

# Bridgeway to Success™

March 2011

---

**ASK YOURSELF  
HOW EVERY  
STAKEHOLDER  
CAN WIN.**

---

## The Elusive Win-Win-Win

Quick: which company was fastest to reach \$1 billion in market valuation? YouTube? Nope. Google? Wrong. The answer: Groupon.

Groupon is a 2-year-old web company that is revolutionizing how businesses and consumers come together. Each day Groupon emails a deeply discounted deal to subscriber lists in over 230 worldwide markets. The deals range from the common (e.g., haircuts) to the exotic (e.g., helicopter flying lessons).

The magic lies in the mutual benefit received by businesses, consumers and Groupon. Businesses win because the deeply discounted deals are confirmed only if a predetermined number of subscribers agree to buy. So risk is low and high-volume justifies the deep discounts. Results happen quickly. Consumers must decide to opt-in by the end of the day on which they are notified.

Consumers win because of the significant discounts on a wide range of compelling products and services. How compelling? Around 98% of the deals achieve the threshold number of buyers to be confirmed.

Groupon wins because its cut is generally 30 – 50% of the deal price.

Low-risk, accelerated customer growth. Great prices on products and services that consumers want. A scalable, low-infrastructure model that produces strong returns. The elusive win-win-win.

Try this 30-minute exercise. Get your management team together and ask: How *could* the Groupon model apply to your business? With your customers, suppliers and affiliates? It doesn't matter whether your business is web-based, traditional, B2C, B2B, manufacturing or service. The point isn't that the model will apply to every business. The point is to stretch your thinking and expand the boundaries of the possible. Deal?

Michael Canic