

# ARMY & AIR FORCE EXCHANGE SERVICE DIRECTOR/CEO NEWSLETTER

September 2018

## The MILITARY STAR Card Pays Off for Service Members, Families

Military Exchange shoppers who use MILITARY STAR® cards don't just save money, they earn it—and the entire military community is benefitting.

In 2017, the Exchange Credit Program paid cardholders \$27.5 million in personal dividends through rewards cards shoppers earned by using a MILITARY STAR card.

The broader military community benefits each time the card is swiped through the avoidance of costly merchant fees bank-issued credit cards create. Because military exchange earnings support the military community, the money saved in merchant fees—\$28.7 million in 2017—is re-invested into needed installation programs and services.

In October 2017, the MILITARY STAR card's benefit grew more as commissaries began acceptance. Using the card at commissaries offers greater convenience to troops and families and strengthen funding for critical military Quality-of-Life programs.

In total, MILITARY STAR generated \$445 million in value in 2017. In addition to the rewards cards earned and money saved on merchant fees, other customer savings include:

- \$309 million\* from one low APR for all cardholders, regardless of credit score.
- \$32.9\*\* million due to MILITARY STAR never charging late fees.
- \$17.2 million from MILITARY STAR's 0-percent-interest financing offers and never charging "back interest" after a promotion ends.
- \$9.1 million for new cardholders taking advantage of the card's first-day discount.
- \$8 million through MILITARY STAR's interest-free military clothing plan.
- \$4.8 million at Exchange restaurants with the everyday 10 percent food discount.
- \$4.3 million at the pump, where MILITARY STAR users save 5 cents per gallon of gas at Army and Air Force Exchange locations
- \$2.2 million with MILITARY STAR's reduced-interest deployment policy.
- \$1.1 million on shipping on ShopMyExchange.com, where every purchase made with MILITARY STAR qualifies for free shipping.



Soldier For Life!



Veteran For Life!

*Tom Shull*

Tom Shull  
Director/CEO

## Annual Report Highlights 2017 Game Changers

[The Exchange's Mission Report for 2017 is now available online](#), chronicling the Department of Defense's largest military retailer's support for service members and their families last year.

In 2017, the Exchange increased revenues by more than \$300 million to \$8.6 billion with \$376 million in dividend-eligible earnings.

The organization provided \$219 million in dividends to military Quality-of-Life programs critical to Warfighters' readiness and resiliency, including child care centers, youth programs, fitness centers, outdoor recreation and more.

The report explores efforts that benefited the military community including:

- Welcoming home 18.5 million honorably discharged Veterans to ShopMyExchange.com with a lifelong online military exchange shopping benefit.
- Acceptance of the MILITARY STAR® credit card in all commissaries.
- Supporting service members and first responders after three hurricanes in less than 30 days.
- Opening the 300,000-square-foot Exchange at South Korea's Camp Humphreys, in time for the holidays.



## Customer-Friendly Upgrades Added to ShopMyExchange.com

The Exchange continues to make customer-friendly upgrades to ShopMyExchange.com, recently adding several features that make it even easier to shop online.

The latest upgrade includes text-message order updates, which notify shoppers as soon as orders have shipped and when they are delivered, and a predictive search engine that helps shoppers find what they are looking for faster than ever.

Shoppers can also now initiate product returns from the site's My Account page, hastening the return process and eliminating the need to include a pre-printed return label with every order. MILITARY STAR® cardholders can now check their available balance on the My Account page, making it easier to take advantage of the card's industry-low interest rate and competitive rewards program.

More upgrades to ShopMyExchange.com, including a redesigned shopping cart and checkout section, are expected later this year.



shopmyexchange.com