

OPTIMIZE YOUR SUPPLY CHAIN

IN-HOUSE VS. 3PL LOGISTICS EXPLAINED



Reduce Costs & Increase Efficiency:
A Data-Driven Comparison

The Supply Chain Dilemma

In today's rapidly evolving global marketplace, **supply chain management** is a crucial factor in business success. Companies must balance efficiency, flexibility, and operational control to ensure smooth logistics operations. With rising customer expectations, businesses face a key question:

Should you keep logistics in-house or outsource to a third-party logistics provider?

This whitepaper explores the advantages and challenges of both models, helping you make an **informed decision** that aligns with the growth strategy of your business.



Key Takeaways from This Guide

In-house logistics offer **control** but require high investment, while **outsourcing** provides **flexibility** and **cost savings**:

- **Cost & Scalability:** Partnering with a **3PL** eliminates the need for large infrastructure investments and allows businesses to **scale operations** as demand fluctuates.
- **Expertise & Technology:** 3PL providers offer access to advanced logistics solutions, automation, and industry specialists without the burden of internal investment.
- **Risk & Compliance:** Leveraging a 3PL helps businesses mitigate supply chain disruptions, manage regulatory challenges, and streamline international operations.
- **Efficiency & Growth:** Choosing the right logistics strategy can reduce costs, enhance operational performance, and support long-term business goals.

Maximizing Value: What You'll Gain from This Guide

- 1** Introduction
- 2** In-House Logistics vs. Outsourcing:
What is the difference?
- 6** Case for In-House Logistics
- 8** Case for Outsourcing
- 10** Choosing the right 3PL partner



What is the difference?

MANAGING LOGISTICS **IN-HOUSE**

- **Full control** over warehousing, transportation, and supply chain operations.
- **Requires significant investment** in infrastructure, personnel, and technology.
- **Greater flexibility** but **higher costs** and **complexity**.

OUTSOURCING TO A 3PL

- A third-party logistics (3PL) provider **manages logistics operations** on your behalf.
- It **covers warehousing, transportation, inventory management**, and **value-added services**.
- **Reduces costs** and **complexity** while leveraging **expert solutions**.

**Did you know?**

"67% of 3PL users and 96% of 3PL providers agree that the use of 3PLs has contributed to reducing overall logistics costs."

Source: Langley & Infosys, 2020

What is the difference?

	In-House Logistics	Outsourcing (3PL)
Control	High	Moderate to Low
Costs	Fixed (infrastructure investment)	Variable (Pay-as-you-go)
Scalability	Limited	High
Expertise	Internal team	Specialized professionals
Technology	Investment needed	Advanced systems included
Risk Management	Managed internally	Handled by 3PL

By making the right choice between in-house logistics and outsourcing, you can optimize costs, mitigate risks, and improve the efficiency of your supply chain.

When is In-House Logistics the right choice?

Evaluating the Case for
Internal Logistics Management.



Why Consider Managing Logistics In-House?

Many businesses face a critical decision—should logistics be managed internally or outsourced to a third-party provider (3PL)? While outsourcing offers convenience, keeping logistics in-house can provide greater control, customization, and long-term cost efficiencies for certain businesses.

Key Advantages of In-House Logistics

Operational Oversight – Managing operations in-house ensures **direct oversight** and **alignment with business goals**. This requires a **dedicated team** with specialized expertise and a **strong internal infrastructure**.

Direct Accountability & Risk Management – Full ownership of logistics allows for **complete accountability** and **control** over decisions. With this comes the **responsibility** for managing disruptions, inefficiencies, and cost fluctuations independently.

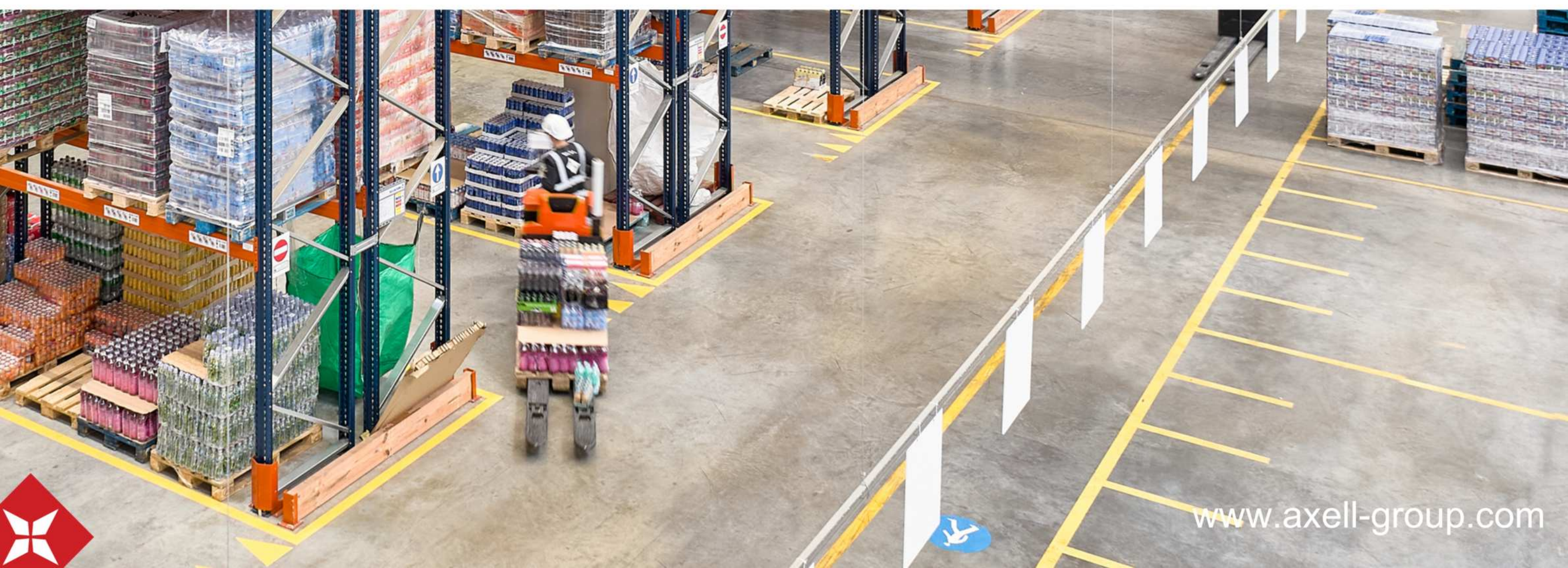
Tailored Customization – In-house logistics provide **flexibility** for unique business needs. Scaling these custom solutions relies on **continuous investment** in technology, personnel, and infrastructure.



Did you know?

Shippers on average spend 11% of sales revenue on total logistics costs

Source: Langley & Infosys, 2020



Case for Outsourcing


Why partnering with a
3PL could be the **right
solution** for your
business?


axell  logistics
adding value together

Looking to reduce costs and improve efficiency?

Outsourcing your logistics to a third-party logistics (3PL) provider can help you streamline operations, scale faster, and focus on core business growth.

Contact us today:

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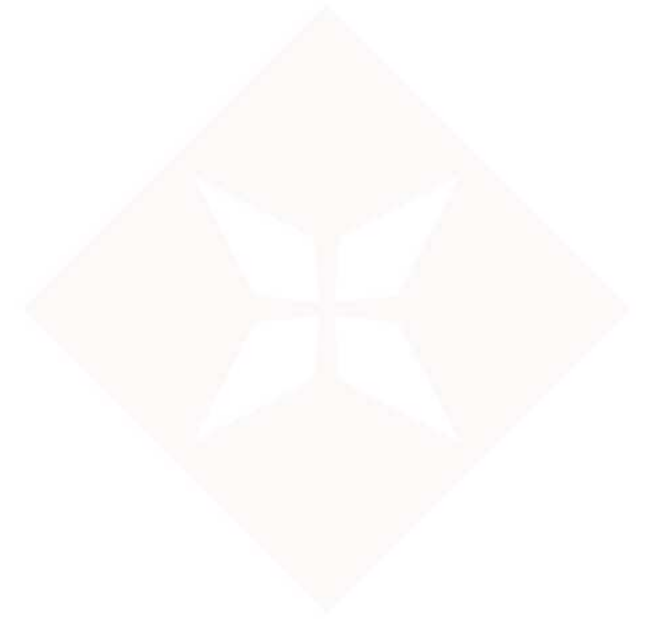




Did you know?

86% of Fortune 500 companies rely on third-party logistics providers (3PLs) to manage their supply chains efficiently.

Source: Bennet, 2024



Key Benefits of Partnering with a 3PL

- **Cost Optimization Without Heavy Investment** - Partnering with a 3PL eliminates the need for major **capital expenditures** on **warehouses, fleets, and labor**. By leveraging **economies of scale**, 3PLs often provide more **cost-efficient logistics solutions** compared to in-house operations.
- **Scalability and Agility** - Businesses can rapidly adjust to **market shifts, seasonal demand spikes, and supply chain disruptions** without the burden of maintaining **excess capacity** year-round. 3PLs **provide the flexibility** to scale operations up or down as needed.
- **Technology and Innovation Access** - Instead of continually upgrading **in-house systems**, companies gain instant access to **advanced technology**, including, **automation, and advanced warehouse and transportation management systems**.
- **Enhanced Visibility and Control** - While logistics are outsourced, modern 3PLs offer **real-time tracking, digital dashboards, and predictive analytics**, giving businesses **deeper insights** and the ability to make **data-driven decisions** with greater precision.

- **Stronger Risk Management** - With extensive networks, compliance expertise, and contingency planning, 3PLs help mitigate risks related to supply chain disruptions, labor shortages, and regulatory challenges. Their experience across industries ensures businesses stay resilient even in uncertain conditions.
- **Multinational Reach and Compliance Expertise** – Expanding internationally requires navigating complex regulations and customs procedures. 3PLs streamline this process, ensuring compliance while optimizing costs for cross-border logistics.
- **Faster Market Entry and Operational Efficiency** – For startups or businesses expanding into new markets, 3PLs provide the infrastructure, workforce, and technology needed to launch operations efficiently without long lead times or high upfront investments.

DIY or Partner with a 3PL?

Making the right logistics decision requires aligning your strategy with business goals, while evaluating both short-term and long-term operational needs.

Key factors to consider:

Cost Structure: Can your business afford the **upfront investment** in infrastructure and personnel for in-house logistics, or does outsourcing offer a more scalable solution?

Control & Oversight: Do you need complete control over your logistics operations, or are you comfortable **leveraging online dashboards from a 3PL?**

Technology Needs: Does your business require **advanced tracking and automation**, that 3PL can provide?

Scalability and Flexibility: Can your in-house operations **handle fluctuations in demand**, or would 3PL's adaptability be beneficial?

Make the Smart Logistics Choice

Reduce costs, optimize efficiency, and enhance scalability. Let's find the best solution for your business!

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Choosing the right **3PL** partner


If you decide to **outsource**, selecting the right partner is crucial for your supply chain's success. The **checklist** on the next page will help you evaluate whether a **3PL** provider you are considering has the capabilities to drive your supply chain forward.

The background image shows two men in a warehouse or port setting. On the left, a man wears a yellow hard hat and an orange high-visibility vest over a blue checkered shirt. On the right, a man wears a white hard hat and a yellow high-visibility vest over a white shirt, holding a rolled-up document. They are shaking hands in front of a stack of red and blue shipping containers under a cloudy sky.

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3PL PARTNER SELECTION

CHECKLIST

Strategic & Cultural Alignment

- ☐ Does the provider have a **proven track record** in your industry?
- ☐ Can they demonstrate **reliability** through client testimonials or case studies?
- ☐ Do they have **long-term financial stability** and a **history** of successful operations?
- ☐ Do their **values** and **approach** to customer service **align** with your company's culture and vision?

Warehousing & Distribution Capabilities

- ☐ Do they offer **flexible warehousing** solutions (e.g., dedicated, multi-client)?
- ☐ Are their facilities **strategically located** to optimize your distribution network?
- ☐ Do they provide **value-added services tailored** for your business?
- ☐ Do they have **warehouse space** available for **scalability and future growth**?

Technology & Integration

- ☐ Do they utilize **advanced WMS and TMS** for **efficient** inventory and order management?
- ☐ Can their system **integrate seamlessly** with your ERP or e-commerce platforms?
- ☐ Do they offer **real-time tracking** and **visibility** across the supply chain?

Transportation & Last-Mile Delivery

- ☐ Can they manage **end-to-end transportation**, including **last-mile delivery**?
- ☐ Do they have **strong carrier partnerships** and freight optimization capabilities?



Flexibility and Scalability

- ☐ Can they **adapt to seasonal demand fluctuations** without compromising service quality?
- ☐ Can they **scale** their **operations** to support business growth and expansion?

Risk Management and Compliance

- ☐ Do they have robust **disaster recovery** and **contingency plans**?
- ☐ Are they **compliant** with **industry regulations** and **safety standards**?

Sustainability & Corporate Responsibility

- ☐ Do they have initiatives in place to **minimize** their **carbon footprint**?
- ☐ Do they **optimize transport routes** to reduce emissions and fuel consumption?

Partnership & Communication

- ☐ Is the provider **responsive** in addressing issues or concerns?
- ☐ Do they offer **transparent reporting** and **performance metrics**?
- ☐ Are they **willing to collaborate** on **continuous improvement** and **innovation**?

At Axell Logistics, we check every box—ensuring your logistics strategy is efficient, compliant, and scalable.

Let's discuss how we can support your business!

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Explore Our Services:

How Can Axell Logistics Support Your Business?

TRANSPORT

We ensure **efficient** and **reliable transport** by offering:

- FTL and **groupage** services across Europe
- **Optimized routes** for **cost-effective** operations
- A modern, well-maintained fleet for **seamless deliveries**

CONTRACT LOGISTICS

We manage **end-to-end logistics**, seamlessly **integrating** with **your supply chain**:

- **Tailored, cost-efficient** logistics solutions
- Strategic **process optimization** to enhance efficiency
- **Flexible, scalable** logistics aligned with your **business growth**

VALUE ADDED SERVICES

We **enhance** your **products** and **packaging** through:

- **Custom packaging** and **labeling** to meet specific requirements
- Product **bundling** and **kitting** for **optimized fulfillment**
- Comprehensive **quality control** and inspection to ensure compliance

WAREHOUSING

With **170,000 m²** of **strategically located warehouse space** in the **Netherlands** and **Poland**, we offer:

- Advanced **inventory management systems** for real-time stock control
- **Flexible storage solutions** to support **seasonal** and **long-term** needs
- **Fast and accurate order processing** for optimized supply chain flow

FULFILLMENT

We power your **e-commerce** and **retail** operations with:

- **End-to-end order management** for seamless fulfillment
- Scalable **picking, packing**, and **shipping** solutions tailored to demand
- Efficient **returns** processing to enhance customer satisfaction

DISTRIBUTION

We guarantee **timely, cost-effective** deliveries through:

- Comprehensive **B2B/B2C distribution**, both domestic and international
- **Full-service logistics** from production to the end user
- Optimized **last-mile delivery** strategies for greater efficiency

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Ready to Optimize Your Supply Chain?

Let's talk about how we can streamline your logistics, enhance efficiency, and reduce costs.

Contact us today for a no-obligation consultation!



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