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ICCFA Magazine author spotlight

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SALES

Whether you're a funeral director or a cemeterian, selling is harder today than it was 30 years ago, but that just means you have to be more creative—and rethink how you do things.

How to sell more caskets, vaults, urns, crypts, niches and graves

In this article, I am going to write about ways to enhance sales of caskets, vaults, grave interment rights and mausoleums. I am going to approach this article this way since the ICCFA has both funeral home and cemetery members.

I'm aware of the different mentality of funeral director and cemeterians. Frankly, the funeral directors reading this might be tempted to just speed read the material focused on selling caskets and urns. Don't do this! Cemeterians, you also should not overlook any part of this essay. This article is about increasing merchandise sales, and you can learn from each other.

Funeral merchandise

Heretofore, funeral merchandise was the exclusive domain of the funeral home. Certainly some casket stores have opened up, but to me, that is irrelevant. Every city in America has at least one casket store, usually in the belly of a funeral home, and usually not marketed well.

I laugh at the practice many funeral homes have of closing the door to the selection room when there is a visitation or service. Why don't we want to show off our wares?

Some casket manufactures still promote the fact that they will sell their merchandise only through licensed funeral homes, unless state law forces them to sell to everyone. Some funeral homes object to anyplace other than a funeral home selling caskets and vaults, claiming they are products that must be protected for the public good. I do not want to seem to be rude, but in my opinion, a box is a box.

Selling caskets was the main form of compensation to the funeral profession prior to 1985. In fact, back then, the total price of the funeral was the price of the casket. A consumer picked out a casket and received everything else free of charge.

The casket was marked up four or five

times, but the consumer got the embalming, removal, transportation and livery, visitation and service, etc., at no additional cost. It was relatively impossible not to make a profit as a funeral home owner prior to 1985.

Of course, that was the infamous year the Federal Trade Commission began requiring funeral homes to itemize their pricing.

Selling funeral merchandise is pretty simple, but we tend to make it difficult. The funeral director takes the family through the room with a superficial dialogue and then typically leaves after coming up with an excuse like needing to call the minister.

Imagine the selection room has an average wholesale casket per call (AWC/C) of \$1,200. Now imagine a firm that doesn't have a showroom. Instead of walking the family through their options, the funeral director takes out catalogues or uses an electronic computerized showroom. This place has a AWC/C 20 percent higher than the ones with a selection room.

Why? It's not because flat-screen digital “showrooms” or paper binders with pictures are better presentation methods than a physical showroom. The difference is that in one method of merchandise presentation, the smartest person in the room stays in the room, and in the other, he or she leaves the room.

Studies consistently show that families do not want to be in a selection room. We assume families understand the cursory presentation the funeral director gives before leaving, but they do not. Then when the smartest person in the room leaves to “call the minister,” the most assertive person remaining within the selection room controls the process.

But a funeral director who shows merchandise on a screen would never leave the family alone in the arrangement room to operate the computer by themselves. The funeral director stays in the room and controls the mouse. This works to your

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benefit, because when the funeral director is present, he or she can answer any questions.

When it comes to selling vaults, we again assume a family knows what a vault does. We assume they understand the protective qualities of a vault. In addition, for 100 years funeral homes have shown full-size caskets in selection rooms, but they continue to market with partial-sized vaults.

The few clients I have who show full-sized vaults or full-sized cut-away vaults have a higher average vault sale per call than others, with the exception of one little business in Texas.

Several years ago I was in a small Texas town. I knew from my advance preparation this new client had an average vault sale per call that was about twice as much as any other firm for which I had ever consulted. I asked the client to demonstrate to me how they sell vaults. What followed was an epiphany.

My client took me over to a contraption that looked like a fish bowl located near the wall-mounted vault display. The fish bowl thing had two miniature vaults in it. One of the two miniature vaults was a concrete grave liner and the other was a lined vault.

He said, "Dan, the vault provides protection to the casket and the casket provides protection to the body." He then took two tissues from a nearby tissue box and placed one in each vault.

He continued, "Dan, there are many things that impact the underground environment of a grave space." With that, he pushed a button and suddenly water started to fill the fish bowl until it was over the top of the grave liner and the vault.

He continued his spiel, "For instance, we know water levels tend to rise and lower as rain flows to the underground rivers. We know that heat gets involved, as well as insects." With that, he hit another button and water that had risen above the top of the vaults started to drain.

He calmly reached into the miniature concrete grave liner, squeezed a soaked tissue, and explained, "Dan, grave liners are all the cemetery requires, but they are porous. Water and other elements can get inside them. But a lined vault," he continued, "is designed to protect the casket from the mowers and trucks that ride over graves and ground elements. It also provides

added protection from water and other elements. "

With that, he reached into the lined vault, took out a perfectly dry tissue, handed it to me, and asked, "Do you have any questions about why we recommend a lined vault and why after seeing this demonstration our families usually buy one?"

I can tell you this, in my next life I am going to forget about consulting and manufacture those fish bowl things for funeral homes!

Selling vaults and caskets is easy if you are willing to explain things to consumers. We are afraid of being "salespeople," so we find ways to eliminate ourselves from the position of influencing families. If you look at it another way, though, what you're really doing is eliminating yourself from being available to educate your families when they need it the most.

Selling urns is also easy, except for the fact that we try to sell them as if they were caskets or vaults. Again, we walk someone into the showroom and leave. The showroom has 20 urns chosen for no reason other than because that is the number of caskets we display.

There are four additional mistakes we make in selling urns that make our jobs more difficult than they need to be.

First, we use the phrase, "temporary urn." There is no such thing as a temporary urn. If a plastic urn were exposed directly to the elements, it would retain its protective quality for maybe 100 years. That is not temporary.

When a cemetery puts up a "temporary grave marker," that thing is replaced within a year of interment. We need to tell our families to "Please choose the urn in which you would like us to return the cremated remains."

Second, we only show manufactured urns—urns that can be bought anywhere. They have a finite and competitive price.

What happened to being creative? How about converting a piece of the loved one's possessions into an urn? Can't we convert boots to bronze and then drill a hole into it to make the unit an urn? Can't we line and then sew a shirt into a shape to hold the cremated remains? Of course we can. These two ideas and hundreds of others you can think of are without comparable value.

Third, this profession has created miniature urns to hold a small portion of the cremated remains. If you are not selling many of them, try this proven technique:

You say to the arranging party, "I have a gift for you. It is a miniature urn. I am going to take, with your permission, a portion of your loved one's remains and I am going to put them into this miniature urn. This is some of the flexibility we have with cremation that we don't have with burial. We can only do this with cremated remains. The urn is my gift to you. You can give it to one of your grandchildren."

In most cases the arranging party will say something akin to, "Thank you, but I have four other grandchildren." At this point, you tell her that you will sell her four other urns, but this one is your gift to her.

Fourth, you need to remember that the timeline for decision-making in cremation is different than it is in burial. In burial, you have 24 to 72 hours to make the purchasing decisions. This is not a long time.

In cremation, you have no limit on the time to make purchasing decisions. All of which is to say, don't stop marketing to consumers because the funeral arrangement has ended. Design your website to include creative urn displays. Keep emailing the arranging party. Remind them that you can put the cremated remains (in whole or in part) in urns at any time.

So, funeral directors, if you are only going to read about funeral merchandise, you can stop here. Recognize, however, for a 100-call business, there is about \$50,000 of added profit contained in the 1,000 words above. Maybe if you stay with me a little longer you might find some more nuggets.

Cemetery interment rights

We know that most sales of interment rights are made to families that already have loved ones interred in your cemetery. This is so limiting.

Studies show that 65 percent of consumers think that one funeral home is the same as another. I am sure that if we did similar studies with cemetery consumers we would find that closer to 100 percent of them think all cemeteries are alike.

People don't understand the variation that exists because we don't demonstrate how cemeteries are different. In this sense, we are

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self-perpetuating in defeat. We focus on the same market we always have even though society has changed and the way society deals with death has changed radically.

Too often we have relied upon religion to sell our cemeteries. Your cemetery is either affiliated with a particular religion or is non-sectarian. Even non-sectarian cemeteries rely upon the religious community for their marketing, since these cemeteries let the houses of religions push those who don't want a religious influence to their sites.

The problem with both the sectarian and non-sectarian cemeteries is that they are based upon religion or need more than they are focused on preserving memories.

As an industry, ceterierians need to be memorial driven. The ceterierian and funeral director both sell memorials, but those granite, concrete, bronze and other ground fixtures cannot capture a memory in the eight to 10 words that can be etched on them. The real memories are the kind contained in the minds of people, not in rock or in data chips.

In addition, we need to bring people back to the cemetery to gather. This is outreach marketing. You have at least one date each month when you can have a planned event for some group on your site. You can facilitate the dialogue or give people a place to be alone with their thoughts.

However, we must build our cemeteries to be able to host group outings. Too often, cemeteries in the northeast are vacant all winter. We must bring people together. Doing so requires a facility that can house groups when the outdoor climate is uncooperative.

I guarantee you a general-purpose building can be occupied year-round on an almost daily basis if you build it for the living and not the dead. This space is important, because every time you bring people into your cemetery, you have the chance to demonstrate your quality and difference. You turn your crew from being "those people" to being "neighbors."

We also need to build inventory that people want to purchase. In 1900, cemeteries offered graves because people wanted to be buried. In 2013, 40 percent of the deceased nationwide are cremated. We also know that within the next 20 to 50 years most communities are going to cremate 50-

80 percent of their deceased.

Yet we are still primarily selling graves. Why? Isn't this as silly as a funeral home manager marking up caskets 400 percent and charging a small service fee in an effort to make more profit on caskets?

Let's find different methods of selling niches. We can sell them in the ground or above ground. We can sell them so the urn is hidden or can be seen behind glass. We can sell individual cremation sites, provide scattering sites on land or water and create communal ossuaries. The thing is, if we don't build them, we can't sell them, and we also can't sell them if we don't educate our families about what they are.

Mausoleums are a unique sale. They are about making use of our air space rather than using up our land. Mausoleums have a high development cost, but their revenue possibility is about eight to 16 times the development cost.

The first thing you should do before actually developing a mausoleum is to design it and try to sell it based on the design. Trust 100 percent of the sale, or the amount required by state law during this predevelopment stage.

If you find too little acceptance and crypt sales are slow, modify your design to create less inventory. A well-designed mausoleum should have the first unit sell out in four to eight years. The key to encouraging preneed crypt sales is to have fluid pricing.

Fluid pricing is nothing more than the most basic economics: supply and demand drive pricing. We typically see the top row (the least expensive) and the second row (the one everyone can touch) sell first. The second row is often the most expensive due to the ability of visitors to touch the crypt front.

Fluid pricing means that when 20 percent of the inventory (in this case the second row) is sold, the prices on the remaining crypts go up 20 percent. If the pricing on one row is raised, the pricing on the others should be raised in harmony. In other words, regardless of whether the top row or the second row sells quickly, the pricing of all rows changes.

Due to that price differential, the other rows start to look more attractive. If done properly, rather than having an 800 percent return on investment, you would have a

1,600 percent ROI. For this difference, you can afford to print new price sheets.

Graves and niches also should be subject to fluid pricing. Almost every cemetery has sections where there might be only 10 percent of their original inventory left, yet lots in those sections are being offered at the same price as lots in new sections. Then the sales team can't figure out why families want to buy in the "old section."

Newer areas, unless they include a special feature that makes them more desirable, should be priced less than the sections that are almost sold out. Remember, every time you sell off 20 percent of the comparable inventory, I suggest you raise prices by 20 percent on the remaining inventory—on graves and niches, as well as on crypts.

I should mention here that "comparable inventory" is a misunderstood phrase. Imagine a new section; all graves are not the same:

- If you have a feature or icon in the middle, the graves around that are more expensive than graves farther away.
- The graves near the roadway are more expensive due to the proximity to the road.
- Graves near trees or a bench are worth more.

The graves within each section of comparable inventory should be subject to fluid pricing.

Ceterierians, it is time to get creative. Imagine you have a water feature and you have 20 feet from the water line to the present interment sites. The creative person sees the opportunity for this area to become a "river rock" cremation site. Artificial river rocks take up about a one oval foot.

In that 20 feet, even after putting in a walkway, you can have 15 interments per foot of radius. Even a small, 500-foot radius pond would provide room for about 7,500 river rock interments.

This is more than \$1,000,000 of inventory in an area that is attractive and will be even more attractive as it is sold off. Don't forget to employ fluid pricing to maximize the revenue.

We need to start with a blank page. We need to rethink our businesses. We must reestablish how we are going to provide for the next 100 years of sales of merchandise and interment rights. 