

STRATEGY

How CRO Improves ROAS and Reduces CPA [Performance Marketing Guide]

Key insights and actionable frameworks

01

The Context

Why does ad spend without CRO burn money?

Every paid click costs money. In India's competitive digital advertising landscape, average CPCs are rising 15% to 25% year over year. Vertical Avg CPC (Google Ads) Avg CPC (Meta Ads) Fintech / Lending ₹80-₹200 ₹30-₹80 SaaS / B2B ₹60-₹150 ₹25-₹60 D2C / E-commerce ₹15-₹50 ₹10-₹35 EdTech ₹40-₹120 ₹20-

How does CRO reduce CPA?

CPA is the metric that determines whether paid acquisition is profitable. CRO reduces CPA through a straightforward mechanism: as a higher percentage of paid visitors convert, the cost per conversion drops proportionally. The CPA formula: $CPA = \text{Ad Spend} / \text{Number of Conversions}$ If your ad spend stays

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Key Pillars

01

How to calculate CRO revenue impact

Step 1: Establish your current baseline
Monthly ad spend (total across all platforms)
Monthly paid visitors (total clicks)
Current landing page conver

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Highest-impact CRO elements for paid traffic

Paid traffic behaves differently from organic traffic.

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How CRO feeds back into PM optimization

CRO generates data that improves performance marketing beyond landing page conversion: 1.

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Key Pillars

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The right CRO investment relative to ad spend

Allocate 15% to 25% of your monthly ad spend to CRO.

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Conclusion

CRO improves ROAS by 2x to 4x on existing ad spend and reduces CPA by 40% to 60% by converting more paid traffic without changing ad creative or target

Ready to Take Action?

Get expert guidance tailored to your business goals.

[Get Your CRO Audit](#)

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