

# Handset Leasing Project Update

## Situation

Company X is exploring the introduction of a handset leasing model to remain competitive in a market where consumer preferences are shifting towards more flexible and cost-effective mobile service plans. The project aims to assess the feasibility and attractiveness of this model by analyzing market data, customer preferences, and financial impact.



## Complication

Analysis shows that while handset leasing has potential, the implementation must address key consumer concerns, such as high upfront costs, frequent upgrade desires, and the inclusion of comprehensive service packages. Competitor analysis reveals that companies adopting leasing models have seen increased customer retention but face challenges in managing the financial implications of frequent handset upgrades.



## Question

Can Company X implement a handset leasing model that aligns with consumer preferences while maintaining profitability and market competitiveness?



## Answer

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Our findings suggest that introducing a 'FlexiLease' plan with \$0 upfront costs, flexible upgrade options, and bundled service incentives would attract the target demographic, particularly younger consumers and frequent upgraders. Financial projections indicate that with proper execution, the leasing model could increase customer acquisition by 15-20% and improve retention rates by 10-15% within the first two years.



To maximize impact, the plan should be complemented with a loyalty program and targeted marketing campaigns emphasizing the flexibility and cost-effectiveness of the new offering