

DO YOU HEAR THE CONSUMER'S VOICE?

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People talk. They talk about you, they talk about your business. They talk loudly and they talk quietly. Are you hearing them? The odds say you're not. Maybe you don't want to hear them. Maybe you don't want to know what they're thinking about you and your business. Maybe you want to live your life isolated from reality.

You may think people talk to you about your business, but they do not. Some tell you what a wonderful service it was last Saturday or how lovely the flowers were.



Customer surveys will give you the information you need to serve families in the best way possible and will also guard your bottom line. How to do them right.

The bigger issue is not what they tell you but what they do not tell you but tell others. They don't tell you if your funeral director missed some of their requested details. They do not tell you if something did not look right. People tell you what they think is non-confrontational and pleasing to your ears. You do the same thing with different providers in town. We focus on polite speaking when we speak but bite our tongue about matters that should be addressed. We do not like confrontation.



We wait until the appropriate time to discuss the things that upset us, such as when we're in a room with friends. Then we talk freely about everything – the good and the bad. The friends hear the bad. The friends hear the things you should hear to get a complete picture of your business. If you are in business, it is essential that you hear everything that your community speaks and thinks about you. Let me show you how to listen in effectively.

The method employs the use of customer surveys. In this business, they're sometimes called "family follow-up surveys." In my work nationally, I find that there are four types of business managers when it comes to using surveys:

- Those who do not use them
- Those who used to use them but stopped
- Those who use them improperly
- Those who use them properly.

If you do use a survey but don't know if you're in the group of those "improperly using them" or "properly using them," let me ask a few questions:

- Are you sending out surveys on paper?
- Are you entrusting other organizations to send out surveys for you (e.g., trade association, accounting firms or preneed companies)?

In my less-than-humble opinion, if you answered "yes" to either of these questions, you are utilizing surveys improperly. Allow me to educate you on my opinions.

First of all, sending out letters these days is passé. Don't get me wrong – if someone receives a handwritten note, it is classy. But a form, printed off by the hundreds, not personalized, sent via third-class mail and requiring a handwritten response is not 21st century. Surveys today must be electronic, and there are several good reasons for this:

1. They arrive quicker.
2. They arrive the way most business communication is transmitted.
3. The reply will be received quicker.
4. The reply does not require me to find a postage stamp.

There are a few more excellent reasons for using electronic surveys. First, you can modify the questions based on the consumer's answers or their particular type of service. I would want to ask different questions of a cremation consumer than a burial consumer. I would want to ask different questions of a preneed family than an at-need family. A paper survey cannot do that unless you keep multiple versions.

Second, technology is the most powerful tool you have in listening to fam-

ilies. If I ask funeral home managers why families choose them over their competitors, I tend to hear “We care more” or “We do a better job with embalming” or something equally aloof. With electronic surveys, I can query families about why they chose a funeral home and then ask them to pick from a list of 10 to 20 reasons that apply. Then, wonder of wonders, the next page presents to them only the reasons they picked and asks them to rank these in order of importance. The total list is important. Knowing which of these is the higher point of decision making for families is supremely important.

A third key point for using electronic surveys versus paper surveys is the ability to use correlative analytics. Correlative analytics is the intersection of math, logic and statistics. For example, suppose 100 families you served complete their surveys and 10 families state that your service to them was just average. That is 10 percent of all responses. So 10 percent weight your results downward. However, via correlative analytics, I can see how much these families spent. I can

then weigh the results by assigning a lower value for the lower-spending consumers. This allows the impact of this negativity to be seen in perspective.

We’ve learned a great deal about consumer attitudes. As the above example demonstrates, we know that families that spend less will often be dissatisfied with the funeral home. In reality, they are more dissatisfied with their own decisions than with the services rendered. After all, it is the same building, staffing, vehicles and virtual services regardless of the amount someone spends. You give the same care to the deceased without regard to professional fees. Human beings need to protect their egos, so that is why modest-spending consumers often downgrade funeral homes and other providers of services.

In my opinion, the biggest mistake made by the “improperly using them” group is that they read the survey results one at a time and do not compile the results. If you compile the results but do not check them for trends, you are making another mistake. You can check quarterly, semiannually and annually. As com-

petition changes marketing efforts and as society continues to evolve regarding its use of funeral homes, we can see the zero hour of change very clearly. That allows you to adjust your business as close to this zero hour point as possible.

When I talk with companies that do family follow-up surveys, I will ask, “What percentage of people register favorable rates with your business?” I often get the proud reply, “Oh, about 95 percent!” However, this goes from being an analytical reply to anecdotal because the funeral home reads the surveys one at a time and just recalls the less-than-favorable number. You cannot do that. You need to see the surveys in the aggregate. Furthermore, you need to see when a point of view moves.

Imagine that you were utilizing surveys for three years. In 2011, 98 percent were favorable about your pricing. In 2012, that same question generated a 96 percent favorable response rate, and in 2013, it dropped to 93 percent. This is still a solid result, but it is slipping. Without looking at these surveys in the aggregate, the subtlety of a 98 percent result

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dropping to a 93 percent result would be missed.

Also, if the results are recorded through electronic surveys, you can determine from where the shift of satisfaction is coming. By using correlative analytics, you can determine if this change is across the board, with preneed or at-need consumers or if it comes from a specific price range consumer. This allows you to segregate consumers the way an orchestra segregates the instruments. Can you image if the tubas sat up front and the violins in the rear? Not using electronic surveys will keep you ignorant of the problem, and therefore, the solution.

If you are going to do it right, you need to take a moment to integrate your management software with your electronic survey. We use electronic surveys for our clients for all of the above reasons.

The next thing to do is to write the survey. This can be done by funeral homes doing it on their own or via a qualified vendor. The key is to be prepared to test the survey. Have the survey preloaded based on certain criteria; for example, one survey for cremation consumers

and one for burial consumers. Then pre-set the ranges for correlations. If you are going to use price as a correlating factor, break it down into fifths. If your range of services goes from \$2,500 to \$10,000, then have \$3,499 or less; \$3,500 to \$5,000; \$5,001 to \$7,000; \$7,001 to \$9,000; and \$9,001 or more for your groupings.

Now that I have you convinced to do surveys and do them electronically, the bigger question is what do you do with the results? Well, there are many key tangents of data we mine, one of which is pricing. How price sensitive is your market? Assume the initial information shows that your market is not price sensitive. Assume that 95 percent are happy with your pricing. Then one day, we start to compile this and find that about 90 percent are happy with pricing. The first thing we do is the correlative analysis. If the top-spending consumers are starting to answer with a lower score on pricing matters, then we have to look at other changes within their scores. Maybe it is a problem with your building or vehicles or staffing. This data can help you when you set prices. Maybe you need to look

at packages or other ways of presenting your service fees. The key is the data. We have to look for that point where things are starting to change.

I remember a valuation I did on a California funeral home years ago. In the 1980s, this was a one-location, 300-call business, almost all casketed. Today, it's a 30-call business, almost all preneed fulfillment cases. I asked the client, "Why did your business start to decrease?" He answered, "My competitor stole my business from me!" Had he been surveying, he would have learned that his business did not change to meet the needs of his consumers. He lost more than \$6 million in business value by not implementing a \$2 survey. I urge you not to be the closing reference for an article I write 30 years from now! ✦

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