

BEYOND FINANCE

CUTTING EDGE RESEARCH AND INSIGHT FROM BNP PARIBAS LEASING SOLUTIONS

UNLOCKING THE BENEFITS OF THE SUBSCRIPTION ECONOMY



BNP PARIBAS
LEASING SOLUTIONS

As featured in **DEALER**



When it comes to customers and their needs, there is no one size fits all solution.



By Chris Cowell

*Office Equipment Sales Director,
BNP Paribas Leasing Solutions UK*

We no longer need to own a product or service to enjoy all its benefits. Advancements in technology have shifted our way of thinking both at home and at the office, with many of us leasing, renting or paying monthly for our cars, mobile phones, houses and workspaces. Given how quickly technology updates, and our desire to stay with it, outright ownership of depreciating assets is an expensive burden that many of us would prefer to avoid.

This goes for office equipment too. Hardware leasing is becoming more and more commonplace for businesses looking to reduce the impact on their capital expenditure, giving rise to the idea of a “subscription economy”.

For office supply dealers, this presents an opportunity to offer customers an array of printers and copiers, PCs and phones, at attractive billing structures that don't put undue pressure on their budgets. This model works much in the same way that a mobile phone subscription allows you to enjoy the handset you want at an affordable monthly rate, with service add-ons and upgrades built into the deal.

To get the most out the subscription economy, office supply dealers need to consider these factors.

1. OFFER A CHOICE OF PRODUCTS

When it comes to customers and their needs, there is no one size fits all solution. Each and every customer has a unique set of expectations that require a specific product and service offer.

The same could be said of your average mobile phone customer. We all use a mobile phone but have different preferences for different brands. On top of the handset, there are an array of tariffs and services to choose from: some of us are on monthly or yearly contracts, while others opt for a pay-as-you go tariff. It all depends on what best suits our individual needs and budget.

Two businesses may both need a printer or a copier but they won't necessarily need the same products, or be able to afford the same service. In light of this, office supply dealers should first understand what the customer is looking for and why, and then provide a selection of goods that are the most suitable. Take your customer through the process from beginning to end, guiding them on the buying process and what contractual discounts and benefits are available to them, such as paying less for toner and paper supplies on a monthly basis, or receiving free staff training on how to get maximum use from the products.

Customers are more likely to become repeat business if they believe that they are being listened to and receiving individual attention that offers them the best deals. Not only will they sign up more readily, they'll come back to you when it is time to renew.

2. OFFER ONLY THE BEST PRODUCTS

When it comes to our mobile phones, most of us are brand loyal and enjoy having the latest and greatest technology at our fingertips. The same thinking can be applied to leasing office equipment. Dealers need to make sure that when a customer contract is coming up for renewal they have new machine models in stock to offer as upgrades.

Remember that your customers are sticking to a budget, and when the time comes for them to get new office equipment, there's no guarantee that they'll come back to you for an upgrade. However, if they have a good relationship with you, and know that they can lease monitors, PCs, printers and phones at an affordable rental fee, with upgrades available as soon as new versions of the equipment are released, the initial sign up and renewal process will be far simpler for both of you.

3. OFFER PRODUCTS ON DEMAND

Your customers' business needs will change over time and sometimes, overnight. Should their company expand suddenly, they will need to adapt their office supplies to meet the increased demand – which can put strain on their bottom-line. Leasing equipment is a viable solution but can be made even more attractive by offering price plans that accommodate an immediate need, and a tight budget.

The "subscription economy" model essentially allows the customer to upgrade their leasing contract with you as and when they need to, rather than having to adhere to prescribed dates and gates. It's an effective way for office supply dealers to solidify relationships with their customers and turn a profit all at the same time: you provide them with the support they need to scale their business, and benefit in turn as a result of their growth.

The overarching appeal of being able to lease important office equipment, instead of buying it outright, is that customers no longer feel that they have to compromise on quality or brand to fit their budget. Customers are increasingly disinclined to pay for goods that have built-in obsolescence, which for office supply dealers, provides an opportunity to offer competitive price plans that include value-added services such as training and maintenance, and discount packages.

Ultimately you want to be in a partnership with your customers, making sure that their businesses have the office equipment they need, want and can afford, to successfully meet their long-term growth plans. Get this right and your business will profit too.



TO FIND OUT HOW BNP PARIBAS LEASING SOLUTIONS CAN HELP YOU UNLOCK YOUR
BUSINESS POTENTIAL PLEASE EMAIL: MARKETING.LEASINGSOLUTIONS@UK.BNPPARIBAS.COM



BNP PARIBAS
LEASING SOLUTIONS

Business is ON