



# Q1 2018 EMAIL PROGRAM REVIEW

June 21, 2018

*yes*

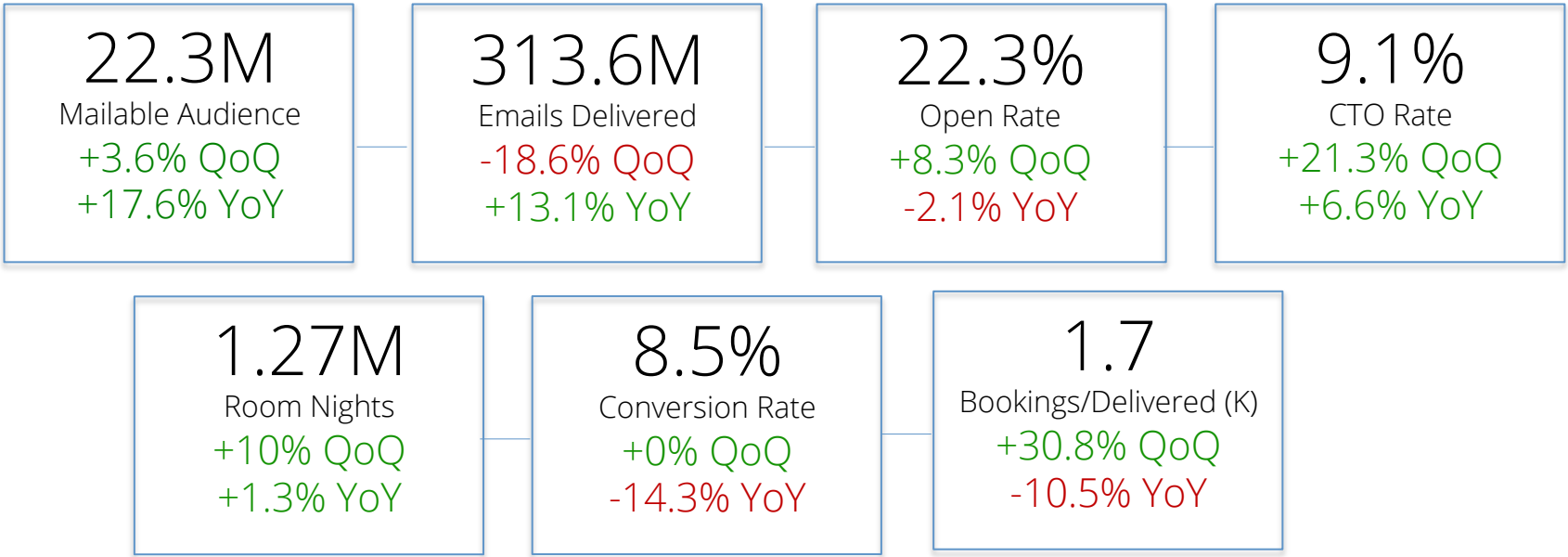
# Q1 REVIEW MEETING AGENDA

- 📍 Performance Summary
- 📍 Key Initiatives & Campaign Highlights
- 📍 Core Campaigns

# Q1 PERFORMANCE SUMMARY

# FIRST QUARTER MADE POSITIVE KPI REBOUNDS VS. LQ

- Delivered increase is positive for exposure; open rates down YoY but CTOR has a healthy increase
- Stronger emphasis on non-booking benefits correlated with declines in conversion and booking



\*Financials based on EIR data



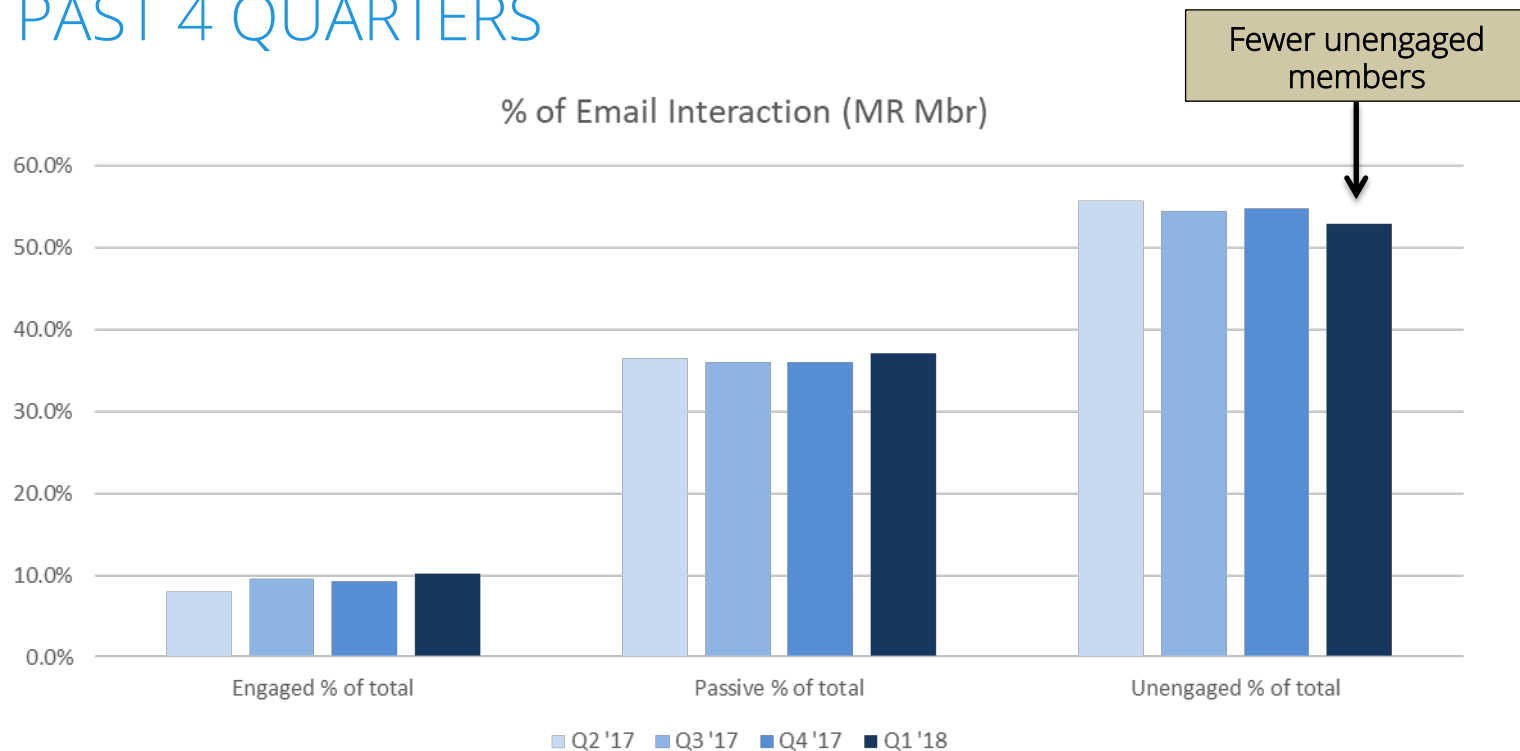
## PERFORMANCE CONSISTENT WITH Q1 2018 YLM BENCHMARKS

- The average number of emails sent per engaged subscriber declined by 29.3% from Q4 2017 to Q1 2018.
- The average open rate increased by 5.8% and the average unique click rate jumped by 12.1% QoQ.

Except...

- The average unsubscribe rate increased by 15.7% QoQ.
- The unique click rate decreased by 7% YoY.

# MEMBER ENGAGEMENT HAS STEADILY INCREASED OVER THE PAST 4 QUARTERS



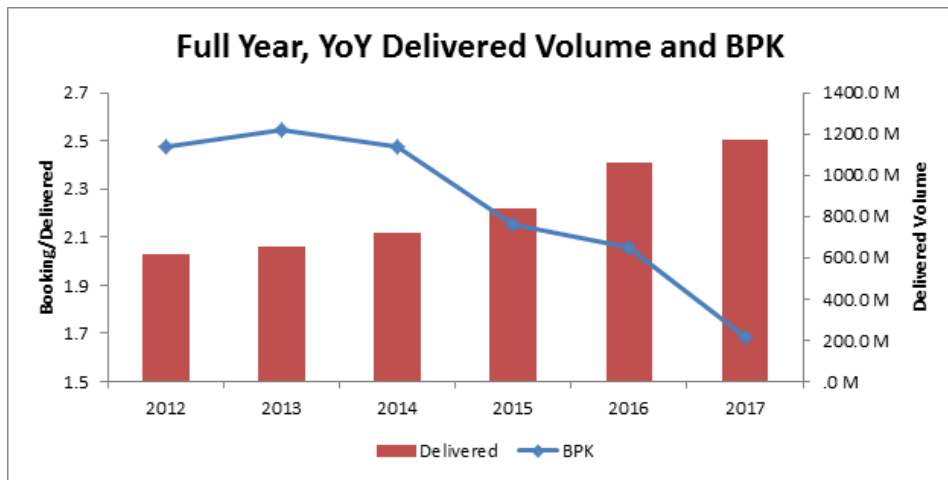
## Q1 2018 Email Performance:

- Expanded reach but BPK is down across the board, with the exception of Destinations mailings
- Destinations, Solos and Lifecycle are driving overall positive performance of program; Hotel Specials continues to underperform
- Lifecycle emails have the best CTOR of all categories at 22.4%

		Hotel							
		Program	eNews	Specials	Dest.	Solos	Lifecycle	MRCC	METT
Audience	Total	313.6 M	44.6 M	29.0 M	41.7 M	111.1 M	21.4 M	47.0 M	18.9 M
	Delivered	13.1%	3.7%	-6.9%	11.6%	27.3%	26.7%	7.5%	4.9%
	Unsub Rate	0.16%	0.11%	0.15%	0.14%	0.14%	0.32%	0.22%	0.18%
		-0.0 pts	-0.0 pts	-0.0 pts	0.0 pts	0.0 pts	0.1 pts	-0.0 pts	-0.1 pts
	Delivery Rate	99.0%	99.2%	99.2%	99.2%	99.2%	97.3%	98.7%	98.8%
		0.2 pts	0.1 pts	-0.3 pts	-0.3 pts	-0.1 pts	0.8 pts	-0.1 pts	3.3 pts
Engagement	Open Rate	22.3%	19.6%	18.4%	19.7%	25.0%	27.0%	20.7%	22.5%
		-0.5 pts	-1.8 pts	-1.5 pts	-2.6 pts	2.1 pts	-4.3 pts	-2.3 pts	0.2 pts
	Opens	69.9 M	8.7 M	5.3 M	8.2 M	27.8 M	5.8 M	9.7 M	4.3 M
		10.7%	-5.1%	-13.9%	-1.2%	39.1%	9.2%	-3.4%	5.8%
	Click Rate	2.0%	2.2%	1.4%	1.5%	2.4%	6.1%	0.7%	0.6%
		0.1 pts	-0.6 pts	-0.1 pts	0.3 pts	0.2 pts	0.6 pts	-0.1 pts	-0.4 pts
	Unique Clicks	6.3 M	960.1 K	396.0 K	636.0 K	2.6 M	1.3 M	308.8 K	113.2 K
		18.1%	-19.0%	-12.1%	40.8%	39.9%	42.0%	-1.3%	-36.4%
	Click to Open Rate	9.1%	11.0%	7.4%	7.8%	9.5%	22.4%	3.2%	2.7%
		0.6 pts	-1.9 pts	0.2 pts	2.3 pts	0.1 pts	5.2 pts	0.1 pts	-1.8 pts
Financial	Bookings	540.5 K	107.3 K	30.3 K	38.0 K	248.5 K	76.0 K	29.0 K	11.4 K
		1.2%	-12.8%	-24.9%	23.2%	20.2%	-0.3%	-20.0%	-44.3%
	RoomNights	1.3 M	254.3 K	69.1 K	91.6 K	577.8 K	187.6 K	62.8 K	26.5 K
		1.3%	-12.3%	-26.1%	23.1%	19.3%	1.2%	-21.1%	-41.5%
	Revenue	\$196.9 M	\$40.0 M	\$10.8 M	\$14.7 M	\$89.4 M	\$29.1 M	\$8.6 M	\$4.4 M
		2.0%	-10.3%	-25.9%	24.7%	19.7%	2.2%	-27.3%	-38.5%
	Conversion Rate	8.5%	11.2%	7.6%	6.0%	9.4%	5.9%	9.4%	10.1%
		-1.4 pts	0.8 pts	-1.3 pts	-0.9 pts	-1.5 pts	-2.5 pts	-2.2 pts	-1.4 pts
	Bookings per Delivered(K)	1.7	2.4	1.0	0.9	2.2	3.6	0.6	0.6
		-10.5%	-15.9%	-19.4%	10.4%	-5.6%	-21.4%	-25.6%	-46.9%

## BPK DOWN 20% MONTH OVER MONTH

Booking/Delivered				
	Jan	Feb	Mar	Annual Avg.
2015	3	2.9	2.3	2.2
2016	2.1	2.2	2.1	2.1
2017	2.4	1.8	1.7	1.7
2018	2.1	1.8	1.3	-



March bookings per thousand delivered (BPK) have been consistently lower than January & February since '15

The decline seems to be reflecting a larger Booking/Delivered trend

Decline reflects increase in emails delivered + shift in email focus to program benefit support

# SOLO'S DRIVE PROGRAM METRICS

- 50% increase in number of unique Solo emails sent YoY
- 83% of Q1 Solo's were focused on program benefits (non-booking)
- Increase in Solo room nights are positive for the program

Solo's drive program:  
35% of Delivered  
46% of Room Nights

	Q1 '18 Delivered	vs. LY		Q1 '18 Room Nts.	vs. LY		Q1 '18 BPK	vs. LY
eNews	44.6 M	4%		254.3 K	-12%		2.4	-16%
Hotel Specials	29.0 M	-7%		69.1 K	-26%		1.0	-19%
Solo	111.1 M	27%		577.8 K	19%		2.2	-6%
Lifecycle	21.4 M	27%		187.6 K	1%		3.6	-21%
MRCC	47.0 M	8%		62.8 K	-21%		0.6	-26%
METT	18.9 M	5%		26.5 K	-41%		0.6	-47%
Destinations	41.7 M	12%		91.6 K	23%		0.9	10%
Grand Total	313.6 M	13%		1.3 M	1%		1.7	-10%

# RECOMMENDATIONS

- Establish tracking & reporting process for business partner KPI's
  - Redemptions (MR Moments, RewardsPlus)
  - Registrations (MegaBonus)
  - Acquisitions (by segment for cobrand card solicitations)
  - Partner Revenue (Marriott Vacations Worldwide, Hertz)
- Use customer data to improve targeting; expected hit on emails delivered

# KEY INITIATIVES & CAMPAIGN HIGHLIGHTS

- Moments Testing & Optimization
- MRCC Canada Winback
- Spring MegaBonus Support

# MOMENTS ENGAGEMENT CONTINUES TO IMPROVE

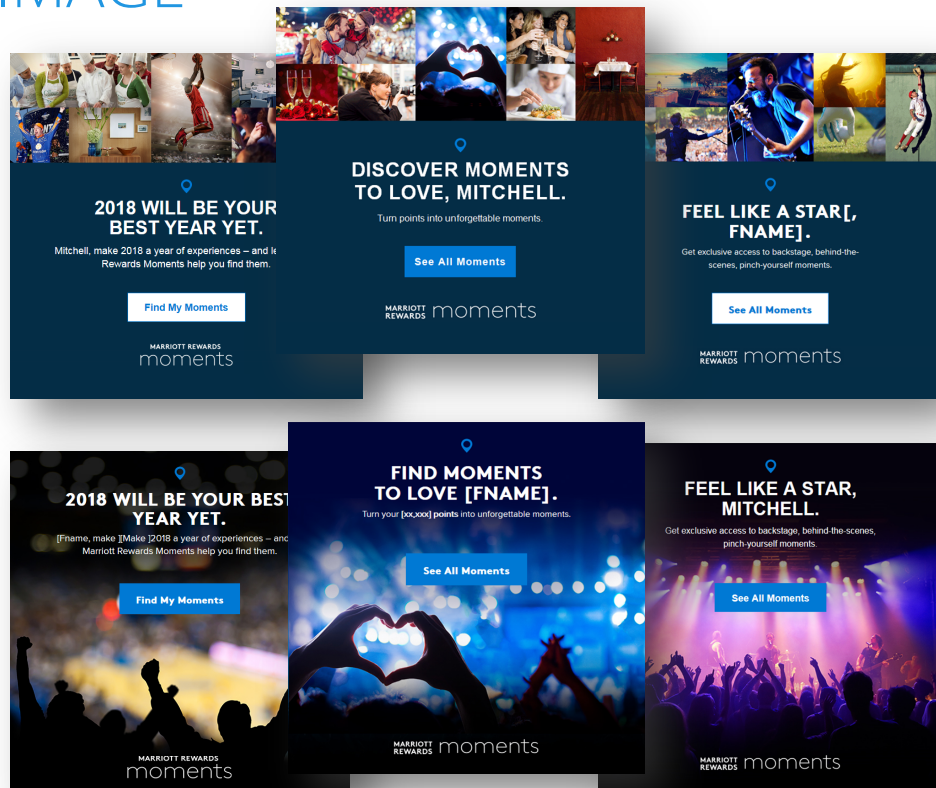
- CTOR spiked in Feb; High points group up 19% MoM and Low up 22%
  - Possible impact from deployment change – from typical Monday's to Tuesday
  - Consider day of week testing to determine best day for email and redemption engagement
- March open rate for Low jumped 10% MoM and CTOR up 43%
  - Drop in delivered counts MoM effected metrics by boosting rates
  - The March subject line used 'intrigue' to drive engagement; consider testing with first name

Low Group Subject Lines	Delivered	Open Rate
JAN: Discover Your Best Moment Ever	2.1M	41.0%
FEB: Discover Moments to <3, [FNAME]	1.6M	42.9%
→ MAR: These Moments Are for Members Only	1.4M	47.4%



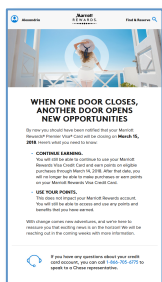
# CREATIVE TEST CONCLUDES ANIMATED MOSAIC DRIVES CTR LIFTS VS. FULL SPAN IMAGE

- Final 3 month test results show higher Section and Campaign CTR rates with the animated mosaic treatment
  - CTOR lifts up to 19% for section and 3% for campaign
- Animated mosaic may be a contributing factor to lifts; consider testing with & without animation
- Leverage mosaic style going forward
  - Opportunity to use Wylei optimization to enhance with other category images

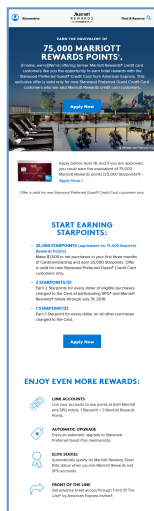


# HIGH ENGAGEMENT WITH CANADA CREDIT CARD EMAILS: NOTIFICATION & WINBACK OFFER

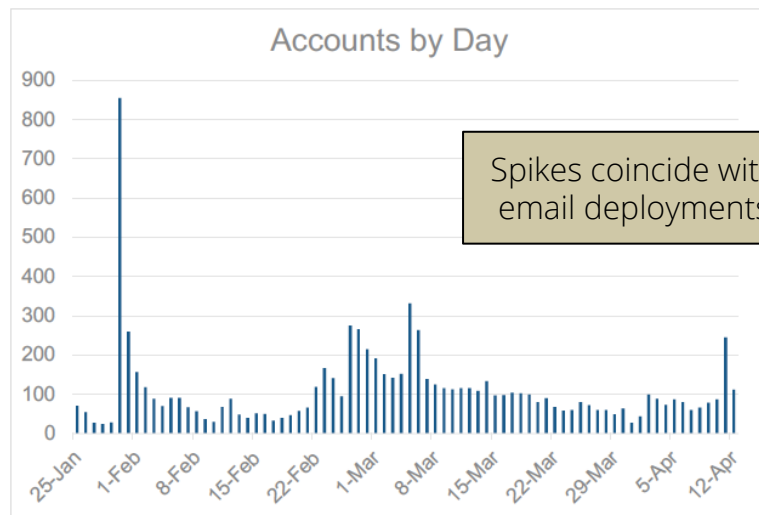
1/19: Initial  
Notification



1/29:  
Winback



MRCC Canada Winback Campaigns	Delivered	Open%	CTO%
Initial Notification (1/19)	34.6 K	70.8%	4.5%
Winback (1/29)	26.3 K	65.7%	38.6%
Winback Reminder (3/1)	19.8 K	63.7%	24.7%
Final Reminder (3/9)	9.9 K	37.2%	5.9%



Overview:

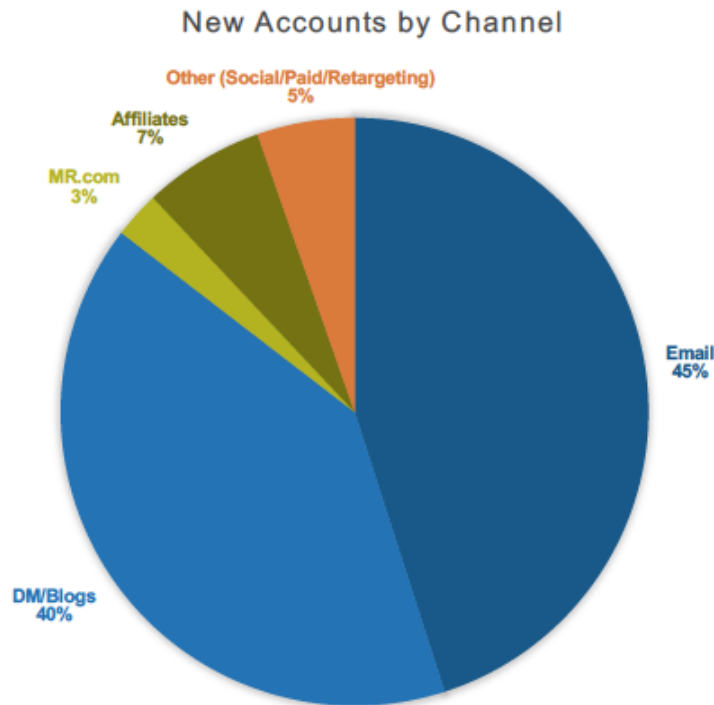
- Notification sent in mid-Jan to Canadian cardholders about the cancellation of their credit card
- Late Jan, a winback offer was sent promoting the Amex SPG card product

Observations:

- High open rate with initial notification; minimal links resulted in low CTOR
- Reminders drove incremental engagement
- Consider using propensity data to improve performance of 3<sup>rd</sup> reminder

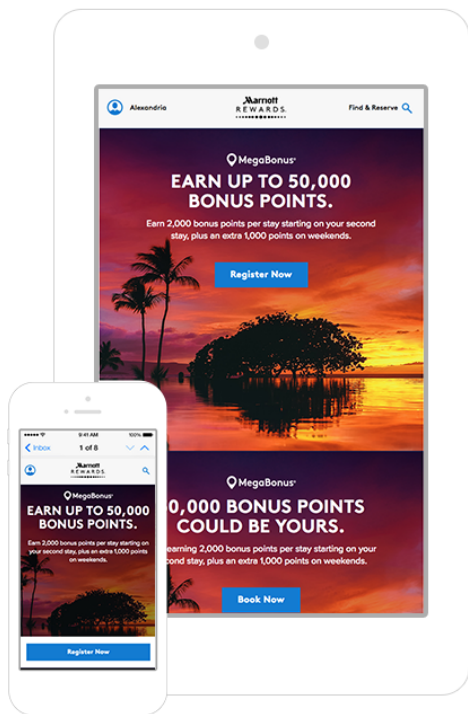
# 45% OF NEW WINBACK ACCOUNTS FROM EMAIL

- 14,000+ total new accounts
- 45% of new accounts were acquired from MR email channel
- eNews drove 45% more new accounts vs. SPG's monthly newsletter banner



Use tactics to partner on future non-U.S. cross-product promotions

# \$45.3M FROM SPRING MEGABONUS EMAIL SUPPORT



	Spring '17	Summer '17	Fall '17	Spring '18
# campaigns featured	9	9	11	8
Reach	68.8M	85.4M	91.7M	86.1M
Revenue (EIR)	\$52.2M	\$45.2M	\$58M	\$45.3M
Booking	144.8K	133.2K	171.9K	124.4K

\*Promotion results are for first 3 months

- Bookings are down YoY despite increased reach through more deliveries
- One major difference was Spring 2017 had an Announcement, which drove \$20.4M in Revenue

# RECOMMENDATIONS

- Announcements: leverage eNews and Solo to non-openers
- Registration Confirmation:
  - Use “Book now” CTA
  - Include booking content (Travel Deals, hotel propensity)
- Reminder Solo's: segment audience based on promo activity and tailor content to each segment
- Achievement Solo: use hotel propensity for next stay reco
- Include offer in subject lines

Apply above recommendations to other emails with MegaBonus content

# CORE CAMPAIGNS

# ENEWS

## Engagement

19.6%  
Open Rate  
-1.8 pts.

2.2%  
Click Rate  
-0.6 pts.

11.0%  
CTO Rate  
-1.9 pts.

## Financial

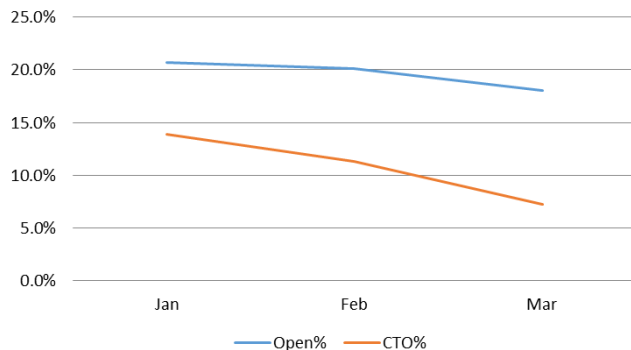
254.3K  
Room Nights  
-12.3%

\$40MM  
Revenue  
-10.3%

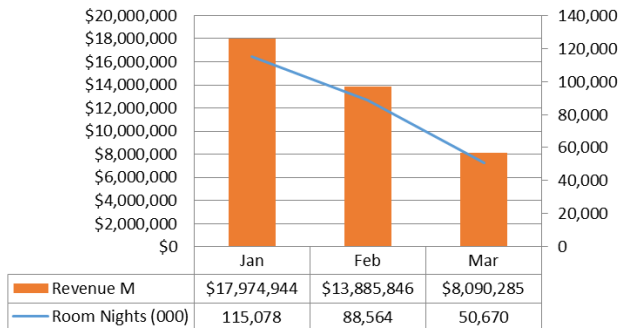
11.2%  
Conversion  
0.8 pts.

2.4  
BPK  
-15.9%

eNews Message Engagement Q1 2018



eNews EIR Room Nights & Revenue Q1 2018



Delivered 4% more emails QoQ, but opens & clicks decreased MoM

- MegaBonus feature saw fewer section clicks in Feb. (-24% vs. 12M avg.)
- Marriott Vacations feature in Mar. saw fewer clicks (-36% vs. 12M avg.)

Consider using SL test & roll and content optimization in feature to lift clicks

- Retest winning styles:
  - Promo: "Sign up for..."
  - Intrigue: "The Most Popular Benefits Are..."
- When possible, leverage image optimization or DCA/ Wylei to lift CTR's

# HOTEL SPECIALS

## Engagement

18.4%  
Open Rate  
-1.5 pts.

1.4%  
Click Rate  
-0.1 pts.

7.4%  
CTO Rate  
0.2 pts.

## Financial

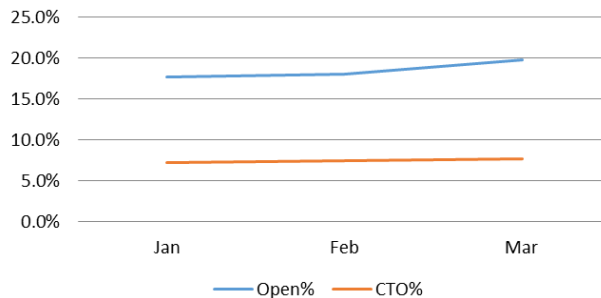
69.1K  
Room Nights  
-26.1%

\$10.8MM  
Revenue  
-25.9%

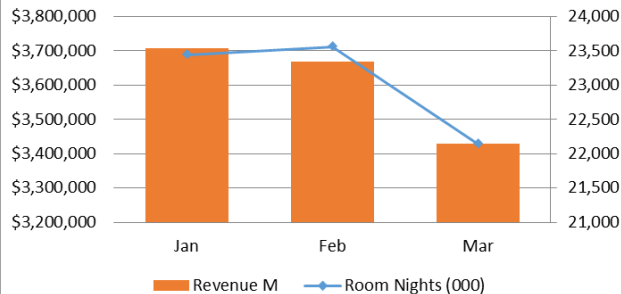
7.6%  
Conversion  
-1.3 pts.

1.0  
BPK  
-19.4%

Hotel Specials Message Engagement Q1 2018



Hotel Specials EIR Room Nights & Revenue Q1 2018



Day of week deployment test concluded in Mar;

- Results show Fri conversion rate up 25% vs. Tues
- BPK 9% higher
- Continue to monitor KPI's

Submitted offer counts dropped in Mar to 16; down from 32 in Jan and 27 in Feb

Continue subject line tests monthly to lift open rates

Improve offer quality through re-education



# DESTINATIONS

## Engagement

19.7%  
Open Rate  
-2.6 pts.

1.5%  
Click Rate  
0.3 pts.

7.8%  
CTO Rate  
2.3 pts.

## Financial

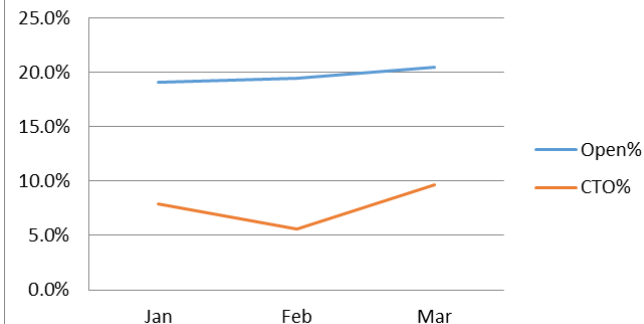
91.6K  
Room Nights  
23.1%

\$14.7MM  
Revenue  
24.7%

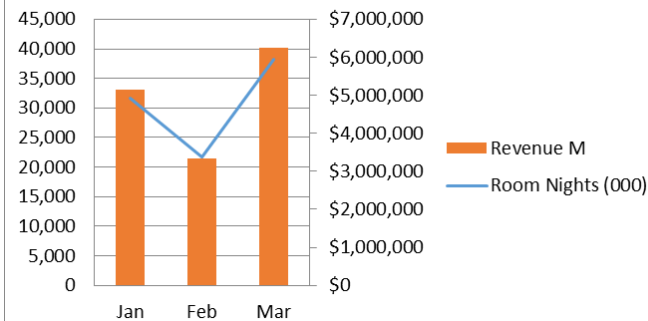
6.0%  
Conversion  
-0.9 pts.

0.9  
BPK  
10.4%

Destinations Message Engagement Q1 2018



Destinations EIR Room Nights & Revenue Q1 2018



Sat vs. Fri deployment test generated higher open & CTO rates in Feb and Mar:

- Open rate: up 2% and 4%
- CTO rate: up 8% and 13%
- April shows same trends

Continue SL test & roll to lift open rates; down almost 3 pts. QoQ; re-test winning styles:

- Personal tone: "Let's Talk Vacation, [FNAME]"
- Listicle: "4 Trips for Every Relationship Style"
- Intrigue/FOMO: "Don't Miss This Road Trip"

QoQ, clicks are up 41%; Mar saw the highest CTO since 2016 at 9.7%

- Started summer travel series
- Positive impact of day of wk. test

# ACTIONABLE INSIGHTS

# RECOMMENDATIONS

- Improve campaign insights by establishing business partner feedback loop and analysis plans for KPI's like redemptions, promo registrations
- Develop MegaBonus communication plan at the beginning of promo using learnings and best practices
  - Contact strategy
  - Message outline
  - Optimization efforts
- Leverage winning subject line styles to lift open rates in eNews and Destinations
  - Winning styles: intrigue, listicle, promo targeted, personal/conversational

# MARRIOTT TRAVELER

## Q1 2018 NEWSLETTER PERFORMANCE RESULTS

# TRAVELER PERFORMANCE RECAP

Jan

**WARM IT UP**

Winter blahs setting in? Up to your neck in flannel and fleece? Turn up the heat and take the chill off in these sun-soaked locales. No coat necessary.



**OUTDOORS**

It's Worth Making the Trip to These 9 Secret Beaches


[SNEAK SOME BEACH TIME](#)

**SAY ALOHA**

**CULTURE + STYLE**

**Want to Find Maui's Most Idyllic Stretch of Shore?**

Hawaiian places each have their unique history and lore, and the town of Wailea along Maui's alluring southwestern coast is no exception...




[Head to Hawaii](#)

**OUTDOORS**

**Snorkeling in Hawaii: Best Underwater Spots to Look for Nemo**


Finding the best snorkeling spots in Hawaii couldn't be easier.



Feb

**THIS ONE IS FOR THE LOVERS**

You love your S.O. as much as you love travel and when you travel with your honey, it doesn't get any sweeter. Consider these destinations for your next bae-cation.



**COUPLES + FAMILY**

Where Should You Go With Your S.O.?


[TAKE OUR QUIZ](#)

**FAR-FLUNG FLINGS**

**COUPLES + FAMILY**

**Asia's Best Romantic Beach Getaways**

White sand beaches and warm turquoise waters never lose their appeal.




[Get Cozy on the Coast](#)

**COUPLES + FAMILY**

**The Most Romantic Winter Getaways**


These iconic winter locales offer traditional festivities and far-flung adventures.



Mar

**BREAK FOR SPRING**

Catch the cresting wave of spring fever. Gather your peeps and jump into spring with everything you've got. It's the perfect time for an epic adventure. Go ahead. Go for it.



**OUTDOORS**

Stay Close to the Curl at Costa Rica's Best Surf Spots


[HANG 10](#)

**DON'T MISS YOUR SHOT**

**SNAP CHAT**

**The Plane Crash That's on Every Photographer's Bucket List**

We're pretty sure a US Navy pilot didn't know his DC-3 would become a playground for photographers...




[Buckle Up](#)

**SNAP CHAT**

**Sean Fisher Goes Underground in Alabama for the Perfect Shot**

Photographer Sean Fisher doesn't draw his inspiration from typical places. Born and raised in Nashville...



- Above goal open rates each month from subject line testing
- Audience expansion had impact on engagement; click rates at an all time low
- However, February quiz drove record high click engagement

# EMAIL PERFORMANCE RESULTS: Q1 2018

- Deployment increased 24% QoQ; deliverability rate also increased by 7%
- Open rates up 60% QoQ & 20% above goal; positive gains from subject line testing
- 112K+ unique clicks in Q1; up 46% from Q4 '17
- CTOR down 61%; noticeable MoM declines especially in March at 3.9% (lowest to-date)

11.2M

Deployed

97%

Delivery Rate

18%

Open Rate

15% is Goal  
(+3 pts. vs. goal)

1%

Click Rate

5.8%

Click-to-Open  
Rate

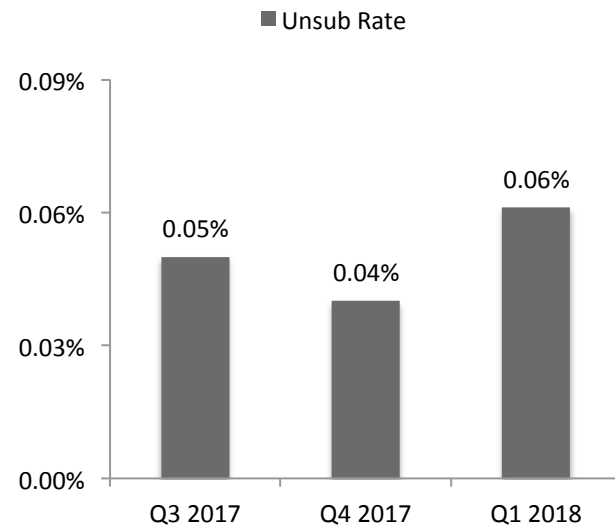
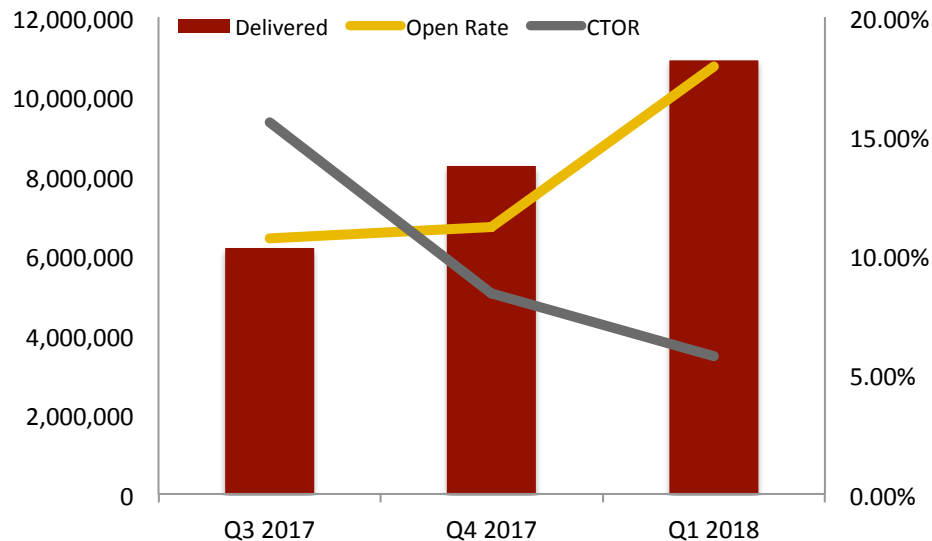
15% is Goal  
(-9.2 pts. vs. goal)

0.06%

Unsubscribe Rate

# CTOR DECLINES WITH INCREASED DELIVERY QOQ

- Low CTOR, high open & stable unsub suggests engagement opp.
- Large # of new subscribers brought metrics back to starting point



# CONTENT SUMMARY

## Impact of audience expansion on engagement

- % of clicks on most sections were down QoQ except Header, Popular, & Curated C
  - Header up 19%; mostly from Feb & Mar
  - Popular Articles up 43%; mostly from Mar
- March Feature % of clicks down 67% MoM; some clicks shifted to video & Popular (+24%)

Feb Feature quiz resulted in 35% of clicks; highest for quarter

March video generated 5% of email clicks

- 0.25% CTOR and 76.1% click to play rate (CTPR)
- Compared to other video's, CTR +8.6%, CTPR -3.5%

Header – 13.3% clicks

ALL THE FESTIVE FEELS

Curated Feature –  
29.6% clicks

MORE FESTIVE FINDS

Curated Articles A –  
13.8% clicks

Banner 1 – 0.21% clicks

WINTER WONDERLANDS

Curated Articles B –  
2.9% clicks

Banner 2 – 0.20% clicks

COMFORT FOODS

Curated Articles C –  
10.9% clicks

Banner 3 – 0.14% clicks

WHAT EVERYONE'S READING

Popular Articles –  
16.8% clicks

WHY WE TRAVEL

Sticky Content –  
1.3% clicks

Footer – 9.9% clicks



# ACTIONABLE INSIGHTS

- Monitor new and existing audience engagement with new reporting structure
- Test day of week deployment to lift key metrics (open & CTR rates)
- Improve personalization in subject lines and content modules (roadmap)
- Increase engagement through video, surveys, and animation



THANK YOU!

