

PALASHRANJAN BHARDWAJ



Vishal Kedia sits pretty on a lucrative niche

Mercedes Benz or a BMW at about Rs6,500 per day, a Honda comes for Rs5,500. Ditto for Toyota Crown. Indian cars of course weigh less heavily on the pocket. While the daily charge for a Tata Estate or a Maruti Esteem is Rs1,925, a Maruti 1000 or a premier 118 NE is available for a mere Rs1,600.

The face of the Indian car rental industry has changed dramatically in recent years. Hertz, Ramniranjan Kedia (RNK) and Kent Cars among others are going that extra mile to give the Indian customer quality service. And part of the quality service is providing him with luxury cars. With the Indian economy opening up, customers demand more, they say. "There was a need for luxury cars. We found a niche that needed to be exploited," says Vishal Kedia, director, RNK Tourism Services Pvt Ltd, which even has the six-door Volvo limousines in its fleet, importing them under a special licence. Though in business for over a decade now, RNK added foreign vehicles to its fleet only about a year ago. Kent Cars was quicker. It brought in foreign vehicles as early as in 1986. While Kent has 194 cars, RNK has as many as 350. At any given time, 80 per cent of their fleet is in service.

The usage has changed dramatically over time. While most of the business earlier came from small companies and individuals (mainly during the wedding season), it is now the

corporate clients, especially the multinationals, which bring in the maximum business. The corporate clients hire these vehicles mainly for their visiting executives from abroad. "In Delhi, December is the busy period as many delegations come visiting at this time. In Mumbai, most of the business is during the marriage season and car rentals for shootings, either music videos, advertisements or movies," says Kedia. RNK's cars have featured in one of Polygram's music video, in a Seagram's advertisement, and in Bollywood blockbusters. Besides, RNK has served the Brunei and South African diplomatic missions, ex-president Shankar Dayal Sharma and the head of the World Bank on his last visit to the country. Kent Cars, which is gunning for corporate clientele, already has MNCs like Coca Cola, Motorola, Philips and Cathy Pacific on its list.

And personalised service has become the key. For instance, there are cellular phones in cars for customer convenience. The service is on an all-India, 24-hour basis. To ensure that interstate transport is hassle-free, vehicles are overhauled and are also backed by city-based 24-hour maintenance facilities. Moreover, Kent Cars, for instance, does not charge for any cancellations while RNK charges a flat rate of Rs4,750 in such cases. "We should be a little flexible for our customers," says Chandan Sumaya, chairman, Kent Cars.

While the target market is corporates, Kedia is hoping to rope in the young generation too. Promotions are going on air on MTV. Also, with their recent tie-up with the Radisson Hotel in Delhi, business is looking up for RNK. While the demand for renting luxury cars has not yet impacted the RNK bottomline, a 304 per cent jump in Kent Cars' annual turnover in just two years is enough reason for Sumaya's enthusiasm. "Business should see at least a 50 per cent jump," he says. Apart from Mumbai and Pune, he is hoping to have a franchise in Goa, Delhi and Bangalore by next year. RNK is already present in Delhi.

In case business continues to boom, the car rental companies can expect to drive on in style.

• BHAKTI CHUGANEE

## PENS

## Noisy wars

Want to make a fashion statement? Buy a pen. And yes, they double as status symbols too. A Caran d'Ache pen costs up to Rs45 lakh, the Mont Blanc begins at Rs5,959 and climbs to Rs5 lakh, Cartier's exclusive emerald and ruby-studded range goes into several lakhs and Parker's silver pen is available at a comparatively low-priced Rs9,000. Now, others like Sheaffer (in tie-up with Colo Writing), Mitsubishi (with Linc Pens), and Reynolds (with GM pens) are also rubbing shoulders to grab a piece of the Rs15-crore super-premium segment in the Rs700-crore writing instruments market in India.



The high and the low: the battle heats up

And while most of these globally-envied brandnames are fighting for a piece of the smaller cake, a few among them are turning their attention to where the real action is in the country, the lower end segment. The other premium pen makers feel distributing themselves over a wide price range will dilute the brand equity. The lower price segment, however, cannot be ignored, since it accounts for 90 per cent of the market. Not surprisingly, Vishal Dewan, brand manager, Pierre Cardin which has come in with Flair Pens says: "We want to be present in all possible segments. And mind you, the low-end, below Rs20 segment is