The performance marketing efficiency guide

A proven system for profitable growth – from commercial strategy to platform execution

propel

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Introduction:
Why efficiency matters now

Genuine marketing efficiency will drive profitable growth in 2026

So you want your marketing to perform more efficiently in 2026? Well, look no further. In this guide we'll go through every step needed to get those campaigns ticking along.

We aren't going to preach to you. We aren't going to point out how you've been getting your PPC strategy all wrong and we certainly aren't going to claim to have all the answers. That's not how we do things at Propel.

Instead, we're going to share what we've learned from managing highly successful paid campaigns over many years: the single biggest factor that separates profitable growth from expensive activity is, drumroll please . . . efficiency . Not the buzzword version. Not "do more with less". But genuine marketing efficiency – not just in how you spend, but in how your entire paid media operation functions. It's the kind of common sense thinking that drives outcomes your business actually cares about: profitable growth, customer acquisition and long-term value.

It's no major secret, but paid media is more expensive and more automated than ever. And as advertising platforms become easier to use, standing out becomes even more difficult. Simply 'doing nothing wrong' isn't enough anymore. Efficiency isn't static – it is now the most important driver in profitable growth and it requires constant refinement.

Our four core pillars of efficiency are: Business Understanding, Platform Mastery, Flexible Resource, and Profitable Growth. They inform how we create successful paid search and paid social campaigns. In simple terms, this means addressing what your business needs, knowing how platforms actually work, providing a consistently high level of service, and understanding what outcomes actually matter. What follows will show you how these pillars create campaigns that perform consistently and adapt to changing conditions.

Our system delivers this through deep understanding of your business objectives, expert platform execution, a consistently high level of service and a relentless focus on performance growth.

We'll detail what we've learned and give you tactical breakdowns on how we've tackled common problems. These frameworks have delivered results across sectors, budgets, and business models. They'll work for you too.

Definition of efficiency

Moving beyond platform metrics and common misconception

Before we break down the four pillars, it's important to establish what we actually mean by efficiency – because it's the foundation everything else is built on.

Most agencies define efficiency by platform metrics. We don't. We believe true efficiency is about driving meaningful business outcomes, such as profitable growth, new customer acquisition and long-term value. It's about understanding the bigger picture behind your business, what makes it tick and then acting on what that information is telling you.

The green arrows on your dashboard might suggest everything's purring along nicely, but they're merely indicators, not outcomes. True efficiency means turning media spend into real results not vanity metrics or self-attributed platform data that looks impressive in reports.

Automation has streamlined paid advertising. Platforms are easier to use than ever, which means simply running campaigns competently is no longer enough - everyone can do that now. The secret is getting everything to work in harmony.

Paid media can't operate as a standalone channel anymore. Efficiency comes when you have certain strands working together: media activity aligned with commercial objectives, high-quality business data informing decisions, and campaigns supporting sustainable growth rather than short-term performance.

There are three common misconceptions to avoid:

- Strong ROAS means we're efficient
  High ROAS looks brilliant until you realise you're optimising for the wrong outcomes. Platform metrics can mislead as much as they inform.

- PPC performance can be judged on its own
  Paid media must connect to a wider strategy and customer journey. Judging it in isolation misses how it actually contributes to business goals.

- Automation removes the need for strategy
  Quite the opposite. Automation amplifies strategy – get it wrong and algorithms will efficiently optimise for platform objectives instead of yours, wasting budget on impressive-looking metrics that don't drive real value.

When efficiency is properly defined, media spend delivers business impact: profits, customers who stay, and value that grows over time.

The Propel efficiency system

How Business Understanding, Platform Mastery, Flexible Resource, and Profitable Growth create efficiency

Efficiency doesn't just happen by accident. It comes from establishing a robust system and ours is made up of those previously mentioned four pillars:

Business Understanding:

This requires going further to understand what makes the business tick and how it makes money; during onboarding speak to key staff in order to form a deeper understanding of what it is they do. That will provide you with actionable insights and ensure your recommendations are rooted in real business context.

Platform Mastery:

Having expert knowledge of ad platforms ensures you're using the tools properly, not just relying on default settings. It's vital that you are commercially assessing whether KPIs are configured to the real metrics of a business. These metrics are, in turn, drawn from quality data rather than shallow or platform-biased metrics.

Flexible Resource:

Speed, clarity and consistency are crucial. Clients need to feel that expert help is at hand should an issue arise. Too often ad agencies relegate pressing matters to secondary status: emails go unanswered, chats are ignored. That's not how it should be done. Removing uncertainty and acting swiftly must be built into a high-quality communication service ensuring clients are not left in the dark.

Profitable Growth:

Performance and growth prospects diminish over time. If traffic selection is wrong there is little that optimisation tactics can do to prevent a ceiling capping your expectations for growth.

Most inefficiency is caused by structural problems and weakness in one area can cause the whole house to become shaky. Cement these four pillars and you give yourself a robust structural platform that ensures efficiency is at the core of how your campaigns run.

Understanding the system

The six essential operational areas where efficiency gets built

Commercial Foundations: **Budgets and Targets**

Efficiency doesn't start with optimisation strategies. It starts with having the right budget in the first place. When you understand who your customers are, how many exist in the UK and how often they make a purchase, then it's possible to start clearly defining what the market size is.

The process is straightforward: define exactly who your customer is. Once you've done that, ask yourself how many of those customers exist in the country. What's the total addressable market? Next, look at search volume - how often do these people search for services like yours? How frequently do they purchase? Put the numbers together: if there are X searches per month and you want to capture Y% of the market, that then tells you which direction to steer your budget in.

Ad platforms give us data on a plate and the usefulness of how much and how often people search for things remains a hugely important metric when plotting campaigns. It remains to be seen whether that changes in 2026 with an increased use in generative AI searches but for now it's still the gold standard in identifying demand for your product. While search data helps set your initial budget, you should treat these numbers as a guide, not gospel. When you launch and things look bigger or smaller than projected, you need to adapt quickly. Ask yourself: if I spend more, do I get more? Or if I spend less, do I still get the same results? Push the boundaries and do it often.

At the heart of your strategy should be a commitment to identifying your North Star KPI. Whether it's profit, revenue or new customers you need to understand the fundamental metric that's underpinning a campaign. Everything else branches out from this.

Next, take time to review your performance for the previous year. Plot your weekly spend against weekly conversions and draw out a marginal efficiency curve. (To learn how to calculate marginal efficiency, turn to page 8). Could you have spent more and generated more efficiently? Or maybe you could have spent less. If your incremental ROAS is at 100% and your margin is at 50% then something is wrong and you're losing money on that extra spend. CMOs should ask themselves some key questions: what incremental ROAS am I happy with? What CPA am I prepared to accept? That should drive all other budget considerations.

Finally, take account of seasonality: Black Friday is going to look different from February, so strip out months with abnormal numbers when analysing efficiency. If you don't, your curve will mislead you.

How to calculate **marginal efficiency:**

- Plot weekly spend (X-axis) against your core business KPI (Y-axis).
- Remove outliers and exclude the top and bottom 5–10% of results to avoid distortion.
- Plot the remaining data points on a scatter chart.
- Add an efficiency target line (e.g. target CPA, CAC or ROAS) that defines acceptable performance at each spend level.
  a. Points above the line = efficient
  b. Points below the line = inefficient
- Overlay a logarithmic trend line to understand diminishing returns.
- If the trend line sits above the efficiency target and remains steep, additional spend is likely to generate incremental, efficient returns.
- If the trend line flattens or drops below target, you've hit diminishing marginal efficiency and should focus on optimisation, not scale.

Traffic Buying Strategy

You can set up a Google Ads campaign in six clicks. But that campaign might buy you all kinds of traffic - and the best traffic is even more expensive now because everyone is fighting over it. Automation has muddied the picture: users believe their searches are covered by the platform and often overlook the need to ensure their keywords are relevant. In reality: you can have stockpiled decades of negative terms but the platform decides to go rogue. One obvious error in a PMAX campaign we have seen previously listed the letter D as a top search term. The lesson here is that you will never know what your search terms are until you actually launch.

Search terms aren't the only traffic quality issue. Search agents, IP filtering, scrapers and bot traffic can skew what the numbers are telling you. That traffic showing 5p a click and loads of clicks is probably a bot. You need visibility on what proportion of your traffic is genuinely new versus existing customers. Platforms such as Meta's Advantage Plus make this difficult - algorithms gravitate towards people most likely to convert, which usually means your retargeting audience.

Top tips for dealing with fraudulent traffic

1. **Watch for abnormal behaviour patterns**
   Look for cheap clicks, high bounce rates, odd locations or time-based spikes. Sudden changes without performance gains should trigger exclusions or pauses.

2. **Validate clicks against internal data**
   Compare ad clicks with server logs and on-site behaviour. High clicks with no sessions, events or engagement indicate invalid traffic.

3. **Use fraud prevention software**
   Tools like Lunio detect and block bots, scrapers, and competitor clicks using IP and behaviour analysis, reducing wasted spend automatically.

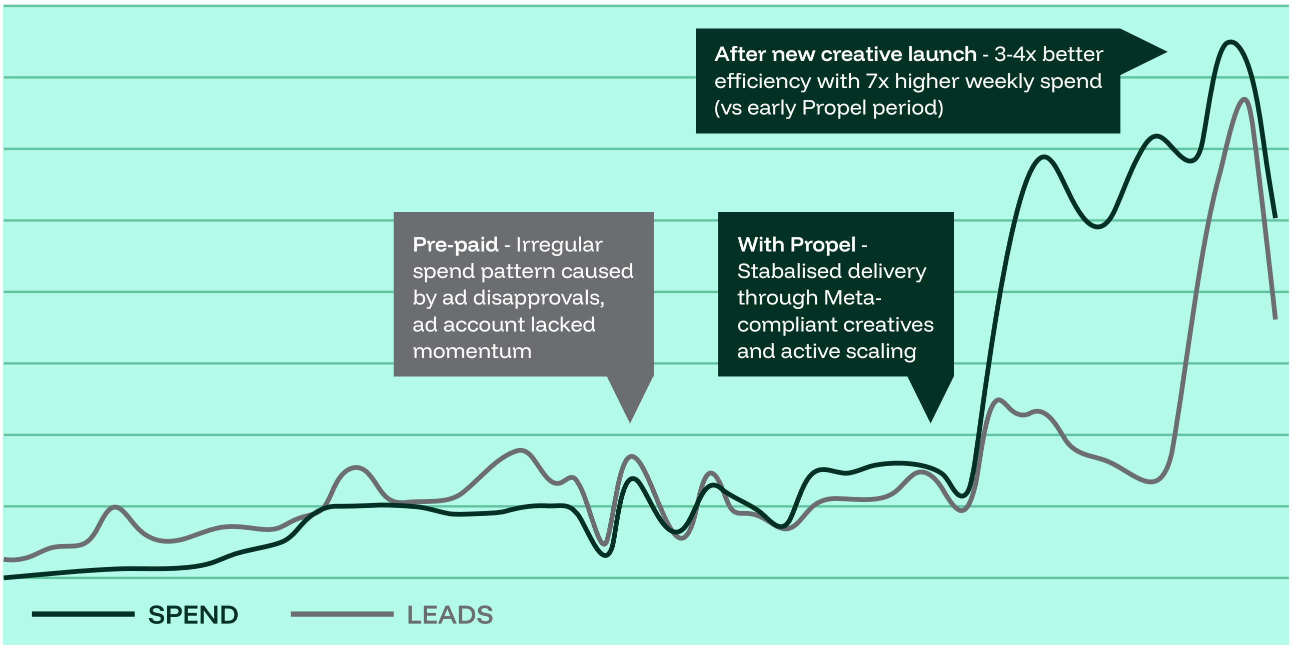
Finally, account structure needs to be clean and disciplined. If your campaign is segmented by search theme - let's say Nike shoes - then make sure you're only getting Nike search terms. Segmentation is key when looking at results from the top level. Sort that structure out and it gives account managers the confidence to know that their campaign level is correct, and they can make optimisation choices off the back of that. Being vigilant is a full-time job. You weed out one negative search term, the platform finds another - but that attention to detail is what separates efficient traffic buying from expensive guesswork.

Creative and Intent Matching

Efficiency is driven by marrying message to intent. Get the right ads to the right people and provide them with a landing-page experience that delivers what the ad promised. One of the most underrated metrics in marketing is click-through rate. If those numbers are poor it's a tell-tale sign that the quality of the traffic isn't great. One of the keys to Cost Per Click is about purchasing relevant traffic and if you're serving ads and people aren't clicking, chances are it's not relevant.

Nine times out of 10, if you have the best relevance, and the best click-through rate, you will have the lowest CPC, thus giving you the chance to buy more traffic for the same spend.

Quality Score is dismissed as outdated but that's a mistake. It's less clear cut than it used to be but the fundamentals remain the same. Experience has shown us that making changes to a website can have catastrophic consequences for Quality Score. QS is carefully built up over time, it gives your site credibility but suddenly changing it shrinks the Quality Score and dilutes the history associated with it. We've audited accounts where Quality Score sat at 7 for months, then dropped off a cliff after a website redesign.



In the example above, our client decided to invest heavily in creative and were rewarded with a tenfold increase in qualified leads.

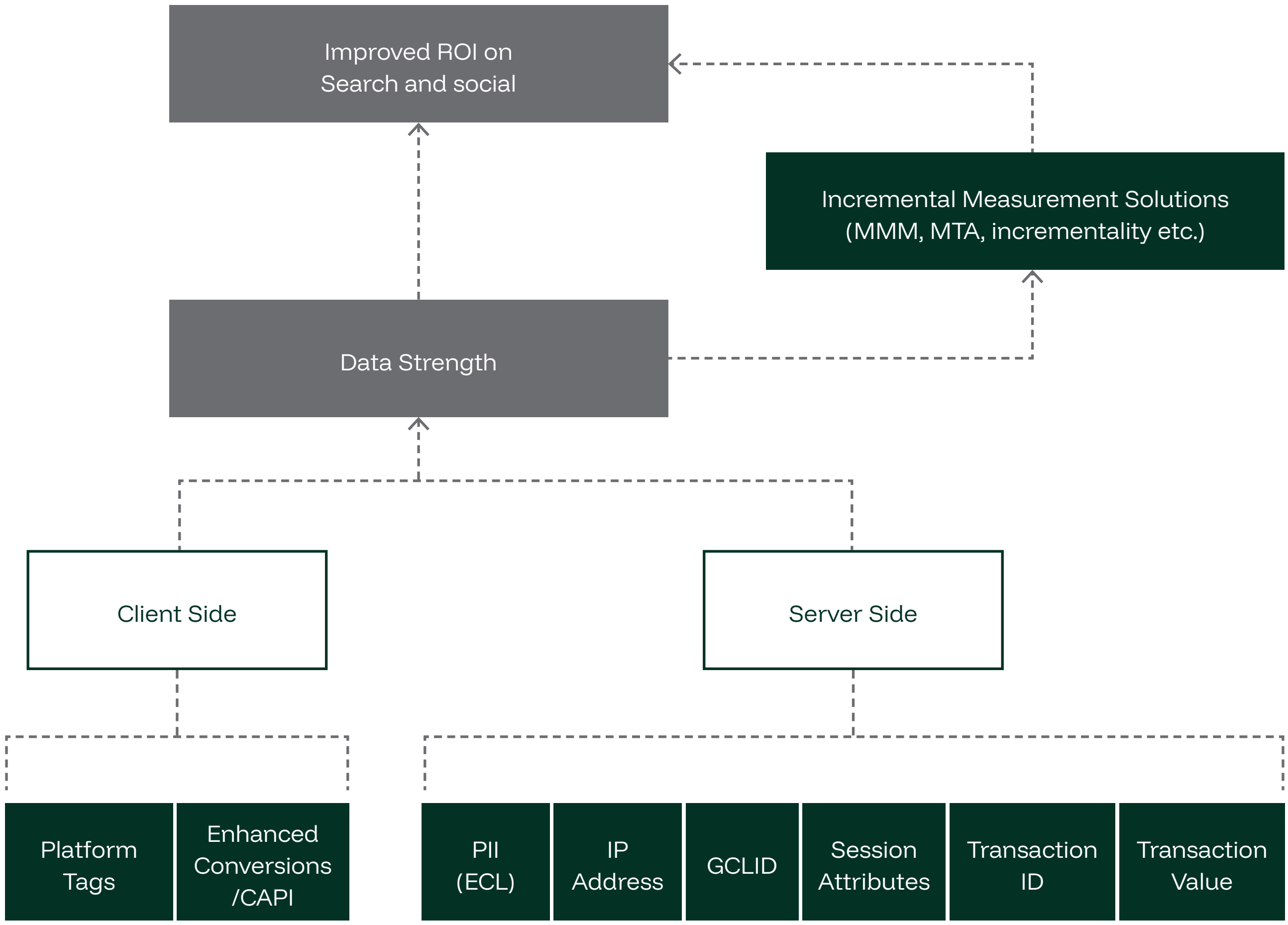
That wasn't about optimisation or higher media spend - just better ads. Yet creative budgets are often underfunded - performance-focused businesses will spend thousands on media but hesitate to invest in the creative that makes that media work. There's a debate between two schools of thought: brand gurus say it's about creative and the performance camp focuses on campaign structure and how you set it up. The reality is, you need both.

Conversion Signal Architecture

This is the most important layer of our system. Conversion tracking is where automation lives or dies and doing it properly allows you to drive overall strategy. The good news is that Google and Meta should do what they are told if you're giving them the correct information. But feed them rubbish and that's exactly what they will spit back out at you.

There's another complexity to account for, too: The ad platforms actively encourage users to treat all leads equally but if you're doing that then you need to pause and take stock. Google, for example, has at least 15 tracking products covering everything from enhanced conversions for leads to offline conversion tracking. It's impossible to keep track of them all and if you don't understand them then you are going to need expert help. This complexity matters because most businesses default to treating all conversions equally. That's the easiest path - and the default path the platforms lead you down when setting up conversion tracking - but it's not the most fruitful.

Before Propel took over, the account relied on static creatives, leading to inconsistent spend and unstable performance. After launching 30 new UGC ads, delivery stabilised and the algorithm gained momentum, enabling confident scaling. The result was a step-change in efficiency, with significantly higher lead volume achieved alongside materially increased spend.



Measurement performance improves when all relevant online and offline data is collected and connected, not when individual tracking tools are used in isolation. By feeding consistent identifiers, session data and transaction outcomes back into ad platforms, algorithms gain a clearer picture of what actually drives value. Stronger data signals lead directly to more accurate optimisation, better incrementality measurement and higher ROI at scale.

There is a solution: don't simply tell the algorithm that a conversion happened. It's not a binary instruction. Be specific: tell it a conversion happened and then explain how valuable it was. Feed that into Google or Meta and the algorithm learns to identify which behaviours and signals lead to high-value conversions. At Propel, we treat lead-scoring conversion values and Monopoly money as one and the same. It doesn't matter which numerical values you feed into value-based bidding models, what matters is that you are teaching the algorithm something valuable about your customers. Let's start with the best leads that perfectly fit your ICP and are ready to buy: We give them a £1,000 Monopoly money value; average leads tend to convert at 0.25x the rate, so we give these a value of £250; poor leads convert at 0.1x the rate of average, so we give them a value of £25. Assuming we can tell the ad platform whether someone is good, average or poor at the point of sign up, we can also tell them what their respective Monopoly money value is. The result: the algorithm will start to find common characteristics in its own data for good leads, realise they are more valuable and find more of them.

How to use lead scoring with value-based bidding

1. Analyse CRM data to identify the customer attributes most closely correlated with final conversion or revenue.
2. Segment leads into mutually exclusive cohorts (e.g. Poor, Average, Good) based on those attributes.
3. Calculate relative value by comparing conversion rate or ROAS between cohorts.
4. Assign conversion values using a simple
   ratio model:
   Poor = 100, Average = 400 (4×),
   Good = 1,000 (10×).
5. Track each cohort separately via the data layer or a server-to-server integration so values are passed back to the ad platform.
6. Allow the algorithm to season on this data,
   then switch optimisation to value-based bidding to prioritise higher-value users.

   Top tip: Stop optimising towards poor-quality cohorts entirely, training the algorithm on low-value signals limits performance and scale.

One more critical point: make sure what you see in platforms actually reflects your balance sheet. We've audited accounts showing £1 million in platform revenue when back-end attributed revenue was £400,000. Factors such as returns, cancellations and refunds all need to flow back into your conversion data. Otherwise you're training algorithms on an incomplete picture.

This is why tracking now drives strategy, not the other way around. If you don't fully understand how to set up the tracking, there's no way that you can translate that business strategy into operational campaigns. Understanding your business's North Star KPI tells you what data to feed the algorithm.

Long sales cycles create another challenge. If your end goal is customer acquisition but the journey takes six months, you can't wait that long for the algorithm to learn. You need to identify softer signals - early indicators that predict eventual purchase. Which content downloads correlate with sales? Which demo requests convert? Invest time in understanding these patterns, assign them values, and use them to train the algorithm while still tracking your true North Star.

Case study:
Training algorithms in a long sales cycle

A private healthcare provider had a 4–6 month journey from initial research to surgery, making it impractical to optimise directly to final conversions. We analysed CRM data and found that demographics, funding type, and participation in a discovery call within 48 hours were the strongest predictors of eventual surgery.

Leads were segmented into poor, average and good cohorts, each with a stable and predictable conversion rate to surgery. By assigning values to early-stage actions (enquiry quality and early consultation behaviour) and feeding these back into the ad platforms, we were able to predict surgeries and ROI months earlier, allowing value-based bidding to optimise toward higher-propensity patients while still tracking final surgeries as the North Star.

Optimisation & Experimentation Loops

Sustainable efficiency requires two disciplined approaches: structured experimentation (planned tests with clear hypotheses) and unstructured optimisation (daily exploration and opportunistic improvements). Both matter. One without the other creates either chaos or stagnation.

We can divide this strategy into two clearly defined concepts: one structured and the other unstructured. The structured element deals with experimentation: planned tests with clear hypotheses, success or failure criteria defined at the outset, a controlled budget of not more than 10-20% depending on confidence level and a process that is ringfenced to prevent it from interfering with core performance. As for the unstructured part, that deals with daily optimisation tasks. You should spend time mooching around your account. This is your chance to check keywords, search terms or countries and spot issues on the fly. It's about ensuring ongoing vigilance not just planned tests.

There are some key guidelines that can help keep your testing strategy on track:

- Operate a fail-fast principle which factors in a time limit of around two weeks and places common sense decisions at the heart of the test. There's an industry obsession with statistical significance, but common sense beats perfect data. If something's clearly not working after two weeks, pull it.
- Be aware of the dangers of too many tests: an overabundance of results can muddy the waters, it can mask issues that are wrong in a campaign and, equally problematic, hide positive trends such as the economic behaviour of customers.
- Your budget should also reflect your confidence in an idea. If you think you have an experiment that's a likely winner then spend more of your budget on it but if it's a wacky one it makes sense to be that bit more conservative.
- Focus on tests that have high-impact. Data, experience and common sense are the guiding principles here. Maverick ideas are fine in principle but just be aware that nine out of 10 are likely to fail.
- Do not underestimate the value of 'mooching around' in an account. It can be a treasure trove of information when you look at date ranges or different views, the kind of thing that an agency doesn't bake into your time allocation (but we do).

A key misconception is that structured and unstructured strategies are separate matters. They are not. They are different jobs but each is as necessary as the other. Striking the balance is key: an 80-90% focus on structure ensures core performance remains unaffected while 10-20% depending on confidence level spent on controlled experimentation ensures there is plenty of time for exploration.

Assess every test idea against four questions before running it:

1. **Impact -** If this works, does it materially move results?
   Prioritise tests that influence traffic quality, conversion rate or value (e.g. creative, bidding, conversion signals), not cosmetic changes.

2. **Confidence -** How likely is it to succeed?
   Base this on data, past learnings and platform mechanics. Higher confidence = more budget allocated.

3. **Cost -** What's the performance risk if it fails?
   Consider budget at risk, disruption to learning, and opportunity cost. Avoid tests that destabilise core delivery unless the upside is clear.

4. **Resource -** Do we have the time and skills to execute properly?
   Factor in setup effort, creative production, engineering, and analysis time. Deprioritise tests that can't be run cleanly or reviewed properly.

Rule of thumb: Focus on high-impact, high-confidence tests that are cheap to fail and realistic to execute, with spend and effort scaled to risk.

Automation and Scale

Automation enables efficiency at scale, but only when applied deliberately to the right problems. It serves two distinct purposes: saving time on tasks that take too long, and doing things humans simply can't do.

The distinction is important because automation only creates value when applied to the right problems. Validate processes manually before automating them because if something doesn't work by hand, automation merely results in scaling the inefficiency faster. Algorithms excel at consistency and processing scale, but they struggle with context and strategic judgement. The goal is simple: use automation where it drives genuine efficiency, and preserve a human touch for the decisions that require it.

Case study:
Route-based automation at scale

An emergency construction services business with a fleet of lorries needed to advertise along live driver routes, not just around its London depot. We built automated campaign logic that dynamically targeted future outbound and return routes, something that would be impossible to manage manually at scale.

After validating the approach by running a small number of routes manually, we automated the system fully. The result was 56% higher efficiency versus the account average, driven by capturing demand precisely when and where drivers were already travelling.

Checking for errors, monitoring account alerts and generating reports are all tasks that take too long to complete manually. But automation also saves time in other ways: processing feed catalogues with 100,000 products, detecting patterns across multiple accounts in real-time and monitoring quality at scale. The key is knowing which bucket your automation falls into, and only automating processes you've already validated manually.

We've developed Max, our agentic AI system, which we're deploying where automation drives most efficiency improvement: traffic quality. Max monitors search terms across client accounts, spots quality drops, and flags issues for human review. We also use feed-based automation to manage large product catalogues across search and social, and server-side Google Tag Manager to improve tracking reliability - technical infrastructure that supports conversion signal architecture.

The goal isn't to replace human judgement - it's about freeing it up to focus on where it can be used best. Max spots the issues and flags the errors. That gives account managers more time for what automation can't do: the chance to strategise and explore allowing for the kind of mooching around that drives real insight.

The 5 best uses of automation

1. Traffic quality monitoring
   Automate the detection of bad search terms, placements, bots and anomaly spikes so issues are flagged or blocked before budget is wasted.

2. Conversion value assignment
   Automate lead scoring and value updates based on CRM outcomes, feeding real business value back into bidding models continuously.

3. Budget pacing and reallocation
   Automate spend shifts towards campaigns, locations or products with the strongest marginal efficiency, and away from diminishing returns.

4. Feed and catalogue management
   Automate product feed enrichment, segmentation and exclusions to keep large or fast-changing inventories efficient at scale.

5. Alerts and health checks
   Automate checks for tracking breaks, spend anomalies, CPC spikes, approval issues and sudden performance drops, freeing humans to focus on strategy.

Conclusion: What to do next

The tactics CMOs and agency managers should prioritise now

Efficiency isn't achieved through isolated optimisation. It requires a concrete system where commercial understanding, platform expertise, service quality, and performance focus work together. Our four pillars – Business Understanding, Platform Mastery, Flexible Resource, and Profitable Growth – deliver this. A fundamental weakness in any one of those areas undermines efficiency across the whole operation.

The mindset shift required is a simple one: move beyond a rigid focus on platform metrics and short-term optimisation tactics. Focus instead on what drives sustainable, profitable growth – new customer acquisition costs that make commercial sense, conversion signals that reflect real business value, and budgets that are aligned with genuine market opportunity rather than default algorithmic settings.

CMOs should ask themselves:

- Are your budgets aligned with actual market opportunity, or last year's numbers?
- Does your conversion tracking reflect real business outcomes or platform-reported vanity metrics?
- Are you reviewing marginal efficiency curves quarterly to understand where additional spend drives genuine returns?
- Does your agency partner think commercially first, or in platform defaults?

Agency managers should focus on:

- Building traffic quality monitoring into weekly routines, not just monthly reviews.
- Allocating 10-20% of budget to structured experimentation with clear hypotheses, not reactive account tinkering.
- Ensuring automation decisions work manually before scaling them – if it doesn't work by hand, automation just scales the inefficiency faster.
- Challenging platform defaults that ignore your business context, particularly around conversion tracking and audience targeting.

Propel was built specifically to deliver this system. We combine deep commercial understanding of client businesses with expert platform execution, consistently high service standards, and a relentless focus on profitable growth. That combination – rare in an agency landscape dominated by either strategic consultants who can't execute or platform specialists who don't think commercially – is what drives efficiency in an increasingly competitive market.