MEASURING GROWTH EFFICIENCY IN FREIGHT AND LOGISTICS

An accompanying whitepaper to the Supply Chain Growth Index (SCGI)

LEAD COVERAGE

WHITEPAPER

FREIGHT MARKET CHALLENGES DEMAND SMARTER GTM

The freight and logistics industry is navigating a period of significant disruption. Declining shipment volumes, compressed margins, and heightened market volatility are forcing companies to rethink how they invest in growth. In 2024, freight broker employment fell by roughly 10.7%, while asset-based carriers declined nearly 7.6%[2]. Unit volumes decreased by ~9.6%, and gross margins contracted by 3.5%[3].

Global trade patterns are adding additional headwinds. US container imports fell 8.4% year-over-year in September 2025, with shipments from China dropping 22.9% due to ongoing tariffs and trade disruptions[4]. Ports processed 2.31 million TEUs, marking the third-highest September volume on record, yet expectations are that monthly imports will fall below 2 million TEUs for the remainder of the year. Gartner notes that supply chain resilience and strategic adaptability remain top priorities for shipper executive teams heading into 2026[5].

In this environment, every dollar of go-to-market (GTM) spend must deliver measurable impact. The LeadCoverage Supply Chain Growth Index (SCGI), published quarterly, benchmarks how efficiently GTM investments convert into pipeline across freight and logistics.

While the SCGI Index provides high-level numbers and trends, this accompanying whitepaper dives deeper: explaining why traditional GTM metrics fall short, how the Logistics Growth Efficiency Ratio (LGER) is calculated, and what leaders can do to improve GTM efficiency.

THIS WHITEPAPER TRANSFORMS THE SCGI FROM A SNAPSHOT INTO A PRACTICAL ROADMAP FOR DISCIPLINED, PROFITABLE GROWTH

By combining industry insights, anonymized company examples, and actionable guidance, this whitepaper transforms the SCGI from a snapshot into a practical roadmap for disciplined, profitable growth, helping executives make data-driven decisions that drive pipeline and market share.

WHY TRADITIONAL GTM METRICS FALL SHORT

For years, logistics companies have measured go-to-market (GTM) effectiveness using standard metrics: marketing-qualified leads (MQLs), impressions, click-through rates, event attendance, and even sales activity quotas. While these numbers track effort, they rarely reveal whether GTM spend is actually generating meaningful pipeline.

At many organizations, traditional attribution metrics, such as customer acquisition cost (CAC) or marketing-influenced revenue, aggregate outcomes across sales, marketing, and enablement teams. They obscure the true connection between GTM activities and opportunity creation because deal closures often depend on factors beyond marketing or sales execution. In other words, a high MQL count doesn’t automatically translate into revenue.

This frustration naturally leads to the question every executive ultimately asks: “Is this good?” In logistics, there is no definitive benchmark for GTM performance. Most leaders rely on broad B2B research, which provide directional insights but aren’t fully reflective of logistics-specific dynamics.

The result is familiar frustration for executives: budgets are spent, dashboards are full, yet the link between investment and actual pipeline remains unclear. Without this clarity, companies risk underinvesting in high-impact channels, overspending on low-impact campaigns, or misaligning sales and marketing efforts.

This is where the Logistics Growth Efficiency Ratio (LGER) comes in.

It shifts the conversation from “How many leads did we generate?” to “How much pipeline did each dollar of GTM investment produce?”—allowing executives to focus on actionable insights rather than vanity metrics.

MEASURING GROWTH EFFICIENCY: THE LGER METHODOLOGY

To bring clarity to GTM performance in freight and logistics, LeadCoverage developed the Logistics Growth Efficiency Ratio (LGER), a metric that links every dollar of GTM spend to the qualified pipeline it generates. LGER turns abstract marketing and sales activity into a tangible measure of growth efficiency.

HOW LGER IS CALCULATED

The formula is simple and repeatable each quarter:

$$\text{LGER} = \frac{\text{Pipeline Created}}{\text{Total GTM Spend}}$$

- **Pipeline Created (\$):** Total value of sales-qualified opportunities (SQLs) generated in the period, including new business, expansions, and renewals.
- **Total GTM Spend (\$):** Includes marketing programs (display, programmatic, events, PR), technology stack investments, vendors, and marketing headcount costs. Sales labor is excluded.

SAMPLE SCOPE

The SCGI draws on anonymized data from LeadCoverage's work with more than 40 logistics companies, spanning freight tech, 3PLs, brokers, and other service providers. This experience covers asset-light and asset-heavy models, mid-market and enterprise profiles, and varied sales cycle lengths, providing a broad, practical foundation for evaluating GTM efficiency and identifying actionable opportunities.

WHY THE LGER WORKS

LGER PROVIDES EXECUTIVES WITH A CLEAR, REPEATABLE BENCHMARK

Unlike traditional metrics:

- **It links spend to pipeline:** Not just activity.
- **It highlights inefficiencies:** Low LGER reveals wasted spend and pipeline leakage.
- **It identifies opportunities for scale:** High LGER may indicate underinvestment, suggesting that additional spend could capture untapped market share.

By focusing on pipeline generated per dollar of GTM spend, the LGER provides executives with a clear, repeatable benchmark for evaluating GTM effectiveness, comparing performance across companies, and tracking trends over time.

INTERPRETING THE LGER IN CONTEXT

LGER CATEGORIES AND STRATEGIC IMPLICATIONS

• Low LGER (<$8) – Inefficient spend, pipeline leakage

Companies in this range are not getting enough pipeline for their GTM investment. Common causes include misaligned campaigns, fragmented sales and marketing coordination, or poorly targeted efforts. Action may involve:

- **Reassessing spend allocation across channels**
- **Aligning marketing campaigns with sales priorities**
- **Improving pipeline hygiene and lead qualification**

• Mid-Range LGER ($8-55) – Benchmark efficiency

This band represents companies achieving predictable, sustainable pipeline generation. Those near the median are meeting industry-standard efficiency, while those approaching the upper end of this range may be positioned to scale. Action may involve:

- **Incremental GTM investment in high-performing channels**
- **Optimizing sales enablement to convert pipeline faster**
- **Tracking trends quarterly to spot early signals of under- or over-performance**

• High LGER (>$55) – Exceptional efficiency, potential underinvestment

Extremely high LGER may indicate that an organization is extracting strong returns from a relatively small GTM spend. While this appears impressive, it can mask lost market share. Executives should consider:

- **Scaling GTM investments strategically to capture additional pipeline**
- **Exploring untapped channels or markets**
- **Ensuring alignment with broader growth objectives**

MINI-SCENARIO EXAMPLES OF HOW LGER CAN BE INTERPRETED AND ACTIONED*

1. **Company A (Low LGER, $6.5) –** Marketing spend was heavily focused on broad digital ads with little targeting. By reallocating budget to account-based campaigns and improving lead scoring with sales, LGER begins to improve.
2. **Company B (Competitive LGER, $28) –** Achieved median efficiency by aligning sales and marketing, optimizing campaign mix, and using monthly pipeline reviews to fine-tune spend. Incremental investments in PR and events increased the pipeline without diluting efficiency.
3. **Company C (High LGER, $62) –** Had strong returns on limited spend but realized that some market segments were underpenetrated. By scaling ad spend in high-intent verticals, pipeline grew further while maintaining high efficiency.

*These examples are for illustrative purposes only and not reflective of data-driven examples

LEVERS FOR MAXIMIZING GROWTH EFFICIENCY

Key levers include:

IMPROVING LGER ISN'T JUST ABOUT SPENDING MORE; IT'S ABOUT INVESTING SMARTER

1. Channel Allocation

- Focus spend on channels with highest pipeline ROI (e.g., account-based marketing, targeted digital campaigns, and thought leadership content).
- Reduce investment in low-impact channels.

2. Sales and Marketing Alignment

- Weekly or monthly pipeline reviews ensure marketing efforts are aligned with sales priorities.
- Unified messaging and lead handoff processes increase conversion efficiency.

3. Campaign Optimization

- Track and refine campaigns continuously.
- Test creative, messaging, and targeting to maximize SQL generation per dollar spent.

4. Market Intelligence and Targeting

- Use intent data and account scoring to focus on high-potential accounts.
- Segment by verticals or geographies that offer the greatest growth opportunity.

5. Scaling GTM Investment Strategically

- High LGER can indicate underinvestment. Increasing spend in high-performing areas can capture the untapped pipeline.
- Balance efficiency with scale to avoid diminishing returns.

CONCLUSION

The Supply Chain Growth Index (SCGI) and the Logistics Growth Efficiency Ratio (LGER) provide logistics companies with a clear framework for understanding GTM effectiveness. By translating every GTM dollar into pipeline, the LGER highlights inefficiencies, reveals opportunities for scale, and guides disciplined investment decisions. Companies that measure the LGER, act on the findings, and continuously optimize spend can achieve a predictable pipeline, improve ROI, and build a durable competitive advantage in freight and logistics.

These results naturally lead to a broader question: how do other industries measure growth efficiency, and what can logistics learn from them? Across sectors, metrics such as the Growth Efficiency Index (GEI), the SaaS Quick Ratio, the Rule of 40, the Velocity Delta and the Sustainable Growth Rate offer complementary ways to link investment with growth. SaaS companies, in particular, provide a strong benchmark with their disciplined, pipeline-first approaches, rigorous attribution, and partner-led strategies.

By combining freight-specific lessons with insights from other sectors, logistics leaders can continue to refine GTM investments, scale efficiently, and capture untapped opportunities.

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