

KEVIN JOHNSON

president and
chief executive officer



A close-up, low-angle shot of a field of young green plants, likely seedlings, growing in rows. The plants have vibrant green, rounded leaves and thin stems. They are planted in dark, rich soil. The background is filled with more rows of similar plants, creating a sense of scale and growth. The lighting is bright and natural, highlighting the texture of the leaves and the soil.

GROWTH AT SCALE

WHAT YOU WILL HEAR TODAY

- 1 Clear strategic priorities
- 2 Operating initiatives driving results
- 3 Customer experience and competitive differentiation
- 4 Building the brand
- 5 Confidence in growth model



GROWTH AT SCALE . . . WITH FOCUS AND DISCIPLINE



STREAMLINE



THREE STRATEGIC PRIORITIES

ACCELERATE
CHINA AND U.S.

EXPAND
GLOBAL REACH

INCREASE
RETURNS



BUILD THE BRAND

STREAMLINE FOR FOCUS

RETAIL MARKET ALIGNMENT

BUSINESS SIMPLIFICATION

GLOBAL COFFEE ALLIANCE

ACCELERATING VELOCITY OF INNOVATION

STREAMLINE FOR FOCUS

**RETAIL MARKET
ALIGNMENT**

**BUSINESS
SIMPLIFICATION**

**GLOBAL COFFEE
ALLIANCE**

**ACCELERATING
VELOCITY OF
INNOVATION**

STREAMLINE FOR FOCUS

1H 2017

2H 2017

1H 2018

2H 2018

**RETAIL MARKET
ALIGNMENT**

(2016)
Germany

Taiwan
East China
Acquisition

Singapore

Brazil

France
Benelux

**BUSINESS
SIMPLIFICATION**

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**BUSINESS
SIMPLIFICATION**

SKU
Rationalization

Closure of
Teavana Retail
Stores

Closure of
E-commerce Site

Divestiture
of Tazo

Operational
Excellence:
New Labor
Deployment

Enhanced
Inventory
Management

**GLOBAL COFFEE
ALLIANCE**

**ACCELERATING
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STREAMLINE FOR FOCUS

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**GLOBAL COFFEE
ALLIANCE**

Announced
Nestlé
Partnership

Closed
Nestlé
Partnership

Starbucks
Nespresso
Production

ACCELERATING
VELOCITY OF
INNOVATION

STREAMLINE FOR FOCUS

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**ACCELERATING
VELOCITY OF
INNOVATION**

Modern Day
Methods

Alibaba
Partnership

Management
Consolidation

Resource
Realignment

UberEats
Partnership



THREE STRATEGIC PRIORITIES

1

ACCELERATE GROWTH

in our targeted, long-term growth markets – U.S. and China

2

EXPAND THE GLOBAL REACH

of the Starbucks brand leveraging the Global Coffee Alliance

3

INCREASE RETURNS

to shareholders



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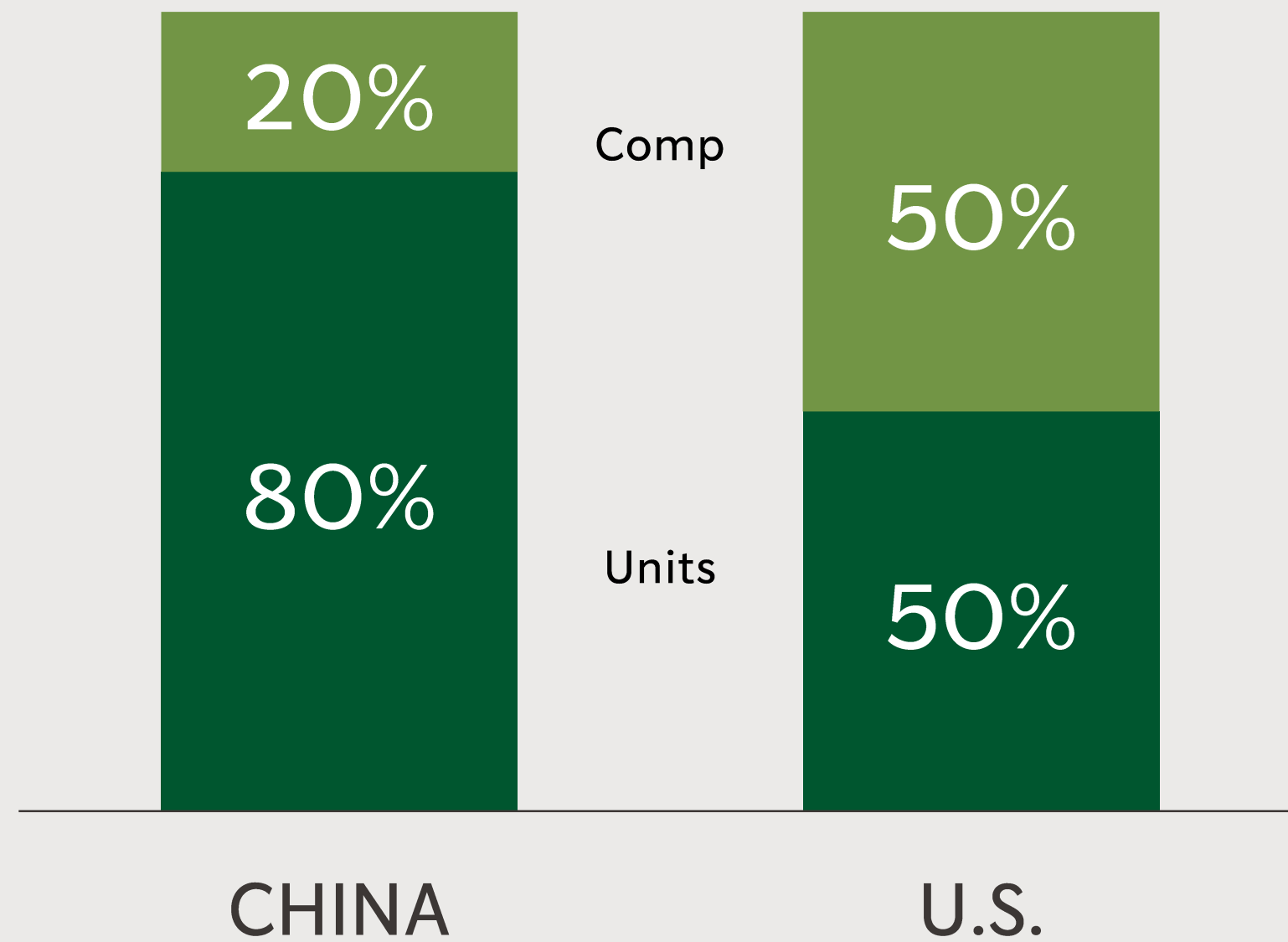
to shareholders



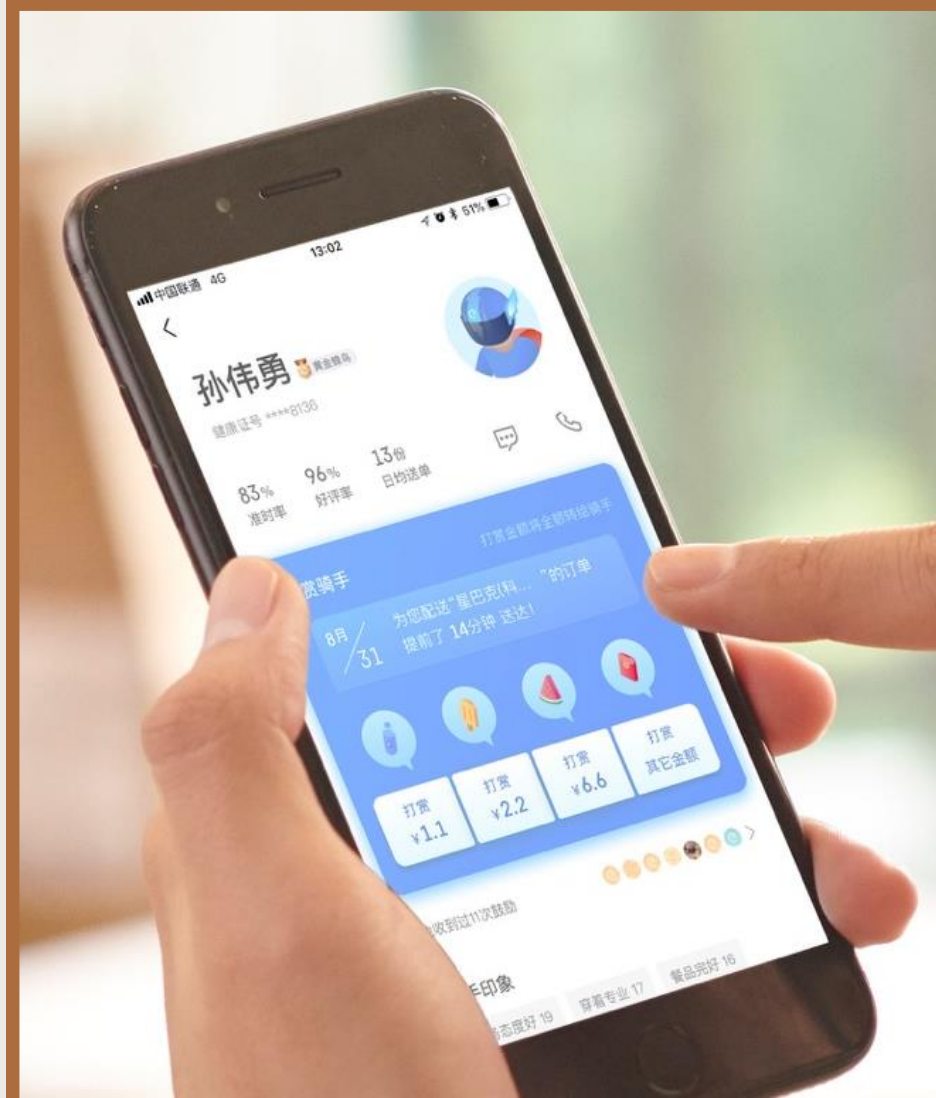
ACCELERATE GROWTH

1

U.S. AND CHINA:
STAGES OF MARKET DEVELOPMENT



CONSUMER
BEHAVIORS

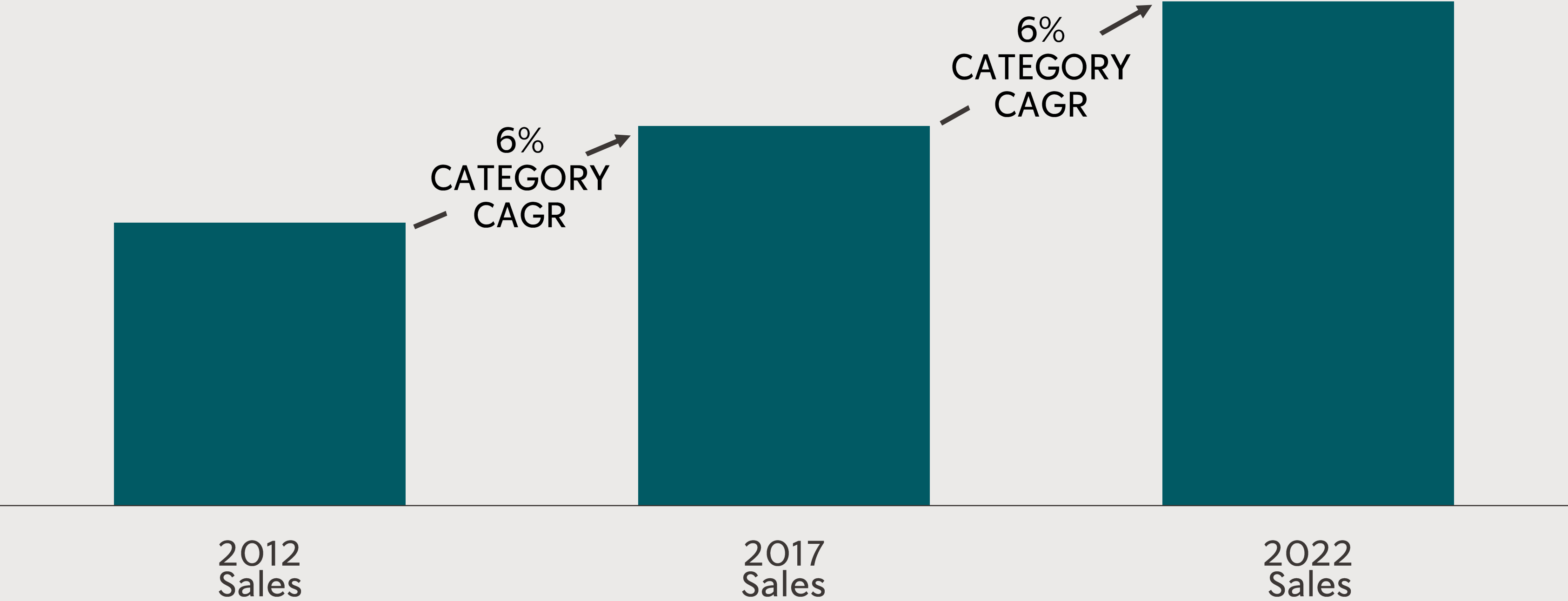


COMPETITIVE
LANDSCAPE



STARBUCKS GROWING FASTER THAN THE GLOBAL SPECIALTY COFFEESHOP CATEGORY

1



Source: Euromonitor, Specialty Coffee Category, December 2018.

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RETURNING
\$25B
TO SHAREHOLDERS
(FY18–FY20)



WHY DO YOU GO TO STARBUCKS?



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STARBUCKS EXPERIENCE

Starbucks partners make
an effort to know me

Starbucks has great service
and an inviting atmosphere

Starbucks is where
I go to treat myself

QUALITY OF COFFEE

Starbucks uses only the
highest quality coffee beans

Starbucks is an
expert in coffee

Starbucks has great tasting
and innovative coffee and
espresso-based beverages

PURSUIT OF DOING GOOD

Starbucks is a brand I trust

Starbucks takes care
of its partners

Starbucks behaves
ethically and responsibly

BUILDING THE BRAND

STARBUCKS
EXPERIENCE



QUALITY
OF COFFEE



PURSUIT OF
DOING GOOD



BUILDING THE BRAND

STARBUCKS EXPERIENCE



BUILDING THE BRAND

QUALITY
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BUILDING THE BRAND

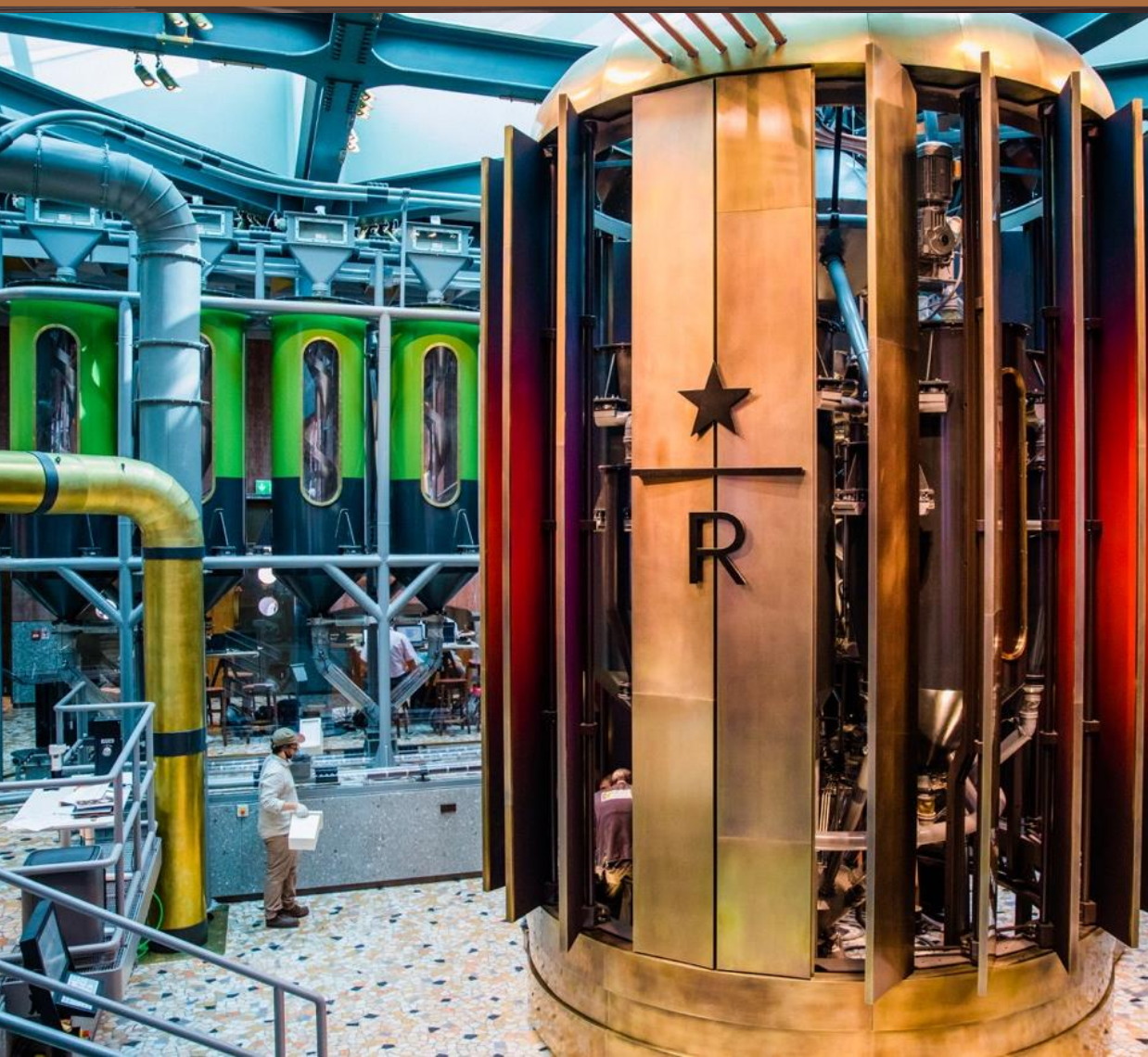


FEEDING
AMERICA

PURSUIT OF
DOING GOOD



AMPLIFY THE BRAND



STARBUCKS

A large, illuminated Starbucks logo is mounted on a tall, dark metal lattice structure. The letters are dark with a bright orange glow from within, set against a clear blue twilight sky. The structure consists of vertical poles and horizontal cross-bracing, with some spherical ornaments visible on the lower sections.

STARBUCKS

2018 | INVESTOR DAY

