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Balancing last mile speed,
cost & experience: Deloitte's
omnichannel delivery study

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Executive summary

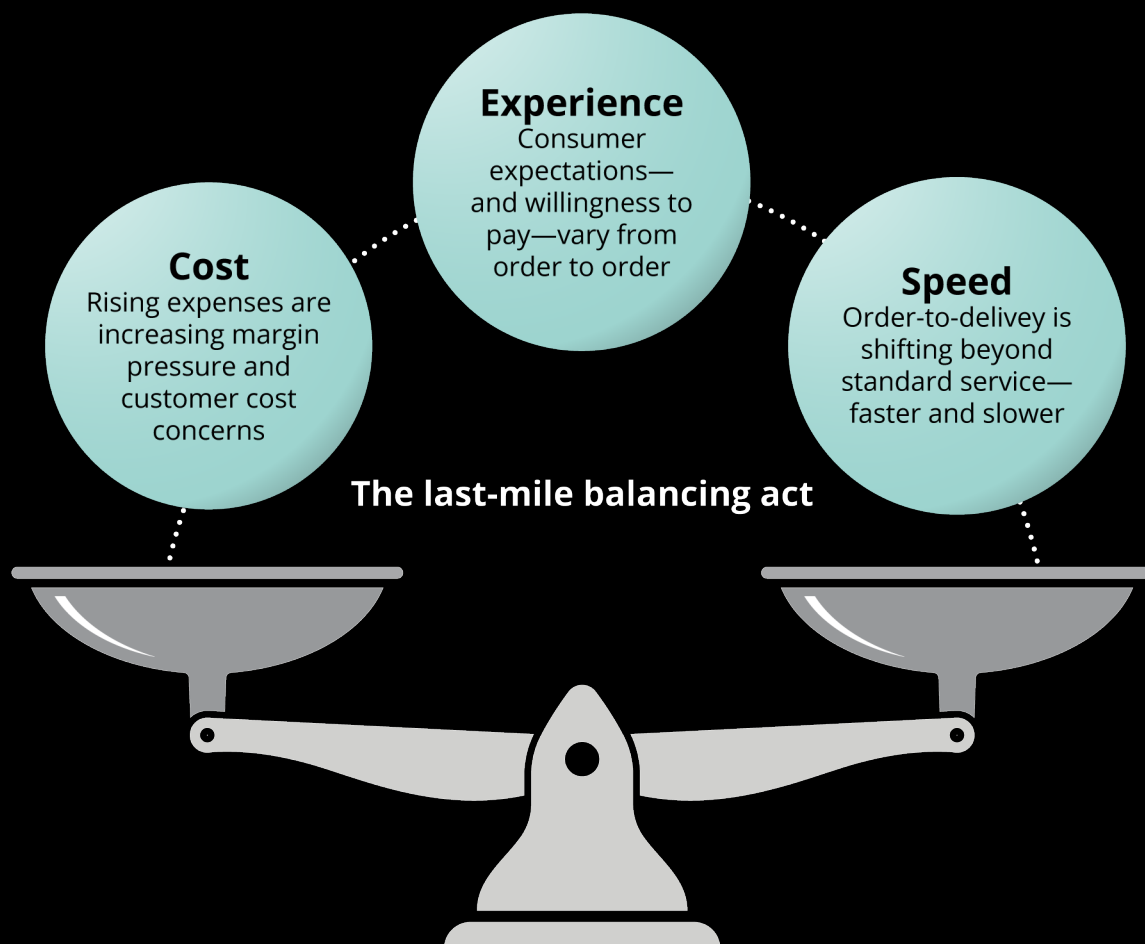
Changes in carrier networks, as well as policy, trade, and other disruptions, have contributed to rising costs for companies delivering omnichannel orders. These increases are now reflected in the last-mile delivery services offered to customers.

Deloitte research of more than 300 omnichannel companies shows over a 10% increase over the past 2 years in the cost of standard last-mile delivery service offered to customers at checkout. In parallel, free-shipping offerings are declining, or companies are raising the minimum purchase threshold required to qualify.

As a result, the old adage that customers have a need for speed is shifting toward a need for the right delivery service at the right cost—and what feels right can change for a customer from order to order.

The same customer that may be willing to pay for immediate needs will also wait for other products in exchange for delivery savings.

Deloitte's study found that leading companies are broadening delivery options to address internal and external expense impacts and evolving consumer needs—balancing profitability with competitive costs and delivery speed for customers.



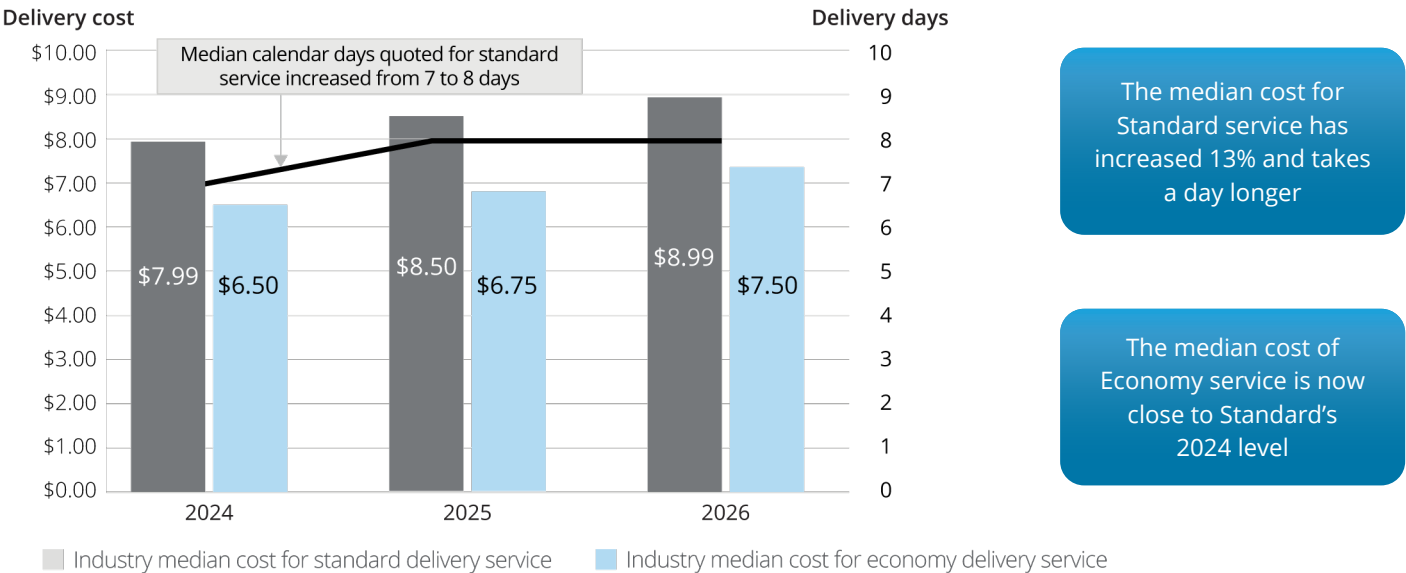
Rising cost-to serve is eroding the consumer value proposition for standard services

Economic signals suggest we are in an era of value-seeking customers, and companies are focusing on proving their products are worth the price. In parallel, delivery costs are moving in the opposite direction—raising the all-in price for digital consumers. Our research across more than 300 retail companies shows the value of standard delivery service is diminishing: from 2024 to 2026, costs increased by 13%, and timeframes quoted for this service increased by one day.

Industry free-shipping offerings have also scaled back significantly. Free shipping on all orders is now limited to luxury or other high-price companies, and the median order threshold to qualify for free shipping has increased by 50% across the industry.

Despite expense pressures, delivery service pricing should continue to support product value to reduce the risk of digital customer abandonment.

Historical industry benchmarks for standard delivery cost and speed quotes



Historical industry trends for free standard delivery offerings

	Companies offering free shipping on all orders	Companies offering free shipping with minimum purchase threshold	Median minimum purchase threshold for free shipping
2026	17%	78%	\$75
2024	22%	71%	\$50

Free shipping is getting harder for customers to earn: companies have shifted from free shipping on all orders to free shipping with a minimum spend, and the threshold has increased 50%.

Expanding speed choices beyond the standard may better serve value-focused consumers

When we compare current industry benchmarks for standard delivery cost and speed with the consumer expectations identified in Deloitte's 2026 Consumer Post-Purchase Experience survey, we find significant gaps.

However, it may not be realistic for companies to lower standard service costs or increase speed while keeping ecommerce operations profitable. And not every customer needs or wants faster delivery, so unnecessary carrier upgrades could be a wasted

investment. In fact, 81% of consumers we surveyed said they prioritize delivery cost over speed. Our research shows that leading companies are addressing this cost-versus-speed trade-off by offering a broader range of delivery speed options.

Savings from customers willing to wait can help offset the added cost of serving customers who need faster delivery.

	Cost		Days to arrive	
Industry benchmarks for standard service	\$8.99	The Gap 80%	8	The Gap 60%
Consumer expectations for standard service ¹	\$5.00		5	

Industry offerings & consumer sentiment on speed options that can solve the standard gap²

	Delivery speed options	% companies that offer	Industry median cost	Primary reason consumers don't use	% consumers would use if offered for reasonable cost
Faster options	Same day from stores	22%	\$9.99	Cost	33%
	Expedited small parcel	76%	\$25.95	Cost	24%
Standard service					
Slower options	Economy/no rush	9%	\$7.50	Availability	43%
	Select future date	3%	Free or with perks	Availability	22%



Select future date: an emerging capability with dual benefits

- ✓ Consumers gain flexibility by receiving products exactly when they want
- ✓ Companies can better balance scheduled and new demand to improve fulfillment efficiency in addition to saving delivery costs

Emerging services that reduce package volume or size can drive further last-mile savings

Once companies have established the most cost-effective delivery speed options for their business and customers, the next hurdle in last-mile savings is reducing package dimensions and weight to lower delivery costs—or, better yet, reducing the total number of packages delivered.

Every piece of unneeded material adds size and weight for carriers and creates unnecessary waste for customers to dispose of. Giving customers the option to skip premium packaging or an additional shipping container can reduce

package size. While smaller packages can lower costs, consolidating orders into fewer packages is the biggest delivery-savings opportunity and also reduces customer effort to track shipments and manage packaging waste.

Additional last-mile savings come from minimizing package weight and size—and delivering fewer packages.

Industry offerings & consumer sentiment on additional delivery options³

	 Reduced packaging options	 Order consolidation/ package bundling
How it works	Customers can choose to have products they order online delivered with less packaging or no packaging at all	Customers buying multiple products or placing multiple orders can choose to wait to have their products consolidated into less packages for delivery
Industry benchmarks: Companies that offer	2%	2%
Key company benefits	✓ Delivery savings from smaller dimension packages ✓ Using fewer materials increases fulfillment productivity ✓ Packaging supplies savings ✓ Promotes company sustainability missions	✓ Delivery expense savings through reduced package volume ✓ Streamlined fulfillment of consolidated orders with higher units per package ✓ Packaging supplies savings ✓ Less order communications need to be sent
Consumer insights: % would use if offered	76%	73%
Key consumer benefits	✓ Attracts environmentally conscious customers ✓ Reduced disposal of packaging materials	✓ Eliminates the need to keep track of multiple delivery packages ✓ Reduced disposal of packaging materials



Leveraging customers who will pick up their online orders is the ultimate last-mile value driver

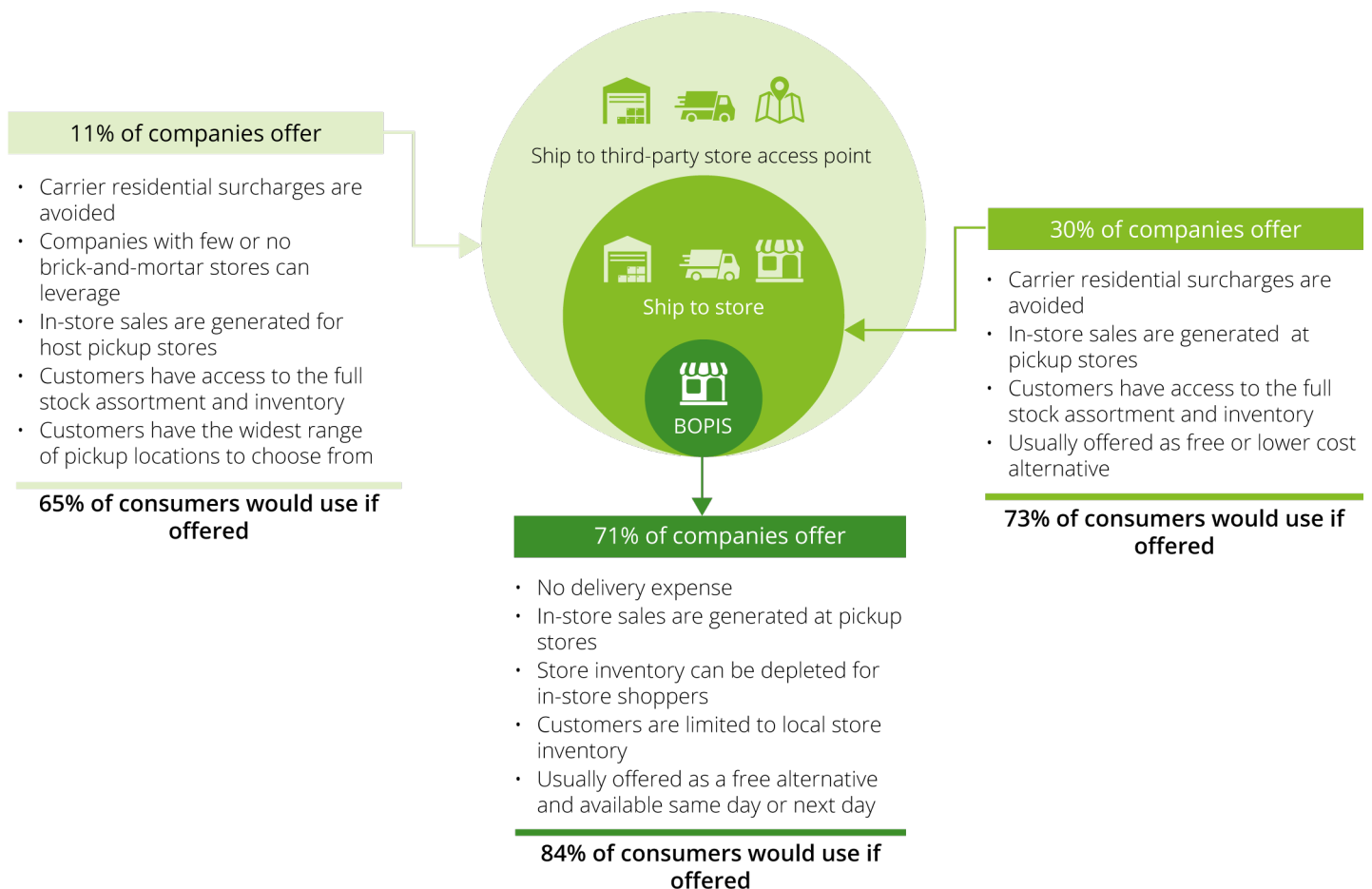
Every time a customer opts to pick up an online order, it creates a delivery savings opportunity for companies. It is also a chance to generate omnichannel sales: 56% of consumers Deloitte surveyed said they would be likely to make an unplanned purchase at the time of pickup.

This valuable digital-to-store journey began nearly 20 years ago with buy online/pickup in store (BOPIS) and has since expanded to "ship-to" models. Today, pickup benefits are no longer limited to companies with physical stores, as carrier access points enable them to leverage other companies' stores as delivery

pickup hubs. This also expands the customer pickup network for companies that do have stores. Consumers value pickup primarily for savings: 28% of surveyed consumers said they use pickup to avoid delivery fees, versus 17% who do it for speed.

Consumers who opt to pick up their online orders most often do so for the delivery savings, but they are likely to spend in-store when they pick up.

Industry offerings & consumer sentiment on options for in-person pickup of online orders⁴



Having customers indicate whether their ship-to location is a commercial address at checkout is another way to avoid carrier surcharges and unlock additional delivery savings

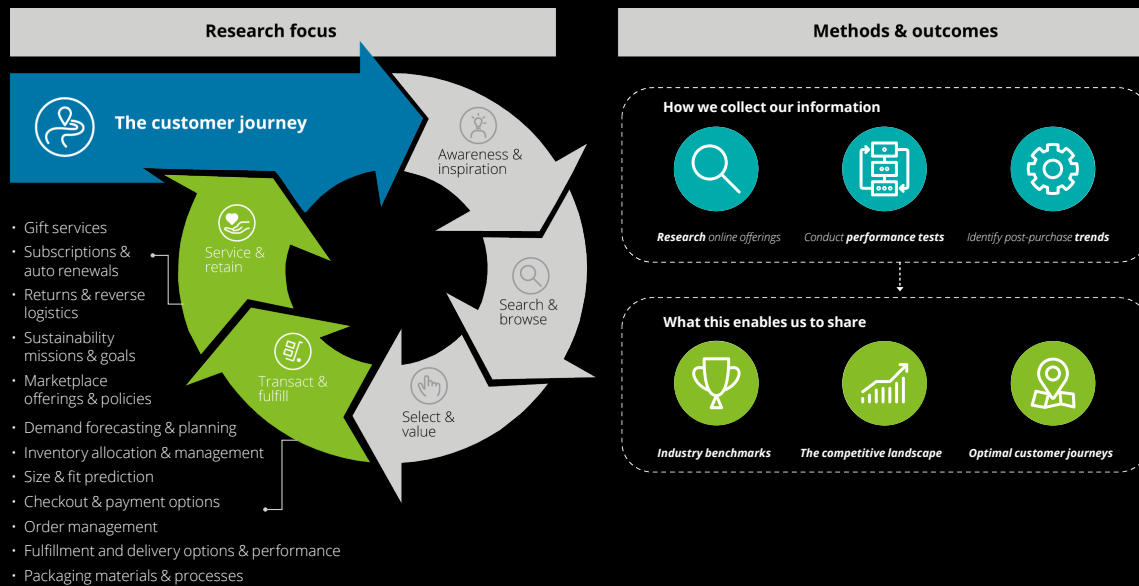
Deloitte's omnichannel competitive landscape services

Deloitte's omnichannel competitive landscape research and assessment services can help companies quickly understand where they are leading or lagging key competitors across the end-to-end customer journey. We benchmark current capabilities, identify the gaps that matter most, and translate the findings into

a practical set of priorities. We can also help you build the business case—linking improvements to customer experience and cost drivers—and support implementation of leading capabilities, from operating model and process changes to enabling technology and performance measurement.

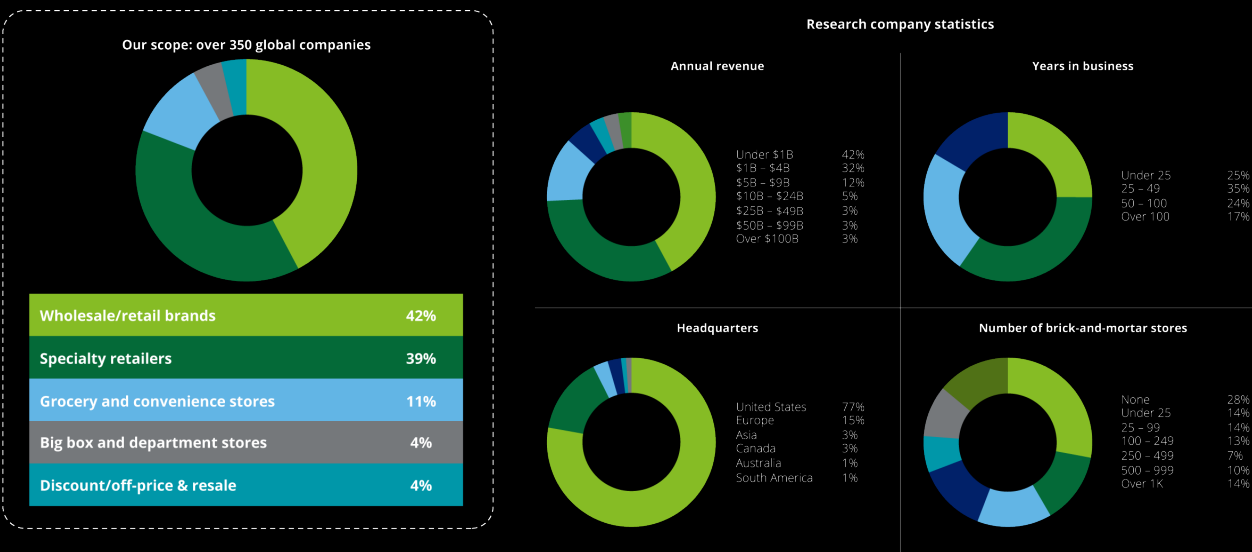
Deloitte omnichannel competitive landscape research

We monitor and test the services retail companies offer across the post-purchase customer experience, including capabilities to transact and fill orders as well as services that retain ongoing loyalty



Research companies: Key statistics

We include companies of varying sizes, maturity, and operating models to capture the broadest spectrum of capabilities across the retail industry



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Endnotes

1–4. Deloitte 2026 Consumer Post-Purchase Surveys



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