

\$143K of ad spend removed. Return held.

A smart-home account was running close to break-even at scale. Comparing the same five-month window year over year, spend fell 36% and cost per acquisition fell 32% while return on ad spend stayed within three percentage points.

Ad spend	Cost per purchase	Actual ROAS	Purchases
\$401K	\$213	105.35%	1.88K
→ \$258K	→ \$145	→ 102.68%	→ 1.14K
-36%	-32%	held	-39%

The brief

The assignment was margin, not top-line volume: remove the spend that was not paying for itself while preserving the account's return. The account was producing a great deal of activity with almost no room for product cost, fulfilment or team overhead.

What the client asked for

- Keep the return while reducing waste
- Lower cost per purchase
- Prioritise margin over raw volume

Where we started

- \$401K spent in five months
- 1.88K purchases at \$213 each
- 105.35% actual ROAS - roughly break-even before operating costs

Baseline: Jan-May 2024

The account spent \$401K and recorded 1.88K purchases at \$213 each. At 105.35% actual ROAS, a dollar of media generated only about a dollar of platform-attributed revenue.



Google Ads, Jan 1-May 27, 2024. Cost \$401K, cost per conversion \$213, 1.88K purchases, actual ROAS 105.35%.

What the baseline tells us

Spend \$401K five months	Purchases 1.88K platform result	Cost / purchase \$213 baseline CPA	Actual ROAS 105.35% near break-even
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- The account was not failing loudly; it was spending at scale for very little margin.
- Volume targets were defending traffic that did not produce purchases at an acceptable cost.
- Any efficiency strategy had to accept a smaller pool of buyers rather than disguise the trade-off.

What we did

This was not a growth engagement. The work focused on withdrawing budget from low-intent traffic and making purchase economics, rather than traffic volume, the account's decision rule.

01

waste removed

Budget pulled out of low-intent traffic

Spend was withdrawn from segments generating clicks and impressions without purchases at an acceptable cost.

02

intent first

Spend concentrated on high-intent buyers

The remaining budget moved toward queries and audiences with genuine purchase intent, accepting a smaller addressable pool.

03

objective reset

Campaign quality prioritised over volume

Reporting and optimisation targets shifted away from clicks and impressions, so activity without economic return no longer justified spend.

The decision rule

Remove waste first, protect high-intent auctions second, then judge the remaining account on purchase economics rather than traffic volume. The strategy promised fewer media dollars tied up in near-break-even activity - not more purchases.



Result: Jan-May 2025

A year later, the same five-month window used \$258K of spend and produced 1.14K purchases at \$145 each. Actual ROAS was 102.68%, effectively held relative to the 105.35% baseline.



Google Ads, Dec 30, 2024-May 26, 2025. Cost \$258K, cost per conversion \$145, 1.14K purchases, actual ROAS 102.68%.

The account after the change

Spend	Cost / purchase	Purchases	Actual ROAS
\$258K	\$145	1.14K	102.68%
-36%	-32%	-39%	held

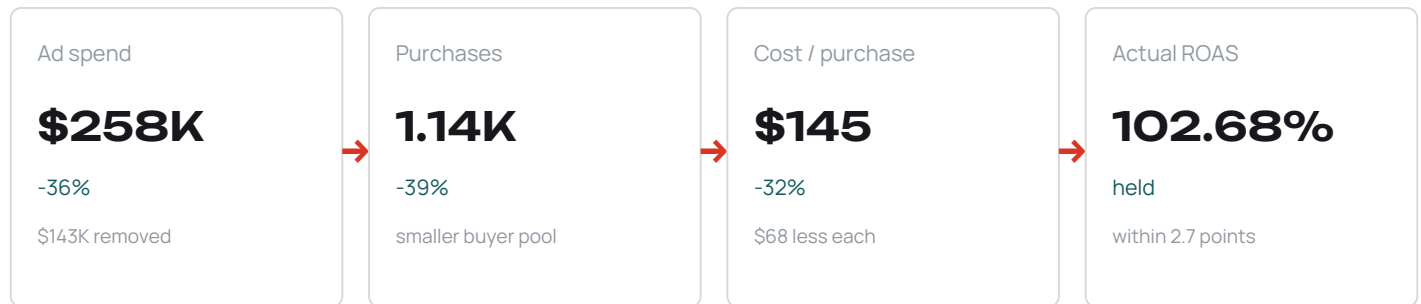
Metric	Jan-May 2024	Jan-May 2025	Change
Ad spend	\$401K	\$258K	-36%
Cost per acquisition	\$213	\$145	-32%
Actual ROAS	105.35%	102.68%	-2.5%
Purchases	1.88K	1.14K	-39%
Revenue (derived)	≈\$422K	≈\$265K	-37%

On the volume decline.

Purchases and derived revenue fell with spend. That is not hidden: this is an efficiency case for a business that prioritised margin over top-line volume, not a growth case. Revenue is derived as ad spend × actual ROAS.

Where the economics changed

The account traded scale for efficiency. The sequence below shows why a similar ROAS can still represent a materially different level of financial exposure.



What improved

The business committed \$143K less media capital while acquiring each purchase for \$68 less. That directly reduces the amount at risk in a near-break-even channel.

What contracted

The account produced about 740 fewer purchases and roughly \$157K less derived revenue. The result is suitable only if margin, not growth, is the brief.

What the result does not prove

It does not prove that cutting spend is universally correct, or that the account became profitable. Product margin and operating costs are not shown in the platform data.

Being honest about the outcome

The result is useful because the trade-off is explicit: efficiency improved while scale contracted.

What the evidence supports

- Low-intent spend was removed
- Cost per purchase fell from \$213 to \$145
- Return stayed close to the baseline despite 36% less spend

What also matters

- Purchases fell 39%
- Derived revenue fell about 37%
- ROAS near 100% still leaves little room for product and operating costs

The account spent \$143K less. It did not grow.

That is the point of this case: the business chose lower exposure and lower acquisition cost over preserving volume at close to break-even.

-36%

ad spend

-32%

cost per acquisition

-39%

purchases

Case study compiled from Google Ads screenshots published by ConvertLab360. Comparison periods: Jan-May 2024 and Jan-May 2025. Revenue figures are derived from spend × actual ROAS. Source page: convertlab360.com/case-studies/google-ads-smart-home-efficiency



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