Assessment Call Script

- ■ <mark>Premise:</mark> Learn about their company, qualify them, identify their best potential opportunities for reducing failed payments and recovering revenue, show them how addressing those opportunities would impact their revenue and retention rate, then offer our service + software as a way to accomplish it.

Part 1: Learn/Qualify

- Make sure they took the Retention Assessment and you have their $ figure

- Questions to Ask:

  - ○ What are your biggest KPIs to hit over the next 12 months?
    - ■ Look for how these relate to revenue and retention rate

  - ○ Has anyone ever looked under the hood of your payment recovery engine (payment processors, CRM, delivery systems, etc.)? Did they give you a customized plan to reduce failed payments and recover revenue? That's what we do and we feel like we do it better than anyone else. But again, we can talk about that in a bit if it's relevant.

  - ○ Do you feel like you know what you need to **do** to get a handle on your failed payments?

  - ○ Do you feel like you have a go-to person you can count on to fix this issue, manage it, and make adjustments to ensure lost revenue keeps getting recovered? Is anyone at your company able to be on top of this day in and day out?

  - ○ According to your Retention Assessment, you're currently averaging $X per month in failed revenue, is that correct?

  - ○ And that's on X failed transactions per month, correct?

- Ask more followup questions about company and assessment questions if necessary.

Transition: OK, I have some ideas for a few key recovery systems you could add to your workflow to start recovering a much greater number of failed payments. As I go through these, I also want to walk you through our framework for payment recovery and how we think about it so you can have some context for these systems.

Part 2: Payment Recovery System and Strategies

What we've found is that most subscription businesses have 3 key areas where they're lagging behind. I'm going to show you those areas and then examples of strategies in each one that I think would help you reach your goals.

- **Area #1: Full-Time Focus**

  - When subscription-based companies typically start out, they have zero focus on recovering failed payments.
    - Once they notice, they implement a basic automated solution like dunning emails.
    - Typically this will get you a recovery rate of around 10-15%. 18-20% if you're really lucky.

  - If you're not satisfied with that, typically you move on to what we call a fractional focus.
    - You go to someone in your accounting department or customer service team who already has 17 other things they're responsible for and you add failed payment recovery to their plate.
    - It ends up being one of those things they focus on if they have time for it. There isn't much accountability. That person's performance isn't evaluated based on failed payment recovery, so it's never a top priority.
    - The best fractional focus we've seen is a recovery rate of 33%.

  - Full-time focus is the next step.
    - Full-time focus means having a person whose sole focus is minimizing and recovering failed payments. It's the one thing they are evaluated on.
    - When you have a full-time focus, you can implement full-time strategies.
    - For example, **the "last chance" phone call.**
      - This is a 1:1 phone call you have with someone after you've already reached out to them via email, text, and any other asynchronous communication platform.
      - We have a specific script that we've fine-tuned after conducting literally hundreds of these calls per week for the last year.
      - On average, this call has a 60% reactivation rate. Meaning that 60% of the customers you have that aren't currently updating their payment info after receiving automated emails would be reactivating. Which based on your numbers, would equal about $X in monthly recovered revenue.

- **Area #2: Proven Communication Process**

  - There are 2 parts to a proven communication process.

    - 1. A manual follow-up system.
      - This is how we bring in over 80% of the failed payments that we recover for clients at Gravy. That's how big of a difference a manual system makes.
      - This is a specific, repeatable system that involves email, SMS messaging, Facebook messenger, and like I mentioned before, phone calls.
      - **Let me walk you through the structure we've spent years refining.**

- On average, this system recovers 52% of failed transactions. Which for YOUR business would equal $X in monthly revenue.

- ■ 2. Partnered with the manual follow-up system is an automated system.
  - This is where dunning emails come into play.
  - But instead of just setting them up once and forgetting about them, we have a monthly review and testing system in place that allows us to continue to optimize the effectiveness of any automated system.

- **Area #3: Visibility**

  - You have to have visibility in 4 places to close the back door of your subscription business.
    - ■ Exactly how much revenue you have failing on a monthly basis.
    - ■ Exactly how much of that revenue is recovered within 30 days.
    - ■ Exactly how much of that revenue is recovered between day 31 and day 60.
    - ■ Exactly how much revenue is never recovered.

  - You have to have those numbers known and visible at all times or you will always be leaving revenue on the table month after month. It has to be treated with the same precision and level of detail you measure things on the front-end of the business—ad spend, marketing campaigns, etc.

  - Because it's just as big of an opportunity for generating revenue. Remember, we've already established that if you increased your recovery rate from X% to X% you would increase your monthly revenue all the way up to $X.

  - Companies that stay on top of their failed payments and maximize their recovered revenue monitor those 4 numbers religiously.

Transition: One of my goals in these calls is to find the right companies for us to work with to accomplish the exact types of goals you mentioned earlier, [REPEAT GOALS THAT TIE INTO THEIR KPIs]..

We monitor your failed payments, give you a Virtual Retention Specialist, and we become responsible for recovering your failed payments using the systems I just described to you. Those sounded like a lot of work, right? Well, it IS a lot of work, but it doesn't have to be a lot of work for you.

Part 3: Offer

Everything I just described to you, the full-time focus, the proven communication system, the visibility, happens FOR you. Done FOR you. We plug in like we're part of your team and contact your customers with a full-time person who's focused on recovering your failed payments, we have a proven communication system that's working across all types of subscription-based companies in

English-speaking countries around the world, and then we have in-house data analysts who give you visibility into those big numbers I mentioned earlier.

So let me quickly show you what it would look like to work together.

- **Pillar #1: Full-time, done-for-you payment recovery**
    - Discuss details and benefits

- **Pillar #2: Custom communication system and constant monitoring**
    - Discuss details and benefits

- **Pillar #3: Visibility and reporting**
    - Discuss details and benefits

Let's contrast that with the typical approach to recovering failed payments:

- The typical approach is 100% automated.
- You pay for dunning software that recovers about 10-15% of your failed payments.
- That automated process is rarely evaluated because no one is held accountable for maximizing failed revenue recovery.
- There's no long-term plan for improvement because no one's focused enough to provide real visibility into the problem.
- You're left with a loss of revenue that's compounding month after month and making it that much harder for you to hit your revenue and retention goals.

Gravy offers a better way by doing 3 things for you...write these down:

- We assign you a full-time retention specialist who is 100% focused on (and accountable for) recovering your failed payment revenue
- Your retention specialist creates and executes a custom plan for communicating with your customers with the highest level of customer service
- Our data analysts give you a report every 2 weeks that gives you total visibility into the numbers that matter

QUESTION: Which pillar gets you most excited?

Let me walk you through what next steps look like when we start working with you. 5 Steps:

- Step 1: We Sync Your Data and Systems with Gravy
- Step 2: We Match You With Your Retention Specialist
- Step 3: We Create Your Custom Communication Plan
- Step 4: We Start Recovering Your Failed Payments
- Step 5: We Deliver You Bi-Weekly Reports So You Have Full Visibility

__QUESTION: could you see your company working with us to hit your goals?__

"Awesome, so then let's talk about rates."

- Discuss pricing and offer details