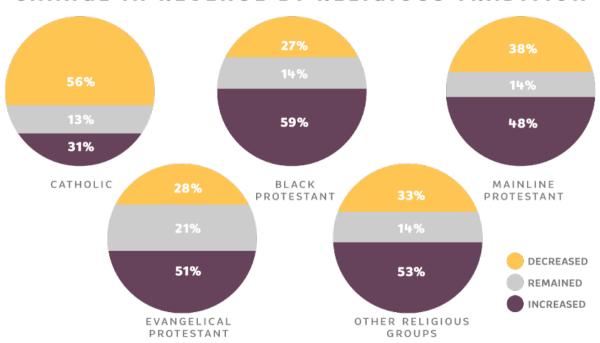
New study finds churches are growing and making money

by Dawn Araujo-Hawkins in the December 18, 2019 issue

## CHANGE IN REVENUE BY RELIGIOUS TRADITION



From the National Study of Congregations' Economic Practices

In one of its first <u>published reports</u>, the National Study of Congregations' Economic Practices counters a popular story line—that congregations in the US, as a whole, are shrinking.

After surveying more than 1,200 congregations from 2014 to 2017, NSCEP researchers found that, nationally, there are more congregations experiencing growth in attendance than there are ones experiencing decline. What is changing, however, is how those congregations generate revenue.

While the vast majority of congregations—81 percent—rely on individual contributions for revenue, the study found no correlation between growth in regular attendance and growth in income. In fact, one-third of the congregations that reported either growth or decline in one measure did not report a parallel change in the other.

While the study did not provide reasons for this lack of correlation, it did look at the other ways congregations generate revenue and suggested that all churches have the potential to increase their income even if they aren't increasing attendance. Alternative revenue generators included renting space and hosting special fundraisers like bake sales and spaghetti dinners.

Researchers also found that providing congregants with a variety of digital giving options had a positive effect on revenue. For example, 60 percent of congregations that allowed congregants to give via a smartphone app reported a growth in revenue, compared to 45 percent of congregations without an app. On average, a quarter of adults used a digital giving option at least once a year when one was available.

What the study found to be relatively ineffective were annual stewardship pledge campaigns. Congregations that held such campaigns (mostly Catholic and black Protestant churches) saw no more increase in revenue than those that did not hold them.

Funded by a Lilly Endowment grant, the NSCEP aims to provide a comprehensive look at congregational finances in the US. Additional reports from the group are expected in 2020.