



MyCargoGate

# THE FUTURE OF ECOMMERCE LOGISTICS IN EUROPE

An Insights Report by MyCargoGate



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The European eCommerce sector is undergoing rapid transformation, driven by digitalization, evolving consumer expectations and a surge in cross-border transactions. This growth is only expected to rise and as online shopping becomes more globalized, efficient and reliable logistics solutions are critical for businesses looking to scale and maintain competitiveness.

Drawing on our experience of delivering seamless cross-border logistic solutions, this report explores the growth and looks at how cross-border logistics is evolving as a result.

In the pages that follow, we examine the current eCommerce logistics landscape in Europe and beyond and highlight key challenges for online retailers in this evolving market. We explore emerging trends, including AI-driven automation, that are helping to drive the efficiency and accuracy of increasingly complex logistics workflows, before setting out the solutions that are already in place from forward-thinking partners like MyCargoGate.

At MyCargoGate, we're committed to shaping the future of eCommerce logistics. Our focus is on providing seamless, sustainable and scalable solutions that help businesses thrive as their challenges evolve.

Through automation, strategic partnerships and a relentless focus on quality, we ensure businesses can scale efficiently and meet the ever-growing demands of their online customers. And we'll continue to drive evolution through innovation to ensure we can keep delivering on our promise.

I hope you find this report informative. If you want to learn more or discuss anything with our team, you can find details of how to get in touch with MyCargoGate after the key takeaways on page 13.



**Michael Geraets**  
CEO, MyCargoGate Group

European cross-border e-commerce in Europe  
grew **32%** between **2022** and **2023**

Source: [eCommerce News - May 2024](#)



“We remain committed to providing seamless, sustainable and scalable solutions that help businesses thrive in the evolving eCommerce landscape.”





Before we address the challenges in eCommerce logistics and set out how the industry can evolve to meet those challenges, it is important to establish the current state of play.

Above all else, more people are shopping online in an increasingly digital world, which means the number of online shopping transactions continues to rise.

In 2018, 213 million people in Europe bought online and by 2022, the figure had reached 304 million. By 2029, experts predict nearly half a billion people will purchase goods online in Europe<sup>1</sup>.

Three quarters of internet users in the EU bought goods online in 2023<sup>2</sup> and average revenue per user continues to rise too<sup>3</sup>.

Crucially, this trend translates to cross-border purchases too, both in Europe and across the world.

- European cross-border e-commerce in Europe grew 32% (to €237 billion/\$248 billion) between 2022 and 2023<sup>4</sup>
- 32% of all European B2C online sales are cross-border sales<sup>4</sup>
- Globally, cross-border eCommerce transaction values are predicted to grow by 107% from 2023 to 2028 (vs 48% for domestic eCommerce transaction values)<sup>5</sup>

**32%** of all European B2C online sales are cross-border sales



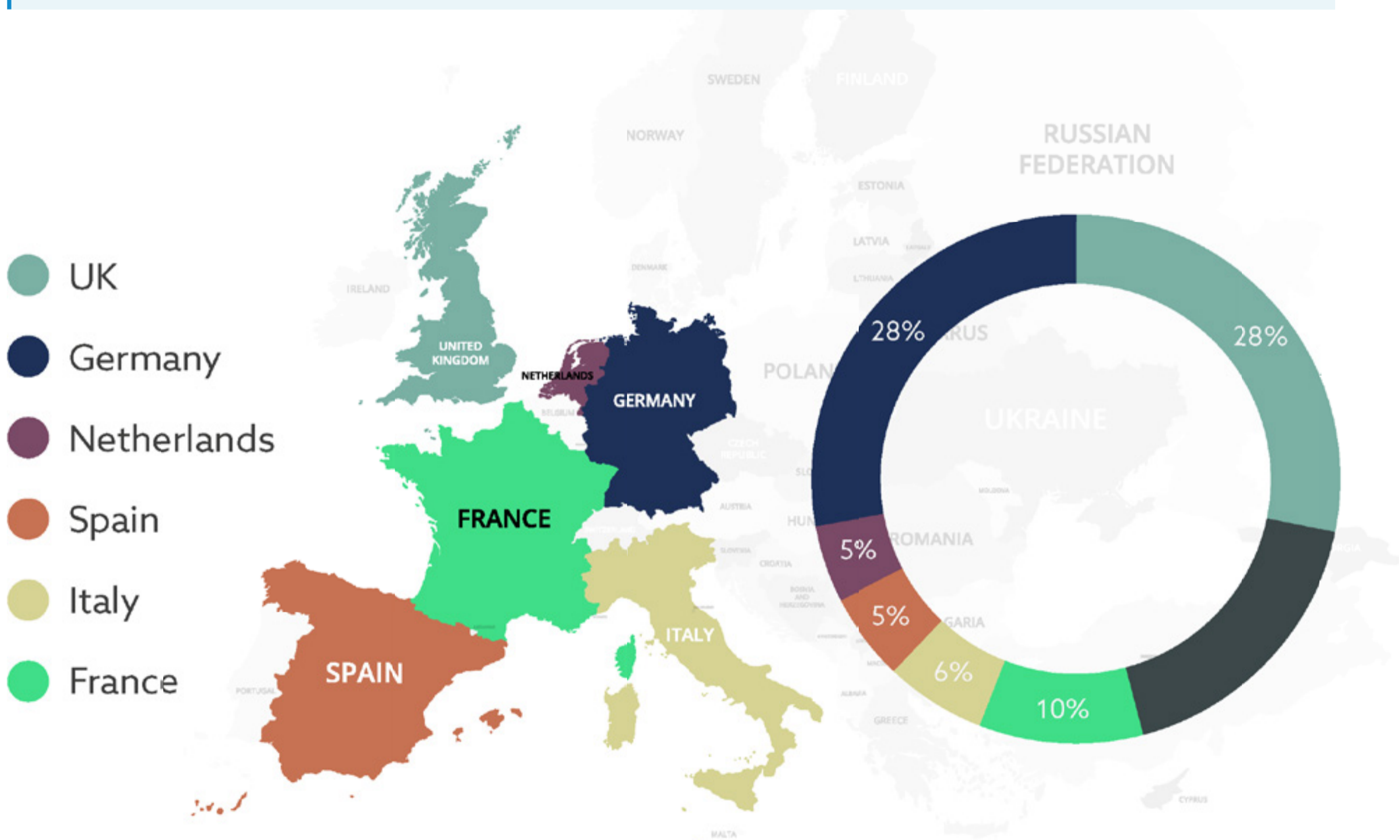


## Addressing consumer demands

This growth in cross-border eCommerce across Europe is attributed to various factors including digitalisation, favourable regulatory frameworks and changing consumer preferences. Significant investment by major global marketplaces including Amazon and Zalando are also contributing to the continued rise.

However, despite the evident opportunities, there are challenges to navigate in an increasingly complex logistics sector, where customer expectations are ever-growing.

Europe's top six e-commerce markets account for **82%** of total European e-commerce spending



Source: [CRBE - eCommerce in the Post-Pandemic Era \(Update\), September 2023<sup>6</sup>](#)

### Sources:

1. [Statista - August 2024](#)
2. [Eurostat - April 2024](#)
3. [Statista - May 2021](#)
4. [eCommerce News - May 2024](#)
5. [Juniper Research - July 2023](#)
6. [CRBE - eCommerce in the Post-Pandemic Era \(Update\), September 2023](#)

To maintain seamless operations and ensure customer satisfaction, e-retailers and their logistics partners must address increasing challenges.



## Customs Complexities

Navigating customs clearance across different countries requires efficient, compliant processes to avoid delays and penalties. There is no 'one size fits all' approach to customs clearance, with different schemes and different regulations across Europe, leaving many online retailers seeking support from their logistics partner.

100 items are declared every second in the EU Customs Union, two-thirds of which are eCommerce goods<sup>1</sup>



## Returns Management

Handling returns is a huge part of any eCommerce business, but remains a major pain point for online retailers. Optimized logistics solutions can reduce costs and improve customer satisfaction, but it requires a collaborative approach with efficient systems at every step of the customer returns journey.

The average eCommerce return rate in Europe is between 25% and 40% of online purchases<sup>2</sup>



## Delays and Inefficiencies

Customers want their item delivered when expected, in a timely manner. Any delays could impact customer satisfaction and threaten repeat business, whether they are avoidable or not. The key here is to ensure operational efficiency and minimize manual processes from purchase to fulfilment, with regular communication to keep all parties informed.

90% of consumers say they are less likely to buy from a brand again after a poor online shopping experience<sup>3</sup>



## Inconsistent Fiscal Regulations

As with customs regulations, varying VAT rules and tax regulations across borders can create additional complexity and often require expert fiscal representation. It is important for online retailers to have correct systems in place so that they are not counting the cost of errors or risking customer satisfaction levels through delays, penalties or additional charges due to non-compliance of fiscal regulations.

VAT rates vary across European countries, ranging from 17% to over 25%<sup>4</sup>.

### Sources:

- [European Commission - 2023](#)
- [Statista - January 2024](#)
- [Körer - May 2023](#)
- [Finance Box - November 2024](#)

Noting these challenges and the increased demands from customers, the eCommerce logistics industry is constantly evolving in line with emerging trends. Whether embracing new technologies or addressing macro issues such as sustainability, exploring new markets or seeking alternative delivery methods, logistics providers and their partners rarely stand still.

## Focus on Automation

One of the main shifts in logistics in recent years has been the growth of automation. Removing manual processes helps to improve accuracy and expedite workflows, ultimately supporting the goal of getting eCommerce orders delivered more quickly and without delays.

Automation covers every stage of logistics, from warehouse picking and fulfilment, through to streamlined, automated solutions for customs clearance and notifying customers.

The market for logistics automation in Europe is predicted to grow from **€9.6 billion/\$10.1 billion** to **€24.1 billion/\$25.2 billion** in 2030.<sup>1</sup>

## Sustainability Goals

In the midst of a climate crisis, sustainability is rightly top of the agenda in logistics. Back in 2018, the European Environment Agency predicted that logistics will account for up to 40% of global carbon dioxide emissions by 2050 unless effective measures are taken<sup>2</sup>. Despite significant progress to reduce the impact, improvements can still be made.

Switching to electric vehicles, green energy use, pioneering packaging solutions, implementing paperless processes and carbon offsetting initiatives are all widely used to help reduce emissions in European eCommerce logistics.

Artificial Intelligence (AI) is also helping to deliver more sustainable cross-border logistics, including through AI-powered demand forecasting and route optimisation.



## eCommerce in Emerging Markets

Another trend is the rise of eCommerce in emerging markets such as Eastern Europe and Africa, where digital adoption is increasing and subsequently creating new opportunities for cross-border shipping.

The eCommerce penetration rate in Africa is set to reach 40% in 2025, up from 24% in 2020, with the number of eCommerce users in Africa passing half a billion for the first time. Likewise in Eastern Europe, increasing penetration of mobile technology in particular is helping to drive continued growth<sup>3</sup>.

The eCommerce market in Eastern Europe is projected to grow by **9.32%** between **2025** and **2029**<sup>4</sup>.

## Shift to Airfreight

The rise of time-sensitive eCommerce is also driving a noticeable shift towards airfreight over road or rail, ensuring customer expectations are met. The International Air Transport Association (IATA) reported a 12% increase in air cargo yields from 2023 to 2024,<sup>5</sup> and eCommerce is widely acknowledged as a key factor in this rise in Europe and beyond. Diversions caused by disruptions in the Red Sea have also contributed to the rise of airfreight globally.

### Sources:

1. [Business Market Insights - 2022](#)
2. [European Environment Agency - 2018](#)
3. [International Trade Administration](#)
4. [Statista - May 2024](#)
5. [ADS Advance](#)





# MYCARGOGATE: SOLUTIONS FOR SEAMLESS CROSS-BORDER LOGISTICS

With growing penetration comes increased demand from eCommerce customers for exceptional service and timely deliveries. For the online retailers working hard to serve these customers, it can be difficult to meet evolving expectations whilst trying to tackle the challenges already highlighted in this report.

MyCargoGate provides the solution.

As a trusted partner in global logistics, working in partnership with online retailers of all sizes, MyCargoGate offers cutting-edge solutions that streamline shipping processes and overcome challenges with confidence.

Using advanced automation, our systems help to reduce errors and enhance scalability. It's the future of logistics, using AI-powered solutions to deliver benefits for our customers, and their customers too.



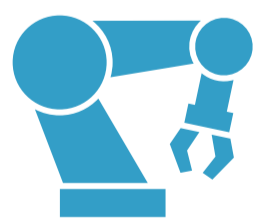
**Streamlined Cross-Border Logistics:** Automated processes that reduce manual input and errors, reducing delays and ensuring compliance across customs clearance and documentation.



**Dedicated Team:** A highly skilled team, working in partnership with customers to manage the entire process, provide expert guidance and ensure seamless operations.



**Efficiency Through Strategic Locations:** Operations in key markets like Germany, Switzerland, Spain, India and Belgium, supported by a strong partner network for optimized delivery.



**Focused on Customer Success:** Our innovative solutions include real-time tracking and AI-driven optimization to make sure our customers stay informed and logistics workflows are streamlined.



**Swiss Quality and Precision:** A commitment to high standards, reliability, and efficiency in every service provided, built on the fundamentals of Swiss quality. Our HQ is based in Switzerland and we implement this Swiss quality across our global operations.



## Use case: How does AI support customs clearance?

Using machine learning to analyze data, we can make more accurate decisions more quickly through the complex process of customs clearance.

For example, AI can analyze product descriptions to ensure the correct Harmonized System (HS) code is applied to a shipment, saving time and reducing errors. It can also be used to track any updates to regulations in real-time, ensuring that we always have the latest information to ensure a streamlined service.

### Our services

Storage & Fulfilment



Export solutions



Import clearance



Last and first mile EU



Return management



### In Practice: Using AI to Enhance Logistics Performance

- AI enables one global logistics provider to analyze over 200,000 routes per minute, helping drivers find the most efficient paths, reducing travel time, and cutting fuel consumption. This has helped the company to save 10 million gallons of fuel (and \$400 million) per year and cut carbon emissions by 100,000 metric tons each year.
- Amazon utilizes AI to streamline its fulfilment operations through predictive inventory management. The company's AI Amazon uses AI algorithms to analyze customer data and predict product demand in real time, ensuring that fulfilment centres are stocked efficiently. This has helped to cut overall shipping costs by 20-25% and maintain fast delivery promises.
- Another global logistics provider uses AI to analyze vast data sets which can help predict potential risks and delays, for more informed decision-making in real time. This has helped increase on-time delivery rates by 30% and reduce logistics costs by 15% on average.



What will the future look like for eCommerce logistics in Europe? In the short-medium term, expect to see more of the same evolutionary shifts and a continuation of the trends we highlighted on page 8.

In particular, emerging technologies like AI and machine learning will continue to power enhancements in efficiency, speed and accuracy. This will include predictive analytics and journey optimisation, and the adoption of automated solutions (like those already used by MyCargoGate) across the industry is only set to increase.

At MyCargoGate, we will continue to enhance our automation solutions and expand into emerging markets to provide quality logistics services that exceed expectations.

"AI has the potential to transform cross-border logistics. We've already seen the potential of technologies such as machine learning to drive efficiencies and allow more informed-decision making across our operations. These are incredibly exciting opportunities for the entire supply chain and we're looking forward to driving the sector forward."

*Michael Geraets*

**Michael Geraets**  
CEO, MyCargoGate Group

### Calculating the benefits

Automation inevitably means faster processes and lower costs. For example, to complete 1.5 million clearances in one month at three minutes per manual clearance, would take 4.5 million minutes - that's the same as 9,375 working days (eight hour days). It would take 469 people to complete this in a month without automation.



- Cross-border eCommerce continues to grow, with more people spending more money online, particularly in key European markets
- Key challenges include customs complexity, returns management, the potential for delays and inconsistent fiscal regulations
- A number of emerging trends are helping providers and their customers to overcome these challenges: The adoption of automation, sustainability measures and a shift to airfreight are key
- MyCargoGate works in partnership with online retailers to deliver cutting-edge solutions that streamline shipping processes
- As the adoption of AI continues to grow, MyCargoGate is well placed to support our eCommerce customers now and in the future with automated solutions

Cross-border eCommerce presents both opportunities and challenges for online retailers, but with the support of a dedicated logistics partner, it does not have to be daunting. By leveraging innovation, automation, and with a dedicated team working in partnership with our customers, MyCargoGate supports online retailers to meet their goals with efficiency and confidence.





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**OPTIMIZE  
YOUR  
CROSS-BORDER  
ECOMMERCE  
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SOLUTIONS.**

**Contact our team today to  
discover how we can streamline  
your shipping and leave your  
customers ready to click again.**

**Email: [sales@mycargogate.com](mailto:sales@mycargogate.com)**

