

2026 UPDATE

Fashion logistics in 2026 and beyond

5 key developments fashion companies in Europe must address to stay competitive.

2026: The turning point for fashion logistics

Adapt faster and operate smarter – or risk falling behind.

The fashion logistics landscape has shifted from turbulence to transformation. In a recent survey, 62% of supply-chain leaders rated global logistics risks as “high” or “very high” for 2026, underscoring that uncertainty is now business-as-usual (*Future of Supply Chain*).

At the same time, Europe’s logistics ecosystem is being reshaped by a perfect storm of geopolitical instability, rising costs, sustainability regulation, and AI-driven automation. Routes are longer, compliance is tougher, and customers expect speed, transparency, and low-carbon operations all at once.

The pressure is real, but so is the opportunity. The next generation of industry leaders will be those who build resilient, data-driven, and sustainable supply chains capable of adapting in real time. Success in 2026 and beyond will depend not on predicting disruption, but on designing logistics systems that can thrive within it.

This report outlines the five key developments shaping fashion logistics in 2026, and what forward-thinking brands can do today to stay ahead.



#1 Geopolitics

Geopolitical fragmentation is reshaping Europe's fashion supply chains

Europe's fashion supply chains rely heavily on global production networks. As trade blocs shift and political tensions rise, cross-border sourcing, transport and customs processes become increasingly unpredictable.

IMPACT ON FASHION COMPANIES

Late stock disrupts seasonal collections, while geopolitical volatility adds cost pressure and delivery uncertainty.

- ▶ Geopolitical tensions pushed container freight rates to 3,600 on the SCFI in 2024; even with some easing in 2025, the same drivers keep **volatility likely** into 2026.
- ▶ Over **30 countries** introduced new tariff measures affecting apparel, textiles or raw materials between 2021 and 2025.
- ▶ US–EU trade tensions raise uncertainty. The potential of additional tariffs on EU goods in 2026 increases volatility.

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*“Freight rate volatility is becoming the new normal across all shipping segments, driven by continued **geopolitical tensions**, shifting trade policy, regulatory developments, and persistent supply and demand imbalances”*

~Review of Maritime Transport 2025

Shanghai Containerized Freight Index (points)



Source: <https://unctad.org/publication/review-maritime-transport-2025>

#2 Real time tracking

Track your inventory in real-time

You can follow stock movements as they happen instead of relying on outdated reports. Our MX Connect portal gives you complete visibility of inventory, orders, and returns.

IMPACT ON FASHION COMPANIES

Better tracking leads to fewer stockouts and reduced holding costs. It also means returns get processed faster which minimises lost revenue.

- ▶ Companies adopting real-time inventory systems have seen a **15% reduction in holding costs**.
- ▶ Retailers utilising real-time tracking report a **10% increase in product availability**, leading to higher sales and loyalty.
- ▶ Real-time tracking systems can **improve inventory accuracy by up to 90%**, minimising discrepancies between recorded and actual stock levels.

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*"By providing accurate, up-to-date information about stock levels, real-time inventory management systems can help fashion businesses **optimize their supply chain operations**, respond more quickly to market trends, and ultimately, **enhance their overall performance**."*

~ Suuchi Ramesh (Suuchi Inc.)

Inventory accuracy for fashion brands



Source: <https://rfid.averydennison.com/en/home/news-insights/insights/apparel-beyond-the-shelves-the-true-value-of-inventory-accuracy-for-retailers.html>

#3 Delivery expectations

Fast and sustainable delivery

Modern customers expect same-day processing and fast delivery, while also looking for sustainable options. Eco-friendly last-mile solutions are a “must” for brands these days.

HOW EXPECTATIONS HAVE CHANGED

In 2026, rapid fulfillment is a non-negotiable. Modexpress allows for last minute orders and changes until one hour before last-mile pick up.

- ▶ Approximately **78% of millennials** are willing to pay extra for sustainable fashion brands.
- ▶ Across Europe, **59% of shoppers** expect **same-day delivery** as standard, up from **52% last year**.
- ▶ Retailers that have implemented personalised delivery options have seen a **10% to 15% increase in conversion rates** and a **20% higher customer-satisfaction rate**.

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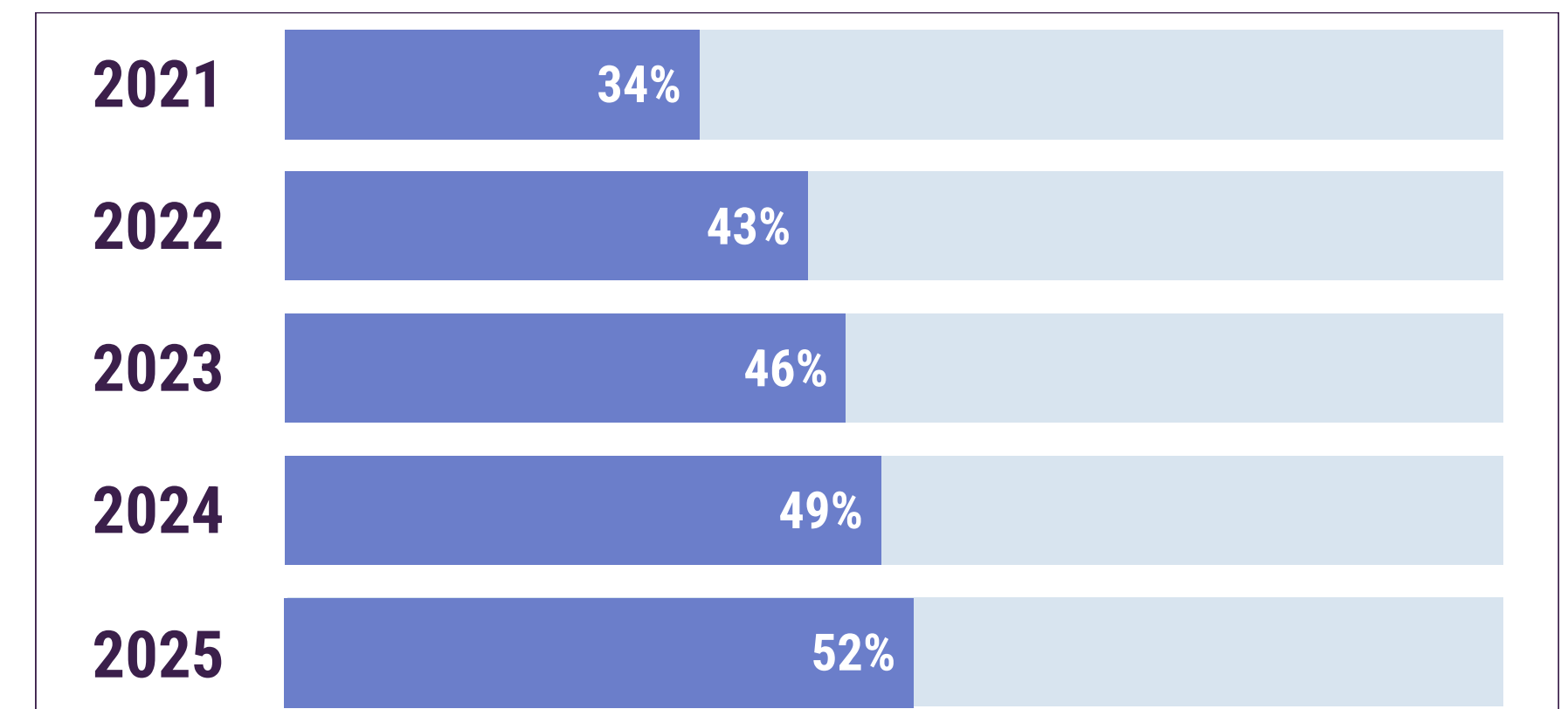
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"The consumer psyche is changing fast. Technology leaders such as Amazon, Deliveroo, Netflix, and Uber Technologies have raised customer expectations of speed and convenience. Through its Prime offering, Amazon has created an expectation that delivery should be next day, or even same day."

~ McKinsey

'I have used sustainable delivery options'

Results of a survey by VML for the The Future Shopper 2024 & 2025 editions.



Source: <https://www.vml.com/insight/future-shopper>

#4 Reverse logistics

Emphasis on reverse logistics

Customers expect fast refunds these days. Modexpress prioritises restoring goods to “A” status with rapid inspection, grading, and item repair.

WHY REVERSE LOGISTICS ARE ESSENTIAL

Reverse logistics means quicker refunds, less complaints, and less waste, making it a great way to gain a sustainable competitive advantage.

- ▶ In Europe, online fashion & footwear **return rates** are among the **highest of any e-commerce category**: apparel return rate **~46%**, footwear **~39%**.
- ▶ Europe’s annual online fashion returns amount to a total cost of approximately €6.3 Billion.
- ▶ Returned fashion items generate nearly **900,000 tonnes of CO₂** emissions annually across Europe. This is equal to the yearly footprint of **more than 180,000 cars**.

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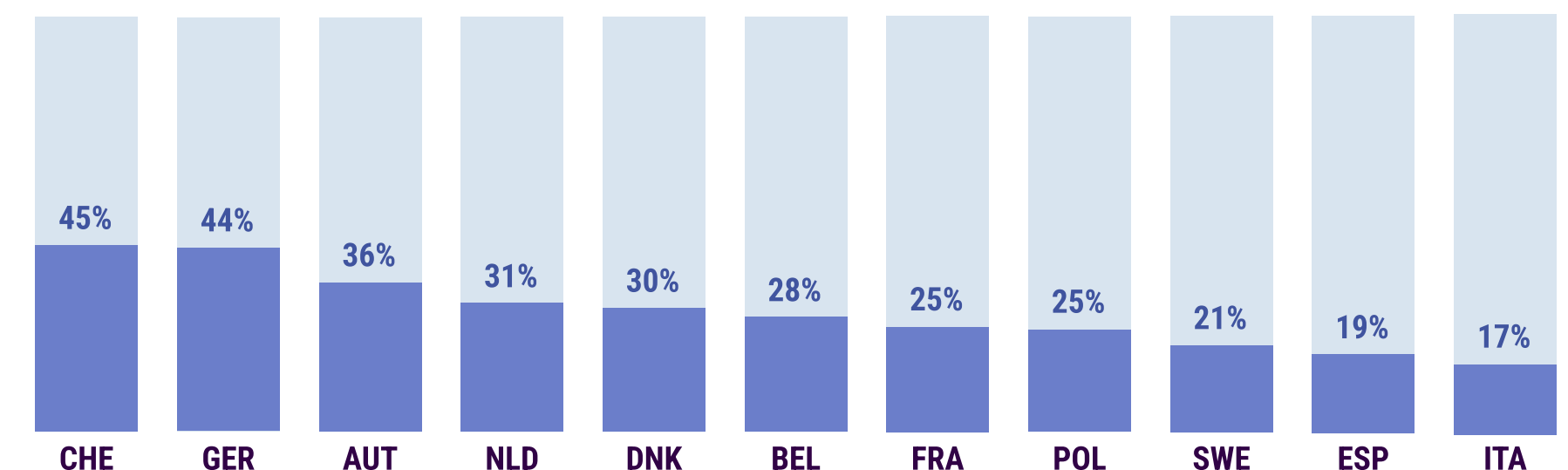
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“The fashion industry is facing **increasing pressure from consumers and regulators** to adopt sustainable practices. Reverse logistics plays a crucial role in enabling circular fashion systems, allowing companies to **manage returns efficiently and reduce environmental impact.**”

~ Maersk

Share of online fashion purchases that get returned in Europe per country

An overview of eCommerce fashion return rates in different European countries.



Source: <https://www.statista.com/statistics/1385697/fashion-online-return-rates-by-country-europe/>

#5 Circular fashion

Circular fashion logistics

Circular fashion is growing fast. If you repair and recondition items quickly and to a high standard, you can resell them at full price.

WHY THIS TREND CAN NOT BE IGNORED

Sustainability and profitability go hand in hand. A circular approach to fashion logistics is a win-win, as you save money and boost your brand reputation at the same time.

- ▶ Increasing textile-to-textile recycling rates in the EU to 10% could save ~440,000 tonnes CO₂ per year and conserve 8.8 billion m³ of water.
- ▶ In the UK alone, the broader circular fashion ecosystem comprises over 4,000 companies, generating **£28 billion in revenue** and employing nearly 120,000 people.
- ▶ Globally, the dedicated circular fashion market is expected to grow to over **\$12 billion** by 2030 (**CAGR 8.4%**).

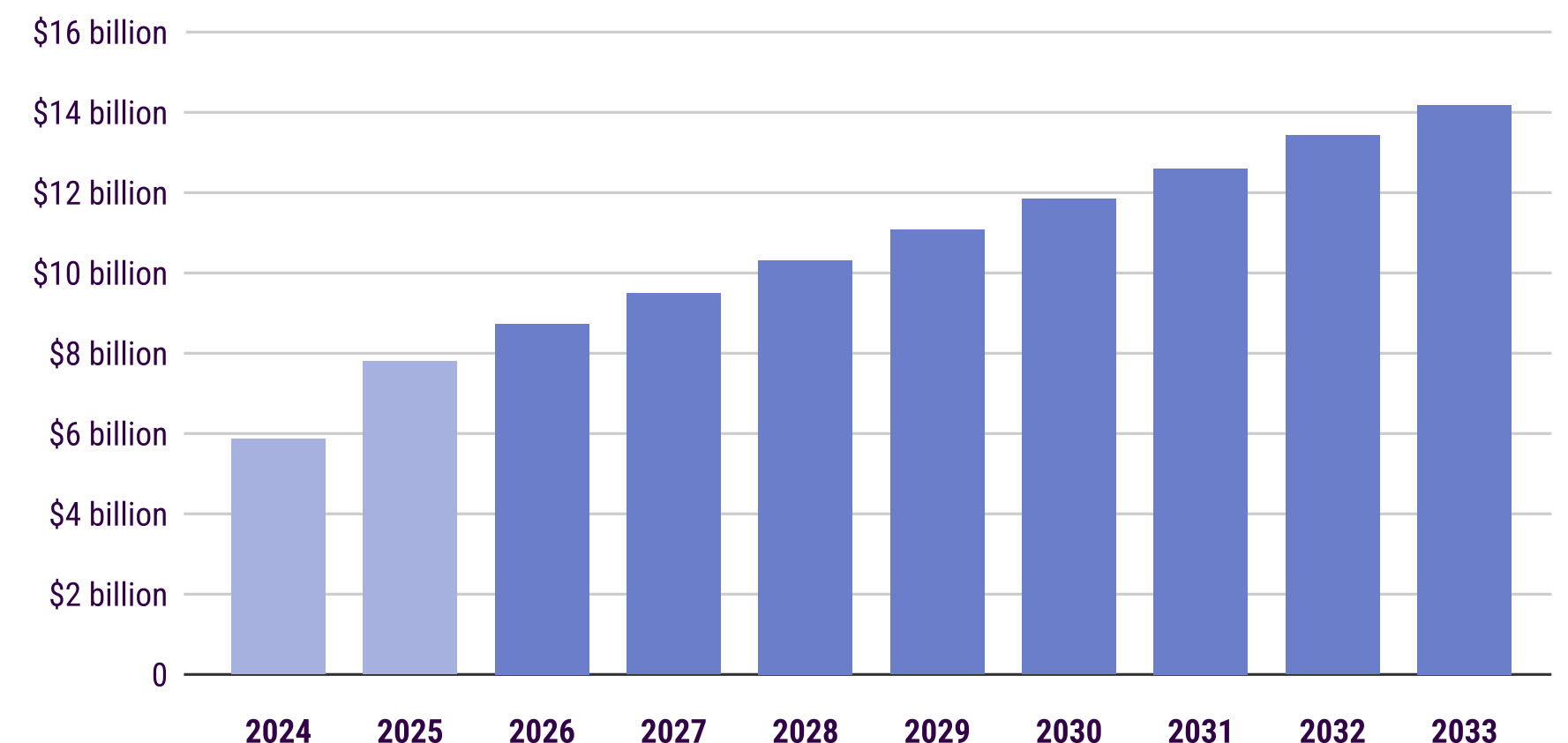
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*"Replacing this linear business model with a circular design one would help recapture more than **\$500 billion** in industry losses every year and still mitigate negative environmental impacts."*

~McKinsey

Circular fashion market size projection



Source: <https://www.custommarketinsights.com/report/circular-fashion-market/>

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