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**Subsidizing Religious Participation through Groups:
A Model of the “Megachurch” Strategy for Growth**

By

Marc von der Ruhr

Joseph P. Daniels

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Marc von der Ruhr[♦]
St. Norbert College

Joseph P. Daniels
Department of Economics
Marquette University

Abstract:

Either despite or because of their non-traditional approach, megachurches have grown significantly in the United States since 1980. This paper models religious participation as an imperfect public good which, absent intervention, yields suboptimal participation by members from the church’s perspective. Megachurches address this problem by employing secular based group activities to subsidize religious participation in an effort to increase attendees’ religious investment. This strategy not only allows megachurches to attract and retain new members when many traditional churches are losing members, but also results in higher levels of individual satisfaction thereby allowing the megachurch to raise levels of commitment and faith practices. Data from the FACT2000 survey provide evidence that megachurches employ groups more extensively than other churches and this approach is consistent with a strategy to use the provision of groups to help subsidize individuals’ religious investment. Religious capital rises among members of megachurches relative to members of non-megachurches as a result of this strategy.

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[♦] Corresponding author
Email: marc.von-der-ruhr@snc.edu

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I. Introduction

The phenomenon known as “megachurches” (defined as Protestant churches having at least 2000 attendees per week) has garnered significant attention both in the popular media [see Cooper (2009), Shah (2008), and Woodfill (2009), for example] and among academics [Thumma (1996), Thumma, Travis, and Bird (2005)]. Studies of megachurches suggest that the churches are significantly different from more established, traditional, denominational churches in some important ways [see Thumma (1996), Thumma and Travis (2007) and Kaczorowski (1997) for detailed analysis]. Some megachurches deliberately work to attract new attendees by requiring little or no early involvement or commitment from them; there is no pressure to participate, contribute money, or volunteer time. Many megachurches take the appearance more of a mall or college campus than a traditional church. They are large, open in architecture, and often do not display crosses or other religious symbols even though they are rooted in Christianity. Last, group activities focused on both secular and religious activities often play an important role.

Though some conservative churches that maintain strict requirements for membership (e.g., Southern Baptists) are growing, many moderate or liberal churches are experiencing declining memberships. Finke and Stark (1992) and Iannaccone (1992, 1994) suggest religions that require personal sacrifice and are rooted in doctrinal content will flourish while those that do not will atrophy. Despite their non-traditional approach, however, megachurches have had large and significant growth in the U.S. since 1980. Thumma, Travis, and Bird (2005) document their success between 2000 and 2005, noting that megachurches have done very well in not only recruiting new members but also retaining them. The success of megachurches in this light is therefore worthy of study.

The growth and apparent success of megachurches raises many interesting questions that must be answered to better understand their success. Among these questions are first, how can a megachurch encourage increased participation, and second, whether they succeed in increasing a member’s religious capital? This paper first summarizes some of the key literature on megachurches and important characteristics

that may explain their success in attracting and retaining members. We then focus in particular on the use of small groups, often centered on secular activities, as a means for subsidizing the individual's participation at the megachurch thereby increasing the individual's investment into their religious capital associated with the megachurch. To facilitate our analysis, we employ a model of utility maximization allowing for both private and spillover benefits from participating in religious activities. With spillovers, the individual's optimal level of participation is below that which the church finds optimal. This provides a motivation for the church to subsidize participation. Providing small groups activities that package a religious participation (which could be prayer before and after the activity or even networking within the religious group) within a secular activity (say an exercise group) is but one means of subsidizing participation. Hence, the model explains megachurches' success (at least in part) as a function of its willingness to subsidize members' participation in religious activities through the use of groups which in turn increase members' religious investment. Finally, the paper examines survey data from Faith Communities Today 2000 (FACT2000) comparing megachurches and non-megachurches which provide support for these conclusions.

The remainder of the paper is organized as follows. Section II provides an overview of trends in the U.S. religious market as well as a general overview of the characteristics of megachurches. Section III presents our model to illustrate how megachurches might subsidize participation so as to successfully compete in the current religious market. Section IV examines the results of the FACT2000 survey and provides data on the use of group activities, the emotional attachment of participants, and the expected level of commitment. Section V provides a conclusion.

II. Megachurches and Religious Trends in the U.S.

Thumma and Travis (2007) estimate that there are 1,250 megachurches in a market of 335,000 congregations, and that approximately 100 new megachurches are established each year. Though megachurches themselves are not a new phenomenon, their recent and rapid growth is. The seeker-oriented megachurch (such as Saddleback in California and Willow Creek in Illinois) is often the one that comes to mind when megachurches are discussed. They have grown rapidly in the 1980s and 1990s, and are

focused on evangelizing those who may seek God. They attempt to appeal to those individuals previously turned off by organized religion, trying to connect with people who have abandoned or have remained outside of a traditional faith. They downplay denominational affiliation and traditional religious services. Instead, they rely on a modern look (e.g., a mall or college campus), have music driven by drums and electric guitars, and frequently employ media during a service. In order to better understand their success, we explore recent trends in the U.S. market for religious affiliation and characterize key features of megachurches as they grow in this market.

Market Characteristics

Churches active in the market for followers will not only compete with one another to gain members, but also with secular activities. Iannaccone (1992, 1994) makes the case that strict churches are most likely to experience growth while more liberal denominations will decline. He argues that participating in a religion is like a club good in that the utility an individual derives from participating is a function of, among other things, the degree others also participate. The public good aspect, however, of such an activity can engender free-riding. To minimize such behavior, a strict church employs strategies to only attract committed members and thereby minimize the free-riding problem. Consequently, strict churches will be successful while lax churches will atrophy.

Kosmin and Keysar (2006) study religious trends in the U.S. based on data gathered through their *American Religious Identification Survey*, conducted in 2001. They note that Americans are increasingly comfortable employing their rights as consumers of religion to switch between religions. In fact, they found that 33 million Americans (16% of the adult U.S. population) had changed their religious affiliation. Their study finds a polarization with regard to the winners and losers in the market for religion. On one end of the spectrum, groups demanding significant commitment are growing while on the other end of the spectrum many people are switching to “No Religion”, thereby leaving religion altogether. While both extremes are finding favor with U.S. adults, most low-commitment religions, or the middle, are not faring so well. These trends support the predictions of Iannaccone’s (1992, 1994) theory of the success of strict churches. He categorizes the more mainline or liberal denominations as least

distinctive or strict, which include Presbyterian, United Churches of Christ, and Methodist, whereas more distinctive or strict denominations include Born Again Fundamentalist, Pentacostal, and sects, such as Jehovah’s Witness and Seventh Day Adventist. Table 1 illustrates Kosmin and Keysar’s findings across religious groups and shows that the relatively strict denominations are among the growing while the least distinctive are in decline.

Table 1: Gains and Losses by Religious Group

Religious Group	Iannacone¹ (1994)	Campbell² (2000)	Smith³ (1990)	Change (%)
Evangelical/Born Again		S	F	42
Non-Denominational			M	37
No Religion				23
Pentacostal		S	F	16
Buddhist				12
Christian		S		11
Jehovah's Witness	F		F	11
Seventh Day Adventist	F	S	F	11
Muslim			F	8
Assemblies of God	F	S	F	7
Episcopalian/Anglican	L	M	M	5
Church of God		S	F	5
Mormon	F		F	0
Baptist	M/C	S	F	-1
Lutheran	M/C	S/M	M	-1
Presbyterian	L	M	M	-2
Churches of Christ	L	S	F	-2
Jewish			L	-4
Congregational/UCC	L		M	-6
Methodist	L	M	M	-7
Catholic	M		M	-9
Protestant				-14

1. F ≡ fundamentalist, Pentecostal and sects, C ≡ conservative and evangelical, M ≡ moderate mainline, L ≡ liberal mainline.

2. S ≡ strict denominations, M ≡ mainline Protestant

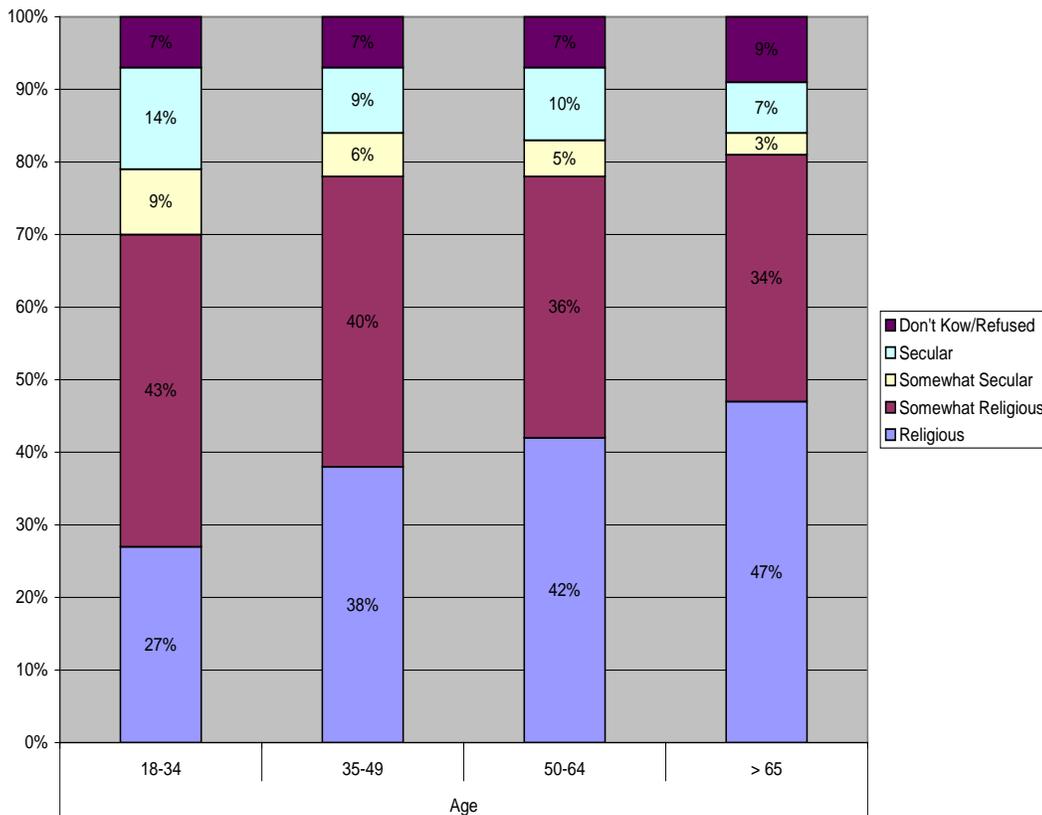
3. F ≡ fundamentalist, M ≡ moderate, L ≡ liberal.

Sources: Iannacone (1994), Campbell (2000), Smith (1990), and Kosmin and Keysar (2006)

In the same study, Kosmin and Keysar note that there is a significant group of adults that identify with a church but do not affiliate. They find that 81 percent of American adults identify with a religious group, but just over one-half live in households where somebody is currently a member of a church. Further, of those that claim an affiliation, 30 percent have no tie to a congregation. With regard to a religious market, these findings suggest that many of the national population are “religious refugees”, either affiliating with no religion or having weak ties to a church. Based on their previous affiliation, they have at least some form of religious capital (as in Iannaccone, 1990) and may serve as promising recruits to a church seeking to grow in numbers.

The distribution of those who characterize their religiosity across different age groups further shows that churches are more likely to have access to these religious refugees within younger age groups. Figure 1 summarizes self reported religiosity across age groups.

Figure 1: Religiosity Across Age Groups



Source: Kosmin and Keysar (2006)

Examining Figure 1, we see that there is a larger market for somewhat secular and secular individuals among 18-35 and 35-49 year olds. Karnes, *et. al* (2007) examine the spatial growth of megachurches and note that they not only target these age groups, but that these groups are associated with relatively high income earnings, impacting megachurches' ability to finance growth.

The religious marketplace has also changed in that churches previously were chosen first by their doctrine, and then by name and denomination. According to Kraczorowski (1997), churches are now primarily chosen by function and form. Strategies for church growth that succeeded when doctrine trumped function and form may be outdated as churches increasingly reach out to religious refugees in order to grow. Among these strategies, churches may invoke more secular culture into their religious message in order to attract new followers from the pool of religious refugees. It may be argued that churches are considering "pull" rather than "push" strategies. In other words, given increased secularization and willingness of individuals to part with the religious upbringing, churches need to compete in a market for followers, and they do so by "pulling" people in via efforts to personalize the spiritual quest rather than "push" via unquestioning adherence to dogma. To this end, Kaczorowski observes that the new church is not a dictator, but rather is a servant of the people.

Miller (2002) considers competitive strategies of growth-oriented religious organizations that impact our examination of megachurches. Despite Iannaccone's strictness theory and the empirical support in favor of it, Miller raises two issues that directly impact the focus of this paper. First, though strictness represents but one strategy to overcome the free riding problem, we still need to understand why "different religious organizations differ in their ability to extract commitments from individuals" (p.440). Second, Miller (p. 445) notes that the strictness theory "may conflict with the dynamic goal of increasing total organizational resources through growth in the number of participants." He adds that accommodating distinct preferences can engender high commitment. With this in mind, we next consider characteristics of megachurches before introducing a model to illustrate megachurches' strategy.

The Megachurch Business Model

Given the increased trend of religious switching, Thumma (1996) suggests that this is a particularly fertile period for seeker-oriented megachurches. The megachurch has an opportunity to employ a new strategy to expand its organization, specifically targeting the growing group of religious refugees.

In order to successfully draw in religious refugees, megachurches deliberately present themselves as distinct from traditional churches, signaling their new approach to a religious life. For example, they have a modern look and downplay the display of religious symbols. They accept new attendees without pressure to participate, contribute money, or volunteer time. They provide group activities, many of which are anchored in secular activities, in an effort to help assimilate new members and deepen their affiliation with the church.

These unconventional techniques are no accident. They are the result of, in many cases, polling people to better understand what potential and actual members want and accommodating those needs in church programming (Thumma and Travis, 2007). Since the megachurch's strategy to grow is based on reaching out to religious refugees, it maintains a deliberate flexibility to respond to the perceived needs of potential members. Thumma (1996) likewise notes that this approach can be seen not only in their institutional practices but also in their physical structures: both are designed to be flexible, anticipating adjustments that will allow for future growth. If we add to this the aforementioned minimal emphasis on denominational affiliation, megachurches can accommodate growth and change rather than resist it because of either physical or doctrinal constraints.

One important manifestation of their flexibility is the use of groups based in many popular secular interests (for example, a fitness group or sports team) as a way to engage new attendees. The idea being that, as new attendees participate in these church-sponsored activities, they add to their religious capital.

Operationally, the megachurch provides "seeker" services which allow new(er) attendees, often religious refugees, to visit the church's religious services without the expectation of participation. Over time newer members are invited to smaller group meetings, organized by themes that allow interaction with more devout members. These

groups are often based on secular interests, but offered through the church. The strategy also acts as a subsidy to individuals' participation by lowering the full cost of participation since the activity is based on something they would likely do outside of church. These groups become the conduit by which new attendees increasingly participate, thereby investing in their religious capital and deepening their association with the church. Later, there are "believer" services in which greater participation is expected. This process is clearly a different approach than that taken by traditional churches seeking to minimize free riding by requiring significant commitments by members throughout their association with the church.

Naturally, the strategy involves risk. It may be the case that new attendees do free ride, enjoying the services without becoming participatory members. Were this predominantly the case, the megachurch would not grow. The evidence, at least at first glance, suggests that the megachurch strategy is successful. Thumma, Travis, and Bird (2005) document trends of megachurch growth between 2000 and 2005 and find that the number of megachurches has nearly doubled in the last five years. Moreover, attendance at megachurches has grown while national trends in denominational affiliation have fallen. Consequently, megachurches are among the most successful churches today in attracting and retaining members, suggesting that they foster on-going commitment in their members [Thumma, Travis, and Bird (2005)].

III. Religious Consumption and Investment

Given the above discussion, we view a megachurch as a unique religious organization whose strategy is to capitalize on the increasingly competitive market for followers in a time of empowered religious consumers. Megachurches deliberately work to attract religious refugees allowing for the low-cost transfer of existing religious capital to the megachurch, and offer ways to encourage additional religious investment through their numerous group-based activities related to various religious and secular interests. These characteristics of megachurches provide our basis for examining their strategy and success. In particular, do megachurches experience increased commitment among their members by way of subsidizing their participation through the use of various group based activities?

A Simple Model of Optimal Religious Consumption

We begin with the utility of the individual and focus on both the private and non-private aspects of participating in religious activities, following Cornes and Sandler's (1996) model of an imperfect public good. In this model, individual j can consume two goods, a purely private and secular good, y , and the religious good, q . Purchases of good y at price P_y are converted directly into a private consumption good. The individual's "purchases" of q represent the individual's expenditure of their resource endowment in order to consume the religious good. This expenditure of resources takes the form of participation, tithing, prayer, volunteering, reading the bible, networking with other church members and so on. When an individual commits to a unit of q , they produce two goods; a purely private religious good, x^j , and a non-private religious good z , which benefits both the individual as well as other members of the church. Hence, z^j , has an externality which is assumed here to be positive. The individual also benefits from the investment of other church members through this positive externality. To simplify the analysis, we assume that this effect is additive across all J individuals and denoted as \tilde{z}^j , where

$$1. \quad \tilde{z}^j = \sum_{i, i \neq j}^J z^i$$

Individuals may also possess a stock of existing religious capital, q_0^j , acquired prior to the entry into the new church (thus, q_0^j represents the individual's stock of religious capital that existed at the end of the previous period). The portability of existing religious capital may play an important role in switching and the growth of megachurches, but this aspect is beyond the scope of this paper and so it plays a secondary role in the current analysis.

Based on these assumptions, we model the utility function of the individual as:

$$2. \quad U^j = U(y^j, x^j, z^j + \tilde{z}^j)$$

where

$$3. \quad x^j = \alpha(\lambda q_0^j + q^j)$$

$$4. \quad z^j = \beta(\lambda q_0^j + q^j)$$

$$5. \quad \tilde{z}^j = \sum_{i,j \neq j}^J z^i = \sum_{i,j \neq j}^j \beta(\lambda q_0^i + q^i)$$

The parameters α and β capture the rates that the existing stock of religious capital and new investment are transformed into the private and non-private religious goods, respectively. The parameter λ captures the portability of religious capital acquired at another institution or outside of the new church. In other words it reflects the quality or match of the existing religious capital to the new church. This parameter need not be the same across goods or individuals as is assumed here for simplicity. Note that the individual is not only concerned with the match of their existing religious capital with the new church, but also with the quality or match of other individuals' religious capital. Hence, the individual might want a certain "type" of individual to join the church. Again, these considerations are beyond the scope of this paper but present a possibly interesting avenue of additional research.

The individual faces a resource constraint given by:

$$6. \quad P_y y^j + C(q_0^j)q = I^j$$

Where P_y is the price of good y , $C(q_0^j)$, represents the cost of participation in the religious activity, with $C'(q_0^j) < 0$ and $C''(q_0^j) > 0$. Hence, as the stock of religious capital increases, it reduces the marginal cost of the next unit of religious participation, but with diminishing returns. We can see that the larger λ is, the more that past religious capital is maintained at the megachurch. I^j is the combination of money income and available time of the individual. For simplicity, we can refer to the right hand side of (6) as the resource endowment the individual has to apply towards the purchase of the secular good and participation in the religious activity. A separate time constraint could also be considered here but does not affect our general conclusions and so is omitted to keep the model straightforward.

The utility maximizing individual would invest into \hat{q}^j units of the religious product up to the point where the marginal benefit (utility) is equal to the marginal cost. This solution is denoted as:¹

$$7. \quad U_{\hat{q}}^j = C'(\hat{q}^j), \text{ or } U_{\hat{q}}^j - C'(\hat{q}^j) = 0$$

From the church's perspective, the value of the individual's investment of \hat{q}^j should reflect the total of the value of the marginal utility of the individual, which includes both the private benefit and the spillover benefit that other church members receive from the individual's investment. We denote this spillover as $V_{q^j}^i > 0$. By definition this spillover is not internalized when the individual decides on the optimal level of participation.

From the church's perspective, the optimal level of investment of individual j, q^j , is therefore:

$$8. \quad U_{q^j}^j + V_{q^j}^i - C'(q^j) = 0$$

Thus, the church would desire a higher level of religious participation and investment than would the individual due to the external benefit of an individual's participation.

Subsidizing Participation

The church could induce a higher level of participation by lowering the relative cost. This can be done by either lowering the cost, or subsidization, of q or increasing the cost of y . The latter could be accomplished by "penalizing" the individual for the consumption of the secular good y , and is consistent with a strategy of "strictness" to minimizing free riding. However, subsidizing participation and investment would represent a more realistic strategy to attract religious refugees. Hence, we shift the focus from increasing the price of the secular good to the church reducing the cost by subsidizing additional participation.

¹ For a complete solution of a model of impure public goods and the related comparative statics, the reader is referred to Cornes and Sandler (1996) pp. 290 through 299.

As mentioned in Section II, megachurches encourage participation by employing what otherwise would be a secular activity as the theme for a church-based group. Thus, in the context of our model, they accomplish two important outcomes. First, they lower the cost of participation by housing a religious activity in what would otherwise be a non-religious activity (e.g., a running group organized by members of a church that enjoy exercise). This serves as an immediate and direct way to increase participation.

Second, by accepting participation in a secular activity and bundling it within overall religious participation, as opposed to viewing secular activities as competing activities, they create a complementary relationship between secular interests and church group activities. The impact this has on the individual's private benefit and consequently her optimal decision making can be illustrated in our model as follows. To focus attention on this outcome, we simplify the analysis and omit the spillover effects mentioned previously by assuming that z^j and \bar{z} both equal zero.

We define the individual's utility as a function of the consumption of the secular good and the religious good:

$$9. \quad U^j = U(y^j, q^j),$$

with utility maximized subject to the constraint given in equation 6. This constrained maximization allows us to calculate comparative statics with regard to the exogenous variables. Of interest to us is the response of the optimal investment in the religious good to a change in the endowment of resources,

$$10. \quad \frac{\partial q^*}{\partial I} = \frac{(-C(q_0^j)u_{yy}) + (P_y u_{qy})}{|H|}$$

We note that u_{yy} is the second-order partial derivative of utility with respect to the private good (y) and is negative by assumption. Similarly, u_{qy} is the cross partial derivative of utility with respect to the religious and secular good. Its sign is either positive or negative, depending on the complementarity or substitutability of the private and religious good. Since, as mentioned above, many of the group activities provided by the

megachurches are housed in a secular activity we maintain that the megachurch has made the two goods complements in consumption (in contrast to many traditional churches which view them as substitutes). Finally, the denominator is positive by the second order condition. As a result, the comparative static carries a positive sign. This is important for the megachurch in that, by making the religious and secular goods complements as opposed to substitutes as “strict” churches do, they create the opportunity for attendees to increase their participation as their resource endowment grows. This outcome is compromised for churches that view religious and secular activities as substitutes.

In the context of our model, this strategy has a secondary effect in so far as increased participation in the religious activity in this period results in a higher level of religious capital next period. We assume that the cost of religious participation falls at a decreasing rate as the stock of religious capital existing in the previous period rises (i.e., $C'(q_o^j) < 0$ and $C''(q_o^j) > 0$). Consequently, the future cost of religious participation will fall as current participation and therefore the stock of religious capital rises, thereby encouraging additional religious participation in the future.

The emphasis on small groups united by a common interest (often, on its own a secular interest) is one way to accommodate distinct preferences and subsidizing a member’s investment in the church. Thumma and Travis (2007) state that Americans want choices, and the act of choosing creates commitment. The options provided by different groups at the megachurch allow members to interact with the church and its members on their own terms. This allows members to increase their participation, commitment, and religious capital, through a process whereby the megachurch shares in or subsidizes the investment via interest-specific groups. This then helps to reduce the cost of engaging in the religious activities for the member in the future.

IV. Empirical Analysis

Our portrayal of a typical megachurch strategy lends itself to two specific testable hypotheses. First, in an effort to subsidize participation, megachurches employ groups more than non-megachurches. Second, if indeed megachurches employ groups more than non-megachurches, then individuals invest more in their religious capital when they are members of a megachurch than a non-megachurch.

Given the fact that megachurches have only recently garnered significant attention among academics, empirical researchers have been hindered by a shortage of data. However, work was recently done to gather high quality data on megachurches through the Faith Communities Today 2000 (FACT2000) survey. The data are available through the Association of Religion Data archives, www.TheArda.com, and were collected by David Roozen.²

Since the FACT2000 survey plays an important role in our analysis, we briefly describe the survey before we evaluate the empirical results. The FACT2000 survey was the largest survey of congregations in the U.S. It also allows for the first systematic study of megachurches. FACT(2000) allows researchers to investigate a variety of congregational characteristics including their growth patterns, programming efforts, and congregational life. It measures 280 variables, and the responses represent 41 denominations and faith groups (approximately 90% of all U.S. congregations and faiths). Bird (2007) notes that the survey averaged over a 50% return rate, resulting in over 14,000 returned surveys.

Our data analysis consists of comparing the responses of megachurches to non-megachurches on a number of issues related to our hypotheses. To conduct the analysis, we first separate megachurches from non-megachurches. We apply the definition of megachurches being Protestant churches with weekly attendance of 2000 or more. FACT(2000) classifies denominations as belonging to one of the following categories: Liberal Protestant, Moderate Protestant, Evangelical Protestant, Historic Black, Catholic and Orthodox, or other. Our megachurch subset thus includes liberal, moderate, and evangelical Protestant congregations with 2000 or more attendees. The non-megachurch sample includes Catholic and Orthodox, Historic Black churches, and “other”.³ Of these returns, the survey received 192 usable responses from megachurches and 14,109 usable responses from non-megachurches.

² We are indebted to Warren Bird whose 2007 Ph.D. thesis made us aware of the data set and who also applied similar tests to some of these questions. Our results support and extend his results.

³ While it may be argued that Historic Black churches may be treated as Protestant, and thus potentially be included in our megachurch sub-sample, we follow Coreno (2002) and Welch *et al* (2004), who argue for a separate classification for Black Protestant denominations because of the unique historical experience of black denominations.

Our first hypothesis states that megachurches employ groups more than non-megachurches. We conduct a difference of means test between megachurches and non-megachurches offering a variety of different groups. While it would be preferable to illustrate more details regarding the number of groups relative to the size of the church, the specific phrasing of the survey questions do not allow more detailed analysis than a difference of means test. We examine groups engaged in the following activities: bible study, theological study, prayer/meditation, spiritual retreats, community service, parenting or marriage enrichment, choir, performing arts, book discussion, self-help, fitness activities, sports teams, youth groups, and young adult programs. The survey responses are categorized into whether the church offers a group or multiple groups (but not how many) in that category or not. Results showing the percent that do offer a given type of group are provided in Table 2, below.

Table 2: Megachurches Compared to Non-Megachurches for Groups

Type of Group	Megachurch	Non-Megachurch	p-value
Bible/Scripture study	58.00%	62.00%	0.040
Theological Study	86.00%	43.00%	0.000
Prayer/Meditation	93.00%	56.00%	0.000
Spiritual Retreats	89.00%	35.00%	0.000
Community Service	89.00%	66.00%	0.000
Parenting/Marriage Enrichment	88.00%	29.00%	0.000
Choir	90.00%	58.00%	0.000
Performing arts	90.00%	45.00%	0.000
Book Discussion	71.00%	30.00%	0.000
Self-help	88.00%	30.00%	0.000
Fitness Activities	77.00%	18.00%	0.000
Sports Teams	83.00%	26.00%	0.000
Youth Groups	91.00%	68.00%	0.000
Young Adult Activities	88.00%	35.00%	0.000

The results indicate that, aside for Bible/Scripture study groups, megachurches do employ groups more than non-megachurches. In all cases, the difference is statistically significant and in many cases, the absolute difference is also rather striking. With regard to the Bible/Scripture study groups, we see only a four percent difference. This result may be explained by the fact that, as noted earlier, megachurches employ groups more related to secular activities to bring seekers to the church. Thus, the significantly larger

number of groups focused on (for example) parenting and marriage enrichment, fitness, and sports activities substitute in part for a more traditional church group.

In fact, the results illustrate the greatest disparity between megachurches and non-megachurches are those groups related to secular activities. The top four largest differentials (Parenting/Marriage Enrichment, Fitness, Self Help, and Sports Teams, all showing nearly a 60% difference) are all related to non-directly religious activities. Further, aside from Bible/Scripture study, the proportion of megachurches that offer both religious- and secular-based groups is much larger than the proportion of non-megachurches that do.

Our next hypothesis states that individuals attending a megachurch, in response to these groups, participate more in church group activities and as a result invest more heavily in their religious capital than a members of a non-megachurch. We may approach this hypothesis from three perspectives. First, borrowing from the results just discussed, groups would not be offered by a church if individuals did not participate. Thus, the results provided in Table 2 illustrate the extent to which megachurches employ groups to attract potential members and encourage participation.

Increased investment in religious capital may be reflected in a congregation’s expectations of individuals’ behavior in their home and personal practices (i.e. practices outside of church services). Table 3 provides data on four items on personal prayer and other spiritual practices, family devotions, fasting, and abstaining from pre-marital sex. The scores range from 1, associated with “Not at all,” to 5, associated with “A great deal.”

Table 3: Megachurches Compared To Non-Megachurches For Emphasis on Expected Practices

<u>Practice</u>	<u>Megachurch</u>	<u>Non-Megachurch</u>	<u>p-value</u>
Personal prayer, scripture study, etc.	4.65	4.14	0.000
Family Devotions	3.96	3.44	0.000
Fasting	2.90	2.35	0.000
Abstaining from pre-marital sex	4.00	3.19	0.000

The results suggest that megachurches do have statistically significantly higher expectations of home and personal practices in each of these categories. Accommodating these expectations may indicate that individuals are investing in their religious capital.

Finally, if we consider the outcome of increased religious investment to include an increased emotional engagement in their beliefs, there is another set of survey responses that deserves attention. The survey inquired how well a series of questions described the congregation. The questions dealt with the congregation’s spiritual vitality, its ability to help members deepen their relationship with God, whether the members are excited about the future of the congregation, whether the congregation welcomes innovation and change, and whether the congregation has a clear sense of mission and purpose. Scores are presented in Table 4 and range from 1, for “Not at all” to 5, for “Very well”.

Table 4: Level of Emotional Agreement For Attendees of Megachurches and Non-Megachurches

<u>Statement About Congregation</u>	<u>Megachurch</u>	<u>Non-Megachurch</u>	<u>p-value</u>
Spiritually vital	4.37	3.86	0.000
Helps members deepen relationship with God	4.31	3.89	0.000
Reflects excitement about future	4.50	3.90	0.000
Welcomes innovation and change	4.15	3.41	0.000
Clear sense of mission and purpose	4.40	3.62	0.000

Across all dimensions, the data indicate that the members of the megachurch have a statistically significantly higher emotional attachment to their church than members of non-megachurches. Again, this may indicate a higher level of religious investment.

Taken together, the FACT2000 data suggest that megachurches employ groups to a greater degree than non-megachurches and that, in turn, encourages additional investment in religious capital. This manifests itself in increased expectations of personal practices and emotional investment in the megachurch compared to the non-megachurch. The outcome may best be summarized by one last survey question. It asks whether new people are easily assimilated into the congregation. Using the same scale as for Table 4, megachurches score 3.94 while non-megachurches score 3.76 (a difference that is statistically significant with a p-value of 0.004).

V. Conclusion

Megachurches have generated attention both in the popular media and among academics from various disciplines. Studies suggest that these churches are significantly different from more established, traditional, denominational churches. Their success seems to contradict a significant amount of prior literature that emphasizes strictness as a strategy for success, suggesting that megachurches employ a novel approach for church growth. This paper provides an economic model of utility maximization, allowing for both private and spillover benefits from participating in religious activities, to explain the success of megachurches to attract and retain members. The model focuses on megachurches' ability to subsidize individuals' investment in religious capital by providing a variety of groups to the individual thereby increasing participation. In turn, megachurches may expect individual attachment to the organization to rise and then place greater expectations on the individual's participation.

Data from the FACT2000 survey support these hypotheses. Responses from the survey indicate that megachurches employ groups more than non-megachurches, that megachurches achieve higher participation than non-megachurches, and that the emotional commitment among megachurch members exceeds that of non-megachurch members. This leads us to repudiate the claim that megachurches represent a "low-commitment" form of religion. Instead, we conclude that megachurches employ a strategy of offering participation in groups that combine secular and non-secular activities. This strategy transforms secular activities and religious participation into complementary goods as opposed to substitutes. This, in turn, increases the individual's optimal level of investment in religion and therefore the desired level of participation. As a result, individuals display a higher level of satisfaction and stronger emotional commitment to the church, thereby allowing for the church to raise expectations of individual faith practices.

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