JUNE 2018 MARRIOTT REWARDS
EMAIL PROGRAM REVIEW

August 9, 2018

TODAY'S AGENDA
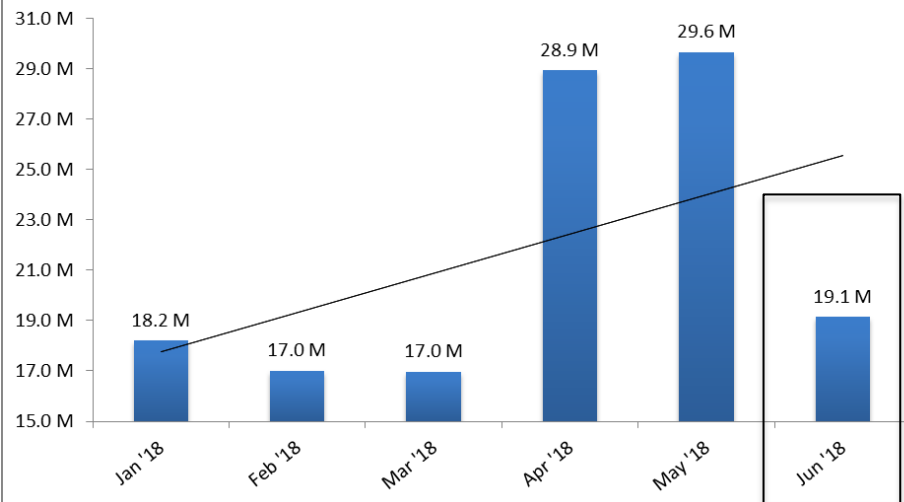
📍 June '18 Program Review
- Program Summary & Trends
- Testing Summary
- Actionable Insights

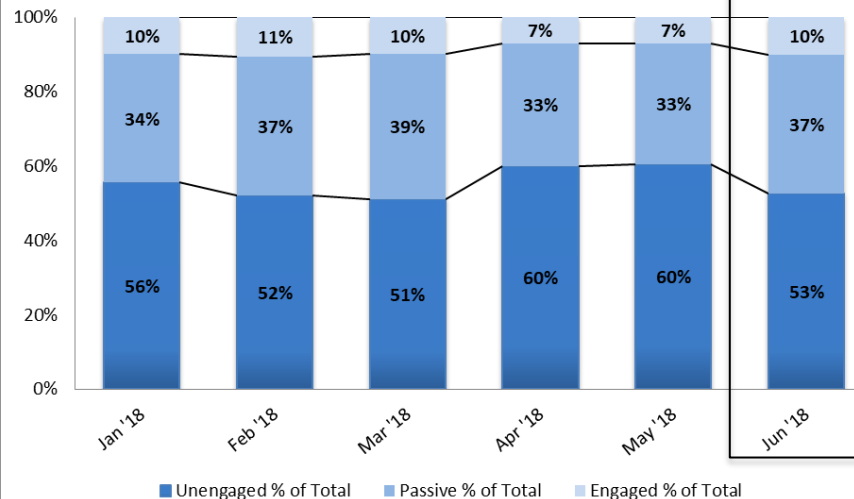# JUNE 2018 EMAIL PROGRAM SUMMARY

EMAIL ENGAGEMENT REPORT

- 19M members received at least 1 email in June; previous month spikes from net new program emails
- 47% of members are engaged in MR emails, (up 7 pts MoM)

of MR Members Received 1+ Emails

Month	Members
Jan '18	18.2 M
Feb '18	17.0 M
Mar '18	17.0 M
Apr '18	28.9 M
May '18	29.6 M
Jun '18	19.1 M

% of Email Interaction (MR Mbr)

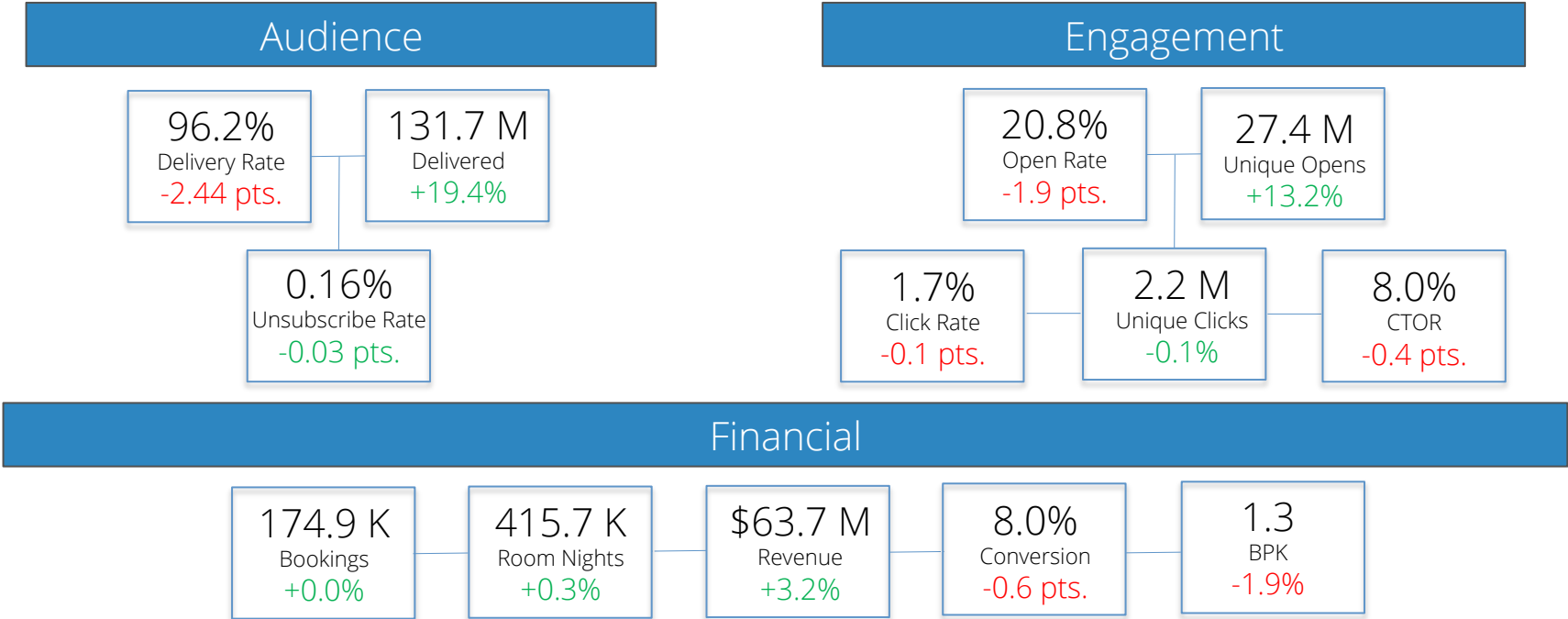| Month	Unengaged % of Total	Passive % of Total	Engaged % of Total
Jan '18	56%	34%	10%
Feb '18	52%	37%	11%
Mar '18	51%	39%	10%
Apr '18	60%	33%	7%
May '18	60%	33%	7%
Jun '18	53%	37%	10%

*Report Key:
 - Received: # of emails received during time period
 - Engaged: Received Opened and Clicked + Received not Opened but Clicked
 - Passive: Received Opened but not Clicked
 - Unengaged: Received not Opened and not Clicked

Marriott REWARDS. | **Yes**

JUNE 2018 EMAIL PROGRAM PERFORMANCE

- Increased delivery from program support communications led to financial KPI lifts
- Maintained program engagement performance; open rate and CTOR remain steady

Audience

96.2%
Delivery Rate
-2.44 pts.

131.7 M
Delivered
+19.4%

0.16%
Unsubscribe Rate
-0.03 pts.

Engagement

20.8%
Open Rate
-1.9 pts.

27.4 M
Unique Opens
+13.2%

1.7%
Click Rate
-0.1 pts.

2.2 M
Unique Clicks
-0.1%

8.0%
CTOR
-0.4 pts.

Financial

174.9 K
Bookings
+0.0%

415.7 K
Room Nights
+0.3%

$63.7 M
Revenue
+3.2%

8.0%
Conversion
-0.6 pts.

1.3
BPK
-1.9%

Comparison against 12-month average
Using EIR Financial Data

Marriott
REWARDS

yes

		eNews	Hotel Specials	Solo	Lifecycle	Destinations
Audience	Total Delivered	15.6 M 0.4%	10.1 M -0.5%	48.0 M 20.7%	6.2 M -15.4%	14.7 M 8.3%
	Unsub Rate	0.12% 0.0 pts	0.14% 0.0 pts	0.14% -0.1 pts	0.27% -0.0 pts	0.13% -0.0 pts
	Delivery Rate	99% 0.1 pts	97% -2.2 pts	97% -1.8 pts	97% -0.2 pts	99% -0.1 pts
Engagement	Open Rate	21.4% -0.3 pts	16.5% -0.9 pts	21.9% -1.7 pts	25.1% -0.5 pts	21.5% 1.4 pts
	Opens	3.3 M -0.8%	1.7 M -5.5%	10.5 M 12.1%	1.6 M -17.0%	3.2 M 15.6%
	Click Rate	2.7% -0.1 pts	1.2% -0.1 pts	1.6% -0.3 pts	6.1% 0.3 pts	2.4% 1.3 pts
	Unique Clicks	.4 M -4.4%	.1 M -5.5%	.8 M -0.1%	.4 M -10.3%	.4 M 129.6%
	Click to Open Rate	12.4% -0.5 pts	7.6% -0.0 pts	7.2% -0.9 pts	24.1% 1.8 pts	11.4% 5.7 pts
Financial	Bookings	42.1 K -2.1%	10.2 K -5.4%	70.4 K -4.1%	20.6 K -17.7%	16.8 K 76.7%
	RoomNights	100.2 K 1.1%	22.8 K -6.8%	167.7 K -0.5%	51.4 K -15.6%	40.6 K 81.8%
	Revenue	$15.9 M 3.6%	$3.6 M -4.0%	$25.5 M -1.4%	$7.8 M -15.1%	$6.1 M 74.3%
	Conversion Rate	10.2% 0.2 pts	8.1% 0.0 pts	9.3% -0.4 pts	5.5% -0.5 pts	4.7% -1.4 pts
	Bookings per Delivered(K)	2.7 -2.5%	1.0 -5.0%	1.5 -20.6%	3.3 -2.7%	1.1 63.2%

Executive Dashboard:

Destinations Road Trip themed email performed well against 12 month rolling average

eNews revenue up 3.6% in spite of featuring non-booking content: program messaging (TBOP) and MRCC promo

Hotel Specials 50/50 layout test conducted; part of optimization efforts

- 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
- Using EIR Financial Data
- Month compared to 12-mo rolling avg.

Marriott REWARDS | yes

JUNE '18 ACQUISITIONS ARE 19% ABOVE GOAL

- Over 23K new accounts which puts us 59% of goal
- Resends drive incremental accounts; improved targeting will reduce high unsub. rates

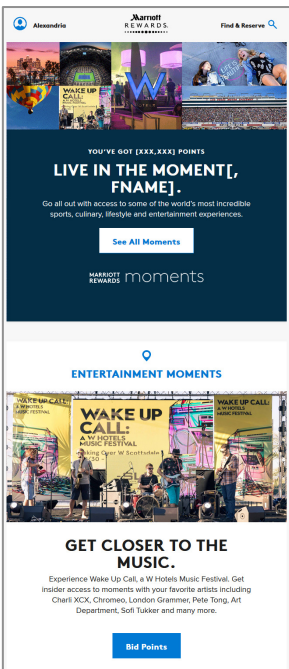Monthly Account Activity YTD

June '18 up 33% YoY
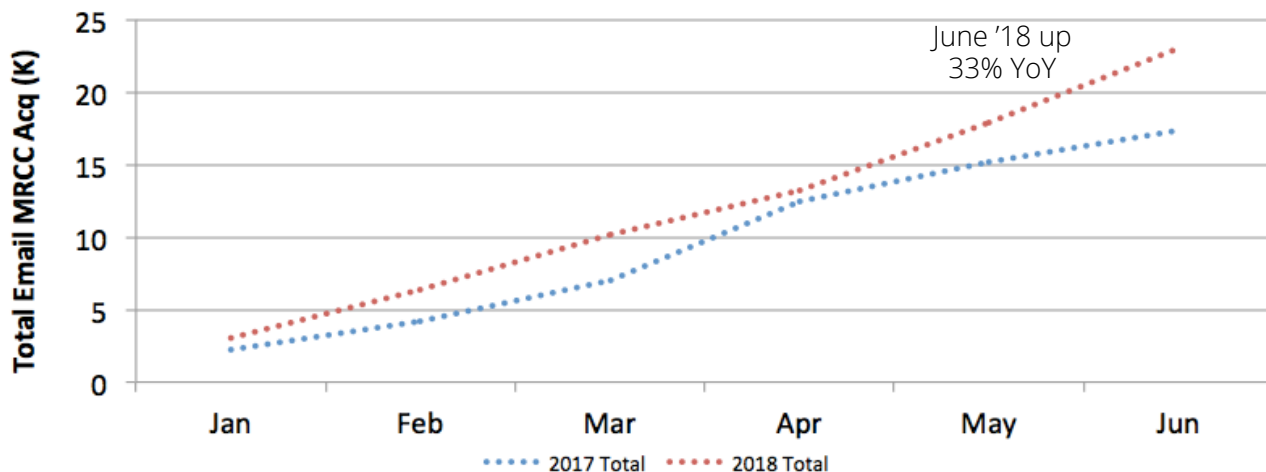
JUNE TESTING & OPTIMIZATION SUMMARY

- MOMENTS SOLO: Top Offer Creative (High group)
- HOTEL SPECIALS: Layout Test
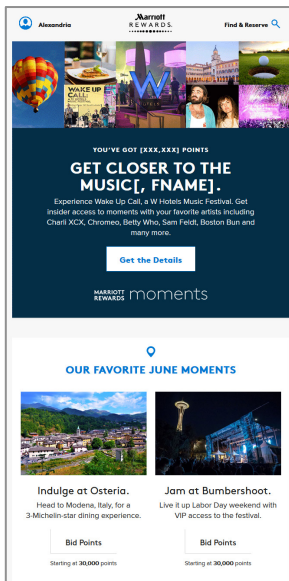- ENEWS: eBreaks test
- SUBJECT LINE TESTS
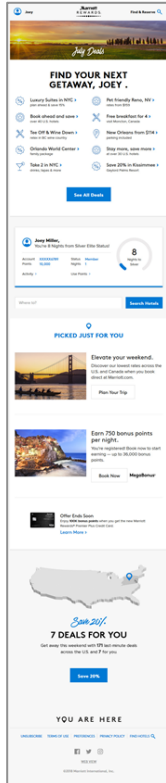
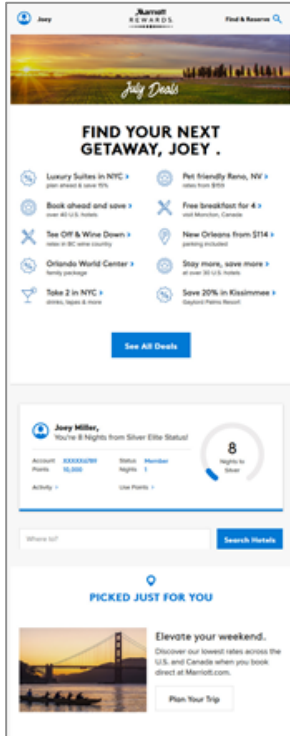# CONTROL LAYOUT GENERATES +13.2% CTO

CONTROL

TEST

CTO
8.0%

CTO
7.0%

- Varied layout and moments categorization generated stronger response and +16% revenue/delivered (+$184K)

- Need to evaluate against moments conversions

- Recommend continuing with control layout

CONTROL GENERATED +10% CTOR

CONTROL

TEST

CTOR
8.0%

CTOR
7.2%

- Control version generated more clicks and higher CTOR
- However, revenue/ delivered was equal @ $0.36 and test drove slightly higher bookings

- Although presenting modeled deals first may have driven a higher click response, curated drove stronger conversion

- Recommend additional testing

Marriott
REWARDS | yes

REAL TIME DATA DRIVEN EBREAKS DRIVES 26% MORE CLICKS AND 8.5% MORE REVENUE

Test: Real Time Data

SAVE 20% – XX DEALS FOR YOU

Get away this weekend with **XXX** last-minute deals across the U.S. and **XX** for you.

Save 20%

Clicks
3.7K

Rev.
$74k

Control

SAVE 20% – THIS WEEKEND ONLY

Grab a bag and go with last-minute deals across the U.S.

Save 20%

Clicks
2.9K

Rev.
$68k

- 50/50 split in delivered audience

- CTO difference at message level was not significant

- Email w/ control version drove 3% higher bookings and rev/delivered

- Real time module delivers stronger results but does not improve overall message KPIs

SUBJECT LINE TESTING

Campaign/Subject Lines	Winner (% Pts. Inc.)	Description of Winner
MegaBonus Last Chance Solo • **Register for MegaBonus by June 30** • Don't Miss Out • Last Chance to Register for MegaBonus!	Winner +0.4 pts. +1.7 pts.	Sense of urgency w/ date, direct

MAY TESTING & OPTIMIZATION SUMMARY

- HOTEL SPECIALS: eBreaks Real-Time Optimization
- DESTINATIONS: Top Offer Test
- SUBJECT LINE TESTS

HOTEL SPECIALS EBREAKS

Tested static version against real-time web scrape using Wylei technology

Performance summary:

- Test version % of section clicks was 16% higher; drove more engagement

- Even though more interaction was gained, it did not lead to more bookings; monitor with new site

- Recommendation: continue testing in June for patterns; use learnings to guide module design for new website
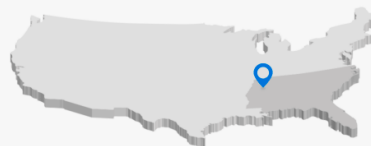

Control
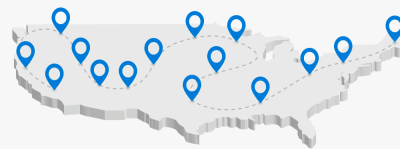
SAVE 20% – THIS WEEKEND ONLY

Grab a bag and go with last-minute deals across the U.S.

Save 20%

Test (Wylei web scrape)

Save 20%.

XX DEALS FOR YOU

Get away this weekend with **XXX** last-minute deals across the U.S. and **XX** for you.
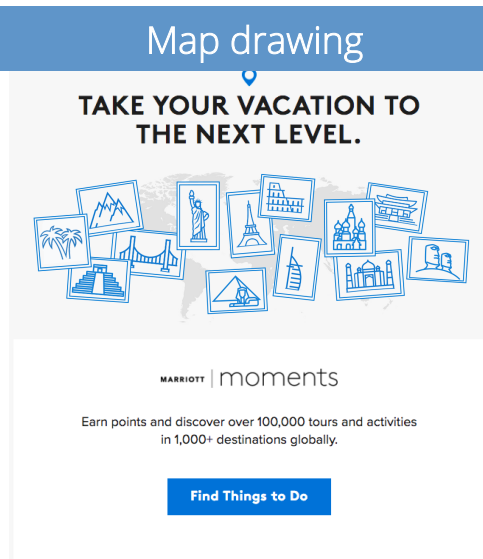
Save 20%

DESTINATIONS HERO IMAGE

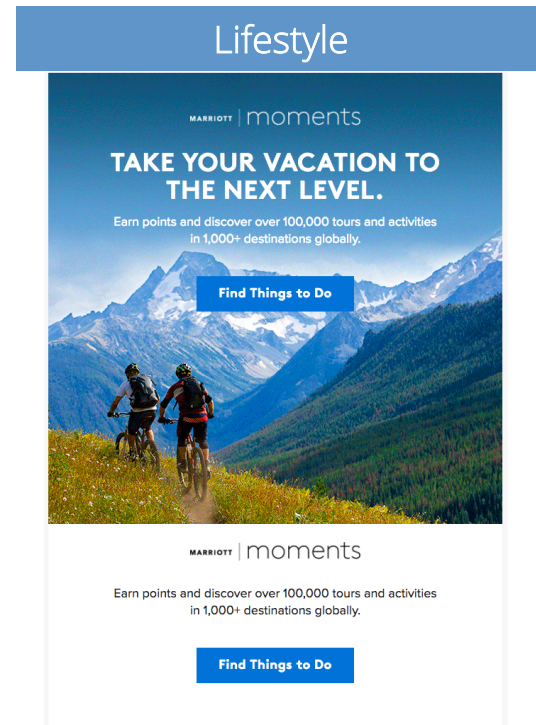Tested animated map drawing vs. animated lifestyle image

Performance summary:

- Map version % of section clicks was higher than lifestyle for both US and ROW audiences (+6% and +23% respectively)

- Recommendation: continue testing in future campaigns to determine patterns; leverage web scrape for geo-targeted content

Map drawing

TAKE YOUR VACATION TO THE NEXT LEVEL.

MARRIOTT | moments

Earn points and discover over 100,000 tours and activities in 1,000+ destinations globally.

Find Things to Do

Lifestyle

MARRIOTT | moments

TAKE YOUR VACATION TO THE NEXT LEVEL.

Earn points and discover over 100,000 tours and activities in 1,000+ destinations globally.

Find Things to Do

MARRIOTT | moments

Earn points and discover over 100,000 tours and activities in 1,000+ destinations globally.

Find Things to Do

SUBJECT LINE TESTING

Campaign/Subject Lines	Winner (% Pts. Inc.)	Description of Winner
eNews • **Your Account: Exciting NEW Program Information** • Your Account: Big News – Three Programs Become One in August • Your Account: See What's Coming this August	Winner +1 pt. +5 pts.	Emphasis used w/ high interest word 'New'
MegaBonus Registration Reminder Solo • **We see you haven¹t registered.** • Don¹t Miss Out on MegaBonus! • Are you planning a trip before July 20?	Winner +10 pts. +7 pts.	Supportive tone, direct
MRCC Domestic Resend • **100,000 Bonus Points** • Discover the fastest way to earn bonus points	Winner +2 pt.	Lead with offer, short and direct

Marriott REWARDS | yes

SUBJECT LINE TESTING

Campaign/Subject Lines	Winner (% Pts. Inc.)	Description of Winner
Hertz Solo • **Save up to 35% on Rental Cars** • Save up to 35% on Hertz Base Rates	Winner +3 pts.	Offer used w/ simple, recognizable lang.
ECM Qrtly Newsletter • **Your Credit Card Summary: [X] Points Earned** • Your May Credit Card Summary	Winner +0.4 pts.	Supportive tone, direct

APRIL TESTING & OPTIMIZATION SUMMARY

- ENEWS: eBreaks creative test
- DESTINATIONS: Day of the Week Deployment & Upcoming Trip
- SUBJECT LINE TESTS
- SMARTMATRIX TESTS
  - Drive Bookings
  - eNews

# eNews Campaign Highlights: eBreaks Section

New

- New eBreaks creative drove more clicks & bookings
  - More clicks than previous MegaBonus launch month (Sep '17) and last 7 months that had old creative
  - More bookings than Sep '17 and last 7 months, except Oct '17

eNews – eBreaks Module	Clicks		Bookings		Conversion	
OLD eBreaks Sep '17 (promo launch)	2,119		127		6.0%	
NEW eBreaks April '18 (promo launch)	3,144	48%	225	77%	7.2%	19%

	Clicks		Bookings		Conversion	
OLD eBreaks 7-Month Average	1,603		131		8.2%	
NEW eBreaks April '18	3,144	96%	225	72%	7.2%	-13%

  - Creative was enhanced in June for Wylei web scrape
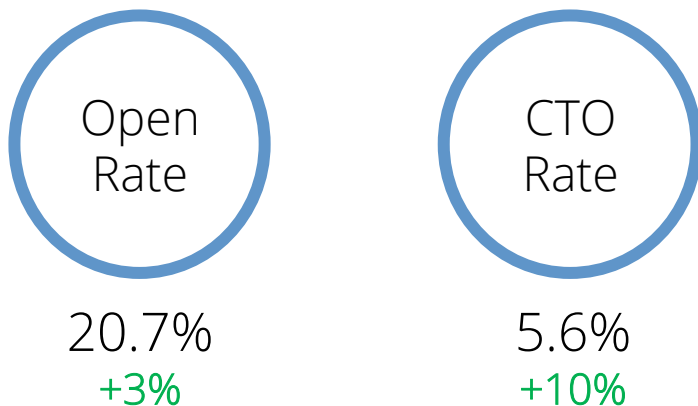 - Learnings will be used to support creative for new platform launching 8/1
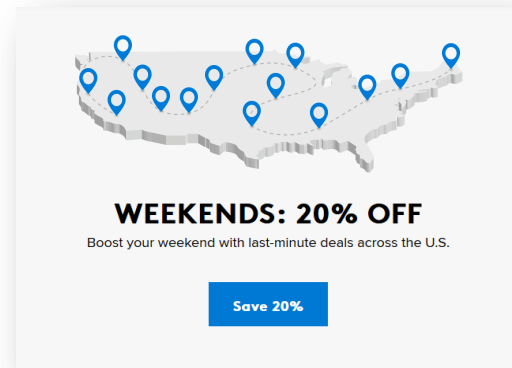
Old
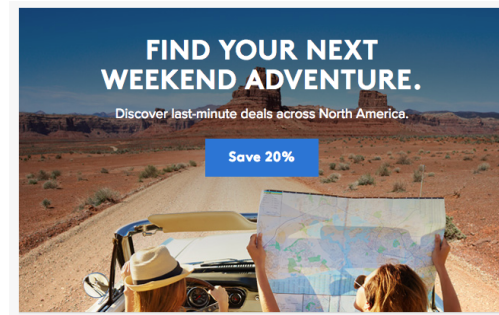
DESTINATIONS DAY OF WEEK TEST CONCLUDED: HIGHER ENGAGEMENT ON SATURDAY'S

Saturday vs. Friday Deployment

Open Rate

20.7%
+3%

CTO Rate

5.6%
+10%

Test Summary	Open%	CTO%
Feb '18	+2%	+8%
Mar '18	+4%	+13%
Apr '18	3%	10%

Final month of A/B day-of-week deployment test

Saturday deployment consistently generated more engagement

Visibly higher KPI's across the board:

- Open%: +3%
- CTO%: +10%
- Conv%: +10%
- BPK: +24%

Start sending on Saturday's in May

Marriott REWARDS. | yes

DESTINATIONS TRIP MODULE TEST

Upcoming Trip Module:

- Goal is to increase relevancy and engagement
  - o Branded existing Marriott Traveler content
  - o Added Marriott Moments content
  - o Test conducted on top 5 destinations
- Low exposure and engagement made results inconclusive
  - o Recommend moving forward to support brand initiatives
  - o Use Wylei to optimize with real-time content
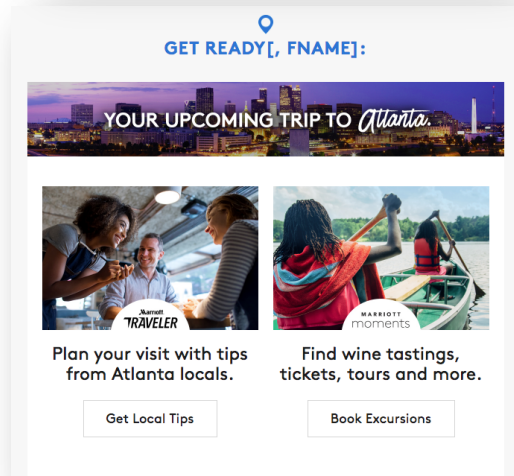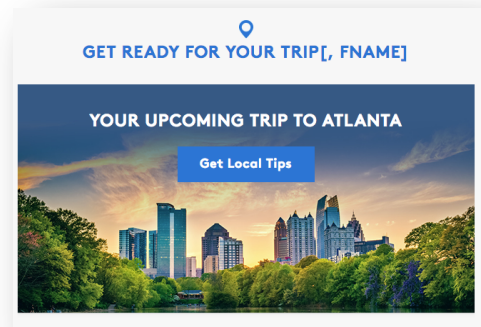
SUBJECT LINE TESTING

MegaBonus Registration Reminder:
- **Earn 750 Bonus Points Per Night (+0.4 pts.)**
- Light Up Your Night with 750 Bonus Points per Night

Descriptors of winning subject line:
Shorter, more direct offer messaging

MRCC CAN Winback Platinum:
- **Time is Running Out! (+2.9 pt.)**
- You've Got Until April 18!

Drove sense of urgency with a little FOMO, short and direct

MRCC CAN Winback Gold:
- **Time is Running Out! (+5.6 pt.)**
- You've Got Until April 18!

Drove sense of urgency with a little FOMO, short and direct

SUBJECT LINE TESTING

MRCC CAN Winback Silver

- **You've Got Until April 18! (+3.8 pts.)**
- Time is Running Out!

Descriptors of winning subject line:

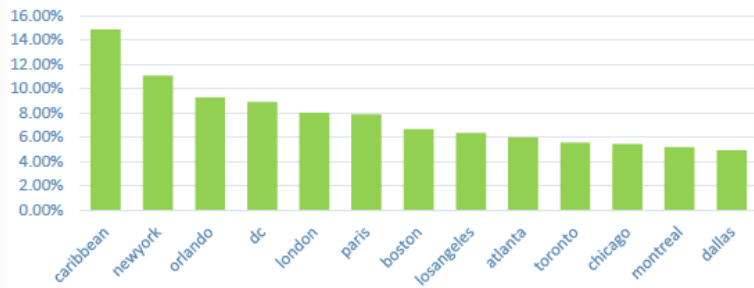Leveraged expiration date to drive sense of urgency, short and direct

CTOR LIFTS FROM TRAVEL RECOMMENDATIONS

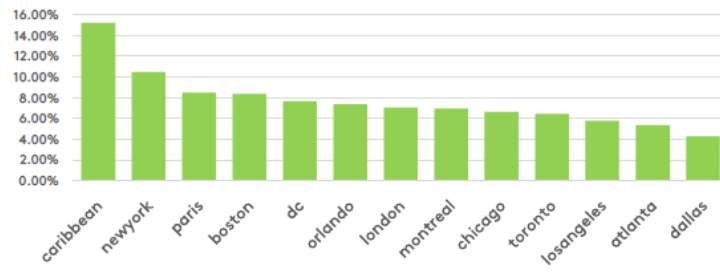Continue to see increased engagement with optimized content

eNews: 36% CTOR Lift

Hotel Specials: 31% CTOR Lift

RECOMMENDATIONS

- Explore send day optimization with other campaigns, as we've seen significant impacts with Hotel Specials and Destinations

- Use learnings from eBreaks real-time testing to drive improvements for new platform

- Optimize Hotel Specials open and click rates using member data to improve targeting; for example -
  - Use near-term travel CEI to tailor subject line and content to those with a likelihood of traveling within the next 10 days: "Your Next Trip Inside: July Travel Deals"
  - Lift clicks by using credit card propensity to target top deciles with MRCC acquisition