The Answer Economy: How AI Is Rewriting Commerce

I've been tracking e-commerce data for the past 18 months, and something genuinely alarming keeps showing up. Shopify merchants with solid traffic numbers are watching their conversion rates drop. Not because their stores got worse, but because customers are shopping somewhere else first.

They're shopping in ChatGPT.

THE NUMBERS ARE WILD

Here's what's actually happening: Nearly 60% of consumers globally now use generative AI tools for online shopping. Shopping queries on ChatGPT doubled in just the first half of 2025. Among people aged 18-34, over 40% have used AI tools *instead of* search engines to find products.

Read that again. Almost half of younger consumers are bypassing Google entirely.

McKinsey's 2025 research shows AI-driven personalization increases conversion rates by up to 40%. ChatGPT's click-through rates tripled between March and June 2025, jumping from 2.2% to 5.7%. Users aren't just asking questions. They're following recommendations and making purchases.

And most Shopify brands? They don't even show up in those conversations.

FROM SEARCH TO ANSWERS

For 20 years, we optimized for search engines. You knew the game: keywords, backlinks, ad spend, fight for position #1. Show up on page one or you might as well not exist.

That game is ending.

Gartner predicts traditional web search traffic will drop 25% by 2026 as people shift to conversational AI. By 2028, they expect 90% of B2B buying will be AI-mediated. Consumer

commerce? It's already there.

What's different now is how people shop. They don't browse through 10 blue links anymore. They ask ChatGPT or Perplexity a question and get *one answer*. Maybe it mentions 3-5 brands total.

"What's the best natural dog food for senior dogs?"
"Which running shoes prevent knee injuries?"
"I need a stroller that fits in a small car trunk."

One synthesized answer. A handful of recommendations. That's it.

If you're not in that answer, you're invisible. The customer will never know your brand exists, never visit your site, never consider your product. You just lost a sale you didn't even know was available.

WHY YOUR STORE IS INVISIBLE TO AI

I've audited dozens of Shopify stores in the past few months, and they all have the same problem. Your product pages were built for human shoppers browsing your site. Product descriptions written for people to skim. Titles optimized for Google circa 2015. Metadata that's either missing or so generic it's useless.

No structured schema. No entity clarity. Nothing machine-readable.

To a human visitor, your store looks fine. Professional, even. But to an AI system trying to figure out which dog food to recommend? Your store is basically invisible. It's just unstructured noise.

McKinsey research shows that 71% of CPG leaders have adopted AI in at least one business function, but most haven't actually scaled those capabilities. There's a huge gap between "we're using AI" and "we're structured for AI discovery."

Companies that have optimized for AI citations are seeing something interesting. Some report traffic drops (because users get answers without clicking through), but others are reporting revenue *growth* despite less traffic. Why? They're being cited. They're being recommended. They're building trust with AI systems, not just ranking positions.

The brands winning right now aren't optimizing for more traffic. They're optimizing to be the answer AI gives.

ANSWER SHARE IS THE NEW MARKET SHARE

Brand loyalty is dying faster than people realize. McKinsey found that 40% of consumers in advanced markets have switched retailers just for better prices. When customers can ask an AI for recommendations and get unbiased answers in 10 seconds, why would they stick with brands out of habit?

Distribution advantages are disappearing too. You don't need shelf space at Walmart or relationships with regional distributors anymore. You need to be the answer ChatGPT gives.

I'm calling this "Answer Share," and it's becoming more valuable than traditional market share.

What's fascinating is how this levels the playing field. Industry research shows smaller, lesser-known brands can achieve disproportionate representation in LLM answers when their data is properly structured. David beats Goliath when AI trusts David's data more than Goliath's brand name.

But there's a window here. Early movers are establishing positions that compound over time. Organizations implementing comprehensive Answer Engine Optimization (AEO) strategies are capturing an average of 23% more total search visibility than those focused exclusively on traditional SEO.

The first-mover advantage is real, and it's accelerating.

WHAT ACTUALLY WORKS

Traditional SEO optimized for ranking. AEO optimizes for citation. The distinction matters.

Brands showing up in AI answers are doing three things differently:

1. They structure data for machine comprehension

AI needs clarity. Period. That means schema markup, FAQ formatting, clear entity definitions, product attributes AI can actually parse, and content organized with question-forward headings. Not for SEO. For AI comprehension.

Most Shopify stores have product titles like "Blue Running Shoe - Size 10." What AI needs is "Nike Pegasus 40 Running Shoe - Men's Size 10 - Neutral Support - Road Running." See the difference? Entity clarity.

2. They build topic authority, not just page authority

Brands recognized as authoritative sources in answer engine results get 29% higher trust scores in consumer perception studies.

AI doesn't just look at one page. It evaluates your entire knowledge footprint. Do you consistently provide accurate, detailed, well-cited information about your product category? Can AI trust you as a source?

Authority isn't about backlinks anymore. It's about being a reliable source that AI can confidently cite when someone asks a question.

3. They optimize across platforms, not just Google

ChatGPT, Perplexity, Google's AI Overviews, Gemini, Claude. Each has different source preferences and citation patterns. Multi-platform visibility requires different optimization approaches for each.

Only 32% of enterprise marketers feel confident they can diagnose when or why their brand disappears from an AI answer. Most brands are flying completely blind.

THE SHOPIFY OPPORTUNITY (AND PROBLEM)

McKinsey data shows CPG and retail companies leading in digital and AI are delivering 3X greater total shareholder returns compared to their peers. The gap is widening, not closing.

For Shopify brands specifically, I have good news and bad news.

Bad news first: Out of the box, Shopify stores are optimized for human shopping, not AI discovery. Your product catalog was built for browsing, filtering, and checkout. It's largely invisible to LLMs.

The good news? Because Shopify has consistent data structures, it's actually *easier* to optimize than custom-built sites. The platform is nearly perfect for systematic AI readiness if you know what to fix.

Most Shopify brands in the $5M-$50M range don't have enterprise dev teams or AI specialists. They're scrappy, growth-focused operations running lean. They can't dedicate 6 months to "digital transformation."

They need it to just work.

THE GLOBAL SHIFT IS HAPPENING NOW

Gen Z spending is projected to leap from $2.7 trillion in 2024 to $12.6 trillion by 2030. By 2035, Gen Z will add $8.9 trillion to the global economy.

This generation doesn't just prefer AI. They expect it. 90% of Gen Z shoppers who use AI report it improves their shopping experience. Similar trends are emerging among millennials and Gen X.

Last holiday season, 92% of retailers offered AI tools, and 88% of consumers used them. By this year, 85% of customer interactions are expected to be managed without human intervention.

AI shopping isn't coming. It's already here.

ChatGPT now drives over 20% of referral traffic to platforms like Etsy, nearly 15% to Target, and meaningful percentages to e-commerce leaders worldwide. The traffic is real. The revenue impact is measurable. The competitive advantage is massive.

THE COST OF WAITING

There's a dangerous myth floating around: "We'll wait and see how this plays out."

Waiting isn't neutral. It's falling behind.

Every day you're not optimized, competitors are building trust with AI systems. Every customer question you're not answering, they are. AI systems learn which brands to trust based on consistent, high-quality, structured data.

Remember SEO in 2005? The brands that invested early built domain authority that compounded year after year. The ones who waited spent years and millions trying to catch up. Many never did.

Answer Share works the same way.

Research shows AI drove approximately 52% of sales growth between 2022 and 2024 among retailers who adopted these technologies early. Early adopters didn't just survive the shift. They captured disproportionate gains while competitors were still figuring out what was happening.

WHY WE BUILT GLU

When we started talking to Shopify brands about AI visibility last year, we kept hearing the same story:

Marketing leads knew AI mattered but didn't know where to start. Dev teams were already stretched thin. Agencies were quoting six figures for implementations. Nobody could explain what "good" looked like. Everyone was waiting for someone else to go first.

Most e-commerce brands were structurally invisible to AI systems. This wasn't a feature gap. A new source of truth was being built, and most brands weren't in it.

The opportunity seemed obvious: Shopify's consistent data structure made it perfect for systematic AI optimization. What brands needed was a platform that could automate the entire process. Make AI readiness as simple as installing an app.

That's why we built Glu (the first Shopify-native Answer Engine Optimization platform).

Working with our pilot brands taught us several things:

Your product metadata is both the problem and the solution

Everything AI needs to understand and recommend your products lives in your Shopify catalog. Titles, descriptions, tags, images, attributes. It's all there, just not in a format AI can parse. Fix the metadata, fix the visibility problem.

Automation is non-negotiable

Manual optimization doesn't scale. If you're doing $10M-$50M in GMV, you probably have hundreds or thousands of SKUs. No one is rewriting all that by hand. Glu automates the entire loop: audit, optimize, validate, publish, measure.

Human-in-the-loop keeps you in control

AI can suggest optimizations, but brands need control. Glu doesn't publish anything without your approval. Every optimization gets reviewed, every change gets validated, your brand voice stays intact. You approve what goes live. We just make the process efficient.

Measurement proves value

You can't manage what you can't measure. Glu tracks your visibility across ChatGPT, Perplexity, and Gemini. It shows exactly where you appear, how often you're cited, and which products drive the most AI-generated traffic.

Over 60% of marketers globally have seen declines in traditional search traffic. If you're not tracking AI visibility, you're missing half the picture.

WHAT "OWN THE ANSWER" ACTUALLY MEANS

When we say "Own the Answer," we don't mean control what AI says. You can't control that.

But you can control whether AI has the information it needs to say anything about you at all.

Owning the answer means your products are visible when AI scans for relevant options. Your data is trusted when AI evaluates sources. Your brand is cited when AI synthesizes recommendations. Your story is accurate when AI explains what you do.

It's about making yourself AI-readable. Machine-comprehensible. Citation-worthy.

And doing it now, while there's still time to establish authority before your category gets crowded.

WHERE TO START

If you're a Shopify brand and this resonates, here's what I recommend:

First, audit your AI visibility. When someone asks ChatGPT for a product in your category, do you show up? What does AI actually know about your brand? Test it. The results might surprise you (and not in a good way).

Second, fix your metadata foundation. Your Shopify product catalog is either AI-ready or it's not. There's no middle ground. Schema, structured attributes, clear entities, FAQ content, proper image alt text. It all matters.

Third, track systematically. Visibility, inclusion rate, answer placement, citation frequency. These are your new KPIs. If you're not measuring AI visibility alongside traditional analytics, you're flying blind.

Finally, move fast. You have a narrow window to establish authoritative positions that AI engines will consistently cite. The longer you wait, the harder and more expensive it gets.

THE REALITY

Commerce is moving from search results to AI answers. From "here are 10 options" to "here's what you should buy."

If your brand isn't structured for AI to understand, recommend, and trust, you're losing customers you'll never even know existed.

Answer Share is the new Market Share.

The question isn't whether you'll optimize for the Answer Economy. The question is whether you'll do it while there's still an advantage to being early.

WANT TO SEE WHERE YOUR BRAND STANDS?

We're opening beta access to Glu in January for select Shopify brands in Australia and India. If you're in pet care, health & wellness, consumer electronics, or apparel and doing $5M-$50M in revenue, let's talk.

Visit glu.ai to learn more.

Citations & Sources

This article draws on research from: - McKinsey & Company: State of Consumer 2025, Digital & AI Transformation in CPG, Global Consumer Trends - Gartner, Inc.: AI Spending Forecasts, Customer Experience Predictions, B2B AI Trends - Bain & Company: How Customers Are Using AI Search - Global Consumer AI Shopping Behavior Studies (Omnisend, Bazaarvoice, Capgemini) - OpenAI Economic Research Team & Harvard: ChatGPT Shopping Query Analysis - Multiple AEO Industry Research Reports (CXL, Amsive, Contently, O8 Agency)

All statistics and data points are from publicly available research published between January 2024 and November 2025.