REPORT

State of supply chain: Truth or trend?

infios

a Körber company

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About this report

In 2025, U.S. supply chain executives and consumers are looking at the same challenges, but through very different lenses.

Supply chain executives are doubling down on technology, speed and resilience, confident in their ability to weather disruption. Consumers, however, prioritize quality, trust and transparency.

This misalignment creates both a risk and an opportunity: companies that close the perception gap can build stronger loyalty and competitive advantage.

The data in this Infios industry report reveals the underlying tensions shaping the state of supply chains in 2025. From trade confidence gaps to the misunderstood role of AI, from sustainability's shifting relevance to workforce realities, the insights point to a single truth: companies that focus on resilience without relevance risk becoming obsolete.

Across every domain—trade, technology, sustainability, labor and loyalty—a consistent pattern emerges. Supply chain executives are confident in their systems, but consumers are skeptical of their promises. The resulting "trust gap" is quietly redefining what success means in modern supply chain strategy.

Infios's analysis of this gap suggests that performance alone is no longer enough. The winners of 2026 will be those who translate operational excellence into emotional reassurance: brands that use transparency, clear communication and authentic value delivery to turn efficiency into trust.

Companies that align internal investments with external expectations, bridging the divide between what supply chain executives build and what customers believe, will define the next generation of supply chain excellence.

The confidence gap: Tariffs & global trade

Despite growing geopolitical tensions and shifting tariff policies, supply chain executives remain confident in their ability to manage disruptions. Nearly half cite tariffs as their biggest operational challenge, yet 90% believe they can navigate trade changes without impacting customers. This optimism, however, is not shared by consumers.

Consumers are already adjusting their behavior: 78% expect tariffs to affect their wallets, and 39% are stockpiling goods. The trust gap is widening. While supply chain executives invest in visibility and supplier diversification, consumers demand transparency and reassurance.

Today, brands must use compliance data not just to protect margins but to build consumer confidence.

> The credibility gap is risky: even if supply chains hold, consumer sentiment has shifted. Perception is reality in retail; and brands that lack adaptable global trade and compliance technology and fail to communicate pro-actively may appear tone-deaf. The real tariff shock isn't at the border; it's in the widening trust gap.
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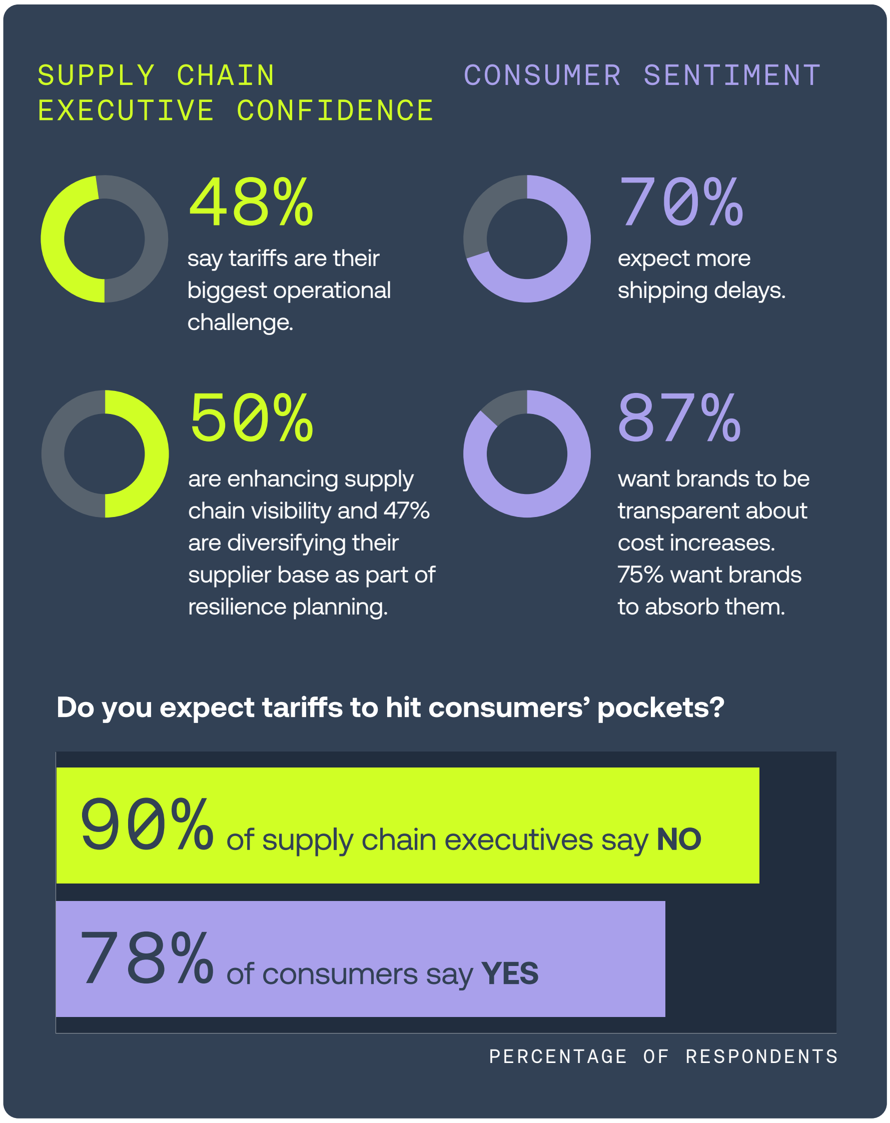


Action levers

Companies can make proactive transparency an advantage. Sharing mitigation strategies, even before issues arise, can reassure consumers and preserve trust. In an environment where perception often becomes reality, communication is as important as execution.

Tariff pass-through transparency is the missing link. The same systems supply chain executives rely on to protect margins can also be used to reassure customers and preserve loyalty. Systems that track landed costs, tariff exposures and country-of-origin can be leveraged not just for compliance, but also for consumer-facing transparency messaging.

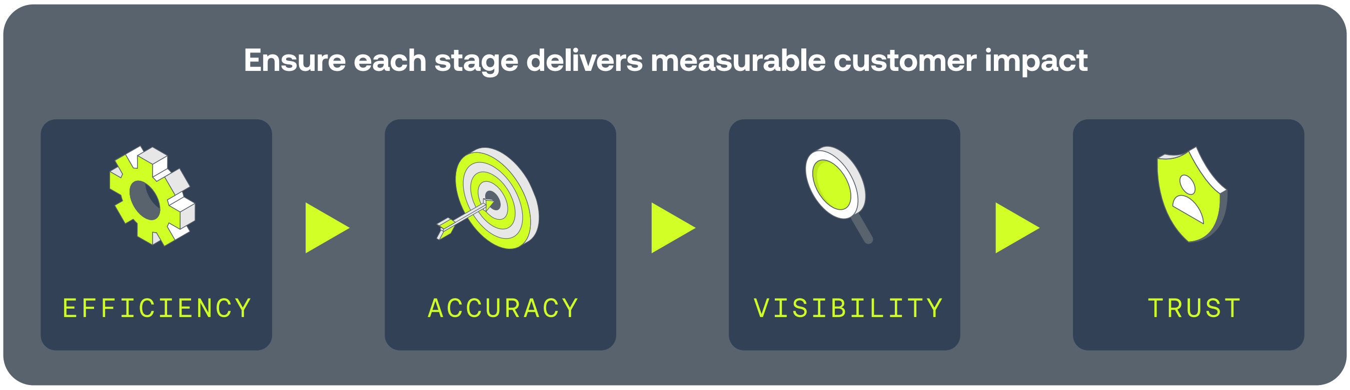
The opportunity here lies in turning compliance data into trust:

- Use compliance data for consumer-facing transparency.
- Communicate mitigation strategies early.
- Invest in adaptable global trade platforms.

AI & technology: Adoption vs. absorption

AI is transforming supply chains. Supply chain executives are investing in optimization, accuracy and productivity. Yet consumers remain unconvinced. Only 3% cite speed or online experience as loyalty drivers. Trust and quality still matter more.

The business case for AI is strong: it enables optimization, reduces errors and improves productivity. But the consumer case is underdeveloped. Efficiency matters internally, but unless it translates into visible benefits like fewer mistakes, more reliable products or greater transparency, customers may perceive AI as an inward-focused cost play.



Eugene Amigud, Chief Innovation Officer at Infios, emphasizes the importance of alignment between AI and measurable business outcomes: “To be effective, AI in supply chain management must be purposefully aligned with the business. A good candidate for AI is a process that allows the business to achieve specific business needs, not just for the sake of AI itself; and it must be something that can be measured effectively.”

He goes on to add that by using GenAI businesses can realize significant labor savings, operational efficiency improvements, better visibility to their processes and immediate exception resolution.

This reframes AI from a technology conversation to a strategy one. The goal isn’t simply to deploy AI, but to connect it to real business priorities that ultimately shape the customer experience.

When AI adoption becomes a means to measurable value, not just digital transformation, it starts to bridge the gap between operational excellence and consumer trust.

Action levers

The leverage can be found in storytelling. AI investments will build loyalty only when they are linked directly to outcomes customers can feel: better product availability, fewer disruptions and more traceable sourcing. Aligning AI with measurable business needs ensures it delivers on both internal efficiency and external trust.

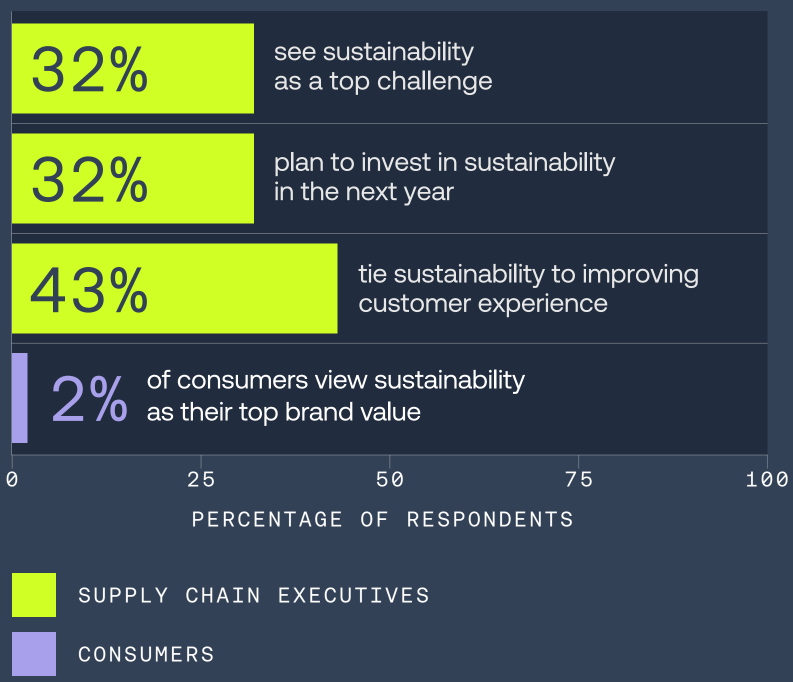
- Link AI to visible customer benefits
- Reframe AI as a strategic enabler, not a tech upgrade
- Measure and communicate AI-driven improvements

CHAPTER 3

Sustainability: The silent disconnect

Sustainability is a strategic priority for 32% of supply chain executives, yet only 2% of consumers cite it as a top brand value. In an inflation-conscious climate, price and quality dominate decisions. The disconnect isn't that consumers don't care, it's that sustainability alone isn't enough to influence loyalty.

Supply chain executives are making sustainability a strategic talking point, but consumers aren't buying in.



> We often see businesses pursue sustainability when it correlates with cost reductions. For example, when a company can fulfill an entire order from a single warehouse instead of splitting it across multiple sites, they not only reduce the number of cartons shipped and the carbon footprint of fulfillment, but they also cut overall fulfillment costs.

EUGENE AMIGUD
CHIEF INNOVATION OFFICER AT INFIOS

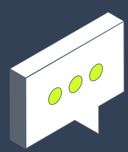
However, the data suggests that sustainability is unlikely to drive loyalty unless it is visibly tied to customer value. Consumers respond when sustainability efforts make their lives either easier or cheaper and not when they exist in isolation.

Sustainability must be reframed. When it reduces costs and improves reliability, it resonates. If customers notice fewer errors and lower prices, sustainability becomes a value enhancer.

Action levers

Position sustainability as a means to better quality and stability, not just an ethical goal. When consumers see sustainable practices improving their experience, it shifts from background noise to a loyalty driver.

Tie sustainability to price stability and reliability.



Communicate sustainability as a value enhancer.

Avoid positioning it as a standalone ethical goal.

CHAPTER 4

Labor challenges: The people factor

Labor constraints are reshaping supply chain strategies. Automation is rising, but workforce engagement remains critical. 45% of supply chain executives cite productivity as a top challenge, and 38% struggle to find skilled labor.

Labor pressures are a hidden force behind the push toward automation. But automation doesn't eliminate the need for people—it changes it.

The risk is clear: companies that reduce headcount without investing in higher-skilled talent may undermine the very systems they're counting on to drive efficiency. This extends beyond being just a workforce issue—it's also a customer experience issue, because service quality is only as strong as the teams behind it.

We asked 250 supply chain executives what were the biggest labor challenges they face

Richard Stewart, EVP of Product and Industry Strategy at Infios, explains the trade-off: “There are two main paths forward. The first is reducing dependency on labor through automation and robotics. The second is strengthening workforce engagement through productivity standards, incentive-based pay, or gamification. The most successful organizations strike the right balance between these two strategies while maintaining a strong, purpose-driven culture.”

This reframes labor from a cost issue to a strategic lever. Resilience comes not from replacing people with machines, but from aligning the workforce with the technology that supports them. And as Stewart notes, automation raises the bar for talent, not lowers it.

Action levers

The priority is not just to invest in automation, but to stay close to the workforce. Understanding what keeps your best people and what drives others away is key to sustaining performance. In a tight labor market, insight into employee motivations can become as valuable as insight into customer behavior.

- Pair automation with workforce training.
- Invest in productivity standards and incentives.
- Monitor employee engagement as a strategic metric.

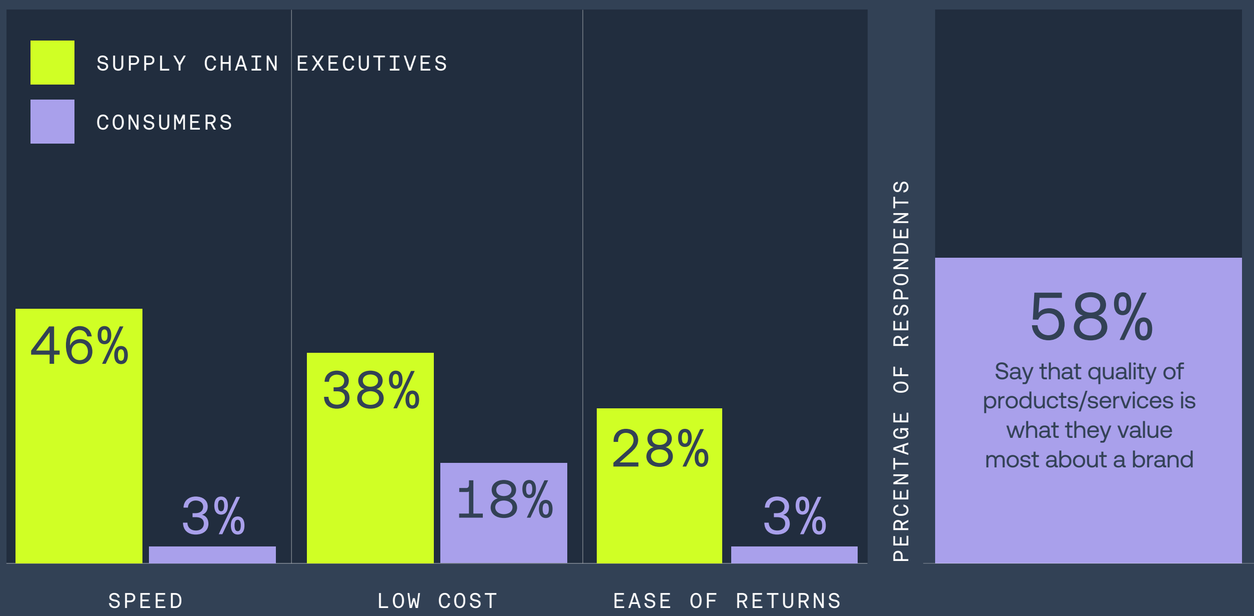
CHAPTER 5

The value misread: What really drives loyalty

Supply chain executives believe speed and cost drive loyalty. Consumers say it's quality. This misalignment can undermine strategy. 58% of consumers rank quality as the top loyalty factor, while only 3% prioritize speed. Speed is valuable only when it supports trust.

Brands must reinvest efficiency gains into quality and service, since 35% of customers will switch brands over price hikes, but 29% will switch if quality drops.

Executive perception vs consumer priority



The findings show that many supply chain executives are optimizing the wrong outcome. Over-investing in speed and cost reduction may erode the very factor that matters most to consumers: quality. This mis-alignment risks building faster, cheaper supply chains that deliver products customers no longer trust or value.

This isn't just theoretical. Some companies are already shifting their approach, ensuring that efficiency gains are reinvested in customer value.

As Infios customer, Matt Hardenberg from Ariat, highlights in our case study:

"If we can take the hours and the heavy physical labor out of the process, we can reinvest that in value services, quality end-of-line processes and other parts of the business where the service element really impacts the customer."

Hardenberg's example underscores the point: speed and efficiency do not end in themselves; they are enablers. The real competitive advantage comes when operational gains are redirected into quality and service, the factors consumers consistently prioritize.

Action levers

The mandate is clear: put quality at the center. Frame speed and cost efficiency as supporting factors. They are valuable only as much as they sustain quality and trust. Transparent communication around pricing and consistent service will reinforce loyalty, even when market pressures rise.

- Reframe speed as part of a quality-first promise
- Communicate pricing strategies transparently
- Prioritize consistency and service

Playbook for alignment: Turning data into action

The *State of Supply Chain* reveals a growing disconnect between executive confidence and consumer reality. Supply chain executives express high confidence in managing tariff disruptions, yet consumers are bracing for impact, cutting spending and stockpiling goods. This reflects an overconfidence risk, where the emotional and financial strain on consumers is underestimated.

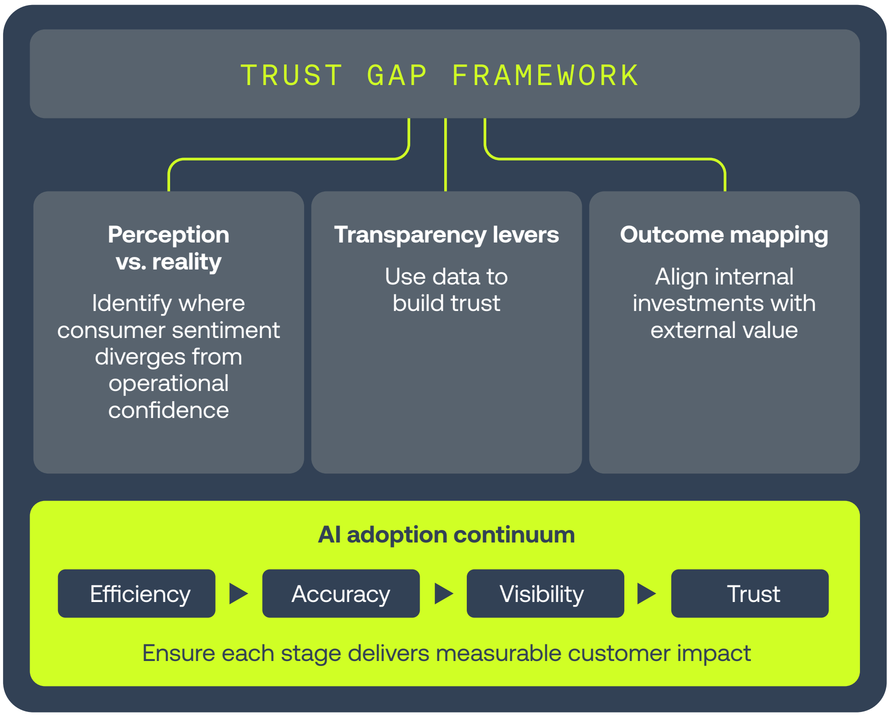
Companies continue to invest heavily in AI and technology, viewing them as efficiency engines. However, without visible consumer benefits, this creates a tech vs. trust tension. The opportunity lies in reframing AI as a driver of reliability, accuracy and transparency —outcomes customers can actually feel.

Sustainability is prioritized by executives as a brand differentiator, but consumers rarely cite it as a loyalty driver. This underscores the need to reposition sustainability as a secondary driver, one that contributes to quality and price stability rather than standing alone as a virtue.

Labor challenges persist, with automation accelerating across industries. Yet people power matters: organizations that balance automation with workforce empowerment—investing in skilled, engaged talent—are proving more resilient and customer-focused.

Finally, the report highlights a fundamental misalignment in how value and loyalty are defined. Supply chain executives often equate loyalty with speed and cost, while consumers consistently prioritize quality. Across demographics, quality is king, and the greatest risk facing modern supply chains is optimizing for the wrong outcomes. Brands that reinvest efficiency gains into quality and service will be best positioned to win long-term loyalty.

The research reveals a persistent misalignment between operational confidence and consumer sentiment. To close this gap, brands must adopt a dual approach: a strategic framework to diagnose and align, and a set of actionable levers to translate investment into trust.



Key trends:

- Overconfidence in resilience risks trust erosion.
- AI adoption must translate into customer-visible outcomes.
- Sustainability needs reframing to drive loyalty.
- Workforce capability is as critical as technology.
- Quality consistently outranks speed and cost.

Opportunities for alignment:

- **Communicate tariff strategies early:** Reassure consumers before they feel the pinch.
- **Translate investment into visible outcomes:** Show how AI and optimization lead to better consistency, fewer errors and ethical sourcing.
- **Reframe sustainability:** Link it to quality and price stability.
- **Invest in people:** Pair technology rollouts with workforce training and retention.
- **Reposition speed:** Present it as part of a reliable, quality-first promise.

Conclusion

Supply chain executives are investing in the right capabilities but without translating those investments into the benefits consumers actually care about, they risk missing the loyalty dividend.

Companies that align strategy with consumer reality, bridging the divide between operational priorities and customer values, will gain the most advantage.

Technology and transformation are only half the equation. The other half is trust.

Learn more from our experts

Explore how Infios helps brands align strategy with consumer reality

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Research methodology

To uncover the perception gap between supply chain executives and consumers, Infios conducted two complementary surveys in July 2025.

Industry survey

Sample size:

250 senior managers and above in supply chain roles

Company criteria:

U.S.-based companies with $50M+ in annual revenue

Respondent age:

All participants were 21+

Revenue breakdown:

- $50M–$74.9M: 21 respondents
- $75M–$99.9M: 24
- $100M–$249.9M: 46
- $250M–$499.9M: 68
- $500M+: 91

Industry sectors represented:

- Manufacturing & Utilities: 86
- IT & Telecoms: 51
- Retail, Catering & Leisure: 38
- Architecture, Engineering & Building: 10
- Finance: 16
- Travel & Transport: 16
- Healthcare: 7
- Other: 26

This survey focused on strategic priorities, investment plans and perceptions of customer expectations across the supply chain landscape.

Consumer survey

Sample size:

1,000 U.S.-based consumers (ages 18+)

Gender breakdown:

- Male: 514
- Female: 486

Age distribution:

- Gen Z: 188
- Millennials: 330
- Gen X: 267
- Boomers: 195
- Other (born 1945 or earlier): 20

This survey explored consumer sentiment around global trade, brand loyalty, technology and sustainability.

About Infios

Infios is a global leader in intelligent supply chain execution, relentlessly making supply chains better—every single day. With a portfolio of adaptable solutions, we empower businesses of all sizes to simplify operations, optimize efficiency, and drive measurable impact. Infios serves more than 5,000 customers across 70 countries, delivering adaptable and innovative technologies that evolve with changing business needs. Our deep expertise and commitment to purposeful innovation help businesses turn supply chains into a competitive advantage, building resilience and shaping a more sustainable future. Infios is a joint venture of international technology provider Körber and global investment firm KKR.

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