Branding and religion

An exploratory study on retention within megachurches

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Religion og branding – en undersøgelse om fastholdelse af kirkegængere i Amerikanske megakirker

Formålet med denne afhandling er at belyse en udbredt tendens i Amerikanske megakirker, hvor et stort antal mennesker deltager i gudstjenester men alligevel efterfølges af et stort frafald blandt disse deltagere. Derfor er hovedsagen for størstedelen af disse megakirker at holde flere deltagere fast, således de bliver aktive medlemmer og derigennem også bidrager og donerer penge til kirken, hvilket udgør kirkernes hovedindtægt.

Der findes et stort antal bøger, skrevet af kirker til kirker, som omhandler generelle marketingsprincipper, og hvordan disse kan benyttes til at tiltrække flere deltagere. I henhold til problemstillingen vil denne opgave istedet analysere tre principper, der normalt benyttes til at skabe et stærkere og længerevarende forhold mellem kunden og organisationen. Disse principper er:

- Word of mouth
- Branding
- Relationship marketing

Hvert princip fungerer som et individuelt marketingsværktøj, og fungerer endnu stærkere i samspil med hinanden, hvorfor alle tre skal belyses. Derfor vil hvert enkelt princip blive gennemgået og analyseret samt undersøgt for, hvordan princippet benyttes i en online sammenhæng blandt megakirker. Til at belyse dette er tre megakirker blevet udvalgt på tværs af fysisk størrelse, deltagerantal samt geografisk placering, hvor hver hjemmeside vil blive analyseret for de tre princippers tilstedeværelse og funktion.

Da megakirker er et forholdsvist ukendt fænomen i Danmark, vil afhandlingen indledningsvist forsøge at redegøre for, hvorfor sådanne organisationer eksisterer i USA med udgangspunkt i et sekularitetsprincip og et udbudsprincip, samt definere og uddybe fænomenet megakirker. Til at belyse disse aspekter vil Ronald Inglehart blive benyttet til at redegøre for forholdene på det amerikanske religionsområde samt Scott Thumma til at belyse fænomenet megakirker.

Da brugen af marketingprincipper i religiøse sammenhænge synes at være tabubelagt, vil afhandlingen igennem sekundær litteratur behandle, hvorledes marketing forholder sig til

disse megakirker, både som kirke og som non-profit organisation. Til at redegøre for disse aspekter vil Philip Kotler blive benyttet samt andre teoretikere.

Afhandlingen konkluderer, at de ovenstående principper er implementeret i forskellig grad og på forskellig vis på hjemmesiden af de udvalgte megakirker og kan anses for at være effektive i forbindelse med fastholdelse af kunden og derved skabe et stærkere forhold til denne. Interessant er det, at brugen af de ovenstående principper er mindre udpræget, jo større megakirken er. Man må derfor formode, at større megakirker, i kraft af deres popularitet, lukrerer på en fysisk "flok-adfærd", hvor antallet af deltagere giver udtryk for populariteten, og derfor automatisk tiltrækker flere. Derved har de mindre fokus på de ovenstående principper online. Ligeledes må man konkludere, at fastholdelse af kunden stadig anses for at være et af de største problemer for megakirker. Selvom de ovenstående principper er implementeret, er disse dog tilsyneladende ikke effektivt implementeret.

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Chapter 1

1 Introduction

Some commercial products have an almost religious status among its users. Products from such companies as Apple, Harley Davidson and Body Shop have almost all reached a religious status in the loyal consumers mind, so much so that the consumers themselves become advocates or evangelists of such products. The above companies have all achieved this hold on the market through great marketing strategies that have created strong brands and have induced a level of relationship with their target audience. However this is the exception, not the rule. Most companies today do not reach this level of commitment from their target audience, as they do not effectively and consistently build an effective brand and relationship with their customers, but are instead more focused on singular transactions.

Reversing this thought, instead of focusing on "religion" within marketing and branding, how does branding and marketing fare within religion? The use of commercial marketing techniques within the field of religion might, in the minds of some, raise the issue of appropriateness as well as the question of why a religious institution should need to resolve to such activities.

However, it is commonly accepted that megachurches can and should use marketing principles to increase participant numbers and that the application of such principles have resulted in their high level of attendees. It has, however, turned out to be a problem to maintain attendees as actual donation-giving members.

1.1 Motivation for thesis and selected subject

My motivation for this thesis has been the connection between two somewhat unrelated areas; religion and marketing. Having grown up accepting the position of the Church of Denmark as well as the values that are attached to this institution, I cannot, but be both amazed as well as appalled by the use of such commercial aspects of business as marketing represents in the everyday workings of the US megachurches.

This "marriage" of two such different areas became the primary interest for this thesis and how these commercial marketing principles were being apparently effectively used in a religious setting that is in my mind otherwise not affiliated with such principles

1.2 Research area

Additional research has shown that US megachurches are indeed using different marketing principles in their everyday functions that fare well in connection with securing a proper attendance level at services as well as being a commonly accepted approach (Kotler, 1979; Hoge, 1979; Dunlap, Gaynor & Roundtree, 1983; McDaniel, 1986; Barna, 1988; Stevens & Loudon, 1992).

However a main concern of the US megachurches is not merely a matter of the number of people attending the services, but instead what is known as the "revolving door" principle, as they experience a large attendance level during services but also experience a large percentage that exit the service and never attend again (Thumma & Bird, 2009). Therefore the most important concern of the megachurches today is the question of retention; the importance of securing and converting a larger number of attendees into active members that equal more donations.

I will focus on three principles that I find only few commercial companies have successfully applied as retention tools and whether these principles are connected or used in megachurches. These three principles are:

1. **Word of mouth**
2. **Branding**
3. **Relationship Marketing**

The use of such marketing principles as retention tools by megachurches has not previously been explored in the literature available on the topic.

1.2.1 Research question

On this background, the purpose of this thesis is:

1. *To describe US megachurches as a social phenomenon, how they are connected to marketing and how they relate to a nonprofit organization; and*
2. *To explore whether three specific megachurches are using the three marketing principles mentioned above on their Internet websites.*

My analysis of US megachurches as a social phenomenon will first outline some of the distinctive features of the American society that can account for the growth of the phenomenon of megachurches, through outlining the secularization theory and the supply-side theory. Secondly, I will provide a brief description of what constitutes being a megachurch, the three predominant approaches express through their workings and how they interact with culture. Thirdly, I will outline how marketing and the megachurch is connected and how a megachurch relates to a nonprofit organization.

On this basis, I will turn to explore whether three specific US megachurches are using the three marketing principles mentioned above (word of mouth, branding and relationship marketing) on their websites.

1.3 Demarcation

In spite of the concept of megachurches originating in America, others have since been founded in other parts of the world. As I will concentrate on specific social changes as well as marketing principles that are mainly researched in connection to western culture, this thesis will concentrate solely on US megachurches. Despite regional and legislative differences throughout US, I will consider the megachurch as a single entity and how it relates to the US as a single region. This thesis will focus on megachurches and not churches in general, as the use of marketing principles is most prevalent in megachurches due to their size and budget. Also I shall only concentrate on nondenominational megachurches as part of the case studies as nondenominational megachurches exhibit a more extensive use of marketing compared to other denominations.

This thesis will not be highlighting all the various marketing principles of megachurches as these far outreach the limits of this thesis. I will not concentrate on the appropriateness of using marketing in a religious setting as this should also be reserved to a thesis on its own.

Due to resource constraints it has not been possible to conduct any personal interviews or obtain personal experiences in the studied megachurches. Therefore, this thesis will be based on secondary sources and the Internet pages of the chosen megachurches. However, an attempt to contact the case studied megachurches has been made in order to confirm certain details on the principles applied within their megachurch, but at present no reaction has been obtained.

During the case studies I shall only highlight Facebook and Twitter as social networking sites and in connection with word of mouth, as well as connected blogging aspects and functions, this will be limited only to what is available on the megachurches' main websites, not affiliated sites, with MBC's Internet Campus being an exception due to the level of integration of this on the main website.

This will potentially lead to overly generalized observations as discussed aspects can be present at affiliated or otherwise connected web sites. However, due to the connectedness and vastness of the Internet, these constraints have been deemed necessary.

I will not examine or analyze the extent to which these principles are successfully working for the megachurches as a retention tool, as there is a myriad of factors that can influence the level of success and thus is beyond the scope of this thesis.

This thesis is merely an observation of whether these principles are being applied in their pursuit as well as on their websites to possibly gain and retain more members as this is presently their main concern.

1.4 Literature review

The relation between marketing and religion is an area that has received a minimum of official research attention. There is, however, a myriad of books written by churches for churches on how to effectively use regular marketing principles to further church activities and to attract a larger congregation.

As the main concern of this thesis is to examine the use of retention tools within nondenominational megachurches, several aspects must be taken into account.

As megachurches are mainly an American principle, being a mostly unknown principle in Denmark, it is necessary to explore the existence of megachurches and what societal changes have affected the rise of a religious market in the US and structures such as the megachurches. To that end it will be necessary to examine how recent societal changes in western culture relate to general values and religious beliefs.

Ronald Inglehart is professor of Political Science at University of Michigan, Chicago. His main research is focused on assessing the situation within politics, religion, cultural development and their consequences for society throughout the world, with his work based upon world-wide value surveys conducted through several waves. According to Inglehart, the values and consequently people's behavior is influenced by changes in social, technological and economic development. His theories relate well in explaining the religious situation in the modern society as well as outlining possible societal changes that could account for this situation. The World Value Surveys have resulted in hundreds of measurable variables. However, the Inglehart-Welzel cultural map, which will be used later in the thesis, is among one of the most well-known results that rank countries according to dimensions of "traditional vs. secular/rational" aspects and "survival vs. self-expression". This map supports the importance of using Inglehart as a cultural theorist for this thesis, despite the age of this map. His work with Pippa Norris additionally account for why the American religious situation differs from that of the European counterparts in spite of the economic situation of both regions. However, the data collected from the World Value Surveys, which constitute the basis for much of his work, has generated some criticism as they attempt to measure the level of happiness through questions. The criticism has been that happiness can vary from region to region and country to country, and thus happiness is a subjective aspect that cannot be measured equally on a world basis. Also there has been some criticism concerning the ordering effect of the questions in his post-material index (Tranter & Western, 2004) as researchers have measured different responses compared to the order in which the questions were asked. However, these criticisms do not have any profound impact on my use of Inglehart as a theorist for cultural change.

Researching churches, megachurches and religion is an enormous area that requires very thorough and consistent measurements and surveys. Scott Thumma is a professor in Sociology of Religion at the Hartford Institute of Religion with specialization in Research on Megachurches, Homosexuality and Religion, Religion and the Internet and Congregational Studies, and is considered an authority on the subject of megachurches. Scott Thumma has performed some of the most exhaustive surveys and has been cited in numerous articles on religion and megachurches and is thus a logical choice for reference and information. However, it has become clear that some of Thumma's surveys have been sponsored by Lilly Endowment, a privately funded organization which is focused on religion, education and community development, as well as The Leadership Network, which is focused on identifying, connecting and helping high-capacity Christian leaders multiply their impact. The relation between these organizations and Scott Thumma could influence critical notions on megachurches, however, most of his work is of a personal character concerning his own experiences and the remainder of his work is based on market analysis and statistics and the relation between his surveys and a possible biased affect remains unproven.

One of the few but highly quoted writers on the relation between megachurches and marketing is James B. Twitchell who teaches English and advertising at the University of Florida, and is the author of several books on culture, marketing and advertising and has been cited several times in both The Washington Post, The New York Times and The Wall Street Journal (Stripling, April 26, 2008). Thus, his keen insight into both culture and marketing provides a point at which to speak about the relations between religion, marketing and branding and how they interact. His book "Branded Nation: The Marketing of Megachurch, College Inc., and Museumworld" is an often quoted book, despite its somewhat light and humorous observations about how marketing and advertising relate to consumer choices within each of the mentioned areas. The book is an obvious choice to obtain an overview of how marketing and megachurches relate. However, in 2008 Twitchell was accused of plagiarizing in some of his books, having borrowed single sentences as well as full paragraphs of both verbatim language and close paraphrases (Stripling, April 26, 2008). This does, however, not alter the researched results and this accusation has little impact on my use of his work.

As mentioned earlier, there is a lack of material from theorists on the relation between marketing and religion, as these two areas could be perceived as risky subjects by some. However, more literary options become available if one is to perceive the megachurches as nonprofit organizations. Philip Kotler and Alan Andreasen, who are both highly esteemed theorists in areas of marketing, advertising and culture, have through several editions written and analyzed marketing within the nonprofit organization, and have additionally outlined principles of relationship marketing within the nonprofit sector and are thus an obvious choice when analyzing the area of retention and megachurches. However, a research of tools relating to retention within religion rather than regular marketing principles has not been adequately and properly researched which is the background for this thesis.

1.5 Methodology

In this section the methodological approach will be outlined, of how theory and data have been researched and applied.

My primary method of approach to the thesis has been as follows:

Literature
- The initial gathering of secondary literature to gain insight into the megachurch phenomenon
- Initial gathering of secondary literature connecting marketing and megachurch

Research question
- Formulate a research question based upon issues relating to the megachurches
- Formulate and correlate research question based upon gaps in secondary literature

Further Research
- Further research secondary literature based upon research question
- Chose main theorists that can highligt various sections of the thesis

Case studies
- Identify and choose megachurches for supporting case studies
- Collect and observe data

Application
- Apply secondary literature and correlate with observed data from case studies
- Conclude on findings relevant to each section

Conclusion
- Final conclusions on observed data correlated with research question

1.5.1 The structure of the thesis

This section will highlight the chosen structure of my thesis. The thesis is mainly based upon theoretical material gathered from various secondary sources.

In **Chapter 2** I will give a thorough insight into some of the societal changes as well as possible theories that can account for the current religious situation in the US. The thesis will first outline what cultural and societal aspects could have generated a highly religious market in which megachurches can grow. I shall outline two main aspects that are believed to have had a strong impact on the present religious market in the US, namely the secularization theory and the supply-side theory. I will discuss the megachurch as a social phenomenon and how this relates to cultural change. During this section I will also attempt to outline who the typical megachurch attendee is.

In **Chapter 3** I will outline how marketing relates to the modern megachurch, both as a church and as a nonprofit organization, thus emphasizing the background of the thesis.

In **Chapter 4** I will focus on word of mouth as one of the tools in acquiring more attendees from which to build brand strength and relations and how religion relates to word of mouth. Finally I will connect word of mouth with the Internet as a communications tool.

In **Chapter 5** I will outline and analyze branding and how it relate to the megachurch. I will outline how branding ties in with the attendees as well as the volunteers. Finally, I shall connect the principle of branding with the use of the Internet.

In **Chapter 6** I will outline and analyze the importance of relationship marketing, how it ties in with the Internet, as well as the use of CRM as a possible tool for stronger relationship marketing.

In **Chapter 7** the overall conclusions will be outlined as to what has been observed as well as if the described principles are being applied.

I shall analyze and describe each individual principle and use case studies under each section to support if these principles can be observed through the websites of the megachurches.

1.5.1.1 Why this structure?

This structure has been chosen as it connects the researched viewpoints with the actual observations as seen through the websites and because I believe it best fits the nature of this thesis. Each section will contain a subsidiary conclusion that will sum up if the described principle ties in with the websites. This structure, due to the level of secondary material, will also ensure a minimum of repetitive referencing as some of the theoretical research and

references to researched material will be contained within the section with which it is related and not in the literature review. This will help clarify how the theories relate to the observed megachurches and the principle.

1.5.2 The connection between the principles

With the three principles being interconnected, branding becomes the central point of departure when dealing with retention.

Branding is directly connected to a perceived value of the customer, thus the higher the perceived value, the greater the chance of word of mouth, which practically guarantees that new potential prospects will share the same characteristics as your favored customer, i.e. the one performing the positive word of mouth. These prospects then become part of a perceived stronger brand and will help build more trust.

As perceived value is directly connected to the experiences of the customer, a key element becomes the interactions between the employees and the customer, as experiences are a core element of services, thus emphasizing the importance of branding within the organization. "The fact is that brands are not maintained by advertising, but by the brand experience" (Kotler, Armstrong, Wong & Saunders, 2008, p. 533) and brands come to be known by customers from a variety of different levels of contact, through interactions with staff and personnel, to experiences online, through telephone, facilities and observations.

"Brands for nonprofits are value-based and at the heart of such brands are organic relationships that require nurturing to grow and to sustain an organization. Value-based brands rotate on the experience of the relationship" (Hart, Greenfield & Johnston, 2005, p. 101).

Therefore, branding and relationship marketing is very much intertwined as successful relationship marketing will add to the brand value which is experienced by the customer and thereby, through a continual concentration on feedback and relevancy, create a stronger bond between the brand and the customer. This stronger bond will facilitate long-term customers who are more likely to purchase additional services and may also help to attract new customers through word of mouth, thereby emphasizing the relationship between branding, relationship marketing and WOM.

The structure is thus organized in three areas that function as separate entities but must be part of a single entity in order to function better. The structure of the principles is as follows:
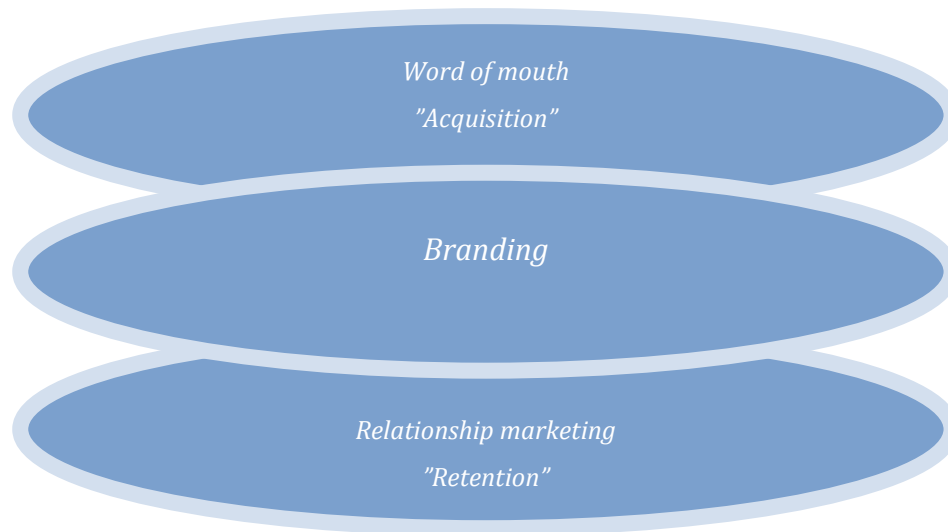
1.5.3 Case studies & sampling strategy

Three megachurches have been chosen for the case studies for their nondenominational structure and affiliation. The three megachurches chosen are:

Megachurch	Main website
Lakewood Church	www.lakewood.cc
Willow Creek Community Church	www.willowcreek.org
McLean Bible Church	www.mcleanbible.org

Lakewood Church, henceforth referred to as *LC*, was chosen for its dominant position as the largest megachurch in the US with the highest number of attendees of 43,500. As being one of the most successful megachurches in the US one should likely find evidence of tools used to increase attendance level and membership through retention.

Willow Creek Community Church, henceforth referred to as *WCCC*, has been viewed as a frontrunner among megachurches. It has been a rapidly growing megachurch and has had a multitude of press coverage. It was also chosen for its congregational size being half that of LC, with its 22,500.

McLean Bible Church, henceforth referred to as **MBC**, was mainly chosen for its congregational size. It represents the lower end with its 11,512 attendees.

Also the megachurches were chosen from a geographic standpoint with each church representing three different geographical positions, all in order to ensure that there was sufficient difference in region, size and state (See Figure 1).

A short historical outline of each megachurch can be found in appendix A.

Figure 1

(Source: Customized Google Maps)

1.5.3.1 Website analysis method

The main page of each megachurch has been used as the starting point of analysis.

Screen captures of each page containing reference material have been saved onto an accompanying CD for better viewing. Despite Schneider and Foot (2004) noting that a webpage cannot be stored for future use, by taking a photo of the computer screen, as it loses some of the interactive features of the webpage, I argue that the method is valid for this study as I will be analyzing whether functions or references exits, not how they function. This approach was also chosen as web pages are constantly changing, conserving the page for later viewing. I did not choose to save a copy of the webpage as certain pages differ depending on the browser, settings as well as compatibility.

To ensure a level of reliability and objectiveness, a plan was outlined of how to gather information on each principle through the different websites:

Word of mouth

1. Which functions on the websites enable the visitors to communicate with each other as well as express their opinion?
    a. Searched main webpage for any function allowing visitors to communicate with others, express their opinion or invite others from that page. As solutions can vary extensively as to how these functions are implemented, I did not look for any specific solution, rather the mere fact that solutions were present. The criterion was a function that would allow two-way communications, whether it be real-time or not.
2. Which of the websites have references to Facebook and Twitter as social networking sites?
    a. Searched main webpage for references to Facebook or Twitter, either through icons being present on the page, links, or any field that would allow a user to become aware of a presence on either Facebook or Twitter. The word "Facebook" or "Twitter" or the official icons had to be present on the webpage in order to be considered a valid reference.

Branding

1. Which of the megachurches express their reason for existence through either:
    a. Vision
    b. Values
    c. Mission
        i. Searched main webpage for the use of words as "vision", "values", "mission" or "strategy". Norman (1977) states that an organization must have values, missions and purpose that give the organization a distinct role in the context. As brand positioning is important to differentiate the organization from others and justify its existence, looking for the words "vision" "values" and "mission" would constitute as part of a positioning strategy and thus part of branding.

2. Which functions online can enable the megachurch to monitor and gather information on what people seek or desire?
    a. Searched main webpage for functions that would allow feedback from consumers as to suggestions or any related communication which could be registered and monitored.

3. Which functions online support the megachurches in obtaining and acquiring employees and volunteers as well as connecting skills with values or vision?
    a. Searched main webpage for categories that related to hiring, employment, open positions or volunteering. Searched for pages including the words "volunteer", "employment" and "open positions".
       In connection with connecting skills with the right job, I searched for words such as "training", "evolve" or words that constituted an attempt to provide further skills for the volunteer. Also I looked for a connection between "vision", "values" and hiring, indicating a direct connection between them.

4. Which functions online enable the megachurch to perform "permission marketing"?
    a. Searched main webpage for functions that required the entering of an email, whether it was to receive information, offers or the like, thus indicating permission marketing; the acceptance of receiving information by the organization via email.

5. Which functions online concern trust-related issues on the handling of personal information?
    a. Searched main webpage for any functions linking to a policy that would enable the reader to understand the process of handling personal information gathered or given through the website.

Relationship marketing

1. Which functions online enable the megachurches to update members on recent events, relevant material and news?
    a. Searched main webpage for functions allowing the visitor to sign up for relevant information relating the news and updates from the organization. This is also part of permission marketing, however it also allows RSS feeds, a client that

allows you to receive information through a widget. Thus it does not always require an email address and it only relates to news and updates, not offers etc.

2. Which functions online enable the megachurches to gather information for the use of customer relationship management?

    a. Searched main webpage for functions that would allow the megachurch to monitor or track the interactions on the webpage and be able to personalize the experience. This can be done by either cookies or by monitoring clicks and what information is accessed.

3. Which functions enable the megachurch to offer online content to visitors not being able to attend physically?

    a. Searched main webpage for options for non-physically attending visitors to access services that relate to an on-site physical attendance, including media, either streamed or downloadable, that would allow a visitor to see and experience services otherwise experienced by physical attendance.

Analysis of data:

Some of the data and observations do require a level of personal interpretation, however, I have attempted to remain objective in gathering and analyzing information, despite the fact that total objectivity is impossible in some cases of analysis, as functions with a similar purpose can seem different, be differently implemented or have a different name.

Chapter 2

2 The cultural aspect

In this section I shall outline some of the distinctive features of the American society that can account for the growth of the phenomenon of megachurches through outlining the secularization theory and the supply-side theory. I will provide a brief description of what constitutes being a megachurch and the three predominant approaches expressed through their workings, how it interacts with culture and who the typical attendee is.

2.1 The religious market in the US

The religious situation in the US can be ascribed different historical issues that may or may not have had an impact on the growth of the religious market. This thesis will concern itself with both the separation of state and religion and how cultural and societal development could be affecting the rise of the megachurch as a phenomenon.

2.1.1 The secularization theory

Secularization has been linked to both the demise and the rise of religion.

Prominent social thinkers of the 19th century; Emile Durkheim, Karl Marx, Max Weber and even Sigmund Freud all believed that religion would fade in importance with the growth of the industrial society. Emile Durkheim argued in 1912 (Durkheim, 1995) that the Protestant Reformation would lead to a fragmentation of Western Christendom and that this process would destroy the power of a single overarching theological faith, and thereby induce skepticism and doubt towards religion (Durkheim, 1995, p. 159) and "the scientific-technological revolution, the burgeoning of industrial capitalism, and the rise of urbanism and democratic policies often had an abrasive and corrosive effect on organized religion" (Lyon, 2000).

C. Wright Mills summarized in 1959:

> "Once the world was filled with the sacred – in thought, practice, and institutional form. After the Reformation and the Renaissance, the forces of modernization swept across the globe and secularization, a corollary historical process, loosened the dominance of the sacred. In due course, the sacred shall disappear altogether except, possibly, in the private realm" (Mills, 1959, p.32-33).

A dominant assumption has therefore been that through the process of modernization religious faith would become less socially relevant and that the secularization of Europe would be a common indicator for what would happen to other societies when being faced by modernization.

The industrial revolution brought with it rationalization and modernization with core elements being increased urbanization, higher levels of formal education as well as higher levels of occupational specialization, the emergence of social science, existentialism, more equal gender roles and rising levels of political participation. The levels of prosperity that

followed World War II as well as the rise of the welfare state enforced a sense of existential security that laid the foundation for a change in focus from necessity to choice, from issues such as food and health to outlier issues such as ecology, environment and spiritual self-realization, all situated at the top of the Maslow pyramid (Inglehart, 1997, p. 7). As part of modernization, rationalization introduced logical systems of objectivity developed through theory and data. Thus the notion of secularization negatively influenced religious influence and belief in society, leaving religion in a decline of importance to the individual.

However, if secularization and rational thinking, promoted through modernization, generates skepticism towards religion, then the countries with the most confidence in science must be regarded as the least religious. Ronald Inglehart and Pippa Norris have disproved this notion through their work (Norris & Inglehart, 2003). The notion of secularization is analyzed and a new look upon it must, in their opinion, be adopted. Their study was based on four waves of World Value Surveys between 1981 and 2001, with additional sources such as Gallup International Polls, the International Social Survey Program and Eurobarometer. The book and survey demonstrates that despite almost all advanced societies having moved toward more secular orientations during the last few decades, the world as a whole has experienced a growing proportion of people with traditional religious views.

Inglehart and Norris do however conclude that existential security through modernization, alongside urbanization and rising levels of education and wealth, have weakened the influence of religious institutions in most developed societies that have moved toward more secular orientations and lowered the attendance rate at religious services (Norris & Inglehart, 2003, p. 19). The rise of religious views on a world scale, however, in spite of the secularization of wealthy countries, is due to a falling share of the population being born in these affluent countries. There is coherence between secularization and the rise in economic wealth of a country and the birth rate of this country, as the shift from traditional values towards secular and rational values results in a cultural shift in the role of women in the society. Women are given an increasing amount of choices as well as opportunities for career. These interests, linked with the more open and accepted options for birth control in affluent countries, lead to a decline in birth rate, whereas less affluent countries with more traditional values of religion have a steady rise in population due to values that emphasize traditional family structures, the role of women at home, a negative view on divorce and birth control.

The evidence therefore points to the fact that human and societal development towards modernization leads to cultural changes that drastically reduce religiosity and fertility rates (Norris & Inglehart, 2003, p. 20).

The US, however, remain an outlier in this survey through being postindustrial and postmodern while maintaining a populous that leans towards more traditional worldviews compared to other postindustrial societies.

Ronald Inglehart has conducted several surveys, known as "World Value Surveys" that were designed to provide a comprehensive measurement of major areas of human concern within cultural change. His theory concludes that society moves through three stages, from traditional to modern and again to postmodern where the main focus in the postmodern stage becomes a "shift away from both religion and state to the individual, with increasing focus on individual concern such as friends and leisure" (Inglehart, 1997, p. 74) as well as higher self-expression and quality of life. The Inglehart-Welzel value map depicts these findings in a correlation between traditional versus secular values, and survival versus self-expression (See Figure 2). In spite of the secular notion of the First Amendment, the US is placed in accordance to more traditional values. This underscores the notion of an outspoken and vibrant religious situation in the US.

Figure 2
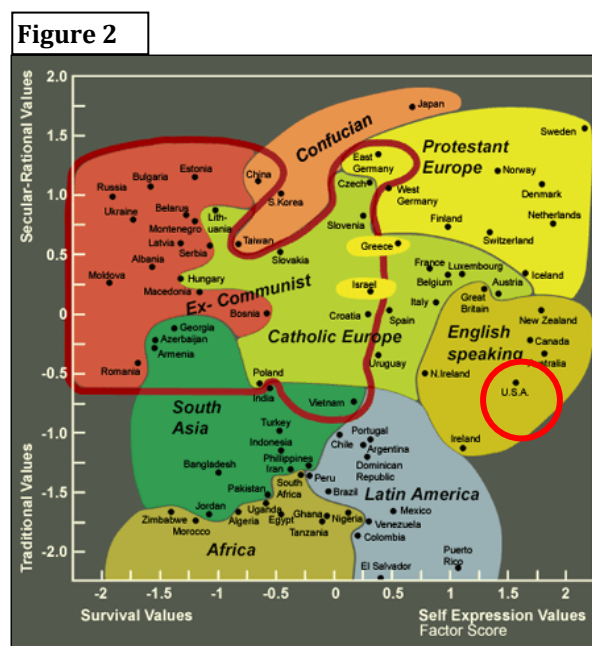
(Source: Inglehart & Welzel, 2005, p. 64 based on the World Values Surveys, www.worldvaluessurvey.org)

Inglehart and Norris attribute this trend to the US being the most unequal postindustrial society, with deep social inequality, and a less extensive and comprehensive welfare system than most comparable nations. USA therefore ranks high in the aspect of uncertainty as well as insecurity within the general population, amounting to the greater need and search for religion, despite being secularized and affluent. Additionally, Inglehart and Norris ascribe the situation in the US to the rise of immigrants from less affluent countries with more traditional religious views, such as South America and Africa. As they become part of the equation, they tip the scale towards the growth of religious views in the US.

Thus the secularization theory should not be completely disregarded, however the theory cannot account for the extent of the religious market in the US.

2.1.2 The supply-side theory

The earlier notion that religious pluralism would erode religious faith, as noted by Durkheim in maintaining that religious homogeneity enhances social stability and religious involvement while religious pluralism is disruptive and weakens religious participation (Durkheim, 1995), has been countered by a supply-side theory which holds that vigorous competition between religious denominations has a positive effect on religious involvement through the diversity of US faith-based organizations, strong pluralistic competition among religious institutions and the separation of state and church in the US (Finke & Iannaconne, 1993). Thus one of the primary reasons that can account for the growth of megachurches is that in the US there is no state-sponsored religion, as opposed to some European countries. The First Amendment states:

> "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances".

This has encouraged a proliferation of sects, forced to compete among one another. This means that the competition is never ending and there remains a perpetual pressure to stay solvent (Twitchell, 2004, p. 56). Additionally, there is no state protection for the churches in the US as is the case in Denmark, where state regulations favor established churches through "socialized religion" that can lead to indifferent publics (Stark & Finke, 2000) and thus a fall in attendance level, making the US churches concentrate on being innovative, generate

excitement and promise some kind of emotional payoff (Twitchell, 2004, p. 57). To use marketing and branding principles within the religious sphere becomes a necessary and useful tool in order to cope with an increasingly competitive religious situation reminiscent of "...the soap aisle down at the super market where the soap market is the same, but more are fighting for a cut of the market" (Twitchell, 2004, p. 59) with McLeod noting that possibly the only hope for survival for organized religion lies with those who are willing to "pioneer new ways by defying prevailing orthodoxies" (McLeod, 2000). Many scholars have concluded that competition between affiliations has deepened religion in the US. The economic approach known as "religious economy" (Stark, 1994), based on an application of rational choice theory by George C. Homans, explains this phenomenon in that the more different brands you have, the more consumption increases and the more the brands deepen. It also means that there is a greater likelihood that a person will be able to find a brand that suits their spiritual needs.

However, this notion of market approach relating to the religious situation in the US has been disputed by some critics as this theory has trouble explaining the continued strength of congregations in Southern Europe where the Catholic Church thrives on a monopolistic role (Verweij, Ester & Nauta, 1997). Although this has likewise been disputed through the argument that the monopolistic position of the Catholic Church in Italy is prevented by internal competition (Diotallevi, 2002)(Abela, 1993). This notion of church monopolies having superior power to mobilize members is supported by Breault (1989) through which he disputes the fact that religious pluralism increases religiosity. The most thorough and harsh criticism that disputes the market theory comes from Chavez and Gorski, following more than two-dozen empirical studies, through which they conclude that the notion of religious pluralism and religious participation being positively associated is not supported and that "a positive relationship between religious pluralism and religious participation can be found only in a limited number of contexts, while the concepts themselves translate poorly to non-modern settings" (Chavez & Gorski, 2001).

I do not believe that either of the above mentioned principles can fully account for the present religious market, nor do I believe either principle should be disregarded. The secularization theory, along with the deep social inequality, less extensive welfare system in the US and the level of immigration, might account for the demand side of religion, with growing uncertainty resulting in a higher need for something to believe in. However, diversity and pluralism, as

seen with products today, can increase consumption, but not necessarily increase consumer loyalty. Higher levels of consumption due to a higher diversity of choice can, by all means, result in less product loyalty. The supply side can therefore account for a greater "consumption" of religion in that there are more solutions that fit the individual in search of religion. Together these theories can possibly account for the present religious market in the US.

2.2 What is the Megachurch?

The notion of the megachurch originated during the 1970's. It is not certain at what specific point it originated, but was described as a Protestant Christian congregation, adults and children, with a weekly attendance level of 2,000 or more (Thumma & Travis, 2007; Vaughan, 1993).

The notion of megachurches is not exclusively American though the definition is. There are presently a significant number of megachurches around the world, with main representation in Korea having the world's largest nondenominational Pentecostal megachurch, Yoido Full Gospel Church, with over 830,000 members in 2007 and a weekly attendance level of over 150,000, as well as megachurches in places such as Nigeria, Korea, Singapore, Sidney and Brazil, all towering well above the largest US megachurch, Lakewood Church of Houston, Texas with over 45,000 weekly participants, seating 16,000 at a time in a converted former Compaq Center sports arena (Thumma & Leppman, 2009, p. 3).

It was not until the 1970s that the tendency grew rapidly, and this rapid growth has therefore been linked with a cultural and societal change. The change towards these larger congregations was most likely propelled by the Baby Boom generation of the 1940s to 1960s along with the supersizing of institutions such as education, entertainment and economic (Thumma & Leppman, 2009). The number of megachurches has risen through the ages from fewer than 50 in 1970 to over 1,300 in 2009. In 1990 there was one megachurch per four million Americans, and now there are more than four megachurches for every one million Americans with well over 80% of the population within one hour's drive from a megachurch (Thumma & Leppman, 2009, p. 2). Despite the size of such megachurches as LC, the average American megachurch has roughly 4,000 weekly attendees, each seating 1,800 on average,

compared to the median American church with 75 regular participants in worship on Sunday mornings (Chaves, 2004).

2.2.1 Communicating their identity

According to Scott Thumma (2009) three distinctive approaches to the way that megachurches attempt to convey their identity can be observed:

- **Conventional**
- **Nontraditional**
- **Composite**

Despite the fact that their expression of "Christianity" can vary to some degree between each megachurch, the main expression of the churches is that of an "extraordinary religious expression" when viewed as a whole and the traits can be segmented into three general approaches. "These definitive traits are uniquely modern, fashioned in reaction to and patterned after modern society" (Thumma, 2009).

2.2.1.1 The conventional approach

The conventional approach is observed from the majority of older "First Churches" that have grown from regular size to megachurch proportions and is characterized by the use of traditional Protestant Christian imagery. These megachurches attempt to convey the meaning that they are not only more exciting and successful as a church but also more authentically Christian than most other churches. It is traditional Protestantism, but on "mega" scales (Thumma, 2009). Architecturally, they are adorned by Christian symbols, steeples and spires on the exterior of the church. The interior mainly resembles a large-scale replica of the country church with wooden pews, dim lighting, traditional Christian symbols, stained glass windows and an alter space. The message communicated here is "this is your parents' religion, but bigger and better" (Thumma, 2009).

2.2.1.2 The nontraditional approach

The nontraditional approach, probably the fastest growing form and most recently founded, can best be characterized as megachurches that attempt to mainly attract religious "seekers" and the "unchurched" through the explicit message of "this is not your ordinary church" (Thumma, 2009). The approach has been the result and response to people in search for new religious and spiritual forms that remake traditions in a way that is not only acceptable to the

modern individual, who can be reluctant to turn to traditional religion, but also communicated in a manner that will seem relevant to this modern individual. The use of secular looking buildings, reminiscent of office complexes and schools, and an often mall-like interior with a minimum of religious symbols is used to communicate that "religion is not a thing apart from daily life" (Goldberger, April 20, 1995). The sermon most often conveys a biblical yet practical message that suggests that religion should not be separate from daily life.

2.2.1.3 The composite approach

The least common approach is the composite which attempts to blend both the conventional form as well as the nontraditional through the use of church-like exterior, thereby implying a connection to traditional religion, but with a theatre-like interior with modern sound equipment, lighting systems and individual seating (Thumma, 2009).

2.3 Who is the Megachurch attendee?

The most comprehensive research done on the subject of uncovering who attends megachurches on a whole has been that of Scott Thumma and Warren Bird (Thumma & Bird, 2009).

According to their study, the average typical megachurch attendee is mainly female, well educated, middle-class and with children (Thumma & Bird, 2009, page. 3). The average age of the megachurch attendee is 40 years with 62% of the megachurch attendees being under 45 years old. This seems to indicate that despite the fact that megachurches possibly originated during the 1970's in connection with the baby boomer generation, it is no longer the primary segment as megachurches draw in more than twice as many under the age of 45, making the primary segment of the present megachurches most likely generation X.

The majority of the megachurch attendees are not new to either religion or Christianity. 68% of the attendees have been with the attended megachurch five years or less. However, the study also indicates that almost 25% of the attendees have multiple loyalties with different megachurches and do not necessarily consider this megachurch their home. The divided loyalty contributes to a divided commitment, and a diminished likelihood to give, invite or volunteer at the visited church compared to their "home" church. This divided loyalty is therefore the distinction between a member or participant and a spectator, with the member having the strongest loyalty.

If a megachurch attendee is measured in the participation of the worship services, almost 90% claim regular participation, but if measured by level of commitment through giving, participation in smaller groups or inviting others to the megachurch, only 60% attended smaller groups and 55% say they are committed to volunteering. Nearly 45% of the surveyed attendees responded that they never volunteer and almost 32% responded that they give nothing financially to the church, or at least only contribute a small amount whenever possible.

On an overall level, megachurch attendees give much less compared to regular churches, thus underlining the need for better retention, and could explain why megachurches preach more about money and finances in comparison to regular churches with examples such as LC and WCCC having ministries that concern financial issues and freedom (see appendix C & D).

A great percentage of attendees respond to having become more actively involved since coming to the megachurch as well as having increased the giving, with 40% claiming to be giving more at the present megachurch compared to the former. Furthermore, the longer an attendee has participated in the megachurch; the more likely they are to feel their spiritual needs are being met. By the time attendees have been at the specific megachurch for more than 3 years, a greater percentage respond as having given a contribution and that they have a stronger sense of belonging, which underscores the importance of retention for the megachurches.

The multiple affiliations do indicate that the attendees are "shopping" around in search for their own take on spirituality; attending and interacting with megachurches that meet their varied needs as most megachurches offer a wide variety of choices. This notion of "shopping" around for spirituality is supported by the supply-side theory where a larger supply does not potentially equal stronger loyalty.

The above research contributes to the description of the seeker identity, in search for a way to meet their specific spiritual needs by participating in several megachurches, each offering a way to meet this specific need. The megachurch attendees are mainly participating due to an invitation from either friends, family or co-workers with 82% responding positively to this, with only 18% having discovered the megachurch either through viewing material about the

church or by observing it in the local forum. Additionally, only 16% responded to having looked at the website of the megachurch prior to having participated physically.

2.4 Communication and growth

The architectural style and the mixture of interior and exterior design of the megachurch helps emphasize the direction and message that the megachurch attempts to convey. The nontraditional approach indicates a break from tradition and a reluctance to conform to "traditional religion". This thesis will primarily deal with the nontraditional approach, often referred to as seeker-sensitive churches, as they exhibit the strongest use of marketing in targeting the seekers and are closely intertwined with being nondenominational.

The nondenominational megachurches attempt to create a distinctive symbolism that is tied to contemporary society and life. The message conveyed to their members is that of taking action and of empowerment as well as addressing "another characteristic of modern religious life; the desire for quality, entertaining, and expressive worship combined with relevant, practical and biblical preaching (Schaller, 1992). "Their goal is to make a difference in individual lives, in the local community and in the world" (Thumma, 2009).

What often characterizes these megachurches is the explosive expansion and growth in a short period of time, usually 2-5 years (Thumma, 2009) as can be seen in the case of WCCC, expanding from 125 to 2,000 attendees in two years as well as the growth from 6,000 to 43,000 for LC in a short time span (see appendix A). As most nondenominational megachurches have an open structure and for the most part no affiliations or doctrines to adhere to, they are able to better manage and adapt to this growth as opposed to more conventional denominations that have to change both structure and regulations accordingly through a hierarchy that dictate acceptable behavior.

Megachurches reach, at a certain point, a critical level of devotees that does require expansion. Between 2005 and 2008 US megachurch attendance grew by 573 people on average in overall attendance, but average sanctuary size only increased by 124 seats (Thumma, Travis & Bird, 2008). Erecting "daughter churches" or creating a relational network of "likeminded" independent congregations with the megachurch as a hub has become a solution. The most recent approach to this has been to create "satellite campuses", where portions of a single congregation would meet at separate buildings on multiple sites, with

local pastors and worship teams, thereby extending church space but maintaining a sense of being a single unit. In some cases, the sermon is delivered by a senior pastor through DVD, streaming or live satellite feed projected onto screens on the satellite campuses. This type of strategy ties in well with the recent economic recession, easing the construction costs and zoning battles of new sanctuaries. The rising cost of gas and distance to the megachurch and the ease of modern technology and bandwidth make this model appealing as a method of expansion. "This satellite model of expansion moves the church beyond the idea of broadening a single campus and into a post-modern flattened and networked global reality" (Thumma & Leppman, 2009, p. 14).

Building upon this model, the move from a digitalized satellite campus to an online branch campus with social networking ability is eased and can be appropriate in communicating to a younger generation in the future, thereby making an online campus, or using either Facebook – Second Life or YouTube, a natural extension of the megachurch. A further extension to the use of the Internet to communicate with members and potential members might be the "virtual" megachurch, which exists on the Internet, disconnected from a physical congregation (Hamilton, March 11, 2009). MBC has opted for a similar solution, however, connected to physical locations, by creating an online campus with social networking capabilities which could indicate an attempt to better reach a younger segment, supported by the choice of two young individuals as the Internet campus staff; profiles the younger segment could possible better relate to. WCCC and MBC are also excellent examples of the use of satellite campuses as a result of growth.

2.4.1 Suburbia

Researchers have discovered that churches of almost any size grow faster in rapidly developing suburban metropolitan areas in and around the "sunbelt"[1] (see appendix B) (Hadaway & Roozen, 1993; Olson, 1988). These suburban areas offer plots of land at much lower prices and with greater opportunity for expansion of parking lots and multiple buildings that are necessary to support a growing congregation. Zoning regulations are often much less restrictive compared to the more established urban communities. Additionally the suburban areas often attract the right segment, who are highly mobile, willing to commute

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[1] Sun Belt or Sunbelt, southern tier of the United States, focused on Florida, Texas, Arizona, and California and

great distances, well-educated as well as being middle class families. The megachurches often have a high visibility placement with easy access from nearby major highways and often in the proximity of other megachurches (Thumma, 2005). This behavior ties in with an aspect known as clustering which has been linked to increased consumption within the retail area through identifying groups of customers with similar behaviors. These aspects also hold true for such structures as Wall-Mart which is mainly placed in rural as well as suburban areas specifically because of the above mentioned aspects. This behavior of placement in proximity to major highways is apparent when viewing their locations, where they are all placed in a suburban area and in close proximity to a major highway (see appendix E, F & G).

It is difficult to ascertain whether the megachurches have intentionally placed themselves in a clustering behavior to maximize "consumption" or whether it is merely the geographic placement and easy access that can account for this clustering behavior. However the megachurch and the mall do have much in common (Twitchell, 2004, p. 84). Megachurches mimic the mall as a place where several small shops come together to form a unique whole, a place where all different needs are met. They are institutionalized communities that grow outward, not upward. Megachurches act much like modern hospitals through constantly adding new wings to the organization (Twitchell, 2004, p. 84). WCCC and MCB are both exhibiting this behavior of branching out. WCCC has five additional campuses besides their main campus at South Barrington and MBC also has five campuses as well as an online campus as part of their structure. LC presently has no satellite campuses.

The megachurch mimics the aspect of a mall-like operation through what is known as the "Gruen Transfer" named from the Austrian Victor Gruen being the architect of the first self-contained mall. This can be seen as either a "Micro-Gruen Transfer" where a shopper is looking for a particular item or service and drifts into becoming a shopper with a diffuse impulse to spend and buy in an enclosed space, such as an enclosed mall, or the "Macro-Gruen Transfer" which operates through clustering, where the placement of competing units will increase the sale at each unit (Twitchell, 2004, p. 84).

I believe that both aspects can be observed in megachurches. Here the diversity of experiences and "products" will enforce "Micro-Gruen Transfer", as most larger megachurches have such diversified operations as bookstores, coffee shops, café's, child care

centers and in certain cases even on-site Starbucks or McDonalds (ABCNews.com, March 27, 2005; Brown, May 9, 2002; Twitchell, 2004, p. 84). Once a consumer enters the megachurch with a specific purpose, this single purpose is built upon with additional products and services, resulting in additional sales. WCCC has a variety of options for its attendees, offering hot and cold food selections from the Harvest food court, coffee from the on-site café "Dr. B's" or "the Seeds" bookstore, with almost 10,000 titles as well as a smaller version, "the Branch", with a more focused selection for quick purchases. Additionally, "Promiseland", a children's ministry, is available during all weekend services as an added service to attendees. MBC and LC both have on-site bookstores but with much less emphasis on other leisure offerings.

The aspect of clustering, i.e. the "Macro-Gruen Transfer", can be observed from a customized Google search on Houston, Texas, where a clustering behavior near LC is evident (see appendix H).

Megachurches have in general concentrated on and attempted to implement areas that mimic aspects of consumer's everyday lives (Twitchell, 2004, p. 85). Examples are:

- **Music**: Music equals emotions. These emotions are tied to something recognizable. The music in nondenominational megachurches are therefore often modern radio songs that are simple as well as being a sing-along song generated mostly live onstage, far from the former pipe organ and hymns.
- **Screens**: sermons and meetings are shown on large screens in quality sound, just like a movie theatre experience or TV viewing at home. It allows entertainment, the use of non-verbal storytelling and a comfort for the consumer.
- **Parking**: As most megachurches are positioned near large interconnected roads, parking is crucial. They serve two aspects, the bandwagon effect of people observing a surge of traffic and the placement of traffic near the entrance of your "shop" to let others know the interest in your "product", as well as mimicking the areas of malls.
- **Child care**: As children have become the essential part of the post-modern family through strong emphasis on child rearing and focus on wellbeing, megachurches are focusing on the children by becoming the after-school choice and also addressing the safety concerns of most parents by giving them a feeling of never really being separated from their children when attending church.

As the size of the congregation grows, so does the perception and dynamics of it. The shear amount of members can appeal to a "herd" behavior, as mentioned in The Economist which describes how consumers behave in a crowd, and if a product is popular other shoppers are likely to buy it (Economist, November 11, 2006). At a certain point the size of a megachurch as well as the number of people attending a weekly sermon becomes a self perpetuating marketing tool that appeals to this herd behavior and thus attracts more people. The size of the car park and the number of cars apparent at a Sunday sermon can attract even more people (Ostling, August 5, 1991).

Therefore it seems clear that megachurches are indeed a cultural phenomenon, considerably mimicking otherwise secular structures and behaviors in order to create awareness and attract a larger congregation. Even more so, the nontraditional approach, which is the fastest growing among megachurches, seems to be increasingly adopting these secular behaviors as well as marketing principles in reaching their target audience.

Chapter 3

3 Marketing in the megachurch

In this section I will outline how marketing and the megachurch is connected and how a megachurch relates to a nonprofit organization, which will help form the basis from which to analyze the three principles.

The classic definition of marketing is centered on ascertaining and accommodating the needs and wishes of the consumer, in that "marketing is the set of human activities directed at facilitating and consummating exchanges" (Kotler, Armstrong, Wong & Saunders, 2008, p. 7). A similar definition from the American Marketing Association, which extends the above, is that "...marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" (Marketingpower.com).

It is essential that there is a mutual beneficial exchange, as marketers are in the profession of creating, building and maintaining exchanges. As "exchanges only take place when a target audience member takes an action, the ultimate objective of marketing is to influence behavior" (Andreasen & Kotler, 2008, p. 36). In this light, it is imperative for megachurches, that the demands are not just met on a single exchange basis, but consistently met in order to influence a behavior towards membership and thus becoming part of the marketing of the megachurch.

3.0.1 Arguments for marketing of the church

Several authors have, as previously mentioned, argued that churches need to engage in formal marketing activities in order to cope with the rapid changes in religious observance and in society (Kotler, 1979; Hoge, 1979; Dunlap, Gaynor & Roundtree, 1983; McDaniel, 1986; Barna, 1988; Stevens & Loudon, 1992). Even though it is argued that churches belong to a group of organizations that "cannot change many elements of their basic offering at all because these elements very much define who they are" (Kotler & Andreasen, 1987, p. 62) it has been increasingly seen that religious organizations can make use of marketing principles to support activities like fund raising and increasing their membership (Kinnell & MacDougal, 1997, p.159) and even more so for nondenominational megachurches which, due of their structure, are able to adapt and incorporate different elements without having to redefine their identity.

3.0.2 Arguments against marketing of the church

Despite religious organizations being urged to adopt marketing principles, criticisms of the value and application of marketing in the management of churches has emerged. Therefore the concept of relationship marketing, an aspect I shall return to, may be viewed as more acceptable through its focus on the continuity and quality of relationships (Kinnell & MacDougal, 1997, p. 158).

Kenneson is perceived as having one of the best argued criticisms against the use of marketing in churches saying that life in the US has been "…thoroughly shaped and governed by management and market relationships" and that these relationships have tended to transform everything into marketable commodities as well as manageable objects that run counter to religious observance (Kenneson, 1993). Furthermore, Kenneson also argue that the quality of faith, in churches that exhibit the most evident use of marketing, has not been

adequately proven (Kenneson, 1993) despite the fact that marketing is seen as having played a role in supporting churches in maintaining their memberships and finances (Kinnell & MacDougall, 1997, p. 164).

3.1 The megachurch as a nonprofit organization

By applying the label of "nonprofit organization" to the megachurch, it is possible to better justify and alter the perception of the use of marketing principles.

Hansmann states that an organization is nonprofit when, after wages and expenses have been taken into account, it is prohibited from dispersing any additional revenue to management or any other controlling personnel such as trustees. There should be no relationship between the control of the operations and the distribution of profits (Hannsmann, 1980) and thus megachurches are able to be classified as nonprofit organizations.

A distinction, however, needs to be applied between the public and the private nonprofit organization. While private nonprofit organizations rely on sales income, donations and grants, public nonprofit organizations are supported by public funding in the forms of taxation from local and central government sources and/or funding from other public bodies (O'Hagan & Purdy, 1993). However, private charitable nonprofits can apply for tax exemption. Consequently, megachurches are, in reference to the First Amendment, private nonprofit organizations not directly subsidized by the government or other public bodies. This is supported by Christopher Eaton Gunn: "donating to private religious organizations remains the most popular American cause, and all religious organizations are entirely privately funded because the government is limited from establishing or prohibiting a religion under the First Amendment" (Gunn, 2004).

3.1.1 Marketing in nonprofit organizations

Kotler and Levy have noted that the traditional marketing approach of commercial organizations would work well for nonprofit organizations of different kinds, and that the concern was not whether to introduce marketing into this market, but whether it was effectively used (Kotler & Levy, 1969) and any criticism towards the application of these principles in such an organization has not been noted.

Cultivating and developing a long-term relationship with consumers is recommended as a useful strategy. A relationship marketing strategy is a particularly appropriate strategy especially for religious and charitable organizations in dealing with the dual nature of their public, the donors and the beneficiaries. The motivation and encouragement of donors to continue their loyalty and support with intangible benefits can be facilitated by building on the value of the relationship rather than the mere transaction (McCort, 1994).

The ultimate objective of marketing in nonprofit organizations is no different from that of the private commercial sector. It is to influence the behavior of target audiences by offering an attractive value proposition, a combination of desirable benefits and minimal costs in exchange for a desired behavior (Vargo & Lusch, January 2004). However, as opposed to the private commercial sector, the nonprofit organization promotes these exchanges mainly to benefit its target audience and less to meet the own needs for survival and growth of the organization (Andreasen & Kotler, 2008, p. 188). That is why it would be logical for nonprofit organizations and thus megachurches to have more emphasis on building relationships, due to the nature of donations, compared to the private commercial sector.

3.2 Marketing and the Internet

The Internet has changed the rules of marketing. Traditional offline marketing has been characterized as being monologue through delivering a message and pushing the customer through the consideration process. However, the Internet must be used in accordance to its possibilities in order to effectively maximize its potential. It is therefore important to utilize the possibility of a two-way communication through the Internet and not merely use this communications channel for a traditional one-way push strategy. Thus the main objective using the Internet as a communications tool is not awareness, but engagement of the user. Therefore an organization must structure communication in order to be perceived as useful in instances where customers are not buying, thus emphasizing and creating relationships online. The Internet thereby becomes a pull-strategy unless e-mail is the predominant form of communication, which can be considered part of a push strategy.

There are many theories as to what aspects make the Internet a successful marketing tool however the use of Dave Chaffey's 6I's (Chaffey, 2007, p. 359) will be highlighted in this thesis as I believe it relates well to megachurches:

1. **Interactivity**
2. **Intelligence**
3. **Individualization**
4. **Integration**
5. **Industry restructuring**
6. **Independence of location**

The interactivity of the Internet facilitates a two-way communication and initiates a possible *interactive* dialogue with the visitor. Through monitoring feedback, the organization is able to gather *intelligence* with which it can *individualize* and customize the experience of the visitor. The Internet also allows *integration* into several other channels and can allow for specific follow-up on sermons, issues, streaming and groups. The Internet has thus also allowed for an *industry restructuring*, where sermons, news and groups, that were performed physically onsite in the church, are now extended online through chatting, communities, online social networking, Internet campuses and receiving the latest news through e-mail. Thus the Internet also provides the opportunity for organizations to be *independent of location* and reach a target audience, which would otherwise not attend the church, through satellite campuses and streaming.

As the Internet and its possibilities grow, so will the industry that uses it, and as the Internet connections improve, so will the experiences of the consumers as they interact with the Internet.

3.3 The product of the megachurches: the services

Megachurches are not only nonprofit privately funded organizations, but can also be defined as a service organization through defining the sermon and the additional small-groups as the services offered to members and attendees. Andreasen and Kotler (2008, p. 197) define a service as "…any value proposition offered to a target audience by an individual or an organization that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product".

The services being intangible, with a few exceptions such as WCCC's "C.A.R.S." and "P.A.D.S." programs (see appendix I & J), it is considered vital to make them tangible through attempting to convert them into an image that can be related to and understood by the target audience. Connecting potential donors and volunteers with examples they can identify with will lead to more likeliness of success, as well as getting more people to care and get involved in what the organization does and how it does it. However, the approach to obtaining this differs from each megachurch. At WCCC they attempt to communicate offers that are relevant to the state of mind that the visitor is in by offering services labeled "I need help", "Outreach", "I want to help" and "I want to connect". LC attempts this by offering services connecting to a life situation by labeling them "Single parent", "Married life", "Young at heart seniors" and "Men's ministry". MBC also attempts to offer services in connection with a life situation by labeling them "For Adults", "For College Students" and "For Junior and senior high students".

Donors and volunteers should preferably take ownership of the programs (Burnett, 2007, p. 288) and as such a sense of ownership can be instilled in the target audience. This outlook does not necessarily contradict the above statement of Andreasen and Kotler. Burnett speaks of the sense of ownership of a service, not necessarily the physical ownership of a product.

Using the term "product" to describe the intangible benefits that megachurches offer can offer insight into how churches are viewed by both their members and by society, and how they can develop their "product offering" in ways that are consonant with their spiritual role. In this sense, marketing for churches is no different from marketing in other complex and sensitive professional contexts such as health or education (Kinnell & MacDougall, 1997, p.165).

Similar to goods, the service product is quite heterogeneous (Burnett, 2007, p. 122) with the following characteristics distinguishing them:

- ***They are hard to evaluate, as they are intangible***. The object must therefore be to communicate to the customer the benefits that can be experienced and expected.
- ***Simultaneous production and consumption***. A service product is usually consumed simultaneously with being produced, as the provider of the service most often is present at the time of consumption. Frequently customers will be able to interact during this service and can therefore affect each other. The connection between

service delivery and customer satisfaction thus depends on what happens during the production of the service, especially with reference to the actions of employees and volunteers as well as the interactions between these and the customer.

- *Contact points*. One contact point occurs when attending the service on site where the customer and employee interacts, however another contact point of equal importance is that of off-site interactions, namely the nonphysical contact between the customer and the online services.

Summarized, people often become the service product and thus serve as a partner in customer relationships, and must therefore be given increased attention. The encounter with the service personnel, from a customer's point of view, is quite likely the most important element of the service as a product (Burnett, 2007, p. 132). Mattsson concurs in that "…developing a customer culture at the core of the corporate strategy is essential and involves attention to the person-to-person encounters which form the heart of service provision" (Mattsson, 1994). Therefore, relationships which strengthen the perceived value of the brand, must be built to ensure customer satisfaction as "…the service brand is a holistic process beginning with the relationship between the firm and its staff and coming alive during the interaction between staff and customers" (Riley & Chernatony, 2000, p. 138). The increased perceived value and satisfaction will help fuel word of mouth.

Chapter 4

4 Word Of Mouth – the acquisition tool

In this section I shall define what word of mouth is and how it relates to megachurches as well as how it can be used to acquire more attendees from which to build brand strength and relations and how religion relates to word of mouth. Finally I will connect word of mouth with the Internet as a communications tool.

The majority of megachurches rely heavily on the referral of attendees as the majority is being realized through the recommendations of current participants and attendees, making retention critical to the overall growth of a congregation (Thumma & Bird, 2009).

Thus a technique commonly known as word of mouth, henceforth referred to as **WOM**, can be applied in order to facilitate the growth of attendees more effectively as it adds a level of credibility to the information given as it is a personal recommendation.

WOM is defined by WOMMA[2] as "the act of consumers providing information to other consumers" (WOMMA, 2007, p. 2). It concentrates on refocusing the brand to be more customer-centric. WOM includes the concepts of customer satisfaction, transparent communications as well as a two-way dialog, all through which people learn about the product or service. Meanwhile the organization carefully listens and responds to all involved, be it supporters, detractors or neutrals.

According to WOMMA, WOM is "...the most honest form of marketing, building upon people's natural desire to share their experiences with family, friends and colleagues" as well as holding a company or organization accountable (WOMMA, 2007). The issue of honesty is however only true if the WOM is conducted within the framework outlined by WOMMA, ensuring that the WOM is of personal nature, not paid or forced.

According to Richard K. Miller the average American mentions specific brands as much as 56 times a week during conversations, as noted in an online survey by Keller Fay Group (Miller & Washington, 2009, p. 1) with 72% of these discussed opinions coming from family and friends. This seems to correlate with the findings of Scott Thumma's survey in which he writes that "a majority of megachurch attendees (82%) come at the invitation of a friend, family member or co-worker" (Thumma & Bird, 2009, p.14). As much as 90% of all brand conversations are done offline rather than online (Lukovitz, May 6, 2009) and TalkTrack[3] indicates that of the WOM that is taking place offline, face to face WOM constitutes 75% and phone 15%, with only 1% taking place through online social media (Loechner, December 17, 2008).

[2] Word Of Mouth Marketing Association
[3] A continuous monitoring system of all marketing-relevant conversations in America from the Keller Fay Group

However, according to a survey conducted by Forrester: "4 out of 5 online Americans are active in either creating, participating in, or reading some form of social content at least once a month" (Bernoff, August 25, 2009). Additionally "people continue to spend more time on social networking and blog sites than ever before, with total minutes increasing 82 percent year-over-year and the average time per person increasing 67 percent year-over-year in May 2009" (Nielsen, May 2009).

4.1 Influencer marketing, seeding WOM

Essentially all individuals are potentially active in WOM. However, certain individuals have an above average social outreach making them great influencers of others. How can megachurches then find the influencer model to which they should focus their resources in order to obtain optimum WOM? In my opinion social networking sites on the Internet are great at obtaining such information by observing individuals' profiles and the interactions therein.

Figure 4 shows how they are "Socially connected" (Admap, April, 2009)(WOMMA, 2008, p.4):

Figure 4

Five types of influencer			
Category	**Who they are**	**Channels of influence**	**What they are called (partial list)**
Formal position of authority	Political/government leaders and staff; business leaders	Laws and regulations; decision and spending authority; top-down directives	Opinion leaders; decision makers; C-suite
Institutional/recognised subject matter experts and advocates	Academics/scientists; industry analysts; NGO leaders; consumer activists	Academic journals; traditional media; new media; social media	Experts; mavens; analysts; critics
Media elite	Journalists; commentators; talk show hosts	Traditional media; new media; social media	Talking heads; columnists; politicos
Cultural elite	Celebrities; designers; artists; musicians	Traditional media; new media; new styles/products; social media	Trendsetters; fashionistas; taste makers; creators; starters
Socially connected	Neighbourhood leaders; members of community groups; online networkers; business networkers	Personal relationships; email lists; social gatherings; social networking websites; social media	Mavens; starters; connectors; soccer moms; spreaders; hubs; alphas
			Source: WOMMA Influencer Handbook, 2008

(Source: Admap, April 2009, p. 20)

Through online profiles the megachurches can observe which types of interactions are apparent as well as if the person can be viewed and categorized as an "influencer"; people who are disproportionately asked for their advice by others and as a result more likely to offer recommendations, being at the center of the conversation (Berry & Keller, January 7, 2003). This is further supported by Professor Donald R. Lehmann in stating that "adoption by hubs speeds up the growth process and directly influences eventual market size" (Goldberg, Han, Lehmann & Hong, August 30, 2008, p. 24) and that "...the value of a customer to the firm is more than the sum of their purchases, it also includes the effect that some individuals, i.e. hubs, have on others" (Goldberg, Han, Lehmann & Hong, August 30, 2008, p. 25).

The most active social networking segment is that of young mothers, an estimated group of around 75 million in the US, indicating a possible flourishing segment for online communication, and according to an article by Lynn Miller (Miller, February 23, 2009) not only do mothers influence 85% of all household purchases, but more so than other consumers, mothers depend on friends and peers for product recommendations and generally accredit WOM with a higher credibility than the average person. However, according to another survey by The Nielsen Company, the more affluent and more urban segment is more

likely to be using social networking sites (Nielsen, September 25, 2009) compared to the suburban segment. This could indicate that, by megachurches using online networking sites, the reach for more attendees extends beyond the suburban segment that is considered the primary target of megachurches and into the urban segment, however, this has not been proven.

It is apparent that the megachurches in the case studies are involved in WOM activities. Both WCCC as well as MBC have embraced social networking through their affiliation to both Facebook and Twitter. WCCC openly displays at the bottom of their webpage through icons that they have a profile on Facebook as well as Twitter which a visitor can connect to through a direct link. MBC has opted for an Internet Campus directly accessible from the main page through which visitors can "invite a friend" and chat with others connected with the megachurch as well as connect through Twitter. These megachurches are aware of the importance of social media networking as well as both having the option to analyze and follow the interactions through which they can possibly locate influencers. LC has not opted for a visible solution on their webpage through which visitors can interact, connect or actively engage in WOM.

Scott Thumma notes that only 16% of the attendees responded to having looked at the website of the megachurches prior to attending physically (Thumma & Bird, 2009, p. 14). I noticed, however, that the survey did not ask if they had visited the Facebook profile, read on Twitter or other social networking sites about the megachurch before attending physically. I believe that this is an important distinction in that many company websites in an era of social networking will see less activity on their own website and more traffic on affiliated sites through blogs, RSS feeds, Facebook and Youtube. This is essentially also a matter of spreading out, satellite branching your message, not placing all your information on your own website but placing information in the appropriate channels that you know your target group is using. In a question I put to Scott Thumma about this aspect, his reply was that changing the question would have little effect compared to the original question which only concerned the website (see appendix U). I would, however, to a certain extent disagree with Mr. Thumma, as the above information concerning social networking seems to indicate a growing tendency as well as strength of influencers in the online sphere.

4.2 Evangelist marketing

According to Thumma 94% of surveyed megachurches in connection with outreach responded that they encouraged members to invite others to worship services as well as 93% encouraged members to tell nonmembers about their faith.

Action	Percent Doing This Activity In The Last 12 Months
Established or maintained a web site for the congregation	96%
Encouraged members to invite others to worship services	94%
Encouraged members to tell nonmembers about their faith	93%
Sponsored a program or event to attract visitors	84%
Mailed or distributed newsletters, letters, or flyers	77%
Advertised on radio or TV or in a newspaper	75%
Developed a plan to recruit new members	60%
Contacted people who recently moved into the area	41%

(Source: Thumma, Travis & Bird, 2005, p.12)

This can be viewed as an encouragement to have members engage in evangelism, which correlates with the definition of WOM and indicates that a majority of megachurches are involved in WOM on a general basis.

Evangelist marketing, being a newer aspect within marketing, is an important part of WOM as it involves customers becoming so strongly attached to a product or service that they freely become advocates, and thus evangelists, of the product or service without any incentive other than the wish to spread the word and benefit to others. This transforms the customers into key influencers of others and into a key asset to the company or organization involved. Evangelists are the ultimate sales people as they know the potential target segment almost better than the company selling, as evangelists are themselves part of this target segment.

In religion, evangelism has existed ever since religion came about, and is the reason for the present situation and commitment herein. Nondenominational seeker churches do not experience this kind of commitment as their congregation mainly consists of spiritual seekers with no affiliation to specific religion. The seeker churches have therefore effectively engaged in evangelism through evangelism marketing.

According to Mac Collier companies "…that do the best job of creating evangelists start from the top down" (Collier, January 26, 2008, p.4). By creating a place where employees and

volunteers are enthusiastic and excited about working, others will be affected through these. As Mac Collier writes "Consider your evangelists your volunteer sales force. Your evangelists can not merely sell your brand more effectively than you can, they also will gladly do it for free" (Collier, January 26, 2008, p.4).

Ben McConnel and Jackie Huba outline (McConnell & Huba, 2004, p. 8) six basic steps of how to create a customer evangelist:

- **Customer plus-delta**: Continuously gather customer feedback.
- **Napsterize knowledge**: Make it a point to share knowledge freely.
- **Build the buzz**: Expertly build word-of-mouth networks.
- **Create community**: Encourage communities of customers to meet and share.
- **Make bite-size chunks**: Devise specialized, smaller offerings to get customers to bite.
- **Create a cause**: Focus on making the world, or your industry, better.

I believe that the megachurches have, through their structure, implemented the above steps by:

Customer plus-delta/Napsterize knowledge: Empowering the attendees; let them participate in small groups that either deal with their own issues as well as becoming part of church issues. This is evident at both WCCC and LC through their offerings on ministries and small groups that target individual issues, whether it is the difficulty of being a single parent through LC's "Single Parent" ministry or an addiction handled through WCCC's "Pastoral Care" ministry among others. These ministries target specific issues that attendees and members can attend and share. MBC is not offering such varied services, most likely due to size and financial strength.

Build the buzz/Make bite-size chunks: The evangelism begins; the participants of the megachurch and the smaller groups talk to friends, invite them and speak positively about the church, the pastor and the programs. All the surveyed megachurches are involved in being able to build buzz, either by offering newsletters, being part of social media networks or by having RSS feeds that update the attendees and members.

Create community: Once becoming members, they can themselves create groups that deal with other issues than those already on program. This user-created community offers even

greater affiliation and stronger network with a sense of ownership. This is indeed evident at LC through their "Lifegroups" (see appendix K) in allowing attendees to host a group within their own home. At MBC, attendees can apply for a position as a group leader, an apprentice or be a link in connection with a group with such assignments as drawing up meeting plans, updating the groups through being a "Link Point Person" (see appendix L) as well as WCCC offering "GroupLife" where "life change happens best in community" (see appendix M).

Create a cause: Once you have instilled a sense of ownership, there is automatically a cause and an affiliation. They are now part of something they believe in even stronger which will fuel even more evangelism. Employees also play a pivotal role, as their enthusiasm is part of the driving force of the evangelism. As megachurches rely heavily on volunteers, usually members, these become part of both the corporate sphere as well as part of the private sphere of the congregation and thereby become the direct link between the organization and the customer.

The aspect of evangelist marketing is important as many nondenominational megachurches generally do not exhibit any specific religious signs and their services usually have no specific resemblance to a religious sermon with the attendees mainly being spiritual seekers. The member is not directly affiliated with any denomination other than the message and brand that the megachurch has built. Therefore, it can be argued that the evangelist is not evangelizing out of a religious belief but instead out of a belief in the brand, accrued through personal experiences with the megachurch.

4.3 Religion and WOM

In an article from Wharton School of Business (Knowledge@Wharton, November 15, 2006) megachurches offer a great opportunity in connection with networking or WOM as, according to Wharton marketing professor Patty Williams "...megachurch members are drawn together by a strong common bond. Networks that exist naturally facilitate word-of-mouth marketing, because people tend to share information with those they are close to" (Knowledge@Wharton, November 15, 2006). However, the real potential lies within the megachurches' micro social networks according to professor Christophe Van den Bulte as these micro social groups are based on the commonalities of its participants, creating an even stronger bond between the members (Knowledge@Wharton, November 15, 2006). All the

surveyed megachurches have these small groups through which attendees and members can connect and thus have strong opportunities to build on WOM to increase attendance level and ensure a greater retention through networks.

4.4 WOM and Internet

It does seem necessary to involve and increasingly focus on the Internet as a marketing and communications tool, if one is to assume that the present segment most likely is Generation X as mentioned earlier. The Generation X, being born between 1961 to 1981 (Moore, 2009), in contrast to the baby boomer generation, rely more on technology as part of their everyday functions and are more accustomed to communications through additional channels through which WOM could occur. Generation X is, however, a somewhat smaller segment compared to the baby boomer generation with a difference of almost 30 million people as measured in 2003 (Ketchum.com, 2004). A generation of even greater potential is that of Generation Y, otherwise known as Millennial Generation, being born between 1982-2002 (Moore, 2009), with an increase of almost 55 million people compared to Generation X (Ketchum.com, 2004), and being even more technologically oriented. Focusing on this segment using online communications can potentially increase attendance level if communicated correctly through the channels most used by this segment.

The Internet greatly increases the outreach of attendees, and thus unsatisfied customers can potentially reach thousands concerning their experiences. With blogging as a tool it becomes the mission of the organization to enter into a two-way dialogue that can potentially turn the unsatisfied customer into an evangelist.

A report, based on an analysis of 150 enterprises, indicates that the companies that have most effectively implemented customer feedback options, are 18 times more likely to increase customer satisfaction and 44.5 times more likely to increase customer retention (PRWeb, June 13, 2009).

4.4.1 Blogging

Blogging is a marketing technique by itself, but is also an important part of WOM, being intertwined with evangelist marketing. Blogs humanize and personalize companies and add a level of trust and knowledge. Evangelist marketing has such effectiveness because of trust between two participants in a dialogue, and blogging adds even more trust, creating a

stronger opportunity for evangelism. Blogging helps companies enter into a dialogue instead of one-way communication and helps lower the company to the level of its potential consumers.

To facilitate this level of trust the companies must allow as many possibilities for customer feedback to fuel the dialogue. The website and affiliated websites must therefore contain as many easily accessible possibilities to leave feedback. It is also imperative for companies to monitor this feedback and respond to it, regardless of the nature of the feedback, since evangelists generally feel a sense of ownership of the brand and thusly needs to feel that the company is doing its best to keep the brand strong. Brand evangelists and bloggers are endowed with great personality skills and have an above average personal outreach making them great influencers of other people.

Using blogging as a two-way communications tool is evident at MBC through their Internet campus where it is possible to interact both through specific blogging as well as chatting. Neither LC nor WCCC have blogs with which to interact. However WCCC has incorporated the use of both Facebook and Twitter through direct links on their main webpage. Both WCCC and MBC seem to be targeting both the younger generation and the more socially connected individuals, whereas LC has chosen not to include any online functions for WOM.

4.5 Subsidiary conclusion

With Inglehart noting that 82% of the attendees being invited by friends, family and co-workers and with 94% of the megachurches encouraging members to invite others, it seems to indicate that megachurches are using WOM as an acquisition tool.

My analysis seems to indicate that megachurches have implemented the six steps, as outlined by McConnel and Huba (McConnell & Huba, 2004, p. 8), and are thus focused on building evangelists, which can fuel additional WOM. By implementing blogging online, the megachurches can ensure that any grievances are met and responded to, potentially turning a "terrorist" into an evangelist. This indicates an effort to ensure customer satisfaction, which is linked to increased retention.

However, only some of the surveyed megachurches use tools online to create WOM. WCCC and MBC both have these options of feedback implemented on their website. LC has no such option, despite LC remaining the largest megachurch in the US.

My analysis also indicates that the Internet remains an untapped source for additional WOM. The surveys indicate that despite 4 out of 5 online Americans are currently active using some form of social content on the Internet, with the tendency growing, only a miniscule part of this activity is conducted with the intention of WOM. The main attendee at megachurches is young women, which correlates with the findings that young women are the most active social networkers online. This indicates that there is a large market that can be used for WOM, but is not presently effectively used.

A segment of great future importance will be that of the younger audience, generation Y, which constitutes an increase of 55 million, and the possibilities of reaching this segment using WOM through online communication hold great opportunities for the megachurches that realize and can use its strengths, as this segment will possibly be even more Internet oriented. However, WOM through online networking, such as Facebook and Twitter, by Generation X and Y, is still considered a relatively new phenomenon. It is therefore too early to detect any considerable development. This thesis does, however, indicate that megachurches, through implementing and using these options, can improve WOM considerably.

Chapter 5

5 Branding of megachurches

I will outline and analyze branding and how it relate to the megachurch. I will outline how branding ties in with the attendees as well as the volunteers. Finally, I shall connect the principle of branding with the use of the Internet

5.1 How can megachurches use branding?

As the market for megachurches is cluttered with choices, information and messages, branding helps in reducing the noise, conveying credibility and help the organization distinguish itself and their product from that of the competition as well as creating a lasting impression in the mind of the prospective consumer. "There is little if any product differentiation because Protestantism has become a commodity. The suppliers are redundant, and church space is oversupplied. That's why denominations need separation via branding" (Twitchell, 2004, p. 65).

Branding therefore becomes the tool with which the megachurch can make their offerings more tangible and ultimately easier to differentiate from competition and communicate it to the target audience. A brand is perceived as an experience according to Zyman: "a brand is essentially a container for a customer's complete experience with the product" (2002, p.41). Therefore, the satisfaction of the customer depends on both the product of the megachurch, i.e. the service and the small groups, as well as the interactions between the employees and the customers.

5.2 The seekers

As the target audience for most nondenominational megachurches is that of seekers, it is vital to communicate relevance to them by emphasizing that "this is not your ordinary church" meanwhile indicating that "religion is not a thing apart from daily life". The communication outward should reinforce, both through exterior and interior design as well as through their offerings and services, relevance to this target segment. The focus should be not only on what is said, but how it is said and this should permeate all the communications channels employed (Sargeant, 2005, p. 128).

As the number of seekers has risen extensively within the last 50 years, one cannot ascribe this as a mere incident or fluke, but can perhaps find an explanation by examining the postmodern aspect.

The postmodern individual is described as an individual who has turned inwards to seek emotional fulfillment of the self and has expressed wariness towards traditional religion (Booth, 2002), which concurs with Inglehart's assessment of the postindustrial way of

thinking (Inglehart, 1989, p. 192). Seekers are serious searchers who with great consideration seek an affiliation to spirituality (Miller, 2005, p. 139). Ross Rohde lists the behavioral characteristics of the postmodern person as (Rhode, 2000):

- I'm looking for a truth that works for me
- I can only try to see life from my own perspective; reality is too complex to understand at all
- I'm interested in the values of my group and my community
- I want practical answers to life. I'm not drawn to idealistic schemes
- I like to have a group of close friends with which I can share common values
- I don't like institutional religion

A seeker can therefore be described as a person who seeks his own self-fulfillment through emotional gratification. Some megachurches have therefore targeted this individual and the search for emotional fulfillment by adapting the service to provide an emotional experience, specifically designed for the "seeker" of this fulfillment. It is through adapting their services to the target that they have adopted the consumer-oriented approach which is necessary to better reach and connect with the seeker segment.

5.3 The consumer-oriented approach

When an attempt to know as much about the consumer as possible is coupled with a decision to base all marketing on that information, the organization is "consumer-oriented" by working back from the consumers' needs, rather than forward from the marketer's capabilities (Burnett, 2007, p. 27). This correlates with the attempts of the majority of nondenominational megachurches in attempting to reach the seeker target audience by offering services that have been structured and styled in accordance to the wishes of this audience.

Andreasen and Kotler (2008) define the aspect of being consumer-oriented as being "audience-centered". "A target audience-centered organization is one that makes every effort to sense, serve and satisfy the needs and wants of its multiple publics within the constraints of its budget (Andreasen & Kotler, 2008, p. 41).

To have the consumer-oriented mindset is believed by many to be the critical element for success and performance both within the commercial as well as the nonprofit sector. "Such a

mindset is especially important in service areas where target audiences have a great many alternatives and where the real objective of the nonprofit is to build long-term relationships with the target audience and not just one-time exchanges" (Andreasen & Kotler, 2008, p. 201).

Once an organization has changed its mindset into that of being consumer-oriented it becomes important to change the mindset of the consumer as "the starting point for an effective marketing strategy is the proper marketing mindset" (Andreasen & Kotler, 2008). "There are alternatives in the mind of the target audience, and therefore it is in the mind where the marketer must compete" (Ries & Trout, 1982)(Trout & Rivkin, 1997). Thus:

> "a target audience mindset holds that success will come to that organization that best determines the perceptions, needs and wants of target markets and continually satisfies them through the design, communication, pricing, and delivery of appropriate and competitively viable value propositions" (Andreasen & Kotler, 2008, p 39).

Nontraditional nondenominational megachurches could be perceived as the blue oceans of religion by choosing the customer-oriented approach. Blue oceans, in contrast to red oceans, which are industry boundaries in which companies try to outperform their rivals to grab a greater share of an existing demand, are defined as untapped market space that can be created within the red ocean by expanding existing industry boundaries (Kim & Mauborgne, 2005, p. 4). By choosing to become consumer-oriented, the nondenominational megachurch is essentially turning a red ocean strategy in competing with other denominational megachurches, into a blue ocean strategy through delivering what the target audience wants, regardless of what the competition is offering. However, it is debatable whether this is a true blue ocean, as the nondenominational megachurch concentrates on a somewhat different segment, with a different mindset, as opposed to attracting the present segment fought over by all megachurches. It is however beyond the scope of this thesis to thoroughly analyze how the offerings of nondenominational megachurches differ from that of its competition and how these relate to the blue ocean strategy.

5.4 Building the brand

Knowing the target audience is the first step of any marketing activity. The next step for a megachurch is to develop a strategy that will help shape the image that the organization wishes to project to its target audience.

A brand is defined as follows: "a brand is a name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services or one seller or group of sellers and to differentiate them from those of competitors" (Kotler, Armstrong, Wong & Saunders, 2008, p. 511) and is also the accepted definition by AMA[4].

However, branding is not merely the choice of a name, a logo or design as Kotler (et al.) believes, but a much more intangible aspect, especially when being a service organization.

> "When you are out in the community, delivering services, working with volunteers and raising support, you are constantly creating an impression of your nonprofit. This impression is associated with a certain value set in the minds of your audience. Values, trust, relationships, benefits and promises are all associated experiences of your brand. Whether you are deliberate about your brand or not, you are by the very fact of engaging with the community creating a brand for your organization and that brand comes across in everything you do" (Hart, Greenfield & Johnston, 2005, p. 101).

Branding is an emotional tool that can reinforce the loyalty of the consumer, adding value as well as encouraging additional consumption. Therefore, a brand not only facilitates recognition, but also makes a promise and must deliver on that promise in order to strengthen the brand that can ultimately increase awareness.

Not everyone thinks that branding necessarily is a good thing. Naomi Klein sees brands as bullies, homogenizing products and services (Klein, 1999) and George Ritzer believes that societies are becoming "McDonaldized" (Ritzer, 2004) as well as James Twitchell speaking of "Nikefication of such social constructs as faith, history, art, place, politics, justice and culture and making them…analogous to blue jeans" (Twitchell, 2004, p. 299).

Branding can, meanwhile, function both outward and inward in creating identity, values and relationships. An important key factor then becomes the use of internal marketing through which they communicate their brand values within the organization, which can ensure a more consistent behavior of the staff, improved commitment and enthusiasm that can potentially expand externally through contact points. It is therefore important to note that branding seems to optimally move in concentric circles, starting from within and extending outwards. As relationships are a cornerstone of branding and trust, the internal practices must deliver on that promise.

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[4] American Marketing Association

In this connection the application of internal branding as opposed to internal marketing should be discussed, and whether or not a distinction should be made between the two principles as much confusion exists in connection with their application.

5.4.1 Internal marketing vs. internal branding, exploring the two concepts

Internal marketing has a myriad of different definitions, however, I shall use the definition coined by Berry: "the means of applying the philosophy and practice of marketing to people who serve external customers so that (i) the best possible people can be employed and retained and (ii) they will do the best possible work" (Berry, May-June 1980). Therefore internal marketing is the application of marketing inward in an organization to instill customer-focused values. It is also a principle used to attract, motivate and retain employees, with an overarching emphasis on aligning employee commitment to organizational goals.

Internal branding is a much newer phenomenon that has grown in importance. Common definitions of internal branding could not be found during research, though the general perceptions are that it involves promoting the organizations brand value amongst employees, and it is a set of strategic processes that will align and empower employees to deliver the appropriate customer experience consistently (MacLaverty, McQuillan & Oddie, June 2007).

Both the above definitions recognize that it is the focus of engaging the employees, and that these are not only part of the brand, but must also live the brand in their activities with external customers. Both definitions become part of an organizational as well as marketing strategy to strengthen the competitive advantage. Internal marketing focuses on the organizational values and culture, and internal branding focuses on brand values being aligned and consistent with organizational values. They both impact organizational culture and thus both overlap each other. I therefore believe that applying and analyzing internal branding will encompass internal marketing as the differences are not apparent enough to separate these as the outcome of both principles is the same; to engage employees for organizational success.

5.4.2 Internal Branding

The important thing for a service organization's leadership is to recognize that their employees are the company brand. A key notion here is the perceived feeling of your employees as having ownership in the brand. As services have been defined as intangible and

that the contact point on site is of outmost importance, the employees are the key to helping in and obtaining customer satisfaction in a nonprofit service organization, and it becomes important that the employees not only connect with the brand, but live the brand, as Zyman notes "before you can even think of selling your brand to consumers and customers, you have to sell it to your employees" (Zyman, 2002, p. 204). This concurs with the notion that:

> "…the brand's positioning will not take hold fully unless everyone in the company lives the brand. Therefore the company needs to train its personnel to be customer centered. Even better, the company should carry on internal brand building to help employees understand and be enthusiastic about the brand promise" (Kotler, Armstrong, Wong & Saunders, 2008, p. 533).

In order to obtain the best internal evangelists of the brand it is important to select the volunteers which believe the strongest in the brand and give them a reason to connect and stay connected to the brand which in turn makes them likely brand evangelists, further fueling WOM and strengthens relationships.

The Corporation for National and Community Service lists a number of benefits they found that motivated volunteers[5] in general:

- Connect with your community
- Conserve funds for charities, nonprofits and faith-based and other community organizations by contributing your time
- Share your skills and gain new ones
- Develop self-esteem and self-confidence
- Meet new people from all walks of life
- Enhance your resume and make important networking contacts
- Promote a worthwhile activity
- Feel needed and valued
- Experience something new
- Serve your country

All the surveyed megachurches exhibited several of the benefits listed above in their communication towards becoming a volunteer of the organization. LC uses some of the following words (see appendix N) "Impact thousands of lives", "build lasting relationships" and "new opportunities" that relate to feeling needed, promoting a worthwhile activity as well as connecting with the community and sharing your skills. WCCC has even more emphasis on

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[5] http://nationalservice.gov/for_individuals/why/index.asp

these issues by "playing a role in helping reconcile our broken world", "lasting difference in the lives of others" as well as many more examples, all relating to the above benefits (see appendix O). MBC uses words such as "dedicated people", "talents" and emphasizes leadership programs through which they will "develop the next generation of church leaders" and one can "gain valuable experience" (see appendix P).

All the surveyed megachurches attempt to both attract volunteers that can use or gain skills and be part of the megachurch's identity and contribute to the community. However, LC seems to have more emphasis on volunteers in areas of customer interaction through such areas as "Greeters", "Host Ministry", "Information Centers", "Section Hosts" and "Ushers" (see appendix N). This indicates that the surveyed megachurches are involved at some point in internal branding. However, it is difficult to assess the extent of this internal branding through their training sessions and educational material as these are not present online.

They are also aware of the importance of ensuring that the volunteers have a lifestyle that is consistent with their values and visions, as seen with MBC under their employment overview (see appendix P).

5.4.3 Branding externally

External branding is also crucial for the megachurch in conveying the image of the organization to the consumers. A mission statement is an important element as this will provide a value proposition to the consumer, which can seem tangible, as well as providing the megachurch with a set goal that can help them in both their internal branding as well as projecting the brand towards the consumers. WCCC as well as MBC both have clear vision statements, using words such as "core values" and "vision" on their main page that help differentiate themselves and clarify their intentions (see appendix Q & R), as well as LC having outlined theirs under the point "about us" (see appendix S).

> "Brands have both tangible and intangible characteristics. We are all most familiar with a brand's tangible characteristics; an organization's slogan, colors, or logo are tangible brand reference points. However, these tangible attributes of a brand are merely the visible byproducts of its intangible elements; the values, personality and functional benefits it promises. Delivering on these intangible aspects of your brand means that you are fulfilling your brand promise. Combined, the attributes of a brand help create a market position by differentiating it from the other brands within any given market segment" (Hart, Greenfield & Johnston, 2005, p. 102).

Most organizations see their challenge of positioning as differentiating their brand in order to get more donations and volunteers (Andreasen & Kotler, 2008, p. 168). This of course is, in many cases, a challenge since they are trying to brand something which is a behavior (Andreasen & Kotler, 2008, p. 180).

The megachurch does have a story to tell that sets them apart from the consumer-product-driven brands which have to create a story that communicates value to a customer for the sole purpose of building a relationship, predicated on the customer purchasing the product. Megachurches, however, have their story embedded in their culture. It is both articulated through their mission statements and delivered through their programs. The megachurch has embedded brands, saturated with value, which builds on relationships that are based on the customer being part of a community, not merely being a customer. Value-lathered brands as part of the megachurch therefore resonate closely with branding and they are therefore well positioned to use the power of branding to their advantage (Hart, Greenfield & Johnston, 2005, p.100).

5.5 Branding and Internet

The Internet as a communications channel for branding must not be underestimated. Several studies have shown that the unique communication capabilities of the web can increase brand awareness to achieve the same recall rate as TV commercials (Kania, 2001, p. XII). "This (the Internet) is a powerful medium. It combines the persuasive power of TV with the shelf impact of a well-stocked Wal-Mart and the immediate gratification of McDonalds" (Kania, 2001, p. 206).

The difference between TV commercials and Internet lies in both interaction as well as information flow. "Online consumers are on a mission, checking information or solutions to their needs" (Kania, 2001, p. 14) which reverses the information from a sort of push, where the marketer uses "interruption marketing", using advertising messages to interrupt what a person is doing (Godin, 1999, p. 10), which has less effect in modern times as there are too many interruptions and too much communications noise, to a pull where web users, in their search for information, will spend from a few to several minutes or even hours interacting with a website that can leave a lasting impression of the brand (Kania, 2001, p. XIV). This assumes that it is constructed properly to entice and relay effectively the information the

consumer is looking for. Godin advocates the use of permission marketing, which can enhance the perception of a brand, as a crucial alternative to interruption marketing through inviting the customer to volunteer to receive marketing. Permission marketing, in order to strengthen a brand, should be anticipated, personal and relevant (Godin, 1999, p. 181).

Permission marketing can to a very high degree be used in church as the church has an "overt permission to make a pitch to parishioners. People come to church expecting it....It's the priest's job to sell parishioners on being charitable, so the messages he delivers aren't just expected, they're required" (Godin, 1999, p. 180). Therefore permission marketing can also be a strong tool in connection with tithing.

The aspect of permission marketing is represented on the websites of the surveyed megachurches. LC offers "e-votionals", daily inspirations received through e-mail, and news on what is happening during the week at LC. WCCC has a direct link to "e-mail signup" from the main page, which offers a weekly newsletter or personal e-news with words and thoughts of the main pastor Bill Hybels. MBC does not have any specific function, as far as can be observed, that will allow the church to engage in permission marketing through acquiring the e-mail address.

5.5.1 Trust

Trust is of outmost importance when branding through a web site, as with any other type of advertising. As previously mentioned trust increases when brands deliver on their promise. However, trust also comes from a customer-brand relationship that is positive, consistent and dependable. Aspects such as e-commerce and marketing websites have created skepticism in most online visitors when it comes to privacy and security when providing personal information. The online visitor expects that modern websites will protect personal data, provide for a secure payment method as well as maintain the privacy of online communications. Therefore users look for a highly visible privacy policy that can inform them of how their personal information will be used by the company (Kania, 2001, p. 19). Security and privacy issues therefore become part of the branding online. Cookies[6] have become a commonly accepted method for many websites to track the online visitor in order to enable the company to build a customer profile which it can use to personalize the experience, also

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[6] Web browser text file, containing user preferences, shopping cart contents and other user data from websites

mentioned as a key factor by Godin (1999) as part of permission marketing. "Customer profiles can enable marketers to create more brand value in the mind of the customer. This in turn builds a stronger connection with the brand and increases the costs for the customer to switch to a competitor" (Kania, 2001, p. 104).

The entire brand experience online can, therefore, yield greater customer loyalty and establish a relationship with the customer. However, the customer must experience the brand in a dynamic and personal way which can be provided through such online services as chat, interactive applications, blogging or similar social networking tools as these can tap into the expression of emotions when people join communities based on similar interests (Kania, 2001, p. 100).

The issue of trust is most apparent with LC which has chosen to include a privacy policy outlining their respect for privacy as well as the handling of personally identifiable information (see appendix T). Most importantly they outline the reason for collecting personal information and what this information is used for. They also mention their use of cookies which help to make their shopping cart system work. They therefore imply that they are active in eCommerce, using an online book store, as well as they actively track information on banner clicks, Internet link activity and attempt to personalize the experience. Neither WCCC nor MBC have opted for any such privacy statement on their main website.

The more familiar customers become with the brand and the better their experience, the faster the brand can facilitate the customer into trust and loyalty. Thus the site's functionality, look and feel as well as its privacy and security statements can enable a brand to grow stronger and facilitate a stronger relationship with the customer on the basis of trust. "On a website, the information represents the brand, and in some cases the information IS the brand" (Kania, 2001, p. 220). However, a thorough analysis of the functionality of the websites, build, accessibility and information flow is reserved for a thesis on its own.

5.6 Subsidiary conclusion

Branding is imperative for megachurches, to differentiate the organization from competition and to outline the reason for its existence. The unique identity obtained through branding allows donors to better choose the organization that best fits their own values or wishes.

Through surveying the megachurches, it is apparent that they are all involved in branding through their websites in various ways. The combination of ministries, mission, values and offerings are all aspects that shape this unique identity, which will seem relevant to their seeker audience.

By being consumer-oriented, through adapting the offerings in accordance to the target audience, the megachurches have emphasis on satisfaction and thus retention.

All the megachurches are involved in obtaining volunteers as well as adding to their skills or responsibilities, which could build and strengthen their relationship with the megachurch and thereby become a brand evangelist. Employee loyalty and engagement has a direct influence on customer experiences which can enhance brand image and awareness and help create brand loyalty.

It seems that the larger the church and the more attendees, the more focus the church has on the contact points between the volunteers and the attendees as seen with LC. There is therefore an apparent correlation between the size of a megachurch and the level of relationship building through on-site contact points.

The only megachurch that seems to have any emphasis on the issue of trust and privacy is that of LC, which could be due to the fact that they are involved in eCommerce through their online bookstore.

Chapter 6

6 Relationship marketing and management – the retention tool

I this section I will outline relationship marketing as a retention tool and how megachurches are or could use some of these principles to retain more members. I will also look at how it ties in with the Internet, as well as the use of CRM as a possible tool for stronger relationship marketing.

Due to the tremendous market competition and the ease with which customers can Google any number of industries and find a potential competitor, it is of the outmost importance to create and maintain a solid relationship with the customers, thus adding to the cost of switching for this customer.

Relationship marketing entails that you build a relationship with your customers, in order to better retain them, and technology has made it possible to reduce mass interactions with customers to a one-to-one basis which has profoundly changed the dynamics of customer service. The concept of relationship marketing has been accredited for having been introduced by Leonard Berry in 1983 (Petrof, 1997) to describe a long-term approach to marketing for service companies and has since attracted attention by most industries.

As Scott Thumma points out (Thumma & Bird, 2009, p. 7) almost 25% of the attendees answered that they attended other churches and consequently had multiple loyalties. This segment is more prone to switching to another church and this emphasizes the need for relationship marketing. The relationship to the customers for megachurches is important as any relationship can evolve in either direction, be it a lastingly satisfied customer who can be an enthusiast and thus an evangelist, or an unsatisfied customer who can potentially become a "terrorist" to your organization and brand. This is why it is so important for companies, not just megachurches, to emphasize customer satisfaction on a long-term relationship rather than focusing on single transactions, as it is the continued building on interactions and transactions which create the long-term relationship.

However, there are several views on relationship marketing, ranging from a customer-centric marketing aspect to a relationship with all parties that intersect with the company, be it suppliers, macro environment etc. In connection with megachurches and this thesis, the use of relationship marketing will be limited only to the actions that are focused on serving the customers.

Relationship marketing is a strategic orientation that focuses on retaining current customers and improving the relationship with these, having less emphasis on acquiring new customers, however, still being able to add to the WOM effect. Relationship marketing can be applied when there are competitive alternative products to choose from as well as a periodic and ongoing desire for the product or service (Berry, 1983, p. 146). Kinnell and MacDougal (1997, p. 8) state that "the satisfaction of customers is the most important goal of the not-for-profit public service or voluntary organization. In order to fulfill customer requirements their reactions to service delivery must be noted, recorded and acted upon".

The process of retention entails 4 steps (Scribd, April 6, 2009, p. 4):

1. **Enticing and acquiring**
2. **Satisfying**
3. **Retaining**
4. **Enhancing relationship**

Through this process megachurches can possibly obtain stronger and more consistent WOM activities, reduced marketing costs, more volunteers and a more regular "revenue" or tithing.

As Philip Kotler notes, the new economy requires marketing to focus on the customer through relationship marketing to ensure retention of customers and to increase the time span of the relationship (Milton, May 6, 2009, p. 56). Relationships between customers and organization managed over the long-term are the basis for successful marketing in the nonprofit sector (Kinnell & MacDougal, 1997, p. 13). This is accomplished through defining the customers based on their specific needs and their value to the company and by customizing services and products to each customer. However staff training, particularly in the area of customer care, is essential to ensure a responsive organization (Kinnell & MacDougal, 1997, p. 9).

6.1 Relationship marketing and Internet

The importance of building on customer relationships through onsite contact points is pivotal for megachurches. The Internet however does offer several aspects that can help to build and maintain a strong relationship with the customers which can lead to a higher retention level. Frederick F. Reichheld wrote that "raising customer retention rates by five percentage points could increase the value of an average customer by 25 to 100 percent" (Reichheld, 1996), emphasizing the importance of retention for any company.

A relationship should bring value to your customer. In order to build more value, it is necessary to be able to communicate with them, making the e-mail address the most vital information in an attempt to initiate a relationship online. Once the email has been obtained it is possible to engage in permission marketing. However, the central point of permission marketing is relevancy for the consumer and with perceived relevancy comes appreciation and the first steps of the process of building a relationship that can ultimately lead to WOM.

Relevancy and perceived value can be obtained through different levels of content on a website; open content, which is accessible to all visitors, and premium content that is accessible only by those registered (Parker, 2000). Not all visitors are equally drawn by the promise of premium content due to the aspect of having to sign up to access information which should otherwise be open for all. Therefore, another option that can be applied in order to obtain email is through newsletters or similar free material sent directly to the visitors email account. Once the initial contact has been made, a thorough management of this relationship must be initiated to maintain and build value for both the customer and the company.

The website can produce valuable marketing data which can be used by the megachurch. In submitting information through the web in order to request a prayer at LC or receive a newsletter at WCCC or filling out a response card at MBC's internet campus the visitor is providing valuable marketing data that can assist the megachurch in their marketing and relationship building. However, megachurches do have more optimal opportunities for requesting personal information from new visitors than most commercial companies as visitors to church sites are seeking spiritual fulfillment and a connection with both God and like-minded people with the premise of sharing their story. The bond or relationship between

an attendee and the church often changes the outlook on communications in that an inquiry from a church leader about spare time, likes or dislikes will often not receive the same amount of resistance as if the question was posed by a commercial company as a follow-up to a purchase.

A powerful tool that can help in categorizing your members as well as offering relevant products based on a consumer profile is that of customer relationship management software.

6.2 Customer Relationship Management

Gartner Inc., the leading IT research and advisory company, has defined customer relationship management, henceforth referred to as **CRM**, as a "business strategy whose outcomes optimize values such as profitability, revenue and customer satisfaction by organizing around customer segments, fostering customer-satisfying behaviors and implementing customer-centric processes" (Gartner, 2002, p. 6).

Using CRM software could therefore optimize the consumer-oriented approach of the megachurches in specifying when and what a member would react to in coherence to their present relational situation. By building and analyzing changes to a database it can be possible to pinpoint where membership is reclining or increasing which can guide the relationship marketing efforts.

Megachurches, in connection with encouraging increased commitment, might also use programs that discover and develop skills and personal gifts beneficial to attendees possibly wishing to volunteer by recording skills, interests and employment information to more efficiently recruit and apply skills where needed. It has not been possible to prove this through the case studies, however, the megachurches are offering leadership programs through which they can assess the skills of the volunteer and build upon these, as personal development is a key aspect of relationship management.

The surveyed megachurches are also offering sermons and services through streaming video and podcasting in order for attendees, not being able to attend in person, to attend through the Internet.

When boundaries are so open for people to leave, it is even more essential for the megachurches to follow up, which is a common method used by the majority of

megachurches, according to Scott Thumma. As much as 77% of the surveyed megachurches contact visitors by mail and 70% contact first-timers by phone. Only 38% use e-mail for follow up and only 29% do follow ups in person (Thumma, Travis & Bird, 2005). As Scott Thumma writes "Once a person shows interest in a megachurch, the leadership often engages in numerous intentional efforts to help the newcomer become integrated into the congregation" (Thumma, Travis & Bird, 2005). Scott Thumma outlines the following list on efforts:

Action	%
Invitation to participate in a fellowship or other small group	88%
An orientation class for new members	78%
Invitation to volunteer for service in the congregation or the community	69%
Designated people extend hospitality and invite them for meals	58%
Follow-up visits by clergy, lay leaders, or members	52%
Other activities	22%
No planned procedures or activities	3%

(Source: Thumma, Travis & Bird, 2005)

The main purpose of CRM is therefore to enable the company or organization through the introduction of reliable procedures to better serve and interact with its customers.

A key aspect of relationship management and how it is implemented in an organization is through the Customer Life Cycle, henceforth referred to as *CLC*, which is the summary of the life stages a customer has in his relationship with a company or organization. A CLC is used to retain a customer through predicting the needs of the customer in order to respond to them throughout the relationship.

A CLC begins with initial awareness and ends with dissolution and a progression should therefore be followed if service marketers wish to establish strong relationships with customers by offering services and products in coherence to their present step in the life cycle. CRM, and thus CLC, is however a "back-stage" tool which is not always visible on the website.

The megachurches have been contacted, but have not responded to the question of the use of CRM as part of their daily functions.

LC is using cookies on their website, and it does seem reasonable to conclude that the other surveyed megachurches are also using this technique as it is a normal procedure of most modern web pages. They are essentially tracking visitors and members in order to better assess appropriate actions according to the information analyzed through the cookies. This information can then be applied to track the behavior in comparison to the number of visits to the website by the specific visitor and to attempt to anticipate what the visitor wants.

6.3 Retention: from attendee to active participant

As many megachurch attendees (25%) have multiple loyalties, as supported by Scott Thumma (Thumma & Bird, 2009), it is of importance to megachurches to initiate relationship marketing in order to retain the current attendees and ensure a mutual loyalty that can likewise ensure future membership and tithing.

The three most important aspects in attracting new attendees to megachurches, according to Thumma, are (Thumma & Bird, 2009, p. 20):

- Worship Style
- Senior Pastor
- Church reputation

However, after having attended the church for some time, the aspects that gather most importance from additional interest is:

- Senior Pastor (0.8)
- Social/Community outreach (0.8)
- Adult programs (0.7)

A full 70% of the respondents of the survey identified themselves as "active participants". No single pathway indicated the cause of conversion from initially being an attendee to becoming an active participant. The only two pathways which stand out in connection to the aspects of tithing, volunteering and small groups were:

- Taking the initiative oneself
- Sensing an inward sense of call, spiritual

Scott Thumma notes: "Older and longer tenure attendees were more self-motivated and also more likely to respond to generic requests from the pulpit or from people they didn't know" (Thumma & Bird, 2009).

It is therefore difficult to assess whether relationship marketing is the cause of the retention. However, there is a noticeable move from external aspects such as the worship style and church reputation which might affect during first attendance, to more long-term issues such as community outreach as well as programs. Therefore, it seems plausible that with relationship marketing focusing on long-term issues intertwined with designing small-groups with increased ownership feeling of the participants, it has had an impact on the conversion of attendees into active participants.

FACT (Hadaway, 2005) notes, that what is even more important than programs is the follow-up on visitors, to help transition people from visitor or prospect to member (Hadaway, 2005, p.16). FACT also concludes that the congregations that follow-up on visitors through various media, are also the ones most likely to grow. This is supported by Scott Thumma (Thumma, Travis & Bird, 2005) in stating that the follow-up is critical to an organization where boundaries are so open to enter and leave. Likewise, he notes that whenever a person shows an interest in the church "the leadership often engages in numerous intentional efforts to help the newcomer become integrated into the congregation." In his study from 1999-2000 he found that as much as 96% of all the churches strongly encouraged the attendee to volunteer in the congregation's ministries as well as 32% assigned a "mentor" to help incorporate the attendee into the church (Thumma, 2001) which was also supported through his 2005 study.

This supports the notion of relationship marketing in megachurches.

6.4 Subsidiary conclusion

Relationship marketing is of outmost importance to increase consumer loyalty and switching costs and is therefore a crucial part of retention. With as much as 77% of megachurches doing follow-up by mail (Thumma, Travis & Bird, 2005) and other numerous intentional efforts, it seems to indicate that the megachurches are focused on creating a stronger relationship with the attendees.

The megachurches are focusing on relationship management both online as well as offline. Permission marketing helps support relevance and thus enforces customer satisfaction. The use of CRM software is however difficult to ascertain as CRM is mainly a "back-stage" installation that is not apparent through their websites. However, CRM can be a most effective way to keep people engaged and turn them into loyal customers by giving them what they want, when they want it. By measuring what people want, through monitoring activity on what is watched and downloaded, megachurches can adapt to the needs and wants of their customers. This could seem apparent when observing LC's "prayer request" through which they can observe what people care and pray about and thus extend offerings into these areas. If relationships come to an early dissolution due to relocation or the like, online functions such as webcasting, podcasting and Internet campuses can maintain relationships and loyalty with their customers and ultimately donations.

By concentrating on small groups as a tool for creating relations among the attendees and members and allowing them to start their own groups, the megachurches are able to reveal gaps in their "product" line which they must adapt to and evolve in order to continuously build on their relationship and satisfaction with their customers.

Chapter 7

7 Final Conclusion

Religious faith should have become less socially relevant due to the process of modernization, however, as there has been a rise in religious views on a world scale, this has certainly not been the case. In the US, religion is vibrant, despite being a modernized and postindustrial nation. Secularization should also negatively have influenced religious belief, which is not the case in the US, as religion or spirituality has high importance to the individual within this vibrant religious market.

With retention as the main objective of the megachurches and the main subject of this thesis, it does seem that the chosen principles in this thesis can help the megachurches accomplish this task and the three principles are observed implemented through the online websites of the surveyed megachurches. However there are varied ways as to how these principles are being applied in connection with the size, structure and style of the individual megachurch.

It has been outlined that WOM is a strong tool both online as well as offline to reach and obtain the right segment and to instill a stronger sense of community.

However, this thesis indicates that WOM online is less apparent in larger megachurches. LC does not seem to have any emphasis on WOM through their website as well as WCCC having only references to Facebook and Twitter on their main webpage. MBC seems to be having the most varied use of online functions to facilitate WOM through both using blogs, chatting, invite a friend, Twitter and building a community through their Internet campus. Whether this is done to facilitate increased WOM or is a strategy to reach a younger segment is however difficult to assess.

The importance of employees being a crucial part of a brand is evident at all the megachurches surveyed. All the megachurches have emphasis on attracting volunteers that can help strengthen the brand by living the brand. However, it is difficult to assess the extent of internal branding through their training of volunteers and leaders as this is done offline. The websites do indicate emphasis on connecting applicants with the right values to the right

position, with LC having the most emphasis on onsite contact points and are thus very aware of the importance of employee and customer interactions. As both MBC and WCCC have value and vision statements easily accessible from the main page it does seem to indicate that they are aware of the importance of positioning the church and outlining their reason for existence. LC does have a description of their vision under "about us" but with less emphasis on outlining values as the other surveyed megachurches. This does seem to indicate that size has an impact on how a megachurch is using branding online when using values or vision statements as an indicator.

With all the megachurches having implemented some form of permission marketing through being able to acquire the e-mail address of visitors, it does seem evident that they are involved in some form of relationship marketing. It is however difficult to ascertain to what degree the information gathered is used for optimizing the relationships and personalizing the experience and whether this information is collected in connection with CRM software. As previously mentioned they are all focusing on small groups that will strengthen the relationship between the attendees. Through mentors and likeminded individuals, a greater sense of personalization and group-like behavior is obtained, and even more so is the importance of the perceived sense of ownership by allowing them to start new groups that can ensure a feel of cutting edge and relationship towards the congregation.

However, the aspect of satellite campuses versus a single campus might have an impact on the results of this thesis. Megachurches using satellite branching might have a greater need for clear value and vision statements that can help them maintain these throughout their flattened networked structure whereas single campus churches have less need due to their somewhat more simple structure. This could provide an explanation as to why WCCC and MBC are having more emphasis on both WOM and branding. The larger megachurches seem to be driven more by their reputation and thus a "herd" behavior in acquiring more attendees and less through building communities online.

There are however many ways as to reach the end goal of retention and this thesis only indicates general trends observed within the studied megachurches. With the growing use of Internet as a communications and networking tool, much more emphasis must be given to this area.

The overall conclusion of this thesis must be, if the main concern of the megachurches is retention and the studied megachurches represent megachurches in general, it seems reasonable to assume that, in spite of these principles having been implemented, they have not been implemented successfully. Future research is needed to uncover how these principles can be better implemented to ensure retention.

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Appendixes

Appendix A – Short historical outline

Lakewood Church

Lakewood Church is a nondenominational megachurch located in Houston, Texas, and is considered the largest congregation in the US with its average of 43,500 attendees a week (SermonCentral (I), 2008) with Joel Osteen as the senior pastor. The campus is comprised of a 16,800 seat building, formerly the Compaq Center, a 34 year old former basketball arena, which has been renovated and a five story building has been added that includes a 27,000 square foot media suite for audio and video production. This $75 million construction was initiated in 2004 with much of the finances being spent on the visual effect of the services that will "appeal to all your senses" as noted by Duncan Dodds, the chief executive director of Lakewood Church, a former marketing and advertising executive, adding that the church was focusing on "the things that are kind of a wow, so that when you walk in, it will take your breath away". As noted by Joel Osteen concerning the location of the church "had Lakewood built a new church, it probably would not have been in as prime a location as the Compaq Center, which is right off Highway 59, a major artery" (Prestin, March 10, 2004, p. 2).

Lakewood Church was originally founded in an abandoned feed store by John Osteen and wife Dodi Osteen on Mothersday in 1959. John Osteen later created and hosted, with the help of his son Joel Osteen, Lakewood's worldwide television program. Upon John Osteen's death in 1999, Lakewood Church was passed on to his son.

Subsequently the congregation grew rapidly from a weekly attendance level of 6,000 to 47,000, with his sermons continuing to be televised worldwide with a weekly viewer level of around 7 million people. Beyond this success, Joel Osteen also has a number of bestselling books, with the latest having sold roughly one million copies since its October 2007 publication (Ramirez , January 28, 2008).

Joel Osteen has a history within television, and in 1998 he built and led a small independent television station into becoming one of the most successful Christian and family entertainment stations in the country.

Willow Creek

Willow Creek is a nondenominational, Evangelical Christian megachurch which is located in South Barrington, Illinois, a Chicago suburb. It is considered the 4th largest megachurch with its 22,500 weekly attendees (SermonCentral (1), 2008) with Bill Hybels as its main pastor.

It is however, contrary to Lakewood Church, a church in multiple locations, known as satellite campuses (Thumma, Travis & Bird, 2008), with these campuses located throughout the main area of Chicago where "people may attend a Willow Creek congregation just 30 minutes or less from where they live" (Willow Creek, 2009). Currently Willow Creek is located in South Barrington, Chicago, Dupage, McHenry County, North Shore and Casa De Luz, with South Barrington as the central campus.

Willow Creek Community Church was started in 1975, when Bill Hybels envisioned a church for the "unchurched". Bill Hybels was accompanied by a group of young adults who were all graduates of an innovative youth ministry, and together their goal was to erect a church "for those who couldn't handle traditional religion" (Comiskey, 1996)(Hunter, 1996, p. 14). A door-to-door survey of the local community gave them insight into why these stayed away from church. The first congregation met in 1975 at Palantine's Willow Creek Theatre, however, within two years the congregation had grown from 125 to 2,000 attendees (Moore, 2005). Completed in September 2004, Willow Creek Community Church had accommodated its growing attendance level by erecting a $73 million 7200 seat auditorium, paid for entirely by the congregation. Av integration was accomplished using in-house talent from staff and volunteers, saving them a $4.8 million. Willow Creek Community Church has been both widely criticized as well as imitated for its entertaining worship style and use of modern marketing techniques, as well as its "seeker services" directly and deliberately targeted the curious and unchurched (Moore, 2005).

Since 2001 Willow Creek has been represented in Denmark, as well as other European countries such as Norway, Sweden, Germany, Great Britain as well as Switzerland (Willow Creek DK, 2009).

McClean Bible Church

McLean Bible Church is a nondenominational, evangelical Christian megachurch located at McLean, Virginia which has been voted the 14th fastest growing church in America (SermonCentral (II), 2008) and is considered to be the 18th largest megachurch with its 13,699 weekly attendees (SermonCentral (I), 2008) with Lon Solomon as its main pastor. McLean Bible Church has eight satellite campuses, four of which are normal adult churches and four which carry the label of Frontline, which is McLean Bible Church's young adult ministry, intended to reach young adults in the Washington, DC area.

McLean Bible Church was originally founded in 1961 through five families joining to create a nondenominational church, where the Bible could be taught, with Pastor J. Albert Ford as its first pastor. In 1980 Lon Solomon became the fourth pastor of McLean Bible Church which had grown from the original five families to around 200 members (McLean Bible Church, 2009). Lon Solomon supported and advanced the concept of becoming more "seeker friendly" to attract more people who otherwise would not attend church. In 1992 McLean Bible Church moved to a new auditorium at Balls Hill Road to accommodate the rapidly growing attendance level. However, despite a rapid growth of around 25% after having moved to the new location the leadership realized that they still did not reach the target group of young adults and in 1994 Frontline was launched. In 2001 the church moved to its present location, a 43 acres piece of land and a 232,000 square foot facility previously owned by the National Wildlife Federation, as a result of a growing congregation.

Finally in 2006 Lon Solomon initiated the next step for McLean Bible Church, which was community campuses, to accommodate the additional congregational growth (McLean Bible Church, 2009).

Appendix B – The Sunbelt
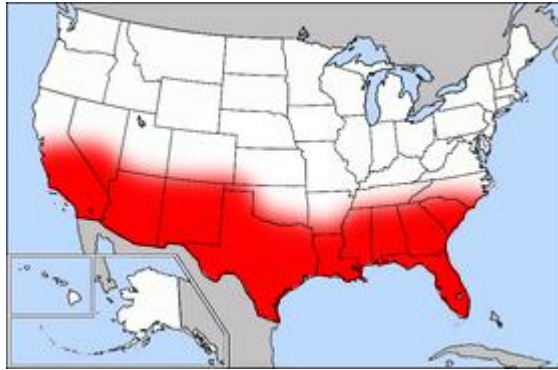
Figure 1: The Sunbelt

Appendix C – LC Financial Ministry

http://www.lakewood.cc/MINISTRIES/FinancialMinistry/Pages/FinancialMinistry.aspx

Appendix D – WCCC Financial Ministry

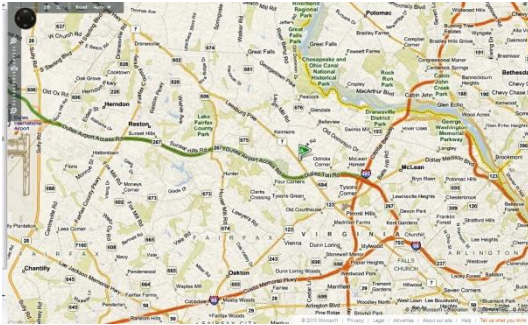http://www.willowcreek.org/goodsense
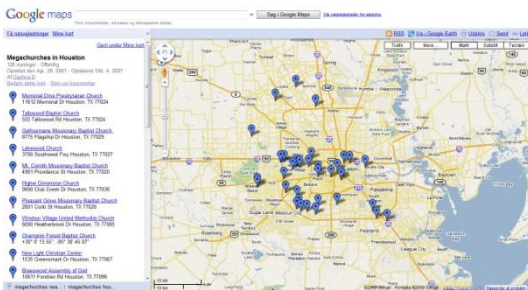

Appendix E – LC highway proximity

Appendix F – WCCC highway proximity

Appendix G – MBC highway proximity

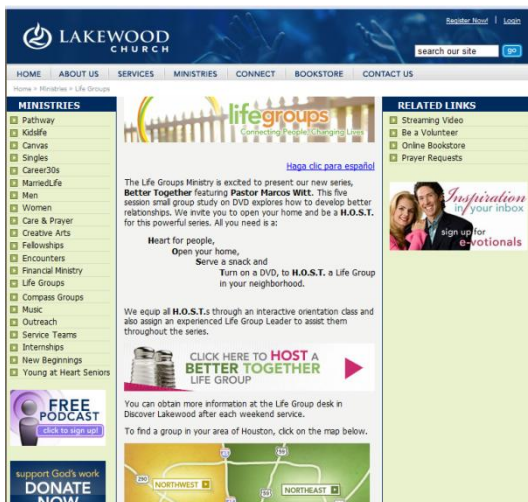## Appendix H – LC Clustering

Appendix I – WCCC C.A.R.S Ministry

http://www.willowcreek.org/cars

Appendix J – WCCC P.A.D.S Ministry

http://www.willowcreek.org/pads

Appendix K – LC Lifegroups Ministry

http://www.lakewood.cc/MINISTRIES/LifeGroups/Pages/index.aspx

Appendix L – MBC Link Point Person

http://www.mcleanbible.org/pages/page.asp?page_id=89582

Appendix M – WCCC Grouplife

http://www.willowcreek.org/grouplife

Appendix N – LC Volunteer

http://www.lakewood.cc/Connect/Pages/Volunteer.aspx

Appendix O – WCCC Volunteer

http://www.willowcreek.org/volunteers

Appendix P – MBC Employment overview

http://www.mcleanbible.org/pages/page.asp?page_id=81893
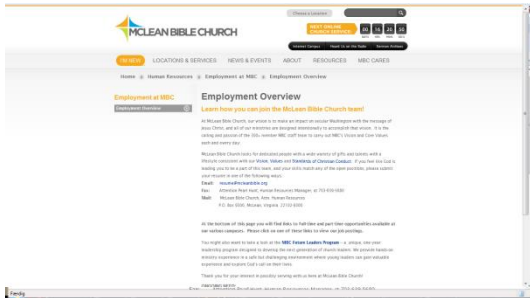
Appendix Q – WCCC Vision & Values

http://www.willowcreek.org/home1.aspx

Appendix R – MBC Vision & Values

http://www.mcleanbible.org/

Appendix S – LC "About us"

http://www.lakewood.cc/AboutUs/NewToLakewood/Pages/NewToLakewood.aspx

Appendix T – LC Privacy Policy

http://www.lakewood.cc/Pages/PrivacyPolicy.aspx

Appendix U – Mail correspondence

Email correspondence between Michael Svendsen and Scott Thumma, November 23, 2009. Document "Email correspondance 23 november 2009.doc" is available on enclosed CD.

Dear Mr. Thumma,

In using the above mentioned report, I have stumbled across a section you wrote:

> *"Likewise, even in this world dominated by Internet technologies, only 16% of attenders said they looked at the websites of these megachurches prior to attending physically. This is somewhat surprising given that most research on Internet use shows that people with the demographic characteristics of megachurch attenders are the most prolific users of the Web. Additionally, the websites of nearly all megachurches are well designed, have robust content and are of high quality.*
> *Perhaps the seeming lower influence of the megachurch websites on bringing visitors has to do with the churches' notoriety and very large presence in the community; essentially, it isn't nec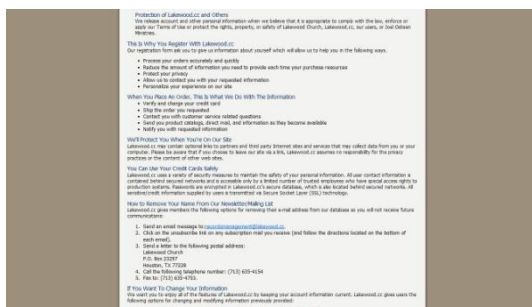essary to look at their websites since the local community already knows about them. Some evidence for this conclusion can be found in the fact that those coming to the church from a distant area, the transplants, are the most likely to have looked at the website prior to coming. It is also true that both the younger age of megachurch attenders and their length of time at the megachurch (two variables that are highly correlated) increase the chances that people have looked at the website before attending. Nevertheless, these findings again reinforce the important and significant power of personal invitations, even in the era of the Internet."*

What question did you pose to the attendees? Was it only concerning the specific website of the megachurch or did it also concern other online resources concerning the megachurch?

The reason for my question is that the survey will take on a different character and result if the question did not concern other online resources in that social networking sites as well as other resources such as Twitter, Youtube etc. also include resources connected to many megachurches, such as podcasts, webcasts, streaming, video of sermons as well as Facebook groups etc.

Some of the attendees might have heard, noticed, read etc. about the megachurch on sites not affiliated with the church, be it through Facebook or other.

I would like to thank you in advance as this will be very helpful to the perspectives of my thesis.

Kind Regards

Michael Svendsen

Michael, We asked attenders if they looked at the website before coming to the church for the first time. I'm not sure that limiting the question to the website alone changes the results very much. While I agree that megas use blogs, twitter etc. a good bit more than other smaller churches, according to most studies the social networking Internet technologies don't have near the traffic that websites do. Features like podcasts, streaming, videos, etc. would probably be located on a church's website for all but a few of the most popular megachurches. And even if a person did see a youtube video first, either they might consider that as part of a church's web presence and thus say yes to our question or they would then go to the website to find the address and times for the services in all likelihood.

What some other research that I'm doing on church attenders use of the Internet in relation to religion generally is showing is that far fewer people are on the Internet for religious purposes than most national surveys like Pew Internet Study seem to indicate.

 Word of mouth and friends inviting friends still seem to be the primary ways people are introduced into churches. And I think that is especially true with these very large and well known megas where 82% came with a friend, 12% say they saw the church and came on their own, only 6-7 % say they came as a result of some media source.

 Scott

Eight Building Blocks of CRM

Gartner SYMPOSIUM ITXPO® 2002
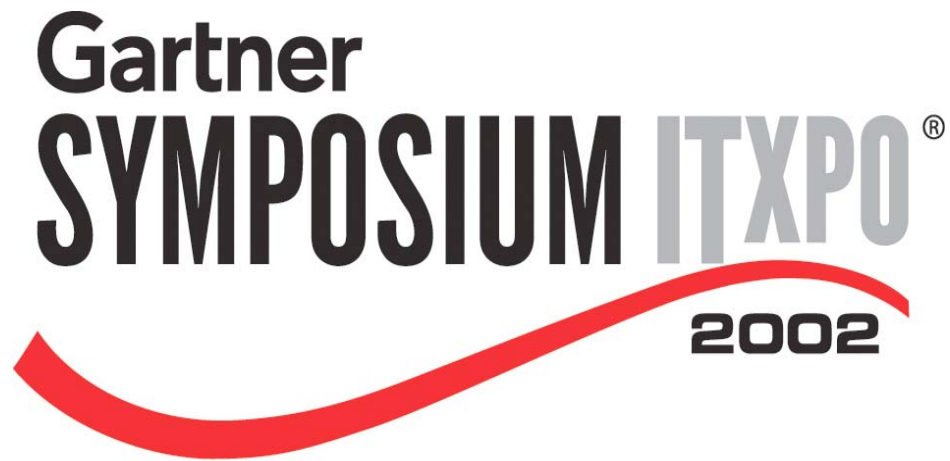
Cannes, France
4–7 November

European Symposium/ITxpo

Palais des Festivals
Cannes, France

Ed Thompson

CRM Attitudes:
Challenges in May 2002

- Expectations being reigned in due to discontent with the evidence so far and lack of agreed measures of success.
  - Most admit they haven't seen a payoff yet.

- Admission that goals have been poorly defined, and that there is an inadequate understanding of CRM.
  - They admit their own responsibilities.

- Budget postponements, slashing and smaller projects, with an emphasis on cost-reduction and short-term gain.
  - The result of slowing economies.

- CRM had a bad name in many organizations, and was seen as bad for your career in a few.
  - Many are scared and frustrated by CRM failures.

Gartner

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Many users say they will invest in customer relationship management (CRM) in 2003 and beyond, but firm commitment in 2002 is lacking.

Understanding: Companies are having a hard time committing to a definition of CRM internally, much less a strategy.

Lack of Measures: Managers are particularly frustrated by lack of concrete ROI measures

No new ideas in the market in this area have definitively taken hold

Everyone (vendors, analysts and users) agrees that measurement is difficult to do, but with current economic conditions it is more important than ever.

Difficulty: Managers are scared and frustrated by the difficulty of successful CRM. They doubt their ability to deliver — with good cause.

So many have experienced CRM disasters that it has become a bad word in their company.

Some individuals see career risk in being associated with CRM efforts that fail, and only a small payoff if they succeed.

Smaller projects that show clear ways to reduce cost today are more appealing. Application implementations are seen as a solution, but these fail to excite and motivate, as opposed to murky promises of higher revenue or improved customer satisfaction.

CRM Attitudes:
Opportunities in May 2002

- Companies remain committed to a belief in the value of CRM, in principal and in deed.

- They know they need it and know it will cost money.
  - They have focused more on the customer to improve profits and beat the competition.

- For better or worse, they also have realized that CRM is more than throwing money at software.
  - Attitudes and processes must change.

- Increased realism is leading to a renewed focus on strategic thinking.
  - The issues are more complicated than assumed.

Gartner

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Those surveyed understand that a total, enterprisewide focus on the customer (including board participation, company incentives, culture and data quality) is needed for CRM to succeed.

The primary focus of CRM project and program managers is shifting away from selecting and buying technology to "soft" issues such as new incentive and performance measurement plans, new organizational structures and the reskilling of employees.

Increasing numbers are beginning to view CRM as a far-more-strategic investment. Those owning the CRM initiative are shifting away from the IS organization and the sales department toward customer service and marketing. However, the most-advanced advocates of CRM are now shifting ownership of CRM toward the strategic planning function and the operations director.

The result of these developments is that the CRM application software market may be suffering but the activity within many enterprises is ongoing, and we can expect a second coming from those CRM initiatives that appear to have gone underground.

CRM Has Differing Importance for Business and Technology Executives

Top 10 Business Trends, 2002　　　　**Top 10 Technology Priorities, 2002**

Average weighted score (10 = max)　　　Average weighted score (10 = max)
1 2 3 4 5 6 7 8 9 10　　　　1 2 3 4 5 6 7 8 9 10

Business Trends		Technology Priorities
Pressure on costs		Security enhanc't
Need stakeholder returns		Web design, content
Professionalizing CRM		Application integration
Privacy/data security		Deploy W2000
Need for innovation		Network infrastructure/mgmt.
E-enabled business/govt.		Internal e-infrastructure
Shortage of right skills		Deploy portal
Knowledge capital/IP		Workflow mgmt.
Govt./legis. requirements		*CRM implementation*
Mergers and acquisitions		Internal-e processes

Gartner　　　　**January 2002**　　Copyright © 2002

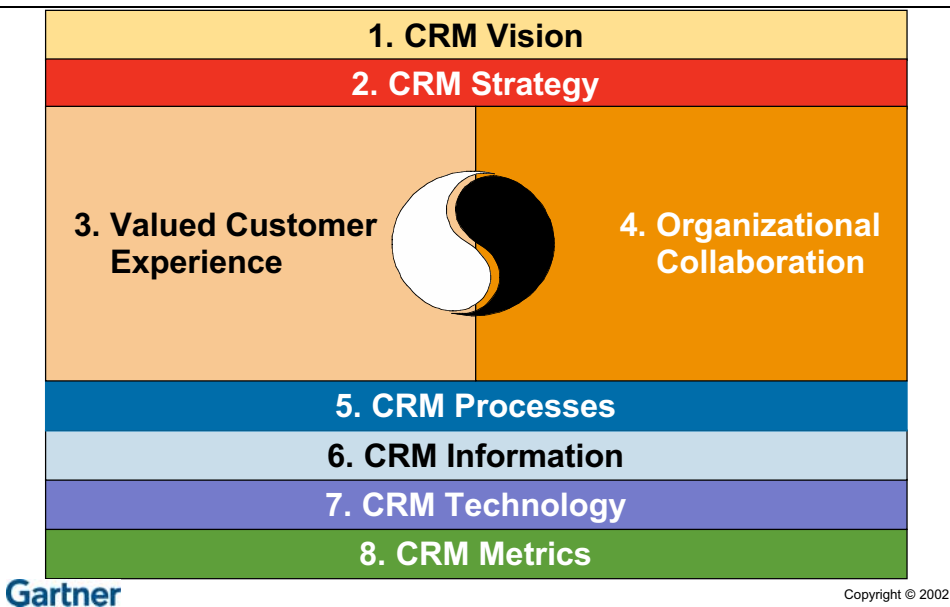Gartner's EXP survey of more than 700 CIOs in January 2002 delivered the following results:

Key Technology Trends in 2002: Security enhancement tools and content management tools came at the top of 2002's priority list, reflecting the need to protect data and manage access rights. Application infrastructure priorities came next. Application infrastructure priorities include a mix of short-term and medium-term internal components including middleware and Windows 2000. CRM and workflow will also contribute to application infrastructure investments in 2002 but are far lower priorities than in previous years.

Key Business Trends in 2002: Many economies are in decline and markets are tightening. There is evidence of a simultaneous economic downturns and demands for increasing stakeholder returns. Nonetheless, innovation and customer management are seen as key strategies to address consumers' and customers' lost willingness to spend during unfavorable business conditions. In particular, making customer management more professional and improving retention of existing customers is seen as key during the downturn.

Strategic Imperative: Enterprises must use a strategic CRM framework to estimate, plan and promote their CRM initiatives, while building up their capabilities in small, piloted steps.

The Eight Building Blocks of CRM

1. CRM Vision
2. CRM Strategy

3. Valued Customer Experience	4. Organizational Collaboration

5. CRM Processes
6. CRM Information
7. CRM Technology
8. CRM Metrics

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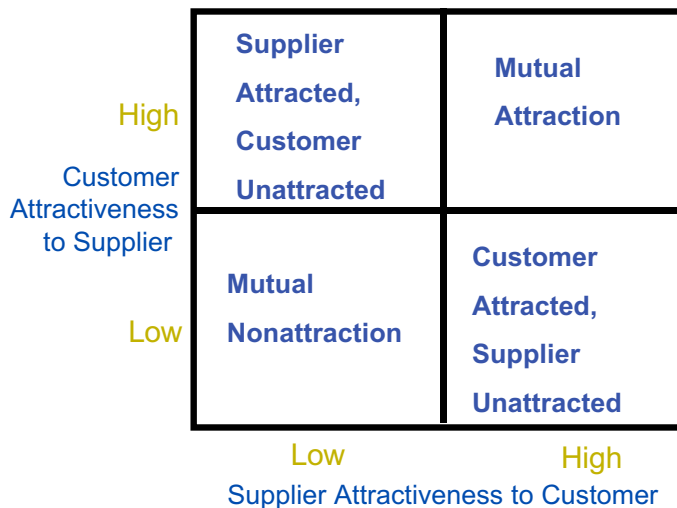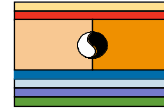You need capabilities in all these areas for successful CRM:

1. CRM Vision: Building a market position against competitors with defined value propositions based on requirements, personified by the brand and communicated

2. CRM Strategies: Turning the customer base into an asset through the delivery of CVPs. Provides objectives (e.g., development) and how resources will be used in interaction

3. Valued Customer Experience: Ensuring constantly that the propositions have value to customers and the enterprise, achieve the market position and are delivered consistently

4. Organizational Collaboration: Involving the changing of culture, structures and behaviors to ensure that staff, partners and suppliers work together to deliver what is promised

5. Processes: Managing customer life cycle processes (e.g., enquiry, welcome, complaints and winback) and processes in analysis and planning that build customer knowledge

6. Information: Ensuring that the right data is collected, and that the right information goes to the right place

7. Technology: Involving data and information management, customer-facing applications and supporting IT infrastructure and architecture

8. Metrics: Involving internal and external measures of CRM success and failure

Definition: Customer relationship management (CRM) is a business strategy whose outcomes optimize values such as profitability, revenue and customer satisfaction (the "what" and "why") by organizing around customer segments, fostering customer-satisfying behaviors and implementing customer-centric processes (the "how").

CRM technologies should enable greater customer insight, increased customer access, more-effective customer interactions, and integration throughout all customer channels and back-office enterprise functions (the outcomes).

CRM Starts With Relationships
That Are Based on Value

	Low	High
High Customer Attractiveness to Supplier	**Supplier Attracted, Customer Unattracted**	**Mutual Attraction**
Low	**Mutual Nonattraction**	**Customer Attracted, Supplier Unattracted**

Supplier Attractiveness to Customer

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Gartner defines CRM as "a business strategy whose outcomes optimize values such as profitability, revenue and customer satisfaction by organizing around customer segments, fostering customer-satisfying behaviors and implementing customer-centric processes." However, there are many other equally valid definitions. Gartner recommends collecting several definitions of CRM and then creating one that is unique to the enterprise. In creating a definition, there are several benefits: 1) Buy-in from those involved in its creation; 2) An acceleration in the process of defining a CRM vision, because the definition and the vision are inextricably linked; and 3) a better understanding of the "why" and "how" of CRM. All strong CRM definitions express why the CRM initiative is being undertaken and how the objectives will be reached.

In creating a definition, the key word in CRM is "relationship." Relationships are built on "value." Most CRM initiatives should start by defining the "value" they expect to receive from customer and the "value" they intend to deliver.

Action Item: Enterprises should examine as many definitions of CRM as possible but create their own definition to gain buy-in and cohesiveness from those involved in the initiative.

Key Issues

1. **What is a CRM vision and how should it be created?**

2. **How does a CRM strategy differ from a traditional marketing strategy?**

3. **How should an enterprise design the customer experience to deliver on the CRM strategy?**

4. **What cultural and structural changes are needed to gain benefits from organizational collaboration to deliver on the CRM strategy?**

5. **How will enterprises redesign processes to be more customer-centric?**

6. **How will enterprises create and apply an integrate customer view for improved customer interaction and greater customer insight?**

7. **Which applications, infrastructure components and integration technologies will enterprises use to enable CRM?**

8. **What performance management metrics will enterprises define and track to support a CRM strategy?**

Key Issue: What is a CRM vision and how should it be created?

Creating the CRM Vision
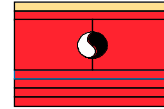
The CRM vision requires a leader to define CRM, set objectives and draw a "picture" of what the enterprise wants to be to target customers.

Customer Experience

Differentiating Brand Values

Core Value Proposition
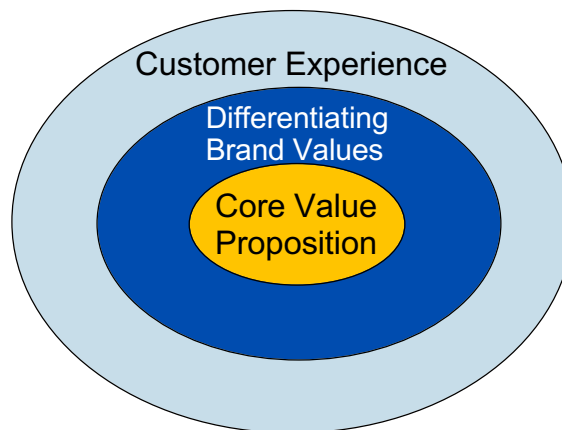
The vision is the "what and why"; the strategy is the "how."

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CRM vision is the "company personality." Without it, customers will not have a clear image of what the enterprise offers vs. the competition, leaving service expectations unmanaged and at the mercy of market forces. Employees need a vision of what to deliver to customers. The vision should motivate staff and enable them to work together, generate customer loyalty, gain greater wallet share and turn target customers into advocates. A vision starts with understanding market demand and the enterprise's market position, then creating a core proposition to target customers — one they will value that stands out from the competition. This core proposition should be a declaration of intent around which a customer value proposition/culture can be built. Next comes a set of competitively differentiated brand values, valued by the customer — for example, innovation, independence, quality, expertise and involvement. They should be determined from the customers' view, rather than the company's. Too many enterprises think they know what customers want, but find out through costly mistakes that they don't. They overinvest in services customers don't want or value, and don't invest enough in the elements of service delivery that would generate real value and, thus, loyalty. Finally comes an outline of what the customer experience should be for different situations and segments
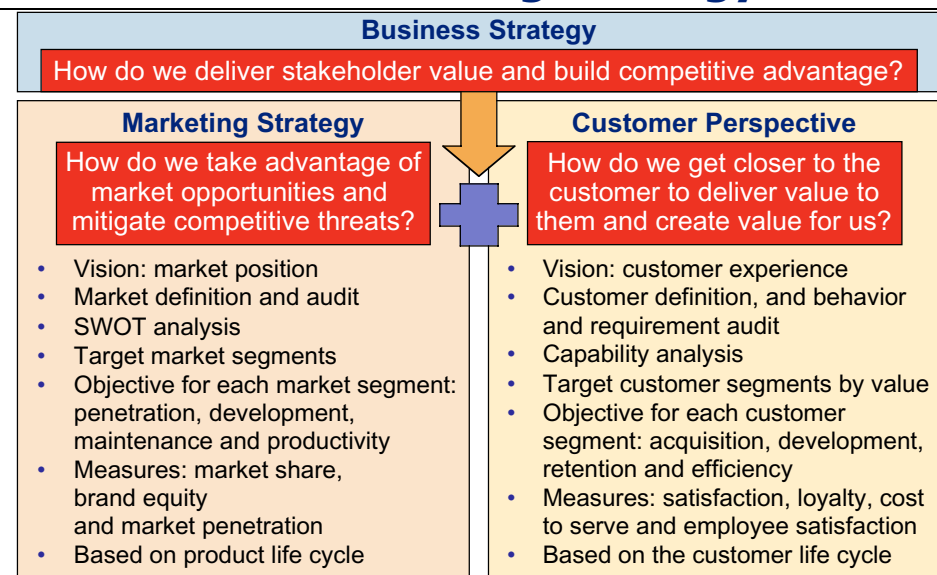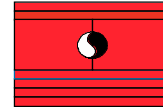
Action Item: Examine the current core business proposition to customers: Is there one, is it different from those of your competitors, is it understood and motivating to staff, and do customers associate you with it?

Key Issue: How does a CRM strategy enhance a traditional marketing strategy?

Strategic Planning Assumption: Through 2005, more than 60 percent of CRM strategies will be developed in isolation from an enterprise's business strategy, and more than two-thirds of these independent strategies will fail because of a lack of support (0.6 probability).

How Does a CRM Strategy Enhance a Marketing Strategy?

Business Strategy

How do we deliver stakeholder value and build competitive advantage?

Marketing Strategy	**Customer Perspective**
How do we take advantage of market opportunities and mitigate competitive threats?	How do we get closer to the customer to deliver value to them and create value for us?

- Vision: market position
- Market definition and audit
- SWOT analysis
- Target market segments
- Objective for each market segment: penetration, development, maintenance and productivity
- Measures: market share, brand equity and market penetration
- Based on product life cycle

- Vision: customer experience
- Customer definition, and behavior and requirement audit
- Capability analysis
- Target customer segments by value
- Objective for each customer segment: acquisition, development, retention and efficiency
- Measures: satisfaction, loyalty, cost to serve and employee satisfaction
- Based on the customer life cycle

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Definition: A CRM strategy is the blueprint for how an enterprise is going to turn customers into a valuable asset. A CRM strategy takes the direction and financial goals given by the business strategy and revisits the marketing strategy to customize it. This strategy outlines how the enterprise will build valuable customer relationships and customer loyalty. Without an active connection to the business strategy, the CRM strategy is quickly viewed as an academic exercise and disregarded. The first stage in developing a strategy that entails an audit of the market and customer position, dividing customers into segments (e.g., by need and value) and setting objectives and metrics by segment. A traditional marketing strategy positions the enterprise in its market relative to its competitors — it audits the market position and then defines objectives based on this and the product life cycle. The additional required customer perspective positions the enterprise with its customer base to create greater customer value and loyalty — it audits the current customer base and then defines customer objectives based on the customer life cycle. It is difficult to develop customer loyalty, understand customer value and have customer insight without understanding customers in the context of market segments and market forces. Yet, many enterprises try to work out customer value without knowing their share of the customer's "wallet."
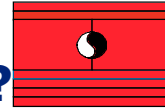
Action Item: Start gathering the detailed information needed to set market and customer objectives. Ensure that the objectives set are measurable and have associated key performance metrics.

What Are the Objectives of Current CRM Implementations?

Observation: *Enterprises are focusing on retaining profitable customers rather than on the acquisition of new customers.*
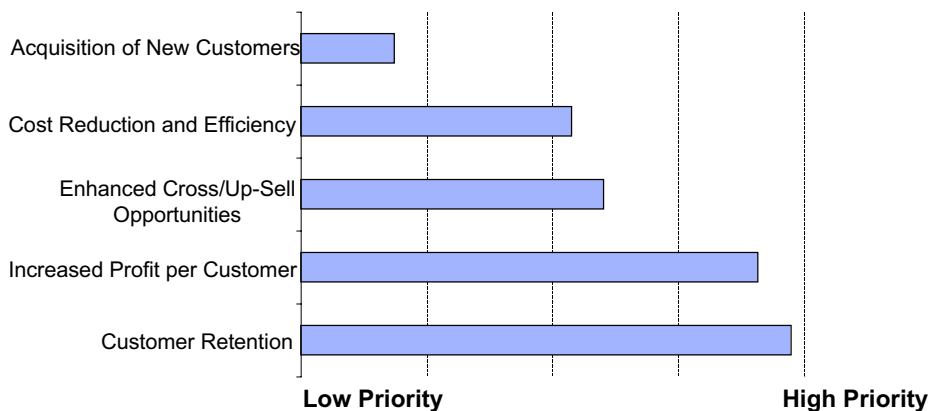
Acquisition of New Customers	
Cost Reduction and Efficiency	
Enhanced Cross/Up-Sell Opportunities	
Increased Profit per Customer	
Customer Retention	

Low Priority   **High Priority**

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Key Issue: How does a CRM strategy enhance a traditional marketing strategy?

Not surprisingly, during an economic downturn the objectives underpinning CRM have changed. The acquisition of new customers is far less important than the retention of existing customers. The result is investments being made less in field sales applications and more in areas such as complaints management, call management, e-service and field service.

Most enterprises that Gartner talks to have several objectives behind their CRM initiative. Typically, one dominates, but there are often two or three others. The most common number of objectives is three. Not all objectives are mutually exclusive — many are subsets of each other. For example enhanced cross-sell can be seen as a contributor to enhanced profitability per customer — although the connection between these objectives is not guaranteed.

The current focus on retention can be expected to shift back toward acquisition of new customers as economic confidence and growth returns.

Strategic Planning Assumption: By year-end 2003, the 10 percent of all CRM initiatives that are the most successful will invest more in refining measures of the customer's view of the relationship than in analysis of current and potential customer value to the supplier (0.6 probability).

Customer Asset Audit
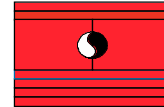
**Customer Potential
(Value to Company)**

	Highly Secure	Secure	Vulnerable	Fragile
Key	Protect Position	Invest to Protect	Invest to Win Over	Damage Limitation
Large Share of Wallet	Counter Competition	Invest to Build	Win the Opportunity	Careful Manage-ment
Some Potential	Manage for Profitability	Build Selectively	Manage for Revenue	Manage for Revenue
Transactional	Manage for Profitability	Manage for Profitability	Manage for Revenue	Consider Divesting

Strength of Relationship (Value to Customer)
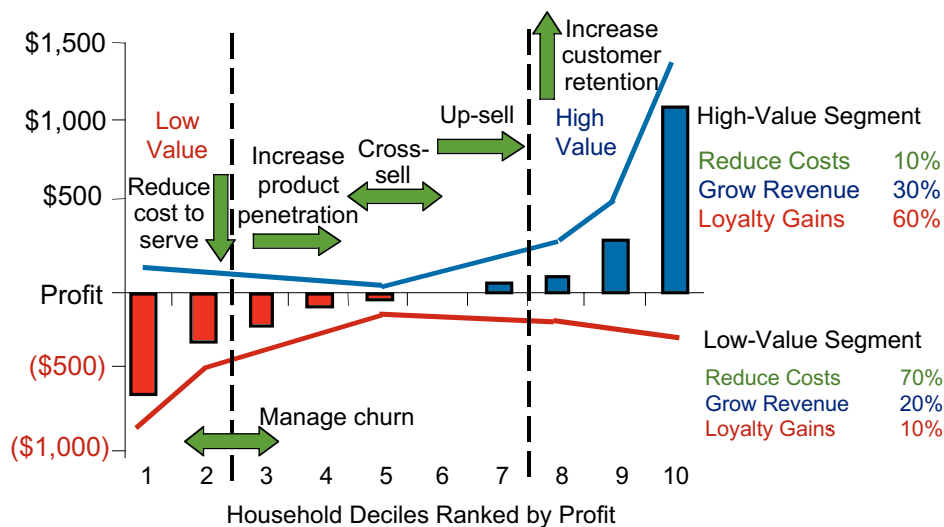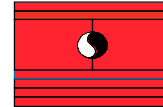
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Key Issue: How does a CRM strategy enhance a traditional marketing strategy?

The first stage in developing a CRM strategy is to establish is the state of the customer base when viewed as an asset. How strong is the relationship with the customer? — How much do they value you? — against how valuable you consider them to be.The result is a customer asset matrix that combines the supplier's view of customer value segments (which are derived by combining current profitability and expectations of future potential) with a measure of the current strength of the relationship from the customer's perspective (arrived at by looking at satisfaction and loyalty). The intersection then determines the customer objective and strategy by segment, and the detail from the relationship investment guide (RIG) allows you to determine the tactics of how to achieve it. Measurements of current and future profitability are often the first things that companies turn to in estimating relationship value, even though the allocation of costs may be difficult. However, understanding the strength of relationship from the customer's perspective is equally important, and methods to do this are increasingly available and rigorous. Consequently, in 2003, the majority of investment by leading proponents of CRM in the banking, insurance and telecommunications industries will be in metrics such as customer lifetime value and share of wallet. By year-end 2003, leading enterprises will have increased investment focus towards measuring satisfaction and loyalty.

Strategic Imperative: Segmentation of customers by current and potential value as well as needs is a necessary, but not sufficient, prerequisite to an effective CRM strategy.

Customize by Segment to Detail Objectives, Create Tactics

Source: KMPG

Gartner

Key Issue: How does a CRM strategy enhance a traditional marketing strategy?

The next stage in developing a CRM strategy is to detail how the objectives are going to be achieved and what tactics will be used. The customer strategy customizes the old marketing strategy (e.g., product, price, communication and channel) for different target customer segments, and thus supersedes it. The new CRM strategy employs new technology enabled initiatives and tactics and makes greater use of value-added service and customer care to create loyalty — thus creating the customer experience. Staff skills and capabilities need to evolve from servicing products to servicing customers. The new tactics employ a greater amount of personalized and event-driven communication.

Greater attention must also be paid to how customers will be managed cost-effectively and what relationship models will be employed. This is an increasingly important part of CRM, as enterprises offer customers more services through a proliferation of channels. Previously there were often only one or two channels for reaching customers. Now there are many, and the service delivered across these channels must be consistent. Customers will not use only one channel, but a variety of "touchpoints" — for example, awareness may be created by broadcast media, inquiries may then come via the telephone or Web, the sale may be finalized face-to-face, while developing the relationship may be via all of these channels and more.

Key Issue: How should an enterprise design the customer experience to deliver on the CRM strategy?

Tactical Guidelines: 1) Use both customer and staff feedback to design, evolve and personalize the customer experience. 2) Encourage customer feedback by telling them how their feedback changes the service.

Evolve the Customer Experience Using Research and Feedback

Strategic research:
Research on strength of relationship, drivers of satisfaction and loyalty

- Business Intelligence
- Relationship Planning
- Customer Interaction
- Data Collection

Operational feedback:
Event-driven checks on customer experience
Customer reviews
Monitor complaints and compliments
Use Best Practice

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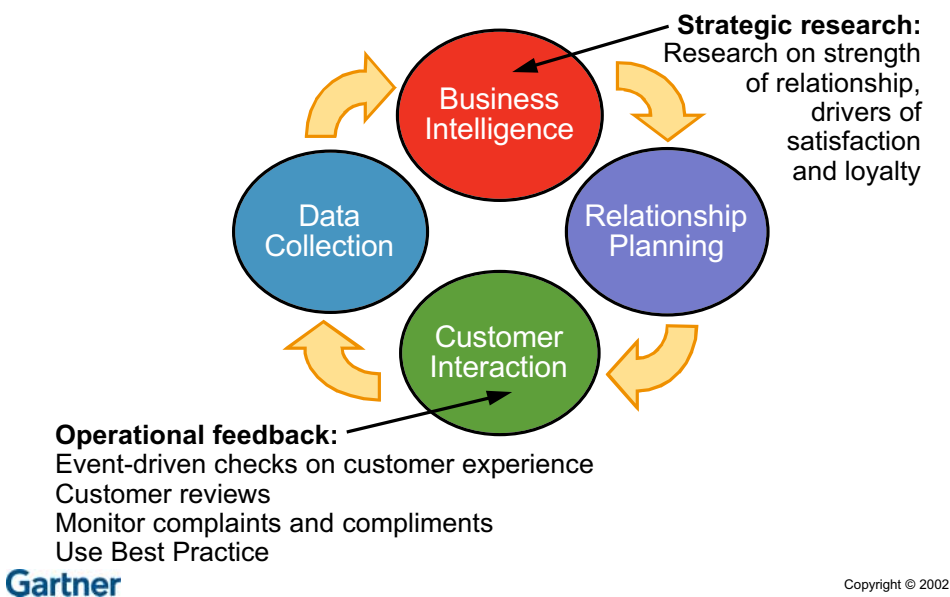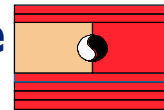
There are many ways to obtain customer feedback on their experiences. These can be used at the strategic (that is, as part of relationship planning) and operational level (that is, in monitoring and evolving CRM delivery in customer interactions). All forms of customer feedback, as well as research on potential customers, should be used to design and evolve the customer experience. The major forms of feedback are 1) A mixture of regular and ad hoc customer research programs that monitor satisfaction, loyalty, requirements, usage and attitude; 2) analysis of customer behavior; 3) continuous customer feedback that monitors the experience after each interaction event; and 4) encouraging customer complaints and compliments. Few of these are much used in designing and evolving a customer experience. If a customer experience is designed, it is often done by internal staff, without reference to customer feedback or the views of customer-facing staff.

Action Item: Use strategic and operational feedback to estimate lost revenue per year because of poor customer experiences. This should provide the business case for installing a complete feedback system.

Strategic Imperative: Calculate the costs of customer defection and lost wallet share due to the poor feedback and complaints handling systems.

The Economics of a Poor Customer Experience
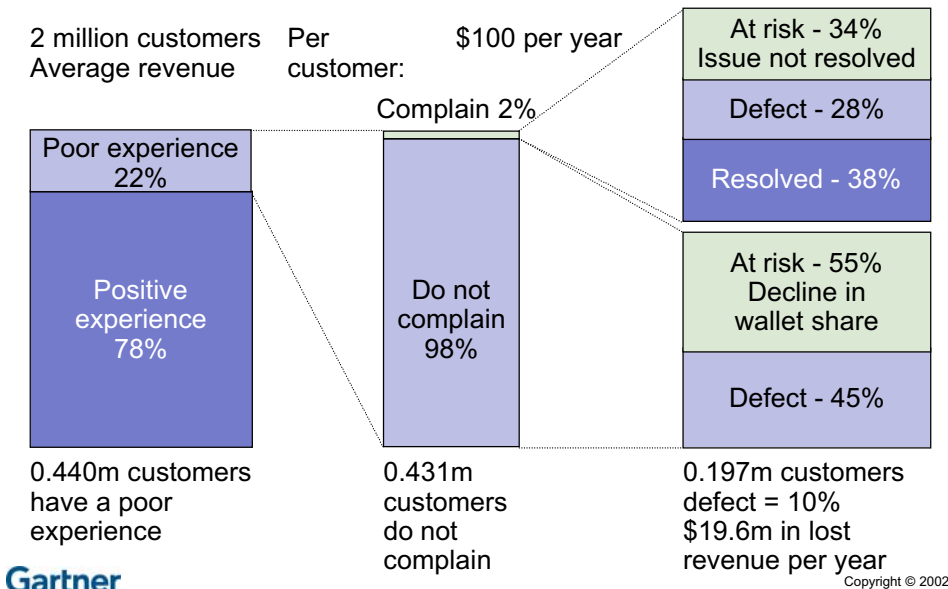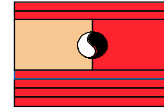
2 million customers
Average revenue

Per customer:

$100 per year

Complain 2%

| Poor experience 22% |
| Positive experience 78% |

| Do not complain 98% |

| At risk - 34% Issue not resolved |
| Defect - 28% |
| Resolved - 38% |

| At risk - 55% Decline in wallet share |
| Defect - 45% |

0.440m customers have a poor experience

0.431m customers do not complain

0.197m customers defect = 10% $19.6m in lost revenue per year

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Key Issue: How should an enterprise design the customer experience to deliver on the CRM strategy?

Poor customer experience can put relationships at risk of reduced wallet share and defection. In this case study from a retail store, defection alone accounted for $19.6 million in lost revenue per year. In this example, if operational customer feedback is introduced, it should increase the level of complaints, allowing more of them to be resolved. The system should also provide feedback for improvements to the customer experience. Resolving additional complaints and improving the customer experience will both reduce the level of defection and business at risk. Some enterprises that specialize in customer feedback technology (e.g., ResponseTek Networks, CustomerSat, Respond and ViewsCast) report that, on average, operational feedback can help reduce defection by 2 percent to 3 percent per year.

Action Items: The customer experience, at every interaction, affects future revenue. Allowing staff to add their own touches to a consistent, basic service will improve satisfaction in both staff and customers. Use customer and staff feedback to design, evolve and personalize the customer experience. Encourage customer feedback by telling them how their feedback changes the service.
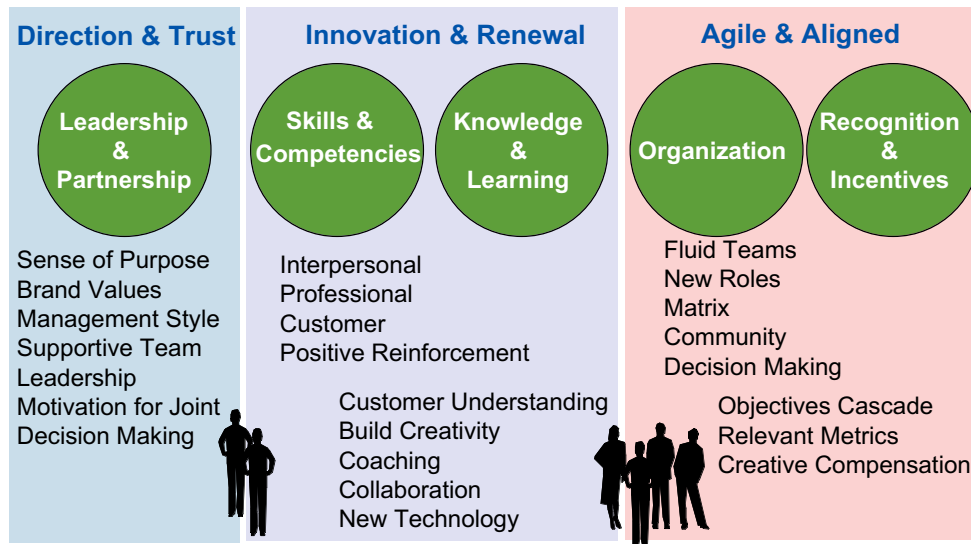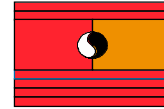

Key Issue: What cultural and structural changes are needed to gain benefits from organizational collaboration to deliver on the CRM strategy?

Creating Organizational Collaboration — Five Ingredients

Direction & Trust	Innovation & Renewal	Agile & Aligned
Leadership & Partnership	**Skills & Competencies** **Knowledge & Learning**	**Organization** **Recognition & Incentives**
Sense of Purpose Brand Values Management Style Supportive Team Leadership Motivation for Joint Decision Making	Interpersonal Professional Customer Positive Reinforcement	Fluid Teams New Roles Matrix Community Decision Making
	Customer Understanding Build Creativity Coaching Collaboration New Technology	Objectives Cascade Relevant Metrics Creative Compensation

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People are an obstacle to CRM success, but changing people's behavior has the biggest ROI. If direction comes from senior management, altering behavior and overcoming politics is easier, but even then a phased plan is needed to get people to work more collaboratively and deliver a valued customer experience. Ongoing change management and training are vital. Organizational structure, behavior and culture are built up over a long time, and require deliberate action to change. Employees must understand why they need to change and why they should support the initiative. This requires communication at the corporate level ("This is what are we trying to achieve, and this is its value to us and to our customers"), as well as the individual level ("This is what is in it for you"). The five ingredients for successful CRM changes to both the organization and the individuals are:

Leadership — Today's CEOs want to build more relaxed, nonhierarchical organizations with a strong sense of purpose, and know they need to understand how to motivate staff.

Skills and Competencies — Companies take great leaps with technology without developing the relevant business skills, especially in IT, analysis, project management, facilitation and service.

Knowledge — Sharing knowledge builds collaboration and innovation, but political barriers are high. The evolving tools and techniques of knowledge management should be employed.

Organization — Decision making needs to come closer to the customer and allow for greater speed of action. New organizational structures need to use communities and virtual teams.

Incentives — To start, align targets with customer goals, but recognition and the celebration of contributions are more motivating. There are numerous ways to recognize people.

How Well Are Enterprises Addressing Various Customer-Focused Issues?
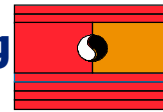
Observation: *Enterprises are not rewarding staff for increasing customer satisfaction.*

Category	
Rewards staff for increasing customer satisfaction	
Manages resources against key customer groups according to their value	
Encourages staff to deliver customer satisfaction in everything they do	
Has useable records on all customers (at the individual customer level)	
Makes it easy for customers to communicate with them	
Has specific operational staff responsible for customer management	
Understands the link between customer satisfaction and profitability	
Understands exactly who its customers are	

Poor   **Satisfactory**   **Excellent**

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Key Issue: What cultural and structural changes are needed to gain benefits from organizational collaboration to deliver on the CRM strategy?

From: Creating Organizational Collaboration: Power, Politics and Protection

Skimp on a change management plan at your peril — start by politically mapping the landscape and creating CRM understanding.

Build a staff role and competency matrix.

Redefine brand values and audit staff behavior against them. Set up brand coaching systems.

Experiment with mechanisms for joint decision making and knowledge sharing — for example, intranet communities.
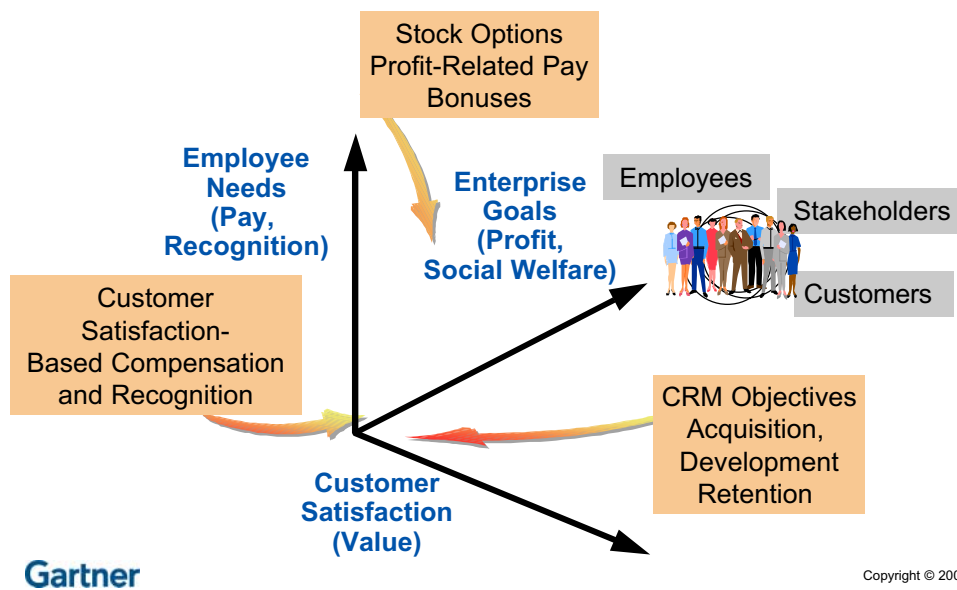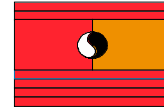
Train everyone in a project/program methodology that supports the company culture.

Spread customer understanding around thickly, use communities of practice — for example, customer insight.

Tactical Guideline: Change management means planned communication phases, adequately allocating resources, ensuring that the staff sees the personal benefits of the change, providing continuous coaching, and offering positive reinforcement of the right behaviors and attitudes.

Aligning Incentives With Performance

Stock Options
Profit-Related Pay
Bonuses

Employee Needs (Pay, Recognition)

Enterprise Goals (Profit, Social Welfare)

Employees

Stakeholders

Customers

Customer Satisfaction-Based Compensation and Recognition

CRM Objectives
Acquisition,
Development
Retention

Customer Satisfaction (Value)

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Key Issue: What cultural and structural changes are needed to gain benefits from organizational collaboration to deliver on the CRM strategy?

Incentives are often based on objectives with direct financial goals. There is little alignment with customer value. Profits are rarely aligned with customer satisfaction, which means that staff pay and recognition is not aligned with customer goals — let alone the "how." Under performance management, commission bonuses, for example, could be based on a customer's experience as well as customer asset growth.
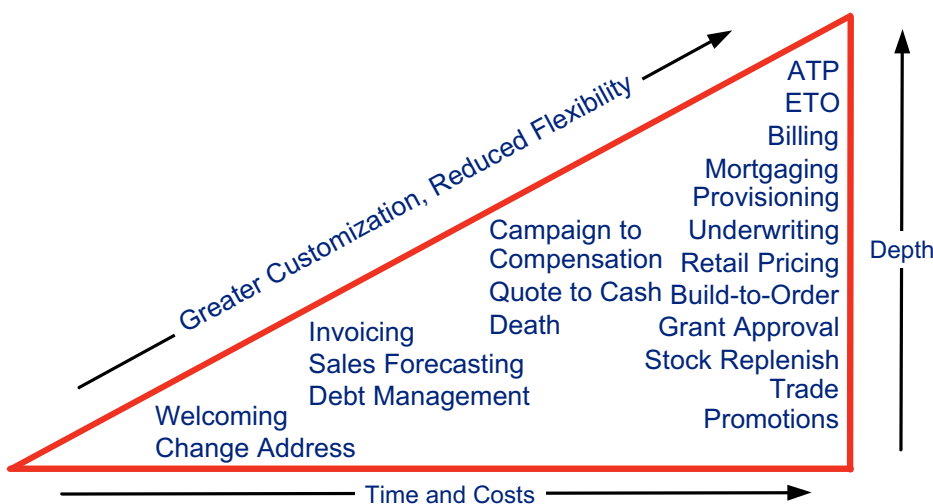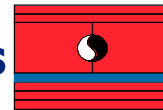
In a world where staff loyalty is being destroyed, incentives need to take account of three realities if they want to harness knowledge and creativity in collaboration:

1) Employees put themselves first. They assume they will leave at some point, taking their knowledge with them. They are keen therefore for continuous learning to ensure employability.

2) The desire for fulfillment is replacing money as a motivator. People are motivated by money, a leader and a cause, but the cause has the biggest effect. Interesting work and stimulating collaboration as well as the time to pursue personal goals has become a core expectation.

3) Staff want an equitable relationship with their employer. One enterprise surveyed its 14,000 employees and was surprised to learn they most wanted "respect."

This gives enterprises the freedom to be creative with incentives. Good performance can be rewarded with, for example, assignments to special projects, achievement awards or paid sabbaticals.

Key Issue: How will enterprises redesign processes to be more customer-centric?

Horizontal vs. Vertical Processes

ATP
ETO
Billing
Mortgaging
Provisioning
Underwriting
Retail Pricing
Build-to-Order
Grant Approval
Stock Replenish
Trade
Promotions

Campaign to
Compensation
Quote to Cash
Death

Invoicing
Sales Forecasting
Debt Management

Welcoming
Change Address

Greater Customization, Reduced Flexibility

Depth

Time and Costs

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Much work has been done to identify, automate and optimize horizontal processes that apply to most industries, such as welcoming, change of address, death and quote to cash. In some industries, such as high-tech, horizontal processes may dominate the interaction relationship. In these circumstances, processes can be implemented in fewer applications and more quickly. Here, the main challenge lies in building processes that will cross between internal departments and functions, as the politics of these internal organizations tend to apply a brake. Yet, in the majority of vertical sectors, there are widely different key processes that the enterprise and the customer care about. For example, in telecommunications service provisioning, fault restoration, service reliability and new service introduction are critical processes.

A customer-centric approach to processes is highly likely to require integration of many applications (we know of one example of more than 200 applications in a government department and another of more than 150 in a national telecommunications company). Even within one industry, different enterprises will find that their customer bases have different priorities and weights of the importance of the processes that touch them differently. The key is to decide which processes provide room for differentiation and the ability to enhance the CVP.

Tactical Guideline: Identifying which processes matter most to customers is the hardest step in customer process re-engineering.

A Framework for Customer Process Re-Engineering
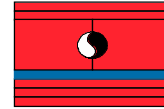
1. Audit and map the touchpoints and processes that affect customers (600)

2. Identify the key processes from the customers' perspective (40)

3. Quantify, then prioritize processes by impact on CRM strategy goals (10)

4. Measure key processes by their contribution to customer value (5)

5. Implement changes in back and front office where necessary

6. Give each key process a cross-functional owner

7. Examine how changes may also affect suppliers and partners

8. Set up a customer service-level agreement (SLA) for the key processes

9. Segment the customer base, reassess key processes and redefine SLAs

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**Key Issue: How will enterprises redesign processes to be more customer-centric?**
Re-engineering requires process mapping or auditing to identify the processes that affect the customer and those that don't. A Swiss bank identified more than 3,000 processes. It is difficult to ask customers questions without knowing which processes exist and how to articulate them from the customer's perspective. Finding those that cause the most dissatisfaction and focusing there first is key. Quantify, then prioritize these processes by their impact on CRM strategy goals. Using customer input, set meaningful, measurable targets. The re-engineering may be significant, cutting across multiple departments and functions and perhaps taking years to complete. One Dutch insurer took 18 months to re-engineer only one part of its claims handling process. No process should be left without ownership. The processes that matter most to customers may be entirely internal and within the control of the enterprise, but they often involve partners and suppliers. Communicating with customers about targets for service levels, appropriate compensation levels and feedback on improvements for individual processes are key parts of helping to design the customer experience. After meeting the basic needs of the entire customer base, the approach can be repeated for more-targeted segments (e.g., highest value or least profitable). *Action Item: Audit the business processes that impact the customer and map by touchpoint. Ask the customers what their priorities are. Prioritize by impact on CRM strategy objectives.*

Key Issue: How will enterprises create and apply an integrated customer view for improved customer interaction and greater customer insight?

Tactical Guidelines: Enterprises must create an integrated, multichannel, customer-facing view, but be pragmatic about how to achieve the right perception at the touchpoint. Enterprises need to be driven by their customer insight business needs, not by the availability of data.

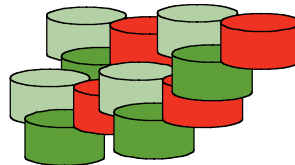# Customer Information
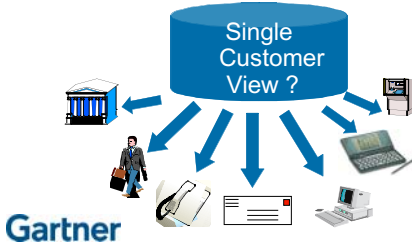# Is the Lifeblood of CRM
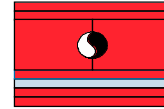
Data Quality Challenges

? John Smith

? Mr J. Smith

- Data Quality – Operational and Analytical
- Data Ownership – Stewardship

Data Fragmentation and Consistency Challenges

Challenges in enabling consistent, integrated customer Interactions

Single Customer View ?

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Challenges in creating and applying customer insight

Customer Profitability

Propensity to Churn

?

Lifetime Value

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Successful CRM demands the creation of a customer information "blood supply" that flows around the organization and tight integration between operational and analytical systems. Customer information and insight must reach the touchpoints to support consistent customer interactions, prioritize customer interactions and drive more-profitable customer relationships. Enterprises that establish a business plan for sourcing, maintaining and leveraging their customer information assets and establish ownership of the issue are more likely to achieve their CRM objectives and gain a competitive advantage. Otherwise, there will be "customer information anarchy," resulting in a glut of unneeded data and a famine of vital information. Most enterprises' CRM information capabilities are poor — the result of fragmented departments, initiatives, databases and systems. This hurts the enterprise in many ways: 1) the costs of storing and managing duplicated data, 2) the inability to handle customer interactions efficiently, effectively and accurately, 3) the lack of insight into the customer's current and potential value, 4) the lack of insight into the customer's past and likely future behavior and requirements, 5) the lack of ability to properly segment and profile customers for differentiated product offerings and service levels, and 6) the inability to calculate ROI or measure CRM strategy success.

Action Item: Customer information is the foundation of any CRM program. The creation of a proper CRM information strategy is essential for success.

Strategic Planning Assumptions: Less than 50 percent of enterprisewide CRM initiatives will generate payback by 2004 due to the lack of enterprisewide customer insight re-engineering (0.7 probability). By year-end 2003, the majority of outbound interactions within CRM-driven organizations will be triggered by customer behavior or events (0.7 probability).

Customer Relationship Optimization
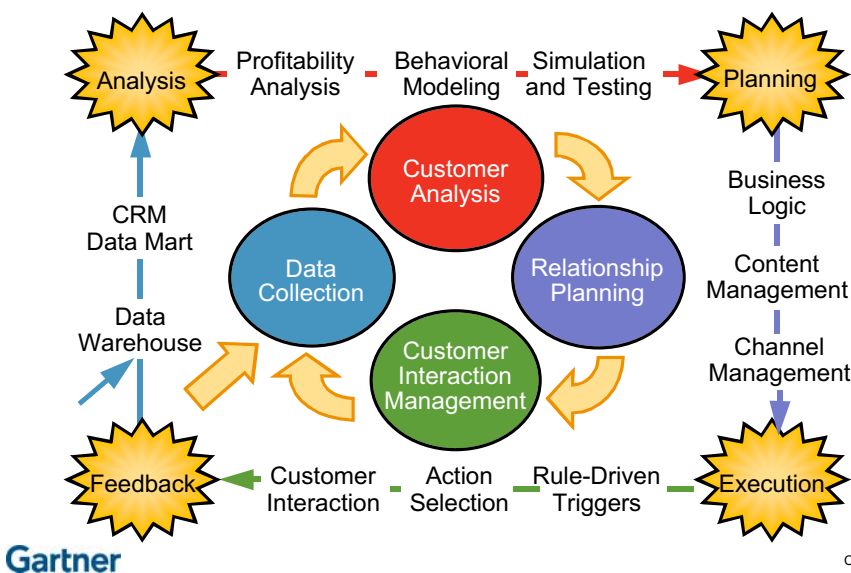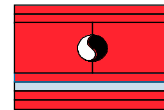
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Key Issue: How will enterprises create and apply an integrated customer view for improved customer interaction and greater customer insight?
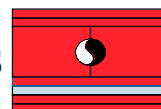
Enterprises following customer-centric strategies must ensure a smooth flow of customer information through the enterprise. This requires the sharing of customer data (e.g., transaction histories, customer complaints, demographic or corporate information), as well as customer information (e.g., insights into the customer, such as current and potential profitability, loyalty and key decision drivers). This sharing of customer information must happen in the context of a coherent organizational strategy (that is, determining which channels should the customer use, what products should the customer be sold and whether the enterprise needs to focus on increasing customer satisfaction). Only when an enterprise is capable of sharing all these elements of the customer relationship is it in a position to manage the customer relationship. The key to successful implementation of a CRM business strategy is to identify which areas of the CRM value chain represent competitive advantage for the enterprise, and where "pain" is currently being felt in the enterprise. Once these areas have been identified, the enterprise is in a position to understand which projects are the most urgent and important, and it can balance the conflicting imperatives that these represent.

Action Item: Identify and then rectify the weak links in your enterprise's customer relationship optimization value chain.

Strategic Planning Assumption: Through 2006, the mix of application types used for CRM will shift toward ERP vendors and CRM framework/component suppliers, and away from best-of-breed, CRM suites and build-it-yourself projects (0.8 probability).

Sourcing CRM Application Types

|	Integrated ERP CRM	CRM Suite	CRM Frameworks	Best of Breed	Build It Yourself
Value Proposition	Provide an integrated enterprisewide suite from a single platform	Most breadth of CRM functionality in a single suite	Freedom to control own arch. and differentiate processes	Best functionality for your department	Freedom to control own architecture. Suites too expensive and don't fit. No other way.
Buying Center	Boardroom, CIO	Board, CIO, business	IT strategists, bus. process	Business functions	IT strategists, CXO
Attitude to tech./in-house skills	Type B/C	Type A/B	Type A/B	Type A/B	Type A/B/C
Representative Vendors	Intentia, Navision, Oracle, PeopleSoft, JD Edwards, SAP	Onyx, Pivotal, Siebel	Chordiant, Graham, Pegasystems	Allegis, NCR, Selectica, Unica	Software infrastructure vendors (BEA, IBM, Microsoft, Oracle, Sun) and ESPs
Processes	Integrated CRM & ERP processes. 'Best Practice'	Integrated CRM processes. 'Best Practices'	Re-express your own processes. Workflow engine	Limited process integration. 'Best Practice'	Re-express own processes at application level
Data Model	Imposed data model covering CRM and ERP	Imposed data model covering CRM	Designed to fit existing data model(s)	Some impose own data model. Others fit to existing data model(s)	Builds on existing data model(s)
Integration Req't.	None within CRM/ERP suite. Needs integ. w/ other systems	None within CRM suite. Needs integ. with ERP and other sys.	Need to integ. framework back-bone with rest of infrastructure	Need to integ. w/ other CRM appli-cations and other systems	Need to integ. applications as required
2001	**20%**	**30%**	**5%**	**25%**	**20%**
2006	**45%**	**20%**	**10%**	**15%**	**10%**

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Key Issue: What is the performance and forecast for the CRM applications software market?

Enterprises have many choices for sourcing CRM applications. At one end is the "build it yourself" style; at the other is CRM as part of an enterprise applications suite. In between are the integrated CRM suites (e.g., Siebel), the CRM framework (e.g., Chordiant) and the best-of-breed integrated approach (e.g., Avaya, Selectica and Unica). The fully integrated suite approach guarantees internal integration (of data model and processes), but tends to lag leading best-of-breed or CRM suites in horizontal and vertical functionality. It particularly appeals to the board of directors, whose members are comfortable expanding relationships with their strategic partners. To compete, the CRM suite has to offer better functionality and ensure integration with ERP systems. Both approaches usually impose a data model (an exception is E.piphany with its operational CRM modules). They also push their own process definitions as "industry best practices." Those that want to approach it from a process-centric viewpoint, re-expressing differentiating processes and live with the current data models, will choose a framework approach. Different approaches need different amounts/types of integration work.

Action Item: Review your functional, process, data model and integration requirements, plus your skill levels, and outlook to technology before evaluating and selecting CRM applications.

Tactical Guidelines: Enterprises must take stock of their current fragmented operational and analytic capabilities and start planning the evolution to a more-integrated CRM architecture. Enterprises need to create a set of enterprise integration standards to ensure conformity. Integrating CRM applications with other enterprise applications must be considered as part of a wider vision.

Integrating Operational, Analytical and Partner Systems
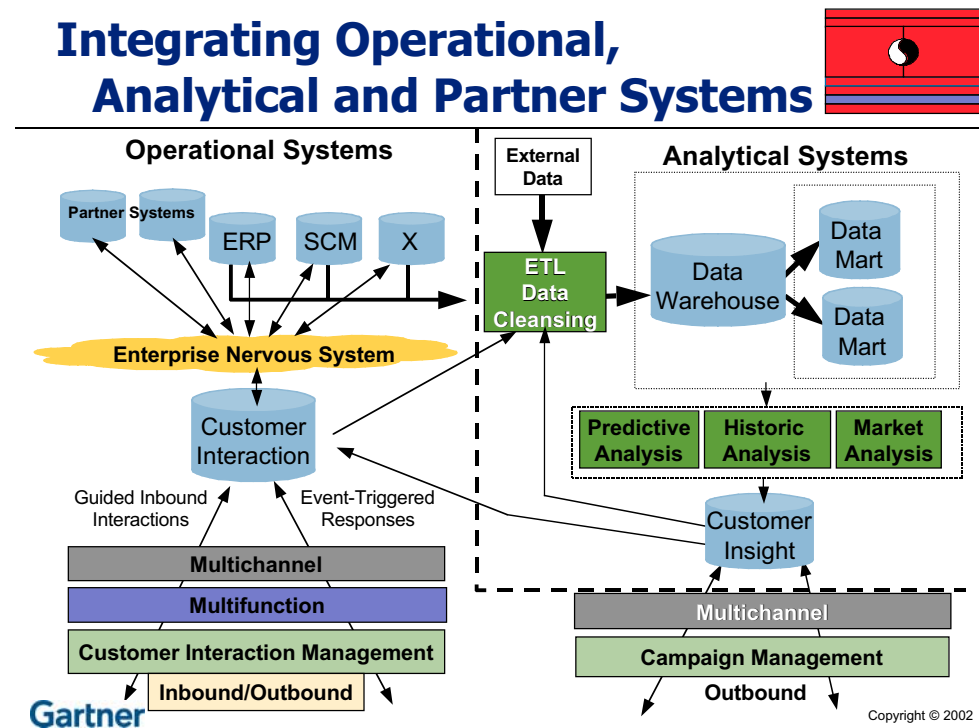
Key Issue: Which applications, infrastructure components and integration technologies will enterprises use to enable CRM?
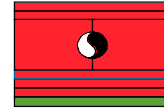
CRM suites promise seamless processes, pre-integration of modules and sharing of a common customer data model, but, if the strategy is to augment a core suite with best-of-breed products or rely on best-of-breed products entirely, there will be integration challenges with costs. The enterprise needs to impose integration standards. Historically, operational application systems for sales and customer service were separate from the analytical and campaign management systems in marketing, but the scope of marketing automation software has expanded to optimize CRM through all inbound and outbound interactions, potentially requiring real-time integration. CRM doesn't stop at the front office. From the customer viewpoint, they are dealing with the enterprise. CRM applications need to be integrated to ERP, SCM, other applications within the enterprise and, potentially, with partner systems beyond it. Most enterprise planners have to move forward with a mainly inherited application portfolio where integration was done point-to-point. Enterprises are taking control of their enterprise integration "spaghetti" to improve robustness, reduce maintenance costs and provide an enterprise nervous system infrastructure to enable the enterprise to respond agilely to changing business requirements.

Action Item: Create a vision for integrating operational, analytic and, if relevant, partner systems.
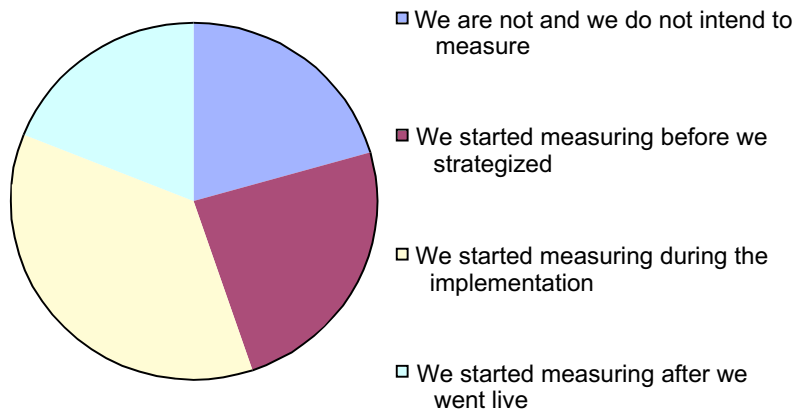
Key Issue: What performance management metrics will enterprises define and track to support a CRM strategy?

Survey Results

Are You Measuring the Benefits of Your CRM Initiative?

Observation: *Only a quarter of enterprises measure before implementation.*

- □ We are not and we do not intend to measure
- ■ We started measuring before we strategized
- □ We started measuring during the implementation
- □ We started measuring after we went live

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They may call them CRM metrics, but all enterprises measure performance management. Call centers measure response rates to determine staffing levels and marketing measures campaign response rates to determine targeting success. However, few enterprises link these metrics to provide an overview of enterprise performance and enable the evolution of capabilities to support the customer strategy. This means financial and CRM performance are often divorced from each other; individual CRM initiatives cannot be tracked, local targets are prioritized over enterprisewide benefits, and customer concerns are not addressed. CRM metrics can be applied to 1) set and gauge the level of success in meeting CRM objectives, 2) provide feedback to modify the CRM strategy and implementation, 3) monitor customer experience, 4) act as a tool for change management, 5) change the way that staff are compensated and given incentives, and 6) communicate externally how an enterprise wants to be evaluated when compared to the competition. A Gartner survey rated performance management as the most challenging of the eight building blocks of CRM. The problem is identifying which metrics are critical in driving CRM benefits and where to find the information. A performance management framework is required, and, without a hierarchy of linked metrics, a CRM strategy is likely to fail.
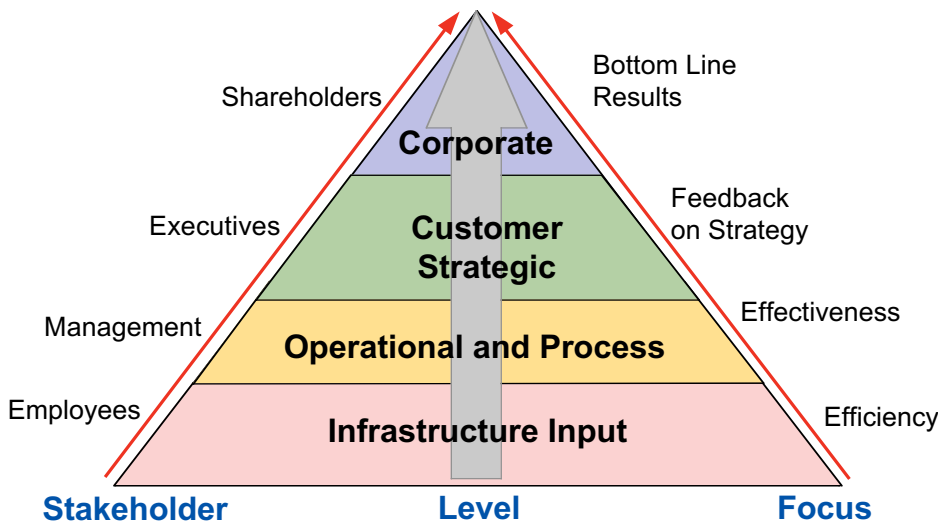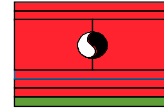
Action Item: Create a hierarchy of CRM metrics for defining the key CRM strategy objectives and tracking progress in meeting those objectives.

Strategic Imperative: Enterprises should create a hierarchy of metrics, consisting of corporate metrics, customer strategic metrics, operation and process metrics and infrastructure input metrics. A framework approach ensures there are no blank spots and enables predictive value of metrics.

A Hierarchy of CRM Performance Metrics

Bottom Line Results

Shareholders

Corporate

Executives

Feedback on Strategy

Customer Strategic

Management

Effectiveness

Operational and Process

Employees

Efficiency

Infrastructure Input

**Stakeholder**   **Level**   **Focus**

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Key Issue: What performance management metrics will enterprises define and track to support a CRM strategy?

It is not easy to set up a framework of metrics. It requires perseverance and patience, and, as a process, it is based on growing insight. Many pitfalls are associated with getting it right. By nature, the metrics are part of a larger framework. Many organizational barriers must be overcome and hidden cause-and-effect relationships must be uncovered. The number of metrics needs to be manageable (15 to 20 per result area would be the maximum). These metrics need to be different from the "usual suspects," yet some need to be comparable for a benchmark, and they need to kept fresh, relevant and updated. *Action Items: 1) Work with other parts of the business, particularly finance, to help them understand and integrate CRM metrics into the broader set of corporate metrics. 2) The objective must be to create an adaptable approach to CRM metrics. 3) It is critical that processes must be built to continuously monitor customer feedback and conduct ongoing market research. 4) Appoint someone in the BI compentency center to specifically focus on mapping and defining the linkages between CRM metrics. 5) Benchmark. 6) Metrics don't mature; they grow old and tired — don't let that happen. 7) Make sure CRM metrics are key to the BI compentency center.* Recommended reading: "Getting the Best Out of CRM Performance Metrics" (DF-13-1433) by Frank Buytendijk, Jennifer Kirkby and Ed Thompson, on www.gartner.com.

Strategic Planning Assumption: Through 2005, winning CRM initiatives will depend on the adoption of a balanced set of metrics, including financial, employee and business processes, as well as customer satisfaction (0.8 probability).

And a Few Examples ...
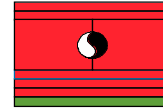
Corporate	Market Share Revenue Growth	Profit Growth Margin Growth	Cost Ratios Customer Loyalty
Objective	Increase shareholder value (external)		
Customer Strategic	Lifetime Value Customer Profitability Cost to Serve	Acquisition Development Retention	Risk Profile Staff Satisfaction
Objective	Enhance customer value (external)		
Operational	Response Levels RFM Measures Conversion Ratios	Complaints NPD Times Staff Turnover	Cross-Sell Ratio Recommendation Levels Channel-Specific Measures
Objective	Effective strategy implementation (internal)		
Infrastructure	Call Answering Times Customer Data Accuracy	Response Times "Do Not Mail" Markers	Staff Qualifications Staff Sickness
Objective	Process optimization (internal)		

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Key Issue: What performance management metrics will enterprises define and track to support a CRM strategy?
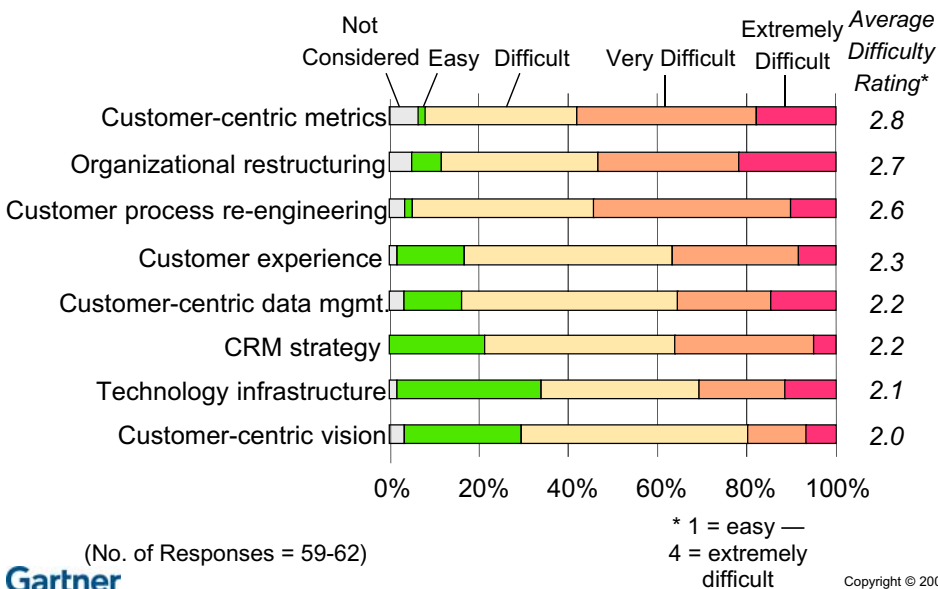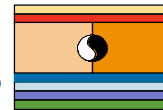
CRM performance management needs a hierarchy of linked CRM metrics. There are different metrics for different areas, but all help achieve the customer and corporate goals. *Corporate metrics* are set by the board-level executives. They have a direct bearing on the CRM strategy. They are simple, understandable and aimed primarily at shareholders or dominant stakeholders. *Customer strategic metrics* monitor the success of the CRM strategy. There should be clear links between customer metrics and the corporate objectives. The most important ones are connected to the customer life cycle. *Operational and process metrics* measure tactics and feed customer strategic metrics. There are many of them. Establishing the right ones requires determining the most important drivers of the strategic measures. *Infrastructure input metrics* measure efficiencies of specific processes and provide input to the operational/process metrics. Infrastructure metrics can be extracted from systems such as call center logs, Web site analytic systems, HR systems for employee qualifications, and ERP systems manufacturing defect rates and delivery dates. There are a wealth of metrics available in this category, and it is often the easiest to obtain. *Action Item: Build the hierachy of CRM metrics from the top down, with bottom-up checking, and ensure that the different levels are interlinked. Communicate the purpose of the metrics system internally.*

Survey Results

To What Extent Is the Deployment of the Following Challenging Your Enterprise?

	Not Considered	Easy	Difficult	Very Difficult	Extremely Difficult	Average Difficulty Rating*
Customer-centric metrics						2.8
Organizational restructuring						2.7
Customer process re-engineering						2.6
Customer experience						2.3
Customer-centric data mgmt.						2.2
CRM strategy						2.2
Technology infrastructure						2.1
Customer-centric vision						2.0

0%   20%   40%   60%   80%   100%

(No. of Responses = 59-62)

* 1 = easy —
4 = extremely
difficult

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Recommendations

- **Vision**

    The board must take leadership in creating a CRM vision (the "what" and "why") for the enterprise. The CRM vision should be used to guide the creation of CRM strategy (the "how").

- **Strategy**

    The CRM strategy is all about how to build and develop a valuable asset — the customer base. It must set objectives and metrics for succeeding in that goal. It directs the objectives of other operational strategies and the CRM implementation strategy.

- **Customer Experience**

    The customer experience must be designed in line with the CRM vision and must be constantly refined, based on actively sought customer feedback.

- **Organizational Collaboration**

    Changes to organizational structures, processes, metrics, incentives, skills and even the enterprise culture must be made to deliver the required external customer experience. Ongoing change management will be key.

- **Process**

    Successful customer process re-engineering should create processes that not only meet customers' expectations and support the CVP, but also provide competitive differentiation and contribute to a designed customer experience.

- **Information**

    Successful CRM demands the creation of a customer information "blood supply" that flows around the organization, and tight integration between operational and analytical systems.

- **Technology**

    CRM technologies form a fundamental part of any enterprise's application portfolio and architecture. CRM application needs should be considered as the provision of integrated functionality that supports seamless customer-centric processes across all areas of the enterprise and its partners.

- **Metrics**

    Enterprises must set measurable CRM objectives and monitor all levels of CRM indicators to turn customers into assets. Without performance management, a CRM strategy will fail.

Chapter

Creating a new heaven and a new earth:

Megachurches and the reengineering of America's spiritual soil.

Scott Thumma and Elizabeth Leppman

ABSTRACT

As the American population suburbanized in the last half of the twentieth century, new forms of religious institutions have arisen to reflect and serve this new demographic. While the greatest number of houses of worship and congregations continues to resemble the classic image of "church," a larger and larger proportion of participants in religious activities attend huge megachurches, defined as houses of worship that have a weekly attendance of 2000 or more adults and children. Seeking accessibility to their suburban membership, these churches locate on large plots of land near Interstate and other major highways. Worship space for thousands features theater seating surrounding a central stage and augmented with high-technology projection screens and sound systems. The campuses also include space for religious education, offices, activity centers, and offices for large staffs as well as snack bars and bookstores. Huge parking lots to accommodate attenders' vehicles surround the buildings. For suburbanites, these churches resemble other institutions in their lives, such as shopping malls, corporate headquarters, and educational institutions more than the traditional churches they may have rejected. In order to maintain closer interpersonal relations within the large membership, megachurches feature a vast array of small-group activities and ministries for adults and youth. As these churches have grown larger, some have used satellite campuses and even "virtual" branches on the Internet to supplement the main campus.

The history of American social life has in large part been structured by religious entrepreneurs empowered by the necessity of persecution and the hope of establishing a new city of God. The vision of a city set on a hill where citizens would be free to practice their faith shaped the political and social reality of many early American cities around puritan ideals and values. For several centuries of our colonial history, such a vision drove the propagation of faith and the geographic engineering of New England towns. This desire planted a congregational church on every green across from the town hall and perhaps a library or school. No matter how high the wall between church and state would eventually become, this religious vision became part and parcel of the geography of small town and city life throughout the nation. The church was the core of the civic life of the community.   The placement, building style and architectural structure of these congregations reflected the role of religion in the identity of these towns. They were prominently central to the society and built to hold all the few hundred "official citizens" of the town. This presentation of faith likewise shaped the social and cultural landscape within this context.

Nearly four hundred years later, congregationalism is no longer an establishment religion. In fact, no religion in the U.S. has a corner on the spiritual market. For the past two centuries few churches would claim to be the conscience of an entire city or encompass the social and political life of an entire area, at least outside of Utah. Neither the idyllic small town nor the rural country settlements hold a majority of American residents any more. Yet for most Americans, the word "church" conjures up images quite reminiscent of these same white colonial wooden structures in the heart of the city with spires marking the faith territory of the polis.

Interestingly, national data on religious congregations reinforces this image. The vast majority of the nation's approximately 335,000 religious organizations are small and are located in towns and small cities (Chaves 2004).

The last century, however, has witnessed a dramatic urbanization and then suburbanization of the population in the United States. The migration of populations from small towns to the city and then more recently to suburban sprawl around massive metropolitan areas is quite obvious. Size implies success and the bigger the better – from Burger King Whoppers to Six Flags roller coasters to the Mall of America. Individualism and consumerism drive this domain, while pop media icons and the Internet shape its cultural reality. Within this dramatic cultural shift, a new religious phenomenon, aptly labeled as megachurches, has not only marked this population migration geographically, it is also redefining the religious reality of modern America structurally, architecturally and spiritually. The contemporary context has outgrown a traditional understanding of religion. As such the megachurch phenomenon can be seen as a large scale engineering project that is simultaneously reshaping the geographic, social and religious landscape of the modern world.

A Mega Religious Trend

The trend toward larger congregations received a jump-start with the Baby Boom generation of the 1940's to 1960's. During this time the nation's religious landscape began to supersize along with its education, entertainment and economic institutions to accommodate the millions of new residents. Starting with their youth education programs, certain churches expanded and adapted to a new world at only a slightly slower pace than did the large magnet high schools, transnational corporate complexes, regional malls, theme parks and big box

superstores. While the country always had a handful of urban churches and cathedrals with thousands of attenders, the 1970's began the dramatic proliferation of very large churches. This phenomenon, identified in the 1980's as megachurches, has profoundly altered the place of religion in a city, reconfigured the sacred spaces and reshaped the dynamics of the spiritual enterprise both corporately and personally. The megachurch movement of the past four decades resonates with and parallels many of the societal changes seen nationally since 1945, but it is also intentionally reconstructing the role of church in the spiritual soil of the country.

The definition of a megachurch used here follows the accepted designation of any Protestant Christian congregation that has 2000 or more average weekly attendees at all services and locations inclusive of adults and children (Thumma and Travis 2007). This phenomenon is defined primarily by size but should also be seen as constituted by a matrix of practical, programmatic and organizational characteristics definitive of a new large-scale religious reality that is on the rise. The number of megachurches in the United States has grown dramatically from fewer than 50 in 1970 to over 1300 by 2009. In 1990 there was one megachurch per 4 million Americans and now there are more than 4 megachurches for every million persons in the country, with over 80 percent of the nation's population within an hour's driving distance of a megachurch. The rapid spread of very large churches has slowed in the last few years; nevertheless, the phenomenon continues to expand and garner tremendous attention and influence in the religious world. Additionally, smaller congregations have begun to adopt many megachurch characteristics as they attempt to adapt to this new cultural reality.

Recent research has also shown that nearly every major religious denomination in the country has considerably more large churches now than it did at the turn of the 20th century (Chaves 2006). While most of these have not reached the mega-level, nevertheless the move

toward increasingly larger churches, whether due to an economy of scale or desire for large institutional forms, is a dramatic change across Protestant religious traditions. Globally, a similar pattern is evident. Massive urban centers throughout the world such as Ota, Nigeria; Seoul, Korea; Singapore; Sidney, Australia; and São Paulo, Brazil, contain Protestant megachurches that, while varying in form and style, dwarf many of America's largest churches. Seoul is megachurch "ground zero" with several of the world's largest churches, including the biggest church in existence, Yoido Full Gospel Church, a nondenominational Pentecostal congregation that claims a weekly attendance of over 150,000.

While the megachurch phenomenon remains a Protestant Christian designation, the structures and forms of worship within other faiths are not immune to the global societal currents producing these mega-changes. Catholic churches have always been larger buildings but within major US sprawl cities newly constructed Catholic churches are beginning to take on megachurch shape and programs. The head of Liturgy for the Catholic Bishops conference reinforced this with his comments on this trend,

> While new Catholic churches have been designed with a larger seating capacity, the pews are curved around the altar so people don't lose a sense of intimacy during worship. The challenges are indeed significant, but we want to create sight lines to see the whites in someone's eyes when we're preaching to them. And large parishes are offering more programming, especially Bible study and social action groups, so members meet one another and create a community within a community (Levy 2005).

Additionally, the premier megachurch spokesperson Rick Warren, pastor of Saddleback Church of Lake Forest, California and author of the multi-million copy best selling *Purpose-Driven Life*, has consulted with both national Jewish and Muslim leaders about his experience

leading one of the most successful churches in the country. In the suburbs of Atlanta and other

US cities with increasing concentrations of Hindus and Muslims very large temples and mosques

are being built (Lohr 2007). Globally in rapidly growing areas one can even see evidence of

contemporary mega-Buddhist temples (Lobdell 2002). It is only a matter of time and cultural

influence, as well as the combination of dislocation, suburbanization and abundant space, before

the mega-religious phenomenon is evident throughout the world's great religious forms.

In the United States many of its 1300 megachurches have sanctuaries that seat thousands

at a time, with three dozen having seating for 5000 or more persons. The largest U.S.

megachurch, Lakewood Church of Houston, Texas that meets in the converted Compaq Center

sports arena, has over 45,000 weekly participants and can seat 16,000 at one time (Figure 1).

The largest churches in terms of size have more than 1 million square feet (92,900 sq meters)

under roof. Likewise, several megachurches own over 300 acres (741 ha) of property.

Figure 1 here

Nevertheless, the "average megachurch" is considerably smaller. The typical megachurch

has roughly 4000 weekly attendees, seating for 1800, and property of around 40 acres (99

hectares). Yet even this relatively smaller-scale average megachurch is a goliath compared to

the churches that most Americans see daily as they drive around their communities or the image

they carry around in their heads of "church." The median church in the U.S. (the point at which

half the churches are smaller and half the churches are larger) has 75 regular participants in

worship on Sunday mornings (Chaves 2004). Likewise, 94 percent of U.S. churches have

attendance of 500 or less people.

Yet, even with this predominance of very small churches, over half of regular participants attend the largest 10 percent of churches. The most massive congregations of this group, the megachurches, account for less than half of 1 percent of all U.S. religious organizations, but they are home to over 5 million or roughly 7 percent of weekly religious participants. Additionally, these megachurches garner a vast amount of the media's attention while their pastors have become national celebrity figures whose books sell millions of copies.

An Overlooked Research Topic

Given this dramatic growth in such a brief time and their commanding presence in a community, one might think the phenomenon has been fully explored. Such is not the case. Whether due to biases by researchers against conservative Christianity, a lack of awareness of the increasing number of very large churches or the guardedness of these churches, very little writing or research has focused on these congregations. Christian consultants and church growth experts did the earliest writings about very large churches several decades ago (Towns 1973, Vaughan 1985, Schaller 1992, 2000). At roughly the same time, journalists began paying attention to the appearance of these congregations in their communities (Ostling 1991, Neibuhr 1991, 1995, Gilbreath 1994). These works describe the characteristics and growth strategies of such churches but seldom with a theoretical framework or systematic research efforts.

By the early 1990's several sociologists, ethnographers and religious studies scholars began to explore individual megachurches or small groupings of them using various research methods (Eiesland 1994, Miller 1997, Pritchard 1996). These snapshots of the phenomenon tended to treat the individual congregations as exceptional cases but essentially similar to smaller churches. Thumma's presentation (1993) and dissertation in 1996 were the first academic writings to suggest that the megachurch reality should be considered a distinctive national social

and religious phenomenon. In 1999, Thumma created a publicly accessible online database of megachurches and a year later undertook the first national systematic study of these very large congregations (2001). Later national surveys by Thumma, Travis and Bird (2005, 2008) provided a richer picture of the US megachurches. In 2008, a field study of 12 megachurches with an attender questionnaire provided the first somewhat representative glimpse into the characteristics of those who attend these very large churches (Thumma and Bird 2009). The book *Beyond Megachurch Myths* (Thumma and Travis, 2007) attempted to draw together what is known about the phenomenon and present these findings in an effort to counter the most prevalent popular myths about these largest churches. Much of this material is available on the web (www.hartfordinstitute.org/megachurch/megachurches.html).

Since the mid 2000's researchers have examined distinctive facets within and among megachurches whether in African American megachurches (Tucker-Worgs 2001), their architectural styles (Loveland and Wheeler 2003), the "seeker church" style (Sargent 2000), theories about their rise (Chaves 2006), their influence on other congregations (Ellingson 2007) and marketing practices (Twitchell 2004). These efforts are beginning to produce a more nuanced portrayal of the dynamics of these influential congregations. Nevertheless, there is still a great need for continued theorizing based in comprehensive scholarly research about the importance of megachurch, their implications for the larger religious world and exploration of how they fulfilling individuals' spiritual needs. Also needed is further assessment of the megachurch's place in the broader religious, cultural and geographic landscape that is begun in this chapter.

Physical Presence – Mapping Megachurches

The remarkable increase in the number of megachurches throughout the country is as dramatic a change to the nation's landscape as it is culturally and spiritually significant. While size is the most obvious characteristic, and the feature that distinguishes them most dramatically from the "typical" congregation, these large churches share a number of other traits that make them the quintessential religious form for the nation's burgeoning contemporary suburban reality.

As noted above, American religious leaders have always attempted to engineer both the spiritual and physical soil. "Tall steeple" congregations were planted at the center of colonial city life to exhibit a godly presence at the heart of the settlement. Their spires reached upward toward a celestial god, while also marking them as the tallest structures in the midst of the commerce, industry and political life of the city. So too, have the megachurches planted themselves at the heart of the current center of community life; only now the nexus of social life has been relocated to the suburbs and exurbs of sprawling metropolitan areas. These are areas of high mobility, both in terms of being communities of residents from "somewhere else" and, due to the spread-out nature of suburban life, having a populace willing to commute great distances for work, shopping and church. Appropriately, these churches establish themselves along major highways, in close proximity to malls, big-box retail stores and the expansive campuses of corporations or colleges.

The very earliest megachurches grew out of major urban centers around the country but by the initial explosion of the form in the 1970's they became concentrated in the suburban South. By the mid 1990's two thirds of megachurches were established within the Sunbelt, with roughly half in the southern region. The form spread rapidly in the past two decades throughout the country following the development of suburban sprawl around cities outside the Sunbelt. As of 2009, megachurches can be found in most major cities and all states except for a handful of

New England ones. Currently Texas has the largest concentration of megachurches, followed by California, Florida and Georgia. As is apparent from Figure 2, megachurches cluster predominantly around suburbs and exurbs of the largest sprawling metropolitan areas of Dallas, Atlanta, Los Angeles, Chicago and Houston but significant concentrations of them can also be found in the smaller yet rapidly growing urban areas such as Tampa, Charlotte, Seattle, Minneapolis, Phoenix, Denver and Austin.

In part this predominantly southern growth is directly related to the rapid migration into these areas from the 70's to the 90's by both rural Southerners and displaced Northern transplants. However, other factors leading to this could include the high levels of religiosity in the region and the historic tendency of indigenous religious groups such as the Southern Baptist toward large urban churches and a constant evangelical striving for church growth and ever larger membership figures.

Figure 2 here

The locations of megachurches mark the expansion of the suburbs within these developing metropolitan areas. Whether they are newly formed churches or intentionally transplanted existing churches, megachurch construction has shifted to newer suburbs in the past decade (Figure 3).

Figure 3 here

This placement is ideal because of the less expensive, expansive tracts of undeveloped land, lax land use regulations, and an ever increasing concentration of ideal megachurch clientele – middle class, educated, consumer-oriented, up-rooted younger families. Additionally, in these newly developing areas, the entrepreneurial pastor who relocates his rapidly growing megachurch into this area can quickly offer a ministry equal to twenty or more average sized

churches and thus saturate the religious market, at a more rapid pace and for a lower price, before denominational bureaucracies can even consider acting to plant a new church.

Prominent Placement: A Regional Draw

An undeniable commonality across the majority of megachurches is their obvious presence in a community. It is now impossible to traverse the interstate loop around any Sunbelt sprawl city without encountering several of these mega-congregations. This prominence is intentional; they want to be seen for both practical and symbolic reasons. They need to be found easily, with quick access from major highways, and they need to proclaim prominently that God is present in soulless suburbia.

Given their location and appeal, megachurches are regional entities. Much like the shopping malls, hospitals and magnet schools around them, these churches draw from a wide area, with members often driving 30 to 45 minutes to attend. As such, a choice location along a major interstate that makes them readily available to suburban commuters is critical. In the more populated metropolitan communities, a member may literally drive past hundreds of smaller churches and dozens of other megachurches to attend a particular church. Figures 4 and 5 demonstrate this reality. All the megachurches of Atlanta are mapped on Figure 4 and show the distinctive clustering around major highway arteries. Figure 5 portrays the distribution of participants within one Atlanta megachurch based on the ZIP Codes of its members' residences. Due to this overlapping market reality, each megachurch must be distinctive and marketable. A church's pastor, worship style and identity (its brand) must set it apart and make it an attractive alternative in this regional marketplace.

Figure 4 and 5 here – side by side

Big-Box Cathedrals

A megachurch's architectural design often models the structures around it – meaning boxy, warehouse-type structures resembling malls, community colleges, or corporate headquarters. In part, this is driven by cost, ease of construction and the fact that most megachurches grow very large very quickly. However, the box-like form distinctively marks what is taking place within the megachurch as something other than "typical religion." This form then can be seen as intentionally implying that megachurch religion is a break from tradition. It suggests a contemporary faith that is practical, relevant and part and parcel of everyday suburban life. And much like the Walmarts and Home Depots of suburbia, there is little variance by region. Everywhere and anywhere a suburbanite relocates, he or she can find a megachurch to call home.

Gone are the high arched celestial ceilings and the long narrow nave of the classic cathedral. The most commonly used architectural designs for megachurches tend to be much broader and wider than they are tall. A typical megachurch sanctuary is semi-circular or fan-shaped with theater seating and multiple entrances. Within this basic layout there are three general architectural approaches driven by the message a particular church wants to convey. Each of these architectural representations differs in relation to the congregation's style and the "target market" it hopes to reach.

Figure 6 here

The first approach is nontraditional and best characterizes those megachurches which attempt to attract religious "seekers" and the "unchurched." This is the most prevalent form among American megachurches, and especially those recently founded. The explicit message of these congregations is "this is not an ordinary church." Pastor John Merritt, of CrossWinds Church in Dublin, California, described this intention as, "We're trying to create an environment

here so the unchurched person can come in and say, 'this is church like I have never known church'" (Winston 1996:a10).

The goal of this approach is to create new religious forms, to remake the traditions, so they are acceptable and relevant to a modern person who had been turned off by established religion. To accomplish that, the buildings of these churches are quite secular looking, duplicating everyday structures such as office complexes, schools or warehouses. Inside these structures, persons are greeted by large lobbies with well-lighted signs, information booths, and often a mall-like courtyard complete with refreshments. Their sanctuaries are usually spacious auditoriums, with comfortable theater seating, large stages, and a minimum of religious symbols. The architecture of this approach, "communicates a message - that religion is not a thing apart from daily life" (Goldberger 1995:b1).

Willow Creek Community Church in South Barrington, Illinois epitomizes this form. Willow Creek attempts to attract those who might be uncomfortable in most churches but right at home in a corporate context. Its low-key, laid back Sunday morning "seeker services" are designed to gradually re-introduce a life of faith to secular suburbanites who have given up on religion. But the Willow Creek style is not the only shape this nontraditional approach can take. In Los Angeles, California, Crenshaw Christian Center, one of the larger African American congregations in the country, seats 10,400 in a huge geodesic "FaithDome" structure. This replica of a sports arena has a center stage platform with stadium seating 360 degrees around.

The architectural style and approach taken by a megachurch must not only convey the message and vision of its senior pastor but also be sensitive and adaptable to the context in which it resides and the clientele it hopes to attract. One audience may feel at home in a domed

stadium or office park church devoid of any religious symbolism, but another may need some semblance of a traditional faith. This distinction drives a second approach evident in some megachurch architecture. This conventional orientation is found in most historic "First Churches" that have grown to megachurch proportions. The approach is characterized by retention of the forms of time-honored Protestant Christianity, but it is Protestantism on steroids. The implication is that this church is not only larger; it is also more exciting and more successful.

These massive churches are often either Neo-Gothic or Colonial in style, depending on the region of the country. Christian symbols, steeples, spires, and columns adorn the exterior of the building. Upon entering the church, one is often greeted by a traditional foyer, floral arrangements, and bulletin-bearing greeters. The sanctuary is commonly an exaggerated replica of a country church. The box shaped interior space contains long straight, wooden pews, hymnals, a crowded altar space and customary religious symbols such as crosses, candles and stained glass windows.

The image these congregations want to convey is "This is your parents' religion, but bigger and better." Examples of this type include First Baptist Church of Dallas, Bellevue Baptist Church of Memphis, Ben Hill United Methodist Church and Peachtree Presbyterian Church, both in Atlanta. A second generation of similar churches can be found in newer suburbs. Many of the growing Baptist congregations in Atlanta's surrounding suburbs have intentionally adopted this traditional form. One such church, Rehoboth Baptist in Tucker, Georgia, reproduced the traditional southern red brick colonial church but scaled ten times its "normal size." This form epitomizes Baptist religion in the South. By employing this style, these suburban churches are providing a link to the past for their mobile and more cosmopolitan constituency (Eiesland 1994).

A third increasingly common approach chosen by megachurches entails a blending of the two previous styles. This blended form attempts to retain some connection to traditional religion but also embraces a contemporary sanctuary format and efficient space use for offices and classrooms. The megachurches of this type often superimpose a traditional building facade onto a "user-friendly" structure. The exterior, or at least the street exposure, of the congregation may appear "church-like," while the interior resembles a theater, with comfortable individual seating, state of the art sound and light system, and a broad adaptable performance stage with massive projection screens. This building often has both the conveniences of the nontraditional church building and the symbols and trappings of familiar Christianity. Chapel Hill Harvester Church/Cathedral of the Holy Spirit in Atlanta exemplifies this blended approach architecturally (Goldberger 1995:B10). Another church using this style, First Baptist of Orlando, Florida has an ultra modern building decorated with many Christian symbols, huge old stained glass windows, and the pipes of a giant organ. A Midwest Pentecostal version of this external architectural form can be seen in the James River Assembly Church of Springfield, Missouri (Figure 7).

Figure 7 here

One church's architectural presence that clearly falls outside of the ordinary megachurch format is the Crystal Cathedral of Garden Grove, California. Designed by Philip Johnson and opened in 1980, this megachurch is one of the most distinctive and well-known works of religious architecture in the country. The Crystal Cathedral, shaped like a four pointed star, is composed of mirrored glass. It is truly unique among megachurch designs (Figure 8).

Figure 8 here

Whatever the approach taken by these various congregations, each conveys the message that what they are doing is not "ordinary religion." In the words of one Cathedral of the Holy Spirit first-timer, "This is not what I have seen in the past." Indeed, the worship space of a megachurch suggests that while God may be sought here, this God is a communal and performative rather than an inaccessible austere deity. The architectural form connects the community of saints to each other while also giving them an unobstructed and immediate encounter with the performance onstage, although mediated by the television cameras and huge projection screens. Megachurches provide a reassurance for highly-individualistic believers that they are not alone in their spiritual seeking; they are one among thousands of like-minded Christians. In all these ways the architectural styles reshape believers' ideas of "church" even as they create in these participants new and different ways of being religious together (Miller 1997).

An entire industry has arisen to design these churches and outfit them with the complex sound, lighting and traffic flow systems required for these distinctive structures. A few of the architectural firms that specialize in designing megachurches include The Beck Group of Dallas, Texas (www.beckgroup.com), Minneapolis architecture firm of Hammel, Green and Abrahamson (www.hga.com), Century Builders in Houston, Texas (www.thinkcenturyfirst.com) Lefler & Associates of Thousand Oaks, California (www.leflerassoc.com), CDH Partners in Marietta, Georgia (www.cdhpartners.com), Foreman, Seeley, Fountain of Norcross, Georgia (www.fsfarchitecture.com) and Siebenlist Architects in Tyler, Texas (www.siebenlist.com). Additionally, specialized companies have arisen dedicated to funding and manage these projects (Reliance Trust of Atlanta, Georgia, Evangelical Christian Credit Union in Brea, California, Chitwood and Chitwood, of Chattanooga, Tennessee) providing sound systems (Acoustic Dimensions of Dallas, Texas, Church Production Magazine www.churchproduction.com),

furnishings (Booth Seating Company of Memphis Tennessee, Church Chair of Rome, Georgia)
and even software products (Fellowship Technologies of Irving, Texas).

No matter what the style adopted, megachurches are often quite dramatic in scale and cutting edge in their technology. The vast majority of them reside in structures less than 20 years old. Even if a church's founding is much older, its rapid growth has required multiple moves to ever-increasing sized buildings. A good many of the current megachurches began in private homes, moved to temporary rental facilities such as schools, theaters, and hotels or leap-frogged from one church building to another as it rapidly expanded.

Southeast Christian Church near Louisville, Kentucky, is a dramatic example of this expansive growth over more than 45 years. In 1962, 53 members of South Louisville Christian Church began Southeast Christian Church in the Hikes Point area of Louisville, meeting in an elementary school. In October, they purchased a property at 2601 Hikes Lane, where they used the basement as worship space and the upstairs rooms for Sunday school. Five years later, now under the leadership of Bob Russell, the church built a sanctuary to seat 550 persons, which expanded over the next several years with space for education, nursery, and an all-purpose building. Additional members also joined the staff. At Easter 1976, attendance reached 1,000 for the first time. In 1983, the congregation approved the purchase of property two blocks from the original location in order to build larger facilities. The new building was inaugurated in 1987. By 1990, attendance topped 10,000 for the first time, and in 1992 the congregation voted to leave the city and purchase property in the highly accessible rural area of the interchange of Interstate 64 and Blankenbaker Road east of Louisville. After fundraising exceeded the goal of $26 million, ground was broken for the new campus in 1994. At the same time, the church began a weekly newspaper *The Southeast Outlook* and initiated a capital campaign to fund a Youth and Activities

Center on the Blankenbaker property. The first services in the new facility took place on Christmas Eve 1998 with a total of 24,000 attending. Through 1999, average weekly attendance was 13,000, up from 10,500 before the new campus was built. The Blankenbaker facilities encompass more than 1 million square feet (92,900 sq meters), and the sanctuary seats 10,000. Weekend services include one on Saturday afternoon and two on Sunday morning; attendance now regularly exceeds 17,000.

Figure 9 here

Mall-esque Churchscapes

The churchscapes, or the total landscape of the facilities and their surroundings, of megachurches are large scale and quite mall-like. In fact, without signage, these structures might be mistaken for a shopping mall. They are intentionally designed to appeal to segments of the population who may have negative or indifferent feelings about the whole matter of religious participation and are reluctant to enter such buildings.

A central dominant building (its anchor store) usually houses the worship sanctuary, seating thousands, its education and childcare facilities and a fellowship hall with industrial-sized kitchen. Within this structure, countless small meeting rooms accommodate all the groups that the church sponsors in order to promote a feeling of belonging and fellowship. A bookstore and coffee shop mimic the "foodcourt" and provide a place for friends to socialize. These features may surround a large entry atrium with an information desk and excellent signage. Staff offices, youth activity centers, and sports facilities may also be in this building or in separate structures. Likewise, maps of the buildings and grounds resemble their economic counterparts, and provide a pictorial representation of the unique mega-churchscape. Figure 10 shows the churchscape of Southeast Christian Church in Louisville, Kentucky.

Figure 10 here

Like the mall, a major feature of a megachurch landscape is the acres of parking lots to accommodate attenders' vehicles. Some megachurches offer shuttle bus service from the far-flung parking lots to the church building, and even have covered drop-off locations. Parking spaces nearest the building are often reserved not only for the handicapped but also for newcomers and visitors. Many megachurches hire police officers to direct traffic as huge crowds of attenders arrive and depart.

Nothing about this reality makes the megachurch conducive to traditional sacred religious rituals such as christenings, weddings and funerals. For the most part, only well-known and popular community figures use the megachurch sanctuary for such occasions (along with high schools and colleges commencement services). Rather, a majority of megachurches have small auxiliary chapels with seating for several hundred for just these purposes. Interestingly, these chapels are quite often designed in a far more traditional "church" style than the main sanctuary.

A Small Town within the City

This suburban context, likewise, alters the programmatic shape and function of a megachurch. Much like a regional mall, attenders come from considerable distance in private automobiles. Church leaders understand that as a result members' lives may not overlap with each other except for their involvement in the services, small groups and ministry programs. As such, megachurches implicitly attempt to recreate "the town" within their walls through the wide array of programs, activities and opportunities. In part, this effort mimics the idyllic small town nostalgia mostly extinct in the United States. However, it is also an intentional effort to create a total Christian community experience whereby the transient and highly mobile suburban family can quickly and easily find their place within the dislocative reality of sprawl city.

This effort is encouraged, and is even intentionally engineered, through the creation of public places for interaction and accidental encounter. Again, drawing from the design of malls, megachurches often have expansive and inviting entry areas, courtyards and garden settings to promote the informal interaction of relative strangers. These spaces include fountains, plantings, natural light, conversational spaces, free wifi, video screens, snack areas and various literature and recruitment kiosks. The churches encourage milling around and even train members of a "hospitality team" to engage with persons and facilitate connections with the church and other attenders.

If the actual full-service functions of a megachurch are insufficient to drive home this small-town feeling, many megachurches also employ the rhetoric of "home," "community," and "family" in their literature and services. As one pastor stated, "We're not a large church, we're a small town" (Brown 2002). Additionally megachurches often employ locational references such as "Crossroads," "Northpointe" "Lakeview," "Valley" or "Hillside" in their names. Frequently, the common spaces, youth areas and educational wings are adorned with elaborate murals depicting small town life (Figures 11 and 12).

Figure 11 & 12 here

An example of this is seen in Southeast Christian Church's new youth activities center, the Block. Designed by Visioneering Studios, it includes facilities for teenagers, such as an auditorium, coffee shop, climbing wall, classrooms, and meeting spaces. Place names within this facility, including The Porch (designed to encourage teaching, discussion, and conversation), The Park (where students learn and grow through the seasons of their lives), The Gallery (for artistic expression), and The Station (especially for incoming sixth graders to refuel before returning to the world to share the Christian message), evoke this community feel.

A more overt approach to creating community can be seen in the intentional efforts at enhancing congregational community and member intimacy through the use of home fellowships and small group meetings. This strategy was birthed out of necessity; as these churches grew, the normal processes that encouraged social connectedness were diminished. Likewise, the alienating and highly dislocating suburban context required more deliberate connection efforts. As such, these churches had to become smaller through the intentional creation of intimate group structures as they became larger. The structured use of groups promoted community and offered avenues by which church leaders could encourage relative strangers to interact with each other. So with increased size came the need for an increasingly manufactured sense of community within the congregation through deliberate efforts at affecting a mechanical social solidarity.

Megachurches have pushed the symbolic effort to create an alternative small-town reality toward literally remaking their physical communities. Several churches have begun serious revitalization projects in their surrounding neighborhoods. This is often evident among predominantly African American congregations who have created Community Development Corporations, but it is becoming increasingly common among other megachurches as well (Tucker-Worgs 2001). One early example is Brooklyn's St. Paul Community Baptist Church (Friedman 1993). More recently countless megachurches including New Direction Church in Memphis, Tennessee, and Kingdom Life Community Church in Milford, Connecticut, are developing full economic and business complexes by purchasing local strip malls, businesses and restaurants. Several megachurches have bought massive commercial properties where they both hold services and also rent space to for-profit businesses. Examples of this trend include ChangePoint Church housed in a former salmon canning factory in Anchorage, Alaska, Faithful Central Baptist Church in Los Angeles that meets in The Forum, once home to the Los Angeles

Lakers, and Rolling Hills Community Church in Franklin, Tennessee, which moved into the former Georgia Boot Factory, a 143,000 square-foot (13,285 sq meters) building, all of which also house external companies as paying tenants.

A few megachurches have even teamed with real estate developers to create planned communities in the proximity of the church. In the 1980's, the multiracial Chapel Hill Harvester Church of Atlanta worked with several developers to create four housing communities. These were intentionally made available to persons of diverse races and income groups including a set of condos specifically designed for retirees and single persons. Additionally, the church created a large recreational complex open to the public with pools, tennis courts and ball fields as well as a business office park complex and a reclaimed strip mall. In total, this "kingdom community" covered many hundreds of acres and surrounded the 7700 seat Cathedral that sat at the center of this "city of hope" (Thumma 1996).

These efforts at community development are not without controversy. Lawsuits have plagued megachurch development in relation to zoning and land use issues. Likewise considerable discussion is taking place related to questions of the limits of church tax-exemptions. The exemption is currently applied to any activity directly related to a congregation's mission. However, given the expansive mission agenda of many megachurches, the boundary between what is and isn't part of the ministry can be a blurry line at best.

Pastor as Spiritual Entrepreneur

Given the need to create a distinctive identity, a discernable product or marketable brand, it isn't surprising that the role of the spiritual leader is reconceptualized within megachurches. Most megachurches are led by male clergy who would be described as having considerable

personal charisma. They function in many ways as spiritual entrepreneurs. They are often innovative risk-takers who inspire the trust and admiration of those around them. According to a recent study of 25,000 attenders, the pastor ranked second to the church's worship style as the characteristic that most attracted people initially to the megachurch, and the pastor ranked first in keeping them attracted over time (Thumma and Warren 2009).

Megachurches tend to grow to their great size under the tenure of a single senior pastor. Although many of these churches were founded decades or centuries ago, almost all grew to their large size since the 1980's. Eighty percent of these are still led by the pastor who was in charge during their growth to megachurch status. Evidence suggests that these churches can remain vital following a shift in leadership from the founder to his successor; however, those later pastors do experience more conflict and diminished growth rates.

While these pastors have church boards of elders or espouse a team leadership approach, in many ways they are the singular visionary leaders of the church. Their primary task is to discern the church's spiritual direction, encapsulate it in a dynamic vision and then offer engaging sermons that excite attenders to participate in the embodiment of that vision. Supporting these senior pastors are, on average in 2008, teams of 28 full-time equivalent (FTE) paid ministerial staff persons, and 31 FTE paid program staff persons, with on average 320 volunteer workers (giving 10 or more hours a week to the church). The goal of these employees is to facilitate the message and distinct vision of the church. This is accomplished in typical fashion with programs and training, but in a media driven world, the message is also spread through marketing slogans, slick banners, brochures and ad campaigns. Such media trappings are possible within the resource-rich megachurch. While the average sized church struggles to

pay its bills and minister, the typical megachurch has an annual budget in 2008 of 6.5 million

U.S. dollars. Of this income, roughly half is spent on personnel costs, 20% on buildings and

operations, 13% on missions and the rest on programming and its support (Thumma et al. 2008).

Often these largest congregations do not experience rapid growth without some

controversy with other religious options; they need to generate a cultural "buzz" about what they

have to offer. In other words, they need to stand out figuratively before the tremendous growth

comes that allows them to stand out physically as a megachurch. This can happen through a

ministry program, an outreach to teens, a musical group or an innovative mission venture. Such

notoriety, however, results in growth only when an innovative pastor, supportive staff, and

congregation are willing to experiment and adapt to new ideas and methods. Once a

congregation has grown to mega-status, its size and dominance of the local religious ecology is

all that is needed to generate a sustained stream of visitors. Nevertheless, the pastor's innovative

impulses often continue to keep the church in the local spotlight, the newspapers and importantly

in the minds of potential members. The community buzz and branding are essential in

identifying the church as a regional spiritual attraction with distinctive product that sets them

apart from the religious marketplace.

Another reality that makes marketing and branding essential is the functionally

nondenominational nature of most megachurches. Although two-thirds belong to a

denomination (with the Southern Baptist Convention having the most, followed by the

Assemblies of God, United Methodist, Calvary Chapel Fellowship, Churches of Christ and

others) a combination of the diminished salience of denominational identity (Wuthnow 1988)

and a "defacto congregationalism" (Warner 1993) in the contemporary religious climate make

this affiliation less important. Additionally, these massive churches don't need or want their denominational label to define them. Rather they want to define themselves, shape their own DNA, a phrase which is often heard in these churches. Even if they belong to, and intentionally embrace, a denominational heritage, it is on their own terms and is a label that is held lightly. In essence, the denomination needs the megachurch, with its celebrity status, far more than the megachurch needs the denomination or its resources.

Many megachurches, even denominational ones, have become quasi-denominations in their own right. They have created loose networks of like-minded smaller churches around themselves. They hold workshops and conferences, engage in leadership training and clergy mentoring and have even partnered with seminaries to train new pastors. Megachurches create and distribute educational literature and resources, produce and market new music and generate worship materials that are in great demand by smaller churches. Additionally, they sponsor mission trips and unique ministry opportunities. In short, they operate functionally as a denomination, except this takes place at the level of a local church. These activities suggest that megachurches are even beginning to re-engineer the national religious organizational landscape. They have a more popular product than the denominations, and smaller churches of all stripes are buying it.

Media-driven Contemporary Worship

As crass as economic language seems to describe religious life, megachurches use market-based tools of capitalism in order to reach media-saturated, stimulus-overloaded American consumers. This is not only necessary to attract people to the church but also to

convey the Christian message to them. Such an approach is quite evident within the worship services.

Worship in nearly all megachurches is contemporary, dynamic and media-driven (Figure 13). In many ways worship has always been theatrical, but as the size of the congregation has increased, worship has moved from participatory ritual to performance spectacle. This is a direct function of size, since it is nearly impossible to adequately involve the entire congregation when there are thousands rather than hundreds of participants. But it is also reflective of the social and cultural forms common to contemporary suburban life. Megachurches have distinctively shaped worship into a highly professional, technologically-enhanced experience that includes electric instruments, full orchestras, state-of-the-art sound systems, simultaneous translations equipment, image magnification cameras and projection screens.

Figure 13 here

Such a change is also directly related to the increased size of the sanctuary since a greater reliance on mechanical efforts is necessary to amplify the sound and magnify and project the happenings on the stage. Additionally, the logistics of several services packed into Sunday morning requires a more regimented and well-timed service structure. It is easier to script a small team of singers into a time-slot than speed up a choir or congregational hymn; faster if prayers are given by associate pastors and scripture is flashed on the screen than hunted up in members' Bibles. Attenders follow along, respond to and are engaged in the service but in a more passive and somewhat controlled manner with the megachurch's "spectator worship" format than they might be in a traditional smaller church service. But this experience of worship also parallels the day-to-day cultural, economic and media reality of suburban inhabitants.

Within the social context where every cultural message whether economic, recreational or educational is professional, technological-driven and calculated to generate the most emotional impact, there could well be an increasingly innate need for the intense spiritual excitement the mass worship gatherings megachurches offer. The fast-paced, big-screen, polished and scripted contemporary worship service resonates far better with the daily lives most Americans lead than does the often slow moving, sedate, highly liturgical service complete with centuries-out-of-date hymns, organ accompaniment and archaic language that smaller traditional congregations offer in their spiritual performances. The megachurch style resonates far better with hugely attended professional sporting events, NASCAR, and rock concerts than it does marginally supported opera, ballet or small scale "unplugged" musical performances.

Customization of Religious Experience

Another key component of the megachurch that sets it apart from traditional churches is its vast array of programs, ministries and educational options for attenders. These churches have extremely rich programs for children, youth and adults for personal and social growth as well as sports and entertainment within their facilities. They often provide gyms and personal fitness areas including pools, bowling alleys, game rooms, outdoor courts and ball fields and bookstores filled with Christian clothing lines, music, and kitsch items for one's home. Church leaders offer programs and ministries, usually housed in separate "family life centers," having to do with every aspect of personal and interpersonal life, such as marriage development, child rearing, support groups, job skills, leadership development, and personal enrichment through hobbies, weight loss, education and trips to meet members' needs as well as being places to serve. Additionally, many have separate buildings in support of their outreach and social ministry components. Indeed, it is possible for many megachurches to be one-stop shops for a family to

meet all their physical, emotional, familial, and interpersonal as well as spiritual needs. This approach makes perfect sense in a suburban reality where there are fewer options for civic and family-oriented social life.

The level of choice that is possible with a megachurch in terms of times and locations for services, programs and events to meet family needs, ministries and activities to develop leadership and service opportunities creates an involvement dynamic unlike most small congregations. This plethora of choices and the flexibility it creates allow for multiple patterns of involvement and a wide variety of options for integration into the life of the church. As a result individual involvement covers a remarkable spread from minimal involvement, that of a free-riding anonymous spectator, to persons volunteering over 40 hours a week and giving a third of their income to the church. Simultaneously, these congregations can promote intense personal commitment in a third of their attenders but at the same time foster an equal percentage of marginal spectators in their ranks. While similar involvement patterns exist in smaller churches, the size of megachurches intensifies this dynamic.

As such, megachurches offer attenders new ways of being religious within a congregational setting. These churches allow attenders to participate on their own terms by providing them the freedom to choose the commitment level that best suits their individualized spiritual desires. The diverse programs and ministry options allow participants to select and customize their experience of the church that best fits the needs of each family member. At the same time, the leadership at a megachurch continually encourages participants to increase their involvement, deepen their faith and commit to live out that faith in service to the church and

larger community, but on the terms dictated by the individual consumers of the religious

experience. Just what a suburban consumer has come to expect.

The Frontier of a Re-engineered Religious Life: Growing Without Growth

Early in the life of a rapidly growing church very little thought is given to the style or

shape of the church building. A congregation expanding from a few dozen to a few thousand is

only concerned with adapting staff and programs to keep up with the escalation. Often such

rapidly growing churches look to overflow spaces and multiple service times to accommodate

the attendance swell quickly and economically. In recent years these initial methods of

expansion are increasingly being chosen rather than building a larger structure. Between 2005

and 2008 U.S. megachurches grew by 573 persons in overall average attendance but average

sanctuary size increased only by 124 seats (Thumma et al. 2008). The most rapidly growing

megachurches seem to prefer these tactics and are increasingly adding two additional strategies

that extend their reach physically and symbolically beyond one geographic location. These new

models of growth are establishing multiple physical sites linked as a single church and creating

online Internet venues that merge the physical and virtual congregation into a single entity.

In the early days of the megachurch phenomenon, the two ways of extending the reach of

a congregation beyond one physical location were to plant "daughter churches" and to create a

relational network of "like-minded" independent (often smaller) congregations with the

megachurch as the hub. In both cases, these strategies extended the influence of the megachurch

relationally to other churches but maintained the autonomy of those congregations.   The recent

approach of creating "satellite campuses," multiple sites where portions of a single congregation

meet with separate buildings, local pastors and worship teams, literally extends church space but

retains the sense of being one entity. Often this multi-site church's budget, administration and

leadership are centralized on a main campus. Likewise, the sermon is usually delivered by the senior pastor via DVD or live satellite feed projected on the screens at the separate campuses. One of the foremost churches using the satellite approach of expansion is the Oklahoma City area congregation, LifeChurch. This congregation meets in 13 physical locations (Figure 14) across 6 different states. Quite a few of these satellites were the result of intentional expansion efforts but several were pre-existing churches that requested to be consolidated into the LifeChurch congregation. This church started in 1996 in Edmond, Oklahoma when its founding pastor Craig Groeschel met with a few people in a rented dance studio. His message of leading people to become fully devoted followers of Christ was appealing and the church grew into a middle school and then a renovated bicycle factory and then three years later into their first sanctuary with seating for 750 in Oklahoma City. A year later in 2000, LifeChurch had 3000 weekly attenders. The following year the congregation spilled out into its first off-campus facility – its second location back in Edmond. Nearly every year after that, the church added a new campus. In 2009, the church's largest sanctuary seats 1900 but it holds 66 weekly services and has an average attendance of 25,500 people across the 13, plus the Internet campus, locations.

Figure 14 here

Southeast Christian Church exemplifies a more common approach to multi-site growth. In 2007, it expanded its geographic reach by establishing a second location rather than enlarge its home campus after its senior pastor, Bob Russell, retired. David Stone, who succeeded him, announced within a year of his leadership that he would locate the first satellite campus in southern Indiana. The church's experience had demonstrated that people who live more than 20 minutes from the church might come to weekend services, but they were unlikely to participate in other activities during the week. The church leadership decided to take the church to the

community across the Ohio River. Property encompassing almost 9 acres (3.6 ha) was purchased at the corner of US Route 31 and New Albany-Charlestown Pike in Jeffersonville, Indiana. The first service there was held Easter 2009 with more than 3,000 attenders; since then attendance has leveled off at around 1,800 persons. The sanctuary seats 1,400. The satellite campus is staffed with a pastor, his wife, and nine additional staff members. Preaching is delivered from the main campus by DVD; the rest of the service takes place live at the satellite campus. An additional satellite campus is being developed in LaGrange, Kentucky, to be housed in a former grocery store at Crestwood Station. This campus will open in 2010 with 1,200 members already living in the area.

Such a strategy makes sense as these growing congregations seek needed space but the pressures of economic recessionary times and the high cost of construction, as well as land use and zoning battles, make ever larger sanctuaries less feasible. Compound this with the rising cost of gas, the added commitment burden of driving a distance to participate and the ease of recording and streaming video, all make the satellite campus option appealing. With a branch campus nearby, members can more easily invite neighbors and friends. The satellite campuses also allow the church to be both large and small, as the satellites have smaller groups attending but retain the impression that the overall church is ever-expanding and the brand remains successful. This satellite model of expansion moves the church beyond the idea of broadening of a single campus and into a post-modern flattened and networked global reality.

This multi-campus format facilitates a megachurch's entry into virtual expansion efforts as well. Multiple sites rely on screens, technology, networking and the perception that the church in "one in many locations." Thus, it is a minor step from a digital connection between branch campuses to having an internet branch campus in a social networking reality for hyper-

tech younger generations. The Internet is part and parcel of daily lives of most megachurch

attenders. Thus, an online campus is a natural extension of the vast amount of time younger

suburban members and their children spend on Facebook, YouTube and Second Life.

Two dozen of the most technologically advanced megachurches with multiple satellites

also have online campuses. As stated above, Oklahoma's LifeChurch not only has its 13

physical campuses but it also has what it calls its "global campus" on the Internet (Figure15).

This online congregation, which began in 2006, has its own designated pastor and worship team

along with multiple cyberspace ways to stay connected, share concerns, engage in social ministry

and create community among attenders.

Figure 15 here

A further extension of the use of the Internet to communicate with members and

potential members might be the "virtual" megachurch, which exists only on the Internet

disconnected from a physical congregation (Hamilton, 2008; Mann, 2009). Such is the Anglican

Church in Second Life (the virtual community reality at www.secondlife.com), founded in 2007

as an extension of Jesus's command to "go forth and make disciples of all nations" (Matthew

28:19) to "networks." (Wanamaker, 2009). Not intended to replace face-to-face worship or

bricks-and-mortar churches, it reaches out to people who may not have a church available. Its

more than 60,000 who participate literally span the globe. They worship together and exchange

ideas, educational opportunities, and mutual support. Other virtual worship services include

regular daily prayer, which has attracted more than 200,000 visitors (Thomas, 2009).

Conclusion

Individually, megachurches are only minor feats of engineering; however, as a collective

change in American, and even global, religion this phenomenon is dramatically reworking the

spiritual, social and physical landscape. This congregational form has gradually evolved from urban centers to the exurbs and shifted from traditional faith expressions to a consumer-sensitive branded product. In this process these churches are redefining what it means to be a person of faith in a twenty-first century suburban context. The megachurch model has reshaped "church" to the needs and requirements of the contemporary suburban dweller. In a context of social dislocation and high mobility, the megachurch offers easy and intentional connections with other like-minded families and singles. In a gathering of thousands of worshippers an individual can be involved in a successful ministry and not feel alone as a believer in a secular world. Yet with the intimacy of a small group, even in the midst of a mass of attenders, a person can be known by and accountable to other individuals at the church. A megachurch's interest-based ministries allow for choice, leadership development and the individual expression of passions and talents. This freedom to choose, and even the anonymity to avoid choosing, means that each individual can craft their own level of involvement at the megachurch.

The megachurch model of worship is a religious expression that resonates with the lives of suburbanites. They may not have attended church for years, but worship is user-friendly and spectator-oriented. The music is contemporary with a sound they could hear on any top-40 station throughout the week. The service is technologically sophisticated, professional and fast-paced. They can participate in the worship experience at whatever level they wish. If they don't know the words to a song or where to find a scripture passage, these are projected on the 30-foot screens. The preaching is vibrant and relevant to the daily struggles faced by a young couple in modern suburbia. But they are also challenged and encouraged to mature as Christians, to give, to invite their friends and to live out their faith in service to others.

The megachurch's physical configuration patterns that of the economic icon of the suburbs, the mall. In churchscape, in architectural form and in functional space, the megachurch is the spiritual counterpart of the regional shopping complex. But it is also in part a regional community college, theme park, family community center and sports complex. The megachurch has embraced the spirit of capitalism symbolized by the mall but so too has American society as represented in suburbia. Americans are consumers; they identify with brand names. The market defines human nature and market forces are as much at work in the megachurch as they are in all expressions of faith.

The rapid proliferation and acceptance of this mega-religious organizational form speaks volumes about the American assumption that size equals success, even in relation to spiritual achievements. Likewise, it is interesting at a time when aspects of American society are becoming increasingly secular that the spiritual presence in the form of megachurches has super-sized accordingly. These congregations are ever-present reminders in the most rapidly growing secular centers of commerce and innovation within the country that God is still present in a sizable way. Most importantly, the reengineering of the American landscape by megachurches reinforces the fact that faith and religious forms are never as static as the ordained guardians of the cherished traditions would like us to believe or the majestic stone cathedrals, pipe organs and stained glass artwork imply by their permanent presence. The expression of faith in religious communities continues to evolve, as does our planet, and sometimes in mega ways.

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Figure Listing

Figure 1 Worship Service at Lakewood Church, Houston, TX (Source Warren Bird, used by permission)

Figure 2 Megachurch Locations within the United States (Source Hartford Institute for Religion Research database, Mapping by Jeffery Steller, used by permission)

Figure 13 Expressive and Media-driven Worship at Ray of Hope Christian Church, Decatur, GA and Saddleback Community Church, Lake Forest, CA (Source Warren Bird, used by permission)

Figure 14 One Church in 13 Locations – The Expansive Campus of LifeChurch, Oklahoma City, OK (Source LifeChurch website, Mapping by Jeffery Steller, used by permission)

Figure 15 The Internet Campus of LifeChurch, Oklahoma City, OK (Source LifeChurch website)

FIGURES

Figure 1 Worship Service at Lakewood Church, Houston, TX

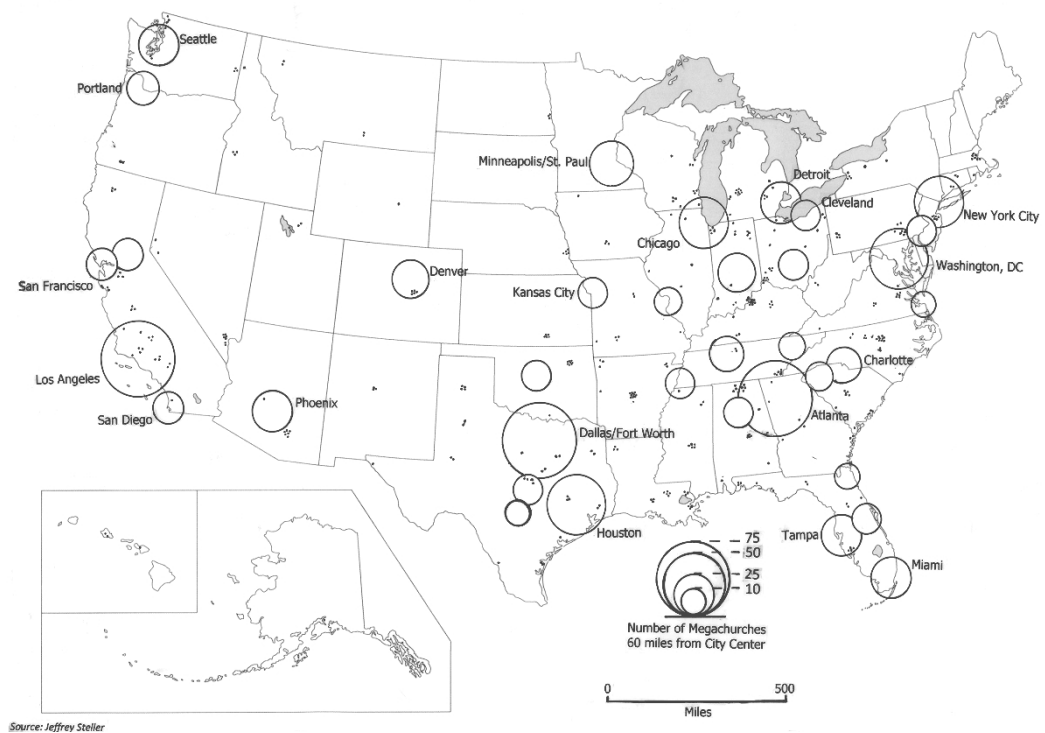Figure 2 Megachurch Locations within the United States
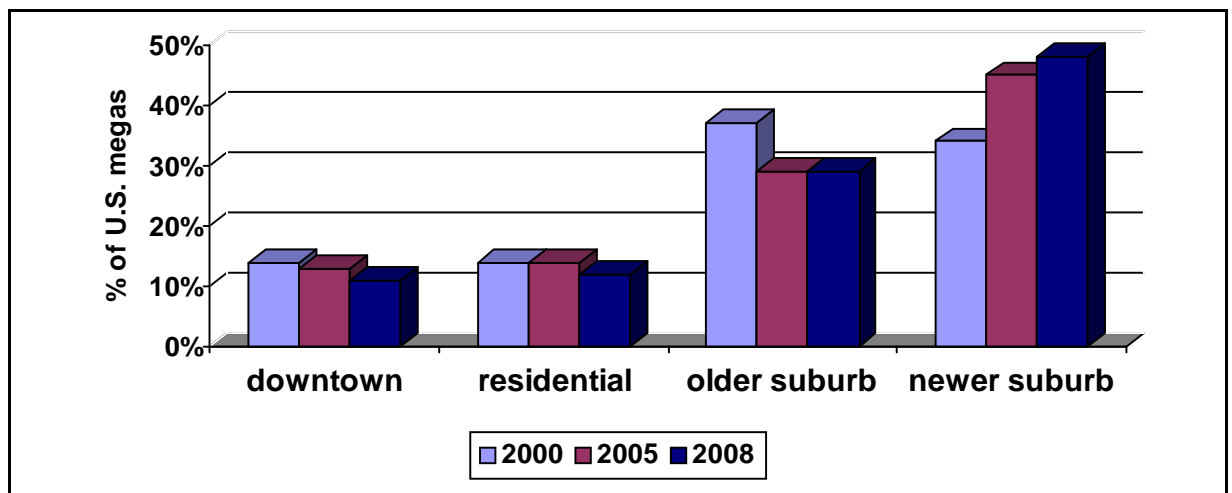
Figure 3 - The Shifting Location of Megachurches

Figure 4 Metropolitan Atlanta
megachurches   Figure 5 Attender
concentration in one Atlanta megachurch

People Attending, 2000-
1 - 5
6 - 25
26 - 50
51 - 141

Figure 6 Interior design of Southeast Christian Church, Louisville, KY

Figure 7 James River Assembly, Springfield, MO

Figure 8 The Crystal Cathedral, Garden Grove, California

Figure 9 The full sanctuary of Southeast Christian Church, Louisville, KY

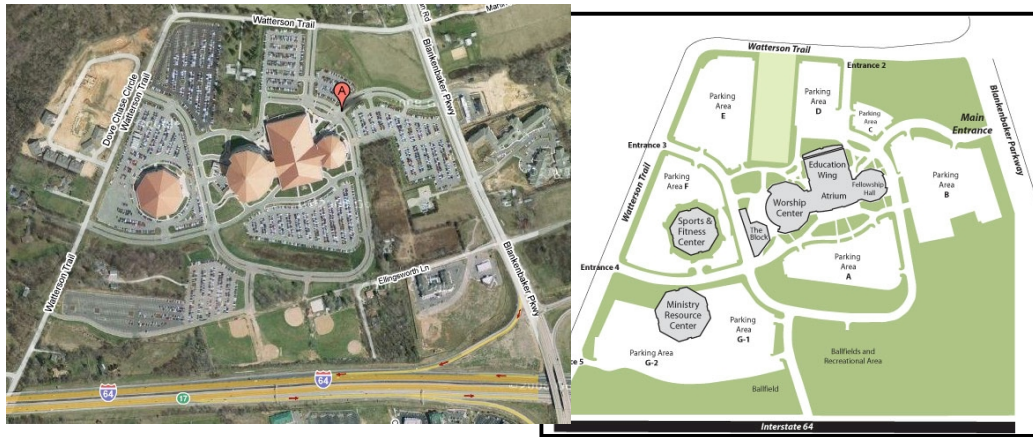Figure 10 The churchscape of Southeast Christian Church, Louisville, KY

Figure 11 Re-creation of a small town setting in Liberty Church, Worcester, MA

Figure 12 Youth and Educational Wing Mural at Faith Church, New Milford, CT

Figure 13 Expressive and Media-driven Worship at Ray of Hope Christian Church,

Decatur, GA and Saddleback Community Church, Lake Forest, CA

Figure 14 One Church in 13 Locations – The Expansive Campus of LifeChurch,
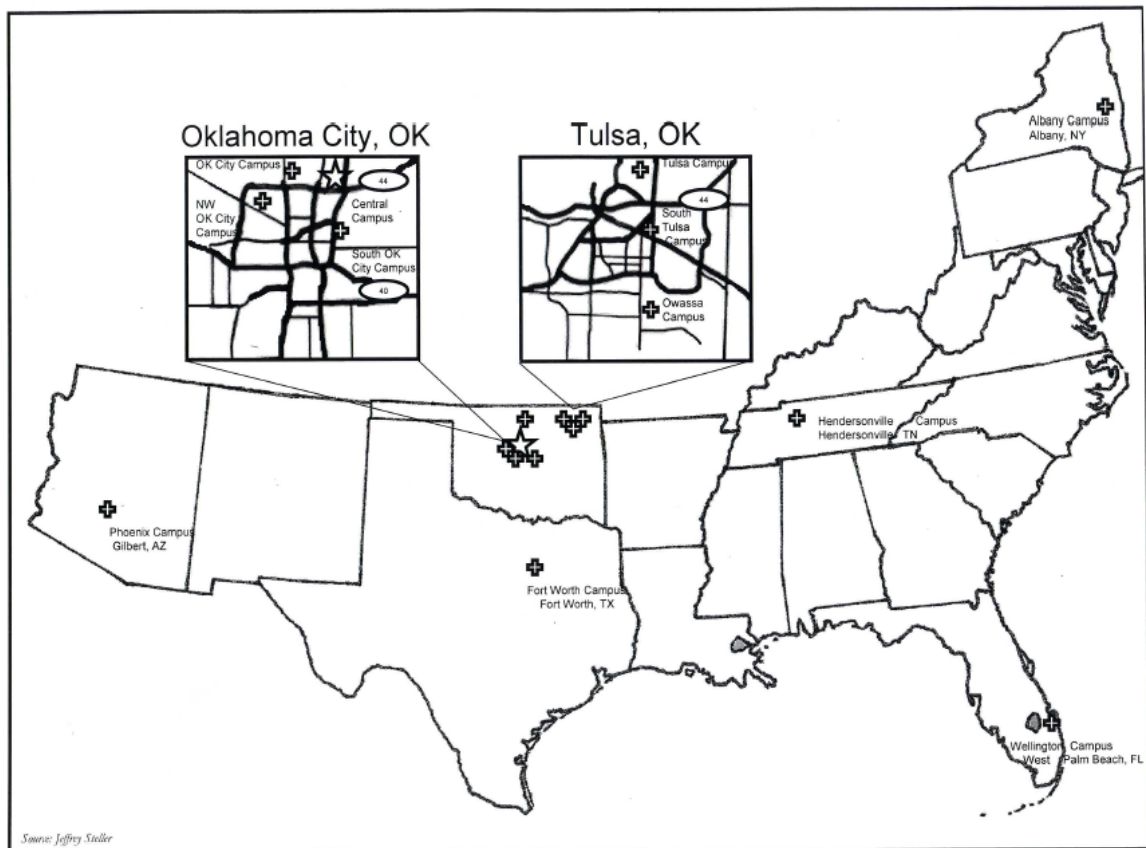
Oklahoma City, OK

Figure 15 The Internet Campus of LifeChurch, Oklahoma City, OK

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The Vision

by RENEE TAUGUAY *on* JUNE 24, 2009

5 tweets In the last few weeks, I have been browsing the LifeChurch.tv Archives and watched some of the past series. I just finished **retweet** watching week two of the series "Unstoppable" where Craig paints a picture of his vision for the LifeChurch.tv. I would encourage you to watch or re-watch the whole message. Below are some of the key points.

The very first message Craig preach in his two car garage about 13 years ago was on Acts 2, we've all heard the expression of an "Acts kind of Church", well for Pastor Groeschel, it is move than an expression, it is a vision. Here are the verses he taught specifically on;

*All the believers were **Together** and had everything in*

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