



10 steps to start a new rental service

An e-book with specific tips and advice.

In this e-book you get our best tips on how to get started with renting.



Introduction

Thank you, for downloading our eBook 10 steps to start a new rental service.

Ecommerce has been in tremendous development in recent years. Our prediction is that a similar development will come in the rental of various types of equipment. In other words, rentals are growing and offer many opportunities. But how to get started? And what are the best steps to getting started with a new rental business or digitizing an existing rental operation? How to operate efficiently and with a digital solution similar to that of ecommerce?

In this eBook you can read about our top tips on how to get started with rentals.

Enjoy!



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1. Before starting

- what is important to keep in mind?

For those who start from scratch, it's important to know how to register their business so that it's set up correctly. Companies must be registered in order to be legally recognised as a business to ensure that you are paying your taxes to the correct amount and deadline.

Other forms of registration for licences may be required depending on the size of your business, or should be considered as you grow.

It varies from country to country but all have a registration process in common. Most businesses register as a sole trader, limited company or partnership*.

Check your local government pages for advice on how to register your new business.

The screenshot shows the GOV.UK website interface. At the top, there is a navigation bar with the GOV.UK logo, a search icon, and dropdown menus for 'Topics' and 'Government activity'. Below the navigation bar, there is a banner for 'Help improve GOV.UK' with a link to 'Take part in user research (opens in a new tab)'. The main content area has a breadcrumb trail: 'Home > Business and self-employed > Setting up'. The main heading is 'Set up a business'. Below this, there is a paragraph: 'What you need to do to set up depends on your type of business, where you work and whether you take people on to help.' There are two main sections: 'Register your business' and 'Sole traders'. The 'Register your business' section states: 'Most businesses register as a sole trader, limited company or partnership.' The 'Sole traders' section states: 'It's simpler to set up as a sole trader, but you're personally responsible for your business's debts. You also have some accounting responsibilities. Find out more about [being a sole trader and how to register](#).' On the right side, there is a 'Related content' section with four links: 'Working for yourself', 'Get help with tax', 'VAT registration', and 'Intellectual property and your work'.

Find out more [here](#)



2. Products and inventory - do not lose track

You've probably had some thoughts about what types of products you want to rent out, but have you actually thought about how to manage your inventory on a day to day basis? What to do when the products have to be returned to stock after being in use? **This is one of the biggest challenges in the rental service industry.**

Here are some tips to keep track:

1. Make a list and set up an overview of all inventory to be rented out.
2. Provide unique identification numbers to distinguish between the equipment.
3. Use a digital calendar to keep track of when it is rented out with the customer and when it is available. This allows you to constantly know where the equipment is located, creating the most efficient operation possible.

Id	Product	Stock	Buffer	Use %	juli																		
					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
12312	Teppe og møbelrensere	3		9%			1/3	2/3				1/3											
11808	Dykkertipistol batteridrevet	2		7%	1/2	2/2		1/2															
11809	Eksentersliper batteridrevet	1	1	5%								1/2					1/2						
11804	Kraftig sirkelsag batteridrevet	2	1	2%			1/2																

Do you have your own warehouse or are you going to rent/buy one? Many people start with rentals from their garage or storage room, but eventually they will need more space.

There are many different solutions for keeping track of equipment, and our experience tells us that many people use excel sheets, post-it notes or another simple system. However, this is not something that we recommend as you can quickly lose track of your products and spend way too much time on every item going in and out.

If you have only one excavator to rent out, paper and pencil may be just fine, but if you have fx. 10 bikes, it's a good idea to look at which digital management system can make the job easier for you.



3. Pricing

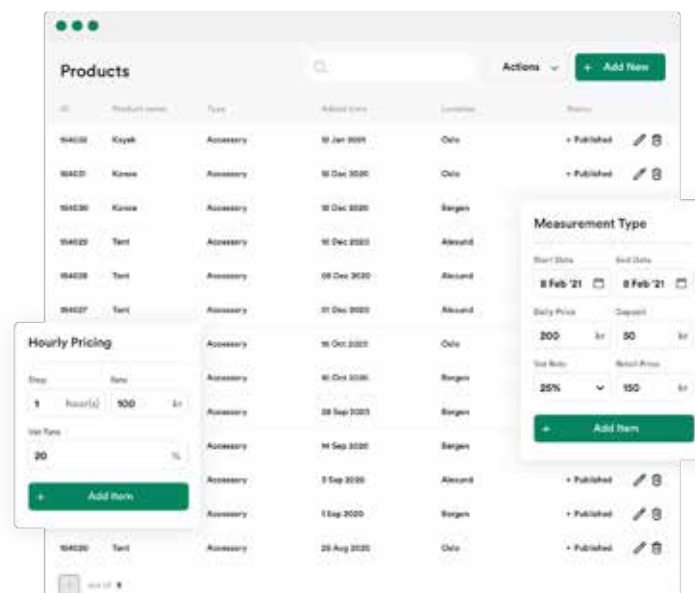
- how to set the right price?

It's undeniably important to work strategically with pricing to attract the right customers, but it's not always easy to know which price is right for your industry.

Here are some points to consider before setting prices for your rental service:

- Compare yourself to competitors. What do they charge? How can you position yourself in relation to them?
- What type of price structure do you want? Payment by the hour and / or daily, or perhaps create a subscription service?
- Wear and tear of equipment should be taken into account when setting the price.
- What are the costs that should be covered by the rental price?
- How high do you have to set prices to go into profit?
- Do you have expensive equipment? Take a deposit to ensure you against any damage to the product, this can be returned once the product has been returned in good condition.
- The ability to provide discounts over several days is an important strategy that can cause customers to rent the product longer than planned.

[Read more about strategic pricing here.](#)





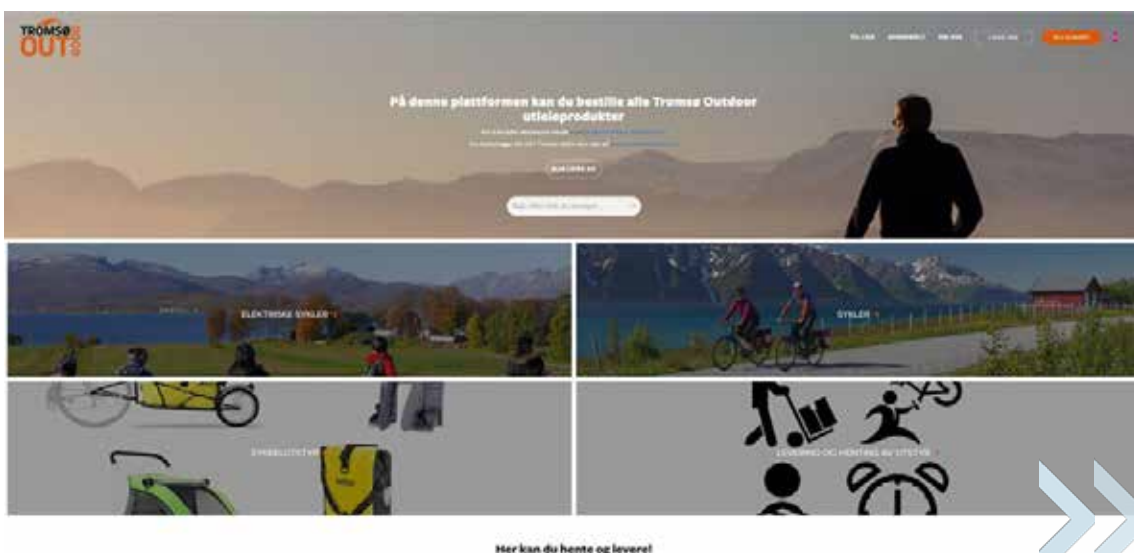
4. Homepage

- watch out for the Wordpress trap

Your customers will most likely have high expectations to be able to book your equipment via a modern website. **New statistics show that 66% use the web/website to research products before choosing to buy***. This underlines the need to have a good website where your customers can find your business and products.

Here's another checklist for setting up your home page:

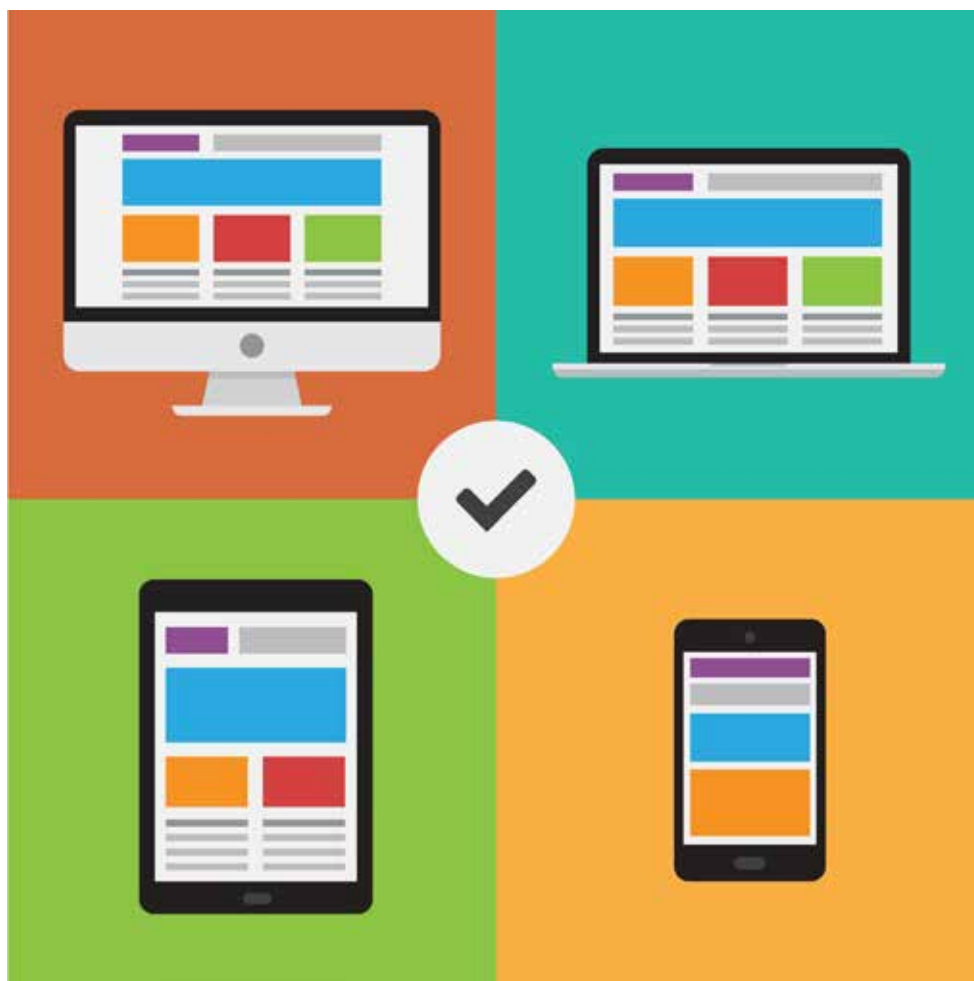
- **Set up a bespoke website** tailored to your service and brand.
- **Possibility to book simply.** It must be quick and easy to rent. This gives customers a better idea of your service.
- **Use a calendar to view availability on your products.** This gives visitors to your page a better overview of when it is possible to rent.
- **HTTPS** is important to put in place to show your customers that your page is safe so that they can trust that the sensitive information they share is not passed on.
- **Enter specifications for the equipment.** What does the customer need to know before renting? Publish all the necessary information on the home page and you will avoid spending time responding one by one.
- **How to use the equipment?** Publish guides and articles that can be profitable for your customers.



Users have **huge demands for the shopping experience to be smooth**, intuitive and fast. Many business owners use a traditional website provider like Wordpress, Shopify, or Wix, and this is where **many people have trouble making their website** a great user experience for the customer.

A regular e-commerce site is tailor-made for sale and NOT rental, and that affects your customers' experience on your site very quickly. Some use plugins or try to create a booking calendar via Wordpress, but the result is often a slow website and **lots of manual labour for the business owner in the backend of the software**.

Another major drawback of using a traditional e-commerce site is that it is often **not optimised for mobile use**. In fact, 46% of consumers use a mobile device when looking for information about a product before purchasing it*.



We believe that the customer journey of rentals on your website **MUST be as smooth and easy to use as a regular ecommerce shopping experience both via PC and mobile**, otherwise you lose customers quickly.

Use your preferred search engine for rental or booking systems. There are experts who can solve this specific problem. Find the solution that best suits your business.



5. Order handling

- avoid double bookings

One thing that is often at the top of our customers' wish list is a superior ordering system on the front end website with a corresponding booking calendar.

Five of the biggest frustrations for people in the rental industry include:

- 1) **Double bookings** of the same equipment.
- 2) Staffing a **dedicated person to handle incoming orders** on pc and telephone to track and accept orders manually.
- 3) **Lost track** of orders.
- 4) Combination of **online orders, orders by phone and drop ins.**
- 5) How **time-consuming** the order processing is.

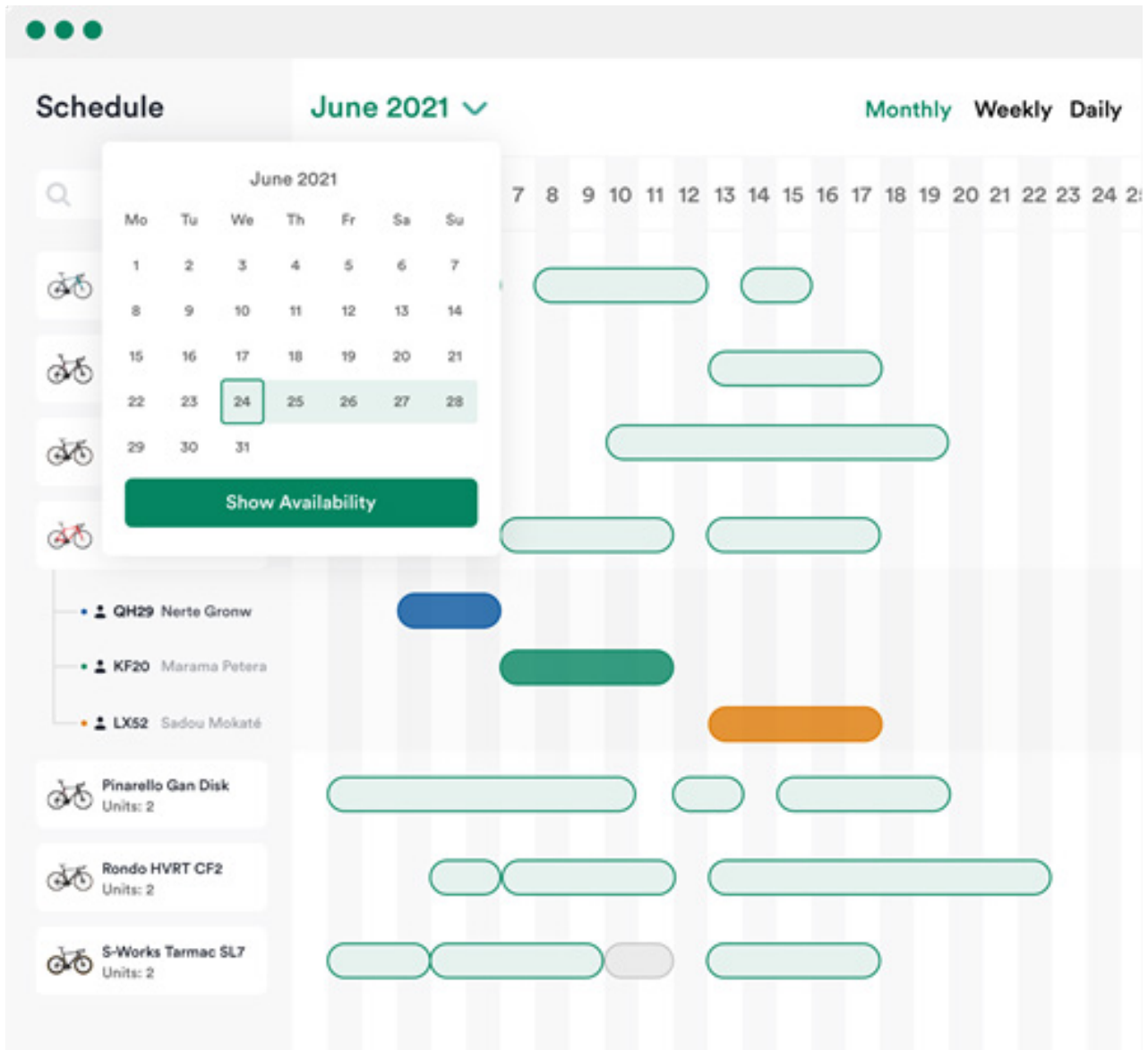
Taking in orders and getting it into the system is probably the most time-consuming task in the entire rental service industry (we dare to claim). Time is valuable and should be spent on much more interesting things, such as growing your business or creating good customer relationships.

ID	Status	Equipment	Start Date	End Date	Location	Price	Actions
1001	Cancelled	Generator 10000	01 Aug 2020	02 Aug 2020	Location 1	\$100.00	Cancel
1002	Booked	Generator 10000	03 Aug 2020	04 Aug 2020	Location 2	\$100.00	Book
1003	Booked	Generator 10000	05 Aug 2020	06 Aug 2020	Location 1	\$100.00	Book
1004	Booked	Generator 10000	07 Aug 2020	08 Aug 2020	Location 2	\$100.00	Book
1005	Booked	Generator 10000	09 Aug 2020	10 Aug 2020	Location 1	\$100.00	Book
1006	Booked	Generator 10000	11 Aug 2020	12 Aug 2020	Location 2	\$100.00	Book
1007	Booked	Generator 10000	13 Aug 2020	14 Aug 2020	Location 1	\$100.00	Book
1008	Booked	Generator 10000	15 Aug 2020	16 Aug 2020	Location 2	\$100.00	Book
1009	Booked	Generator 10000	17 Aug 2020	18 Aug 2020	Location 1	\$100.00	Book
1010	Booked	Generator 10000	19 Aug 2020	20 Aug 2020	Location 2	\$100.00	Book



Our recommendation here is to use a system where you can:

- Let the **customer do as much of the job as possible** when ordering an item.
- **Lock and hold reservation** of the product for new bookings to avoid double bookings.
- Have a system that allows you to **combine online bookings from a website with manual handled bookings from your store**. That way you can avoid double bookings.
- Easily handle customers online, on the phone and possibly drop-in in the store.





6. Distribution

- delivery or self-service?

How are you going to deliver your products? Should customers pick it up themselves in the warehouse or should you offer some kind of delivery? **77% of consumers prefer to have packages delivered to their door***. Therefore, you may want to make an assessment of what your customers want and what your business has the capacity of.



If you want to have a **self-service solution**, it is best to have a software that is already integrated with an existing solution. With self-servicing solutions, **you automate the entire customer journey from ordering, dispensing and returning.**

There are several self-service solutions that can create a more automated service. Among other things, you can make use of key lockers where the customer can retrieve the product from a cabinet via app on mobile. Or you can use a code lock in the warehouse so that the customer can lock themselves in to retrieve the product.

[Read more about self-service for rental companies here.](#)

Here is how Sharefox's solution looks like:

The customer will:

- Receive an automatic notification of self-service access- (by email or SMS).
- Use the third-party solution (e.g. SMS service, mobile app) to access the rental delivery, object, package, etc.

The store manager will:

- View and manage all automatically generated access records in Sharefox Admin tool.
- Have the option to manually override or revoke access, if necessary.
- Be able to manage the allocation of inventory to the self-service system, units, etc.

Whichever method you go for, it is important to include the distribution method in the rental price of the product.



7. Rental terms & conditions

- Forget paperwork, do it digitally

Rental terms and conditions may not be the most exciting thing about starting a rental business, but it's essential to have everything in place before you get started renting out your equipment. **Allow the customer to digitally approve your terms and conditions at the time of booking, instead of signing physical paperwork.**

If you have equipment that costs a lot, such as an excavator, trailer or expensive bicycles, it is very wise to have terms of agreement and contracts in order. Take control of your customers deductibles and deposits by having it clearly stated on your website and in your rental terms and conditions.

The screenshot shows a CMS interface for editing a document titled "Vilkår for benyttelse av tjenesten Your Company". The document content includes a general section and a definition of parties. The interface includes a "SAVE AS DRAFT" button, a "PUBLISH" button, and a "TESTING" button. A "Content Tips" section is also visible on the right side.

Here are some things to consider if you need:

- **Insurance on the equipment.** What happens if it gets hurt? Who's covering it? What should the deductible be?
- **Deposit.** You may want to take a deposit from the customer in advance to ensure that the customer pays in case of any damage to the equipment.

We recommend that you digitise this process and allow the customer to approve your terms quickly with every transaction and without any manual hassle for you whatsoever.



8. Accounting and payment system - integrations are the keyword

One hour spent per customer - from order received, reservation, payment, send order confirmation, invoice to shipment. So much time did one of our customers spend handling one order from their customer before partnering with us.

Then imagine that this customer has 18 orders a day or more. This is a real life horror story, which we unfortunately find that many rental companies are struggling with. **Now he spends almost no time at all on these tedious tasks.** One of those tasks deals with accounting and payment with order confirmations and invoicing.

The answer is very simple. [Integrations.](#)

And what do we mean by integrations do you wonder? What we mean is, that you should have a website or system with built-in automated processes, which communicates with other programs that are specialised in their respective field of expertise.

For example, when creating an **accounting file** for your accountant for the quarter, it is a good idea to have a website that can create files and be uploaded in **Tripletex**.

The screenshot shows a web interface for generating an accounting file. The page is titled "Reports" and "ACCOUNTING FILES". The main heading is "Generate Accounting File". Below the heading, there is a sub-heading: "Please select a start and an end date for the period the system should generate the accounting file". The form contains three fields: "Start Date" with a calendar icon and a dropdown arrow, "End Date" with a calendar icon and a dropdown arrow, and "Type" with a dropdown arrow. To the right of these fields is a "DOWNLOAD FILE" button. Below the form, there is a checkbox labeled "Include Orders With Payment Method: Faktura".



Automation is important when it comes to charging your customers. Customers want to use a **payment system** that is simple and that they trust. Some will pay with **Klarna**, others with **Stripe**, **VISA** or **Vipps**. It is therefore vital to be able to offer customers the method they prefer.

At the same time, it is important that the **payment system** can be integrated with the **accounting system**, so that all payments and orders go directly to your accounting system. That way, you can create a more efficient and automated customer service.

The customer expects an order confirmation or invoice by email, so the question is, do you want to send them out manually?

Orders TESTING

Sent Invoice #99 23 Aug 2021 13:19 Printed

BILL TO:
Jeff Smith
My Company, 910 298 037
Address, 0922 City

INVOICE DATE: 23 Aug 2021 **DUE DATE:** 13 Sep 2021
Invoiced period: 02 Sep 2021 - 09 Sep 2021 [Edit](#)

SEND INVOICE
CLONE **DOWNLOAD PDF**

CURRENCY
NOK | Norwegian Krone

SENDING METHOD
Not set

NO.	NAME	QUANTITY	UNIT	PRICE	PRICE INCL VAT	REBATE	VAT%	SUM	SUM INCL VAT
1	Salprodukt 2 (2021-09-02 - 2021-09-09)	1	stk	2 234.40	2 793.00	0 %	25 %	2 234.40	2 793.00
2	Product Next: Size Size D (2021-09-02 - 2021-09-09)	1	stk	0.00	0.00	0 %	25 %	0.00	0.00
Subtotal									2 234.40 NOK
25% VAT of 2 234.40									558.60 NOK
Total									2 793.00 NOK

INVOICE NOTES



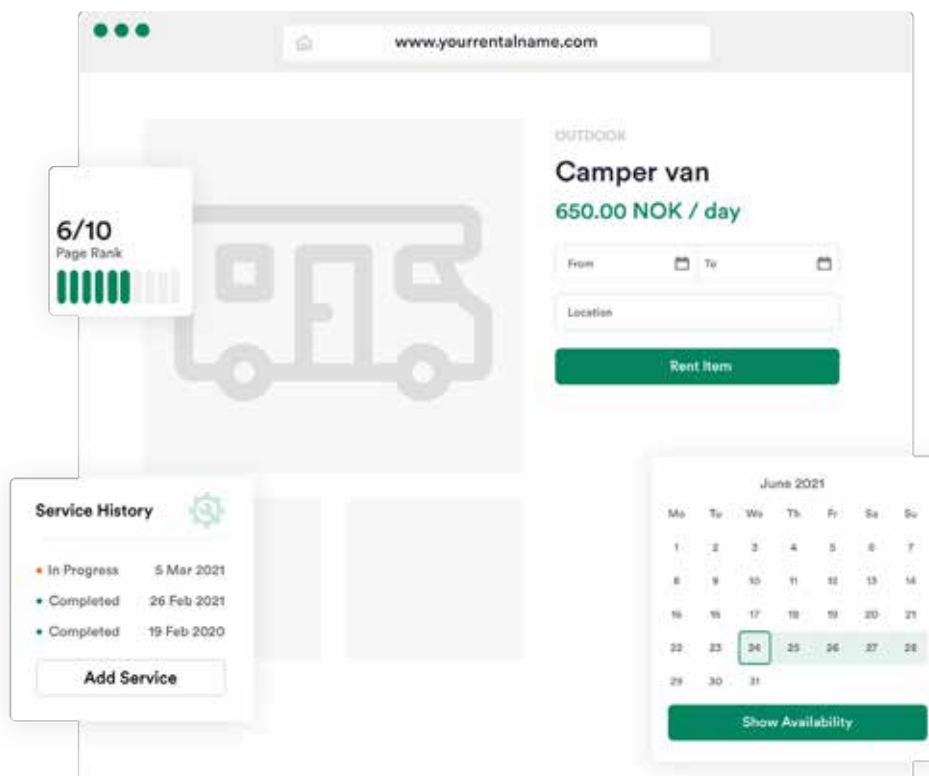
9. Maintenance check

- when the car needs a service checkup

Keep track of the condition of the product.

- When does it need to be repaired?
- What is the life expectancy of the product?
- What unforeseen events can occur?

This allows you to more easily predict periods when the products will be unavailable for rent. Using a system that notifies you of upcoming service means that you have a full overview of expected costs and the possibility of planning better, so that you get the most desirable margins.





10. Marketing

- how will the business grow?

Once you've launched your rental business and got all the practicalities under control, now is the time to figure out how to **attract new customers and grow your business.**

One very basic thing is first of all, to have **enough time to plan your marketing** of your business. At Sharefox, we often experience that marketing and scaling the business is one of the low ranking strategies our customers think about. If you have followed our advice in the first 9 steps, you have already automated so many manual tasks that you have given yourself a huge competitive advantage and created room for growth.

Two types of marketing that may be relevant to you:

- 1) Offers, package solutions and promotions for your own customers.
- 2) Use of digital and social tools to spread awareness about your business.

ID	Code	Action	Valid from	Valid to	Member type	Applies to main products	Applies to accessories	Applies to consumables	Applies to membership	Main product	Consumable	One year	Discount	Amount original	Amount current	
1	7942001	True	2019-04-01	2019-04-30	-	False	False	False	False	All Products	All Consumables	False	-	30	30	✎
2	8462007	True	2019-04-01	2019-12-31	JustRent	True	True	True	False	All Products	All Consumables	False	95%	-	-	✎
3	7942001	True	2019-05-01	2019-06-30	JustRent	True	True	True	True	All Products	All Consumables	False	40%	-	-	✎
4	7944001	False	2019-05-21	2019-05-31	JustRent	False	True	True	True	Membership	Membership, Car (20)	False	10%	3000	400	✎

To create added value among your existing customers, creating your own sales campaigns can be exciting and profitable. There may be **special codes or coupons** with special offers that increase the likelihood of selling more. You can also offer your customers to **buy sub-products** and thus increase your sales. For example, if you create a package solution where you rent out machines such as carpet cleaners, then you can easily sell carpet detergent as a sub-product and increase your earnings.



Fun fact. *Several of our customers' largest sales revenue originates from their rental business, because of a subcategory of products on which you can get extra income when you rent out a main product.*

How to create awareness about your service?

The best advice we can give you is to be visible on the channels your customers use. These can be channels such as email, Facebook, Instagram and Google, or there may be more local channels such as the local newspaper.

We have written several in-depth articles on marketing, which we recommend you to read: [marketing for rental companies](#).

Bonus info: *Do you have a system that provides good user statistics and data? Data can be valuable when used correctly. It would be valuable to know what the most popular rental equipment in your store is. Or when do you have the most user activity during the day, week or month? With a system that collects user data, you will have a good tool to create good campaigns tailored to your customers needs.*



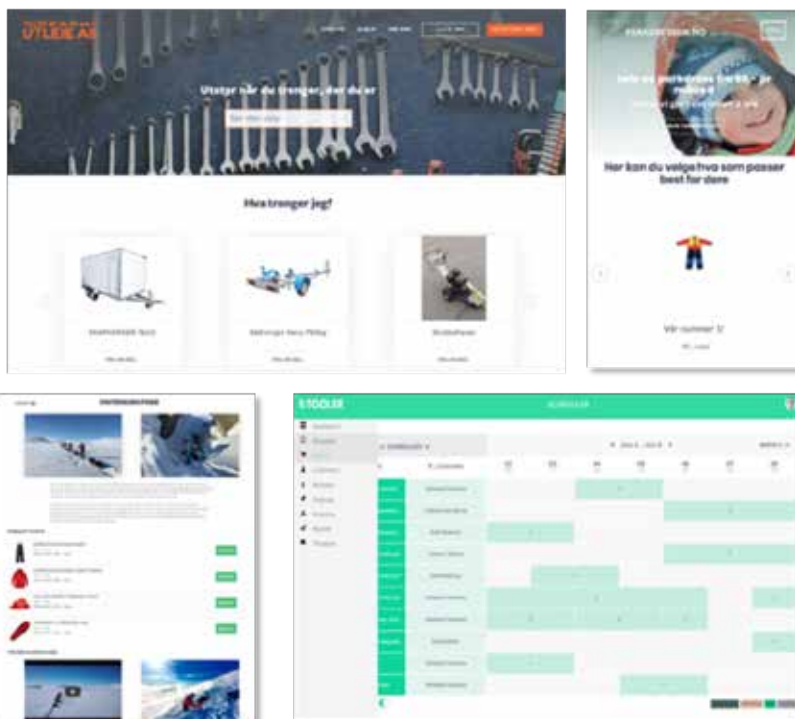
11. Our recommendation

- find an all-in-one system that does the work for you

The operation can run by itself with the right rental system. Sharefox have extensive experience from helping rental companies in getting started or digitising their current operations, and want to help as many small and mid sized businesses as possible to succeed. Our rental software has been developed over several years in collaboration with many of our customers.

With Sharefox software service you will get:

- Ready-to-use website and booking system with a calendar for your customers.
- Inventory and ordering system with digital calendar for you as a business owner.
- Payment system that provides easy payment digitally for your customers.
- Integration with accounting systems such as Tripletex or Visma.
- Order confirmation and invoice system
- Integration with self-service solutions such as [Sharebox](#) or [Inlet](#).
- Service and maintenance history function.
- Marketing tools like SEO and ad value tools.
- Valuable data on your customers' user behaviour and most leased products.



We know how overwhelming it can be to start a rental business, but we at Sharefox can help you.

What are you going to do now?

When you're ready... Here are 4 ways we can help you develop your rental business!

1. Want to get your business up and running today? Try the Sharefox rental system for [free](#) – or [book a demo](#) and have a personal expert analyse your company's situation, come up with solutions on how to streamline your methods and create a more profitable business.
2. To learn more about the Sharefox rental system, read about trends and news for free, visit our [blog](#) or visit our resource section in the main menu. Here you can download guides and eBooks that we also share with our customers.
3. If you want to work with the circular economy, SaaS and want to be part of the Sharefox team or find out why we are one of the fastest growing rental platforms in the rental industry, see our job announcements [here](#).
4. If you have a good friend or know someone who would have found this article interesting, feel free to share it with them via email, [LinkedIn](#) or [Facebook](#).

Sharefox

=> Provides software (SaaS) that makes it easy to launch rental and subscription services.

Sharefox was established in 2016, and the head office is based in Oslo, Norway. We have a large and diverse customer group from larger retail groups to players in mobility and leisure activities, from short-term rentals to longer subscription solutions.

In the circular economy, we have to buy fewer items, but rent and share more of the same products. Our ambition is to make renting as easy as online shopping thus helping the circular economy. Renting instead of buying is essential for the environment and good for the finances of the company and the end user.

We currently have **1000s of users** in Europe and over **10,000 rental transactions** a month.

Sharefox - enabling the rental of anything.

Sources: *[Semrush.com](#) and [GOV.UK](#)