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## **ADVANTAGES OF LEASING FOR THE EQUIPMENT VENDOR AND ACCOUNT MANAGER**

### **Eliminates Price Objections**

By offering your equipment on a monthly lease payment program, you eliminate price objection. It is easier to sell someone a payment of \$300.00 per month than a \$10,000.00 capital expenditure. You can break the monthly payment down on a daily cost basis to help justify the value of your product.

### **Eliminates Discounting**

When you present a customer the cost of your equipment in a cash price basis, the customer will always try to negotiate a lower price therefore affecting your margins or gross profit. If you present a customer with a leasing price of \$300.00 per month the customer generally does not negotiate a lower monthly payment, therefore you maintain your desired margins or enhance them.

### **Increased Sales**

Leasing enables you to increase your sales by offering more equipment for an extra few dollars per month. When you are trying to offer a customer the next model up or the model with the increased capacity or features, it is much easier to do it on a lease basis. Trying to sell someone an extra \$1,000.00 of enhancements is a lot easier by saying it is only an extra \$30.00 dollars per month or \$1.00 per day.

### **Customer Control**

When you finally get the customer to the point of closing and the customer is willing to buy, you lose all momentum when the customer says, "I need to talk to my bank". You have just lost control, the customer now has an out or excuse not to buy. If you offer leasing, you maintain control by telling the customer that you offer the financing or leasing option and that you will take care of it. Once the customer has your equipment and is leasing it, you maintain control over the customer. If the customer wants to do something with the equipment that is on lease the customer has to contact you or us; which may offer you an opportunity for another sale. Had the customer paid cash they may not have to contact anyone to do something with their equipment therefore resulting a lost customer.

### **Flexibility**

By offering leasing to your customer, you have the flexibility to offer many different terms and payment options to accommodate your customer. If you present your equipment on a \$300.00 per month program, and they say that is too expensive just extend the term a bit to reduce the payment to where the customer is comfortable, thereby closing your deal.

### **Other Leasing Advantages**

Leasing offers other advantages as well. Leasing can also reduce your receivables and allow you to get paid quicker. Leasing can be classified as an operating expense therefore your customer does not have to have delays by getting capital expenditures approved. Leasing can help with uncovering unspoken objections. Leasing helps with multi product orders. Leasing creates a future prospect list and automatic upgrades. To find out more about the many advantages that leasing has to offer you and your customer, please contact your Alliance Financing Group representative.