MARRIOTT BONVºY

FEBRUARY 2020 MONTHLY EMAIL REVIEW

March 31, 2020



TODAY'S AGENDA

- 1. Performance Summary
- 2. Key Initiatives & Campaigns
- 3. Testing and Optimization
- 4. Actionable Insights



KEY STORYLINES

- Feb '20 engagement rates were steady compared to the Bonvoy program avg., even with delivered counts being down by 20%
- Increase to Cobrand acquisition solo support to promote Chase limited time offers for both card products generated new accounts above monthly forecast; for the email channel, there was a MoM impact on engagement from the low open and click rates for these emails
- Noticeable data integrity issues with MAU financials; data was excluded from Feb.
 performance summaries and will be shared again once reporting issues have been corrected





MONTHLY PERFORMANCE SUMMARY



MEMBER ENGAGEMENT TRENDS

35% or 10.6M members that received at least 1 email in Feb '20 opened and/or clicked

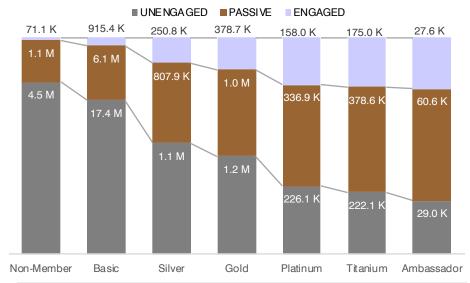
FFB '20

- Number of engaged & passive members are down 3% MoM from delivering fewer emails, but the percent of openers/clickers remained steady; 35% engagement rate was down just 1pt. MoM
- MoM member level engagement was mixed; # of openers/clickers increased for Elite Gold & up, but dropped for Basics

Marriott Bonvoy Engagement: Feb' 20 All Members ■UNFNGAGFD PASSIVE FNGAGFD 1.9 M 2.3 M 2.2 M 2.6 M -3% 9.2 M 9.6 M 8.7 M 9.9 M MoM 25.9 N 24.6 N 20.2 N 22.6 N

JAN '20

Marriott Bonvoy Engagement By Level: Feb '20



Of Members That Received 1+ Emails In February 2020
5.7 M 24.4 M 2.2 M 2.6 M 720.9 K 775.6 K 117.2 K

DFC '19

NOV '19

PERFORMANCE SUMMARY: FEBRUARY 2020

- Delivered 20% fewer emails vs. Bonvoy avg. resulting in decreased open and click counts
- Solo delivered counts were down 38%, which impacted the overall engagement for the month.
- Open rate & click rate changes were impacted by MAU and Cobrand category highs & lows
 - Cobrand acquisition solos made up 35% of delivered emails this month (+82% MoM) and known to have low KPIs
 - Open rates were also impacted from a month with no subject line testing; industry recommends regular testing to maintain engagement
- Financial performance was removed due to data integrity issues with MAU bookings
 - Bookings from MAU and Solo emails typically drive overall performance each month

February 2020 vs. Bonvoy Average

Feb 13, 2019 – Jan 31, 2020

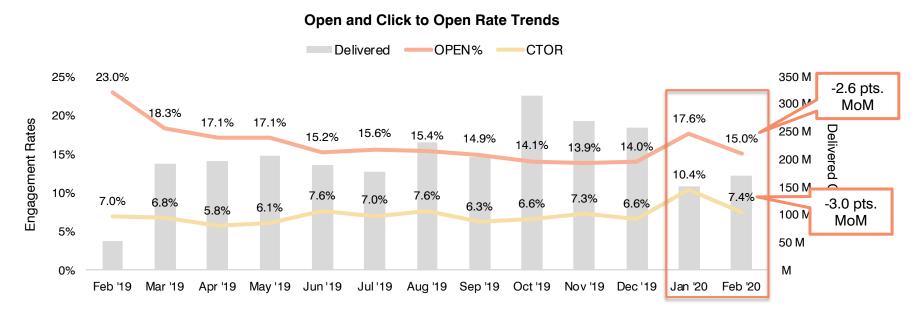
Engagement

170.3 M	25.5 M	15.0%	1.9 M	1.1%	7.4%	0.16%
Delivered Emails	Opens	Open Rate	Clicks	CTR	CTOR	Unsub. Rate
-20% (-43 M)	-24% (-8 M)	-0.7 pts.	-19% (+452 K)	0.00 pts.	+0.4 pts.	-0.05 pts.



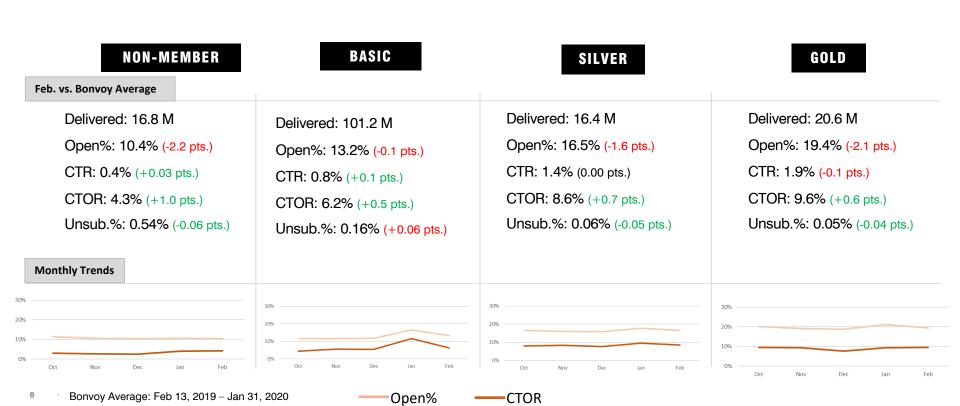
Feb '20 open rate and CTOR were down MoM; possible impact from an increase in cobrand acquisition email support

- Additional Solos were sent to support several Cobrand offers: Chase Bold and Boundless LTOs and Amex RTO
- 35% of emails delivered in Feb '20 were from Cobrand acquisition emails and engagement rates are typically lower



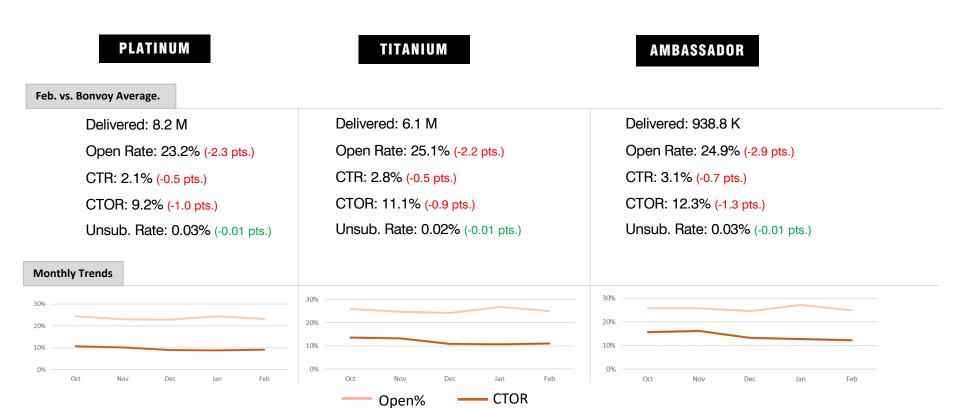
MEMBER LEVEL TRENDS: FEBRUARY 2020

Open rate declines are visible across all levels; impact of sending fewer booking related emails and an increase in Cobrand acquisition emails



MEMBER LEVEL TRENDS: FEBRUARY 2020

Open rate and click rate declines are visible across all Elite levels; impact of sending fewer booking related emails and an increase in Cobrand acquisition emails



EXECUTIVE DASHBOARD: FEBRUARY 2020

Feb. '20 engagement vs. Category Avg. (Feb '19 – Jan '20)

MAU CTOR of 16.1% was driven by the alert message about category changes

There were no **Promo** support emails in Feb., so the category was removed

Solo revenue declines from fewer non-booking related emails; Q1 Points.com made up 39% of Solo delivered emails

	TOTAL	MAU	OFFERS & PACKAGES	LPM	SOLO	ATM Invites	ATM Other	COBRAND	MOMENTS	METT	BRAND BPP	BONVOY ESCAPES
Comb	171.9 M	28.2 M	13.4 M	2.4 M	32.7 M	797.4 K	566	61.1 M	12.4 M	10.4 M	8.4 M	2.1 M
Sent	-20.8%	-9.6%	0.3%	1.1%	-38.7%	-76.3%	-99.9%	3.6%	9.0%	-30.5%	-12.1%	-44.2%
Delivered	170.3 M	28.0 M	13.2 M	2.2 M	32.4 M	767.4 K	565	60.7 M	12.3 M	10.3 M	8.3 M	2.1 M
Delivered	-20.2%	-8.2%	-0.5%	-0.1%	-37.9%	-76.9%	-99.9%	3.7%	9.1%	-28.9%	-12.4%	-44.4%
Delivery %	99.1%	99.2%	98.4%	92.5%	99.0%	96.2%	99.8%	99.4%	99.8%	99.4%	98.6%	99.2%
Delivery /6	0.8 pts	1.5 pts	-0.8 pts	-1.1 pts	1.3 pts	-2.2 pts	1.1 pts	0.1 pts	0.1 pts	2.3 pts	-0.4 pts	-0.5 pts
Open	25.5 M	4.5 M	2.1 M	490.0 K	5.7 M	112.1 K	223	6.7 M	2.2 M	1.8 M	1.6 M	257.3 K
Open	-23.8%	-14.5%	3.9%	-1.5%	-32.2%	-78.3%	-99.7%	-9.3%	-5.4%	-27.9%	-8.8%	-47.0%
Open%	15.0%	16.2%	15.7%	21.8%	17.5%	14.6%	39.5%	11.0%	18.2%	17.3%	19.6%	12.4%
Open/	-0.7 pts	-1.2 pts	0.7 pts	-0.3 pts	1.5 pts	-1.0 pts	18.9 pts	-1.6 pts	-2.8 pts	0.2 pts	0.8 pts	-0.6 pts
Click	1.9 M	730.6 K	158.2 K	108.8 K	443.2 K	16.9 K	47	139.9 K	139.3 K	50.0 K	85.7 K	19.1 K
CIICK	-19.3%	18.0%	-13.7%	22.7%	-31.8%	-78.2%	-99.6%	-22.5%	0.6%	-23.4%	-8.3%	-39.1%
CTR	1.1%	2.6%	1.2%	4.8%	1.4%	2.2%	8.3%	0.2%	1.1%	0.5%	1.0%	0.9%
CIK	0.01 pts	0.6 pts	-0.2 pts	0.9 pts	0.1 pts	-0.1 pts	5.4 pts	-0.1 pts	-0.1 pts	0.03 pts	0.05 pts	0.1 pts
CTOR	7.4%	16.1%	7.6%	22.2%	7.8%	15.1%	21.1%	2.1%	6.2%	2.8%	5.3%	7.4%
CIOK	0.4 pts	4.4 pts	-1.6 pts	4.4 pts	0.05 pts	0.1 pts	7.1 pts	-0.4 pts	0.4 pts	0.2 pts	0.03 pts	1.0 pts
Unsub.	272.7 K	44.2 K	28.1 K	16.4 K	52.8 K	3.1 K	0	100.5 K	6.1 K	3.1 K	12.7 K	5.7 K
Olisub.	-39.7%	-29.4%	-25.2%	47.8%	-49.1%	-55.1%	-100.0%	-20.1%	-44.6%	-87.8%	-32.2%	-36.2%
Unsub%	0.16%	0.16%	0.21%	0.73%	0.16%	0.41%	0.00%	0.17%	0.05%	0.03%	0.15%	0.27%
01130070	-0.05 pts	-0.05 pts	-0.07 pts	0.24 pts	-0.04 pts	0.20 pts	-0.20 pts	-0.05 pts	-0.05 pts	-0.15 pts	-0.04 pts	0.04 pts
Bookings			2.0 K	1.2 K	5.0 K	45	3	2.1 K	1.6 K	1.3 K	454	419
Dookings			-45.6%	-30.5%	-49.9%	-96.5%	-99.6%	-47.4%	-46.2%	-14.1%	-82.2%	-65.0%
Rmnts			4.5 K	2.4 K	11.4 K	88	6	4.3 K	3.7 K	2.8 K	1.0 K	1.0 K
Killits	Removed	due to	-44.9%	-35.7%	-49.2%	-96.9%	-99.6%	-45.3%	-46.3%	-16.7%	-83.2%	-60.0%
Revenue	data integr		\$738.5 K	\$391.0 K	\$2.0 M	\$15.4 K	\$692	\$678.1 K	\$633.5 K	\$508.1 K	\$173.7 K	\$171.5 K
nevenue	with N		-45.7%	-34.1%	-45.1%	-96.8%	-99.7%	-43.3%	-45.7%	-13.8%	-83.5%	-58.4%
Conv%	WILIII	/IAU	1.26%	1.07%	1.14%	0.27%	6.38%	1.47%	1.16%	2.51%	0.53%	2.19%
CO11078			-0.7 pts	-0.8 pts	-0.4 pts	-1.4 pts	0.4 pts	-0.7 pts	-1.0 pts	0.3 pts	-2.2 pts	-1.6 pts
ВРК			0.15	0.52	0.16	0.06	5.31	0.03	0.13	0.12	0.05	0.20
DIK			-45.4%	-30.4%	-19.4%	-85.0%	208.4%	-49.3%	-50.6%	20.7%	-79.7%	-37.0%

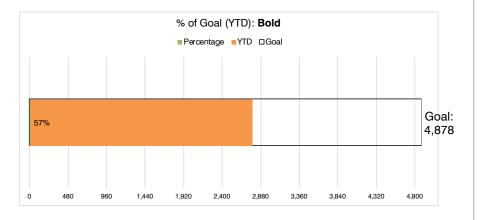
Financial data: Omniture 7-day LPM = Loyalty Prog. Marketing (i.e. Welcome) ATM = Algorithmic Targeted Marketing

BOTH CHASE BOLD AND BOUNDLESS CARDS ARE AHEAD OF FEB 2020 FORECASTS



Chase Bold

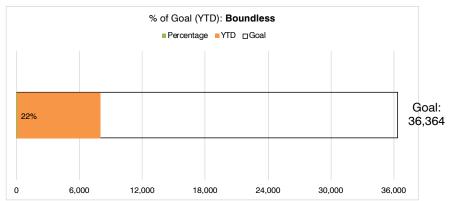
- Feb '20 was up 239% vs. forecast
- Acquired 1,864 new accounts
 - 86% from Solos
 - 8% from MAU
 - 5% from Confirmation email
- 2,778 accounts YTD (57% of goal)





Chase Boundless

- Feb '20 was up 26% vs. forecast
- Acquired 3,903 new accounts
 - 80% from Solos
 - 12% from MAU
 - 5% from Refer-A-Friend
- 8,025 accounts YTD (22% of goal)





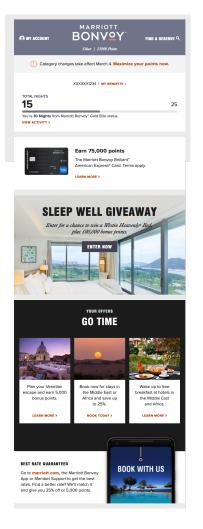




MAU CREATIVE: FEBRUARY 2020 EXAMPLE OF ENGLISH VERSION

Subject Line: Your Marriott Bonvoy Account Update: Special Offers, Benefits & More

Pre-Header: See What's New in February









MAU PERFORMANCE SUMMARY: FEBRUARY 2020

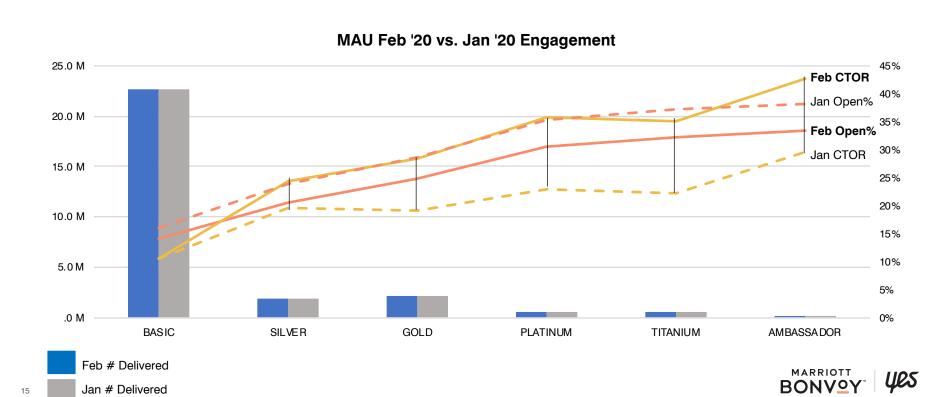
ALL VERSIONS: GLOBAL ENGLISH (2/13) + IN. LANG. (2/20)

Time Period	Delivered	Opens	Open Rate	Clicks	CTR	CTOR	Unsub. Rate
Feb. '20	28.0 M	4.5 M	16.2%	730.6 K	2.6%	16.1%	0.16%
vs. Jan '20 MAU	+0.1% (+25 K)	-11.9% (-613 K)	-2.2 pts.	+5.5% (+38 K)	+0.1 pts.	+2.7 pts.	-0.02 pts.
vs. MAU avg. (Mar '19 – Jan '20)	-8.2% (-3 M)	-14.5% (-765 K)	-1.2 pts.	+18.0% (+111 K)	+0.6 pts.	+4.4 pts.	-0.05 pts.

- Strategy and approach have been identified for using AIQ subject line optimization technology; continuous testing will help increase open counts and rates; engagement is down MoM and versus MAU rolling avg.
- Increase in click engagement was due to the timely alert message under the header about impending category changes; message garnered 21% of emails clicks
- Financials were removed due to data integrity issues; booking results will be shared again once reporting issues have been corrected



Open rates in Feb '20 were low across all levels MoM; significant CTOR spike for Elites from engagement in category changes alert message



MAU FEBRUARY 2020

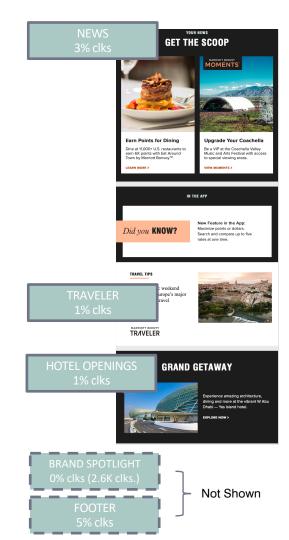
All Versions

- Alert message and account box pulled clicks from other modules;
 65% of clicks combined
- Increase the relevancy of the alert message with dynamic CTAs
 - Target based on those with enough points for a property redemption vs. those without

 For those without enough points, consider a "Learn More" CTA

Category changes take effect March 4 Maximize your points now.



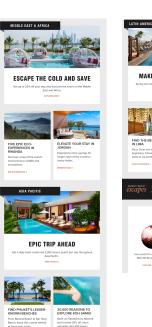


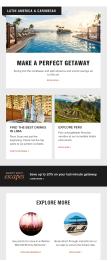
OFFERS & PACKAGES: FEBRUARY 2019 EXAMPLE OF U.S. VERSION

Subject Line: Nick, Here Are Your Exclusive Offers

Pre-Header: Elevate your stays with savings, bonus points and more.











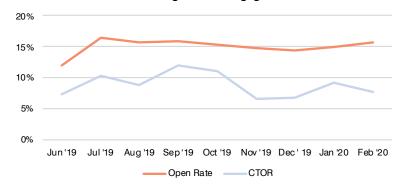
OFFERS & PACKAGES PERFORMANCE: FEBRUARY 2020

ALL VERSIONS (2/29)

Time Period	Delivered	Opens	Open Rate	Clicks	CTR	CTOR	Unsub. Rate	Room Nights	Revenue
Feb. '20	13.2 M	2.1 M	15.7%	158.2 K	1.2%	7.6%	0.21%	4.5 K	\$738.5 K
vs. Jan '20 O&P	+1.9% (+244.9 K)	+6.3% (+123.4 K)	+0.7%	-11.0% (-19.6 K)	-0.2 pts.	-1.5 pts.	+0.04 pts.	-45.2% (-3.7 K)	-47.7% (-\$673.9 K)
vs. O&P Avg. (Jun '19 – Jan '20)	-0.5% (-67.5 K)	+3.9% (+77 K)	+0.7 pts.	-13.7% (-25.2 K)	-0.2 pts.	-1.6 pts.	-0.07 pts.	-44.9% (-3.6 K)	-45.7% (-\$620.9 K)

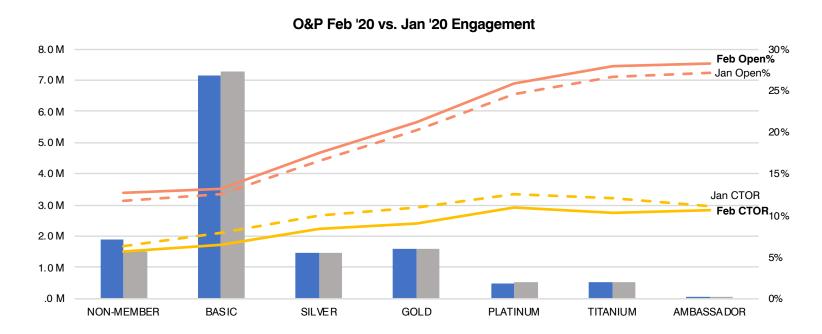
- Subject line highlighting 'your exclusive offers' resulted in more opens and a higher rate MoM and vs. O&P average
- Even though 62% of email clicks went to the Primary Feature module, which generated 45% of email bookings, the engagement was not enough to lift financials MoM and vs. O&P avg.
- Enhance segmentation to lift engagement & booking KPIs
 - Rest consecutive non-openers for 60 days
 - Enhance targeting with propensity, feeder market, and past stay data based
 - Look into whether AIQ technology can help with email delivery to increase relevancy and timeliness of the message

Offers and Packages Email Engagement Trends



Open rates were up MoM for all levels, but the CTOR was down

Simplicity, relevance and offer quality are optimization focus areas in 2020 that are expected to lift KPIs



CHASE BOLD LTO

Email	Segment	Delivered	Open Rate	CTR	CTOR	New Accounts
Wave 2 (2/4)	Basic Mbrs.	9.6 M	10.3%	0.2%	1.8%	
	Non-Members	3.6 M	8.0%	0.1%	1.6%	1.500
Wave 3	Basic Mbrs.	8.3 M	10.8%	0.2%	1.7%	1,598
(2/25)	Non-Members	4.1 M	8.8%	0.2%	1.7%	

- Reminder and last chance support emails were sent to Basic members and non-members in Feb '20; promo ending on Mar 5th
- Engagement for both segments and waves remained consistent;
 slight lift in open and click rates from urgency messaging
 - Subject line included "Last chance"
 - Countdown timer above hero module
- Consider personalizing the email message for new members
 - Recognize reader as a new member and position content as program education with getting the card as one way to elevate their membership
 - Highlight bonus points as a quick balance booster, no annual fee as cost savings, and showcase the ways they could use their bonus points

2/4

Subject Line: Offer Ends Soon: 50,000 Points + No Annual Fee

Pre-Header: Earn free nights faster with the Marriott Bonvoy Bold Card.

2/25

Subject Line: Last Chance: Earn 50,000 Bonus Points

Pre-Header: Earn free nights faster with the Marriott Bonvoy Bold Card.

2/4 Member & Non-Member Wave 2 Reminder



2/25 Member & Non-Member Wave 3 Last Chance



CHASE BOUNDLESS LTO (2/12)

Emails	Delivered	Open Rate	CTR	CTOR	New Accounts
Members	10.9 M	11.5%	0.3%	2.4%	0.400
Non-Members	4.1 M	9.1%	0.2%	1.9%	3,120

- Both Basic & Non-member segments had a similar response between Boundless & Bold limited time offers (LTO) solos sent a week apart
 - Open and click rates were slightly higher than the 2/4 Bold solo which may have more to do with the bigger bonus point offer than Bold's 50K offer + no annual fee

Member Level	Delivered	Open Rate	CTOR
Ambassador	37.8 K	18.2%	3.8%
Titanium	209.6 K	17.5%	3.3%
Platinum	200.3 K	16.2%	3.4%
Gold	980.0 K	15.2%	2.8%
Silver	1.1 M	13.4%	2.6%
Basic	8.4 M	10.6%	2.2%
Non-member	4.1 M	9.1%	1.9%

- Consider personalizing Chase Boundless & Bold solo emails for new members
 - Same messaging approach recommended for Bold emails
 - Conduct A/B test in both Bold and Boundless solos
 - Run during BAU period in both initial and reminder email deployments
 - Results will determine if the personalized message lifted CTOR and new accounts

Subject Line: Time's Running Out: Earn 100K Bonus Points Pre-Header: Get the Marriott Bonvoy Boundless Credit Card.

Member



Non-Member



AMEX BUSINESS RTO & BAU

Offer	Emails	Delivered	Opens	Open Rate	Clicks	CTR	CTOR
	Wave 1 (2/7)	2.8 M	329.1 K	11.6%	5.5 K	0.2%	1.7%
RTO	Wave 2 (2/18)	2.8 M	351.0 K	12.5%	4.6 K	0.2%	1.3%
	Wave 3 (2/25)	2.8 M	369.7 K	13.2%	5.5K	0.2%	1.5%
BAU	2/18	7.2 M	733.8 K	10.2%	9.3 K	0.1%	1.3%

- Select group of Bonvoy members received one of three Amex Business card rich targeted offers (RTO) that expired on Mar 4th; others received a BAU offer of 75K
- Open rates for the rich targeted offers were up to 3 pts. higher than BAU
 75K offer and clicks rates were slightly higher as well
 - Additional data is need to understand the impact each offer has on driving member engagement and new accounts
- Reminder emails for RTO drove incremental engagement as open counts and open rates continued to increase with each mailing

RTO 1

Subject Line: Earn 80,000 Bonus Points

Pre-Header: Get the Marriott Bonvoy Business American Express

RTO 2

Subject Line: Earn 80,000 Bonus Points + \$0 Intro Annual Fee Pre-Header: Get the Marriott Bonvoy Business American Express

RTO 3

Subject Line: Earn up to 110,000 Bonus Points + Get a \$150 Statement Credit

Pre-Header: Get the Marriott Bonvoy Business American Express

BAU

Subject Line: Don't Miss Out on 75,000 Bonus Points

Pre-Header: Apply for the Marriott Bonvoy Business American Express Card.

APPLY NOW

Example BAU



Example RTO email & offers







AMEX BRILLIANT BAU EMAIL

A/B CREATIVE TEST: IMAGE VS. ICON

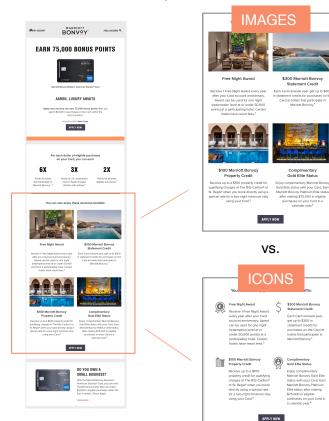
Emails	Delivered	Open Rate	Clicks	CTR	CTOR	Significant
Image Creative	766.1 K	10.7%	1.0 K	0.13%	1.23%	
Icon Creative	765.2 K	10.8%	1.0 K	0.13%	1.23%	No
Total	1.5 M	10.7%	2.0 K	0.1%	1.2%	

Audience was split 50/50 to conduct an A/B test to see which creative treatment (images or icons) would drive more engagement in the additional card benefits module

Email results were not statistically significant; recommend testing again across several deployments and aggregating results

Deeper dive needed to fully understand the test impact on credit card conversion

Subject Line: Aaron, How Will You Redeem 75,000 Bonus Points? Pre-Header: Get the Marriott Bonvoy Brilliant Amex Card.







\$\frac{\Pi}{2}\cdot \text{ACTIONABLE INSIGHTS}



ACTIONABLE INSIGHTS

- Lift MAU open rates by leveraging AIQ optimization and personalization tactics (i.e. level, program tenure); recommend testing different subject line and pre-header combinations each month
- Increase the relevancy of alert messages in MAU by personalizing CTAs
 - For a category change message, target members based on those with points vs. those without
 - For those without enough points, consider a "Learn More" CTA
- Enhance Offers & Packages email segmentation & targeting to lift engagement & booking metrics
 - Rest consecutive non-openers for 60 days (no open/click on 3 consecutive O&P emails); bring back if they meet criteria
 - Enhance targeting with propensity, feeder market, and past stay data
 - Look into whether AIQ technology can help with email delivery to increase relevancy and timeliness of the message
- Consider personalizing Chase Boundless & Bold solo emails for new members
 - Recognize reader as a new member (joined in last 3 months)
 - Position content as 'program education' and how getting the card will elevate their membership
 - Highlight how the bonus points can jump start their account balance
 - Educate member on how to use their bonus points for stays, gift cards, and cash + points stays
 - Test approach in both Bold and Boundless solos during BAU periods; measure lift in CTOR and new accounts

Thank You!



MARRIOTT BONVOY EMAIL PROGRAM TOTALS: YTD 2020

% of Total Emails Sent	100%	17%	8%	2%	23%	0%	0%	0%	29%	7%	6%	4%	2%
	YTD Total	MAU	Offers and Packages	LPM	Solo	Promo	ATM Invites	ATM Other	Cobrand	Moments	METT	Brand BPP	Bonvoy Escapes
SENT	324.7 M	56.3 M	26.4 M	5.4 M	73.9 M	450.4 K	797.4 K	1.4 M	94.7 M	23.0 M	20.0 M	14.2 M	8.1 M
DELIVERED	321.3 M	55.9 M	26.2 M	5.0 M	72.6 M	449.6 K	767.4 K	1.4 M	94.1 M	23.0 M	19.9 M	14.0 M	8.1 M
DELIVERY%	99.0%	99.3%	98.9%	92.1%	98.3%	99.8%	96.2%	98.4%	99.4%	99.8%	99.4%	98.8%	99.6%
OPEN	52.0 M	9.7 M	4.0 M	1.1 M	14.4 M	173.4 K	112.1 K	169.3 K	10.9 M	4.3 M	3.5 M	2.7 M	1.0 M
OPEN%	16.2%	17.3%	15.4%	22.8%	19.8%	38.6%	14.6%	12.0%	11.5%	18.6%	17.7%	19.3%	12.8%
CLICK	4.7 M	1.4 M	336.0 K	235.3 K	1.8 M	26.4 K	16.9 K	23.9 K	243.3 K	258.7 K	98.0 K	164.9 K	68.6 K
CTR	1.4%	2.5%	1.3%	4.7%	2.4%	5.9%	2.2%	1.7%	0.3%	1.1%	0.5%	1.2%	0.8%
CTOR	8.9%	14.7%	8.4%	20.7%	12.2%	15.2%	15.1%	14.1%	2.2%	6.1%	2.8%	6.1%	6.6%
UNSUB	568.7 K	93.1 K	50.1 K	30.6 K	173.2 K	.1 K	3.1 K	3.4 K	160.7 K	13.2 K	5.3 K	19.2 K	16.7 K
UNSUB%	0.18%	0.17%	0.19%	0.61%	0.24%	0.01%	0.41%	0.24%	0.17%	0.06%	0.03%	0.14%	0.21%
BOOKINGS	Removed du	ie to data	5.6 K	3.3 K	21.9 K	2.5 K	45	138	3.6 K	4.5 K	3.0 K	7.3 K	2.3 K
RMNTS	integrity iss	sues with	12.6 K	6.7 K	44.4 K	4.9 K	88	314	7.6 K	10.4 K	6.9 K	15.9 K	5.1 K
REVENUE	Feb '20	MAU	\$2.2 M	\$1.0 M	\$7.1 M	\$772.5 K	\$15.4 K	\$46.4 K	\$1.2 M	\$1.8 M	\$1.3 M	\$2.5 M	\$853.4 K
CONV%	Will update o		1.66%	1.41%	1.24%	9.37%	0.27%	0.58%	1.49%	1.75%	3.03%	4.43%	3.30%
ВРК	are reso	oivea	0.21	0.67	0.30	5.50	0.06	0.10	0.04	0.20	0.15	0.52	0.28

BPK = Bookings per Thousand Delivered Emails Financial data source: Omniture 7-day

