



DP WORLD



WITHOUT
LOGISTICS



FOREWORD

Picture global trade in action and you might think of a truck on the road, a container ship moving silently off the coast, or the package that arrived at your door in less than 48 hours from thousands of miles away. Trade, by its very definition, is an activity - it keeps on moving and doesn't sit still.

When we launched *A World Without Logistics*, we wanted people to think about what happens when that world does stop moving, even for a few hours. We wanted to know more about the experience of disruption from those dealing with it every day. What exactly are the costs of running a business in a world where disruption never really goes away?

To get closer to an answer, we spoke to hundreds of beneficial cargo owners across eight major industries, every major trade region, at both C-suite level and below. Their responses paint an unsettling picture of disruption that is no longer exceptional but common. The consequences of geopolitics, climate events, labour shortages, congestion and critical infrastructure failures are keeping cargo owners in firefighting mode with little time to recover. It's a pattern of strain that impacts everyone involved and demands a different way of thinking about logistics.

Having examined eight verticals individually, this final report synthesises the data into a single, global picture of how cargo owners experience disruption and how they are addressing it. *Without Logistics* is not an attempt to predict the next crisis or claim that disruption can be eliminated with a few quick fixes; trade will inevitably remain exposed to geopolitics, climate and macro-economic shocks, as it always is to varying degrees. Instead, it offers a way of seeing the system as it is today: where disruption stress is highest, where momentum for change is strongest, and what kinds of investment actually move the needle on resilience.

Our hope is that it will help decision-makers treat logistics as an asset to be valued and used strategically - one that keeps the world moving even when conditions are anything but calm.



BEAT SIMON,
Global Chief Commercial Officer
and Chief Operating Officer – Logistics,
DP World



CONTENTS

01 GLOBAL & REGIONAL SUMMARY

02 MAPPING SUPPLY CHAIN DISRUPTION

03 FIVE TRENDS

The geography of disruption is uneven

Disruption has two faces: chronic & catastrophic

Supply chain resilience requires broad investment

Customer pain is universal, reputation damage is not

Everyone is aligned on resilience

04 RECOMMENDATIONS

05 METHODOLOGY

GLOBAL SUMMARY



SECTORS SURVEYED:

Automotive, Technology, Healthcare, Retail, Consumer Goods, Perishables, Industrial Goods, & Chemicals



REGIONS SURVEYED:

France, Germany, UK, North America, Gulf Countries (GCC), Asia-Pacific excluding India (APAC), Sub-Saharan Africa (SSA), Middle East & North Africa (MENA), & Indian Subcontinent

Global trade has entered a period marked by enduring disruption. Across eight sectors and nine regions, most cargo owners at and below C-suite level report that their organisation has experienced significant logistics disruptions, including port congestion in major global ports, customs or border clearance delays, climate-related disruption, and geopolitical disruption in recent years.

The impact is significant in time, money and reputation. In several major sectors, more than half of firms say that in a year when their organisation experiences significant logistics disruption, they lose more than one month of operational time. In the most affected regions, losing more than a month has become normal rather than exceptional.

Without Logistics identifies five trends based on the results:

01

The burden of disruption is uneven – and the Global South pays the heaviest price

Disruption is felt everywhere, but its weight is uneven. A small group of stressed corridors in the Global South - Sub-Saharan Africa (SSA), Gulf Countries (GCC) and the Middle East and North Africa (MENA) - carry more of the strain. In SSA, 83% of firms that experience disruption say their operational time is impacted by more than a month in a disrupted year, compared with 72% in MENA, 61% in the GCC, 50% in North America, 41% in Germany and 36% in the UK.

High value disruption is more common too: 47% of respondents in the GCC and 43% in MENA say their organisation has incurred annual disruption costs of \$1 million or more, compared with 38% in North America and 17% in the UK, and these regions sit towards the top of the range for customer complaints, lost business and brand damage when logistics performance falls short.

At the same time, they are among the most ambitious on investment. The net proportion of cargo owners who expect their organisation's total logistics spend to increase in the next 12 months reaches 91% in SSA, 90% in the GCC and 86% in MENA, above most advanced markets. The share who expect their organisation's investment in AI, automation and digital logistics tools to increase in the next three years is even higher in each of these regions.



GLOBAL SUMMARY CONTINUED

02 There are two distinct faces of disruption: chronic and catastrophic

High-volume sectors such as perishables, retail and healthcare face constant, repeated shocks. Perishables cargo owners report the highest recurrence across many disruption types: up to 48% say their organisation has experienced climate-related logistics disruption six or more times in the last three years, with similarly elevated levels for labour shortages, technology or systems failure and infrastructure failure.

Retail and healthcare together carry the heaviest incident load at around 18,000 disruption events a year each, compared with about 13,000 in automotive. In contrast, automotive is exposed to fewer incidents, but each one is far more expensive and often slower to recover from. The average cost per disruption in automotive is around \$1 million, with annual disruption bills estimated at \$13 billion.

03 Resilience requires broad investment

The biggest reductions in disruption cost are seen in firms that spread investment across several parts of the supply chain and combine foundational improvements with digital tools.

In consumer goods, companies that invest in four or more logistics areas report annual disruption costs that are around 76% lower than low-investment peers. In perishables, investing in five to seven logistics areas is associated with a 69% reduction in disruption costs. In retail, investing in production input planning and factory-level logistics is associated with disruption cost reductions of nearly 87%, while sustainability initiatives are associated with reductions of about 41%.

Across sectors, the data indicate there is no single technology silver bullet. The most resilient firms are those that strengthen factory logistics, inbound flows and warehousing, and then use digital tools to coordinate those assets more effectively.

04 Disruption is a customer and reputation problem

In most regions and sectors, between 80% and 95% of respondents agree that logistics disruptions have led to increased customer complaints. Yet the longer-term damage to brand and trust is concentrated in a subset of markets. France and Sub-Saharan Africa both sit in the mid-80s for the share of firms who agree that their brand image has suffered because of logistics performance during disruptions.

In the GCC and MENA, respondents express total confidence (100%) that logistics partners can support their business needs yet also report some of the highest levels of lost business or contracts linked to disruption. In North America and the UK, complaint levels rise, but agreement that brand image has suffered is lower, suggesting more resilient reputations in those markets.



GLOBAL SUMMARY CONTINUED

05 Everyone is aligned on resilience from board-level and below

C-suite cargo owners and cargo owners below C-suite level share a clear view of the road ahead. Across the eight sectors, 89–98% in both groups agree that resilient supply chains will significantly outperform peers in the next three years, and more than 80% expect logistics to become a more strategic focus in board-level decisions. Both also see the strongest returns coming from supply chain digitisation, and around 75% expect their organisation's total logistics spend to increase over the next three years, with 81–89% expecting higher investment in AI, robotics and automation.

The difference lies in how disruption is experienced. C-suite respondents tend to emphasise the financial and strategic stakes, reporting higher estimates of million-dollar losses and longer recovery periods. Operational teams feel the commercial and customer strain more directly, with higher reports of lost business, firefighting and crisis escalation. Together they show a shared commitment to resilience, shaped by different pressures and responsibilities.

Taken together, these findings provide three clear messages for business and policymakers:

- 01** Decision makers need to understand where exposure is greatest rather than assume a uniform starting point.
- 02** Resilience is built through a deliberate mix of investments in logistics fundamentals and enabling technology - not through technology alone.
- 03** The consequences of logistics failure reach well beyond cost and lead times into customer relationships, partner ecosystems and brand reputation.



REGION SUMMARY: NORTH AMERICA

TIME AND COST OF DISRUPTION

Around 50% of firms say that, in a year when their organisation experiences significant logistics disruption, their operational time is impacted by more than a month, compared with over 70% in parts of the MENA and SSA. About 38% say their organisation has incurred annual disruption costs of \$1 million or more.

SNAPSHOT OF NORTH AMERICA:

50%	lose more than one month of operational time in a year with significant logistics disruption
38%	face disruption costs of \$1 million or more
71%	say logistics disruptions have led to increased customer complaints
83%	say they are confident their logistics partners can support their business needs

CUSTOMER AND PARTNER IMPACT

Reputational impacts are present but less acute than elsewhere: 71% agree that logistics disruptions have led to increased customer complaints, yet only 41% agree that their brand image has suffered because of logistics performance during disruptions, and just over half agree that their reputation with supply chain partners has been negatively affected. Overall, 83% agree they are confident their logistics partners can support their business needs.

INVESTMENT OUTLOOK

North American cargo owners prioritise delivery reliability and customer expectations and are increasing investment in resilience and domestic logistics capacity. Around 65% say they expect their organisation's total logistics spend to increase in the next 12 months, and 78% say they expect investment in AI, automation and digital logistics tools to increase in the next three years.



IN SHORT...


Disruption is common but more contained than in many other regions, with weaker brand damage and solid trust in logistics partners. Investment is steadily rising, especially in reliability and digital tools.

REGION SUMMARY: EUROPE

TIME AND COST OF DISRUPTION

At a regional level, 43% of firms say that, in a year when their organisation experiences significant logistics disruption, their operational time is impacted by more than a month, and 30% say their organisation has incurred annual disruption costs of \$1 million or more.

SNAPSHOT OF EUROPE

43%	say they lose more than one month of operational time in a year with significant logistics disruption
30%	face annual disruption costs of \$1 million or more
62%	say their brand image has suffered because of logistics performance during disruptions
	Partner confidence varies with 90% in Germany and 83% in the UK vs. 41% in France

CUSTOMER AND PARTNER IMPACT

Customer-facing impacts are widespread with 78% saying logistics disruptions have led to increased customer complaints, 55% saying that disruptions have resulted in lost business or contracts, and 62% saying that their brand image has suffered because of logistics performance during disruptions.

Confidence in logistics partners is broadly solid with 71% agreeing they are confident that logistics partners can support their business needs, but this masks sharp contrasts between the UK (83%), Germany (90%) and France (41%).

INVESTMENT OUTLOOK

Across Europe as a whole, around two-thirds of firms say they expect their organisation's total logistics spend to increase in the next 12 months, and 82% say they expect their organisation's investment in AI, robotics and automation in logistics to increase in the next three years, signalling a steady shift from firefighting towards longer-term resilience.



IN SHORT...

Europe faces high disruption but with clear differences between markets. The UK and Germany are relatively confident and investing for resilience, while France looks more like a stressed corridor with heavier brand damage and lower trust.

REGION SUMMARY: ASIA-PACIFIC (EXCLUDING INDIA)

TIME AND COST OF DISRUPTION

Just over half (53%) in APAC say that, in a year when their organisation experiences significant logistics disruption, their operational time is impacted by more than a month, while 25% say their organisation has incurred annual disruption costs of \$1 million or more, lower than in the GCC or MENA.

SNAPSHOT OF ASIA-PACIFIC

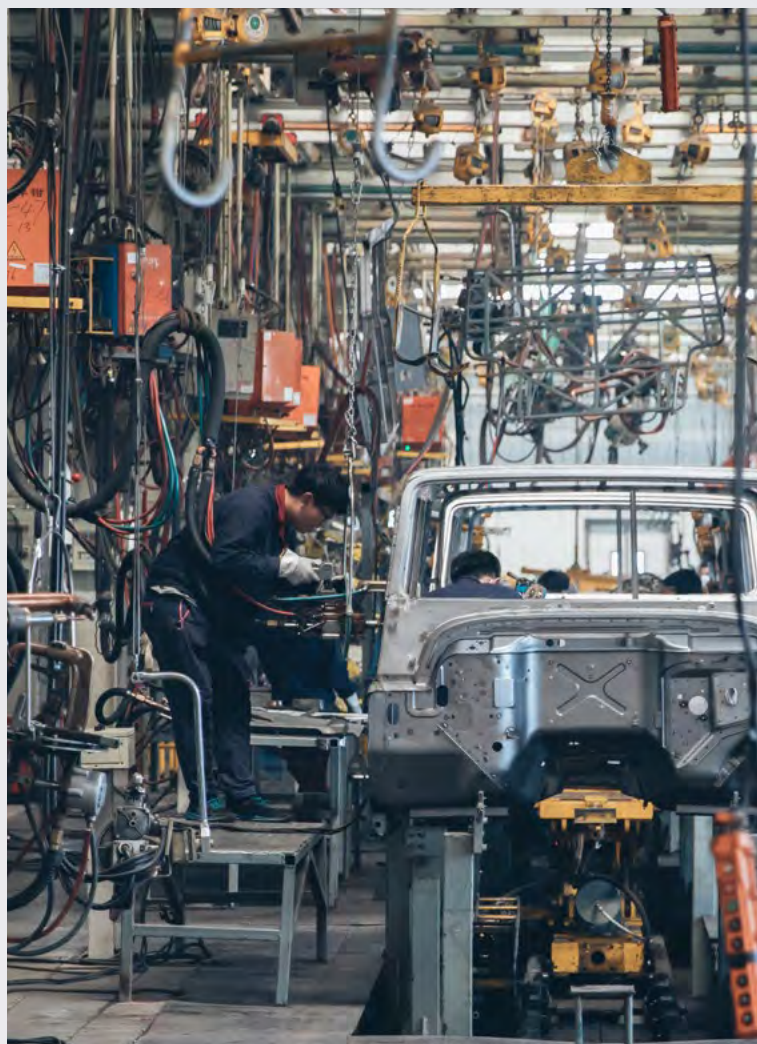
53%	lose more than one month of operational time in a year with significant logistics disruption
25%	face annual disruption costs of \$1 million or more
78%	say logistics disruptions have led to increased customer complaints
86%	agree they are confident their logistics partners can support their business needs

CUSTOMER AND PARTNER IMPACT

Reputational effects are significant but not at the very top of the range: 78% agree that logistics disruptions have led to increased customer complaints, 75% agree that disruptions have resulted in lost business or contracts, and 56% agree that their brand image has suffered because of logistics performance during disruptions. Confidence in logistics partners is relatively strong, with 86% agreeing that they are confident logistics partners can support their business needs.

INVESTMENT OUTLOOK

Around 69% say they expect their organisation's total logistics spend to increase in the next 12 months, and 81% say they expect their organisation's investment in AI, automation and digital logistics tools to increase in the next three years. Resilience planning is less mature than in some markets, but there is a clear recognition that logistics performance and customer satisfaction are increasingly linked and that technology will play a larger role in closing that gap.



IN SHORT...

APAC sits at the centre of global trade and feels many shocks, but disruption is often rated as moderate and partner confidence is strong. Firms are steadily increasing spend on last-mile, freight and digitisation.

REGION SUMMARY: MIDDLE EAST AND NORTH AFRICA

TIME AND COST OF DISRUPTION

MENA sits among the most stressed regions in the study. 72% of firms that experience disruption say that, in a year when their organisation experiences significant logistics disruption, their operational time is impacted by more than a month, one of the highest shares globally. 43% say their organisation has incurred annual disruption costs of \$1 million or more.

SNAPSHOT OF MIDDLE EAST AND NORTH AFRICA

72%	lose more than one month of operational time in a year with significant logistics disruption
43%	face annual disruption costs of \$1 million or more
100%	agree that logistics disruptions have led to increased complaints and lost business or contracts
100%	say they are confident in logistics partners to support their business needs

CUSTOMER AND PARTNER IMPACT

The reputational and commercial consequences are stark: 100% of respondents agree that logistics disruptions have led to increased customer complaints and lost business or contracts. 72% agree that their brand image has suffered because of logistics performance during disruptions, and 72% agree that their reputation with supply chain partners has been negatively affected by logistics disruptions

Yet confidence in logistics partners is also at 100%, reflecting strong belief in local infrastructure and service providers even as disruption remains pervasive.

INVESTMENT OUTLOOK

Around 93% of firms say they expect their organisation’s total logistics spend to increase in the next 12 months, and a similar share say they expect their organisation’s investment in AI, robotics and automation in logistics to increase in the next three years. MENA illustrates the key finding that the markets that carry the heaviest disruption burden are also those pushing hardest to modernise their logistics systems.



IN SHORT...

MENA is one of the most stressed regions, with long downtime, high costs and universal reports of complaints and lost business. At the same time, firms are highly confident in their logistics backbone and plan sharp increases in investment.

REGION SUMMARY: SUB-SAHARAN AFRICA

TIME AND COST OF DISRUPTION

SSA carries some of the highest disruption stress in the study. 83% of firms that experience disruption say their operational time is impacted by more than a month during a disrupted year, and a third report recovery times of three to six months or more. Financially, 26% say their organisation has incurred annual disruption costs of at least \$1 million, and 10% say they have incurred disruption costs above \$5 million.

SNAPSHOT OF SUB-SAHARAN AFRICA

83%	lose more than one month of operational time
26%	face disruption costs of \$1 million or more
86%	say their brand image has suffered
97%	expect to increase logistics and AI investment

CUSTOMER AND PARTNER IMPACT

Reputational effects are pronounced: 83% agree that logistics disruptions have led to increased customer complaints, 88% agree that disruptions have resulted in lost business or contracts, 78% agree that their reputation with supply chain partners has been negatively affected by logistics disruptions, and 86% agree that their brand image has suffered because of logistics performance during disruptions. Confidence in logistics partners is more cautious, with 64% agreeing that they are confident logistics partners can support their business needs.

INVESTMENT OUTLOOK

SSA shows some of the strongest intent to build resilience. 97% say they expect their organisation's total logistics spend to increase in the next 12 months, and the same share say they expect their organisation's investment in AI, automation and digital logistics tools to increase in the next three years, the highest figure of any region.



IN SHORT...

SSA carries the heaviest disruption burden, with long outages and strong brand and partner impacts. It also shows the strongest intent to change, with almost all firms planning to raise logistics and AI investment.

REGION SUMMARY: INDIAN SUBCONTINENT

TIME AND COST OF DISRUPTION

The Indian Subcontinent faces a broad range of disruptions but shows relatively strong short-term resilience. 38% of firms say that, in a year when their organisation experiences significant logistics disruption, their operational time is impacted by more than a month, yet 71% say their organisation typically recovers from a major logistics disruption within one month, one of the highest shares in the sample. 29% say their organisation has incurred annual disruption costs of \$1 million or more.

SNAPSHOT OF THE INDIAN SUBCONTINENT

38%	lose more than one month of operational time
71%	recover from major disruption within one month
29%	face disruption costs of \$1 million or more
66%	expect to increase logistics investment

CUSTOMER AND PARTNER IMPACT

On the reputational side, 69% agree that logistics disruptions have led to increased customer complaints, 64% agree that disruptions have resulted in lost business or contracts, and 66% agree that their brand image has suffered because of logistics performance during disruptions. Confidence in logistics partners is solid, with 82% agreeing they are confident logistics partners can support their business needs.

INVESTMENT OUTLOOK

Investment priorities focus on delivery performance, sustainability and supply chain technology. About 66% of firms say they expect their organisation's total logistics spend to increase over the next 12 months, and 71% say they expect their organisation's investment in AI and automation in logistics to increase over the next three years. The region's challenge is to convert relatively fast recovery capabilities and growing digital investment into more durable reductions in downtime and customer disruption.



IN SHORT...

The Indian Subcontinent faces frequent disruption but recovers faster than most regions. Companies are exposed to global shocks yet are increasing spend on logistics, sustainability and supply chain technology.

REGION SUMMARY: GULF COUNTRIES

TIME AND COST OF DISRUPTION

The Gulf Cooperation Council (GCC) stands out as a region of high ambition and high exposure. 61% of firms say that, in a year when their organisation experiences significant logistics disruption, their operational time is impacted by more than a month, and 47% say their organisation has incurred annual disruption costs of at least \$1 million, among the highest shares in the study.

SNAPSHOT OF GULF COUNTRIES

61%	lose more than one month of operational time
47%	face disruption costs of \$1 million or more
98%	report increased complaints; 97% report lost business
100%	say they are confident in logistics partners
0%	say they were affected by US tariffs (2018-20 & 2025)

CUSTOMER AND PARTNER IMPACT

Customer-facing and commercial impacts are severe: 98% agree that logistics disruptions have led to increased customer complaints, 97% agree that disruptions have resulted in lost business or contracts, 73% agree that their reputation with supply chain partners has been negatively affected by logistics disruptions, and 73% agree that their brand image has suffered because of logistics performance during disruptions.

Yet confidence in logistics partners is unanimously high, with 100% agreeing they are confident their logistics partners can support their business needs. The region is also distinct in that 0% say their organisation has been affected by US tariffs (2018–2020 and 2025).

INVESTMENT OUTLOOK

GCC cargo owners are among the most forward-leaning on investment. The region is investing heavily in digitisation, sustainability and risk planning, even though warehousing investment is lower relative to other areas. Around 93% say they expect their organisation’s total logistics spend to increase in the next 12 months, and the same share say they expect their organisation’s investment in AI, robotics and automation in logistics to increase in the next three years; 88% also say they expect their organisation’s AI spending in logistics to increase in the next 12 months. The GCC therefore appears as a test bed for rapid logistics modernisation within a high-stress, high-confidence environment.



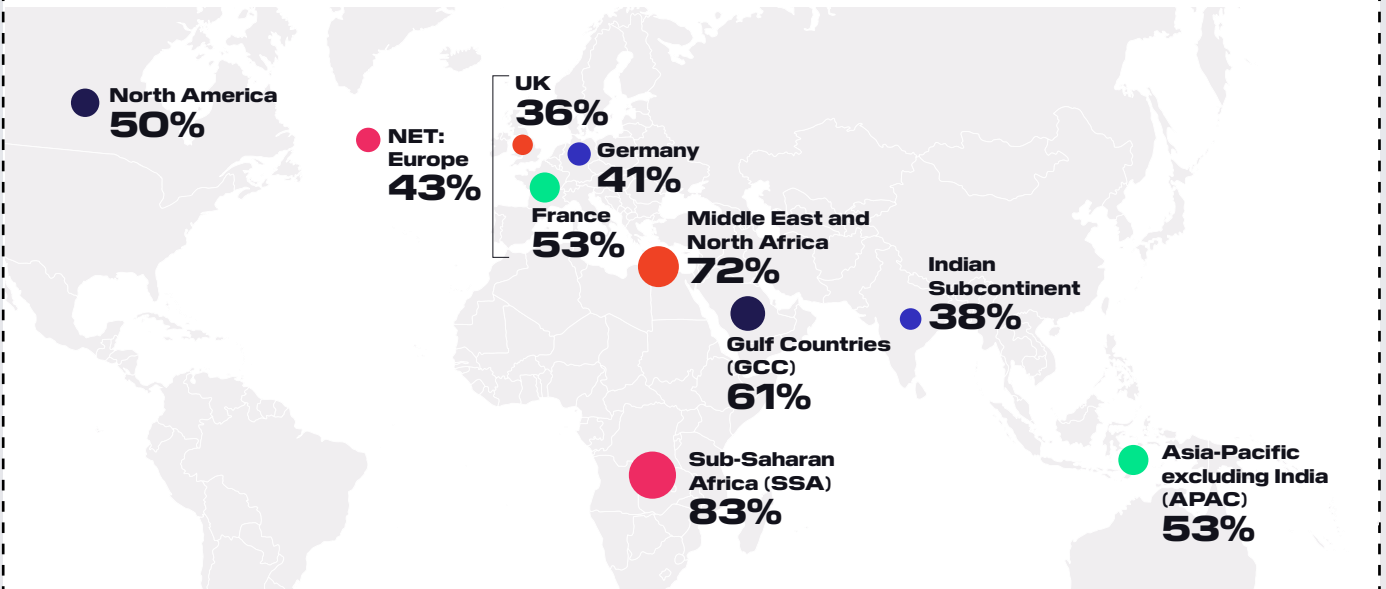
IN SHORT...

The GCC combines some of the highest disruption costs and customer impacts with complete confidence in logistics partners. It is investing heavily in digitisation, risk management and sustainability, making it a test bed for rapid logistics modernisation.

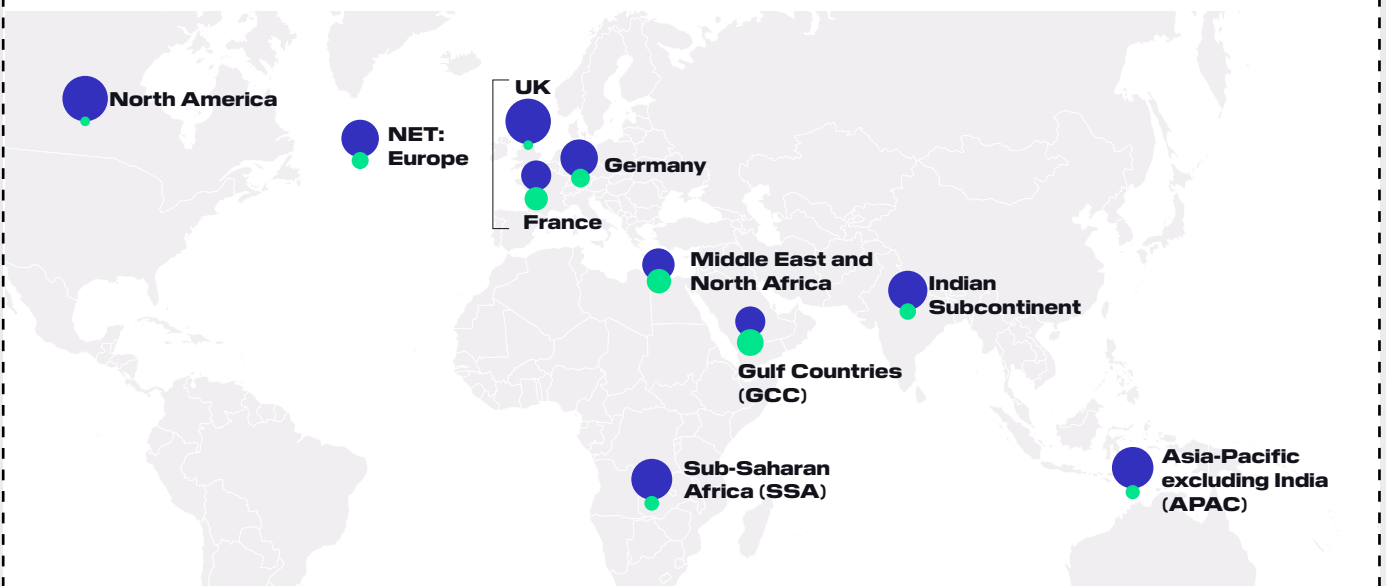
MAPPING A WORLD WITHOUT LOGISTICS

REGIONAL

Lost time: % of firms losing more than one month of operational time
Operational time impacted by more than a month



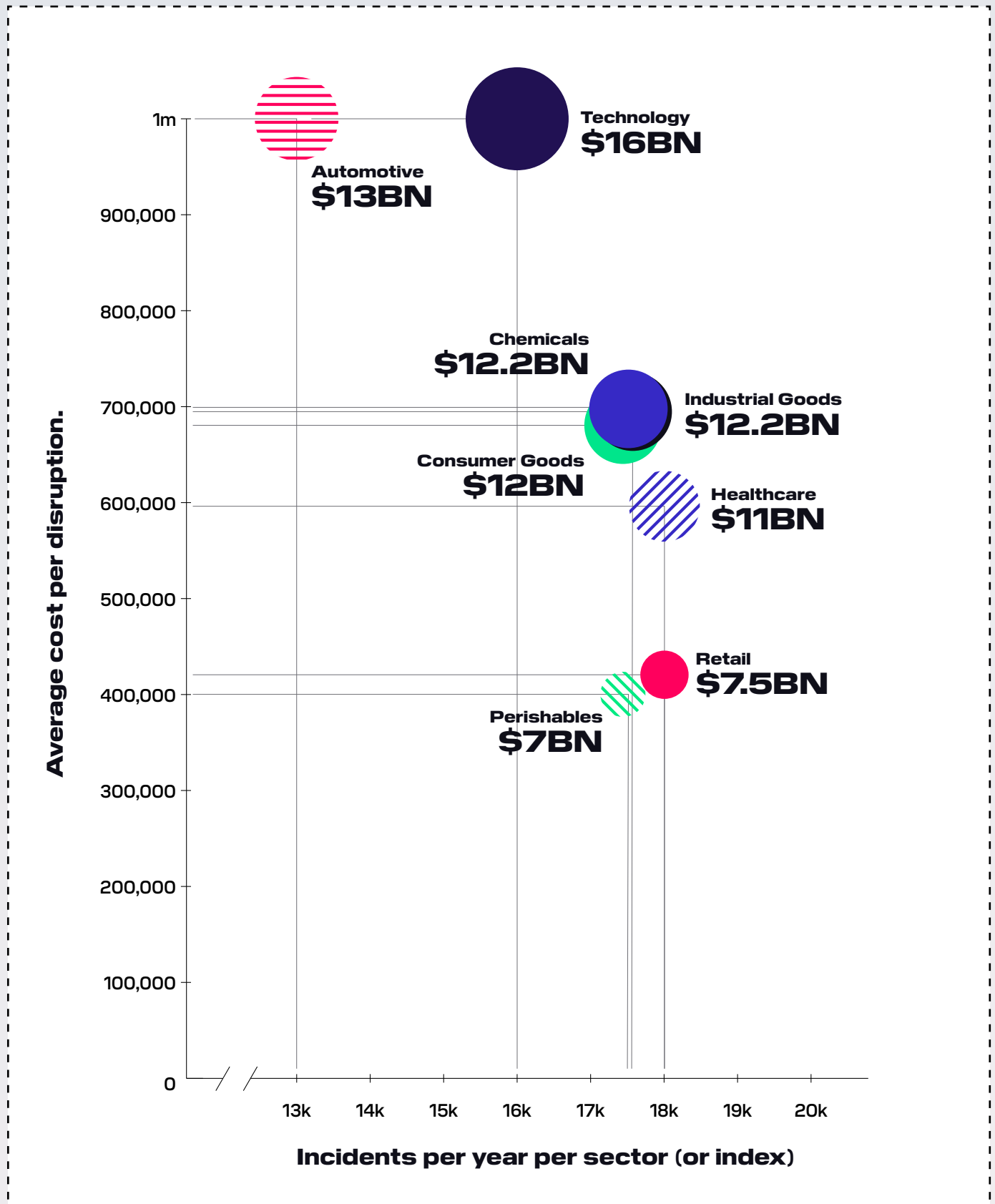
Financial cost: % of firms who have experienced a cost of \$1 million or more
% of cargo owners in each region who have experienced a cost within the following range



% of cargo owners in each region who have experienced a cost within the following range	UK	France	Germany	NET: Europe	North America	Gulf Countries (GCC)	Asia-Pacific excluding India (APAC)	Sub-Saharan Africa (SSA)	Middle East and North Africa (MENA)	Indian Subcontinent
Less than 1 million	80%	53%	66%	66%	59%	53%	73%	72%	57%	69%
1 million or more	17%	41%	33%	30%	38%	47%	25%	26%	43%	29%

VERTICALS

TOTAL ANNUAL DISRUPTION COST



FIVE TRENDS

THE GEOGRAPHY OF DISRUPTION IS UNEVEN

What you need to know: Parts of the Global South lose more time and money to disruption - and are planning the sharpest increases in logistics and AI investment. France is a European anomaly, facing high disruption costs without the same investment momentum.

THERE IS A CLEAR GEOGRAPHICAL FAULT LINE IN HOW DISRUPTION IS EXPERIENCED.

The data reveals a clear geographical fault line in how logistics disruption is experienced. A group of markets in the Global South in particular Sub-Saharan Africa (SSA), the Middle East and North Africa (MENA) and the Gulf countries (GCC) report longer downtime, higher disruption costs and more severe reputational effects than peers in Europe, North America and parts of Asia-Pacific:

In SSA, 83% of firms that experience disruption lose more than a month of operational time in a disrupted year.

The equivalent figure is 72% in MENA and 61% in the GCC, compared with 41% in Germany and 36% in the United Kingdom.

At the same time, 47% of GCC firms and 43% of MENA firms estimate their annual disruption costs at \$1 million or more, versus 17% in the UK.

CUSTOMER FACING AND REPUTATIONAL IMPACTS FOLLOW A SIMILAR PATTERN:

Most regions – from 66% of firms in the UK to 100% in MENA - report that logistics disruptions have increased customer complaints, but the levels are particularly high in MENA (100%), the GCC (98%) and France (95%).

Brand and partner relationships are more uneven: Reputational damage with supply chain partners is reported by 78% of firms in SSA, 73% in the GCC and 72% in MENA, compared with 53% in the UK, 52% in Germany and 51% in North America.

In other words, while customer pain is widespread, deeper damage to image and trust is concentrated in a smaller group of 'stressed corridors'.

BECAUSE OF THE CONCENTRATION OF DISRUPTION, THE 'STRESSED' REGIONS ARE AMONG THE MOST AMBITIOUS IN THEIR INVESTMENT PLANS:

Net expectations of increased logistics spend over the next three years reach 91% in SSA, 90% in the GCC and 86% in MENA.

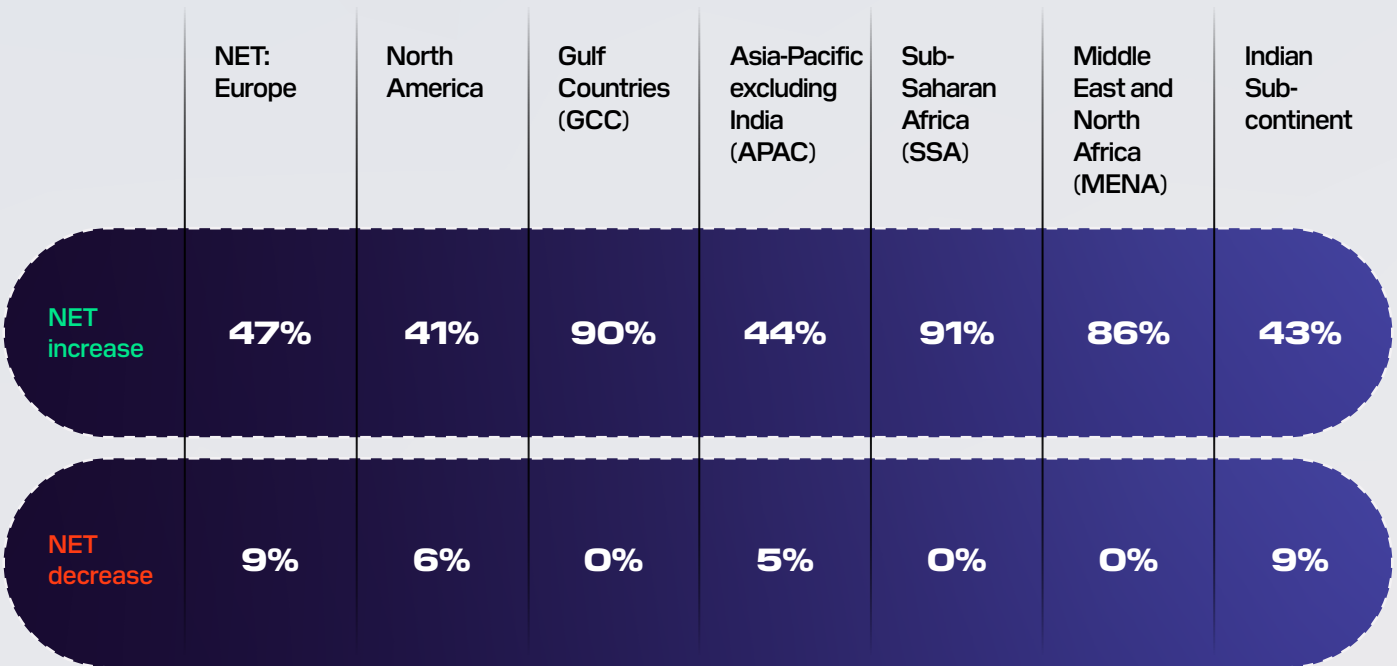
Plans for AI and automation are even more pronounced: In SSA, 97% of firms say they expect their organisation's investment in AI, robotics and automation in logistics to increase over the next 12 months, alongside 93% in both MENA and the GCC.

This suggests that the regions carrying the heaviest disruption burden are also those seeking most actively to upgrade their logistics systems and digital capabilities.



FIVE TRENDS CONTINUED

EXPECTATIONS AROUND CHANGES TO FUTURE INVESTMENT IN LOGISTICS AND SUPPLY CHAIN IN THE NEXT 12 MONTHS



FRANCE IS A EUROPEAN ANOMALY



HIGH DISRUPTION

Around **41%** of French firms report annual disruption costs of at least \$1 million, on a par with MENA and ahead of most advanced markets.



WITHOUT A STRONG DRIVE TO INVEST...

Yet when it comes to expectations around changes to future investment in logistics and supply chains in the next 12 months, France (**52%**) is closer to the European average of the UK (**+44%**) and Germany (**+45%**) than it is the high expectations of the GCC (**90%**), SSA (81%) or MENA (**86%**).



LOW CONFIDENCE IN PARTNERS...

When it comes to confidence in their logistics partners to support their business needs, France is an outlier, with much lower agreement (**41%**) than all other markets (**64%** SSA- 100% MENA). Over half of French businesses actively disagree with this sentiment (**58%**).



This makes it look like a stressed corridor whose response has not caught up with the pressure it faces.

FIVE TRENDS CONTINUED

% of cargo owners in each region who selected Yes, we were affected by this disruption	UK	France	Germany	NET: Europe	North America	Gulf Countries (GCC)	Asia-Pacific excluding India (APAC)	Sub-Saharan Africa (SSA)	Middle East and North Africa (MENA)	Indian Subcontinent
COVID-19 legacy disruptions (e.g., e-commerce spikes, labour shortages 2022-2023)	93%	97%	98%	96%	96%	98%	88%	64%	100%	87%
Russia-Ukraine War (2022-ongoing)	83%	93%	90%	89%	58%	32%	59%	64%	29%	70%
Port congestion in major global ports (e.g., U.S., Europe, Asia 2022-2023)	71%	48%	83%	67%	80%	56%	75%	66%	45%	69%
Red Sea Shipping Crisis (2023-2024)	66%	38%	57%	54%	42%	41%	59%	45%	26%	61%
US Tariffs (2018-2020 and 2025)	66%	64%	60%	63%	86%	0%	83%	74%	3%	77%
Panama Canal Drought 2023-2024)	56%	22%	29%	36%	34%	2%	41%	40%	3%	38%
Semiconductor Shortage (2020-2023)	47%	60%	47%	51%	42%	49%	32%	40%	60%	37%
Climate-Related Crop Shortages (2022-2024)	46%	38%	26%	37%	35%	78%	32%	50%	86%	50%
Rhine River Low Water Levels (2022, 2023)	20%	29%	22%	24%	15%	7%	34%	40%	0%	31%



In many African and Middle Eastern gateways, a single extreme weather event or conflict flare up can ripple quickly through already tight networks. The encouraging signal in this data is that the same regions under the most pressure are also pushing hardest on modern terminals, inland connectivity and digital platforms.

The task now is to quickly turn that investment into resilience infrastructure, with the end goal of creating genuinely more predictable corridors rather than just more capacity.”

Beat Simon,
Global Chief Commercial Officer and
Chief Operating Officer – Logistics, DP World

DISRUPTION HAS TWO FACES: CHRONIC & CATASTROPHIC

What you need to know: Some sectors live with constant disruption; others face fewer shocks that are far more expensive and slower to recover from.

EMERGING TRENDS

% of cargo owners in each vertical who selected each range of time wasted in interruptions

	Operational time impacted by less than a month	Operational time impacted by more than a month
Automotive	37%	60%
Technology	49%	50%
Healthcare	40%	57%
Retail	43%	56%
Perishables	55%	44%
Consumer Goods	46%	53%
Industrial Goods	44%	55%
Chemicals	51%	49%

NEARLY 1 IN 5 CARGO OWNERS IN GERMANY (19%) HAVE LOST \$5 MILLION OR MORE WHEN OPERATIONS WERE DISRUPTED.

Given the country's concentration of automotive, engineering and advanced manufacturing activity, disruptions tend to carry higher financial consequences than in lower-value sectors.

ACROSS SECTORS, DISRUPTION IS PERVASIVE, BUT IT DOES NOT LOOK THE SAME EVERYWHERE.

Perishables cargo owners report the highest recurrence across many disruption types: 48% say they have faced climate-related disruption six or more times in the last three years, with 32% reporting labour shortages at that frequency, 34% technology or systems failures and 29% infrastructure failures.

Retail and healthcare together carry the heaviest incident load, at around 18,000 disruption events a year each, compared with about 13,000 in automotive. These sectors operate in a state of near constant turbulence, dealing with frequent but more contained shocks.

Automotive sits at the other end of the spectrum.

It does not face disruption as often as retail, perishables or healthcare, but when it does the consequences are severe. The average cost per disruption in automotive is around \$1 million, the highest in the sample, with a modelled annual disruption bill of approximately \$13 billion.

Technology shows a similar cost profile per incident, also close to \$1 million on average, but with an incident count closer to the high-volume sectors and an estimated annual bill of \$16 billion. By contrast, perishables has the lowest cost per incident at around \$400,000 yet still records annual disruption costs of about \$7 billion because of the sheer number of events.

Recovery times mirror this pattern: in automotive and perishables, around one in five firms say it takes more than three months to recover from a major disruption, indicating that even 'cheaper' incidents can have long tails in some sectors.

The results point to two distinct faces of disruption: chronic and catastrophic. Any attempt to strengthen resilience needs to recognise this difference. The same tools and investment priorities will not work equally well for a supermarket chain facing daily delays and a car manufacturer whose critical risk is a handful of highly disruptive events each year.



High-volume sectors such as perishables and retail need tighter day-to-day coordination and flexibility to smooth these bumps, while automotive customers need very low tolerance of failure at key nodes. If this difference is ignored, the risk is that firms over-insure against rare shocks and underinvest in the operational discipline that keeps shelves stocked and factories running the rest of the time."

Beat Simon,
Global Chief Commercial Officer and
Chief Operating Officer – Logistics, DP World

The background of the page is a vertical stack of four images showing car chassis parts on a production line. The parts are silver and are mounted on red metal racks. The images are taken from a low angle, looking up at the parts, which are arranged in a repeating pattern. The lighting is dramatic, with strong highlights and deep shadows, emphasizing the metallic texture and the industrial setting.

CASE-STUDY

HOW TOYOTA REDESIGNED FOR CATASTROPHIC DISRUPTION¹

Problem:

In 2011, the Fukushima earthquake and tsunami severed Toyota's supply chains and revealed a critical weakness in its just-in-time model. Semiconductor lead times were far too long for a system designed around minimal inventories. Production outside Japan took around six months to return to normal, and the company identified more than 1,200 parts at risk, including microcontroller units central to safety and powertrain functions.

Response:

Toyota responded by mapping its most vulnerable components and drawing up a list of 500 priority items, with semiconductors at the top. It introduced a business continuity plan that required key suppliers to hold two to six months of chip inventory, depending on lead time, and paid for this by returning part of the annual cost-down it usually demands. At the same time, it doubled down on its long-standing 'no black box' approach, building deep in-house understanding of chip design and manufacturing rather than outsourcing all knowledge to suppliers.

Result:

When a global semiconductor shortage emerged during the COVID-19 period, many carmakers were forced to slow or suspend production. Toyota, by contrast, was able to maintain output, raise its vehicle production targets and upgrade earnings guidance, while competitors cut shifts and closed lines. The lesson is that resilience to catastrophic disruption often requires breaking with the purest form of just-in-time: holding more inventory of a few critical components, and investing in technical knowledge, can protect the whole system when a single bottleneck fails.

¹ Reuters, Insight: How Toyota thrives when the chips are down, 09 Mar 2021




RESILIENCE REQUIRES BROAD INVESTMENT

What you need to know: The biggest reductions in disruption cost appear where firms invest in several parts of the logistics chain, combining fundamentals like factory and warehousing improvements with digital tools, rather than relying on technology alone.

Across all eight sectors, there is a consistent pattern: companies that report investment in a higher number of logistics areas also report much lower annual disruption costs than those that invest in only a few areas. The size of the impact varies by sector, but the direction is the same.

Looking at individual functions, the data suggests that ‘unglamorous’ logistics fundamentals often deliver the largest marginal gains, especially when used as a base for digital tools.

Production input planning and factory-level logistics stand out:

76%	In consumer goods, companies that invest in four or more logistics areas see annual disruption costs that are 76% lower.
69%	In perishables, investing in five to seven logistics areas is associated with cost reductions of 69%.
53%	In healthcare, companies reach an inflection point after investing in three or more areas, with disruption costs falling by 53%.
	By contrast, automotive and technology firms generally need to invest in six or more areas to unlock more modest cost reductions, of 20% and 40% respectively.

87%	In retail and consumer goods, investment in this area is associated with disruption cost reductions of about 87%.
42%	In chemicals, factory-level logistics is linked to a 42% reduction, and even in perishables, where agility is already high, it still delivers an 11% saving.
67%	Inbound logistics and production input management are equally powerful levers in some industrial sectors, associated with reductions of 69% in industrial goods and 67% in perishables once a baseline of investment is in place.

Sector	The turning point in number of logistics areas invested in	Change in disruption cost
Consumer goods	4 or more areas	76% lower
Perishables	5–7 areas	69% lower
Healthcare	3 or more areas	53% lower
Retail	4 or more areas	47% lower
Technology	6 or more areas	40% lower
Chemicals	5 or more areas	36% lower
Industrial Goods	5–7 areas	27% lower
Automotive	6 or more areas	20% lower

DIGITAL AND SUSTAINABILITY INVESTMENTS REINFORCE THESE GAINS RATHER THAN SUBSTITUTE FOR THEM.



In technology, risk management and resilience planning are associated with a **35%** reduction in disruption costs, and sustainability with a further **23%**.



In retail, sustainability projects are linked to a **41%** cost reduction, and supply chain or production logistics technology to around **59%**, with additional savings from international freight optimisation.



Chemicals and consumer goods see meaningful incremental savings from warehousing and storage, reflecting the value of better inventory positioning and storage quality.

THE IMPLICATION IS THAT THERE IS NO SINGLE SILVER BULLET:

Sectors such as consumer goods, perishables and healthcare can achieve large cost reductions with a focused set of four to seven improvements across the logistics areas measured, supported by digital tools.

Capital-intensive sectors like automotive and technology need broader, system-wide investment to move the dial.

In all cases, however, the strongest performance is seen where firms treat logistics as a network of interdependent capabilities rather than a single budget line for technology or transport.

“The findings reinforce something we see repeatedly: performance improves fastest when customers upgrade several links in the chain together. When physical assets, data and decision making are joined up, so that an automated gate or AI planning tool are all working off the same view of the cargo. That’s where new efficiencies will be found.”

Beat Simon,
Global Chief Commercial Officer and
Chief Operating Officer – Logistics, DP World



CASE-STUDY

HOW DP WORLD ENGINEERED A SECURE ROUTE FOR AUTONOMOUS EVS

Problem:

A Chinese electric vehicle manufacturer needed to move autonomous, sensor-heavy cars to a ride-hailing operator in the United States. The programme was commercially sensitive, and the vehicles carried expensive on-board technology. Shipping them by traditional roll-on/roll-off services was not an option because of security concerns and the risk of damage and delay during multiple handling steps.

Response:

DP World designed a container-based solution using its own multi-car racking systems. Vehicles were loaded once into high-cube containers in China and secured on bespoke racks, then moved by sea and inland transport across the United States with no further handling of the cars themselves. The service combined secure facilities, controlled routes, close coordination with the customer's teams and premium support throughout the journey.

Result:

The project moved around 9,000 car equivalent units (CEUs) from China to destinations across the United States. Vehicles travelled door-to-door in containers with zero handling after loading onto DP World racking, and the service delivered 100% on-time performance. By redesigning both the physical flow and the service model, the customer gained tighter control over a high-value programme and reduced the risk that a single disruption would derail delivery.

CUSTOMER PAIN IS FELT EVERYWHERE, REPUTATION DAMAGE IS NOT

What you need to know: Almost every region and sector reports higher customer complaints when logistics fails, but deep and lasting damage to brand and commercial relationships is concentrated in a smaller group of markets and industries.

CUSTOMER IMPACTS ARE CLOSE TO UNIVERSAL:

Across sectors, between **72%** and **87%** of cargo owners agree that logistics disruptions have led to increased customer complaints, from just over seven in ten in perishables to nearly nine in ten in technology.

Between **65%** and **76%** agree that logistics disruptions have resulted in lost business or contracts, with healthcare, automotive, industrial goods and chemicals all at the upper end of this range.

An average of **61%** across sectors agree that their brand image has suffered because of logistics performance during disruptions, and a similar share agree that their reputation with supply chain partners has been negatively affected by logistics disruptions.

BY REGION, THE PATTERN IS EVEN CLEARER:

Agreement that logistics disruptions have led to increased customer complaints is high almost everywhere: 66% of UK firms, 72% in Germany, 71% in North America and 78% in APAC. The figures rise to 83% in SSA, 98% in the GCC and 100% in MENA.

Agreement that logistics disruptions have resulted in lost business or contracts follows a similar gradient, at 55% in Europe and 62% in North America, but 88% in SSA, 97% in the GCC and 100% in MENA.

BRAND DAMAGE AND PARTNER REPUTATION, HOWEVER, ARE MORE UNEVEN:

France and SSA sit at the top of the range with 86% of firms agreeing that their brand image has suffered because of logistics performance during disruptions, alongside 73% in the GCC and 72% in MENA.

In contrast, only 41% in North America and around half in the UK and Germany agree with this statement.

Agreement that their reputation with supply chain partners has been negatively affected by logistics disruptions follows a similar pattern, with particularly high levels in SSA (78%), France (72%), the GCC (73%) and MENA (72%).



% of cargo owners who agree with the following statements (T2B)

	UK	France	Germany	NET: Europe	North America	Gulf Countries (GCC)	Asia-Pacific excluding India (APAC)	Sub-Saharan Africa (SSA)	Middle East and North Africa (MENA)	Indian Subcontinent
Logistics disruptions have led to increased customer complaints	66%	95%	72%	78%	71%	98%	78%	83%	100%	69%
Our reputation with supply chain partners has been negatively affected by logistics disruptions	53%	72%	52%	59%	51%	73%	68%	78%	72%	64%
Logistics disruptions have resulted in lost business or contracts	51%	48%	66%	55%	62%	97%	75%	88%	100%	64%
Our brand image has suffered because of logistics performance during disruptions	51%	86%	50%	62%	41%	73%	56%	86%	72%	66%



Complaints spike quickly when ships are late, or shelves are empty, but long-term damage to brand and partner relationships tends to occur where disruption is both frequent and badly explained. In our experience, cargo owners who communicate early and have credible recovery plans are more likely to retain trust even when things go wrong. The data here underlines that in high stress markets, resilience is as much about transparency and partnership as it is about hard infrastructure.”

Beat Simon,
Global Chief Commercial Officer
and Chief Operating Officer –
Logistics, DP World

Confidence in logistics partners adds a further layer of contrast. GCC and MENA respondents are unanimous in their confidence that logistics partners can support their business needs, with agreement at 100%, while Germany (90%), the UK (83%), North America (83%) and APAC (86%) also report high levels of trust. SSA is more cautious at 64%, and France is an outlier in Europe, with only 41% expressing confidence and 53% actively disagreeing.

By sector, the picture is one of broad exposure. Automotive, healthcare and industrial goods all report relatively high levels of partner reputation damage and brand impact, reflecting the importance of reliability in these supply chains. Perishables and consumer goods face slightly lower reported brand damage, but still see around two thirds or more of firms agreeing that disruptions have resulted in lost business or contracts, showing that even where brands are resilient, commercial relationships can be vulnerable when service levels slip.

EVERYONE IS ALIGNED ON RESILIENCE

What you need to know: C-suite leaders and logistics decision-makers below C-suite level largely share the same view: resilient supply chains will separate winners from those that fall behind, and logistics will attract more attention and investment over the next three years.

Both C-suite and non-C-suite cargo owners expect logistics investment, and spending on AI and automation in logistics, to rise over the next 12 months and three years (see below). C-suite leaders are simply more likely to strongly agree and to anticipate larger investment increases, signalling that they see resilience and digitisation as central to competitive strategy.

THE CEO VIEW

Across C-suite level cargo owners and cargo owners below C-suite level, the direction of travel is clear. Most agree that resilient supply chains will significantly outperform peers (**91% vs 92%**), that logistics will become a more strategic focus in board-level decisions (**85% vs 86%**), and that the greatest return on logistics investment will come from supply chain digitisation rather than traditional cost cutting (**85% vs. 84%**).

	All C-Suite Level cargo owners	All cargo owners below C-Suite Level
Expectations around changes to future investment in logistics and supply chain <u>in the next 12 months</u>	NET increase 2%	6%
	NET decrease 62%	55%
Expectations around changes to future investment in logistics and supply chain <u>in the next 3 years</u>	NET decrease 5%	5%
	NET increase 77%	73%

WHERE THEY FEEL DISRUPTION DIFFERENTLY

C-suite respondents are more likely to estimate annual disruption costs at \$1 million or more (38% vs 33%), to say their organisation loses more than a month of operational time in a disrupted year (58% vs 51%), and to report recovery periods of more than a month from major disruptions (42% vs 38%). For many, “recovery” includes rebuilding customer confidence, restoring margins and rebalancing inventories.

Operational decision-makers are more likely to say that logistics disruptions have resulted in lost business or contracts (71% vs 64%), to describe ongoing revenue loss due to supply chain issues (90% vs 80%) and a reactive firefighting culture (88% vs 79%), and to report that disruptions have required escalation to senior leadership or crisis teams multiple times in the last three years (69% vs 58%).

WHERE THEIR PRIORITIES DIVERGE

Cargo owners below C-suite level place slightly more weight on meeting customer expectations (39% vs 33% of C-suite) and improving cost efficiency (38% vs 32%) in their top three logistics decision criteria.

C-suite respondents put slightly more emphasis on ensuring reliable delivery and minimising disruption (48% vs 44%), reducing transport and freight costs (38% vs 35%), and shortening lead times (40% vs 33%), framing logistics as a strategic reliability and risk issue.

HOW THEY SEE INVESTMENT

Cargo owners below C-suite level are more likely to say their organisation is investing in domestic transport and last-mile delivery (40% vs 31% of C-suite) and in supply chain technology (46% vs 42%), consistent with their focus on execution and visibility.

C-suite respondents are more likely to highlight funding for risk management and resilience planning (49% vs 40%) and for sustainability and ESG initiatives (47% vs 40%), which sit closer to the strategic and regulatory horizon.

On resilience, cargo owners below C-suite level are also slightly more likely to agree that their operations are agile enough to respond quickly to unexpected changes (80% vs 75%) and that they recover more quickly from major disruptions than competitors (79% vs 72%).

Taken together, the data suggest that logistics resilience is now a shared agenda. The boardroom tends to frame it as a strategic risk and reliability challenge, while the line feels it as a customer and cost challenge.

Effective resilience strategies will need to be built jointly by the boardroom and operations, using a shared, quantified view of disruption costs and impact.

THE SECTOR VIEW

Across all eight sectors, between **89%** and **98%** of respondents agree that businesses with resilient supply chains will significantly outperform their peers in the next three years. Similar majorities, generally above 80% in each sector, expect logistics to become a more strategic focus in board-level decisions and see geopolitical instability and trade volatility as the main threats to their logistics strategy.

THE REGIONAL VIEW

Regions agree resilient supply chains will outperform peers running above **80%** everywhere and reaching **100%** in stressed corridors such as the GCC and MENA. Over the next three years, around two thirds to three quarters of firms in each sector expect total logistics investment to increase, and between **81%** and **89%** expect to increase spending on AI, robotics and automation in logistics.

% of cargo owners who strongly agree with the following statement	All C-Suite Level cargo owners	All cargo owners below C-Suite Level
The greatest threats to our logistics strategy will come from geopolitical instability and trade volatility	43%	44%
Businesses with resilient supply chains will significantly outperform their peers	54%	47%
Logistics improvements will have the greatest impact on our customer retention	35%	39%
We expect logistics-related ESG compliance to increase in importance to our investors and customers	41%	37%
We see the greatest ROI from logistics investment coming from supply chain digitisation	41%	39%
Logistics will become a more strategic focus in our boardroom decision	49%	39%



We’re seeing boards ask more detailed questions about corridor risk and diversification, and they expect their partners to bring options rather than just capacity. The challenge now is execution - turning strong intent on resilience and digitisation into multi-year programmes that cut across the business and are measured in reliability and time recovered.”

Beat Simon,
Global Chief Commercial Officer and
Chief Operating Officer – Logistics, DP World

RECOMMENDATIONS

The evidence of the survey does not point to a single fix for disruption. It does, however, point to three priorities for leaders who want to turn recognition of the problem into practical action.

01 Start where disruption bites hardest

Resilience plans should begin with a clear view of where disruption actually hurts: which corridors, which customers, which products. Rather than assuming every region or lane faces the same risks, leaders should focus first on the routes and markets where downtime and delivery failures cause the greatest commercial and operational damage. That is where better planning will make the biggest difference.

02 Get the basics right, then make them smarter

Resilience depends as much on solid logistics operations as on advanced technology. Reliable infrastructure is the base to add digital tools for better prediction, visibility and coordination. Technology should amplify good logistics practice, not try to compensate for weak foundations.

03 Treat disruption as a customer and reputation risk

Every serious disruption is also a customer and brand moment that can undo years of relationship-building. Leaders should expect disruption plans to cover how customers and supply chain partners are informed, how expectations are managed and how confidence is rebuilt afterwards. The real measure of resilience is as much whether customers and partners still trust the business as fast operations restart.

A FINAL WORD

Without Logistics is about the challenge of keeping trade moving in a world that is changing faster than the systems that support it. But while it's certainly a time of great difficulty for cargo owners, it's also one of great opportunity. Global trade is on course to exceed \$35 trillion in 2025 for the first time ever, according to UNCTAD². This is driven less by Western demand than it is by East Asia, Africa and South-South trade – a new power centre in which China's \$1 trillion trade surplus sits at the centre³ - and the data in this report reflects this shift.

The regions that are most exposed to disruption today are the same corridors that will increasingly power global demand. Their investment ambition is a sign of intent not to let this opportunity pass them by. Elsewhere, in a developed but increasingly squeezed Europe, the stakes of losing productivity to anymore significant supply chain disruption will be difficult to stomach – especially if they are to match the ambitious growth of the East and South.

Companies that are already ahead at the transitional moment will know that an investment in logistics is an investment in the future. It is important not to overlook the positive fact that leaders across the world - in the boardroom and on the ground - are broadly aligned on the need to build logistics resilience. Now, with this momentum in hand, it's time to seize the moment. By putting logistics at the heart of decision making, companies can get ahead of disruption before it strikes again.

² UNCTAD, [Global Trade Update \(December 2025\): Global trade poised for a record-breaking 2025 as flows expected to surge past \\$35 trillion](#), December 2025

³ Reuters, [China trade surplus tops \\$1 trillion for first time on non-US growth](#), December 8 2025



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