

A series of quick comments on the opportunities, risks and trends observed by Pictet's Thematic Private Equity – Technology team

90-sec tech check: AI will eat the web

March 2026



Stanislas Chanavat
Principal, Technology
Thematic Private Equity



Chuang Zhu
Investment Manager, Technology
Thematic Private Equity



Nicolas Schwyn
Senior Associate, Technology
Thematic Private Equity

WHAT'S HAPPENING?

The extent to which AI will disrupt software is debatable. As we have explained, AI is software. What seems clearer is that AI is now also transforming consumer search and decision-making habits, and consequently the economics of internet searches and web usage in general:

- The average number of Google desktop searches per user in the US fell by nearly 20% from 2024 to 2025 (Datos/SparkToro, January 2026).
- 60% of searches now end without a click on a result link, reducing organic web traffic by 15-25% (Bain & Company, February 2025).
- “What we see is that traffic that comes from chatbots converts at a higher rate than traffic that comes from Google” (Airbnb CEO Brian Chesky, February 2026).

WHAT ARE THE INVESTMENT IMPLICATIONS?

While the traditionally dominant search tools remain highly profitable thanks to advertising revenue, we believe diversified investors should build exposure to new challengers in their portfolios to benefit from the rise of AI search and to mitigate downside risk to their positions in incumbents.

Beyond the already well known names like OpenAI and Anthropic, what kinds of companies are emerging in this area?

In February 2026, **Profound** achieved a unicorn valuation of \$1 billion in its Series C round led by Lightspeed Venture Partners. The company is an AI-native marketing platform that helps its enterprise clients optimise their outcome in AI-search results. In practice, this means it does everything from monitoring chatbot prompt trends and analysing how brands appear in answers, to making recommendations based on these data to marketing teams and even implementing them autonomously as an AI agent if permitted.

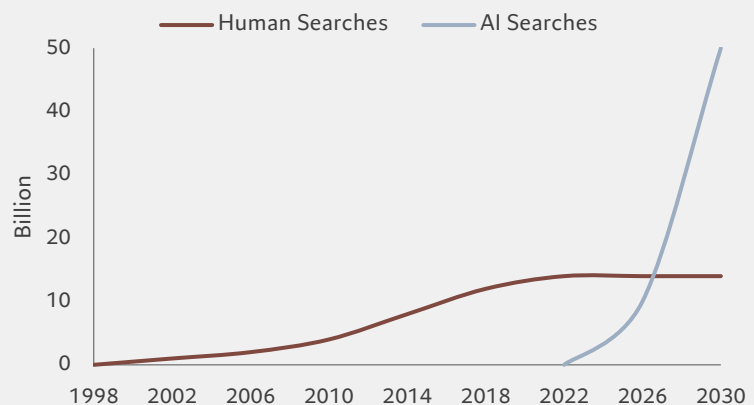
Profound already serves more than 700 corporate clients, including over 10% of the Fortune 500; its customers have reported doubling their AI visibility in a week and increasing their AI presence 7x in a month.

Another example is **Exa**, which is building a search engine for the exponentially growing demand of AI agents: rather than optimising results for keywords and ads, it can reply to more specific parameters like “list all Thai restaurants within walking distance of me and rank them by customer reviews and busyness at this time”. Exa’s novel neural approach to search rests on the thesis that AI tools constantly need to scrape an internet ecosystem that was built for human engagement and not machines – so it still needs to be optimised for them rather than us.

Visualising the story

As early as next year, AI web searches are likely to overtake human searches, which have already plateaued at around 14 billion per day. As agentic AI starts to make purchase decisions on users’ behalf, embracing AI optimisation through tools like those mentioned becomes an existential imperative for businesses.

Source: Exa, September 2025. There is no assurance that any trends depicted or described will continue or that any projections will ultimately materialise.



Disclaimer

This Document (the "Document") has been issued by Pictet Alternative Advisors S.A., a Swiss based public limited liability company (société anonyme), having its registered office at 60, route des Acacias, CH-1211 Geneva, Switzerland, authorised and regulated by the FINMA as an asset manager of collective assets within the meaning of the Swiss Federal Act on Collective Investment Schemes (referred to as "Pictet").

This Document is not intended for and shall neither be provided to nor used by persons who are citizens of, domiciled or resident in, or entities registered in a country or a jurisdiction in which its distribution, publication, provision or use would violate current laws and regulations. The contents of this Document are intended for investors who are sophisticated investment professionals and who are either authorised or regulated to operate in the financial markets or persons who have been vetted by Pictet and/or any of its affiliates as having the expertise, experience and knowledge of the investment matters set out in this Document. If you are not such an investor, you are kindly asked to return this document or to destroy it.

The information and material presented in this Document are provided for information purposes only and are not to be used or considered as an offer or invitation to subscribe, purchase, sell or hold any securities or financial instruments. The information contained herein is the result neither of financial analysis within the meaning of the Swiss Bankers Association's Directives on the Independence of Financial Research, nor of investment research for the purposes of the relevant EU MiFID provisions. Neither this Document nor any part of it shall form the basis of, or be relied on in connection with, any contract to purchase or subscription for any fund's shares. Any such acquisition may only be made on the basis of the official documents of a fund each in their final form. This Document does not contain personalised recommendations or advice and is not intended to substitute any professional advice on investment in financial products. Before entering into any transaction, an investor should consider carefully the suitability of such transaction to his/her particular circumstance and, where necessary, obtain independent professional advice in respect of risks, as well as any legal, regulatory, credit, tax, and accounting consequences.

All information and opinions expressed in this material were obtained in good faith from sources believed to be reliable. Pictet uses its best effort to ensure the timeliness, accuracy, and comprehensiveness of the information contained in this material as of the date hereof. Nevertheless, all information and opinions as well as the prices, market, valuations and calculations indicated herein may change without notice. Pictet is under no obligation to update the information contained in this material and no representation or warranty, express or implied, is made to its accuracy or completeness after the date of issuance of this Document. Accordingly, Pictet accepts no liability for loss arising from the use of this Document presented for information purposes only.

Many factors may affect the value of a financial instrument. The market value of financial products may vary on the basis of economic, financial or political changes, the remaining term, market conditions, the volatility and solvency of the issuer or the benchmark issuer. Some investments may not be readily realisable as the relevant market may be illiquid. Moreover, exchange rates may have a positive or negative effect on the value, the price or the return of the respective product. Forecasts and past performance are not reliable indicators or guarantees of future results, and no representation or warranty, expressed or implied, is made by Pictet regarding future performance. Furthermore, any performance shown does not take into

account commissions and costs (which negatively impact the performance).

Information and material contained in this Document are strictly confidential and aimed at addressees only. Recipients of this Document acknowledge and agree to the above and undertake to keep this Document strictly confidential including all information and material contained therein. This Document and confidential information contained cannot be disclosed nor distributed to any third party without the prior consent of Pictet. Should any recipient disclose this Document or any information contained therein to any unauthorised third party, recipient understands that it will be held liable to Pictet and recipient shall hold harmless Pictet, its partners, employees, agents and affiliates (together the "Pictet Entities") from and against any and all claims, damages, losses, costs, liabilities and expenses incurred by the Pictet Entities as a result or in connection with any undue disclosure.

Pictet has not acquired any rights or licence to reproduce the trademarks, logos or images set out in this document except its own. The trademarks, logos and images in this document are used only for the purpose of this document. Any reference to a specific company or security does not constitute a recommendation or an invitation to buy, sell, hold or directly invest in that company or security. For discussion and illustrative purposes only.

All rights reserved.

© Pictet Alternative Advisors S.A. 2026.