



Unlocking Retail Growth with Lease-to-Own:

Insights from the Acima LTO Sentiment Survey



Introduction

Retailers face mounting challenges in capturing revenue from credit-constrained consumers, while navigating a competitive digital landscape that demands innovative alternatives to credit and financing.

Lease-to-own (LTO) emerges as a powerful tool to address these pain points, enabling potential access to big-ticket durable goods like furniture, tires, jewelry, appliances and electronics for non-prime and thin-file consumers, with lease agreements that create a predictable path to ownership and can build customer loyalty.

By offering an additional way to access big-ticket durable goods, **LTO helps retailers overcome barriers to sales, reduce cart abandonment** and differentiate their brand in a crowded market.

Acima, a leader in LTO solutions, commissioned this study to explore the evolving LTO landscape, consumer sentiments, and opportunities for growth. This report highlights how LTO drives sales through convenience and flexibility, while addressing critical needs for trust, transparency and seamless integration to unlock sustainable success for retailers.

Key Findings

Rapid Adoption of Lease-to-Own

Retail leaders face intense pressure to drive revenue and capture new customer segments in a competitive market, often grappling with declining sales among credit-constrained consumers.

As an alternative to credit and financing, the lease-to-own (LTO) solution can help address these challenges by offering flexible ownership options through leasing that attract underserved customers, boosting sales without straining existing budget-conscious shoppers.

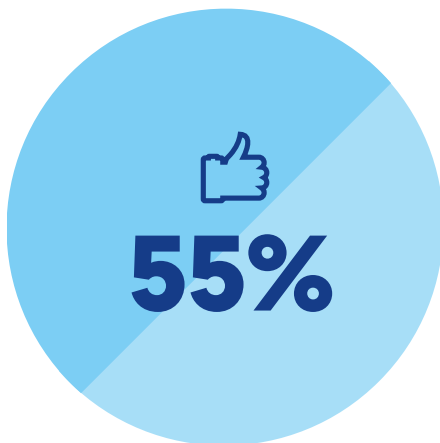
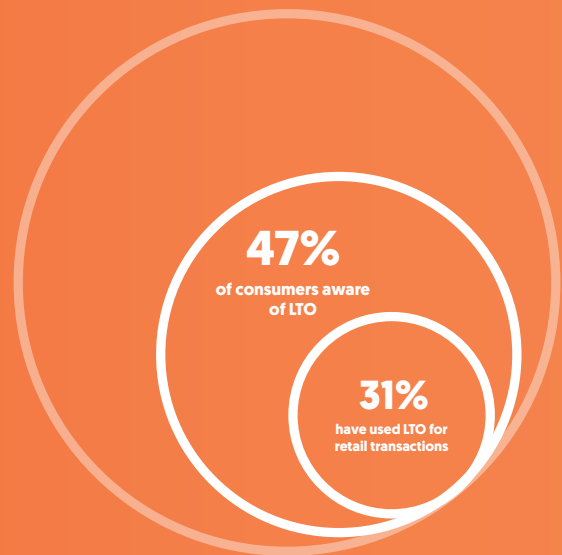
LTO's rapid adoption empowers retailers to meet evolving consumer demands, streamline revenue growth, and stay ahead of competitors by expanding market reach.

The following findings highlight the results of the Acima survey.*

Current Usage

LTO has become a mainstream alternative to credit and financing in the U.S.:

- 47% of consumers are aware of LTO.
- Of those aware, 31% have used LTO for retail transactions.
- Recent usage is strong, with 67% of users adopting LTO within the past 6 months, 10% in 6-12 months, and 7% in 1-2 years.



Future Outlook

The LTO market is poised for significant growth:

- Among recent users, **55% are extremely or very likely** (top 2 box on a 0-10 scale) to use LTO again.
- Among aware non-users, 59% agree (top 2 box) that LTO could make big-ticket items easier to access—indicating strong conversion potential with education and transparency.

*Please see last page of this presentation for more information regarding the research methodology and survey scope.

Top Use Cases

Retailers struggle to sell high-value items to customers deterred by upfront costs, limiting revenue potential and market share.

LTO unlocks opportunities by enabling access to durable consumer goods like furniture, tires, jewelry, electronics and appliances, aligning with consumer needs and driving completion of the transaction.

These are the key use cases where LTO delivers measurable outcomes, helping retail decision-makers expand offerings, enhance customer engagement, and turn inventory into revenue-generating opportunities:

Top Consumer Use Cases

LTO is a vital tool for accessing durable consumer goods. Recent users report using it for:

63%
Furniture

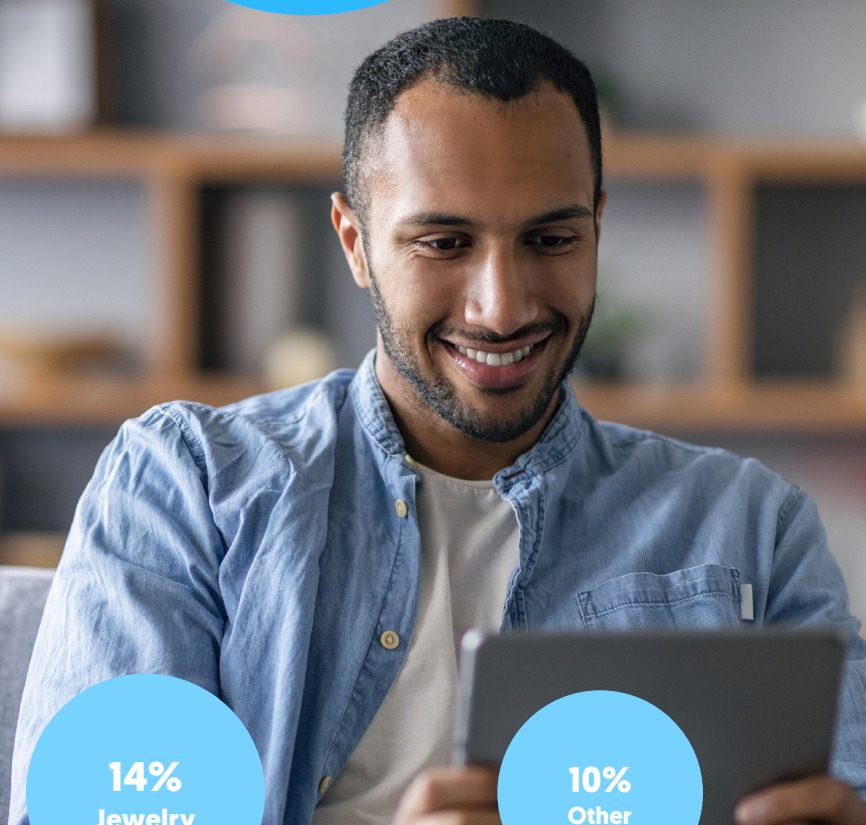
35%
Appliances

34%
Tires & Wheels

31%
Electronics

14%
Jewelry

10%
Other



Generational Insights

LTO preferences vary by generation:

- Millennials (33% of sample) and Gen Z (12%) lead in using LTO for electronics, reflecting tech-savvy shopping habits.
- Gen X (35%) and Boomers (19%) prioritize LTO for furniture and appliances, focusing on household essentials.
- The numbers suggest untapped LTO potential, with 59% of aware non-users agreeing LTO could ease access to big-ticket items.

Gen Z

56% - Electronics
44% - Appliances
38% - Furniture
31% - Tires and/or Wheels
31% - Jewelry

Millennials

66% - Furniture
40% - Electronics
35% - Appliances
24% - Tires and/or Wheels
21% - Jewelry

Gen X

60% - Furniture
38% - Tires and/or Wheels
34% - Appliances
27% - Electronics
9% - Jewelry

Baby Boomers

56% - Furniture
37% - Appliances
34% - Tires and/or Wheels
21% - Electronics
6% - Jewelry



Convenience and Flexibility Drive Adoption

Balancing customer acquisition with profitability is a constant challenge for retailers, particularly when credit-challenged consumers hesitate to commit to large purchases.

As an alternative to credit and financing, LTO offers a flexible pathway to potential ownership that adapts to individual financial circumstances, fostering loyalty and repeat business.

This section examines how **LTO's predictability and accessibility empower retailers** to attract diverse customers, reduce cart abandonment and differentiate their brand in crowded markets.

Key Motivators

LTO's appeal lies in its ability to make the needs of the consumer accessible and manageable:

Primary Reasons that Consumers use Lease-to-Own

63%

Flexible ownership options (e.g., options to take ownership early*).

50%

Easy lease renewal payments.

49%

Access to goods without using credit. LTO is not a credit transaction, but a decision will require review of consumer reports.

33%

Predictable lease agreement terms.

71%

Saves time compared to the alternative of credit-based financing, with 71% of recent users agreeing.

Efficiency Benefits

LTO streamlines transactions for both parties:

- 80% of recent users rate LTO availability at checkout as important or very important when shopping for durable consumer goods.
- Quick decision-making processes are highly valued, with 80% of recent users and 71% of aware non-users rating them as important or very important.
- 76% of recent users and 82% of aware non-users prioritize a trustworthy brand.

Price Sensitivity

Recent users are willing to use LTO for a broad range of items:

52%

\$1,500+

48%

\$1,000-\$1,499

46%

\$500-\$999

28%

\$250-\$499

16%

Less than \$250

*Standard agreement offers 12 months to ownership if you choose to make each lease renewal payment, which may cost more than double the cash price. You are not automatically enrolled in any early purchase options, and additional payments will be required to purchase early. To purchase early or cancel call (801) 297-1980 or go to customer.acima.com. Refer to your lease for specific terms and conditions.

Consumer Concerns

Trust and Transparency as Barriers

Retailers face hurdles in building consumer confidence and integrating complex financial solutions, with concerns like hidden fees eroding trust and technical challenges complicating adoption.

LTO addresses these pain points by prioritizing transparent lease terms and streamlined integration,

reassuring customers and simplifying operations. Here, we explore barriers like mistrust and system complexity, **offering insights for retailers** to enhance credibility, protect customer data, and implement LTO seamlessly to drive adoption—while highlighting positives like high trust in providers that balance these concerns.

Despite LTO's benefits, barriers persist, but positives show strong potential:

- Among aware non-users, no need [53%] and hidden fees [44%] are top reasons for non-use, but **59% agree LTO could make access to big-ticket items easier**—outweighing negatives with accessibility appeal.
- Complex terms for ownership [31% among non-users, 15% among users who use less frequently] and uncertainty about how it works [20% among non-users] deter some, yet **82% of recent users rate easy-to-understand lease agreement terms as important** (top 2 box), showing clarity drives satisfaction.
- Fear of losing control over optional lease renewal payments (20% among non-users) and concerns about the total cost to own the property (52% among users who use less) exist, but flexible terms (63% motivator among users) and renewable payments (81% importance among users) **provide balance through control and transparency**.
- Data security worries are notable (43% extremely concerned among recent users, 22% among non-users), but **76% of users prioritize trustworthy brands**—demonstrating that reliable providers mitigate risks.

Positive Motivators

63%
flexible terms

81%
optional renewable
lease payments



77%

of recent users value
transparent terms

Consumer Concerns Cont.

Overcoming Barriers

Transparency is critical:

- Among non-users, transparent terms/no hidden fees (54%) and flexible terms (returns, optional lease renewal payments) (43%) would increase consideration, aligning with 77% of recent users who value transparent terms (top 2 box).
- Affordable, optional lease renewal payments (34% among non-users) and predictable lease terms (31%) also encourage adoption, balancing affordability concerns (32% among users) with strong motivators like 50% of all respondents citing affordable lease renewal payments.

Trusted Leadership is Essential

Navigating technical integration and data security risks while maintaining customer trust is a significant concern for retail leaders adopting new checkout solutions.

Established LTO providers mitigate these challenges with reliable, secure platforms and transparent pricing, enabling retailers to scale programs confidently.

Strategic partnerships streamline operations, enhance customer experiences and unlock growth by addressing integration and trust concerns.

B2B Partnerships

Collaboration drives LTO success:

- **A provider with proven expertise ensures secure and seamless experiences.** A trusted brand can balance the data security concerns expressed by 43% of respondents.
- **Top motivators for choosing an LTO provider:** A trustworthy brand [76-82% importance] and transparent terms [77-84%] can enable retailers to convert those hesitant non-users [59% of them already see the accessibility benefits].

Actionable Insights for Retailers

- **Integrate LTO Seamlessly:** Offer LTO at checkout to meet the 80% importance rating among users, reducing cart abandonment and capitalizing on 67% recent adoption within 6 months.
- **Expand Use Cases:** Introduce LTO for emerging categories like auto parts and jewelry to capture the 10% “other” segment and align with generational preferences for diversified revenue.
- **Build Trust and Address Barriers:** Partner with trusted providers to mitigate the worry over hidden fees [44% among non-users], data security [43% among users], and ensuring transparent terms [84% importance among non-users].
- **Target Key Segments:** While focusing on Millennials/Gen Z for electronics and Gen X/ Boomers for furniture/appliances can boost sales by meeting demand, educating non-users can boost the 31% usage rate among aware consumers.
- **Leverage Future Growth:** With 55% of users highly likely to reuse LTO, invest in seamless LTO provider solutions to maximize the 71% perception that LTO saves time over credit and financing, driving loyalty and repeat business.



of recent users rate LTO availability at checkout as important or very important when shopping for big-ticket goods



Conclusion

The lease-to-own market is reshaping how consumers access essential goods and how businesses drive growth. By offering affordability [50% motivator], flexibility [63%] and predictability [81% importance], LTO empowers credit-challenged consumers with an alternative to credit and financing, while delivering sales lifts for retailers.

Trusted providers like Acima are key to overcoming barriers and unlocking LTO's potential. Partner with Acima to deliver a seamless LTO solution that empowers consumers and fuels business success.

Visit www.acima.com/en for more information.



Research Methodology

Acima surveyed 1,223 consumers across the U.S. from July to August 2025, comprising 350 panel respondents and recent Acima customers who started new leases in that period.

- Respondents were screened out if under 18, unaware of LTO, or if their last use was over 2 years ago.
- The sample had a median age of 48 and was segmented by generation: Gen Z [12%], Millennials [33%], Gen X [35%], Boomers [19%], Silent Generation [0%].
- Household incomes were distributed as follows: less than \$25,000 [20%], \$25,000 to \$49,999 [28%], \$50,000 to \$74,999 [25%], \$75,000 to \$99,999 [10%], \$100,000 to \$149,999 [7%], \$150,000 to \$199,999 [2%], \$200,000+ [1%], and prefer not to answer [6%].
- The survey used multiple-choice, Likert scale, and select-all questions, with two tracks: recent LTO users (within 2 years) and aware non-users.

Retailer methodology

Acima surveyed 106 retailers from July to August 2025.

- Respondents were active Acima retailers.

