

February 2021 Newsletter:

Preliminary Email Review

February 23, 2021

FEBRUARY 13TH NEWSLETTER

Theme: Resorts

Subject Line:

INSIDE THE RITZ-CARLTON: Resort Paradise Closer to Home

Pre-Header:

Kaitlin, next warm-weather escape may be closer than you think.













[Fname, the [The loerfect resort escape may be even closer than you imagine. Powdery, white-sand beaches and pently lapping turquoise waves await you at The Ritz-Carton resorts across Florida. Look forward to indulging in beachside



THE JOURNEY

These six romantic destinations offer unforgettable experiences that encourage Ladies and Gentlemen are available to help make your romantic getaway a memorable one with personal service catered to your wishes and desires.



ROMANCE IN ST. THOMAS Escape from the outside world to your very own paradise at



the Bahamas with The Ritz-Carlton Yacht Collection. Drop anchor at Harbour Island. with its one-of-e-kind pink-sand beaches, stop off at Long Island to see spectacular rock ledges and turquoise waters, then unwind on your own private terrace.



adventures and lazy afternoons on the beach at The Ritz-Cariton resorts. Relax the the evening dining and dancing under the stars.



amenities that will have you and your loved ones unwinding in no time. The Reconnect® package, a guest favorite, is offered exclusively at select hotels and resorts nearby and around the world.













Performance Summary: February 2021

- Continue to see a strong open rate from the high we saw in January
- Impressive uptick in click activity MoM and vs. 12-month average; new targeting criteria and long weekend may have been contributing factors
- Initial results for the long vs. short copy test showed less copy drives higher click engagement
- Redesign of the "new location" module proved successful showing multiple properties resonated with readers
- Continue to see MoM increase in engagement for all CRM segments and Bonvoy members

February 2021 Newsletter Performance

- Expanded targeting had a positive impact on engagement: past luxury email openers, Amex cardholders, Europe
- Delivered counts returned to previous levels, which led to more open & click counts; fewer mailings in 2020
- Several factors contributed to above average click engagement:
 - Timing of deployment was during 3-day weekend
 - o Personalized geo-targeted content
 - Short vs. Long copy test

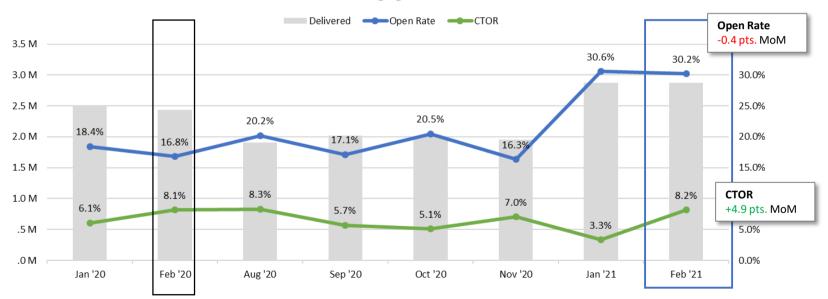
February 2021 vs. Rolling 12-Month Average (Aug 2019 – Jan 2021)

| 2.9 M | 867.4 K | 30.2% | 71.0 K | 2.5% | 8.2% | 0.17% |
|--------------------------------------|----------------------------|----------------------|----------------------------|------------------|-------------------|-----------------------------|
| Emails Delivered +22.6% (530.2 K) | Opens +96.7% (+426.4 K) | Open Rate +11.4 pts. | Clicks +154.2% (+43.1K) | CTR +1.3 pts. | CTOR +1.9 pts. | Unsubscribe Rate +0.01 pts. |

Impressive Open and CTO rates

Slight decline in the MoM open rate, but click activity saw an exceptional 5pts lift. Increased audience, content relevancy and timing of deployment likely increased engagement

Newsletter Engagement Trends



Above Average Open & CTO Rates For All Segments

Expanding the audience with the right people is proving successful - "Other Guests" continued strong engagement with the highest open rate across all segments.

| | OTH | IER | W | TE | S | S | CI | EL | OC | C EX | А | SP | ALL SEG | MENTS |
|-----------|---------|------------|--------|------------|--------|------------|--------|------------|--------|------------|--------|------------|---------|------------|
| | Feb. | vs. R12 | Feb. | vs. R12 | Feb. | vs. R12 | Feb. | vs. R12 | Feb. | vs. R12 | Feb. | vs. R12 | Feb. | vs. R12 |
| DELIVERED | 2.6 M | +29.9% | 76.1 K | -16.6% | 67.4 K | -15.6% | 67.7 K | -13.2% | 52.7 K | -25.4% | 29.4 K | -18.7% | 2.9 M | +22.6% |
| OPENS | 798.7 K | +121.1% | 18.0 K | -14.1% | 18.0 K | -9.2% | 16.6 K | -8.3% | 10.8 K | -24.8% | 5.3 K | -18.2% | 867.4 K | +96.7% |
| OPEN% | 31.0% | +12.8 pts. | 23.7% | +0.7 pts. | 26.7% | +1.9 pts. | 24.5% | +1.3 pts. | 20.5% | +0.2 pts. | 18.2% | +0.1 pts. | 30.2% | +11.4 pts. |
| CLICKS | 62.0 K | +190.0% | 2.2 K | +34.3% | 2.8 K | +45.4% | 2.3 K | +42.9% | 1.2 K | +21.6% | 532 | +26.9% | 71.0 K | +154.2% |
| CTR | 2.4% | +1.3 pts. | 2.9% | +1.1 pts. | 4.2% | +1.8 pts. | 3.3% | +1.3 pts. | 2.3% | +0.9 pts. | 1.8% | +0.6 pts. | 2.5% | +1.3 pts. |
| CTOR | 7.8% | +1.8 pts. | 12.1% | +4.4 pts. | 15.8% | +5.9 pts. | 13.6% | +4.9 pts. | 11.1% | +4.2 pts. | 10.0% | +3.5 pts. | 8.2% | +1.9 pts. |
| UNSUB% | 0.18% | +0.01 pts. | 0.09% | -0.02 pts. | 0.05% | -0.06 pts. | 0.07% | -0.04 pts. | 0.08% | -0.05 pts. | 0.08% | -0.08 pts. | 0.17% | +0.01 pts. |

CTOR Spiked MoM

Positive CTOR across all segments with Sun Seekers seeing a 10pts lift MoM

Feb '20 – Feb '21

Feb '20 – Feb '21

| | | February '21 | Engagement Trends |
|--------------------------|-------|--------------|---------------------|
| | Del. | 2.6 M | MoM -0.17% (-4.3 K) |
| OTHER GUESTS | Open% | 31.0% | |
| | CTOR | 7.8% | |
| | Del. | 76.1 K | MoM -0.14% (-109) |
| WELL-TRAVELED EXECUTIVES | Open% | 23.7% | |
| | CTOR | 12.1% | |
| | Del. | 67.4 K | MoM -0.10% (-67) |
| SUN SEEKERS | Open% | 26.7% | |
| | CTOR | 15.8% | |

| | | | reb 20 - reb 21 |
|-------------------------|-------|--------------|-------------------|
| | | February '21 | Engagement Trends |
| | Del. | 67.7 K | MoM -0.15% (-101) |
| THE CELEBRATORS | Open% | 24.5% | |
| | CTOR | 13.6% | |
| | | | |
| | Del. | 52.7 K | MoM -0.56% (-297) |
| OCCASIONAL EXPLORERS | Open% | 20.5% | → |
| | CTOR | 11.1% | |
| | | | |
| | Del. | 29.4 K | MoM -0.56% (-167) |
| THE ASPIRERS | Open% | 18.2% | / |
| | CTOR | 10.0% | |

All Bonvoy Members Had Open Rates North of 30%

Feb '20 – Feb '21

Feb'20 - Feb '21

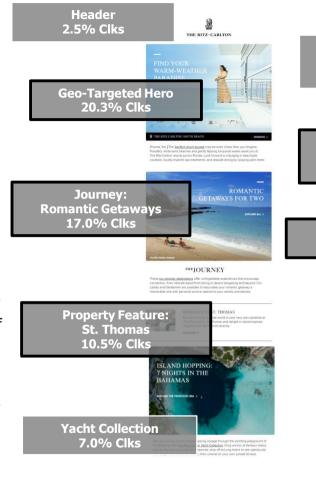
| | | February '21 | Engagement Trends |
|------------|-------|--------------|---------------------|
| | Del. | 208.0 K | MoM -1.4% (-3.0 K) |
| NON-MEMBER | Open% | 17.2% | |
| | CTOR | 8.0% | |
| | | | |
| | Del. | 1.3 M | MoM -0.8% (-10.2 K) |
| BASIC | Open% | 30.8% | |
| | CTOR | 7.1% | |
| | | | |
| | Del. | 343.4 K | MoM -0.1% (-358) |
| SILVER | Open% | 32.7% | |
| | CTOR | 7.7% | |

| | reb 20 - reb 21 | | | | |
|------------|-----------------|--------------|--------------------|--|--|
| | | February '21 | Engagement Trends | | |
| | Del. | 530.6 K | MoM +0.3% (+1.4 K) | | |
| GOLD | Open% | 32.1% | | | |
| | CTOR | 9.0% | | | |
| | Del. | 201.6 K | MoM +2.2% (+4.3 K) | | |
| PLATINUM | Open% | 30.9% | | | |
| | CTOR | 10.6% | | | |
| | Del. | 236.1 K | MoM +0.8% (+2.0 K) | | |
| TITANIUM | Open% | 30.5% | | | |
| | CTOR | 10.7% | | | |
| | Del. | 36.2 K | MoM +2.3% (+810) | | |
| AMBASSADOR | Open% | 27.0% | | | |
| | CTOR | 11.1% | | | |

February 2021 Heat Map

(Creative: North American Version)

- Geo-targeted feature in EMEA saw double digit lifts MoM in hero engagement; lower modules pulled clicks in N. America
- Journey Romantic Getaways and Property Feature proved popular for the North American audience with an impressive 17.0% and 10.5% of clicks, respectively
- New layout used for New Openings module proved effective with 19.3% of the traffic -Maldives most popular location with 45% of the section traffic
- Low click activity on Special Offer:
 Reconnect package with 3.6% of the clicks;
 use more descriptive imagery to showcase package offerings







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Special Offer: Reconnect Package 3.6% Clks



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New Openings 19.3% Clks

PALL IN LOVE WITH SOMEWHERE NEW Man received studies and ensure purpose in receive with conference of companying of bring core and testerom.

Maldives 45.0% Clks

Turcks & Caicos 38.6% Clks

Mexico City 9.2% Clks

Instagram 2.1% Clks



#RCMEMORIES

Experience The Pay Contain through the eyes of fedous transfers and show independent increases body your own stay.

SEE MORE PROMISEDINGS.

Relevant Hero Resonated With Readers, Especially in EMEA

North America being the exception MoM – property feature pulled clicks from hero







ROMANCE IN ST. THOMAS

Escape from the outside world to your very own paradise at The Ritz-Carlton, St. Thomas and delight in island-inspired elegance and beachfront serenity.

DISCOVER >

20.5% Clks -7.5 pts. MoM



10.7% Clks +5.3 pts. MoM

ASIA-PACIFIC Hero Module vs. Property Feature







ROMANCE IN BALI

Escape from the outside world to your very own paradise at Mandapa, A Ritz-Carlton Reserve, and discover a sanctuary of exploration and tranquility.

DISCOVER >

10.9% Clks -13.9 pts. MoM

MIDDLE EAST AND AFRICA Hero Module vs. Property Feature





ROMANCE IN ST. THOMAS

Escape from the outside world to your very own paradise at The Ritz-Carlton, St. Thomas and delight in island-inspired elegance and beachfront serenity.

DISCOVER >

53.2% Clks* +32.9 pts. MoM 3.1% Clks -12.8 pts.

EUROPE Hero Module vs. Property Feature







ROMANCE IN ST. THOMAS

Escape from the outside world to your very own paradise at The Ritz-Carlton, St. Thomas and delight in island-inspired elegance and beachfront serenity.

scoven >

6.0% Clks -9.7 pts. MoM

Top 10 Articles: February 2021

(North American Version)

- Readers continue to be interested in property features; 4 out of the top 6
- Continue to show multiple properties to broaden appeal and increase engagement
 - o Introduce new module styles to keep content fresh with-in existing template & new design
 - Use animation to show multiple property images

| | Module | Article Name or Linked Text | Clicks | CTR |
|----|--|---|--------|-------|
| 1 | Journey The Journey: Romantic Getaways For Two | | 11.0 K | 0.38% |
| 2 | Property Feature | Romance In St Thomas Image | 9.1 K | 0.32% |
| 3 | Hero (Black Bar) | The Ritz-Carlton, South Beach | 8.6 K | 0.30% |
| 4 | Hero | Find Your Warm-weather Paradise | 7.8 K | 0.27% |
| 5 | New Openings | The Ritz-Carlton Maldives, Fari Islands | 7.5 K | 0.26% |
| 6 | New Openings | The Ritz-Carlton, Turks & Caicos | 6.4 K | 0.22% |
| 7 | Yacht Collection | Island Hopping: 7 Nights In The Bahamas | 6.1 K | 0.21% |
| 8 | Yacht Collection (Body Copy) | The Ritz-Carlton Yacht Collection | 4.6 K | 0.16% |
| 9 | Travel By Interest | Travel By Interest: Beach Resorts | 4.5 K | 0.16% |
| 10 | Journey (Body Copy) | Six Romantic Destinations | 3.8 K | 0.13% |

Subject Line Test Results

- Branded subject line continues to outperform challengers, results were statistically significant
- Further personalize with geo-targeted subject lines and/or pre-headers to increase relevancy

| Subject Lines | Winner vs. Alt. SLs | Description of Winner | |
|---|---------------------|---------------------------|--|
| INSIDE THE RITZ-CARLTON: Resort Paradise Closer to Home | Winner | Branded | |
| Resort Paradise Closer to Home | -0.71 pts. | Results were | |
| INSIDE: Resort Paradise Closer to Home | -1.19 pts. | statistically significant | |

Pre-header: Kaitlin, next warm-weather escape may be closer than you think.

10% Lift In Clicks from Short Copy Version

- Of the combined test modules, the short version received 3K more clicks (+10%); results were statistically significant
- Both versions had a 30% Open rate
- Recommend testing again in March for patterns using new template design

Campaign Level

(all modules combined)

Clicks: 26.2K

CTOR: 7.9%

Long Copy



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THE JOURNEY

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Short Copy



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Campaign Level

(all modules combined)

Clicks: 29.2K

Lift: +10.2% (+3K)

CTOR: 8.5% Lift: +0.7 pts.

ACTIONABLE INSIGHTS

Actionable Insights

- Continue geo-targeting hero content to increase bookings, engagement and retention
 - Target 1-3 local properties
- Continue to show multiple properties to broaden appeal and increase engagement
 - o Introduce new module styles to keep content fresh with-in existing template & new design
 - Use animation to show multiple property images
- Retest short vs. long copy in the March issue
- Subject line testing: Further personalize with geo-targeted subject lines and/or pre-headers to increase relevancy
- Consider testing more descriptive imagery to showcase package offerings to increase engagement

THANK YOU!

February 2021: MoM Gains In Bookings

February 2021 Financial Engagement Comparisons

| Metrics | Feb. 2021 | МоМ | vs. 12-Month Average |
|-------------|-----------|--------------------|-------------------------|
| Bookings | 31 | +47.6% (+10) | -75.2% (-94) |
| Room Nights | 133 | +129.3% (+75) | -55.8% (-168) |
| Revenue | \$46.3 K | +28.6% (+\$10.3 K) | -36.8% (-\$27.0 K) |
| | | | |

Note:

- Rolling 12-Month Average (Jul 2019 Jan 2021)
- Financial Data Source: Omniture 7-Day

Appendix: New 2021 Targeting Criteria

New Targeting Criteria:

- Include previous month email recipients
- Include additional customers using the criteria below to reach the
 3M deployment max:
 - 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 Dec solo OR
 - Amex Brilliant cardholders
- Note: include those with an English language preference

Previous Criteria:

- Include previous month email recipients
- Include additional customers using the criteria below to reach the 3M deployment max :
 - Past luxury brand stayers (last 18 months)
 - Has HHI \$150K or more
- Exclude European residents
- Note: include those with an English language preference