



拼多多neo

Jul 2019

# Pinduoduo Overview

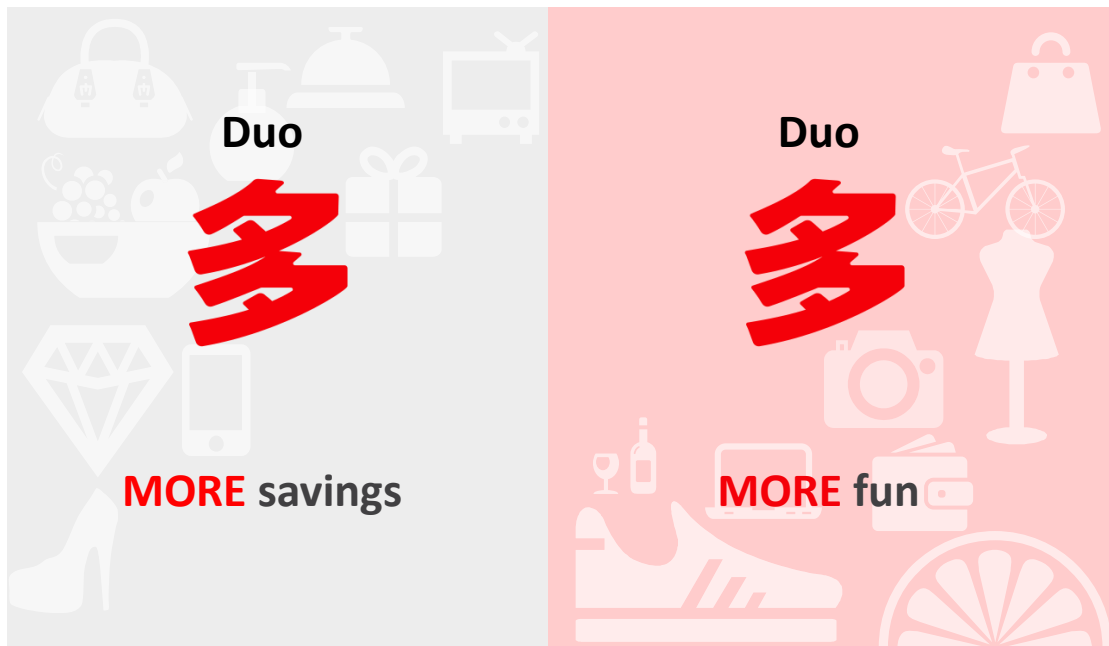


Pinduoduo – more savings, more fun

Pin

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TOGETHER



VALUE and HAPPINESS for EVERYONE



拼多多neo™

Online  
Merchandise  
Quality Plus  
Price Plus

An innovative new e-commerce platform with rapid growth. Provide buyers with top quality and value-for-money merchandise with a strong focus on quality control. Neo-quality and neo-price for our Silver Buyer Membership.

Online Store  
Neo Decoration

Our professional design team creates, designs and builds our sellers online stores pages and integrates sellers store into one platform. Silver Seller Membership enjoys Neo-Decoration along with other services. Our platform resembles a virtual bazaar where buyers browse and explore a full spectrum of products on our platform while interacting with one another.

Massive Consumer  
Neo Opportunity

Sellers have great opportunities to have products promoted on popular social networks where buyers could invite their friends, family and social contacts to purchase together, which could lead to a comparably good exposure opportunity for massive consumers.

# Our user interface is SKU-centric and designed for mobile browsing and discovery

Each page is dynamically personalized, resembling a virtual bazaar whereby users can scroll and explore different products.



Banner ad for various promotions (personalized)

Gateway to promotion and shopping destinations

Platform promotions

Aggregated sales volume

Existing team



“Double holiday” promotion

Ranking

Return shipping cost included

Store that friends shopped in

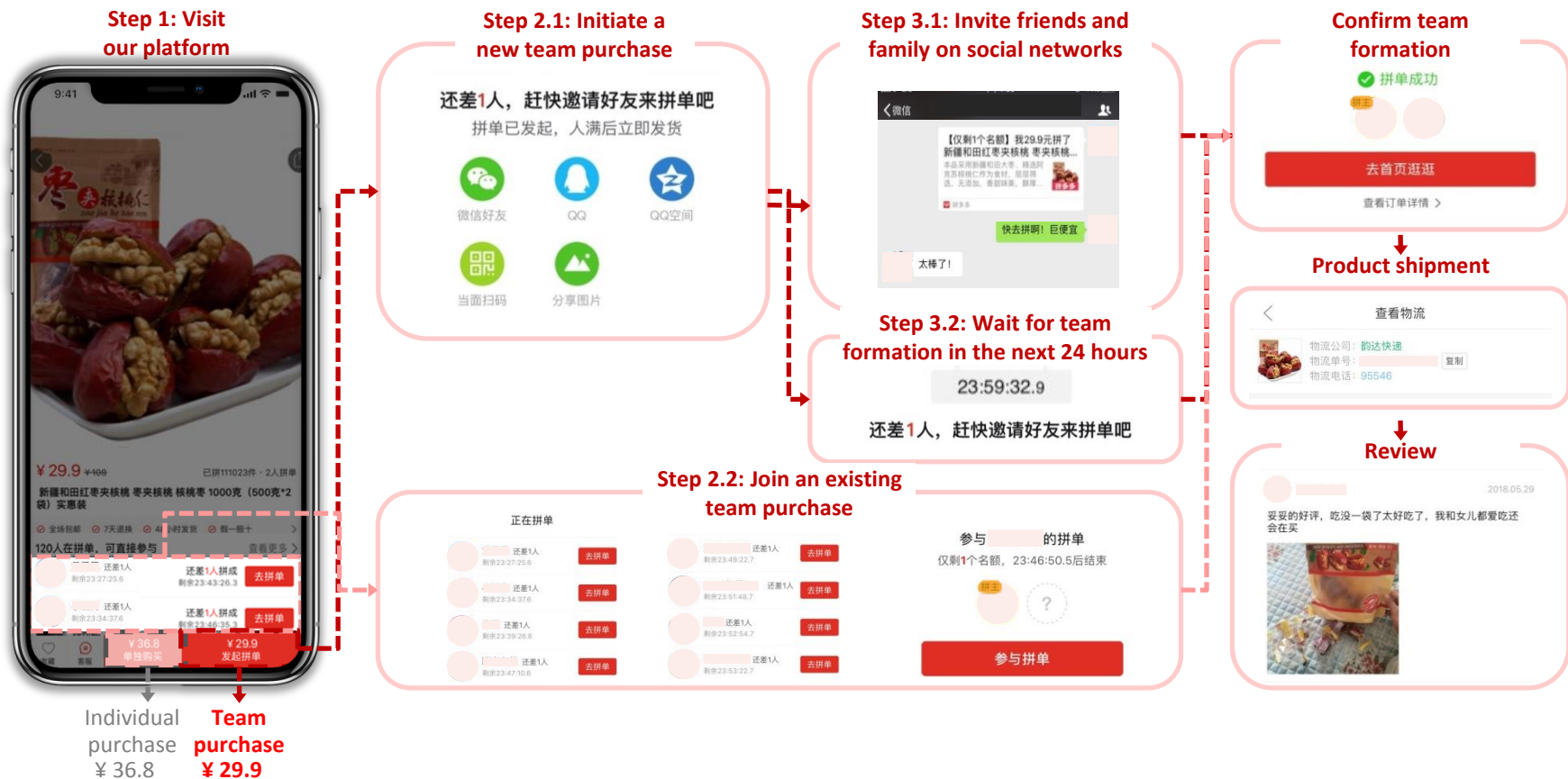


Available for immediate shipping

Additional discount by merchants

Special promotion on certain stores

# We re-invented the team purchase model to promote interactions between users



# We offer our users value-for-money products...



Massive savings...

**One Leaf facial mask**  
x 30 pieces



**RMB 99**  
Team purchase

**VS.**

**RMB 139**  
Individual purchase

**Fuji apple**  
x 2.5 kilogram



**RMB 21.8**  
Team purchase

**VS.**

**RMB 25.9**  
Individual purchase

**Vinda roll paper**  
x 10 rolls



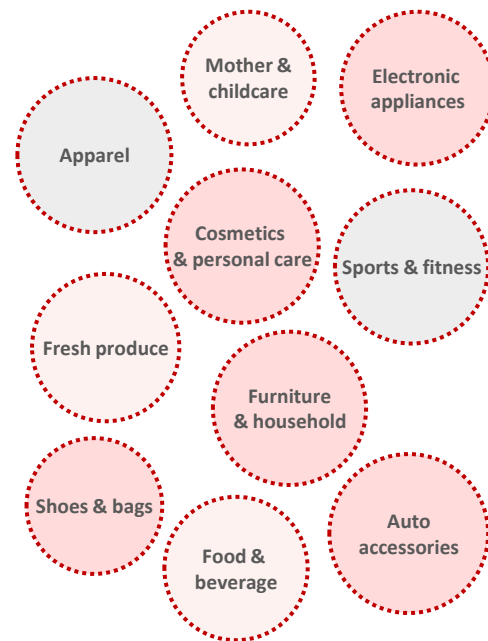
**RMB 14.8**  
Team purchase

**VS.**

**RMB 16.9**  
Individual purchase



... across comprehensive categories



## ...In a fun and social setting

There are many elements in our app that bring happiness and excitement while browsing. Our in-app games and promotions help encourage user interaction, sharing and platform engagement.

Play *Duo Duo Orchard* for free fruit rewards



Receive products for free by successfully forming teams with friends



Improve engagement from *Duo Duo Farm* and *Duo Duo Crush*



Collect cards to receive extra benefits



# Our key differences versus conventional players

## Conventional e-commerce

### Philosophy:

- Under the **PC era**, **search-based** shopping format is best for e-commerce for its emphasis in **efficiency**
- Search-based shopping is based on a **“you know what you know and what you don’t know”** philosophy
- Acts like a **super brain** that can answer all users questions
- Decisions are **centralized**

Intent-driven shopping allows users to buy what they know they want

Platform hosts an index of all SKUs and brands

Design -> Manufacturer -> User

Solitary shopping experience



VS.

## Pinduoduo's next-generation **new e-commerce** platform

### Philosophy:

- Under the **mobile era**, **feed-based** shopping format more caters to the needs of mobile internet population for its **social, fun and dynamic** nature
- Feed-based shopping underpinned by a **“you don’t know what you don’t know but happy to discover”** philosophy
- Acts like a **personal agent** that can provide users with tailored advice
- Decisions are **dynamic** and **can be influenced by trusted sources**

Feed-based shopping allows users to **discover** what they may not have known they wanted

Platform provides **better dynamic recommendations** through interactive features that **learn user preferences**

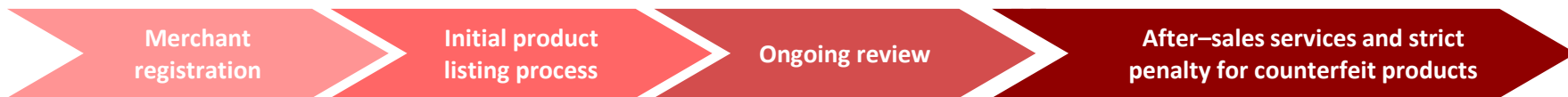
User -> Design -> Manufacturer

Fun and interactive shopping experience





# We have strict merchant quality control measures to ensure a good user experience



## Initial screening

Registration and **deposit collection** to guarantee compliance to rules and policies

Integration with **police identity and verification system**

## AI-based screening

**Manual review** and verification

**Additional** deposit collection for large sales event

## Ongoing review

**Monitor and analysis** after product posting and randomized test purchases

**Monitoring** of reviews

**Evaluation and ranking** of merchants

**Search algorithm** preventing display of illegitimate brands

## After-sales services and strict penalty for counterfeit products

**7-day<sup>(1)</sup>** guaranteed returns

**48 hours** for merchants to process after a return request is filed

**Platform** involvement and support if not resolved in 48 hours

**Blacklisting** mechanism infringing merchants

**10x penalty** for counterfeit products

# Our business model generates a self-reinforcing virtuous cycle

