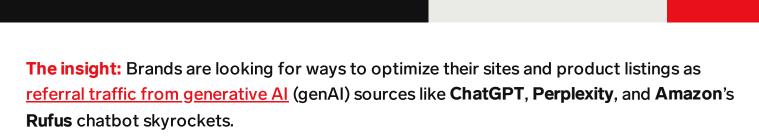


## Al search optimization is the latest challenge for retailers

**Article** 



Why it matters: GenAl is a small but fast-growing source of retailer traffic: While it pales in comparison to channels like paid search or email, visits to retail websites from genAl sources



have doubled every two months since September 2024, per an Adobe analysis.

- GenAl traffic to retail sites shot up by 1,200% in February compared with July 2024, building on momentum from the holiday season.
- Those shoppers also tend to spend more time and are more engaged than visitors originating from other channels, with a 23% lower bounce rate.
- That speaks to users' growing trust in genAl to offer relevant and useful information. Fifty-eight percent of consumers say that genAl tools like ChatGPT have replaced search engines as their go-to source for product and service recommendations, according to a Capgemini survey.

The wrinkle: The additional traffic from genAl sources has been a nice bonus for brands like Coterie and SpyGuy, executives told The Information. But in the long term, the shift toward genAl shopping tools could complicate retailers' efforts to get in front of potential customers by making traditional methods like search ads and sponsored product listings considerably less effective.

The difficulty is that retailers aren't sure how ChatGPT and other tools make their recommendations, and therefore are uncertain about how best to optimize their websites and product listings to maximize the possibility of showing up in AI search results.

- To some extent, that's by design. Perplexity's "entire way of operating is so that SEO doesn't emerge in this new category," chief business officer Dmitry Shevelenko told The Information. His advice to brands is to "build the best product and have that be reflected in the reviews and what others say about it, and then it will naturally rise to the top."
- But that hasn't stopped companies from trying to game the system. Some brands are posting more often on **Reddit** in an attempt to take advantage of the platform's data partnership with **OpenAI**. For brands that sell on Amazon, consulting firm **Incrementum Digital** recommends bulking up product listings with text that corresponds to common questions asked on Rufus.
- Those tactics may change once <u>Amazon</u>, Perplexity, and others make AI search ads available to a larger swath of brands.

Our take: Growing use of genAl tools in the shopping journey could upend retailers' customer acquisition strategies by making paid search and other SEO tactics less effective. The introduction of Al agents could further complicate the equation by making genAl companies



even more powerful intermediaries between companies and their customers, and potentially limiting retailers' ability to monetize their platforms through retail media.

While it may be some time before genAl use is the norm for online shoppers, retailers should experiment with ways to improve their chances of showing up in Al search results.

- That could include adding FAQ pages and enhancing product listings to ensure they answer shoppers' most common questions.
- It could also mean experimenting with AI search ads where available and testing formats such as <u>sponsored related questions</u>.

Go further: Check out 5 Charts on the State of GenAl Search.

