

By Daniel M. Isard

Too Much Alphabet Soup?

While too many marketing acronyms can make your head spin, strategic relationships should be your focal point for increasing your firm's market share.

Dear Dan,

I recently attended a two-day seminar led by "some of the brightest marketing minds." Between the registration, travel and paying staff to cover my tasks for my time away, this seminar cost me several thousand dollars.

I heard about organic marketing, online remarketing and strategic relationships, along with I don't know how many different phrases that were just random acronyms to me, including BR (bounce rate), BANT (budget authority need timeline), CR (conversion rate) and SEO (search engine optimization). When I returned home, I created my own acronym – WOT, for waste of time.

I have two questions: Does any of this stuff work in building a larger market share in the funeral profession, and how much should I be spending on my advertising and marketing?

Signed, CABBY (Confused and Bewildered Beyond Yuma. Get it? I live in Yuma)

Dear CABBY,

To start, in this column, I tell the jokes – and I work alone! However, you raise a very interesting point. Marketing a funeral business is unlike marketing any other business. While we do sell products, we primarily sell services, and we sell a service based on trust. There is no way to compare this beyond the feeling of comfort family members sense after you help them make decisions about the disposition of their loved one.

Let me first address the question of how much to spend on marketing. The math is simple. We see the average funeral home spending between 4% and 6% of revenue on its total marketing budget, which includes programs, inserts, media purchases, printing and preneed. If you own a business with \$1 million of revenue, you would spend between \$40,000 and \$60,000 a year in total marketing expense.

I break it down as follows:

- Advertising of all kinds: 4% of revenue. This includes media purchases, website hosting, programs you produce, social media marketing, calendars, etc.
- Preneed lead-generating marketing: 2% of revenue. Anything that can secure a preneed lead should fall in this category.

If your case count is rising and you do not spend 6% of revenue on marketing, that is great! You're getting positive re-

sults with less cost. Don't increase costs without looking to get a greater increase in case count.

Please read the annual NFDA Consumer Awareness and Preferences Survey in *The Director* (September). It is AF (acronym free). The number-one reason people choose a funeral home is previous service. To me, this means we need to spend the greatest part of our marketing time and budget on protecting those relationships. So, first and foremost, start marketing preneed to the people you've served. Secondly, just because a person's preneed has been arranged, that doesn't mean you stop communicating with them – have a newsletter, have events focused on them.

The second most important reason someone chooses a funeral home is "they know someone at the funeral home." That tells me you need to do more events to get yourself and all members of your staff out in the community. One firm I worked with gave all their part-timers windbreaker jackets that were imprinted with the firm name and logo. There were 30 people wearing these jackets all over town! It was as if the firm had a walking set of billboards! Suddenly the community realized how many of the employees they knew from this firm.

Please select reason(s) for choosing our funeral home (select all that apply):

Previously served family or friends	29%
Arrangement made in advance of need	14%
Know members of the staff	11%
Funeral home reputation	17%
Recommended by someone I trust	9%
Price	4%
Advertising	1%
Convenient location	14%

I recently published the results from our decade of consumer family follow-up surveys. In many regards, they are



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