

The Try Before You Buy Phenomenon: Where Online Shopping and the Dressing Room Collide

Data from the
Pew Institute
indicates that:

73%

of people think shopping
online is convenient.

68%

think it saves them time.

75%

indicated they aren't comfortable
with giving out their credit card
and personal info.

43%

have been frustrated by
the lack of product details
available online.

In an era where nearly 80% of Americans shop online, consumers still have a conflicted relationship with eCommerce. Convenience is king, but not at the expense of satisfaction.

Remember those old dressing room days? As painful as that harsh overhead lighting was, there's something about being able to try before you buy that makes shoppers feel really great about what they're getting.

Smart retailers are recognizing this trend, and they're meeting the challenge head-on. The traditional limitations of the virtual world, like the inability to physically inspect an item and uncertainty over whether a product matches what they're looking for, can be overcome with a little innovation and ingenuity.

To match the try before you buy phenomenon, retailers are doing just that: offering online customers the same opportunity they have in store to see their goods before completing a purchase.

Removing payment friction at checkout lets shoppers get the chance to know they love a product before coughing up cash. And when customers are happy, sales go up.

To give you a better sense of this trending shopping option, we've broken down the origin of try before you buy, why consumers want this choice and how it can help your business achieve targeted customer acquisition and retention goals.

The Rise of Try Before You Buy

Consumers today are empowered with more choices, greater technology and the ability to dictate their own online retail journeys.

Traditionally, customers' only option when they didn't like an item was to go through the traditional return process. Whether in-person, or online, this took time and often caused unnecessary friction. Some retailers are starting to loosen their return policies to match customer demand with buy-online, return-in-store options. Try before you buy takes that customer experience to the next level.

Successful retailers that have set the tone for online shopping innovation and disrupted the space have been some of the earliest adopters of try before you buy products. Subscription ecomm models led the pack, with Trunk Club, one of the first subscription-based curated clothing businesses, allowing customers to receive products, try them on, and then decide to purchase. The concept eventually paved way for clothing services that personalize items to a customer's style.

Once a customer received an item, they had a defined period of time to either return the product, or keep and pay for it. This process put the customer in control of how and when they paid for specific items and allowed them to seamlessly send items they didn't want back to the retailer.

Another trendsetter in the try before you buy space is the eCommerce retailer **Zappos**. Zappos made a name for itself with a return policy designed around the concept of ensuring a customer liked the item before they fully committed to paying for it. In this instance, the retailer allows customers to keep the shoes for 30 days and return if they aren't the right fit.

Warby Parker, an online prescription eyeglass retailer, has built a business model around try before you buy. Customers select a number of frames to have shipped to them and then can return the ones they don't like. It's tough to truly know what something is going to look like without seeing it in person, especially when it sits on your face all day. Warby Parker recognizes this pain point, and puts the customer in control over their shopping experience. If the startup's market share says anything, the model is proving wildly successful for them.

When customers are put in control over their shopping experience, the chance of conversion increased sales goes up. Our data shows that retailers on average experience a 15% increase in sales with Klarna's 'Pay Later', when compared to credit cards.



We have experienced a significant increase in average spend. I think shoppers are enjoying the friction-free experience and modern feel of Klarna, as well as having the option of purchasing before pay day and then only paying if they keep the item.

Beren Gamble, eCommerce Director of AQ/AQ

Retailers are becoming more flexible in how they choose to let customers interact with their checkout options. Instead of limiting customers to paying for an item during the time of purchase, retailers can let customers make a confident decision on their terms.

How Try Before You Buy Meets Key Consumer Demands

Consumers are pretty transparent about what they want and how they want to pay. In our report with Retail Connect, the data collected indicates that try before you buy is an option consumers want.

The survey featured responses from 2,000 consumers, revealing that:



For retailers looking to integrate a try before you buy policy, there are some clear-cut benefits worth noting. We've broken down five benefits that try before you buy can have for customer experience and the ability to boost sales.

Simple and Convenient



With the right try before you buy solution, shoppers typically have between 14-30 days to pay an invoice without fees or interest. They don't have to enter their bank or card details at checkout, which gives shoppers peace of mind that their personal credentials are safe.

The same features that draws customers toward online shopping in the first place, (ease and convenience), can be replicated by the try before you buy payment option. Putting the customer in charge of their checkout experience gives consumers confidence in their online shopping experience.

Frictionless and Fast



Before online retailers can build loyalty, they must secure a customer's trust. Speed and experience are two key components of that.

With try before you buy, first-time customers only have to enter a few simple personal details to complete the transaction. This speeds up the process and reduces the chance of friction that leads to cart abandonment. Instead of worrying about buyer's remorse, shoppers can use the try before you buy option to quickly and seamlessly select items they're interested in without having to fully commit to purchasing. Not having to worry about a pesky return policy does wonders for consumer interest.

No Risk for the Retailer



Try before you buy should come at no risk to the retailer. For example, when working with Klarna, the retailer gets paid the minute the item is ordered. The funds are collected directly from the shopper within 14-30 days.

Try before you buy = no fear for the retailer. Customers are presented with transparent, easy-to-understand terms that allow them to choose if they want to purchase the item within the designated timeframe, or quickly and easily make a return.

Easier Customer Returns



Returns are one of the biggest hassles online retailers face. With customers to often trying to game the system, or return items outside of the allotted time frame, this can create plenty of headaches on both sides of the customer-retailer relationship.

Not to mention added costs on the retailer. When working with Klarna, goods are sent back to your warehouse and Klarna refunds the customer directly. Customers can postpone their payment due date while the return is processed. This makes customer returns easier and more convenient than the traditional method of returning in store.

Extra Protection



Trust is a major factor in the customer relationship. Once that line of trust is broken, it's nearly impossible to repair. Retailers must ensure their return policies are fully transparent and protect the customers from encountering problems in the process.

By working with a third-party payment provider that offers try before you buy, retailers can ensure they are covered by buyer protection that guarantees the customer only pay for goods they receive and keep. Customers remain happy and the retailers get paid.

Make Online Meet In-Store

Online represents the present, and future, state of retail but it's up to innovative merchants to set the tone for what that experience looks like. Delivering an "in-store experience" in the comfort of a customer's own home shows shoppers that brands want them to be confident with their purchase.

By integrating try before you buy into your online retail strategy, this helps you maintain a better customer relationship, increases the chance that customers will want to buy with your brand again, and puts the customer in charge of their own experience. The outcome of this checkout option benefits both sides of the online retail relationship, and is a smooth way to continue boosting sales and building loyalty through your eCommerce experience.

Ready to give customers more of what they want? [Talk to a Klarna payment expert](#) about how Klarna's 'Pay Later' can help your shoppers take the dressing room home.

The image features a large, dark grey circle centered on a background of overlapping, abstract shapes in light blue, brown, dark blue, and pink. The Klarna logo is centered within the dark grey circle.

Klarna.