

CASE STUDY 06

Handset Leasing Strategy & Financial Feasibility Assessment for a Telecom Venture

Client Situation

A telecom-focused startup planned to launch a handset leasing business model to capitalize on increasing smartphone costs and growing demand for affordable upgrade plans. The engagement required market assessment, financial feasibility analysis, profitability projections, and strategic implementation recommendations.

Problems Identified

- Need to validate commercial viability of handset leasing model
 - Limited visibility into financial impact of leasing strategy
 - Stagnation in telecom industry growth rates creating market-entry risk
 - Need for benchmark comparison against global telecom operators
 - Requirement for scalable pricing, upgrade, and customer-retention strategy
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Actions Taken

Conducted Global Market & Benchmark Analysis

Evaluated handset leasing adoption across major telecom operators including:

- Verizon
- AT&T
- Vodafone
- Deutsche Telekom
- Telefonica

The study identified that only 52.7% of the global telecom market capitalization had adopted handset leasing, indicating strong future market potential.

Developed Integrated Financial Projection Model

Built detailed financial projections covering:

- operating revenue,

- EBITDA,
 - net profit,
 - ARPU,
 - subscriber growth,
 - and operating expenses.
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Performed Comparative Scenario Analysis

Analyzed:

- Company A performance
 - Company B performance
 - Combined operating model
 - Company X performance with and without handset leasing.
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Evaluated Financial Impact of Leasing Model

Assessed impact on:

- revenue growth,
 - profitability,
 - EBITDA,
 - subscriber acquisition,
 - and ARPU improvement.
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Strategic Outcomes

- Identified strong long-term market potential for handset leasing
- Demonstrated improved financial performance under leasing model
- Established structured pricing and upgrade strategy framework
- Developed investor-ready financial and market assessment model
- Recommended 100% implementation of handset leasing strategy based on positive financial trajectory

Key Capabilities Demonstrated

- Strategic Market Research
- Financial Modeling & Forecasting
- Telecom Business Strategy
- Scenario & Comparative Analysis
- Revenue & EBITDA Assessment
- Business Viability Evaluation
- Growth Strategy Development
- Data-Driven Decision Support