

ADOPT THIS NEW TRAVEL IDEA
GO BY Train, Plane or Bus
and when you get there
RENT A NEW CAR
FROM HERTZ

... AND DRIVE IT YOURSELF

Thousands of business men, executives, salesmen, etc., and even members of men and women who travel for pleasure have adopted the Hertz Drive-It-Yourself idea. Think how convenient, how much fun, to have a big new Chevrolet or other fine car reserved for you in any of 350 cities in the U. S., Hawaii, Puerto Rico, and Canada. You travel by plane or train leisurely and arrive fresh and unwearyed. Then, in a new car from Hertz, properly serviced and in tip-top condition, you drive where you will in style and comfort... save many hours. Hertz is the only nation-wide car rental system experienced in 23 years of service. All cars are current models and fleet renewed year-by-year. Through the Rail-Auto and Plane-Auto Travel Plans you can reserve a new car before you leave home or railroad and air line ticket connects. For full information about Hertz service call your local Hertz station listed under "Automobile Rentals" in the classified section of the telephone directory. For free directory of all Hertz stations and full information, write Hertz Drive-It-Yourself System, Dept. 2108, 218 S. Wabash Avenue, Chicago 4, Illinois.

NOTE: To serve more cities and states, Hertz are being granted its responsible local interests to operate as part of the Hertz System. For complete information write Hertz Drive-It-Yourself System, Dept. 2108, 218 S. Wabash Avenue, Chicago 4, Illinois.

You can rent a new car from HERTZ as easy as A B C

A You can reserve a new car before you leave home or railroad and air line ticket connects.

B You can drive a new car in style and comfort... save many hours.

C You can arrive fresh and unwearyed.

HERTZ
DRIVE-IT-YOURSELF
SYSTEM

Now serving you **310** cities internationally in the U.S.

Want a ride?

(Part I)

Having access to a vehicle while on vacation often makes a big difference for travelers, allowing them to visit at their own pace. Today's post is the first of two on car rentals and how this business relates to the hotel industry.

History^{1,2,3,4}

One of the first references to car rental can be found in the Minneapolis Journal of July 22, 1904, where there was a short ad in which a bicycle shop offered cars for rent.

A few years later (1912) in Germany, Martin Sixt founded “*Martin Sixt Autofahrten*”⁵ with three vehicles. In 1917, he opened an arm in Munich at Seitzstrasse 11, where one of the most visited SIXT branches is still located today. In 1927, his nephew, Hans Sixt, took over the company. After introducing innovations such as the first radio cabs in Europe, Hans founded “*Auto SIXT*.” A few years later, the first airports opened in Frankfurt/Main and Munich, opening the way for tourists. In 1967, *SIXT* became the first German company to launch a full-service leasing program.

In the US, car rental was introduced by Joe Saunders in 1916 in Omaha. The idea came to him when his brother, Harris Saunders, a partner in the family’s real estate firm, was out for a ride with his girlfriend and the car broke down. Harris had it towed back to town where he learned that it would be out of order for several weeks. Joe was dismayed when he learned the news as the car was also used for business and, without it, it would be difficult to travel around Omaha to sell lots and houses. It was then that Joe came up with the idea that was to launch a billion-dollar industry. Why not rent a car? In August 1916, he bought a used Model T Ford and on August 20, he put a small ad in the Omaha World Herald advertising the car for rent. By 1917, his *Ford Livery Company* was renting out 18 Model Ts at 10 cents per mile. By 1926, Saunders had expanded to 56 cities. In 1955, Saunders' company was bought by Avis.

An early competitor to Saunders was Walter L. Jacobs, whose Chicago-based Rent-a-Car opened in 1918 with twelve Ford Model T's. The company was bought in 1923 by John *Hertz*.

¹https://en.wikipedia.org/wiki/Car_rental#:~:text=Joe%20Saunders%20of%20Omaha%2C%20Nebraska,System%20and%20then%20Saunders%20System

² <https://about.sixt.com/en/> (History - Company history meets share price)

³ <https://www.automotive-fleet.com/147063/car-renting-its-development-and-future>

⁴ <https://www.linkedin.com/pulse/brief-history-car-rental-industry-pamela-salon/>

⁵ Car rides in english.

Car Rentals in the 1950s

Car rental companies expanded alongside the automotive industry. In addition, the railway industry collaborated closely with them, allocating them space at rail stations. After the war, many people began renting cars because they had more disposable income and started travelling. As demand increased, so did supply. As a result, some of the largest car rental companies were established, including *National Car Rental* in 1947 and *Enterprise Rent-A-Car* in 1957.

Nowadays⁶

Currently, the largest rental car company worldwide is *Enterprise Rent-A-Car*. With approximately 10,000 offices in almost 100 countries, Enterprise boasts a fleet of over 2.1 million vehicles and over 80,000 employees. In 2022, Enterprise had an estimated revenue of \$30 billion and ranked 16th in the Forbes Top 500 Private Companies List.

Impact of the COVID-19

The Covid-19 pandemic had devastating effects on the overall travel industry and the rental car business was no exception. After years of steady growth, car operators had to eventually sell off parts of their fleet and Hertz even filed for bankruptcy.

According to statistics by companies such as Sixt, Hertz and Budget, ridership numbers dropped by 61% during 2020, when only 17.3 million cars were rented in the U.S. This is in stark contrast to 2019, when the number of vehicles rented reached 44.5 million.

Favourites

According to the October 2023 J.D. Power 2023 North America Rental Car Satisfaction Study, *Enterprise* ranked the highest in overall customer

⁶ https://finance.yahoo.com/news/16-rental-car-companies-ranked-071530992.html?guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xLmNvbS8&guce_referrer_sig=AQAAAlbCMOI46ctWk s6a3ki6gEymwSIW8r7GyuTbwTODalUv8NpUY2SeyMuPeR6WM7CfPe_ly355h1MOuHtc1tW-f9SMbIYMwPOj38f8AQo8nxiWdtCBMuB8idVE_E-o2st9QXuKUDrllssjg80MWLC169tYdBQq6RfO-6P7lbox7v0f&_guc_consent_skip=1724693688

happiness. *Enterprise* maintained this ranking from this report for the third year in a row. *National* came in as the runner up⁷.

As noted by *Rentall*⁸, the top 10 most rented cars in 2023 were: 1) Toyota Corolla, 2) Nissan Altima, 3) Chevrolet Equinox, 4) Ford Fusion, 5) Honda CR-V, 6) Toyota Camry, 7) Kia Optima, 8) Jeep Cherokee, 9) Hyundai Sonata and, 10) Subaru Outback.

Renting a car is a nice way for travelers to get around. However, after a full day's worth of visits, they want a clean and comfortable hotel where to relax. Unfortunately, hotels have problems attracting and keeping employees – it's their number one issue. This is why adopting an electronic tipping solution like **Tip&Go**, which can increase employees' earnings by up to 5\$ per hour, could go a long way in enticing them to stay in the industry!

Francis Léonard, CEO

TIP&GO®

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⁷ <https://www.nerdwallet.com/article/travel/what-is-the-best-car-rental-company>

⁸ <https://www.rentallsoftware.com/blog/most-rented-cars-2023/>