



THE RITZ-CARLTON

# Q1 2019 Email Program Review

May 2, 2019



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# MEETING AGENDA

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- Key Storylines
- Performance Overview
- Campaign Highlights & Trends
- Actionable Insights
- Quarterly Planning

# KEY STORYLINES

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- Launched new monthly newsletter focused specifically on engaging the Ritz-Carlton guests and potential Marriott Bonvoy luxury guests
- Refreshed newsletter strategy drives direction for new baseline KPIs
- Readers are scrolling and sticky content is catching clicks
- Triggered email engagement steady with slight increases for some; review strategies and optimize in Q2

# NEWSLETTER PERFORMANCE

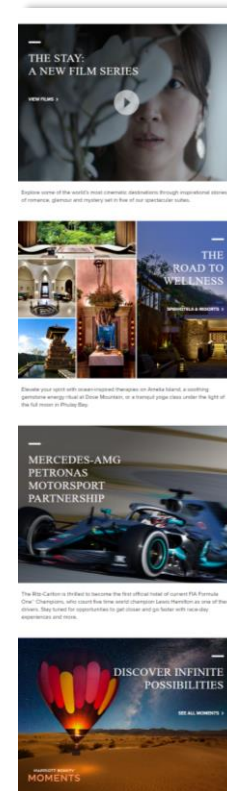
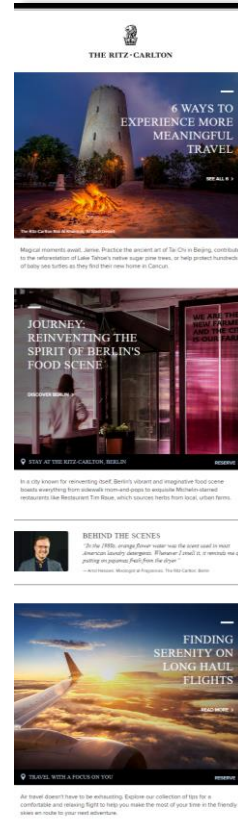
# 2019 CAMPAIGN STRATEGY

## New Approach

- Minimal Header/Footer
- Thematic Content
- Editorial Look & Feel
- Inviting Imagery
- Sticky Content

## Continued with...

- Personalization
- Subtle Booking CTAs
- Loyalty Support





# MARCH 2019 NEWSLETTER PERFORMANCE

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- For audience consistency, we targeted recipients of Jan '19 RCR eNews
  - Totaled 1.8M guests after standard email suppressions
  - Looking to expand audience using brand propensity & additional lux stayers
- Increase in avg. delivered resulted in higher opens/impressions
- Open rates are steady, but down -0.7 pts. or -4% vs. 2018 avg.
- Several factors may have influenced lower click engagement
  - New approach to design and layout
  - Increased editorial style
  - Different, more minimal approach to CTAs
  - Influence of overall loyalty program communications
  - Content focused more directly on engagement vs. bookings
- Recommend testing to improve click-through

Delivered	1.79 M <span>+4% vs. CY18</span>
# Opens	320.8 K <span>+1% vs. CY18</span>
Open Rate	18% <span>-4% vs. CY18</span>
# Clicks	14.4 K <span>-44% vs. CY18</span>
CTR	0.8% <span>-48% vs. CY18</span>
CTOR	4.5% <span>-45% vs. CY18</span>
Unsub Rate	0.17% Flat vs. CY18
# Bookings	216 <span>-20% vs. CY18</span>
# Room Nights	519 <span>-22% vs. CY18</span>
Revenue	\$137.0 K <span>-27% vs. CY18</span>



# APPROACH TO NEWSLETTER BASELINE KPIs

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- March performance allows us to begin establishing baseline KPIs
- Recommend setting baseline after 3rd mailing
- 3-month average will be used to benchmark performance for remainder of year

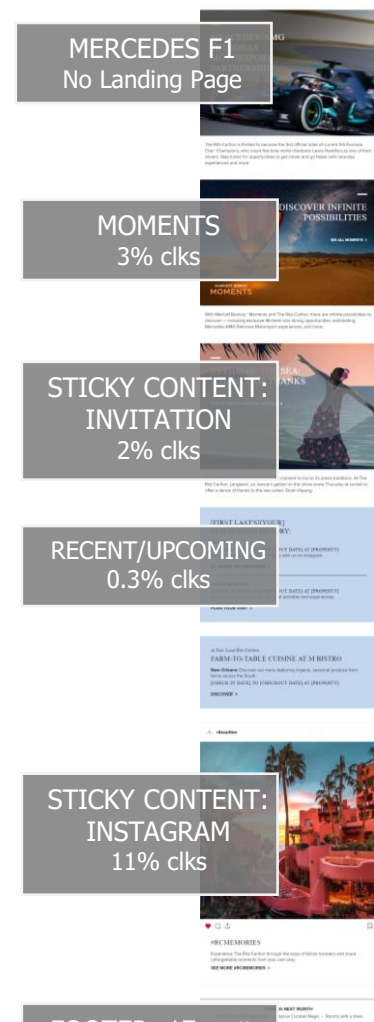
Mailing #1: MARCH 2019

Open Rate	18%
CTR	0.8%
CTOR	4.5%



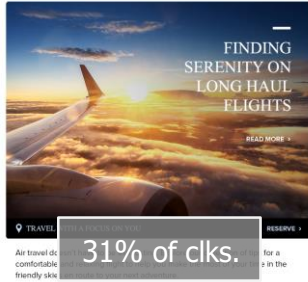
# MARCH 2019 NEWSLETTER CONTENT

- Minimal header and larger content modules spread clicks and encouraged scrolling
- 31% of clicks on Hero article; up from 9% in Jan & Dec
- New visual treatment for video (The Stay) may have led to higher % of clicks than Jan & Dec
- Reserve CTAs in Hotel Spotlight & CRM content performed well as click-catchers (3K+ clicks)
  - Continue approach to support booking goals
- Moments content only 3% of clicks; consider varying image options to better support message; use actual experience or mosaic images
- 11% of clicks on Instagram; 3<sup>rd</sup> most clicked means readers are scrolling

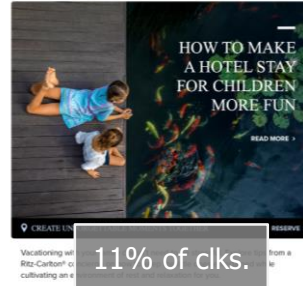


# CRM CONTENT ENGAGEMENT

WTE



Sunseeker



CEL/Default



31% of clicks for WTE was on the CRM article

19% more clicks than Hero article

Opposite response for Sun Seekers  
11% on CRM article, 37% of clicks on Hero, and 15% on Instagram which was #2 most clicked

Traveling with children may have limited relevance for some readers

Celebrators/Default segments showed similar response to CRM article as Sun Seekers

They also had higher header/footer engagement (25% clicks, sections combined)

## Key Takeaways:

- Monitor article engagement over time to determine patterns; use learnings to refine messages
- Test into the expansion of personalized CRM content into other modules; measure for campaign lifts

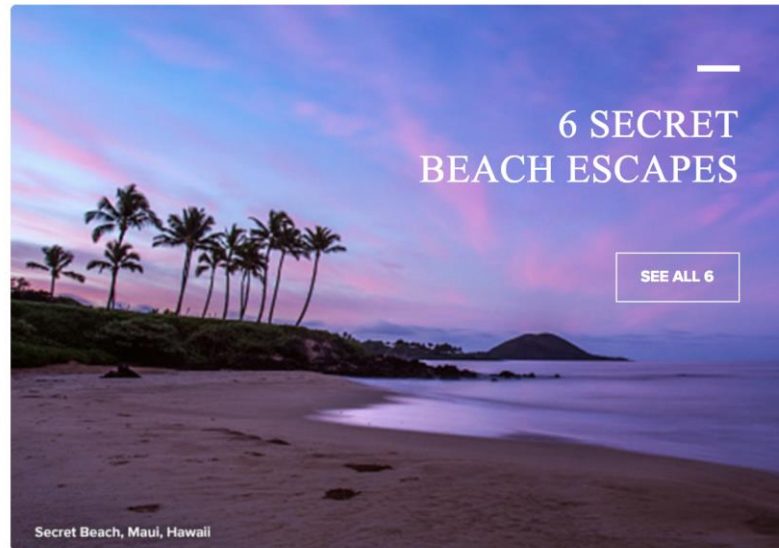
# NEWSLETTER RECOMMENDATIONS

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Remove the dark overlay on images

Increase prominence of CTA with new treatment

- A/B test a thin wireframe style button



# JANUARY 2019 RCR ENEWS

Open Rate  
20.2%

CTR  
1.5%

CTOR  
7.5%

- Delivered 1.9M emails resulting in +402K opens and +30K clicks
- SL optimization helped lift open rate to 20%; up 7% vs. 2018 avg.
- 7.5% CTOR was down -7% vs. 2018 avg.
- 29% of clicks on articles featuring a specific destination; header, under hero, 2-up article
  - Look for more opportunities to feature location-specific content; use propensity or past stay data to aid in geo-targeting

HEADER: 19.1% cks

HERO  
8.6% cks

DESTINATIONS  
8.5% cks

ANNOUNCEMENT  
5.8% cks

COMBINE ACCTS.  
3.2% cks

MOBILE APP  
0.4% cks

CATEG. CHANGE  
3.2% cks

SPECIAL OFFERS  
9.0% cks

DEST. OFFERS  
18.0% cks

CRM CONTENT  
5.0% cks

WATCH VIDEO  
2.4% cks

LOCAL RC  
2.5% cks

UPCOMING &  
RECENT STAY  
0.7% cks

SOCIAL: 0.6% cks

FOOTER: 1.1% cks

# JANUARY YACHT SOLO

Open Rate  
**25.1%**

CTR  
**3.5%**

CTOR  
**13.9%**

Unsub Rate  
**0.49%**

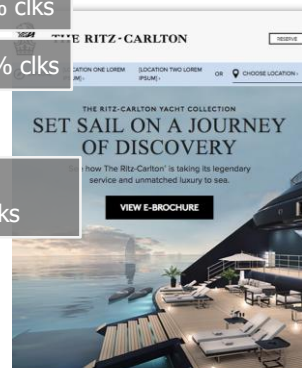
- Email delivered to 2.6M generating over 677K impressions
  - Select audience from MR, RCR, RC non-mbrs, SPG prgms.
- Singular-focused email with supporting proof points was successful in capturing clicks; 52K+ clicks to brochure
- RC non-members engaged with the Suites content up to 36% more clicks than other segments
  - Consider as elevated content in the future

SL = Set Sail with The Ritz-Carlton Yacht Collection  
PH = Discover the ultimate cruise experience.

HEADER: 2.0% clks

EXPLORE: 7.3% clks

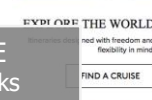
HERO  
39.8% clks



YACHT COLLECT.  
20.2% clks



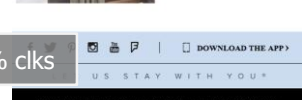
CRUISE  
15.8% clks



EXPLORE SUITES  
13.1% clks



SOCIAL: 0.7% clks



FOOTER: 1.0% clks



# TRIGGERED EMAIL PERFORMANCE

# SPECIAL OCCASION/ANNIVERSARY

Jan/Feb 2019 Avg.

Avg. Delivered	Open Rate	CTR	CTOR
14.3K	26.4%	2.4%	9.0%
-62% vs. '18 avg.	-1% vs. '18 avg.	Flat vs. '18 avg.	Flat vs. '18 avg.

- Engagement remains steady across all KPIs
- Deep dive needed to understand drop in Jan/Feb delivered counts; down -62% vs. 2018 monthly avg.
- Consider testing other data-driven tactics in subject line to lift engagement
  - More personalization so reader knows specific to them & occasion
  - Data on other activities during last stay (spa, golf, ski, dining)
  - Lead with city name "Your Spa Awaits in Barcelona"
- Strategy & content optimization analysis planned for Q2

SL = Make This a Special Occasion to Remember - [Property Name]  
PH = Mark a special occasion with a new memory

PRE-HEADER: 3%

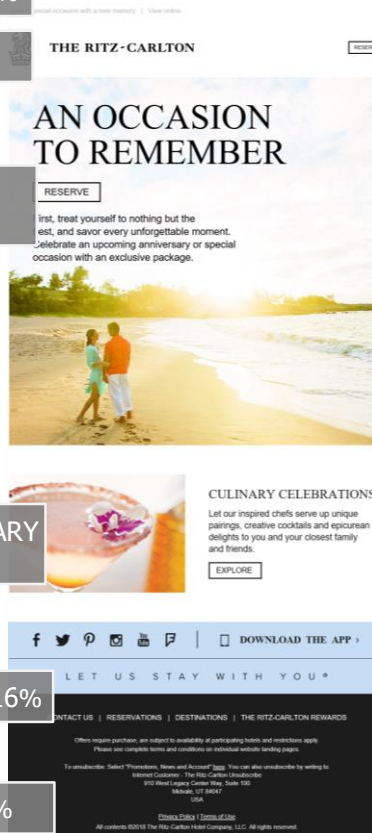
HEADER: 15%

HERO  
41%

EXPLORE CULINARY  
11%

SOCIAL BAR: 16%

FOOTER: 9%





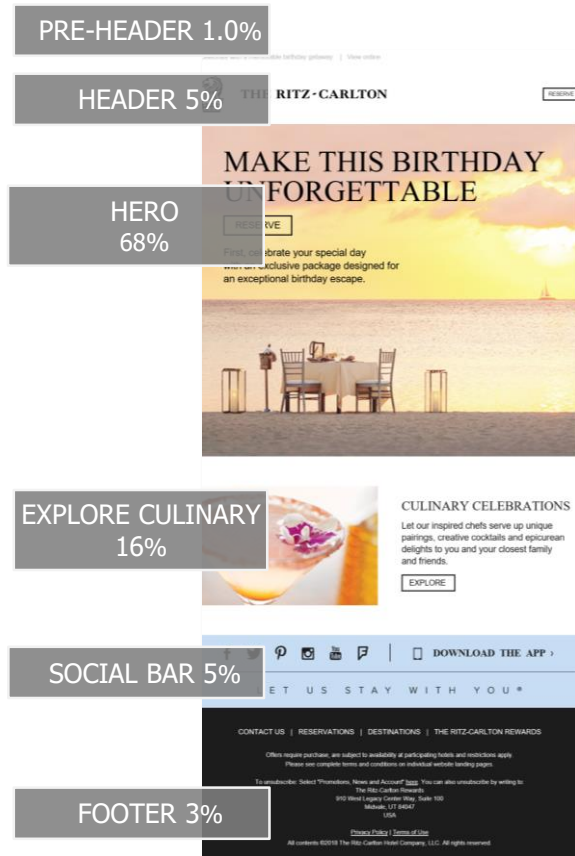
# BIRTHDAY (UPCOMING)

Jan/Feb 2019 Avg.

Avg. Delivered	Open Rate	CTR	CTOR
17.8K	39.0%	6.1%	15.8%
-42% vs. '18 avg.	+34% vs. '18 avg.	+47% vs. '18 avg.	+11% vs. '18 avg.

- Double digit increases in primary KPIs compared to 2018 avg.
- Campaign was paused from Sep – Dec 2018
- Deep dive needed to understand drop in Jan/Feb delivered counts; down -62% vs. 2018 monthly avg.
- Hero clicks +17% YoY; possible impact from creative updates in Dec'18
- Strategy & content optimization analysis planned for Q2
  - Consider moving property recommendations into this email to help with birthday trip planning

SL = Celebrate Your Birthday With Us  
PH = Celebrate with a memorable birthday getaway



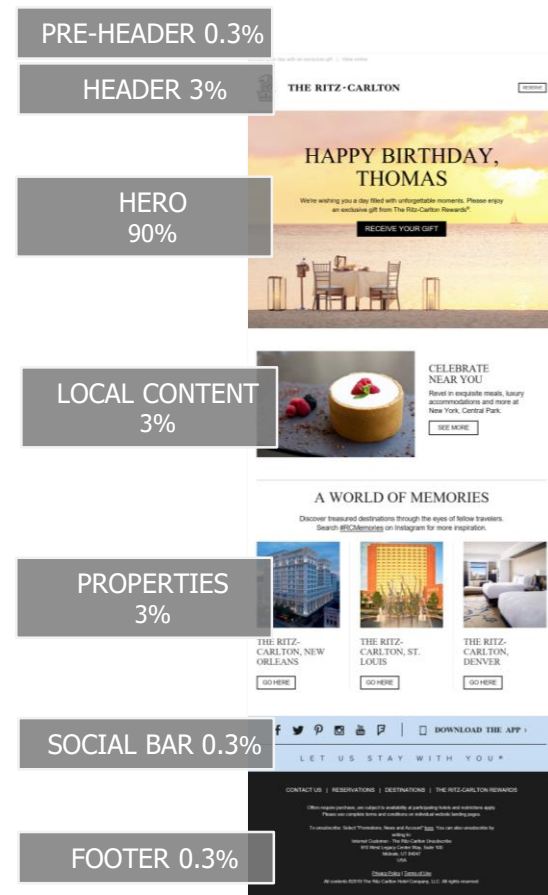
# BIRTHDAY (DAY OF)

Jan/Feb 2019 Avg.

Avg. Delivered	Open Rate	CTR	CTOR
1.5K	37.6%	28.8%	76.7%
-44% vs. '18 avg.	-1% vs. '18 avg.	+1% vs. '18 avg.	+3% vs. '18 avg.

- Highly engaged campaign driving nearly 80% of the openers to click; lift open rates by testing hero CTA approach in subject line
  - "Your Birthday Gift Is Inside"
- Similar deep dive needed to understand delivered declines
- The heat map click distribution is flat YoY
- Strategy & content optimization analysis planned for Q2
  - Consider including only the hero/gift message and local property F&B opportunity; target F&B content based on proximity to property

SL = Celebrate Your Day  
PH = Celebrate your day with an exclusive gift



# LEISURE STAY

Jan 2019

Avg. Delivered	Open Rate	CTR	CTOR	Room Nights
8.5K	31.1%	2.7%	8.7%	12
-27% vs. '18 avg.	-4% vs. '18 avg.	-4% vs. '18 avg.	Flat vs. '18 avg.	+30% vs. '18 avg.

- Last deployment was Jan 2019 to 8.5K customers; down -27% vs. 2018 average; declines are similar to other 2019 triggers
- Open rate is steady with 2018 avg., but click rate declines show need for content review and optimization; properties drive engagement
- Strategy and optimization analysis planned for Q2
  - Look into additional audiences for message (i.e. those that prefer to stay at ski resorts)
  - Expand personalization approach; how to build upon your previous memories
  - Determine if hotel recommendation logic updates are needed

SL = Experience an Unforgettable Getaway  
PH = Plan your next great getaway

PREHEADER: 4.1%

HEADER: 1.9% cks

HERO  
15.4% cks



LOCATIONS YOU MIGHT ENJOY

PROPERTIES:  
69.3% cks



EXPLORE: 6.7% cks

DESTINATIONS

BROWSE LOCATIONS

SOCIAL: 1.9% cks



FOOTER: 6.7% cks



# TESTING & OPTIMIZATION

# SUBJECT LINE TEST RESULTS

Intriguing style subject line seemed to resonate both months with email audiences; continue March branding test for April and May to see patterns

Campaign/Subject Lines	Results	Description of Winner
<b>JANUARY RCR ENEWS</b>		
• Your Very Best Year is Here	Winner	Personalized, short, intriguing
• Plan a Year of Spectacular Moments	+2.6 pts.	
<i>Pre-header: Discover sun-filled destinations around the globe.</i>		
<b>MARCH NEWSLETTER</b>		
• INSIDE THE RITZ-CARLTON: 6 Ways to Experience More Meaningful Travel	Winner	Intriguing, attention grabber w/ caps
• This Month at The Ritz-Carlton: 6 Ways to Experience More Meaningful Travel	+1.3 pts.	
• 6 Ways to Experience More Meaningful Travel	+2.7 pts.	
<i>Pre-header: Berlin's eclectic food scene, your journey to wellness, news for Formula One fans and more.</i>		

# ACTIONABLE INSIGHTS

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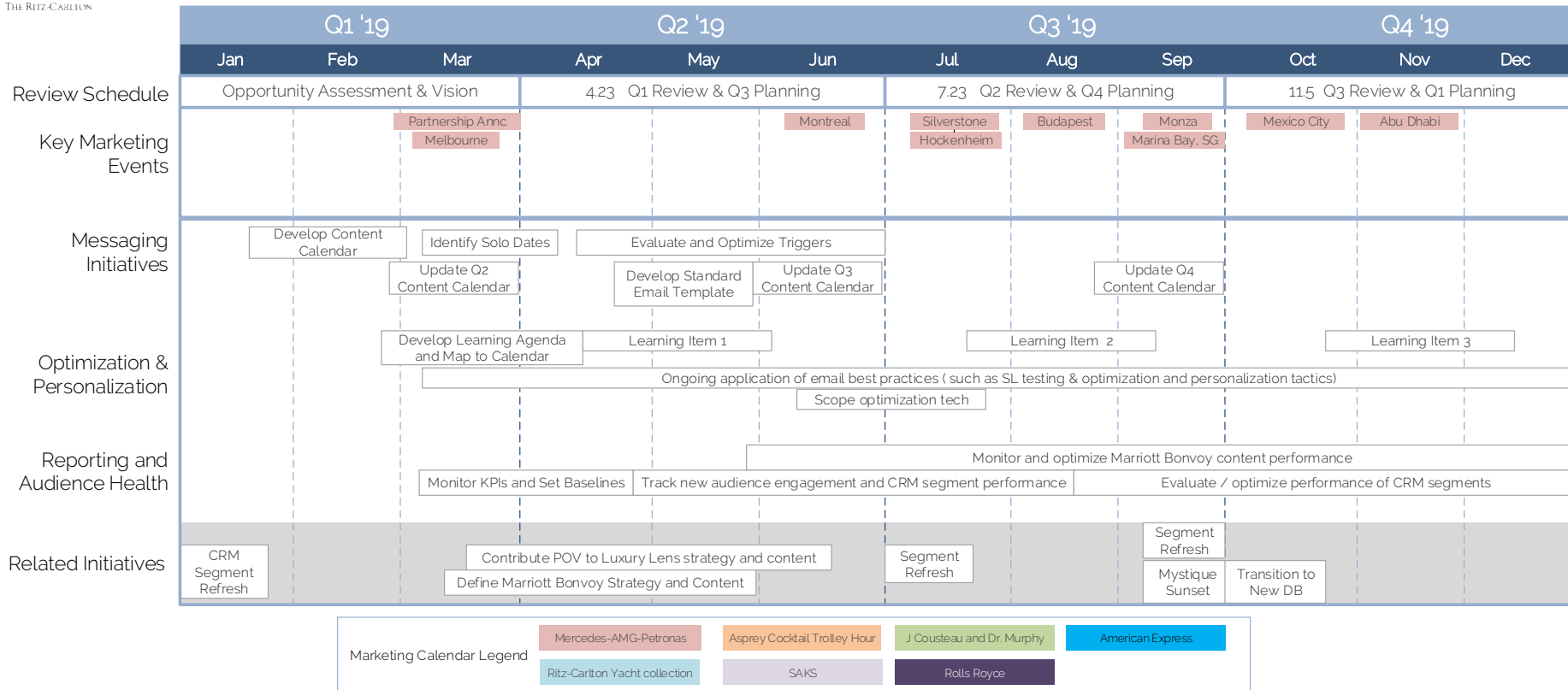
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- Test into improving click-through engagement: imagery approach, CTAs, content options
- Continue with a larger visual treatment of video content to drive engagement
- Monitor CRM article engagement over time for patterns; use learnings to refine content
- Test into the expansion of personalized CRM content into other modules, like the Hero
- Include location-specific content in newsletters and use data to aid in geo-targeting
- Use actual Moments experience images when possible or a mosaic with several images to better support message and call-to-action
- Triggered email strategy & content optimization planned for Q2
  - Use additional stay data to inform content in Special Occasion and Leisure Stay (did member use the spa or play golf during last stay?)
  - Consider moving local and property recommendations into Upcoming Birthday to support planning message
  - Streamline Day of Birthday email by focusing only on the gift message (most engaging content)
  - Determine if hotel recommendation logic in Leisure Stay needs updating; visible engagement declines



# QUARTERLY PLANS

# The Ritz-Carlton Email Program Roadmap



# PLANNED COMMUNICATIONS

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Residence Owners: add dynamic content to newsletter every other month (June, August, October, December 2019)

Solo's to be scheduled...

- The Stay/Suites – mid to late May
- F1/Club – mid September
- New Year's Email – end of December
- Saks (fall)
- Yacht Collection (TBD)

# UPDATED LEARNING AGENDA

Category	Initiative / Business Objective	Key Questions
Newsletter Performance	<ul style="list-style-type: none"><li>• Establish new baseline KPI's</li><li>• Increase email KPI's through targeting and content optimization</li></ul>	<ul style="list-style-type: none"><li>• How do readers engage with content?</li><li>• Can we improve clicks by optimizing content with additional data assets?</li><li>• Is frequency/cadence optimal for engagement?</li><li>• Are there technologies that will help improve content performance, learnings, and overall email engagement?</li></ul>
Segmentation	<ul style="list-style-type: none"><li>• Optimize targeting to drive 1:1 relevancy and engagement</li><li>• Ongoing refinement of new reader targeting criteria</li><li>• Maintain/improve KPI's for key CRM segments</li></ul>	<ul style="list-style-type: none"><li>• How are new readers engaging with content? Are there proven tactics we can use to increase engagement?</li><li>• How does content that is specifically tailored to key segments (Sun Seekers, Well-Traveled Exec and Celebrators) impact their engagement and booking behavior?</li></ul>

# UPDATED LEARNING AGENDA

Category	Initiative / Business Objective	Key Questions
Content	<ul style="list-style-type: none"><li>• Increase monthly impressions with ongoing subject line optimization</li><li>• Present content that drives valuable clicks</li><li>• Measure the effectiveness of various types of content and modules</li><li>• Optimize loyalty support tactics for win-win results</li></ul>	<ul style="list-style-type: none"><li>• Do some content types drive more engagement than others? (trip modules, local content, lists, animation, videos...)</li><li>• Does geo-targeting content help lift engagement? Which tactics work better than others?</li><li>• How does engagement differ when we send a longer message vs. a shorter one?</li><li>• What type of images lift engagement more than others? (light vs. dark, animation vs. lifestyle, people vs. no people)</li><li>• Are there any loyalty content engagement trends that can be leveraged to inform future newsletter content decisions?</li></ul>
Personalization	<ul style="list-style-type: none"><li>• Drive relevancy and engagement that aligns with brand experience</li></ul>	<ul style="list-style-type: none"><li>• What are the effects of personalization?</li><li>• Could personalization drive an aggregate, cumulative effect on overall engagement?</li><li>• What types of personalization tactics drive engagement the most? For key CRM segments? (name, type of content, imagery, data-driven/profile content like birthday or special occasion)</li></ul>

# Q2 LEARNING ITEMS

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- Continue subject line optimization
  - Create 2-3 different subject lines
  - Ensure differences are clear and distinct
  - Consider testing styles/tactics 2 different months for behavior trends
  - Winner becomes challenger for next test iteration
  - Success KPI: Open rate
- CTA Treatment Test (targeted for June)
  - Measure engagement of minimal CTA treatment vs. button CTA
  - Split audience 50/50
  - Current style will be used as the control treatment
  - Use CDATA fields to target content; store as secondary segments for reporting
  - Success KPIs: CTR and CTOR

# Q2 LEARNING ITEMS

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- Triggered email performance evaluation and optimization analysis
  - Performance deep dive
  - Learning plans developed for each email, if needed
  - Relaunch emails
  - Email campaigns:
    - Special Occasion/Anniversary
    - Upcoming Birthday
    - Happy Birthday
    - Leisure Stay



## Q3 LEARNING ITEMS

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- Continue subject line optimization tactics
- CRM Personalization (targeted for July/August)
  - Measure the effectiveness of targeted hero content to key CRM segments
  - Split audience 50/50
  - Create personalized content and a default (control)
  - Use CDATA fields to target content; store as secondary segments for reporting
  - Consider testing 2 or 3 times for behavior trends
  - Success KPI: Module CTR
- Future opportunity: Sponsored Content

# Q3 CONTENT PLANNING

THE RITZ-CARLTON | *yes*

# Q1-Q3 CONTENT THEMES

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
THEME	A Year of Spectacular Moments	N/A	Meaningful Travel	Food and Beverage	Plan Your Summer Getaway	CRM Targeted Articles TBD	Family Travel Barcelona (ROTW)/LA (US)	JOMO/ Travel off the grid	Weekend Getaways
LOYALTY	M. Bonvoy Name Announce	N/A	Moments: F1	Moments: Dining, F1	Moments: F1	Moments: Montreal F1	TBD	TBD	Moments: F1
PROPERTY	N/A	N/A	Berlin	Dallas	D.C.	Tokyo?	TBD	TBD	Singapore
TRAVEL BY INTEREST	N/A	N/A	Spa	City Center	Family	Mountain	TBD	TBD	TBD
PROMOS	Offers Page	N/A	The Stay	Wine Label	Suites	Residences Amex	RC Shops	Residences Yacht?	Club Level

# JULY 2019

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## **THEME:** Family Travel

- Journey articles for family travel to Barcelona and LA
- Consider geo-targeting by US and ROTW.
- Loyalty – TBD
- Property – TBD
- Travel by Interest – TBD
- Promos – consider RC Shops



# AUGUST 2019

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## **THEME:** JOMO (Joy of Missing Out)

- Journey article would need to be ready in time
- Focus on off-the-grid destinations
- Loyalty – TBD
- Property – TBD
- Travel by Interest – TBD
- Promos – Residences, consider Yacht



# SEPTEMBER 2019

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## **THEME:** Weekend Getaways

- Journey article “The New 3-Day Getaway”
- Loyalty – Moments F1
- Property – Singapore
- Travel by Interest – TBD
- Promos – Club Level





# THANK YOU

THE RITZ-CARLTON | *yes*

# OBJECTIVES

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- Engage to drive bookings
  - Inspire travel, showcase indelible moments
  - Tell stories of exceptional experiences
  - Add to the Ritz-Carlton communications
- Fuel loyalty through stories and recognition
  - Surprise & delight with each communication
  - Sophisticated usage of personalization and data



# 2018 MONTHLY AVERAGES

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KPIs	RC ANNIVERSARY	RCR ANNIVERSARY	ANNIVERSARY COMBINED	RC BIRTHDAY UPCOMING	RCR BIRTHDAY DAY OF	eNews	RC OPTIN	Grand Total
Delivered	16,86	32,997	34,684	20,644	1,788	1,631,142	1,524	58,639
Opens	650	8,608	9,259	6,000	682	308,811	972	16,912
Open %	39%	26%	27%	29%	38%	19%	64%	29%
Clicks	70	763	833	857	508	24,912	251	2,447
CT%	4.1%	2.3%	2.4%	4.1%	28.4%	1.5%	16.5%	4.2%
CTO%	10.7%	8.9%	9.0%	14.3%	74.4%	8.1%	25.8%	14.5%
Bookings	1	2	3	15	2	247	1	20
Rmnts	2	5	7	36	4	612	1	47
Revenue	857	2,331	3,188	8,723	1,414	172,370	243	13,568

## Base Communications

Ongoing relevant communications based on marketing calendar

Newsletter /  
Magazine

Monthly theme driven storytelling  
Leverages data driven personalized content

- Geo-based Recos and Offers
- Stay Activity

Solos

Dedicated message(s) to highlight important partnership or brand content and initiatives.

METT

Communicate property specific features and experiences

## Lifecycle Touches

Thoughtfully addresses notable moments in the guest's life or stay experience

Upcoming  
Birthday

Happy Birthday

Special Occasion  
Anniversary

## Behavioral

Relevant and timely triggers delivered based on travel behavior

Leisure Trigger

## Loyalty Communications

E-statement  
& Promos

Lifecycle

Earn/  
Redeem

Elite  
Status

MARRIOTT  
BONVOY

## Reservation / e-confo

Booking  
Cycle

Mobile  
Check-in