

Asean Car Rental Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 100 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

Currently, ASEAN Car Rental Market is valued at USD 2.58 Billion and is expected to reach USD 5.46 in the next five years registering a CAGR of 15.7% during the forecast period.

The COVID-19 pandemic has altered the dynamics of numerous industry verticals, including the rental car industry. Lockdowns were implemented to contain the virus, which has resulted in a decrease in tourism and travel activities worldwide. During the pandemic, the revenue of the car rental industry in ASEAN, which is primarily dependent on the travel industry, decreased significantly. However, it is anticipated that the market will experience positive growth as the situation returns to normal in the coming years.

Over the long term, factors such as ASEAN nations are the fastest-growing and most appealing economic markets for investors, which is responsible for market expansion as a result of rising travel and tourism. Market expansion is anticipated to be driven by several other factors, including an increase in the number of tourists, an increased focus on corporate customers by car rental companies, an increase in fleet size, an increase in the number of on- and off-airport locations by car rental companies, and similar factors.

Affluent nations like Singapore, Thailand, Malaysia, and Indonesia make up the ASEAN region. On the other hand, developing nations with low per capita incomes, like Vietnam and the Philippines, are expected to see a significant rise in the demand for car rentals.

ASEAN Car Rental Market Trends

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Rising Tourism Industry in the Region Drives the Market

All nations in the ASEAN region are experiencing expansion in their tourism industries. There has been an increase in the number of tourists visiting ASEAN nations as a result of rising incomes in China and other countries in Southeast Asia. Today, China is the world's second-largest economy, home to a sizable middle class. While intra-ASEAN tourists make up 40% of international tourists, ASEAN regions themselves account for the remainder. As a result of China's proximity to ASEAN countries and the increasing cost of air travel, Chinese tourists regularly travel to the surrounding areas. Chinese tourists account for one-third of Thai tourists. The ASEAN car rental market is being driven by the fact that other ASEAN nations are witnessing a similar trend.

Utilizing public transportation can become unpredictable and time-consuming. Additionally, sightseeing in cities like Bohol and Luang Prabang requires traveling a considerable distance. Additionally, public transportation does not provide a complete journey, which is particularly undesirable for tourists.

The popularity of car rental companies like Grab and Gojek is growing in significantly larger cities. The growth of the market is being driven by 24-hour service, timed pick-ups and drops to designated locations, free 4G internet for customers, and increased comfort.

To attract customers, car rental companies today provide online systems, including mobile applications. In comparison to other regions, the ASEAN region has one of the highest percentages of adults with mobile phone internet access. Smartphones are also being used more and more for convenient rental car booking as mobile phone use has increased.

Indonesia is the Largest Market

Indonesia's Ministry of Tourism and Creative Economy is making investments in the country's tourism sector to encourage community-based and sustainable tourism. The investments are anticipated to benefit five super-priority tourism destinations, eight special economic zones, and 12 sustainable tourism projects, which will increase demand for car rental services in the coming years. Consequently, the market will see significant expansion over the forecast period.

The Indonesian car rental market was expanding at a remarkable rate prior to the COVID-19 pandemic. Indonesia has fewer personal automobiles per capita than other developed nations; As a consequence of this, renting a car has emerged as a prevalent mode of transportation in Indonesia. However, the Indonesian government's lockdowns, travel bans, and other measures to stop the spread of the coronavirus slowed down business, which hurt the market's expansion. The demand for car rentals also decreased as a result of the pandemic's severe impact on the domestic and international tourism industry, which relies heavily on car rental services.

The touristic attractions of Indonesia, which have more than 17,000 islands and 700 living languages, are matched by a rich cultural heritage that reflects its vibrant past and ethnic variety. Among the most well-liked locations for cultural tourism are the historic temples of Prambanan and Borobudur, Toraja, Yogyakarta, Minangkabau, and Bali, with its numerous Hindu festivals. In Indonesia, there are 54 national parks, nine of which are designated as UNESCO World Heritage Sites. Currently, ecotourism accounts for about 35% of all tourism-related revenue in Indonesia. Due to COVID-19 travel restrictions, there were approximately 1.56 million foreign visitors arrived in Indonesia in 2021, a considerable fall from the previous year's total. Additionally, the WFH regulations that were implemented by businesses all over Indonesia caused the corporate sector's demand for car rental services to decrease even further.

To return tourism to pre-pandemic levels, Indonesia also announced the "Digital Nomad" visa in June 2022. This visa will allow remote workers to live in the country without paying taxes. These instances support the country's car rental industry.

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

The structure of the car rental market in Singapore is dominated by a small number of players as a result of the government's regulation of the rental car industry and pricing leadership, both of which are to the benefit of both consumers and service providers. The price of the services stays the same regardless of the company's share of the market. Customers in Singapore now have the option of choosing their preferred taxi, thanks to the introduction of a variety of car rental services. In addition, the government has made it less likely that there will be a monopoly and is encouraging the players to provide services at a reasonable price. The alternative transportation systems of Singapore and the Land are beginning to be understood by car rental companies.

There are both organized and unorganized players operating in Thailand's car rental market, which is highly competitive. The majority of the car rental market in Thailand is controlled by the organized market. The numerous advantages of the organized channel, which include a technologically advanced online booking system, trained and verified drivers, and mileage-based discounts, among others, are contributing to its growing popularity.

In addition, the market is expanding as a result of the wide range of available fleet sizes, each of which comes with several advantages, including a technically advanced online booking system, drivers who have been qualified and verified, and discounts based on mileage.

ASEAN Car Rental Market Competitor Analysis

The ASEAN Car Rental Market is hugely fragmented, with various startups and regional players such as Avis Budget Group, Sixt SE, Tribe Car Pte. Ltd., Blue Bird Group, etc. Although to have the edge over their competitors, the major rental companies are making joint ventures and partnerships to launch newer products. For instance, in June 2022, MPMX and CARRO signed a strategic partnership to provide Indonesia with a fully integrated online and offline automotive ecosystem. With this investment, MPMX, Indonesia's leading automotive, transportation, and mobility group, and CARRO, Southeast Asia's largest and fastest-growing automotive marketplace, will begin a partnership to offer Indonesian consumers an end-to-end ecosystem that includes an online marketplace, financing, rental, repair, and aftersales.

Additional Benefits:

The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

1 INTRODUCTION

- 1.1 Study Assumptions
- 1.2 Scope of the Study

2 RESEARCH METHODOLOGY

3 EXECUTIVE SUMMARY

4 MARKET DYNAMICS

- 4.1 Market Drivers
- 4.2 Market Restraints
- 4.3 Porter Five Forces
 - 4.3.1 Threat of New Entrants
 - 4.3.2 Bargaining Power of Buyers/Consumers

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 4.3.3 Bargaining Power of Suppliers
- 4.3.4 Threat of Substitute Products
- 4.3.5 Intensity of Competitive Rivalry

5 MARKET SEGMENTATION (Market Size in USD Billion)

- 5.1 Booking Type
 - 5.1.1 Offline
 - 5.1.2 Online
- 5.2 Rental Duration
 - 5.2.1 Short Term
 - 5.2.2 Long Term
- 5.3 Application Type
 - 5.3.1 Tourism
 - 5.3.2 Commuting

6 Geography

- 6.1 ASEAN Countries
 - 6.1.1 Vietnam
 - 6.1.2 Indonesia
 - 6.1.3 Malaysia
 - 6.1.4 Thailand
 - 6.1.5 Singapore
 - 6.1.6 Rest of South-East Asia

7 COMPETITIVE LANDSCAPE

- 7.1 Vendor Market Share
- 7.2 Company Profiles
 - 7.2.1 INDORENT
 - 7.2.2 Blue Bird Group
 - 7.2.3 Tribecar Pte. Ltd.
 - 7.2.4 TRAC
 - 7.2.5 Avis Budget Group
 - 7.2.6 Sixt SE
 - 7.2.7 Master Car Rental

8 MARKET OPPORTUNITIES AND FUTURE TRENDS

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Asean Car Rental Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 100 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-03-01"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

