Lifecycle Quarterly Review:
Annual Choice Benefit, Achiever

July 27, 2023

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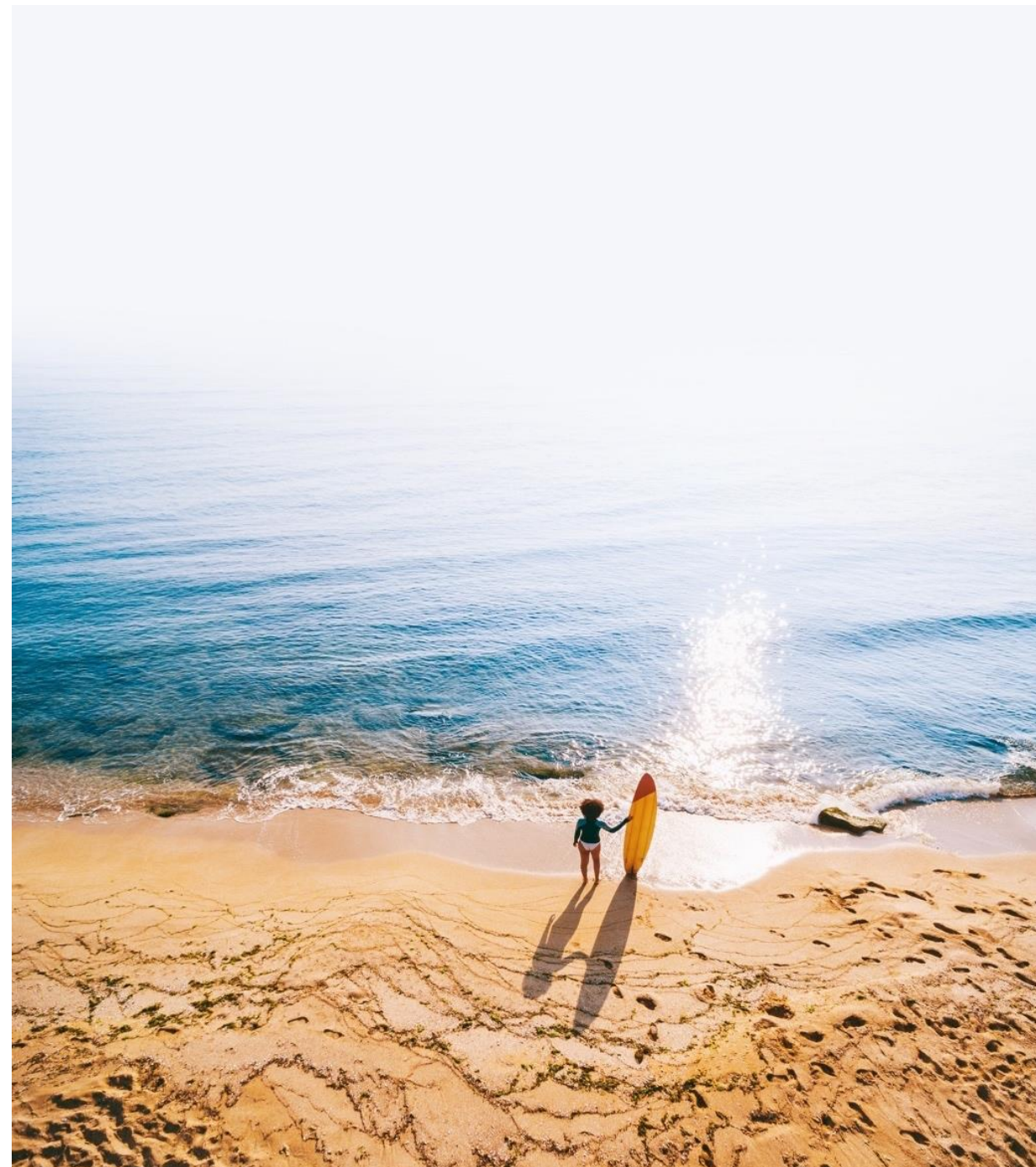BONVOY®

ZADUN, A RITZ-CARLTON RESERVE, LOS CABOS, MEXICO

Today, we will review the following Lifecyle campaigns:

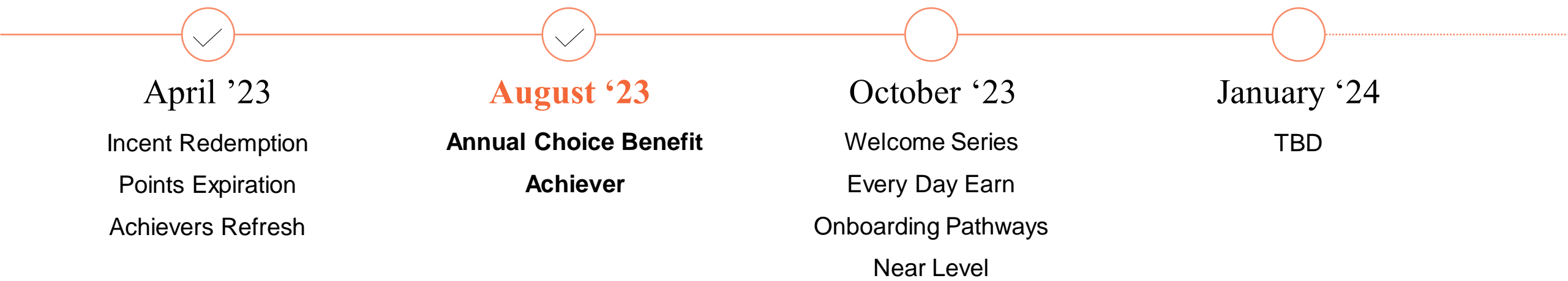**Annual Choice Benefit**
Invite, Reminders, Default Solo

New Level Achiever

Lifetime Achiever

2023 Quarterly Review Schedule

Several lifecycle campaigns have been selected for performance reviews each quarter.

April '23	August '23	October '23	January '24
Incent Redemption	**Annual Choice Benefit**	Welcome Series	TBD
Points Expiration	**Achiever**	Every Day Earn	
Achievers Refresh		Onboarding Pathways	
		Near Level	

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Annual Choice Benefit

Annual Choice Benefit Invite

30 /60-Day Reminders

Default Solo (SNA)

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Annual Choice Benefit Communications
Sample Creative

Invite	Reminders (30 & 60 Days)	Default

Invite
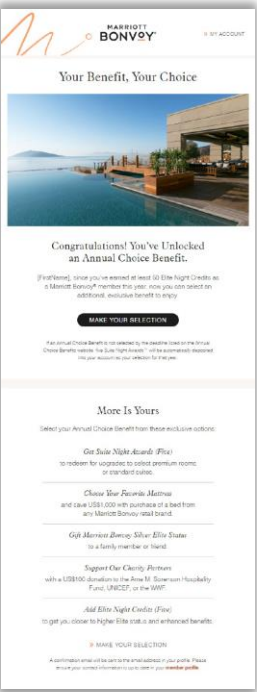
50 Night Invite | *75 Night Invite* | *Dual Invite*
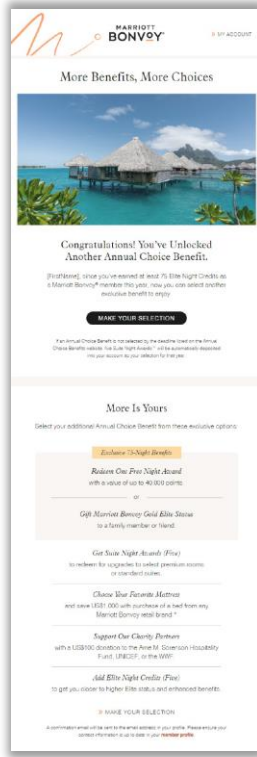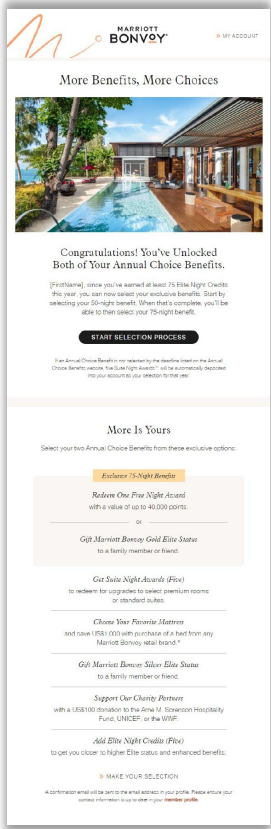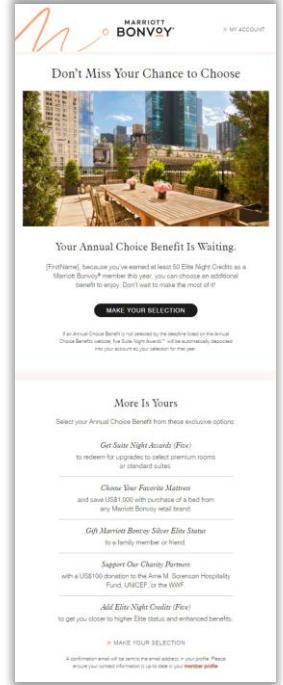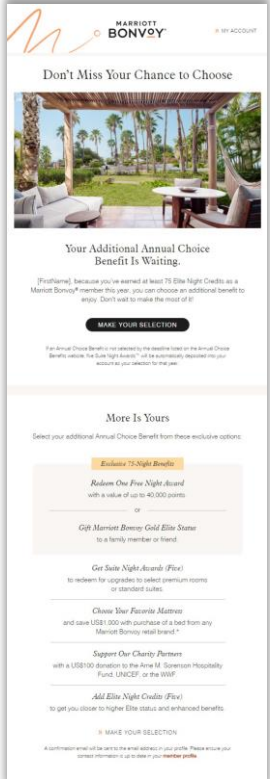

Reminders (30 & 60 Days)

50 Night Reminder | *75 Night Reminder*

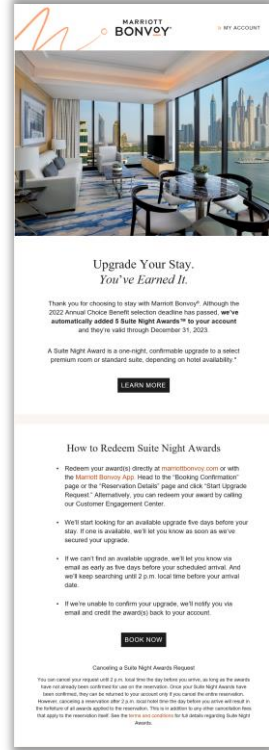**Default**

An Automatic Selection Has Been Made

Targeting Criteria: The invite emails notify eligible members who have earned 50, 75, or 50+75 nights in a calendar year that they have an annual choice benefit selection to make before the selection cutoff date of Jan 7th.

Targeting Criteria: Email sent early January to eligible members that have not made a benefits selection
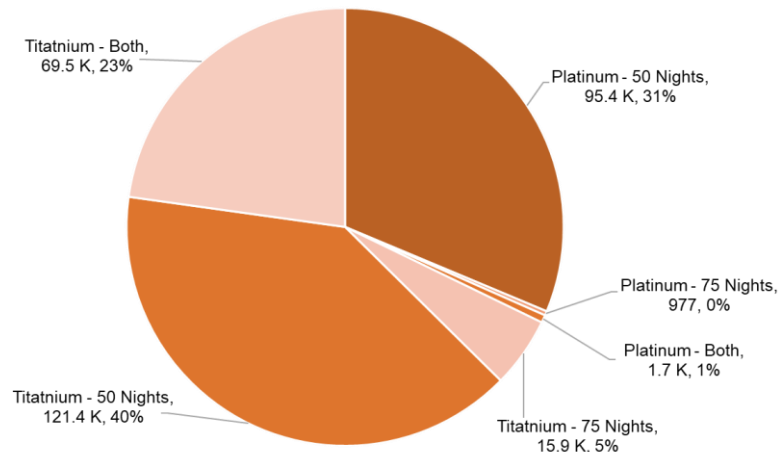
Performance Overview: Invite
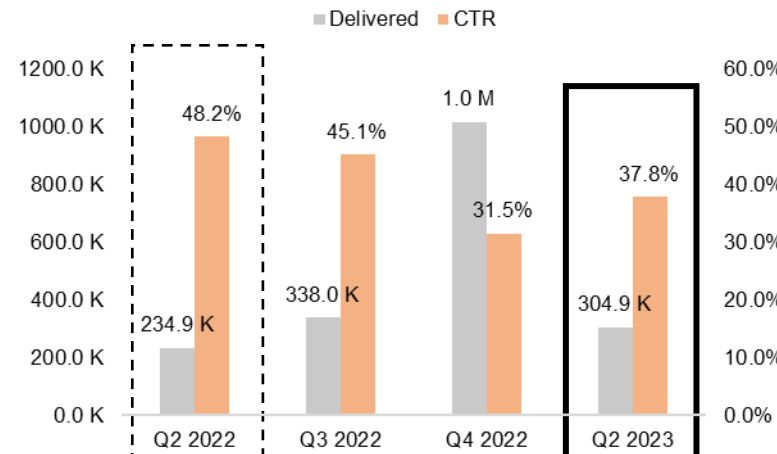
Apr 2023– Jun 2023 (Q2 2023)

304.9 K	**$779.4 K**
.+30% YoY (+2.1 K)	-44.4%. YoY
Delivered	Revenue
37.8%	**4.2 K**
-10.5 pts. YoY	-46.0% YoY
CTR	# of Room nights
0.03%	**1.6 K**
0.00 pts. YoY	-43.4% YoY
Unsub Rate	# of Bookings

- Slightly higher Q2 deliveries YoY; generated 21% fewer clicks YoY at 115K, impacted CTR decline
  - 68% of Q2 deliveries went to Titanium members and 32% to Platinum
  - CTR decline was from 50 night segment which was down 9 pts YoY; 75 night segment saw a 12 pt lift YoY
- Unsub rate was flat YoY and continued at the same rate most months; ranged from 0.02% to 0.04%
- Campaign generated revenue even when the objective was to acknowledge & encourage selections
  - Revenue of $779K was 49% of the overall Q2 total revenue for Lifecycle as a category ($1.6M)
  - 75% of the 1.6K Q2 bookings came from Titanium members
  - 50 nights segment made up 71% of the Q2 deliveries and bookings, followed by the 75 night segment at 6% of deliveries and 16% of bookings

Deliveries by Member Level Q2 2023

- Titatnium - Both, 69.5 K, 23%
- Platinum - 50 Nights, 95.4 K, 31%
- Platinum - 75 Nights, 977, 0%
- Platinum - Both, 1.7 K, 1%
- Titatnium - 50 Nights, 121.4 K, 40%
- Titatnium - 75 Nights, 15.9 K, 5%

Annual Choice Benefit Invite Engagement

Delivered / CTR

- Q2 2022: 234.9 K, 48.2%
- Q3 2022: 338.0 K, 45.1%
- Q4 2022: 1.0 M, 31.5%
- Q2 2023: 304.9 K, 37.8%

Benchmarks:

Lifecycle Q2 2023	*ACB Invite Q2 2022*
CTR = 0.8%	CTR = 48.3%
Unsub Rate = 0.59%	Unsub Rate = 0.03%

Performance Trends: Invite
April 2022 – Jun 2023

Annual Choice Benefit: Invite Engagement Trends

Legend: ▬ Delivered ━●━ CTR

Month	Delivered	CTR
Apr 2022	123,717	49.74%
May 2022	106,221	47.89%
Jun 2022	60.6 K	46.4%
Jul 2022	79.6 K	47.3%
Aug 2022	105.5 K	46.6%
Sep 2022	153.0 K	43.0%
Oct 2022	410.7 K	29.8%
Nov 2022	226.9 K	31.6%
Dec 2022	378.9 K	33.3%
Apr 2023	144.1 K	36.2%
May 2023	59.5 K	37.2%
Jun 2023	101.4 K	40.5%

Annual Coice Benefit: Invite Financial Trends

Legend: ▬ Revenue ━●━ Bookings

Month	Revenue	Bookings
Apr 2022	$757,297	1,463
May 2022	$522,629	1,158
Jun 2022	$100.9 K	221
Jul 2022	$113.2 K	220
Aug 2022	$175.7 K	397
Sep 2022	$123.9 K	349
Oct 2022	$279.6 K	710
Nov 2022	$193.1 K	416
Dec 2022	$350.8 K	860
Apr 2023	$195.9 K	390
May 2023	$226.9 K	470
Jun 2023	$356.5 K	771

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Heat Map Engagement: Invite
Heat Map by Member Level

- Most of the click activity went to the hero module

- Profile hyperlink at the bottom captured engagement from openers; consistent engagement in all versions

- Consider testing a stronger secondary CTA design to capture additional clicks and to differentiate from benefits list above

Apr - Jun 2023	50 Elite Nights Invite		
Email Modules / % of Clicks	Platinum	Titanium	50 Nights Total
Header	1.3%	1.4%	1.4%
Hero & Module 2 | Make Your Selection	97.7%	97.8%	97.7%
Hyperlink | Member Profile	0.7%	0.5%	0.6%
Footer	0.2%	0.2%	0.2%
Total Clicks	38,976	52,257	91,233

Apr - Jun 2023	75 Elite Nights Invite		
Email Modules / % of Clicks	Platinum	Titanium	75 Nights Total
Header	0.4%	1.0%	1.0%
Hero & Module 2 | Make Your Selection	98.7%	98.3%	98.3%
Hyperlink | Member Profile	0.6%	0.6%	0.6%
Footer	0.2%	0.1%	0.1%
Total Clicks	467	10,033	10,500

| Apr - Jun 2023	Dual Invite		
Email Modules / % of Clicks	Platinum	Titanium	50 Nights Total
Header	1.3%	1.8%	1.8%
Hero | Start Selection Process	90.8%	91.8%	91.8%
Module 2 | Make Your Selection	6.9%	5.7%	5.7%
Hyperlink| Member Profile	0.8%	0.7%	0.7%
Footer	0.3%	0.1%	0.1%
Total Clicks	391	19,243	19,634

Dual Invite Creative

Recommendations: Annual Choice Benefit Invite

- Leverage top selections by member level to inform content in reminder emails; consider calling out as "top member choices" with special treatment
  - 50 Nights top two selections = 5 Suite Night Awards and 5 Elite Nights
  - 75 Nights top two selections = 1 Free Night Award and 5 Suite Night Awards
- Test using imagery, color, or a listicle approach to elevate benefits module and draw more click activity
- Consider promoting the mobile app for making your selection quick and on the go; use deep linking to send existing app users into the app to make selection
- Could also encourage app usage to support profile update messaging at the bottom of the email; use animation to show ease of use
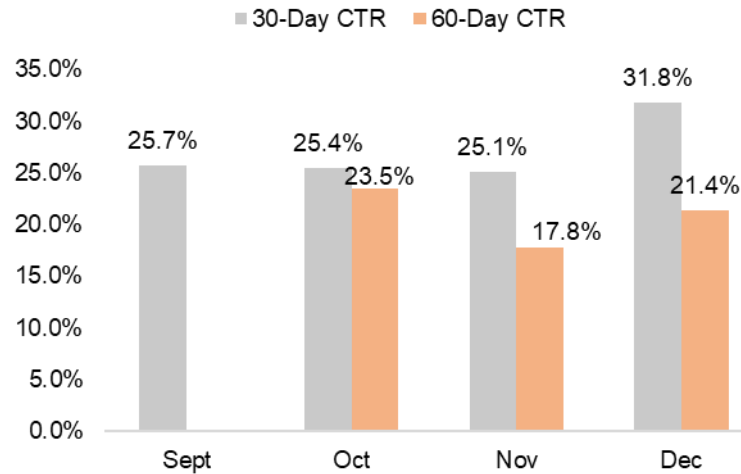
Current Design
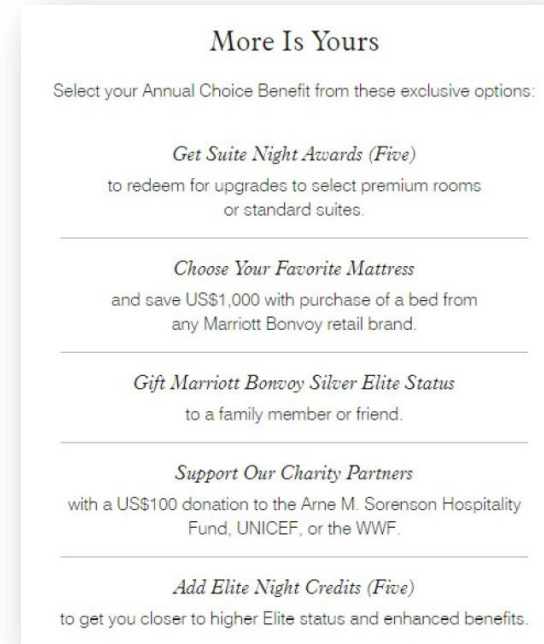
Example: Onboarding

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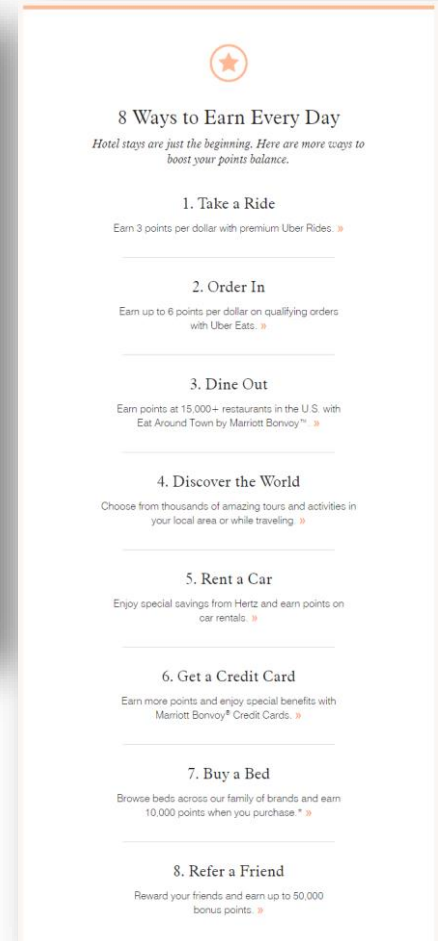
Performance Overview: 30 & 60-Day Reminders

September - December 2022

791.6 K Delivered	**$ 490.2 K** Revenue
24.01% CTR	**2.8 K** # of Room nights
0.04% Unsub Rate	**1.1 K** # of Bookings

CTR Trends: Sep-Dec 2022

■ 30-Day CTR   ■ 60-Day CTR

	Sept	Oct	Nov	Dec
30-Day CTR	25.7%	25.4%	25.1%	31.8%
60-Day CTR		23.5%	17.8%	21.4%

Deliveries by Member Level

- Ambassador, 107.2 K, 14%
- Platinum, 233.4 K, 29%
- Titanium, 451.0 K, 57%

Revenue Trends: Sep-Dec 2022

■ 30-Day Revenue   ■ 60-Day Revenue

	Sept	Oct	Nov	December
30-Day Revenue	$12.7 K	$46.7 K	$32.9 K	$74.4 K
60-Day Revenue		$130.9 K	$18.7 K	$173.9 K

- Reminders included Ambassador members in delivery counts at 14%
- CTR engagement of 24.0% was lower than invite (down from 37.8%), but still strong overall
- Higher engagement with the 30-day reminder; CTRs remained steady each month
- 60-day rates had more fluctuations
- Campaign successfully generated $490K, mostly from the 60-day reminder (66% of total)
- Currently working to relaunch reminders
- Will conduct another analysis after at least 2-3 months in market

Performance Trends: 30 & 60-Day Reminders
September - December 2022

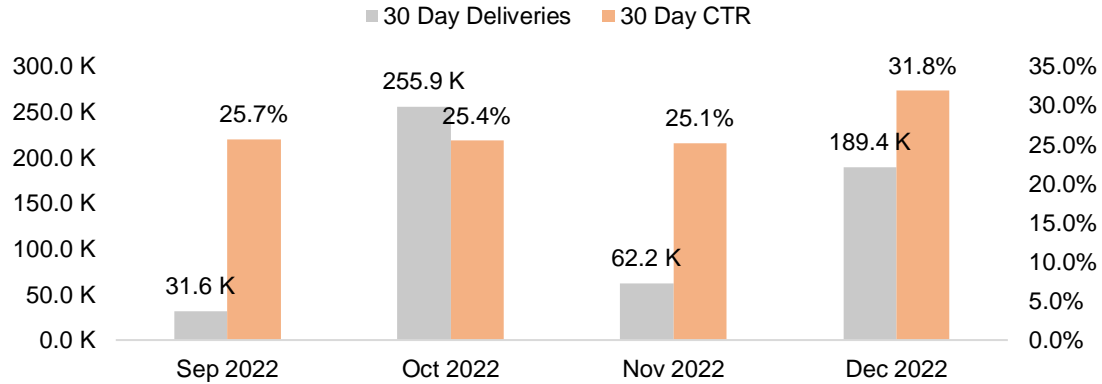### Annual Choice Reminder Engagement
30 Day Reminder

■ 30 Day Deliveries ■ 30 Day CTR

- Sep 2022: 31.6 K, 25.7%
- Oct 2022: 255.9 K, 25.4%
- Nov 2022: 62.2 K, 25.1%
- Dec 2022: 189.4 K, 31.8%

Annual Choice Reminder Engagement
60 Day Reminder

■ 60 Day Deliveries ■ 60 Day CTR

- Oct 2022: 90.9 K, 23.5%
- Nov 2022: 66.1 K, 17.8%
- Dec 2022: 95.4 K, 21.4%
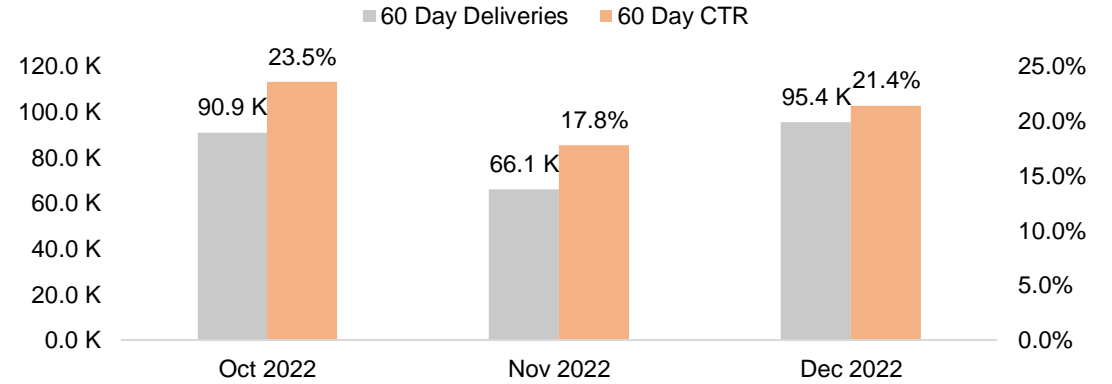
30 Day vs. 60 Day Unsub Rate

—●— 30 Day Unsub%   —●— 60 Day Unsub%

30 Day Unsub%:
- Sep 2022: 0.057%
- Oct 2022: 0.019%
- Nov 2022: 0.026%
- Dec 2022: 0.039%

60 Day Unsub%:
- Oct 2022: 0.042%
- Nov 2022: 0.035%
- Dec 2022: 0.051%

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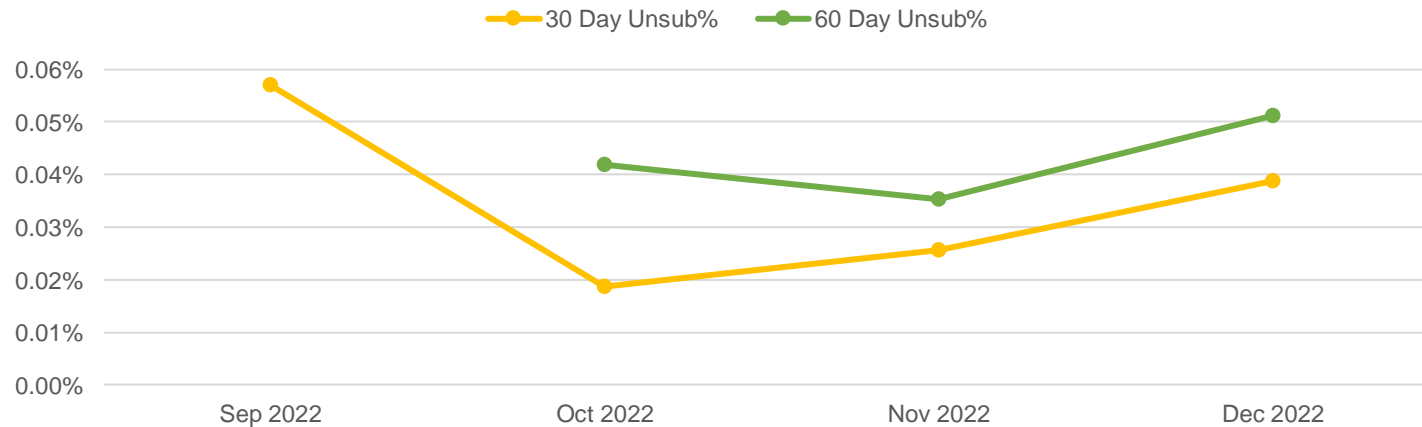
Heat Map Engagement: 30 & 60-Day Reminders

Heat Map by Member Level

- Same creative as the initial invite with updates to headline

- Hero continued to capture most of the clicks

- Tracking for clicks on secondary CTA available now and shows readers scrolled to the end; averaged 13% of clicks in both reminders

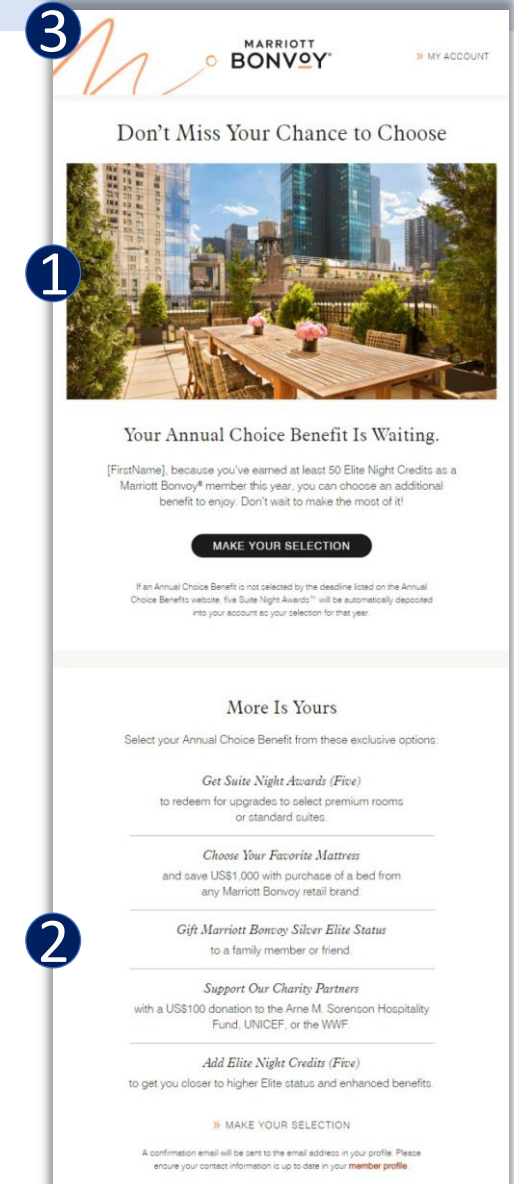| 30-Day Reminder									30 Day Reminder Total
50 Nights				75 Nights					
Module / % of Clicks	Platinum	Titanium	Ambassador	50 Nights Total	Platinum	Titanium	Ambassador	75 Nights Total	
Header	1.9%	2.2%	2.0%	2.0%	5.0%	2.3%	2.2%	2.3%	2.1%
Hero	82.4%	84.8%	86.4%	83.5%	80.0%	85.8%	86.8%	85.9%	84.2%
Selection Options	15.3%	12.7%	11.3%	14.1%	15.0%	11.4%	10.6%	11.3%	13.2%
Footer	0.5%	0.4%	0.3%	0.4%	0.0%	0.5%	0.5%	0.5%	0.4%
Total Clicks	35,165	24,944	3,120	63,229	20	22,763	3,533	26,316	89,545

60-Day Reminder									60 Day Reminder Total
50 Nights				75 Nights					
Module / % of Clicks	Platinum	Titanium	Ambassador	50 Nights Total	Platinum	Titanium	Ambassador	75 Nights Total	
Header	2.1%	2.2%	1.8%	2.1%	2.4%	2.0%	1.9%	2.0%	2.1%
Hero	80.4%	83.7%	85.4%	82.3%	84.0%	85.2%	86.2%	85.5%	83.9%
Selection Options	16.8%	13.6%	12.6%	15.1%	13.6%	12.3%	11.6%	12.1%	13.5%
Footer	0.6%	0.5%	0.2%	0.5%	0.0%	0.5%	0.4%	0.5%	0.5%
Total Clicks	29,620	29,139	4,227	62,986	250	47,380	17,466	65,096	128,082

Recommendations and Next Steps: 30 & 60-Day Reminders

Recommendations

- Promote using the mobile app for making your selection quickly and on the go; use animation to show ease of use and deep linking to send existing app users into the app to make selection

- Could also encourage app usage to support profile update messaging at the bottom of the email; same animation here too

- Include reminder messaging in Core MAU, and other channels like mobile app and Push

- Consider testing a transactional version of the email with more of an alert messaging approach to see if engagement and selection activity increases

  - Could be a challenger against the current 60-day reminder since engagement was slightly lower for that version

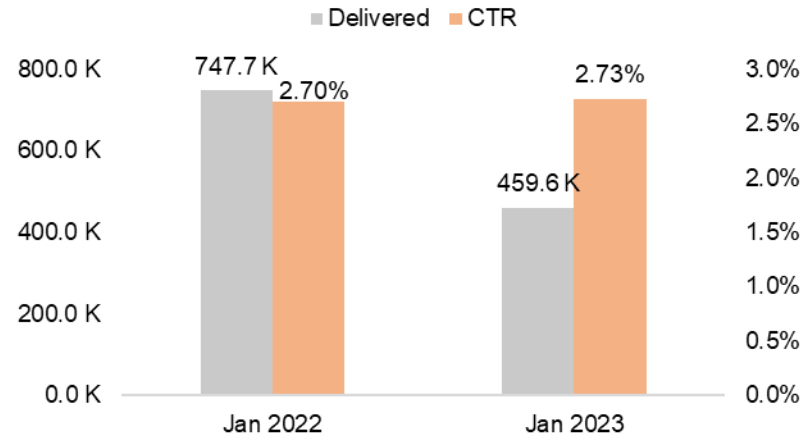 - Test subject lines that lean in on updating account and making selection

Next Steps

- Currently working to relaunch reminders

- Will conduct another analysis after at least 2-3 months in market

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Performance Overview: Annual Choice Benefit Default Solo (SNA)
Jan 2023

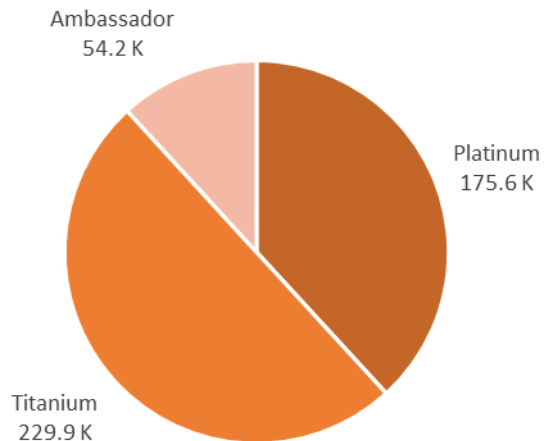|	
459.7 K -38.5% YoY (-288.1 K) Delivered	**$ 87.4 K** -53.2% YoY (-$99.4 K) Revenue
2.7% +0.02 pts YoY. CTR	**190** -43.0% YoY (-143) # of Bookings
0.05% +0.0 pts. YoY Unsub Rate	**1.52%** -0.13 pts. YoY Conversion Rate

Annual Choice Benefit Default SNA Engagement Trends

Deliveries by Member Level

- Ambassador 54.2 K
- Platinum 175.6 K
- Titanium 229.9 K

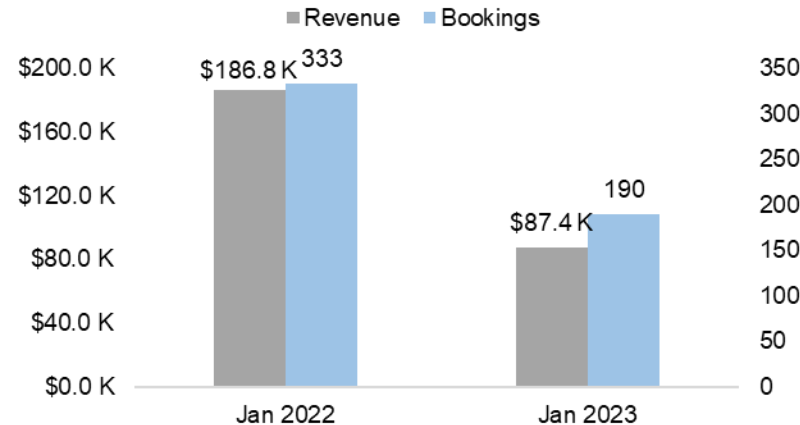**Annual Choice Benefit Default SNA Financial Trends**

- Total deliveries of the Default Suite Night Award solo were down by 39% YoY

- CTR were level YoY and compared to 2021 with consistent engagement from Ambassador and Titanium members, and Platinum rates were +0.01pts

- Audience health remained positive at a 0.05% unsub rate; flat YoY

- Less revenue impacted by fewer deliveries

Annual Choice SNA Benchmarks:

| *Jan 2021 Avg.*	*Jan 2022 Avg.*
CTR = 2.9% Unsub Rate = 0.04%	CTR = 2.7% Unsub Rate = 0.05%

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Heat Map: Annual Choice Benefit Default Solo (SNA)
## Jan 2023 Heat Map by Segment

- Most of the clicks went to the hero, however the overall percentage of activity with the hero was lower than other choice benefit emails

- A significant amount of activity went to My Account in the header, more than other ACB messages recommend to tie the CTR directly to the hero message of "We've automatically added 5 Suite night Awards to your account to drive reservation activity

Email Modules / % of Clicks	Platinum	Titanium	Ambassador	Grand Total
Header	13.60%	19.61%	**22.17%**	17.14%
Hero	**67.48%**	**64.78%**	62.23%	**65.77%**
How to Redeem	**17.27%**	13.84%	14.01%	15.40%
Footer	1.65%	1.76%	1.58%	1.70%
Total Clicks	**6,480**	**6,689**	**1,263**	**14,432**
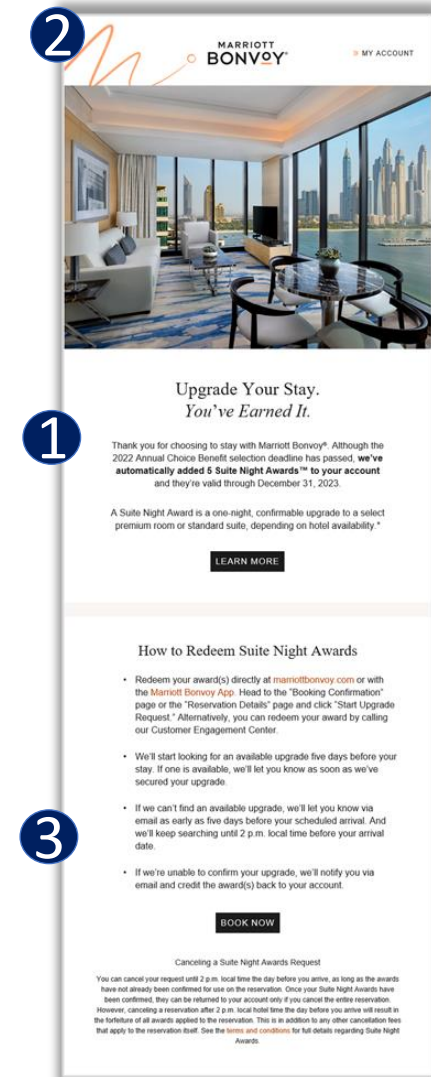
Recommendations and Next Steps: Annual Choice Benefit Default Solo

- Consider making How To module more scannable when scrolling using icons or a numbered list; especially for mobile readers

- Include messaging in Core MAU for this big accomplishment and default award; consider larger module treatment that alerts and congratulates
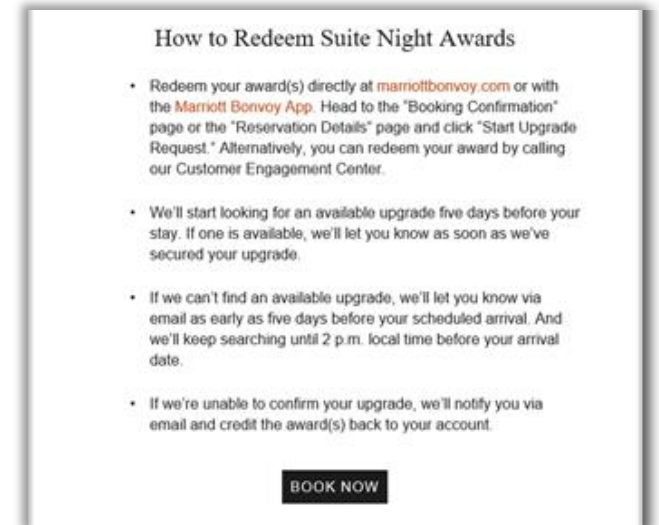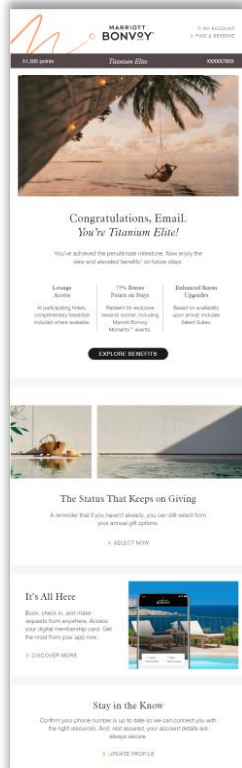
New Level Achiever and Lifetime Achiever

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New Level Achiever & Lifetime Achiever Communications
Sample Creative

Silver - Titanium
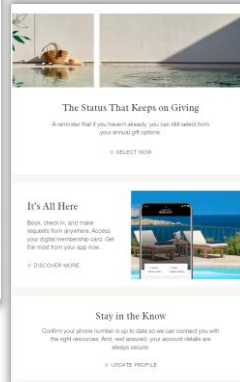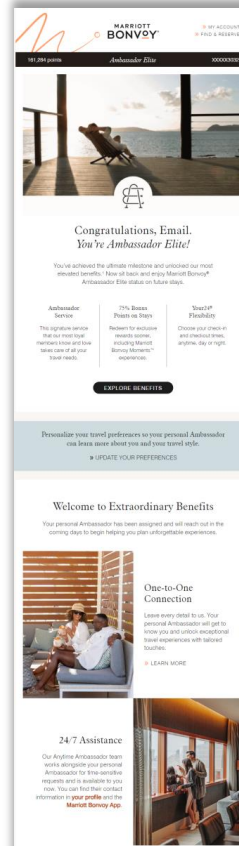
Ambassador

Silver / Gold Elite
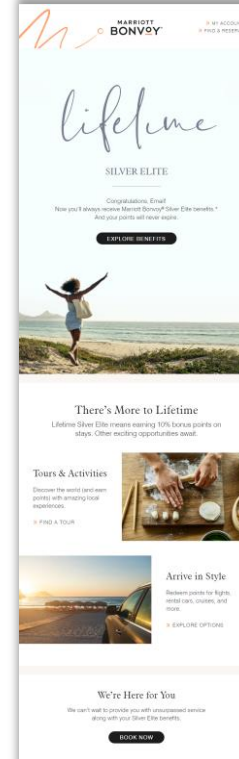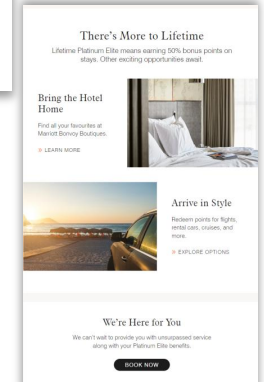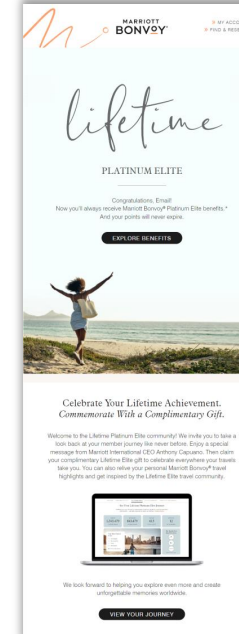
Platinum Elite

Performance Overview: New Level Achiever
Jan – Jun 2023 (YTD 2023)

413.4 K	450
-11.5% YoY (-53.8 K)	**-27.3% (-169)**
Delivered	Bookings
10.7%	**1.02%**
-3.2 pts.	**+0.06 pts.**
CTR	Conversion Rate
0.55%	**$189.0 K**
+0.48 pts.	**-38.9% (-120.5 K)**
Unsub Rate	Revenue

New Level Achiever Engagement YTD 2023

Legend: Delivered, CTR

	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Delivered	78.6 K	46.9 K	66.3 K	7.3 K	92.9 K	121.4 K
CTR	10.8%	12.9%	10.4%	10.0%	10.7%	10.0%
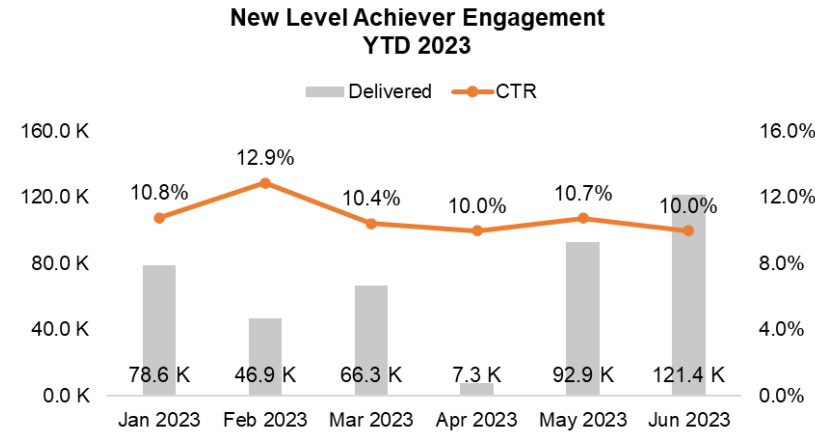
- Deliveries spiked in May and June indicating more members reaching new levels

- CTR was down by 3.2 pts. YoY across all levels and remained near flat for most months in 2023

- Highest CTR can be seen from the Platinum, Titanium and Ambassador achievers with Platinum only 1.4 pts lower YoY compared to the 3.2 pts YoY difference

- Higher unsubscribe activity overall YoY from Jan-June 2023, especially in these months…
  - May = 1.07%
  - June = 0.90%

YTD 2023 Engagement by New Achiever Level

Legend: Delivered, CTR

	Grand Total	Achiever Silver	Achiever Gold	Achiever Platinum	Achiever Titanium	Achiever Ambassador
Delivered	413.4 K	240.0 K	101.8 K	41.9 K	25.5 K	4.4 K
CTR	10.7%	11.1%	8.3%	12.3%	13.6%	11.1%

YTD 2023 Financials by New Achiever Level

Legend: Room Nights, Revenue

	Grand Total	Achiever Silver	Achiever Gold	Achiever Platinum	Achiever Titanium	Achiever…
Room Nights	1077	519	245	175	98	40
Revenue	$189.0 K	$84.5 K	$46.7 K	$32.5 K	$18.0 K	$7.3 K

Achiever Benchmarks:

Jan-Jun 2019 Avg.	Jan-Jun 2022 Avg.
CTR = 13.3%	CTR = 13.9%
Unsub Rate = 0.04%	Unsub Rate = 0.07%

New Level Achiever
Member Level Performance

- Highest CTR came from Platinum and Titanium members

- Silver and Gold members accounted for 70% of total revenue even though CTRs were lower than remaining segments

- Strongest BPK came from Ambassador members followed by Platinum and Titanium members, highlighting the opportunity to optimize engagement for Silver and Gold members

Jan - Jun 2023	Delivered	Clicks	CTR	Unsub Rate	Bookings	BPK	Revenue
Achiever Silver	240.0 K	26.6 K	11.1%	0.61%	232	1.0	$84.5 K
Achiever Gold	101.8 K	8.4 K	8.3%	0.40%	96	0.9	$46.7 K
Achiever Platinum	41.9 K	5.2 K	**12.3%**	0.60%	75	**1.8**	$32.5 K
Achiever Titanium	25.5 K	3.5 K	**13.6%**	0.60%	35	**1.4**	$18.0 K
Achiever Ambassador	4.4 K	488	11.1%	0.57%	12	**2.7**	$7.3 K
Total	**413.4 K**	**44.2 K**	**10.7%**	**0.55%**	**450**	**1.1**	**$189.0 K**

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Heat Map: New Level Achiever
Heat Map by Segment

- Up to 84% of clicks on the hero; consistent for each segment

- Annual Choice Benefit reminder engaged openers and was #2 most clicked for the segments that received it

- Mobile app content also captured clicks

Jan - Jun 2023	New Level Achiever					
Email Modules / % of Clicks	Silver	Gold	Platinum	Titanium	Ambassador	Achiever Total
Header	12.2%	16.3%	7.9%	6.6%	9.2%	12.0%
Hero | Explore Benefits	**84.5%**	**80.4%**	**57.8%**	**57.3%**	**64.9%**	**77.8%**
Ambassador Banner	--	--	--	--	5.4%	0.0%
Personal Ambassador	--	--	--	--	1.7%	0.0%
Annual Choice Benefit Reminder	--	--	**32.4%**	**34.5%**	**16.5%**	7.2%
Mobile App	1.0%	0.8%	0.3%	0.1%	0.6%	0.8%
Communication Pref. / Profile	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Footer	2.3%	2.4%	1.6%	1.5%	1.7%	2.2%
Total Clicks	**28,020**	**9,757**	**6,105**	**4,091**	**522**	**48,495**
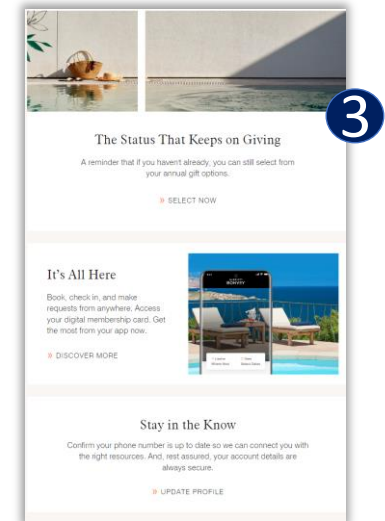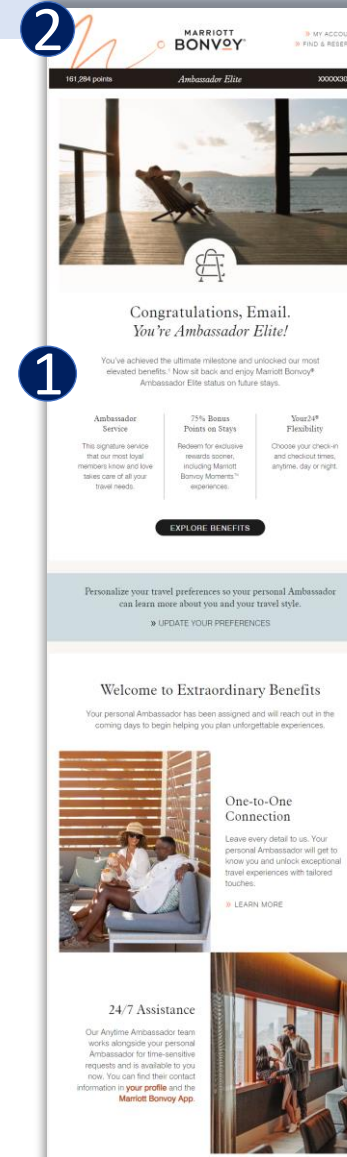
Performance Overview: Lifetime Achiever
Jan – Jun 2023 (YTD 2023)

40.5 K Delivered	**153** Bookings
26.6% CTR	**1.42%** Conversion Rate
0.05% Unsub Rate	**$67.6 K** Revenue

Engagement by Achiever Level YTD 2023

- Delivered
- CTR

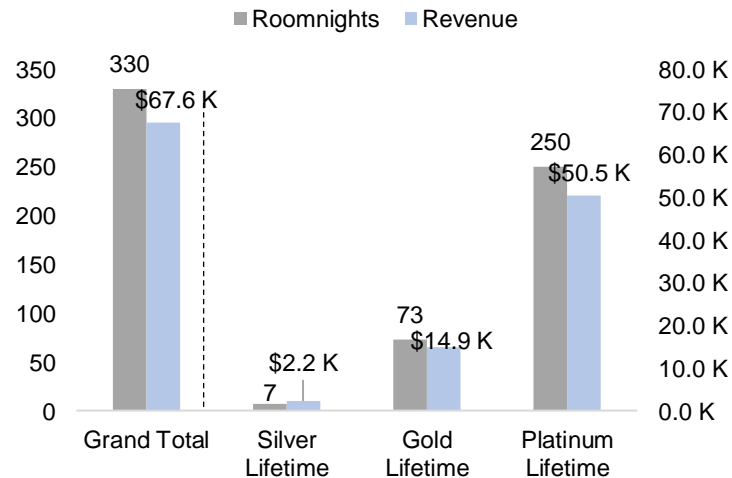|	Delivered	CTR
Grand Total	40.5 K	26.6%
Silver Lifetime	9.1 K	15.4%
Gold Lifetime	13.6 K	19.6%
Platinum Lifetime	17.8 K	37.6%
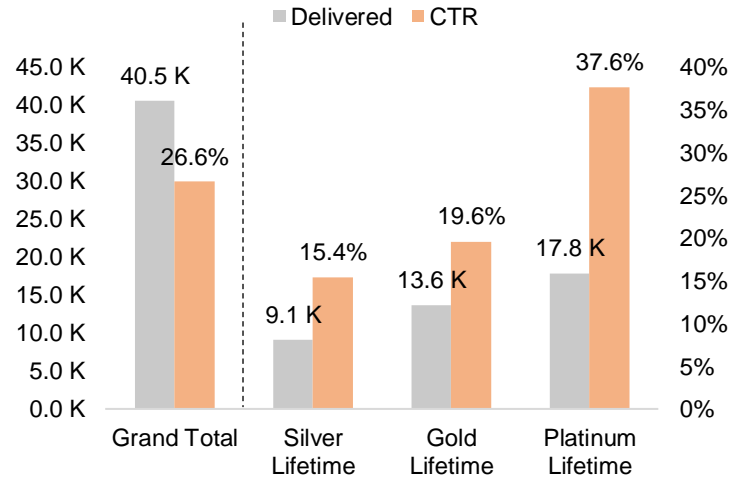
- Higher CTR in '23 compared to benchmark averages

- Unsub rate remains stable compared to previous time periods (2019 and 2022)

- Platinum members drove engagement and generated 250 room nights and $50K

Lifetime Achiever Engagement YTD 2023

	Delivered	CTR
Feb 2023	2.2 K	27.1%
Mar 2023	21.1 K	30.3%
Jun 2023	17.3 K	22.0%

- Delivered
- CTR
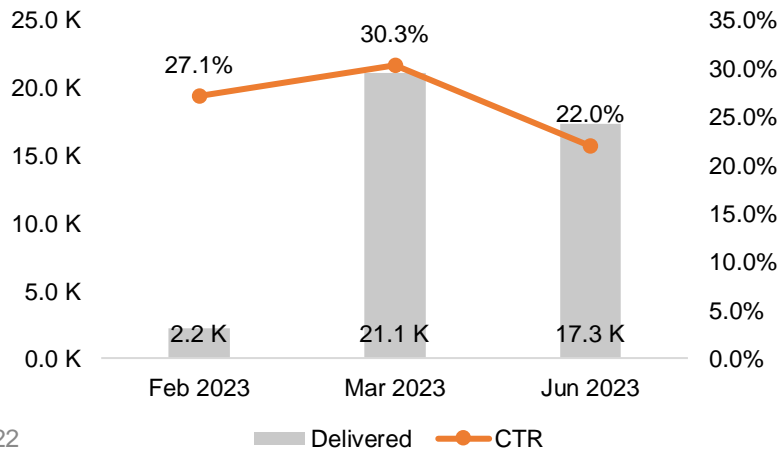
Financials by Achiever Level YTD 2023

- Roomnights
- Revenue

	Roomnights	Revenue
Grand Total	330	$67.6 K
Silver Lifetime	7	$2.2 K
Gold Lifetime	73	$14.9 K
Platinum Lifetime	250	$50.5 K

Lifetime Achiever Benchmarks:

Feb-Jun 2019 Avg.
CTR = 21.0%
Unsub Rate = 0.06%

Jan-Jun 2022 Avg.
CTR = 24.0%
Unsub Rate = 0.04%

Heat Map: Lifetime Achiever
Heat Map by Segment

- "View Your Journey" drove more click activity overall at 58% of clicks, especially for Silver and Platinum members

- Hero came in second here at 29% of clicks on average

- Elite Status Benefits and Communication Preferences messages were great click-catchers; same level of engagement on average at 2.9% of clicks

Jan - Jun 2023	Lifetime Achiever			
Email Modules / % of Clicks	Silver	Gold	Platinum	Lifetime Achiever Total
Header	6.5%	5.8%	3.0%	4.0%
Hero | Explore Benefits	36.7%	43.8%	22.5%	28.6%
View Your Journey	41.0%	36.8%	67.7%	58.0%
RAB: Register / Book Offer	2.5%	1.2%	0.4%	0.8%
Redeem Pts	2.0%	2.6%	1.7%	1.9%
Elite Status Benefits	6.0%	4.1%	2.1%	2.9%
Book Now	0.6%	0.8%	0.4%	0.5%
Communication Preference	4.7%	4.3%	2.2%	2.9%
Footer	0.9%	0.7%	0.2%	0.4%
Total Clicks	1,468	2,859	8,925	13,252
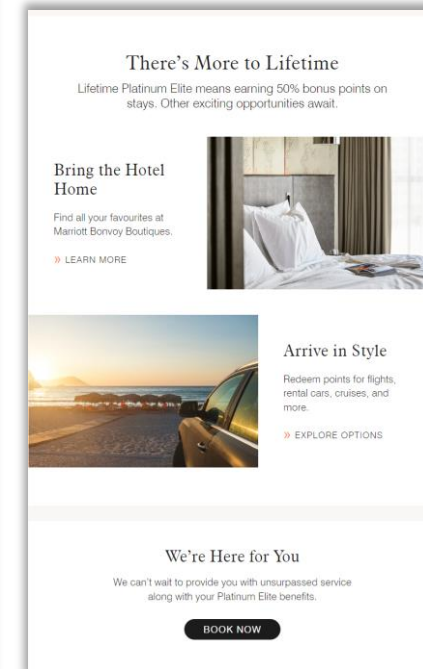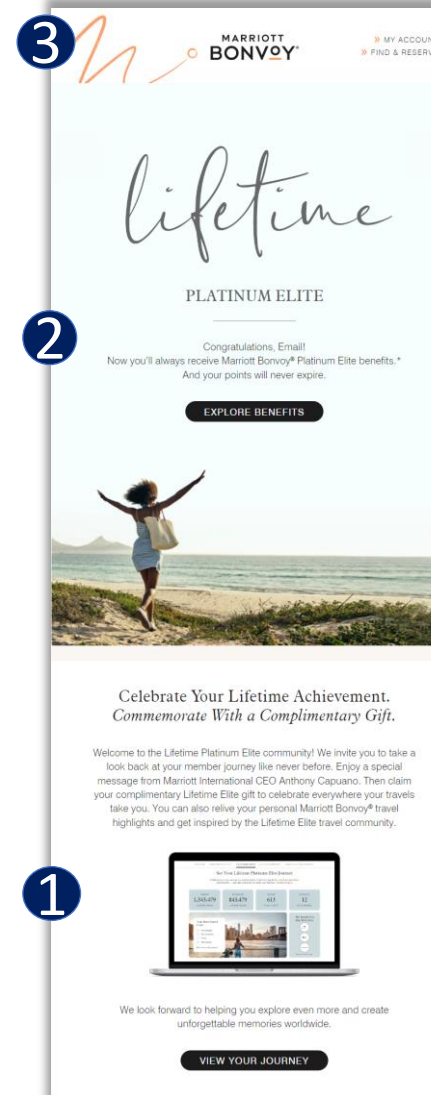
Sample View Your Journey landing page
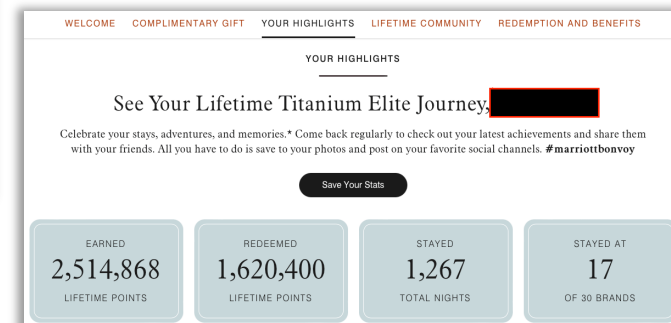
Recommendations

Achiever

- Conduct deep dive to better understand unsubscribe rate increase in May and June '23

- Continue inclusion of Annual Choice Benefit reminders

- Recommend new app features to check out or brands to try (new openings)

    - Version for luxury members

- Include travel inspiration based on stay data - "Where to travel this year?"

    - Include a variety of content to click and leverage top performing messages like, all-inclusive resorts, top HVMB destinations, Traveler travel tips & trends

- Add link to post achievement in social media; they've earned bragging rights

Lifetime Achiever

- Consider polling audience on their favorite benefit and post results on a landing page; also gives insight for future benefits messaging

- Use progressive profiling to better understand travel behaviors and trip purposes

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