WORLDWIDE EXPRESS / GLOBALTRANZ / UNISHIPPERS

THE 2025 STATE OF THE SHIPPING INDUSTRY REPORT

12 Shipping Trends To Watch in 2025

(Plus Tips To Navigate Them!)

About WWEX Group

The WWEX Group family of brands, which includes Worldwide Express, GlobalTranz and Unishippers, offers full-service logistics expertise to more than 108,000 customers across the country. With access to industry-leading small package, truckload, less-than-truckload and managed transportation solutions, customers benefit from enhanced visibility and value for their supply chains. The company is the second largest privately held freight brokerage and largest non-retail UPS Authorized Reseller® in the U.S., with an annual systemwide revenue of $4.3 billion. To learn more about WWEX Group, visit wwexgroup.com.

In 2025, the shipping industry faces a shake-up, with opportunities and challenges — both familiar and new — posed to reshape freight and parcel logistics. Rising costs, the recent freight recession and workforce shortages are a few of the top obstacles, while parcel rate hikes and shifting market dynamics put pressure on shippers to stay profitable. In political news, a new presidential administration also brings potential regulatory adjustments, requiring businesses to stay informed and agile.

But there are many exciting and innovative advancements to highlight as well. The introduction of a new freight-class system means more accurate pricing — saving freight shippers time and money. Plus, the shipping industry gets serious about final-mile delivery, bringing cutting-edge solutions to a difficult leg of the shipping journey.

Looking ahead, WWEX Group — the parent company of Worldwide Express, GlobalTranz and Unishippers — breaks down the 12 key trends shippers should watch in 2025 and offers actionable insights to help businesses of all sizes stay profitable in the year ahead!

Is freight out of the recession woods?

The Great Freight Recession is officially over! Or is it? It really depends on who you ask, but economic indicators and industry thought leaders do suggest that the freight industry is now moving in a positive direction, and 2025 is widely seen as the year the industry will right itself. That doesn't mean there won't be challenges along the way. Shippers need to adjust their logistics strategy moving forward to navigate any changes, and third-party logistics (3PL) providers are uniquely equipped to help.

The Back Story

The downturn, which began in late 2022 and early 2023, reared its ugly head largely due to COVID. Stimulus-fueled consumers were stuck at home during the pandemic and spent lavishly on home goods, office equipment, exercise accessories and other products — all which needed to be stored and shipped. But when post-pandemic spending returned to normal, businesses faced excess inventory, reducing the need for freight services and negatively impacting carriers.

Fast Forward Into 2025

Many in the industry outright claim the freight recession is over. That includes FreightWaves, a leading news source that covers the shipping and logistics industry. Craig Fuller, its CEO, recently announced "I've been closely following the freight market, and it's clear that the Great Freight Recession has ended. After the most prolonged freight recession in history, the market has been showing signs of recovery over the past few months." According to the article, here are a couple of reasons why Fuller sees a turnaround:

> After the most prolonged freight recession in history, **the market has been showing signs of recovery** over the past few months.
>
> – Craig Fuller, CEO, FreightWaves

Rising tender rejections

Tender rejections have increased to over 6%, signaling a tightening market. This shift from 3.4% post-Labor Day in 2023 shows carriers gaining more control and leverage over their load acceptance.

Spot rates rising

Spot rates are now higher than 2022 and 2023, indicating a potential surge in demand or reduced capacity — or both. Truckload rates have risen to $1.78 from $1.54 in 2023.

Carrier retaliation possible in 2025

"Carrier revenge" refers to carriers using their improved position to negotiate higher rates or more selectively reject tenders after enduring low rates and high competition. This could impact shippers' budgets.

Decreasing capacity

The Federal Motor Carrier Safety Administration's (FMCSA) Drug and Alcohol Clearinghouse (DACH) was expected to lead up to 177,000 truck drivers losing their commercial driver licenses (CDLs), tightening capacity.

Source: November 2024 FreightWaves article

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Despite the positive news, some industry insiders don't paint such a rosy picture, with one saying just a few months ago they projected only "slight improvements for the trucking industry over the next two years." Additionally, increased freight rates and "carrier revenge" aren't necessarily a check in the win column for shippers.

So, regardless of when a complete turnaround happens — and what that actually looks like — it's vital for shippers to remain vigilant in 2025 as the industry right sizes itself and reacts to changes like those mentioned by FreightWaves. As in any period, good or bad, a 3PL can help you in the following areas of your logistics strategy:

- **Capacity management:** As the freight market recovers, capacity may become tight once again. A 3PL can partner with its extensive carrier network to secure reliable freight options for shippers, ensuring access to available trucks during high-demand periods. They can also optimize routes to minimize delays and ensure timely deliveries, easing the challenges posed by fluctuating capacity.
- **Rate negotiation:** With spot rates rising, a 3PL can use its market expertise and volume leverage to negotiate competitive rates with carriers. By consolidating shipments or locking in longer-term contracts, a 3PL can help shippers manage cost volatility and secure better pricing, even as the recession eases and freight rates increase.

- **Supply chain optimization:** A 3PL can improve supply chain efficiency by utilizing advanced data analytics and technology to optimize routes, reduce empty miles and enhance overall transportation management. This can help shippers save on costs, improve delivery times and adapt to changes in the market as demand rises and capacity constraints increase.
- **Technology integration**: A 3PL can provide shippers with an advanced transportation management system (TMS), real-time tracking and data analytics tools. These technologies offer improved visibility, proactive issue resolution and insights that help optimize operations — enabling shippers to better manage recovery and future fluctuations.
- **Scalability and flexibility:** As demand fluctuates during this recovery period, shippers will require flexibility. A 3PL can offer scalable solutions that allow businesses to quickly adjust their shipping volumes based on market conditions. This includes providing access to both short-term and long-term logistics solutions, helping shippers stay agile in an evolving freight landscape.

Trend #2

Worker Bees Have Flown the Hive

Nobody wants to work anymore. Not even your boss. That's the sentiment from a Slate.com article on the current workforce shortage and how the "burnout epidemic raging through corporate America has made it all the way to the top."

Surprising? No. A little over the top? Maybe. However, data does not lie, and recent labor statistics show just how much those in the shipping industry are struggling to find workers. As reported by Global Trade Daily, a Descartes study on the supply chain and logistics workforce found:

37% Of organizations are experiencing high labor shortages.

61% Have transportation disruptions from understaffing.

58% Said that shortages impacted customer service.

According to the study, the areas most impacted in the shipping and logistics industry were:

- Transportation operations (67%)
- Warehouse operations (56%)
- Transportation planning (51%)
- Inventory and distribution planning (51%)
- Customer service (42%)
- Demand planning (37%)

It also should be noted that the Trump administration has publicly announced it will pursue mass deportations. On a very hyper level, this would have a huge impact on the trucking industry. As reported by FreightWaves, the Bureau of Labor and Statistics says "20% of truck driver employees are immigrants. While many of these are legal immigrants into the U.S., there are numerous reports of drivers using international driver's licenses and fake documents to drive in the U.S."

Coming off the tail end of a recession along with major policy shifts on the horizon, workforce shortage creates a complex maze of challenges for shippers as they move into 2025. Afterall, if there is no one to make it, store it or ship it, how does one sell it?

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A 3PL is a shipper's best friend in times of workforce shortage. The good ones are multi-functional organizations that can take on many of the tasks that companies are finding hard to accomplish in the face of workforce shortage. In fact, a 3PL can offer:

Logistics management: Act as an extension of your team, handling logistics so you can focus on core business growth.

Route planning: Optimize delivery routes to cut delays, save fuel and boost efficiency, helping you tackle workforce shortages.

Expertise and support: Provide industry insights and proactive solutions to navigate labor shortages, ensuring your logistics stay on track.

Carrier network: Leverage their vetted network of freight carriers, saving you time on securing space on trucks.

Warehousing support: Offer flexible storage solutions, ensuring inventory is managed and orders fulfilled smoothly.

Inventory management: Keep stock levels balanced with real-time tracking and forecasting, preventing shortages or overstocking amidst labor constraints.

Trend #3

Trump Takes Office

Despite where you land on the political spectrum, the Trump administration has publicly announced it will pursue aggressive tariffs and "America First" policies in 2025 — impacting global trade and supply chains. Already challenged by labor shortages and inflation, businesses must hustle to create logistics strategies to fight rising costs and regulatory shifts in an entangled logistics landscape.

What We Know About the Tariffs

[According to Supply Chain Brain](), Trump's tariff plans could tax Chinese imports with rates between 60-100% — along with 10-20% on all other imports worldwide. This could significantly raise costs for U.S. retailers and consumers, pushing companies and shippers to absorb the price hikes, face shrinking margins or eventually passing off the increased cost to customers. While some might shift production to countries like Vietnam, it's an unlikely move, considering "Vietnam's manufacturing is just 10% of China's capacity, so even a small shift would overwhelm them."

Those in the logistics industry would also feel the impact of tariff-driven slowdowns in the form of reduced freight volumes, with shippers taking the brunt of rate spikes. Even e-commerce companies could be impacted, with popular platforms like Temu — an online marketplace operated out of China that utilizes stateside warehouses and sellers — facing a U.S. exit due to enforced tariffs.

In the end, as Supply Chain Brain points out, retailers may rush to stock up before Trump implements tariffs, driving up demand in the short-term. However, WWEX Group points out that businesses may be reluctant to do so, since excess inventory was a catalyst of the most recent freight recession.

Trump Proposed Tariff Increases

Infrastructure Bill

With a new presidency, hot-button issues like tariffs and immigration grab attention. But, as the Brookings Institution points out, the bipartisan Infrastructure Investment and Jobs Act (IIJA) demands Trump's focus. While Biden championed an "infrastructure decade," it's now Trump's turn to implement the law's programs.

That means the Trump administration could influence the act's funding priorities, investigate spending and challenge climate initiatives — potentially reshaping how infrastructure projects unfold in the coming years.

To put IIJA in perspective, the act promises to upgrade vital transportation networks — boosting shipping, logistics and manufacturing by improving ports, roads and rails (not to mention the businesses and shippers that would support the construction and development of said projects). But its success hinges on Trump's decisions — as the Brookings Institution points out — particularly in the areas of funding and priorities.

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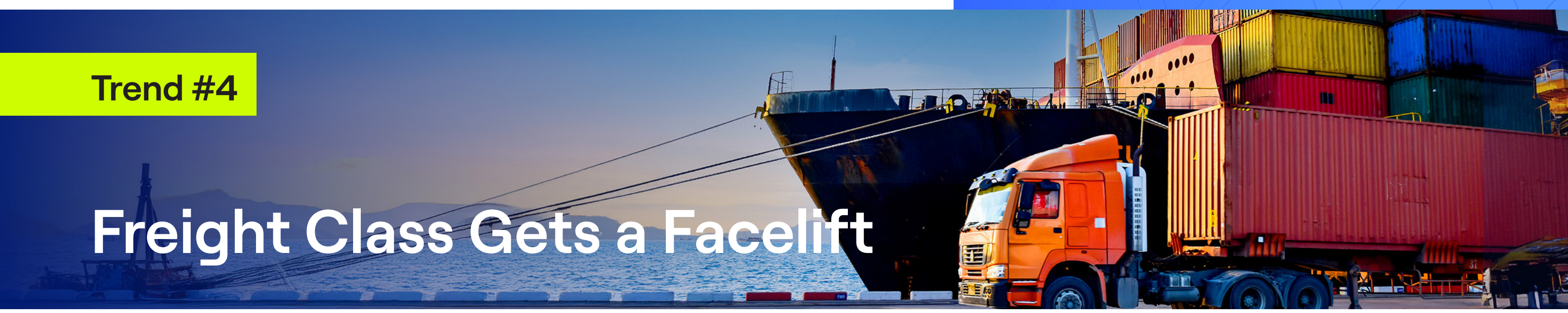
To tackle tariff shifts and yet-unknown infrastructure spending, a 3PL delivers expert guidance, ensures customs compliance, manages costs with global networks, and uses cutting-edge technology and freight carrier networks to optimize supply chains — keeping shippers competitive, agile and ready for whatever comes next.



Trend #4

Freight Class Gets a Facelift

Big changes to freight class will affect how goods are categorized and priced for shipping. These updates are designed to simplify the classification process, improve pricing accuracy and boost efficiency. The changes will help the system keep up with evolving industry standards and make shipping more transparent and cost-effective. Shippers should get ready for these updates, as they'll no doubt impact your transportation costs and logistics strategies. Here are some helpful tips and a look at the changes!

Freight Class, NMFC and NMFTA Defined

Freight class defines less-than-truckload (LTL) shipping categories based on density, stowability, handling and liability — all which impact price.

National Motor Freight Classification (NMFC) codes are numerical identifiers assigned to different types of freight, standardizing their classification for accurate shipping and pricing.

National Motor Freight Traffic Association (NMFTA) is the organization that maintains freight class and codes, helping standardize freight classifications to improve shipping efficiency and cost.

Changes At a Glance

According to the NMFTA website, the major changes to freight class can be summarized as:

- Standardized density scale for LTL freight with no handling, stowability and liability issues.
- Unique identifiers for freight with special handling, stowability or liability needs.
- Condensed and modernized commodity listings.
- Improved usability of the ClassIT tool to simplify classification and boost accuracy.

Important note: Density (pounds per cubic foot) matters more than ever. Shippers should be looking at their packaging, and the way in which they build pallets of freight, to ensure they minimize the cubic size of their shipments.

Impact Across the Shipping Industry

- **Carriers:** The classification process will be streamlined, but carriers will need to identify freight density.
- **3PLs:** Preparing LTL shipments will undergo changes, requiring additional information for accurate processing.
- **Shippers:** Identifying freight class will become simpler, though shippers may need to supply handling unit dimensions and weight.

Source: NMFTA

Key Dates 2025

JANUARY 30

Chance to review proposed changes

MARCH 4

Hearing to review the changes

JULY 19

Supplement Effective Date

Misclassifying Freight: The Hidden Price Tag

As the new freight class changes rollout, it's imperative for shippers to understand the new guidelines to maintain profitability and efficiency across their supply chain. Here are the three main reasons why:

Incorrect freight class can lead to overpayment, as shippers may be charged higher rates than necessary for their shipments.

The wrong freight class can cause delays since carriers may need to reclassify freight upon inspection, disrupting delivery schedules.

Misclassifying freight may result in additional fees or penalties, complicating billing and affecting the overall cost-efficiency of shipments.

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Navigating the 2025 freight class changes will prove to be complex for many shippers, but a 3PL can provide valuable guidance and tools to streamline the process, including: :

- **Industry expertise:** 3PLs have years of experience and in-depth knowledge of freight class. This will help ensure accurate classifications and prevent costly shipping errors that could arise from the new 2025 regulations.
- **Technology:** With advanced transportation management systems (TMS) and freight density calculators, a 3PL can simplify the freight classification process. These tools can prevent human error, improve efficiency and optimize shipping decisions based on the latest freight class guidelines.
- **Ongoing support:** A 3PL offers continuous support by monitoring updates, resolving classification issues and providing proactive solutions. With the help of a 3PL, shippers will stay compliant with 2025 changes and ensure seamless operations as new regulations are implemented throughout the year.

Trend #5

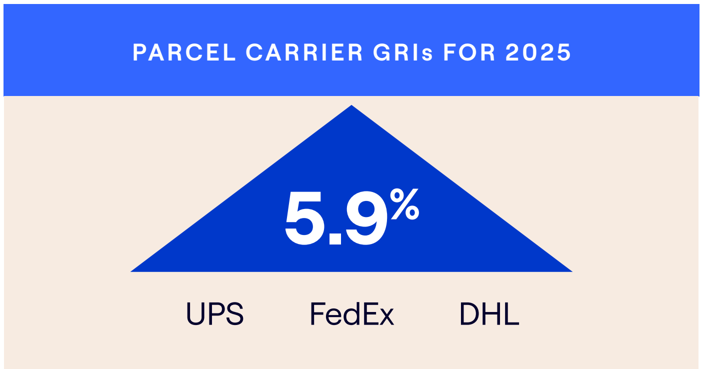
Lowdown On Parcel General Rate Increases

Each year, parcel shippers brace for the General Rate Increases (GRIs) announced by major carriers. These adjustments affect shipping costs and pricing strategies, forcing businesses to plan logistics budgets and adapt operations to stay competitive. For 2025, [parcel carriers made no radical changes], and instead announced the following increases.

Parcel Carrier GRIs for 2025

Shippers expect hikes every year. However, the actual increase amount is what keeps them on pins and needles. That said, looking back over the past decade, GRIs remained relatively steady — and predictable. In fact, between 2014 and 2021, UPS and FedEx announced annual increases of 4.9%.

However, in 2023, both UPS and FedEx significantly raised their rates to 6.9%, a sharp increase reflecting rising operational costs and inflation. Then in 2024, UPS and FedEx adjusted their GRI to 5.9%, signaling a slight decrease from the previous year, but still above the historical average.



Recent GRIs

2023	2024	2025
UPS — 6.9%	**UPS** — 5.9%	**UPS** — 5.9%
FedEx — 6.9%	**FedEx** — 5.9%	**FedEx** — 5.9%
DHL — 7.9%	**DHL** — 5.9%	**DHL** — 5.9%

Why 5.9% this year?

Parcel carriers typically provide the reasoning for rate increases — often citing standard justifications like operational costs, including labor, fuel and infrastructure investments. And these variables are legitimate.

However, in today's shipping world, there are broader variables likely at play, and it should be noted that parcel carriers are facing growing demand for faster, more efficient delivery services. Investments in automation, technology and expanded networks are vital to remain competitive and meet consumer expectations.

This simply means they require higher rates to maintain profitability and ensure sustainable service levels in a fast-changing logistics environment. Not to mention growing competition from Amazon, Uber and a list of fringe delivery services.

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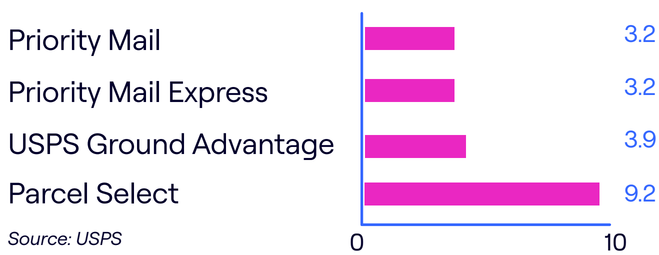
To reduce the impact of rate increases, shippers can incorporate the following strategies into their logistics operations:

- **Leverage a 3PL partnership:** Work with a 3PL that has a strong relationship with a major small-package carrier to secure better rates and access volume discounts.
- **Optimize packaging:** Streamline your packaging to minimize excess space, which can reduce costs associated with weight and size.
- **Consolidate shipments:** Combine smaller shipments into fewer, larger shipments to take advantage of bulk discounts, reduce per-package fees and improve overall shipping efficiency.
- **Review invoicing regularly:** Routinely audit carrier invoices to identify discrepancies, such as billing errors or overcharges.
- **Leverage shipping technology:** A TMS can identify the most cost-effective options based on size, weight and destination.
- **Analyze shipping data:** Regularly analyze shipping data to identify trends, inefficiencies and opportunities for cost savings.
- **Ensure accurate shipping info:** Ensure all shipping information is accurate to avoid costly re-shipping fees and return charges, which can add significant costs.
- **Reduce delivery times:** If customers don't require immediate delivery, use slower, less expensive shipping methods instead of expedited or express options.

SORTING OUT POST OFFICE INCREASES

USPS numbers should be broken out separately since it has no annual GRIs. However, USPS has announced increases and parcel shippers should take note of the following hikes:



Source: USPS

Trend #6

Supply Chain Under Siege – Cargo Theft Rises

Cargo theft is *officially* a growing problem in the shipping industry. Thieves are getting smarter, more daring and it's costing businesses millions upon millions of dollars. Trucks hijacked, containers looted and goods vanishing without a trace. As supply chains stretch and security gaps widen, the stakes have never been higher. If you're not watching your back, someone else surely will be. It's time to get serious about protection before your inventory disappears.

CargoNet is keeping a close eye on the cargo theft data, and it's staggering:

Cargo Theft By the Numbers

$331.9 million
Estimated cargo theft losses in 2023.

14%
Q3 2024 increase in cargo theft when compared to the third quarter of 2023

33%
Q2 2024 increase in cargo theft when compared to the second quarter of 2023.

Will Congress pump the brakes on cargo theft?

The increase in theft has become so dire that there is a proposed bill to fight it. The Safeguarding Our Supply Chains Act (H.R. 8834), introduced by Rep. David Valadao on June 25, 2024, takes aim at organized cargo theft. With $100 million allocated from 2025-2029, the bill proposes coordination between federal agencies, law enforcement and the private sector.

It creates a Supply Chain Crime Coordination Center and a new Task Force to tackle rising crime targeting vulnerable supply chains nationwide. It still has hurdles to jump in 2025 before becoming law, but the legislation is promising for those in the supply chain and freight industry — particularly for shippers who lose valuable property and take a hit to their bottom line.

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8 Ways Cargo Killjoys Steal Freight

Think you're exempt? Think again. Thieves have become sophisticated and are targeting cargo up and down the supply chain. Take a look at these crime trends so you can prevent cargo theft in 2025 and beyond. And remember, a 3PL can certainly help!

- **Truck hijacking:** Thieves steal entire trucks, typically at rest stops or during transit stops.
- **Cargo diversion:** Fraudulent rerouting of shipments to unauthorized locations, often using fake orders and shipping labels or spoofed communication.
- **Cargo theft via "drop & swap":** Thieves replace legitimate cargo with counterfeit or empty goods while unloading or switching trailers.
- **Driver impersonation:** Criminals pose as legitimate drivers or use counterfeit documentation to steal cargo.
- **Port and terminal theft:** Goods are stolen from shipping containers at ports or rail terminals, often during transit.
- **Warehouse break-ins:** Criminals break into warehouses to steal high-value goods, sometimes within the facility itself.
- **Pilot car and escort theft:** Thieves hijack escort vehicles used for oversized or high-value cargo to steal the goods.
- **Internal theft:** Employees or insiders steal cargo or assist in stealing from warehouses or vehicles within logistics companies.

Trend #7

End of the Line – The Final-Mile Revolution

Oh, that last leg of the shipment's journey. The one where carriers fight traffic congestion, tight delivery windows and unpredictable customer availability while shippers nervously await updates to real-time tracking amid high costs. You probably know it as final-mile delivery. And it can be a serious pain point for everyone involved in the shipping process.

In fact, according to the Capgemini Research Institute, "last-mile delivery costs account for 41% of total logistics supply chain costs."

Say what?

Breakdown of retailers' supply chain costs.

Source: Capgemini Research Institute

Final Mile In 2025. A look at the future?

Although it might be hard to imagine, here is what leading news sources and industry thought leaders think will revolutionize final-mile delivery, making it more efficient and cost-effective for all parties.

Drones for small packages Deployed for delivering lightweight goods, reducing shipping delivery times.	**Autonomous delivery vans** AVs will handle longer routes, freeing up humans for more complex tasks.	**Dynamic routing** AI will adjust final-mile routes based on traffic, weather and customer preferences.	**Predictive analytics** Data will be used to anticipate delays and improve decision-making.
Electric vehicles EVs will reduce carbon emissions and promote environmentally friendly final-mile practices.	**Micro-warehouses** Brands will build smaller, strategically placed warehouses in urban areas.	**Crowdsourced delivery networks** Gig workers will contribute to same-day services, giving companies flexibility.	**Green packaging** Companies will minimize excessive, final-mile waste, align with eco-conscious consumers.
Delivery windows Flexible delivery times will allow customers to choose convenient windows.	**Secure locations** Delivery lockers will increasingly allow customers to pick up packages at their convenience.	**Verification of goods** Blockchain can verify the authenticity and condition of goods, reducing fraud and theft.	**24/7 availability** Customers will have access to instant final-mile assistance through AI chatbots.

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Final-mile delivery in 2025 will be defined by automation, sustainability, speed and customer-centric solutions. As these trends unfold, businesses will need to adapt and innovate to stay competitive and meet evolving customer expectations. A 3PL can help!

Trend #8-12

Five More We're Watching in 2025

8. E-Commerce & Consumer Expectations

By 2025, e-commerce will completely reshape what consumers expect, with faster and more flexible delivery options being a must. Same-day and eco-friendly shipping will be standard, while real-time tracking, easy returns and personalized experiences will become non-negotiable. Businesses will need to stay ahead of the curve to keep up with these rising demands.

9. Supply Chain Collaboration

Supply chain collaboration is key! Cloud platforms, blockchain and AI are making it easier for suppliers, manufacturers and retailers to share real-time data — improving communication and streamlining operations. This leads to better inventory management, shorter lead times and stronger, more responsive supply chains.

10. The Future of Packaging

Eco-friendly packaging is the future. From biodegradable materials to sustainable shipping labels and 3D-printed custom packaging, companies are getting creative to reduce waste and shrink their carbon footprint. These efforts are helping make logistics and packaging more sustainable and earth friendly.

11. Smart Ports

Smart ports are changing the game by using tech like IoT, AI and data analytics to make port operations more efficient and cost-effective. Automation, including autonomous cranes and cargo systems, speeds up processing, cuts down on errors and improves logistics, creating more sustainable and resilient global trade.

12. Vehicle-to-Everything (V2X) Tech

Innovations in V2X tech are letting vehicles talk to each other, nearby devices and shipping centers, making traffic flow smoother, reducing accidents and optimizing delivery routes — especially for autonomous fleets. This breakthrough is set to make logistics operations faster, safer and more efficient..

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As you're rounding out your logistics and shipping strategy for 2025, remember that a 3PL can:

- **Support shippers with technology** by using AI and IoT for real-time tracking and route optimization, making deliveries faster and more efficient.
- **Help you hit sustainability goals** with eco-friendly packaging, like biodegradable materials, and lower carbon footprints through optimized shipping.
- **Improve the customer experience** with flexible same-day delivery and hassle-free returns.
- **Enhance supply chain collaboration** by developing communication strategies that streamline coordination and improve information flow across partners.

WWEX Group Can Help You Navigate 2025 and Beyond

In 2025, a 3PL is your secret weapon to navigate logistics challenges. From leveraging AI for efficiency to staying ahead of regulatory changes, they provide expert solutions that streamline operations, reduce costs and keep you competitive — ensuring your business thrives in an ever-evolving shipping landscape.

When you partner with WWEX Group, you gain a team of logistics experts who leverage our award-winning shipping options, virtually unlimited capacity and best-in-class technology to protect you from market volatility — in 2025 and beyond.

Ready to learn more about the industry-leading solutions and services from WWEX Group?

Reach out today for a free consultation.

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