



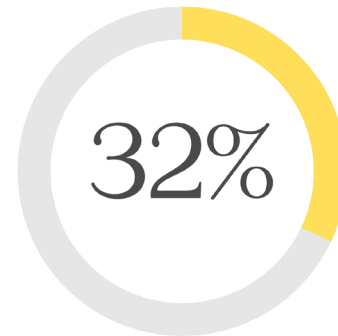
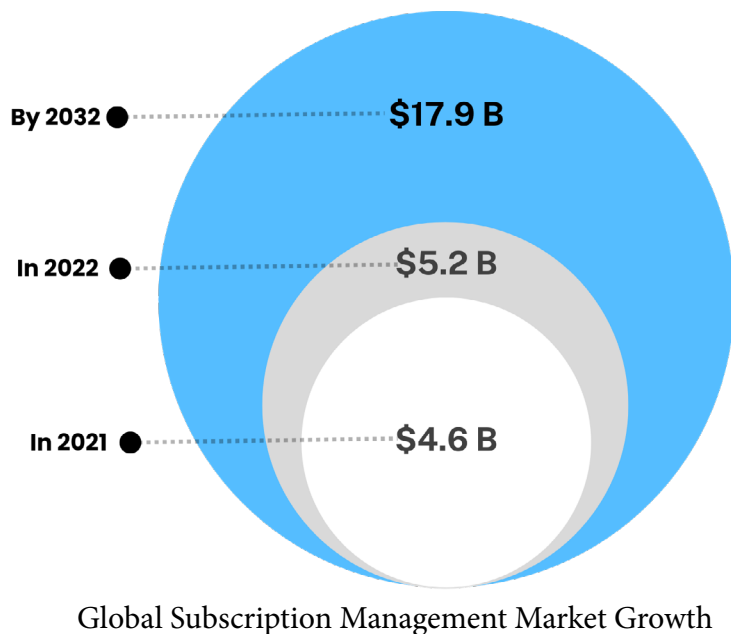
# Tap into your dynamic growth potential with subscriptions

**Unlock recurrent revenue with easy setup and low upfront cost**

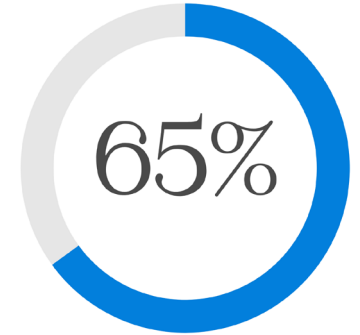
# Subscription Management Marketplace

The subscription & Billing Management Market in 2021 was held at US \$4.6 B and it is projected to grow up to US\$ 17.9 B by 2032. What's interesting is the fact that large enterprise segment holds over 65% of the market share.<sup>1</sup> North America dominated the market in 2021 and accounted for over 32.0% of the global revenue.<sup>2</sup>

Large enterprises are integrating disruptive technologies such as Machine Learning (ML) and Artificial Intelligence (AI) to focus on growing subscriber base while maximizing revenue. It entails a huge resource barrier for SMEs trying to enter the marketplace. Highly sophisticated subscription management softwares come with huge bills and are too complex for SMEs to adopt, as they simply don't have the resources to get things moving for them.



Global subscription management revenue comes from North America

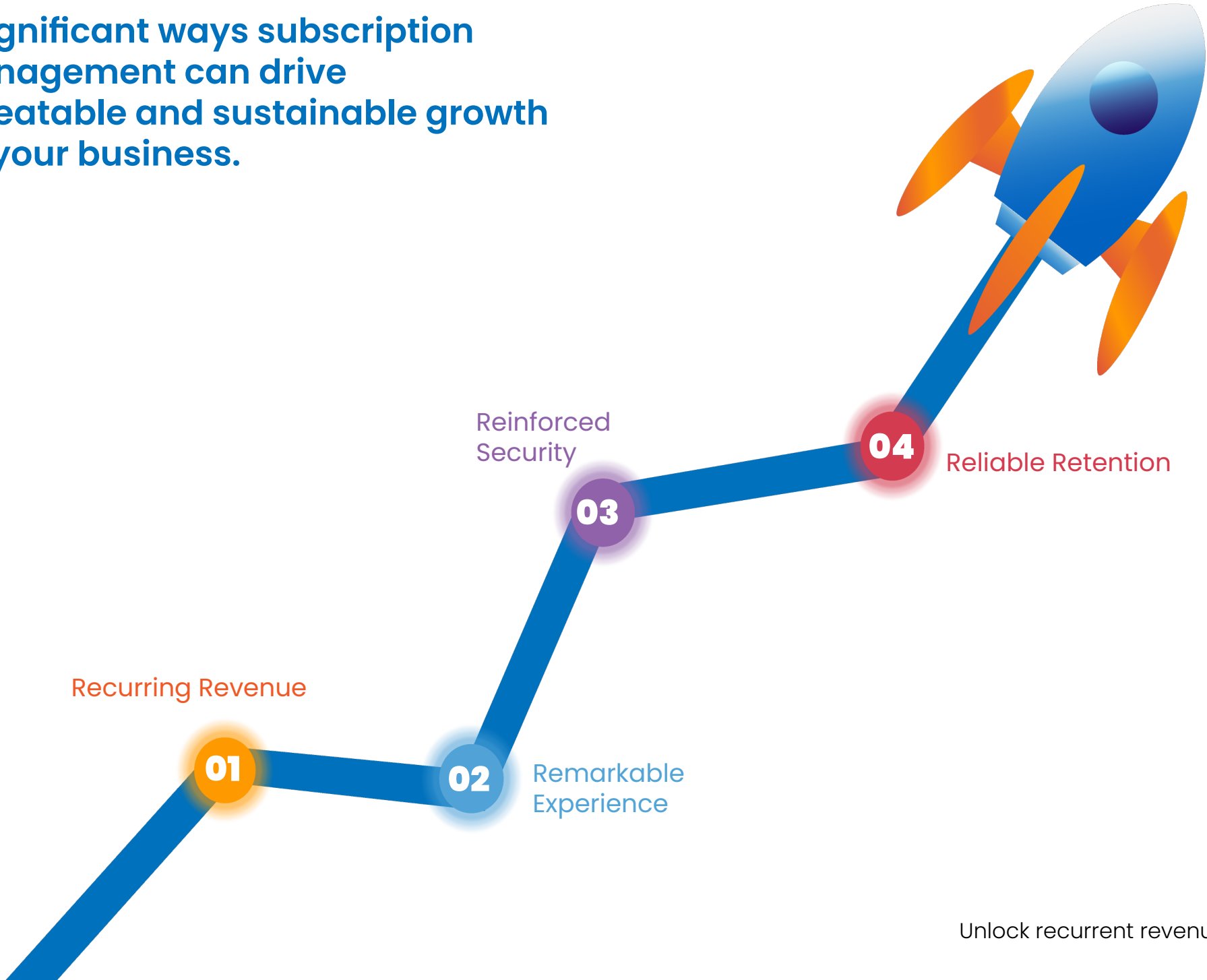


Global subscription management market is held by large enterprise segment

New research from international growth strategy experts Manifesto Growth Architects has revealed that 70% of businesses believe that membership and recurring subscriptions hold the key to future commercial growth and expansion, yet very few are harnessing its potential.<sup>3</sup> On top of that, the availability of subscription management capabilities that can assist small and medium-scale service providers without making them overwhelmed with unnecessary add-ons is at an all-time low.

But before we discuss what's the best fit for you, let's first dive into 4 significant ways subscription management can drive repeatable and sustainable growth for your business.

4 significant ways subscription management can drive repeatable and sustainable growth for your business.



# Recurring Revenue

There's a 350% growth of the subscription economy over the past 7.5 years.<sup>4</sup>

The subscription revenue model generates revenue by charging customers a recurring fee that is processed at regular intervals. It is built on establishing long-term relationships with customers who will pay regularly for access to the product or service, also called recurring revenue.

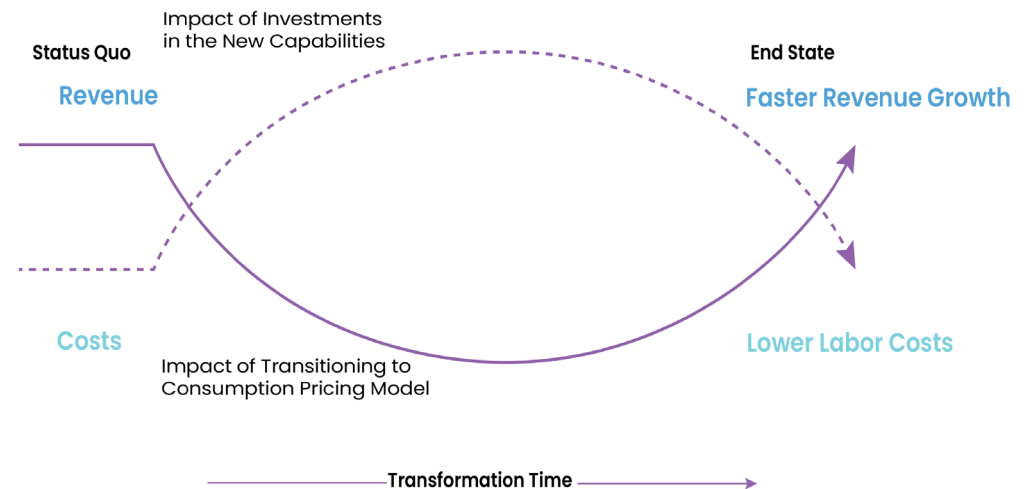
The model is mutually beneficial to both customers and service providers. Customers enjoy the convenience of auto-renewals and having access to a high-value offer for a low ongoing investment. Meanwhile, companies offering subscriptions can scale with confidence, with predictable revenue and deeper relationships with their customer base.

*“Although the price of a subscription doesn't bring in the revenue that a one-off purchase does, retaining the customer and getting recurring revenue through a subscription wins out in the long run.”*

Tien Tzuo  
Zuora's CEO

Tzuo calls this transformation the “fish model.” Initially, costs go up and revenue drops after bringing a new subscription-based customer on board. However, after the initial costs of acquiring the customer have been recouped, costs go down, and revenue comes back up.<sup>5</sup>

## The Fish Diagram



# Remarkable Experience

64% of subscribers feel more connected to companies where they have subscriptions.<sup>6</sup> Personalization and convenience are key factors in ensuring that subscribers are pleased with the service. According to a FIS report, nearly 42% of users say they stay subscribed beyond the first month because they appreciate the 'personalized or tailored' nature of your services. A further 19% do so because of the 'convenience' that a subscription service provides.<sup>7</sup>



**19%**

subscribers stay because of 'convenience' that a subscription service provides

**42%**

appreciate the 'personalized or tailored' nature of your services

**64%**

subscribers feel more connected to companies where they have subscriptions.

**Replenishment:**  
Replacing the same products with automated renewal

**Access:**  
Offering special access to members-only items or offering long-term service contracts that could include products, maintenance bundles, and custom services

**Curation:**  
Providing highly personalized products, services, and experiences based on customer preferences

When you are introducing benefits, resolving pain points, or both, you need to constantly balance your sales with value for customers. Subscriptions help you leave an impact by redesigning your customer experience.

# Reinforced Security



Subscription management softwares that use Stripe's dunning tools help businesses recover 38% of failed recurring payments on average by using smart retries. Businesses using smart retries recover 11% more revenue than those retrying failed payments on a set schedule.<sup>8</sup>

Today decline rates for recurring payments go as high as a decline rate of 20 to 25% or more.<sup>9</sup> Customers don't want to bother with remembering to pay their invoices each month. They appreciate that recurring payments keep them secure in the knowledge that they pay their bills each month without fail, without effort, until canceled.

In a standard digital payment, there's about a 15% decline rate.<sup>9</sup> In recurring payments, the number can go as high as a decline rate of 20 to 25% or more. This is a massive problem, and it seems to get worse as the fraud threats become more pronounced and issuing banks have to react to those fraud threats. Nearly a quarter of churn is involuntary, it's caused by missed payments or declined cards.

Automate billing compliance with robust security in the backend :



### Smart invoice :

Smart invoice page detects which payments require SCA and seamlessly requests 3D Secure authentication as part of the payment process.

### Automatic card updater :

Stripe works directly with card networks to update payment details with new card numbers or expiry dates.

### Smart retry logic:

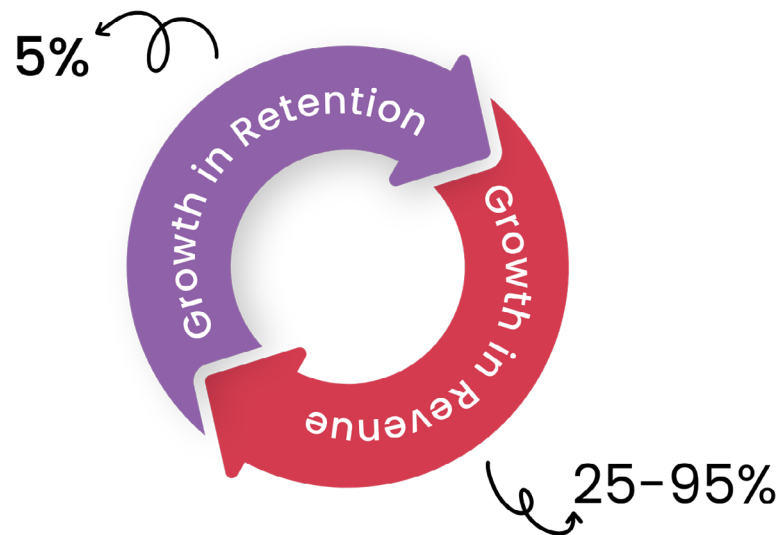
Machine learning algorithms train on data from across the Stripe network to optimize retry logic and failed payments.

### Automatic reminders :

Maximize your chances of getting paid with prebuilt email reminders for missed or overdue payments.

# Reliable Retention

According to the Harvard Business Review, acquiring a new customer is anywhere from 5 to 25 times more expensive than retaining an existing one.<sup>10</sup> Winning your subscribers' loyalty can remarkably increase your ROI. Just a 5% increase in your retention rate can skyrocket your revenue by 25-95%.<sup>11</sup>



"By nurturing customer relationships, you avoid having to spend the big bucks on CAC (Customer Acquisition Cost). A 1% improvement in customer acquisition results in a 3.32% increase in bottom-line revenue. Meanwhile, a 1% improvement in customer retention results in a 6.71% improvement in your bottom-line revenue".<sup>12</sup>

## BENEFITS OF Reliable Retention



70% of consumers are willing to recommend a brand due to its loyalty program.<sup>13</sup> So winning your subscribers' loyalty can remarkably increase your ROI. Subscription customers become more valuable the longer they use your product or service. The average repeat customer spends 67% more than a new customer.<sup>14</sup> Offering subscriptions along with one-time purchases has been shown to increase LTV (Lifetime Value) by 230%. Retention keeps becoming cheaper for you than acquisition, as your customer LTV keeps going up with your retention time.

# We stand out from the crowd to serve you.



We started out just like you. PlanSplit is a cloud-based subscription management solution for all small and medium-scale service providers. We know your challenges and your troubles because we faced them at the time when we were trying to get into the marketplace and adopt a subscription-based business model for our services.

When it comes to adopting a subscription business model, you face a resource barrier. We did too. We wanted the full automation of our subscriptions, billings, and payments to be able to grow our business. Our services would include split billing for our customers to remove barriers to adoption and increase retention. But the subscription management solutions had pricing models and technical adoption barriers that we were not able to cross. Some lacked integrations, some were hard to figure out. And many had reconciliation, security, and customization limitations. We just couldn't find our best fit.

What did we do? We took it into our own hands to solve the problem. Because we figured there are many businesses that are overwhelmed by the current marketplace, just like we were. Here's how we're the best fit for you.



### 1. Remove cost barrier

Plansplit removes the cost barrier for adoption. Start with our FREE tier and pay only for additional usage, or upgrade to the next level when you're ready to take the next step.

### 2. Easy setup

We're easy to set up. That means no development, coding, or support is required for you to get going. You can create an account and be selling your first subscription within 20 minutes.

### 3. Cross-category & customization

We automate billing, payments, and subscriptions for diversified service providers. We're a cross-category & multi-use-case platform that provides a seamless subscription experience to your customers by offering customizable subscriptions.



### 4. Consumption-based billing

Target a larger audience and grow your practice by offering consumption based plans to new and existing consumers. Monitor the growth of your consumer base through dashboard and dynamic reporting features.

### 5. Start, grow, and scale

We're designed to land and expand with your growth. You can start providing subscriptions and establishing long-lasting customer relations. Once you establish your business, we help you grow your recurring revenue and even scale to different locations.

### 6. Hyper-focused integrations

We keep working on partnerships and integrations. You ask for it, and we will work on it. PlanSplit keeps adapting to your growth and your needs.

# Start your cloud-based subscription management journey with us today.

Start for FREE



Prashant Jha  
Marketing Content



Upama Ghimire  
Graphics Design

# References

1. Subscription & Billing Management Market Snapshot (2022-2032)

<https://www.futuremarketinsights.com/reports/subscription-and-billing-management-market>

2. Subscription Billing Management Market Size

<https://www.grandviewresearch.com/industry-analysis/subscription-billing-management-market-report>

3. How To Make Money From Membership Economics

<https://www.globalbankingandfinance.com/how-to-make-money-from-membership-economics/>

4. The Subscription Economy Grows More Than 350% Over 7.5 Years

<https://www.businesswire.com/news/home/20191003005016/en/Subscription-Economy-Grows-350-7.5-Years>

5. Why Every Business Will Soon Be a Subscription Business

<https://www.gsb.stanford.edu/insights/why-every-business-will-soon-be-subscription-business>

6. Seizing the subscription business model

<https://www.ibm.com/downloads/cas/ZRBPV4VG>

7. Customer experience is key to subscription success

<https://www.digitalcommerce360.com/2019/12/05/customer-experience-is-key-to-subscription-success/>

8. From one-time order to lifetime customer

<https://stripe.com/en-hr/billing#:~:text=Stripe%27s%20dunning%20tools%20help%20businesses,payments%20on%20a%20set%20schedule.>

9. Subscription Fraud Trends

<https://recurly.com/content/subscription-fraud-trends/>

10. 7 benefits of the subscription model

<https://rechargepayments.com/blog/7-benefits-of-the-subscription-model/>

11. The Value of Keeping the Right Customers

<https://hbr.org/2014/10/the-value-of-keeping-the-right-customers>

12. Subscription revenue model: What is it and how does it work

<https://www.paddle.com/resources/subscription-revenue-model>

13. The Rise of Subscription-Based Marketing Services

<https://www.vezadigital.com/post/the-rise-of-subscription-based-marketing-services>

14. Subscription revenue model: What is it and how does it work

<https://www.paddle.com/resources/subscription-revenue-model>