



# Google Ads Industry Benchmarks Data You Must See

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# How do your Google Ads metrics compare?

Each month, thousands of people worldwide ask Google:

- “What is a good click-through rate (CTR)?”
- “What is a good cost per click (CPC)?”
- “What is the average conversion rate (CVR) for my industry?”
- “What is the average cost per action (CPA) in Google Ads?”

Digital marketers crave these answers because knowing essential pay-per-click (PPC) metrics, industry benchmarks, and—most importantly—how to interpret them allows advertisers and agencies to understand their success relative to competitors.

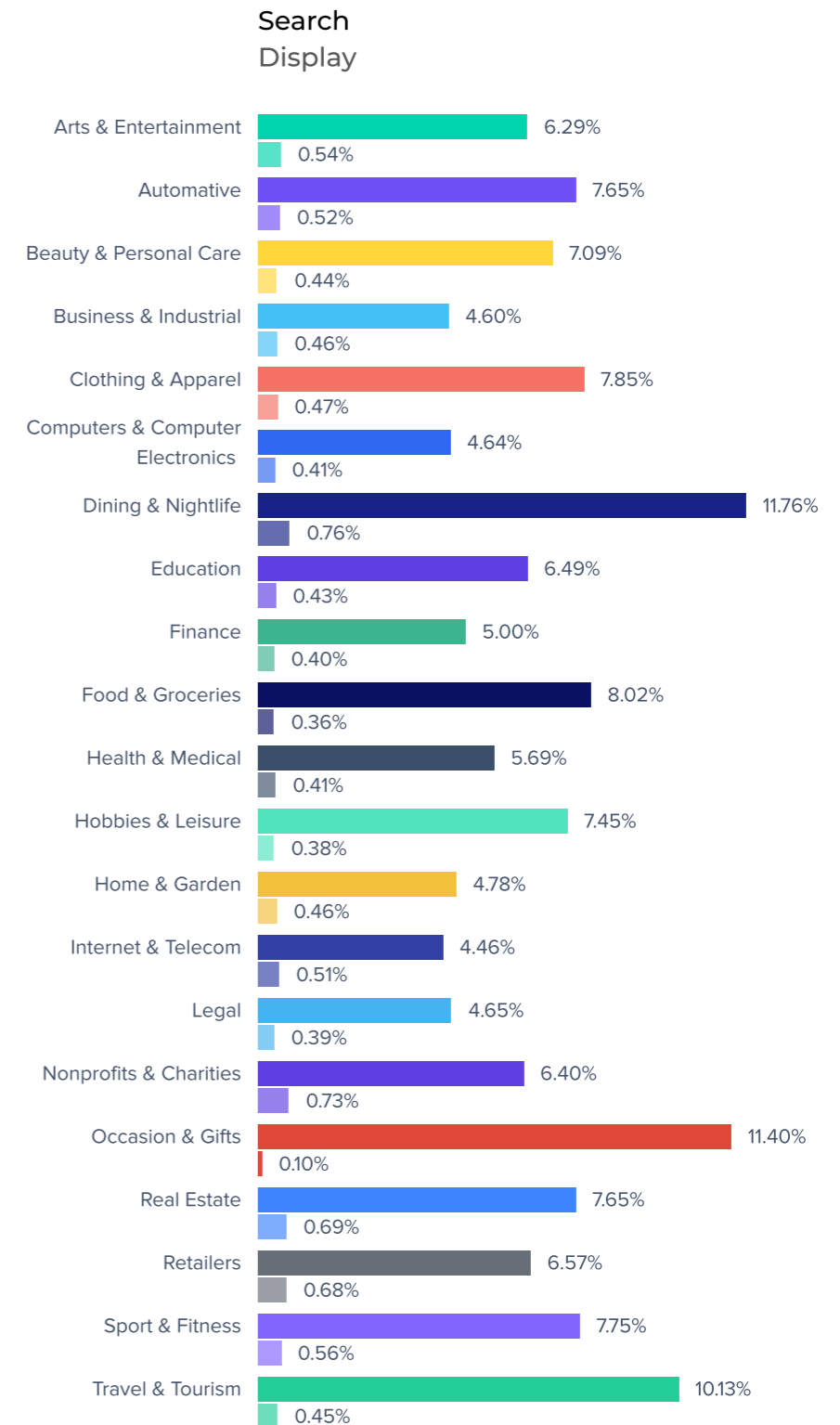
There are two main components to consider for Google Ads, and in online advertising in general: Display and Search. While they often work together to drive awareness and conversions, it's crucial to understand and measure each one accurately. Let's take a look at the Google Ads benchmarks from 2020, based on a sample of accounts advertising on Google's Search and Display Networks.

## Google Ads average click-through rate (CTR)

Showing up on the first search engine results pages (SERPs) is one of the best ways to direct potential customers to your products and services, especially for companies that need to build brand recognition and get in front of visitors in highly competitive searches. And paid campaigns are a great way to do that.

Overall, CTRs have increased during the COVID-19 pandemic, when many more people are working, going to school, and shopping online. **The Google Ads average CTR for Search campaigns across all industries was 5.9%**, with a peak of 11.76% for the dining & nightlife industry, and a low of 4.46% for internet & telecom.

Other industries with high Search CTRs include occasions & gifts (11.4%) and travel & tourism (10.13%)—which may, unfortunately, have as much to do with people canceling travel as dreaming of faraway places—and food & groceries (8.02%), which have exploded into the e-commerce scene in the past year. On the low end, we see business & industrial (4.6%), computers & consumer electronics (4.64%), and legal (4.65%).



Since Google Display Network ads operate very differently than paid search, even though both are part of the Google Ads interface, it's no surprise that the difference between the average CTR on Search and GDN was drastic in some industries (the *highest* Display Network average didn't even reach the *lowest* Search Network average).

**The Google Ads average CTR across all industries on the Display Network was only 0.46%**, with dining & nightlife having a high of 0.76%, and occasions & gifts with the lowest at 0.10%. It's also interesting to note that while the average CTR for search ads increased over previous years, the average CTR for display ads decreased.

## CTR: What does the data tell us?

Many factors impact your CTR—including your offer, ad copy, CTAs, and ad extensions—but one of the most crucial, and often overlooked, is audience targeting. Consider this: You show interest in an agency's PPC services, but they continuously send you information on their SEO resources. You're probably going to ignore their ads no matter how persuasive the copy and creative are, since it's not the product or service you need.

If your CTR is suffering, it could mean your targeting is off and you're not choosing the right keywords or stage in the marketing funnel. It could also mean you need to get more specific and use segmented marketing campaigns.

[Google Ads Smart Bidding](#) can help with this by tracking all visible and hidden user behavior signals from every search and click, cross-referencing those signals with performance data, then increasing or decreasing bids to meet your selected target. Ultimately, this machine learning process helps increase CTR because the dynamic, data-driven approach can:

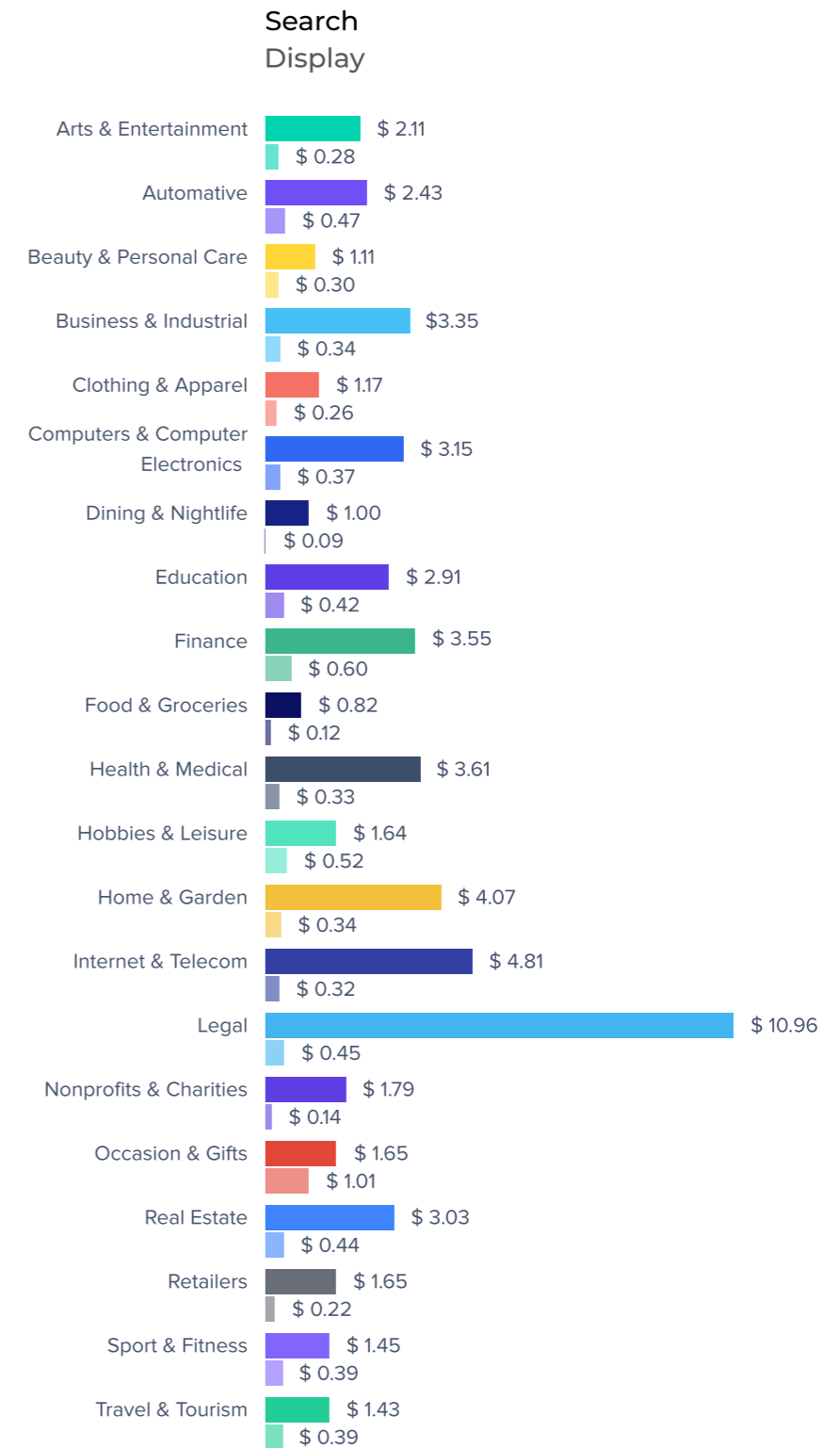
- Track minute, yet significant, variations in user behavior
- Cross-reference that with performance data, such as historical click and conversion rates
- Increase or decrease bids automatically to meet your selected target

## Google Ads average cost per click (CPC)

The Google Ads average cost per click across all industries was **\$2.76** for Search and **\$0.41** for Display.

Looking at the data, we can see that one significant outlier on the Search Network—the legal industry—is impacting the average CPC, with ad clicks rising to \$10.96 per click. It's worth noting that many industries are paying less for their clicks, including food & groceries (\$0.82), dining & nightlife (\$1.00), and beauty & personal care (\$1.11).

On the Display Network, the average CPC was \$0.41, with occasions & gifts holding the highest average at \$1.01. However, most industries had relatively inexpensive CPCs on the GDN: clothing & apparel, dining & nightlife, food & groceries, and retailers all fell below \$0.30 per click.



## CPC: What does the data tell us?

CPC is a critical measurement of your PPC campaigns' financial success. However, the quality of traffic you're getting for that investment also determines your ROI. Use these two main ways to identify and target inexpensive, valuable clicks.

1. **Increase your Quality Score**: Accounts with scores of 6 or higher get a 16 to 50% decrease in CPC, whereas accounts with a score of 4 or lower see an increase of 25 to 400%.
2. **Expand and refine keywords**: Using relevant keywords helps the right prospects find you at the right moment in their customer journey, which increases conversions while simultaneously eliminating irrelevant or overpriced clicks. Don't forget that you can also use negative keywords to help reduce your average CPC by filtering out traffic from searchers that are unlikely to convert.

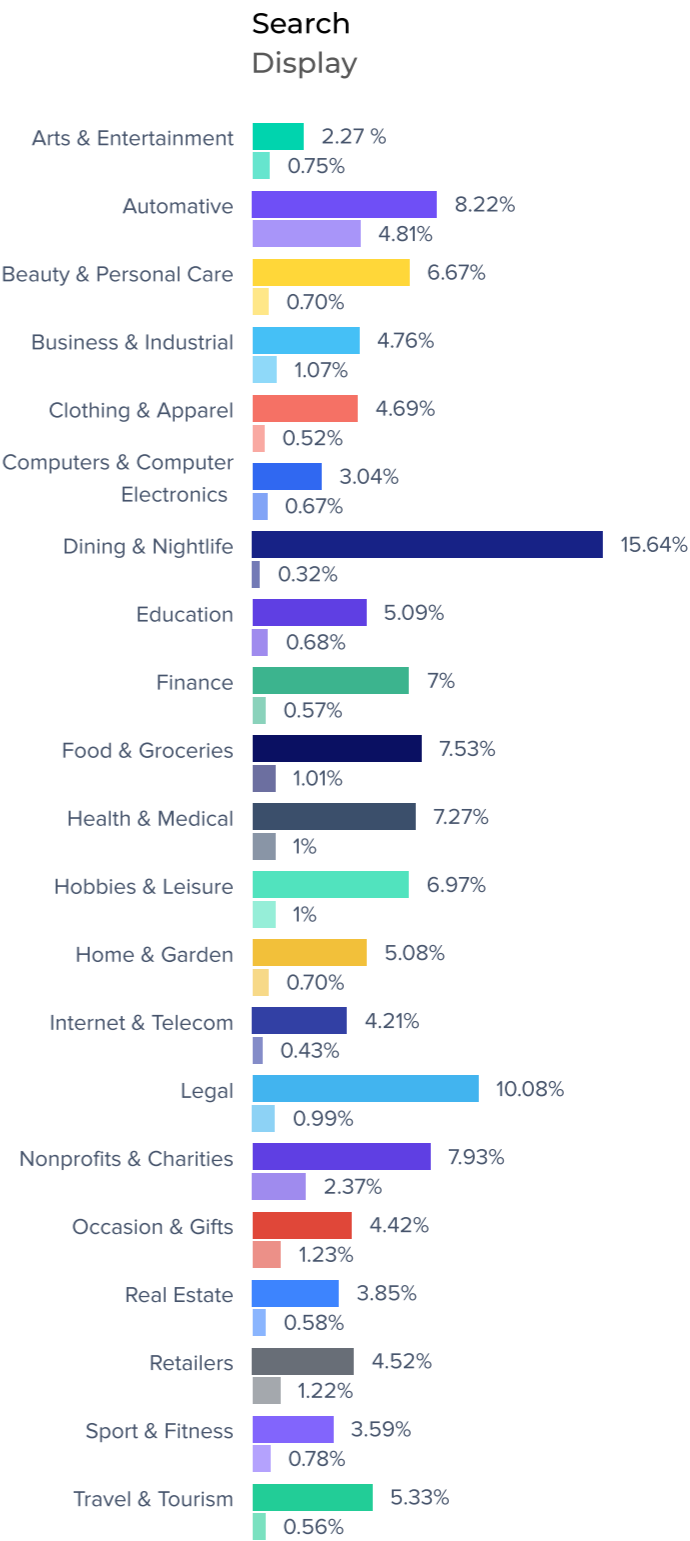


# Google Ads average conversion rate (CVR)

Conversion rate by industry showed a wide range with extreme highs and lows, similar to CPC. While **the average across all industries was 5.63% for Search and 0.93% for Display**, you will have a more accurate sense of how well your campaigns are doing if you look at your specific industry.

For example, while a majority of the industries fall below 6% on the Search Network, legal has a conversion rate almost twice the average (10.08%), and dining & nightlife is significantly higher (15.64%).

Overall, the Display Network has much lower conversion rates, ranging from 4.81% for automotive and 2.37% for nonprofits & charities to only 0.32% for dining & nightlife.



## CVR: What does the data tell us?

Search and Display conversion rates increased from 2019 to 2020, so even though Display rates are much lower than their Search counterparts, Display conversion rates gained a lot of the ground lost in previous years.

With global internet use up 7.3% from 2020 to 2021 and an average of almost seven hours per day spent online, it's easy to see why digital advertising is more relevant than ever. And, as ads are reaching more people, ad costs are rising as well.

Now, more than ever, it's crucial to harness conversion optimization techniques like [post-click automation](#).



5.63%

Average PPC  
Conversion Rate

TO



15.40%

Average Instapage  
Conversion Rate

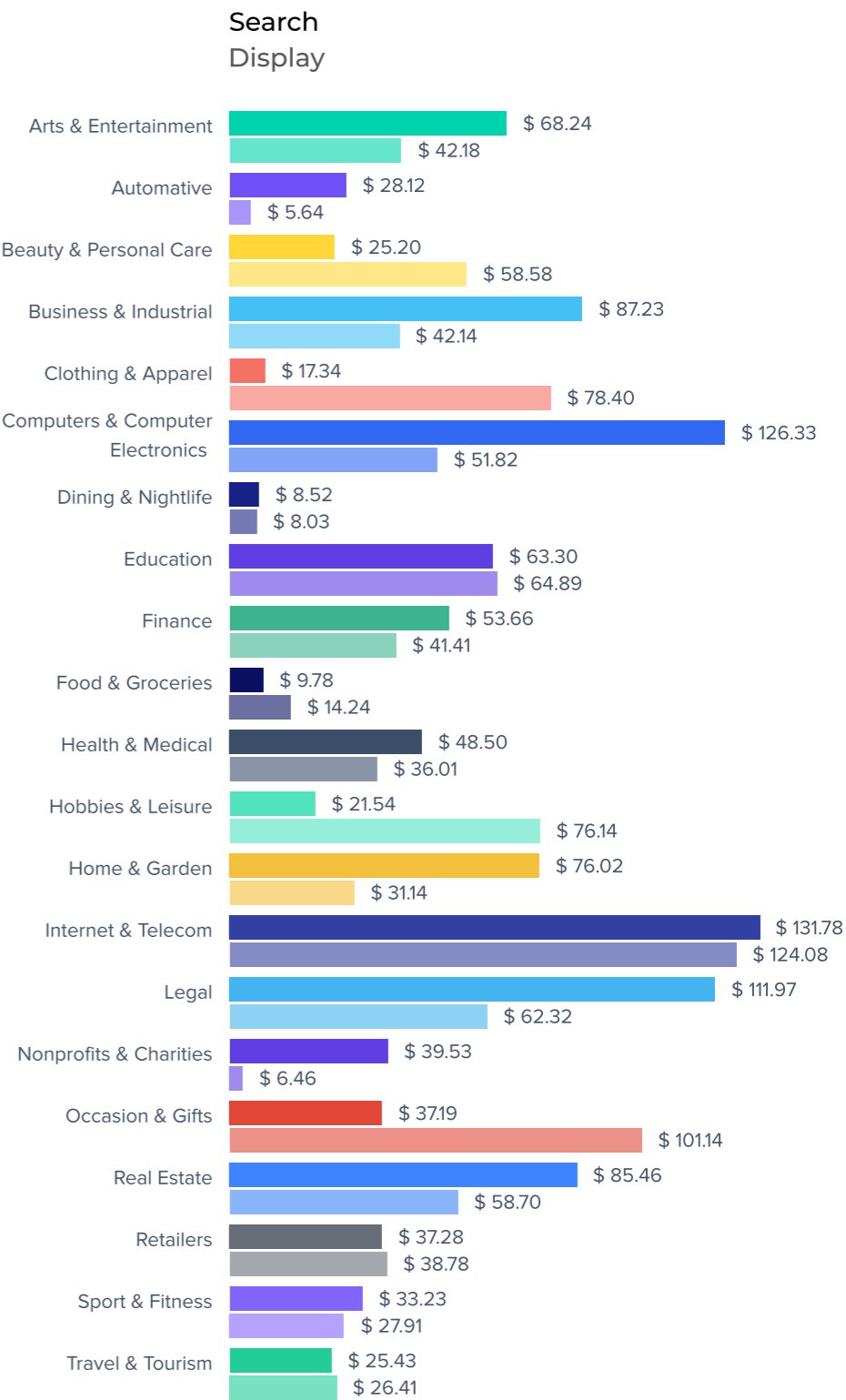
Instapage customers, for instance, enjoy about 4x higher conversion rates than the industry average, mainly due to optimizing the post-click landing page experience.

# Google Ads average cost per action (CPA)

The average CPA in Google Ads across all industries is **\$51.50** for Search and **\$47.81** for Display. Several industries face average CPAs over \$100.

Internet & telecom have the highest cost at \$131.78 for Search and \$124.08 for Display, followed by computer & consumer electronics for Search (\$126.33) and occasions & gifts for Display (\$101.14).

Meanwhile, dining & nightlife shows a significantly lower CPA on Search (\$8.52). Automotive (\$5.64), nonprofits & charities (\$6.46), and dining & nightlife (\$8.03) had the lowest averages for Display.



## CPA: What does the data tell us?

Looking at all these Google Ads benchmarks, we can see that Search averages are consistently higher than Display. Why is there such a discrepancy between Search and Display rates?

The answer is intent. Users have higher intent on the Search Network because they are actively conducting searches based on specific keywords related to their needs.

Users on the Display Network are passive searchers. They may be seeing your content on their browser sidebar or in an app, banner ad, or their Gmail inbox. You can choose from different targeting options on Google—from audience characteristics to managed placement on specific sites.

However, since visitors are not actively searching for related products, services, or brands, the intent will always be lower on Display, which leads to lower click-through and conversion rates. While it's valuable to measure Display ads' effectiveness, these campaigns typically aim to increase brand awareness more than driving conversions at the decision stage.



## What's next?

Knowing the Google Ads benchmarks is essential for understanding how your metrics compare. If your numbers don't compare favorably—or at least keep pace with your industry's average—there's an opportunity for improvement.

Optimize your [pre-click experience](#) with relevant keywords, images, offers, ads, etc., and increase the relevance of your post-click landing pages to improve all your campaign metrics. See how you can achieve this at scale with an [Instapage demo](#).





# Pair these marketing trends with a fully optimized post-click landing page

With global digital ad spend expected to reach \$579 billion in 2021, it's imperative that you stay on top of each trend—shifting toward new mediums and investing in advanced technologies. That includes creating personalized and optimized post-click landing pages, which deliver higher conversion rates at a lower cost. Request an [Instapage Converting Plan Demo](#) today to see the world's first Post-Click Automation solution in action.

[GET AN INSTAPAGE DEMO](#)