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TRAVEL AND HOSPITALITY

## Customer experience is essential to client retention: Magellan Jets owner

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Magellan ups its customer offerings for new fliers by allowing risk-free flying. Image credit: Magellan Jets

By SARAH RAMIREZ

NEW YORK For the ultra-affluent, quality customer experience can be a decision-making factor since these consumers are not often motivated by budget constraints.



According to the president and co-owner of Magellan Jets, retaining clients through high-level service and interactions is more valuable than acquiring new ones. During a presentation at LuxeCX/AMCX 2019 on Sept. 25, he shared some of his experiences connecting with customers.

"Focusing on the relationship and not the transaction was a very different approach for myself [to learn]," said Anthony Tivnan, president/co-owner of Magellan Jets. "When dealing with a luxury consumer, it's about being able to back up your promises when things go wrong and come back with solutions, not excuses."

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## Emphasis on retention

Mr. Tivnan has spent almost two decades in private aviation, and he was one of the founding members of Magellan Jets in 2008.

The executive admitted that when starting a business, growing through retention is not a priority for the first years. However, for a business to achieve continued success, it is a shift that must be made.



The interior of a Magellan Jet. Image credit: Magellan Jets

"We didn't pay enough attention to rewarding our existing customers to spend and refer more," Mr. Tivnan said.

Since ultra-affluent clients are not constrained by budgets, they are instead worried about choosing the right firms or companies to work with. These consumers must find a company that is reliable, trustworthy and has a strong safety record particularly in the case of private aviation.

In Mr. Tivnan's experience, many client decisions are driven by emotion rather than logic.

For instance, he reflected on a prospective client who chose a competing firm because of its more flexible cancelation policies, despite the prospect never rescheduling a chartered flight and Magellan offering a lower price point for its services. This demonstrated how people would rather avoid a loss than realize a gain if choosing between the two.

"We're focused on what our customers are thinking about, as opposed to our product and our brand," Mr. Tivnan. "How do we incorporate ourselves into our customers' lives and integrate what we do and what they want the outcome to be?"

## Personalized planes

Magellan Jets also emphasizes personalization, and presents private aviation as way for clients to live more enriching lives. In one customer experience that stood out to Mr. Tivnan, a flight crew dressed up as Disney characters for a family's first trip to Disney World.

This philosophy about exceptional experience has also impacted the company's marketing. Magellan's marketing imagery has shifted from showing off its fleet of planes to showing the end results of flying private, such as a couple enjoying a walk on the beach.



Magellan Jets has updated its marketing imagery. Image credit: Magellan Jets

Magellan Jets has also released a risk-free membership with a 30-day satisfaction guarantee, bucking the trend of most private jet memberships.

Elevate is the private jet firm's newest membership program that will allow refunds for unhappy customers for up to 30 days. The program is meant to erase the common strategy in the private air industry that requires customers to pay membership fees before even taking their first flight (see story).

In the past, Magellan has also incentivized clients with rare perks for joining. One unique offering was an ultimate

grand prix weekend giving consumers Owner's Suite seats to the IndyCar Series, passes to the garage and pit and the opportunity to meet drivers (see story).

"If it's not personal, don't waste your time or expense," Mr. Tivnan said. "It's valuable to tap into an emotion."

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