

What's New

Global Quarterly Growth



- +28% new MSR members
- +7% same-store-sales increase
- +4% global traffic

Earn Stars Everywhere



The Starbucks Star-centric digital and loyalty ecosystem
(Launch date TBD)

Mobile Order & Pay

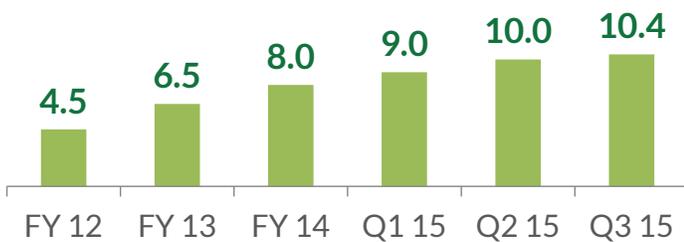
Available in **4,000** U.S. stores

Targeting broad U.S. rollout by Holiday 2015



My Starbucks Rewards (MSR)

Global MSR Members (M)



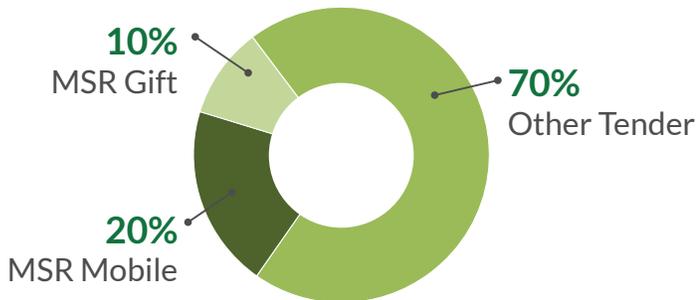
Executive Commentary

"We have identified prospective partners in multiple attractive business verticals and you may expect to hear about many more carefully curated, customized digital partnerships"

"We strongly believe that no other bricks and mortar retailer has the brand strength, digital and physical assets or connection to consumers to create, build and execute a program anything like this."

Mobile Payments

Q3 2015 Americas Sales: **\$2.8B**



- Almost **9M** mobile transactions per week
- Mobile accounts for **20%** of all in-store transactions
- 'Earn Stars Everywhere' expected to lift mobile app usage

Quarterly Rundown

- Starbucks expects Mobile Order and Pay to both generate incremental MSR members as well as drive more visits from existing members
- 'Earn Stars Everywhere' is Starbucks strategy designed to turn the MSR program into a digital currency akin to airline miles or retailer points
- The concept, 'Earn Stars Everywhere,' should have a lot of appeal in the digital services space, particularly those tangential to the coffee shop experience (e.g., media, news, music)
- Starbucks is also using partnerships such as Lyft to add benefits for its employees (e.g., free rides to work) and Lyft drivers (e.g., free cups of coffee)

For more information, please contact:

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Source: Starbucks company filings, investor calls, earnings transcript, and First Annapolis Consulting research and analysis.