Project 1 Submission: Agentic AI in the Real World

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Agentic AI at Klarna

Company: Klarna (Global Fintech & Payment Provider)

Company Basic Details

Detail	Description
Company Name	Klarna Group plc
Founded	2005
Headquarters	Stockholm, Sweden
Industry	Fintech, E-commerce Payment Solutions, Digital Banking
Public/Private	Public (Recently completed IPO on the NYSE under ticker **KLAR**)

1. What problem did they face?

Klarna has over 85 million active users and processes millions of transactions daily. This created a massive, 24/7 demand for customer support. Their human agents were overwhelmed with a high volume of repetitive questions, like "Where is my refund?" or "Can I change my payment date?" This was expensive, slow for customers (average wait/resolution time was over 11 minutes), and made it hard to scale support across all the different languages they operate in.

2. What AI agent did they make?

They built an AI-powered customer service assistant. This isn't just a simple chatbot that gives answers from a script. It’s an AI agent that can understand a customer's goal and then take actions to solve it. It’s integrated directly into their systems, so it can:

- Process refunds and returns.
- Manage payment plans and escalations.
- Answer specific questions about a user's account.

Basically, it acts like a digital full-time support agent that can handle complex, multi-step tasks from start to finish.

3. How do people stay in control?

This is the most important part. At first, the AI handled most chats, but Klarna realized people still wanted human help for confusing or stressful money problems. So, they built a "hybrid" system:

- **The AI handles the easy stuff:** It filters and solves about two-thirds of all inquiries (the common, repetitive ones) very quickly.
- **Clear "escape hatch":** A customer can ask to speak to a person at any time.
- **Humans handle the hard stuff:** This frees up the human support team to focus on the complex, high-empathy issues that an AI can't (and shouldn't) handle. The company's CEO even said it's "critical" that customers always know a human is an option.

4. What results did they get?

The results were huge and immediate:

- The AI agent is doing the equivalent work of **700 full-time human agents**.
- It handles **two-thirds of all customer service chats**—that was 2.3 million conversations in its first month.
- Customer resolution time dropped from **11 minutes to less than 2 minutes**.
- There was a **25% drop in repeat inquiries**, which means the AI is actually solving the problem correctly the first time.

5. Why did it work?

It worked because Klarna didn't just build a "chatbot"; they built an "agent."

- **It has power (autonomy):** The AI was given the authority and system access to *actually do things* (like issue a refund), not just talk about them.
- **It solved the right problem:** It was perfect for the high-volume, repetitive, and costly task of routine customer support.

- **They found the right balance:** They didn't try to replace all humans. They used AI for speed and efficiency and saved their human agents for tasks that require empathy and judgment. This combination of AI speed + human touch is what made it so successful.

Trusted Source

- LangChain Case Study: "How Klarna's AI assistant redefined customer support at scale"
    - **Link:** https://blog.langchain.com/customers-klarna/

LinkedIn Post

It's one thing to talk about "agentic AI" as a buzzword, but it's another to see it in the real world. For a project at Panaversity, I looked into how real companies are using it, and the Klarna case study is fascinating.

They didn't just build a chatbot. They built an AI *agent* to handle their customer service.

The Problem: Massive support volume, long wait times, and high costs.

The Agent: An AI that can actually solve problems. It doesn't just answer questions—it connects to their systems to process refunds, manage payments, and resolve issues end-to-end.

The Results:

➡️ Doing the work of 700 full-time agents.

➡️ Handling 2/3 of all customer chats (2.3 million in month one).

➡️ Slashing resolution time from 11 minutes down to 2.

But the real lesson isn't just the tech; it's the strategy. Klarna found the AI-human balance. The agent handles the high-volume, simple tasks, freeing up the human team for complex, high-empathy problems. Customers get speed for simple issues and human judgment for complex ones.

It's a perfect example of how AI agents aren't just about replacing tasks, but about restructuring workflows to be more efficient and more human at the same time.

#AgenticAI #AI #CustomerService #Fintech #Klarna #Panaversity #CaseStudy #ArtificialIntelligence