

# Simplot



Travel is one of several responsibilities for **Trina Redtfeldt**, Travel Administrator, J.R. Simplot.

**J.R. Simplot**, located in Boise, Idaho, is one of the world's largest frozen potato processors, one of the nation's largest beef cattle producers and manufacturers of fertilizers and turf seeds.

**J.R. Simplot's annual travel spend** is approximately \$3.1 million: \$2 million in air spend, \$225,000 in car rental, and \$800,000 in hotel bookings.

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## Best Practice Case Study

### The Value of Communication — Implementation Success at J.R. Simplot

In an effort to make travel purchasing more efficient and improve its program control, J.R. Simplot opted to move to a new **travel provider with an easier-to-use online tool.**

With a focus on employee communication and training, Trina Redtfeldt, Simplot's Travel Administrator, launched the new program with Egencia and has achieved significant progress toward the company's goals in just three short months.

### Taking J.R. Simplot Travel Program to the Next Level

To reduce costs, J.R. Simplot closed their on-site travel office in 2004 and moved to an online program with a supporting agent call center. Over the next two years, travelers struggled with the **agency's online tool, and online adoption never rose above 60 percent.**

As travelers began booking elsewhere, control of the program decreased and negotiated contract use suffered, culminating in the loss of some vendor contracts due to lack of compliance.

To resolve the situation, Trina led a team of stakeholders to identify a new online travel solution that was easier for their travelers to use and would result in greater control and savings for the company.

### Steps to Success

#### Evaluate Options With Stakeholder Team

Trina's stakeholder team reviewed other agency solutions and online tools for their ease of use, online reporting capabilities and other important features. The team consisted of the CFO, VP of Human Resources, IT representative, Security Council Representative, Corporate card staff, Executive Admins, and Sales Representatives.

Based on their evaluation, the team agreed to move their program to Egencia<sup>™</sup>.

## Identifying Travel Program Goals

J.R. Simplot had the following goals they wanted to achieve with their new travel program:

- Provide a tool and resources to make employee travel more efficient
- Increase their use of negotiated contracts and benefit from volume pricing
- Improve financial controls and compliance to travel policies
- Provide information for employees to make smarter travel choices

## Set Up Pre-Launch Pilot Group

Prior to a company-wide launch, Trina identified 40 of her most frequent travelers to use the new online tool and agency for three weeks and provide feedback. Their insight and buy-in helped Trina prepare for the full roll out in mid-April.

## Update Intranet Travel Resource Section

**A travel section on the company's Intranet** houses information on the new program, the corporate aviation program and other resource and contact information. Links to the Egencia training videos were added to the section.

## Create Customized Quick Reference Sheets

Trina and her Account Manager, Jolin Petrone, customized the reference guide information available from Egencia to create three **'Quick Sheets' to help travelers** with:

- Logging in and Navigation
- Setting up their profile
- Booking a reservation

These documents were made available via the Intranet as well.

## Announce New Program to Employees

Egencia loaded all of the employee profiles from the company's HR system. Trina used a **'mail merge'** to:

- E-mail each employee their new username and password
- Direct them to the online resources on the Intranet
- Encourage them to register for one of the employee training sessions

## Conduct Employee Training

Trina and Jolin organized a **series of five in-person training sessions and six online training sessions** to reach as many J.R. Simplot employees as possible, including many of the remote field sales representatives.

## Enlist IT Support

To assist her in supporting new employees who need a new profile created, or have questions regarding how to access the online tool, Trina enlisted J.R.'s IT Help Desk team. By training the IT team, Trina has reduced the demand on her time and can focus on more strategic endeavors, such as her vendor negotiations.

## J.R. Simplot's Baseline Policy

### Air

<b>Preferred Airlines</b>	Frontier, United, Continental
<b>Class of Service</b>	Business Class allowed for international flights over 6 hours
<b>Advance Purchase Settings</b>	No advance purchase parameters enforced
<b>Lowest Fare Tolerance</b>	\$150 above lowest logical fare are out of policy
<b>Web Fare</b>	In policy, no tolerance
<b>Reasonable Flight Parameters</b>	+/- 120 minutes departure time window Up to 120 minutes longer is reasonable Maximum of 1 connection

### Hotel

<b>Hotel Per Diems</b>	Domestic = \$200 International = none Chicago = \$300
<b>Negotiated Rate Policy</b>	Non-negotiated rates are in policy
<b>Negotiated Rates</b>	20 Individual properties have negotiated rates

### Car

<b>Preferred Vendors</b>	Hertz and Budget
<b>Car Class Policy</b>	Compact, Midsize, Standard and Full size allowed
<b>Car Search Results</b>	Display rates from all vendors

## Allow Personal Reservations

J.R. Simplot made a rather unique decision to allow employees to use Egencia for their personal reservations as well. This choice has helped to further consolidate corporate spend through the agency as employees maintain just one online travel profile and are less inclined to search elsewhere for travel.

To ensure personal travel expenses are excluded from the accounting process, Trina created a **custom data field called 'Reason for Travel' with 'business' and 'personal' as the two options to choose from.**

The decision was well received by employees and J.R. corporate expense team has been pleased with the ability to separate personal expenses from their reports.

## Recruiting and Relocation Guest Accounts

To streamline HR relocation and recruitment travel, two guest accounts were created and provided with access to centrally billed cards. J.R.'s HR department has been thrilled with their ability to charge all guest travel fees to the HR card and access online reporting to improve allocation of HR-related travel spend.

## Reporting Access

A number of executives and their administrative assistants have access to the online reports to access any divisional or company wide information they require

## The Post-Implementation Results

In just three months, J.R. Simplot has already been rewarded for their efforts to improve the ease-of-use and control of their travel program, including:

### More Efficient Travel Purchasing

Trina is very excited to see J.R.'s online adoption jump to an **average of 88 percent for the first three months of the new program.** Employees are finding the online purchase process to be very intuitive and **easily surpassed the previous 60 percent adoption rate ceiling.**

### Negotiated Contract Usage Increase

By the third month, 27.8 percent of all domestic air tickets were booked using negotiated rates, up from 20.4 percent at launch.

### Key Online Reports used by J.R. Simplot

- **Online Adoption Summary**  
To track the company's progress on online adoption
- **Travel Overview**  
The overview allows her to check on the company's spend volume and average rates
- **Air Booking Summary**  
To confirm the company is meeting its negotiated contract goals, and how employees are using the negotiated rates
- **Top Travelers Summary**  
To review how her heaviest users are using the new program and identify travelers who are not yet consolidating their entire spend with the new agency

### Improved Control and Compliance

Traveler compliance to company policy has greatly improved since the launch of the new program:

- The company's hotel attach rate has increased from 65 percent to 87 percent indicating higher consolidation of spend
- Air policy compliance increased from 72 percent to 78 percent
- Hotel policy compliance has averaged 95 percent since launch

### Smarter Purchasing Decisions

Travelers are using the increased number of travel options available online to make smarter travel choices:

- Online domestic air ticket prices average \$44 less than agent-assisted purchases
- Air 'missed savings' are less than 0.5 percent when comparing booked fares to the lowest logical fare for each flight
- J.R.'s average hotel nightly rate is less than \$120

### A Few Words of Advice From Trina

"The number one key to our success has been our communications and training tools for travelers. I'm a firm believer that you can't offer too much training, or too many tools to help them. If you give your travelers the information they need, compliance becomes so much easier to achieve."

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