

Google Q3 Report: AI Mode, AI Overviews Lift Total Search Usage via @sejournal, @MattGSouthern

Google used its Q3 earnings call to argue that AI features are expanding search usage rather than cannibalizing it.

CEO Sundar Pichai described an “expansionary moment for Search,” adding that Google’s AI experiences “highlight the web” and send “billions of clicks to sites every day.”

Pichai said overall queries and commercial queries both grew year over year, and that the growth rate increased in Q3 versus Q2, largely driven by AI Overviews and AI Mode.

What Did Google Report In Its Q3 Earnings?

AI Mode & AI Overviews

Pichai reported “strong and consistent” week-over-week growth for AI Mode in the U.S., with queries doubling in the quarter.

He said Google rolled AI Mode out globally across 40 languages, reached over 75 million daily active users, and shipped more than 100 improvements in Q3.

He also said AI Mode is already driving “incremental total query growth for Search.”

Pichai reiterated that AI Overviews “drive meaningful query

growth,” noting the effect was “even stronger” in Q3 and more pronounced among younger users.

Revenue: By The Numbers

Alphabet posted \$102.3 billion in revenue, its first \$100B quarter. “Google Search & other” revenue reached \$56.6 billion, up from \$49.4 billion a year earlier.

YouTube ads revenue reached \$10.26 billion in Q3. Pichai said YouTube “has remained number one in streaming watch time in the U.S. for more than two years, according to Nielsen.”

Pichai added that in the U.S. “Shorts now earn more revenue per watch hour than traditional in-stream.”

The quarter also included a \$3.5 billion European Commission fine that Alphabet notes when discussing margins. Excluding that charge, operating margin was 33.9%.

Why It Matters

Google is telling Wall Street that AI surfaces expand search rather than replace it. If that holds, the company has reason to put AI Mode and AI Overviews in front of more queries.

The near-term implication for marketers is a distribution shift inside Google, not a pullback from search.

What’s missing is as important as what was said. Google didn’t share outbound click share from AI experiences or new reporting to track them. Expect adoption to grow while measurement lags. Teams will be relying on their own analytics to judge impact.

The revenue backdrop supports continued investment. “Search & other” rose year over year and Google highlighted growth in commercial queries. Paid budgets are likely to remain with Google as AI-led sessions take up a larger share of usage.

Looking Ahead

Google plans to keep pushing AI-led search surfaces. Pichai said the company is “looking forward to the release of Gemini 3 later this year,” which would give AI Mode and AI Overviews a stronger model foundation if the timing holds.

Google described Chrome as “a browser powered by AI” with deeper integrations to Gemini and AI Mode and “more agentic capabilities coming soon.”

The company also raised 2025 capex guidance to \$91–\$93 billion to meet AI demand, which supports continued investment in search infrastructure and features.

Featured Image: Photo Agency/Shutterstock

<https://www.searchenginejournal.com/google-q3-report-ai-mode-ai-overviews-lift-total-search-usage/559597/>