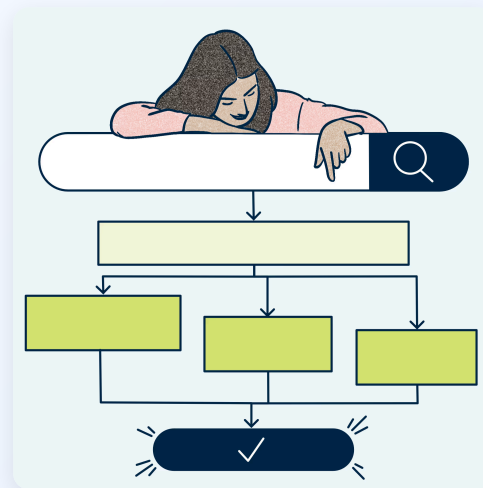


From Search to Service: The Evolution of Discovery in the Age of AI

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In the digital era, the way we access and interact with information has undergone continuous transformation. Traditional search engines have long served as gateways to vast repositories of data, providing access to limitless information via queries and lists of links in a relatively static manner. As the volume and complexity of information have grown, this experience has rapidly deteriorated, making the need for personalized, intelligent discovery all the more evident.

We believe the next evolution of search won't look much like search at all. Rather, discovery will take the shape of tailored, dynamic services, where users can not only access information but interact with a highly personalized, actionable edit of what's uniquely relevant to them. This shift requires a nuanced understanding of user intent and context, which is where Generative AI excels. Our investment in [Daydream](#) marks an early iteration of this shift, where the diminishing value of search is being eclipsed by new discovery services that are entirely context-aware and actionable.

Why Search is Being Reborn as Service

A search experience is inherently defined by "show me options" [access], while a service experience is defined by "show me the options that are uniquely best for me" [edit] and then "help me get the job done" [action]. The latter is exponentially more valuable, particularly in the context of the vastness that is the internet today. Gen AI-powered discovery services stand to break out with experiences that feel white-glove and bespoke, finally delivering on tech's age-old promise of hyper-personalization, paired with agentic features that make things actionable.

The transition from "Search to Service" holds the potential to transform how people discover, plan, purchase, and act across a range of life dimensions. Imagine a discovery experience that can book itineraries, style outfits, scrapbook research, turn a mosaic of health insights into tailored action plans, and present financial data in the context of personal realities and goals.

This level of integration demands platforms tailored to distinct verticals, honoring vertical-specific expertise and features, instead of a single destination as a catch-all for discovery needs. **This will give rise to a series of vertical-specific discovery platforms.** We imagine portals to the world of options that are edited through the lens of your inner traveler, student, style maven, health enthusiast, and budgeter, incorporating all the right tooling to empower action.

Crafting a Personalized, Actionable Search Experience: UI and Technology Tooling

Dynamic feedback, with real-time suggestions that evolve as you engage, will be a central focal point across all Gen AI discovery services, along with category-relevant features and intuitive, tailored design. To be unique, this type of experience will need to offer:

- Personalized dashboards to house specific data around preferences, actions, and goals related to the topic at hand.
- Interactive elements within results to initiate immediate actions like purchasing, organizing, booking/scheduling, sharing, and storing.
- Visualization experiences such as data comparisons for quick understanding, product and scene images to inspire and build confidence, timeline views for organizing information, and interactive maps for location-based planning.
- Sharing and collaboration features.

Ultimately the technology infrastructure is less of a means to stand out and instead table stakes in bringing an interactive, agentic search experience to life. There are two timely technology unlocks that must be leveraged:

- Gen AI ensures interactions are more specific, engaging, and relevant. Data analytics tools and feedback loops are indispensable for tracking and analyzing user interactions to help refine personalization algorithms, while machine learning models are needed to adapt data to user preferences over time, ensuring that the search experience becomes increasingly personalized with each interaction.
- The agentic tooling stack: the integration infrastructure and APIs needed to facilitate access, authentication, and data sharing across platforms.

With the right technology and AI infrastructure layers in place, there is a world of possibility for differentiating on dynamic, personalized discovery services across various verticals.

The Opportunity for Versatile [and Sticky] Business Models

One thing we love about this evolved 'Search to Service' vision is that it can be supported by dynamic business models beyond advertising — a stark contrast to the SEO and ads-riddled models that dominate traditional search. The vertical nature implies higher intent traffic, while personalization should inspire higher conversion, making the commission and referral model far more compelling than basic search experiences.

The other obvious offering is a membership or subscription model based on access to enhanced features ranging from depth of profile personalization, volume of actions taken on a user's behalf, and tooling to deliver results in tailored formats. Further, for an experience that clearly improves over time with a growing trove of user actions, loyalty, and retention are much stronger, as the shared investment in actions and data collection makes for high switching costs for the user.

Introducing Daydream, the “Search to Service” Model in Commerce

Daydream – which just announced its imminent launch – will serve as an early example of this evolution from static, one-sided search to dynamic, actionable discovery services. The team is building an entirely new platform that leverages generative AI, machine learning, and computer vision to bring to life an intuitive, end-to-end discovery and shopping experience like no other. Led by retail visionary Julie Bornstein, the Daydream founding team has spent over a decade operating at the intersection of commerce and AI, hailing from Microsoft AI, Google, YouTube's Gen AI division, Sephora, Nordstrom, StitchFix, Farfetch, and more. They are uniquely qualified to meet this moment of change, setting a new standard for search and....shopping.

We're not just motivated by Daydream's vision to transform shopping, but to inspire the new standard in agentic, service-like platforms across nearly all divisions of the consumer market.

Join Daydream's waitlist to preview the future of shopping for yourself in the coming months.