

# MAGELLAN JETS

ELEVATE EXPECTATIONS



**EMULATING JET OWNERSHIP**

# Getting Jet Specific: Why Seasoned Private Travelers Are Looking To Emulate Jet Ownership

Since the turn of the 21<sup>st</sup> century, private aviation has changed tremendously from the traveler's point of view. What was once split between options for jet ownership and options to simply get from point A to B has now become a multi-dimensional range of choices for those flying private.

At the center of this is the real evolution of the customer. Those accustomed to private jet travel are looking for more ways to enjoy the comfort and familiarity of owning a specific plane. For executives who travel but do not own a plane, that may mean finding a way to emulate ownership for their personal trips.

For those who do own a plane or participate in fractional programs, that could include ensuring they have access to the same style of aircraft when theirs is unavailable. For instance, a Gulfstream G450 is a \$50 million asset that could be down for maintenance for about one month of the year – owners often prefer access to another G450 during those down times.





In either case, those who know their way around private travel are focused on a few elements that ownership provides: efficiency, consistency, and a personal connection to the aircraft. Having access to the specific jet that meets their requirements has become a major factor.

The voice of the customer has been raised and heard. As [Fortune Magazine](#) notes when citing David Mayer, a partner at aviation law firm Shackelford, Melton, McKinley & Norton, "To be sure, there are still those who see value in owning their own plane, and won't settle for less. In some of the Asian markets especially, there's an emotional preference to buy a new aircraft. They want it to be their plane, their design. 'I bought it, it's mine and mine only.'"

The reality is, however, that the recession introduced a "new normal" of slow growth for aircraft sales, with supply outstripping demand – a trend that is expected to continue into the next decade.

"With average annual utilization rates

well below their pre-2008 levels, we estimate that the equivalent of more than 25 percent of the US business jet fleet is effectively idled even as the fleet grows," wrote [AvBuyer Magazine](#). "Honeywell predicts 2016 will be a weaker year for jet deliveries than 2015, and that 2017 isn't likely to be a whole lot better."

Idle time makes a quick impact. Depreciation of new aircraft is around 10 percent in the first year, and about 5-7 percent per year thereafter. If a flier buys an aircraft with the intention of flying 400 hours per year, but any number of situations (CEO quits, death in the family, etc.) result in fewer hours being flown, depreciation is even higher.

Even as inventory swells and planes sit idle, the same market analysis notes that business aviation flight activity in October 2015 was the highest since 2007. With more people in the air but hesitant to buy, travelers are accessing options – primarily through membership programs – that provide the benefits of ownership without additional cost and maintenance burdens.

# Rise Of Supplemental Lift

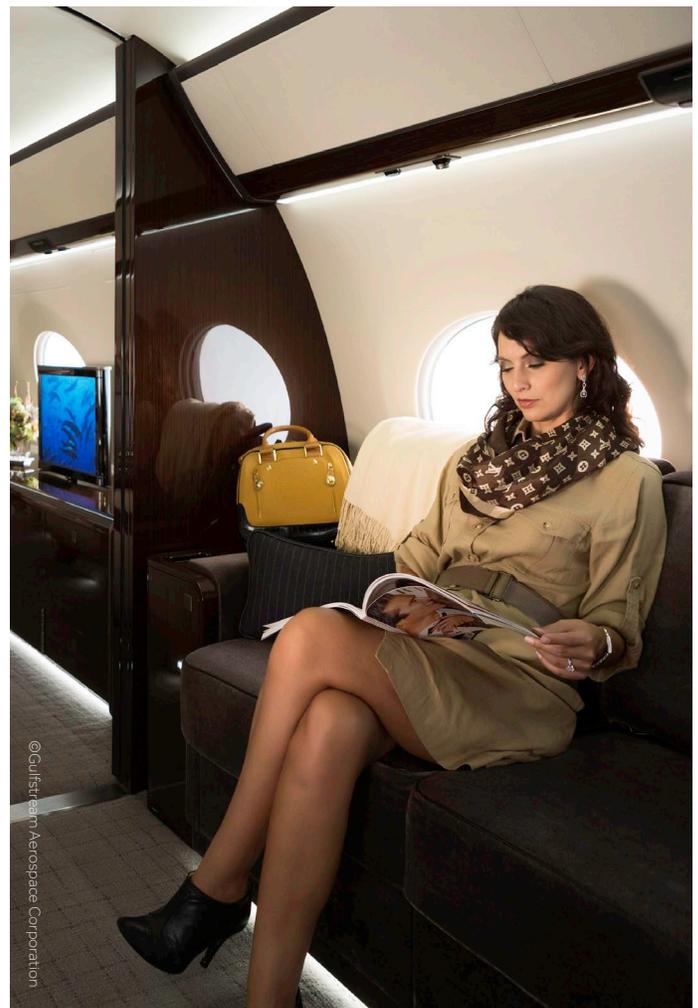
The attachment to a specific jet is not just emotional. On the contrary, private fliers gravitate toward an aircraft because it suits their needs and they understand it. After getting used to a Gulfstream's large cabin and high speed, for example, it can be frustrating for fliers to find themselves in a tighter space with longer flight times.

For business travelers especially, a team that makes a trip to six different offices over two days certainly appreciates being in the right size aircraft, rather than squeezing eight people onto a smaller model. Unexpectedly switching aircraft due to a company's overbooked fleet or maintenance, therefore, can create problems.

Unfortunately, it's almost inevitable. A recent [survey](#) found that 55 percent of pilots say their companies employ 500 or fewer workers – and 74 percent say the companies operate just one airplane. With at least the full executive team sharing time on the company jet, booking conflicts are sure to arise.

Supplemental lift provides fliers with additional hours on the same model aircraft through a shared service. By establishing relationships with providers that offer the right jet, corporate travelers have a seamless experience

when the company plane is unavailable. Supplemental lift is also an attractive option when personal travel comes into play. Deloitte points out that [for tax purposes](#), it may make sense to "access different aircraft for each type of travel in order to preserve the deductibility of the business flights and not dilute deductibility by using a business aircraft for personal entertainment purposes, the cost of which is not deductible."



# The Value Of Personal Preference

Of course, enjoying the benefits of ownership is not all business. From a personal and emotional standpoint, most passengers flying through a membership program simply want to feel as if the plane is theirs.

For providers, this is no easy task. Making a customer feel completely at home goes well beyond aircraft selection, it involves details such as the way pilots greet passengers, bring their bags from the FBO, and communicate about the flight details; how catering is selected; stocking the right items on board; and understanding the nature of the trip.

That final piece – understanding the trip is particularly important and requires a concerted effort to truly know the flier. Over the course of many trips, flight support teams should invest the time to learn about a passenger's preferences, their concerns, and the elements of travel that are most important to them. Critical to the experience is anticipating what each traveler wants – before they realize they want it. Better service from a company can be expected when a detailed profile of the flier is created in conjunction with the flight support team and filed correctly, then evaluated by the entire team.



When the full team (on the ground and in the air) fully understands the passenger, they can provide the in-cabin environment and overall experience that will make travelers feel as if the aircraft is customized to them.

For example, when a frequent customer brings her children to school across country each Fall, the trip can be an emotional roller coaster. A flight support team that is in touch with the family's needs can supply items that may bring the travelers a personalized experience such as birthday celebrations, anniversaries, games, and tailored gift bags – while also recognizing that their journey is an opportunity for a few precious hours of uninterrupted time together.

# *Finding The Niche*

Achieving the kind of high touch service required to emulate the feeling of true ownership is not an industry-wide reality. On the contrary, most private aviation vendors offer experiences that are based on getting customers to their destination in relative style, without significant regard to personal preference. They provide certain categories of planes and do not emphasize the research necessary to give travelers a truly personalized experience.

The reason? Pure economics: there are operational challenges in the details, and it is much easier to approach bookings in terms of plane optimization (which planes in the fleet can most readily be put into play) rather than customer optimization (which plane in the fleet best meets the traveler's profile).

Being jet-specific means that a provider must have a more selective network of operators, and very few companies can bring a specific jet to the right FBO at the right time. The customer service aspect around this aspect of the trip is a significant effort, as teams of experts devote time to getting the right aircraft in place.

To bring private fliers that sense of ownership calls for a high level of commitment on the part of the provider and a level of appreciation on the part of the traveler. Most passengers seeking this experience know how, what, and when they want to fly; they are accustomed to flying their way, and they expect the experience to match their level of sophistication.

Whether for corporate or personal travel, time in the air should not be lost adjusting to a new set of circumstances each time around. Comfort and efficiency go hand in hand, and passengers can best capture the optimal experience on a plane that feels like their own.



# About Joshua Hebert

Joshua Hebert founded Magellan Jets in 2008 after 15 years of experience in finance, marketing, and aviation. Hebert's expertise in business start-ups, transformations, search engine optimization, and marketing has enabled him to grow Magellan Jets into the brand it is today.

Prior to founding Magellan Jets, Joshua worked on Wall Street as an executive for Paine Webber before applying his marketing skills to The Boston Business Journal where as sales manager he earned the highest sales award from the American City Business Journal for the three years in a row. Joshua went on to found [Jets.com](http://Jets.com), a private jet company, where he served as SVP beginning in 2000 before founding Magellan Jets. In doing so, Hebert was able to combine his passion for aviation and marketing with his knowledge and expertise in financial relations.

As part of his success, Joshua has embraced web technologies and social media to build brands and increase revenue. Among his most innovative accomplishments are the launches of the One Way Leg Search iTunes app and real time tool, which is the first ever online program that allows clients to manage their own travel with one simple device.

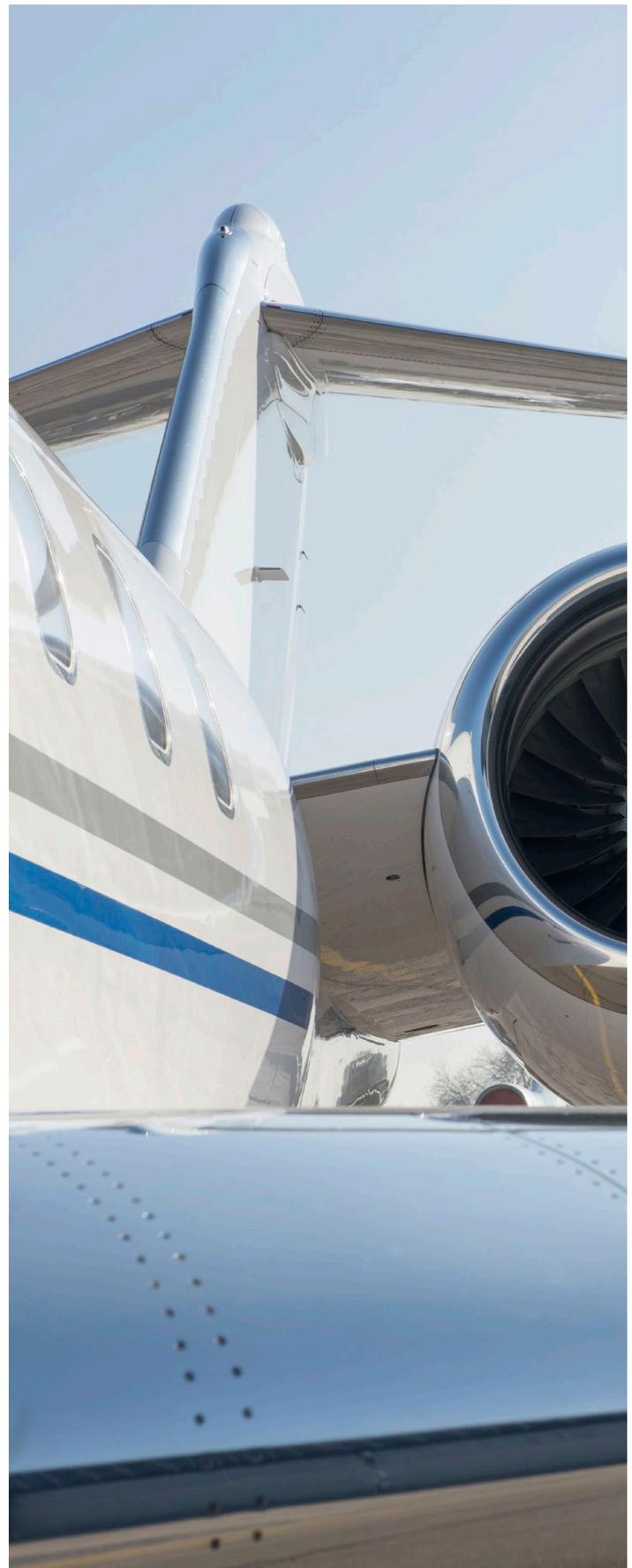


Magellan Jets has been recognized for its growing success several years in a row on the Inc. 5000 list of Fastest Growing Private Companies in America, Boston Business Journal's Pacesetters (now Fast 50) list of the Fastest Growing Private Companies in Massachusetts, and most recently as one of SmartCEO's Future 50.

Mr. Joshua Hebert currently serves as Chairman on the Magellan Jets board, the Governance Board for Air Charter Safety Foundation (ACSF), Founding Chair of the Alumni Advisory Board for Raising a Reader of Massachusetts (RAR MA), and as a member of the Young Entrepreneurs' Organization (YPO).

He is also a member of the Harvard Club and has been a finalist for Entrepreneur of the Year. He is quoted in Barron's, Forbes, The Wall Street Journal, Bloomberg Business Week, and The Economist among other major publications.

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**MAGELLAN JETS  
PREFERRED NETWORK**



Aside from utilizing information provided by our 3rd party safety auditing partners, Magellan Jets Flight Support and Compliance Team also provides another layer of due diligence when carefully selecting and approving aircraft and flight crews to meet our requirements. **Made up of professional pilots, Compliance is responsible for carefully evaluating everything from DO85's, Insurance, aircraft quality, incidents, customer feedback and operational knowledge of our providers.** They are also pleased to work with your corporate flight department for any additional information or company requirements.

Magellan Jets does not own or operate aircraft, instead, we recommend the best positioned aircraft on each and every trip that our clients take. We take great pride in providing the best value to our clients using technology to locate the right aircraft from Magellan Jets Preferred Network (MJPN). All approved vendors in our network are FAA Part 135 air taxi operators, and are also required to adhere to safety requirements set forth by Wyvern and/or ARG/US, the leading 3rd party safety auditing firms in the country. Providing the safest and most experienced aircraft and flight crews in the private aviation industry, while providing competitive rates, is what sets Magellan Jets apart from the competition.