

Flying 'A La Carte'

Passengers Speak Up About What's Worth Paying For

*A Survey of U.S. Consumer Attitudes and Behaviors
Toward The 'A La Carte' Airline Model*

Survey Objectives & Methodology

This survey, for the first time, benchmarks U.S. consumer sentiment and behaviors to the introduction of 'a la carte' options and pricing and new fee-for-service revenue models in air travel.

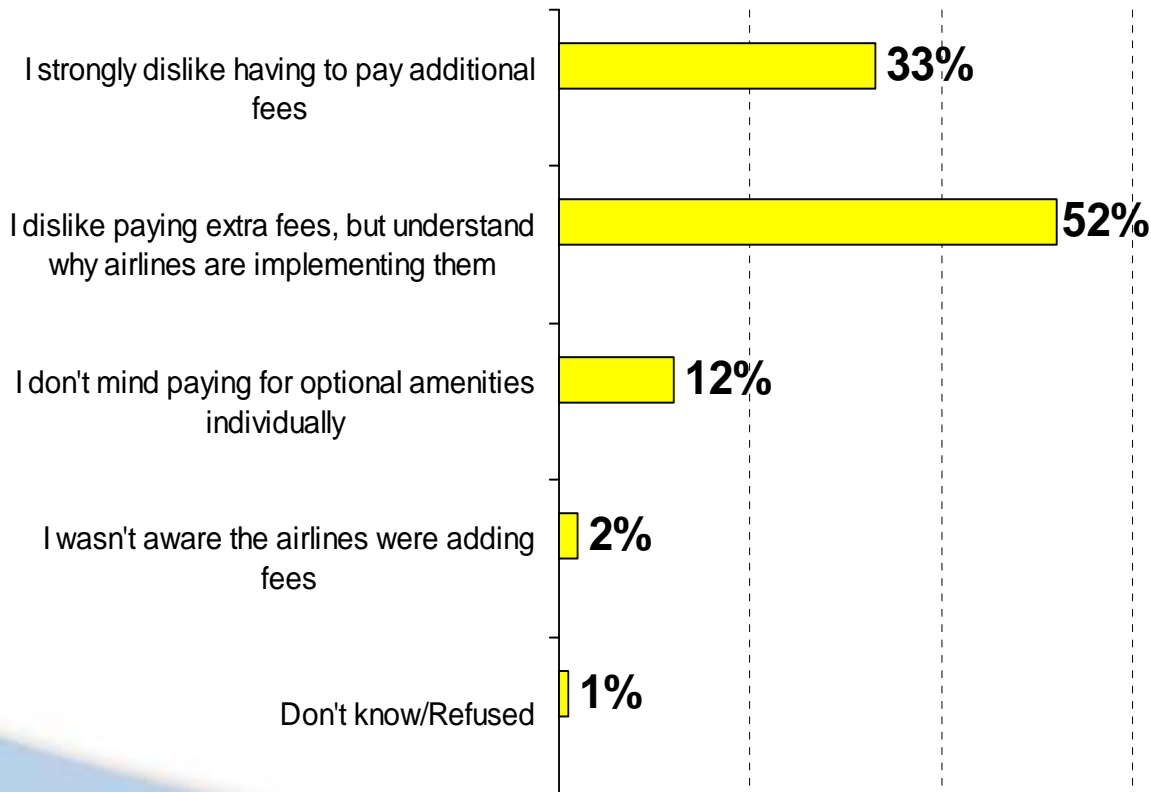
Commissioned by the North American division of Amadeus, a global leader in travel distribution and technology, the intent of this survey is to gauge and better understand airline passenger attitudes and behaviors toward 'a la carte' fees and travel options – thereby providing relevant guideposts to the travel industry moving forward.

Methodology

- This report presents the findings of a U.S. survey conducted by telephone among a random national sample of 2,000 adults (ages 18 or older) from October 16-20, 2008.
- 735 adults (366 men and 369 women) who had flown at least once in the last 12 months completed the survey. The margin of error is +/- 4%. Opinion Research Corporation of Princeton, NJ, conducted the fieldwork.

“I Don’t Like It, But I Get It”

Q: To keep fares low, many airlines have begun charging for services that used to be free. Which statement best describes your feelings about the ‘a la carte’ development in air travel?

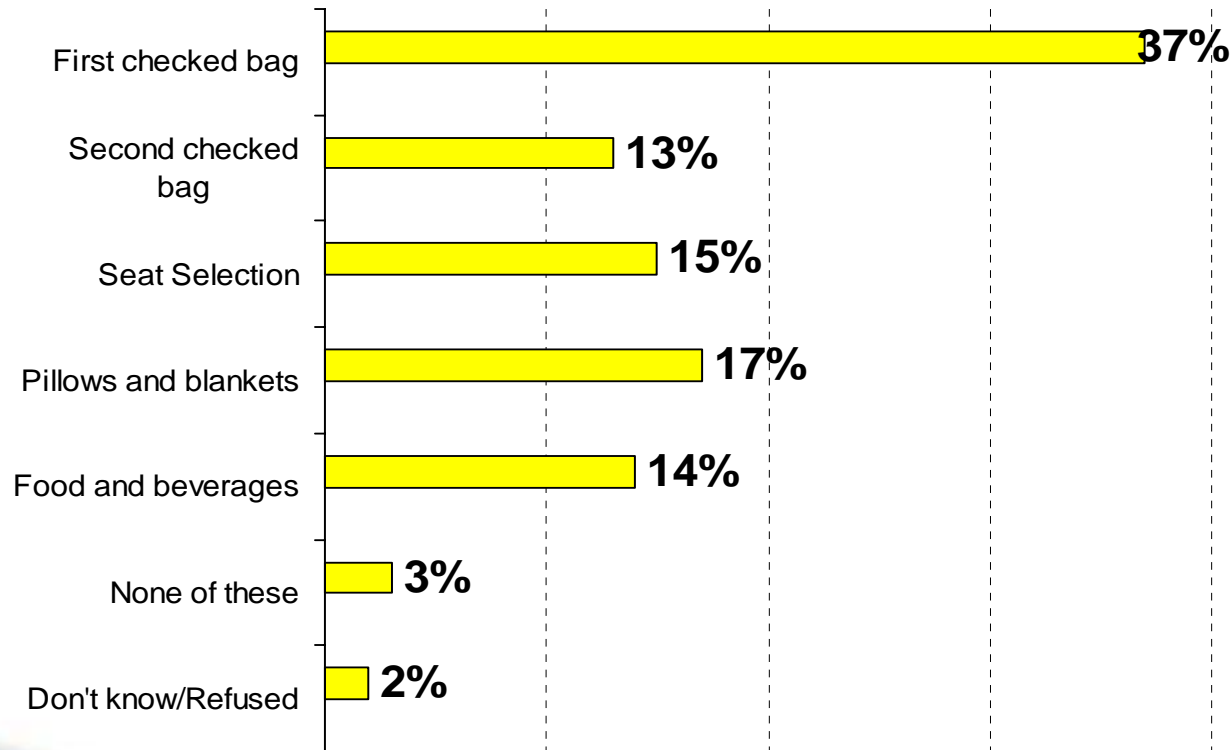


85% of flyers dislike paying ‘a la carte’ fees, but more than half understand why the airlines are moving in this direction.

And one in ten welcome the service options it brings airline travel.

“But Really...Charging for Luggage?”

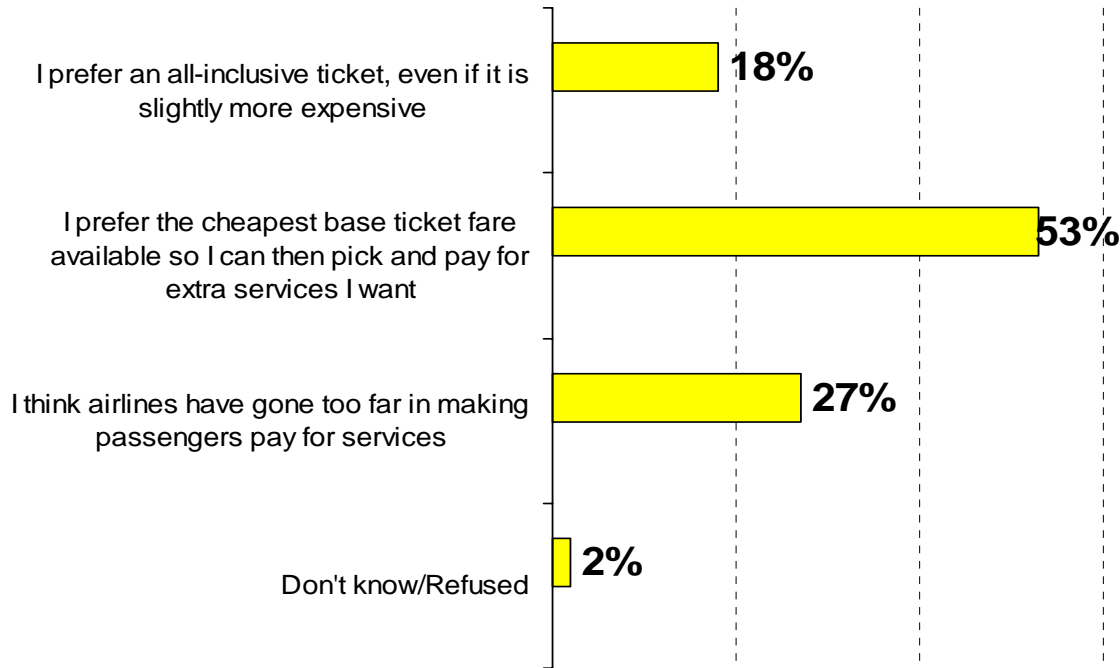
Q: Which ONE of the following services that airlines are NOW charging for do you strongly feel should remain “free”?



More than a third of respondents felt that every passenger should be allowed at least one checked bag at no additional cost.

Nickel & Diming vs. Choice & Value

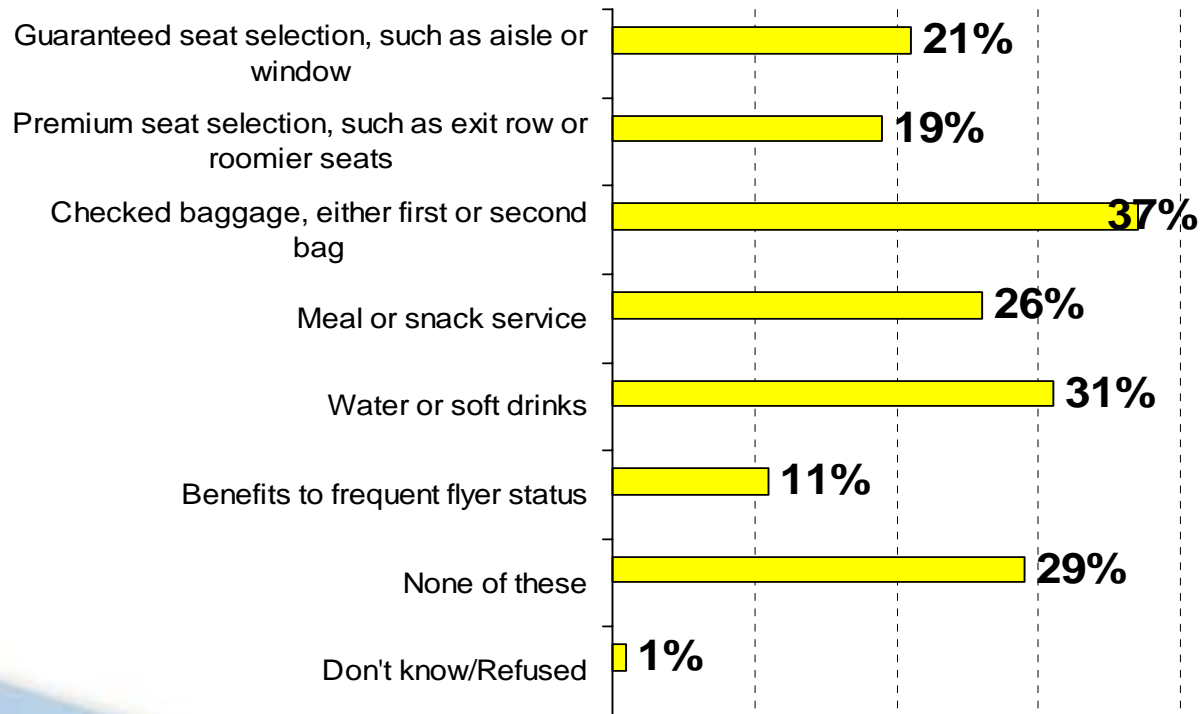
Q: Here's what some people are saying about the airlines' new 'a la carte' approach to ticket pricing. Which statement do you MOST AGREE with?



More than half of flyers prefer an 'a la carte' approach, i.e. a low base fare and being able to pick and pay for services they want to use.

“I’ll Buy That” – Bags and Snacks

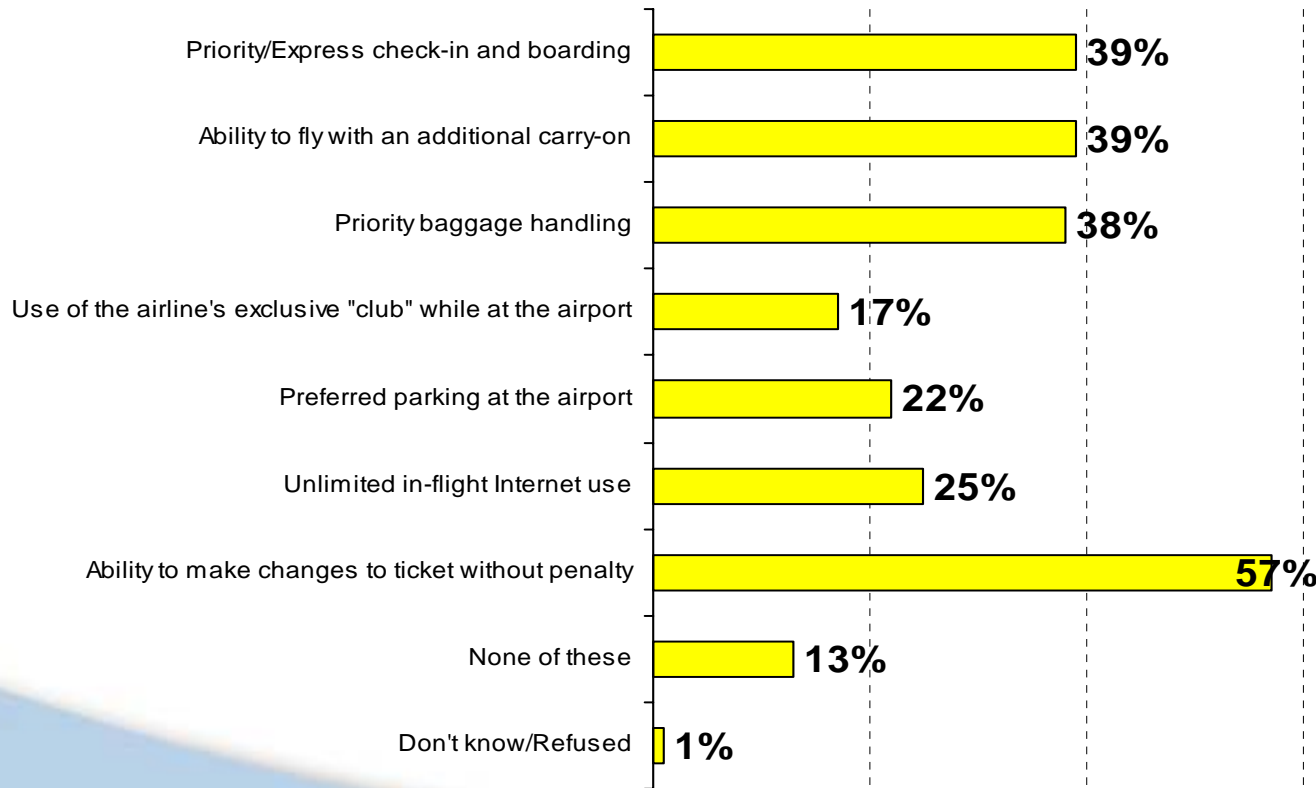
Q: Let's say you are booked on a North American flight lasting two to four hours. Which of the following ‘a la carte’ amenities currently offered would you or have you PAID EXTRA for?



Everybody wants food and clothing – the amenities travelers would most frequently purchase include checked bags and on-board meals and snacks.

“I’ll Buy Convenience, Too”

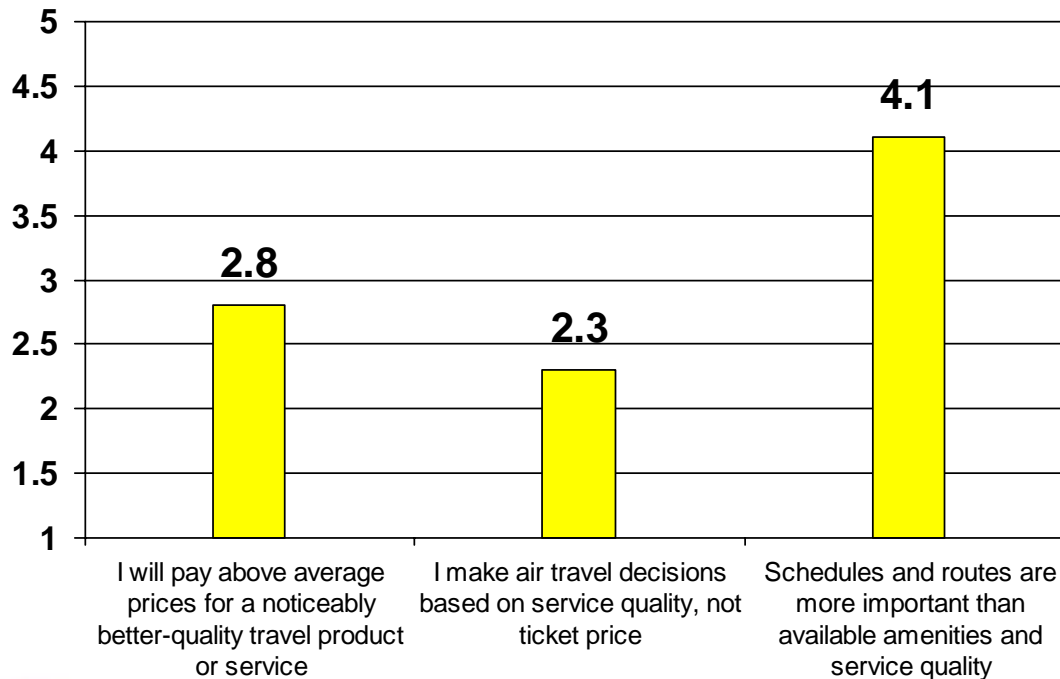
Q: Again, say you are booked on a North American flight lasting two to four hours. If a carrier were to introduce new ‘a la carte’ amenities at a fair price, which of these would you be willing to PAY EXTRA for?



Consumers find value in flexibility and convenience and will pay for options that deliver both.

“At the End of the Day, Just Get Me There”

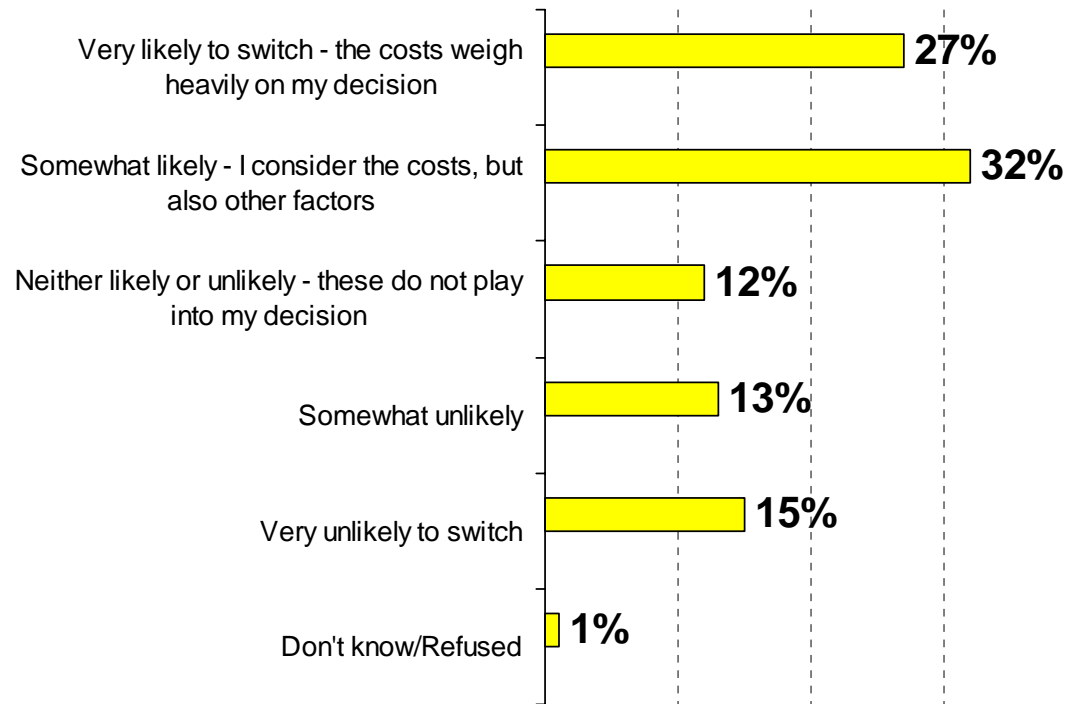
Q: Using a 1-5 scale, where 1 means disagree completely and 5 means agree completely, tell how much you agree or disagree with each of the following statements?



By a 10-1 margin (71% - 11%), passengers agree that schedules and routes are ultimately more important than available amenities and service quality.

“Give Me Choice, but Don’t Push It”

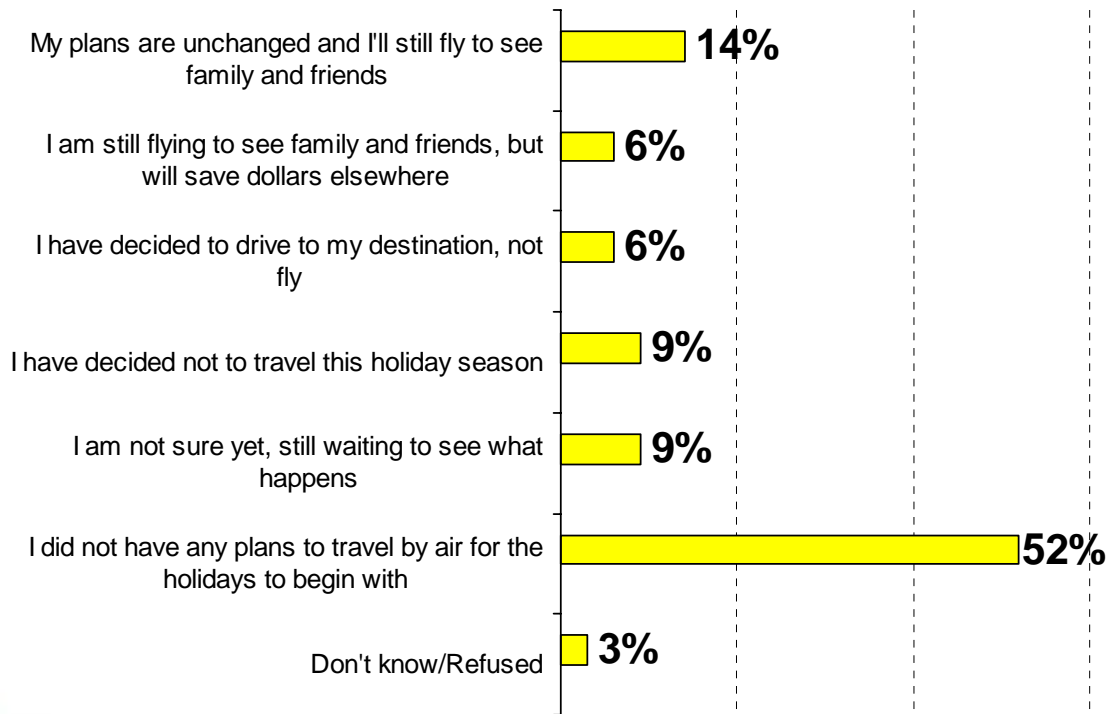
Q: How likely are you to switch air carriers because of their ‘a la carte’ fees and surcharges?
Would you say you are...



The ‘a la carte’ approach can deliver benefits and choice to flyers, but airlines that overstep could see their customers fly elsewhere.

An Economic Grinch This Year?

Q: Using overall economic or financial considerations as the determining factor, are you planning to change your holiday travel plans this year? Would you say . . .

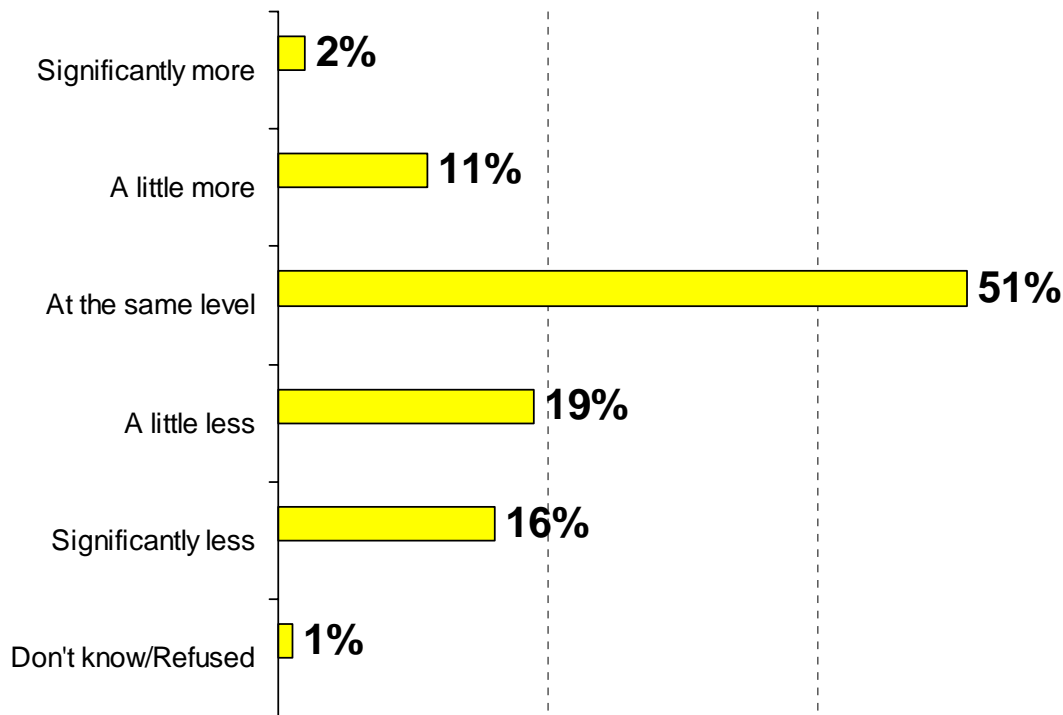


Economic conditions are having a mixed impact on holiday air travel plans.

While one in five travelers plan on flying, 24% have made alternative plans or remain undecided.

Consumers Plan To Fly in 2009

Q: Using overall economic or financial considerations as the determining factor, what level of air travel, for business or leisure, do you anticipate doing in 2009? Do you anticipate flying . . .



Air travelers still plan to take to the skies in 2009 – 64% anticipate their air travel to be at the same level or more compared to 2008.

What's Next For 'A La Carte' Air Travel?

For the first time, consumers were asked directly how they feel about the new 'a la carte' business models emerging from the airlines. Amadeus sees several key takeaways based on the findings:

- Broad customer acceptance of airline fee-for-service revenue models means they're here to stay, despite potentially improving US airline financial conditions.
- Travelers value – and are willing to pay for – choice, convenience and simplification.
- 'A la carte' is reinventing the airline retail experience for the first time in decades, creating opportunities for airlines to establish real differentiation among their competition and deliver significant value for consumers.
- The travel industry will need to continue to evolve, especially in the areas of technology and processing standards, to support the variety and spectrum of 'a la carte' airline retailing models likely to develop moving forward.

About Amadeus

Amadeus is the chosen technology partner for providers, sellers, and buyers of travel. The company provides distribution, IT and point-of-sale solutions to help its customers adapt, grow and succeed in the fast-changing travel industry. Customer groups include travel providers (airlines, hotels, car rental companies, railway companies, ferry lines, cruise lines, insurance companies, and tour operators) travel sellers, and travel buyers (corporations and travelers). Solutions are grouped in four solution categories – Distribution & Content, Sales & e-Commerce, Business Management and Services & Consulting.

Amadeus has central sites in Madrid (corporate headquarters & marketing), Nice (development) and Erding (Operations – data processing center) and regional offices in Miami, Buenos Aires and Bangkok. At market level, Amadeus maintains customer operations in 76 countries covering more than 217 markets. The company is majority owned by WAM Acquisition, whose shareholders are BC Partners, Cinven, Air France, Iberia and Lufthansa. Amadeus employs over 8,500 employees worldwide, representing 95 nationalities.

More information about Amadeus is available at www.us.amadeus.com.

Amadeus North America headquarters:

9250 NW 36th Street
Miami, Florida 33178

Tel: 1.888.AMADEUS

salesinquiries@amadeus.com

Amadeus North America Canada office:

6299 Airport Road, Suite 402
Mississauga, Ontario

Canada L4V 1N3

Tel: 1.888.611.5554

salesinquiries@amadeus.com