

# Starbucks and Egencia – A Successful Partnership



## Background

Starbucks is the world's largest coffeehouse company, with more than 20,000 stores in 62 countries. Starbucks reports \$15 billion in annual revenue and has 160,000 employees—called partners—worldwide. More than 5,400 Starbucks partners travel regularly, and 4,000 travel internationally to more than 100 countries per year. In total, Starbucks purchases more than 23,000 flights per year and has an annual global air spend of about \$16 million.



## Travel Footprint

Starbucks partners are constantly on the move, visiting and supporting stores and markets around the world. About 40 percent of international travel is concentrated in major markets like London, Amsterdam, Munich, Shanghai and Hong Kong. Remaining trips include destinations that are unusual and logistically complicated.

## Meet the Starbucks Travel Team

The Starbucks Travel Team is led by Raymond Williams, Senior Manager, Global Travel, Meetings and Reimbursements. Raymond oversees the full travel process at Starbucks from booking through expense. Raymond joined Starbucks in 2005 and took on the travel program in 2009.

Jonathan Davidson is the Travel & Meetings Operations Manager and is responsible for Starbucks global travel operations. Jonathan joined Starbucks in 1998 and transitioned into his current role in 2009.

## Starbucks Four Pillars

The Starbucks Travel Team focuses on four pillars to ensure their travel program is successful – cost, comfort, convenience and safety.

### Cost

The Starbucks Travel Team rolls up to the Finance Department, so keeping their finger on the pulse of spending trends is especially important. The Starbucks Travel Team uses Egencia's on-demand reporting to create **monthly**

## The Egencia Difference

- Starbucks Traveler Satisfaction – 93% based on Egencia surveys
- Industry average – 80%

“Our collaboration with Egencia helps Starbucks make better global travel choices.”

*Raymond Williams  
Senior Manager, Global Travel,  
Meetings and Reimbursements*

**management reports** that show how each business unit is performing, including metrics such as:

- Average ticket price and nightly rate
- Advanced purchase window
- Percentage of international vs. domestic travel
- Business unit spend as compared to the rest of the company

This visibility helps identify any cost spikes or areas of improvement for each business unit. It also creates healthy competition between business units to spend smarter.

The Starbucks Travel Team also works with each point of sale globally to help them monitor their travel spend. A **yearly plan is developed for each country** based on their unique travel needs and performance. Raymond and Jonathan also make a point to meet with each Starbucks point of sale, in person, once a year. They find that this face time is invaluable to help build and retain a successful relationship with their global colleagues. Recommendations and trend reports based on Egencia's **quarterly reviews** are shared with each region to help monitor performance and to plan throughout the year.

Egencia's reporting helps the Starbucks Travel Team monitor key locations and spot opportunities for savings, such as additional negotiated agreements with hotel, air and car partners. This is a key area of focus for controlling costs and its effectiveness is evidenced by Starbucks' 2013 average domestic air ticket price of \$475, **\$35 lower** than the industry average.

**Egencia Preferred Rates and Expedia Special Rates** help supplement Starbucks' corporate hotel rates, in markets where Starbucks does not have enough volume to substantiate a negotiated rate agreement.

Starbucks' overall average nightly hotel rate was only \$159 in 2013, despite several high-end cities in their top markets, such as Shanghai, Seattle, Chicago, Dallas and San Francisco.

## Comfort

The Starbucks Travel Team ensures that partners can find in-policy, comfortable travel choices on Egencia that meet their business needs. "We give partners options. They're able to find their comfort zone within a menu of travel options that we provide to them," explains Raymond Williams.

## Convenience

Starbucks partners like being able to **self-serve** and manage their travel online with Egencia. Even with so many complex international trips, Starbucks' overall online adoption was 82% in 2013. When trips hit a snag, partners can reach skilled corporate **travel agents**, available 24/7. Starbucks partners often share great feedback and accolades on Egencia Travel Consultants. In an Egencia survey, 93% of Starbucks partners reported that they would recommend Egencia to a friend.

Egencia features that Starbucks partners find very convenient are the ability to manage travel from their **work calendar** and the **filtering and sorting capability** to find the right in-policy travel options faster. Starbucks partners are also benefiting from the Egencia mobile app, which helps them to conveniently manage their travel.

## Safety

Starbucks takes traveler safety seriously and has a designated group that oversees partner safety on the road. Travelers are required to use designated agencies for all business travel purchases. The Starbucks Travel Team leverages the push travel alerts from Egencia as well as on-demand reporting to quickly locate partners in the event of an

There are locations where we don't have enough consolidated hotel volume to negotiate a Starbucks corporate rate. Giving travelers access to both the Egencia and Expedia hotel rates in those markets is extremely important to our bottom line."

*Jonathan Davidson,  
Travel & Meetings Operations  
Manager*

We give partners options. They're able to find their comfort zone within a menu of travel options that we provide to them.

*Raymond Williams*

Egencia's filtering and sorting capabilities help our travelers make the best online booking choice within our policy guidelines."

*Jonathan Davidson*

emergency. This information is shared with the Partner Safety & Security Team to assist the travelers on the ground and work with Egencia Travel Consultants to help get them home.

## Starbucks and Egencia – Travel Partners

The Egencia Starbucks relationship dates back to 2003 and is built on collaboration. Egencia works closely with Starbucks to help identify new opportunities for improvement and keep the program running smoothly. Over the years, Starbucks and Egencia have worked together to optimize many aspects of the Starbucks travel program. The result is a well-tuned program that delivers on the four pillars of cost, comfort, convenience and safety.

One of the aspects of the partnership that the Starbucks Travel Team appreciates most is Egencia's **steady innovation** over the years. Raymond appreciates that Egencia is constantly evolving to make business travel better. Jonathan notes that Egencia's **balanced innovation**, between new tools for the traveler and enhanced functionality for the travel manager, has been key.

## Advice for Fellow Travel Management Professionals

Raymond was new to managing corporate travel when he took it on in 2009. His advice for fellow Travel Management Professionals is to keep in mind that **business travel is very personal** for employees. "Managing corporate travel is business, but it's also personal. It's relationship driven and you have to take the time to build relationships with your suppliers, with your customers, and with your stakeholders, because the relationships you have are going to make your world so much easier."

Jonathan advises that Travel Managers focus on important stakeholders such as

travel arrangers and road warriors. "I think it's critical to **build, maintain and grow relationships with the frontline**, those key travel arrangers and frequent travelers. If they understand that you're here to support them and that the financial goals of the company are coupled with helping them be successful, then you're speaking from the same page, sharing common goals. If you have their buy-in before implementing a particular initiative, then it will be successful."

## About Starbucks

Since 1971, Starbucks Coffee Company has been committed to ethically sourcing and roasting high-quality *arabica* coffee. Today, with stores around the globe, the company is the premier roaster and retailer of specialty coffee in the world. Through our unwavering commitment to excellence and our guiding principles, we bring the unique *Starbucks Experience* to life for every customer through every cup. To share in the experience, please visit us in our stores or online at [www.starbucks.com](http://www.starbucks.com).

## About Egencia

Egencia's business travel solutions fuse technology with agent-assisted service to meet the needs of your company. We offer your travelers robust hotel, airline and rental car deals to book themselves – online, via our app or with the help of an Egencia Travel Consultant. [www.egencia.com](http://www.egencia.com)

Egencia has a seat at the table whenever we make travel decisions."

*Raymond Williams*

One of the primary reasons we direct our partners to book with Egencia is to be able to monitor their location so that we can quickly contact or assist them, if needed. Egencia's online reporting – 24/7 – is tremendously helpful in those situations."

*Jonathan Davidson*



Contact a Sales Consultant Today  
**+45 70 70 80 00**