

**KLARNA CASE STUDY**

Customer: Daniel Footwear  
 Business focus: Shoe Retailer  
 Location: UK  
 Klarna solution: Klarna Pay later and Pay in 3



# Daniel Footwear steps on up with Klarna.

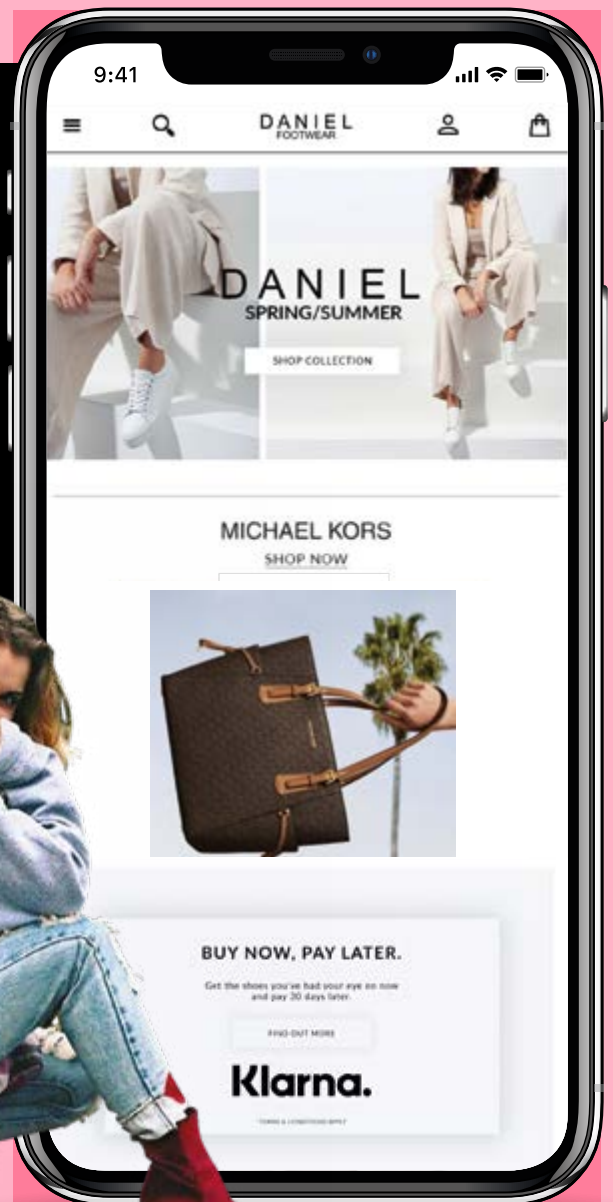
For killer heels or luxury loafers, Daniel Footwear is the go-to shoe store. The UK's first Jimmy Choo stockist, this independent retailer offers an extensive collection of designer brands including UGG, Michael Kors, Vivienne Westwood and DKNY. Now its well-heeled, online customers can buy with complete confidence and convenience using Klarna Pay later.

## Challenge

With a range of designer shoes, bags, and accessories sitting alongside its own label luxury Italian footwear, Daniel Footwear differentiates its webstore by offering premium quality shoes and great service at a competitive price point.

With an average order value just over £100, its customers are prepared to spend more than the average shoe-buyer. However, they're more cautious too. Shoes are notoriously hard to sell online, particularly designer brands where buyers can worry about origin or fit. In addition, customers, are often locked into a pay day cycle, buying at the start or end of the month, creating a mid-month dip for the retailer.

Mark Buxton, Head of eCommerce at Daniel Footwear explains, "We wanted to remove as many emotional barriers to purchase as we could, to give our web-visitors the best experience possible and allow them to buy more spontaneously. This meant finding a way to help them buy without fear, to see goods before purchase, and freeing them from anxiety over immediate cashflow. Klarna Pay later was the obvious choice."



## Solution

Klarna Pay later lets shoe buyers indulge their passion online. They can buy with one-click for repeat purchase – even on mobile - and don't have to pay for goods for up to 30 days, interest free and with no upfront costs. Users love it because they only pay for what they choose to keep, and get more time to pay for purchases. And there's no risk to the retailer's business as Klarna pays them up front.

Klarna works with a wide array of ecommerce partners, including Visualsoft which supports Daniel Footwear's webstores. Using Klarna's pre-configured modules and plugins made integration with the retailer's checkout effortless, so customers could start using the payment option straightaway.

## Results

Within a few months of introducing Klarna, **1 in 5 customers were opting to use Pay later** and, as a result, **the average order value has increased**. There has also been a lift in conversion rates, particularly mid-month. Smoother demand has allowed Daniel Footwear to optimise its operations and drive more ROI from its mid-month marketing promotions.

Mark confirms, ***"Klarna has really helped to drive cart abandonment down. Only paying for items they keep has given our customers extra confidence to experiment without worrying about size options. They are able to take advantage of sales and spend more on feelgood, occasion and seasonal buys, safe in the knowledge that they can try at home to mix and match and see how it looks with their outfits. They can also be more spontaneous and buy straight from their phone. And if they return their goods they know they don't have to wait for a refund as they haven't parted with their cash."***

## Benefits

*"We are now a firm believer in the Pay later option. We've had amazing feedback from our customers and have seen a real increase in the number of returning customers,"* confirms Mark.

In fact, Daniel Footwear was so impressed with the results that they have introduced Klarna's Pay in 3 option, where users pay a third with their card up front and the remaining amount in two equal instalments at 30 and 60 days. All payments are easily managed in the Klarna app and are interest free. This gives large-basket customers, and those investing in luxe designers, matching bags and accessories, even more time to pay and has already led to a 15% increase in AOV since implementing this in March 2019.

To sum up the Klarna experience, Mark says, *"We've been very happy with the performance of our website since switching to Klarna. It's given our customer more ways to pay that suit them, and our company a powerful competitive edge. With the launch of Pay in 3, we hope to see even greater results! I'd highly recommend Klarna to everyone."*

[www.danielfootwear.com](http://www.danielfootwear.com)



## The Integration: Visualsoft

Daniel Footwear power their website through the Visualsoft platform. Visualsoft is an e-commerce platform that boasts over two decades worth of eCommerce experience. Understanding the importance of conversion, Visualsoft partnered with Klarna to increase the number of payment options available at checkout in order to enhance the user experience. This certified integration allows for seamless delivery of mobile-optimised stores that offer all of Klarna's payment methods- pay later in 30 days, pay in 3 and longer-term flexible finance. A single integration allows retailers to easily enable payment options that consumers want for all of Klarna's global markets.

## About Klarna

It's all about smooth (yes, with 3 000's). Klarna is Europe's leading payments provider and a newly-licensed bank, we want to revolutionise the payment experience for shoppers and merchants alike. Founded in Stockholm, Sweden, in 2005, we're a fintech unicorn that gives online consumers the option to pay now, pay later or over time – offering a trusted, frictionless and smooth checkout experience.

We work with 130,000 merchants, including ASOS, Topshop and JD Sports in the UK, to offer payment solutions to users across Europe and North America. We have over 2,500 employees and are active in 14 countries.

