In spite of some problems and difficulties, the Russian information market of professional CD-ROM products is developing actively. This paper describes and analyzes practical experience in distributing professional CD-ROM databases in the Russian market, and some of its characteristic features. Analysis has shown that among the main consumers of CD-ROM titles are: state institutions; information and scientific centers of ministries and departments; municipal bodies and establishments of large cities; administrations of free economic zones; universities; large libraries; and large private concerns that provide information services and consultations. The main criteria applied by professional Russian consumers to evaluating CD-ROMs are: quality and accuracy of the information; completeness of the information; frequency of updating the information; and cost of the CD-ROM databases. The features are determined by modern Russian legislation, the rules of financial regulation and the singularity of the economic situation. In particular, there are the following features: specificity of current information requirements of the end Russian consumers; specific requirements of the distributors of CD-ROM products; the substandard forms of payment for CD-ROM titles; and others. The analysis reveals some practical recommendations which should be taken into account in the planning of commercial policy. An account of these features will allow the producers and vendors of CD-ROM products to sell professional CD-ROM databases in the Russian market more successfully. (Author/AEF)
Some Features of the Distribution of Professional Databases on CD-ROM in the Russian Information Market

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Some features of the distribution of professional databases on CD-ROM in the Russian information market

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Abstract: In spite of some problems and difficulties, the Russian information market of professional CD-ROM products is developing actively. There is potentially a large capacity for the Russian information market. This paper describes and analyses practical experience in distributing professional CD-ROM databases in the Russian market, and some its characteristic features. The features are determined by modern Russian legislation, the rules of financial regulation and the singularity of the economic situation. In particular there are the following features: specificity of current information requirements of the end Russian consumers; specific requirements of the distributors of CD-ROM products; the substandard forms of payment for CD-ROM titles; and some other features. The analysis conducted has produced some practical recommendations which should be taken into account in the planning of commercial policy. The account of these features, in our opinion, will allow the producers and vendors of CD-ROM products to sell professional CD-ROM databases in the Russian market more successfully.

Keywords: Keywords: databases on CD-ROM, Russian market

1. Introduction

The features of the Russian information market, primarily the lack of reliable telecommunication networks, determine the long-term requirements for professional CD-ROM databases (Refs 1–2). Russian end-users of CD-ROM have a good technical basis for processing professional databases. Most large and average size state, municipal and commercial organisations have the means of playing CD-ROM in the form of 4-x or 6-x high-speed CD-ROM players from leading firms. Recently CD-NET servers have also begun to be distributed in the computer networks of Russian organisations.

The spectrum of information needs of the Russian consumer of professional CD-ROM databases is growing. Taking into account the potentially large capacity of the Russian information market and the increase of sales volume of CD-ROM databases produced by leading information firms it is possible to predict the future (Refs 3–4).

2. Main consumers of professional CD-ROM products and the sphere of their information interests

In Russia there is presently a wide spectrum of consumers and potential consumers of professional CD-ROM products. Analysis has shown that among the main consumers of CD-ROM titles are:

- state institutions (governmental and legislative bodies);
- information and scientific centres of ministries and departments;
- municipal bodies and establishments of large cities;
- administrations of free economic zones;
- universities;
- large libraries;
- large private concerns that provide information services and consultations.

The professional orientation of the main consumers defines the sphere of their information interests in relation to CD-ROM products. At present Russian consumers are expressing the most interest in CD-ROM databases in the following fields:

- economy and business (primarily, registers on firms);
3. Main criteria for the evaluation of CD-ROM titles by professional Russian consumers

The question of the evaluation of CD-ROM databases is now becoming significant. The professional approach to evaluation and choosing the necessary titles on CD-ROM has become widespread: chaotic and non-professional approaches are rare. The process of evaluating CD-ROM titles by professional Russian consumers involves a number of stages.

First of all, plenty of literature is analysed: for example, reference titles such as CD-ROM Directory, Gale Directory and so on; periodic titles such as CD-ROM Professional; and conference materials such as the Proceedings of the International Online Information Meeting. Then additional information is requested from firms: promotional materials, catalogues and so on. If the firm can send its title on CD-ROM for a 30-day free trial, so much the better. Such a form of interaction, in the opinion of Russian consumers, is the most effective. The main criteria applied by professional Russian consumers to evaluating CD-ROM titles are the following:

- quality and accuracy of the information. Unfortunately there are cases where CD-ROM databases contain inexact or out-of-date information;
- completeness of the information. Preference is given to the CD-ROM databases which contain worldwide information;
- frequency of updating the information. Many Russian consumers prefer information to be updated every month;
- cost of the CD-ROM databases. The market is analysed seriously and competitive prices of various firms are evaluated.

In short, all parameters are optimised and a balanced decision on the purchase of the CD-ROM title is accepted.

4. The official distributors

The correct choice of distributor for CD-ROM products is significant. In principle a foreign firm (producer or vendor of CD-ROM titles) can be a distributor: however, analysis has shown that Russian end-users of foreign CD-ROM titles prefer to subscribe through specialised Russian distributors. This is the most convenient from the point of view of the potential Russian consumers because of Russian legislation and the conditions of economic mutual relations.

This way allows end-users to interact effectively and quickly with the distributor in matters of delivery dates, price coordination and other questions concerning the subscription. Issues concerning the warranties of deliveries according to Russian legislation, and in Russian judicial and arbitration instances, can be settled. The Russian distributor can frequently carry out faster tutorial, technical and information support for the end-users. As a whole the Russian distributor is frequently more convenient for Russian end-users.

The Russian end-user can also pay the Russian distributor for the subscription in Russian roubles: it becomes the distributor's problem to convert the Russian roubles into dollars, pounds or any other necessary currency and to pay the producer or vendor of the CD-ROM products. With the background of Russian legislation, currency regulation and conditions of economic mutual relations this is frequently significant for the end-user.

The problem of fulfilment by the end-user of license restrictions for the use of the CD-ROM products is significant. In our opinion, the Russian distributor can supervise questions of the licensed use of CD-ROM titles more effectively.

5. Payment for the CD-ROM titles to the producers and vendors

There are a number of features in paying foreign producers and vendors for a subscription to a CD-ROM title. At present in Russia payment for deliveries of foreign products using credit cards is not widespread. The prevailing system is for payment in the form of bank transfers. This situation concerns small-sized sums. It is particularly characteristic of state and municipal organisations, and also for many business concerns.

This feature of the Russian market is necessary for invoicing for the CD-ROM databases or for sending out
the subscription forms. It is necessary for the producers and vendors of the CD-ROM products to be guided by bank transfers, so full bank details by which payment should be made should be specified on the invoices and the subscription forms.

The producers and vendors also have to pay attention to a current condition of Russian customs legislation and currency regulation: the payer for a subscription for an electronic title on CD-ROM can be only that firm or organisation named on the pro forma invoice. This frequently creates additional difficulties for the dealers of CD-ROM products.

Producers and vendors of CD-ROM titles should also take into account such features of the Russian market as the instability of financial conditions and the risk of quick insolvency faced by potential consumers of CD-ROM products. This can often happen to commercial companies in Russia, for example because of changes in tax and regulating legislation, and also through losses from commercial activity, bankruptcy and other reasons. The solvency of Russian state and municipal organisations can also change quickly. If the financial assets of such organisations are not spent in the determined term (for example, by the end of a fiscal year or quarter), they can be withdrawn in the state budget. This is connected to existing legislation regulating the activity of Russian state organisations. Therefore money which was originally intended for subscription to a CD-ROM title may be spent on other needs. This is also characteristic for training establishments and libraries.

Therefore, it is necessary to recommend that CD-ROM producers and vendors answer subscription requests from Russian consumers and distributors as quickly as possible. It is necessary to send the requested invoices and subscription forms promptly: on the other hand, it is recommended to set the payment terms at no less than 90 days because of possible delays in payment. This meets with the real conditions of the modern Russian economy, and the situation with the tax and regulating legislation.

6. Language barrier

One of the specific problems facing a wide circulation of foreign professional CD-ROM databases in Russia is the language barrier. Many Russian experts (potential end-users of CD-ROM) do not speak English and other foreign languages perfectly, so preference is given to CD-ROM databases in Russian. This is especially the situation in the field of economics and business. In science and training the situation is much more favourable: the number of scientific experts who speak English is much greater.

Hence firms now delivering CD-ROM products in Russian will have significant competitive advantages in the Russian market. A positive example here is the policy of firms which develop software: for example, in the Russian market there is a great demand for Russian versions of Windows, Microsoft Word and other software products.

Nevertheless, it is possible to see that the Russian situation in the sphere of studying the English language has recently began to improve considerably. The expansion of international contacts has resulted in a burst of interest in studying English. Therefore in the long-term the demand in the Russian market for CD-ROM databases in English will grow.

8. Delivery of CD-ROM products

In the Russian market significance is now being given to the discipline and method of delivery of CD-ROM products. End-users are most interested in faster and reliable reception of CD-ROM titles for which they have paid. Delays in delivery have a negative influence on the likely renewal of subscriptions.

The delivery of CD-ROM titles must be by fast and reliable mail. Russian end-users may frequently accept additional costs if they receive the information in good time. This situation is characteristic for CD-ROM databases in dynamically developing fields, in particular in the field of computer technologies.

7. Conclusion

Commercial distribution of professional CD-ROM databases in the Russian market is a complex process. For a successful commercial policy in the distribution of professional CD-ROM databases in the Russian market, producers and vendors must take into account the specific requests of the end-users of CD-ROM products. These requests are shaped by features of Russian legislation and the economic situation. Experience of distribution of CD-ROM databases in the Russian information market has shown an opportunity for an increase in the overall performance of CD-ROM sales if these features are taken into account. The analysis has shown sufficient serviceability and efficiency of these recommendations. Despite its problems, the Russian market for CD-ROM has good prospects.
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