

## Business Case Scenario

Tangible costs:

- (1) Fine Costs & loss of additional Financial Resources due to leasing
- (2) Reoccurring recruiting Costs

Intangible costs:

- (1) Loss of Customer reliability
- (2) Loss of customer loyalty

Tangible benefits:

- (1) Increased demand (wheel chair access)
- (2) Savings on fine costs

Intangible benefits:

- (1) Increase in customer loyalty
- (2) Meet Provisions & requirements

Risks:

- (1) Losing Market share within the upcoming 3 years
- (2) Reduction in demand might still be present after leasing or buying
- (3) Leasing Costs for 5 busses at once might be more expensive than buying one at a time & paying a couple of fines

Suggestions: Optimize payment for  $\rightarrow$   $X$ : fines  
 $\rightarrow$   $Y$ : buying  
 $\rightarrow$   $Z$ : leasing  
 using the following model:  

$$\text{Min } X(5K) + Y(75K) + Z(3K \times 48)$$