

Industry Headline News

Paramount Business Jets releases private jet cost calculator

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Inflexible airline schedules, a lack of flights, missed connections and delays are but a few sources of frustration for regular business travelers. Even larger groups (such as sports teams) would find it difficult to get 60 people through security, checked onto a commercial flight while making sure that luggage and equipment arrived in a timely manner. In contrast, on-demand travel provides these travelers with operational flexibility and the ability to react intelligently to changing business situations whether on the ground or in the air.

When calculating the cost of private travel, there are a number of variables that need to be involved to determine the actual productivity, trip expenses and family time saved by traveling via business aircraft versus airline alternatives. Some of these variables include:

- Trip purpose and outcome - The nature and urgency of the trip as well as the ultimate outcome
- Cost of air service - The actual cost of utilizing on-demand transportation versus comparable airline flights
- Cost of employee travel time - The door-to-door cost of transporting each passenger utilizing on-demand transportation versus comparable airline flights
- Other travel expenses - Hotel stays, overnight costs and more
- Value of employee travel time - The value of an employee's time is more than simply the employee's compensation level per hour but this is an important financial consideration
- Value of productive time during travel
- Non-business hours away from home
- Productive hours saved

It is interesting to note that the value of employee's travel time can often turn airline trips into costly ventures in comparison to simply using on-demand travel. For example, if an executive is worth \$150 per productive work hour and he/she is expected to bring revenues of 3 times compensation, then all aspects of his or her time (such as travel time), carries the same value. In this sense the executive would actually be worth \$450 per productive work hour. Therefore placing such key level personnel on airline schedules subject to delays, overnight stays and more can end up costing companies much more in compensation compared to on-demand travel that could effectively reduce travel time and connections and have the executive back the same day.

Illustrating this concept, [Paramount Business Jets](#) recently flew a group of business executives who were looking to conduct a number of site inspections in a short span of time. Flying from New Jersey, to Florida and Ohio, they tried to minimize their travel time and considered both scheduled airlines and on-demand travel to compare both time and cost savings. Taking a mid-size jet saved them nearly 45 hours of travel time in comparison to taking airline schedules and ultimately saved the company \$9,568 in overall costs (including airline fares, overnight stays and car rental fees). In addition to all this, the group was able to use the aircraft for confidential discussions and to productively plan for each site inspection en-route.

So how much does it cost to charter a private jet? Unfortunately, there is no quick and simple answer. The cost will most likely depend on a number of factors such as the number of passengers and cargo to be transported, the departure and destination and the length of the trip, (whether it be an overnight stay or days or weeks).

However, in an effort to further illustrate the differences between airline and on-demand operations and costs, Paramount Business Jets has created a comprehensive cost comparison calculator. Clients can try using the calculator to understand more about on-demand pricing and discover the benefits that private jet travel can offer. To learn more and to try the calculator, go to http://www.paramountbusinessjets.com/charter_cost_comparison.php.

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