

Klarna.

Emotional eCommerce

How can retailers nudge shoppers to a better online experience

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Online shoppers experience a rollercoaster of emotion

Their sales journey involves highs and lows:

- Excitement and thrills
- Anxiety and fears

Understanding this is key to boosting sales conversion.

68%

Get a buzz filling their baskets

52%

Worry about affording spend



So what exactly is going on in shoppers' heads?

We wanted to help merchants understand the emotional buyer's journey

Klarna commissioned a study by University of Reading School of Psychology and Clinical Language Sciences

PLUS Klarna Consumer Research

[Here's what we discovered >](#)

Welcome to the world of the millennial

Millennials are the the largest group
of online shoppers

- The mobile and digital generation
- Spend more time browsing
- Most likely to buy online
- Also most likely to abandon
a sale

+50%

Of all online transactions are
abandoned before completion

1 in 5

Millennials abandon sale
due to worry/regret

The most common reason for cancelling transactions are:

Having to register for an account

33%

Fees for alternative payment methods

25%

Lack of trust in site security

23%

Slow checkout processing

27%

High shipping costs

27%

Concerns over entering details on public WiFi

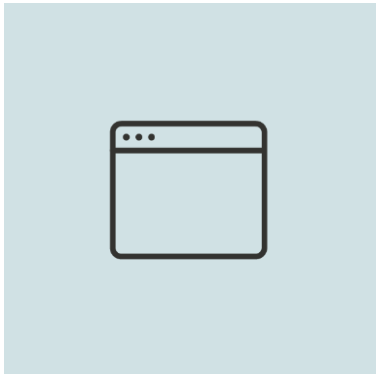
15%

This is backed up by customer preferences:

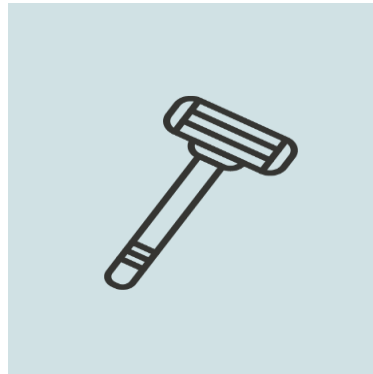
- 52% prefer registration-free sales
- 56% favour one-click purchase

Retailers need EQ – emotional intelligence – to navigate consumers to a positive sales conversion

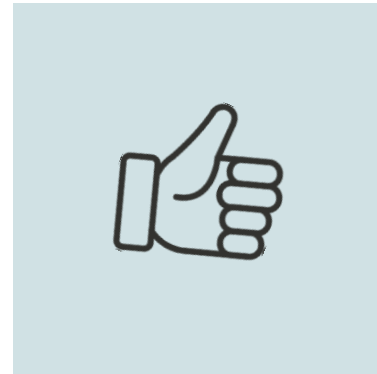
Small emotional ‘nudges’ can translate into big behavioural changes.



Improve online journey



Create a smoother,
frictionless experience



Ensure more ups
and less downs

Connecting

with the

emotional

online
millennial
shopper

Klarna.

EQ to improve the emotional experience

Ensure online sales channels accommodate **'emotional'** AND **'logical'** shopping behaviour

Emotional: quick, impulsive, 'automatic' based on flight or fight response.

Logical: slower, analytical e.g. price comparison.

How to nudge:

- Deliver a great 'mobile' experience
- Customise and personalise
- Accommodate distractions
- Ensure site fluency
- Facilitate 'one-click'
- Incentivise – reward effort
- Be gender aware
- Build loyal communities

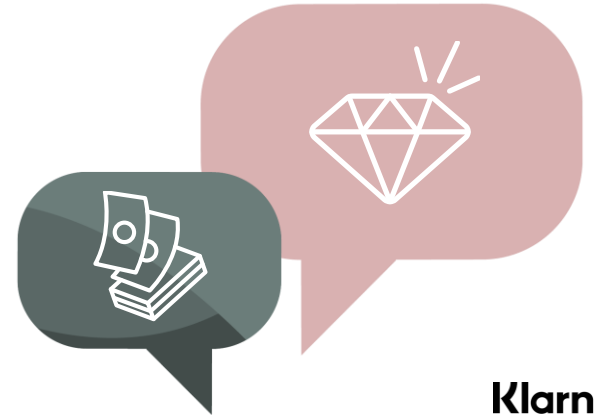


EQ to encourage consumer motivation

Turn the buzz of browsing into compelling desire to buy.

How to nudge:

- Recommend, promote and guarantee
- Offer timed discounts
- Show stock or demand levels
- Increase payment choice, deferred payment and credit



EQ to smooth the emotional journey

Eliminate the negative and stimulate the positive emotions that are more conducive to sales.

How to nudge:

- Avoid deferral and be fair
- Build familiarity
- Consumer-centric checkouts
- Minimal data entry
- Reinforce security
- Be ready to help
- Offer transparent/flexible payment
- Make returns simple
- Communicate post-sale



How we are translating EQ into smooth payment solutions

Creating double digit uplift in sales conversion.



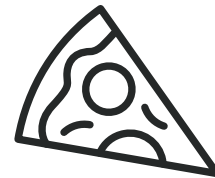
Pay now.

- **Friction-free**
- Faster
- Less data
- One-click



Pay later.

- **Fear-free**
- Spontaneous
- Instant
- Mobile-friendly



Slice it.

- **Guilt-free**
- Personalised
- Flexible
- Empowering

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Thank you.

