ROI Analysis for Construction Companies

# 1. What Is ROI?

Return on Investment (ROI) evaluates how efficiently a construction company turns marketing investment into revenue.

Formula:
ROI = ((Revenue from New Projects - Marketing Cost) / Marketing Cost) × 100

# 2. Key Factors That Drive ROI in Construction

|  |  |  |
| --- | --- | --- |
| Category | ROI Driver | Impact |
| Lead Quality | Targeting high-intent local searchers | ✅ Reduces wasted budget |
| Deal Size | Average value of closed project | ✅ Increases ROI multiplier |
| Sales Funnel | Conversion system & follow-up tools | ✅ Boosts close rate |
| Ad Strategy | Google & YouTube ads vs Facebook | ✅ Higher-intent platforms |
| CRM/Automation | Speed & persistence in follow-ups | ✅ Maximizes lead value |

# 3. Example ROI Calculation

Monthly Inputs:
- Ad Spend = GHS 8,000
- Raven Service Fee = GHS 7,500
- Leads/Month = 40
- Conversion Rate = 15%
- Average Project Value = GHS 800,000

Results:

|  |  |
| --- | --- |
| Metric | Value |
| Closed Projects | 6 |
| Total Revenue | 6 × GHS 800,000 = GHS 4,800,000 |
| Total Investment | GHS 15,500 |
| Net Profit | GHS 4,784,500 |
| ROI | 30,864% |

# 4. ROI Sensitivity Table

This table shows how ROI changes with conversion rate and average deal size:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Avg Deal Size | 5% Conv. | 10% Conv. | 15% Conv. | 20% Conv. |
| GHS 400,000 | 2580% | 5580% | 8580% | 11,580% |
| GHS 600,000 | 3870% | 8370% | 12,870% | 17,370% |
| GHS 800,000 | 5160% | 11,160% | 16,160% | 23,160% |
| GHS 1,000,000 | 6450% | 13,950% | 19,950% | 28,950% |

# 5. Strategic Recommendations

• Target High-Intent Keywords (e.g., “commercial renovation Accra”)

• Use Google Search + YouTube Ads, not Facebook for lead gen

• Automate Lead Follow-Up with Raven’s CRM to prevent drop-offs

• Track Close Rate Monthly — optimize your funnel continuously

• Outsource Sales Copy & Media Buying to Raven’s experts

# 6. ROI Summary

With a focused investment of GHS 15,500/month, your company could consistently generate GHS 4.8M+ in construction revenue and achieve 30,000%+ ROI, depending on close rate and deal size.