

# TIPS FOR GETTING THE BEST CAR RENTAL PRICES ON HOLIDAY



Car rental prices are soaring again this year. Rates have doubled for some destinations around the world.

"The rental car has become a rare commodity, just like sunflower oil or mustard," compares Frédéric Pilloud of MisterFly. **The joke sums up a truth: if you haven't already done so, renting a car this summer 2022 is likely to be an obstacle course, cost you money, and probably both.**

MisterFly, which compares car rental prices of 170 rental companies in 145 countries, estimates that the average price of a rental in May has risen 117% in two years, to 493 euros. This is a colossal leap, says the holiday booking site, compared to the price of airfares and hotels, which have risen by 11% over the same period. Why are rental car prices rising? The imbalance between supply and demand. As for private individuals, the waiting times for car rental companies with manufacturers, due to a lack of parts, are long, while demand remains high due to the desire of holidaymakers for this summer. Here are some tips for finding the perfect car.

## Compare prices at departure and destination

Among the service providers, a distinction must be made between the so-called "route" and "local" car rental companies, even though the boundaries have tended to blur in recent years. The former, such as Europcar, Hertz, Sixt and Budget, are located in high-traffic areas, railway stations, airports and large cities. And this is all the more true at the moment as the former are more affected by the shortage, as they have drastically reduced their fleets in 2020 and, even if they have good relations with the manufacturers, are finding it difficult to rebuild them.

"The world of car rental has completely changed since 2019, as growth was previously driven by the increase in the number of tourists and the number of vehicles. The situation varies greatly from one country to another, with markets that are more oriented towards rental to professionals or individuals, whether they are holidaymakers or not. However, we found our customers as soon as they were able to travel again. Europcar, a heavyweight in the rental industry (present in 140 countries with 248,000 vehicles), is extending the period of use of the cars to continue to serve its customers while waiting to receive new vehicles. This period was of course only eight to nine months before the health crisis, but the maintenance is also reflected in the rates.

Those who have chosen to fulfil their orders in 2020 and 2021, such as Rent a Car (25,000 vehicles), are reaping the benefits of this strategy. "We certainly have the problem of renewing the fleet, but not of increasing it. We were thus able to respond during the summer of 2020, when the activity was at a very good level, as it is this year. Our bookings, both in agencies and on the internet, have doubled in one year," says Cyrille Dufour, the company's fleet manager (488 agencies). However, he has observed a wait-and-see attitude, "mainly because of the price, but be careful, as prices are only likely to rise, as our costs, such as spare parts, are also increasing. The best advice is to book right away, especially for families who can't afford a Twingo.

## **Think about Consulting Supermarkets and Hypermarkets**

For example, in France, more than 500 stores offer vehicle rental at Leclerc, 800 at Super U (i.e. one store out of two), 900 at Carrefour and the possibility of renting at Intermarché as well as at its two other brands, Roady and Bricomarché (vans only for the latter), large-scale retailing has made its mark in a short-term rental in recent years. But holidaymakers may not yet have the reflex to consult them to travel the roads in summer. "We mainly hire out vans, which are used by sports clubs, for removals, which also mainly take place in the summer, as well as for holidays with friends or family," says Thierry Desouches, spokesman for Système U. The network of supermarkets makes it easier to find a vehicle, both in the region of departure and destination. Although their ranges are not as wide as those of traditional CAR RENTAL companies, their prices are generally more accessible.

"We have 6,500 vehicles in France. One in six is a light commercial vehicle, whose use rate has soared since January. For passenger vehicles, we offer eight to ten models, each of which corresponds to a need, with the Renault Scenic and Clio and the Fiat 500 being the most popular," explains Cyrille Bouleau, director of Carrefour Location. This distributor offers uniform rates throughout the country, which is not always the case, and "we have chosen not to change them, at least since 2008, and to include the mileage in our packages. The most popular for both summer and winter holidays is the seven-day package with 1,500 kilometers included", adds the manager, who warns that for the months of July and August 2022, many vehicles have already been booked, as his customers book two to three months in advance.

## **Renting a Car from a Private Individual**

**Many factors are driving us, listing the appeal of destinations, the inflation of air and train fares and, of course, rental cars.** Their scarcity combined with the generalized increase of the labels stimulates the renting among individuals. In this case, customers spend less, between 30% and 50%, than in traditional rental and owners can ensure additional income of 300 to 600 euros per month.

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