

Paying for leads: is it worth it for you?

A lead price tells you almost nothing until you know how many of those leads became jobs. A one-page worksheet you can fill in from last month's statements, and what to check in the terms before you renew.

Ask an owner whether Angi or Thumbtack is worth it and you get a feeling. "The leads are rubbish." "It kept me busy in February." Both can be true in the same month, and neither one says whether the thing paid.

Hardly anyone has done the sum that would. Take what you spent, take off what you got back, and divide by the jobs it booked.

Below is how each of the three big services charges, a worksheet that does that sum from statements you already have, what to read in the terms, and what's still yours if you stop. Some trades do well on these platforms, and the example further down comes out in the platform's favor. The sheet tells you which side of the line you're on.

01 How each one charges, in its own words

"Lead" means something different on each of these, so before any number on your statement tells you anything, you need to know what you were charged for and when.

Thumbtack. You set a price per lead for each service, and a weekly budget on top. In Thumbtack's words, "your budget controls your total weekly spending" (set lead prices). You "automatically pay for a lead when a customer reaches out to you directly and their job matches your job preferences" (how to stop paying for leads). A customer can contact up to five pros in the first four hours of their search, and more after that (quality commitment).

Three things charge differently. "Opportunities" are customers who have already started talking to other pros; "you're only charged if you decide to reach out and the customer responds to your message" (opportunities). Smart Match sends "leads outside your usual preferences when our AI predicts they're a strong fit", and "You're charged automatically" for those. You can switch it off (smart match). And on some preset jobs there's no upfront cost; "a percentage of the job price is kept as a fee" instead (types of leads).

Angi. Lead prices aren't published. The pro FAQ says "Different sized jobs have different Lead Fees" and gives a number to phone (Angi Leads FAQ). Angi's annual report to the SEC for 2025 describes a membership that includes "access to consumer referrals (for which additional fees are

generally paid)", and says those lead fees are paid "regardless of whether the Pro ultimately provides the requested service". It also says "a single Service Request can result in multiple Leads", so more than one pro can pay for the same customer (Angi Inc. Form 10-K for 2025).

Google Local Services Ads. You pay per lead, not per click, up to a budget you set. A lead is a text or email from the customer, a phone call you answer and speak on, or a booking request (US and Canada only). "Lead prices may vary depending on your location, the job type, the type of lead, or your bidding mode", and "Message leads are typically priced lower than the corresponding phone lead price" (Google: how you're charged). Getting listed means passing Google's screening, and "The process varies by business category and location" (Google: screening).

It's also moving. Google says Local Services Ads are going into the main Google Ads platform, starting in August 2026 with some US home and storefront service categories and the rest into 2027. Your old reports won't come with them, and Google tells you to "download your historical reports soon" (Google: the move to Google Ads). If you're on it, do that before anything else in this guide.

	<i>Thumbtack</i>	<i>Angi</i>	<i>Google Local Services</i>
What you pay for	Each lead, at a price you set per service; some jobs a percentage instead	A membership, plus a fee per lead	Each valid lead
When you're charged	When a matching customer contacts you	Per lead, even if you don't get the job	Per call answered, message or booking request
Can others get the same customer?	Yes, up to five pros in the first four hours	Yes, one request "can result in multiple Leads"	Google's pages don't say
Money back	Automatic refund, with conditions (section 04)	Ask, and get it in writing	Automatic credits and disputes, 30 days (section 04)

WHAT TO DO

- Find out which of these you're paying for, and how: per lead, membership, contract, a cut of the job, a weekly or monthly budget.
- Look up your lead price and budget in the account itself.
- On Local Services Ads? Download your reports today.

On Thumbtack and Angi, the customer you paid for can be sold to other pros too.

02 The number that matters: what a booked job cost you

Pay for ten leads, book one, and that one job carried the cost of all ten. Say a lead costs you \$30. Sounds cheap. Ten of them for one job is \$300 gone before you've bought a single thing for it.

The cost of a lead is the platform's number. Yours is what a booked job cost, set against what that job leaves you after materials and labor.

The platforms say as much, in their own way. Thumbtack: "Our goal is to make the cost match how valuable the job is" (pay for leads). Angi's annual report: "Lead revenue varies based upon several factors, including the service requested" (10-K). Bigger job, pricier lead. Which means a lead's price tells you nothing until you know how often leads book.

You'll find plenty of figures online for both. They come from agencies selling the alternative, and none of them says where the numbers came from. I couldn't find any independent study of what leads on these platforms typically cost or how often they turn into work, which is why the worksheet below runs on your own numbers.

WHAT TO DO

- Write down last month's total spend on the service, including any membership or contract fee. Divide a yearly fee by 12.
- Count the jobs it booked. Not leads, not quotes. Jobs.

A cheap lead nobody books is expensive. A pricey one that books often can be a bargain.

03 The worksheet

One month, one platform. If you pay for two services, do two sheets. Spend means money that left your account; leave out sales tax only if you get it back.

The worksheet

What you write down

Line	What	Where to find it	Yours
A	Total paid to the platform this month: lead fees, any percentage taken from jobs, 1/12 of any yearly membership, any monthly ad or contract fee	Card or bank statement; the platform's billing page	
B	Refunds and credits you got back this month	The platform's billing page. On Google, credits show separately and the original charge stays on the invoice	
C	Leads you were charged for	Billing page or lead list	
D	Leads you actually spoke to (a real conversation, not a missed call)	Your call log or the platform inbox	
E	Quotes you sent	Your quote book or software	
F	Jobs booked	Your diary or invoices	
G	Average job value, before costs	Your invoices for those jobs, or your usual job if F is small	
H	Margin: the share of a job you keep after materials, labor, fuel and the like, not counting the lead fee	Your own figures; the hourly worksheet in the free Toolkit helps	
I	Optional: hours spent this month on leads that didn't book, times what an hour of yours is worth	A rough tally	

What you work out

Line	Sum	What it tells you	Yours
1	Net spend = A – B	What the month really cost	
2	Cost per lead = line 1 ÷ C	The platform's number	
3	Reach rate = D ÷ C	How many you even got to talk to	
4	Booking rate = F ÷ C	How many leads became work	
5	Cost per booked job = line 1 ÷ F	The number this guide is about	
6	Profit per job before the lead = G × H	What a job leaves you	
7	Profit per job after the lead = line 6 – line 5	Below zero means every job lost money	
8	Profit from the platform this month = (F × line 6) – line 1	Whether it paid, in dollars	
9	Profit per lead = line 8 ÷ C	What each lead was worth, good or bad	
10	Break-even jobs = line 1 ÷ line 6, rounded up	Jobs a month it takes just to cover the spend	
11	Optional: profit after your time = line 8 – I	The honest version of line 8	

The comparison

Line	What	Yours
J	What your own channel costs you a month: your Google Business Profile (free, but count your time), your website, anything else	
K	What the first extra job a month from your own channel would leave you = line 6 – J	
L	Extra jobs a month your own channel would need to match the platform = (line 8 + J) ÷ line 6, rounded up. Use line 11 in place of line 8 if you filled it in	

Your rule: I keep paying while line 5 stays under \$_____ and line 8 stays above \$_____.

Can't fill in a line? That blank is what you've learned. If you don't know how many leads became jobs, you can't know whether the platform pays, and neither can the rep selling it to you. Start counting this month. Asking every caller "how did you find me?" covers most of it, and leak 01 in the leaks guide has the rest.

If line F is zero or one, go easy on the conclusions. One month is a small sample. Do three before you decide anything, unless line 8 is badly negative.

An example, with made-up numbers

Say you paid a lead site \$650 last month and got \$50 back in refunds. You were charged for 20 leads, spoke to 14 of them, sent 8 quotes and booked 3 jobs. Your jobs average \$1,200, and you keep about 30% of a job after materials and labor.

Line	Sum	Example
1 Net spend	$650 - 50$	\$600
2 Cost per lead	$600 \div 20$	\$30
3 Reach rate	$14 \div 20$	70%
4 Booking rate	$3 \div 20$	15%
5 Cost per booked job	$600 \div 3$	\$200
6 Profit per job before the lead	$1,200 \times 30\%$	\$360
7 Profit per job after the lead	$360 - 200$	\$160
8 Profit from the platform	$(3 \times 360) - 600$	\$480
9 Profit per lead	$480 \div 20$	\$24
10 Break-even jobs	$600 \div 360 = 1.67$, rounded up	2 jobs
11 After your time (say 6 hours at \$50)	$480 - 300$	\$180
J Your own channel (say 2 hours a month on your Google profile at \$50, no fee)	2×50	\$100
K First extra job from your own channel	$360 - 100$	\$260
L Extra jobs to match the platform	$(480 + 100) \div 360 = 1.6$, or $(180 + 100) \div 360 = 0.8$	2 a month, or 1 once your time counts

An example only. Round numbers, made up so the sums are quick. They aren't typical and they aren't from any business.

Four things fall out of it:

- A \$30 lead became a \$200 job. Look only at line 2 and you'd be \$170 a job out.
- In this example the site paid, \$480 for the month, and on those numbers I'd leave it switched on.

- Count the six hours spent on leads that went nowhere and it's \$180. One or two extra jobs a month from your own profile or website would match that. How hard those are to get depends on your town and your trade, which I can't see from here.
- Book one job instead of three and line 8 becomes $360 - 600 = -\$240$. Two jobs and it's +\$120. On these numbers, one job a month is the difference between losing money and making it.

WHAT TO DO

- Fill in lines A to H for last month, and I if you can.
- Work out line 5 and line 8. Those two are the answer; the rest explains it.
- If any line is blank, start counting it today and do the sheet again in four weeks.

Line 5 is what a job cost you. Line 8 is whether it paid.

04 What to check in the terms before you sign or renew

The lead price is one line of the deal. What happens when a lead is bad, how many others got the same customer, and how you get out all cost money too, and they're all written down somewhere. Go and find them.

Is the customer yours alone? On Thumbtack, up to five pros in the first four hours, more after that (quality commitment). Angi's annual report says one request "can result in multiple Leads" (10-K). Google's help pages that I read don't say either way, so if someone tells you Local Services leads go to you alone, ask them where Google says so.

What counts as a lead you pay for? Thumbtack charges when a matching customer contacts you, and Smart Match can charge for leads outside your preferences until you switch it off (smart match). Google counts an answered call, a message or a booking request (Google). For Angi, ask what counts, and get the answer in writing.

How do you get money back, and how fast do you have to act? Thumbtack refunds automatically "if a customer doesn't reply to any pro they contacted within 72 hours", but only if you replied "within four business hours of the request" (8 a.m. to 8 p.m. your time). Keep the first contact on Thumbtack, too: share your own number or email before the customer replies and the lead is "ineligible for a refund" (Thumbtack refund policy). Replying fast matters for more than the refund, and the first five minutes is about exactly that.

Google reassesses charged leads and may credit low-quality ones automatically; "In most cases, credits will be applied to your account balance within 30 days" (Google: credits). Anything you want to dispute has to go in within 30 days (Google: disputes). And "Google no longer supports credits for 'job type not serviced' and 'geo not serviced' leads" (Google: credits). A lead from outside your area, or for work you don't do, is now yours to pay for. Set your service list and area carefully.

Is there a contract or membership? Angi's annual report describes a membership, and advertising bought by pros "under contract" (10-K). I couldn't get Angi's current pro terms to open, so I can't tell you how long its contracts run, how they renew or how you cancel. Ask for all three in writing before you sign, and keep the copy. On Thumbtack, the pages I read describe no membership: leads come out of a weekly budget you can change, and you can "hide your business from customers' search results for up to 30 days" (Thumbtack). Google runs on a budget you set, and once you hit the monthly maximum, "your ad won't appear for the remainder of the month" (Google).

Can the price change on you? Thumbtack says that if your lead prices are at or near the minimum, "they may increase automatically when the minimums change" (set lead prices). Angi's general Terms of Use, which are the site terms rather than the pro agreement, say Angi "may, in its sole discretion, modify these Terms of Use at any time effective upon posting the modified Terms of Use" (Angi Terms of Use).

One more thing before your next sales call. In January 2023 the FTC announced an order against HomeAdvisor, whose pro pages now point to the Angi Leads network. The FTC's complaint alleged that HomeAdvisor "often tells service providers that its leads result in jobs at rates much higher than it can substantiate", and the order bars it from "making unsubstantiated claims about the rate at which its leads convert into paying jobs" (FTC, January 2023). That's what the FTC alleged in 2023, and I'm not suggesting anyone does it now. The lesson travels, though. If a rep from any platform quotes you a booking rate, ask where the number comes from, and trust your own count over theirs.

WHAT TO DO

- Find the refund or credit rule for your platform, and check you've been claiming what you're owed.
- Check your service list and area settings against the work you actually want.
- Write down your renewal date and notice period, if there is one. Can't find them? Ask, in writing.

Thumbtack's refund and Google's credits both run on a clock. Read the rules before you need them.

05 What you own when you stop paying

The customers you booked are yours, as long as you kept their details. The profile, the reviews and your place in the results belong to the platform.

Thumbtack is plain about it. Deactivate your account and "All of your account information, including reviews, profile information, projects, your account balance, and more will be deleted" (Thumbtack). Google says your old Local Services reports won't carry over into Google Ads (Google). For Angi, ask what happens to your reviews if you leave, ideally before you've built any up.

You don't have to quit to protect yourself. Keep your own list of every customer a platform sends you, and ask each of them for a review on your Google Business Profile as well. Then you own something whether you stay or go.

WHAT TO DO

- Put every customer you've booked through a lead site into your own phone or customer list, with the job and the date.
- Ask each of them, once, for a Google review.

The reviews stay with the platform. The phone numbers can stay with you.

06 When it makes sense, and what to build alongside it

Paying for leads can be the right call. A new business with no reviews yet. A move to a new town. A slow month. A service you've just added that nobody knows you do. In each of those you're buying time while your own name catches up.

It works best as a tap you turn on and off with your numbers in front of you, rather than the place all your work comes from. Lines J to L on the worksheet are for deciding that. They ask what one extra job a month from your own Google profile or website would leave you, and how many of those it would take to match what the platform made. In the example it came to two, or one once your time was counted.

I can't promise your profile or your site will bring in those jobs, and I'd be wary of anyone who did without seeing your numbers. The sheet gives you the size of the target, and you decide whether it's worth an hour a week to go after it.

WHAT TO DO

- Fill in J, K and L.
- Spend one hour this week on your free Google Business Profile: hours, services, photos, the phone number. The 60 seconds before someone calls walks through it.
- Write your rule at the bottom of the sheet, with real numbers in the blanks.

Buy leads while you build something you own, and check the sheet every month.

THIS WEEK

- Pull last month's statements for every lead service you pay and fill in lines A to H. Ten minutes.
- Work out line 5, your cost per booked job, and line 8, what the platform made you.
- Check you've claimed every refund or credit you're owed, and that your service list and area settings match the work you want.

- Copy every customer the platform has given you into your own list, and ask each one for a Google review.
- If any line was blank, start asking every caller "how did you find me?" today, and do the sheet again in four weeks.

Lead sites are one place the money goes. If you want to know about the others, the Leak Finder asks ten yes-or-no questions and hands back the ones that apply to you.

Know what a booked job costs you, keep the customers you paid for, and turn the tap off when the numbers say so.

If you got to line L and wondered whether your own website could bring in that extra job or two, send it to me. I'll test your contact form and your phone links, and send you a short list of fixes within two business days, free. That's a check of the website itself, and it obliges you to nothing.

Written by JT Creeden at RedHorseWebDev, who builds websites for small businesses anywhere in the US. The whole guide is free to read at redhorsewebdev.com/learn — this PDF is just easier to keep.