BuildUp BOOKINGS

06

BONUS 06 OF 11 · MASTERING VACATION RENTAL MARKETING

Paid Search That Doesn't Waste Money

A companion resource to the 2nd edition

WHAT YOU'LL HAVE WHEN YOU FINISH

The correct account structure for a vacation rental company, ad copy that fits the formats Google actually runs today, and the two calculations that tell you whether to spend more or stop.

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PART 1

Do this now

Start here. Each one works on its own.

Seven actions. Six of them are free and take under an hour total.

1 **Count your campaigns.**

If you have more than about five active campaigns, you are almost certainly splitting your conversion data into fragments too small for Google's systems to learn from. Consolidation is the fix I make most often.

2 **Check whether Performance Max is eating your brand traffic.**

Open your Performance Max campaign and look at whether your own company name is excluded. If it isn't, PMax is bidding on people searching for you, then reporting a spectacular return that is really your brand campaign's traffic wearing a different hat.

3 **Pull your search terms report for the last 30 days and sort by cost.**

Read the top 50. You will find job seekers, long-term rental hunters, people researching how to become a property manager, and competitor brand names. Add them as negatives.

4 **Check that your conversions carry real values.**

If every booking reports the same flat number — or worse, a value of zero — Google cannot tell a shoulder-season weekend from a peak-week stay, and it will optimize toward the cheap one. It is a common failure and an easy one to miss.

5 **Count the headlines in your ads.**

Responsive search ads accept 15. If yours run three or four, you are leaving the system almost nothing to test.

6 **Confirm your property pages are on your own domain.**

If they are not, the third campaign in this document is unavailable to you, and that is the one almost nobody runs.

7 **Do the break-even calculation.**

Take the commission rate you actually pay your largest OTA. Divide 1 by it. That is the return on ad spend where paid search costs you the same as letting the OTA make the booking. Write the number down. You now have a target that means something, rather than one you inherited from a blog post.

PART 2

The depth

The full method.

Three campaigns. Not thirty.

I have inherited accounts with forty-plus campaigns splitting a $2,000 monthly budget, and the fix is almost always consolidation. Here is the shape of a modern vacation rental account.

Campaign one — Brand Search. Defensive. Someone typing your company name is the highest-intent traffic that will ever reach you, and it is cheap because you have the best possible relevance for your own name. If you do not run this, a competitor can buy your name out from under you. Keep it running forever. It rarely needs much budget.

Campaign two — Performance Max. Google's machine-learning campaign type, placing ads across search, display, YouTube, Gmail, Maps and Discover from one asset pool. You supply headlines, descriptions, images and video; Google decides placement.

Structure your asset groups by property type or audience — mountain cabins as one group, beachfront condos as another, large-group properties as a third — rather than dumping everything into one group and letting the system average across inventory that attracts completely different guests.

This is counterintuitive if you learned Google Ads a few years ago. The old approach was one campaign per concept: a "pet friendly" campaign, an "oceanfront" campaign, a "large groups" campaign, each starved of data. What works now is **one** Performance Max campaign with separate asset groups underneath it. Simple at the campaign level, detailed underneath. Google's system optimizes better with more data flowing through fewer containers, and splitting into many small campaigns splits your conversion data along with it. If one asset group turns out to be a clear winner, peel it into its own campaign later — but start consolidated.

Budget: Performance Max should typically be the largest share of your spend. On a hundred dollars a day, put fifty to seventy-five through PMax, and split the rest between brand search and the AI Max property-page campaign.

The warning that comes with it: PMax will happily spend your entire budget on branded search terms and then report a return that double-counts bookings your brand campaign would have gotten for pennies. Exclude your own brand. You have two tools for this and they are not the same thing:

TOOL	WHAT IT DOES	USE IT FOR
Brand exclusions	Blocks queries mentioning a recognized brand entity, including variations and misspellings	Your own brand, and competitor brands you want PMax to stay away from
Campaign-level negative keywords	Blocks specific search terms as text	Everything else — job seekers, long-term rentals, wrong-intent queries

Brand exclusions are the more precise instrument for company names because they match the entity rather than the string. Use those for brands and save negatives for the rest. Performance Max now accepts campaign-level negative keywords in volume, so there is no longer any excuse for leaving a PMax campaign unguarded — this was a real limitation a couple of years ago and it isn't one now.

Campaign three — a Search campaign with AI Max, aimed at your property pages. This is the distinctly vacation-rental play, and it is the one almost nobody sets up properly.

You have dozens or hundreds of property pages. Each has a name, a bedroom count, a location, and a list of amenities. Guests search in language you would never think to add as a keyword: "4 bedroom oceanfront with pool," "cabin sleeps 12 hot tub," "pet friendly condo walk to beach." You cannot build a keyword list that anticipates every combination. AI Max's search term matching and final URL expansion read your property pages, match those long-tail searches, and send each one to the page that fits. Text customization writes headlines from that page. Use URL inclusions to keep it on property pages and URL exclusions to keep it off your blog, careers and owner pages. AI Max needs a conversion-based Smart Bidding strategy.

If you learned this as Dynamic Search Ads: Google is retiring them, and from February 2027 it automatically upgrades remaining DSA campaigns to AI Max. Set it up yourself now rather than inheriting the automatic version.

It is one of the best-value plays in vacation rental paid search. It only works if your property pages live on your own domain.

What to skip. Shopping campaigns are built for retail product feeds and do not map to nightly rentals. Offline conversion imports sound sophisticated and add a fragile data pipeline; direct ecommerce tracking is enough, and one system that works beats two that might.

Minimum viable spend for this structure is around $1,000 a month. Below that, the algorithms do not get enough conversion volume to optimize, and the money does more for you in content or reviews.

The formats, correctly

This is where most cheatsheets go wrong. Google retired the old expanded text ad format in June 2022. If your reference material still describes three headlines and two descriptions, it is describing an ad type you cannot build anymore.

Responsive search ads, current limits:

ASSET	COUNT	CHARACTER LIMIT
Headlines	up to **15**	30 each
Descriptions	up to **4**	90 each
Display path	2 fields	15 each

Use all fifteen headlines. Google assembles combinations and tests them, so three headlines is not a lean ad, it is a crippled one. Write headlines that make sense in any order, because they will appear in any order. If two headlines must appear together to make sense, one of them is written wrong.

A few things that matter more than character counting:

- **Pin sparingly.** Pinning a headline to position one guarantees placement and destroys most of the testing benefit. Pin only when something legally or factually must appear.
- **Write for the search, not for your brochure.** The guest typed a bedroom count and an amenity. Answer that.
- **Sitelinks, callouts and structured snippets are not optional.** They are free real estate and they increase how much of the results page you occupy.
- **Do not put an emoji in a search ad.** Google will disapprove it.

Conversion tracking with real values

Everything above is irrelevant if your tracking lies to you.

Value-based Smart Bidding (Maximize conversion value, then Target ROAS once bookings flow steadily) optimizes toward whatever you tell it a conversion is worth. If every booking reports the same flat value, the algorithm cannot distinguish a $900 shoulder-season weekend from a $9,000 peak week, and it will cheerfully buy you more of the cheap one because they are easier to get. Report dynamic booking value. If your booking engine can pass the actual total, pass it.

Then check what else you are counting as a conversion. Accounts routinely count newsletter signups, phone-number clicks, and page views as conversions alongside actual bookings — which means the bidding system is optimizing toward a blend of things where only one produces revenue. Make the booking the primary conversion action. Set the rest as secondary, which Google reports under All conversions but does not bid on.

If you run homeowner acquisition alongside guest marketing, a homeowner lead needs its own conversion action and its own value, worked back from your numbers: close rate × management revenue per signed owner. The book's example: one in ten signs and a signed owner is worth $12,000, so a lead is worth $1,200. A zero-value homeowner lead will starve your best channel.

The number to judge yourself against, and how to calculate it

You need a benchmark. Here is the one my agency commits to: **five to one.** Spend $1,000 in a month on guest-facing paid search, expect at least $5,000 in gross booking revenue attributable to it. That is the floor for a campaign I would call healthy. Five to ten is the realistic range for a well-structured account with decent tracking.

Now the part where people fool themselves. A five-to-one return means you spent one dollar to make five — a twenty percent cost of acquisition. Compare that against what your OTA actually charges you, and do it with your own rate rather than a number you read somewhere:

Break-even ROAS = 1 ÷ (your OTA commission rate)

If you pay Airbnb's 15.5% host-only fee: 1 ÷ 0.155 = **6.5:1**

If you pay Vrbo's 12% (bookings from October 29, 2026): 1 ÷ 0.12 = **8.3:1**
If you pay 18%: 1 ÷ 0.18 = **5.6:1**

These rates move. Use your latest statement for the OTA that supplies most of your bookings.

Below your break-even number, the OTA is genuinely cheaper per booking. Above it, you are winning on cost as well as everything else.

So why accept a channel that may cost slightly more than distribution? Because the two things are not the same purchase. When the OTA makes the booking, you pay commission and you get a stay. When you make the booking, you pay your acquisition cost and you get a stay **plus** the guest's email address, permission to market to them, a review on your own property, the chance of a repeat booking that costs you nothing, and a business that does not evaporate if somebody's ranking algorithm changes next spring.

That second bundle is worth more than the difference. But you should know you are paying it, and you should be pushing past break-even rather than settling at the floor and calling it a win.

Falling ROAS is often good news

This is the mental model I wish every property manager had before their first conversation with an agency, because it prevents the way I most often see those relationships fall apart.

Phase one — Prove. Modest spend, tight targeting, one question: can this channel produce profitable bookings at all? Returns are high here, and that is not evidence you have found a money printer. It is evidence you have found the easy layer — high-intent searches, your own brand, people already looking for exactly what you have.

Phase two — Scale. You increase spend to reach demand beyond the obvious. Broader searches, less certain intent, guests earlier in their planning. **Your return on ad spend will fall, and that is a success signal provided total revenue is still climbing.** It falls because you exhausted the cheap demand. That is not the campaign degrading, that is the campaign growing. A business doing $120,000 in ad-driven revenue at 8:1 is in better shape than one doing $60,000 at 12:1, even though the second number looks prettier on a report.

Have this conversation at kickoff, not in month four when the chart bends downward and everyone gets nervous. I have watched genuinely successful scaling campaigns get shut off because nobody set the expectation in advance.

Phase three — Find the ceiling. Every market has a point where additional spend stops producing additional revenue. Locate it deliberately instead of discovering it by accident.

The ceiling test: marginal, not blended

This is the most useful piece of paid-media arithmetic in the book.

Blended ROAS is total revenue divided by total spend. It is the number every platform reports, and it hides the thing you most need to see.

Last month: spent $10,000, generated $120,000. Blended return: 12:1.
This month: spent $15,000, generated $120,000. Blended return: 8:1.

Both months produced $120,000. The extra $5,000 produced **nothing at all**. And the platform reports that month as 8:1 — which still reads as perfectly healthy. You would look at that report and conclude the channel is working.

Marginal ROAS asks the sharper question: what did the *incremental* spend produce?

Marginal ROAS = (revenue this period − revenue last period) ÷ (spend this period − spend last period)

In the example: $0 ÷ $5,000 = **a marginal return of zero.**

That $5,000 belongs back at the previous spend level, or in a different channel entirely.

Run this every time you increase budget. When the marginal return drops below your break-even, the extra bookings cost more than the OTA would have charged. That is your practical ceiling for that channel in that market. Stop there and put the next dollar somewhere else. This one habit separates operators who scale advertising profitably from operators who scale spend and call it growth.

The weekly job

Twenty minutes, every week, not optional: mine your search terms report and add negatives. Every account accumulates waste, and left alone it compounds. Put it on the calendar with a name attached.

PART 3

Worked example

One example, all the way through.

Ridgeline Cabin Co. — fictional company, 40 mountain cabins in one valley, $3,000/month budget. The same example company appears in the AI Search bonus.

Account structure

CAMPAIGN	TYPE	MONTHLY BUDGET	NOTES
Ridgeline — Brand	Search, exact + phrase	$300	Defensive only. Cheap by nature.
Ridgeline — PMax — Guest	Performance Max	$2,000	Four asset groups. Own brand excluded.
Ridgeline — Search — AI Max — Properties	Search with AI Max	$700	URL inclusions limited to `/cabins/`.

PMax asset groups: Hot Tub Cabins · Pet Friendly Cabins · Large Group Cabins (sleeps 10+) · Secluded / Adults-Only

Three campaigns in the campaign view. Four asset groups underneath. That is the shape.

One asset group, written out

Asset group: Hot Tub Cabins

Headlines (3–15, 30 characters max, at least one of 15 or fewer):

```
Cabins With Private Hot Tubs
Hot Tub Cabin Rentals
Soak Under The Stars
Every Cabin Inspected
Pet Friendly Cabin Options
Sleeps 2 To 14 Guests
Local Team, Real Support
Mountain Cabins Near Town
Fire Pit And Hot Tub
Flexible Check-In Times
Book Direct
See Photos And Availability
Cabins With Mountain Views
Weeknight Rates Available
Ridgeline Cabin Co.
```

Descriptions (all within 90 characters):

```
Private hot tubs, fire pits, and mountain views. Book direct with our local team.
Every cabin visited and photographed by our team. No surprises when you arrive.
Same cabins, booked direct, with a local team on call before and during your stay.
Pet friendly options, flexible check-in, and cabins that sleep 2 to 14 guests.
```

Long headlines (1–5, 90 characters max):

```
Private Hot Tub Cabins In The Mountains, Booked Direct With Our Local Team
Cabins With Private Hot Tubs, Fire Pits And Mountain Views
```

Business name (25 characters max): `Ridgeline Cabin Co.`

Notice: every headline stands alone and makes sense in any order. None depends on another to be readable. That is the requirement, and it is the thing people get wrong.

What is deliberately absent: no emoji, no pinned headlines, no “leading provider,” and no claim the company cannot substantiate.

Also note the example is internally consistent. These are mountain cabins with hot tubs. They are not simultaneously beachfront. If your ad copy contradicts itself, guests notice before Google does.

Conversion setup

CONVERSION ACTION	VALUE	PRIMARY OR SECONDARY?
Booking complete	Dynamic — actual booking total	**Primary**
Homeowner inquiry	Close rate × revenue per signed owner	Primary only in the homeowner campaign (campaign-specific goal)
Newsletter signup	No value	Secondary
Phone click	No value	Secondary

The two calculations, run

Ridgeline's largest OTA is Airbnb, at the 15.5% host-only fee.

> Break-even ROAS = 1 ÷ 0.155 = **6.5:1**

So 5:1 is their floor, 6.5:1 is parity with Airbnb, and anything above that is winning outright. They are currently at 7.4:1 blended — fine against Airbnb, though below the 8.3:1 parity line for their Vrbo bookings.

Then they raise budget from $3,000 to $4,500:

> Revenue went from $22,200 to $25,800. Marginal ROAS = $3,600 ÷ $1,500 = **2.4:1**

Blended return is still above 5:1 and the report looks healthy. But the incremental money came back at 2.4:1, which is well below their break-even. **They found their ceiling.** The right move is to return to roughly $3,000 and put the other $1,500 into content or reviews — not to keep pushing because the blended number still looks acceptable.

PART 4

Your turn

Your worksheet. Print it and fill it in.

Account audit

CHECK	PASS / FAIL	FIX OWNER
Five or fewer active campaigns		
Brand search campaign running		
Own brand excluded in Performance Max		
PMax asset groups split by property type or audience		
AI Max Search campaign aimed at property pages, URL inclusions set		
15 headlines in every responsive search ad		
4 descriptions in every responsive search ad		
Sitelinks, callouts and structured snippets present		
Bookings pass dynamic value, not flat		
Non-revenue conversions set to secondary		
Homeowner leads valued separately from bookings		
Search terms reviewed within the last 7 days		

Your numbers

Your largest OTA commission rate: _____ %

Your break-even ROAS (1 ÷ rate): _____ : 1

Your current blended ROAS: _____ : 1

Which phase are you in? ☐ Prove ☐ Scale ☐ Finding the ceiling

Marginal ROAS log

Run this every time you change budget. It is the only way to see a ceiling before you have wasted three months on the far side of it.

MONTH	SPEND	REVENUE	Δ SPEND	Δ REVENUE	MARGINAL ROAS	DECISION

Headline builder

Fifteen headlines, 30 characters each. Each one must stand alone.

#	HEADLINE	CHARS
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		

#	HEADLINE	CHARS
14		
15		

PART 5

How you'll know it worked

What to check, and when.

Within two weeks — the structural fixes are verifiable immediately and do not require waiting on performance. Campaign count down. Brand excluded from PMax. Fifteen headlines live. Conversion values passing dynamically. Confirm each one directly rather than inferring it from a metric.

Within a month — watch impression share on your brand terms, and watch your search terms report get cleaner week over week. If your negatives are working, the junk stops recurring.

Within a quarter — this is when ROAS means something. One month of data on a $1,000 budget is noise. Judge the channel on a quarter, and judge it against *your* break-even number rather than against 5:1 out of habit.

The trap to avoid: do not judge a scaling campaign by a proving campaign's scoreboard. If revenue is climbing and blended ROAS is falling, run the marginal calculation before you touch anything. That number, not the blended one, tells you whether to keep going.

What a genuinely failing campaign looks like: flat or falling total revenue while spend rises, marginal ROAS at or near zero across two consecutive increases, or a search terms report full of queries that have nothing to do with your inventory. Those are real problems. A falling blended number on rising revenue is not.

PART 6

Where this lives in the book

Where to read more in the book.

Sections: *Branded Paid Search Campaigns* (Featherweight) — why you start with one defensive campaign. *Boost your bookings with higher-level Search Marketing tactics* (Middleweight) — the three campaigns, the benchmark, the three spend phases, and the ceiling test in full.

The Middleweight chapter is the one to read alongside this. It goes further on why consolidation beats fragmentation, and it makes the OTA comparison in detail — including why a channel that costs slightly more per booking than distribution is still the better trade.

If you are running homeowner acquisition through paid ads, also read *Advertising For Homeowners, Not Just Guests* in the Heavyweight chapter. The conversion-value problem there is the one that quietly starves the best channel most companies have.

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Want help putting this to work?

We've worked with more than 300 vacation rental companies on direct bookings, homeowner acquisition, SEO, paid media and AI search. If you'd rather not do this alone, book a free call at **buildupbookings.com**.

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