

The New Economics of Checkout

How AI-driven discovery is concentrating brand value at the transaction



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Executive Summary

Upstream ecommerce surfaces are being mediated by AI at accelerating speed. Search, category browse, product comparison, and even product pages are increasingly compressed, summarized, or bypassed as shoppers shift discovery to AI-driven experiences. That creates a strategic deficit. The storytelling, the cart-building, the product discovery that led to multi-item orders, the relationship touchpoints that earned repeat visits. All of it is compressing into fewer moments of direct contact. The natural response is more offers, more messages, more volume. The result is predictable. Customer trust declines, decision confidence drops, and conversion gets harder to protect.

The Transaction Moment™, spanning Selection, Cart or Review, Payment, and Confirmation, is where attention, intent, and trust peak; and where ancillary value is won or lost. As upstream surfaces disappear, these pages inherit the strategic work the rest of the site used to carry. This paper presents a framework for how ecommerce leaders should design, govern, and monetize the Transaction Moment.

The Upstream Surfaces Are Disappearing

A year or two ago, a consumer shopping for running shoes would visit Google, click through several product pages, compare reviews, browse related categories, and eventually add to cart. Each step was a surface the brand controlled. The brand had five, six, sometimes eight touchpoints before the customer reached the transaction.

That journey is compressing. The same consumer now describes what they need in ChatGPT, Gemini, or Google's own AI Mode and receives a curated shortlist with reasoning. Google's Universal Commerce Protocol already lets shoppers check out from Walmart, Target, and others without leaving the search interface.¹⁵ OpenAI partnered with Target, Instacart, and DoorDash, allowing purchases to complete inside ChatGPT, though it has since scaled back that effort after finding users researched but did not buy in the chatbot.^{16 17} Regardless of which model wins, the customer arrives closer to purchase, with fewer pages to visit before they buy.

The shift is not theoretical.

38% of US internet users now use AI tools for discovery, up from 8% two years ago.²

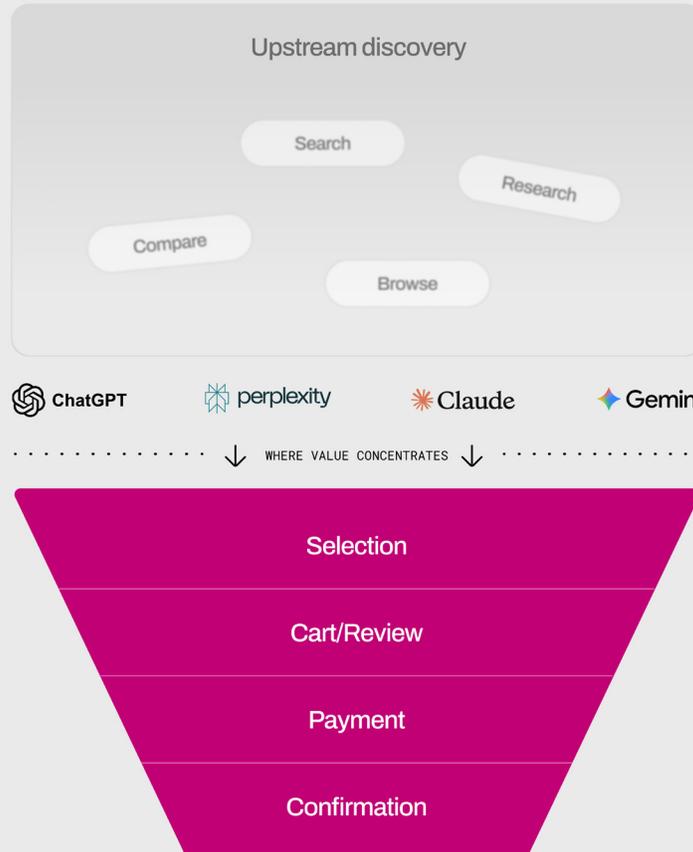
EMARKETER projects \$20.9 billion in AI platform-driven ecommerce sales in 2026, nearly four times the prior year.⁴ Discovery is compressing across surfaces the brand does not own. The question is no longer whether this shift is happening. It is how much of the upstream communication opportunity has already moved beyond the brand's control.

For ecommerce businesses, the gap is immediate and concrete. The product page that once told a brand story is becoming a data source for an AI summary. The search result that communicated differentiation is being replaced by a curated recommendation. The browse session that planted

the seed for a cross-sell is being skipped entirely. The work those surfaces used to do doesn't disappear. It has to land somewhere. The storytelling, the basket-building, the cross-sell seeding, the relationship touchpoints. All of it now has to land on the pages where the transaction happens.

These are the pages where the customer's attention, trust, and intent peak. As the upstream journey compresses, they absorb responsibilities they were never originally designed for. The boundary between what AI is taking over and what it is not is becoming clearer. In March 2026, OpenAI scaled back its plan to enable direct checkout inside ChatGPT after finding that users researched products in the chatbot but did not complete purchases there.¹⁷ As Forrester noted in response, the strategic priority for ecommerce leaders is to focus on discoverability in AI while holding on to the checkout process and the data and margin protection it carries.¹⁸ **Discovery is compressing into AI. The transaction is staying where the brand controls the experience.**

As AI takes over discovery, the pages that remain carry the weight of the entire journey



The Instinct That Backfires

When brands realize they are losing upstream surfaces, a natural response may be to compensate on the pages they still control. If the product page is no longer theirs, the instinct is to load the cart page with every cross-sell they would have shown earlier. If category browsing is compressed by an AI agent, the payment page starts to look like a billboard.

This instinct is understandable. Consider a retailer that responds to declining product page traffic by adding three new offer placements across their checkout flow. The logic is straightforward, more surfaces, more revenue. But conversion drops. Cart abandonment climbs. And the incremental revenue from those placements does not offset the loss.

The evidence that overloading these pages destroys value is extensive and specific. Baymard Institute's 13-year study of cart abandonment puts the global average at 70.19%, with \$260 billion in recoverable lost orders in the US and EU alone. ⁷ Their research points to a consistent cause: friction at the point of commitment. 18% of US online shoppers have abandoned an order because the checkout process was too long or complicated. ⁷ The average large ecommerce site can gain a 35.26% increase in conversion rate just by simplifying the checkout flow. ⁸ The paradox of choice research reinforces the pattern. Iyengar and Lepper found that consumers presented with 6 options were 10 times more likely to purchase than those shown 24. ⁹

Complexity at the point of transaction does not communicate value. It destroys it.



Harris Poll research conducted on behalf of Rakt across 7,061 adults in six markets found that 73% of consumers agree there is joy in checking out online. ³ 52% say seeing their purchase confirmed is the happiest stage of the entire transaction process. 89% find delight in completing long-desired purchases. The Transaction Moment is when customers are at their happiest, most engaged, and most receptive to relevant action.

This is the moment brands are at risk of degrading with clutter.

41% say they want to shop again with the brand that delivered a delightful experience. ³ This is the equity brands risk destroying.

The brands that load the Transaction Moment with volume are depleting the emotional equity that makes these pages the most commercially valuable surfaces in their business. And unlike upstream surfaces, there is nowhere further downstream to recover it.

The Transaction Moment As A Strategic Surface

For ecommerce leaders, this is not just a content strategy question. It is an operating model shift. The brands that are responding effectively share three characteristics.



Protect conversion and trust while monetizing. The Transaction Moment is simultaneously the highest-intent commercial surface and the most emotionally sensitive. The brands getting this right refuse to treat these as competing priorities. They monetize through relevance, not in spite of it. This includes recognizing that the Transaction Moment now carries relational and commercial work that used to happen upstream. Loyalty enrollment, cart expansion and brand-building are no longer pre-transaction activities.



Treat each page as an intelligence layer, not a placement slot. Each Transaction Moment step carries different economics and a different customer mindset. The brands that capture the most value make independent, real-time decisions about what to show on each page, for each customer, in each transaction.



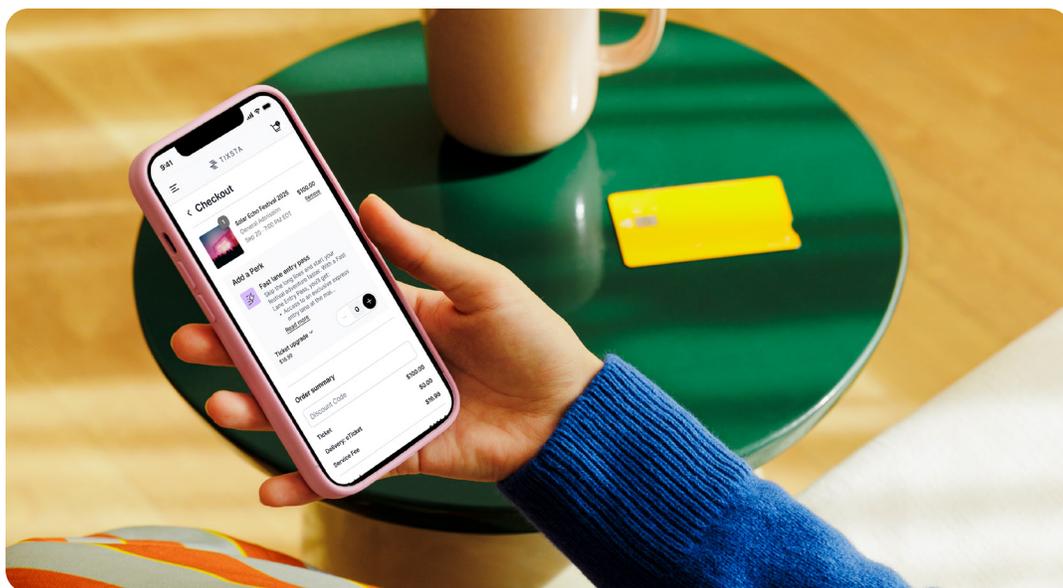
Build a compounding relevance infrastructure. Every transaction generates a signal. Every signal improves the next decision. The brands investing in this capability now are building an asset that appreciates with scale.

Why Relevance Compounds

Each interaction at the Transaction Moment either builds toward the next visit or makes it less likely. There is no neutral outcome. 42% of consumers want to shop again with a brand that delivered a relevant experience. 63% will spend more with businesses that understand their preferences. And 79% feel excited when they receive a promotion at exactly the moment they need it.³

The data is equally clear about what happens when relevance is absent. 74% of consumers would rather receive no offer than an irrelevant one. 62% would rather abandon their cart. And the damage is not confined to that single transaction.³

The behavioral data tells the same story. Repeated exposure to low-relevance offers within a compressed timeframe reduces engagement propensity. The pace of that decline is not fixed. It depends on the system's ability to space exposures and to suppress when no action clears a relevance threshold. When interactions are distributed over time and low-confidence experiences are withheld, engagement remains more durable. When overexposure is concentrated, fatigue accelerates.



The implication is straightforward. Brands that consistently show the right offer, or suppress when no offer is sufficiently relevant, build an engagement asset that appreciates over time. Brands that optimize for volume erode that asset. Both effects compound.

In practice, one of the clearest indicators of a mature relevance strategy is the willingness to suppress. Suppression refers to intentionally showing no offer when predicted engagement or relevance falls below a defined threshold. It is not foregone revenue. It is a disciplined decision to protect the long-term performance of the Transaction Moment by preserving the willingness to engage next time. Most organizations measure impressions and would treat 'show nothing' as foregone revenue. That framing is wrong.

Suppression is an investment in the long-term performance of the surface. A customer who encounters no content on a visit where nothing was relevant enough, returns with their willingness to engage intact.

A customer who encounters low-quality content does not.



Where Value Is Concentrating

More than 90% of ancillary revenue opportunity in ecommerce exists across the Transaction Moment. ¹⁰ But relevance is not applied uniformly. Each step carries a different customer mindset, a different tolerance for interruption, and a different risk profile. The same offer can create value on one page and destroy it on another.

As upstream surfaces disappear, every pixel of the pages that remain carries the weight of the entire journey.

To test whether per-page governance holds in practice, we examined a recent snapshot of internal network data across ecommerce partners. At each eligible placement, the system evaluated whether any available offer cleared a relevance threshold for that specific customer on that specific page. When nothing qualified, it suppressed rather than serving a low-quality impression.

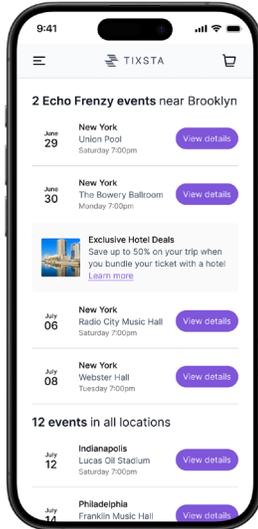
Even in a single week, the pattern is clear.

Network-wide, 28% of eligible placements were suppressed. But the per-page breakdown is where the framework comes to life. Payment and Selection, the pages with the lowest tolerance for interruption, suppressed at a rate roughly 7 percentage points higher than Confirmation or Upsell pages.

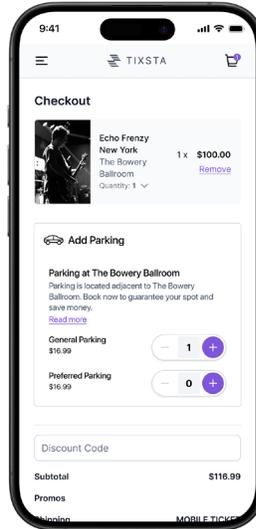
The pages with the highest stakes are governed most aggressively. The pages with the most receptive customer mindset are given more room to engage. This is what per-page decisioning looks like when it operates at scale.

How value is created and eroded at the Transaction Moment

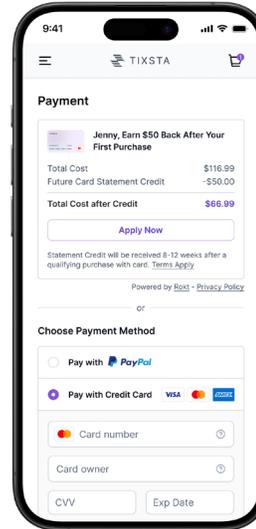
Selection



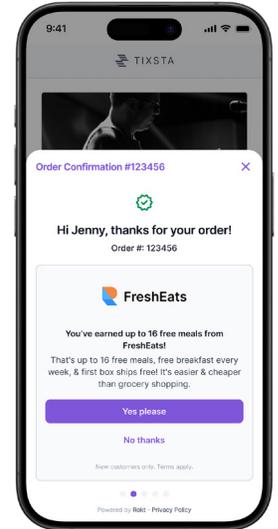
Cart or Review



Payment



Confirmation



Customer mindset

Forming a basket, but increasingly arriving with a product in mind. AI compression narrows Selection from broad discovery to validation and expansion. The bar for relevance is higher because the customer already has a frame of reference.

Validating decisions, looking for certainty. This is a confidence building moment.

Committing funds. Highest-stakes point in the journey, lowest tolerance for interruption.

Commitment complete, satisfaction peaks. Often one of the first meaningful moments of direct contact between brand and customer.

Value Creation

Relevant additions that feel helpful - complementary products that expand order value without disrupting decision flow.

Offers that complete the decision already made, highly relevant, low-friction add-ons that strengthen the chosen basket rather than reopening it.

Precise, utility-driven value. Done well, payment-linked value transforms what most brands treat as a cost center into a profit surface.

Loyalty enrollment, app downloads, and post-purchase engagement actions that start the relationship and make the customer more likely to return directly.

Value Erosion

Irrelevant offers that interrupt decision flow or introduce options competing with items already being considered.

Basket-competing choices or a cluttered menu of options that re-triggers decision-making and doubt.

Even minor friction. This step punishes imprecision more than any other.

Treating this page as leftover inventory. The emotional high point is finite - low-relevance offers erode the goodwill the transaction just created.

Who Owns the Transaction Moment?

Checkout has historically been treated as a UX or payments responsibility, optimized primarily for completion. When the Transaction Moment carries revenue, relationship, and brand experience simultaneously, governance cannot sit in a single function. The organizations getting this right assign cross-functional ownership with a single accountable leader and shared metrics that balance conversion protection with commercial performance. Organizations that treat it as an operational handoff tend to optimize the wrong metrics, apply the same tactics across different pages, and learn too slowly.

How organizations build this capability will vary. Some will develop decisioning and relevance infrastructure in-house, drawing on their own data science teams and first-party signals. Others will work with technology partners that specialize in real-time relevance at the point of transaction. Most large ecommerce businesses will combine both, maintaining direct control over experience governance while leveraging external intelligence and network-level learning that no single organization can replicate alone. The principles of per-page economics, suppression discipline, and compounding relevance hold regardless of approach. What matters is that the capability exists and improves with every transaction.

The separating capability is decisioning, determining the right action for this customer on this page in this transaction, including the decision to suppress when nothing clears the relevance threshold.



The pace of compression also varies by purchase type. Utility purchases, the products a customer buys repeatedly with well-defined preferences, are where AI-mediated discovery is gaining traction fastest. The customer can describe exactly what they need and an AI tool can surface the right answer in seconds. Considered purchases, where the customer doesn't yet know what trade-offs they would make and where browsing itself is part of the value, will compress more slowly. This distinction has direct implications for where to invest first. The Transaction Moment serving high-frequency utility categories - household goods, personal care, grocery — will absorb upstream work soonest and need relevance infrastructure now. Considered purchase categories have more time, but not as much as most organizations assume.

The Selection page faces the sharpest evolution. Today it absorbs upstream basket-building for customers who arrive interested but uncommitted. As agentic traffic grows, this narrows further. The customer who arrives having already decided on a product in the AI tool, skips Selection entirely, and the basket-building opportunity migrates downstream to Cart or Review. Eventually, as Selections' core function evolves from on-site expansion to the surface that determines whether the visit happens at all. That shift has not yet arrived for most brands, but it is the next chapter.

Wherever the transaction lives, brands will attach revenue to it. Amazon is building its own agentic shopping experiences and tightly controlling access to its listings. Uber's advertising business crossed \$2 billion in annualized revenue by leveraging the same principle: when you own the transaction, you can build high-margin revenue around it.¹⁶ Diversifying economic models around the transaction is not just smart, it's inevitable. The margin pool follows.

The brands building relevance infrastructure at the Transaction Moment now are not just preparing for the shift. They are compounding years of learning about what works, for which customer, in which context, at which moment. That advantage cannot be shortcut by starting later.

Discovery compression is already reshaping traffic quality, customer expectations, and the economics of Selection, Cart or Review, Payment, and Confirmation. The response is not future planning, but redesigning how these steps perform now.

What To Do Now

Success is a Transaction Moment that monetizes through relevance while protecting completion rate and customer trust. For ecommerce leaders evaluating their Transaction Moment strategy, four actions create the foundation for capturing this shift.



Audit each page against the upstream work it now absorbs, not just its original function. Selection, Cart, Payment, and Confirmation carry different economics and different customer mindsets. Treating them as a single ‘checkout’ surface leads to generic approaches.



Establish “show nothing” as a first-class outcome. If the system cannot identify a relevant action for a specific customer on a specific page, the best decision is no action. In practice, this means configuring decisioning systems with a minimum relevance threshold below which no offer is served, and measuring suppression rate as a health metric rather than a failure. This requires moving beyond impression-based measurement and recognizing suppression as an investment in long-term engagement.



Set relevance guardrails. Frequency caps, suppression rules, and brand controls are not constraints on revenue. They are protections for the engagement equity that makes the Transaction Moment commercially valuable. Define these guardrails before scaling, not after.



Measure outcomes beyond clicks. Click-through rate measures a single interaction. The value of the Transaction Moment is longitudinal. Measure repeat purchase intent, engagement decay over time, conversion protection, and the revenue impact of suppression. These metrics reveal whether your approach is compounding value or depleting it.



Discovery compression is not a future scenario. It is a present operating condition. Even as AI platforms scale back their attempts to own checkout directly ¹⁷, the discovery shift that concentrates value onto these pages is accelerating. The brands building relevance infrastructure at the Transaction Moment now will compound years of advantage. The brands waiting for the shift to fully arrive will find they are already behind.

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