

KLARNA CASE STUDY

Customer: Arcadia

Business focus: Fashion retailer

Location: Across UK

Klarna solution: Online consumer finance

Fashion innovator Arcadia is first in the UK with online consumer finance from Klarna

Arcadia is one of the world's leading fashion retailers, employing a staggering 35,000 people in the UK, Europe and North America.

The Arcadia Group brands include a string of high street greats, including: Dorothy Perkins, Evans, Miss Selfridge, Topshop, Topman and Wallis. With more than 2,500 outlets in the UK, the group also has concessions in department stores such as Debenhams, Selfridges and House of Fraser.

BURTON

DOROTHY PERKINS

EVANS

Miss Selfridge

OUTFIT

TOPSHOP

TOPMAN

Wallis

Challenge

Maintaining global retailing leadership on both the high street and for online shopping, means that Arcadia is always pushing the boundaries of innovation and consumer convenience. UK statistics show that almost seven in 10 (68%) of British shoppers abandon their online purchase before checkout, at an average rate of 2.4 times per month. Among 16-24 year olds, abandonment increases to an average 3.8 times per month. Arcadia is no exception. Additionally, it strives to ensure that its consumers enjoy the same efficient and speedy payment experience across all its online offerings.

Solution

Arcadia Group is the first retailer in the UK to introduce online consumer finance through Klarna, across all its brands. This allows online shoppers to quickly and securely move from checkout to purchase, but have the additional option of instant credit.

With Klarna, Arcadia online shoppers have the freedom and control to buy immediately spreading payments over time, interest free.

Hassle-free online consumer financing

With an easy IT integration into the existing Arcadia payment flow, Klarna has been able to help boost business in just a few months.

The consumer application for credit is seamlessly built into Arcadia's checkout, so shoppers never leave the brand's website and the decision is made in real-time. Unlike other consumer financing applications, Klarna is streamlined to only a few steps with minimal information gathered from the shopper.

Arcadia has been able to improve consumer purchasing power, which in turn has proven to drive a huge increase in Average Order Value of 80% - 90% when compared to other payment types. Klarna also handles the customer risk, so that Arcadia always gets paid immediately for goods purchased.

Klarna solutions

Consumer finance is part of the Klarna portfolio, which also includes a complete online checkout and Pay later. Klarna consumer finance can be easily integrated into a merchant's existing online checkout and specific terms can be customised to meet the business needs of the retailer. European merchants who use Slice it consumer financing see average order values 60% higher compared with orders placed using other payment types.



Revolutionising online finance and empowering our customers

"Being able to offer consumer finance at the click of a button empowers our customers to shop however and whenever they want. Revolutionising our approach to purchasing and paying will help us boost conversion rates and ensure our customers remain our brands' biggest fans."

Richard Burchill, Arcadia.

About Klarna

Klarna was founded in Stockholm in 2005 with the idea to simplify buying. Today, we're one of Europe's fastest growing companies. In 2014 we joined forces with SOFORT and formed Klarna Group, the leading European payment provider.

Klarna Group has more than 1,500 employees and is active in 14 markets. We serve 60 million consumers and work with 89,000 merchants.

