

An enterprise essay



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An Enterprise is a business that is available for general public use and one such business was started almost 5 decades ago by a man named John Taylor in the year 1957. It was named the Enterprise Rent-a-car and the founders had no idea when they started it that this would become the world's most used rental car service. To day Enterprise Rent-a-car serves many different countries and has 5, 399 offices in all locations and more than 600, 000 cars and providing employment to a huge number of people in various countries. Jack Taylor had started this company as a small auto leasing business and later named it after the USS Enterprise, the aircraft carrier he served while in the Naval air force. They purchase 7% of all new automobiles in the US and have 91% of all local market transactions and 9% of all airport transactions.

They are the 16th largest privately held firm in the US. Today the company operates in the US, Canada, Germany, Ireland and the UK. The company picks up the people who need a rental car and serves both the general market and the airport market. They also have non-automotive operations today under the name of Centric Group like footwear, golf course, hotel amenities, prison supplies and that of balloons.

The success behind this company is the hope of one man who saw a need for this service and since then, this company has grown by leaps and bounds and is looking toward an even brighter future. HISTORY: Enterprise Rent-a-car had started out as small business with seven cars to start out with in the year 1957 and was eventually named as it is called today. It had started out as an Executive leasing company for cars based on the idea the founder, Jack Taylor had that the customers would see the uses of leasing

automobiles rather than actually buying them. The commitment of the people involved made this vision a reality today and has gone much beyond the goals initially set. (Enterprise Rent-a-car, Our History, 2005).

The company had its modest beginnings at St. Louis, Missouri and by the late 1960's the company had operations outside of St. Louis in Missouri. The logo used by the company is the well known ' e' and is used till now.

In the year 1974, the most popular business strategy used by this company was introduced by an enterprising manager. He introduced the pick up for the customers which provided them with a free ride to the rental office. This idea was expanded and used in all the locations and became a popular service that it had to offer. Later in the year 1993, the Enterprise wrapped car was used and became an icon. This company was then listed in the Fortune Magazine as one of the best 100 companies to work with.

With this historical background, Enterprise Rent-a-car has grown from a small company to a huge enterprise with over 6, 600 locations today worldwide, a fleet of over 820, 000 vehicles and nearly 62, 000 employees worldwide today with more than 3400 in the UK and about 190 employees in Ireland where the company has established its operations outside the USA. The principle of the founders has been to take care of its customers and employees and success would follow. (Enterprise Rent-a-car, Our History, 2005). The strategy used by the company has been to treat customers well and to retain them with the company by providing excellent customer service and the employees at the company have been trained to provide good customer service and take decisions towards this end.

The branch managers are given autonomy in their business and run them like it was their own business and this gives them a scope for aspiring for more pay which is a part of the profits made by them. The current revenue of the company is almost \$8.2 billion today. This tremendous growth of the company stands exemplary for other small businesses. (Enterprise Rent-a-car, Our History, 2005). MILESTONES: Growth of the company
The company started with only seven cars and had small beginnings.

In the year 1962, Jack Taylor had introduced a fleet of 17 cars for rental business as he noticed that his customers needed to rent cars when they were in their shops. In the year 1969, the founder had expanded the company to areas outside St. Louis and started a business on a slightly larger scale than before and named it as the Enterprise Rent-a-car. Then in the year 1970, while the rest of America's rental car companies were competing for the airport market and concentrating on this market, Jack took his company to where people work and live and took it to the people and this was a successful strategy which made the service popular. In the year 1974, a branch manager in Orlando introduced the pick up service for his customers and this accepted company wide later on and became the famous 'We'll pick you up' tradition of the Enterprise Rent-a-car. (About Enterprise Rent-a-car, Milestones, Who we are, 2005).

In 1980, with 6000 rental vehicles, the company opened a National reservation number to call for reservations and by 1989 had 50,000 vehicles and 500 locations. In 1992, the company saw its first one billion in revenue and had named its leasing division as Enterprise fleet services. In the year 1993, the company made a foray into the international market by opening its

first office in Canada at Windsor with 200, 000 rental vehicles and 1500 locations by this time. The company entered the European market by opening its office in England in the year 1994. In the year 1995, the company had made foray into rental car services at airports by starting this service at the Denver International airport and expanded its market and services. By the year 2004, the company had made a mark for itself among the best companies in the business and had by this time acquired 600, 000 rental vehicles, 135, 000 Fleet services vehicles with 6000 locations in the US and a market in the UK, Ireland, Germany and Canada and had crossed the 7 billion mark in annual revenues.

(About Enterprise Rent-a-car, Milestones, Who we are, 2005). Today, the company has grown from a leasing service to various branches like the Rent a car service, Fleet services, used car sales, Rent a truck and the international operations branch. Jack Taylor's son, Andy Taylor took over as the CEO of the company and runs the company now. Even after 5 decades, the company still makes its employees and customers believe that this is just the beginning of a service that is most needed and well provided for by this company. The company also helps the community today with its Cultural Compass and social responsibility duties.

(Enterprise Rent-a-car Customer Service, About Enterprise Rent-a-car, 2005). Enterprise customer service is the driving force behind this business. The company is well known for its commitment to service and Enterprise Rent-A-Car has been recognized many times for its superior service. J. D. Powers and Associates and Market Metrix have all repeatedly named Enterprise Rent-A-Car number one in customer satisfaction in the car rental industry in USA.

Enterprise Service Quality index (ESQi) is a quality control index that the company measures from time to time to test the quality of service provided by them. Every month, the company measures customer satisfaction with each local branch through telephone surveys of hundreds of thousands of customers. Each branch earns a ranking based on the percentage of its customers who say they were completely satisfied with their last Enterprise experience. That ranking is called the “ top box,” and that’s the standard of excellence set for the rest of the locations, employees and the company when they work with their customers. (Enterprise Rent-a-car Customer Service, About Enterprise Rent-a-car, 2005).

Recipe for the Success of this company: The foundation for this company lies in the strong belief in excellent customer service and retaining those customers. This belief is taught to every employee and every employee has the power to make a decision which would improve the customer service at that point in time. This autonomy and the freedom given to every branch manager to run the location business like his own business has made both employees and the customers loyal to the company. The Present layout of the company: Presently the company has expanded all over the US and has locations about 15 minutes from almost 90% of the American public and has succeeded as the most popular and successful rental car company. It is privately owned by the Jack Taylor family and each location is a branch office owned by the company. There has been no franchise operation till now and all the segments and locations are privately owned.

Strong motivation and a superior customer satisfaction has been the backbone of this company. The company today has a website which is the <https://assignbuster.com/an-enterprise-essay/>

http://www.enterprise.com/car_rental/home.do and it has thus reached the convenience of a home or an office computer where people can book their car needs online whether it is car rental or fleet services or the buying of a new car.

The website is popular and has all the features of a good website with easy navigation around the site and provides services in English, French, Spanish and Dutch languages. (Enterprise Rent-a-car, Home page, 2005) Apart from the business oriented goals, the company also makes contributions to the community's economic growth by buying goods and services locally in the community where the office is located and hiring men and women who reflect the diversity of the communities in which they operate. It includes contributing millions of dollars to a variety of efforts and organizations each year while encouraging the employees of the company to involve themselves in the communities that support their business thus fulfilling their social responsibility. (Enterprise Rent-a-car, Home page, 2005).

Enterprise Rent-a-car offers discounted corporate programs. For example, it offers short and long term discounts to all embassies in the Washington metropolitan area and most of the embassies are members of the Corporate Class Rental Program and avail offers and discounts, a consistent rate structure and free provision of extra drivers. (Embassy.org, Enterprise Rent-a-car, 2005).

Another division of Enterprise Rent-A-Car is the Enterprise Rideshare which focuses on providing vanpool and carpool commuter services both to individuals and companies throughout Northern and Southern California to

commute from home to office and back. It was founded in the year 1994 and the headquarters of Enterprise Rideshare is located in Orange County, California, where the company now operates more than 700 vehicles transporting more than 7,000 commuters daily. This has been a successful business in California and is another one of the services offered by them. (Enterprise Rent-a-car, Rideshare, 2004).

They also serve in the insurance replacement market where they have tie ups with insurance companies for replacements, emergency services, rental cars etc. Marketing: The advertisement on TV has captured the audience and is typically a car that is wrapped in paper with the slogan ' We'll pick you up' which summarizes their most popular service of picking up customers free of charge to the rental office location. Military support: The company supports military service candidates by giving employment opportunities. It provides employment for new college graduate students and has been named the number one employer for college graduates for the fourth year in a row.

Recognitions: Enterprise Rent-A-Car customer service has been recognized by JD Power and Associates as highest in customer satisfaction for rental car companies at various airports. The company also repeatedly ranks number one on the Market Matrix Hospitality Index in rental car industry customer satisfaction and has been voted as the number one car rental company in the US. (Enterprise Rent-a-car, Answers. com, 2006) FUTURE GOALS: Where they are headed The company describes its goal to be the best company in the car rental business. Today, they are definitely the number one car rental company in the US and arguably one among the best in the international market.

The focus of the company has always been and will be on their local car rental business where they pick up their customers, work with corporations, insurance companies and policy holders who have damaged or stolen cars. Airport Locations: The airports have been a market for the company since they made their first foray into this market in the year 1995 at the Denver International Airport. The entry into the airport market was guided by the requests from customers who wanted the same service at airports and this was a success too with more than 180 on site airport locations around the world serving over 300 airports worldwide with 2 to 3 new airport locations opened almost every month. The company is ranked as the best car rental service available at airports.

(Where we are going, Enterprise Rent-a-car, 2005). International market: The first branch outside the US was in Canada back in the year 1993 and since then, the company has seen the opening of 341 different locations in Canada itself. Apart from this, they captured more international markets such as the UK market with more than 300 locations, over 140 locations in Germany and about 25 in Ireland. The company has plan for similar expansions in the international markets in the future with the assurance of superior personalized customer service. (Where we are going, Enterprise Rent-a-car, 2005).

Segments to be explored: The other segments of the company other than the car rental business have been increasing and the company today has the Fleet services with 175, 000 vehicles in use for this service, Truck rental business, used car sales. The company has also opened a Centric Group under which new products have been tried and have been moderately

successful. In the future, the number of segments is planned to be increased with the belief that more the number of segments, more success for the company. (Where we are going, Enterprise Rent-a-car, 2005). New Technology: The development of new technological systems has been witnessed by this company that was started almost 5 decades ago and the adaptation to new technology by the company over the years has been commendable.

Today, \$200 million is allocated to technology to keep pace with the enormous growth in business that is expected in the next 5 years. The future sees this company using more and more new technology for the benefit of the company and for further expansions. They expect to be the cutting edge of the car rental industry by using the latest technology and by bringing the latest point and click technology into their business strategy. (Where we are going, Enterprise Rent-a-car, 2005). Motivation for the employees: The company has always empowered its employees to make decisions and be independent in managing the business locally and believes that strong motivation of the small businesses in various locations is what contributed to their success and will always be important in their future growth.

The company considers individual managers with a vision to succeed as the real success stories of the company and their goal is to try and keep up the spirit and motivation of these managers. (Where we are going, Enterprise Rent-a-car, 2005). CONCLUSION: In conclusion, Enterprise Rent-a-car is a company that has had small beginnings but has grown over the years into a reckoning force in the car rental industry. The growth of this company is studied by many professionals in the business field and the conclusion that

can be drawn has been their success can be attributed to the fact that they too their business expansion or change decisions based on the customers guidance. They provided service to consumers at their doorstep and made this a successful business strategy as they were the first company to offer free pick up for their customers.

Many lessons can be learnt from the history and growth of this company and can be applied to other small businesses. Even though this company is a huge business conglomerate, it is the focus on the small businesses that make up the whole company that makes their strategy a success. In the future, Enterprise Rent-a-car is looking to expand their horizons further into the international market and at the same time is increasing the business segments by introducing new services and foraying into new products. The steady growth of this company has been a guiding tool and a means to learn successful strategies for new businesses. Many students of management and business are trained by this company through their internship programs and numerous employment opportunities.

Though providing the shelter of a huge company, it lets the manager of a location run the business independently and thus gives some autonomy for each location which gives the employees freedom to introduce new strategies and to improve the business locally and adapt to the local community. Enterprise Rent-a-car has been a company with a vision and has seen steady growth. It is thus a successful business enterprise whose secret for success lies in the determination to satisfy their customers and the lesson learnt from this company is to listen to customers and use consumer opinions in the business to an effective end. References About Enterprise

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