

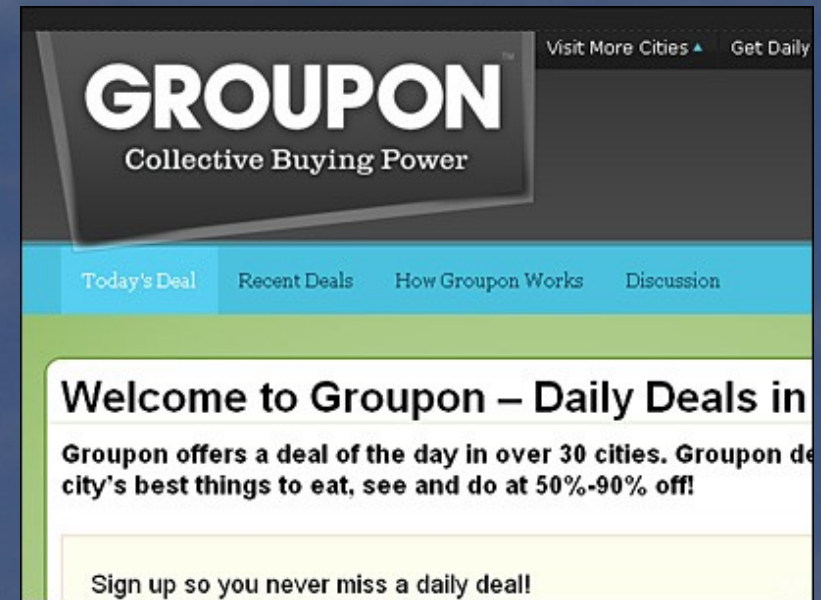
# Social Marketing

Wake Forest Area Chamber of Commerce  
Tech Tuesday for the Non-Techie Series



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- Groupon advertises a daily featured deal in each city.
- Users are offered a highly discounted package.
- The offer must hit a tipping point before anyone will get the deal.
- You negotiate details such as the minimum, split, and if there will be a limit on the number sold.
- Groupon will try to get 50% of the selling price and require that you offer at least a 50% discount.



# Groupon Upsides

- Wide exposure with customers who have already paid for the deal.
- Groupon will send you your share in one check.

# Groupon Downsides

- If your margin is not 75% or more you are losing money on each Groupon.
- Groupon will charge processing fees, which are deducted from your share of the split.
- Groupon will not give you an email list of the purchasers. Try to get their email address when they redeem.
- A Rice University research study found that only 20% of Groupon or Living Social redeemers become repeat customers.
- Groupon has an exclusive period in the contract.

# Groupon Store

- Setup in minutes.
- Store becomes active once Groupon verifies your business and you gain 25 followers.
- You create your deals and when they should be offered.
- There is no tipping point, but you are able to limit the number of deals that can be sold and control the “fine print.”
- Deals are active for 24 hours.
- Groupon will mail checks every 2 weeks if you have a balance of at least \$50.

- Real time deals
- <http://www.youtube.com/watch?v=6TpGn47rqBU>
- Groupons, Groupon Now, and Groupon Store deals are redeemed from the user's cell phone. The store needs to be able to scan a barcode with their phone, a barcode scanner on a computer, or to enter the authorization code into a computer to redeem.
- A user may also present the Groupon certificate mailed to them by groupon.

- Features a daily deal in your area.
- Deals are 50% off or better.
- There is no tipping point.
- The number of deals that will be sold are limited. Once they sell out, no more are offered.
- Users are encouraged to share the deal. If they get three friends to buy, they get their deal for free.
- Living Social will try for a 50% split on the revenue.



- Based in Raleigh.
- Uses a group buying concept.
  - The more people that buy the deal, the deeper the discount.
  - Deals start at a minimum discount and reach a maximum.
- The number of deals offered can be limited.

