

Voucher Sites

A guide for small investors and small
businesses alike



Court Capital Partners

The Investment Network

Overview

- Offer discount vouchers for sale online
- Vouchers heavily “time bombed”
- Buyers of vouchers more likely to be female rather than male
- Predominant buyer is female, middle class aged between 23 and 49
- Groupon
- Wowcher
- Living Social
- Vouchercodes
- Bespokeoffers
- Dailydeal 24



Why do these businesses scare me?

- Their customers, the voucher givers have to give away huge chunks of profit!
- Small print with regards to redemption rules for voucher givers
- Hard sell with no regard for customers business
- Aggressive payment withholding tactics
- Voucher buyers often treated with disdain
- Google “Groupon problems for English businesses”

For Investors

- How can a business model like this be a solid long term proposition?
- Groupon always targeted by analysts as a takeover target
- Share price volatile
- How long before supply runs out?
- Target markets volatile
- Smaller businesses getting more knowledgeable
- Not suitable for bespoke service businesses



For The Small Business - 1

- Hard Sell
- Often pressured into giving larger discounts
- Ignore for services
- Only suitable for products and certain services (Hair and beauty predominant)
- 5 small UK businesses nearly bankrupt
- Its your livelihood – keep it!
- Make sure you can afford the deal and the commissions
- Read the small print
- Tread carefully
- Do not be pressured by the sales teams



For The Small Business - 2

- Do you really need to offer these deals to grow your business?
- Can your business realistically support it?
- Why not Do It Yourself?

Summary

- Hard selling
- Limited markets
- Faults in business models and attitudes
- Alternative and potentially cheaper models available to small businesses
- Limited shelf life left for the market
- Costs



Any Questions?



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