



# THE MOST COMMON ISSUES WITH CAR RENTAL AND HOW TO AVOID THEM



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Car rental is a key part of many business travel programmes - it's convenient, cost effective and a great way to get your business travellers from A to B easily. However, the drive to reduce costs and a focus on business continuity means that organisations can no longer accept poor service or out-of-the-box solutions.

In order for your travel programme to be successful, you need to be aware of the challenges often faced with car rentals. We've listed the most common issues, to help you avoid them in the future, and ensure you receive a service that keeps your business on the move.

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# UNEXPECTED COSTS

**When companies decide to hire vehicles for their employees, arguably one of the biggest issues they have with car rental companies is the number of additional charges they could be faced with on top of the cost of hiring the vehicle itself. Often, companies don't consider, or aren't aware of these charges, and are instead drawn in by seemingly cheap rates, which don't include any ancillary or unexpected fees that can come with hiring a vehicle. It's important to evaluate these cost implications to the overall cost of the bid. Often the significance of ancillaries is misunderstood and their impact on the overall cost of running the contract is vastly underestimated.**

A common ancillary fee across the industry is **delivery and collection**; the charges for this service will vary across providers, and you'll need to consider factors such as whether you require a vehicle delivered to a personal address rather than a business one. Also, quite often delivery and collection charges **are not fixed**, and may have additional charges per mile. While this is fairly standard across the industry, some companies may charge more than others, so it's important that you're aware of these potential charges before choosing a provider.

On top of ancillary services, some customers may be faced with **unexpected costs that can appear** when your employee collects or returns their vehicle. Your employees may be upsold certain products while queuing at the counter, such as insurance, or they could be given the option to upgrade to a larger or more premium vehicle with GPS. As these products aren't always needed by your travellers, it can make the total cost of renting a vehicle more expensive if they are sold into them. This impact on total cost is only magnified when considering the multiple trips that your business travellers will make over the course of a year or overall contract.

Outside of the cost of renting the vehicle, companies don't always consider the **total cost of change within their organisation**. This means the additional costs that come with updating policies, financing, educating employees and anything else that comes with changing mobility providers. Additionally, you need to consider the supplier's **back office support** and business simplification – it's always vital to evaluate the efficiency of a supplier who operates their back office with minimal human intervention or disruption.

As these different unexpected costs can vary, it's likely you won't want to go through the process more than you have to. Changing mobility providers every few years and ensuring their solution is implemented effectively will use a significant amount of time, resources and most importantly, it can be expensive. Decision makers in your business will want to maintain a working relationship with a mobility provider for a number of years to make the process worthwhile and ensure long-term success - meaning you need to choose wisely.

# HOW TO AVOID THIS ISSUE

**While you can't necessarily "avoid" additional costs, you can educate yourself on what fees you may have to pay before signing any contract. Ensure that when you're scoping out car rentals, you do it with your business requirements in mind - that way you can avoid being charged for products or services your travellers don't need.**

**Always consider the operational impact to your business of a good supplier who enables your teams to excel with minimum disruption - a good supplier should always complement your business. Additionally, you need to make sure your team (be it procurement, travel, HR or risk management) are better educated in how the car rental sector works, as the process of selecting a provider is not as simple as you may think. When you are better educated on the products and services you need, it's much easier to find a more cost-effective solution.**



# DAMAGE DISPUTES

**A common issue across the car rental industry is damage disputes, and how a lack of transparency within rental policy can lead to unanticipated costs as well as increased usage of time and resources. Damage disputes occur because ultimately, everyone’s definition of “damage” is different, and all mobility providers will differ in the way they approach and assess what they view as a “damaged” vehicle. Damage is sometimes evaluated based on guesswork instead of a formal system, which can lead to disagreement between rental companies and their customers.**

# HOW TO AVOID THIS ISSUE

Firstly, car rental companies should be giving you clear terms and conditions, pricing information and an explanation of their liability cover upfront. If they don't, this is a red flag, and indicates that you may need to change providers. You should select a provider based on the transparency of their damage policy. For example, at Enterprise & National, we use a Damage Evaluator to maintain consistency across all damaged vehicles, and to ensure that all our customers have peace of mind that they won't be charged unnecessarily.

That being said, it's not always possible to avoid damage completely. Accidents and collisions do happen, which is why you must ensure that if you receive notification of damage to a vehicle which you don't agree with, you **start the dispute process as soon as possible**; keep records of how and when any damage occurs, so that you can appeal your case properly. This way, receiving a charge won't necessarily be an unpleasant surprise, and you can deal with it accordingly.

At Enterprise and National, we can take the guesswork out of the equation by offering a **rate plan that suits all different requirements**, to ensure peace of mind and allow a clear forecasting of costs in this area.



# LACK OF NETWORK COVERAGE

**Something many businesses may not consider before choosing a car rental provider is whether they have the capability necessary to operate effectively in the area you need them to. This doesn't necessarily mean whether the rental company covers a certain area, but if they have the resources needed to meet your coverage requirements as a whole, even if they change. You may only realise that a provider can't meet these requirements once you start working with them, so it's important to know beforehand if they have the resources and network necessary to provide a consistent service.**

For example, a car rental company with poor coverage may charge more for pick-up and delivery services or one-way rentals because they have a smaller network, or use outsourced services to meet demand. Also, your travellers could encounter issues within their journey (such as ancillary charges) that might not be resolved right away. You often aren't aware of how limited your provider's coverage and network is until your employees are travelling, making it inconvenient for them and leaving you little time to prepare for or resolve any issues.

# HOW TO AVOID THIS ISSUE

**Because lack of coverage often isn't an immediate problem, it can be difficult to prevent. Some companies try to mitigate against this by allowing employees to use their own vehicles, or operating a Grey Fleet, so that coverage is never an issue. However, this comes with a number of issues as well, such as having to reimburse mileage, and ensuring vehicles are properly insured and maintained – both of which can be very difficult to manage.**

However, a handy tip is to ask a few of your employees to rent from a potential car rental company by emulating everyday situations to stress test them without their knowledge, allowing you as a buyer to gain valuable insight.

Additionally, you should always ask a potential supplier for customer references and speak to their customers directly to gain impartial advice on a provider's ability to support your business.

It's essential to find out if your mobility provider can meet your current and future coverage demands from the very beginning. At Enterprise & National, we have excellent coverage across Europe and the world, and we're able to meet vehicle demand as companies either grow or scale-back.

Our ability to reduce or expand mobility products and provide huge network coverage has allowed us to keep many businesses on the road no matter what challenges they face. One client, a large parcel delivery company in the UK, saw increased demand during the pandemic, which meant their fleet had to be scaled up immediately. Enterprise & National met this requirement successfully, which enabled the business to continue as usual, even in extreme circumstances.

**Enterprise's flexible rental options enabled us to meet a wave of demand that appeared almost overnight and is still ongoing. We've brought new vehicles into the fleet without a massive capital investment, and have the security of knowing we can just hand them back if demand slows down.**





# POOR ACCOUNT MANAGEMENT

**Much like lack of coverage, poor account management often doesn't become an issue until you're actively working with your mobility provider, and it won't even occur to many businesses that it could be a problem prior to this.**

Not all car rental companies will assign you with a dedicated account manager as a standard procedure, and you may be charged extra for the service. For those that do offer account management or sales support as a standard, they may only provide a **basic offering** – and, while some businesses were content with this previously, the pandemic highlighted that basic account management is **no longer enough**.

In order to meet your requirements, your account managers should take **a holistic, agile approach** to your mobility programme, and develop strategies that seek to deliver you **additional value** even in rapidly changing circumstances. Your account manager should listen to and understand your business challenges, and actively look to solve them, not just provide an out-of-the-box solution.

Additionally, it's essential that your provider is **reactive in times of uncertainty**, or when you encounter problems with their service. For example, if you have a problem and your account manager is slow to respond, this can lead to frustration, traveller dissatisfaction, and decision-makers questioning why there are delays. If your account manager can't act as **a central point of truth**, this is a huge problem – not getting the right information from them can lead to downtime, as well as a waste of resources and money. These problems can be extremely frustrating, so it's important to ensure you have access to **sales support** who can answer your questions.

# HOW TO AVOID THIS ISSUE...

**Unfortunately, if you're currently receiving poor account management from your car rental provider, there isn't much you can do to mitigate the issue besides changing account managers. However, this doesn't necessarily eliminate the problem, as you could receive equally poor service from another account manager.**

If the issue persists, you may need to find another provider - one that focuses on building **long-term, strong relationships** with their customers. You should also research your assigned account manager to review their customer testimonials, and verify their credibility. Having a strategic account manager who can meet your needs is essential.

At Enterprise & National, account management is one of the stand-out elements of our offering. We have an abundance of both local and global account managers, so no matter what your needs are, **there is always someone on hand to help.**

For businesses with very specific requirements who want more assistance, our attentive account management is extremely valuable. One UK residential healthcare provider, and client of ours, stated this as a core strength of our offering:

**We're really pleased with how Enterprise has helped us out... Because it's not just about getting a minibus and popping it outside a building. Enterprise is even supplying extra information on who can drive each vehicle and even courses our staff can attend.**

# IN SUMMARY

Ultimately, while you can try many methods to avoid all of these challenges, there's only one real way to alleviate them altogether - by finding and selecting a provider that is **crystal clear** in the way they deal with each of these common issues. Ensuring that they have a transparent pricing and damage policy, a sufficient network to meet your coverage demands, and a reactive, agile account management service will make certain that your travel programme is as efficient and successful as possible.

For more information on how to select the best provider for your individual business needs and challenges, check out our free **The Key Differences Between Mobility Providers**. You'll learn everything you need to know before selecting a provider, to help you make the best decision for your business.



Read our free eBook that outlines the The Key Differences Between Mobility Providers

[READ HERE](#)



90+ Countries & Territories



2.1M+ Global Fleet Size



10,000+ Global Branches

## TWO GREAT BRANDS, ONE GLOBAL BUSINESS RENTAL SOLUTION.

For over 60 years, Enterprise and National have led the way in providing business travellers everything they need. Now we offer two great brands that give businesses the service and speed they expect, from a company they've come to know and trust.

National Car Rental has long been favoured by frequent renters at airports for speed and convenience. Enterprise Rent-A-Car is a great option for business travellers who need to rent near their home or office.

With these two brands, we're able to provide a flexible, efficient and comprehensive business rental solution to our customers, available in more than 90 countries across the globe.

# WE HAVE WHAT YOU NEED. **WHEN YOU NEED IT.**

Learn more about how Enterprise  
and National are finding new  
ways to serve you better.

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