



# Toolstop kits up with Klarna.

**One of the largest online suppliers of power tools worldwide, Toolstop prides itself on the fast delivery of the best brands at competitive prices. It's global webstore supplies tradesmen with everything they need to do a great job, on time, every time. That includes the spending power to kit-up properly with Klarna.**

Over 90% of Toolstop's customers are professional tradesmen. They work on site every day and don't have time to waste. They want to be able to find exactly what they want online, bag it and buy it fast. Thanks to Toolstop's in-house developers, its webstore was simple and quick to navigate. But while sourcing tools was super-easy, purchasing them when cashflow was tied up in the current job was often hard for customers.

**Customer**

Toolstop

**Business focus**

Online tool retailer (trade)

**Location**

UK

**Klarna solution**

Pay in 3 Instalments and Klarna Financing

**TOOLSTOP**

**Klarna.**

## Challenge.

Neil Bruce, Ecommerce Manager at Toolstop explains, "Tools represent a big capital outlay for tradesmen whose income is tied to project milestones or job completion. Clients pay for materials up front but not equipment. When cashflow is tight they either use a credit card, risking expensive fees, or buy inferior, less reliable DIY tools leaving themselves open to breakage and delays or doing a bad job."

With fierce competitors, including Amazon, happy to race to the bottom on price, Toolstop had to find new ways to differentiate its superior products and service and make 'tools for life' more accessible for those wanting to manage cashflow.



**"It really was as simple as plug and play - we were up and running in a few clicks. Klarna and its team were there to support us all the way."**

Neil Bruce, Ecommerce Manager at Toolstop

## Solution.

With the right mix of payment choice and flexibility, from short-term cashflow to longer-term payment plans - Klarna was the ideal solution.

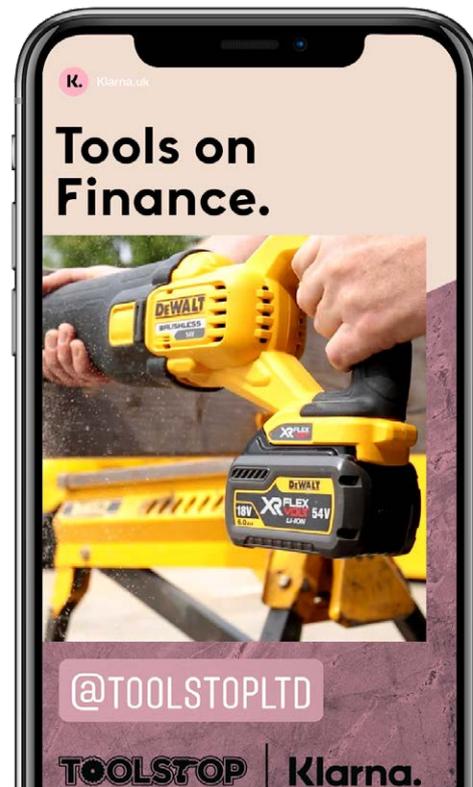
Toolstop now offer Klarna Instalments (Pay in 3 interest-free instalments over 60 days) and Klarna Financing (credit over 12, 18 and 24 months.) Delivering instant approvals, minimal clicks for repeat purchases and an app to help manage repayments, these ensure a smooth UX for Toolstop's time-strapped customers.

Neil says, **"Having just switched to the BigCommerce platform, Klarna was the perfect fit. It really was as simple as plug and play - we were up and running in a few clicks. Klarna and its team were there to support us all the way, freeing our own web-crew to focus on optimising the site without having to worry about the payment options."**

## Results.

Just a few months post-launch, Klarna is already making an impact. Toolstop's average order value (AOV) is up 62% with Pay in 3 instalments versus card payments whilst the longer term 18-month financing is empowering customers to make larger purchases. There has also been a move towards more mobile payments with over 40% of purchases made on mobile through Klarna.

**"Putting Klarna 'pink' banners on all our web pages has also been hugely successful at driving conversion," states Neil. "We've added a key phrase 'Tools on Finance', which has given us tremendous traction on search engines. In addition, being able to show customers as they shop what their basket will cost each month using the various Klarna options has also reduced dropout rates and stimulated more people to buy."**



**"... BigCommerce and Klarna are about as good a combination as you can get for customers that want to buy fast, when on the go."**

Neil Bruce, Ecommerce Manager at Toolstop

## Benefits.

Do customers like using it? "Absolutely!" says Neil, "We get lots of feedback online and over the phone saying that without Klarna they wouldn't have bought a particular item or been able to do a job as well. Importantly, with Toolstop and Klarna, they can now cope with surprises - a tool theft, breakage or technical-hitch - without financial worry, delay whilst the insurance comes through or loss of income."

"There's no question that customers are taking advantage of Klarna to buy better tools and spread equipment costs," he adds. "We're also seeing more people coming back to buy faster. In fact, one in ten Klarna customers has already made a repeat purchase and we see this accelerating over the course of the year. Many are younger apprentices used to buying online, which is a real boost to acquisition and great for the future of our business."