

# Beyond Payment Declines

Smarter Strategies for Revenue Recovery

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### Revenue Starting Today

Find out Sticky Recovery boosts first-pass approvals and automates revenue recovery at scale.



# Get a grip → on lost revenue

Payment declines quietly drain your revenue, and most businesses don't even know it.

According to internal VISA research, **24% of recurring billing payments fail, and two-thirds of those are completely recoverable.** Still, most businesses rely on outdated recovery methods that continue to let revenue slip away.

Looking at the subscription industry, **businesses lose an average of 9% of their annual revenue to failed payments.**<sup>1</sup> Globally, that adds up to a staggering \$118.5 billion lost every year.<sup>2</sup> Even worse, **50% of all customer churn is caused by failed payments.**<sup>3</sup>

This ebook shows you why this is happening and what you can do to stop it.

Inside, you'll uncover the hidden inefficiencies in traditional dunning strategies that silently hurt your bottom line. You'll learn how to stop leaving money on the table and why ecommerce and subscription brands are switching to smarter tools like Recovery by Sticky.io to reduce churn, increase retry success rates, and automatically recover more revenue.

1. Source: PAYMNTS

2. Source: LexisNexis

3. Source: PAYMNTS

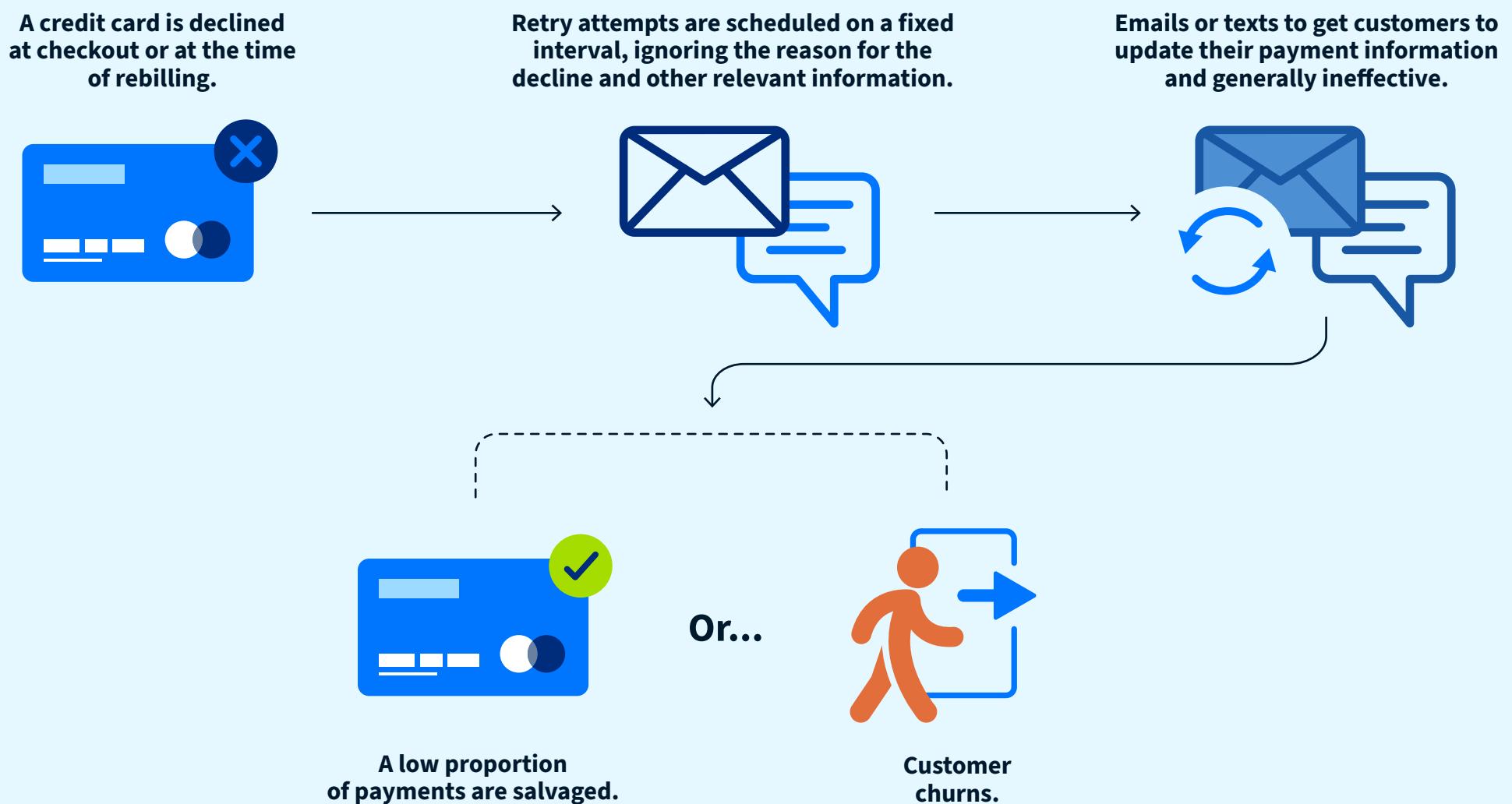
# Traditional Dunning vs. Sticky Recovery

Traditional dunning relies on fixed schedules and applies the same strategy to every failed transaction. This one-size-fits-all approach can lead to high rebill fees and put your merchant account at risk of processor scrutiny or penalties.

In contrast, Sticky Recovery uses AI to analyze bank error codes, transaction value, location, and over 50 additional data points to recover more revenue, reduce rebill fees, and avoid processor scrutiny. Trained on hundreds of millions of transactions, it delivers precise, data-driven results, integrates seamlessly with any ecommerce platform via API, and replaces guesswork with actionable insights.

## Traditional dunning

Dunning refers to the automated process of retrying failed card payments. However, traditional interval-based dunning sticks to fixed retry timelines that do not account for payment behavior or context.



## The downside of traditional dunning strategies

While legacy dunning tools have been the industry norm, they come with real drawbacks:

1

### Failed rebill attempts

Fixed schedules ignore optimal timing, leading to low recovery rates and higher churn.

2

### Merchant account risks

Too many declines on your Merchant Identification Number (MID) raise processor flags and can even trigger account penalties or termination.

3

### Higher processing costs

Every failed attempt costs money. Repeated retries without strategy increase costs without increasing results.

## Sticky Recovery: Smarter rebilling with AI-backed precision

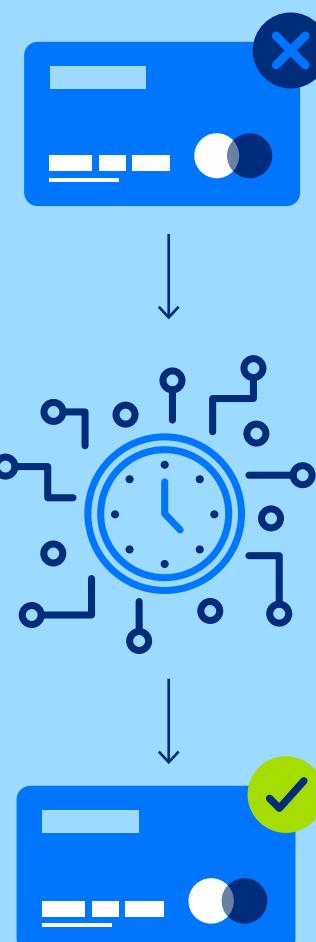
Sticky Recovery analyzes millions of historical data with real-time factors to predict exactly when a payment is most likely to succeed, resulting in boosted recovery rates and a healthier MID.

In fact, **Sticky Recovery is up to 51% more successful on first recovery attempts** than traditional dunning strategies.

A credit card is declined at checkout or at the time of rebilling.

Sticky Recovery uses real-time data, historical data, and AI to predict the optimal time for a retry attempt.

The transaction is successful! On average, 3.51 transactions are processed after a successful save.



## The advantages of Sticky Recovery:

Recovery leverages advanced AI technology to revolutionize payment recovery, offering a range of benefits that surpass traditional dunning methods.

**1**

**AI-driven intelligence:** Real-time and historical data power every retry.

**2**

**Higher recovery rates:** Smarter scheduling leads to more approvals, faster.

**3**

**Dynamic retry logic:** Each transaction gets a custom strategy.

**4**

**Reduced churn:** Smarter retries lead to fewer customer drop-offs.

**5**

**Customizable rules:** Assign retry logic to different customer segments.

## Side-by-Side Comparison

Feature	Traditional Dunning	/recovery
<b>Level of automation</b>	Partial automation; often manual follow-up	Fully automated after setup
<b>Data-informed retries</b>	No	Yes. AI optimizes timing using real-time and historical data
<b>MID health protection</b>	Risk of high declines and account penalties	Minimizes decline risk and protects account integrity
<b>Revenue recovery performance</b>	Low first-pass success	Up to 51% more successful on first retry



## Key Takeaways

Traditional dunning often hurts more than it helps, leading to rebill fees, account risks, and lost revenue.

**Recovery** reduces failed payments by personalizing retries based on data, not guesswork.

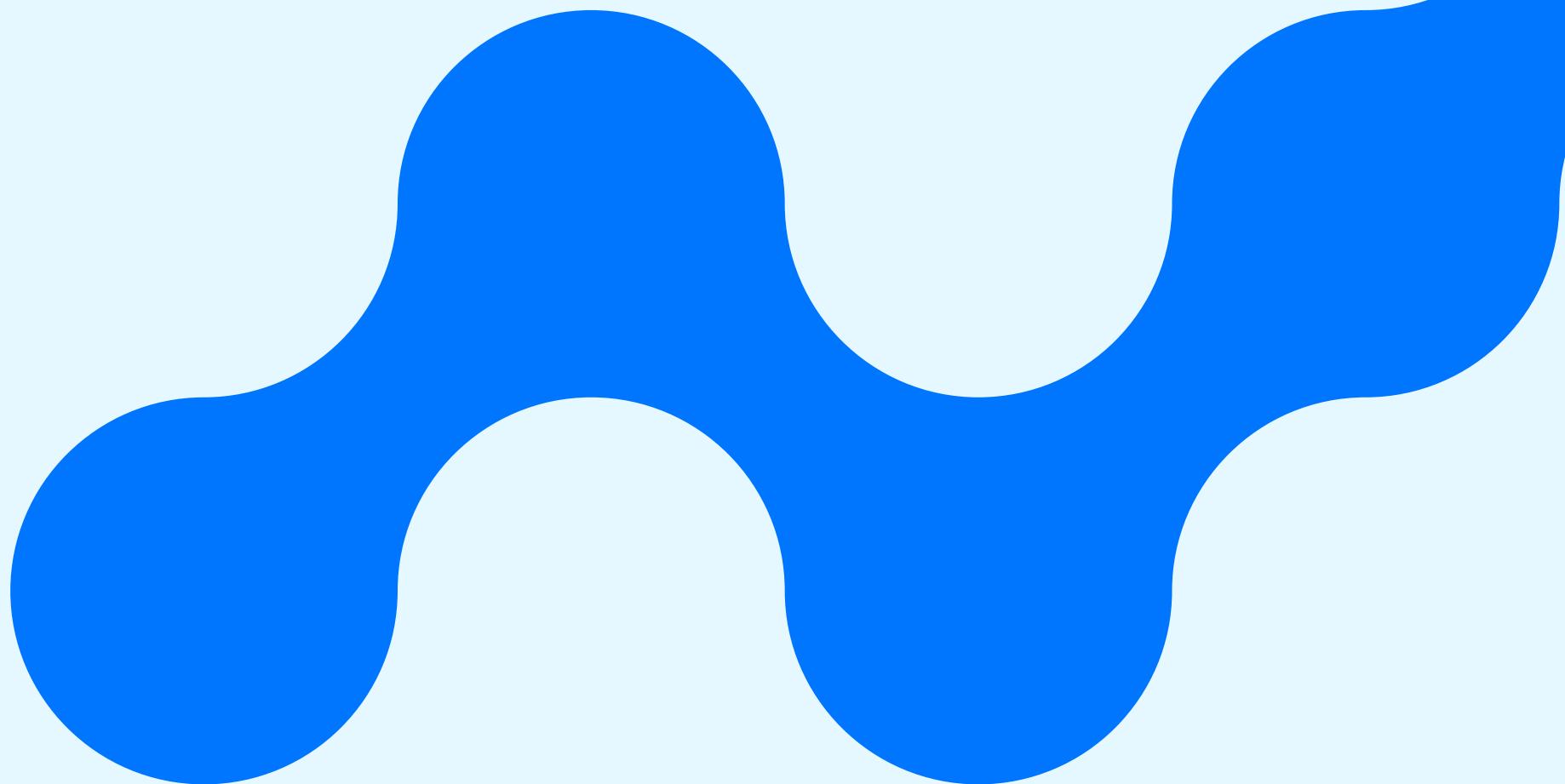
# Key Players in Payment Recovery

The ecommerce industry features several companies that offer traditional dunning strategies as part of their subscription management and billing solutions. Some of the key players in the space include:

- b** **Butter Payments:** Payment optimization through intelligent retrying
- Chargebee:** Subscription billing with dunning features
- Churn Buster:** Tools to reduce involuntary churn
- Paddle:** Full-stack platform with failed payment management
- Recharge Retain:** Dunning within Recharge's Shopify subscription suite
- FlexPay:** AI-powered churn reduction and active recovery
- Sticky.io:** AI-powered revenue recovery with multi-strategy routing
- Stripe:** Offers subscription management features with dunning tools for failed payments
- Vindicia Retain:** Dunning with advanced retry capabilities

# A Competitive Overview

Feature	Sticky Recovery	Butter Payments	Chargebee	Churn Buster	Recharge Retain	FlexPay	Vindicia Retain
Automated retries	✓	✓	✓	✓	✓	✓	✓
Data-informed retry strategies	✓	✓	✓	✗	✓	✓	✓
Allows for multiple retry strategies for specific traffic segments	✓	✗	✗	✗	✗	✗	✗
PCI level 1 compliant	✓	✗	✓	✗	✗	✓	✓
Payment provider agnostic	✓	✗	Must use Chargebee platform and connected providers	Must use Churn Buster's pre-built integrations and the payment providers connected to those	Must use Recharge for Shopify and the available providers	Must use FlexPay's integrated payment providers	Must use Vindicia's integrated payment providers
Pricing model	% of recovered revenue, custom	% of recovered revenue, starting at 20%	Bundled with base Chargebee pricing <small>Only on Performance or Enterprise plans</small>	Flat fee based on MRR	Custom pricing added to platform fees	25% of recovered revenue over a calculated baseline	% of recovered revenue, as high as 50%



# Next Steps: Finding the Right Recovery Tool

Effective recovery starts with the right tool. Traditional dunning is static, manual, and most often based on guesswork.

Smart dunning software, like Sticky Recovery, uses real-time data and automation to reduce churn and recover more revenue with less effort.

# Time Is Money – Recover Up to 75% More Revenue Starting Today

Sticky Recovery is an AI-powered tool that helps businesses recover failed payments, minimizing revenue loss and driving growth. By automating retries and adapting to customer behavior, it frees your team to focus on other priorities.

Merchants using Sticky Recovery have recovered up to 75% more revenue and see 51% higher first-pass success than with legacy tools. Plus, each successful recovery leads to an average of 3.51 additional transactions.

Talk with a Sticky.io payments expert today to see your personalized recovery forecast based on real decline data and get a clear, data-backed prediction of how much revenue you could recover with Sticky.io.

*“Sticky Recovery has played a pivotal role in fortifying our financial stability. In essence, Recovery isn't just a tool; it's a strategic asset empowering us to navigate the challenges of decline recovery with unparalleled efficiency and effectiveness.”*

– **Dylan Richards,**  
General Manager, Science of Skill