Hi Elisse,

I've been looking into the idea of leasing out handsets and found some interesting points worth considering. I've included a few links at the end for further reference.

Benefits of Implementing a Leasing Model:

- Leasing can boost business models by driving product sales and attracting more customers.
- It benefits both producers and customers: producers sell more units, while customers gain access to handsets they might not afford outright, with the flexibility to return or upgrade.
- This model allows the company to generate additional revenue through subscriptions, recouping the handset's cost over time.
- Introducing handset leasing to SIM-Only customers is expected to significantly cut net revenue losses, reducing them from 54% to a mere 5%.

Potential Drawbacks:

- It might become a necessity rather than an option, leading to reduced revenue as more companies adopt the same strategy.
- There could be increased costs associated with repairs and maintenance.

I believe our team should delve deeper into this opportunity to potentially enhance our revenue streams.

Resources:

- 1. <u>Handset Leasing and Telecommunication Operators: From Implementing to Saving an Entire Industry</u>
- 2. Risks and Impact of Handset Financing: Lessons from the US
- 3. Impacts of Handset Leasing Model on Industry

Best regards, Neha