

STATE OF THE ART DIGITAL

Intelligence Briefing

The Chaff Effect

Why the Buyers AI Search Leaves Behind Are Worse, Not Just Fewer

For Every Business Leader Still Waiting for Someone to Explain What AI Is Actually Doing to Their Enquiries

A forward projection of internet search from Q2 2026 to the inflection point at Q3 2027

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Third Edition - Retitled and independently fact-checked for publication under the author's name

NOTE ON THIS REPORT

This is the third report in the State of the Art Digital series on the structural shift in internet search visibility. The Chaff Effect a metaphor where Informational Queries become the wheat, while the commercially vital Transactional Queries become chaff. The first and original report that developed into this series, Your Business Is Becoming Invisible, established the core problem: AI-generated results intercepting clicks that organic rankings once delivered, with no change in those rankings to explain it. The second, Search Doomsday Is Q3 2027, set out the 40% threshold, the point at which interception stops being a channel-level problem and becomes a structural one.

This evolutionary report takes the same data and asks a different question. Not when the floor gives way, but what is left standing on it as that point approaches. The audience that survives AI interception is not a smaller version of the old one. Critically, it is shrinking and souring at the same time.

This edition has been revised following independent peer review. Two changes are worth flagging to readers of the first edition: the conversion-rate comparison in the 40% Threshold section now carries an explicit caveat about what it can and cannot prove, and every figure in this report that is State of the Art Digital's own modelling, rather than a directly cited external statistic, is now visually marked as such. Readers should treat the gold-bordered boxes as our analysis and the standard tables as sourced data.

Readers encountering these ideas for the first time will find the Dictionary of Terms at the back of this report a useful starting point. All three reports are available from stevecoulter.co.uk.

This third edition has been retitled from its working title, *The Shrinking, Souring Pool*, to *The Chaff Effect*, and has been independently fact-checked against its original sources ahead of publication under the author's name. Three changes are worth flagging to readers of earlier editions. First, the AI Overview coverage figure has been corrected: the previous edition's uncited 55% estimate has been replaced with a sourced figure of approximately 48–50% of US queries, attributed to Google's own February 2026 disclosure and corroborated by BrightEdge's industry tracker, with a note on why third-party estimates vary by methodology. Second, the zero-click baseline has been refreshed from the 2024 SparkToro/Datos figure (60%) to SparkToro's more recent 2026 study (68%, Similarweb panel, January–April 2026), which shows the trend running slightly ahead of this report's earlier framing. Third, the language in the Compounding Effect section has been tightened so that its confidence level matches its status as State of the Art Digital's own interpretation rather than an externally measured finding.

Introduction

Most commentary on AI search disruption focuses on a single number: the percentage of searches that AI now intercepts before a click happens. That number matters, and this report sets it out in full. But on its own, it tells only half the story, and arguably the less important half.

The number that actually determines what happens to a business's enquiry pipeline is not how many clicks disappear. It is what kind of clicks remain. AI systems do not intercept search traffic evenly. They intercept the easy, well-defined, informational searches first, because those are the ones a synthesised answer can resolve cleanly. What survives is disproportionately made up of the searches AI finds hardest to answer: ambiguous, early-stage, undecided. The residual pool is not a smaller version of the old audience. It is a different, lower-intent audience.

“Residual pool”, used throughout this report, means the proportion of search traffic that survives AI interception and still results in a click. A full definition appears in the Dictionary of Terms at the back of this report.

This briefing sets out why that distinction matters more than any single threshold, what the data shows about how the pool is shrinking and skewing at the same time, and what it means for any business that still measures search performance by counting clicks rather than understanding who is left clicking.

Zero-Click Rate: Informational	Zero-Click Rate: Transactional	Interception Threshold (Central Estimate)
74%	31%	40%, Q3 2027

The Mechanism: Why the Pool Shrinks and Sours Together

AI click interception describes the process by which AI-generated answers absorb the clicks that would previously have gone to organic search results. The user types a query, receives a synthesised answer directly on the page, and never reaches a website. Most analysis of this trend treats it as a single uniform decline, as though every type of search were being intercepted at the same rate.

That is not what the data shows. AI systems are far better at answering some questions than others, and the gap is wide.

Query Type	Zero-Click Rate	What This Means
Informational (“what is”, “how does”, “best way to”)	74%	Resolved by AI before a click is ever considered. This is the bulk of early-stage research.
Commercial investigation (comparing options)	39%	Comparison queries survive at a materially higher rate, but still skew toward AI synthesis.
Transactional (“buy”, “quote”, “book”, “near me”)	31%	The clicks that survive best. Ready-to-act buyers still click through.

Informational queries, the broad early-stage research questions that begin most buyer journeys, are resolved without a click 74% of the time. Transactional queries, where someone is ready to buy, book, or request a quote, see a zero-click rate of only 31% (Semrush Intent Study, corroborated by SparkToro/Datos clickstream data). The gap between those two figures is the entire story.

AI Overviews are not intercepting search traffic at random. They are intercepting the front end of the buyer journey and leaving the back end relatively intact. BrightEdge’s analysis of Google AI Overviews confirms this pattern directly: informational intent accounts for 71% of cited volume, while transactional intent remains the smallest category at just 2% to 3%. A separate industry review of over one million queries found that 96.5% of those triggering AI Overviews were informational in nature.

TWO RELATED BUT DISTINCT MEASURES

The 71% and 96.5% figures above describe what gets cited within AI Overviews - the composition of the content AI draws on to build its answers. The 74%/39%/31% figures in the table describe zero-click rate - the share of searches of each type that end without an outbound click at all. These are two different measurements of the same underlying pattern, not the same statistic restated. Citation composition tells you what AI is reading. Zero-click rate tells you what the searcher does next. Both point the same direction, which is why they are presented together, but they should not be read as interchangeable.

This is not a flaw in the system. It is exactly what you would expect. A simple factual or comparative question is easy for an AI model to answer with confidence in a paragraph. A complex, personal, undecided question, the kind a prospective car buyer or house buyer is often still working through, is much harder to resolve cleanly. AI systems are built to answer the questions they can answer well. The questions they cannot answer well are precisely the ones that still send a human to a website.

Why This Matters More Than a Single Threshold

If AI interception simply reduced traffic by a fixed percentage across the board, the commercial response would be straightforward: work harder to compensate for a smaller pool using the same playbook that worked before. That is not what is happening.

As interception climbs, two things happen simultaneously. The pool of clicks available to a business shrinks in raw volume. And the composition of that pool shifts, because the queries being intercepted are concentrated in the highest-volume, most accessible part of the buyer journey: the early, informational stage where most search volume actually sits.

The result is non-linear. A business does not simply lose a proportion of its traffic and keep the rest unchanged. It loses the volume first from its top-of-funnel, broad-reach searches, the ones that built awareness and brought in browsers who later became buyers. What remains is concentrated in late-stage, transactional searches: smaller in number, but still converting because those are the buyers AI cannot fully resolve on their behalf. The business is not just losing the good half of what it had. It is losing the half that used to feed the other half.

STATE OF THE ART DIGITAL PROJECTION - NOT A CITED FIGURE

The Compounding Effect

A straight-line reading of interception data suggests that going from 17% to 40% roughly doubles the damage. Our reading of the residual pool data is that the damage is likely to compound faster than that, because the clicks lost first are disproportionately the awareness-stage searches that feed the funnel. If that holds, losing the top of the funnel would eventually run the bottom dry too, even where transactional click-through rates appear stable in isolation, which would mean a business could watch its transactional traffic hold steady for months while its overall enquiry pipeline quietly collapses upstream. This is our extrapolation from the query-type data, not a pattern we have yet observed directly in longitudinal client data; confirming it would require tracking a business's informational and transactional traffic separately over several quarters. Until then, it should be treated as the most plausible reading of the mechanism, not as a demonstrated result.

This is State of the Art Digital's interpretation of the relationship between the cited interception figures, not a separately published statistic. No external source has measured "compounding" directly; the reasoning is our own, built from the sourced query-type data above.

Where We Are Now: June 2026

The current baseline for AI click interception, across all query types, stands at approximately 17%. That blended figure conceals the divergence already under way. Informational searches are being intercepted at a far higher rate than that average suggests, while transactional searches remain comparatively resilient.

Google AI Overviews now appear on approximately 48–50% of US search queries, per Google's own February 2026 disclosure, corroborated by BrightEdge's industry tracker (48% as of February 2026, up from 31% twelve months earlier). Third-party estimates vary below that figure depending on methodology and query mix: Conductor's broader, less informational-weighted benchmark puts coverage closer to 25%. For the broad, exploratory queries that dominate early-stage research in both automotive retail and estate agency, coverage sits at the higher end of that range and is growing fast.

Traffic arriving from external AI platforms such as ChatGPT, Perplexity, and Claude is growing quickly but remains small in absolute terms. Conductor's 2026 AEO/GEO Benchmarks Report, analysing 3.3 billion sessions across 13,770 enterprise domains, found AI referral traffic at just 1.08% of total website traffic on average. The more significant disruption is happening inside Google itself, through AI Overviews, and it is happening unevenly across the buyer journey rather than evenly across all search types.

THE ATTRIBUTION PROBLEM

Most businesses will not see this shift clearly in their analytics, because the standard dashboards measure volume, not composition. Google's June 2026 Search Console update introduced dedicated AI Overview impression reports, and GA4 now carries a native AI Assistant channel for external platform referrals. Both are genuine improvements.

But neither tool tells a business which segment of its traffic is disappearing. A dealership might see overall sessions fall by 15% and conclude the damage is evenly spread, when in reality it has lost a third of its informational, top-of-funnel visitors while its transactional traffic has barely moved. That distinction changes the diagnosis entirely, and most reporting tools are not built to surface it.

The Trajectory to December 2026

Over the next six months, three developments will widen the gap between the shrinking informational pool and the comparatively stable transactional pool.

AI Overview Coverage Will Expand Into More Query Types

AIO coverage is projected to approach 70% of search results pages by the end of 2026, on the basis of the rate of expansion observed through 2025 and the first half of 2026. As coverage expands, it is increasingly reaching into commercial investigation queries, the comparison-stage searches that currently survive at 39%. That is the segment most likely to see the steepest decline through the rest of the year.

The Gartner Forecast Will Materialise

In February 2024, Gartner forecast that traditional search engine volume would decline by 25% by 2026, as AI chatbots and virtual agents absorbed an increasing share of queries. Gartner framed this explicitly as scenario modelling rather than a fixed prediction. We flag this distinction because it matters: scenario modelling describes a plausible path under stated assumptions, not a commitment that the path will be followed. With that caveat in place, the direction of travel has so far matched the scenario, and the cumulative effect of AI Overview expansion and zero-click behaviour places the 25% threshold within plausible reach by December 2026 - a judgement we make explicitly as our own reading of the trend, not as a restatement of Gartner's forecast.

Zero-Click Behaviour Will Continue to Concentrate at the Top of the Funnel

Zero-click searches overall have already reached approximately 68% of all Google searches (SparkToro, 2026, Similarweb desktop/mobile panel, January–April 2026), up from 60% in the 2024 Datos study this report previously cited as its baseline. Within Google's full AI Mode, which replaces the standard results interface with a conversational response, that figure reaches 93% (Semrush, September 2025, based on 69 million search sessions). The expansion of AI Mode and AI Overviews will continue to fall hardest on the informational searches that already make up the bulk of zero-click behaviour, accelerating the skew toward a smaller, more transactional residual pool.

STATE OF THE ART DIGITAL PROJECTION - NOT A CITED FIGURE

December 2026 Projection

AI click interception is projected to reach 25–30% of organic clicks by December 2026, but the composition shift will be more pronounced than the headline figure suggests. Informational searches will be approaching 80% zero-click, while transactional searches remain closer to 35%. A business measuring only total traffic will see a concerning but manageable decline. A business measuring the funnel by stage will see its top-of-funnel reach eroding far faster than its conversion-stage traffic, which is the earlier and more useful warning sign.

These specific percentages (25–30% blended, ~80% informational, ~35% transactional) are State of the Art Digital's extrapolation from the cited Semrush, BrightEdge, and Conductor data and the current 17% baseline. They are not independently published forecasts and should be read as informed modelling, not as a statistic with its own external citation.

The 40% Threshold: A Planning Marker, Not the Mechanism

The figure most often used to describe this trend is 40%, the point at which AI interception of organic clicks is projected to reach a critical mass. Research from Gartner, Semrush, and BrightEdge converges on a central estimate of Q3 2027 for this threshold, with an aggressive scenario of Q2 2027 and a conservative scenario extending to Q2 2028.

It is worth being precise about what that number is and is not. It is not the point at which AI search becomes more commercially viable than organic search in some abstract sense.

A NOTE ON THE 4.4X CONVERSION FIGURE

Semrush (June 2025) reports that AI-referred visitors convert at 4.4 times the rate of standard organic visitors, at the current 17% interception rate. This figure is genuinely useful but it needs a caveat that the original Semrush release does not foreground, and that this report did not foreground clearly enough in its first edition either.

AI-referred visitors are not a random sample of search traffic. By the nature of how they arrive (clicking through from an AI-generated citation rather than a standard organic result) they are disproportionately drawn from the later, more decided stage of the buyer journey, the same transactional segment this report has already shown converts better regardless of channel. Comparing their conversion rate to all organic visitors, which includes the broad informational traffic still dominant in that pool, is not a like-for-like comparison. It compares a pre-filtered, high-intent group to an unfiltered one.

This does not mean the 4.4x figure is wrong or unusable. It means it should be read as broadly consistent with this report's central argument, that transactional, late-stage intent converts better than early-stage browsing, rather than as independent proof that AI referral as a channel carries some special conversion premium of its own. The honest claim is narrower than the headline number suggests: the conversion premium associated with late-stage intent already exists, and AI referral traffic happens to be concentrated in that segment. Whether AI-cited visitors convert better than organic visitors at the *same* stage of intent is a comparison the available data does not yet support, and would require a study that controls for query intent rather than channel alone.

What 40% actually represents is the point at which the residual pool argument becomes impossible to ignore. Below that level, a business can reasonably tell itself that overall traffic decline is manageable, and that steady rankings will eventually translate into steady enquiries. At 40%, with informational interception likely well above that figure and transactional interception still meaningfully lower, the gap between the two becomes too wide to paper over. The number is useful chiefly as a trigger for decision-makers who need a concrete line in the sand rather than a trend line. The underlying mechanism, the compounding loss of the funnel's feeder traffic, is already operating today and does not wait for a round number to arrive.

THE WINDOW IS OPEN NOW. IT WILL NOT STAY OPEN.

Competition for AI citation positions, particularly in the informational, awareness-stage content that AI currently intercepts most heavily, is low. Businesses that build citation

readiness in that segment over the next six months will hold positions that are far harder to displace once the wider market catches up. By the time the 40% threshold arrives, the citation landscape for informational content will be significantly more contested.

The businesses that act in the June to December 2026 window are the ones best placed to keep feeding their transactional funnel once the informational pool has largely dried up.

What This Means In Practice

For a car dealership, estate agency or professional service, this distinction changes how the problem should be measured and acted on.

Today, broad research-stage searches, the kind a prospective buyer makes long before they are ready to enquire, are already being resolved by AI roughly three times out of four. Your transactional traffic, people actively searching to buy, book a viewing, or request a quote, is holding up far better, intercepted only around three times out of ten. If you are only watching total session counts, this divergence is invisible. The transactional traffic masks the collapse happening upstream.

By December 2026, that gap widens further, on the trajectory set out above. The informational pool that used to introduce prospects to your business early in their journey will be smaller and harder to reach through traditional content alone. The transactional pool will still be there, but it will increasingly be filled by people who found you through an AI citation rather than a search result, because the businesses cited in AI answers are the ones still visible at the point where the funnel begins.

By Q3 2027, the inflection point arrives as a planning marker rather than a sudden event. The businesses that have spent the preceding 12 to 15 months building citation authority in the informational, top-of-funnel content that AI now dominates will have a transactional pool still being fed. The businesses that have not will be competing for an increasingly thin, increasingly contested slice of late-stage, ready-to-buy traffic, with no upstream pipeline replenishing it.

The strategic case for acting now is built on the mechanism, not the threshold. Citation authority in AI systems, particularly for the broad informational content that AI currently intercepts most aggressively, is built incrementally, through structured content, entity recognition, and topical depth. It cannot be assembled quickly once the funnel has already run dry. The businesses that establish it in the current window will hold an advantage that compounds as the residual pool continues to shrink and skew around them.

A STARTING DIAGNOSTIC

Before any strategic response, the most useful first step is a direct comparison rather than a single number. Pull your Search Console AI Overview impression report alongside your GA4 AI Assistant channel data and your standard organic sessions, then split that view by query stage where your analytics allow it (broad/informational versus comparison versus transactional). The question is not whether overall traffic has fallen. It is whether informational and transactional traffic are moving in the same direction at the same rate. If

they are diverging, in line with the pattern set out in this report, the diagnosis is upstream funnel erosion rather than a general decline, and the response should be built accordingly.

Dictionary of Terms

The following terms appear throughout this report. Definitions are written for a business leadership audience rather than a technical one.

AI Overview	The AI-generated summary block that appears at the top of a Google search results page, above the standard ranked links. It synthesises information from multiple sources and answers the query directly on the page.
AI Mode	Google's fully conversational search interface, in which users can ask follow-up questions and receive extended AI-generated responses. In AI Mode, 93% of searches end without an outbound click to any website (Semrush, September 2025).
AI Click Interception	The process by which AI-generated search answers absorb clicks that would previously have been directed to organic search results.
Residual Pool	The proportion of search traffic that survives AI interception and still results in a click. The central insight of this report is that the residual pool is not a smaller version of the original audience, but a structurally different one, skewed toward later-stage, more transactional intent.
Citation	A reference to a specific website or piece of content within an AI-generated answer. Being cited determines whether a business is visible to users who never look beyond the AI answer.
Informational Intent	The broad, early-stage research questions that begin most buyer journeys, such as “what is the average cost of” or “how does X work”. These queries are intercepted by AI at the highest rate, around 74% zero-click.
Transactional Intent	Late-stage, ready-to-act searches such as “buy”, “book”, “quote”, or “near me”. These queries are intercepted by AI at a comparatively low rate, around 31% zero-click, because AI cannot complete the transaction on the user's behalf.
GEO	Generative Engine Optimisation. The discipline of structuring website content, technical architecture, and entity relationships so that AI search engines select and cite that content when generating answers.
OPTIMUM	State of the Art Digital's proprietary seven-dimension audit framework for assessing and improving a business's visibility across both traditional search and AI-generated search results. Current version: v2.3.
Zero-Click Search	A search that ends without the user clicking through to any website. Zero-click searches account for approximately 68% of all Google searches overall as of early 2026 (SparkToro, 2026), rising to 93% within AI Mode (Semrush, September 2025).

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The data and projections in this report draw on the following published sources. Where figures are cited in the body of the report, the originating source is named at the point of use. Figures presented in gold-bordered boxes throughout this report are State of the Art Digital's own projections and modelling, built from these sources but not independently published by them; they are listed here for transparency about methodology, not as a claim of external attribution.

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