



2026 UPDATE ON THE ACCESS- BASED ECONOMY:

Rent-to-Own and Related Models

INTRODUCTION

The global economy is gradually shifting from **ownership-based consumption** to **access-based consumption**. Consumers increasingly prefer flexible access to products, predictable payments, upgrade options, and lower responsibility for maintenance, depreciation, or resale.

This shift is closely linked to the **subscription economy**, where customers pay regularly for access to goods or services rather than purchasing them outright. While subscription models are often associated with digital services, their logic has now expanded into physical goods such as smartphones, electronics, furniture, appliances, bikes, solar systems, and mobility products.

This report looks beyond traditional rent-to-own and maps the broader consumer asset access sector: subscription/rent, RTO-light, full RTO and PAYG locked-asset finance.

The core focus is smartphone-led access models across Europe, LATAM, APAC and Africa. Adjacent cases: furniture, motorcycles and appliances are included where they help explain scalable asset-access economics. BNPL-only checkout, auto finance and general cash credit are excluded.



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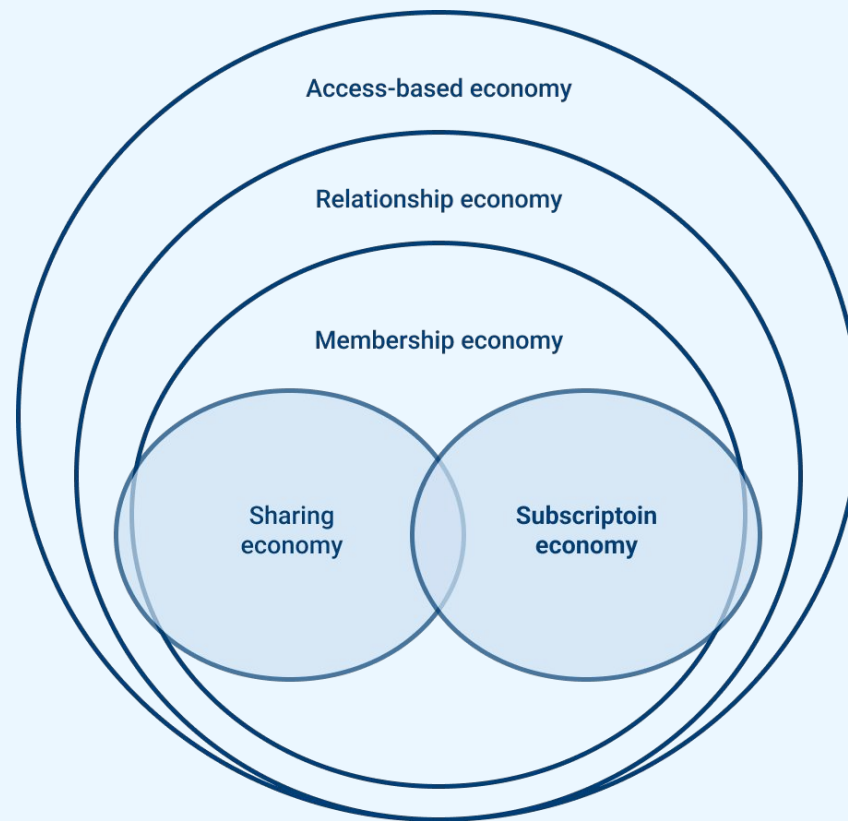
CURRENT
TRENDS

ONE SECTOR, MANY NAMES

The industry is described with many overlapping terms. The broadest concept is the access-based economy: customers use a product or service without necessarily owning it.

Within this umbrella:

- Subscription economy means regular recurring payments for continued access to a product or service.
- Sharing economy is often used for models where assets are used by multiple users, such as shared bikes, scooters, cars, or rental marketplaces. However, in commercial contexts, it is usually not “sharing” in the traditional sense. It is more accurately a form of paid access to assets owned by a company, platform, or another user.
- Membership economy and relationship economy describe the business logic behind the model: companies move from one-time transactions to long-term customer relationships, retention, upgrades, and recurring revenue.



CONSUMER ASSET ACCESS MODELS

	Product rentals	Product leasing / Rent-to-Own	Product subscriptions	Pay-per-use	PAYG
Customers	Need temporary access	Want long-term use with possible ownership	Want ongoing access without ownership	With variable usage or affordability constraints	Want ownership or long-term use but cannot access traditional credit
Winning attributes	Short-term demand, easy return, low storage need	Longer use, upgrade potential, optional buyout	Regular access, service, maintenance, replacement	Usage-based demand, small payments, access control	Low upfront cost, small installments, access control, path to ownership
Examples	Event apparel, tools, short-term equipment	IT equipment, smartphones, solar panels, vehicles	Bikes, devices, appliances, gym memberships	Scooters, ride-hailing, laundromats, PAYG solar and PAYG smartphone	Smartphones, solar home systems, appliances, mobility
Revenue model	Fee per rental period	Fixed monthly fee + possible buyout	Recurring flat subscription fee	Fee per use or small recurring PAYG payments	Down payment + daily/weekly/monthly PAYG installments;
Role of business	Owns, maintains, and re-rents assets	Owns asset during contract; may transfer ownership later	Manages access, service, upgrades, and retention	Provides platform, asset control, billing, and support	Finances the asset, manages payments, controls device access, may remotely lock/unlock for nonpayment
Models in practice for automobiles and bicycles	Short-term car rental	2-year lease from dealership	Bike share programs with unlimited access for monthly fee	Ride-share platforms	Telematics-enabled vehicle financing; lease-to-own e-bike or bicycle with remote lock/unlock

MODELS IN PRACTICE FOR SMARTPHONES







Smartphones are attractive for access models because they have residual value, predictable upgrade cycles and can be controlled digitally.

Profitability depends on four variables: device cost, depreciation, repayment risk and reuse cycle.

The winning model is not just financing — it is control of acquisition, underwriting, payments, locking, refurbishment and upgrade.

Model	Core idea	Ownership logic	Product Examples
Subscription / Rent	Pay for access	No ownership path	Keenget
Subscription / Rent + Optional Buyout (RTO-light)	Access first, ownership optional	Buyout may be available later	Grover, Raylo, Rentoza
Rent-to-own / Lease-to-own (FULL RTO)	Use now, own later	Clear contractual ownership path	Rentik, Leapfone
PAYG / Locked Asset Finance	Finance-led access	Ownership after full repayment	PayJoy, M-KOPA, Watu, Mogo






PRODUCT DETAILS OF SELECTED COMPETITORS






Product name	Market	Launch year	Model	Contract term, months	12m rental cost / retail price, %	Risk / Approval Mechanism	Ownership / End-of-Term Path
Grover		2015	Subscription / Rent + Optional Buyout	6, 12	75%	Soft credit check + data check	Return / extend / buy if eligible; no automatic ownership
Raylo		2019	Subscription / Rent + Optional Buyout	12, 24, 26, and monthly rolling	53%	Soft credit search; full search after approval	Return / upgrade / extend / buy at quoted market value; no automatic ownership
Rentik		2021	Rent-to-own	24	65%	Automated solvency / risk assessment	Return / renew / buy from month 24; auto-ownership at month 36
Telerenta RO		2023	Subscription / Rent + Optional Buyout	6, 11, 16, 21	103%	eKYC + credit bureau check	Return / renew; buyout available during contract, subject to approval; no auto-ownership
Keenget		2024	Pure Subscription / Rent	12, 24	105%	KYC + customer / solvency check	Return / renew; conditional purchase right if provider sells; no auto-ownership
Cashtec Upgrade (made through Home Credit partnership)		2025	Pure Subscription / Rent	24	31%	Home Credit eligibility assessment	Return / upgrade / renew; no buyout / no auto-ownership

Note: "12-month rental cost divided by retail price" metric is calculated using the same benchmark device – an iPhone 17 Pro Max. Payment frequency is monthly across all selected players.





Source: [Grover website](#), [Raylo website](#), [Rentik website](#), [Telerenta website](#), [Keenget website](#), [Cashtec website](#)

FINANCIAL PERFORMANCE OF SELECTED PLAYERS

Product name	Market	Launched in	Revenue 2021	Revenue 2022	Revenue 2023	Revenue 2024	Revenue 2025
Raylo		2019	£12.0M	£23.9M	£18.2M	£27.9M	£41.5M
Rentik		2021	-	€2.3M	€8.8M	€15.9M	N/a
Grover Spain		2020	€857.7K	€90.6K	€139.8K	€151.8K	N/a
Telerenta RO		2023	-	-	€107.8K	€2.9M	N/a
Keenget		2024	-	-	-	€1.0K	€71.5K







Product name	Market	Launched in	Net Profit 2021	Net Profit 2022	Net Profit 2023	Net Profit 2024	Net profit 2025
Raylo		2019	-£3.1M	-£8.5M	-£7.2M	-£5.4M	-£3.8M
Rentik		2021	-	-€1.0M	-€1.8M	-€5.5M	N/a
Grover Spain		2020	€17.1K	-€0.1K	€3.1K	€1.4K	N/a
Telerenta RO		2023	-	-	-€526.6K	-€2.2M	N/a
Keenget		2024	-	-	-	-€13.8K	-€94.2K

PRODUCT COMPARISON

Company	Alligator	Leapfone	Payjoy Brazil	Payjoy Mexico
Market				
Launch year	2016	2021	2022	2016
Model	Subscription / Rent + Conditional Buyout	Rent-to-own / Lease-to-own	PAYG / Locked Asset Finance	PAYG / Locked Asset Finance
Product category	Electronics	Smartphone	Smartphone	Smartphone
Payment frequency	Monthly	Monthly / Annually	14 days	Weekly
Term, months	12, 24, 36	30	3 / 6 / 9 months	9
Cost to own / retail price, %	184%	164%	Not specified	201%
Risk / Control Mechanism	Document / risk / credit analysis + IMEI block if overdue / non-return	Device lock + late-payment penalties	Credit analysis + phone collateral + PayJoy app/device lock	Credit bureau check + 25% down payment + PayJoy app/device lock
Ownership / End-of-Term Path	Return / renew / upgrade; eligible iPhones: R\$1 buyout after 36m	R\$1 buyout after 30m	Ownership after full repayment / app restrictions removed	Full repayment; / MXN 1 buyout

Note: "Cost to own / retail price" metric is calculated using the same benchmark device for Alligator and Leapfone – an iPhone 17 Pro Max; for Payjoy Mexico – Samsung Galaxy A23.

PRODUCT COMPARISON

Company	Rentoza	Payjoy	Watu Uganda	Watu Kenya	Mogo Uganda	M-Kopa Kenya
Market						
Launch year	2017	2020	2019	2015	2025	2012
Model	Subscription / Rent + Optional Buyout	PAYG / Locked Asset Finance	PAYG / Locked Asset Finance	PAYG / Locked Asset Finance	PAYG / Locked Asset Finance	PAYG / Locked Asset Finance
Asset category	Cars, electronics, power solutions, appliances, fitness	Smartphones	Smartphone, motorcycle	Smartphone, motorcycle	Smartphone, motorcycle, car	Smartphone, motorcycle
Payment frequency	Monthly	Monthly	Weekly	Weekly	Daily	Daily
Term, months	24	3	6	12	6	6
Down payment, %	-	32%	23%	21%	23%	23%
Total cost / retail price, %	261%	240%	Not available	207%	160%	128%
Risk / Control Mechanism	Device lock + subscription approval + device protection/admin fee	Down payment + device lock + repayment control	Down payment + device lock + weekly collections	Down payment + device lock + weekly collections	Down payment + device lock + daily repayment discipline	Down payment + device lock + daily PAYG collections
Ownership / End-of-Term Path	Return / renew / upgrade	Ownership / unlock after full repayment	Ownership after full repayment	Ownership after full repayment	Ownership after full repayment	Ownership after full repayment

Note: "Total cost / retail price" metric is calculated using iPhone 17 Pro Max (Rentoza), Samsung Galaxy A05 (Payjoy, Watu Kenya), Itel A669W 64 (Mogo Uganda), M-KOPA X2 (M-Kopa)

Source: [PayJoy Customer Rental Agreement 2025](#), [Watu Phones Uganda Price List](#), [Watu Kenya: Loan Agreement for Smartphone Purchase](#), [Mogo Asset Pricing and Payment Plans 2025](#), [M-KOPA Invoice for FinPhone Purchase](#)

WATU GROUP CASE STUDY

Watu Group is an asset-financing company focused on mobility and connectivity. The company provides financing for motorcycles, three-wheelers, and smartphones, with operations across Uganda, Kenya, Tanzania, Rwanda, DRC, Nigeria, Sierra Leone, South Africa, Mexico, and Brazil.

Although full financial performance by geography is not publicly available, available data for Uganda, where company launched in 2019 indicates stable growth in both revenue and net profit, suggesting that Watu's model is scaling successfully in at least one of its core African markets.

Financial performance of Watu Uganda 2020 - 2025

Period	Revenue, €	Net profit, €	Net profit margin, %
2020	€0.7M	-€335.6K	-47%
2021	€4.0M	€927.9K	23%
2022	€19.9M	€6.9M	35%
2023	€31.0M	€6.7M	22%
2024	€40.5M	€7.1M	17%
Jan - Jun 2025	€24.1M	€4.3M	18%

Note: Revenue and net profit are shown in EUR; original UGX figures were converted at 1 UGX = 0.0002288572 EUR

M-KOPA CASE STUDY

Founded in 2011 by former Vodafone executives Nick Hughes and Jesse Moore, M-KOPA has raised over \$250M in equity and debt from investors, including Generation Investment Management, Lightrock, and British International Investment (formerly CDC Group).

Company started from providing solar home systems on credit to low-income households, and eventually evolved into a full-fledged digital finance platform offering smartphones, cash loans, and insurance products to millions of customers across Kenya, Uganda, Nigeria, South Africa, and Ghana.

Since 2022, the company has focused on smartphone financing, partnering with manufacturers such as Samsung and Nokia to offer pay-as-you-go devices. It has also established an assembly plant in Nairobi.






The model enables customers to pay a small deposit and unlock the phone through subsequent payments. This strategy has boosted revenue and expanded M-KOPA's other digital services, including cash loans and health insurance.

In 2024 company turned its first-ever profit as revenue surges 65% to YoY.

Financial performance of M-KOPA HOLDINGS LIMITED

Financial year	Revenue, USD	Net profit / loss, USD	Net profit margin
2018	\$58.6M	-\$13.2M	-23%
2019	\$69.2M	-\$10.2M	-15%
2020	\$88.0M	-\$17.3M	-20%
2021	\$150.1M	-\$24.9M	-17%
2022	\$228.2M	-\$23.3M	-10%
2023	\$253.5M	-\$20.6M	-8%
2024	\$418.0M	\$9.2M	2%

PRODUCT COMPARISON

Company	Cinch Singapore	Circular	Cinch Malaysia	BytePe	Rentmojo
Market					
Launch year	2022	2021	2025	2025	2014
Model	Subscription / Rent + Optional Buyout	Subscription / Rent + Optional Buyout	Subscription / Rent + Optional Buyout	Rent-to-own / Subscription-to-own	Subscription / rent
Asset category	Electronics	Electronics	Electronics	Electronics	Furniture, electronics, appliances, fitness
Term, months	12	12	18	12	3/ 6 /12
12m cost / retail price, %	153%	106%	65%	109%	31%
Risk / Control Mechanism	MDM / device lock + eligibility check	Spending power check + return / damage controls	MDM / device lock + eligibility check	Credit / EMI eligibility + device protection; lock not publicly verified	KYC + credit bureau check + security deposit + tracking software
Ownership / End-of-Term Path	Return / extend / purchase after 1m; no automatic ownership	Upgrade / extend / return; buy option available, no automatic ownership	Return / extend / buyout only after 36, 48 or 60 months	Upgrade / return after 12m; continue another year to own	Return / extend / upgrade; no ownership transfer in T&C

Note: "12-month rental cost divided by retail price" metric is calculated using the same benchmark device – an iPhone 17 Pro Max (Cinch, Circular, Bytepe), and iPhone 14 for Rentmojo. Payment frequency is monthly across all selected players.

RENTMOJO CASE STUDY

Founded in 2014, Rentomojo is one of India's leading furniture, appliance and home-essential rental platforms. The company operates a subscription-based model, allowing customers to access household assets through monthly payments instead of buying them upfront.

Rentomojo's model was initially difficult to scale profitably because the company had to fund inventory, manage logistics, refurbish returned assets, and maintain high utilisation. However, after years of operating-model refinement, the company has moved into sustained profitability.

Rentomojo's recent performance suggests that the subscription model can become profitable when scale, asset reuse, refurbishment, and cost discipline are achieved. In FY25, the company reported ₹266 Cr revenue and ₹43.1 Cr net profit, marking its third consecutive profitable year and positioning it for an IPO.

Financial performance of Rentomojo

Year	Revenue	Net profit	Net profit margin
2020	€18.2M	-€10.9M	-59.89%
2021	€12.4M	-€8.7M	-70.16%
2022	€11.4M	-€1.6M	-14.04%
2023	€14.8M	€0.7M	5.01%
2024	€21.8M	€2.5M	11.47%
2025	€24.1M	€3.9M	16.19%

RECENT DEVELOPMENTS: NEW PRODUCT LAUNCHES

| EXPANSION | CINCH

Cinch, already operating in Singapore with both B2C and B2B device subscription offerings, expanded into Malaysia, launching its Device-as-a-Service platform for smartphones, laptops, and tablets. The move strengthens its Southeast Asia footprint across consumer and enterprise segments.

| LAUNCH | BytePe

BytePe, founded by a former Flipkart executive, launched a smartphone subscription platform in India, offering access to premium devices (e.g. iPhone 17) via monthly payments with no upfront cost. The service includes upgrade, return, and buyout options, positioning itself as a flexible alternative to traditional EMI-based ownership.

RECENT DEVELOPMENTS: PARTNERSHIPS

| BOLTTECH + MEDIAMARKT SPAIN

Bolttech (insuretech company) and MediaMarkt Spain (retailer) launched Alquilalo España, a service-inclusive electronics rental program that debuted in 11 pilot stores and is intended to expand nationwide by end-2026.

| RAYLO + LG

LG Electronics and subscription platform, Raylo, have announced a new partnership to launch LG Flex. This new subscription option enables UK customers to access LG's premium TV, audio and IT products via subscription, offering lower monthly prices and the flexibility to upgrade as new technology comes to market.

| HOME CREDIT + CASHTEC

Cashtec Upgrade, a joint project between electronics retailer Mobil Pohotovost and global lending group Home Credit, launched an electronics rental service in the Czech Republic, offering smartphones, laptops, and other devices via monthly payments with fully online onboarding. The model combines retail distribution with embedded financing, enabling access without upfront purchase.

RECENT DEVELOPMENTS: DISTRESS WATCH

| RESTRUCTURING | GROVER

Grover, a unicorn and pioneer in the rent-to-own / device subscription space, completed a StaRUG restructuring, with creditors injecting ~€30M and taking majority control. The move followed financial pressure from its capital-intensive, debt-driven growth model, highlighting scaling and profitability challenges in the asset access sector.

| NEW RENTALS OVER | TELERENTA PL

Telerenta's polish site states it has ended new electronics rentals while servicing existing contracts. Local launches can stall if funding and asset operations do not scale.

KEY TAKEAWAYS

Europe shows strong product innovation but weaker profitability

Players such as Raylo, Rentik, Telerenta, Keenget, Grover, and Cashtec Upgrade demonstrate active market development, but many remain loss-making or are still at an early scaling stage. Grover's restructuring highlights the risks of capital-intensive growth.

APAC is becoming a launch market for new rent-to-own and Device-as-a-Service models

Recent launches by BytePe in India and Cinch in Malaysia show growing demand for smartphone access models in high-growth consumer markets. However, APAC models vary widely in monetization uplift, buyout availability, and locker usage.

Africa shows the strongest evidence of scalable PAYG asset financing

PAYG models in Africa are supported by device-locking, small frequent payments, high demand for affordable smartphones, and strong cross-sell potential. Watu Uganda and M-KOPA show that asset financing can become profitable when scale and repayment control are achieved.

LATAM models rely heavily on monetization uplift and ownership conversion

Players such as Alligator, Leapfone, and PayJoy use rent, subscription, or PAYG structures with locker technology and buyout options. The model often generates a significant uplift over retail price, but affordability and default management remain critical.

KEY TAKEAWAYS

Access-based finance can evolve into a broader digital finance ecosystem

M-KOPA and Watu started with asset-linked financing and expanded into adjacent services such as smartphones, mobility, cash loans, insurance, or other financial products, increasing customer lifetime value.

Retailer + fintech partnerships are becoming an important go-to-market model

Cashtec Upgrade with Home Credit shows how retailers can combine customer acquisition and product supply with embedded financing capabilities. This model may reduce customer acquisition costs and accelerate adoption.

Device-locking is becoming a core risk-control infrastructure layer

In PAYG and some rent/subscription models, locker functionality improves repayment discipline and reduces default risk. It is especially important in emerging markets where traditional credit enforcement is weaker.

The most defensible models combine financing, asset control, and customer relationship ownership

The strongest players are not only renting or financing devices. They control the full cycle: acquisition, underwriting, payments, locking, collections, refurbishment, upgrade, buyout, and cross-sell.

ABOUT MD FINANCE

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CONTACTS

info@mdfin.com

