



KLARNA CASE STUDY

Customer: Pangea Swimwear **Business focus:** Swimwear for the Worldly Gentleman

Klarna solution: Klarna On-Site Messaging

**“It’s an actual partnership.
Klarna is not just a
payment provider.”**

Who would know best how a men’s swimming trunk should look, fit and feel? Preferably someone born and raised on the beach.

Meet entrepreneur Nick Bradley. In 2014, Nick was working in advertising and living in Venice Beach, California. When shopping for swimwear, everything he found was overpriced and poorly designed. Nick saw an opportunity and started to investigate the market. Later that year, he founded PANGEA. The idea was to combine Nick’s two great passions: beach life and traveling – with swimwear collections inspired by culture

and artworks from all around the world. Starting small, the company grew fast and after a feature in Details Magazine, the business took off – with orders flooding in from all over the world.

Challenge

To fully control the PANGEA brand experience, Nick decided early on to make his company 100% e-commerce-based. Today, PANGEA’s top priority is to further increase the growth of its

online store – and to provide a smooth shopping and payment experience for customers.

PANGEA doesn't offer the most expensive swimwear on the market – but it's not the cheapest either. For a lot of consumers, just less than \$100 for a pair of trunks can be quite steep. To reach new markets, consolidate its strong position in the US, attract new customers, and to activate a young generation of consumers, PANGEA needed to expand its choice of payment methods.

Solution

Since going fully global a few years back, PANGEA has relied on Shopify's e-commerce platform. 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 – and 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 is a key influence on purchasing decisions.

PANGEA has implemented On-Site Messaging on their

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– Nick Bradley, founder of PANGEA Swimwear

product and cart pages – allowing their customers to pay in four installments, 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."

Now available in the Shopify App Store to all Klarna users, a one-click download is all it takes to add On-Site Messaging to your store.





Results

A lot has happened since 2014, when Nick used to pack and send orders himself from his Venice Beach bedroom. The PANGEA brand is growing – and more people are purchasing their colourful 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,” says Nick. “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 stand 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.”

Get your numbers up

Empowering shoppers with flexible options can dramatically increase your conversions. In fact, adding Klarna to the checkout can increase conversions by 44%. Additionally, incorporating interest-free instalment plans can have a significant and long-lasting impact on your average purchase price too. Merchants who offer this option also saw 68% higher AOV on purchases made in interest free instalments.

K. ↑ + **44%** ↑ + **68%**
Conversion AOV