

Villanova Center for Church Management and
Wheaton College

Study of COVID-19 Impact on U.S. Protestant and Catholic Church Giving

Prepared for ACS Technologies

by

Enoch Hill

Associate Professor of Economics
Wheaton College

&

Matthew F. Manion, MSCM

Professor of Practice, Management and
Operations,

Villanova School of Business

November 3, 2023



VILLANOVA
UNIVERSITY
Villanova School of Business



Introduction



- Study uses five years of giving data for an anonymized sampling of **7,922 Protestant churches** and **989 Catholic churches** operating in the United States.
- The COVID pandemic caused the closure of churches and the world in March 2020. The impact on collections was most significant beginning in April 2020.
- For analysis purposes, church collections data was organized in six-month buckets from April-September and October-March.

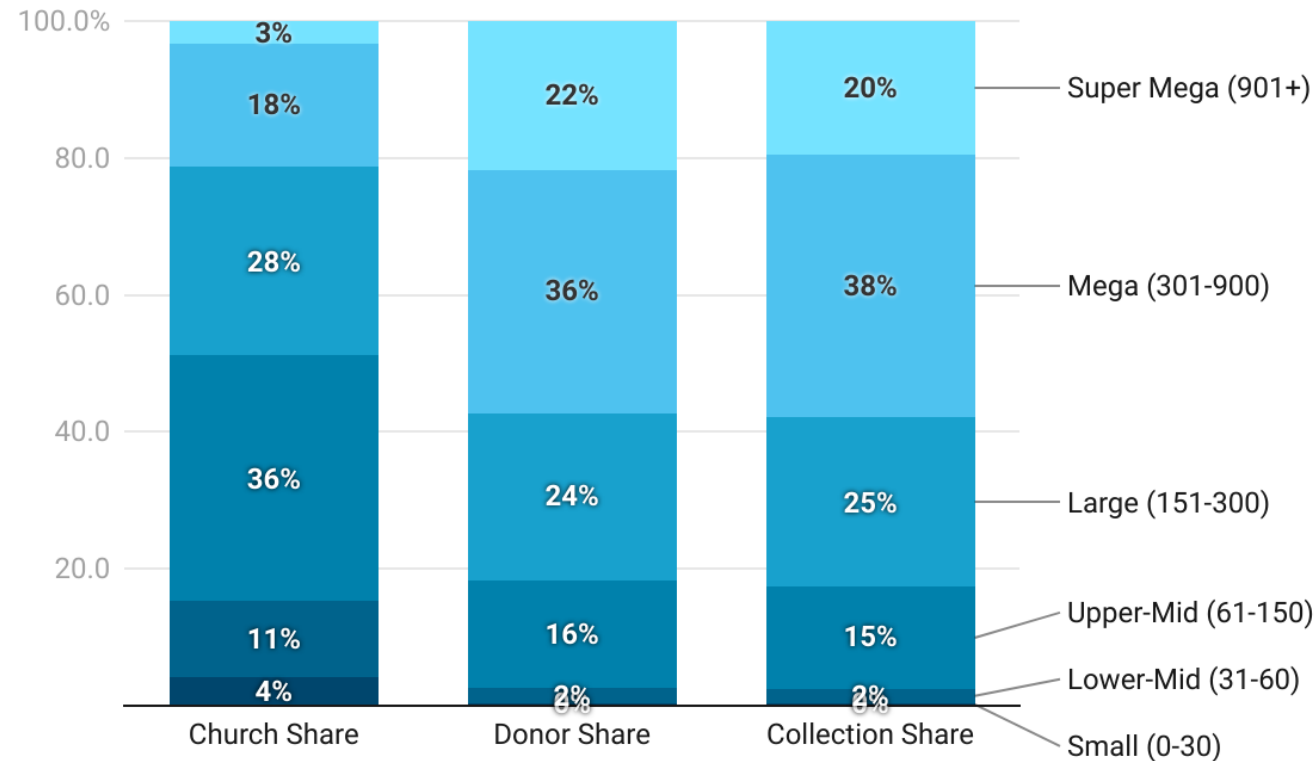
Mix of Traditions



Tradition	Churches	Pre-Covid Donors	Avg # of Donors
Southern Baptist Convention	1,655	394,761	239
Catholic	989	701,540	709
Non-SBC Baptist	949	216,286	228
Episcopal	890	174,383	196
Non-Denominational	886	213,751	241
Methodist	786	202,900	258
PCUSA	462	106,070	230
Lutheran	387	104,560	270
Assemblies of God	201	55,489	276
AME	42	16,976	404

Good Mix of Churches based on Size of Pre-Pandemic Annual Collections (Protestant Churches)

Distribution by Church Size (Unique Donors)



Church size category is based on the number of unique donors in the 6-month period ending March, 2020

Created with Datawrapper

Hypotheses

The study was designed to test the following hypotheses:

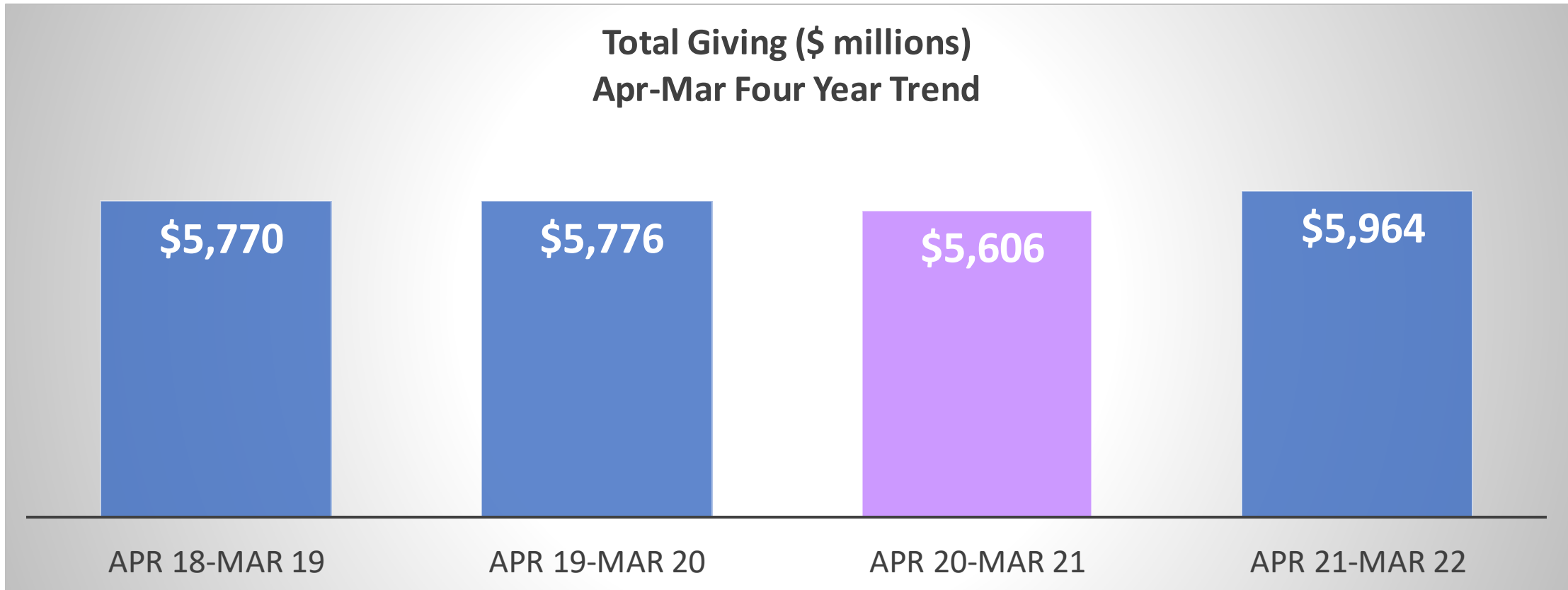
1. The decrease in church attendance since the pandemic started has led to a decrease in church collections. **(Dip not a Drop)**
2. Larger churches with more financial resources were able to weather the storm of the pandemic better than smaller churches. **(Not supported)**
3. COVID-19 increased the rate of adoption of digital donation methods by both churches and congregants. **(Supported)**



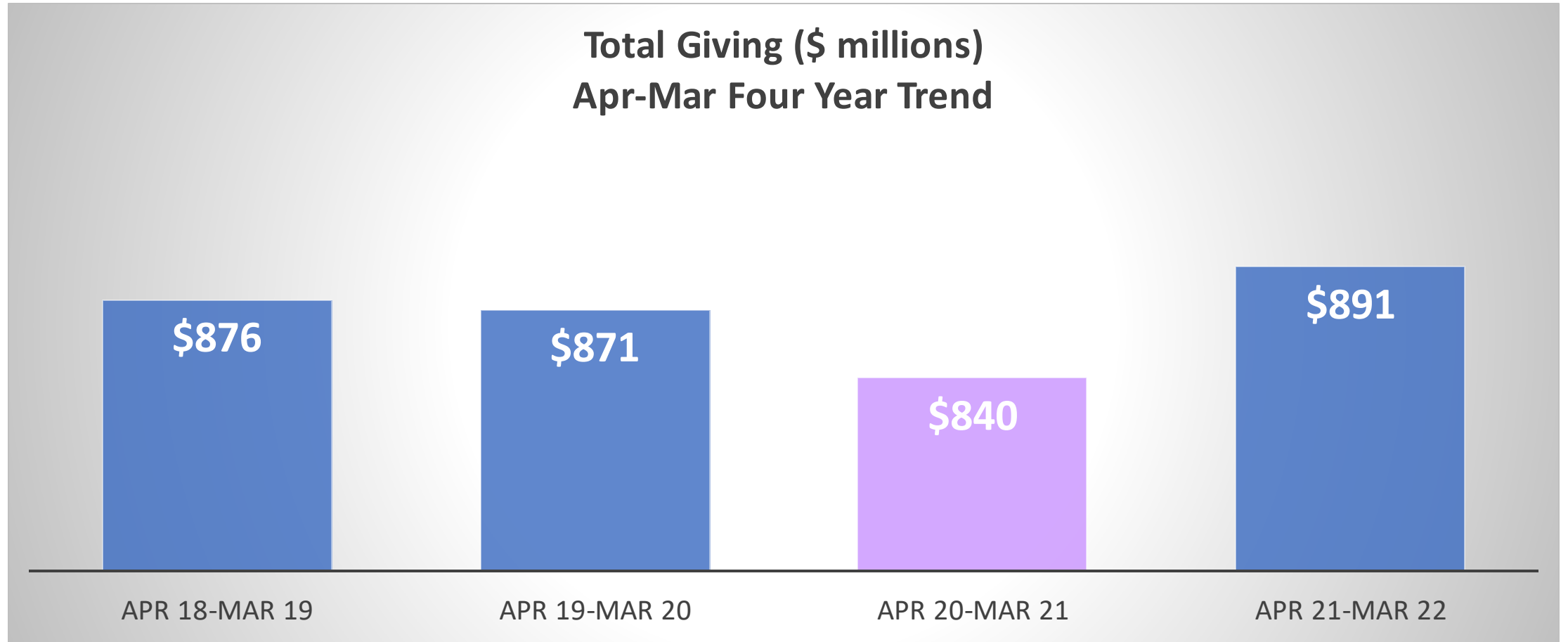
Section 1

Aggregate Results

3% Drop in Protestant Collections Limited to 1st 12 months of Covid

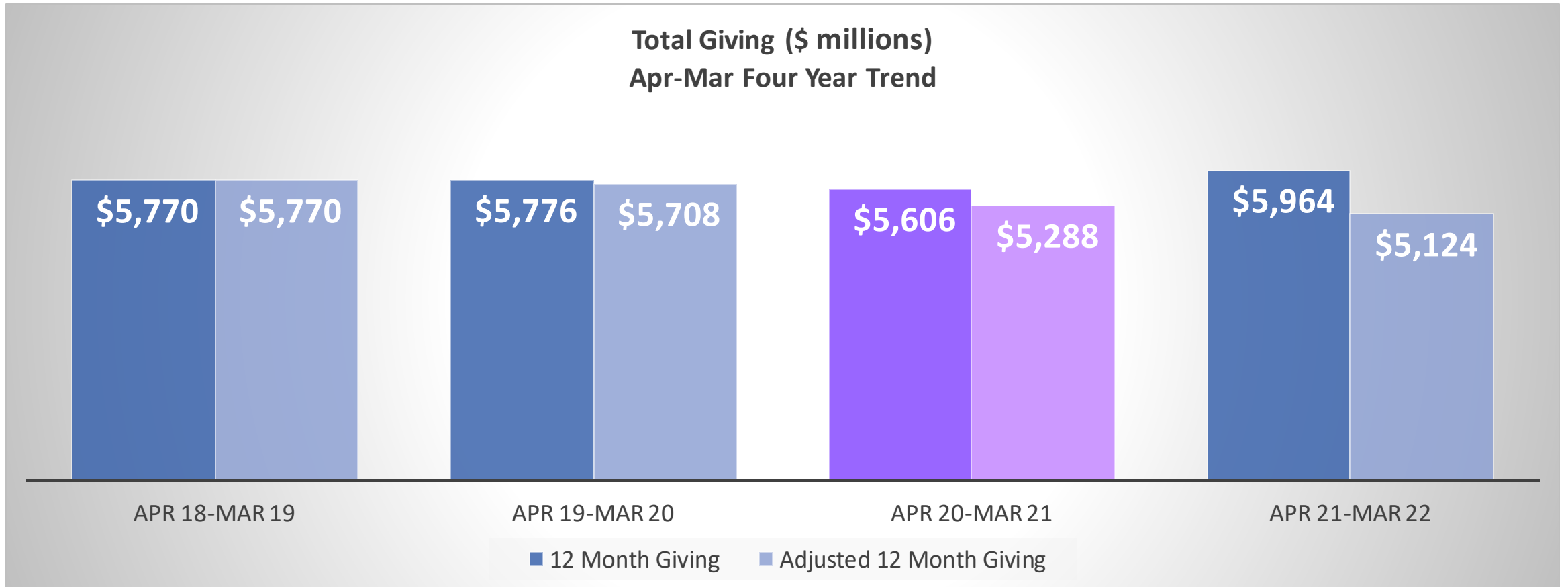


3.5% Drop in Catholic Collections Limited to 1st 12 months of Covid



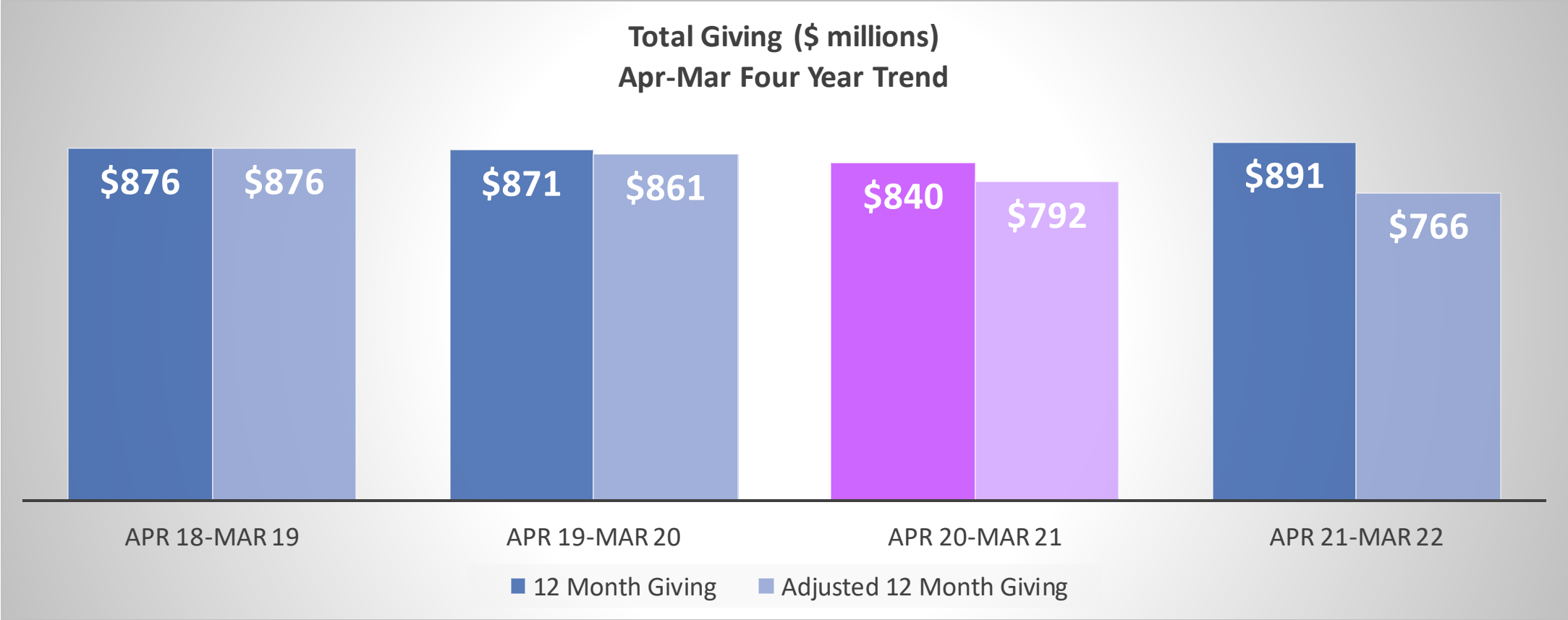
The Money Illusion - Adjusted for Inflation

Protestant Churches Have 10% Less Spending Power Today (Compared to 2019-2020)



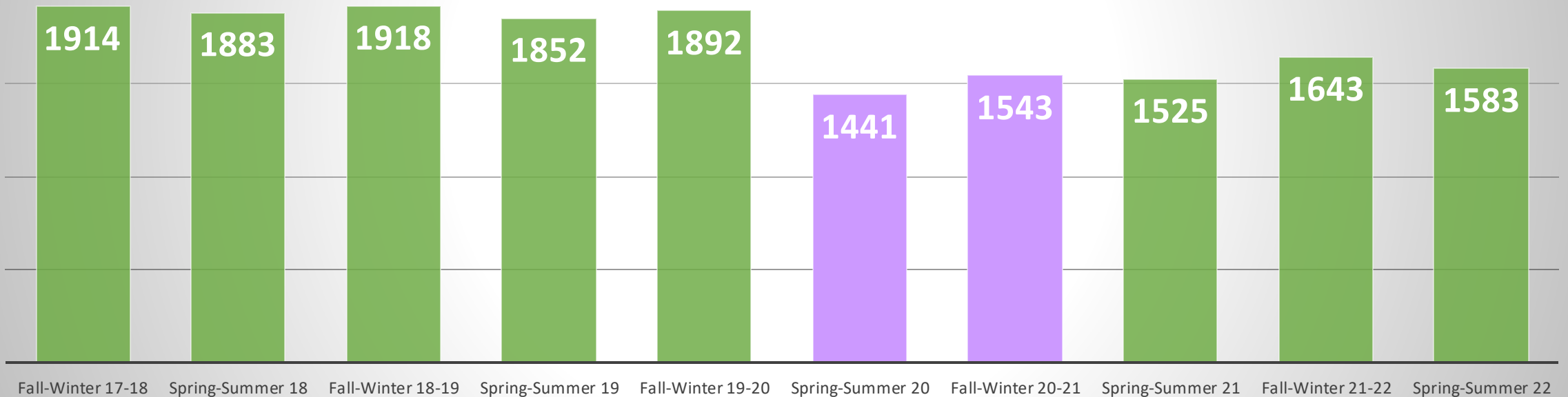
The Money Illusion – Adjusted for Inflation

Catholic Parishes Have 11% Less Spending Power Today

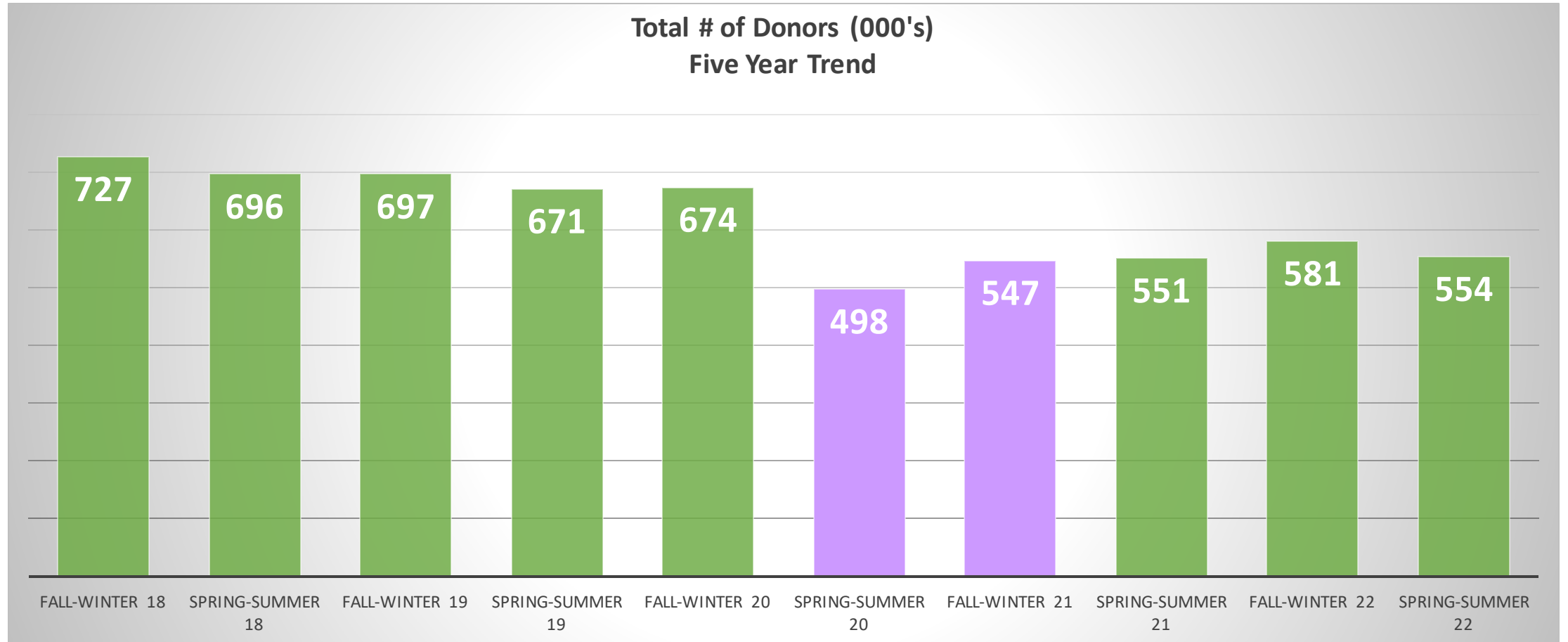


Number of Protestant Donors Dropped 24% and Remain Down 14% vs Pre-Covid Levels

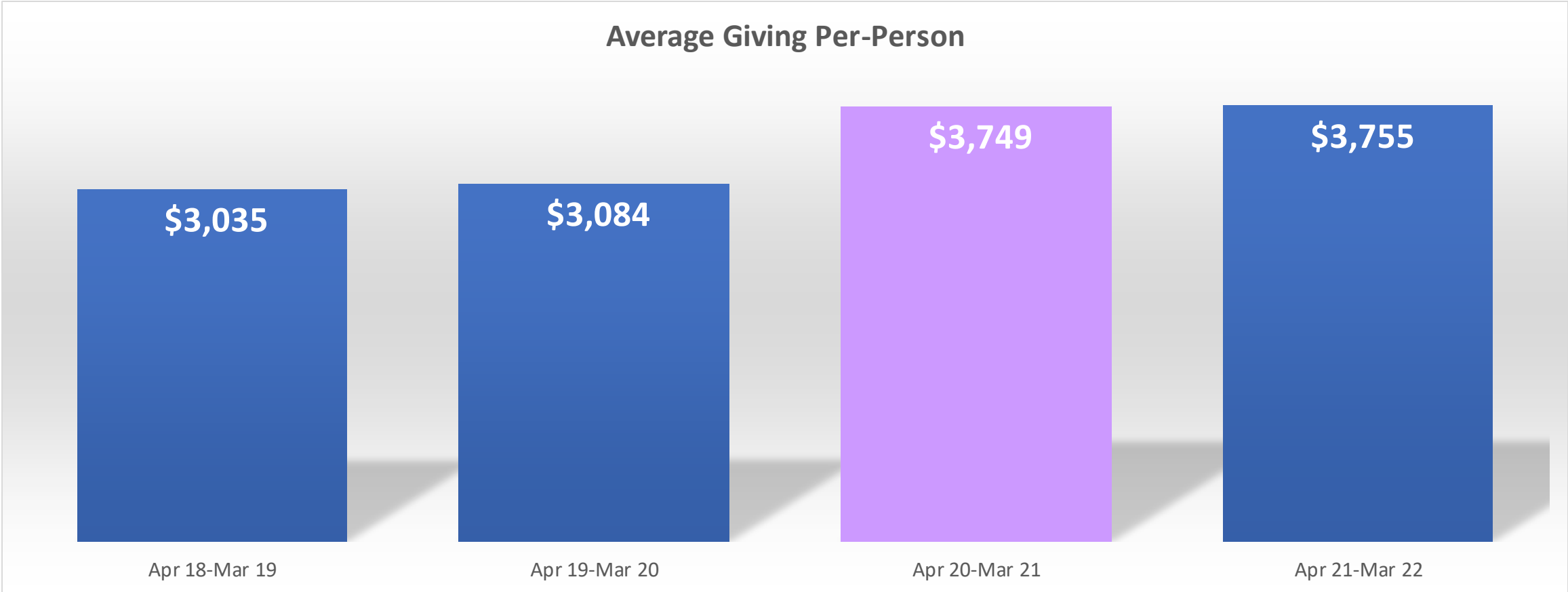
Total # of Donors (000's)



Number of Catholic Donors Dropped 26% and Remains Down 16% vs Pre-Covid Levels

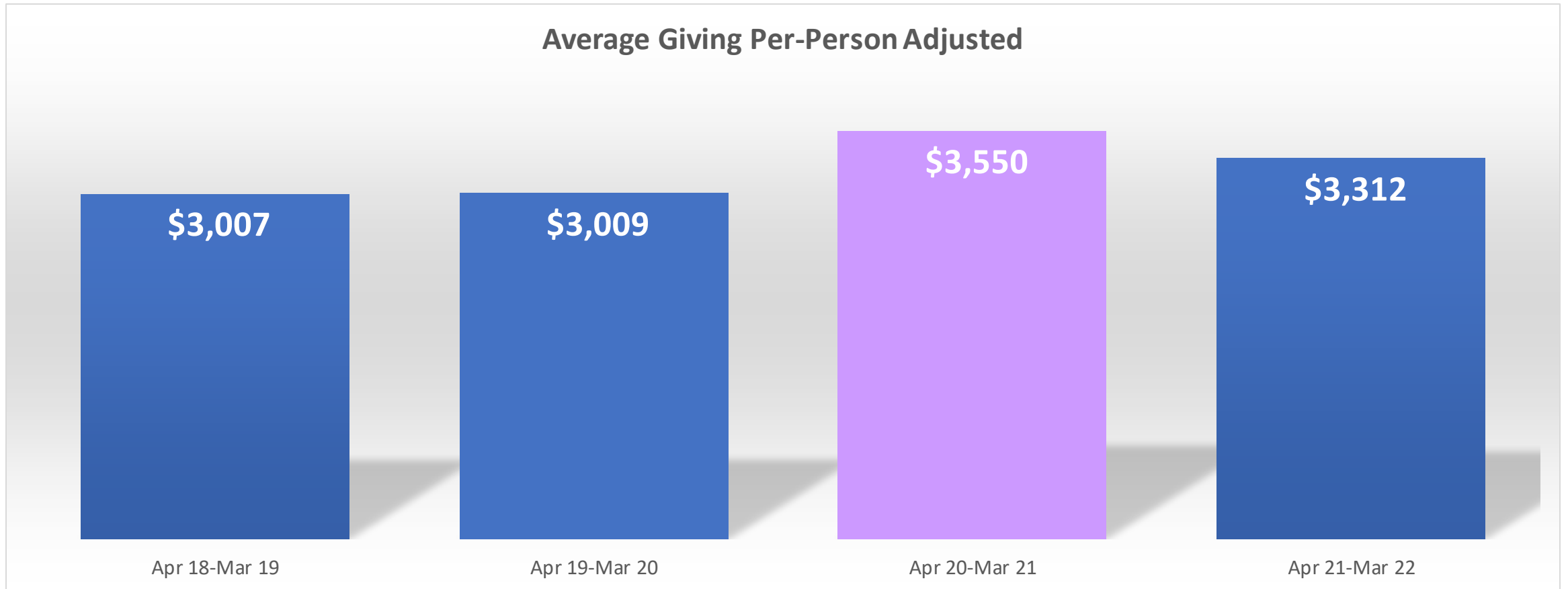


Remaining Protestant Donors are Giving More Per-Person Giving Increased 22% in 1st 12 Months of Covid



Adjusted for Inflation

Per-Person Protestant Giving is Still up 10% in Most Recent Year

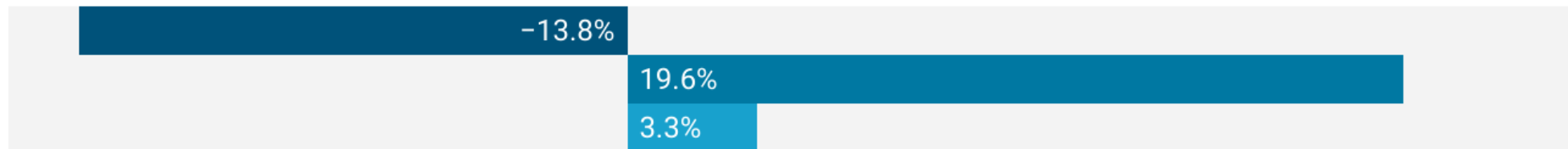


Decomposing the overall change

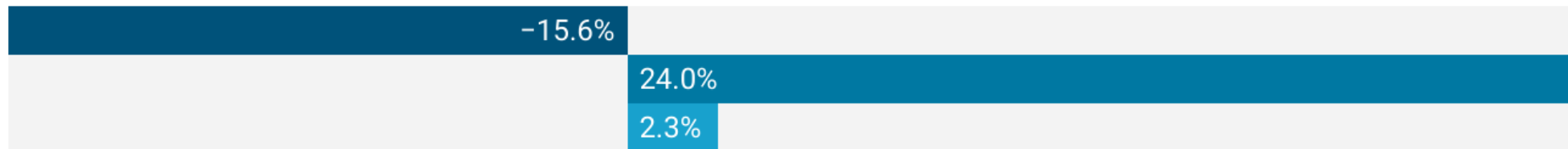
Decomposition of Percent Change in Collections

■ Percent Change in Collections ■ Donor Change ■ Avg Donation Change

Protestant



Catholic

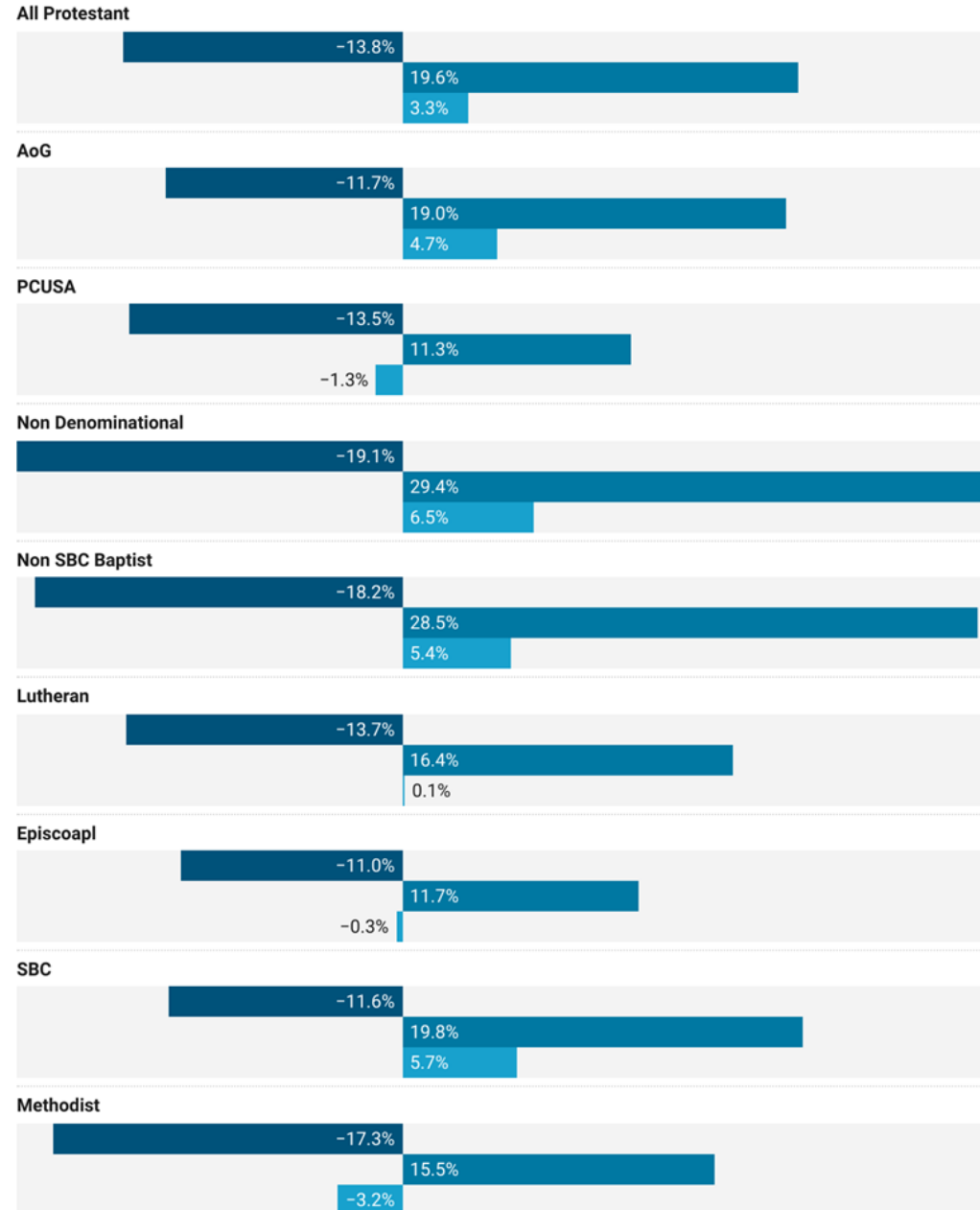


Source: ACSTechnologies • Created with Datawrapper

Decomposing the overall change (Protestant Denominations)

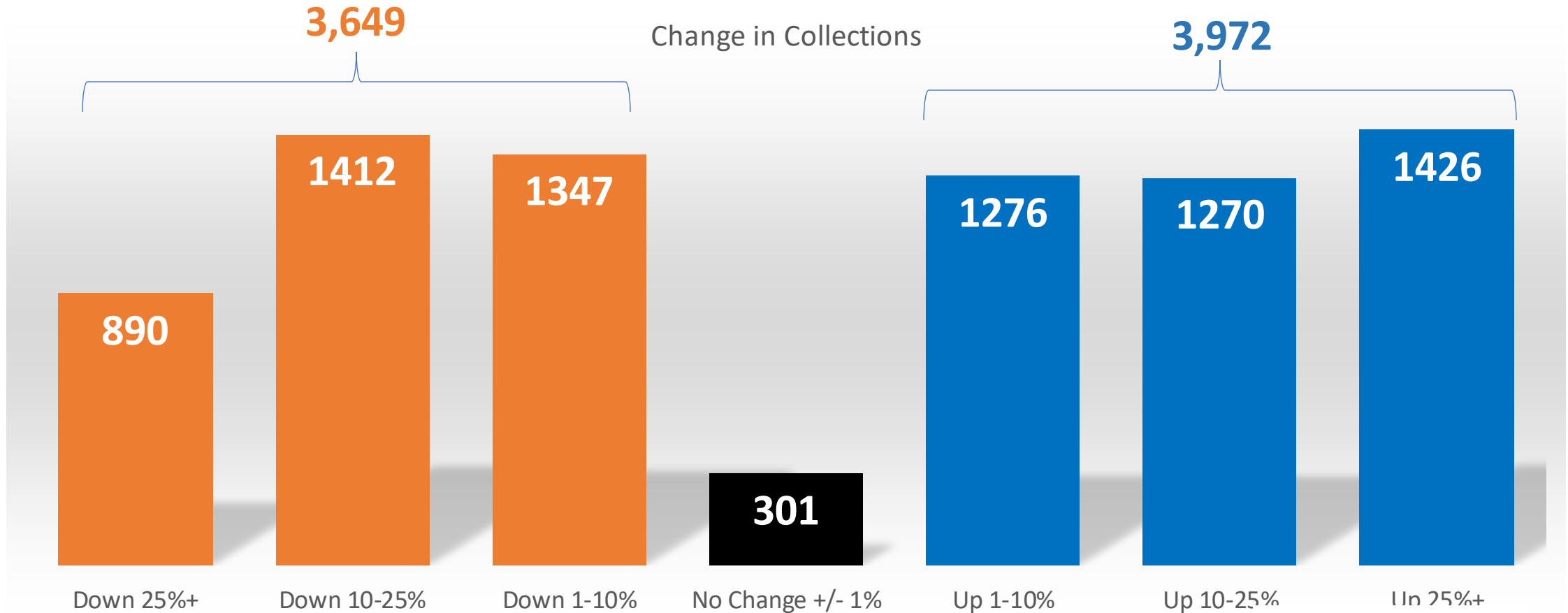
Decomposition of Percent Change in Collections

■ Percent Change in Collections ■ Donor Change ■ Avg Donation Change



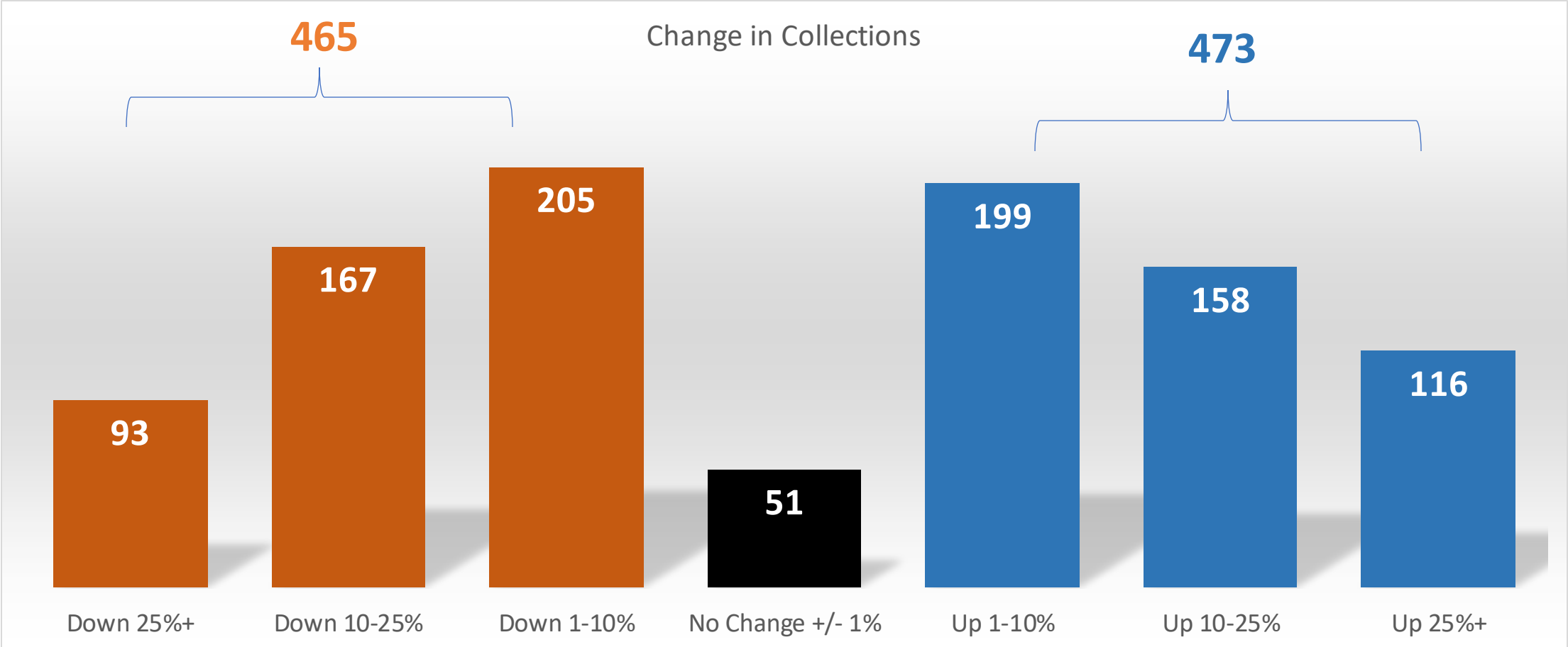
50% of Churches Increased and 46% Decreased Collections (Protestant)

Most Recent 12 Months vs 12 Months Pre-Covid



Almost Equal # of Parishes Increased and Declined (Catholic)

Most Recent 12 Months vs 12 Months Pre-Covid





Section 2

Size and Geography

Share of Churches with Increased Collections fairly Even by Size but Changes in Church Giving Experience Were Inversely Related to Church Size

Share of Churches with Increased Collections by Size



Church size category is based on the number of unique donors in the 6-month period pre COVID (ending March, 2020.) Increased Collections are determined using total gifts by church in the 12-month period ending September 2022 compared to the total gifts by church in the 12-month period ending March 2020.

Created with Datawrapper

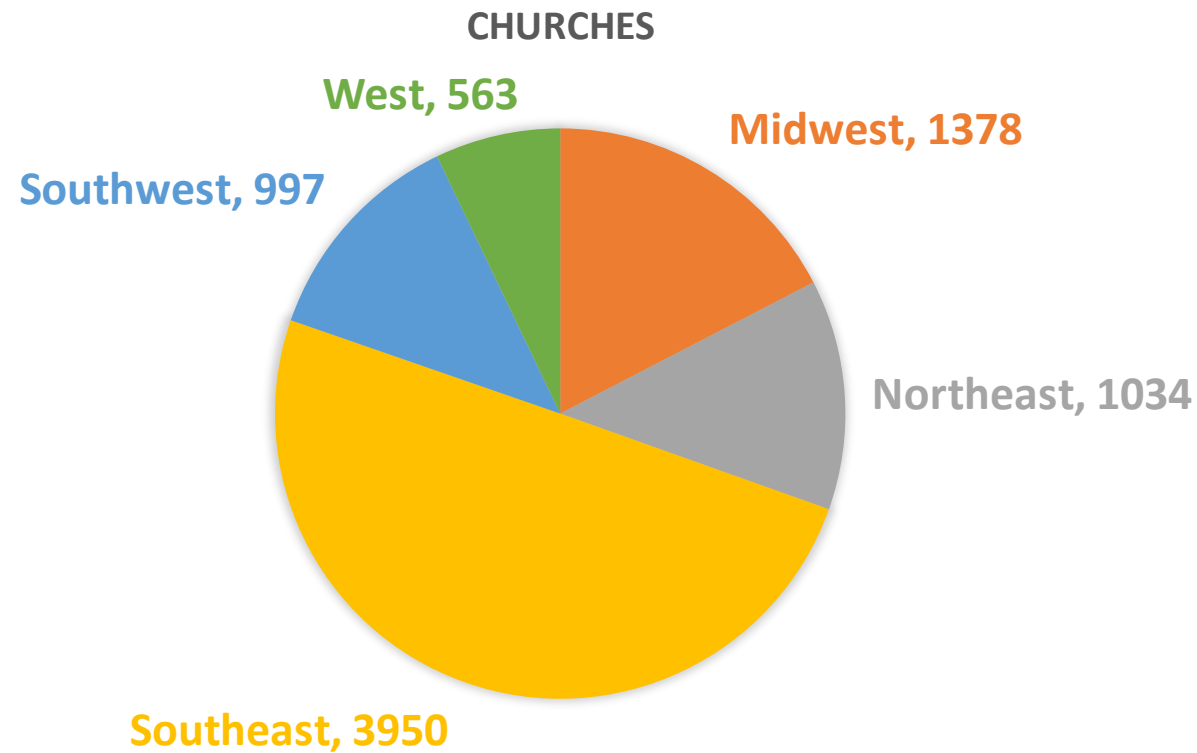
Percent Change in Nominal Gifts by Church Size



Church size category is based on the number of unique donors in the 6-month period pre COVID (ending March, 2020.) Percentage change is calculated using total gifts by church size in the 12-month period ending September 2022 compared to the total gifts by church size in the 12-month period ending March 2020.

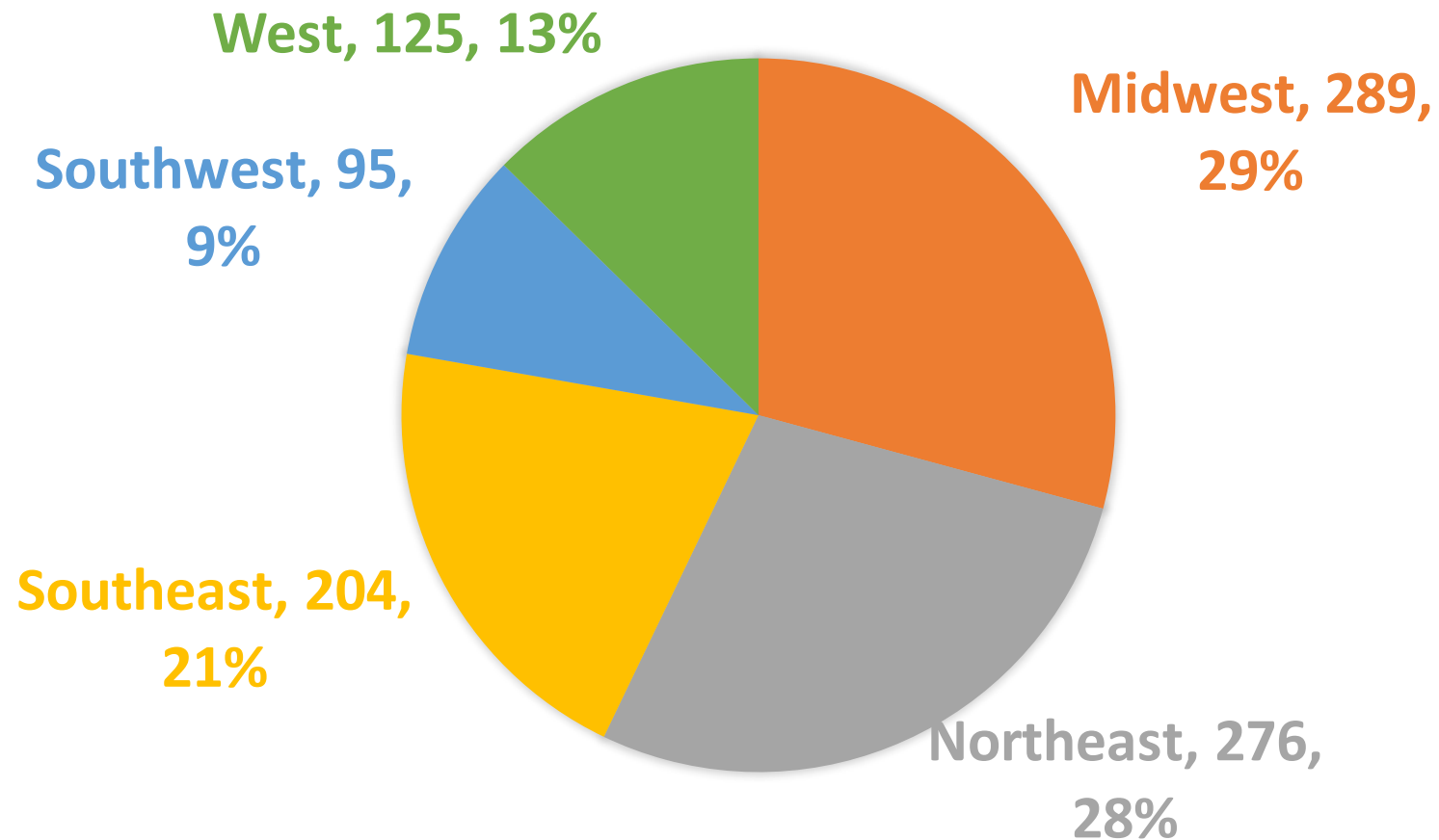
Created with Datawrapper

7,922 Protestant Churches Representing all 50 States and DC are Included in the Study

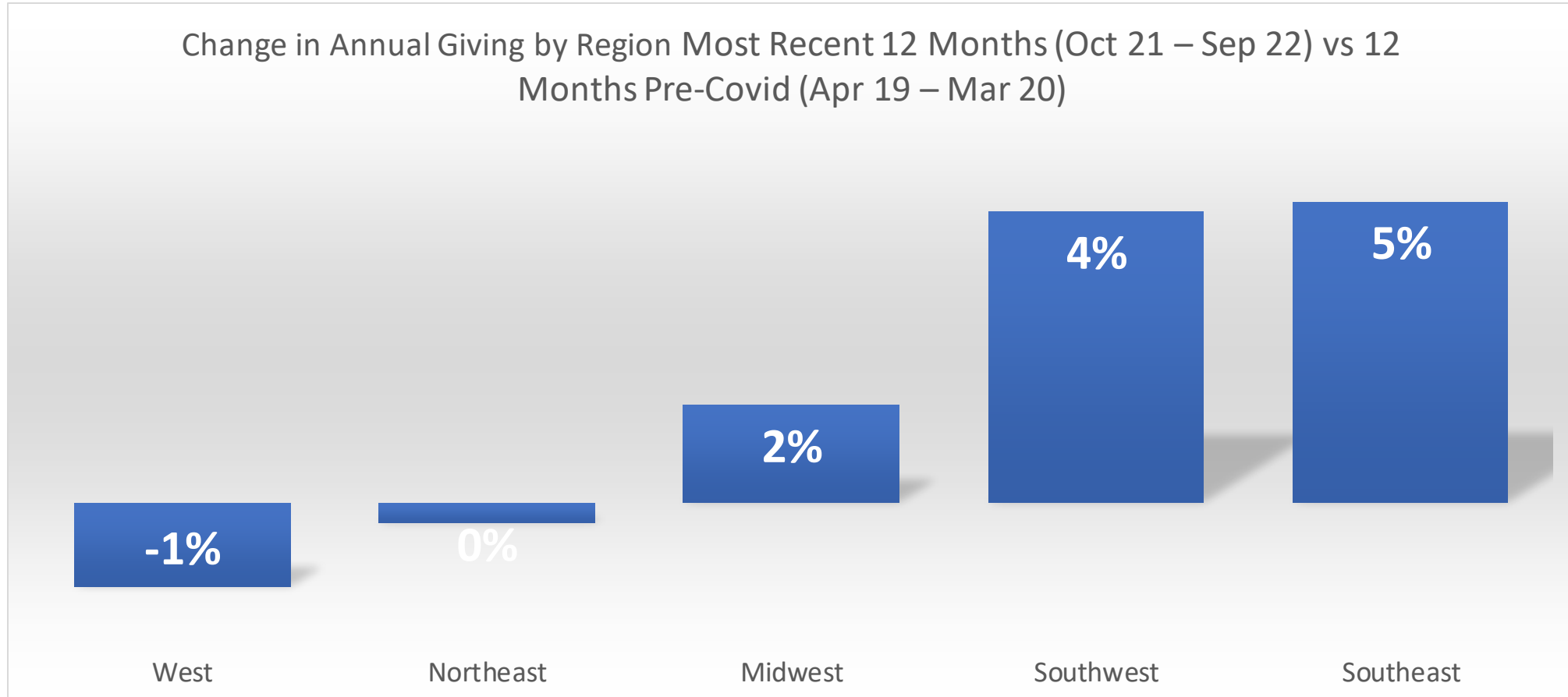


989 Catholic Parishes from 43 States are Included in the Study

Note: There are more parishes/capita in the Northeast and Midwest



Differences by Region were not Statistically Significant



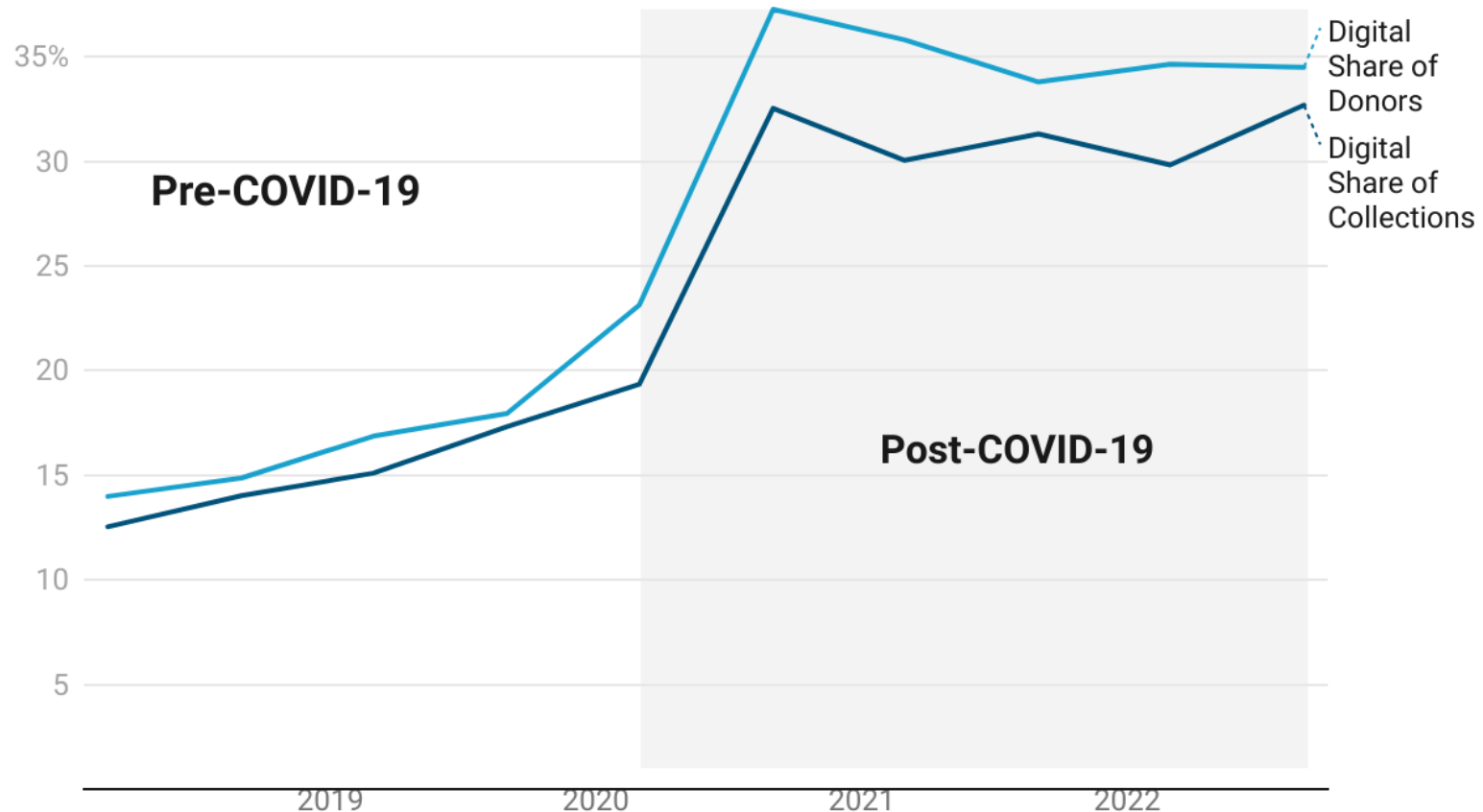
The background features a complex network of thin red lines connecting various 3D cubes and rectangular blocks. The cubes are rendered in shades of dark grey, black, and light grey, some with a slight glow. The overall aesthetic is futuristic and digital, with a gradient from light grey on the left to dark blue/black on the right.

Section 3

Digital Giving

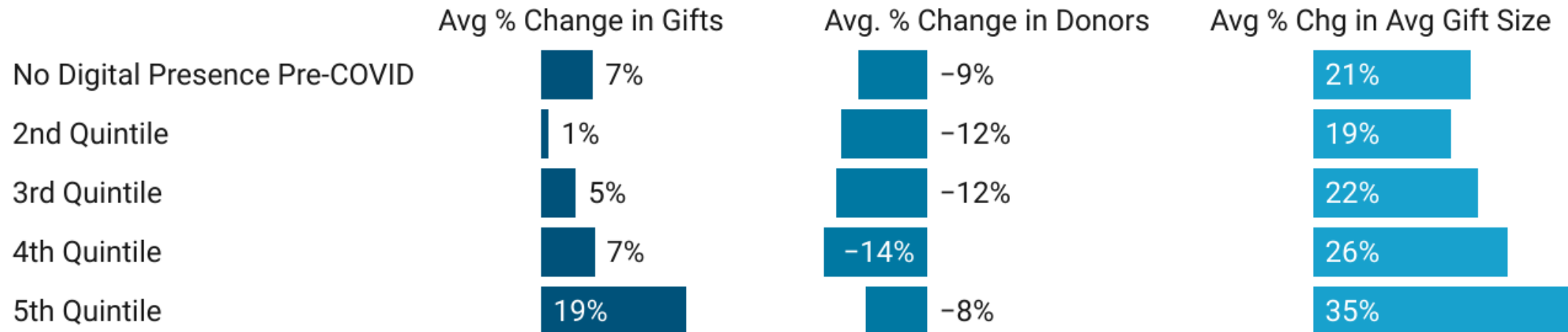
Digital giving channels jumped at the onset of COVID and have remained at a higher level

Share of Digital Donors and Collections



Churches with Larger Digital Presence Pre-COVID had Better Avg Experience

Pre-COVID Digital Donor Share Quintile

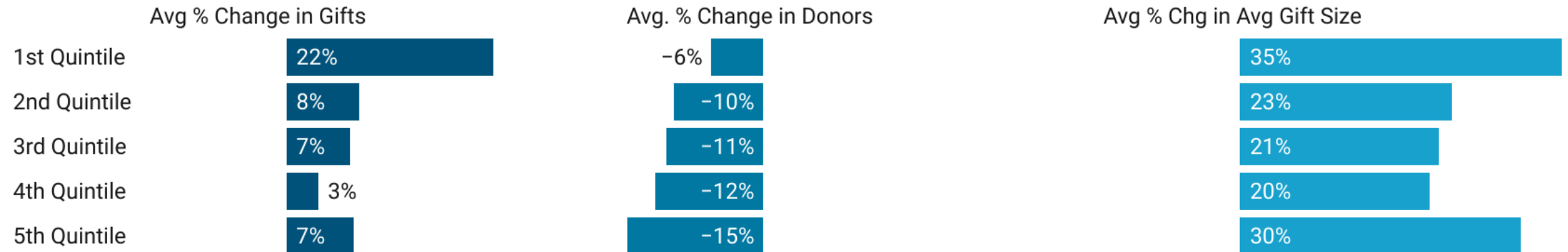


Created with Datawrapper

Churches with smaller digital growth had better average experience

Change in Digital Donor Share Quintile Analysis

■ Avg % Change in Gifts ■ Avg. % Change in Donors ■ Avg % Chg in Avg Gift Size



Created with Datawrapper

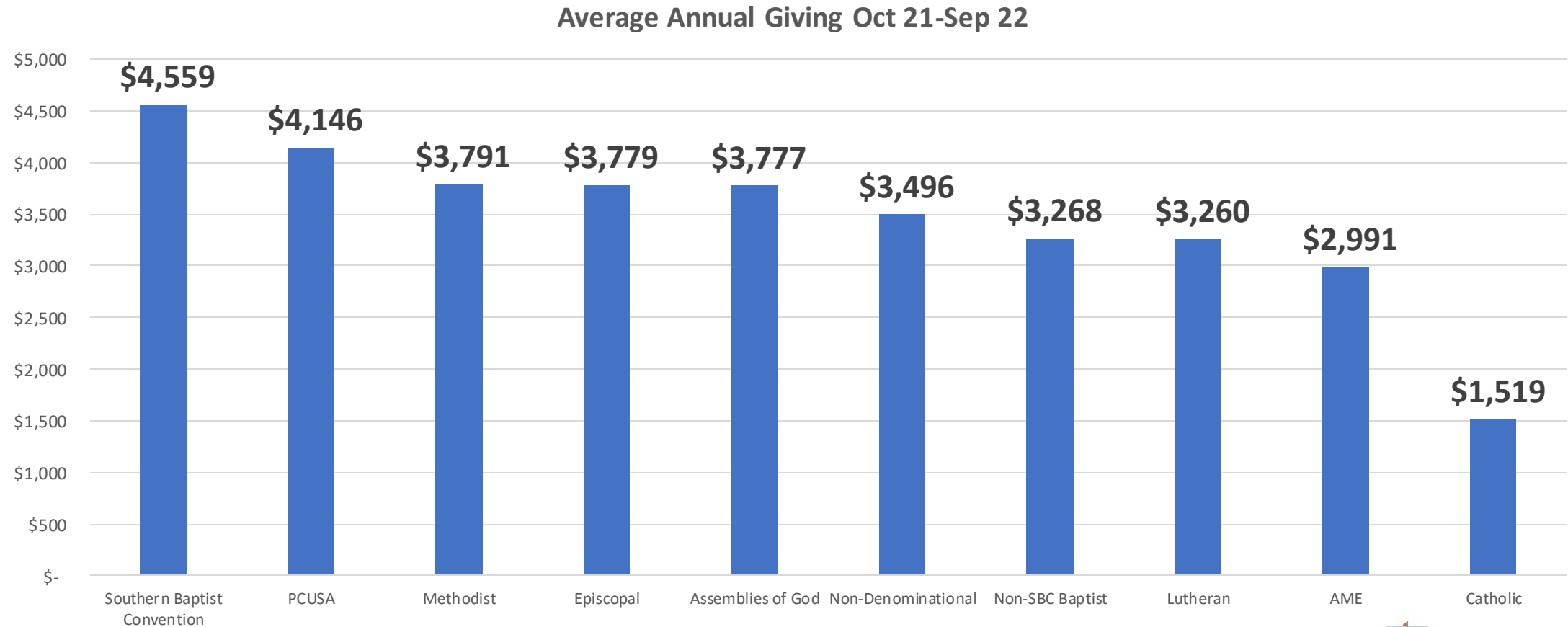


Section 4

Non COVID Observations

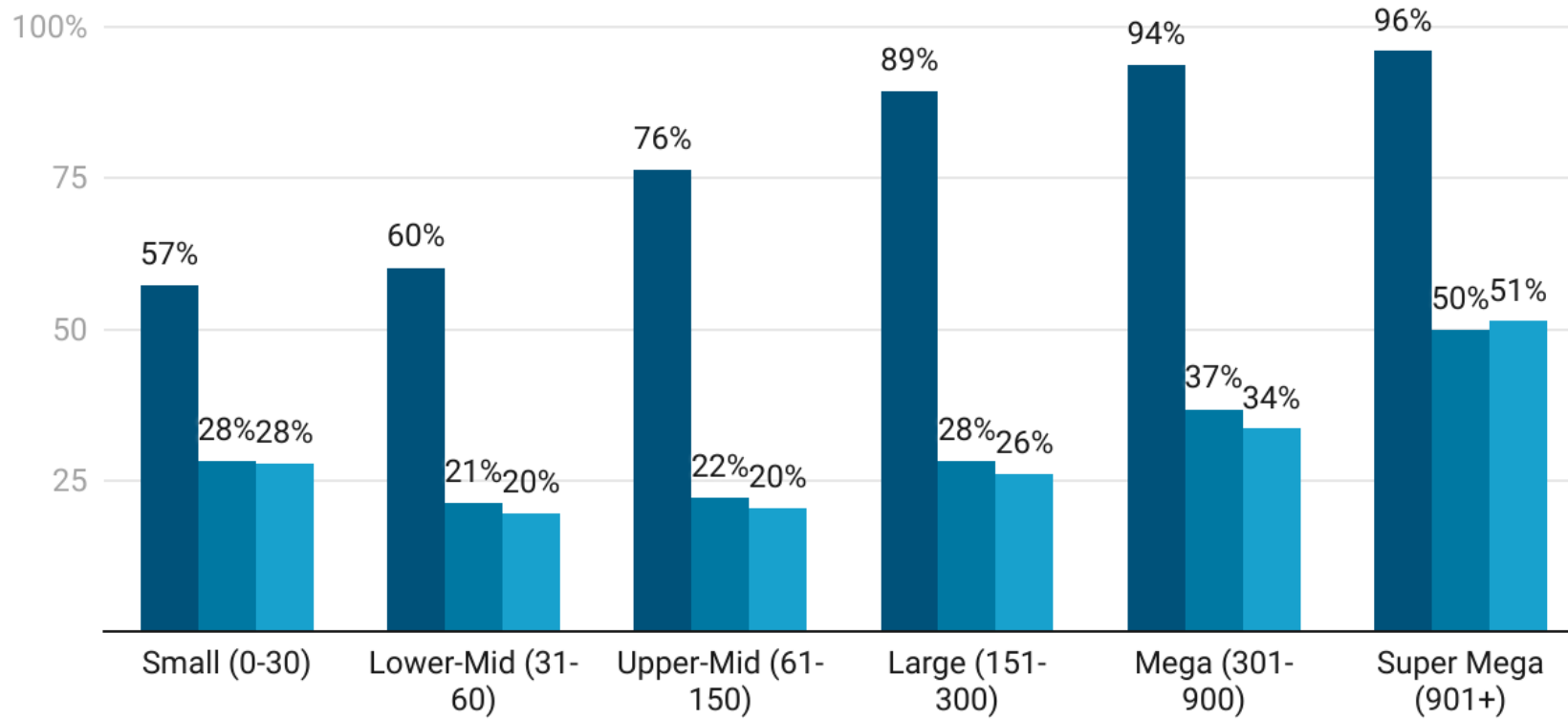
Large Variation in Average Gifts per Donor

Average SBC Contributed 3x's Average Catholic



Digital Shares by Church Size

■ Share Accepting Digital Donations
 ■ Digital Donor Share
 ■ Digital Collections Share



Church size is based on annual Pre-COVID giving (12-month period ending March, 2020)

Created with Datawrapper

Recommendations for Practitioners

Analyze your church data

- Total dollars
- # of donors
- Giving per donor
- Inflation impact

Connect with lapsed donors

- Individual and personalized
- (Re) establish a relationship based on trust
- Focus on faith life not transactional giving

Project Background



- The Center for Church Management in the Villanova School of Business and Wheaton College have partnered with ACS Technologies (ACST) to study the ongoing effects of the COVID-19 pandemic on church giving. This study is the first in a series that will be done in the US with multi-denominational data representing tens of thousands of churches.
- Villanova, Wheaton, and ACST are working together with the like-minded goal of helping church leaders strengthen their ministry. The two-fold approach incorporates ACST's MissionInsite strategic mission planning software in the Villanova Master of Science in Church Management curriculum, along with Villanova's data analysis utilizing ACST's over 40 years of unique and extensive data expertise in church practices and behavior.
- Special thanks to Steve Cumbia of ACST and Alicia Strandburg, PhD, from the Villanova School of Business for their contributions to this project.

About the Partners

- Founded in 2004, the [Center for Church Management](#) in the Villanova School of Business provides education and scholarship in the Augustinian Catholic tradition on strategic, management, and financial matters in service to leaders of churches and other Christian faith-based ministries.
- Founded in 1860, [Wheaton College](#) is a Protestant Christian liberal arts college that seeks to serve Jesus Christ and advance His Kingdom to build the church and benefit society worldwide.
- Founded in 1978, [ACS Technologies](#) is the leading, most comprehensive provider of operational, relational and educational ministry software and service solutions to nearly 50,000 churches, schools, dioceses, and denominational offices. With the mission to enable everyone in the Church with a personalized ministry environment, they stand apart by providing a whole church approach bringing unique value to each role within each ministry goal. Their most popular offerings include: [Realm](#), [MinistryPlatform](#), [MissionInsite](#), [PDS](#), [ACS](#), [MinistrySmart](#), [Growth Method](#), [Go Method](#) and [Higher Ground Managed IT](#).

Curious to learn more?

1. Visit [Villanova.edu/CCM](https://villanova.edu/CCM) to learn more about the Center for Church Management.
2. Email matthew.manion@villanova.edu or enoch.hill@wheaton.edu
3. [Read Chuck Zech's research in his book, Why Catholics Don't Give..And What Can Be Done About It](#)
4. [Read the Lake Institute at Indiana University COVID-19 Congregational Study](#)
5. [Check out the National COVID-19 Church Attendance Project \(NCCAP\)](#)
6. Check out the Hartford Institute for Religion Research resources on [Exploring the Pandemic Impact on Congregations](#)

