Marriott Project Orange
Q1 2016 Review & Recommendations
May 20, 2016

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Today's Agenda

- PO Goals
- Key accomplishments
- Creative review
- Email program summary
- Digital program summary
- Learning agenda and roadmap
- Next steps and recommendations for Q2/Q3

Project Orange Goals

1. Drive bookings & room nights
2. Convert non-members to active members
3. Move members up elite levels
4. Increase new brand trial
5. Increase leisure stay

Project Orange Goals

PO Goals	WHPH Goal	TSAT Goal
Bookings	Incremental lift over Global Control Group	
Enrolled members	> 34,511	> 311,239
Elite Status Migration (Increase in % Basics to Elite)	Incremental lift in % WHPH/TSAT vs 2015	
New Brand Trial (% of customers with)	> 28.9%	> 22.3%
Leisure Stay (% of customers with one more YoY)	> 29.8%	> 18.6%

Requirements for campaign level optimization:
- Ongoing Quarterly or monthly updates
- Program, channel, campaign contribution

Progress toward KPI measurement

Goals	Program	YTD Tracking	PO (WHPH & TSAT)	Channel Contribution	Campaign Contribution
Room Nights	🟢	🟢	🟡	🟡	🟡
Channel KPIs	🟢	🟢	🟢	🟢	🟢
WHPH/TSAT enrollments*	🟡	🟡	🟡	🟡	🔴
Elite status migration	🟢	🟡	🟡	🔴	🔴
New Brand trial	🟡	🟡	🟡	🔴	🔴
Leisure stay	🟡	🟡	🟡	🔴	🔴

🟢 Currently have or available

🟡 Could have, or is close to having, but not available today; awaiting analyst

🔴 Yet to be explored

* Enrollment tracking at channel level possible, but not at PO level

Project Orange Q1: Key Accomplishments

- Program **channel performance** continued to improve
- Developed **program roadmap** to align with company initiatives.
- Developed & launched **learning agenda** to further segment insight.
- Launched regular **measurement and analytics** reporting (Biweekly, Monthly)
- Supported company-wide **MegaBonus initiative** through cross-channel collaboration & messaging
- Implemented **non-member acquisition strategy** through PO Benefits email and alignment with acquisition team.
- Added **data-driven offer targeting** (propensity model) to PO Offers email which increased engagement and revenue.
- Focused on **leisure travel inspiration** as well as new brand trial in both PO Destinations and Benefits emails.

PO Creative Overview

- We are continuing to refine our segment voices to speak directly to each PO segment.
- WHPH imagery is bold, sharp, active. Copy tone is in "Big Deal" style which recognizes the member's status, promotes points earning opportunities, focuses on benefits important to the segment.
- TSAT imagery is aspirational, relaxing, fun-filled. Copy tone is in "Ahhmenities" style which focuses on indulgent aspect of travel.

PO Creative Overview - January

Benefits

Destinations

Offers

Landing Pages

GDN

Facebook

PO Creative Overview - January

- January Benefits email featured Atlantis offer curated especially for PO segments ($300 resort credit at high-end property). Imagery and language spoke to each segment.
- January Destinations focused on travel inspiration building on the Year-in-Review quiz content from December. Destinations/experiences were chosen for each segment.
- Propensity offers were implemented in PO Offers emails for first time for both segments. Offers were also currated especially for PO segments, focusing on points earning for WHPH.

PO Creative Overview - February

Benefits

Destinations

Offers

Landing Pages

GDN
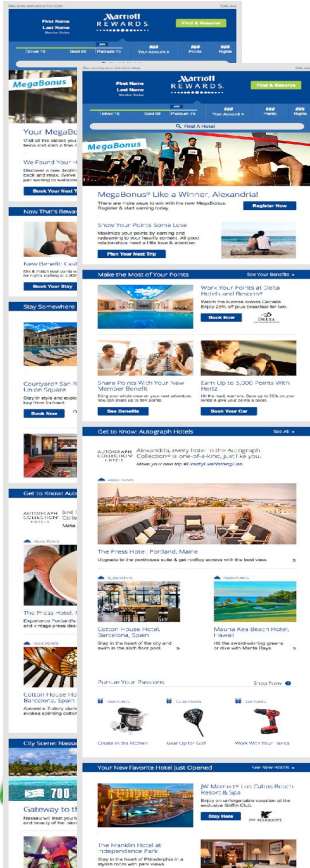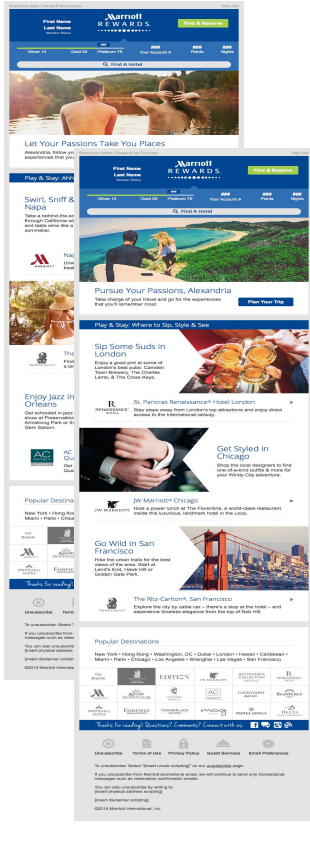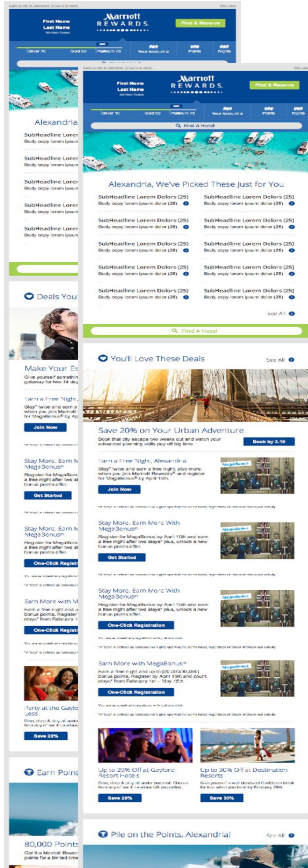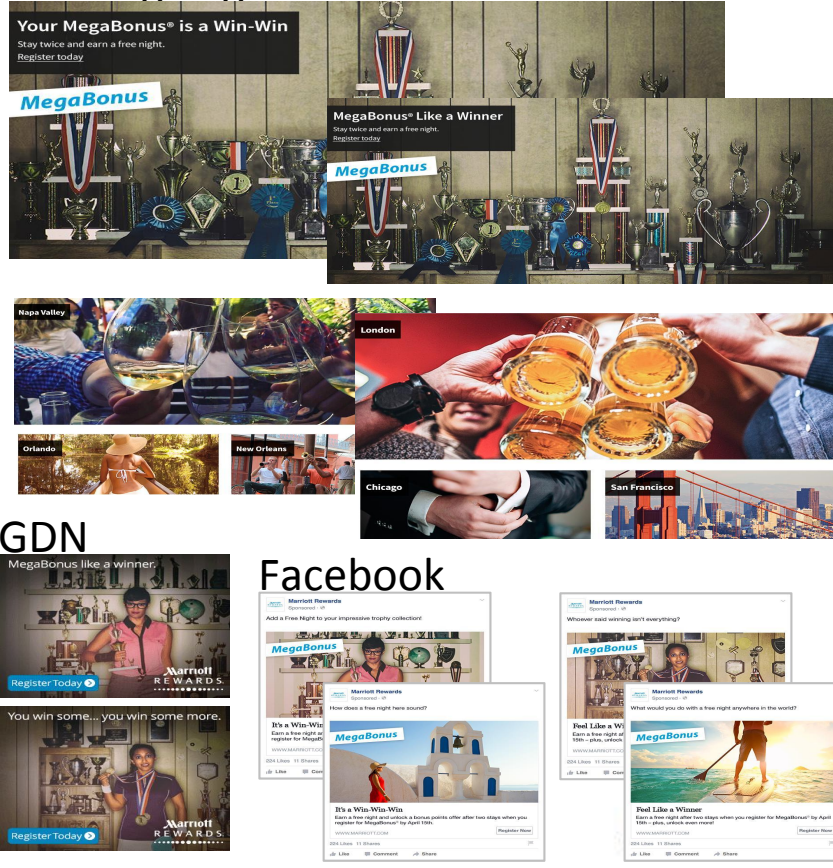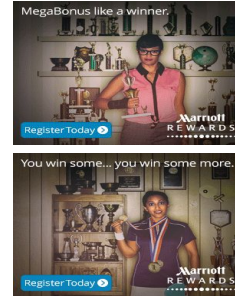
Facebook
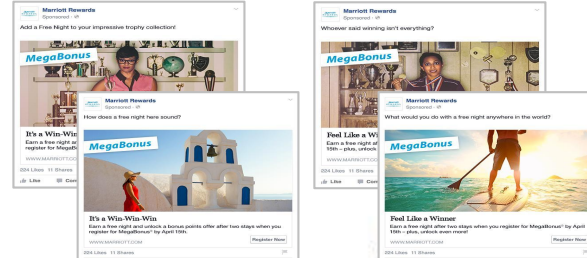
PO Creative Overview - February

- February Benefits email supported company-wide Megabonus initiative with imagery chosen for segments.
- February Destinations email focused on leisure travel inspiration with destinations chosen for each segment using propensity data. (Napa, New Orleans, Orlando for TSAT & London, Chicago, San Francisco for WHPH). Content directed to Marriott Traveler and also encouraged new brand trial with hotel suggestions for each destination.
- February Offers continued to include propensity offers and curated offers for segments.
- Digital creative supported MegaBonus initiative.

PO Creative Overview - March

Benefits

Destinations

Offers

Landing Pages

GDN

Facebook
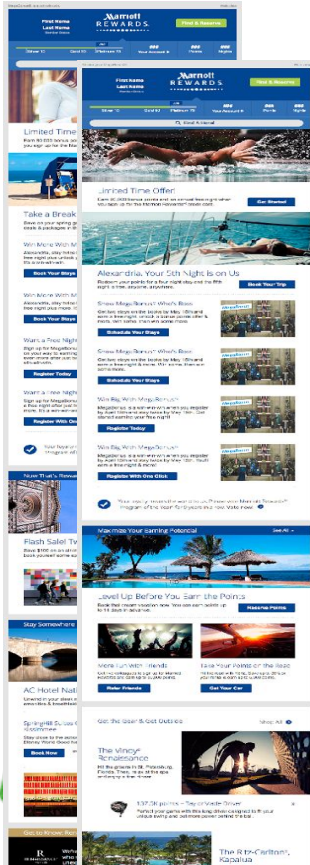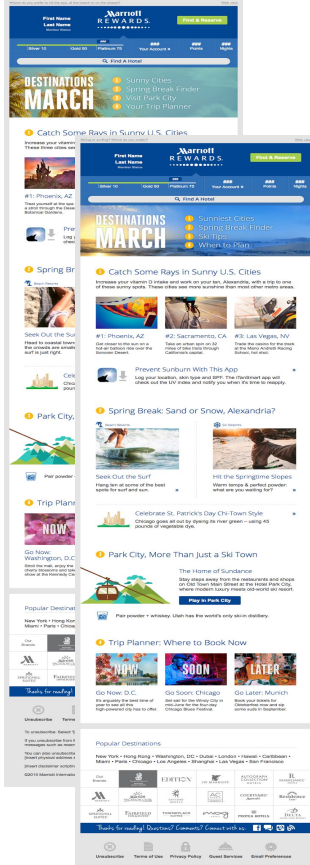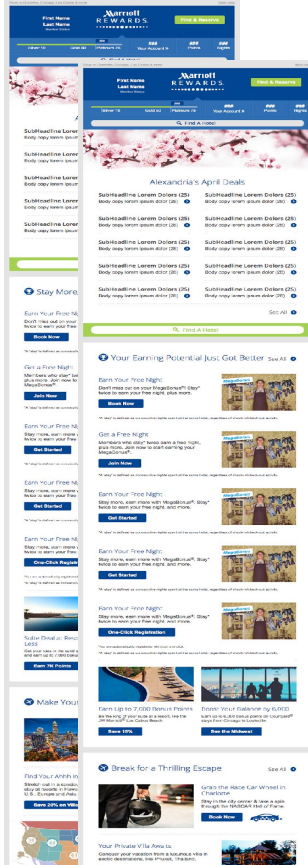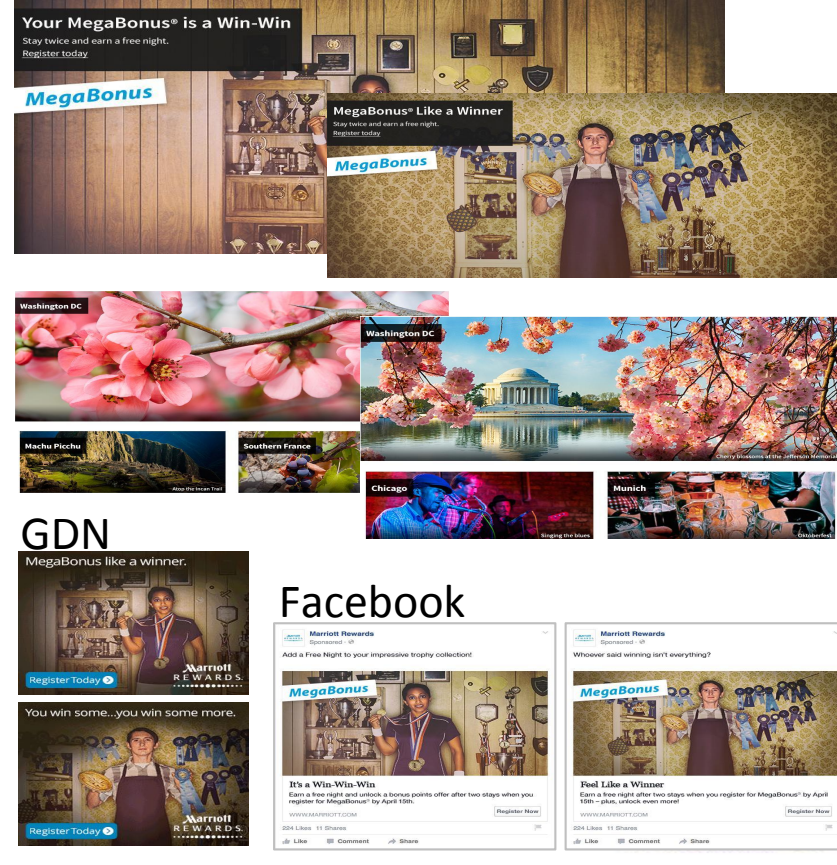
PO Creative Overview - March

- March Benefits promoted 80K MRCC offer in top module with limited success compared to CORE. Imagery was chosen for segments, but may have been better with copy over imagery that more clearly called out offer.
- March Destinations tried new "magazine-style" format with leisure inspiration, more links, and less focus on brands. Results indicate previous style performed better on all key metrics, so reverting to that style going forward.
- March Offers also included propensity offers and segment-specific currated offers.
- Digital creative continued to support MegaBonus while Landing Page Destinations imagery/locations were chosen based on booking propensity.

Paid Media learnings and highlights

Q1 '16 TSAT Paid Media Executive Summary

Campaign Type	Campaign	Impressions	Spend	CTR	Revenue	GRE* - assesed on DoubleClick revenue, not MRDW revenue	2015 GRE % Change
TSAT CRM Targeting	Sojern	1.4 M	$11.1 K	0.03%	$41.0 K	2.7	N/A
	GDN (LiveRamp)	2.5 M	$6.7 K	0.26%	$5.8 K	-0.1	-116.7%
	Criteo (LiveRamp)	2.1 M	$3.5 K	0.11%	$85.7 K	23.6	17362.3%
	Facebook Targeting	1.7 M	$23.7 K	0.87%	$303.2 K	11.8	-0.8%
	CRM Targeting Total	**7.6 M**	**$45.0 K**	**0.31%**	**$435.7 K**	**8.7**	**739.0%**
TSAT Prospecting	Facebook	501.7 K	$4.8 K	0.32%	$334.3 K	69.0	62.7%
	Sojern	563.3 K	$4.5 K	0.07%	$28.3 K	5.3	56.6%
	Prospecting Total	**1.1 M**	**$9.3 K**	**0.19%**	**$362.6 K**	**38.1**	**285.5%**
TSAT Paid Search	Dynamic Search Ads	70.6 K	$6.8 K	7.05%	$323.9 K	46.5	31.3%
	MF Paid Search	4.6 M	$21.5 K	0.54%	$446.7 K	19.8	30.1%
	TBPS Paid Search	35.7 K	$2.9 K	10.47%	$399.0 K	136.6	198.4%
	Paid Search Total	**4.7 M**	**$31.2 K**	**0.71%**	**$1.2 M**	**36.5**	**6.5%**
TSAT Retargeting	Criteo Retargeting	3.7 M	$22.1 K	0.42%	$329.8 K	13.9	119.1%
	GDN text (G+BK)	3.4 M	$13.1 K	0.29%	$196.2 K	14.0	59.5%
	GDN Image Ads (G+BK)	5.0 M	$11.2 K	0.15%	$895.7 K	79.0	N/A
	Yahoo! Native	2.6 M	$778	0.03%	$14.5 K	17.7	-1867.3%
	Retargeting Total	**14.7 M**	**$47.2 K**	**0.23%**	**$1.4 M**	**29.4**	**311.8%**

Notes

- Launched 2/8; Paused 3/1-3/7; new campaign created
- Paused 2/3, budget allocated to GDN (G+BK)
- Paused Jan
- Paused 2/3
- Paused w/o 2/1
- Not PO funded
- Not PO funded
- Paused 3/1-3/7; new campaign created
- Yahoo Native launched 3/16

	Impressions	Spend	CTR	Revenue	GRE* - assesed on DoubleClick revenue, not MRDW revenue	2015 GRE % Change
TSAT Media Grand Total	28.2 M	$132.7 K	0.33%	$3.4 M	24.7	37.5%
TSAT - Project Orange funded only (minus MF and TBPS Paid Search	23.5 M	$108.3 K	0.27%	$2.6 M	22.6	532.4%

"Media Grand Total" spend is NOT entirely funded by the new Project Orange account, notably, **MF and TBPS Paid Search are funded separately**

MoM spending increased by 36.6%

Q1 '16 WHPH Paid Media Executive Summary

Campaign Type	Campaign	Impressions	Spend	CTR	Revenue	GRE* - assesed on DoubleClick revenue, not MRDW revenue	2015 GRE % Change	Notes
WHPH CRM Targeting	Sojern	1.3 M	$10.4 K	0.03%	$127.6 K	11.3	N/A	Launched 2/8; Paused 3/1-3/7; new campaign created
	GDN (LiveRamp)	6.9 M	$18.4 K	0.09%	$89.4 K	3.9	-42.9%	Paused 2/3, budget allocated to GDN (G+BK)
	Criteo (LiveRamp)	1.1 M	$1.9 K	0.21%	$84.8 K	44.0	2544.5%	Paused Jan
	Facebook Targeting	5.0 M	$74.1 K	0.29%	$2.4 M	31.8	-39.8%	
	CRM Targeting Total	**14.3 M**	**$104.7 K**	**0.17%**	**$2.7 M**	**25.1**	**177.6%**	
WHPH Prospecting	Facebook	1.1 M	$10.4 K	0.15%	$1.1 M	107.4	87.4%	Paused 2/3
	Sojern	392.5 K	$3.1 K	0.11%	$8.6 K	1.7	-67.2%	Paused w/o 2/1
	Prospecting Total	**1.5 M**	**$13.5 K**	**0.14%**	**$1.1 M**	**82.9**	**465.3%**	
WHPH Paid Search	Dynamic Search Ads	163.5 K	$17.5 K	3.04%	$1.1 M	60.1	34.0%	
	MF Paid Search	14.7 M	$40.2 K	0.17%	$1.1 M	27.2	2.0%	Not PO funded
	TBPS Paid Search	113.3 K	$9.5 K	3.30%	$1.2 M	122.4	68.8%	Not PO funded
	Paid Search Total	**15.0 M**	**$67.2 K**	**0.22%**	**$3.4 M**	**49.2**	**8.3%**	
WHPH Retargeting	Criteo Retargeting	9.7 M	$49.4 K	0.16%	$1.8 M	35.0	195.2%	Paused 3/1-3/7; new campaign created
	GDN text (G+BK)	12.6 M	$42.7 K	0.08%	$1.4 M	32.8	32.0%	
	GDN Image Ads (G+BK)	8.4 M	$14.9 K	0.09%	$3.2 M	214.8	N/A	
	Yahoo! Native	655.3 K	$229	0.10%	$108.7 K	473.2	-50942.4%	Yahoo Native launched 3/16
	Retargeting Total	**31.4 M**	**$107.3 K**	**0.11%**	**$6.6 M**	**60.1**	**284.4%**	

	Impressions	Spend	CTR	Revenue	GRE* - assesed on DoubleClick revenue, not MRDW revenue	2015 GRE % Change	
WHPH Media Grand Total	62.1 M	$292.8 K	0.15%	$13.8 M	46.1	122.2%	"Media Grand Total" spend is NOT entirely funded by the new Project Orange account, notably, **MF and TBPS Paid Search are funded separately**
WHPH - Project Orange funded only (minus MF and TBPS Paid Search	47.3 M	$243.1 K	0.14%	$11.5 M	46.3	179.6%	MoM spending decreased by 22.3%

Q1 '16 Paid Media MoM segment trends
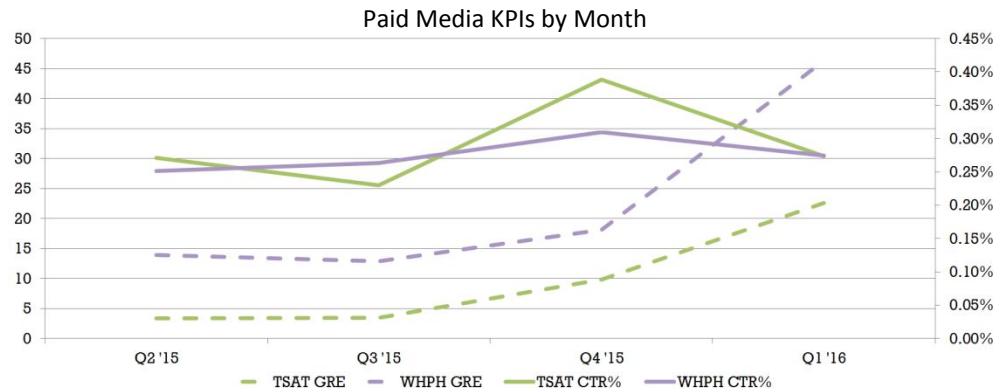
Observations

Paid Media booking volume & GREs have steadily increased since launch

Media mix is more efficient (GRE)

- General increases in campaign performance: ongoing optimizations + MegaBonus (Q1'16)
- Decreased emphasis on Prospecting in Q1'16
- Launch of more effective campaigns: Facebook, GDN Image Ads, & Yahoo Native (Blue Kai)

Q1 Campaign key contributors by spend

- Facebook CRM Targeting
- Criteo Retargeting
- GDN Retargeting (G+BK) text
- GDN Image Ads
- Google Dynamic Search Ads

Bookings vs Impressions emails by segment

Legend: TSAT Bookings, WHPH Bookings, TSAT Impressions, WHPH Impressions

Paid Media KPIs by Month

Legend: TSAT GRE, WHPH GRE, TSAT CTR%, WHPH CTR%
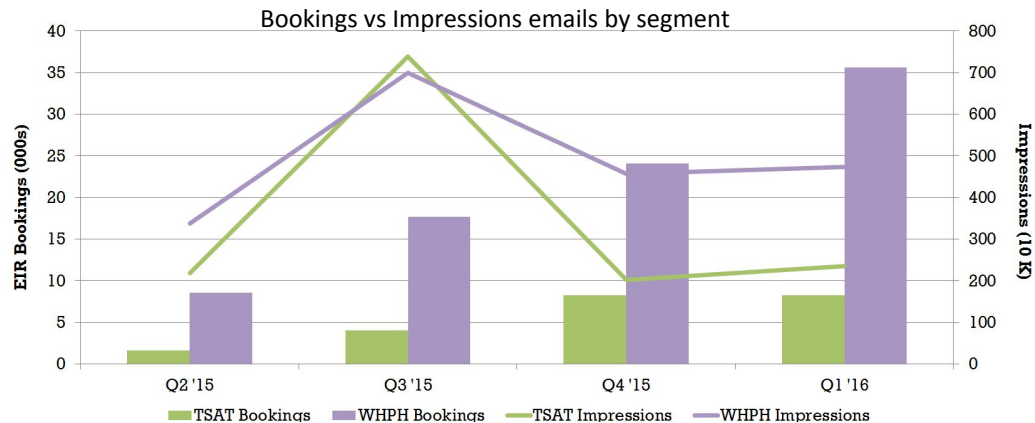
Q1 '16 Paid Media Overview

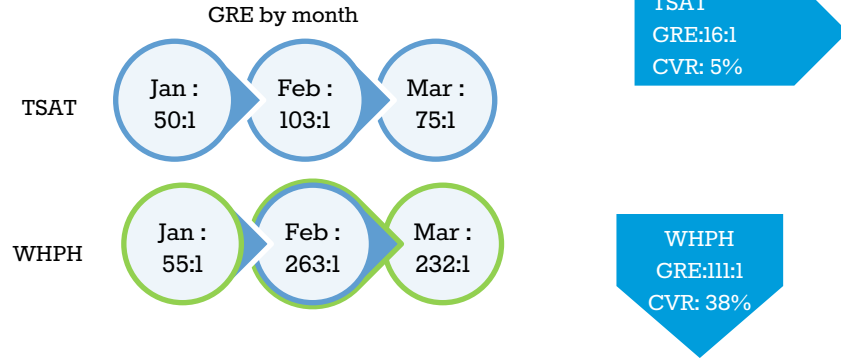|	Retargeting	Segment	Facebook
What was learned	High performing category & 2016 Q1 GRE was 250% higher vs 2015	WHPH continued to outperform TSAT • Consistently generated higher GREs • TSAT underperforming on Sojern to expectations	Performance has steadily declined throughout Q1 • Look a like targeting was paused in Jan, generating a higher GRE • LiveRamp audience list was not updated since Sept '15
Opportunities	Retargeting expanded to Facebook (DPA) • Additional retargeting channel • Full funnel approach may create lift for direct targeting campaign	Improve TSAT performance in Sojern by increasing recency of Sojern travel intent Improve campaign performance by allocating spend to WHPH Recalibrate TSAT expectations with set goals	Updated lists to increase audience size, particularly mobile Frequency needs • Bid against web clicks vs conversions

Q1 Paid Search Observations

•GDN image ads were the highest performing tactic during Q1 in terms of volume and GRE. Megabonus ads drove the highest CVR

Implications for Q2 : continue to maximize spend on GDN, adhering to 2016 RN & GRE goals.

•Yahoo! Native launched in February, and drove a very high GRE; however, we struggled with traffic and spend volume.

Implications for Q2 : see if volume increases by using the Adobe AM audiences

GRE by month

TSAT

Jan : 50:1   Feb : 103:1   Mar : 75:1

WHPH

Jan : 55:1   Feb : 263:1   Mar : 232:1

TSAT
GRE:16:1
CVR: 5%

WHPH
GRE:111:1
CVR: 38%

3.5M impressions
0.14% CTR
66 bookings

Highest
CVR: 5%
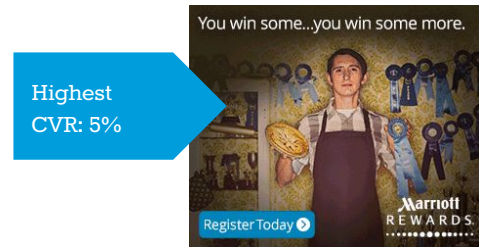
Q1 Paid Search Observations

•Member level PO segments have given great insights into GRE by micro-segment, however the audience sizes are much smaller than expected compared to the total segment population.

Implications for Q2 : allow member-level lists to continue to scale. Work with Google team to understand reasons why microsegments are not seeing as many impressions as the base list

MR level list	List Size		Clicks	Cost	CPC	CTR	Post-click Conversion	CVR	CPA	Post-Click Value (Revenue)	GRE
	(Google Properties)	Display Network									
Work Hard Play Hard List	550,000	820,000	18,354	$30,387	$1.66	0.2%	3,438	19%	$8.84	$1,329,897	42.8
Work Hard Play Hard-Basic Members	10K-50K	10K-50K	359	$635	$1.77	0.2%	52	14%	$12.21	$19,172	29.2
Work Hard Play Hard-Silver Members	50K-100K	50K-100K	2,114	$3,511	$1.66	0.2%	378	18%	$9.29	$140,435	39.0
Work Hard Play Hard-Gold Members	100K-300K	100K-300K	3,630	$5,979	$1.65	0.2%	710	20%	$8.42	$301,726	49.5
Work Hard Play Hard-Platinum Members	100K-300K	100K-300K	1,627	$2,584	$1.59	0.3%	528	32%	$4.89	$244,668	93.7
Travel Still a Treat List	370,000	540,000	17,445	$25,486	$1.46	0.2%	1,474	8%	$17.29	$632,943	23.8
Travel Still a Treat-Basic Members	50K-100K	50K-100K	964	$1,285	$1.33	0.3%	81	8%	$15.87	$26,954	20.0
Travel Still a Treat-Silver Members	50K-100K	50K-100K	1,492	$2,157	$1.45	0.2%	155	10%	$13.92	$58,883	26.3
Travel Still a Treat-Gold Members	50K-100K	50K-100K	840	$1,137	$1.35	0.2%	100	12%	$11.37	$45,590	39.1
Travel Still a Treat-Platinum Members	10K-50K	10K-50K	219	$276	$1.26	0.3%	45	21%	$6.13	$16,119	57.5

Paid Search opportunities

Continue with proven partners, and introduce new testing opportunities

✔ | ✔ | ✔ | ✔ | ✔

Proven Partners

| Google DSA | GDN Image Ads | GDN Text | Google Paid Search | Yahoo Native |

NEW

Pilot Test Opp:
Yahoo! Sponsored Mail

Yahoo! Sponsored Mail is an ad unit targeted to Yahoo! Mail users.
The ads will leverage Adobe AAM PO segment data.
Yahoo's first-party and mail data can also be used, e.g. targeting users that are in market for travel based on flight confirmations
- $20k minimum test for 3 months (can leverage the remaining $90k in BCM test budget)

Ad Mockup (can also be used with MRMR creative)
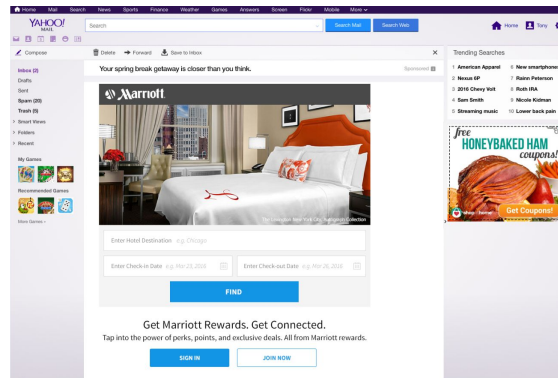
Email campaign learnings & insights

Email program KPI dashboard: Q1 2016

	Q1'16 PO	2015 PO Quarterly Avg	Δ	Q1'16 Email program
Mailable Members	1.1 M	1.0 M	+10.2%	11.9 M
EIR Room nights	131 K	108 K	+20%	1.34 M
EIR Bookings	55 K	48 K	+17%	549 K
EIR Bookings/Delivered(K)	5.4	5.6	-2.1%	2.1
Emails Delivered	10.2 M	9.0 M	+13%	260 M
Open Rate	26.5%	27.9%	-5.1%	23.2%
Click to Open Rate	11.8%	11.1%	+6.7%	9.0%
Booking Rate	17.4%	18.0%	-3.4%	10.2%

- Dashboard based on ongoing Core PO campaigns (Benefits, Offers, Destinations) & one-time Recognition mailing (Jul'15) & Leisure Travel Solo (Mar'16)
- YoY view will provide more accurate comparison vs QoQ

MoM KPI's vs MR program & Industry trends

Open%

Legend: PO Open%, MR Open%, YLM Open%

CTO%

Legend: PO CTO%, MR CTO%, YLM CTO%
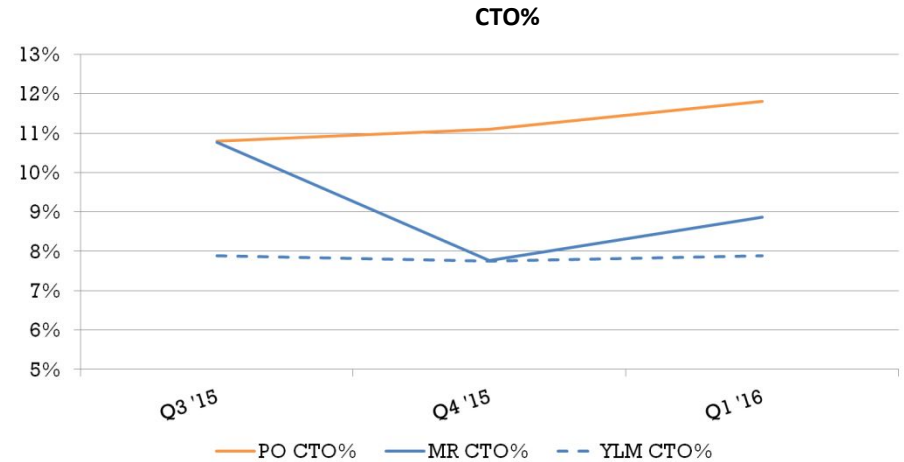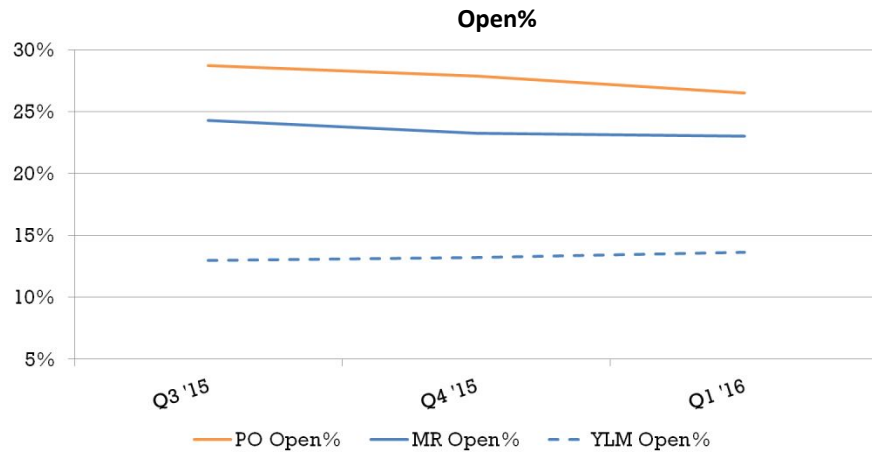
Observations

Open rates have been steadily declining as they have been in the Core program

Ongoing & persistent subject line testing are being conducted for a growing number of campaigns

Click to Open rates have shown growth against falling program Click to Open rates and steady industry performance

Q1 '16 Email overview & MoM trends

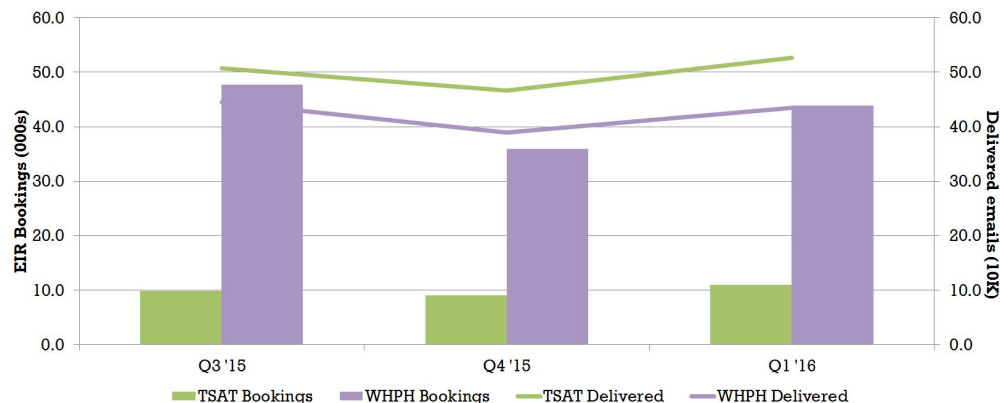Q1 '16 bookings and engagement were similar to Q3 '15

- MegaBonus support in Q3'15 & Q1'16
- Q4 is a seasonal low for bookings
- No Destinations in Dec

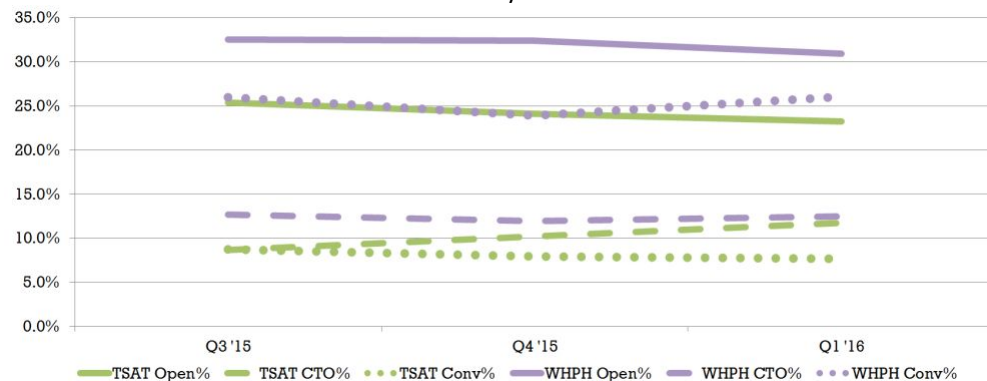Each of the three ongoing PO email campaigns delivered their strongest quarter

- Q3 '15 included one-time Recognition which drove high engagement and bookings

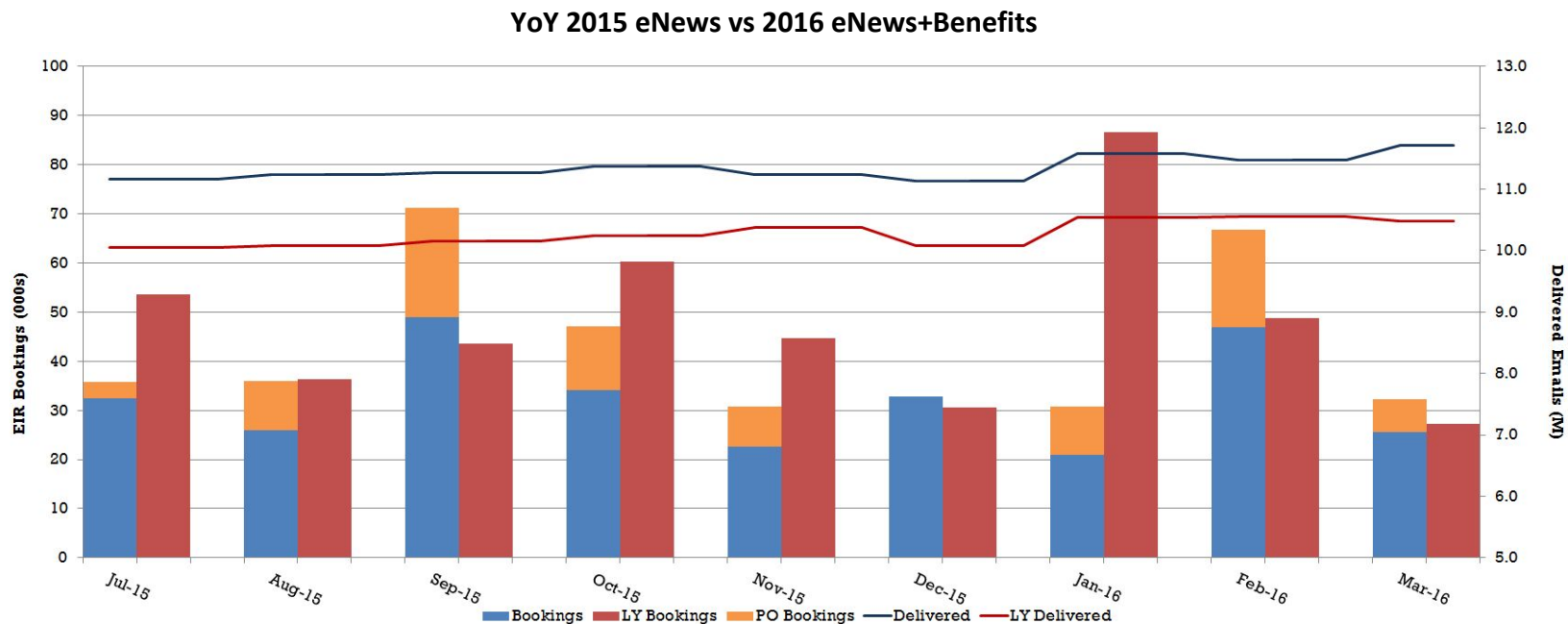TSAT Open rates are slightly and consistently declining while Click to Open rate is increasing

Bookings by Month

Legend: TSAT Bookings, WHPH Bookings, TSAT Delivered, WHPH Delivered

Email KPIs by Month

Legend: TSAT Open%, TSAT CTO%, TSAT Conv%, WHPH Open%, WHPH CTO%, WHPH Conv%

Since Feb.2016, "Benefits" (Core+PO) bookings outpacing 2015

YoY 2015 eNews vs 2016 eNews+Benefits

WHPH/TSAT click engagement was higher with **Benefits** (Core) than PO versions in March

Mar eNews/ Benefits	Delivered	Opens	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bkngs/ Dlvd	Unsub%
TSAT eNews	64.7 K	14.5 K	257	$96.3 K	22.4%	18.0%	9.9%	4.0	0.16%
TSAT Benefits	586.7 K	124.2 K	1.5 K	$590.0 K	21.2%	10.5%	11.7%	2.6	0.15%
%△					-6%	-42%	19%	-34%	
WHPH eNews	54.0 K	15.7 K	668	$254.8 K	29.1%	18.6%	22.8%	12.4	0.14%
WHPH Benefits	498.7 K	156.7 K	5.1 K	$2.08 M	31.4%	11.3%	29.1%	10.3	0.13%
%△					8%	-40%	28%	-17%	

Note: Global control campaign and segment level reporting was enabled in March Benefits for YLM; reporting capability is underway for Offers & Hotel Specials

Observations
Additional months & other campaign performance is required for better learning
Click to open rates were significantly lower for PO Benefits than Default versions
1. March Benefits featured MRCC 80 K pt offer and was positioned differently for default than PO versions which may have impacted click engagement
2. There has been consistently less content in the PO versions than Benefits;

1) Core audience engaged significantly better with MRCC offer than PO segments in March

eNews	Delivered	Clicks	% of Clicks
MRCC	5.4 M	99.3 K	30.6%

Limited Time Offer!
Earn 80,000 bonus points and an annual free night.

WHPH Benefits	Delivered	Clicks	% of Clicks
MRCC	263.0 K	663	3.3%

Limited Time Offer!
Earn 80,000 bonus points and an annual free night when you sign up for the Marriott Rewards® credit card.

TSAT Benefits	Delivered	Clicks	% of Clicks
MRCC	412.0 K	790	5.2%

Limited Time Offer!
Earn 80,000 bonus points and an annual free night when you sign up for the Marriott Rewards® credit card.

Overall March click engagement may have been impacted by the interaction with MRCC offer
- Benefits: Total monthly clicks were well below 2015 monthly average (WHPH -42%; TSAT -55%)
- PO segments interacted more with the MegaBonus reminders in the Top Offer 2 placement than MRCC

	TSAT-% of Total Benefit clicks	WHPH-% of Total Benefit clicks
MRCC in Top Offer 1	9%	14%
MegaBonus in Top Offer 2	27%	33%

eNews MRCC offer prominently featured the offer while Benefits supported with copy

2) Core contains more content than PO versions which may influence click engagement

Default Benefits

90 Links

There is a general correlation between the amount of content and the click engagement it creates

Increasing content may increase click engagement, especially with TSAT who have shown click-browse behavior

WHPH Benefits

65 Links

Since Feb.2016, "Offers" (Core+PO) bookings outpacing 2015

YoY Hotel Specials vs Hotel Specials + Offers

- Targeted Field Offer section was included starting in January
- March curated offer sections supported MegaBonus touchpoints in March, which increased clicks and conversions
- Global control campaign & segment level reporting will be available for May reporting

Targeted Field Offers generated more clicks

2015 Template TSAT Offers
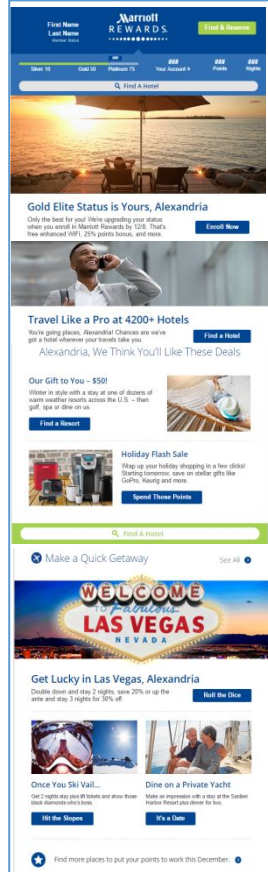
Feb'16 TSAT Offers
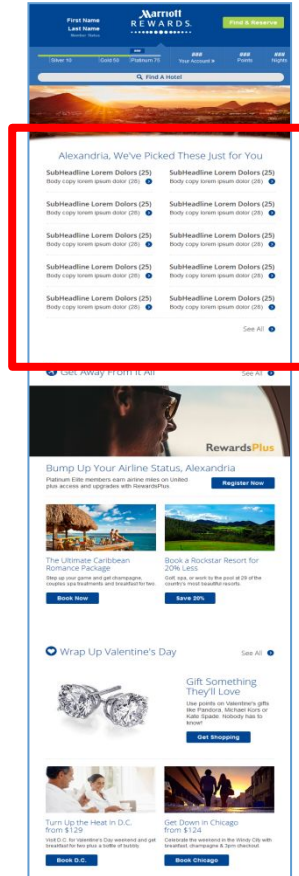
Propensity-modeled Field Offers list was added to Project Orange Offers mailing in Jan '16

Comparing 2015 averages to Q1 '16:
- Avg monthly click volume increased by 40%
- Click to Open rate increased by 53%
- Avg monthly booking volume increased by 35%

WHPH responded better to this section, doubling monthly click and booking averages vs 2015

Destinations evolved throughout Q1

February Version

Account Box & Search
36% cl, 66% bks

Body Content
58% cl, 29% bks

March Version

Account Box & Search
37% cl, 71% bks

Body Content
58% cl, 27% bks
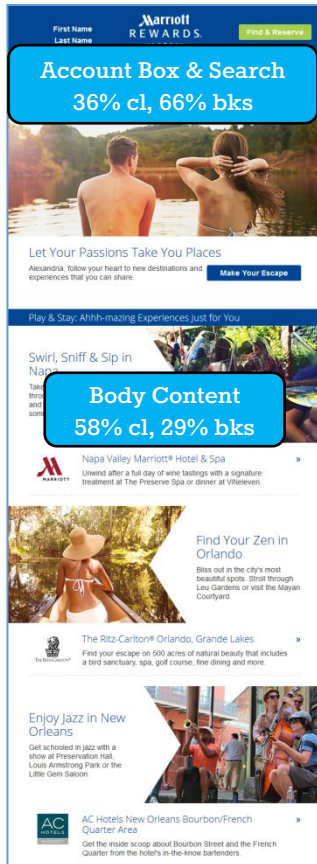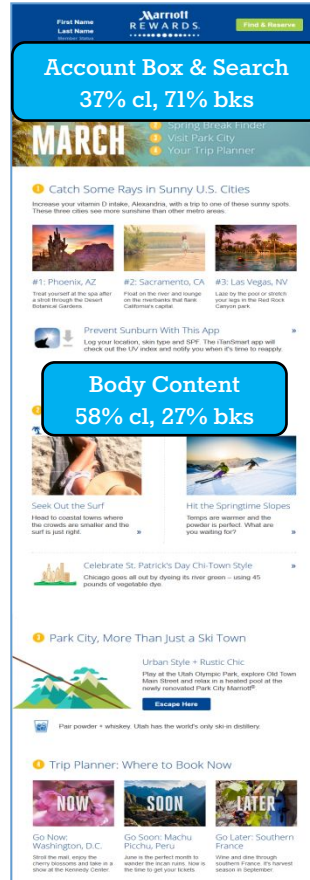
MoM changes generated insights to further improve Destinations

- March version connected destinations & activities while Feb connected Brands to experiences

MoM:

TSAT engaged less with the new March template suggesting a preference to brand content

- Click to Open rate fell 25% MoM
- Overall click volume dropped by 32%MoM

WHPH engaged at the same low rate as Feb, suggesting the different content did not create different click engagement

- Click to open rate remained at a Q1 low

April Destinations will continue to evolve and include brand-focused recommendations

Case Study:
TSAT prefer US destinations over international

Observations

Jan & Feb TSAT Destinations featured 3 destinations supported by on-site properties

Jan featured three international destinations; Feb featured US destinations

• Feb generated the highest monthly clicks and Conv% for TSAT Destinations

TSAT has shown click engagement preference to side by side, US vs international content

Focus on US destinations & experiences for TSAT to drive click engagement

Jan

- Be a Collector of Experiences
- Learn to Meditate in Bali — Find your Zen on a pristine, white-sand beach as you're guided through a meditation. **621 Clicks**
- The Ritz-Carlton, Bali — Treat yourself with an Instant Redemption and keep your Zen going at the spa.
- Ride the Dunes in Dubai — Crank up your adrenaline while charging over dunes in a 4x4 and carving donuts in the sand. **281 Clicks**
- JW Marriott® Marquis® Dubai — Get a deal in the Al Hibab Desert. Get your fifth night for free when you redeem four nights.
- Shop the Floating Markets — In Bangkok, vendors paddle the canals selling snacks and souvenirs. Bring your camera to capture the color. **181 Clicks**
- Renaissance® Bangkok Ratchaprasong — Each market has its own personality. Your hotel's Navigator can point you to the best one for you.

Feb

- Play & Stay: Ahhh-mazing Experiences Just for You
- Swirl, Sniff & Sip in Napa — Take a behind-the-scenes tour through California wine country and taste wine like a master sommelier. **2,329 Clicks**
- Napa Valley Marriott® Hotel & Spa — Unwind after a full day of wine tastings with a signature treatment at The Preserve Spa or dinner at VINeleven.
- Find Your Zen in Orlando — Bliss out in the city's most beautiful spots. Stroll through Leu Gardens or visit the Mayan Courtyard. **1,294 Clicks**
- The Ritz-Carlton® Orlando, Grande Lakes — Find your escape on 500 acres of natural beauty that includes a bird sanctuary, spa, golf course, fine dining and more.
- Enjoy Jazz in New Orleans — Get schooled in jazz with a show at Preservation Hall, Louis Armstrong Park or the Little Gem Saloon. **1,476 Clicks**
- AC Hotels New Orleans Bourbon/French Quarter Area — Get the inside scoop about Bourbon Street and the French Quarter from the hotel's in-the-know bartenders.

Segment insights were discovered & reinforced throughout Q1

TSAT & WHPH tendencies and affinity trends to inform content decisions in an orchestrated world

TSAT
- Interested in Brand content & information (Hotel Openings & recommendations)
- Engaged well with survey & videos
- Loves Sweepstakes
- Will browse and explore content & offers
- Engages with US destinations over international
- Image focused
- eBreaks as offer content

WHPH
- Engage well with Earning opportunities (love points)
- Engages with product redemptions
- Responded well to stay benefits (5th night free)
- May scan content, but not explore
- There is value to maintaining persistent presence in inbox for access (Account Box)
- Loves MegaBonus
- Propensity offers may be more "accurate"

Future plans/opportunities to leverage insight

What we've learned...

TSAT
- Interested in Brand content & information (Hotel Openings & recommendations)
- Engaged well with survey & videos
- Loves Sweepstakes
- Will browse and explore content & offers
- Engages with US destinations over international
- Image focused
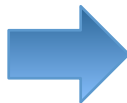- eBreaks as offer content

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- Engage well with Earning opportunities (love points)
- Engages with product redemptions
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- May scan content, but not explore
- There is value to maintaining persistent presence in inbox for access (Account Box)
- Loves MegaBonus
- Propensity offers may be more "accurate"

Action items

TSAT
- Present Portfolio awareness & recommendations; expand brand content
- Feature Sweepstakes in Hero
- Avoid international destination promotion by themselves
- Test ideal offer content
- Continue to do image testing and optimization with Wylei
- Test other "deals" type content
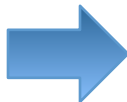
WHPH
- Maximize MegaBonus exposure
- Increase earning and redemption content
- Content testing to determine if there's a better mix to inspire engagement.
- Use propensity data when possible to present right offer at right time.
- Test exclusive content and offers

Multiple new campaigns launched to support 2016 goals & objectives

- Summer Leisure Solo

- Nonmember Acquisition (WHPH)

New goals require new KPIs to learn & optimize
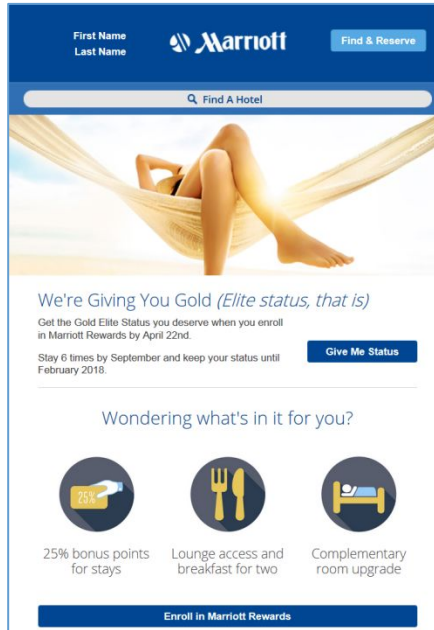
WHPH Taste of Gold - Drive enrollments

Delivered: 5.6 K

Enrollments: 46

Enrolled/ Delivered (k) 8.2

- **Need enrollment metrics from other initiatives**
- **Consider targeting all nonmembers to pick up unidentified WHPH/TSAT**

Leveraged Propensity model to feature destination

Leisure Informational Solo - Inspire leisure stays

The same propensity model that targets Field Offers to individuals was leveraged to serve 1/6 featured destinations in Hero; overall email generated email KPI's above program avg

- **Need Leisure stay metrics**
- **Continue to explore opportunities to deliver data-driven relevant content**
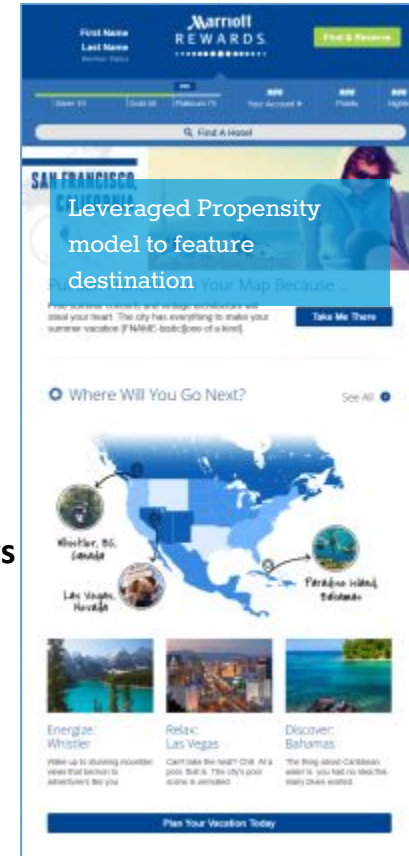
Learning Agenda focused on content & image tests to increase click engagement

Destinations "Table of contents" did not demonstrably increase click engagement

Template 1: Masthead

Template 2: Table of Contents

Table of content was tested to see if navigation to content increased click engagement

- TOC version included numbered sections (modules)
- TOC was included, but not tested, in Mar Destinations for PO versions

Overall click engagement was nearly identical between the mailings

Test will be continued in April
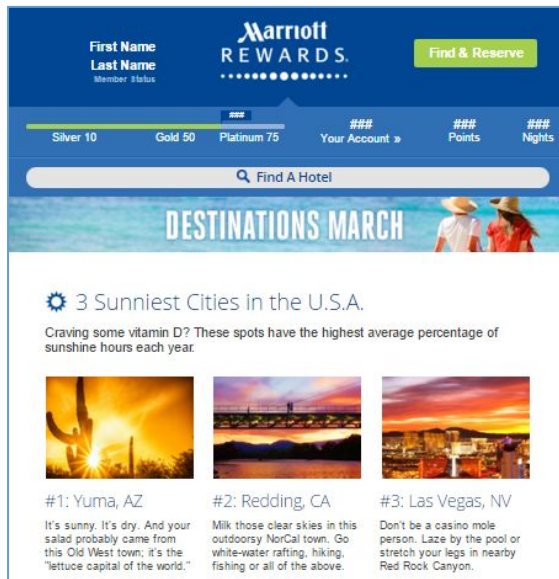
Clicks: 47.7 K
CTO%: 4.6%
Conv%: 9.5%
Booking/Del (K): .93
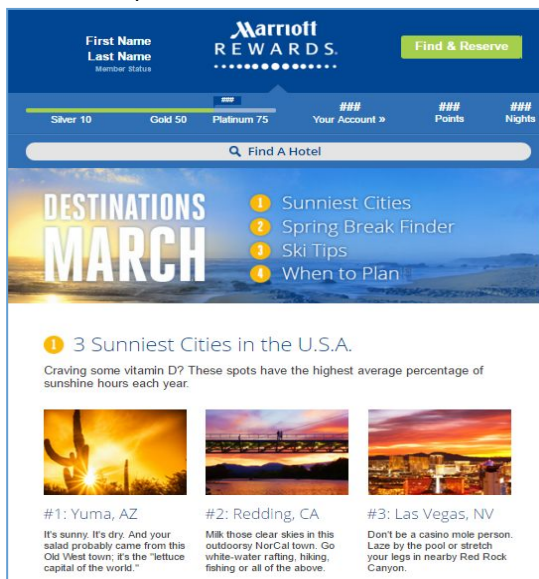
Clicks: 48.6 K
CTO%: 4.6%
Conv%: 9.1%
Booking/Del (K): .91

Display creative analysis was a challenge

TSAT

Trophy

Impressions: 436 K
CTR: 1.11%
Conv%: 6.1%
CPM: $13.98
GRE: $10.20

Pie
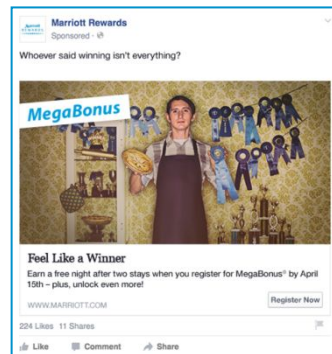
Impressions: 247 K
CTR: 1.16%
Conv%: 8.0%
CPM: $18.22
GRE: $11.40

WHPH

Trophy
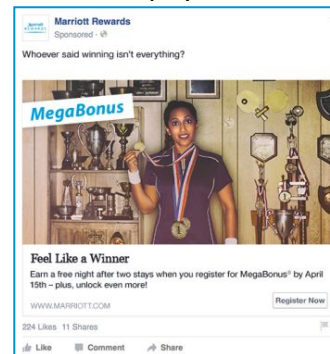
Impressions: 997 K
CTR: 0.93%
Conv%: 17.6%
CPM: $14.68
GRE: $25.22

Pie
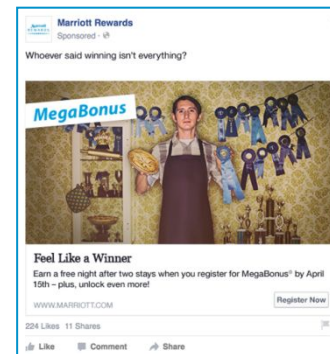
Impressions: 929 K
CTR: 0.98%
Conv%: 17.2%
CPM: $17.05
GRE: $23.50

Observations
- Creative had different run dates throughout the month; results aren't as comparable as with A/B testing
  - Facebook auto optimizes creative further complicating a "clean" comparison
- Pie generated an overall higher CTR response than Trophy

Image testing may result in incremental gains in performance

For Consideration: Are there types of creative testing that will lead to better learning in an auto-optimization environment?

Multiple image tests were conducted and generated incremental life in click engagement

Q1 image testing centered around Lifestyle vs property image testing to optimize messages

Testing capability embodies the philosophy of Orchestration

- Wylei technology serves the most appropriate image vs "winner take all' A/B testing

A process & infrastructure is being developed to generate longer term learning

- Add to Learning Agenda
- Drive future content development & decisions

Now That's Rewarding!   See Your Rewards ▸

A

Flash Sale! Two Days Only
Save $100 on an air-inclusive vacation package and book yourself some spahhh time at the resort.   **Book Your Trip**

Tell Your Friends, Earn More Points
Earn up to 50,000 Points when you refer your friends to Marriott Rewards®   **Tell 5 Friends**

Now That's Rewarding!   See Your Rewards ▸

B

Flash Sale! Two Days Only
Save $100 on an air-inclusive vacation package and book yourself some spahhh time at the resort.   **Book Your Trip**
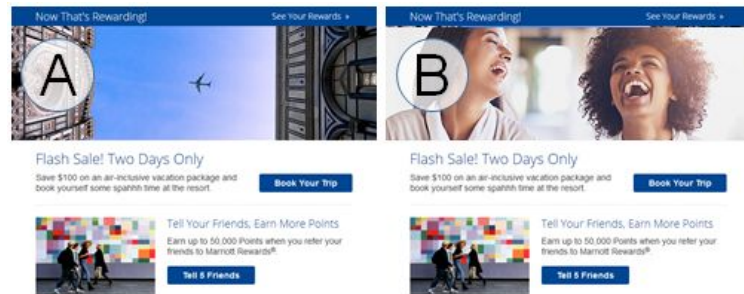
Tell Your Friends, Earn More Points
Earn up to 50,000 Points when you refer your friends to Marriott Rewards®   **Tell 5 Friends**

(A) Worked best with:
- Mild weather
- Lower points balance (less than 70K)
- Females

(B) Worked best with:
- High points balance (greater than 70K)
- Level Silver or Above

TSAT test results

12.4% Lift over Control

	CTOR	LIFT
All (Control)	0.48%	
A (Control)	0.48%	
B (Control)	0.48%	
Optimized	0.54%	12.40%

WHPH test results

6.7% Lift over Control

	CTOR	LIFT
All (Control)	0.24%	
A (Control)	0.25%	
B (Control)	0.23%	
Optimized	0.26%	6.70%

Learning Agenda to focus on driving key objectives

1) Prioritize testing roadmap

    A) <u>Objective</u>: **Member growth**
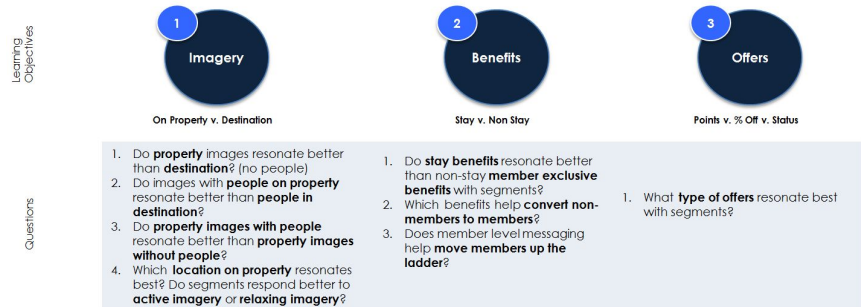
    <u>Question to answer in Q2/Q3</u>: **What content & incentives are valuable to drive member enrollment?**

    B) <u>Objective</u>: **Increase bookings**

    <u>Question to answer in Q3</u>: **What content drives bookings?**

    C) Ongoing subject line and content testing to optimize Open rate and Click to Open rate

2) Maintain a library of best practices

Learning Objectives

1 Imagery	2 Benefits	3 Offers
On Property v. Destination	Stay v. Non Stay	Points v. % Off v. Status

Questions

Imagery	Benefits	Offers
1. Do **property** images resonate better than **destination**? (no people) 2. Do images with **people on property** resonate better than **people in destination**? 3. Do property images with people resonate better than **property images without people**? 4. Which **location on property** resonates best? Do segments respond better to **active imagery** or **relaxing imagery**?	1. Do **stay benefits** resonate better than non-stay **member exclusive benefits** with segments? 2. Which benefits help **convert non-members to members**? 3. Does member level messaging help **move members up the ladder**?	1. What **type of offers** resonate best with segments?

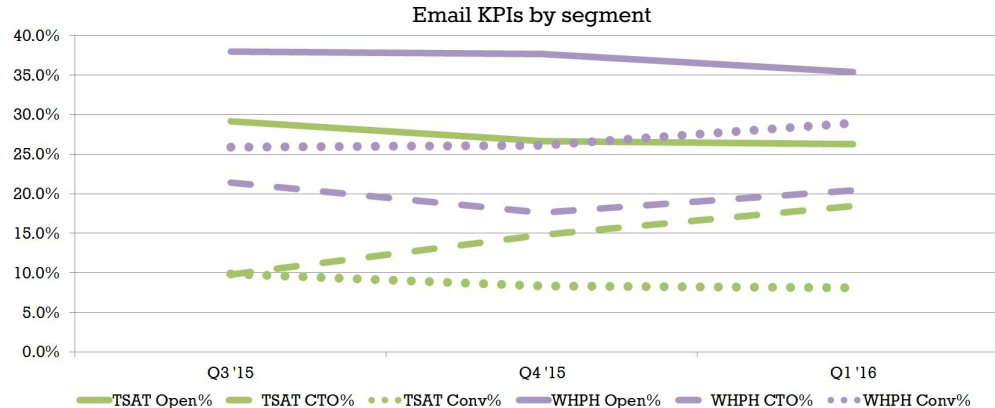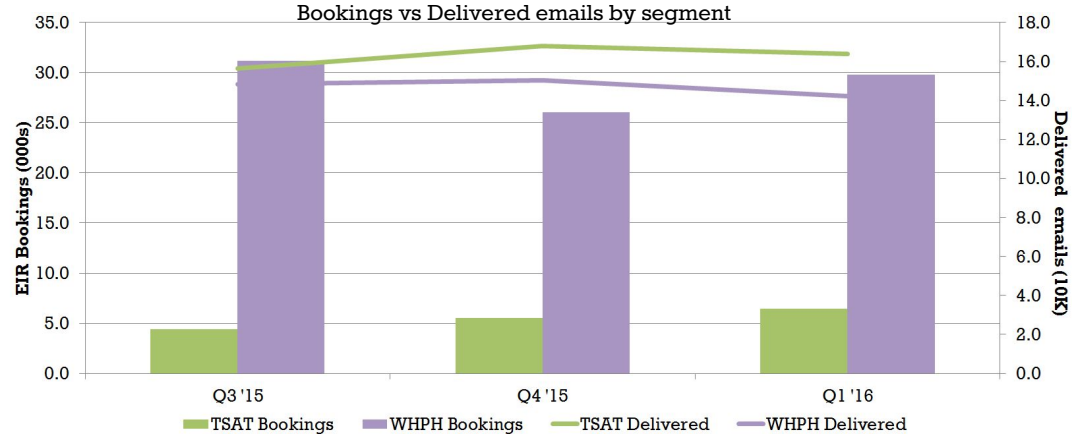|	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Overall Message	Book Direct MEO	MR MR	Starwood Integration		Portfolio Reveal		Fall MegaBonus		Year In Review
Test Objective	Imagery	Imagery	Imagery	Benefits	Imagery[2]		Offers		Imagery
Email	Location on property (pool, room, common space)	Bar vs. Destination vs. Lifestyle	Property v. Destination w/ ppl	Stay v. Non Stay	Property v. Destination w/o ppl				Active Imagery v. Relaxing Imagery
FB	Location on property (pool, room, common space)	Bar vs. Destination vs. Lifestyle	Property v. Destination w/ ppl	Stay v. Non Stay	Property v. Destination w/o ppl				Active Imagery v. Relaxing Imagery
Landing Page	Pool	Bar vs. Destination vs. Lifestyle	Property v. Destination w/ ppl	Stay v. Non Stay	Property v. Destination w/o ppl				Active Imagery v. Relaxing Imagery
Display[1]	Location on property (pool, room, common space)	Bar vs. Destination vs. Lifestyle	Property v. Destination w/ ppl	Stay v. Non Stay	Property v. Destination w/o ppl				Active Imagery v. Relaxing Imagery

PO Opportunities & Recommendations

- Connect channel activity to program goals

- Continue channel optimizations against channel KPIs
  - Continue to support program initiatives & drive toward goals by creating seamless experiences cross channel
  - Leverage Learning Agenda to drive & collect program, campaign & segment insights
  - Apply email, display, and search best practices against PO targeting
  - Continue to explore new opportunities in Paid Media & Search channels

- Deliver increasingly personalized and relevant experiences:
  - Increase awareness of individual status (Benefits: Level-up status & account module)
  - Explore opportunities for data-driven targeting like the propensity model
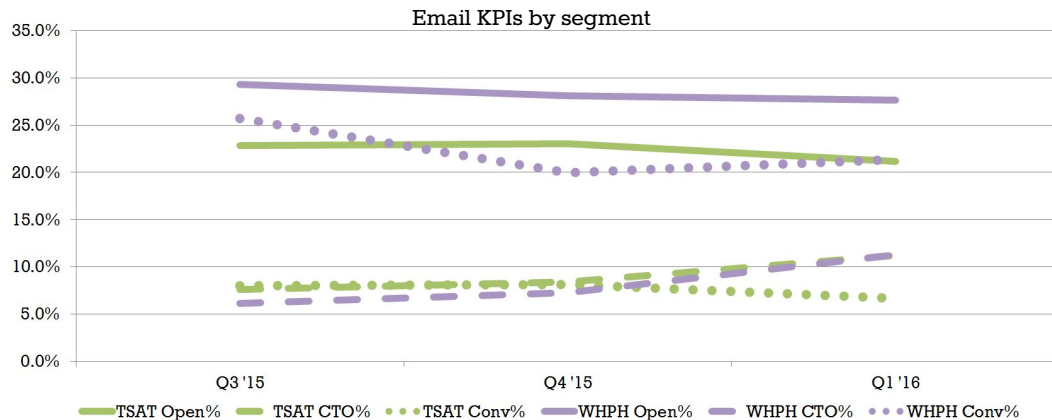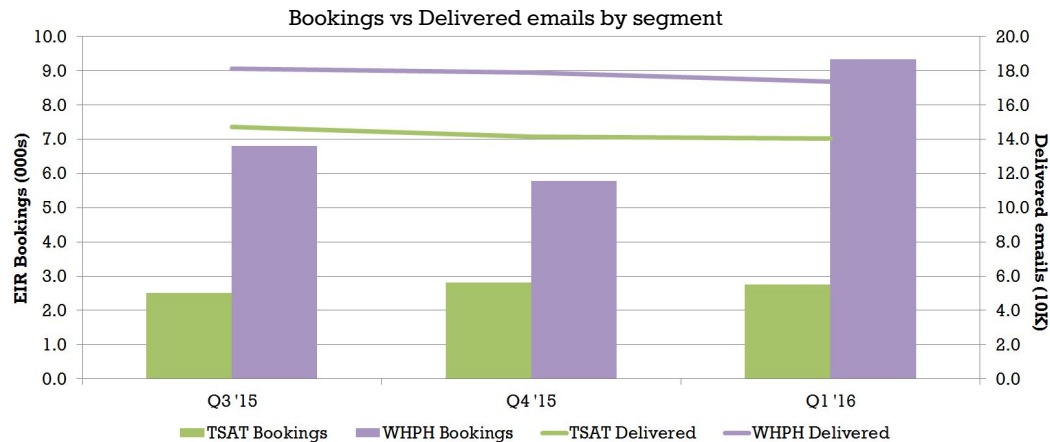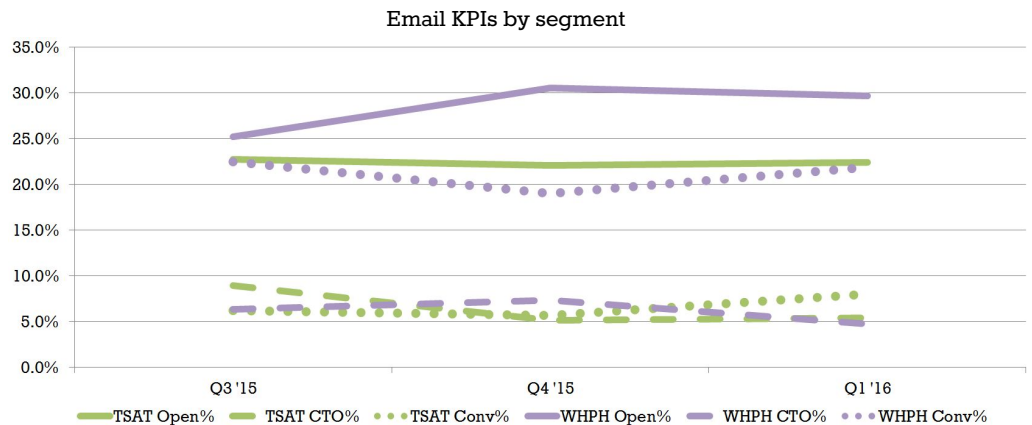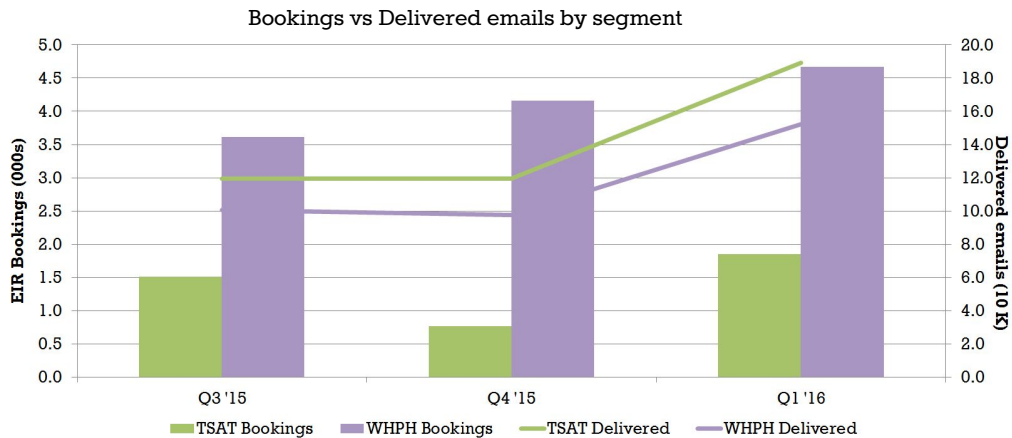 - Explore developing content & offers exclusive to PO segments

Appendix

Benefits Q1 performance trend summary

Bookings vs Delivered emails by segment

Email KPIs by segment

Offers Q1 performance trend summary

Bookings vs Delivered emails by segment

Email KPIs by segment

Destinations Q1 performance trend summary

Bookings vs Delivered emails by segment

TSAT Bookings · WHPH Bookings · TSAT Delivered · WHPH Delivered

Email KPIs by segment

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

Benefits overview and MoM trends

Observations

MRCC offer was a primary feature in Benefits over repeating MegaBonus as feature content (2nd month)

- Overall MRCC acquisitions: **1,482** (>10x monthly avg)
- For cardholders, alternate content was shown

    WHPH: 5th night Free   TSAT: Spring Offers

For each segment, the MegaBonus content featured below generated significantly more click engagement

While Open rates typically decline in March, strength of subject lines may have contributed to the decrease:

WHPH   Jan: Get Your 3rd Night Free

        Feb: Your Account: MegaBonus® Like a Winner, Jim

        Mar: Your Account: Conquer Your World, Jim

TSAT   Jan: Your Account: $300 Resort Credit

        Feb: Your Account: Your MegaBonus®

        Mar: Your Account: Go More Places Jim

Objective for the March benefits was MRCC acquisitions; overall click engagement and bookings may have been negatively impacted as a result

Bookings vs Delivered emails by segment

Email KPIs by segment
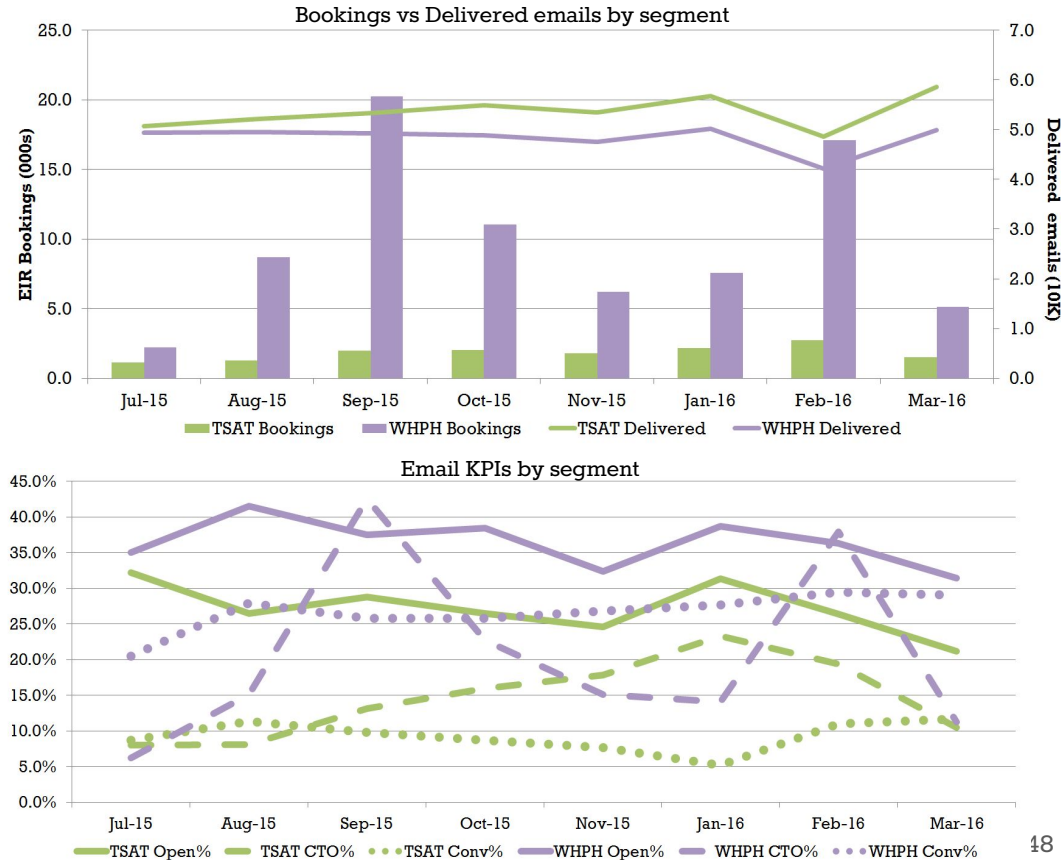
Offers overview and MoM trends

Observations

Featuring propensity model continued to yield results; highest bookings generated for the campaign

Both segment KPIs followed similar patterns with propensity modeled Field offers
- Click to Open rate decreased MoM
- Conversion rate increased

Clicks to propensity model field offers are declining MoM while clicks to Search are increasing; clicks are migrating to higher converting placements

Propensity modeled Field Offers were a significant positive change for WHPH & generated incremental positive change for TSAT

Bookings vs Delivered emails by segment
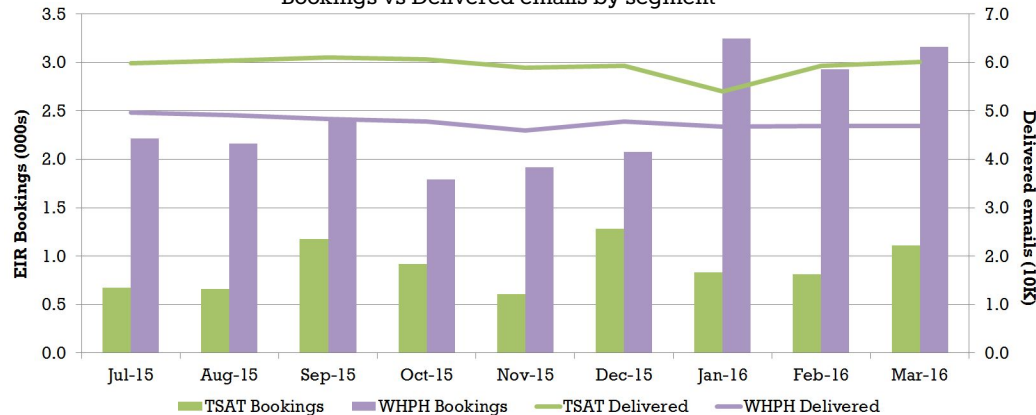
Email KPIs by segment
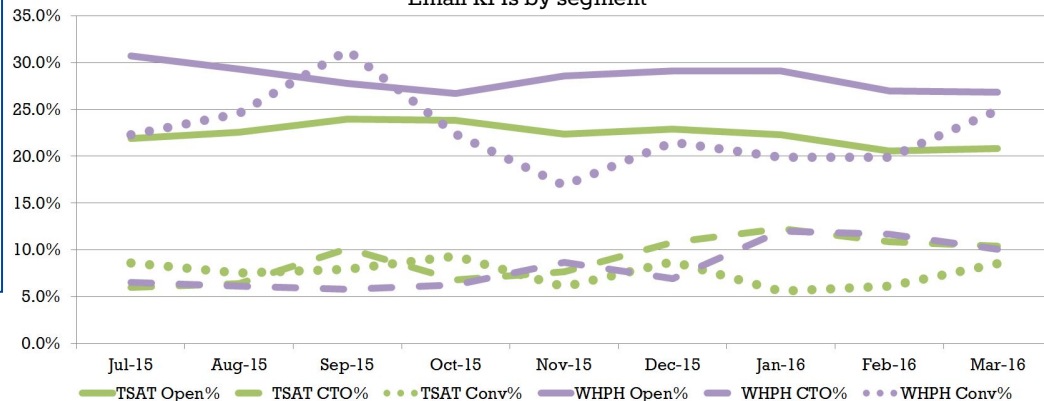
Destinations overview and MoM trends

Observations

Destinations content was updated in March to focus on connecting travel inspiration content with Marriott opportunities

Click to Open rate for both segments were near the campaign low, suggesting the new layout & content may not have been as engaging as Jan/Feb

<u>TSAT:</u>

Open rate fell MoM and were near campaign lows
- Feb SL: *We found your Next escape*
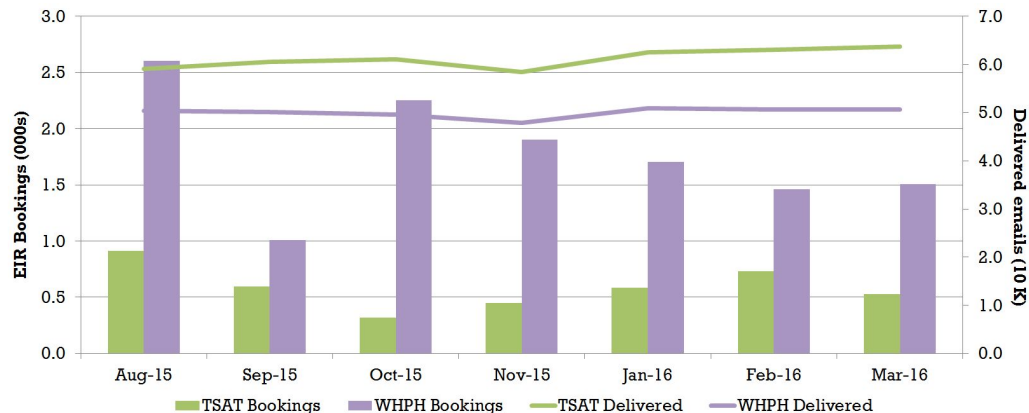- Mar SL: *It's Spring break somewhere*

<u>WHPH:</u>

Open rate was 2nd highest since PO launch
- Feb SL: *Jim, Take charge of your travel*
- Mar SL: *Your trip planner is here, Jim*
- (1st) Oct'15 SL: *Atlantis $250 airfare credit*

Performance baseline has been created for future comparison

Bookings vs Delivered emails by segment

Legend: TSAT Bookings, WHPH Bookings, TSAT Delivered, WHPH Delivered

EIR Bookings (000s) — Delivered emails (10 K)

Email KPIs by segment

Legend: TSAT Open%, TSAT CTO%, TSAT Conv%, WHPH Open%, WHPH CTO%, WHPH Conv%