



Marketing & Advertising

Mark Morell
VP Marketing & Advertising

> MILITARY STAR®

What Is It?

MILITARY STAR®...



✓ Private Label Retail Card

✓ Accepted In-Store and at *shopmyexchange.com*

✓ Fuel Discounts at Army & Air Force Express Fuel Stations

✓ Exclusive Promotions

MILITARY STAR® Rewards MasterCard®...



✓ Co-branded Card (Partnered with Chase)

✓ Accepted Anywhere MasterCard® Is Accepted

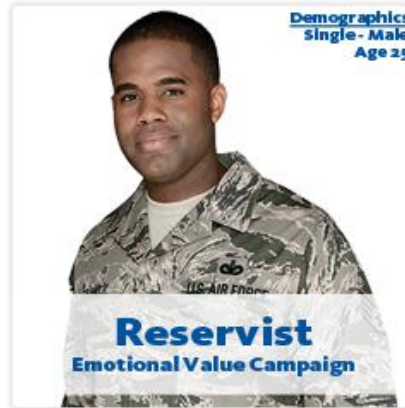
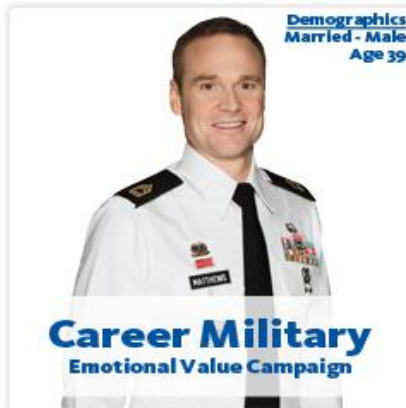
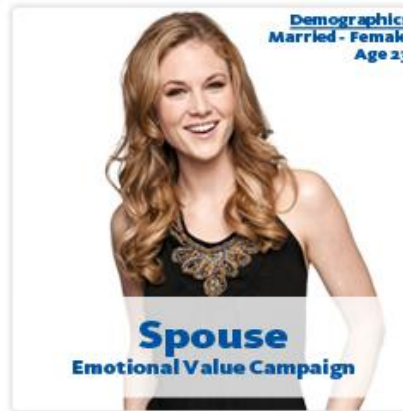
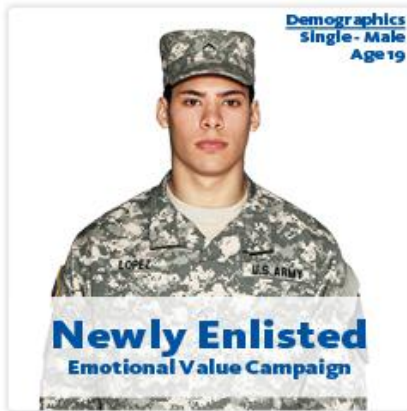
✓ Rewards Program

✓ Plus Benefits of the



EXCHANGE™ **MILITARY STAR®** Acountholders

More than **2 million** accounts



and **GROWING.**

Increase Sales



Success stories...



haggar.
EST. 1926

17% increase in sales



SHARP®

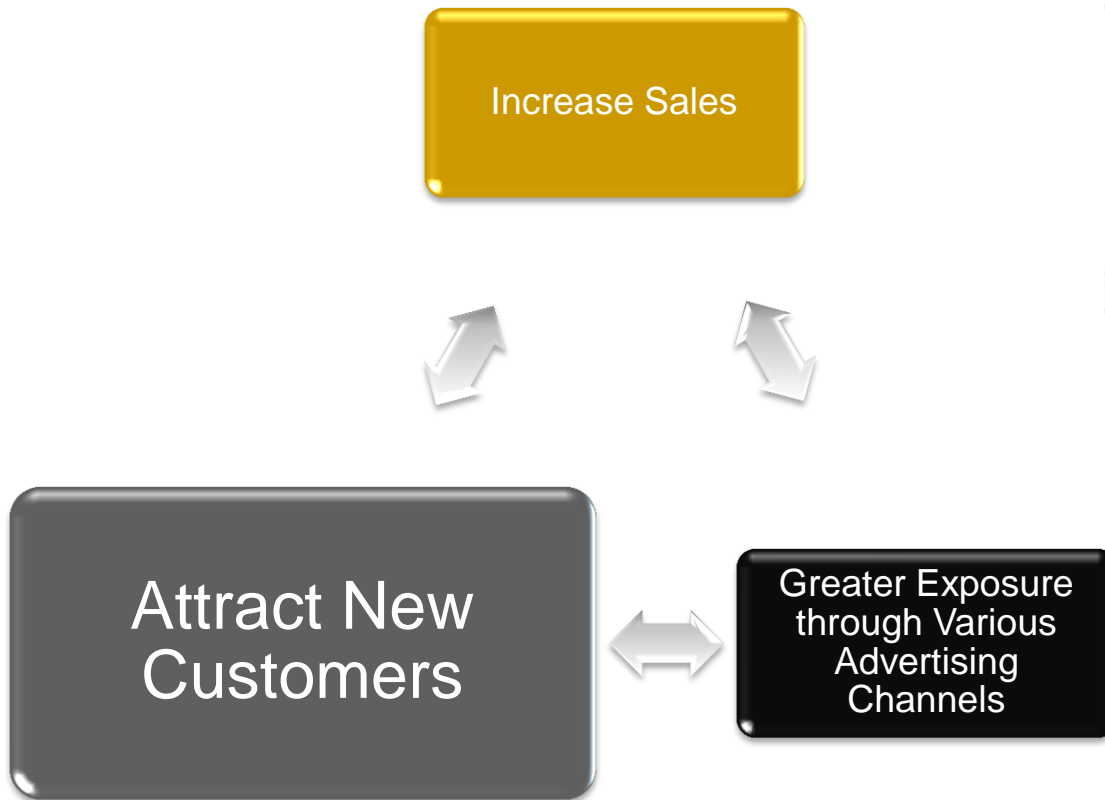
144% increase in sales



Serta®

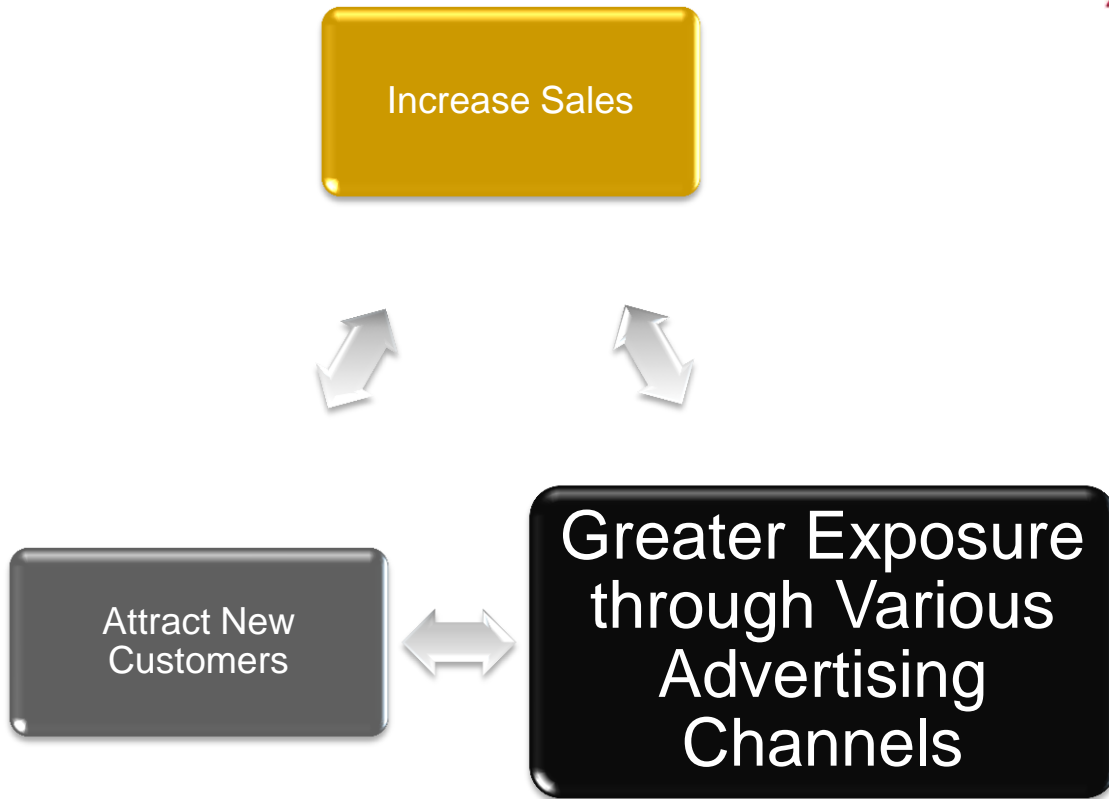
54% increase in sales

Attract New Customers



- › **Introduce product to cardholders**
 - › Did I mention they spend more?
- › **Competitive advantage**
 - › Deciding factor between your product and your competitors
 - › **Zero interest promotion**
 - › **Gift card promotion**
 - › **Dollar off promotion**
 - › **Percentage off promotion**

Greater Exposure...



➤ Advertisement included with **MILITARY STAR®** promotion

- Tabloid ad
- In-store signage
- Laser statement ad
 - If given enough notice
- Buddy List email
- Internet banner ad
 - If available online
- PIN Pad ad

We can also advertise using mobile marketing and social media.





NO INTEREST+NO PAYMENTS UNTIL OCTOBER 2015
 On Sharp® TVs 60" or larger purchased with your **MILITARY STAR®** card.

Valid August 29-September 4, 2014 at any Army and Air Force Exchange facility and shopmyexchange.com. Must be a single transaction. Not valid on prior purchases. Limited to stock on hand. Selection may vary by location. Not valid at Concessionaires, Specialty Stores or Exchange Online Mall. Excludes layaways. MILITARY STAR® Rewards MasterCard® cardholders only valid on MILITARY STAR® line of credit, not MasterCard® line of credit. Only valid in any Army and Air Force Exchange facility. Not valid at NEX, CGX and MCX facilities. PL#42537

MILITARY STAR® Promotions subject to credit approval. Standard account terms apply to non-promotional purchases and, after promotion ends, to promotional purchases. As of August 29, 2014, a variable 10.24% APR applies to Retail Plan Purchases; and variable 18.24% APR applies to accounts subject to Penalty APR. Minimum interest charge: 50¢. See Exchange Credit Program Agreement for more details.

In-store Signage



PAY NO INTEREST AND MAKE NO PAYMENTS UNTIL AUGUST 2014
 on any LG TV purchase of \$699 or more when you use your **MILITARY STAR®** card.

Valid Jan 10-16, 2014 at any Army and Air Force Exchange facility and shopmyexchange.com. Not valid on prior purchases. Limited to stock on hand. Not valid at Concessionaires, Specialty Stores or Exchange Online Mall. Excludes layaways. MILITARY STAR® Rewards MasterCard® cardholders: only valid on MILITARY STAR® line of credit, not MasterCard® line of credit. Not valid at NEX, CGX and MCX facilities. PL#42518

MILITARY STAR® Promotions subject to credit approval. Standard account terms apply to non-promotional purchases and, after promotion ends, to promotional purchases. As of January 10, 2014, a variable 10.24% APR applies to Retail Plan Purchases; and variable 18.24% APR applies to accounts subject to Penalty APR. Minimum interest charge: 50¢. See Exchange Credit Program Agreement for more details.

Tabloid Ad



Items may not be available in all stores, prices & selection may vary by region.
 SIGNUP FOR SALE FLYER MAILING (CONJUG ONLY)

RESOLVE TO STAY STRONG
 Available online & in select Exchange stores
 OFFERS VALID JANUARY 10-16

20% OFF Trash Bins
 Available online & in select Exchange stores
 OFFERS VALID JANUARY 3-9

OFFERS VALID JANUARY 10-16
Purify YOUR Environment
 OFFERS VALID JANUARY 10-16

MORE ONLINE SAVINGS

COUPON SALE
 EXCLUSIVE SAVINGS OFFER SAVINGS CENTER

SUPER DAILY SPECIAL FREE STANDARD SHIPPING OFFERS

want MORE? we have something for just about everyone.

MILITARY STAR® Special limited time offers for all cardholders.
 DON'T HAVE AN ACCOUNT? SIGN UP TODAY AND SAVE 10%

ECP VIEW ALL PROMOTIONS
 View terms and conditions for all MILITARY STAR promotions.

EXTRA FUEL SAVINGS
 Save 5 CENTS per gallon every day at Express fuel stations (Enough to convert any discounted amount to the cents off per liter equivalent)

LG TV PROMOTION
 No interest & no payments until Aug. '14* on any LG TV purchase of \$699 or more. Available online & in Exchange stores. (January 10-16, 2014) *See details online

FREE STANDARD SHIPPING
 on shopmyexchange.com purchases when you use MILITARY STAR® (excludes Exchange Online Mall purchases)

make it a movie night.

Buddy List Email



NO INTEREST+NO PAYMENTS UNTIL OCTOBER 2015
 On Sharp® TVs 60" or larger purchased with your **MILITARY STAR®** card.

Valid August 29-September 4, 2014 at any Army and Air Force Exchange facility and shopmyexchange.com. Must be a single transaction. Not valid on prior purchases. Limited to stock on hand. Selection may vary by location. Not valid at Concessionaires, Specialty Stores or Exchange Online Mall. Excludes layaways. MILITARY STAR® Rewards MasterCard® cardholders: only valid on MILITARY STAR® line of credit, not MasterCard® line of credit. Only valid in any Army and Air Force Exchange facility. Not valid at NEX, CGX and MCX facilities. PL#42538

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Facebook

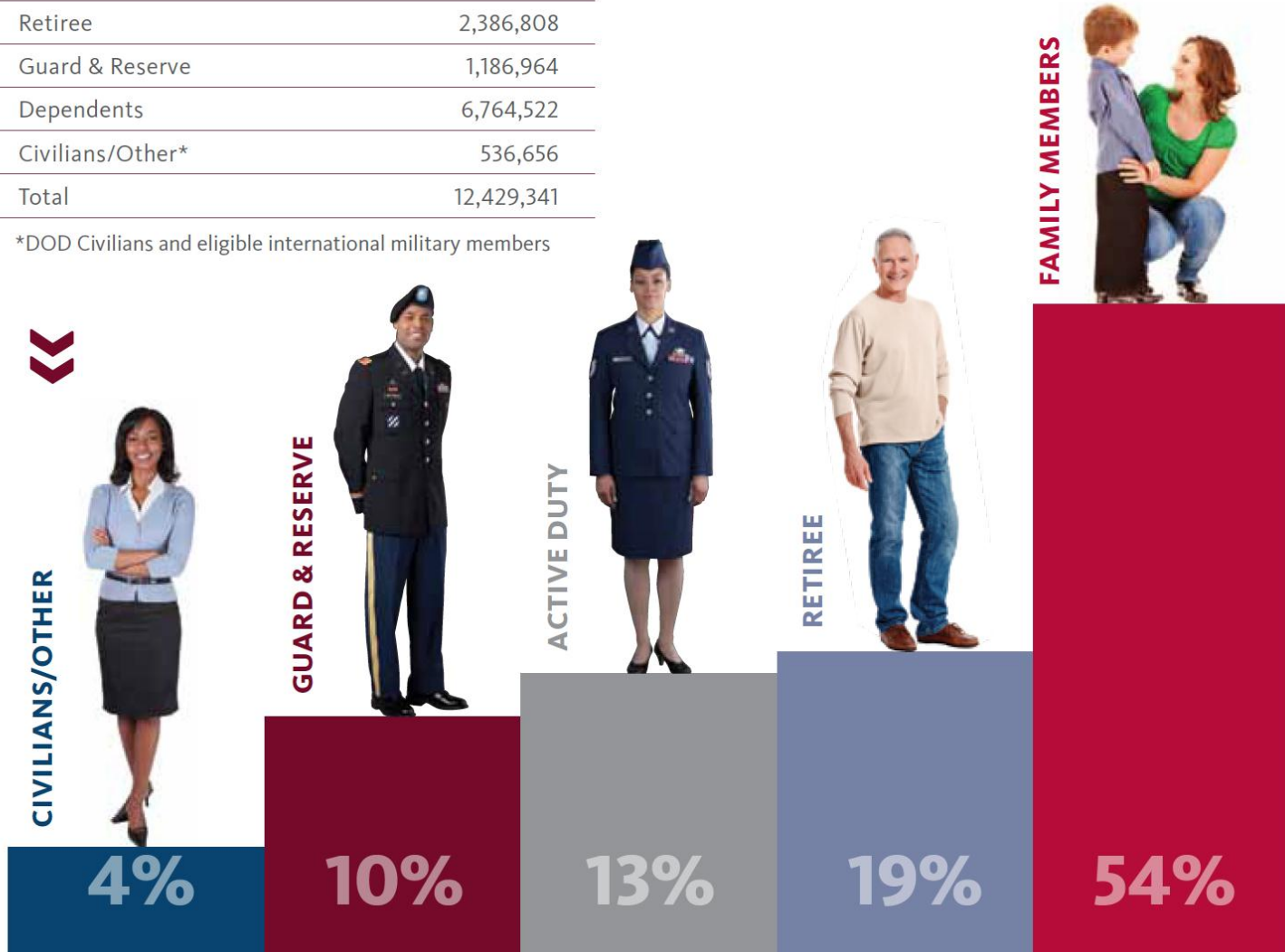
> ADVERTISING

Market Potential = 12 Million

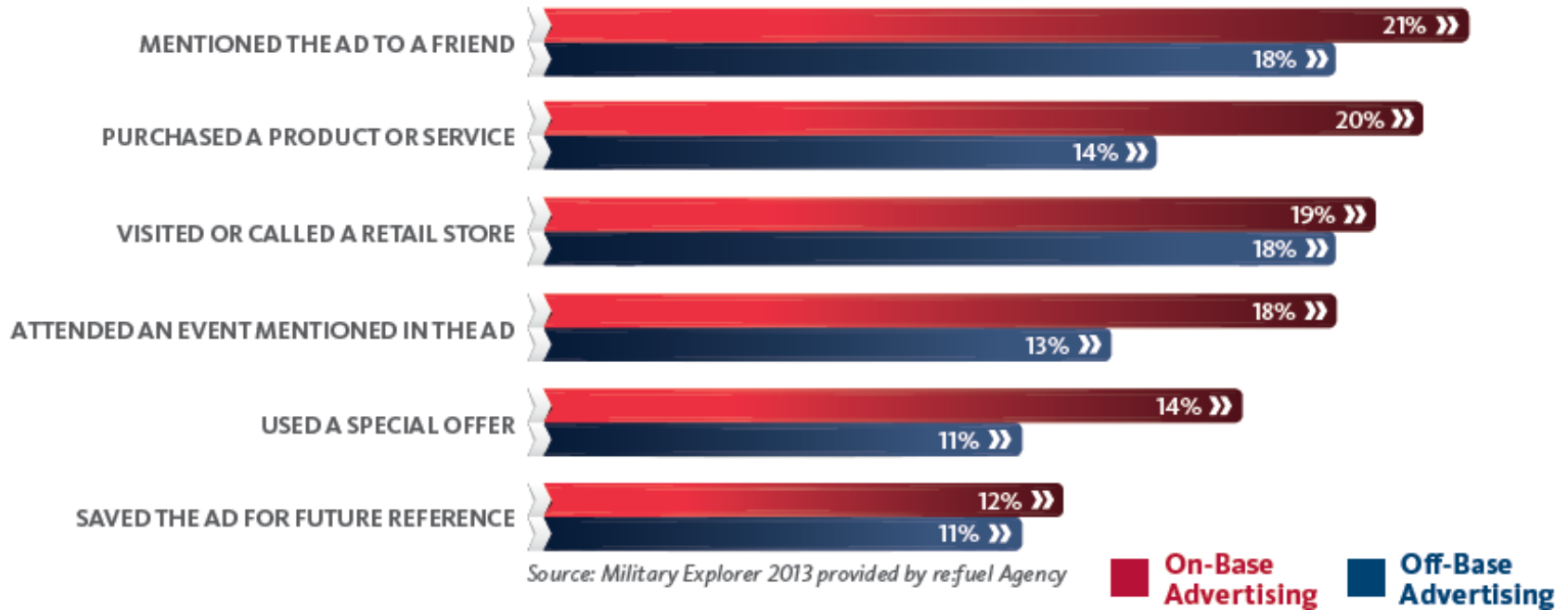
DEMOGRAPHICS

Active Duty	1,554,391
Retiree	2,386,808
Guard & Reserve	1,186,964
Dependents	6,764,522
Civilians/Other*	536,656
Total	12,429,341

*DOD Civilians and eligible international military members



On Base Advertising = Action



Traditional Print Advertising

- Weekly Tabloid
- Specialty/Holiday Books
- Coupon Book
- Express Flyer
- Operation: BEFIT!

PRINT CIRCULATION



Worldwide Weekly Sales Flyer



Glam Book



Wellness Pop Up



Exchange Coupon Book



Specialty Flyer

Point of Purchase Signing

- Drive impulse at point of sale
- Call out discounts & special pricing
- Provide product & promotional information



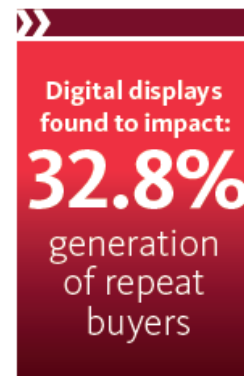
Aisle Danglers



AVERAGE NUMBER OF TIMES VISITED ON-BASE LOCATION IN A TYPICAL MONTH	TOTAL	ACTIVE DUTY	SPOUSE/PARTNER*
EXCHANGE	5.1	5.3	4.0
EXPRESS	5.7	5.8	4.2
RESTAURANTS	4.4	4.4	3.3

Source: *Military Explorer 2013 provided by re:fuel Agency

- › **EXTV**
 - › Average 7 minute dwell time
- › **EXRN Radio**
 - › Reaches nearly every Exchange facility worldwide
- › **Theaters**
 - › Ads and slides reach a captive audience in 72 military bases
- › **Turnkey Production**
 - › In-house production available





- › **Facebook** – Ideal for promotions, local Exchange events and customer engagement



- › **Twitter** – Interact in real time about ew product launches, fashion trends and price cuts



- › **Pinterest** – Share Decorating tips, arts & crafts, recipes , fashion & beauty trends



- › **YouTube** – Videos include Celebrity Spotlights, Operation: BeFit! segments and clips on what's new at The Exchange



- › **Instagram** – Online mobile photo and video sharing site where users share content across other social networking sites

› See your buyer for all website advertising

MM BANNER
200x312 pixels
appears in the channel navigation menu.



HP2 BANNER
312x225 pixels
appears on the home page.



LEFT BANNER
227x300 pixels
appears on channel and department pages.



There's a new APP in Town

› EXTRA

- › An extension of Print and Point of Sale Signing
- › Designed to enhance the customer shopping experience
- › Additional content, features
- › Exclusive offers and coupons

EXTRA! EXTRA!

Look for this coupon book for
EXTRA savings, coupons, contests,
and more right at your fingertips.



See this icon in any sales flyer,
catalog or on a sign and scan the
page with your EXTRA app for a
whole new shopping experience!

Download the "Exchange EXTRA" app today!



- Truck Fleet Graphics
- Floor Decals
- Window Clings
- Pump Toppers
- Pin Pad
- Tray Liners
- Samplings
- Airline Catering



Floor Decal



Pump Topper



Tray Liner



PIN Pad



- **Multichannel Advertising**
- **Integrated Marketing Message**
- **One Objective: Grow the business**
- **Proven Success**



Print

- › Sales Flyer
- › Coupon Book
- › Express Flyer

Digital

- › EXRN Radio
- › EXTV- In-Store/Mall
- › Theater

Military Star

- › Statement Inserts

New Opportunities

- › EXTRA App
- › Truck Wrap
- › Airline Catering

Ad Plan: Request for Proposal, Air Force Reserve - Blaine Warren Advertising

Channel	Impressions	Frequency	Deadline	QTY	Rate	Cost
EXTV	117 Sites 2.86M/ Month	Weekly/ 30 sec- CONUS	60	12	4,275.00	\$ 51,300
Theater Ad	1 Million	Monthly/ 30 sec	60	6	6,352.00	\$ 38,112
Radio	10M/ Month	Weekly 30 sec Spot	60	12	4,700.00	\$ 56,400
OpBeFit.com Right Column Banner	Variable	Monthly	45	6	1,000.00	\$ 6,000
Poster 1-Sided	Variable	1 Time	60	412	10.40	\$ 4,285
Table Tent	Variable	1	60	1000	3.00	\$ 3,000
MILITARY STAR Card Statement Insert	750,000/Month	Credit Card Statement Inserts with NEX Card	60	3	15,000.00	\$ 45,000
MILITARY STAR Credit Card Web Banner Ad	1.2M/Month	Monthly Web Banner on Exchange Credit Payment Site	60	6	500.00	\$ 3,000
Truck Wrap	8.9M	2 Years	90	10	15,000.00	\$ 150,000

Billing: Annual Quarterly Monthly Completion of Plan Accrual Other

Please note that it is the client's responsibility to provide all required marketing collateral by the agreed-upon time and date, as specified in the advertising plan. Failure to do so will result in the loss of advertising space. Client, however, will be charged in accordance with the ad plan agreement.

Media content authorized by: _____ Date: _____

Total:	\$	357,097.00
- 10% Discount:	\$	35,709.70
	\$	321,387.00

- › Results of One Account
- › Four Major Events
- › Targeting 9 Different Channels
- › 27% Year-Over-Year Sales Lift



SALES

- › AdPlan@aafes.com
 - › Tana Hunter
 - › 214-312-8032



4.8 MILLION ACTIVE DUTY MEMBERS AND FAMILY MEMBERS

wield an enormous amount of spending power and influence. They are young, educated and live in tight-knit family-oriented communities.

Military members tend to be **TECHNOLOGY EARLY ADOPTERS, OWNING AN AVERAGE OF 7.6 DEVICES.**

They are a reachable and captive audience, consuming a wide range of mass and targeted media.

Source: Military Explorer 2013 provided by re:fuel Agency



Thank You!
