RESEARCH REPORT — NORTH ATLANTA SMALL BUSINESS SERIES

Should Local Businesses Buy ChatGPT Ads Yet?

What the First Nine Months of ChatGPT Advertising Show About Cost, Performance and Fit for Local Service Businesses

Prepared by Make It Loud | North Atlanta Small Business Research Series

Data Sources: Kaiser & Schulze working paper (2026) | *Marketing Science* (2026) | OpenAI | Similarweb | WordStream 2026 Google Ads Benchmarks | Car Charger Specialists field test | Industry reports

100,000+
businesses have run ChatGPT ads since they launched in February 2026

$0.89 vs. $2.45
revenue per visit from a ChatGPT ad vs. a Google search ad, U.S. online stores

$3–5
OpenAI's recommended starting bid per click; reported clicks have cost $1.72 to $40

4×
more phone calls per visit from Google Ads than ChatGPT ads in an Atlanta installer's test

BOTTOM LINE

ChatGPT ads went from a $200,000-minimum pilot to a self-serve platform open to any U.S. business in under three months, and more than 100,000 advertisers have now tried them. The early evidence on results is not encouraging. The largest independent study, covering hundreds of online stores, found that visitors from ChatGPT ads were worth about a third as much as visitors from Google search ads. A local field test by an Atlanta-area EV charger installer found the same pattern: ChatGPT ad visitors were about 4 times less likely to call than Google Ads visitors. Reported click prices vary widely, targeting is still coarse for local businesses, and ads are blocked near health conversations. For most local businesses, ChatGPT ads are a small test at best in late 2026, while earning unpaid recommendations in ChatGPT's answers remains the better investment.

Executive Summary

On February 9, 2026, OpenAI began testing ads in ChatGPT, which now has more than 1.2 billion weekly users. By May, any U.S. business could buy ads through a self-serve Ads Manager with no minimum spend, and agencies have been fielding the same question from clients ever since: should we be advertising on ChatGPT?

This report pulls together what is publicly known as of November 2026: how the program works, who is buying, what independent researchers have measured and what advertisers report paying, plus a local field test from one of Make It Loud's North Georgia clients. Most published results come from online retailers and software companies, so we focus on what the evidence means for local service businesses such as contractors, home services, medical practices and law firms.

Finding 1 | ChatGPT Ads Opened to Everyone in Under Three Months

From a $200,000 pilot minimum in February to no minimum in May; more than 100,000 advertisers by October

OpenAI launched ChatGPT ads as a U.S. test on February 9, 2026. Early pilot advertisers reportedly committed around $200,000; the minimum fell to $50,000 in April and disappeared on May 5, when OpenAI opened a self-serve Ads Manager with cost-per-click bidding. Daily budgets start at $25. Growth followed quickly: more than $100 million in annualized ad revenue by late March, a $1 billion run rate by the end of August, and more than 100,000 advertisers across 89 countries by October 21, according to OpenAI and news reports.

OpenAI has projected about $2.5 billion in ad revenue for 2026 and roughly $100 billion by 2030, according to Axios. Those targets explain the speed of the rollout. They also mean the platform, its rules and its prices are changing month to month.

Date (2026)	Milestone
Feb. 9	Ads begin testing in the U.S. for logged-in adult users on ChatGPT's Free and Go plans
Mar. 26	Ad program passes $100 million in annualized revenue (CNBC, Reuters)
April	Pilot minimum spend lowered from about $200,000 to $50,000 (Digiday, eMarketer)
May 5	Self-serve Ads Manager opens to all U.S. businesses; cost-per-click bidding added; no minimum spend
May 22	U.S. location targeting by state, metro area (DMA) or ZIP code
Aug. 24	Ads launch in Europe
Aug. 31	Ad program passes a $1 billion annual revenue run rate (Axios)
Oct. 21	More than 100,000 advertisers have run campaigns; ads available in 89 countries (OpenAI)

Sources: OpenAI announcements; CNBC; Axios; Digiday and eMarketer; PPC Land. Revenue figures are as reported by news organizations.

Finding 2 | Software Companies, Not Local Businesses, Are Buying

8 of the top 10 ChatGPT advertisers in June 2026 were software and productivity brands (Similarweb)

Similarweb, which tracks ChatGPT ad impressions, counted 3,770 active advertisers in the week ending June 8, 2026, up 46% from 2,585 the week before. Eight of the 10 largest were business software, productivity or developer brands, led by Monday.com with about 5% of all ad impressions. No major retailer made the top 10, and local service businesses did not appear among the leaders.

That mix matters. ChatGPT's audience skews toward professionals, and its ads work by matching an ad to the topic of a conversation rather than to exact keywords. That suits a software product people ask ChatGPT about at work. It is a less natural fit for a plumber or roofer whose customers often need someone today, nearby.

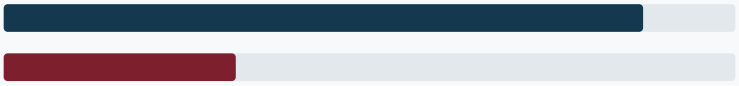
Finding 3 | The Largest Study: ChatGPT Ad Visitors Are Worth About a Third as Much

U.S. online stores: $0.89 revenue per ChatGPT ad visit vs. $2.45 per Google search ad visit; conversion rate 0.37% vs. 1.17%

In October 2026, Maximilian Kaiser (WU Vienna) and Christian Schulze (Frankfurt School of Finance & Management) released the first large-scale study of ChatGPT ad performance. Using 60 weeks of data covering 1,898 online stores with $16 billion in annual sales, including 387 that advertised on ChatGPT, they compared traffic from ChatGPT ads with other channels. In the U.S., a visit from a ChatGPT ad generated $0.89 in revenue on average, versus $2.45 for a visit from a paid Google search ad. ChatGPT ad visitors bought 0.37% of the time; Google search ad visitors, 1.17%.

Paid ChatGPT traffic was the only channel that fell short of direct traffic on all six measures the researchers tracked, from conversion rate to time on site. At the return advertisers get from paid search, they estimate a ChatGPT ad click is worth about $0.26; one of the largest known accounts paid $1.72. The paper is a working paper under review, and its data came from an analytics firm one author advises. The same researchers' earlier peer-reviewed study in *Marketing Science* found that even unpaid visitors from ChatGPT converted less often than visitors from most other channels.

Revenue per Visit, U.S. Online Stores, by Paid Channel



Kaiser & Schulze, “Can Advertising Fund Free AI?” working paper, October 2026. U.S. traffic, June 2025–August 2026.

Finding 4 | Reported Costs Are All Over the Map

Reported ChatGPT cost per click ranges from $1.72 to $40, vs. a $8.33 median Google Ads click for home services

OpenAI has not published cost or performance benchmarks. It recommends starting bids of $3 to $5 per click. The handful of advertisers who have shared numbers paint a scattered picture: one e-commerce account reported $1.72 per click over 15 days; a Canadian agency test paid about $7 per click with a 0.6% click-through rate and no purchases; and an agency testing legal leads reported $20 to $40 per click and roughly $700 per lead. These are single accounts, mostly self-reported, and not representative.

For comparison, WordStream's 2026 benchmarks put the median Google search ad click at $8.33 for home and home improvement businesses and $9.87 for attorneys, with click-through rates around 6%. ChatGPT clicks are not obviously cheaper, and early click-through rates appear far lower.

Source	Context	Cost per click	Other reported results
OpenAI guidance	Recommended starting bid	$3–5	No benchmarks published
Opascope	One e-commerce account, ~$60,000 over 15 days	$1.72	1.49× return on ad spend; 2.35% conversion
Choice OMG (via MediaPost)	Agency test in Canada, $415, June 2026	~$7	0.6% click-through rate; no purchases
WEBRIS (agency-reported)	Legal lead generation test	$20–40	About $700 per lead
WordStream (Google Ads)	Home & home improvement, median	$8.33	6.47% CTR; $90.92 cost per lead
WordStream (Google	Attorneys & legal, median	$9.87	5.87% CTR; $131.63 cost per lead

WordStream (Google Ads)	Attorneys & legal, median	$9.07 · 5.07% CTR, $131.03 cost per lead

ChatGPT figures are individual advertiser reports, not benchmarks. Google figures: WordStream 2026 Google Ads Benchmarks, 13,474 U.S. search campaigns, April 2025–March 2026 (medians).

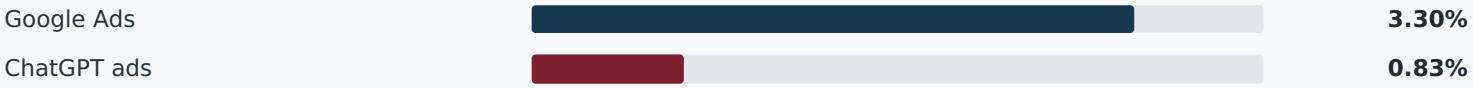
Finding 5 | A Local Test: Google Ads Visitors Called 4 Times as Often

Atlanta-area EV charger installer: 0.8% of ChatGPT ad visits included a call tap, vs. 3.3% for Google Ads

Published data from local service businesses is almost nonexistent, so we looked at one of our own clients. Car Charger Specialists, an EV charger installer serving Metro Atlanta and North Georgia, ran ChatGPT ads from July through early November 2026 and is publishing its results. The campaign drove 839 website visits. Those visitors engaged with the site about as often as Google Ads visitors (28% vs. 29% engaged visits), but only 7 of 839 visits (0.83%) included a tap on the phone number, compared with 75 of 2,271 Google Ads visits (3.30%).

That gap of roughly 4 to 1 is statistically significant and lines up with the one-third conversion rate the Kaiser and Schulze study found for online stores. At that rate, a ChatGPT click would need to cost about a quarter of a Google Ads click to produce a phone lead at the same price, roughly $2.10 against the $8.33 home services median.

Share of Website Visits That Included a Phone Call Tap, 2026



Car Charger Specialists, Google Analytics 4, January–November 2, 2026. 839 ChatGPT ad visits; 2,271 Google Ads visits.

Finding 6 | Rules That Limit Local Businesses

No ads near health, mental health or political conversations; location targeting no finer than ZIP code

Several platform rules matter more for local businesses than for national brands. Ads are not shown near conversations about health, mental health or politics, which limits medical, dental and behavioral health practices. In the U.S., advertisers can target by state, metro area or ZIP code, but not by radius around a business. Ads are placed by matching the topic of a conversation rather than exact keywords, which gives less control over the searches an ad appears for. And ads reach only logged-in adults on ChatGPT's Free and Go plans; paying subscribers on Plus, Pro, Business, Enterprise and Education plans never see them.

Most important: OpenAI says ads do not influence ChatGPT's answers and are shown separately from them. Buying ads does not make ChatGPT recommend a business. As Make It Loud's research on AI recommendations found, ChatGPT often names different local businesses than Google does, and earning those recommendations depends on reviews, listings and website content, not ad spend.

What This Means for Local Businesses

1 Don't move Google budget to ChatGPT yet.
Independent research and our local test both found ChatGPT ad visitors converting at roughly a third to a quarter of the rate of Google search ad visitors. Keep proven channels funded.

2 If you test, test small and measure leads.
A capped test budget, ZIP code targeting limited to your service area, and tracking of calls, forms and booked jobs by source will tell you more than clicks or engagement.

3 Healthcare practices should expect limited reach.
Ads are not shown near health and mental health conversations, so medical, dental and therapy practices may find few places for their ads to run.

4 Invest in being recommended for free.
ChatGPT's unpaid answers name local businesses every day. Strong reviews across platforms, accurate listings and clear service pages help a business earn those mentions, and they also help in Google.

About Make It Loud

Make It Loud Digital Marketing is a Metro Atlanta digital marketing agency serving small and midsize businesses across Gwinnett, Forsyth, Hall and Cherokee counties and beyond. The agency provides search engine optimization, generative engine optimization (GEO) and AI search visibility, Google Business Profile management, website design, pay-per-click advertising, social media, podcast production and AI consulting for home service, healthcare, professional service, automotive and nonprofit clients. More research is published at makeitloud.net/research.

Methodology, Limitations & Sources

Approach. This report reviews publicly available information on ChatGPT advertising as of November 3, 2026: OpenAI's announcements and documentation, peer-reviewed and working-paper research, third-party advertiser tracking and individual advertiser reports, compared with published Google Ads benchmarks. It adds one local field test from Car Charger Specialists' Google Analytics 4 data, January 1–November 2, 2026, in which a phone call tap is the website's tracked tap or click on the phone number.

Limitations. The Kaiser & Schulze ad study is a working paper under review; its data came from Grips Intelligence, which one author advises, and it covers online stores, not service businesses. Its estimate of lost organic visitors (about 6%) was not statistically significant, and its per-user revenue figures are the authors' calculations from OpenAI's figures. Advertiser cost reports are single accounts, often self-reported by agencies, and are not representative. Revenue milestones are as reported by news organizations; some OpenAI pages could not be accessed directly. The Car Charger Specialists test is one business, its ChatGPT and Google campaigns ran at partly different times, and it measures call taps rather than booked jobs. ChatGPT's ad platform is changing quickly.

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