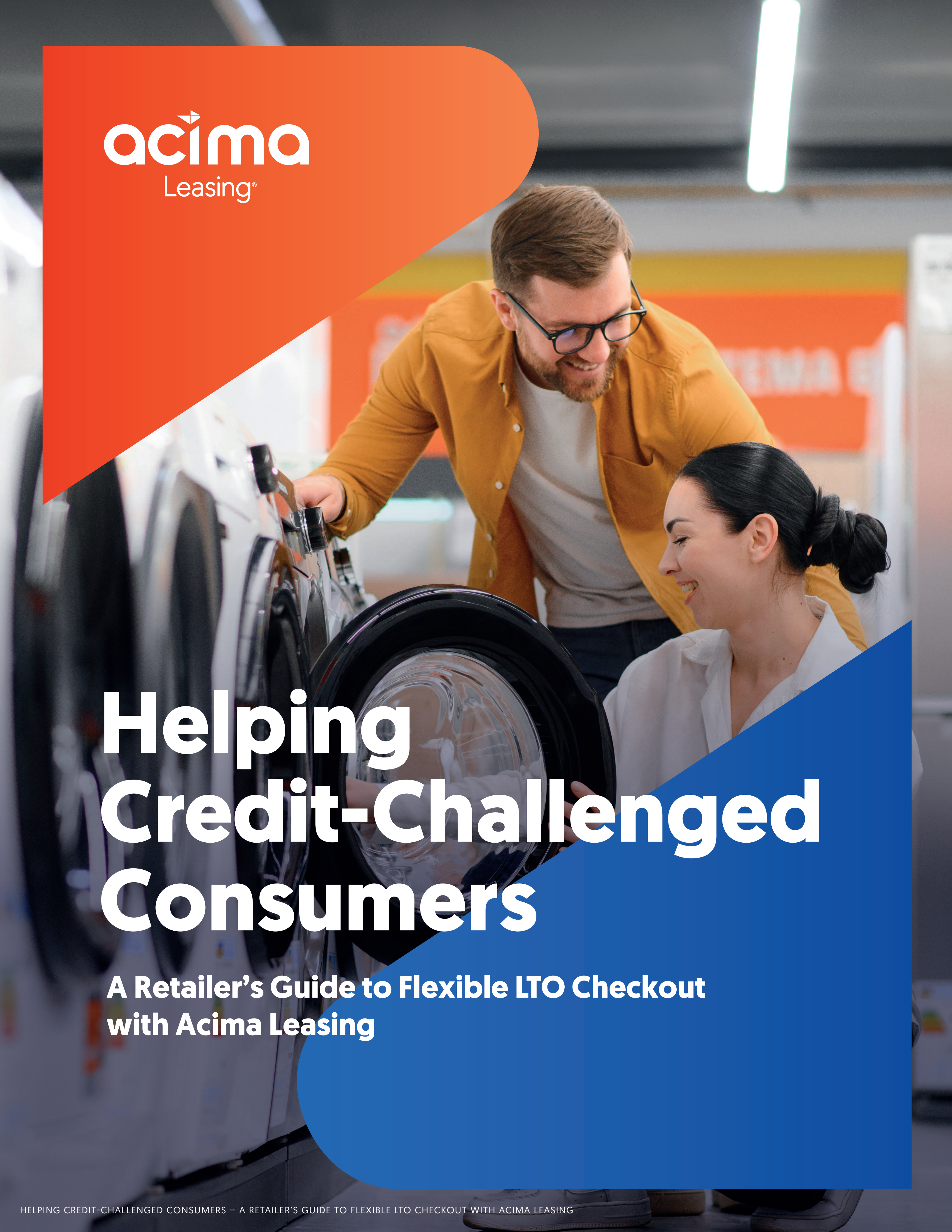


Helping Credit-Challenged Consumers

A Retailer's Guide to Flexible LTO Checkout with Acima Leasing

Helping Credit-Challenged Consumers

A Retailer's Guide to Flexible LTO Checkout with Acima Leasing

30%

As of September 2025, 30% of all U.S. adults carry a subprime credit score,[1] nearly one-third of the country.

These consumers are not disengaged from the retail market. They are active, motivated shoppers who walk into a retail store with full intention to buy.[2]

As of September 2025, 30% of all U.S. adults carry a subprime credit score.[1] Millions more have thin files, no credit history, or access to credit with limits that aren't high enough to cover big-ticket essentials.

These consumers are not disengaged from the retail market. They are active, motivated shoppers who walk into a retail store with full intention to buy.[2]

The problem is not their intent. It's the friction they encounter at checkout.

Financing and credit options are typically built for near-prime or prime customer credit profiles. **When a credit-challenged consumer hits that wall at the point of sale, the result is a walkaway,** a lost sale and a customer who leaves feeling like that retailer doesn't want their business.

In a competitive retail environment, that outcome is costly in more ways than one.

Lease-to-Own (LTO) is built specifically to serve this customer. It does not require perfect credit. It does not stack debt, and if a consumer decides to return the item(s), **it does not trigger negative credit reporting.**

It gives consumers a **transparent, predictable path to ownership for the items they need.** And for retailers, it converts walkaways into completed transactions without adding any financial risk.

This guide outlines how Acima Leasing's (Acima) LTO solution helps retailers serve credit-challenged consumers, capture lost revenue and build the kind of customer lifetime value (CLTV) that compounds over time.

Understanding the Credit-Challenged Consumer

The term "credit-challenged" covers a wide range of real people. What these consumers share is not financial irresponsibility. It is **a structural mismatch with the credit system.** Their purchasing behavior tells the real story: they shop, they engage, they want to buy. They just need a different path through the checkout flow.

Research shows that **flexible checkout options matter to this segment** at a level that rivals price and selection. When credit-challenged consumers find a retailer that offers a realistic path to approval, they do not just complete a transaction. **They spend more, come back more often, and refer people** in their network who are navigating the same financial reality.[3]

The financial pressure on this segment is intensifying. **64% of Americans are living paycheck to paycheck,** and credit rejection rates are at their highest level since 2018.[4]

64%

of Americans are living paycheck to paycheck

As of early 2025, only **22.7% of consumers with a credit score below 680 were approved for a new credit product,** compared to 38% of borrowers in the mid-score range.[5] The door to credit and financing is closing for a significant share of the retail customer base.

These are not customers who need to be convinced that a specific product is right for them. They've already chosen what they want.
They just need a way to get it.

80%

of recent LTO users rate flexible checkout availability as important or very important when shopping for big-ticket goods[6]

Where BNPL Ends and LTO Begins

Many retailers have already expanded their checkout menus in recent years, adding buy now, pay later (BNPL) alongside other payment options. **That is a smart move. A full checkout menu is one of the most effective tools retailers have** for capturing revenue across their entire customer base.

Checkout coverage is not one-size-fits-all. BNPL approval still requires a baseline credit profile, and the product's short repayment windows (typically four to six weeks) are structured around consumers who have the cash flow to meet them. For shoppers who are credit-challenged: those with limited credit history, non-prime scores, or ongoing financial pressure, BNPL may simply not be accessible, **or may not be the right fit for larger, higher-ticket purchases.**

41% of BNPL users made at least one late payment in the past year[7]

This is not a failure of BNPL. It is simply a reflection of what it was built to do. The gap it leaves is a revenue opportunity for retailers that choose to fill it.

This is where LTO occupies a genuinely different space in the checkout landscape. It is not a form of credit or financing. It is a leasing option with clear, predictable and defined paths to ownership.

There is no debt stacking, and a consumer is free to stop lease payments by returning the item(s) at any time with no penalty if financial circumstances change. They are only responsible for any past due amounts.

For retailers, offering both BNPL and LTO is not a redundant strategy: it is a complete one. Together, they cover the full checkout spectrum and capture all possible revenue.

63%

of active BNPL borrowers are managing multiple simultaneous plans, with many already carrying high credit card balances.[8]

*2025 LTO and BNPL consumer financing study [CFPB, 2025]

How LTO Serves the Credit-Challenged Consumer

Acima LTO was designed from the ground up to serve consumers that other checkout options leave behind. Here is what that looks like in practice.

Approval Without Perfect Credit

Acima's approval process focuses on simple, income-based verification rather than credit score thresholds. Most approval decisions come back in seconds, with an **80 to 85% approval rate in most industries.**[9] For credit-challenged consumers who have come to expect rejection at the register, that approval is not just a transaction. It is a signal that retailers want their business.

Predictable, Flexible Payments

Optional lease renewal payments are aligned with the customer's pay cycle, **reducing the stress of timing a payment.** There are no surprise fees, no interest rate fluctuations and no debt compounding over time. The customer knows exactly what they are agreeing to before they walk out the door.

Multiple Access Channels

Retailers have options when partnering with Acima. The LTO checkout option will allow customers to apply in-store, online, via QR code or through the Acima mobile app. The flexibility of access matters for a segment that does not always shop in a single channel or on a single device.

Meeting the customer where they are, with a process that takes minutes, **removes a significant barrier between intent and purchase.**

30 to 85%

increase in average order value for retailers using LTO checkout options.[10] **Credit-challenged consumers who get approved often spend more, not less.**

What This Means for Retailers

Serving credit-challenged consumers is not just a social good. **It is a revenue strategy.** The math is straightforward: **every customer who walks away without completing a transaction is lost revenue.** If a meaningful share of daily foot traffic is being turned away by credit and financing options that were exclude them, the cumulative cost becomes significant and quickly adds up.

Retailers who offer an alternative to credit and financing with Acima LTO in their checkout mix consistently see three outcomes: **more completed transactions, higher average order values, and stronger repeat visit rates.**

More Completed Transactions

With an 80 to 85% approval rate in most industries, Acima converts customers that credit or financing would have turned away. Fewer walkaways means more revenue captured from the traffic retailers are already generating.

Higher Average Order Values

Customers who receive an approval do not just get what they came in for. They can upgrade. They have access to the product they actually wanted, rather than the one they thought they could afford. **LTO can increase AOV by 30 to 85% on average for durable goods retailers.[10]**

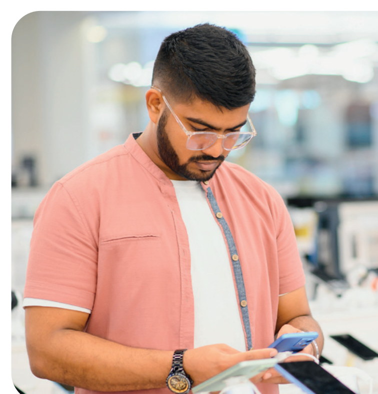
Repeat Customers and Referrals

A credit-challenged consumer who has a positive LTO experience at a retail store does not forget it. **They come back.** They refer people that they know. Acima's remarketing program supports this by re-engaging customers after lease completion. **Forty-seven percent of returning Acima customers come back to the same merchant location for their next lease.[12]**

The data backs this up: **55% of LTO users say they are extremely or very likely to use LTO again, and 70% of consumers consider the availability of their preferred payment method very influential in choosing where they shop.[11]** Retailers who offer LTO are not just closing individual transactions: they are building a loyal segment that grows over time.

47%

of returning Acima customers come back to the same merchant location for their next lease.[12]



And critically: **none of this revenue comes with additional risk.** Acima purchases the merchandise directly from the retailer and handles the lease directly with the customer. Retailers get paid immediately. Helping customers on their path to owning the items is Acima's responsibility.

Inclusive Checkout Is a Growth Strategy

The retailers who are positioned to grow in the current environment are the ones who have figured out how to serve everyone who walks through the door, not just the customers whose credit profiles happen to fit a credit issuer's approval model.

Nearly 106 million U.S. adults are considered non-prime, thin-file, or credit-excluded.[13] **They have intent and they have need.** What they are looking for is a retailer that will meet them where they are.

Adding Acima LTO to the checkout flow is how to become that retailer. With four access channels, an **80 to 85% approval rate,** risk-free retailer payment structure and a dedicated support team that works alongside staff at physical stores, Acima makes inclusive checkout **deliverable at scale.**

The consumer who gets approved for a lease today is **more likely to come back for the next transaction.**

They refer their network. They **become a customer** at retail stores in a way that a one-time transaction never creates on its own. That is the compounding value of saying **yes to the customers that other checkout options leave behind.**

Ready to serve more customers and capture more revenue?

Visit
acima.com/partner

1. Experian. (2025, September). Subprime credit score statistics. [Editorial blog post — used with discretion per internal citation guidance]
2. Acima Leasing. (2025). Consumer and Retailer Report.
3. PYMNTS. (2024). Consumer financing and checkout preference study.
4. LendingTree. (2024). Paycheck-to-paycheck consumer survey; PYMNTS. (2023). Credit rejection rate analysis.
5. PYMNTS. (2025, February). Credit approval rates by credit score tier.
6. Acima Leasing. (2025). Consumer and Retailer Report.
7. CFPB. (2025). LTO and BNPL consumer financing study.
8. CFPB. (2025). LTO and BNPL consumer financing study.
9. Acima Leasing. (2024–2026). Internal approval rate data.
10. Acima Leasing. (2024–2026). Internal average order value data.
11. Acima Leasing. (2025). Consumer and Retailer Report; PYMNTS. (2024). Payment method influence study.
12. Acima Leasing. (2024–2026). Internal remarketing and repeat-customer data.
13. Experian. (2022). Non-prime, thin-file, and credit-excluded U.S. adult population estimate, as cited in Acima Leasing, Unlock Hidden Revenue with Lease-to-Own.

acima
Leasing