

Coveo Commerce Relevance Report Finds Popularity of GenAl Surging with 62% of Shoppers More Likely to Make Purchases with its Guidance

More than seven in 10 surveyed say they will abandon an e-commerce site if they can't quickly find what they need, reinforcing that search remains a critical pillar of the digital shopping experience

MONTREAL, LONDON and NEW YORK March 13, 2025 /PRNewswire/ - Coveo (TSX: CVO), the leading enterprise AI platform that brings AI Search and generative AI to every point—of-experience, today announced its fifth annual Commerce Relevance Report, "Can GenAI Close the Gap Between Online and In-Store Experiences?" The report provides a comprehensive view of today's shoppers— their expectations, frustrations, and buying behaviors. To gather these insights, Coveo partnered with Arlington Research to survey 4,000 U.S. and U.K. consumers. The results uncovered key trends in online and in-store convergence, the rising importance of trust, and the role of Generative AI (GenAI) in shaping the future of retail.



One takeaway from the new research is that GenAl support is becoming an expected element of the shopper journey, with 62% of consumers claiming they are more likely to make purchases with GenAl-driven guidance. This figure rises for younger generations, such as 68% for millennials.

"Consumers increasingly expect GenAl to enrich their shopping experiences, making them more relevant, convenient, and informative," said Peter Curran, GM of Commerce, Coveo. "GenAl doesn't replace search—it enhances it by seamlessly integrating into key touchpoints like the search bar, product pages, and shopping carts. It reshapes how consumers discover and select products – strengthening the connection between retailers and their customers while driving higher conversions and revenues."

Additional key findings include:

- Digital discovery is playing a critical role in the decision-making process—77% of respondents research products online before buying, even for items they buy instore. Since digital discovery creates intent, a strong online presence doesn't just drive digital sales but powers offline revenue.
- Bad search experiences are driving shoppers away—72% of consumers said they abandon an ecommerce site when they can't find what they need quickly, with 53% turning to Google and 36% heading straight to a competitor. This is especially true for Gen Z, millennials, and shoppers from higher-income households who are quick to move on if their expectations aren't met.
- Social media often sparks purchase ideas, but the majority of transactions are completed elsewhere 73% find products on social media, but only 37% finish purchases there. While younger generations, such as Gen Z (58%) and millennials (54%), tend to be more comfortable purchasing directly on social platforms, older shoppers gravitate toward trusted environments like ecommerce sites, which offer the confidence in secure checkouts, clear pricing, and reliable product information.
- Experience outshines efficiency 58% will share data for better deals with trusted brands, seeking more personalized experiences. Transparency about data usage and a clear demonstration of value are essential while incentives only work when paired with trust.

The <u>full report</u> is now available for download.

About Coveo

Coveo brings superior Al-Relevance to every point-of-experience or agent, transforming how enterprises connect with their customers and employees to maximize business outcomes.

Relevance is about moving from persona to person, the degree to which the enterprise-wide content, products, recommendations, and advice presented to a person online aligns easily with their context, needs, preferences, behavior and intent, setting the competitive experience gold standard. Every person's journey is unique, and only Al can solve the complexity of tailoring experiences across massive, diverse audiences and large volumes and variety of content and products.

Our Coveo Al-Relevance Platform™ enables enterprises to deliver hyper-personalization at every point-of-experience, unifying all their data securely, with the highest level of contextual and prescriptive accuracy while simultaneously optimizing business outcomes.

Coveo brings Al-Relevance to the digital experiences of many of the world's premier and most innovative brands, serving millions of people across billions of interactions.

What we believe is bold: Digital is table stakes, Relevance is not. It's the only way to win in the digital age.

The Coveo Al-Relevance Platform™ is ISO 27001 and ISO 27018 certified, SOC2 compliant, HIPAA compatible, with a 99.999% SLA available. We are a Salesforce ISV Partner, an SAP Endorsed® App, an Adobe Gold Partner, MACH Alliance member, Optimizely Partner, Shopify Partner, and a Genesys AppFoundry® ISV Partner.

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Forward-Looking Information

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws (collectively, "forward-looking information"). This forward-looking information is identified by the use of terms and phrases such as "may", "would", "should", "could", "might", "will", "achieve", "occur", "expect", "intend", "estimate", "anticipate", "plan", "foresee", "believe", "continue", "target", "opportunity", "strategy", "scheduled", "outlook", "forecast", "projection", or "prospect", the negative of these terms and similar terminology, including references to assumptions, although not all forward-looking information contains these terms and phrases. In addition, any statements that refer to expectations, intentions, projections, or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates, and projections regarding future events or circumstances.

Forward-looking information is necessarily based on a number of opinions, estimates, and assumptions that we considered appropriate and reasonable as of the date such statements are made. Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, actual results may vary from the forward-looking information contained herein. Moreover, forward-looking information is subject to known and unknown risks, uncertainties, and other factors, many of which are beyond our control, that may cause the actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to macro-economic uncertainties and the risk factors described under "Risk Factors" in the Company's most recently filed Annual Information Form available under our profile on SEDAR+ at www.sedarplus.ca. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, prospective investors should not place undue reliance on forward-looking information, which speaks only as of the date made.

Moreover, we operate in a very competitive and rapidly changing environment. Although we

have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information.

Except as required by law, we do not assume any obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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