



# Digital Marketing Benchmarks by Industry

How did your business compare?

# Contents

The data in this report is compiled from local and international analysis conducted by WordStream, Varos, Neal Schaffer, SuperAds, Digital Nomads and more. If any data you find here appears inaccurate, please let us know.  
All currency values are converted to AUD where needed.

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Digital Marketing Industry Benchmarks



# Introduction

This report brings together performance insights from leading global and local data sources between 2024-2025 to give you a clear view of how businesses are competing in today's digital landscape. As advertising costs continue to rise across both Google and Meta, understanding where your results sit in comparison to wider industry performance has never been more important.

Throughout 2025, marketers faced a year defined by fierce competition, evolving privacy standards, and rapid advances in automation. CPC increased across most industries, particularly for campaigns using automated bidding. CTR varied widely by sector, highlighting how essential strong creative and precise targeting have become. On the positive side, many industries experienced notable improvements in conversion rates, demonstrating that well structured campaigns and optimised user experiences can still outperform even in a higher cost environment.

The shift toward AI driven optimisation accelerated significantly. Broad targeting outperformed lookalike audiences for many advertisers, as platform algorithms gained better accuracy in identifying high intent users. Retargeting also proved its value this year, delivering higher ROI by converting warm audiences more efficiently than cold traffic alone.

These benchmarks give you a grounded understanding of what "good" looks like in 2025. They help you identify where your digital performance is exceeding expectations, where it aligns with industry standards, and where strategic refinement could unlock stronger results. With this clarity, you can make smarter decisions, focus your efforts where they matter most, and plan a more effective path into 2026.



Digital  
Marketing  
Industry  
Benchmarks



# 2025 Digital Marketing Wrap

## Digital Marketing Observations by Channel

### Ad Costs Keep Rising

In 2025, the cost of running ads across both Google Search and Facebook continued to climb. Google Ads' cost per click increased for most industries, reflecting heightened competition and a more crowded digital landscape. Similarly, Facebook Ads saw higher costs for many sectors, emphasizing that brands need to budget carefully and monitor ROI to avoid overspending on underperforming campaigns.

### AI-Driven Optimization

AI is now central to Meta advertising. Tools like Advantage+ campaigns automate audience targeting and bid strategies, while generative AI supports rapid creative testing. Marketers who leverage AI-driven optimization can improve efficiency, scale campaigns, and achieve more consistent results.

### Conversion Rates Are Improving

Despite rising costs, advertisers saw improvement in conversion rates across many sectors. On Google Ads, about 65% of industries reported higher conversion rates, while Facebook Ads maintained steady engagement. This demonstrates that well-targeted campaigns and optimized landing pages continue to convert effectively, proving that strategic marketing investment can overcome higher ad costs.

### Broad Targeting Outperforms Lookalikes

In the post-privacy landscape, broad targeting often delivers higher reach and ROAS than narrow lookalike audiences. Many, but not all, campaigns benefit from testing larger, less segmented audiences combined with Meta's AI delivery to scale effectively while reaching high-intent users. Proceed with caution though as auto-applying Meta's recommendations can lead to unwanted results.

### Smart Optimization & Strategic Bidding Are More Critical Than Ever

With rising costs and intense competition, advertisers are leaning more heavily into advanced optimization tactics. More efficient campaign structures and high-quality landing page experiences are key to sustaining strong conversion rates.

### Retargeting Delivers Higher ROI

In 2025, retargeting has become one of the most effective ways to convert warm leads. Campaigns that focus on users who have previously visited a website or engaged with ads consistently see higher conversion rates at lower incremental cost. By nurturing interested audiences and reminding them of your offering, retargeting maximizes the value of existing traffic and improves overall campaign efficiency.

# Click through rate (CTR)

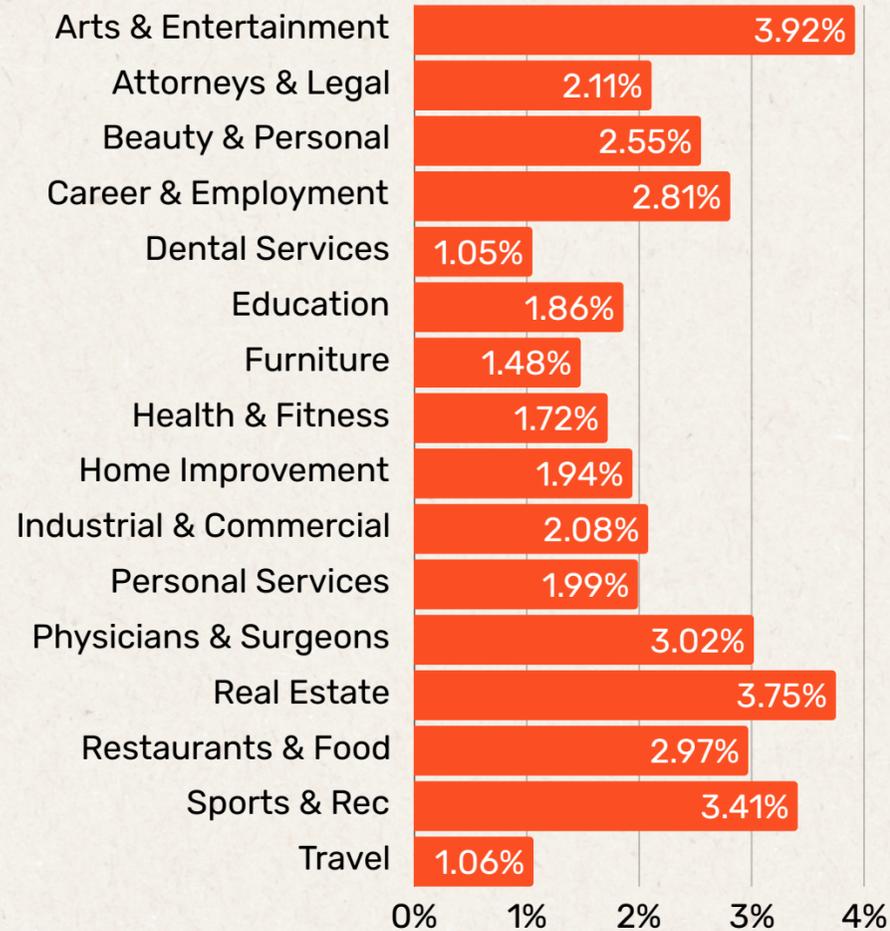
CTR highlights how effective your ads are at capturing attention and earning the click. In a crowded digital space, strong CTR performance signals that your messaging, creative, and targeting are resonating with the right audience. Understanding where your industry sits helps you identify whether you are standing out or blending in.

## How to Improve Your CTR

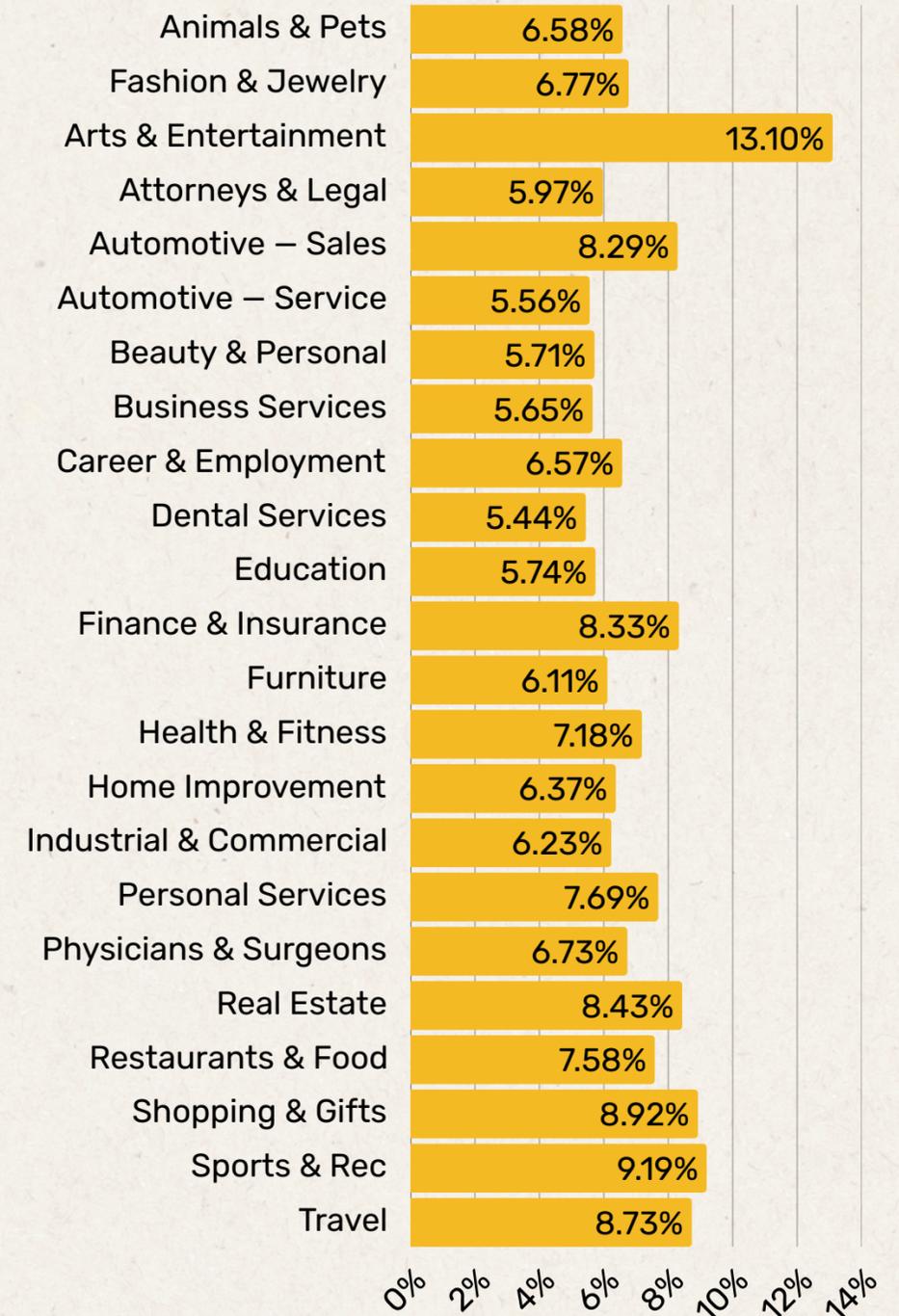
**Refine Audience Targeting:** Don't let your keyword lists become stale. Frequently review and refine your targeting to focus on high-intent, transactional terms that are most relevant to your target audience.

**Enhance Ad Creative:** A crowded SERP demands an ad that stands out. Leverage a full suite of ad assets, such as sitelinks to specific products and services, and compelling image assets to make your ads more enticing and clickable.

Meta



Google Ads Microsoft Advertising



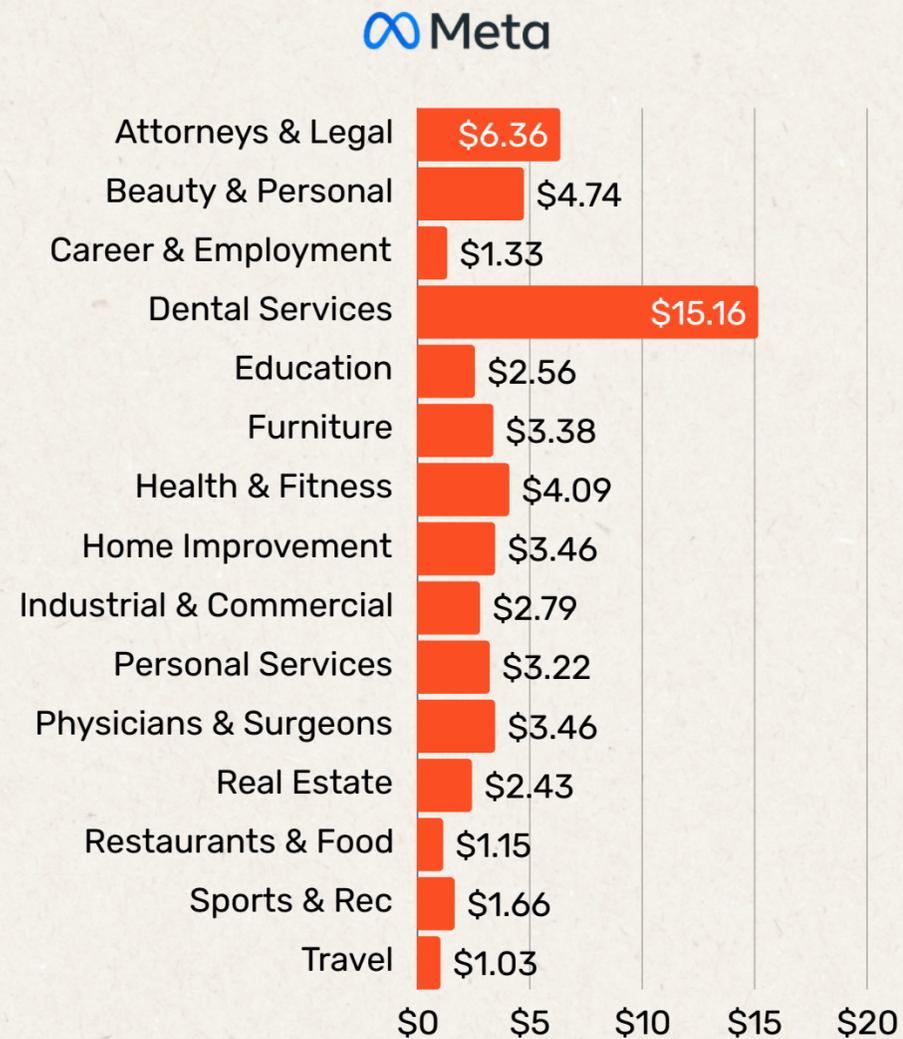
# Cost per click (CPC)

CPC reveals the price you pay every time someone clicks your ad. It reflects both the competition within your industry and the strength of your campaign structure. Tracking how your CPC compares to industry norms helps you understand whether you are paying a premium, operating efficiently, or leaving potential savings on the table.

## How to Improve Your CPC

**Improve Quality Score:** The most effective way to lower CPC is by mastering campaign fundamentals. Ensure there is tight alignment between your keywords, ad copy, and landing pages. A higher Quality Score is rewarded by the ad auction with lower costs.

**Evaluate Bidding Strategy:** Be mindful of how your bidding strategy impacts cost. Automated strategies that optimize for conversions may bid aggressively on more expensive, high-value queries. As Katia Hausman, Vice President of Product at LocaliQ, notes, *"we've seen sharper increases on campaigns with smart bidding, which is likely expected since Google has direct control over these CPCs."* Monitor this behaviour to ensure it aligns with your overall budget and profitability goals.



Values presented in AUD

# Conversion Rate (CVR)

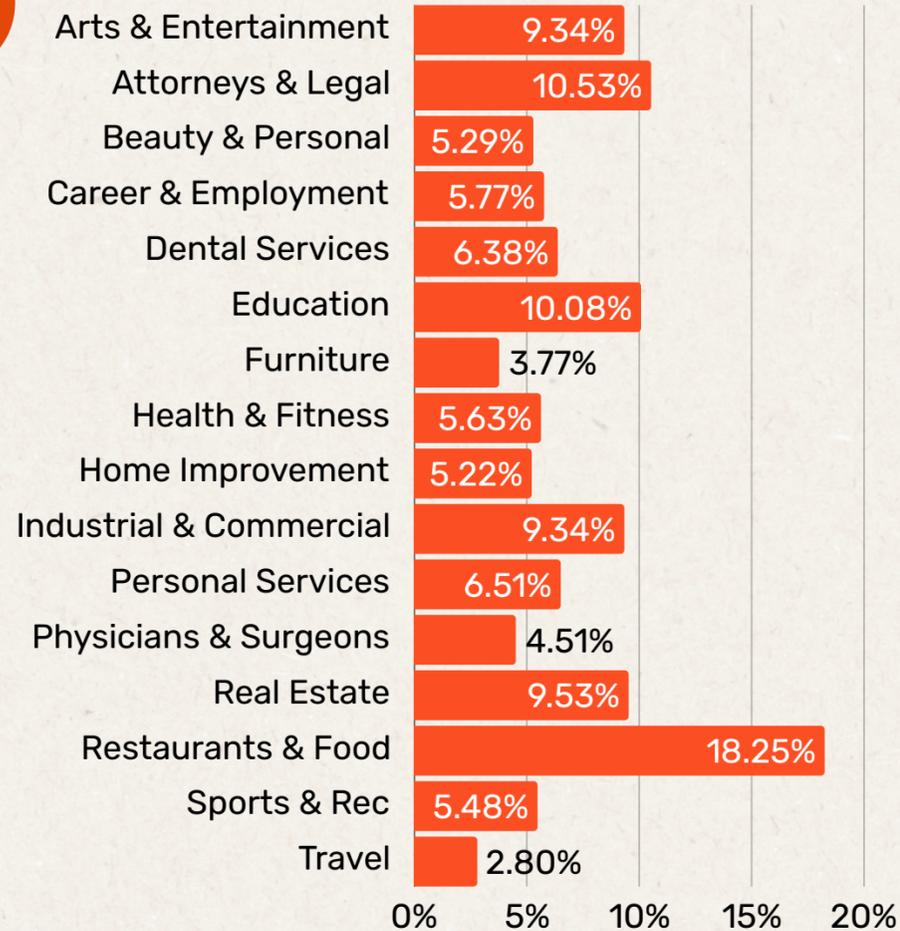
CVR measures how effectively your website turns clicks into meaningful actions. High conversion rates indicate that your offer, user experience, and audience alignment are working in harmony. Benchmarking your CVR helps you determine whether your funnel is performing at market level or if key optimisation opportunities are being missed.

## How to Improve Your CVR

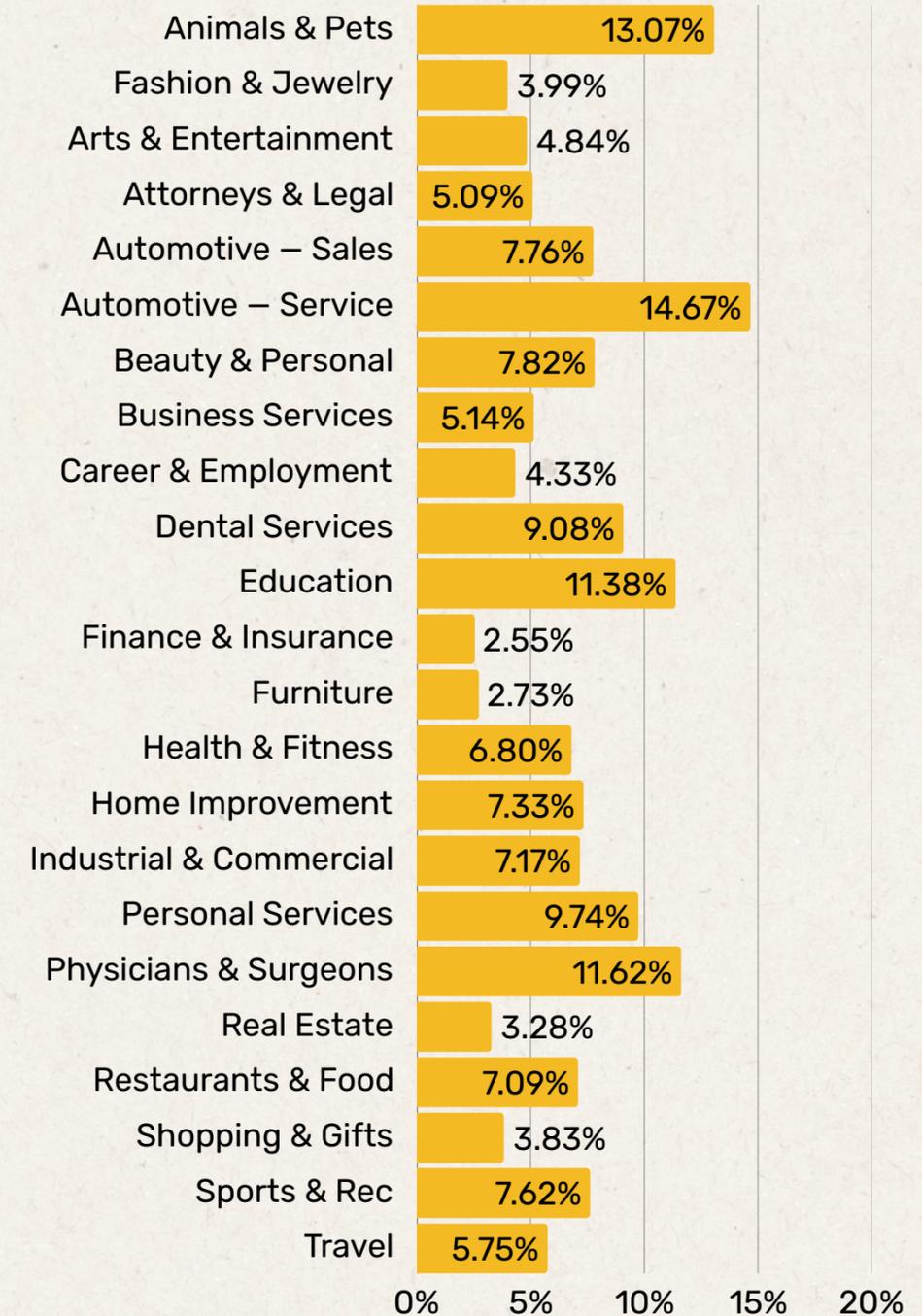
**Optimize the Entire Funnel:** Improving CVR isn't just a landing page problem. It begins with addressing issues earlier in the funnel, such as low CTR or high CPC on irrelevant terms, to ensure higher-intent traffic is reaching your site in the first place.

**Enhance the Landing Page:** As Daniel Lasala from Inca Design states, *"Manage your users expectations from search term to ad and then landing page, the messaging and user experience must align"*. Optimise your landing page to be as conversion-friendly as possible. Test new offers, simplify forms, and add compelling calls-to-action to make it easy for visitors to act.

Meta



Google Ads Microsoft Advertising



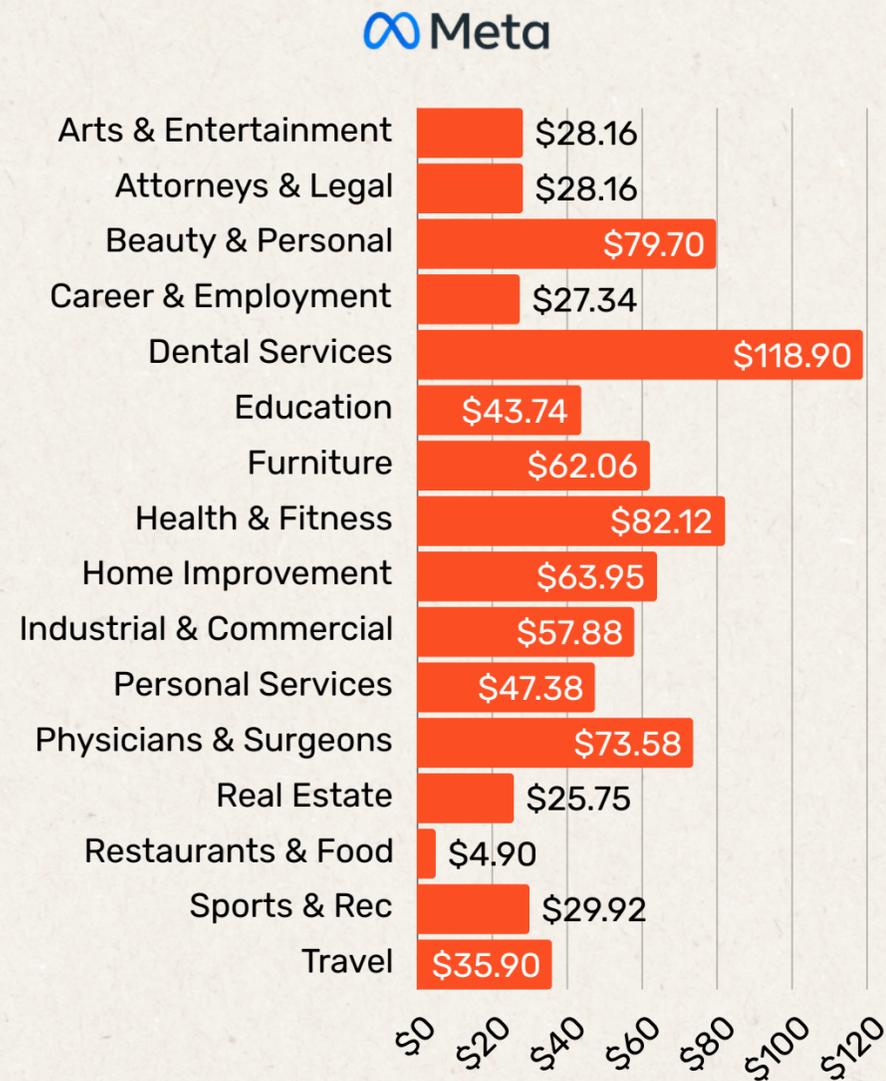
# Cost per Lead (CPL)

CPL shows how much you are spending to acquire a single enquiry or booking-ready prospect. This metric is vital for understanding the sustainability of your marketing investment. Comparing your CPL against industry averages reveals whether you are attracting quality leads at a competitive cost or if your acquisition strategy requires refinement.

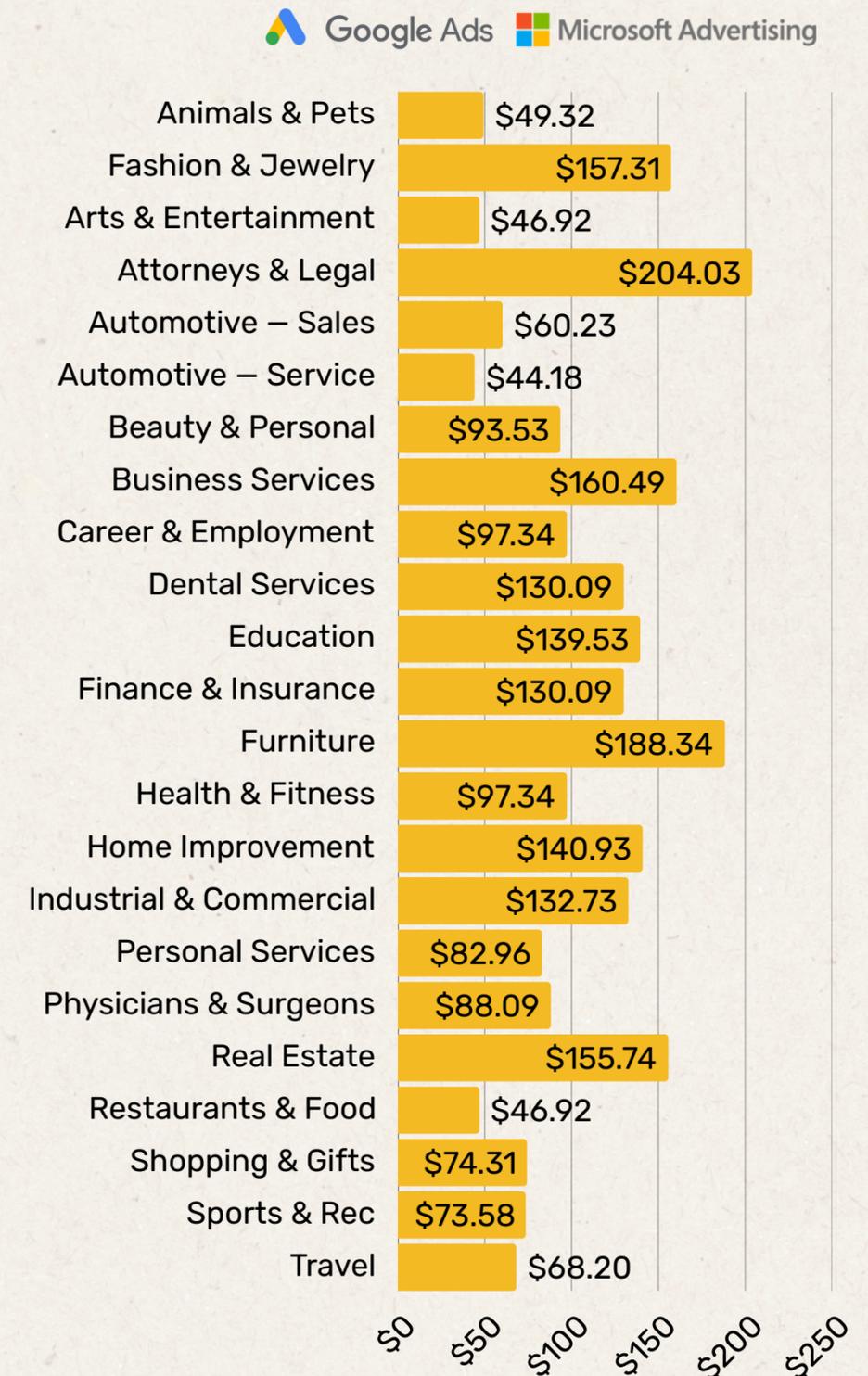
### How to Optimise Your CPL

**Integrate Your Marketing Efforts:** Evaluate how other marketing channels, such as social media or email marketing, can support your ad campaigns. An integrated approach can warm up audiences and bring down customer acquisition costs across the board.

**Focus on Lead Quality, Not Just Quantity:** As Alessandro Colarossi, Director of Account Management at SearchKings, advises, *“Advertisers need to track the real business impact of those leads.”* Focus on attracting prospects who are more likely to result in high-value bookings rather than simply chasing a lower CPL with low-quality inquiries.



Values presented in AUD



# Digital Marketing in 2026

## Key factors to look for in 2026

### Growing Importance of Full Funnel Experience and Trust

With privacy changes reshaping how audiences are tracked and targeted, businesses will need to strengthen the entire customer journey. In 2026, success will depend on delivering consistent messaging across channels, building trust through transparency, and creating frictionless experiences from first click to conversion. Brands that understand their users deeply and personalise responsibly will gain an advantage as consumers become more selective about who they engage with.

### Rising Costs Paired with Higher Expectations for Efficiency

Advertising costs are projected to continue increasing across major platforms, pushing businesses to become more disciplined in how they structure campaigns, evaluate audiences, and measure ROI. Efficiency will matter more than scale. Strong creative, clean data, and highly relevant user experiences will become essential for maintaining profitability as competition intensifies and CPC and CPL benchmarks rise.

### AI Will Shape Customer Expectations, So Your Marketing Needs to Feel Personal

As AI becomes part of everyday life, customers will expect faster answers, clearer information, and more personalised experiences. People will use AI tools to compare prices, check availability, summarise reviews, and understand which businesses fit their needs. This means your marketing must meet those expectations with simple messaging, strong value propositions, and smooth customer journeys. In 2026, the brands that win will be the ones that make it easy for customers to say yes by providing clarity, confidence, and a friction free path from interest to action.

**How did you go?**

**Did you beat the benchmarks?**

We did... it wasn't even close.

Now what?



# Turn these benchmarks into Customers

## You've seen the data. Now, what is your next move?

As the 2025 benchmarks show, the digital landscape is shifting. Costs are rising, privacy is evolving, and the competition for attention is fierce. You have taken Step 1 by reviewing how your performance stacks up. The next step is deciding where you want to go from here.

### Identify Your Growth Areas

Whether your goal is to increase customer value, generate better quality leads, improve efficiency, or strengthen your brand, growth comes from a clear and deliberate strategy. You might need to refine your digital approach, streamline your customer experience, or enhance your messaging, but you do not have to tackle it alone.

**Ready to elevate your business?**

**Let's have a casual chat to see if we are the right fit.**

### Two Ways to Work With Us

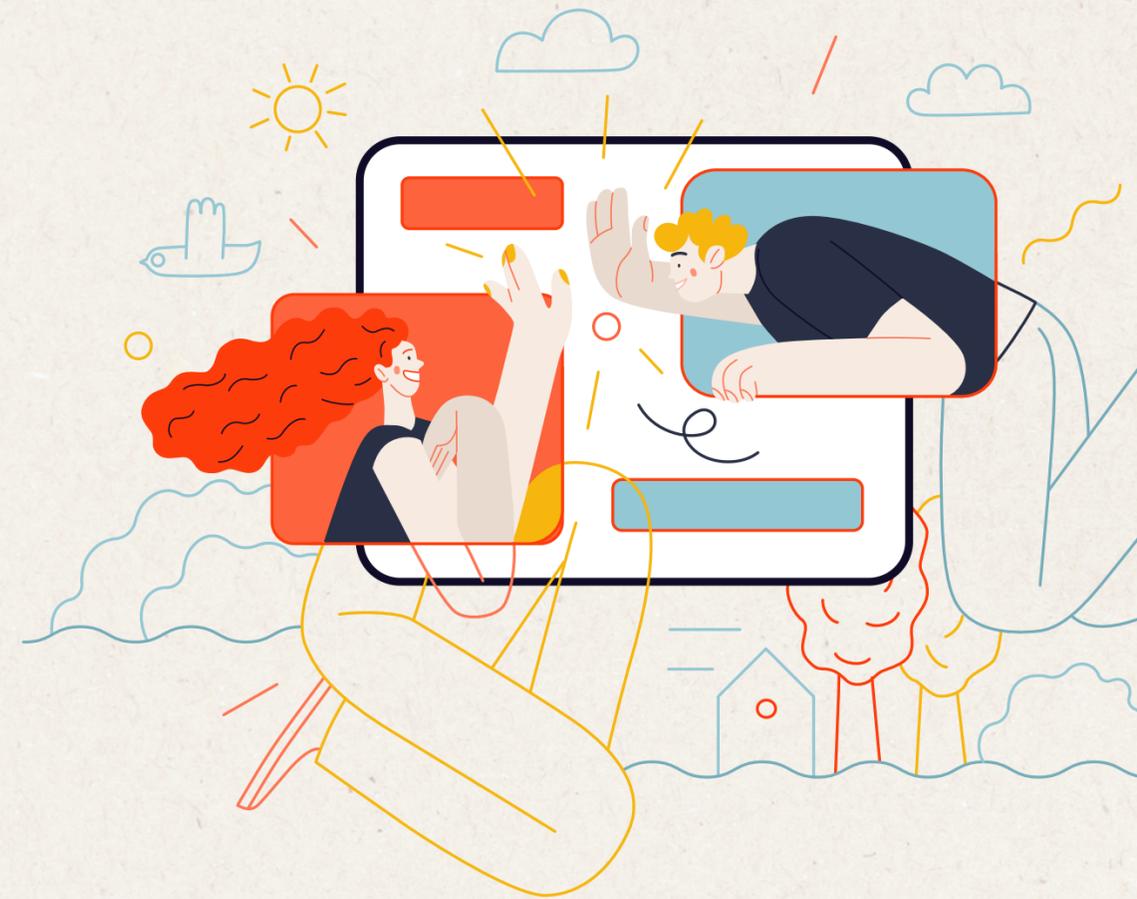
We know that every business is at a different stage. That is why we offer two clear paths to help you succeed:

#### The "Agency" Option:

We take the wheel. Full-service digital marketing execution designed to get big results for your business.

#### The "Consultancy" Option:

We guide you. Strategic mentorship to help you become efficient, understand your data, and execute with confidence.



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