



Monthly car subscriptions: A trend that's here to stay

Connected Vehicles
22/02/2022



INDUSTRY OVERVIEW ●

 Over the past years, automakers have been looking for business models beyond car sales to add on their profit pools

 While pay-per-use models (e.g. car sharing, ride hailing and other mobility models) have become quite common, the alternatives to outright ownership have been limited to:

- Short-term rentals (not always cheap)
- Leasing solutions, with typically longer-term commitments and restrictive terms

 With the rise of subscription services, from software-as-a-service to Spotify and Netflix, it was only a matter of time before car subscriptions would make their entrance too

 Vehicle subscription offerings from OEMs have been around for several years. But the market has only recently begun to gain traction with consumers and investors

THE MARKET ●

The market of monthly subscription solutions is expected to reach \$30 billion to \$40 billion over the next 10 years.

Globally, the following 3 categories are currently active in the market:

1. OEMs

2. Traditional Providers

(e.g. Dealerships, Rental companies, Leasing companies)

3. Mobility Platforms & Start-Ups

(e.g. Fair, Cluno, BiPi, Drover)

Europe remains the largest market in terms of profit, with venture capital constantly growing.

In Greece, the market of monthly subscription solutions is currently estimated at €30 million and is widespread through:



Traditional rental & leasing companies



Hybrid mobility companies



Pure subscription-based providers

WHY NOW ●

- ① Changing customer preferences, among which the low interest in owning physical products
- ② Covid-19 pandemic having driven many urban residents away from public transit to seek the safety of private vehicles
- ③ Buying a car the traditional way is no longer 'attractive'
- ④ Car ownership is losing its luster in many parts of the Western world
- ⑤ Subscriptions are a low-risk way to try out new brands and BEVs
- ⑥ Subscriptions are an attractive supplementary option for B2B customers

GLOBAL TRENDS ●



Drover is a London-based, mobility-as-a-service platform providing monthly, all-in car subscriptions to its end-customer. In December 2020, the company announced that it's been acquired by Cazoo.

- **How it works?** The company provides vehicle subscriptions, allowing clients to pay a recurring fee for the right to use a car, while covering insurance, maintenance, road taxes and breakdown coverage. Since there are no long-term commitments, users can easily swap, upgrade, downgrade or cancel their subscriptions, whenever they wish.



Cluno is a Munich-based, multi-brand car subscription service, providing monthly car rentals, irrespective of any contracts.

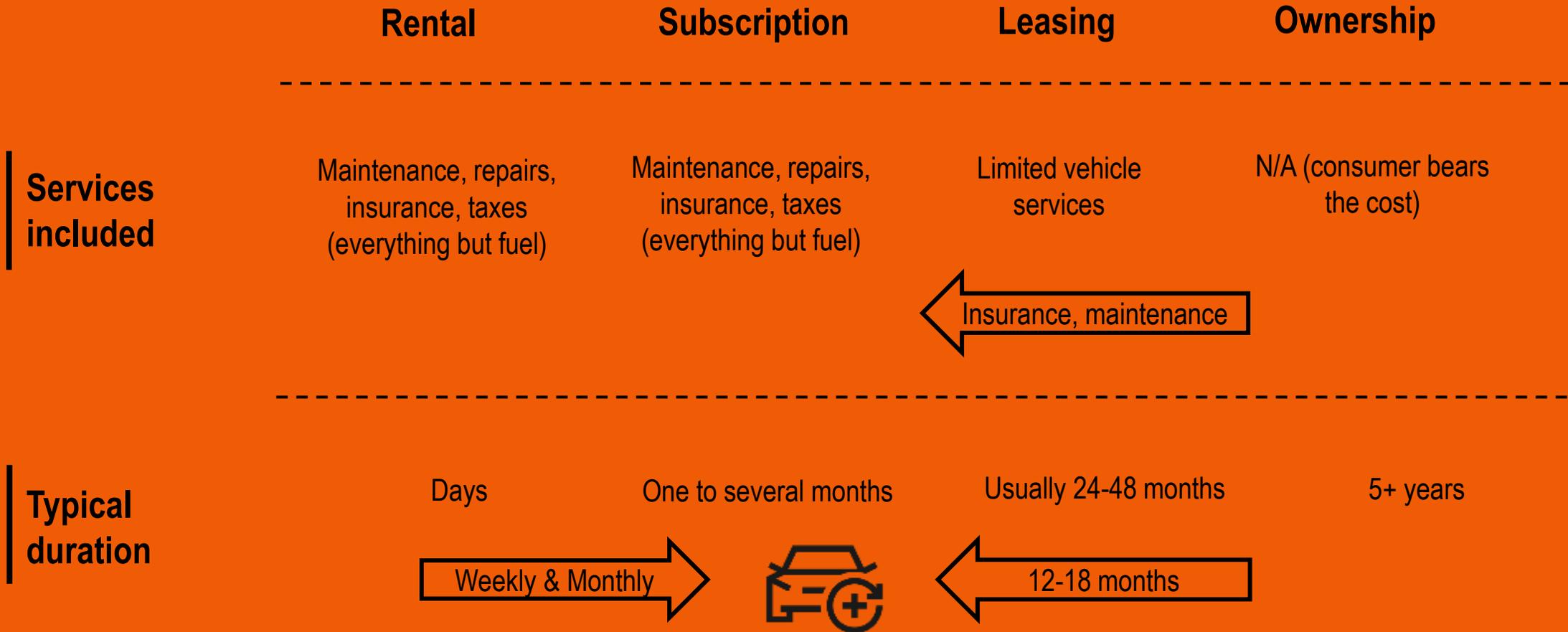
- **How it works?** Following a similar business model as Drover, the company has developed a mobile application for users who wish to rent a car periodically, without having to fill out paperwork.



Fair is a Santa Monica-based, automotive FinTech company that is revolutionizing monthly car rentals, by offering unprecedented freedom, flexibility and an end-to-end mobile experience.

- **How it works?** The company has created a game-changing new app that lets users shop, get approved and pay for a car all on their phone with just a driver's license and bank account.

SUBSCRIPTIONS FALL BETWEEN RENTAL & LEASING ●



KEY INSIGHTS ●



Customers are looking for affordable mobility solutions



They wish to avoid long-term commitments



They're looking for worry-free solutions, with no hidden charges



They want all-inclusive solutions, with minimum logistics from their side

ABOUT US ●

SIXT is a premium mobility brand, founded in **1912**, in Germany. With a presence in more than **100** countries and **2,200** stations worldwide, SIXT is one of the leading providers of short-term car rentals and long-term leasing solutions, for both individuals and corporate clients.

Its portfolio is structured around 3 main axes, so to cover the needs of each client:



SIXT Rent a Car: Short-term car rentals, starting from one day



SIXT+: Monthly car lease, starting from one month and for as long as the client wishes to



SIXT Leasing: Long-term lease, for both individuals and corporate clients

In Greece, SIXT was founded in **1998**, while, in **2018**, it became a part of **Motodynamics Group**. With stations in all major airports and tourist areas, SIXT offers a wide range of cars (e.g. Sport, Sedan, SUV, Luxury, Pick-Up, E-Vehicles etc.), while, creating a unique mobility experience to all its clients.

THE SIXT WAY ●

"Ease is the new premium!"

Alexander Sixt

SIXT+, the new subscription solution powered by SIXT, is the most flexible and beneficial mobility solution in the Greek market.

With a lease period starting from one (1) month, delivery within a week and a flat monthly fee for more flexibility and easy budget management, SIXT+ is the no.1 mobility solution for both companies and individuals.

Forget about leasing, forget about renting... SIXT is **RE-INVENTING LEASING** for covering all your needs, and offers:



Flexible prices, with no hidden charges



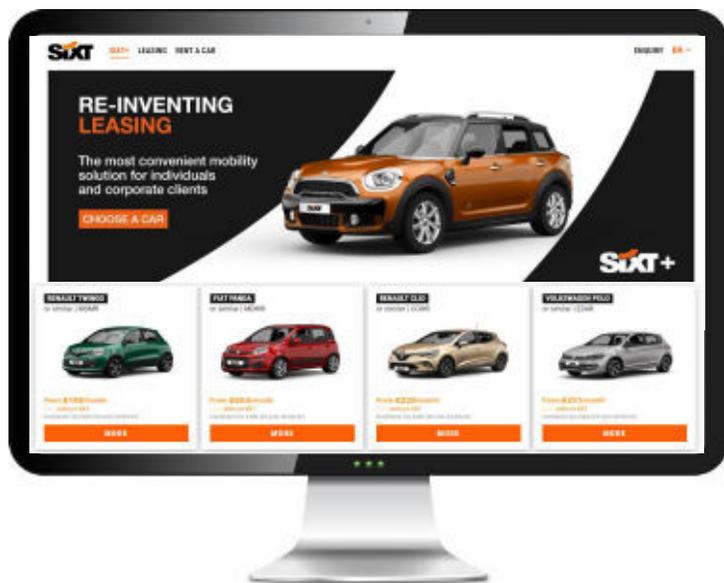
Immediate delivery



Short-term contracts, designed especially for you

All in one subscription!

HOW IT WORKS



1

Choose the car that suits your needs, through a wide range of options (Sport, SUV, City, Luxury, Van, E-Vehicles etc.)



2

Fill in your contact details and a member of our team will call you for more information



3

Pick up your car within 48h at a SIXT station nearby and enjoy safe trips

WHAT IT OFFERS ●

- 🗝️ No down payment
- 🗝️ 0€ enrollment fee
- 🗝️ Flat monthly fee (including insurance coverage, roadside assistance, road taxes, car maintenance and repair)
- 🗝️ Immediate delivery within 48h
- 🗝️ Minimum lease period of one (1) month and for as long as you wish
- 🗝️ Return at any time, with no extra charge
- 🗝️ Wide range of options to choose from (e.g. Sport, SUV, City, Luxury, Van, E-Vehicles)
- 🗝️ Option to swap car after the 1st month
- 🗝️ Special discounts on car rentals throughout the year for SIXT+ clients

**RE-INVENTING
LEASING**



SIXT



Thank you

Maria Toulia

Product Development Specialist, SIXT Greece, Motodynamics

