

Reddit finally takes its API war where it belongs: to AI companies

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Reddit ignited a war this year. Dramatic changes in API access pricing (from free to unaffordable) was one of its most polarizing moves ever. It resulted in apps beloved by long-time Reddit users, including moderators and people with accessibility needs, closing shop. Community trust was sacrificed, too. Disgusted with Reddit for how it handled third-party apps, abruptly ushered in pricing changes, and treated moderators who protested, numerous valuable, knowledgeable users quit the platform.

Originally, Reddit framed its API pricing changes as a way to prevent generative AI companies from using Reddit data to train large language models (LLMs) without Reddit getting anything in return. With Reddit no longer dealing with small third-party developers—all of which are now either paying Reddit or getting some sort of exemption—Reddit is reportedly taking the fight to where it should have been focused the entire time: generative AI firms.

Can Reddit survive without search?

On Friday, The Washington Post, as spotted by The Verge, said Reddit “has met with top generative AI companies about being

paid for its data,” citing an anonymous source.

Going further, The Washington Post reported that Reddit is ready to play hard ball:

If a deal can't be reached, Reddit is considering blocking search crawlers from Google and Bing, which would prevent the forum from being discovered in searches and reduce the number of visitors to the site. But the company believes the trade-off would be worth it, the person said, adding: "Reddit can survive without search."

It sounds like a drastic, if not unrealistic, move, but these are drastic, if not surreal, times. The generative AI boom has been so breakneck that companies everywhere are now scrambling to figure out how the technology can best be monetized to favor their best interests.

At first, we might have thought that Reddit would only consider blocking AI crawlers, but The Washington Post's report specifically states "search crawlers." And Google and OpenAI have already released ways to block their AI data crawlers.

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This suggests that Reddit's reported threat to block Google and Bing isn't just about protecting Reddit data from being used freely to train AI, but also about giving Reddit an advantage in the overall negotiations.

Google has already had a taste of what a Reddit-free Google might look like. In June, thousands of subreddits went dark, read-only, or only allowed joke posts that included but were not limited to John Oliver. This made the strategy of appending "Reddit" to Google search terms useless, and this was reportedly noticed by Google.

That month, CNBC cited an audio recording of a company meeting

where Google SVP Prabhakar Raghavan was asked about Reddit protests impacting search results. The executive reportedly conceded that Google users were unhappy.

“Many of you may wonder how we have a search team that’s iterating and building all this new stuff and yet somehow, users are still not quite happy,” Raghavan said at the time, according to CNBC.

Google seemingly knows that its users are interested in Reddit results because they provide real human answers and insight. This has become particularly valuable as Google’s search results have become more sponsor-driven over the years and as unreliable sites game SEO. Demand for real human voices is why Google launched the Perspectives tab on its search engine, but that also brings up the likes of TikTok and YouTube influencers and sponsored posts. That’s different from a passionate discussion giving you rare insight based on real-life experiences.

Of course, blocking search could be a bluff from Reddit. It’s hard to imagine a world where Reddit’s relevance remains as strong if it requires users to visit its homepage. In June, Digiday cited Similarweb as saying 49 percent of Reddit’s traffic comes from search engines. That’s not an unrealistic number for a modern website, but Reddit hasn’t confirmed this data.

That said, Reddit has made some dire moves before. The social media firm is said to be considering an IPO this year and has been relentless lately in its pursuit to become profitable and to diversify revenue streams beyond ads. Besides forcing the closure of some of the most popular ways to access Reddit, the company recently forced personalized ads and started a user payment program similar to what social media site X (formerly Twitter) has implemented.

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