baremetrics

Q3 2026 EDITION · JULY TO SEPTEMBER 2026

Recovery Index

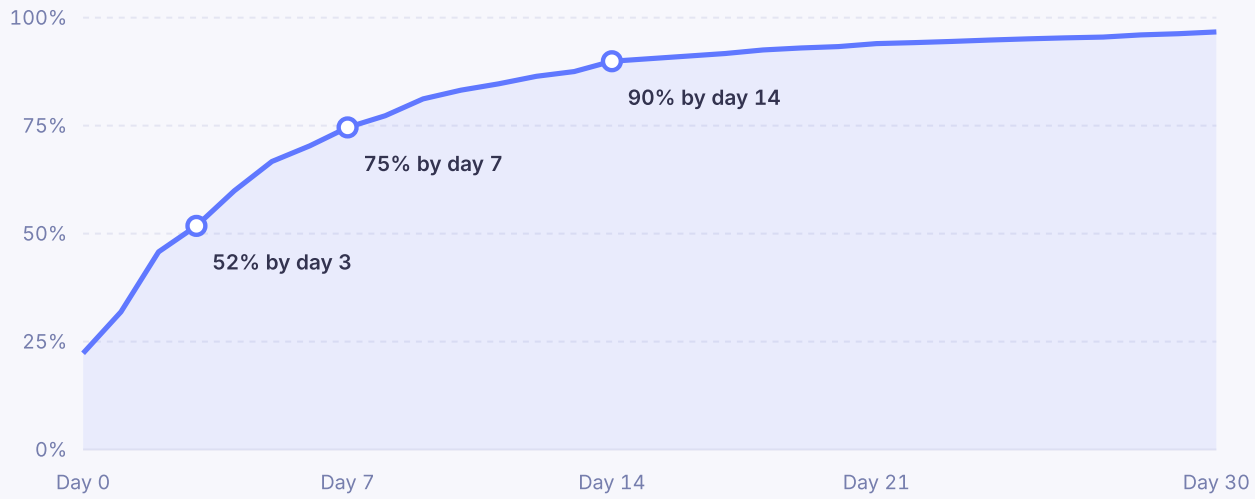
How often failed subscription payments come back, how quickly, and which dunning emails bring them back.

203,756
failed payments

34,252
payments recovered

457,225
dunning emails

Share of recovered payments paid by each day after failing



baremetrics.com/benchmarks/payment-recovery

Data as of November 18, 2026

Four findings

Paid by day three

52%

Half of recovered payments are paid within three full days of failing.

The first week does the work

89%

The first three dunning emails, all sent within a week, account for 89% of recoveries that follow an email.

One in six needs no email

17%

About one in six recovered payments is paid before any dunning email is sent.

Mid-sized companies recover the most

40%

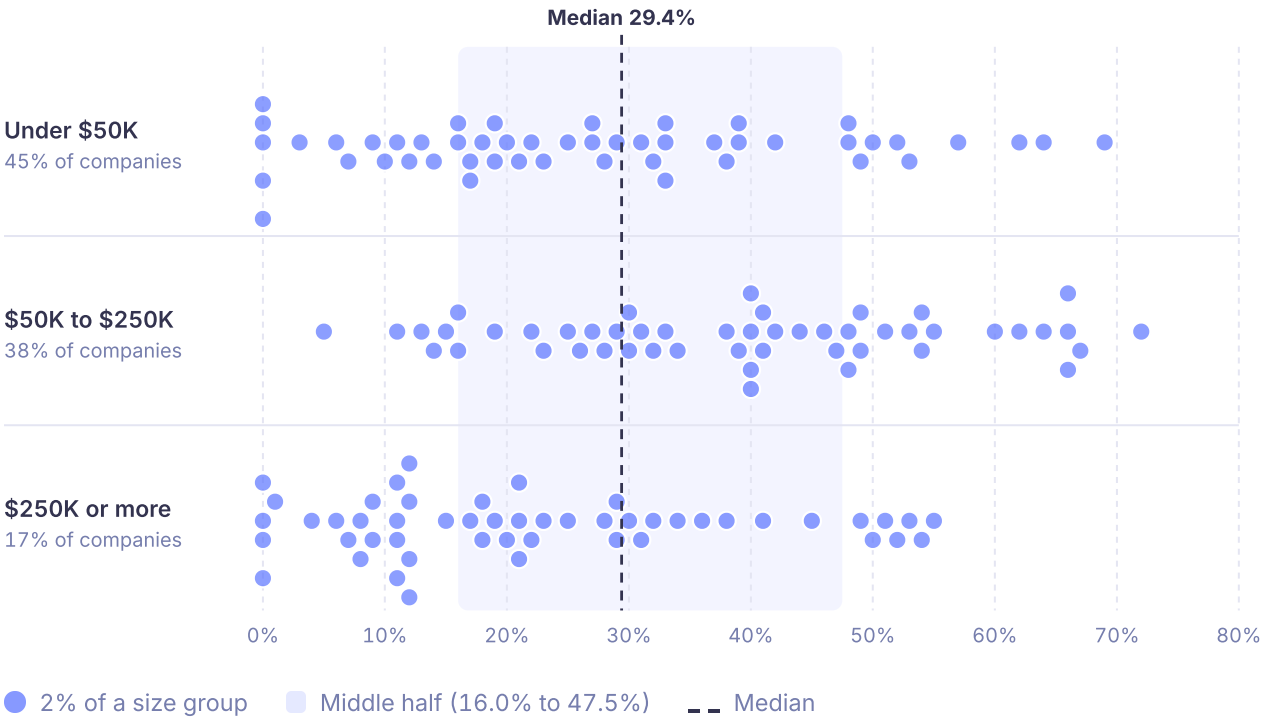
Companies with $50K to $250K in MRR recover a median 40% of attempted charges, more than smaller or larger companies.

01 What the typical company recovers

The typical company recovered 29.4% of the failed charges its dunning system attempted between July and September 2026. That median is this edition's Recovery Index.

29.4%

Recovery Index: median attempted recovery rate across all companies in this edition



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34,252
charges recovered

203,756
charges attempted

$3,690,677
revenue recovered

How this is measured. The Recovery Index is the median attempted recovery rate: recovered charges divided by the failed charges Recover actively tried to recover, calculated for each company, then taking the company in the middle of the sample. Each size group is shown as 50 dots, and each dot stands for 2% of that group's companies, placed at that slice's recovery rate. Dots don't correspond to individual companies. The pooled rate, 16.8%, divides all recovered charges in the sample by all attempted charges.

Compare your own rate with the index, not the pooled rate. The pooled rate is pulled down by a small number of very large senders, as section 07 shows.

02 How this benchmark was built

One quarter of real Recover data, measured the same way every edition.

Who’s included	Every Baremetrics Recover customer with at least one attempted recovery in the quarter. Nobody was hand-picked or left out for poor results.
Time period	July 1 to September 30, 2026
Where the numbers come from	Headline figures come from the daily metrics customers see in their Recover dashboard. Timing and email figures come from Recover’s message records.
Privacy	No company is named, no chart shows an individual company, and company counts aren’t published.
Data as of	November 18, 2026

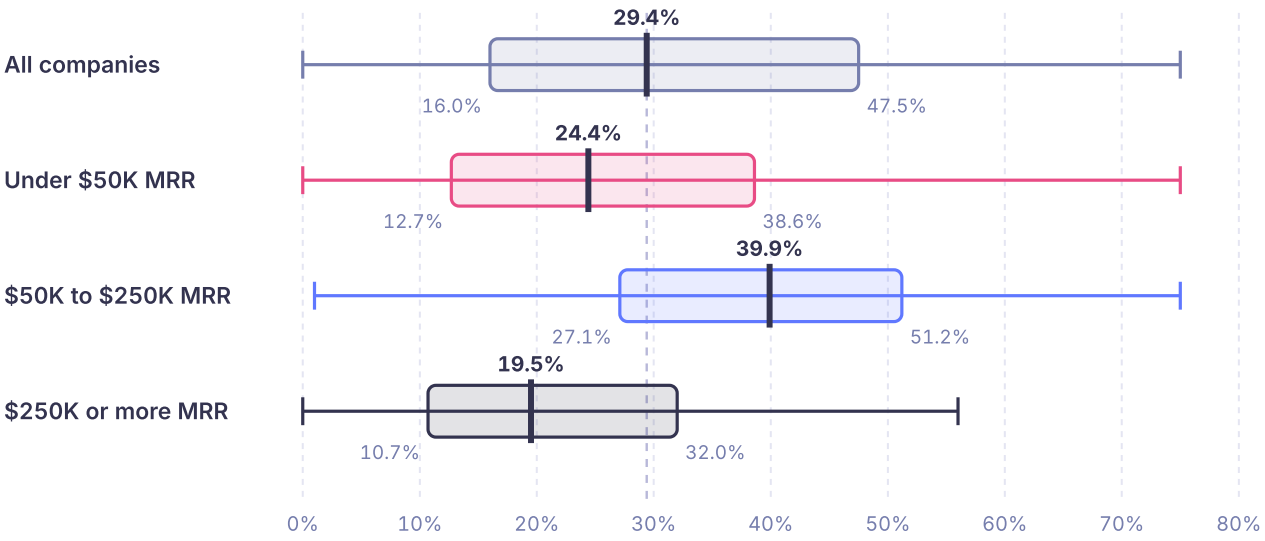
The full methodology is at the end of this report.

03 How recovery rates vary between companies

Every size group includes companies that recover almost nothing and companies that recover well over half. What changes is where the middle half sits: highest for $50K to $250K in MRR, lowest for the largest companies.

Attempted recovery rate by size group

Box shows the middle half, the thick line is the median, whiskers run from lowest to highest; dashed line marks the all-company median (29.4%)



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The lowest-recovering tenth of companies recover 6.3% or less; the highest-recovering tenth recover 55.5% or more.

A gap this wide suggests there's more to recovery rate than the tool itself. Your sequence, customer base and billing model matter as much as having dunning switched on.

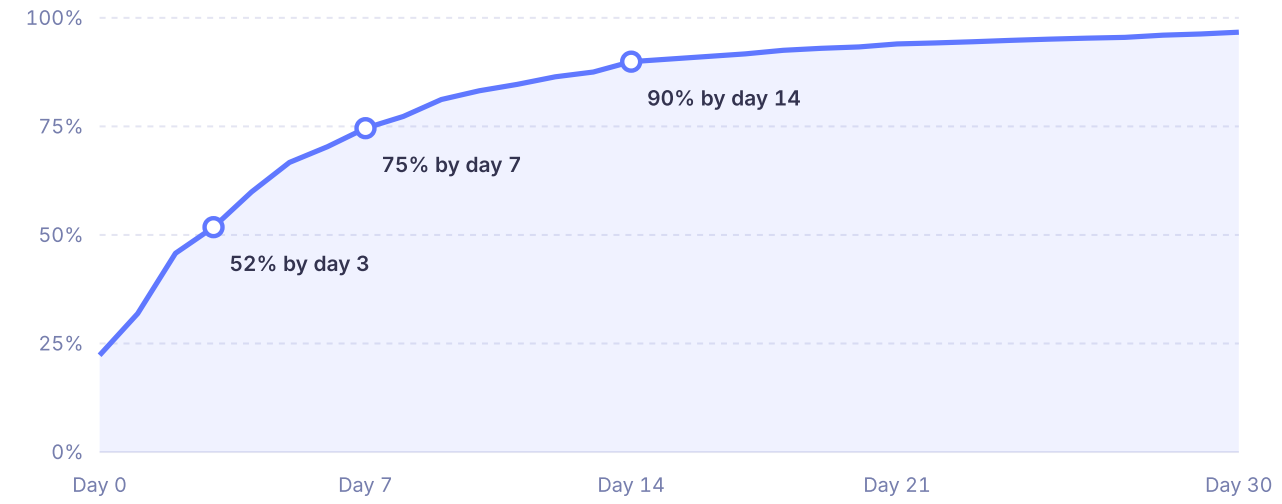
04 How quickly failed payments come back

Half of recovered payments are paid within three full days of failing, and 90% within two weeks.

Paid by day

52%

of recovered payments were paid within three days of failing



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Share of recovered payments paid by each day after the payment failed, July to September 2026.

How this is measured. Days count full days after the first failed attempt; day 0 is the same day. Every failed payment that was later paid counts, whether or not an email was opened first.

Payments jump on days 14, 21 and 28 rather than tapering smoothly; day 14 saw more than twice as many as day 13.

The first few days after a failure carry most of the opportunity. A slow first email costs more than a missing last one.

05 One in six recoveries needs no email

17% of recovered payments were paid before the first dunning email went out, for example because the payment processor retried the card or the customer updated their details on their own. No email prompted these recoveries, so this report counts them separately.

All recovered payments, July to September 2026



17%
before any email

83%
after an email

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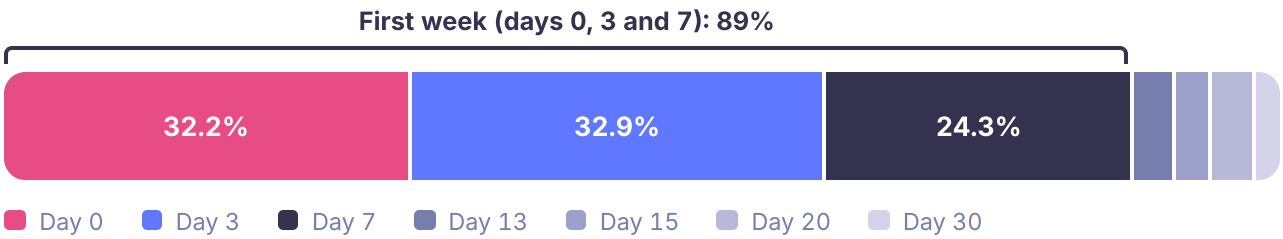
How this is measured. A payment counts as recovered before any email when it was paid before the first dunning email for it was sent.

Counting these as dunning wins makes your emails look about 20% more effective than they are. For payments paid after the first email went out, the median came four days after the failure; 75% were paid by day 9 and 90% by day 17.

06 Which emails in the sequence do the work

The first three dunning emails, sent on days 0, 3 and 7, account for 89% of recoveries that follow an email. The day 7 email recovers the most per send, with day 3 close behind.

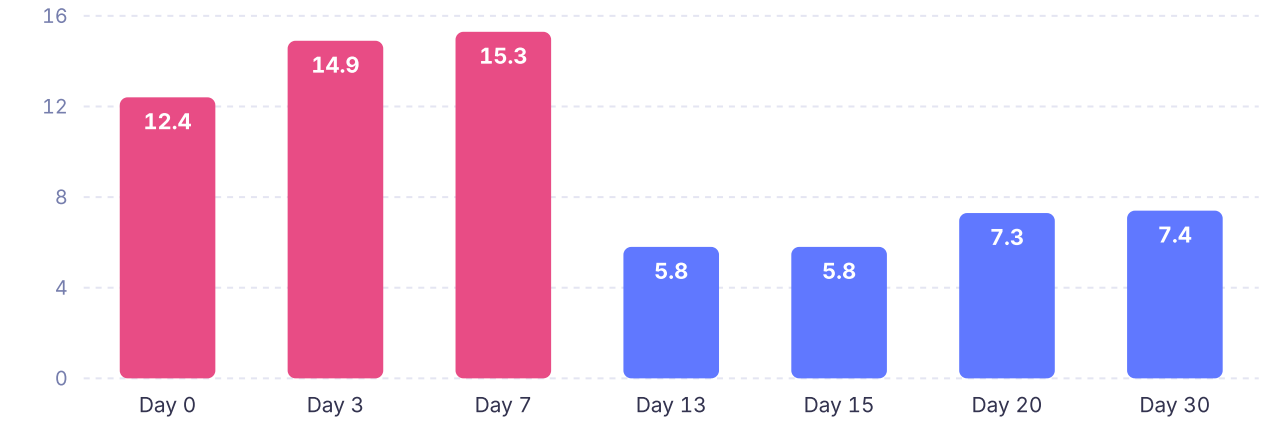
Share of recoveries that follow an email, by step



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Recoveries per 100 emails sent, by step

Pink: first week (days 0, 3 and 7). Blue: later steps.



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Later emails reach far fewer payments, since most have already been recovered or abandoned by then, so their lower rates partly reflect who is still unpaid.

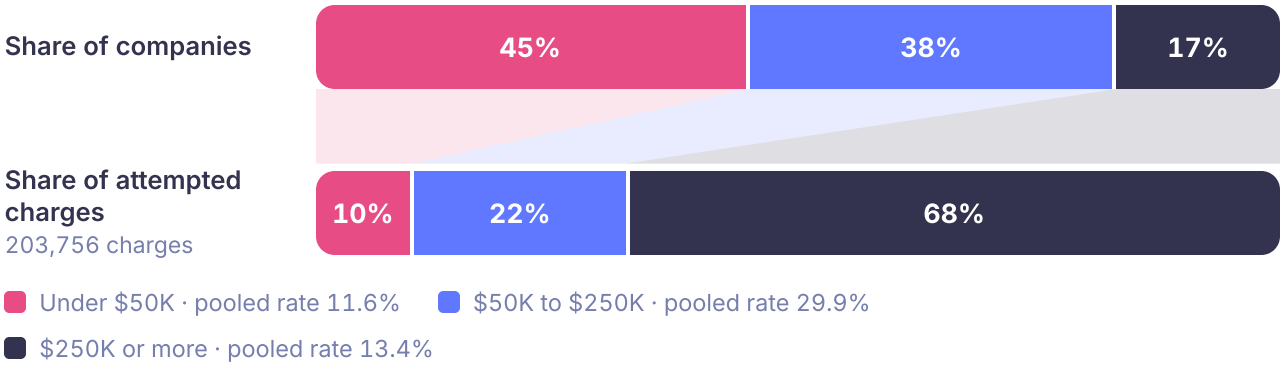
How this is measured. Each recovery is credited to the last email sent before the payment came back. Only failed-payment emails count, not card-expiry or renewal reminders.

The first week's emails deserve most of your attention. The later steps still bring back about one recovery in nine, so they're worth keeping, but they aren't the main lever.

07 The biggest companies send most of the volume

A small group of large companies accounts for most of the recovery attempts in this report. Companies with $250K or more in MRR are about one in six companies here, but more than two-thirds of the failed charges Recover tried to recover were theirs. They also recover less than most, which pulls the overall rate down to 16.8%, even though the typical company recovers 29.4%.

Share of companies compared with share of attempted charges



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Mid-sized companies are the opposite. They make up 38% of companies but only 22% of attempted charges, and they recover more of them than any other group (29.9%). This shows the pattern, not the reason behind it.

How this is measured. Each company's MRR is its average over the quarter, in its own reporting currency; about 91% of the sample reports in US dollars. Share of attempted charges is each group's attempted recovery charges divided by all 203,756 attempted in the quarter. The overall (pooled) rate divides all recovered charges by all attempted charges, so the biggest senders count the most.

To see how you're doing, compare yourself with the typical company (29.4%) or with companies your size in section 03. The overall rate mostly tells you what the biggest senders are doing.

08 How this quarter compares with May 2026

The median company's monthly recovery rate has stayed between 29% and 34% every month since May.



September is dashed because its figures are still rising as late recoveries are credited.

Monthly rates aren't directly comparable with the quarterly index in section 01, since each company's rate is calculated over a shorter period.

Restated May 2026 figures: our first edition reported a 12.7% median for May 2026. On current data, with every Recover customer included, May's median is 34.0%. The full explanation is in the methodology.

09 What to take from this

89%	**Get the first week right:** The emails on days 0, 3 and 7 account for 89% of recoveries that follow an email, and the day 7 email recovers the most per send, with day 3 close behind. Most of what dunning can win back is won in the first week.
17%	**Don’t credit dunning for everything:** About one in six recoveries happens before any email goes out, for example through processor retries or customers updating their card. Measure attempted recovery rate so you can see what your emails actually add.
40%	**Compare like with like:** Mid-sized companies ($50K to $250K MRR) recover a median 40% of attempted charges, about twice the 19.5% of the largest companies. Use your size band as your benchmark, not the overall 29.4%.
1 in 9	**Keep the later emails, but don’t expect much from them:** Steps after day 7 bring back about one recovery in nine. They’re a backstop, not the main lever.

FAQ

10 Questions

What is the Baremetrics Recovery Index?

The Baremetrics Recovery Index is the median attempted recovery rate across subscription businesses using Baremetrics Recover, published every quarter. For July to September 2026 it was 29.4%, meaning the typical company recovered 29.4% of the failed charges its dunning system attempted.

What is a good dunning recovery rate?

Across subscription businesses using Baremetrics Recover in July to September 2026, the median attempted recovery rate was 29.4%, and the middle half of companies recovered between 16.0% and 47.5%. A good rate depends on company size: mid-sized companies ($50K to $250K MRR) had a median of 39.9%.

How quickly are failed subscription payments recovered?

Half of recovered payments were paid within three full days of failing, three-quarters within a week and 90% within two weeks.

Which dunning email recovers the most payments?

The first three emails, sent on days 0, 3 and 7, accounted for 89% of recoveries that followed an email. The day 7 email had the highest recoveries per send, at 15.3 per 100, just ahead of day 3 at 14.9.

Do failed payments recover without dunning emails?

Some do. About one in six recovered payments (17%) were paid before any dunning email was sent, for example through processor retries or customers updating their card.

Why is the median recovery rate higher than the overall rate?

The largest companies send most of the volume and recover at lower rates. Companies with $250K or more in MRR made up 68% of attempted charges and had a median rate of 19.5%, which pulls the pooled rate down to 16.8%.

Why are the May 2026 figures different from the first report?

Recover sometimes credits a recovery days or weeks after the payment, dated to the payment. More May recoveries have been credited since the first report, and this edition includes every Recover customer with an attempted recovery rather than a subset. The restated May median is 34.0%; the original 12.7% couldn’t be reproduced from current data.

Methodology

This report covers subscription businesses using Baremetrics Recover between July 1 and September 30, 2026. Every figure comes from Recover's own data, measured with the same definitions customers see in their Recover dashboard.

The sample

The sample is every Baremetrics customer that had Recover active and at least one attempted recovery during the quarter. Nobody was hand-picked or left out for poor results.

We don't filter by country, industry or business model, so the results describe subscription businesses using Recover, not any one segment. To protect customer confidentiality, we don't publish the number of companies in the sample or in any group; group sizes appear only as shares. No company is named, and charts that show the spread of rates use dots that each stand for 2% of a group's companies, not individual companies.

Where the numbers come from

The headline figures come from the recovery metrics Recover calculates for each customer every day. These are the numbers shown in each customer's Recover dashboard, summed over the quarter. We checked them against Recover's raw dunning records, and they match.

The sections on payment timing and sequence steps use Recover's message records instead, because only these link each failed payment to the emails sent about it. They count failed-payment emails only, not card-expiry or renewal reminders. The message records count each failed payment once and include payments made before any email was sent, so their totals are larger than the headline recovered charges. Those sections report shares and percentages, not totals.

What we measure

Attempted recovery charges	Failed charges that Recover actively tried to recover. One-time charges and first-time failures that payment providers often cancel immediately are excluded.
Recovered charges	Attempted recovery charges that were later paid.
Attempted recovery rate	Recovered charges divided by attempted recovery charges, calculated for each company.

Recovery Index	The median attempted recovery rate across the sample, calculated the same way every quarter.
Pooled recovery rate	All recovered charges in the sample divided by all attempted recovery charges.
Recovered revenue	The value of recovered charges in US dollars, with each charge converted at the exchange rate on its charge date.
Days to payment	Full days between a payment's first failure and the day it was paid; day 0 is the same day.
Company size	Each company's average MRR over the quarter, in its own reporting currency, grouped as under $50K, $50K to $250K, and $250K or more. About 91% of the sample reports in US dollars.

Attempted recovery rate is the primary metric because it only counts failures the dunning system actually worked on. A rate based on all failed charges also counts payments a company chose not to pursue, such as manually invoiced accounts or customers in a payment arrangement. That makes dunning look worse than it is and makes companies impossible to compare.

How results are summarized

We report the median company and the middle half of companies (25th to 75th percentile) as the main figures. A few companies with very high failure volumes recover at lower rates, which pulls the pooled rate well below the typical company's. The median is the right comparison for your own business; the pooled rate shows where most of the sample's failed charges were.

In the sequence step section, each recovery is credited to the last email sent before the payment came back. Recoveries that happen before any email is sent are reported separately and aren't credited to dunning.

Restated May 2026 figures

Our first benchmark covered May 2026, using Recover's metrics as they stood when it was prepared in June 2026. More May recoveries have been added since. Recover sometimes detects a recovery days or weeks after the payment and credits it to the payment's date. This edition also counts every Recover customer with an attempted recovery, where the first covered a subset of customers. The restated recovered charges and revenue are counted from Recover's raw records, because the stored metrics no longer include an account that has since left Recover.

May 2026	As first published	Restated
Recovered charges	10,999	13,142
Recovered revenue	$1,236,764	$1,331,455
Median attempted recovery rate	12.7%	34.0%

We use the restated figures throughout this edition so every month is measured from the same data. The original median of 12.7% could not be reproduced from the current data. Comparisons with the first edition should use the restated figures.

Limitations

Every company in the sample chose to pay for a dedicated recovery tool. They may care more about failed payments than the average subscription business, or have more of them, so these results shouldn't be read as typical for companies relying on processor defaults.

Recent figures can still rise. Recoveries detected late are credited to the payment's date, so a month's figures can grow after it ends. All figures here are as recorded on November 18, 2026.

About 95% of companies with Recover activity bill through Stripe, a few alongside Braintree; the rest bill through Braintree alone. That reflects our customer base, not the wider market, and results by billing system aren't broken out.

Sequence steps are labelled by each email's current scheduled day. If a company changed its sequence during the quarter, some recoveries may be credited to the wrong step.

Who produced this

Baremetrics produced this report from Recover customer data. We sell a payment recovery product, so we have an interest in the results. That's why the method and definitions are published in full, so you can judge the numbers yourself.

How this benchmark is updated

This benchmark is updated quarterly, using the same definitions and sample rule each time. If a definition changes, we'll say what changed and restate earlier figures where we can.

Past editions: May 2026 (restated), July to September 2026

CHECK YOUR OWN RATE

See where your recovery rate falls

Use the interactive checker and explore every chart at
baremetrics.com/benchmarks/payment-recovery