



Q3 2018 EMAIL PROGRAM REVIEW

December 4, 2018

yes

Q3 2018 REVIEW MEETING AGENDA

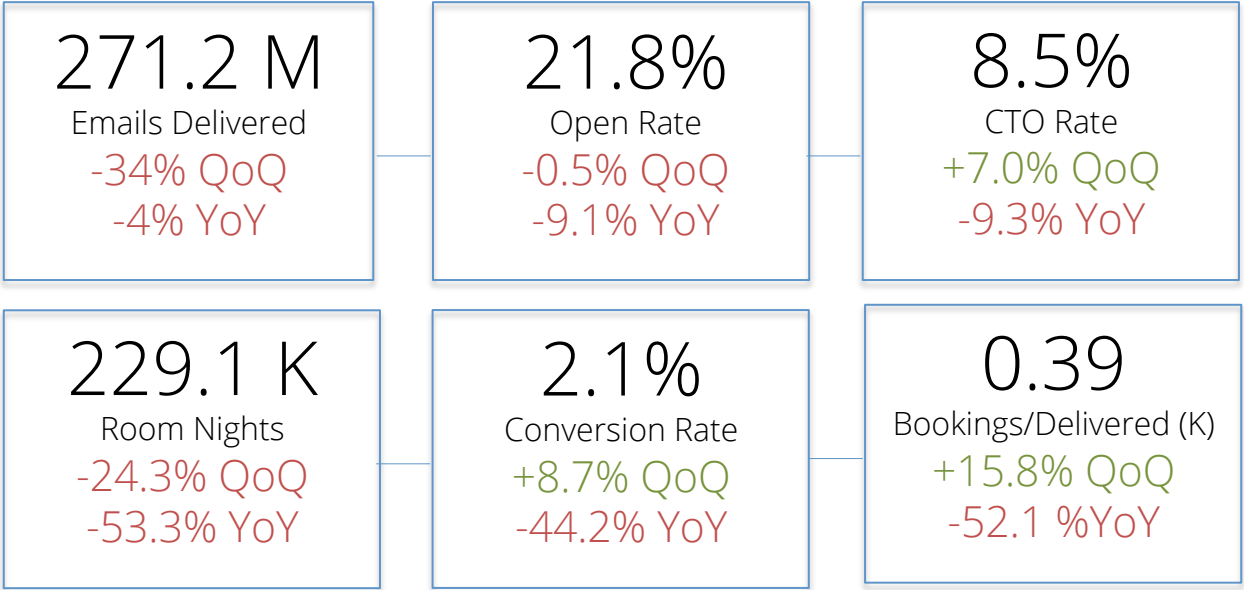
- 📍 Performance Summary
- 📍 Key Initiatives & Campaign Highlights
- 📍 Actionable Insights
- 📍 Marriott Traveler Q3 2018 Performance & Roadmap

Q3 2018

PERFORMANCE SUMMARY

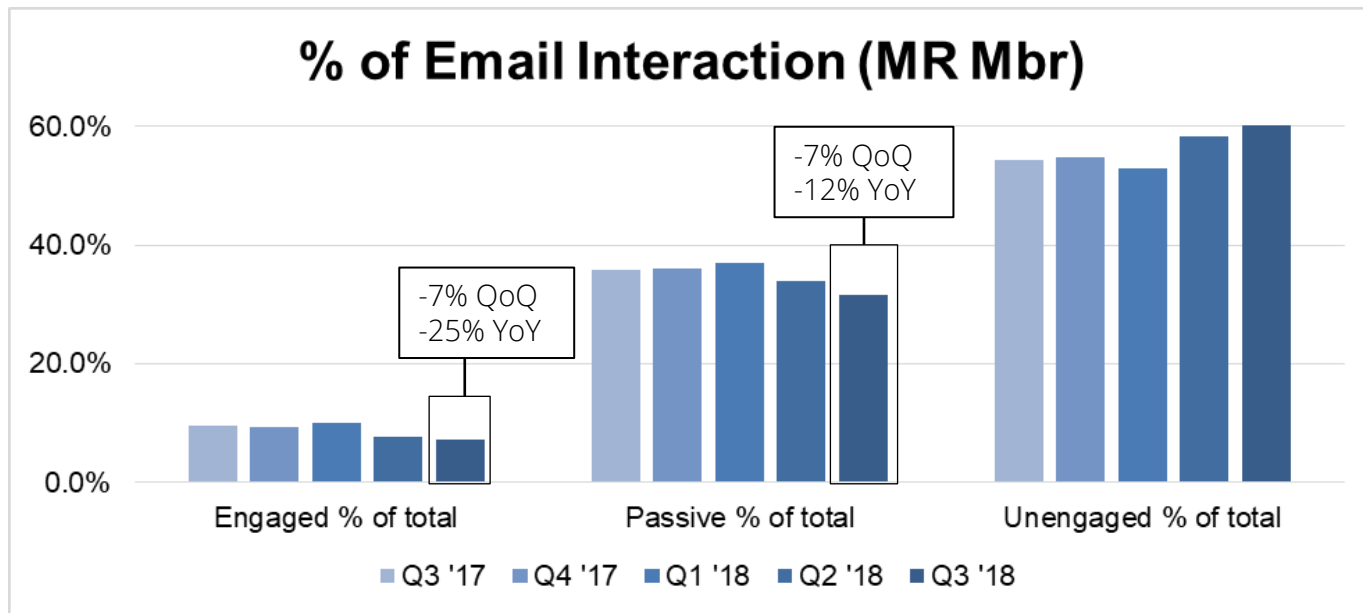
Q3 '18 PERFORMANCE DIPS IMPACTED BY PROGRAM UPDATES

- During a pivotal program quarter filled with many changes, the email channel contributed \$35.3M in tracked revenue to the system
- New program launched mid-Aug (TBOP) and led to several pre and post program messages
- Email black out period, paused auto's, and shifted email dates resulted in QoQ highs and lows



*Financial data source: Omniture 7-Day

PROGRAM SUPPORT MESSAGES DROVE ENGAGEMENT FROM ELITES BUT NOT MAJORITY



*Email interaction:

- Engaged = Opened and clicked, plus only clicked
- Passive = Opened but did not click
- Unengaged = Not opened and not clicked

REPORTING OPPORTUNITY

- Expand reporting in 2019 to track email attrition rate or churn rate over time
- When do members stop reading emails?
 - Last open/click was within past 3 months
 - Last open/click was within past 3-6 months
- By tracking % of members within each segment, understand where member engagement is stalling out

BAU Q3 PERFORMANCE DROP; FOCUS ON SUPPORTING PROGRAM CHANGES

Q3 vs. Q2 Email Performance

eNews open rate up 13%, QoQ
- September SL success was a strong contributor

Hotel Specials quarterly declines stem from low offer quality and volume; 9% fewer offers and no promo July & Aug

Destinations Road Trip series drove increase in engagement rates; a 1.8% QoQ lift in CTO%

	Q3 '18 Program	eNews		Hotel Specials		Destinations	
Delivered	271.2 M	32.1 M	-31%	29.6 M	-3.3%	41.2M	-5.5%
Open%	21.8%	24.3%	13.0%	16.9%	-0.7%	19.4%	-4.7%
CTO%	8.5%	10.4%	-19.4%	7.0%	-7.9%	7.3%	1.8%
Unsub%	0.16%	0.12%	5.3%	0.15%	6.5%	0.14%	1.5%
Room nights	229.1 K	32.2 K	-42.2%	15.0 K	-25.6%	19.2 K	-6.0%
Revenue	\$35.3 M	\$5.2 M	-43.8%	\$2.3 M	-27.9%	\$2.9 M	-9.9%
Conv%	2.1%	1.8%	-7.3%	2.0%	-15.1%	1.5%	6.2%
Bkngs/Dlvd (K)	0.39	0.46	-15.5%	0.24	-22.3%	0.22	3.0%

*% change

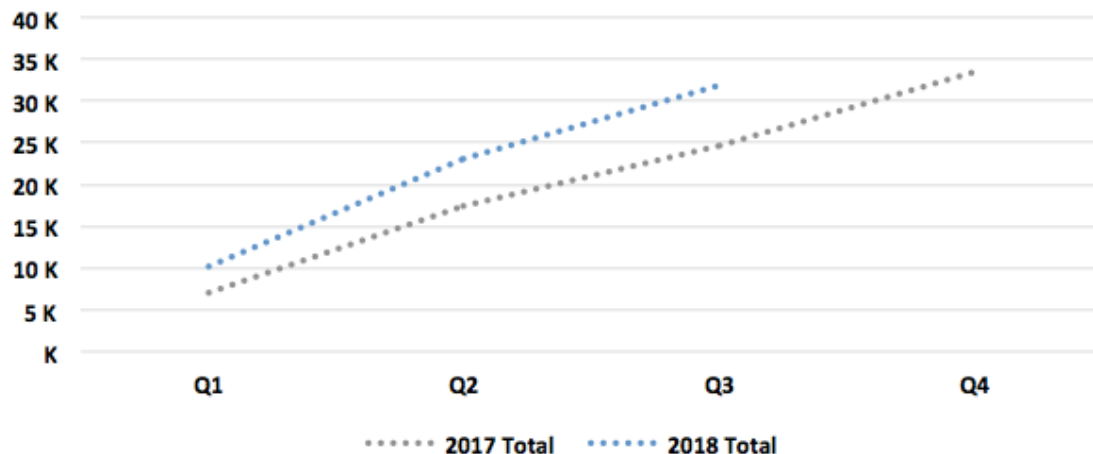
ACQUISITION TACTICS DROVE YOY GAINS; Q3 CLOSED AT 9% AHEAD OF GOAL

82% of 38.8K new accounts goal at close of Q3 2018

Pulse promotion and resends drove incremental accounts; up 29% YoY

Offer test learnings in Q4 '18 and enhanced segmentation will aid 2019 email support

YTD CUME MRCC Accounts by Month



KEY INITIATIVES & CAMPAIGN HIGHLIGHTS

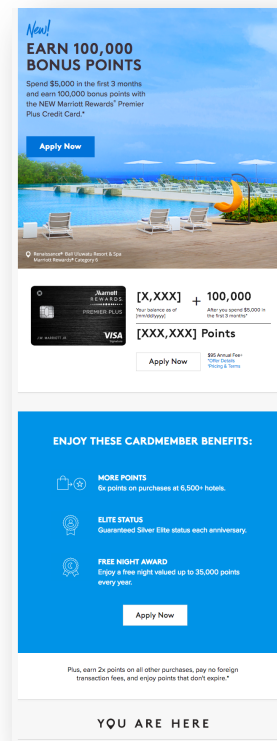
MRCC ACQUISITION

MRCC SOLO LAYOUT-B DROVE 2% MORE CLICKS

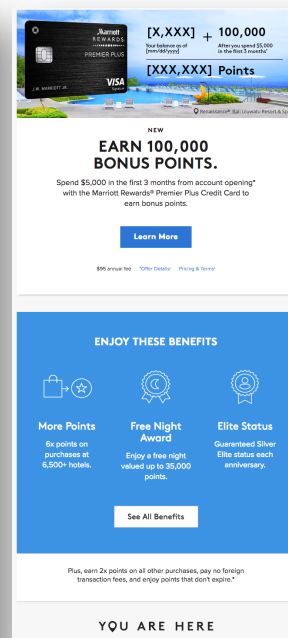
- Selected most clicked modules from past layout to create a more focused, streamlined email; A/B tested 2 versions
- Slightly higher click engagement with Layout B
- Recommend retest for patterns

	Layout-A	Layout-B	Layout: B vs. A (% change)	TOTAL
# Delivered	7.1 M	7.2 M	--	14.3 M
# Opens	1.32 M	1.31 M	-0.3%	2.6 M
Open Rate	18.4%	18.3%	-0.6%	18.4%
# of Clicks	24.1 K	24.6 K	1.9%	48.7 K
CTR	0.3%	0.3%	1.7%	0.3%
CTO Rate	1.8%	1.9%	2.3%	1.9%
Unsub Rate	0.20%	0.19%	-3.8%	0.20%

Layout A

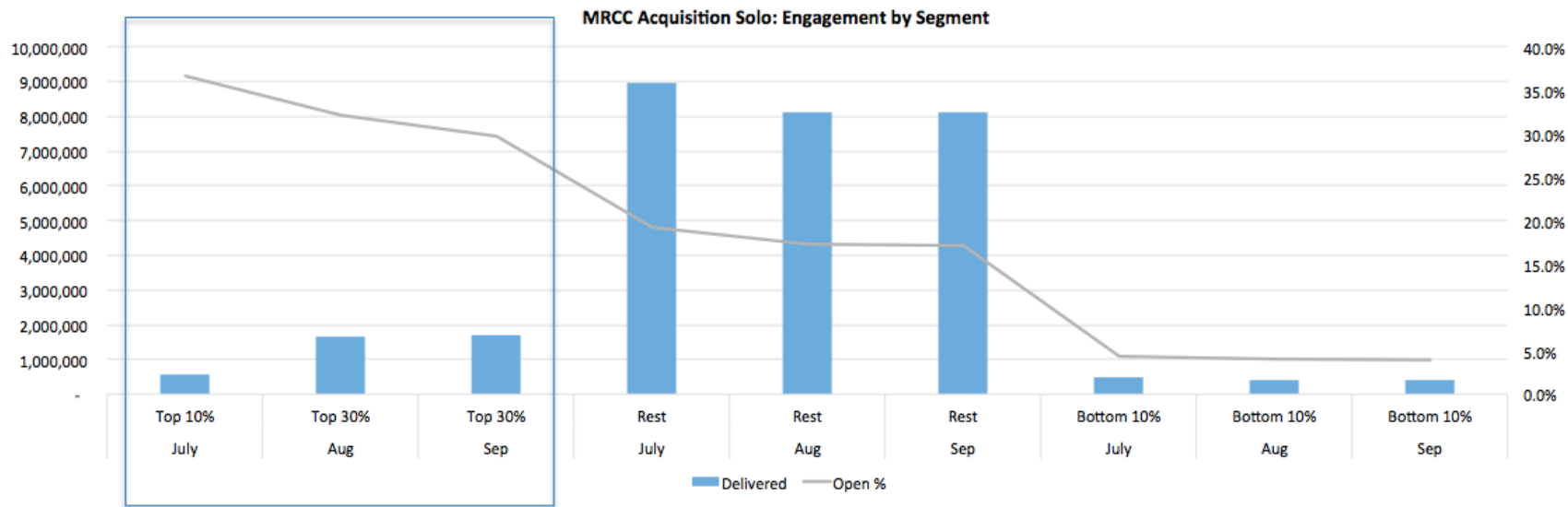


Layout B



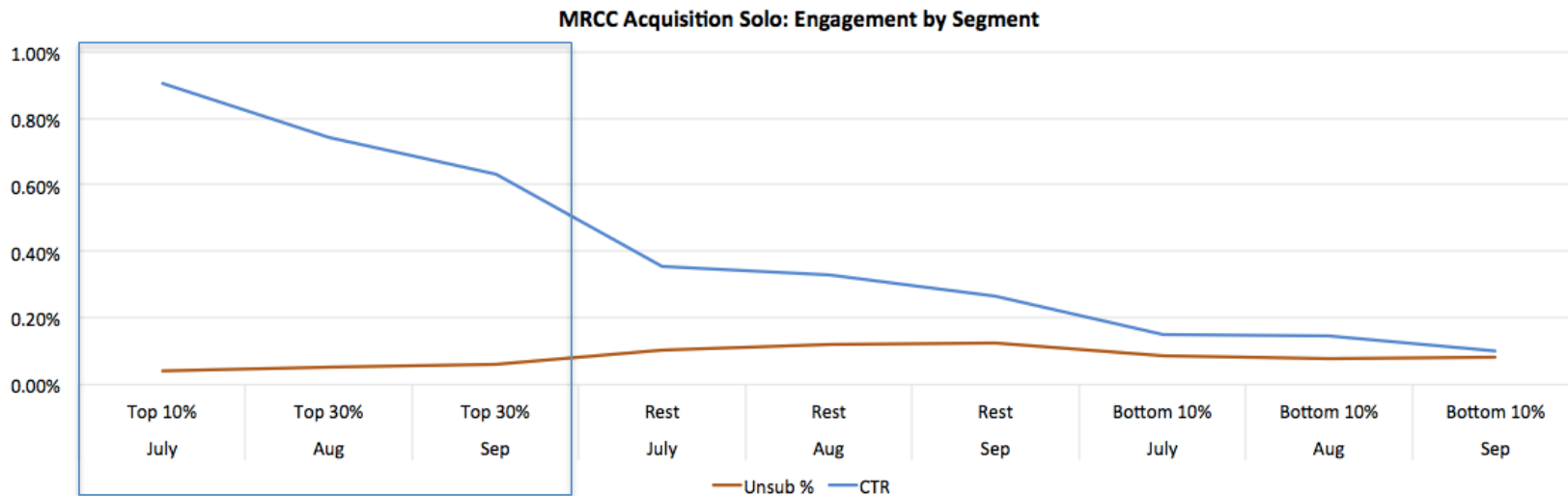
PROPENSITY TRACKING SHOWS FUTURE TARGETING OPP'S

- Tracked member engagement using CX credit card propensity
- Results consistent with module scores; higher open rates from Top 10% and 30%
- Increased percentage over time to find engagement sweet spot



PROPENSITY TRACKING SHOWS FUTURE TARGETING OPP'S

- Engagement carries through to CTR and unsubscribe metrics
- Use learnings to inform future mailings; determine how this can be used with guardrails
- Consider increasing to 50% and monitor engagement over time



MEGABONUS

Q4 PROMO EMAILS KICKED-OFF ON SEP 12TH

36M

Delivered

7M

Impressions

400K

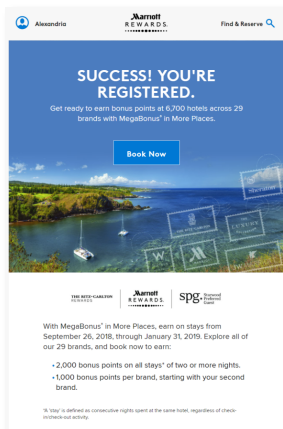
Traffic

276K

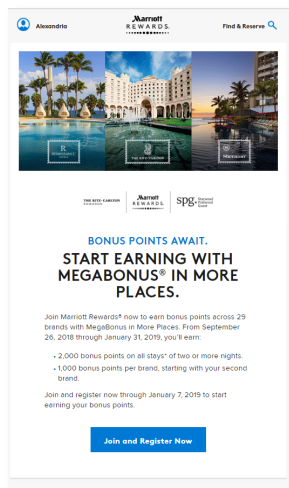
Registrations
*All Channels

\$5M

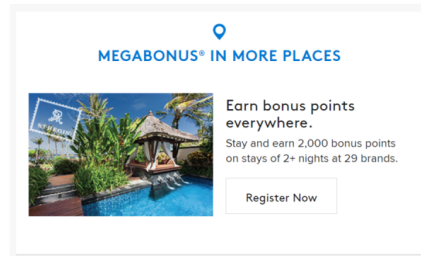
Revenue



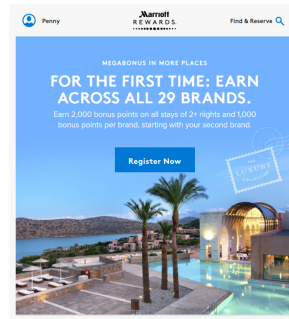
Registration Confirmation



Solo Announcement



Destinations Bottom Module



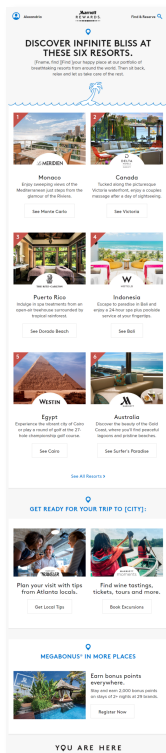
Hotel Specials Hero Module

16 MEGABONUS: LAUNCH EMAIL TIMELINE & ENGAGEMENT

09/12
Q4 Promo
Registration Opens

09/15

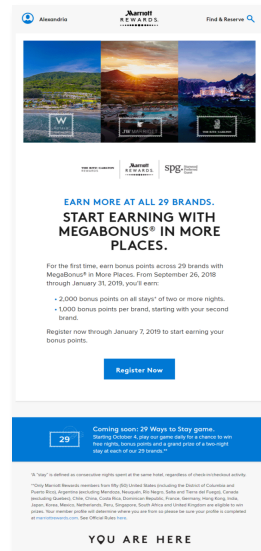
Destinations



40.6% clks,
65.7% bks

09/19

Announcement

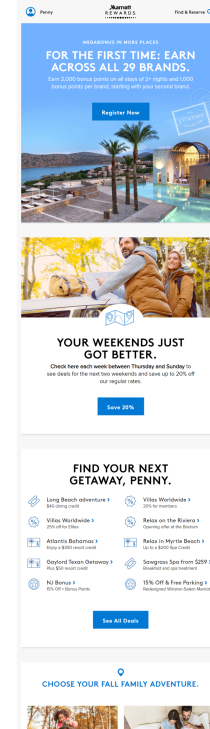


88.0% clks,
91.6% bks

0.8% clks,
0.3% bks

09/28

Hotel Specials



35.7% clks,
53.6% bks

RECOMMEND TRAVEL IDEAS TO LIFT CLICKS IN REG. CONFIRMATIONS

Q2 Promo 2018

HEADER
17.6% cks, 13.7% bks

HERO
58.0% cks, 80.5% bks

Earn 750 bonus points on every night of every stay, starting with your third night, up to 35,000 bonus points. This promotion runs for nights from April 16 to July 20, 2018.

[Book Now](#)

TOP 5
19.7% cks, 4.3% bks

TOP 5 WEEKEND GETAWAYS
Explore our guest favorites from coast to coast — and earn bonus points at the same time. Get ready for a dream weekend.

1. Orlando >
2. New Orleans >
3. New York >
4. Washington, D.C. >
5. San Diego >

[Find My Next Vacation](#)

Q4 Promo 2018

HEADER
24.8% cks, 16.1% bks

HERO
63.1% cks, 80.9% bks

SUCCESS! YOU'RE REGISTERED.
Get ready to earn bonus points at 6,700 hotels across 29 brands with MegaBonus® in More Places.

[Book Now](#)

With MegaBonus® in More Places, earn on stays from September 26, 2018, through January 31, 2019. Explore all of our 29 brands, and book now to earn:

- 2,000 bonus points on all stays* of two or more nights.
- 1,000 bonus points per brand, starting with your second brand.

*A stay is defined as consecutive nights spent at the same hotel, regardless of check-in/check-out activity.

YOU ARE HERE

	Q2 2018	Q4 2018*
Open %	61.9%	59.7%
CTR	3.3%	2.3%
CTOR	5.4%	3.9%

*Q4 Metrics reflect data through end of September

- Single CTA in Q4 promotion driving lower CTR
 - Too soon to tell whether this is driving more bookings and revenue vs. LY
- Q2 Confirmation had highest booking rate since Summer '16
 - Summer '16 had similar inspirational content as secondary

Save on Upcoming Stays
Plan your next trip with one of our many hotel specials. Make your stays by September 5 to earn all your bonus points.

[See Deals](#)

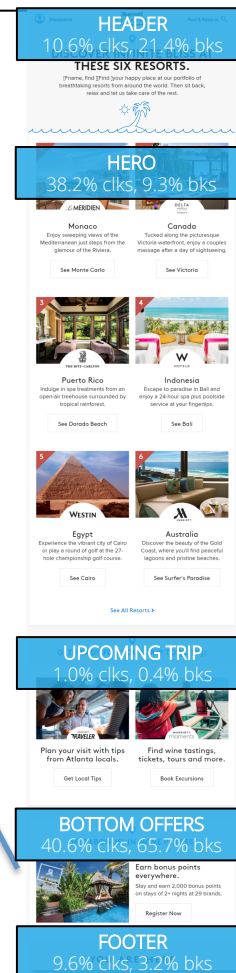
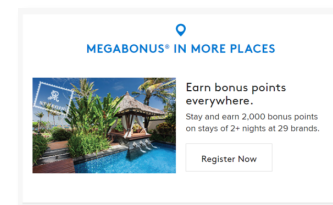
MEGABONUS FEATURED IN HOTEL SPECIALS

- Megabonus as Hero in September Hotel Specials drove 54% of email bookings
 - Contributed to higher conversion rate, bookings and room nights
- However lower overall revenue than previous send without promo
- 40% of non-registered members' clicks went to hero module vs. 23% for registered members
 - 60% of registered members' clicks went to secondary module



MEGABONUS FEATURED IN DESTINATIONS

- While Destinations' focus is to engage, Megabonus module in Sep message was relevant to those who were ready to book
 - Section drove 40% of clicks and 65.7% of bookings
 - Message drove over \$1M in revenue
- As long as it is not the key feature, strong offers can be leveraged to support and complement an engagement focused message



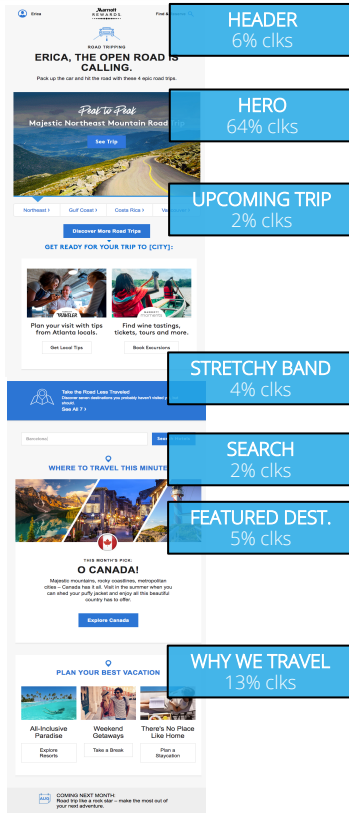
OPPORTUNITIES

- Use travel content to lift click engagement in reg confirmation emails
 - Supports single-focused message with relevant content that drives bookings
- Continue to include promo in BAU emails, when appropriate
 - For engagement focused communications such as Destinations, use as a supporting module, lower down in the creative; those who are ready to convert will find it
- Consult with loyalty acquisition team to leverage success tactics in non-member version; apply proven messaging strategies to lift engagement

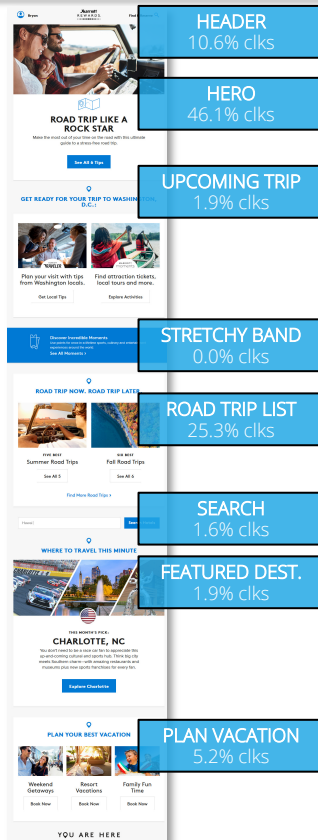
DESTINATIONS

Q3 '18 DESTINATIONS EMAILS: TIMELINE & ENGAGEMENT

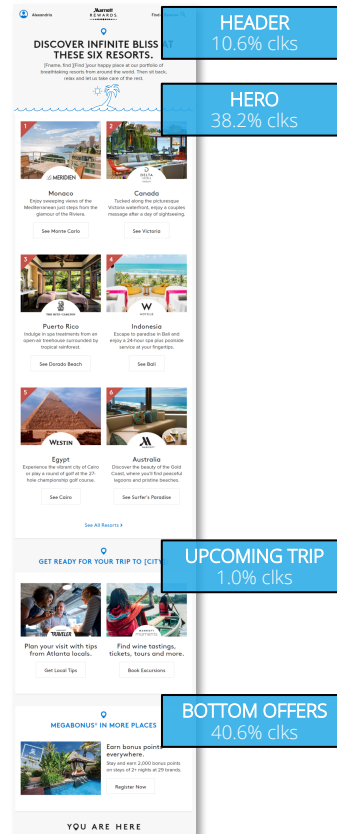
July



August



September



Q3 '18 DESTINATIONS PERFORMANCE

19.4%

Open Rate
-10% YoY

1.5%

Click Rate
+13% YoY

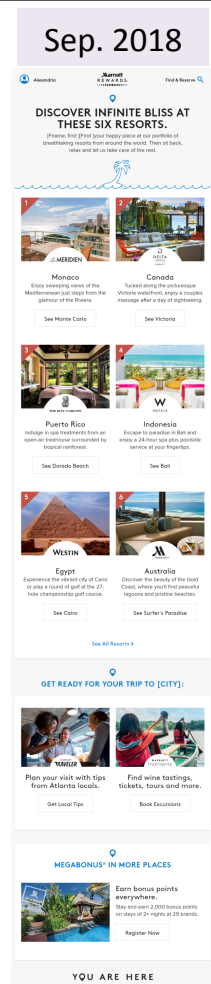
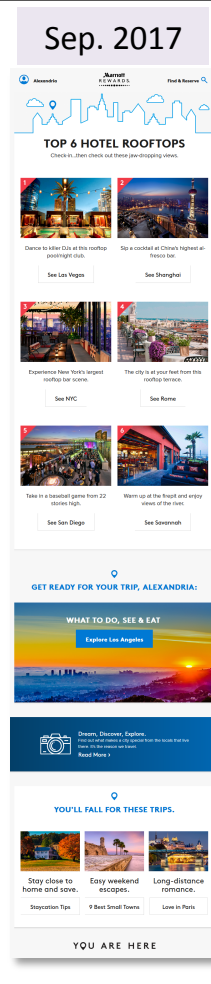
7.6%

CTOR Rate
+26% YoY

0.14%

Unsub Rate
+4% YoY

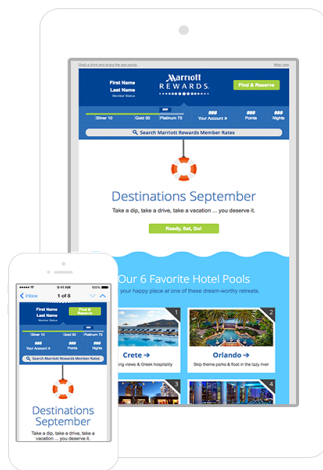
- Drove 4% more opens and 13% more clicks, YoY
 - Despite lower open rate YoY, higher click rate drove a 21% lift in CTOR
- July deployment drove the highest CTOR at 8.6%
 - Continued Road Trip theme kicked off in June
 - Carousel in hero consistently drives higher campaign-level CTOR
- September had the lowest engagement in Q3, based on CTOR (5.6%)
 - MegaBonus module at bottom drove 40% of clicks, 60% of bookings
 - August and September deployments sent 10 days apart



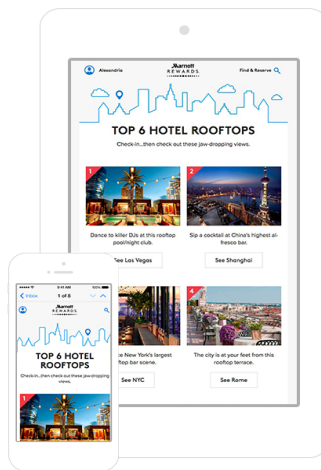
THEMED EMAIL OPPORTUNITIES

Consider revisiting “Top Hotels” theme, which drove YoY lifts in CTOR for two consecutive years

- This year’s “Top Resorts” perhaps not specific enough to drive engagement



Sept. '16
6 Favorite Hotel Pools



Sept. '17
Top 6 Hotel Rooftops



Sept. '18
Top 6 Hotel Resorts

YOY ENGAGEMENT IN ROAD TRIP THEME REMAINS STEADY

41M

Delivered
4% YoY

8M

Impressions
-7% YoY

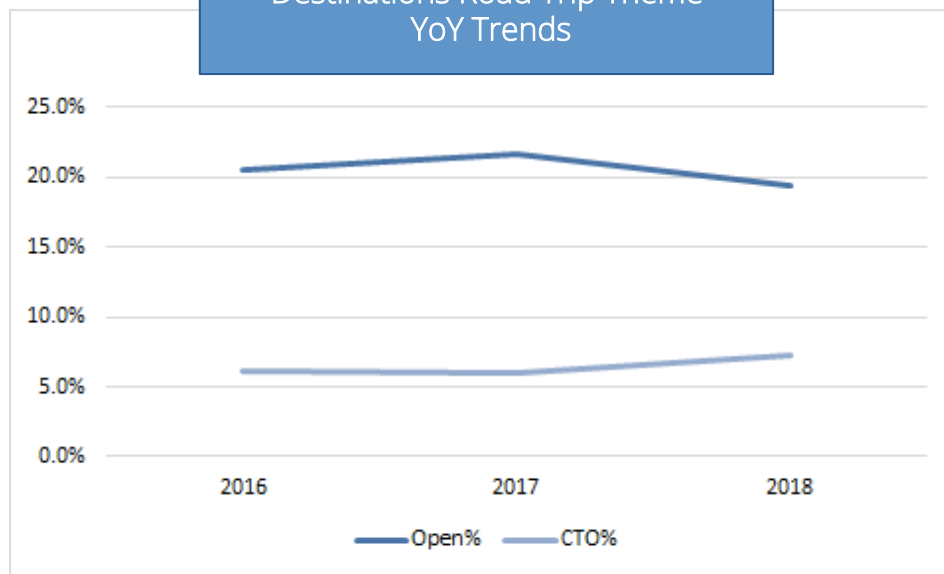
582K

Traffic
+13% YoY

Optimize open rates by testing different styles with each deployment

Continue using carousel module to lift CTOR; consistently drives higher campaign level metric

Destinations Road Trip Theme
YoY Trends



TBOP EMAIL SERIES: PERFORMANCE SUMMARY (JULY - SEPTEMBER)

Q3 TBOP SOLO'S CONTINUED DRIVING AWARENESS AND INTEREST

44M

Delivered

9.8M

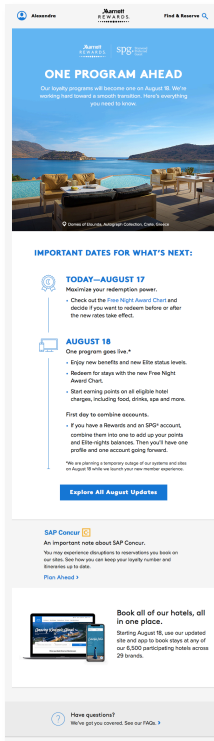
Impressions

926K

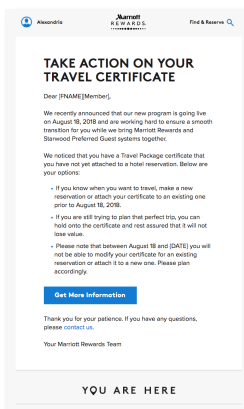
Traffic

July

25

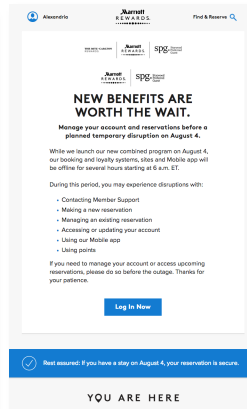


10

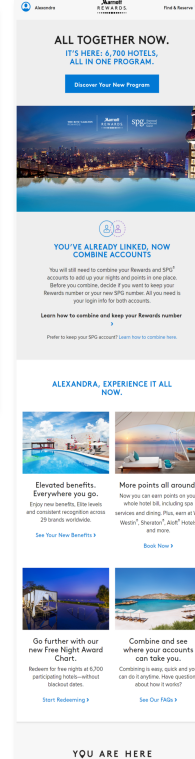


August

15

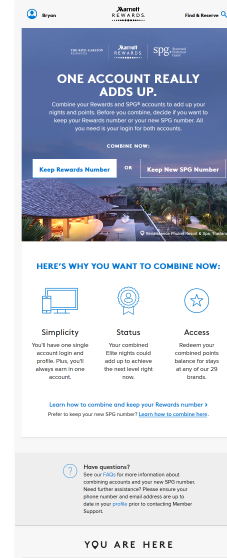


29



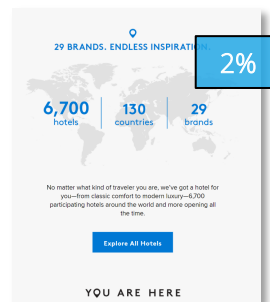
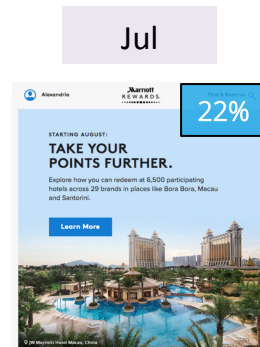
September

25

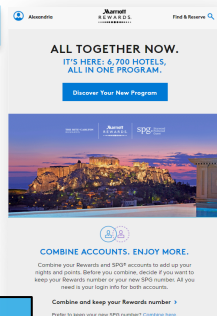


TBOP FEATURED IN ENEWS

- July redemption message with “Learn More” CTA was not a strong click driver as September features
- Overall, Sep hero drove 46% of clicks
 - “Combine Accounts” CTA drove more clicks and bookings (especially for a non-promotional hero)
 - “Start Exploring” CTA also drove more % of clicks compared to July message
- Version consideration: use redemption spin for higher point balance members and Elites; earning spin for everyone else
- Test stronger “Learn More” type CTAs in future mailings



13%
Link to
Profile: 7%



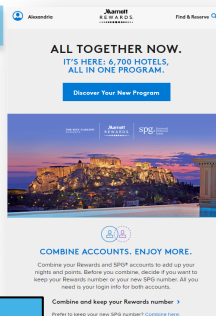
Basic

46%

22%

13%
Unsub: 7%

5%
Link to
Profile: 3%



Elite

66%

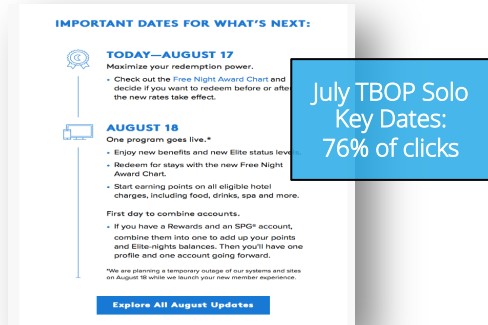
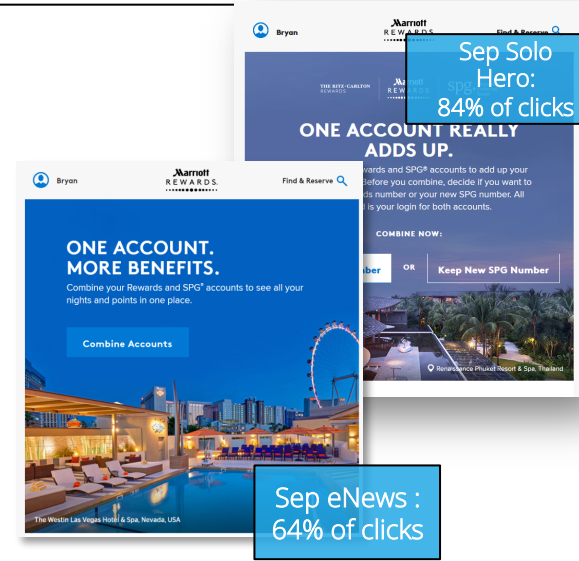
21%

3%
Unsub: 0.5%

- Elite members were more focused on the main CTAs; higher proportion of clicks concentrated around Hero and secondary modules
- In contrast, more of the Basic members' activity gravitated to header and footer sections

OPPORTUNITIES

- Include critical program announcements in eNews
 - Consider targeting non-Solo openers or use Solo to target non-eNews openers (drives relevancy while supporting program)
 - Focus the CTA verbiage and be specific
- Use infographic style (icons + brief copy) to effectively communicate key benefit / program updates
- Leverage text-only style to communicate critical updates



ACTIONABLE INSIGHTS

RECOMMENDATIONS

MRCC Acquisition

- Confirm propensity can be used post-OBOP for all card product acquisition efforts; align with guardrails & target top deciles

MegaBonus

- Include in BAU emails for max reach & to drive last minute registrations
- Use secondary module in Reg Confirmation to optimize traffic and conversions

Destinations

- Continue Road Trip theme for Summer 2019
- Revisit “Top Hotels” theme; focus theme on specific amenities like pools and rooftops and consider versioning by level and geo

RECOMMENDATIONS

TBOP learnings for OBOP

- Continue to leverage eNews to communicate program messages but drive relevancy through enhanced versioning
 - Target message to those that have not engaged or taken action from Solo
 - For generic messages: lean into redemption opportunity vs. earning based on point balance & program tenure; include relevant CTA: “Use Points” vs. “Take a Look”
- Use Wylei to test CTA verbiage and be more specific than “Learn More”:
 - Try something like: “See Your Benefits”, “Explore Now”, “Discover What Awaits”
- Use infographic style (icons + brief copy) to effectively communicate key benefit / program updates; makes for quick read
- Leverage text-only style to communicate critical updates (eNews and/or Solo)

MARRIOTT TRAVELER

Q2 2018 NEWSLETTER PERFORMANCE RESULTS

July

GIVE IN TO EUROPEAN CHARM

The hilly, cobblestoned streets that wind just so... the brightly-colored villas that captivate... and that distractingly blue Mediterranean water. What are you waiting for? Let Europe sweep you off your feet!

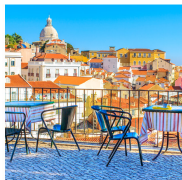


TIPS + TRENDS

The 8 Most Charming Towns in Tuscany

GET CHARMED

CHARMED, I'M SURE



TIPS + TRENDS

See Lisbon's Vibrance and Charm Through a Local's Eye

Explore Portugal

TIPS + TRENDS

Soak Up Sun and Culture on a Spanish Summer Getaway to Barcelona and Mallorca

Indulge in Spain



August

THE CHOICE IS YOURS[, FNAME]

Choosing to travel isn't so hard, but choosing where to travel can be tough sometimes, especially when the choice is between two equally, envy-inducing locales. Don't stress too much. These choices come with no regrets.



BEACH TRAVEL

Battle of Beach Paradise: Phuket vs. Bali

WHICH WOULD YOU CHOOSE?



Teaming up to bring you the **Wattpad Travel Hub**.

THE BATTLE CONTINUES



CULTURE + STYLE

Las Vegas vs. New Orleans: The Perfect Party is Waiting

Are You Ready?

TIPS + TRENDS

Maui vs. Oahu: A Battle of Hawaii's Most Beautiful Islands

No Losers Here



September

SOUND OF THE CITY

Some cities have a sound. Detroit has Motown. Nashville has Country. Hit up any city's live music scene to feel its rhythm like a real local. If you travel for the music, these are the places you have to go.



CULTURE + STYLE

March to Your Own Musical Beat at These Barcelona Festivals

FIND YOUR JAM IN SPAIN

WAKE UP CALL
A W HOTELS MUSIC FESTIVAL

FEEL THE BEAT



CULTURE + STYLE

7 Places Every Hip-Hop Fan Needs to Visit in Houston

Groove in Texas

CULTURE + STYLE

Tuning In: The Best Places to Hear Live Music in Bangkok

Groove in Thailand



Q3 '18 KPI improvements vs. newsletter goals

Performance vs. Goal

Send totals remain constant at 14.9M, but deliverability rate down 11.9 pts.

Positive impact of regular subject line testing; open rates up 23% vs. goal

CTOR down 72% vs. goal

Online KPI's are significantly above goal

EMAIL

Open Rate

18.4%

(+23% vs. Goal of 15%)

CTO Rate

4.24%

(-72% vs. Goal of 15%)

ONLINE

Unique Visits

26,583

(+33% vs. Goal of 20K)

Visit Duration

1:45

(+17% vs.
Goal of 1:30)

Pages Per Visit

2.71

(+8% vs. Goal of 2.5)

Actionable Insights

- Develop optimization road map with Wylei to improve CTOR
 - Consider Dynamic Content Assembly for hero engagement lifts
 - Improve other curated sections with SmartMatrix article optimization
 - Lift engagement in Upcoming Trip module using real-time Moments and Traveler content for key destinations
- Leverage member point balances to target Moments banners
- Use destination propensity models to target location specific content and/or banners
- Encourage bookings from active stayers by adding targeted “Where to Stay” hotel CTA near select articles

2019 Newsletter Roadmap

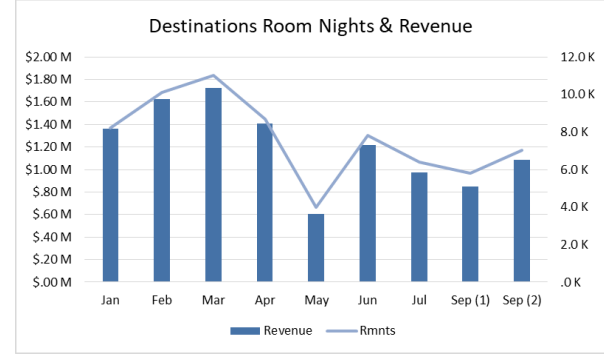
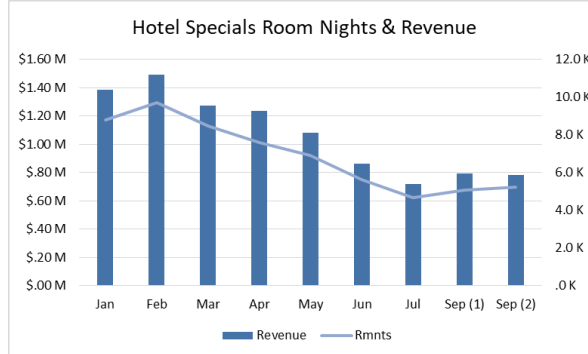
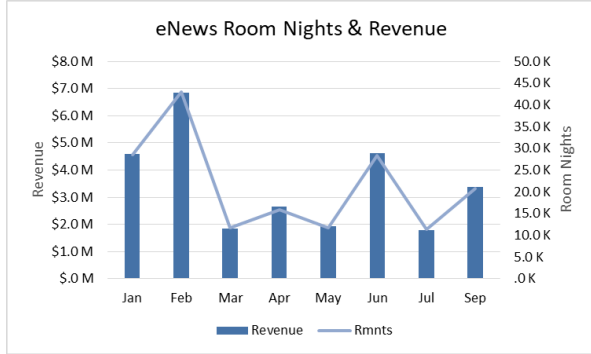
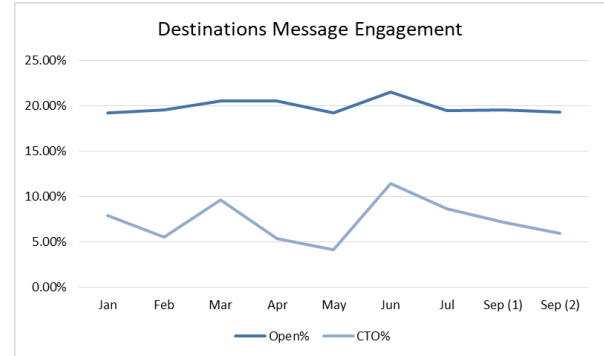
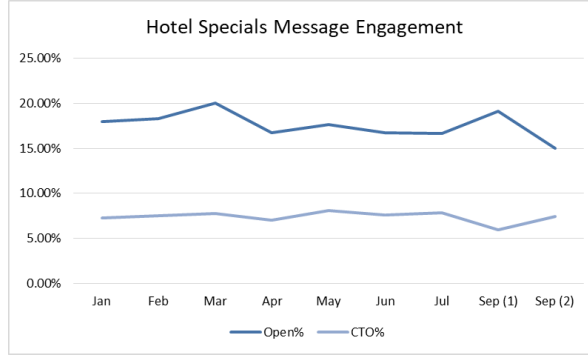
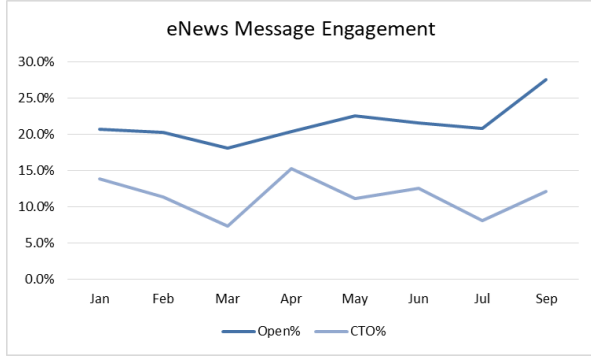
	Q1	Q2	Q3	Q4
Newsletter Performance	Monitor KPIs for new audience			
	Monitor KPI's, Optimize reporting, Learn/incorporate CX dashboard KPIs			
Content Optimization	Implement Wylei optimization plan		MVP Implementation	
	OBOP/Revised Template Launch		Scope content automation	
	Subject line optimization, Increase personalization			
Email Segmentation	Expand to Non-members & SPG			
Partner Support	Support internal/external partnerships and expand ad opportunities			



THANK YOU!



APPENDIX



TBOP EMAIL ENGAGEMENT

July

The July TBOP email layout includes the following sections and engagement percentages:

- Header:** 9%
- Hero:** 5%
- Key Dates:** 76%
- Concur:** 0.1%
- Contact/FAQ:** 3%

August

The August TBOP email layout includes the following sections and engagement percentages:

- Header:** 8%
- Hero:** 58%
- Top Offers:** 21%
- MRCC Offer:** 5%
- Bottom Offers:** 1%

September

The September TBOP email layout includes the following sections and engagement percentages:

- Header:** 3%
- Hero:** 84%
- Why Combine:** 8%
- FAQ's:** 2%

44M

Delivered

9.8M

Impressions

926K

Traffic

Q3 SOLO'S CONTINUED DRIVING AWARENESS AND INTEREST

Drove 9.8M impressions for the quarter and CTOR was above Q3 avg.

	Delivered	Open	Open %	CTR	CTOR	Unsub %
Jul	17.6 M	3.7 M	21.1%	2.0%	9.6%	0.12%
Aug	24.9 M	5.6 M	22.4%	1.8%	8.1%	0.11%
Sep	1.5 M	519.4 K	35.1%	7.9%	22.6%	0.03%
Total	44.0 M	9.8 M	26.2%	3.9%	13.5%	0.09%