JUNE 2017 MARRIOTT REWARDS
EMAIL PROGRAM REVIEW

August 3rd, 2017

yes

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JUNE 2017 EMAIL PROGRAM SUMMARY

Program goals

- 9% behind 5 M **Room Night** goal
- **MRCC** acquisitions ahead of forecast due to significant eNews support in prior months

Key initiatives

- First **Template 2.0** migrations launched late June
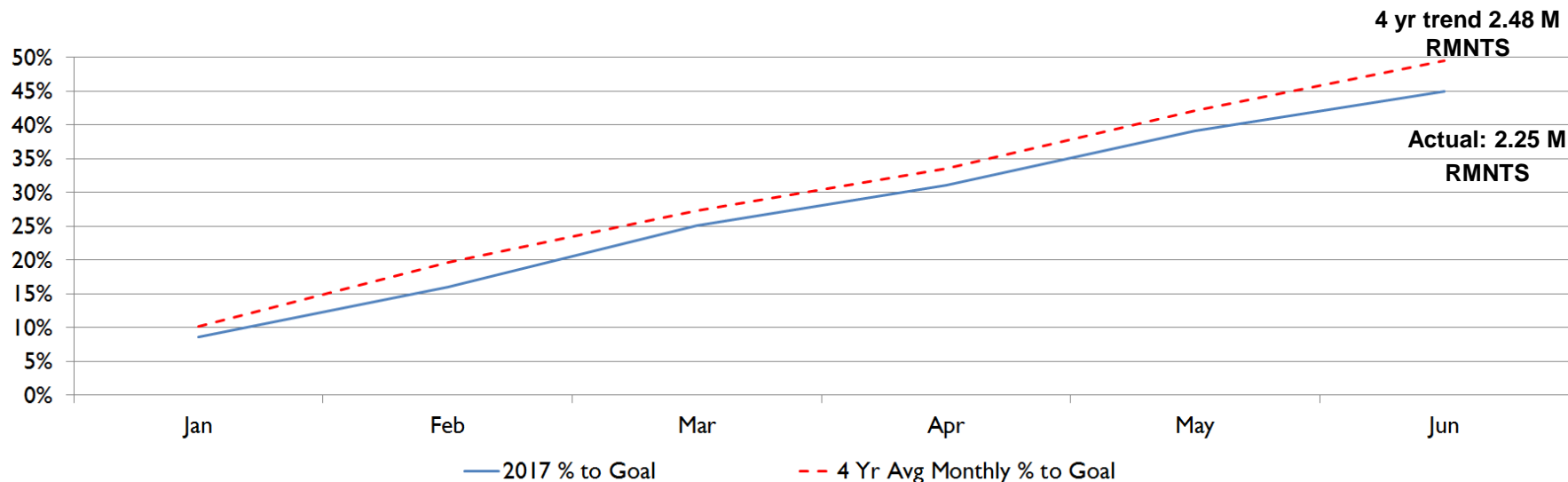- **MVP** clicks & bookings fell MoM in it's 3rd month featured

Optimize Email performance

- **eNews** featured MegaBonus & MVP and generated lower than expected performance
- **Destinations** Road Trip theme maintained an above avg Open% but generated below-avg CTO%
- **Hotel Specials** generated the highest CTO% YTD featuring a high amount of non-Field Offer content
- **Member activation** launched to new and inactive members

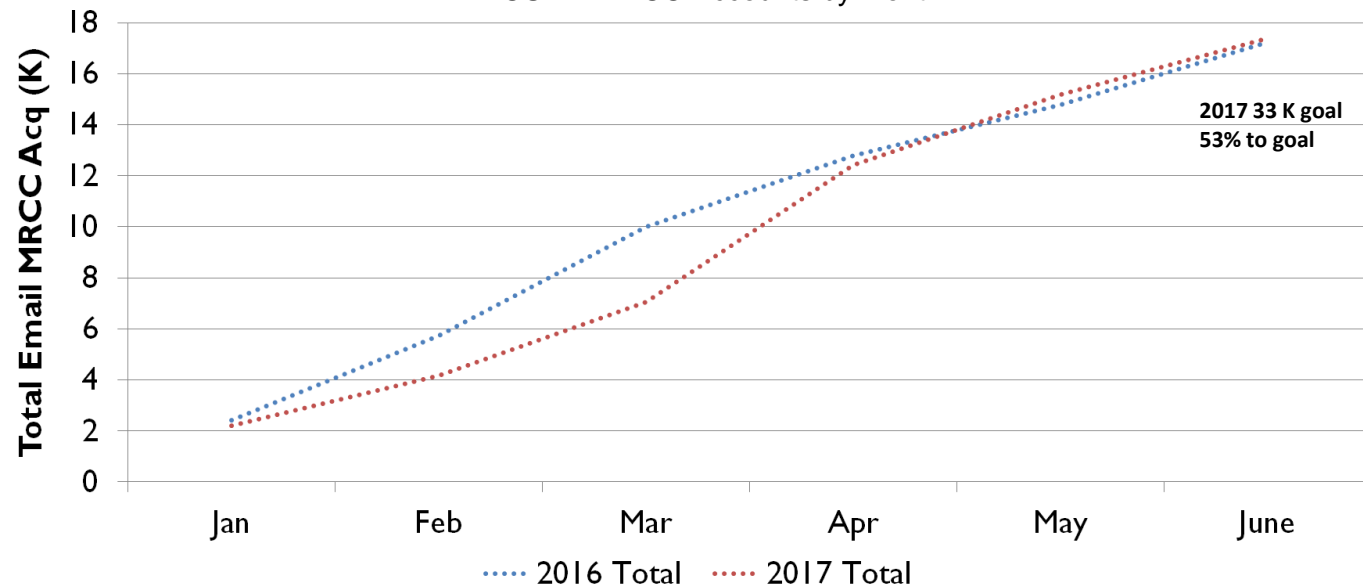**Test Summary**: Subject lines & image testing in eNews

PROGRAM IS 9% BEHIND 5 M ROOM NIGHT GOAL

- As of June, program has generated **2.25 M RN**, 45% of Goal
- 4 Yr trend indicates program should be at 50% by June to achieve forecast
- Note: **Based on EIR data**

4 yr trend 2.48 M RMNTS

Actual: 2.25 M RMNTS

Legend: —— 2017 % to Goal   - - - - 4 Yr Avg Monthly % to Goal

Marriott REWARDS | **yes**

MRCC ACQUISITIONS AHEAD OF FORECAST

As of June, MRCC accounts are 53% of 33 K goal

Increasing MRCC support…
- Near Level & Post Redemption
- Monthly in eNews (MVP)
- Point expiration & Confirmation email driving YTD highs in accounts

Additional support is likely required to meet goal

YTD CUME MRCC Accounts by month

2017 33 K goal
53% to goal

Legend: ⋯⋯ 2016 Total   ⋯⋯ 2017 Total

Y-axis: Total Email MRCC Acq (K) — 0, 2, 4, 6, 8, 10, 12, 14, 16, 18

X-axis: Jan, Feb, Mar, Apr, May, June

Marriott REWARDS. | yes

		Program	eNews	Hotel Specials	Dest.	Solos	Lifecycle	MRCC	METT
Audience	Audience*	20.4 M +0.9%							
	Total Delivered	66.9 M -24.2%	14.5 M 7.9%	10.3 M -0.4%	11.7 M -2.7%	3.7 M -85.6%	5.5 M 3.0%	15.0 M -1.0%	6.1 M 3.7%
	Unsub Rate	0.16% -0.0 pts	0.10% -0.0 pts	0.14% -0.0 pts	0.11% -0.0 pts	0.18% 0.0 pts	0.27% -0.0 pts	0.22% -0.0 pts	0.14% -0.1 pts
	Delivery Rate	98% -0.3 pts	98% -1.2 pts	99% 0.0 pts	100% 0.4 pts	98% -1.2 pts	97% 0.3 pts	99% -0.0 pts	96% 0.8 pts
Engagement	Open Rate	23.5% 0.5 pts	23.0% 0.0 pts	17.9% -0.9 pts	22.6% 0.2 pts	34.2% 10.7 pts	31.7% -1.2 pts	22.7% 0.5 pts	23.8% 2.0 pts
	Opens	15.7 M -22.4%	3.3 M 8.0%	1.9 M -5.0%	2.6 M -1.6%	1.3 M -79.1%	1.7 M -0.8%	3.4 M 1.2%	1.4 M 13.3%
	Click Rate	2.0% -0.1 pts	2.8% -0.6 pts	1.6% 0.1 pts	1.2% -0.1 pts	3.9% 1.5 pts	5.6% -0.0 pts	0.7% 0.0 pts	0.9% 0.1 pts
	Unique Clicks	1.3 M -27.5%	413.4 K -9.9%	163.0 K 3.2%	140.3 K -6.6%	144.0 K -76.7%	305.4 K 2.8%	109.6 K 1.1%	53.7 K 17.7%
	Click to Open Rate	8.5% -0.6 pts	12.4% -2.4 pts	8.8% 0.7 pts	5.3% -0.3 pts	11.3% 1.2 pts	17.6% 0.6 pts	3.2% -0.0 pts	3.7% 0.1 pts
Financial	Bookings	127.1 K -26.4%	44.5 K -1.4%	14.2 K 2.8%	11.1 K 1.8%	16.2 K -74.2%	22.7 K -4.2%	11.9 K 2.3%	6.5 K 39.8%
	RoomNights	289.6 K -28.7%	101.7 K -4.2%	31.7 K -0.6%	24.7 K -3.5%	36.8 K -75.0%	55.0 K -7.4%	25.4 K -0.1%	14.4 K 34.0%
	Revenue	$43.6 M -29.4%	$15.6 M -3.7%	$4.7 M -2.2%	$3.7 M -5.8%	$5.6 M -74.9%	$8.1 M -10.4%	$3.6 M -1.9%	$2.2 M 34.0%
	Conversion Rate	9.6% 0.2 pts	10.8% 0.9 pts	8.7% -0.0 pts	7.9% 0.7 pts	11.3% 1.1 pts	7.4% -0.5 pts	10.9% 0.1 pts	12.1% 1.9 pts
	Bookings per Delivered(K)	1.9 -2.9%	3.1 -8.6%	1.4 3.2%	1.0 4.6%	4.3 79.7%	4.1 -7.0%	0.8 3.3%	1.1 34.8%

* 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

Note: Using EIR Financial Data

Note: Benchmark is 12-mo. rolling avg

BPK was 3% below the 12-mo. avg due to the 3rd lowest CTO% since May '16 & Solo volume

**eNews** CTO% was below 12-mo. avg featuring MegaBonus & MVP

Hotel Specials CTO% was 9% above 12-mo. avg due to NBA Sweeps & MegaBonus

Destinations Road trip theme maintained an above avg Open%; CTO% was 5% below 12-mo. avg

Low **Solo** volume impacted program KPI's and booking volume

Lifecycle Open% was lowest since Nov'15 due to Welcome Open% decreases

Marriott REWARDS. | yes

LOWEST SOLO BOOKING VOLUME SINCE SEP '15
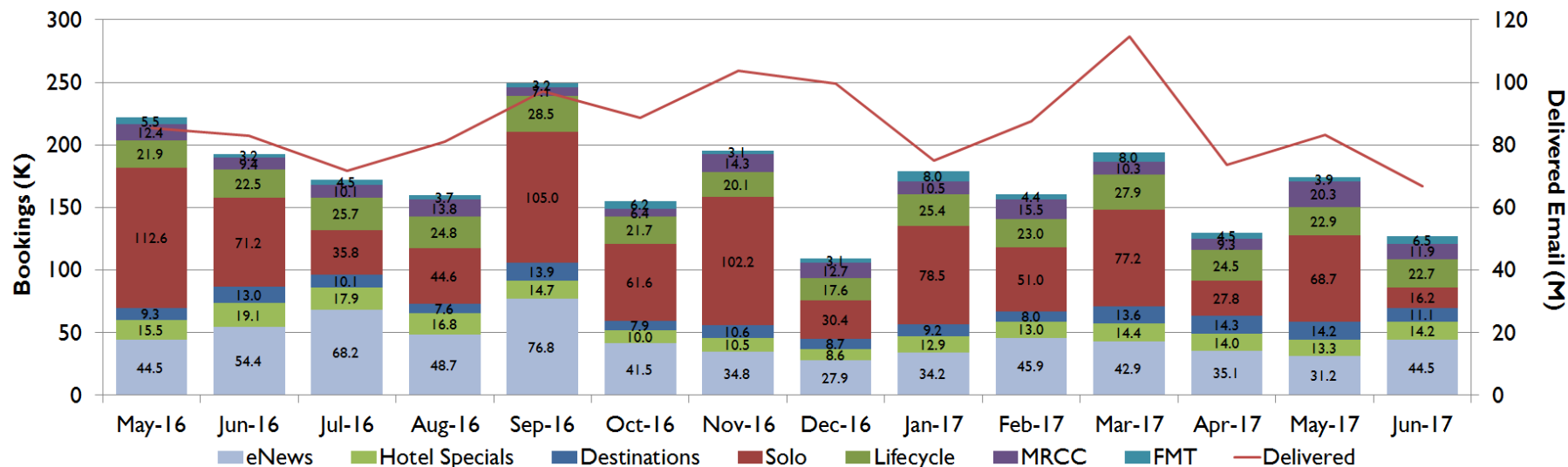
June Key Solo Mailings	Delivered / Bookings		Delivered / Bookings
Jun '17: Summer '17 MB Reg Con	200 K / 2 K	**Jun '16:** Spring '17 MB TTL Earn	336 K / 22 K
Recurring mailings:		Instagram	9.7 M / 22 K
• Abandoned Search	564 K / 6 K	Moments Launch	11.2 M / 11 K
• METT	2.4 M / 5 K	Summer Bonus Reg Con	519 K / 8 K

Marriott REWARDS. yes

DECREASES IN MONTHLY OPEN & CTO%
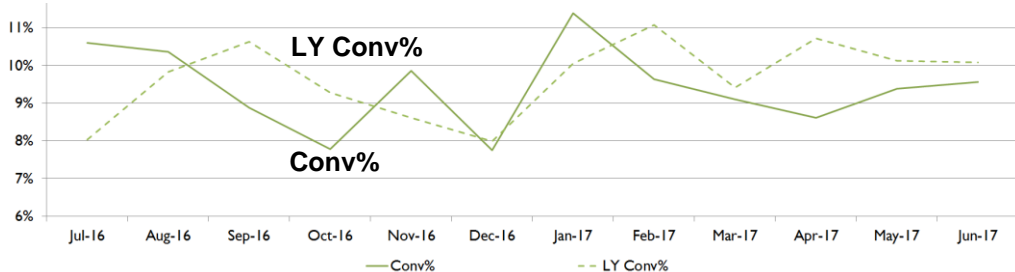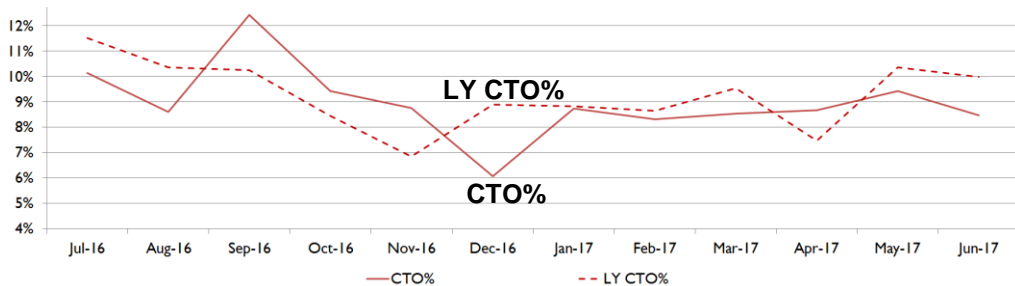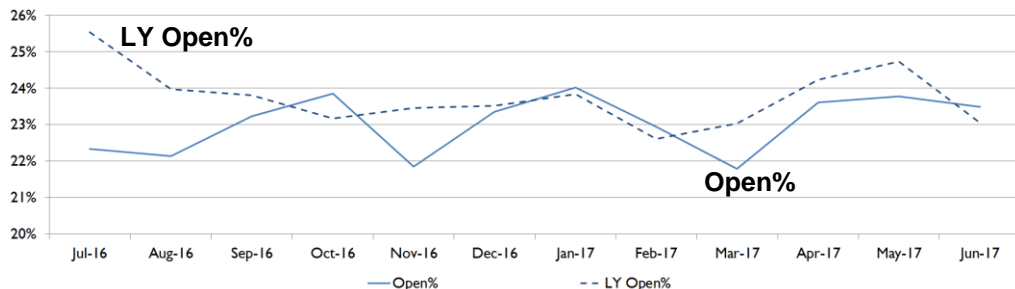
Open% was up 2% YoY & 2% above the 12-mo. avg

- METT generated the highest Open% since May '16
- Low volume Solos avg higher Open% than large volume
- Destinations continued to generate above avg Open%

CTO% was down 7% YoY and 15% below the 12-mo. avg

- eNews CTO% was 18% below the 12-mo. avg

Conv% was 1% above the 12-mo. avg

- eNews Conv% was the highest since Aug '16; high intent from those that clicked

KEY STORYLINES

ABANDONED SEARCH OPEN% & CTO% FELL AFTER TEMPLATE 2.0 MIGRATION

Old Template
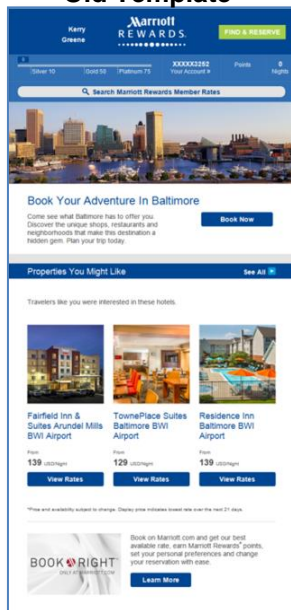
Template 2.0

Abandoned Search	Delivered	Open%	CTO%
Pre-Orchestration	1.1 M	44.3%	24.5%
Orchestration	3.8 M	47.5%	17.4%
New Template	316.9 K	43.7%	12.6%

Results Time Periods:

Pre-Orchestration	Jan '16 - May '16
Orchestration	Jun '16 – Jun '17
New Template	Jun '17 – Jul '17
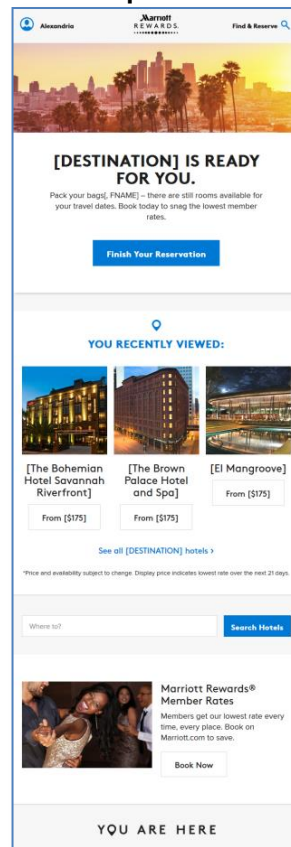
Note: only 2 weeks of Template 2.0 data

Notable updates
- New header/No account box
- Section header
- Recommended properties CTA
- New Subject line
- Book direct update
- Search Bar location

Next steps
- More data (continue to monitor)
- Link analysis (in progress)
- Understand other touchpoints involved

LIFECYCLE KPIS GENERALLY IMPROVED WITH TEMPLATE 2.0 CONVERSION

Achiever
Open%	+7%
CTO%	+16%
Conv%	+73%
BPK	+116%

Renewer
Open%	-0.1%
CTO%	+4%
Conv%	+22%
BPK	+27%

Lifetime Ach.
Open%	-3.7%
CTO%	+36%
Conv%	- 45%
BPK	-28%
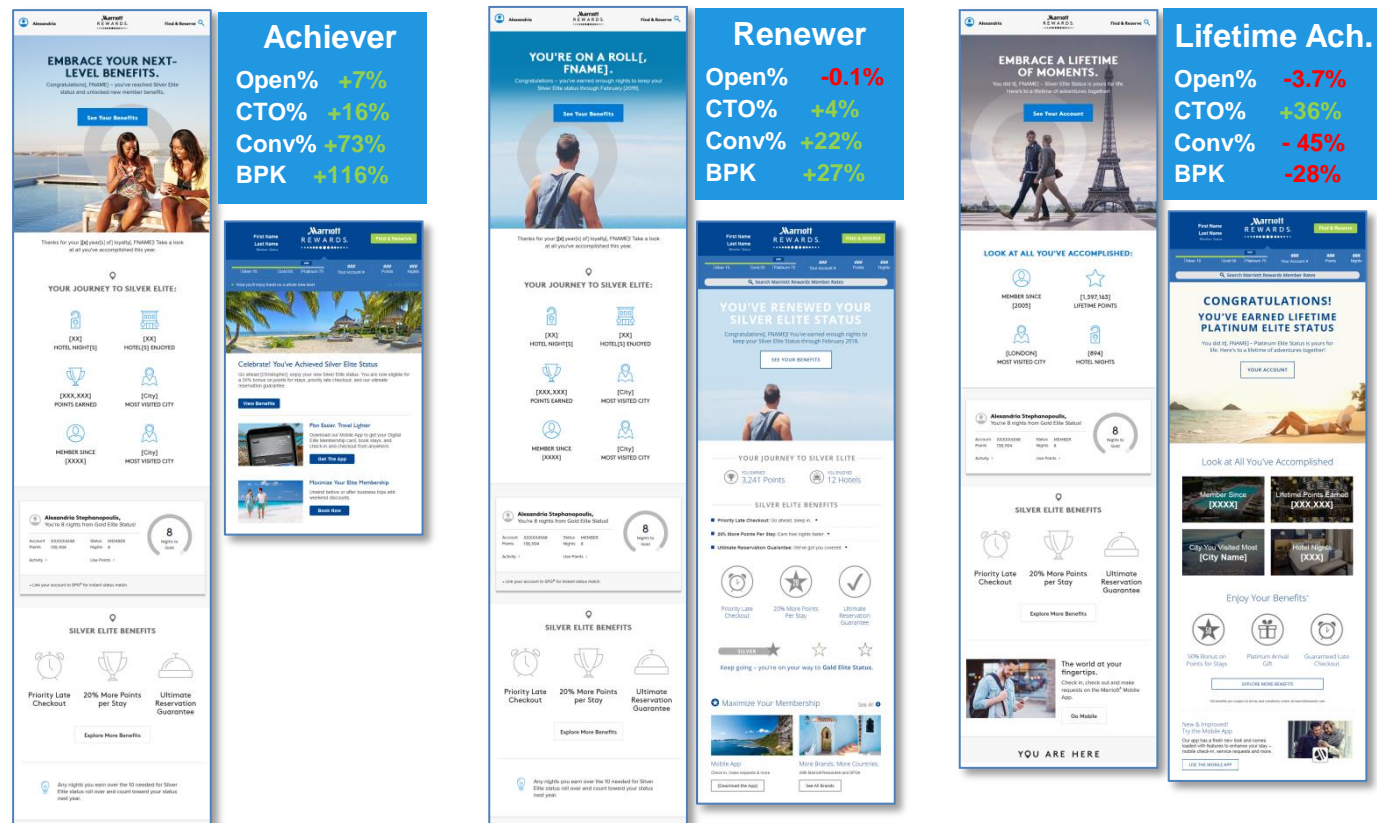
6/28: Updated to Template 2.0
- 3 days of data

Initial observations
- CTO% increased in all cases

Loss of account box may be compensated with:
- Member Module
- An increase in compelling content

Recommended analysis:
- Conduct Renewer analysis at elite status level
- Conduct similar analysis for Achiever
- Link analysis for Lifetime achiever

CTO% IMPROVED DESPITE THE LOSS OF THE ACCOUNT BOX FOR MB REG. CONFIRMATION

Old Template
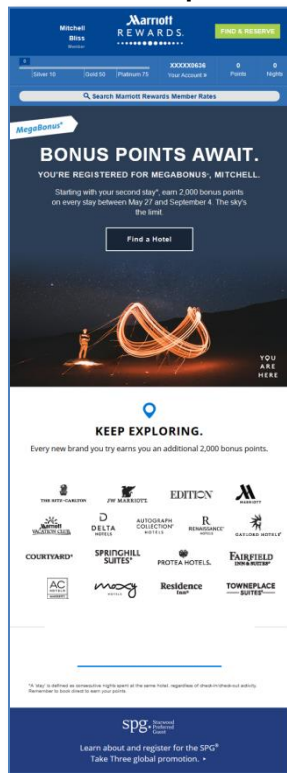
Template 2.0

MB Reg Conf △
Open% = -11%
CTO% = +23%
Conv% = -21%
BPK = -8%
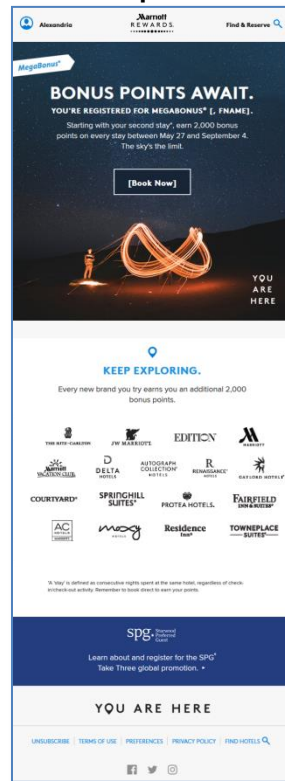
6/28: Updated to Template 2.0
- 3 days of data

Header update/no Account box was the only significant change

CTO% increased 24% after template change
- Results based on 12.1 K delivered, will continue to monitor

Need more data to determine impact of template changes
- Member module may not be required with single-action communications

OPTIMIZE GENERATED A HIGHER CTO% & CONV% AT A SECTION LEVEL

June eNews MVP Offers	Delivered	EIR Bookings	EIR Revenue	Open%	Overall CTO%	MVP CTO%	Overall Conv%	MVP Conv%	Bk/ Del (K)
Optimize	5.0 M	16.8 K	$5.5 M	23.9%	12.0%	1.6%	11.6%	7.3%	3.3
Random	1.3 M	4.3 K	$1.4 M	23.9%	11.8%	1.2%	12.1%	6.4%	3.4
BAU	6.4 M	21.4 K	$6.9 M	23.9%	11.9%	1.4%	11.7%	6.2%	3.3
Total	**12.7 M**	**42.4 K**	**$13.8 M**	**23.9%**	**11.9%**	**1.5%**	**11.7%**	**6.7%**	**3.3**

Conv% results were mixed: Optimize group Conv% differed at the campaign & MVP section level

- Optimize group generated the lowest campaign level Conv% but the highest MVP section level Conv%

Optimize group generated the highest CTO% on a campaign and MVP section level

Offer quality may not have been as compelling as previous months

Marriott REWARDS. | yes

MVP GENERATED LOW ENGAGEMENT TO ENEWS SECTIONS

Top Offer 2 section generated:

- 44% fewer clicks & 54% less revenue than the 12-month section avg
- 73% fewer clicks MoM, 80% less revenue

Rewards section generated:

- 52 K fewer clicks & 49% less revenue than the 12-month section avg
- Lowest click volume since Jan '16
- 46% fewer clicks MoM, < 1% less revenue

Top Offer 2
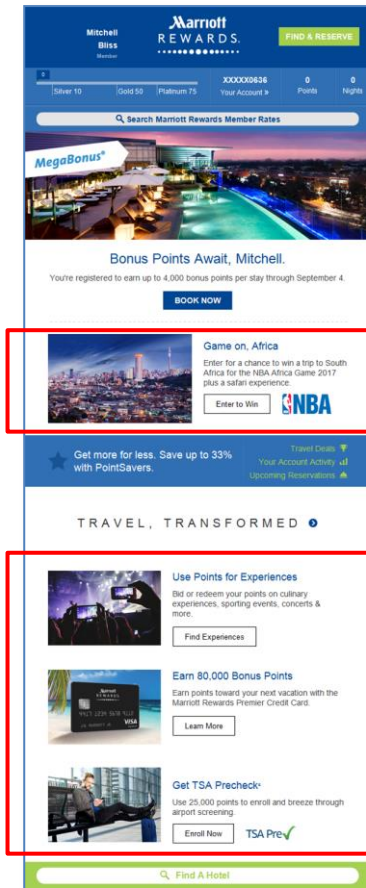
Rewards

MVP: TOP OFFER 2

OFFERS IN TOP OFFER2 DID NOT GENERATE THE SAME CLICKS & REVENUE AS MAY

May Top Offer 2		
MVP Group	**Clicks**	**EIR Revenue**
OPTIMIZE	**35.0 K**	**$914.1 K**
MRCC-US - earn 100K, last chance	31.6 K	$785.6 K
Atlantis, receive up to $500 in resort credits	1.8 K	$74.3 K
MVC - save 20% at over 50 resorts	1.6 K	$54.2 K
RANDOM	**4.9 K**	**$89.1 K**
MRCC-US - earn 100K, last chance	2.9 K	$54.8 K
Atlantis, receive up to $500 in resort credits	1.1 K	$20.8 K
MVC - save 20% at over 50 resorts	920	$13.5 K
BAU	**33.2 K**	**$761.2 K**
MRCC-US - earn 100K, last chance	26.9 K	$604.6 K
MVC - save 20% at over 50 resorts	3.7 K	$117.4 K
Atlantis, receive up to $500 in resort credits	2.7 K	$39.2 K
May Total	**73.1 K**	**$1.8 M**

June Top Offer 2		
MVP Group	**Clicks**	**EIR Revenue**
OPTIMIZE	**6.9 K**	**$132.4 K**
Sweeps - NBA South Africa Game 2017	4.9 K	$85.9 K
Explore Hawaii	1.0 K	$13.0 K
Save 20% Across USA	455	$27.4 K
Exclusive Travel Deals	236	$492
R-C Club Level	196	$5.5 K
RANDOM	**1.6 K**	**$30.6 K**
Exclusive Travel Deals	310	$3.7 K
R-C Club Level	307	$5.5 K
Sweeps - NBA South Africa Game 2017	284	$4.6 K
Save 20% Across USA	258	$9.6 K
Explore Hawaii	241	$4.7 K
30% off Middle East & Africa	140	$1.5 K
Europe free breakfast, pay with Visa	45	$1.2 K
BAU	**11.0 K**	**$196.1 K**
Sweeps - NBA South Africa Game 2017	8.9 K	$167.0 K
Europe free breakfast, pay with Visa	1.6 K	$23.7 K
30% off Middle East & Africa	524	$5.4 K
June Total	**19.5 K**	**$359.1 K**

There were significant differences in clicks & revenue between **Top Offer 2** content from May; considerations:
- Offer type
- MegaBonus cannibalization
- Technical issues?

Differences in offers
- Non-booking CTAs: MRCC generated significantly more clicks & revenue than NBA Sweeps
- May featured more resort offers

We need to understand the following
- How does new content (e.g. Sweeps) get shown in Optimize group?
- How are Top Offer2 & rewards synchronized?

Reporting requests:
- Offers not showing up in report
- Need month timestamp

Marriott REWARDS | yes

TSA PRECHECK OFFER GENERATED THE MOST CLICKS & REVENUE IN JUNE

Get TSA Precheck®

Use 25,000 points to enroll and breeze through airport screening.

Enroll Now   TSA Pre✓
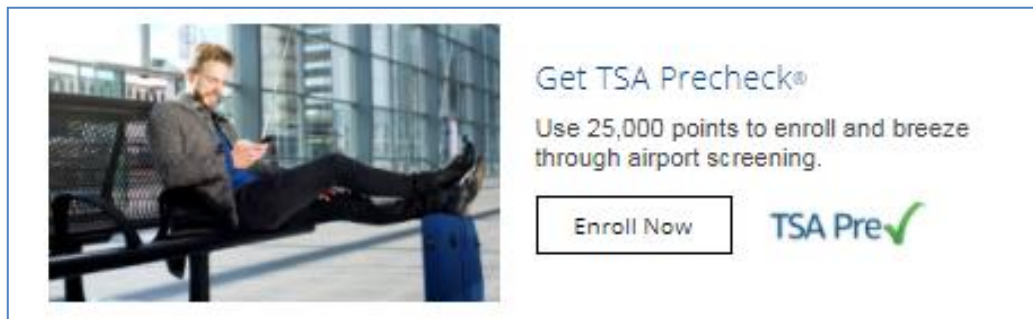
- Higher revenue per click than most offers in Top Offer 2 & Rewards
- Over 3x the clicks than any other offer in Random group

Can MVP manage exclusion rules?

    e.g. Do not serve if member has been to TSA Precheck enrollment confirmation page

Marriott REWARDS. | yes

June eNews CTO% was 18% below the 12-mo avg
- Typical June monthly CTO% is double digit percentages over 12 month avg
- All sections generated less clicks than respective 12-month avgs(excl Acct box & footer)

Summer MegaBonus has not been as engaging as previous campaigns
- MegaBonus as Top Offer generated the lowest click volume than the prior 3 campaigns

PointSavers as Account Milestone generated below milestone avg clicks
- **May have resonated better with explanation of PointSavers**: *Save 33% on points used for nights*

Community content generated the least clicks of any section in June
- 'Travel Sticker' did generate 2x the click volume as New insider

Value of insider may be as a source of content, less attractive as a community to join; may need different positioning to be engaging

Hotel Openings accounted for 31% lower % of clicks than the 12-month section avg
- Sanya, China/Autograph generated 44% fewer clicks than "Cape Town Marriott"
- Sanya also featured in Dec '16 Hotel Openings which generated 26% lower clicks than 2016 section avg
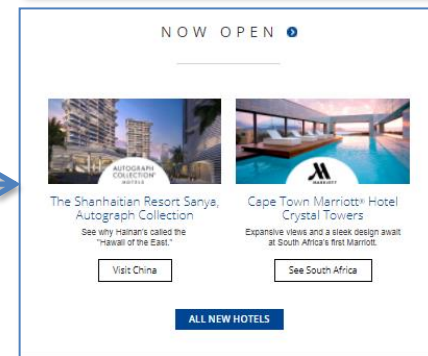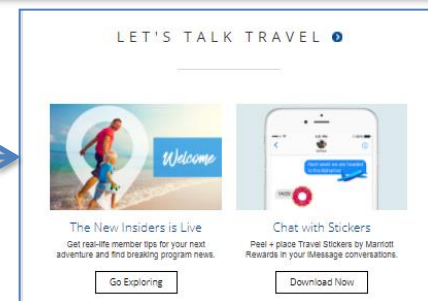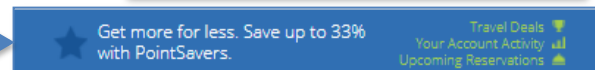
POSITIVE CLICK ENGAGEMENT

1) Chirpify as Top Offer content was sent to 18% of the audience and generated the highest Click% of any MegaBonus-alternative top offer since Feb '16

Explore expanding usage as earning content opps or to support social channel push

- Planned: Targeting participants vs non-participants
- Earning content (Incent Redemption-Restarters)
- Lead content in re-addition of Social focus in Welcome series

2) Continued success with **First Name** in **Preheader**

- May Pre-header was repeated updated for June
- it generated the most clicks and highest % of clicks since Jan '16

Pre Header: *Hi [FNAME]: Here are your June member updates.*

Test to see impact on Open%

Let's Connect[, FNAME]

Earn points when you connect your Facebook, Twitter and Instagram accounts to Marriott Rewards®.

CONNECT + EARN
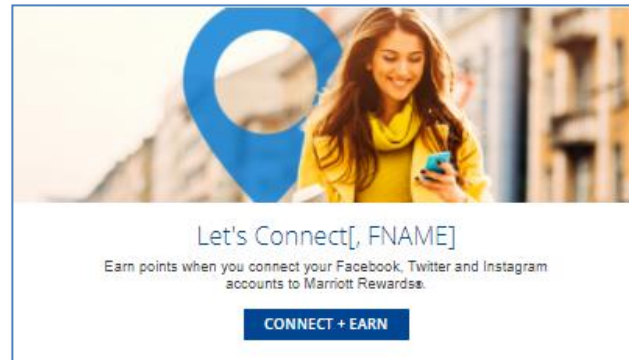
DESTINATIONS PROPENSITY CONTINUED TO GENERATE MORE BOOKINGS THAN CITY SCENE

- Destinations Propensity replaced City Scene & generated a 71% higher Conv%

However, monitor as engagement appeared to decrease MoM

- Compared to May, Destinations Propensity accounted for a 47% lower % of clicks and generated a 28% lower Conv%

June '17 eNews Dest. Propensity	Delivered	Click%
D.C	1.2 M	0.05%
NYC	1.2 M	0.10%
Atlanta	510.2 K	0.05%
San Francisco	331.1 K	0.08%
Phoenix	325.4 K	0.07%
Boston	283.4 K	0.09%
Chicago	271.1 K	0.08%
New Orleans	249.7 K	0.05%
Denver	205.1 K	0.05%
Miami	186.0 K	0.14%
Dallas	138.5 K	0.05%
Savannah	121.0 K	0.21%
Orlando	101.9 K	0.15%
London	42.6 K	0.13%
Caribbean	10.0 K	0.48%
Hawaii	7.2 K	0.32%
Italy	1.8 K	0.62%

Plan Your Next Trip to Miami

SEE MIAMI

The Brown Palace Hotel and Spa, Autograph Collection®

The Ritz-Carlton®, Denver

Renaissance® Denver Downtown City Center Hotel

Book Now   Book Now   Book Now

Members get the lowest price at Denver hotels. **See All**

Marriott REWARDS. | yes

SWEEPSTAKES & MEGABONUS INCREASED CLICK ENGAGEMENT WITH HOTEL SPECIALS

June generated the most clicks in nearly a year; 11K more clicks than the 12-mo. avg

Hotel Specials tends to generate more clicks when MegaBonus & Sweepstakes are featured

- Moments generated ~50% higher click volume than the Getaways 12-mo avg due to:
  - ○ '**NBA Sweepstakes**' generated the most offer clicks in the past 11 months
  - ○ Content correlates with clicks; 'Discover More Experiences' clicks helped the section generate more clicks than the avg Getaways curated offers

- 'Experiences' section generated an 11% higher click volume than the 12-mo. avg
  - ○ MegaBonus offer accounted for 47% of section clicks
  - ○ General 'Summer Deals' generated 2x more clicks than specific Walt Disney & NY packages; **a generic, broad offer may increase click engagement alongside specific locations**

Moments/ 'Getaways'
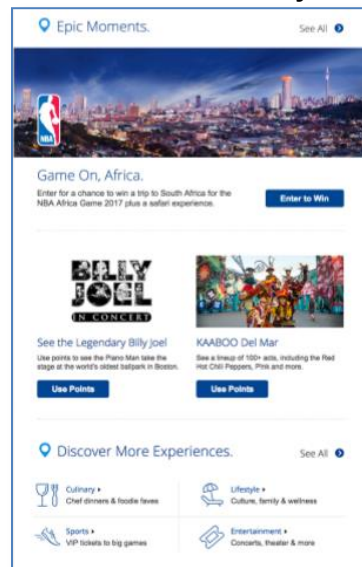
'Experiences'
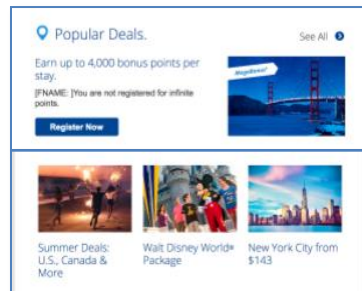
OPEN% REMAINED RELATIVELY STABLE WHILE CTO% DECREASED YOY & MOM
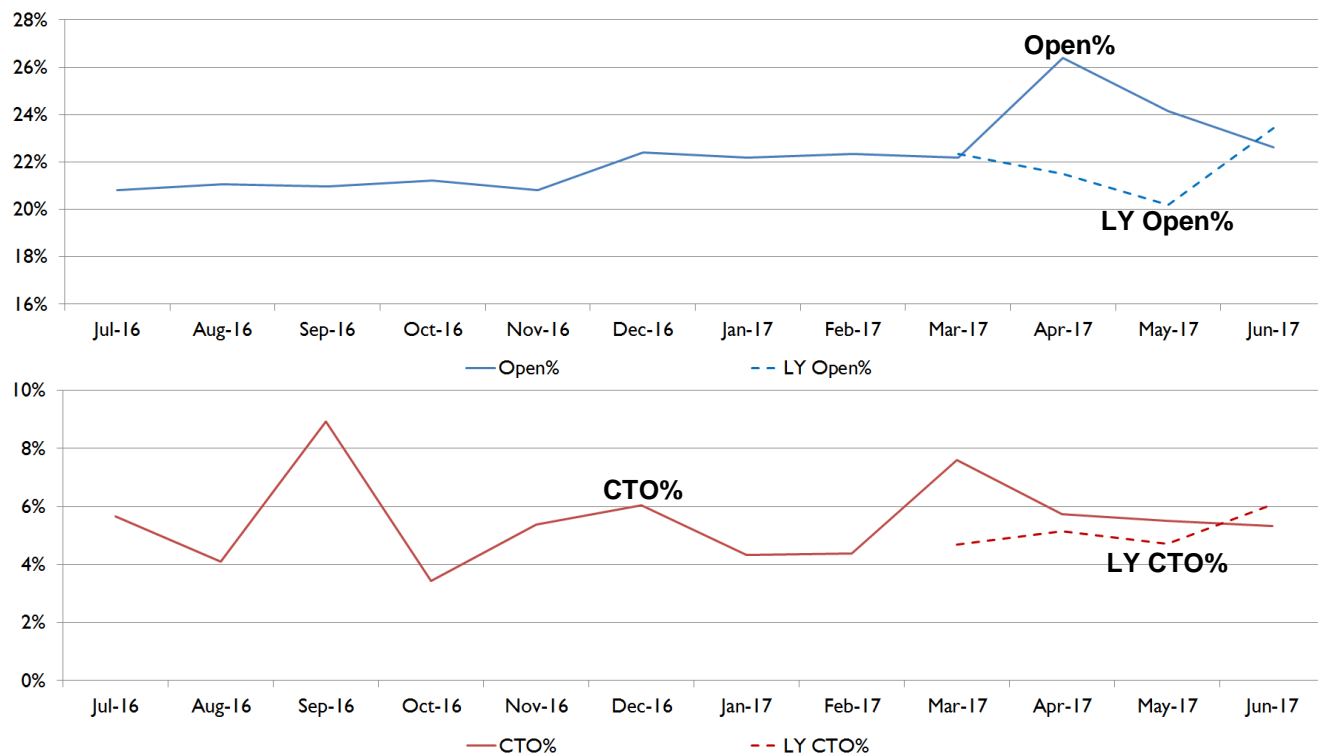
Note: Scale of Y-Axis changed to magnify changes

Open% was 1% above the 12-mo. avg

- **Why You Should Take a Summer Road Trip (11.1%)***
- *Why you should take a summer road trip (11.0%)*

Capitalization did not appear to have a significant impact on Open%

CTO% was down 13% YoY and was 5% below the 12-mo. avg

- Significantly less content was featured in the disruptive design

LOWER CTO% MAY HAVE BEEN DUE TO AMOUNT OF CONTENT

Click volume was 11.3% below the 12-mo. avg

'Drives that Wow' generated more clicks (55.1 K) than any other piece of content
- 3rd most single content clicks since Apr'16
- Did not require list of cities or copy to create engagement; **simplicity can work**

The 'Road Trip Personality' quiz generated 60% more clicks than MegaBonus & Hertz offer despite being non-promotion and near bottom content
- **May have been particularly effective in Destinations**

Destinations MegaBonus offer Conv% was 51% & 11% higher than the following Hotel Specials and eNews placements, respectively
- Although **Destinations**' primary focus is not to generate bookings, it **can be an effective platform to support promotional offers with the right positioning**

ACCOUNT BOX
31% clks, 48% bks

SEARCH
7% clks, 8% bks

DRIVES THAT WOW
34% clks, 19% bks

HERTZ
5% clks, 3% bks

MEGABONUS
6% clks, 12% bks

QUIZ
10% clks, 7% bks

TRIP PLANNER
6% clks, 3% bks
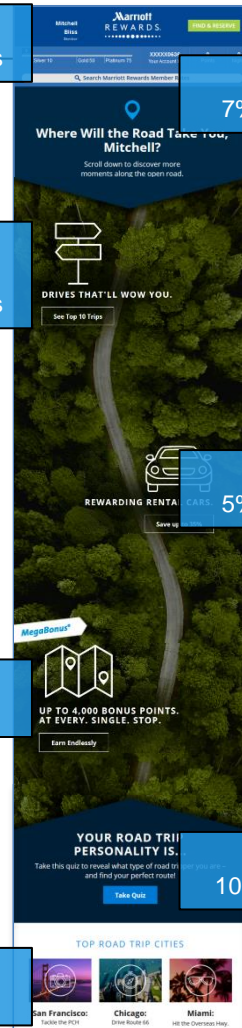
INCENTIVES CAN INCREASE RESPONSE OF HELLO AGAIN & WINBACK

Based on initial (5-day) results:

- New Member Activation performed well compared to other Lifecycle campaigns:
  - Open% = +4%
  - CTO% = +17%
  - Conv% = -21%

Comparing to similar campaigns like Hello Again, higher Open% and CTO% resulted in a ~ 7x higher BPK

- Hello Again goes out to 50x the audience, an incentive may have an overall larger impact
- Note: Winback is shown for comparison purposes, KPIs are impacted by Gold & Plat-only targeting

June '17 Lifecycle Mailings	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Unsub%	Bk/ Del (K)
New Member Activation	4.0 K	16	$5.5 K	33.0%	20.6%	5.9%	0.20%	4.0
Hello Again	207.2 K	120	$48.0 K	5.3%	15.7%	6.9%	0.18%	0.6
Winback	3.4 K	55	$18.1 K	33.8%	21.5%	22.4%	0.03%	16.3

SL: *Get Silver Elite Status And A Free Night*
PH: *Take your membership to the next level.*

JUNE TESTING SUMMARY

- ENEWS TOP OFFER IMAGE TESTING
- SUBJECT LINE OPTIMIZATION

JUNE ENEWS – MEGABONUS HERO OPTIMIZATION TEST

Optimization Results:
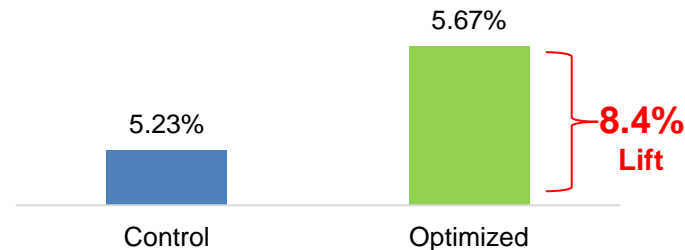
	Opens	Clicks	CTO%	Lift	Significance
Control	185,623	9,714	5.23%		
Optimized	2,761,999	156,678	5.67%	8.40%	98%

<u>Note</u>: The image banner size did not play a significant role in lift.

<u>Objective</u>:
Optimize background image and banner size to determine which combination performed the best.

<u>Criteria</u>:
Optimize using only 1st party Marriott data. 5 background images and 2 banner sizes were provided, resulting in 10 possible variations.

The campaign was divided into Register and Book segments. The campaign optimization was applied to the entire audience and post-campaign analysis was performed on the individual segments.

Marriott REWARDS.

JUNE ENEWS – MEGABONUS HERO OPTIMIZATION TEST

Where we found the most lift (1st party data only):

Silver and Gold Level Nights > 5

Core (B) Level

Gold Level + with Points > 80,000

Best Performing Image by Segment

CTO%

Image	Book	Register
(fire spinner)	4.80%	6.08%
(silhouettes under moon)	4.70%	6.09%
(Golden Gate Bridge day)	4.54%	5.89%
(group by fire)	4.53%	6.02%
(resort pool)	4.61%	6.03%

0.00% 2.00% 4.00% 6.00% 8.00%

■ Book ■ Register
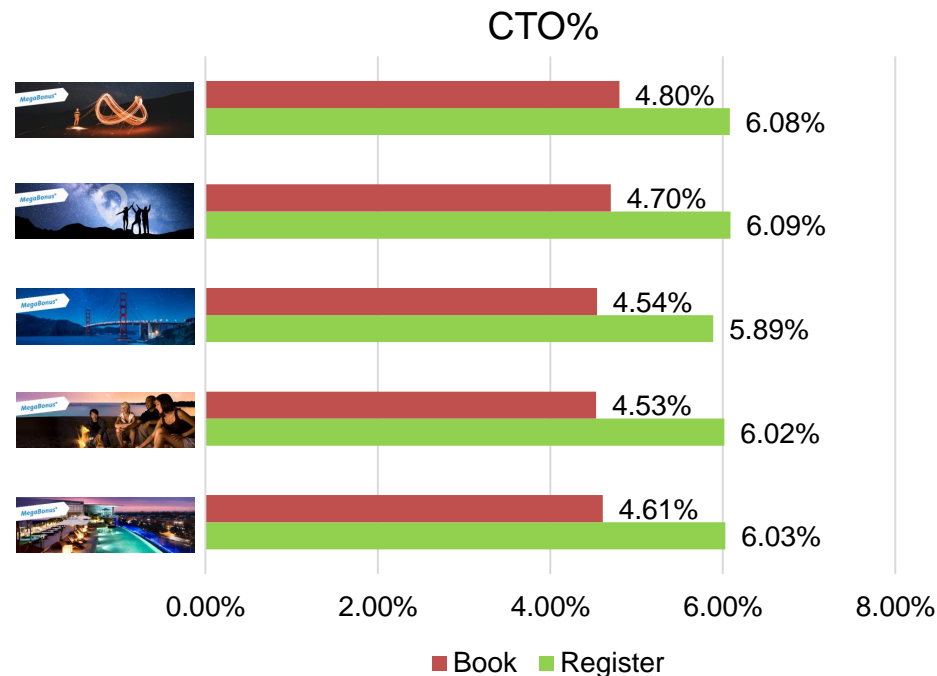
SUBJECT LINE TESTING

<u>Destinations</u>:

- **Why You Should Take a Summer Road Trip (11.1%)***
- Why you should take a summer road trip (11.0%)

<u>Descriptors of winning subject line:</u>

All caps did not appear to generate significant performance difference

*Results are statistically significant

KEY TAKEAWAYS

Solos remain significant drivers of overall clicks & revenue

Additional **MRCC** support is needed to meet goal beyond features

Use July data to validate **Template 2.0** initial reads
- Impact of Header & Account Box changes
- Performance of single CTA communications

MVP decisions appeared to create positive impact over BAU & Random but doesn't appear to be impacting overall revenue generated
- Insight into decisioning as well as better reporting will help create insights

Members engaged well with:
- TSA Precheck redemption offer
- Chirpify
- Quiz (Destinations)
- MegaBonus & sweepstakes in Hotel Specials

- First Name in Preheader
- Destinations Propensity in eNews
- Incentive for Reactivation

Not so well with:
- Point Savers
- Insiders & Travel Stickers
- Sanya, China

Test insights
- All caps in subject line copy did not appear to impact Open%

CONTENT TAKEAWAYS

<u>Members engaged well with:</u>

- TSA Precheck redemption offer: Include as pool of highly engaging evergreen offers; create more TSA Precheck content/offers
- Chirpify: Explore expanding usage as earning content opps or to support social channel push
- Quiz (Destinations): continue to explore use of quiz content to create engagement
- MegaBonus & sweepstakes in Hotel Specials: Include non-Field offer content to generate incremental clicks & bookings
- First Name in Preheader: Test to see impact on Open%
- Destinations Propensity in eNews: Monitor if engagement continues to be higher than City Scene
- Incentive for Reactivation

<u>Not so well with:</u>

- Point Savers: May be more effective by focusing on the value of the offering instead of the brand
- Insiders & Travel Stickers: Value of insider may be as a source of content, less attractive as a community to join; may need different positioning to be engaging
- Sanya, China: low engagement to this destination

Marriott REWARDS. | yes

INDUSTRY INSIGHTS

ENERGY MOMENTS

Canada's 150th Birthday

4th of July

Father's Day

Hari Raya

SUMMER IS THE THEME

Wyndham

Regularly featured offers as 'summer rates'

SPG

BUILDING A COMMUNITY

Rebranding Solo (3/5/17)

SOCIAL ENGAGEMENT

Features member posts

Follow up actions from the first step taken

APPENDIX

INCENTIVES CAN INCREASE RESPONSE OF HELLO AGAIN & WINBACK

New Member Activation

- Launched 6/26
- Targeted basic members who have become inactive in the first 12 months of enrolling on-property

Comparing to similar campaigns like Hello Again, higher Open% and CTO% resulted in a ~ 7x higher BPK

- Hello Again goes out to 50x the audience, an incentive may have an overall larger impact
- Note: Winback is shown for comparison purposes, KPIs are impacted by Gold & Plat-only targeting

SL: Get Silver Elite Status And A Free Night

PH: Take your membership to the next level.

June '17 Lifecycle Mailings	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Unsub%	Bk/ Del (K)
New Member Activation	4.0 K	16	$5.5 K	33.0%	20.6%	5.9%	0.20%	4.0
Hello Again	207.2 K	120	$48.0 K	5.3%	15.7%	6.9%	0.18%	0.6
Winback	3.4 K	55	$18.1 K	33.8%	21.5%	22.4%	0.03%	16.3

JUNE 2017 MR CAMPAIGN REVIEWS

MRCC RESULTS AGAINST FORECAST (EMAIL)

Email details	Jan	Feb	Mar	Apr	May	Jun
Standalone email accounts	1,738	1,377	2,429	2,278	1,616	1,669
eNews accounts	20	188	168	2,935	719	69
Hotel Specials accounts	3	3	27	61	22	4
Points expiration accounts	77	85	105	43	112	96
Confirmation email accounts	46	36	34	28	110	147
Other ridealong	3	1	4	3	8	14
Refer-a-Friend	319	257	128	27	159	207
Total	2,206	1,947	2,895	5,375	2,746	2,206

YTD Summary	
% year elapsed	50.0%
YTD accounts	17,375
2017 email accounts budget	33,000
% to budget	52.7%
Prior year YTD	17,242
% Y/Y	0.8%

JUNE 2017 MR CAMPAIGN REVIEWS

LOWER THAN AVG CLICKS TO MEGABONUS & MVP BUT HIGH CONV%

		Program	eNews
Audience	Total Delivered	66.9 M / -24.2%	14.5 M / 7.9%
	Unsub Rate	0.16% / -0.0 pts	0.10% / -0.0 pts
	Delivery Rate	98% / -0.3 pts	98% / -1.2 pts
Engagement	Open Rate	23.5% / 0.5 pts	23.0% / 0.0 pts
	Opens	15.7 M / -22.4%	3.3 M / 8.0%
	Click Rate	2.0% / -0.1 pts	2.8% / -0.6 pts
	Unique Clicks	1.3 M / -27.5%	413.4 K / -9.9%
	Click to Open Rate	8.5% / -0.6 pts	12.4% / -2.4 pts
Financial	Bookings	127.1 K / -26.4%	44.5 K / -1.4%
	RoomNights	289.6 K / -28.7%	101.7 K / -4.2%
	Revenue	$43.6 M / -29.4%	$15.6 M / -3.7%
	Conversion Rate	9.6% / 0.2 pts	10.8% / 0.9 pts
	Bookings per Delivered(K)	1.9 / -2.9%	3.1 / -8.6%

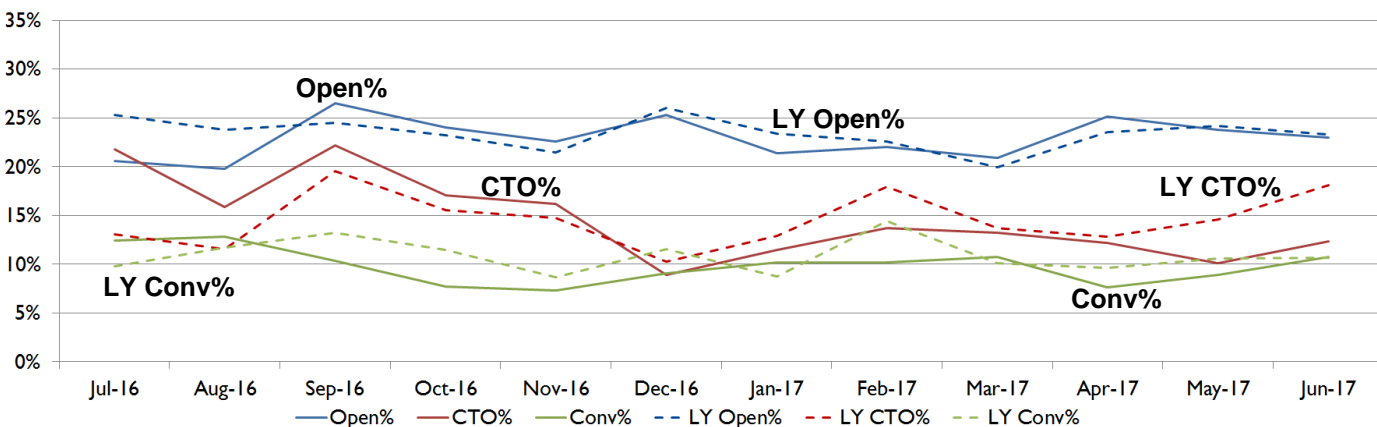June booking/delivered was the 2nd highest since Oct '16

- Typical for June

Open% was slightly above the 12-mo. avg

CTO% was 18% below the 12-mo avg & Conv% was the highest since Aug '16

- MB Top Offer and MVP Rewards Offers did not generate significant click engagement but higher Conv% then their respective avgs

JUNE '17 ENEWS EMAIL KPI TRENDS

Open% was slightly above the 12-mo. avg

- <u>MB SL</u>: *Your Account: Up to 4,000 Points per Stay*
- <u>Chirpify SL</u>: *Your Account: Earn Points with Facebook & More*

Subject line Open% may have been improved by including MegaBonus in copy

CTO% was 18% below the 12-mo. avg

- Top Offer and Rewards section generated 99K fewer clicks than their respective 12-mo section avgs

Conv% was the highest since Aug '16

- MB Top Offer Conv% was above avg indicating high intent from the clicks generated
- MVP reached it's highest Conv% to-date

JUNE '17 ENEWS SECTIONS

June eNews generated 102 K fewer clicks than the 12-mo. avg

- With the exception of the Account Box & Footer, all sections generated lower click volumes than their respective 12-month section avgs
- Account Box + Search sections accounted for the 2nd highest % of overall clicks since Jan '16, suggesting a lack of interest in June content

Top Offer section featured MB & Chirpify offers & generated 57.3K fewer clicks than 12-month section avg
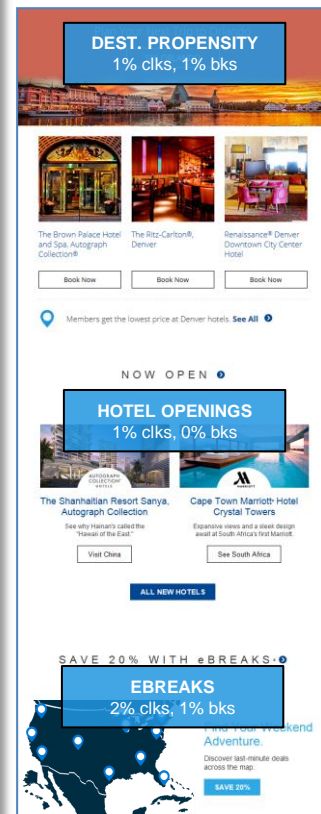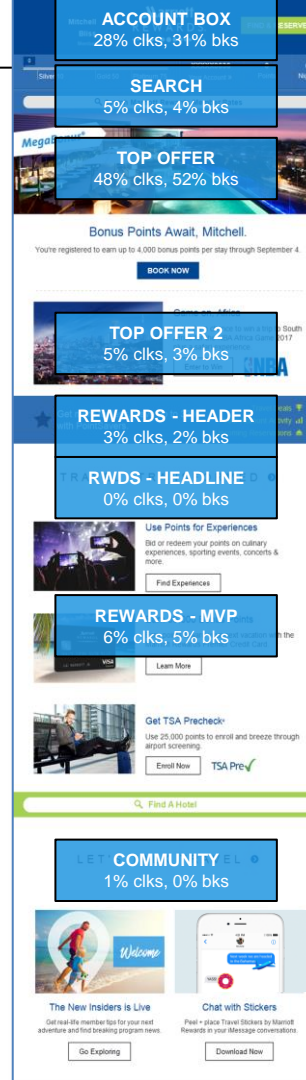
- MegaBonus offer generated the lowest click volume and % of overall clicks since Feb '16
- Chirpify content was sent to 18% of the audience and generated the highest Click% of any MegaBonus-alternative top offer since Feb '16

MVP In Top Offer 2 drove less clicks than other types of content

- 44% fewer clicks than the 12-month section avg and 73% fewer clicks MoM
- Featured up to seven offers (vs three in May)

Rewards section generated 51.8K fewer clicks than the 12-month section avg, 46% fewer clicks MoM, and the lowest click volume since Jan '16

- MVP Rewards offers generated the lowest click volume and % of clicks since first being featured in April
- PointSavers was featured in the Account Milestone and despite attracting more clicks to the Account module than the section avg, generated lower click engagement than avg suggesting a lack of value

ACCOUNT BOX
28% clks, 31% bks

SEARCH
5% clks, 4% bks

TOP OFFER
48% clks, 52% bks

TOP OFFER 2
5% clks, 3% bks

REWARDS - HEADER
3% clks, 2% bks

RWDS - HEADLINE
0% clks, 0% bks

REWARDS - MVP
6% clks, 5% bks

COMMUNITY
1% clks, 0% bks

DEST. PROPENSITY
1% clks, 1% bks

HOTEL OPENINGS
1% clks, 0% bks

EBREAKS
2% clks, 1% bks

JUNE '17 ENEWS SECTIONS

Hotel Openings accounted for 31% lower % of clicks than the 12-month section avg
- Leveraged '2-up' treatment
- There may not be significant global interest in Sanya, China which was featured
  - o "Sanya/Autograph" property generated 44% fewer clicks than "Cape Town Marriott"
  - o Hotel Openings featured "Sanya/Edition" property in Dec '16 and generated a 26% lower % of clicks than the 2016 section avg

Community content generated the least clicks of any section
- 'Travel Sticker' was significantly more appealing than the "New Insider Live" generating nearly twice the click volume
- 'Travel' Sticker featured instructional animation

Destination Propensity still performed better than the City scene avg but appeared did not generate the same click engagement as the month before
- MoM % of clicks and Conv% decreased 47% & 28% respectively
- Compared to the City scene avg
  - o 32% less clicks than City scene avg but was only sent to 41% of total audience
  - o 71% higher Conv%

May Pre-header was repeated updated for June; it generated the most clicks and highest % of clicks since Jan '16
- <u>Pre Header</u>: *Hi [FNAME]: Here are your June member updates.*

Regarding Conv%: Low volume of clicks showed higher intent to book; Conv% was the highest since Aug '16
- MegaBonus Top offer Conv% was 9.5% above the Top Offer avg (2016 & 2017 YTD)
- Rewards section Conv% was 6% above the 12-mo. avg & increased 27.1% MoM; the highest Conv% (7.3%) since being featured (Apr)
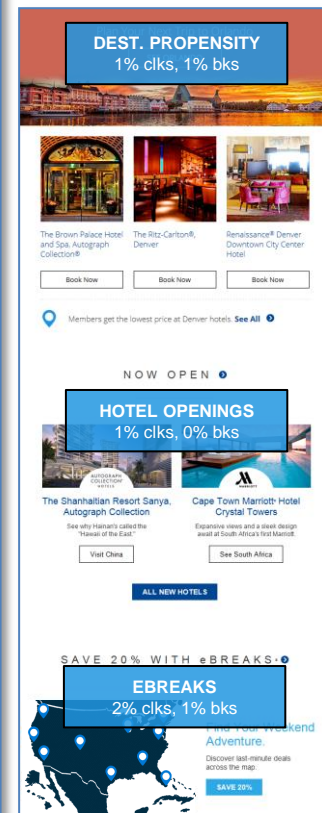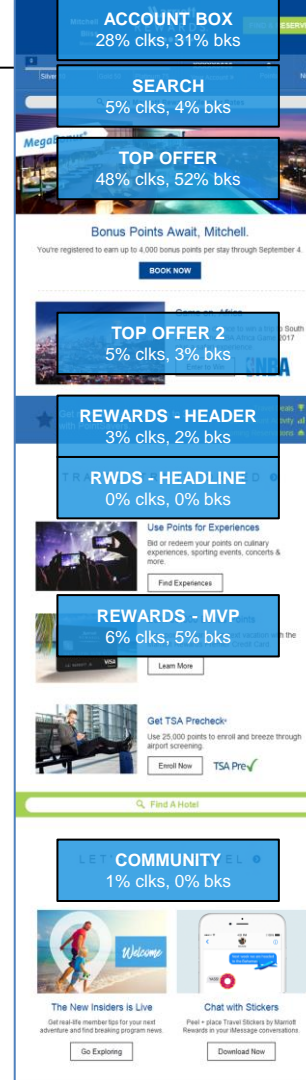
JUNE '17 ENEWS REWARDS SECTION ANALYSIS

MVP Rewards offers generated the lowest % of clicks since launch (Apr); MVP offers with high exposure and a lower than avg Click% (0.07%) include:

- Generic Moments – 15% of offers delivered / Click% = 0.02%
- MRCC 80K – 12% of offers delivered / Click% = 0.04%
- R-C Club Level – 9% of offers delivered / Click% = 0.05%

Rewards section Conv% was 6% above the 12-mo. avg

- MVP Rewards Offers generated the highest Conv% (7.3%) since first being featured in April and increased 27.1% MoM; the following offers had high click engagement and Conv%:
  - TSA Pre-check – % of MVP Clicks = 31.5% / Conv% = 9.6%
  - Ritz Carlton Club – % of MVP Clicks = 7.7% / Conv% = 9.2%
  - MRCC Cardholder Sweeps – % of MVP Clicks = 5.6% / Conv% = 12.5%

10.5 K
725 BKS

293
9 BKS

25.2 K
1.8 K BKS

Marriott
REWARDS.

JUNE '17 ENEWS DESTINATIONS PROPENSITY SECTION ANALYSIS

Destinations Propensity continued to perform better than City Scene

- Generated 32% less clicks than City Scene avg but was only sent to 41% of total audience
- Generated a 71% higher Conv%

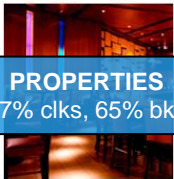Monitor for fatigue as engagement appeared to decrease MoM

- Compared to May, Destinations Propensity accounted for a 47% lower % of clicks and generated a 28% lower Conv%

June '17 eNews Dest. Propensity	Delivered	Click%
D.C	1.2 M	0.05%
NYC	1.2 M	0.10%
Atlanta	510.2 K	0.05%
San Francisco	331.1 K	0.08%
Phoenix	325.4 K	0.07%
Boston	283.4 K	0.09%
Chicago	271.1 K	0.08%
New Orleans	249.7 K	0.05%
Denver	205.1 K	0.05%
Miami	186.0 K	0.14%
Dallas	138.5 K	0.05%
Savannah	121.0 K	0.21%
Orlando	101.9 K	0.15%
London	42.6 K	0.13%
Caribbean	10.0 K	0.48%
Hawaii	7.2 K	0.32%
Italy	1.8 K	0.62%

HERO
25% clks, 25% bks

Plan Your Next Trip to Miami

SEE MIAMI

PROPERTIES
67% clks, 65% bks

The Brown Palace Hotel and Spa, Autograph Collection®

The Ritz-Carlton®, Denver

Renaissance® Denver Downtown City Center Hotel

Book Now

Book Now

Book Now

Members get the lowest price at Denver hotels. See All

'SEE ALL' LINK
8% clks, 10% bks

JUNE '17 ENEWS MVP OFFERS

June eNews MVP Offers	Delivered	EIR Bookings	EIR Revenue	Open%	Overall CTO%	MVP CTO%	Overall Conv%	MVP Conv%	Bk/ Del (K)
Optimize	5.0 M	16.8 K	$5.5 M	23.9%	12.0%	1.6%	11.6%	7.3%	3.3
Random	1.3 M	4.3 K	$1.4 M	23.9%	11.8%	1.2%	12.1%	6.4%	3.4
BAU	6.4 M	21.4 K	$6.9 M	23.9%	11.9%	1.4%	11.7%	6.2%	3.3
Total	**12.7 M**	**42.4 K**	**$13.8 M**	**23.9%**	**11.9%**	**1.5%**	**11.7%**	**6.7%**	**3.3**

MVP Offers	Optimize	Random	BAU
RewardsPlus, Basic, Silver, Gold	N/A	15.2%	N/A
Save 20% Across USA	17.2%	10.7%	N/A
RewardsPlus, Platinum	N/A	13.6%	N/A
Moments, Boston Baseball	N/A	9.5%	13.4%
MRCC -1000 Nights of Summer sweepstakes	N/A	0.0%	12.7%
Dining experience with Chef Thomas Keller	N/A	41.7%	10.7%
Explore San Juan	N/A	10.4%	N/A
Refer a Friend	0.0%	13.3%	N/A
Member Rates	13.3%	9.4%	N/A
TSA Precheck - 25,000 points	11.7%	9.8%	7.7%
R-C Club Level	8.9%	5.8%	N/A
NYC for 15% Less	4.2%	11.9%	N/A
MRCC Canada acquisition, 30K	N/A	0.0%	7.2%
Explore San Diego	7.1%	7.0%	N/A
Merchandise, US	0.0%	7.1%	N/A
Hertz, 35% Off	6.9%	10.5%	4.6%
Sweeps - NBA South Africa Game 2017	6.1%	5.6%	6.3%
Lead Rates NYC	0.0%	6.3%	N/A
Europe for 20% Less	5.2%	10.6%	N/A
Explore Phoenix	N/A	5.4%	N/A
R-C Reconnet	5.1%	0.0%	N/A
Europe free breakfast, pay with Visa	N/A	11.1%	4.0%
Explore Hawaii	3.6%	3.9%	N/A
Explore Atlanta	N/A	3.6%	N/A
MRCC 80K acquisition	N/A	4.2%	3.4%
Explore San Francisco	0.0%	4.9%	N/A
Moments, #LoveTravels - DC Pride Float	N/A	3.2%	N/A
Exclusive Travel Deals	1.1%	4.6%	N/A
Moments, Generic	N/A	5.4%	2.6%
30% off Middle East & Africa	N/A	2.9%	2.1%
Explore Miami	N/A	2.2%	N/A
Weekends NY, DC, US	N/A	2.0%	N/A
Explore Chicago	N/A	1.9%	N/A
Explore Boston	0.0%	2.0%	N/A
Merchandise, ROW	0.0%	0.0%	1.7%
R-C Breakfast	0.7%	1.1%	N/A
Explore Toronto	0.0%	0.0%	N/A
Explore Houston	N/A	0.0%	N/A

Green box = Top Offer 2 MVP Offer
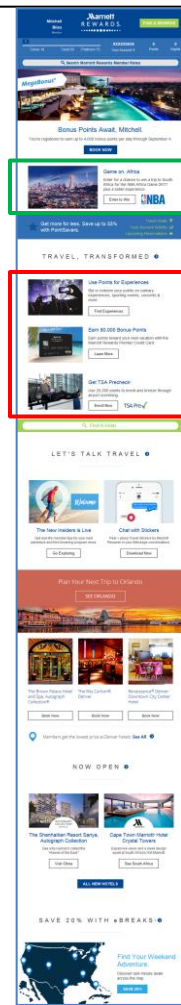
Optimize group Conv% differed from the campaign level to the MVP section level

- Optimize group generated the lowest campaign level Conv% but the highest MVP section level Conv%

Optimize group generated the highest CTO% on a campaign and MVP section level

- MVP Section level results were 99% statistically significant

TOP OFFERS BY REVENUE

June - Optimize				June - Random				June - BAU		
Rewards MVP Offers	**Clicks**	**EIR Revenue**		**Rewards MVP Offers**	**Clicks**	**EIR Revenue**		**Rewards MVP Offers**	**Clicks**	**EIR Revenue**
TSA Precheck - 25,000 points	3.6 K	$143.2 K		TSA Precheck - 25,000 points	326	$8.6 K		TSA Precheck - 25,000 points	4.0 K	$107.3 K
R-C Club Level	1.9 K	$90.5 K		Exclusive Travel Deals	79	$5.3 K		MRCC Cardholder - 1000 Nights	1.4 K	$47.8 K
Hertz, 35% Off	3.5 K	$82.5 K		Europe for 20% Less	47	$4.1 K		Moments, Boston Baseball	470	$23.7 K
Explore Hawaii	2.1 K	$31.9 K		Save 20% Across USA	60	$2.9 K		MRCC 80K acquisition	1.9 K	$23.0 K
R-C Reconnet	371	$5.4 K		RewardsPlus, Basic, Silver, Gold	33	$2.3 K		Hertz, 35% Off	1.0 K	$16.8 K
Europe for 20% Less	267	$4.7 K		Explore Hawaii	95	$2.0 K		Dining w/ Chef Thomas Keller	300	$13.7 K
NYC for 15% Less	72	$1.2 K		Hertz, 35% Off	95	$1.6 K		Moments, Generic	1.1 K	$6.2 K
Member Rates	15	$1.1 K		Member Rates	64	$1.6 K		Merchandise, ROW	745	$4.3 K
Save 20% Across USA	74	$812		Dining w/ Chef Thomas Keller	12	$1.5 K		MRCC Canada acquisition, 30K	139	$2.4 K
Explore San Diego	98	$671		Explore San Juan	48	$1.2 K				

- TSA Pre-check
- Ritz-Carlton
- Moments Sweeps
- Hertz % off
- % off domestic generic
- % less metropolitan areas

- Generic travel deals
- TSA Pre-check
- Hawaii Lead Rates
- Ritz-Carlton
- Moments Sweeps
- % off Europe
- RewardsPlus

- Moments (Sweeps, Boston Baseball, Dining)
- TSA Pre-check
- MRCC (Holder sweeps + 80K acquisition)
- Hertz % off

CTO% WAS THE HIGHEST SINCE OCT '16

		Program	Hotel Specials
Audience	Total Delivered	66.9 M -24.2%	10.3 M -0.4%
	Unsub Rate	0.16% -0.0 pts	0.14% -0.0 pts
	Delivery Rate	98% -0.3 pts	99% 0.0 pts
Engagement	Open Rate	23.5% 0.5 pts	17.9% -0.9 pts
	Opens	15.7 M -22.4%	1.9 M -5.0%
	Click Rate	2.0% -0.1 pts	1.6% 0.1 pts
	Unique Clicks	1.3 M -27.5%	163.0 K 3.2%
	Click to Open Rate	8.5% -0.6 pts	8.8% 0.7 pts
Financial	Bookings	127.1 K -26.4%	14.2 K 2.8%
	RoomNights	289.6 K -28.7%	31.7 K -0.6%
	Revenue	$43.6 M -29.4%	$4.7 M -2.2%
	Conversion Rate	9.6% 0.2 pts	8.7% -0.0 pts
	Bookings per Delivered(K)	1.9 -2.9%	1.4 3.2%

Unique content of June Hotel Specials:

- Featured Moments
- Ft MegaBonus & NBA Sweeps

Booking/delivered was 3% above the 12-mo. avg

Open% was the 3rd lowest since Apr '12

CTO% was the highest YTD & 9% above the 12-mo. avg

- 'NBA Sweeps' and 'MegaBonus' generated incremental clicks

Conv% was slightly below the 12-mo. avg

Marriott REWARDS. | yes

JUNE '17 HOTEL SPECIALS EMAIL KPI TRENDS

Despite leveraging previous subject line test winner, Open% was the 3rd lowest since Apr '12

- SL: *[FNAME]'s July Travel Deals*

CTO% was the highest YTD & 9% above the 12-mo. avg

- 'NBA Sweeps' and 'MegaBonus' generated more clicks than any other curated offers

Conv% was slightly below the 12-mo. avg
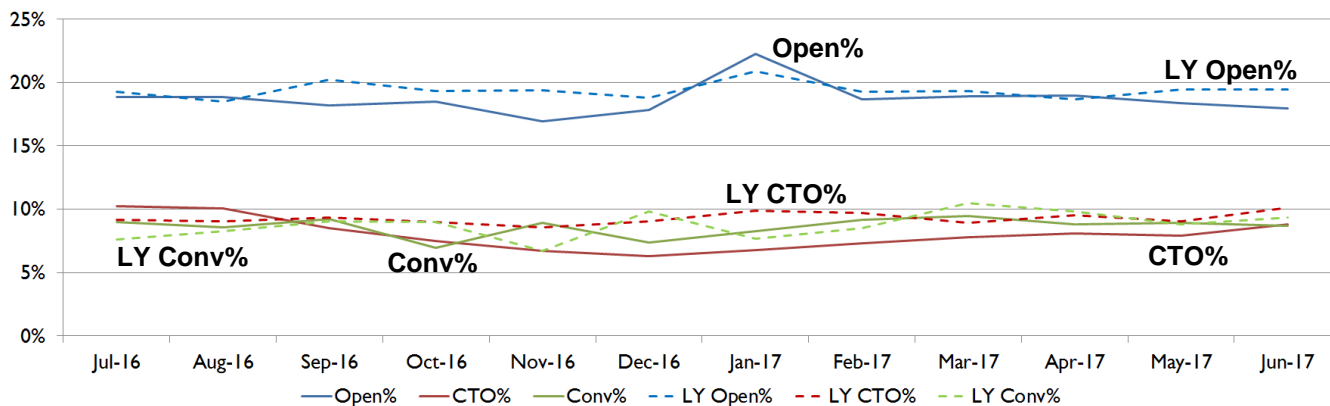
JUNE '17 HOTEL SPECIALS LINK ANALYSIS

June Hotel Specials generated the most clicks in nearly a year; 11K more clicks than the 12-mo. avg

Moments generated ~50% higher click volume and % of clicks than the Getaways 12-mo avg (which it replaced)
o 'NBA Sweepstakes' accounted for 64% of section clicks
o 'Billy Joel' offer generated 16% of section clicks
o With 'Discover More Experiences' this section featured more content/links than the typical 'Getaways' section

'Experiences' section generated an 11% higher click volume and a 4% higher % of clicks than the 12-mo. avg
o MegaBonus offer accounted for 46.5% of section clicks
o Generic 'Summer Deals' generated the 2nd highest % of Experiences section clicks (21.6%); *Is this Field Offers?*

Overall Conv% was 3% below the 12-mo. avg
• Account Box generated the 3rd lowest Conv% since Jan '16
• eBreaks Conv% was the lowest since Sep '16

ACCOUNT BOX
30% clks, 42% bks

SEARCH
9% clks, 11% bks

FIELD OFFERS
41% clks, 31% bks

MOMENTS
11% clks, 8% bks

EXPERIENCES
5% clks, 5% bks

EBREAKS
3% clks, 2% bks

JUNE '17 HOTEL SPECIALS LINK ANALYSIS

Observations

Most clicked content:

• NBA Sweepstakes (Moments)	14.1 K
• eBreaks	5.4 K
• MegaBonus (Experiences)	4.9 K
• Billy Joel (Moments)	3.5 K
• Summer Deals (Experiences)	2.3 K
• KAABOO	1.9 K

'NBA Sweeps' and 'MegaBonus' generated more clicks than any other curated offers

• The high impact of individual offers makes it difficult to understand the impact of content like Moments

NEW DESIGN MAY HAVE CONTRIBUTED TO CTO% DECREASE

		Program	Dest.
Audience	Total Delivered	66.9 M -24.2%	11.7 M -2.7%
	Unsub Rate	0.16% -0.0 pts	0.11% -0.0 pts
	Delivery Rate	98% -0.3 pts	100% 0.4 pts
Engagement	Open Rate	23.5% 0.5 pts	22.6% 0.2 pts
	Opens	15.7 M -22.4%	2.6 M -1.6%
	Click Rate	2.0% -0.1 pts	1.2% -0.1 pts
	Unique Clicks	1.3 M -27.5%	140.3 K -6.6%
	Click to Open Rate	8.5% -0.6 pts	5.3% -0.3 pts
Financial	Bookings	127.1 K -26.4%	11.1 K 1.8%
	RoomNights	289.6 K -28.7%	24.7 K -3.5%
	Revenue	$43.6 M -29.4%	$3.7 M -5.8%
	Conversion Rate	9.6% 0.2 pts	7.9% 0.7 pts
	Bookings per Delivered(K)	1.9 -2.9%	1.0 4.6%

June Destinations kicked off the first month of the 2017 "Road Trip" theme and featured a new content approach & mobile-centric template

June conducted a capitalization test in the subject line which did not impact Open%

Significantly less content was featured, potentially contributing the a decrease in CTO%, 5% below the 12 mo avg

Conv% was 7% above the 12-mo. avg

Marriott REWARDS. | yes

JUNE '17 DESTINATIONS EMAIL KPI TRENDS
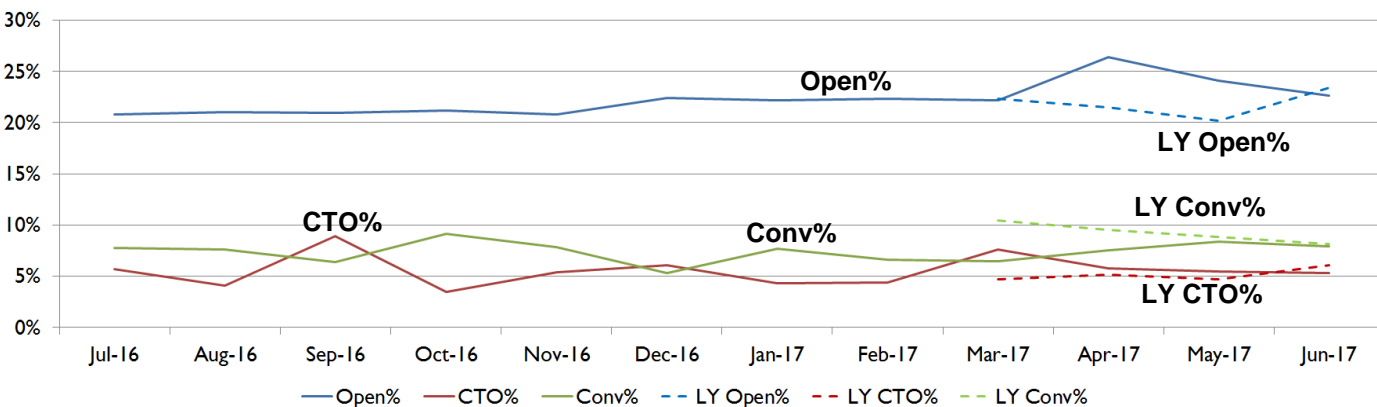
Open% was 1% above the 12-mo. avg
- ***Why You Should Take a Summer Road Trip (11.1%)****
- *Why you should take a summer road trip (11.0%)*

Capitalization did not appear to have a significant impact on Open%

CTO% was down 13% YoY and was 5% below the 12-mo. avg
- Significantly less content was featured in the disruptive design

Conv% was 7% above 12-mo. avg

Marriott REWARDS | yes

JUNE '17 DESTINATIONS LINK ANALYSIS

Kicked off Road Trip theme and leveraged a mobile-centric/scrollable design; click volume was 11.3% below the 12-mo. avg
- Less overall content may have had an impact on click engagement

'Drives that Wow' generated more clicks (55.1 K) than any other piece of content
- Did not require list of cities or copy to create engagement

The 'Road Trip Personality' quiz generated 60% more clicks than MegaBonus & Hertz offer despite being non-promotion and near bottom content

Destinations MegaBonus offer Conv% was 51% & 11% higher than the following Hotel Specials and eNews placements, respectively
- Although Destination's primary focus is not to generate bookings, it can be an effective platform to support promotional offers

Trip Planner section accounted for a 11.6% lower % of total clicks than the 12-month section avg, but a 5.2% higher click volume
- San Francisco = 37.2% of section clicks
- Chicago = 32.2% of section clicks
- Miami = 30.6% of section clicks

ACCOUNT BOX
31% clks, 48% bks

SEARCH
7% clks, 8% bks

DRIVES
34% clks, 19% bks

HERTZ
5% clks, 3% bks

MEGABONUS
6% clks, 12% bks

QUIZ
10% clks, 7% bks

TRIP PLANNER
6% clks, 3% bks
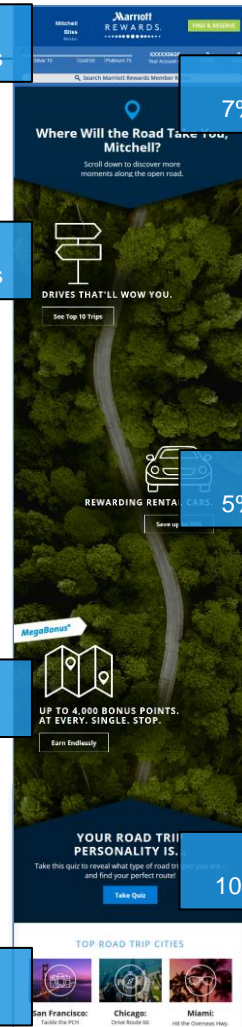
LOWEST DELIVERY & BOOKING VOLUME SINCE SEPT'15

		Program	Solos
Audience	Total Delivered	66.9 M / -24.2%	3.7 M / -85.6%
	Unsub Rate	0.16% / -0.0 pts	0.18% / 0.0 pts
	Delivery Rate	98% / -0.3 pts	98% / -1.2 pts
Engagement	Open Rate	23.5% / 0.5 pts	34.2% / 10.7 pts
	Opens	15.7 M / -22.4%	1.3 M / -79.1%
	Click Rate	2.0% / -0.1 pts	3.9% / 1.5 pts
	Unique Clicks	1.3 M / -27.5%	144.0 K / -76.7%
	Click to Open Rate	8.5% / -0.6 pts	11.3% / 1.2 pts
Financial	Bookings	127.1 K / -26.4%	16.2 K / -74.2%
	RoomNights	289.6 K / -28.7%	36.8 K / -75.0%
	Revenue	$43.6 M / -29.4%	$5.6 M / -74.9%
	Conversion Rate	9.6% / 0.2 pts	11.3% / 1.1 pts
	Bookings per Delivered(K)	1.9 / -2.9%	4.3 / 79.7%

MB Registration Confirmation was the only high volume Solo for June

Highest Open% since Sep '15 was due to the typically higher than avg response MB solos generate

MEGABONUS REGISTRATION CONFIRMATION TEMPLATE 2.0 PERFORMANCE
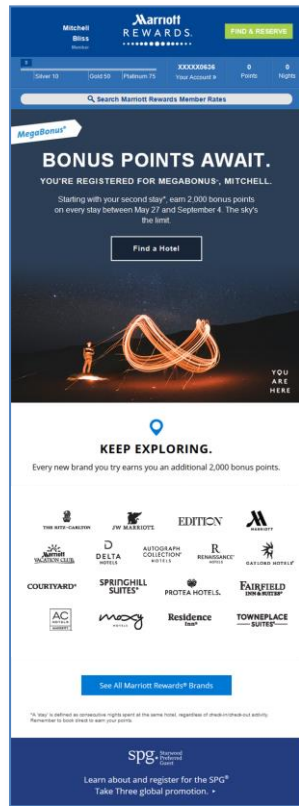
Summer '17 MB Reg. Confirmation	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)
May '17	431.5 K	4.4 K	$1.4 M	59.4%	6.5%	26.5%	10.3
Jun '17	200.3 K	2.0 K	$595.2 K	51.3%	8.4%	22.9%	9.9
Previous Template	188.2 K	1.9 K	$562.7 K	51.5%	8.3%	23.2%	9.9
Template 2.0	12.1 K	111	$32.5 K	48.6%	10.2%	18.4%	9.1
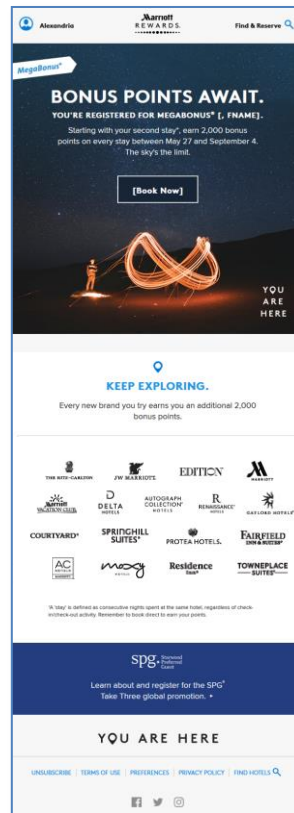
Registration confirmation solo was updated with 2.0 template on 6/28

- CTO% increased 29% MoM
- CTO% increased 24% after template change within June
  - Results based on 12.1 K delivered, will continue to monitor

SUMMER '17 MEGABONUS TO-DATE

Promotion Results First 2 Months	Delivered	EIR Bookings	EIR Revenue	Bk/ Del (K)
Summer Promo '16	54.4 M	76.4 K	$26.6 M	1.4
Fall '16	39.2 M	103.9 K	$36.7 M	2.7
Spring '17	46.1 M	124.2 K	$45.0 M	2.7
Summer '17	49.2 M	80.4 K	$27.4 M	1.6

Promotion Results First 2 Months	Delivered	EIR Bookings	EIR Revenue	Bk/ Del (K)
Announcement	9.8 M	45.6 K	$16.1 M	4.7
Registration Confirmation	785.6 K	11.1 K	$3.6 M	14.1
Hotel Specials May '16	9.0 M	815	$261.9 K	0.1
PO-Offers May '16	1.1 M	424	$157.7 K	0.4
Destinations Jun '16	10.1 M	611	$203.8 K	0.1
PO-Destinations Jun '16	1.2 M	313	$102.1 K	0.3
Hotel Specials Jun '16	9.3 M	1.7 K	$580.5 K	0.2
PO-Offers Jun '16	1.1 M	678	$219.0 K	0.6
eNews Jun '16	11.0 M	10.1 K	$3.5 M	0.9
PO-Benefits Jun '16	1.2 M	5.1 K	$1.8 M	4.4
Summer Promo '16	**54.4 M**	**76.4 K**	**$26.6 M**	**1.4**
Preview	7.7 M	19.4 K	$6.6 M	2.5
Announcement	7.9 M	27.1 K	$9.4 M	3.4
Registration Confirmation	574.9 K	7.5 K	$2.6 M	13.0
eNews Sep '16	11.5 M	30.8 K	$10.9 M	2.7
Hotel Specials Sep '16	9.3 M	882	$354.3 K	0.1
PO-Benefits Sep '16	1.2 M	17.8 K	$6.7 M	14.9
PO-Offers Sep '16	1.1 M	509	$162.0 K	0.5
Fall '16	**39.2 M**	**103.9 K**	**$36.7 M**	**2.7**
Announcement	8.5 M	55.0 K	$20.4 M	6.4
Registration Confirmation	777.9 K	8.1 K	$2.9 M	10.5
Achievement	162.9 K	4.2 K	$1.5 M	25.7
Registration Reminder	8.0 M	19.9 K	$7.1 M	2.5
eNews Jan '17	13.7 M	13.1 K	$4.5 M	1.0
eNews Feb '17	15.0 M	23.8 K	$8.6 M	1.6
Spring '17	**46.1 M**	**124.2 K**	**$45.0 M**	**2.7**
Announcement	12.1 M	52.6 K	$18.0 M	4.4
Registration Confirmation	631.8 K	6.4 K	$2.0 M	10.1
eNews Jun '17	14.5 M	19.7 K	$6.9 M	1.4
Hotel Specials Jun '17	10.3 M	424	$145.4 K	0.0
Destinations Jun '17	11.7 M	1.3 K	$341.2 K	0.1
Summer '17	**49.2 M**	**80.4 K**	**$27.4 M**	**1.6**

BPK FELL BY 7% AGAINST 12 MO AVG DUE TO LOW OPEN%

		Program	Lifecycle
Audience	Total Delivered	66.9 M -24.2%	5.5 M 3.0%
	Unsub Rate	0.16% -0.0 pts	0.27% -0.0 pts
	Delivery Rate	98% -0.3 pts	97% 0.3 pts
Engagement	Open Rate	23.5% 0.5 pts	31.7% -1.2 pts
	Opens	15.7 M -22.4%	1.7 M -0.8%
	Click Rate	2.0% -0.1 pts	5.6% -0.0 pts
	Unique Clicks	1.3 M -27.5%	305.4 K 2.8%
	Click to Open Rate	8.5% -0.6 pts	17.6% 0.6 pts
Financial	Bookings	127.1 K -26.4%	22.7 K -4.2%
	RoomNights	289.6 K -28.7%	55.0 K -7.4%
	Revenue	$43.6 M -29.4%	$8.1 M -10.4%
	Conversion Rate	9.6% 0.2 pts	7.4% -0.5 pts
	Bookings per Delivered(K)	1.9 -2.9%	4.1 -7.0%

Open% was the lowest since Nov '15
- Welcome campaign (44% of Lifecycle Del) generated 3rd lowest Open% since Jan '16
- Spike in Welcome Miles series delivery reduced Open% by nearly 50%

CTO% was 3% above 12-mo. avg
- However, some campaigns generated near lows in CTO% since Jan '16
  - Hello Again - 3rd lowest CTO%
  - Post Redemption - Lowest CTO%
  - Birthday Recognition - Lowest CTO%
  - Winback - 3rd lowest CTO%

Conv% was 7% below 12-mo. avg and down 1% YoY
- Onboarding generated the lowest Conv% since it launched in Mar '16
- Welcome campaign generated the 2nd lowest Conv% since Jan '16

New/Paused Campaigns:
- New Member Activation (6/26)
- Birthday Promotion paused

Marriott REWARDS. | yes

NEW MEMBER ACTIVATION

SL: Get Silver Elite Status And A Free N...
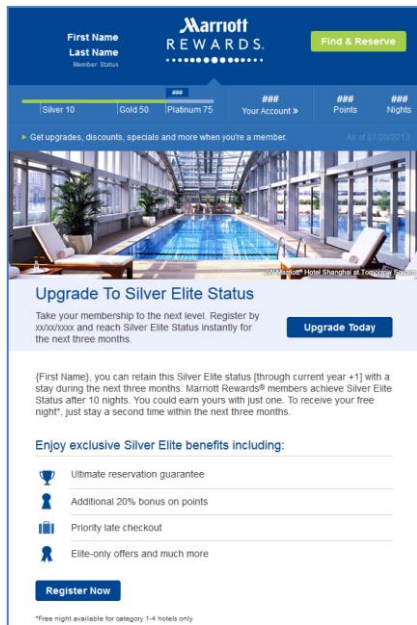
PH: Take your membership to the next l...

June '17 Lifecycle Mailings	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Unsub%	Bk/ Del (K)
New Member Activation	4.0 K	16	$5.5 K	33.0%	20.6%	5.9%	0.20%	4.0
Hello Again Initial	207.2 K	120	$48.0 K	5.3%	15.7%	6.9%	0.18%	0.6
Winback	9.2 K	124	$41.7 K	36.2%	15.8%	23.7%	0.02%	13.6

New Member Activation
- Launched 6/26
- Targeted basic members who have become inactive in the first 12 months of enrolling on-property

Based on initial (5-day) results:
- Compared to Jun '17 Lifecycle KPI's:
  - Open% = +4%
  - CTO% = +17%
  - Conv% = -21%
- Comparing to Hello Again:
  - Open% and CTO% are higher than Hello Again mailings; yielding a ~ 5x higher BPK

Suggests impact of incentive for reactivation initiatives
- Hello Again goes out to 50x the audience

LIFECYCLE: NEAR LEVEL

Lifecycle: Near Level	Delivered	Open%	CTO%	Conv%
Jan '16 - Jun '16	188.5 K	49.1%	18.7%	17.1%
Jan '17 - Jun '17	188.7 K	44.5%	15.6%	16.6%
YoY △	0.1%	-9.3%	-16.7%	-3.0%

June Open% was the 2nd lowest since Jan '16

- YoY, the Jan-Jun Open% has decreased 9.3%
- <u>SL</u>: *[LEVEL] Elite Status is Within Your Reach*

Recommendation: update subject line as apart of upcoming retrofit updates

Lifecycle: Near Level	Delivered	Open%	CTO%	Conv%
Jun '16	45.1 K	48.9%	17.9%	17.6%
Jul '16	58.8 K	50.1%	17.8%	17.1%
Aug '16	71.3 K	49.1%	18.9%	15.8%
Sep '16	60.0 K	51.3%	17.2%	16.6%
Oct '16	64.2 K	49.8%	16.5%	16.3%
Nov '16	77.8 K	48.0%	15.5%	16.6%
Dec '16	61.6 K	48.6%	14.5%	15.3%
Jan '17	15.8 K	46.3%	15.2%	18.1%
Feb '17	18.9 K	49.4%	16.6%	15.6%
Mar '17	28.0 K	45.6%	15.6%	18.4%
Apr '17	28.4 K	44.2%	15.3%	16.5%
May '17	54.8 K	43.0%	15.3%	16.1%
Jun '17	42.8 K	43.0%	15.7%	16.0%

WELCOME-POINTS SERIES

	Previous Subject Line	New Subject Line (Mar '17-Jun '17)	Open% △ vs 2016 Avg.
Welcome	Welcome to Marriott Rewards	Welcome to Marriott Rewards [FNAME]!	-5.5%
EES1	Personalize Your Experience: Tip 1 of 3	Tip 1 of 3: Personalize Your Account	-6.8%
EES2	Earn and Redeem Points: Tip 2 of 3	Tip 2 of 3: Get More From Your Points	-8.2%
EES3	Get Our best Available Rage: Tip 3 of 3	Tip 3 of 3: Get the Lowest Price	-6.6%
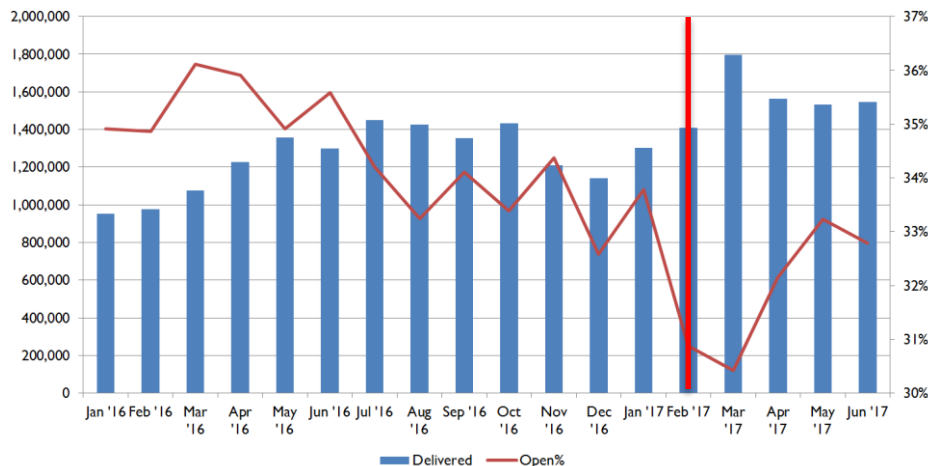
Welcome subject lines were updated on 2/7

Welcome Points series Open% has decreased 7% since the subject line update
• Across all touchpoints

Delivery volume may be impacting Open%
• Delivered volume spiked in Mar '17 and has remained well above the 2016 volume since

Recommend testing the following elements:
• Changing position of "Tip"
• Modify language of "Tip"

THANK YOU!

ACCOUNT LINKAGE

CREDIT CARD SUPPORT

Points expiration incentive

Refer-a-friend = 7.5K Points

PROMOTIONS

Club Carlson
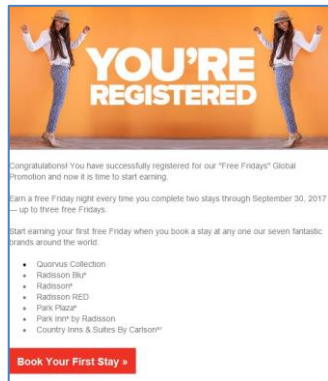Hi, Mitchell   Acct. ending: **4391**   Points: 0*   Red Member

STAY TWICE, GET A
FREE FRIDAY
10K BONUS POINTS

It's your choice - register today and start earning July 1!

All you need to do is complete two stays before September 30, 2017 and you can collect your free Friday night or 10,000 Gold Points* – up to three free Fridays or 30,000 points.

REGISTER & CHOOSE >>

LOOK FOR **% SAVE MORE** TO INDICATE MEMBERS ONLY RATE EXCLUSIVE   GET MORE

YOU'RE REGISTERED
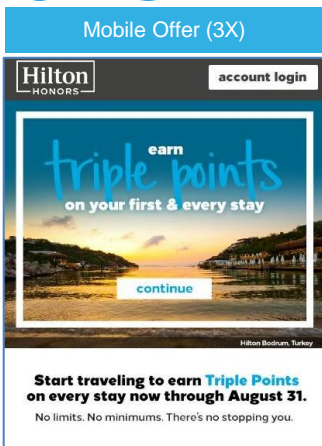
Congratulations! You have successfully registered for our "Free Fridays" Global Promotion and now it is time to start earning.

Earn a free Friday night every time you complete two stays through September 30, 2017 – up to three free Fridays.

Start earning your first free Friday when you book a stay at any one our seven fantastic brands around the world:

- Quorvus Collection
- Radisson Blu®
- Radisson®
- Radisson RED
- Park Plaza®
- Park Inn® by Radisson
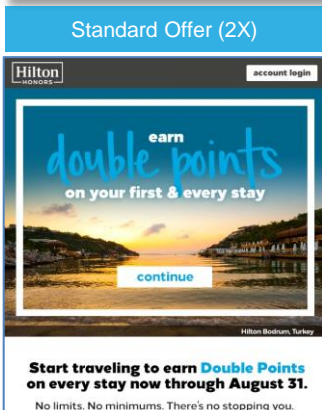- Country Inns & Suites By Carlson℠

Book Your First Stay »

Mobile Offer (3X)

Hilton HONORS   account login

earn
triple points
on your first & every stay

continue

Hilton Bodrum, Turkey

Start traveling to earn Triple Points on every stay now through August 31.

No limits. No minimums. There's no stopping you.

Standard Offer (2X)
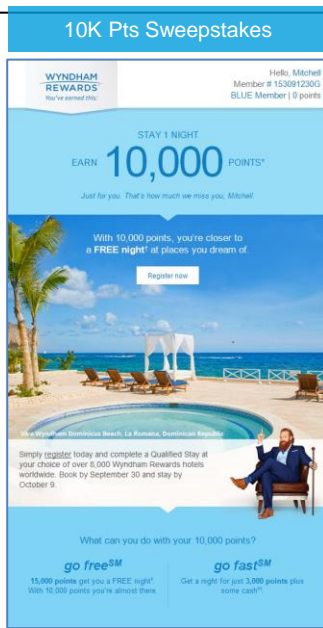

Hilton HONORS   account login

earn
double points
on your first & every stay

continue

Hilton Bodrum, Turkey

Start traveling to earn Double Points on every stay now through August 31.

No limits. No minimums. There's no stopping you.

10K Pts Sweepstakes

WYNDHAM REWARDS
You've earned this:

Hello, Mitchell
Member # 153091230G
BLUE Member | 0 points

STAY 1 NIGHT

EARN
10,000 POINTS*

Just for you. That's how much we miss you, Mitchell.

With 10,000 points, you're closer to a FREE night† at places you dream of.
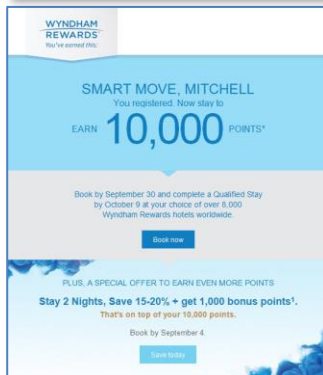
Register now

Simply register today and complete a Qualified Stay at your choice of over 6,000 Wyndham Rewards hotels worldwide. Book by September 30 and stay by October 9.

What can you do with your 10,000 points?

go free℠
15,000 points get you a FREE night†
With 10,000 points you're almost there

go fast℠
Get a night for just 3,000 points plus some cash††

WYNDHAM REWARDS
You've earned this:

SMART MOVE, MITCHELL
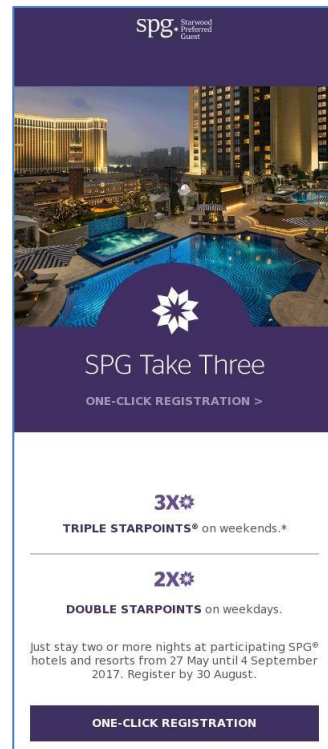You registered. Now stay to

EARN
10,000 POINTS*

Book by September 30 and complete a Qualified Stay by October 9 at your choice of over 6,000 Wyndham Rewards hotels worldwide.

Book now

PLUS, A SPECIAL OFFER TO EARN EVEN MORE POINTS

Stay 2 Nights, Save 15-20% + get 1,000 bonus points¹.
That's on top of your 10,000 points.

Book by September 4.

Save today

spg. Starwood Preferred Guest

SPG Take Three

ONE-CLICK REGISTRATION >

3X✿
TRIPLE STARPOINTS® on weekends.*

2X✿
DOUBLE STARPOINTS on weekdays.

Just stay two or more nights at participating SPG® hotels and resorts from 27 May until 4 September 2017. Register by 30 August.

ONE-CLICK REGISTRATION

Sheraton

START PLANNING YOUR TRIP & REGISTER FOR TRIPLE STARPOINTS®

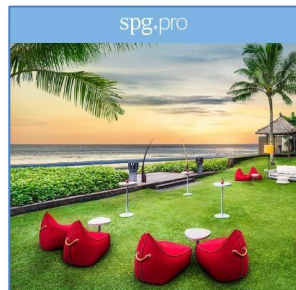**Explore Austin, Texas**

SPG TAKE THREE

Triple Up on Starpoints® with **SPG® Take Three**. Register now and enjoy more bonus Starpoints on your next stay!

- Triple Starpoints on Weekends
- Double Starpoints on Weekday stays

Register online and just stay two or more nights between May 27 and September 4, 2017. Registration ends August 30, 2107.

Visit Austin, Texas to experience the transformed **Sheraton Austin Hotel at the Capitol** featuring a new lobby, restaurant and more.

SPG PRO ACQUISITION