Hello Elisse,

I have compiled a summary of my findings on the handset leasing market below.

1. **Demographics:** The growth of the handset leasing market was largely dependent on the country in question. Countries like the US, Singapore, and European nations experienced significant growth in this market. However, India had a negative impact due to low customer loyalty and profits. In India, prepaid plans are sold separately from handset leasing and sim cards, resulting in low average revenue for this marker. Additionally, the low penetration of credit cards in India made it challenging for companies to sell their leasing schemes.
2. **Carrier Competition:** Sprint has succeeded in leasing handsets, particularly iPhones, by combining discount offers with top-up monthly/annual plans. Their marketing strategies and promised discounts have attracted a large consumer base and increased loyalty. However, carriers such as Verizon are competing to be in the same competitive zone in this market by applying different marketing strategies.
3. **E2E Device Life Cycle Management:** Reports by McKinsey and Oracle suggest that any leasing company can increase its revenue and profits by introducing 5G devices focused on E2E device life-cycle management. This can secure significant financial benefits, including up to an 8 percent improvement in earnings before interest (EBITDA) and up to a 20 percent improvement in customer lifetime value (CLV). This can be achieved by cutting costs, gaining new subscribers, increasing loyalty, and promoting additional services and accessories.

On conclusion, I believe this can be an attractive business provided it is location-based, and be open to implement new life cycle management strategies.

Sources –

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3. Blog - <https://medium.com/@rutujdodal/handset-leasing-the-new-saviour-for-telcos-c9c968dd50b0>