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**ICCFA Magazine
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CREMATION MEMORIALIZATION

Selling memorialization to cremation families involves not only implementing a "good, better, best" pricing strategy but also learning how to reach people who, unlike traditional burial families, do not automatically choose final disposition as part of the process.

How to increase your niche and inurnment sales

If you have not updated your cemetery master plan in the last 10 years, you are making a grave mistake (pun intended). The cemetery of the 19th century was a simple land-use master plan. You had an acre of land with between 1,000 and 1,200 graves. Each grave equaled one interment.

However the master plan of today should focus on *inurnment* rather than *interment*. If you want to increase your number of urn placements you have to change your master plan.

We have learned so much about the mind of the cremation-choosing consumer in the past 25 years. We have seen the public choose cremation at ever-increasing numbers. This has affected the cemeterian's business model as well as the business model of the funeral home owner.

In the past, one death represented one interment, which resulted in one sale of an interment right, opening/closing, vault, marker and often a vase. The deposit to the perpetual care fund was significant and the income would flow at a greater rate based upon the increasing trust principal.

It is not that way any longer. By my estimate, only 10 percent of cremains are placed into a cemetery for safekeeping. Therefore sales are off by 90 percent for many cemeteries. We have to be proactive and change this.

In order to give concrete examples, I will assume certain prices. For more information about constructing your pricing, read one of the previous articles published by this magazine. The numbers used here are for example only.

There is a logical four-step process to increasing your sales of inurnment offerings.

1. Offer more inurnment options.
2. Establish an integrated and progressive pricing method.
3. Increase the number of times someone

is encouraged to come onto your property.

4. Do not stop trying to sell your offerings. Allow me to explain each of these.

Offer more inurnment offerings

There is a simple concept in retailing called, "good, better, best" (GBB). I am sure this is not a difficult concept to understand. In making a choice when shopping for any product or service, you are presented with selections at different price points to match perceived value.

Unfortunately, the offerings and the integrated pricing of "good, better, best" (GBB) usually do not take place in most cemeteries. When it comes to cremation, there are essentially two offerings: ground or above-ground inurnment. Each of these two should have their own GBB options.

For example, for ground inurnment, you can take a grave space and divide it into as many units as you want. Let me assume a grave divided into six units could each hold one urn. This might sell for \$500.

You might have a religious icon on the property. In the area surrounding that icon you can create 1-foot-square areas for inurnment and each can be priced at \$750 to reflect the value of being close to that feature. You might also have a water feature, with inurnments in 1-foot squares around this feature priced at, say, \$1,000.

That is how we establish "good, better, best" for ground inurnments.

For above-ground inurnments, we normally think of niche walls as the main offering. However, I recommend starting with a communal niche wall. Let's put the introductory offering price at \$850.

We can also have rocks and gardens established to offer niche placements above-ground (and yes, below as well). These individual (rather than communal) placements might be priced at \$1,250.46.

► to page 46

►from page 44

A top-of-the-line offering is often an indoor glass-front niche. The initial price point of this placement could be \$1,500.

This range of prices establishes GBB for above-ground inurnments.

There are many other ways to have GBB offerings. For example, for ground inurnment we can have some niches that are by a roadway and others within grave spaces. We can change the size of the grave area, which will change the options available for the memorial marking the urn grave.

The same pricing techniques used to create GBB for crypts should apply to niches. Glass-front niches have their own GBB predicated upon the height and size of the placement. Doubles sell for more than a single. In a paneled wall, there are often some quadruple size niches which sell for a premium.

Adding lighting could be an after-market sale that raises the status and price of a glass-front niche unit.

The goal is to track the increase in sales. Take the time to establish your current baseline. See how many and what type of inurnments you sell each year. See how many you sell with this increase in master plan offerings.

Establish an integrated and progressive pricing method

In the introduction of “good, better, best,” I gave some examples of pricing to show the increased sale price corresponds to the increased perceived value of the offering. Now, we must take our pricing strategy to the next level.

Forget that you are a cemeterian. Imagine you are a real estate developer. You have a 5-acre tract of land on which you have built a road and put in utilities. You are now selling parcels in the development.

Your design might have four cul-de-sacs. You know the parcels at the end of a cul-de-sac typically have the largest area. Therefore, those sell for the highest prices. The units closest to the development’s entry will be priced lower.

In other words, you have a GBB system built in. Your “good” units (all eight of them) might be \$50,000, the 16 better units (between the entry and the cul-de-sacs) might be \$60,000 each and the parcels at the end of the cul-de-sacs could be \$75,000.

However, these initial prices generally don’t stay the same; they increase over time.

This does not happen at the end of a year or any other chronological point. The timing for a price increase is driven by sales.

Imagine in the first month you sell two units. Both sales are of the least expensive parcels. They are selling fast, so you can raise your price on these units, say by 20 percent. Now, the entry-level parcels are selling for \$60,000.

But that’s the same as your original price for the “better” parcels. To keep the pricing integrated, you have to raise the price of these middle units or else people will stop buying the “good” units. Raise the middle unit price to \$72,000 (also a 20 percent increase).

You now realize there is very little difference between the “better” and the premium (“best”) ones. An integrated pricing model requires you to raise the price of these units as well, say to \$90,000.

It doesn’t matter how quickly or slowly you sell any particular unit; the GBB spread must be maintained. The price adjustments are made as a response to sales, not for any other reason.

Increase the number of times someone is encouraged to come onto your property

In many of my articles for this magazine I have said, “I believe selling cemetery interment rights is easy. However, finding the person who has the money and understanding of the need is the tough part.” This basic assertion needs repeating in this article, too.

Creating a lead-generating system in a cemetery requires discipline to establish and maintain contact with your community. You need to have reasons for people to come on site.

One reason is usually the interment of a loved one. But you cannot just rely on this; you need to hold events and invite the public to your cemetery. There are a plethora of national and religious events you can build an event around to encourage people to come onto your property. You can create your own events, as well.

The more people come onto your site, the more people will say, “This is where I want to be buried.” That is how we create sales opportunities with high closing rates.

We call these events outreach and after-care. There are many possibilities. Some events are religious, some are based on a community celebration and some are patriotic. Some are exercise-driven, such as dog walking or simply walking groups. Some are

social, such as a cookout or a movie in the evening.

Community outreach offerings are only limited by your imagination and your determination to create opportunities for people to see your cemetery, thereby increasing lead generation and sales.

Do not stop trying to sell your offerings

Cremation is not like burial other than in the fact that they both concern a dead human body’s disposition. But cremation is not final disposition (as is burial); the inurnment or scattering is the final disposition of a cremated body.

Yet we often think of the trajectory of cremation and traditional burial families as being the same: death, followed by final disposition, followed by relief. Yet studies have shown that more than half of all families have no idea what they are going to do with the cremated remains. Are there any traditional burial families who leave the funeral home not knowing what they’re going to do with their loved one’s remains?

The pattern is often that cremains start out as valued keepsakes, perhaps even prominently displayed in an urn, but eventually become a liability that no one wants to (or knows how to) deal with. So why do we stop trying to sell inurnment options at the time of death?

We must be proactive and see the education and sales process for cremation consumers in a threefold pattern: preneed, at-need and post-need. Too many cemeterians do not market to the post-need group.

Unless your cemetery owns a crematory, maybe you can’t identify the families who did not decide on final disposition either preneed or at need and therefore market to them individually, but if you work with a local funeral home, you can identify the families who have not chosen a safe and permanent place for inurnment or interment.

These are the people you should be marketing to post-need to make arrangements for final disposition before those cremains are shoved into a closet or inherited by children who don’t know what to do with them.

If you have quality offerings, a “good, better, best” master plan offering and integrated pricing method, and continue to market what you offer to cremation families post-need, you can increase your income and profitability. 