

KEYNOTE ADDRESS • AMERICA 2026

The profitable delivery promise.

What changed in America's last mile between 2025 and 2026 — and
what it now costs to keep a promise.

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CEO & Co-founder, FarEye • 26–28 Aug 2026 • The Gwen, Chicago



We can't solve it alone.



Universe covering everything last-mile.

RESEARCH

Eye on the Last Mile

AMER · APAC · EMEA primary
research

LEADERS

Closed-door councils

Chicago · Amsterdam · Bangkok

RECOGNITION

The EDGE Awards

The operators setting the
standard

SOLUTIONS

Pilots & playbooks

From finding to implementation

One year ago, on this stage.

We made four calls about America's last mile. Three of them held. One did not.



The 2025 scorecard.

WE SAID		WHAT HAPPENED	VERDICT
“AI is all set to go mainstream in supply chains”	→	66.3% now at implementation or operational stage, from 46.2%	CALLLED IT
“~90% will increase or maintain outsourcing by 2030”	→	Didn’t take until 2030. Hybrid is already the default network at 57%	CALLLED IT EARLY
“Cost is the number one challenge of America’s last mile”	→	Still number one — and now structural. 12% inflation, two years running	UNDERSTATED IT
“61% of consumers will pay more for faster deliveries”	→	Fastest possible delivery is the promise that matters most to 11.4%	WE GOT THIS WRONG

Three of four held. The fourth is the reason this year’s report says what it says.

Last Mile
LEADERS

Hosted By  ForEye



Let's look at what's
happening in America.

Three forces reshaping American supply chains in 2026.

01

The volume didn't come from the factory floor

Manufacturing has held 9.4% of US GDP for five straight quarters. Factory construction spending has fallen to \$174.8bn — down 21.9% year on year from its 2024 peak.

We forecast manufacturing output would double. It didn't.

02

Trade volatility moved from sourcing into inventory

Average US tariff rates ran from 2.6% to 13% across 2025. February 2026 struck down one regime and replaced it with another. Pre-tariff buffers are now exhausted.

Inventory has moved closer to the customer. That is our problem now.

03

The cost floor moved under everybody

UPS and FedEx took base rates up 5.9%. USPS Ground Advantage went up 7.8%. After surcharges, the effective increase for a typical e-commerce shipper lands at 7–12%.

Nobody in this room negotiated their way out of this one.

THE GAP THAT DEFINES THE YEAR

Carriers announced 5.9%. You paid 12%.



The published general rate increase is the part of delivery inflation the market can see and negotiate. The other six points are made inside your own operation — in surcharges triggered, exceptions worked, attempts repeated and capacity consumed twice.

That gap is this year’s report.

America's supply chains: from reset to return.

Flat manufacturing, volatile trade

Inventory positioned closer to demand, in smaller and more frequent movements

A rising carrier cost floor

Every promise you make now carries a higher unit cost before you touch it

AI now operational, not experimental

Capability is widely held. Advantage is not. Adoption stopped being a differentiator

IMPACT

Delivery becomes a commercial decision

The State of the Last Mile in America — 2026



PRESENTING

The industry's first and only primary report on the state of the last mile in America.

Eye on the Last Mile — America 2026

DESIGNER: drop the America 2026 cover render and live download QR into the right-hand panel.



SCAN TO
DOWNLOAD

Winning the last mile is no longer about maximising service or minimising cost. It is about designing a delivery promise customers value, fulfilling it reliably, and preventing the cost and complexity of that promise from scaling at the same rate as growth.

12%

Median rise in cost per delivery

Second consecutive year at this level

88%

See delivery cost growing as fast as revenue, or faster

Only one in eight are creating operating leverage

55.7%

Name predictability or first-attempt success as the promise that matters most

Fastest possible delivery: 11.4%

How do we deliver the experience customers expect without letting the economics of fulfilment break?

01

TREND ONE

Growth has a delivery problem.

Delivery inflation has become structural at exactly the point when enterprises need fulfilment to support profitable growth.

Cost inflation is the baseline, not the anomaly.

MEDIAN RISE IN COST PER DELIVERY

2025
~12% → 2026
12%

The number has not moved. That is the finding.

2026 DISTRIBUTION

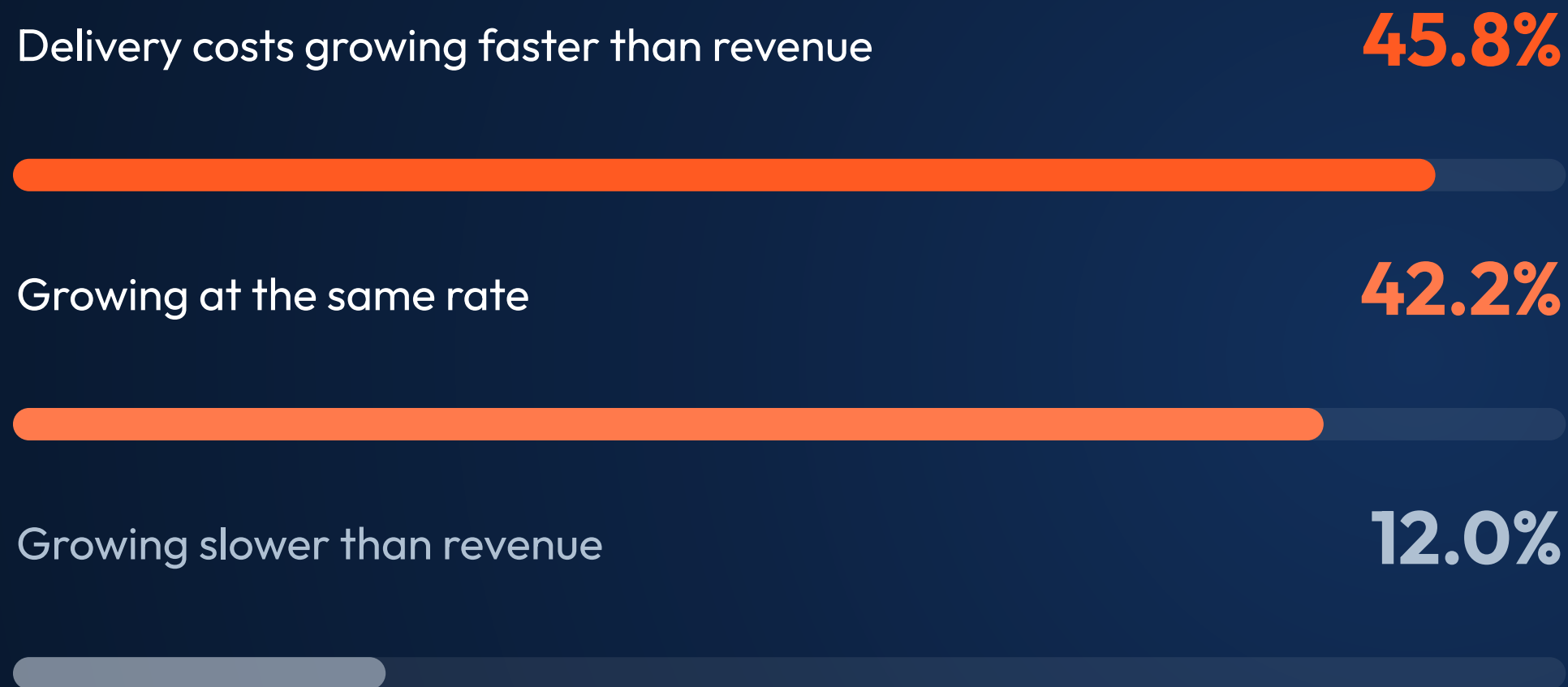


Six in ten operators report increases above 10%. One in five report increases above 20%.

Two consecutive years at the same level is a sustained operating condition, not a spike to absorb and forget.

1.2

Revenue growth is no longer absorbing delivery growth.



88%

of operators are not generating delivery operating leverage as they grow.

Only one in eight are growing revenue faster than they grow the cost of delivering it.

An enterprise can grow its top line while weakening the economics underneath every additional order.

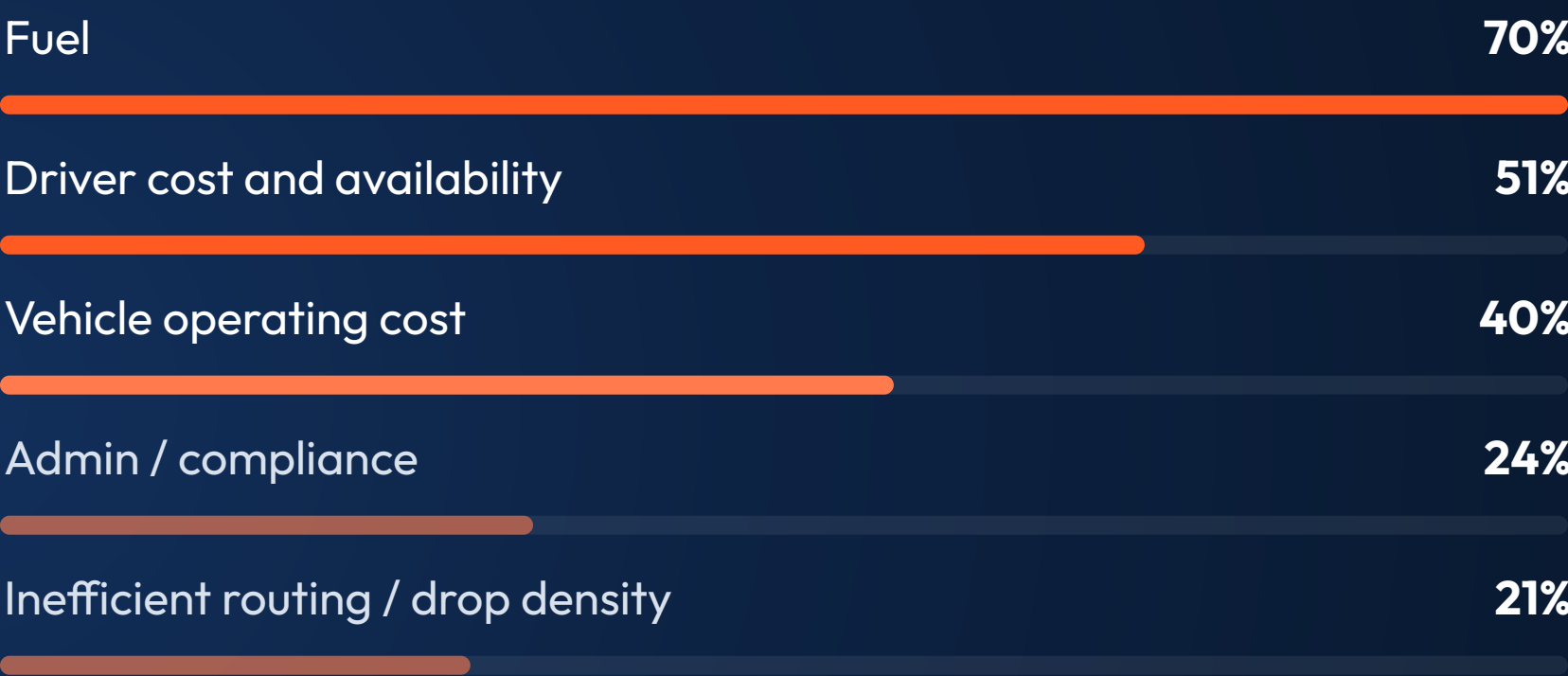
The cost drivers didn't change. The consequence did.

2025 · DRIVERS OF LAST MILE COST



Routing ranked second in 2025. In 2026 it ranks sixth — not because routing improved, but because the top three are now all external.

2026 · PRESSURES PLACED IN THE TOP THREE



The controllable response to uncontrollable inflation is operational productivity: less fuel, labour, capacity and intervention per promise fulfilled.

Note: 2025 measured weighted share of cost impact; 2026 measured share of operators placing each pressure in their top three. Compare rank order, not levels.

Three strategies to break the cost curve.

01

Reprice the promise

Speed-first operators carry 24.0% cost inflation. Visibility-first operators carry 4.9%. The promise you advertise sets the cost base you inherit.

COST INFLATION BY PROMISE PRIORITY

24.0% → 4.9%

02

Buy control, not capacity

High-control operators run 8.3% inflation against 14.5% for low-control — at identical median investment. Control is a spend allocation, not a spend level.

INFLATION BY NETWORK CONTROL

14.5% → 8.3%

03

Eliminate the exception

The lowest-WISMO cohort carries 7.3% inflation. The highest carries 17.2%. Every avoided exception removes a contact, an intervention and a second attempt.

INFLATION BY WISMO COHORT

17.2% → 7.3%

02

TREND TWO

Reliability is replacing speed as the premium.

Last-mile competition has been framed around faster delivery. The customer promise is being reprioritised in front of us.

We measured the appetite for speed. We should have measured the appetite for certainty.

WHAT WE SAID IN 2025

61%

of consumers are willing to pay more for faster deliveries

“Two out of three deliveries will be same-day by 2027.”

WHAT THE 2026 DATA SAYS

11.4%

name fastest possible delivery as the promise that matters most

55.7% name predictable delivery or first-attempt success instead.

The market did not stop wanting speed. It stopped paying a premium for speed it could not trust.

Reliability beats maximum speed almost five to one.



The battleground is moving from velocity to certainty, and the distinction is economic. Speed requires excess capacity, expedited fulfilment and tighter operating windows. Reliability asks a different question: can the enterprise consistently deliver what it promised?

55.7% COMBINED

Speed is a capacity problem. Certainty is a control problem. Only one of them gets cheaper as you get better at it.

Speed-first operators pay for the promise.

Speed-first

EIGHT OPERATORS

76.0%

ON-TIME

24.0%

COST INCREASE

Worst reliability and steepest cost inflation in the study.

Predictable delivery

PROMISE PRIORITY

88.4%

ON-TIME

10.0%

COST INCREASE

Visibility-first

PROMISE PRIORITY

90.3%

ON-TIME

4.9%

COST INCREASE

The fastest promise is the most expensive one to break — and it breaks most often.

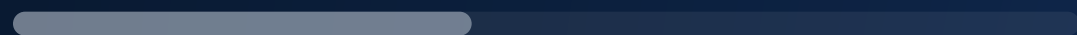
We are promising certainty faster than we are building the capability to deliver it.

ACROSS THE SAMPLE

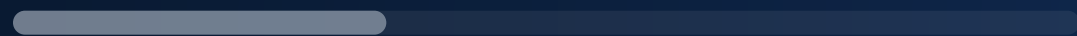
Customer choice of delivery date **68%**



Predictive ETA **43%**



Proactive delay communication **35%**



AMONG THE 21 WHO SAY PREDICTABLE DELIVERY MATTERS MOST

Predictive ETA in use **48%**



Proactive delay notifications **38%**



Fewer than half of the operators who say predictability matters most have the predictive ETA capability that makes a predictable promise possible.

2025 → 2026

Last year 58% of e-commerce players offered no delivery slot selection at all. This year 68% offer customer choice of date. We fixed the easy half of the promise — letting the customer choose. We have not fixed the hard half — keeping it.

The industry understands what the customer values. Execution capability has not caught up.

TREND THREE

The hidden economics of a broken delivery promise.

CX failure and cost inflation get discussed in separate meetings, funded from separate budgets, and owned by separate executives. They belong to the same operating chain.

Exception



Customer contact



Manual intervention



Redelivery



Cost to serve

Industry benchmarks put the average cost of a single failed delivery at roughly \$17 per order — before you count the customer.

WISMO behaves like an economic indicator.

WISMO COHORT · cost inflation above, on-time below

7.3%

5% or less

11.4%

5–15%

15.0%

15–30%

17.2%

Above 30%

86.5%

83.2%

82.2%

81.4%

2.4×

Operators with the highest WISMO rates carry 2.4 times the cost inflation of those with the lowest.

WISMO is not only a customer-service metric. It is a visible signal of delivery friction — unreliable delivery, exceptions, and manual resolution.

The cheapest intervention we found also improves reliability.

88.1% vs **81.0%**

On-time performance with proactive delay notifications, against operators without them.

The only customer-experience capability in the study associated with better on-time performance. Better CX did not require a more expensive promise — it came from managing uncertainty better.

FAILED DELIVERY IS SYSTEMATICALLY UNDER-COSTED

Ranks as a cost driver **5.9th of nine**

Place it in their top three **18%**

Cite failed-delivery penalties as a challenge **20%**

The most frequently mentioned unprompted theme in open responses — then ranked ninth in their own budgets.

A broken promise does not create a CX problem on one side of the organisation and a cost problem on the other. It creates one failure whose consequences surface in different budgets.

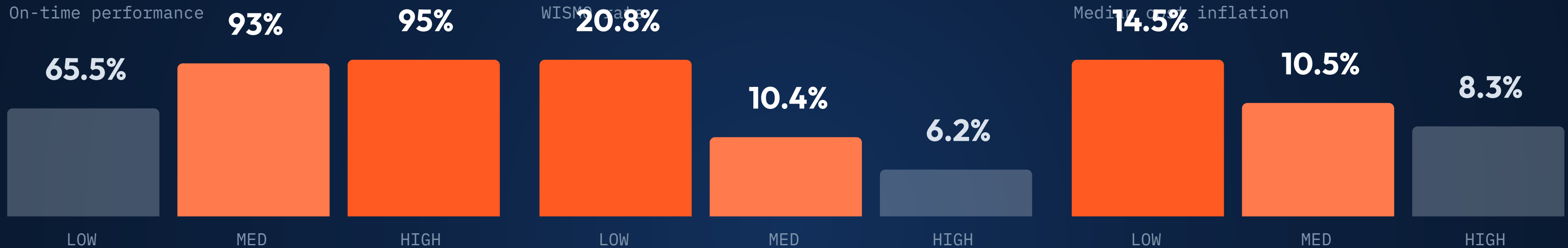
04

TREND FOUR

Control, not ownership, separates performance.

The strongest finding in this year's study, and the one with no 2025 equivalent. We did not know to ask this question last year.

Control separates dramatically different outcomes at identical investment.

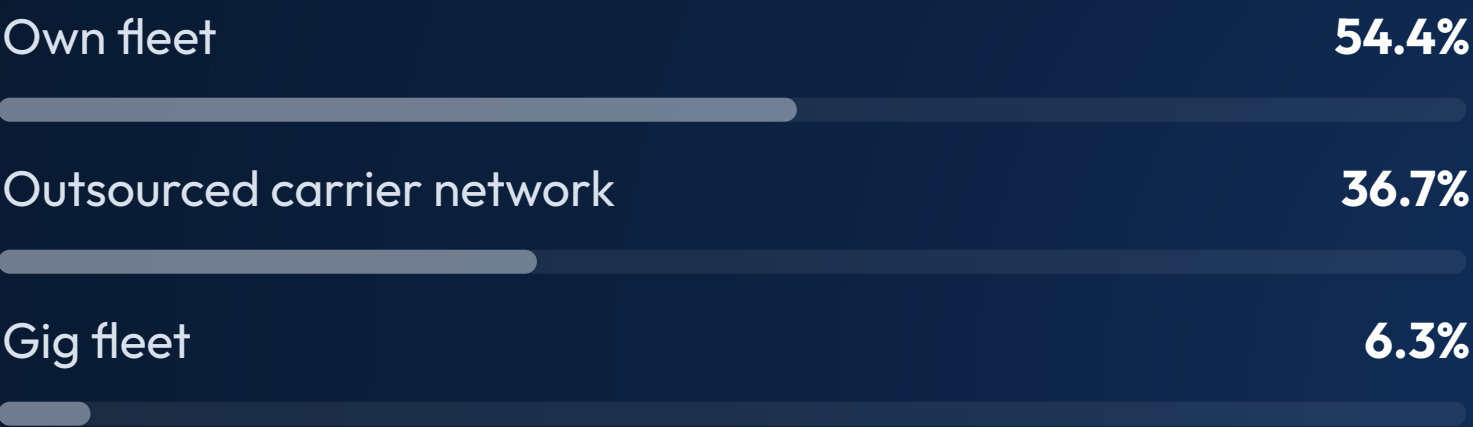


Same money. Thirty points of reliability.

Among the 41 respondents who answered the control question, median investment is identical across all three cohorts. Neither investment nor technology maturity explains control.

Own fleet dominated in 2025. Hybrid is the default in 2026.

2025 • FLEET TYPES



“~90% of companies will increase or maintain outsourcing by 2030.”

2026 • FLEET MODEL (n=84)

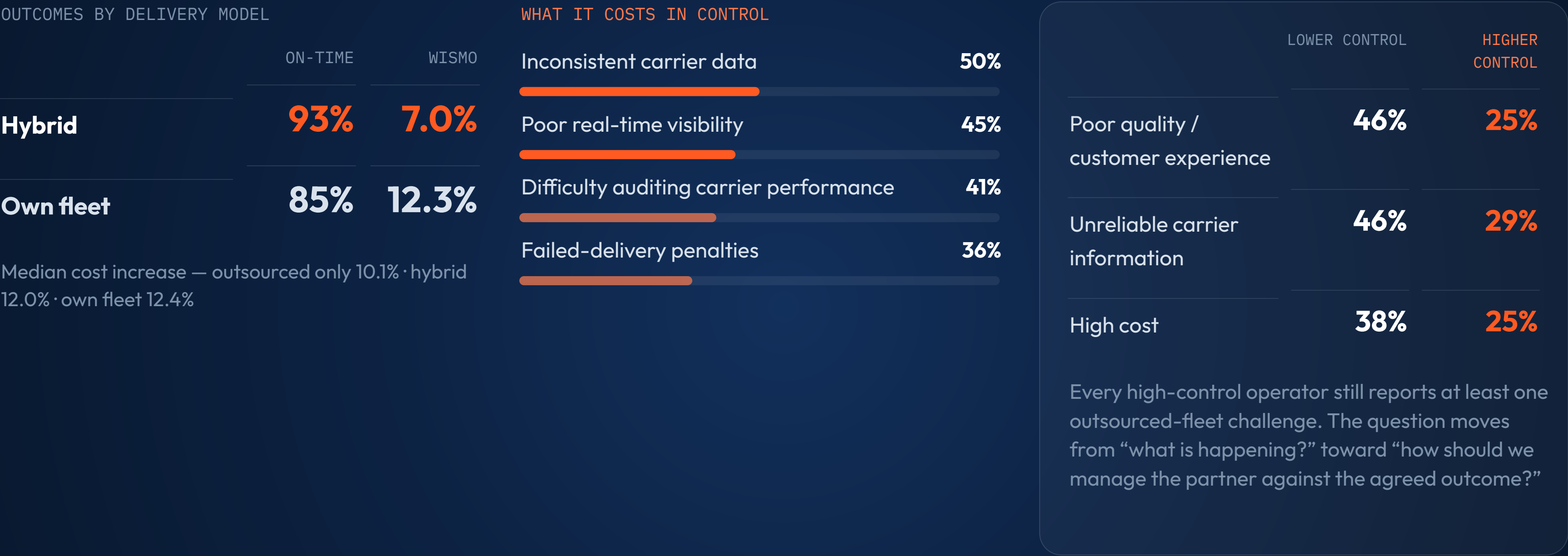


47% of hybrid operators plan to outsource further — the most mixed networks are the ones becoming more mixed.

We said this would happen by 2030. It did not take until 2030.

The dominant delivery model is neither pure ownership nor pure outsourcing. That raises the stakes on keeping a promise consistently across parties the enterprise does not own.

Outsourcing buys economics. It charges you in control.



Control changes the nature of the problem — it does not eliminate it.

Scale does not protect you from delivery inflation.

13.8%

Median year-on-year cost increase above \$1 billion in revenue

The highest of any size band. Buying power alone is not defeating last-mile economics.

80.9%

ON-TIME

Three or more named systems

85.6% on-time · single system

Complexity creates flexibility. Fragmentation destroys the ability to use it.

The largest operators also carry the most technology. More systems reproduce the same complexity enterprises are trying to solve operationally. System quantity is not a proxy for operational capability.

Scale does not break delivery. Fragmentation makes scale expensive.

05

TREND FIVE

AI adoption is accelerating. AI advantage is not.

2026 is the year AI moved from experimentation into implementation. Adoption is no longer the useful measure.

“We’re still in the early stages of AI adoption.” That is no longer true.

AT IMPLEMENTATION OR OPERATIONAL STAGE

2025 2026
46.2% → 66.3%

Twenty points in twelve months.

In 2025 our chart showed 42.3% at early stage, 28.2% exploratory and 21.8% not started. Advanced use sat at 3.85%. That distribution has collapsed forward in a single year.

EXTENSIVE OPERATIONAL ADOPTION

2025 2026
4% → 13.8%

A 3.6× increase. The market has moved decisively beyond awareness.

The question was: will delivery organisations adopt AI? The question now is: what happens after adoption?

More capability has not translated into better reliability.

No relationship

between technology maturity and on-time performance.

High-investment operators score 0.72 on capability progress against 0.44 for low-investment firms. Procurement produces capabilities. It does not produce outcomes. This is the AI execution gap.

TIME-TO-LIVE MATTERS MORE THAN WHAT IS ON THE ROADMAP

Most capabilities still on the roadmap

85.5%

ON-TIME

17.4%

WISMO

Least roadmap backlog

93%

ON-TIME

5.2%

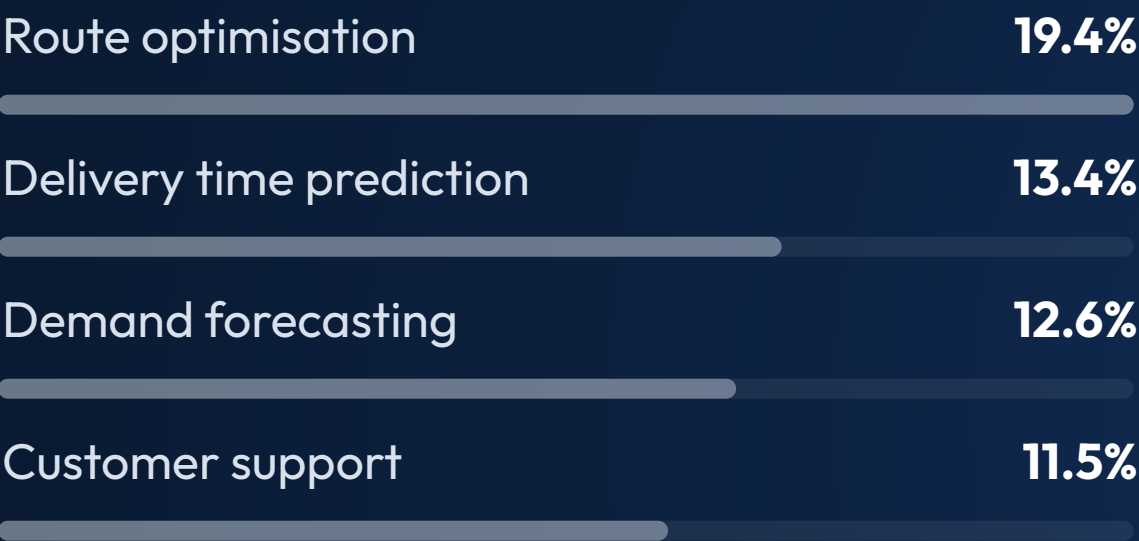
WISMO

A capability that exists in a business case but not inside the workflow creates no operational advantage. Time-to-value depends on time-to-live.

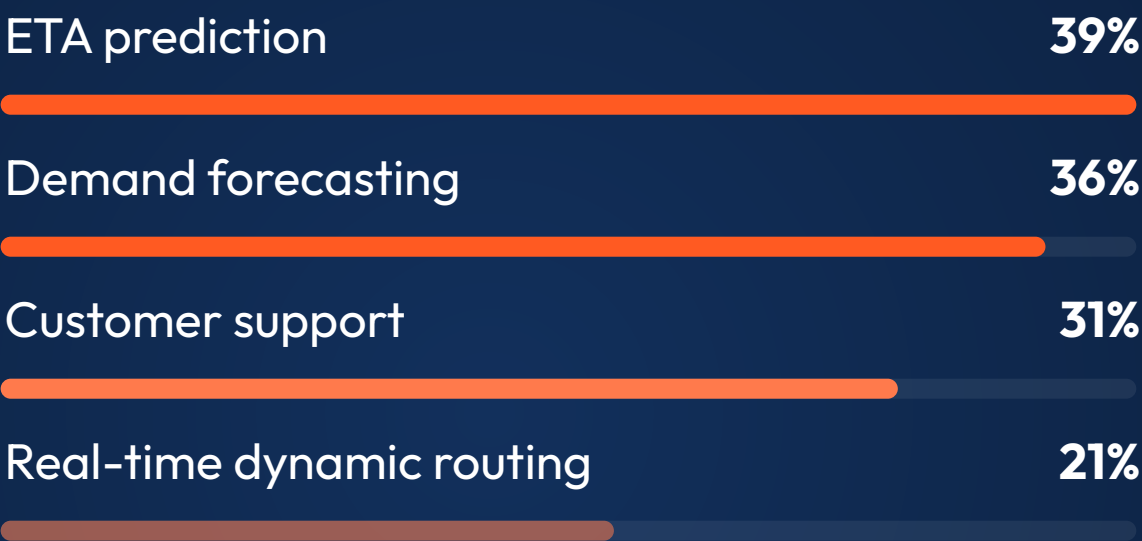
Procurement produces capabilities. It does not produce outcomes.

AI is trusted as an adviser before it is trusted as an operator.

2025 • TOP AI USE CASES



2026 • LEADING AI USE CASES



The only operational-decision use case ranks last.

1.9
8 /4

Mean trust in AI for real-time operational decisions. Seven of the eleven extensive adopters sit at the bottom of the scale. Route optimisation was our number one use case in 2025. In 2026 dynamic routing ranks last — we will let AI tell us what will happen, but not yet decide what to do.

Four changes coming to America's last mile.

01 The delivery promise becomes a priced product — sold on certainty, not speed

Predictability and first-attempt success already account for 55.7% of the promise that matters. Visibility-first operators run 4.9% cost inflation against 24.0% for speed-first.

02 Cost-to-serve joins the board pack, alongside CAC and gross margin

88% of operators have no delivery operating leverage, and 45% already place cost reduction in their top three investment priorities. What gets reported gets governed.

03 Control gets purchased separately from capacity

Control correlates with on-time at 0.474. With technology maturity: 0.073. With investment: essentially zero. The governing layer is a distinct buy from the moving layer.

04 AI crosses from adviser to operator — but only where it is governed

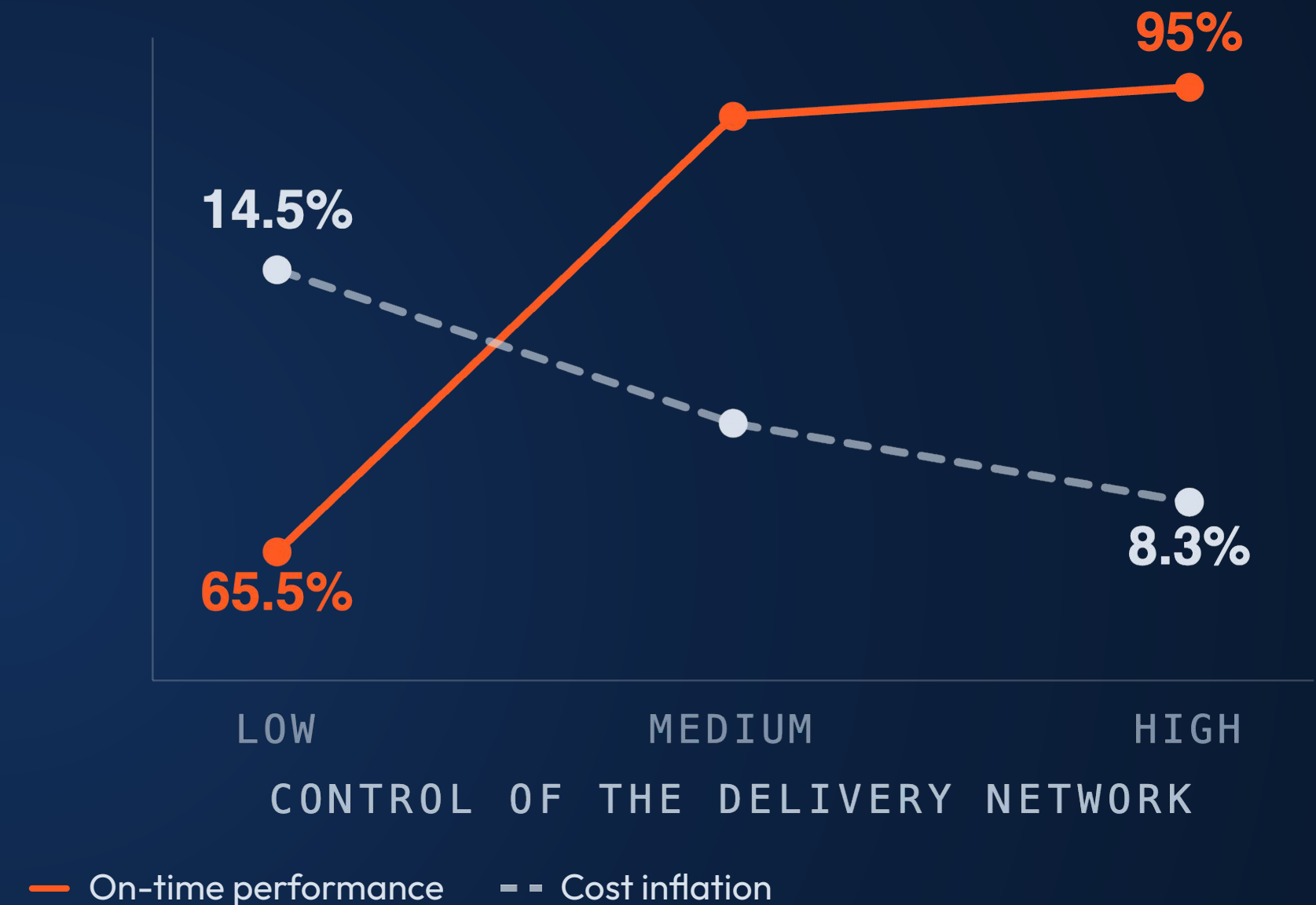
Trust in AI for real-time decisions sits at 1.98 out of 4, and dynamic routing ranks last among use cases. Explainability, thresholds, human override and auditability become the unlock.

THE PERFECT LAST MILE • 2026

Reliable. Governed. Profitable.

In 2025 this slide said Speedy, Reliable, Transparent — and we drew the trade-off curve underneath it.

The data says it was never a trade-off. It was a control problem wearing a trade-off's clothes.



Five things the leaders do differently.

- | | | |
|-----------|---|--|
| 01 | They make a more deliberate promise. | Design it around what customers value, not what competitors advertise. |
| 02 | They execute it more reliably. | Reliability is a cost metric and a CX metric. One conversation, one owner. |
| 03 | They maintain control across increasingly flexible networks. | Standardise the layer that governs outcomes, not the way every carrier operates. |
| 04 | They turn technology into live operating capability faster. | Measure technology by the decisions it improves, not the capabilities purchased. |
| 05 | They are moving AI from insight toward action. | Build the governance layer alongside the intelligence, not after it. |

The winners will not be the companies that promise the most. They will be the companies that can keep the promises that matter, at an economics the business can scale.

Ninety days from this room.

DIAGNOSE

Run the CxO readiness checklist

At the back of the report. Score your promise design, network control, exception rate and time-to-live.

INSTRUMENT

Put WISMO on the cost report

The cheapest new instrument in this study. You already collect it. Start reading it as an economic signal.

ACT

Sessions across the next two days

Roundtables · working sessions with the research team · pilot demos on the control layer.

Let's shape the future of America's last mile together.

1

Keep the promise

Design it for certainty



2

Control the network

Govern outcomes, not operators



3

Compound the economics

Every avoided exception pays twice

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