



Q3 2017 EMAIL PROGRAM REVIEW

November 21, 2017

yes

Q3 REVIEW MEETING AGENDA

- 📍 Email Engagement Performance
- 📍 Key Initiatives & Campaign Highlights
- 📍 Core Campaigns
- 📍 Actionable insights

Q3 ENGAGEMENT PERFORMANCE

ENGAGEMENT KPIS STABLE AS VOLUME GROWS, ROOM NIGHTS IMPROVE

- Sending fewer booking oriented solos to larger audiences
- Low CTO in August campaigns drove down CTO metric despite potential gains from new template & retrofit

21.6MM

Mailable Members

+5.6% QoQ

+16.9% YoY

282.8MM

Emails Delivered

+26.5% QoQ

+13.1% YoY

22.7%

Open Rate

-3.7% QoQ

+0.6% YoY

9.3%

CTO Rate

+4.6% QoQ

-12.1% YoY**1.1MM**

Room Nights

+12.9% QoQ

-18.0% YoY**8.2%**

Conversion Rate

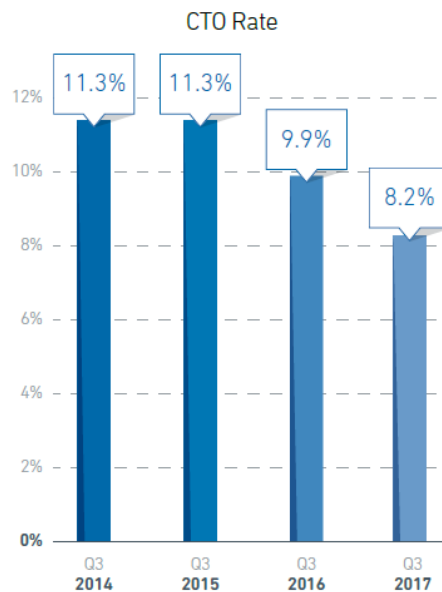
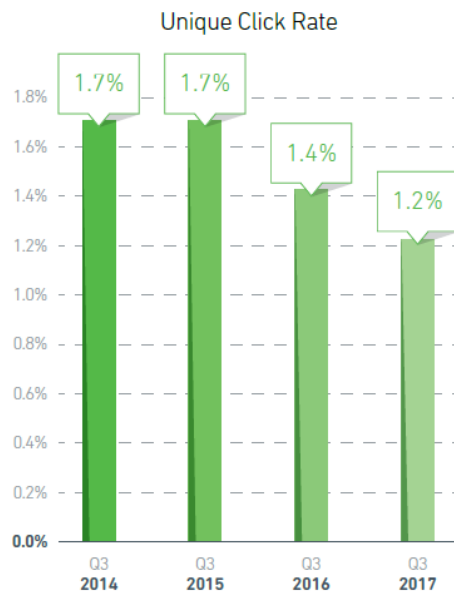
-10.6% QoQ**-15.6% YoY****1.7**

Bookings/Delivered (K)

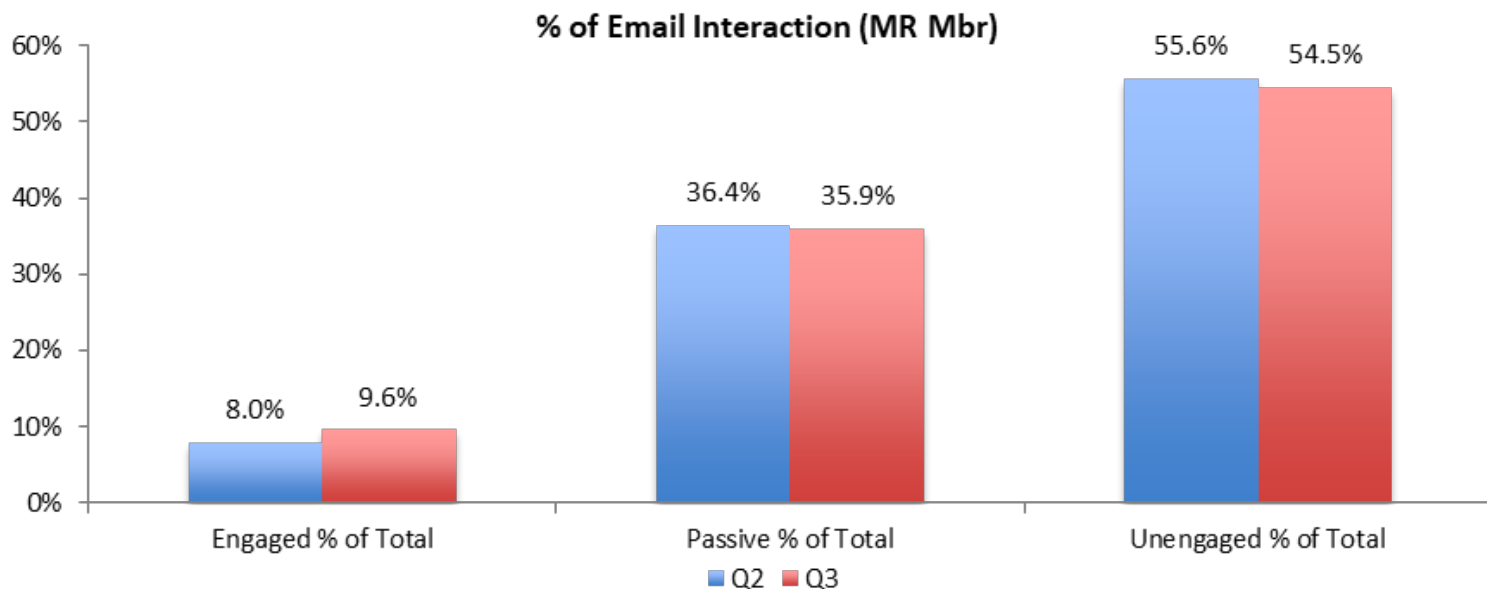
-10.0% QoQ**-25.4% YoY**

YLM EMAIL ENGAGEMENT BENCHMARKS

- Email marketing click rates continue to decline YoY
 - CTO down 17.6% from 2016, 27.3% from 2015

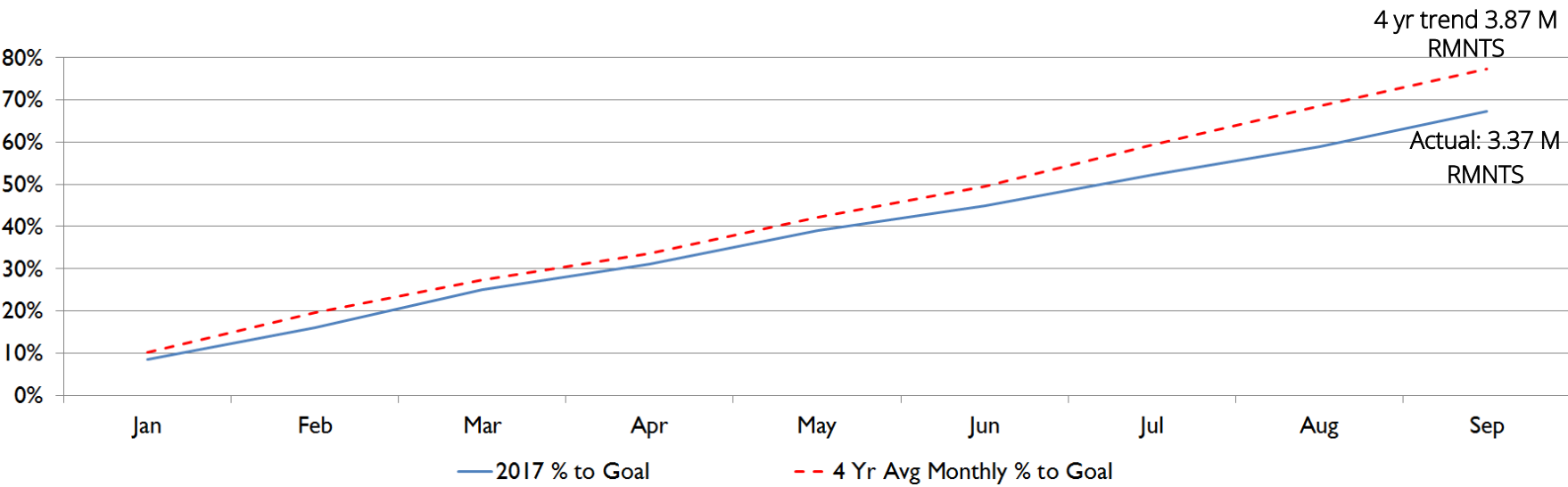


MORE MR MEMBERS ENGAGED IN Q3



PROGRAM IS 13% BEHIND 5 M ROOM NIGHT GOAL

- As of September, program has generated 3.37 M RN, 67% of goal
- 4 Yr. trend indicates program should be at 77% of goal by September to achieve forecast



*Based on EIR data

Observations:

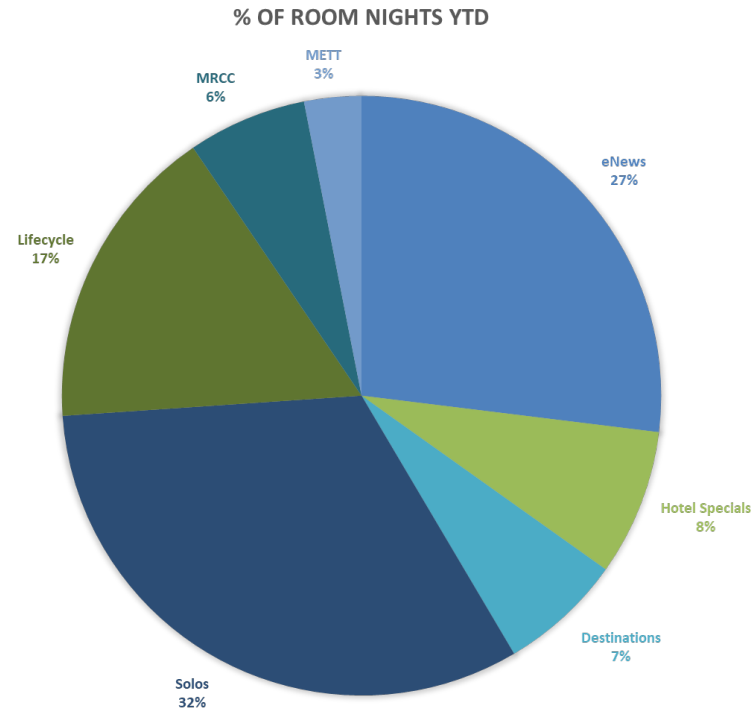
- Financial metrics trail last year – Lifecycle, MRCC & METT are the exceptions
- eNews increase in volume & opens driving more clicks
- Destinations has positive gains in all engagement metrics
- Lifecycle campaigns showing positive KPIs following retrofit

		Hotel							
		Program	eNews	Specials	Dest.	Solos	Lifecycle	MRCC	METT
Audience	Audience*	21.6 M +16.9%							
	Total Delivered	783.6 M 2.3%	133.4 M 23.8%	92.9 M 0.8%	114.0 M 4.5%	202.7 M -18.3%	53.0 M 25.1%	134.4 M 18.5%	53.3 M 0.7%
	Unsub Rate	0.17% -0.1 pts	0.11% -0.1 pts	0.15% 0.0 pts	0.13% -0.1 pts	0.14% -0.1 pts	0.28% -0.2 pts	0.22% -0.1 pts	0.22% 0.1 pts
	Delivery Rate	99% 0.2 pts	99% -0.6 pts	99% 0.4 pts	100% 0.5 pts	99% 0.2 pts	97% 0.3 pts	99% -0.0 pts	97% 1.2 pts
Engagement	Open Rate	23.0% -0.3 pts	23.5% 0.8 pts	18.8% -0.4 pts	22.7% 2.2 pts	23.2% -1.9 pts	31.1% -3.0 pts	22.5% 0.8 pts	22.1% -1.3 pts
	Opens	180.2 M 1.2%	31.3 M 28.4%	17.4 M -1.3%	25.9 M 15.8%	47.0 M -24.4%	16.5 M 14.2%	30.3 M 22.9%	11.8 M -5.0%
	Click Rate	2.0% -0.2 pts	3.2% -0.6 pts	1.5% -0.4 pts	1.3% 0.2 pts	2.2% -0.3 pts	5.9% -0.3 pts	0.7% -0.0 pts	1.3% 0.2 pts
	Unique Clicks	16.0 M -6.0%	4.2 M 3.6%	1.4 M -19.2%	1.5 M 19.0%	4.4 M -28.0%	3.1 M 18.4%	970.0 K 14.7%	453.2 K 7.2%
	Click to Open Rate	8.9% -0.7 pts	13.5% -3.2 pts	7.8% -1.7 pts	5.7% 0.2 pts	9.5% -0.5 pts	18.9% 0.7 pts	3.2% -0.2 pts	3.8% 0.4 pts
Financial	Bookings	1.5 M -15.1%	392.8 K -14.0%	117.2 K -23.2%	98.2 K -7.5%	467.5 K -27.9%	231.7 K 6.5%	101.7 K 13.5%	46.9 K 6.9%
	RoomNights	3.4 M -18.0%	914.0 K -16.4%	267.8 K -24.8%	225.8 K -9.8%	1.1 M -30.3%	562.0 K 0.5%	217.9 K 8.8%	104.5 K 0.5%
	Revenue	\$516.3 M -17.6%	\$141.2 M -16.0%	\$41.2 M -24.0%	\$34.9 M -8.2%	\$165.5 M -29.5%	\$85.5 M -0.7%	\$31.6 M 8.5%	\$16.4 M 1.2%
	Conversion Rate	9.1% -1.0 pts	9.3% -1.9 pts	8.6% -0.5 pts	6.7% -1.9 pts	10.5% 0.0 pts	7.4% -0.8 pts	10.5% -0.1 pts	10.3% -0.0 pts
	Bookings per Delivered(K)	1.9 -17.0%	2.9 -30.5%	1.3 -23.8%	0.9 -11.5%	2.3 -11.7%	4.4 -14.8%	0.8 -4.2%	0.9 6.1%

SOLOS HAVE BIGGEST EFFECT ON BOOKINGS

- Booking activity from solos declining at the fastest rate
- Lifecycle, MRCC and METT improved
- Destinations showing least decline

Campaign	2017 Room Nights YTD	Δ 2017 vs. 2016
Solos	1.1M	-30.3%
eNews	914.0K	-16.4%
Lifecycle	562.0K	0.5%
Hotel Specials	267.8K	-24.8%
Destinations	225.8K	-9.8%
MRCC	217.9K	8.8%
METT	104.5K	0.5%
Program	3.4M	-18.0%



BIGGEST DECLINE IN Q3 2017 FROM NON-BOOKING SOLOS

Q3 Solos	Sum of EIR Bookings	Sum of Delivered	BPD(K)
2016	185K	74.9M	2.5
Booking Focused	106K	34.6M	3.0
Non-Booking	80K	40.3M	2.0
2017	148K	83.4M	1.8
Booking Focused	105K	41.6M	2.5
Non-Booking	43K	41.8M	1.0

- September 2016 NonBooking solos like SPG benefits announcement & CruisesOnly Sweepstakes drove 3 – 5X the bookings of September '17 NFL Kick-Off Solo
- 2016 CruisesOnly also outperformed both 2017 “Bookings” Solos

RECOMMENDATIONS

- Update 2018 goals to incorporate non-booking initiatives (redemptions, traffic, other) and establish process to track
- Build marketing plans in collaboration w/stakeholders
- Continue optimization efforts against existing campaigns
 - Stronger segmentation/personalization
 - Stand up profiler table in Harmony

KEY INITIATIVES & CAMPAIGN HIGHLIGHTS

- Template 2.0 & Lifecycle Campaign Improvements
- Summer & Fall Megabonus
- Moments Solos & Content Inclusion
- Drive Bookings Solos
- Wylei Optimization
- Core Campaigns

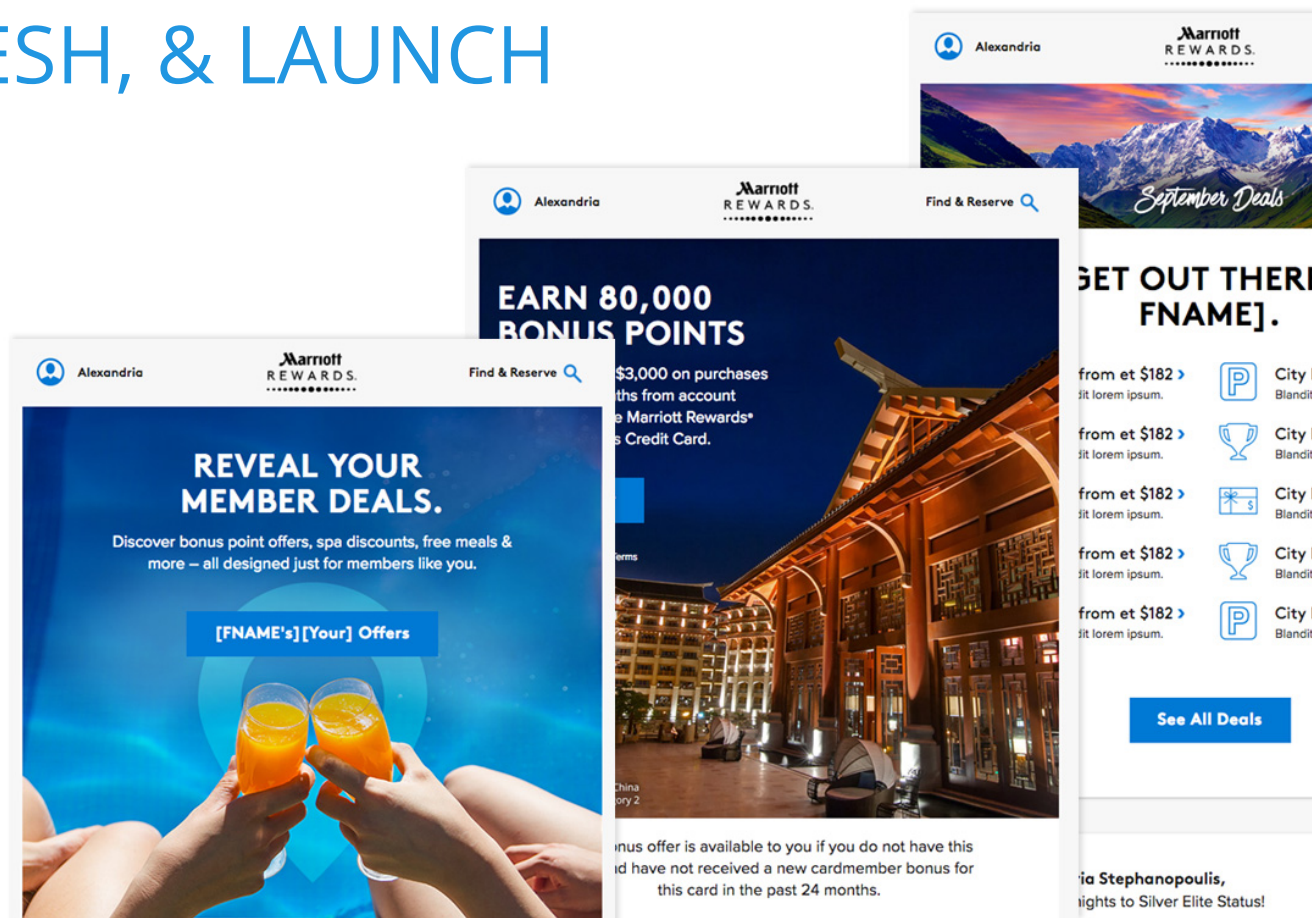
SUCCESSFUL TEMPLATE 2.0 DESIGN, BRAND REFRESH, & LAUNCH

 July 6

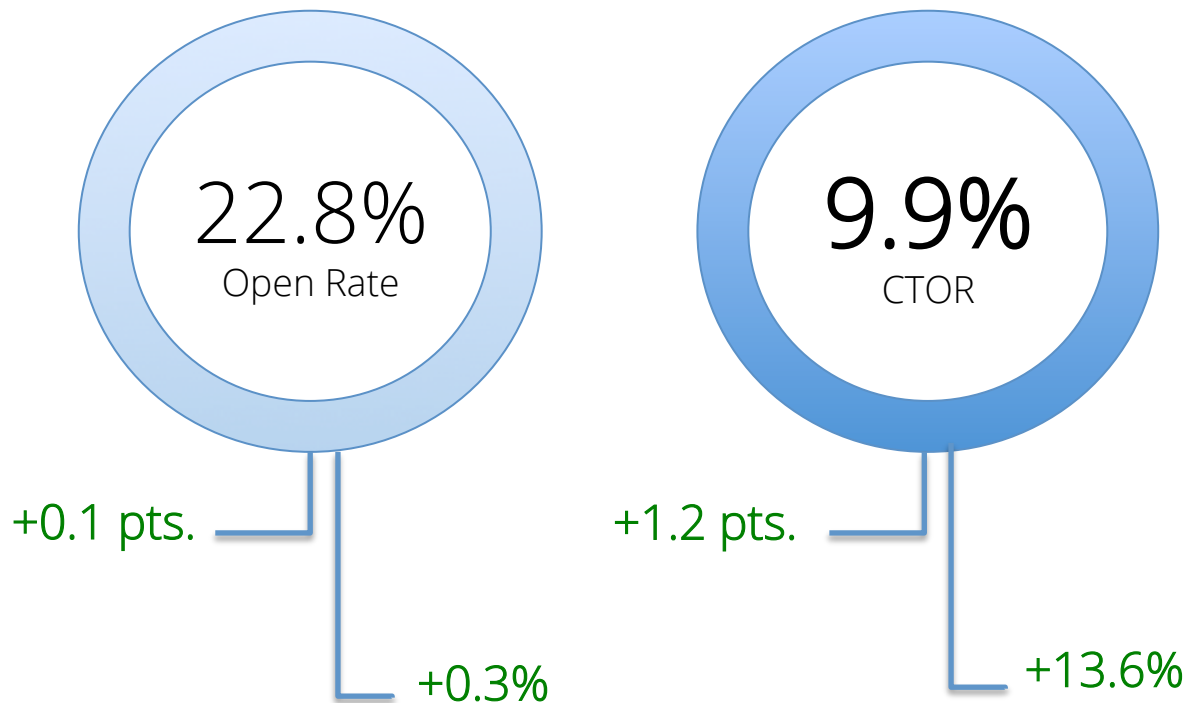
1st BAU Email in 2.0
(eNews)

 350

Campaigns
Retrofitted in 2.0

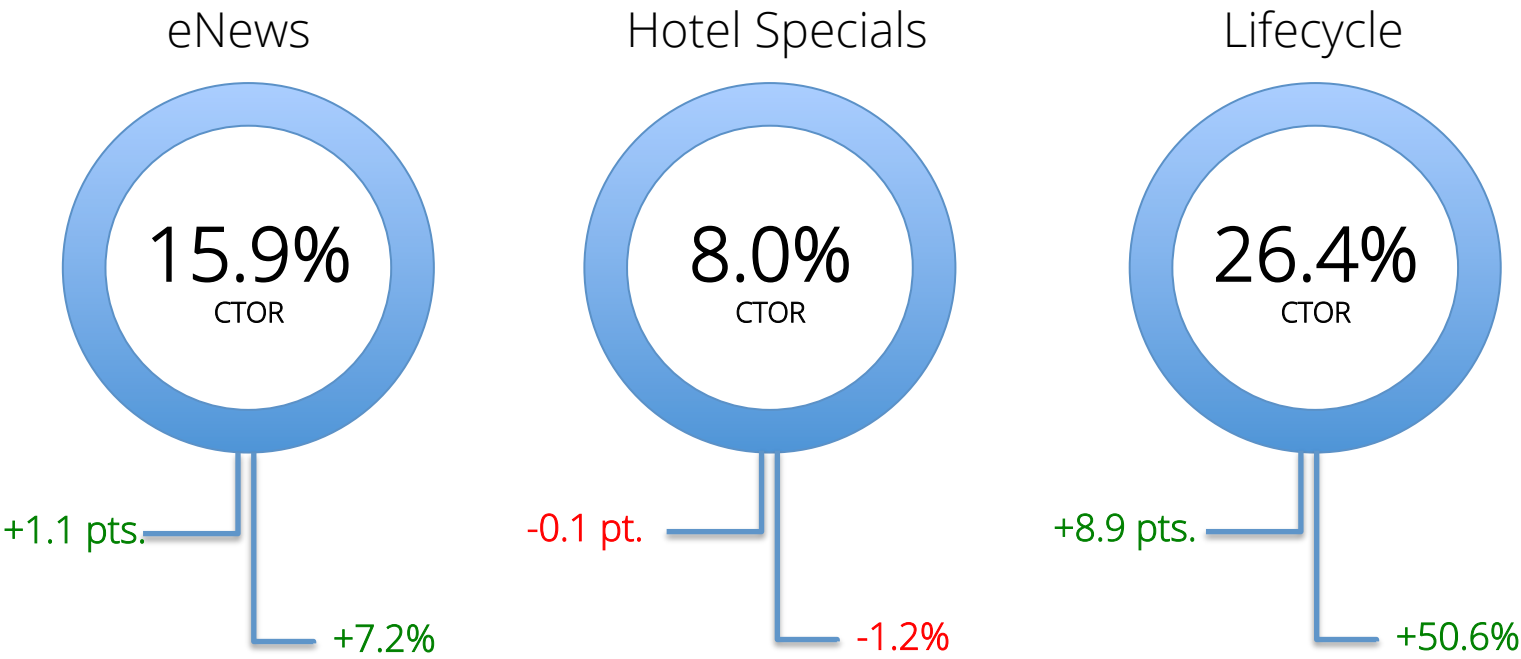


CONSISTENT INCREASES IN EMAIL ENGAGEMENT AFTER MOVING TO NEW TEMPLATE



*June 28-Sep '17 campaigns compared to 12-Month Avg. (June '16 – May '17)

LIFECYCLE EMAILS ARE CONSISTENTLY SHOWING AN INCREASED CTR SINCE NEW TEMPLATE CHANGE



*June 28-Sep'17 campaigns compared to 12-Month Avg. (June '16 – May '17)

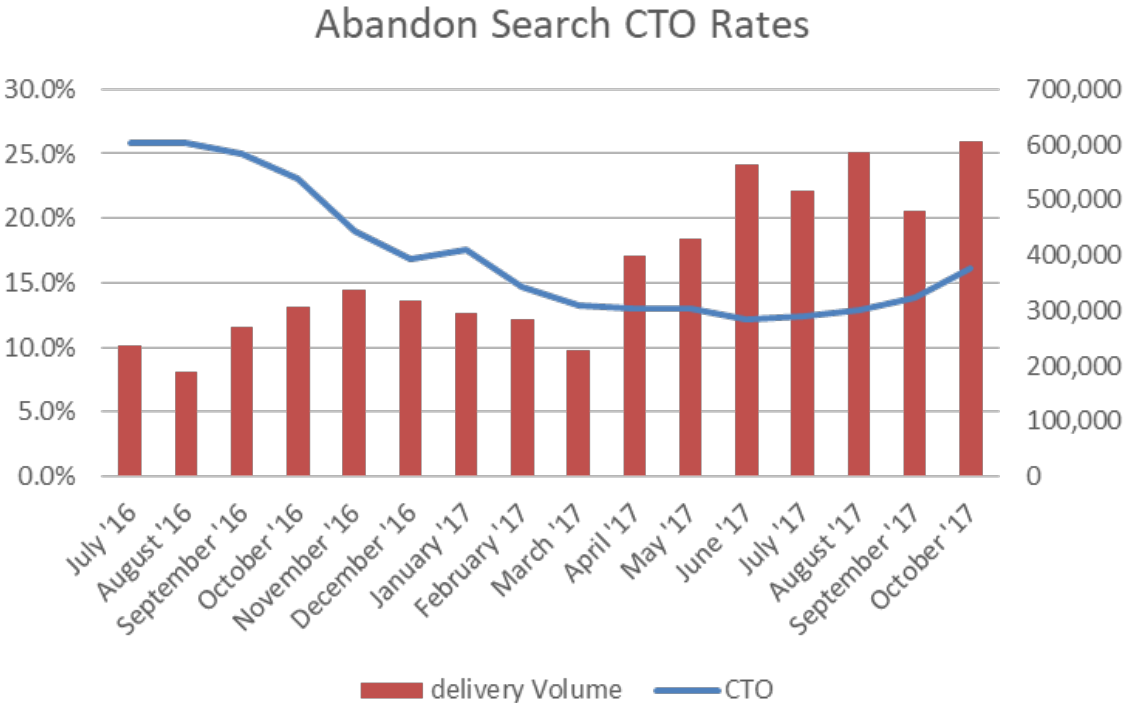
MOST UPDATED AUTOMATED CAMPAIGNS SHOW IMPROVEMENT

Campaign	Δ CTO% Pre vs. Post
Abandoned Search	-11.2%
Achiever	36.5%
Incent Redemption	3.7%
Lifetime Achiever	28.8%
Near Level	2.3%
Post Redemption	75.2%
Welcome & EES	43.2%
Miles EES 1	-8.3%
Points EES 1	-2.9%
Renewers	25.0%

Deeper dive into those w/ declines also tells a positive story:

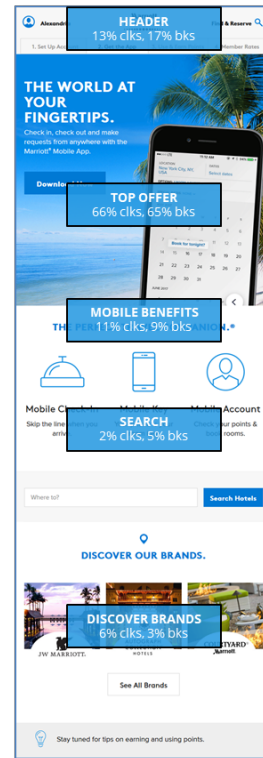
- 12 month pre-comparison skews Abandon Search results
- EES 1 shows improvement in other campaign objectives

CTO RATES CLIMBING SINCE JULY

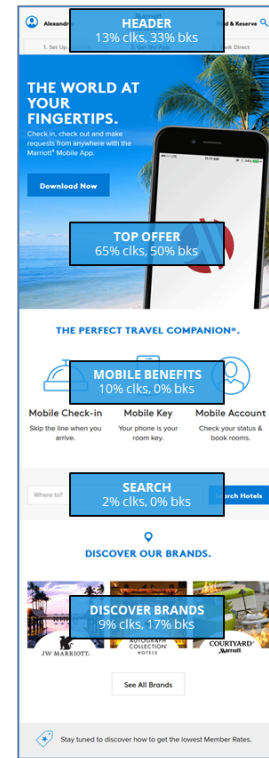


EES 1 CAMPAIGNS BETTER SUPPORT OBJECTIVES

- Shifted primary objective to drive mobile app
- 75+% of clicks to app content vs. 68 - 84% to account content in previous versions
- Increase in % to brand discovery: 6-9% vs. 4%



POINTS

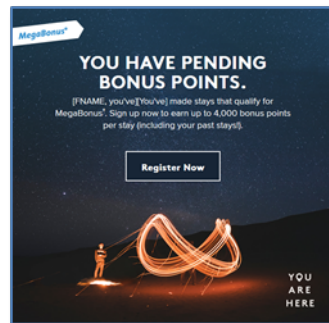


MILES

NEXT STEPS

- Support template & KPI optimization based on results
- Complete current work and pause before handling in-language versions to focus on SPG Harmonization
 - Currently finishing up final batch of campaigns
 - Early Activation
 - Reactivation & Reactivation Reg. Confirmation
 - Points Expiration & Reminder
 - Early Engagement
 - MRCC Free Night Certificate
 - Campaigns launched late September / early October
 - Point Sharing Receiver & Sender - launched 9/28
 - Streamlined Enrollment – launched 9/28
 - Elite Off-Track – launched 9/29
 - SPG Security Link Confirmation – launched 9/29
 - Anniversary – 10/19

SUMMER MEGABONUS LEARNING



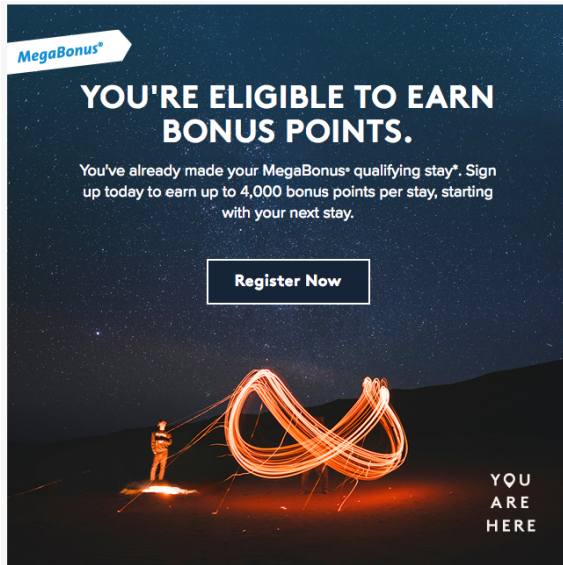
- Leverage 'eligible stay' messaging in reminders
 - Generated >100% lift in CTOR
- Booking Reminder and other progress messaging subject lines should be personalized to drive opens
- Wylei image optimization and application of winning imagery drives CTOR increases

- 9 Campaigns featured
- 85.4 M Reach
- 1.3 M Clicks
- 906.2 K Registration Confirmations Sent
- \$45.2 M Revenue (EIR)
- 133.2 K Bookings
- 10% Conversion Rate

CONTENT PERSONALIZATION

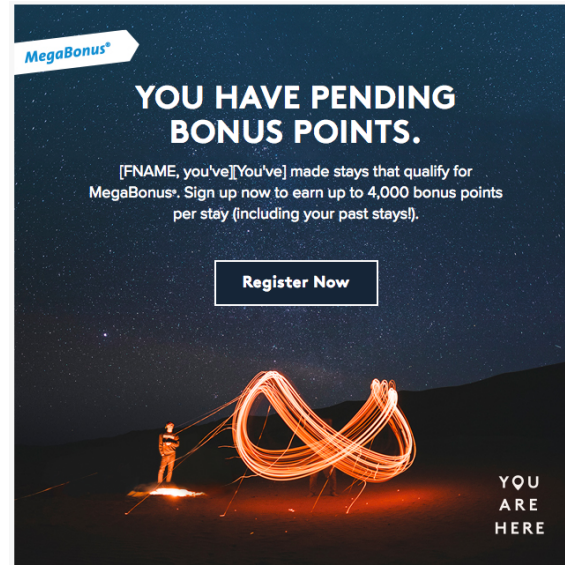
↗ 106%

Higher Campaign CTR



↗ 144%

Higher Campaign CTR



OPEN RATE HURT BY DEMPHASIS ON PERSONALIZATION OPTIMIZATIONS HELP CTR

Applied
Winning
Image

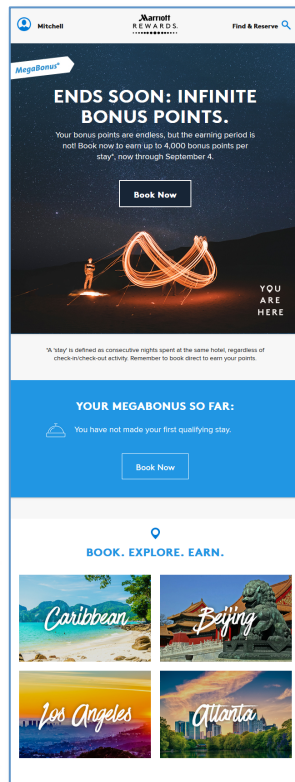


Image
Optimization

Engagement

42.2%
Open Rate
-26.9%

10.8%
CTO Rate
+56.1%

\$3.3MM
Revenue
+82.7%

28.9%
Conv Rate
+35.5%

13.2
BPK
+54.7%

Summer '17

SL = Book Today to Earn up to 4,000 Bonus Points
PH = [FNAME:]Here's your MegaBonus® status so far.

VS.

Spring '17

SL = Your MegaBonus Status So Far
PH = Earn double points. Take in more moments with MegaBonus®.

Used winning image from June eNews MegaBonus optimization efforts

Open rate dropped 27% compared to spring '17 email

- Consider testing previously used status language; it drove 55% open rate

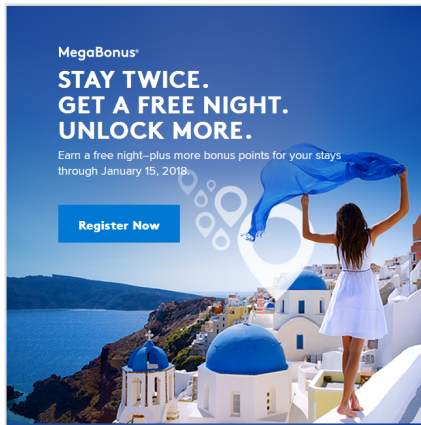
CTOR is up 56% compared to spring '17 booking reminder

- Used 2.0 template
- No member module drove focus to CTAs
- Image optimization

*Compared to Spring '17 booking reminder

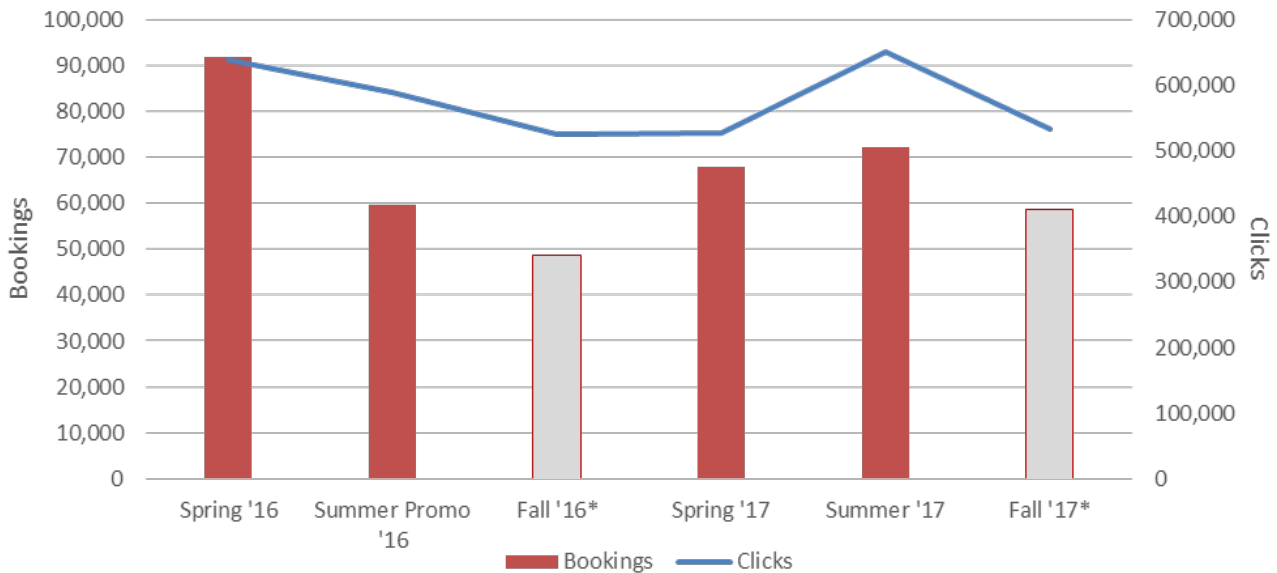
FALL MEGABONUS

- Launched in September eNews – generated financial KPIs 80% above 12 month avg.
- Includes incremental automated campaigns to support bonus unlocks
 - Above average engagement in unlock emails: combined CTO 69.6%, Bk/Del. (K) 165.3
- First time leveraging of Wylei Dynamic Content Assembly
 - Set-up issues delay results but initial indications are positive



SOLO + ENEWS TOP OFFER VS. ENEWS TOP OFFER ONLY

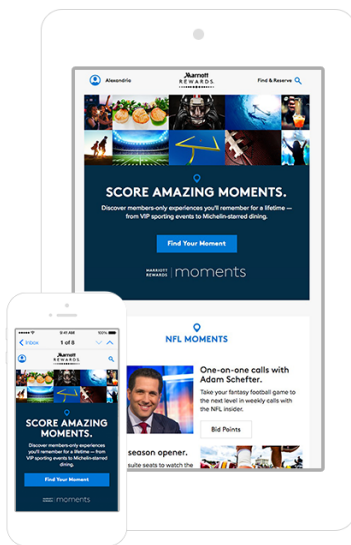
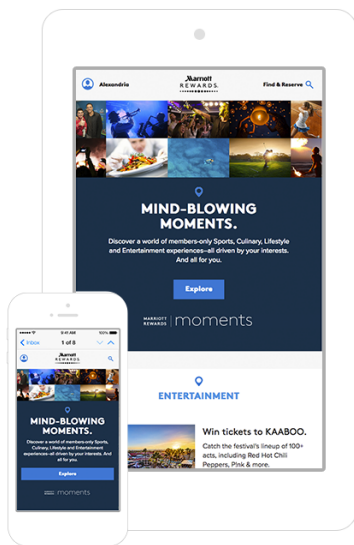
MB announcement in eNews boosts eNews financials; combination delivers more clicks & bookings






*eNews only top offer announcement campaigns
MegaBonus wasn't featured in eNews until the 2nd month of the 2016 Summer Promo

MOMENTS

- 2 solos July & August
- Inclusion in Hotel Specials & NFL Kick-off Solo






MEET MARRIOTT REWARDS MOMENTS.
Use points for members-only experiences.

 Shoot hoops with Dwyane Wade. Use Points	 See Ed Sheeran, Bruno Mars and many more. Use Points	 Wine and dine with Chef Paco Perez at Enoteca. Use Points
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[See all experiences >](#)

COLLECT EPIC MOMENTS.


 Find your dream dress. Use points for a VIP shopping experience at Kleinfeld. Use Points	 Private lunch at Blue Hill. Experience the taste of Autumn with a hands-on cooking demo. Use Points	 Score Hamilton tickets. Meet the cast and watch Broadway's most talked-about show. Use Points
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[See all experiences >](#)

COLLECT EPIC MOMENTS.

 Take a Country Cruise. Set sail on the Norwegian Pearl with your favorite outlaws. Use Points	 Chef Dinner at Little Goat. Cook alongside James Beard Award-Winning Chef Stephanie Lizard. Use Points	 Get Prime Parade Seats. Enjoy views of the iconic Thanksgiving parade in NYC. Use Points
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[See all experiences >](#)



GET IN ON THE ACTION.
Use your points for game-day access, get right on the field, or treat yourself to a deluxe suite. Exclusive Moments — no shoulder pads required.

[Score NFL Moments](#)

MOMENTS / LEARNING STORIES

- Solos drive Moments engagement but lower than average CTO & bookings
 - 429K site visits, 5K bids, 43.3M pts. Redeemed
 - 5.5% CTO vs. 9.9% solo avg.; 1.0 Bookings per Delivered(K) vs. 2.1 solo avg.
- Hotel Specials placement drives 4-5K clicks per mailing
- Contextual inclusion with other content works
 - Tertiary Module in NFL Kick-off solo drove 109K site visits, 226 redemptions, 1,865 bids, 18.3M points redeemed

BOOKINGS SOLOS DROVE BOOKINGS & REVENUE BUT DID NOT MAKE UP FOR LOW CONTRIBUTION FROM NON BOOKING SOLOS

- Combined results: 30.8K bookings & \$11.2M in revenue
- August outperformed September by 45%
 - 28% higher open rate w/ personalized & broadly appealing SL vs. specific offer
 - Aug SL: We've found your next vacation, [FNAME]. vs. Sep SL: Save up to 35% on resort vacations.
 - August content included "Staycation" opportunities near you and Megabonus add to calendar; September conversion 19% higher with Megabonus book now module

Consider lifting CTOR in future campaigns with...

- Personalized destinations content (CEI module from eNews)
- Highlighting exclusive member offers
- Dynamic offers based on location or other data

WYLEI OPTIMIZATION

- Smart Matrix drove positive lifts in Bookings solos, eNews & Hotel Specials; also used in MB Unlock Registration Confirmation
- Dynamic Content Assembly applied for first time in MegaBonus Unlock campaigns

New York >

Caribbean >

Orlando >

London >

AVERAGE LIFT ACROSS ALL CAMPAIGNS

29%



MEGABONUS UNLOCK – DYNAMIC CONTENT ASSEMBLY

Low Engagement
Track 1



Low Engagement
Track 2



Low Engagement
Track 3



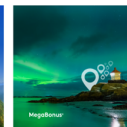
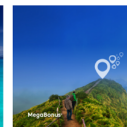
3 Headlines

EARN 10,000
BONUS POINTS.
EXCLUSIVE OFFER: EARN
10,000 BONUS POINTS.
YOU'VE UNLOCKED
A NEW OFFER.

3 CTAs

Register Now
Activate New Offer
Register by: MM-DD-YYYY

3 Background Images

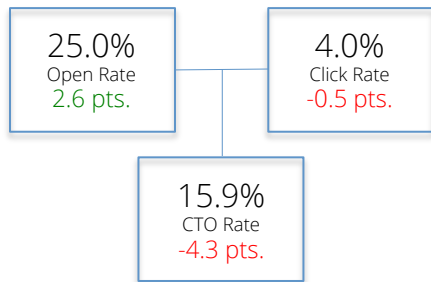


27 Total Variations x 3 Campaigns

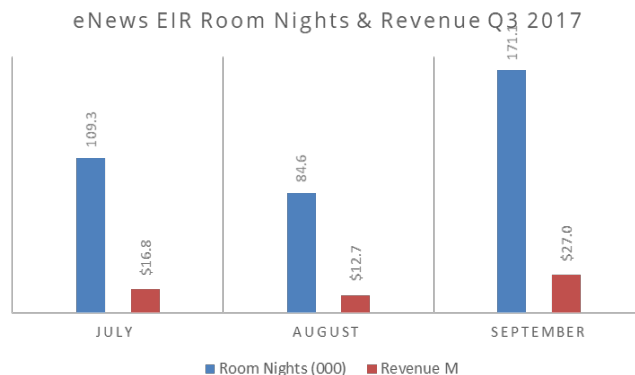
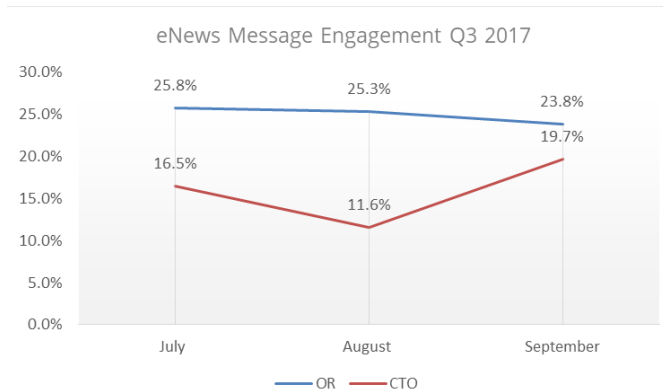
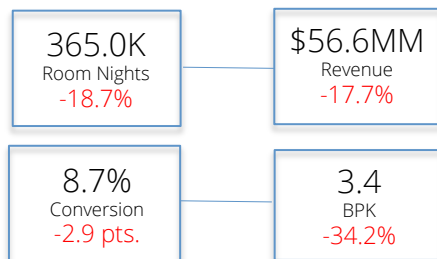
CORE CAMPAIGNS

ENEWS

Engagement



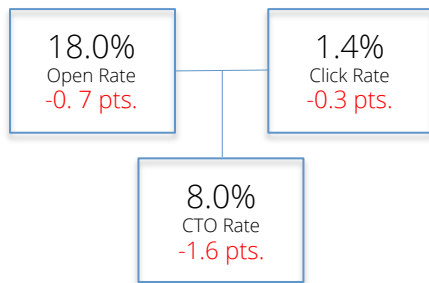
Financial



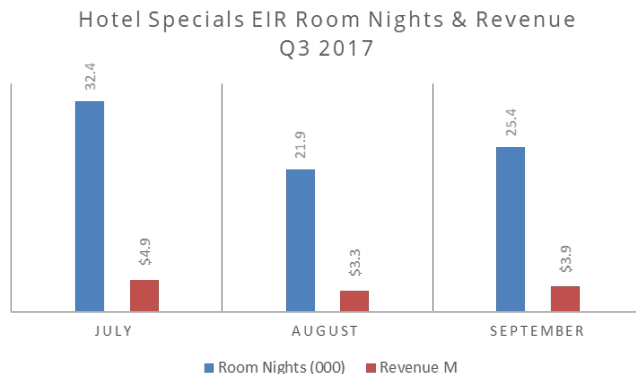
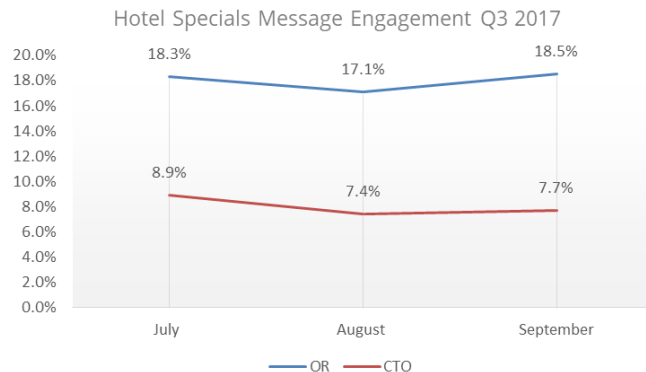
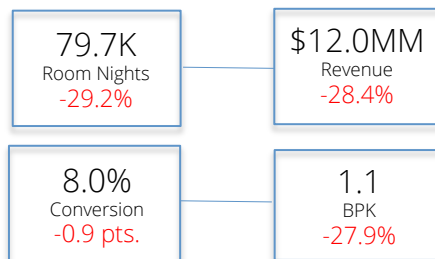
- Featuring Megabonus in top offer >73% of clicks
- Image optimization contributed to Megabonus response as well
- Lack of promo content in August contributed to low CTO – Benefit content needs to be more compelling
- Destinations propensity (CEI) module increased clicks to section – enhancements planned for Nov.
- New template driving more clicks to content vs. account box – CTOR up 15% vs. previous 12 mo. Avg.
- MVP Optimize did not increase clicks to rewards section over BAU (on pause; investigating)

HOTEL SPECIALS

Engagement



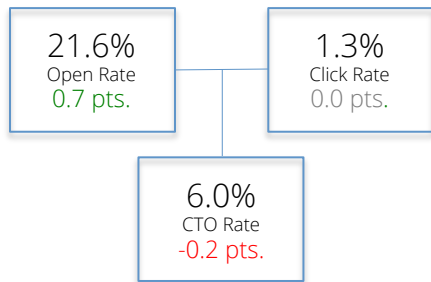
Financial



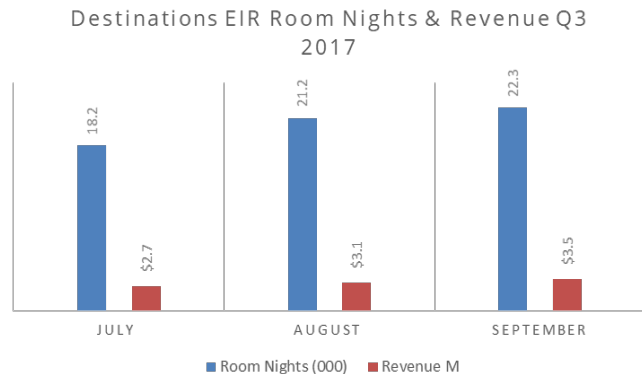
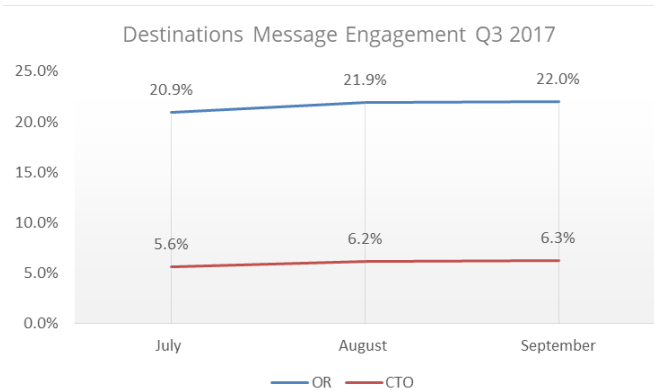
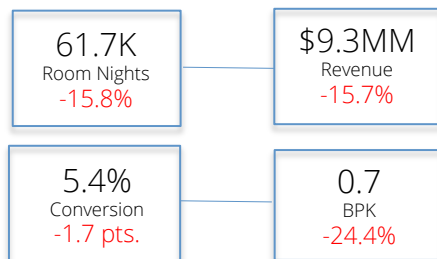
- Content additions of Megabonus and Moments helped CTO; develop year round plan
- Friday deployment inconclusive consider Friday vs. Thursday test (with 50/50 split)
- August CTO suffered from lack of promo content
- More personalized relevant content needed... Destination propensity module, MVP
- Consider more select targeting to responsive segments/members

DESTINATIONS

Engagement

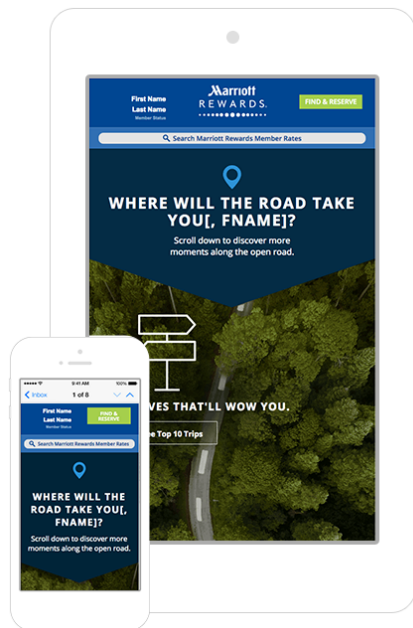


Financial

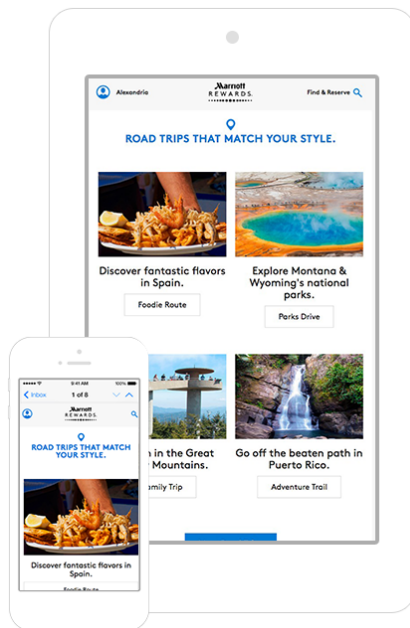


- Roadtrips theme drove higher than 12 month avg. clicks and ascending KPIS throughout theme
- "Top rooftops" theme outperformed last September's award winning "top pools"
- Both campaigns should be leveraged as part of 2018; opportunity to build 12 month plan & incorporate more Traveler content
- Upcoming trips module garners clicks despite only showing to a % of audience; need better data to further optimize
- Trip planner showed 2x+ positive gains when leveraging themed header; opportunity to test for validation

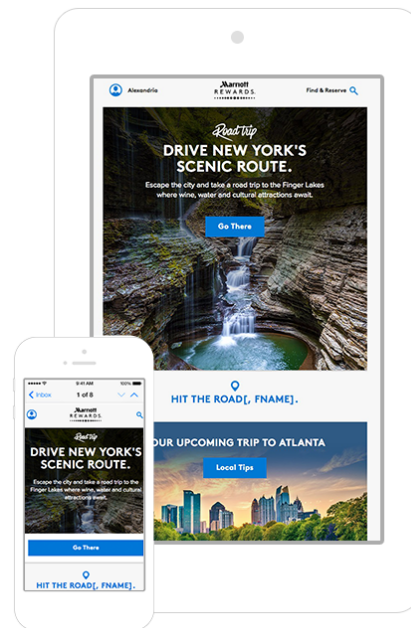
SUMMER ROAD TRIP SERIES



June



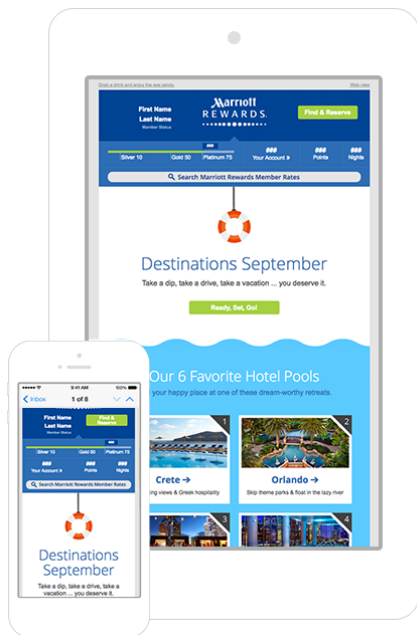
July



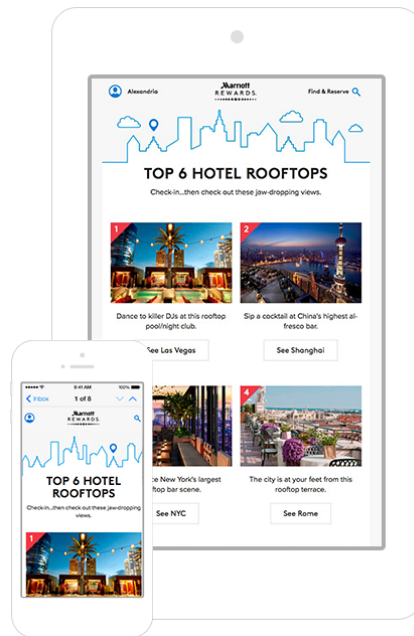
August

↻ 7%
Higher CTOR

"TOP HOTEL..." THEME DELIVERS AGAIN



Sept. '16
6 Favorite Hotel Pools



Sept. '17
Top 6 Hotel Rooftops

↗ 21%

More clicks than
12 mo. Avg.

75% of clicks to top
offer; higher than
award winning "pools"
theme (72%)

ACTIONABLE INSIGHTS

MARKETING RECOMMENDATIONS

- Repeat Summer Road Trip theme in 2018
- Increase member personalization to drive relevancy
 - Scope LOE to stand up customer profiler table with Epsilon
 - Optimize Booking Solos with leisure CEI and/or MVP offers
 - Continue Upcoming Trip testing and consider Next Trip recommendation
- Test destination images vs. Nav. Bar optimization in Hotel Specials and eNews to increase engagement

MARKETING RECOMMENDATIONS

- Build Wylei email optimization roadmap for 2018
- Develop collaborative marketing plans for supported initiatives
 - Moments
 - Mobile App
 - MegaBonus
- Identify performance goals for initiatives during kick-off



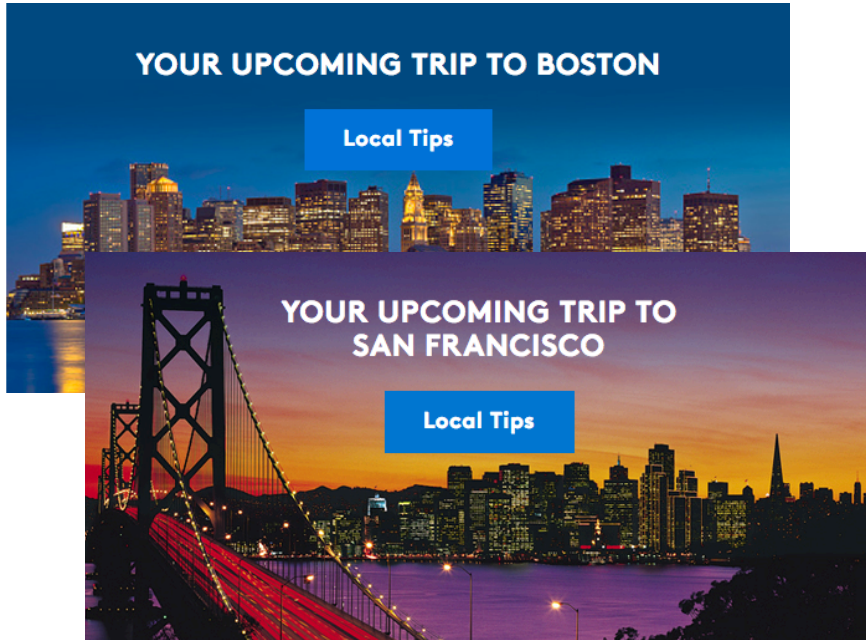
THANK YOU!



CONTENT PERSONALIZATION

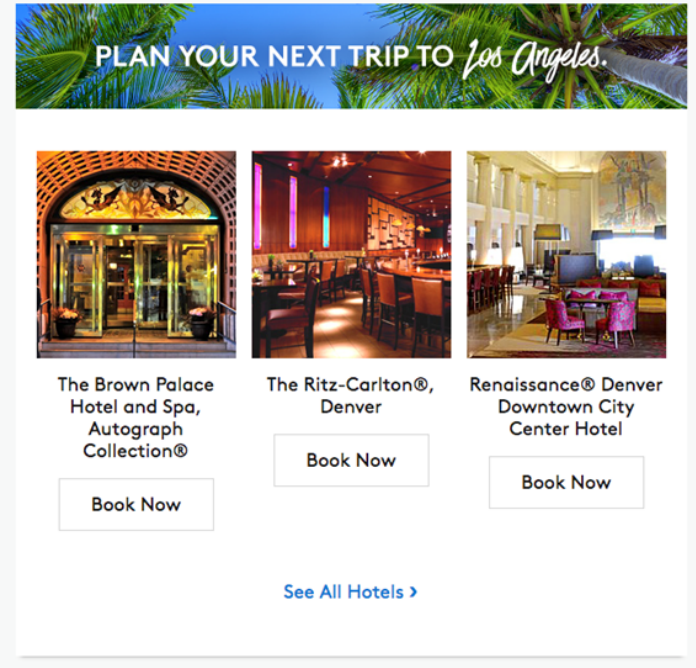
Upcoming Trip Module

Targeting 17 cities (soon to be 50)



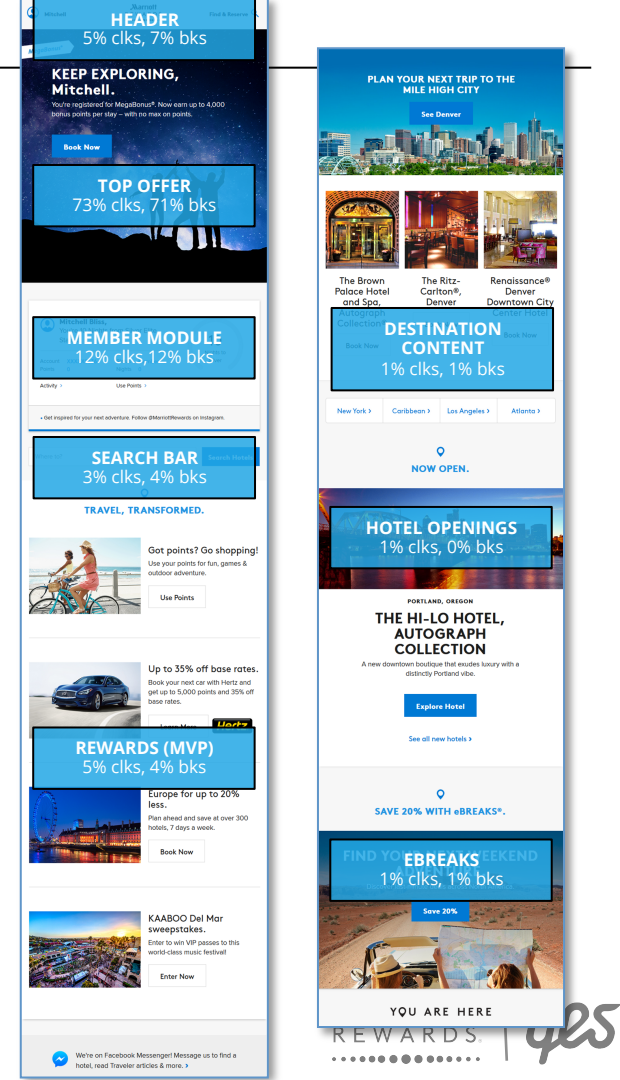
Destinations Propensity Module

26.3MM Emails Delivered (May-Sep'17)



JULY ENEWS - 2ND HIGHEST CLICK VOLUME SINCE JAN '15

- Top Offer received the most clicks since Sep '16
 - Contributing factors:
 - MegaBonus image optimization
 - Targeting eligible stayers with 1+ stays
 - Member Deals generated the highest click rate (4.3%) of any MegaBonus-alternative Top Offer since Feb '16
 - Conversion was down 23% due to MegaBonus Generic Register group
 - Suggest continuing segmentation-based content personalization
- Continued engagement success with Destinations Propensity module
 - Generated 11% MoM increase in section click rate
 - Creative & content enhancements planned for Nov eNews
- July featured 4 stacked MVP offers in the Rewards section and did not feature MVP content in the Top Offer 2 position; overall MVP Conv% was 5.1% & 7.9% lower than May & Jun respectively



AUGUST '17 ENEWS

Engagement

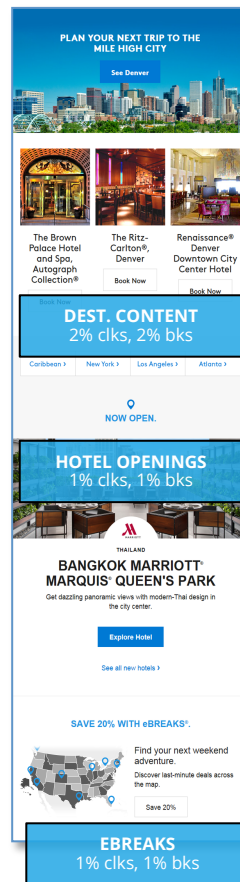
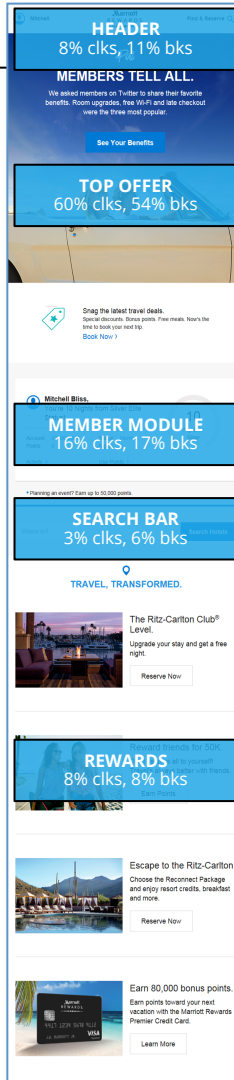
SL = Your Account: The Most Popular Benefits Are...

25.3%
Open Rate
+2.0 pts.2.9%
Click Rate
-0.4 pts.11.6%
CTO Rate
-2.5 pts.

Financial

84.6K
Room Nights
-15.1%\$12.7MM
Revenue
-16.6%8.2%
Conversion
-1.0 pts.2.4
BPK
-20.9 %

*Compared to 12-month average



Impacts to CTOR & conversion rates:

- Lack of promo in Top Offer
- MVP not generating avg. Rewards section engagement
- Less engagement with Header, Search, and Member Module sections

Member Benefits + Deals content in Top Offer resulted in more clicks than 12-mo. avg., but the click rate was...

- 53% lower than July Member Deals
- 87% higher than June Chirpify

Consider higher emphasis on the deal/promo related content in Top Offer

Destinations content:

- CEI Module: 2nd highest click volume & highest conversion rate since launch in May '17
- Navigation Bar: MoM % of total clicks and Conv% increased 15.2% & 31.4% respectively

SEPT '17 ENEWS

Engagement

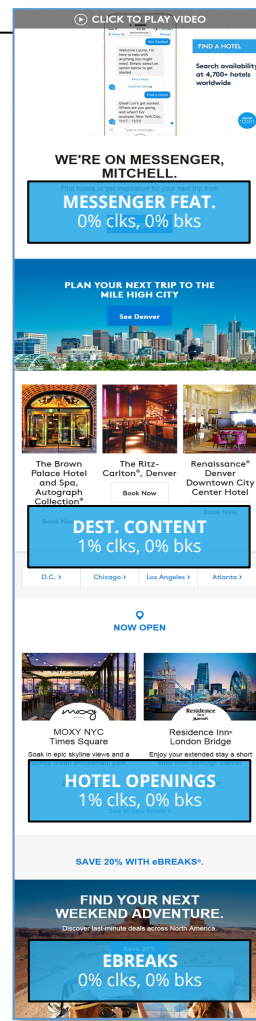
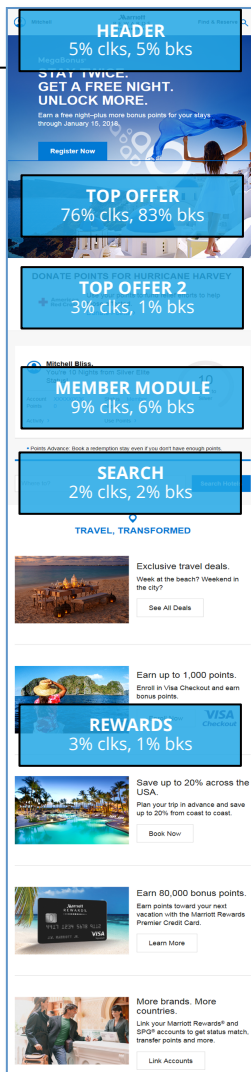
SL = Your Account: New MegaBonus Has Arrived

23.8%
Open Rate
0.0 pts.4.7%
Click Rate
+1.4 pts.19.7%
CTO Rate
+6.0 pts.

Financial

171.1K
Room Nights
+75.9%\$27MM
Revenue
+81.1%10.1%
Conversion
+1.2 pts.4.8
BPK
+62.4%

*Compared to 12-month average



MegaBonus announced in eNews in place of Solo

- 83% of bkg from Top Offer
- Generated more revenue than past MegaBonus Solo's (section & campaign)
- Pulled engagement from other sections

Subject line test leveraging excitement and mystery drove an 8% higher open rate:

- Your Account: New MegaBonus Has Arrived (37.2%)**
- Your Account: Earn a Free Night (34.6%)**
- Your Account: New MegaBonus! Earn a Free Night (34.5%)**

Future consideration/test: eNews vs. Solo announcement

- Which one drives more registrations and revenue?

SEP '17 ENEWS DESTINATIONS PROPENSITY SECTION ANALYSIS


Dest. Prop. Delivered	Dest. Prop. % of Audience	Dest. Prop. Click%
Sep	40.2%	0.05%
Aug	40.4%	0.12%
Jul	40.6%	0.09%
Jun	41.0%	0.08%
May	41.6%	0.14%

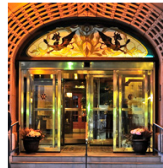
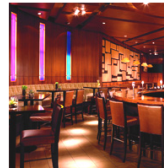
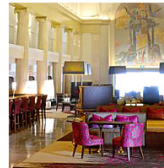
Destinations Propensity exposure and Click% were the lowest since first being featured in May; click engagement may have been cannibalized by MegaBonus top offer

Sep '17 eNews Dest. Propensity	Delivered	Click%
D.C	1.3 M	0.03%
NYC	1.3 M	0.09%
Atlanta	522.4 K	0.03%
San Francisco	340.8 K	0.06%
Phoenix	316.4 K	0.05%
Boston	288.0 K	0.06%
Chicago	276.1 K	0.04%
New Orleans	245.3 K	0.03%
Denver	219.2 K	0.03%
Miami	186.7 K	0.00%
Dallas	140.3 K	0.03%
Savannah	118.5 K	0.09%
Orlando	103.6 K	0.06%
London	44.9 K	0.18%
Caribbean	10.4 K	0.17%
Hawaii	7.4 K	0.22%
Italy	1.8 K	0.71%

HERO/CTA
35% clks, 35% bks

PLAN YOUR NEXT TRIP TO THE MILE HIGH CITY
[See Denver](#)



The Brown Palace Hotel and Spa, Autograph Collection®
[Book Now](#)

The Ritz-Carlton®, Denver
[Book Now](#)

Renaissance® Denver Downtown City Center Hotel
[Book Now](#)

PROPERTIES
65% clks, 65% bks

Marriott
REWARDS.

yes

JULY HOTEL SPECIALS PERFORMANCE INCREASED ACROSS MOST METRICS

Engagement

18.3%
Open Rate
-0.4 pts.

1.9MM
Unique Opens
-2.9%

1.6%
Click Rate
+0.1 pts.

167.6K
Unique Clicks
+8.5%

8.9%
CTOR Rate
+0.9 pts.

Financial

14.3K
Bookings
+6.8%

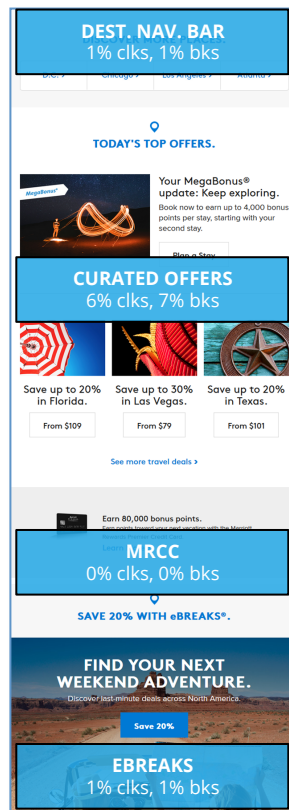
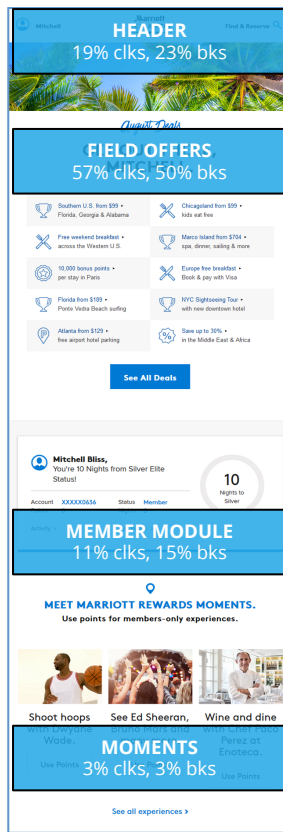
32.4K
Room Nights
+5.1%

\$4.9MM
Revenue
+4.3%

8.5%
Conversion
-0.1 pts.

1.4
BPK
+7.5%

*Compared to 12-month average



Open rate was 2% below the 12-month avg, but up 2% vs. last month

- No change in SL, but slight difference in PH MoM

CTOR was the highest since Aug '16

- Featured MegaBonus
- High engagement with Field Offers & new Member Module

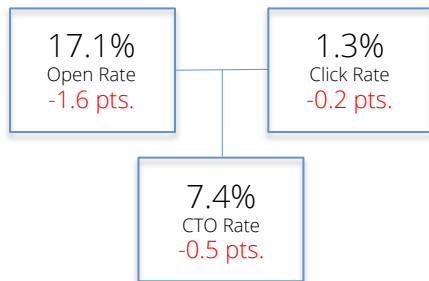
MegaBonus offer strongly contributed to section increase (click % up 33%)

- Continue including content
- Leverage eligible stay copy test learnings for improved engagement

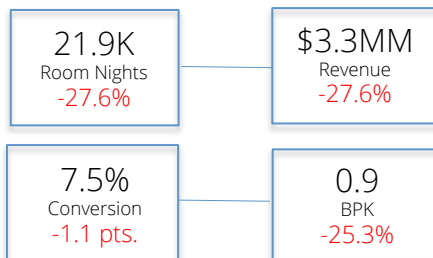
AUGUST '17 HOTEL SPECIALS

Engagement

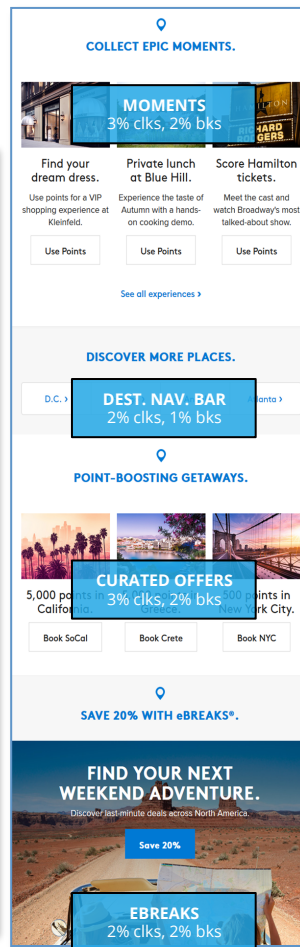
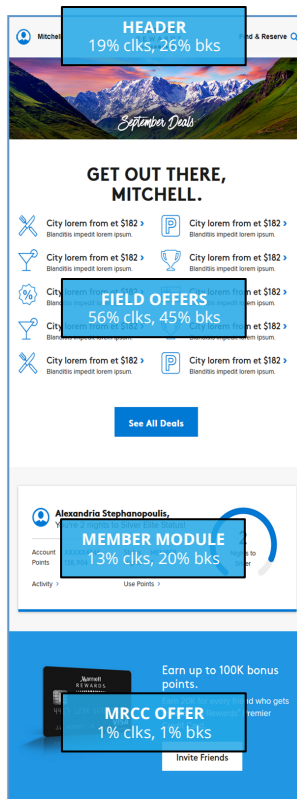
SL = FNAME]'s September Travel Deals



Financial



*Compared to 12-month average



Consider a SL test plan to address consistent declines in open rates

CTOR impacted by lack of promotional content

Impact of no promo or sweeps

- 14% fewer clicks
- 16% fewer bookings
- 3.4% conversion decline

Consider...

- Securing six months or year-long promo commitment
- Merchandised Search Bar
- Focus on top Moments: sports & entertainment; vary content by point bal.
- Dynamic app download module

First time testing Friday deployment to lift CTOR; continue to monitor performance in Sep and Oct

SEPT '17 HOTEL SPECIALS

Engagement

SL = Erica's October Travel Deals

18.5%
Open Rate
0.0 pts.

1.4%
Click Rate
0.0 pts.

7.7%
CTO Rate
0.0 pts.

Financial

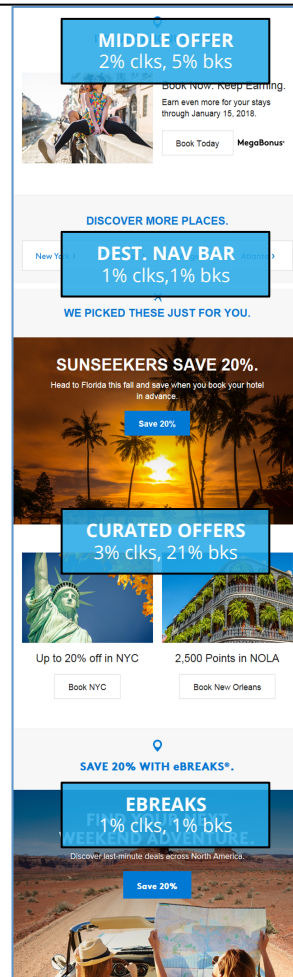
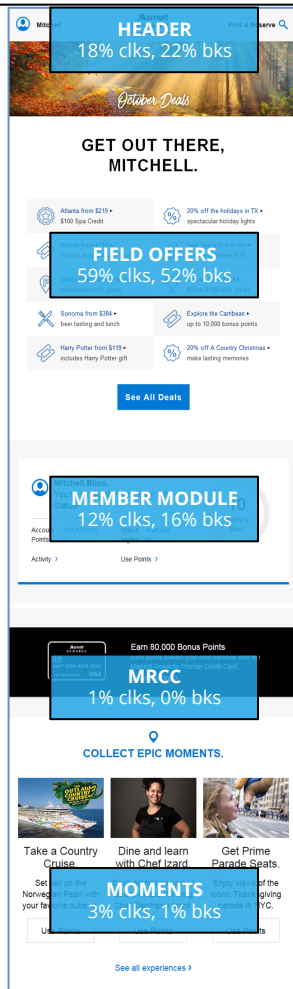
25.4K
Room Nights
-11.8%

\$3.9MM
Revenue
-11.6%

7.8%
Conversion
-0.7 pts.

1.1
BPK
-7.7%

*Compared to 12-month average



Open rates are up 8% MoM and 2% YoY, but previous declines led to test plans for upcoming months

2nd time testing Friday deployment to lift CTOR:

- Up 4% MoM
- Continue to monitor performance (last test in Oct)

34% more clicks on Field Offer section; 1 in 3 clicks on See All CTA

Only 2% of the clicks to the MegaBonus offer; lowest seen for MegaBonus in that section

Curated Offers section: '20% off NYC' offer had the highest click engagement (24%) and conversion (5.6%) for section

JULY DESTINATIONS – 2ND MONTH OF ROAD TRIP THEME

- CTOR up 5% MoM and slightly above the 12-month avg
- Road trip continued to drive higher than avg. clicks YoY
- Top Offer content attracted a 47% higher % of clicks
- Upcoming Trip module generated the 2nd highest % of clicks & conversion since first being featured in Feb '17
- Road Trip Tips drove Middle Offer click highs (% of clicks up 8%),
 - Section conversion rate dropped by 23% due to non-booking related messages
- Trip Planner section generated 1.4K fewer clicks than the 12-month avg; content streamlined by removing body copy
- Campaign conversion rate dropped to lowest since March '16 due to high clicks and low bookings

Road Trip
Ideas

Road Trip
Personality Quiz

Road Trip Tips and
Car Games

The screenshot displays the layout of the Road Trip campaign landing page with the following sections and metrics:

- HEADER:** 16% clks, 28% bks
- TOP OFFER:** 67% clks, 55% bks
- More Road Trips:** A button to explore further trip ideas.
- Road Trip Personality Quiz:** A section titled "Which road trip fits your personality?" with a "Take the quiz to find out" link. Below it, a tweet placeholder and the text "HIT THE ROAD, MITCHELL."
- UPCOMING TRIP:** A section titled "YOUR UPCOMING TRIP TO LOS ANGELES" with 1% clks, 2% bks.
- Road Trip Tips and Car Games:** A section featuring images of people on a road trip.
- MIDDLE OFFER:** A section with 10% clks, 7% bks, including a Facebook Messenger integration prompt.
- WHERE TO BOOK NOW:** A section titled "TRIP PLANNER" with 4% clks, 4% bks, featuring location buttons for Montreal, Seattle, and Salt Lake City, and links to "Explore Canada", "See Washington", and "Visit Utah".

AUGUST '17 DESTINATIONS

Engagement

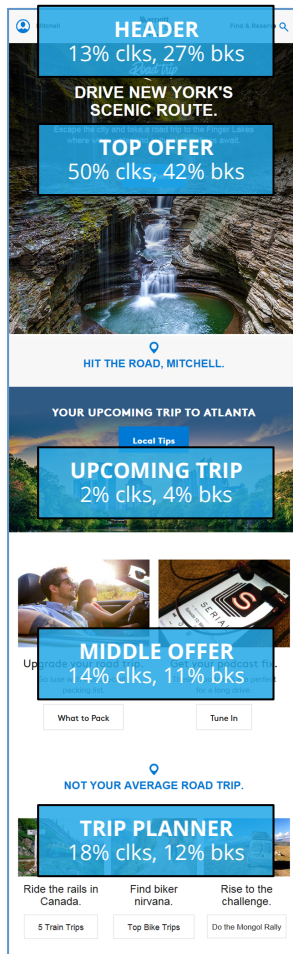
SL: [FNAME,] Don't miss this epic [East Coast] road trip

21.9%
Open Rate
-0.4 pts.1.3%
Click Rate
+0.1 pts.6.2%
CTOR Rate
+0.6 pts.

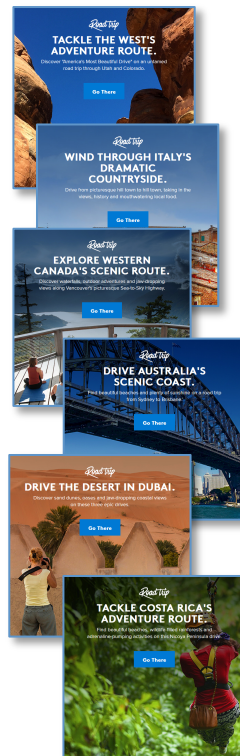
Financial

21.2K
Room Nights
-14.3%\$3.1MM
Revenue
-17.8%5.5%
Conversion
-1.6 pts.0.7
BPK
-15.0%

*Compared to 12-month average



Geo-Targeted Images



3rd month of the Road Trip theme and we continue to see positive engagement; recommended for Summer '18 content

3rd highest CTOR since email launch and up by 11% MoM

- All sections except Header/Account Box generated a higher % of clicks vs. 12-mo avg.

Upcoming Trip module generated the most clicks since Feb '16

'Ride the Rails' offer generated 73% of Trip Planner section clicks; more clicks than the entire section ever attracted; consider a planes, trains, and automobile road trip theme in 2018

SEPT '17 DESTINATIONS

Engagement

SL = Top 6 Hotel Rooftops

22.0%
Open Rate
-0.3 pts.1.4%
Click Rate
+0.1 pts.6.3%
CTO Rate
+0.6 pts.

Financial

22.3K
Room Nights
-11.0%\$3.5MM
Revenue
-8.5%5.2%
Conversion
-1.6 pts.0.7
BPK
-16.6%

*Compared to 12-month average

HEADER
10% clks, 22% bks

TOP 6 HOTEL ROOFTOPS
Check-in...then check out these jaw-dropping views.

TOP OFFER
75% clks, 66% bks

MIDDLE OFFER
1% clks, 0% bks

TRIP PLANNER
11% clks, 7% bks

GET READY FOR YOUR TRIP, MITCHELL:

WHAT TO DO, SEE & EAT
Explore Chicago

UPCOMING TRIP
1% clks, 2% bks

MIDDLE OFFER
1% clks, 0% bks

YOU'LL FALL FOR THESE TRIPS.

TRIP PLANNER
11% clks, 7% bks

Fascination style subject line drove an open rate lift of 5% YoY and 1% MoM, but down 1% vs. 12-month avg.

Email generated 21% more clicks than 12-month avg.

- 75% of email clicks to Top Offer
- Recommend theme for future campaigns – perfect content for carousel test

Top offer engagement:

- NYC – 27% of section clicks
- Las Vegas – 22% ...
- Savannah – 17% ...

Trip Planner section: 2nd highest click volume & % of clicks since Destinations launch

- 59% clicked weekend getaway
- Higher engagement with themed content vs. locations – *test this*

INITIATIVES SUPPORTED



Traveler

965K Unique Visits
(MarriottTraveler.com)



NFL

26MM Solo
Emails Delivered



Mobile App

11MM Solo
Emails Delivered



Hertz

993K Solo
Emails Delivered



Moments

39MM Solo
Emails Delivered



SPG

13MM Emails
Delivered



RewardsPlus

300K Emails
Delivered



MORE

Solo Launch
in Oct '17



MRCC

22.6K
Acquisitions

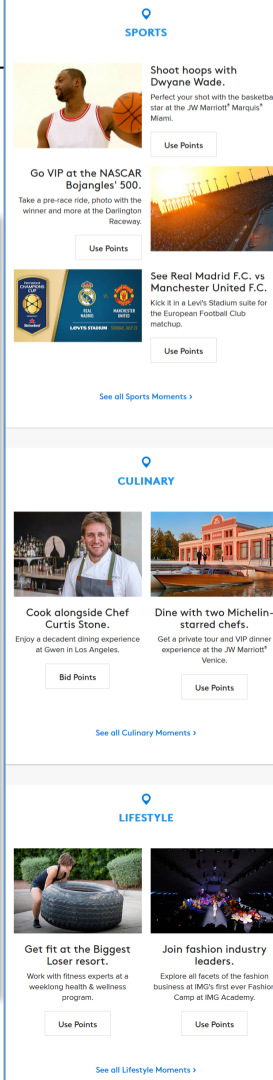
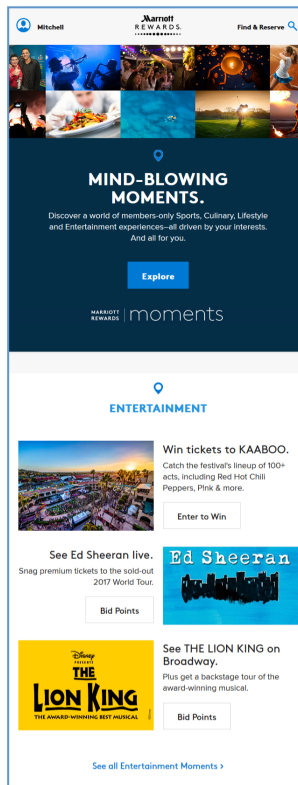
JULY MOMENTS REBRANDED SOLO

Engagement

22.2%
Open Rate+3.8% vs. Moments Solo Avg.
+4.8% vs. '16 Launch Solo5.5%
CTO Rate-1.0% vs. Moments Solo Avg.
+0.1% vs. June '16 Launch Solo

Subject lines tested:

- Introducing Moments (20.8%)
- New: Marriott Rewards® Moments (20.7%)
- Mind-Blowing Moments. All for You. (20.5%)



Subject line test resulted in the 2nd highest Moments solo open rate to-date

Campaign results:

60% ahead of goal in key metrics

- 199,556 site visits
- 160 redemptions

Future considerations:

- Add points needed and current balance since no member module
- Prominent placement of sweeps, lower pt. auctions and complimentary redemptions for those with fewer points
- Improve email targeting with Moments redemption data or previous email click data

JULY NFL MOMENTS SOLO

Email Engagement

SL: [FNAME], Take a Look at These Members-Only Moments

23.3%

Open Rate

+6% vs. Moments avg.

5.4%

CTO Rate

-2% vs. Moments avg.

Moments Engagement

228,954

Site Visits

+83% vs. month goal

233

Redemptions

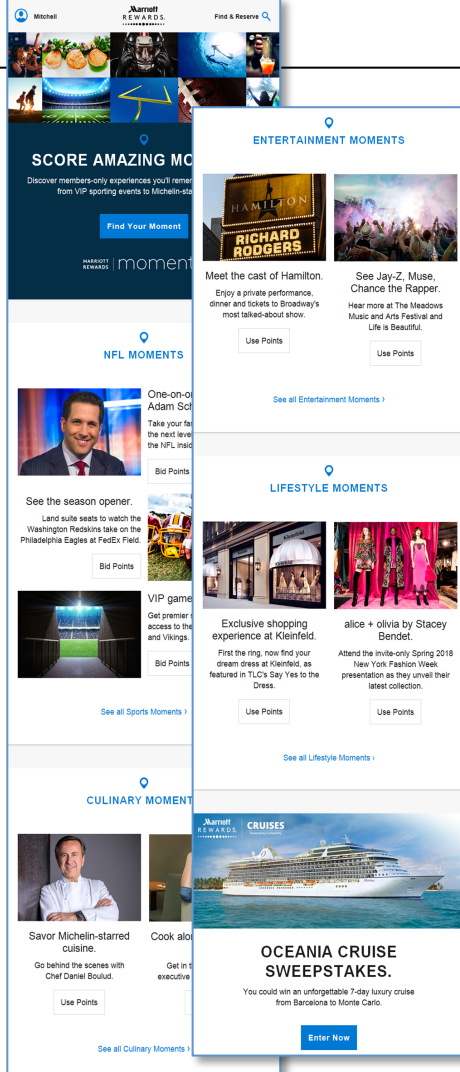
+133% vs. month goal

26.6M

Points Redeemed

2,765

Bids Placed



Record high open rate compared to other Moments Solo's

- Positive engagement with exclusive style SL

Slight decline in CTOR compared to Moments solo avg., but higher than other non-sweeps NFL solos

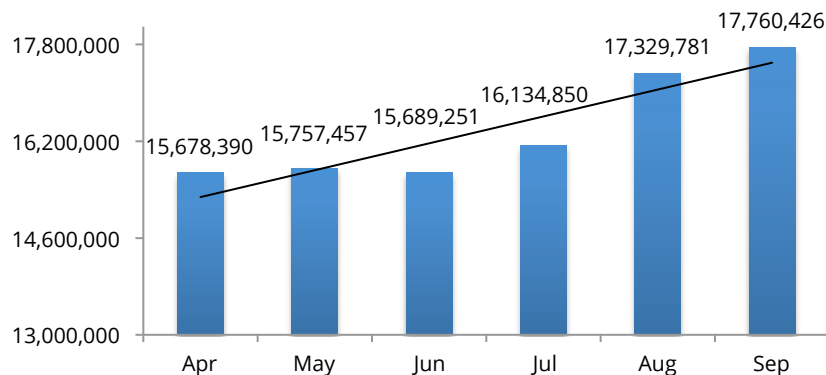
Monitor new engagement tactics tested in Oct solo

- Points needed
- Low vs. High version
- Calling out member pts.

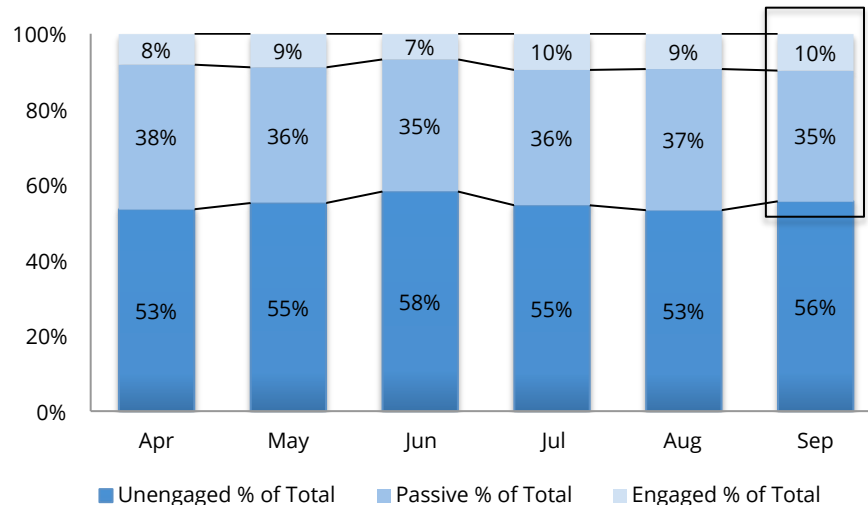
EMAIL ENGAGEMENT REPORT

- 2.4% more members received 1+ emails in Sep compared to Aug
- 45% of members are engaged in MR emails (down 2% MoM due in part to below avg. Solo engagement)

of MR Members Received 1+ Emails



% of Email Interaction (MR Mbr)



*Report Key:

- Received: # of emails received during time period
- Engaged: Received Opened and Clicked + Received not Opened but Clicked
- Passive: Received Opened but not Clicked
- Unengaged: Received not Opened and not Clicked

AUG DRIVE BOOKINGS SOLO GENERATED \$6.4MM AND 18.2K BOOKINGS

Engagement

SL: We've found your next vacation, [FNAME].

24.2%

Open Rate

+4% vs. Program avg.

9.3%

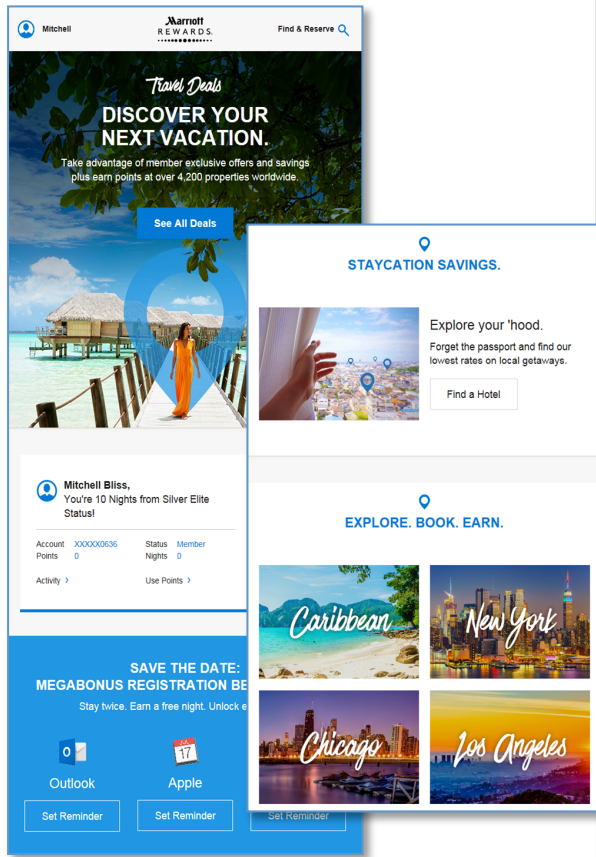
CTO Rate

+8% vs. Program avg.

8.4%

Conversion Rate

+11% vs. Program avg.



Solo drove incremental revenue with performance KPI's above Program averages

Consider lifting CTOR in future campaigns with...

- Personalized destinations content (CEI module from eNews)
- An exclusive member offer

Bottom module leveraged Wylei creative optimization; results pending

SEP DRIVE BOOKINGS SOLO GENERATED \$4.8MM AND 12.6K BOOKINGS

Engagement

SL = Save up to 35% on resort vacations.

17.4%

Open Rate

-4.2 pts. vs. Program avg.

6.9%

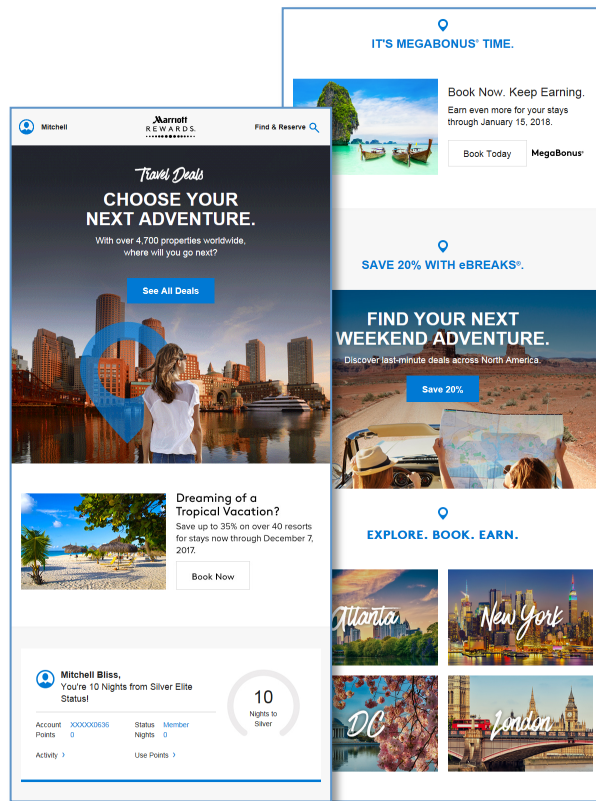
CTO Rate

-3.2 pts. vs. Program avg.

10.0%

Conversion Rate

+1.0 pts. vs. Program avg.



Solo drove \$4.8MM in incremental revenue featuring Travel Deals, Marriott Vacation Club, and MegaBonus content

Open rate decreased 28% MoM; personalization tactics moved to pre-header ('Your' and First Name):

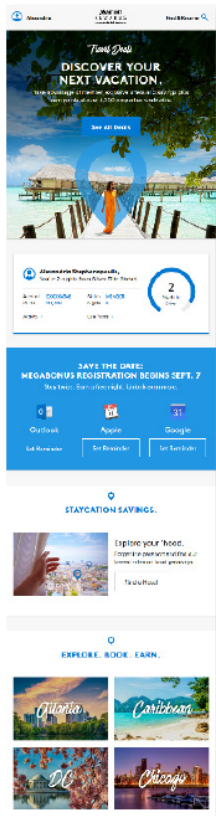
- Sep SL: Save up to 35% on resort vacations.
- Aug SL: We've found your next vacation, [FNAME].

CTOR decreased 26% MoM, but the conversion rate increased 19% MoM

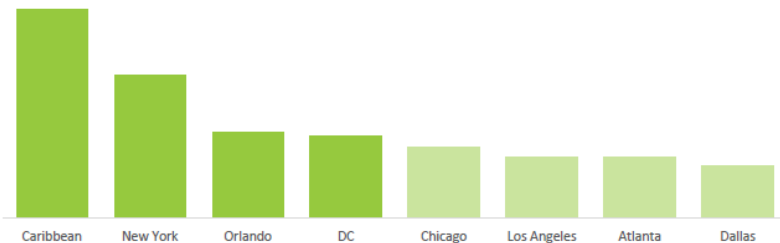
Consider lifting CTOR in future campaigns with...

- Personalized destinations content (CEI module from eNews)
- An exclusive member offer

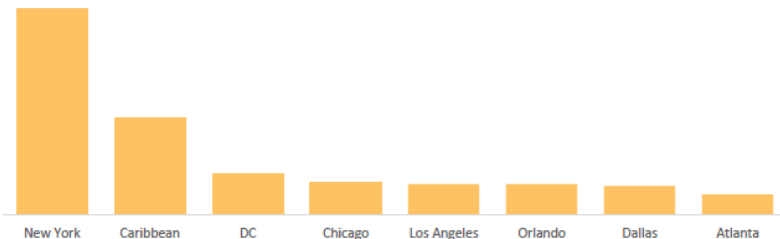
AUGUST DRIVE BOOKINGS SOLO – SmartMatrix - 9.05% Lift



OPTIMIZED IMAGES - CTR



CONTROL IMAGES - CTR



TOP 4 PERFORMING IMAGES

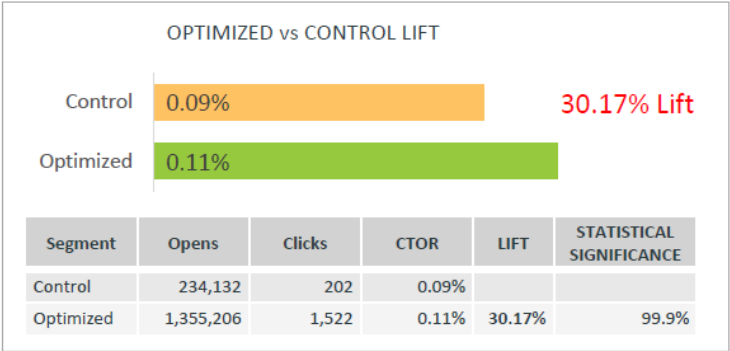
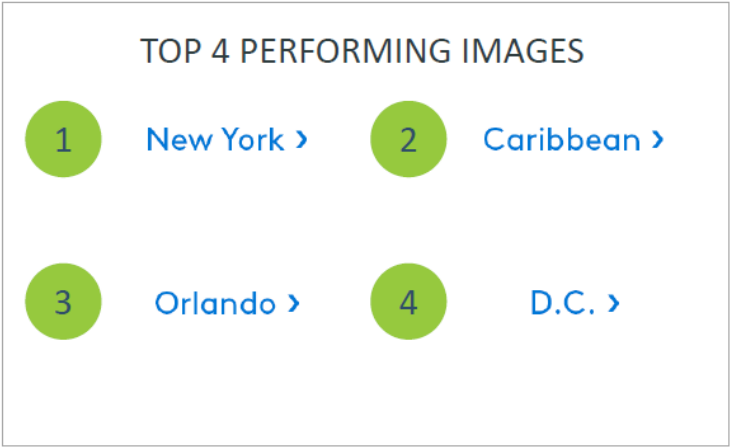
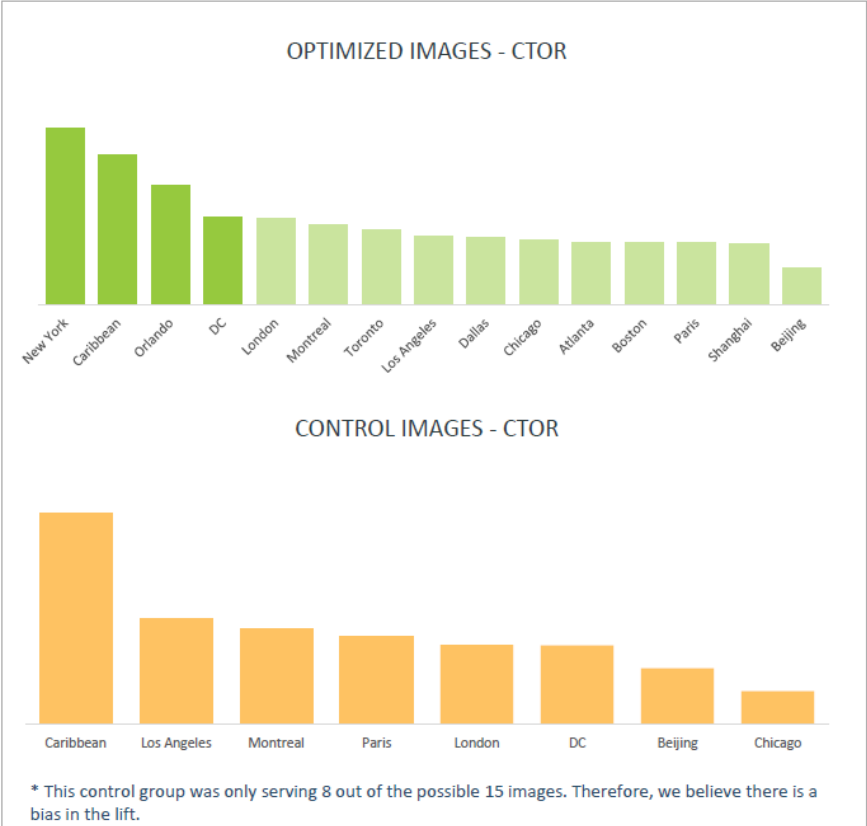
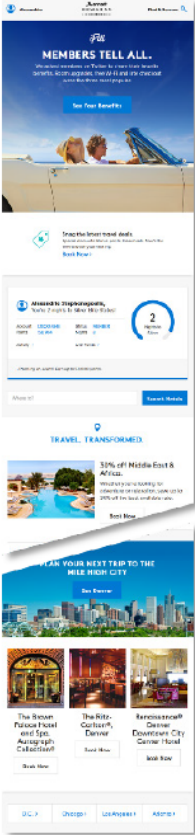


OPTIMIZED vs CONTROL LIFT

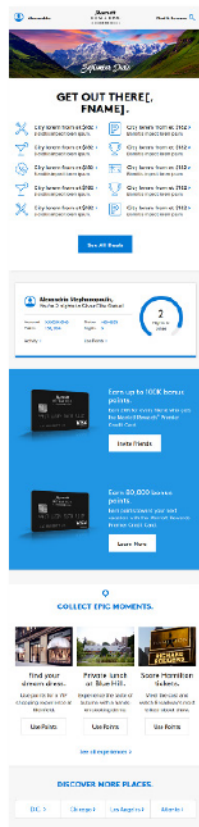


Segment	Opens	Clicks	CTOR	LIFT	STATISTICAL SIGNIFICANCE
Control	280,761	2,192	.78%		
Optimized	1,976,746	16,830	.85%	9.05%	99.9%

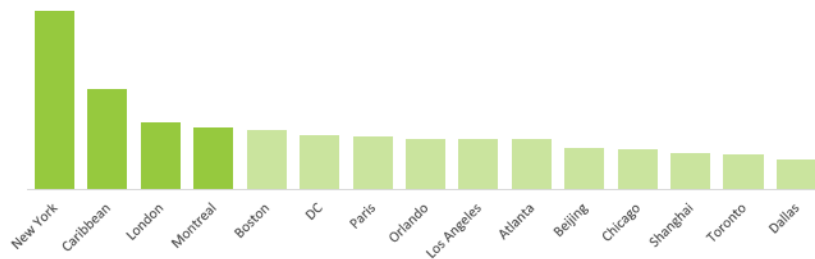
AUGUST eNEWS – SmartMatrix – 30.2% Lift*



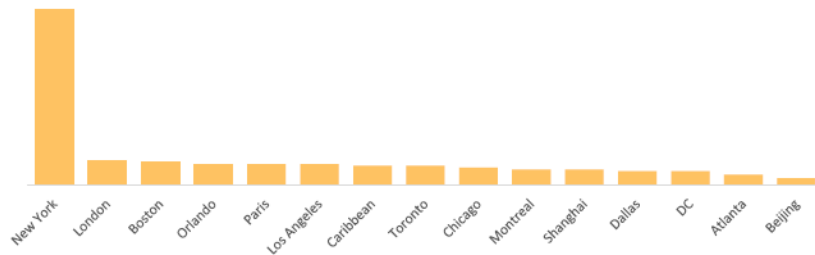
AUGUST Hotel Specials – SmartMatrix – 29.42% Lift



OPTIMIZED IMAGES - CTOR



CONTROL IMAGES - CTOR



TOP 4 PERFORMING IMAGES

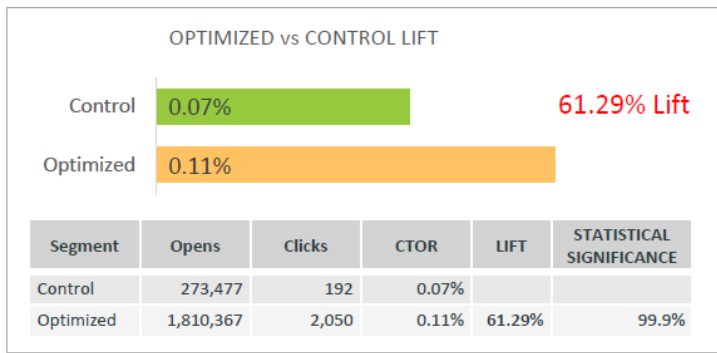
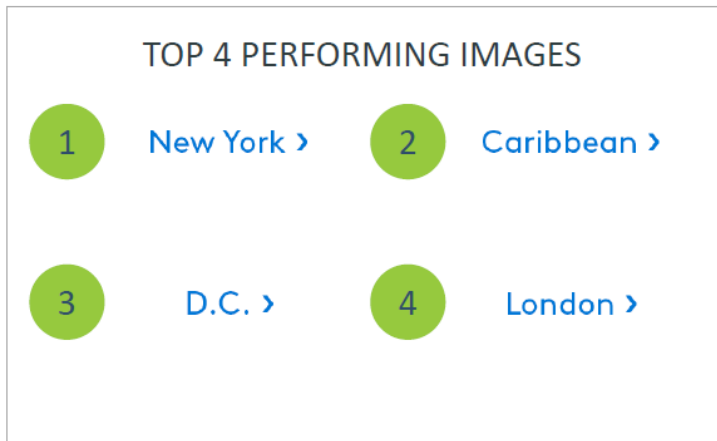
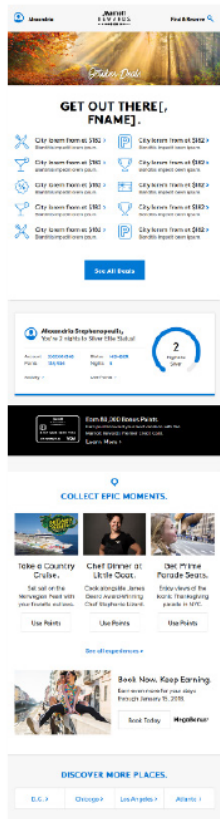


OPTIMIZED vs CONTROL LIFT

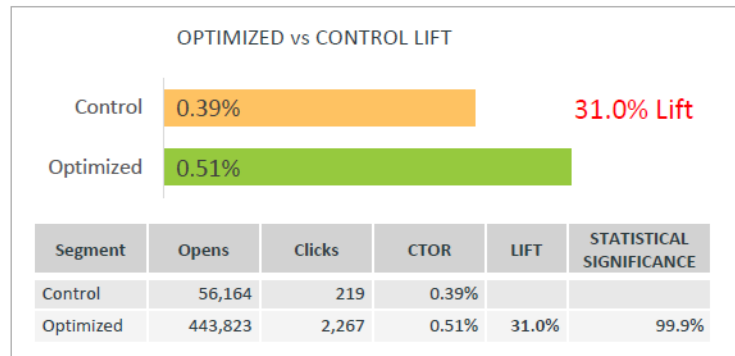
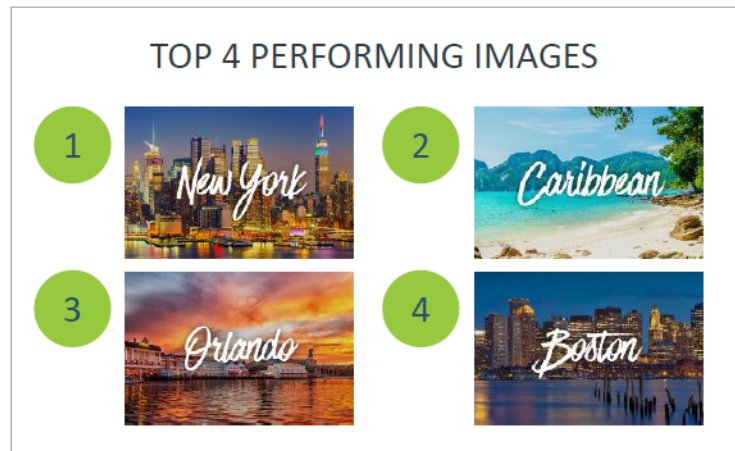
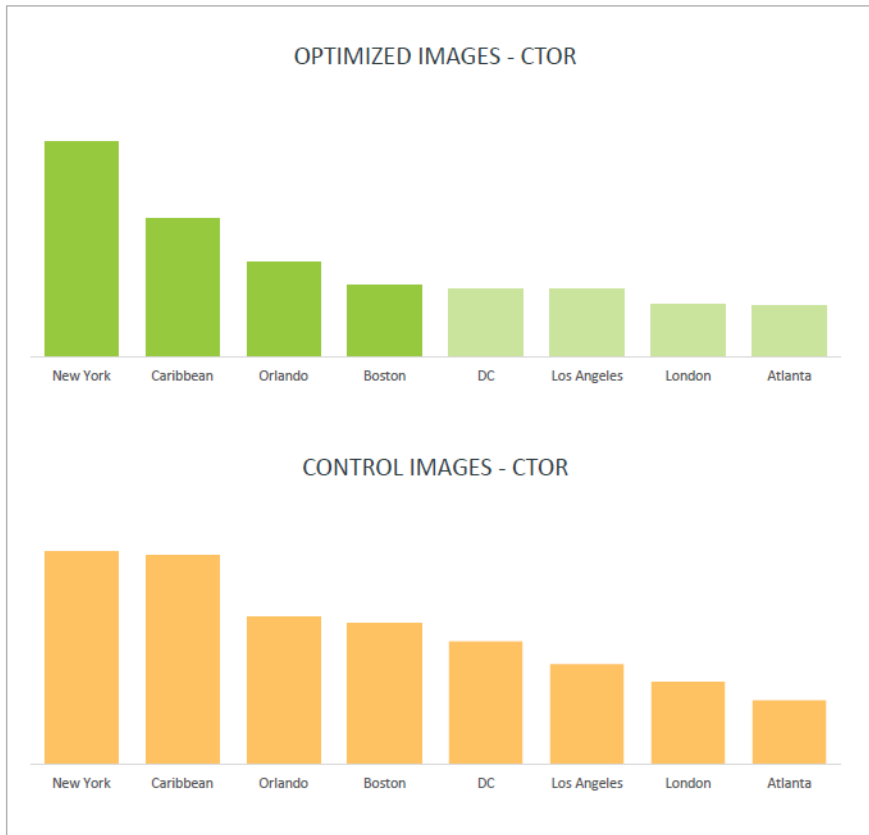
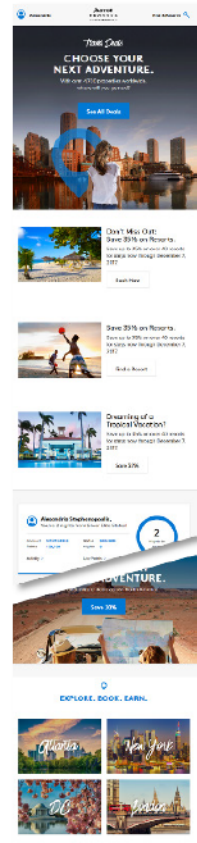


Segment	Opens	Clicks	CTOR	LIFT	STATISTICAL SIGNIFICANCE
Control	278,680	249	0.09%		
Optimized	1,853,256	2,143	0.12%	29.42	99.9%

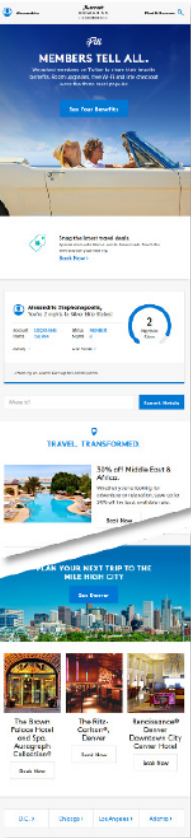
SEPTEMBER Hotel Specials – SmartMatrix – 61.3% Lift



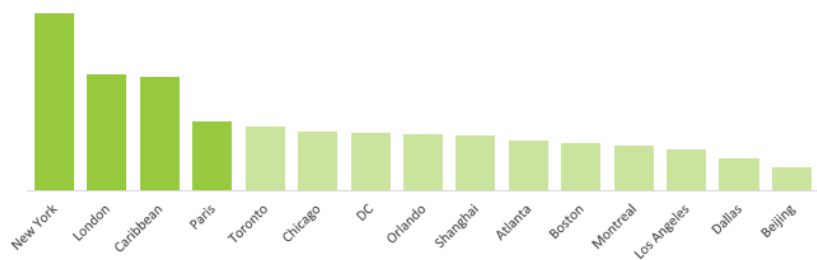
SEPTEMBER DRIVE BOOKINGS SOLO – 31% Lift



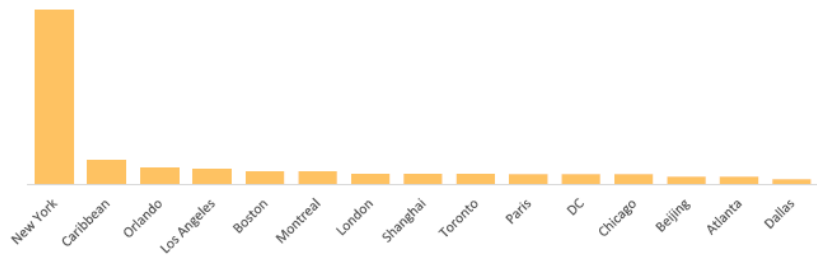
SEPTEMBER eNEWS – SmartMatrix – 21.3% Lift



OPTIMIZED IMAGES - CTOR



CONTROL IMAGES - CTOR



TOP 4 PERFORMING IMAGES

- 1 New York >
- 2 London >
- 3 Caribbean >
- 4 Paris >

OPTIMIZED vs CONTROL LIFT



Segment	Opens	Clicks	CTOR	LIFT	STATISTICAL SIGNIFICANCE
Control	238,348	112	0.05%		
Optimized	1,584,270	903	0.06%	21.30%	98%

WYLEI OPTIMIZATION



EXPLORE. BOOK. EARN.




DISCOVER MORE PLACES.

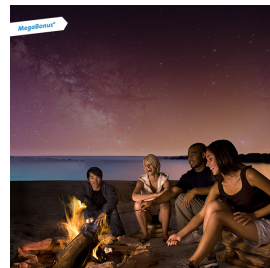
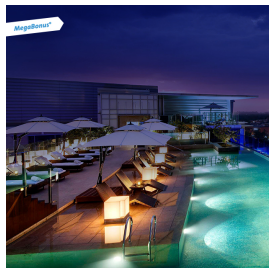
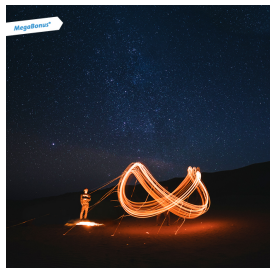
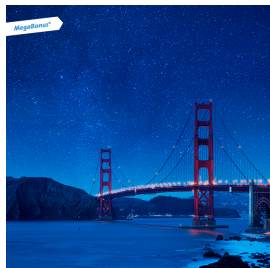
D.C. >

Chicago >

Los Angeles >

Atlanta >

Up to
 61%
CTOR Lifts



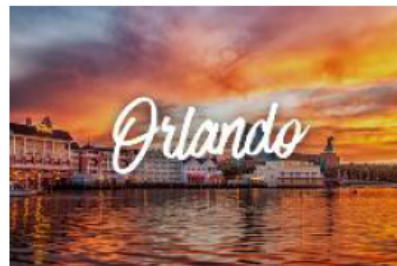
Marriott
REWARDS.
.....

yes

[New York >](#)[Caribbean >](#)[Orlando >](#)[London >](#)

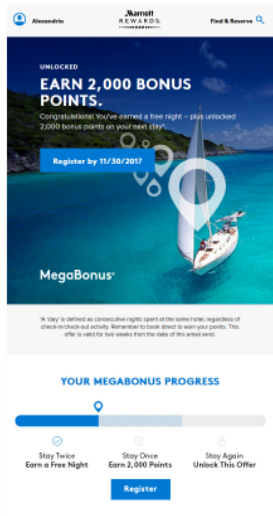
AVERAGE LIFT ACROSS ALL CAMPAIGNS

29%



MEGABONUS UNLOCK – DYNAMIC CONTENT ASSEMBLY

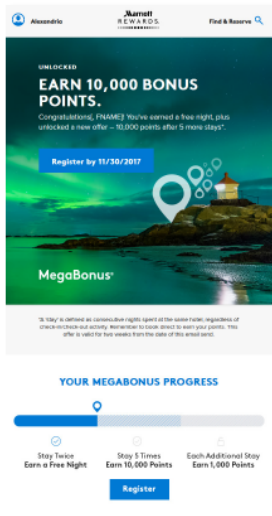
Low Engagement Track 1



Low Engagement Track 2



Low Engagement Track 3



3 Headlines

EARN 10,000 BONUS POINTS.

EXCLUSIVE OFFER: EARN 10,000 BONUS POINTS.

YOU'VE UNLOCKED A NEW OFFER.

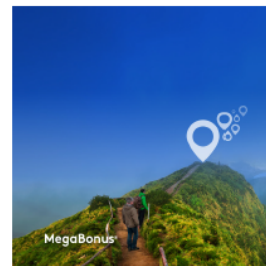
3 CTAs

Register Now

Activate New Offer

Register by: MM-DD-YYYY

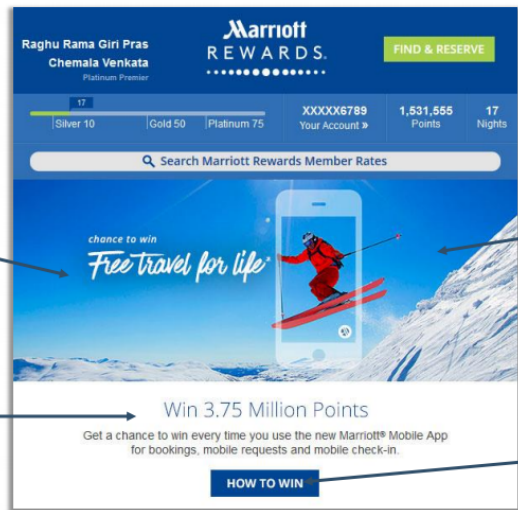
3 Background Images



27 Total Variations x 3 Campaigns

WYLEI: DYNAMIC CONTENT ASSEMBLY EXAMPLE

- Fall Megabonus
 - Test launch

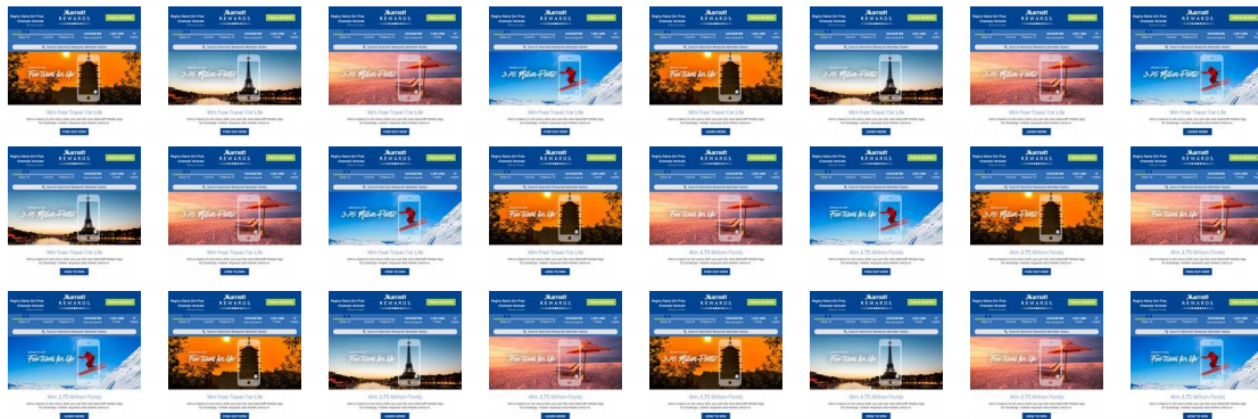


Hero Headline

Hero Image

Secondary Headline

CTA Button



MEMBER MARKETING *at a glance*

ENGAGEMENT

 83

Campaigns Sent

 832MM

Emails Delivered

 193MM

Impressions

 16.9MM

Traffic to Marriott.com

 45%

Members Engaged in Email

MEMBER MARKETING *at a glance*

REVENUE & ROOM NIGHTS



\$543MM

Revenue (EIR)



3.5MM

Room Nights (EIR)

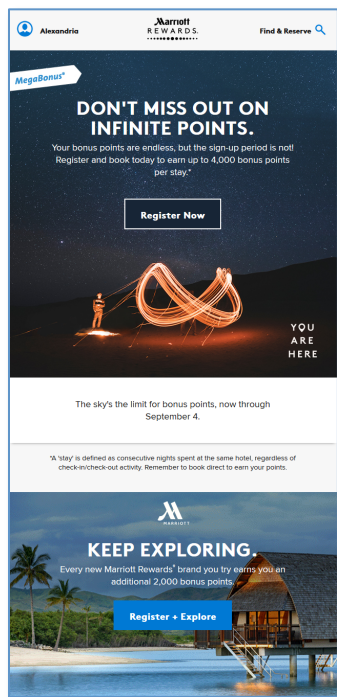
DESTINATION IMAGE OPTIMIZATION RESULTS

- 15 popular destinations
- Pure optimization – no control
- Low section clicks (only 416)
- Top 10 destinations by % of clicks
 - New York - 0.28%
 - *Beijing* - 0.25%
 - Chicago - 0.21%
 - *Shanghai* - 0.16%
 - Dallas - 0.14%
 - Boston - 0.13%
 - DC - 0.12%
 - Orlando - 0.12%
 - Montreal - 0.12%
 - Atlanta - 0.10%

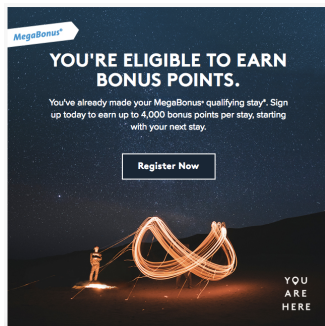


PERSONALIZATION INCREASES ENGAGEMENT WITH MEGABONUS REGISTRATION REMINDER

Control

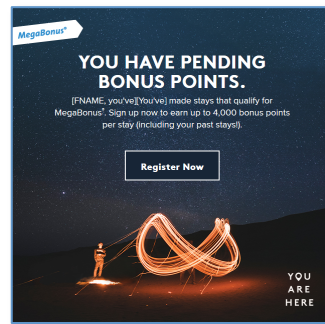


VS.



Test Group: 1 Stay

+116% Higher CTA clicks
+106% Higher campaign-level CTOR
7.1 BPK vs. 3.2 for control



Test Group: 2+ Stays

+155% Higher CTA clicks
+144% Higher campaign-level CTOR
31.1 BPK vs. 10.7 for control

2nd time personalizing registration reminder copy in MegaBonus solo

A/B Test: Half of 1 stay and 2+ stays audience groups received eligible stay copy vs. generic registration reminder copy

Hypothesis: Tailored registration message will drive more engagement and registrations

Recommendation: Continue to leverage 'eligible stay' messaging in reminders when possible

*All CTA & campaign-level results were Statistically significant

AUTOMATED CAMPAIGNS WHERE WE ADDRESSED STRATEGY PERFORMING WELL

Retrofit Lifecycle campaigns	Δ CTO% Pre vs Post Retrofit
------------------------------	-----------------------------------

Achiever	36.5%
Flipper	75.1%
Incent Redemption	3.7%
Lifetime Achiever	28.8%
Near Level	2.3%
Post Redemption	75.2%
Renewer	25.0%
Welcome & EES	43.2%

Campaign	Δ CTO% Pre vs Post Retrofit
----------	-----------------------------------

Abandoned Search	-11.2%
Hotel Specials	-1.2%
MB Reg Con Solos	-11.3%
Miles EES I	-8.3%
MRCC Domestic	-16.7%
Points EES I	-2.9%
Nonmember Last Chance	-39.6%
Nonmember Reminder	-20.7%
Renewer (Platinum)	-25.8%

POINTS EES1

ACCOUNT BOX
31% clks, 47% bks

SEARCH (AB)
5% clks, 6% bks

TOP OFFER
Men 24% clks, 15% bks

ONLINE ACCOUNT
34% clks, 29% bks

BRAND SPOTLIGHT
4% clks, 1% bks

ACCOUNT BOX
30% clks, 42% bks

SEARCH (AB)
5% clks, 6% bks

TOP OFFER
54% clks, 46% bks

TOP OFFERS 2
6% clks, 4% bks

BRAND SPOTLIGHT
4% clks, 2% bks

HEADER
13% clks, 17% bks

THE WORLD AT YOUR FINGERTIPS.
Check in, check out and make requests from anywhere with the Marriott Mobile App.

TOP OFFER
66% clks, 65% bks

MOBILE BENEFITS
1% clks, 9% bks

SEARCH
2% clks, 5% bks

DISCOVER OUR BRANDS.

DISCOVER BRANDS
6% clks, 3% bks

Content Overview:

- Conducting subject line and pre-header test in July and Aug; winner launched in Sept
- Added series table of contents to the top of the email
- Changed primary focus of top offer to mobile app download; animation shows features and icons outline app benefits
- Secondary module promotes SPG account linkage
- Last module is brand education featuring 3 brands (used previously featured brands); streamlined content by removing brand description (used new freq used content module)
- Added up next content to the bottom

Dynamic/Personalization:

- First name
- Everything in Member Module
- Member Module vs Account Set-up box
 - Members who have set up account get member module
 - Members who have not set up acct get 1-liner module about account set up

MILES EES1

ACCOUNT BOX
33% clks, 45% bks

SEARCH (AB)
3% clks, 8% bks

TOP OFFER
22% clks, 15% bks

ONLINE ACCOUNT
35% clks, 30% bks

BRAND SPOTLIGHT
4% clks, 3% bks

Discover Our Portfolio Of Brands

Refined elegance and a guest experience tailored to your needs ensure that your stay will be extraordinary.

Every property is refreshingly distinct, with an artistic flair and style designed to inspire.

Whether you are looking to meet up, kick back or dig in, you will find spaces designed to meet your needs.

THE WORLD AT YOUR FINGERTIPS.
Check in, check out and make requests from anywhere with the Marriott® Mobile App.

Download Now

TOP OFFER
65% clks, 50% bks

THE PERFECT TRAVEL COMPANION®.

MOBILE BENEFITS
10% clks, 0% bks

Mobile Check-in
Skip the line when you arrive.

Mobile Key
Your phone is your room key.

Mobile Account
Check your status & book rooms.

SEARCH
2% clks, 0% bks

DISCOVER OUR BRANDS.

DISCOVER BRANDS
9% clks, 17% bks

See All Brands

Stay tuned to discover how to get the lowest Member Rates.

Content Overview:

- Conducting subject line and pre-header test in July and Aug; winner launched in Sept
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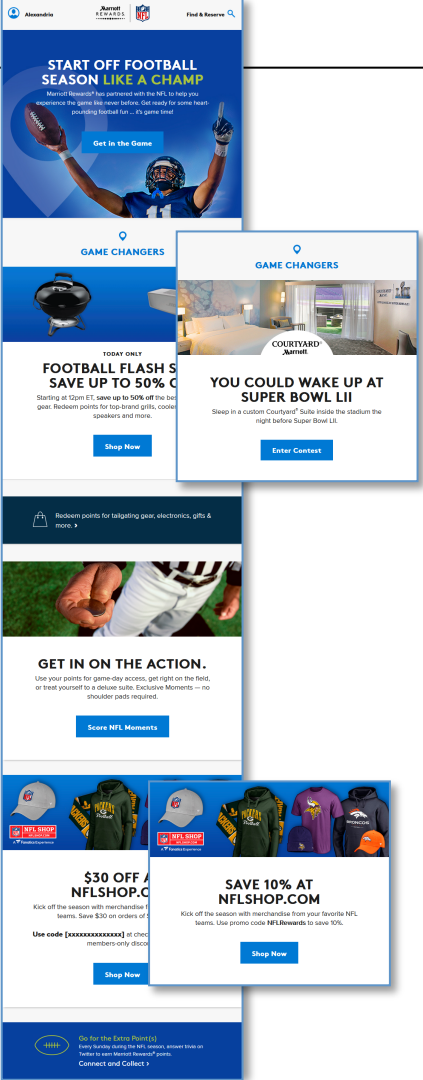
NFL KICK-OFF SOLO

Email Engagement

Basic SL = Football Fans: Get in the Game with These Members-Only Experiences
 Elite SL = Today Only! Save Up to 50% During Our Football Flash Sale



Moments Solos	Delivered	EIR Bookings	EIR Revenue	Open%	CTO%	Conv%	Bk/ Del (K)
NFL Moments Solos (Sep '17)	13.4 M	7.9 K	\$2.7 M	18.0%	4.1%	8.0%	0.6
Basic - Low Point	9.4 M	911	\$305.8 K	15.7%	2.5%	2.4%	0.1
Basic - Mid Point	1.9 M	944	\$294.3 K	20.2%	4.9%	5.1%	0.5
Basic - High Point	641.3 K	553	\$159.6 K	24.9%	6.0%	5.7%	0.9
Elite - Low Point	248.4 K	161	\$40.6 K	23.2%	4.0%	7.0%	0.6
Elite - Mid Point	374.0 K	1.0 K	\$297.4 K	24.1%	7.7%	13.8%	2.6
Elite - High Point	821.5 K	4.4 K	\$1.6 M	28.7%	10.0%	18.5%	5.3



Email drove below program average performance on primary email KPI's

Subject line similar to Aug NFL Moments, but missing personalization (not in pre-header)

- Aug SL: [FNAME], Take a Look at These Members-Only Moments (23% open rate)

Open and CTO rate declines mostly from Basic-Low Point audience; consider sending to previous NFL engagers and/or shop earners

Other Recommendations:

- Leverage personalization
 - Subject line or pre-header (name, your)
 - Email body (pts., name)

BOOKING

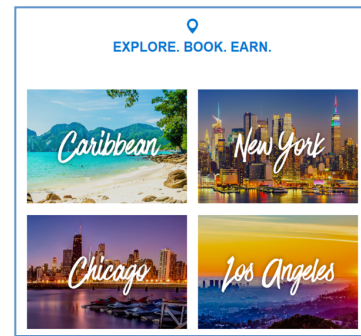
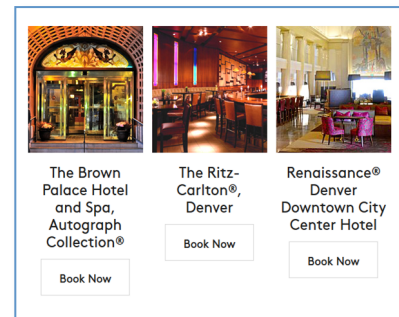
- Leverage successful personalization in other campaigns
 - MegaBonus eligible stay copy
 - Upcoming Trip Module
 - Destination Propensity Module
- Try destination image vs. Nav. Bar optimization in Hotel Specials and eNews to increase engagement

ENGAGEMENT

- Continue summer road trip theme to drive increased clicks and campaign CTR
 - Use winning layout in 2018
- Re-test layouts to determine which increases CTR more
 - Carousel vs. 2-up
 - eBreaks FUC lifestyle vs. article map
 - Try different images in same layout
 - Try same image in different layouts
- Increase member personalization to drive relevancy in Moments Solos

ENGAGEMENT AND BOOKING RECOMMENDATIONS

- Leverage eNews CEI personalization tactic in other booking focused campaigns; start with most engaged content: 3 hotel reco's
- Consider securing longer term commitments from Promotions team for Hotel Specials
- Try using destination images vs. Nav. Bar to increase engagement
 - Start with eNews since CEI uses same size module space
- Consider increasing offers in non-MVP areas while tool learns MegaBonus; expand MVP into other campaigns to increase learning opps.



ENGAGEMENT AND BOOKING RECOMMENDATIONS

- Consider using eNews to announce MegaBonus in future to drive engagement & bookings
 - Fall '17 eNews Announcement 13MM Del \$22MM Rev
 - Summer '17 Announcement 12MM Del \$18MM Rev
 - Spring '17 Announcement 9MM Del \$20MM Rev
 - Fall '16 Preview 8MM Del \$7MM Rev
 - Summer '16 Announcement 10MM Del \$16MM Rev
- Leverage themed content in final Destinations module
 - Test adding things-to-do copy to headline of locations version
- Use personalization tactics to increase relevancy and engagement
 - In redemption messages, remind member of current point balance when there is no member module
 - Remind near-level member that next stay or redemption count towards reaching Elite

