Klarna. For Business

How a luxury hair care brand boosted ROAS by 4X.



Who is OUAI?

OUAI (pronounced "way") was founded as a haircare line by celebrity hairstylist Jen Atkin in 2016. Following its initial e-commerce success, OUAI first partnered with Sephora to place its products in-store. Believing the OUAI to good hair starts from within, OUAI has recently expanded into perfumes and body care products. Now sold by thousands of stores worldwide, OUAI continues to experience exponential growth while providing high-quality products to its customers.

More than just hair, it's a OUAI of life.

A checkout makeover

In 2020, after spending more time at home due to COVID, many shoppers began to invest in self-care products. Shoppers wanted high quality, clean beauty products like OUAI, and were looking for alternative ways to pay.

As OUAI's team saw an increase in community feedback to offer flexible payment options, they entered conversations with Klarna. OUAI saw value in Klarna as a way to address access to its customers and enable them to purchase the clean products and tools they desire, while paying over time. A few weeks later, OUAI launched with Klarna.

Optimizing returns

Klarna often collaborates with digital agencies to produce great results and optimize returns for brand partners. OUAI works with MuteSix, one of Klarna's top agency partners, to help run its growth marketing.

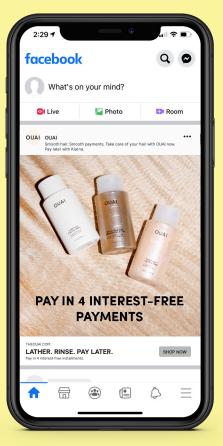
OUAI, Klarna, and MuteSix saw an opportunity to highlight a new value proposition—the ability to pay in 4 interest-free payments—in OUAI's social ads. MuteSix ran a month-long A/B test for OUAI, testing paid social ads with and without Klarna messaging and creative.

Driving traffic and conversions

Though spend was the same in both segments, MuteSix found that the ads highlighting Klarna performed significantly better, driving 30% more clicks than non-Klarna ads. Since Klarna has existing brand awareness and a loyal audience, ads featuring Klarna messaging drove more traffic to OUAI's site, converted more first time buyers, and increased OUAI's average order value.









Impact & Results

In less than a month, OUAI saw the following lifts in ad performance by incorporating Klarna creative in its ads:

4x

ROAS, beating non-Klarna creative.

5%

increase in AOV, generating a higher return for OUAI.

\$20K

\$20K boost in revenue. As Klarna helps alleviate the friction of cost, more shoppers are adding to cart and checking out.

30%

increase in clicks, bringing considerably more traffic to the site at an efficient cost.