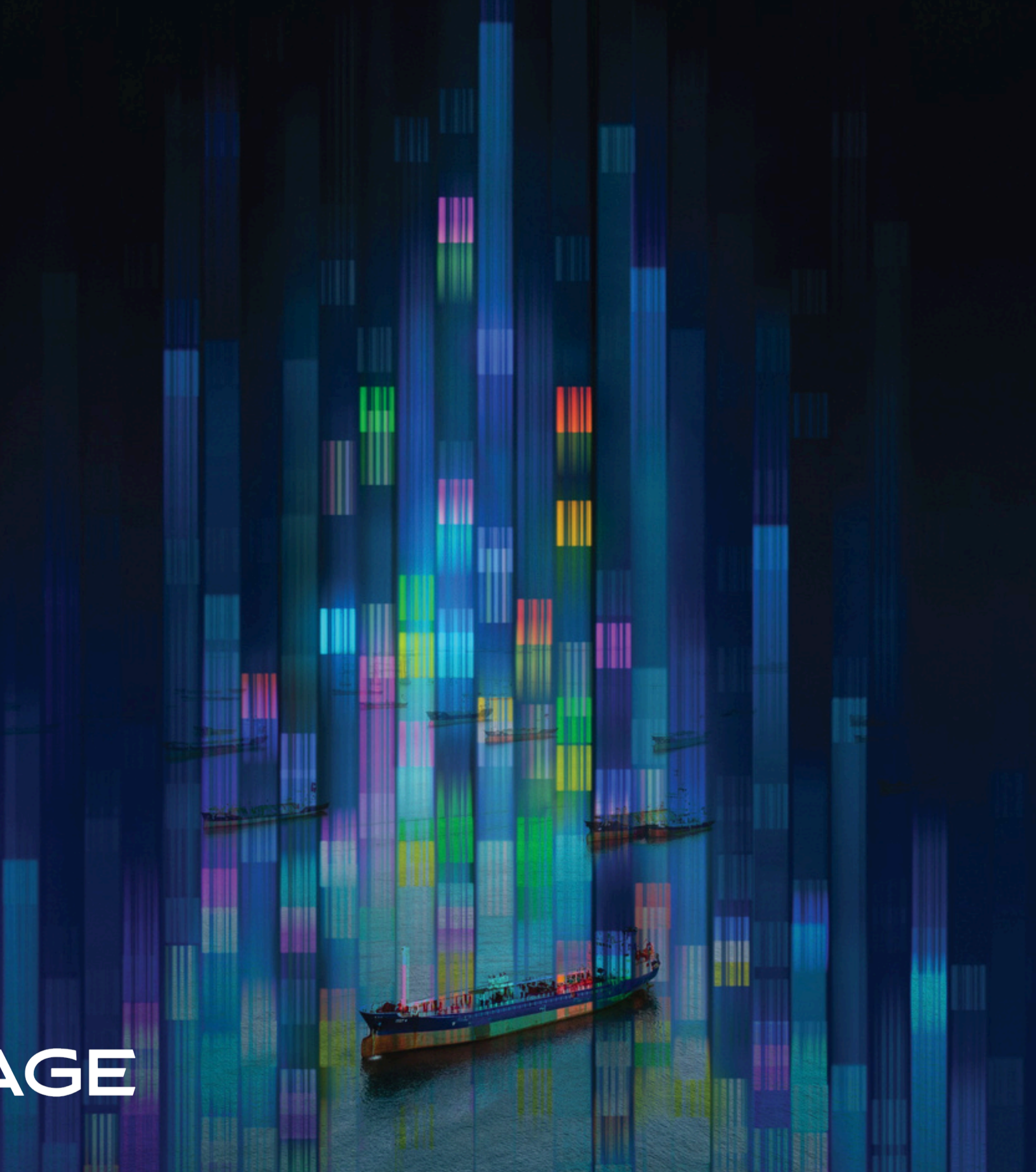
Q1 2026

SUPPLY CHAIN GROWTH INDEX

A quarterly benchmark of Go-to-Market efficiency and pipeline impact in supply chain and logistics



LEAD COVERAGE

A MARKET AT AN INFLECTION POINT

The freight and logistics sector entered 2026 at a genuine crossroads. After years of post-pandemic correction, the first quarter delivered real signals of recovery: manufacturing expanded for the third consecutive month, spot rates climbed sharply, and urgency returned to supply chain technology buying cycles. But the quarter also brought three structural disruptions that separated companies with established market presence from those still building it.

In Q1 2026, the brands that had invested in visibility during the down cycle captured the recovery. Those still waiting to be found watched it pass.

DISRUPTION ACCELERATES TECHNOLOGY BUYING CYCLES.
The companies that had already built visibility and credibility captured that demand. Those still building their programs watched it pass.

THE MARKET REALITY

Freight activity in Q1 2026 was shaped by a rare combination: genuine demand recovery alongside fresh policy and geopolitical disruption. Together, these forces accelerated procurement urgency for supply chain solutions across the sector.

52.7

ISM MANUFACTURING PMI — MARCH 2026

The Manufacturing PMI reached 52.7in March 2026, its third consecutive month of expansion and the highest reading in roughly two years. Sustained expansion in new orders and production signals genuine industrial demand returning to the economy that underpins freight volumes.[1]

~30%

TRUCKING SPOT RATES — Q1 2026

Linehaulspot rates rose approximately 30% year-over-year in Q1 2026, with truck volumes up approximately 8% year-over-year in March. Tightening capacity, driven by years of carrier attrition and reduced fleet investment, accelerated buying urgency for companies offering network visibility and optimization solutions.[2]

MAR 16

NON-DOMICILED CDL FINAL RULE — FMCSA

The FMCSA's final rule, effective March 16, 2026, restricted non-domiciled CDL eligibility to H-2A, H-2B, and E-2 visa holders, removing a significant portion of previously licensed commercial drivers from the eligible workforce. For carriers and brokers already navigating constrained capacity, this added structural tightening and elevated urgency around driver management and compliance technology.[3]

~95%

STRAIT OF HORMUZ TRANSIT DISRUPTION

The effective closure of the Strait of Hormuz disrupted approximately 95% of daily ship transits, forcing supply chain teams across the sector to reroute, replan, and reevaluate network design in real time. For supply chain technology providers, disruption of this scale compresses procurement timelines and surfaces buying urgency that had previously been deferred.[4]

1.5% - 2.5%

GLOBAL TRADE GROWTH FORECAST — REVISED

UNCTAD revised 2026 global merchandise trade growth from an earlier forecast of 4.7% down to 1.5-2.5%, reflecting the cumulative weight of tariff escalation, Hormuz disruption, and persistent demand uncertainty. Shippers and carriers accelerating nearshoring and network diversification are active buyers of the technology that makes those transitions executable.[5]

LGER IN FOCUS - Q1 2026 UPDATE

The Logistics Growth Efficiency Ratio (LGER) remains the SCGI's core metric: dollars of qualified pipeline per dollar of total GTM spend. In Q1 2026, the LGER distribution illustrates broad-based recovery in which every statistical segment of the cohort improved simultaneously for the first time across the three quarters this index has been published.

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

THIS QUARTER'S **SCGI** ANALYSIS

Median LGER: $22.39
Mean LGER: $100.97
Range: $0.66 - $866.86

LGER PERFORMANCE BANDS

1st Quartile LGER: < $7.39
Median LGER: $8 – $20
3rd Quartile LGER: > $78.54

A NOTE ON THE NUMBERS

ON THE MEAN

The mean LGER of $100.97 is materially elevated by one program where a large average deal size amplifies raw pipeline dollars well beyond what GTM activity alone would produce. When deal size is a structural variable, the mean becomes a poor measure of typical performance. The median, $22.39, is the more representative benchmark, and it is the number against which programs should measure themselves.

ON THE FLOOR

Several programs in Q1 represent clients new to structured demand generation, some new to marketing altogether, some new to pipeline attribution. Without a full tracking infrastructure in place, the data is incomplete. Incomplete data produces artificially low or zero LGER readings. Garbage in, garbage out: an unverifiable pipeline number is not a zero-pipeline result. As these programs mature and attribution improves, floor LGER values are expected to rise.

THE QUARTILE STORY — Q1 2026

Q1 2026 marks the first quarter in the SCGI's history where every statistical segment of the LGER distribution improved simultaneously. These results aren't driven by one or two statistical outliers; rather, it's a broader market acceleration. When the bottom quartile grows faster than the top, it signals a rising floor.

+558%
25TH PERCENTILE

+453%
MEDIAN

+272%
75TH PERCENTILE

+355%
MEAN

INTERPRETING Q1 2026 LGER

LOW LGER

Pipeline efficiency is below market norms. GTM spend is not producing sufficient qualified opportunities at scale.

Common patterns among this group:

- New program ramp-up: insufficient time for demand gen to compound
- Limited or absent paid media activation
- Incomplete attribution infrastructure, pipeline exists but cannot be verified
- No indexed thought leadership establishing market presence

The path forward is program maturity and data completeness, not program abandonment.

INVEST IN THE INFRASTRUCTURE FIRST.

MID-RANGE LGER

GTM spend is converting to pipeline at a functional, market-standard level.

Q1's median lands in this band for the first time since Q3 2025, a meaningful recovery from Q4's sharp drop to **$4.95**. The cohort's center of gravity has returned to functional efficiency.

To gain competitive advantage:

- Move beyond passive demand capture
- Integrate intent data more aggressively
- Expand ABM program depth
- Invest in indexed, benchmarked thought leadership
- Activate paid channels with greater consistency

THE MEDIAN IS A FLOOR — NOT A CEILING.

HIGH LGER

Exceptional efficiency.GTM spend is highly effective, translating into measurable, scalable pipeline growth.

In Q1, the top performers shared three identifiable traits:

- Participation in or creation of industry indexes, benchmarks, and trendline content that establishes category authority
- Consistent earned media and PR visibility, building ambient awareness so that when urgency peaks, they are already in the consideration set
- Sustained investment in SEO and AEO infrastructure, ensuring discoverability in a buyer research process that increasingly starts outside a sales conversation

VISIBILITY BUILT DURING THE DOWN CYCLE PAID OFF IN Q1.

Q1 MARKET SIGNAL: THE ACCELERATION QUARTER

Q4 2025 told a story of polarization: a widening gap between the organizations that leaned into scalable, measurable GTM programs and those that hesitated. Q1 2026 tells a different and more consequential story.

The gap did not close. The entire distribution shifted upward, not because a small group of top performers expanded their lead, but because the floor itself rose. Every quartile improved. This is what it looks like when a recovering market meets a client cohort that invested in GTM infrastructure through the down cycle.

Q3 2025	Q4 2025	Q1 2026
Median: $26.68	Median: $4.95	Median: $22.39
Mean: $29.51	Mean: $28.44	Mean: $100.97
	▼ ***Median collapsed***	▲ ***Strongrecovery***

The Q4 median drop reflected a cohort-wide effect: new programs joining the index before their demand gen motion had compounded, and a difficult macro environment compressing mid-market pipeline creation. The Q1 recovery reflects both a maturing cohort and a freight market that rewarded the prepared.

KEY TAKEAWAYS FOR EXECUTIVES – Q4 2025

1 **USE THE MEDIAN AS YOUR BENCHMARK**

$22.39 is today's operating midpoint, nearly five times the Q4 reading of $4.95, and approaching the Q3 2025 level of $26.68. Any program generating below $8 LGER should treat that as an urgent signal to review channel mix, attribution infrastructure, and program maturity.

2 **NEW PROGRAMS NEED TIME, NOT JUDGMENT**

Floor LGER values reflect ramp-up and incomplete attribution, not program failure. The lowest readings in Q1 belong to organizations that are new to marketing or new to structured pipeline tracking. The correct response is investment in infrastructure and patience for the program to compound, not abandonment.

3 **DEAL SIZE INFLATES THE MEAN — USE THE MEDIAN**

The $100.97 mean is not an attainable benchmarkfor most programs. One client's structurally large average deal size creates an outsized pipeline number that distorts the average. The median is the right comparison point. Build your program against $22.39, not $100.97.

4 **VISIBILITY BUILT DURING THE DOWN CYCLE PAID OFF IN Q1**

The companies capturing the Q1 recovery did not start marketing in January. They had been building indexed thought leadership, earning PR coverage, and investing in SEO and AEO throughout 2024 and 2025. When freight market urgency spiked, driven by CDL rule changes, Hormuz disruption, and tariff volatility, they were already in the consideration set. Compounding visibility is the most durable GTM advantage in this market.

5 **WATCH Q2: THE LEGAL LANDSCAPE JUST CHANGED**

As this edition goes to press, the Supreme Court issued a unanimous ruling in Montgomery v. Caribe Transport II (May 2026), holding that freight brokers can be held liable under state law for negligent carrier selection. For 3PLs and freight brokers, this elevates the strategic importance of brand authority: companies known for rigor, diligence, and expertise are better positioned to attract shipper relationships, carrier partnerships, and investor confidence in an environment of heightened accountability.[6]

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