



# MARRIOTT INTERNATIONAL 2017 SECURITY ANALYST MEETING

March 21, 2017



# FORWARD-LOOKING STATEMENTS, NON-GAAP FINANCIAL MEASURES, AND INFORMATION FOR 2016 AND 2015

This material contains “forward-looking statements” within the meaning of federal securities laws, including RevPAR, profit margin and earnings trends; the number of lodging properties we may add or remove in future years; our potential investment spending and share repurchases; the amount of and timing for realizing anticipated synergies from our acquisition of Starwood, and similar statements concerning possible future events or expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including changes in market conditions; changes in global and regional economies; supply and demand changes for hotel rooms; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance hotel growth and refurbishment; and other risk factors that we identify in our most recent annual report on Form 10-K; any of which could cause actual results to differ materially from the expectations we express or imply here. We make these statements as of March 21, 2017 and we assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Throughout this presentation we report certain financial measures, each identified with the symbol “†,” that are not required by, or presented in accordance with United States generally accepted accounting principles (“GAAP”). We discuss our reasons for reporting these non-GAAP measures and reconcile each to the most directly comparable GAAP measures at the end of this material.

Except where otherwise indicated, financial information and lodging statistics in this material for the years 2016 and 2015 give effect to Marriott’s acquisition of Starwood, and Starwood’s sale of its timeshare business, as if these two transactions had occurred on January 1, 2015 and exclude merger related costs and charges, and reflect other adjustments described in the Form 8-K relating to certain combined information and lodging statistics that we filed on February 15, 2017 with the U.S. Securities and Exchange Commission.



# STEPHANIE LINNARTZ

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EXECUTIVE VICE PRESIDENT AND  
GLOBAL CHIEF COMMERCIAL OFFICER



BVLGARI  
HOTELS & RESORTS

EDITION™



AUTOGRAPH  
COLLECTION™  
HOTELS

RENAISSANCE™  
HOTELS



DELTA  
HOTELS  
MARRIOTT



COURTYARD®  
MARRIOTT

Residence  
Inn®  
MARRIOTT

SPRINGHILL  
SUITES®  
MARRIOTT

FAIRFIELD  
INN & SUITES®  
MARRIOTT

TOWNEPLACE  
SUITES™  
MARRIOTT

PROTEA HOTELS.  
MARRIOTT



THE  
LUXURY  
COLLECTION

W  
HOTELS

WESTIN



L MERIDIEN

TRIBUTE  
PORTFOLIO



FOUR  
POINTS



# THE NEW MARRIOTT INTERNATIONAL: A WHOLE NEW WORLD OF TRAVEL

JW Marriott Los Cabos Beach Resort & Spa





TRANSFORM THE  
WORLD OF HOSPITALITY

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# VISION FOR THE FUTURE

30 great brands

unparalleled loyalty offerings

world-class sales, distribution and digital channels

even more ability to invest in customer-facing  
technology

*Renaissance Chicago Downtown Hotel*



MAKING MOVES TO STAY AHEAD

INNOVATION

FAST COMPANY

THE WORLD'S  
MOST INNOVATIVE  
COMPANIES

Marriott  
INTERNATIONAL

Moxy Phoenix Tempe/ASU Area





# INNOVATING WHILE INTEGRATING



**PLACEPASS**  
GREAT TIMES BEGIN HERE

SALES AND MARKETING FUNDING

EFFECTIVE AND INNOVATIVE

\$70B

WORLDWIDE  
PROPERTY-LEVEL  
REVENUE

\$2.7B

LOYALTY PROGRAMS

\$1.8B

SALES, MARKETING,  
AND RESERVATIONS

\$4.5B

TOTAL FUNDS

Domes Noruz Chania, Autograph Collection





*W Chicago-Lakeshore*



*Westin Paris-Vendôme*

**spg** \* Starwood Preferred Guest



*Le Royal Méridien Beach Resort & Spa, Dubai*

THE RITZ-CARLTON  
REWARDS



spg \* Starwood  
Preferred  
Guest



*The Ritz-Carlton, St. Thomas*



*Renaissance Tuscan II Ciocco Resort & Spa*



*The St. Regis Bora Bora Resort*



THE RITZ-CARLTON  
REWARDS

Marriott  
REWARDS.

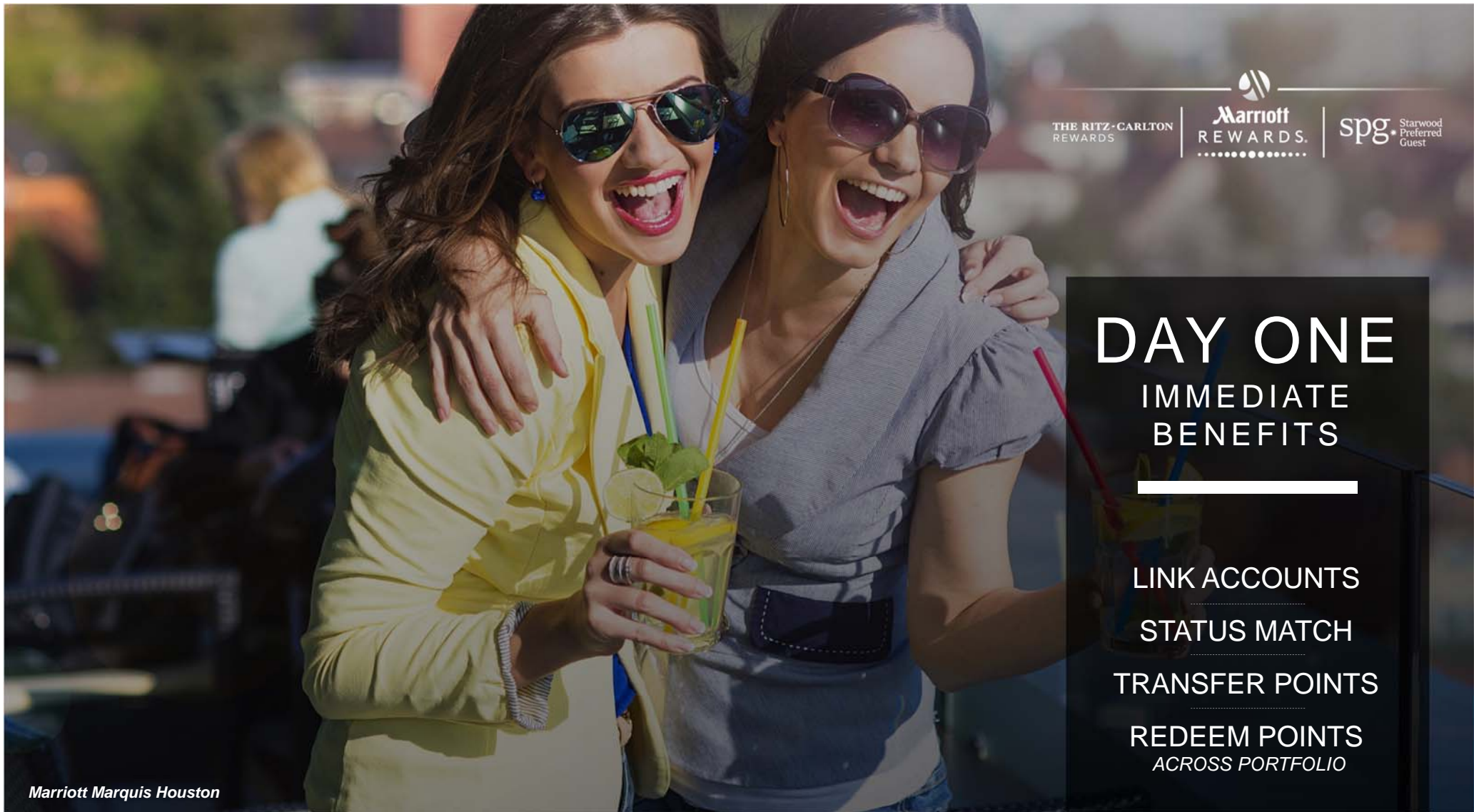
spg Starwood  
Preferred  
Guest

YOU ARE HERE™

100  
MILLION  
UNIQUE MEMBERS



only 11%  
overlap



THE RITZ-CARLTON  
REWARDS

 **Marriott**  
REWARDS.  
.....

spg. Starwood  
Preferred  
Guest

# DAY ONE

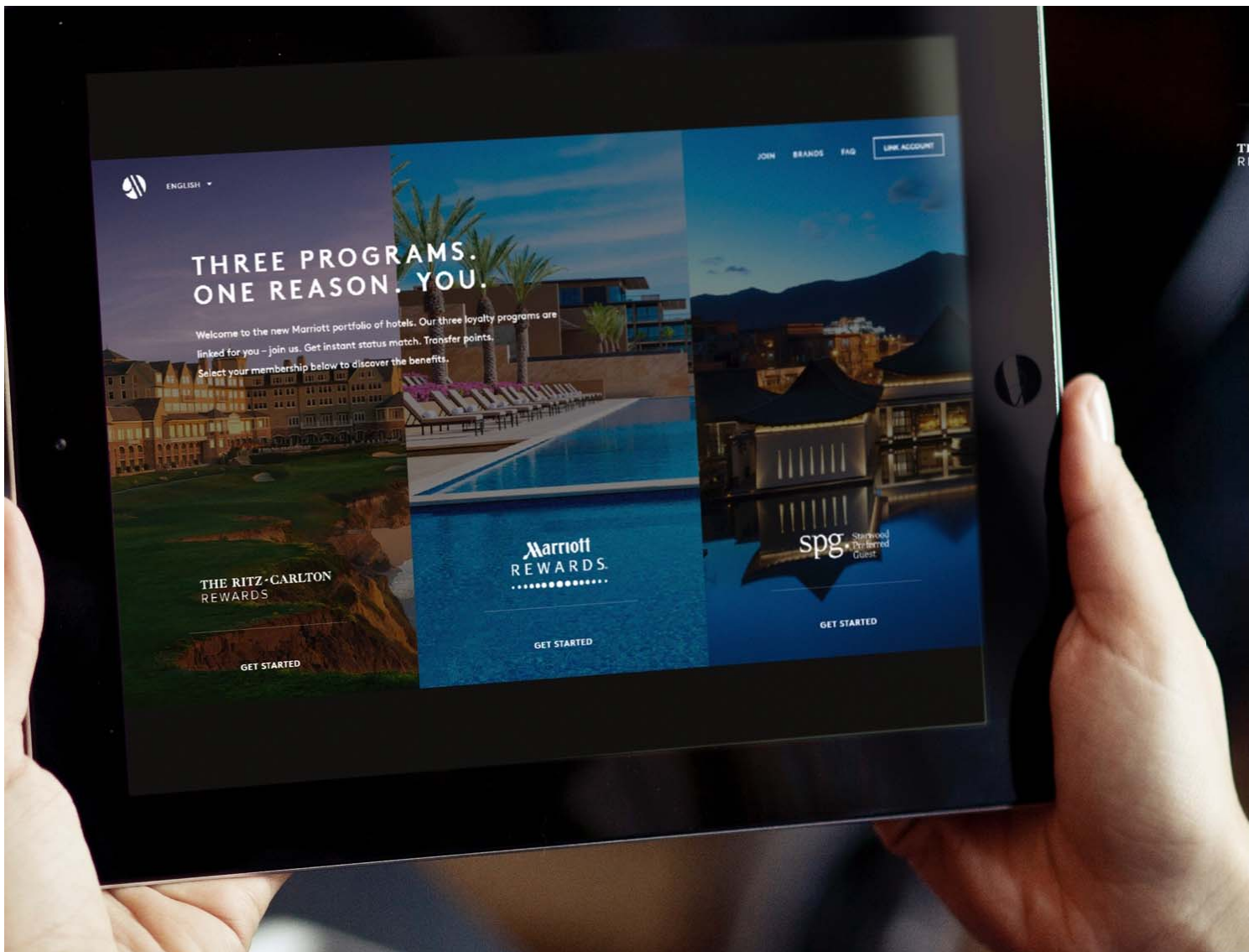
IMMEDIATE  
BENEFITS

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- LINK ACCOUNTS
- STATUS MATCH
- TRANSFER POINTS
- REDEEM POINTS  
*ACROSS PORTFOLIO*

*Marriott Marquis Houston*





2 MILLION  
ACCOUNTS  
LINKED

15 BILLION  
POINTS  
TRANSFERRED

BRINGING OUT THE BEST

# HARMONIZING LOYALTY PROGRAMS

THE RITZ-CARLTON  
REWARDS



spg Starwood  
Preferred  
Guest

ELITE BENEFITS

AMBASSADOR  
SERVICE

MOBILE CHECK-IN  
AND CHECK-OUT

AND MORE...



Hotel Arts Barcelona



# STRATEGIC OPPORTUNITIES TO DRIVE VALUE

# MARKETING PARTNERSHIPS

**Marriott**  
INTERNATIONAL

Neiman Marcus

Perrier

USA

weber

NBA

pepsi

American Red Cross

ASTON MARTIN

ASTON MARTIN

nrg

NFL

Maker's Mark

GoPro

KIND

NCAA

CHRISTIE'S

UNIVERSAL

UNIVERSAL MUSIC GROUP

The Container Store

west elm

SOUTH AFRICAN AIRWAYS

SHANGHAI TANG

JO MALONE LONDON

CHRISTIE'S

UNIVERSAL

UNIVERSAL MUSIC GROUP

The Container Store

The Container Store

The Container Store

The Container Store

Hertz

VISA

HBO

TED

UNDER ARMOUR

UNDER ARMOUR

UNDER ARMOUR

UNDER ARMOUR

UNDER ARMOUR

UNDER ARMOUR

UNDER ARMOUR

airberlin

CATHAY PACIFIC

QATAR AIRWAYS

UNITED

AIR CHINA

IBERIA

Virgin america

Virgin america

Virgin america

Virgin america

Virgin america

Virgin america

Emirates

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

AMERICAN EXPRESS

SINGAPORE AIRLINES

AIR CANADA

Alaska

ASIANA AIRLINES

Lufthansa

中國東方航空 CHINA EASTERN

ETIHAD AIRWAYS

ETIHAD AIRWAYS

ETIHAD AIRWAYS

ETIHAD AIRWAYS

ETIHAD AIRWAYS

ETIHAD AIRWAYS

ETIHAD AIRWAYS

PGA

new balance

illy

UBS

LEGO

LEGO

LEGO

LEGO

LEGO

LEGO

LEGO

LEGO

LEGO

new balance

SHOWTIME

Coca-Cola

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

NOUVELLE VAGUE

MODERN SOURCE GARDEN

Etsy

Starbucks

Starbucks

Starbucks

Starbucks

Starbucks

Starbucks

Starbucks

Starbucks

Starbucks

Starbucks

Starbucks

starwood  
Hotels and Resorts

The O<sub>2</sub> arena

COACHELLA

(MALIN+GOETZ)

AIR NEW ZEALAND

Panasonic

DELTA

Rock 'n' Roll MARATHON SERIES

Rock 'n' Roll MARATHON SERIES

Rock 'n' Roll MARATHON SERIES

Rock 'n' Roll MARATHON SERIES

Rock 'n' Roll MARATHON SERIES

Rock 'n' Roll MARATHON SERIES

Rock 'n' Roll MARATHON SERIES

ESSENTIAL TO MAKING OUR LOYALTY PROGRAMS FINANCIALLY SUCCESSFUL

# CO-BRAND CREDIT CARDS

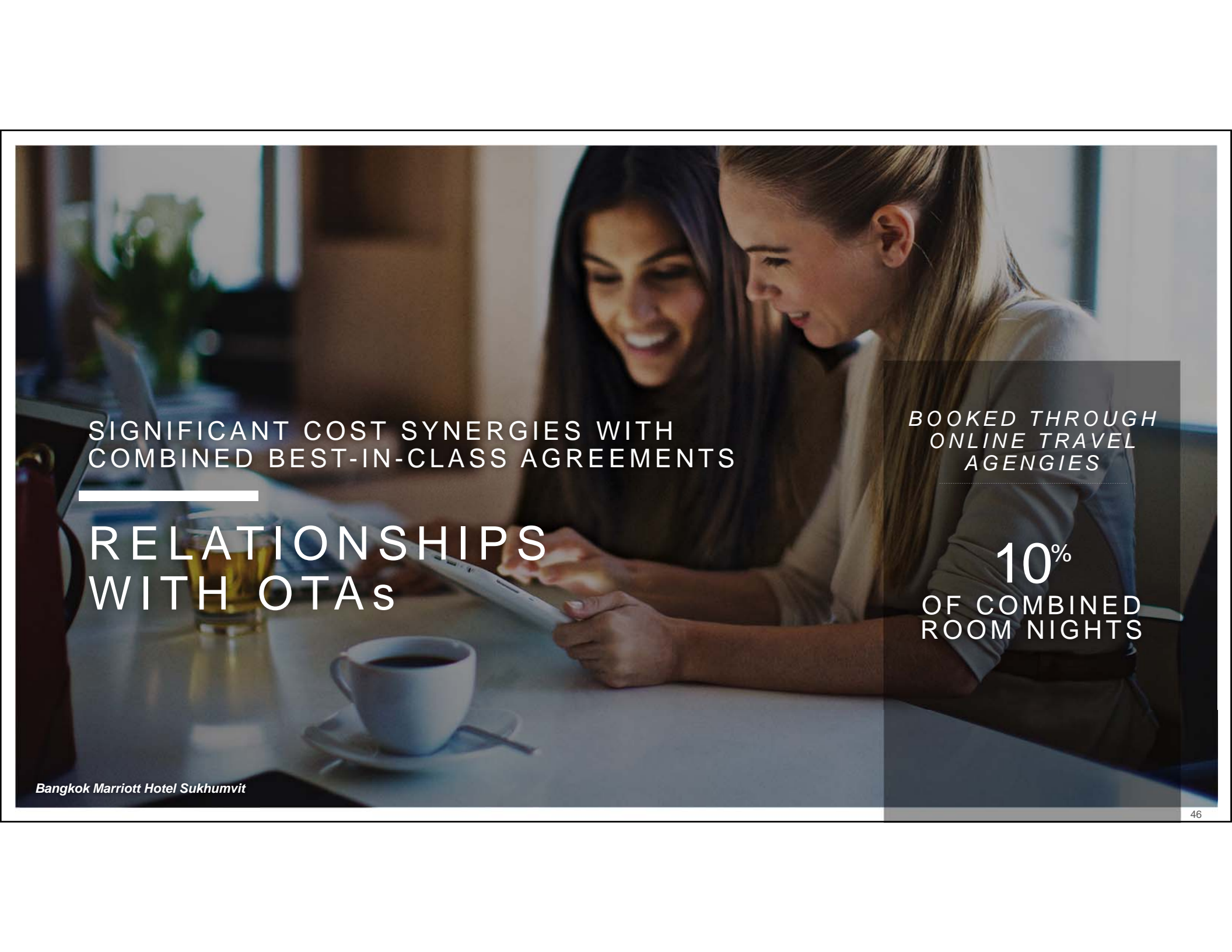
CO-BRAND CARDHOLDERS SPENT NEARLY

**\$60B**

ON THEIR CARDS  
IN 2016





A photograph of two women sitting at a table in a cafe, looking at a tablet together. The woman on the left is smiling. On the table, there is a white coffee cup on a saucer and a glass of orange juice. The background is softly blurred, showing a window and some indoor plants.

SIGNIFICANT COST SYNERGIES WITH  
COMBINED BEST-IN-CLASS AGREEMENTS

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## RELATIONSHIPS WITH OTAs

BOOKED THROUGH  
ONLINE TRAVEL  
AGENCIES

10%  
OF COMBINED  
ROOM NIGHTS



DRIVE DIRECT  
BOOKING AND  
ENCOURAGE  
DIGITAL CHANNELS

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WEBSITES,  
MOBILE APPS,  
SALES TEAMS,  
AND CONTACT  
CENTERS

*Madrid Marriott Auditorium Hotel & Conference Center*

2016 ROOM NIGHTS  
BOOKED ON  
DIGITAL CHANNELS

**30%** of  
LEGACY-MARRIOTT

**18%** of  
LEGACY-STARWOOD

# DIGITAL PLATFORMS



**\$17.5B**  
COMBINED  
GROSS  
BOOKINGS

ON DIGITAL PLATFORMS  
IN 2016



INNOVATING WHILE  
INTEGRATING

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# CROSS-LINKING

spg Starwood  
Preferred  
Guest



## MALDIVES

Sheraton Maldives Full Moon  
Resort & Spa >





*Anywhere you go.*



marriott  
mobile app  
The perfect  
travel companion\*

SIZE AND SCALE BENEFITS

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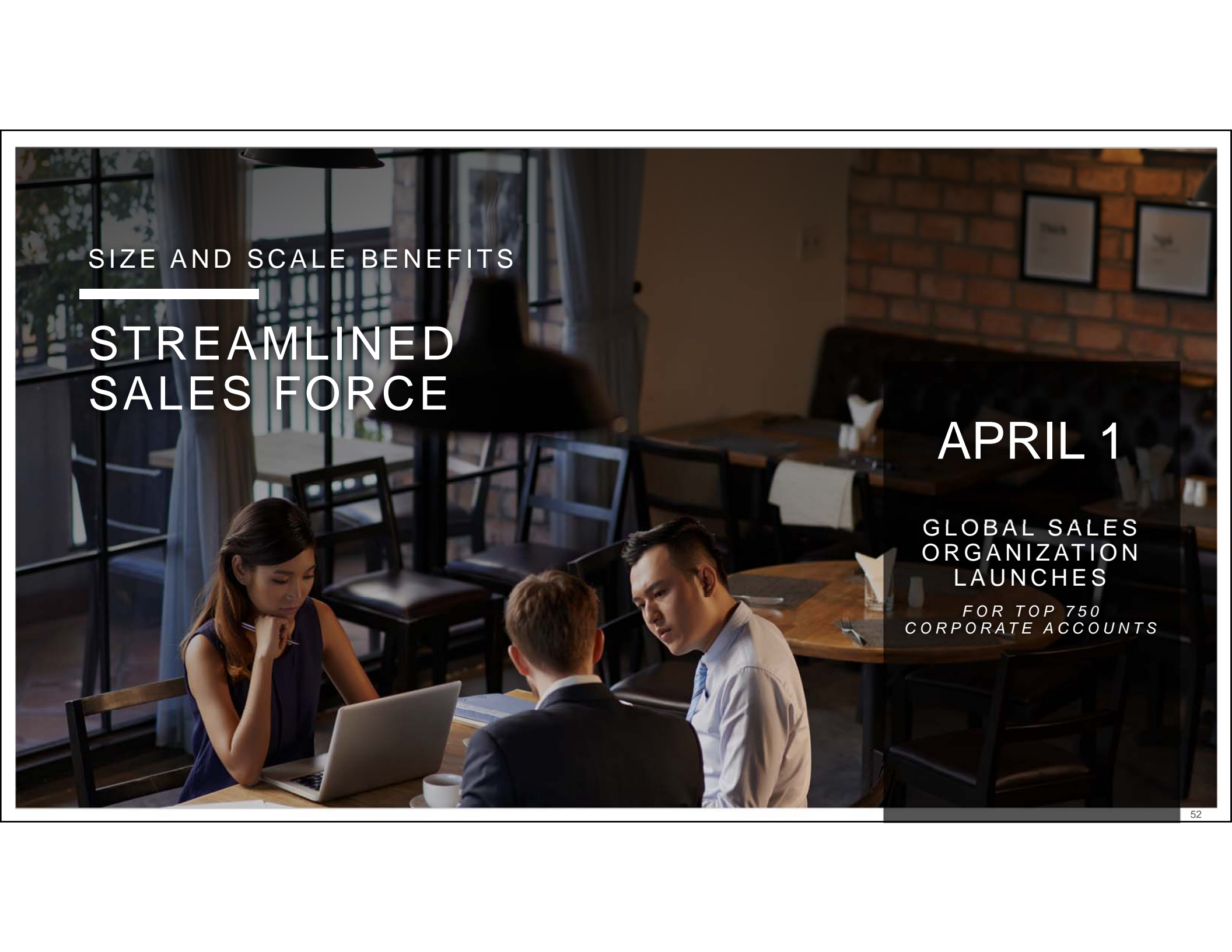
# SALES OPPORTUNITY

**GOALS**

**IMPROVE  
SALES  
EFFICIENCY AND  
EFFECTIVENESS**

**ENHANCE  
ACCOUNT  
COVERAGE**



A photograph of three business professionals in a modern cafe setting. A woman in a dark blue sleeveless top is seated at a table, looking at a laptop. Two men, one in a dark suit and one in a light blue shirt, are seated across from her, looking at the laptop. The background shows a brick wall and other tables with chairs.

SIZE AND SCALE BENEFITS

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# STREAMLINED SALES FORCE

APRIL 1

GLOBAL SALES  
ORGANIZATION  
LAUNCHES

FOR TOP 750  
CORPORATE ACCOUNTS

STRATEGICALLY PLANNING FOR THE FUTURE

# OPPORTUNITY

*Sheraton Dubai Mall of the Emirates Hotel*



**Sheraton**

- ADDRESS QUALITY GAP
- ENSURE ACCOUNTABILITY
- IMPLEMENT QUALITY ASSURANCE PROCESS
- APPLY OPERATIONAL EXCELLENCE AND RIGOR
- ENGAGE AND ALIGN OWNERS
- RENOVATE HOTELS



PROVEN SUCCESS

# BRAND TRANSFORMATION

FAIRFIELD  
INN & SUITES®  
Marriott

840

CURRENT  
PROPERTIES

370

PIPELINE  
PROPERTIES

107

RevPAR  
INDEX

Fairfield Inn & Suites by Marriott Hattiesburg, Mississippi

PROVEN SUCCESS

# BRAND TRANSFORMATION

COURTYARD<sup>®</sup>  
Marriott

1,098

CURRENT  
PROPERTIES

280

PIPELINE  
PROPERTIES

+5PT

RevPAR INDEX LIFT  
FROM RENOVATION

Courtyard Raipur, India



ENCOURAGING EARLY RESULTS

# BRAND TRANSFORMATION

Irvine Marriott, California



**6.3%**  
RevPAR INDEX  
LIFT

GEN Y  
GUEST PERCEPTION:

**20 PT**  
IMPROVEMENT

# OPPORTUNITY

EVOLVING BRANDS USING  
OUR EXPERTISE





BUILDING ON  
EXTENDED STAY EXPERIENCE

OPPORTUNITY



element  
BY WESTIN

102

RevPAR  
INDEX

Element Vancouver Metrotown

BUILDING ON  
SELECT SERVICE EXPERIENCE

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# OPPORTUNITY

*Aloft Asuncion, Paraguay*

**aloft**  
HOTELS

**103**  
RevPAR  
INDEX



A close-up photograph of a person's hands holding a lit sparkler. The sparkler is bright and glowing, with many sparks flying out. The person is wearing a light-colored, textured sweater. The background is a dark, solid blue color.

CREATE ENRICHING AND MEANINGFUL  
WORLD-CLASS EXPERIENCES FOR OUR CUSTOMERS

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RAVING BRAND FANS

# EXECUTIVE PANEL

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**TINA EDMUNDSON**  
Global Brand Officer



**DAVID FLUECK**  
Senior Vice President,  
Loyalty



**LISA HOLLADAY**  
Vice President and  
Global Brand Leader,  
The Ritz-Carlton,  
Ritz-Carlton Reserve,  
St. Regis



**ANTHONY INGHAM**  
Vice President and  
Global Brand Leader,  
W Hotels Worldwide



**BRIAN POVINELLI**  
Senior Vice President and  
Global Brand Leader,  
Westin, Le Méridien,  
Renaissance, Autograph,  
Tribute, Design Hotels

*Four Points by Sheraton Bangkok, Sukhumvit 15*



# LINNARTZ ENDNOTES

**Slide 35** – Innovation

Fast Company's "The Most Innovative Companies 2017", February 2017

**Slide 42** – Loyalty Programs

Linked accounts and points transferred from launch to February 2017

**Slide 54** – Fairfield Brand Transformation

Current and pipeline properties as of December 31, 2016

STR Index Data, Last 12 months as of December 2016

**Slide 55** – Courtyard Brand Transformation

Current and pipeline properties as of December 31, 2016

STR Index Data, RevPAR Index lift in 2012 and 2013 for hotels with Courtyard Refreshing Business package

**Slide 56** – Marriott Brand Transformation

RevPAR index lift for hotels with new guestroom design, YTD November 2016

Consumer Insights Advisory Services. Based on 24 completed soft and case good renovated hotels as of December 31, 2016. Post vs. Pre-Renovation guest satisfaction scores.

**Slide 58**– Element Opportunity

STR Index Data, Last 12 months as of December 2016

**Slide 59** – Aloft Opportunity

STR Index Data, Last 12 months as of December 2016