



Want a ride?

(Part II)

Last week, I did part I of a post on the car rental industry. Today's post concludes my exploration. It presents interesting facts on this business, shows how it is connected to the hotel industry and presents a couple of funny stories. Enjoy 😊!

Interesting Facts^{1,2,3,4,5,6,7,8}

- *Avis* was the first to rent cars at airports. It did so at Willow Run Airport in Detroit in 1946.
- You can tell a lot about your car from four letters, thanks to the coding system by the Association of Car Rental Industry Systems and Standards (ACRISS). The code describes the size, door count, and whether the transmission is manual or automatic. It also tells you whether the car is air-conditioned.
- Most car rental companies prohibit the use of their cars on unpaved roads. If you purchase a collision damage waiver or other rental car insurance, this will most likely be voided if you drive on gravel or an unpaved road. Stick to the beaten track unless you want to pay for your off-road adventures!
- From 2019 to 2021, car rental prices surged by \$35 a day on average in the US, owed to a 58% reduction in fleet additions and the sell-off of vehicles during the 2020 pandemic.
- In 2023, there were 3,362 car rental companies in the U.S. but three of them accounted for over 90% of the total car rental market share: Enterprise, which owns National and Alamo; Avis, which owns Budget, Payless Car Rental and Zipcar; and Hertz, which owns Dollar and Thrifty.

¹ https://passport-photo.online/blog/car-rental-statistics/?srsltid=AfmBOop5TOfyQWB-MkYa5f3Lcy_kTXDf8UC-LCudWXxl_dUekTnvK5nm

² <https://www.consumeraffairs.com/automotive/car-rental-industry-statistics.html>

³ <https://reservety.com/15-interesting-facts-about-the-car-rental-industry/>

⁴ <https://scottmax.com/car-rental-industry-statistics-to-know/>

⁵ <https://blog.autoslash.com/some-facts-about-rental-cars-that-you-probably-don-t-know/>

⁶ <https://www.investopedia.com/financial-edge/0411/8-things-you-need-to-know-before-renting-a-car.aspx>

⁷ <https://www.hotcars.com/things-about-rental-cars-no-one-talks-about/>

⁸ <https://www.cntraveler.com/story/how-to-rent-a-car-and-avoid-extra-fees>

- Major companies, including Enterprise and Hertz, have added car-sharing services to their portfolios as an alternative to ride-hailing services like Uber. Rates range from about \$5 to \$15 per hour.

Collaboration with the Hotel Industry^{9,10,11}

Although catering exclusively to hotels is not a solution for every rent-a-car company, such partnerships can be profitable. For instance, five years ago, Go Rent-a-Van/Go Rentals in Newport Beach, Calif., started receiving overflow business from luxury hotels like the Ritz Carlton. Two years later, the company signed an exclusive contract with the Ritz and decided that it would focus primarily on servicing hotel markets. Over the next two years, Go Rentals acquired 24 additional exclusive contracts.

Another example is that of *Triangle*, which found its niche in smaller cities like Greensboro, N.C., serving convention center hotels from nearby freestanding locations. The company has made it easy for hotel concierges to call or e-mail for car reservations, and the *Triangle* staff delivers or picks up cars from the hotel.

Finally, many companies like Budget, Dollar (Hertz), SIXT and Thrifty offer hotel points to their customers through loyalty programs. This is another way that the car rental and hotel industries interact.

Funny Stories¹²

As you can imagine, there are quite a few funny stories around car rentals. Below are a couple that I loved. Have fun 😊!

- I pull up at the pump at a fuel station in Rio...feeling cool, dark glasses, music on. I wind down the window, and in my best Brazilian

⁹ <https://www.autorentalnews.com/146447/checking-into-hotel-partnership>

¹⁰ https://finance.yahoo.com/news/16-rental-car-companies-ranked-071530992.html?guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xLmNvbS8&guce_referrer_sig=AQAAAlbCMOI46ctWk_s6a3ki6gEymwSIW8r7GyuTbwTODalUv8NpUY2SeyMuPeR6WM7CfPe_ly355h1MOuHtc1tW-f9SMblYMwPOj38f8AQo8nxlWDtCBMuB8idVE_E-o2st9QXuKUDrllssjg80MWLC169tYdBQq6RfO-6P7lbox7v0f&_guc_consent_skip=1724693688

¹¹ <https://www.myimprov.com/should-i-get-a-hotel-car-rental-bundle/>

¹² <https://www.icarhireinsurance.com/information-and-news/blog/funny-car-hire-stories>

Portuguese I say 'Encha o tanque, por favor'. Feeling chuffed with myself (having rehearsed the expression), I reach for what I thought was the hand break, forgetting I am in a left-hand-drive car. I yank up the seat handle and I fly flat on my back! I looked a right pillock...well I got a laugh from the attendant.

- We were visiting Croatia for the first time, and we called at the car hire desk to take out a pre-booked medium sized car. The girl behind the counter was drop dead gorgeous and had a figure you could die for. While we were somewhat distracted, we cheerfully agreed to every waiver, add-on, etc. that you could possibly wish for. We signed the rental agreement and set off for the holiday. When the bill came our rental ended up at over £1800 for two weeks (USD \$2,360). We examined all the fine print and couldn't argue that we had indeed had the extras listed. We argued and got a bit of a discount but we had signed on the dotted line so there was no real legal argument. Lesson to all - if there is a stunning girl behind the counter - get the wife to hire the car!

The hotel industry will keep on trying to meet their guests' needs e.g., by partnering with car rental companies. However, there is one thing that guests will not compromise on, and its cleanliness.

Unfortunately, there is a high turnover among hotel housekeepers. This is why adopting an electronic tipping solution like **Tip&Go**, which can increase staff earnings by up to 30%, could go a long way in relieving pressure on hoteliers.

Francis Léonard, CEO

TIP&GO®

Clip: <https://www.youtube.com/watch?v=ZZ75L0Xplb0>

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