# Google faces innovator’s dilemma as Gemini AI lags behind ChatGPT in user adoption



Google’s advanced AI model, Gemini 2.5 Pro, has been recognised as one of the most sophisticated large language models available, yet its associated product, Gemini, has struggled to match the widespread popularity achieved by OpenAI’s ChatGPT. This disparity has prompted industry observers to explore the underlying reasons behind Google’s challenge in gaining traction with Gemini.

David Sacks, a host of the All-In Podcast and the White House AI and crypto czar, recently spoke extensively about the competitive dynamics between AI models on the podcast. He put forward an analysis centred on what is known as the innovator’s dilemma—a scenario in which established companies face a conflict between protecting lucrative existing revenue streams and embracing disruptive technological advances.

Sacks noted, “I think the problem that Google has with respect to ChatGPT is that Gemini is not getting the usage and ChatGPT is growing like crazy. If you look at how these models perform according to the benchmarks, Gemini is actually really good. I mean Gemini has made substantial progress. It’s actually up to ChatGPT, but they have not caught up on the usage side.”

He went on to outline the strategic conundrum Google faces: “Now you could just make Gemini the default interface in Google search, but that is true innovator’s dilemma because if you do that you could be giving up more than half this search revenue. So I do think Google is in a really tough spot and the longer they wait to make Gemini front and centre the worse this usage problem gets.”

Sacks emphasised the consequences of inaction: “What’s happening right now is users are learning to go to ChatGPT to get their questions answered or just searches answered in a completely different way.” His comments underscore the risk that user behaviour may permanently shift away from Google’s traditional search model if Gemini is not more aggressively promoted.

Joining the discussion, fellow panelist Chamath Palihapitiya criticised Google’s efforts to popularise Gemini, stating, “They make using Gemini impossible and they can just do a much better job. At a minimum give the best leading edge Gemini model to the 270 million people that are already paying you for [a Google One] subscription. Just do that! Do something so that you can start to blunt the growth of OpenAI. Otherwise, you’re going to look back in four years and regret [the inaction].”

The core of Sacks’s argument is that Google’s dominance in the search engine sector, which produces the majority of its advertising revenue, is preventing the company from fully embracing Gemini. Transitioning to Gemini as the default search interface could hazardously reduce the profitability of this established business, creating hesitation within the company to prioritise Gemini at the expense of existing income streams. This scenario is emblematic of the innovator’s dilemma faced by many companies in technology.

Despite Gemini’s technical capabilities nearing parity with ChatGPT, the delay in its wider implementation could entrench consumer habits around alternative AI platforms, leading Google to not only lose market share but also the rich user data essential for ongoing AI development. Sacks highlighted a potential intermediate strategy by proposing that Google release the best version of Gemini to its Google One subscription base, which encompasses approximately 270 million users. Such a move could provide Google with valuable user feedback and help build Gemini’s user ecosystem at comparatively low risk.

The rise of disruptive technologies often sees dominant corporations confronted with this dilemma: Kodak’s reluctance to push digital cameras and Blockbuster’s delayed adoption of streaming services serve as historical examples. Google now faces a similar crossroads with Gemini versus OpenAI’s ChatGPT in the evolving landscape of AI-driven search and information retrieval.

The OfficeChai is reporting these insights and perspectives, revealing the complexities behind Google’s cautious approach to Gemini adoption amid a rapidly shifting AI competition.

Source: [Noah Wire Services](https://www.noahwire.com)

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