### **Teaching Case**

FIEBRE Y CAÍDA DEL CUPÓN EN MONTEVIDEO: WOOW! EN 2016 (Original title)

Translation: Woow! and the Rise and Fall of the Coupon Model in Montevideo

- Universidad ORT Uruguay and the Carolan Research Institute invited faculty
  members from undergraduate and postgraduate programs affiliated with
  Universidad ORT Uruguay to participate in a case writing initiative. The objective of
  this initiative was to develop cases in Marketing and related areas that would
  directly or indirectly contribute to incorporating and/or disseminating the thinking of
  Dr. Geraldine Fennell.
- For more information on the thinking of Dr. Fennell visit <a href="http://FennellStory.com">http://FennellStory.com</a>

March 2023

Segovia, D.

Universidad ORT Uruguay

Note: This case was written in Spanish. This English-language version was created by Fennell Story Insights (<a href="http://fennellstory.com">http://fennellstory.com</a>)

# WOOW! ! (Fever and Fall of the Coupon in Montevideo)

#### Introduction

A year had passed since the closure of Groupon's operations—the last competitor of woOw!—in Uruguay's e-commerce ecosystem. Nevertheless, Leonardo Silveira, CEO of the company he had co-founded six years earlier, was far from feeling the sense of security he had expected from his now monopolistic position. The slowdown in growth rates—both in revenue and customer count—seemed inexplicable.

By the end of November 2016, Leonardo was preparing for the upcoming general meeting with his leadership team. It was evident to him that they were once again facing major changes. But what kind of changes? What action plan should he present before it was too late and WoOw! also had to leave the market?

### Daily Deal in 2010: A Playful Way to Access Discounts

The Daily Deal model had modest beginnings in the early 2000s (during the dot-com bubble) and was successfully developed and popularized in 2008 by the startup Groupon, based in Chicago, United States. A 2010 article in Forbes magazine described Groupon as

"the fastest growing company in history." Groupon reached \$1.61 billion in revenue and expanded to more than 174 territories in North America and 46 countries during its first four years of operation.

The consumer-facing concept involved posting new and generous promotions each day on the company's website in various service categories: dining, beauty and wellness, local tourism, entertainment, and others. These promotions were active for a limited time, and consumers could access them entirely online, then redeem the purchased service at the provider's physical location. In this way, consumers accessed services at discounts of at least 50% and discovered new vendors.

Service providers would define the promotion details with Groupon: the service to be promoted (what the consumer would receive), the steep discount (typically over 50%), the validity period of the offer (e.g., the discount could be used up to 30 days after purchase), and the minimum number of sales required to activate the promotion.

For this intermediation, the website retained a significant portion of the sales—around 50%. While vendors did not earn substantial margins on these transactions, they gained exposure and access to new clients they may never have reached otherwise (see Appendix 2: Benefits for Providers).

### Daily Deal in Uruguay, 2010

At 22 years old, Leonardo was working at a prestigious bank in Montevideo. Although he appreciated the stability of the job, he found the corporate rigidity incompatible with his personal and professional aspirations. While he considered pursuing a master's degree in the United States as his next step, uncertainty led him to take a different path: he resigned from his job and embarked on a journey to explore other cultures, realities, and ways of thinking.

Months later, back in Uruguay, Leonardo knew he didn't want to return to traditional employment or pursue graduate studies. Determined to become an entrepreneur, he reconnected with Martín Giura, a former university classmate, and the two began exploring business opportunities. They were soon joined by Martín Larre, an acquaintance of Giura's, forming the founding team. Inspired by the daily deal business model they had observed in the U.S., they decided to dedicate themselves fully to launching the first such company in Uruguay.

Bringing the idea into reality took several months, both for developing the technology and convincing local service providers—no easy task, given how novel the concept was in the

country. Finally, on October 20, 2010, WoOw! became the first daily deal company in Uruguay. Leonardo recalled:

"[...] the launch was something unique because services had never been sold online in Uruguay before, much less through a website dedicated to it. On the first day, we sold 260 coupons for dinner at a restaurant. We couldn't believe it—it had exceeded our expectations."

WoOw! had adopted the Groupon model, with all its critical components, and adapted it to the local idiosyncrasies. A typical offer might be:

- 50% discount on a dinner valued at \$800 (Uruguayan)
- Promotion active for 24 hours and/or until a maximum number of coupons sold
- Minimum number of purchases to activate the promotion: 20
- Validity of the purchased coupon: 30 days

In the first few months, the operational details were fine-tuned, and both the process and format of the offering began to stabilize. Consumers would wait until midnight to receive WoOw!'s daily offer email. These offers included a minimum 50% discount off list prices from well-known providers: top-tier restaurants and beauty salons, theater premieres, unlimited cinema passes, and many others. The promotions always included conditions that created a sense of scarcity (e.g., available for 24 hours or limited quantity of coupons), designed to trigger impulsive buying. The goal was to offer enough variety to surprise as many consumers as possible, making the offer irresistible to some (see Appendix 1: First offer email and WoOw! coupon).

Another factor included was the minimum number of purchases required to activate the deal, which triggered another key behavior: the network effect. Leonardo explained this:

"...this form of group buying and promotion generated a network effect that helped promote the deals. A person who wanted to access a particular promotion had 24 hours to buy and help reach the required minimum number of users. This meant users would promote the offer among their personal networks—family, friends, acquaintances—or might even buy multiple coupons themselves. We also offered gift cards and incremental discounts for each new user referred by a third party who made a purchase on the site. This created an incremental effect in both sales and user acquisition."

### We Are Not Alone: The Rise of Daily Deals in Uruguay in 2011

The daily deal model was quickly imitated in many countries. For example, in Brazil and

Argentina, thousands of competitors emerged. Uruguay was no exception. WoOw!'s initial monopoly in the market was short-lived—very short.

"The market reacted quickly. In the following months, Groupon and Notelapierdas—two of the most relevant multinationals at the time—entered the market, along with about twenty smaller players like Vostambien and LetsBonus. By the end of 2011, the market was extremely competitive, especially in recruiting new merchants and deals."

All competitors invested heavily in digital campaigns on Facebook and Google Ads and worked on building their own email marketing databases. The business model relied on promotions as the fuel for both attracting and monetizing customers. Even the multinational players had dedicated sales teams whose challenge was to increase the number of merchants (providers) and their promotional offerings.

Additionally, complementary companies emerged with business models focused on aggregating web traffic and unifying deal content. These businesses sold traffic and ad placement on their websites. Their model involved offering a cost-per-click (CPC) that was lower than what Google and Facebook advertising charged.

The sector's growth in Uruguay—centered in its capital, Montevideo—mirrored the U.S. trajectory. There was rapid early growth, culminating in a consumer market by the end of 2011 that included more than 600 service providers (from an estimated total of 10,000) and a consumer base of 80,000 people who had purchased at least one coupon, out of a target market of 800,000.<sup>3</sup>

This rapid growth occurred in the context of a Montevideo where 56% of households had a computer and 65% had internet access. At the time, 38% of mobile devices had internet connectivity, and 55% of those users were online. Among the main uses were checking email, using Facebook (and its chat), and searching for relevant information. In 2011, 400,000 internet users in Uruguay had made at least one online purchase.<sup>5</sup>

Within this dynamic reality, by the end of 2011, WoOw! had defined its typical user. They described this user as an avid discount shopper who viewed promotions as a way to save money and enjoy a variety of activities. The prototypical customer was a young woman (70% of sales), around 28 years old, financially independent, and someone who enjoyed doing activities with her partner or friends. This profile was considered the decision-maker in her social circle and often a promoter of purchases for others. These consumers had grown up with technology, were proficient in using social media, and were accustomed to working with email. Through its offers, WoOw! had made countless opportunities available to this customer segment in areas such as beauty salons, restaurants, and theater performances, among many others.

The company also had a clear understanding of its suppliers. Most were microentrepreneurs who had invested their savings into their businesses. These were skilled tradespeople, averaging 42 years old, generally distant from technology—social media and the internet were not seen as relevant or complementary to their businesses. The coupon providers were responsible for the "last mile," having to serve the customers and honor the redemption of purchased coupons. Interactions with WoOw! involved tough negotiations over margins and trade-offs, measured in part by service level satisfaction. These negotiations were complex. Cecilia Cea, WoOw!'s Commercial Lead, described the main difficulties:

"The core issue in these negotiations with providers was that, from their perspective, there was an erosion of their operating margins as a prerequisite for accessing WoOw!'s customer base. Providers had to offer a minimum discount of 50% off the list price. From this 'promotional price,' WoOw! retained an average sales commission of 30%. This meant the provider's net revenue per coupon was only 35% of the list price—effectively a 65% discount on their prices. While WoOw! absorbed payment processing fees, the remaining margin was not profitable for the provider. The value proposition was framed as a 'strategic alliance' where the provider focused on service delivery, and WoOw! focused on driving customer traffic—aiming for incremental sales for both parties."

Consumer behavior also began to reveal certain patterns. One of these created a systemic bottleneck: a high%age of customers would purchase the deal as soon as it was launched and immediately contact the provider to make a reservation. This overwhelmed the provider's operational capacity both for booking and delivering the service. Similarly, when a coupon's validity period was about to expire, there was another spike in purchases, followed by another wave of booking requests—again overwhelming provider capacity. Between these spikes, there was a lull in reservations. This issue occurred regardless of how long the coupon was valid (see Appendix 6: Coupon Delivery Bottleneck).

#### 2012—2013: Consolidation with Bright Spots and Shadows

Over time, the market evolved in problematic ways. Discounts had always been central to the consumer value proposition. However, for consumers to perceive a discount as truly valuable, it needed to appear real and exclusive to the coupon. Many providers began offering discounts that competed directly with daily deal models, either on their own or through alternative channels, such as specific payment methods. This diminished the perceived value of the discounts and began to erode both brand value and the value of the model itself.

Between 2012 and 2013, the competitive landscape changed again. Many copycat companies exited the market, and WoOw! consolidated its leadership. Leonardo recalled this period as one full of challenges:

"Once the copycats spread, the competitive landscape became more complex.

On one hand, fewer than five companies remained, with us as the leading player holding nearly 70% of market share by sales volume. Groupon followed with 18%, Notelapierdas had 10%, and others shared the remaining 2%.

But on the other hand, the dimensions we had identified as key to the model—discounts and number of providers—no longer seemed sufficient.

This seemed to be happening across all markets, as an evolution of both the model and consumer behavior. Groupon was showing stagnation in sales, which it managed to overcome by changing its model and entering new markets. For us, internationalization didn't seem like a smart decision at that point, so we began thinking about adjusting our model."

(see Appendix 3: Groupon Sales Evolution Table)

The companies that survived this period shared a pattern: they gradually began adapting their platforms to align with both business needs and user expectations, entering a transition phase from daily deals to e-commerce.

This shift primarily transformed the core elements of the daily deal model:
The service offering was now focused on presenting a permanent catalog on the website—with greater breadth, lower discounts, longer coupon validity periods, and no minimum purchase thresholds. Groupon and Notelapierdas were also adapting their models in this direction with technological updates.

WoOw! began adapting its model toward e-commerce, following industry trends and, above all, listening and responding to customer concerns and suggestions. In this new context, WoOw! was a large local e-commerce company (sales over USD 25 million and 160 employees) but still small compared to its international competitors. This allowed the company to be agile in decision-making and, most importantly, in execution. For Leonardo, the central changes were as follows:

"We saw a significant limitation in offering just one deal per day. If the offer was very specific to a category—for example, beauty—then a segment of our audience would receive it and not be interested, which reduced engagement with our communications. So, we decided to offer multiple deals simultaneously.

This changed the daily email format and the concept of the daily deal. We also removed the group buying requirement and instead focused communication on discounts and variety."

With this transformation, consumers could now browse through different categories and access a wide range of offers. The daily email continued but now promoted 15 to 22 offers instead of just one. Offers remained permanently available on the website, allowing users to purchase them regardless of whether they were featured in the daily email. Minimum purchases were no longer required to activate deals.

On the commercial side, WoOw! had to focus on acquiring more local vendors and increasing the number of active promotions. To make this viable, minimum discount were reduced to 25% off the list price.

However, there were no changes to the operational process between customer and provider. The platform still relied on the coupon as a necessary tool for redemption and accessing promotions. Customers still had to make reservations by phone, and service delivery was organized by the provider.

### More and More Changes

The introduction of Uruguay's Financial Inclusion Law in 2014 (Law No. 19.210) required all Uruguayans to have bank accounts for receiving income and pensions. This also introduced benefits for electronic payment methods, such as up to 9% discounts on food service purchases.

WoOw!'s operating model did not allow consumers to access these financial benefits. Banks began offering loyalty programs with benefits that translated into additional service discounts of up to 25%, on top of the savings provided by electronic payment use. Banks aggressively promoted their benefits and the providers they partnered with—creating a new marketing channel for those providers.

Pablo Kerekes, who had joined the WoOw!! team as Customer Service Manager, highlighted recurring user issues:

"Users constantly complain about the difficulty of using the promotions they bought when they want to. While complaints about service bottlenecks have decreased, they still exist. Providers are having service quality issues, both in customer service and in the product they deliver.

There are also persistent concerns about the truthfulness of discounts.

Although customer satisfaction has improved due to WoOw!'s support, we could still experience a drop at any time."

(See Appendix 5: Satisfaction trends and user comments)

### The End of the Competition

According to reports in the local press:

"In March 2015, Notelapierdas shut down operations without warning. The commercial office closed, and customers stopped receiving responses via email or phone. As a result, prepaid coupons could no longer be redeemed, according to many users on Twitter and in complaints filed with the Consumer Protection Agency.

[...] Notelapierdas represented 2% of Uruguay's online purchases. It closed due to losses and left its owners with more than \$350,000 in debt."

(Source: El Observador newspaper, see Appendix 7: Notelapierdas closure front page)

This news received wide media coverage and negatively impacted public perception of ecommerce in Uruguay.

In September of the same year, Groupon Uruguay also closed. While the company informed users and providers in advance and attempted to fulfill all outstanding services, some cases still made it into the press due to unredeemed coupons or lack of refunds for paid purchases.

(See Appendix 8: Groupon closure front page)

Leonardo reflected on that moment:

"The closure of Groupon and Notelapierdas marked the end of an era. Even though they were no longer significant in terms of sales volume, their sudden exits created uncertainty among both users and local providers.

After four years of constant battle, a new chapter began for WoOw! in the market."

Despite holding a monopoly, WoOw!'s 2016 projections showed a decline in its sales growth rates.

### A Waiting Room to . . . Hell?

With only a few days left to prepare for the General Meeting, Leonardo revisited the company's history and recent data.

A year of monopoly—and still, sales growth was slowing.

Every issue raised by providers and each customer complaint had been addressed, then systematized to inform process and service improvements.

Various potential causes had been discussed and evaluated with his team.

And yet, the root of the problem remained unclear.

Leonardo had a long list of attractive ideas and proposed actions.

But he also knew: without deeply understanding the real cause of the situation, any plan might fall short.

### What was he missing?

### **Footnotes**

1 Steiner, Ch. (12 Aug. 2010). Meet the fastest growing company ever. Forbes. https://www.forbes.com/forbes/2010/0830/entrepreneurs-groupon-facebook-twitter-next-web-phenom.html ?sh=5c2d37b34c2e

2 United States Securities and Exchange Commission, Washington, D.C. 20549

3 En 2011 la población total de Uruguay no superaba los

3:500.000 habitantes, y en Montevideo, dónde se centraba WoOw!! 1:600.000.

4 En 2011 Montevideo tenía cerca de la mitad de la población de todo el país.

5 Grupo Radar(2012). El perfil del internauta uruguayo. 9a ed.

6 Ley N° 19.210 de 29/04/2014

### Appendix 1: First woOw! Offer Email and Coupon



### **Appendix 2: Benefits for Providers**

Main Benefits for Providers Working with woOw!:

- ZERO RISK: The costs are strictly variable. If the minimum preset level is not reached, the cost is ZERO.
- 2. GUARANTEED EXPOSURE: Your business will capture 100% of the attention of the entire community of service users. Remember that each offer has exclusivity for a certain day. In 24 hours, your promotion will be shown to 25,000 people. If the minimum is not reached, this exposure is free.
- 3. ENHANCED LEVERAGE IN SOCIAL NETWORKS: Interested users have a personal incentive for their own benefit to reach the minimum to activate the promotion to share the promotion and encourage others to buy it. In Uruguay, the number of Facebook users reaches 700,000 people.
- 4. NEW PURCHASES: The purchase becomes an impulse buy. Users who decide to buy your brand this time probably wouldn't have done so if they hadn't seen it on woOw. This is one of woOw's big advantages over traditional discount sites.
- 5. ADDITIONAL PURCHASES WITHOUT PROMOTION: There's a high likelihood that the customer will spend extra without applying the discount percentage. Suppose a promotion of \$300, and the customer ends up spending \$500. The discount is only applied to the first \$300.
- 6. ADDITIONAL CLIENTS WITHOUT PROMOTION: There's a high probability that customers arriving at the store through woOw will be accompanied by people who don't have the coupon.
- IMMEDIATE RESULTS: Unlimited number of new clients overnight. Many of them may become regular clients.
- 8. STATUS: The businesses that will be part of woOw must pass a careful selection process. The woOw community is made up of people in the medium to high socioeconomic segment.
- 9. EASY IMPLEMENTATION: Your biggest concern will be being ready to handle the increase in clients and giving them good service so they return!

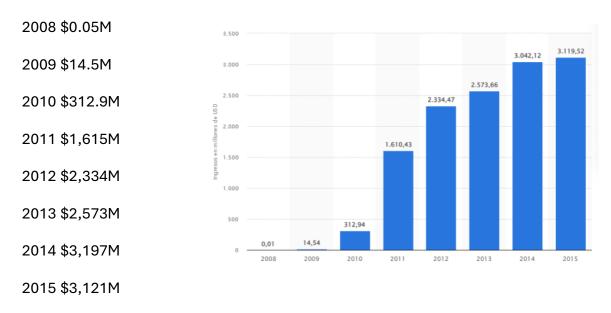
#### C) Por qué usar woOw?

- I. <u>RIESGO CERO</u>: Los costo<mark>s son exclusivamente</mark> variables. En caso de que no se llegue al mínimo preestablecido, el costo es CERO.
- DIFUSIÓN GARANTIZADA: Su empresa captará el 100% de la atención de toda la comunidad de usuarios del servicio. Recordar que cada oferta tiene la exclusividad de un determinado día. En 24 hs su promoción estará expuesta a 25.000 personas. En caso de que no se llegue al mínimo, ésta difusión es gratuita.
- APALANCAMIENTO EN REDES SOCIALES POTENCIADO: Los interesados tienen intereses personales en su
  propio beneficio, llegar al mínimo para que se active la promoción, para difundir la promoción y convencer de
  que otras personas la adquieran. En Uruguay la cantidad de usuarios de Facebook llega a 700 mil personas.
- 4. COMPRAS NUEVAS: La compra se convierte en una compra impulsiva. Los usuarios que decidan comprar su marca en esta ocasión, probablemente no lo hubiesen hecho de no ser porque lo vieron en woOw. Esto es una de las grandes ventajas de woOw sobre un descuento tradicional.
- 5. COMPRAS ADICIONALES SIN PROMOCIÓN: Es alta la probabilidad de que perciba ventas extra sin tener que aplicarles el porcentaje de descuento. Supongamos una promoción por \$ 300 pero que el cliente compra por un valor de \$ 500. El descuento se aplicará únicamente sobre los primeros \$ 300.
- CLIENTES ADICIONALES SIN PROMOCIÓN; Es alta la probabilidad de que los clientes que llegan al local a través de woOw vengan acompañados de personas que no tengan el cupón.
- RESULTADOS INMEDIATOS: Ilimitado número de nuevos clientes de la noche a la mañana. Muchos de los cuales pueden ser nuevos clientes.
- 8. <u>STATUS:</u> Los locales que formarán parte de woOw deben superar un cuidadoso proceso de selección. La comunidad woOw está compuesta por personas de un nivel socio económico medio, medio-alto y alto.
- FÁCIL IMPLEMENTACIÓN: Su mayor preocupación es estar preparado para soportar el incremento en el número de clientes y brindarles un buen servicio para que vuelvan!

## **Appendix 3: Evolution of Groupon's International Sales**

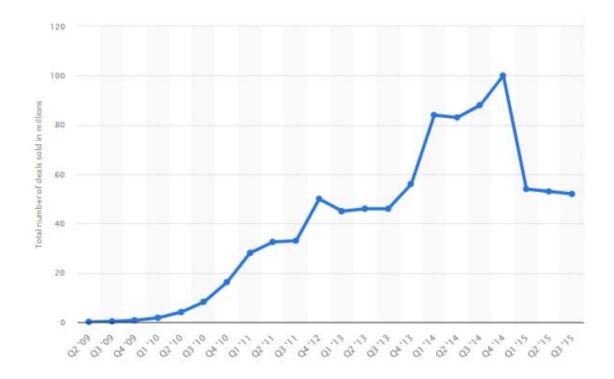
### Revenue Evolution of Groupon (in USD millions):

### **Year Revenue**



# Number of Deals Sold (Q2 2009 to Q3 2015):

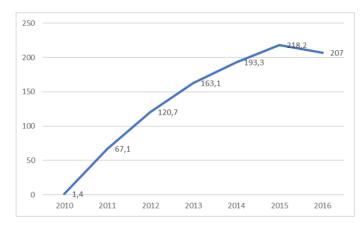
Graph presented in original; shows a peak followed by gradual decline after 2012.



Appendix 4: Evolution of woOw!'s Sales

# Gross Merchandise Value (GMV) in Uruguayan Pesos (UYU millions):

Year	GMV	Year over Year Growth
2010	1.5	-
2011	67.1	4,398%
2012	120.7	80%
2013	163.1	35%
2014	193.3	19%
2015	218.1	13%
2016	207.0	-5%



## **Appendix 5: Customer Satisfaction and Complaints**

### **Top Complaint Categories (Oct 2014 - Mar 2015):**

Responsible Party	Complaint Type	% of Total
Provider	Poor service	26%
Provider	Poor product	24%
Product	Not as described	14%
Reservation	Booking delays	12%
Infrastructure	Poor facilities	9%
Provider	Discrimination	6%
Platform	Poor system	1%
woOw!	Mismanagement	7%
woOw!	Coupon validation problems	1%

## **Representative Customer Complaints:**

(14 detailed quotes included in original, highlighting issues with reservation delays, product discrepancies, and discriminatory treatment of woOw! clients.)

## **Appendix 6: Bottlenecks in Coupon Use**

### **Coupon Usage Pattern:**

Regardless of campaign duration, users typically:

- Rush to redeem right after purchasing.
- Cause operational bottlenecks at the beginning and end of campaigns.
- Example: "La Pasiva" campaign sold 280 coupons valid for 60 days; only 255 were ultimately redeemed.



### **Appendix 7: Closure of Notelapierdas**

### Media Report Summary (El Observador, March 2015):

- Notelapierdas ceased operations without notice.
- Customers couldn't redeem prepaid coupons.
- Consumer Defense advised a collective lawsuit.
- Company owed over \$350,000 USD and claimed insolvency.
- Public outrage expressed via Twitter.



### **Appendix 8: Closure of Groupon Uruguay**

### Media Report Summary (El Observador, September 2015):

- Groupon closed with advance notice to customers and vendors.
- Some clients complained to the press about undelivered services or refunds.
- The closure contributed to public skepticism toward e-commerce platforms in Uruguay.

## EL OBSERVADOR

Groupon cerró sus operaciones en Uruguay El sitio tenía el 4% de las compras en Internet y atraviesa una reestructura global que recortará 1.100 puestos de trabajo El Observador GROUPON online perdió otro competidor COYUNTURA ECONÓMICAL Alfonso Capurro: la Fed será "más cuidadosa" en EEUU y hay "buenas noticias" desde China El crecimiento de la productividad agricola uruguaya a essimen Tiempo de lectura: V<sub>20</sub> 72 de septiembre de 2015 a las 12:29 DETIMAS NOTICIAS 09-04 DESECTION HUBBANDS La firma de comercio electrónico Groupon cerró este martes sus operaciones en Uruguay, según se informa al La odisea de buscar e entrar a su sitio web y en un mailing que envió a sus clientes. "Hemos evaluado todos los mercados donde identificar los cuerpos de más Groupon opera equiparando el potencial de crecimiento y la inversión necesaria. Luego de este análisis hemos de cien mil desaparecidos en Colombia tomado la difícil decisión de discontinuar las operaciones en el país", comunicó la empresa a sus suscriptores. Según informó la agencia de noticias Reuters, Groupon a nivel global planea recortar alrededor de 1.100 puestos 95:54 INTELEBRICA ARTIFICAL de trabajo en un plan de reestructura. En tanto, en Uruguay un informe publicado por la Agencia de Gobierno La tecnologia "deeptake" de Electrónico y Sociedad de la Información sobre comercio electrónico, indica que en 2014 esta empresa. manipulación de imagenes multinacional apenas reunía el 4% de las compras en internet de los uruguayos, quedando por detrás de Mercado puede generar desinformación Libre (44%) y WoOw (13%). missiva Los usuarios que entren al sitio de Groupon son derivados a una página que avisa del cierre y agrega que si el usuario tiene "alguna pregunta sobre algún Groupon que todavía no has utilizado, por favor, escribenos a 05:04 UNICK info@groupon.com.uy o llámanos al +59 82 7167717. Si tienes una empresa y requieres mayor información por Las infancias de Burkina Faso, favor escribe a socios uy@groupon.com. Lamentamos no poder brindarte ofertas en el día de hoy y te Mali y Niger necesitan el doble de ayuda humanitaria que en agradecemos tu interés en Groupon'.

de ayer.

Según supo El Observador el sitio continuó enviando mensajes con promociones a sus suscriptores hasta el dia

### Appendix 2: Benefits for Providers

Main Benefits for Providers Working with WoOw!!:

- 10. ZERO RISK: The costs are strictly variable. If the minimum preset level is not reached, the cost is ZERO.
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- 12. ENHANCED LEVERAGE IN SOCIAL NETWORKS: Interested users have a personal incentive for their own benefit to reach the minimum to activate the promotion to share the promotion and encourage others to buy it. In Uruguay, the number of Facebook users reaches 700,000 people.
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Appendix 3: Evolution of Groupon's International Sales

Revenue Evolution of Groupon (in USD millions):

### **Year Revenue**

2008 \$0.05M

2009 \$14.5M

2010 \$312.9M

2011 \$1,615M

2012 \$2,334M

2013 \$2,573M

2014 \$3,197M

2015 \$3,121M

Number of Deals Sold (Q2 2009 to Q3 2015):

Graph presented in original; shows a peak followed by gradual decline after 2012.

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Fennell Story Insights – <a href="https://fennellstory.com/">https://fennellstory.com/</a>

- Groupon closed with advance notice to customers and vendors.
- Some clients complained to the press about undelivered services or refunds.
- The closure contributed to public skepticism toward e-commerce platforms in Uruguay.

What was Leonardo missing—and what should he do before it's too late?