

4

Budgets, Patient Value & Bidding Strategy.

Stop viewing your ad spend as a monthly expense. It's capital deployed to acquire patients. When the math is right, spending \$150 to acquire a patient worth \$3,500 over the next year isn't a cost: it's a return.

YOU'LL EARN

The right to switch from Manual CPC to Smart Bidding — only after the data justifies it.

YOU'LL SIZE

A realistic starting budget and why \$10/day is the most expensive number in this book.

YOU'LL MODEL

Lifetime patient value across visits, retail, and adjacent treatments — not just visit one.

4.1. THE TWO-PHASE BIDDING STRATEGY

Manual first. Smart second. Never reversed.

Google will push you to use Smart Bidding from day one. Don't do it. You have to earn the right to use automation.

PHASE 1: MANUAL CPC WITH A BID CAP

- ✓ **What it does:** You set a maximum cost-per-click at the keyword level. Google does not adjust it. You are in full control of what you pay per click.
- ✓ **When to use:** Days 1–30 on a brand new campaign.
- ✓ **Optimizes for:** Control and data collection. You are building the conversion history the algorithm needs before automation can be trusted.

PHASE 2: TARGET CPA (SMART BIDDING)

- ✓ **What it does:** Uses AI to bid aggressively on users with a high probability of converting based on history.
- ✓ **When to use:** Only after crossing the minimum conversion threshold.
- ✓ **Optimizes for:** Cost per acquired patient, factoring in location, device, and time of day automatically.

■ METHOD • TRIGGER CRITERIA

When to flip the switch.

Switch from Phase 1 to Phase 2 only when all three of these conditions are met:

- 01 Volume:**
The account has logged 30+ conversions in a 30-day window.
- 02 Age:**
The campaign has been running for at least 30 days.
- 03 Quality:**
Core keywords have a Quality Score of 6/10 or higher.

Setting your Phase 1 CPC cap: Use the average CPC estimate from Keyword Planner for your target keywords as your starting bid cap. Bidding below market rate means your ads won't serve. Revisit the cap after two to three weeks using your actual average CPC from the campaign dashboard.

◆ WATCH OUT • FLIPPING TOO EARLY

The algorithm guesses wildly.

If you switch to Target CPA without historical data, the algorithm has no basis for determining which auctions to enter. Your cost per acquisition may balloon significantly, or impressions may collapse to zero entirely.

PHASE 1 DURATION	30–60 Days
SWITCH TRIGGER	30 Conv. / 30 Days
PHASE 2 BID	Start at 1.5× Target CPA. Reduce by no more than 10–15% every two weeks once conversion targets are consistently being hit.

4.2. SIZING THE BUDGET

Capital, not expense.

The most common reason med spas fail at Google Ads is undercapitalization. An owner sets a \$10/day budget, runs it for two weeks, spends \$140, sees no bookings, and concludes that Google Ads doesn't work.

What actually happened is the campaign didn't have enough data to work with. With only 1–2 clicks per day, the system cannot identify patterns in who converts. The data is too thin.

● PRO TIP • FEWER SERVICES, REAL BUDGET

If budget is tight, advertise *fewer services*. A \$50/day budget focused purely on Botox will outperform \$50 split across five different campaigns.

■ METHOD • SIZE YOUR OWN BUDGET

How to calculate your minimum daily spend.

Don't guess. Use your target metrics to reverse-engineer a budget that actually gives the campaign a chance to succeed.

$$\begin{aligned} & (\text{Target Conversions}) \\ & \times (\text{Est. CPC} \div \text{Conv. Rate}) \\ & \div 30 \text{ Days} \\ & = \text{Min. Daily Budget} \end{aligned}$$

Worked Example:

- Goal: 15 conversions/month to exit learning phase.
- CPC: \$12 (Market average)
- Conv. Rate: 10% (Assumes an optimized landing page. New pages typically convert at 3–5%. Use your own data once available.)
- Math: $15 \times (\$12 / 0.10) \div 30$
- **Result: \$60 / day minimum.**

● COMPANION TOOL • GOOGLE ADS CALCULATOR

Enter your own service price, visit frequency, and campaign inputs to calculate your LTV, maximum allowable CPA, and minimum daily budget. Download the spreadsheet and fill it in before setting your budget. Download it from the Companion Tools page at the end of this guide.

4.3. PATIENT LIFETIME VALUE

Stop measuring the first visit.

The single biggest mindset shift: stop evaluating Google Ads performance based on first-visit revenue. A patient who looked expensive to acquire in month one may generate several times that cost in revenue by month four.

■ METHOD • CALCULATE 12-MONTH LTV

How to run the formula on your own books.

Gather four inputs from your software:

- A = Avg. first visit ticket
- B = Avg. repeat visits per year
- C = Avg. retail spend per year
- D = Annual retention rate (%)

Formula: $[A + (B \times A) + C] \times D = LTV$

■ REAL MATH • NEUROTOXIN PATIENT

Running the formula.

First visit revenue (A)	+ \$300
Cost to acquire (CPA)	- \$150
Repeat visits (B=3 × \$300)	+ \$900
Skincare & retail (C)	+ \$300

12-mo Value (100% Retention) \$1,200

Year-one ROI on a \$150 CPA: 800%.

THE PAYOFF

LTV becomes your maximum allowable CPA.

Competitors measuring first-visit ROI will turn off campaigns that look expensive on paper. Because you know your LTV is \$1,200, you have permission to spend \$200 acquiring the lead they just walked away from.

4.4. HOLDING YOUR AGENCY ACCOUNTABLE

Read this page if you don't run the account yourself.

Many agencies send monthly reports showing impressions and clicks while the front desk sits empty. As a business owner who's now read this guide, you know enough to ask questions that get answered honestly—or reveal that they can't be.

01 Insist on master admin access to your own account.

Never let an agency own your Google Ads account. If the relationship ends, your data, history, and campaigns leave with them. The account should live under your billing, with the agency granted access: not the other way around.

02 Ask to see the Search Terms report, sorted by cost.

If you see spend on "botox jobs" or "cheapgroupon botox," they're not managing negative keywords. This single report tells you more about account health than any monthly summary they send.

03 Ask them to show you the campaign structure.

If your injectables and laser treatments are inside the same ad group, the account is poorly structured and it is costing you Quality Score and a higher CPC.

04 Ask exactly how they're tracking conversions.

If they count page views or contact-page visits as "leads," they're inflating their numbers.

Real leads are form submissions and phone calls. Everything else is vanity.

End of Chapter 4 You can size the budget, model the patient, pick the right bidding phase, and ask a vendor the questions that separate management from billing. Next: weekly habits.