

# From the Yellow Pages to Digital Gurus: How Yell Champions Local Business in the Internet Age

The rise of online technologies has brought radical change for countless businesses, with few representing this seismic shift better than Yell. GSinsight spoke to their CEO, Richard Hanscott about the company's digital transformation and how they have remained true to their original values of helping small, local businesses compete in an ever more challenging market.



Richard Hanscott, CEO of Yell

## What is the history of Yell and how has the company changed since you joined the business?

Yell has an amazing history. The business was founded in 1966 when the first Yellow Pages were published in Brighton and there's a tremendous heritage and culture based on over fifty years of history. When I first joined six years ago however, the business was in a very challenging position. Like so many organisations that had traditionally relied on print, the company faced a serious challenge due to the rise of the internet and the way in which it changed consumer behaviours. Yell had in fact anticipated the explosion in online technology; Yell.com which now forms the core of our business was launched in 1996, a year before Google. The fact the business

still faced such adversity goes to show the extent of the challenge in adapting to such rapid change.

When I joined, we were a publicly listed company but the share price was close to zero and the company had amassed substantial debts. We had a presence in six countries, the UK, Spain, North America and three countries in South America as well. A new global leadership team had recently been put in place and they were reshaping the business around a global model. After a period building this global model, it became apparent that this was not the best course for a business that focuses on specific locales and targets local SMEs within them. The leadership team changed again in 2014, coinciding with our becoming a privately held company and we moved back to a locally run business model. We still have a global holding

company who have sold the South American businesses and recently sold Spain as well. So now we are focused on just the UK and North America and we're really focused on what's successful at a local level.

## How has the business changed in terms of its product offering?

Yell has always worked to help local business be successful and enable consumers to find local service providers that meet their needs. The company sits at the intersection of those needs, we are the champions of local business and the Yellow Pages, you could argue, marks the invention of search.

The business was doing extremely well up until 1997 when Google reinvented the search industry. Ultimately however, the ascendancy

of internet technologies has brought clear benefits. The internet offers businesses greater means to reach wider audiences and be successful, whilst consumers have more choice than ever before when it comes to finding service providers. Our role now is helping small businesses find a way to be successful online and allowing consumers to find service providers that best suit their needs on the internet. Yell.com is something we continually invest in. It provides a dedicated means of finding locally rated and reviewed services. Although a lot of people might initially look to Google or other search engines for such information, they don't offer the same depth of content that we have regarding specific local services.

On the business side, we help clients discern the best ways to spend their marketing budget in the digital world. Firstly, we help them build their presence across online platforms, such as Facebook, Google and of course Yell.com. We will build and host a bespoke website with videos and if required an online store. Next, we sell advertising services. We sell promotion advertising on Yell.com, pay per click advertising on Google, Display adverts across a range of media platforms and we've recently launched Facebook advertising. Social media is very interesting for small businesses as you can easily target highly specific demographics and then put an advert into their news feeds. We've seen a tremendous uptake of our Facebook advertising product. Lastly, we help businesses manage their online reputation. Online ratings and reviews have become increasingly important to consumers when making decisions about products and services and this is something small businesses often find really worrying. They're fine with the good reviews but as soon as they get a bad one they say, "I don't like this anymore" and will often try to simply stop having reviews online altogether. We believe this is the wrong reaction. There are some very interesting statistics suggesting that for consumers, a well handled negative review can have a greater impact than a five star rating. This means businesses have to be proactive and consistently monitor their reviews, most importantly

the negative ones. The digital marketplace has many challenges, but also huge opportunities. Everyday there are more platforms, more opportunities and enabling small businesses to take full advantage of those opportunities is where Yell comes in; it's why I'm so positive about our business.

---

***“Online ratings and reviews have become increasingly important to consumers when making decisions ... and this is something small businesses often find really worrying”***

---

### **How has the culture of the business changed in the wake of new technologies?**

The old Yellow Pages business had an extraordinary culture, built around the renewal of advertising in the book. Historically we had one hundred and four books and the sales force used to travel to each location, selling advertising space in the books. Once it went to print, your advert would be live for a whole year and you wouldn't see them again until the next year when they'd return to sign you up again. Digital however, is an 'always on' environment and we've now moved to a business model wholly different to the old roving sales force. Our sales teams are now locked in a territory and they give customers the service they want, all year round.

Inherent in this is a need for people with very different skill sets. We had to spend a lot of time recruiting people who truly enjoy and have the capability to succeed in digital advertising and we've focused on training them, ensuring they're all Google certified for example. It's not just the sales teams that have changed either. We now employ graphic artists and copywriters to build the website and our online campaigns and like many businesses, we've implemented a CRM system to enable much more of an end to end process across

the organisation as it's critical that the different teams can work well together.

### **How has the competitive landscape changed and what are the future opportunities?**

Today, we have a broad range of competitors. There are a number of DIY platforms for websites and Facebook or Google for advertising and social media, all of whom encourage small businesses to do things themselves. However, though businesses can and often do try to run their own websites and social media, they usually have better things to be doing, like building the products and services their customers need.

There are also numerous small, independent operators that offer local marketing services, whilst we also compete with larger, well-established marketing agencies. Yell sits in the middle between these two, we have the capabilities of a larger agency, delivering very sophisticated platforms and a depth of people, but we can also scale to hundreds of thousands of customers in local markets which is what makes us unique. To help small businesses further, we recently announced our pledge 'to help a million businesses be online by 2020'. Part of this includes a free Essentials package which offers businesses in the UK a free website, domain name and email address plus some key advice and support on how to manage their business and reputation and reviews online.

When I visit small businesses, I'm often asked "what should I do? How do I become more successful?" It feels as though there are not enough places for small businesses to go for that kind of help and I believe it reflects a gap in the market. We all want the local high street to reflect a greater balance of local and global businesses so that it becomes a fun and thriving place to spend time. I think as a country, we need to do more to enable small, local businesses to succeed and Yell is dedicated to achieving that end.