

Shopify + Klarna

The perfect match to boost your sales.

Klarna.

Shopify + Klarna.

Rarely is there one single solution to solve all your problems, particularly when it comes to running an e-commerce business. Instead, success comes from carefully picking and choosing a handful of solutions which align with your business goals.

But that's easier said than done when there are so many options available. Shopify has many great partnerships, Shopify + Klarna being one of them. With this report, we want to help you get the most out of your Shopify store by highlighting some of the best sales-boosting tools for e-commerce businesses using the platform.

We wish you the best of luck with your sales numbers and, of course, a smooth reading session!

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A brief intro to Shopify.

You probably recognise Shopify as a big e-commerce platform, but what else do you know about it? How big is it really and how did it all get started? Let's start

with some background and interesting stats before we dig deeper into how you can get the most out of your Shopify store.

How it all began.

Background.

Shopify was founded back in 2004 by three Canadians – Tobias Lütke, Daniel Weinand and Scott Lake – who were actually about to start an online store for snowboarding equipment. As they searched for an e-commerce platform suitable for their store, they found themselves very dissatisfied with the available options. So they decided to build their own, and launched their online store Snowdevil after two months of development. This platform evolved to become Shopify in 2006.

Quick stats.

- It's the second-biggest e-commerce platform with almost 20 percent market share.
- Shopify is a big favorite because of its user-friendly setup. You don't have to be a tech expert to start an online store with Shopify!
- 1,000,000 merchants use the Shopify platform for their stores.
- Shopify is the third-largest online retailer in the US, after Amazon and eBay.
- Shopify has some well-known brands in their portfolio; like Pepsi, Nestle, Tesla Motors, Red Bull and Unilever.

How to get the most out of your Shopify online store.

There are many areas to cover to create the perfect platform for your online store. Luckily, there are tools that can help you out with this. Before we get into

looking at the apps which could improve your Shopify store, let's establish the 3 most important factors when it comes to boosting sales online.

1. Mind the UX design.

Do you get the traffic, but not the sales numbers? This is a common issue for online retailers and it shows the importance of having a user-friendly webshop. Products must be easy to navigate, with a clear call-to-action and high-quality pictures. And always remember to think "mobile first", since by the year 2021, it's expected that [72.9 percent of all online shopping will be done on mobile](#).

You also want to keep up to speed. According to Google, the average time it takes to fully load a mobile landing page is 22 seconds. At the same time, 53 percent of mobile visitors leave a page that takes longer than three seconds to load. In other words, it's easy to lose sales if your website is too slow.

2. Offer friction-free shopping

Raise your hand if you love filling out forms! Everybody wants their shopping journey to be fast and easy, and nothing slows you down more than typing out your credit card number, address, and password over and over again.

And no, this is not just anecdotal. According to the 2018 Checkout Conversion Index, auto-fill "had a particularly profound effect on merchants' checkout processes". A one-click login option, or even an auto-filled billing address, can speed up your checkout and create a positive impression of your online shop. The easier it is to buy, the higher your conversion rate will be.

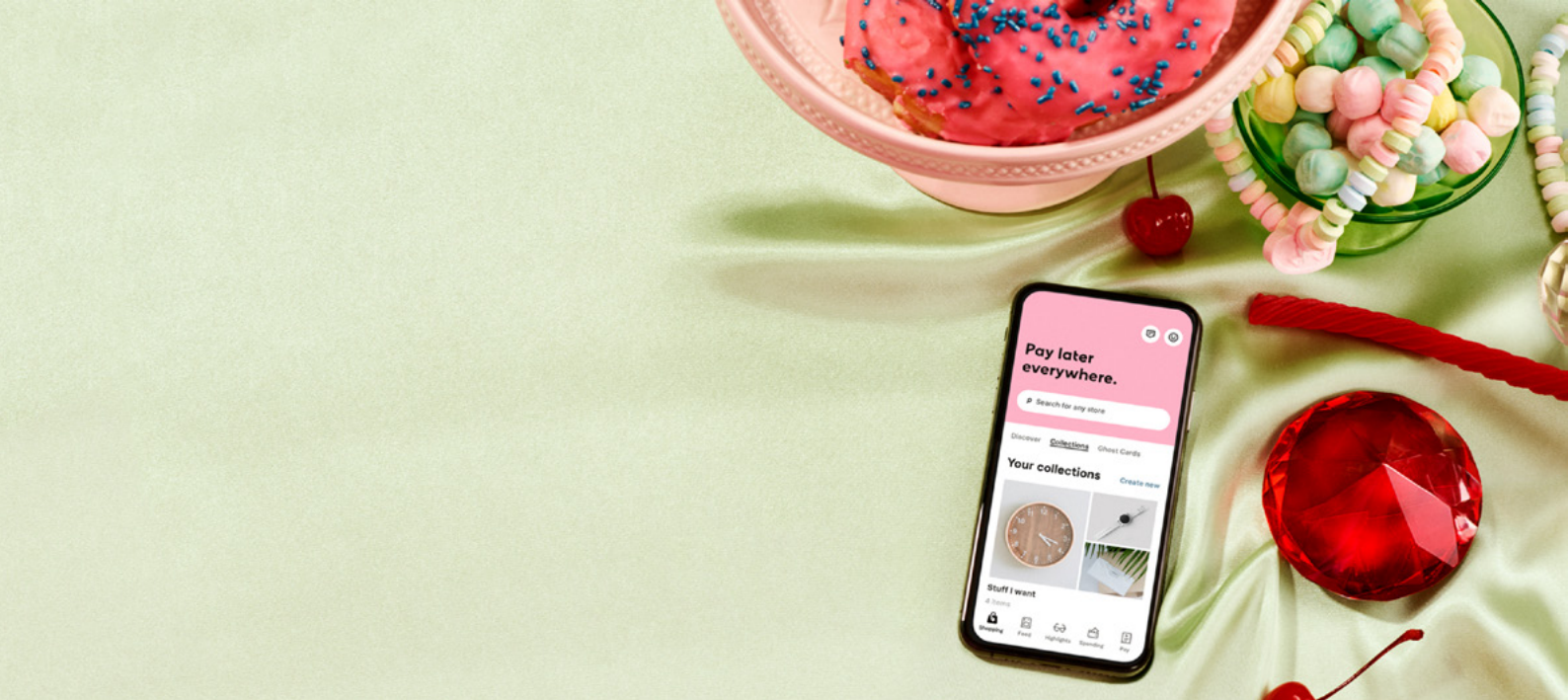
3. Provide flexible payments

Did you know that 56 percent of online shoppers say that [they would buy more](#) if more payment options were available? Today's shoppers want to be able to finance their items over time, split their purchase into interest-free installments, or maybe delay their payment until they've received and tried their items.

And before you get nervous about the risk involved with these features, [some solutions](#) actually take on the risk for you, making it possible to offer flexible payment options while still getting paid upfront. For merchants and customers alike, technology like this is a win-win.

Scroll down to see all the Shopify integrations that can help you out with this.

Klarna.



Must-have apps to boost your sales

Yotpo.

The Yotpo app lets you add customer reviews to your products. Existing customers appreciate having the option to rate your products, while new customers benefit from knowing more before they buy. Product reviews are actually extremely important since only 2 percent of consumers DO NOT look at them when shopping online, according to [eMarketer](#).

Other than product reviews, you are also able to generate visual marketing, loyalty programs, and referrals to build trust, drive traffic, and increase conversion, with Yotpo in place.

Free Shipping Bar.

Oh yes, we all know that providing free shipping is a big plus among shoppers. In fact, as many as 86 percent of UK shoppers prefer free shipping, a study from [Temando](#) shows.

The Free Shipping Bar app is perfect if you want to highlight that your store offers free shipping (and yeah, why wouldn't you want to promote that?). The app gives you a bar where you can display your free shipping offer with different features and designs.

Improved Contact Form.

It is, of course, essential to make it easy for your customers to get in touch with you. The Improved Contact Form app does just that, and more. It appears as a pop-up form in your Shopify store so that users can contact you regardless of the page they're on. It also makes your job easier when contacting your customers, since you can see their browsing history.

Klarna Payments.

Serving more than 80 million shoppers in North America and Europe, Klarna is centred around providing customers with smooth (yes 30's) payments. [Klarna provides Shopify merchants a way for customers to pay 30 days later or split their payments into 3 instalments without any interest or fees](#), giving them flexibility and increased purchasing power – which means more sales for you. And even if a customer defaults, you still get paid: Klarna takes all the risk.

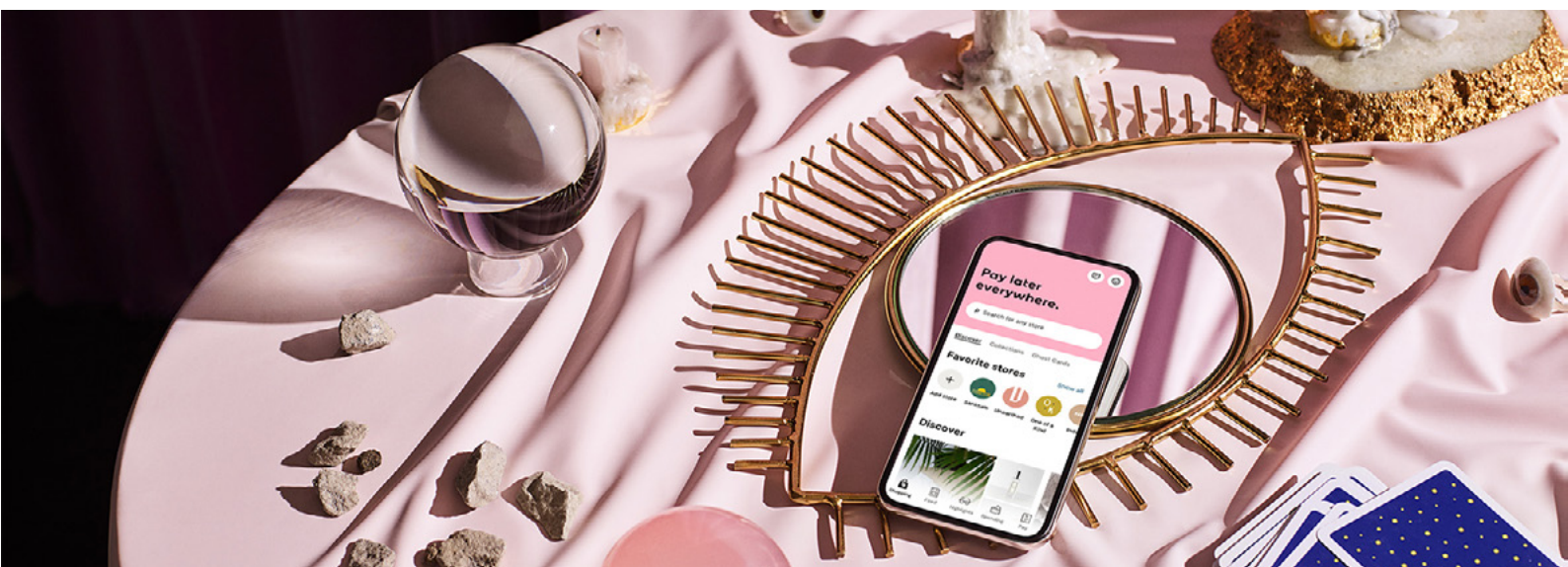
Klarna On-Site Messaging.

Don't wait until the checkout to tell your customers you offer Klarna as a payment method. Once you have Klarna integrated into your store, then a must-have is the [Klarna On-Site Messaging app](#). This continues the smooth journey, increasing risk-free sales through tailored messaging and showing your customers available payment plans while they're still shopping.

On-Site Messaging is easy and simple to integrate. The Shopify app provides customized messaging ranging from banners promoting your partnership with Klarna and the availability of payment options, to personalized promotions on product or cart pages. Customers are identified from their first interaction, so the shopping experience can be tailored to suit their needs. And remember: you'll get the biggest impact by advertising buy now and pay later options before customers reach the checkout.

The benefits of having Klarna in your checkout

- First of all, you aren't taking any risks when it comes to receiving your money. You get your payments up-front from Klarna, while they take responsibility for collecting payments from customers.
- Retailers typically see a 68% increase in average order value with Klarna Instalments.
- 58% boost in average order value for retailers offering Klarna Financing.
- 20% increase in purchase frequency for customers shopping with Klarna Pay in 30 days.
- 44% of users would have abandoned their purchase if Pay later wasn't available.



Klaviyo.

If you're a small-sized merchant, you may have limited resources when it comes to initiating comms with your consumers. That's where tools like Klaviyo come in. Klaviyo's marketing automation software sets up automated email sequences and target campaigns. The campaigns are based on buying behaviour and you also get access to all the data so that you can use it in your overall marketing strategy. And the best part: it is completely free to use up to 200 subscribers and 500 email sends, making it perfect for stores that are just getting started.

PushOwl.

This tool is ideal for targeting the nearly [70 percent of online shoppers](#) who abandon their carts. If you're getting the traffic, but not the sales you wish for, then PushOwl is what you need in your life. It will send push notifications to re-engage your visitors who didn't complete their purchases, helping you increase your sales and keeping your visitors engaged with your brand.

Bulk Image Edit - Image SEO.

To get hits on Google and rank near the top of those relevant search results, you have to put some effort into the pictures on your website. So what do you need to think about to get highly ranked with pictures on Google? Keep image dimensions small, tag them with proper keywords, and make sure they're generally user-friendly.

Nosto.

As an online retailer, you always strive to increase your average order value and cart size, right? One good way to do that is by upselling and cross-selling your products. There are many Shopify apps that can help you out with this, and a popular one is the Nosto integration. This app sets you up with automated product suggestions that change according to what the customer is viewing. Nosto can also provide you with social media ads and personalised emails for your customers. Everything to give your shoppers a personalised experience that is tailored to them.

Did you know...

70%

of online shoppers abandon their carts? (Source: Baymard)

54%

of online shopping will be on mobile 2021. (Source: Statista)

87%

of online shoppers are influenced by social media. (Source: Adweek)

50%

of young shoppers want financing options. (Source: BigCommerce)

How Klarna helps your business.

Let's dig a bit deeper into the Klarna integration for Shopify. Here's how you can boost your sales by letting

your customers pay how they want, when they want. Without any interest or fees.

Almost 15 years ago, Klarna was founded in Stockholm, Sweden with the aim of making it easier for people to shop online. [Klarna pioneered the concept of 'buy now, pay later' \(BNPL\)](#) in the Nordic e-commerce industry, giving consumers the possibility to buy products and pay later with an invoice. Since then, the company has evolved and now offers a wide range of payment

solutions and features to enhance the shopping experience. [Klarna's shopping app](#) enables people to buy now and pay later everywhere. To date it has 1.8 million downloads – and that number is growing.

Here's an overview of the payment options Klarna has in their offering.

Klarna. Instalments.

This option allows customers to split their purchase into three equal payments. And guess what – it doesn't cost them anything extra.

[Learn more](#)

Klarna. Pay in 30 days.

To put it simply: You give your consumers the opportunity to try it before they buy it, for no extra fee. You as a merchant receive payment upfront, leaving all the risk to Klarna.

[Learn more](#)

Klarna. Financing.

This is for larger purchases that customers want to pay for over a longer time period. Klarna's flexible financing options range from 6-36 month plans.

[Learn more](#)

Instalments

This payment method simply lets customers split their payment into 3 equal parts to be paid at an agreed time. Each instalment will be charged from the card that the customer entered at checkout. They can use either debit or credit card and there's no account requirements or need for sign up. The shopper pays the first instalment at the time of purchase, the next one 30 days later and the last one 60 days later.

Klarna will let the shoppers know when a payment is due and when it goes through. They can also get a clear overview of their orders and payment details online, and in the Klarna app.

Both merchants and consumers benefit from this payment option. Customers get the opportunity to split their payment into parts, at no extra cost, while merchants get the whole payment straight away, leaving all the risk and admin to Klarna.

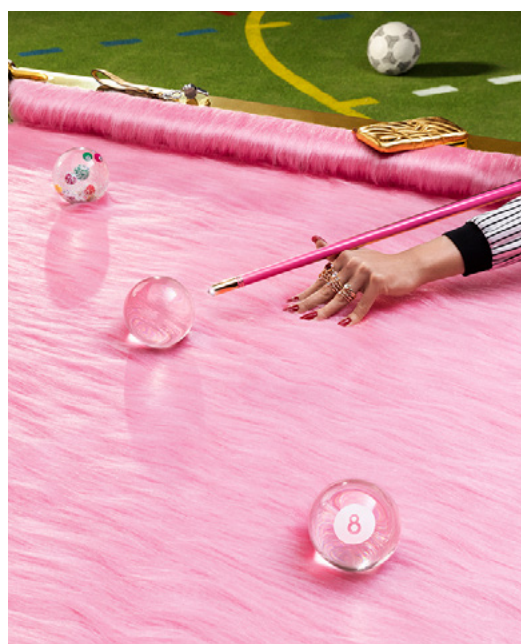
Simply put: Interest-free instalments give shoppers – especially those without a credit card – the freedom and flexibility to choose how and when they want to pay.

Pay in 30 days

To put it simply: You give your consumers the opportunity to try it before they buy it, for no extra fee. You as a merchant receive payment upfront, leaving all the risk to Klarna. And your consumer pays for the items they keep within 30 days.

Financing

This is for larger purchases that customers want to pay for over a longer time period. Klarna's flexible financing options range from 6-36 month plans.



68%

...higher average order value when customers chose to spread the cost over time with Klarna.

44%

...of users say they would have abandoned their purchase if instalments weren't available.

30%

...of users say they only completed their purchase because Klarna's financing option was available.

Klarna.

Step by step: How to integrate Klarna.

You as a merchant have a lot to benefit from adding Klarna to your checkout. If you already have an existing

Shopify store, it's easy to implement Klarna. Follow these 3 simple steps and you will be all set!

1. Install the Klarna Payments app

- To install the Klarna Payments app, [click here](#). Under "Install Klarna Payments App" tab and enter your store name in the textbox, as it appears in the store's URL. In the example below, you would enter "sophiestables" in the textbox:

www.sophiestables.myshopify.com

- This will take you to your Shopify store, or login page if you are not logged in already. There you'll see a page informing you that you're about to install Klarna payments. Click Install unlisted app.

2. Enter your Klarna API credentials

- You're now redirected back to the previous page to continue the integration. Under "Authenticate Klarna API Credentials", enter your live Klarna API credentials. (Do not use Test mode if your store is live, as Klarna will not pay out for a playground order.)
- Your credentials are now checked, and authentication results are displayed. 2 out of 3 green ticks indicates a successful authentication. (Klarna credentials work for either the playground or production environment, not both environments.)
- Go back to your Shopify admin page.

3. Activate your Klarna payment method(s)

- On your Shopify admin page, go to "Settings" in the bottom left corner.
- Go to "Payment providers", and scroll down to "Alternative payments". Select your Klarna payment alternative payment method(s) and enter your Klarna credentials. After activating the alternative payment method(s), Klarna will display as a payment option in your Shopify checkout. (Only tick test mode if you ticked "Use test mode" in the wizard.)

Note: the credentials entered in your Shopify admin must match the credentials entered in the 2nd tab of the setup wizard in order for the Klarna Payments page to display without error.

Yay! Klarna Payments is now live as a payment method in your store's checkout!

[For more guidelines, go to Klarna's Merchant Guide.](#)

...and don't forget to add Klarna On-Site Messaging

1. Install the Klarna On-Site Messaging Shopify app

- The Klarna On-Site Messaging app is [available in the Shopify App Store](#).

2. Connect your Klarna account

- After completing the integration for Klarna Payments for Shopify, your Klarna API credentials will be automatically connected when you first install the Klarna On-Site Messaging app.
- Confirm your Klarna API credentials in the Settings menu option of the app.

3. Add placements for product and cart pages

- Go to Dashboard, click the "New Ad Position" button and enter a name for your Shopify Ad Position

- If your country is not already defaulted, select the country that matches your Klarna API credentials.
- Select the appropriate placement. For example, Product Detail is recommended for Product and Cart pages.
- Do not add padding or change the alignment, unless necessary.
- Preview!
- Tick the "I have checked the preview" box and click Save.
- Review the placement display in your store's front end.
- Repeat for your cart page and get those sales running!

[For more guidelines, go to Klarna's On-Site Messaging guide.](#)

How Klarna gives you more shoppers

[The Klarna App](#) and the [Klarna Shop Directory](#) give shoppers the ability to shop with any participating online retailer and Pay Later in 3 Instalments. No nasty interest.

- 4.6 stars on Trustpilot
- 1.8 million downloads of the app so far
- Free brand visibility and traffic from in the Klarna App and Klarna Shop Directory
- Shoppers can access all the latest deals and get online price drops directly in the app and the shop directory.

A Shopify and Klarna success story: PANGEA.

In 2014, entrepreneur Nick Bradley was working in advertising while living in Venice Beach. He regularly shopped for swimwear, but found that everything

was overpriced and poorly designed. That's when he started PANGEA, the swimwear brand for men.

Going global

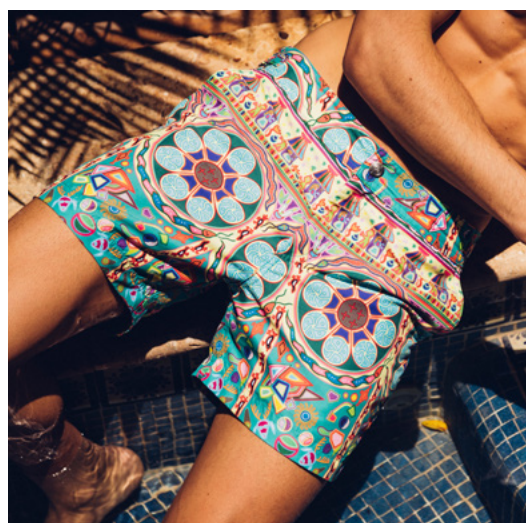
PANGEA wanted to go global quite fast, and has relied on Shopify's e-commerce platform to achieve this. Shopify enables retailers to quickly and easily get started in e-commerce. With Shopify's cloud-based shop system, PANGEA can easily manage orders, stock, and design – plus handle increasing volumes and analyse data more reliably and securely.

"We wanted to go global – and Shopify was the right choice for us," says Nick.

Shopify has offered Klarna Payments since 2017, allowing merchants to easily integrate Klarna's payment products into their online store. Klarna has also recently launched the On-Site Messaging App on the Shopify App Store.

On-Site Messaging allows merchants to promote instant financing within their online store experience, including product and cart pages. Consumers are not

always aware of the different credit and financing options available to them before they reach the checkout. Ensuring that customers know that financing is available early on has a key influence on purchasing decisions.





Increase in conversion

PANGEA has implemented On-Site Messaging on their product and cart pages, allowing their customers to pay in three instalments, without fees.

“At first we were using Afterpay, but it didn’t convert a huge amount. So we switched to Klarna. I really like Klarna On-Site Messaging, especially on the product page,” says Nick. “It converts our customers over to the checkout very naturally. And, because it doesn’t cost anything to buy with Klarna, it’s a very nice offering. We’re really trying to help our customers make their purchases.”

Results

The PANGEA brand is growing – and more people are purchasing their colorful swimming trunks. Since 2018, in just 12 months, gross sales have increased by approximately 250–300%.

“Klarna has played a huge part in those numbers. For us, it’s an actual partnership. Klarna is not just a payment provider.”

“Today, branding is more important than ever. And for our demographic – millennials and Gen Z – it’s super-important. Klarna stands out above all other payment providers. The Klarna brand is modern and aligns with our own brand and our customers. Not only is the Klarna offering amazing, but the Klarna brand makes us feel comfortable using On-Site Messaging.”



Thank you!

**We could be a simple payment provider.
Just a collection company with a checkout.
But we're not.**

At Klarna, we are investing major resources and working around the clock to develop our products and checkout to make sure they run as smoothly as humanly possible. We do this by creating a flawless customer experience and pushing the conversion and acceptance rate to the limit, all to make sure our connected webshops increase their revenue.

That's the added value we're providing for the 190,000 webshops that we're already helping revolutionise shopping online. This is their edge.

**Shopify + Klarna, a match made in heaven.
Go live within minutes for free.**

[Get started for free](#)