



A DIGITAL HORIZONS WHITE PAPER

The New Local Search Playbook

How Google's AI is replacing the Local 3-Pack with a single recommendation — and the practical steps small businesses can take to become the one that gets chosen.

Marketing with Foresight & Imagination

For a decade, local search rewarded a simple goal: land in the map's three-business box and collect the calls. That box is now being replaced by AI that often names just **one** business — and hides the call button. This paper explains what changed, what the data shows, and exactly what to do about it.

SECTION 01

Why this matters right now

If you run local marketing for a small business, your visibility on Google has quietly become more fragile than it was a year ago. Through late 2025 and into 2026, Google began replacing the familiar **Local 3-Pack** — the map plus three listings — with AI-generated results that behave very differently.

The change is easy to miss because it's gradual and, so far, mostly on mobile. But the direction is clear, and the businesses that understand it early will hold onto their phone calls while competitors wonder where the leads went. The purpose of this paper is to get you ahead of that curve with a plain-language briefing and a checklist you can act on this week.

~32%

As many businesses surfaced in AI Local Packs vs. traditional 3-Packs (Sterling Sky)

50%+

Call declines reported by some businesses tied to the local pack change

6% → 45%

Consumers using AI to find local businesses, in a single year (BrightLocal 2026)

SECTION 02

What's actually changing on the results page

Google is layering AI on top of — and sometimes in place of — the classic local pack. What a searcher sees now depends on the query, the device, and even their own search history. Two people searching the same phrase from the same spot can see different results. These are the formats to know:

- **AI Overviews** — AI-written summaries at the very top of the page that answer the question before a searcher scrolls, sometimes naming specific businesses.
- **AI Local Packs** — the disruptive one: instead of three businesses with call buttons, the AI features just **one or two**, often strips the click-to-call button, and pulls from Yelp, Reddit, Tripadvisor and more — not only Google Business Profiles.
- **AI Mode** — a chat-style tab (powered by Gemini) that answers conversational questions and may recommend businesses inside the answer. It reached a billion monthly users within a year of launch.
- **Ask Maps** — launched March 2026, turning Google Maps itself into a conversational recommender.

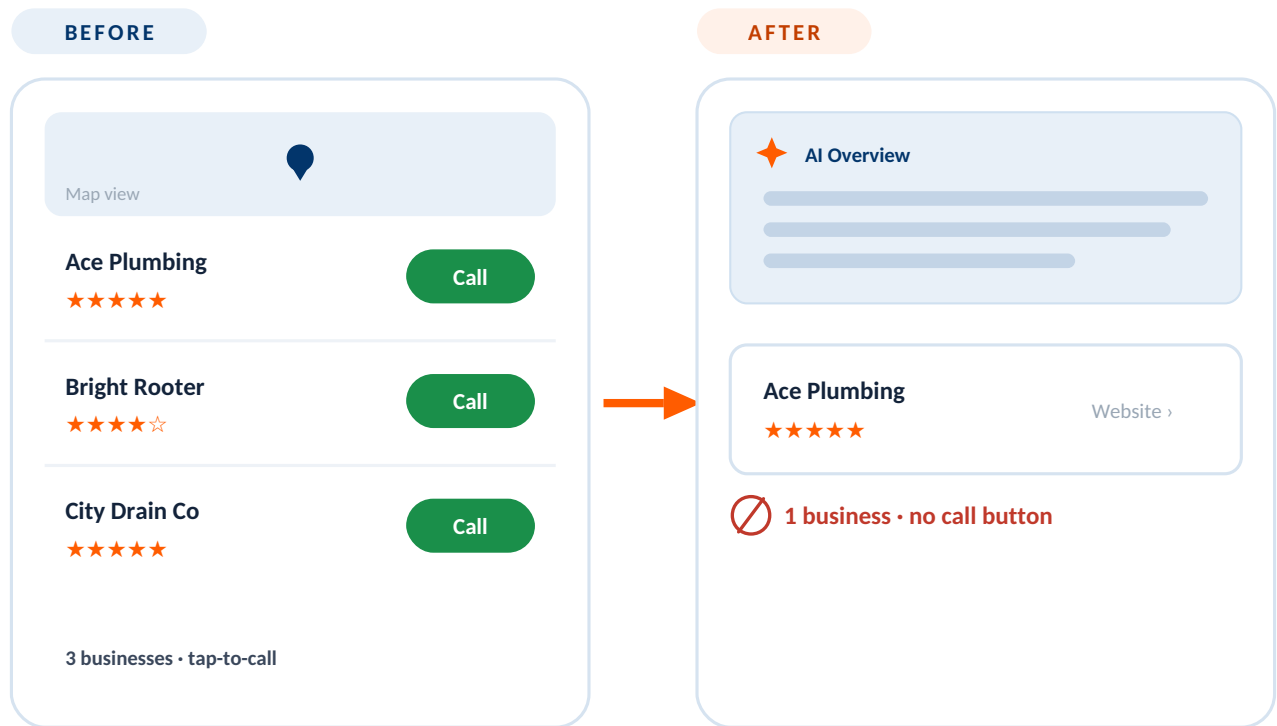


Figure 1 — The shift in one glance: three tappable businesses with call buttons become a single AI recommendation, often with no way to call directly from the result.

SECTION 03

The evidence: what the trackers are seeing

The most-cited primary research on this shift comes from **Joy Hawkins of Sterling Sky**, a longtime Google Business Profile Product Expert who has documented AI Local Packs with screenshots and data since late 2025. Her findings, corroborated by others in the local search community, paint a consistent picture.

Fewer businesses, fewer spots

When Sterling Sky's ranking data was analyzed, AI Local Packs featured **5,943 unique businesses** versus **18,330** in traditional 3-Packs across the same searches — roughly a third as many. Across 322 markets studied, **88% showed fewer unique businesses** in the AI results.

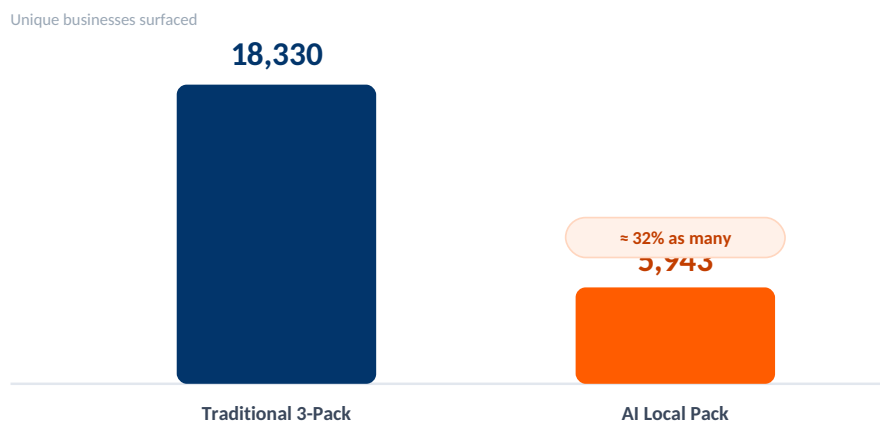


Figure 2 — AI Local Packs surfaced about a third as many unique businesses as traditional 3-Packs across the same searches. (Sterling Sky / Places Scout)

The "invisible decline" in calls

Partnering with analytics firm Jepto, Sterling Sky studied call data from 179 Google Business Profiles across 34 US law firms over two years. Clicks-to-call have steadily fallen, the drop is concentrated on mobile where call buttons lived, and — the crucial catch — **most rank-tracking software can't see AI Local Packs yet**. Your report says you're still ranking; your phone says otherwise.

Some businesses are seeing declines of 50% or more because of the local pack change.

— Barry Schwartz, Search Engine Roundtable (Jan 2026), summarizing Sterling Sky's findings

Ads are filling the gap

Over 2025, the share of Sterling Sky's mobile reports showing local pack ads rose from about 1% to 22%, and Local Services Ads climbed from roughly 11% to 31%. As free organic spots shrink, paid ones expand — local search is becoming more pay-to-play.

And customers are shifting fast

BrightLocal's 2026 consumer survey found the share of people using AI tools to find local businesses jumped in a single year — now the third most popular discovery method, behind only Google Search and Facebook.

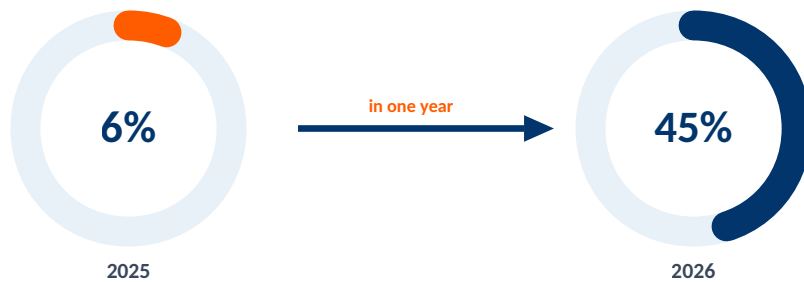


Figure 3 — Consumers using AI tools to find local businesses leapt from 6% to 45% in a single year. (BrightLocal, Local Consumer Review Survey 2026)

SECTION 04

What it means for your business

The math is genuinely different from past SEO shuffles. When three businesses were visible, being in the top three meant being seen. When the AI names **one**, being #2 or #3 can mean being invisible. This is a move toward **winner-take-most** — and in many markets, winner-take-all.

Layer on the zero-click problem — AI answering the customer without sending them to anyone's site — and the disappearing mobile call button, and you get the pattern Sterling Sky documented: fewer calls, even when rankings look stable. The businesses that adapt will absorb the leads that used to spread across three listings.

THE REASSURING PART

The AI isn't choosing at random, and this isn't a brand-new discipline. In 2026 Google published official guidance stating plainly that optimizing for AI search **is still SEO** — no secret files, no special schema. The fundamentals still win. The bar is just higher, and the reward for getting it right is bigger.

SECTION 05

The playbook: how to win the one spot

Google's AI increasingly ranks **entities**, not just listings — reading your Business Profile, website, reviews, and mentions across the web as one connected picture. When that picture is complete, consistent, and clearly the best answer, you're the one it names. Here's how to build that picture.

📍 1. Own your Google Business Profile completely

- Set the **correct primary category** — the single most important individual ranking factor.
- List every service and product; keep hours accurate; add 30+ real photos; stay active with posts and updates.

☆ 2. Win on recent, detailed reviews

- The AI reads review text to match businesses to queries. Aim for a steady flow of recent reviews, a 4.5★+ average, specific service mentions, and prompt replies to all of them.

☑ 3. Make your business information identical everywhere

- Name, address and phone should match **exactly** across your site, Google, Apple Maps, Bing, Yelp, the BBB and industry directories. Contradictions make the AI default to a tidier competitor.

📄 4. Publish content that answers real customer questions

- Build service pages, city/location pages, and FAQ or guide content for the "how much," "how long," "what should I do about..." questions where AI Overviews dominate. This is what gets cited — and you fully own it.

🌐 5. Earn mentions on the sites the AI reads

- Because the AI pulls from third-party sources, cultivate an authentic, consistent presence beyond Google — relevant directories, local news, community sites, and forums.

⚡ 6. Make your website "agent-ready"

- Google's AI is starting to call and book on customers' behalf. Use real clickable buttons and links (never a phone number baked into an image), keep contact and booking simple, be fast and mobile-first, and add LocalBusiness schema.

DON'T BET EVERYTHING ON ORGANIC

As free spots shrink, diversify: test Google Ads and Local Services Ads (which keep the call button and premium placement), consider additional locations or service areas, and build brand authority off-search (e.g., YouTube). Measure paid cost-per-call against your organic decline — for many businesses the balance has tipped.

SECTION 06

Your action checklist

Work through these with your team in three waves. You don't need to do everything at once — the first wave alone moves the needle.

🔑 WAVE 1 · THIS MONTH · FOUNDATIONS

- 🔑 **Audit your Google Business Profile:** confirm the primary category, complete all services, fix hours, add 30+ photos.
- 🔑 **Launch a review habit:** a repeatable way to ask happy customers for recent, specific reviews; reply to every review.
- 🔑 **Run a NAP consistency check** across your site, Google, Apple Maps, Bing, Yelp, BBB and directories; fix mismatches.

- 📄 **See what customers see:** search your top services on mobile (incognito) and screenshot the AI results. Repeat monthly.

🔗 WAVE 2 · THIS QUARTER · CONTENT & REACH

- 📄 **Build question-answering content** — service pages, city pages, FAQs and guides for real customer questions.
- 📄 **Earn third-party mentions** on the platforms and local sites the AI pulls from.
- 📄 **Add LocalBusiness schema** and make sure contact/booking paths are clickable, fast and mobile-first.
- 📄 **Pilot paid placement** (Google Ads / Local Services Ads) and measure cost-per-call.

📊 WAVE 3 · ONGOING · STRUCTURE & MEASUREMENT

- 📄 **Track calls and conversions** — not just rankings — as your primary scorecard.
- 📄 **Watch mobile click-to-call** year over year; a drop while rankings hold is the AI Local Pack at work.
- 📄 **Build brand authority off-search** as a long-term hedge as AI reshapes the results page.

ONE BENCHMARK TO WATCH

If your mobile click-to-call volume falls more than 20% year over year while your rankings hold steady, treat AI Local Pack displacement as active in your market — and accelerate the content and paid-diversification steps above.

APPENDIX

Sources & further reading

Sterling Sky (Joy Hawkins) — "AI is Quietly Taking Over Local SEO! No One's Ready for This" (Jan 2026) and "The State of Local SEO in 2026" (Jun 2026). Primary source for AI Local Pack prevalence, the ~32% figure, and the Jepto call-data study.

Search Engine Roundtable (Barry Schwartz) — "Google AI Overview Local Pack Leading To Drops In Visibility" (Jan 2026).

Whitespark (Miriam Ellis) — Research on the prevalence of AI Overviews in local search (2025), including query-intent breakdowns.

BrightLocal — Local Consumer Review Survey 2026, on AI adoption for local business discovery.

Google Search Central — "Optimizing your website for generative AI features on Google Search" (2026), Google's official guidance that AI optimization "is still SEO."

Note: figures from agency and vendor datasets are credible but not independently audited, and these features are changing rapidly. As of 2026, AI Local Packs were reported as primarily mobile-only and US-only. Treat specific numbers as directional snapshots of a fast-moving trend.

Want help turning this into results?

Visionary builds the foundations this new landscape rewards: fast, agent-ready custom WordPress sites and the local SEO that gets your business chosen — by customers and by Google's AI.

From Business Profile optimization and review systems to question-answering content and technical SEO, we help small teams punch above their weight.

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