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FOREWORD

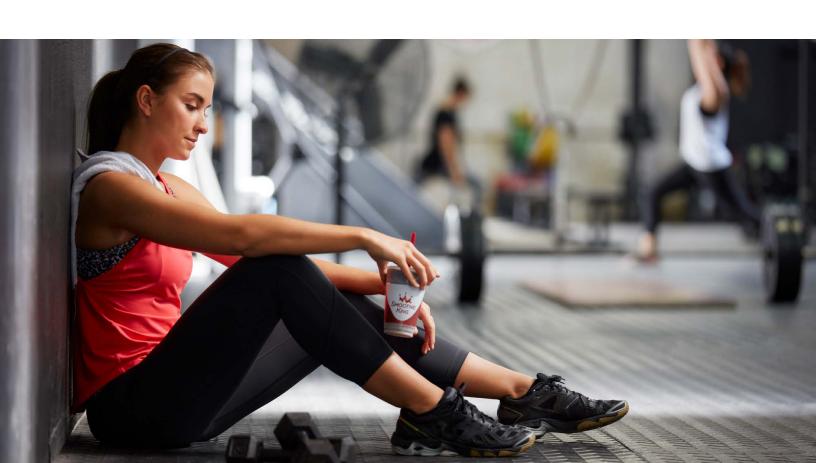
We are always looking for new ways to foster and fuel our franchisees' success in business, while helping guests fuel up to pursue their passions and lead a healthy and active lifestyle.

With both purposes in mind, we rolled out our Clean Blends initiative, along with our latest brand-wide marketing campaign encouraging guests to rule the day with our better-for-you smoothies.

By staying ahead of the latest consumer trends, we're able to offer guests the products they want, while cementing our place on every wellness journey.

And, by communicating our purpose and latest product developments to the right audiences, we're able to ensure the strength of the Smoothie King business opportunity for franchisees.

In this eBook, you'll learn more about how our dedication to innovation impacts every part of our brand. From perfecting our product with Clean Blends to rolling out fresh, impactful marketing campaigns like Rule The Day^{m} , our agility is an asset for our franchisees.



THE ROYAL TREATMENT: ROLLING OUT THE CLEAN BLENDS INITIATIVE AND RULE THE DAY CAMPAIGN

Our unwavering commitment to the strength of our brand and business has made us a leader in the smoothie segment for more than 46 years. But, you don't generate nearly half a century of staying power by remaining the same.

Our Clean Blends initiative and Rule The Day messaging are the most recent results of the agility and innovation that have driven our fastgrowing franchise forward.

With the roll-out of both initiatives, we've bulked up our efforts encouraging guests to live their best lives with our clean blends and created more demand for our entire purpose-driven product line.

What is the Clean Blends Initiative?

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Clean Blends are all about making smarter, more transparent choices with every ingredient added or eliminated at Smoothie King.

"With the development of our Clean Blends initiative, franchisees have the opportunity to meet growing demand for better-for-you foods with fewer additives."

-Rebecca Miller Smoothie King, CMO As part of the initiative, we expanded our menu to include blends with 0g of added sugar, while incorporating more whole fruits and vegetables into existing and future blends. At the same time, we eliminated:



Added sugar* from many of our smoothies



Artificial colors, preservatives and flavors



High-fructose corn syrup and corn syrup



Glute



Trans fats



rBST/rBGH added dairy hormones**



Hydrogenated oils

Eliminating artificial ingredients and packing in powerful natural flavors is also part of our promise to make healthier habits more accessible – and delicious.

Finding the sweet spot in enhancing flavor while boosting health benefits didn't come without hard work.

The journey to perfecting the Clean Blends initiative took place over the course of five years, 15,000 hours of research and development and 150 changes, additions or reformulations to ingredients.

These smoothies go beyond merely supporting our guests' health and fitness goals from a nutritional standpoint. They help guests actually reach their unique goals – whether they grab a craving-curbing meal replacement smoothie, or a nutritious, protein-packed post-workout blend.

"The Smoothie King mission and vision really filters down into everything we do, including in each and every product on our menu — that's something I haven't seen anywhere else.

The fact that
our menu is so
purpose-driven is
very unique, and
it has propelled
us to be such a
beloved lifestyle
brand with such a
strong degree of
brand loyalty and
affinity."

What is the Rule The Day Marketing Campaign?

Smoothie King is a purpose-driven brand that offers guests more than just a smoothie – it's an avenue to help people pursue an active lifestyle, and achieve their health and wellness goals. Rule The Day is all about communicating that message and mission to our guests.

The Rule The Day multi-channel marketing campaign leverages an extensive media mix of traditional mediums, from in-store signage to billboards to TV and radio advertisements on a national scale, as well as in highly-penetrated regional markets.

However, the marketing team has largely set their sights on the digital space to optimize the campaign's reach.

"We officially rolled out the Rule The Day campaign in March, and our strategy has been pretty heavy on digital, which has been really successful in reaching the right audiences so far," said Rebecca.

"We've been very laser-focused in our media approach, which has included video advertisements on YouTube and Hulu, as well as banner ads and other paid social display ads and campaigns. Our owned social media channels have a solid organic following, which has been instrumental."



"Rule The Day is the manifestation of the Smoothie King brand mission and vision, and it's our way of connecting with guests so they really understand our purpose in wanting to be on that wellness journey with them — whatever it may be.

Whether a guest
just finished a
marathon or just
survived the day,
we want to be a part
of their life and
journey, and help
them conquer and
rule the day."

With endorsements from celebrity spokesperson Drew Brees, the social media campaigns surrounding Clean Blends and Rule The Day have been effective in generating strong interest and brand affinity for Smoothie King.

Rebecca and her team have also disseminated the messaging through the Smoothie King Rewards loyalty base, via e-mail marketing campaigns and in-app promotions.

In addition to media placements and social media promotion, the Rule The Day messaging is also engrained in store design and point-ofpurchase materials.

"It has only been a few months since the campaign's launch, but we've already seen a strong positive response to Rule The Day both internally and externally, among consumers," Rebecca said. "My No. 1 job in marketing is to drive unit-level sales for franchisees, making sure consumers are buying our products and coming into the stores."



WHY NOW? THE CONSUMER IS KING

So far, both the Clean Blends initiative and Rule The Day campaign have seen a great deal of success. Broadly speaking, both initiatives are also building the brand and keeping us aligned with our core values, as well as with changing consumer preferences and health trends.

Never resting on our laurels, we are always looking for ways to evolve the brand and better serve the modern consumer – all while staying true to our purpose of helping guests along their wellness journey.

Leading the Charge with Clean Eating (and Drinking)



When we decided to launch our Clean Blends initiative, we knew it would not only benefit our guests and their wellbeing, but it would also be a strong differentiator for our franchisees – particularly when it comes to consumer demand.

Three-fourths of the world's consumers say they're concerned about the long-term health impact

of artificial ingredients.1

And, when it comes to cleaner eating, consumers are willing to put their money where their mouths are. The vast majority pay more for food and beverages that avoid undesirable ingredients.

All of this translates into an unparalleled degree of demand and profit potential for business owners in the health and wellness segment.

As consumers lead the charge for cleaner ingredients and menu transparency, we've made sure our concept aligns with our guests' health priorities, while ensuring strong consumer demand for franchisees.

Going the Extra Mile with Engaging Marketing Campaigns

In addition to the demand for cleaner ingredients, today's consumers are also characterized by the importance and need for engaging marketing campaigns.

Scrolling through social media and watching video content are two of the most popular online activities for increasingly digital consumers – which is largely why we've focused our marketing efforts on expanding our online footprint, particularly through video.

"Eighty percent of consumers will remember a video ad they viewed in the past 30 days," Rebecca said. "With Rule The Day, we wanted to reach the widest audience possible, while creating an engaging campaign that would really resonate with guests and provide them with continuous encouragement and motivation to achieve an active lifestyle every day."

In addition to the marketing campaign's ability to resonate with consumers, it has also helped position our brand as an integral part of guests' active lifestyles, translating into sales and store growth for franchisees.



"Rule The Day
is part of the
evolution of
Smoothie King
becoming more
than a smoothie
brand, but a key
part of our guests'
health and fitness
journeys.

Meanwhile, at
the base of all
our decisions is
what will benefit
our franchisees,
and 'Rule the
Day' is the right
communication of
our brand message
at that unit level."

-Rebecca Miller

Growing with a Purpose

We created the original smoothie bar in 1973, with founder Steve Kuhnau experimenting with different blends of real fruit and nutrients to create smoothies that would combat his food allergies and nutritional deficiencies. From that point, we created dozens of unique smoothie recipes specifically designed to help people achieve their wellness goals.

One smoothie at a time, our mission has propelled us to 46 years in business and more than 1,000 locations across 34 states, three countries and counting. As we've powered through each phase of growth, our tactics have evolved, our approach has matured and our guests have become more sophisticated.

But, our purpose has never wavered.

We were, are and always will be here to inspire people to live a healthy and active lifestyle. Our future depends on our ability to stay true to our purpose, deliver our promise and continue to positively impact the lives of each guest we connect with around the globe, one smoothie at a time.

And, with every smoothie served, we also fulfill our promise to help our franchisees pursue a purposeful – and profitable – business.

When your passion is your road to profitability, owning a successful franchise is at its most rewarding – in every sense of the word. With average net sales of \$730,278 for units in the top quartile*, and heartened by countless guest success stories, franchisees find purpose and profit every day with Smoothie King.

For more information

Contact our Franchise Development Team

at

985.635.6984

or visit

SmoothieKingFranchise.com