

Is A.I. the End of the World—or Just the End of Bad Search & Discovery?





**We're taking bets
on the apocalypse.**



**Will it be a
giant meteor?
Aliens?**

... or artificial intelligence?

Science fiction would have us believe that AI is our (un)natural enemy, born from our hubris of science and programmed to eventually rule over the very people who created it. It's scary stuff—especially as recent advancements in the development of large language models and machine learning (ML) make these stories feel closer to reality than ever before.

Which brings us back to our question: Is AI the end of the world?

Spoiler alert: no. In fact, AI & ML-led innovations are quickly becoming the key to online brands' success—both today and into the far-off future. This is especially true as they enhance two of the most important pillars of the modern digital customer experience: **personalized search and product discovery**.

Of course, harnessing the power of these solutions requires knowing where to start. And since Monetate has been leading the charge in AI & ML-powered personalization for years, we figured we'd lend a hand. That's why we put together this ebook—to provide marketers, merchandisers, and developers with strategic guidance on the differences between search and discovery, where they complement one another, and how AI is upleveling both to help brands increase sales, foster customer loyalty, and secure long-term growth. Let's jump in.



Site Search vs. Product Discovery

Search and discovery are often used to mean the same thing. However, they're actually quite different—not just in terms of how they work, but also which stage of the customer journey they target (more on that in a bit).

Let's start by taking a closer look at each.



Site search



Site search aims to help users find a specific a product or category. It's a goal-oriented process where customers know what they're looking for. It is:

- **INTENT-DRIVEN:** Customers navigate directly to the search bar to look for specific keywords or product names.
- **PRECISE:** Results that are relevant to the search query are essential for providing a satisfying customer experience.
- **EFFICIENT:** Features like autocomplete and semantic enrichment can speed up the search process, getting the right products in front of customers more quickly.

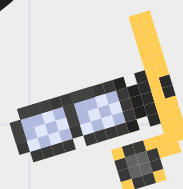
VS.



Product discovery

In contrast, product discovery introduces visitors to new products they might not have known about or considered. Your job here is to serve your most relevant products to a customer based on everything you know about their behavior and intent. It is:

- **EXPLORATORY:** Customers might not have a specific product in mind but are open to exploring different options.
- **ECLECTIC:** Product recommendations, curated collections, and dynamic bundles all fall under the category of product discovery.
- **CURATED:** As customers have a hazier idea of what they're looking for, it's a great opportunity to surface collections, trending products, and personalized suggestions.



Let's dive in deeper on the next page...



Search and discovery fit different stages in the customer journey

While search and discovery share the same goal (to get customers to product pages and to maximize conversions), they accomplish it differently by targeting separate stages in the shopper journey.

23%
Product Discovery features

+ 77%
Search

*When it comes to online shopping, it's about the journey **and** the destination. Optimizing product discovery, as many brands historically have, is key, but our research has also shown that 77% of shoppers go straight to your search bar—opening up a massive opportunity for brands willing to integrate personalization across this popular feature*

For instance, the intent of a customer casually browsing your site for inspiration is very different from that of someone who desperately needs a new pair of black formal shoes in time for their daughter's wedding. Delivering individualized, behavior-based recommendations is the best way to keep the window shopper engaged and moving toward checkout—while providing a frictionless search experience helps prevent the frantic father-of-the-bride from bouncing to a competitor's site.

The key, then, to optimizing search and discovery for each shopper lies in understanding intent. To do this, brands need to employ a combination of historical and real-time customer data. That means using in-session behavior, like clicks and search terms, in tandem with contextual data, like seasonality and local weather conditions, to make automated decisions about what products, options, and messaging to display.



Why Brands Need Search *and* Discovery

Understanding that search caters to the purchase-ready shopper and discovery to the casual browser is an important first step in building a unified digital commerce strategy based on customer intent.

But it's not the final step.

That's because both methods are limited in their ability to engage prospects across the entire shopper journey when working separately. Thankfully, **advances in the deployment of AI—namely natural language processing (NLP) and large language models (LLMs)—across search and discovery** processes are eroding the traditional boundaries between the two, opening up more conversion opportunities than ever before.

To wit, a 2024 report conducted by IMRG, Monetate, and Klevu¹ demonstrates the synergistic effect these solutions have on helping brands attract, engage, and convert customers:

The average conversion rate for customers who don't use search is only 2.6%, while existing customers who use search had an **average conversion rate of 7.6%**

Even shoppers who click on a product recommendation without making a purchase showed higher engagement rates, being **20% more likely to revisit** the site later

Over half (55.5%) of consumers will return to the search bar to find better alternatives if they're not interested in a brand's recommended products

Vendors and brands alike are starting to take note, and there's now a move towards tools that let you create personalized experiences across search and product discovery. These solutions also give brands greater control over their merchandising strategies, making it a welcome innovation for ecommerce marketers and their teams.

1. [IMRG](#)



Why Search and Discovery Need AI

Google is already introducing Gen AI into search and is experimenting with further innovations.

It's hard to understate the impact that Google's user experience has on customer expectations across all online search interactions. According to their own research, 88% of consumers say a good search function is very important or absolutely essential when visiting a retail website; and 99% say they are least somewhat likely to return to a website if it has a good search function.² The ubiquity of Google Search means it plays a critical role in setting these high standards—especially when you consider its responsibility in bringing the majority of first-time visitors to your site.

If Google (along with Amazon, Walmart, and other industry giants) is in the process of integrating ads and purchasing opportunities into its Gen AI tools, brands also need to make sure they're catering to customers who will expect this kind of intuitive, integrated experience going forward.

Fuzzy jacket | 

2. [Google Cloud](#)



How AI & ML Are Powering Modern Search and Discovery

Traditionally, search technology has centered on tailored algorithms and indexing, while product discovery has been based on recommendation engines and personalized content.

But there's also no firewall separating these two tech pillars. Over the past few years, search has become more predictive and semantic—leading to more intuitive experiences overall. And these innovations show no signs of slowing down with the incorporation of AI & ML into search & discovery features, including:



Predictive typing & autocomplete

When you begin a search and instantly see a drop-down box displaying words and pictures that match your thoughts perfectly, it feels like magic. But the power behind this customer-delighting feature isn't supernatural—it's AI.

Powerful algorithms can use variables like product names, popularity, inventory data, geolocation data, and individual purchase history to interpret text input and present potential matches. Over time, these search tools optimize their performance, adjusting search suggestions by analyzing shoppers' queries, click-throughs, and eventual purchases.

Natural language processing (NLP)

Natural language search is a supremely human way to search—made possible by AI technology. NLP analyzes conversational queries (words, phrases, sentences, etc.) and then uses complex algorithms to understand the meaning and intent behind a search. For example, by removing filler words, recognizing when a word is misspelled, understanding synonyms, and identifying and interpreting different languages.



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Personalized results

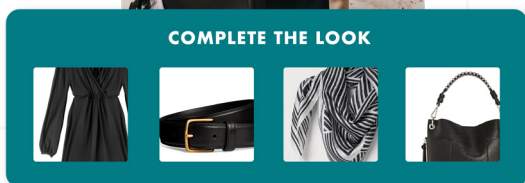
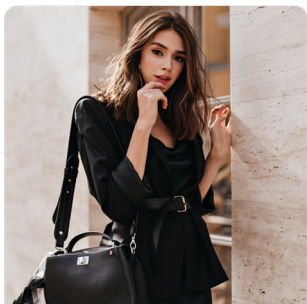
Blending AI & ML technology, data, and a bit of human fine-tuning, today's brands can deliver hyper-relevant relevant results to search queries. These tools consider the context of an individual's search, historical purchases, and current browsing behavior to provide individualized results that not only delight customers—but build brand loyalty by creating an exceptional search experience.



Product recommendations

AI capabilities have quickly become one of the easiest ways to ensure that product recommendations work in harmony with your search experience.

Deploying algorithms that analyze your customers' preferences and habits in real time are crucial to personalizing the customer experience. Not only do they allow you to provide hyper-relevant product suggestions—but they also provide retailers the ability to boost and bury products according to their needs.



Personalized navigation

Personalized navigation uses customer data to tailor the site experience, guiding users effectively and intuitively to product pages.

By using tools like product finders and personalized menu options, brands can display items that match individual interests and shopping behaviors.

For customers who sit somewhere between the high intent of search and the curious attitude of product discovery, personalized navigation provides a helpful bit of direction, guiding them more quickly to the item they want through a carefully selected offering of product options.

Every business—and every customer journey—is different.

TOP PICKS FOR YOU



Leather Bomber
\$167



Tuxedo Vest
\$89



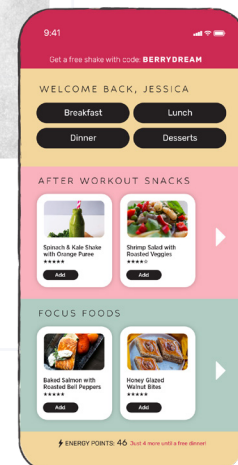
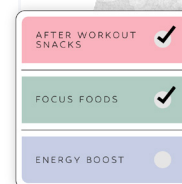
Linen Golf Shorts
\$76

Automated, dynamic product bundling

Product bundling has been a trusted way of helping customers find complementary products for some time. With advances in AI and ML-powered algorithms that can automate personalized product combinations, you can get more significant insights into individual customer behavior and preferences.

It's important for merchandisers to be able to define product categories and set business rules for bundle eligibility, while also using behavioral data and algorithms to generate bundle recommendations. Options that allow you to make manual inputs aid inventory management.

By integrating dynamic bundling with advanced search capabilities, brands can offer a cohesive shopping journey and a unified approach to catalog exposure, where product discovery and search complement each other.



Monetate's AI-powered A/B and Dynamic Testing allows you to continuously optimize your search experience around the needs of your business and your audience in order to maximize ROI. [Learn more](#)



The RO(A)I of Personalized Search & Product Discovery

The convergence of AI-powered search and product discovery is reshaping the relationship between online brands and their customers—blurring the lines between the two processes and creating a seamless, personalized customer experience.

For online brands, this means:



ENHANCED CUSTOMER EXPERIENCE: Combining search and discovery capabilities allows for more intuitive and personalized interactions, making it easier for customers to find and explore products.



INCREASED ENGAGEMENT AND SALES: By providing automated, dynamic recommendations, brands can engage customers more effectively and drive higher conversion rates.



IMPROVED CATALOG EXPOSURE: Integrated search and discovery tools offer retailers better control over product visibility, ensuring that the most relevant items are highlighted to the right customers at the right time.

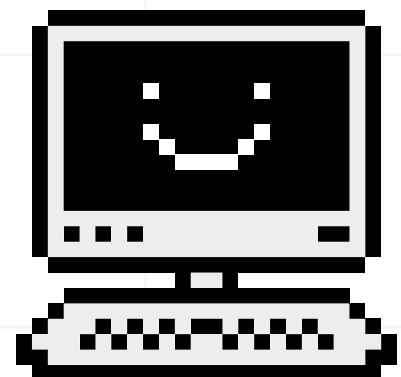


DATA-DRIVEN INSIGHTS: Using search and product discovery together lets you gather more comprehensive customer data, helping augment marketing and merchandising strategies.

We're witnessing a paradigm shift in the ways that companies capture and convert their online audiences. It's a brave new world being created—not destroyed—by AI. And the possibilities of what these technologies can do for your brand are truly endless.

Unfortunately, having endless possibilities in front of you can also leave you feeling like the world is ending. It can be tough to know where to start with AI-powered tools, especially for brands looking for solutions that can scale with their business.

Thankfully, Monetate's team of ecommerce experts make it a lot less daunting. When you schedule an appointment with us, you'll connect with a real human (not a machine) who will listen to your specific challenges and walk you through the benefits that search and discovery can bring to your business.





Monetate helps organizations make personalization a reality.

Our personalization suite is built from the best components of Monetate and Certona, pioneers and leaders in enterprise A/B/n testing and AI-driven individualization and offered through a consolidated, user-friendly interface. Our comprehensive offering enables tailored experiences across digital channels through a diverse product range, including A/B tests, AI-driven testing, audience segmentation, product recommendations, social proof, 1-to-1 personalization, and more. We help clients get the most out of our solutions through a consultative model that offers success plans made by our internal experts that deliver on short-term and long-term ROI.

Monetate has been the choice of customer-centric businesses, influencing over \$230 billion in revenue annually for companies like Reebok, Nespresso, and Lufthansa Group.

To learn more about Monetate, visit monetate.com

