

The Equipment Seller's Guide to Evaluating Financing Solutions

Meet Customers Where They Are to Drive More Sales



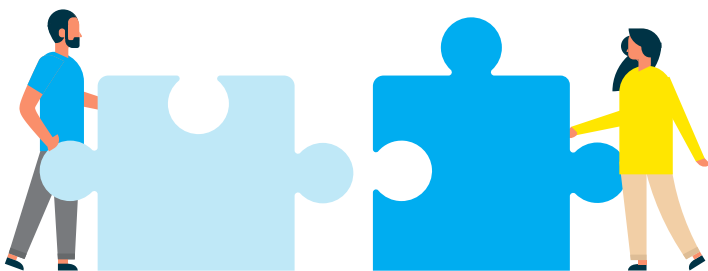
Getting Started

Flexible payment options are some of the easiest and most effective tools to increase sales while improving margins. They make it easier for small business owners to shop for the equipment they need to start, scale, or grow their businesses; and when a customer evaluates a capital investment for their business, paying for that investment is often one of the most critical considerations.

But not all payment solutions are created equal, and knowing what to look for when you evaluate a solution that reflects well on your business will make the difference between a dream come true and a nightmare. A good solution will scale with you, keep you in control of your deals and data, and help you move more product while supporting your small businesses clients.



You want a solution that's **fast, risk-free, and easy-to-use providing financing** for customers without the risk or hassle of traditional lending. Your customers want something that's integrated, easy-to-use, and flexible.



Retailers that offer installment plans report as much as a 50% increase in average order value, 2-3X more units per transaction, and an 18% decrease in returns. Plus 83% of retailers experience fewer abandoned carts and increase their conversions.ⁱ

With Installment Plans

50%

Increase in average order value

18%

Decrease in returns

2-3X

More units per transaction

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Did You Know?

The recent explosive success of Peloton is due, in part, to their ability to offer payment plans that take the sting out of a \$2,500+ purchase. Customers can choose a flexible payment option to save them the upfront cost of a piece of equipment and costs less than a gym membership while also commanding a premium price.ⁱⁱ



Things to Consider

Here are 6 things to consider when evaluating payment solutions for your business.

1 Customers Have Unique Needs

Customers look for a vendor who makes doing business easy and understands their unique business challenges. Your products and processes are tailored to address customer needs. Your payment options should be just as adaptable. Acknowledging unique customer situations—especially through flexible and simple financing options—will:

Reduce abandoned carts and lost deals.

Vendors who can make payment plans easy and accessible for small businesses can scoop up more sales. With flexible payment options and easy applications, more shoppers convert into buyers and get the equipment they need at the price they can afford.

75%

In a recent Clicklease survey, 75% of customers indicated they would not have purchased without Clicklease as an option.

Get you paid faster and more regularly.

Starting a business requires a lot of capital. For businesses just starting out, paying in one large lump sum might not be possible and bank loans are hard (if not impossible) to get. Give customers the option to pay what they can afford with terms that work for them. You'll still receive the full value of your equipment upfront, but the customer gets a payment plan that best serves their needs.



Foster repeat business. By showing you understand and care about your customers' business, not just their purchase, you can encourage long-term relationships and repeat customers. Companies that demonstrate they understand the struggles faced by small business owners and who clearly meet those challenges will win first-time business and long-term retention from loyal customers who come back again and again.

2 40% of Businesses Are Ignored

Traditional lenders simply won't work with nearly 40% of small businesses.ⁱⁱⁱ Owners with no credit, bad credit, short payment histories, or little collateral are turned away from most lenders because they don't meet stringent requirements.



40%

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And when customers can't (or don't want to) use credit cards, they may leave your store empty-handed.

Vendors that offer flexible payment options and custom terms have the opportunity to serve untapped mid-market businesses and grow their bottom line.

It takes out-of-the-box solutions to fill these financing gaps and give business owners the boost they need to get their business off the ground. Payment solutions provide a stress-free application process that changes the affordability conversation—no more discounting required.

You can approve and finance a broad spectrum of credit profiles, including those with less-than-perfect credit, and draw in those underserved businesses. Payment solutions handle the application and approval process and absorb overhead and risk.

With multi-angled payment solutions you can break through the barriers of traditional lending to offer access to a no-fee, incremental B2B purchasing option.

3 Most Customers Don't Fit the Ideal Lending Profile

Pro·sum·er
/prə' soomər/

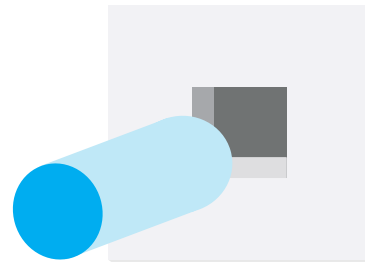
noun

1 Professional consumer–business entities who make purchases, esp. small to mid-sized businesses

32% In a given year, 32% of small businesses apply for traditional financing. Only 59% are approved. And the smaller the company, the lower the approval rate.^{iv}

Payment processors help you close more business and move more product by serving customers who don't necessarily meet the ideal lending profile. Choosing a partner that can help you break into that market will give you a significant advantage over the competition.

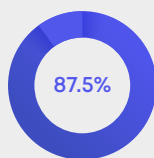
A payment partner is only as good as the number of customers they approve. If a partner only approves customers with perfect credit or makes customers jump through ridiculous hoops, they aren't enabling customers to purchase your products and get the equipment they need to put their ideas to work.



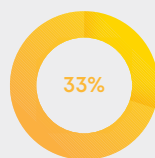
Don't take a one-size-fits-all approach to payment plans. Customers are unique. Offer financing options that are as unique as they are. Help customers evaluate your financing options to choose the one that best fits their needs.

How Clicklease does it:

We fund purchases other partners won't. Our proprietary algorithm doesn't rely on an applicant's FICO score. We approve 87.5% of applications with scores over 600 and 33% of applications with scores under 600. We also lend to business owners just starting out—half of our approvals have been in business less than 3 years.



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4 “Pre-approvals” Are Annoying

Instant approvals get everyone back to work faster. However, finding a true instant approval provider isn't as simple as it sounds. Many payment partners say they offer instant financing, but instead, they offer a pre-approval with full financing options available after they check creditworthiness.



When considering non-credit payment options, consider:

Manual underwriting costs overhead, time, and sales. Customers think they're getting an instant decision but find out later that they must provide documentation or fill out complex paperwork to be fully approved. **By then, they've moved on.**



Approvals should be instant and real.

Customers deserve a process that's all online and gives them an answer quickly. It limits price discussions and heads off awkward conversations. An instant approval should feel like a Point-of-Sale purchase option, not a wait-and-see loan approval.

Instant approvals start customers off on the right foot. First impressions matter. A simple, easy application—like Clicklease's— informs potential customers of their approval amount and their terms **in just 4 seconds.**

Automating your financing approval process allows you to do what you do best—sell and deliver product—while giving your customers the services they want. Instant approvals for a variety of financial situations create a seamless checkout process and convert leads into sales.

5 Financing Can (and Should) Seamlessly Integrate at POS

Your payment solution should integrate seamlessly into your website, no developer required. Building a simple solution that works with your current tech stack is only part of a partnership with a payment solution. The support and service that come after are equally important. Your payment provider should be more than just a finance company; it should offer the support you need from start to finish.

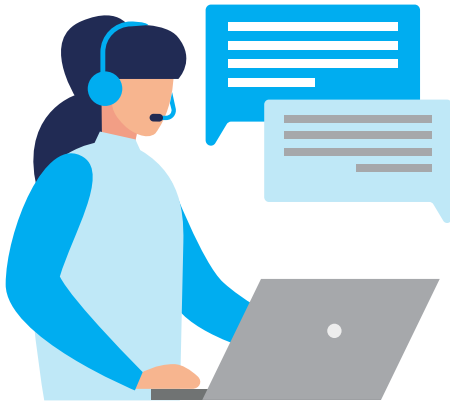


Choose a partner with robust technical and customer support. These teams will guide you through:

1. Installation
2. Optimization
3. Any issues that may come up along the way




Having a direct relationship with your vendor and knowing that they'll answer the call when you have questions means less downtime or frustration if and when hiccups happen.

A good customer service team also serves your customers. How your potential customers experience your payment and financing process affects how they feel about you—good customer service is not a luxury. Picking a provider that supports you AND the end user or business owner can be the difference between a closed or lost sale.



Scalability is critical. As you grow your business, your payment platforms should adjust with you to handle the load. No matter how many transactions you process, your customers should have an experience free from disruptions or errors.

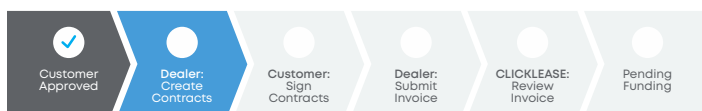
Retain visibility. Your platform should help you sell better. It should include a portal or hub where you can log in anytime, anywhere to:

-  Manage your pipeline
-  Generate reports
-  View the status of your applications

6 Payment Solutions Should Grow with You

Your payments solution partner should be as flexible and unique as your customers. When you're ready to grow, your provider should provide a platform that can grow with you and on your terms.

Stay in-the-know through the entire process. To provide the best customer experience, you need to know what's happening at every step of a purchase. With traditional lenders (and most alternative payment providers), the approval process is opaque. Choose a payment provider that clearly illustrates where customers are in the purchasing process and what comes next.

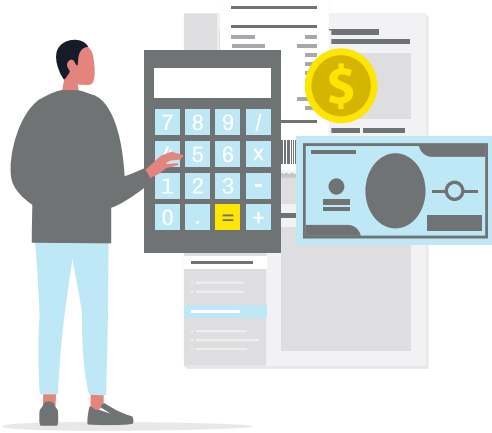


A payment solution makes doing business easier—not more complicated. It gives you and your customers a way to complete transactions and engage in the essential work of growing businesses. Choose a partner that understands your business and can grow with you.

Accelerate Your Revenue With Clicklease

Clicklease gives you access to the broader market of small-to-mid-sized businesses who are eager to get the equipment they need to build their businesses, but who might be locked out of traditional lending solutions like banks or credit cards. These would-be customers are already visiting your site and clicking away because they don't see a purchasing option that works for them.

With **Clicklease**, “it’s too expensive” doesn’t have to end a sales conversation. Instead, you can talk about how to afford the tools needed to drive business forward.



Clicklease keeps you in the driver’s seat. We’re the lender, the customer service, and the tech, but you control the terms, conditions, and price. There are no blind discounts or fees, so the total sale goes straight to you. We work out the details from there.

Take advantage of all that payment solutions have to offer to grow your business. Maximize your sales by getting equipment into the hands of business owners who need it with a payment plan they can afford.

[Learn more at Clicklease.com.](https://www.clicklease.com)

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Resources

ⁱ Flaherty, B. (2021, February 24). Increase sales with a buy now, pay later option from Afterpay. Retrieved March 29, 2021, from <https://www.squarespace.com/blog/increase-sales-afterpay>

ⁱⁱ Muenter, O. (2020, January 15). So, is peloton actually affordable? Here’s the deal with its payment plan. Retrieved March 29, 2021, from <https://www.byrdie.com/peloton-payment-plan-4782102>

ⁱⁱⁱ Nav October 2017 Survey of 189,466 Small Business Customers

^{iv} Federal Reserve 2015 Joint Small Business Credit Survey

Want to learn more?

Schedule a demo today.

www.clicklease.com

