**Product Brief:** POS Lending Proposition  
  
**Assumptions**

* We look forward to making life easier for businesses on the go, businesses that need POS terminals at certain a time of the year (like peak periods: Christmas, Easter etc.), businesses that needs POS terminals on a short term to participate in events such as: Cultural festivals, Trade Fairs, Food, and drink tasting, Auctions, Fundraisers, Concerts, Conventions, Sport events, Exhibitions etc.
* The adoption of mobile payments and digital financial services has been on the rise. Point-of-sale (POS) terminals are integral to facilitating these transactions, providing a secure and convenient means of conducting electronic transactions.
* As customers increasingly seek convenient and efficient ways to conduct financial transactions, the demand for point-of-sale services is increasing, creating a conducive environment for POS terminal lending business.

**Market Research and Stats**

* Acquiring the advantage in a fast-evolving evolving industry. McKinsey 2021 Survey (<https://www.mckinsey.com/industries/financial-services/our-insights/acquiring-the-advantage-in-a-fast-evolving-industry>): Merchant acquiring revenue was $200 Million to $220 million in 2021 and is expected to increase by 34% annually, largely driven by cards.
* Value of POS transactions in Nigeria. Statista Research Department 2023 survey

(<https://www.statista.com/statistics/1173901/value-of-pos-transactions-in-nigeria/>). As of March 2023, POS payments in Nigeria were worth over 1.15 trillion Nigerian Naira, registering a significant increase compared to the previous years.

**Problems We Want To Solve For**

* Small businesses unable to afford a POS terminal but want to participate in events that would boost sales.
* Businesses in remote areas, where traditional banking infrastructure is limited but want to be involved in the formal financial system by providing a secure and convenient means of conducting electronic payments to their customers.
* Businesses who want to boost sales, but do not have provision for electronic payments, thereby causing a limitation in means of payment. As the adoption of mobile payment and digital financial services have been on the rise.
* Consumers who seek to improve overall customer satisfaction by providing convenient and efficient means to conduct financial transactions.
* Businesses looking to enhance security, and reduce the risk of loss/theft by reducing reliance on cash transactions.

**Why should We Pursue this? Does it build a competitive advantage?**

* Adding POS rentals within our offering will increase our market reach, as consumers who are unable to afford a POS can lease for a short period at cheaper rates.
* Offering POS rentals service will help to drive financial inclusion mandate by enabling consumers to have increased access to POS terminals.
* This service does not give us a competitive advantage or unique selling proposition since we have other brands that do it but gives us a soft landing when POS business hits the market.

**Key Use Cases**

**Use cases we want to solve for NOW:**

* Allow consumers who need POS terminals on short term to participate in events that would boost sales to apply for lease by filling and submitting a request form, and getting it delivered to them.
* Allow small businesses that want to improve overall customer satisfaction but cannot afford to buy a POS to lease on short term at cheaper rates by filling and submitting a request form, and getting it delivered to them.
* Allow businesses in remote areas that want to ride the wave of financial inclusion to apply for lease at cheaper rates.
* Supply onsite support to merchants.

**Use cases we are NOT targeting NOW:**

* We won’t include financing options (credit access) to merchants.
* We won’t include data visualization (Dashboard) for analyzing purchasing patterns.
* We won’t include invoicing features.
* We won’t include inventory setup for merchants.

**Constraints**

* Economic factors such as inflation and currency fluctuations can impact affordability/pricing.
* Inability to break into areas with inadequate technological infrastructure like lack of adequate network connectivity and electricity.
* Lack of awareness and understanding among consumers about the benefits and functionalities of POS rentals.
* Concerns on security of electronic transactions and data breaches may affect the adoption of POS rentals.
* Changes in regulations can create uncertainty and impact the willingness of businesses to invest in POS rentals.

**Success Metrics**

* Being able to lend 1 POS terminal per day.

**Next Steps**

* Purchase hardware POS terminals from POS merchants.
* Set up Business application on POS terminal.
* Test hardware and software to ensure POS terminals are good to use.
* Create awareness/training to consumers.
* Roll out POS terminals into the market.
* Get feedback from consumers.