LATESHIPMENT.COM

Ninth Annual Edition

2026

State of E-commerce Holiday Shipping in the U.S.



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A data-driven analysis of UPS and FedEx delivery performance, regional shipping risks and the outlook for the U.S. holiday season.

A Research Report
from LateShipment.com
October 2026

Inside the report

What the latest UPS and FedEx shipment data reveals about reliability, regional risk, premium delivery services and the holiday experience.

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PART ONE

Context

The scope of this research and the demand outlook for the 2026 holiday season.

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01 About this report

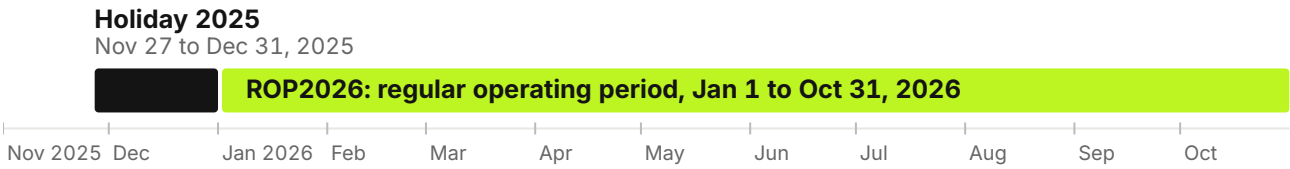
What we analyzed and why it matters

Based on shipment-level UPS and FedEx data from Holiday 2025 through October 2026.

This ninth edition carries forward the 2025 report's central mission: to make holiday package delivery performance easier to understand and more actionable for retailers. Rather than relying on carrier promises or consumer perception, the core analysis draws from UPS and FedEx shipment counts and late-delivery counts, broken down by state, city, region, service type and retail category. Throughout the report, the delay rate is late shipments divided by total shipments.

Analysis periods

The holiday peak compared with the regular operating period that followed.



WHO CAN USE THIS REPORT

Retail and e-commerce leaders, logistics and supply-chain professionals, customer-experience teams, retail analysts, journalists and anyone responsible for communicating reliable delivery promises during a compressed selling season.

02 Holiday sales 2026

U.S. holiday retail sales are expected to grow in 2026

The shipping challenge is preserving reliability and margin as digital order volume rises.

INDUSTRY OUTLOOK

4.2%

NRF · U.S. retail sales growth
About $1.013 trillion, Nov–Dec 2026

6.7%

Adobe · U.S. online sales growth
$275.1 billion, Nov–Dec 2026

7.5–8.4%

Deloitte · U.S. e-commerce sales growth
$316.1–318.9 billion, Nov 2026–Jan 2027

Different forecasts. One clear direction.

NRF expects overall holiday retail sales to grow 4.2%, while Adobe and Deloitte project stronger online growth of 6.7% and 7.5–8.4%, respectively. Their measurement periods differ, but all three forecasts point to another year of growing demand across U.S. retail.

NRF covers total retail sales and Adobe covers online sales, both for November and December. Deloitte covers e-commerce from November 2026 through January 2027.

WHAT IT MEANS FOR MERCHANTS

More orders mean more delivery promises to keep. As holiday demand rises, retailers need to prepare not only for higher volumes but also for the extra fulfillment work, delivery exceptions and support requests that follow.

Reliable performance starts with planning around your actual carriers, services and destinations.

Sources: National Retail Federation, 2026 holiday sales forecast, October 15, 2026; Adobe, 2026 holiday online shopping forecast, September 28, 2026; Deloitte, 2026 Holiday Retail Forecast, September 10, 2026.

PART TWO

Performance

What the UPS and FedEx shipment data reveals about reliability, by carrier, destination, service and category.

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03 Key findings

Five key findings for holiday shipping 2026

01 **7.09% vs 8.22%**

UPS records a lower delay rate than FedEx overall

UPS recorded a lower delay rate than FedEx in both periods: 7.09% versus 8.22% in Holiday 2025, and 6.40% versus 7.41% in ROP2026.

02 **8.87%**

Faster shipping did not mean fewer delays

Ground recorded the lowest Holiday 2025 rate for both carriers (UPS 6.91%, FedEx 7.91%). FedEx 2Day recorded the highest of any service, at 8.87%.

03 **3 states**

FedEx outperforms UPS in three major states

In ROP2026, FedEx had lower delay rates than UPS in New York (7.05% versus 8.46%), Texas (6.95% versus 8.19%) and Florida (6.98% versus 7.68%).

04 **9.20%**

Apparel records the highest delay rate among sampled categories

Apparel was highest for both carriers in both periods. FedEx Apparel reached 9.20% in Holiday 2025; UPS Apparel reached 8.43%.

05 **8–10%**

LateShipment.com forecasts an 8–10% holiday delay rate in 2026

A forward-looking estimate of the 2026 holiday late-delivery rate, compared with 7.09% for UPS and 8.22% for FedEx in Holiday 2025. A forecast, not an observed result.

BOTTOM LINE

Holiday readiness cannot be reduced to a single carrier ranking. Merchants need to manage reliability at the carrier, service, destination and category level.

04 Carrier performance

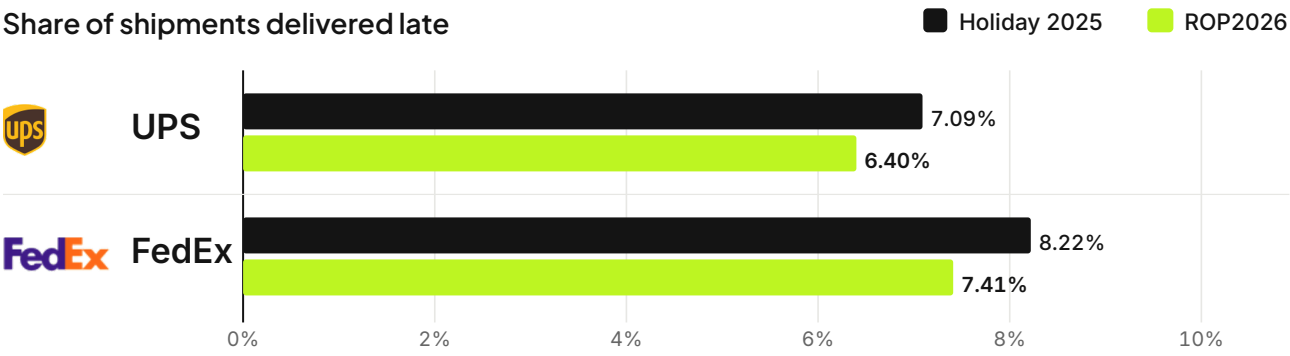
UPS records a lower delay rate than FedEx overall

UPS recorded a lower delay rate than FedEx in both Holiday 2025 and ROP2026.

7.09%
UPS Holiday 2025 delay rate

8.22%
FedEx Holiday 2025 delay rate

1.13 pp
Percentage-point difference

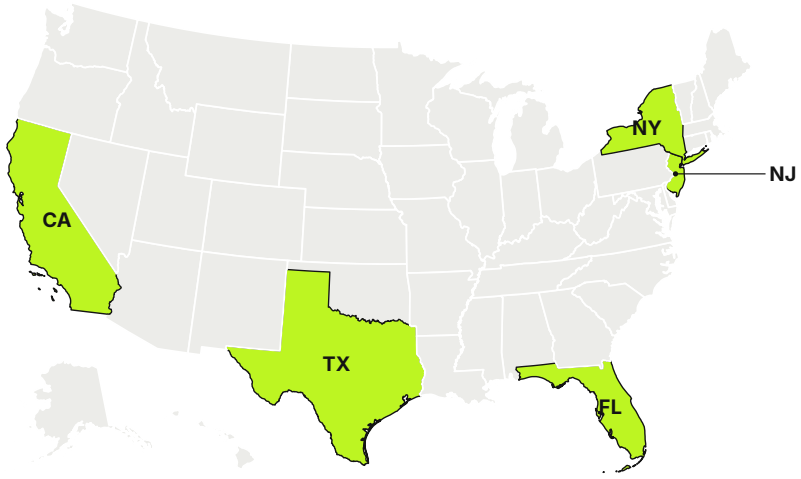


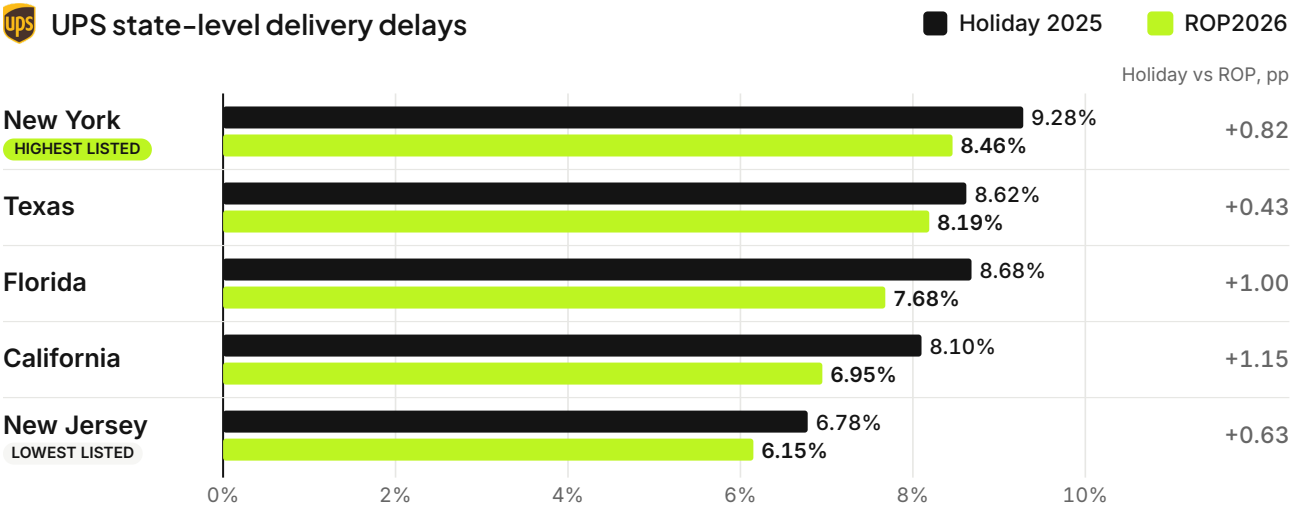
UPS kept its lead outside the holiday peak, with a gap of 1.01 percentage points in ROP2026 (6.40% versus 7.41%). Both carriers ran higher delay rates during Holiday 2025 than in ROP2026: 0.69 percentage points higher for UPS and 0.81 for FedEx.

05 State performance · UPS

New York has the highest UPS delay rate of the five listed states

Delay rates differ by destination, even within a single carrier.



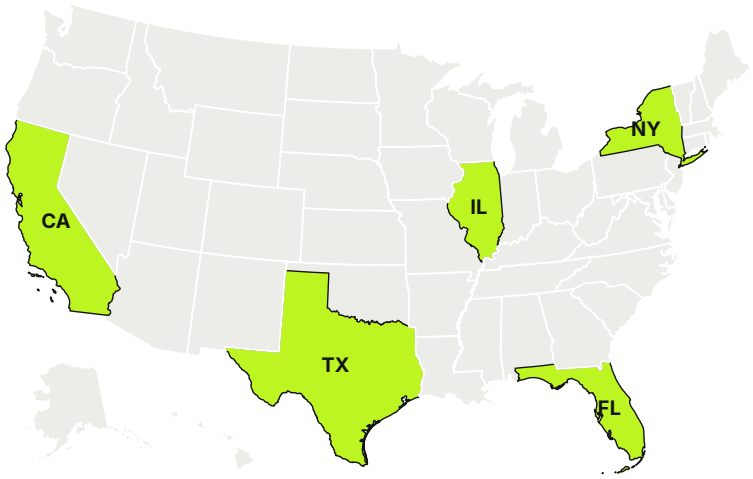


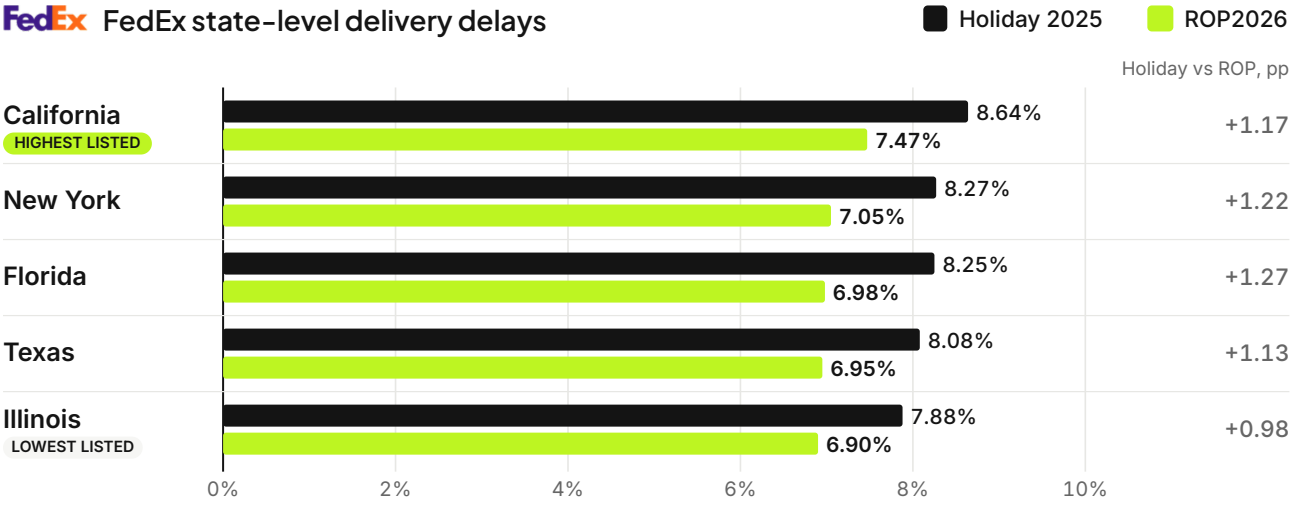
New York recorded 8.46% in ROP2026, followed by Texas at 8.19%. New Jersey was the lowest, at 6.15%.

05 State performance · FedEx

California has the highest FedEx delay rate of the five listed states

The FedEx state picture differs from UPS, even across the same destinations.





California was highest in both periods: 8.64% in Holiday 2025 and 7.47% in ROP2026. New York followed in ROP2026 at 7.05%.

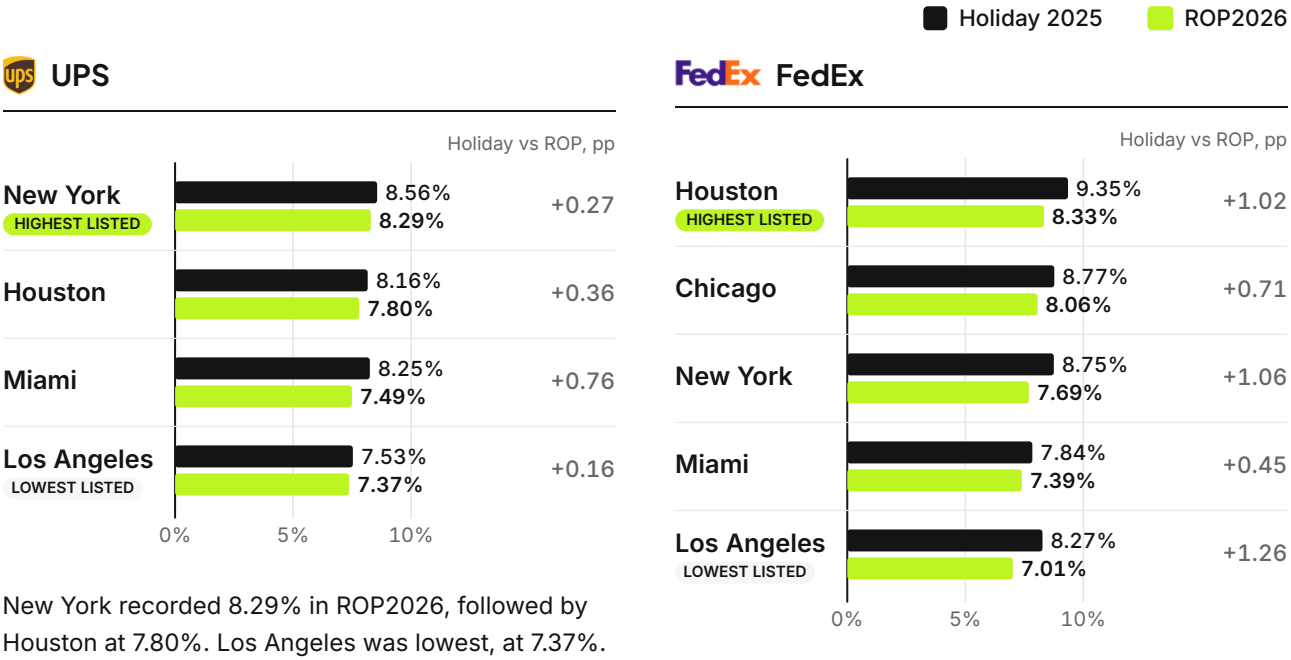
COMPARED WITH UPS

In ROP2026, FedEx recorded lower delay rates than UPS in New York (7.05% versus 8.46%), Texas (6.95% versus 8.19%) and Florida (6.98% versus 7.68%). UPS was lower in California (6.95% versus 7.47%).

06 City performance

New York leads UPS city delays; Houston leads FedEx

Local conditions can create pockets of late deliveries, even when carrier-wide averages look stable.



New York recorded 8.29% in ROP2026, followed by Houston at 7.80%. Los Angeles was lowest, at 7.37%.

Houston recorded 8.33% in ROP2026, followed by Chicago at 8.06%. Los Angeles was lowest, at 7.01%.

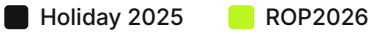
WHAT IT MEANS FOR MERCHANTS

Holiday risk depends on the carrier and the city together. In Los Angeles, the UPS holiday delay rate was just 0.16 percentage points above its ROP2026 rate, while FedEx's was 1.26 percentage points above, the widest holiday gap of any listed city.

07 Regional performance

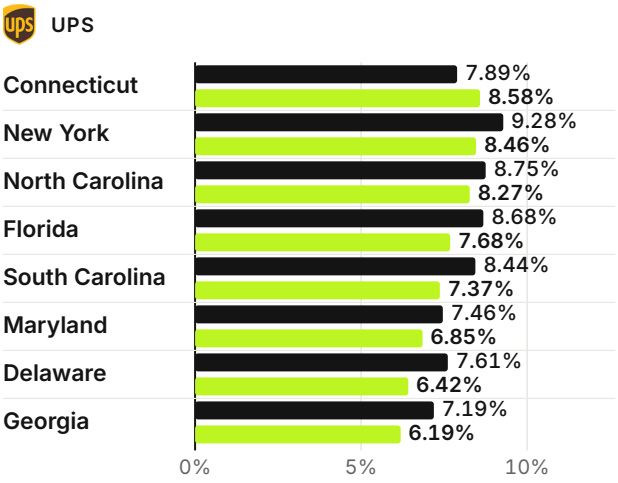
Delivery delays vary across U.S. regions

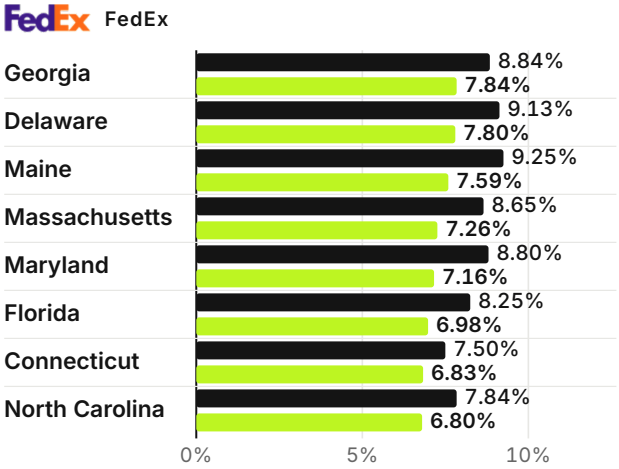
Within each region, individual states can move against the broader trend.



East

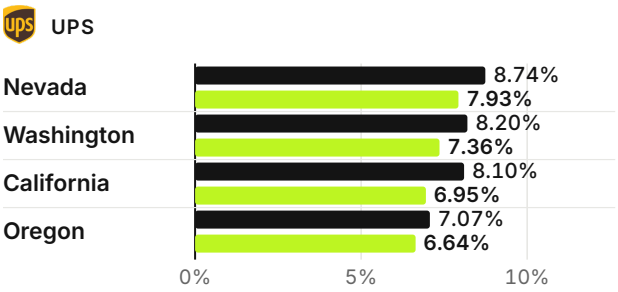
UPS Connecticut moved against the trend, rising from 7.89% in Holiday 2025 to 8.58% in ROP2026.

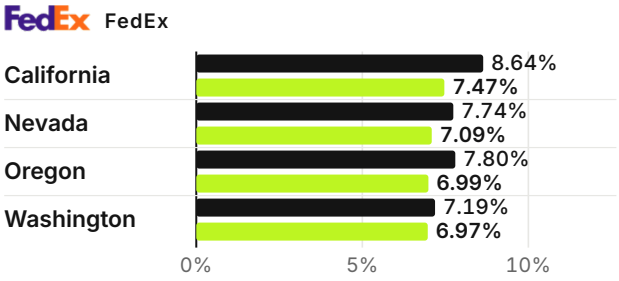




West

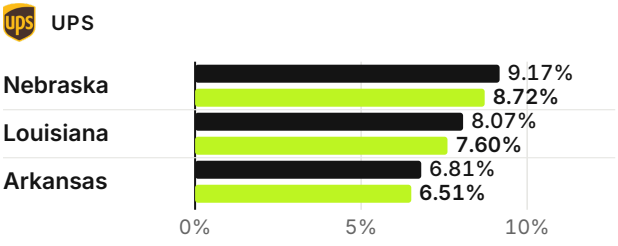
Nevada led UPS in the West at 7.93% in ROP2026; California was highest for FedEx at 7.47%.

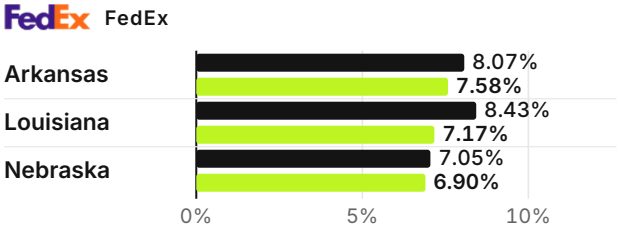




Central

UPS Nebraska recorded 8.72% in ROP2026, the highest ROP2026 state rate for either carrier; Arkansas led FedEx in the Central region at 7.58%.



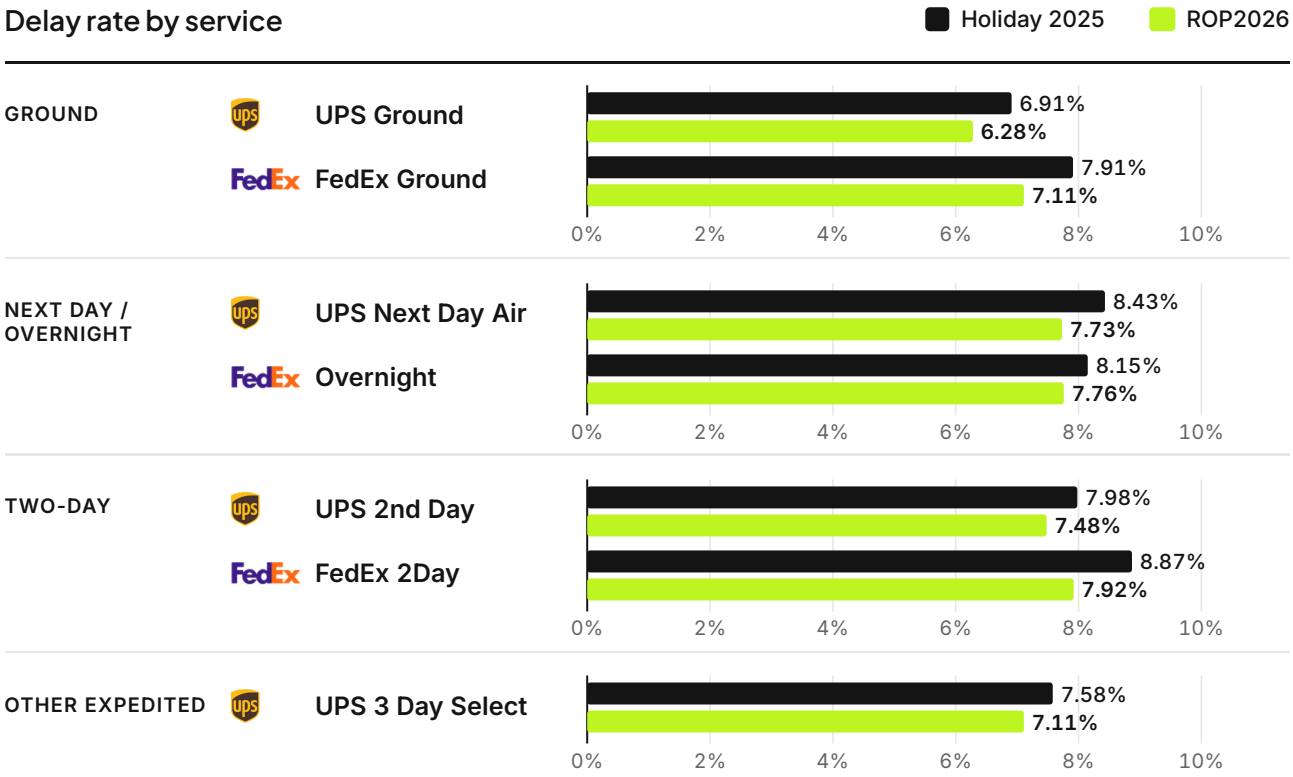


08 Service performance

Ground has the lowest delay rate for both carriers

Faster shipping did not mean fewer delays.

Delay rate by service



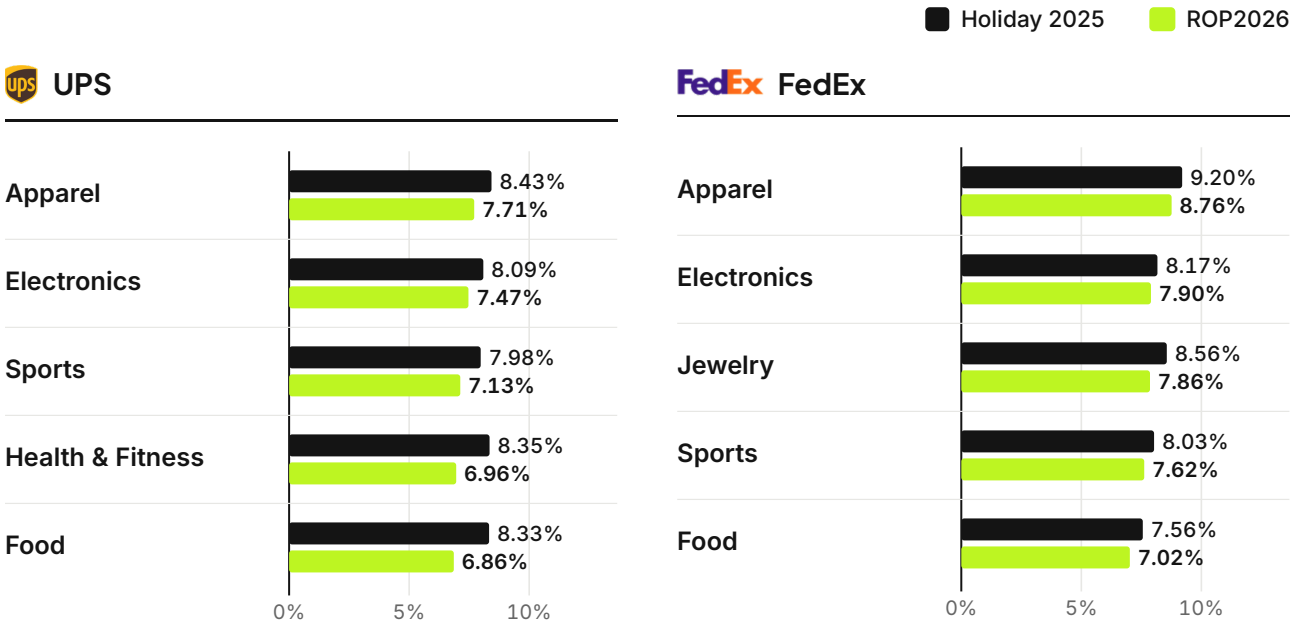
FedEx 2Day recorded the highest Holiday 2025 rate of any service, at 8.87%. UPS Next Day Air, the fastest UPS service shown, reached 8.43%, higher than UPS Ground, 2nd Day and 3 Day Select.

> **WHAT IT MEANS FOR MERCHANTS**
>
> Paying for speed does not guarantee reliability. Promised dates should reflect real service performance, not service names.

09 Retail category performance

Apparel records the highest delay rate among sampled categories

Shipment characteristics can matter alongside the carrier and destination.



Apparel was highest for both carriers in both periods. Food recorded the lowest ROP2026 rate for both: 6.86% for UPS and 7.02% for FedEx.

> **WHAT IT MEANS FOR MERCHANTS**
>
> A low regular-season rate does not guarantee a calm peak. UPS Food had the lowest ROP2026 rate of any UPS category (6.86%) but the largest holiday jump, 1.47 percentage points higher in Holiday 2025 (8.33%).

PART THREE

Outlook

Key observations from the carrier data, the 2026 holiday forecast, and the trends shaping the season.

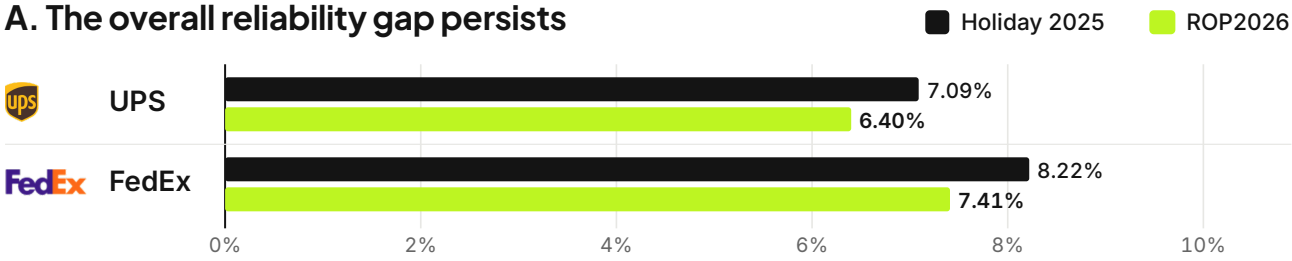
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10 Key observations

What carrier performance tells us heading into holiday 2026

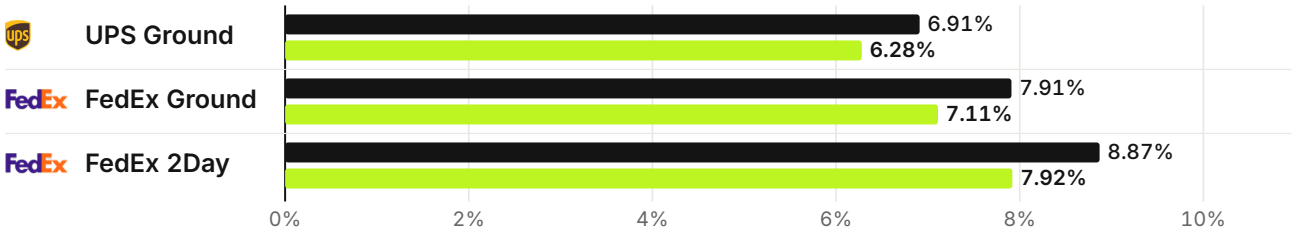
UPS leads overall, but service type and destination can change the reliability picture.

A. The overall reliability gap persists



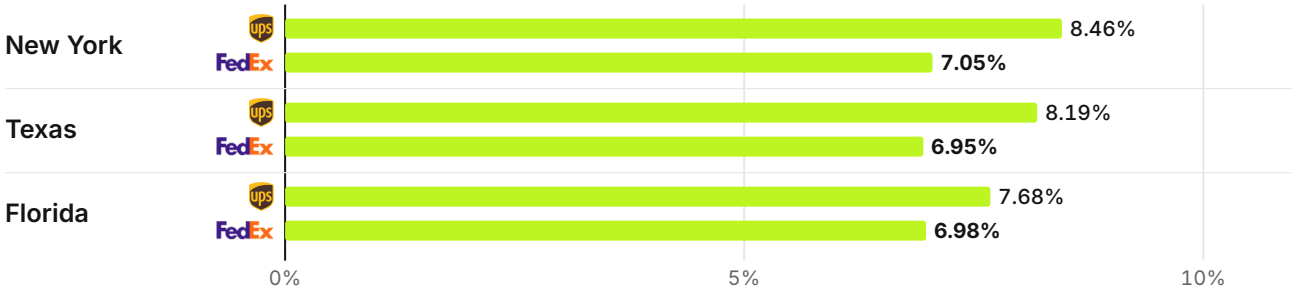
B. Faster service does not guarantee reliability

Ground recorded the lowest Holiday 2025 rate for both carriers. FedEx 2Day recorded the highest of any service.



C. The carrier advantage changes by state

ROP2026 delay rates in three major states where FedEx recorded lower rates than UPS.



The data presents a more nuanced picture than a single carrier ranking. UPS performs better overall, while FedEx has lower delay rates in several major states. Service choice and destination remain important factors in the delivery outcome.

11 2026 holiday shipping outlook: forecasts & trends

LATESHIPMENT.COM FORECAST

8–10%

Projected 2026 holiday shipping delay rate

A forward-looking prediction, not a measured result. Holiday 2025 observed: 7.09% UPS, 8.22% FedEx.

4.2%

Projected U.S. holiday retail sales growth

NRF 2026 holiday forecast

6.7%

Projected U.S. online holiday sales growth, to $275.1 billion

Adobe 2026 holiday forecast

01 Economic and market context

U.S. holiday retail sales are expected to grow despite persistent affordability pressures. NRF forecasts 4.2% growth in November–December spending, reaching $1.013 trillion, while Adobe projects online sales will rise 6.7% to $275.1 billion. Still, 56% of holiday shoppers told NRF the economy will affect their holiday spending plans. Shoppers are expected to remain value-conscious, seeking promotions and comparing prices as online demand continues to grow.

02 Carrier and logistics outlook

UPS and FedEx are preparing for another high-volume holiday season with additional staffing and peak-season charges. UPS plans to hire more than 100,000 seasonal workers, while FedEx has announced demand surcharges of up to $0.80 per Ground and Home Delivery residential package and up to $2.35 per package for FedEx 2Day, 2Day A.M. and Express Saver during the peak weeks of November 23 to December 27. The combination of seasonal demand, temporary capacity requirements and higher transportation costs is expected to keep shipping reliability and cost management central to holiday logistics.

03 On-time delivery performance outlook

LateShipment.com's analysis shows that 6.40% of UPS shipments and 7.41% of FedEx shipments were delayed during the 2026 regular operating period (ROP2026), compared with 7.09% and 8.22%, respectively, during Holiday 2025. With online sales expected to grow and parcel volumes concentrated around major shopping events, LateShipment.com forecasts an 8–10% holiday shipping delay rate in 2026. The projection is forward-looking, with actual performance likely to differ across carriers, destinations and services.

04 Supply chain volatility and tariff impact

Tariff-related costs and shifting import patterns remain important considerations for U.S. retailers. An NFIB survey conducted in late 2025 found that among small-business owners affected by tariffs, 43% experienced supply-chain disruptions, while 78% reported higher supply or inventory costs. Meanwhile, NRF's Global Port Tracker forecast in early October that U.S. container imports would rise 8.5% year over year for the month. These pressures could influence inventory positioning, sourcing and fulfillment decisions, but on their own they do not mean more domestic parcel delays.

11 2026 holiday shipping outlook: forecasts & trends

66%
Of surveyed U.S. shoppers abandon a purchase when the delivery offering falls short
DHL 2026 U.S. e-commerce research

39%
Of surveyed consumers use generative AI as a primary tool for a holiday task
Deloitte 2026 Holiday Retail Survey

43%
Of holiday shoppers plan to start before November
NRF 2026 holiday consumer survey

84%
Of surveyed shoppers favor box-free, label-free returns with instant refunds
Happy Returns and NRF returns report, 2024

05 Delivery experience and differentiation

Reliable delivery is becoming an increasingly important part of the shopping experience. DHL's 2026 U.S. e-commerce research found that 66% of surveyed shoppers abandon purchases when the delivery offering does not meet their expectations. Retailers are starting to use AI to spot delivery risks earlier and to tailor updates to each order, rather than sending the same notification to every shopper. Accurate delivery promises, proactive updates and timely resolution will set retailers apart during peak season.

06 Consumer expectations and fulfillment behavior

AI is becoming part of how consumers discover, evaluate and purchase holiday gifts. Deloitte's 2026 Holiday Retail Survey found that 39% of respondents use generative AI as a primary tool for at least one holiday shopping task, although only 16% would trust it to complete a purchase on their behalf. Deloitte also found that 26% want same-day delivery, rising to 37% among Gen Z. These expectations are increasing the importance of accurate inventory information, flexible fulfillment options and reliable delivery experiences.

07 Early shopping and extended season

Holiday shopping continues to start earlier, even as major promotional events generate concentrated demand. NRF's 2026 holiday survey found that 43% of holiday shoppers plan to begin before November, while Adobe forecasts $95.8 billion in October online spending, up 8% year over year. Thanksgiving falls on November 26, leaving just four weeks between Black Friday and Christmas. Early promotions may spread purchasing across a longer season, but the Thanksgiving-to-Christmas period will remain critical for fulfillment and delivery performance.

08 Returns and reverse logistics

Returns remain a major operational and customer-experience consideration during the holidays. In NRF and Happy Returns' latest published benchmark, retailers expected 17% of 2025 holiday sales to be returned. Earlier Happy Returns and NRF research found that 84% of surveyed shoppers named box-free, label-free returns with instant refunds as their favorite way to return, while 46% had abandoned purchases because convenient return methods were unavailable. With return activity typically increasing after Christmas, flexible return options, faster refunds and efficient reverse logistics matter more to retailers than ever.

12 About LateShipment.com

Bringing transparency to shipping through unbiased, data-backed insights

At LateShipment.com, we believe better shipping decisions start with better data. Now in its ninth annual edition, our State of E-commerce Holiday Shipping Report reflects our commitment to bringing transparency to the shipping industry.

By analyzing real shipment data across carriers, services, destinations and retail categories, we uncover shipping performance trends and deliver unbiased, actionable insights that help retailers, shippers, journalists and analysts make more informed decisions.

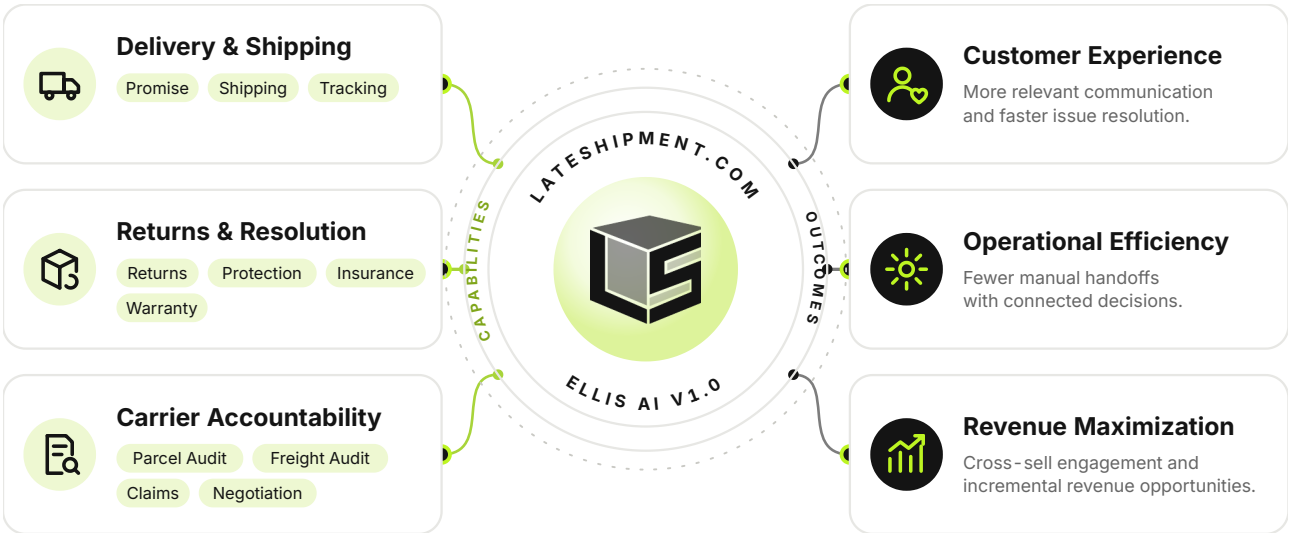
Turning shipping intelligence into better post-purchase operations

We put this same data intelligence to work for e-commerce businesses. LateShipment.com is a context-aware, agentic post-purchase platform powered by Ellis AI, our proprietary AI model and team of specialized AI co-workers.

By combining shopper, order, merchant, carrier and real-world context, Ellis AI makes informed decisions and coordinates actions across shipping, tracking, returns, protection and recovery, within each merchant's policies.

> **The result: more personalized shopper experiences, lower operational costs, increased revenue and smarter, more autonomous post-purchase operations.**

13+	1.2 Billion+	8.6 Billion+	1.6 Billion+
Autonomous AI Agents	Packages Tracked in Real-time	API Calls & Webhooks Processed	Autonomous Resolutions Processed



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Disclaimer

This report is based on shipments tracked by LateShipment.com on behalf of our customers. Findings reflect the observed shipment sample and should not be interpreted as a complete measure of nationwide carrier performance.

We have taken care to review the accuracy of the data presented, but the information is provided for general research purposes and may be subject to limitations or omissions.

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RESEARCH AND MEDIA INQUIRIES

Questions about this report?

For questions about the findings, data, methodology or media coverage, get in touch with LateShipment.com.

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