

Car Rental: Top Six Industry Trends

March 2023

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Key findings

Scope

INDUSTRY OVERVIEW

Global car rental recovers in nominal terms following its setback from the pandemic
US boasts 45% of the car rental market, but emerging and developing markets growing
“Big five” car rental companies accounted for 65% of industry sales globally in 2022
“Big five” car rental players have less presence outside Europe, North America and Australia
Fleet sizes remain below pre-pandemic levels as supply side bottlenecks curb production
Average spend per transaction surges amid low fleet size and rising inflation
Utilisation rates remain below historic levels despite recovery

TOP SIX TRENDS

Trend 1: Online bookings to account for more than three quarters of car rental sales by 2030
Sixt launches a smartphone app for fleet customers
Trend 2: Investment in EVs growing as shift to clean mobility becomes a strategic priority
UFODrive : offering 100% EV car rentals with a no-hassle booking service
Trend 3: Car rental companies look to mobility sharing for growth
Sixt adds e-moped sharing to its growing portfolio of short-term rentals services
Trend 4: Car rental increasingly being used for leisure purposes
Hertz sees a jump in revenues from leisure travellers
Trend 5: Consolidated car rental facilities at airports are becoming more commonplace
Los Angeles airport’s CONRAC expected to be the largest car rental facility in the world
Trend 6: Data intelligence to promote connected vehicle platforms
Enterprise Holdings partners with Microsoft to bring connected car technologies

BRAND COMPETITOR ANALYSIS

Enterprise Rent A Car: the leading brand in the world for car rentals
Hertz: sales in 2022 were still below pre-pandemic levels
Avis: Avis brand generated two thirds of Avis Budget Group Inc’s sales in 2022
Sixt: the fastest growing brand among the big five car rental players over 2014-2022
Europcar: the only major car rental brand with no direct presence in the US market

COUNTRY OVERVIEW

US: the world’s largest car rental market
China: major car rental players build presence in China through strategic partnerships
UK: one of the slowest growing car rental markets in Western Europe
Japan: one of the slowest growing markets in Asia Pacific over the forecast period
Brazil: offline car rentals dominate the market, despite high internet use
South Korea: leisure car rentals showing strong growth prospects in South Korea
France: car rental fleet still well below pre-pandemic levels
Spain: projected to be the third largest car rental market by 2030
Australia: Sixt sees a 5-fold rise in fleet size through a strategic partnership with a local player

KEY INSIGHTS AND OUTLOOK

Global car rental to become a USD100 billion market by 2027, despite economic worries
Spain forecast to be the third largest market by 2025 as the UK to drop to seventh by 2029
Western Europe to account for 44% of growth in car sales rental over 2022-2030
Opportunities for car rental companies
Challenges and threats for car rental companies
Car rental of the future

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