

AI-powered Bing is making inroads on Google's search lead

Article

The news: Bing is making noticeable gains on Google, a sign that Microsoft's embrace of consumer-facing AI chatbot technology is paying dividends.

- Similarweb data [reveals](#) that OpenAI integration into Microsoft's Bing increased traffic and page views by 15.8%, helping it better compete with Google since its AI-powered debut in

early February. This is in contrast to a **nearly 1% drop** for Google.

- Given strong public interest in ChatGPT, **these numbers are an early indication of the lead Microsoft has likely taken** in its quick-moving competition with Google for generative AI supremacy. Microsoft has a unique opportunity to gain ground in the \$120 billion-plus global search market that Google has ruled with a more than 80% share for decades.
- Data.ai [reports](#) an **eightfold increase in global Bing app downloads** after its chatbot addition, while **Google search app downloads decreased by 2%** in the same period.

This data corroborates Microsoft's previous assertions that, following the launch of the new Bing beta, it crossed 100 million daily active users, with one in three users of the preview being brand-new to the search engine.

Why it matters: Because Bing has less than a tenth of Google's market share, winning over even one or two percentage points can be significantly detrimental to Google.

- Most users gained access to Bing AI in February, while Google's chatbot **Bard** became publicly available only recently. Google released Bard's beta and plans further integrations with Search and other Google products, but currently, it trails behind Bing—an unusual position for Google to be in.

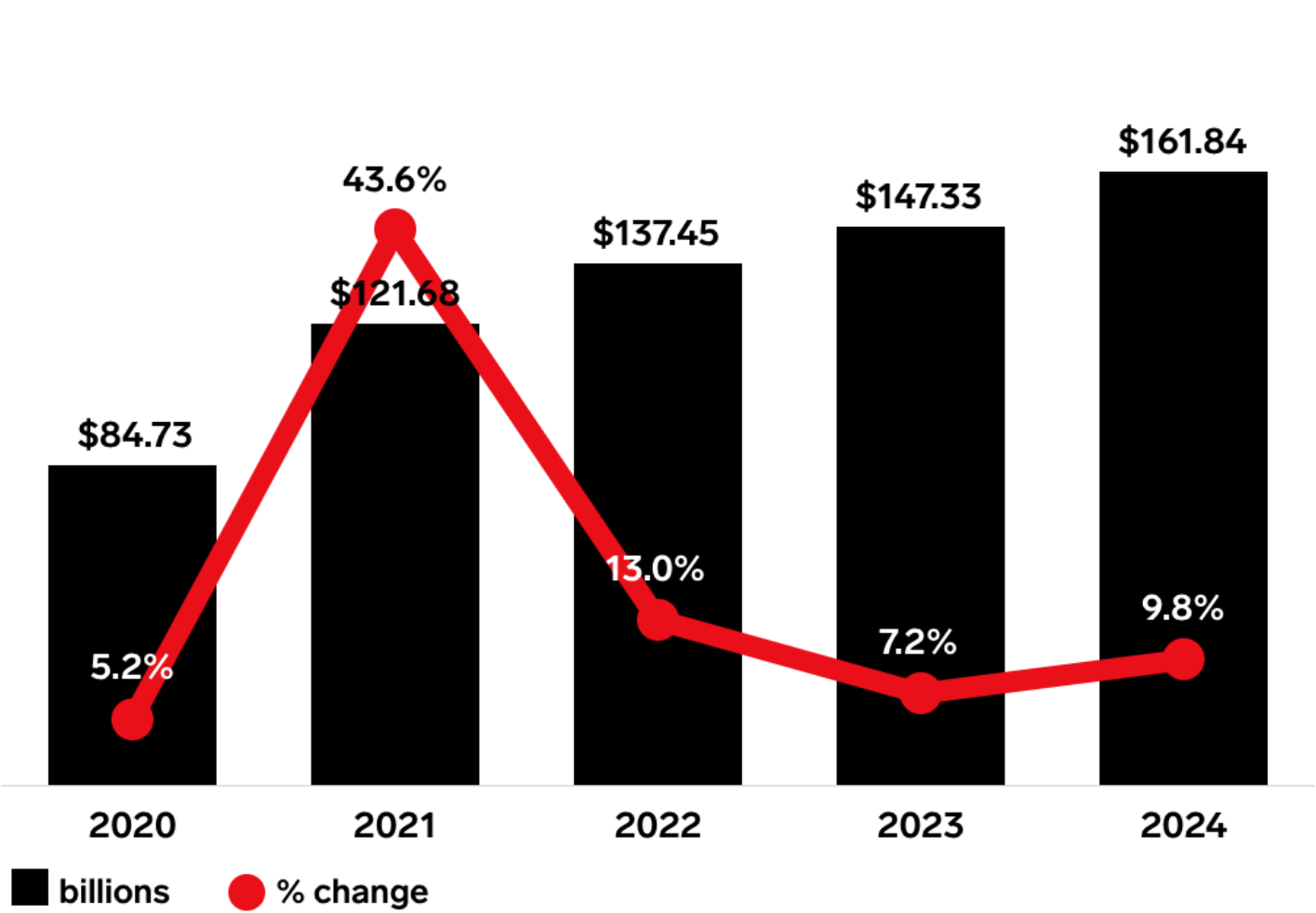
Further proof: Posts referencing "Bing" and "search" on **Facebook, Twitter, Instagram, and TikTok** are up 48% year over year; meanwhile, posts mentioning "Google" and "search" on those same platforms have decreased 71% month over month compared with last year, [according](#) to Comscore data.

- Prior to the day the new Bing went live (February 7), it accounted for just 1.22% of organic search traffic on Search Engine Land; as of March 23, Bing now holds a 2.6% market share. Google declined from 98.2% to 96.7% during that period.
- Its sister site, Search Engine Roundtable, saw its Bing traffic increase by 155% in terms of organic search share.
- Windows Central's executive editor **Jez Corden** says Bing is growing in importance and is even "beating Google" as a referrer to some content.
- Investors have weighed in too, lifting Microsoft shares by nearly 5% since the February 7 Bing launch. By contrast, the stock of Google parent **Alphabet** has fallen 1.8% since that date.

Our take: Our forecast predicts 7.2% growth in Google search ad revenues this year and 9.8% in 2024. But if Bing captures even a small portion of Google's searches, it will affect Google's ability to serve enough ad impressions to meet its revenue targets.

Google Search Ad Revenues

Worldwide, 2020-2024



Note: Exchange Rate; includes search advertising that appears on desktop and laptop computers as well as mobile phones and tablets; net ad revenues after company pays traffic acquisition costs (TAC) to partner sites
Source: eMarketer, October 2022

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