

Why Small Businesses in India Are Losing Money on Google Ads (And How to Fix It)

Let's be honest. Running Google Ads feels exciting at first. You set up a campaign, put in your budget, and wait for customers to come in. But a week later, you check your account and see: money spent, very few calls, almost no sales.

If this sounds familiar, you're not alone. Thousands of small business owners across India face the exact same thing every day. The problem isn't Google Ads itself. It's how the campaigns are set up and managed.

Here are the most common mistakes, and more importantly, how to fix them.

1. You're Targeting Everyone, So You're Reaching Nobody

Most beginners make their targeting too broad. They pick general keywords like "shoes" or "interior design" hoping to get more clicks. And yes, they do get clicks. But from people who are just browsing, not buying.

Think about it this way: if you run a shoe store in Hyderabad, you don't need someone from Delhi who's just curious about running shoes. You need someone in Hyderabad who's ready to buy right now.

The fix: Use specific, intent-based keywords. Instead of "interior design", try "interior designer in Hyderabad under 50000". Also, always set your location targeting to the city or area you actually serve.

2. Your Ad Clicks Are Going to the Wrong Page

Here's something most people ignore: where does the user go after clicking your ad?

Many businesses send all their traffic to the homepage. That's a mistake. Your homepage is for everyone. A person who clicked an ad for "affordable CA services in Pune" doesn't want to scroll through your entire website to find what they need.

The fix: Create a dedicated landing page for each campaign. It should clearly say what you offer, who it's for, and have one simple action: a phone number, a form, or a WhatsApp button. Nothing else.

3. You're Not Tracking What's Actually Working

This one is huge. A lot of small business owners run ads for weeks without setting up conversion tracking. That means Google has no idea which clicks are turning into calls or sales, and neither do you.

Without this data, you're basically driving with your eyes closed. You can't improve what you can't measure.

The fix: Set up Google's conversion tracking before you spend a single rupee on ads. Track form submissions, calls, and WhatsApp button clicks. Once you know what's working, put more budget behind it.

4. You're Letting Google Spend Your Money on Irrelevant Searches

Did you know Google can show your ad for searches you never intended? If you sell premium wooden furniture and don't add "cheap" or "free" as negative keywords, your ad might show up for those searches too. That's your budget going to people who would never buy from you.

The fix: Build a negative keyword list from day one. Every week, check your Search Terms Report inside Google Ads. If you see irrelevant searches eating your budget, add those terms as negatives immediately.

5. You Set It Up Once and Never Looked at It Again

Google Ads is not a set it and forget it tool. Markets change, competitors increase bids, and customer behaviour shifts. If you haven't logged into your account in two weeks, there's a good chance money is going to waste right now.

The fix: Review your campaigns at least once a week. Look at cost per click, click-through rate, and conversions. Pause ads that aren't performing and test new ones. Small weekly improvements add up to big results over time.

So, Is Google Ads Still Worth It for Small Businesses in India?

Absolutely, when done right. Google Ads can give small businesses a direct line to people who are already searching for what you sell. But without the right setup, it becomes an expensive lesson.

The businesses that win with Google Ads are not the ones with the biggest budgets. They're the ones who target the right people, send them to the right page, and keep optimising based on real data.

If you've been burning money on ads without results, it might be time to get a proper audit done. Sometimes a few small changes can completely turn things around.