

COVER

Distribution: By All Means Necessary

Zbigniew "Tony" Rybarczyk, founder of Global Christian Literature Center (www.globalcenter.ru), outlines the distribution strategies that help this organization serve Slavic Christians worldwide.

Countries vary so much in size, infrastructure, and economy, that it is difficult to say what strategies are necessary for a specific publisher to develop effective distribution systems. Our literature ministry in the former Soviet Union began in September 1999, six years ago, when my wife Susan and I relocated to Moscow. We started with research, traveling for two months in Russia and surrounding countries to assess Christian literature needs, availability, distribution channels, and competitive structure. Start-up companies often have limited financial and human resources to conduct thorough comparative studies, but market research is vital. We communicated with denominations, theological training institutes and bookstores to see where they were getting their literature.

Starting a distribution network

We rented our first Moscow office in December 1999. This office served the entire former Soviet Union. Operating without official registration we began to distribute our literature throughout Russia. To generate high early sales and working capital, we focused first on the largest urban population centers, those with the largest churches, theological institutions, Christian bookstores, and known Christian populations. By focusing on limited or selective distribution, we could market either directly to them ourselves or by post.

Since we were not officially registered, we were unable to advertise and

promote our products. We relied upon word of mouth, Christian missionaries, conferences, and exhibitions to promote our literature. In Russia, distributors and retailers will often come to our office to pick up their orders. At first, we concentrated on delivering the literature as needed to establish credibility and a consumer service reputation among our customers. This meant frequent visits to local post offices, changing them frequently to minimize attention to our activities, as religious literature always attracted official scrutiny. Small shipments were carried by traveling friends and missionaries as airline baggage. For large international shipments, we would personally transport the literature in our vehicle, visiting several countries at a time, paying customs and taxes at the borders.

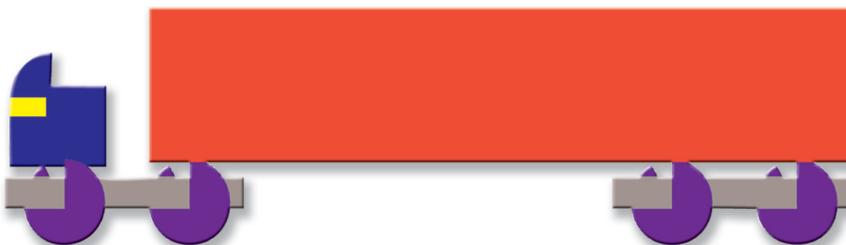
Slowly, we were able to develop an expanding distribution system, as well as develop relationships with Christian organizations, distributors, and retailers throughout the former Soviet Union. If we found our materials already available from distributors, we did not interfere.

When we found no materials, we looked for direct shipping channels in order to establish relationships and avoid losing distributor/reseller margins, since we were a start-up and needed the funds.

By late 2002, this casual form of distribution and our lack of legal structure compelled us to register the "Global Christian Literature Center" as a new commercial non-profit organization in Russia. This allowed us to operate legally, to advertise our office, products, and services through print media, electronic mail, and the Internet. This changed our distribution from organizational markets with large quantity purchases to that of individual retail customers and smaller, distant distributors—and altered the way we had to respond to get our materials to customers.

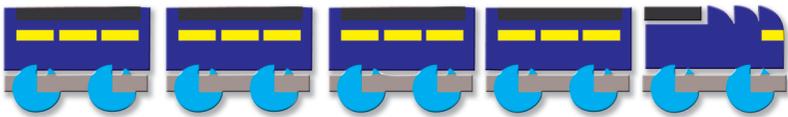
Logistics and infrastructure

When we began in 1999, international shipments had to be made in numerous small (5 kg) bundles, often requiring several days of visits to post offices due to daily shipping limits. Packages were often returned due to



unspecified customs or labeling infractions and had to be re-sent. Costs of shipping returns were paid by Global CLC, if the problems were ours, and by the customers if they failed to pick up the material before it was returned to us.

Larger shipments presented unique problems since they required numerous packages, making post impractical. We relied on Russian passenger trains, sending larger packages with train attendants and paying them for the service. Our Moscow team had to go to the train stations at all hours of the day or night, going from wagon to wagon searching for an attendant willing to accept the



shipment for a reasonable price. At times the price was too high or the attendant was only able to accept part of the shipment, making it necessary to negotiate with several attendants. At times the train station police would request "payments," further adding to costs. Another problem had to do with coordinating the pick-up at the destination. The customers had to be contacted with all the arrival information: train number, wagon number, attendant name, number of packages, and total shipping costs. We developed a reliable shipping system via passenger trains—but it was time-consuming.

For even larger shipments, we turned to baggage cars on passenger trains, since few private delivery and transport companies existed at that time. This meant securing a specific date for bringing the literature to the station for inspection, weighing, packaging for shipment, storing the materials either on the wagon train or nearby holding area, standing in numerous lines to secure documents and pay fees. Most of the time the departure and arrival schedules were known, but delays were frequent. This option provided a legal method of distribution across great distances, and the literature could be picked up at the train station upon

arrival, with the proper documentation, or could be picked up at the baggage offices upon notification by post.

As free market forces influenced the region, there began the development of private shipping companies followed by changes in post office regulations, allowing us to quickly and efficiently ship whatever literature we wanted throughout Russia. This even extended to a viable cash on delivery (COD) payment system, where customers would pay for literature upon pick up, and the funds would be later transferred by the postal service to us for a small fee, paid by purchasers.

We did our distribution by all means available to us, as nec-

essary. International busses were also used, but less frequently. To distant countries not served by trains or when other methods were impractical, we shipped by expensive airfreight to either physical persons or religious institutions, depending on the laws. Even now we still ship some materials via airfreight to closed countries or to those embargoed by surrounding countries.



greater effectiveness in reaching pentecostal, charismatic, and evangelical denominations throughout the region. We also offered literature search, acquisition, and shipping services to our customers. In this way, we cemented a reputation for reliable service and timely delivery.

As we expanded our offerings, we developed a Russian/English Web site to keep our customers informed. We post new and available literature on our site, and increasingly link it to the sites of other Christian literature organizations. By making our Web site a resource, we benefit from more visits, sales, and new customers. We receive orders and inquiries from Western Europe, Central Eurasia, the Middle East, and even Australia, which we accommodate through

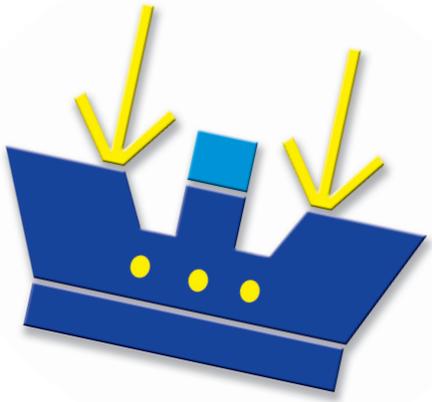
We developed a reliable shipping system via passenger trains— but it was time-consuming.

Expanded offerings grow distribution

Since our own portfolio of products did not constitute an economically viable variety, we developed relationships with other Christian publishers, namely Life Publishers, Global Teen Challenge, Turning Point Ministries, and John Maxwell's Equip Ministries, becoming their exclusive distributors. With these new product lines, we were able to establish additional wholesale and retail relationships. This led us to

international postal shipments.

One way Global CLC maintains and improves its distribution network is by continually expanding and refining its literature portfolio. We have an ongoing translation and printing program of Global University college curriculum, theological reference literature, youth and children's literature. We seek new partnerships with authors, publishers, ministries, and denominations to bring their literature to Slavic markets—



including Frank Peretti, Rick Warren, David Wilkerson, Turning Point Ministries, Crown Financial Ministries, the Pentecostal Assemblies of Canada in Ukraine, and others. We search and acquire newly published literature and inform our distribution network of its availability, shipping new and needed literature throughout the world.

Regional service centers

In 2002, we purchased all existing inventory from Life Publishers in the Russian and Ukrainian languages, and took over their Kiev, Ukraine office. Because Life Publishers and Global CLC have complimentary products and different distribution channels, wholesale and direct, respectively, this acquisition expanded our portfolio, distribution channels, and customer base, making us a truly international ministry.

In 2004, we met with representatives of the Slavic National Fellowship of the Assemblies of God in Sacramento, California, and discovered an unmet theological literature need among the 450 pentecostal and more than 300 other evangelical Slavic churches and organizations in North America. With over 4.5 million Slavic residents in the United States and Canada, we were strongly encouraged to establish a distribution facility for these churches, their Christian education programs, and their Bible training institutions.

We opened a Sacramento office in late 2004, and shipped two containers of Bibles and literature in early 2005. We advertise our literature in print and electronic media and at Christian events. In the United States, we are developing a

selective or exclusive distributor strategy, to limit the number of distributors in each market to one or two, so as to focus on direct Internet sales. This reduces our need to give up margins to the channels. Global CLC shall focus on expanding Internet sales and on direct marketing to pastors, churches, Christian education directors, theological training institutions, and individuals. Since Slavic churches in North America have strong relationships with churches in the former Soviet Union, a good reputation in America will further expand our customer base among churches in our home markets. Additionally, since literature can usually be sold in North America with higher prices, profitability there will allow us to further expand in Russia.

With God's help Global CLC will open its next center in Omsk, Siberia, with distribution points among the largest regional churches throughout the region, so that customers can more easily and efficiently obtain needed literature. Next, we plan to expand to the Russian Far East within two years. As we develop greater international experience and expertise, we hope to expand into the Western European market, to countries such as Germany, where 5 million Slavic people reside.

Regional centers are one way to expand distribution. As technology changes, we are exploring the feasibility of selling limited printing rights to insti-

tutions and distributors in different countries. This would mean sending CD-Rom masters only, allowing our customers to meet local needs by using local printing or print-on-demand (POD) technologies, especially in closed countries where shipping Christian literature is restricted or difficult.



The bottom line

Though we operate as an economic literature enterprise, we never forget that we are also a ministry of the Church to reconcile people to Jesus Christ, to disciple believers, and to equip them for ministry and service. The reason for the success and growth of our ministry is not our literature or distribution channels, but our dedicated Christian co-laborers in Russia, Ukraine, and United States, who seek to understand and meet our customers' literature needs. Without this greatest resource, our staff, we would not have survived the challenges of operating in the former Soviet Union. To them is due all credit and honor, for the glory of our God. ❖

FOR GROUP DISCUSSION

1. How can your publishing company help authors affect distribution of their work? Why is it important that an author take an active role in distribution?
2. How can you enhance word-of-mouth marketing for your books?
3. What changes should you make in your current business to have better relationships with your existing distributors?
4. What book representation expectations do you have of your current distributors? Are these expectations agreed upon by both parties? Are they realistic?
5. Which of your distribution channels is most profitable?
6. Are you achieving an effective distribution mix? What elements do you need to strengthen to improve your sales?
7. What new product lines could help expand your distribution?
8. Are your distribution methods keeping pace with the infrastructure changes in your country and region?
9. How can you increase your e-commerce customers' loyalty?
10. What are your readers' preferred distribution channels?

—Laurel Pflederer and Kim Pettit