Solution Brief:

2Checkout Subscription Billing

The recurring revenue tool that maximizes customer lifetime value

2checkout

Overview

2Checkout is the leading digital commerce platform that lets you sell online quickly. As a customer, you will benefit from a rich set of features that allow you to transact at every customer touchpoint, work with individual sales or subscriptions, and reach your target audience globally - all in one seamless solution with rapid setup and cloud scalability.

Our flexible Avangate Monetization Platform enables you to meet your customers' needs no matter what products you are selling or in which country.
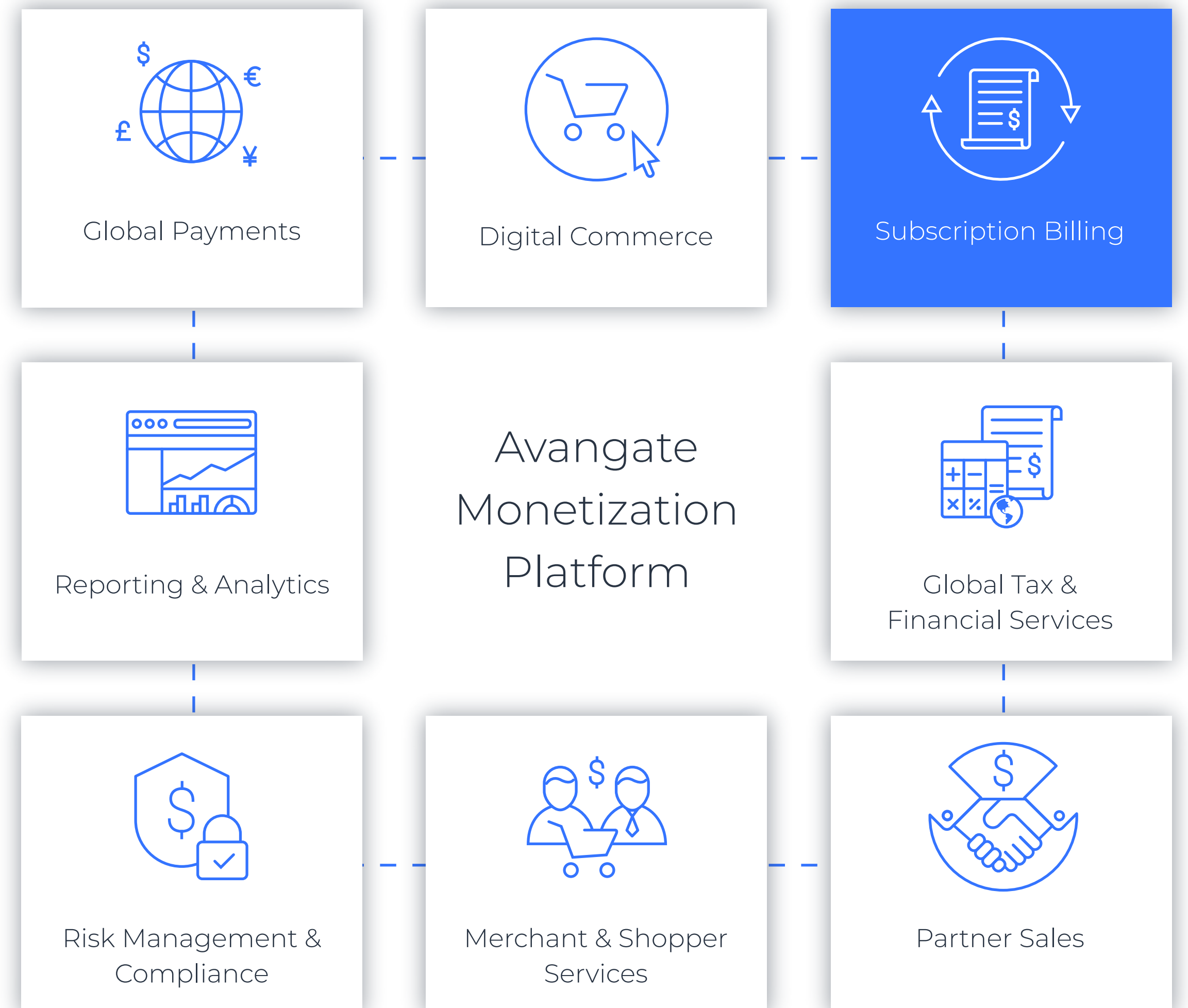
Integral to the Avangate Monetization Platform, our **Subscription Billing** capabilities offer merchants an industry-tailored, customer-centric solution – designed for software, SaaS, cloud services, as well as tangible goods with subscriptions attached to them.

Our solution places your end-customer at the center of each interaction and enables advanced subscription management with full transactional capabilities at every customer touch point. In a nutshell, our powerful subscription management and recurring billing solution allows you to offer customers the frictionless, no-hassle experience they demand.

You'll be able to:

- ✓ Launch subscription products quickly and easily
- ✓ Retain and service your customers
- ✓ Maximize recurring revenues across any channel
- ✓ Maximize opportunities from every customer interaction

Let's see some highlights of our subscription billing capabilities.

Global Payments

Digital Commerce

Subscription Billing

Reporting & Analytics

Avangate Monetization Platform

Global Tax & Financial Services

Risk Management & Compliance

Merchant & Shopper Services

Partner Sales

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Key Features & Benefits

Sell Subscriptions Easily Across Channels

- ✓ Flexible pricing and packaging and an advanced rating engine allow for rapid innovation with new combinations and bundles or advanced rate plans.

- ✓ Enhanced checkout experience will help you sell subscription plans quickly and easily. PCI-compliant, optimized and localized checkouts as well as multiple ordering flows are available.

- ✓ Subscriptions sales across channels: online direct, in-app purchasing, channel sales via distributors, resellers or affiliates ensure customers can act as soon as they're ready; you can easily incentivize your partners for long-term business.

- ✓ Quickly configure, measure and optimize the purchasing experience and set up promotional, cross- and up-sell campaigns, and other programs. Email marketing tools are also at your disposal.

ACQUISITION

ONBOARDING AND ACTIVATION

Digital Commerce Lifecycle

RENEWAL

UPGRADING & CROSS-SELLING

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Subscription Management

Our subscription management capabilities will help you handle everything related to subscriptions – from sales across channels, to contract amendments, prorations, co-terminations, trial extensions, partial refunds, billing discounts, grace periods, and credit card updates, ensuring customer accounts are always in good shape.

Product Catalog

Quickly set up and manage your subscriptions plans from our intuitive dashboard: configure plan options and bundles and set up notifications with just a few clicks. Bulk imports available.
Complex plan configurations coupled with advanced product catalog management allow for multiple pricing configurations across currencies for a single product, to reduce SKU proliferation.

Pricing Plans

Any pricing model is supported and can be adjusted on the fly:
Regular subscriptions, usage-based, hybrid, one-time charge, and more!
Discounts, grandfathering, regional pricing, tiered, custom, or variable pricing are also available.
Flexibility enables rapid go-to-market with new combinations and advanced rate plans.

Billing Models

Bill customers with any frequency that makes sense – monthly, yearly, bi-weekly, or any other period.
Flexible contract length.
Pre-and post-paid billing are also provided.

Rating Engine

The rating engine helps you support multiple billing models and pricing plans and uses automation to reduce administration resources and financial errors. Prorations are also supported for upgrades, downgrades, or any other changes.

Order Management

You can manage free and paid trials, support group/enterprise sales, and bundles.
Detailed order management reporting is available out of the box as well as through customizable reports.

Invoicing

Your customers will receive easy-to-understand invoices, sent to them automatically.

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Integration, Data Import and Ownership

API

Connect the subscriptions storefront to your own website or app with powerful APIs. Utilize the 2Checkout APIs to manage subscription details, access payment data, resend invoices, handle product info by SKU, track orders by source, manage multiple refunds, extract complex ordering data, and monitor subscriptions billing and contract cycles.

Push Notifications

Event-triggered push notifications provide complete transparency, covering everything from accounts (new, changes, past due) and orders to invoices, cancellations, fulfillment and delivery.

Easy Data Import

You can easily import orders, subscriptions, product plans, or customers. If you move from your current billing solution and have access to payment information, 2Checkout can work with you to transition the data seamlessly.

Data Ownership

Unlike the way some of our competitors work, with 2Checkout you own your customer and subscription data, not us. We will work with you to seamlessly set up an import of your customer data, to avoid service disruption and prevent locked business.

Global Payments Support for Recurring Billing

Offering several payment methods on acquisition is a start, but how are you going to manage automatic renewals? With 2Checkout, you have extensive payment options for recurring billing, at the global level.

Want to learn more about our supported payment methods? Download the 2Checkout Payment Method Coverage datasheet from our website:

READ DATASHEET

Get Users Up and Running Quickly

- Free or paid trial activation and follow-up.
- Engagement for onboarding and activation.
- Order, invoicing and billing automation.

Accelerate onboarding and activation with self-service support via an API-based customizable hosted customer portal and assisted support for subscription management, payment or order related issues.

Manage Upgrades or Downgrades Seamlessly

- Single-click in-app purchasing simplifies not only customer purchases and renewals, but also upgrades and even downgrades when necessary.
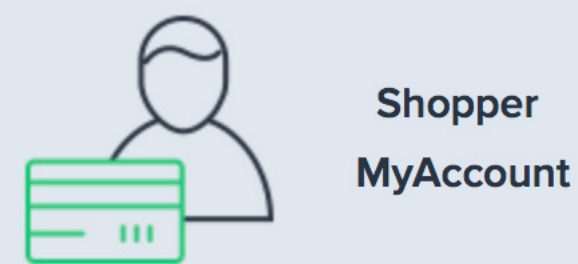- Automatically generated system notifications help improve conversions.

Boost Renewal Revenue and Retention Rates

✓ Deliver the optimal mix of self-service and assisted support for a positive user experience that will lead to improved renewal rates.

✓ Employ both voluntary and involuntary churn prevention capabilities to decrease churn and prevent recurring revenue *leakage*.

✓ Support subscriptions via indirect channels: Advanced partner tools enable resellers and other indirect channels to support combinations of subscription sales and renewals. Direct renewals allow end customers to self-renew online and keep channel partner attribution, minimizing channel conflicts.
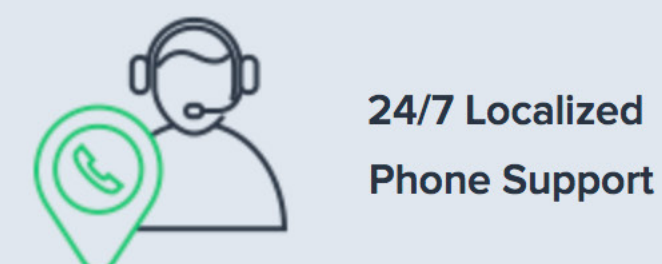
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Deliver the Optimal Mix of Self-Service and Assisted Support for a Positive User Experience

Shopper MyAccount
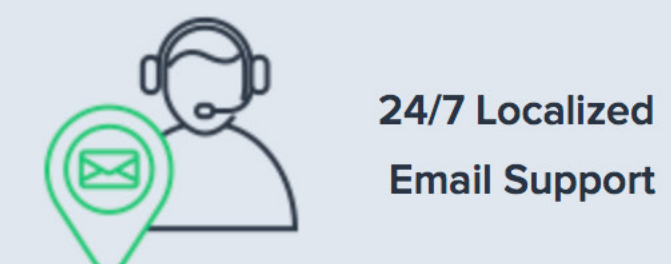
24/7 Localized Phone Support

24/7 Localized Email Support

- ✔ An intuitive, on-demand self-service interface empowers customers to support and service themselves, including tracking orders, managing subscriptions or payment information.

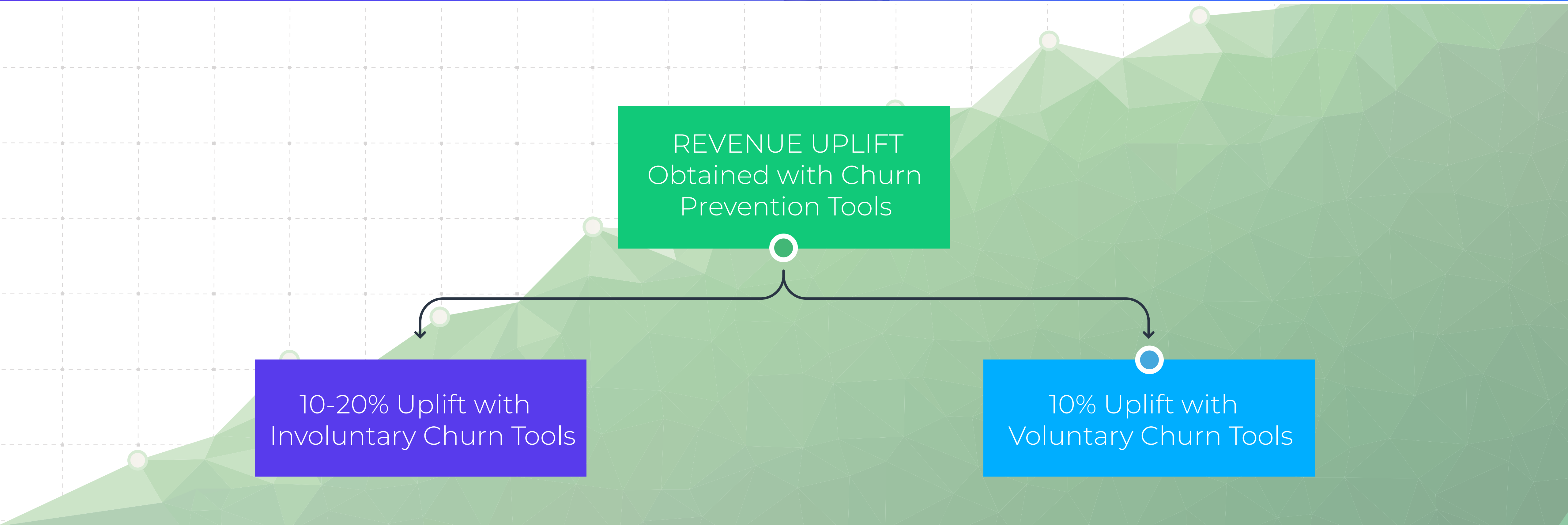- ✔ The myAccount area can be seamlessly integrated with your own product dashboard or account area.

- ✔ Powerful account management tools enable CSRs and telesales agents to have a 360- degree view of the customer account and easily update their billing information, change subscriptions plans, process new orders (with existing or new payment info), issue refunds and upsell new products or trials, helping customers resolve complex issues or transactions quickly.

- ✔ Advanced CRM features, including campaign and lead management, customized email templates and tracking, all help to reduce churn and increase retention.

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Voluntary Churn Prevention

Leverage proactive capabilities to deepen loyalty, increase renewals and generate additional revenue. Voluntary churn prevention capabilities, 2Checkout's Active Conversion Tools (ACT!), include:

- ✓ Email offers and reminders: the timing and frequency of your renewal reminders are important.
- ✓ Subscription enrollment and migration campaigns for transitioning your manual renewal customers to auto-renewal.
- ✓ Pause Subscription: Decrease churn by allowing your customers to set a pause period for their subscription instead of canceling.

- ✓ Campaigns and tools to convert terminations into continued subscriptions: counter customers' decision to cancel with the right combination of discounts and service incentives at the point of exit.
- ✓ Survey tools: collect feedback from churning customers and cycle their input back into your products/services as optimizations. Use this feedback to identify and reach out to your customers with personalized messaging.

Notifications Examples

Subscription with Manual Renew

Welcome Email	Upgrade	Renew Early & Save 15%	Renew Early & Save 25%	Expiry Save 50%	Winback Save 70%
Day 1	Day 30	Day -30	Day -7	Day 0	Day 1, 7, 30

Involuntary Churn Prevention

Involuntary churn is split between two categories: hard and soft declines.

HARD DECLINES

Hard declines are permanent authorization failures that cannot be recovered and should not be retried. Range from 10-20% of total declines.

SOFT DECLINES

Soft declines are temporary authorization failures which may be successful after a subsequent attempt. Range from 80-90% of total declines.

Reasons include: Stolen or lost cards | Invalid credit card data | Account closed

✔ **How we tackle them:** Trying alternative payment methods | Call center and email marketing | Dunning Management

Reasons include: Insufficient funds | Card activity limit exceeded | Processing failures — timeouts | Expired cards

✔ **How we tackle them:** Recycling strategies, such as payment routing and expired cards optimizations

Up to 20% Revenue Uplift with 2Checkout's Revenue Recovery Tools

Customers want to cancel, or renewal payments don't go through? Our Revenue Recovery Tools are lined up for the rescue with up to 20% revenue uplift effect.

Account Updater Service

Ensures billing continuity for active subscriptions and salvages over 90% of otherwise unusable cards used for recurring billing
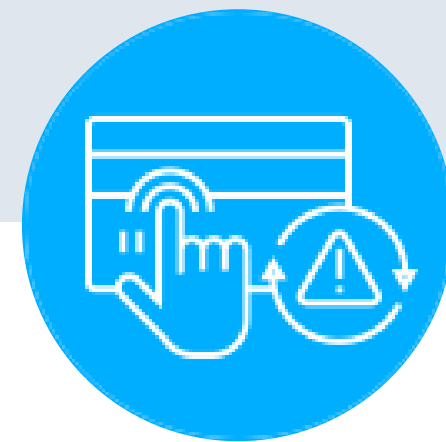
Internal Account Updater

Increases authorization rates for expired cards by up to 4%

Advanced Retry Logic

Recovers up to 20% of failed transactions due to soft declines

Dunning Management

Recovers revenue even from hard declines

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Track Your Subscription Business Closely with Advanced Reporting. Customer OneView

With 2Checkout, you will have access to a centralized customer management dashboard, including support for role-based access control and advanced reporting:

- ✔ Customer OneView graphical reporting helps you understand the B2B and B2C customer value to the business at a glance, by region and product lines and across all channels.

- ✔ Subscription reporting and analytics include cohort analysis and MRR, renewals-expirations, renewal forecast, trial conversion rates reports, and more, providing the data and analytical tools to manage your subscription business and help it grow, forecasting revenue more effectively and efficiently.

Here are some reporting samples:
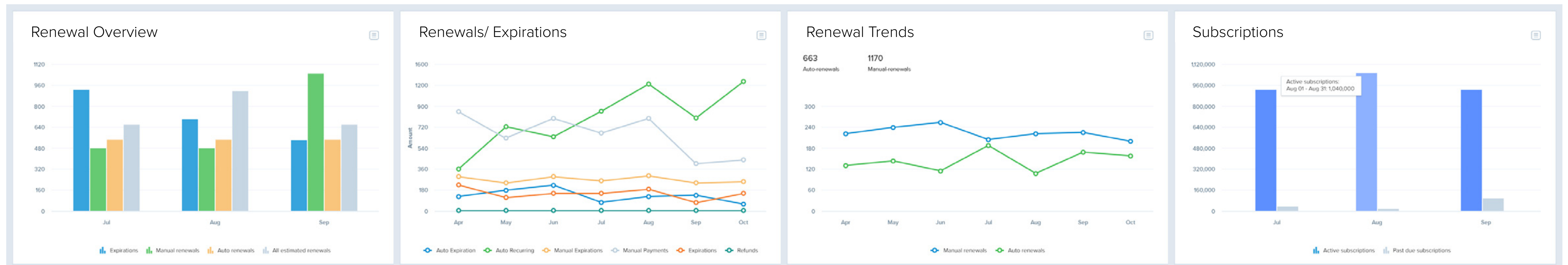
Industry's 1st Authorization Dashboard

Use the 2Checkout Authorization and Revenue Recovery Dashboard to monitor the impact of your recovery strategies. Use the insights to adjust and optimize your tactics to reduce churn, recapture more revenue and increase customer life-time value.

Authorizations overview

91	5,427	5,131	94.55%	232,714.05 USD
Auto-renewals	(7,210 total) Authorization attempts	Successful renewals	Authorization rate	Auto-recurring revenue

Basic revenue recovery tools

Account updater

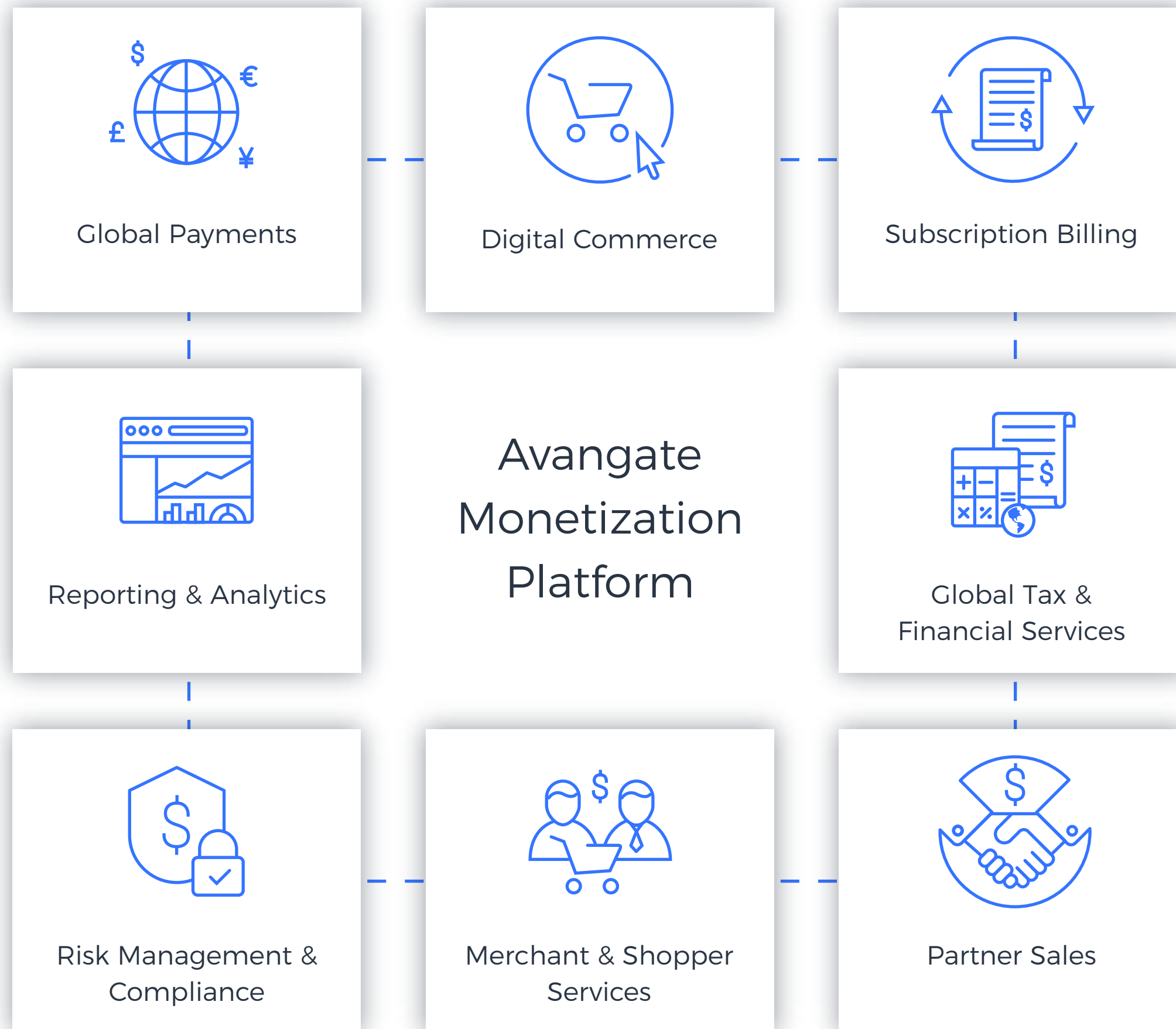| 60	46	76.67%	5,837.95 USD
Subscriptions with updated cards	Successful renewals	Authorization rate	2.28% of total Revenue

Basic retry logic

511	479	139	29.02%	5,837.95 USD
9.18% of total Auto-renewal retries	8.83% of total Retry attempts	Successful renewals	Authorization rate	2.35% of total Revenue

Advanced revenue recovery tools

2Checkout updater

50	28	56.00%	5,833.87 USD
Subscriptions with updated cards	Successful renewals	Authorization rate	2.51% of total Revenue

Advanced retry logic

289	289	91	31.49%	5,837.95 USD
5.19% of total Auto-renewal retries	5.33% of total Retry attempts	Successful renewals	Authorization rate	2.51% of total Revenue

Dunning management

80	7	7	100.00%	332.25 USD
Hard declines	Updated Card attempts	Successful renewals	Authorization rate	0.14% of total Revenue

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Want to learn more about the 2Checkout capabilities?

Learn more on the 2Checkout website.

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Looking for more technical info?

Visit our Knowledge Base at https://knowledgecenter.2checkout.com/

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Ready to Sell Subscriptions Worldwide, Hassle-Free?

Our products contain different subscription management and billing capabilities, from simple recurring billing to advanced tools. For more details, compare plans and choose the best commerce solution based on your business and go-to-market needs:

2SELL	2SUBSCRIBE	2MONETIZE	ADD-ONS
Accept mobile and online payments from buyers worldwide	Subscription management solution to maximize recurring revenue	Full commerce solution built for digital goods sales	Additional services to boost online sales

For businesses that wish to scale to their maximum potential, we offer dedicated support with premium onboarding, custom integrations, professional services, or affiliate network. Contact our sales team and we will find the best solution for your needs.

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About 2Checkout

2Checkout is the leading all-in-one monetization platform for global businesses. It was built to help clients drive sales growth across channels and increase market share by simplifying the complexities of modern commerce like global payments, subscription billing, merchandising, taxes, compliance, and risk, so they stay focused on innovating their products and delivering exceptional customer experiences.

Get more information at www.2checkout.com

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