Payments business Klarna steps up luxury focus with YNAP partnership

By Matthieu Guinebault - 26 August 2021

Several weeks after its arrival in the French market, Scandinavian split-payment specialist Klarna has unveiled its ambitions for the luxury market. These ambitions are embodied in its new partnership forged with luxury portal Yoox Net-a-Porter.

As part of this partnership, all brands featured on the Yoox Net-a-Porter portal will be able to offer online shoppers three or four modes of split-payment per basket. The payment facility will first be applied to the version of YNAP dedicated to men ‘Mr Porter’ and then on the platform for the American, British, German, Austrian, Dutch, Italian, Spanish, Belgian, and Finnish markets. The addition of Klarna to the full page selection of Yoox and The Outnet will thus be rolled out over the coming six months.

This is a big move for Klarna. YNAP has reported that it has an active customer base of around 4.5 million internet users based in 180 countries. With a presence in Europe, the US, the Middle East, Japan, and China, the portal acts as an online gateway for luxury brands and accessible luxury brands. The e-commerce store is backed by the Richemont Group and also offers a number of its own label brands, for which it has been testing the tracing of its products since the end of 2020.

Klarna reports that it counts around 90 million active users worldwide with an average of around two million transactions a day. The business currently operates through partnerships with over 250,000 retailers including big names such as H&M, Nike, Sephora, Macys, Saks, Asos, Ralph Lauren, Abercrombie&Fitch, and Shein. Klarna also counts perfume and jewellery brand Bulgari as a partner along with La Perla and Proenza, tie-ups which marked its first steps into the luxury market. The business is supported by the Sequoia fund and, after being founded in 2005, it now counts 4,000 employees in 17 countries.

Klarna recently shared several insights into its business as it made its debut in the French market to attract the good graces of retailers in the country. According to the Swedish business, its users generally consume 20% more than other shoppers and un-completed orders are reduced by 44%. By splitting payment over four instalments, order values are also boosted by around 45%.