

Klarna Comparison Shopping Service.



Klarna.

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What is Comparison Shopping?

The Comparison Shopping Service (CSS) program was created by Google in 2017 to diversify the search results for Product Listing Ads (PLA) sometimes referred to as "Shopping ads" or "Google Shopping". Google Shopping now accounts for **65%** of all US Google Ads clicks¹. With a positive click-to-spend ratio, UK retailers spent **47.2%** of their search ad budget on desktop PLAs, which produced **52.3%** of their search ad clicks².

Today's shoppers conduct online research to compare options and gain inspiration, before making their purchase. **64%** of Swedish customers used Google Search as their starting point over retail sites when looking to buy. Comparison Shopping PLAs are published in these micro moments at the point of search, enabling users to compare products based on price, reviews and merchant for a quick and convenient shopping experience³.

PLAs are published at the top of Google Search pages, ensuring high visibility for merchants and their products, driving click-through.

47.2%

of UK retailers' search ad budget spent on desktop PLAs.

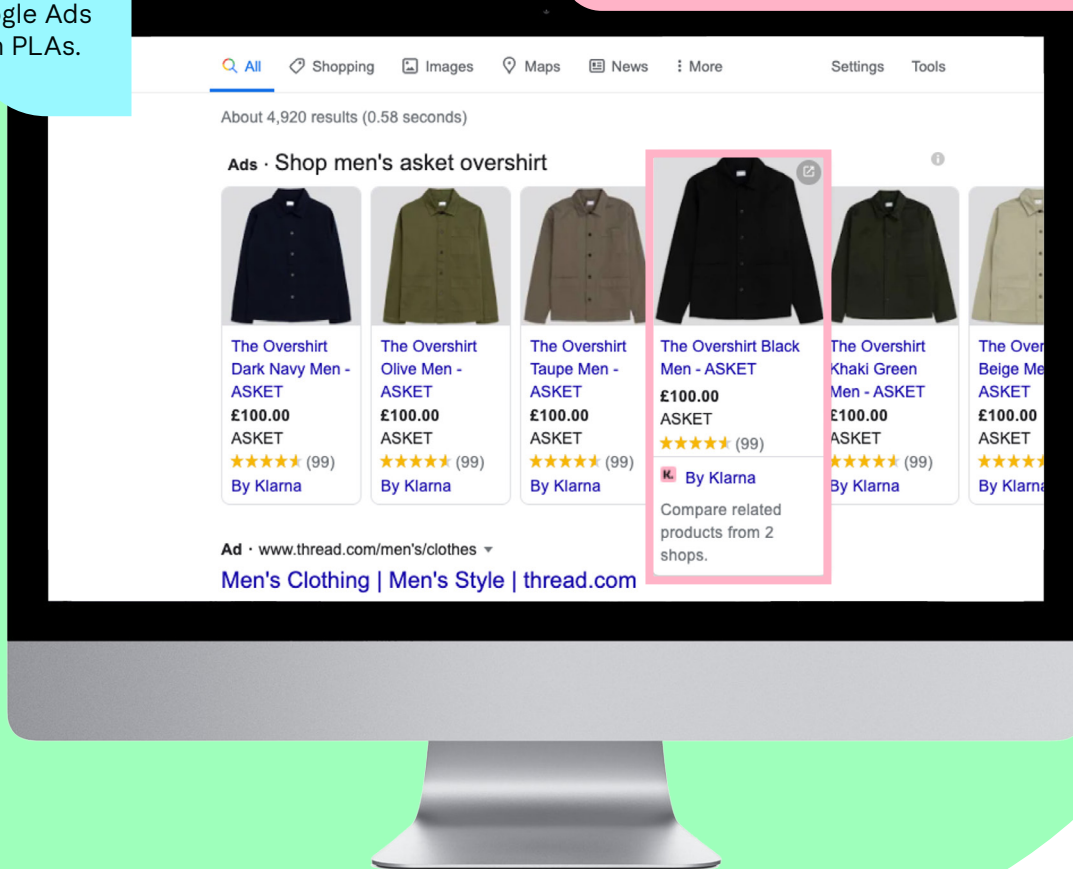
64%

of Swedish customers used Google Search as their starting point over retail sites when looking to buy.

65%

of all Google Ads clicks on PLAs.

A CSS partner facilitates the publication of a PLA on Google and is then the link between the advertiser (the merchant) and Google.



¹ Google Spending by ad format 2019, Merkle's Digital Marketing Report for Q1 2019.

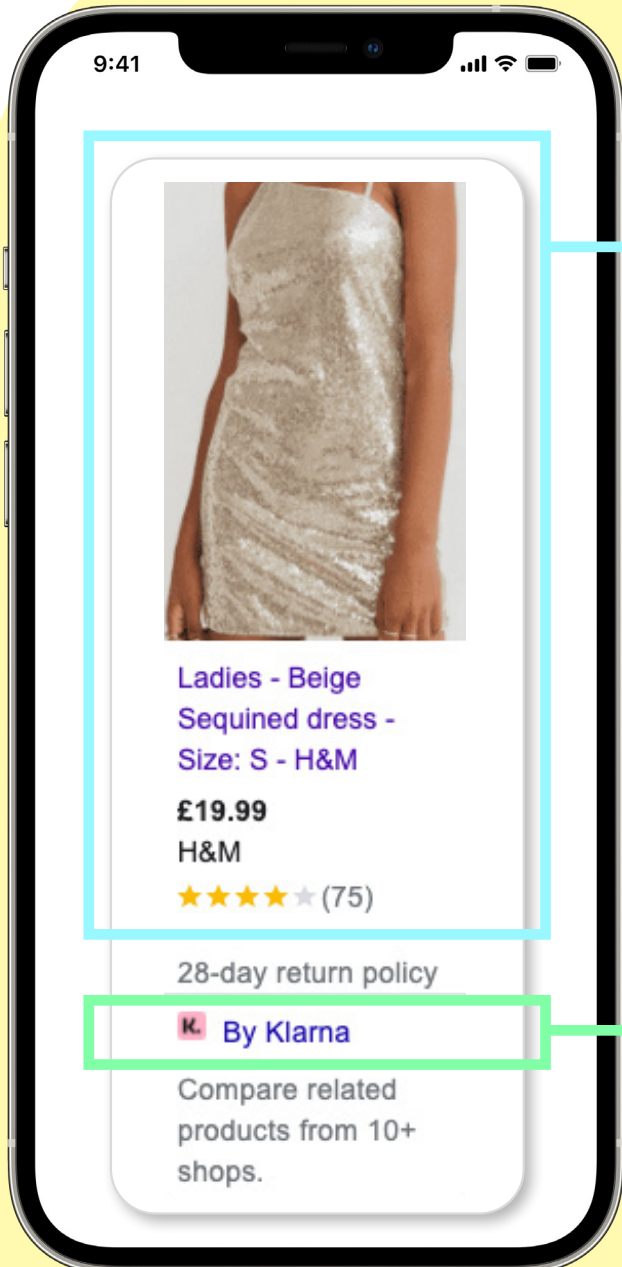
² 2021 Digital Commerce 360 | Vertical Web Media LLC.

³ The Smart Shopper Research Kantar/Google 2019.

How do PLAs work?

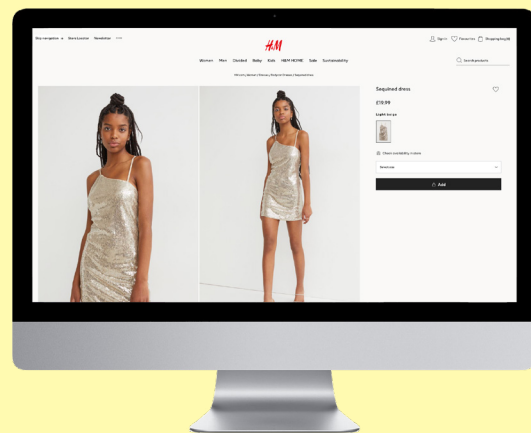
Users clicking on the advert will be redirected to the relevant merchant product page, these clicks are charged on a cost per click (CPC) model within your Google Ads account.

Clicks on the 'By Klarna' tag are taken to the Klarna Comparison Shopping platform at **css.klarna.com** where all related products are published, these clicks are free.



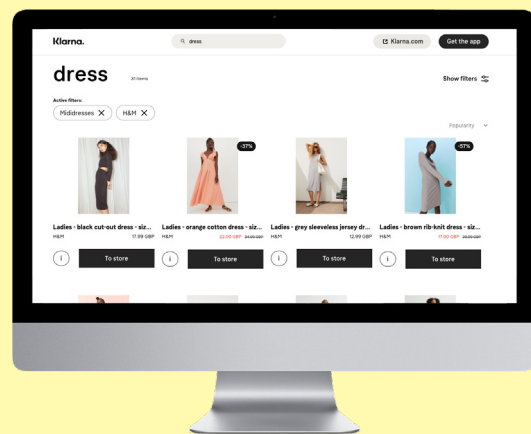
The PLA.

Ad.
Product Image
Product Title
Price Merchant
Redirects the user to the merchant



Merchant page.

The CSS.
Redirects the user to the CSS property **css.klarna.com**



Klarna Comparison Shopping platform.

Why Klarna CSS?

Save 20%, enjoy the stronger bid.

By switching to Klarna CSS, retailers can save up to **20%** on their CPC spend by avoiding a margin charged by Google Shopping. This gives Klarna CSS merchants the stronger bid towards gaining the more prominent

PLA placement in the Google ad auction. With the stronger bid merchants can see a higher position leading to higher click-through rates, impression share and lower CPC as a result.



Increase your ROAS and gain the stronger bid.



Drive your e-commerce.

Gain extra customer reach.

Klarna CSS will list your entire product listing on our Klarna Comparison Shopping page at css.klarna.com for free, giving your brand more visibility on relevant customer searches with purchase intent. Popular brands and products are listed on the homepage to provide customer inspiration.

Enhance shopping campaign performance.

Continue to manage your Google Ads campaigns to optimise your PLAs directly to specific commercial goals such as driving sales, increasing awareness, increasing profit, acquiring new customers and more.

51%

users purchased from a different merchant when finding info in the moment they needed.¹

30%

increased conversions on average when using Smart Shopping campaigns.²

81%

consumers across the globe say they've discovered new brands online during COVID-19.²

Available add-ons.

Boost your reach with add-on marketing services on our comparison shopping platform including:

- **Sponsored placements** – premium placement formats on our home and product search pages, to highlight your brand.
- **Search priority campaigns** – prioritisation of your brand and product key words to rank above competitor brands on platform searches.
- **Dynamic adverts** – dynamic AI-driven native ads that provide retailers with personalisation capabilities, created with products based on individual users' behaviour.

Boost visibility to new in-market customers.



¹ Drive Online Sales with Shopping Ads. Google, 2020.

² Retail playbook: Everything you need for the key shopping moments in 2021. Google, 2021. Google Data, Jan 2018–May 2019. Based on aggregated results of A/B traffic split for 690 advertisers using Smart Shopping campaigns and 142 campaigns using Target ROAS Smart Bidding for Shopping campaigns.

Easy onboarding.

Switching to Klarna CSS is now smoother than ever, thanks to our automated switching feature.

Following a few simple steps, any merchant can be easily onboarded to our CSS hosting offering and get the full benefits of a stronger bid on Google.

To switch your Merchant Center Account to Klarna CSS, we require:

- **A completed contract, or contract addendum** – this details the partnership agreement, with no minimum tie-in period to worry about.
- **Merchant Center ID** – the account you wish to switch, along with the target markets for your PLA activity and store URL.
- **Product feed URL (or API)** – a feed as a .csv or .xml file. Alternatively, we can connect to your Merchant Center using Google's API, and fetch your product data directly.

Once we have the above information, we'll add your Merchant Center ID into our CSS Center to trigger a switch request. You'll then receive a notification in your Merchant Center to accept the request,

and the switch is complete. PLAs will start being relabelled as 'By Klarna.' It can take up to a day for all ads to show this, depending on the size of your inventory. In the meantime, you may see some ads with Klarna CSS, and others with your previous CSS.

Switching CSS will not interrupt any existing live campaigns.

How much does it cost?

Klarna charges a market-competitive rate of €60/month. This is a hosting fee per merchant store domain.

We don't charge on a CPC basis. And although Google will continue to bill CPC costs, you'll benefit from the 20% CPC savings. There is no set-up cost.



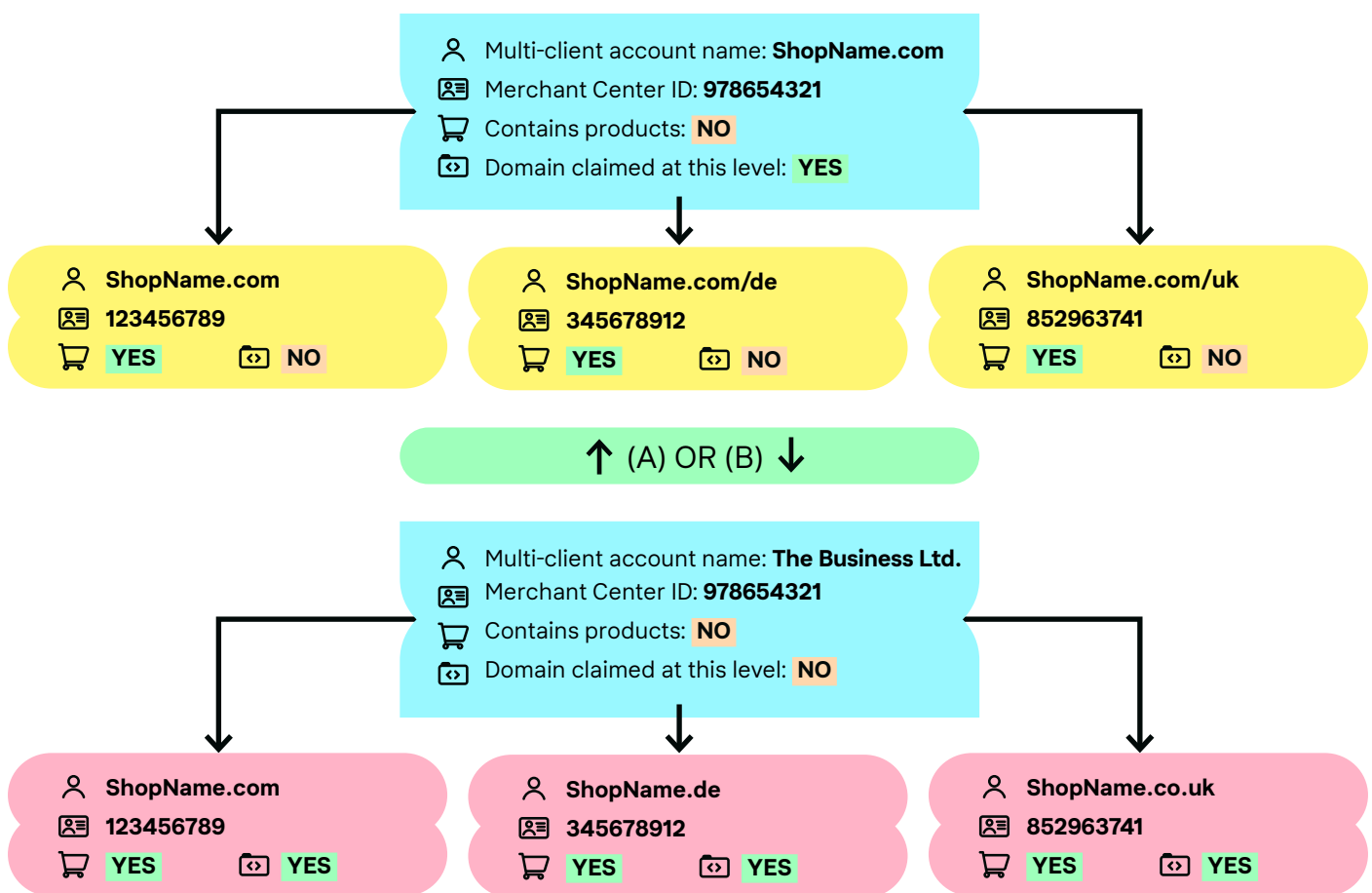
Getting into the details.

The nature of your Google Merchant Center structure will determine the best way to proceed with a CSS account switch. Below, we've demonstrated the various ways in which this can be done according to your current setup, whether this be a single stand alone account or several accounts as part of a multi-client account (MCA)—if it's the latter, they would need to be switched together.

Account structure types:

1. Accounts attached to a parent multi-client account

If you have a single or several sub-accounts attached to a parent multi-client account, it would be beneficial for these to be switched over as a group, in order to retain your existing settings. The below example account structures indicate your switch options based on which account level your domain is claimed at, and where your product feed is added.



2. One stand alone or several stand alone accounts

These can be switched to Klarna CSS individually.



FAQs.

Where does comparison shopping operate?

Klarna CSS is currently available in 21 markets across the European Economic Area: Austria, Belgium, Czech Republic, Germany, Denmark, Spain, Finland, France, Greece, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Romania, Sweden, Slovakia, as well as Switzerland and the United Kingdom.

Can I switch to Klarna CSS without losing my campaigns and data?

Yes, you can continue to use your merchant center and still keep all campaign settings, data, stats and quality score. If you require a new account setup, there would be a learning period of 2 weeks.

I target a market that's outside of the CSS program and it's an important market for us. How can we onboard for Klarna CSS?

Google now supports markets outside the CSS program, which allows merchants to consolidate their activity into a single Merchant Center account for seamless PLA management. Any activity in the rest of the world will remain under Google Shopping and won't benefit from third party CSS.

Do I have to switch over entirely, or can I use another CSS provider at the same time?

You can use as many CSS providers as you like, giving you flexibility when it comes to managing your campaigns and product feeds. For example, you can switch over specific markets or accounts, and we can also open a new By Klarna merchant center to use for secondary campaigns.

How would having two different CSS accounts for the same market work?

You can have more than one CSS service – for example, to test different campaign strategies for your products. Google will recognise the domain and only publish ads from the more successful campaign.

How will I see the 20% savings?

You should see your CPC going down as you utilize your full ad spend budget toward the ad auction. The 20% 'saving' will be seen in the form of a stronger bid, higher ranking and impression count, increased click through and an improved ROAS.

These savings have performance impact, rather than a direct profit. You could also reduce your CPC spend and still see a similar performance level as with GS.

Once I've switched, do I pay CPC costs to Klarna CSS instead of Google Shopping?

No, you'll have to make two payments.

Google will charge you your CPC spend as usual.

Klarna will charge you a flat monthly hosting fee of €60, invoiced at the end of each month. The full budget of your CPC spend will then go towards the auction, increasing your performance and profitability.

What level of support will be available with Klarna CSS?

As Klarna offers a self-service hosting solution, we don't provide campaign strategy support. Google still offers everyone first-line troubleshooting support via email, chat and phone as usual.

Get in touch.

If you would like any further information regarding Klarna Comparison Shopping Service, please contact css-support@klarna.com or reach out to your commercial manager to learn more.

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