

THE HIDDEN KEY BEHIND  
TEMU'S SUCCESS

# A Vast and Trusted Supplier Network



## Temu's Consumer-to-Manufacturer Model

Reversing the design and planning process from consumers to manufacturers

Temu's Consumer-to-Manufacturer (C2M) model has transformed traditional retail by directly connecting consumers with manufacturers, allowing them to eliminate intermediaries like logistics providers, inventory handlers, sales agents, and distributors.

Instead of beginning with mass production, **the C2M model starts at the product development stage, using consumer insights to guide the creation of products.** This approach ensures that production is closely aligned with real-time consumer data, **optimizing every step from development to last-mile delivery.**

The result is a **highly responsive and efficient marketplace** where products are tailored to meet specific consumer needs, reducing waste and enhancing overall efficiency.

# How Consumer-to-Manufacturer (C2M) Model Works

Aggregated demand based on common interests



# What Can We Learn from Temu's Success and Innovative Business Model?

## 4 TAKEAWAYS



### 1 | The Importance of Supply Chain Visibility

One of the key factors behind Temu's success is its ability to maintain clear visibility across its entire supply chain. This visibility allows Temu to track production closely, manage inventory efficiently, and respond quickly to changes in consumer demand.

→ **KEY TAKEAWAY:** Having comprehensive supply chain visibility is essential to identify potential disruptions, streamline processes, and enhance overall operational efficiency.

### 2 | Leverage Data to Drive Decision-Making

Temu's C2M model highlights the power of using real-time data to guide decision-making. By providing manufacturers with detailed insights into consumer preferences and buying behaviors, Temu allows for highly targeted production that meets market demand precisely.

→ **KEY TAKEAWAY:** Businesses that leverage data effectively can make smarter decisions, optimize their processes, and better align their offerings with customer needs.

## 3 | Efficiency and Sustainability Go Hand-in-Hand

Temu's model not only optimizes production for efficiency but also aligns with broader sustainability goals by reducing waste. By producing only what is needed, Temu demonstrates that efficiency and sustainability are not mutually exclusive but can be pursued simultaneously.

→ **KEY TAKEAWAY:** Integrating sustainable practices into your company's operations is not just good for the environment but also beneficial for long-term profitability and brand reputation.

## 4 | A Strong Network of Trusted Partners is Crucial

Temu's rapid growth is bolstered by its access to a large and trusted network of over 11 million suppliers through PDD Holdings. This network acts as the backbone of Temu's C2M model, allowing the company to scale quickly and manage complex supply chain operations with confidence.

→ **KEY TAKEAWAY:** Building a network of trusted suppliers is foundational to executing a successful, data-driven strategy.

**THE QUESTION IS...**

**Could Temu have achieved such accelerated growth without its strong supplier foundation?**

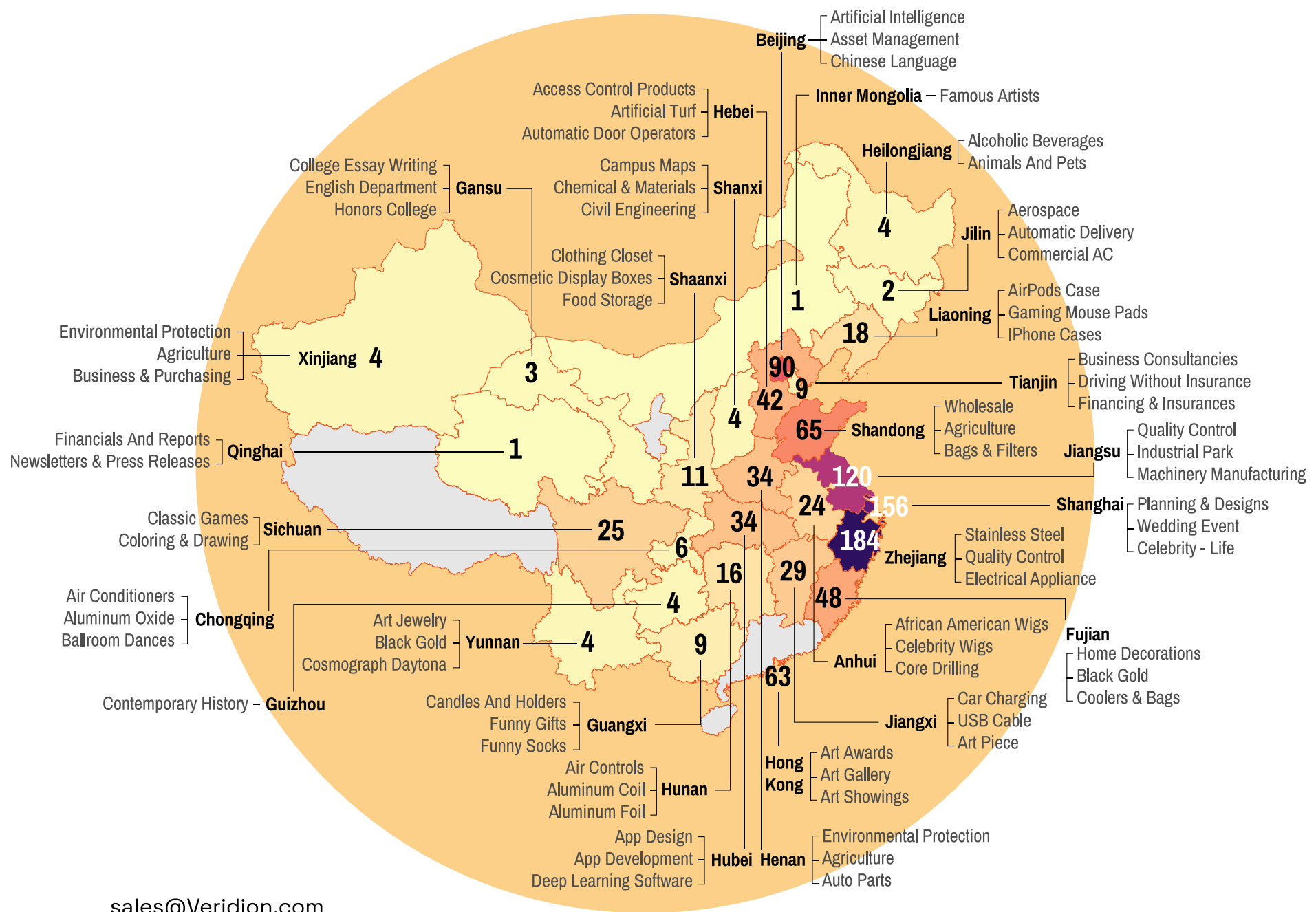


While the C2M model’s reverse approach—using real-time consumer data to guide production—is innovative and effective, it’s not the whole story. **The backbone of Temu’s model isn’t just how it handles the consumers data; it’s the foundation of reliable suppliers and partners that can act on that data efficiently and consistently.** Without this network, the model’s ability to optimize demand and reduce costs would be severely limited.

**Temu benefits from the backing of PDD Holdings, which has built an extensive global network of over 11 million top-tier suppliers and logistics partners.** This robust infrastructure enables Temu to scale rapidly and execute its data-driven strategies without the typical growing pains of new startups.

## Temu’s Supplier Network Across China

## Distribution and Specializations of 1,040 Suppliers by Region



## HOW CAN VERIDION'S DATA HELP?

While Temu rides the wave of success, bolstered by a vast, trusted supplier network from its powerful parent company, many businesses, especially SMBs, find themselves stuck, unable to forge these essential connections. The result? Innovation stalls, and growth remains out of reach.

## Build Your Strong Network of Trusted Suppliers with Veridion's Data

Veridion empowers businesses to build a network of reliable and trusted suppliers by providing actionable data that supports supplier selection and management. Our advanced company screening tools and enriched data profiles help businesses verify and evaluate potential suppliers, ensuring they choose partners that align with their operational needs and strategic priorities, as well as ESG standards.

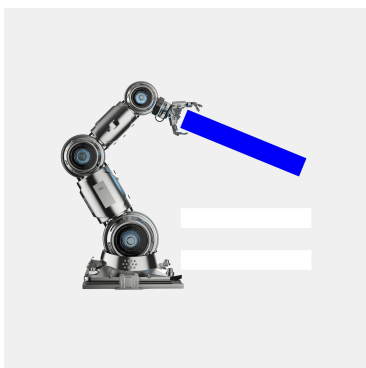


## WITH VERIDION YOU WILL HAVE ACCESS TO:



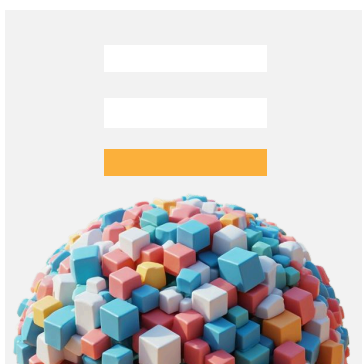
### UNMATCHED GLOBAL COVERAGE

**Veridion's database covers 123.3 million companies across 250 countries and territories**, giving you access to a vast network of potential suppliers. This global reach ensures you can source suppliers from regions that other data providers may overlook, including Asia and the Middle East.



### REAL-TIME, ACCURATE SUPPLIER INSIGHTS

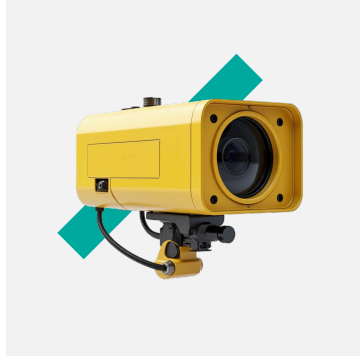
We understand that outdated or inaccurate data can lead to poor supplier decisions. **Veridion eliminates this risk by updating its database weekly through proprietary machine learning models.** Our system continuously extracts data from both global and local sources, ensuring that your supplier information is always up-to-date, relevant, and reliable.



### GRANULAR DATA FOR PRECISE SUPPLIER SELECTION

**Veridion offers detailed, granular data down to the product level**, so whether you need to source specific products or services, you can find suppliers that meet your exact requirements. This level of precision ensures that your procurement process is optimized for efficiency and alignment with your operational needs.

## VERIDION'S DATA WILL HELP YOU TO:



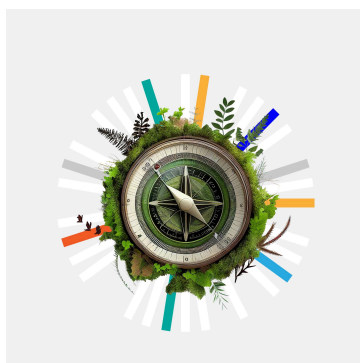
### **ENHANCE SUPPLIER VISIBILITY:**

Veridion provides detailed data on supplier locations, capabilities, and distribution, giving procurement teams a comprehensive view of their supplier landscape.



### **REDUCE RISK AND ENHANCE COMPLIANCE WITH REGULATIONS:**

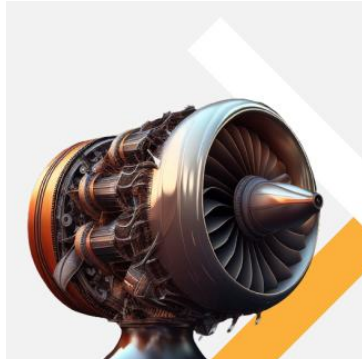
Veridion provides detailed insights into suppliers' financial stability and ESG commitments, helping you avoid high-risk partners. Additionally, our data supports compliance with key regulations such as CSRD, EU Taxonomy, and CBAM, allowing you to meet international sustainability and reporting requirements with confidence.



### **IDENTIFY ESG-ALIGNED SUPPLIERS:**

With growing importance on sustainability and ethical practices, Veridion integrates ESG data into its supplier profiles, enabling you to select suppliers that align with your environmental, social, and governance goals. This helps you build a sustainable supply chain that meets regulatory requirements and addresses consumer expectations.





## USE ADVANCED DATA-DRIVEN TOOLS FOR SUPPLIER MANAGEMENT

Veridion offers a powerful suite of solutions designed to enhance company screening processes, ensuring organizations can identify and verify companies, suppliers, or investments that align with their strategic and ESG goals.



**Normalization & Enrichment Service** verifies and enriches your existing supplier data with real-time, validated information, ensuring accuracy and reliability. This keeps your supplier database up-to-date and guarantees you are working with trustworthy and compliant partners.

[Learn more about how M&E API works](#)



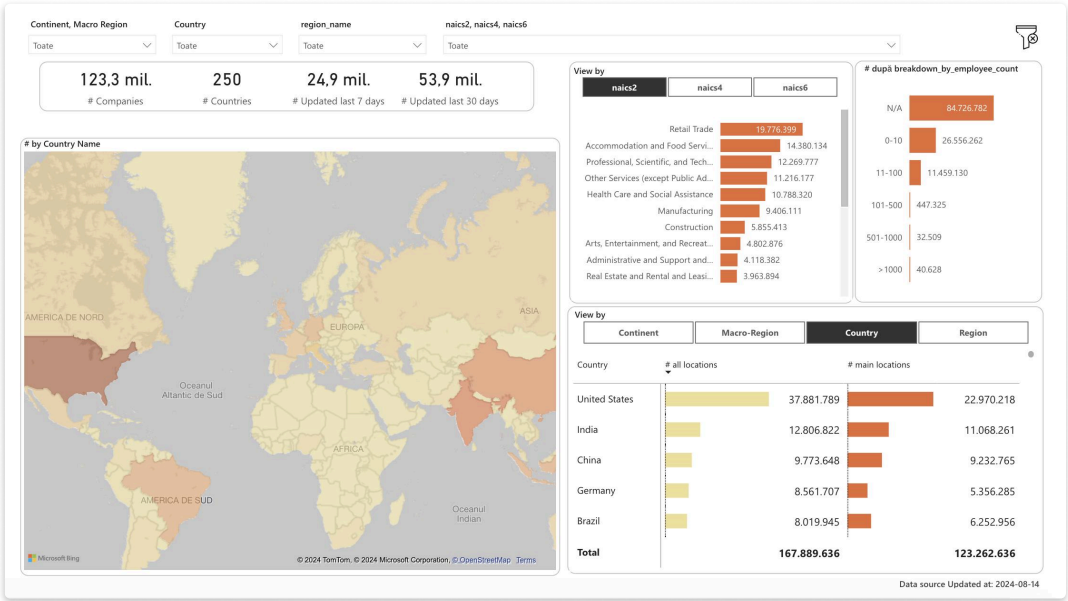
**Search Service** enables businesses to discover new suppliers based on specific search criteria, such as product, location, industry and other specific criteria. With flexible filters, this tool helps you identify suppliers that match your operational, geographical, and sustainability goals, making your procurement process more precise and efficient. Identifies suppliers and investments in priority areas, such as low-carbon products or specific locations.

[Learn more on how Search API works](#)

# Interested in learning more about how Veridion's data and products can support your business?

Click below to explore our data and offerings:

Explore Veridion



Additionally, dive into our latest case studies and reports to see the impact of our solutions in action:

AllRisk ManagementESGProcurementInsurance

Sort by

Report > ESG

Esg Data Strategy & Collection - Veridion's 4-Step Approach

By: Cristina Iani  
23 September 2024

Report > Risk Management

Securing Third-Party Risk Management with the Right Data

By: Miriam Cihodariu  
12 August 2024

Case study > ESG

Building Sustainable Partnerships in Procurement with Veridion ESG Data

By: Cristina Iani  
12 August 2024

Explore Veridion's Reports and Case Studies

# Get in touch with us

## **Drew Doherty**

---

Vice President,  
Commercial Growth

[drew.doherty@veridion.com](mailto:drew.doherty@veridion.com)

## **Riyaz Nakhooda**

---

Vice President,  
Customer Solutions

[riyaz.nakhooda@veridion.com](mailto:riyaz.nakhooda@veridion.com)

## **Caroline Schweppe**

---

Insurance Tech Adoption  
Consultant

[caroline.schweppe@veridion.com](mailto:caroline.schweppe@veridion.com)

## **Ahmet Dalyan**

---

Senior Procurement Industry  
Advisor

[ahmet.dalyan@veridion.com](mailto:ahmet.dalyan@veridion.com)

## **Chad Moore**

---

Director of Sales

[chad.moore@veridion.com](mailto:chad.moore@veridion.com)