

## Q1 2016 Marriott Rewards Email Program Review

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### Q1 2016 Key Storylines

- The Member Marketing email program generated the 2nd highest delivered emails, opens, & bookings of any quarter since Q1 '12
- Spring'16 MegaBonus maintained recent strong performance trends and included a new offer structure and expanded touchpoints
- Two compelling communications leveraged relevant data driven content:
   PO Offers & Summer Leisure Solo
- We continued to learn and optimize PO campaigns
  - Each of the three ongoing PO campaigns delivered their strongest quarter
  - Continue to generate insights into segment trends and affinities to content
- Multiple new campaigns launched to support 2016 goals & objectives:
  - Increase leisure travel, PO enrollment, increase bookings, travel inspiration
- Learning Agenda focused on content & image tests to increase click engagement

## Email program goals dashboard: YTD (4/23)

| As of April 23    | YTD            | YoY   | Goal      | Against 2016 Goal |
|-------------------|----------------|-------|-----------|-------------------|
| EIR Bookings      | 255 K          | +6.2% | N/A       | N/A               |
| Room Nights       | 567 K          | +2.1% | 1,687,830 | +2.6%             |
| MRCC Acquisitions | 9.5 K (Q1 YTD) | -     | 35,000    | +27.2%            |

| Customer    | YTD RN | YoY RN |
|-------------|--------|--------|
| All Members | 546 K  | 1.8%   |
| Platinum    | 134 K  | -17.8% |
| Gold        | 121 K  | -11.1% |
| Silver      | 139 K  | 18.8%  |
| Basic       | 152 K  | 26.3%  |
| Non-member  | 21 K   | 12.1%  |

### Email program KPI dashboard: Q1 2016

|                           | Q1 2016 | Q1 2015 | YoY%   |
|---------------------------|---------|---------|--------|
| Mailable Members          | 11.9 M  | 10.8 M  | +10.2% |
| Room nights               | 1.34 M  | 1.36 M  | -1.8%  |
| EIR Bookings              | 549 K   | 544 K   | +1.0%  |
| EIR Bookings/Delivered(K) | 2.1     | 2.8     | -23.5% |
| Emails Delivered          | 260 K   | 197 K   | +32.1% |
| Open Rate                 | 23.2%   | 25.6%   | -9.6%  |
| Click to Open Rate        | 9.0%    | 11.1%   | -18.9% |
| Booking Rate              | 10.2%   | 9.7%    | +4.3%  |
| Unsubscribe rate          | 0.30%   | 0.19%   | +57%   |

- Spring '16 MegaBonus did not launch until late Jan
- Q1 '16 delivered more non-booking and non-click incenting Solos than Q1 '15
  - Shop Marriott generated half the clicks YoY
  - Freddie's went to 3x the audience YoY
  - NFL Sweepstakes Winner announcement did not generate clicks

## YoY Delivered, Clicks, Room nights

### **Observations**

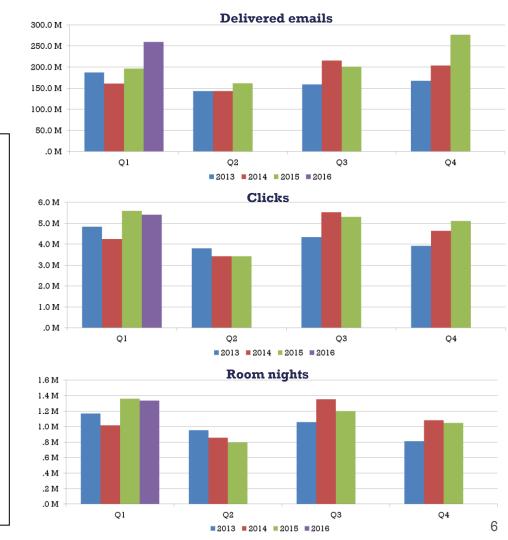
Q1 '16 delivered 32% more emails than Q1'15 & 62% more than Q1 '14

Despite a larger overall delivery volume in Q1 2016, 3.2% less clicks were generated than 2015

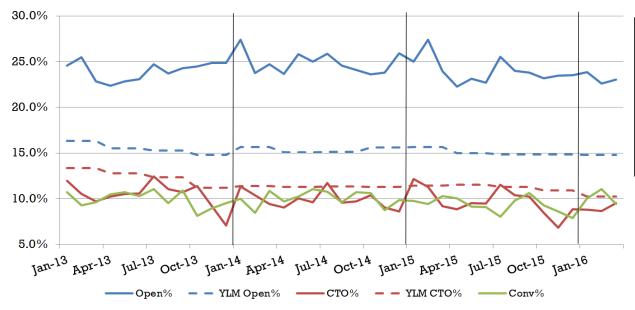
Less MegaBonus availability in Jan impacted clicks & bookings

Multiple high volume Q1 '16 Solos did not generate clicks

- Shop Marriott generated half the clicks YoY
- · Freddie's went to 3x the audience YoY
- NFL Sweepstakes Winner announcement did not generate clicks



### MoM & YoY KPI's: 2013 to Q1 2016



### YLM 2016 Q1 hospitality/travel benchmarks

**Open Rate: 13.7%** Δ YoY: -16.0%

**MR**: 23.2% Δ YoY: -9.6%

**CTOR:** 7.9% Δ YoY: -24.0%

**MR:** 9.0% Δ YoY: -18.9%

### **Observations**

Open rates and Click to Open rate are slowly declining:

- · Across all YLM email clients
- YLM Hospitality/travel sector
- Marriott Rewards email program

### Campaign Summary: Jan-Mar 2016

|            |               |           |          |          |          |           | _        |          |          |
|------------|---------------|-----------|----------|----------|----------|-----------|----------|----------|----------|
|            |               |           | eNews +  | HS +     |          |           |          |          |          |
|            |               | Program   | Benefits | Offers   | Solos    | Lifecycle | MRCC     | METT     | Dest.    |
|            | Total         | 259.9 M   | 34.8 M   | 30.4 M   | 85.9 M   | 12.9 M    | 35.5 M   | 18.1 M   | 41.7 M   |
| ø          | Delivered     | 32.1%     | 10.1%    | 1.6%     | 36.9%    | 79.2%     | 20.8%    | -3.7%    | 142.9%   |
| Audience   |               | 0.30%     | 0.27%    | 0.13%    | 0.32%    | 0.55%     | 0.36%    | 0.16%    | 0.31%    |
| ldi        | Unsub Rate    | 0.1%      | 0.1%     | 0.0%     | 0.2%     | 0.0%      | 0.1%     | 0.0%     | 0.1%     |
| ×          |               | 99%       | 99%      | 100%     | 99%      | 96%       | 99%      | 96%      | 99%      |
|            | Delivery Rate | -0.3%     | 0.4%     | 0.6%     | -0.3%    | -0.5%     | 0.0%     | -3.5%    | -0.3%    |
|            |               | 23.2%     | 22.0%    | 19.8%    | 25.1%    | 34.8%     | 21.8%    | 25.2%    | 19.2%    |
|            | Open Rate     | -2.5 pts  | -2.9 pts | -0.5 pts | -3.7 pts | -1.6 pts  | -0.8 pts | -1.3 pts | -5.0 pts |
|            |               | 60.2 M    | 7.6 M    | 6.0 M    | 21.6 M   | 4.5 M     | 7.8 M    | 4.6 M    | 8.0 M    |
| Engagement | Opens         | 19.3%     | -2.5%    | -1.1%    | 19.2%    | 71.4%     | 16.3%    | -8.4%    | 92.9%    |
| em         | CI: 1 D /     | 2.1%      | 3.3%     | 1.9%     | 2.4%     | 6.5%      | 0.7%     | 1.0%     | 1.0%     |
| gag        | Click Rate    | -0.8 pts  | -1.2 pts | -0.2 pts | -1.2 pts | -2.1 pts  | -0.1 pts | 0.0 pts  | -0.5 pts |
| Eng        |               | 5.4 M     | 1.1 M    | 570.1 K  | 2.0 M    | 835.9 K   | 257.6 K  | 173.3 K  | 400.4 K  |
|            | Unique Clicks | -3.2%     | -19.5%   | -10.3%   | -10.0%   | 35.9%     | 4.9%     | -3.3%    | 61.6%    |
|            | Click to Open | 9.0%      | 14.9%    | 9.5%     | 9.4%     | 18.6%     | 3.3%     | 3.8%     | 5.0%     |
|            | Rate          | -2.1 pts  | -3.1 pts | -1.0 pts | -3.1 pts | -4.9 pts  | -0.4 pts | 0.2 pts  | -1.0 pts |
|            |               | 549.4 K   | 129.8 K  | 50.7 K   | 209.5 K  | 72.4 K    | 28.4 K   | 17.1 K   | 40.9 K   |
|            | Bookings      | 1.0%      | -20.2%   | 2.6%     | 2.9%     | 18.2%     | 46.0%    | 1.3%     | 33.8%    |
| -          | -             | \$204.9 M | \$50.0 M | \$18.7 M | \$76.3 M | \$29.0 M  | \$9.8 M  | \$6.3 M  | \$14.6 M |
| lci        | Revenue       | -0.2%     | -20.4%   | 3.7%     | 0.7%     | 13.8%     | 34.0%    | 4.8%     | 47.1%    |
| Financial  | Conversion    | 10.2%     | 11.4%    | 8.9%     | 10.3%    | 8.7%      | 11.0%    | 9.9%     | 10.2%    |
| E          | Rate          | 0.4 pts   | -0.1 pts | 1.1 pts  | 1.3 pts  | -1.3 pts  | 3.1 pts  | 0.5 pts  | -2.1 pts |
|            | Bookings per  | 2.1       | 3.7      | 1.7      | 2.4      | 5.6       | 8.0      | 0.9      | 1.0      |
|            | Delivered(K)  | -23.5%    | -27.5%   | 1.0%     | -24.9%   | -34.1%    | 20.8%    | 5.2%     | -44.9%   |

**Program Summary** 

Compared to Q1 '15, deliveries increased 32% while bookings increased 1.0%, resulting in a decrease in Booking per delivered of 24%

Open & Click to open rate fell program-wide YoY

Spring '16 MegaBonus launched late Jan and was not featured in Jan eNews

After steady declines throughout 2015 Hotel Specials has shown incremental improvements

New Lifecycle campaigns generated significant delivery, click, and booking increases with less efficiency than long-standing campaigns

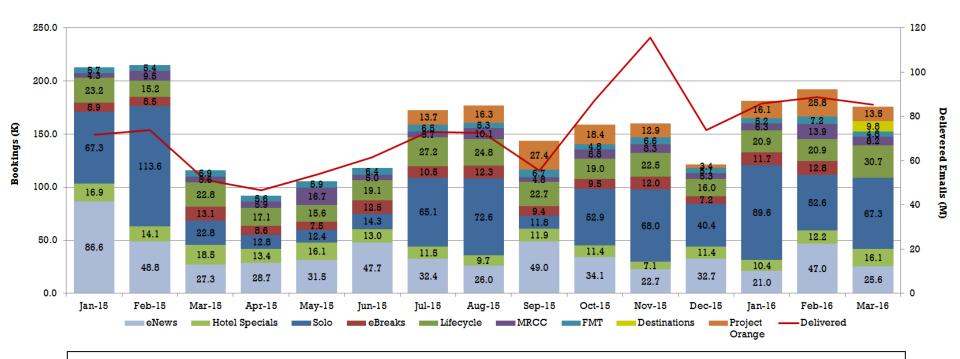
High volume Solos in Q1'16 were non-booking focused

Concierge ended & Destinations launched in March to the Core audience

<sup>\*</sup> Calculated using Mailable Openers\*\* from Active, Inactive, and Non Member Counts

<sup>\*\*</sup> Total Mailable minus anyone who has not clicked/opened an email in past 15 months

### Executive Summary: MoM campaign trends



#### **Observations:**

2016 avoided a typical March slump in bookings due mostly to incremental Solo mailings: Shop Marriott sweepstakes, Freddie's reminder, & MegaBonus touchpoints helped generate an incremental 44.5 K bookings in Solo campaigns

+ Spring '16 MegaBonus generated as of March 150 K bookings & \$48.7 M

## Spring '16 MegaBonus through Q1

### **Observations**

- Spring '16 MegaBonus continued to be on pace to generate bookings against recent MB campaigns
- Bookings/delivered has fallen as MegaBonus has been featured in more touchpoints with large audiences and less focus (e.g. modules in Hotel Specials)

| MegaBonus<br>First 3 Months | Delivered | EIR Bookings | EIR Revenue | Bkngs/<br>Dlvd |
|-----------------------------|-----------|--------------|-------------|----------------|
| Spring '15                  | 48.6 M    | 165.2 K      | \$45.60 M   | 3.4            |
| Fall '15                    | 48.6 M    | 147.3 K      | \$48.89 M   | 3.0            |
| Spring '16                  | 62.2 M    | 151.0 K      | \$48.68 M   | 2.4            |

<sup>\*</sup> Note: Spring '16 to date results do not include Nonmember welcome or Display media

## MegaBonus continued to evolve with a new promotion type and increased touchpoints

- First Free night positioning in over 2 years
- New standalone mailings & featured in more campaigns

Impact (registrations, participation) of new promotion type should be understood to increase how orchestration can optimize MegaBonus further

### PO segment dedicated imagery/copy



#### Offers modules to non-registrants



#### Nonmember Welcome



#### Display Media: FB/GDN



#### Achievement



## Two compelling communications + leveraged relevant data driven content:

- PO Offers
- Summer Leisure Solo

### Targeted Field Offers generated more clicks



Find more places to put your points to work this December.



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

## Propensity model was leveraged to inform content in March Leisure Travel Solo TSAT Version Subject Line: Jim's

Leisure Travel Solo was deployed to motivate Leisure travel bookings to a highly targeted audience; Propensity-model featured one of six destinations as main feature content

### Generated Email KPI's above program average

| Open rate:                  | 27.9% | (+20%) |
|-----------------------------|-------|--------|
| Click to Open rate:         | 7.2%  | (-20%) |
| Conversion rate:            | 15.0% | (+47%) |
| Booking/Delivered Email (K) | 3.0   | (+43%) |

Performance was similar to Destinations (WHPH)

Orchestration opportunity is to create further personalization in future communications: "We recommend for you..."

### Future Opportunities:

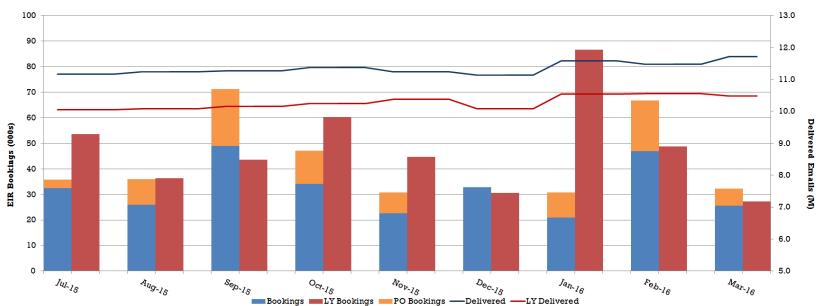
- · Include targeted offers
- Reference previous trips & activities
- Recommend similar brand experiences

Summer Vacation plans G. Find A Hotel Leveraged Propensity model to feature destination Where Will You Go Next? Targeted copy for featured destinations

Ongoing Project Orange learning& optimizations

## Starting Feb 2016, eNews generated more bookings than 2015 eNews





## WHPH/TSAT click engagement was higher with eNews Core than Benefits in March

| Mar eNews/           | Delivered | Onona   | EIR      | EIR       | Open% | CTO9/  | C0/      | Bkngs/ | Unsub%  |
|----------------------|-----------|---------|----------|-----------|-------|--------|----------|--------|---------|
| Benefits             | Delivered | Opens   | Bookings | Revenue   | Open/ | C10 /6 | COIIV /6 | Dlvd   | onsub/o |
| TSAT eNews           | 64.7 K    | 14.5 K  | 257      | \$96.3 K  | 22.4% | 18.0%  | 9.9%     | 4.0    | 0.16%   |
| <b>TSAT</b> 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%   |         |

Global control campaign and segment level reporting was enabled in March

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







### 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

## Starting Feb 2016, Hotel Specials generated more bookings than 2015



### Trends suggest Hotel Specials will continue to improve

- · Conversion rate was high across all segments and sections
- YoY, including MegaBonus touchpoints increased Conversion rate
- · Global control campaign & segment level reporting will be available for May reporting

## Continued to find opportunities to increase clicks & bookings for Hotel Specials

#### **Observations**

Adding eBreaks appeared to drive incremental clicks to TSAT Offers

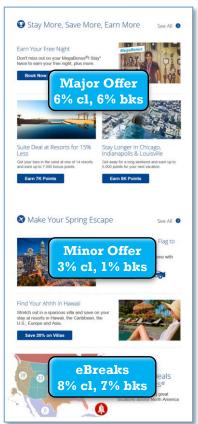
| TSAT<br>Sections | Jan<br>Clicks | Feb<br>Clicks | Mar<br>Clicks |
|------------------|---------------|---------------|---------------|
| Account Box      | 2.7 K         | 3.0 K         | 3.0 K         |
| Top Offer        | 11.4 K        | 9.6 K         | 7.7 K         |
| Search           | 1.1 K         | 1.9 K         | 1.9 K         |
| Major Offer      | 1.3 K         | 1.0 K         | 897           |
| Minor Offer      | 1.2 K         | 939           | 429           |
| eBreaks          |               |               | 1.2 K         |
| Footer           | 948           | 934           | 831           |
| Total            | 18.6 K        | 17.4 K        | 16.1 K        |

eBreaks likely cannibalized clicks from Minor Offer but likely generated additional clicks

TSAT & WHPH shared same layout, same # of offers in Feb & Mar;
 TSAT clicks fell 10% MoM, WHPH fell 20%

eBreaks as a section generated higher Conv% than Top Offer and nearly all other offers





## Case Study:

## TSAT prefer US destination over international

#### **Observations**

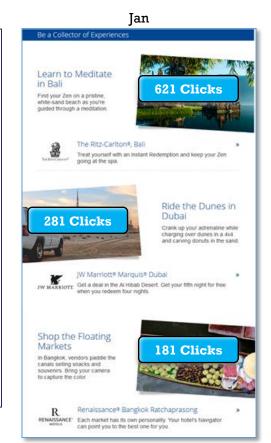
Jan & Feb TSAT Destinations featured 3 destinations supported by on-site properties

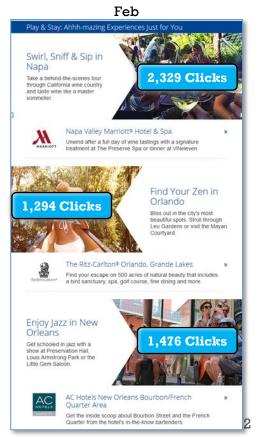
Jan featured three international destinations; Feb featured US destinations

 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





## Q1 discovered and continued some segment tendencies & trends

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 well US destinations over international
- Image focused
- eBreaks as offer content

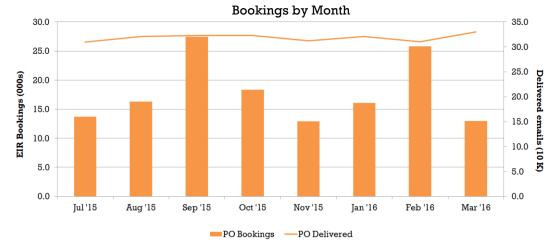
### **WHPH**

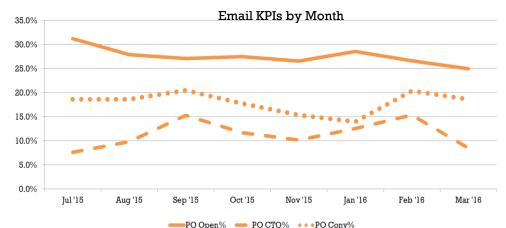
- Engage with product redemptions
- Engage well with survey & videos
- Responded well to stay benefits (5th night free)
- May scan content, but not explore
- There is value to maintaining persistent presence in inbox for access
- Loves MegaBonus
- Propensity offers may be more "accurate"
- Engage well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

### Mar '16 Email overview & MoM trends

Before a dip in March, Click to Open rate had been steadily increasing, doubling since launch

- March follows a MegaBonus launch month where KPIs historically fall
- March Benefits (ft MRCC in Top Offer) drove down overall program Open rate & Click to Open rate
- TSAT Destinations CTO% fell by 25% MoM





## Multiple new campaigns launched to support 2016 goals & objectives

- Summer Leisure Solo
  - Destinations
  - Nonmember Acquisition (WHPH)
  - Onboarding

### Concierge's last mailing was Feb 29<sup>th</sup>

Which City Has the Most Home Team Pride?

Open rate: 16.8%

CTOR: 3.4%



Have You Dined Here? 7 Must-Try Places

Open rate: 17.8%

CTOR: 4.4%



2/15

3 Apps to Make Business Travel More Fun

Open rate: 16.2%

**CTOR: 4.4%** 



2/22

3 Must-Do March Events

Open rate: 17.4%



2/29

Where to Travel This Leap Year

Open rate: 16.2%



## Concierge ended and Destinations launched to the Core audience

### **Key differences**

- 6 M new audience members, mailed once a month
- · Increased, integrated content
- · No eBreaks module

| Travel              | Delivered | EIR      | EIR       | Open%   | СТО%  | Conwo | Bkngs/ |
|---------------------|-----------|----------|-----------|---------|-------|-------|--------|
| Inspiration         | Delivered | Bookings | Revenue   | Open 70 | 01076 | COILV | Dlvd   |
| <b>Destinations</b> | 10.8 M    | 11.9 K   | \$4.1 M   | 22.3%   | 4.7%  | 10.5% | 1.1    |
| Core                | 9.7 M     | 9.8 K    | \$3.37 M  | 22.0%   | 4.7%  | 9.8%  | 1.0    |
| PO                  | 1.1 M     | 2.0 K    | \$754.6 K | 25.4%   | 4.5%  | 15.4% | 1.8    |
| Concierge           | 16.2 M    | 12.8 K   | \$4.5 M   | 16.8%   | 4.3%  | 10.9% | 0.8    |
| Feb-l               | 3.2 M     | 1.9 K    | \$642.4 K | 16.8%   | 3.4%  | 10.4% | 0.6    |
| Feb-8               | 3.1 M     | 2.7 K    | \$944.2 K | 17.8%   | 4.4%  | 10.9% | 0.9    |
| Feb-15              | 3.3 M     | 3.1 K    | \$1.09 M  | 16.2%   | 4.4%  | 13.3% | 0.9    |
| Feb-22              | 3.3 M     | 2.8 K    | \$978.8 K | 17.4%   | 5.2%  | 9.2%  | 8.0    |
| Feb-29              | 3.3 M     | 2.4 K    | \$823.8 K | 16.2%   | 4.1%  | 10.8% | 0.7    |

### Destinations was able to deliver travel inspiration content to a greater audience

- Less resources
- Greater integration with travel inspiration and travel & property recommendations
- Baseline of open and click engagement from weekly Concierge

#### Destinations

Your Trip Planner Is Here, [FNAME]



### PO Destinations evolved throughout Q1

#### **February Version**



#### March Version



MoM changes generated insights to further improve Destinations

#### MoM:

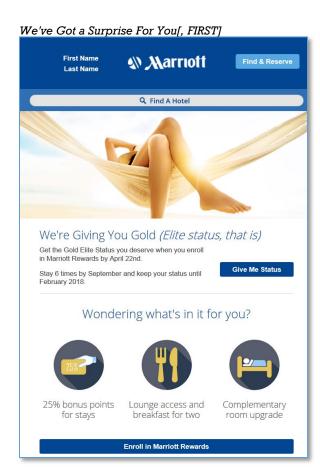
- Click to Open rate fell 25%
- Overall click volume dropped by 32%

March version featured destinations while Feb connected Brands to experiences

TSATs again seemed to engage well with Brand content (supported by other content analysis)

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

### WHPH 'Taste of Gold' Solo to drive enrollments



| PO<br>Taste of Gold | Delivered | Enrollments | Open% | сто% | Enroll<br>Conv% | Enroll<br>/Dlvd(K) |
|---------------------|-----------|-------------|-------|------|-----------------|--------------------|
| Mar '16             | 5.6 K     | 46          | 29.9% | 3.3% | 83.6%           | 8.2                |

## Enrollment metrics from other campaigns should be compared against these results

The Solo generated a lower CTO% than other Nonmember communications

Consider targeting all nonmembers in future enrollment efforts to pick up unidentified WHPH & TSAT

## Onboarding to increase program loyalty with early engagement





| Early<br>Engagement | Delivered | EIR<br>Bookings | EIR<br>Revenue | Open% | сто%  | Conv% | Bk/<br>Del (K) |
|---------------------|-----------|-----------------|----------------|-------|-------|-------|----------------|
| Onboarding          | 270.0 K   | 349             | \$122.2 K      | 18.2% | 9.8%  | 7.2%  | 1.3            |
| Series 1            | 127.5 K   | 197             | \$66.6 K       | 20.1% | 10.7% | 7.2%  | 1.5            |
| Series 2            | 89.1 K    | 123             | \$42.2 K       | 16.9% | 9.9%  | 8.2%  | 1.4            |
| Series 3            | 48.4 K    | 28              | \$13.4 K       | 16.1% | 7.2%  | 5.0%  | 0.6            |
| Series 4            | 4.9 K     | 1               | \$89           | 16.1% | 4.5%  | 2.8%  | 0.2            |
| Welcome             | 2.1 M     | 6.4 K           | \$2.9 M        | 34.7% | 19.0% | 4.7%  | 3.1            |
| Welcome             | 284.2 K   | 2769            | 1.3 M          | 47.2% | 22.8% | 9.1%  | 9.7            |
| Points EES1         | 273.6 K   | 912             | \$381.2 K      | 36.5% | 18.1% | 5.1%  | 3.3            |
| Points EES2         | 266.1 K   | 512             | \$213.0 K      | 31.3% | 13.8% | 4.5%  | 1.9            |
| Points EES3         | 253.8 K   | 619             | \$285.1 K      | 28.3% | 11.2% | 7.7%  | 2.4            |
|                     |           |                 |                |       |       |       |                |

## Require non-standard email KPI's to understand impact

- Drive new member loyalty at a faster rate
- Increase # of new members booking their 2nd stay

#### Early performance benchmarks

- Open rate after the first message below program avg
- Click to Open rate starts at program avg, falls to similar CTO as Concierge/Destinations

Continue to monitor and connect to longer term engagement KPI's

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# Learning Agenda focused on + content & image tests to increase click engagement

## Destinations table of content 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

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

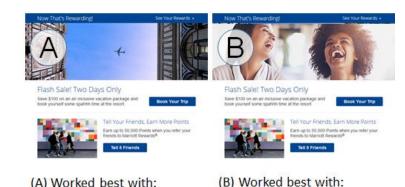
Q1 image testing centered around Lifestyle vs property image testing to optimize messages

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



#### Lower points balance

(less than 70K)

· Mild weather

Females

### 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

· High points balance

(greater than 70K)

Level Silver or Above

6.7% Lift over Control



## Learning Agenda to focus on driving key objectives

- 1) Prioritize testing roadmap
  - A) Objective: Member growth

    Question to answer in Q2/Q3: What content & incentives are valuable to drive member enrollment?
  - B) Objective: Increase bookings
    Question to answer in Q3: 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



|                      | Apr  | May   | Jun                                    | Jül                  | Aug                                     | Sep    | Oct | Nov | Dec   |
|----------------------|--|---|--|----------------------|---|--------|-----|-----|---|
| Overall<br>Message   | Book Direct<br>MEO                                       | MRMR  | Marwood Integration                    |                      | Forficio<br>Seveci                      |        |     |     | Teor In<br>Breitw                           |
| Test Objective       | Inegery  | Imagery                                     | Imagery                                | Sereth               | Imagery <sup>2</sup>                    | Offers |     |     | Imagery                                     |
| limali               | Lesefier<br>on<br>properly<br>(pool,<br>room,<br>comman  | Bor vs.<br>Destinatio<br>t: vs.<br>Utestyle | Property v.<br>Destination<br>n w/ ppl | Stay v. Non<br>Stay  | Property v.<br>Destination<br>n w/a ppl |        |     |     | Active<br>Inagery of<br>Relating<br>Inagery |
| 10                   | Lecenter<br>on<br>property<br>(pool,<br>toors,<br>comman | Bor vs.<br>Destinatio<br>6 vs.<br>Lifestyle | Property v.<br>Destination witch       | Tray v. Not<br>Step  | Property v.<br>Destinatio<br>v w/o pol  |        |     |     | Active<br>magery v<br>Recomp<br>insigery    |
| Landing Page         | Pool   | Borvs<br>Destrictlo<br>trvs<br>Utestyle     | Property v.<br>Destination navigo!     | Stay v. Non<br>Stay  | Property v.<br>Destinatio<br>n.w/o.pol  |        |     |     | Active<br>mapery is<br>Relaying<br>Imagery  |
| Display <sup>1</sup> | Desertion on property (pool, room, common                | Bor vs.<br>Destinatio<br>trivs.<br>Destyle  | Property v.<br>Destination w/ ppi      | Shay v. Noti<br>Shap | Property v.<br>Destination<br>n w/o ppl |        |     |     | Active<br>inagery of<br>feloring<br>imagery |



## **Key Takeaways**

### Q1 2016 Key Takeaways

### **Q1** Learnings

- Increased MegaBonus exposure continued to drive click engagement & bookings
- Destinations delivered travel inspiration content to a greater audience at less resource cost
- Ongoing content, offer, and image PO segment preferences that optimize each campaign

### Continue to explore opportunities to deliver data-driven relevant content like:

- Targeted offers in PO Offers
- Preferred destinations in Leisure Travel Solo

### Leverage the Learning Agenda to manage testing and maintain a best practice library

### Additional KPIs are required to more accurately gauge contribution of email:

- MegaBonus program <u>registration</u> tracking for Fall'16
- Nonmember program <u>enrollments</u> against evergreen & adhoc initiatives
- Onboarding influencing a <u>next stay within 6 months</u> and increasing program engagement
- Destinations influencing future booking & brand preference
- MRCC acquisitions that email campaigns drive
- Email program & campaign contribution to 2016 goals & objectives



# Next Steps

## Project Orange 2016 goals

| PO Goals  | WHPH Goal                                  | TSAT Goal |  |  |  |  |
|---|--|-----------|--|--|--|--|
| Bookings  | Incremental lift over Global Control Group |           |  |  |  |  |
| Acquisitions  | 34,511                                     | 311,239   |  |  |  |  |
| Elite Status Migration<br>(Increase in % Basics to Elite) | N/A  |           |  |  |  |  |
| New Brand Trial (% of customers with)                     | 28.9%                                      | 22.3%     |  |  |  |  |
| Leisure Stay (% of customers with)                        | 29.8%                                      | 18.6%     |  |  |  |  |

## Requests:

Quarterly (monthly?) updates Email program (Channel) contribution Email campaign (Mailing) contribution

## Summary of YLM KPI requests

| Goals                     | Program | YTD<br>Tracking | PO<br>(WHPH &<br>TSAT) | Email<br>Contribution | Email Campaign<br>Contribution |
|---------------------------|---------|-----------------|------------------------|-----------------------|--------------------------------|
| Room Nights               |         |                 |                        |                       |                                |
| MRCC<br>Acquisition       |         |                 | N/A                    |                       |                                |
| Email KPIs                |         |                 |                        |                       |                                |
| WHPH/TSAT<br>Acquisitions |         |                 |                        |                       |                                |
| Elite status migration    |         |                 |                        | •                     |                                |
| New Brand trial           |         |                 |                        |                       |                                |
| Leisure stay              |         |                 |                        |                       |                                |

- YLM has or can easily get
- YLM could have, or is close to having, but not available today
- Hasn't been explored

# Q1 2016 Key storylines: how to impact things coming up

### **Orchestration**

- Leverage propensity model
- Lifecycle, identified behaviors
  - Like to be congratulated,
- Are there communications that would be further enhanced by orchestration?

### **SPG**

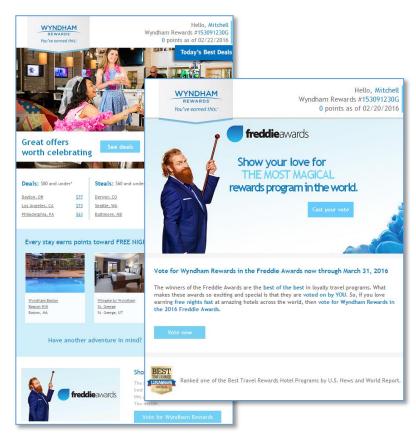
- Communication & content gaps
- Leverage SPG merger as a way to join...



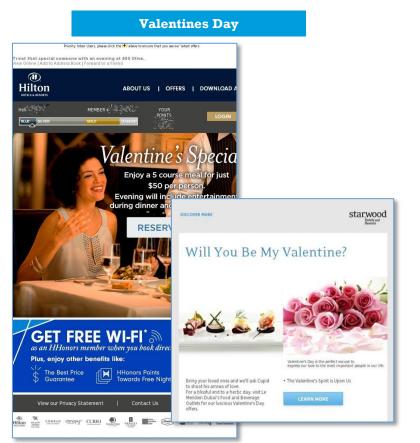
# Competitive Insights

# Freddie Awards were featured in multiple touchpoints with Reminders in Feb & March

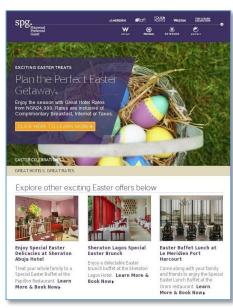




## Q1 Energy moments



#### **Easter Offers**



### **Spring Break**



## Hilton launched new account box

#### **Hilton Account Statement**

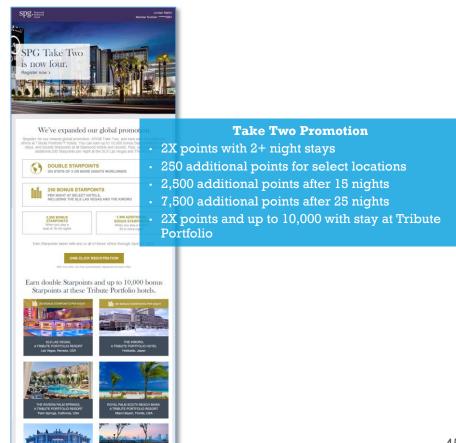
- · Dedicated real-estate to member activity
- "Account Alerts" positioned as personalized notes





## Starwood increased promotional points offers





## Hilton Spring Flash Sale





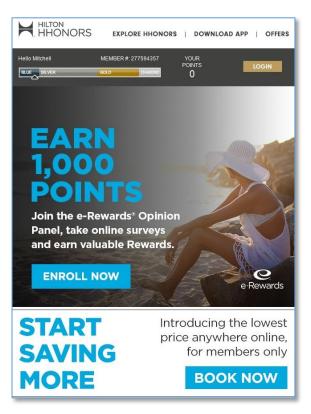


## Persistent Hilton direct booking message

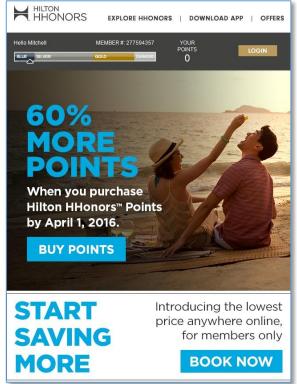
**Spring Theme DC offer** 



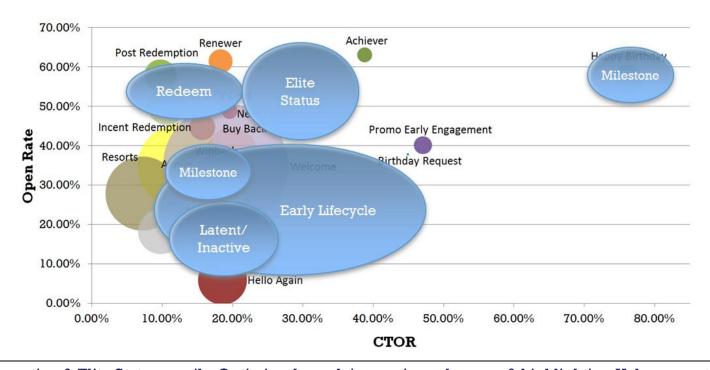
eRewards Opinion Panel



Point Purchasing Offer
• Receive 60% more point by April 1



# Redemption, Elite status & milestone campaigns drove high engagement



<u>Redemption & Elite Status emails</u>: Optimize through increasing relevancy & highlighting Halo properties <u>Early Lifecycle</u>: Monitor Onboarding campaign and segment content based on member engagement <u>Latent/Inactive</u>: **Incrementally optimize to showcase new program features & offering; incentives**  +Thank You!



Appendix

## Paid media Q1 summary

| PO<br>segment | Cost      | Imp    | Book   | GRE  | 2015 GRE<br>Total |
|---------------|-----------|--------|--------|------|-------------------|
| WHPH          | \$243.1 K | 47.3 M | 35.6 K | 46.3 | 16.5              |
| TSAT          | \$108.3 K | 23.5 M | 8.2 K  | 22.6 | 3.6               |
| Total         | \$351.4 K | 70.8 M | 43.8 K | 39.0 | 10.9              |

By Q1, creative was fully coordinated with supporting major MR initiatives

### Landing Page Hero





