The Role of Leadership in Marketing Religious Organizations

Mehmed Elezovic

Abstract

The crucial mission of any religious organization and its leaders should be to serve the needs and wants of its religious communities. In order to find out what are these needs and wants, religious organization should use marketing tools, analysis and questionnaires, to ascertain what types of services the religious community wants from its leaders. The observed problem seems to be that there is an increasing departure from this founding idea, towards a marketing approach that seems to serve the self-interest of religious leaders. The other problem seems to be that even if marketing was used for the right purpose, this, in majority of cases, is done by intuition rather than by proper marketing research which organizations should be trained to do.

This research will prove that governing boards of religious organizations do not use correct research methods in marketing and will outline ways to do so.
Introduction

There is an important precondition for healthy and long-term stable religious organizations; their governing boards should be honest and knowledgeable. Honesty creates good and stable relationship inside organization and its working environment. By using knowledge governing boards of religious organizations are able to successfully use organizational potentials; intellectual and material. Because a single person cannot acquire all knowledge from all fields the organizations should have competent teams that will lead organization toward a better future.

Religious professionals for a long time have been rejecting to apply the most effective business methods in leading religious organizations and use as an excuse the fact that religious organizations are not in business of selling their sacred doctrines and don’t work for profit. In many cases the governing boards and religious leaders of organizations proclaim themselves and think of themselves as sacred. Only God and the Holy books are sacred, not somebody who reads those books or who tries to interpret the word of God. To acquire and use knowledge to make organizations more effective and efficient or to give better services to believers should not be viewed as a negative thing or blasphemy.

To use marketing in religious organizations is not to make rules or change doctrines. Marketing is a tool to carry out a mission, ministry and management of the organization more effectively. Its role is not to substitute spirituality or religious leaders; it gives an opportunity to governing board to be efficient and effective. Spirituality develops from one’s relationship with God and desire to surrender to God’s will. Marketing increases organizations’ awareness and responsiveness to various groups whose needs should be satisfied.

Marketing is analyzing, planning, organizing, leading, implementing and controlling carefully formulated programs that target specific groups to accomplish the organizations’ mission.
The marketing concept of a religious organization is different from marketing concept of a business organization. A religious organization cannot adopt its doctrine to the needs and wishes of its believers. Marketing can be used to present religions doctrines to believers in the most acceptable way.

In the United States, religious organizations use three basic approaches to minister: production, sales and marketing. In the production approach, religious organizations do not change the way of ministry teaching (product and packaging). They always generate the same lectures (products) or replace them with similar ones. By offering more lectures and asking for less financial support (economy of scale); religious organizations intend to increase its membership base. Governing boards of religious organizations and its leaders should know that it is different to be in love with activities of a religious organization from being in love with the essence or doctrines of religion. Therefore, the governing board needs to ensure that its activities are attractive to current and prospective members of the organization.

In sells approach effectiveness of promoting religious doctrines is the most important. The religious professionals should have abilities to persuade listeners that the religious doctrines are beneficial to them and need to use methods that give the best results. A religious leader (the seller) tries to redirect a way of thinking about religion and spirituality of prospective followers.

In a marketing approach, the governing board of a religious organization serves its members and adopts its offers and presentations (products and packaging) to environmental changes without changing its doctrine. By using the or a marketing approach, a religious organization does not depend on a single leader and in case the leader leaves the organization it will continue to exist because it is based on a commitment to needs and interests of its members and the community. Societal-marketing oriented

---

1 Norman Shawchuck, Philip Kotler, Bruce Wren, Gustave Rath, Marketing for Congregations, Abingdon Press, 1992, p.57
religious organizations care about needs and wants of members and other individuals in the society. This approach is expensive and could be competitive or complemented with government welfare organizations. This kind of an organization usually helps alcoholics, drug abusers, old and sick and gives lectures about religion. Successfulness of this kind of religious organization is measured not only by members’ satisfaction but also with its impact on wellbeing of the society.

Responsive religious organizations should answer a question; to which they will be responsive regarding their offers. They should always be determined to search for means of better services to all who need them within their financial abilities. By using questionnaire, surveys, and interviews, a governing board of religious organizations can detect the needs and wants of members and non-members who are in search of help. Usually, if religious organizations are not responsive to non-members they are not responsive to their members either. The attitude of that kind of governing board is to rule, not to serve. It is very important that volunteers and employees of religious organizations accept the idea that they are on a great mission to serve and not to rule others in the name of God. A responsive organization is one that is successful in establishing partnerships with people it serves and exploring or discovering new ways to improve its service and leadership. In this kind of an organization there is no sense of the we/they relationship; all feel that they belong to a team that fulfils the heavenly mission.

Religious organizations interact with diverse groups or organizations (the public) that have certain interest or impact on their activities. These publics are not equally important for organization and they have different attitude toward its activities. Some publics are friendly and ready to help while others are unfriendly and want to impose constrains, pressure and control activities of governing boards. Religious organizations should have good public relations and give all recognition of success to the governing board of the organization, not to one individual (religious leader, preacher, imam, elder and so on). There are many examples where religious leaders abuse their position if they stay on as
leaders for longer periods of time and start believing that they are more than ordinary human beings.²

**Marketing religious organizations**

Religious organizations should have clearly defined missions and visions. The mission reminds the governing board and the religious leader why the organization exists and communicates a message to members and society at large about what kind of services they can expect. The mission should be clear and easy to remember.

By defining their vision religious organizations communicate a message to the society and prospective members on how the organization will look like in the future.

Religious organizations begin marketing with conducting research of the needs and wants of its members and prospective members; analyzing its position in the religious market and surrounding environment. To make a suitable decision about the needs and wants, position in a religious market, and environment in which an organization performs its activities it has to have reliable Information Systems (IS) and Marketing Information Systems (MIS).

Usually, religious organizations perform less marketing research than they can or should. Governing boards of religious organizations usually think that marketing research is: expensive, should be done only when big decisions are made, is too complicated and doesn’t give helpful results. Governing boards are able to minimize research expenses by finding professional marketers who are willing to help an organization for a free. A professional marketer should make questionnaires and give direction to volunteers of religious organizations on how to gather data. When volunteers gather necessary data marketer will analyze them and produce useful information that explains their meaning to the governing board. The best way of managing a religious organization is to make small

improvements continuously. Substantive changes are not desirable (they cause turmoil in organizations) and they should be applied only if the organization is faced with huge problems. Research is not complicated if the governing board knows what is the purpose of its research and what is necessary to do to acquire needed data.

Every religious organization has to be familiar with the environment in which it performs its activities. To analyze the macro environment, an organization can use PEST (Political-Legal, Economic, Social-Cultural and Technological) analysis.

Political-Legal environment strongly affects activities in religious organizations. In Western Europe, governments or legislative bodies dictate structures in religious organizations and pay salaries to religious leaders. This relationship makes religious organizations and their leaders dependent of government and subservient to them. In this case religious leaders are not interested in attracting new members or implementing the best management methods. In undemocratic countries religious organizations are under control and constant pressure to promote interests of ruling governments or dictators.

Economic environment indirectly influences the wellbeing of religious organizations. Donations to religious organizations are dependent on families’ incomes. A survey in United State shows that middle and upper socio-economic classes are predominant church members. A similar survey in Europe shows a tendency for lower socio-economic groups to be unchurched.

Social-Cultural environment also influences leadership style of religious leaders. Even though the religious leadership style is shaped by a leader’s personality it is also conditioned by the context, the denominational traditions, and the religious and social norms of the area in which activities are performed. Core beliefs and values of people (institution of marriage, honesty, keeping solemn word and so on) in certain area tend to persist for long periods of time and religious leaders have little chance to change them.

---

5 Scott Thumma & Dave Travis, Beyond Megachurch Myths, Jossey-Bass, 2007, p.67
Secondary beliefs and values (marriage earlier or later, celebration of marriage or holydays) are open for religious leaders to modify by using a very careful approach.

Technological environment greatly influences religious organizations. Information Technology (IT) gives an ability to governing boards and religious leaders to easily gather necessary data about members; their needs and wishes, their expectations, economic conditions and so on. Communication technology gives religious leaders a tool to communicate religious messages to every person on the planet. Technology also gives an opportunity to every person on the planet to hear different religious leaders and to choose which one to follow or to create his own way. Religious leaders should understand that technology provides opportunity but also increases competition among them.

Religious organizations can use SWOT (Strength, Weakness, Opportunity and Threat) analysis for auditing an organization and its environment. It is a paradigm for generating strategic alternatives from a situation analysis and it is useful when a limited amount of time is available to address a complex strategic situation. The SWOT analysis classifies internal aspects of organizations as strengths or weaknesses and external situational factors as opportunities or threats. By understanding these aspects religious organizations are able to better use their strengths, correct their weaknesses, capitalize on opportunities and prevent destructive threats.

- Strength of religious organizations is their capability that can be used as a basis for developing a competitive advantage. Strengths can be an excellent governing board, good location, charismatic religious leader and so on,
- Weakness is everything that prevents religious organizations to grow; a non-effective governing board, bad location, building for ceremonies is not comfortable and so on),
- Opportunity entails changes in macro and micro environment that give religious organizations a chance to increase its share in the religious market; government policy can financially support a religious organization for humanitarian activities, certain competitor closing his/her organization, new technology that improves organizations’ capabilities and so on),
- Threats can occur when environmental changes present a risk to a religious organization; government policy makes barriers to organizations, strong competitors enter the religious market, certain informal groups make pressures on organizations and so on).

To analyze the competitive environment, religious organizations can use Porters’ five forces.

Picture 1: Porter’s five forces.\(^6\)

Free religious market competition among religious organization is very strong. Even in a religious market where only one religion is present competition between different orders is strong. In countries where catholic religion is dominant (France, Spain, Poland) competition among different orders (Benedictine Order, Carmelite Order, Order of St. Benedict and so on) is intense. In this case orders are fighting for fondness of catholic believers and are looking to expand their respective market share. In Saudi Arabia, for example, different schools of jurisprudence are competing among each other and create a very tense religious market. Strong competition has its positive and negative elements.

\(^6\) [http://www.marketingteacher.com/Lessons/lesson_fiveforces.htm](http://www.marketingteacher.com/Lessons/lesson_fiveforces.htm), Five forces analysis, January 2009
Positive elements are that religious organizations pressure each other to increase knowledge, use modern information technology, implement the best management methods and provide better care for members and non-members. A negative element can that religious organizations create antagonism among each other.

The biggest suppliers, in a spiritual and doctrinal sense, for religion organizations are holy books. The holy books are common property of all people and religious organizations. Due to this fact religious organizations are not dependent of any other suppliers. Quality of their products primary depend on communicating skills of religious leaders. The better the ability of religious leaders to explain religious doctrines in common sense terms, the bigger the influence on the public.

Buyers of religious organizations’ offers are their members. Bargaining power of members is strong because members of any religious organization (jamaat, local church, synagogue, temple and so on) have an opportunity to find easily (for a lower cost) another similar organization or to change their religion.

Threat of potential new entrants is strong because a new religious organization doesn’t need a lot of investment to start preaching. In the beginning, a religious organization can rent a space or buy an old warehouse that doesn’t require a big financial expense. The biggest barrier for new entrants on a religious market can be a country’s legal system. In some countries certain religions are treated as cults that are outlawed.

Substitute for religion. There are over 6 billion humans on the Earth; over 5 billion are believers and over 1 billion are unbelievers (secularist, agnostic, atheist, and scientist). About 16% population is not religious and believes that religion is not a necessary need for human beings. Religious organizations have great competition with the secular entertainment industry (movies, games, and so on) regarding the way of life of kids and youths. Entertainment industry wants to sell as much as it can and make a profit but religious organizations want to give them spiritual education. To be religious is a mater of

7 http://adherents.com, National & World Religion Statistics - Church Statistics - World Religions,
free choice for every human being and it can be substituted with atheism. Another substitute (and greater competitor) for religious organization is self-research believers. A survey in 1998, in the United States and EU shows that 84% & 83% people, respectively, between the ages of 25-29, think that they can be good believers without belonging to religious institution (churches or synagogues).8

In order to provide adequate services to their members religious organizations should divide the religious market into different segments. There is no one best method on how to divide the market and every marketer will segment it differently. For every market segment, religious organizations should offer different products/services to satisfy its needs. Some religious organizations will offer their products/services to one or two segments and others will offer them to several segments; depending on its mission, financial ability, diversity of local community and so on.

Developing a good marketing strategy is a very important factor for every religious organization. Marketing strategy establishes quantifiable goals and defines how the organization is going to achieve its goals. An organization has to clearly define and establish measurements to evaluate its achievements. To achieve its goals religious organization can use marketing tools from profit organizations such as 7P’s (Price, Product, Place, Promotion, People, Process and Physical evidence). Governing boards can control these 7P’s by increasing or lowering price (membership dues, donations and so on), make their offers easily accessible to everybody, make known their offers to everybody in society, train their staff and volunteers to provide outstanding services to people interested in the organizations, create efficient administration and keep a clean environment. Marketing mix (7P’s) is a powerful tool to accomplish organizational goals. Governing boards of religious organization should define the following:

- Product (what offers religious organizations should provide to satisfy needs of the target segment),

8 [http://www.religioustolerance.org/reltrue.htm](http://www.religioustolerance.org/reltrue.htm), Ontario Consultant on Religion Tolerance, Which, if any, of the world's 10,000 religions is the true one?
- Price (how much is necessary that the target segment give so the organizations are able to provide planned offers),
- Distribution (where and how an organization is going to provide or make accessible its offers to target segment),
- Promotion (organization should define the most effective and efficient way to send a massage to the target segment),
- People (employees whose duty is to communicate with members or other organizations have to be trained to provide excellent services),
- Process (all administration work; to become a member, get help or information should be easy to understand) and
- Physical evidence (religious organizations should follow information technology trends, have clean and nice looking buildings and yards, professional employees, attractive business cards, good telephone and fax lines and messaging systems, and so on).

Before governing boards of religious organizations define the 7P’s they should keep in mind the 7C’s (how members or perspective members see 7P’s):

- Product – Customer solution (members or prospective members expect that the organizational offer will solve the problems they are facing),
- Price – Customer cost (how much should they give to solve the problem),
- Distribution – Convenience (how convenient is it for members or prospective members to find the location of a religious organization),
- Promotion – Communication (members or prospective members want to be able to communicate with the governing board and express their agreements or disagreements),
- People – Competent people (when members or non-members communicate with governing boards or organizational representatives they want to get precise and reliable information, logical answers or solutions for their problems),
- Process - Continuous improvement process (organization should continuously improve work process in order to provide better services) and
- Physical evidence - Conformance context (organization should provide a secure, pleasant environment and sense that everything is going smoothly).

Governing boards and religious leaders are able to control the 7P’s and formulate strategy that will produce the best results. It is good to have a contingency strategy in case the environment drastically changes.

To put strategy into action religious organizations should develop tactics. Tactics define; what, when, and who will do the specific job and who is responsible for strategy implementation. It also defines how many people should be involved and which levels of an organization should be included.

Marketing budget plan gives an idea how much it will cost a religious organization to implement a certain plan. To develop a reliable budget plan it is necessary to know: Who is involved in the plan? How long will it take? How much each task will cost? When the money should be available? Which tasks have priority?

To be sure that the plan will be successfully implemented, the governing board should control every task; carefully follow changes to environment and define what adjustments are required to improve performance.

Those who are against applying marketing in religious organizations are varied. Publics in large protestant churches are more against the use of marketing than their religious leaders. In general, publics don’t have the knowledge what marketing is and their idea about marketing is very distorted. However, religious organizations are using marketing tools (consciously or unconsciously) and are benefiting from them. Some reports from 2001 show that some churches have increased their marketing spending by 50% in the last 5-10 years. Religious organizations are considerably using the computer World Wide Web to promote their doctrines. Other media; radio, brochures, e-mail, letters, and so on

---

are used as well. It is not a question will religious organization use marketing; it is a question do they have abilities and capabilities to implement marketing properly. How large protestant churches are applying marketing can be seen from the following:

Table 1: Presence of Marketing and Planning Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>% of Churches Reporting Existence(n)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>86.9% (53)</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>75.4% (46)</td>
</tr>
<tr>
<td>Target Marketing</td>
<td>52.5% (32)</td>
</tr>
<tr>
<td>Self Audits</td>
<td>34.4% (21)</td>
</tr>
<tr>
<td>Marketing Planning</td>
<td>29.5% (18)</td>
</tr>
<tr>
<td>Market Research</td>
<td>21.3% (13)</td>
</tr>
<tr>
<td>Market Segmentation</td>
<td>13.1% (8)</td>
</tr>
<tr>
<td>Positioning</td>
<td>11.5% (7)</td>
</tr>
</tbody>
</table>


Data from Table 1 illustrate how a governing board or religious leaders think about marketing. For them advertising is the most important part of marketing (because they see it on TV or listen to it on radio every day) but only 21.3% conduct marketing research. It is a fact that no large protestant churches use marketing properly (even though they are much more advanced in applying marketing comparing to other religious organizations).

Leaders of religious organizations

Leaders of religious organizations have a significant and decisive role in their organizations. It is important to know how much are they open to implementing marketing in their organizations and how much they know about marketing. Research about religious leaders was performed in the March - August period of 2008 in USA, Canada, Croatia, and Bosnia & Herzegovina. Questionnaire research method was used as suitable for

11 Mehmed Elezovic, Research for PhD – Marketing religious organization, 2008
gathering information from large sample areas. Over 750 letters were sent to religious leaders from all kinds of religions, only 172 leaders responded. Results of this research are based on responses of leaders that were kind enough to answer the questionnaire. Probably the results would differ if all of them answered. We can assume that leaders who would like to implement marketing in their organizations are the ones that answered the questionnaire. Hypotheses for this research were that:

- Religious organizations and their leaders don’t properly apply marketing and
- Religious leaders make management decisions based on intuition,

Table 2: How religious leaders administrate organization

<table>
<thead>
<tr>
<th>Question to leaders</th>
<th>Answer</th>
<th>% How leaders do</th>
</tr>
</thead>
<tbody>
<tr>
<td>How do you gather necessary data?</td>
<td>Secondary data and intuition</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>Primary data and intuition</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>Secondary and primary data</td>
<td>20%</td>
</tr>
<tr>
<td>Do you have reliable information about environment?</td>
<td>I don’t have</td>
<td>9.52%</td>
</tr>
<tr>
<td></td>
<td>I have some</td>
<td>66.67%</td>
</tr>
<tr>
<td></td>
<td>I have</td>
<td>23.81%</td>
</tr>
<tr>
<td>Do you have organizational plan?</td>
<td>Yes</td>
<td>95.23%</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>4.77%</td>
</tr>
<tr>
<td>How often do you make surveys what members want?</td>
<td>Never</td>
<td>10.54%</td>
</tr>
<tr>
<td></td>
<td>Only if it is necessary</td>
<td>63.15%</td>
</tr>
<tr>
<td></td>
<td>Often</td>
<td>26.31%</td>
</tr>
<tr>
<td>Do you think that marketing is beneficial for organization?</td>
<td>No</td>
<td>0.00%</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>78.94%</td>
</tr>
<tr>
<td></td>
<td>Very beneficial</td>
<td>10.50%</td>
</tr>
<tr>
<td></td>
<td>Absolutely beneficiary</td>
<td>10.56%</td>
</tr>
<tr>
<td>How important is it that leaders order what employees should do and control them?</td>
<td>Less important</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>Medium important</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>Important</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>Very important</td>
<td>40%</td>
</tr>
</tbody>
</table>
Table 2 shows that only 20% of religious leaders gather data by using primary and secondary data sources. Only 23.81% have information about the environment in which they perform activities (it is a question of who gathers data and produces reliable information). Almost all religious leaders have plans, 95.23%. Without reliable information it is predictable that religious organizations plans will not be reliable or produce the best results. One half (50%) of religious leaders is and 25% have inclination to use autocratic style in governing their organization. Autocratic way of governing doesn’t allow diversity and innovation. Innovation is reserved only for leaders which causes most innovative people to not like to be a part of such organizations. Many autocratic religious leaders take the position that if you are obedient to me you are obedient to God. Not one (of those who answered the questionnaire) thinks that marketing is not beneficial for their organization. This research confirms the data from Table 1 where religious leaders use marketing partially and those religious leaders would like to use marketing much more. An analysis into secondary data shows that curriculums of most religious schools don’t include subjects such as management, economy or marketing which are necessary tools for religious leaders in higher positions to successfully govern an organization.

**Conclusion**

Religious organizations are already partially applying marketing to attract more members but they should be more effective, efficient and provide better services to their members as well as be more beneficial to the society. They will be able to do so if they fully apply marketing. It is high time (to help religious organizations that have interest in implementing marketing) to establish good relationships with leaders and governing boards of religious organizations and help them to understand the mission of marketing in organizations. Religious organizations have options; to educate marketers among themselves or to use services from professional marketers from profit organizations. The
sooner they apply marketing fully the better for the religious organizations and for the society.

Literature:

6. http://www.religioustopertolerance.org/reltrue.htm. Ontario Consultant on Religion Tolerance, Which, if any, of the world's 10,000 religions is the true one?