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EXECUTIVE SUMMARY

This research paper compares the return on investment (ROI) of two most popular digital advertising channels, Google Ads and Meta Ads (Facebook and Instagram). The comparison focuses on industry reports, academic research, and data from digital marketing agencies. It looks at cost metrics, conversion performance, industry fit, and how platform technology is changing.

The digital advertising market in India was worth 13.6 billion dollars in 2024 and will reach 32.3 billion dollars by 2030, with a rise of 15.3% per year (Grand View Research, 2025). Out of the total ad spend 44% is spent on Digital Ads and it overtook TV for the first time in 2023. India is one of the largest and most important digital advertising market in the world, with 806 million internet users, 96% of them on mobile (Meltwater, 2025).

The research finds that Google Ads and Meta Ads are very different. Each works best in different situations. Google Ads targets people who are actively searching for something. It captures demand that already exists. Well-run Google campaigns in India generate Rs.6-Rs.10 for every Rs.1 spent, with incremental ROAS of 4.14x-5.21x for e-commerce and non-branded searches (upGrowth, 2026). On the other hand Meta Ads, introduces people to products they didn't know about and is good at generating awareness. Top Indian D2C brands average 3.2x ROAS on Meta Ads, and the entry cost is much lower (Sociolabs, 2026).

Everything doesn't fit everyone. Google Ads tends to work better in sectors with high purchase intent, real estate, financial services, healthcare, and B2B. Meta Ads works better where discovery matters, fashion, beauty, lifestyle, and food. For brands with bigger budgets, combining both platforms, Meta to build awareness and Google to capture the resulting demand, helps them deliver the best results

This paper also looks at how creative quality, privacy changes, AI automation tools, and regional language advertising are changing what Indian advertisers can expect from each platform in 2025 and beyond.

1. INTRODUCTION

1.1 Background

Something changed in 2023 that most people outside the marketing world barely noticed: digital advertising overtook television to become India's biggest advertising medium (Statista, 2024). This had been building for years, but that year marked a turning point. Brands that had relied on TV for decades suddenly had to face reality - their audiences had moved on.

They moved, mostly, to their phones. India now has **806 million internet users**, and 96% of them go online through a mobile device (Meltwater, 2025). Digital marketing spend in India hit **Rs.410 billion in FY 2024**, up 30% from the year before (Statista, 2024). The broader digital advertising market was valued at **USD 13.6 billion in 2024** and is on track to reach **USD 32.3 billion by 2030, growing at 15.3%** per year (Grand View Research, 2025).

Several things explain this growth. Mobile data in India is among the cheapest in the world, which has brought millions of new internet users online - many in smaller towns that traditional media never reached well. Social media has exploded: **India had 491 million social media users as of January 2025**, growing at 5.23% year-on-year at a time when global social media usage was actually falling by 0.81% (DataReportal, 2025). Gen Z makes up 40% of India's social media audience and has a combined estimated spending power of Rs.1.2 trillion (DataReportal, 2025).

At the top of this market sit two advertising platforms. Google Ads dominates search and video advertising through Google Search, YouTube, and the Display Network. Meta Ads dominates social media advertising through Facebook and Instagram. Together, they take the largest share of India's digital ad spend. Every Indian business - from a first-time D2C brand to a large real estate company - eventually has to decide how to split its budget between the two.

That decision is difficult than it sounds. Google and Meta work in fundamentally different ways, reach different people, and produce very different results depending on the industry.

Getting it wrong would result in spending money to reach the wrong people at the wrong time. Getting it right can mean a campaign that have ROI offive or six times its cost.

1.2 Problem Statement

Even though the decision is really important, most small and medium businesses in India doesn't have a solid data. What they have is either too generic, global benchmarks that don't reflect Indian costs or consumer behaviour, or too self-serving, produced by the platforms themselves.

Several specific problems make this comparison hard:

- **Attribution overlap:** A customer sees a Meta ad on Monday. Same person clicks a Google ad on Thursday before buying. Now both the platforms count that same sale. This makes platform-reported ROAS numbers higher than reality (Prihatiningsih et al., 2025; Basuki & Cahyani, 2022).
- **Differences between industries:** For example, an outfit selling fashion and a company dealing in real estate require totally different strategies, yet most comparison exercises treat all industries in the same manner.
- **Budget dependency:** For instance, using Google's AI tools such as Performance Max requires having at least 30 monthly conversions (upGrowth, 2026). Organizations allocating less than that will certainly come to inaccurate conclusions regarding the effectiveness of the tool.
- **Rapidly changing environment:** Privacy issues at Apple's iOS have considerably decreased targeting accuracy on Meta's platform since 2021 (Rana & Arora, 2022). AI has led to new approaches for both these players. Statistics from a few years ago will not hold water anymore.

This paper addresses these problems by gathering the data from multiple credible sources (academic studies, industry reports, and practitioner analyses) to build a clear, India focused comparison of both platforms' ROI.

1.3 Objectives of the Study

This study aims to:

- Compare the cost metrics (CPC, CPM, CPA) of both platforms across different advertising categories in India.
- Compare the conversion performance (conversion rate, ROAS, incremental ROAS) of both platforms in India.
- Identify which platform performs better in which industry.
- Look at how a strategy using both platforms can improve overall returns.
- Examine the changing trends - AI automation, privacy changes, short-form video, regional language advertising - that are affecting how each platform performs.
- Give Indian businesses a guidance on how to split their budgets between the two platform.

1.4 Scope of Study

 This research focuses on the digital advertising market in India. It evaluates Google Ads (Search, Display, YouTube, and Performance Max) and Meta Ads (Facebook and Instagram) from the view point of Indian advertisers.

The data collected is from 2023-2026, using the most recent and reliable industry reports and academic research papers. It includes both large brands and small/medium businesses across many different sectors.

This research focuses only on paid form of advertising and does not include any organic means of marketing and promotion on social media or SEO.

Since the data collected is secondary data, all conclusions can be considered a review of scholarly literature on the topic. All costs are approximations and should be verified by the company against their actual campaigns.

2. LITERATURE REVIEW

2.1 Understanding ROI in Digital Advertising

ROI for digital ads is commonly measured through **Return on Ad Spend (ROAS)**, **Cost per Click (CPC)**, **Cost per Acquisition (CPA)**, and **Conversion Rate (CVR)**. ROAS is the most used metric. It tells you how much revenue you earned for every rupee you spent on ads. The problem is that platform-reported ROAS is almost always exaggerated and higher than the real number.

The reason for this exaggeration is attribution overlap. When the customer sees a Meta ad on Monday and clicks a Google Search ad on Thursday, both platforms reports for that sale. According to Prihatiningsih et al. (2025), attribution overlap is considered the biggest unsolved issue in digital marketing analytics today. Basuki and Cahyani (2022) found out that due to this overlap platform often shows incorrect impact of the ad campaign. Turnbull (2022) noted that it is still a challenge to get accurate ROI figures because of complex analytics and conversion credit getting shared across multiple customer touchpoints (as cited in Prihatiningsih et al., 2025).

With all this in mind: Intensify (2024) analysed data from over 3,000 Meta ad accounts and found an average ROAS of 2.98x. A study commissioned by Meta itself and conducted by authoritative agencies such as Nielsen, Nepa, and GfK revealed that the use of Meta apps provides 52% higher total ROI than other forms of advertising if long-term and short-term brand effects are considered (Meta, 2022). As for Google Ads, the general industrial baseline at around 2:1 returns (200% ROAS), and well-run campaigns doing are expected to do better than this also. (uproas.io, 2026).

In India, CPCs are cheaper and ROAS figures looks better as compared to western markets because of lower auction competition. However, experts warn that platform-reported ROAS overstates the contribution by 2-5x. The only unbiased way to assess ad effectiveness is incrementality testing but even big Indian advertisers don't apply this technique (upGrowth, 2026).

2.2 Search Engine Advertising and Google Ads: Academic Perspectives

Paid Advertising or Search engine advertising (SEA), has been researched since the mid-2000s. A number of key findings in this area have direct applicability in our case.

Jansen and Spink (2007) researched that primary driver of whether someone engages with a sponsored search result is **the intent behind the search query**. Due to this focus on search intent Google Search Ads is able to constantly produce higher-quality leads than social media ads because of the user already signalling what they want. Jansen, Liu, and Simon (2013) studied almost seven million records of a major US retailer's search campaign and found that ads at the top of the first page are more efficient in getting more clicks and more revenue, supporting the fact that position of the result impact both CTR and conversions.

Klapdor et al. (2013) found that ads which used expert testimony and statistics received more clicks, whereas ads that explained why a product works gets better conversions. The key takeaway here is that for different goals you need different strategies.

According to Szymanski and Lipinski (2018), click-through rate can predict revenue to some extent but conversion rate remains a stronger predictor of success. As the example of Indian marketers (who tend to measure success exclusively by click-through rates) clearly demonstrates, high-CTR campaign that does not convert is essentially an expensive source of traffic. This problem is exacerbated by the fact that CTR remains the most popular measure of success in India (Osumare, 2025).

Research on search advertising in emerging markets shows that cost per click is significantly lower in India often around \$0.10-\$0.50 per click across many sectors compared to \$1-\$5 in Western markets. However, lower CPCs doesn't means it will produce better ROI, due to conversion rates and consumer trust in online transactions being lower in emerging markets, that offsets the lower CPC benefit (quimbydigital.com, 2025; williswriting.in, 2024).

2.3 Social Media Advertising and Meta Ads: Academic Perspectives

According to a review of studies related to social media advertising conducted by Tandfonline (2024), the four most investigated areas are consumer behavior, brand engagement, purchase intention, and ROI measurement – all covered in this research.

13 Rana and Arora (2022) applied the Technology Acceptance Model (TAM) framework to social media advertising by studying the data from 348 respondents. They found that perceived usefulness, ease of use, privacy concerns, and peer influence are significant predictors of consumer engagement with social media ads.

20 In their research into Facebook ads, Shareef et al. (2018) revealed that informativeness, entertainment value, and credibility are the three factors that positively affects the attitudes toward social ads, which then affects purchase intention. This confirms that Meta Ads work through a different mechanism than Google Ads as they have to create the demand instead of capturing the already existing one.

11 Misirlis and Vlachopoulou (2018) found out that even though a great number of metrics exist to measure the efficiency of social media campaigns, only two of them matter: Cost per Action (CPA) and Return on Ad Spend (ROAS). Other metrics, that includes engagement-related should not be taken as measures of ad performance.

Meta's study with Nielsen, Nepa, and GfK (2022) found out that in four out of five cases Facebook and Instagram outperformed television on total ROI considering the long-term business effects. The effectiveness was higher due to broad targeting, multiple ad formats, longer campaign durations, and frequent exposure in a week.

8 A Springer (2025) study compared the effectiveness of Google ads and Meta ads for an e-commerce cosmetics store using metrics such as conversion rate, cost per conversion, and ROAS. Google outperformed Meta on two metrics, which makes it as the recommended primary channel for driving purchases, while Meta remained valuable for reach and brand visibility (Misirlis et al., 2025).

7 2.4 The Technology Acceptance Model (TAM)

7 The Technology Acceptance Model, developed by Davis (1989), says that the acceptance of technology depends on two factors: **Perceived Usefulness (PU)** - does using this technology actually help me? - and **Perceived Ease of Use (PEOU)** - is it easy enough to use it? Originally built for workplace software TAM has since been applied to e-commerce, mobile banking, and social media advertising (Tandfonline, 2024).

From the perspective of advertising platforms, TAM explains why businesses choose one platform over another. The ease of use, better report quality, and better effectiveness in conversions at an acceptable cost makes businesses choose a particular platform. Gefen, Karahanna, and Straub (2003) found out that factors of TAM, especially the usefulness of e-commerce tools, account for a considerable part of decision-making regarding software choice.

Specifically, in India, Abbas and Mehmood (2021) studied digital marketing adoption in Indian MSMEs using TAM and Theory of Planned Behaviour. The main finding of this research is the impact that perceived usefulness and peer pressure had on digital marketing adoption. A large number of advertisers do not evaluate the platform themselves; instead, they take into consideration recommendations from other firms' advertisements or from similar companies they are associated with in some way.

2.5 The Information Adoption Model (IAM)

The Information Adoption Model was developed by Sussman and Siegal (2003). According to the model, the two main factors of how people decide to act on information they come across online are its argument quality (strength and relevance) and source credibility. If both are high, then the probability of belief and acceptance is also high.

This model is particularly useful for understanding Meta advertising. An Instagram post from a credible brand presenting interesting images and user reviews raises both factors and thus increases the likelihood that the user clicks and buys something from the ads. That is why the strategy of Indian direct-to-consumer brands, including investing into influencer collaboration, using UGC in posts, and presenting review ratings, is so popular.

16 Shareef, Mukerji, Dwivedi, Rana, and Islam (2017) applied IAM to social media advertising and found that informativeness, entertainment, credibility, and peer influence determine

how users react on social media ads. Entertaining and credible ads generate better engagement and higher purchase intention. Because of this a well-made Meta video ad might outperform a better targeted text-based ad, even if it reaches a better audience.

For google ads IAM works differently. The argument quality get established as and when a user types its search query. **The intent behind the query partially determines the argument quality.** When the customer searches something like 'buy air purifier online India' he/she has already decided the product category. The ad just needs to be credible and relevant enough for him/her to make a click. This is why Google Search Ads produce higher-quality leads for intent-driven categories (Jansen & Spink, 2007; RankArise, 2026).

2.6 Consumer Behaviour and Digital Advertising in India

Accodrding to Wiese and Akareem (2020) **cultural factors significantly affects the consumer responses to digital ads** which the global benchmarks often fail to consider (as cited in Prihatiningsih et al., 2025). Between a city like Mumbai and a Tier 3 town in Bihar the differences in language, income, digital literacy, and culture creates many different advertising needs in the same country.

According to Huang and Rust (2021) generic ads often gets outperformed by personalised ads and **how personalisation works, differs between Google and Meta** (as cited in Prihatiningsih et al., 2025). Keyword matching and search history is Google personalises and Meta personalises through interest and demographic profiles. Both needs a different set of strategies to perform.

15 Research conducted in emerging economies has found **that social media plays an important role in** every stage of **the** consumer decision **process.** From noticing a need to researching options to buying and buying again everything might be influenced by social media (Ranawi et al., 2019). In India, **49.1% of consumers discover brands using social media** (Meltwater, 2025). This reflects how important social media has become for how Indian consumers find and evaluate products.

Research applying TAM and the Theory of Planned Behaviour in India (Emerald, 2025) also found that Fear of Missing Out (FOMO) drives impulsive purchases on social media - particularly for lifestyle products. This matters for how Meta Ads should be structured for fashion, beauty, and food delivery brands that want to trigger fast buying decisions.

2.7 The Role of Creative Quality in Advertising ROI

One of the most consistent findings in advertising research is that creative quality is the single biggest driver of campaign ROI - more important than targeting, reach, or budget. Nielsen (as cited in Meta, 2022) found that creativity drives **56% of a campaign's sales ROI**. Google's internal research puts this at 70% (Meta / Nielsen, 2022).

Meta and Nepa (2022) studied how creative execution on Facebook and Instagram affects sales. Following creative best practices produced a **1.2-7.4x increase in short-term sales** and a **1.2-2.7x increase in long-term sales**. Short-form video ads produced the best short-term ROI of all formats - which is why Instagram Reels has become the most cost-efficient Meta format for Indian D2C brands, with CPMs as low as Rs.45-Rs.140 (upGrowth, 2026).

For Google Ads, Klapdor et al. (2013) showed that the type of evidence used in search ad copy significantly changes outcomes. Expert endorsements and statistics attract more clicks. Causal arguments that explain why a product works has a better conversion. In case of Google Search, the quality and framing of ad matters.

2.8 Platform ROI Research in the Indian Context

A comparison by Osumare (2025) found that well-optimised Google Ads campaigns in India delivered **Rs.6-Rs.10 per Rs.1 spent**, while Meta Ads delivered **Rs.4-Rs.8 per Rs.1 spent**. Google produced better returns overall, but needed a higher entry investment. Practitioners recommend a minimum budget **of Rs.50,000-Rs.1,50,000 per month** for e-commerce Google campaigns for the algorithm to collect enough data to function properly (upGrowth, 2026).

For D2C brands on Meta, Sociolabs (2026) reported an average ROAS of **3.2x** for top performers, with average CPMs of Rs.850 that grew 22% year-on-year through 2024-25. For

Google, upGrowth (2026) measured an incremental ROAS of **5.21x for non-brand search keywords** and 4.64x for Performance Max campaigns - higher than Meta's figures, but only when there is adequate budget and conversion volume.

Analysis of the Indian market (raybotixdigital.com, 2025) found that real estate and education brands consistently prefer Google because their buyers are actively searching. Fashion, lifestyle, and cosmetics brands do better on Meta because visual discovery is central to how their buyers form purchase intent. This sector-level pattern has been consistently observed across Indian digital marketing practitioners (LW Digital Marketing, 2025; Rangblaze Media, 2025).

The strongest consensus across Indian practitioner research is that brands with sufficient budgets should use both platforms together: Meta to build awareness and create desire, Google to capture the intent that awareness generates. Rangblaze Media (2025) calls this the synergistic strategy, and it is the approach most consistently recommended by Indian performance marketing practitioners.

3. RESEARCH METHODOLOGY

3.1 Research Approach and Design

This research adopts already available industry reports, scholarly literature, platform performance benchmarks, and analysis by digital marketing firms in order to assess the ROI generated by Google Ads and Meta Ads in India.

The approach used in this research is descriptive and comparative. Descriptive because it will be explaining how both platforms perform in the Indian market. Comparative because it will make direct comparison between both platforms with regard to cost, coverage, conversions, ROAS, and suitability in various sectors.

Secondary data was purposefully selected. Advertisement data is very volatile, and there exist variations in every single campaign. Using different sources gives a more generalized view, which minimizes the possibility of biasness. However, the main downside with secondary data is that it is not personalized to any particular advertiser.

3.2 Theoretical Frameworks

Three theoretical frameworks guide this analysis:

- **Technology Acceptance Model (TAM) - Davis (1989)**: This is used to understand why advertisers choose one platform over the other and why consumers engage or ignore ads on each platform.
- **Information Adoption Model (IAM) - Sussman & Siegal (2003)**: This is used to explain how consumers process ads on social media, focusing on argument quality and source credibility as predictors of the reaction.
- **Marketing Mix / 4Ps Framework - Kotler & Keller (2012)**: This is used to contextualise how each platform fits across 4Ps of marketing: Product, Price, Place, and Promotion.

3.3 Research Questions and Hypotheses

This study addresses the following research questions:

- **RQ1:** Which platform among the two delivers higher average ROI for Indian advertisers when measured with cost, conversion rate, and ROAS?
- **RQ2:** How do cost metrics (CPC, CPM, CPA) perform in Google Ads and Meta Ads in India, and what is in for small businesses with limited budgets?
- **RQ3:** Does the industry sector affects the platforms' performance?
- **RQ4:** How does a blended strategy combining both platforms helps that neither platform can do alone?

Based on the literature review and available data, this study tests the following hypotheses:

- **H1:** Google Ads delivers higher ROAS than Meta Ads for intent-driven product categories (e.g., real estate, finance, healthcare) in India.
- **H2:** Meta Ads delivers higher ROAS than Google Ads for discovery-driven categories (e.g., fashion, beauty, food) in India.
- **H3:** A blended strategy using both platforms together delivers higher combined ROI than either platform used alone.
- **H4:** The minimum viable budget for Google Ads is significantly higher than for Meta Ads in India.

3.4 Data Sources

The following secondary sources were used. Sources were selected based on credibility, recency (2022-2026), and relevance to the Indian market:

Source	Type	Key Data Provided
Grand View Research (2025)	Industry Report	India digital ad market size, CAGR, forecast
DataReportal / Meltwater (2025)	Digital Stats Report	Internet users, social media users, platform reach India
NapoleonCat (Dec 2024)	Social Media Stats	Facebook, Instagram, Messenger user counts India
Sensor Tower (2025)	Advertising Analytics	India digital ad spend, top advertisers, seasonality
Statista (2024-2025)	Market Research DB	Digital marketing spend India, TV vs digital share

Source	Type	Key Data Provided
upGrowth (2026)	Agency Report	Google Ads & Instagram Ads pricing India, ROAS
Sociolabs (2026)	Agency Report	D2C Meta Ads ROAS, CPM trends India
Osumare (2025)	Agency Report	Google vs Meta ROI comparison India
Intensify (2024)	Platform Analysis	Meta Ads ROAS across 3,000+ accounts
Meta / Nielsen / Nepa / GfK (2022)	Platform-Commissioned Study	Long-term ROI of Meta advertising vs. other channels
Prihatiningsih et al. (2025)	Academic Journal (SLR)	Systematic review of digital advertising effectiveness
Rana & Arora (2022)	Academic Journal	TAM applied to social media advertising
Misirlis et al. (2025)	Academic Journal (Springer)	Google vs Meta performance for e-commerce
Jansen et al. (2013)	Academic Journal	Search advertising effectiveness and ad rank
RankArise (2026)	Practitioner Analysis	Google vs Meta conversion rate and ROAS comparison
Rangblaze Media (2025)	Agency Report	D2C brand platform strategy, blended approach India
Research and Markets (2026)	Market Report	India digital ad spend 2026 outlook

4. ANALYSIS, DISCUSSION AND RECOMMENDATIONS

4.1 Introduction to the Analysis

In this section, Google Ads ROI and Meta Ads ROI are examined based on six parameters, namely, cost-based parameters, conversions, audience reach, relevance to the specific industry, hybrid strategy, and platform trends.

The analysis answers everything from the most concrete, numbers-driven comparisons (cost and conversion data) to more strategic questions (sector suitability, blended approaches, and trends). Each section has its findings and what it mean for Indian advertisers.

4.2 Data Collection - Sources and Approach

Since this is a secondary research study, data collection involved identifying, reviewing, and gathering published quantitative data.

The process followed three steps:

- **Source identification:** Relevant reports and academic papers were found through Google Scholar, platform-published research databases (Meta for Business, Google Ads Help), and Indian digital marketing agency blogs published between 2022 and 2026.
- **Data extraction:** Quantitative measures such as CPC, CPM, CPA, ROAS, conversion rates, reach data, and CAGR have been derived from the various sources. When a range was presented by a particular source, both the low and high values within that range were included.
- **Cross-validation:** Where multiple sources gave data for the same metric, figures were compared to identify consensus ranges and flag significant outliers. Platform self-reported metrics were noted separately from third-party and academic measurements, given the known tendency of platforms to overstate their own performance (Prihatiningsih et al., 2025).

A key decision was to rely primarily on India-specific data wherever available, and clearly state if any global benchmarks used in their place. This matters because cost metrics in India are different than global averages.

4.3 Data Analysis

4.3.1 Cost Comparison: CPC, CPM, and CPA in India

The primary difference between the two platforms is cost. Both Google Ads and Meta Ads use auction-based pricing model, where advertisers bid against each other for ad placements. Since Google targets users based on active search intent to generate better leads quality and Meta targets based on interests and demographics, the price for placements differs significantly.

Table 4.1: Cost Comparison - Google Ads vs. Meta Ads in India

Metric	Google Ads (India)	Meta Ads (India)	Source
Avg. CPC - General (Search)	Rs.160-Rs.320	Rs.40-Rs.160	spackdigi.com, 2024
Avg. CPC - E-commerce	Rs.15-Rs.40	Rs.5-Rs.30	StartUpMandi, 2026
Avg. CPC - Finance/Insurance	Rs.40-Rs.120	Rs.30-Rs.80	StartUpMandi, 2026
Avg. CPC - Real Estate	Rs.30-Rs.100	Rs.20-Rs.60	StartUpMandi, 2026
Avg. CPC - Legal (high-value)	Rs.100-Rs.3,000+	Rs.40-Rs.120	WebChanakya, 2026
Avg. CPM - Display/Feed	Rs.50-Rs.150	Rs.150-Rs.350 (Feed)	upGrowth, 2026
CPM - Instagram Reels	N/A	Rs.45-Rs.140	upGrowth, 2026
CPM - Instagram Stories	N/A	Rs.80-Rs.200	upGrowth, 2026
Avg. CPA - Lead Generation	Rs.200-Rs.7,000+	Rs.100-Rs.2,000	williswriting.in, 2024
Min. Budget to Run Properly	Rs.50,000-Rs.1,50,000/month	Rs.10,000-Rs.20,000/month	upGrowth, 2026

Discussion: Meta Ads require significantly lower costs to be set up and run. An average business in India with Rs.15,000-Rs.25,000 a month can have reasonable visibility and lead generation on Meta. On the other hand, a similar budget spent on Google, particularly in highly competitive industries, would exhaust before gathering enough conversion data for optimization. Experts suggest a minimum investment of Rs.50,000-Rs.1,50,000 a month for Google e-commerce campaigns in order to achieve at least 30+ conversions for Performance Max exiting the learning phase (upGrowth, 2026).

However, a low CPC does not guarantee high ROI. A user passively browsing Instagram might not ever convert after clicking on an ad for Rs.5. However, a customer searching 'buy laptop

bag online' might convert immediately after clicking on an ad for Rs.150 at a price point of Rs.2,000.

H4 is proved: A higher entry cost barrier exists for Google Ads compared to Meta Ads in India. While Meta Ads work well within Rs.10,000-Rs.20,000 a month range, Google Ads generally need at least Rs.50,000+ to operate effectively.

4.3.2 Conversion Rate and ROAS Analysis

Conversion rate measures the percentage of ad clicks that leads to a desired action being performed for example a purchase, a form submission, or a download.

ROAS measures total revenue generated against each rupee of spend on the ad. Together, these two metrics tell the performance of ads on a platform.

Table 4.2: Conversion Rate and ROAS Comparison

Metric	Google Ads	Meta Ads	Source
Avg. Conversion Rate (Search)	4.2%	8.8%	RankArise, 2026
Avg. Conversion Rate (E-commerce)	2.81%	~4-6% (retargeting)	Store Growers / RankArise, 2026
Avg. ROAS - D2C India (incremental)	4.14x-5.21x	3.2x (top performers)	upGrowth & Sociolabs, 2026
ROAS - Well-Optimised (platform-reported)	300%-700% (4-8x)	Up to 1200% in some campaigns	RankArise, 2026
Incremental ROAS (true contribution)	2x-5x	2x-4x	upGrowth, 2026
Advantage+ vs. Manual Campaign	N/A	+22% ROAS improvement	Sovran.ai, 2026
Min. conversions for AI to learn (Google)	30+ per month	Varies by objective	upGrowth, 2026

Discussion: On one hand, Google Ads' conversion rates are much lower (4.2% vs. 8.8%) than those of Meta Ads. But on the other hand, Google Ads offers a better return on advertising spend. As it turns out, Google Ads has a lower conversion rate due to the broader mix of its traffic, including customers in the research stage. The conversion rate of Meta Ads is higher since they focus on retargeting customers that have previously seen the website or the brand.

ROAS shows similar results. According to the table, Google Ads has much better ROAS metrics (incremental figures are 4.14x-5.21x) than those of Meta Ads. As explained above, a customer that searches for something is more likely to buy something expensive. In that sense, the cost-per-click on Google Ads may justify high CPC.

Still ROAS in both platform should not be considered at the face value because as it turns out that reported ROAS exaggerates the true incrementality by 2-5 times because platforms count all sales, some of which would happen naturally without ads (upGrowth, 2026).

H1 and H3 hypotheses are partially confirmed. H1 says that ROAS from Google Ads is higher for e-commerce/high-intent products. H3 in detail is discussed further below.

4.3.3 Audience Reach and Platform Penetration in India

Reach is the total number of unique people or households who see your content, ad, or campaign message at least once over a specific period.

Table 4.3: Platform Reach in India

Platform	Users in India	Primary Age Group	Gender Split	Source
Facebook	606 million (Dec 2024)	25-34 years (227M)	69.5% male	NapoleonCat, 2024
Instagram	426 million (Dec 2024)	18-24 years (178M)	68.4% male	NapoleonCat, 2024
YouTube (Google)	~460-491 million	Broad - all ages	N/A	Statista, 2024
Google Search	800+ million internet users	All demographics	All demographics	Meltwater, 2025
WhatsApp (Meta)	80.8% of internet users	All demographics	N/A	DataReportal, 2025

Discussion: The total number of users that Meta owns from Facebook and Instagram combined in India is over one billion. Though there could be some overlap, the social network reach of Meta itself is very high. India is one of the largest Facebook markets around the world. **Instagram is currently the most popular social media platform** among Indians, with 38.3% citing it as their favourite social app (DataReportal, 2025).

In contrast to Meta, the reach advantage of Google is not from sheer numbers, but from intent. Every time a user searches on Google, he or she actively seeks for a product, information, or service. This intent-based model makes impressions generated on Google significantly more valuable than those on Facebook or other social networks resulting in higher CPCs on the platform.

An important India-specific point: Over the past five years Facebook has built strong reach into Tier 2 and Tier 3 cities (Sensor Tower, 2025). **Facebook's smaller-city reach may be one of its most underrated strengths** especially for FMCG brands, regional food brands, and services targeting middle-India consumers.

4.3.4 Sector-Wise Platform Performance Analysis

Among the most practically relevant results from this analysis is the fact that there is great variability in platform effectiveness between industries. That which will serve a fashion company well will be entirely unsuitable for a B2B software firm. The following table demonstrates the results regarding platforms for India's largest advertising sectors:

Table 4.4: Sector-Wise Platform Performance in India

Industry Sector	Preferred Platform	Google Ads - Key Data	Meta Ads - Key Data
E-commerce / D2C	Both (blended)	CPC Rs.15-Rs.40; ROAS 4-8x for high-intent	CPC Rs.5-Rs.30; strong for discovery & retargeting
Real Estate	Google Ads	CPC Rs.30-Rs.100; high-quality buyer leads	CPC Rs.20-Rs.60; higher volume, lower lead quality
Education / EdTech	Both	CPA Rs.1,500-Rs.7,000; strong for active searchers	Lower CPL; effective for brand awareness
Fashion / Beauty / Lifestyle	Meta Ads	Moderate; useful for branded search	Excellent; Reels & visual formats drive discovery
Finance / Insurance	Google Ads	CPC Rs.40-Rs.120; high-value conversions	CPC Rs.30-Rs.80; trust barrier higher on social
Healthcare	Google Ads	High CPA; high patient lifetime value	Better for wellness brands; weaker for clinical
Food & Beverage / QSR	Meta Ads	Works for delivery-related searches	Instagram/Facebook ideal for visual storytelling
B2B / SaaS / Enterprise	Google Ads	Reaches decision-makers who are searching	LinkedIn often preferred; Meta is secondary
FMCG / Consumer Goods	Meta Ads	Display works; Search has low intent volume	Wide reach; Facebook strong in Tier 2/3 cities

Discussion: Pattern across industries has supported the IAM and TAM theories' predictions. Google Ads work well when there is a buyer intent. Buyer's search intent provides advertising opportunities. On the other hand, Meta Ads work well when products benefit from discovery - fashion, beauty, food, and FMCG. Ad must create the intent for Google to capture it.

For the D2C category, which has grown to over **800 brands in India as of 2024** (upGrowth, 2026) and spans multiple product types, the answer is almost always both platforms used together. Meta generates the initial awareness; Google captures the intent that awareness creates.

H1 is supported: Google Ads outperforms Meta for intent-driven sectors (real estate, finance, healthcare, B2B). H2 is supported: Meta Ads outperforms Google for discovery-driven categories (fashion, beauty, food, FMCG).

4.3.5 The Blended Strategy: Combining Both Platforms

The most consistent finding across both academic literature and Indian practitioner research is that the highest-ROI strategy is not to choose one platform but to use both together, with each playing a distinct role in the customer journey.

Consider a realistic customer journey for a D2C skincare brand. A user in Hyderabad sees an Instagram Reel from the brand on a Tuesday evening, watches it, and taps to view the product page - but doesn't buy. Three days later, she Googles 'best vitamin C serum India' and sees the brand's Search ad at the top of the results. She clicks, reads reviews on the website, and adds to cart - but still doesn't complete the purchase. That evening, she sees a retargeting ad on Facebook offering free shipping. She buys. In this case three ad touchpoints across two different platforms resulted in one sale. The conversion likely doesn't happen if any of them is missing.

Table 4.5: Blended Strategy - Platform Role at Each Funnel Stage

Customer Journey Stage	Best Platform	Ad Format	Objective
Awareness / First Discovery	Meta (Instagram/Facebook)	Reels, Stories, Carousel	Introduce the brand to new audiences

Customer Journey Stage	Best Platform	Ad Format	Objective
Consideration / Research	Google (YouTube + Display)	YouTube Pre-roll, Display	Reinforce brand; provide information
Intent / Purchase Decision	Google Search Ads	Search Ads, Google Shopping	Capture demand at the moment of intent
Re-engagement / Retargeting	Meta (Facebook/Instagram)	Dynamic Product Ads, Feed	Bring back visitors who didn't convert
Retention / Repeat Purchase	Meta (Facebook/Instagram)	Offers, Loyalty Ads, DPA	Drive repeat purchase and loyalty

Discussion: According to Rangblaze Media (2025), this is the Synergistic Strategy - Meta for prospecting and discovery and Google for intent capture and conversion. This strategy consistently yields high ROAS when compared to both the platforms used independently. However, the problem lies in the fact that it requires greater budget allocation, along with better campaign execution skills. For advertisers who have budgets less than **Rs.60,000-Rs.80,000** per **month** in **total**, splitting their budgets across two platforms will mean not having sufficient data for optimization purposes on both platforms.

In cases where brands really can't afford to advertise on two platforms simultaneously, the choice becomes obvious **if you're selling products that customers search for online, choose Google first but if your product needs visual discovery pick Meta first.**

H3 is supported by the discussion above because the blended strategy consistently yields a higher ROI than both the platforms used individually.

4.3.6 Emerging Trends Reshaping Platform Performance in India (2024-2026)

AI-Driven Campaign Automation

In both cases, the focus has been on transitioning to AI-controlled campaigns. The two examples include **Performance Max (PMax)** by **Google and Advantage+ Shopping Campaigns** by **Meta**. In the first one, an account should receive at least 30 conversions per month to leave the learning stage – otherwise, campaigns will remain in the vicious cycle of underperformance (upGrowth, 2026). Advantage+ has proven to yield a 22% higher Return on Advertising Spend than manual campaigns (Sovran.ai, 2026).

Privacy Changes and Attribution Challenges

6 Apple's App Tracking Transparency (ATT) framework, which rolled out from 2021, has had a disproportionate impact on Meta. Meta relies on cross-app data to build audience profiles and attribute conversions. With ATT limiting that data flow, retargeting audiences have shrunk, lookalike models are less accurate, and the attribution data in Meta's dashboard is less reliable than it was in 2020 (upGrowth, 2026; Rana & Arora, 2022). Indian advertisers have responded by building first-party data assets - email lists, WhatsApp contacts, loyalty programmes - to reduce dependence on Meta's third-party data.

Short-Form Video and Reels Advertising

Instagram Reels dramatically changed the cost economics of Meta advertising in India. Reels inventory expanded significantly in 2024-25, keeping CPMs low - **Rs.45-Rs.140 for most D2C categories** - compared to Rs.150-Rs.350 for Instagram Feed ads (upGrowth, 2026). Brands producing native vertical video content at reasonable quality are getting significantly more reach per rupee than those running repurposed horizontal footage or static images. YouTube Shorts is playing a similar role on Google's side, opening low-cost video inventory for brands that can produce mobile-first video.

Regional Language Advertising

Hindi and regional language campaigns on Google can unlock audiences in smaller Indian cities where search volume in English is low but purchase intent remains real. Rangblaze Media (2025) identifies this as one of the most underused levers in Indian digital advertising. On Meta, running separate ad sets in Marathi, Tamil, Telugu, Bengali, and Kannada typically yields lower CPMs and higher engagement than English-language campaigns targeting the same geographies - a significant opportunity for brands expanding into Tier 2 and Tier 3 India.

Seasonality and Budget Timing

Both platforms experience significant cost seasonality in India. The festive season - October to November - sees CPMs rise sharply, with Sensor Tower (2025) reporting monthly ad spend pushing toward USD 250 million during peak periods. Q4 CPMs across both platforms average **26% higher than Q1**, and Black Friday/Diwali CPMs can be 2-3x normal levels (Sovran.ai,

2026). Brands that front-load spending in lower-competition periods (January-March) and carefully manage budgets during peak festive windows tend to achieve better annual ROAS.

4.4 Findings and Recommendations

Key Findings

Based on the analysis of secondary data, this study arrives at the following findings:

- **Finding 1 - Google Ads delivers higher ROAS for intent-driven campaigns:** Well-optimised Google campaigns in India return Rs.6-Rs.10 per Rs.1 spent (Osumare, 2025), with incremental ROAS of 4.14x-5.21x for e-commerce and non-brand search keywords (upGrowth, 2026). For sectors where buyers actively search - real estate, finance, healthcare, B2B - Google consistently delivers stronger results than Meta.
- **Finding 2 - Meta Ads delivers better ROI for brand-building and visual discovery categories:** Fashion, beauty, lifestyle, and food brands see stronger results on Meta, particularly through Instagram Reels. The lower entry cost (CPCs from Rs.40 vs Rs.160+ for Google) also makes Meta more accessible for smaller advertisers.
- **Finding 3 - Meta is cheaper per click, but Google generates higher-value conversions:** Meta's average CPC is 60-80% lower than Google's in most categories. However, Google's buyers have higher purchase intent, which means each conversion tends to be larger in transaction value.
- **Finding 4 - Both platforms overstate ROAS:** The platform-reported ROAS is probably overestimating the actual incremental contributions to the business anywhere from 2x to 5x (upGrowth, 2026). The D2C brands operating in India should set their incremental ROAS target anywhere between 2x to 4x in 90 days.
- **Finding 5 - The blended strategy produces the best overall results:** To achieve the best ROAS using Meta ads for awareness and Google Ads for intent driven conversion is the best strategy.
- **Finding 6 - India's market has unique characteristics that global benchmarks miss:** The Indian Advertising market is not similar to Western markets. It is characterised by Lower CPC, high social media growth, mobile first access, tier 2/ tier 3 city social media penetration and several different regional languages.

- **Finding 7 - AI tools are raising effective minimum budgets:** Both the Google PMax and the Meta Advantage+ models need adequate conversion volume for their operation. Brand advertisers who invest less than Rs.50,000 per month on Google will consistently receive poor performance due to inadequate data for the AI to learn.

Recommendations

Based on these findings, this study offers the following recommendations for Indian businesses and advertisers:

- **For small businesses (budget Rs.10,000-Rs.30,000/month):** The lower CPC, lower minimum viable budget, and strong visual formats that makes Meta the more realistic starting point for business with low budgets. Focus on Instagram Reels for cheapest CPMs and Facebook for Tier 2/3 city reach. Concentrate on Meta only till you don't have the budget for google ads, avoid splitting the budget between the two.
- **For medium businesses (budget Rs.30,000-Rs.1,00,000/month):** 60-70% of the budget should be allocated to Meta for awareness and retargeting. 30-40% of budget should be allocated to Google to capture high intent audience and have better lead quality. Google Search can generate meaningful conversion data to optimise against at this amount of investment.
- **For growing D2C brands (budget Rs.1,00,000+/month):** At this budget you can adopt the full blended funnel strategy. Use Meta reels and stories for top of the funnel awareness and discovery. Use Google Display and YouTube for driving mid-funnel considerations. Use Google Search and Shopping for high intent bottom-of-funnel conversions. And finally use Meta Dynamic Product Ads for retargeting.
- **For sector-specific allocation:** For sectors relying of high intent audience like Real estate, finance, healthcare, and B2B, should focus on Google Ads. For sectors requiring visual discovery like Fashion, beauty, lifestyle, FMCG, and food brands should allocate their budgets towards Meta Ads. Use Instagram for Metro cities and Facebook for tier 2/3 cities.
- **On creative quality:** Both Platforms values creativity a lot. Investing in high quality video and ad content will result in a better ROI than most targeting or bidding optimisations as stated by Nielsen's finding that creativity drives 56% of ROI.
- **On attribution:** Do not Consider platform-reported ROAS as a final measure of Performance. Use incrementality tests by pausing campaigns for a subset of your

target audience and see whether the sales actually drops. This is more reliable than considering platform-reported ROAS. (upGrowth, 2026).

- **On regional language advertising:** Brands that target tier 2/3 cities must test the regional language performance on each platform. In these cities the competition is lower, CPMs are cheaper, and engagement rates among regional language audiences tend to be higher (Rangblaze Media, 2025).
- **On seasonality:** Focus on building campaign budgets that helps with rise in CPM during festive season. Use brand awareness campaigns on Meta during September before Diwali season, then shift budget toward Google Ads during the peak purchase season during October-November when consumers are actively shopping to achieve best conversions.

4.5 Limitations of the Study

Dependence on Secondary Data

The present study relies solely on existing publications, industry norms, and scholarly work. What follows here are general trends and not anything that may apply specifically to a particular business or campaign. For instance, a primary research study conducted on Indian advertisers to measure their actual platform ROI would provide more insights.

Rapidly Evolving Platform Environment

There is a regular revision of algorithms, Pricing models and ad formats are done by Google and Meta. Cost metrics like CPM and CPC figures would have shifted by the someone reads this paper. There is a disruption in many benchmarks set recently in 2022-23 due to changes and adoption of AI driven campaign tools. Readers using this paper for budget decisions are advised to validate these benchmarks against their own campaign data.

Attribution Is an Unsolved Problem

Throughout the paper we have seen that, both platforms overstate the reported ROAS. Without incrementality testing, considering and comparing cross-platform ROI is not the correct measure. The true ROAS for any campaign is possibly lower than what the dashboard shows,

but the variations between campaigns is difficult to measure without any controlled experiments.

Averages Hide Significant Variation

The metrics and benchmarks of cost and performance mentioned in the research are based on industry averages and ranges. Performance of individual campaigns may vary significantly based on creative quality, landing pages, competition, campaign management and target audience. For Example, A fashion brand that spends Rs.50,000 on Meta might achieve 8x ROAS with high quality creative and 1.5x ROAS with poor quality creative. Same platform, same budget, but still the performance differs.

India Is Not One Market

This paper treats India as a single market for the most part for analysing, but in reality, India's advertising market is quite complex. A metro city like Bengaluru and a Tier 3 city in Rajasthan have completely different advertising needs due to difference in consumer behaviour, digital literacy, and platform preferences. The findings suitable for urban and semi-urban Indian advertisers.

5. CONCLUSION

This paper is aimed to answer one practical question: whether Google Ads or Meta Ads gives Indian businesses a better return on the advertising spends? The answer based on the secondary data analysis turns out to be that both platforms are in their own specific ways. A blended strategy using both is the best way to achieve the required ROAS.

Google Ads is the right first choice for the product or service that people already search for. Buyers interested Real estate search for properties. Students want tuitions search for coaching centres. Insurance buyers search for premium comparisons. The moment you key in an appropriate search in Google, you have reached the peak of buying interest you will ever experience via any medium of advertising. In That moment the Google's ability to show your ad at right place and time to the right customer is valuable, and the data backs it with results showing an incremental ROAS of 4.14x-5.21x for e-commerce and search campaigns, and Rs.6-Rs.10 return on Rs.1 invested in a well-managed campaign (upGrowth, 2026; Osumare, 2025).

Meta Ads is the right first choice when your product needs to be discovered by people before they even start to consider it for purchasing. When your product need to spread awareness Meta ads is the first choice for it. For Example a new skincare brand, a regional food startup, or a fashion label cannot wait for customers to search for them. Customer needs to discover the brand first before they search for it. Instagram Reels, Facebook Stories, and carousel ads are built for exactly this kind of awareness and demand creation. The lower CPCs starting at Rs.40, CPMs for Reels as low as Rs.45 is what makes Meta Ads the right first choice for smaller businesses and for brands with low budgets in the early stages of building an audience (upGrowth, 2026; Sociolabs, 2026).

For brands with sufficient budget and management capacity, that can actually invest in both platforms it is recommended to go for a **blended strategy** as the highest-ROI approach. Meta creates awareness and desire at the top of the funnel, while Google Display and YouTube increases consideration in the middle and Google Search captures the intent to purchase and converts it at the bottom of the funnel. Meta retargeting helps in bring back the visitors who

did not convert initially. The purchasing decision of most of the Indian customers follows these steps: First they discover the brand on social media. Then they research it on Google which increases consideration and then they convert through a combination of both. A strategy that spans across both platforms and goes through every major customer touchpoint is the best for achieving the desired conversion.

India's digital advertising market is currently growing at **15.3% CAGR and is expected to grow to 32.3 billion dollars by 2030**(Grand View Research, 2025). As more businesses transition to online advertising and the competition on both platforms starts rising, the quality of creative content, the accuracy of attribution and measurement, and the ability to adapt quickly as AI tools, privacy regulations, and consumer behaviour will matter more than platform choice alone. While understanding the fundamental strengths of the platforms they are using and focusing on the factors stated above the brands can get the most out of every rupee they spend on digital advertising.

Platform loyalty is not a strategy. Matching **the right** platform **to the right** objective, **at the right** budget level, with strong creative, is.