

subscribers through mass e-mails and posted on the website and mobile application. This product was launched in October 2008 and was offered in all North American and International markets.

- Groupon's primary focus was on local deals, but the company also offered *National Deals* from national merchants to build brand awareness and acquire new customers in the North American market. It featured deals from over 100 national merchant partners, including Domino's Pizza, Sony Electronics, and The Body Shop.
- *Groupon Now!* deals were initiated by a merchant on demand and offered instantly to customers through mobile devices and the Groupon website. These deals targeted current and potential customers within close proximity of the merchant, and the purchased Groupons typically expired within a few hours of the deal launch. This product was launched in the second quarter of 2011.
- *Groupon Goods* enabled customers to purchase vouchers for products directly from the website or mobile application. Deals were offered for a variety of product categories, including electronics, home and garden, and toys. This product was launched in September 2011 in select North American and International markets.
- *Groupon Getaways* are travel deals that feature domestic and international hotels, airfare, and package deals. Groupon Getaways was launched in July 2011.
- *GrouponLive* is a partnership with LiveNation whereby Groupon serves as a local resource for LiveNation events and clients of its global ticketing business, Ticketmaster. GrouponLive is offered as part of the featured daily deals and was launched in May 2011.
- *Groupon Rewards*, a free service to merchant partners that allowed customers to earn reward points through repeat visits that could be used to unlock special deals, were launched in October 2011.

Competition

Groupon rose to prominence in uncertain economic conditions—during the Great Recession and its slow recovery. Consumers began spending less as a result of the financial crisis, and so the demand for coupons increased. At the same time, merchants began looking for new and effective ways of attracting business. This combination could explain why Groupon might owe some of its unprecedented growth to the economic environment into which it was born, but it also explained the more recent blitz of competition Groupon has faced.

Andrew Mason's idea to apply the tipping point principle to online commerce and facilitate the leveraging of consumers' collective power was innovative and established Groupon as a first mover in the daily deals segment. The ease with which the business model could be replicated, however—in concert with the strong demand for discounts—ensured that Groupon would not be the only company competing for market share.

Groupon's competition was fairly broad; the company competed with traditional offline coupon and discount services, as well as newspapers, magazines, and other traditional media companies that provided coupons and discounts on products and services.⁷⁵ The most intense competition was with companies utilizing the online daily deals business model—to whatever extent and with whatever focus. Some such competitors offered deals as an add-on to their core business, while others adopted a business model similar to Groupon's.⁷⁶ These included GiltCity, DailyDeals.com, Bloomspot, and Eversave. Competition also existed in more narrowly positioned companies that offered services more focused on particular merchant categories or markets. They included Daily Pride, for the Lesbian, Gay, Bisexual, and Transgendered community; Jewpon, for the Jewish community; My Pet Savings, for pet owners; and Group-Price, for online businesses, among others.