

GLOBAL CONTRACT LOGISTICS MARKET SIZE & FORECASTING: 2024-2028

By Ti Insight



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MARKET CONDITIONS

The first half of 2024 has been characterised by slower than expected growth in the Americas and Europe, that has had some impact in the also-underperforming APAC region. External factors such as high inflation, uncertain economic developments, geopolitical conflicts, and labour shortages have impacted the projected recovery in the year. Though inflation has fallen, recovery has not been immediate and palpable, while the ongoing geopolitical issues in the Red Sea and Europe have softened demand.

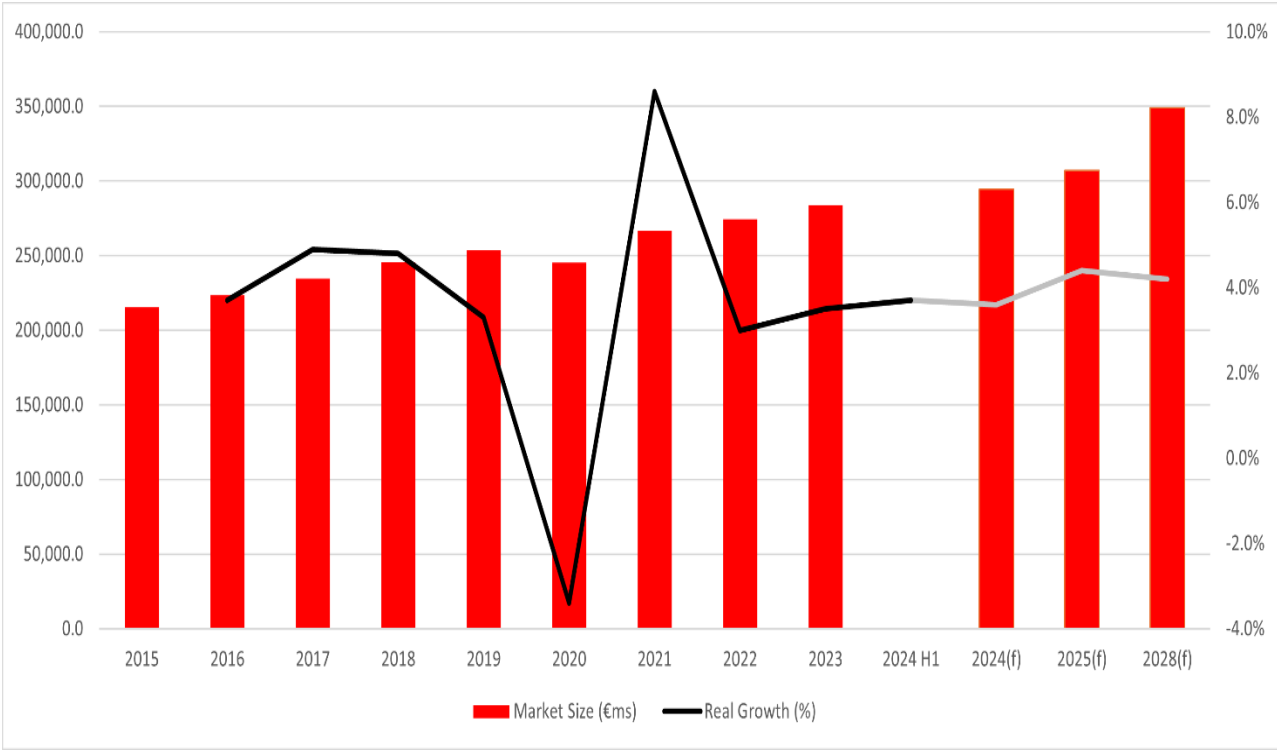
Contract logistics is resilient to political and economic shocks, as can be seen in DHL Supply Chain's annual results in 2023 which reflected the global trend. Overall revenues were up 3.2% y-o-y with the Americas seeing 2.5% growth, APAC 5.1% and EMEA, 3.2%.

A key trend among integrators has been the continuing growth of e-commerce. Chinese parcel carriers are seeing annual volume growth of 15%+, helping drive the APAC contract logistics market, and integrators such as DHL Supply Chain attribute a lot of their own growth to taking on e-commerce vendors as clients. E-commerce is showing strong growth in nearly every market from smaller countries like Canada to global engines like China and the US.

Ti endeavours to provide the most robust data on market growth and development. For its contract logistics market forecasts, therefore, Ti provides real terms growth forecasts which show underlying market growth and changes in the market's performance, independent of inflationary pressures. Results and market forecasts do not attempt to measure or take into account changes in prices and exchange rates that will take place over the forecast horizon. Forecast growth rates are driven by estimated changes to activity only and are thus real terms forecasts. As such, the data provided in this paper should be viewed as a demand forecast rather than a pricing forecast.

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Global Contract Logistics Market Size and Forecast



Regional and country specific market sizes and forecasts are available [via GSCI](#).

Compared to the full year 2023 forecast, Ti now expects a slower contract logistics growth rate for the full year 2024 to around 3.6%, to €294,264.8m. Where growth in services are driving GDP growth, retail is sluggish and this has an impact on contract logistics.

Emerging economies in Asia have driven growth with Ti forecasting 7.1% y-o-y growth to €115,387.7m in 2024 and 7.2% 2025 to €123,692m. North America is set to grow more slowly at 1.7% to €74,712m in 2024 and 3.2% in 2025 to €77,100.2m. Europe is holding back global growth with forecasts of 0.7% y-o-y to €85,727m in 2024 and 1.8% in 2025 to €87,228.1m.

The IMF have stated that global GDP growth is stable yet set to be ‘underwhelming’ in 2025. East Asia is driving global GDP growth in 2024, though Europe is set to grow more slowly than originally forecast. North America, with the US the majority of volumes, is set to grow a little more quickly than originally forecast in early 2024. The IMF refers to its forecast of 3.1% GDP growth as ‘mediocre’ compared to the pre-pandemic average.

Major 3PLs have shown resilience in the face of geopolitical conflagrations, with the crises in Ukraine and the Red Sea having less of an effect than they might. Some have taken advantage of the growth in discount online retailers like Shein and Temu, that have moved significant volumes from China to

Europe and the US. This adds to the value of e-commerce as it has continued to grow in importance to integrators and 3PLs alike.

Global Contract Logistics Market Size and Growth by Region, 2024-2028

All seven regions saw positive growth in 2023, and this is set to continue in the forecast period. Asia Pacific has long been the major growth driver and this is set to continue. From having 38% of the global contract logistics market in 2023, it is set to grow to 42% by 2025 with a volume of €123,692.9m.

Looking forward to 2028, Ti projects a CAGR of 4.2% to €348,881.4m. APAC is set to grow by a CAGR of 6.9% to €150,485.2m, with North America growing by 2.8% to €84,269.5m. Europe will continue to grow at a relatively slow 1.7% to €92,536m.

With relative growth rates, Asia Pacific will retain the lead as the largest contract logistics market well into the decade with no sign of Europe or North America competing in terms of market size.



GLOBAL SUPPLY CHAIN INTELLIGENCE:

- 2024 logistics market sizes by segment, historic growth rates & 2025 - 2028 projections
- Logistics market forecasts by segment for 2024, 2025 - 2028
- Vertical sector market size data for 2024 & out to 2028
- Data for 8 regions & 93 individual countries
- Contract logistics trend analysis
- Contract listings & profiles of major shippers

Find out more: www.gsci.ti-insight.com

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- Global Supply Chain Intelligence (GSCi) online knowledge platform
- Consulting and Market Research projects
- Training, Conferences, and Webinars.
- Ti has acted as advisors to the World Economic Forum, World Bank, UN and European Commission as well as providing expert analysis to the world's leading manufacturers, retailers, banks, consultancies, shipping lines and logistics providers.

Expertise includes:

- Analysis of corporate strategies of leading express, freight forwarding and logistics companies.
- Global usage and perception studies of shipper and logistics provider behaviour.
- Micro-economic analysis of key logistics segments: express, freight forwarding, road freight, contract logistics, warehousing, air cargo, shipping and e-commerce logistics.
- Analysis of supply chain strategies employed in industry vertical sectors: pharmaceutical, fashion, high tech, oil and gas, consumer, chemical, cold chain, automotive and retail.
- Market sizing and forecasts of key logistics segments and vertical sectors.
- Intelligence on emerging markets logistics sectors in Asia, Africa, Latin America, Eastern Europe and Middle East.

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- More than fifteen years of knowledge delivery to global manufacturers, retailers, banks, consultancies, shipping lines and logistics providers
- Unique web-based intelligence portals
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