

Request for Proposal 2019

Going Digital – Customer Expectations & Lender Strategies

Industry Background

The [Equipment Leasing & Finance Foundation](#) publishes research for and about the \$1 trillion [equipment finance sector](#). Equipment leasing and financing companies represent important sources of finance in the U.S. economy, contributing to capital formation and providing additional critical tools that enable all types and sizes of commercial businesses to acquire the equipment they need to conduct their business operations.

Problem Statement

“Better, Faster, Cheaper” – customers now expect all three and digital lending is providing it. In 2017, the World Economic Forum noted that “FinTech’s have materially changed the basis of competition in financial services...”. Without dramatically shifting market share to date, FinTech’s have begun to drive the pace of innovation in financial services and set the bar for customer expectations. Lenders are increasingly responding to these developments by exploring their own digital possibilities, using build, buy, and partnership strategies.

For example, lenders like Cisco Capital have said publicly that they are auto-decisioning 50% of credit applications up to \$2.5mm. Other lenders are focusing on making the entire customer experience from credit, to documentation, to funding, frictionless, seamless and easy. For others, the availability of client digital footprint data – social media postings, search, click and purchase histories, etc. – is now easily accessible and inexpensive to acquire, creating questions about if and how that data should influence credit decisions. Digital investments offer the potential for improved client experience, new revenue opportunities, reduced risk and improved efficiency. With so many digital options available, how can equipment finance participants translate their understanding of the need for digital investment into clear strategic and investment priorities?

Purpose of the Study

A researcher with strong digital engagement will leverage surveys and/or interviews to create a robust and well-researched picture of the equipment finance industry’s digital imperatives by answering the following questions:

1. What are the modern client’s expectations for a digital experience during the lease/loan origination and servicing stages?
2. What are the major categories of currently available digital tools or processes that could address new client expectations, both client-facing and non-client facing?
3. What are B2B lenders, inside and outside of the equipment finance industry, doing today to digitize and automate their lending processes and customer experience?

4. How many lenders are doing these things, and are there patterns to which lenders are doing them? (I.e. to what extent is it limited to smaller ticket and/or larger volume lenders/lessors?)
5. How are they doing it?
6. What benefits are resulting from their investments?
7. Are B2B lenders re-shaping their approach to credit decision criteria by leveraging customer digital footprint information?
8. What limitations or concerns are top of mind for lenders who have already begun to invest in digital solutions (e.g. legal, fraud, talent, client-engagement, etc.)
9. How long does it take to implement digital solutions? What costs are involved with implementation? What implementation pitfalls should be avoided?
10. Where do lenders think they and the industry will be in five years?
11. What are the major constraints to implementing digital strategies? (Internal know-how, internal fight for capital spend, ROI, security concerns, equipment finance too low of a priority, etc.)
12. What are areas where companies never expect technology to displace humans?

Suggested Researcher Resources

The Foundation and its sister organization, the [Equipment Leasing and Finance Association \(ELFA\)](#), provide a variety of resources that are relevant to this study, including:

- [The Equipment Leasing & Finance Industry Horizon Report](#)
- [The Archives of Annual State of the Equipment Finance Industry Reports \(SEFI\)](#)
- [Monthly Leasing and Finance Index \(MLFI-25\)](#)
- [MLFI-25 & Beige Book Quarterly Review](#)

Additionally, the Foundation has two major [databases](#) accessible to researchers:

- PayNet database of select equipment leasing transaction information from a statistically valid sample of equipment leasing companies.
- Industry analysis database used to prepare the two annual ELFA overview publications noted above (SEFA).

The Foundation website (www.leasefoundation.org) provides additional information on resources available to its researchers.

Required Deliverables

It is the expectation of the Foundation that the final study will be delivered in no more than five months from contract date.

Specifics include:

1. All deliverables should be written for the lay reader and should be well-written
2. Monthly progress reports should be submitted via email to the Foundation's Executive Director.
3. The final Research Study Paper should be provided in Microsoft Word and PDF version. Charts and graphs should be provided in Excel or PowerPoint and should include source

data. Study page count is variable: 30-50 pages. See our [Report Guidelines](#) for more details.

4. An article of approximately 2,000 words must be submitted for publication in the peer reviewed [Journal of Equipment Lease Financing](#). Please review our [Author Guidelines](#) specific to the *JELF*.
5. An abstract of approximately 250 words of project results must be submitted along with the first draft of the project. The abstract will be used to report the study to a general audience. The abstract must be written for the lay reader.
6. Upon request by the Foundation, you shall be available to present findings live and/or via web seminar.

Response Details

Submit your proposal to Kelli Nienaber, Executive Director of the Foundation, at knienaber@leasefoundation.org.

Information Required

1. Researcher (or Firm's) history and background
2. Experience/knowledge with lease finance research
3. Experience with nonprofit associations
4. Overview of the study design
5. Credentials and qualifications of staff to be assigned the project
6. References/client list, with written permission to contact
7. Description of similar studies performed by the researcher
8. If appropriate, description of how staff time and other costs are billed

Timeline and Contract Terms

- Proposals are due by the first of the month – contact the Foundation for specific dates.
- Proposal selection generally occurs within 30 days. The review committee meets the third Wednesday of each month.
- For further information regarding contract terms, see our [Research Grant Guidelines](#).

Selection Criteria

The Equipment Leasing & Finance Foundation is an equal-opportunity employer and submissions are considered without regard to the age, religion, ethnicity, gender, sexual orientation, marital or veteran status, political affiliation—or any other classification protected by law—of the author. The Foundation encourages the diversity of perspective and experience that result in a holistic view of the ever-evolving challenges and opportunities that face the equipment finance industry. As such, all interested researchers are welcomed and encouraged to submit their proposal for consideration.

The proposal should be based on original research about a future-focused topic benefitting a major segment of the equipment finance industry and include a detailed methodology for the proposed research project.

1. Experience in similar assignments

2. Resources/capacity to perform the required work
3. Experience with associations
4. Qualifications of the individuals who will perform the work
5. Knowledge of the equipment finance industry
6. Quality of the proposed study design
7. Price
8. References
9. Intangibles

For additional information on the grant process visit: www.leasefoundation.org/grants.

Staff Contacts

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About the Equipment Leasing & Finance Foundation

Established in 1989, the Equipment Leasing & Finance Foundation is a 501c3 non-profit organization dedicated to inspiring thoughtful innovation and contributing to the betterment of the equipment leasing and finance industry. The Foundation propels the equipment finance sector—and its *people*—forward with its industry-specific knowledge, intelligence, and programs. Through free studies, internships, and Guest Lecture opportunities, we help people navigate the changes coming up and make better business and personal career decisions. Since its formation, the Foundation has commissioned and endowed over \$3 million in primary and secondary research projects, doubling the body of knowledge available to equipment finance organizations and those that work with these financing organizations.

Foundation Operating Budget: \$750,000 for fiscal year ending December 31.

IRS Classification – 501c3

Staff – 3

Website: www.leasefoundation.org