

Efficient Tactics to Reduce Voluntary Churn

Recurring revenue depends on delivering your customers the desired outcomes and a great user experience.

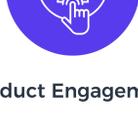
When your customers fail to achieve the promise of your product, have a poor experience, do not need or cannot afford to pay, they are likely to churn.



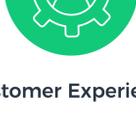
What is Voluntary Churn?

Voluntary churn occurs when a customer decides to cancel their subscription or downgrade from a paid version.

Preventing voluntary churn requires the right combination of:



Product Engagement



Customer Experience



Perceived Value

Finding the right tactics and tools to prevent voluntary churn can increase your recurring revenue. Analyzing data for important churn signals and renewal insights and getting customer feedback are the first steps to take, but not the only ones! We want to share a digital commerce perspective, where your eCommerce and payment processing solution can bring additional help.

REMEMBER

Increasing your [customer retention](#) by 5% can increase your company's profitability by 75%. Every little bit of help counts!

How Can You Fight Voluntary Churn?

Send Upcoming Renewal Notifications



HOW?

Notify your subscribers in advance about their upcoming renewals – send reminder emails according to your subscriber's renewal status, to build trust.

WHY?

Automatically renewing users without notifying them is not just a lack of common courtesy – it can create frustration and increase your refund and chargeback rates. For manual renewals, several reminders will help increase renewal rates and will provide additional satisfaction when service is uninterrupted.

Use Renewal Discounts



HOW?

Build discount campaigns that apply to all or specific upcoming recurring charges of a subscription plan and target certain customer segments with discounted renewal rates. Make sure to offer specific discounts early, before their subscription is due to be renewed.

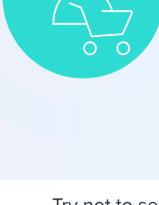
WHY?

To build long term relationships with your users, a renewal discount is an effective incentive to show them you value their business.



Renewal rates can go up to 15% when subscribers renew their services at a lower price.

Create Early Renewal Campaigns



HOW?

Forget the monotony only communicating during "renewal season." Sending (very) early reminders about upcoming subscription renewals, with an added discount included, increases your chances for renewal. Remember to schedule reminders well before the subscription plan reaches its expiration date.



Try not to send too many emails, however – you do not want to annoy your customers – but it is important to remind them about the benefits of using your products or services.

Pause Subscription Option



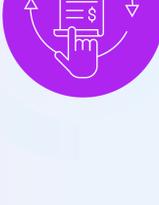
HOW?

Give your subscribers the opportunity to postpone recurring charges for their subscription plan. This is a great feature to use, as some customers might not want to cancel altogether and just need a breather.

WHY?

10% of customers who cancel auto-renewal would actually just prefer to [pause their subscriptions](#).

Manual Renewal Offer



HOW?

If your customers on auto-renewal want to disable their subscription, give them the alternative to switch to a manual plan as part of the cancellation flow. They will appreciate the extra control and manual renewal is preferable to churn.

WHY?

Users expect flexibility from the services they are subscribed to, not a rigid approach.

Auto-Renewal Enrollment



HOW?

Encourage customers on manual renewal to switch to automatic renewal through dedicated enrollment campaigns.

WHY?

Enrolling users into auto-recurring accounts generates [3X higher retention](#).



For promoting the auto-renewal option, you can use email offers, in-product and customer portal messaging, support touch-points, and migration campaigns.

Cancel Inactive Auto-Renewal Accounts



HOW?

Keep a close eye on product usage. There's no point in auto-renewing a subscription that hasn't been used in months or more. Avoid chargebacks in these situations by notifying your customers about their inactivity before you charge them for another billing cycle.

WHY?

If the customer doesn't need your product at that moment, they'll be grateful you were proactive and may even come back for your services at a later point, plus you'd easily get a good referral for transparency.

Subscription Cancellation Feedback



HOW?

Some of your customers will inevitably churn, and while analyzing churn data will give you plenty of insights, you still won't get all the nuances. Make sure to ask these users for feedback through exit surveys, to discover the reasons for their choice.

WHY?

Getting feedback from users can help you better structure your services in order to retain customers and gain new ones in the future.



68% of customers leave because they think a company doesn't care about them. By asking why they want to leave, they might feel better and decide to stay.

Learn more about the necessary capabilities for combating churn

Discover how 2Checkout subscriber retention tools can help improve retention rates and maximize recurring revenue for your business.

[READ NOW](#)

2checkout
is now **Verifone**

[facebook.com/2Checkout.2CO](#)

[twitter.com/2Checkout](#)

[linkedin.com/company/2checkout](#)

[instagram.com/2checkoutinc](#)

[www.2checkout.com](#)