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January 2016 Summary Program Review

Jan 2016 Key Storylines

❖ **Spring MegaBonus launched late January, impacting overall program performance**
  - YoY clicks dropped 17.5% & bookings dropped 15.9%
  - eNews did not feature MegaBonus & bookings per delivered (K) decreased 76% YoY

❖ **When MegaBonus did launch, its touchpoints generated more bookings at a higher booking per delivered(K) than 2015 Spring & Fall equivalents**

❖ **PO campaigns overall engagement continued to improve as Jan was the 2nd highest Open & Click to Open rate since launch**

❖ **PO segments demonstrated different engagements to MegaBonus & propensity modeled Field Offers that can further optimize their respective experiences**

❖ **Hotel Specials passed a 20% Open rate for the first time in the past 12 months due to subject line optimization**

❖ **Amount of travel content correlated with higher click engagement with Concierge & PO Destinations mailings**

Executive Summary: Jan 2016

|		Program	eNews	Hotel Specials	Solos	Concierge	Lifecycle	MRCC	METT	Project Orange
Audience	Audience*	16.3 M								
	Total Delivered	85.8 M / 19.5%	10.5 M / -0.2%	8.1 M / -9.0%	31.5 M / 11.6%	12.4 M / 142.9%	3.5 M / 28.5%	10.9 M / 12.5%	5.6 M / -14.2%	3.2 M
	Unsub Rate	0.30% / +0.1%	0.28% / +0.1%	0.00% / -0.2%	0.34% / +0.2%	0.34% / +0.1%	0.50% / -0.0%	0.40% / +0.1%	0.19% / +0.0%	0.11%
	Delivery Rate	- / -	99% / -0.2%	- / -	99% / +0.1%	99% / -0.4%	96% / -2.5%	99% / -0.3%	96% / -3.5%	-
Engagement	Open Rate	23.8% / -1.2 pts	22.2% / -4.9 pts	20.3% / -2.5 pts	26.2% / +1.7 pts	18.4% / -6.0 pts	36.2% / -1.0 pts	21.3% / -0.6 pts	25.3% / -1.5 pts	28.6%
	Opens	20.5 M / 14.0%	2.3 M / -18.2%	1.7 M / -19.1%	8.2 M / 19.5%	2.3 M / 83.3%	1.3 M / 25.0%	2.3 M / 9.1%	1.4 M / -19.0%	917.3 K
	Click Rate	2.1% / -0.9 pts	2.7% / -3.8 pts	1.9% / -0.3 pts	2.3% / -0.7 pts	1.1% / -0.3 pts	7.3% / -1.4 pts	0.6% / -0.1 pts	0.9% / -0.0 pts	3.6%
	Unique Clicks	1.8 M / -17.5%	281.7 K / -58.8%	157.5 K / -22.8%	736.3 K / -14.0%	137.8 K / 85.8%	254.7 K / 8.2%	66.6 K / -6.0%	52.7 K / -12.3%	115.2 K
	Click to Open Rate	8.8% / -3.4 pts	12.0% / -11.9 pts	9.5% / -0.5 pts	8.9% / -3.5 pts	6.0% / +0.1 pts	20.1% / -3.1 pts	2.9% / -0.5 pts	3.7% / +0.3 pts	12.6%
Financial	Bookings	181.1 K / -14.9%	21.0 K / -75.8%	10.4 K / -38.4%	89.6 K / 33.1%	11.7 K / 30.8%	20.9 K / -10.1%	6.3 K / 45.4%	5.2 K / -8.9%	16.1 K
	Revenue	$69.1 M / -16.2%	$8.3 M / -75.5%	$3.9 M / -36.8%	$33.1 M / 27.1%	$4.1 M / 35.1%	$8.6 M / -9.9%	$2.5 M / 38.5%	$2.0 M / -2.3%	$6.7 M
	Conversion Rate	10.0% / +0.3 pts	7.5% / -5.2 pts	6.6% / -1.7 pts	12.2% / +4.3 pts	8.5% / -3.6 pts	8.2% / -1.7 pts	9.4% / +3.3 pts	9.8% / +0.4 pts	14.0%
	Bookings per Delivered(K)	2.1 / -28.9%	2.0 / -75.7%	1.3 / -32.4%	2.8 / 19.2%	0.9 / -46.2%	6.0 / -30.0%	0.6 / 29.3%	0.9 / 6.1%	5.0

* Calculated using Mailable Openers** from Active, Inactive, and Non Member Counts
** Total Mailable minus anyone who has not clicked/opened an email in past 15 months

Program Summary

- Compared to Jan '15, deliveries increased 19.5% while bookings decreased 14.9%, resulting in a decrease of 28.9% of booking per delivered (K)
  - Fall MegaBonus did not launch until 1/27 and was not featured in Jan eNews

- Hotel Specials performance followed recent trends with a typical YoY delta in email KPIs and bookings

- Solos generated 33.1% more bookings YoY
  - When MegaBonus did launch its touchpoints generated more bookings than the same 2015 MegaBonus touchpoints

- Concierge volume is 142.9% higher due to ongoing addition of new members, which created volume lift with drops in Open & Conversion rates

- Lifecycle Incent Redemption launched in Jan'15 to over 10x the monthly avg audience, whose bookings drove the YoY increase
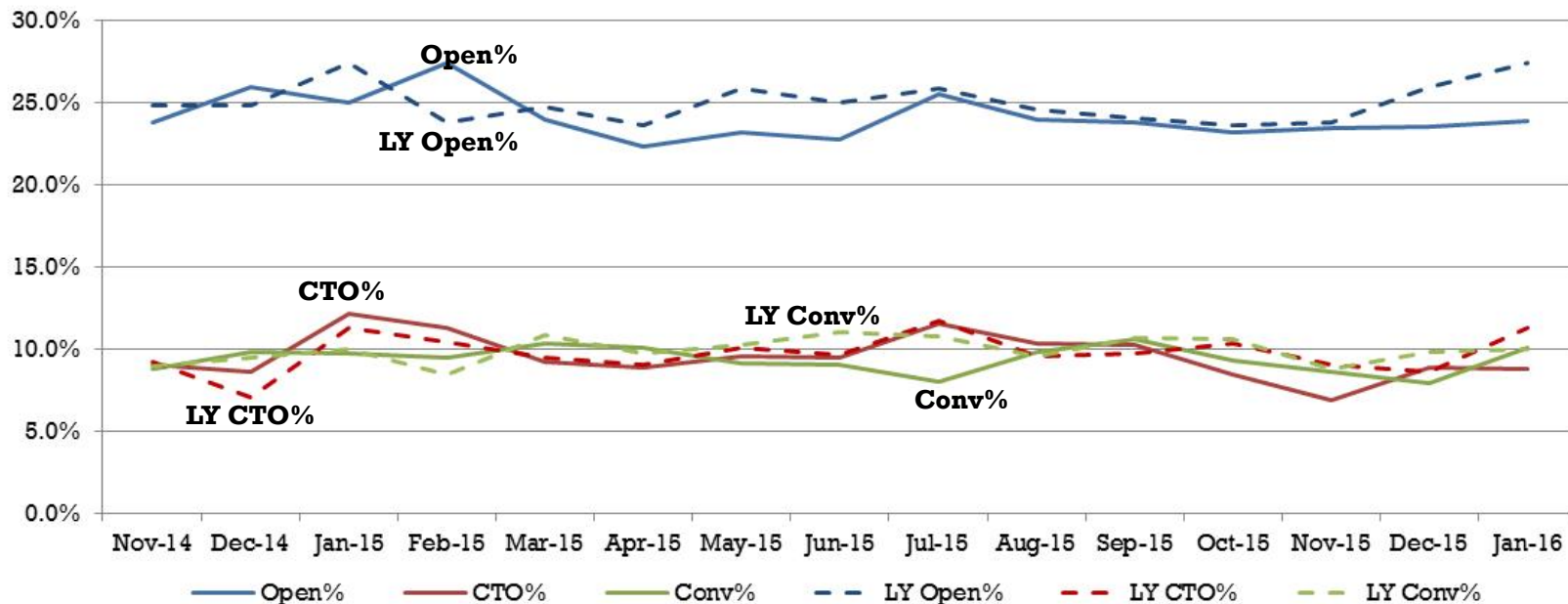
Executive Summary: Jan 2016
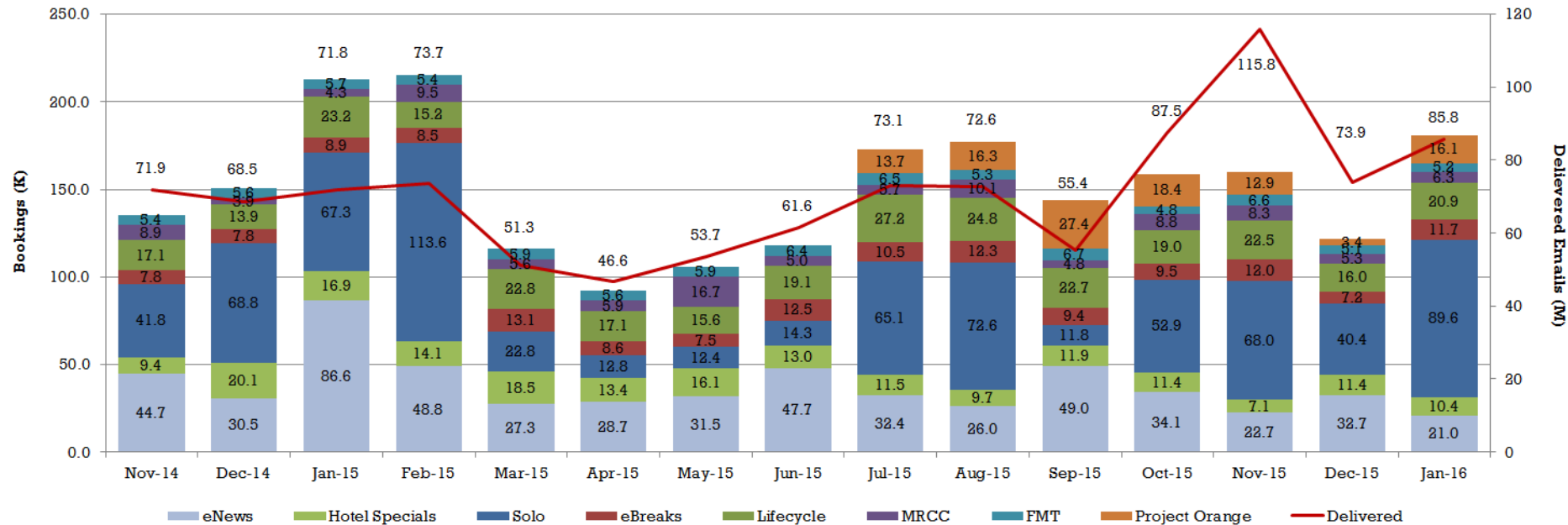
Observations
- Despite the high overall volume of emails delivered, January bookings fell by 15% due to lack of MegaBonus feature in eNews

MoM & YoY KPI trends: Jan 2016

Observations
- YoY Open rates decreased due to eNews (lack of MegaBonus)
- YoY Click to open decreased due to eNews (lack of MegaBonus) & Delta/Protea Solo (high volume, low 3.5% CTO)

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January 2015 Campaign Highlights

+ Jan Spring MegaBonus generated 72.7 K bookings & $26.6 M

Spring '16 Jan touchpoints generated better response than their 2015 equivalents

Spring '16 Jan touchpoints generated more bookings & a higher booking/delivered than the same touchpoints in 2015:

• Preview   • Announcement   • 1st month of Registration confirmation

MegaBonus Solos	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs /Dlvd
Spring '15	14.39 M	47.5 K	$17.75 M	26.4%	17.8%	7.0%	3.3
Fall '15	16.02 M	70.2 K	$25.53 M	26.1%	15.8%	10.7%	4.4
Spring '16	15.74 M	72.7 K	$26.55 M	26.9%	13.0%	13.2%	4.6

Spring '16 Preview Open rates were the highest

Spring 2016 Preview

MB Preview	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs /Dlvd
Spring '15	5.99 M	9.8 K	$3.38 M	24.1%	9.7%	7.0%	1.6
Fall '15	6.73 M	15.2 K	$5.57 M	24.2%	9.5%	9.9%	2.3
Spring '16	7.87 M	25.6 K	$9.85 M	28.7%	8.6%	13.1%	3.3

Observations

- The Preview email continued to generate high engagement rates despite a lack of booking CTA

- The Spring '16 Preview generated an 18.6% higher Open rate than previous mailings which helped net a higher booking per delivered (K)

- **The subject line may have created more anticipation than previous versions and should be a model of future mailings**
    Spring '16: *The All-New MegaBonus® is Coming*
    Fall '15: *Register for MegaBonus Aug 19th*
    Spring '15: *Register for MegaBonus Dec 18th*

Announcement had the lowest Open rates but highest Conversion rates

Spring 2015
Register for MegaBonus, earn up to [XX,000] points

Fall 2015
Register for MegaBonus, earn double points

Spring 2016
Win Big with MegaBonus®

Announcement	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs /Dlvd
Spring '15	8.34 M	36.8 K	$14.06 M	25.2%	24.4%	6.2%	4.4
Fall '15	8.95 M	50.6 K	$18.37 M	26.2%	20.7%	5.4%	5.7
Spring '16	7.81 M	45.9 K	$16.21 M	24.8%	18.3%	13.0%	5.9
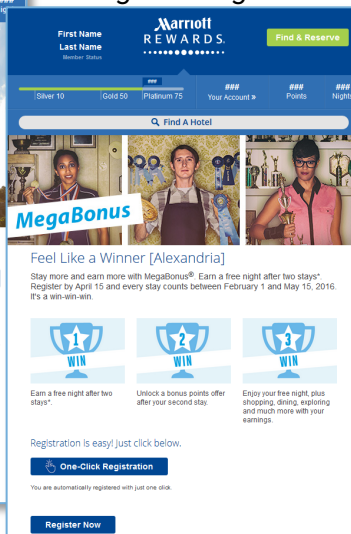
Observations

- Spring '16 Announcement generated a higher Booking per delivered (K) than previous years;

- The Conv% rate was the highest by 2x, which may be due to anticipation from the later launch

- The Open rate was the lowest out of the three mailings
- **Takeaway: Offer details in the subject line may help increase Open rates**

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+ January Project Orange generated the 2nd highest Open & Click to open rate since launch

PO Click engagement has shown steady growth

Jan Project Orange	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)	Unsub%
WHPH	1.5 M	12.5 K	$5.2 M	32.4%	10.8%	24.1%	8.5	0.09%
Benefits	501.5 K	7.6 K	$3.2 M	38.7%	14.1%	27.7%	15.1	0.1%
Destinations	509.4 K	1.7 K	$739.1 K	29.4%	5.6%	20.5%	3.3	0.1%
Offers	466.8 K	3.2 K	$1283.2 K	29.1%	12.0%	19.9%	7.0	0.0%
TSAT	1.7 M	3.6 K	$1.5 M	25.3%	14.4%	5.6%	2.1	0.12%
Benefits	567.7 K	2.1 K	$874.5 K	31.4%	23.3%	5.2%	3.8	0.2%
Destinations	625.1 K	585	$251.7 K	22.3%	4.9%	8.5%	0.9	0.2%
Offers	540.7 K	.8 K	$351.2 K	22.3%	12.3%	5.6%	1.5	0.0%
Total	3.2 M	16.1 K	$6.7 M	28.6%	12.6%	14.0%	5.0	0.11%

Observations

Compared to the overall program PO mailings:

- Generated 20.2% higher Open rate
- 43.2% higher Click to open rate
- 40.0% higher Conversion rate

WHPH segments continued to outperform TSAT; however TSAT CTO% surpassed WHPH due to increased click engagement with Benefits & Offers

- TSAT Benefits Click to open rate has tripled since launch

Bookings by Month

Email KPIs by Month
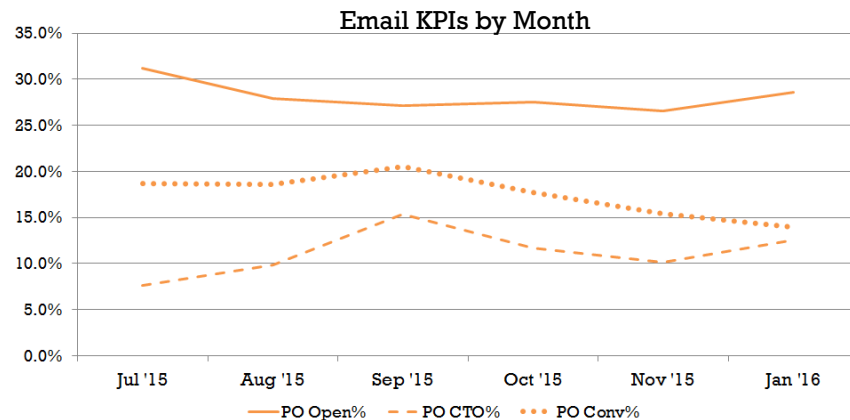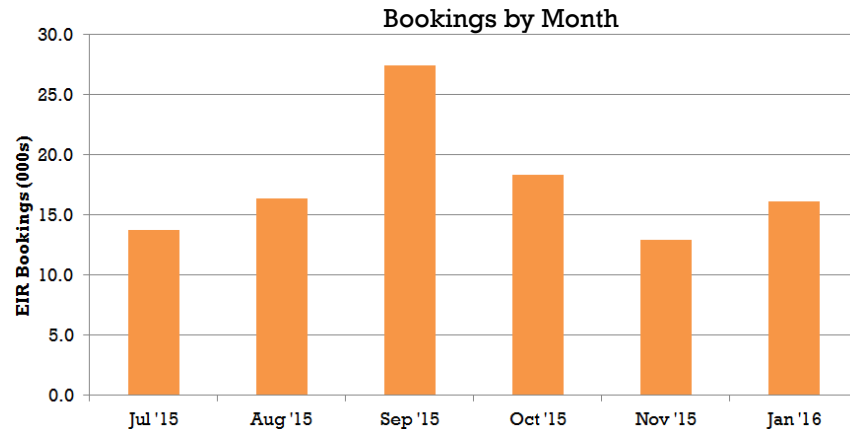
1. MegaBonus created high engagement with WHPH but not TSAT

Observations

MegaBonus was featured Sept-Nov

- **WHPH** responded well to MegaBonus content in Sept; bookings were 3x the monthly average & CTO% increased by 3-4x
- For **TSAT**, Jan Benefits (ft. Sweepstakes) generated more bookings at a higher booking per delivered than MegaBonus months:
  - More TSATs may not be eligible for MegaBonus
  - May not value MegaBonus as much as WHPH
  - TSAT responded well to vacation sweepstakes

Takeaways

- **Consider updating MegaBonus approach for TSATs (positioning, prominence, frequency)**
- **For Learning Agenda: What incentives do PO segments best respond to?**

Bookings vs Delivered emails by segment

Email KPIs by segment

.5
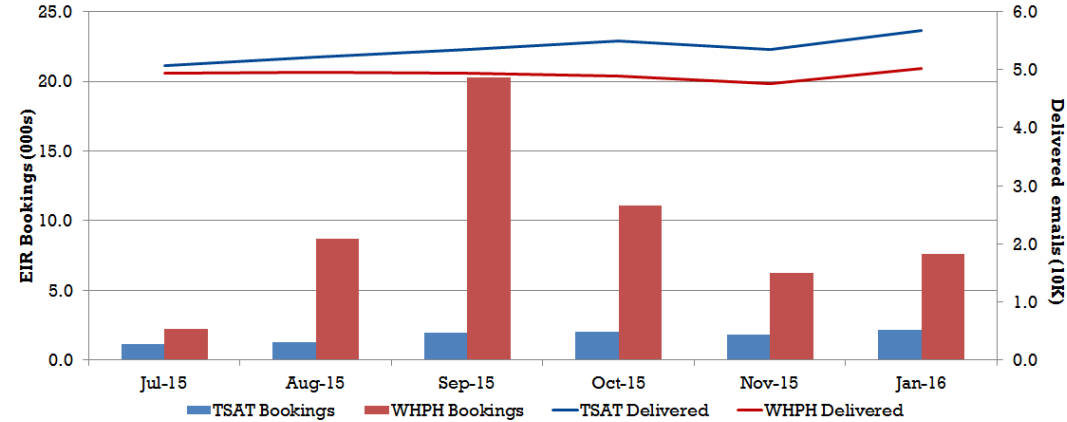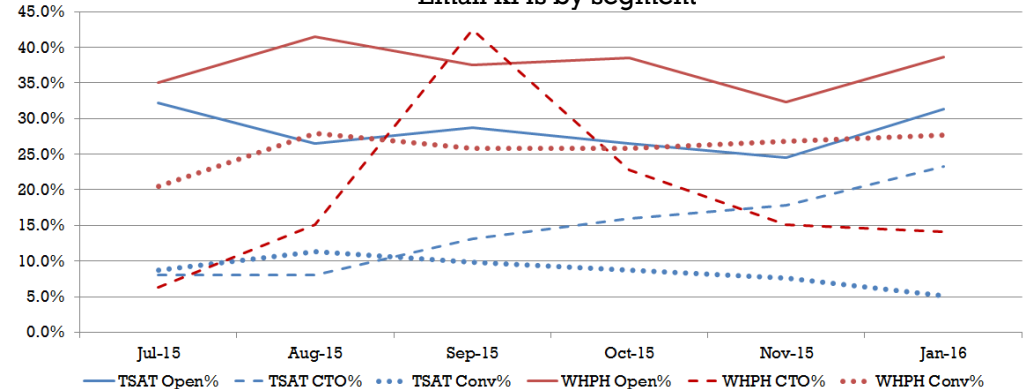
Jan TSAT Benefits generated 1.7x more clicks than any other month

Jan Benefits	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/Del (K)	Unsub%
TSAT	567.7 K	2.1 K	$874.5 K	31.4%	23.3%	5.2%	3.8	0.2%

Observations

- The Hawaii sweepstakes generated 21.8 K clicks, 45% of Benefit clicks
- Almost 2.5x clicks more than MegaBonus featured in Sept

TSAT responded well to sweepstakes

Hotel Openings section's position was elevated and generated:

- The most clicks for that section historically
- The highest conversion rate out of any section (besides Account Box)

TSAT continued to find value with Hotel Openings

Hotel Redemptions (Spotlight on AC Hotels) appeared to generate incremental clicks; however the conversion rate was lower than most sections

Continue to test different approaches to redemption section and content

Account Box
20%, 768 bks

Top Offer
16%, 285 bks

Top Offer 2
45%, 745 bks

Rewards
8%, 172 bks

Hotel Openings
4%, 86 bks

Benefits
Your Account: $300 Resort Credit

Redeem
3%, 43 bks

City Scene
1%, 9 bks

2. Field Offers generated different PO reactions

Observations

Propensity modeled Field Offers were introduced in Jan:

- Both segments hit CTO% highs
- WHPH bookings drove 46% more bookings than the previous highest month
- TSAT Conv% fell to a campaign low which negated the high click engagement; however, booking volume slightly increased

Propensity Field Offers were a positive change for WHPH but did not generate similar impact for TSAT bookings

Bookings vs Delivered emails by segment
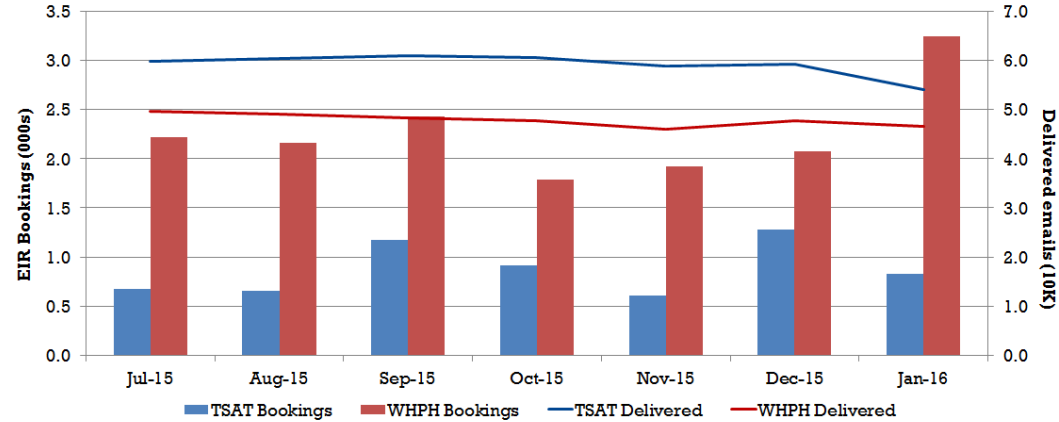
Email KPIs by segment
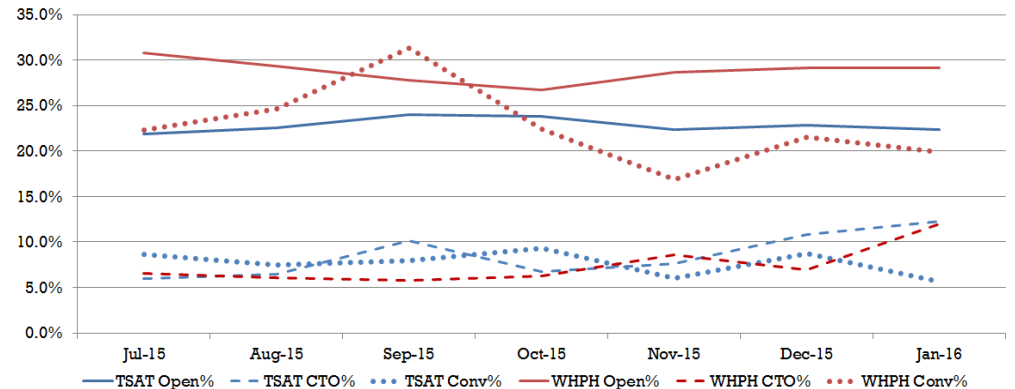
Field Offers attracted the majority of clicks

Jan Offers	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)	Unsub%
WHPH	466.8 K	3.2 K	$1283.2 K	29.1%	12.0%	19.9%	7.0	0.0%
TSAT	540.7 K	829	$351.2 K	22.3%	12.3%	5.6%	1.5	0.0%
Total	**1.0 M**	**4.1 K**	**$1.6 M**	**25.5%**	**12.1%**	**13.1%**	**4.0**	**0.00%**

Observations

Like Hotel Specials, Field Offers attracted the majority of clicks; however segment engagement with Propensity Field Offers differed:

<u>WHPH</u>

- The increase in email clicks appeared to be incremental as other section clicks generated their respective monthly averages
- This section had a similar conversion rate as other sections

Propensity Field Offers was a positive change for WHPH

<u>TSAT</u>

- There were some incremental clicks gained as well as cannibalization from other sections as clicks to Account Box, Search, and Major offer section decreased
- This section had the lowest conversion rate out of all sections

Continue monitoring but potential future optimizations include lowering the position or reducing the number of offers displayed

TSAT may require different offers, increasing the offer pool is planned

WHPH
[FNAME's] February Travel Deals

Account Box
18%, 703 bks

Search
4%, 168 bks

Field Offers
55%, 1.6 K

Major Offer
16%, 582 bks

Minor Offer
4%, 103 bks

TSAT
We've Picked These Deals Just for You

Account Box
14%, 265 bks

Search
6%, 96 bks

Field Offers
61%, 344 bks

Major Offer
7%, 52 bks

Minor Offer
6%, 42 bks

3. TSATs responded well to Sweepstakes

Observations

Jan **Benefit** bookings (ft. Hawaiian vacation sweepstakes) were higher than months when MegaBonus was featured (Fig 1)

Offers that contained sweepstakes were the highest booking months (Fig 1 & 2)

Takeaways

When available, prioritize sweepstakes placement and prominence (e.g. above Field Offers)

Consider additional touchpoints for Sweepstakes for TSATs (ie MegaBonus reminders, last chance)

Displaying offer details in CTA buttons may increase click engagement (ie Hotel Specials)

TSATs may require different offers to motivate bookings

Fig. 1 Benefit TSAT bookings by month
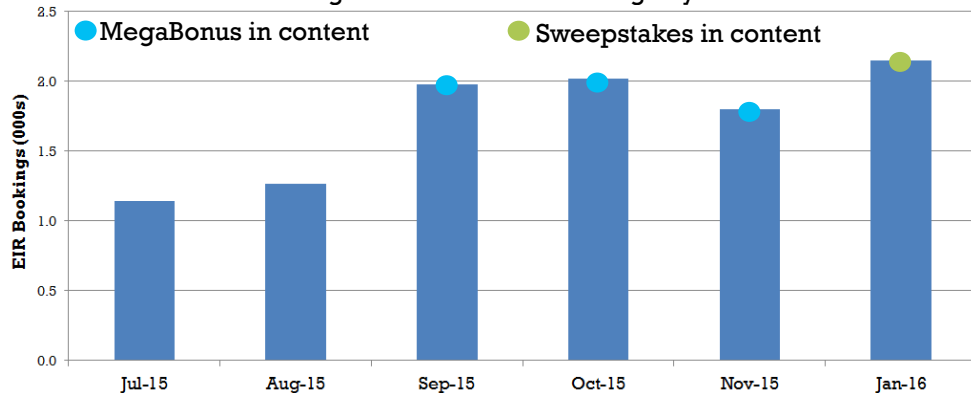
Fig. 2 Offers TSAT bookings by month
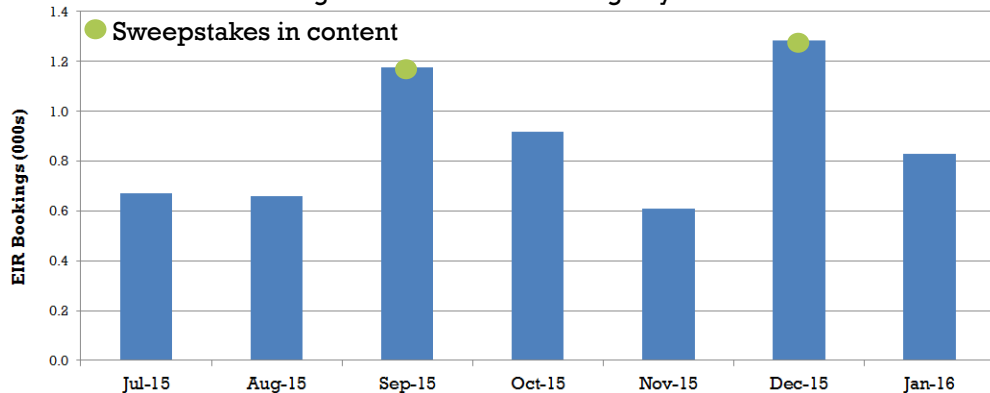
+ Hotel Specials passed 20% Open rate for the first time in a year

2015: A winning subject line was identified

Oct/Sept Subject Line	Delivered	Open	Open Rate	CTO%	Conv%	Booking / Del(K)
143 Deals You'll ♥ (Control)	4.0 M	729.2 K	18.4%	9.9%	7.8%	1.4
Where will you go this October?	4.0 M	767.4 K	19.3%	9.2%	8.4%	1.5
Jim's October Deals + Discoveries	4.0 M	762.3 K	19.2%	9.4%	8.7%	1.6
Jim's October Travel Deals	4.0 M	784.6 K	19.7%	9.8%	8.5%	1.7

Nov/Dec Subject Line	Delivered	Open	Open Rate	CTO%	Conv%	Booking / Del(K)
December Travel Deals for First	5.1 M	931.9 K	18.4%	9.2%	7.3%	1.2
Jim's December Travel Deals	5.1 M	934.9 K	18.4%	8.9%	7.5%	1.2
Just in: Your December Travel Deals	5.2 M	950.5 K	18.2%	8.6%	8.1%	1.3

*99% confidence

Observations
- The wining subject line would have resulted in 360 K more opens and 670 additional bookings between Sept –Dec if implemented as opposed to the original "143 Deals You'll ♥"

Open rate broke 20% for the first time in a year
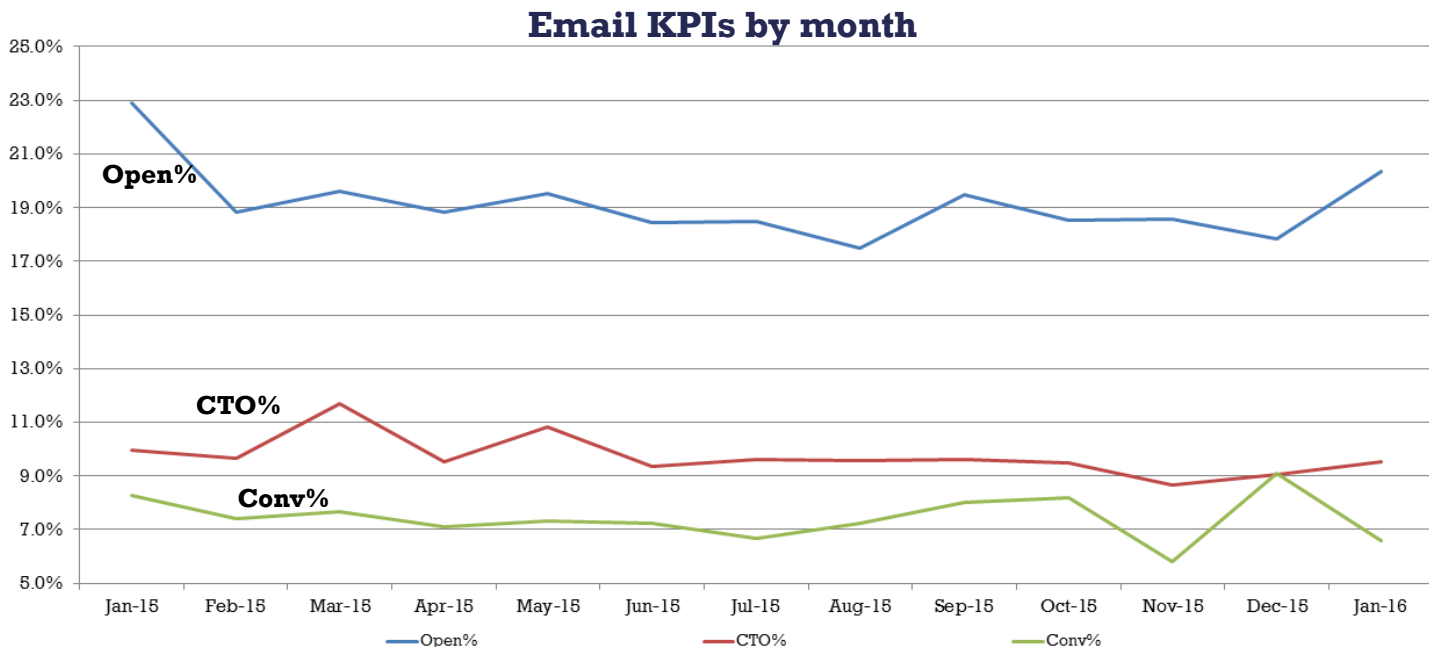
Email KPIs by month

Open%

CTO%

Conv%

Observations
- Open rates were the highest since last Jan which coincides with the full implementation of the winning subject line from Q4 testing
- High Open rate may have been seasonal as Jan open rates continued to be among the highest of the year

Takeaway: Subject lines can incrementally improve performance; Institute ongoing subject line testing across campaigns

Featuring a main offer in Hotel Specials may add incremental bookings

Observations
- The cannibalization of Project Orange segments continued to be a significant factor in YoY performance
- The months where a Featured Offer was used resulted in higher click engagement and booking volume

Optimizations to curated offers generated incremental clicks

Hot Travel Ideas — See All

1.2 K / 37 bkg

6.8 K / 210 bkg — **Top Pick for Romance** — Set the mood with beach walks & a free couples massage in the Caribbean & Mexico. — From $179

5.2 K / 143 bkg — **Spring Break Central** — Beach, wine tasting, ski trip: how do you spring break? Save from Florida to Hawaii. — From $111

Deals You'll Love — See All

1.5 K / 22 bkg

3.7 K / 152 bkg — **Send a Surprise** — Champagne, jewelry or a new iPad. Show your special someone you're thinking of them right now. — Give a Gift

3.5 K / 146 bkg — **Long Weekend in D.C.** — Valentine's or President's Day? Celebrate both with treats for two in Washington D.C. — From $129

1.9 K / 81 bkg — **It's Cuddle Weather in Chicago** — Cozy up with jazz, shopping, food & drink on a romantic Windy City winter escape. — From $124

Observations
- Vday themed offers generated the highest clicks
  - "Top Picks for Romance" was the 5th highest clicked offer for Getaways
  - "Send a Surprise" was 6th highest clicked offer for Experiences

- Custom naming the headline appears to help drive clicks
  - Since this tactic (Nov) clicks to both sections have increased over the prior monthly average
  - Getaways: +26%
  - Experiences: +6%
    This may also be due to improving the quality of copy positioning of offers

Continue to feature and position offers against seasonal relevance & energy moments

+ For Concierge & Destinations, content correlates with click engagement

A higher Click to open rate engagement correlated with the size of featured lists

Click to Open rate by Week

Listed items ≥5
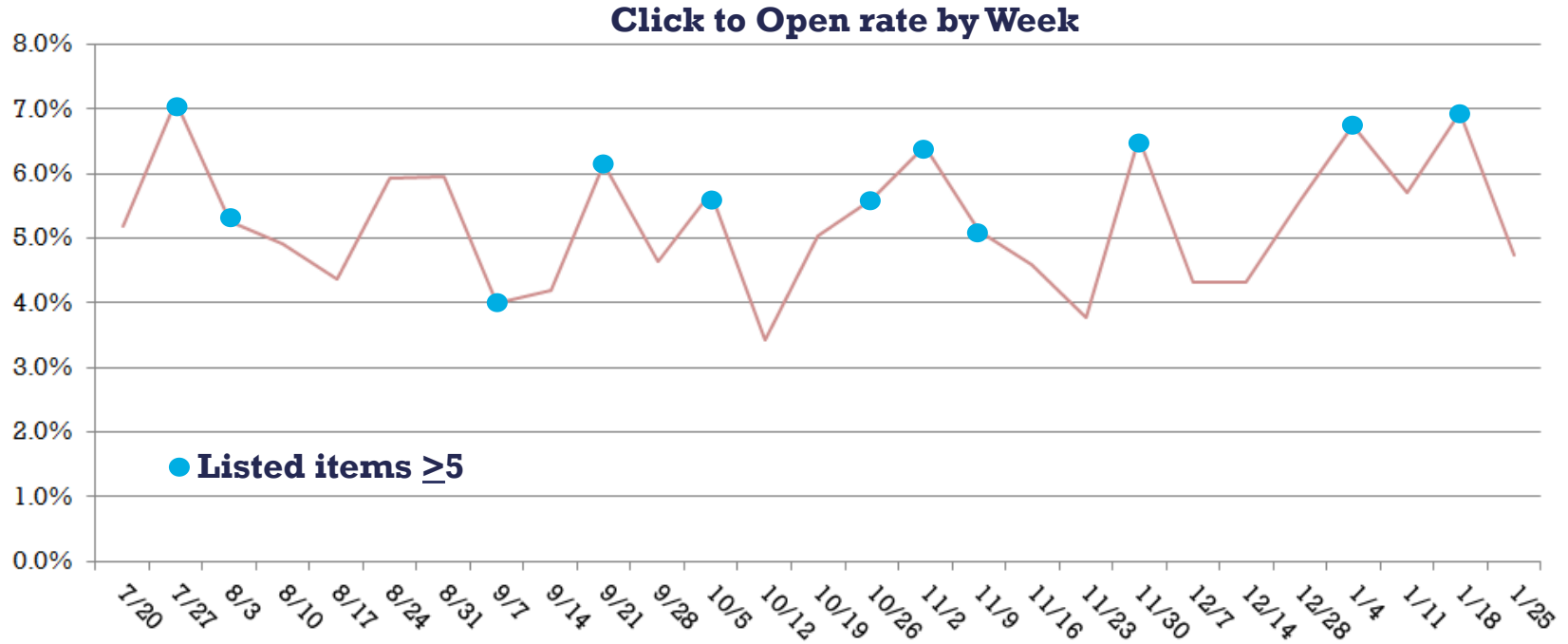
MoM Destinations updates generated insights

Nov TSAT Destinations

Account Box 29%

Search 5%

Top Offer ~ 26%

Top Offer2 2%

Minor Offer
WHPH 35%
TSAT 26%

Observations

Jan featured the following template updates:

- Minor module with 3 destination highlight & featured property
- Year in review quiz link as a 3rd module

Compared to the previous template clicks migrated away from Top Offer & Minor Offer sections to Account Box, Search & Survey

- Jan Top Offer feature one main CTA vs Four
- The new minor module layout did not appear to increase click engagement

Consider expanded content for featured content in Top Offer positions & continue to monitor new layout

Survey generated good click engagement, generating ~ 10% of clicks and conversion rates higher than the minor module

Segments continued interest in surveys & quizzes; interactive content (e.g. Reaction module) should be an ongoing feature

Jan WHPH Destinations

Account Box 39%

Search 8%

Top Offer
WHPH 12%
TSAT 16%

Minor Offer
WHPH 22%
TSAT 13%

Survey 11%

27

Reaction module generated incremental clicks

1/4
5 Must-See Cities This Year
Open rate: 18.2%
CTOR: 6.8%

1/11
Your Long Weekend Cheat Sheet
Open rate: 18.8%
CTOR: 5.7%

1/18
How to Take a Volunteer Vacation
Open rate: 18.7%
CTOR: 6.9%

1/25
3 Must-Do February Events
Open rate: 17.9%
CTOR: 4.7%

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Key Takeaways

Jan '16 Key Takeaways

❖ MegaBonus continued to outperform previous campaigns; incrementally increase performance by continually driving relevancy in subject lines

❖ TSATs may not value MegaBonus as much as WHPH & engaged well with sweepstakes; for TSATs:
- Update copy to reflect how MegaBonus enables vacations
- Consider reducing prominence in 2nd or 3rd Benefits

❖ Propensity Field Offers were a positive change for WHPH but did not generate as much impact for TSAT bookings; TSAT optimizations to consider in the future:
- Feature content ahead of Field Offers and/or reduce the number of Field Offers
- Display offer details in CTA buttons (i.e. Hotel Specials)

❖ Continue Hotel Special section optimizations & institutionalize campaign subject line testing
- Feature compelling offers or features in Top Offer
- Continue to customize curated offer headlines

❖ Best practices from PO Destinations & Concierge to carry forward to Destinations
- Additional supporting detail on travel inspiration content can drive overall click engagement
- Increase number of main features
- Interactive content (reaction module, surveys, quizzes) can generate incremental clicks

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Competitive Insights

Competitors featured Valentine Day offers

Hilton Valentines Special
5 course meal for $50/person, including entertainment and rose

Treat that special someone with an evening at 400 Olive.
View Online | Add to Address Book | Forward to a Friend

Hilton
HOTELS & RESORTS
ABOUT US | OFFERS | DOWNLOAD A
Hell   MEMBER #   YOUR POINTS   LOGIN
BLUE SILVER GOLD DIAMOND

Valentine's Special
Enjoy a 5 course meal for just $50 per person.
Evening will include entertainment during dinner and a rose upon arrival

RESERVE NOW

Hyatt properties leveraged
Vday for their own initiatives

Customer Service | Hotel Website | View Online

GRAND HYATT   MANCHESTER GRAND HYATT SAN DIEGO

GRAND LOVE DESERVES A GRAND GESTURE

Take time to reconnect with your significant other during the month of love at Grand Hyatt San Diego. From sunset views 40 stories high in Top of the Hyatt to an intimate dinner for two in your private guestroom, we will provide an unforgettable romantic setting. Let us take care of the details as you spend time with the one you love.

LEARN MORE

SPECIAL OFFERS

A SWEET PAIRING IN TOP OF THE HYATT
Every celebration deserves some bubbly! Enjoy a 1/2 bottle of Prosecco paired with a Brandied Cherry Mouse Cake in Top of the Hyatt, 40 stories above San Diego Bay. Available February 13th and 14th, $30.

LEARN MORE

LOVE IS IN THE AIR
Say "I Do" to Pacific Ocean views 32 stories above San Diego at Bayview, the city's highest outdoor private terrace. Want to learn how you can get up to 5 free honeymoon nights at ANY Hyatt worldwide? Schedule a tour and tasting today.

LEARN MORE

A COUPLES RETREAT
Relax and unwind side by side with the one you love at Marilyn Monroe Spa. Indulge in a rejuvenating Couples Massage that will leave you both feeling refreshed. $275 for two 50 Minute

Assorted SPG hotel offers
• Stay for a chance to win free nights
• Spa offers
• Dining offers

spg Starwood Preferred Guest

BE MY VALENTINE
Celebrate with Great Rates.
Treat your loved ones to a romantic getaway & enjoy buffet breakfast, buffet dinner or Free wi-fi at any of our hotels in Nigeria.

CLICK TO LEARN MORE ▶

GREAT HOTELS. GREAT RATES.

Explore other exciting Valentine offers below

Dine with us at Sheraton Lagos Hotel and Get a chance to WIN a Free Weekend Getaway for 2 at Sheraton Abuja Hotel.

Experience our special Valentine's Day Dinner with your loved ones at Sheraton Abuja Hotel and make the day a memorable one.

Escape from all the chaos and de-stress with our amazing Spa treatments this Valentine's, at Four Points by Sheraton Lagos Spa.

Learn More ▶   Learn More ▶   Learn More ▶

SPG continued focus on culinary events through SPG.moments

Starwood's events launched a brand focused exclusively on food & dining: culinary.moments
- Behind the scenes of cooking shows
- VIP access to food festivals
- Cooking demonstrations
- Private dinners with celebrity Chefs
- Distinct URL spg.com/cravings

Hilton's METT-type mailings utilize Flash sales

Hilton's Field appeared to use Flash Sale concept across Brands & may be an example of a coordinate marketing effort

NYC Flash Sale + Offer
- Reduced room rate
- Two free drinks
- Complimentary Wi-Fi

Minneapolis Flash Sale
- 72 hour sale
- Rates from $89
- Provides dates and links to book activities

Kimpton may have doubled-down on their lifestyle engagement content
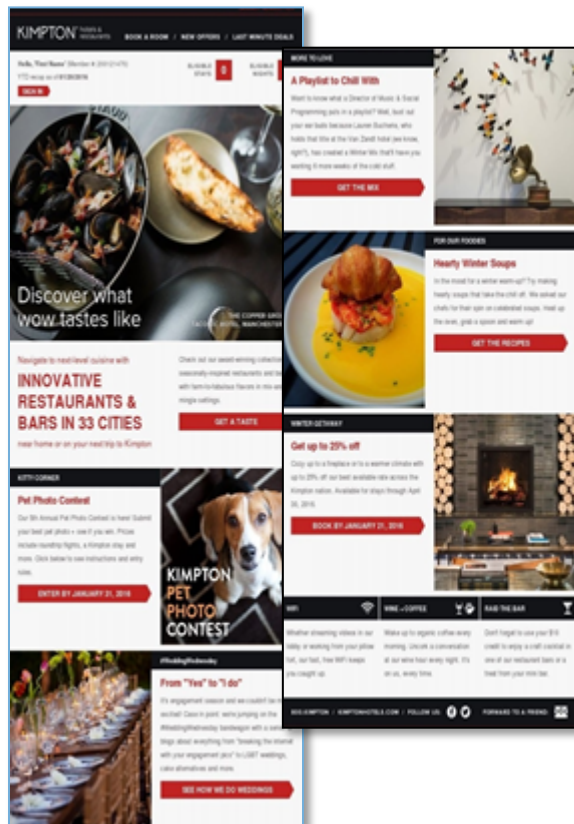
Monthly newsletter
- Innovative cuisine near Kimpton
- Pet photo contest
- Wedding blog and #WeddingWednesday hash tag
- Playlist from hotel
- Soup recipes
- 25% off winter getaways
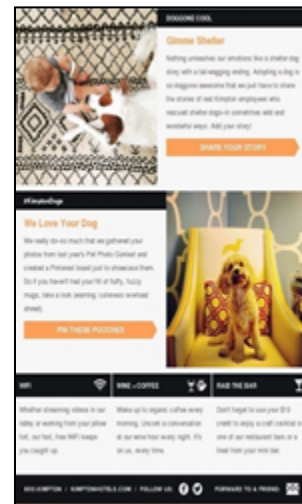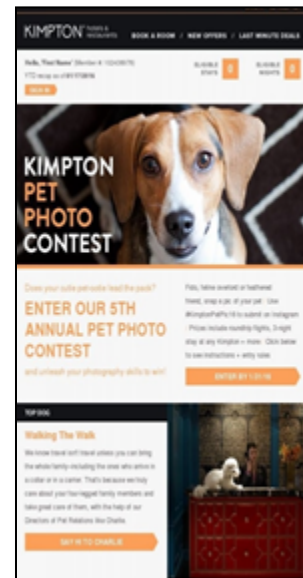
Pet Photo contest
- 5th annual pet photo contest; submissions through Instagram hash tag
- Expose on Kimpton pet director
- Kimpton pet adoption stories
- Creation of Pintrest board for last year's annual pet photo contest

+

January 2015 MR Campaign Reviews

Jan '16 eNews performance summary

		Program	eNews
Audience	Total Delivered	85.8 M / 19.5%	10.5 M / -0.2%
	Unsub Rate	0.30% / +0.1%	0.28% / +0.1%
	Delivery Rate	- / -	99% / -0.2%
Engagement	Open Rate	23.8% / -1.2 pts	22.2% / -4.9 pts
	Opens	20.5 M / 14.0%	2.3 M / -18.2%
	Click Rate	2.1% / -0.9 pts	2.7% / -3.8 pts
	Unique Clicks	1.8 M / -17.5%	281.7 K / -58.8%
	Click to Open Rate	8.8% / -3.4 pts	12.0% / -11.9 pts
Financial	Bookings	181.1 K / -14.9%	21.0 K / -75.8%
	Revenue	$69.1 M / -16.2%	$8.3 M / -75.5%
	Conversion Rate	10.0% / +0.3 pts	7.5% / -5.2 pts
	Bookings per Delivered(K)	2.1 / -28.9%	2.0 / -75.7%

Observations

- Jan eNews deliveries were nearly flat YoY and bookings decreased by 75.8% YoY, resulting in an 75.7% decrease in booking per delivered email (K)

- Lack of MegaBonus drove YoY performance differences
    - Click to open rate fell by 11.9 percentage points (to 12.0%) while Open and Conversion rates both dropped ~5 percentage points
    - Jan '15 featured an Atlantis offer and Hawaii trip sweepstakes/Free night in Paris offer

Jan '16 eNews MoM performance summary
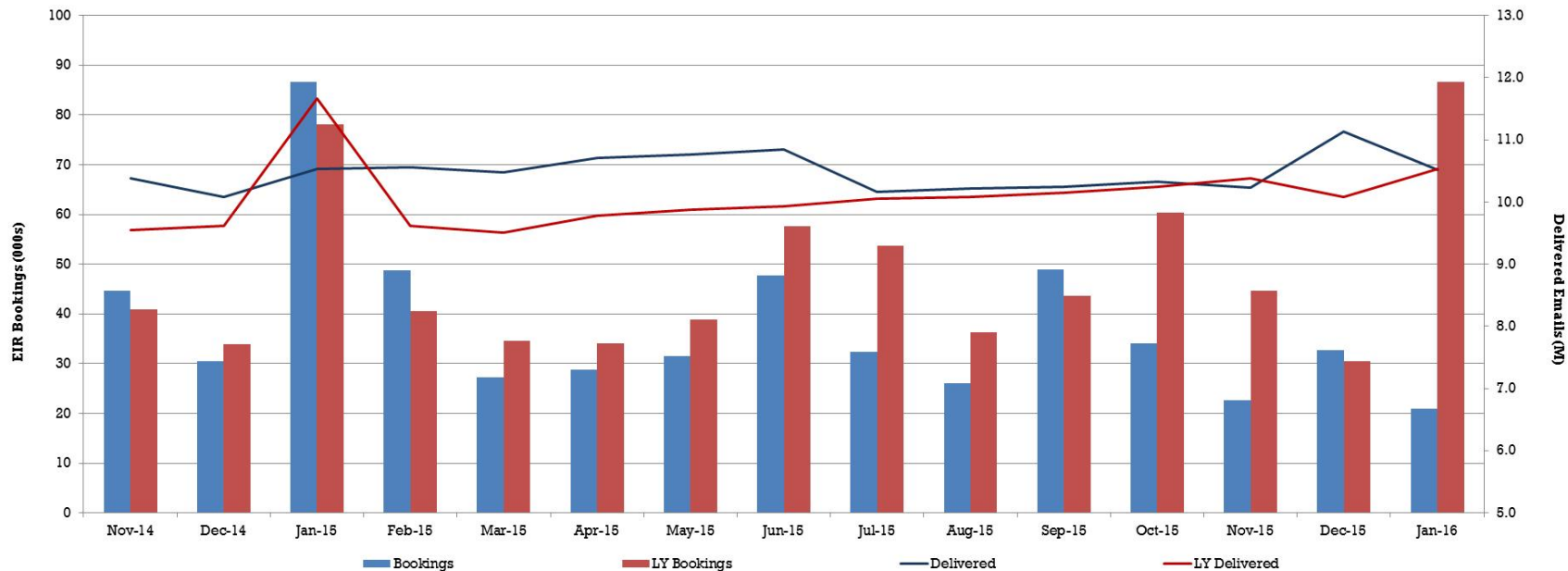
Observations
- Jan '16 was the lowest booking month since Jan '12
- While MegaBonus was a key factor to Jan '16 underperformance, Project Orange segments resumed receiving Benefits starting Jan '16, impacting total bookings

Jan '16 eNews email KPI trends
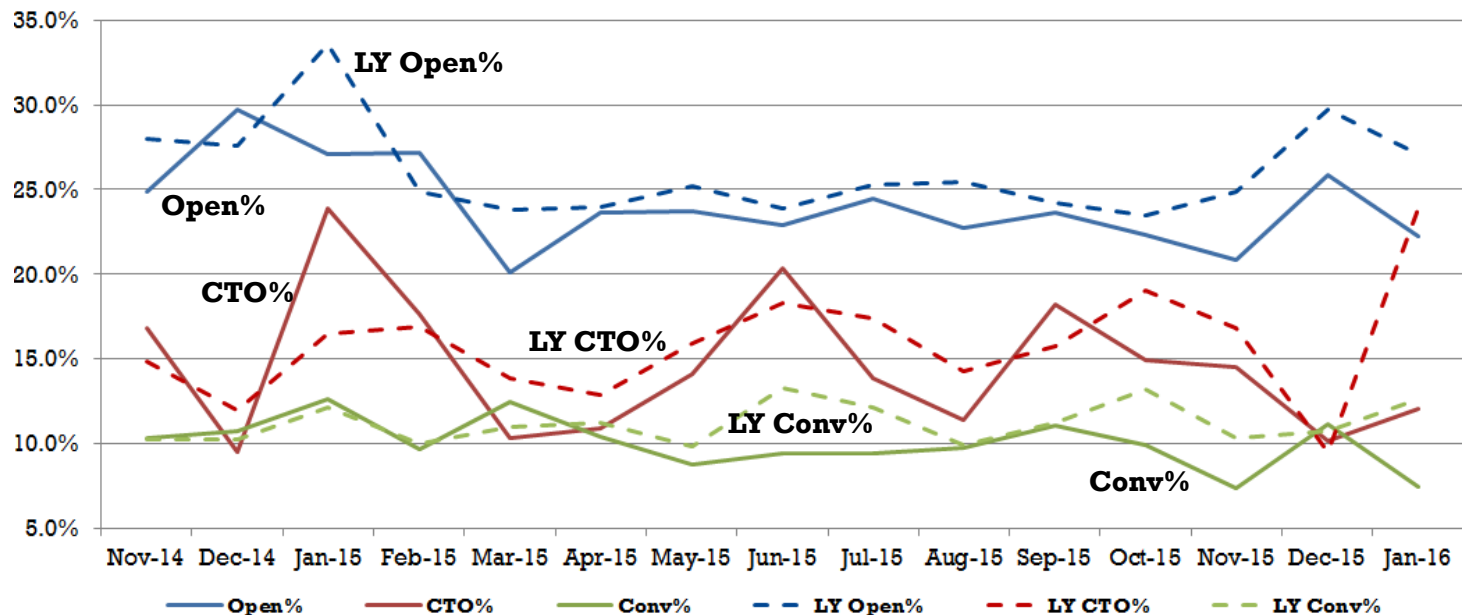
Observations

- Click to open rate fell by 11.9 percentage points (to 12.0%) while Open and Conversion rates both dropped ~5 percentage points
- Impact of lack of MegaBonus started with subject line, with Open rates falling by 18% YoY

    Jan '15: *Start 2015 with MegaBonus*

    Jan '16: *Your Account: Travel Ideas for 2016*

Jan '16 eNews link analysis

Observations

Top Offer generated 108 K clicks while typical MegaBonus Top Offers generated ~ 300 K

- Jan '15 featured an Atlantis offer and Hawaii trip sweepstakes/Free night in Paris offer

Additionally, Account Box & Header clicks dropped by 38% YoY as MegaBonus typically created lift in clicks Header & Account box

Body search (green bar) was moved below the Rewards section and performance did not appear to change

- Search generated less than 7% of clicks, typical of non-MegaBonus months
- The Search in header continued to generate ~ 90% of clicks and bookings

There was not an appreciable performance difference in the position of Body Search in eNews; Moving it below Rewards creates less clutter when the Account module will be implemented

Hotel Redemptions focused on AC Hotels and attracted an above average amount of click share (6%)

Header 36%, 11 K bks
Top Offers 35%, 4.9 K bks
Rew - Head 6%, 1.2 K bks
Rew - Main 4%, 2.1 K bks
Earn 2%, 258 bks
Hotel Rdm 6%, 743 bks
Prod Rdm 4%, 456 bks
Search 7%, 1.9 K bks
City Scene 2%, 92 bks
Hotel Open 1%, 215 bks
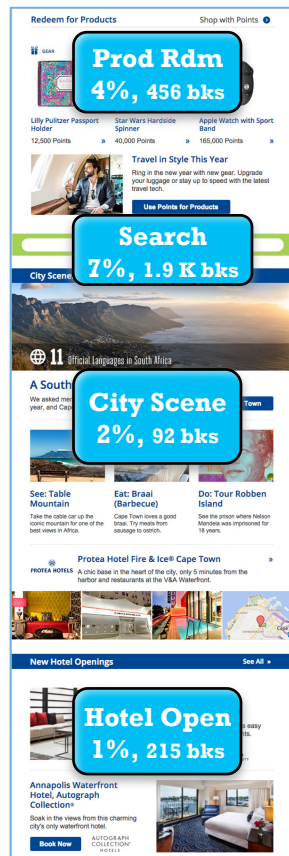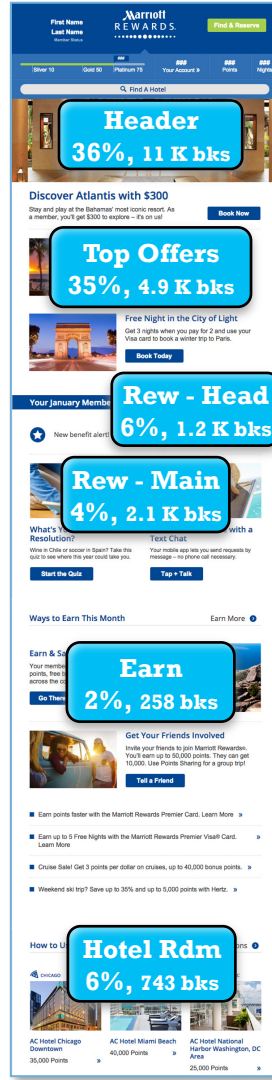
Jan '16 eNews link analysis

Observations

- Hotel Redemptions (AC Hotel feature) generated the most Reward section clicks
- Main rewards section generated the least section clicks due to the reduced amount of dedicated content
  - Hotel Redemptions: 18.6 K
  - Product Redemptions: 13.2 K
  - Earn: 11.7 K
  - Main: 5.8 K

- The Travel Resolution quiz feature engaged members, generating the 2nd most content clicks in Rewards
  - AC Hotel Miami/40,000 Points   4.6 K
  - 2016 Travel Resolution Quiz   4.0 K
  - AC Hotel, DC Area/25,000 points   3.8 K
  - Refer-A-Friend, earn 50K   3.5 K
  - Protea   3.3 K
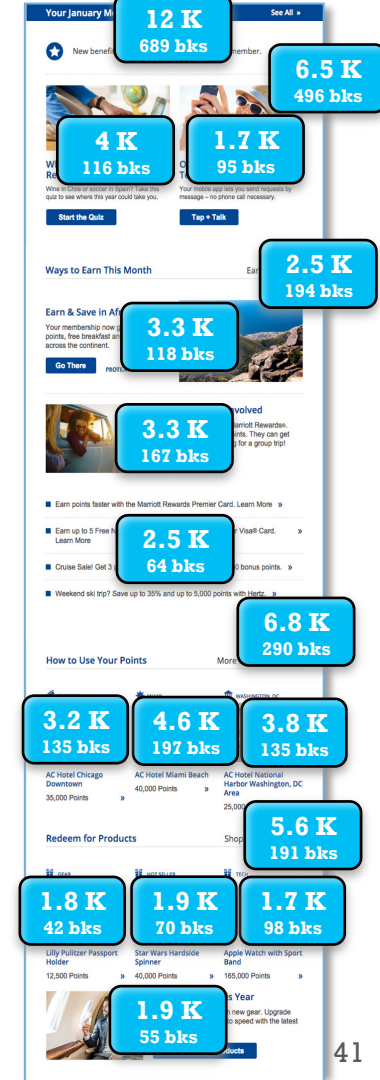
Jan '16 Hotel Specials performance summary

|		Program	Hotel Specials
Audience	Total Delivered	85.8 M 19.5%	8.1 M -9.0%
	Unsub Rate	0.30% +0.1%	0.00% -0.2%
	Delivery Rate	- -	- -
Engagement	Open Rate	23.8% -1.2 pts	20.3% -2.5 pts
	Opens	20.5 M 14.0%	1.7 M -19.1%
	Click Rate	2.1% -0.9 pts	1.9% -0.3 pts
	Unique Clicks	1.8 M -17.5%	157.5 K -22.8%
	Click to Open Rate	8.8% -3.4 pts	9.5% -0.5 pts
Financial	Bookings	181.1 K -14.9%	10.4 K -38.4%
	Revenue	$69.1 M -16.2%	$3.9 M -36.8%
	Conversion Rate	10.0% +0.3 pts	6.6% -1.7 pts
	Bookings per Delivered(K)	2.1 -28.9%	1.3 -32.4%

Observations

- YoY deliveries decreased by 9.0% while bookings decreased by 38.4%, leading to an overall decrease in Bookings per delivered (K) by 32.4%

- The 20.3% Open rate was the highest since last Jan
  - First full month of winning subject line from Q4 testing

- Click to open slightly decreased YoY, reversing a previous positive trend
  - Recently, the months where a Featured Offer was used resulted in higher click engagement
  - Having a Feature Offer may add incremental clicks

Jan'16 Hotel Specials performance summary
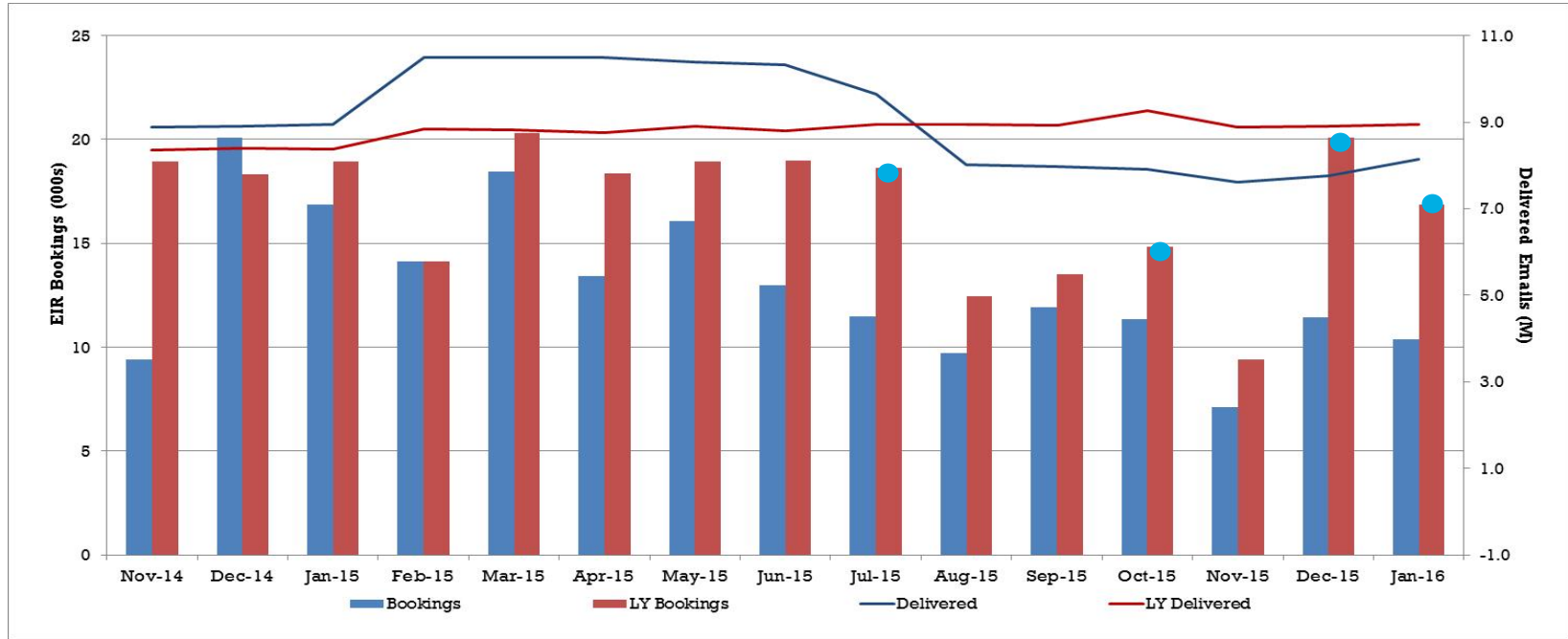
Observations

- The delivery volume dropped due to the reduction of nonmembers mailed (starting Aug)
- The cannibalization of Project Orange segments continued to be a significant factor in YoY performance
- After Project Orange cannibalization, the months with the largest booking YoY differences were when LY Hotel Specials featured a Top Offer

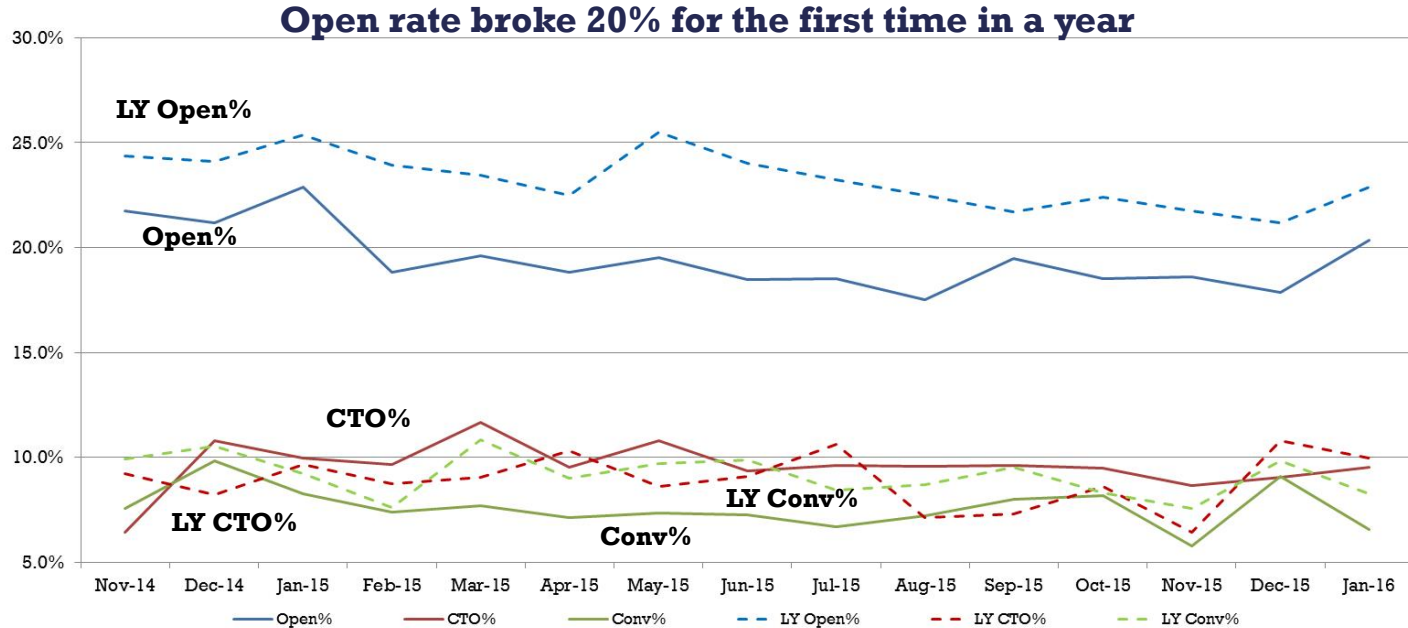# Featuring a main offer in Hotel Specials may add incremental bookings

Observations
- The cannibalization of Project Orange segments continued to be a significant factor in YoY performance
- The months where a Featured Offer was used resulted in higher click engagement and booking volume

Takeaway: Featuring a main offer may add incremental bookings

Jan '16 Hotel Specials performance summary

Open rate broke 20% for the first time in a year

Chart legend: Open%, CTO%, Conv%, LY Open%, LY CTO%, LY Conv%

Labeled series: LY Open%, Open%, CTO%, LY CTO%, LY Conv%, Conv%

X-axis: Nov-14, Dec-14, Jan-15, Feb-15, Mar-15, Apr-15, May-15, Jun-15, Jul-15, Aug-15, Sep-15, Oct-15, Nov-15, Dec-15, Jan-16

Y-axis: 5.0% to 30.0%

Observations
- Open rates were the highest since last Jan which coincides with the full implementation of the winning subject line from Q4 testing
- High Open rate may have been seasonal as Jan open rates continued to be the among the highest of the year

45

Jan '16 Hotel Specials link analysis

Hot Travel Ideas

1.2 K 37 bkg — See All

6.8 K 210 bkg — Top Pick for Romance
Set the mood with beach walks & a free couples massage in the Caribbean & Mexico.
From $179

5.2 K 143 bkg — Spring Break Central
Beach, wine tasting, ski trip: how do you spring break? Save from Florida to Hawaii.
From $111

Deals You'll Love

1.5 K 22 bkg — See All

3.7 K 152 bkg — Send a Surprise
Champagne, jewelry or a new iPad. Show your special someone you're thinking of them right now.
Give a Gift

3.5 K 146 bkg — Long Weekend in D.C.
Valentine's or President's Day? Celebrate both with treats for two in Washington D.C.
From $129

1.9 K 81 bkg — It's Cuddle Weather in Chicago
Cozy up with jazz, shopping, food & drink on a romantic Windy City winter escape.
From $124

Observations

- Vday themed offers generated the highest clicks
  - Top Picks for Romance was the 5th highest clicked offer for Getaways
  - Send a Surprise was 6th highest clicked offer for Experiences

- Custom naming the headline appears to help drive clicks
  - Since this tactic (Nov) clicks to both sections have increased over the prior monthly average
  - Getaways: +26%
  - Experiences: +6%
    This may also be due to improving the quality of copy positioning of offers

Jan '16 Solo performance summary

|		Program	Solos
Audience	Total Delivered	85.8 M / 19.5%	31.5 M / 11.6%
	Unsub Rate	0.30% / +0.1%	0.34% / +0.2%
	Delivery Rate	- / -	99% / +0.1%
Engagement	Open Rate	23.8% / -1.2 pts	26.2% / +1.7 pts
	Opens	20.5 M / 14.0%	8.2 M / 19.5%
	Click Rate	2.1% / -0.9 pts	2.3% / -0.7 pts
	Unique Clicks	1.8 M / -17.5%	736.3 K / -14.0%
	Click to Open Rate	8.8% / -3.4 pts	8.9% / -3.5 pts
Financial	Bookings	181.1 K / -14.9%	89.6 K / 33.1%
	Revenue	$69.1 M / -16.2%	$33.1 M / 27.1%
	Conversion Rate	10.0% / +0.3 pts	12.2% / +4.3 pts
	Bookings per Delivered(K)	2.1 / -28.9%	2.8 / 19.2%

Observations

- Solo deliveries increased by 11.6% and bookings increased by 33.1% YoY, resulting in a net increase in Booking per delivered(K) of 19.2%
  - Jan Solos generated the most monthly bookings since Feb '15 primarily due to the MegaBonus Announcement

Launches

- Spring MegaBonus Preview, Announcement, Registration Confirmation
- Fall MegaBonus Progress Checkins & Confirmation
- Points Expiration & reminder
- Protea/Delta joint Solo
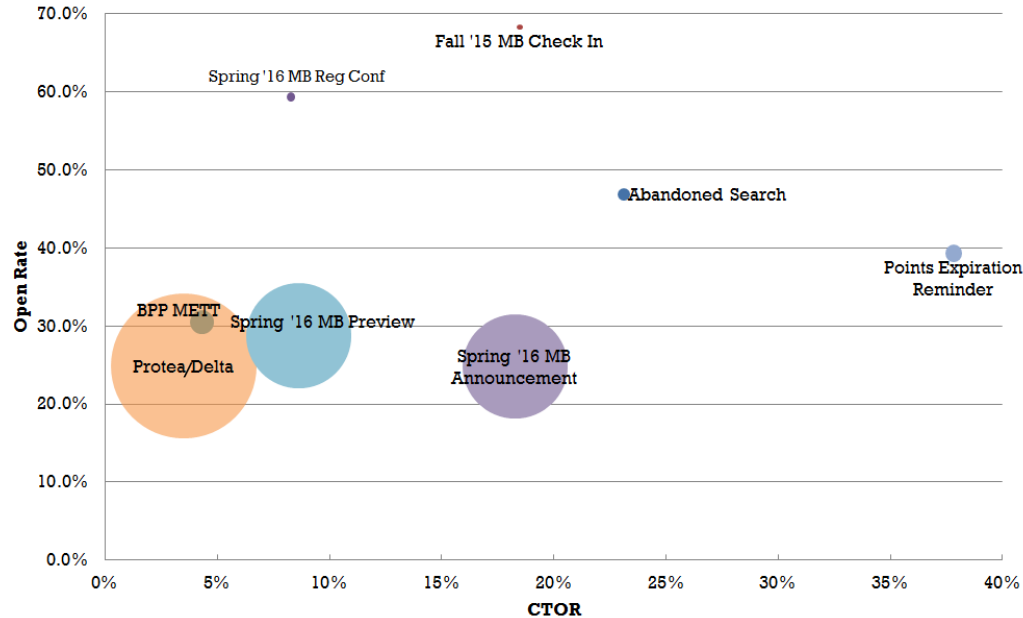
Jan '16 Solo MoM performance summary
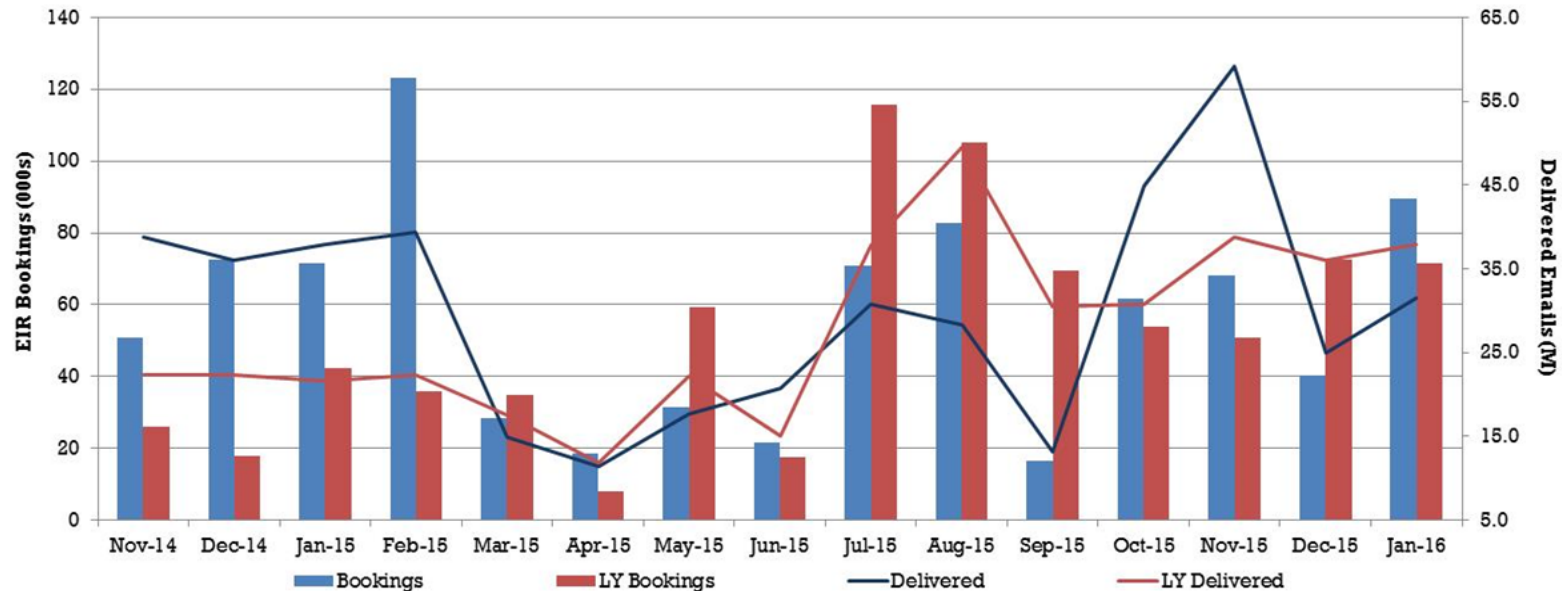
Jan Key Solo mailings

		Delivered / EIR Bookings			Delivered / EIR Bookings
Jan'16:	Protea/Delta	15.0 M / 11.2 K	**Jan '15:**	MegaBonus	8.3 M / 36.8 K
	MB Preview	7.9 M / 25.6 K		Protea	10.5 M / 9.7 K
	MB Announcement	7.8 M / 46.0 K		Mobile App	8.4 M / 10.3 K
	Points Expiration	214 K / 1.4 K		MB Registration	390 K / 4.8 K

Jan '16 Solo visualization – Email engagement

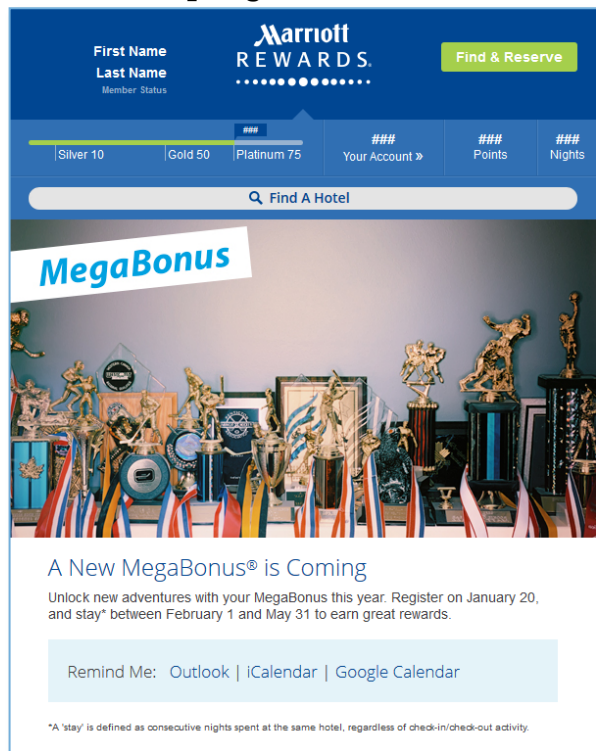**Observations**
- As expected Points Expiration generated a high Open rate as a program announcement

- The Spring MB preview generated a higher Open rate than the announcement.
  - The subject line may have helped generate high opens
  - Members may also have been anticipating their Spring MegaBonus

MegaBonus Preview

Spring 2016 Preview

MB Preview	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs /Dlvd
Spring '15	5.99 M	9.8 K	$3.38 M	24.1%	9.7%	7.0%	1.6
Fall '15	6.73 M	15.2 K	$5.57 M	24.2%	9.5%	9.9%	2.3
Spring '16	7.87 M	25.6 K	$9.85 M	28.7%	8.6%	13.1%	3.3

Observations

- The Preview email continued to generate high engagement rates despite a lack of booking CTA

- The Spring '16 Preview generated an 18.6% higher Open rate than previous mailings which helped net a higher booking per delivered (K)

- The subject line may have created more anticipation than previous versions and should be a model of future mailings

    Spring '16: *The All-New MegaBonus® is Coming*

    Fall '15: *Register for MegaBonus Aug 19th*

    Spring '15: *Register for MegaBonus Dec 18th*

MegaBonus Announcement

Spring 2015

Register for MegaBonus, earn up to [XX,000] points

Fall 2015

Register for MegaBonus, earn double points

Spring 2016

Win Big with MegaBonus®

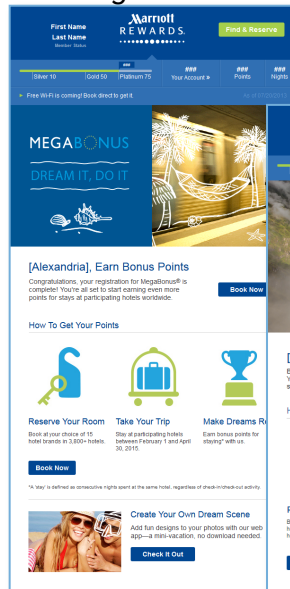| Announcement	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs /Dlvd
Spring '15	8.34 M	36.8 K	$14.06 M	25.2%	24.4%	6.2%	4.4
Fall '15	8.95 M	50.6 K	$18.37 M	26.2%	20.7%	5.4%	5.7
Spring '16	7.81 M	45.9 K	$16.21 M	24.8%	18.3%	13.0%	5.9

Observations

- Spring '16 Announcement generated a higher Booking per delivered (K) than previous years;

- The Conv% rate was the highest by 2x, which may be due to anticipation from the later launch

- The Open rate was the lowest out of the three mailings
- **Takeway: Offer details in the subject line may help increase Open rates**
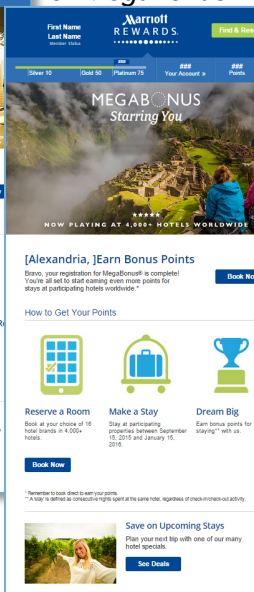
MegaBonus Registration Confirmation

Spring 2015
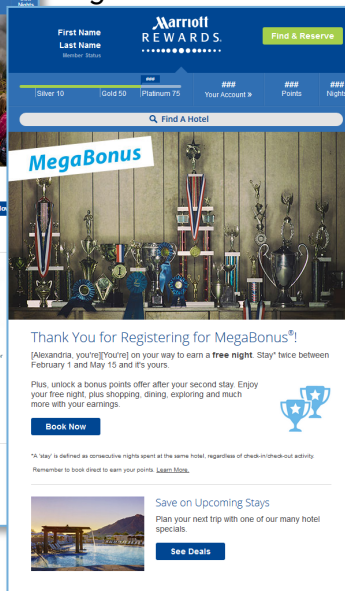*You're All Set to Win With MegaBonus®*

Fall 2015
You're registered for MegaBonus

Spring 2016
You're registered for MegaBonus®

Registration Confirmation	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs/ Dlvd
Spring '15	66.5 K	.9 K	$308.4 K	56.4%	10.2%	24.1%	13.8
Fall '15	339.1 K	4.4 K	$1.59 M	58.4%	9.5%	23.0%	12.8
Spring '16	57.5 K	1.2 K	$489.3 K	59.4%	8.3%	40.8%	20.0

Observations

- In the first month of MegaBonus launch, the Spring '16 Reg. Confirmation email generated nearly 2x the Conv% as 1st month Reg. Confirmation emails

Protea/Delta Solo

Protea/Delta Solos	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs /Dlvd
Jan '15 Protea Announcement	10.5 M	9.7 K	$4.09 M	23.5%	7.9%	5.0%	0.9
Dec '15 Delta Announcment	194.0 K	543	$189.8 K	34.8%	5.0%	16.0%	2.8
Jan '16 Protea/Delta	15.0 M	11.2 K	$4.41 M	24.9%	3.5%	8.6%	0.7

Observations

- New Brand highlights were combined into one mailing vs previous individual mailings that announced the partnership
  - Protea Announcement: *Protea Hotels join Marriott Rewards!*
  - Delta Announcement: *Marriott Welcomes Delta Hotels & Resorts*
  - Protea/Delta: *Sawubona and Bonjour, Jim!*
- The Protea/Delta generated half the CTO% of the Protea announcement while featuring offers to both Brands and direct booking CTA; This suggests members may need reasons to explore the brands vs moving directly to booking

- **Providing reasons to travel to Africa or Canada may have created more engagement and ultimately bookings vs a direct call to book**

Points Expiration Solo

Your Points are Expiring Soon

Your [POINTS TOTAL] Points Expire on [DATE]

Points Expiration	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs /Dlvd
Feb '15 - Announcement	9.9 M	15.7 K	$5.28 M	36.4%	5.0%	8.7%	1.6
Dec '15 - 90 Day	3.8 M	12.6 K	$2.49 M	31.4%	34.2%	3.1%	3.3
Jan '16 Automated	214.8 K	1.4 K	$341.7 K	39.3%	37.8%	4.3%	6.5
90 Day	122.9 K	701	$183.8 K	38.9%	35.1%	4.2%	5.7
60 Day	91.8 K	689	$157.9 K	39.9%	41.4%	4.5%	7.5

Observations

- Roughly 2/3rd of recipients of initial notifications took an action to keep their points

- Roughly 98% of recipients of the 90-Day notification took an action to keep their points (Based on # of 60-Day reminder deployments)

- Based on the high 41.4 CTO%, the 60-Day reminder was useful in generating action by members; **Reminders should be best practice tactics to be leveraged for future mailings**

Jan '16 Lifecycle performance summary

		Program	Lifecycle
Audience	Total Delivered	85.8 M / 19.5%	3.5 M / 28.5%
	Unsub Rate	0.30% / +0.1%	0.50% / -0.0%
	Delivery Rate	- / -	96% / -2.5%
Engagement	Open Rate	23.8% / -1.2 pts	36.2% / -1.0 pts
	Opens	20.5 M / 14.0%	1.3 M / 25.0%
	Click Rate	2.1% / -0.9 pts	7.3% / -1.4 pts
	Unique Clicks	1.8 M / -17.5%	254.7 K / 8.2%
	Click to Open Rate	8.8% / -3.4 pts	20.1% / -3.1 pts
Financial	Bookings	181.1 K / -14.9%	20.9 K / -10.1%
	Revenue	$69.1 M / -16.2%	$8.6 M / -9.9%
	Conversion Rate	10.0% / +0.3 pts	8.2% / -1.7 pts
	Bookings per Delivered(K)	2.1 / -28.9%	6.0 / -30.0%

Observations

- Delivery increased YoY by 28.5% while bookings dropped by 10.1%, resulting in a decrease in bookings per delivered email of 30.0%

- Delivery increase was due to the new Lifecycle campaigns since Jan '14, primarily Anniversary

- The booking decrease was due to the launch of Incent Redemption, which in 2014 deployed to all members eligible for the mailing vs triggered deployment

Jan '16 Lifecycle MoM performance summary
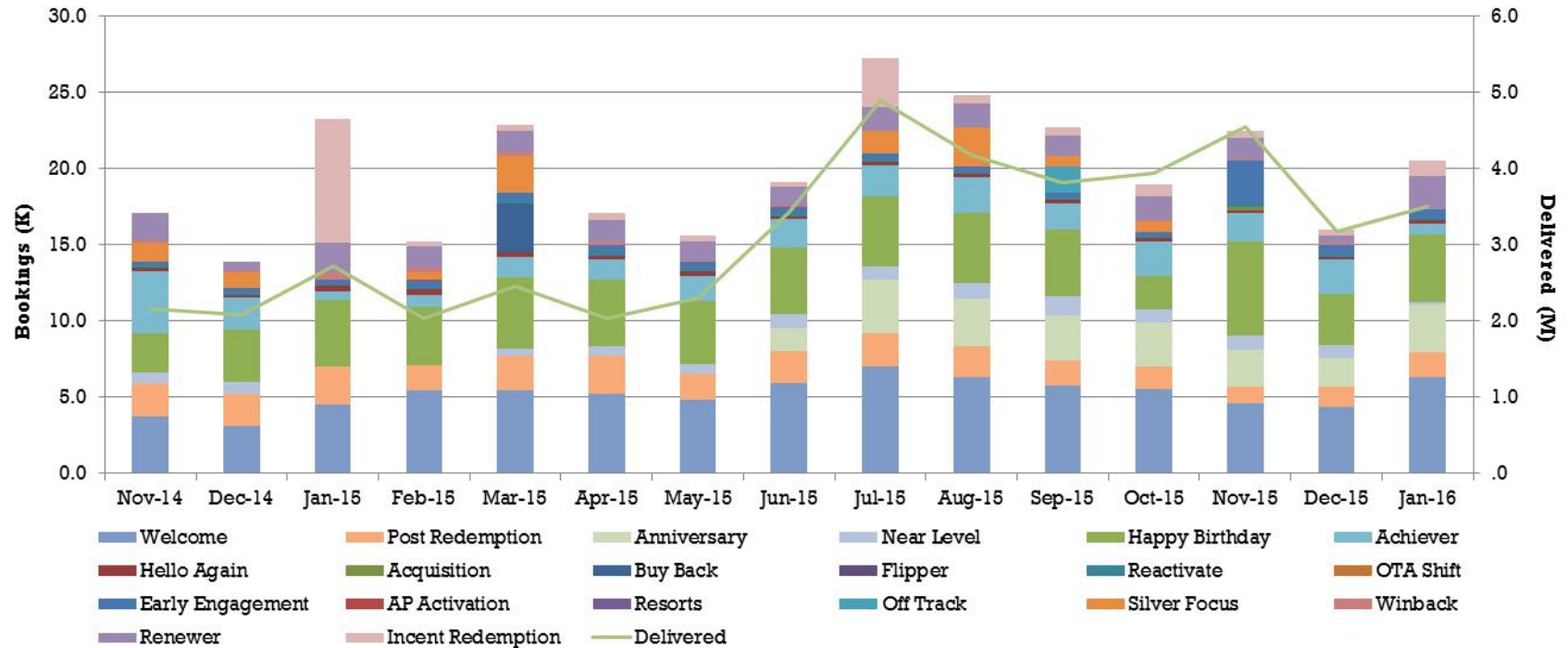
- Incent Redemption initial launch in Jan '15 went to 750 K members & generated over 8.1 K bookings
- Since then the mailing was triggered to a monthly avg of 75 K members, generating 724 bookings

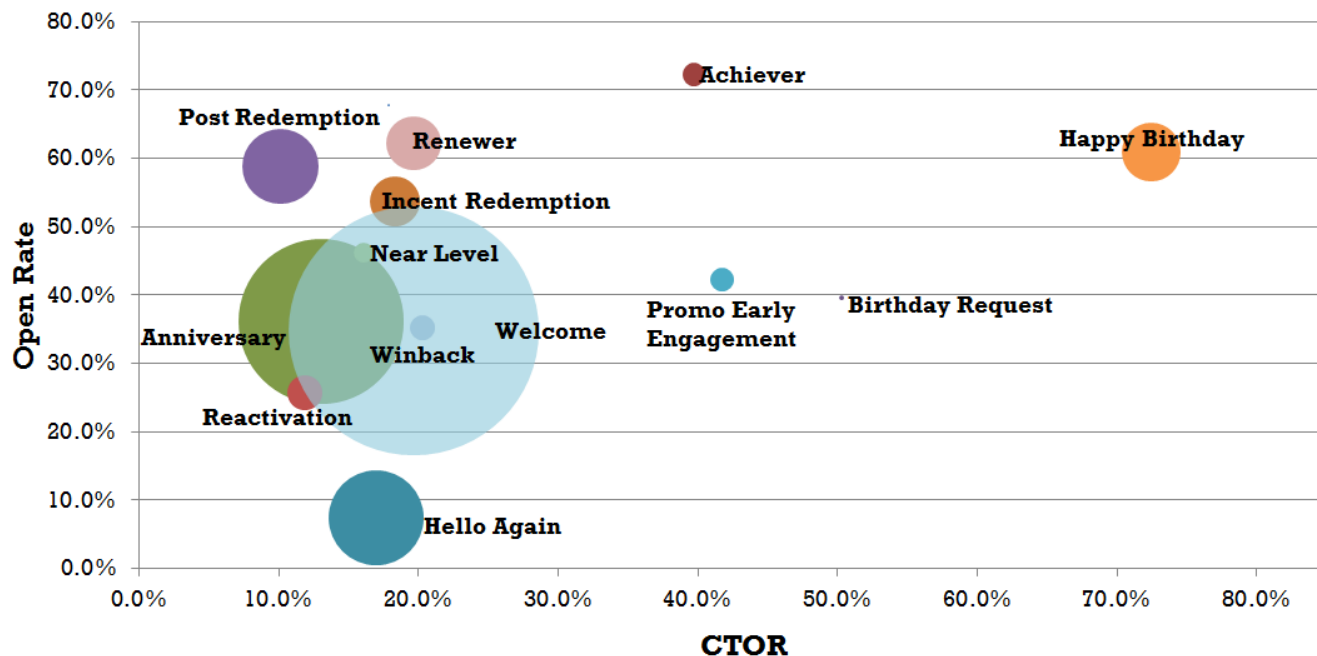# Jan '16 Lifecycle visualization – Engagement
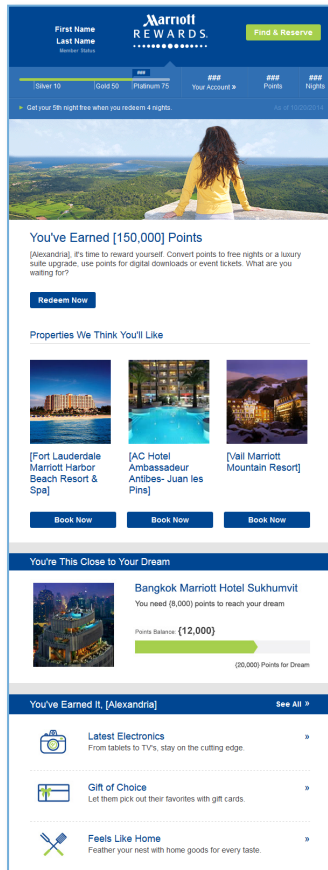
Open Rate vs Click to Open rates

Observations
- Members continued to have high interest in Redemption emails

Jan '16 Lifecycle deep dive: Incent Redemption

Incent Redemption

Month	Delivered	EIR Bookings	Open%	CTO%	Conv%	Bk/ Del (K)
Jan '15	750.5 K	8.2 K	47.6%	16.9%	13.5%	10.9
Feb '15	21.5 K	331	50.2%	23.0%	13.4%	15.4
Mar '15	22.1 K	348	52.0%	23.6%	12.8%	15.8
Apr '15	27.5 K	460	51.7%	23.6%	13.7%	16.7
May '15	30.3 K	401	49.3%	22.5%	12.0%	13.3
Jun '15	22.5 K	319	49.3%	23.1%	12.5%	14.2
Jul '15	409.0 K	3.2 K	43.8%	15.6%	11.4%	7.8
Aug '15	51.1 K	550	48.4%	17.1%	13.0%	10.8
Sep '15	54.1 K	586	44.3%	18.9%	12.9%	10.8
Oct '15	77.5 K	828	47.7%	17.7%	12.7%	10.7
Nov '15	59.3 K	532	46.8%	17.0%	11.3%	9.0
Dec '15	42.7 K	412	44.1%	18.2%	12.0%	9.7
Jan '16	75.8 K	996	53.8%	18.3%	13.3%	13.1

6 month cycle

July was 6-month cycle peak from initial launch
- Increase in delivered
- Repeat recipients likely drove the lower Open and Click to open rates

Observations

- Since launch there has been steady attrition to Open, Click to Open and Conversion rates a noticeable dip starts in July

- There has been a 6 month cycle where delivered emails spike (Jan-15, Jul -15, Jan-16) due to suppression rules; after Jul-15 performance was likely impacted by lower response in 2nd time recipients

- Optimizations to Incent Redemption (redemption slider and various tiers) are in place to launch Feb which should greatly increase volume

Vigilant monitoring of ongoing repetitive communications (Commemorative, Redemptions) should be done to avoid performance attrition due to stale or repetitive messaging/content

Jan '16 Lifecycle deep dive: Welcome

Jan Welcome	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs/ Dlvd
Points Series	951.8 K	4.2 K	$2.0 M	34.9%	18.4%	6.9%	4.4
Miles Series	17.9 K	109	$55.3 K	51.1%	19.0%	6.3%	6.1
Existing Member	8.9 K	100	$53.3 K	50.4%	25.1%	8.9%	11.2
Nonmember Series	766.6 K	428	$179.9 K	30.6%	14.3%	1.3%	0.6
Member Opt in	116.7 K	1.5 K	$815.1 K	57.8%	44.5%	5.0%	12.9
Total	**1.9 M**	**6.3 K**	**$3.1 M**	**34.8%**	**19.7%**	**5.0%**	**3.4**
YoY changes	84%	39%	41%	0%	-15%	-11%	-24%

Observations
- Welcome campaign continued to generating higher YoY bookings & revenue due to overall higher Open and Click to Open rates
- Additional KPIs (member registrations, mobile app downloads) would provide a fuller picture of the impact of the welcome campaign

Ongoing optimization opportunities
- Subject line optimization
- General body copy enhancements (Header, descriptions)

Welcome campaign will be a candidate for content updates for SPG migration

Jan '16 Concierge performance summary

		Program	Concierge
Audience	Total Delivered	85.8 M / 19.5%	12.4 M / 142.9%
	Unsub Rate	0.30% / +0.1%	0.34% / +0.1%
	Delivery Rate	- / -	99% / -0.4%
Engagement	Open Rate	23.8% / -1.2 pts	18.4% / -6.0 pts
	Opens	20.5 M / 14.0%	2.3 M / 83.3%
	Click Rate	2.1% / -0.9 pts	1.1% / -0.3 pts
	Unique Clicks	1.8 M / -17.5%	137.8 K / 85.8%
	Click to Open Rate	8.8% / -3.4 pts	6.0% / +0.1 pts
Financial	Bookings	181.1 K / -14.9%	11.7 K / 30.8%
	Revenue	$69.1 M / -16.2%	$4.1 M / 35.1%
	Conversion Rate	10.0% / +0.3 pts	8.5% / -3.6 pts
	Bookings per Delivered(K)	2.1 / -28.9%	0.9 / -46.2%

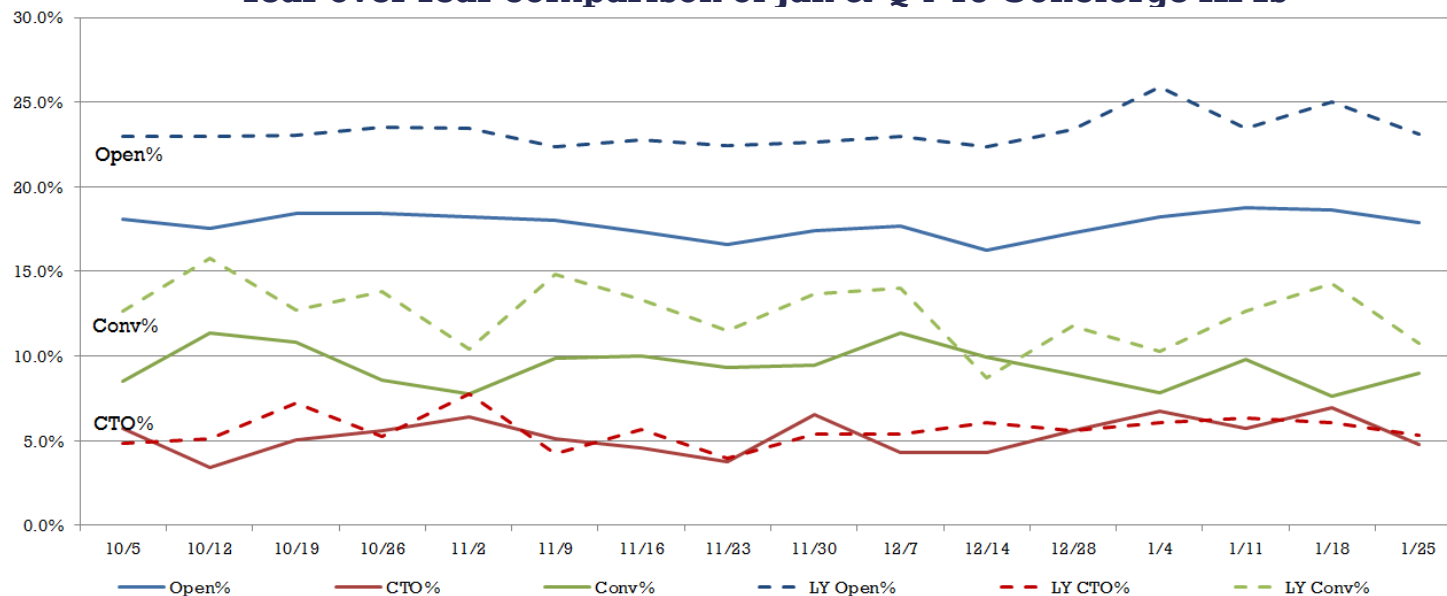**Observations**

- Delivery increased YoY by 142.9% and bookings increased by 30.8%, resulting in a decrease in bookings per delivered email of 46.2%
  - YoY increase in deliveries due to new members opt-in Mar'14
  - New member segment consistently generated lower Open, Click to open and Conversion rates than the existing audience

- The new reaction module launched in October and has helped generate incremental click engagement, resulting in a slight increase in YoY Click to Open

Jan '16 Concierge deep dive analysis

Year over Year comparison of Jan & Q4-15 Concierge KPIs

Observations
- Open rates increased slightly in January which may have seasonal influence
- New members continued to generate lower Open and Conversion rates
- January was the first month where the average Click to open rate surpassed the previous year which may be due to engagement with the reaction module

Jan'16 Concierge message summary

1/4
5 Must-See Cities This Year
Open rate: 18.2%
CTOR: 6.8%

1/11
Your Long Weekend Cheat Sheet
Open rate: 18.8%
CTOR: 5.7%

1/18
How to Take a Volunteer Vacation
Open rate: 18.7%
CTOR: 6.9%

1/25
3 Must-Do February Events
Open rate: 17.9%
CTOR: 4.7%

Jan '16 Project Orange performance summary

		Program	Project Orange
Audience	Total Delivered	85.8 M / 19.5%	3.2 M
	Unsub Rate	0.30% / +0.1%	0.11%
	Delivery Rate	- / -	-
Engagement	Open Rate	23.8% / -1.2 pts	28.6%
	Opens	20.5 M / 14.0%	917.3 K
	Click Rate	2.1% / -0.9 pts	3.6%
	Unique Clicks	1.8 M / -17.5%	115.2 K
	Click to Open Rate	8.8% / -3.4 pts	12.6%
Financial	Bookings	181.1 K / -14.9%	16.1 K
	Revenue	$69.1 M / -16.2%	$6.7 M
	Conversion Rate	10.0% / +0.3 pts	14.0%
	Bookings per Delivered(K)	2.1 / -28.9%	5.0

Jan Project Orange	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)	Unsub%
WHPH	**1.5 M**	**12.5 K**	**$5.2 M**	**32.4%**	**10.8%**	**24.1%**	**8.5**	**0.09%**
Benefits	501.5 K	7.6 K	$3.2 M	38.7%	14.1%	27.7%	15.1	0.1%
Destinations	509.4 K	1.7 K	$739.1 K	29.4%	5.6%	20.5%	3.3	0.1%
Offers	466.8 K	3.2 K	$1283.2 K	29.1%	12.0%	19.9%	7.0	0.0%
TSAT	**1.7 M**	**3.6 K**	**$1.5 M**	**25.3%**	**14.4%**	**5.6%**	**2.1**	**0.12%**
Benefits	567.7 K	2.1 K	$874.5 K	31.4%	23.3%	5.2%	3.8	0.2%
Destinations	625.1 K	585	$251.7 K	22.3%	4.9%	8.5%	0.9	0.2%
Offers	540.7 K	.8 K	$351.2 K	22.3%	12.3%	5.6%	1.5	0.0%
Total	**3.2 M**	**16.1 K**	**$6.7 M**	**28.6%**	**12.6%**	**14.0%**	**5.0**	**0.11%**

Observations

- Compared to the overall program Project Orange mailings:
  - Generated 20.2% higher Open rate
  - 43.2% higher Click to open rate
  - 40.0% higher Conversion rate
- WHPH segments continued to outperform TSAT; however TSAT CTO% surpassed WHPH due to increasing click engagement with Benefits

Jan '16 Project Orange Benefits trends

Observations

TSAT Click to open rate has been steadily increasing month over month, ~3x since launch

MegaBonus was featured Sept-Nov

- **WHPH** responded aggressively to MegaBonus content; CTO% increase by 3-4x in Sept and generated nearly 3x the monthly booking average
- While **TSAT** responded to MegaBonus, it was with less intensity; **Jan Benefits generated more bookings at a higher booking per delivered than MegaBonus months, suggesting:**
  - Majority of TSATs may not be eligible for MegaBonus
  - May not value MegaBonus as much as WHPH
  - TSAT may place a high value on vacation sweepstakes

Takeaways

- **More content & touchpoints could be developed for Sweepstakes for TSATs**
- **Update MegaBonus approach for TSATs (positioning, prominence, frequency)**
- **For Learning Agenda: What incentives do PO segments best respond to?**

Bookings vs Delivered emails by segment
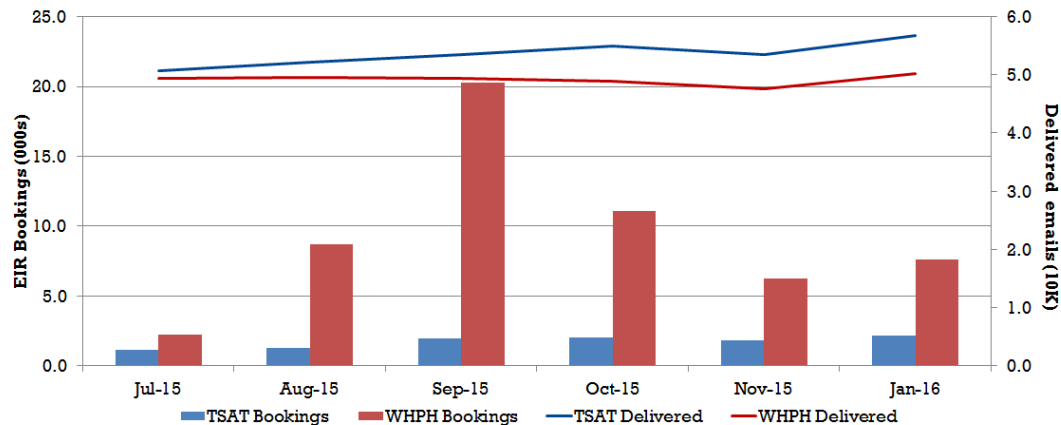
Email KPIs by segment
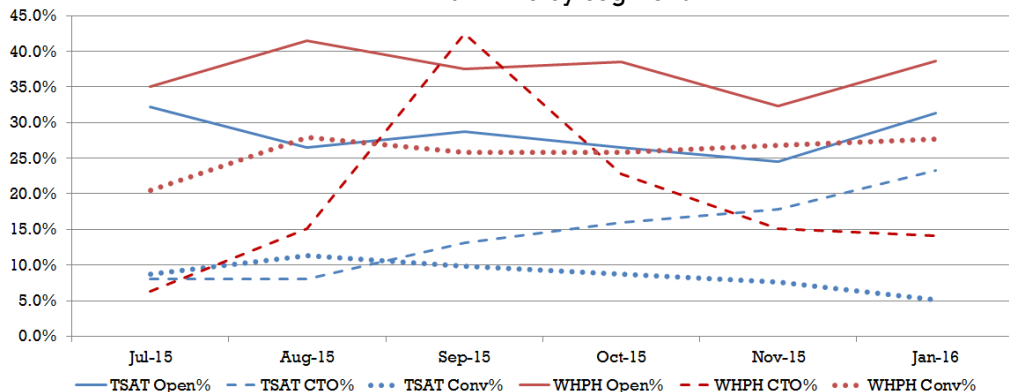
Jan '16 Project Orange: Benefits WHPH

Jan Benefits	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)	Unsub%
WHPH	501.5 K	7.6 K	$3.2 M	38.7%	14.1%	27.7%	15.1	0.1%

Observations

$300 Credit in Top offer was the highest clicked link – 6.2 K

3rd night free in Paris was a close second – 5.3 K

Rewards section generated the most clicks out of any section for the first time
- " Redemption stay credit" & "Refer a friend" each generated over 2K clicks

WHPH continue to engage with information about (new) benefits & should be featured prominently

WHPH may be receptive to future Refer a friend initiatives

Tumi 4-Wheeled Carry on was the most clicked product by 50%

AC Hotel Miami Beach received 2x the clicks as other AC hotel redemptions & was the only US location; **Increase focus on US locations**

Benefits
Get Your 3rd Night Free

Account Box 23%, 1.6 K bks
Search 4%, 275 bks
Top Offer 29%, 1.8 K bks
Top Offer 2 17%, 1 K bks
Rewards Main 18%, 1.5 K bks
Redeem Hotels 7%, 481 bks
Redeem Products 7%, 524 bks
Hotel Openings 1%, 89 bks

Jan '16 Project Orange: Benefits TSAT

Jan Benefits	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)	Unsub%
TSAT	567.7 K	2.1 K	$874.5 K	31.4%	23.3%	5.2%	3.8	0.2%

Observations

Jan Benefits generated 1.7x more clicks than any other month
- The Hawaii sweepstakes generated 21.8 K clicks, 45% of Benefit clicks
- This is nearly 2.5x clicks more than MegaBonus featured in Sept

TSAT responded well to sweepstakes

Hotel Openings section's position was elevated and generated:
- The most clicks for that section historically
- The highest conversion rate out of any section (besides Account Box)

TSAT continued to find value with Hotel Openings

Hotel Redemptions (Spotlight on AC Hotels) appeared to generate incremental clicks however the conversion rate was lower than most sections

Continue to test different approaches to redemption section and content

Account Box 20%, 768 bks
Top Offer 16%, 285 bks
Top Offer 2 45%, 745 bks
Rewards 8%, 172 bks
Hotel Openings 4%, 86 bks

Benefits
Your Account: $300 Resort Credit

Redeem 3%, 43 bks
City Scene 1%, 9 bks

Jan '16 Project Orange Destinations trends

Observations

Jan featured the following template updates:
- Minor module with 3 destination highlight & featured property
- Year in review quiz link as a 3rd module

The new minor module layout did not appear to increase click engagement; continue to monitor to validate

WHPH Email KPIs dropped from Nov to Jan
- Jan featured less content & links
- New Minor module did not appear to attract clicks

TSAT bookings increased Nov to Jan due to greater click share going to high converting placements Account Box & Search

Additional links in Top Offer can drive overall click engagement

Bookings vs Delivered emails by segment

TSAT Bookings — WHPH Bookings — TSAT Delivered — WHPH Delivered

Email KPIs by segment

TSAT Open% — TSAT CTO% — TSAT Conv% — WHPH Open% — WHPH CTO% — WHPH Conv%
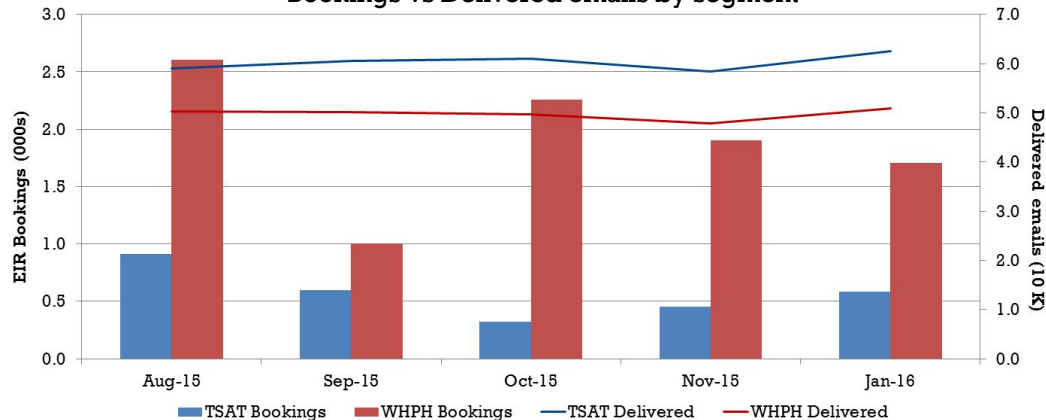
Jan '16 Project Orange: Destinations

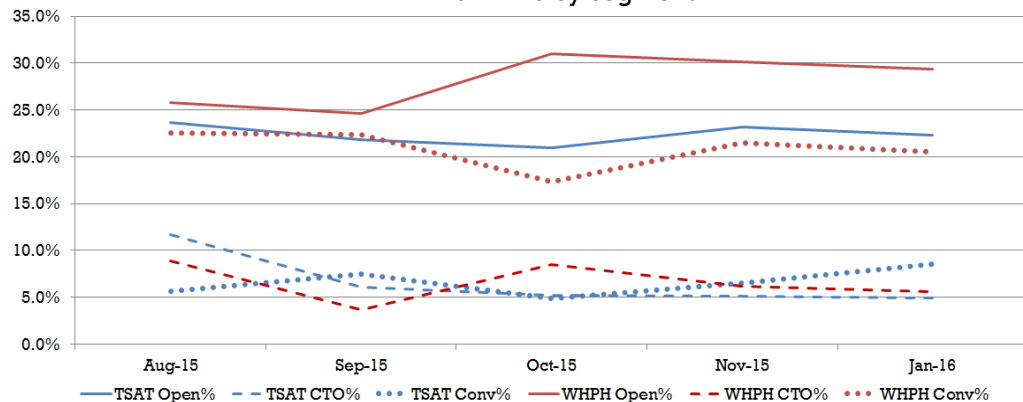| Jan Destinations	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/Del (K)	Unsub%
WHPH	509.4 K	1.7 K	$739.1 K	29.4%	5.6%	20.5%	3.3	0.1%
TSAT	625.1 K	585	$251.7 K	22.3%	4.9%	8.5%	0.9	0.2%
Total	1.1 M	2.3 K	$990.9 K	25.5%	5.3%	15.1%	2.0	0.18%

Observations

Top Offer saw a decrease in click share compared to Nov for WHPH & TSAT, decreasing 24.5% to 11.8% & 27.6% to 15.6%, respectively

Supporting content & link in Top Offer can click engagement

Ideally clicks would have migrated to Minor Offer but click share decreased in these sections as well (WHPH:35.6% to 22.3%; TSAT: 25.8% to 13.5%) and instead moved to Account Box, Search, & Survey, suggesting lack of interest

- For TSAT, this migration increased bookings as Account Box/Search convert well
- Top clicked WHPH Destination: Las Vegas-Cosmopolitan
- Top clicked TSAT Destination: Bali: Ritz Carlton

Continue to monitor this layout

Survey generated good click engagement, generating ~ 10% of clicks and conversion rates higher than the minor module

Segments continued interest in surveys & quizzes; interactive content (e.g. Reaction module) should be an ongoing feature

WHPH
Where Will You go in 2016?

Account Box 39%, 881 bks
Search 8%, 139 bks
Top Offer 12%, 189 bks
Minor Offer 22%, 287 bks
Survey 11%, 142 bks

TSAT
Find Your 2016 Destination Inspiration

Account Box 37%, 355 bks
Search 15%, 104 bks
Top Offer 16%, 51 bks
Minor Offer 13%, 26 bks
Survey 9%, 25 bks

Jan '16 Project Orange Offers trends

Observations

Propensity modeled Field Offers were introduced in Jan:

- Both segments hit CTO% highs
- WHPH bookings drove 46% more monthly bookings than the previous highest
- TSAT Conv% fell to a new low which negated the high click engagement; however, booking volume slightly increased
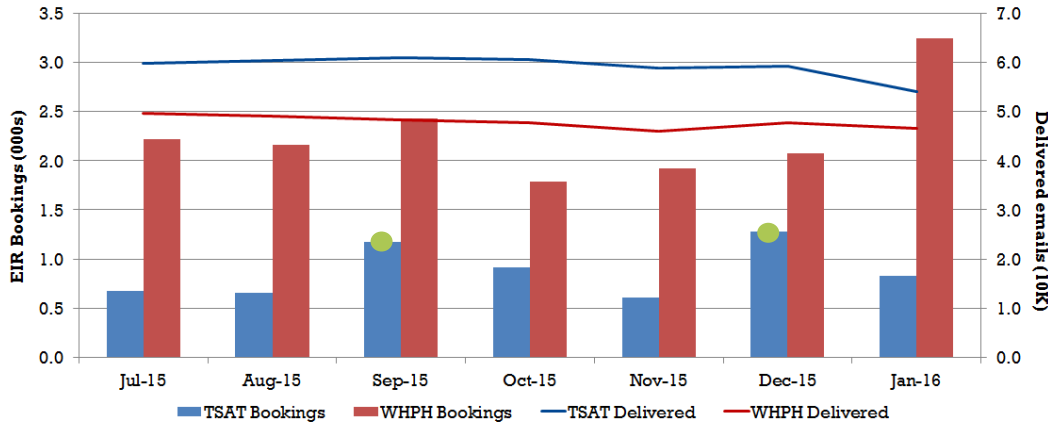
Propensity Field Offers were a positive change for WHPH but did not generate as much impact for TSAT bookings

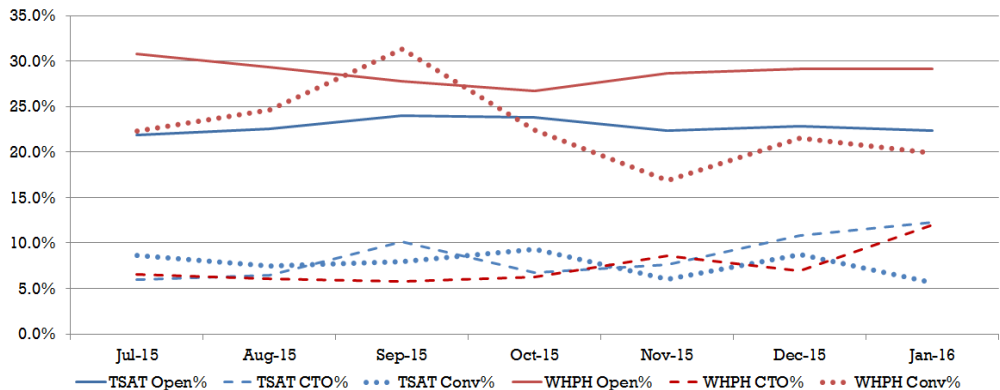TSAT monthly booking peaks● were due to featured offers & sweepstakes

When available, should be prioritized over Field Offer content module

Booking CTAs for curated offers with offer detail may increase click engagement for TSAT

Bookings vs Delivered emails by segment

TSAT Bookings   WHPH Bookings   TSAT Delivered   WHPH Delivered

Email KPIs by segment

TSAT Open%   TSAT CTO%   TSAT Conv%   WHPH Open%   WHPH CTO%   WHPH Conv%

Jan '16 Project Orange: Offers

Jan Offers	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/Del (K)	Unsub%
WHPH	466.8 K	3.2 K	$1283.2 K	29.1%	12.0%	19.9%	7.0	0.0%
TSAT	540.7 K	829	$351.2 K	22.3%	12.3%	5.6%	1.5	0.0%
Total	**1.0 M**	**4.1 K**	**$1.6 M**	**25.5%**	**12.1%**	**13.1%**	**4.0**	**0.00%**

Observations

Like Hotel Specials, Field Offers attracted the majority of clicks; however segment engagement with Propensity Field Offers differed:

WHPH

- The increase in email clicks appeared to be incremental as other section clicks generated their respective monthly averages
- This section had a similar booking rate as other sections

Including propensity Field Offers was a positive change for WHPH

TSAT

- There were some incremental clicks gained as well as cannibalization from other sections as clicks to Account Box, Search, and Major offer section decreased
- This section had the lowest conversion rate out of all sections

Continue monitoring but potential future optimizations include lowering the position or reducing the number of offers displayed

TSAT may require different offers, increasing the offer pool is planned

Additionally, TSATs may gravitate towards offers/deals so displaying offer details in CTA buttons may increase click engagement (ie Hotel Specials)

WHPH — [FNAME's] February Travel Deals

- Account Box: 18%, 703 bks
- Search: 4%, 168 bks
- Field Offers: 55%, 1.6 K bks
- Major Offer: 16%, 582 bks
- Minor Offer: 4%, 103 bks

TSAT — We've Picked These Deals Just for You

- Account Box: 14%, 265 bks
- Search: 6%, 96 bks
- Field Offers: 61%, 344 bks
- Major Offer: 7%, 52 bks
- Minor Offer: 6%, 42 bks

+ Thank You!

+

Appendix