

A study commissioned by
Airbus Corporate Jets

ACJ

US business aviation market outlook 2024



AIRBUS



Introduction

The U.S. business aviation market is on a long-term growth trajectory. This is being fueled by several factors including a growing realization of the business benefits from using private jets, to the sector's increased focus on sustainability, innovation and the launch of new, larger aircraft.

Also, it's important not to overlook how the sector contributes towards economic growth, and the role it plays in supporting philanthropic causes.

ACJ wanted to take a closer look at the key trends within the U.S. business aviation market, and the finance sector that supports it. To do this it commissioned independent research with senior executives of large U.S. businesses with annual revenue of at least \$500 million,¹ and also with business aviation financiers and private jet brokers² to capture their views on how business aviation in the U.S. is changing, and why.



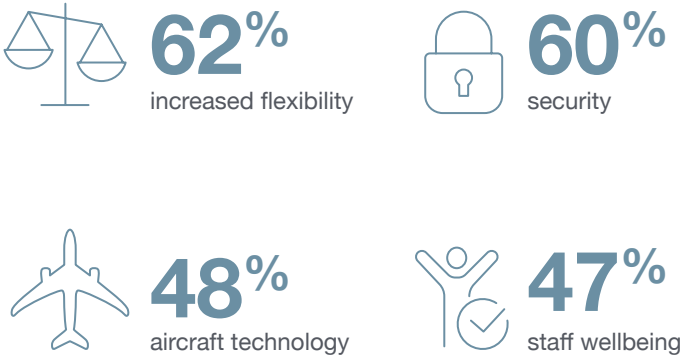
US corporations highlight the growing contribution business aviation makes to their operations

ACJ's study found that 95% of senior executives at large U.S. corporations interviewed who use private jets believe they are a vital business tool enabling them to reach destinations more quickly, have more face-to-face meetings with clients and business partners, and generally use their time more efficiently.

Some 83% of senior executives interviewed believe they can work more effectively on board a business jet than in their own office.

Around 86% of those surveyed believe that U.S. companies that own or lease their aircraft will increase their utilization of them over the next two years. This is partly explained by the fact that 83% of those senior executives surveyed say the level of continental and intercontinental travel has increased in the past two years. Overall, 88% say their company's budget for business travel has risen.

In terms of why senior U.S. corporate executives expect their organization to make greater use of business aviation, the main reason – cited by 62% of respondents – is the increased flexibility it provides. This is followed by 60% who cite a growing focus on personal security, 48% who highlight the greater technology on board aircraft, and 47% who cite a greater focus on the well-being of staff.




Over the next five years, 85% of those surveyed expect to see an increase in large U.S. corporations buying aircraft to provide a 'shuttle service' to transport employees. Some 77% say a key reason for this is their desire to provide greater comfort and a better working environment for employees.




Plans to upgrade

Given the growing importance many U.S. corporations place on business aviation, ACJ's study reveals that of those companies surveyed that own or lease a private jet, 95% expect to upgrade them to better, newer models over the next five years.

 **76%** More fuel efficient aircraft

49% Need for a bigger aircraft 

 **47%** Bigger focus on operational costs

The main reason for upgrading is to have a more fuel efficient aircraft – cited by 76% of those surveyed. This is followed by 49% who say they have a growing need for a bigger aircraft as more company executives are using business aviation, and 47% who say it is because they are placing a bigger focus on managing operational costs.

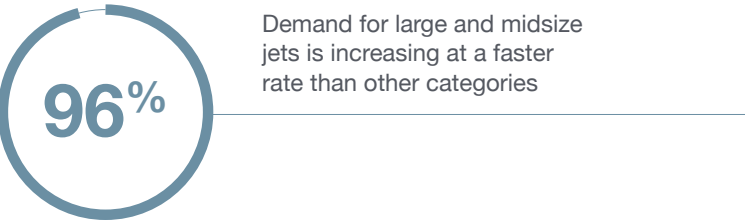


Upgrade to large, heavy business aircraft in the US is set to accelerate

ACJ's study with U.S.-based business aviation financiers and private jet brokers, reveals that 62% expect the sale of large business jets to increase over the next five years – some 8% expect a dramatic rise.



According to the surveys respondents, the primary factor fueling the sale of business aircraft in the U.S., is that many owners have older aircraft and are looking to upgrade them. Other top factors are OEMs introducing new models, especially in the midsize and heavy jet categories, and then growing recognition of the business benefits of using private jets. Other factors supporting growth include an increased focus on the well-being of staff from many relevant employers to the pool of organizations and people using business aviation increasing.



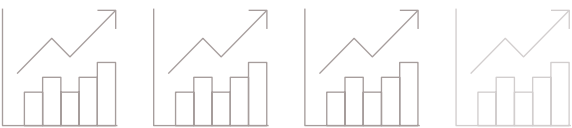
Nearly all (96%) business aviation financiers and private jet brokers surveyed agree with the view that demand for large and midsize jets is increasing at a faster rate than other categories due to their range and capacity, and because OEMs are driving interest in these sectors with the introduction of new models. Between now and 2027, 84% of those surveyed believe the focus on heavy and midsize jets will increase.



A strong US business aviation finance market

Some 84% of U.S.-based business aviation financiers and private jet brokers surveyed by ACJ expect the business aviation finance and leasing market to grow over the next two years. Furthermore, 82% of those surveyed expect access to business aviation finance to increase between now and 2027.

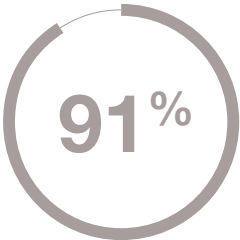
Over the next five years, 73% of those surveyed expect the market share of the business aviation finance market from specialist lenders to increase - 17% believe it will grow dramatically. Just 12% expect their market share to fall, and 15% anticipate it won't change.



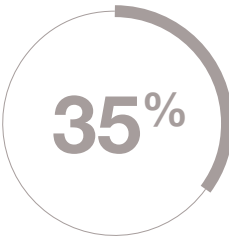
Three out of four expect demand for operating leases to rise

Operating leases – where the lessor takes the title of an aircraft and leases it back to the buyer - are expected to grow in popularity over the next five years. Three out of four business aviation financiers and private jet brokers expect demand for these to rise.

Nine out of ten (91%) business aviation financiers and brokers interviewed believe business aviation finance rates will become more attractive between now and 2026.



91% believe business aviation finance rates will become more attractive



35% believe larger business aircraft should hold their value better

When it comes to larger business aircraft, demand is increasing at a faster rate than for smaller jets, and 35% of business aviation financiers and brokers believe this means they should hold their value better. However, 63% expect changes in their valuation to be in line with the business aviation market in general.

As demand for larger business jets is increasing at a faster rate than the market as a whole, 63% of those surveyed believe it will become easier to secure financing for them compared to mid-sized or smaller jets.

Growing impact US business aviation has on the economy and wider humanitarian causes

ACJ's study with U.S.-based private jet financiers and brokers reveals that in five years' time, they believe business aviation will contribute around \$182.8 billion to the U.S. economy. It currently contributes around \$150 billion a year.³

One of the major contributions business aviation makes to the U.S. economy is that it's an economic lifeline to thousands of communities. There are more than 5,000 public-use airports in the U.S., and fewer than 500 have a commercial airline service, making business aviation vital. Some 85% of private jet financiers and brokers interviewed believe the significance of this role played by business aviation will increase over the next five years.



The research from ACJ also reveals the growing role business aviation plays in supporting philanthropic and humanitarian causes. Some 83% of business aviation financiers and brokers interviewed believe the role the sector plays in supporting emergency responders and those providing humanitarian relief will increase over the next five years.

From ACJ's study with senior executives of large U.S. corporations who use business aviation, 64% say they use their aircraft for philanthropic purposes.

Of those executives interviewed whose organizations are not currently open to using their aircraft in this way, 25% say it's because they don't have enough capacity in the utilization of their business aircraft to start doing this, and 22% say it's because they haven't appointed anyone internally to manage this. However, half (50%) expect to start considering using their aircraft to support philanthropic causes within the next three years.



Conclusion

Many U.S. corporations are clearly making greater use of business aviation as they see it as a valuable tool to supporting their growth and success. ACJ's research suggests that more employees within large U.S. corporations are using business aviation, and this is fueling demand for larger business aircraft.

The wider positive benefits from the business aviation sector are often overlooked. The sector not only supports organizations in their growth plans by enabling them to reach destinations more easily and facilitate important meetings, it also supports many local communities that are not serviced by commercial airlines, creating thousands of jobs from engineers to catering staff and pilots.

ACJ's research also highlights the growing role played by business aviation in supporting philanthropic causes.

Aircraft financing is key to supporting growth in the business aviation sector. ACJ's study suggests that the business aviation market is set to continue to expand and access to finance will become more available. In particular, as demand for larger business aircraft increases, it may become easier to secure financing against them.

The outlook for business aviation in the U.S. remains positive. There is a growing pool of organizations and people using private jets, and the sector is increasing its focus on innovation and sustainability, evidenced by the launch of exciting new efficient aircraft. Furthermore, access to finance to support the sector's expansion remains strong.

The ACJ TwoTwenty

ACJ offers a range of large business aircraft. The recently launched ACJ TwoTwenty is carving out a whole new market segment – 'The Xtra Large Bizjet.'

The ACJ TwoTwenty offers twice the cabin real estate compared to similarly priced ultra long range (ULR) business jets with market-leading fuel efficiency and unrivaled reliability. It occupies the same parking footprint as competitive ULR jets and can take off from the same airports, but the ACJ TwoTwenty operating costs are one-third less.

With a range of up to 5,650 nm (more than 12 flight hours), the ACJ TwoTwenty can meet the requirements of 99.9% of all U.S. departures,⁴ connecting city pairs including Los Angeles to London, Miami to Buenos Aires, and New York to Istanbul.

As with all ACJ aircraft, the ACJ TwoTwenty is capable of flying with up to a 50% blend of kerosene and sustainable aviation fuel (SAF) while keeping to the technical specifications of Jet A. All Airbus commercial aircraft and helicopters will be capable of operating with 100% SAF by 2030. This capability will play an important role in the sector's decarbonization journey.

More than 200 Airbus corporate jets are in service worldwide.



Notes:

1. Airbus Corporate Jets commissioned the independent research company Pureprofile to survey 101 senior executives of large U.S. corporations with annual revenue of \$500 million or more who said their employer uses business aviation.
2. Airbus Corporate Jets commissioned the independent research company Pureprofile to survey 50 business aviation financiers, and 50 private jet brokers in the U.S. The study was conducted in August 2024.
3. <https://nbaa.org/about/careers-with-nbaa/about-business-aviation/>
4. Airbus Corporate Jets analysis of WingX data, January 2024.