MODDULE®

2026

ROI FRAMEWORK · MID-SIZED LSPS

The ROI of shipment visibility

A framework for quantifying the cost impact of visibility on an LSP operation: four cost drivers, the formulas behind them, and a worksheet to apply them to your own data.



4

Cost drivers, each with a formula and worked example

10,000

Shipments a year in the illustrative model

$1.8M

Modelled annual value from manual tracking and D&D

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HOW IT FITS

Visibility on top of the systems you already pay for

We don't replace your TMS, WMS or ERP. The Visibility Platform connects to what you already run, turns conflicting data into one trusted status per shipment, and puts it in front of your team and your customers.

WHAT YOU ALREADY RUN

Carriers and forwarders
Ocean, air and road

TMS
Bookings and orders

WMS
Warehouse events

ERP
Customer and billing data

Email and spreadsheets
Updates outside any system

MODDULE® Visibility Platform

01
Connect
Carrier-agnostic tracking across every provider you use.

02
Reconcile
One trusted ETA per shipment when sources disagree.

03
Alert
Exceptions flagged before free time runs out.

Your operations team

- ✓ One view of every shipment, no portal logins
- ✓ Exceptions surfaced while there is time to act

Your customers

- ✓ White-label tracking portal under your brand
- ✓ Delay notifications sent automatically

Thin margins leave no room for blind spots

Mid-sized LSPs compete with the global players on service, without their headcount or IT budgets. Three pressures make visibility a cost decision, not a nice-to-have.

01 Margin pressure

Rates are under pressure and every unplanned charge comes out of your margin. A single missed free-time window can wipe out the profit on a shipment.

02 Growth without headcount

Manual tracking scales linearly: more shipments means more coordinators. Visibility lets the same team handle more volume.

03 Customers expect real-time tracking

Shippers now treat live tracking as table stakes in tenders. Offering it under your own brand keeps accounts that would otherwise move to a larger provider.

HOW TO USE THIS FRAMEWORK

Each cost driver comes with a formula, what to measure and a worked example for an illustrative LSP: 10,000 shipments a year across 7 providers, $55,000 average cargo value, and a 20% D&D incidence rate at $2,600 per incident. Replace our inputs with yours, then total them on page 09.

4

cost drivers, modelled on your data

01

Manual tracking

Your coordinators spend 30–40% of their day logging into carrier portals, copying ETAs into spreadsheets and chasing updates by email. That is paid time spent finding information, not acting on it. Unified tracking removes most of it.

FORMULA · ANNUAL MANUAL TRACKING SAVINGS

Annual shipments × status checks per shipment × minutes per check × loaded hourly cost × % eliminated

WHAT TO MEASURE

Checks per shipment
Portal logins, ETA updates and status emails from booking to delivery.

Minutes per check
Time to find, confirm and record one status update.

Loaded hourly cost
Salary, benefits and overhead. Standard: 1.3–1.5x base.

The example assumes 48% of that time is eliminated. Redeploy it to new accounts instead of hiring for the next volume increase.

WORKED EXAMPLE

Annual shipments	10,000
Status checks per shipment	10
Minutes per check	10
Loaded hourly cost	$30
Time eliminated	48%

Annual manual tracking savings $240,000

02

Demurrage and detention

When a delay surfaces after free time has run out, someone pays. Often it is you: charges that can't be passed through, disputed invoices written off, goodwill credits to keep a customer. Early exception alerts give your team time to rebook, reroute or collect before the clock starts.

FORMULA · ANNUAL D&D REDUCTION

Annual shipments × D&D incidence rate × avg. D&D cost per incident × % reduction from early alerts

WHAT TO MEASURE

Incidence rate
Share of shipments that incurred any D&D in the last 12 months.

Cost you absorb
Only what you didn't recover: write-offs, credits and unbilled charges.

Expected reduction
20–40% with visibility and alerts. Start at the low end.

Usually the largest driver for LSPs. It is also the easiest to verify: pull last year's D&D invoices and credit notes.

WORKED EXAMPLE

Annual shipments	10,000
D&D incidence rate	20%
Avg. D&D cost per incident	$2,600
Reduction from early alerts	30%
Annual D&D reduction	**$1,560,000**

03

Customer status requests

"Where is my shipment?" is the most common question your customer service team answers, and every answer means another lookup. A white-label tracking portal and automatic delay notifications let customers serve themselves, under your brand.

FORMULA · ANNUAL STATUS REQUEST SAVINGS

Annual status requests × hours per request × loaded hourly cost × % deflected to self-service

WHAT TO MEASURE

Request volume
Status calls, emails and chats per month. Sample one busy week.

Handling time
Minutes from request to reply, including the lookup.

Deflection rate
Share customers will self-serve once they have a live link. Assume 40–60%.

The saving is conservative on purpose. It excludes the retention value of giving customers tracking they'd otherwise get from a larger competitor (see page 10).

WORKED EXAMPLE

Status requests per year	12,000
Handling time per request	10 min
Loaded hourly cost	$36
Deflected to self-service	50%
Annual status request savings	**$36,000**

04

Tools and integrations

Most LSPs pay for tracking several times over: a container tracking subscription, a separate air or road tool, per-carrier API fees, and developer time keeping in-house connections alive. One carrier-agnostic platform replaces most of that spend.

FORMULA · ANNUAL TOOL AND INTEGRATION SAVINGS

(Current tracking tool spend + annual integration upkeep) × % retired

WHAT TO MEASURE

Tool spend
Every tracking subscription, portal licence and data feed you pay for.

Integration upkeep
Developer or contractor hours spent fixing broken carrier connections.

Share retired
What you can switch off once tracking is unified. Keep anything tied to contracts.

This is hard cash, not reclaimed time. It shows up as a cancelled invoice, which makes it the easiest line to defend to finance.

WORKED EXAMPLE

Current tracking tool spend	$30,000
Annual integration upkeep	$40,000
Share retired	75%
Annual tool and integration savings	**$52,500**

06 · CALCULATE YOUR ROI

Total your number

Run each formula on your own data, add them up, then set the total against your platform cost to get ROI and payback. Our illustrative example is shown alongside.

STEP 1 · SUM YOUR COST DRIVERS

		EXAMPLE	YOURS
1	Manual tracking	$240,000	$
2	Demurrage and detention	$1,560,000	$
3	Customer status requests	$36,000	$
4	Tools and integrations	$52,500	$
	Total annual value	**$1,888,500**	$

STEP 2 · SET IT AGAINST COST

ROI

(Total annual value − annual platform cost) ÷ annual platform cost

%

Payback

Annual platform cost ÷ (total annual value ÷ 12)

months

Example figures are illustrative, modelled on a mid-sized LSP handling 10,000 shipments a year across 7 providers. Your result depends on your inputs.

06 · ADDITIONAL VALUE

Depending on your business, these may apply

SLA penalties

Monthly SLA breaches × penalty per breach × reduction from proactive alerts.

4 × $2,500 × 12 × 60%

$72,000 / yr

Customer retention

Accounts at risk over service × annual gross margin per account × % retained.

2 × $60,000 × 50%

$60,000 / yr

Tender win rate

Tenders per year × win-rate uplift from branded tracking × margin per win.

20 × 5% × $50,000

$50,000 / yr

VALIDATE YOUR NUMBERS

Three assumptions drive most of the variance

✓ **Your D&D exposure is higher than you think**

Count write-offs and goodwill credits, not just invoices you paid. A 25% incidence rate instead of 20% raises D&D savings by 25%.

✓ **Manual work is usually underestimated**

Log one to two weeks of time in portals, spreadsheets, email and calls. This often reveals 10–20% more cost than the first estimate.

✓ **Tool spend hides in other budgets**

Check IT, operations and sales budgets for tracking licences and carrier data fees. Include contractor hours for integrations.

07 · GO-LIVE AND VALUE REALISATION

Savings start in weeks, not quarters

Visibility goes live in stages, so value arrives before the first renewal conversation. A representative timeline for a mid-sized LSP:

Weeks 1–2	Carriers and systems connected. Unified tracking goes live. Portal logins start to drop.
Weeks 3–4	Exception alerts tuned to your free-time windows. D&D prevention begins.
Weeks 5–8	White-label portal rolled out to customers. Status requests fall.
Month 3	Legacy tracking tools switched off at renewal. Full run-rate savings.

WHAT YOU WON'T PAY FOR

A new TMS
We sit above your existing systems.

An IT project
Carrier connections are ours to build and maintain.

Extra headcount
Your current team runs it from day one.

MODDULE®

WHAT'S NEXT

Ready to put a number on visibility?

Your ROI depends on your data. In 30 minutes we'll walk through your inputs, pressure-test the assumptions and show the Visibility Platform tracking your own shipments.

Book a 30-minute session

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Figures are illustrative and modelled.