by John T. McQueen, CFSP

How do you ignite a conversation in a room full of funeral directors? Toss in the word "cremation." It will spark conversation—some good, some bad. But in all cases, you will witness myriad emotions. It may be hard to believe that some funeral professionals are still adamantly opposed to cremation. Rather than embracing the opportunities that can be found in cremation, they are still fighting for a return to the way things were "in the good old days." For most of us, we recognize those days are gone, and it is time to embrace ways to create opportunities with cremation families.

According to the recent Performance Tracker™ Analysis: 2020 COVID-19 Impact Report, 55% of all cases in 2019 resulted in cremation. During the recent COVID pandemic, our industry saw a 5%–10% increase in cremation disposition cases for 2020. Although cremation rates increased during the 2020 pandemic period, the average cremation sale diminished from 2019 levels for traditional cremations and memorial services but rose slightly for direct cremations.

Interestingly, the average sale per case grew in all burial categories (traditional, graveside, and immediate). In addition, of all the various merchandise offerings available for burial and cremation families, permanent memorialization (*i.e.*, marker, monuments, etc.) saw an average increase in spending of $500, and cremation families spent more on memorialization than burial families (on average $400+ above burial memorialization).

In addition to changes in case volume and revenues, satisfaction levels among family members fluctuated in 2020 compared to 2019. Although burial family satisfaction fell across all categories, satisfaction among cremation families increased in most all categories other than the "arranging funeral director." Additionally, the Net Promoter Score (NPS) began to fall in all categories, reflecting an overall negative impact on customer satisfaction.

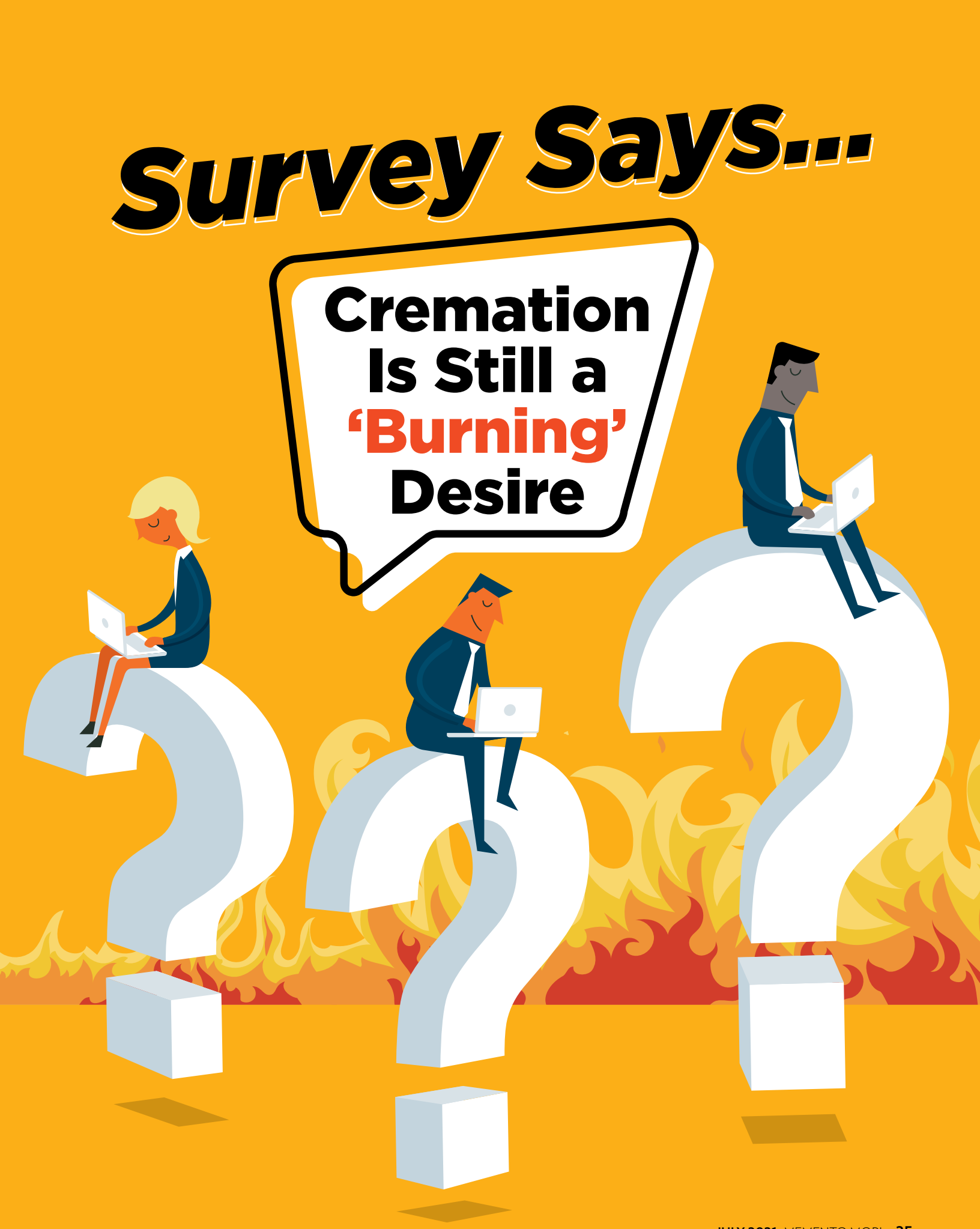
Looking Back, Now Looking Ahead

Now that we have seen where we came from, it is time to look at where we are headed in our "new normal." In reviewing the 2021 Funeral and Cemetery Consumer Behavior Study conducted by The Foresight Companies in conjunction with SOCAL Approach Marketing and Consulting Group, several interesting insights appeared with regard to consumer behavior and cremation. Here are just some of the interesting statistics:

- **Cremation rate expectations are going down:** 63% agreed last year that they would prefer to be cremated compared to 59% this year. Does this mean the cremation rate may be reaching a plateau?
- **A slight shift toward keeping cremated remains at home:** 24% agreed last year that they would prefer to keep their loved one's cremated remains at home compared to 27% this year.
- **More people expect to have a funeral service in a funeral home:** 19% agreed last year they expect to have a funeral service in a chapel or funeral home compared to 26% this year.
- **People are viewing a big celebration of life event as much more acceptable:** Last year, only 39% of respondents stated a big celebration of life event was very important compared to 60% of respondents in 2021.
- **The shift toward virtual arrangements is facing headwinds:** In 2020, 65% agreed that meeting with a funeral director virtually to plan is very important compared to only 51% in 2021. A similar shift occurred among respondents regarding meeting with a cemetery counselor virtually to make arrangements.
- **People now feel much more strongly that meeting with a funeral or cemetery professional in person is critical:** In 2020, only 43% agreed in-person funeral arrangements were very important compared to 71% in 2021. In 2020, 41% agreed in-person cemetery arrangements were very important compared to 65% in 2021.
- **More people expect the total cost of their final arrangements to be more in the future than the national average:** We have seen a 10% increase in 2021 among respondents who expect the cost to be $8,000 or more. In 2020, 19% expected costs to be $8,000+ whereas 21% expect it in 2021.

Survey Says...

Cremation Is Still a 'Burning' Desire



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Cremation Plateauing? Not So Fast!

Well, all this data is great, but what can we decipher from it that can be used to better serve our client families, in particular, cremation families?

Starting with the cremation rate, both reports demonstrated that 2020 saw an increase in the actual cremation rate and the expected cremation rate. Of course, Foresight's 2021 consumer study identified that consumer expectations are decreasing.

Does this mean the cremation rate in the United States has finally reached a plateau? This is doubtful. Rather, the leveling off or decline in expectations may be because restrictions are lifting; therefore, the 10% increase identified in 2020 due to the pandemic may simply be returning to a "normal rate of increase."

The challenge for many will be developing services and products that keep the funeral professional relevant in the services and/or celebrations, whether on-premises or off-premises. What are you doing to meet the needs of families wanting to celebrate their loved one's life but not at your facility? If you are simply allowing them to walk out the door, you are missing out on a significant opportunity.

It does identify that cremation is still the primary choice in disposition; therefore, some funeral directors will finally need to forgo old beliefs and adjust their business models to embrace their futures if they want to remain viable and profitable.

As for diminishing revenues in 2020 for cremation cases, it will be interesting to see if this was due to consumer preferences, financial concerns due to the pandemic, or lack of consumer education on the part of the funeral professional.

Identifying the Problems

The Foresight study reveals a 10% increase in what consumers expect to pay in 2021; as such, it appears that part of the 2020 decline was due to financial concerns from the pandemic. However, given the decline in customer satisfaction levels around arranging funeral directors, a significant portion of the decline in revenues is most likely due to inadequate education of consumers on the value of various products or services.

Also, as cases increased at many funeral homes, director fatigue has been identified by many; and when the directors are fatigued, they tend to "streamline" processes where possible. One of these areas is often among the additional time needed to adequately explain the benefits (value) the customer will receive through additional offerings.

The good news is that staff training (such as phone skills, arranger training, and customer experience training) combined with a normalized workload will enhance future financial results, provided we do not fall into the misconception that "everyone wants a cheap cremation."

Identifying the Solutions

Some very encouraging news for the funeral profession is that more consumers (26%) expect to have a funeral service in a funeral home. When we combine this increase with the dramatic rise in those who believe a large celebration of life is acceptable (60% in 2021 versus 39% in 2020), funeral professionals should be ecstatic.

The challenge for many will be developing services and products that keep the funeral professional relevant in the services and/or celebrations, whether on-premises or off-premises. What are you doing to meet the needs of families wanting to celebrate their loved one's life but not at your facility? If you are simply allowing them to walk out the door, you are missing out on a significant opportunity.

Speaking of shifts, we have seen an increase in the number of individuals wanting to keep the cremated remains at home. Although this rise is most likely a factor of the pandemic and the lack of an opportunity to adequately say their goodbyes, it does create opportunities.

With a little consumer education, you can have families taking their loved one home in urns that honor and celebrate their life as opposed to cardboard boxes or temporary plastic mailers. In fact, if you want to see urn sales climb, cardboard should be eliminated and plastic only used in special circumstances, not as a routine option (but that is for another article).

In addition to urn sales, this shift regarding homebound urns creates an opportunity for follow-up, finalization, and memorialization. For those families who took the cremated remains home during the pandemic, funeral homes should take a proactive approach and reach out offering to assist in final placement, or to schaedule a celebration, or both, now that restrictions are loosening around the country.

Keep in mind that families rarely will reach out to you for assistance on future services or final placement. But a simple call from you, perhaps with some well thought-out options, can make all the difference.

Get More Creative!

Building upon the previous concept, one of the most interesting statistics revealed was the increase in permanent memorialization. As previously stated, on average, permanent memorialization rose $500 for both cremation and burial families. However, when reviewing the number, cremation families on average

spent $400+ more on memorialization than burial families.

All too often, funeral professionals do not recommend permanent memorialization because of our own paradigms; after all, it was cremation. But the numbers tell a much different story. Since it is cremation, funeral providers should look to a multitude of options for permanent memorialization—from markers and monuments to niches, benches, and garden memorials for the home.

But do not limit yourself to just the usual; you could offer the opportunity for the cremated remains to be turned into shot gun shells, or have a rocket launch to the moon, or a variety of other choices.

My wife, Nikki, would say, "If you don't ask, the answer is no." In this case, "If you don't offer it, you won't sell it." It costs you nothing but time and spit to show it or to make a family aware of it. The rewards can be tremendous!

Your Online Face Doesn't Beat the Real Thing

The last area for consideration when serving cremation families is virtual versus in-person arrangements. We saw a spike in online arrangements during the pandemic. Although many consumers in 2020 showed a preference for virtual arrangements, the vast majority—7 out of 10—of respondents in 2021 agree that in-person arrangements are very important.

Meeting face-to-face with an empathetic professional, well-versed in service and product offerings, and focused on customer experience is paramount in building relationships and ultimately sales. To capitalize upon this realization, owners and managers should focus on strengthening the sales skills, product knowledge, and customer service training of employees.

As humans, we are wired for connection to others. As funeral professionals, we build our entire career around emphasizing, celebrating, and remembering the connections we share to those who have gone on before us. People buy from those they know and trust, so focus on building relationships, and the sales will follow.

Face-to-face communication helps build a bridge that communicates your brand's

shared values directly with your customer. What are shared values? According to the *Harvard Business Review*, shared values are a "belief that both the brand and consumer have about a brand's higher purpose or brand philosophy." This is important because people buy based on an emotional connection and then justify their purchase with logic.

For example, the customer may think "XYZ funeral home wasn't the cheapest for cremation, but they had steps in place to ensure the cremated remains I receive back are mom's cremated remains, so I'm happy paying extra."

Face-to-face also eliminates technical difficulties and minimizes misunderstanding in the communication process. As the *Harvard Business Review* cites, "human conversation remains the primary way people make complex purchases or emotional decisions." If complex and emotional are not the kind of decisions families make with us, then perhaps I do not know funeral service.

Focus on the Positives

In conclusion, the research findings shared in this article combined with the facts as they relate to spending and customer satisfaction should renew your faith in the future of our industry. The pandemic may have added stress to families and last responders through increased death rates and changing the ways we serve, but it has also reminded consumers of the fragility of life and the need to say good-bye to those they love.

All of this, I hope, will serve to renew your burning desire to serve. M

John T. McQueen joined The Foresight team in September 2020 as director of Client Experience. He is responsible for maintaining relationships with current clients as well as expanding the client base. Before joining The Foresight team, in 2010, John owned a funeral home and bought out his partners, and with his wife, Nikki, continued to grow the company's footprint into Florida's largest family-owned funeral operation. Once dubbed "the most innovative guy in funeral service," John & Nikki introduced many new concepts, including the world's first Bio-Cremation (Flameless Cremation) process that utilizes water instead of fire. In 2017, John sold his family's funeral enterprise to Foundation Partners Group.

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