Executive Report:
SURVEY OF FINANCIAL ADVISORS ON
FAITH BASED INVESTING
AWARENESS AND USE

APRIL 2017

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CIF
CHRISTIAN INVESTMENT FORUM
EXECUTIVE SUMMARY

There were 171 respondents who completed the 2016 Christian Investment Forum Financial Advisor Survey. Based on the analysis of those responses, there have been some significant and positive changes, but the opportunity remains far larger than the gains made in the last three years. There was a large increase in both the awareness and knowledge of Faith-based investing as defined by the Christian Investment Forum (CIF), as well as positive attitudes towards the use of Faith-based investing. The consequences of those improvements in awareness and knowledge is an increased use of Biblically responsible investing. The opportunity remains large and relatively untapped, based on research on investor interest.

**Key Takeaway #1 – The AWARENESS of BRI and what makes up BRI has grown to nearly universal familiarity within the respondent pool, but there remains a gap between that awareness and a more detailed functional knowledge of product and service offerings currently available.**

**Key Takeaway #2 - The level of satisfactory KNOWLEDGE in BRI is catching up to the awareness level, as is the belief in the credibility and professionalism of BRI.**

**Key Takeaway #3 - There has been a sizable improvement in each of the key areas for adoption of BRI. The key learnings from this success can be used to expand awareness and education programs to a larger segments of the advisory profession as well as with investors.**

![How Familiar Are You With BRI?](image)

Fifty-four percent (54%) of respondents were very familiar with BRI, and 99% felt they were at least somewhat familiar with the investing concepts. The improvements from 2013 are pronounced and highlight the benefits from the efforts of those involved to consistently deliver a clear message of BRI to the audience.
Not only were advisors aware or familiar with BRI, but they also felt much better educated about what is involved in Faith-based Investing and thus may be more confident in engaging in conversations about it with investors. Almost 90% of advisors felt somewhat educated with 57% feeling well educated. That compares to 33% who felt well educated in 2013.

Advisors agree that Faith-based Investing can meet the fiduciary requirements of their clients, and is a credible and appropriate method to invest in a professional manner. 83% agreed with that statement, and only 4% disagreed. While responses indicated that there are advisors who believe the performance of the existing funds is still unproven, they acknowledge the validity of incorporating faith and values into the investment decision making process. If the tenures of BRI fund managers increase and performance remains comparable, the credibility will grow and the uncertainty on performance can decline.

Over 88% of the advisors who responded said they were interested in recommending investments that align with client values, with over 61% saying they were very interested. This interest came from those that already are using BRI as well as those that have not yet begun offering it to clients. For those that aren’t offering BRI, over 67% of them are interested in learning more so they can consider it more closely.
In 2013, 35.6% of respondents said they were using BRI for their clients. That percentage increased to 53% in 2016, while the percentage that are not using BRI dropped from 46% to 25% in 2016. Those that did not respond stayed the same at 22%.

The results of this survey provide ample evidence of a growing interest and support for Faith-based Investing. Still, there are too few investment products across all of the asset categories to provide sufficient selection options for investors. The need to increase offerings is being tested against a financial industry that has seen increased regulatory pressure, cost pressure, and a push to decrease the number of investment options in plans. Several potential steps are recommended to continue to expand the awareness and use of Faith-based Investing:

- Those in the Faith-based Investing field should recognize the benefits of having more firms, more funds, and different products available to meet the needs of a diverse group of investors who share a common interest in aligning investments with their individual faith and values.

- They should encourage friendly competition with a focus on the positive story of BRI and Kingdom Impact Investing, which will appeal to a larger segment of Christian investors, especially Millennials.

- Fund Managers need to more effectively communicate their differentiated investment process to advisors, and advisors need to gain confidence in communicating the concept of Faith-based Investing to their clients, many of whom will be responsive to the message.
ACKNOWLEDGEMENTS

The survey was sponsored by The Christian Investment Forum (CIF). CIF is a Kingdom-focused investment association committed to educating advisors and investors by providing opportunities to bring about change – in the hearts, homes, cities, and world that we serve. We strive to be an organization that enables others to advance and promote Kingdom Impact Investing that transforms our world.

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