



Klarna Canvas

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Key Partnerships

Partnership with **Amazon** to provide the eCommerce giant with a bespoke BNPL solution. New banking infrastructure is powered by AWS.

Partnerships with well-known **Brands + Retailers** to test new BNPL products and checkout methods (ie. 'Try Before You Buy' using 30 Days to Pay)

Partnered with **Alipay** to provide eCommerce innovator with BNPL solution and access the Asian market.

Additional future partnerships *likely* as opportunity set expands.



Key Resources

Brand, Technology, Partners

- Klarna is the original BNPL player, largest in the world
- Building bespoke banking tech w/ AWS creates an advantage
- Partnerships are essential to scaling



Key Activities

New Banking Model, Scale in US

- New banking model opens new opportunities across Klarna's global markets
- US market poised to become bigger than Germany for Klarna in 2021



Value Proposition

The original Buy-Now and Pay-Later (BNPL) player.

- **30 Days to Pay** and **Pay in 4** products are the traditional BNPL model of no-interest, no fees
- **Financing** products is available for higher-value items
- **Savings Accounts** on the horizon, Challenger Bank model

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Customer Relationships

Merchant-centric, robust app

- The Customer Relationship with the consumers originates with the merchants
- Klarna app is used to deal with all payment details



Channels

Online/Offline. App and Card.

- Majority of BNPL transactions happen online, but retailers are starting to experiment with in-store options as well
- New Klarna card combines with app



Customer Segments

Klarna is the biggest pureplay BNPL player in the world currently (Q2 2020)

- More than 250,000 merchants, including major retailers, brands and eCommerce platforms
- **Early Adopters were Gen Y and Z**
- More than 90 Million users in 70 countries. Younger generations were bulk of early-stage users, but now Gen X and older generations are starting to adopt BNPL solutions



Cost Structure

Technology- Technology innovation on both core BNPL product and new banking infrastructure. Additional integrations with partner platforms

Credit + Loan Risk - As Klarna scales-up, they must manage the credit and loan risk. New Savings account may require new regulatory and compliance divisions within Klarna.



Revenue Streams

Pay in 4 and 30 Days to Pay: Klarna takes a transaction fee from the merchant of \$0.30 + 5.99%. Consumers are charged nothing as long as they make the payments on time

Financing product Klarna takes a transaction fee from the merchant of \$0.30 + 3.29%, plus applicable consumer APR