Renewal authorizations report

Overview

Use the Renewal authorizations report to get an overview of the 2Checkout automatic recurring backend operations. Monitor payment authorization rates for:

- New acquisition
- Automatic renewal of active subscriptions (including items in the grace period)
- Manual renewal of active subscriptions
- Trial conversions
- 2Checkout basic and advanced retention tools

The report includes past authorization and retention events as well as those scheduled by the end of the day when you generate the report (in your selected time zone).

2Checkout uses currency exchange rates from the day when customers paid the orders and all aggregated amounts are estimated.

Availability

- Basic revenue recovery tools (basic RRT) are available by default on all accounts (2Sell, 2Subscribe, 2Monetize).
- Advanced revenue recovery tools (advanced RRT) are available on 2Monetize.

Contact 2Checkout to check the availability of the authorization report functionality on your account.

Requirements

The report centralizes data only for subscriptions purchased using credit/debit cards or PayPal.
Basic revenue recovery tools (basic RRT)

Basic revenue recovery tools are available for all accounts (2Sell, 2Subscribe, 2Monetize).

1. HOW DOES THE REPORT WORK FOR BASIC RRT?

1. Access the Authorization report section from your Merchant Control Panel by navigating to Dashboard → Reports center → Authorization report.

2. Generate authorization reports based on two criteria:
   
   • **Order type.** This type of report displays data from all subscriptions based on the transaction type: new acquisition, auto-renewals, and manual renewals.
     - When the merchant selects **auto-renewals**, the data will be generated based on the **attempt date** or the **subscription expiration date** (displays data from all subscriptions with expiration dates set during the selected interval), depending on the selection made by the vendor, as shown in the image below.

   • **Payment method.** This type of report displays data from all subscriptions based on these payment methods: credit/debit cards and PayPal.

   ![Authorization report settings](https://knowledgecenter.2checkout.com/Documentation/19Reporting/Renewal_authorizations_report)

   If the selected time interval includes more than 10,000 subscriptions, the report loading time increases. In this case, you are prompted with an option to receive an email when the report is ready.

3. Select the time interval during which the renewal attempt was made.
4. Select the product the renewal attempt was made for.
5. Check the **Include hard declines** option if you want the report to show you this type of authorization failures.
6. Click **Build report**.

To cancel generating the report, click **Cancel report** or close the **Processing report** window. 2Checkout does not

https://knowledgecenter.2checkout.com/Documentation/19Reporting/Renewal_authorizations_report

Updated: Sat, 14 Mar 2020 02:21:57 GMT
generate the report in this case and you can choose a different set of filters.

To receive an email notification when the report is ready, click Email me when ready. The Processing report window closes and the system takes you to a page informing you that 2Checkout is generating the report. 2Checkout also sends you an email when the report is done.

2. ACCOUNT UPDATER (AU)

Account Updater is a key customer retention tool designed to support seamless updates of credit/debit card account information.

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions with updated cards</td>
<td>Number of auto-renewing subscriptions per billing cycle with attached cards updated by Account Updater in the selected interval.</td>
</tr>
<tr>
<td>Successful renewals</td>
<td>Number of auto-renewing subscriptions with attached cards updated by Account Updater, for which recurring payments were authorized successfully per billing cycle in the selected interval.</td>
</tr>
<tr>
<td>Authorization rate</td>
<td>Percentage of subscriptions with updated cards authorized successfully, from the total number of subscriptions with attached cards updated by Account Updater, per billing cycle in the selected interval.</td>
</tr>
<tr>
<td>Revenue</td>
<td>Revenue generated by the automatic renewal of subscriptions using the cards updated via Account Updater in the selected interval and the percentage from the total auto-recurring revenue (under Authorizations overview) generated.</td>
</tr>
</tbody>
</table>

3. BASIC RETRY LOGIC (RL)

Basic Retry Logic (RL) involves the first two (2) renewal authorizations 2Checkout makes to recover expired subscriptions for which the renewal process failed.

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto-renewal retries</td>
<td>Number of subscriptions with at least one authorization retry per billing cycle in the selected interval. Following an initial failed automatic recurring payment using Basic Retry Logic configuration, also shown is the percentage of subscriptions 2Checkout auto-renews using Basic Retry Logic (under Authorizations overview).</td>
</tr>
<tr>
<td>Retry attempts</td>
<td>Unique automatic authorization retries using Basic Retry Logic per billing cycle for each subscription, and the total number of authorization retries in the selected interval.</td>
</tr>
<tr>
<td>Field</td>
<td>Description</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Also shown is the percentage of authorization retries 2Checkout makes using Authorizations overview).</td>
</tr>
<tr>
<td>Successful renewals</td>
<td>Number of subscriptions 2Checkout renews successfully using Basic Retry Logic.</td>
</tr>
<tr>
<td>Authorization rate</td>
<td>Percentage of successful renewals 2Checkout makes using Basic Retry Logic, unique automatic authorization retries.</td>
</tr>
<tr>
<td>Revenue</td>
<td>Automatic renewal orders revenue the 2Checkout system generates from your account's Advanced revenue recovery tools.</td>
</tr>
</tbody>
</table>

**Advanced revenue recovery tools (advanced RRT)**

Advanced revenue recovery tools are available on 2Monetize or on demand as an add-on to your account (2Sell, 2Subscribe). Please contact 2Checkout directly for more information. Advanced revenue recovery tools include the basic RRT plus order type filter (new acquisition, auto-renewal, manual renewal), 2Checkout updater, advanced retry logic, dunning management.

**1. HOW DOES THE REPORT WORK FOR ADVANCED RRT?**

1. Access the Authorization report section from your Merchant Control Panel by navigating to Dashboard → Reports center → Authorization report.

2. Generate authorization reports based on two criteria:

   - **Order type.** This type of report displays data from all subscriptions based on the transaction type: new acquisition, auto-renewals, and manual renewals.
     - If the merchant selects new acquisition, the data will be generated based on the attempt date.
     - If the merchant selects manual renewals, the data will be generated based on the attempt date.
     - If the merchant selects auto-renewals, the data will be generated based on the attempt date or the subscription expiration date (displays data from all subscriptions with expiration dates set during the selected interval), depending on the selection made by the vendor, as shown in the image below.

```
https://knowledgecenter.2checkout.com/Documentation/19Reporting/Renewal_authorizations_report
```
- **Payment method.** This type of report displays data from all subscriptions based on these payment methods: credit/debit cards and PayPal.

If the selected time interval includes more than 10,000 subscriptions, the report loading time increases. In this case, you are prompted with an option to receive an email when the report is ready.

3. Select the time interval during which the renewal attempt was made.

4. Select the product the renewal attempt was made for.

5. Check the **Include hard declines** option if you want the report to show you this type of authorization failures.

6. Click **Build report**.

To cancel generating the report, click **Cancel report** or close the **Processing report** window. 2Checkout does not generate the report in this case and you can choose a different set of filters.

To receive an email notification when the report is ready, click **Email me when ready**. The **Processing report** window closes and the system takes you to a page informing you that 2Checkout is generating the report. 2Checkout also sends you an email when the report is done.

### 2. 2CHECKOUT UPDATER

Account Updater is a key customer retention tool designed to support seamless updates of credit/debit card account information.

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions with updated cards</td>
<td>Number of auto-renewing subscriptions per billing cycle with attached card interval.</td>
</tr>
<tr>
<td>Successful renewals</td>
<td>Number of auto-renewing subscriptions with attached cards 2Checkout updated and authorized successfully per billing cycle in the selected interval.</td>
</tr>
<tr>
<td>Authorization rate</td>
<td>Percentage of subscriptions with updated cards 2Checkout authorized successfully using the 2Checkout Expiration Date Updater, per billing cycle in the selected interval.</td>
</tr>
<tr>
<td>Revenue</td>
<td>Revenue generated by automatic renewal of subscriptions using the cards updated by the 2Checkout Expiration Date Updater in the selected interval.</td>
</tr>
</tbody>
</table>
### 3. ADVANCED RETRY LOGIC

**Advanced retry logic** involves multiple renewal authorizations 2Checkout makes beyond those of **Basic Retry Logic**.

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto-renewal retries</td>
<td>Number of subscriptions with at least one authorization retry per billing cycle in the selected interval, following an initial failed automatic recurring payment. Also shown is the percentage of subscriptions 2Checkout auto-renews using Advanced retry logic from the total number of subscriptions (under Authorizations overview).</td>
</tr>
<tr>
<td>Retry attempts</td>
<td>Unique automatic authorization retries using Advanced retry logic per billing cycle in the selected interval. Also shown is the percentage of authorization retries 2Checkout makes using Advanced retry logic from the total number of authorization retries (under Authorizations overview).</td>
</tr>
<tr>
<td>Successful renewals</td>
<td>Number of subscriptions 2Checkout renews successfully using Advanced retry logic per billing cycle in the selected interval.</td>
</tr>
<tr>
<td>Authorization rate</td>
<td>Percentage of successful renewals 2Checkout makes using Advanced retry logic per billing cycle in the selected interval, following an initial failed automatic recurring payment.</td>
</tr>
<tr>
<td>Revenue</td>
<td>Automatic renewal orders revenue the 2Checkout system generates from your account's Advanced retry logic setup.</td>
</tr>
</tbody>
</table>

### 4. DUNNING MANAGEMENT

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard declines</td>
<td>Number of subscriptions with hard decline authorization failures. The 2Checkout system sends out a dunning management email for each such subscription.</td>
</tr>
<tr>
<td>Updated card attempts</td>
<td>Number of credit card update attempts customers make per subscription by logging into their myAccount as a result of a dunning email.</td>
</tr>
</tbody>
</table>
**Field** | **Description**
---|---
Successful renewals | Number of subscriptions successfully renewed using credit cards customers updated using their myAccount.
Authorization rate | Percentage of successful renewals using updated credit cards per billing cycle from the number of card update attempts made.
Revenue | Renewal order revenue the 2Checkout system generates using credit cards customers updated in their myAccount.

**Authorizations overview**

This area centralizes information related to all authorization attempts 2Checkout performs as part of the automatic renewal process of subscriptions you sold to your customers.

**Field** | **Description**
---|---
Auto-renewals | Number of unique renewals (auto-recurring payment authorization attempts) per subscription billing cycle done or scheduled during the selected interval.
If for a subscription, the 2Checkout system makes an initial renewal attempt plus 3 subsequent retries, the auto-renewals count is 1.
When you select **Today** as the **Auth attempt interval**, the report shows data on subscriptions with authorization and retention events that:

- Happened earlier in the day when you generate the report.
- And those scheduled by day’s end (in the selected time zone for the report).

2Checkout forecasts the scheduled events, so please keep in mind that the actual system-generated actions might differ from the expected events.

Auth attempts | Unique auto-recurring payment authorization attempts per subscription billing cycle in the selected interval.
This area also counts the total number of authorization retries per subscription billing cycle in the selected interval.

Successful renewals | Number of successful subscription renewals per billing cycle with auto-recurring payments authorized in the selected interval.

Authorization rate | Percentage of auto-recurring payments 2Checkout successfully authorized from the number of unique authorization attempts made.

Auto-recurring revenue | Total revenue generated from automatic recurring payments 2Checkout successfully authorized in the selected interval.

Depending on the selected payment method (credit card or PayPal) the authorization overview will display the


Updated: Sat, 14 Mar 2020 02:21:57 GMT
authorization attempts split by credit card type, as shown in the image below:

**USE CASE 1**

The report is generated based on **Attempt date**.

**Auth attempt interval**: July 1 - August 31.

<table>
<thead>
<tr>
<th>Subscriptions</th>
<th>Billing cycle</th>
<th>Costs</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription 1</td>
<td>3 months</td>
<td>$300</td>
<td>First authorization attempt that falls outside of the selected <strong>auth attempt interval</strong> is not taken into consideration. However, the subsequent retry is.</td>
</tr>
<tr>
<td>Subscription 2</td>
<td>1 month</td>
<td>$75</td>
<td>This subscription fails to be authorized and renewed with a hard decline. There are no further attempts made by 2Checkout.</td>
</tr>
<tr>
<td>Subscription 3</td>
<td>1 month</td>
<td>$100</td>
<td>This subscription renews successfully on the first try every month.</td>
</tr>
<tr>
<td>Subscription 4</td>
<td>1 month</td>
<td>$50</td>
<td>Authorizations for this subscription fall in the same month.</td>
</tr>
</tbody>
</table>
The seamless report:

In the example above, if you run the report on August 31 at 8:00 AM and select **Today** as the **Auth attempt interval**, the data displayed includes authorizations scheduled until 11:59 PM.

---

**Self-service**

**REQUIREMENTS**

To request the activation of the Advanced Revenue Recovery Tools yourself, your account must meet the following criteria:

- Less than 1% chargeback rate over the last 3 months
- Have at least 10 active auto-renewing subscriptions
- Use a 2Sell, 2Subscribe, 2Monetize 2Checkout account

**REQUEST ADVANCED REVENUE RECOVERY TOOLS ACTIVATION**

If your account meets the requirements above, you can click **Activate Advanced Options** in your [Merchant Control Panel](https://knowledgecenter.2checkout.com/Documentation/19Reporting/Renewal_authorizations_report).

Next, you'll be prompted with a message informing you that we will activate the module for your account in 48 hours.

As soon as we activate the module, you will receive an email informing you about the activation.
Advanced recovery fees and revenue

**Advanced Revenue Recovery Tools Incurred Fees:** Commission (net amount, does not include taxes) for the recurring payments 2Checkout recovered when renewing subscriptions using the **Advanced recovery tools**. 2Checkout does not charge fees for **Basic recovery tools**. To calculate recovered revenue fee please generate the report using the **Attempt date** selector.

2Checkout keeps the Advanced Revenue Recovery Tools fees even in the eventuality of chargebacks or refunds.

**Total Earnings from Advanced Revenue Recovery Tools:** Total recurring charges successfully recovered using the **Advanced recovery tools**, reported according to authorization dates, when the 2Checkout system collects funds from your customers.

---

**INVOICE FOR ADVANCED RECOVERY TOOLS FEES**

2Checkout issues an invoice for the advanced recovery fees at the end of each month.

---

**How can I see future scheduled authorization events?**

When you select **Today** as the **Auth attempt interval**, the report shows data on subscriptions with authorization and retention events that:

- Happened earlier in the day when you generate the report.
- And those scheduled events by day's end (in the selected time zone for the report). Selecting **Today** as the **Auth attempt interval**, triggers the report to display the data including authorizations scheduled until 11:59 PM in the time zone you choose.

---

**What happens when I select a specific product or a group of products?**

2Checkout displays only data for subscriptions generated for that/those product(s) with authorization and retention events in the selected **Auth attempt interval**.

---

**Include hard declines**

Check this option to also include data on authorization attempts that resulted in hard declines. By default, 2Checkout includes only authorizations with soft declines in the report.

---

**WHAT ARE CARD DECLINES?**

Card charge declines happen when the customer's bank, financial institution or card issuer declines a transaction.

---

https://knowledgecenter.2checkout.com/Documentation/19Reporting/Renewal_authorizations_report

Updated: Sat, 14 Mar 2020 02:21:57 GMT
initiated with a credit or debit card. Reasons vary, but can include:

- Insufficient funds
- Card activity limit exceeded
- Incorrect card details, such as the card number, expiration date, or CVV
- Expired card
- Processing failures due to system, technical or infrastructure issues

What are the best practices around authorization retries?

The best practices around retrying authorizations for card charge declines revolve around the type of decline:

- **Soft decline** - card decline is a temporary issue, there's a high probability that a subsequent try would be successful.
- **Hard decline** - decline is permanent and no amount of retries would change that. The best course of action is to reach out to customers and ask for alternative payment methods.

Soft declines

2Checkout retries all transactions with authorization failures accompanied by **soft decline** messages from payment processors, because there's a high probability that subsequent authorizations will be successful. 2Checkout recommends that you adapt the number of retries and retention strategy to your business and customer base, and can provide guidance on optimizing conversion rates. Soft decline reasons include:

- Insufficient funds
- Card activity limit exceeded
- Processing failures due to system, technical or infrastructure issues
- Expired cards

What happens to subscriptions for which a card charge resulted in a soft decline?

2Checkout retries authorizations per your account's retention capabilities, which can include:

- **Basic Retry Logic** - two renewal authorizations designed to recover expired subscriptions for which renewal process has failed.
- **Advanced retry logic** - multiple renewal authorizations beyond those of Basic Retry Logic.
- **Account Updater** - a key customer retention tool designed to support seamless updates of credit/debit card account information.
- **2Checkout updater** - 2Checkout expiration date updater, a retention tool supporting authorization retries based on a custom card expiration date algorithm.
Hard declines

2Checkout manages hard declines in line with industry practices, as permanent authorization failures, that cannot be recovered, regardless of the retry strategy employed. In hard decline scenarios, 2Checkout recommends that customers be contacted through alternate retention channels and asked to provide alternative payment methods. Hard decline reasons include:

- Stolen or lost cards
- Invalid credit card data

What happens to subscriptions for which a card charge resulted in a hard decline?

The 2Checkout system no longer attempts authorizations for subscriptions for which the initial card charge results in a hard decline. Unless you target the customers with your own retention strategies, such subscriptions expire. Please note that you can export a CSV (comma separated value) file with details on recurring payment authorization attempts for your company’s subscriptions.

Authorization insights

This report lists recurring payment authorization rates for the automatic renewal of subscriptions, trial conversions and custom retry logic attempts in the selected interval. Report lists 1,000 search results, and CSV file includes 100,000 items/export.

Each authorization attempt made for a subscription will be displayed on its own report row. For example, if the 2Checkout system makes four authorization attempts for a subscription, each would be included as a standalone line in the report. Another example involves two subscriptions renewed through a single order (one authorization event), in which case the report would display a line for each item.

Glossary

**Attempt** = the authorization attempt count for each subscription.

**Renewal** = the first recurring payment authorization attempt made for a subscription in a billing cycle.

**Retry** = any authorization attempt made for a subscription in a billing cycle after the initial Renewal try.