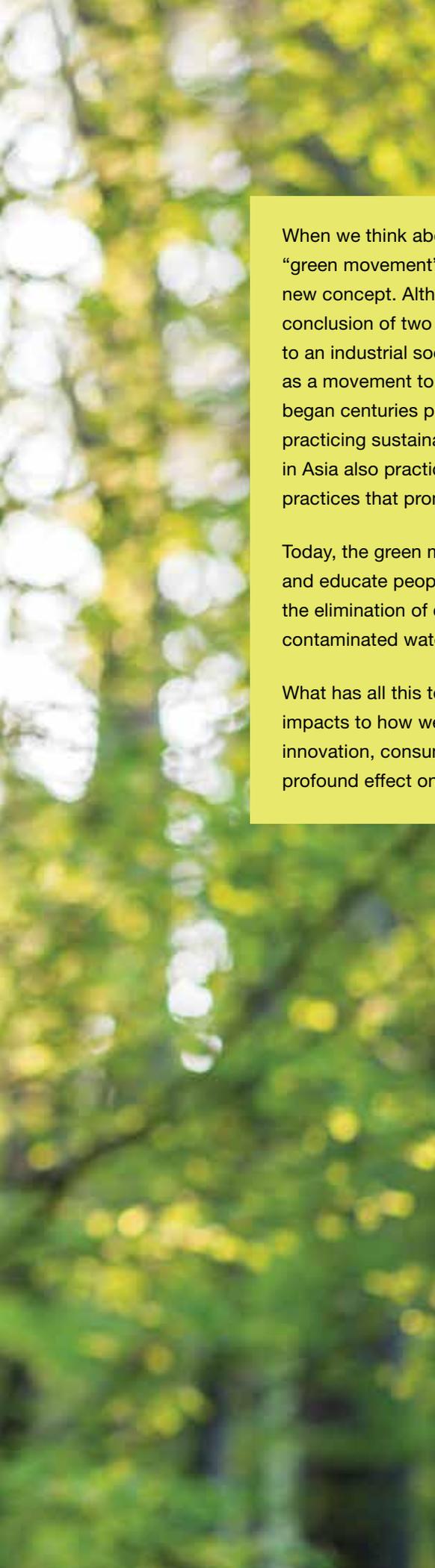


the **future** *of* **green**

Consider additional growth paths to draw coming generations, some of which are already exerting a huge influence on their aging parents.

By John McQueen





When we think about “going green,” our minds are often directed to today’s “green movement” or, as some call it, “green revolution.” But going green is not a new concept. Although many think the movement began in the 1970s after the conclusion of two world wars and a shift in the United States from an agrarian society to an industrial society, a green movement also began in the 1830s and was defined as a movement to protect the ecosystems. Still earlier versions of green movements began centuries prior, when countries such as Germany, France and England began practicing sustainable forestry management during the medieval period. Communities in Asia also practiced soil conservation through terrace farming and other agricultural practices that promoted sustainability.

Today, the green movement is focused on new ways to protect the environment and educate people on the use of eco-friendly solutions in their daily lives, including the elimination of chemically treated foods, genetically altered seeds, chemically contaminated water, etc.

What has all this to do with funeral service, you’re probably thinking. There are several impacts to how we operate in our industry; this article will focus on four distinct areas: innovation, consumer demand, unique selling proposition and profits. Each can have a profound effect on your business, your market share and your professional talent pool.

Innovation

We all realize that innovation was slow to come into our industry for most of the 21st century, a fact presented often by that most common phrase, “We’ve always done it this way.” But times have changed, and in many cases, our profession is being dragged into this new world, albeit sometimes kicking and screaming.

Being the innovator in any profession can be difficult, but the rewards can be significant. Being the first to market with a distinctive product or service that competitors do not offer can provide your company a leg up on the competition. The late Steve Jobs of Apple said it best: “Some people say, ‘Give the customer what they want.’ But that’s not our approach. Our job is to figure out what they’re going to want before they

do.” Jobs went on to say, “People don’t know what they want until you show it to them. That’s why I never rely on market research. Our task is to read things that are not yet on the page.” These profound words should be adopted by every funeral service professional, but that’s a matter for another article.

Alternative options (aka green options) such as green burial, alkaline hydrolysis, composting, mushroom death suits and the so-far-only-theoretical promession (the process of freezing human remains, vibrating them to dust and dehydrating them) all represent new and innovative end-of-life disposition options. To those who have been in funeral service a while, many of these ideas may seem outrageous or unwanted, but we must remember that it’s not about what we

want but about what consumers want. Only time will tell if these innovations will be true game changers or simply fade into the footnotes of history. Of course, during the Civil War, modern embalming was considered innovative, and I'm sure many undertakers thought it, too, was unnecessary.

Let us close this section on innovation with this final thought from Apple's 1997 "Think Different" commercial: "The people who are crazy enough to think they can change the world are the ones who do."

Consumer Demand

Unlike Apple, most companies are chasing consumer demand – not creating it – in a desire to fulfill the wants and needs of today's consumers. As we think about the lifeblood of funeral service, it's imperative we remember that the Gen X (1965-80) and millennial (1981-96) generations are exerting a huge influence on their aging parents and grandparents, with many of them making decisions for their parents, including end-of-life decisions.

According to Statista's 2019 report on income by generation, Gen X has the most disposable income of all generations, and the millennial generation is essentially tied with the baby boomers. This is important because the Gen Xers and millennials have ample income to afford the products and services they believe fit their lifestyle and beliefs.

Let us take a quick look at what these funeral influencers think about social and environmental issues, according to a 2018 *Forbes* magazine article titled, "Do Customers Really Care About Your Environmental Impact?"

68% of millennials purchased a product within the last 12 months that had a social or

environmental benefit associated with it.

87% have a more positive image of a company that supports social and environmental issues.

88% are more loyal to the companies that support social or environmental issues.

87% would prefer to buy a product with a social or environmental benefit, if available.

92% are more trusting of a company that supports social or environmental issues.

So, unless you are the Apple of funeral service, consider these trends as you develop new service and product offerings. The decedent may not be the environmentalist in the group, but the child or grandchild who is helping to make decisions will have a big impact on the results, and those results may just be green.

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Unique Selling Proposition

We live in a world filled with noise, and consumers' attention is pulled in a multitude of directions, with marketing campaigns vying for their wallets at every turn. Add to that the infrequency of the funeral purchase and the consumer can find himself lost in a "sea of sameness." In other words, since consumers do not experience funeral purchases on

a routine basis, they tend to paint all of funeral service with the same brush.

A unique selling proposition (USP) is that distinguishing feature, product or service that allows your firm to break through all the noise and stand out from the crowd. For example, on one hand, most consumers think all funeral homes own a crematory, so telling them you own your own crematory may not make you stand out. You must put it into terms that are important to consumers.

On the other hand, being able to tell a consumer that you offer both flame and flameless cremation is a unique selling proposition. If you are the only funeral home in your town or area that offers alkaline hydrolysis, green burial, composting, mushroom death suits or, perhaps in the future, promession, you are a differentiator.

If you want your firm to be noticed, you must find ways to stand out in your market. Offering options that address both social and environmental issues are a great way to differentiate yourself, and it gives you a boost with the Gen Xers and millennials. In addition, your USP will help you overcome the price shopper. Too many funeral providers – large and small – do not understand the price shopper. When all else appears the same, price becomes the driving factor. However, a USP can assist you in shifting the conversation from price to value, and consumers are willing to pay more for something they value.

Profits

Funeral service is indeed a calling or ministry for many. However, like any business, if we do not turn a profit, we will not be around long enough to continue our mission of ministering to those in need.

As cremation continues to rise and profits decline, we must discover new ways to grow market share, boost revenues and, ultimately, increase profits. If you are in an area of the country with lower cremation rates, you may want to look at offering green burial options as an added growth path.

On the other hand, for many of us, cremation is now the predominant choice among consumers, so focusing on “greener” options that involve cremation could be a win-win solution. Although Bio-Cremation [a brand name for alkaline hydrolysis] was not the primary choice of consumers when I owned Anderson-McQueen, it did make up approximately 20% of the cremations performed for our premier brand. In addition to offering clientele an alternative, it also increased our market share by gaining us access to families that lived far beyond our traditional service areas. In fact, we received several deaths a year that were two to three hours away because the decedent or family wanted the water-based alternative to flame cremation.

Environmentally conscious options also allow for increased pricing. In a recent report issued by consumer intelligence provider Toluna, 37% of consumers seek out environmentally friendly solutions and are willing to pay up to 5% more to obtain these products and services. A Nielsen global survey found that 3 of 4

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millennials are willing to pay extra for sustainable offerings, and 72% of Gen Z are willing to pay more for products and services from companies committed to making a positive social and environmental impact.

So, is this just a younger trend that avoids our target market in funeral service? According to the same Nielsen survey, 51% of baby boomers aged 55-69 are willing to pay extra for products and services from sustainable brands. Will those individuals be choosing you or your competitor?

Although global warming and climate change are hot topics that can be very divisive, especially in political circles, 79% of Americans consider themselves environmentally conscious. In addition, as our industry tries desperately to attract new entrants into the workforce, we cannot avoid the fact that younger

employees are looking for more from their employers than simply a paycheck. Many want to feel they are part of something greater, that their efforts are making an impact on people’s lives and the environment.

In fact, nearly 40% of millennials state they chose a job because of company sustainability efforts. Given that millennials will comprise three-quarters of the workforce by 2025, we must consider not just the desires of our customers but also the desires of our team members if we want to be successful in the years ahead. Nearly 70% of employees also stated that if their companies had a sustainability plan, they would stay longer, thus reducing turnover costs.

There is an array of green alternatives you can provide that will meet customers’ needs and differentiate your brand in the marketplace. Choosing the right one and developing the strategic performance plan to capitalize on it requires professional advice. Through the proper implementation of innovative options and environmental sustainability practices within the workplace, you can also provide a greater sense of worth to your employees, increasing both their satisfaction and longevity. Happy employees will in turn produce happy customers, and happy customers will increase sales by up to 37%. The increased sales will result in my favorite color, green – the one that comes on \$100 bills. ☺

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