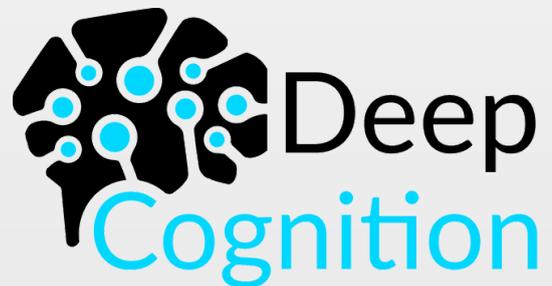


# Do I Need An AI Strategy?

FREIGHT FORWARDING & CUSTOMS BROKERAGE EDITION



# 1. Do I Need An AI Strategy?

You need an AI strategy.

You NEED an AI strategy.

You NEED an AI STRATEGY.

Clear? Good.

In 2025, the logistics industry hit an inflection point: the gap between AI-enabled and AI-absent operators is now visible in cost, customer retention, and M&A value creation.

There's a reason I emphasized NEED and STRATEGY – because this is where I find most companies having fundamental misunderstandings.

This paper is not a technical AI guide. It is an executive primer for CEOs, COOs, Owners and transformation leaders who need to reposition their organizations for the next decade of logistics.

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The rest of the content below is going to take a specific point of view from the world of logistics, freight forwarding and customs brokerage; however, many of the general points are cross-cutting for many industry verticals. I hope you find this helpful!

## EXECUTIVE SUMMARY

- **A NEED is not a “nice to have”.**
- Having a real AI Strategy an “oxygen”-level priority, so don't be the one on the plane without the yellow mask while everyone else is getting theirs on.
- Move fast and don't let perfect be the enemy of progress. Your competition isn't waiting anymore.
- **STRATEGY isn't giving your team access to ChatGPT and having a “lunch & learn” on good prompting.**
- It's a core enterprise muscle that needs coordination, ownership and accountability toward cross-functional execution.

## 2. The “Need” Side: Why AI in Logistics Isn’t Optional

Across logistics, freight forwarding and customs brokerage, AI has moved from “nice-to-have” to “need to have” because of three foundational forces: competitiveness, future-proofing and growth.

### 2.1 COMPETITIVENESS

If you wait, you may not be replaced directly by AI, but you will likely lose to competitors who adopt it.

At **Deep Cognition**, we’re already seeing customers gain a competitive edge because they can provide a level of service that was previously unachievable: faster time to file, increased entries per day, decreased rework, etc.

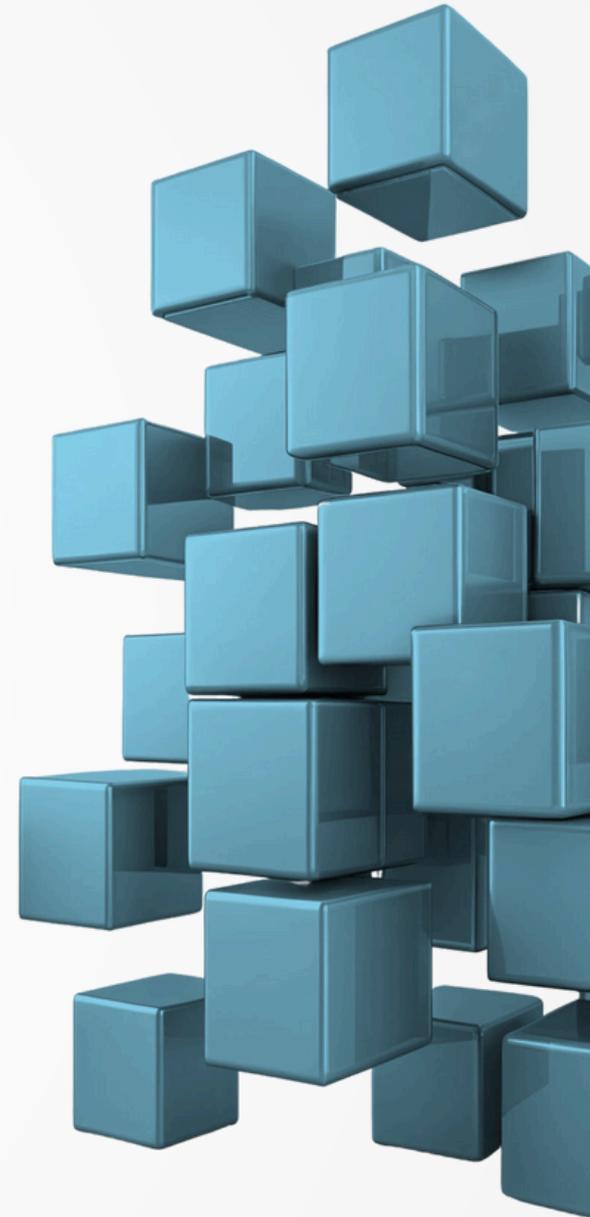
*And don’t be naïve, this cuts both ways.*

Those who aren’t prioritizing AI are on the “receiving end” of losing their customers to those with AI.

A few more things we’re seeing in the broader market:

- **Inflection point for AI:** A recent survey across supply chain leaders found that about 46% of organizations are already using AI in their supply chains, and logistics & transportation emerged as the primary area benefiting, with nearly 40% of respondents reporting improvements.<sup>1</sup>
- **Need to cut through the haze:** What isn’t clear though is the average impact being experienced... most metrics available state the “up to” case. (such as “AI-driven solutions can reduce transportation costs by 5%-10%...”) Which is fine at cursory glance but quickly becomes unhelpful when you dig into what this means for your business and how to take actionable next steps.<sup>1</sup>
- **Get specific on use cases:** Companies need to quickly get sharp on their prioritized use cases, the KPIs to achieve, and coordinating across all the use cases before selecting available best-in-class technologies to get there (but more on this later)<sup>1</sup>

In short: being “without AI” is increasingly a disadvantage.



## 2.2 FUTURE-PROOFING

Hiring is really hard in this industry right now.

To be fair, hiring is 'always hard' across most roles and most industries...

However, there are at least two significant, observable 'system level' catalysts impacting logistics professionals, freight forwarders, and customs brokers right now.

### Catalyst 1: Regulatory Volatility Has Become the New Normal

Logistics teams are hit first by fast-changing regulations, including the 28+ HTS updates in 10 months. Each change forces entries to be reviewed and reworked, much of it time-consuming and not fully billable, which directly pressures margins. What used to be largely focused on execution has become constant operational volatility.

- Drivers
  - Rapid, last-minute changes to regulations
  - Increasing cognitive load & challenging working conditions
  - Overworked & unhappy staff leading to accelerated retirements and exits from the industry
- Impact:
  - Less available qualified talent in the market
  - Greater company-specific need for qualified talent

### Catalyst 2: The Job Changed Faster Than the Model & Tools

The work has evolved, but the operating model and tools haven't. Expectations keep rising while teams still do too much routine manual work, leaving the exceptions, where judgment matters, buried in the noise. That mismatch makes the job harder than it should be.

- Drivers:
  - Similar (large) amount of manual work plus more exception-driven rework
  - Less enjoyment in the role when time is spent on low-value tasks instead of relationships & client work
  - Importers relying more on brokers while squeezing fees and expecting more service
- Impact
  - Less available qualified talent in the market
  - Greater company-specific need for Qualified talent



You, being a very observant person, probably just noticed that the impact of both catalysts is the same. That's exactly the point.

Part of this hypothesis has been corroborated through a recent 2025 Trade Compliance Salary survey from Gateway Recruiting, where respondents their biggest staffing hurdle was "lack of quality candidates" (38%), followed by lack of budget (32%), compensation restrictions (10%) and onsite/location requirements (8%)<sup>2</sup>

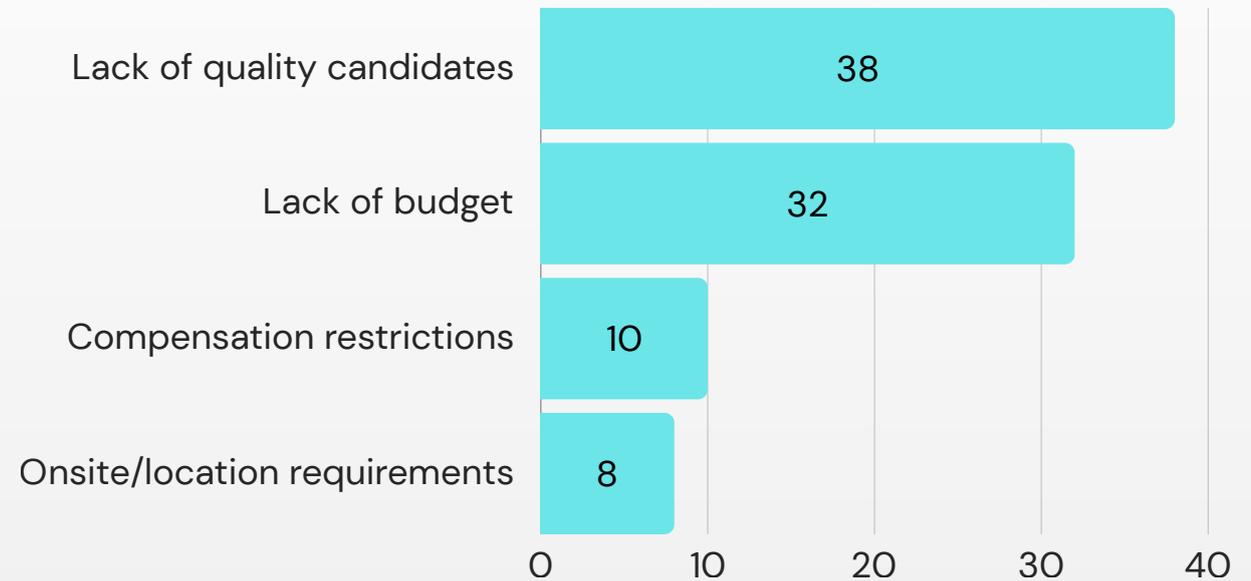
In other words: there are fewer people who can do this increasingly complex work, while the need for them is growing. That creates an opportunity to absorb this rapid volatility and improve how the work gets done.

The quickest lever to pull is found in "Catalyst 2": elevating the role of frontline operators so the job is both more enjoyable and more effective - through advanced technology and AI.

One of Deep Cognition's Customers, a VP of Customs and Compliance at a Medium-sized Freight Forwarder and Customs Brokerage said:

"If I didn't have PaperEntry [Deep Cognition's AI platform], I'd be begging to hire more people."

## BIGGEST STAFFING HURDLES TOP 4 RESPONSES



Source: Gateway Recruiting, 2025



If you are not building an AI-capable infrastructure, you risk being locked out of the next generation of talent and the ability to profitably handle this "new normal" level of volatility.

## 2.3 GROWTH

When done right, AI doesn't just support operations – it can amplify capabilities and accelerate organic and inorganic growth.

### For organic growth acceleration:

Linear organic growth planning is no longer sufficient.

Traditional Growth = [Productivity per FTE] x [# of FTEs]

Tying financial forecasting to FTE growth leaves your company exposed. AI enables decoupling of growth from linear resource expansion with an exponential impact.

AI-Enabled Growth = [ Productivity per FTE ]<sup>AI</sup> x [# of FTEs]

- **Growth starts with tech:** By looking at Descartes' 2025 benchmark study, you can see a meaningful percentage of all supply-chain leaders view technology as fundamental to growth (74%), with a significant uptick to among the fastest-growing firms (88%)<sup>3</sup>.
- **Digital success story:** C.H. Robinson Q2 Earnings report showcases that one of the world's top logistics companies is trying to streamline and automate processes to drive profitable growth, agreeing with the sentiment to "decouple volume and headcount growth" – primarily through scalable digital processes<sup>4</sup>.

But the real compounding effect appears when AI maturity becomes part of your acquisition or partnership playbook.



## 2.3 GROWTH

### AI for inorganic growth acceleration

Beyond reframing businesses as “AI-enabled” businesses for organic activities lies another value accelerant: AI in merger & acquisition scenarios.

- **Outsized impact of technology:** Even though in most mergers, technology and data are only on the hook to directly deliver an estimated 10% of synergies, their enabling impact supports up to an additional 85% of the total synergies forecasted across all cost categories. That means 95% of all cost synergies are either directly supported or indirectly driven by technology, data and process <sup>5</sup>. In this context, “synergies” refer to the combined cost savings, efficiency gains, and performance improvements unlocked by integrating the two companies’ technology and data systems.
- **Closing the integration gap:** Systems & process integration is both critical and commonly under-achieved. In PwC’s 2023 M&A Integration Survey, systems and process integration was reported as a critical enabler, yet commonly tops respondents’ lists in difficulty – and is the least likely to achieve complete integration. In the same study, successful M&A integrations (vs. unsuccessful) were 57% more likely than others at fully integrated systems and processes <sup>6</sup>.

An “AI first” model can make that much smoother – meaning that if you’re planning acquisitions or integrations, AI readiness becomes a competitive advantage.

AI can accelerate the first 100 days through data harmonization and migration, cutting timelines on enabling activities to move more quickly to the value-unlocking AI use cases – transforming full end-to-end business processes and re-imagining strategic decision-making.

We have seen technology companies in logistics run this playbook like Descartes (with their Global Logistics Network) as well as global freight forwarding companies like DSV in their acquisitions of both Panalpina and DB Schenker.

An emerging category of acquisitions is when a freight forwarder acquires a technology company, bolstering their product portfolio and internal talent to build AI-native applications straight within their business. It is the purest form of a “buy” approach in the buy vs. build decision process. Nuvocargo’s recent acquisition of Mentum is a great example of this.

**Bottom line for growth:** If AI isn’t embedded in your operating model today, you’re betting against the trend line.

# 3. The “Strategy” Side: What an Actual AI Strategy Looks Like

Recognizing the need is step one. Step two is building the strategy and executing it. Many organizations still treat AI as a point tool... and that won't cut it. There are 'levels' to AI strategy, starting with "shadow tools" up to a comprehensive enterprise approach.

At Levels 5-6 you transition from "leveraging AI" to being an "AI-enabled business" — where high-value use cases like data entry automation, forecasting/matching etc.. are integrated across functions. >

## Maturity Ladder for AI in Logistics

Level	Description	Logistics Example
<b>Level 1:</b> Shadow tools	Individual tool access, no overarching governance or alignment. Think "Bob signed up for ChatGPT with his Gmail and is now using our confidential data to write emails." <i>Cue - "I'm not happy Bob. Not. Happy."</i>	A customs broker opens ChatGPT on their personal account to write an email for their customer that asks for more information about steel % composition.
<b>Level 2:</b> Individual tool enablement	Formal user access, training, sanctioned use cases. Better, but still isolated pockets.	Operations team uses Microsoft Copilot corporate account to update SOPs based on customer feedback, but it doesn't touch live operational data.
<b>Level 3:</b> Partial process transformation	One or more processes (e.g., invoice processing) fully automated/augmented with AI.	Basic document classification (PL vs CI vs COO vs BOL) is automated, but routing and downstream tasks are still manual.
<b>Level 4:</b> Single-process transformation	One critical process end-to-end re-engineered using AI, data flows, etc.	Commercial Invoice to Declaration is automated end-to-end: Files auto-ingested, doc types are reconciled, data is validated, and final data pack is pushed to an end system. Operators handles exceptions.
<b>Level 5:</b> Functional process transformation	Across multiple processes within a function are AI-enabled and integrated.	The entire workflow from pre-alert ingestion to shipment creation, routing, document collation, billing pack generation, and POD extraction is automated through a unified AI layer.
<b>Level 6:</b> Cross-functional / Cross-BU transformation	Full end-to-end across business-units/functions with AI embedded; often managed via a central AI/ Digital CoE (Centre of Excellence).	Sales RFQs are parsed automatically, feed a rate engine, and then auto-quote. The Operations teams are automatically notified of terms and SOPs by coordinating with customers, which then feeds into Customer experience with visibility, etc...

## Key Ingredients of an Effective Strategy

- **Roadmap first:** Don't start with tool shopping. Build your AI roadmap: data, governance, use-case pipeline, integration plan, scaling model.
- **High-value use-cases:** In logistics that means: document/data entry automation, route/load optimization, forecasting/matching, service operations copilots, visibility/ETA prediction.
- **Integrated approaches, not tool sprawl:** Pick solutions that allow for a harmonized strategy to keep your end Operator Experience clear and efficient. Don't create "two-system" problems where operators don't know where they're supposed to do their work.
- **Change management:** A lot of the failure comes from the people and process side, not just tech. Your vendors should be partners and bring a point of view on effective change management.
- **Data readiness and governance:** You cannot scale unless your data and systems enable it and are connected.
- **A proper operating model:** Many successful operations set up a Central AI/ Digital CoE to own the roadmap, coordinate across functions, monitor value.

## In Summary

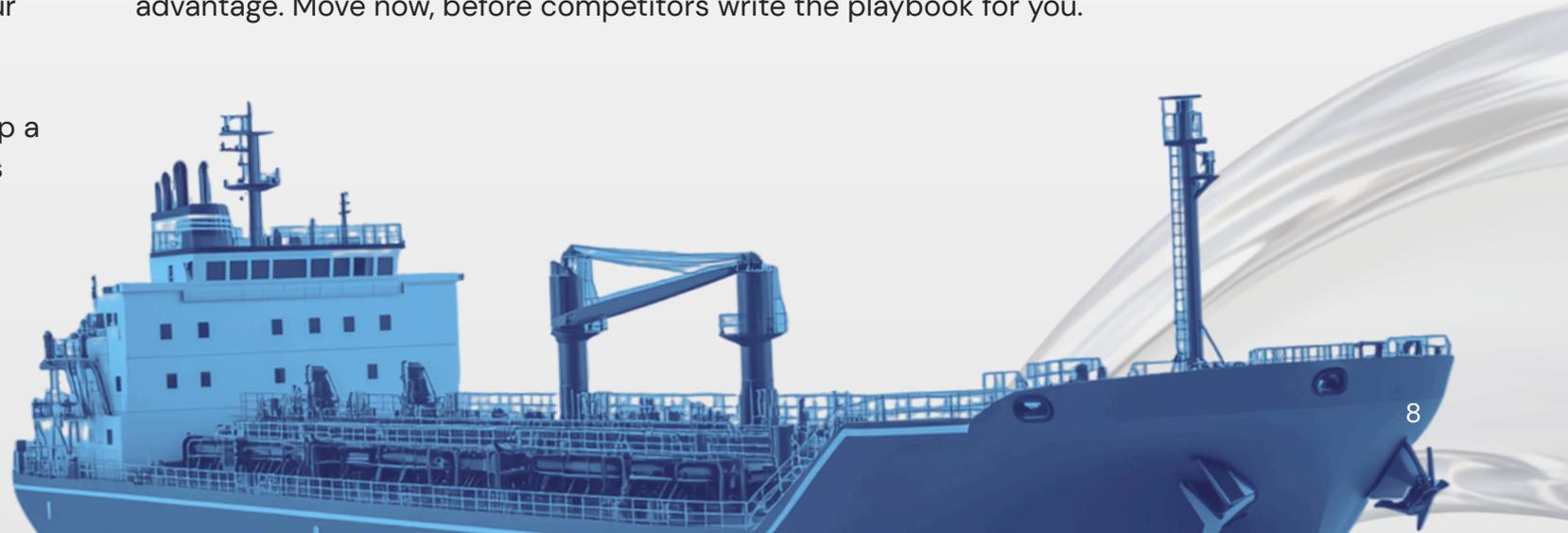
In summary, AI is no longer an experiment at the edges of logistics... it's the backbone of competitiveness, resilience, and scalable growth.

The companies that will lead this next decade are those embedding AI directly into their operating models, not just exploring tools at the margins. Whether the goal is to enhance profitability, unlock new capacity without additional headcount, or accelerate post-merger integration, AI readiness is now a defining strategic differentiator.

The next step is simple but urgent: **define your AI Strategy.**

Start by identifying two or three high-value use cases that deliver measurable ROI, establish an internal AI or Digital Centre of Excellence (CoE) to coordinate governance and execution, and build a plan to harmonize your data and systems so automation can scale.

AI is no longer a "future initiative" – it's your present-day operating advantage. Move now, before competitors write the playbook for you.



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# Author



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# About Deep Cognition

Deep Cognition is the leader in AI-assisted data entry for commercial invoices and other customs documents.

Trusted by dozens of leading customs brokers, our generative AI software platform, PaperEntry AI, transforms complex customs documents into data better than any other alternative – with up to 99% accuracy out-of-the-box. PaperEntry AI is easy to use, requires minimal set-up, can increase your team's productivity by 4X+, and connects smoothly into your TMS system.

Expect your artificial intelligence to deliver real results.

## Next Step:

Schedule a 30-minute executive session:

[Book a session](#)

