

January 2021 Newsletter:

Preliminary Email Review

January 19, 2021

JANUARY 8TH NEWSLETTER

Theme: Family Getaways

Subject Line: INSIDE THE RITZ-CARLTON: Discover Family Getaways Closer to Home

Pre-Header: Kaitlin, your next adventure may be closer than you think.















bonor the setting sun, every day a group of Lodes and Gentlemen from <u>The Ritz-Carbon Leguna Niques</u> (prior) onto the scene in an orchestrated surf performance, strong the gloosy waves while guests take in the specificular view.



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Performance Summary: January 2021

- Positive engagement in January with open rates reaching an all-time high
 - Contributing factors to engagement lift included: expanding the targeting criteria to more luxury audiences,
 Loyalty moving open pixel higher in the email, and seasonality
- All CRM segments and Bonvoy member levels saw MoM open rate increases
- Click activity was not as much as open activity, which resulted in a low CTOR
- Geo-targeting the hero helped lift engagement MoM for most regions
- Readers responded favorably to content featuring specific properties; ranked high in all locations

January 2021 Newsletter Performance

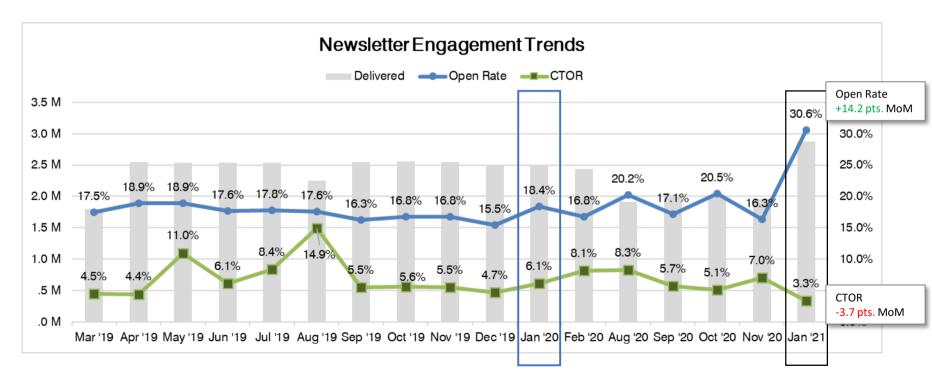
- Expanding the targeting criteria to more luxury audiences influenced engagement, along with open tracking & seasonality
 - Additional data needed to measure impact of new audiences
 - o The requested tracking for new segments was not provided; working with IT to confirm set-up for Feb mailing
- Delivering more emails led to higher open and click counts vs. average and MoM; highest open rate since 2019

January 2021 vs. Rolling 12-Month Average (Jul 2019 – Nov 2020)

2.9 M	879.1 K	30.6%	29.1 K	1.01%	3.3%	0.25%
Emails Delivered +24.4% (563.7 K)	Opens +116.9% (+473.8 K)	Open Rate +13.0 pts.	Clicks +1.4% (+389)	CTR -0.23 pts.	CTOR -3.8 pts.	Unsubscribe Rate +0.10 pts.

31% Open Rate Was The Highest To-date

Seasonality may have also influenced open rate lift; spike in Jan 2020 from Q4 2019 lows Increase in click counts were not enough to raise CTOR; test & learn plans are in place this quarter to help lift clicks



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Above Average Open Rates For All Segments

New audiences were included in the "Other" segment group Rescoring of segments will support personalization efforts, especially when capturing new audiences

	ОТН	IER	W	TE	S	SS	CI	EL	OC	C EX	А	SP	ALL SEG	IMENTS
	Jan.	vs. R12	Jan.	vs. R12	Jan.	vs. R12	Jan.	vs. R12	Jan.	vs. R12	Jan.	vs. R12	Jan.	vs. R12
DELIVERED	2.58 M	32.5%	76.2 K	-18.3%	67.5 K	-17.2%	67.8 K	-14.4%	53.0 K	-27.3%	29.6 K	-20.3%	2.88 M	24.4%
OPENS	808.4 K	149.6%	19.0 K	-10.8%	17.9 K	-11.7%	16.7 K	-8.9%	11.4 K	-23.0%	5.7 K	-14.6%	879.1 K	116.9%
OPEN%	31.3%	+14.7 pts.	25.0%	+2.1 pts.	26.5%	+1.7 pts.	24.7%	+1.5 pts.	21.6%	+1.2 pts.	19.3%	+1.3 pts.	30.6%	+13.0 pts.
CLICKS	25.6 K	18.5%	828	-52.7%	1.1 K	-49.9%	901	-47.3%	485	-55.0%	215	-52.4%	29.1 K	1.4%
CTR	1.0%	-0.1 pts.	1.1%	-0.8 pts.	1.6%	-1.0 pts.	1.3%	-0.8 pts.	0.9%	-0.6 pts.	0.7%	-0.5 pts.	1.0%	-0.2 pts.
CTOR	3.2%	-3.5 pts.	4.3%	-3.8 pts.	5.9%	-4.5 pts.	5.4%	-3.9 pts.	4.2%	-3.0 pts.	3.8%	-3.0 pts.	3.3%	-3.8 pts.
UNSUB%	0.27%	+0.11 pts.	0.13%	+0.02 pts.	0.09%	-0.02 pts.	0.12%	+0.01 pts.	0.12%	-0.02 pts.	0.12%	-0.03 pts.	0.25%	+0.10 pts.
BOOKINGS	16	-86.2%	1	-89.6%	2	-76.9%	2	-74.7%					21	-85.9%
RMNTS	36	-86.3%	3	-88.1%	7	-74.2%	12	-50.0%					58	-83.6%
REVENUE	\$19.9 K	-64.4%	\$6.2 K	-15.5%	\$2.0 K	-74.0%	\$7.9 K	7.6%					\$36.0 K	-56.6%
REV/DEL	0.01	-73.2%	0.08	3.3%	0.03	-68.6%	0.12	25.7%					0.01	-65.1%

Open Rates Spiked MoM

Open rates increased by either 3 or 4 pts. MoM for all segments, except for the Other Guests which spiked 16 pts. Click activity was low, resulting in lower CTORs

Jan'20 - Jan '21

Jan'20 – Jan '21

		January '21	Engagement Trends
	Del.	2.6 M	MoM +56% (+930.6 K)
OTHER GUESTS	Open%	31.3%	
	CTOR	3.2%	
	Del.	76.2 K	MoM -2% (-1.6 K)
WELL-TRAVELED EXECUTIVES	Open%	25.0%	
	CTOR	4.3%	
	Del.	67.5 K	MoM -2% (-1.5 K)
SUN SEEKERS	Open%	26.5%	
	CTOR	5.9%	

		Jan 20 – Jan 21				
		January '21	Engagement Trends			
	Del.	67.8 K	MoM -2% (-1.5 K)			
THE CELEBRATORS	Open%	24.7%				
	CTOR	5.4%				
	Del.	53.0 K	MoM -3% (-1.5K)			
OCCASIONAL EXPLORERS	Open%	21.6%				
	CTOR	4.2%				
	Del.	29.6 K	MoM -2% (-718)			
THE ASPIRERS	Open%	19.3%	✓ ✓✓✓			
	CTOR	3.8%				

Delivered & Open Activity Spiked For All Bonvoy Levels

Jan'20 - Jan '21

Jan'20 – Jan '21

		January '21	Engagement Trends
	Del.	211.1 K	MoM +13.0% (24.3 K)
NON-MEMBER	Open%	17.4%	
	CTOR	3.5%	
	Del.	1325.7 K	MoM +58.4% (+488.8 K)
BASIC	Open%	31.2%	
	CTOR	3.1%	
	Del.	343.7 K	MoM +63.4% (+133.4 K)
SILVER	Open%	32.6%	
	CTOR	3.1%	

		January '21	Engagement Trends
	Del.	529.2 K	MoM +49.4% (+175.0 K)
GOLD	Open%	32.5%	→
	CTOR	3.5%	
	Del.	197.3 K	MoM +34.0% (+50.0 K)
PLATINUM	Open%	31.5%	√
	CTOR	4.1%	
	Del.	234.1 K	MoM +25.9% (+48.2 K)
TITANIUM	Open%	31.1%	
	CTOR	3.7%	
	Del.	35.4 K	MoM +13.0% (+4.1 K)
AMBASSADOR	Open%	28.8%	
	CTOR	3.4%	

Subject Line Test Results

- Branded subject line continues to outperform the other tested styles; results were statistically significant
- Continue to retest the branded style in Feb. and Mar.
- Include a personalized option that plays up past travel memories & experiences using key words or language like: Your, For You, Beach Memories, Remember Hawaii

Subject Lines	Winner vs. Alt. SLs	Description of Winner
INSIDE THE RITZ-CARLTON: Discover Family Getaways Closer to Home	Winner	Branded version
INSIDE: Discover Family Getaways Closer to Home	-1.8 pts.	Results were
Discover Family Getaways Closer to Home	-2.2 pts.	statistically significant

Pre-header: Kaitlin, your next adventure may be closer than you think.

January 2021 Heat Map

(Creative: North American Version)

- Geo-targeted hero engaged readers; clicks up 10 pts. MoM
 - Continue approach and mention specific locations when possible to increase relevancy
- In regions where the featured property was more relevant, click activity was higher
 - Al Bustan Palace received 16% of clicks from ME and Europe residents
- "After-Dark Activities " was the 2nd most clicked module in North Am.; body copy listed reachable locations

From bioluminescent bays to desert stargazing, the world's offerings are sometimes best seen at night. Explore some of our favorite evening activities you can experience at The Ritz-Carlton Hotels in Puerto Rico, Cancun, Rancho Mirage, Lake Tahoe and Lake Oconee

Header 5.0% Clks

Geo-Targeted Hero 27.9% Clks



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Journey Promo: Family Adventures 5.4% Clks

A Magical Experience for our Youngest Guest 4.5% Clks

Property: Al Bustan Palace 5.3% Clks

After-Dark Activities

Worth Staying Up For

10.6% Clks

Ambassadors of the **Environment: Zadun** 5.1% Clks



Promo: Find Your Home Away From Home 5.5% Clks



Video: Let Us Stav With You: Magic Lunchbox 2.5% Clks



Scenography: Experience **Ocean Inspiration** 6.9% Clks





Instagram 2.9% Clks

Footer (not shown) 18.4% Clks

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Property Features Ranked #2 Most Clicked, Except In APAC (Ranked #1)

Relevant content resonated with readers. In some cases, clicks were pulled from hero modules leaving MoM declines.

Hero Module vs. Property Feature



printing look glook flowing to a new year of renewed connection with a getterling designed just for families, Including expenience that multire time topether, and activities that encourage kids to explore and learn. With over 100 hotels and resorts worldwide, including 32 in Asia-Pacific, your family's <u>best great adventure</u> may be closed than your thrisk.

13.2% Clks -4.8 pts. MoM



The pressuppty of discovering yourset frirough eature is at the core of the experience at <u>Hippathyatra Aliceko Vitage a Ritz-Carlton Reserve</u>. Discover the healing elements of Japan's hot springs, or the power of solitude while on a mountain triek, while staying at one of the resort's 50 rooms and subsit with breathtaking alpha views.

24.9% Clks

Hero Module vs. Property Feature



worldwide, including 13 in Europe, your femily's next great adventure may be closer

23.3% Clks*



15.7% Clks

*No previous month comparison because Europe residences did not receive the last mailing



worldwide, including 12 in the Middle East, your family's next great adventure may be

20.3% Clks

-0.7 pts. MoM



15.8% Clks







11.7% Clks

Top 10 Articles: January 2021

(North American Version)

- Property features occupied several places in the top 10 this month totaling 5.5K clicks; placement didn't matter
- Continue testing into featuring more than one property, geo-targeting content for relevancy, and varying module styles to capture more clicks

	Module	Article Name or Linked Text	Clicks	CTR
1	Hero (Geo-Targeted)	Discover Family Getaways Closer to Home	9.2 K	0.35%
2	Journey Article	After-Dark Activities Worth Staying Up For	3.1 K	0.12%
3	Journey Promo (under Hero)	The Journey: Family Adventures	2.0 K	0.08%
4	Little Lost Elephant Property	Al Bustan Palace, a Ritz-Carlton Hotel	2.0 K	0.07%
5	Promo	Find Your Home Away From Home	1.7 K	0.07%
6	Scenography	Experience Ocean Inspiration	1.2 K	0.05%
7	Hero (Body Copy)	Next Great Adventure	1.1 K	0.04%
8	Ambas. of the Environ. Property (Black Tray)	Explore Zadun, a Ritz-Carlton Reserve	938	0.04%
9	Scenography Property (Black Tray)	Stay at The Ritz-Carlton, Laguna Niguel	890	0.03%
10	Ambas. Of the Environment	Embrace the Magic of Nature	852	0.03%

ACTIONABLE INSIGHTS

Actionable Insights

- Work with IT to confirm the tracking of new audiences is in place before Feb. mailing is deployed
- Rescoring of segments will support personalization efforts, especially when capturing new audiences
- Retest the branded subject line style in Feb. and Mar. for performance patterns
 - o Include a personalized option that plays up past travel memories & experiences using key words or language like: Your, For You, Beach Memories, Remember Hawaii
- Continue geo-targeting hero content and look for ways to mention specific property locations to increase relevancy and engagement
- Continue testing into featuring more than one property and varying module styles to capture more clicks; using more prominent modules may help increase click activity

THANK YOU!

Appendix: New January 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

January 2021 Bookings And Revenue Were Near Flat Mom, But Still Below Previous Periods

January 2021 Financial Engagement Comparisons

Metrics	Jan. 2021	МоМ	vs. 12-Month Average
Bookings	21	+23.5% (+4)	-85.9% (-127)
Room Nights	58	-26.6% (-21)	-83.6% (-296)
Revenue	\$36.0 K	-3.4% (-\$1.3K)	-56.6% (-\$47.0 K)

Note:

- Rolling 12-Month Average (Jul 2019 Nov 2020)
- Financial Data Source: Omniture 7-Day