

Pharmaceutical 3PL Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 150 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

The biopharmaceutical 3PL market is expected to register a CAGR of more than 7%. The rising trend of outsourcing logistics, the focus of pharmaceutical players on their distribution networks due to their strong sales numbers, and the rise in the number of biosimilar launches are some of the key factors driving the market.

The COVID-19 outbreak also had a major impact on global logistics in part due to reduced air freight capacity and reduced workforce at airports, ports, and warehouses. Small players in the biopharmaceutical third-party logistics market were hit severely as they usually do not have any recovery, backup, or intermittent operation plan.

Technological advancements are also one of the key factors driving the adoption of temperature management logistic services. Technologies such as warehouse robotics, mobile cloud solutions, data mining, and real-time monitoring have changed the overall logistics industry to a great extent. According to a global survey carried out in July 2021, cold chain services are important to third-party logistics providers (3PLs). More than 62% of 3PL service providers believe cold chain services are critically important for the future growth of their business.

Pharmaceutical 3PL Market Trends

Growth in Demand During the Pandemic

In 2020, the warehousing and storage segment dominated the market for biopharmaceutical third-party logistics (3PL) and held the largest revenue share of 43.6%. This is attributed to a large demand for 3PL services from the pharmaceutical and healthcare industries. To reduce the operating costs and the company's overheads, the life sciences companies are opting for third-party

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

logistic services.

With a surge in demand, the service providers have enhanced their offerings with many value-added services, such as warehousing and packaging. Moreover, to minimize the hassle and reduce the turnaround time, the providers have installed barcode scanners and robots for picking and aligning the products from distant locations.

Pharmaceutical companies pay a lot of attention to packaging quality in terms of purity, uniformity, shelf-life, integrity, and packaging standard of their products. This is expected to boost the market over the forecast period. The 3PL service providers are investing a lot in providing value-added services, which is another key market driver. For instance, Expeditors, a service-based provider of value-added services ranging from simple to complex, offers a range of logistics delivery models that enhance customer services while mitigating transportation and inventory costs. Growing pharmaceutical industries are also driving the market. According to industry sources, in 2021, most of the demand was generated from North America (mainly from the United States), followed by Europe, Africa, and Asia-Pacific.

Top Regional Markets

North America dominated the biopharmaceutical third-party logistics (3PL) market and accounted for the largest revenue share of 41.5% in 2020. This is majorly attributed to the dominance of the region in the biologics and pharmaceutical drugs market and an increase in exports and imports of biopharmaceuticals.

Furthermore, owing to high healthcare expenditure, the adoption of advanced technologies is quite high in the region. Thus, for the improvement of warehousing and transportation, North America-based pharmaceutical companies are relying more on 3PL service providers, which is driving the regional growth. Additionally, the presence of major players is also responsible for the growth of the market for biopharmaceutical third-party logistics (3PL) in the region.

Moreover, in Asia-Pacific, the market for biopharmaceutical third-party logistics (3PL) witnessed the second-largest revenue of USD 15.4 billion in 2020, and it is also expected to witness the fastest CAGR of 7.2% over the forecast period. The growing demand for medicines among the aging population, adoption of technologically advanced services, and growing economic conditions in emerging countries such as China, Japan, and India are among the few factors responsible for its fastest growth rate.

Furthermore, due to the increased demand for healthcare, the pharmaceutical sector continues to grow, in turn, resulting in the growth of the 3PL market. Global pharmaceutical sales grew by 7.7% in 2021. In addition, in 2021, established markets saw an average revenue increase of 6.4%, and emerging markets' revenue grew by 11.9%. The United States, Japan, China, Germany, and France are the world's top five pharmaceutical markets in terms of 2021 sales. In 2021, the United States had 46.8% of global sales.

Pharmaceutical 3PL Market Competitor Analysis

The market for biopharmaceutical third-party logistics (3PL) is fragmented, with the presence of a large number of players. This fragmentation causes hindrances for big players to enter a few countries across the world. Thus, the big players are undergoing consolidation that will help them accept modern technologies from small or regional players and expand their global presence.

Companies such as FedEx, DHL, and DB Schenker are a few of the renowned companies in the pharmaceutical 3PL market across the world.

Additional Benefits:

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

1 INTRODUCTION

1.1 Study Assumptions

1.2 Scope of the Study

2 RESEARCH METHODOLOGY

2.1 Analysis Methodology

2.2 Research Phases

3 EXECUTIVE SUMMARY

4 MARKET INSIGHTS

4.1 Market Overview

4.2 Technological Trends

4.3 Government Regulations and Initiatives (Related to Transportation and Storage of Pharmaceutical Products)

4.4 Impact of COVID-19 on the Market (Including Short-term and Long-term Effects on the Market and the Economy)

4.5 Pharmaceutical E-commerce Market (Market Trends and their Impact on Logistics/Delivery Market)

4.6 Spotlight on Packaging of Pharmaceuticals (Global and Regional Trends)

4.7 Industry Supply Chain/Value Chain Analysis (includes Analysis on Distribution Models and Key Players in each step of the Value Chain)

4.8 Insights into Reverse/Return Logistics in the Pharma Industry

5 MARKET DYNAMICS

5.1 Drivers

5.2 Restraints

5.3 Opportunities

5.4 Industry Attractiveness - Porter's Five Forces Analysis

5.4.1 Bargaining Power of Suppliers

5.4.2 Bargaining Power of Consumers

5.4.3 Threat of New Entrants

5.4.4 Threat of Substitutes

5.4.5 Intensity of Competitive Rivalry

6 MARKET SEGMENTATION (Market Size by Value)

6.1 Function

6.1.1 Domestic Transportation Management

6.1.2 International Transportation Management

6.1.3 Value-added Warehousing and Distribution

6.2 Supply Chain

6.2.1 Cold Chain

6.2.2 Non-cold Chain

6.3 Geography

6.3.1 North America

6.3.1.1 United States

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 6.3.1.2 Canada
- 6.3.1.3 Mexico
- 6.3.2 South America
 - 6.3.2.1 Brazil
 - 6.3.2.2 Argentina
 - 6.3.2.3 Rest of South America
- 6.3.3 Europe
 - 6.3.3.1 United Kingdom
 - 6.3.3.2 Germany
 - 6.3.3.3 France
 - 6.3.3.4 Russia
 - 6.3.3.5 Spain
 - 6.3.3.6 Rest of Europe
- 6.3.4 Middle-East
 - 6.3.4.1 Saudi Arabia
 - 6.3.4.2 United Arab Emirates
 - 6.3.4.3 Qatar
 - 6.3.4.4 South Africa
 - 6.3.4.5 Rest of Middle-East
- 6.3.5 Asia-Pacific
 - 6.3.5.1 India
 - 6.3.5.2 China
 - 6.3.5.3 Singapore
 - 6.3.5.4 Japan
 - 6.3.5.5 South Korea
 - 6.3.5.6 Vietnam
 - 6.3.5.7 Australia
 - 6.3.5.8 Rest of Asia-Pacific

7 COMPETITIVE LANDSCAPE

- 7.1 Overview (Market Concentration and Major Players)
- 7.2 Company Profiles
 - 7.2.1 DHL
 - 7.2.2 FedEx
 - 7.2.3 UPS
 - 7.2.4 Kuehne + Nagel
 - 7.2.5 DB Schenker
 - 7.2.6 Nippon Express
 - 7.2.7 Ceva Logistics
 - 7.2.8 Kerry Logistics
 - 7.2.9 Agility
 - 7.2.10 XPO Logistics
- 7.3 Other Companies (Overview/Key Information)

8 FUTURE OF THE MARKET

9 APPENDIX

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Pharmaceutical 3PI Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 150 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-02-27"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

