

KLARNA CASE STUDY

Customer: AQ/AQ

Business focus: Women's fashion retailer

Location: UK

Klarna solution: Klarna Checkout with Pay After Delivery.

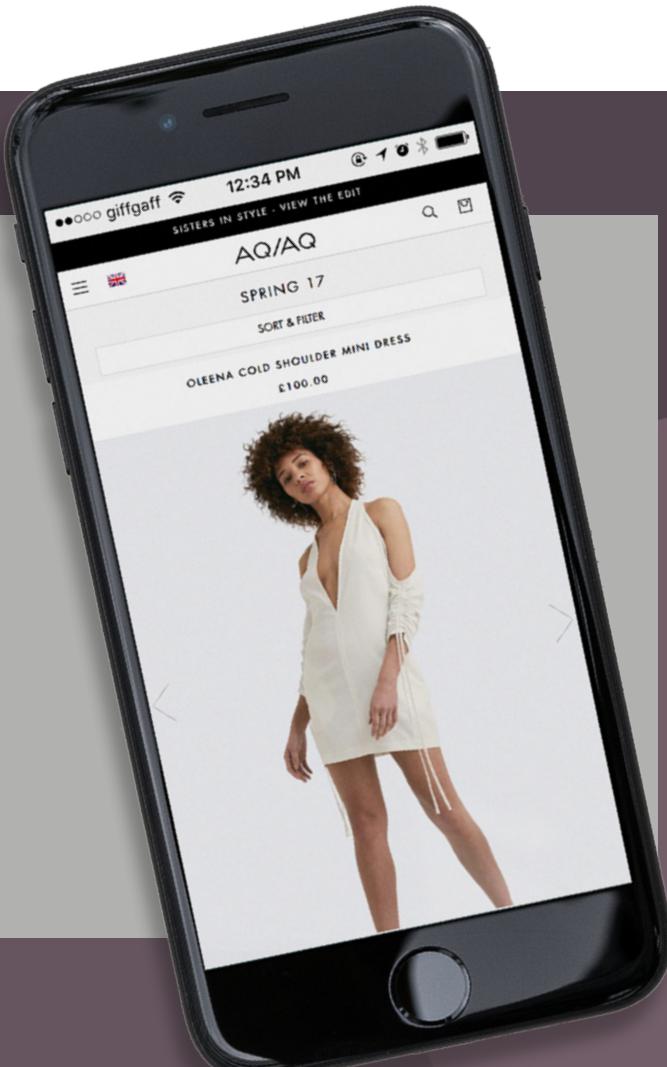
AQ/AQ delivers major revenue, conversion and average spend increases with Klarna

AQ/AQ is one of the brightest lights of the UK women's fashion scene, with a signature store in Carnaby Street, London. Founded in 1999 and formerly known as Aqua by Aqua, the retailer has an international following and a reputation for offering a range at the sharp end of fashion style and innovation. At the forefront of colour combinations and exciting couture choices, AQ/AQ specialises in tops, trousers, dresses, jumpsuits, skirts, playsuits, accessories and has a successful gift card scheme.

Challenge

As AQ/AQ continued to grow rapidly and was determined to keep ahead of on-line retailing demands, it was vital to provide a choice of on-line payment options. Equally, it was essential to ensure payment fraud was kept to a minimum.

AQ/AQ also was keen to innovate and provide shoppers from all over the world with the most seamless and painless payment experience. Too many on-line buyers were terminating their search at the point of payment, so AQ/AQ looked at several options to improve this, before choosing Klarna Checkout.



Solution

With Klarna, shoppers at AQ/AQ only need to provide their email address and postcode to shop online.

Once proceeding to online checkout and ready to buy, consumers then have the opportunity to 'Pay After Delivery'. This allows customers to pay at their convenience, once the goods are received. The Klarna solution is also optimised for the latest smartphones or tablets. Once a consumer creates an account, all future purchases involve a single click to confirm and pay.

Deploying Klarna Checkout was simple to integrate into AQ/AQ's existing payment option and Klarna assumes all credit and fraud risk, so that AQ/AQ always gets paid, once a transaction is completed.

Results

Once fully integrated into the AQ/AQ website, Klarna has delivered a 10% revenue increase and 18% uplift in conversions on a weekly basis. The simplicity of signing up to pay with Klarna, plus the Results 'Pay after Delivery' option have proved very popular and is being ranked is one of the quickest and smoothest online payment systems in the UK.



We have experienced a significant increase in average spend and fraud has halved

"We had some initial concerns that the Klarna payment experience may have been too different or too new for our customers, but these were unfounded and completely overridden by positive consumer reviews on social media and other feedback from happy customers. But Klarna also delivered unexpected benefits."

"We have experienced a significant increase in average spend and fraud has halved. Not that we had a major fraud issue. I think shoppers are enjoying the friction-free experience and modern feel of Klarna, as well as having the option of purchasing before pay day and then only paying if they keep the item."

Beren Gamble, eCommerce Director, AQ/AQ

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 on 18 markets. We serve 60 million consumers and work with 70,000 merchants. Our goal is to become the world's favourite way to buy.