

Executive summary model answer

Company X's profit decline has been driven by declining market share and ARPU, as consumers do not see the existing offerings/plans as compelling.

The question is whether the introduction of handset leasing will reverse this decline. If we assume the market will respond in the same way in comparable markets, then we will recommend the introduction of handset leasing as it could drive revenue growth by 2.3% to 4.25%.

From our research, the target segment is “Young Achievers”, and hence we propose the product name “Save & Upgrade”.