

Holiday Car Hire - UK - May 2015

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 holiday hire car market is forecast to grow steadily, supported by a strong holiday market, a resilient Pound against the euro and low petrol prices. There are a number of opportunities for car hire companies to engage with younger consumers particularly for shorter hire terms and alternative fuel cars. However, prices and fees remain a key factor for the vast majority of consumers.

This report looks at the following areas:

- Hidden costs continue to be an industry hot topic
- Short-term city lending will grow in popularity
- Peer-to-peer car lending

The economy is improving and consumer confidence is rising, which is leading to a growth in holidays overall. Both package and independent holidays are growing in volume, however, package holidays are growing faster and the majority of people hiring cars do so on independent holidays, which means that the forecast growth for holiday car hires is expected to be fairly gradual.

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:
reports@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 - May 2015

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

Overview

- What you need to know
- Products covered in this report

Executive Summary

- The rising holiday market will mean growth for car hiring
 - Figure 1: Volume forecast of holiday car hire abroad, 2019-19
 - Figure 2: Annual average exchange rates for Sterling vs. euro and US\$, 2010-15
 - Figure 3: Unleaded petrol cost per litre, UK, January 2012-December 2014
- Three car hire brands dominate the market
 - Figure 4: Top four holiday car hire companies used abroad in the past three years, December 2014
- Just over a third of holidaymakers will book a hire car on holiday
 - Figure 5: Holiday car hire usage within the last three years, by age, December 2014
 - Figure 6: Top two preferences when hiring a car on holiday abroad, December 2014

Issues and Insights

- Hidden costs continue to be an industry hot topic
 - The facts
 - The implications
- Short-term city lending will grow in popularity
 - The facts
 - The implications
- Peer-to-peer car lending
 - The facts
 - The implications

The Market – What You Need to Know

- Car hires volumes are expected to rise
- The faster growth of package holidays may limit car hire growth in the long term
- Low petrol prices are helping the market
- Portugal is the most expensive destination to hire a car

Market Size and Forecast

- Gradual growth forecast to 2019
 - Figure 7: Volume of holiday car hires abroad by UK residents, 2009-19
- Desire to experience more highlights growth opportunities
 - Figure 8: Volume forecast of holiday car hire abroad, 2009-19
- Car hire companies will struggle to get customers to pay more
 - Figure 9: Overseas holiday volume, value and average expenditure, 2009-14
- More exotic and far-flung destinations are looking attractive

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: reports@mintel.com

Holiday Car Hire - UK - May 2015

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 10: Overseas holiday volume, by mode of transport, 2009-14

Car ownership rates remain steady

Figure 11: Car ownership in Great Britain, 2009-13

Market Drivers

Package holidays are growing faster than independent holidays

Figure 12: Volume of overseas package and independent holidays, 2009-14

Favourable exchange rates support the holiday market

Figure 13: Annual average exchange rates for Sterling, 2010-15

Petrol prices dropped in the UK and abroad during 2014

Figure 14: Petrol and diesel cost per litre, January 2012-December 2014

Figure 15: Unleaded petrol cost per litre, January 2012-December 2014

Figure 16: Petrol price, by European country, 2011-14

European short break holidays prove popular

Figure 17: Top 20 overseas holiday destinations, 2009-14

Figure 18: Top 10 independent holiday destinations, by number of visits, 2009-14

Figure 19: Average car rental costs in top 13 ONS holiday destinations, July 2014

Channels to Market

Nearly one in seven book online

Figure 20: How last holiday car hire was booked, December 2014

Almost a third use online brokers

Figure 21: How last online holiday car hire booking was made, December 2014

Key Players – What You Need to Know

The top three brands dominate the market

Most companies offer basic loyalty schemes and booking apps but few are innovative

There is a market potential in hybrid and electric hire cars

Market Share

Three market players dominate the car hire market

Figure 22: Holiday car hire companies used abroad in the past three years, December 2014

Loyalty schemes offer free weekends and faster check-ins

Figure 23: Holiday car hire company loyalty schemes and rewards, April 2015

Most companies have a smartphone booking app

Figure 24: Holiday car hire company iOS apps, April 2015

Launch Activity and Innovation

The main car hire companies are expanding rapidly

Hybrid cars are being introduced in city centres

Figure 25: Attitudes towards holiday car hire, by age, December 2014

Figure 26: Features sought from a new car, December 2014

Two brands invest in city car sharing schemes

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: reports@mintel.com

Holiday Car Hire - UK - May 2015

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.

easyCar launches a peer-to-peer car lending service

The Consumer – What You Need to Know

Younger consumers are the most likely to hire a car for short periods of time

Convenience is a key factor in the hiring process

The low cost and car culture of the US pushes it to the top of the list of hire destinations

Hire Car Usage

Car hire companies are not reaching new customers

Figure 27: Holiday car hire usage within the last three years, December 2014

Figure 28: Holiday car hire usage within the last three years, by age, December 2014

Younger consumers are the most likely to book a hire car during a short break

Figure 29: Length of holiday booked by those who have hired a car in the last three years, December 2014

Nearly one in six independent holidaymakers will book a hire car

Figure 30: Type of holiday booked by those who have hired a car in the last three years, December 2014

Motivations for Booking a Hire Car

Consumers hire cars abroad to allow them to explore

Figure 31: Motivations behind booking a hire car, December 2014

Convenience factors are key reasons behind hiring a car

Figure 32: Motivations behind booking a hire car, December 2014

The US is where consumers are most likely to hire a car

Figure 33: Hire car use, by country visited, December 2014

Hire Car Preferences

Car hire customers want to have a hassle-free pick-up

Figure 34: Preferences when booking a hire car, December 2014

Figure 35: Preference for booking a hire car for a shorter period of time, by age, December 2014

Appendix – Data Sources, Abbreviations and Supporting Information

Data sources

Abbreviations

Definitions

Fan chart forecast

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: reports@mintel.com