E-commerce strategies of group buying websites: case study: Groupon Inc.

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Group buying business model has an increasingly high growth rate, surpassing any model in history. This business is fundamentally the brokerage between businesses and customers and receives commission fees from the transaction. However, the model has been criticized by consumers and local businesses for being unprofitable and unsustainable. Thus, the target of this thesis is to find a way to improve strategies of group buying websites based on online consumers’ behavior.

In order to achieve the goal, the 5C analysis of websites and the application of value disciplines are fully studied. The paper has used qualitative method with the support of quantitative data from 35 respondents who participated in a structured questionnaire. Additionally, the theoretical evidences are obtained via published and electronic sources of journal articles, books, websites and well-known blog.

Upon completion, the research has found that online consumers are majorly price-sensitive as of deal-seekers, and prone to be affected by information quality and user interface of the website. Moreover, the study has also shown the possibility of mining data from the purchasing patterns of the customer.
In the case study, Ferreira mentioned how he marketed Mellow by reaching out to 100+ reporters themselves. Given the background of both Ferreira and Catarina, PR seemed to be out of their reach. However, this is classic Paul Graham. Find out who is already buying your products and then reach out to more people like them. 3. How Two Friends Turned Up The Heat And Sold $170K Worth Of Spicy Honey in 10 Months. Honey? They decided that these group of visitors were the opportunity to help increase their sales. To do this, they sent emails to encourage these visitors to return, which reduced their abandonment rate and improved their conversions. Key Takeaway.