



ULTIMATE GUIDE TO BUILD YOUR OWN CAR RENTAL BUSINESS

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CHAPTER ONE

INTRODUCTION

CAR RENTAL BUSINESS IN 2020

Success story of car rental business

The car rental business is so competitive but also a lucrative one. A car rental business is the one that rents cars at an affordable price on an hourly, daily and also weekly basis.

The customers for the car rental business mostly are,

- Leisure travelers
- Business people

The reasons that the car rental business became so popular are,

- Freedom of movement
- Affordable prices
- Comfort
- Easy accessibility
- Privacy

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CHAPTER TWO

MARKET ANALYSIS

MARKET ANALYSIS 2020



It is important to do a complete market analysis for any business you are in which will give you a better understanding of planning the strategies for your business.

According to Statista, the revenue in the car rental business amounts to **US\$ 94,764 m in 2020**. Also, it is expected that it will amount to almost **108,987m US\$ by 2024**. Hence it is proved that the car rental business is surely one of the most successful business ideas for an entrepreneur.

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CHAPTER THREE

STEPS TO BUILD YOUR CAR RENTAL BUSINESS

STEP 1. MAKE A BUSINESS PLAN

*“Plans are of little importance, but planning is essential.” —
Winston Churchill*

Planning is everything for an entrepreneur to succeed in their journey. So, before making any decision, sit back and spend some time planning out your business venture. Like,

- Startup cost and other expenses
- Target market
- Revenue model
- What is your unique selling point?
- Business name
- Legal formalities, etc.

STEP 2. RESEARCH ABOUT YOUR VENTURE LOCATION



Photo Credit - Pexels.com

If you are about to start your local car rental business, then the important factor you should consider is where you are going to build your business.

Do complete research on your area. Get all the information about the car rental businesses out there in your area. And make a decision where you can locate your business.

It is super cool if you place your business near hotspots like tourist areas or airports, etc.

STEP 3. CHOOSE THE TYPE OF RENTAL



Photo Credit - Pexels.com

There are two types of car rentals available, you have to choose wisely among them. The duo are contract-based long term rentals and daily hire rentals.

In contract-based rentals, you will rent out a car for a monthly or even long term basis. Basically, in long term rentals, you deal with businesses. Whereas short term rentals are individuals who need cars for some time. It depends on your choice to choose between these two.

STEP 4. BUILD A FLEET OF CAR FOR YOUR BUSINESS



Photo Credit - Pexels.com

This is the most important step in building your car rental business. I don't recommend that you should immediately buy 6 to 10 cars in the first step.

Start simple as you can consider having 3 to 4 cars in the initial stage. But your fleet should be well maintained with proper functionalities to get the income you expected.

STEP 5. CONSIDER PURCHASING INSURANCE



Image by [Steve Buissinne](#) from [Pixabay](#)

It is necessary to have your fleet insured. Insurance policies may protect your business in case of emergencies. Go for policy which includes both collision and liability protection for your cars.

Check out this article on [insurance for car rental businesses](#), to know more about the policies and their benefits.

STEP 6. GET A BUSINESS LICENSE



Image source: plangrip.com

Apply for the business license at your nearest state or federal agency. They ask you a few things about your business like the name of your business, type of business, employee count, etc.

Fill out the application and submit it. It may vary depending on the region you are in. Without the license, you may not be able to start the business. So make sure you get it.

STEP 7. FLEET MAINTENANCE



Hire mechanics to maintain your fleet because if your fleet is not well maintained then you may see a drop in your business profit. So hire experienced professionals to get extra help as they may even tell you whether the car should be replaced or repaired based on its condition.

STEP 8. BUILD A WEBSITE FOR YOUR BUSINESS



Photo Credit - Pexels.com

Everything's digital now, hence adapting the change may help you get a steady flow of customers to your business. Customers love to book the car through the internet before they even travel. So give your customers the freedom to book the car on your own site.

If you find it hard to build a website or software on your own, don't worry. There are a lot of car rental software available in the market to choose from. But it is important to choose the [best car rental software](#) for your business.

STEP 9. MARKETING STRATEGY



Photo Credit - Pexels.com

There are two types of marketing strategies you can follow, online and offline marketing.

- **Online marketing** - According to a report from [statista.com](https://www.statista.com), the number of internet users is around [4.54 billion in 2020](#). This made online marketing a preferred stream to market your business. Online marketing includes Social media presence, Search engine marketing, and optimization, content marketing, email marketing and lot more.
- **Offline marketing** - Offline marketing is also an important part of marketing. It includes print media advertising, flyers, event speaking, cold calling, sponsoring events, etc.

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CHAPTER FOUR

BONUS TIP

INTRO

We've seen already in the above sections that building your own car rental app or software can help you grow better. Let's discuss how car rental apps benefit your business in this bonus tip.

What is a car rental app or software?

Car rental software is a web-based solution that helps the car rental business owners to manage the bookings, fleet management, listings and also be in touch with the customers at ease.

How car rental apps work?

The car rental app acts as an intermediate between the customer and the business owner/driver. It allows the customer to scroll through the list of cars and book the preferred car effortlessly.

MUCH NEEDED FEATURES OF CAR RENTAL APP

Features are the important factor to consider when you are about to buy and customize the car rental app.

Let's have a look at the few best features of car rental app that you may consider buying,

1. Advanced search filters
2. Managing listings
3. Reservations management
4. Seasonal pricing
5. Safe payment gateway like stripe
6. Multiple login options
7. Multi-language and currency option
8. Ratings and Reviews
9. Service fee management
10. Document verification



CHAPTER FIVE

CONCLUSION

FINAL THOUGHTS



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Here you are to the very last part of this guide to start your own car rental business. I hope you got some idea out of this. By hoping so let me recommend the best car booking script for the best of your business, [RentALL Cars - A best in class car rental script](#) to get you going.

RENTALL CARS

We help startups to quickly set their peer to peer platform at warp speed. Our best car booking script takes your business idea into reality.

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