

Car "Rental" Shortage in Hawaii Increases Demand for Vehicles

A severe car rental shortage has forced visitors to either empty their wallets or cancel their trips.

MIAMI, FLORIDA, UNITED STATES, July 22, 2021 /EINPresswire.com/ -- The influx of visitors to Hawaii has been met by an unforeseen effect since COVID-19 onset – a shortage of car rentals.

Those who are lucky enough to find a rental car have themselves paying exorbitant prices for the service. On average, people are paying hundreds of dollars just to ride in an economy car for a day.

Interestingly, searching for vehicle availability reveals that the cost of a standard car ranges from \$200 to \$300 a day.

What Induced the Car Rental Shortage?

The pandemic is mainly the culprit for this car rental shortage. During the onset of the pandemic, Hawaii's rewarding tourism industry shut down as people were encouraged to remain indoors. Besides, most countries were under lockdown, with restricted flights in and out.

How the Pandemic Hit Rental Companies

The economic effect of the coronavirus pandemic hit the rental companies hard. Hertz, the nation's powerhouse, filed for bankruptcy and was forced to lay off an average of 10,000 workers. This resulted in rental cars without drivers parked in airports, with no customers. In Oahu, most of the fleets were stored at the Aloha stadium. Some opted to sell their cars in second-hand car markets. Luckily, the tables have now turned. However, due to the influx of visitors, the number of rental cars available wasn't able to keep up with the demand. According to passenger data between January and March, approximately 1.3 million visitors landed in Hawaiian airports. This is a sharp increase as the number of visitors in 2020 was estimated to be 2.7 million.

What the Car Companies Did that Resulted in Car Rental Shortages

Some car companies resorted to desperate measures by selling cars to prevent further losses as travel was very minimal across the world. Also, they had to lay off some of their staff due to

limited sales due to the pandemic. Hawaii noticed a drop of more than 10,000 rental cars in 2020 alone compared to the cars available in 2019. Sue Kanoho, the acting executive director of the Kauai Visitors Bureau, pre-warned tourists of the unstable car rental inventory. It is hard to give an estimate of the number of rental cars currently available. The representatives of car companies decline to comment and fail to respond to inventory inquiries. Also, the Hawaii Transportation Department doesn't keep a wholesome registry of rental cars. However, the tax data obtained from rental vehicles helps get a figure of the cars available.

The Rental Car Companies Are Unable to Meet the Demand Hence the Exorbitant Prices

There is a lot of demand, but sadly, the supply is short. Harrison, the founder of Aloha Rents, admits that he has been getting numerous customer inquiries regarding securing a rental car over the past few months. According to Robert, visitors should make car reservations months in advance. He estimates that the companies have a high chance of stocking back up. However, the situation is highly unpredictable as rental car owners prevent running into the same issues.

Effects of the Car Rental Shortage

The shortage has created a ripple effect that has been felt throughout the car industry. During the pandemic, rental car service providers stopped ordering new cars amidst the pandemic. The mass-selling of their cars adversely affected the value of used car sales. The pandemic not only affected the rental industry but also disrupted supply chains. No new cars were coming to the assembly line, resulting in a massive shortage of new and used cars. This shortage means that rental car companies and dealers can't restock easily due to Hawaii travel restrictions. This makes it hard to tell whether the business will resume since bringing back the balance might take considerably longer.

What Visitors Can Do about The Shortage

If you are planning on visiting Hawaii, you should consider shipping your car. It will help save you from paying exorbitant car rental prices. Shipping car to Hawaii is not expensive, and the process is relatively simple. All you need is a reliable Hawaii car shipping company, and you're good to go. Have a safe trip!

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