Is Groupon (GRPN) worth the $13.24 billion the market is currently valuing it at?

On November 4th, 2011 Groupon raised $700 million in the largest IPO for a U.S. Internet-related firm since Google raised $1.66 billion in August 2004. Groupon finished the day up nearly 31% valuing the local e-commerce discount marketplace at $16.65 billion – more than Nordstrom ($10.7 billion) and The Hershey Company (13.91 billion). Today, many investors remain skeptical of Groupon’s valuation discounting its strategy for a glorified email directory and others believe Groupon is the market leader in a distributive technology that has been opportunistic in capturing a massive e-commerce market. We look forward to a collaborative discussion on the valuation of Groupon - Monday, February 30th at 7pm in N100 BCC! We have attached a few articles that we have selected to give us some common ground to become familiar with Groupon and differing perspectives on its valuation. This is simply a starting point we encourage everyone to research at least one additional source to add to the potential depth of our discussion. For those who are really motivated and ambitious the S-1 filing and prospectus are a great source of information as well!

Articles:
- “Groupon Therapy” (Vanity Fair, Lauren Etter)
- “Groupon Gropes for Growth” (Barron’s, Andrew Bary)
- “I Wouldn’t Touch Groupon’s Stock At The IPO Price With A 50-Foot Pole” (Business Insider, Henry Blodget)
- “How to justify Groupon’s Valuation” (Reuters Opinion, Felix Salmon)

Valuation Tool
- Trefis (GRPN)

Interview (Optional, But Insightful!)
- “The Death-Stare Stylings of Groupon’s Andrew Mason: The Full D9 Interview (Video)” (All Things D, Kara Swisher)