The Power of Marriott International
Throughout its more than 80-year history, Marriott International has built a reputation for immeasurable quality, service excellence, innovation, and integrity. Today, Marriott leads the global lodging industry in many respects, evidenced by the company’s industry-leading RevPAR premiums. With the industry’s most powerful global distribution system, leading frequent-traveler program, and innovative global sales and marketing strategies, Marriott gives guests and owners the confidence to put their trust in our brands. With more than 3,000 properties and the broadest portfolio of brands in the industry, Marriott defines success as constantly moving forward.

The Power of Marriott® International

Cover photos:
(TOP): Renaissance® Paris Vendôme Hotel
(BOTTOM): Hamburg Marriott Hotel
As of year-end 2007, Marriott International achieved the following:

- Operated or franchised over 535,000 hotel and timeshare rooms
- Operated or franchised more than 3,000 properties across 19 brands in the United States and 66 other countries and territories
- Opened over 31,000 rooms during 2007, approximately 18 percent of which were conversions from competitor brands
- Ranked as the lodging industry’s most admired company and one of the best companies to work for by FORTUNE©
- Celebrated the company’s 80th anniversary

In 2007, Marriott International reported revenues of $13 billion. The company’s worldwide, systemwide revenue per available room (RevPAR) rose 6.5 percent in 2007, driven by strong demand from top corporate customers and other business travelers. Marriott’s common stock is listed on the New York Stock Exchange (NYSE: MAR), and the company had approximately 151,000 employees at year-end 2007.
Worldwide Reservation Network
Marriott has 14 Worldwide Reservation Centers with more than 2,500 reservation agents. Marriott’s proprietary global reservation system MARSHA is a powerful reservation network and demand-management tool. MARSHA powers an industry-leading distribution system and is fully integrated with Marriott’s revenue management, eCommerce, customer loyalty, and property-management systems, as well as the Global Distribution Systems (GDS) used by travel agents and systems of e-Intermediaries. In 2007, GDS generated more than 12.9 million MARSHA reservations, representing nearly one out of every five GDS room nights booked.

In 2007, MARSHA handled:
• Over 76 million reservations, producing a 47.5 percent sales conversion rate — a 21-year high
• More than 700,000 room nights per day
• US$250 million in cross-sales among Marriott brands

Marriott Rewards®
Marriott’s award-winning hotel loyalty program, Marriott Rewards, provides the foundation for the company’s customer relationship strategy. With more than 28 million members, Marriott Rewards provides actionable information that allows the company to determine customer value, precisely target marketing efforts and messages, and capture and use critical customer knowledge to predict future travel behavior and business potential. Marriott Rewards has the largest base of active frequent business travelers of any lodging industry loyalty program, providing a cost-effective, revenue-building mechanism to reach the most profitable customers. In 2007, Marriott Rewards members contributed 50 percent of Marriott’s total paid lodging room nights, and after joining Marriott Rewards, members nearly double their number of trips to Marriott hotels.
eCommerce

eCommerce plays a growing role in the travel business, and Marriott.com has matured into a high-impact component of the guest experience. Revenue generated through Marriott.com has grown at a cumulative average rate of 38 percent per year for the past five years and is now the largest lodging website in the world, having generated US$5 billion in gross revenues in 2007. Marriott.com ranks among the top-three “most often used websites” for making hotel reservations among all travel websites, tied with Orbitz and after Expedia and Travelocity. In 2007, Marriott.com generated:
• Over 10 million unique visitors per month
• Over 85 percent of Marriott’s Internet revenue
• Over 35 million room nights
• Almost 18 percent of total room nights

Global Sales

Marriott’s sales vision is clear: build profitable relationships by understanding customers’ unique needs and tailoring products accordingly. Marriott achieves this vision by placing special emphasis on finding, attracting, and retaining high-value customers. Marriott’s lodging brands reach more customers, optimize demand and RevPAR, and generate loyalty among guests because the company’s sales and marketing efforts are unrivaled in the lodging industry.

Global Sales Offices

Marriott’s Global Sales Offices manage an account portfolio that impacts all brands and all business segments. This global team of sales professionals, which operates above both the hotel and market level, is tightly integrated with Marriott’s numerous market-level sales activities in order to create a clear and connected voice for high-value customers. As a part of the broader Enterprise Sales Team, Global Sales Offices leverage Marriott’s strength in the global marketplace in order to build preference, loyalty, and profitable account share. Global Sales Offices are strategically located in most major markets around the world.

1 Includes cross-sell to Marriott International Worldwide Reservation Centers through dedicated 800 numbers on Marriott.com.
Strategic Account Management
Marriott is the first and only hospitality company to successfully develop and implement a strategic account management strategy. This means deploying a proactive sales effort against top accounts to deliver total account needs, including managed corporate travel, complex groups, and nontraditional business solutions.

Marketing Excellence
Marriott places special emphasis on finding, attracting, and retaining high-value customers through integrated sales and marketing efforts involving eCommerce, revenue management, channel strategy and analysis, and stellar marketing support. Marriott’s global marketing resources are designed to build brand equity, generate demand, optimize revenue, and create loyalty and preference by delivering the right message to the right customer at the right time.

Global Strategic Alliances
Marriott’s strategic marketing alliances include partnerships with strong global consumer brands that increase awareness and trial for Marriott properties, drive incremental room nights and revenue, and increase share.
Advertising and Public Relations
Marriott designs high-impact campaigns and communications targeted to specific customer segments to generate room nights, increase revenue and brand awareness, and capture demand and market share.

Revenue Management
Marriott introduced revenue management to the lodging industry with the innovative One Yield revenue management system and related processes that have resulted in a 20 percent lift in revenue from transient business. Marriott’s revenue management systems and processes incorporate all aspects of hotel inventory, including rooms, meeting space, and catering opportunities.

Operations Planning
Marriott supports each hotel by providing resources in the areas of rooms operations, engineering, food and beverage, retail and spa, event management, vendor relations, and quality assurance. Marriott’s operations organization provides innovative products and services designed to enhance guest satisfaction and support brand operating specifications and standards for operational excellence. In addition, best practices and quality assurance systems drive the improvement of hotel operating performance.

Balanced Scorecard
The Balanced Scorecard is a reporting and measurement tool instrumental in achieving Marriott’s vision. The Balanced Scorecard provides feedback on current performance and sets targets for future performance. While the Balanced Scorecard measures performance results, it also incorporates the value of intangible assets, such as Marriott’s high-quality services, motivated and skilled associates, satisfied clients and partners, and cost-effective, efficient, standardized processes.

Guest Satisfaction Surveys
Marriott tracks customer feedback on an ongoing basis through the sophisticated Guest Satisfaction Survey (GSS). Tailored for each brand and managed at the hotel level, Marriott’s GSS encourages guests to evaluate the hotel and staff by identifying strengths, trends, and areas for improvement.

Pre-Opening Services
Marriott’s carefully engineered pre-opening process enables owners to take advantage of Marriott’s extensive experience and knowledge of the hotel business. Each opening involves a dedicated team and intensive support for training, systems installation, operations initiatives, sales and marketing, and revenue management.

Architecture and Construction
Marriott’s Architecture and Construction Division (A&C) is a global resource dedicated to optimizing products and assuring brand integrity. With six offices worldwide and associates fluent in 14 languages, A&C is staffed to handle the complexities of hotel construction, conversions, and renovations for all Marriott brands and locations. Leveraging industry experience and diverse knowledge of the business, A&C delivers high-quality, cost-effective hotels that impress guests around the globe.
Owner and Franchise Services
Marriott enjoys a strong collaborative relationship with its owners and franchisees, which is reflected in high levels of franchisee and owner satisfaction. Outside North America, Marriott’s regional offices provide the resources necessary for hotel openings and ongoing operations. A multidisciplinary team of associates ensures that owners and franchisees are able to meet brand standards, fulfill the company’s commitment to the guest, compete effectively in a particular market, and support the company’s service and relationship strategy.

Training
As part of our strategic business objectives, Marriott is committed to recruiting and retaining the best associates and providing fair treatment and opportunities for advancement. To foster associate proficiency in meeting and exceeding customer expectations, we use a variety of cutting-edge interactive training programs, including on-property and off-site classes, comprehensive written materials and manuals, self-paced individualized courses, videos and CD-ROMs, and online learning tools.

Information Technology
Information Resources (IR), Marriott’s technology division, works with business partners to develop and implement a technology direction. Recent initiatives offer above-property solutions that allow owners to improve profitability and operate more efficiently. Agile designs and personalized connectivity options create memorable experiences for guests and make it easier for associates to perform well. Actively soliciting input from guests, owners and associates enables IR to drive innovation and transform experiences.

Multicultural Workforce
Marriott has long believed in fostering a multicultural workforce. Twenty-six percent of management positions are held by minorities and, of these, 47 percent are held by women. Marriott also has two major outreach initiatives to attract diverse suppliers, owners and franchisees, including a pledge to spend US$1 billion with minority- and women-owned suppliers and to double the number of minority owners and franchisees by 2010.