

2Checkout Subscriber Retention Tools

Solution Brief



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Overview

Recurring revenue depends on how you connect with your customers throughout the subscription lifecycle. When your customers fail to achieve the desired outcomes using your product, or when they do not use the product as much, or even when they simply can no longer afford to pay for the product, they may choose to cancel their subscription and become voluntarily churned users.

Preventing voluntary churn requires the right combination of product engagement, customer experience, and perceived value. Most importantly, it's something you can directly influence and improve with the right tools.

This document covers 2Checkout's available subscriber retention tools, with recommended use cases and benchmark guidelines.

1

Benefits

- ✓ Reduce voluntary churn and revenue spillage;
- ✓ Increase your revenue and customer retention rate by proactively incentivizing your customers to enroll in auto-renewal campaigns;
- ✓ Strengthen relationships with your customers and improve customer loyalty;
- ✓ Offer customers the flexibility to manage their subscriptions;
- ✓ Make your customers feel that they are in charge of their subscriptions by incorporating cancel flows. By offering them a clear exit path, they don't feel trapped; it shows that you're confident in your product and focused on treating your customers right, building more trust.



Kilohearts Success Story

READ NOW



PREVENT
Voluntary Churn



FIGHT
Voluntary Churn



FOLLOW UP
on Voluntary Churn



2 Key Features

Prevent Churn with End-to-End Retention Process

Upcoming renewal notifications

DESCRIPTION

If handled poorly, users on the verge of churning may even generate extra costs for you, via chargebacks. Think of a chargeback as the critical condition a churn can heighten to, and work to prevent it from escalating. One way to do that is to notify subscribers in advance about their upcoming renewals. Customize notification content for each subscription-based product or service, and set up notifications to be sent at different intervals before the subscription renewal.



Send renewal emails

- ☒ to all subscription renewals
☐ only to renewals of 6 months or more

Renewal notification emails ?

Notification time (view emails)	Manual billing	Automatic billing	
7 days before the subscription expiration date ?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
on expiration date	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
5 days before the subscription expiration date	<input checked="" type="checkbox"/>	<input type="checkbox"/>	



Shopper emails

Review and customize your emails using this section. Change the email content and assigned layout, preview and test emails (in different purchase scenarios and on various email clients, browsers and devices). Check our [Knowledge center](#) for best practices and further guidance.

Order	Electronic delivery	Follow up	Financial	Renewal
Automatic billing canceled Automatic renewal reminder Manual renewal reminder Subscription price changed Trial canceled Trial expiration notification				
Automatic renewal reminder (default) (copy) Active				Last edited on May 27, 2020 Customize
Automatic renewal reminder (default)				Customize 4



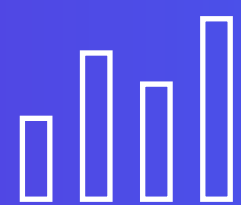
Early renewal campaign

DESCRIPTION

Increase the likelihood of subscriptions being renewed by enticing customers to renew at lower prices, before their subscription reaches the expiration date. You can choose to target only certain subscribers (for example, the ones who have chosen to manually renew their subscriptions) or offer this option to all your subscribers.

BENCHMARK

Up to 15% increase in renewal rates.

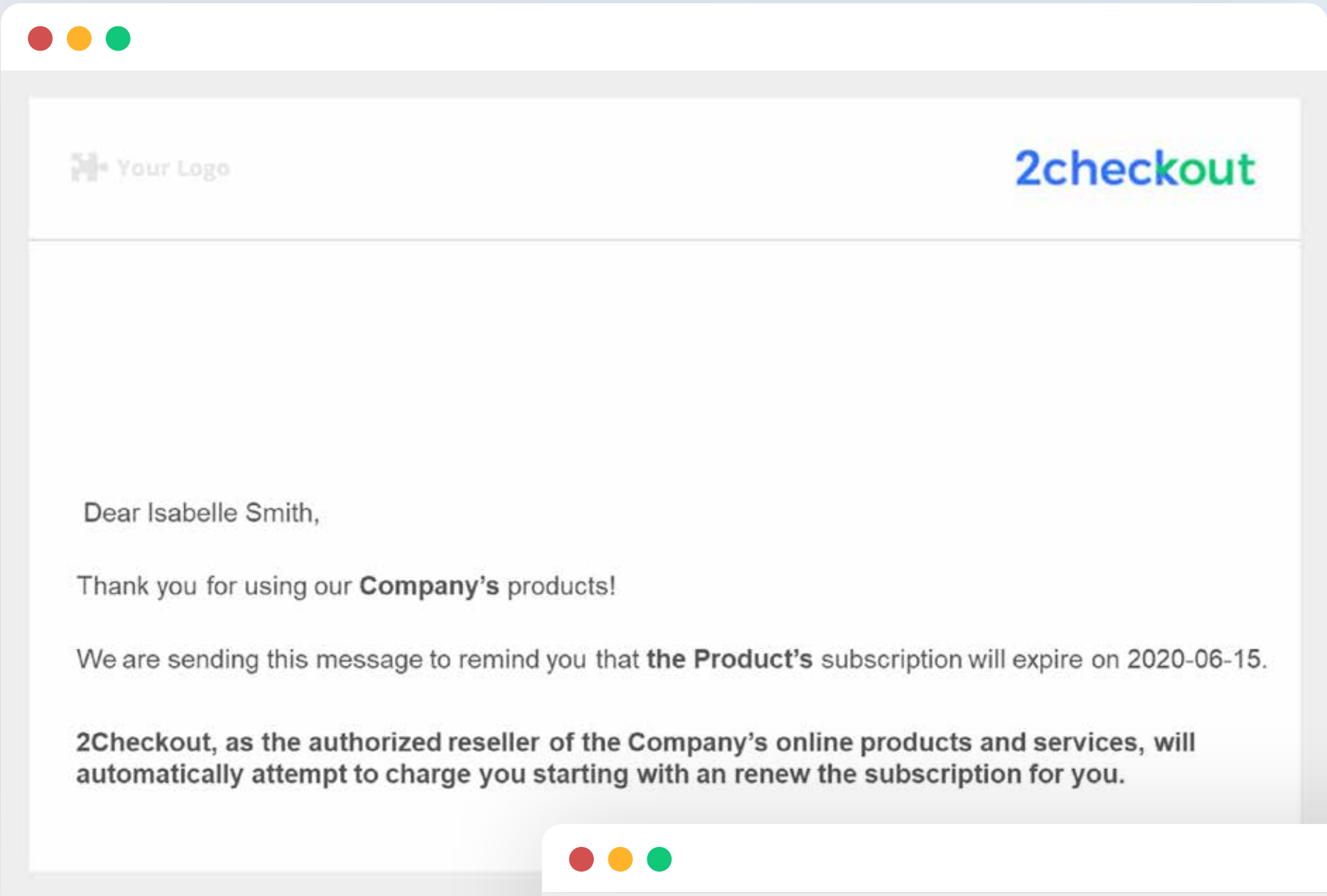


Up to: 15%

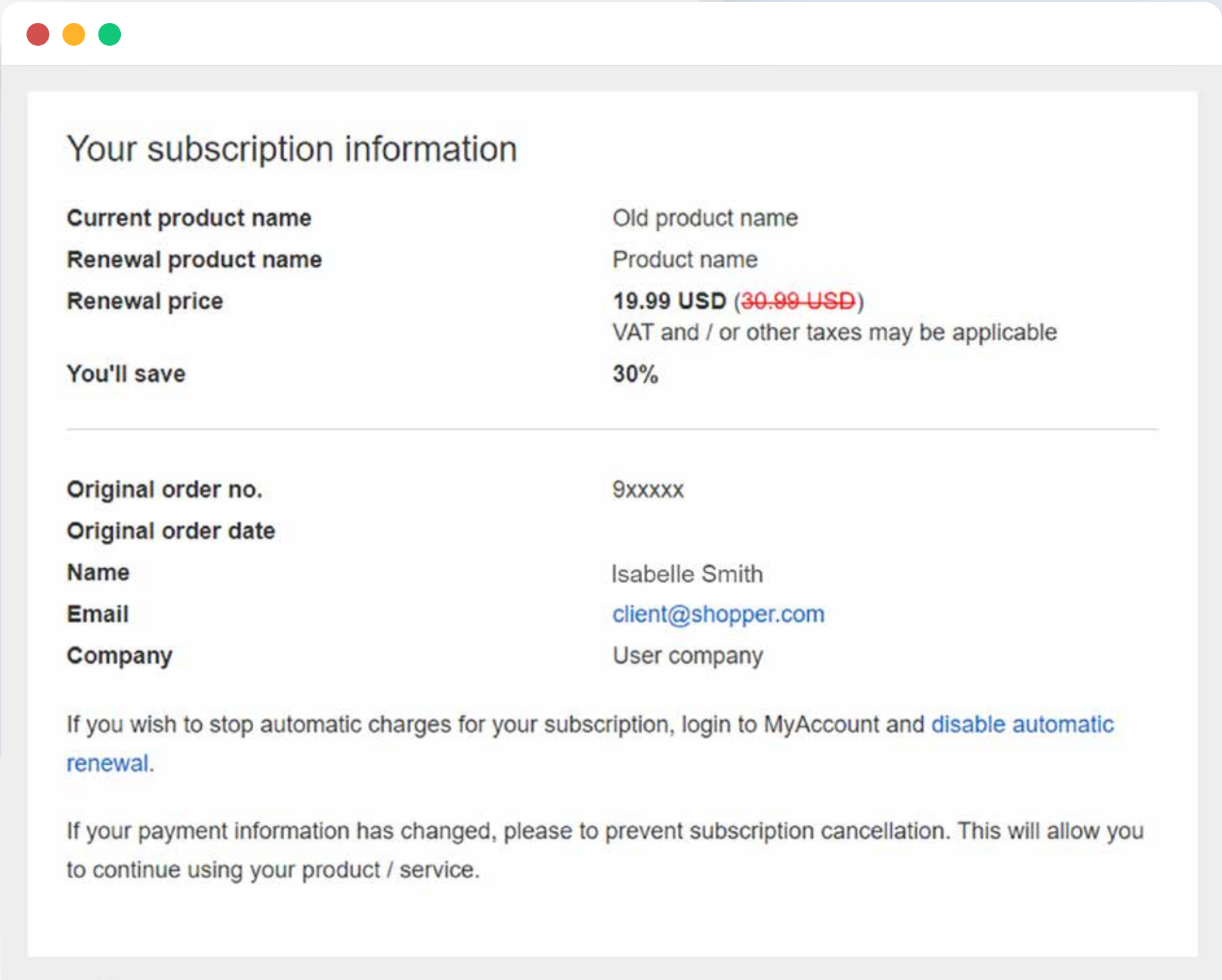
Increase in Renewal Rates



www.2checkout.com



Send early reminders about upcoming renewals, inviting customer to renew at lower prices.





Auto-renewal enrollment campaigns

DESCRIPTION

Use discounts to incentivize customers to enable auto-renewals for their subscriptions set on manual renewal and increase your stable recurring revenue. With auto-renewal enrollment you can customize the campaign to be specific for individual products or service subscription plans, or to apply to multiple plans. You can set discounts to apply to one, more, or all upcoming billing cycles and track the success of your campaigns.

BENCHMARK

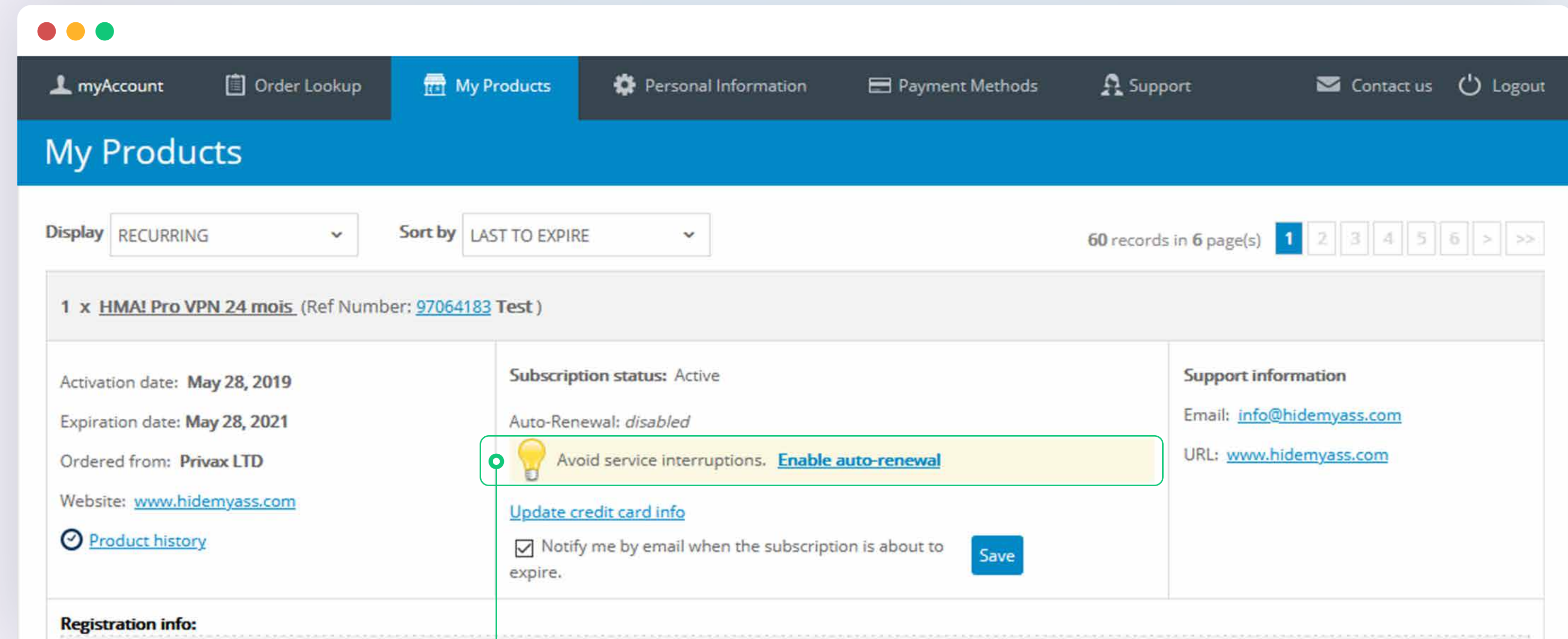
2.5% conversion rate for those who see the campaigns

Up to 40% of those who enter the campaign end up enabling automatic renewal

Avg. **2.5%**

Average Conversion Rate

Auto-Renewal Enrollment – How?



Entice automatic renewal activation in-app, in customer account and in renewal notifications

Your customers can enroll for auto-renewals in their user accounts.



Subscription cancellation campaigns

DESCRIPTION

Convey the value of your product or service at the point when customers are canceling their subscription. Offer the right incentives to customers so they really want to stick around.

With subscription cancellation campaigns you can customize the campaign to be specific for each product or service subscription plan or to suit multiple scenarios. You can set discounts to apply to one, more, or all upcoming billing cycles.

BENCHMARK

Up to 25% voluntary churn reduction

Up to: **25%**

Voluntary Churn Reduction

Give the Alternative to Pause Subscription

The interface consists of three main components:

- Stop automatic subscription renewal dialog (1):** A modal window with a dark header and a close button. The main text reads: "By stopping automatic renewal, your subscription will be cancelled at the end of the current billing cycle. If you want to avoid service interruptions, you have to manually renew it before August 03, 2019. What do you want to do next?". It features two buttons: "STOP AUTO-RENEWAL" and "KEEP AUTO-RENEWAL".
- Stop automatic subscription renewal dialog (2):** A modal window with a dark header and a close button. The main text reads: "Keep automatic renewal active for this subscription and avoid service interruptions by taking advantage of this limited special offer!". It displays the "Next billing amount" as "15.00 €" crossed out and "13.50 € (VAT/other taxes included)" in green, with a "9% OFF" discount. It features two buttons: "STOP AUTO-RENEWAL" and "ACCEPT DISCOUNT".
- My products page (3):** A page titled "My products" showing a table of subscriptions. The first row is for a "2Checkout Metered Subscription (Ref Number: 89867615 Test)". It includes details like "Activation date: July 17, 2019", "Expiration date: August 17, 2019", "Subscription Status: Active", "Auto-renewal: enabled", "Next billing date: July 03, 2022", "Next billing amount: 74.55 RON (VAT/other taxes included)", "Payment method: Visa", and "Card number: **** *1111". It also has a "SAVE" button and a checkbox for "Notify me by email when the subscription is about to expire".

Offer incentives at the point where customers are ready to cancel their subscriptions.

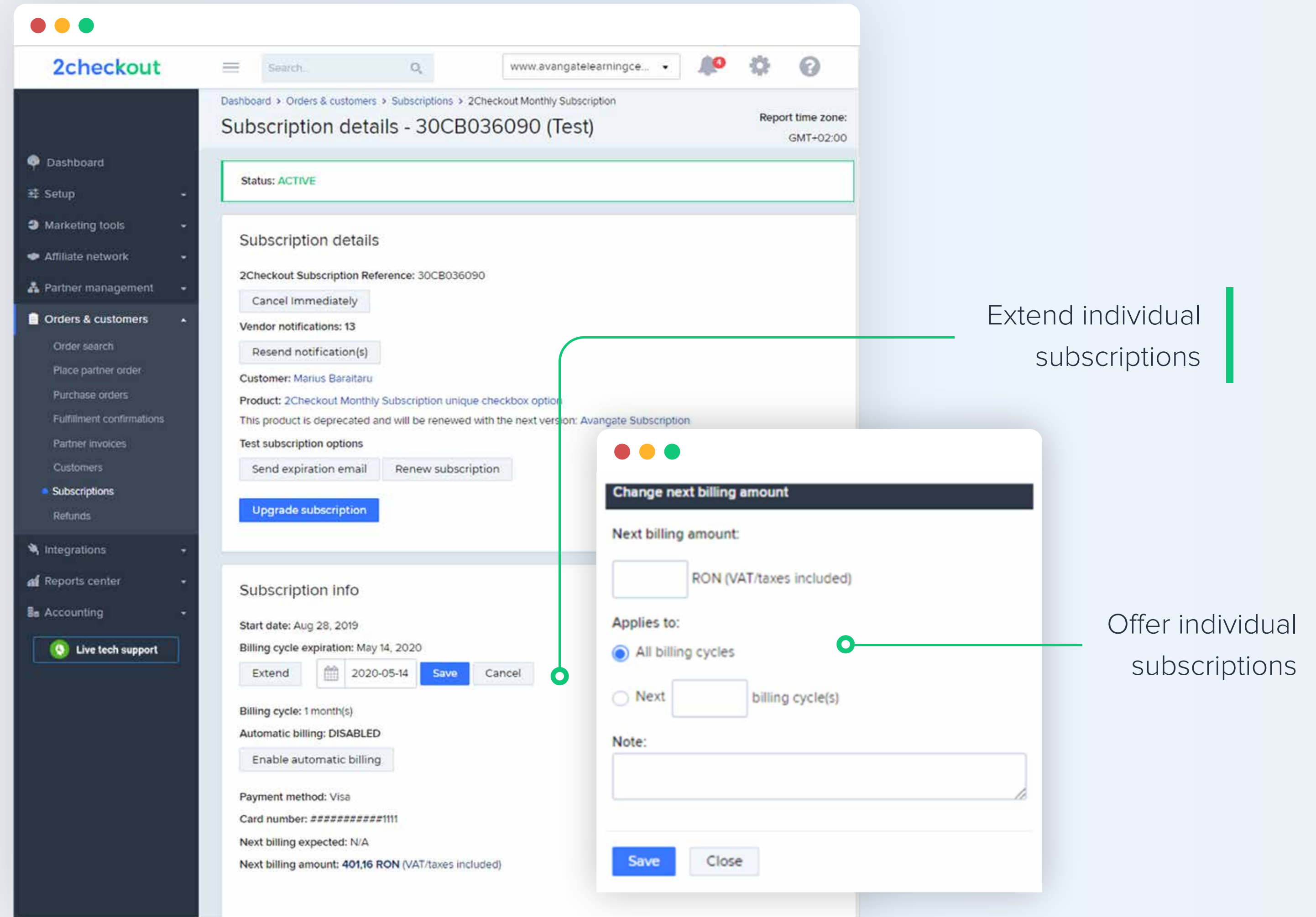
Fight Churn with Proactive and Flexible Incentives

Renewal Discounts

DESCRIPTION

Define discount codes to apply to some or all upcoming recurring charges of a subscription, set them up to apply only to manual or automatic renewals, and target only certain customer segments with discounted renewal prices.

Even if you haven't deployed a discount across the board for all your customers, you can still do it for special customers, in an attempt to convince them to stay. They may incur additional product value from such an initiative and be less likely to churn.



The screenshot displays the 2Checkout dashboard interface. The left sidebar contains navigation links: Dashboard, Setup, Marketing tools, Affiliate network, Partner management, Orders & customers (highlighted), Integrations, Reports center, and Accounting. The main content area shows the 'Subscription details - 30CB036090 (Test)' page. The status is 'ACTIVE'. The subscription details section includes the reference number, a 'Cancel immediately' button, vendor notifications (13), a 'Resend notification(s)' button, customer information (Marius Baraitaru), product details (2Checkout Monthly Subscription), and test subscription options (Send expiration email, Renew subscription, Upgrade subscription). The subscription info section shows the start date (Aug 28, 2019), billing cycle expiration (May 14, 2020), an 'Extend' button, a date picker set to 2020-05-14, 'Save' and 'Cancel' buttons, a billing cycle of 1 month(s), automatic billing status (DISABLED), an 'Enable automatic billing' button, payment method (Visa), card number (masked), next billing expected (N/A), and next billing amount (401,16 RON). A modal titled 'Change next billing amount' is open, showing a text input for the next billing amount (RON (VAT/taxes included)), a radio button selected for 'All billing cycles' (with a green circle highlighting it), and another radio button for 'Next [] billing cycle(s)'. The modal also includes a 'Note' text area and 'Save' and 'Close' buttons. A green line connects the 'Extend' button in the subscription info section to the 'Change next billing amount' modal, with a label 'Extend individual subscriptions'. Another green line connects the 'All billing cycles' radio button to the modal, with a label 'Offer individual subscriptions'.

Extend individual subscriptions or offer individual discounts to specific customers.

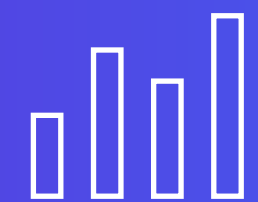


Pause subscription

DESCRIPTION

Give subscribers the option to suspend automatic charges until a later date, and increase the number of resumed subscriptions by fully automating the renewal process for paused subscriptions. An automated system in place to take care of the resume process ensures a sizable chunk of these subscriptions will be renewed. Also, when given the alternative to pause a subscription, your customers will be less likely to cancel their subscriptions.

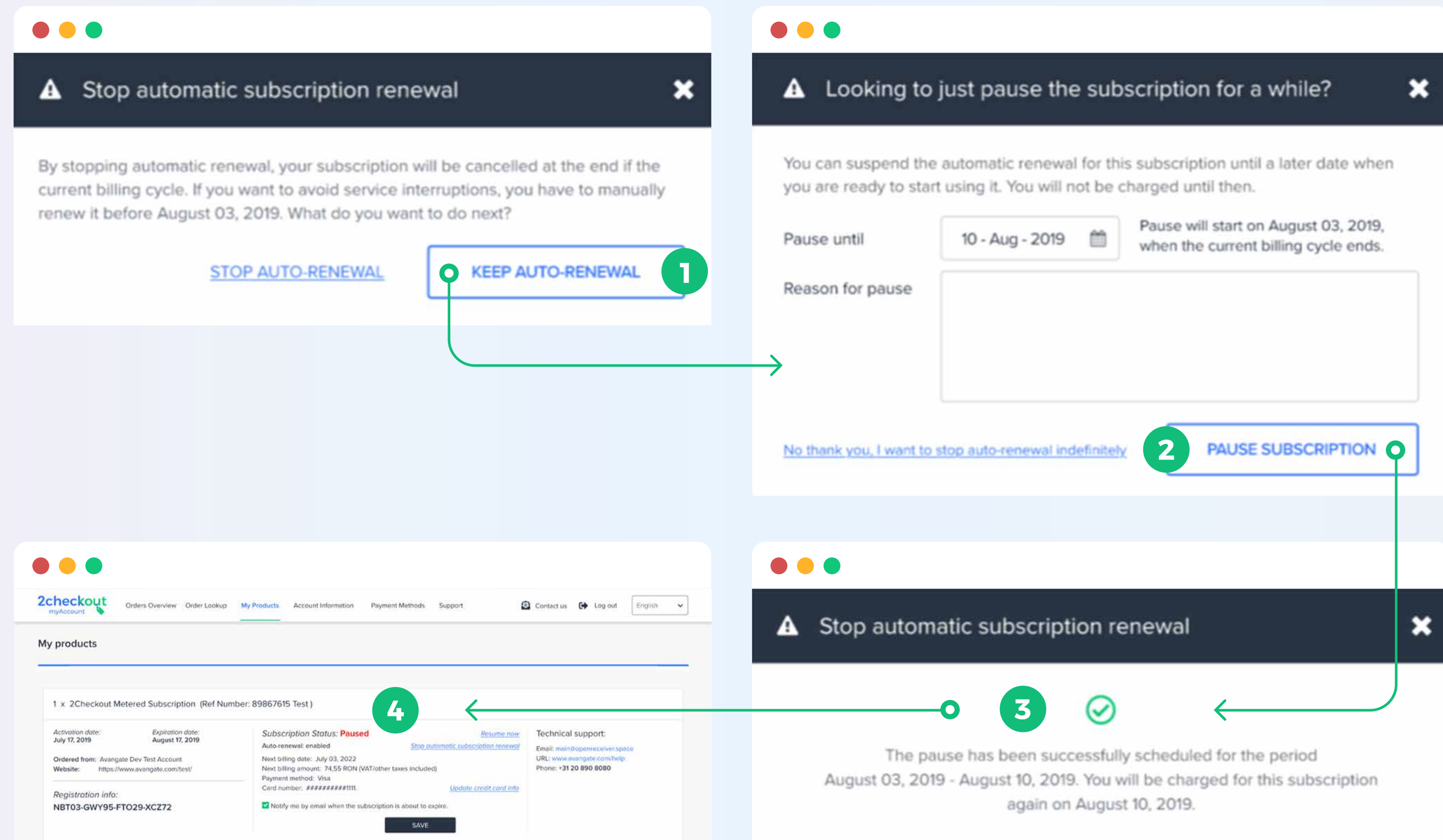
In addition to pausing subscriptions you can also consider helping customers out with an extension of their subscription for a limited time, if it makes sense and if it doesn't come at too high of a cost. Some may be grateful for this outreach from you and reconsider their intention to exit.



Avg. 10%

Canceling Customers that are
Simply Looking to Pause

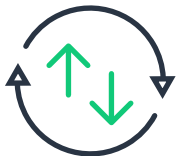
Give the Alternative to Pause Subscription



The image displays a sequence of four screenshots from the 2Checkout user interface, illustrating the process of pausing a subscription. The flow is indicated by numbered green circles and arrows:

- Step 1:** A modal titled "Stop automatic subscription renewal" with a close button. It contains the text: "By stopping automatic renewal, your subscription will be cancelled at the end of the current billing cycle. If you want to avoid service interruptions, you have to manually renew it before August 03, 2019. What do you want to do next?" There are two buttons: "STOP AUTO-RENEWAL" and "KEEP AUTO-RENEWAL". A green circle with the number 1 is next to the "KEEP AUTO-RENEWAL" button.
- Step 2:** A modal titled "Looking to just pause the subscription for a while?" with a close button. It contains the text: "You can suspend the automatic renewal for this subscription until a later date when you are ready to start using it. You will not be charged until then." There is a "Pause until" date selector set to "10 - Aug - 2019" and a note: "Pause will start on August 03, 2019, when the current billing cycle ends." Below this is a "Reason for pause" text area. At the bottom, there is a link "No thank you, I want to stop auto-renewal indefinitely" and a "PAUSE SUBSCRIPTION" button. A green circle with the number 2 is next to the "PAUSE SUBSCRIPTION" button.
- Step 3:** A confirmation modal titled "Stop automatic subscription renewal" with a close button. It contains the text: "The pause has been successfully scheduled for the period August 03, 2019 - August 10, 2019. You will be charged for this subscription again on August 10, 2019." There is a green checkmark icon. A green circle with the number 3 is next to the checkmark.
- Step 4:** The "My products" page in the 2Checkout account. It shows a subscription with the status "Paused". A green circle with the number 4 is next to the "Paused" status.

Give subscribers the alternative to pause subscriptions and they may be less likely to cancel.



Downgrade or upgrade subscription

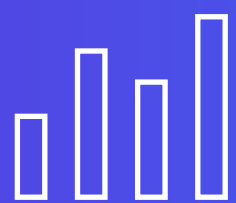
DESCRIPTION

To keep customers who do not use all the bells and whistles of your product or service, you could let them downgrade to a less feature-rich plan, to keep them on board.

By contrast, there may be customers seeking richer features, who aren't yet ready to commit to an upgraded plan. For these, you could set limited upgrades to the next plan to give them a taste of the extra potential.


BENCHMARK

Up to 10% reduction in voluntary churn.



Up to: 10%

Reduction in Voluntary Churn



Your Amazing Product

The description of your product is a powerful way to communicate the benefits and value proposition to your customers

\$59.95

1 User account: ?

1 Device 1 Year	\$59.95
1 Device 2 Years	\$82.95
3 Devices 1 Year	\$79.95
3 Devices 2 Years	\$119.95
5 Devices 1 Year	\$99.95
5 Devices 2 Years	\$149.95

☒ Auto Renewal ?


BUY NOW

TRY FOR 30 DAYS

For existing users

RENEW UPDATE

Need more devices?



Your Amazing Product

The description of your product is a powerful way to communicate the benefits and value proposition to your customers

\$79.95

1 User account: ?

1 Device 1 Year	\$79.95
1 Device 2 Years	\$109.95
3 Devices 1 Year	\$99.95
3 Devices 2 Years	\$139.95
5 Devices 1 Year	\$149.95
5 Devices 2 Years	\$229.95

☒ Auto Renewal ?

BUY NOW


TRY FOR 30 DAYS

For existing users

RENEW UPDATE

Need more devices?

RECOMMENDED



Your Amazing Product

The description of your product is a powerful way to communicate the benefits and value proposition to your customers

\$89.99

1 User account

3 Devices 1 Year	\$89.99
5 Devices 1 Year	\$99.99

☒ Auto Renewal ?

BUY NOW

TRY FOR 30 DAYS

For existing users

RENEW UPDATE

Click here to read more about pricing terms, disclosures and offer details...

Send early reminders about upcoming renewals, inviting customer to renew at lower prices.

9



Subscription cancellation feedback

DESCRIPTION

Consider implementing exit surveys and campaigns, to get a better understanding of why customers are leaving. Ask them what their reasons are for canceling and ask for recommendations for how you could better support them; try to get a feel for why the relationship didn't work well.

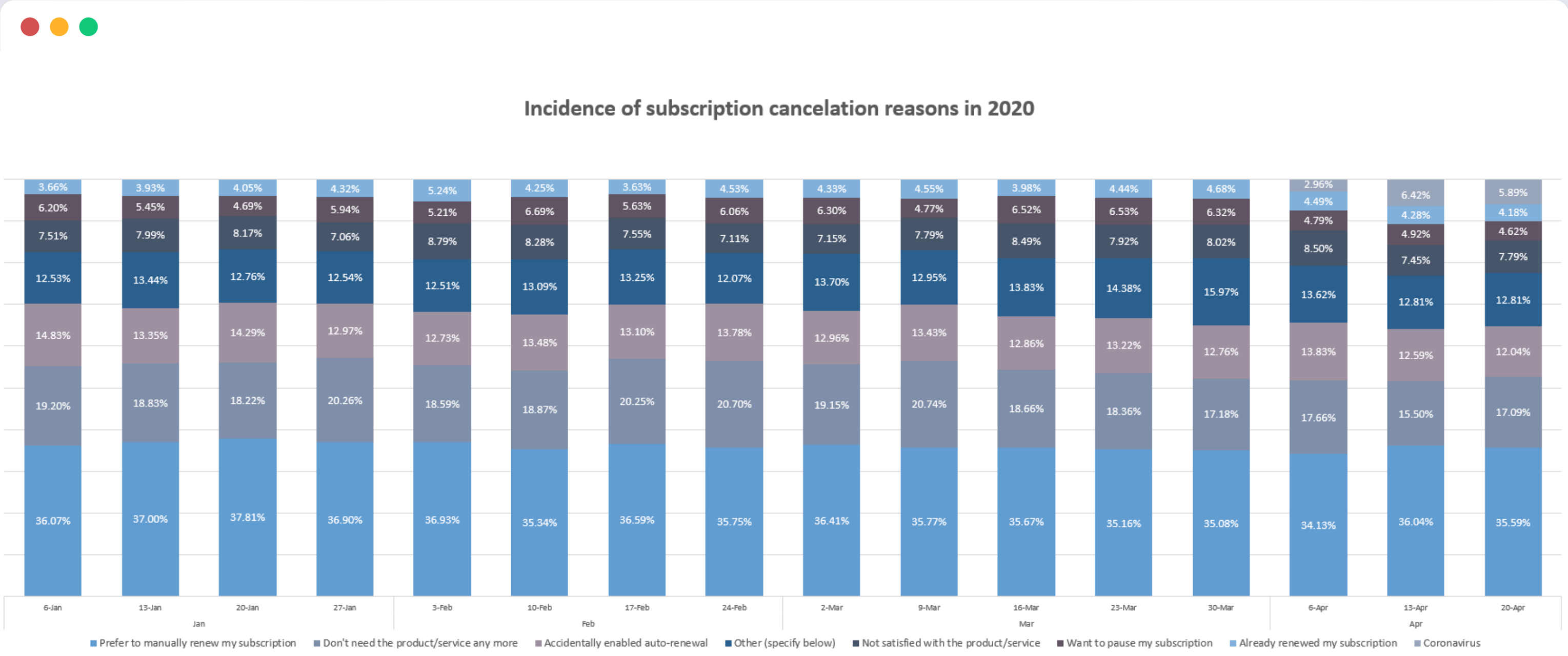
You can use that insight to distribute targeted offers to dissatisfied customers or to capture the cancellation themes that were trending, and help gauge the effect remedial actions have on the customer's experience.

BENCHMARK

Up to 6% reduction in churn rate.



Churn Rate Reduction



Consumer motivations for cancelation are diverse, use exit surveys to uncover the reasons your customers are leaving.

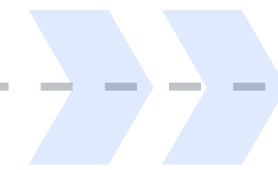


In Summary



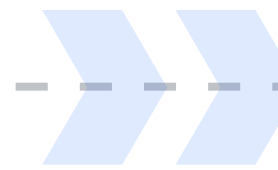
PREVENT Voluntary Churn

- ✓ Package for value
- ✓ Entice customers to auto-renew
- ✓ Communicate early
- ✓ Offer early renewal discounts



FIGHT Voluntary Churn

- ✓ Pause subscriptions
- ✓ Discounts for keeping subscriptions
- ✓ Transition to best fit plan



FOLLOW UP on Voluntary Churn

- ✓ Past due notifications
- ✓ Individual discounts and extensions
- ✓ Churn feedback
- ✓ Test and optimize churn strategy

More Resources

Interested in curbing subscriber churn? Check out these complimentary resources:



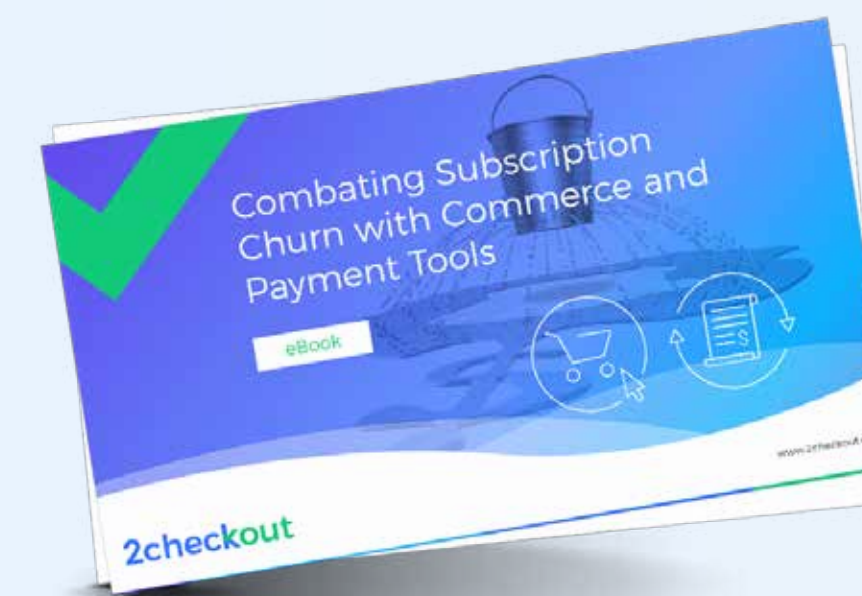
Revenue
Recovery Tools

READ NOW



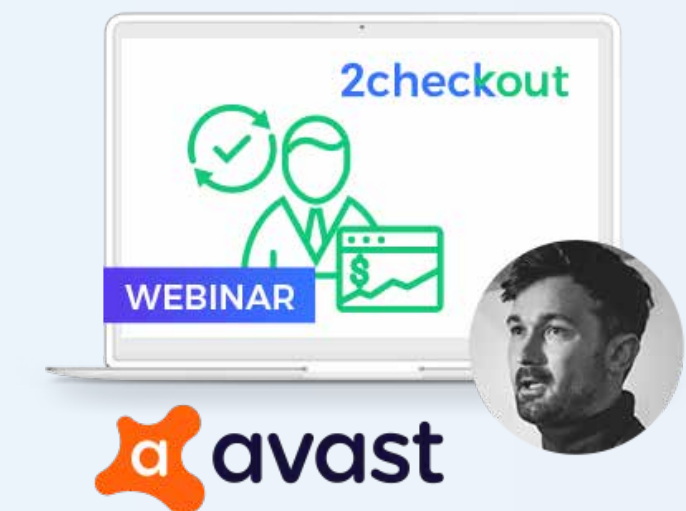
How to Maximize Recurring
Revenue and Grow Your
Subscription Business

GET YOUR COPY



Combating Subscription
Churn with Commerce and
Payment Tools

GET YOUR COPY



Improve Your
Subscription Business by
Minimizing Churn

WATCH NOW

AVAILABILITY: The 2Checkout retention tools' availability is dependent on your plan. For more information contact us at supportplus@2checkout.com.



Ready to Sell Worldwide, Hassle-Free?

Our digital commerce capabilities are available to all 2Checkout customers. Choose your product based on your business model and go-to-market needs. For more details, compare plans and choose the best commerce solution for you:

2SELL

Accept mobile and online payments from buyers worldwide



2SUBSCRIBE

Subscription management solution to maximize recurring revenue



2MONETIZE

Full commerce solution built for digital goods sales



ADD-ONS

Additional services to boost online sales



For businesses that want to scale to their maximum potential, we offer dedicated support with premium onboarding, custom integrations, professional services and an affiliate network. [Contact our sales team](#) to find the best solution for your needs.

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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