

SEPTEMBER 2017 MARRIOTT REWARDS EMAIL PROGRAM REVIEW

October 26, 2017



TODAY'S AGENDA

- Sep '17 Program Review
 - Program Summary & Trends
 - Key Storylines
 - Testing Summary
 - Actionable Insights
 - Industry Insights
- Available Sep '17 Campaign Reviews
 - eNews
 - Hotel Specials
 - Destinations
 - Solos
 - Lifecycle



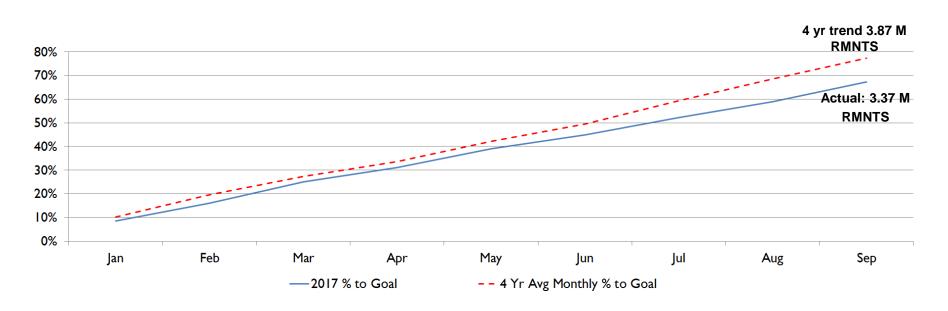
SEPTEMBER 2017 EMAIL PROGRAM SUMMARY



PROGRAM IS 13% BEHIND 5 M ROOM NIGHT

(As of September, program has generated 3.37 M RN, 67% of goal

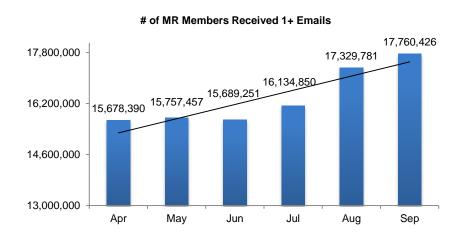
• 4 Yr. trend indicates program should be at 77% of goal by September to achieve forecast

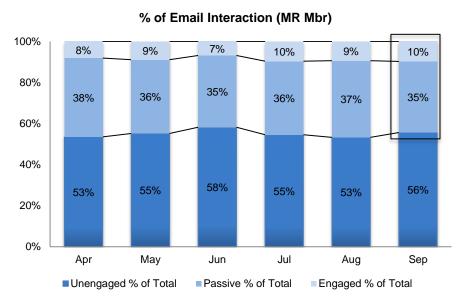




EMAIL ENGAGEMENT REPORT

- 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)





*Report Key:



⁻ Received: # of emails received during time period

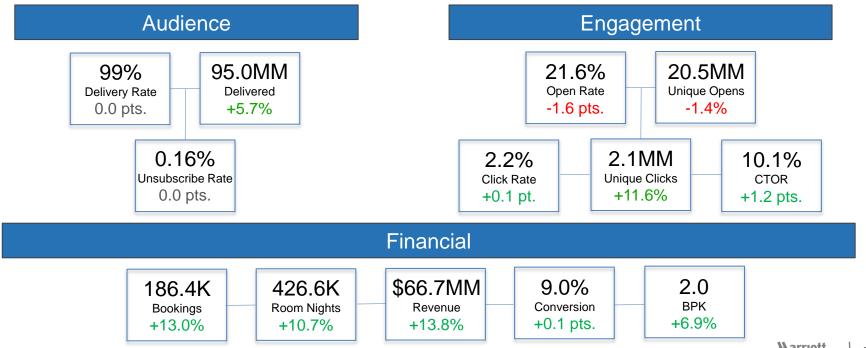
⁻ Engaged: Received Opened and Clicked + Received not Opened but Clicked

⁻ Passive: Received Opened but not Clicked

⁻ Unengaged: Received not Opened and not Clicked

SEPTEMBER 2017 EMAIL PROGRAM PERFORMANCE

- 7.4% open rate decline driven by low Solo and Lifecycle open rates; eNews remained flat at 23.8%
- MegaBonus announcement in eNews drove financial lifts (+26% MoM and +14% vs. 12MAvg.)



PROGRAM SUMMARY

	Hotel								
		Program	eNews	Specials	Dest.	Solos	Lifecycle	MRCC	METT
	Audience*	21.6 M +1.6%							
	Total	95.0 M	15.7 M	10.2 M	13.4 M	29.0 M	6.5 M	14.7 M	5.3 M
ence	Delivered	5.7%	10.7%	-0.9%	8.7%	13.6%	14.8%	-6.6%	-10.8%
Audience	Unsub Rate	0.16%	0.09%	0.12%	0.12%	0.16%	0.29%	0.22%	0.24%
		-0.0 pts	-0.0 pts	-0.0 pts	-0.0 pts	0.0 pts	0.0 pts	-0.0 pts	0.0 pts
	Delivery Rate	99%	98%	99%	99%	99%	97%	99%	97%
	Delivery Nate	-0.0 pts	-0.6 pts	-0.4 pts	-0.0 pts	0.2 pts	-0.0 pts	-0.1 pts	1.2 pts
	O B-+-	21.6%	23.8%	18.5%	22.0%	20.5%	29.8%	20.2%	19.3%
	Open Rate	-1.6 pts	0.0 pts	0.0 pts	-0.3 pts	-3.2 pts	-2.5 pts	-2.2 pts	-2.7 pts
	Opens	20.5 M	3.7 M	1.9 M	3.0 M	6.0 M	1.9 M	3.0 M	1.0 M
날		-1.4%	10.7%	-0.7%	7.2%	-1.7%	6.0%	-15.9%	-21.7%
Engagement	Click Rate	2.2%	4.7%	1.4%	1.4%	1.5%	6.9%	0.5%	0.7%
80		0.1 pts	1.4 pts	0.0 pts	0.1 pts	-0.9 pts	1.3 pts	-0.2 pts	-0.1 pts
ŭ	Unique Clicks	2.1 M	738.1 K	146.2 K	186.5 K	437.4 K	446.8 K	70.5 K	38.1 K
		11.6%	58.9%	-0.1%	18.8%	-27.8%	40.6%	-35.1%	-21.4%
	Click to Open	10.1%	19.7%	7.7%	6.3%	7.3%	23.1%	2.4%	3.7%
	Rate	1.2 pts	6.0 pts	0.0 pts	0.6 pts	-2.6 pts	5.7 pts	-0.7 pts	0.0 pts
	B 1:	186.4 K	74.7 K	11.4 K	9.8 K	50.6 K	31.1 K	6.1 K	2.6 K
	Bookings	13.0%	79.7%	-8.5%	-9.4%	-15.2%	29.3%	-45.8%	-47.3%
	D. NILL.	426.6 K	171.1 K	25.4 K	22.3 K	114.0 K	74.9 K	12.8 K	6.1 K
	RoomNights	10.7%	75.9%	-11.8%	-11.0%	-18.1%	26.6%	-47.8%	-46.0%
ncia	B	\$66.7 M	\$27.0 M	\$3.9 M	\$3.5 M	\$17.8 M	\$11.7 M	\$1.8 M	\$1.0 M
Financia	Revenue	13.8%	81.1%	-11.6%	-8.5%	-16.0%	30.4%	-48.8%	-43.7%
Г	Camaraian Bata	9.0%	10.1%	7.8%	5.2%	11.6%	7.0%	8.7%	6.9%
	Conversion Rate	0.1 pts	1.2 pts	-0.7 pts	-1.6 pts	1.7 pts	-0.6 pts	-1.7 pts	-3.4 pts
	Bookings per	2.0	4.8	1.1	0.7	1.7	4.8	0.4	0.5
	Delivered(K)	6.9%	62.4%	-7.7%	-16.6%	-25.3%	12.6%	-42.0%	-40.9%

- Calculated using Mailable Openers* from Active, Inactive, and Non Member Counts
- Total Mailable minus anyone who has not clicked/opened an email in past 15 months
- Using EIR Financial Data
- Month compared to 12-mo rolling avg.

Executive Dashboard

MegaBonus announcement increased email engagement in eNews, impacting overall program KPI's

Welcome and Onboarding series drove Lifecycle open rate declines

- Welcome: tested SL in Sep
- Onboarding: need deep dive to pinpoint issues

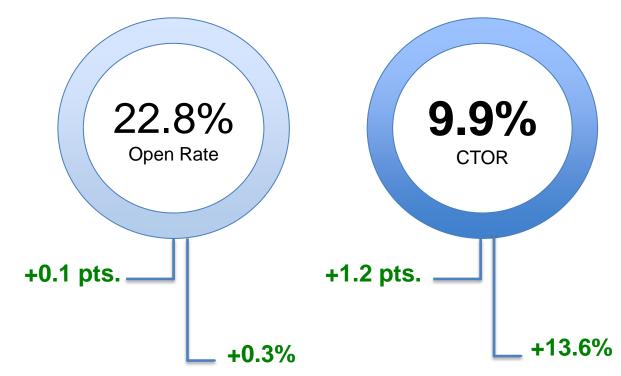


KEY STORYLINES

- 1. Continue to see positive lifts with new email template
- 2. Positive impact of promotional content in eNews, but different outcome in Hotel Specials
- 3. Campaign optimization drives increases & learnings for future efforts
- 4. Highlighted Solo's: NFL Kick-off and Drive Bookings

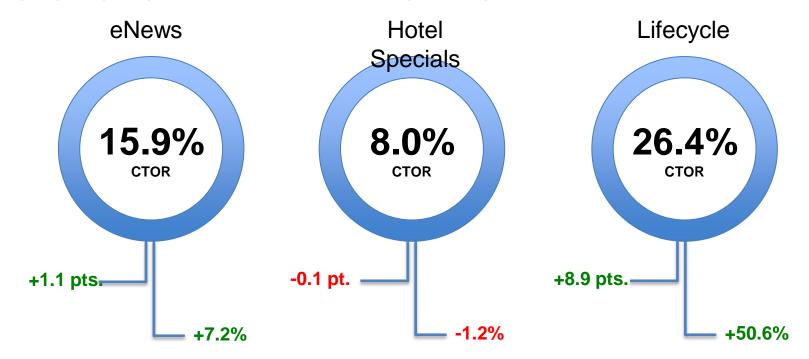


CONSISTENT INCREASES IN EMAIL ENGAGEMENT AFTER MOVING TO NEW TEMPLATE





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



SEPT '17 ENEWS

Engagement

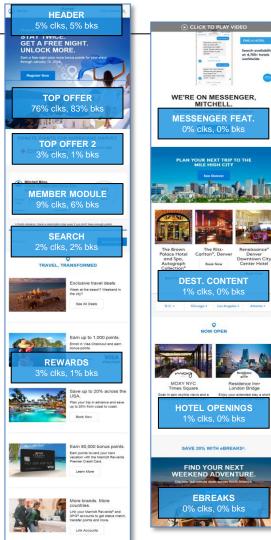
SL = Your Account: New MegaBonus Has Arrived



Financial



*Compared to 12-month average



MegaBonus announced in eNews in place of Solo

- 83% of bkgs 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?



SEPT '17 HOTEL SPECIALS

Engagement

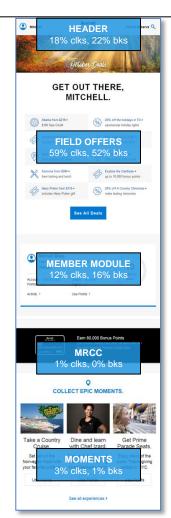
SL = Erica's October Travel Deals



Financial



*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



ENGAGEMENT OBSERVATIONS

4 01/

Most clicked content:

•	wegabonus	(Middle Offer)	4.2K

- Destinations Nav Bar
 2.4K
- eBreaks (last module)
 2.0K
- Country Cruise (Moments) 1.9K
- MRCC 1.4K
- Thanksgiving Parade (Moments)
 1.4K







SEPT '17 DESTINATIONS

Engagement SL = Top 6 Hotel Rooftops 22.0% 1.4% Open Rate Click Rate -0.3 pts. +0.1 pts. 6.3% CTO Rate +0.6 pts. **Financial**







HEADER



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

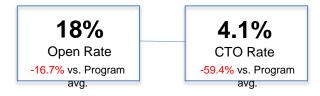
- 59% clicked weekend getaway
- Higher engagement with themed content vs. locations - test this



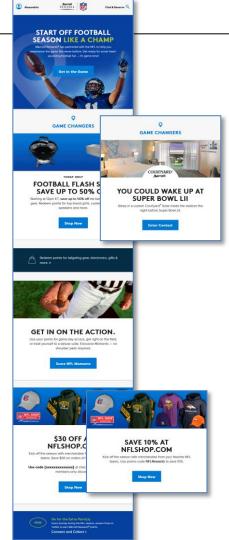
NFL KICK-OFF SOLO

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%	сто%	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 KPl'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)

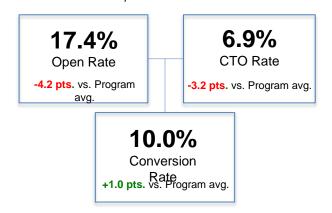


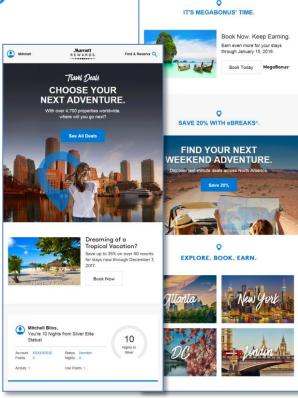
DRIVE BOOKINGS SOLO

GENERATED \$4.8MM AND 12.6K BOOKINGS

Engagement

SL = Save up to 35% on resort vacations.





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 preheader ('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



SEPTEMBER TESTING & OPTIMIZATION SUMMARY

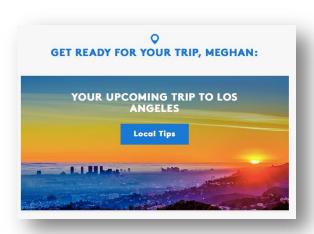
- DESTINATIONS
- HOTEL SPECIALS

- ENEWS
- DRIVE BOOKING SOLO



SECTION CLICK DECLINES FROM FIRST DESTINATIONS UPCOMING TRIP TEST - CONTINUE TESTING

Control





<u>Hypothesis</u>: a more direct message about getting to know the location you're traveling to will increase clicks

Methodology: target top 5 destinations out of 17 with test message; list split 50/50

Test #1 results:

- Test group % of module clicks down 50% vs. control
- Consistent declines across all 5 locations

Declines stem from higher engagement with Rooftop Top Offer (75% of campaigns clicks)

Recommendations:

- Include location in headline
- More direct language
 "Plan Your Trip to Los Angeles"

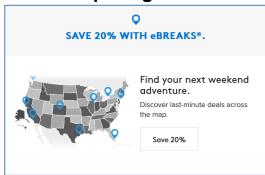


120% HIGHER SECTION CTOR WITH EBREAKS LIFESTYLE MODULE IN HOTEL SPECIALS

VS.



Map Image



Sep '17 Hotel Specials eBreaks Test	Delivered	EIR Bookings	EIR Revenue	Open%	сто%	Conv%	Bk/ Del (K)
Map Image	5.1 M	5.8 K	\$1.9 M	18.6%	7.7%	7.9%	1.1
Lifestyle Image	5.1 M	5.6 K	\$1.8 M	18.6%	7.8%	7.5%	1.1

3rd consecutive month running a 50/50 eBreaks module test: lifestyle vs. map

Hypothesis: Lifestyle image version is more on brand, engaging, bigger and will drive more engagement

Lifestyle version generated a higher CTOR at the campaign & link level all 3 months

- 1.5% higher campaign-level CTOR*
- 120% higher CTOR*

Future test recommendations:

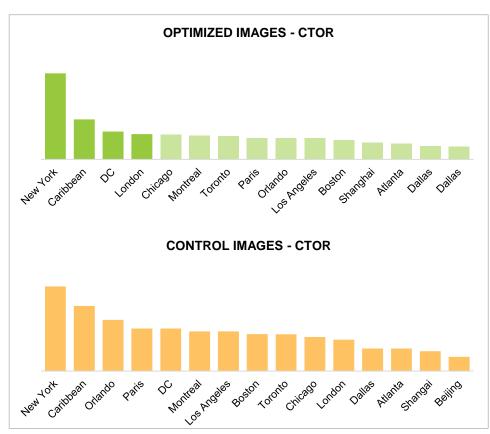
- Test a different on-brand lifestyle image (keep fresh)
- Test different image in article style layout

^{*}Statistically significant

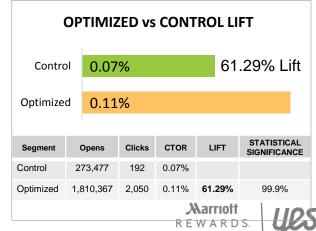


61.3% LIFT WITH HOTEL SPECIALS SMARTMATRIX TEST



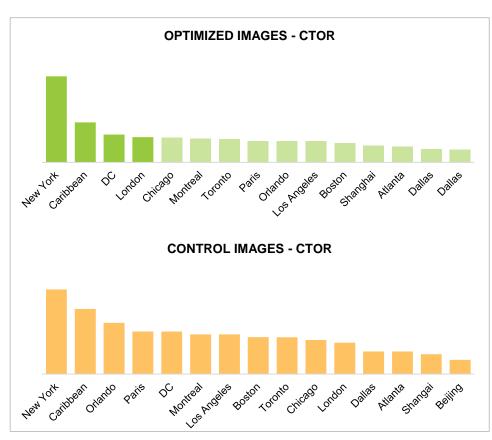




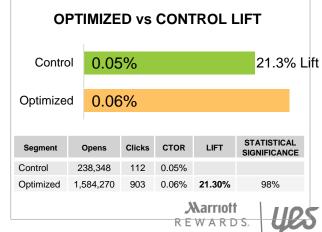


21.3% CTOR LIFT WITH ENEWS SMARTMATRIX TEST



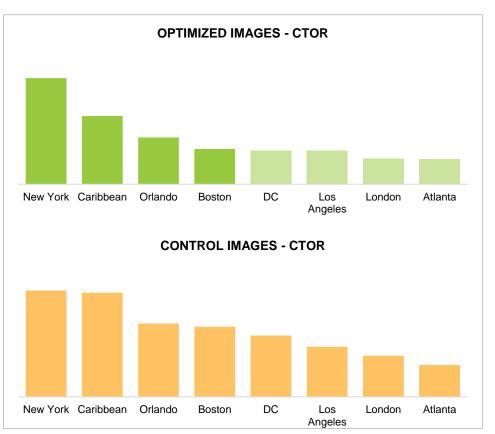




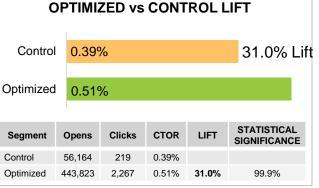


31% LIFT WITH DRIVE BOOKINGS SOLO SMARTMATRIX TEST











ACTIONABLE INSIGHTS



ENGAGEMENT AND BOOKING RECOMMENDATIONS

12MM Dal

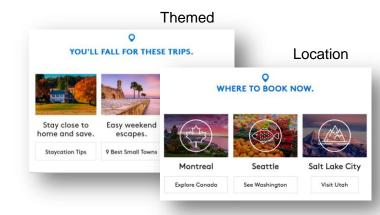
せつつれれれ

 Consider using eNews to announce MegaBonus in future to drive engagement & bookings

Fall '17 aNows Announcement

O	Rev	I SIVIIVI	Dei şzzivilvi
0	Summer '17 Announcement	12MM Del	\$18MM Rev
0	Spring '17 Announcement	9MM Del	\$20MM Rev
0	Fall '16 Preview	8MM Del	\$7MM Rev
0	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





INDUSTRY INSIGHTS





VIEW ALL MLB® MOMENTS >









Hilton

account login



HILTON PROMOTIONS & POINT OFFERS

Hilton 2X Point promotion registration reminder multivariate testing



Introducing even more ways to use your Points.









- · Leverages icons
- Presence in promo solos romances point accumulation
- · Thematic use in point offer solos





Book a stay with any combination of Points and money starting at 5,000.



up to 10 family or friends with Points Pooling.







Book with any amount











Points & Money



Use your Points to shop at Amazon.com



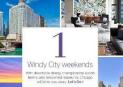
up to 10 family



spg. Starwood Preferred Guest

Savings to fall for.

Celebrate the fall season with an escape. Whether you're looking to explore a new city or visit an old favorite, you can guarantee savings with our best rates.



Los Angeles is calling Discover LA your way this tall with savings up to E%. Save Now >

Las Vegas escapes

and shooping, your Las Yegas

Canada turns 150 Come for the gelebration, stay for the unexpected, Celebrate. Canada's 150th birthday with a foliage filled fall cetaway

A new season of inspiration. Unforgettable moments don't happen often. Make lesting memories EXPLORE NOW >





SAVANNAH

Structed on the harks of the Saxo that retires the art of hospitality



LEARN MORE >



RELAX AT THE SPA Take time to relax and

MOUNTAIN ACTIVITIES Family friendly vacations perfect for kids.

Explore the most pristrie Take to the greens at our

New season, new adventures. Enjoy free nights, up to a \$200 resort credit and a room Plus, discover five more reasons to get away.







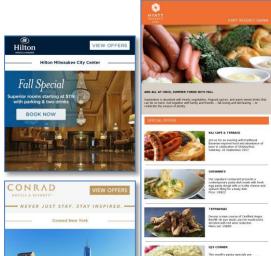












WHAT WOULD YOU DO?

and un 24 hour a day. 7 days a week



CARLSON.





EXPERIENCE THE

CHANGING LEAVES

Visit some of the best places across the country to enjoy the vibrant colors of the season. Rent a car, pack a camera and your favorite road-trip partner and get ready for the fall follage.

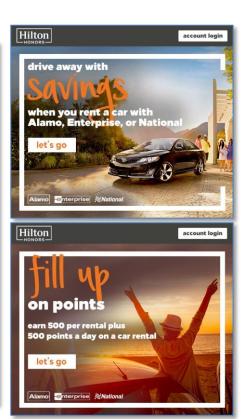
EXPLORE OUR LIST BELOW:

LOOK FOR SAVE TO INDICATE MEMBERS ONLY RATE EXCLUSIVE

PARTNER SUPPORT









WEEKLY/ WEEKEND DEALS





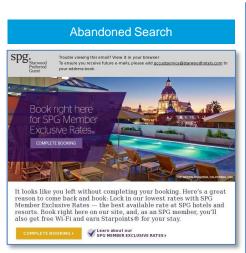








MEMBER RATES







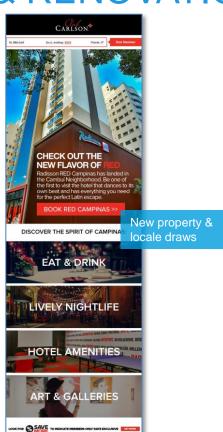




NEW LOCATIONS & RENOVATIONS



renovations and % discount





renovations, &



**Marriott REWARDS.

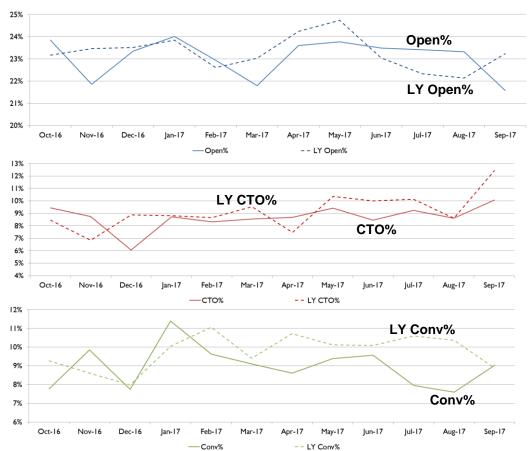
THANK YOU!



APPENDIX



CONV% UP 19% MOM AND 2% YOY



Open% was the lowest since Apr '13

CTO% was the highest since Sep '16

Conv% was up 19% MoM, 2% YoY, and 2% above the 12-month avg



SEPTEMBER 2017 EMAIL PROGRAM REVIEW: TEMPLATE 2.0 EXECUTIVE DASHBOARD

		Program	eNews	Hotel Specials	Dest.	Reg. Con. Solos	Lifecycle	MRCC
π	Open Rate	22.8%	25.0%	18.0%	21.6%	55.1%	32.5%	21.5%
Engagement		0.l pts	2.0 pts	-0.9 pts	-0.8 pts	-1.6 pts	-4.4 pts	-0.4 pts
gage	Click to Open	9.9%	15.9%	8.0%	6.0%	7.7%	26.4%	2.3%
ф	Rate	1.2 pts	1.5 pts	-0.l pts	0.4 pts	-1.0 pts	8.9 pts	-0.5 pts
	Canvansian Bata	7.9%	8.7%	8.0%	5.4%	24.9%	4.8%	7.6%
Financial	Conversion Rate	-1.4 pts	-1.2 pts	-0.7 pts	-1.9 pts	-0.4 pts	-2.4 pts	-2.1 pts
Final	Bookings per	1.8	3.4	1.1	0.7	10.6	4.1	0.4
	Delivered(K)	-3.3%	2.7%	-13.7%	-23.2%	-15.2%	-11.6%	-35.9%

Note: Using EIR Financial Data

Ci	Template 2.0	Template 2.0 Data		
Campaign	Switch Date	i empiate 2.0 Data		
MB Registration Confirmation	06/28/17	7/1/17 - 9/30/17		
Abandoned Search	06/28/17	6/28/17 - 9/30/17		
Achiever	06/28/17	6/28/17 - 9/30/17		
Renwer	06/28/17	6/28/17 - 9/30/17		
Lifetime Achiever	06/28/17	6/28/17 - 9/30/17		
Welcome Points Series	06/28/17	7/1/17 - 9/30/17		
Welcome Miles Series	06/28/17	7/1/17 - 9/30/17		
Welcome Existing	06/28/17	7/1/17 - 9/30/17		
Welcome Double Opt-in	06/28/17	7/1/17 - 9/30/17		
Welcome Flipper	06/28/17	7/1/17 - 9/30/17		
Welcome Non-Member	06/28/17	7/1/17 - 9/30/17		
eNews	07/06/17	Jul '17 - Sep '17		
Destinations	07/14/17	Jul '17 - Sep '17		
MRCC Dom/Can	07/18/17	Jul '17 - Sep '17		
Hotel Specials	07/25/17	Jul '17 - Sep '17		
Post Redemption	08/16/17	8/16/17-9/30/17		
Near Level	08/16/17	8/16/17-9/30/17		
MRCC Qtr Newsletter	08/17/17	Aug '17		
MRCC Anniversary	09/29/17	Sep '17		
MRCC Free Night Certificate	09/29/17	Sep '17		

*KPI's based off △ between 12-month avg (Jun '16-May '17) vs various template 2.0 time tables

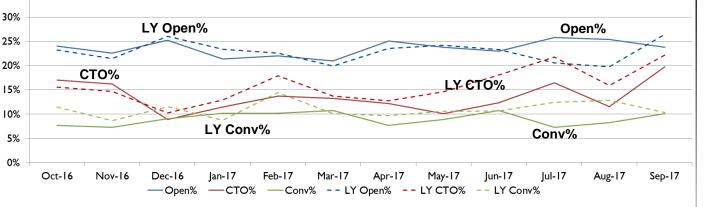


ADDITIONAL SEPTEMBER 2017 CAMPAIGN REVIEWS



35%

SEP '17 ENEWS EMAIL KPI TRENDS



BPK was the highest since Sep '16

Open% was slightly above 12month avg; a subject line test was conducted with a statistically significant winner:

- 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%)

CTO% was the highest since Sep '16

Conv% was 13% above the 12month avg and up 23% MoM



SEPTEMBER 2017 MR CAMPAIGN REVIEWS

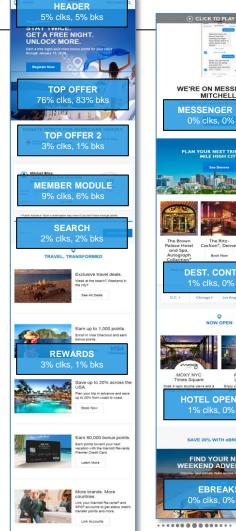
SEPTEMBER '17 ENEWS SECTIONS

September eNews announced Fall MegaBonus and generated 211K more clicks than the 12-month avg & the 4th highest click volume since May '13

- Top Offer section generated the 2nd highest click volume since Jun '13
 - o 'MB Register' offer accounted for 99% of Top Offer clicks and was sent to 84% of the total audience (Click% = 4.0%)
 - MegaBonus generated more clicks and a higher % of clicks than any MegaBonus offer before Sep '13
- All other section click volumes were below their respective 12-month avgs
 - Rewards section generated the fewest clicks since Nov '14
 - 'SPG Link' offer was served to 13% of the audience and generated a 0.1% Click%
 - 'Messenger Feature' was served to 86% of the audience and generated a 0.01% Click%
 - eBreaks click volume and % of clicks was the lowest since it was first being featured (Apr '16)
 - Both 'Search' and 'Header' sections accounted for the lowest % of clicks since before Jan '16
 - Member Module generated the lowest click volume & % of clicks since first being featured
 - Destinations Navigation Bar and Destinations Propensity module generated the lowest click volumes and % of clicks since first being featured

Conv% was 25% above the 12-month avg

- Top Offer section Conv% was 42% above the 12-month avg
 - Conv% was 24% above MB Top Offer avg and generated the most revenue since Jan '15
- Conv% was below avg for all other sections



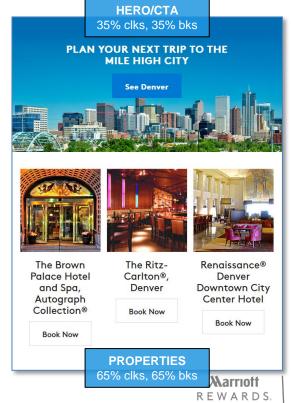


SEP '17 ENEWS DESTINATIONS PROPENSITY SECTION **ANALYSIS**

Dest. Prop.	Dest. Prop.	Dest. Prop
Delivered	% of Audience	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%

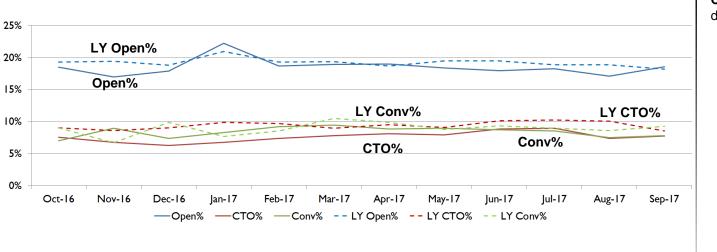
Destinations Propensity exposure and
Click% were the lowest since first being
featured in May; click engagement may
have been cannibalized by MegaBonus
top offer

Sep 'I7 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%





SEP '17 HOTEL SPECIALS EMAIL KPI TRENDS



Open% was slightly above the 12-month avg and up MoM/YoY 8% & 2% respectively

CTO% was up 4% MoM and 1% above the 12-month avg

Conv% was the 2nd lowest in 2017 todate



SEPTEMBER 2017 MR CAMPAIGN REVIEWS: HOTEL SPECIALS

SEP '17 HOTEL SPECIALS LINK ANALYSIS

Hotel Specials generated 4.8K (3%) more clicks than the 12-month avg

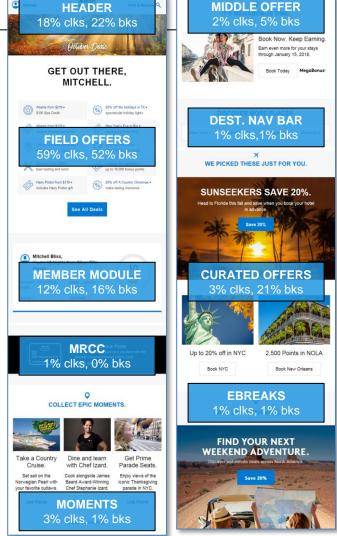
- Field offers generated 27.8 K (34%) more clicks than the 12-month section avg
 - o 'See All Deals CTA' continued to drive more clicks (37% of section) than any other link
- Member Module generated 3% more clicks MoM and slightly more clicks than the Jul+Aug 2017 avg
- Curated Offers generated 809 more clicks MoM
 - '20% off NYC' offer had the highest click engagement (24% of section) and Conv% (5.6%) in the Curated Offers section

All other sections experienced click volume decreases from their respective section avgs

- Moments section click volume was the lowest since first being introduced (Jun '16)
 - 'Little Goat' generated the lowest % of section clicks (15%)
- % of clicks to the MegaBonus offer was the lowest out of any MB offer featured in Middle Offer position
- eBreaks click volume was the lowest since first being introduced (Mar '16) and has been decreasing 25% on avg MoM since May '17

Conv% was the 3rd lowest since Jan '16

- · Both 'Header' and 'Member Module' Conv%'s were the lowest since template 2.0 retrofit
 - Conv% was 19.7% below the 12-month 'template elements' avg
- 'Filed offers Conv% is typically ~2% lower than overall mailing; increased click engagement to this section may have impacted total Conv%
- 'Curated Offers' Conv% was the lowest since first being featured (Jul '17)
 - All links generated lower Conv%'s than the section avg
 - o 'Gaylord' offer generated the lowest Conv%, along with the least amount of clicks



SEP '17 HOTEL SPECIALS LINK ANALYSIS

Observations

Most clicked content:

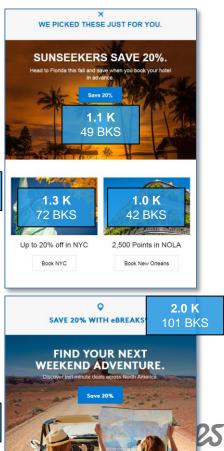
MegaBonus (Middle Offer)	4.2 K
eBreaks	2.0 K
Country Cruise (Moments)	1.9 K

• MRCC 1.4 K

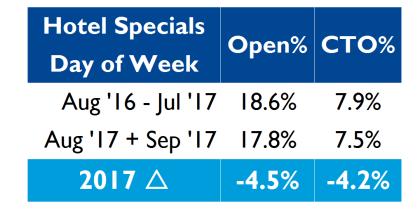
Thanksgiving Parade 1.4K

• 20% Off NYC 1.3K





HOTEL SPECIALS DAY OF WEEK TEST #2 SHOWS DECLINES IN CTOR



In August & September, Hotel Specials was sent out on Friday instead of it's typical Tuesday deployment

YoY, Aug + Sep Open% decreased 3.8%

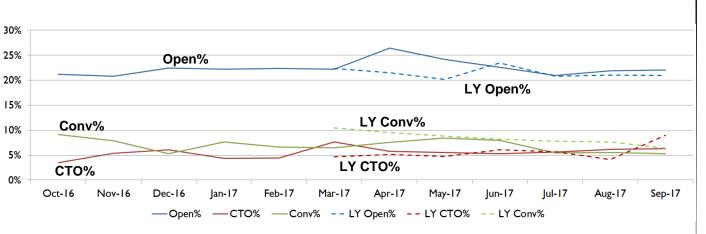
 Aug '17 + Sep '17 Open% decrease was 6.4% lower from respective 12-month avg than Aug '16 + Sep '16

YoY, Aug + Sep CTO% decreased 18.8%

 Aug '17 + Sep '17 CTO% decrease was 312.7% lower from respective 12-month avg than Aug '16 + Sep '16



SEP '17 DESTINATIONS EMAIL KPI TRENDS



Open% was 1% below the 12-month avg but up YoY and MoM by 5% & 1% respectively

CTO% was the 3rd highest since launch (Mar '16)

Conv% was the lowest since launch (Mar '16)



SEPTEMBER '17 DESTINATIONS LINK ANALYSIS

September Destinations generated 39.5 K (21%) more clicks than the 12-month avg

- Top Offer featured 'Top 6 Hotel Rooftop Pools' and accounted for 75% of clicks; the highest since Destinations launch (Mar'16)
 - The following rooftops attracted the most clicks:
 - NYC 27% of section clicks
 - Las Vegas 22% of section clicks
 - Savannah 17% of section clicks
 - Sep '16 Top Offer featured '6 of Our Favorite Pools' and generated 72% of overall clicks
 - Orlando was the most clicked pool last year
 - Las Vegas generated a similar click volume YoY and was the 2nd most clicked pool
- Trip Planner featured 'Fall Trips' and categorized by distance; section generated the 2nd highest click volume & % of clicks since Destinations launch
 - 'Small Towns' offer accounted for 59% of section clicks, 'Staycation' accounted for 30%, and Long-Distance 11%
 - In 2017, Trip Planner offers with thematic headline text generate a greater % of clicks than location text
 - Recommendation: Test trip planner section thematic vs location headline text

Conv% was the lowest since launch

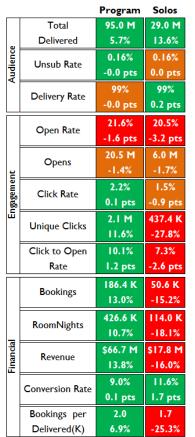
All sections generated Conv%'s below their respective 12-month avg







NFL KICK-OFF AND DRIVE BOOKING SOLO'S CONTRIBUTED TO MONTHLY SOLO DECLINES



Solo **Open%** was the lowest since before Jan '12

 NFL Kick-off & Drive Bookings Open%'s were lower than similar mailings and lower than all other September solos

CTO% was the 2nd lowest since Apr '16

 MoM, NFL Kick-off Solo CTO% decreased 25% and was lower than all other September Solos

Conv% was the highest since Jan '17

 Drive Bookings Solo Conv% was 2% above the solo 12-month avg

September '17 Launches of Note:

- NFL Kick-off (46% of Solos Sep Del.)
- Drive Bookings (36% of Solos Sep Del.)
- MB Reg Con (2% of Solos Sep Del.)
- MB Unlock (0.2% of Solos Sep Del.)



NFL KICK-OFF

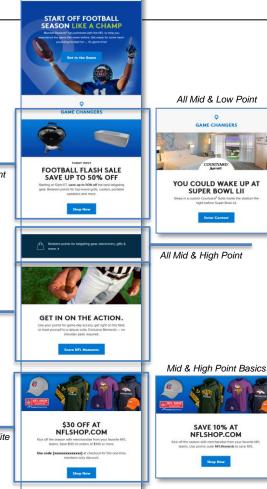
All Mid & High Point

Moments Solos	Delivered	EIR	EIR	00/	CTO%	Conv%	Bk/	
	Pioments Solos	Delivered	Bookings	Revenue	Ореп/	C10%	Conv.	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

All High Point

NFL Solos	Delivered Booking	EIR	EIR	O====°/	сто%	Conv%	Bk/
INFL SOIOS		Bookings	Revenue	Ореп/			Del (K)
NFL Moments Solos (Sep '17)	13.4 M	7.9 K	\$2.7 M	18.0%	4.1%	8.0%	0.6
NFL Moments Solos (Aug '17)	13.1 M	13.7 K	\$5.0 M	23.3%	5.4%	8.3%	1.1
NFL Shop (Oct '16)	9.9 M	2.9 K	\$1.0 M	19.0%	2.6%	6.0%	0.3
NFL 50-to-50 Winner (Jan '16)	13.2 M	10.7 K	\$3.6 M	22.1%	4.6%	8.1%	0.8
NFL 50-to-50 (Oct '15)	13.0 M	18.1 K	\$6.2 M	21.4%	11.4%	5.7%	1.4

Mid & High Point Elite



September NFL Solo was segmented into 6 segments based on points (low/mid/high) and status (basic/elite)

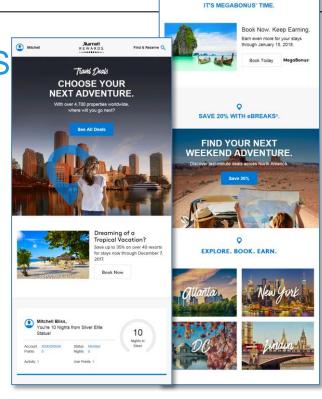
NFL Solo Open% decreased 21% MoM

- <u>Sep Basic SL</u>: Football Fans: Get in the Game with These Members-Only Experiences
- Sep Elite SL: Today Only! Save Up to 50% During Our Football Flash Sale
- <u>Aug SL</u>: [FNAME], Take a Look at These Members-Only Moments

NFL Solo CTO% and Conv% decreased 25% & 2% MoM respectively



DRIVE BOOKINGS



Drive Bookings Solos	Delivered	EIR	EIR	Open%	сто%	Conv%	Bk/
Solos		Bookings	Revenue				Del (K)
Sep '17	10.5 M	12.6 K	\$4.8 M	17.4%	6.9%	10.0%	1.2
Aug '17	9.6 M	18.3 K	\$6.4 M	24.2%	9.3%	8.4%	1.9
Δ	8.7%	-31.1%	-26.2%	-27.9%	-26.0%	18.7%	-36.6%

September Drive Bookings Solo featured Travel Deals, MegaBonus, Marriott Vacation Club, and eBreaks

Open% decreased 28% MoM and was 27% below the 12-month solo avg; August subject line included 'your' and was personalized

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

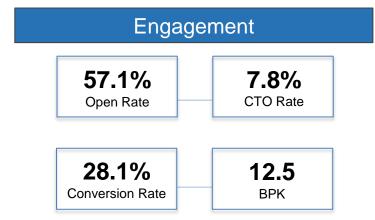
CTO% decreased 26% MoM and was 31% below the 12-month solo avg

Conv% increased 19% MoM and was 2% above the 12-month solo avg

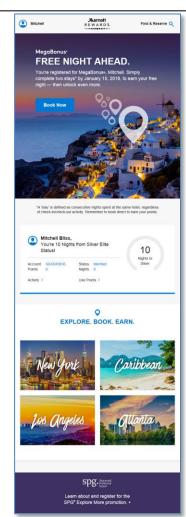


MEGABONUS REGISTRATION CONFIRMATION SOLO

MB REGISTRATION CONFIRMATION



MB Reg Con Solos: 1st Month Results	Delivered	EIR Bookings	EIR Revenue	Open%	сто%	Conv%	Bk/ Del (K)
Fall '17	518.8 K	6.5 K	\$2.0 M	57.1%	7.8%	28.1%	12.5
Summer '17	431.5 K	4.4 K	\$1.4 M	59.4%	6.5%	26.5%	10.3
Spring '17	517.7 K	6.1 K	\$2.2 M	57.5%	8.3%	24.7%	11.8
Fall '16	524.6 K	6.9 K	\$2.4 M	68.3%	7.8%	24.7%	13.2



Early results show Fall '17 **BPK** is above other 2017 reg confirmations, however, is down 6% YoY

Open% is below the last 3 MegaBonus periods; previous registration confirmation subject lines pertained to points

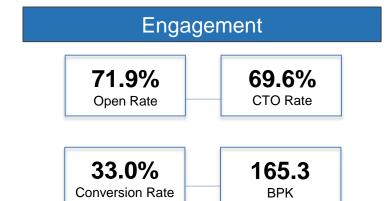
- Fall '17 SL: You're Registered to Earn a Free Night
- <u>Summer '17 SL</u>: You're On Your Way to Infinite Points
- Spring '17 SL: You're Registered to Earn 2X Points
- <u>Fall '16 SL</u>: Great Choice: [5,000][50,000] Points

CTO% was down slightly YoY

Conv% was above the previous 3 MegaBonus periods



MEGABONUS UNLOCK



MegaBonus Solos: Ist Month Results	Delivered	EIR Bookings		Open%	сто%	Conv%	Bk/ Del (K)
Fall '17 Unlock	59.9 K	9.9 K	\$3.3 M	71.9%	69.6%	33.0%	165.3
Fall '17 Registration Confirmation	518.8 K	6.5 K	\$2.0 M	57.1%	7.8%	28.1%	12.5
Registration Confirmation Avg.	451.7 K	5.7 K	\$2.1 M	58.7%	8.8%	24.7%	12.7
Achievement Avg.	103.6 K	8.4 K	\$2.9 M	70.9%	44.1%	26.1%	81.4



Unlock Registration

Confirmation

Above average engagement in unlock emails; combined results

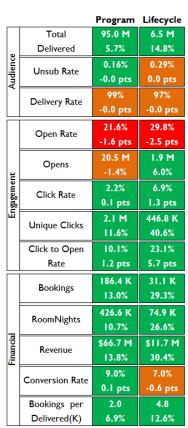
Missing campaign results for each email due to set-up issues in Sep; corrected for Oct.

In Unlock, we are using Wylei dynamic content assembly in Top Offer

In Unlock Reg Confirmation, we are using Wylei SmartMatrix image optimization in the bottom module



A SPIKE IN WELCOME POINTS SERIES VOLUME CAUSED OPEN% & CONV% LOWS



Open% was the 3rd lowest since Sep '14

- Welcome Miles series Open% was the 2nd lowest since Jan '15
- Welcome & EES1 Open%'s were the 2nd
 lowest since Jan '15
- Welcome Points series Open% was the 3rd lowest since Jan '15
 - Welcome, EES2, & EES3 Open%'s were 3rd lowest since Jan '15
 - EES1 Open% was 2nd lowest since Jan '15
- Onboarding series generated the 2nd lowest Open% since launch (Mar '16)
 - Onboarding #1 Open% was the lowest since launch and Onboarding #3 Open% was the 2nd lowest
- Hello Again accounted for 8% of Sep lifecycle delivered volume and generated the lowest Open% since Jan '12

CTO% was the 2nd highest since May '15, but down 2% MoM

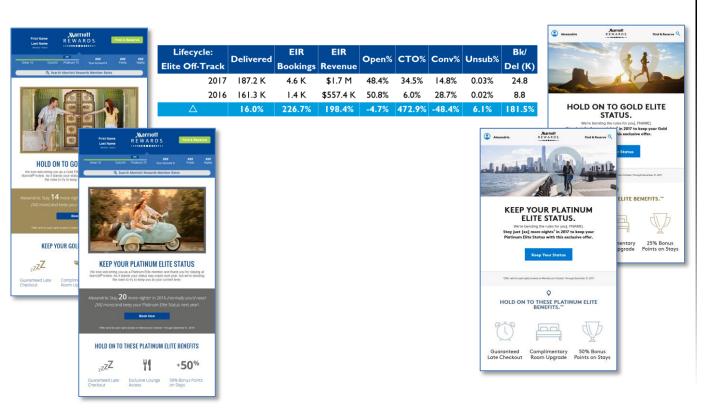
- The following campaigns generated the highest CTO% since Jan '16: Post-Redemption, Silver Focus Invitation, SPG Security & Upgrade, New Member Activation
- The following campaigns generated the 2nd highest CTO% since Jan '16: Achiever, Anniversary, Lifetime Achiever, Welcome Emails

Conv% was the 2nd lowest since May '14

- The following campaigns generated the lowest Conv% since Jan '16: Anniversary, Near Level, Non OTA Enrollment, Onboarding series, Post-Redemption, Silver Focus Invitation, SPG Security
- The following campaigns generated the 2nd lowest Conv% since Jan '16: Incent Redemption, Reactivation, Welcome Emails



ELITE OFF-TRACK



Open rates below 2016 average

Consider subject line test if continued declines

CTOR increased to 35% which is 83% above 2016

