

THE MINISTRY OF RETAIL

by Susan E. Richardson

THE CROWD had just begun to gather for the next performance of the church's Christmas program when she entered the store. She seemed upset, though careful questions elicited only indirect answers and nervous glances at her two children until she persuaded them to go look at books in the children's area. Then she shared only the barest facts: her marriage was already in trouble before she did something "stupid" that didn't help.

She did not know that the church had two pastoral counselors on staff, nor did she know where to find a Christian counselor in the community. She was looking for help and she came to the store to find it.

Mindful of the children still close by, I pulled a book off the shelf and told her I didn't want to put her on the spot, but was this the issue she was dealing with? The book was *Torn Asunder*, an excellent title dealing with recovering from an affair. Her eyes filled with tears as she nodded.

We talked for a few minutes, and I gave her contact information for church staff and a Christian counseling center. Then I asked if I could pray for her. When she said "yes," I put my arm around her and

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asked the Lord to uphold and comfort her through this difficult time.

This is the ministry of Christian retail. From the business side of things, the store sold a book that night. From the ministry perspective, something far more profound happened as the Lord took the physical facility, the inventory, and the staff and used them to touch His hurting child.

A growing number of churches have a bookstore as part of their ministry. Reaching the place where ministry can happen in this way requires you to lay a careful foundation through defining your overall mission, store design, product selection, and staff training. You must do the business of retail correctly so the ministry can happen. Getting the balance between business and ministry is not easy, but when it happens, then the store becomes a place of ministry.

Only a small percentage of active Christians ever visit a Christian bookstore. Having a store at the church can encourage members to buy materials

that will grow their discipleship. You can stock books for small group study or classes. Convenience for parishioners and incentive to invest in religious materials are good motivation, but is that enough?

Let's go back to the story. What if your store only offers the resources used for classes and maybe a half dozen favorite titles from each minister. How would the story end differently? Staff could still offer contact information for a pastor or a Christian counseling center, but this leaves the customer having to make another painful attempt to find help. Staff could offer to special order a title, but this leaves the customer having to make another trip and wait for help. With a full service store, I was able to place the right book in the customer's hands immediately.

You may have limited space, but a full service store is still possible. The first step for your store's foundation is to create a mission statement. You need a short paragraph that clearly communicates your church's goal for a campus

store and defines its ministry. As you move through the process, coming back to this statement will help you make good choices. It will also help you with the legal challenges a church faces when starting a store.

Ministry is even more important in a church bookstore because it is an extension of the church's overall ministry. How broad a reach do you want the store to have? Will the store only serve your church or do you want to be a resource for the surrounding community, too? You also need to be sure that your mission has the support of church leadership, from the ministerial staff through the deacons and/or elders. A mission statement is a good way to do so.

Looking at demographics is a good next step in defining your store's ministry. When you look at who is part of your church and community, you will have a better idea of the types of materials that will meet their needs. For example, if you have a large children's ministry, include a children's section where you offer Bible story books, devotionals, and fiction. Do not forget board books for your babies and picture books for the preschoolers.

So what about your space? You need a visible location, somewhere that is easy for people to find. The closer to the worship center, the more likely it is that people will come in. You need a big enough space for large crowds on service days and you will need extra registers for busy times. If you are going to be open weekdays, get used to your store having a split personality. Everything will be completely different during the week compared to services or special events.

As you choose your location, consider another issue. Most vendors will ask if you have an exterior entrance and outside sign. If you do not, they will likely deny you an account. Going back to your store's ministry, these are important if you want to reach beyond your church into your community. Make the

best choice possible from the available space in your church.

LEGAL ISSUES

Before you move too deeply into the process of planning your store, you need to consult an attorney to be sure a store will not jeopardize the church's non-profit status. The issues involved provide several challenges because many of the areas you need to be careful of—having an exterior sign and entrance, doing advertising, and having paid staff—are the same ones publishing companies require you to do so you can have an account. Careful planning and attention to this detail will prevent problems with taxes later.

OTHER BEGINNING ISSUES

You will need a tax or business license, as you will be collecting and reporting sales tax like any other business. To set up vendor accounts, you will need your license number, so you need to get it early. Not only will vendors require a business license, your license will allow you to purchase from them tax-free as a reseller.

A good resource for information is the Christian Booksellers Association. Their Web site is www.cbaonline.org. Depending on the size for your store, you may want to become a member after you open. They offer both full retail membership and associate membership specifically for church and college bookstores, and prospective retail membership is an initial option. You can purchase a variety of resources from them to help you along your way,

whether or not you become a member. *The Supplier's Directory* will help you find sources for product, and you may want to subscribe to *Aspiring Retail*, CBA's official journal.

You will need to consider other issues before you move further into the process. How will you handle discounting? Will you give ministers a discount? What about other staff and employees? When and how will you offer product on sale in your store?

Vendors still look at church bookstores with a certain amount of suspicion. Unfortunately, they have reason. Some churches have started stores to sell products at or barely above cost. For other retailers, this creates an unfair trade advantage and is a misuse of your non-profit status and the fact that you have outside income.

You can discount, but you need to do so along generally accepted retail lines. While every store is different, many do offer ministers a discount ranging from 10–20% on items purchased for personal use. Most stores offer their employees a similar level of discount on purchases, so extending a discount to other church staff would be acceptable.

You can follow other generally accepted retail practices for discounting. Vendors often give better discounts on new releases, which you can pass along through sale prices. You can sometimes purchase items from publishers on sale. You may be able to get a better discount when you buy a large quantity of a title to promote and pass the extra discount on to your customer.

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EVEN THE SMALLEST STORE WILL BENEFIT FROM BEING COMPUTERIZED. . . . PURCHASING A SYSTEM DESIGNED FOR CHRISTIAN RETAIL WILL PROVIDE DAY-TO-DAY BENEFITS.

MOVING AHEAD

Once you have some basics in place and have chosen your space, you are ready to begin work on layout and design. If you are building a new facility from scratch, then you will certainly want to include the store in the plans. You may have an architect who can design the store layout for you along with the other parts of the church. You can find design firms within the Christian industry that specialize in store layout and design. However you choose, you need to have a professional who can be sure you meet all applicable building codes. Ask if he or she has worked with church bookstores before, as some church store requirements are different from regular retail.

Several companies within the Christian industry specialize in store fixtures. A design firm will be able to supply fixtures for you, or you may want to investigate options on your own. You'll need to have fixture information as the architect does a layout so you can see the sizes available and be sure your store size and the fixtures work together. Do not forget to include card fixtures from a greeting card company if you plan to offer cards. Other vendors offer fixtures with their product that may display them better than a generic fixture. While you probably have not made your product selection yet, leave some space available for additions.

Getting fixtures takes from six to eight weeks. Once you have made your decisions and placed your order, you can move to the next level. You need to choose a computer system, set up accounts with vendors, and set up inter-

nal procedures for receiving and paying for products.

BUILDING ON THE FOUNDATION

Even the smallest store will benefit from being computerized. While you can use something general like Quickbooks POS (point of sale), purchasing a system designed for Christian retail will provide day-to-day benefits. Within the industry, you can choose between several suppliers including Bookstore Manager, IBID/IRT, Booklog, and Revelation Retail.

How to choose a POS system could be an article in itself, but look at these features:

- How extensive the database is
- How the general database connects to the in-store database
- How it handles stock orders
- How it handles special orders, mailing list options—including frequent buyer programs
- How the POS itself works, and how it handles accounting.

If you will be selling CDs or other materials your ministry creates, be sure the system will easily create barcode labels to make scanning them easy. With some systems you purchase a database separately. Be sure you get one for the Christian market so you have the materials you need available to you.

Vendor accounts can be challenging. Because some publishers are wary of church bookstores, they have requirements designed to weed out those who may not be operating according to normal retail standards. In addition to exte-

rior entrance and sign, these include having paid staff and regular hours of operation, and they vary from vendor to vendor. The challenge, as mentioned earlier, is the possible tax difficulties from these very issues. If you are opening a small store and do not expect large volume initially, you may be able to work solely through distributors, which are usually more lenient.

A distributor, such as Spring Arbor, Appalachian, or Anchor, is a company that carries products from many different publishers, allowing you to order several publishers' materials at one time. The problem is that you will not receive as much of a discount through a distributor as you will from the individual publishers; however, if you do not have as much sales volume, the ability to go to a single source outweighs the discount.

Since it is hard to know what the response to a store will be, you can begin by working with distributors and later add vendor accounts as your business grows, or you can start primarily with distributors and three or four large vendor accounts. In addition to added discounts, with individual vendor accounts you receive their new release catalogs, which help your manager stay up to date.



Whichever way you choose, you will need to have at least two distributor accounts. This gives you more than one source, should one company be out of a product. Within each distributor, you will also be able to choose the warehouses from which your product is shipped. If you are close to two warehouses, you can choose a primary and a secondary without losing delivery time, so you have four options from two distributors, giving you a much better chance of finding what you need in stock.

Once you have sources for your materials, you need to decide how you will handle receiving and paying for them. Your computer system will determine the receiving process long term, though you may not do initial orders through the computer because of timing. You still need to be sure you have a process where you check what you ordered against what the vendor sent. Mistakes do happen. Further, you will need to compare the packing slips to the invoice before payment.

How the church currently handles payment may resolve some of the payment issues. If you have a purchase order or check requisition procedure in place, you may simply adapt it to the store's account.

Consider having a separate account and checks in the store's name. Even when including an invoice number, companies can misapply or fail to apply checks when the church name is on the check and the store name on the account. Be sure that a separate account does not add any legal issues for your ministry.

While you are working on account issues, what about credit cards? Have you decided the forms of payment you will accept? You will need an opening amount of cash for your point of sale so you will have change, too. If you accept checks, will you invest in a check verification system? For credit cards, you will need a processor. Your POS vendor may



offer this service, or you can choose to work a separate vendor. Even if your POS system does not support credit card authorizations, you can get a separate machine to handle them.

BRINGING IT ALL TOGETHER

Now you are ready to put everything together. It is time to begin ordering the product itself. First, go back to your mission statement and the demographics you pulled together early in the process. From them you can begin deciding on the departments within the store and then the categories within each department. Once you have that information, you can begin filling each category with specific materials.

Departments are the biggest divisions. For most stores these are books, Bibles, music, children, and gifts. Some include church supplies. Your congregation and community, as well as your ministry, will determine what you carry.

Once you have the major departments, you need to decide on the categories within each department. This focuses your inventory further and organizes it so people can find what they need. Your categories should both describe the materials themselves and tell staff where to find them physically within the store. A typical list of categories for

books might include Christian living, family/parenting, marriage, men, women, fiction, devotionals, personal growth/grief, and gift books.

ECPA (Evangelical Christian Publishers Association) offers a list of standardized categories. Christian publishers give their products codes from this list. While it can provide you with a place to start, you can make your categories as specific or broad as you like to fit your particular store.

Once you have decided on your departments and categories, you will need to choose signs to help people locate them. If you are working with a design firm, they will help you with this step, too; otherwise, you will need to begin planning where your larger department signs will go and then your smaller category signs. For smaller categories, you may have two or three on one set of shelves, so you will need individual shelf-talkers for each shelf.

What about the specific products? There is no more daunting task than choosing the materials that will fill your shelves. You can check with the distributors for a start-up package based on best selling product throughout the industry. Be aware, however, that best sellers may include books that do not fit your church's theological perspectives. Still,

EVERYTHING YOU DO ON THE BUSINESS SIDE PROVIDES THE POTENTIAL FOR MINISTRY EVERY TIME SOMEONE WALKS THROUGH YOUR DOORS. THE BUSINESS OF RETAIL TRULY LEADS TO MINISTRY.

this option takes much of the work out of your initial orders.

The other way is to choose individually from each company's catalogs or order forms. You need some familiarity with Christian materials to do this effectively. Keep your categories in mind, as well as the amount of space you intend to devote to each one. Christian living and/or inspirational is normally the largest book category. These two,

whether you include them together or make them two separate categories, are currently the two best selling overall in the Christian industry. Fiction ranks third.

Bibles are key to a church's ministry, of course. You will want your largest section to be the translation your church uses. The pastor's choice of version usually guides members in their choice.

Still, unless your church endorses a single translation, you will need others to meet varying needs within your congregation. Children and youth need easier to read Bibles. A wide variety of other features, from cover design to study notes and devotionals, will appeal to different people.

The same process applies to other areas. Your church's music style will drive the styles you carry in your store. Church demographics will determine how much children's product you need. Simple preference will determine cards and gifts.

With the physical product on the way, you can fill in the last pieces. You will need to decide on policies and procedures for your store. How will you handle returns and exchanges? Requests for donations? You need a written manual for staff reference on all points.

You also need to decide on things like imprinting Bibles and gift wrap. If you want to offer personalized Bibles, you will need to purchase a Bible imprinter and foil. You can choose from several options on gift wrap, from the tradition-

al to creating gift baskets for customers. Do not forget bags for your merchandise in at least three different sizes. If you want personalized bags, you need to move this step much earlier in the process.


How you handle the final set-up will depend on many factors. If you receive your computer system long before product begins arriving, you can begin to enter your products as they come in. Separate and rebox them by category so they will be ready to shelf. If you are working with a distributor package, they will handle this for you.

If your physical space is ready as product begins arriving, you can check it in and shelf it as it arrives. This cuts down on the amount of materials you have to handle at one time. Otherwise, having it ready by category will make it easier when the time comes to put it out.

Once you have things in place, you may want to do a "soft opening" where you open only two or three days a week just to get things settled down. Then you can open full time with whatever hours you have decided on. Opening during a quieter season is wise if possible, to give staff time to learn the computers and products before putting them in a high demand situation.

FINALLY...

Remember the story from the first of this article? All of the decisions, all of the work that has gone into getting to the point of putting product on a shelf is about helping people. The need may be great, as this one was, or it may be smaller. Either way, your reason for being is ministry.

Everything you do on the business side provides the potential for ministry every time someone walks through your doors. Knowing that the Lord used you and all your work to help a fellow struggler makes it all worthwhile. The business of retail truly leads to ministry. 



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