



EQUITY RESEARCH

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# Gorgias

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## Gorgias

[Visit Website](#)

Help desk software for Shopify merchants to manage ecommerce customer support tickets

#b2b #conversational-marketing #ecommerce

### REVENUE

\$69,000,000

[2024](#)

### VALUATION

\$530,000,000

[2024](#)

### GROWTH RATE (Y/Y)

34%

[2024](#)

### FUNDING

\$129,000,000

[2024](#)

## Details

### HEADQUARTERS

San Francisco, CA

### CEO

Romain Lapeyre



## Revenue

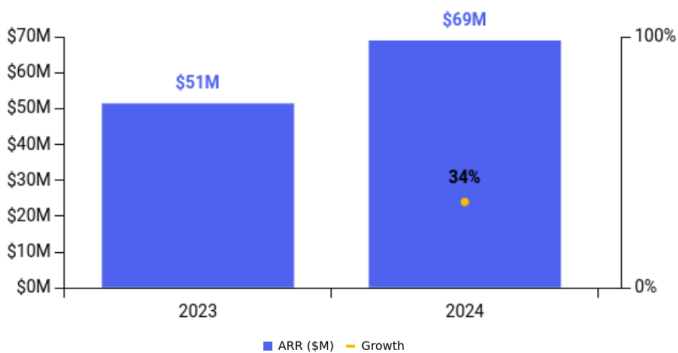


### Gorgias

ARR & ARR Growth Rate

\$69.0M

↑ 34.2% YoY



Source: Sacra

Updated: Dec 31, 2024

Sacra estimates Gorgias hit \$69M in ARR in 2024, representing 34% year-over-year growth from \$51M ARR in 2023, which itself was double the \$25M ARR reported in 2022.

Gorgias generates revenue through a tiered subscription model based on ticket volume rather than agent seats, starting at \$10/month for 50 tickets. This pricing approach has proven particularly effective for capturing small-to-midsize e-commerce businesses with seasonal support needs.

Additional revenue streams come from usage-based add-ons: Voice (\$0.40-\$1.20/ticket), SMS (\$0.34-\$0.80/ticket), Automate (\$0.33-\$2.00/interaction), and Convert (\$0.50-\$0.60/click). The AI Agent, which can resolve up to 60% of customer emails automatically, represents a significant growth vector.

Shopify merchants constitute the core customer base, with 40% of Shopify's top 250 merchants using Gorgias. The company serves over 12,000 online merchants worldwide, including brands like Steve Madden, Glossier, and BruMate.

## Valuation

Gorgias was valued at \$530M in its May 2024 Series C funding round, with a total of \$100M+ raised to date. Investors include Shopify, Sapphire Ventures, and Flex Capital. At ~\$60M ARR in mid-2024, that round would have valued Gorgias at a ~8.8x forward revenue multiple.

## Product

Gorgias was founded in 2015 by Romain Lapeyre and Alex Plugaru in Paris, initially as a Chrome extension for email automation that helped users create templated responses.

Gorgias found product-market fit as a customer support helpdesk specifically designed for e-commerce merchants on Shopify after discovering that 70% of their Chrome extension users were support agents at online stores.

The platform centralizes customer inquiries from multiple channels—email, social media, live chat, SMS, and voice—into a single interface. Support agents can view a customer's complete order history, process refunds, and modify orders directly within the helpdesk without switching between systems. When a customer contacts support, Gorgias automatically displays their purchase history, shipping status, and previous interactions, enabling personalized responses.

Gorgias's AI Agent can automatically resolve up to 60% of routine inquiries like order tracking, return requests, and product questions, freeing human agents to handle complex issues. The platform includes team performance analytics, allowing managers to track metrics like response time and customer satisfaction.

Beyond support, Gorgias has expanded to include Convert, which creates personalized on-site campaigns to reduce cart abandonment and increase conversions by targeting visitors with relevant offers based on their browsing behavior and purchase history.

## Business Model

Gorgias is a customer support platform built specifically for e-commerce businesses, primarily Shopify merchants. The company operates on a usage-based subscription model, charging customers based on the number of support tickets handled rather than per agent seat like most competitors.

Core pricing tiers range from \$10/month for 50 tickets (Starter) to \$900/month for 5,000 tickets (Advanced), with overage fees for exceeding monthly limits. This model particularly appeals to e-commerce businesses with seasonal fluctuations in support volume, allowing them to scale costs with actual usage rather than maintaining excess capacity.

The company has built a modular product suite with add-on services that generate additional revenue streams. These include Voice (\$0.40-\$1.20/ticket), SMS (\$0.41-\$0.80/ticket), Automate AI (\$0.33-\$1.20/interaction), and Convert (marketing campaigns at \$0.50-\$0.60/click). Each add-on follows the same usage-based pricing philosophy.

Gorgias differentiates through deep Shopify integration, enabling support agents to view customer order details and perform actions like processing refunds directly within the helpdesk. This integration is reflected in their customer base, with 40% of Shopify's top 250 merchants using Gorgias.

## Competition

Gorgias operates in a market that includes customer service platforms for e-commerce, with competitors ranging from general-purpose helpdesks to specialized e-commerce solutions and emerging AI-powered alternatives.

### E-commerce specialized helpdesks

Richpanel offers similar e-commerce integration capabilities to Gorgias, with particular strength in Shopify integration. Users report faster support from Richpanel compared to Gorgias on lower-tier plans. While Gorgias claims 40% of Shopify's top 250 merchants as customers, Richpanel appears to be gaining traction with smaller merchants.

Re:amaze competes directly with Gorgias, offering similar features with particularly strong live chat capabilities. However, Gorgias maintains an edge with tighter Shopify integration, which remains a key differentiator for e-commerce merchants seeking seamless order management within their helpdesk.

### General-purpose helpdesks

Zendesk dominates the broader helpdesk market with greater customizability and a presence on 2.6 times as many top 1M sites as Intercom. While more complex to set up, Zendesk offers enterprise-grade features that appeal to larger organizations across industries. Gorgias positions itself as more affordable, with entry-level pricing at \$10/month for 3 agents compared to Zendesk's \$55/month for 1 agent.

Intercom focuses on B2B companies over B2C, emphasizing quality of interaction rather than e-commerce specificity. Their pricing model differs significantly from Gorgias, charging \$1 per AI resolution versus Gorgias's usage-based model. Intercom's Shopify integration receives poor reviews (1.5 stars), highlighting Gorgias's advantage in the e-commerce niche.

Freshdesk and Front offer more affordable alternatives to Zendesk but lack the specialized e-commerce features and integrations that Gorgias provides.

### Emerging AI-powered alternatives

Klaviyo, primarily known for email marketing with \$1.08B ARR, is launching its own unified customer service inbox and AI agent in 2025. This positions Klaviyo as a potential "HubSpot for ecommerce" competitor to Gorgias's expanding product suite.

Standalone AI chatbot solutions like Aimdoc AI and eesel AI are emerging as alternatives for automating customer support, potentially threatening portions of Gorgias's value proposition as AI capabilities become more commoditized.

The competitive landscape is shifting toward usage and outcome-based pricing models due to AI's impact on customer service. This trend benefits Gorgias's existing usage-based pricing model while creating challenges for seat-based competitors like Zendesk and Intercom as AI reduces the need for human agents.

## TAM Expansion

Gorgias has tailwinds from the e-commerce boom, AI-driven automation, and the shift toward omnichannel customer experience. It has the opportunity to grow and expand into adjacent markets like revenue-generating CX tools, broader commerce operations, and enterprise customer segments.

### From cost center to revenue driver

Gorgias began as a helpdesk focused on customer support for Shopify merchants. This positioned them well in a growing e-commerce ecosystem, reaching \$70M ARR by 2024 with 15,000+ merchants. Their usage-based pricing model (charging per ticket rather than per seat) has proven particularly effective for e-commerce businesses with seasonal support needs.

The company is now expanding beyond traditional support into revenue-generating functions. Their recently launched Convert product enables personalized onsite marketing campaigns, while their AI Sales Agent facilitates conversational commerce. One customer reported a 5% GMV lift using Convert through website engagement campaigns.

This evolution mirrors the industry-wide recognition that customer experience can be a profit center rather than just a cost. By leveraging their existing integration with customer data and purchase history, Gorgias can help merchants drive additional sales through the same platform they use for support.

### AI-powered automation and the expanding CX stack

Gorgias has invested heavily in AI capabilities, with their AI Agent able to automatically resolve up to 60% of customer emails. This positions them well as AI becomes the #2 enterprise use case behind coding.

Unlike competitors with seat-based pricing models that are threatened by AI automation, Gorgias's usage-based model aligns with this trend. Their AI pricing (\$0.50-\$0.60 per AI interaction) compares favorably to Intercom's \$1 per resolution.

The company can expand horizontally across the customer experience stack, potentially challenging Klaviyo in marketing automation. With Shopify as an investor and 40% of Shopify's top 250 merchants as customers, Gorgias has the foundation to become the comprehensive "HubSpot for e-commerce."

### Enterprise expansion and international growth

While initially focused on SMB e-commerce merchants, Gorgias has begun moving upmarket with larger brands like Steve Madden and Glossier. This presents significant ARPU expansion opportunities as these customers require more sophisticated solutions and generate higher ticket volumes.

The company's deep integration with e-commerce platforms and tools positions them to expand geographically as global e-commerce continues to grow. Their focus on omnichannel support (email, chat, social media, SMS, voice) aligns with international consumer preferences and provides multiple revenue streams through add-on services.

## Risks

**Shopify dependency risk:** Gorgias has built its business primarily around Shopify merchants, with 40% of Shopify's top 250 merchants using their platform. This heavy reliance on a single ecosystem creates vulnerability if Shopify were to develop competing native support features, change its partnership terms, or lose market share to other e-commerce platforms.

**AI cannibalization of core revenue model:** Gorgias's ticket-based pricing model could be undermined by its own AI agent's success. As their AI becomes more capable of resolving up to 60% of customer inquiries automatically, customers may require fewer billable tickets, potentially reducing revenue unless Gorgias can effectively monetize AI resolutions at rates comparable to human-handled tickets.

**Competitive convergence with Klaviyo:** As Gorgias expands into marketing with Convert and Klaviyo launches its own customer service inbox, both companies are converging on becoming the comprehensive "HubSpot for ecommerce." This head-to-head competition with a much larger competitor (\$1.08B ARR vs. \$70M ARR) could squeeze margins and increase customer acquisition costs.

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