# Centralizing Management:

How Equipment Rental Software Adds Value to Your SMB

To be successful, businesses in the equipment rental industry must improve customer retention, create flexibility, and consistently deliver value to their customers.

Abstract

SMBs around the globe are faced with problems particular to their daily operations. These include not knowing how best to operationalize their limited resources, difficulty retaining customers, and less flexibility to respond to changing market trends. Quite often, business tools made to solve industry problems cater to larger businesses, and neglect to account for the specificity of small- and medium-sized businesses' problems. The equipment rental industry also suffers in this regard. The right equipment rental software can help a business with all three of these issues, and more. Features such as geo-location-based equipment tracking, detailed custom reports, the ability to design your own invoices, customer portals for guaranteed customer satisfaction, etc., can ensure that your business is able to deliver value to customers at every phase in its operational cycle.

Customer Retention

Flexibility

Value Delivery

Loss

Uncertainty

Costs
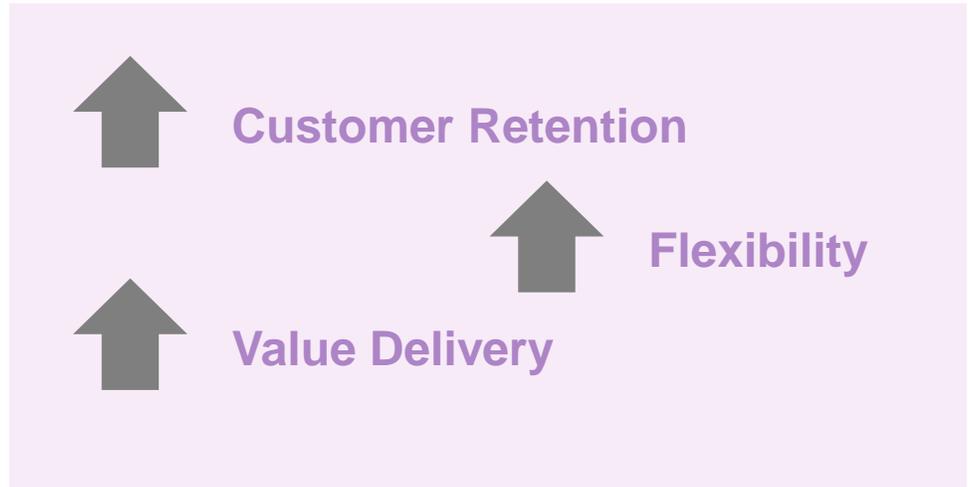
A SaaS-based equipment rental management solution far outstrips the functionality and benefits derived from both desktop software and manual spreadsheets.

The Case for Cloud-Based Enterprise Software

In North America, the rental industry is expanding every year. By 2017, it is expected to have reached around $52.3 billion. This is made up of many smaller, diverse business spheres, all of which are experiencing a steady growth rate. This can be anything from the largest – construction and industrial rentals – or smaller sub-industries such as bike or party rentals. Equipment rental management can be very tough for business owners. Not only must they ensure all their tools and equipment are well-maintained and working at optimum efficiency, but also require a fail-safe system to keep track of asset availability and customer history.

Managing rentals through spreadsheets or desktop software is a relic of the past. Employees managing rentals manually may be more vulnerable to making expensive **mistakes**, and in any case, employing staff for this purpose is a lot more **costly** than purchasing software. The on-premise variety of software itself, however, is not as **flexible** as businesses would like it to be, and fundamental equipment rental activities like renting, auditing, tracking, providing support, making transactions, servicing and coordination are not supported seamlessly by such tools. Businesses end up spending considerable time on such non-revenue-producing activities just to ensure everything continues to run smoothly.

This is not to include the manpower and other **resources** invested to keep track of all their customers and equipment. For example, business have to spend a substantial amount of money on infrastructural or 'setting up' costs - including those for installation, maintenance, workforce training, system updates - if they use on-premise software instead of one based on the subscription model. Therefore, an SMB's scarcity of resources, lack of manpower, and the increased costs of managerial tasks can make equipment rental software an ideal candidate for the job. It also gels well with the **time-sensitive** aspect of the equipment rental industry as a whole, ensuring that all links in the chain of reservations, rentals, and returns remain unbroken. Information being on the cloud is particularly helpful because it means the immediate logging and managing of information relating to customers, on-the-spot payment processing, and the ability to flag up item unavailability or reservation clashes as they happen. All of this enables businesses to increase value delivery and ensure that their business processes – from ensuring customer satisfaction to improving resource workflow – are optimized to the fullest.

Equipment rental software helps SMBs improve their operational workflows by creating value at multiple points of the rental process. This is done by both improving functionality for consumers and lowering cost and time burdens for the business itself.

How Can Equipment Rental Software Add Value to Your SMB?

A study by McKinsey and Company showed the two possible ways that value can be added for consumers. First, your product might actually **have better functionality** than others on the market, meaning it accomplishes the same goals quicker or more effectively. Particularly with reference to B2B companies, this translates into creating a product that enables your customers to charge their customers a higher price, or create consumer loyalty, or be a market leader. In this sense, value delivery is a by-product of how smoothly a business is able to run. The second way value is created by businesses is if your product allows them to **lower their burdens** in a significant way. These could be financial burdens owing to the continual loss of rental equipment, for instance, or burdens relating to the huge amount of manual managerial investment required to ensure everything operates as it should.

A rental management software is a great resource for SMBs and the particular problems that they are routinely faced with. This is because it creates value in both these ways - by enabling your customers to have better functionality, as well as lowering their burdens significantly. The main entity around which equipment rental businesses are centered is of course the equipment itself. Imagine an equipment rental company that is unable to keep track of which pieces of equipment have already been rented out, or that does not have an efficient system to log and track the maintenance and servicing schedules of its assets and therefore consistently lends out faulty equipment to its consumers. This is why the **tracking and managing of equipment** is an obvious priority for any equipment rental software. This is perhaps one of the easiest ways for a business to add value to its operations, since it works at the level of improving functionality. Therefore, equipment rental businesses will now be able to rent out well-serviced, regularly-audited equipment which is simultaneously less likely to be lost, stolen or misplaced. This would not only make your business a lot more reliable and reputable but also impede unprofessional breaks in the rental schedule because of mishandled or broken down equipment.

Of course, once the equipment has been taken care of, the next big priority for an equipment rental business is its customers. It is therefore of primal importance to ensure that your customers not only

In order to be effective, equipment rental management solutions need to not only track and manage equipment, but also to improver customer satisfaction and flexibility. This allows them to meet broader challenges and market pressures.

get what they pay for, but also have a positive experience all around - including with reference to customer support, the quality of the items they have rented, the speed with which their queries are met with a reply, the ease with which they are able to pick out an item in the first instance and pay for it, etc. In this sense, a rental management software that disregards the importance of **customer satisfaction** is not worth investing in. This is because businesses can never be successful by focusing only on the tangible assets of a business and forgetting the primacy of intangible business priorities such as customer loyalty or brand image. A customer relationship management tool built into an equipment rental software can therefore help businesses meet their customer-service goals a lot more effectively. It also helps ease the burdens of the company who opts for such software. This is because by simplifying the channels of communication, levels of access, and reservation schedules can all translate into a positive experience for your customers.

Businesses can also use the considerable time saved on micro-managing cumbersome aspects of rental management and instead invest this time into more profitable avenues, such as thinking about expanding their equipment portfolio, for example. Ultimately, all these time and cost savings will lead to the creation of substantial value for one's customers. In this sense, the more finely-tuned a rental management software is, the more **flexibility** it is able to provide to your SMB. This flexibility can be interpreted in many ways, depending on the specific requirement and organizational goals of your business. For example, some SMBs would like to remain on the smaller end of the spectrum, but would like to have greater control over all aspects of its managerial functions, such as the ability to create their own asset labels and invoices, or to be able to keep track of taxes and depreciation a lot more effectively. On the other hand, an SMB looking for growth might be more interested in integrations with third-party apps that can further help it saves time and resource costs, or to be able to analyze in-depth custom reports relating to a very specific set of variables.

Features endorsing better CRM include – among others - a sophisticated reservation system, a rental Point of Sale, and invoice management.

Customer Relationship Management

The equipment rental industry is peculiar because, in a practical sense, it blurs the line between selling products and services. Not only is it renting out actual equipment - be it lightweight construction equipment, party supplies or adventure gear - but is simultaneously trying to ensure that its customers have a pleasant customer experience throughout their extended transactions of choosing, paying, renting, using and then handing the items back. In this way, an equipment rental business owner's relationship with their customers does not end with the actual renting out of the item. This is why an equipment rental management tool is useless if it marginalizes the experience of customers and focuses solely on the management and maintenance of equipment.

As a result, what is really required is a **CRM (Customer Relationship Management)** tool of sorts to work alongside a rental equipment management solution. This ensures that there is no double-booking on a single piece of equipment through calendar-supported **reservation systems**, for example, or centralizes the platforms across which you can send alerts and notifications to consumers and they in turn can see the details of all the items they have rented, the cost, and the time they are due back. An effective system centered around these principles can also cut down on wait times by ensuring assets are available when they are expected, or making the process of choosing an item easier for consumers by having an effective **online rental store** for them to access, browse through, and make educated purchases of equipment.

Therefore, the attention to detail is what will help a small equipment rental business excel - invoice management to keep the cash flow in order, a rental Point of Sale avenue to make renting out equipment far more streamlined, and the automatic **application of coupons** (both punitive and reward-based) can all help small business owners push themselves that much more in creating and retaining loyal customers.

However, the management of equipment and customers is in itself not enough to make a business stand either the ravages of the market or the test of time. This is why what will really help these SMBs up the game is to focus on the larger picture, enabling them to grow, expand, and respond to changing market trends with ease. We'll talk about that next.

A robust equipment rental software should enable your SMB to be a lot more flexible. This includes integration with third-party apps, in-depth customized reports, and QR Code management.

Flexibility

An equipment rental business needs to be able to handle a large number of customers if it wants to succeed at all. This does not just mean being able to accommodate a larger number of customers seasonally or during times of increases market activity, but also as part of a long-term strategy for SMBs to keep up a rate of slow and steady growth. Therefore, what is really needed is a software that is extremely flexible in a lot of different ways - allowing you to **adjust** based on your size, type of rental business, corporate culture, and even whether you are selling to consumers or to other businesses. This kind of ability to change along with the business you are catering to is therefore especially crucial for an SMB. In this way, flexibility can actually be a great **means of control** for a business. This is because you can scale your business up or down, add administration levels to your rental account depending on what kind of access you want your employees to have,

Software, in this sense, helps you understand the larger framework that your business operates within, enabling you to **integrate with third-party apps**, create linkages between your equipment, customers, vendors, and locations, and of course even give you control over smaller aspects like labelling your own QR Codes for your equipment, or **designing invoices** that help you put across all that your business has to offer.

In this way, not only should a robust rental equipment software manage equipment and customers, but should also manage the many complexities associated with running a rental business. These could be small things like processing and monitoring billing and scheduling activities, workflow management, **customized reports** that enable you to only focus on details that you care about, and configurable options that let you privilege certain aspects of the business over others, and dress the interface up or down depending on what their requirement and preferences are.

Equipment management is the cornerstone of sturdy equipment rental software. Centralized control, service modules, and the ability to charge damages or track maintenance costs are extremely helpful for SMBs.

Equipment Management

It can be difficult for equipment rental business owners to effectively balance their equipment stock with the cash on hand they have available. Ideally, a business should never have to turn away paying consumers because they did not stock the right thing or have enough of it. At the same time, purchasing too much equipment not only increases storage and maintenance costs, but might actually be a complete waste if the business has not done enough research to know exactly what their customers want, and how much equipment they can expect to rent out in a specific period. This is why it is in the equipment rental business' best interests to ensure equipment optimization. This means they should be getting as much revenue out of a decent-sized pool of equipment as possible. This will help improve cash flow, which is usually one of the major worries SMBs are faced with on a regular basis.

Therefore, what is needed is a rental equipment management system that will **centralize control** of both your assets and inventory, and help you track and manage all orders placed. This will provide a kind of focused attention to your product - that is, the equipment you are renting out - and ensure that customers are never let down with its quality, availability, or other features.

For example, a really beneficial feature would be a **service module** that can help keep track of when a piece of equipment needs to undergo servicing, and to ensure that unavailability is flagged up when a rental is being serviced. In addition, the ability to **track maintenance costs** over an asset's lifecycle can help equipment rental business owners see which assets are costing more than they rake in, and perhaps allow them to cycle equipment a lot more effectively so that wear and tear is distributed equally over all equipment. Not just this, but features that pay close attention to detail – such as the ability to **charge damages** from customers - are an added bonus to the speedy running of a business.

Of course, rental businesses can offer a lot of different products, managing which can be extremely costly not just in terms of the amount of time and financial resources invested but also the employees required to keep track of who has what, where it is located and when it is due back, calling up customers to manually check with them, or worse yet, staying completely in the dark about your

Safeguards like order verification, rental rule engines, and payment tracking can help reinforce control and ensure smooth workflows.

equipment altogether. This is why simple safeguards like **order verification**, and **rental rule engines** - allowing you to confirm details and define guides seasonal pricing or equipment group, for example - can help bypass a lot of the risk associated with running an equipment rental business.

This is also why **payment tracking** is effective because it insures you against non-payment by helping you stay 'on the case', send out auto reminders and generally allow you to be in as much contact with your clients as you would like. These are just the basics; managing assets and inventory, being able to track meta-locations and interpret all data visually, and seeing how taxes are applied to specific invoices is crucial to the smooth functioning of an equipment rental business. What comes next is how this hyper-control of equipment translates into customer happiness and business growth. We will discuss these next.

Conclusion

SMBs benefit from rental management software in a number of ways. They need to be able to **amplify equipment optimization, improve customer relations,** and **ensure organizational flexibility** within a larger managerial infrastructure. This not only greatly enhances the value a business is able to deliver to its customers, but also leads to lower costs, smoother workflows, and greater opportunities for growth.

EZRentOut offers a cloud-based solution to any equipment rental business' rental management woes. It is an equipment rental solution that requires no hardware or software setup, providing a complete end-to-end solution that offers increases customization, control, and data management. EZRentOut can help your SMB make customers happy and be the very best at what it does!

EZRentOut

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