

PANDORA × Klarna. For Business

Pandora charms growth with Klarna.

Loved worldwide, Pandora makes quality jewelry that reflects its wearers' personalities and passions. It's now on the charm offensive, attracting new audiences and achieving a dazzling 70% increase in average order value, thanks to Klarna.



Pandora originated in 1980's Denmark with a mission to provide easy-to-customize, quality jewelry at affordable prices. It's now one of the world's most recognized jewelry brands. In the United States, Pandora's largest market, the brand has 1,400 retail outlets, 420 concept stores, and an e-commerce website to help people get jewelry they'll love.

Challenge

As a favorite “go-to” for charm lovers, Pandora benefits from repeat purchases. People regularly shop in-store and online to add more charms for birthdays, special occasions, and holiday seasons.

However, a maturing market and competition from fashion brands mean Pandora must work harder to find and win next-gen buyers and increase average order values. “Everyone knows what we do and how good we are,” Jennifer Glass, Director of Digital Marketing at Pandora, highlighted. “Our biggest challenge isn’t awareness or loyalty - it’s elevating consideration with Millennials and Gen Z.”

“To broaden our customer base, we had to think beyond design. We needed fresh choices, more payment flexibility, and greater speed and convenience at the checkout.”



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— JENNIFER GLASS, DIRECTOR OF DIGITAL MARKETING

Solution

Pandora chose to offer Klarna’s payment solutions at checkout, providing fast and frictionless installment-based payments across all channels to speed up the checkout process and to increase sales. Offering Klarna was also a way to connect with younger Gen Z and Millennial shoppers. Glass says, “With Klarna, our customers can split their purchases into interest-free payments over time, while we’re paid upfront in full by Klarna. We can also tap into new ‘tribes’ that are proactively seeking retailers that offer Klarna.”

To boost conversion, Pandora also added Klarna’s Express button to checkout, giving customers VIP treatment, with pre-filled details for a super-fast payment experience. Online, On-site Messaging powers more personalized shopping experiences and shows Klarna payment options as users browse. In-store, Klarna’s Digital Card option enables people to pay at any point-of-sale using the Klarna app.

According to Glass, “Being able to deploy Klarna across digital and physical checkouts internationally from a single platform was a big plus. Our global team was able to launch Klarna simultaneously in the US, UK, and Europe with minimal effort.”

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Results

Since introducing Klarna, Pandora has been able to tap into Klarna's massive Gen Z and Millennial user base while dramatically increasing average order values (AOV) in general. People who checked out using Klarna online increased AOVs by 40%, while in-store Klarna checkout AOVs were 70% higher than non-Klarna purchases.

Introducing the Express button is also a key driver for Pandora's sales. "Online, the Express button now represents over 60% of all Klarna transactions, and it also gives AOV an extra boost by 8%," Glass said. "It shows our customers want choice, not complexity, and love when we give them a faster payment option."

Along with spending more, shoppers are adding more items to their baskets. On-site Messaging, explaining the benefits of using Klarna, has helped drive sales higher up the funnel and increased units per transaction by 30%.

"Klarna really appeals to our customers," Glass said. "They can collect more charms, upgrade, or add complementary items with more time to pay and without racking up extra costs."

A growth partnership

To boost acquisition, Pandora actively promotes Klarna through On-site Messaging, dynamic emails, social ads, and in-store signage; timing co-marketing pushes to coincide with peak sales seasons.

"Whatever we do with Klarna, it's always collaborative, rewarding, and fun. They have opened our eyes to fresh ideas and have given our marketing a real shot in the arm," Glass stated.

Klarna's SKU-level data is also hugely valuable to Pandora. "One of the biggest surprises was the valuable insight we get from Klarna analytics. It's more accurate and powerful than from our own database," she adds. "We can see exactly who's buying specific products so we can better test and validate designs. As we hone in on new audience data points, Klarna helps us be super-intentional in our market strategy, keeping us on track and contributing to our success."

Most importantly, Pandora sees Klarna as a true partner. "Would we recommend them? Absolutely! From our perspective, Klarna is now an essential part of the Pandora sales experience. And, for growth and acquisition, it works like a charm!"

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70%

higher AOV for
Klarna purchases
in-store

40%

increase in AOV
online for Klarna
shoppers

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