

August 7th Newsletter

Theme: Last-Minute Summer Escapes

Subject Line (Used PCIQ Optimization):

- (List) INSIDE THE RITZ-CARLTON: 4 Dreamy Weekend Retreats
- (Authority) INSIDE THE RITZ-CARLTON: Your Guide to Dreamy Weekend Retreats
- (Intrigue) INSIDE THE RITZ-CARLTON: Ready for a Dreamy Weekend Retreat?
- (Solution) INSIDE THE RITZ-CARLTON: Where to Find a **Dreamy Weekend Retreat**
- (Urgency) INSIDE THE RITZ-CARLTON: Escape the City With a Rural Weekend Retreat

Pre-Header:

Plus, Romance Package in Turks & Caicos, Culinary Tours & More Inspiration for Your Wanderlust





THE RITZ-CARLTON



DINING TOUR THROUGH NEW ORLEANS ocktals. Plan your culnery journey with this 3-day dining itinerary crafted for guests of The Sitz-Carbon New Orleans



ROMANTIC ESCAPE TO TURKS & CAICOS



RIVIERAS



CELEBRATE TENNIS HISTORY

***JOURNEY AROUND THE WORLD



Creative: U.S. Version



72 HOURS IN BUDAPEST

Vowley, Chief Stretegist for the Marcedes-AMG Petrones Formula One Team, shares insights into how he prepares the team for sace day along with his too sit stoos.



MEET ME AT THE RITZ-CARLTON ST. LOUIS

in tribute to the 1904 World's Fair, held in St. Louis, a cart piled high with the city's innature treats rolls into the lobby each evening to the tune of Justy Garland's "Meet

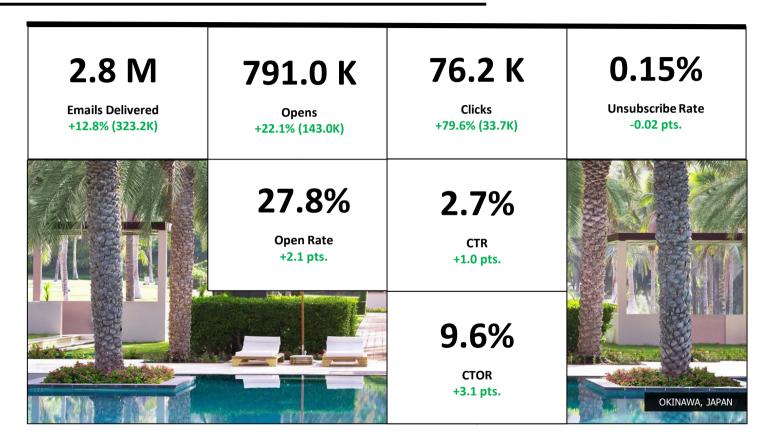


#RCMEMORIES

Performance Summary: August 2021

- Above average performance for all KPIs on a rolling 12-month average, but seeing slight decrease in open rate and CTOR from July 2021 record highs
- Engagement trends were consistent MoM for most CRM segments and Bonvoy member levels
- Click activity was concentrated in three modules: Hero featuring summer getaways content, property features, and the romance package offer
- CTA test results showed that a more direct approach drove more engagement than a softer message
- Subject line optimization continues with PCIQ for a second month

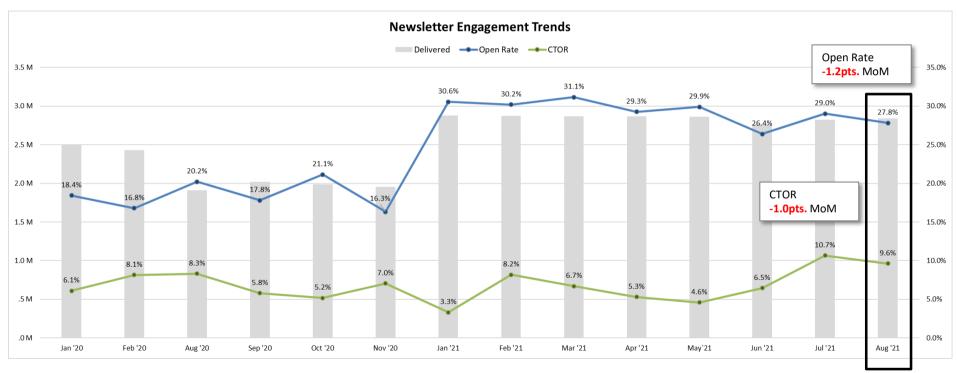
August 2021: Above Average Performance For All KPIs



MoM Open & Click Remain High

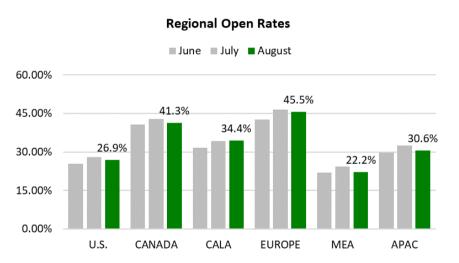
Open rates slightly decreased from July but still strong overall.

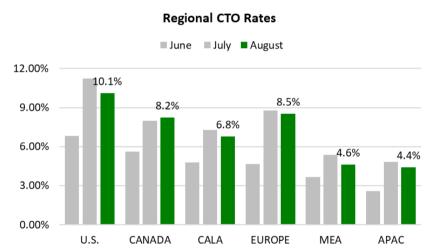
CTOR is following the open rate trend with a slight decrease from July but strong overall – second highest since Jan '20.



Regional Engagement Drops Slightly MoM

In line with overall MoM performance, Open and CTO rates were slightly down for all regions. No one region showed significant decline in engagement.





August 2021
Delivered
Counts

| U.S. | 2.5 M |
|--------|---------|
| CANADA | 109.6 K |
| CALA | 13.4 K |
| EUROPE | 56.6 K |
| MEA | 68.8 K |
| APAC | 80.6 K |

All Segments Performing Well And Above Average

Slight declines in older segment audiences, but still performing over average. The only exception is Aspirers with slight decline in open rate. The "Other" segment group continues to grow as a result.

| | ОТН | ER | W ⁻ | TE | S | S | CE | EL | OCO | CEX | А | SP | ALL SEG | IMENTS |
|-----------|---------|-----------|----------------|-----------|--------|-----------|--------|-----------|--------|-----------|--------|-----------|---------|------------|
| | August | vs. R12 | August | vs. R12 | August | vs. R12 | August | vs. R12 | August | vs. R12 | August | vs. R12 | August | vs. R12 |
| DELIVERED | 2.6 M | 15.47% | 72.5 K | -6.97% | 65.0 K | -5.71% | 64.9 K | -6.23% | 50.3 K | -8.43% | 28.2 K | -6.13% | 2.8 M | 12.8% |
| OPENS | 722.0 K | 25.47% | 18.4 K | -5.24% | 17.7 K | -3.87% | 16.2 K | -4.95% | 11.0 K | -7.09% | 5.7 K | -2.38% | 791.0 K | 22.1% |
| OPEN% | 28.18% | +2.2 pts. | 25.44% | +0.5 pts. | 27.19% | +0.5 pts. | 25.03% | +0.3 pts. | 21.88% | +0.3 pts. | 20.18% | -1.4 pts. | 27.82% | +2.1 pts. |
| CLICKS | 66.2 K | 85.74% | 2.5 K | 48.98% | 2.9 K | 43.42% | 2.6 K | 52.80% | 1.4 K | 43.05% | 584 | 43.20% | 76.2 K | 79.6% |
| CTR | 2.58% | +1.0 pts. | 3.44% | +1.3 pts. | 4.47% | +1.5 pts. | 4.00% | +1.5 pts. | 2.74% | +1.0 pts. | 2.07% | +0.3 pts. | 2.68% | +1.0 pts. |
| CTOR | 9.17% | +3.0 pts. | 13.51% | +4.9 pts. | 16.43% | +5.4 pts. | 15.97% | +6.0 pts. | 12.53% | +4.4 pts. | 10.27% | +2.1 pts. | 9.63% | +3.1 pts. |
| UNSUB% | 0.15% | -0.0 pts. | 0.09% | -0.0 pts. | 0.07% | -0.0 pts. | 0.06% | -0.0 pts. | 0.10% | -0.0 pts. | 0.11% | +0.0 pts. | 0.15% | -0.02 pts. |

August 2021 vs. Rolling 12-Month Average (Feb 2020 - July 2021)

Consistent Trends Across All CRM Segments

Open rates and CTORs were all slightly down MoM.

Mar '21 - Aug '21*

| | | | | _ |
|--------------------------|-------|---------|---------|----------------------|
| | | Jul '21 | Aug '21 | Engagement Trends |
| | Del. | 2.5 M | 2.6 M | MoM +0.54% (+13.7 K) |
| OTHER GUESTS | Open% | 29.4% | 28.2% | |
| | CTOR | 10.1% | 9.2% | |
| | Del. | 70.7 K | 72.5 K | MoM +2.45% (+1.7K) |
| WELL-TRAVELED EXECUTIVES | Open% | 26.7% | 25.4% | |
| | CTOR | 15.0% | 13.5% | |
| | Del. | 64.1 K | 65.0 K | MoM +1.44% (-925) |
| SUN SEEKERS | Open% | 28.5% | 27.2% | \\\\\\ |
| | CTOR | 18.9% | 16.4% | |

Mar '21 - Aug '21*

| | | Jul '21 | Aug '21 | Engagement Trends |
|----------------------|-------|---------|---------|--------------------|
| | Del. | 64.6 K | 64.9 K | MoM +0.34% (+222) |
| THE CELEBRATORS | Open% | 26.2% | 25.0% | |
| | CTOR | 17.0% | 16.0% | |
| | Del. | 48.6 K | 50.3 K | MoM +3.48% (+1.7K) |
| OCCASIONAL EXPLORERS | Open% | 22.6% | 21.9% | |
| | CTOR | 14.9% | 12.5% | |
| | Del. | 27.5 K | 28.2 K | MoM +2.46% (+676) |
| THE ASPIRERS | Open% | 21.1% | 20.2% | |
| | CTOR | 12.4% | 10.3% | |

Slight MoM Decreases For All Bonvoy Levels

Steeper decline in CTOR for Ambassadors (-2.7 pts). All other loyalty tiers were consistent.

Mar '21 - Aug '21*

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|-------|-------------|------------|-----|------|
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| | | Jul '21 | Aug '21 | Engagement Trends |
|------------|-------|---------|---------|--------------------|
| | Del. | 198.2 K | 196.3 K | MoM -1.0% (-1.9K) |
| NON-MEMBER | Open% | 16.2% | 15.6% | \ |
| | CTOR | 10.5% | 9.6% | |
| | Del. | 1.3 M | 1.3 M | MoM +0.8% (+10.0K) |
| BASIC | Open% | 28.7% | 27.5% | |
| | CTOR | 9.3% | 8.5% | |
| | Del. | 342.2 K | 342.5 K | MoM +0.1% (+379) |
| SILVER | Open% | 31.0% | 29.6% | |
| | CTOR | 10.0% | 9.4% | |

| | | | | == |
|------------|-------|---------|---------|-------------------|
| | | Jul '21 | Aug '21 | Engagement Trends |
| | Del. | 578.5 K | 581.8 K | MoM +0.6% (+3.3K) |
| GOLD | Open% | 32.1% | 30.7% | |
| | CTOR | 11.8% | 10.4% | |
| | Del. | 187.8 K | 190.5 K | MoM +1.4% (+2.7K) |
| PLATINUM | Open% | 30.7% | 29.4% | |
| | CTOR | 13.6% | 11.9% | |
| | Del. | 219.8 K | 223.1 K | MoM +1.5% (+3.3K) |
| TITANIUM | Open% | 30.3% | 29.2% | |
| | CTOR | 13.4% | 11.7% | |
| | Del. | 32.8 K | 33.9 K | MoM +3.4% (+1.1K) |
| AMBASSADOR | Open% | 27.2% | 26.6% | |
| | CTOR | 13.6% | 11.0% | |

August 2021 Heat Map (U.S. Version)

- Hero engagement still strong but decreased from July (52% of clicks)
- Romance promo offer secured the second most engaged content this month with 14.5% of email clicks
- Journey Destination Guides received strong engagement despite the lower page position
- Included relaunch of Moments since pandemic
- Instagram imagery/.gif drove more engagement that previous month

Header 1.62% Clks

THE RITZ-CARLTON



4 DREAMY COUNTRYSIDE GETAWAYS

If you're seeking one lest summer escape to someplace unexpected, a tranquil retreat just may be the answer. Head to one of these charminols rural hotels and resorts to unwind and upplun



Hotel Spotlight 11.4% Clks

Disconnect from the outside world and eploy family time with year-round not? dining and watersports set amid a

EXPLORE THE RESORT

Hotels Near You 6.7% Clks

THE BITS CARL TON OLD INDIANO



DINING TOUR THROUGH NEW ORLEANS

cocktails. Plan your culinary journey with this 3-day dining itinerary crafted for guests of The Ritz-Cariton New Orleans

Promo 14.5% Clks



ROMANTIC ESCAPE TO TURKS & CAICOS

Errory an adults-only getaway to The Ritz-Carlton, Turks & Calcon with daily breakfaut to



Yacht Collection 7.0% Clks



VACHTING THE FRENCH AND ITALIAN RIVIERAS

Journey round trip from Rome sailing along the ourny Côte of Azur with a stop in Monte Carlo, where the world's superyachts anchor. After an overnight in charming Nice voyage along the Italian Bluera and on to the rolling vineyants of Tuncary



Moments 1.9% Clks

CELEBRATE TENNIS HISTORY

international Terms Hall of Fame and sponsored by The Ritz-Certion. Expenence a right ut in New York City with dinner for two, a MF cocktall reception, and photo with a Hall of Famer, in partnership with Marriott Blonvoy* Moments'

THE JOURNEY AROUND THE WORLD

Journey Destination Guides 6.5% Clks



Video 0.8% Clks

72 HOURS IN BUDAPEST

Fuer wondered what it's like behind the cranes of the Hungarian Grand Pris? James Voucles, Chief Strategist for the Merreries-AMG Petropas Entropia Cine Team, shares insights into how he responses the team for race day along with his top oil strong



Scenography 0.9% Clks



MEET ME AT THE RITZ-CARLTON ST. LOUIS

In tribute to the 1904 World's Fair, held in St. Louis, a cart piled high with the city's signature treats mile into the inbity each evenion to the tune of Judy Garland's "Meet





Footer (not shown) 3.4% Clks

Content / Module Performance: August 2021

(North American Version)

| MODULE | June`21 (Summer/City) | July '21 (Lake Resorts) | August '21 (Last Minute Getaways) |
|------------------------------|--------------------------|----------------------------|---|
| Header | 2.70% | 1.78% | 1.62% |
| Hero | 15.60% | 52.45% | 34.39% |
| Hotels Near You | | | 6.69% |
| Journey Promo | 15.30% | | |
| Journey | | 17.49% | 6.52% |
| Journey 2 | | | |
| Property | | | |
| Yacht Collection | 2.9%* | 4.25% | 6.98% |
| Hotel Spotlight | 34.50% | 12.69% | 11.39% |
| New Openings | 4.60% | 2.13% | |
| Video / Let Us Stay With You | 5.50% | 0.56% | 0.83% |
| Travel By Interest | 1.80% | 2.46% | 6.40% |
| Scenography | 3.80% | 0.66% | 0.85% |
| Moments | | | 1.92% |
| Promos | 5.20% | | 14.54% |
| Shop | | | |
| Instagram | 1.90% | 1.62% | 4.03% |
| Footer | 5.90% | 3.91% | 3.85% |

- Engagement continues to be concentrated on three modules (hero, hotel spotlight, promos)
- Decline on header and footer modules continues; a positive trend
- Second highest performance this year for:
 - o Geo-targeted Travel by Interest culinary
 - Animated Instagram intriguing imagery
- Moments secured 1.92% of clicks with relaunch

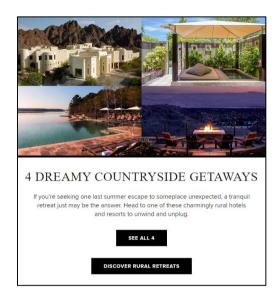
Top Performing Content: August 2021

- 4 Dreamy Countryside Getaways content was the most engaging
- Readers were interested in the romance offer; second most clicked
- Journey destination guides held 2 of the top 10 most clicked articles; second month in top 10

| Module | Article | Clicks | CTR |
|--------------------|--|--------|-------|
| HERO | 4 Dreamy Countryside Getaways | 29.4 K | 1.03% |
| PROMO OFFER | Romantic Escape to Turks and Caicos | 12.4 K | 0.44% |
| HOTEL SPOTLIGHT | The Ritz-Carlton Reynolds, Lake Oconee | 9.7 K | 0.34% |
| YACHT COLLECTION | Yachting the French and Italian Rivieras | 6.0 K | 0.21% |
| TRAVEL BY INTEREST | Dining Tour Through New Orleans | 5.5 K | 0.19% |
| INSTAGRAM | Instagram | 3.4 K | 0.12% |
| JOURNEY | U.S. & Canada (destination guide) | 2.4 K | 0.08% |
| MOMENTS | Celebrate Tennis History | 1.6 K | 0.06% |
| JOURNEY | The Caribbean (destination guide) | 1.5 K | 0.05% |
| HOTELS NEAR YOU | Find More Nearby Hotels | 1.5 K | 0.05% |

Hero CTA Copy Test #2

- Audience was randomly split 50/50; tested 2 CTA copy versions
 - V1: **See All 4** = direct, list-style
 - V2: Discover Rural Retreats = explorative, softer language
- Results consistent with July test where Version 1 "See All 4" was winner
- Results were statistically significant (SS) with 99% confidence
- Recommend implementing more direct CTA in future modules to drive engagement



| CTA Versions | Delivered | Open Rate | CTA Clicks | CTA Clicks Lift | CTA CTR | CTA CTR Lift | Bookings | Revenue |
|-----------------------------|-----------|-----------|------------|-------------------|---------|-----------------|----------|----------|
| V1: See All 4 | 1,420,880 | 27.8% | 49,558 | +7.2% (SS) | 3.49% | +0.24 pts. (SS) | 13 | \$9,623 |
| V2: Discover Rural Retreats | 1,422,056 | 27.8% | 46,219 | | 3.25% | | 19 | \$36,113 |

Subject Line Optimization – Initial Results

- The model (ML) group performed better overall in August compared to the random group
- Authority style subject line was the strongest for those in the model group in both July and August
- Continuing to monitor category engagement each month and measure performance against the random group

| | Category | | Delivered | | Opens | | Rate |
|---|------------|---------|-----------|---------|---------|--------|---------|
| Subject Lines | Tag | Random | MLGroup | Random | MLGroup | Random | MLGroup |
| July 2021 | | 961,951 | 1,865,634 | 285,270 | 554,388 | 29.7% | 29.7% |
| INSIDE THE RITZ-CARLTON: 5 Must-Visit Lake Beaches | List | 192,600 | 435,010 | 56,902 | 51,356 | 29.5% | 11.8% |
| INSIDE THE RITZ-CARLTON: Your Guide to Luxurious Lakeside Resorts | Authority | 192,010 | 598,355 | 56,870 | 233,977 | 29.6% | 39.1% |
| INSIDE THE RITZ-CARLTON: Ready for a Lakeside Retreat? | Intrigue | 191,983 | 318,881 | 57,342 | 102,166 | 29.9% | 32.0% |
| INSIDE THE RITZ-CARLTON: Where to Find Stunning Lakeside Beaches | Solution | 192,771 | 165,941 | 57,051 | 38,290 | 29.6% | 23.1% |
| INSIDE THE RITZ-CARLTON: Beach, Lake or Both? | Comparison | 192,587 | 347,447 | 57,105 | 128,599 | 29.7% | 37.0% |
| August 2021 | | 854,273 | 1,992,398 | 240,431 | 564,346 | 28.1% | 28.3% |
| INSIDE THE RITZ-CARLTON: 4 Dreamy Weekend Retreats | List | 170,910 | 511,966 | 48,408 | 176,234 | 28.3% | 34.4% |
| INSIDE THE RITZ-CARLTON: Your Guide to Dreamy Weekend Retreats | Authority | 170,377 | 502,940 | 48,004 | 204,155 | 28.2% | 40.6% |
| INSIDE THE RITZ-CARLTON: Ready for a Dreamy Weekend Retreat? | Intrigue | 170,665 | 190,722 | 48,089 | 41,664 | 28.2% | 21.8% |
| INSIDE THE RITZ-CARLTON: Where to Find a Dreamy Weekend Retreat | Solution | 171,942 | 214,853 | 47,962 | 57,637 | 27.9% | 26.8% |
| INSIDE THE RITZ-CARLTON: Escape the City With a Rural Weekend Retreat | Urgency | 170,379 | 571,917 | 47,968 | 84,656 | 28.2% | 14.8% |

Pre-Header: Plus, Romance Package in Turks & Caicos, Culinary Tours & More Inspiration for Your Wanderlust

Recommendations

- Continue leveraging subject line optimization tech. (PCIQ) to lift open rates & ultimately clicks
- Continue including the Journey destination guides in upcoming months; showed strong engagement even while being placed lower in the email
- Geo-targeting culinary content lifted F&B engagement; consideration for future messages
- Keep eye on Moments engagement now that it's back; highlight specific experiences when available to lift engagement
- Continue Instagram animation treatment to draw attention to lower content
- Readers continue to engage with packages or exclusive offers; use when needing to increase engagement & revenue
- Recommend implementing more direct CTA in future content modules to increase click activity

Thank you!

August 2021 Financial Engagement Comparaisons

| Metrics | August 2021 | MoM | vs. 12-Month Average |
|-------------|-------------|---------------------|----------------------|
| Bookings | 32 | +23.1% (+6) | +4.3% (+1) |
| Room Nights | 97 | +73.2% (+41) | +12.1% (+11) |
| Revenue | \$45.7 K | +278.9% (+\$33.7 K) | +41.7% (+\$13.5 K) |
| | | | |

Note:

- Rolling 12-Month Average (Feb 2020 July 2021)
- Financial Data Source: Omniture 7-Day

Targeting Criteria 2021

- Include previous month email recipients
- Include additional customers using the criteria below to reach the 3M deployment max:
 - o Past luxury brand stayers (last 24 months) **OR**
 - Has HHI \$150K or more OR
 - Past email openers of RC Residences solos, St. Regis
 Residences solos, Quintessentially solo, RCYC solo OR
 - Amex Brilliant cardholders
- Note: include those with an English language preference