

What advertisers will learn from Perplexity's generative AI search ads

Article



Generative AI search engine Perplexity will launch ads in the next few quarters, according to Adweek. The pivot to ads comes at the same time as news that Google is considering charging for its AI-powered search features.

Advertisers probably don't need to craft Perplexity ad strategies just yet, but they should keep an eye on how ads can be served on generative AI-powered search results for clues into

what Google (and other emerging search competitors) could do.

Perplexity isn't the new Google.

- With just 15 million monthly active users, the startup lacks the scale, [targeting abilities](#), [measurement tools](#), and brand safety protections that make Google a trusted ad platform.
- Perplexity's [chat-based search](#) also won't replace a main function of Google—navigating to other websites. The [top 5 Google searches](#) globally last year were YouTube, Facebook, Google, WhatsApp Web, and Amazon, according to SEO company Ahrefs, which indicate people aren't using Google primarily for answering questions.

Though still a small share of traffic, referrals to brand sites from Perplexity have grown 40% month over month since January, according to research firm BrightEdge. How high will that grow?

But the biggest lesson in how Perplexity integrates ads may not be for Perplexity marketing at all. The way it surfaces ads in its search could foretell how other generative AI-powered ads on Google, Bing, and more might behave.

Meanwhile, Google is considering introducing its own subscription-based model for generative AI search, which is what Perplexity and other newcomers like ChatGPT are doing as they explore potential ad models.

- While a subscription for its Search Generative Experience (SGE) or other AI search tools does not mean Google would eschew ads for paid users, the consideration of a paid tier does indicate Google may not have a full vision for how ads will be effective in SGE, where users don't necessarily need to click links to answer queries.
- Search will account for \$157.12 billion of Google's \$189.11 billion in worldwide ad revenues this year, per our October 2023 forecast.