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Emerging retail and consumer trends

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Introduction

It's a snowy Friday in early February, and you're hosting friends for the Super Bowl. In one version of the near future, you don't bounce between grocery apps, group chats, and browser tabs to pull it together; instead, you describe the outcome ("feed eight, stay under budget, accommodate allergies, deliver before kickoff"), and AI turns that intent into a completed order. Retail is rapidly moving away from shoppers manually searching and comparing products toward shoppers delegating those decisions to AI assistants.

But the path to that future is not linear, and the strategic trade-offs are becoming clearer. Consumer trust remains a gating factor, as only 14% of Americans trust AI to place orders on their behalf,[1] and the market is organizing around a fundamental tension between the control of data and brand versus reach and velocity. This article traces three connected shifts along that spectrum. First, retailers are deploying virtual assistants to make shopping conversational while keeping experience, data, and decisioning inside the brand's own ecosystem. Next, large language models (LLMs) are pushing discovery outward through third-party interfaces, making shopping more open and competitive as consumers gain the ability to compare across brands. As AI systems move from recommending purchases to executing them, they can complete purchases without consumers ever visiting a brand's website. That creates a new reality for retailers. In addition to serving as a destination for shopping websites will also serve as a back-end layer for fulfillment and trust. This shift forces retailers to make tough choices about visibility, margin, and control.

Trend 1

The controlled channel: Onsite agents and the data advantage

Onsite AI shopping assistants have moved beyond customer-service triage. For many brands, they are becoming the first meaningful touchpoint a shopper has online—shaping discovery, framing choices, and accelerating the path to purchase before a customer ever reaches checkout. A notable example is Ralph Lauren's "Ask Ralph,"[2] a proprietary assistant embedded within the brand's website and app.

"Ask Ralph" is positioned less like a generic chat widget and more like a digital associate: It helps shoppers translate intent into a curated set of options, answers questions about fit and styling, and keeps the interaction aligned to the brand's merchandising and editorial voice. When the assistant lives inside a retailer's own platform, the retailer retains control over what is recommended, how alternatives are presented, and which outcomes the system optimizes without handing the customer relationship to an intermediary.

First-party data, first-class control

The defining feature of on-site assistants is not that they log data from customer interactions, but that they activate existing first-party signals inside a governed environment. When a consumer begins on a brand's website or app—where browsing behavior, cart activity, size preferences, and purchase history are already captured—tools like Home Depot's "Magic Apron"[3] or Amazon's Rufus[4] can use those signals immediately to reduce friction and guide discovery in ways that feel conversational rather than transactional.

For executives, the advantage is operational control. The assistant becomes an interface layer that makes the retailer's data advantage usable in real time while keeping measurement, governance, and optimization in-house. The brand can convert assistant interactions to onsite purchases by tuning recommendations to inventory and substitution rules while maintaining consistent customer experience across digital touchpoints

Trade comparison for convenience

Unlike cross-brand shopping experiences that encourage broad exploration, on-site assistants are designed to keep shoppers within a single retailer's ecosystem. This can strengthen loyalty outcomes as recommendations connect directly to membership benefits, exclusive offerings, and service workflows, while also simplifying the breadth of choice to what the retailer carries and chooses to surface. The result is a smoother, more curated journey that emphasizes confidence and convenience over marketplace-wide comparison.

Recent consumer studies underscore why this matters: 80% of customers say they prefer to buy from retailers offering personalized search and shopping experiences[5]. In practice, onsite assistants are quickly moving from a differentiator to a baseline capability, raising expectations for digital retail while preserving control of brand experience, customer data within owned channels, and the levers that influence conversion and margin.

Trend 2

The invisible storefront: How LLMs are rewriting product discovery across brands

For consumers, LLM-based shopping introduces a fundamentally different discovery experience; one that prioritizes comparison across multiple brands rather than navigation within a single retailer's ecosystem. Instead of moving between individual websites or scrolling through traditional search results, shoppers can now express intent conversationally and receive curated, cross-brand recommendations that reflect their preferences, constraints, and context in real time and subsequently, the LLM directs shoppers to complete the purchase with the retailer.

As this discovery behavior shifts, consumers are increasingly being routed to retailer websites by LLMs rather than traditional search engines. Online shopping data[6] shows that Generative AI tools drove a 693% increase in traffic to retail sites in the 2025 holiday season compared to a year prior, signaling a meaningful transition in how shoppers arrive at product pages and begin their purchase journey. In this model, visibility is no longer driven solely by keyword rankings, but by how effectively a retailer's data can be interpreted and surfaced by AI.

This shift elevates the importance of generative engine optimization (GEO). To be discoverable within LLM-led shopping flows, retailers must structure website and product data in ways that are easily parsed, contextualized, and referenced by AI models. Clear metadata, enriched product attributes, reviews, and pricing information become essential inputs for LLMs that now act as the intermediary between consumer intent and retailer storefronts.

The appeal of context-aware AI tools continues to grow as they deliver increasingly personalized experiences informed by multiple data sources rather than a single retailer. Platforms like OpenAI's ChatGPT[7] generate tailored buying guides using product content, reviews, pricing, and prior interactions, internalizing preferences and context to reinforce LLms as the new front door to multi-brand retail discovery.

Trend 3

From prompt to purchase: Retail's next conversion shift

Twenty-three percent of consumers already use generative AI for product discovery[8] while shopping, and of those who do, 35% are using it to speed up their shopping process[9]. In response to this need for speed, the next retail storefront is beginning to take shape: direct integration with LLMs for checkout as well as discovery. This new wave of online shopping could reshape retail by de-centering the website as the primary point of conversion, enabling lower friction purchasing journeys and increased conversions for retailers.

AI-powered partnerships

In late 2025 and early 2026, retailers like Etsy and Walmart partnered with OpenAI[10] and Google[11] to enable in-chat product discovery and purchasing. ChatGPT's Instant Checkout[12] allows customers to move from recommendations to purchase directly within the conversational interface. Google introduced a comparable capability within their Gemini LLM called Universal Commerce Protocol[13].

Large retailers are investing heavily in AI-enabled commerce to shape emerging standards and gain early-mover advantage. The race to become the retailer of choice for AI-led shopping could provide a significant swing in market share for e-commerce in the future. Smaller merchants may also benefit, as AI assistants can translate intent-rich queries into more targeted product matching. Niche listings on large marketplaces can be difficult to surface so AI-driven recommendations can improve discoverability and incremental demand. Early evidence suggests material conversion upside in AI-assisted journeys; one study reports AI shoppers are 9x more likely to convert than shoppers using traditional channels[14].

Dual role of retailer websites

As discovery and checkout shift into LLM interfaces, retailer websites will need to not only serve as the primary storefronts but also add functionality as enabling infrastructure as well. For customer journeys in this new channel, websites will function as an authoritative source of structured data to provide the necessary information during the shopping process. To better enable this fulfillment process, retailers should aim to enrich their website metadata to make product descriptions, reviews, and specifications more easily queried by LLMs through the GEO process. This improves the likelihood that LLMs will surface the retailer's products in AI-led discovery and recommendation flows.

Some retailers are restricting third-party chatbot access to protect traffic and maintain tighter control over brand, merchandising, and customer experience. Amazon has limited LLM scraping[15] of its site content and restricted third-party surfacing of its catalog. To still capture this AI powered shopping influx, it instead is launching in-house AI shopping tools like "Rufus". However, this approach is most feasible for retailers with sufficient scale, data assets, and engineering capacity to build and operate first-party AI experiences. For many retailers, blanket blocking risks forfeiting incremental demand generated through LLM discovery. A more durable approach is to design for LLM-mediated commerce while strategizing data protection, brand controls, and monetization.

Getting involved

Putting AI shopping to work

With 24% of consumers[16] planning to make AI shopping their default in 2026, AI-led shopping is emerging as a distinct e-commerce channel. It is important for retailers to understand how they can benefit from this new normal as well as potential ramifications. Targeted investment in AI-led commerce may be required to compete for a growing segment of AI-native shoppers, whose discovery and conversion paths differ materially from traditional e-commerce. Above all, two foundational actions apply to all retailers: aligning on an AI commerce strategy and improving discoverability through clear and structured data. Beyond these foundations, retailers can prioritize additional capabilities based on scale, size, and risk tolerance.

Regardless of strategic posture, visibility within AI interfaces is now a baseline requirement. As product discovery shifts into LLM interfaces, GEO has become the minimum required investment for competitiveness, ensuring product and brand data can be efficiently interpreted and surfaced by AI systems. In addition to designing consumer appealing website UI/UX, retailers should now update website and product metadata so it can be reliably parsed and retrieved by AI systems. Even for retailers that choose not to transact through AI platforms, making structured, high-quality data available is critical to being discovered, recommended, and considered in AI-led shopping journeys.

Prior to making large investments in specific AI capabilities, retailers should define their strategic posture across three dimensions: brand positioning, data control requirements, and ecosystem participation across the customer journey. This decision should serve as the guiding lens for which AI pathways they pursue and the pace at which they adopt them.

Retailers prioritizing first-party data control can deploy onsite assistants to improve discovery and engagement while retaining ownership of customer interactions and insight generation. By integrating conversational AI with existing product and customer data, brands can enhance personalization and experience without ceding ownership to external platforms.

For retailers looking to gain an early adopter advantage, partnerships with LLM providers offer access to a rapidly growing population of AI-native shoppers. Participating in these ecosystems allows retailers to capture emerging AI-led demand and accelerate time to market in conversational commerce ahead of broader industry adoption.

Ultimately, retailers must account for their size, scale, and brand characteristics when designing an AI shopping strategy, selecting either a single vapproach or a coordinated mix of AI channels to deliver an experience that aligns with their brand, customers, and long-term goals.

Conclusion

AI is reshaping how consumers discover, evaluate, and purchase products, shifting digital commerce from site-driven experiences to intent-driven, AI-mediated journeys. LLMs are changing the role of retailers in digital channels, shifting advantage toward data readiness, trust, and experience design across owned and third-party AI surfaces. Retailers must learn to balance speed and convenience with transparency, brand control, and appropriate human reassurance at key points in the customer journey. With 64% of consumers planning to use AI shopping in 2026[17], AI-led commerce is moving from experimentation to a core strategic capability.

Contacts

To learn more, please contact:

Bobby Stephens
Principal
Deloitte & Touche LLP
Email: rostephens@deloitte.com

Simon Chafetz
Senior Manager
Deloitte & Touche LLP
Email: schafetz@deloitte.com

The authors would like to thank these team members for their contributions:
Anirudh Panuganty
Carol Cui
Trent Reddic
Rory Redmond
Nicole Dweck

Endnotes

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