

# CHRISTIAN RETAILING®

— SPECIAL REPORT —

## CHANGES and CHALLENGES

**Industry leaders and insiders get personal on  
trends and issues**

**JULY 2011**

## INDUSTRY QUESTIONS

# Changes and challenges

Industry leaders and insiders get personal on trends and issues

By Andy Butcher

It has probably never been truer for the Christian products industry that change is here to stay.

From the accelerating digital-publishing revolution and its impact to ongoing shifts in retail, new consumer habits and business practices are emerging. Christian retailers and suppliers must look to the future, preparing for its challenges and opportunities. We talked to a broad range of industry leaders and insiders to get their personal and professional take on some of the big issues and questions.

We asked them:

**WHO** are you **reading** or **listening** to right now and why?

**WHAT** is the biggest **change** you have made in your business in the last year and why?

**WHY** do you enjoy your current **role**?

**WHERE** do you see notable **innovation** and **leadership** in the Christian products industry?

**WHEN** Christian products are available everywhere, what can Christian stores offer/do to set themselves apart, in **differentiation**?

**HOW** has digital publishing (music and books) affected your own consumer **habits** and practices?

Here is what they told us:



**DAVID ALMACK**  
National director and publisher, CLC USA

**READING:** *King's Cross* by Tim Keller and *Bonhoeffer* by Eric Metaxas. I love anything that Tim writes and was looking forward to reading a good Christian biography.

**CHANGE:** I have stepped out of the role as director of retail operations to focus on my role as publisher for CLC Publications. I am also still the director for CLC USA.

**ROLE:** Acquiring great manuscripts, working with authors and crafting unique marketing strategies for each book that we publish.

**INNOVATION:** A company in the U.K. called 10ofthose.com run by Jonathan Carswell and Hearts & Minds bookstore in Dallastown, Pa., run by Byron Borger are both using a creative strategy of doing book tables at major conferences and events in addition to Web sites,

blogs, the physical store. The key idea is taking the books to the people rather than waiting for people to come to them.

**DIFFERENTIATION:** Hire people that love books and love the Lord. Having a product knowledge-driven staff is essential to the future of any Christian store. Also, understand the market niche you are serving and do it with innovation and excellence.

**HABITS:** People are buying e-books more than ever before, but they are still also buying physical books and probably will for some time to come.



**TESSIE DEVORE**  
Executive vice president at Charisma Media, book publishing division

**READING:** *Unconditional* by Brian Zahnd. It's probably my fourth time reading the book. I will probably be reading it even more, and I would probably be reading it as much as I'm reading it regardless of who published it. In this case it happened to be us (Charisma House). Every time I pick up the book it continues to blow my mind. I think that what Brian has presented in this book is groundbreaking. The fact that he even starts talking about and saying Christianity is in need of an update—I think it's one of the most relevant messages that we can have today. The fact that people like Eugene Peterson and others like that have gotten behind it shows the value behind it.

**CHANGE:** I think the biggest change for us has been our focus on digital and how we're handling the licensing and all those things from A to Z—from how it affects contracts all the way to how we approach an author. Also, another big change is how we are addressing our co-publishing and our self-publishing in print, which are two different things. Co-publishing is one thing, self-publishing is another thing. Most people are getting very aggressive with self-publishing, whereas we've always liked to say that, "Yes, we will offer the self-publishing, but we would also offer co-publishing, where we give you distribution and things that other people don't."

**ROLE:** I love publishing; I've always loved publishing. I've been doing publishing for more than 20 years. I

think that publishing—or any aspect of Christian retailing, for that matter—has always been and will always be about spreading God's Word. Say what you say—regardless of whether you agree with what gets published or doesn't get published, regardless of who are the executives or the people behind it—at the end of the day, I do believe God's in control and it is all about spreading the Word and the good news.

**INNOVATION:** I think the greatest innovation, obviously, is happening in digital areas. Consequently, it's not necessarily within the walls of Christian publishers. It's actually not even within the walls of publishers, period. The innovation is happening outside. The technology is what's innovative. Technology is moving, and the publishers are having to keep up. I don't know that there's necessarily any innovative technology coming out of us right now. I would say that this is a season where we're trying to keep up and catch up. I think that where we are being innovative—and I'm saying this as far as all publishers is concerned—is that we are being more innovative in aspects like social media and how we're marketing the products, how we're letting people know about the products and how we're spreading the message. I think that is where I do see some innovation taking place. As far as executives themselves or people themselves, I think the playing field is pretty even right now.

**DIFFERENTIATION:** I think that what a Christian bookstore has always and will always be able to offer is that personal touch that you get when you go into a small business or when you go into a privately owned business. Even if you are a part of a Christian chain that is not necessarily a small business or privately owned, a person that walks in can still get that sense. That is where you get to know the people that work there; you get to know them by name. You should know your clients. You should be aware of that: "Hey, here's Mr. Lewis coming in, and his wife is struggling with breast cancer, and I'm going to take moment to pray for her" (or) "Here comes Mrs. Lewis and I am going to pray for her." I think that sometimes—and with all due respect I will say this—I think that the Christian bookstore gets very focused on some things that make them lose that personal touch. I know that from experience. Me personally, I still prefer going to a small coffee shop than a Starbucks. I get that personal touch, and I

think the same thing applies to people. I think the average person will tell you that they buy Christian products all over. They just don't specifically buy it in one place in particular. But the one thing that I do hear consistently when I ask people, "When you go into a Christian bookstore, what makes a difference for you?" They tell you, it's that personal touch. It's the fact that somebody knows me, plus the fact that it is a one-stop place. It's not just Christian books. You get Christian gift items—you get everything. Everything is in there. To me, if the Christian bookstores even got a little bit more innovative in how they merchandise those things together and promote them together, then that would make a difference.

**HABITS:** Me, personally, it has increased the amount of books I've purchased on a monthly basis, and the amount of music I've purchased on a monthly basis. However, what has changed is the ratio. Before digital came around, I may have bought three printed books a month. Now I may be buying two printed books a month, but then I'm buying two, three or four digitally. In the long run, I bought more books and I bought more content. With music, I would say that the number of CDs that I actually buy has drastically decreased, and I buy almost everything online or download it. But, I buy more albums or CDs—whatever you want to call them—digitally than what I used to buy in the stores.



**RYAN DUNHAM**  
Senior vice president of sales & marketing, David C. Cook

**READING/LISTENING:** *Onward* by Howard Schultz, wanting to understand how the culture at Starbucks keeps moving ahead embracing technology but not losing their passion for their core competency. *Hell is Real (But I Hate to Admit It)* by Brian Jones, a book that is releasing from us in August. *Love Wins* by Rob Bell—a lot of controversy erupted even before the book was out. I am a firm believer in digging in for yourself and making your own informed decisions. *Shop Class as Soulcraft: An Inquiry Into the Value of Work* by Matthew Crawford: I am a bit of a gear head and was intrigued by this guy's perspective about how blue-collar trades are an art in and of themselves and the impact they have made over history relative to the economy and what the future looks

## INDUSTRY QUESTIONS

like moving ahead. As far as music, I am listening to two new worship groups that we have signed to Kingsway, the Rend Collective Experiment and The City Harmonic. Both of these talented worship groups are giving us a taste of the future of what congregational singing looks like. In addition, I just bought R.E.M.'s new album, *Collapse Into Now*. In my college years, this was the band—I had to buy it. Great stuff.

**CHANGE:** For us at David C. Cook, there was period of time where we simply needed to stabilize our ministry from a business standpoint. That was a very difficult time and one I would rather not repeat. We now find ourselves in a place where “investment in the future” is the key mantra for our organization. Given the turbulent times that all of us as content providers experienced over the last couple of years, I am blessed and thrilled that our executive management team, along with the full support of our board of directors, made decisions to look at this time as one of opportunity and one in which we need to invest in the future. So the biggest change in our business this past year has been one of not cutting back, but investment, ensuring that we have the funding and support necessary to carry out that strategy for the long-term benefit of our ministry. Our board has been very supportive and has chosen to invest substantial amounts of money to ensure that the ministry that we have been called to remains relevant and effective for years to come.

**ROLE:** As my responsibility is over all of marketing and sales for all of David C. Cook, I am involved from messaging in fund-raising for our global mission programs to the overall brand of David C. Cook across all of our strategic ministry units (books, curriculum, distribution, Kingsway Music and global mission), setting sales and business strategies for all of our content, which now has vital digital implications, plus exploring new business models for expanding our ministry across all of our content platforms. While the early '90s saw the boom of Christian resources through physical product distribution, I believe the Web 2.0+ era that we are just tiptoeing in, promises to be full of opportunity for organizations that embrace the accessibility of content on a global scale.

**LEADERSHIP:** There are many organizations within our landscape that are doing some great things, however, I believe all of us are really testing everything because no one knows for sure what the path to success in the digital arena looks like. Early on, I think many of us jumped in and acted too quickly, signing agreements with content resellers that are not good for the consumer, the reseller nor the content creator (author/artist) and the content provider (book publisher or music label). I know many of my peers are regretting they signed certain agreements. At the same time, there is a difference in innovation for innovation's sake and innovation for new business models.

**DIFFERENTIATION:** This is probably the multimillion-dollar question. As I was meeting with our sales force in Chicago recently, this was the question that everybody wanted clear direction to. I don't know that there is a simple answer and I don't pretend to have an answer. What I do know is that competing for online mindshare in the mind of a consumer for books or music is a battle lined with peril, yet Christian retail needs to be there. I just am not sure that should be the cornerstone. Amazon, iTunes and B&N.com, just to name a few, have a tremendous head start. I really believe the strength that Christian stores need to leverage is the passion, “the reason why they got into business in the first place,” and their ability to act “small” are things that the big box online resellers will not be able to replicate. Obviously, Christian retail stores need to be price competitive and should offer the best selection, but nobody should be able to outserve, or out-customer-service the local Christian reseller. It should be part of the DNA. They got into ministry/business because they genuinely are concerned about people (Matt. 28:19-20). Online resellers don't care about that. If we really believe that verse, to the point where we put that to action and that is the mission, I believe there will be a bright future for Christian retail.

**HABITS:** Obviously, I have to be in tune with this. I have the Sony eReader, I have the nook, I have the Kindle, I have the iPad, and I have several iPods/iPhones. At the end of the day, for music, my desire would be to purchase LPs with digital rights attached and a system that the LP could be converted digitally easily. I miss the music with the great cover art and the information about the artists who played on each track. I miss the physical product and having it on display. However, you can't beat the convenience of being able to get music instantaneously when you hear a song. You can't beat being able to share music in your home conveniently with “home sharing.” So, today, I buy most of my music online. The convenience of the overall delivery system is tough to beat. For books, I have bought digital copies and they are convenient for travel, but at the end of the day, I like the physical copy. I like to underline. I like to write. I like to dog-ear my pages. I love the look of a library from just an aesthetic point of view. So for me, I find myself buying multiple copies of books. I buy a digital copy for convenience, but if I really like the book and want to read it again or find myself wanting to underline it, I also buy the physical copy. Interestingly though, for me, I buy digitally first. It is quicker, it is easier and it is cheaper. However, if the book is worth it, I buy the book from a bookstore, not online.

**PAUL FRANKLYN**  
Director of Bibles, reference and e-publishing, Abingdon Press

**READING:** I'm reading a manuscript by Mike Slaughter for a forthcoming book



called *Hijacked*. It is about how secular politics are polarized inside congregations and are distracting many churches from the mission of making followers of Jesus. I also read Scot McKnight's blog, Jesus Creed, and he, too, is concerned that evangelicals have reached a point where they cannot talk to each other, as evidenced in the controversy about God's love and God's wrath that ensued from Rob Bell's book.

**CHANGE:** We have been hiring even as the industry shrinks because we are focusing our resources on new things that are working, even in the face of decline over the projects that no longer work.

**ROLE:** My career in publishing over 28 years has been devoted to new business development, first for three years at Nelson and since then at Abingdon and now with launching the Common English Bible. Starting new business—and most recently directing a new Bible translation—is so satisfying that I thank God most days for the work of publishing important ideas and handling sacred words.

**LEADERSHIP:** I'm impressed with Baker as a publisher and CBD as a retailer.

**DIFFERENTIATION:** Serve congregations by selling products that the online stores and secular chains don't want to pursue, including curriculum, supplies and Bibles. Bibles are not so easy to sell online because most of them need to be touched while browsing for gifts.

**HABITS:** All of publishing workflow is digital now, with the exception of pressing the button on the digital printing press and then waiting for the truck at the warehouse. I spend my entire workday on a screen, even with the iPad in meetings. I don't carry paper reports or documents. So I read books for self-enrichment or personal study on the Kindle and iPad. I prepare and present Sunday school lessons for a lectionary Bible study group with the iPad. I've been doing biblical research on screen for more than 15 years, having started the digital publishing enterprise where I work. I do believe that print books and Bibles will coexist with digital editions, especially when I talk to 20-year-olds who seem to want both-and, not either-or. The obvious challenge is getting customers to pay for digital, which is intangible.

### DEB GRAHAM

Co-manager, Prestonwood Bookstore, Prestonwood Baptist Church, Plano, Texas

**READING:** I am reading Liz Curtis Higgs' new fiction release, *Mine is the Night*.

**CHANGE:** We are streamlining our inventory and doing an extensive inventory

audit.

**ROLE:** I am positioning myself to hand off projects and jobs which others can handle. This frees me up to plan and put more time into buying.



**LEADERSHIP:** I do not see a notable change across the board. I find more duplicate product offers than ever before. As for leadership in the products industry, it is a very mixed bag.

**DIFFERENTIATION:** Carrying as many unique Christian gifts and turning inventory is the key to standing out today.

**HABITS:** My own habits have not changed very much. I use new technology to aid in my personal and work business practices, but I still prefer to hold a “real” book. As for music, I am not a big listener, so my practices have not changed.



### BRIAN HILL

Co-owner, Lighthouse Christian Supply, Dublin, Calif.

**READING:** I have been reading Frank Viola a lot because I've been feeling like something is missing in the typical church and am intrigued by his thoughts on home churches and the idea of getting back to what the church was in the New Testament. Also, Rob Bell's *Love Wins*, because I've read his other books and (because of) the controversy around this one. Agree or disagree, it is always nice when a book comes along that challenges the norm and makes you really think about what you believe and why.

**CHANGE:** We have simplified our mission to, “Your spiritual success is our mission.” And because of that, we have begun offering more events such as Bible Seminars, a Prayer Wall for people to leave prayer requests, the Gospel Challenge to get them reading the Bible. We are starting an every-other-week Friday night worship in a couple of weeks that will be a low-key, relaxed, hang out, share, pray and worship time, and just other events that are fun. These are an attempt to bring people together. We are really trying to build a sense of community with our customers and to have them feel that Lighthouse is a faith community for them instead of simply a business.

**ROLE:** In spite of the greatest financial struggles we have seen in our 23 years in business, I am enjoying my job more because of the sense of community we are building. I'm no longer simply selling books that can change lives, but I believe we are offering opportunities where lives can be changed right here in our store.

**LEADERSHIP:** I'm not sure that I do. We seem to be so far behind the mainstream as evidenced by CBA's continued lack of any ▶



# INDUSTRY QUESTIONS

kind of e-book strategy. Someone needs to find a vision for the future of Christian retail. As hundreds of stores close every year, I don't think we can keep chanting the same mantra of: "Customer service and selection will enable you to survive." It's going to take more than that if Christian retail is going to be around in five years.

**DIFFERENTIATION:** The events and community building is what we have settled on as a way to differentiate ourselves. Everyone has our top products, and most of the time they have them cheaper than we can even buy them from the publishers, so price matching is impossible and not worth it. We can't compete as a bookstore or music store anymore. Sure, we can offer backlist that Barnes & Noble doesn't carry, but Amazon does, and it's only two days away and the customer knows it will get there. Whereas if they drive to our store it might be in and it might not, and even though we can get it in two days, that means another trip to the store for them, which is time and money. So I'm afraid that as a business, we have lost any edge we ever had. That is why we are trying to define ourselves as more than a business. We want to be a place they enjoy coming, a place they can meet other Christians and build connections and friendships, a place they can come and grow closer to God. We want to become a family. If we can do that, I'm not sure if the business still holds up or not, but I know we will be doing what God wants and I'll let Him handle the rest.

**HABITS:** Unless I buy music from Light-house, I buy it from iTunes. For music and the way I listen to music, I don't need or want the physical CD. All I'm going to do is load it on my computer and then store the CD in a box. I can plug my iPod into my car stereo and my home stereo, so it is much more convenient.

As for books, I have yet to get an e-reader and really don't want one. When I'm at home, I want to hold a book. I want to dog-ear the pages and underline sentences and enjoy the book. If I traveled more, I could see the advantage, but I'm a paper guy. Plus this summer if I want to sit out by my pool and read, I know I'll be able to read my paper in the direct sunlight, and if I drop it in the pool, I won't be too upset.



**JERRY B. JENKINS**  
Author and owner,  
Christian Writers Guild

**READING:** I've just finished the two kids-who've-been-to-heaven books to keep up with what's hot. Currently reading Rob Bell's controversial book, same reason. And I'm also reading *History of a Suicide* by Jill Bialosky and *A Widow's Story* by Joyce Carol Oates, based on reviews of each.

**CHANGE:** At the Christian Writers Guild, we're conceding that social media is

here to stay and the way to reach a younger audience, too, so we're immersed.

**ROLE:** I see myself in my last quarter of adulthood and productivity and am majoring on the majors as never before.

**LEADERSHIP:** The new Worthy Publishing and Summerside/Guideposts are both going against conventional thinking to succeed.

**DIFFERENTIATION:** It starts and ends with customer service—becoming personally involved with consumers and ministries.

**HABITS:** I hardly buy a book anymore if it's not available in e-format, and as an author, that's a huge statement.



**ANDY LE PEAU**  
Editorial director,  
InterVarsity Press

**READING:** I just finished *Merchants of Culture* by John Thompson. While Thompson focuses on the big trade houses, his analysis will offer helpful insights for a variety of people in the industry, including authors and booksellers as well as those who are in small- and medium-sized publishers, academic and niche houses, those who work with agents and those who don't, and more. The virtues of Thompson's book include his up-to-date statistics and his ability to get key players to speak frankly (though anonymously) about how publishing actually works. In addition, the book is valuable because it offers a somewhat longer view rather than being so intensely focused on what's happening this month.

**CHANGE:** We are continuing to put increasing emphasis on social media to get the word out about our books.

**ROLE:** Someone wisely told me that just because it's a cliché doesn't mean it's not true. The cliché that is true for me is that I enjoy working with the people—both my colleagues at IVP and the authors we work with. They are as creative, stimulating, hard working and humor-filled a group as I could ever hope to be associated with.

**LEADERSHIP:** Well, it's not surprising that I'm most familiar with what IVP is doing. One example: Paul Metzger's *The Gospel of John: When Love Comes to Town* is not like anything you've seen before. It's not a set of sermons or even a commentary. As Fred Sanders at Biola University says, "Metzger's take on John, as the initial offering in the Resonate series, is a genre-defying performance that provokes, interrogates and ponders, and invites the reader to join in the process."

**DIFFERENTIATION:** Knowing their customers personally and meeting/anticipating

their needs. Stores can still offer the personal touch, can still initiate events and services like organizing reading groups or creating a comfortable gathering place. Offering such services that aren't found in other ways can make them unique in the marketplace.

**HABITS:** Digital is much broader than iTunes and e-books, so I find myself enjoying Pandora and accessing articles and reference material online. But when I want to seriously engage a book, print is my preferred medium. And if I want to give a gift, it's hard to think of giving an e-book or an iTunes download. Those just don't have the same meaning or personal significance that is carried with a physical CD or a print book.



**RANDY MARICLE**  
Sales and marketing  
manager, The Parable  
Group

**READING:** I am reading *Simple Blessings* by Michael W. Smith. I have been a fan of his music and have really enjoyed the new book. I am also reading *Lead Like Jesus* by Ken Blanchard. I enjoy learning from some of the great Christ-centered leaders.

**CHANGE:** At Parable, there are two major changes we have made in the last year. The first change we made is to have an intentional focus on operational issues within our stores. With sales as tough as ever, keeping expenses in line will increase their profitability. This change has positively affected gross margin in our stores. In this environment you must work both hard and smart. The second change we have made at Parable is developing a variety of new digital marketing strategies for our stores and vendors. This is where the consumer is headed more and more each year, and we must go there to stay relevant and competitive.

**ROLE:** I enjoy my role with Parable for a lot of reasons. The biggest reason is that I get to play a small part in affecting lives for Christ in local communities across the country.

**INNOVATION:** In the same way that we at Parable know that innovation and digital technology are extremely important, so do our vendors. And because we have a way to offer them ways to advertise their products with our new digital initiatives, we are developing stronger and smarter partnerships together to get these products into the hands of the consumers. We see innovative ideas all the time with our vendors. But the one thing the Christian products industry is missing, as a whole, is digital books. We saw huge strides with Symtio, and the industry desperately needs something to replace it.

**DIFFERENTIATION:** The key is quality frontliners. Product knowledge and cus-

tomers service will make all the difference. Creating a safe haven of Christ's love in CBA stores will give the consumer confidence to come to their local Christian store for the content that can and will impact their life.

**HABITS:** My personal buying habits have been changed. My wife, daughter and I still love to turn pages of physical books. However, we have become consumers of "songs" more than "music." All of our music is now digital, and instead of the stereo we used to have, we use MP3 players.



**ANDREA MULLINS**  
Publisher/director,  
New Hope Publishers

**READING:** I have been reading books sent out from Catalyst recently—evidently a good marketing technique.

**CHANGE:** The biggest change is working on a new Web site that will connect our authors with readers and retailers. This has been a yearlong project.

**ROLE:** I am challenged by our mission as a Great Commission publisher and seeing how we can use the growing number of digital/print options to extend the ministry and mission of our house and our authors.

**INNOVATION:** I am not sure about this. Everyone seems to be looking for ways to use technology. The apps for iPad that allow a reader to use a Bible study with DVD from the author are impressive. LifeWay's app for Beth Moore is significant. I am very excited about the new NewHopeDigital.com site as I believe it is unique from any trade publishing house site. We are using an online magazine approach to bring content from our authors through a monthly focus and featured columnists around a variety of important missional topics.

**DIFFERENTIATION:** There has to be a connection to what is happening in people's lives that only a Christian entity can understand. Be alert. Market via social media to bring people in around the most current news and events of the day. Daily contact with your community and relevance to their felt needs are what can have an impact.

**HABITS:** I do most of my shopping online, but like going into Barnes & Noble for the experience with my nook. I shop at the local Christian bookstores, but while I hear from B&N often via email, I only hear from local Christian retailers when they mail a catalog.



**JONATHAN NORI**  
Vice president/COO, Des-  
tiny Image Publishers

**READING/LISTENING:** I'm reading/listening to a wide range right now: Chris Brogan,

## INDUSTRY QUESTIONS

William Gibson, Cory Doctorow, Howard Schultz and Nilofar Merchant all present various views on what the “next” iteration of the future will look like—and how we’re going to get there. I believe that understanding “the future” is more important than understanding “the industry” right now because the fundamentals of buying and selling are undergoing a huge transformation, and having an understanding of what the end result may look like in five, 10, 15 or even 20 years can give insight into the changes we need to make today. Oh, and I’m listening to 30 Seconds to Mars and Daft Punk pretty much nonstop.

**CHANGE:** The biggest change we’ve made in the last year at Destiny Image has been structural. With a changing market comes the need to change how people work and the jobs they do. Destiny Image has been blessed for many years to have an incredible staff, and we’ve focused the last year on continuing that tradition.

**ROLE:** I enjoy watching disparate pieces come together to form a whole. In my role as chief operations officer, I see how each individual piece works and how they all combine to achieve an objective.

**INNOVATION:** “Christian” and “innovation” are two terms that in prior decades have not really gone together very well. However, the changing landscape of digital media has really helped to open the doors to a much wider base of creative people, from film and music to publishing and advertising and even political activism. These are all up for grabs at the moment. It’s too early to tell who the new leaders are going to be, I think, but some strong frontrunners are XPMedia, B&H, Crossway and, I like to think, Destiny Image.

**DIFFERENTIATION:** Christian stores have long been places that non-Christians don’t want to enter. That has to change. Christian stores need to be outreaches to their community, being active in community events and supporting a strong role in the local political landscape. I hate to use the Starbucks example, as it’s been beaten to death, but it is popular not because they have coffee (really, everyone has coffee), but because they’ve turned their stores into places where people want to hang out.

**HABITS:** Digital publishing has changed my consuming habits in ways I didn’t realize at first. Most of my music is now purchased after I’ve heard it (and sometimes even after it’s already entered my digital library). If I hear music I like, I’ll get the files from friends. If I like a few tracks, that’s what I then buy from iTunes or Amazon, as opposed to full albums. But I buy much more music than I did before. When physical media was the only way to music, I often just listened to the radio. Going to the music store was too much trouble. Now, between my smartphone, iPad and laptop, I have access to music in whatever form I want

anytime I want, and purchasing is easy. I buy more because it’s more accessible. I also find myself buying more music from independent artists; they’re easier to find now, and I can easily grab the newest tracks from a DJ in New York from little backwoods Shippensburg, Pa. Books I consume very differently. I still buy a lot of physical books. I also buy a lot of e-books. It has to do with convenience. I bought a copy of *Onward* at Starbucks because, well, it was there. I then bought the e-book, too, because the book was good, but I wanted to be able to quickly search out parts after I read it. Trade books I tend to buy twice. Comic books I still buy the old-fashioned way.



**DEBORAH RANEY**  
Author

**READING:** Just finished *Heaven is Real* (Todd Burpo with Lynn Vincent)

because 60 copies were given away at my aunt’s funeral last week and I was very interested in the content. Before that, I read *Yesterday’s Tomorrow*, an excellent debut novel by Catherine West. I read that one for endorsement at the publisher’s request, and because I like encouraging new authors.

**CHANGE:** My career is writing, but I’ve tried to bring in some extra income recently by adding editing to my repertoire.

**ROLE:** Because I feel I’m using the creative gifts God gave me in ways that bring glory to Him and encourage the body of Christ.

**INNOVATION:** For starters, I see it in the digital magazines *Christian Retailing* and other retailers’ publications are offering. I personally would be happy to receive only a digital version of such magazines. It’s more “green,” it’s right at my fingertips every day at my desk, (and) I like the embedded videos (though I would prefer they not play unless I click on them). If digital editions allow publishers to cut shipping/production costs, and that savings gets passed on to me, the consumer, so much the better.

Another place I see innovation—over the last three to four years—is the addition of book trailers for novels and nonfiction alike. Some of them are extremely well done, and I must say they have influenced my purchase of several books. But a bad—unprofessional—trailer is worse than no trailer at all.

**DIFFERENTIATION:** My favorite Christian bookstores are the ones who offer a place for people to gather—either a coffee shop, a reading corner, a room for book clubs or writers’ groups to meet. I also like stores that routinely bring in authors and musicians. I like this from both sides of the table. As an author it’s great to meet my readers, and as a reader, I love meeting authors I’ve enjoyed. Those things make the store more of a destination.

**HABITS:** I never thought I’d say it, but I now own a Kindle and the whole e-books phenomenon is growing on me. Especially as I get ready to fly out to a conference next week, it’s great to know that I have a whole library of books that fits in my carry-on. That said, I may be one of those readers who has to own both the paper book and the e-book. But for traveling, and to take in the car, or during wait times, the Kindle is great.

For what it’s worth, in my book club of 20 members, only three read on the Kindle. But only three borrow their book from a library or share with a friend. The rest buy their own copy of the book, which makes me—as a novelist—think book clubs are my best friend!



**CARLOS RODRIGUEZ**  
Director, Shoreline Café and Bookstore, Shoreline Church, Austin, Texas

**READING:** I read a lot and I usually have many books going at the same time. Rob Bell’s *Love Wins*—I love the outside-the-box thinking that challenges me at the core of my beliefs. I believe that his apologetic style helps me to love in an uncomfortable way. *The Athlete’s Guide to Yoga* by Sage Rountree is a book that I am skimming through for flexibility and strength-building for my active lifestyle. There are way more spiritual teaching principles than I anticipated with core strength, balance, breathing and flexibility exercises. I just finished *Fit for the King* by Dr. Laura Koke and *Moses Wasn’t Fat* by Tom Ciola. I am re-reading my *PADI Open Water Diver Manual* in preparation for a dive vacation trip that I will be taking with my family in July. I am also going through the “Habitudes” series by Tim Elmore with several people in my life for leadership development. I am about to start a book titled *Fearless Swimming for Triathletes*, as I will be racing in my first half iron at the end of this tri-season. I follow Michael Hyatt and Leadership Freak on Twitter in addition to our staff pastors at Shoreline.

**CHANGE:** We have made some tough decisions to no longer order books and music that are not being requested. We have discontinued business with a gift-company rep group and a gift supplier. The rep group did not stand behind its products for quality issues, and the overall wholesale cost was closer to a store retail price than a discounted price. We could not generate profit with the product selection and offerings. The gift company has raised prices more than any other company that I have worked with. I love their product and my wife has an entire half-wall collection. Unfortunately, they have high (costly) minimum-ordering requirements, no shipping incentives, tight regulations on keystone pricing, high annual order exclusions for the top tier offerings and a product that requires way too much merchandising time to offset the cost increases.

**ROLE:** I love the fact that I am in the business of re-sources. Whether I am making sermon audio CDs or sermon audio/video DVDs or purchasing gifts, books, Bibles or apparel, I realize that the items can help communicate hope. Jesus is our only hope. I love to participate in a way similar to a drop of water into a large body of water that has a ripple effect. I love sharing with my teams (bookstore and café) the love that the Father has expressed to me and continues to reveal to me. I want to love like Jesus and I believe that I get to tap into that by partaking in the passing of the information that the source has given us. Re-source points to the source. All good things come from the Source—our Lord and Savior.

**LEADERSHIP:** NOTW (Not Of This World)/Truth Soul Armor, Christian Art Gifts. I was interested in Syntio digital books, but we were unable to get their products in our store after last year’s The Gathering industry event. I called a couple of times to follow up and never was able to spend the time following up with them. I could not feel good moving forward with a company that did not respond to my inquiries, so everything worked out the way that it needed to.

**DIFFERENTIATION:** We need to take care of our customers. As a church bookstore, we have a congregation that regularly attends church for spiritual nourishment. We are in the business of stocking our stores with spiritual nourishment. We need teams that are as diverse as our churches. Each individual has been chosen to serve in our bookstores for such a time as this. We are also shopped by customers for such a time as this. I feel that it is important to look at each person who enters our stores as a divine appointment that was scheduled by the author of our lives. We need to staff our teams in such a way that we can pour into others in a way that shares the overflow that God is continually filling us with. The experience that each person has in our store has to be purposeful, meaningful and genuine.

**HABITS:** I have not yet purchased an e-reader or iPad. I would like to own one personally to better speak to this market. Unfortunately, we have not experienced any financial flexibility to invest in an e-reader or the cost associated with e-books. We do have a few iPods that we use for music. Our senior pastor referenced his love for his Kindle in a recent Sunday sermon, and I would love to be able to have the same experience. I love change, enhancements and the opportunity to improve efficiency.



**DAVID ROOKER**  
General manager, The Scroll Christian Bookstore, Tyler, Texas

**READING:** I’m reading Ross MacDonald’s *Archer at Large*, a detective novel written in the 1960s. Not exactly ▶



# INDUSTRY QUESTIONS

spiritual, but I love a good “whodunit,” and MacDonald is a surprisingly good writer.

On a more spiritual note, I’ve really been impressed with Timothy Keller’s writing; finally got around to reading *The Reason for God* and really enjoyed it. I also worked through Rob Bell’s *Love Wins* to see what all the ruckus was about.

**CHANGE:** I haven’t had enough time to make much change. We are most likely going to make some significant changes this year, though. I think we will be moving to a better location and sharing our site with some other Christian ministries (a retailer and a service organization). My hope is that together we’ll be able to create a synergy of services that will help all participants. I’d like to see some kind of “Christian Life Center” develop in the new location.

**ROLE:** Because it’s what I do best. I still love working with the public and meeting their needs. I enjoy helping them find those products that further their walk with Christ. I still love books, and still love talking about them. What’s not to love—other than being overworked, underpaid and watching sales take a nosedive for 10 years in a row?

**LEADERSHIP:** Don’t know that I see any. I know we’re all going to have to do things a lot differently in the future, if we’re going to have a future, but I haven’t really seen signs that anyone has figured out what that difference is. We’re all trying to be social with Facebook and Twitter and the like, and talking about digital issues, but for the most part we’re all still using the same formats and procedures.

**DIFFERENTIATION:** It is still true that even though many things are available at other brick-and-mortar stores, they don’t have the breadth and depth of inventory (even though we are all reducing that to a good degree as well). Internet vendors have the inventory and depth that we can’t begin to match, but fortunately there are still folk who like to buy local.

Really, the only thing we have going for us is relationships. Amazon is not going to pray with you or give you a free cup of coffee. Barnes & Noble is not likely to have anyone who can walk you through the difference in Bibles and help you pick the best one. I don’t think the impact of “experience” in shopping will change, and in this climate where our most important products have become commodities, people will shop our stores because they like coming. Whether that’s enough to sustain us remains to be seen.

**HABITS:** Not a great deal of change for myself. I have an ancient iPod that I use to listen to *The Great Gildersleeve* episodes on, and listen to music only sporadically. I’m too cheap or too poor, one of the two, to purchase a Kindle, although I find the concept fascinating. I do make online purchases, and spend much of my time using

the Internet, but as far as digital books and music go, I’m watching from the sidelines.



**MARK SCHOEPKE**  
Owner, Tree of Life Christian Outlets and Stores, Oregon and Washington

**READING:** Preparing for a retreat I’m leading in Illinois on forgiveness. Reading everything I can read, time permitting, on forgiveness.

**CHANGE:** The impact of e-books.

**ROLE:** Challenging times can bring you down on your knees and help you stay there.

**INNOVATION:** Digital books.

**DIFFERENTIATION:** Pray, pray and pray more. Make a list of the things you can improve on. Increase your gross profit. Share with your staff what’s happening in the industry and how it’s affecting the business. Cut costs as much as possible.

**HABITS:** When books are released in hardcover for \$25.99 and you can buy a digital copy for \$9.99, it isn’t a level playing field. Backlist books are being offered at \$5-\$8 when the retail prices are \$18.99-\$22.99. Once someone goes digital they stop buying printed books. Just ask my staff who have digital devices—and they can buy the printed books at wholesale. Our customers are coming in less often.



**THOM SCHULTZ**  
Chairman, Group Publishing

**READING:** I’m reading *American Grace* by Robert D. Putnam and David E. Campbell right now, to better understand what’s happening to the spiritual landscape in America.

**CHANGE:** We reorganized our teams to better align with our customers. Before, we were organized around our functions and products (such as curriculum, magazines, events.). Now we’re organized around our end users’ jobs and interests (such as children’s workers, youth workers). This has greatly helped us to better know and serve our customers.

**ROLE:** My current role, chairman of Group, allows me to focus on new strategic direction for the organization. It’s fun, fascinating and fulfilling to explore where we need to go to serve our partners in ministry.

**LEADERSHIP:** I can tell you where we’ve seen some very fresh innovation in our organization. That’s with our Lifetree Café initiative. It’s a syndicated network of locations throughout the country that offer a weekly community forum on wide-

ranging topics of life and faith. See [www.lifetreecafe.com](http://www.lifetreecafe.com). By the way, some of these Lifetree locations may be within Christian retailers’ stores.

**DIFFERENTIATION:** Service and product knowledge are key—especially when it comes to church resources. For instance, the stores that stock and know VBS primary and ancillary products are capturing the big sales in this market segment.

**HABITS:** When I need a book immediately, I download it. Otherwise I usually like the ability to physically interact with paper and ink, mark up pages, make notes, fold pages. And gifts of books and music work best in physical form.



**KEITH SCHWARTZ**  
President, Nicole Brayden Gifts & Divinity Boutique

**CHANGE:** We added a catalog for the Divinity line to make reordering easier for stores. We added a Web site for the company to make the product line more visible for stores and to make ordering and reordering easier. We created an entirely new secular product line. We started an email marketing campaign to more than 65,000 secular retailers promoting our new products. We added 135 new reps nationwide selling our products.

**ROLE:** I love the new product development. I get to work everyday with my product development team to create new and trendy items for the industry. We have consistently increased the quality of our artwork and product development to make us more meaningful and trendy for the stores.

**INNOVATION:** In my product development department. We are the company that brings unique and innovative products to the industry. Our new bath product was launched at LifeWay and is doing very well.

**DIFFERENTIATION:** The successful stores are focusing on gifts. They are expanding the areas where they can still provide a point of difference and diminishing the areas that they can no longer compete. They need to work hand in hand with local churches and continue to market to those core customers who support the store. Start to create affiliations with the bigger churches. Make yourself important to those churches that can support you—don’t wait for them to come to you. Get out and go to them. Start selling customers who can promote your store to a congregation. Offer a special program for church members.



**JIM SEYBERT**  
Author, consultant

**READING:** *The One Year Bible*—I do it every year. *Book Yourself Solid*:

I need to sharpen my lead-generating skills.

**CHANGE:** A dramatically different focus on proactive planning. The soft economy allowed me a lot more “free” time, and there was margin to do things less efficiently. Now that business is beginning to pick up, the luxury of lax planning is going away.

**ROLE:** It’s right in my sweet spot. And, at least for the present, the ability to coach people to focus on their own abilities is a talent managers are willing to support.

**INNOVATION:** The real innovators in any industry are nearly invisible. They’re doing things that the rest of us won’t see until we are right on top of them and the innovators are long gone. I’ll tip my hat to people and companies who have been successful at re-inventing themselves, taking an existing idea and twisting it into a new application. And another round of applause for individuals who have weathered the storms of layoffs, downsizing and restructuring and are now “doing their own thing” successfully. Folks like John Styll, who invented the term “CCM (contemporary Christian music),” headed up the Gospel Music Association and is now working behind the scenes to secure an Internet top-level domain for the music industry. Or like Wayne Hastings who had three great positions at Spring Arbor, Parable and Thomas Nelson and is now applying the experience he acquired toward helping a church in Franklin, Tenn., maximize its potential.

**DIFFERENTIATION:** Christian products aren’t everywhere. Some very popular Christian products are being sold in the general market, but the list is quite short compared to the hundreds of thousands of titles in print. I wonder what would happen if Christian stores stopped trying to be like all the other stores and looked for a truly unique market position. Retailers still have to serve and be convenient to shoppers, so the uniqueness couldn’t be anything that would alienate shoppers, but I just wonder what the result would be if local Christian stores didn’t look exactly like local secular stores with different stuff on the shelf.

**HABITS:** I have purchased one or two ink/paper books since December 2009, and at the same time have bought and read perhaps twice as much published content over similar periods of time. The ability to browse bookshelves when and wherever I want to means I can shop for something the minute I hear about it. And the ability to sample a book before buying, as on my Kindle and iBook, gives me much more confidence that I’ll not waste my money on a book that doesn’t live up to expectations. The sampling concept leads me to check out more titles because I can download five or

## INDUSTRY QUESTIONS

six books on related topics and buy all that make it through the sample reading.



### MITCHELL SOLAREK

President, Maximum Artist Management, and chairman, Gospel Music Association

**READING:** *Power Thoughts* by Joyce Meyer. I attended her conference with my client, Natalie Grant, who was singing at the event. Most of the time, I hang out in the green room or backstage, but this particular time I sat in a seat in the house. It was an incredible experience, and exactly where I needed to be. I took the book home and told everyone I knew to start reading it.

**CHANGE:** We have reduced the clients on our roster and are not working with many development artists. I personally have a real passion for developing talent, but I had to lead from a business perspective and reduce the workload on my staff. The other change is that we have taken on more gospel clients. Gospel has a ton of growth potential, and we want to be a part of that growth.

**ROLE:** No two days are alike. There is no place for boredom or getting complacent.

**DIFFERENTIATION:** Product knowledge and community are everything to me. I understand the convenience factor in going to one place for everything, but I personally enjoy going to smaller retailers that know their product, and I can find things I cannot find in a big box store. I enjoy building relationships with the sales staff that learn my taste, and will direct me to products I like based on our history. Christian retail needs to be the expert in Christian music and publishing. Reconnect with the artists and writers and get them back into your stores. Christian retail is where the artists and writers should be connecting with the consumers.

**HABITS:** I am completely old-fashioned when it comes to this. For my trade information, I rely on digital media. When it comes to personal reading, I have to be holding a hardback book. It is very hard for me to believe you will ever see my sitting by a pool reading something on a Kindle. However, at my desk, I am getting all of my "information" digitally. As far as music goes, I consume most of mine digitally.

e-books has opened new opportunities to re-read the fiction works of authors like Tolkien, Tolstoy, Willa Cather, Kipling, Wodehouse, Chesterton, George Elliot, Elizabeth Gaskell, H. Rider Haggard and others. These great authors are now available online free or at an enormous discount from printed books.

**CHANGE:** We have forged a wonderful relationship with the best filmmakers in Hollywood (the *Soul Surfer* producers) with the goal of bringing Thoenes novels to the screen. Very exciting! We have also written and published a serial contemporary e-book, *Icon*. We published one chapter per week for 20 weeks and garnered an enormous following. We have also published a 1st century e-book novel, *The First Stone*. We hope to have both these novels available in print very soon.

**ROLE:** Both *Icon* and *The First Stone* e-books have blown off the charts for Kindle e-book publishing. We are really enjoying our ability to accomplish great things for Jesus in this process. *Icon* has been consistently in the top 100 political thrillers on Kindle ever since its launch.

**INNOVATION:** The innovators in Christian publishing and Christian retail are catching the vision that we must combine the old ways with the new to reach the world for Christ. Retailers who are holding home and church book parties, bringing the best Christian products to the people, get high marks from us. Using our "A.D. Chronicles" audiobooks, they play a clip and sell two-dozen books. Several retailer friends have brought us to their book party customers through Skype.

**HABITS:** We really enjoy the new download technology, but there's nothing like up close and personal. That's why we love participating in the retailers' home book parties. We are still able to touch lives one on one. The fields are ripe unto harvest: Christian retailers are still on the front line!



### PAT WALTER

Manager, Connections Bookstore, Woodmen Valley Chapel, Colorado Springs, Colo.

**READING:** Just finished *Rooms* by James Rubart, which was excellent. Reading *Love Wins*, to be educated on the debate. Reading an advanced copy of *More Than Ordinary* by Doug Sherman, which is really speaking to me.

**CHANGE:** I think just trying to freshen up the look and offering some new products and niches. Our café started serving sandwiches, we created a new apparel wall, and we have a Free Trade boutique we have developed within the store.

**ROLE:** I have always felt called to this role with experiences, skills and education

that fit the role well. I love being close to God in this way and allowing Him to work through me in reaching out to others who may be struggling in one way or another.

**INNOVATION:** I think it will eventually spill out as we learn to use the technology more efficiently. In the long run, I think we will all see the benefits of technology and build more solid business strategies around that.

**DIFFERENTIATION:** We are unique in that we are brothers and sisters in Christ and can effectively minister to those coming through our doors. If people processed where their money was going, they would realize so much more benefit to the kingdom by utilizing Christian channels rather than secular. Free your conscience from supporting the secular marketplace that so effectively makes sinful products readily accessible.

**HABITS:** I certainly consume digital content, but I do favor the real thing still for most of my purchases. I just don't see a practical need yet to have everything digital, especially in books. But I am a hands-on person. I want my music digital and movies digital, but don't want books that way. Too impersonal.



### TODD WHITAKER

Vice president, New Life Christian Stores, Lynchburg, Va.

**READING:** Sam Battenman, Joel Rosenberg and Ted Dekker are some recent authors I have gotten into just for the sake of their surprises and twists that somewhat remind me of the style of writing of John Grisham. Francesca Battistelli, *The Letter Black*, and *Flyleaf* are all interesting to me because I look for something different in female voices and these three definitely are unique.

**CHANGE:** High concentration on laser engraving. Traditional products are either declining or are available at many of our competitors. Our laser service and custom jewelry service are setting us apart from the other local retailers.

**ROLE:** As a store manager, I am getting involved in so many different aspects of the industry and can make many contacts for the various services that we may need. Every day is different and you never know what is going to come along or what changes may be occurring in the industry. As frustrating as it may be, it's fun to try to keep up with it all.

**INNOVATION:** P. Graham Dunn and Integra Interactive are doing so many different things that weren't available just a couple of years ago. Technology innovations are helping us compete with the big box stores.

**DIFFERENTIATION:** It's all about service—go out of your way, even if it takes an hour to find an item at a distributor.

**HABITS:** I haven't personally done much with digital music and books, but I know that it seems to be where everything is going. It's very convenient, but it is also the demise of a lot of physical products in our store. The music department has virtually become a computer in a corner instead of 1,000 square feet of floor displays, flip bins and wall racks. I'm afraid the books are headed that way, too. I'm a bit behind the times, but I may be forced into it soon.



### DAVID A.R. WHITE

Co-founder, Pure Flix Entertainment

**LISTENING:** David Crowder and Chris Tomlin are two of the artists that I enjoy, no matter the circumstance or what I am dealing with, their music can lead my heart to worship whenever I listen to them.

**CHANGE:** Pure Flix has been expanding to global distribution. We have been adding national film releases (*What if... Jerusalem Countdown*, *Christmas With a Capital C*) in addition to our DVD library. We are also seeing the interest in church ministry/movie night expand. It's exciting to see how people are responding to the films everywhere.

**ROLE:** I find it rewarding to create film projects with content that inspires the human spirit. I am privileged to work with amazing people with the same spiritual desire/goals and witness how the Lord uses our films to touch people. It's very humbling to be part of these projects.

**LEADERSHIP:** I see it in producers being bold enough and strong enough in their faith to not waiver from the truth of the gospel, and not worry about approval from Hollywood. Pure Flix stands by our commitment to God and not letting the industry standards determine our focus.

**DIFFERENTIATION:** I believe some of the major factors include the store's knowledge of their product and their personal relationships with the consumers. A Christian store can offer an element of fellowship to their service, and as a consumer, I feel I am supporting the goal of the kingdom. As far as buying online, there is only so much that the digital world can offer.

**HABITS:** I purchase a large quantity of music online for my iPod/iPhone. With my time limitations, I find it's a quick way to purchase what I am looking for with regard to entertainment. I also find it gives me more options with easy information, but it can also create awareness on products I may not know I need. My wife has reminded me she wants the Kindle.



### BODIE & BROCK THOENE

Authors

**READING:** We continue to read books by those authors who bring a deep message to their books. Most of our favorite authors are writers of an older generation. The world of