

AN ONLINE PERSPECTIVE



ED MICHAEL REGGIE

Over the past three years, I have led the startup of a company, Funeralocity, which is making inroads into the funeral profession by creating an independent online source to help consumers identify the right funeral home to serve them. After three years of development, we launched in May 2017 in Atlanta. Since then, we have interacted with more than 100,000 users.

In this article, I will give my perspective on the recently issued NFDA Consumer Awareness and Preferences Survey and contrast it to the 2016 Harris Poll we commissioned. I'll also share some consumer insights we've gained over our year of operation and make some predictions that funeral home owners and managers can use to plan their futures in online marketing.

As this is the first time I am sharing this company information with the profession, please let me know your thoughts or questions. My email address appears at the end of the article.

IT'S HOW YOU PHRASE THE QUESTION

NFDA asked consumers their "likelihood to seek information from a national consumer website that specializes in providing funeral information." Just 36.6% of respondents said they were likely to consult such a website, which was down from 46.6% in 2017.

A 2016 Harris Poll we commissioned asked consumers if they would like to be able to "shop for and compare funeral home services, reviews and pricing online," and 79% said they would.

Why the vast difference in results? I suggest it's the way the question is

phrased. I conjecture that if consumers were polled about their interest in seeking information from a national consumer website that specializes in hotel information, not many would say yes. But if they were asked whether they would be interested in comparing all of the services, ratings, reviews, photos and pricing of all hotels, many more would say yes.

If I want to travel to a new destination and am not familiar with the hotels, there are websites I can use (Hotels.com, Expedia, Trivago, etc.). Until May 2017, there was no independent site to help me plan a funeral or find a funeral home in a town in which I don't know the firms.

One key point stood out to me as we were deciding to create this company: 41.8% of Americans live in a state in which they were not born. Our key decision to beta test our company in Atlanta was made because more than 50% of people in Atlanta were not born in the state of Georgia. These are families that don't have family funeral homes; in fact, most often, they do not even know the local funeral homes.

With our Atlanta launch, we had the challenge of promoting our company, which heretofore didn't exist. We had no name recognition among consumers. As FAMIC learned from its Have the Talk of a Lifetime initiative, it is tough and expensive to educate people in a short period of time. However, the results of consumers using our site have exceeded even our most conservative expectations. Whether you want to rely on NFDA pollsters or Harris pollsters, the issue is moot;

we know consumers want a reliable third-party site to help them compare their choices.

RELOCATED FAMILIES NOW WANT TO BE SERVED BY A LOCAL FUNERAL HOME

A resident of Atlanta might not prefer a funeral home because the family hasn't used it in the past.

NFDA survey respondents listed "heritage" as the "main reason you chose a funeral home," and the number-two reason was previous service. But now the family members might be hundreds or thousands of miles away.

Before 2000, people repatriated their bodies for interment in the city in which they lived, worked and raised children. However, three things have happened in our society over the past 20 years that have made repatriation much less important to consumers when a death occurs.

1. People are retiring to new cities. We move to warmer climates or less expensive areas. The Villages in Florida is a great example of this. Lower housing costs, a lower tax base and lower utilities all allow someone to retire in a higher lifestyle with less money. The sunshiny outdoor environment helps retirees maintain an active lifestyle, which makes their remaining days more fun.

2. People are living longer. Many will live 30 years past their working time in these relocated, retirement-focused communities and cities, and even their friends back home might not live back home any longer. After 30 years in a new retirement area, peo-

ple make new friends. The comfort of “bringing someone home” is waning with consumers.

3. Cremation replaced burial. With the dramatic growth of cremation, there is less importance placed on the whole body in disposition. Cremation has increased from less than 20% to about 50% in this last generation. If a body is being shipped back, it is easier and cheaper to ship it back in an urn than a casket. Therefore, families feel there is less reason to repatriate a body to the city of birth.

WHAT DO FUNERAL CONSUMERS WANT TO SEE ON A CONSUMER WEBSITE?

Almost 79% of NFDA survey respondents who said they would use a third-party site want transparency in the costs of a funeral. Our own Harris Poll concluded that 88% of all consumers interviewed wanted price transparency.

Planning a funeral is not an easy matter, and price should not drive the decisions of this singular lifetime event. But the more this profession does not disclose pricing, the more it infuriates consumers who want to understand pricing.

The typical funeral home preened

page asks consumers to complete numerous questions about the deceased and follows with, “We will get back to you with prices and information.” This is like going on an airline website, filling in all of your biographical information, dates of travel and such, and then being told, “Come to the airport and we’ll give you prices on tickets.”

The mistake most people make regarding funeral planning and the internet is not about “buying” but about “shopping.” Did you know that 92% of Americans begin shopping for a home online and 75% of car buyers start their shopping online? What is more difficult to compare, a home or a funeral home? We need to be consumer-friendly.

Amazon customers tell us that they want specific information in their shopping process. They want ratings and reviews from other consumers, ratings from independent sources, prices and images. We can certainly give funeral consumers all of these important pieces of information.

The internet is where families go to research everything today. When consumers go to your website, why are they there? The NFDA survey tells us it’s most often for obituary information. But these encounters

are the time to market why your funeral home is the best value. Many funeral homes show pictures of caskets and vehicles on their websites but are forgetting to sell their biggest two investments: facilities and staffing, along with the experience they create. Video production costs have dropped greatly over the years and the quality has increased dramatically. I recommend you take advantage of video to feature who and what you are to families that do not know enough about you.

We have found that consumers using our site rely on ratings, consumer comments and, very importantly, images. Funeral homes that have beefed up these three important features in their portals have had a disproportionate amount of bookings. Some are using video to demonstrate their unique offerings, and consumers like these. Funeral homes using these features on our site get 142% more business than funeral homes without these features.

I don’t want to end by stressing a negative, but I will point out the lackluster polling results from Have the Talk of a Lifetime (only 6.6% had familiarity). I mention this because changing society is expensive. We spent large sums in Atlanta alone in a four-month period to get the attention of consumers. Unfortunately, we had to get the attention of many consumers who were not funeral consumers. It is expensive to market a new idea, even a web-based idea. It takes perseverance to do so. You are competing for consumers’ attention with deep-pocketed companies, and that makes it difficult. We know.

I urge you to look at the 2018 NFDA Consumer Awareness and Preferences Survey in detail and consider the insights I have shared. Learn from them. Act on them. This information is a million-dollar tool you’ll learn from – or your competitor will. ☰

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