# Klarna. Payments

Magento Module User Guide for v4.x

# Table of Contents

Disclaimer

1 Introduction	3
2 Requirements 2.1 System Requirements	<b>3</b>
3.1 Fraud automatic order cancellation 3.2 Fixed Product Tax support 3.2.1 Including the additional tax in the existing tax order line: 3.2.2 Splitting the additional tax out into a "surcharge" order line:	<b>4</b> 4 5 5 5
4 Order flow 4.1 Changes to order flow 4.2 Fraud order rejection	<b>6</b> 6
5 Installation	6
<ul> <li>6 Configuration</li> <li>6.1 Setting access credentials</li> <li>6.2 Payment method configuration</li> <li>6.3 Payment method design</li> <li>6.4 Integration with other third party plugins</li> <li>6.4.1 OneStepCheckout™</li> <li>6.5 Magento configuration changes</li> <li>6.5.1 Tax configuration</li> <li>6.5.1.1 Tax Calculation</li> <li>6.5.1.2 Tax Calculation for non-US countries</li> <li>6.5.2.3 Tax Calculation for US</li> </ul>	7 7 8 9 9 9 9 9
7 Additional quote/order details 7.1 Additional quote details 7.2 Additional order details	<b>11</b> 11 11
8 Developer Section 8.1 Adding EMD data 8.2 Adding Additional Customer Data	<b>12</b> 12 12
9 Managing Orders 9.1 Orders Cancel an order	<b>13</b> 13 13
Revision 2020-06-23	1

3

14
14
15
15
15
16
16
17
17
18
18
18
18
agento
18
19
19
19

### **Disclaimer**

Klarna's Magento 1 plugins for Klarna Checkout and Klarna Payments are offered as-is. With the deprecation of Magento 1 by Magento, An Adobe Company, Klarna will no longer be maintaining the Magento 1 plugins. This includes the following:

- No feature requests for updated Klarna services will be completed
- No pull requests will be accepted
- No issues to code will be accepted
- Support requests to <a href="magento@klarna.com">magento@klarna.com</a> will receive a response in regards to the plugins no longer being supported.

Continued use of the Magento 1 plugins does not guarantee continued service with Klarna. Klarna's API can change over time. Any significant vulnerabilities discovered with the Platform or the implementation of Klarna's API may result in termination of services from Klarna. The user of this code assumes the full risk and accepts full responsibility for maintaining their Magento 1 site along with the implementation of Klarna into their site. This includes updating for changes to Klarna's API as well as any security vulnerabilities which may be encountered.

Klarna recommends merchant's to update their sites to a supported platform version (Magento 2 or re-platform). For more information on migrating to Magento 2, visit our guide <a href="here">here</a>. Klarna will continue to support our Magento 2 Klarna Payments Vendor Bundled Extension as well as the Magento 2 Klarna Checkout extension available on the Magento Marketplace. We are committed to continue to extend the Magento 2 offering to include the latest Klarna and Magento functionality for a smoooth payment experience for merchants and their consumers.

### 1 Introduction

Klarna has created a Magento Module to fully integrate Klarna Payments. Klarna Payments includes Klarna products within an existing Magento checkout.

# 2 Requirements

#### 2.1 System Requirements

- Supported Magento Version:
  - o Community Edition 1.8 or 1.9
- PHP 5.6 (no longer supported after Dec 31, 2018 due to reaching End Of Life)
- PHP 7.2

## **3 Feature Overview**

### 3.1 Fraud automatic order cancellation

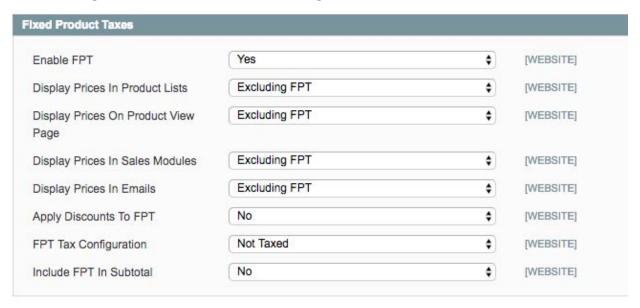
If fraud prevention review has been enabled for a merchant, the Klarna Payments Module will automatically cancel orders that are flagged as fraudulent. Orders will be put into a fraud pending state to prevent progression of an order until the fraud state of an order is determined.

Fraudulent orders will be cancelled both in Klarna and Magento.

### 3.2 Fixed Product Tax support

Klarna Payments provides support for Magento's Fixed Product Tax configuration. However, it is only supported using the following settings:

3.2.1 Including the additional tax in the existing tax order line:



3.2.2 Splitting the additional tax out into a "surcharge" order line:



### 4 Order flow

#### 4.1 Changes to order flow

In certain markets, orders are placed into the state of pending payment when placed by a customer. This happens for several reasons:

- The order has been created by Klarna and is pending fraud review.
- The order has been created by Klarna but is not ready for invoicing.

A notification from Klarna will be sent to Magento to update the status of an order. Once the order is ready for capture, the order will move to processing and will be ready for invoicing and shipping.

#### 4.2 Fraud order rejection

If Fraud Prevention Review is enabled during setup with Klarna, some orders may remain in a pending payment state for up to 24 hours. Most orders will have instant decision. If the order is determined to be fraud the order will automatically be rejected and cancelled in Magento.

#### 5 Installation

It is recommended to test the installation process on a test environment before deploying to your production environment.

First confirm that 'Compilation Mode' is disabled via the admin by following the path:

System ⇒ Tools ⇒ Compilation

If the compiler status is 'Disabled', you may proceed with the installation. If not, simply click the 'Disable' button on the right hand side of the screen.

Extract the provided archive into your Magento root directory. Files should automatically be placed in the correct path. On Linux systems this can be achieved by running the following command: tar -xvzf modulename-4.x.x.tar.gz

Once the module package has properly been installed, the Magento Cache will need to be cleared. This can be achieved via the admin of your Magento store by following this path:

System 

Cache Management

Click 'Flush Magento Storage'. This will clear your whole Magento cache. It may be necessary to only clear 'Configuration' and 'Layout' caches. However, clearing the full cache is recommended.

# **6 Configuration**

Klarna Payments can be integrated quickly with a few configurations. Further options can be set to fulfil the needs of the store.

### 6.1 Setting access credentials

Access credentials for all Klarna modules are set in a single location.

These settings can be found by following the admin navigation path of:

System ⇒ Configuration ⇒ Klarna ⇒ General ⇒ Credentials

Option	Description
API Version	The API version you should connect to. This is based off of your region.
Merchant ID	Your merchant ID for API interaction. (Provided to you by Klarna)
Shared secret	Your private password for API interaction. (Provided to you by Klarna)
Order Management	Select which Order Management module to use.
Test Mode	If enabled, request will be made to the Klarna Playground.
Debug Mode	API request to Klarna are logged in the default log directory.

### 6.2 Payment method configuration

Klarna Payment payment method options can be configured via the following path:

System ⇒ Configuration ⇒ Sales ⇒ Payment Methods ⇒ Klarna Payments

Option	Description
Enabled	Enable or disable Klarna payments
Title	Payment method title in checkout
Payment from applicable countries	Restrict payment to specific countries.
Payment from Specific countries	Select which countries to restrict to.
Pre-screen	Enable if pre-screen is enabled by Klarna.
Data sharing	Provide customer information before selecting Klarna.
Sort Order	Order of method in the payments area of checkout.

## 6.3 Payment method design

Payment method design options can be configured via the following path:

System  $\Rightarrow$  Configuration  $\Rightarrow$  Sales  $\Rightarrow$  Checkout  $\Rightarrow$  Klarna Payments Design

Option	Description
Details color	Modify the color of details text.*
Button color	Modify the color of buttons.*
Button text color	Modify the color of button text.*
Checkbox color	Modify the background color of a checkbox.*
Checkbox check mark color	Modify the color of the checkbox checkmark.*
Header color	Modify the color of headers on checkout.*
Link color	Modify link color.*
Border color	Modify border color.*
Selected border color	Modify the selected border color.*
Text color	Modify the text color.*
Secondary Text color	Modify the text color.*
Border radius	Border radius. e.g. 5px

<sup>\*</sup>CSS hex color e.g. #C0FFEE

#### 6.4 Integration with other third party plugins

#### 6.4.1 OneStepCheckout™

Klarna Payment and Klarna Direct Debit currently supports OneStepCheckout™ (vender website: <a href="https://www.onestepcheckout.com">https://www.onestepcheckout.com</a>) on Magento 1 platform only, the recommended version of OneStepCheckout™ is 4.5.8.

NOTE: version 5.0.1 of OneStepCheckout is **very** buggy when used with Klarna Payments. The bugs are with OSC and not with Klarna Payments. For this reason we recommend using 4.5.8.

There are few specific settings need to be applied in order to make Klarna Payment module works together with OneStepCheckout™:

- In System ⇒ Configuration ⇒ Sales ⇒ OneStepCheckout ⇒ Display order of fields, ensure field "Postcode" is positioned underneath any other fields
- In System ⇒ Configuration ⇒ Sales ⇒ OneStepCheckout ⇒
   Registration ⇒ Registration Mode, do not select "allow guest and logged in users", if you want to allow guest customer to register account, choose "enable registration on success page"
- In System ⇒ Configuration ⇒ Sales ⇒ OneStepCheckout ⇒ General ⇒ Default Country, this need to match a country your merchant ID support or the default country for your Klarna payment configuration.
- For Klarna Payment, some countries region/state or postcode is not compulsory and is contradicted with the default configuration of Magento. Change the Magento settings in System
   ⇒ General => General => State Options => State is required for to match the Klarna Payment.
- There is an issue with OneStepCheckout and trying to set the "default payment method". Please do not use this setting.

#### 6.5 Magento configuration changes

Some changes may need to be made to Magento to best integrate with Klarna.

### 6.5.1 Tax configuration

The below tax configuration is necessary for tax to be calculated and communicated properly between Magento and Klarna

#### Navigate to:

System ⇒ Configuration ⇒ Sales ⇒ Tax

#### 6.5.1.1 Tax Calculation

- "Tax Calculation Based On" should be set to "Shipping Address"
- "Apply Customer Tax" must be set to "After Discount"

#### 6.5.1.2 Tax Calculation for non-US countries

- "Tax Calculation Method Based On" should be set to "Row Total"
- "Catalog Prices" must be set to "Including Tax"
- "Shipping Prices" must be set to "Including Tax"
- "Apply Discount on Prices" must be set to "Including Tax"

### 6.5.2.3 Tax Calculation for US

- "Tax Calculation Method Based On" should be set to "Unit Price"
- "Catalog Prices" must be set to "Excluding Tax"
- "Shipping Prices" must be set to "Excluding Tax"
- "Apply Discount on Prices" must be set to "Excluding Tax"

## 7 Additional quote/order details

Some Klarna details on an order are stored in separate tables created by the Klarna module. All tables created by Klarna are prefixed with 'klarna\_'.

#### 7.1 Additional quote details

Additional details about a quote are stored on the table 'klarna\_payments\_quote'.

#### This table stores:

- The Klarna payment session ID for the quote.
- A column for is\_active. Which is used to store if the session is still active for the quote.
- A quote\_id for the customer checkout quote.
- A payment\_method column that identifies which payment method (Klarna Payments or Klarna Direct Debit) the session is for
- A pament\_method\_categories column with JSON data about the specific Klarna payment options provided for that session

The details associated with a quote are best loaded with the Klarna quote model Klarna\_Kp\_Model\_Klarnaquote.

#### For example:

```
$klarnaQuote = Mage::getModel('klarna_payments/quote')->loadActiveByQuote($quote);
```

#### 7.2 Additional order details

Additional details about an order are stored on the table 'klarna order'.

#### This table stores:

- The Klarna Payments session ID for the order.
- The Klarna reservation ID for use when capturing an order.
- The order\_id for the customer order.
- Is\_acknowledged is used to note that Klarna has pushed a notification to Magento saying an order has been created. And Magento has acknowledged receipt of the order and the notification to Klarna.

The details associated with a quote are best loaded with the Klarna quote model Klarna\_Core\_Model\_Klarnaorder.

#### For example:

```
$klarnaOrder = Mage::getModel('klarna_core/order')->loadActiveByOrder($order);
```

## 8 Developer Section

### 8.1 Adding EMD data

Developer can add extra merchant data by creating their own custom module by following the guidelines below:

1. In config.xml file, add a section like below to register new attachment data collector <klarna>

 Attachment data collector class need to extend class from Klarna Payment module Klarna\_Payments\_Model\_Payment\_Attachment\_Abstract
 See example:

```
Klarna_Payments_Model_Payment_Attachment_Default
```

3. A sample magento module for demonstration propose can be found at: [Link to M1 sample module]

#### 8.2 Adding Additional Customer Data

Developer can add additional customer data by creating their own custom module by following the guidelines below:

1. In config.xml file, add an observer to observe event

klarna\_payments\_get\_customer\_update\_data

2. The observer function hooked onto this event will look like below

```
$customerData = $observer->getCustomerData()->getData('customer_info');
$customerData["additional data"] = "any value";
$observer->getCustomerData()->setData('customer_info', $customerData);
```

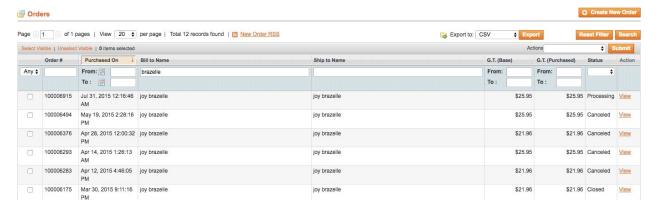
# 9 Managing Orders

#### 9.1 Orders

To get an overview of all transactions, navigate to Sales >Orders.



### All of the orders display.



#### Cancel an order

An order can be cancelled before it has been captured. To cancel the order, open the order and click Cancel. This will cancel the order in both Magento and Klarna.



### Make a full capture

An order is not completed until it has been captured in Klarna. To capture an order, open the order and click on Invoice.



### then Capture Online > Submit Invoice.



**NOTE:** Using Capture offline, will only update Magento, not Klarna.

### Make a partial capture

To make a partial capture, open the order and click on **Invoice**.



Update the quantities to the amount that you want to capture.



#### Invoice distribution

If you have set **Send invoice via e-mail** to **Yes**, the invoice will be sent out to the customer upon capturing the order.

#### Refunds

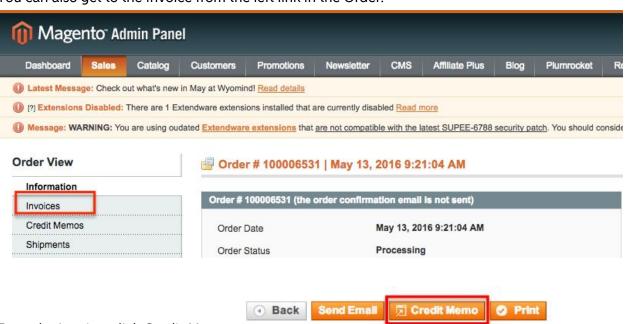
#### Credit memo

Refunds are created in Magento using Credit Memos. Refunds are not done on the Order, but on the Invoice.

Select the desired order from the Invoices list. Click Credit Memo to refund the order order.



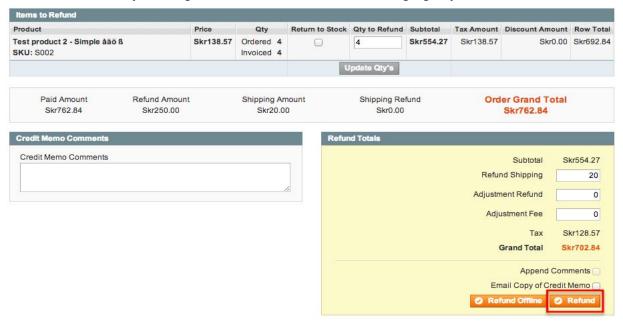
You can also get to the Invoice from the left link in the Order.



From the Invoice, click Credit Memo

#### Make a full refund

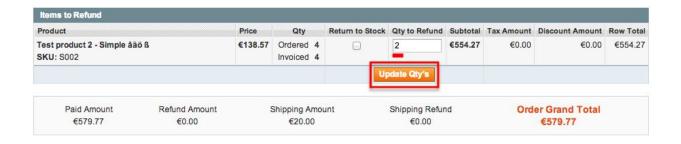
Make a full refund by clicking the **Refund** button without changing any of the amounts.



**NOTE**: Using *Refund Offline*, only updates Magento, not Klarna. Always use **Refund** when adjusting the order in Credit Memo.

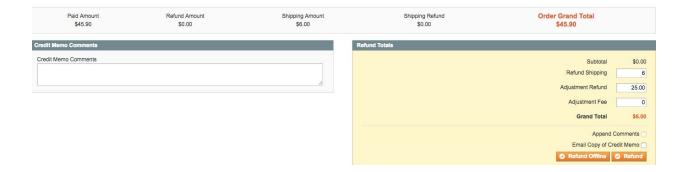
#### Make a partial refund

Refunding a partial order is done in the Refund items section. There you can change the quantity of the items to refund.



#### Refund an amount

Refund a dollar amount by changing the Qty to Refund to 0 and entering the amount in the Adjustment Refund. The amount refunded cannot exceed the total order amount.



### Create an adjustment fee



The Adjustment Fee subtracts a dollar amount from the total refund.



### **10 FAQ**

#### 10.1 Can KP and KCO both be used in the same site?

You cannot use both Klarna Payments and Klarna Checkout in the same website. You can use it in the same Magento instance as long as you setup separate websites and have your Klarna contract allowing both products. To continue those discussions please speak with your Account Manager / Implementation Expert or contact a Klarna sales representative if you don't already have a contract with us.

#### 10.2 Contract changes?

When you want to change your contract you should contact merchant support.

Merchant Support Contact Info

AT: https://www.klarna.com/at/verkaeufer/haendlersupport/

BE: https://www.klarna.com/be/zakelijk/webwinkelsupport/

DE: https://www.klarna.com/de/verkaeufer/haendlersupport/

DK: <a href="https://www.klarna.com/dk/erhverv/butikssupport/">https://www.klarna.com/dk/erhverv/butikssupport/</a>

FI: https://www.klarna.com/fi/yritys/kauppiastuki/

NL: https://www.klarna.com/nl/zakelijk/webwinkelsupport/

NO: https://www.klarna.com/no/bedrift/butikksupport/

SE: https://www.klarna.com/se/foretag/butikssupport/

UK: <a href="https://www.klarna.com/uk/business/merchant-support/">https://www.klarna.com/uk/business/merchant-support/</a>

US: https://www.klarna.com/us/business/merchant-support/

# 10.3 Multiple currencies/store views: Why can't we support multiple currencies per Magento website / Why can't we support multiple store views per website

Magento uses a base currency that is configured at the website level (not store view) along with tax configuration done at the website level (not store view). To avoid rounding and mismatch issues we only work with base currency and do not support using display currency (which is used by the currency switcher). So if you want to support multiple currencies you will need to setup multiple websites (with different URLs, configured in Magento at the "Website" level, not store view) for each currency.

Klarna settles with the merchant using the contract agreed currency. This can lead to settlement issues due to conversion mismatches (Magento converted the currency between display currency and base currency using one conversion and Klarna does the conversion using a different conversion - likely due to the conversions happening on different days since the capture/invoice doesn't usually happen on the same day the order is created or even the same day Klarna settles with the merchant)

## 11 Troubleshooting

If not properly configured, Klarna Payments may fail to initialize. There are several methods to help debug exactly what causes Klarna Payments to fail to load.

#### 11.1 Enable debug mode

A file will be created in your var/log directory named 'kco\_kasper\_api.log' or 'kco\_kred\_api.log' that includes the request and responses. The log file name is dependent on your market. It is recommended to disable this log when using live credentials and to delete copies of the log on the server.

Klarna APIs will respond with verbose details that cause checkout to load. Review the logs to help debug.

To enable debug mode navigate to:

System  $\Rightarrow$  Configuration  $\Rightarrow$  Klarna  $\Rightarrow$  General  $\Rightarrow$  Credentials

Set the option 'Debug Mode' to 'Enabled'.

#### 11.2 Contact Klarna

Klarna is always happy to work with merchants to help resolve implementation issues. Reach out to your Klarna Representative for assistance.