Slice of the Pie Marketing

2026 EDITION · CONTRACTORS & HOME SERVICES

The Contractor Google Ads Budget & Bid Worksheet

Set your budget from a booked job instead of a gut feeling. Real cost per lead by trade, the bidding sequence that works, and the 30 day fix list.

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1. What a contractor lead actually costs

Averages are close to useless in the trades. The gap between the cheapest and most expensive category is roughly five to one, so budget against your trade, not against the blended number.

TRADE	AVG COST PER LEAD	WHAT IT MEANS FOR YOUR BUDGET
Roofing & gutters	$228	High ticket, long consideration, brutal auction
Doors & windows	$200	Quote driven, needs a real landing page
Construction & contracting	$166	Broad category, wide variance by job type
Handyman services	$54	Cheap leads, small jobs, wins on volume
Cleaning services	$47	Repeat revenue makes the math work
Pools & spas	$45	Seasonal, cheapest lead in the set
Home services blended	$91	The average that hides everything above
Local Services Ads	$53	43.9% book rate, $233 per paying customer

Search benchmarks from LocaliQ home services data. LSA figures from a February 2026 study of 888 contractors and $6.72M in ad spend (SearchLight Digital). Typical CPC in the trades runs $15 to $70 (Built-Right Digital, 2026). National figures. Smaller markets usually come in lower, major metros higher.

HVAC AND PLUMBING, READ THIS

Blended cost per lead for HVAC and plumbing crossed **$104** in early 2026, with non branded search closer to **$149** (The Valley Marketing Group). If your account still budgets against a 2023 lead cost, that gap is your problem.

2. The budget worksheet

Fill this in before you set a single daily budget. Your budget is an output of this math, not an input.

YOUR NUMBER	FILL IN
A. Average job value	$
B. Close rate on inbound leads (typically 25% to 50%)	%
C. Cost per lead in your trade (from the table above)	$

YOUR NUMBER	FILL IN
D. Jobs you want per month	
E. Leads needed (D divided by B)	
F. Monthly budget (E times C)	$
G. Cost per booked job (F divided by D)	$
H. Acquisition cost as % of revenue (G divided by A)	%

Two worked examples

Roofer. $12,000 average job, 30% close rate, $228 per lead. Ten leads costs $2,280 and produces 3 jobs, so cost per booked job is about $760. That is roughly 6% of revenue to acquire the customer. Healthy.

Handyman. $400 average job, 40% close rate, $54 per lead. Ten leads costs $540 and produces 4 jobs, so $135 to acquire $400 of revenue. Much tighter, which is why this business needs volume and speed to lead.

THE BUDGET FLOOR

Most local contractors need at least $1,500 to $3,000 a month, and $5,000 to $10,000 or more in a competitive metro. Not because Google needs feeding, but because smart bidding needs conversion volume. An account producing four leads a month never exits the learning phase. Underfunding a campaign is worse than not running it: you pay for the education and never collect the benefit.

3. Two 2026 changes that raised your spend

The ad schedule loophole closed on June 1, 2026

Google now paces campaigns toward the full monthly cap, which is **30.4 times your daily budget**, regardless of a restricted ad schedule. A $30 daily budget running weekdays 8 to 5 used to spend well under the cap. That same campaign now paces toward the full $912.

Most contractors run business hours only schedules. If that is you and you have not touched the daily budget since May, your spend went up and your budget did not.

Target enforcement started August 17, 2026

Announced June 15 and live since August 17, Bidding Target Optimization steers budget limited campaigns that have been beating their stated Target CPA back toward the target you actually set. Google's own teaching example is a campaign set to a $10 Target CPA delivering at $5. It now aims for the $10.

This is not opt out. Doing nothing is a decision to accept a higher cost per lead. Pull every budget limited Target CPA campaign, compare stated target to actual delivery, and lower the target to where it has really been performing.

4. The bidding sequence

1. **Launch on Maximize Conversions.** A new campaign has no conversion history. Handing it a Target CPA on day one starves it before it learns anything.
2. **Switch to Target CPA at roughly 30 conversions in 30 days.** Set the target at the cost per lead your job math supports, not a number that sounds nice.
3. **Wait one to two conversion cycles after any target change.** Changing a target Monday and panicking Wednesday is how accounts get wrecked.

THE MISTAKE WE FIX MOST OFTEN

An owner sets Target CPA at $40 in a trade where leads cost $90, then wonders why the campaign barely spends. The campaign is not broken. You told it to buy something that does not exist at that price.

One caveat that outranks all of the above: your bid strategy is only as good as what you count as a conversion. If the account counts page views, or counts every form fill including spam, smart bidding optimizes toward garbage very efficiently. Count calls over 60 seconds and qualified form submissions. Feed booked jobs back from your CRM if you can.

5. Account structure, in build order

1. **Local Services Ads first.** Cheapest leads, top of page, pay per lead.
2. **Branded search second.** Cheap, high intent, and it keeps competitors from buying your name.
3. **Non branded service campaigns third.** Split by service, not by city. Different job values need different targets.
4. **Emergency terms in their own campaign.** "Burst pipe," "no heat," "same day," "24 hour." Higher conversion rate, higher bid, do not bury them in a general campaign.
5. **Performance Max last, if at all.** Reach, not control. Add it once the rest produces real conversion data.

6. The four biggest money leaks

No negative keyword discipline. If you have not opened a search terms report in 90 days you are paying for "roofing jobs hiring" and "roofing salary." Pull it weekly for the first month, then monthly. Highest return hour in the account.

The Performance Max blind spot. Campaign level negatives are open to everyone and the limit went from 100 to 10,000 in March 2025. But those negatives only apply to Search and Shopping inventory. They do nothing for Display, YouTube, or Gmail placements, which can absorb a large share of PMax budget. Add negatives, exclude placements, and read the channel level reporting Google added this year.

Location targeting on the wrong setting. The default includes people merely interested in your area. Set it to presence, not presence or interest.

Measuring clicks instead of booked jobs. Cost per click is vanity. Cost per lead is better. Cost per booked job is the only number connected to your bank account.

7. The first 30 days

Days 1 to 3, audit the money

- [ ] Check the ad schedule against the June 1 pacing change
- [ ] Pull every budget limited Target CPA campaign, compare stated target to actual delivery
- [ ] Fix conversion tracking: calls over 60 seconds count, spam form fills do not

Days 4 to 7, stop the bleeding

- [ ] Full search terms report, build the negative keyword list
- [ ] Set location targeting to presence only
- [ ] Exclude junk placements in any Performance Max campaign

Week 2, restructure

- [ ] Split branded from non branded
- [ ] Break services into their own campaigns
- [ ] Pull emergency terms into a dedicated campaign with a higher target

Week 3, landing pages

- [ ] One page per core service, no more homepage traffic
- [ ] Phone number above the fold, click to call button

- [ ] Real crew photos and reviews visible without scrolling

Week 4, set targets and leave them alone

- [ ] Move mature campaigns to Target CPA at a number your job math supports
- [ ] Wait one to two conversion cycles before judging anything

Want us to run this audit on your account?

Free 15 minute call. We look at your campaigns, targets, and tracking, then show you where the budget is leaking. No pitch, just the findings.

calendly.com/sliceofthepie/introcall

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