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BUSINESS

The Businesses AI Will Quietly Kill First — and How to Survive the Shift

By Scott Tischler · July 28, 2026 · 10 min read

I've spent twenty years watching channels rise and collapse. I sat inside American Express, MetLife, and UBS while search reorganized how customers found everything, then watched social do it again, then mobile. I now run a company built entirely around how AI is reorganizing discovery for the fourth time. So I want to be careful with the word "kill." Businesses rarely die in a dramatic event. They die the way Hemingway described going bankrupt: gradually, then suddenly.

That's what makes this shift dangerous. It's quiet. There's no cataclysm to react to — just a slow, compounding erosion of the traffic, leads, and pricing power a business was silently depending on. By the time the trend is obvious in the numbers, the runway to adapt is mostly gone.

Let me be direct about what this piece is and isn't. This is informed opinion from an operator, not prophecy. I'll tell you which models I believe are most exposed and why, then give you a survival playbook I'd stake my own company on. Disagree with the timing if you like. But I'd urge you not to dismiss the direction.

The mechanism: discovery is being disintermediated

Here's the shift underneath everything else. For twenty-five years, the internet ran on a simple bargain: you published something useful, search engines indexed it, and they sent you a visitor. That visitor was the unit of value. Entire business models were engineered to capture, convert, or resell that visitor.

AI breaks the bargain. Increasingly, people don't get sent anywhere. They ask an assistant a question and receive a synthesized answer — often assembled from a dozen sources the user never clicks.

According to AIrecommend.ai's State of AI Search 2026 research, 37% of consumers now begin product and service discovery with an AI tool rather than a traditional search engine. In the same research, between 58% and 68% of AI-assisted queries end in zero clicks — the user got what they needed inside the answer and moved on.

Sit with that second number, because it's the one that quietly kills. If well over half of the discovery journeys that used to end on your website now end inside someone else's model, then any business whose economics assume that click is standing on a floor that's being removed.

The question isn't whether this affects you. It's whether your business model has anywhere else to stand.

Who I think goes first

Not everyone is equally exposed. The businesses most at risk share a common trait: they capture margin from an information gap or a discovery step that AI closes for free. When AI closes the gap, the margin has nowhere to hide.

1. Thin-margin resellers and arbitrage retailers

If your business is buying a commoditized product and reselling it with a markup justified mainly by being easier to find, you're exposed. AI assistants are becoming ruthless at price and spec comparison. When a shopper can ask, "Find me the cheapest legitimate seller of this exact SKU that ships to me by Friday," the reseller whose only edge was ranking or ad spend gets bypassed. The markup was rent on friction. AI removes the friction.

This doesn't touch resellers who add real value — curation, bundling, service, trust, speed. It guts the ones in the middle who added a markup and little else.

2. SEO-dependent lead generation

This one is personal, because it's adjacent to my own industry, and I'll be honest about it. A large category of businesses exists to rank for high-intent searches ("best personal injury lawyer near me," "compare business loans") and sell those leads to the companies that fulfill them. The entire model is a tollbooth on a search result.

When the assistant simply answers the underlying question — recommending providers directly, or handing the user a shortlist — the tollbooth is bypassed. I don't think lead-gen dies entirely; high-consideration, regulated, or relationship-driven categories will keep humans in the loop for years. But the volume-play, spray-and-resell lead broker built on cheap organic rankings? I'd give that model the shortest runway on this list.

3. Undifferentiated local services

Here I want to be precise, because it's easy to overstate. The local plumber, dentist, or HVAC company isn't going away — someone still has to physically show up. But how they get chosen is changing fast. When a homeowner asks an assistant "who should I call," the business that wins is the one the AI can confidently recommend: consistent reviews, clear service descriptions, structured and verifiable information, a coherent reputation across the web.

The exposed business isn't the one that does bad work. It's the one that's invisible to the machine doing the recommending — no reviews it can parse, no clear positioning, indistinguishable from six competitors. Good service that AI can't see loses to good-enough service that it can.

4. Content farms and undifferentiated publishers

The clearest case. If your business is producing high-volume, mid-quality content to capture search traffic and monetize it with ads or affiliate links, you're competing directly with the thing that now writes that content for free and delivers it inside the answer. Generic "10 best" listicles and thin how-to pages were always a commodity. Now they're a commodity being produced at zero marginal cost by the same systems that used to send you readers. The economics don't survive that.

The common thread — and the uncomfortable mirror

Look across those four and the pattern is the same: each captured value from being a middleman in discovery, not from the underlying thing being discovered. AI is the greatest disintermediator of discovery we've ever built. It's very good at collapsing the distance between a person's need and its answer — and every business living in that distance is, to some degree, at risk.

So the honest diagnostic question is uncomfortable: ***If a capable AI assistant could perfectly answer my customer's underlying question, what would I still be needed for?***

If you have a strong answer — a physical service, a trusted relationship, proprietary data, a brand people ask for by name, an experience — you're more resilient than you think. If the honest answer is "they'd find someone cheaper or just get the information directly," that's not a marketing problem. It's a business-model problem, and it needs a business-model response.

The survival playbook

I don't believe in doom without a door. Here's what I'd do, in order, and much of it is what we practice at AIrecommend.ai and advise our own clients to do.

Move 1: Become the answer, not just a result

Old goal: rank on page one. New goal: be the source the AI cites and the name it recommends. That means publishing genuinely differentiated, verifiable, expert content — the kind a model quotes because it's authoritative, not because it's optimized. It means structured data that machines can parse cleanly, consistent facts about your business across every surface, and a reputation signal (reviews, mentions, citations) strong enough that an assistant reaches for you by default. Think of it as reputation engineering for an audience of one: the model doing the recommending.

Move 2: Move your value up the stack, off the click

If your margin depends on a click that's disappearing, relocate the margin. Resellers: add service, curation, guarantees, and community that a price-comparison bot can't replicate. Lead-gen operators: stop brokering anonymous leads and start owning the fulfillment relationship or the proprietary data that makes your matching genuinely better than a generic recommendation. The durable question is what you own that AI can't synthesize from public information.

Move 3: Build direct, owned relationships

The businesses that survive channel shifts are the ones that don't rent their audience. Email lists, membership, communities, apps, loyalty — any relationship where the customer comes to you directly, not through an intermediary's answer box. When discovery gets disrupted, the demand you already own is the asset that keeps the lights on. Every business exposed to this shift should be converting anonymous traffic into owned relationships now, while it still has the traffic.

Move 4: Sell outcomes and trust, not information

Anything whose value was "we know something you don't and it's hard to find out" is being repriced toward zero. Anything whose value is "we're accountable for the result" is holding. Shift your positioning and your pricing from information toward outcomes, guarantees, and trust. AI can tell someone how to do a thing. It generally can't be the one who's responsible when it has to be done right.

Move 5: Measure your AI visibility like you once measured SEO

You cannot manage what you don't see. Most businesses have no idea whether AI assistants know they exist, what those systems say about them, or whether they surface at all for the queries that matter. That blind spot is exactly where the quiet erosion hides. Start measuring how you show up in AI answers with the same rigor you once applied to search rankings — it's the entire premise on which we built AIrecommend.ai, because you can't defend a position you can't observe.

The window is open, but it's closing

Here's my genuinely optimistic take, and I'll frame it plainly as opinion. We are early. Most businesses in the exposed categories have not felt real pain yet, which means most competitors are asleep. The advantage right now goes to whoever takes the shift seriously first — the way the winners of the search era were the ones who took SEO seriously while rivals called it a fad.

The businesses AI kills first won't be the ones that were bad at what they did. They'll be the ones that were merely findable — that mistook being easy to discover for being genuinely valuable, and never noticed the difference until the discovery layer stopped sending anyone their way.

Don't be merely findable. Be genuinely necessary, and make sure the machines now shaping what people choose can see exactly why. The shift is quiet. Your response doesn't have to be.

Key takeaways

- AI kills business models slowly and silently by removing the discovery step they secretly depended on — you feel it in softening revenue long before you see the cause.
- The most exposed models capture margin from an information gap or a discovery step, not from the underlying product: thin-margin resellers, SEO lead-gen, undifferentiated local services, and content farms.
- The diagnostic question: if AI perfectly answered your customer's underlying question, what would you still be needed for? A weak answer is a business-model problem, not a marketing one.
- With 37% starting discovery in AI and up to 68% of AI queries ending in zero clicks (AIrecommend.ai's State of AI Search 2026 research), the click many models rely on is genuinely disappearing.
- Survival means becoming the answer AI cites, moving value off the click, owning direct customer relationships, selling outcomes over information, and measuring your AI visibility rigorously.
- We're early — the advantage goes to whoever takes the shift seriously first, exactly as it did in the early SEO era.

Frequently asked questions

Isn't this just fearmongering to sell AI services?

Fair challenge, and I've framed everything here as informed operator opinion, not certainty. But the mechanism is observable: when discovery moves from "search sends you a click" to "AI gives the answer directly," any business whose economics depend on that click is structurally exposed. The survival moves — owning customer relationships, differentiating, selling outcomes — are good business regardless of how fast AI adoption moves.

My business is a local service — am I actually at risk?

Not from being replaced; someone still has to do the work. Your risk is in how customers choose you. As people increasingly ask AI "who should I call," the winner is the business the AI can confidently recommend —

consistent reviews, clear structured information, a coherent online reputation. The danger isn't doing bad work; it's being invisible to the system now doing the recommending.

What's the single most important first move?

Convert anonymous traffic into owned relationships now, while you still have the traffic — email lists, memberships, communities, loyalty. Businesses survive channel shifts by not renting their audience. Everything else in the playbook matters, but demand you already own is the asset that keeps you alive while you adapt the rest of the model.

About the author. Scott Tischler is the Founder & Chairman of AIrecommend.ai and a practitioner-authority on AI search and Answer Engine Optimization. With 20+ years in marketing technology — including American Express, MetLife, and UBS — and executive study at Wharton, Harvard, Yale, and Oxford, he helps businesses become the ones AI recommends.

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