

# 2025 Descartes European Transport Management Benchmark Survey

Transportation Becomes Increasingly Strategic



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## The 2025 Survey: Transportation Becomes Increasingly Strategic

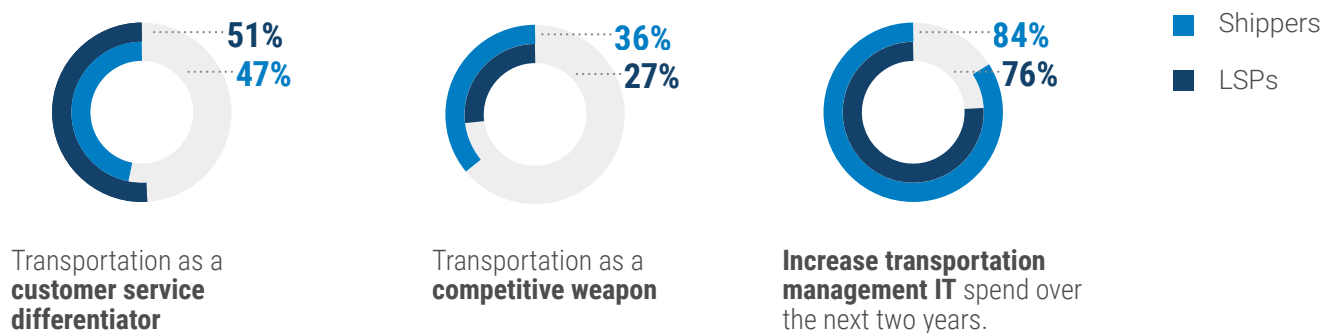
The past 12 months have marked another year of geopolitical unrest and supply chain uncertainty as countries globally have come to terms with new international trade tariffs. While unpredictability is becoming the new normal, the 2025 results of Descartes European TM Benchmark Survey confirm that organisations throughout the logistics sector are no longer focused exclusively on cost cutting. Indeed, there has been a strong shift towards leveraging transportation to improve customer service and gain competitive advantage, with companies also optimistic about achieving growth over the next couple of years.

Investment in transport management systems (TMS) continues to grow, as does the use of Artificial Intelligence (AI), while companies are also making progress on the digitisation journeys. The investment in automation and optimisation is paying off, with companies that have already achieved full automation demonstrating significantly better financial performance than the rest.

Furthermore, these industry leading companies are also building on their automated business models and using TMS functionality to embed sustainability within day-to-day operations, further extend real-time communication across the extended supply chain and explore more innovative areas of AI such as dynamic pricing optimisation.

It is, however, also notable that European shippers have achieved greater digital maturity than European Logistics Services Providers (LSPs). While LSPs are strongly committed to providing excellent transportation services, shippers currently outperform LSPs in levels of automation, with **71%** of shippers either fully or mostly optimized, compared with **52%** of LSPs, and also demonstrate a greater commitment to and investment in technology (**24%** of shippers will increase investment in transportation management by more than **5%** over the next two years, compared with **16%** of LSPs) to further accelerate change.

### Key Findings across European Shippers and LSPs:



**45%** of shippers cite business growth (**40%**) as the biggest driver for expanding the use of TMS; for LSPs (**43%**) the priority is improved customer service.

# Strategic Imperative

Following the trend seen in recent years, 2025 marks a strong shift towards management recognising the strategic importance of transportation to the business, with an additional **17%** of companies treating transportation as mission critical this year. Just under half (**49%**) of companies view transportation as a service differentiator – up **11%** from **38%** in 2024; while **31%** see it as a competitive weapon, up from **22%** last year. The shift towards strategic advantage is strong throughout the sector. Shippers (**47%**) increasingly recognise the role of transportation as a customer services differentiator, with **36%** also regarding transportation as a competitive weapon.

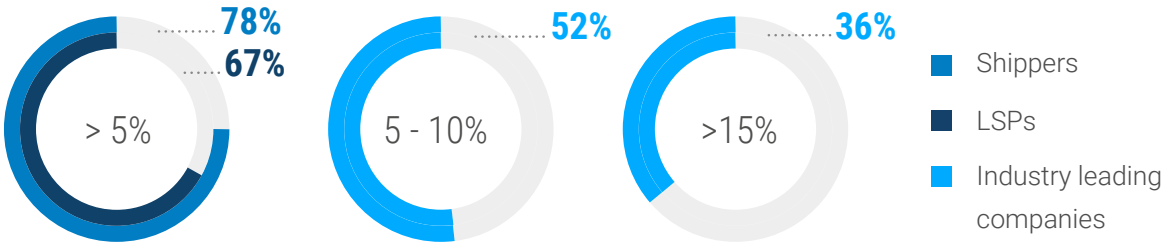
# Strong Financial Health

It is interesting to note that the strategic emphasis on transportation highlighted above is even stronger within companies with industry leading financial health: **91%** of the companies that have Industry Leading Financial Position confirm transportation is viewed as a Competitive Weapon (**57%**) or Customer Service Differentiator (**34%**).

Furthermore, despite the global disruption and uncertainty associated with international trade tariffs, companies remain confident of sustained growth. Predicted two-year average annual growth rates remain remarkably consistent from 2024 to 2025, signalling stable economic conditions for most companies: **96%** of companies expect growth over the next two years. The majority are anticipating significant growth: with less than a quarter (**23%**) predicting less than **5%**. More than one in ten (**11%**) believe annual growth will exceed **15%**, while **61%** expect rates to be between **5%** and **15%**.

Overall, shippers are more optimistic than LSPs, with growth in excess of **5%** expected by **78%** of shippers and **67%** of LSPs. Furthermore, industry leading companies are extremely positive about the next two years, with **36%** forecasting growth in excess of **15%** over the next two years and **52%** expecting growth between **5%** and **15%**.

Expected growth in the next two years



## Commitment to Technology Investment

The correlation between financial positioning and technology investment reinforces the trend seen over recent years, with businesses continuing to signal strong investment intentions in Transportation Management IT over the next two years. While the predicted change in spend remains consistent for European businesses year on year, with **76%** expecting to increase investment, industry leading companies demonstrate an even stronger commitment to technology, with **84%** planning to increase investment over the next two years. Shippers (**84%**) also confirm a stronger commitment to increasing spend on TMS than LSPs (**69%**).

The close link between technology investment and business growth is further reinforced, with the push for business growth (**40%**) the joint top driver for companies expanding their use of TMS, up **11%** from 2024, alongside improved customer service (**40%**), up **2%** on last year. Again, the shift to a strategic role of transportation is clear, with an associated drop in cost reduction pressure - the previous top driver for TMS investment - down by **6%** to **33%**. Shippers (**45%**) are more likely to be expanding their use of TMS due to business growth, reflecting their direct supply chain ownership. In contrast, while LSPs (**35%**) are looking for business growth, improved customer service (**43%**) is their biggest driver, underlining the importance of meeting client expectations.

## Journey to Automation

The commitment to increasing investment in technology year on year has paid dividends, with the vast majority (**73%**) of European companies saying they are keeping pace or leading with new tech adoption. One fifth (**20%**) say they are industry leaders in adopting the latest technologies; while over half (**53%**) confirm they are quick to follow industry trends in adopting new technologies. With just **3%** admitting they are lagging behind, there is a strong appetite for transformation in the transportation and logistics space.

While the same proportion of shippers and LSPs (**20%**) are committed to leading the way with technology, a greater number of shippers (**58%**) claim to be keeping pace with innovation than LSPs (**47%**).

Despite this assertion, however, while the maturity of transportation technology is apparent, full automation is rare. Only **17%** of organisations are fully automated and optimised with AI-driven insights. The majority of organisations have achieved automation to a greater or lesser degree: **44%** are mostly automated with some manual processes, while **30%** are partially automated but still heavily reliant on manual intervention. The rest (**9%**) have either no or minimal automation and use mostly manual processes.



*Only **17%** of organisations are fully automated and optimised with AI-driven insights.*



## Automation Improves Financial Performance

Again, the difference between companies with industry leading financial performance and the rest of the market is stark. Half (**50%**) of industry leaders are fully automated and optimised, with a further **32%** mostly automated with some manual processes.

In contrast, only **14%** of the companies with the next level down in financial performance – those that are better than average – have achieved full automation and optimisation. However, **53%** of this group are mostly automated, demonstrating their progress on the digitalisation journey. Those firms in the middle of the pack are heavily reliant on manual processes, with **54%** confirming either partial, minimal or zero automation.

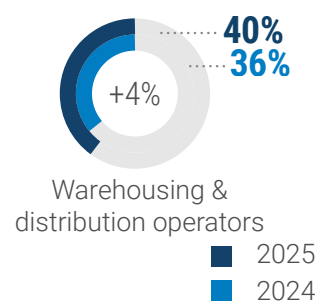
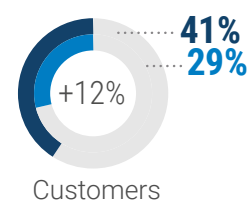
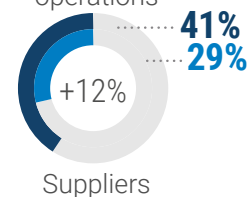
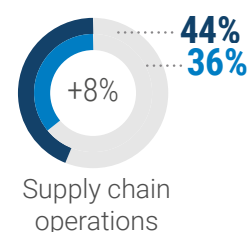
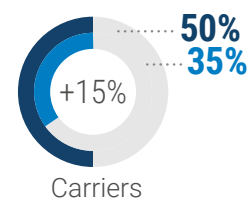
The higher commitment of shippers to keeping pace with technology innovation is also reflected in the level of automation achieved to date: **71%** of shippers are either fully automated and optimised or mostly automated, compared to **52%** LSPs. Indeed, **22%** of shippers have achieved full optimisation and automation.

## Real-Time Shipment Visibility Increase

The progress made on the journey to digitisation over the past few years is highlighted through the improvements in shipment visibility achieved in recent years. The use of real-time GPS tracking also increased from **46%** to **55%** over the past 12 months, further underlining the commitment to automation and improving customer service. Furthermore, over half (**55%**) of organisations are achieving shipment visibility through real-time GPS/ ELD tracking or direct updates into their TMS, up **9%** from 2024. The use of call carriers' and brokers' web portals for shipment status has remained steady at **45%** from last year but, overall, companies are gaining faster access to shipment information every year.

There has also been a significant increase in the reach of transportation information, with **50%** of companies sharing information with carriers (up **15%** on 2025) and **44%** sharing with supply chain operations (up **8%**). In addition, **41%** share information with suppliers (up **12%**), **41%** with customers (up **12%**) and **40%** with warehousing and distribution operators (up **4%**). While a greater number of industry leading financial performers are sharing information with carriers (**61%**), the most notable difference is that **57%** are sharing information with warehousing and distribution operators, further underlining the progress made by these companies towards full automation and optimisation.

The diverse challenges facing organisations are clearly demonstrated with the range of operational priorities revealed in this research. When asked about the most important TMS capabilities, there is no single stand out capability, with **34%** of respondents citing visibility (tracking and proof of delivery), **33%** performance management / BI dashboards and **29%** sustainability reporting and planning inclusion.



## Increasing Sustainability Drive

The other significant difference in TMS capabilities is the demand from industry leading financial performers for sustainability reporting and planning inclusion (**39%**) – a requirement cited by only **27%** of better than average performers. This underlines the extensive investment in TMS already made by industry leaders and the high levels of automation – and hence visibility – already achieved, allowing these companies to extend the reach of their TMS to embrace other areas of strategic imperative.

Indeed, one of the noted findings of this year's results is that sustainability continues to be operationalised within European companies. A fifth (**20%**) of companies consider sustainability as an important component of decisions, up slightly from **18%** last year. The fact that sustainability reporting is a third rated functionality associated with TMS, as highlighted above, further indicates that ESG has become a core component of overall strategic direction. For industry leading financial performers, sustainability is even more important: with **51%** saying sustainability is an important component of daily transportation decisions compared to only **20%** of below average financial performers. Sustainability is particularly relevant for shippers, with **29%** of shippers stating it is an important component of daily transportation decisions, compared to **11%** of LSPs. **41%** of shippers factor sustainability into strategic transformation, compared to **31%** of LSPs.

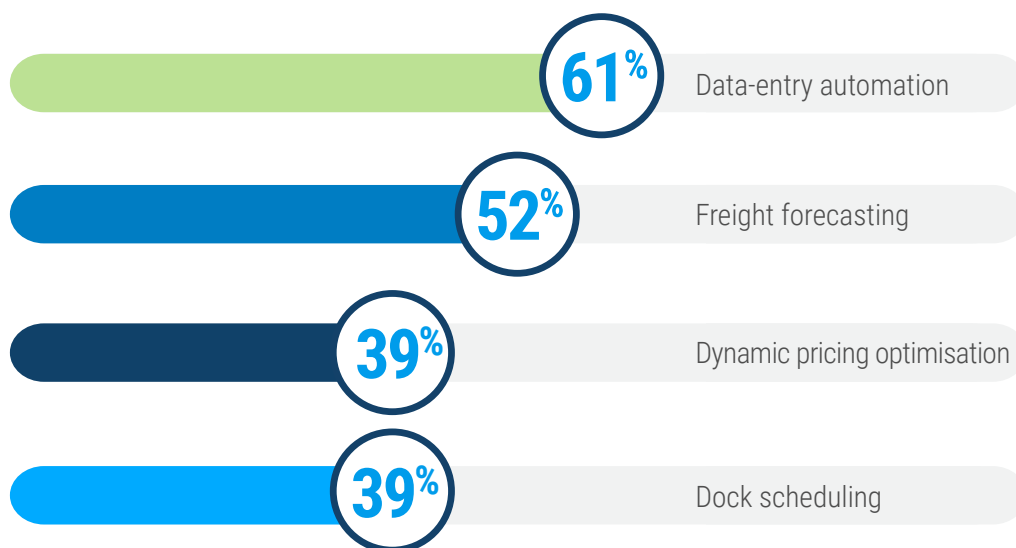
LSPs have not made the shift towards embedding sustainability within strategic plans: **41%** track their carbon footprint but don't consider sustainability within management efforts and **17%** have never tracked or considered it as important. With regulators and customers raising their expectations of emissions' visibility and transparency, especially Scope 3 emissions, the ability of industry leaders to leverage TMS functionality to support sustainability strategies could deliver further gains in both performance and customer perception.



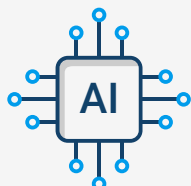
## Rapid AI Adoption

Despite the significant divergence in automation achievements and digital progress, organisations throughout the sector have begun to use AI: just **3%** of respondents are not using AI in transformation. Data entry automation and converting unstructured data (**41%**) is the main area of AI adoption, closely followed by route and / or load optimisation (**37%**). Companies are also using AI to automate load matching and capacity sourcing (**32%**), as well as freight forecasting (**29%**).

### The use of AI by Industry Leading Financial Performers:



Following a clear theme throughout this research, industry leading financial performers are also leading the way in AI adoption. In addition to using AI for data entry automation (**61%**) and AI driven freight forecasting (**52%**), these companies have also embraced AI for dynamic pricing optimisation (**39%**) and dock scheduling (**39%**). For the companies that have already achieved full automation, the ability to layer AI over fully optimised processes further enhances performance and efficiency.



*Again, shippers are adopting AI more quickly than LSPs, with **45%** of shippers using AI for data entry automation (**36%** of LSPs) and **42%** for route and / or load optimisation (**31%** of LSPs).*



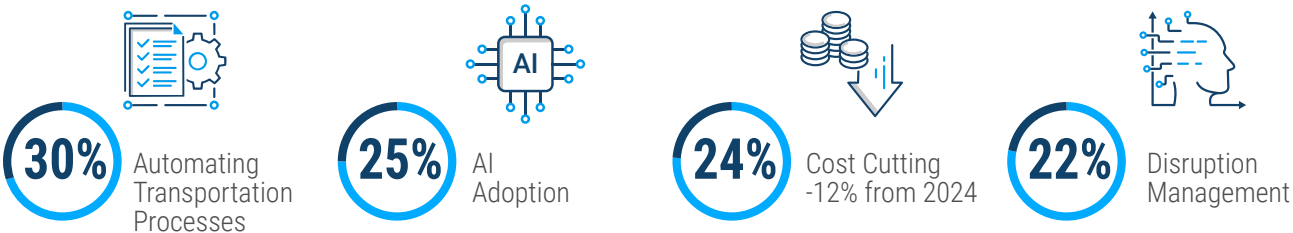
# Conclusion: Improving the Value of Transportation

Given the increasingly strategic perception of transportation, it is interesting to understand how companies' value perceptions continue to evolve. Automating transportation processes to react faster to customer needs remains the top priority (30%). The rapid rise in AI adoption was also considered this year, with 25% of companies citing the adoption of generative AI tools to improve operations or enhance customer service as an important strategy. Again, the focus on cost cutting continues to reduce, down 12% this year to just 24%, with just 20% of LSPs citing cost cutting, compared with 28% of shippers. Cost cutting is far more important for the under achieving businesses, cited by 30% of companies with low growth expectations but only 6% of companies expecting to achieve in excess of 15% growth over the next five years.

Over a fifth (22%) of companies are looking to manage disruptions effectively (a new addition to the research this year), underlining the challenges created by continued global disruptions.

For industry leading financial performers, many of which have already achieved full automation and have made the investment in AI, the priority to improve the value of transportation is expanding delivery options for customers (30%) further underlining the strategic focus on transport strategies. Other goals include managing disruptions globally (27%) and taking control of transportation from suppliers (25%), demonstrating the power of digital technology in enabling companies to better adapt to a changing logistics marketplace. Overall, shippers (34%) continue to prioritise the automation of transportation processes far more than LSPs (25%).

## Development of Value Perceptions at Companies



## About the Survey

Since 2017, Descartes has conducted an annual benchmark survey of global transportation professionals to identify the strategies, tactics and expectations for the industry.

Survey participants represent a wide range of people responsible for transportation operations at both shippers and logistics service providers across North America and Europe to provide a balanced view of transportation management (TM). This paper focused only on the European responses. The full global results can be found [here](#).

### Each year the Descartes benchmark survey:

- Explores how companies view the role of TM
- Identifies key industry trends driving the market
- Examines how transportation value is measured
- Uncovers which capabilities, technologies, and competitive strategies/tactics are making the greatest impact
- Provides the outlook for future IT investment

The European portion of survey gained responses from 300 senior decision makers working in the transport management sector across Germany (75), the UK (75), France (75) and Belgium/The Netherlands (75). Just over a third (**34%**) were C-level Executives, **24%** Director/ Vice President and **42%** Managers. Respondents were also split 50:50 between shippers and logistics service providers (LSP).





## About Descartes

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](http://www.descartes.com), and connect with us on [LinkedIn](#).

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