SME · GOOGLE ADS · SIMPLIFIED

Google Ads ROI Calculator Manual

A simplified Google Ads performance model built for small and medium businesses.

WHAT THIS CALCULATOR DOES

The Google Ads ROI Calculator for SMEs provides a clear, jargon-free model of how your Google Ads budget converts into clicks, leads, sales, and revenue. Designed for small and medium business owners who want to understand the mechanics of paid search without needing to be marketing experts. Enter five simple inputs and see your projected return in seconds.

HOW IT WORKS

The calculator takes your monthly ad budget and works it through a simple funnel: Budget generates Clicks (based on your CPC), Clicks become Leads (based on website conversion rate), Leads become Sales (based on your close rate), and Sales generate Revenue (based on average sale value). Every slider updates results in real time.

INPUT SLIDERS EXPLAINED

INPUT	DEFAULT	DESCRIPTION
Monthly Ad Budget	$1,000	The total amount you plan to spend on Google Ads each month. This is your media spend only, before any management fees.
Average Cost Per Click (CPC)	$2.50	The average amount you pay each time someone clicks your ad. CPCs vary widely by industry — check Google Keyword Planner for estimates.
Website Conversion Rate	3%	The percentage of visitors who take a desired action on your website — call, form fill, or purchase. For most small business websites, 2-5% is realistic.
Lead to Sale Rate	20%	The percentage of enquiries or leads that you convert into paying customers. Think about how many enquiries you need to close one job or sale.
Average Sale Value	$500	The average dollar value of a single sale or job. For service businesses use average job value. For products use average order value.

OUTPUT METRICS EXPLAINED

OUTPUT METRIC	HOW IT'S CALCULATED
Projected Monthly Revenue	Total revenue your Google Ads spend could generate each month. Budget / CPC x Conversion Rate x Sale Rate x Sale Value.
Monthly Clicks	How many website visitors your budget will buy. Calculated as Monthly Budget / Average CPC.
Monthly Leads	How many enquiries or leads those clicks are likely to generate. Clicks x Website Conversion Rate.
Monthly Sales	How many of those leads are likely to become paying customers. Leads x Lead to Sale Rate.
ROAS	Return On Ad Spend. Dollars of revenue generated for every dollar spent. A ROAS of 3x means $3 revenue per $1 spent.
Cost Per Sale	How much you spend in Google Ads to acquire one customer. Monthly Budget / Monthly Sales. Compare to your Average Sale Value.
Annual Revenue	Projected monthly revenue multiplied by 12. A useful figure for business planning and budget decisions.

CALCULATION FORMULAS

Monthly Clicks = Monthly Budget / Average CPC

Monthly Leads = Monthly Clicks x (Website Conversion Rate / 100)

Monthly Sales = Monthly Leads x (Lead to Sale Rate / 100)

Monthly Revenue = Monthly Sales x Average Sale Value

Annual Revenue = Monthly Revenue x 12

ROAS = Monthly Revenue / Monthly Budget

Cost Per Sale = Monthly Budget / Monthly Sales

TIPS FOR BEST RESULTS

• If Cost Per Sale approaches or exceeds Average Sale Value, Google Ads may not be profitable at current settings.

• A ROAS of at least 3x is generally the minimum for a profitable Google Ads campaign for SMEs.

• CPC varies by keyword competitiveness. Branded keywords are usually much cheaper than generic terms.

• Improving your website conversion rate often has more impact than increasing your budget.

• Most Google Ads campaigns take 2-3 months of data to optimise. Do not judge results in the first 30 days.

Ready to unlock these results? Book a free strategy session at jumpdigital.com.au/contact