Hello Elisse,

Here is my report for our client company: CompanyX regarding whether or not they should introduce handset leasing to increase profits. My recommendation is that they should proceed with the idea of handset leasing.

Below are the reasons why I recommend this move:

**Changing customer preferences**

* Our research showed that customers in different regions like South Korea, Singapore, and USA have shown an increasing liking for handset leasing
* Customers get to experience the latest and greatest technologies.

**Competitors have introduced similar products and done well**

* Increasing number of handset leasing offer seen amongst our competitors in the market
* At Sprint, net leased devices were valued at ~$4.5 billion at the end of fiscal 3Q16. During fiscal 3Q15, this figure was ~$3.3 billion. (2019)
* In regions like India with low average revenue per user (ARPUs) and low penetration of credit cards, implementation of a contract plan is near impossible.

**Savings in cost**

* The cost of leasing a headset for 12 months is lower than buying a new headset
* Companies suffering from losses have become profitable because of the introduction of headset leasing.

In conclusion, our hypothesis is that this should be a profitable business to venture into and it is estimated that the 2-year NPV of this project will be positive.

Sources:

1. https://www.mobileworldlive.com/devices/blogs-devices/blogs-handset-rentals-offer-surprising-value/
2. F https://marketrealist.com/2017/04/why-sprint-is-focusing-on-handset-leasing-to-accelerate-growth/
3. https://medium.com/@rutujdodal/handset-leasing-the-new-saviour-for-telcos-