

Custom Home Builder Marketing Spend Calculator

Work out how much your custom home business should spend on marketing to hit its revenue goal, and the most you can pay per lead before the math stops working.

- FREE TOOL
- CUSTOM HOME BUILDER
- PRINT OR FILL ON SCREEN
- BUILT BY FERVOR STUDIO

HOW IT WORKS

The math behind the number

Set the revenue you want, divide by your average job to get the jobs you need, and divide that by your close rate to get the leads it takes. Your marketing budget is your target percentage of that revenue, and the budget over the leads is the most you can pay per lead before the math stops working. When an agency pitches you custom home builder leads, that ceiling is the number that tells you in seconds whether the price works.

THE DEFAULTS

Custom Home Builder benchmarks for 2026

The worksheet starts from the sourced figures below, so the first number you see is realistic. You then replace each one with your own.

BENCHMARK	TYPICAL VALUE
Average job value	\$500,000
Gross margin	20.7%
Net profit margin	8.7%
Median field-tech wage	\$28.51/hr
Payroll burden	35%

BENCHMARK	TYPICAL VALUE
Billable utilization	65%
Billed labour rate	\$50/hr
Close rate	20%
Marketing % of revenue	5%

YOUR WORKSHEET

Fill in your own numbers

Write your figures into the blank column, on paper or on screen. The typical column is only a starting point, so replace it with what your business actually runs.

INPUT	YOUR NUMBER	TYPICAL
Monthly revenue goal What you want to bill		\$80,000
Average job value Your blended average		\$500,000
Close rate % Lead to booked customer		20%
Marketing % of revenue A common range is 5 to 10 percent		5%

OUTPUT	HOW IT IS BUILT	YOUR RESULT
Recommended budget	goal x (marketing % / 100)	
Leads needed	jobs / (close / 100)	
Max cost per lead	budget / leads	
Max cost per booked job	budget / jobs	

WORKED EXAMPLE

A Custom Home Builder example at \$80,000 a month

Monthly revenue goal	\$80,000
Average job value	\$500,000
Close rate %	20%
Marketing % of revenue	5%
Recommended budget	\$4,000
Leads needed	5
Max cost per lead	\$800
Max cost per booked job	\$4,000

WHERE THE DEFAULTS COME FROM

NAHB – New Study Provides Statistics on Builder Financial Performance (Cost of Doing Business 2025, 2023 data)

NAHB Eye on Housing – Builders' Profit Margins Improved in 2023 (20.7% gross / 8.7% net, \$11.3M avg revenue, cost-of-sales 79.3%, opex 12.0%)

BLS Occupational Outlook Handbook – Carpenters (May 2024 median \$59,310/yr = \$28.51/hr)

BLS Occupational Outlook Handbook – Construction Laborers and Helpers (May 2024 median \$46,050/yr = \$22.14/hr)

SmartBarrel – Labor Burden in Construction (30–40% of base wage typical)

Bridgit – Construction Workforce Utilization Rate (40–70% typical)

Bokka Group – Average Conversion Rates for Home Builder Sales (~20% appointment-to-sale, ~4% lead-to-sale)

HomeAdvisor – How Much Does a Carpenter Cost per Hour (2025, \$40–\$70/hr billed)

EPCON Franchising / NAHB & SBA marketing-budget guidance (~5% of revenue, 1–2% advertising)

Sweeten – Average Cost to Build a House in 2025 (~\$428K standard build / \$350K–\$1.5M custom)

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