Athleisure.

Get Game. Boost Sales. Keep athleisure checkouts cool with no-sweat payments.
Americans love athleisure. It offers them everything they need to take them from work and socials to rest and relaxation – without any fuss, fast changes or hassle. It can be smart but comfy, casual but impressive and it’s now accepted as the social norm – even for celebs.

**Athleisure at work**
Bosses and clients are comfortable with workers expressing their individuality through athleisure style too. Dress down days, the gig-economy and the increase in home working has relaxed workwear policy. It’s no longer a must to be dressed to impress 9 to 5.

**At leisure**
Consumer interest in health and wellness trends is one of the principal growth drivers for athleisure. For both Millennials and the middle-aged, gyms are replacing bars, restaurants and coffee shops as hubs to meet like-minded peers. Social media not only provides new ways for people to share their experiences and wellness regimes but also adds pressure on them to look good while working out.

**For aspirational lifestyles**
Lives lived through social media is a trend that’s been picked up on by celebs everywhere. As a result, millions of followers are aspiring to their laidback, fitness-focused and casual way of living and ‘share-worthy’ athleisure looks. Body-conscious celebrities such as Cara Delevinge, Kendall Jenner and Rita Ora often Instagram their latest fitness-inspired fashion. Some celebrities have even launched their own athleisure brands – think Kate Hudson’s Fableticsm, Khloé Kardashian’s Good American and Beyoncé’s Ivy Park.

**Just to be comfortable**
Hi-tech consumers are increasingly less willing to sacrifice comfort elements for cool looks. From stretch-ability, wash-ability, odour control, moisture management – athleisure’s high-tech materials not only perform better but can be comfier than traditional casual wear. And a bit of lycra-stretch removes many of the issues with fit posed by traditional fashion tailoring.

**Or to exude a luxe-vibe**
Athleisure is even starting to move up into the luxury fashion space. From international brands like Dior, Louis Vuitton and Chanel to homegrown designers Proenza Schouler and Rodarte, luxe-labels are all creating sports inspired collections to take advantage of high-end demand for activewear.

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*US consumers can’t get enough of clothing that delivers comfort, style and performance. Whether at the gym, in the office, or just chilling at home, shoppers are hot for activewear brands that blend fitness and fashion. As retailers fight it out to gain or retain a foothold in this crowded fashion-athletic hybrid segment, Klarna is on hand to help them stay fighting-fit.

**US**

| US is the #1 athleisure market globally* |
| US market by 2020* |
| CAGR Annual growth** |

*¼ of all global sales |

*Technavio Global Athleisure Market 2019-2023
With athleisure now mainstream, retailers can’t afford to drop the ball

High demand is great news for retailers, but it also attracts new and aggressive players – with major brands offering exclusive lines and big spends. Sports inspired fashion is found in all types of clothing stores (brand chains, department, discount and super stores) and is a huge hit online.

To differentiate and stay profitable, athleisure retailers are looking at new ways to add value. They are also extending their offerings beyond functional sportswear or fast-fashion labels to premium and luxe sportswear to drive sales growth with Millennials and Gen Z.

That means knowing their audiences, expanding their appeal and finding new ways to slam-dunk loyalty. It also means making sure their websites are at the top of their game (because everyone hates friction).

Indeed, preventing negative attitudes and emotional resistance at the checkout is now a major challenge for retailers. Poor conversion figures show that a bad UX will cause buyers to run, leaving retailers with a ditched shopping cart. The more fear, anxiety, stress or disappointment, the less uplift and loyalty retailers can expect.

So, what are shoppers looking for when buying athleisure?
Klarna’s recent US Athleisure Shopper Survey shows that, when it comes to their top priorities, athleisure buyers are attracted to retailers that offer a wide variety of quality products (55%), combined with a fabulous customer experience (33%) and a seamless checkout UX (27%).

What they don’t want are complexity, delays and lack of payment choice. In fact, over a quarter of US athleisure shoppers (26%) say that if there are no alternative payment options, they won’t shop there again.

79% buy activewear online because it’s more convenient
65% want to see the goods before buying
64% won’t buy expensive items unless they can check them out first

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Can checkouts empower athleisure customers to spend more on the items they truly love?

Our study reveals that 2 in 5 of athleisure consumers (40%) find shopping more enjoyable when buy now pay later (BNPL) options - such as installments - are available. And they are also prepared to spend more via this payment option (40%). Importantly, retailers that offer BNPL have a significant edge over the competition, as 45% of athleisure shoppers are more likely to choose a retailer that offers payment flexibility over one that doesn’t.

When it comes to loyalty, the figures speak for themselves
44% of US athleisure shoppers are more likely to remain loyal if a retailer offers BNPL and 45% would also recommend that retailer to family and friends.

At Klarna, we believe alternative payment options can set new performance records for athleisure sales in-store, at events and online

By applying the same no-compromise approach to their checkouts as they do to their merchandise, retailers can raise their game and compete more effectively. Klarna’s BNPL offerings give customers the confidence to buy premium clothing, hi-tech footwear and luxe-accessories, so they can work new athleisure looks whenever they want, as often as they like.

By offering Klarna at the point of sale – either online, in app or in-store – retailers can deliver a better buying experience that resonates with today’s convenience-centric consumer. And provides payment choice that reflects their lifestyles and spending habits.

Here’s how:
1. Add the ‘feel-good’ factor
Athleisure websites can lose out to physical stores because customers can’t experience the goods or ensure they fit. We found that 44% of online athleisure buyers are afraid items will arrive in poor condition while 38% are often disappointed because their purchase fails to match their expectation. Klarna empowers customers to try before they buy by letting them acquire goods and pay for them in full later – so they only part with their cash when they’re completely happy. Happy customers spend more and are more loyal.

85% of athleisure buyers also read (and are influenced by) online reviews, generating positive ‘word of mouth’ is crucial – especially for pure-play fashion and activewear brands.
2. De-stress the UX
Having to make an on the spot decision about whether they like an item enough to pay a bit extra for it will lead many to walk away. Nearly half of athleisure buyers (41%) find that having the option to pay in installments makes shopping much less stressful for them - as they know they can spread the payment over time. Klarna lets shoppers pay for goods in 4 equal monthly installments, interest free.

3. Empower premium shoppers
Sometimes, disposable income is tight (particularly for Millennials and Gen Z - the largest group of athleisure shoppers). If premium athleisure items are out of their range, 27% will look for a cheaper alternative and 38% simply not buy at all. With a potential two thirds of premium sales being lost on price alone, it makes sense to provide flexible pay later options that help alleviate financial pressure and allow for better budgeting.

4. Cut FOMO and give back control
No-sweat fashionistas hate not being able to buy what they want when they want. Exclusive lines speed out of stock especially after a rave review or celeb-endorsement. With Klarna, customers don’t have to wait. They can buy as soon as collections are launched, with the option to manage the spend over time.

5. Get under buyers’ skin
As well as providing a springboard for highly-targeted value-rich promotions, new checkout platforms, like Klarna, support CRM with insight into consumer spending behavior and preferences, plus personalized payment plans. Additionally, Klarna users have access to the Klarna app to manage their repayments post-purchase, snooze a payment, report returns and chat to customer service.

6. Click with the Insta generation
Consumers influenced through social sites such as Instagram often want to bag as many trendy items for as little cost as they can – and are eager for services that help them get more for their money. They also want to look good, especially in figure-defining activewear, so being able to try before they buy is a real bonus for these frequent online shoppers.

7. End mobile frustration
Athleisure shoppers’ active lifestyles mean their demand for convenience is high and checkout friction is a big no-no. Consumers in this sector are likely to browse and shop on the go straight from their mobiles. With Klarna, returning customers can pay with one-click across the entire Klarna merchant network, without having to worry about completing registrations or complex forms.

8. Smoooth seasonal spend
Many athleisure fashion shoppers buy during seasonal promotions with Thanksgiving and Black Friday delivering a huge spike. With a Klarna in your checkout, shoppers can buy earlier in the season and shop more consistently throughout the year.

9. Ditch discounting
It’s easy for retailers to get sucked into a cycle of reducing prices to drive volume. This can de-value their products and drive a bargain culture where customers are reluctant to pay full price and only shop the sales during shorter time frames. Klarna enables retailers to add value all-year round, while keeping their profit margins intact and differentiating from competitors.
Check out Klarna for Athleisure retailers

Klarna is proven to deliver a competitive advantage and boost revenue for retailers of all sizes. That's why over 200,000 merchants offer our pay later products in 17 countries and 85 Million consumers rely on us to keep them ‘shopping smoooth’.

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