

## **Saudi Arabian Car Rental & Leasing Market is anticipated to register a CAGR of 9.21% during 2023 – 2028 - Market Size, Share, Forecasts, and Trends Analysis Report by Mordor Intelligence.**

According to a new market research report titled "Saudi Arabian Car Rental and Leasing Market - (2023 – 2028)," the market is expected to register a CAGR of 9.21%. The primary factor driving the growth of the market is tourism, as the country is a hub of holy sites such as Mecca and Medina, which see a large influx of tourists during the Eid Al-Fitr and Eid Al-Adha festivals. Furthermore, with the growth of online platforms, car rental costs have decreased significantly, encouraging customers to rent a car rather than taking taxis or public transportation for their trips.

In April 2022, in Saudi Arabia, the Middle East mobility company ekar launched a contactless peer-to-peer car-sharing service. Individuals can earn money by renting out their vehicles on the ekar platform using this service.

### **What are the trends driving the growth of the Saudi Arabian Car Rental & Leasing Market?**

Car rental services in Saudi Arabia are growing due to shifting consumer preferences and an increase in disposable income. The government is encouraging private organizations to set up businesses in the country, leading to an increase in demand for corporate rentals and leases.

- Saudi Arabia aims to stop doing business with corporations and commercial organizations that have regional headquarters outside of the country.
- The halt will apply to government-owned agencies, institutions, and funds beginning January 1, 2024.
- Following the decision, 44 global corporations have relocated their regional headquarters to the country, including PepsiCo., Baker Hughes, Halliburton, Philips, Schlumberger, and Novartis.
- Market players are expanding their fleet size, entering partnerships, and raising funds to capture the growing market.
- In January 2022, Ekar activated its car subscription plan in Saudi Arabia.
- In June 2021, Aljomaih Auto Rental (Ajar), a franchisee of Enterprise Holdings' rental brands in Saudi Arabia, announced that it has begun purchasing new vehicles to meet the rising demand.
- In June 2022, Aljomaih Auto Rental purchased new vehicles to meet the rising demand.
- The company's fleet in Saudi Arabia increased by 27% year on year to 5,700 vehicles.

### **The demand for sports utility vehicles is increasing:**

The SUV segment has been rapidly expanding, increasing its market share, as most tourists prefer to rent an SUV for family outings because it can accommodate more people and has more luggage space. The car rental market in the country is directly related to automotive market trends. To stay ahead of their competitors, service providers must include the most recent SUVs in their fleet if SUV sales increase, says research experts at Mordor Intelligence.

However, Saudi government officials relaxed the rules for purchasing SUVs with a seating capacity of up to seven. Expats can now purchase a seven-passenger SUV in Saudi Arabia without any restriction or

compulsion. Such developments are expected to encourage consumers to purchase SUVs while also acting as a restraint on the growth of the car rental and leasing market.

In August 2022, Udrive, the dedicated pay-per-minute and daily car rental platform based in the United Arab Emirates, announced its expansion into Saudi Arabia. The move is expected to cater to the growing demand from residents, tourists, students, and startups in Saudi Arabia.

### **Who are the key players in the Saudi Arabian Car Rental & Leasing Market?**

The Saudi Arabian Car Rental & Leasing Market is fragmented. The majority of the market share is held by multi-national companies, such as:

- Hertz Corporation
- Hanco Automotive
- Theeb Rent A Car
- Lumi Car Rentals
- Sixt SE
- Strong Rent a Car
- Auto Rent
- Key Car Rental
- National Car Rental
- Ejaro
- Budget Rent-A-Car
- Turo
- Best Rent A Car
- Yelo Corporation (Al Wefaq)
- Zipcar
- Europcar Mobility Group

### **Recent developments in the Saudi Arabian Car Rental & Leasing Market:**

- In January 2022, Theeb Rent a Car Company was awarded a SAR 27.13 million contract to rent vehicles to the Saudi Ministry of Human Resources and Social Development. The long-term rental deal duration stands at four years until 2026.
- In August 2021: Sixt, one of the largest car rental companies in the world, announced the opening of two new branches in King Khalid International Airport as part of its ambitious growth and expansion plan that may see the company offer its high-quality mobility services to customers throughout Saudi Arabia.
- In July 2021, the car rental business of Seera Group, Lumi, was seen expanding its retail service network in Saudi Arabia, having won the bid to open counters at Jeddah King Abdul Aziz International Airport, Ta'if Regional Airport, and Al-Baha Domestic Airport in Saudi Arabia.

In a nutshell, the Mordor Intelligence market research report is a must-read for start-ups, industry players, investors, researchers, consultants, business strategists, and all those who are looking to understand this industry. Get a glance at the report at [www.mordorintelligence.com/industry-reports/saudi-arabia-car-rental-and-leasing-market](http://www.mordorintelligence.com/industry-reports/saudi-arabia-car-rental-and-leasing-market)

**About Mordor Intelligence:**

Mordor Intelligence is a market intelligence and advisory firm. At Mordor Intelligence, we believe in predicting butterfly effects that have the potential to change or significantly impact market dynamics.

Our market research reports are comprehensive and provide exclusive data, facts and figures, trends, and the competitive landscape of the industry.

**Mordor Intelligence constantly tracks industry trends. Some relevant market reports from the analysts that might be of interest to you:**

- [www.mordorintelligence.com/industry-reports/indonesia-car-rental-market](http://www.mordorintelligence.com/industry-reports/indonesia-car-rental-market)
- [www.mordorintelligence.com/industry-reports/malaysia-car-rental-market](http://www.mordorintelligence.com/industry-reports/malaysia-car-rental-market)
- [www.mordorintelligence.com/industry-reports/poland-car-rental-market](http://www.mordorintelligence.com/industry-reports/poland-car-rental-market)
- [www.mordorintelligence.com/industry-reports/russia-car-rental-market](http://www.mordorintelligence.com/industry-reports/russia-car-rental-market)
- [www.mordorintelligence.com/industry-reports/thailand-car-rental-market](http://www.mordorintelligence.com/industry-reports/thailand-car-rental-market)