

Holiday Car Hire - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“The evolution of the ‘peer-to-peer’ economy is having a seismic impact on travel, from the influence of online customer review to the exponential growth of Airbnb and the challenge it now poses to the hotel industry.”

— John Worthington, Senior Analyst

This report looks at the following areas:

- How can holiday car hire appeal more to an ageing travel market?
- What can companies do to appeal more to people who are reluctant to hire holiday cars abroad?
- How can holiday car hire companies develop a clearer, stronger brand identity?

The past five years have been tough for the market for holiday car hire abroad. However, macroeconomic indicators are improving and the largest car hire destination, Spain, is now bouncing back strongly.

A sustained recovery in independent travel looks likely but in the coming years a key challenge for the car hire market will be raising its appeal to an affluent older demographic traditionally averse to the perception of transport hassles on holiday.

This report analyses the influential factors on the holiday car hire market, profiles the leading companies involved and the types of products they are offering, and includes consumer analysis examining who hires cars on holiday, how and when they book, product preferences and attitudes, including the reasons why some people do not hire cars. Mintel last reported on this market in May 2012.

For the purposes of this report, holiday car hire is restricted to overseas use only. It excludes any business use, any non-holiday leisure use and any use in the domestic market. Bookings may be made in the UK, but the primary use for a vehicle must be for a holiday abroad.

An adult, for the purposes of Mintel's research, is anyone aged 16 or over.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
oxygen@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Holiday Car Hire - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Introduction

Definition

Abbreviations

Executive Summary

The market

Return to growth in 2013

Figure 1: Volume forecast of holiday car hires abroad, 2014-19

Market factors

Spanish revival

Figure 2: Overseas holiday volume and value*, 2008-13

Figure 3: Top 10 independent holiday destinations, by number of visits, 2013

Higher Pound and lower pump prices should help market

Figure 4: Annual average exchange rates for Sterling versus euro and US\$, 2009-13, and spot rate for 14 May 2014

Figure 5: Unleaded petrol per litre, October 2009-April 2014

Ageing profile of drivers

Figure 6: Full driving licence holders in Great Britain, aged 17-20 and 60+, 1995 and 2012

Companies, brands and innovation

Avis, Hertz, Europcar are leading brands

Figure 7: Holiday car hire companies used abroad in the past three years, March 2014

The consumer

Car hire usage returns to 2010 levels

Figure 8: Holiday car hire abroad experience, March 2014

Half of hires are four to seven days

Figure 9: Duration of last holiday car hire, March 2014

Six in 10 bookings made online in advance

Figure 10: How last holiday car hire was booked, March 2014

Figure 11: How last online holiday car hire booking was made, March 2014

Perception of stress deters non-hirers

Figure 12: Reasons why people have not hired a holiday car abroad in the past three years, March 2014

One in four want delivery/collection at holiday address

Figure 13: Preferred extras when hiring a holiday car abroad, March 2014

One in five hit by unfair charges

Figure 14: Attitudes towards holiday car hire abroad, March 2014

What we think

Issues and Insights

How can holiday car hire appeal more to an ageing travel market?

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Holiday Car Hire - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

The facts

The implications

What can companies do to appeal more to people who are reluctant to hire holiday cars abroad?

The facts

The implications

How can holiday car hire companies develop a clearer, stronger brand identity?

The facts

The implications

Trend Application

Market Drivers

Key points

Overseas holiday spend highest for five years

Figure 15: Overseas holiday volume, value and average expenditure, 2008-13

Flights up 5% in 2013

Figure 16: Overseas holiday volume, by mode of transport, 2008-13

Package revival leads holiday growth

Figure 17: Volume of overseas package and independent holidays, 2008-13

Figure 18: Outbound holiday visits, by region visited, 2008-13

Spain on road to recovery...

Figure 19: Top 20 overseas holiday destinations, 2008-13

...and independent growth to Spain bodes well for car hire

Figure 20: Top 10 independent holiday destinations, by number of visits, 2008-13

Rising Pound should boost overseas holiday spend

Figure 21: Annual average exchange rates for Sterling, 2009-13, and spot rate for May 2014

Spanish prices drop by a third since 2009

Figure 22: Holiday costs, comparison of leading resorts, 2014

Pump pressures ease up

Figure 23: Petrol and diesel per litre, October 2009-April 2014

Figure 24: Unleaded petrol per litre, October 2009-April 2014

Figure 25: Petrol price, by European country, 2010-13

Hidden costs of car hire

Growth among 25-34s a plus factor for car hire

Figure 26: Trends in the age structure of the UK population, 2009-19

Long-term ageing

Figure 27: UK long-term age group projections, based on 2012 population data, 2014-34

Capital move away from cars

Figure 28: Car ownership in Great Britain, 2008/09-12011/2

Figure 29: Percentage of households in Great Britain with no car/van, by region, 1995/95 and 2011/12

Driving gender gap closing

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Holiday Car Hire - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 30: Full driving licence holders in Great Britain, by age and gender, 2008-12

Ageing drivers

New models of car use

Who's Innovating?

Key points

New car hire apps

Hertz makeover

High-tech hire

Photographic evidence

Electric hire

On the road

Market Size and Forecast

Key points

Car hire sees year of growth at last

Figure 31: Volume of holiday car hires abroad by UK residents, 2008-19

Forecast

Figure 32: Volume forecast of holiday car hires abroad, 2014-19

Forecast methodology

Market Share

Key points

Four groups dominate market

Figure 33: Holiday car hire companies used abroad in the past three years, March 2014

Europcar has most outlets in top two destinations

Figure 34: Most popular holiday car hire brands, locations in Spain, France and Italy, May 2014

Channels to Market

Key points

Six in 10 book online

Figure 35: How last holiday car hire was booked, March 2014

Brokers account for one in five hires

Figure 36: How last online holiday car hire booking was made, March 2014

Majority of car hires are booked in last two months

Figure 37: When last advance holiday car hire booking was made, March 2014

Figure 38: When last advance holiday car hire booking was made, March 2014

Companies and Products

Alamo Rent-A-Car

Avis

Figure 39: Key financial data for Avis Budget Group, 2012 and 2013

Budget Rent a Car

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: oxygen@mintel.com

Holiday Car Hire - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Dollar/Thrifty

easyCar

Enterprise Rent-A-Car

Europcar

Figure 40: Key financial data for Europcar Group UK Limited, 2010-12

Hertz

Figure 41: Key financial data for Hertz Global Holdings, Inc., 2012 and 2013

Holiday Autos

National Car Rental

Sixt

Figure 42: Key financial data for Sixt Group, Q1-Q3 2012 AND Q1-Q3 2013

The Consumer – Holiday Car Hire Usage

Key points

Car hire penetration growing

Figure 43: Holiday car hire abroad in the past three years, January 2010-March 2014

ABs account for two fifths of all hires

Figure 44: Profile of those who have hired a holiday car in the past three years, by socio-economic group, March 2014

Figure 45: Profile of those who have hired a holiday car in the past three years, by financial situation, March 2014

Under-35s account for nearly half of hires

Figure 46: Profile of those who have hired a holiday car in the past three years, by age, March 2014

The Consumer – Length of Holiday Car Hire

Key points

Over-45s hire less but for longer periods

Figure 47: Duration of last holiday car hire, March 2014

Figure 48: Duration of last holiday car hire, March 2014

The Consumer – Reasons for Not Hiring a Holiday Car

Key points

Stress of driving puts people off

Figure 49: Reasons why people have not hired a holiday car abroad in the past three years, March 2014

The Consumer – Holiday Car Hire Preferences

Key points

Airport frustrations

Figure 50: Preferred extras when hiring a holiday car abroad, March 2014

Older drivers seek greater ease and convenience

Figure 51: Preferred extras when hiring a holiday car abroad, by age, March 2014

Figure 52: Preferred extras when hiring a holiday car abroad, by gender, March 2014

ABs willing to pay for premium products

Greener London

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Holiday Car Hire - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

The Consumer – Holiday Car Hire Attitudes

Key points

Price outweighs brand but still room for loyalty

Figure 53: Attitudes towards holiday car hire abroad, March 2014

Figure 54: Agreement with statement 'I just shop around for the cheapest hire car available', by selected leading brands used in the past three years, March 2014

Figure 55: Agreement with statement 'I have a preferred car hire company that I try to use', by selected leading brands used in the past three years, March 2014

One in five hit by 'unfair' charges

Figure 56: Agreement with statement 'I've been hit with unfair hidden charges/extra costs when hiring a car on holiday', by selected leading brands used in the past three years, March 2014

Car choices

Women more likely to take out extra cover

Appendix – Market Size and Forecast

Figure 57: Forecasts for holiday car hires abroad, volume, 2014-19

Appendix – Channels to Market

Figure 58: How last holiday car hire was booked, by most popular holiday car hire companies used abroad in the past three years, March 2014

Figure 59: How last holiday car hire was booked, by next most popular holiday car hire companies used abroad in the past three years, March 2014

Figure 60: How last holiday car hire was booked, by duration of last holiday car hire, March 2014

Figure 61: How last holiday car hire was booked, by demographics, March 2014

Figure 62: How last online holiday car hire booking was made, by holiday car hire companies used abroad in the past three years, March 2014

Figure 63: How last online holiday car hire booking was made, by demographics, March 2014

Figure 64: When last advance holiday car hire booking was made, by how last holiday car hire was booked, March 2014

Figure 65: When last advance holiday car hire booking was made, by how last online holiday car hire booking was made, March 2014

Figure 66: When last advance holiday car hire booking was made (less than 3 months before travelling), by demographics, March 2014

Figure 67: When last advance holiday car hire booking was made (more than 3 months before travelling), by demographics, March 2014

Appendix – Holiday Car Hire Usage

Figure 68: Most popular holiday car hire companies used abroad in the past three years, by demographics, March 2014

Figure 69: Next most popular holiday car hire companies used abroad in the past three years, by demographics, March 2014

Figure 70: Other holiday car hire companies used abroad in the past three years, by demographics, March 2014

Appendix – Length Of Holiday Car Hire

Figure 71: Duration of last holiday car hire, by most popular holiday car hire companies used abroad in the past three years, March 2014

Figure 72: Duration of last holiday car hire, by next most popular holiday car hire companies used abroad in the past three years, March 2014

Figure 73: Duration of last holiday car hire (3 days or less), by demographics, March 2014

Figure 74: Duration of last holiday car hire (4-7 days), by demographics, March 2014

Figure 75: Duration of last holiday car hire (8 days or more), by demographics, March 2014

Appendix – Reasons For Not Hiring A Holiday Car

Figure 76: Most popular reasons why people have not hired a holiday car abroad in the past three years, by demographics, March 2014

Figure 77: Next most popular reasons why people have not hired a holiday car abroad in the past three years, by demographics, March 2014

Appendix – Holiday Car Hire Preferences

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Holiday Car Hire - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- Figure 78: Preferred extras when hiring a holiday car abroad, by most popular holiday car hire companies used abroad in the past three years, March 2014
 Figure 79: Preferred extras when hiring a holiday car abroad, by next most popular holiday car hire companies used abroad in the past three years, March 2014
 Figure 80: Preferred extras when hiring a holiday car abroad, by duration of last holiday car hire, March 2014
 Figure 81: Preferred extras when hiring a holiday car abroad, by how last holiday car hire was booked, March 2014
 Figure 82: Most popular preferred extras when hiring a holiday car abroad, by demographics, March 2014
 Figure 83: Next most popular preferred extras when hiring a holiday car abroad, by demographics, March 2014
 Figure 84: Other preferred extras when hiring a holiday car abroad, by demographics, March 2014

Appendix – Holiday Car Hire Attitudes

- Figure 85: Attitudes towards holiday car hire abroad, by most popular holiday car hire companies used abroad in the past three years, March 2014
 Figure 86: Attitudes towards holiday car hire abroad, by next most popular holiday car hire companies used abroad in the past three years, March 2014
 Figure 87: Attitudes towards holiday car hire abroad, by duration of last holiday car hire, March 2014
 Figure 88: Attitudes towards holiday car hire abroad, by how last holiday car hire was booked, March 2014
 Figure 89: Attitudes towards holiday car hire abroad, by how last online holiday car hire booking was made, March 2014
 Figure 90: Attitudes towards holiday car hire abroad, by when last advance holiday car hire booking was made, March 2014
 Figure 91: Attitudes towards holiday car hire abroad, by most popular preferred extras when hiring a holiday car abroad, March 2014
 Figure 92: Attitudes towards holiday car hire abroad, by next most popular preferred extras when hiring a holiday car abroad, March 2014
 Figure 93: Most popular attitudes towards holiday car hire abroad, by demographics, March 2014
 Figure 94: Next most popular attitudes towards holiday car hire abroad, by demographics, March 2014

BUY THIS
REPORT NOW

VISIT: store.mintel.com
 CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
 EMAIL: oxygen@mintel.com