carrier Partnerships to Yield Options and More Efficiency

In addition to predicting an increase in shipping volumes, most leaders also anticipate expanding their carrier networks in the next 12 months.

More than 90% of respondents plan to scale their networks within the next year.

It's a strategic move that can enhance flexibility, reduce risk, and optimize costs when handled appropriately. But adding more carriers to the mix also means additional challenges. Each carrier brings its own pricing structure to the table; their rates, surcharges, and fees must be monitored and optimized. Managing multiple carriers also complicates operations, calling for innovative ways to track, route, and integrate logistics to maintain smooth operations. As they diversify, leaders will need a clear way to evaluate carrier performance so they can refine agreements and shift volume based on service quality, reliability, and cost.

“While on-time performance can be a key factor in prompting shippers to diversify their carrier mix, it's far from their only concern,” says McCrum. “With the critical challenges respondents face with their primary carriers, it seems like there are many underlying issues that they're hoping to address by expanding their carrier networks. And with so many alternative carriers in the market, there are very compelling reasons to explore diversification.”

Does your company plan to expand its carrier network in the next year?



91%

Yes



8%

No



1%

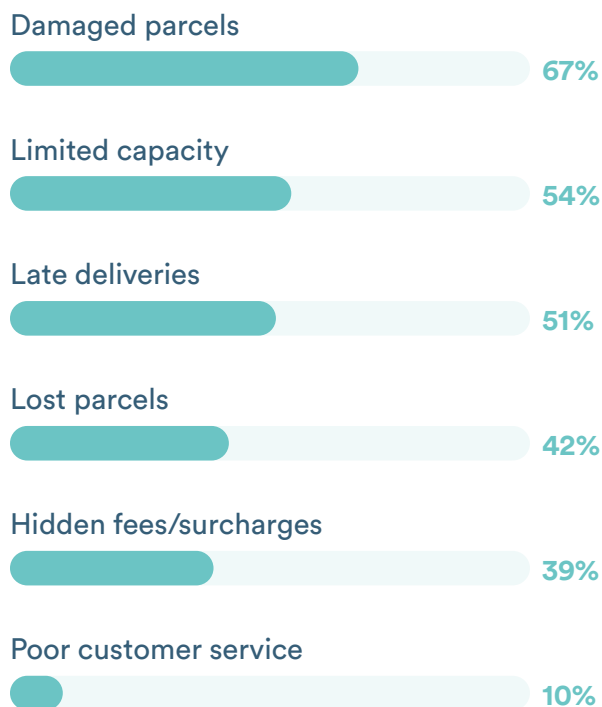
Not sure

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Critical Challenges with Primary Carriers



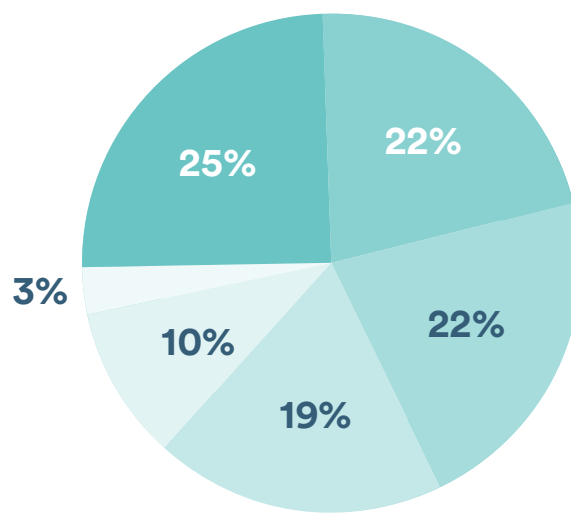
Among conversations with Reveel customers, McCrum says **cost is the most frequently cited concern**, especially as national carriers adopt more dynamic pricing models. But, as he points out, shippers are also increasingly motivated by the opportunity to:

- Avoid peak demand and other surcharges
- Enhance delivery speeds
- Strengthen their bargaining position
- Minimize disruptions due to capacity constraints, labor strikes, or weather
- Compare rates across carriers and choose the smartest option for each shipment
- Give customers faster, more convenient choices

Today's focus on carrier diversification may also be an attempt to prepare for potential complications tomorrow.

For example, within the next year, respondents anticipate challenges when it comes to carrier-capacity limitations, rising shipping costs, and regulatory changes.

What is the biggest challenge you foresee in parcel shipping in the next year?





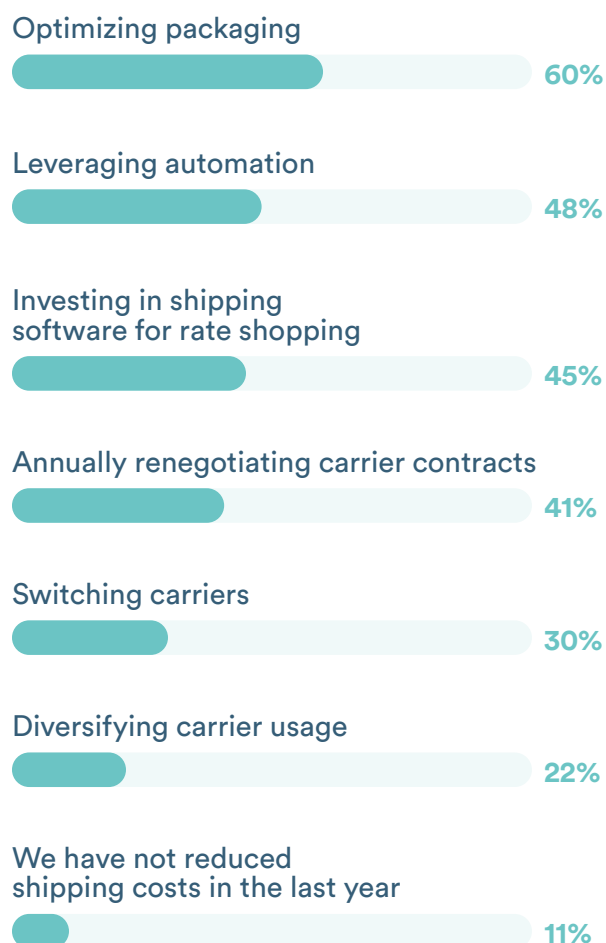
What Will It Take to Get Parcel Spend Under Control?

To date, supply chain and logistics leaders identify packaging optimization as their most effective strategy for lowering shipping costs. It performs better than leveraging automation, investing in software for rate shopping and renegotiating carrier contracts.

Because carriers commonly determine shipping costs by calculating dimensional (or volumetric) vs. actual weight, smaller boxes help them optimize space inside the truck to reduce their own costs. **As a result, shippers that can reduce their package sizes often benefit from lower rates.**

“Optimized packaging also likely ranks so high due to the availability of technology that enables shippers to make packaging changes,” explains McCrum. “There is a large ecosystem of companies and solutions designed to tackle this aspect of shipping costs. At Reveel, for example, we can pinpoint package sizes that incur the most cost and provide recommendations on how shippers can mitigate those costs. Negotiating with carriers, changing box sizes, reducing dunnage, and implementing new rules for packaging are just a few avenues that can be pursued based on this visibility.”

What Works: Most Effective Strategies to Reduce Shipping Costs



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Packaging optimization also weighs on the minds of leaders because of shipping charge corrections due to weight corrections. For example, McCrum recalls an instance where Reveel helped a company identify hidden losses caused by weight discrepancies, which led to shipping penalties on a specific type of sofa. As a result, the company no longer ships that product; it's available for store pickup only.

While optimizing packaging yields clear benefits, it's only one piece of the puzzle. Achieving comprehensive control over parcel spend requires companies to address other critical areas:

1. Invest in more robust shipping intelligence platforms

Less than half of survey respondents are completely satisfied with their companies' shipping platforms, including cost optimization, tracking/visibility, contract optimization, multicarrier management and cartonization software.

The time is right for leaders to prioritize finding the right shipping platforms for their operations and their bottom line. A robust platform should not only track shipments but also put you firmly in control, transforming data into decisions that drive profitability and service quality.

This means deploying an intelligent tool that:

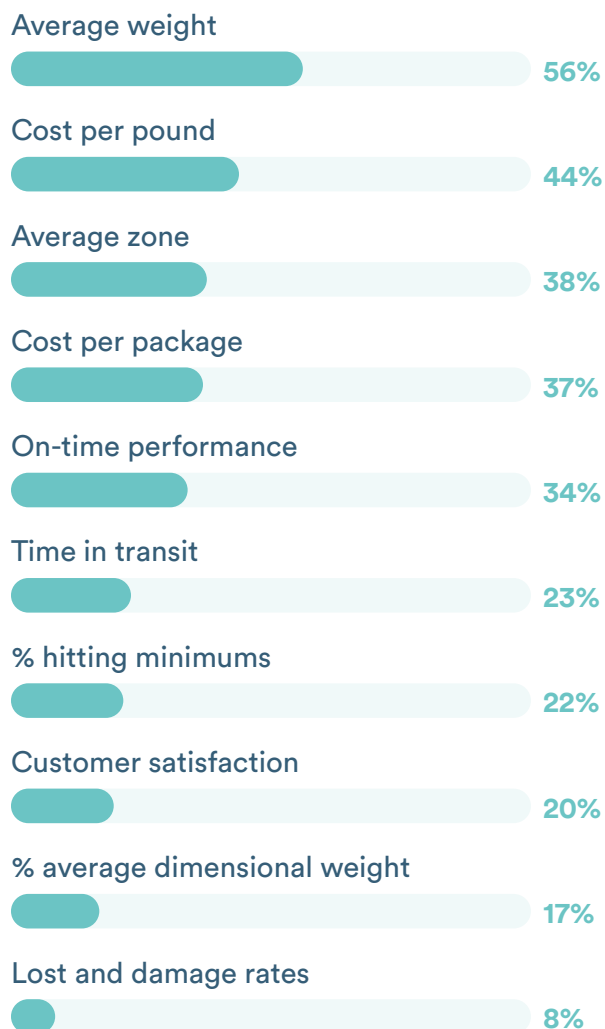
- **Provides accurate, unbiased carrier analytics** so you have full transparency about costs and performance
- **Offers real-time cost monitoring** for individual shipments
- **Optimizes carrier agreements** so you don't lose discounts
- **Delivers insights** on where and how you can improve shipping operations
- **Audits shipping invoices** and pursues shipping credits
- **Empowers better financial decisions** related to shipping



2. Use the right KPIs to track top customer issues

Tracking the right combination of KPIs — in real-time — is essential. Currently, leaders can lean heavily on cost-related metrics like average weight (56%) and cost per pound (44%) to evaluate shipping effectiveness. Performance indicators like on-time performance (34%) receive less focus.

Evaluating Effectiveness of Shipping Operations: KPIs That Matter Most



The problem, says McCrum, is that **shippers face competing priorities**: delivery speed vs. delivery costs. While fast delivery is important (34% of companies say late deliveries are their biggest customer complaint), many shippers prioritize cost efficiency.

As McCrum notes, this often reflects a pragmatic prioritization of cost savings over speed, especially if the financial benefits outweigh the impact of occasional delays. “From a shipper’s perspective, effectiveness is more about cost and less about being on time. Late packages don’t necessarily mean you have an inefficient supply chain or network,” he explains. “It just reflects the reality that cost-driven decisions sometimes take precedence over on-time performance. If those cost savings outweigh the impact of delays, then the approach is effective from a business standpoint.”

However, relying solely on cost metrics carries risks. While essential, they don’t capture the full picture, particularly regarding customer experience (where late deliveries are a major complaint for 34% of companies) and overall carrier reliability. A balanced scorecard approach, incorporating metrics like on-time performance, time in transit, and lost/damage rates alongside cost KPIs, provides a more holistic view necessary for sustainable optimization and maintaining service quality.



3. Using accurate data to make decisions

Leaders attempting to manage parcel spend often grapple with a fundamental challenge: insufficient or siloed data. It's the bedrock of effective strategy, yet significant gaps exist.

More than half of respondents lack adequate insight into demand forecasting (59%), vendor performance (57%) and inventory levels (50%) — all key drivers of operational efficiency.

Key Areas Where Leaders Lack Insight



Demand forecasting



Vendor performance



Inventory levels



Shipping costs



Cost-saving opportunities



Sustainability initiatives



Route optimization

Supply chain and logistics leaders need to prioritize capturing and analyzing these important data points so they can:

- **Improve demand forecasting.** Businesses can better allocate resources and align shipping services with demand when they know what's coming. By using data about market trends, carrier performance metrics, inventory, historical shipment volumes and customer behavior, you can plan ahead to reduce costs and improve delivery.
- **Evaluate carrier performance.** By consistently gathering and evaluating data about carrier reliability, you can identify inefficiencies and make changes to reduce delays. Carriers that have high damage rates or inconsistent fulfillment practices can be given clear feedback and the chance to refine their processes accordingly.
- **Improve inventory.** Reliable inventory data can help you maintain the right stock levels without over- or under-stocking or paying too much for expected shipping. Tapping into this information can help you make smarter shipping decisions that sidestep unnecessary delays — and unnecessary expenses.



Compounding the problem is data integration. Valuable information often resides in disparate systems — complicated carrier invoices, warehouse management systems, order management systems and enterprise resource planning platforms. Without unhindered connection, manually piecing together the full story behind parcel spend is laborious and prone to errors. True visibility and control require data that flows and “talks” across platforms.

This integrated data foundation is also non-negotiable for leveraging future technologies. With 64% of leaders seeing AI-driven optimization as highly impactful, the quality and accessibility of underlying data will determine success. AI cannot reveal truths or challenge assumptions effectively with incomplete or inaccurate inputs; building robust data practices today is essential to unlock the potential of advanced analytics tomorrow.

Which of the following shipping trends will be most impactful to your company?

Sustainable shipping solutions



Real-time, AI-driven optimization



Autonomous delivery vehicles



Same-day/next-day shipping expansion



Drone deliveries



Crowdsourced delivery





Take Charge of Shipping Operations

The shipping landscape's trajectory is evident: rising volumes, diversification of carrier networks and increasing complexity are the new norms. Simply reacting is no longer enough. Proactive, intelligent management of parcel spend is now a critical differentiator for success.

Leaders must embrace innovation, moving beyond traditional methods to harness the power of accurate, integrated data and sophisticated tools. Optimizing parcel spend requires a forward-thinking strategy that balances cost control with service quality, transforming shipping from a cost center into a strategic advantage.

Reveel is committed to illuminating the path forward. We track industry trends, uncover crucial shipping insights and provide actionable intelligence to enhance your shipping strategies. As complexity mounts, we will continue to deliver the knowledge you need to stay competitive and control your parcel spend.

Ready to turn complexity into clarity and cost into control?

Discover how Reveel's parcel shipping intelligence platform can empower your team.



About Reveel

Reveel is the leading Parcel Shipping Intelligence™ Platform that brings transparency to the parcel shipping market, leveling the playing field and enabling shippers to optimize their parcel shipping spend. Its unique technology empowers shippers to break free of expensive parcel shipping consultants with an easy-to-use software app that brings transparency to the black box of carrier agreements. With over 17 years of parcel agreement management expertise and over \$8B in parcel spend under management, the company's SaaS app provides actionable insights to make smarter business decisions, optimize carrier agreements, and give shippers peace of mind. Reveel empowers customers to leverage the power of data science to capture significant ROI.

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