

## QDQ MEDIA: THE ROLE OF STRATEGIC CHANGE NO LONGER RELY ON "PAPER"

Diana Benito Osorio  
Alberto Colino Fernández  
*Universidad Rey Juan Carlos*

It is well known that both Internet development and the strong economic crisis are external sources of change that have implied the transformation of the business model of many enterprises. To be precise, *QDQ Media* has been led to adjust its businesses to adapt them to the current needs of its customers. *QDQ Media* is a publishing firm of reference guides, Spanish subsidiary of the French group *Pages Jaunes Groupe*, which counts with *QDQ, la guía útil* paper based and in Internet with *QDQ.com*.

The new technologic and economic scene in the present has forced *QDQ Media* to evolve from the sole edition of a guide in paper form to base its services on the Internet, current cornerstone of the company. Accordingly, *QDQ Media* that until now was known principally for the edition of telephonic guides in paper form decided at the beginning of 2009 that it should change its business model from a paper based to a digital based model. Therefore, paper based advertisements became merely a summary of the web contents. So for this company the technologic change does not exclusively imply a change in the medium but a business change.

On the other hand, 96% of the Spanish entrepreneurial fabric is composed of small and medium enterprises (SMEs). From the study that for the second consecutive year presents Sage regarding the Spanish SMEs scene and the new technologies is extracted that 46.5% of the sample owns a corporative website and that only 9.1% use it for commercial purposes, including an online store. Furthermore, only 65.6% use traditional mobile phones and blackberries a 14.8%, using them solely for phone calls 71.2% and 16% for sending and receiving emails. Besides, social networks continue to be an unknown segment for this type of enterprises when it comes to do businesses.

From the beginning of 2010, in this technological-entrepreneurial environment, *QDQ Media* has attempted to transmit the 2.0 mentality to the Spanish SMEs, to which it offers solutions to have their own WebPages and to position them on the Internet. This service of Internet solutions includes from the design of WebPages fitted for SMEs and the management of budgets to the introduction of search improving technologies (search engine optimization or SEO). This project has become its main business. With this aim *QDQ Media* bought *123People.com* and opted for social networks like *Facebook* or *Twitter*. Moreover, *QDQ Media* started to develop applications for mobiles (*Iphone*) through which the customer have access to local information, by zone or neighbourhood, of any Spanish city. Finally, it is worth noticing that *QDQ Media* became in 2009 a distribution company for the sponsored links of *Google* within the *AdWords* programme for Spain. All the above has implied that the revenue of *QDQ Media* went from 70% coming from its paper based business to 70% coming from its online section.

This strategy has implied a radical change for *QDQ Media* which has pushed the company to restructure its workforce and encourage its employees to specialise and adapt to the digital world. Therefore, it was not only necessary a redefinition of processes and work methodologies but to face the firing of half of its personnel. These facts implied that the employees faced these changes with the knowledge and abilities needed to undertake their new tasks and, above all, with the utmost commitment. *QDQ Media* considers that training has contributed significantly for changes necessary within the company to be embodied sequentially and not in a traumatic way. At the moment, *QDQ Media* has 450 employees in

Spain, from which approximately 250 work in the commercial area and around 200 are devoted to online production, which goes from webpage design to the back-office of Internet services.

The economic crisis, on its side, is causing problems to the British group *Yell Publicidad* (to which it belongs its Spanish subsidiary *Páginas Amarillas*), direct competitor of *Pages Jaunes Groupe*. The aim of *Yell Publicidad* was to relaunch its business trading the commercial spots of *Google* among national SMEs, but in this case *QDQ Media* took the lead. The commercial strategy of *Yell Publicidad* is centred on the adaptation of its products and services to the new technologies through the digital versions of *Páginas Amarillas* and *Páginas Blancas*.

Nowadays it can be said that the strongest point of *QDQ Media* is on the net and that the change in the technological scene has implied an opportunity to generate profits.

**Question:** Identify the reasons for the crisis on the traditional business model and the actions undertaken by QDQ to improve the situation.