

Big and Bulky Last-Mile Delivery in the United States Decelerates in 2023 with a Rebound Projected into 2026

BROOKFIELD, WI, USA, June 21, 2024 /EINPresswire.com/ -- Armstrong & Associates, Inc. (A&A), an internationally recognized leader in third-party logistics market information and consulting, releases its latest market research report, "Making it Count: Big and Bulky Last-Mile Delivery in the United States."



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The National Home Delivery Association (NHDA) and A&A partnered for this study covering the Third-Party Logistics (3PL) Big and Bulky U.S. Last-Mile Delivery Market segment to identify current market size, growth, and outlook, key providers, customers and verticals served, estimated route costs and average stops by geography, as well as employment and other trends.

This report details and compares the use of independent contractors versus employee drivers, customer and revenue trends by vertical industry, and the growing use of freight brokerage to source last-mile carrier capacity.

The 3PLs analyzed had 2023 last-mile delivery revenues from \$1.2 million to \$1 billion, representing approximately 34% of the estimated \$10.3 billion U.S. Third-Party Logistics Big and Bulky Last-Mile Delivery Market. A&A estimates the U.S. 3PL Big and Bulky Last-Mile Delivery Market experienced a compound annual growth rate (CAGR) of 13.7% from 2017 through 2023 and will have a CAGR of 9.5% from 2024 through 2026.

In this report, last-mile delivery is defined as the transportation of big and bulky shipments (not parcels) from the last warehouse or terminal to the final consignee for commodities such as furniture/mattresses, appliances, electronics/high-tech, exercise equipment, construction materials, industrial machinery, or medical equipment to a destination within the United States where they will be used or consumed. These can be business-to-business (B2B) or business-to-consumer (B2C) shipments.

Last-mile e-commerce orders are typically shipped as small packages and transported by parcel

carriers. However, other last-mile options are significantly growing with expanding e-commerce product categories such as furniture and appliances. Third-party logistics providers with fleets of independent contractors and freight brokerage operations deliver many last-mile orders. In addition, Less-than-Truckload (LTL), Last-Mile, Household Goods, and Truckload (TL) carriers are expanding last-mile services for big and bulky items to accommodate the rapid growth in e-commerce retail sales.

The final transportation leg for an e-commerce order—the last mile—may be short but extremely costly. Transportation costs for a shipment from a distribution center or fulfillment center to a customer’s doorstep can account for 30%–40% of the total cost of transportation. Last-mile provider revenue per shipment is low by traditional LTL standards and averages less than \$90 per shipment. Total shipment revenue varies depending on the value-added services performed during delivery. A whole bedroom delivery and setup can generate \$250, while a less service-intensive shipment may only generate \$50.

For more information on this report, “Making it Count: Big and Bulky Last-Mile Delivery in the United States,” and other market research, please visit: <https://www.3plogistics.com/product-category/guides-market-research-reports/market-research-reports/>.

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