

Survey Reveals Airlines' Penchant for Value Added Products and Services

Hip Digital Media Powers the Latest Airline Information Insider Survey

Vancouver, Canada – January 21st, 2008 - Hip Digital Media and Airline Information today released the results of the 2008 Ancillary Revenue survey. The survey focused on identifying current trends and the most effective methods for generating airline ancillary revenues. This unique survey was launched in conjunction with the 2008 Ancillary Revenue Airline Conference, which took place in Budapest Hungary in November of 2008.

Hip Digital and Airline Information distributed a custom branded promotional e-mails to over 12,000 travel industry professionals, including airlines, consultants and industry suppliers, inviting them to partake in the survey. In addition, Hip Digital also designed a custom branded website <http://arac2008.hipdigital.com/Index.aspx> for the Airline Information survey allowing visitors to participate in the incentive program. As an enticement, each contributor received a sophisticated pin-code to redeem a music download in full MP3 format, instantly after completing the survey.

"The Airline Information survey displayed strategic initiatives that airlines are starting to take in order to attract and retain larger market share via new ancillary revenue initiatives." said Peter Diemer, Executive VP of Strategy and Development at Hip Digital Media. "By developing unique offerings such as music premiums and incentives, the airline industry can now personalize the total consumer experience".

Key findings of the Ancillary Revenue survey revealed:

- 87% of survey participants feel that selling other products and services primarily through online channels, is a trend that will sustain its positioning among airlines
- 56% of participants feel the best way for airlines to effectively battle rising costs of travel is to charge fees for amenities that were once included in the price of a ticket
- 76% felt ticket unbundling or a-la-carte pricing is a trend that will sustain among airline carriers
- When asked what is the most financially lucrative product that airlines can sell/market besides airfare, respondents answered as follows:
 - 38 % chose Travel Insurance as the most financially lucrative
 - 23% chose Hotel Stays as the second choice
 - 17% chose Vacation Packages as the third choice

- 12% chose Tourist Activities as the fourth choice
- 6% chose Car Rental as the least financially lucrative choice

When asked to rate specific methods in which airlines sell ancillary products and services online, In-path sales conducted during the ticket booking process was rated as 45% effective; ancillary sales immediately after check out by showcasing products on confirmation pages and emails was rated as 53% effective, and sales channels exploited days after booking embedded in schedule reminder or other types of post-booking emails was rated as the highest conversion in the opinion of all surveyed at 61% effectiveness.

"We can finally put to rest the popular sentiment that airline ancillary revenue is all about fees. There is an overwhelming desire among hundreds of airlines surveyed to offer customers a diverse and relevant shopping experience that goes well beyond selling air transport alone." Says Roger Williams, Co-founder and Managing Partner, of Airline Information.

About Hip Digital Media

Hip Digital Media is the leading consumer experience network. Hip Digital offers innovative customer experiences and digital campaigns for Fortune 500 brands. Hip Digital Media brings together communities, music, brands and consumers through custom built technology, including (PACE)[™], its Content Management System, which allows for turnkey creation of powerful online consumer experiences. For more information please visit: www.hipdigitalmedia.com

About Airline Information:

Airline Information is an established innovator in commercial aviation management conferences and publishing. Over 200 airlines regularly attend Airline Information conferences and forums worldwide. The firm provides airline professionals and industry suppliers with free high-quality online publications as well as professional guidebooks in loyalty, CRM, eCommerce, and ancillary revenue development. For more information please visit:

<http://www.airlineinformation.org>

PR & Media Contact for Hip Digital Media:

Sarah Miller
Axis Marketing & PR
T:310 276.2220
E:smiller@axismarketingpr.com

-