

Small firms were already struggling. Now AI search is draining their pipelines.

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UK small businesses have spent two hard years battling rising costs and flat demand. Now a quieter shift is draining the one thing they cannot afford to lose: their pipeline of new enquiries. As customers swap search results for AI answers, the businesses that AI does not name simply stop being found. Strategic communications consultancy It's a Shovel relaunches in Bath to help founders win AI visibility, and learn how to get cited by AI, before their pipelines run dry.

BATH, UK (09 June 2026): UK small businesses have weathered a punishing run of rising costs, tax increases and flat demand. Now many face a second, quieter problem: their pipeline of new enquiries is thinning, not because their marketing has failed, but because the way customers find businesses has fundamentally changed.

The economic backdrop is the toughest founders have faced in years. The British Chambers of Commerce forecasts that UK growth will stay subdued and that business investment will fall by 2.2% in 2026, with most SMEs not increasing investment.¹ Almost a quarter of small firms now describe themselves as struggling to meet their monthly costs, up from 18% in 2023.² Equity investment in smaller businesses has, meanwhile, fallen back to 2019 levels.³

At the same time, the way customers find those businesses is changing faster than almost anyone predicted. At its I/O conference in May 2026, Google reported that AI Overviews, the AI-written summaries that now sit at the top of the results page, had passed 2.5 billion monthly users, while its conversational AI Mode reached more than 1 billion monthly users within a year of launching.⁴ As these features take over the top of the page, clicks to websites are falling: the presence of an AI Overview now cuts the click-through rate to the top organic result by 58%, up from 34.5% eight months earlier, according to Ahrefs.⁵

The shift is sharpest where it hurts founders most. When a customer asks ChatGPT, Google's AI Mode or Perplexity for a recommendation, they no longer receive ten links to compare. They receive two or three names. Research into how business buyers now decide finds the journey has become a loop across search, AI tools and peer networks, and that a supplier missing from any one of those places falls off the shortlist for more than a third of buyers.⁶ When a founder has not shaped how they are described, the AI fills the gap itself, sometimes wrongly, and sometimes in a competitor's favour.⁶

"Founders keep telling me they have a pipeline problem. They don't. They have a visibility problem, and it has just got a great deal harder to solve," said Jessica Whitcutt MCIPR, founder of [It's a Shovel](#). "We have moved into what I call the verdict economy.⁷ AI systems no longer hand people a list of options to weigh up. They issue a verdict, naming who to trust. If you are not part of that answer, you are not in the conversation, and right now the founders least able to absorb a lost lead are the ones most exposed to this."

Whitcutt argues that the fix is not a technical trick but the oldest asset in business, reputation, rebuilt for how machines now read it. "AI tools recommend the names they see cited, referenced and trusted across the web and in the real world. That is earned authority, and it is something founders can build deliberately. Indeed, founders are uniquely placed to win here, because they have a real person at the centre of the business."

It's a Shovel works with founder-led advisory and professional services firms to build that earned authority through its Founder Visibility Stack methodology, connecting reputation, visibility and pipeline. The consultancy draws on Whitcutt's roughly 30 years in reputation management, including senior strategic communications work across five continents.

The relaunched business is now live at itsashovel.com, where founders can request a free AI Visibility Heatmap to see how, and whether, AI tools currently represent them.

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Sources

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