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BTG Pactual Affiliate Research
Banco BTG Pactual S.A.

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Brazil Retail and Internet

Sector Note
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The AI Affiliate Revolution: From Discovery to Transaction

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Affiliate marketing enters its AI era

Affiliate marketing is undergoing a major AI-driven transformation, both in scale and strategy. Spending in the U.S. is set to surpass US$12bn in 2025, expanding at double-digit rates and approaching the size of other key advertising categories such as out-of-home and gaming. The surge reflects the growing influence of genAI-powered shopping assistance, with shopping-related ChatGPT queries rising 20% between December 2024 and June 2025. As AI chatbots evolve into product discovery and recommendation engines, they are blurring the lines between conversational commerce, search, and performance marketing—potentially moving affiliates from the marketing periphery to a central position in digital commerce ecosystems.

Affiliate marketing: a new core of e-commerce growth

Affiliate marketing is fast becoming a cornerstone of retail and e-commerce growth, projected to drive over US$287bn in online sales by 2027, equivalent to roughly US$1 in every US$7 spent online. The gap between affiliate and retail media is closing quickly, with advertisers expected to spend 71.5% more on affiliate than non-retail commerce media in 2025. New catalysts include the expansion of Chinese brands leveraging SaaS platforms like PartnerBoost and Fanli to tap into U.S. affiliate networks. Conversion rates for affiliate publishers rebounded 22% YoY in 1Q25, aided by value-conscious consumers amid inflationary pressures, although average order values declined modestly. This underscores affiliate marketing's resilience as a performance channel in cyclical or volatile macro environments.

ChatGPT becomes a commerce gateway

OpenAI's move to embed third-party apps and in-chat checkout functionality within ChatGPT highlights the convergence of AI, commerce, and affiliate marketing. Through the new Apps SDK, ChatGPT can surface context-aware shopping, booking, and design experiences directly within conversations. Simultaneously, the rollout of "Instant Checkout" (in partnership with Etsy and soon Shopify) transforms ChatGPT from a passive assistant into a transactional platform. This strategic pivot positions ChatGPT as an AI-driven affiliate hub, capturing value both at the discovery and transaction layers. By merging affiliate content, AI recommendations, and purchase execution within a single interface, ChatGPT is transitioning from content delivery to end-to-end shopping orchestration—effectively embedding itself into the affiliate ecosystem.

MercadoLibre: A full-stack affiliate powerhouse

MercadoLibre has built one of Latin America's most integrated affiliate ecosystems through its "Programa de Afiliados e Criadores." In Brazil, affiliates can earn up to 16% commissions, while in Mexico, payouts reach roughly 24%, complemented by video monetization and campaign collaborations. Unlike typical affiliate platforms, MELI's model operates across its vertically integrated stack—covering logistics

(Mercado Envios), payments (Mercado Pago), advertising (Mercado Ads), and fulfillment. This allows affiliates to drive traffic directly into a closed-loop environment where MELI controls the entire customer journey. By internalizing conversion, delivery, and transaction layers, Mercado Libre effectively captures more value per affiliate dollar than traditional networks and stands as Latin America's best-positioned player in the AI-driven affiliate frontier.

The evolving ecosystem: from publishers to AI-influenced creators

The affiliate ecosystem itself is rapidly evolving. Content and influencer-led channels are gaining share, even as cashback and loyalty programs remain dominant. Publishers are increasingly diversifying away from Google, shifting toward Reddit, Discord, and newsletter-driven engagement amid algorithm volatility and the rise of AI-based search. Meanwhile, AI is amplifying creator reach but also exposing risks such as fraud and inflated commissions. In this dynamic environment, affiliate marketing is no longer just a performance lever—it is becoming a strategic bridge between media, commerce, and AI-assisted discovery, making it one of the most scalable and adaptive advertising formats of the decade.

Why ChatGPT should still trail incumbents

The key challenge for ChatGPT lies in building a complete commerce ecosystem that matches the operational depth of established players. Discovery and transactions represent only part of the consumer experience—fulfillment, payments, returns, and customer service are equally critical. Players like Mercado Libre, Amazon, and Shopee have spent decades embedding logistics networks and financial rails that ensure end-to-end control. Without similar infrastructure or exclusive partnerships, ChatGPT risks being viewed as a "thin interface" reliant on third-party systems, limiting its ability to retain users or capture meaningful margins. As noted in our recent report "*Dilemmas of E-Commerce: The Battle for the Purchasing Journey*", ChatGPT's long-term success will hinge on whether it can secure logistics and payment partnerships at scale and how incumbents adapt their retail media strategies to protect their discovery layers. Until then, ChatGPT remains a high-optionality disruptor—a potential catalyst for change rather than an immediate competitive threat.

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MercadoLibre	MELI.OQ	Buy	US$2,133.67	2025-10-13

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