



RENTING AND LEASING OF MOTOR VEHICLES (ISIC 77.10)

MINI – PRESENTATION FOR SPPI

Jiří Šulc
Czech Statistical Department
jiri.sulc@czso.cz

CONTENTS

Classification

Market

SPPI measurement

Challenges

CLASSIFICATION

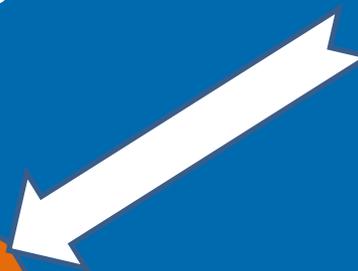
Renting and leasing of motor vehicles

ISIC 7710

CPA 771

NACE 771

CPC
73111



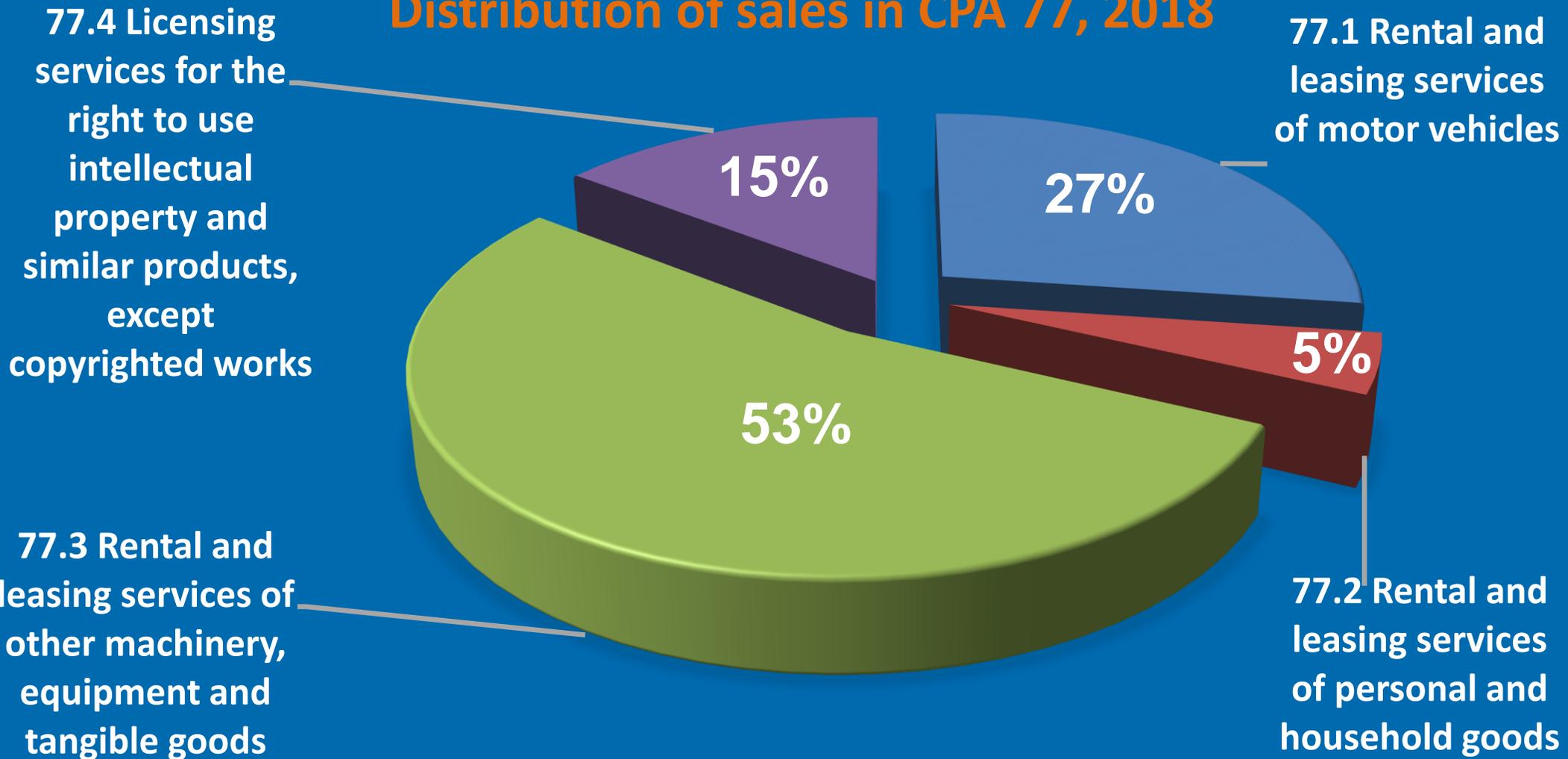
CLASSIFICATION

CPA classification

77.1	Rental and leasing services of motor vehicles
77.11	Rental and leasing services of cars and light motor vehicles
77.11.1	Rental and leasing services of cars and light motor vehicles
77.12	Rental and leasing services of trucks
77.12.1	Rental and leasing services of trucks

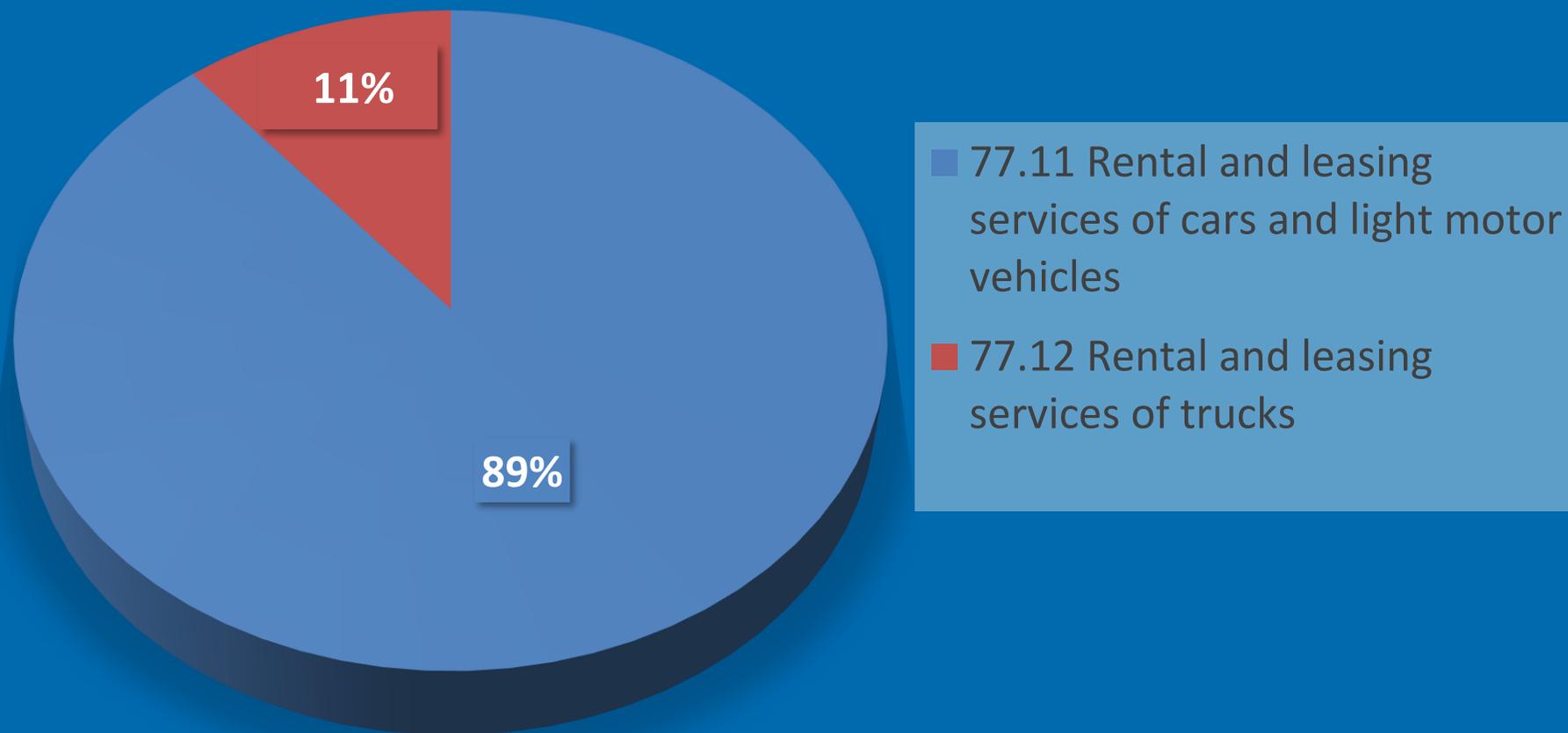
MARKET - Sales

Distribution of sales in CPA 77, 2018



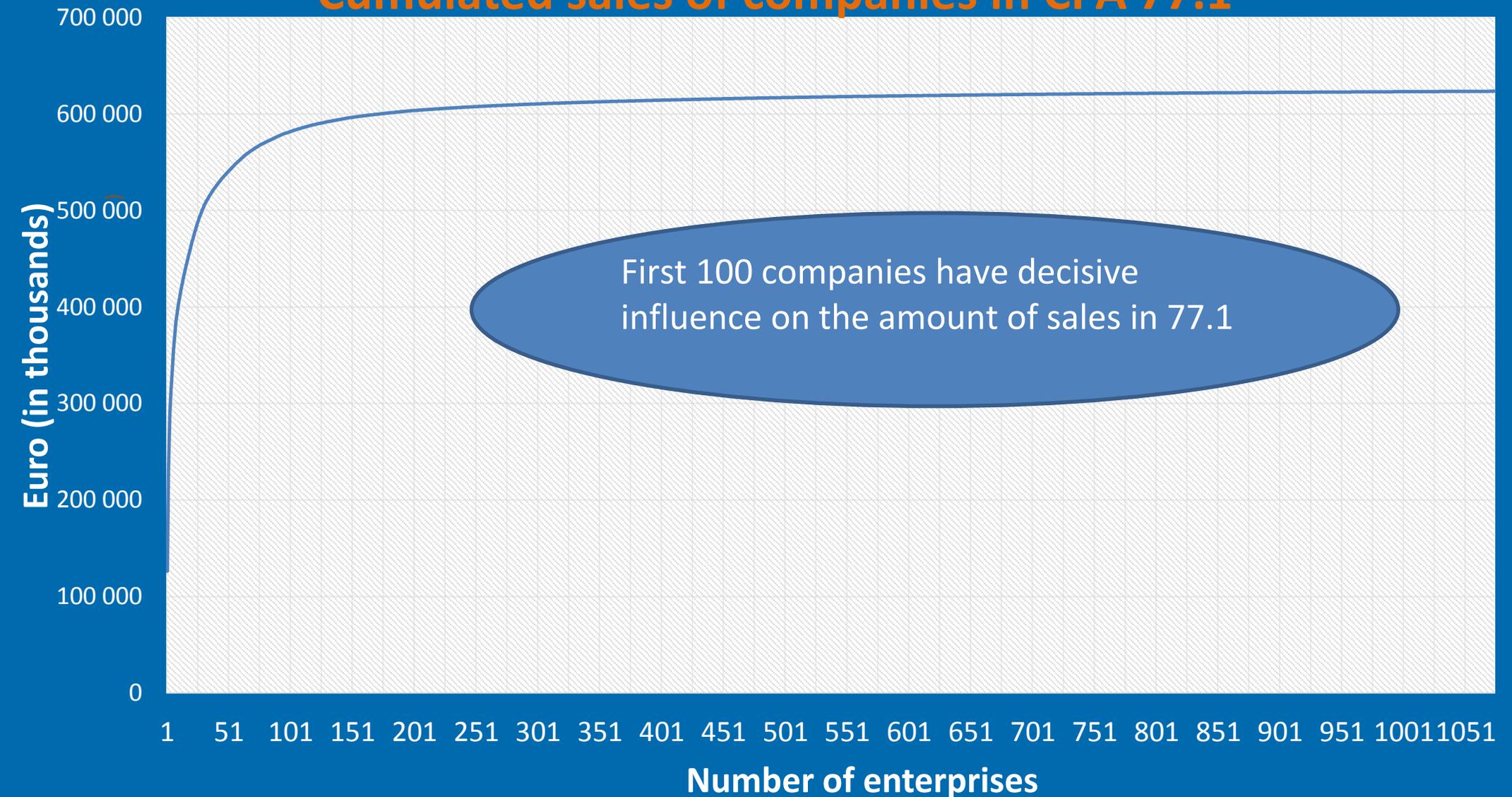
MARKET - Sales

Distribution of sales in CPA 77.1, 2018



MARKET - Sales

Cumulated sales of companies in CPA 77.1



MARKET

Leasing of movables according to the leasing product:

Assets purchased for leasing and handed over for leasing use in 2019 in millions CZK

Leasing of movables	2019
Financial leasing	19 581,23
Operational leasing	12 049,60
Full-service leasing	12 424,91
Short-term lease	1 009,66

Source: the Czech leasing and finance association

MARKET - Characteristics

Renting and leasing of motor vehicles

B2B 77 %

B2C 7 %

B2E 16 %

*Short – term
lease*

*Long – term
lease*

Car rental

Operational
leasing

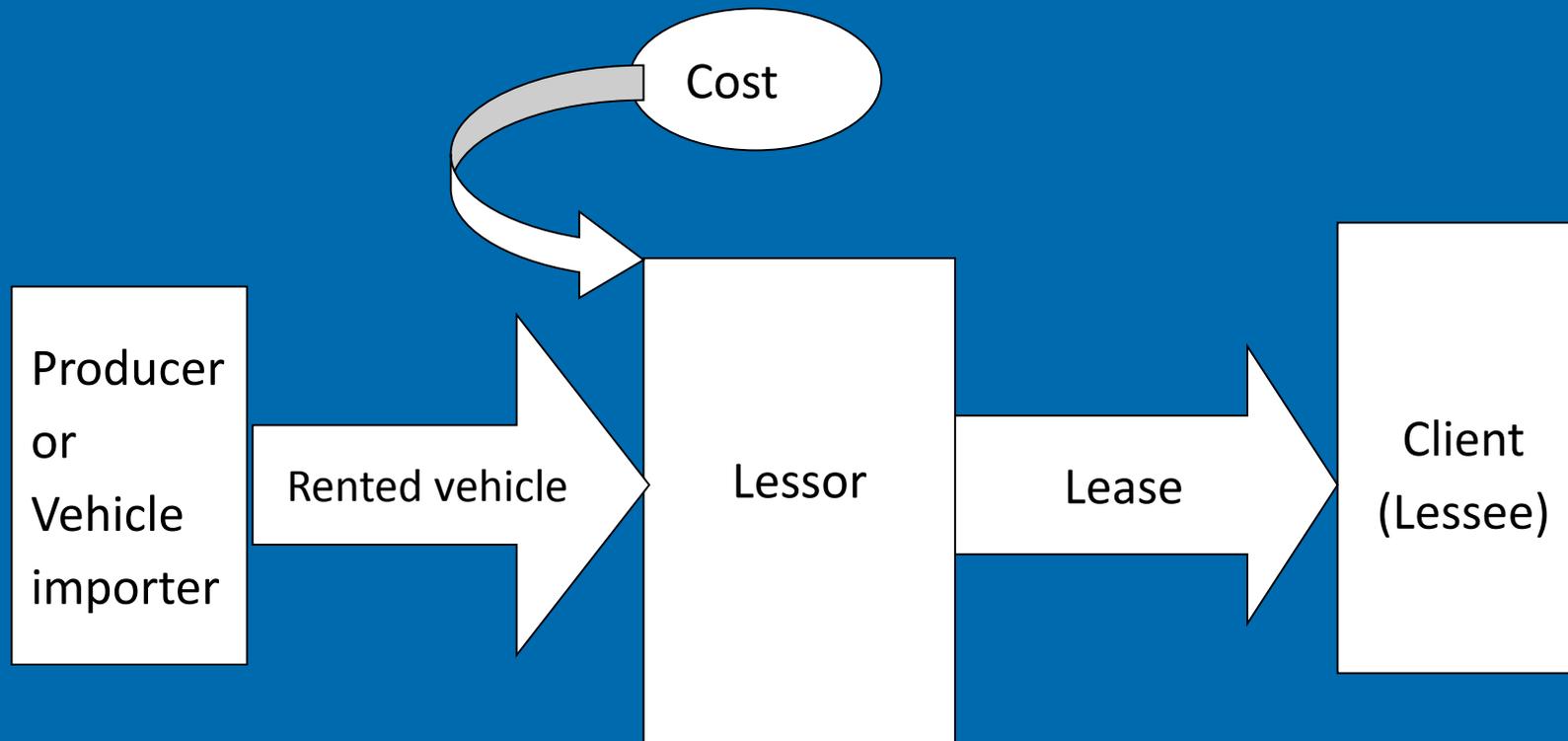
Full service
leasing

VS.

Financial leasing

MARKET - Characteristics

Leasing



MARKET - Characteristics

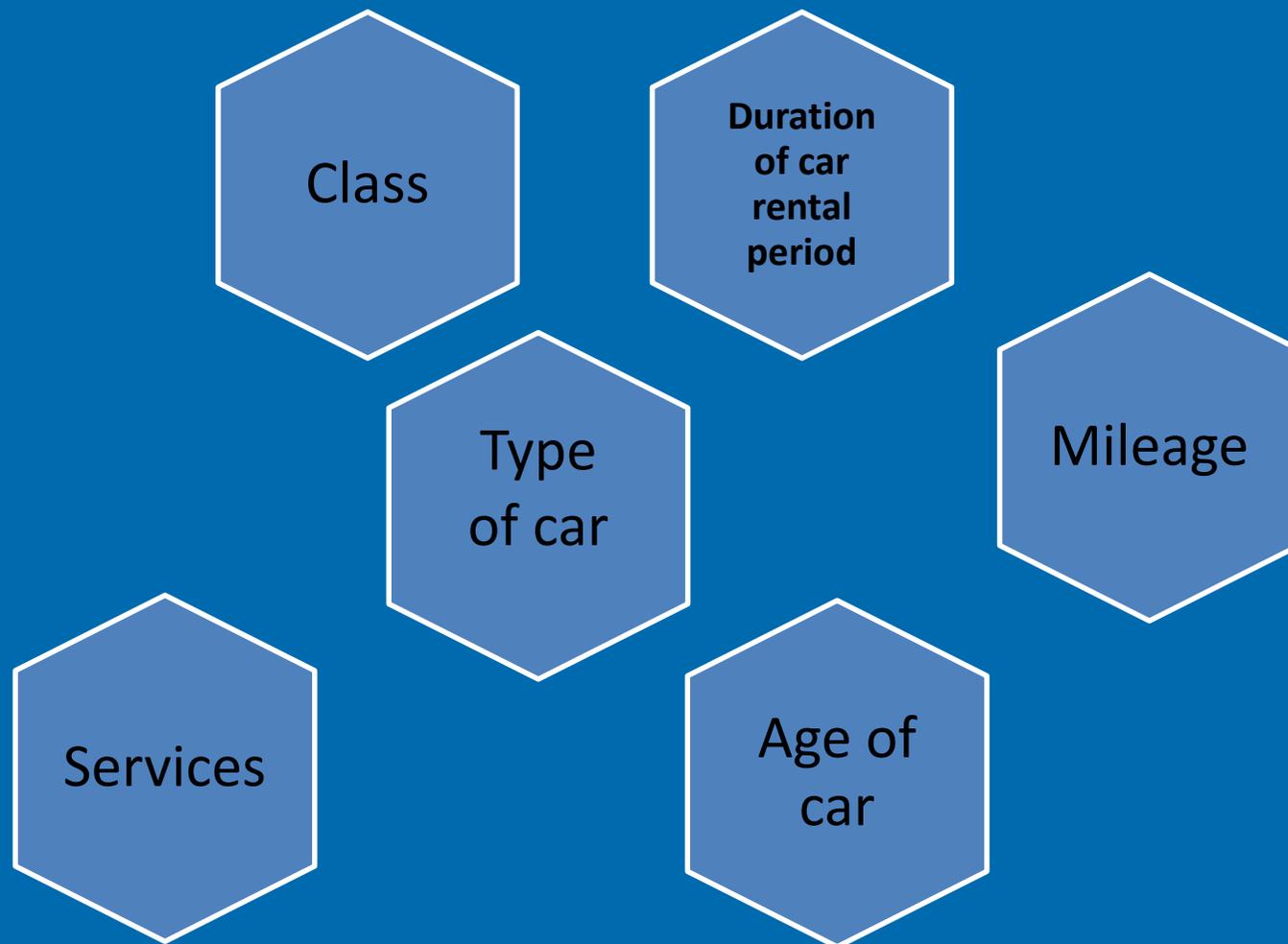
Leasing

Benefits of operational leasing vs. purchase of car

- distribution of all costs associated with the purchase
- operation and maintenance of the vehicle into a fixed monthly payment
- guarantee of fixed monthly payments
- variable rental period from 12 to 48 months
- no need to pay the initial down payment (down payment = 0%)
- cash flow optimization (free funds for other activities)
- the payment reduces the income tax base
- for VAT payers the possibility of deducting VAT on passenger cars
- the leasing company assumes the risk associated with the selling price of the used vehicle
- the client does not bear the risks of car ownership

MARKET - Characteristics

Car rental



SPPI - Characteristics

- Laspeyres index
- Monthly periodicity
- B2B concept (for Eurostat B2All)
- Non-probability sampling (purposive)

SPPI – Pricing methods

Leasing

Direct use of prices of repeated services

Type of service: Passenger car leasing

Class: Middle

Type of car: Škoda Octavia Combi Ambiente 1.6 TDI

Lease length: 36 months

Mileage: 120,000 km

Client: Company (fleet of 30 vehicles)

Services (full): Third party insurance, accident insurance with 5% co-payment, road tax, motorway stamp, radio fee, regular maintenance, seasonal tire change

Monthly payment: 423 Euro (without VAT) / month

SPPI – Pricing methods

Car rental

Direct use of prices of repeated services

Type of service: Passenger car rental

Class: Intermediate

Type of car: Ford Mondeo

Length of rental: 2 days

Location: Prague airport

Transmission: Manual

Client: Company

Services (full): Third party insurance, accident insurance, road tax,
motorway stamp, seasonal tire change

Base price: 40 Euro (without VAT) / day

SPPI – Quality adjustments

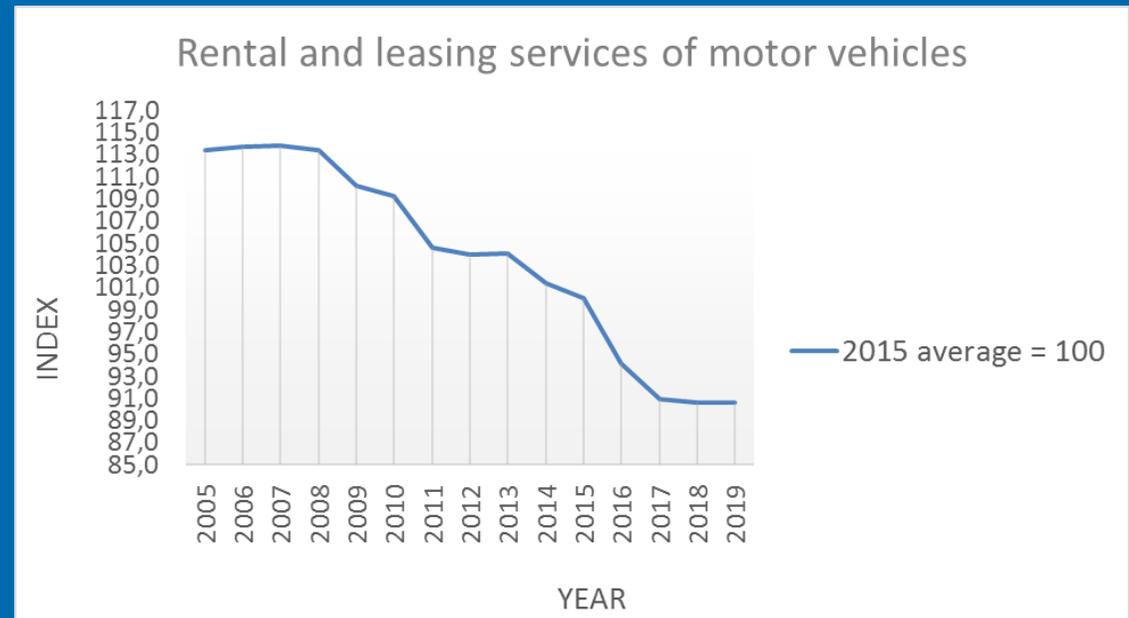
Direct comparison method

Definition of services - tight specification (not overly)

- the content of the service has not changed for a long time
(type of service, definition, classes of cars, services of rental company)
- car brands, models and car equipment may change during year (within class)

SPPI – Challenges

- ❑ To follow new trends in the services offered
- ❑ To monitor the shares of services used by businesses and consumers
- ❑ To develop good relations between respondents and the Czech statistical office when selecting and defining new services
- ❑ To explain the benefits of filling in the questionnaire via the web interface





Thanks for your attention!