



Q2 2017 EMAIL PROGRAM REVIEW

August 15, 2017

yes

Q2 REVIEW MEETING AGENDA

- 📍 Email Engagement Performance
- 📍 Review of Key Initiatives
- 📍 Campaign Highlights
- 📍 Key Opportunities and Takeaways

Q2 ENGAGEMENT PERFORMANCE

Q2 '17 EMAIL PROGRAM PERFORMANCE

- Program declines correlate with fewer Solo's sent
- Lower email engagement metrics resemble enterprise revenue declines

20.2MM

Mailable Members

+1.2% QoQ

+17.4% YoY

223.5MM

Emails Delivered

-19.4% QoQ

-2.9% YoY

23.6%

Open Rate

+3.9% QoQ

-1.8% YoY

8.9%

CTO Rate

+4.3% QoQ

-4.8% YoY

993.4K

Room Nights

-21% QoQ

-18.0% YoY

9.2%

Conversion Rate

-7.5% QoQ

-6.2% YoY

1.9

Bookings/Delivered (K)

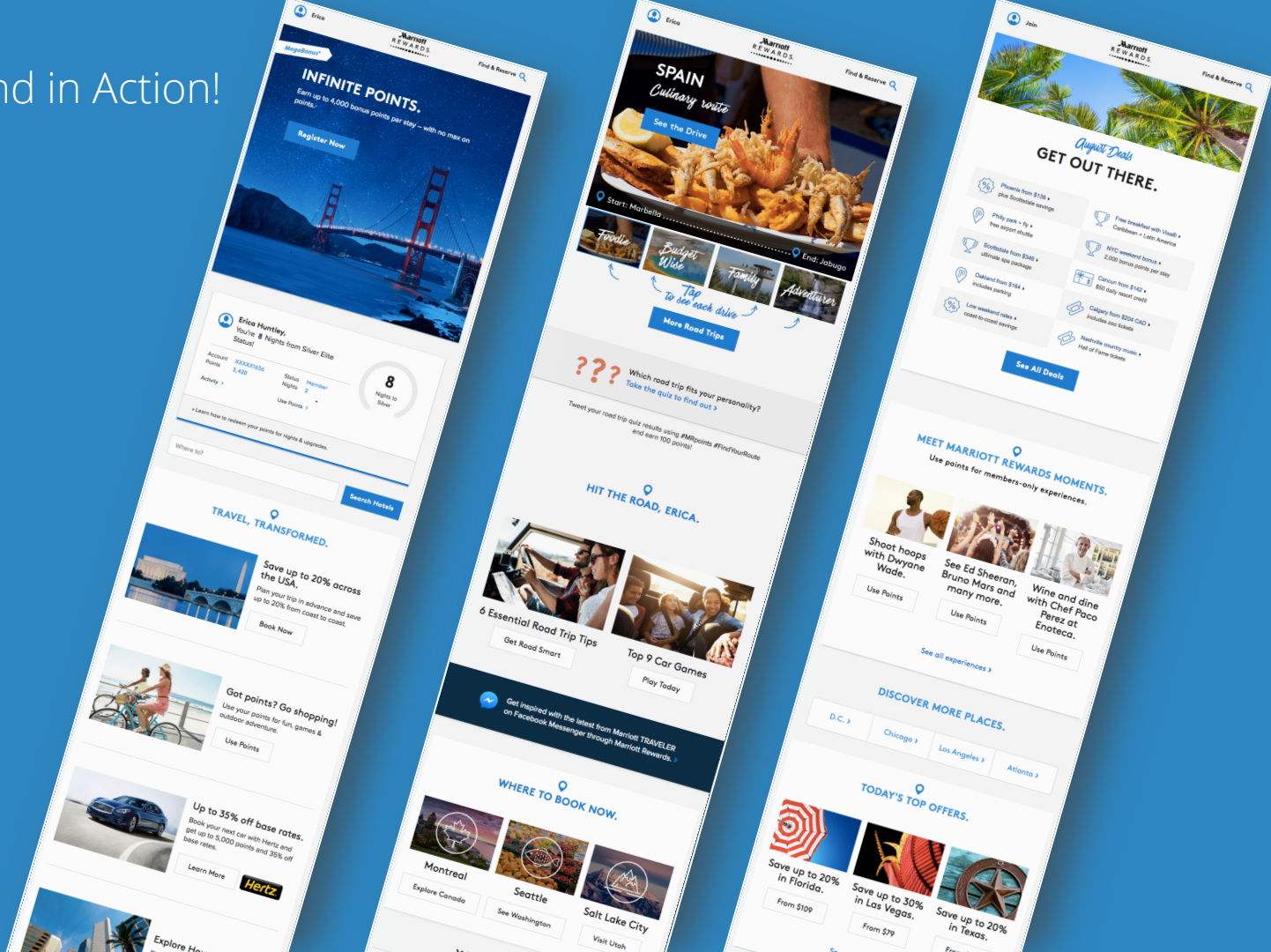
+0.2% QoQ

-12.3% YoY

KEY INITIATIVES & CAMPAIGN HIGHLIGHTS

Template 2.0 Live and in Action!

- eNews
- Destinations
- Hotel Specials



2.0 TEMPLATE IMPLEMENTATION UPDATE

- All emails created in new template
- First BAU email was July 6th eNews
- Launched 107 automated campaigns in the new template by end of June (31% of 350)
 - 53% completed as of Aug 15 (185 messages)
- Prioritized Orchestration campaigns
 - Abandon Search, Achievers, Lifetime Achievers, and Renewers
- Member Module may not be needed with single-focused campaigns

SPIKE IN KEY ABANDONED SEARCH METRICS

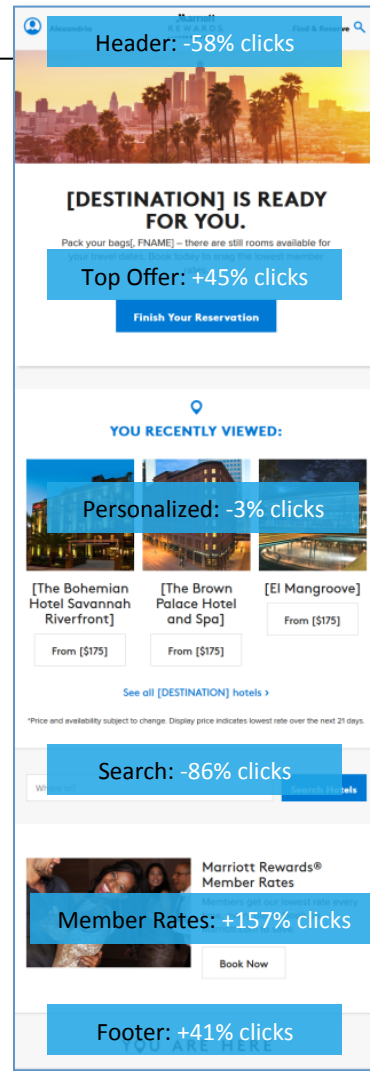
Initial Observations:

- 3% increase in total clicks without Member Module
- Top Offer increased in clicks, room nights and revenue compared to 1.0 version
- The locations module section is declining in overall performance
- Deeper dive is needed to understand and pinpoint module declines by email versions

Next steps:

- Subject line and post-click test in planning stages
- Continue to monitor

*Pre/Post % of
Clicks Change



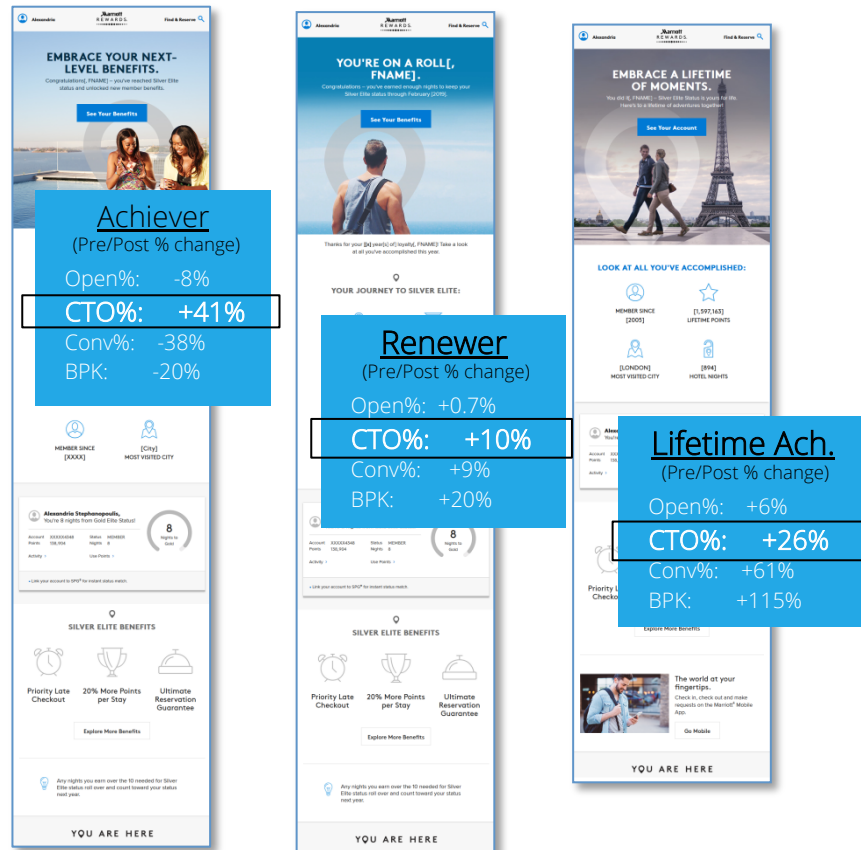
JUNE LAUNCHES: TEMPLATE 2.0 (6/28) + ORCHESTRATION (6/30)

Initial observations:

- CTO% increased in all cases with new creative
- Loss of Member Module may be compensated with an increase in compelling content

Next Steps:

- Conduct Renewer and Achiever analysis at elite status level



CTO% IMPROVED WITHOUT THE INCLUSION OF MEMBER MODULE IN MEGABONUS REG.

CONFIRMATION

Initial observations:

- CTO% increased 7% after template change
- Changes include new Header, Footer and no Member Module

Next Steps:

- Continue to monitor to determine impact of template changes

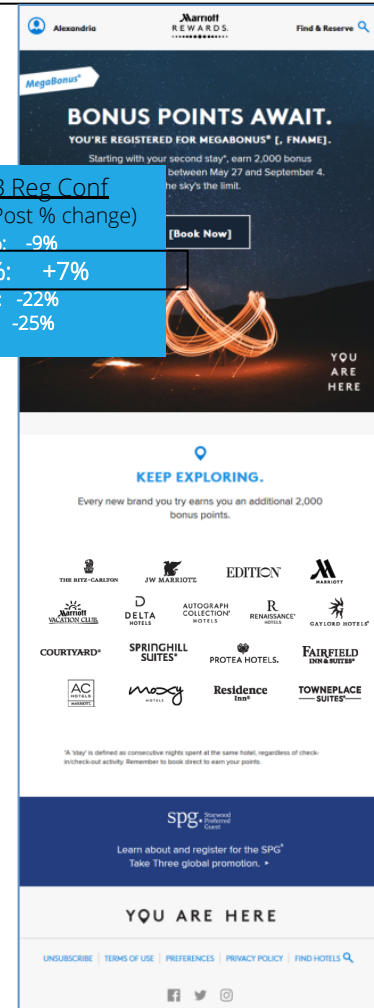
MB Reg Conf
(Pre/Post % change)

Open%: -9%

CTO%: +7%

Conv%: -22%

BPK: -25%



MVP IS SUCCESSFULLY OPTIMIZING OFFERS

Higher revenue from Optimized audience vs. Random and BAU groups
(curated content)

	eNews-MVP* Sections		
	Optimize	vs. Random	vs. BAU
CTO%	1.5%	+25.0%	+9.1%
Revenue/Open	\$0.71	+105.8%	+48.6%
Revenue/Offer Clicks	\$48.79	+64.7%	+36.2%

*Includes May/June Top Offer 2 & Rewards

THERE'S MORE TO LEARN WITH MVP...

Next steps:

- Confirm & support MVP objectives
 - If revenue driving, increase offers in rotation and limit non-revenue content
 - If supporting other initiatives, enable optimization for other metrics
- Increase eNews revenue (as MVP optimization ramps up)
 - Consider booking content in other sections
 - Consider increasing content to pre-MVP levels
- Improve performance reporting

MOMENTS SUPPORTED IN SELECT CAMPAIGNS; INCREASED HOTEL SPECIALS ENGAGEMENT

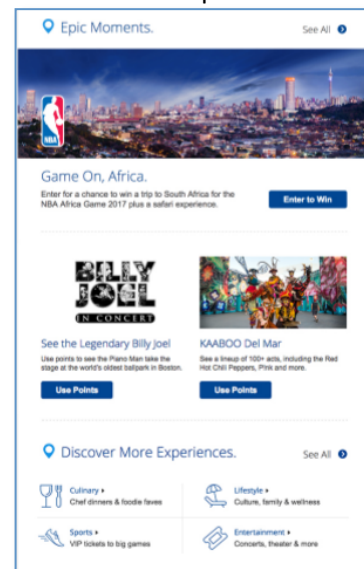
Engagement Snapshot:

- Moments added to June Hotel Specials and generated ~50% higher click volume than section avg.
- 2-3 experiences added to eNews as regular MVP content each month (NBA Sweeps was #1 clicked content in June - Optimize and BAU)
- Module added to Incent Redemption 2.0 email

Next Steps:

- Tracking and partnership needed to determine effectiveness of email support
- Scheduled Solo's: July and Sept

Hotel Specials



MEGABONUS OPTIMIZATION EFFORTS NEEDED TO IMPROVE INCONSISTENT PERFORMANCE RESULTS

+

- Offer details mentioned in June eNews subject line resulted in higher open rates vs. 12-month avg.
- June eNews Top Offer Conv% was above avg indicating high intent from the clicks generated
- Promo contributed to 11% higher click volume in June Hotel Specials

-

- May Summer Announcement saw lower Open rates than prior campaigns
- June eNews Top Offer generated lower click volume than the prior 3 campaigns
- Registration Confirmation had the lowest CTO% and BPK in past year

JUNE ENEWS – MEGABONUS HERO OPTIMIZATION

Objective:

Lift overall email engagement and Top Offer CTO% by optimizing hero image and banner size

Criteria:

- Optimize using only 1st party Marriott data
- 5 background images and 2 banner sizes were provided
- Total of 10 possible variations

The campaign was divided into Register and Book segments. The campaign optimization was applied to the entire audience and post-campaign analysis was performed on the individual segments.

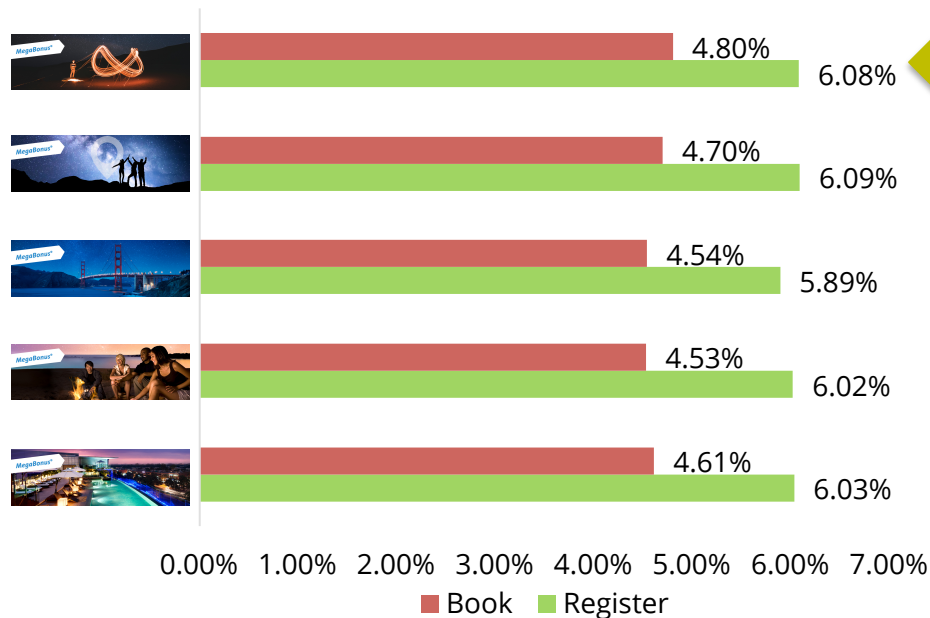


OPTIMIZED CONTENT DROVE 8.4% CTO LIFT FOR CAMPAIGN

Banner sizes did not play a significant role in lift. Red abstract image resonated more with most segments

Best Performing Image by Segment

CTO%



Silver and Gold
Level
Nights > 5



Core (B) Level



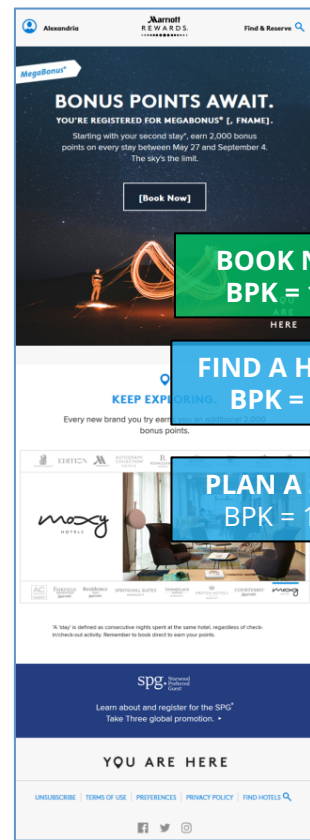
Gold Level + with
Points > 80,000

CONFIRMED CTA TESTING SHOWS “BOOK NOW” GENERATES HIGHER BPK

- 3 Way CTA test conducted in MegaBonus Registration Confirmation Solo's: October '16, January and May '17
- “Book Now” version generated the highest bookings per email delivered
- “Find a Hotel” consistently generated the highest CTA CTO % in January and May

May '17 Results

Summer '17 MB Reg. Confirmation CTA Test	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)
Book Now	155.7 K	1.8 K	\$572.0 K	59.4%	6.7%	29.4%	11.7
Find a Hotel	140.9 K	1.3 K	\$456.5 K	58.0%	7.0%	22.9%	9.4
Plan a Stay	140.9 K	1.5 K	\$456.4 K	58.6%	6.1%	29.0%	10.3



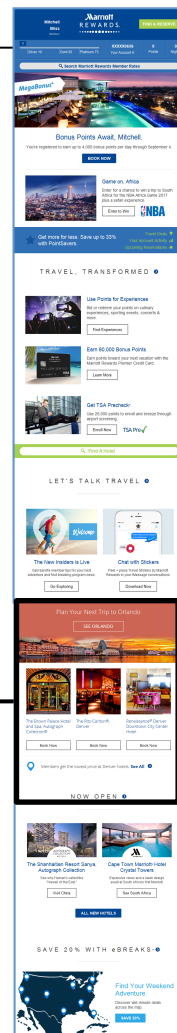
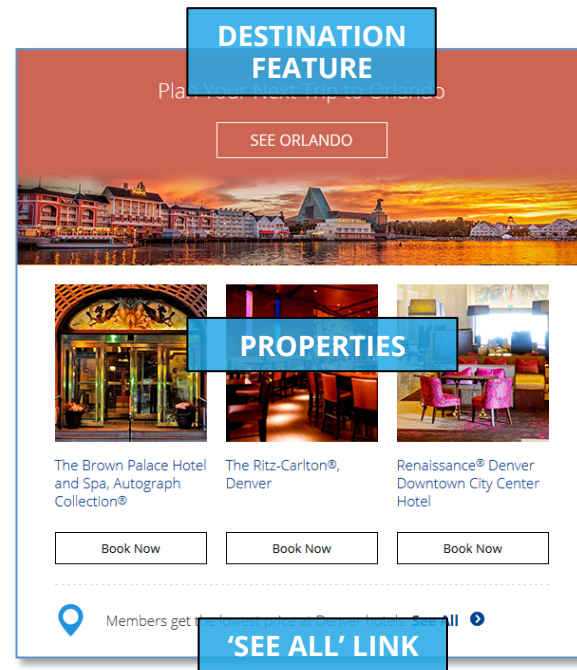
POSITIVE RESULTS WITH ENEWS DESTINATION PROPENSITY MODULE IN MAY & JUNE EMAILS

Initial observations:

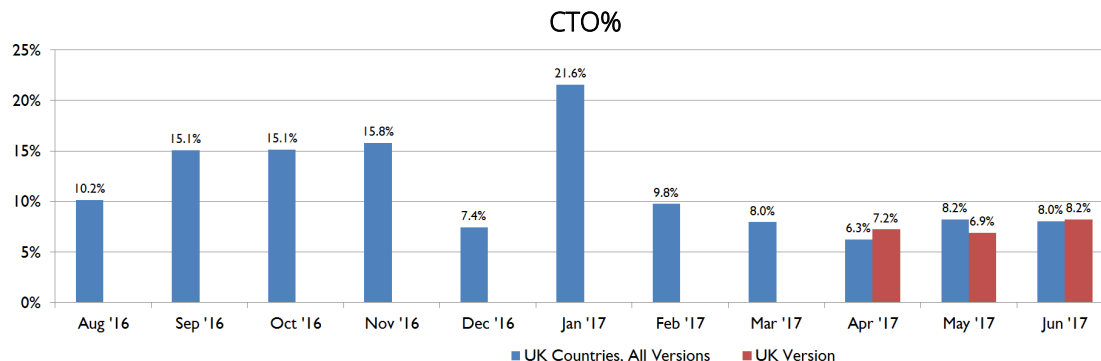
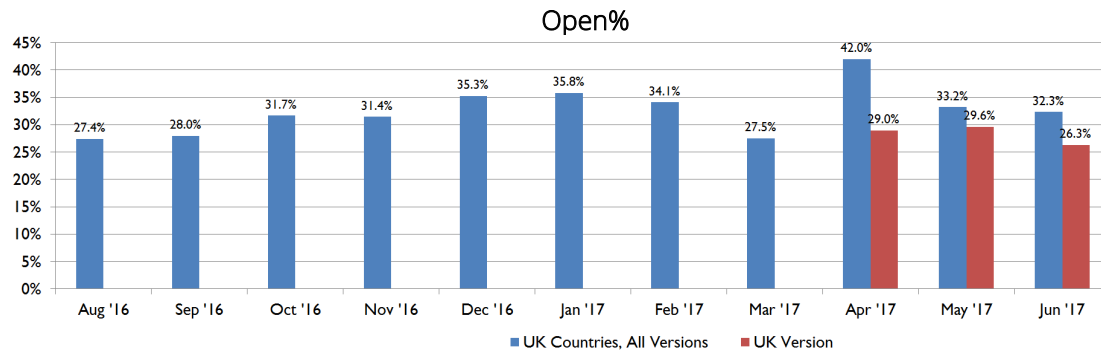
- Targeting 5.2MM members with destination specific content (3 per person)
- Module generated 13% more clicks in May and a 71% higher conversion in June
- Majority clicks and bookings from Properties section

Next steps:

- CTA test for destination feature
- Wylei optimized Navigation Bar test for remaining audience



NEW UK VERSION ADDED INCREMENTAL ENGAGEMENT ALONGSIDE GLOBAL ENEWS



European audience engagement with Global eNews was not significantly affected by the introduction of UK version

- Global eNews Open% & CTO% were not impacted by UK eNews
- UK eNews Open% & CTO % were consistent with Global eNews

APRIL REMINDER WAS 4X MORE EFFICIENT THAN DEC'16 WITH TARGETING

Apr '17 (Gold)

THE RITZ-CARLTON REWARDS | Marriott REWARDS | spg. Starwood Preferred Guest

THREE PROGRAMS. ENDLESS POSSIBILITIES.

Activate your Gold status at SPG® by linking accounts today. You'll unlock benefits across SPG and Marriott Rewards® for the whole year.

[LINK NOW](#)

EASY LINK. INSTANT BENEFITS.

Here's what awaits at SPG:

50% BONUS ON STARPOINTS

You can transfer these to your Marriott Rewards account.

SPG MOMENTS

Use points for VIP access to concerts, culinary events & more.

ENHANCED ROOM UPGRADES

Ask about views and other options when you check in.

[LINK ACCOUNTS](#)

KPIs	Apr '17	Dec '16
Delivered	851.8 K	11.3 M
Clicks	88.0 K	254.0 K
Acct Link	12.7 K	41.1 K
Open%	46.7%	25.5%
CTO%	22.1%	8.8%
Link per click	14.4%	16.2%
Link per email	1.5%	0.4%

Dec '16 (Gold)

THE RITZ-CARLTON REWARDS | Marriott REWARDS | spg. Starwood Preferred Guest

YOU HAVE UNCLAIMED GOLD STATUS

[FNAME] Your Marriott Rewards® Elite status now gives you Gold status at SPG®, too. Just link your accounts and get instant status match. Here's what awaits at SPG:

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ENHANCED ROOM UPGRADES

Want a suite? Just ask when you check in.

[LINK ACCOUNTS](#)

LINKING IS EASY

- 1 Start at the Account Link page
- 2 Log in to Marriott Rewards
- 3 You'll be prompted to log in at SPG (or create an account)
- 4 Click "Link" and you'll get instant Status Match

[GET STARTED](#)

- Generated significantly higher Open%, CTO%, & Link per email
- Targeted only Gold/ Plat Elites & MRCC owners vs. Dec'16 sent to all

COMPARED TO DEC '16, SEGMENT ENGAGEMENT GENERALLY IMPROVED

Apr '17 (Gold)

THE RITZ-CARLTON REWARDS | Marriott REWARDS | spg Starwood Preferred Guest

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Compared to Dec '16*

Gold

+8.4% Open%

+3.0% CTO%

Platinum

+10.3% Open%

-9.8% CTO%

MRCC

-2.1% Open%

+16.3% CTO%

Dec '16 (Gold)

THE RITZ-CARLTON REWARDS | Marriott REWARDS | spg Starwood Preferred Guest

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[GET STARTED](#)

Open% improved except for MRCC

- Gold/Platinum SL's did not refer to SPG

Activate Your Gold Status Match

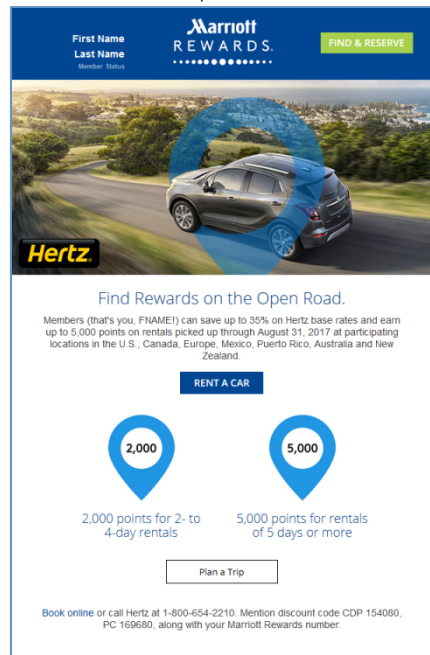
- MRCC used "Reminder" in SL
- Reminder: Activate Your New Benefits*

Overall design updates appeared to improve click engagement

- Expectation would be for gradual decreases in response

UPDATED HERTZ SOLO REVERSED DOWNWARD ENGAGEMENT TREND

Apr '17



First Name
Last Name
Member Status

Marriott
REWARDS.

FIND & RESERVE

Hertz

Find Rewards on the Open Road.

Members (that's you, FNAME!) can save up to 35% on Hertz base rates and earn up to 5,000 points on rentals picked up through August 31, 2017 at participating locations in the U.S., Canada, Europe, Mexico, Puerto Rico, Australia and New Zealand.

RENT A CAR

2,000

5,000

2,000 points for 2- to 4-day rentals

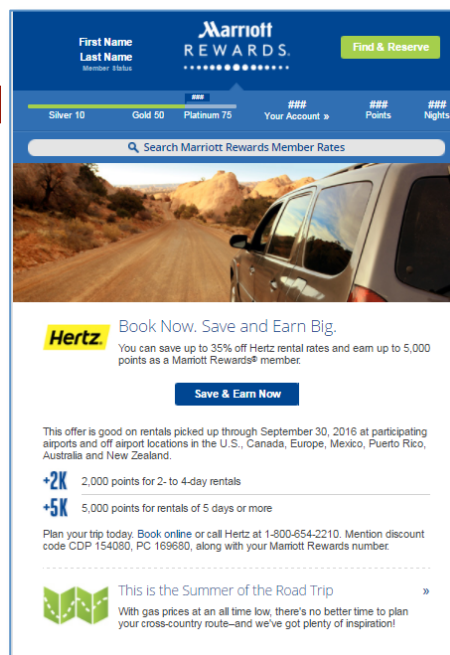
5,000 points for rentals of 5 days or more

Plan a Trip

Book online or call Hertz at 1-800-654-2210. Mention discount code CDP 154080, PC 169680, along with your Marriott Rewards number.

Hertz Promo Solos	Delivered	Open%	CTO%
Apr '17	990.9 K	26.4%	5.6%
Dec '16	991.4 K	26.2%	4.2%
Jun '16	997.1 K	23.4%	6.2%
Mar '16	996.3 K	23.9%	7.4%

Jun '16



First Name
Last Name
Member Status

Marriott
REWARDS.

FIND & RESERVE

Silver 10 Gold 50 Platinum 75 Your Account Points Nights

Search Marriott Rewards Member Rates

Hertz

Book Now. Save and Earn Big.

You can save up to 35% off Hertz rental rates and earn up to 5,000 points as a Marriott Rewards member.

Save & Earn Now

This offer is good on rentals picked up through September 30, 2016 at participating airports and off airport locations in the U.S., Canada, Europe, Mexico, Puerto Rico, Australia and New Zealand.

+2K 2,000 points for 2- to 4-day rentals

+5K 5,000 points for rentals of 5 days or more

Plan your trip today Book online or call Hertz at 1-800-654-2210. Mention discount code CDP 154080, PC 169680, along with your Marriott Rewards number.

This is the Summer of the Road Trip

With gas prices at an all time low, there's no better time to plan your cross-country route--and we've got plenty of inspiration!

CTO% increased 33% from last Hertz Solo

April Hertz updated design

- Main image & style: Explorer-Magician tone
- Orientation & layout of copy & content
- Updated CTA
- No secondary content

KEY OPPORTUNITIES & TAKEAWAYS

KEY TAKEAWAYS

- 📍 Removing the Member Module did not negatively impact clicks
- 📍 Prelim CTO results show improvements with template updates
- 📍 MVP is optimizing offers, however, more work is needed to optimize eNews performance
- 📍 Monitor impact of non-booking Solo's on program KPI's
- 📍 Additional MRCC support planned for Q3-4 to make YE goals
- 📍 Moments partnership needed to improve email channel tracking

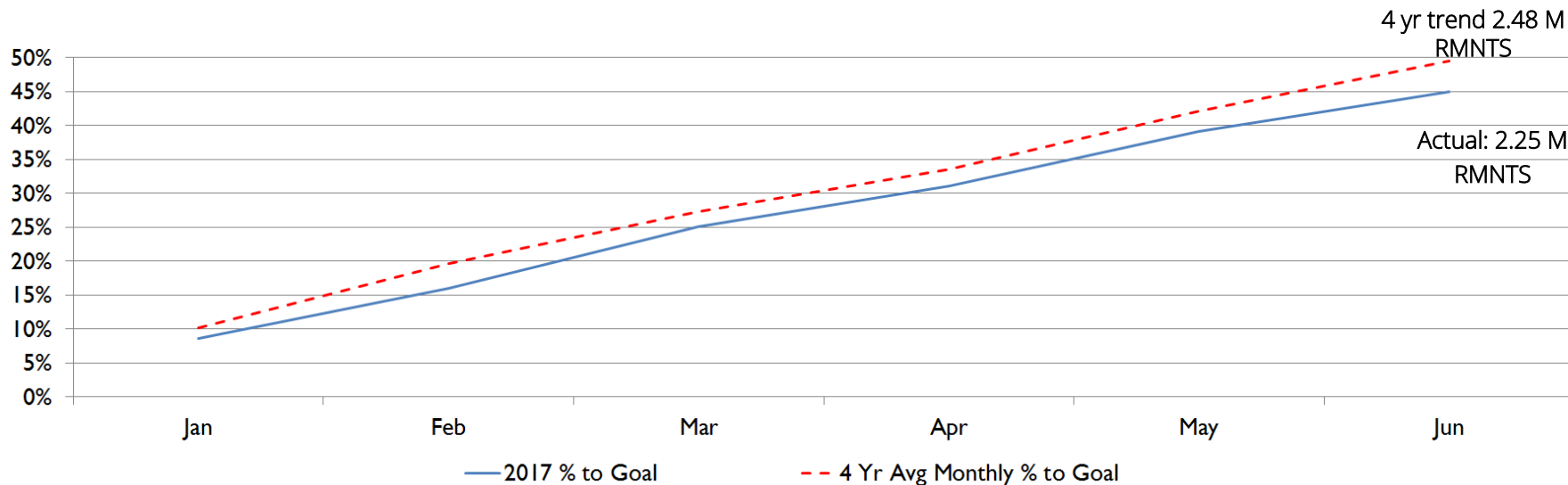


THANK YOU!



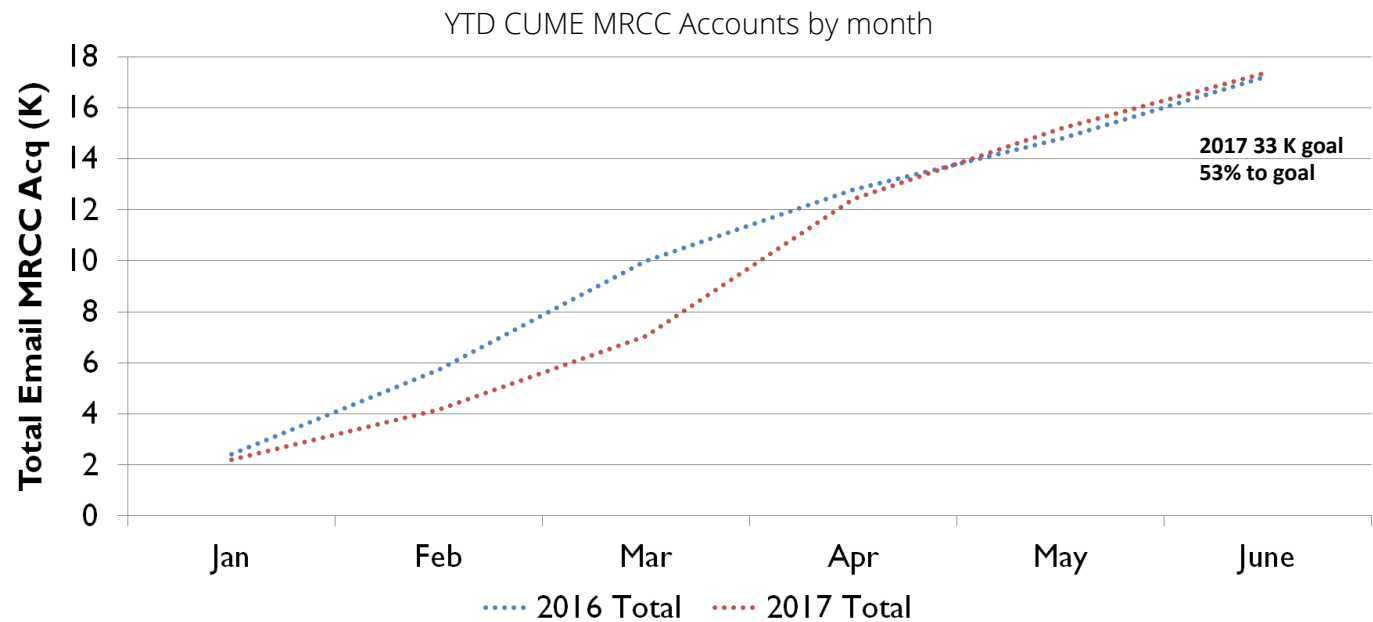
PROGRAM IS 9% BEHIND 5 M ROOM NIGHT GOAL

As of June, program has generated 2.25 M RN, 45% of Goal. The 4 Yr trend indicates program should be at 50% by June to achieve forecast



Note: Based on EIR data

MRCC ACQUISITIONS AHEAD OF FORECAST



As of June, MRCC accounts are 53% of 33 K goal

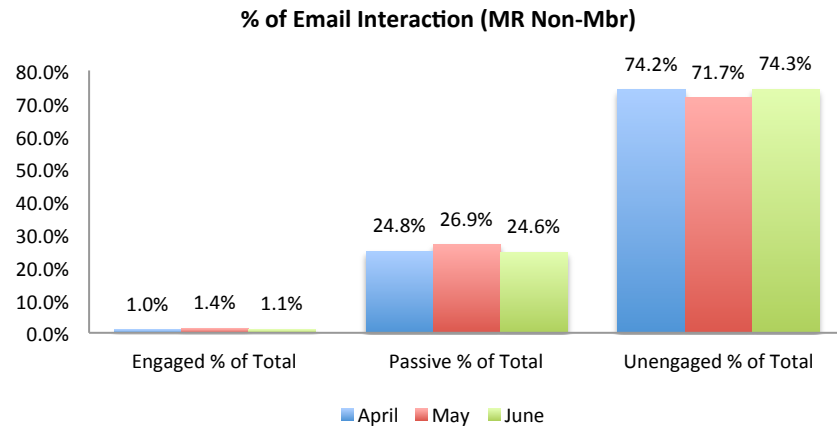
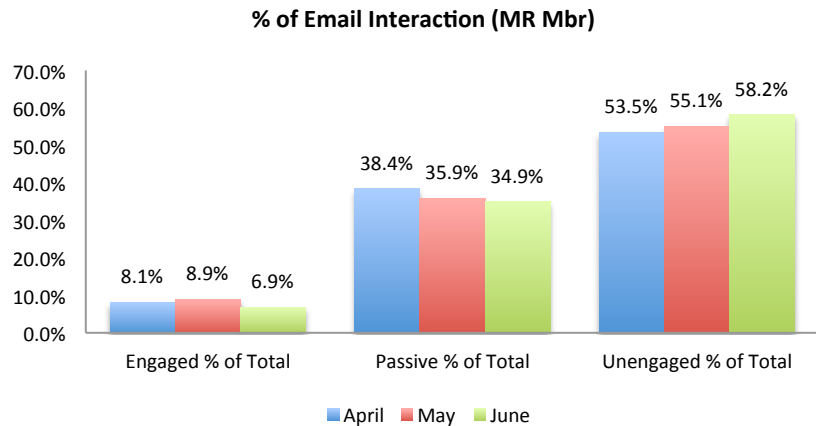
- eNews contributed 55% of MRCC acquisitions in April
- May eNews drove over 700 acquisitions with Top Offer 2 and MVP placements

Increasing MRCC support...

- Near Level & Post Redemption
- Monthly in eNews (MVP)
- Point expiration & Confirmation email driving YTD highs in accounts

Additional support is likely required to meet goal

LOW SOLO VOLUME OVER QUARTER HAD AN IMPACT ON EMAIL ENGAGEMENT



Fewer members and non-members opened and clicked on emails compared to previous months

Observations:

- YTD comparison shows drop in Solo volume impacting key program KPI's
- eNews higher than avg. Open rates but CTO% declines resulting from fewer clicks and lack of MVP lift on overall campaign KPI's
- Low performing offers contribute to Hotel Specials declines
- Lifecycle declines are being addressed with 2.0 Retrofit efforts

		Program	eNews	Hotel Specials	Dest.	Solos	Lifecycle	MRCC	METT
Audience	Audience*	20.2 M +17.4%							
	Total	500.8 M	87.1 M	62.0 M	74.4 M	119.3 M	33.5 M	88.5 M	35.9 M
	Delivered	-2.9%	23.3%	1.6%	-0.7%	-31.1%	26.1%	20.6%	0.4%
	Unsub Rate	0.17% -0.1 pts	0.13% -0.1 pts	0.16% 0.0 pts	0.13% -0.2 pts	0.14% -0.2 pts	0.27% -0.3 pts	0.23% -0.2 pts	0.24% 0.1 pts
Engagement	Delivery Rate	99% 0.0 pts	99% -0.4 pts	99% 0.6 pts	100% 0.1 pts	99% -0.1 pts	97% 0.2 pts	99% 0.0 pts	96% 0.3 pts
	Open Rate	23.1% -0.4 pts	22.7% -0.1 pts	19.2% -0.3 pts	23.3% 3.0 pts	23.4% -2.3 pts	31.7% -2.1 pts	23.0% 1.1 pts	22.4% -2.2 pts
	Opens	115.9 M -4.7%	19.8 M 22.6%	11.9 M 0.0%	17.3 M 13.9%	27.9 M -37.3%	10.6 M 18.2%	20.3 M 26.5%	8.1 M -8.6%
	Click Rate	2.0% -0.1 pts	2.8% -0.7 pts	1.5% -0.4 pts	1.3% 0.2 pts	2.5% 0.0 pts	5.4% -0.9 pts	0.8% 0.0 pts	0.9% 0.0 pts
	Unique Clicks	10.1 M -9.2%	2.4 M -0.6%	920.8 K -18.7%	951.6 K 21.1%	2.9 M -30.0%	1.8 M 8.2%	701.8 K 25.5%	321.9 K 5.2%
	Click to Open Rate	8.7% -0.4 pts	12.2% -2.8 pts	7.7% -1.8 pts	5.5% 0.3 pts	10.5% 1.1 pts	17.2% -1.6 pts	3.5% -0.0 pts	4.0% 0.5 pts
Financial	Bookings	965.1 K -14.8%	233.8 K -11.1%	81.8 K -20.7%	70.5 K -5.5%	319.5 K -31.0%	146.4 K 5.7%	77.8 K 32.8%	35.4 K 9.0%
	RoomNights	2.2 M -18.0%	548.9 K -14.8%	188.2 K -22.8%	164.0 K -7.3%	741.4 K -33.0%	356.8 K -0.6%	168.2 K 26.5%	78.9 K 3.1%
	Revenue	\$344.8 M -17.7%	\$84.6 M -14.8%	\$29.1 M -22.0%	\$25.6 M -5.1%	\$114.1 M -32.2%	\$54.3 M -2.2%	\$24.6 M 26.4%	\$12.4 M 4.0%
	Conversion Rate	9.6% -0.6 pts	9.7% -1.2 pts	8.9% -0.2 pts	7.4% -2.1 pts	10.9% -0.2 pts	8.0% -0.2 pts	11.1% 0.6 pts	11.0% 0.4 pts
	Bookings per Delivered(K)	1.9 -12.3%	2.7 -27.9%	1.3 -22.0%	0.9 -4.8%	2.7 0.2%	4.4 -16.2%	0.9 10.1%	1.0 8.6%

* Calculated using Mailable Openers** from Active, Inactive, and Non Member Counts

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

*** Jan & Feb '16 eBreaks included in Destinations Total

Top offer section (just headline, image, and CTA) shows double digit increases YoY (see **blue** font); content links directly to the generic landing page

Similar increases when including the 'See All' links from other sections (see **purple** font); those that actually click are looking for deals and have a higher likelihood of booking.

Report Data (used EIR data):

Metrics	Notes	Dec '15 - Jun '16	Dec '16 - Jun '17	Δ
Total Sent	Performance for entire email campaign during time period	71,078,428	72,948,792	2.6%
Delivered%		97.4%	96.5%	-0.9%
Open%		19.4%	19.0%	-2.1%
CTO% for Campaign		9.5%	7.5%	-20.3%
Conv% for Campaign		9.2%	8.7%	-5.3%
Total Bookings Campaign		117,977	90,356	-23.4%
CTO% for Field Offers to generic landing page	Performance of just the top offer headline, image and CTA	1.05%	1.23%	17.1%
Conv% for Field Offers to generic landing page		5.9%	6.6%	12.6%
Bookings for Field Offers to generic landing page		8,436	11,282	33.7%
CTO% for all links to generic landing page (multp. Sections)	Performance of top offer section + 'See All' links in other sections	1.15%	1.30%	13.5%
Conv% for all links to generic landing page (multp. Sections)		5.8%	6.6%	13.9%
Bookings for all links to generic landing page (multp. Sections)		9,054	11,869	31.1%
CTO% for total Field Offers section	Performance of entire top offer section, includes field offers	5.35%	3.96%	-26.0%
Conv% for total Field Offers section		5.7%	5.2%	-9.6%
Bookings for total Field Offers section		41,669	28,281	-32.1%
Field Offers section % of Overall Clicks		45.3%	43.1%	-

MRCC RESULTS AGAINST FORECAST (EMAIL)

Email details	Jan	Feb	Mar	Apr	May	Jun
Standalone email accounts	1,738	1,377	2,429	2,278	1,616	1,669
eNews accounts	20	188	168	2,935	719	69
Hotel Specials accounts	3	3	27	61	22	4
Points expiration accounts	77	85	105	43	112	96
Confirmation email accounts	46	36	34	28	110	147
Other ridealong	3	1	4	3	8	14
Refer-a-Friend	319	257	128	27	159	207
Total	2,206	1,947	2,895	5,375	2,746	2,206

YTD Summary	
% year elapsed	50.0%
YTD accounts	17,375
2017 email accounts budget	33,000
% to budget	52.7%
Prior year YTD	17,242
% Y/Y	0.8%

		TOTAL CLICKS				
	Section Nm (group)	May1-Jun27 Avg / Month	% of Total	Jun28-Jul30 2017	% of Total	% Change
Clicks	ACCOUNT BOX PERSONALIZATION, HEADER, PRE-HEADER	5,222	15%	2,205	6%	-58%
	BODY CTA, TOP IMAGE, TOP OFFERS	13,891	40%	20,106	57%	45%
	PERSONALIZED DEALS	11,876	34%	11,485	32%	-3%
	SEARCH	2,910	8%	415	1%	-86%
	BOTTOM OFFERS	329	1%	845	2%	157%
	FOOTER & OPTOUT	318	1%	447	1%	41%
		34,545	100%	35,503	100%	3%

		TOTAL ROOM NIGHTS				
	Section Nm (group)	May1-Jun27 Avg / Month	% of Total	Jun28-Jul30 2017	% of Total	% Change
EIR Total Room Nights	ACCOUNT BOX PERSONALIZATION, HEADER, PRE-HEADER	1,743	12%	572	4%	-67%
	BODY CTA, TOP IMAGE, TOP OFFERS	6,544	45%	8,580	60%	31%
	PERSONALIZED DEALS	4,843	33%	4,475	32%	-8%
	SEARCH	1,139	8%	183	1%	-84%
	BOTTOM OFFERS	136	1%	320	2%	135%
	FOOTER & OPTOUT	102	1%	68	0%	-33%
		14,507	100%	14,198	100%	-2%

		TOTAL REVENUE				
	Section Nm (group)	May1-Jun27 Avg / Month	% of Total	Jun28-Jul30 2017	% of Total	% Change
EIR Total Revenue	ACCOUNT BOX PERSONALIZATION, HEADER, PRE-HEADER	\$274,930	11%	\$82,485	4%	-70%
	BODY CTA, TOP IMAGE, TOP OFFERS	\$1,141,652	46%	\$1,439,247	62%	26%
	PERSONALIZED DEALS	\$807,607	33%	\$710,552	31%	-12%
	SEARCH	\$208,283	8%	\$29,252	1%	-86%
	BOTTOM OFFERS	\$19,865	1%	\$43,041	2%	117%
	FOOTER & OPTOUT	\$17,652	1%	\$17,584	1%	0%
		\$2,469,989	100%	\$2,322,162	100%	-6%

OVERVIEW OF MVP EXPERIENCES

(1) BAU: Curated Offers (with dynamic targeting)

The screenshot shows the Marriott Rewards MVP homepage with the following offers:

- 1a** **A Cupful of Credit:** Use your Marriott Rewards® Credit Card to load a Starbucks Card & get 10% back as a statement credit. [Learn More](#)
- 2a** **Up to 35% Off Rental Cars:** Book your next car with Hertz and get up to 5,000 points and 35% off. [Find a Car](#)
- 3a** **Get In, Rock Out:** Enter to win or bid points now for VIP access to the Coachella Valley Music & Arts Festival. [Enter or Bid](#)
- 1b** **Earn 30,000 Bonus Points:** Earn points towards your next vacation with the Marriott Rewards® Premier Credit Card. [Learn More](#)
- 2b** **Reward a Friend:** You'll earn up to 50,000 points. They can get 10,000. [Earn Points](#)
- 3b** **Eleven Madison Park in NYC:** Your points could gain you access to an exclusive dinner at one of the world's top restaurants. [Book With Points](#)
- 3c** **Mondavi Estate Private Tour:** Visit Napa Valley for a private tour, lunch and wine pairing at this world-renowned estate. [Book With Points](#)

Sample of 22 other MVP Offers: (2) Optimize & (3) Random

The sample shows 22 other MVP offers, categorized into Optimize and Random offers:

- Optimize:**
 - Ready. Set. Weekend:** Members save even more on weekends in New York, DC & across the US. [Book Now](#)
 - Save up to 20% Across the USA:** Plan your trip in advance and save up to 20% from coast to coast. [Book Now](#)
- Random:**
 - Explore Boston:** Plan your next trip to Beantown. [From \\$170](#)
 - Save up to 20% at Resorts:** The longer you stay, the more you save. Book your trip by May 31st. [Book Now](#)
 - Escape to The Ritz-Carlton®:** Choose the Reconnect Package and enjoy resort credits, breakfast and more. [Reserve Now](#)

BAU: Curated offers

- MRCC (targeted by region)
- Hertz/RAF (targeted?)
- Moments (targeted by pts)

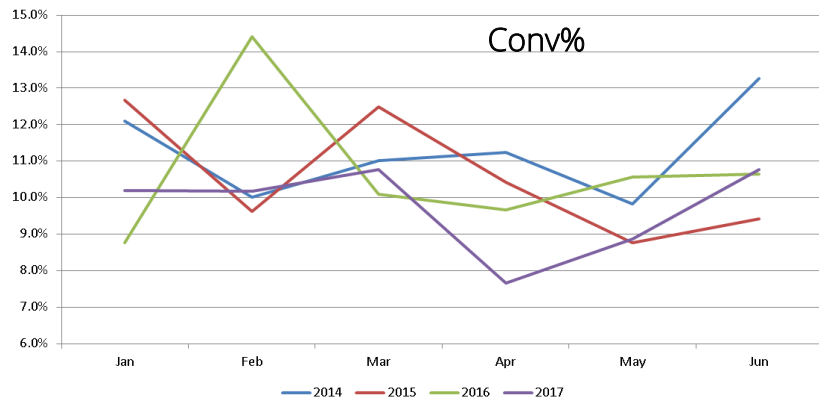
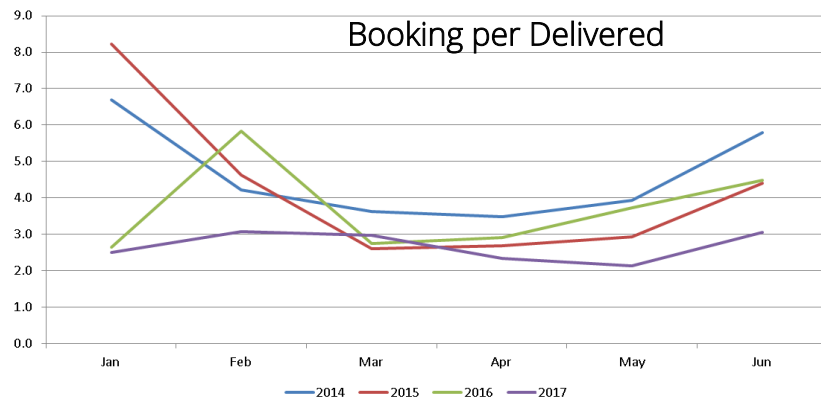
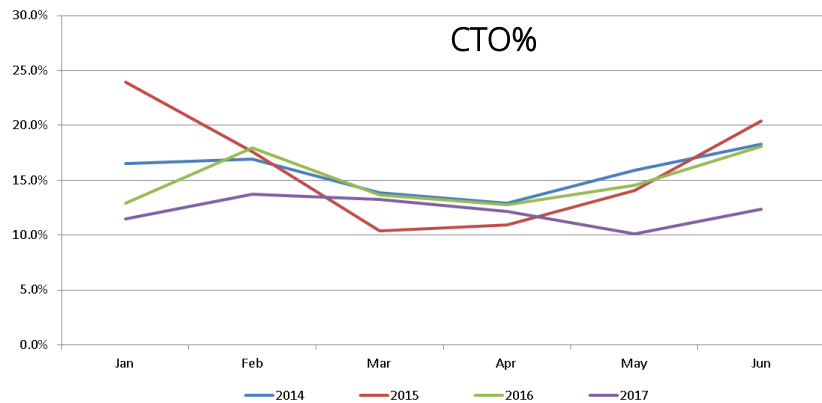
Optimize: MVP-decisioned offers (tbd)

- April did not leverage M.com results

Random: Random rotation of all MVP offers

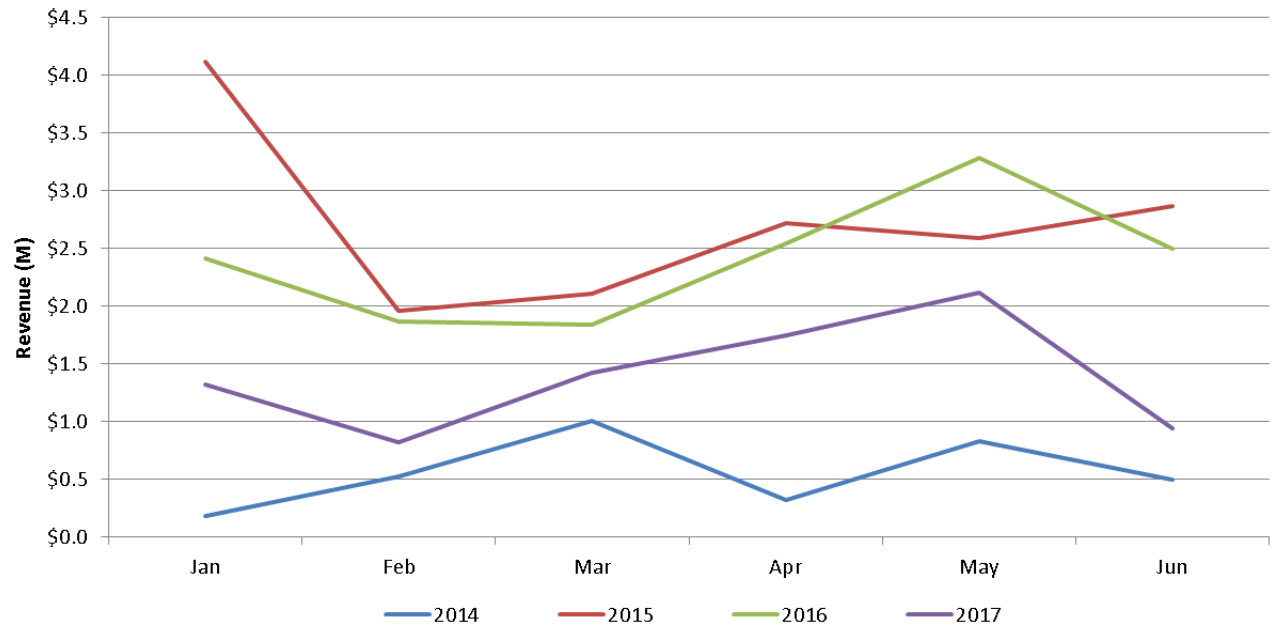
MVP Offer types: 29 total

- MR travel deals & destination lead rates
- RC Offers & benefits
- MR evergreen benefits
- Partner offers



REWARDS SECTION REVENUE HAS NOT INCREASED WITH MVP

Rewards section Revenue



MVP SHOWED SIGNS OF IMPROVEMENT IN ENEWS

May eNews MVP Offers	Delivered	Open%	Overall CTO%	MVP CTO%	Overall Conv%	MVP Conv%	Rev/Del
Optimize	5.0 M	24.8%	10.3%	1.3%	9.8%	6.4%	\$ 0.87
Random	1.2 M	24.8%	9.3%	1.2%	9.5%	5.5%	\$ 0.73
BAU	6.3 M	24.9%	9.7%	1.2%	9.7%	6.2%	\$ 0.78
Total	12.5 M	24.8%	9.9%	1.3%	9.7%	6.2%	2.4

Segment

Experience

Optimize:	MVP-decisioned offers
Random:	Random rotation of MVP offers
BAU:	Curated, fixed, Offers (with targeting)
	<ul style="list-style-type: none"> ▪ MRCC ▪ Hertz/RAF ▪ Moments

MVP as a placement is improving

- Top Offer2 generated the most clicks since Jun '16
- MVP offers in Rewards generated 4% more clicks MoM

More prominent placement means greater impact for dynamic content

Optimize group outperformed Random & BAU

- Higher Rev/Del than Random (+15%) & BAU (+8%)
- At both campaign and MVP section level

MVP DECISIONS APPEARED TO RESULT IN OFFERS BEING DISPLAYED MORE OFTEN TO THE RIGHT AUDIENCE

Optimize		
MVP Offers	EIR Revenue	Clicks
MRCC-US - earn 100K, last chance	\$785.6 K	31.6 K
Explore Hawaii, from \$225	\$91.3 K	5.2 K
Atlantis, receive up to \$500 in resort credits	\$74.3 K	1.8 K
Florida for 20% off	\$72.6 K	2.5 K
MVC - save 20% at over 50 resorts	\$54.2 K	1.6 K
Save up to 20% across US	\$37.4 K	902
Ritz-Carlton Club Level	\$35.6 K	1.2 K
Hertz, up to 35% off	\$21.2 K	1.6 K
MRCC-US existing cardholder - 50K, refer a friend	\$13.1 K	788
Europe for up to 20% less	\$12.5 K	423
Get TSA Precheck - use 25,000 points to enroll	\$12.5 K	767
Escape to Ritz-Carlton, reconnect package	\$9.4 K	293
Refer a friend, 50K	\$7.0 K	368
Moments - Use points for experiences	\$3.4 K	151
Explore San Diego, from \$254	\$2.9 K	282
Explore Boston, from \$256	\$2.6 K	52

Random		
MVP Offers	EIR Revenue	Clicks
MRCC-US - earn 100K, last chance	\$54.8 K	2.9 K
Atlantis, receive up to \$500 in resort credits	\$20.8 K	1.1 K
MVC - save 20% at over 50 resorts	\$13.5 K	920
Save up to 20% across US	\$6.5 K	96
NYC for 15% less	\$4.7 K	81
Member Rates	\$3.8 K	88
Escape to Ritz-Carlton, reconnect package	\$3.7 K	98
Florida for 20% off	\$3.6 K	130
Get TSA Precheck - use 25,000 points to enroll	\$3.1 K	169
Explore San Diego, from \$254	\$3.1 K	91
Save up to 20% at resorts	\$2.7 K	73
Ritz-Carlton, Breakfast on us	\$1.5 K	99
Explore Phoenix, from \$136	\$1.3 K	72
Moments - Faith Hill & Tim McGraw	\$1.3 K	63
Explore Hawaii, from \$225	\$1.2 K	141
Moments - Red Rooster dining with Chef Marcus S.	\$1.2 K	93

BAU		
MVP Offers	EIR Revenue	Clicks
MRCC-US - earn 100K, last chance	\$604.6 K	26.9 K
MVC - save 20% at over 50 resorts	\$117.4 K	3.7 K
Get TSA Precheck - use 25,000 points to enroll	\$105.7 K	5.3 K
Moments - Red Rooster dining with Chef Marcus S.	\$60.4 K	1.2 K
Atlantis, receive up to \$500 in resort credits	\$39.2 K	2.7 K
Merchandise redemption - US members	\$38.6 K	2.9 K
MRCC-US existing cardholder - 50K, refer a friend	\$27.5 K	983
Hertz, up to 35% off	\$20.6 K	1.9 K
Merchandise redemption - Rest of World	\$12.5 K	985
Moments - Use points for experiences	\$7.1 K	1.8 K
Moments - Faith Hill & Tim McGraw	\$5.9 K	347
MRCC-Can, earn 30K points	\$2.1 K	191

← Top Offer 2 MVP Offer

← Offers generating high revenue, suggesting MVP optimization

OPTIMIZE GENERATED A HIGHER CTO% & CONV% AT A SECTION LEVEL

June eNews MVP Offers	Delivered	EIR Bookings	EIR Revenue	Open%	Overall CTO%	MVP CTO%	Overall Conv%	MVP Conv%	Bk/Del (K)
Optimize	5.0 M	16.8 K	\$5.5 M	23.9%	12.0%	1.6%	11.6%	7.3%	3.3
Random	1.3 M	4.3 K	\$1.4 M	23.9%	11.8%	1.2%	12.1%	6.4%	3.4
BAU	6.4 M	21.4 K	\$6.9 M	23.9%	11.9%	1.4%	11.7%	6.2%	3.3
Total	12.7 M	42.4 K	\$13.8 M	23.9%	11.9%	1.5%	11.7%	6.7%	3.3

Conv% results were mixed: Optimize group Conv% differed at the campaign & MVP section level

- Optimize group generated the lowest campaign level Conv% but the highest MVP section level Conv%

Optimize group generated the highest CTO% on a campaign and MVP section level

Offer quality may not have been as compelling as previous months

OFFERS IN TOP OFFER2 DID NOT GENERATE THE SAME CLICKS & REVENUE AS MAY

May Top Offer 2		
MVP Group	Clicks	EIR Revenue
OPTIMIZE	35.0 K	\$914.1 K
MRCC-US - earn 100K, last chance	31.6 K	\$785.6 K
Atlantis, receive up to \$500 in resort credits	1.8 K	\$74.3 K
MVC - save 20% at over 50 resorts	1.6 K	\$54.2 K
RANDOM	4.9 K	\$89.1 K
MRCC-US - earn 100K, last chance	2.9 K	\$54.8 K
Atlantis, receive up to \$500 in resort credits	1.1 K	\$20.8 K
MVC - save 20% at over 50 resorts	920	\$13.5 K
BAU	33.2 K	\$761.2 K
MRCC-US - earn 100K, last chance	26.9 K	\$604.6 K
MVC - save 20% at over 50 resorts	3.7 K	\$117.4 K
Atlantis, receive up to \$500 in resort credits	2.7 K	\$39.2 K
May Total	73.1 K	\$1.8 M

June Top Offer 2		
MVP Group	Clicks	EIR Revenue
OPTIMIZE	6.9 K	\$132.4 K
Sweeps - NBA South Africa Game 2017	4.9 K	\$85.9 K
Explore Hawaii	1.0 K	\$13.0 K
Save 20% Across USA	455	\$27.4 K
Exclusive Travel Deals	236	\$492
R-C Club Level	196	\$5.5 K
RANDOM	1.6 K	\$30.6 K
Exclusive Travel Deals	310	\$3.7 K
R-C Club Level	307	\$5.5 K
Sweeps - NBA South Africa Game 2017	284	\$4.6 K
Save 20% Across USA	258	\$9.6 K
Explore Hawaii	241	\$4.7 K
30% off Middle East & Africa	140	\$1.5 K
Europe free breakfast, pay with Visa	45	\$1.2 K
BAU	11.0 K	\$196.1 K
Sweeps - NBA South Africa Game 2017	8.9 K	\$167.0 K
Europe free breakfast, pay with Visa	1.6 K	\$23.7 K
30% off Middle East & Africa	524	\$5.4 K
June Total	19.5 K	\$359.1 K

There were significant differences in clicks & revenue between **Top Offer 2** content from May; considerations:

- Offer type
- MegaBonus cannibalization
- Technical issues?

Differences in offers

- Non-booking CTAs: MRCC generated significantly more clicks & revenue than NBA Sweeps
- May featured more resort offers

We need to understand the following

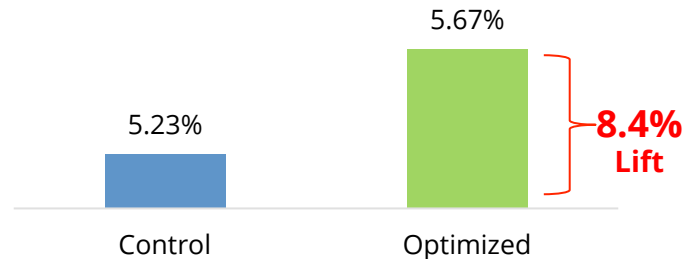
- How does new content (e.g. Sweeps) get shown in Optimize group?
- How are Top Offer2 & rewards synchronized?

Reporting requests:

- Offers not showing up in report
- Need month timestamp

JUNE ENEWS – MEGABONUS HERO OPTIMIZATION

Optimization Results:



	Opens	Clicks	CTO%	Lift	Significance
Control	185,623	9,714	5.23%		
Optimized	2,761,999	156,678	5.67%	8.40%	98%



Note: The image banner size did not play a significant role in lift.

Objective:

Optimize background image and banner size to determine which combination performed the best.

Criteria:

Optimize using only 1st party Marriott data. 5 background images and 2 banner sizes were provided, resulting in 10 possible variations.

The campaign was divided into Register and Book segments. The campaign optimization was applied to the entire audience and post-campaign analysis was performed on the individual segments.

TARGETING MESSAGE BASED ON PREVIOUS OPEN MAY DRIVE INCREMENTAL ACCOUNT LINKAGE

From Dec '16 Openers & Non-openers generated "2nd tier" Click%

SPG Account Linkage Solos	Delivered	Clicks	Open%	CTO%	Click%
Apr '17 Reminder	851.8 K	88.0 K	46.7%	22.1%	10.3%
MRCC	541.2 K	45.5 K	47.5%	17.7%	8.4%
Gold	201.1 K	26.8 K	43.9%	30.4%	13.3%
Platinum	109.5 K	15.8 K	47.8%	30.1%	14.4%
Dec '16 Reminder	11.3 M	254.0 K	25.5%	8.8%	2.3%
MRCC	714.1 K	52.7 K	48.5%	15.2%	7.4%
Gold	246.8 K	29.4 K	40.5%	29.5%	11.9%
Platinum	145.4 K	21.0 K	43.4%	33.3%	14.5%
Basic	5.4 M	57.8 K	14.7%	7.3%	1.1%
Previous Non-Opener	653.0 K	16.7 K	15.2%	16.8%	2.6%
Previous Opener	1.7 M	58.6 K	49.7%	6.8%	3.4%
ROTW	2.4 M	17.7 K	25.4%	2.9%	0.7%

As high a click response as MRCC
Large audience size, highest open rate