

Venus Bernadette A. Catubig

Professor Paul Nevill

ITS444 E-Commerce

February 5, 2023

HW #2: Questions

1. What features of contemporary e-commerce does Groupon utilize?

Groupon utilizes several features of contemporary e-commerce to provide its customers with a personalized and seamless shopping experience. First is Personalization, Groupon uses customer data and browsing history to tailor its offerings and recommendations, providing a personalized shopping experience. This is a new feature that they added just recently. This redesign fits into the company's overall growth strategy, which aims to expand and improve its inventory (Walk-Morris). Customers are now more likely to purchase a deal thanks to the personalization feature they have added to their platform.

Next will be mobile optimized. In today's digital age, it is crucial for businesses like Groupon to offer their customers a seamless and optimized mobile experience because a sizeable part of internet traffic and e-commerce transactions are now completed through mobile devices. Groupon can give users a quick and easy method to access their services, browse and buy deals, and manage their accounts on the road with a mobile-optimized website and app. In addition to enhancing their customer experience, this aids Groupon in maintaining its position as a market leader and viable business. Additionally, they have what is known as social media integration. Groupon customers can share deals and promotions with their friends and followers on social media. Social media integration into Groupon's offerings aims to increase consumer involvement, expand brand awareness, and reach a

larger audience. Millions of people regularly use social media sites like Facebook, Twitter, and Instagram, making them ideal platforms for businesses to communicate with prospects and advertise their goods and services.

Moreover, as Groupon is e-commerce, online payments are required. Groupon accepts online payments as a quick and safe method for clients to buy discounts and services from them. Credit and debit cards, PayPal, as well as local payment choices, are just a few of the payment options they offer. Groupon protects client data and transactions via secure payment processing technologies. Through Groupon's website or mobile app, customers can instantly pay for their purchases. They can also examine their purchase history and manage their payments in their accounts. Customers may now easily and conveniently buy Groupon discounts and services and keep track of them.

They also have this very important feature which is providing customer reviews and ratings. Groupon features this for its deals, providing valuable insight and helping other customers make informed purchasing decisions. As a user of this platform, seeing other customers' feedback help me in making my decision whether to purchase the service or not. Groupon also utilizes real-time notifications. This sends customers real-time notifications about deals, promotions, and expiring offers, keeping them up-to-date and engaged. Another helpful feature for their users/customers is their location-based services. Groupon uses a customer's location to provide them with deals and promotions that are close to their area. Last but not least, just like any e-commerce, Groupon provides online customer support. They provide online customer support through its website and mobile app, helping customers resolve any issues they may face while using the platform.

2. What value does this service provide to subscribing merchants? What value does it provide customers?

A. Groupon provides the following value to subscribing merchants... The first is greater exposure and visibility: Through its platform, email campaigns, and other marketing methods, Groupon gives participating businesses a chance to connect with a significant number of potential clients. If you use Groupon and are a customer, you will almost certainly receive a ton of emails from them with various deals from various companies. Next, they help businesses have increased sales and revenue by offering discounts and promotions to customers. Third would be customer acquisition which Groupon provides their merchants, so they could have access to a new customer base, which can help expand their business and increase customer loyalty.

Furthermore, Groupon offers participating businesses data and analytics on consumer behavior, enabling them to make wise business decisions and enhance their goods, services, and overall business strategy. Next would be payment processing and management, which Groupon provides to its merchants in order to facilitate transactions and enhance customer satisfaction. And, what e-commerce or e-business does not offer customer service? None. To assist their merchants in resolving difficulties and enhancing customer experiences, Groupon also offers customer service support. By providing access to a sizable client base, marketing and promotion services, business information, and support, Groupon offers its merchants a full solution to help them expand their businesses.

B. What is good about Groupon is that it makes the shopping experience convenient for its users. For a simple and smooth shopping experience, Groupon provides a central platform for users to discover and purchase goods and services from surrounding businesses. Their

platform is a one-stop shop because anyone can literally find anything there. Also, what is Groupon without their discounts and deals? Groupon is popular for this. Who in this world does not love discounted prices? Everyone loves a good discount, which is why people are attracted to use their platform. They provide customers exclusive offers and deals on various goods and services, enabling them to save money while still receiving high-quality service. The user merely needs to focus on researching and finding the greatest offer available. Additionally, Groupon offers a wide range of goods and services (it is a one-stop shop!) This allows customers to find what they need: a new restaurant to try, a fun activity, a spa to relieve their stress or a product they want.

Another thing that I would like to mention is Groupon's personalized recommendations. I talked about this a while ago, but Groupon does a good job with recommendations. It provides customers with personalized recommendations based on their purchase or even search history. This helps users discover new products and services they may be interested in. Lastly, they have reliable customer service. Groupon provides customer service support to their users, helping them to resolve any issues and improve their overall experience. They are quick to resolve any problems (this is coming from my experience.)

Works Cited

- Boyte-White, Claire. "How Groupon Makes Money." *Investopedia*, 6 Dec. 2022, www.investopedia.com/articles/active-trading/080515/how-groupon-makes-money.asp. Accessed 5 Feb. 2023.
- Goel, Shikhar. "How Does Groupon Work and Make Money: Business Model." *The Strategy Story*, 23 Aug. 2022, thestrategystory.com/2022/08/23/how-does-groupon-work-and-make-money-business-model/#:~:text=Marketing%20Strategy%20of%20Groupon,display%20advertising%2C%20and%20offline%20marketing. Accessed 5 Feb. 2023.
- Groupon. "How Groupon Works." *Groupon for Merchants*, Groupon, www.groupon.com/merchant/working-with-groupon/how-it-works. Accessed 5 Feb. 2022.
- Pereira, Daniel. "Groupon Business Model." *The Business Model Analyst*, 15 July 2022, businessmodelanalyst.com/groupon-business-model/. Accessed 5 Feb. 2022.
- Walk-Morris, Tatiana. "Groupon Redesigns Mobile App, Site with Personalized Features." *Retail Dive*, Industry Dive, 6 May 2021, www.retaildive.com/news/groupon-redesigns-mobile-app-site-with-personalized-features/599609/#:~:text=With%20these%20new%20personalization%20features,to%20platform%20for%20local%20experiences. Accessed 5 Feb. 2022.
- "What Is Groupon." *TechBoomers*, techboomers.com/t/what-is-groupon. Accessed 5 Feb. 2023.