

Optimizing Transport Operations through Data-Driven Decision-Making in the U.S. Logistics Industry

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Abstract: In today's world, data moves faster than the actual goods that it facilitates transportation, bringing the U.S. logistics industry to a critical juncture. Legacy systems are buckling under the weight of increasing complexities, unpredictability, and systemic inefficiencies costing billions of dollars per year. With transportation being a key yet complex part of logistics, data analytics for efficiency improvement, reduced cost, and service quality improvement has become increasingly important within this field. This research systematically analyses the application of data collection, data analysis tools such as predictive analytics, and prescriptive analytics to route optimization, fleet management, real-time tracking, and demand forecasting. Its findings show great opportunities in terms of cost reduction, performance of delivery, customer satisfaction, and other challenges related to data quality, integration, and barriers to technology adoption. The paper also covers new trends such as AI and IoT technologies that are set to further transform transport logistics. The implications of this research highlight the need for logistics firms to adopt a comprehensive data strategy. It highlights the need to promote capabilities to harness data analytics to provide a competitive advantage and sustainable growth in the U.S. market. This research also establishes a basis for further research and offers practical steps for logistics managers seeking to implement data-driven solutions effectively.

Keywords: Data-Driven Decision-Making, Transport Optimization, Logistics Management, Supply Chain Efficiency, Predictive Analytics.

INTRODUCTION

Transport operations play a key role in the landscape of U.S. logistics, with their operations affecting the efficiency and reliability of supply chains, which contribute to navigating the global economy. The U.S. logistics market is strong and is valued at about \$246 billion in 2025 due to excellent growth backed by increased spending by consumers and evolving commodities commerce (Overvest, 2025). However, below this growth is increasing complexity characterized by rising labor shortages, with more than 2 million logistics jobs expected to be unfilled this year, raising important operational constraints (Loganathan, 2025). The growing freight demand introduces additional pressure, with total freight ton-miles expected to increase dramatically over the next few decades (Majidi, 2025). Such trends highlight the need for innovative trends that go beyond traditional transport management. With this innovation comes a tremendous amount of real-time data that is streaming from the digitized logistics ecosystem. This increasing wealth of data presents new opportunities to improve the transport decision-making process, integration, quality, and use. As artificial intelligence, IoT, and predictive analysis become endemic, logistics providers are being exposed to rapidly changing environments where strategic deployment of data will make or break their competitiveness and operational resilience (Ponnappan & Haldipur, 2025). The landscape is thereby defined by a double imperative of

successfully managing its complexities and exploiting unparalleled informational resources. In this study, the influence of data-driven methodologies, which are gradually transforming transport operations in the logistics sector of the U.S., is examined and establishes the foundation for developing a refined understanding of the potential and pitfalls of this transformation.

Overview of Transport Operations in U.S. Logistics

Transport operations involve planning, execution, and management of the movement of goods and materials from origin to destination within the supply chain. It is a crucial subset of logistics specialized to deal with the physical transport of products via multiple transportation modes such as road, rail, air, sea, and pipeline (RingCentral, 2023). Core components of transportation include fleet and carrier management, route optimization, shipment tracking, and transportation management system (TMS) integration, which ensure on-time, cost-effective, and reliable delivery as a whole, similar to how structured coordination, quality control, and compliance mechanisms are essential in managing complex operational projects (Torres, F. N. C, 2023). Significant milestones have been achieved in the development of transport operations with the push of technological advances and investment into its infrastructure. Digital technologies such as Transportation Management

Systems (TMS), real-time shipment tracking, and route optimization tools have become widespread, enabling more precise scheduling, load management, and control of transportation costs (Ponnappan & Haldipur, 2025). Trucking has been the predominant mode, with about 70% of freight tonnage by value, while rail and maritime transport are playing an important complementary role with their bulk and long-haul cargo (Majidi, 2025).

The transportation sector is also notable for adapting to changing economic dynamics with the expansion of e-commerce, rise in the demand for last-mile delivery, and increased sustainability and growth of regulatory compliance has led to ongoing innovation in transport strategies (Grand View Research, 2022). IoT (Internet of Things), AI-based predictive analytics, and automation are additional investments in infrastructure projects and technology that provide further advancements toward intelligent and efficient transport system operations. Thus, U.S. transportation logistics today reflects a sprawling, technologically advanced network that has become fundamental to national economic well-being, trade, and consumer satisfaction.

Role of Data-Driven Decision-Making in Logistics

Data-driven decision-making (DDDM) in logistics enables the systematic utilization of data analytics and insights to inform, optimize, and automate decisions related to transportation, warehousing, inventory management, and delivery operations. Logistics companies are no longer relying on historical methods but rather utilize vast arrays of quantitative and qualitative data to fuel efficiency, responsiveness, and strategic advantage (Acropolium, 2025). Logistics in this modern day creates huge volumes of data that contribute critically to sound decision-making. Basic metrics include shipment volumes, fleet utilization, fuel consumption and transit times. Delivery and performance data capturing on-time rates, order accuracy and return volumes of performance and delivery data provide clear and improved levels of service. With data provided by real-time tracking tools such as GPS, telematics, and IoT, supply chain movement can be tracked dynamically for more proactive interventions (Dushaev & Kuzlo, 2025). Major US carriers such as FedEx and UPS have incorporated these data streams into improved Transportation Management Systems (TMS) that use AI and machine learning to optimize route planning, and cut fuel costs (AI Expert Network, 2024; Kitishian, 2025). At the

same time, retailers like Walmart use real-time inventory and demand data to coordinate logistics with sales, enabling hybrid fulfillment models like buy-online-pickup-in-store (BOPIS) that fulfill complex consumer expectations (DigitalDefynd, 2025). Making use of such data insights helps logistics companies reduce operational costs and respond flexibly to supply chain disruptions, changes in demand patterns, and customer preferences. Such advanced logistics analytics assist with demand forecasting, predictive maintenance, and capacity planning, which are increasingly important as e-commerce growth increases the expectations for fast, reliable, and flexible distribution (Acropolium, 2025).

The competitive advantage and business potential of such data-driven methods is already shown to be high. According to Ponnappan & Haldipur, 2025, the logistics cost of companies that successfully implement AI-enabled supply chain management see reductions of up to 15%, with 35% reduction in inventory levels and a 65% increase in service levels, greatly outperforming slow-moving competitors. North America leads the world in AI adoption within the field of logistics, as it is driven by its robust e-commerce infrastructure and technology investments which position it at the fore of innovation in the area of transport operations (Ponnappan & Haldipur, 2025). As the logistics industry embraces this transformation to go data centric, challenges grow around data quality, integration, workforce skillset, and ethical use. However, the growing emphasis on unified data platforms, governance frameworks and workplace upskills demonstrates the important role for data-driven decision-making in creating the resilient and efficient supply chains of the future.

Data Analytics Techniques in Transport Optimization

Data analytics techniques in transport optimization cover an array of techniques, such as descriptive, predictive, and prescriptive analytics that support the logistics strategies of the modern world. Each of these analytical approaches plays a unique role in improving operational efficiency, reductions in costs, and improvements in service quality.

Descriptive analytics form the basis of this, as they analyze historical data to know what has happened. Within the scope of logistics companies, this technique is used to review shipment volumes, transit times, and delivery performance measures, thus establishing baseline

KPIs and identifying inefficiencies. ThroughPut, a supply chain analytics firm, was involved in assisting a top Ready-Mix Concrete (RMC) company in analyzing past delivery data historical data, determining optimal vehicle dispatch time, optimizing return travel times, limiting onsite waiting time, and therefore optimizing assets and customer satisfaction. This required the segmentation of the customers based on various variables like sales volume and distance to visualize how descriptive analytics serves as a way for converting raw data into various insights applicable for operations (ThroughPut, 2023).

Predictive analytics focuses on predicting future conditions based on historical and current data, which is then used to take proactive actions. For example, traffic, weather, and vehicle performance are all factors that an AI model can predict to calculate the variability in delivery time. The practice of implementing such techniques is demonstrated by logistics companies such as DHL, which invested \$350 million in 2018 to build MySupplyChain, a predictive analytics platform to optimize and digitalize their operations. This platform integrates AI-powered route forecasting to reduce the delay and cost of operations. DHL's Lifecycle fulfillment controls include 25% picking efficiency boosts with order drop rules utilizing workflows, which are built on top of existing warehouse management systems (DHL Supply Chain, 2018). The platform also enables advanced analytics use cases such as demand spike forecasting, last-mile delivery optimization, and inventory management, which contribute to cost reduction and better service quality.

Prescriptive analytics take these insights further to recommend strategies to be adopted for optimized outcomes. This includes route re-routing to try to avoid traffic congestion or dynamically adjusting inventory levels. In practice, Amazon uses prescriptive models to optimize the execution of last-mile delivery routes in real time, and this has resulted in significant cost savings and improvements in service (Merchan et al. 2022). By utilizing machine learning algorithms and large data sets such as real-time traffic conditions, package priorities, and driver availability, Amazon dynamically plans and adjusts delivery routes. This AI-driven process of route optimization results in significant improvements in efficiency in delivery processes and customer satisfaction (Khandhar, 2024). The success of these approaches is supported by data that shows companies that use

prescriptive analytics are reporting operational cost reductions and improved customer satisfaction.

Applications and Benefits of Data-Driven Decision Making in U.S. Logistics

The use of Data-driven analytics in transport logistics yields great benefits that have a deep impact on the operational functions, cost management, and customer satisfaction. In harnessing big volumes of structured and unstructured data, logistics companies gain an unsurpassed visibility into their operations. This type of underpinning leads to detailed insight into inefficiencies such as inefficient fleet utilization, redundant routing, and delays produced by external influences like traffic patterns or weather conditions. The strategic use of this data goes into cost-cutting, especially optimizing network design and the logistics of vehicle routing (Shuliak, 2025).

Another of the most significant impacts of data-driven analytics in the field of logistics has to do with the reduction of cost. Route optimization with prescriptive analytics will help reduce fuel consumption by minimizing travel distances and not congesting travel routes, thereby lowering maintenance costs as there will be less wear and tear on vehicles. UPS is a perfect example of this advantage with its AI-based ORION system, which analyzes billions of data points in order to generate optimal routes. This system is estimated to save UPS around \$400 million per year and demonstrates how these types of data-driven choices can create cost savings that scale on a large network of deliveries. Labor costs are also minimized as optimized scheduling and more precise demand forecasting make workforce planning more effective, meaning lesser idle time and overtime costs (Kitishian, 2025).

Beyond the question of cost, improvements in service levels are a fundamental benefit of these applications of analytics. Real-time data integration enables companies to monitor shipments on a constant basis and predict any disruptions before they become problematic. FedEx uses AI-powered shipment visibility solutions that can dynamically shift shipment routes and delivery schedules in the event of unplanned occurrences, such as traffic accidents or extreme weather conditions. This proactive approach to risk mitigation leads to increased on-time rates of delivery and increased operational reliability. Such improvements are important in markets increasingly characterized by customer

expectations of fast and constant service, especially in the area of e-commerce, where delivery schedules have a direct impact on the buying decision and customer retention (AI Expert Network, 2024).

The customer satisfaction factor also improves greatly with these data-driven solutions. Analytics provide a way for logistics companies to give better estimated times-of-arrival (ETAs) to their customers, deliver goods in flexibility, and communicate proactively with end consumers regarding delaying or changing orders. Furthermore, the capability of buy-online-pickup-in-store (BOPIS) is enabled by synchronized inventory and logistics data stream in real-time, enabling the customer to more easily transition between online orders and pickup in store. In an era where convenience and transparency are vital in brand selection, these innovation efforts reinforce brand allegiance in a competitive environment.

The transformation made possible by the power of real-time data and state-of-the-art analytics penetrates further into transport planning and execution. Traditional systems for planning static logistics are giving way to dynamic and intelligence-augmented systems that can adapt plans on the run in response to emerging data. MySupplyChain, which is DHL's supply chain-focused predictive analytics tool, is a great example of this evolution by combining operational data streams with predictive modeling to foresee order volumes and chart resources to drive these orders. This enables staffing, inventory levels, and delivery times to be adjusted in near real-time to support both the operational resilience and responsiveness to market demands. Such agility is critical in dealing with spikes in peak demand, disruption events, or regional variability in supply chains, which promotes a better and more robust customer-centric logistics ecosystem (DHL Group, 2018).

This increasing evolution of data-driven analytics in US transport logistics is creating the space for unparalleled response capability and strategic foresight. Organizations are no longer focused on making small improvements, but instead are increasingly focused on building autonomous decision-making abilities into their networks. This evolution will create an ecosystem in which logistics operations proactively optimize themselves as they go along, forecasting changes in demand and controlling disruptions before they

occur. The real value of this evolution is identified in the transformation of logistics into an ever-adapting ecosystem that incorporates a mix of data, artificial intelligence, and automation to accommodate the needs of current markets effectively and to lead the way in creating new service models and sustainability routines with zero or minimal human intervention (Bertling, 2025).

CHALLENGES & FUTURE DIRECTIONS

While it is not to deny the broad benefits that have been achieved through data-based analytics in transport logistics, there are a number of complexities that are non-trivial and must be managed, rather than simply dismissed. One of the biggest challenges comes from data quality and integration challenges. Often, logistics companies have a series of systems whose various arms create different data formats that sit in silos, reflecting broader challenges in coordinating multi-phase operations and maintaining quality and compliance across integrated systems (Torres, F. N. C, 2023). The resultant fragmentation makes it hard to reconcile and cleanse data, even though good-quality data is necessary and required to be able to generate reliable insights and drive effective decision-making. Moreover, the growing regulatory environment introduces yet another perspective for data protection, which is protecting data privacy (West, 2025). Additionally, many current infrastructures do not have the ability to scale and support real-time analytics with IoT and AI applications, which presents another challenge for those organizations that have not yet modernized their infrastructure. These systems require replacement or upgrades that involve capital costs and downtime. Adding to the technical challenges, we have human and organizational challenges such as resistance to change, lack of human resources in data science and analytics, and significant workforce training in order to acquire new skills required to maximize the use of analytics (Zomko, 2025).

Furthermore, whilst empirical research continues to highlight the potential of analytics in logistics, existing studies focus on isolated use cases without sufficient diversity to generalize outcomes broadly. This gap highlights the need for further robust academic and industry collaborations that investigate the sustained effects of analytics applications in different contexts and supply chain forms (Bertling, 2025). In the future, new

technologies such as AI and the Internet of Things have the potential to solve many of these problems. AI enables the automation of complex decision-making processes and improves real-time responsiveness and predictive analytics, while IoT extends visibility to the entire supply chain in order to make interventions proactively and optimize resources. These technologies can facilitate scalability in analytics applications and have the potential to drive sustainability improvements through more efficient use of resources and emission reductions (West, 2025). To capitalize on these developments, practitioners are advised to adopt integrated data approaches, invest in human capacity building and partnerships with technology providers and academic institutions to bridge existing knowledge gaps to allow for ongoing innovation. In acknowledging and strategically addressing these technical, organizational, and research constraints, the transport logistics sector can be resilient and sustain its momentum in leveraging data-driven analytics to foster a resilient, efficient, and sustainable supply chain ecosystem.

CONCLUSION

The subject of data-driven analytics in the field of transport logistics encompasses the transformation of vast data integration, predictive modeling, and real-time operational intelligence. Central to this field is the challenge to harness disparate sources of voluminous data from legacy sources to IoT sensors and transform them into coherent insights to optimize fleet management, routes, and visibility of supply chains. Advancement of Analytics has led to redefining logistics operations with an emphasis on proactive disruption management, enhanced demand forecasting, and customer experience personalization. Companies are using AI-powered transportation management platforms to dynamically adjust routes and inventory strategies to highlight the data-centric and data decision-making intelligence of logistics. The sector also navigates changing data governance and privacy frameworks while striving for sustainable and scalable operations. This makes transport logistics analytics a critical differentiator in enabling competitive differentiation, operational resilience, and strategic agility. Technology integration, along with human expertise and regulatory compliance, forms the ecosystem in which this field continues to advance and is a constantly evolving supply chain in response to global economic and technological trends.

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