

Evolving Expectations

2026

Shipping trends report



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About this report

Fulfilment has become one of the sharpest dividing lines in retail.

Customers now expect delivery to be fast, low-cost, and flexible, often all at once. Most fulfilment operations weren't built to deliver on all three consistently. The result is a growing gap between what customers expect and what retailers can actually execute, and that gap is starting to affect conversion, retention, and margin in ways that are hard to ignore.

This report is for retailers who want to understand where that gap is forming and, more importantly, what to do about it.

Evolving Expectations 2026 draws on survey data from retailers globally, alongside expert perspectives from across the retail ecosystem. It examines how leading teams are responding, from connecting fragmented systems and automating fulfilment decisions to rethinking delivery strategy and post-purchase experience.

What you'll take away is a **clear picture of where the divide is forming** between retailers who are adapting and those who aren't, and a practical view of what needs to change operationally to close the gap.

Featuring insights from



Foreword

Over the past year, the conversation around fulfilment has shifted quickly.

It's no longer just about keeping up with delivery expectations, it's about whether your operations are built to handle them at all.

What we're seeing across the market is a growing mismatch between how retailers are set up, and what's now required to compete. Expectations around speed, cost, and flexibility have all increased, but many fulfilment operations are still built on disconnected systems and manual workflows. **That's where the real pressure is coming from.**

Key takeaway

Don't try to solve today's challenges with yesterday's setup. The gap will only continue to widen.

The retailers pulling ahead aren't necessarily doing more, they're operating differently. They're connecting systems, automating decisions, and building flexibility into how orders are fulfilled and delivered. **You can see this pattern clearly in how AI is being adopted.** Most retailers are using it, but usage is concentrated in customer service and marketing, where it's easier to implement and quicker to show results. **Far fewer have embedded it into core operational workflows** where it can actually influence cost, delivery performance, and operational decisions.

At the same time, **fulfilment is starting to play a much bigger role in growth.** What happens at checkout, how delivery options are presented, and how the post-purchase experience is handled all have a direct impact on conversion and retention.

That shift is significant. It means fulfilment is no longer just an operational concern, it's a strategic one.

If there's one thing I'd encourage retailers to focus on, it's this: **don't try to solve today's challenges with yesterday's setup. The gap will only continue to widen.**



George Plummer
CEO & Founder
Starshipit

Executive summary

The central challenge in retail fulfilment right now isn't capability. It's execution.

Customer expectations around delivery speed, cost, and flexibility continue to rise with **76.8% of retailers reporting an increase over the past two years**. The tools, carriers, and platforms to meet those expectations are broadly accessible.

But access alone isn't creating advantage.

The retailers pulling ahead are the ones who have connected those capabilities into operations that can actually perform under pressure. **Many haven't.**

That gap shows up throughout this report.

Retailers are investing in automation, multi-carrier strategies, and international expansion, but these are often layered onto disconnected systems and manual workflows. The result is limited impact and rising complexity – **65.2% of retailers still cite shipping costs as a top challenge**, not because costs are unmanageable but because operations aren't structured to control them.

76.8%

of retailers report an increase of customer expectations around delivery speed, cost and flexibility.



The divide is forming around execution, not intention. Some retailers are rethinking how fulfilment works at a workflow level, embedding automation into decisions, aligning delivery options with operational capability, and treating post-purchase as a growth channel rather than an afterthought. **Others are still running fixed setups that can't adapt as conditions change.**

Nowhere is this clearer than in AI adoption.

76.8% of retailers are using AI in some capacity, but only 29% have embedded it into operations.

The barrier isn't access, it's readiness. The same pattern repeats across automation, sustainability, and cross-border fulfilment.

The direction is clear.

Fulfilment is no longer just about getting orders out the door. It's about **how well your operations are built to adapt**, and whether the gap between what you're promising customers and what you can consistently deliver is closing or widening.

Trend 1

Automation maturity becomes a competitive advantage

Retailers are moving beyond manual, people-led fulfilment, but the real advantage comes from how well automation is embedded across connected systems.

69.6% of retailers are already using shipping automation software, but far fewer have adopted broader operational tools like Warehouse Management Systems (WMS) (27.5%).

This gap highlights a common pattern: retailers are automating individual tasks, but not the workflows that connect them.

The result is partial efficiency gains, but not true scalability. Orders still require manual intervention across inventory, picking, routing, and exception handling, creating bottlenecks as volume increases.

This is where the gap between capability and execution starts to show. Most retailers now have access to automation tools, but without connected systems and clear workflows, those tools operate in isolation.

Leading retailers are approaching automation differently. Instead of layering tools onto existing processes, they are redesigning fulfilment workflows to be system-led, where routine decisions are handled automatically, and teams focus on exceptions rather than day-to-day processing.

Automation is becoming a reflection of how well operations are structured to scale.

What leading retailers are saying

69.6%

of survey respondents are already using shipping automation software, but only 27.5% use a WMS, highlighting a gap between point solutions and fully connected fulfilment operations.

60.9%

of retailers have automated carrier selection, but only 34.8% have automated inventory allocation, suggesting many operations are still optimising shipping decisions without fully connecting upstream inventory systems.

36.2%

Warehouse management systems are the top planned investment (36.2%), signalling a shift toward more integrated, system-led fulfilment as retailers look to scale beyond manual workflows.



Expert insights

Most retailers have access to the same automation tools. The gap is in how those tools are connected. Abi Bennett, COO at Starshipit, on why integration maturity, **not tool adoption,** is what separates operations that scale from those that stall:

Operational maturity in 2026 is about predictability at scale. The ability to absorb volume spikes, carrier changes, and increasing complexity without teams constantly firefighting.

The biggest shift is from people-led to system-led operations. Decisions that were once manual, like carrier selection, label generation, or inventory allocation, are now automated within rules set by the business. If your team is still manually intervening in routine fulfilment decisions, that's a gap.

Where most retailers fall short is integration. Tools are often chosen in isolation, without considering how they connect as the business grows. That's what leads to manual workarounds and inefficiencies later on.

The retailers getting this right are focused on building connected systems, where data flows seamlessly between inventory, orders, and fulfilment, giving them the visibility and control needed to scale.



Abi Bennett
Chief Operating Officer
Starshipit

Key takeaways for retailers



Map your fulfilment workflow and mark every manual decision point.

Manual steps aren't just slow, they're where errors compound under volume. Walk your end-to-end process and flag every point where a human makes a routine decision. Those are your automation priorities, in order.



Carrier selection and order routing should never require a human by default.

If someone on your team is choosing a carrier or deciding where to route an order as a daily task, that's a bottleneck that scales against you. Define rules based on weight, destination, and service level, and let those rules run automatically for every order.



Before adding new tools, get more out of the ones you already use.

Most automation gaps aren't tool gaps; they're workflow gaps. If your systems aren't working together, adding another tool can increase complexity rather than reduce it. Start by identifying where data or decisions are disconnected, then use automation to streamline those workflows before layering in anything new.



Trend 2

The delivery expectation gap is widening

Customer expectations around delivery speed, cost, and flexibility are rising, but many retailers are still optimising for the wrong things.

76.8% of retailers report that customer expectations have increased in the past two years, signalling sustained upward pressure on delivery performance.

But the challenge isn't just that expectations are rising, it's that they're becoming harder to interpret and harder to execute against.

Delivery expectations are no longer increasing gradually, they're compounding. Customers now expect fast, low-cost, and flexible delivery as standard, driven by marketplace benchmarks and competitive pressure.

Recent data from [Australia Post](#) reinforces this shift: **69% of shoppers now expect delivery options at checkout**, while many are willing to switch retailers

entirely to access faster or more flexible delivery. Speed is a growing differentiator, with **up to 66% of consumers willing to switch for faster delivery**, and 43% willing to pay for it in certain situations.

One of the most important, and most overlooked, findings from retailers operating at the leading edge is that **customers aren't forming delivery expectations at checkout**. They're forming them earlier, during browsing and product research, based on what competitors and marketplaces have already conditioned them to expect.

By the time a customer reaches checkout, **they've already decided what delivery should look like**. Presenting something different at that final step isn't just a missed opportunity, it's a direct cause of abandonment. **The implication for retailers is significant:** fixing the checkout experience alone won't close the gap if the underlying delivery offering doesn't match what customers have already come to expect.

What leading retailers are saying

76.8%

of retailers surveyed offer standard delivery and 58% offer express, but far fewer provide faster or more flexible options, highlighting a gap between baseline expectations and differentiated delivery experiences.



56.5%

of customers expect delivery within 2-3 days, with a further 18.8% expecting next-day delivery, compressing the window retailers have to fulfil and dispatch orders.



Expert insights

For many retailers, the checkout is where delivery strategy gets tested. But according to **Andrew Waite, Founder & CEO at Convert Digital**, by the time a customer reaches checkout, the damage is often already done:

Over the past 12 to 24 months, delivery has moved from a post-purchase consideration to an active driver of purchase decisions across the mid-market and enterprise retailers we work with.

We're seeing a fundamental change in what shoppers treat as baseline versus differentiating. What separates brands now is transparency, flexibility, and recovery, what happens when something goes wrong.

The retailers who haven't caught up are largely those still treating delivery as a fulfilment cost centre rather than a conversion and retention lever. At the enterprise level, the gap between best practice and average practice has actually widened. While leading brands have implemented sophisticated delivery logic at the checkout stage, a large number of retailers continue to offer static, undifferentiated shipping options.

The most consistent point of failure we see at checkout is the late disclosure of delivery cost and timeframes. Shoppers are making delivery decisions earlier in their session than most retailers realise, by the time they reach checkout, they've already formed an expectation. Contradicting that expectation at the final step is one of the leading causes of abandonment.

High-converting checkouts do three things consistently, they surface estimated delivery dates (not windows) early, they offer meaningful choice between speed and cost, and they tailor options based on the customer's location and cart value.

Underperforming checkouts present a single rate, reveal it late, and offer no flexibility.

Additionally, delivery choices have a measurable impact on conversion, and most retailers underestimate this. Offering a credible same-day or next-day option, even if only a minority of customers use it, boosts overall checkout confidence because it signals strong operational capability.

The retailers outperforming their category are not necessarily offering cheaper delivery; they are offering more reliable delivery. Clear ETAs, carrier choice, and end-to-end tracking from the moment of purchase reduces post-purchase anxiety and drive higher repeat-purchase rates.

Our recommendation to mid-market and enterprise clients right now is to treat the delivery experience as a UX problem, not just a logistics problem. The checkout is the last impression before a customer hands over money, and the delivery promise is the central variable they're weighing.

The brands winning on delivery in 2026 aren't doing so by accident. They've integrated their shipping logic into their commerce stack deliberately and they're measuring it with the same rigour they apply to paid media or on-site conversion.



Andrew Waite
Founder & CEO
Convert Digital

Key takeaways for retailers



If your delivery setup hasn't changed, your conversion rate takes the hit.

Standard and express alone no longer reflect how customers want to buy. Review your checkout and identify where you can introduce more relevant delivery options, such as on-demand, click and collect, parcel lockers, or faster services, based on customer demand and operational capability.



Overpromising on delivery speed is quietly eroding margin.

When delivery promises don't match operational reality, the cost shows up later through support queries, failed deliveries, and expedited shipping. Compare your promised delivery times against actual carrier performance and tighten them so they're consistently achievable.



Delivery configuration is now a pricing and experience decision.

Customers are actively comparing delivery options across retailers, weighing speed, cost, and convenience before they buy. This means delivery configuration is a commercial decision. Retailers need to decide when to offer free shipping, how to price faster options, and how to present delivery windows in a way that supports both conversion and margin.



Trend 3

Fulfilment cost pressure is intensifying

Rising shipping and fulfilment costs aren't just a margin challenge, they're revealing where operational inefficiencies are limiting scalability.

76.8% of the retailers we surveyed cite shipping costs as a top fulfilment challenge, making it the single most consistent pressure across operations.

But rising costs aren't the root issue, they're just exposing it.

Fuel surcharges, carrier rate increases, and growing delivery expectations have all contributed to higher fulfilment costs. But the impact isn't being felt equally. Retailers with manual workflows, disconnected systems, and limited flexibility are absorbing those increases far more than those with optimised operations.

This is where the gap starts to widen. Many retailers are still managing fulfilment reactively, defaulting to a single carrier, manually selecting

services, or relying on fixed delivery setups that don't adapt as conditions change. Industry data shows that free delivery remains one of the most influential factors in purchase decisions, further compressing margins.

The result is hidden cost leakage. Orders are shipped using suboptimal services, split unnecessarily, or expedited to recover missed expectations, all of which erode margin over time.

Leading retailers are approaching cost differently. Instead of treating it as something to absorb or pass on, they are actively optimising for it by using multi-carrier strategies, automation, and better visibility to reduce inefficiencies at every step of the fulfilment process.

Cost pressure is becoming a measure of how well operations are built to adapt.

What leading retailers are saying

76.8%

of retailers surveyed identify rising shipping costs as a top fulfilment challenge, making it the most commonly cited pressure facing operations today.



56.5%

of retailers report that their cost to fulfil an order has increased in the past 12 months, reinforcing the ongoing impact of rising carrier and operational costs.



88.4%

of retailers say free shipping is important to customers, highlighting the growing disconnect between customer expectations and the true cost of fulfilment.





Expert insights

Rising carrier rates get most of the attention when fulfilment costs increase. But **Matthew Musumeci, Managing Director for Australia and New Zealand at SEKO**, on where the less visible, and often more controllable, cost is actually coming from:

One of the fastest-growing and least visible drivers of fulfilment cost today sits in cross-border compliance, not shipping rates alone. When brands aren't prepared at the consignment level, parcels stall, and every delay compounds cost through re-handling, customer service escalation and manual administration.

We regularly see margin erosion caused by missing or inconsistent data: unclear item descriptions, incorrect HS/HTS codes, or products introduced without understanding destination-market requirements, such as FDA inclusions in the U.S. These issues aren't complex to avoid, but brands often add complexity by relying on misinformation or not treating compliance as a core fulfilment capability.

One under-used cost-saving strategy is setting cross-border compliance up correctly from day one: completing due diligence with legal advisors where required, maintaining clean SKU-level data, and choosing agile logistics partners with in-house brokerage who can move parcels through clearance swiftly.

At SEKO, we see that shipments with complete, accurate consignment data move faster through clearance and generate fewer customer service tickets than those requiring manual intervention. Leading retailers balance cost control with customer expectations by removing friction upfront, protecting both delivery experience and margin as they scale internationally.



Matthew Musumeci
Managing Director -
Australia & New Zealand
SEKO

Key takeaways for retailers



Break down your cost per order beyond the carrier rate.

Most retailers know their shipping rate. Fewer know what failed deliveries, split shipments, and manual exception handling are actually adding on top. Pull those numbers separately, that's typically where the largest and most controllable cost sits.



Use live carrier rates at checkout to balance cost, conversion, and control.

Fixed shipping rates limit your ability to respond to real-time conditions. By surfacing live carrier rates at checkout, you can offer customers accurate delivery options while maintaining control over cost. This not only improves transparency and conversion, but also ensures each order is matched to the most efficient service without relying on static pricing.



Reduce the operational cost of getting things wrong before scaling headcount.

Expedited shipping, re-delivery attempts, and reactive customer service are expensive ways to fix preventable problems. Before growing headcount, identify your most common fulfilment failures and build rules or automation to stop them occurring in the first place.



Trend 4

Multi-carrier strategies are becoming the norm

Retailers are moving beyond single-carrier reliance, but the real advantage comes from how effectively multi-carrier strategies are operationalised.

Only 10.1% of the retailers we surveyed now rely on a single carrier, while 65.2% use two to three courier partners. This is a clear signal that multi-carrier is no longer a differentiator, but instead it's the baseline. But how retailers are arriving at their carrier decisions is changing in a way that's worth paying attention to.

Increasingly, the trigger for adding a new carrier isn't operational failure or contract expiry, **it's data**. Several enterprise retailers have identified specific drop-off patterns in their sales and delivery data that pointed directly to a carrier gap.



In one example, **retailers noticed a significant decline in Thursday order volumes when the projected delivery date fell on a Monday**. The fix wasn't a discount or a campaign, it was **adding an on-demand carrier to enable Saturday delivery**, which recovered the conversion drop almost immediately. That kind of decision represents carrier strategy driven by checkout behaviour data rather than logistics logic.

But adoption alone isn't solving the problem. Many retailers are still adding carriers without changing how decisions are made, introducing more complexity without gaining real flexibility. Carrier choice remains manual or static for too many operations, based on habit, default settings, or limited rules, **rather than dynamically optimised based on cost, delivery promise, or performance**.

Without the ability to switch between carriers intelligently and in real time, retailers are left absorbing rising costs, missing delivery expectations, or both. The retailers closing that gap have embedded carrier selection into fulfilment logic, driven by rules and automation that balance cost, speed, and reliability at the order level.

Multi-carrier is now less about having options, and **more about using them effectively, and increasingly, about knowing when to add a new one**.

What leading retailers are saying

65.2%

65.2% of retailers use 2–3 carrier partners, indicating that multi-carrier strategies are already becoming the norm rather than the exception.



10.1%

Only 10.1% rely on a single carrier, highlighting a clear shift away from single-provider dependency.



Reliability (37.7%)



Cost (37.7%)



Reliability (37.7%) and cost (33.3%) are the top factors when selecting a carrier, showing retailers are balancing performance with margin protection.

Expert insights

Adding carriers is the easy part. Using them effectively is where most retailers fall short.

Hakan Steele, Partnerships and Sales Manager at Starshipit, on why multi-carrier is increasingly a risk management decision as much as a cost one, and what it takes to operationalise it properly:

Most retailers have already solved the question of whether to use multiple carriers. The more important question now is whether your carrier strategy is actually working for you or just adding complexity.

The retailers we see pulling ahead aren't those with the most carriers, they're the ones who've built the most intelligence around how those carriers are used. Carrier selection is embedded into their fulfilment logic, driven by rules that factor in destination, weight, cost, delivery promise, and live service performance. Every order is automatically matched to the right service without anyone having to make that call manually.

What that creates is a commercial advantage that compounds over time. Lower cost per shipment, more reliable delivery promises, and the ability to absorb carrier disruptions without operational impact. When one carrier has a service issue or introduces a surcharge, orders reroute automatically. When checkout data reveals a conversion drop tied to a delivery window, a new carrier can be added and live within days.

The retailers still treating their carrier mix as a fixed infrastructure decision are leaving margin on the table. The ones treating it as a dynamic, data-driven part of their commercial strategy are getting measurably better outcomes on cost, on delivery performance, and on conversion.



Hakan Steele

Partnerships
and Sales Manager
Starshipit

Key takeaways for retailers



Audit whether your carrier mix is actually being used dynamically.

While many retailers have multiple carriers, they usually route most orders through one of them. Pull your dispatch data by carrier for the last 90 days and if the split is heavily skewed, your multi-carrier setup is providing coverage but not optimisation.



Define explicit rules for when each carrier should be used.

Without documented logic, carrier selection defaults to habit. Set rules based on at minimum: weight bands, destination zones, and delivery promise, then test whether those rules are actually being applied consistently across all order types.



Build fallback rules so disruption doesn't require manual intervention.

The operational value of multi-carrier isn't just cost, it's resilience. Configure automatic fallback rules so that if a carrier has a service disruption or hits a surcharge threshold, orders reroute without your team having to manually intervene.



Trend 5

Cross-border growth meets operational complexity

Retailers are expanding globally to drive growth, but the ones managing it profitably aren't just controlling costs, they're controlling the variables that drive those costs in the first place.

65.2% of retailers surveyed cite international shipping costs as a top challenge, making it the most common barrier to scaling globally. But framing this as a cost problem leads retailers to the wrong solutions, negotiating better carrier rates while the real margin erosion continues elsewhere.

The retailers managing cross-border profitably have reframed the problem. International fulfillment isn't expensive because shipping is expensive. **It's expensive because most operations weren't built with the variables of cross-border in mind**, such as duties, taxes, customs documentation, delivery variability by market, and the customer experience implications of getting any of those wrong.

The most immediate lever is where duties and taxes are handled. Retailers who absorb those costs at the back end are building a structural margin problem into every international order. Calculating and collecting duties and taxes at checkout instead, and presenting customers with a full landed cost upfront, removes refused deliveries, reduces customer service load, and **protects margin without changing carrier economics.**

Beyond duties, **retailers have more strategic options than most are currently using.** Consolidation models, where orders are batched and inserted into local carrier networks at

destination, can significantly reduce per-unit cost on high-volume lanes. For retailers with consistent demand in specific regions, these models can significantly change the cost of cross-border shipping, **but they need upfront operational design rather than reactive cost management.**

Leading retailers are building international fulfillment as a distinct operational model and setting up delivery options, duty handling, and carrier strategies by region **rather than applying domestic logic to markets with fundamentally different requirements.**



65.2%

of retailers surveyed cite international shipping costs as a top challenge, making it the most common barrier to scaling globally.



47.8%

identify customs compliance as a key challenge, reinforcing the operational burden of cross-border fulfilment.



80%+

Despite this, over 80% of retailers ship internationally, with more than 30% generating 25–50% of orders from global markets — showing strong demand despite the complexity.

Key takeaways for retailers



Use landed cost at checkout to stay in control of duties, taxes, and margin.

When duties and taxes aren't calculated upfront, they're either absorbed by your business or create friction at delivery. By surfacing accurate landed costs at checkout, you can pass these charges on transparently, protect your margins, and give customers full clarity before they purchase.



Treat international shipping as an operational system, not an extension of domestic fulfilment.

Cross-border orders introduce different requirements across pricing, compliance, and delivery expectations. Configure your shipping rules, carriers, and delivery options by region rather than applying a one-size-fits-all approach.



Manual customs processes will limit your ability to scale globally.

Handling documentation and compliance manually slows fulfilment and increases the risk of errors. Automate customs documentation and classification wherever possible to reduce delays and improve consistency.

Trend 6

Retail stores evolve into fulfilment hubs (ship-from-store)

Retailers are using store networks to reduce cost and improve delivery speed, but many are still held back by systems, processes, and execution complexity.

36.2% of retailers we surveyed have already implemented ship-from-store, with a further 14.5% actively planning to, signalling continued investment in distributed fulfilment models. Additionally, centralised warehouse models are increasingly being supplemented, or replaced, by distributed fulfilment strategies.

The drivers are clear. Retailers are turning to ship-from-store to reduce shipping costs (34.8%) and delivery times (31.9%), using proximity to customers as a competitive advantage.

While the model is proven, many retailers struggle to operationalise it at scale. Store inventory isn't

always accurate in real time, order routing is often manual or inconsistent, and store teams aren't set up to handle fulfilment alongside in-store operations.

This creates friction across the fulfilment process, from stock discrepancies and delayed dispatch to inconsistent customer experiences.

The retailers getting it right are treating ship-from-store as a systems problem, not just an operational one. They're connecting inventory, order management, and fulfilment logic so orders can be routed dynamically based on location, availability, and cost.

As a result, fulfilment is becoming more distributed, flexible, and data-driven, with the store playing an increasingly central role.

What leading retailers are saying

The primary drivers for implementing a ship from store model are **reducing shipping costs (34.8%)** and **delivery times (31.9%)**, reinforcing ship-from-store as both a cost and customer experience strategy.

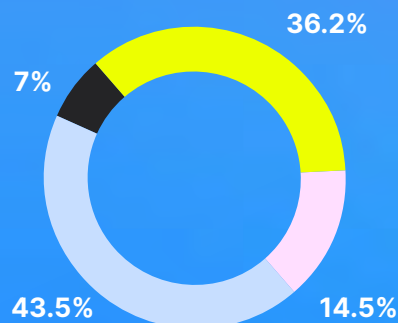
Reduced shipping costs

34.8%

Delivery times

31.9%

Ship from store



- Stores implemented
- Planning to implement
- No plans to implement
- No response

36.2% have already implemented ship-from-store, with a further **14.5% actively planning to**, indicating continued investment despite operational complexity.

However, **43.5% of retailers have no plans to implement it**, highlighting the operational and systems barriers that still exist.

Expert insights



Ship-from-store promises faster delivery and lower shipping costs, but the operational reality stops many retailers from getting there. Jarrod Goodwin, Solutions Consultant at Viare eStar, on what separates retailers who make it work from those who stall at implementation:

We're seeing retailers face increasing pressure to improve margins and navigate intense competition to attract new customers and improve loyalty.

One of the biggest opportunities we see is enabling global inventory and store fulfilment. This allows orders to be fulfilled from the closest store which reduces delivery distances, cuts freight costs and improves delivery speed. Retailers can sell their existing store inventory and clearance stock, which expands their online range without the need for additional warehousing or staff resources.

As a result, this increases revenue, reduces costs and leads to an overall increase in conversions and customer satisfaction. In fact, some of our clients have reported an increase in online sales of up to 60% after implementing store fulfilment.

We're also seeing that customer expectations haven't slowed down. Australia Post reported that 26% of consumers expect same or next day delivery. By enabling fulfilment from the nearest location, retailers can meet those expectations without significantly increasing cost to serve.

Retailers who are succeeding online have realised that they must have the right systems in place, such as a dedicated OMS, along with streamlined processes and proper staff training. We are increasingly seeing retailers adopt a phased approach by starting with key stores before expanding it to the rest of the network so they can manage the change effectively.



Jarrod Goodwin
Solutions Consultant
Viare eStar

Key takeaways for retailers



Ship-from-store fails when inventory isn't accurate in real time.

Without reliable inventory visibility, orders are routed incorrectly, creating delays and poor customer experiences. Ensure your inventory is synced across stores and online in real time before scaling store fulfilment.



If order routing is manual, ship-from-store won't scale.

Deciding where to fulfil orders manually introduces delays and inconsistency. Implement order routing rules based on location, stock availability, and cost so fulfilment decisions happen automatically.



Start with clear rules and controlled rollout.

Rolling ship-from-store out across all locations at once increases risk and complexity. Pilot the model with a small number of stores, refine processes, and expand gradually once operations are stable.



Trend 7

The post-purchase experience as a growth channel

The delivery experience no longer ends at checkout. It plays a critical role in shaping customer satisfaction, retention, and long-term brand loyalty.

47.8% of retailers offer self-service returns, but 42% still rely on manual processes, highlighting a clear gap between customer expectations and operational capability. At the same time, 66.6% of retailers say the post-purchase experience is highly important, showing strong awareness of its impact on customer experience.



The disconnect is clear: retailers understand the importance of post-purchase, but many haven't put actions in place to operationalise it.

Too often, fulfilment is treated as the final step in the transaction, focused on getting orders out the door, rather than what happens after. Tracking pages, notifications, returns, and customer service are managed reactively, with limited consistency or visibility.

This is where the opportunity is being missed. The post-purchase experience is one of the few moments where retailers have repeated, high-attention touchpoints with customers after conversion.

Leading retailers are treating this differently. They're using automation, branding, and proactive communication to turn fulfilment into an extension of the customer experience, thereby reducing support queries, increasing trust, and driving repeat purchase.

The shift is simple: fulfilment doesn't end at delivery. It continues through every interaction that follows.

Expert insights

Most post-purchase failures aren't delivery failures, they're communication failures. **Guy Nappa, COO at Oz Hair & Beauty**, on how they've built a post-purchase experience that turns the period between checkout and delivery into a loyalty driver rather than an anxiety window:

One of the most important lessons I've learned leading Oz Hair and Beauty is that winning a customer's first order is the easy part, keeping them is everything.

The post-purchase experience is where loyalty is built or lost. We've invested heavily in making every step after checkout feel personal. Through highly automated yet personalised communication, from dispatch notifications to delivery confirmations, **we ensure customers feel connected to our brand at every stage** of their journey.

But technology alone doesn't build loyalty. Our customer service team is a critical part of the post-purchase experience. When something goes wrong, or a customer simply has a question, the quality of that interaction can make or break the relationship. A knowledgeable, empathetic CS team doesn't just resolve issues **they turn potentially negative moments into lasting brand advocates.**

The most overlooked opportunity? Treating every post-purchase touchpoint, whether automated or human, as a chance to deepen the relationship. The parcel arriving is not the end of the experience. It's the beginning of the next one.



Guy Nappa
Chief Operating Officer
Oz Hair & Beauty

47.8%

of surveyed retailers offer self-service returns, but a further **42%** still rely on **manual processes**, highlighting a gap between customer expectations and operational capability.

66.6%

rate post-purchase branding as highly **important**, signalling strong awareness of its impact on customer experience and perception.

Key takeaways for retailers



Set up automated notifications at the moments customers are most anxious.

The highest-volume support queries come between dispatch and delivery. Configure automated triggers at dispatch, in-transit, out-for-delivery, and delivered (each with tracking links) and you'll deflect the majority of "where is my order" contacts before they happen.



Your returns process is where post-purchase loyalty is won or lost.

Self-service returns aren't just about convenience. They remove a reason to contact support and a reason not to reorder. Start by mapping your current returns flow: if a customer has to send an email to initiate a return, that's the first thing to fix.



Treat delivery notifications as a branded channel, not a system message.

Most automated shipping emails look like they came from the carrier, not the retailer. Audit your transactional notifications and ensure they carry your brand, a clear next step, and ideally a prompt toward the next purchase, whether that's a review request or a personalised recommendation.



Trend 8

Sustainability moves from promise to operations

Sustainability is no longer just a brand value, but it's not yet a reliable purchase driver either.

42% of retailers say customers at least occasionally ask for more sustainable delivery options. But ask those same customers to choose a slower or more expensive option to get it, and most won't. Behaviour at checkout is still driven primarily by cost and convenience, and **retailers who've built their sustainability strategy around opt-in choices are seeing limited uptake as a result.**

The more significant shift is happening away from the checkout entirely. Recommerce, the resale and refurbishment of goods, is emerging as the most concrete intersection of sustainability and commercial opportunity. In Australia, **73% of online shoppers express interest in purchasing second-hand** or refurbished goods directly from retailers, and **37% are already doing so.** Yet only 14% of

retailers currently sell or partner to sell second-hand goods, and just 13% offer trade-in or buy-back programs.

That's a significant gap between where customer behaviour is heading and where retail operations currently sit. **Closing it requires building reverse logistics capability** like returns processing, refurbishment handling, and inventory management for pre-owned stock, into fulfilment models that weren't designed with that flow in mind.

The retailers making progress on sustainability aren't waiting for customers to opt in. They're embedding it into how fulfilment operates: optimising packaging, reducing delivery distances through distributed fulfilment models like ship-from-store, and building the reverse logistics infrastructure that recommerce requires.

What leading retailers are saying

42%

of retailers say customers ask for more sustainable delivery options, but 40.6% report those options are rarely used, confirming that opt-in sustainability at checkout has limited impact without operational changes behind it.



26.1%

Only 26.1% of retailers report frequent customer usage of sustainable delivery options, reinforcing that sustainability needs to be built into fulfilment defaults rather than offered as an alternative.



Expert insights

Customer attitudes toward sustainability and actual behaviour at checkout don't always align.

Jack Morgan, Strategic eCommerce Partnerships Lead at Australia Post, on where the real sustainability opportunity is forming, and why it has less to do with delivery options and more to do with what happens after an order is returned:

As we saw in our 2026 eCommerce Report, sustainability is becoming a more visible part of the delivery experience, but it's evolving in how it shows up in customer behaviour.

While shoppers are increasingly conscious of environmental impact, their expectations **still need to be balanced with cost and convenience**. This is pushing retailers to focus on practical, operational improvements within fulfilment, from packaging and delivery efficiency through to how they manage returns.

One of the clearest examples of this shift is the growth of recommerce. In Australia, **73% of online shoppers** are interested in purchasing second-hand or refurbished goods directly from retailers, and 37% are already doing so each year.

This is introducing new considerations for fulfilment, particularly around reverse logistics, inventory handling, and maintaining quality across pre-owned items.

At the same time, retailer adoption is still catching up. Only **14% of businesses** currently sell or partner to sell second-hand or refurbished goods, and just **13% offer trade-in or buy-back programs**, highlighting a broader gap between changing customer expectations and operational capability.

For retailers, the opportunity lies in building fulfilment models that support both sustainability and efficiency, without adding unnecessary cost or complexity.



Jack Morgan
Strategic eCommerce
Partnerships Lead
Australia Post



Key takeaways for retailers



If sustainability relies on customer choice, adoption will stay low.

Customers may express interest in sustainable delivery, but behaviour is still driven by cost and convenience. Focus on reducing environmental impact within your operations, such as optimising packaging, delivery routes, and carrier selection, rather than relying solely on opt-in options at checkout.



Sustainability needs to be built into fulfilment, not added on top.

Optional “green delivery” choices have limited impact when they conflict with price or speed. Identify where sustainability can be embedded into existing workflows without increasing cost to serve.



Reverse logistics is becoming part of the sustainability equation.

Growth in recommerce and returns is increasing the importance of efficient reverse logistics. Review how returns, refurbishments, and inventory handling are managed to ensure they support both sustainability goals and operational efficiency.



Trend 9

AI becomes operational infrastructure

Retailers are investing in AI, but most are still in the early stages of applying it within fulfilment operations where it can deliver the greatest value.

76.8% of retailers surveyed are already using AI in some capacity, but only 29% have embedded it across multiple processes, highlighting a gap between experimentation and true operational integration.

AI adoption is widespread, but it's not yet where it matters most. Usage is still concentrated in customer service (44.9%) and marketing personalisation (34.8%), while adoption in fulfilment-specific areas like delivery prediction (13%) and warehouse optimisation (13%) remains low.

This points to a clear pattern. Retailers are applying AI at the edges of the business, where it's easier to implement and quicker to show results, but not yet embedding it into core operational workflows.

The barrier isn't access to technology, it's readiness. Lack of expertise (24.6%) and integration challenges (20.3%) are the biggest obstacles, reinforcing that AI depends on connected systems and reliable data to be effective. As a result, many retailers are seeing incremental gains rather than meaningful operational impact.

Leading retailers are embedding AI into decision-making across fulfilment, using it to improve accuracy, reduce manual intervention, and optimise performance at scale.

As this shift continues, AI will play an increasingly central role in enabling more adaptive, responsive fulfilment operations — particularly as complexity and scale increase.



What leading retailers are saying



76.8% of surveyed retailers are already using AI in some capacity, but only 29% have embedded it across multiple processes, highlighting a gap between experimentation and true operational integration.



AI is most commonly used in customer service (44.9%) and marketing personalisation (34.8%), with lower adoption in fulfilment-specific areas like delivery prediction (13%) and warehouse optimisation (13%).



The biggest barriers to adoption are lack of expertise (24.6%) and integration challenges (20.3%), reinforcing that AI success is closely tied to systems and capability maturity.



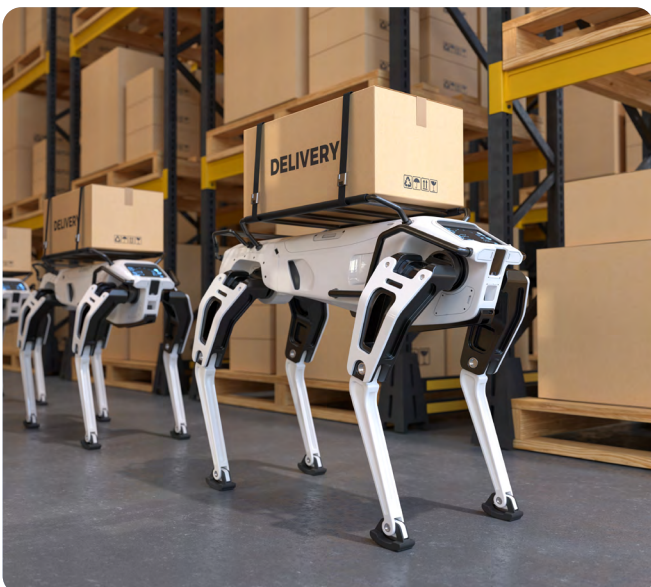
Despite this, 85.5% of retailers believe AI will deliver a competitive advantage over the next 2–3 years, signalling strong confidence in its future role.

Expert insights

AI adoption in retail is broad but shallow, and most retailers are using it at the edges of the business rather than inside the operations where it would have the most impact. **George Plummer, Founder and CEO at Starshipit**, on where AI is delivering real fulfilment value today, and what needs to be true before that becomes the norm:

The most practical application of AI in fulfilment right now isn't replacing operational decisions, **it's improving how we view and analyse the data those decisions are based on.**

Where we're seeing retailers get genuine value is in using AI to analyse shipping reports, carrier performance data, and order patterns at a scale and speed that isn't possible manually. **That analysis is surfacing gaps that would otherwise go unnoticed**, such as delivery windows that are suppressing conversion on specific days, carrier services that are underperforming on certain routes, or fulfilment patterns that are generating avoidable cost. The output isn't a decision made by AI, but instead it's **a clear signal that tells a retailer exactly where to optimise and what to change.**



That's a meaningful shift. Most retailers are sitting on more operational data than they know what to do with. Shipping reports, carrier scorecards, delivery performance by region – the data exists, but the capacity to interrogate it consistently doesn't. **AI changes that equation.**

In warehouses, we're also seeing increased adoption of robotics, primarily in the form of fixed automation and mobile robots rather than humanoids. Humanoid robots are entering pilot phases globally, but for most operators they remain a longer-term consideration. **The near-term focus is on practical, ROI-driven automation** that integrates with existing facilities without major capital investment.

The main barriers to meaningful AI adoption remain data quality and system fragmentation. For most retailers, the challenge is having clean, connected data for AI tools to work with. **That's the prerequisite, not an afterthought.**

Over the next two to three years, we expect AI to move from analysis toward more autonomous decision-making, where insights don't just inform actions but trigger them. **But the retailers who will benefit most from that shift are the ones building reliable data foundations now.**



George Plummer
CEO & Founder of
Starshipit

Key takeaways for retailers



Start with one operational use case, not a platform rollout.

Retailers seeing real value from AI have typically started narrow – demand forecasting for a single category, or automated carrier selection based on historical performance data. Pick one workflow where you have clean data and a measurable outcome, and build from there.



AI applied to disconnected systems will surface better-looking problems, not solutions.

If your inventory, order, and shipping data don't sync reliably, AI will optimise based on inaccurate inputs. Clean data flows are a prerequisite, not a follow-on step. Audit your data quality before expanding any AI initiative.



Use AI to turn your shipping reports into decisions, not just dashboards

Most retailers are sitting on carrier performance, delivery time, and cost-per-order data they don't act on. AI tools can surface patterns in that data like underperforming routes, carrier failure clusters, cost outliers, and recommend rule changes. That's a practical starting point with immediate ROI.



Final thoughts

Fulfilment in 2026 is being reshaped by **pressure from customers, costs, and the increasing complexity of modern retail operations**. That much is clear. What's less comfortable to sit with is what the next two years look like for retailers who don't respond to it.

The divide that's forming now isn't between large and small retailers, or well-resourced and under-resourced ones. **It's between operations that are built to adapt and those that aren't**. Retailers running on disconnected systems and manual workflows aren't just less efficient, they're slower to respond to carrier changes, less able to absorb demand spikes, and harder to trust at the checkout when delivery promises need to be accurate and specific.

That gap compounds. Customers who experience inconsistent delivery don't usually complain; they quietly switch. And as leading retailers raise the bar on speed, transparency, and post-purchase experience, **the baseline expectation across the market moves with them**.

The retailers who will set the pace over the next two years aren't necessarily the ones with the biggest budgets or the most sophisticated tech stacks. **They're the ones who have closed the distance between what they promise and what they can consistently deliver**, and built operations flexible enough to keep closing it as expectations continue to rise.

The question worth asking now isn't whether fulfilment needs to change. It's whether your operation is structured to change with it.





Starshipit

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	New	Printed	Shipped	Returns	
	Select view		Print	Check addresses	
<input type="checkbox"/>	Order	Customer	Country	Courier	
<input type="checkbox"/>	363	Millar	AU	Australia Post	
<input checked="" type="checkbox"/>	364	Newman	NZ	DHL Express	
<input type="checkbox"/>	365	Rayner	FR	Deutsche Post	
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<input type="checkbox"/>	367	Davidson	IT	Evri	

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