

The Answer Economy: How AI Is Rewriting the Rules of Commerce

We're living through a fundamental shift in how commerce happens.

Not a trend. Not a feature update. A complete restructuring of the path from "I need something" to "I'm buying this."

And most Shopify brands have no idea they're already losing.

THE DATA TELLS A STARK STORY

Nearly 60% of consumers globally now use generative AI tools for online shopping, and shopping queries on ChatGPT doubled in the first half of 2025 alone. Among consumers aged 18-34, over 40% have used AI tools instead of search engines to find products.

Let that sink in: Almost half of younger consumers are bypassing Google entirely.

McKinsey's 2025 research shows that AI-driven personalization now increases conversion rates by up to 40%, while predictive AI has become standard in consumer purchase journeys. Meanwhile, ChatGPT's click-through rates tripled between March and June 2025, jumping from 2.2% to 5.7%.

Users aren't just asking questions anymore—they're following recommendations and buying.

But here's the uncomfortable truth: **if your brand isn't in the answer, you don't exist.**

WELCOME TO THE ANSWER ECONOMY

For two decades, we lived in the Search Economy. Visibility meant ranking. You optimized for keywords, bid on ads, chased algorithms, and fought for position #1.

The rules were clear: show up on page one or disappear.

Now we're in the Answer Economy—and the rules have fundamentally changed.

Gartner predicts that traditional web search traffic will drop 25% by 2026 as users shift to conversational answers. By 2028, 90% of B2B buying will be AI agent intermediated, but consumer commerce is already ahead of that curve.

In the Answer Economy:

- **Consumers don't browse—they ask**
- **AI doesn't rank brands—it chooses them**

- **Being mentioned once is worth more than ranking #5 a thousand times**

When someone asks ChatGPT "What's the best natural dog food for senior dogs?" or Perplexity "Which running shoes prevent knee injuries?", they get one synthesized answer. Maybe 3-5 brands mentioned total.

If you're not one of them, the customer never knew you existed.

That's not a traffic problem. **That's an existence problem.**

WHY MOST BRANDS ARE INVISIBLE

McKinsey research shows that despite 71% of CPG leaders adopting AI in at least one business function, most haven't scaled AI capabilities meaningfully. The tools are there. The awareness is growing. But the execution gap is massive.

The brutal reality: **your Shopify store speaks a language AI can't read.**

Think about how your product pages are built:

- Descriptions written for humans to skim
- Titles optimized for Google's 2015 algorithm
- Metadata that's either missing or not complete
- No structured schema
- No entity clarity
- No machine-readable context

To you, it looks fine. To AI? It's noise.

Research shows that companies optimizing for AI citations have seen diverging outcomes: some experienced traffic drops as users got answers directly from AI, while others reported revenue growth despite decreased site traffic—because they optimized to be cited, not just ranked.

The brands winning in the Answer Economy aren't getting more traffic. They're getting more trust.

ANSWER SHARE: THE NEW MARKET SHARE

McKinsey's consumer research shows that 40% of consumers in advanced markets have switched retailers for better prices, weakening traditional brand loyalty. Brand loyalty is eroding. Distribution advantages are disappearing.

What's left? **Being the answer AI gives.**

This creates "Answer Share"—and it's becoming the new market share.

Industry research shows that smaller, lesser-known brands can achieve disproportionate representation in LLM answers when their data is structured correctly. David beats Goliath when AI trusts David's data more.

This creates a narrow but critical window. Early movers in Answer Engine Optimization (AEO) are establishing authoritative positions that compound over time. Organizations implementing comprehensive AEO strategies capture an average of 23% more total search visibility than those focusing exclusively on traditional search.

First-mover advantage in the Answer Economy is real, and it's accelerating.

WHAT ACTUALLY WORKS: THE AEO PLAYBOOK

Traditional SEO optimized for ranking. **AEO optimizes for citation.**

The brands showing up in AI answers are doing three things differently:

1. They Structure Data for Machine Comprehension

AI needs clarity. Successful AEO content includes specific data points, well-organized information with structured formatting, and proper citations.

That means schema markup, FAQ formatting, entity definitions, product attributes that AI can parse, and content organized by question-forward headings. Not for SEO. For AI comprehension.

2. They Build Topic Authority, Not Just Page Authority

Brands recognized as authoritative sources in answer engine results report 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 on your category? Can AI trust you?

Authority isn't about backlinks anymore. **It's about being a reliable source that AI can confidently cite.**

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 for each.

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

THE SHOPIFY OPPORTUNITY

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

For Shopify brands specifically, there's both bad news and good news.

The bad news: Out of the box, Shopify stores are optimized for human shopping, not AI discovery. Your product catalogue—built for browsing, filtering, and checkout—is 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 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, and lean. They can't dedicate 6 months to a "digital transformation."

They need it to just work.

THE GLOBAL SHIFT IS HAPPENING NOW

Gen Z spending is growing twice as fast as previous generations and is projected to make an extraordinary 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. Across demographics, 90% of Gen Z shoppers who use AI report it improves their shopping experience, with similar trends emerging globally among millennials and Gen X.

92% of retailers offered AI tools during the 2024 holiday season, and 88% of consumers used them. By 2025, 85% of customer interactions are expected to be managed without human intervention.

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

ChatGPT now drives significant referral traffic to major retailers globally—over 20% 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 circulating: "We'll wait and see how this plays out."

But waiting isn't neutral. It's falling behind.

Companies that delay AEO implementation face increasingly expensive catch-up requirements, as competitors establish authoritative positions in AI training data and real-time search results.

Think about SEO in 2005. The brands that invested early built domain authority that compounded. The ones who waited spent years and millions trying to catch up—and many never did.

Answer Share works the same way.

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

Research shows AI drove approximately 52% of sales growth between 2022 and 2024 among retailers who adopted these technologies. Early adopters didn't just survive the shift—they captured disproportionate gains.

WHY WE BUILT GLU

When we started talking to Shopify brands about AI visibility, the same pattern kept emerging:

- Marketing leads knew AI mattered but didn't know where to start
- Dev teams were already stretched thin
- Agencies quoted 6-figure 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. **It was a new source of truth being built—and most brands weren't in it.**

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

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

Here's what we learned from our pilot brands:

Your product metadata is the problem (and the solution)

Everything AI needs to understand and recommend your products lives in your Shopify catalogue. Titles. Descriptions. Tags. Images. Attributes. It's all there—just not in a format AI can parse. Fix the metadata, and you 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 to stay in control. Glu doesn't publish anything without your approval. Every optimization is reviewed, every change is validated, and 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, showing 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 it. You can't control what AI says.

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 seen** 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 it's about doing it now, while there's still a window to establish authority before your category gets crowded.

WHERE DO YOU START?

If you're a Shopify brand and this resonates, here's what we 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? Are your product descriptions structured for machine comprehension?

Second, fix your metadata foundation

Your Shopify product catalogue 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

Brands face a narrow window to establish the authoritative positions that AI engines will consistently cite. The longer you wait, the harder and more expensive it gets.

THE BOTTOM LINE

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 IN THE ANSWER ECONOMY?

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.