

Fifth-party Logistics Market Size Estimated to Reach USD 17.30 billion by 2035 | CAGR 6.5%

In terms of revenue, the transportation segment is expected to dominate the global market in 2025.

WILMINGTON, NEW CASTLE, DE, UNITED STATES, November 15, 2024 /EINPresswire.com/ -- The global ______ is expected to be valued at \$9.21 billion in 2025, and is likely to reach \$17.30 billion in 2035, registering a CAGR of 6.5%. Rise in the efficiency of supply chain & management systems, expansion of the e-commerce industry,



and increase in international trade drive the growth of the global fifth-party logistics market. On the other hand, government barriers for logistics companies and complex supply chain impede the market growth to some extent. However, introduction of blockchain and technological advancements are anticipated to pave the way for multiple opportunities in the industry.

The prominent factors that drive the growth of the fifth party logistics market include rise in the global trade and increasing efficiency of supply chain. Moreover, technological advancement and introduction of blockchain is expected to propel the growth of the fifth party logistics market. The countries such as China, India, and Brazil are growing economies. Thus, the demand for end to end supply chain network management is witnessing prominent growth in these countries, which is expected to provide lucrative opportunities for the growth of the fifth party logistics market in the region.

By type, the transportation segment is expected to contribute to more than half of the global <u>fifth-party logistics market share</u> by 2025, and is anticipated to retain its dominance throughout the forecast period. This is owing to the increase in demand to construct, organize and implement multimodal transportation methods which provide optimum route planning for minimizing transportation costs. The warehousing segment, however, would showcase the fastest CAGR of 6.9% by 2035. This is due to increase in demand for automated warehousing distribution systems effective distribution.

Europe dominates the market, in terms of revenue, followed by North America, Asia-Pacific, and LAMEA. Europe is expected to dominate the global market, owing to increase in demand for better logistics services. Moreover, strong demand for online retail and rapid economic growth is driving the growth of this market.

By type, the fifth party market is segregated into transportation, warehousing and other services. The transportation segment accounted for the highest revenue in 2025, as companies are continuously fifth party logistics solutions for supply chain optimization and minimizing the transportation cost.

Based on region, Asia-Pacific followed by North America is anticipated to grow at the fastest CAGR of 7.4% during the forecast period. This is owing to the growth of thee-commerce industry, rise in international trade in the region. However, the market across Europe would lead the global fifth-party logistics market size by contributing to more than one-third of the total market share by 2025.

Based on application, the e-commerce segment is expected to hold the lion's share in 2025, and contribute to more than half of the global fifth-party logistics market. This segment is anticipated to continue its lead during the forecast period. However, the logistics company segment is expected to witness the <u>highest CAGR</u> of 6.9% by 2035. 5PL companies serve third-party logistic companies by acting as logistics aggregators, and they aggregate third-party logistics demands into bulk volumes for more favorable rates. This drives the growth of the segment. The report also includes an analysis of the traders segment.

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