Euromonitor International

World Market for Car Rental

July 2024

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INTRODUCTION

Scope

Key findings

STATE OF THE INDUSTRY

Snapshot of the car rental industry's performance in 2023

Global car rental shows robust growth thanks to a recovering tourism industry

North America is the largest car rental market, but Latin America shows the strongest growth

Among the top 10 markets Brazil, South Korea and China have shown robust performance

Despite fleet sizes recovering strongly, mixed results are seen across key car rental markets

Operator revenues surge due to the higher cost of car rental, despite fewer transactions

Leisure car rental continues to drive the post-pandemic recovery

Utilisation rates have almost recovered, albeit with varying results in key markets

LEADING COMPANIES AND BRANDS

"Big 5" dominate the market, but exposure is limited to Western markets

Performance of the 20 major car rental brands

Among the "big 5", Enterprise leads, Sixt grows strongly and Green Mobility and Hertz struggle

"Big 5" have more diversified revenues, but others depend on their domestic market

Sixt has generally had higher utilisation rates than its competitors over the review period

Case study: Sixt to continue US expansion with LA Lakers and Chicago Bulls partnerships

Outside of the "big 5", Localiza is growing robustly thanks to rising domestic demand in Brazil

SK rent a car shows the strongest growth in Asia Pacific but sold to Affinity in June 2024

Market consolidation is highest in the US and Brazil, while China remains more competitive

OUTLOOK AND PROSPECTS

The face of global car rental in 2030

Emerging markets are poised for growth, while Western Europe continues its recovery

Revenue per transaction set to decline as fleet sizes normalise, stabilising prices

Business car rental is expected to rebound slightly, but leisure rentals to still dominate

TOP FIVE TRENDS SHAPING THE INDUSTRY

Top five car rental trends

Flexible ownership: New ownership models cater to market with more personalised needs

Case study: Avis introduces iLease in South Africa as an alternative to vehicle ownership

Online rentals : Web and app-based bookings gain ground amid digital transformation shift

Case study: Hertz partners with Stripe to power digital payments

Eco-friendly fleets : EV rentals are becoming more common, despite some pushback

Case study: Europcar expands EV offer, with more flexible return policies for users

Case study: Avis in partnership with EverCharge launches EV charging at Houston Airport

AI and Big Data: AI and big data is being used across the broader car rental value chain

Case study: Sixt's partner DriveX uses a digital inspection tool to assess damage to rental cars

Chinese rental cars: Car rental companies are being drawn to Chinese automotive brands

Case study: Sixt to buy 100,000 cars from BYD - the world's biggest manufacturer of EVs

Other important trends in the car rental industry

Case study: Fetch delivers rental cars remotely with a tele-driver

Case study: Klarna brings interest-free BNPL to CarTrawler's 250 partner travel websites

CONCLUSION

Key takeaways from the global car rental market

Recommendations/Opportunities for growth

MARKET SNAPSHOTS

US
China
UK
Brazil
Japan
Germany
France
Spain
South Korea
Australia

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