The KPI Job Aid

Speaking KPI · Paid search · Keep this open during meetings and report reviews

NORTHFOLD

1 · THE MARKETING FUNNEL

Top: awareness
People see your ad. "Top of the funnel."

Middle: consideration
People click and compare. "Mid-funnel."

Bottom: conversion
People buy. "Bottom of the funnel."

2 · THE FIVE METRICS

METRIC	WHAT IT MEANS	FUNNEL	YOU MIGHT HEAR
Impressions	Times your ad was shown. One person can see it more than once.	Top	*"How many people saw it?"*
Clicks	Times people clicked your ad.	Middle	*"Are people interested?"*
Cost	Ad spend only, not product costs.	Whole funnel	*"How much did we spend?"*
Conversions	People who did what you wanted, like buying.	Bottom	*"How many people bought?"*
Revenue	Money from conversions. Not profit.	Bottom	*"How much did we make?"*

3 · THE KPIS

KPI	FORMULA	WHAT IT TELLS YOU	HIGH PERFORMING	YOU MIGHT HEAR
CTR Click-through rate	**Clicks ÷ Impressions**	Whether your ad is catching interest.	↑ **Higher is better**	*"Are people interested in our ads?"*
CPC Cost per click	**Cost ÷ Clicks**	What you pay for each click.	↓ **Lower is better**	*"Are we paying a lot just to get people to the site?"*
CPM Cost per 1,000 impressions	**Cost ÷ Impressions × 1,000**	What it costs to get your ad seen.	↓ **Lower is better**	*"What does it cost to get in front of people?"*
CPA Cost per acquisition	**Cost ÷ Conversions**	What you pay, on average, to win one customer.	↓ **Lower is better**	*"How much are we paying to get a customer?"*
ROAS Return on ad spend	**Revenue ÷ Ad spend**	How much revenue each ad dollar brings back.	↑ **Higher is better**	*"For every dollar we spend, how much are we getting back?"*

4 · BEFORE YOU CALL IT HIGH OR LOW PERFORMING

Ask "compared to what?"
A KPI only means something next to a benchmark, the account's past results, or the team's goal. Google search ads average about 6.6% CTR; social ads are much lower.

Watch the direction
Higher is better for CTR and ROAS. Lower is better for CPC, CPM, and CPA.

Cheap isn't always high performing
The lowest CPC can still lose money. Check CPA and ROAS before you recommend an ad.

Revenue isn't profit
Cost means ad spend only, and revenue doesn't subtract product costs. A ROAS below 1 means the ads cost more than they brought in.

Speaking KPI, a concept project by Diane Nguyen. Northfold is fictional.

CTR benchmark: WordStream and LocaliQ, 2026 Google Ads benchmarks.