

Last-Mile Delivery & Route Optimization

The 2026 Buyer's Guide & Vendor Landscape

A practitioner's guide to evaluating, costing, and selecting last-mile delivery and route-optimization software: what these systems do, how the market and vendors stack up in 2026, what they cost, how to run the selection, and how to de-risk the rollout.

Prepared by **Supply Chain Research** · June 2026 · Vendor-neutral: we take no payment from the vendors covered.

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1. Executive summary

Last-mile delivery and route-optimization software plans, dispatches, tracks, and proves the final leg of a shipment, from the depot or store to the customer's door. It is the part of the supply chain the end customer actually sees, and the part where cost-to-serve is highest and least forgiving. The category sits at the intersection of three older ones: it is a fast-growing branch of transportation management, it overlaps with order management on promising and slotting, and it depends on real-time visibility to keep customers informed. In 2026 the buying decision is less about who has a routing engine and more about how routing depth, delivery orchestration across owned and gig fleets, and customer experience come together for your specific delivery profile.

This guide is written for operations, logistics, and IT leaders evaluating a last-mile or routing investment, and for the teams who must integrate it and win driver adoption. It is deliberately vendor-neutral: we accept no payment from the vendors covered, and we name no single best platform, because the right choice depends on your route density, drop profile, fleet mix, and the systems you already run. The pages that follow define the category and its parts, size the market honestly across its very different definitions, profile the platform, routing-specialist, enterprise, and gig tiers, lay out an evaluation framework, and explain why integration and proven mileage savings, not headline percentages, determine the return.

\$2-15B range of 2025 market estimates, depending on whether the scope is focused software, route optimization, or the broad last-mile category	~8 mi per driver per day saved by UPS ORION at scale, the most credible real-world routing benchmark	No MQ there is no Gartner Magic Quadrant for last-mile software or route optimization; selection leans on pilots and peer reviews
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What the evidence says

The category definition drives a 7x spread in market size. Focused last-mile software is sized at roughly \$2.3B to \$7B in 2025, route optimization specifically near \$2B, and the broadest definitions reach \$15B by folding in platform and physical-delivery revenue. Always separate the software market from the delivery-services market.

No analyst quadrant exists for this category. Unlike transportation visibility or source-to-pay, last-mile software and route optimization have no dedicated Gartner Magic Quadrant. Coverage is lighter, spread across Hype Cycles, adjacent transportation research, and peer-review sites, so buyers should weight references and pilots more heavily.

The market splits into four tiers. Enterprise and transportation-suite platforms (Manhattan, Blue Yonder, Descartes, project44), routing specialists (ORTEC, PTV, WorkWave, OptimoRoute, Samsara), delivery-orchestration platforms (Bringg, FarEye, Locus, DispatchTrack, Onfleet), and gig and crowdsourced networks (Uber Direct, DoorDash Drive, Roadie) each solve a different problem.

Treat 15 to 30 percent savings claims as a ceiling. Vendor marketing routinely promises 15 to 30 percent mileage and cost reduction. The proven, at-scale reference is UPS ORION at roughly 8 miles per driver per day, with dynamic routing adding a few more. Peer-reviewed studies land closer to 7 to 13 percent.

Integration and adoption determine ROI. Value comes from clean address data, tight links to order and warehouse systems, and drivers who trust the app. A pilot comparing optimized routes against current routes on your own lanes is the only reliable proof before you commit.

2. What last-mile and routing software is

Last-mile software is a family of overlapping tools, not a single product. Vendors bundle these capabilities differently, and much of the confusion in the market comes from comparing a routing engine to a full delivery platform as if they were the same thing. The core capabilities are:

- **Route optimization.** The mathematical core, solving the vehicle routing problem: which stops go on which route, in what sequence, under constraints such as time windows, vehicle capacity, driver shifts, and traffic.
- **Dynamic and real-time routing.** Re-optimizing mid-shift as orders, cancellations, and conditions change, rather than planning once at the start of the day.
- **Dispatch and driver mobile apps.** Assigning work to drivers and giving them turn-by-turn navigation, manifests, and status capture on a phone or handheld.
- **Proof of delivery.** Capturing signatures, photos, barcodes, and timestamps to confirm and document each drop.
- **Customer notifications and tracking.** Live ETAs, tracking links, and delivery windows, the part of the stack the recipient experiences directly.
- **Returns, carrier management, and orchestration.** Handling reverse logistics and routing volume across an owned fleet, contract carriers, and gig networks from one place.

How the categories relate

Term	What it covers	Scope
Route optimization (VRP)	Solving the routing math: sequence, assignment, constraints	Core engine
Delivery management	Dispatch, tracking, proof of delivery, notifications	Broad platform
Dispatch / fleet	Driver assignment and field operations	Subset
Delivery orchestration	Routing across owned fleet, carriers, and gig networks	Multi-fleet layer
Delivery experience (DEM)	Post-purchase tracking, branding, and returns	Customer-facing
Transportation mgmt (TMS)	Multi-leg freight procurement and execution	Upstream / adjacent

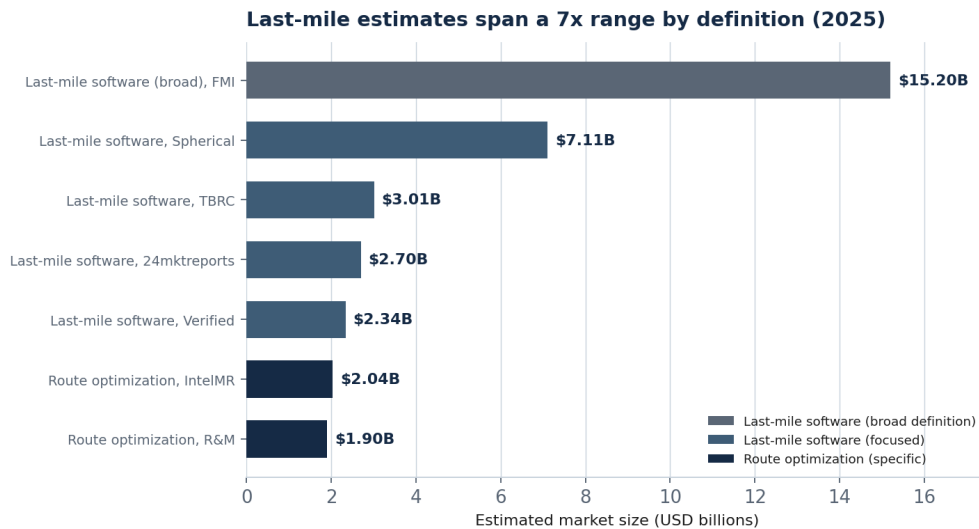
Where it sits next to OMS, WMS, and TMS

Last-mile software is downstream of the order management system, which captures the order and the delivery promise, and downstream of the warehouse system, which picks and stages it. It is often described as a specialized, high-frequency branch of transportation management: a parcel TMS handles network freight and rating, while last-mile handles dense, time-sensitive, customer-facing drops. It also leans on real-time visibility for the tracking and ETA data that drives customer notifications. In practice the boundaries blur, and several vendors now market across two or three of these layers, which is exactly why buyers should map their own process before comparing products.

3. The last-mile software market in 2026

Last-mile is one of the most loosely defined markets in supply chain technology, and the published numbers reflect that. The single most important habit a buyer can adopt is to separate the software market from the physical delivery-services market, which is an order of magnitude larger and grows on entirely different

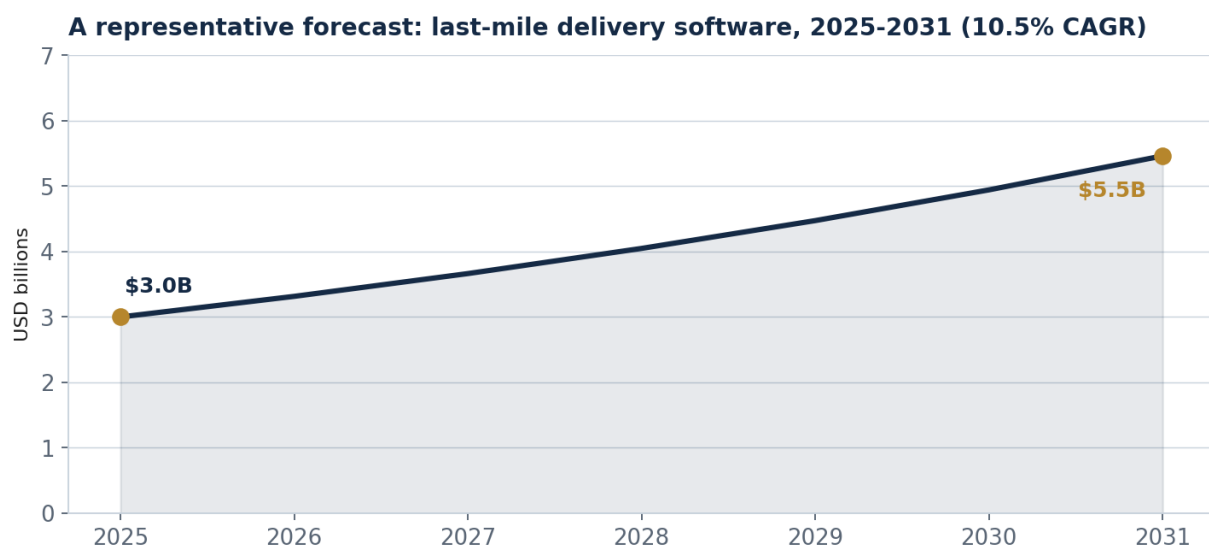
drivers. Within software alone, focused last-mile estimates cluster well below the broadest figures, and route-optimization-specific estimates sit lower still. Treat the figures below as directional.



Source: Supply Chain Research analysis of published estimates, 2025. The broad-definition figure folds in physical-delivery and platform revenue; focused software and route-optimization estimates cluster far lower.

Figure 1. Published 2025 software estimates by category definition. The broad-definition figure folds in platform and physical-delivery revenue; focused software and route optimization cluster far lower.

Category and source	2025 size	Forecast	CAGR
Last-mile software (broad), FMI	\$15.2B	\$41.5B / 2035	10.6%
Last-mile software, Spherical	\$7.11B	\$14.14B / 2035	6.9%
Last-mile software, TBRC	\$3.01B	\$5.21B / 2030	11.8%
Last-mile software, Verified	\$2.34B	\$3.51B / 2032	7.0%
Route optimization, IntelMR	\$2.04B	\$3.82B / 2034	9.6%
Dynamic route opt, R&M	\$1.9B	\$6.6B / 2034	13.1%



Source: midpoint of the focused-software field (The Business Research Company and peers). Route-optimization-specific estimates grow at a similar ~10-13% pace.

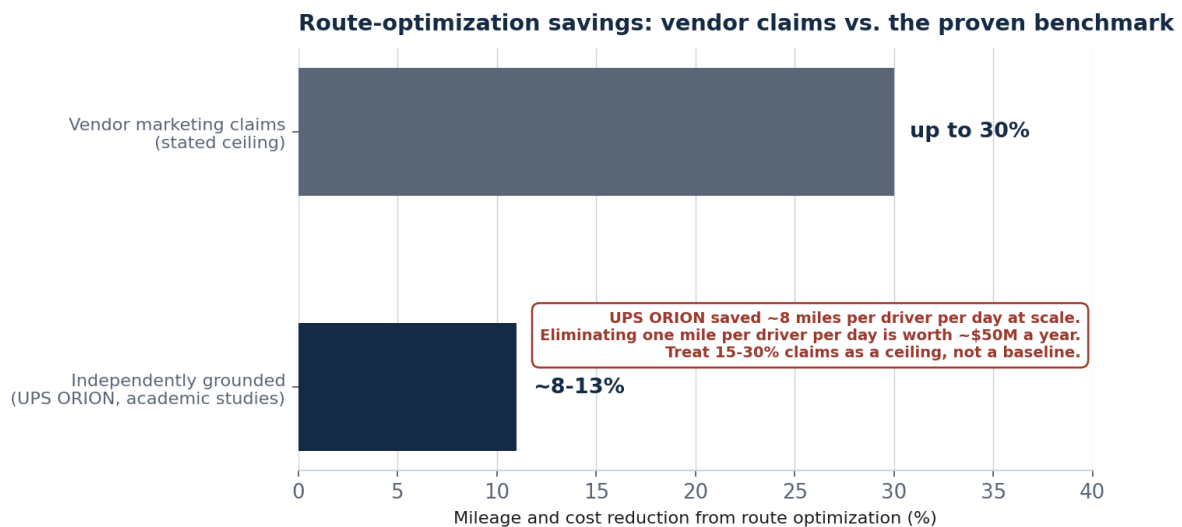
Figure 2. A representative trajectory for focused last-mile software at about 10.5% CAGR. Route-optimization-specific estimates grow at a similar pace.

Why the estimates diverge

The spread is a definition problem. The broadest figures count platform revenue, embedded delivery features inside e-commerce and order systems, and sometimes a slice of the physical delivery service itself. The focused-software figures count standalone delivery-management and routing products. Route-optimization-specific estimates are narrower again, counting only the planning engine. North America is consistently the largest region, at roughly 31 to 41 percent depending on the definition, and the Asia-Pacific region grows fastest. Cloud deployment dominates new purchases at well over half the market.

What is actually driving demand

The demand is real even where the sizing is fuzzy. E-commerce has made dense residential delivery a mainstream cost center: United States e-commerce reached 16.4 percent of total retail sales in the fourth quarter of 2024, on a seasonally adjusted basis, according to the Census Bureau. Same-day and instant delivery, driver shortages, and relentless pressure on cost-to-serve all push operators toward software that can squeeze more efficiency out of every route. That pressure also explains the marketing: vendors compete on savings claims, which makes a clear-eyed view of what optimization actually delivers the most useful thing a buyer can bring to the table.



Source: UPS and Supply Chain Dive (ORION ~8 miles/driver/day, \$50M per mile per year); peer-reviewed route-optimization case studies (7-13%). Vendor figures are vendor-stated.

Figure 3. Route-optimization savings: vendor marketing claims versus the proven, at-scale benchmark. UPS ORION is the most credible public reference; peer-reviewed studies cluster at 7 to 13 percent. Vendor figures are vendor-stated.

4. The vendor landscape

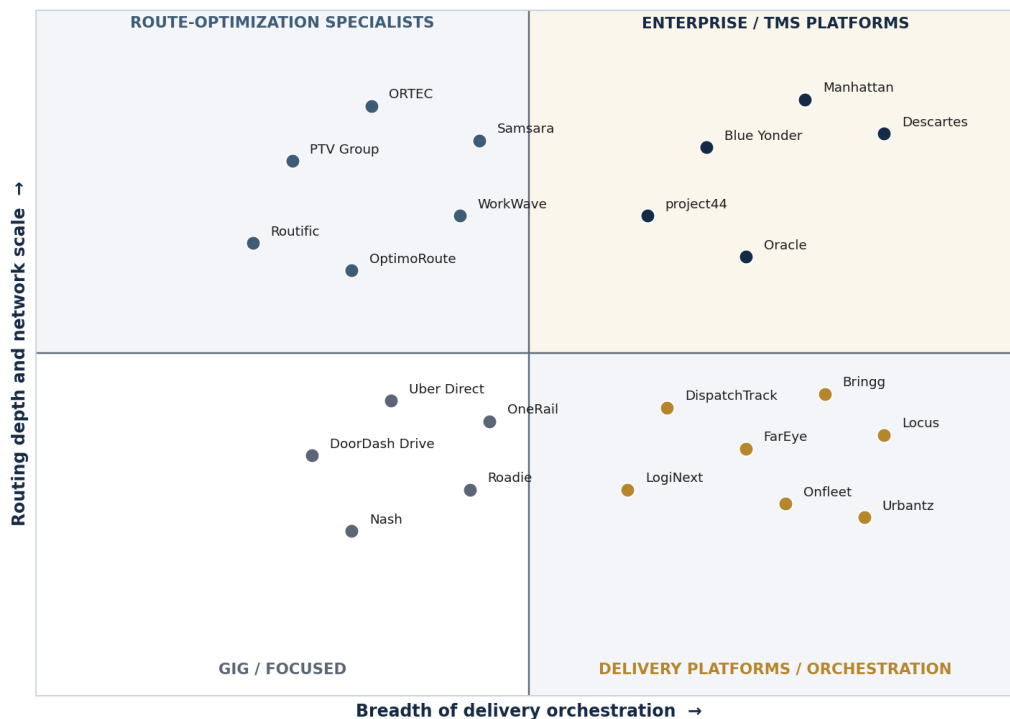
The last-mile market is crowded and segmented, and the absence of a single analyst quadrant makes the segmentation harder to see. We group vendors into four tiers by what they do best, not by size. No vendor leads every tier, and several of the names below compete in only one or two of the capability areas defined earlier.

What the analysts say, and what they do not

This is the category's defining quirk for buyers: there is no Gartner Magic Quadrant for last-mile delivery software or for route optimization, and there is no Forrester Wave that covers the field cleanly. That is not a sign of an immature market, it is a sign of a fragmented one that analysts cover obliquely. What does exist:

- **Adjacent and indirect coverage.** Route optimization and last-mile appear inside Gartner Hype Cycles and broader transportation-technology research, rather than in a standalone ranking.
- **Peer-review platforms carry the weight.** G2 and Gartner Peer Insights, with verified user reviews, are the closest thing to a comparative scoreboard, which makes reference checks unusually important here.
- **Vendor-claimed analyst mentions.** Several vendors cite recognition across logistics categories; treat those claims as marketing until you read the underlying report and its scope.

Last-mile and route-optimization landscape, 2026



No Gartner Magic Quadrant exists for last-mile delivery software or route optimization. This is Supply Chain Research's directional interpretation from capability analysis and peer reviews, not analyst coordinates.

Figure 4. Supply Chain Research's directional map of the landscape. No Gartner Magic Quadrant exists for this category; these are our interpretive positions from capability analysis and peer reviews, not analyst coordinates.

Enterprise and transportation-suite platforms

These vendors bring last-mile as part of a broader transportation or supply-chain suite, and suit large, complex networks already standardized on the wider platform. Manhattan offers last-mile within a deep transportation and supply-chain commerce suite, a fit for large retailers and 3PLs. Blue Yonder delivers last-mile through its Luminate portfolio, strengthened by the Doodle acquisition for delivery and returns experience. Descartes is unusually strong at routing at scale and has been acquisitive, adding GroundCloud for final-mile carrier operations. project44 reaches last-mile through its Convey acquisition, pairing delivery-experience management with its visibility network. Oracle launched a cloud last-mile capability in late 2024, aimed at customers already on its supply-chain cloud.

Strengths and limitations

Strengths: depth, scale, and one throat to choke when last-mile is one module of a larger program.

Limitations: heavier implementations, higher cost, and routing engines that can trail the specialists on pure optimization. Best fit when last-mile must plug into an enterprise transportation or commerce backbone.

Route-optimization specialists

These vendors lead on the routing math itself. ORTEC and PTV Group are long-established, research-grade optimization houses used in complex, high-constraint networks. WorkWave and its RouteManager and OptimoRoute products serve field service and delivery with transparent per-driver pricing. Samsara pairs routing with telematics and a connected-operations platform. Aptean Routing, the former Paragon, and Verizon Connect round out the established field, with newer specialists such as Routific, eLogii, Route4Me, Wise Systems, and Optym competing on usability and price.

Strengths and limitations

Strengths: the deepest optimization, strong constraint handling, and fast time-to-value for routing-centric operations. Limitations: narrower delivery-management and customer-experience features, and less orchestration across mixed fleets. Best fit when the core problem is truly a routing problem rather than a platform problem.

Delivery-management and orchestration platforms

These vendors lead on the end-to-end delivery workflow and on routing volume across owned, contracted, and gig fleets. Bringg orchestrates multi-fleet delivery for retail and grocery. FarEye targets complex delivery networks with strength in global and emerging markets. Locus, acquired by IKEA's Ingka Group in October 2025 to bring routing in-house, pairs dispatch with optimization at enterprise scale. DispatchTrack, which acquired Beetrack for Latin America, Onfleet for simpler mid-market operations, LogiNext, Urbantz, Shippy, and Nash all compete here with different regional and segment strengths.

Strengths and limitations

Strengths: broad delivery features, strong customer-experience tooling, and the ability to blend fleets. Limitations: routing depth that can trail the specialists, and a wide quality range across regions and segments. Best fit when orchestration and the customer experience matter as much as the routing.

Gig, crowdsourced, and delivery-experience layers

Two adjacent groups complete the picture. Gig and crowdsourced networks, Uber Direct, DoorDash Drive, Roadie, and orchestration layers such as OneRail, provide flexible delivery capacity rather than planning software, and are increasingly accessed through the platforms above. Delivery-experience vendors, Narvar and AfterShip, own the post-purchase tracking and returns relationship. Further out, autonomous delivery, Starship's sidewalk robots, Nuro, Zipline and Wing for drones, is real but still early and limited in scale, and should be treated as a pilot-stage adjacency, not a 2026 procurement option.

Vendor summary

Vendor	Category	Best fit	Notes
Descartes	Routing + TMS	Enterprise routing at scale	Deep, acquisitive (GroundCloud)
Manhattan	Enterprise suite	Large retail and 3PL networks	Last-mile as one suite module

Vendor	Category	Best fit	Notes
Bringg	Orchestration	Multi-fleet retail and grocery	Blends owned and gig fleets
FarEye	Delivery platform	Complex global networks	Strong in emerging markets
Locus	Delivery platform	Enterprise dispatch + routing	Acquired by IKEA / Ingka, 2025
Onfleet	Delivery management	SMB and mid-market	Simple, fast to deploy
OptimoRoute / WorkWave	Route optimization	Field service and delivery	Transparent per-driver pricing
project44 (Convey)	Visibility + last-mile	Shippers wanting delivery DEM	Via the Convey acquisition
Uber Direct / DoorDash Drive	Gig network	On-demand delivery capacity	Capacity, not planning software

Positions and notes are Supply Chain Research's interpretation from public information and peer reviews, current to mid-2026. Funding, ownership, and product scope change quickly; verify current details directly with each vendor.

5. How to evaluate a last-mile platform

Because there is no analyst quadrant to lean on, a disciplined evaluation matters more here than in most categories. We use five dimensions. Score each vendor against your own delivery profile rather than against a generic feature list.

The five dimensions

- **Routing depth and constraint fit.** Can the engine handle your real constraints: time windows, vehicle types, capacity, multi-depot, driver skills, and live traffic, not just the demo's tidy example?
- **Dynamic re-optimization.** Does it re-plan mid-shift as orders and conditions change, or only plan once at the start of the day?
- **Integration and data quality.** How cleanly does it connect to your order, warehouse, and e-commerce systems, and how well does it geocode messy addresses? This is where most projects succeed or fail.
- **Driver experience and adoption.** Is the mobile app something drivers will actually use, with navigation, manifests, and proof of delivery that reduce friction rather than add it?
- **Customer experience and orchestration.** Live tracking, accurate ETAs, branded notifications, returns, and the ability to route across owned and gig fleets when volume spikes.

Making the decision

Map your need to a tier before you shortlist. If the core problem is routing math in a constrained network, start with the specialists. If it is end-to-end delivery operations and customer experience across mixed fleets, start with the orchestration platforms. If last-mile must live inside an enterprise transportation or commerce backbone, start with the suites. If you mainly need flexible capacity, the gig networks may be the answer rather than a software purchase at all. Then run a structured pilot.

A selection process that works

1. Define your delivery profile: drop density, time windows, fleet mix, daily volume, and the systems of record it must touch.

2. Match that profile to one or two tiers, and shortlist three vendors within them.
3. Run a pilot on your own routes, comparing optimized plans against current routes for mileage, stops per route, and on-time rate.
4. Test integration and address-data quality early, with your real order and address feeds, not sample data.
5. Put drivers on the app during the pilot, and weight their feedback heavily in the final decision.

6. Cost and pricing

Last-mile pricing is more transparent at the small end and more opaque at the enterprise end. Mid-market routing tools publish per-driver pricing; enterprise platforms quote custom, gated figures that depend on volume, fleets, and integration scope. The models you will encounter:

Pricing model	Typical range	Notes
Per driver / month	~\$30-50	OptimoRoute roughly \$39-49; common for routing tools
Per stop or delivery	usage-based	Scales with volume; suits variable demand
Per vehicle / month	tiered	Fleet-based; common with telematics bundles
Enterprise subscription	custom / gated	Platform plus integration and support
Implementation	4-8 weeks	Integration and driver onboarding the main drivers

What drives the number

Daily delivery volume, fleet size, the number of integrations, and whether you need dynamic re-optimization and gig orchestration are the main cost drivers. Total first-year cost includes integration work, address-data cleanup, and driver onboarding, which the subscription line does not capture. Mid-market deployments commonly go live in four to eight weeks; enterprise rollouts with deep integration take longer.

Enterprise last-mile pricing is typically gated behind a sales process, so published figures should be treated as starting points. Build a pilot and a reference-check into the buying process to validate both cost and the savings the vendor projects.

7. Implementation: where programs succeed or fail

Last-mile implementations fail in predictable ways, and almost none of the failure modes are about the routing algorithm. They are about data, integration, and people. The recurring causes:

- **Dirty address data.** Poor geocoding and incomplete addresses wreck even a strong routing engine. Address quality is the most underestimated prerequisite.
- **Weak integration.** If orders, inventory, and delivery status do not flow cleanly between systems, the routes are built on stale or partial data.
- **Driver rejection.** If the app is clumsy or the optimized routes ignore on-the-ground reality, drivers override them and the savings evaporate.
- **Optimizing the wrong metric.** Chasing minimum mileage while service windows slip, or vice versa, instead of balancing cost and customer promise.

4-8 wk typical go-live for a mid-market deployment, longer for deep enterprise integration	Addresses clean, well-geocoded address data is the single biggest prerequisite	Drivers optimized routes only pay off if drivers trust and follow them
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Three principles that separate success from failure

Fix the data before the routes. Clean, well-geocoded addresses and reliable order feeds are the foundation; optimization on bad data produces confident, wrong answers.

Prove it on your own lanes. Run a pilot that compares optimized routes against current routes on real volume before you scale, and measure mileage, stops, and on-time rate together.

Win the drivers. The optimized route must be one drivers will actually follow; their adoption, not the algorithm, is what converts a plan into savings.

A phased rollout

Sequence the program to retire risk early. Begin with data readiness: address cleansing, geocoding, and the order and status integrations. Pilot on a representative subset of routes, comparing optimized against current performance and putting drivers on the app. Then expand by region or depot, tuning constraints as real conditions surface. Layer in dynamic re-optimization and gig orchestration once the static plan is trusted. Treating these as sequential stages, rather than a single switch, is what separates a smooth rollout from a stalled one.

8. Trends shaping 2026

Agentic and dynamic AI routing

The clearest near-term shift is from static, once-a-day route plans to continuous, AI-driven re-optimization that adjusts to orders, traffic, and exceptions in real time. Vendors increasingly frame this as agentic, with software that re-plans and reassigns autonomously within guardrails. The grounded value today is in supervised dynamic routing; full autonomy remains a roadmap claim that buyers should test against shipping capability.

Electric vehicles and sustainability routing

Routing is absorbing new constraints as fleets electrify: vehicle range, charging windows, and emissions are becoming first-class inputs alongside time and distance. Sustainability routing, planning for lower emissions rather than only lower mileage, is moving from a talking point to a real requirement for operators with climate commitments.

Autonomous delivery, still early

Sidewalk robots and drones, Starship, Nuro, Zipline, and Wing, continue to advance in defined corridors and use cases, but remain limited in scale and geography. For 2026, autonomous delivery belongs in the pilot and partnership column, not the core procurement plan.

Gig and flexible-fleet orchestration

The line between owned fleets and gig capacity keeps blurring. Orchestration that can shift volume to Uber Direct, DoorDash Drive, Roadie, and similar networks during peaks, then pull it back, is becoming a standard expectation of delivery platforms rather than a niche feature.

Micro-fulfillment and dark stores

Pushing inventory closer to the customer through micro-fulfillment and dark stores shortens the last mile itself, and last-mile software increasingly has to coordinate with these forward nodes to plan from the right origin.

Convergence with TMS and visibility

The strongest structural trend is convergence. Last-mile, transportation management, and real-time visibility are merging into orchestration platforms, with several vendors pursuing an operating-system-for-logistics vision. For buyers, this means today's point purchase should be weighed for how well it will fit a more unified stack tomorrow.

9. Segment-specific guidance

The right tier depends heavily on what you deliver and to whom. The table summarizes where each segment usually starts; the prose adds the nuance.

Segment	Typical priority	Where to start
Retail / e-commerce	Customer experience and cost-to-serve	Orchestration platforms; suites at scale
3PL / carriers	Routing depth and multi-client scale	Specialists or enterprise suites
Grocery / food	Time windows and freshness	Orchestration with strong dynamic routing
CPG / distribution	Constraint-heavy route planning	Route-optimization specialists
Field service	Technician scheduling and routing	Specialists with workforce features

Retail and e-commerce operators usually feel the customer-experience and cost-to-serve pressure first, and tend to start with an orchestration platform, moving to an enterprise suite only at large scale. Third-party logistics providers and carriers need routing depth and the ability to run many clients on one system, which points to specialists or enterprise platforms. Grocery and food delivery live or die on tight time windows and freshness, favoring orchestration with strong dynamic routing. Consumer-goods distribution with heavy routing constraints is natural specialist territory, while field-service operations need routing married to technician scheduling. These are starting points, not rules: a high-volume grocer and a regional courier may both end up on the same platform for different reasons.

10. ROI and the business case

The business case for last-mile software is straightforward in structure and easy to overstate in practice. The levers are mileage and fuel, stops per route, failed deliveries, labor productivity, and customer satisfaction. The discipline is refusing to bank the vendor's headline percentage before you have proven it on your own routes.



Where the value comes from

Most of the return is in three places. Fewer miles and less fuel per route is the most direct saving, and the one most often inflated; the credible reference is UPS ORION, which saved roughly 8 miles per driver per day at scale, with dynamic routing adding a few more, and which UPS valued at about 50 million dollars a year for every mile per driver per day eliminated, roughly 100 million fewer miles annually. More stops per route, often cited at 20 to 30 percent by vendors, raises throughput without adding vehicles. Fewer failed deliveries cut the expensive second attempt and improve the customer experience that drives repeat business. As Figure 3 shows, the prudent planning assumption is the lower, evidence-based end of the range, with anything above it treated as upside to be earned.

A caution on vendor numbers

The 15 to 30 percent mileage and cost-reduction figures that dominate vendor marketing are best read as a ceiling under favorable conditions, not a baseline you can assume. Peer-reviewed studies land closer to 7 to 13 percent, and real-world results depend on how inefficient your current routing is, how dense your drops are, and how faithfully drivers follow the plan. Build the business case on a pilot, not a brochure.

11. Frequently asked questions

What is the difference between last-mile delivery software and route optimization?

Route optimization is the planning engine that solves the routing problem: which stops go on which route and in what order. Last-mile delivery software is the broader platform around it, adding dispatch, driver apps, proof of delivery, customer tracking, and returns. A routing tool is one component of a full delivery platform.

Is last-mile software the same as a TMS?

No, though they overlap. A transportation management system handles multi-leg freight procurement and execution across a network. Last-mile is a specialized, high-frequency branch focused on dense, time-sensitive, customer-facing drops. Several vendors now market across both, which is why mapping your own process first matters.

Who are the leading vendors?

It depends on the tier. Enterprise and suite platforms include Manhattan, Blue Yonder, Descartes, and project44; routing specialists include ORTEC, PTV, WorkWave, OptimoRoute, and Samsara; delivery-orchestration platforms include Bringg, FarEye, Locus, DispatchTrack, and Onfleet; and gig networks include Uber Direct, DoorDash Drive, and Roadie.

Is there a Gartner Magic Quadrant for last-mile or route optimization?

No. Unlike transportation visibility or source-to-pay, this category has no dedicated Gartner Magic Quadrant or clean Forrester Wave. Coverage is indirect, through Hype Cycles and adjacent research, so verified peer reviews and structured pilots carry more weight in vendor selection.

How big is the market?

It depends entirely on the definition. Focused last-mile software is sized at roughly \$2.3B to \$7B in 2025, route optimization specifically near \$2B, and the broadest definitions reach about \$15B by including platform and physical-delivery revenue. Separate the software market from the delivery-services market.

How much does it cost?

Mid-market routing tools commonly run about 30 to 50 dollars per driver per month, with OptimoRoute around 39 to 49. Enterprise platforms quote custom, gated pricing based on volume, fleets, and integration. Plan for integration and address-data work on top of the subscription.

How long does implementation take?

Mid-market deployments commonly go live in four to eight weeks. Enterprise rollouts with deep integration into order, warehouse, and transportation systems take longer. Address-data quality and integration, not the algorithm, are the usual pacing factors.

How much can route optimization really save?

Treat vendor claims of 15 to 30 percent as a ceiling. The most credible public benchmark is UPS ORION at roughly 8 miles per driver per day at scale, and peer-reviewed studies cluster at 7 to 13 percent. Actual results depend on current routing inefficiency, drop density, and driver adoption.

What about autonomous delivery, robots, and drones?

Sidewalk robots and drones from Starship, Nuro, Zipline, and Wing are advancing but remain limited in scale and geography. For 2026 they belong in the pilot-and-partnership column, not the core procurement plan.

What is the most common reason these projects fail?

Bad address data, weak integration, and poor driver adoption, in that order. Almost none of the common failures are about the routing math. Fixing data and winning driver trust matter more than choosing the cleverest algorithm.

12. Recommendations

A practical path for buyers, drawn from the analysis above:

6. **Separate the software decision from the delivery-services decision.** Decide what you are buying, a planning and delivery platform or flexible delivery capacity, before you compare anything.
7. **Match your delivery profile to a tier first.** Routing problem to the specialists; end-to-end operations and customer experience to the orchestration platforms; enterprise-backbone fit to the suites; pure capacity to the gig networks.
8. **Do not wait for an analyst quadrant that does not exist.** Lean on verified peer reviews, reference customers of similar profile, and your own pilot rather than a ranking.
9. **Fix address data and integration before scaling.** These determine success more than the routing engine; budget for them explicitly.
10. **Treat 15 to 30 percent savings as a ceiling.** Build the business case on a pilot that compares optimized routes against your current routes, and plan around the lower, evidence-based end.
11. **Weight driver adoption heavily.** Put drivers on the app during the pilot; a route plan they will not follow saves nothing.

13. Methodology and caveats

- This guide synthesizes public market-research estimates, analyst commentary, vendor disclosures, and peer-review sources, current to mid-2026. Supply Chain Research is independent and accepts no payment from the vendors covered.
- Market-size figures vary by 7x or more depending on whether the scope is focused software, route optimization, or the broad last-mile category, and several estimates fold in physical delivery services. We present a range and separate software from services rather than asserting a single number.
- There is no Gartner Magic Quadrant or clean Forrester Wave for this category. The landscape map in Figure 4 is our directional interpretation from capability analysis and peer reviews, not analyst coordinates.
- Savings and ROI figures from vendors are vendor-stated and treated as a ceiling. The UPS ORION benchmark and peer-reviewed studies are used as the more credible references, and are cited as such.
- Vendor funding, ownership, and product scope change quickly, for example the 2025 acquisition of Locus by IKEA's Ingka Group. Validate current details directly with vendors before any purchasing decision.

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- [10] Persistence Market Research (2025). [Last-Mile Delivery Software Market](#). Regional and deployment mix.

Additional figures drawn from: the United States Census Bureau Quarterly Retail E-Commerce report (e-commerce at 16.4% of retail, Q4 2024); UPS and Supply Chain Dive (ORION routing benchmark, ~8 miles per driver per day and \$50M per mile per year); Research and Markets (dynamic route optimization sizing); and peer-reviewed route-optimization case studies (7-13% mileage reduction). Vendor capability, pricing, and savings claims are vendor-stated unless otherwise noted, and there is no Gartner Magic Quadrant for this category.

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