

A PRACTICAL GUIDE TO B2B PAID MEDIA

Names, Not Just Numbers

The B2B Guide to Paid Ads That Prove Their Return



Jamie Edwardson

Founding Director, The Paid Media Company

01

Know the lead

02

Follow the journey

03

Prove the return

START HERE

A clearer view of what your ads are worth.



Most B2B businesses have been told how many leads their ads produced. Very few have ever been told which of those leads became customers, what those customers were worth, and whether the ad spend paid for itself. This guide shows you how to close that gap.

This guide is for you if:

- You run or market a B2B business, especially a service-based one
- You've never run paid ads and want to know where to start without wasting money
- You've run ads before but couldn't tell whether they actually worked
- You work with an agency or freelancer and want to know what good reporting should look like

No existing knowledge of advertising is needed. Every term is explained in plain English, and there's a glossary at the back.

What you'll learn

- 01 How the main ad platforms work, and which suit B2B lead generation
- 02 Why your offer matters more than your targeting
- 03 How to build a follow-up process that doesn't waste the leads you pay for
- 04 How to filter out poor-fit leads before they reach your inbox
- 05 How lead quality feeds back into better ad performance
- 06 How to track leads all the way through to named customers
- 07 How to calculate a genuine return on your ad spend
- 08 What budgets and timelines to realistically expect
- 09 What to ask any agency or freelancer before you hire them

At the end, you'll find a 30-day action plan and a glossary of every term used.

You don't need to read it in one go. Each chapter stands on its own, so dip into whichever part matters most to you right now.

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INTRODUCTION

“30 leads this month” is not a result.

Picture a monthly report from an ad agency. It says your campaigns generated 30 leads at £45 each. It looks healthy. The agency says it'll aim for 35 next month. Then the call ends.

What that report doesn't tell you is whether any of those 30 people were worth talking to. It doesn't tell you whether any became customers, how much those customers spent, or whether the £1,350 you put in came back as £500 or £50,000.

30

leads

£45

per lead

£1,350

spent

That gap is where most B2B ad budgets quietly disappear. Not because the ads were badly built, but because nobody joined the dots between a click and a customer.

I've spent more than ten years managing paid advertising on the agency side, and I've seen this pattern again and again. Businesses switch ads off because they "didn't work", when in reality nobody could prove whether they did. Others keep spending on campaigns that bring in plenty of enquiries but very few real customers.

THE IDEA BEHIND THIS GUIDE

This guide is built around one idea: names, not just numbers. Good B2B advertising should be able to tell you who came in, where they came from, what happened next, and what it was worth.

ABOUT THE AUTHOR

Hi, I'm Jamie.



THE PAID MEDIA COMPANY

**Independent
thinking.
Clear commercial
results.**

Jamie Edwardson
Founding Director
West Lothian, Scotland

Hi, I'm Jamie. I'm the Founding Director of The Paid Media Company, an independent paid media consultancy based in West Lothian, Scotland.

I've spent over a decade working agency-side on Google Ads, Meta Ads, Microsoft Ads and Amazon Ads, most recently as Head of PPC. In 2026 I set up on my own so I could work more closely with businesses and focus on the part of the job I care about most: proving what advertising is actually worth.

Outside work, I'm married, with two cats and a puppy who all have strong opinions about my working hours. I also perform in amateur dramatics with the Livingston Players, so if you ever see me on a stage locally, that's why.

I wrote this guide because I kept meeting business owners who'd been burned by ads that "didn't work", or who'd never tried because it all felt like a gamble. It doesn't have to be. With the right setup, ads become one of the most measurable things a business can spend money on.

HOW AD PLATFORMS ACTUALLY WORK

Pull vs push

Every ad platform falls into one of two camps: pull or push. Understanding the difference is the single most useful thing you can learn before spending a penny, because it changes what you say, who you say it to, and what results you should expect.

Pull: already looking

Search platforms like Google Ads and Microsoft Ads are pull channels. Someone types a search, such as "commercial cleaning contractor Edinburgh" or "HR outsourcing for small business", and your ad appears in the results.

The person has told you, in their own words, what they want. You're not interrupting them. You're answering a question they've just asked.

That's why search advertising is often the best starting point for B2B. The intent is already there. Your job is to show up, look credible and give them a reason to choose you over the other results on the page.

The trade-off is volume. Only so many people search for any given service each month. For niche B2B services, that number can be small. You can't create more searches by spending more money.

Push: earning attention

Social platforms like LinkedIn Ads and Meta Ads (Facebook and Instagram) are push channels. Nobody is searching for you. Instead, you choose an audience based on who they are, and your ad appears while they scroll.

This lets you reach people before they've started looking. A finance director might not be searching for a new accounting system today, but if your ad lands at the right moment, they might start.

The trade-off is attention. The person didn't ask to see your ad. They're catching up on news, checking messages or scrolling past holiday photos. Your ad has to earn its place, which is why the offer (Chapter 3) matters so much on push channels.

PULL VS PUSH

Capture demand. Create demand.

	Pull (search)	Push (social)
How people find you	They search for what you do	You choose who sees your ad
Their mindset	Actively looking for a solution	Doing something else entirely
Main strength	High intent, relevant traffic	Reach, scale and precise audiences
Main limit	Capped by search volume	Needs a strong reason to stop and act
What your ad must do	Prove you're the right choice	Interrupt, interest and offer value

Most successful B2B strategies use both. Search captures the demand that already exists. Social creates new demand and keeps you visible to the right people until they're ready to buy.

THE TAKEAWAY

The key takeaway: if you only have budget for one channel at the start, a pull channel is usually the safer bet. You're paying to reach people who've already raised their hand.

MATCH THE CHANNEL TO THE JOB

Choosing your platforms

For most B2B businesses, four platforms do the heavy lifting: Google Ads, Microsoft Ads, LinkedIn Ads and Meta Ads. Each has a job it's good at. The skill is matching the platform to your audience, your offer and your budget.

Google Ads

THE HIGHEST-INTENT CHANNEL THERE IS

Google Ads is where I start for almost every B2B lead generation account, because it puts you in front of people at the exact moment they're searching for what you do.

You choose keywords that describe your service, and your ad can appear when someone searches for those terms. You can get very specific. A payroll bureau doesn't need to bid on "payroll" (which includes people looking for payroll jobs). It can target "outsourced payroll for small business" or "payroll bureau Scotland" instead.

You also pay per click, not per view. On search, that means you're mostly paying for people who were interested enough to visit your website.

Strengths

- Reaches people actively looking for your service
- Very specific keyword targeting
- You only pay when someone clicks
- Easy to start small and scale what works

Watch out for

- Search volumes for niche B2B services can be low
- Competitive industries can have high cost per click
- Poor keyword choices waste money quickly on irrelevant searches

CHOOSING YOUR PLATFORMS

Microsoft Ads


PULL / SEARCH

The overlooked, cheaper alternative

Microsoft Ads (formerly Bing Ads) shows your ads on Bing search results and across Microsoft's network. Many businesses ignore it, which is exactly why it's worth a look.

Fewer advertisers usually means lower costs per click than Google. And for B2B, there's a bigger reason: a lot of work computers run Windows with Edge set as the default browser and Bing as the default search engine. In larger organisations, those settings are often locked by the IT department.

That means people searching from their desk at work, which is exactly when B2B buying research happens, are more likely to be on Bing than you might think. This is particularly true in public sector and large organisations such as the NHS, schools, councils and corporates.

Strengths

- Typically cheaper clicks than Google
- Strong reach into workplace and public sector users
- You can import your Google Ads campaigns, so setup is quick

Watch out for

- Lower search volume overall than Google
- Best treated as a partner to Google Ads, not a replacement

CHOOSING YOUR PLATFORMS

LinkedIn Ads


PUSH / SOCIAL

The most targeted platform in B2B

LinkedIn is the most precise way to reach business decision makers with a push channel. You can target by job title, job function, seniority, company name, company size and industry.

The reason this works so well is that people keep their LinkedIn profiles up to date. It's their professional shop window. So when you target "operations directors at manufacturing firms with 50 to 200 employees", you're reaching people who genuinely fit that description.

That precision comes at a price. LinkedIn is usually the most expensive of the four platforms per click and per lead. But in B2B, where a single customer can be worth thousands, paying more for the right person is often far cheaper than paying less for the wrong one.

Strengths

- Best-in-class B2B targeting
- Accurate, current professional data
- Built-in lead forms that pre-fill with profile details
- Ideal for high-value services and account-based marketing

Watch out for

- Highest cost per click and cost per lead
- Needs a strong offer to justify the interruption
- Smaller audiences can mean slower learning for the algorithm

CHOOSING YOUR PLATFORMS

Meta Ads


PUSH / SOCIAL

Scale over precision

Meta Ads covers Facebook and Instagram. It's not the obvious B2B choice, but it can work well in the right circumstances.

Meta's targeting is built around interests and behaviours rather than professional data. You can target job titles, but plenty of people don't list a real one on Facebook, or haven't updated it in years. So you'll typically reach more people for less money, but with less certainty that they're the right fit.

Where Meta shines for B2B is with businesses that sell to owner-managed firms, sole traders and small companies. A local plumber, a hair salon owner or a small café owner is as likely to see your ad on Facebook as anywhere else.

Strengths

- Low cost per lead and large audiences
- Strong for reaching small business owners
- Excellent creative formats, including video
- Powerful retargeting of website visitors

Watch out for

- Less reliable professional targeting
- Lead quality can vary widely without good qualification
- Needs a compelling offer and strong creative to stand out

COMPARE YOUR OPTIONS

Your platform shortlist.

	Google Ads	Microsoft Ads	LinkedIn Ads	Meta Ads
Type	Pull	Pull	Push	Push
Relative cost	Medium to high	Low to medium	High	Low
Targeting precision	High (by intent)	High (by intent)	Very high (by profile)	Medium
Lead quality	Usually high	Usually high	Usually high	Varies
Best used for	Capturing active demand	Cheaper search reach, workplace users	Reaching specific roles and companies	Scale, small business owners, retargeting

So where should you start?

There's no single right answer, but here's a sensible rule of thumb:

- 01 If people search for what you do, start with Google Ads and add Microsoft Ads once it's working.
- 02 If you sell a high-value service to specific job roles, add LinkedIn Ads with a strong offer.
- 03 If you sell to small businesses or sole traders, test Meta Ads alongside search.
- 04 Whatever you choose, start with one or two platforms done well rather than four done badly.

WHY IT MATTERS MORE THAN TARGETING

The offer

Here's something most people get backwards. When ads don't work, the first instinct is to blame the targeting: wrong audience, wrong keywords, wrong platform. Sometimes that's true. But far more often, the real problem is the offer.

Your offer is the reason someone should hand over their details right now. Not "at some point". Not "when they get round to it". Now. If that reason isn't strong enough, the best targeting in the world won't save the campaign.

Why the offer matters so much on push channels

On LinkedIn or Meta, nobody asked to see your ad. They were reading something else. To get them to stop, read and act, you need to give them something worth more to them than the effort of filling in a form.

"Contact us to find out more" is not an offer. It asks for commitment and gives nothing back. Compare that with:

- 01 "Download our free 2026 guide to cutting energy costs in commercial buildings"
- 02 "Book a free 30-minute IT security health check"
- 03 "Start a 7-day free trial, no card needed"

Each of those gives something of value in exchange for contact details. That's the trade.

It matters on search too

On Google or Microsoft, the person already has intent, so you might think the offer matters less. It doesn't. They're looking at your ad alongside three or four competitors. A clear, valuable offer is often what tips the click, and the enquiry, your way.

The same offer also lifts your conversion rate once people reach your website. More enquiries from the same number of clicks means a lower cost per lead, without changing anything else.

TYPES OF OFFER

Give them a reason to act.

Offer type	Best for	Commitment from the prospect
Ebook, guide or report	Early-stage prospects, building an audience	Low
Checklist or template	Practical, task-focused buyers	Low
Webinar or workshop	Educating and building trust at scale	Low to medium
Free audit or health check	Services where you can show quick value	Medium
Free consultation or discovery call	Higher-value, relationship-led services	Medium
Free trial	Software and subscription products	Medium
Live demo	Products with a clear "wow" moment	Medium to high
Quote or proposal	Prospects ready to buy	High

Low-commitment offers bring in more leads, but they'll be earlier in their journey and need more nurturing. High-commitment offers bring fewer leads, but they're closer to buying. Many businesses run both: a low-commitment offer on social to build the pipeline, and a high-commitment offer on search to capture people ready to act.

Giving something away to get something back

Some business owners resist offering anything for free. It can feel like giving away the expertise you're trying to sell. But consider what you're actually trading:

- A guide that costs you a few days to write once can generate leads for years
- A free audit takes an hour of your time but shows a prospect exactly how you think
- A discovery call costs you 30 minutes but builds a relationship no ad ever could

The free offer isn't the product. It's the first step in a relationship. Its job is to get the right people into your world so you can show them what you can do.

THE OFFER CHECKLIST

Would you give your email address for it?

Before you launch any campaign, test your offer against these questions:

- ☐ Is it clear within three seconds what they'll get?
- ☐ Is it genuinely valuable to your ideal customer, not just to you?
- ☐ Is it specific? ("Free IT audit" beats "Free consultation")
- ☐ Does it solve a real problem or answer a real question they have?
- ☐ Is the effort to claim it proportionate to what they get?
- ☐ Does it naturally lead to a conversation about your paid service?
- ☐ Would you hand over your own email address for it?

BEFORE YOU SPEND

If you can't tick most of these, fix the offer before you spend money promoting it.

The offer is the top of your funnel

Whatever you offer becomes the entry point to your sales process. And that's the crucial thing to understand: the download, the demo or the trial isn't the goal. It's what happens after someone claims it that turns a lead into a customer. Which brings us to the funnel.

TURN INTEREST INTO REVENUE

Build a funnel that doesn't waste leads

This is the chapter many businesses would rather skip, but it's the one that decides whether your ad spend turns into revenue: there's no point running lead generation if you can't follow up on the leads it brings in.

Every lead you get from an ad has been paid for. If it sits in an inbox for three days, or gets a generic reply a week later, you've wasted that money just as surely as if the ad had never run.

Speed to lead

The quicker you contact a new lead, the better your chance of converting them. That's not a marketing theory, it's common sense backed by every sales team's experience.

When someone fills in a form, they're thinking about their problem right now. They may have filled in two or three competitor forms in the same ten minutes. The business that responds first, while the need is fresh, has a huge advantage. Wait until tomorrow and they've moved on, found someone else, or simply lost interest.

So before you launch any campaign, ask honestly:

- Who will respond to new leads?
- How quickly can they do it during working hours?
- What happens to leads that come in at 9pm on a Friday?
- Is there a clear process, or does it depend on someone remembering?

If you can't answer those confidently, fix your follow-up before you fix your ads.

Build systems, not good intentions

The answer isn't working harder. It's building simple systems so the right thing happens automatically. That could include:

- Instant confirmation emails so every lead hears from you within seconds, even out of hours
- Online booking links so people can book a call straight away without waiting for a reply
- Lead alerts sent to your phone or team chat the moment a form is submitted
- Automated email sequences that nurture leads who aren't ready to talk yet
- A CRM that logs every lead, so nothing falls through the cracks

None of this needs to be complicated or expensive. Many small businesses run perfectly well with a booking tool, an email platform and a basic CRM.

PRACTICAL PLAYBOOKS

Four ways to follow up.

Here are four common B2B scenarios and what a strong follow-up process might look like for each.

Free trial sign-up

- 01 Welcome email with quick-start steps sent instantly
- 02 Day 2: tips on getting the most from the trial
- 03 Day 5: a short case study from a similar business
- 04 Day 6: reminder that the trial ends tomorrow, with an offer to talk
- 05 Day 7: personal follow-up from a real person

Free audit (this is how I do it)

- 01 Prospect books an audit through the website
- 02 I follow up the same day to request the access and information I need
- 03 We agree a time to go through the findings together
- 04 I run the audit and prepare clear, plain-English feedback
- 05 We meet, walk through it, and talk about whether working together makes sense

Ebook or guide download

- 01 Guide delivered instantly by email
- 02 Day 3: a related tip or short article
- 03 Day 7: a case study showing the results you've achieved
- 04 Day 14: a soft invitation to a free call or audit
- 05 Ongoing: monthly newsletter so you stay front of mind

Enquiry form or direct booking

- 01 Instant confirmation that the enquiry has been received
- 02 Alert sent to the person responsible
- 03 Personal response within the hour during working hours
- 04 Call booked, and the lead logged in your CRM with its source

Nurture is where the money is made

Most B2B buyers don't buy on their first contact. They need time to research, compare, get budget approved and convince colleagues. A lead who isn't ready today might be ready in three months, but only if you've stayed in touch.

That's why a funnel isn't just a single form. It's the whole journey from first click to signed contract. Your ads fill the top. Your follow-up and nurture decide how much comes out of the bottom.

FILTERING FOR FIT

Quality over quantity

THE QUESTION TO ASK

Would you rather have 3 great leads this month, or 30 poor ones?

Most business owners answer instantly: three great ones. Yet most ad campaigns are built, measured and reported as if the answer were thirty. Cost per lead becomes the headline number, and the cheaper and more plentiful the leads, the better the campaign is assumed to be.

In B2B, that thinking is dangerous. Thirty poor leads cost you more than the ad spend. They cost time on calls that go nowhere, proposals that are never signed and follow-ups that are never returned. Three great leads might bring in more revenue with a fraction of the effort.

Pre-qualifying leads before they reach you

The good news is you can filter out a lot of poor-fit leads before they ever land in your inbox. The tool for this is your form.

There are two main ways to capture leads from ads:

In-platform forms

Meta and LinkedIn both let people fill in a form without leaving the app. Their name and email are often pre-filled from their profile, so it takes seconds. Whatever you're offering, such as a guide, is then sent straight to their inbox.

Pros: very easy to complete, so more leads and lower cost per lead

Cons: so easy that people sometimes submit without much thought, which can lower quality

Website forms

Your ad sends people to a page on your own site, where they complete a form there.

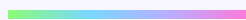
Pros: they see more of your business first, and you have full control of the experience

Cons: more effort for the user, so fewer leads, but usually more considered ones

Whichever you use, the form itself can do the qualifying.

BUILDING A "FAILABLE" FORM

Make it easy to spot a fit.



Why a harder form can be a better form

Conventional wisdom says forms should be as short and easy as possible. For volume, that's true. But if your goal is quality, a slightly harder form, or even one someone can "fail", can be a real advantage.

Yes, you might lose a few people. You might spend a little ad money on clicks that never convert. But the people who do complete the form have shown real intent, and have told you enough to know they're a good fit. When you or your sales team follow up, the conversation is far more likely to go somewhere.

Building a "failable" form

A failable form asks a few qualifying questions, often in steps, and routes people who don't fit somewhere more useful. Here are two examples.

Example 1: company type

Question: Are you a private limited company?

- Yes - continue to the next question
- No - show a friendly page: "Thanks for your interest. Our service is designed for limited companies, so we might not be the best fit right now. Here are some resources you might find helpful instead."

Example 2: budget

Question: What's your approximate monthly budget for this?

- At or above your minimum - continue to book a call
- Below your minimum - show a friendly page pointing them to a free guide, a lower-cost option or a trusted partner

Notice the tone. You're not slamming the door. You're being honest early, which respects their time as well as yours. Some of those people will come back when they're bigger or better funded, and they'll remember you were straight with them.

GOOD QUALIFYING QUESTIONS FOR B2B

Ask what changes the conversation.

Pick two or three that genuinely separate good leads from poor ones in your business:

- ☐ Company size (employees or turnover)
- ☐ Industry or sector
- ☐ Job role or decision-making authority
- ☐ Budget range
- ☐ Timescale ("When are you looking to start?")
- ☐ Location or service area
- ☐ Current situation ("Do you already use a provider for this?")
- ☐ The specific problem they need solved

PICK TWO OR THREE THAT MATTER

Don't ask more than you need. Every extra question costs you some completions. The aim is to ask only the questions that genuinely change whether you want to speak to someone.

My qualifying questions

01

02

03

GIVE IT SOMETHING WORTH LEARNING

Teach the algorithm to find better leads

There's a bonus to focusing on lead quality that most people don't realise: it makes your ads perform better over time.

How ad platforms learn

Modern ad platforms use automated bidding. Instead of you setting a price for every click, you tell the platform what result you want, such as a form submission, and it works out who to show your ad to and how much to bid.

To do that, the platform watches what happens after people click. It looks for patterns in the people who convert: what they searched for, what time of day it was, what device they used, what their profile looks like and hundreds of other signals. Then it goes looking for more people who match.

HOW IT LEARNS

In simple terms: the platform tries to find more people like the ones who converted before.

The learning phase

When you launch a new campaign, or make a big change to one, the platform enters what's often called a learning phase. During this time it's experimenting, testing different audiences and placements to see what works.

Performance during the learning phase is often uneven. Costs may be higher and results less predictable. That's normal. The worst thing you can do is panic and make lots of changes, because each big change can restart the learning.

As a rough guide, give a new campaign a few weeks before judging it, and longer if your lead volumes are low. The more conversions it gets, the faster it learns.

CLOSE THE FEEDBACK LOOP

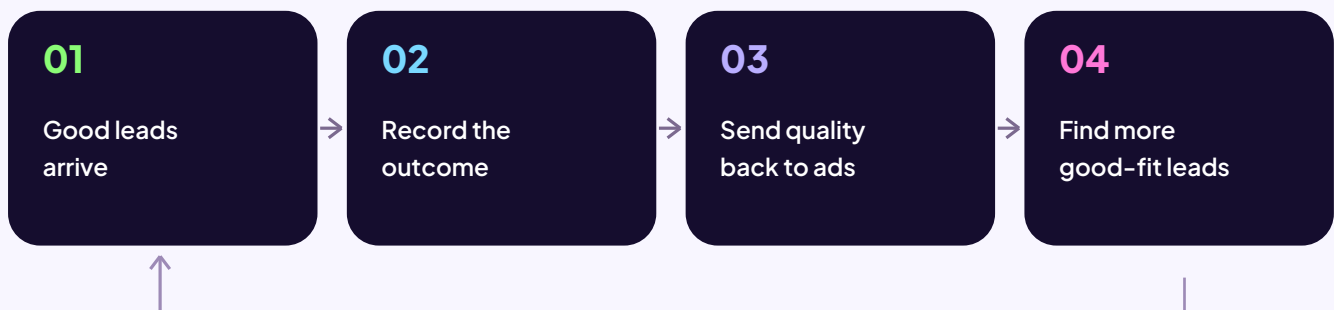
Better signals. Better prospects.

Here's the catch. The platform only knows what you tell it. If every form submission counts as a success, it will happily go and find more people who fill in forms, including students, competitors, job seekers and time-wasters.

If you feed it better signals, it finds better people. That can mean:

- Counting only qualified leads as conversions, for example people who passed your qualifying questions
- Sending data back from your CRM, so the platform knows which leads became sales opportunities or customers
- Giving conversions a value, so a £20,000 contract counts for more than a £500 one

Google Ads, Microsoft Ads, Meta and LinkedIn all offer ways to import this kind of offline conversion data. Setting it up takes some technical work, but it's one of the most powerful improvements you can make.



The loop looks like this: good leads come in, you tell the platform which ones were good, the platform learns what a good lead looks like, and it finds more of them. Over time, your cost per quality lead falls, even if your cost per lead stays the same.

THE PERSON BEHIND THE CONVERSION

Names, not just numbers

This is the heart of the guide, and the part I'm most passionate about.

Most ad reporting stops at numbers: clicks, impressions, leads, cost per lead. Those numbers matter, but they only tell you what happened inside the ad platform. They don't tell you what happened inside your business.

The businesses that get real value from advertising close that gap. They know the actual names of the people who came in through their ads, and what happened to each of them.

The questions numbers can't answer

If your reporting only shows numbers, you can't answer questions like:

- Which of last month's 30 leads were genuinely a good fit?
- Which campaign brought in the customer who signed a £15,000 contract?
- Do LinkedIn leads close better than Google leads?
- Which keywords bring in tyre-kickers, and which bring in buyers?
- How long does it take an ad lead to become a customer?

Without those answers, every decision about your budget is a guess.

Step 1: track every lead to its source

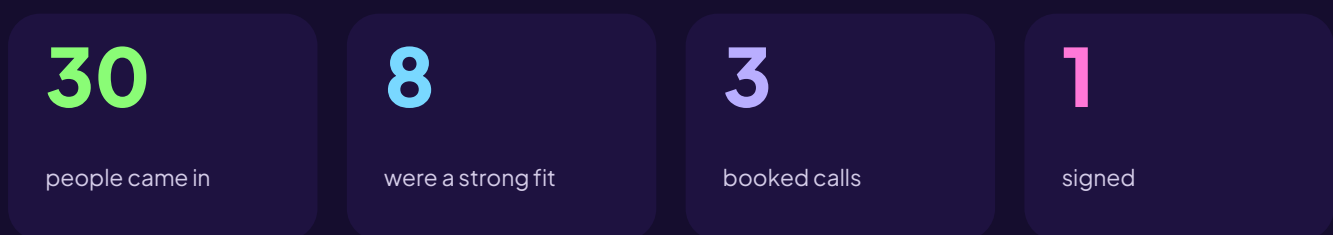
The foundation is knowing where every lead came from. That means capturing the source, such as Google Ads, LinkedIn, organic search or a referral, alongside the lead's details, and storing it in the same place you manage your sales.

If you already use a CRM (customer relationship management system, such as HubSpot, Pipedrive, Salesforce or Zoho), it can usually do this. Your website forms pass hidden tracking details, such as the campaign and keyword, into the CRM along with the person's name and email. If you don't use a CRM, even a well-kept spreadsheet is a start, but a CRM makes it far easier.

Follow every lead to its outcome.

Step 2: share names, not just totals

Once sources are tracked, reporting changes completely. Instead of "you got 30 leads", the conversation becomes:



That's the one-to-one relationship I aim for with every client. I don't just send a report and disappear for a month. We go through the actual leads together, talk about the quality, and use that feedback to sharpen the campaigns.

Step 3: track phone calls too

In many B2B industries, a large share of enquiries come in by phone. That's great, because a phone call is often a strong buying signal. But if you're not tracking calls, those leads are invisible in your ad reporting. A campaign might look like it's failing when it's actually driving your best customers by phone.

Call tracking solves this. Tools such as CallRail, which I use a lot, show a unique phone number to people who arrive from your ads. When they call it, the tool records:

- Which campaign, ad and keyword led to the call
- When the call happened and how long it lasted
- A full recording of the call, so you can judge its quality

That data can then flow into your CRM alongside form leads, and back into the ad platforms as a conversion. Suddenly your phone leads count, and the algorithm can learn from them too.

Bringing it together

With source tracking, a CRM and call tracking in place, every lead has a name, a source and a story. You can follow each one from the moment they clicked an ad through to the moment they became a customer, or didn't.

That's what makes the next step possible: calculating a real return.

DID THE ADVERTISING MAKE MONEY?

Calculating real ROI

Once you can follow leads through to customers, you can finally answer the question that matters: did the advertising make money?

You don't need to be a finance expert. You need four numbers and a bit of patience.

The four numbers you need

Number	What it means	Where it comes from
Total cost	Ad spend plus any management fees	Ad platforms and invoices
Customers won	Leads from ads who became paying customers	Your CRM
Average customer value	What a typical customer spends with you over time	Your sales and accounts records
Gross margin	The share of that revenue you keep after delivery costs	Your accounts

Customer acquisition cost (CAC)

CAC is how much it costs, on average, to win one customer through your ads.

$$\text{CAC} = \frac{\text{Total advertising cost}}{\text{Number of customers won}}$$

This is far more useful than cost per lead, because it accounts for lead quality. A campaign with a £30 cost per lead that never produces customers has an infinite CAC. A campaign with a £150 cost per lead that converts well might have a very healthy one.

LIFETIME VALUE

Look beyond the first invoice.

LTV is how much a typical customer is worth to you over the whole relationship, not just their first invoice. For a one-off project, that's the project value plus any repeat work. For a retainer or subscription, it's the monthly value multiplied by how long customers typically stay.

LTV / GROSS PROFIT BASIS

Average monthly revenue × average months retained × gross margin

Using gross profit rather than revenue gives you an honest picture, because it accounts for what it costs you to deliver the work.

The LTV to CAC ratio

Comparing the two tells you whether your advertising is worth it.

Below 1:1 – each customer costs more to win than they're worth. Something needs to change.

Around 1:1 – you're breaking even on each customer over their lifetime.

3:1 or above – often quoted as a healthy target: each £1 spent winning a customer returns about £3 in profit over time.

The right target depends on your business, your cash flow and how fast you want to grow, but the ratio gives you a clear way to compare campaigns and platforms on what really matters.

LIFETIME VALUE AND THE SALES CYCLE

Give revenue time to catch up.

Why a short-term loss can be fine

This is where thinking in lifetime value changes decisions. Suppose winning a customer costs £2,000 and their first month only brings in £400 of revenue. On a first-month view, that looks like a terrible deal. But if that customer typically stays for two years, the picture is completely different.

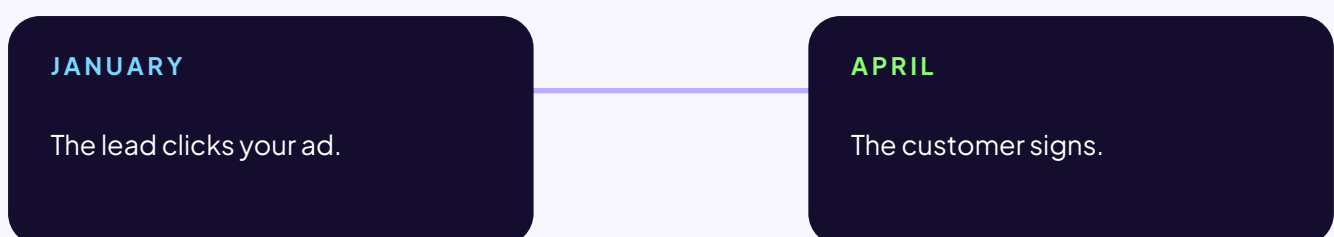
Knowing your LTV lets you accept a short-term loss on acquisition with confidence, because you know it pays back. It's also how you decide how much you can afford to spend to win a customer.

Allow for the time lag

B2B sales take time. A lead who clicks an ad in January might not sign until April. If you judge January's campaign on January's sales, it'll look worse than it is.

The fix is to track how long leads typically take to convert, then back-date the revenue to the month and campaign that generated the lead. That way, each campaign gets credit for the customers it actually produced, and you're comparing like with like.

AN ILLUSTRATION OF THE B2B TIME LAG



CHAPTER 08 / A WORKED EXAMPLE

From spend to a measurable return.

Here's an illustrative example for a B2B service business selling a monthly retainer. The numbers are made up to show the method, not a promise of results.

£1,500

monthly ad spend

£500

monthly management

£12,000

total cost / six months

THE RESULTS / TRACKED THROUGH THE CRM

60

leads / 10 a month

24

qualified leads

6

new customers

£200 per lead. The final customer signed in month eight.

THE CUSTOMER VALUE

£400

average monthly retainer

24

average months retained

60%

gross margin

A WORKED EXAMPLE / THE CALCULATION

What the numbers really say.

Measure	Calculation	Result
CAC	$\pounds 12,000 \div 6 \text{ customers}$	$\pounds 2,000$
Lifetime revenue per customer	$\pounds 400 \times 24 \text{ months}$	$\pounds 9,600$
Lifetime gross profit per customer (LTV)	$\pounds 9,600 \times 60\%$	$\pounds 5,760$
LTV to CAC ratio	$\pounds 5,760 \div \pounds 2,000$	2.9 : 1
Payback period	$\pounds 2,000 \div (\pounds 400 \times 60\%) \text{ a month}$	About 8.3 months
Total lifetime gross profit (6 customers)	$\pounds 5,760 \times 6$	$\pounds 34,560$
Return on investment	$(\pounds 34,560 - \pounds 12,000) \div \pounds 12,000$	188%

188%

Illustrative lifetime ROI

$\pounds 34,560$ lifetime gross profit less $\pounds 12,000$ acquisition cost, divided by $\pounds 12,000$.

On a cost-per-lead view, $\pounds 200$ a lead might have looked expensive, and the agency might have been told to bring it down. On a names-and-value view, every $\pounds 1$ spent is returning almost $\pounds 3$ in gross profit, and the business should probably be spending more.

NAMES AND VALUE

That's the difference between reporting numbers and reporting a return.

SET REALISTIC EXPECTATIONS

Budgets and timelines

"How much should I spend?" is the question I'm asked most often. The honest answer is that it depends, but that doesn't mean it's a mystery. Here's how to think about it.

You don't need a huge budget

There's no minimum spend that suddenly makes advertising work. What you need is enough budget to generate meaningful data on the platform you choose, a clear offer, and a way to convert the people who respond.

A local B2B service business targeting a few specific searches can run a perfectly effective Google Ads campaign on a modest budget. A business targeting senior decision makers nationally on LinkedIn will need more, simply because the clicks cost more.

Work backwards from what a customer is worth

The smartest way to set a budget is to work backwards from your numbers:

- 01 What's a customer worth? Use the lifetime value from Chapter 8.
- 02 What can you afford to pay to win one? If a customer is worth £6,000 in gross profit, you might be happy paying up to £2,000 to win them.
- 03 What's your likely conversion rate? If roughly 1 in 10 leads becomes a customer, you can afford up to £200 per lead.
- 04 How many customers do you want? Multiply your target CAC by your target number of new customers.

That gives you a budget grounded in your business, not a figure plucked from the air. If you don't know your conversion rates yet, start with a sensible test budget and use the first few months to find out.

WHAT TO EXPECT, AND WHEN

Give the process time to work.

Every account is different, but most new B2B campaigns follow a similar pattern:

Phase	Typical timing	What's happening	What to judge it on
Setup	Weeks 1 to 2	Tracking, landing pages, forms, campaign build	Is everything tracking correctly?
Learning	Weeks 2 to 8	Platforms test and learn, early leads arrive	Lead volume, relevance, early quality
Optimising	Months 2 to 4	Cutting waste, refining targeting and messaging	Cost per qualified lead, sales feedback
Proving	Months 3 to 6+	Leads progress through the sales cycle	Customers won, CAC, LTV to CAC
Scaling	Once proven	Increasing budget on what works	Return holds as spend grows

The exact timings depend on your sales cycle. If deals typically take three months to close, you won't see the full return of month one's spend until month four at the earliest.

Common reasons campaigns fail

In my experience, B2B campaigns rarely fail because of the platform. They usually fail because of one of these:

- A weak offer - nothing compelling enough to make people act
- Slow or no follow-up - leads go cold before anyone contacts them
- Poor landing pages - the click arrives somewhere confusing, slow or generic
- Broken tracking - nobody can tell what's working, so decisions are guesses
- Judging too early - campaigns switched off mid-learning, before they've had a chance
- Chasing cheap leads - optimising for volume instead of quality
- No feedback loop - sales outcomes never make it back to whoever runs the ads

Notice how many of those have nothing to do with the ads themselves. That's why the whole funnel matters.

CHOOSE A PARTNER WHO THINKS IN NAMES

Questions to ask any agency or freelancer

Whether you hire me or someone else, these questions will quickly tell you whether a potential partner thinks in names or just numbers. Good answers should be clear, specific and free of jargon.

About results

How will you measure success beyond cost per lead?

Look for talk of qualified leads, customers and return, not just lead volume.

Can you show me how you've tracked leads through to sales for other clients?

A real example beats a promise.

How will you know which of my leads are good quality?

They should want feedback from you and a way to capture it.

About tracking

What tracking will you set up before launching?

Expect conversion tracking, form tracking and ideally call tracking.

Can you connect the ad data to my CRM?

If you have a CRM, a good partner will want to use it.

How will phone enquiries be counted?

"We don't track calls" can mean a big chunk of your results goes unseen.

ASK BEFORE YOU HIRE

Ownership. Clarity. A proper conversation.



About ownership and transparency

Who owns the ad accounts? You should. If you part ways, you keep the accounts and all their history.

Will I be able to see my ad spend separately from your fees? You should know exactly what goes to the platforms and what goes to the agency.

What's the notice period? Long lock-in contracts can be a warning sign.

About communication

What will your reporting look like, and how often? Ask for an example report.

Will we go through the actual leads together? This is the names-not-numbers test.

Who will actually be working on my account? In some agencies, the person who sells to you isn't the person who does the work.

Red flags to watch for

- Guaranteed results or guaranteed rankings
- Reporting that only covers clicks, impressions and cost per lead
- No interest in what happens to leads after they arrive
- Reluctance to give you ownership of your ad accounts
- Heavy jargon with no plain-English explanation
- Pressure to commit to a big budget before you've seen any proof

FROM READING TO DOING

Your 30-day action plan

Reading about it is the easy part. Here's a practical plan to get from reading this guide to a campaign that can prove its return. Work through it in order, and tick things off as you go.

Week 1: know your numbers

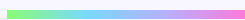
- ☐ Write down what a typical customer is worth over their lifetime
- ☐ Work out your gross margin on that work
- ☐ Estimate how many leads it usually takes to win one customer
- ☐ Decide the maximum you'd be happy to pay to win a customer
- ☐ Describe your ideal customer: size, sector, role, location, budget

Week 2: build your offer and funnel

- ☐ Choose an offer that's genuinely valuable to your ideal customer
- ☐ Test it against the offer checklist in Chapter 3
- ☐ Create or improve the landing page for that offer
- ☐ Add two or three qualifying questions to your form
- ☐ Set up an instant confirmation email for every new lead
- ☐ Decide who follows up on leads, and how quickly

YOUR 30-DAY ACTION PLAN / CONTINUED

Launch with the right foundations.



Week 3: set up tracking

- ☐ Make sure form submissions are tracked as conversions
- ☐ Capture each lead's source in your CRM or lead spreadsheet
- ☐ Set up call tracking if phone enquiries matter to you
- ☐ Test every form and phone number end to end
- ☐ Agree how you'll record lead quality and sales outcomes

Week 4: launch and listen

- ☐ Choose one or two platforms using the guidance in Chapter 2
- ☐ Launch with a sensible test budget
- ☐ Follow up on every lead quickly, and log the result
- ☐ Review the actual leads, by name, at the end of the week
- ☐ Resist making big changes during the learning phase

Every month after that

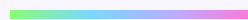
- ☐ Review leads by name: who was a good fit and who wasn't
- ☐ Update which leads became opportunities and customers
- ☐ Calculate CAC and compare it with your target
- ☐ Feed quality data back to the ad platforms where you can
- ☐ Move budget towards the campaigns producing customers, not just leads

REFERENCE / A TO K

The plain-English glossary.

Automated bidding	The ad platform sets your bids for you, aiming for the result you choose
CAC (customer acquisition cost)	The average cost of winning one new customer
Call tracking	Technology that shows which ad or keyword led to a phone call
Conversion	An action you count as a success, such as a form submission or call
Conversion rate	The percentage of people who take that action
Cost per click (CPC)	What you pay each time someone clicks your ad
Cost per lead (CPL)	Total ad cost divided by the number of leads
CRM	Customer relationship management system: software for tracking leads and customers
Funnel	The journey from first seeing your ad to becoming a customer
Gross margin	The share of revenue left after the direct cost of delivering the work
ICP (ideal customer profile)	A description of the type of customer you most want to win
In-platform lead form	A form filled in inside Meta or LinkedIn, without visiting your website
Keyword	A word or phrase you want your search ad to appear for

The plain-English glossary.



Landing page	The web page someone arrives on after clicking your ad
Lead	A person who has shown interest by sharing their details
Learning phase	The early period when an ad platform tests and learns what works
LTV (lifetime value)	The total profit a customer brings over the whole relationship
Nurture	Staying in touch with leads who aren't ready to buy yet
Offline conversion import	Sending sales outcomes from your CRM back to the ad platform
Payback period	How long it takes a customer's profit to cover the cost of winning them
Pull channel	Advertising that responds to people already searching, like Google Ads
Push channel	Advertising that reaches people based on who they are, like LinkedIn Ads
Qualified lead	A lead that matches your ideal customer and is worth following up
Retargeting	Showing ads to people who have already visited your website
ROI (return on investment)	How much you get back compared with what you spent

YOUR NEXT STEP

Let's talk.

If this guide has got you thinking about your own advertising, I'd love to help. There are two easy ways to start.

Never run ads before? Book a free discovery call

That's completely fine, and there's no need to shy away from it. There's no huge budget you need to commit to. The right approach depends on your business, who you want to reach and what you want to achieve. As long as you have a decent offer and a way to turn interest into enquiries, there's a solution in there for you.

In a free, no-obligation discovery call, we'll talk through your business, your customers and your goals, and I'll give you an honest view of whether paid ads make sense for you right now.

[Book a free discovery call](#)



Already running ads? Get a free audit

If you're running ads but you're not sure they're working as well as they could, I'll take a look. I'll review your accounts, your tracking and your funnel, then we'll go through what I find together, in plain English.

[Get a free audit](#)



Jamie Edwardson

Founding Director, The Paid Media Company

thepaidmediacompany.co.uk

jamie@thepaidmediacompany.co.uk