

INVOCA  + Google

The New Google LSA Playbook

How to boost ROAS and drive more
revenue from Google Local Services Ads

A guide for marketers at multi-location business
Fall 2026



Local intent drives your highest-value demand

Nearly one in seven ad queries on Google Search carries local intent, and consumers act on it fast. They search for a business, read a few reviews, and pick whoever looks credible and responds first. Local Services Ads lead that moment, and unlike Search ads, you pay only when someone calls, messages, or books. That makes LSAs both a demand channel and a conversation channel, which is why the response you give matters as much as the ad itself.

84%

of consumers search online for local businesses daily

RioSEO 2025 Local Search Consumer Behavior Study

41%

of consumers prefer to call when they need help making a purchase

Invoca B2C Buyer Experience Report, 2026

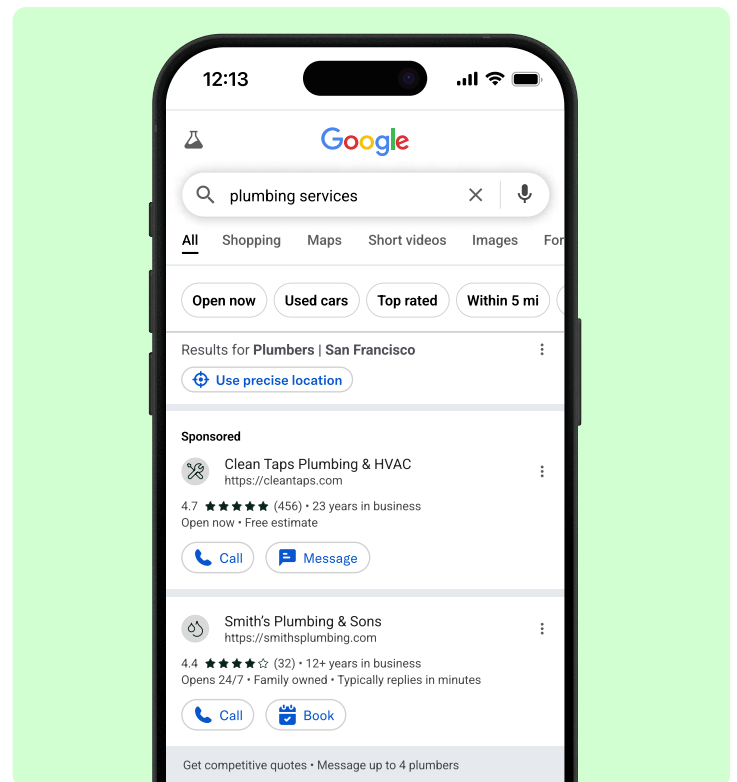
79%

will choose the business that responds fastest

Invoca B2C Buyer Experience Report, 2026

LSAs drive results for multi-location businesses

- ✓ **Placement where decisions happen.** LSAs appear prominently on Google Search and Maps for "near me" and service-category queries, above organic results and traditional Search ads.
- ✓ **Pay-per-lead, not pay-per-click.** You're charged only for phone calls, messages, and bookings through the ad. Every dollar maps to a conversation.
- ✓ **Keywordless targeting by service and area.** Campaigns run on the service categories and service areas you offer, which scales across dozens or hundreds of locations.
- ✓ **Trust signals built in.** Ratings, review counts, years in business, and response badges show in the ad, so profile quality directly affects rank and click-through.



The 2026 Google LSA update and how it impacts your business

Google is folding Local Services Ads (LSAs) into Performance Max, which will affect bidding strategies and measurement for local and multi-location businesses. Migration to a new Performance Max campaign type designed for pay-per-lead goals began in August 2026 for select categories and will expand to additional categories throughout 2027. Here's what's changing and how it impacts your business.

Feature / area	What's changing	How it impacts you
Platform dashboard	LSA management moves from the standalone Local Services Ads experience into Google Ads. Placements and keywordless targeting don't change.	Manage LSA alongside Search and other campaigns through your Google Ads Manager Account, simplifying access, reporting, and oversight.
Bidding structure	Manual max-per-lead bidding and industry-level Target CPA are deprecated. Bidding is automated around a campaign-level Target CPA.	Determine what you can profitably pay for a lead rather than accepting Google's suggested target. You can no longer buy your way to the top; ad rank leans on operational signals like response speed.
Service-level bidding	Different Target CPAs can no longer be assigned to individual service verticals within one campaign.	High-value and lower-value services may need separate campaigns so each gets an appropriate Target CPA and budget.
Historical reporting	Historical LSA performance reports will not migrate into the new Google Ads campaign.	Export historical spend, leads, CPL, impressions, and credits before migration to preserve your benchmarks.
Budgeting	Weekly LSA budgets convert to average daily budgets (weekly amount ÷ 7).	Review pacing after migration and confirm the daily budget aligns with monthly lead-generation goals.
Google Business Profile	Business name, address, and hours sync one-way from GBP into Google Ads. Only GBP reviews count toward LSA rank.	Keep GBP accurate. Significant edits trigger a 24–48 hour verification review that can pause your campaign.
Conversion definition	In Google Ads, "conversions" count the leads you were charged for.	Google's metric doesn't tell you whether a lead booked or generated revenue. You need your own outcome data.
Billing changes Effective Oct 1, 2026	A call received during stated business hours is billable if the caller is on the line for roughly 20+ seconds. Text leads have no response-time buffer.	You can no longer let LSA phone leads ring out without financial consequence. Missed calls waste budget and hurt future ad ranking.

Google is still clarifying some details, including exact duration thresholds and phone-menu treatment; verify current settings in your Google Ads account.

Special rules for healthcare and tax service providers

Google call recording is off entirely for these verticals because HIPAA and financial privacy rules block Google from auditing call or text content. No audio and no transcript means no automated credits for wrong-service or spam calls. If the phone rings during business hours, you pay for it, and text leads still count toward your public response-speed badge with no grace period.

The cost of slow LSA responses

According to Invoca platform data, 34% of LSA calls aren't answered, and more than half of the ones that are answered don't convert. Every one of those leads was paid for, and the stakes compound. Google's "Get competitive quotes" flow sends the same inquiry to as many as six businesses, so the first fast, specific response usually wins the job. Google also factors responsiveness into LSA ad rank: typical reply times appear in the ad itself, and businesses that consistently answer calls and reply to texts quickly earn better placement, while those that don't see their ads show less often. Following up on every call and text is how you win the leads you're already paying for and the visibility that brings in the next ones.

34%

of Google LSA calls aren't answered by a person

Invoca

40-50%

of Google LSA texts don't get a response

Various industry sources

53%

of LSA call leads that do get answered are not converted, across all industries

Invoca

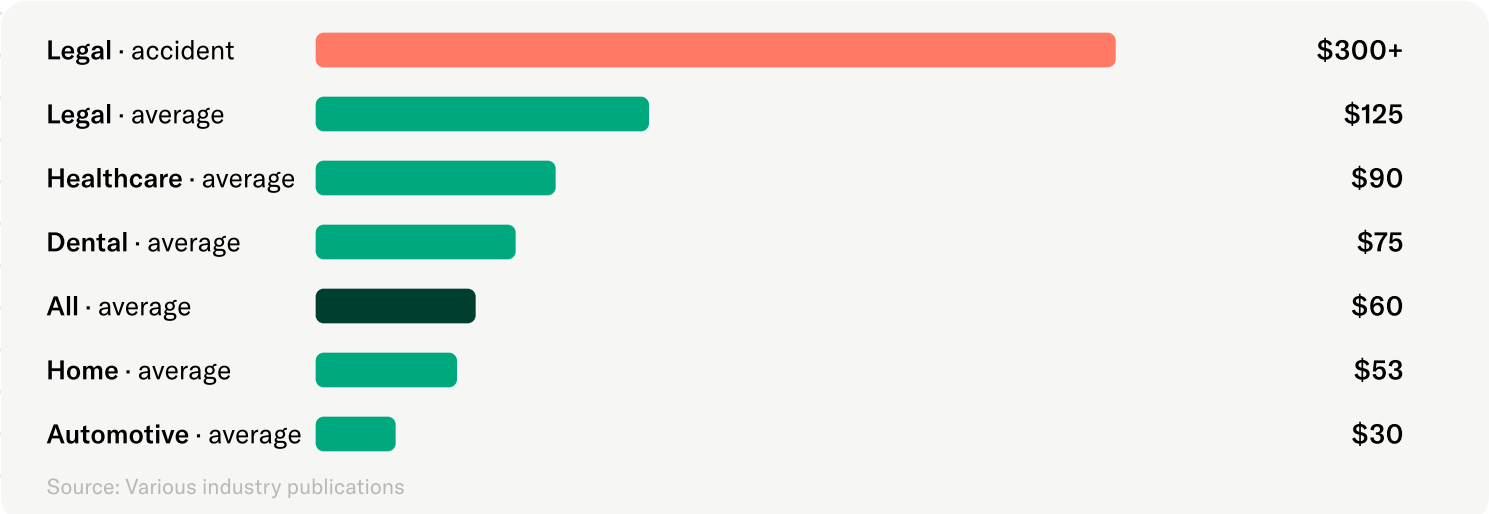
LSA performance benchmarks by industry

	Missed call rate	Non-lead calls	Unconverted leads
Automotive	25%	39%	68%
Dental	37%	43%	43%
Healthcare	39%	41%	54%
Home Services	33%	53%	45%
Legal	28%	59%	70%
All industries	34%	44%	53%

Source: Invoca platform data. Non-lead calls include spam, solicitations, job seekers, and wrong numbers.

What a wasted lead costs you

Average Google LSA cost per lead by category. Multiply by your missed-call rate to size the monthly leak.



Strategy 1: Use AI agents to respond to every LSA text and call

Having a person answer every call and respond to every LSA text is not feasible for most businesses. With Invoca's AI agents for SMS and voice, you can instantly engage every lead to improve your ROAS and ad ranking.

Answer every LSA call with AI Voice Agent

Invoca's AI Voice Agent can answer questions, qualify the lead, book appointments or callbacks, or route the call to your team to convert them. The AI Voice Agent can also route urgent or high-value calls to a contact center, location, or employee who can provide immediate assistance.



Respond instantly to LSA texts with AI Messaging Agent

Invoca's AI Messaging Agent can instantly respond to LSA text leads, 24/7. It can hold a two-way conversation to answer questions, qualify leads, and schedule appointments and callbacks. The instant response also protects your ad ranking and response time rating, so you get better ROI from your LSA investment.

“There's immediate interactions with LSA messages, which makes our LSA ad rank and performance better. It's definitely leaps and bounds ahead of where we have been in the past.”

CMO, pest control business, on using Invoca AI Agents for LSA leads

100%

answer and response rate for all LSA calls and messages

2x

lead conversion rate

Improved

LSA ad rank, which increased lead volume

Strategy 2: Boost LSA performance with better data

You've heard it a million times: AI is only as good as the data you feed it, and that applies to Performance Max-powered LSAs. With manual bidding gone, the conversion data you send back to Google Ads is more important than ever. Without conversion data from the texts and calls you get from LSA, PMax can only optimize for the leads it sent you, which may or may not have actually converted. With complete conversion data from Invoca, you can optimize your ads to outcomes that actually drive revenue.

It's not enough to know someone called or texted

Are they a quality lead?

Did the caller or texter want to book your service, or were they a vendor, a job seeker, or a wrong number?

Did they book?

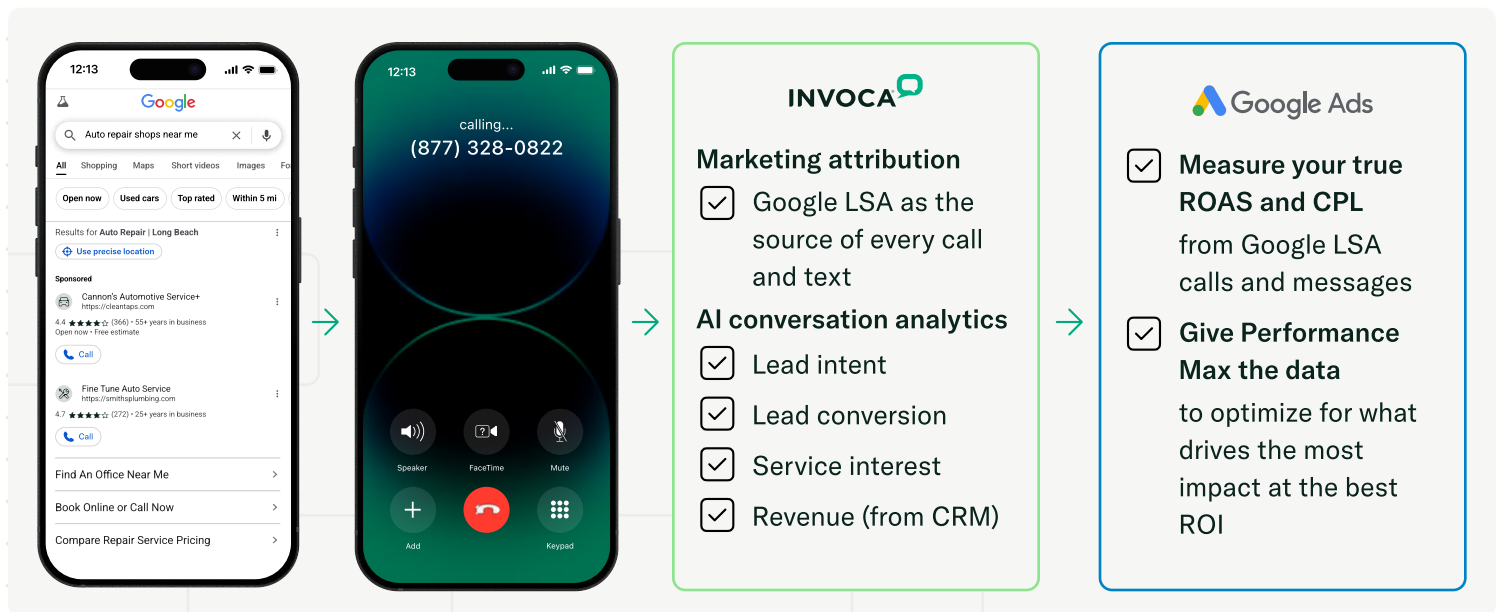
Did the conversation end in an appointment, a quote, a callback, or nothing, whether it happened on a call, with an AI agent, or over text?

What's the value?

How much revenue did the booked job generate, and from which service category, location, and time of day?

Power better Google LSA performance with AI-powered lead & conversion data

Invoca connects every call and text to intent and outcome. The revenue generated can be ingested into Invoca from your CRM, and Invoca passes all this data to the Google Ads platform to power better optimizations with Performance Max.



50%

Decrease in cost per lead using
Invoca conversation data to power
Google Ads Performance Max.



Lead conversion best practices for Performance Max Local Services Ads

The LSA move to Google Ads and Performance Max, along with other recent changes, shows that Google is reinforcing the importance of these ads for local businesses and is investing in improving their performance. You should do the same. Here are seven steps to maximize ROI with the new PMax Local Services Ads.

1 Audit your stated business hours against actual coverage

- ☒ Audit your phone coverage and look for opportunities to expand it with an AI Voice Agent that answers and qualifies every call automatically, including after hours, peak times, and holidays.
- ☒ Ensure 24/7 coverage for text leads with an AI Messaging Agent that instantly engages, qualifies, and converts them to appointments.
- ☒ Align LSA profile hours with your real staffing schedule, hour by hour and location by location. Where you can't staff posted hours, add AI agent coverage or narrow the hours.

2 Map every path an inbound lead can take

- ☒ How overflow is handled when all CSRs are busy, and how after-hours and weekend calls are routed.
- ☒ If voicemail is in use, consider replacing it with an AI Voice Agent that can book appointments and set callback times.
- ☒ For multi-location brands: when a location line goes unanswered, does it roll to a central queue, another branch, an AI agent, or nowhere?
- ☒ How text messages are handled, and whether they're answered immediately.

3 Set a lead response SLA and staff to it

- ☒ Set a hard target for callback and text response speed. Under five minutes is a reasonable start for calls; texts should be instantaneous.
- ☒ Use AI voice agents to reduce volume and schedule callbacks, and an AI messaging agent that can hold a two-way conversation and take actions like booking appointments.
- ☒ Assign ownership by location or queue so the SLA has a name attached, and track compliance weekly. A fast callback can still convert a lead you've already paid for, so the recovery rate is a revenue metric.
- ☒ Retrain front-line staff on hold times and hang-up handling. Seconds on the line now carry direct cost implications.

4 Confirm how routing and phone menus are treated under the new rules

- ☒ Some reports suggest certain IVR and phone-menu interactions are handled differently under the new billing logic, and the ~20-second threshold is being staged by category and market.
- ☒ Verify current treatment in your own Google Ads account before you rewrite IVR flows or commit to internal SLAs. Don't assume last quarter's behavior still holds.
- ☒ Consider an AI Voice Agent, which routes calls faster than an IVR or voice response system.

5 Build a source of truth for qualified leads and outcomes that doesn't depend on the LSA dashboard

- ✓ Export or archive historical LSA reporting before your account migrates. It won't carry over, and you'll want it for trend analysis and agency reporting.
- ✓ Capture duration, outcome, and disposition for every inbound lead, independent of native LSA reporting. Disposition every lead: booked, quoted, spam, wrong number, missed but recovered.
- ✓ Reconcile what Google charged you against what actually converted. Under duration-based billing, lead volume is no longer a defensible success metric.

6 Manage the cost per conversion, not cost per lead

- ✓ With manual CPL bidding deprecated, the levers left are budget, targeting, and the conversion data you send back to Google.
- ✓ Report cost per conversion by location, service category, and time of day. That's where you'll find the real variance.
- ✓ Watch the gap between leads charged and conversions. A widening gap means you're paying for demand you aren't converting, and neither Google nor the LSA dashboard will tell you that.

7 Lock down booking integrations and profile hygiene

- ✓ Direct booking is expanding from roughly 20 Reserve with Google partners to more than 500, and it auto-enables for advertisers whose GBP already has an active partner booking link. Bookings made this way are paid leads, so confirm whether it's on for your accounts.
- ✓ Keep your Google Business Profile accurate. Hours, address, and categories sync one-way into Google Ads and affect eligibility and billing logic.
- ✓ Maintain your Google Verified badge. Renew licenses and insurance annually; badge status still affects trust signals and ranking.



How Invoca streamlines LSA reviews



AI Signals

detect valid and invalid leads (solicitation, wrong number, job seeker) across every call and text, in dashboards and interaction lists.



AI Summaries

confirm lead quality in seconds, without listening to the recording.



Rating support

cuts review time by 90% or more by pointing you to the interactions worth disputing.



Healthcare and tax:

Google doesn't record these calls. Invoca does, so you keep complete access to every LSA interaction.



30-day readiness checklist

- ☐ Export and archive all historical LSA reporting before your account migrates
- ☐ Audit stated business hours against actual phone coverage, including lunch and after-hours
- ☐ Find where AI agents can eliminate coverage gaps
- ☐ Use an AI messaging agent to instantly respond to text leads
- ☐ Set a missed-call callback and text message response SLA
- ☐ Confirm current call duration and billing treatment directly in Google Ads
- ☐ Stand up or verify independent call tracking and disposition tagging
- ☐ Shift internal reporting from cost per lead to cost per booked job
- ☐ Check Reserve with Google direct-booking auto-enablement status
- ☐ Confirm Google Business Profile hours, categories, and Verified badge are current



See how you can convert more of your Google LSA leads

Schedule a demo: invoca.com/demo →