



Cox & Cox smashes sales acquisition with Klarna.

Fresh and inspirational, Cox & Cox is an online homeware and furniture retailer, that's not afraid to smash stereotypes or sales targets. With its social-media focus and mobile-first strategy, it's thrown open its doors to the Instagram generation by making aspirational items more accessible with Klarna flexible payments.

Customer
Cox & Cox

Business focus
Online furniture and homeware retailer

Location
UK

Klarna solution
Klarna Pay later and Pay in 3

For nearly two decades, Cox & Cox has been curating and selling super-stylish indoor and outdoor home products that resonate with the latest seasonal trends. Following a significant digital investment in 2017 when Cox & Cox went for a mobile first design with Magento 2, their unique product portfolio and great online UX was delivering 10% year on year growth but its ambitions were much higher.

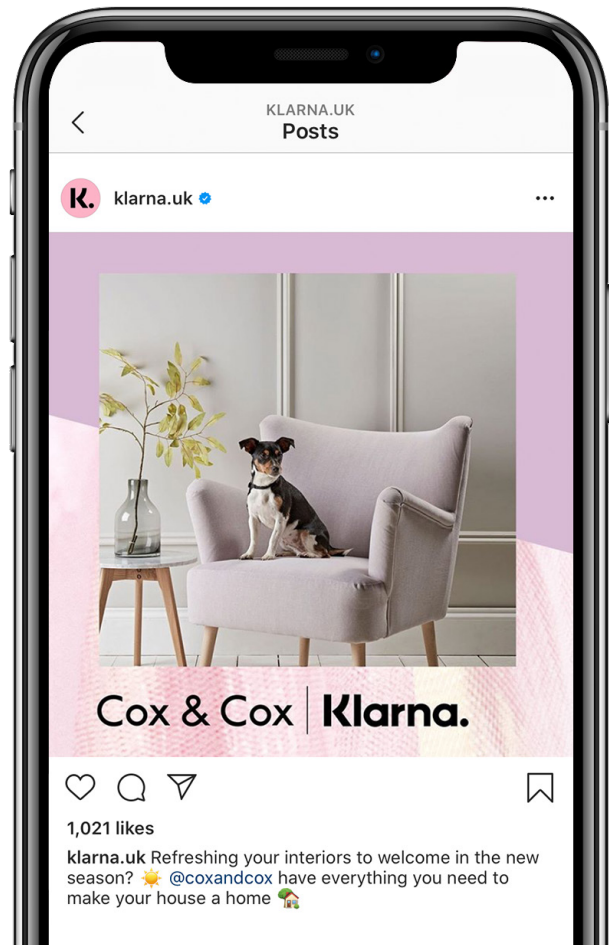
Cox & Cox | Klarna.

Challenge.

Attracting predominantly female shoppers (80%), its highly-responsive, content-rich website, hyper-efficient distribution and service operations was a big hit with the affluent 35-44 age-group. While its eye-catching catalogues and campaigns were generating healthy sales, the company wanted to drive uplift and growth in other consumer segments.

Aynsley Peet, Head of Ecommerce at Cox & Cox explains, "Our products range from under £100 to over £1000. Often aspirational, customers desire them but there isn't necessarily an urgency to buy them. So, we work hard to create lifestyle looks that they love and want to buy more of. We simply can't afford to lose them at the checkout."

The company was seeking new ways to boost conversion and empower customers to invest in 'whole looks' or higher ticket items like sofas, wardrobes and garden furniture sets. It also wanted to find new ways to stimulate acquisition and social engagement and get its brand to a wider audience.



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Solution.

Cox & Cox was aware that fashion retailers were achieving amazing uplift using Klarna to help shoppers avoid FOMO whilst managing their money and spreading costs. Klarna was also very much on its own customers' radar, with users on social feeds increasingly requesting it as an option.

"We were really excited to find out what Klarna's extra financial 'wiggle-room' and marketing pull would do for us," says Aynsley.

To help it stay ahead, Cox & Cox decided to add Klarna Pay later (deferred payment for 30 days) and Instalments (three equal

instalments over 60 days) to its online and mobile checkouts.

In the past, changing a payment gateway would have taken Cox & Cox months but with Klarna available as a Magento 2 plug-in, it was up and running in no time.

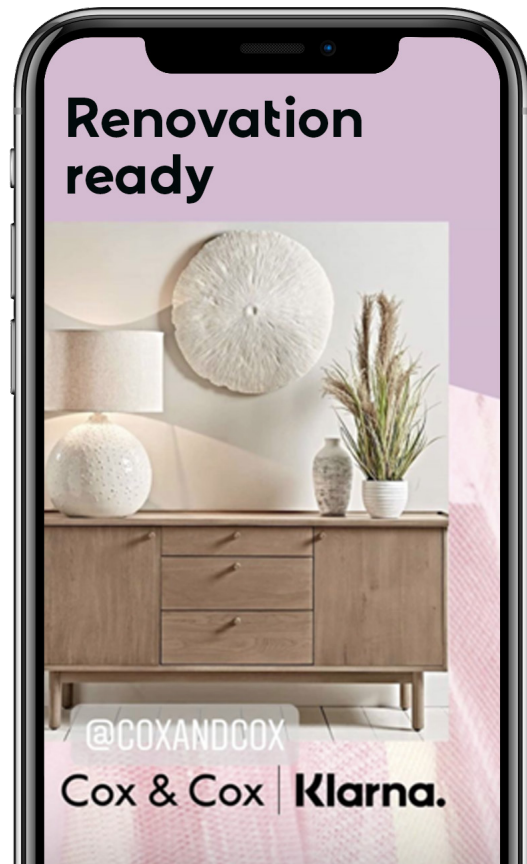
Aynsley confirms, **"Working with Klarna has been a 100% positive experience. Once they had the green light, integration was totally smooth and painless. We went from contract to completion in under two weeks. Within an hour of going live, Klarna orders were coming through."**

Results.

Cox & Cox launched Klarna in April 2020 with social posts, national media campaigns, Solus broadcast emails, inclusion in print catalogues and a dedicated landing page. In the launch month alone, Cox & Cox's website smashed its previous traffic record by 20%.

Within two months, sales had climbed over 100% (despite the UK government's COVID-19 lockdown which happened in the same time-frame). In just three months, Klarna added over a quarter of a million pounds worth of revenue to the business.

Aynsley adds, **"The sales figures were fantastic, but the biggest surprise was Klarna's success as an acquisition tool. Our promo codes confirm that 50% of all Klarna sales are new customers to Cox & Cox, with many in the 25-34 age group. Klarna has helped us break free from typical buyer stereotypes and open up a lucrative new demographic for our business."**



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Benefits.

"Klarna is fast, convenient and perfect for mobile - which is great as 65% of our customers now shop direct from their phones. It's also a powerful social brand in its own right and over the last six months we have seen our Instagram following increase by 70,000 to more than 258,000, making it one of our strongest growth channels."

Klarna is now an integral part of all Cox & Cox's on and off-line marketing. The company regularly test different looks, styles and features and is experiments constantly to boost SEO and page hits. Klarna's online marketing repository gives them all the design tools they need to build a Klarna buzz and achieve greater ROI.

Cox & Cox is also looking at options for future functionality e.g. adding Klarna payment illustrations on individual product pages, according to Aynsley. "The beauty of Klarna's platform is that you can try new things, test them with different segments and either scale up or switch them off without incurring unnecessary development costs or impacting sales continuity."

To other retailers looking to take the plunge with Klarna, he says "Don't hesitate! Klarna has given us more than smooth flexible payments and a great support team. It's given us a fresh outlook, a new demographic and more opportunities to grow."