



**2021 NFDA CONSUMER
AWARENESS AND
PREFERENCES
SURVEY COMMENTARY**

IT'S ALL IN THE DATA

Complementary consumer surveys show three strong cultural trends for which you may need to adjust your business.

BY DANIEL M. ISARD

Imagine you answer the phone and the voice says, “I have data compiled independently that will tell you what consumers are saying about funeral service and what they expect from a funeral provider.” You might cautiously ask, “Well, that’s all well and good, but how recent is this data?” The mysterious salesperson responds, “It is all from within the past year, tracking consumer changes since the advent of the COVID-19 pandemic.”

Not wanting to seem too easy a sell, your next question would probably be, “Well, how much is this data?” To which the shadowy huckster replies, “It’s about \$250,000, payable in one easy payment.” At that moment, you have an involuntary muscle spasm and hang up the phone, mumbling something about being born at night, but not *last* night.

Now suppose the solicitor had instead said, “It’s part of your NFDA membership, so it’s free.” Free? Well, that’s what the NFDA Consumer Awareness and Preferences Survey, as well as surveys from other industry leaders, including The Foresight Compa-

nies, offers you – about \$250,000 of research free of charge. You just need invest your time to read.

So, then, why don’t all the owner/managers of the 19,000 funeral home locations take two hours to read all this stuff? That article will be the last I publish because even though most people will agree with me, I will be the most hated man in funeral service (for the moment). For now, I will preserve my audience’s affection by summarizing the work performed by NFDA, Foresight and Homesteaders. There is some overlap, but that is good. It confirms the findings of the others, which increases the reliability of the data.

As you review this, don’t think, “Oh, my families don’t feel that way.” The only way you can win that argument with me is to show me the survey results of the families you serve! I have reviewed countless family follow-up surveys, and the results usually follow the findings of the large surveys. The families you serve may be ahead of the curve, behind the curve or bending with the curve, but they are not moving to the beat of their own drummer. To the

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degree there may be variations, they could be due to the underlying foundation of funeral practice brought about by religion, language or racial diversity. Unless you serve a minority community, you can assume that these reports gathered from primarily the majority community apply to you now or will apply in the near future.

Allow me to focus on three big trends for which you need to adjust your business.

1. COMMUNICATING AND BROADCASTING

SURVEY QUESTION Have your attitudes changed during the pandemic as a result of new experiences, including using new technologies and adopting nontraditional approaches to celebration?

OBSERVATION AND DATA Nearly 32% – 1 of every 3 respondents – answered with a resounding yes. Now the question is how have they changed? The single largest shift is in the use of technology as part of the mourning and funeral events. Funeral service's largest market age demographic is those over age 75, who are usually the least amenable to change. Yet the Foresight study showed that of those over age 75, 21% of have changed their behaviors based on new experiences. Comparing the 2021 survey to 2020, this is a whopping 75% year-over-year increase.

Technology has helped us carry on funeral services and planning meetings during the pandemic, when we were either sequestered or too afraid to meet. Livestreaming, a technology rolled out in the early 2000s to limited success, has become a real tool. Of 2021 respondents, 49% said "attending a live-streamed funeral showed how much I cared." Contrasted to the 2020 survey, this is a 99% increase!

Still, the use of technology has a cost, much like having a modern prep room has a cost. Will consumers continue to pay for this added convenience? Yes! The Foresight survey found that 21% of respondents said they will pay more for technologies and other approaches that increase convenience.

CONCLUSIONS FROM DATA When your grandfather introduced recorded music into the funeral home, it was a difference-maker.

- You will be rolling out a broadcast studio to capture and promote the funerals of the future.
- People will attend more funerals, but many will be attending remotely.
- The quality of the broadcast must be exceptional or funeral service will lose the advantage. You cannot assume a funeral director standing in the back of a chapel with an iPhone, shaking hands and talking as he films, makes for a quality broadcast.

2. CONSUMER SHOPPING FOR FUNERALS

SURVEY QUESTION The last time you planned a funeral, how many funeral homes did you visit or contact before choosing one?

OBSERVATION AND DATA In general, in previous years, surveys showed that some 74%-79% of respondents said they visited or contacted (shopped) just one funeral home. In 2020, it dropped to 53%! This could be the result of people needing a funeral home who had not anticipated needing one. I think that until we see 2021 data, we can't assume the rate of shopping has changed permanently.

The primary reason people did shop funeral homes was for pricing, with 58%-67% of the respondents electing that answer, among others, over the past three years. The current Foresight study showed three resounding shopper demands. First, 74% of respondents expected to see pricing online. Second, about 65% wanted to see products/merchandise online. Third, in an air of militant consumerism, almost half of respondents said they would not use a funeral home that did not have transparent pricing.

CONCLUSIONS FROM DATA What the telephone was for funeral homes 100 years ago, the internet is for today's operators. Rather than just taking a superficial stab at web design, this needs to be the difference-maker.

- If you have prices online and competitors don't, you will start to take cases from them.
- Funeral shoppers begin their education online. They may ultimately buy in person, but the formation of their opinions occurs through your website.

3. RELIGION'S ROLE IN FUNERAL PRACTICES

SURVEY QUESTION Is religion an important component in the funeral event?

OBSERVATION AND DATA Clearly, the funeral profession has been yoked to religion for more than 5,000 years. The very word "undertaker" referred to hired people who would help a body go from this world to the next. They believed in a next world because their religious leaders told them that their behavior in this lifetime would be the preparation for their next lifetime, for which the undertaker would help prepare their body.

NFDA's survey shows a range over the last three years of 63%-73% of respondents who felt religion was an important element. The inverse are those who do not consider it to be important, and this range has changed over this period from 26% to

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36%. This is not to say that funeral homes should or should not align themselves with churches. It means that as the “churched” community declines, a funeral home that is seen as an extension of a church may have its case count decline.

In the 1980s, there were three types of funeral homes: Catholic, Protestant and Jewish (plus the small minority that were something else). Today, while we still see alignment, we don’t see the segregation of funeral homes by just one religious affiliation.

Over the past three years, the surveys show that 44%-48% of respondents say they have attended a funeral in which someone other than a clergy member presided, and an increasing number over that time period (30%-39%) said they would use a celebrant, versus 24%-28% who would prefer not to. As people want less religion, the celebrant is an option for having an organized gathering. The lack of gatherings reduces funeral home revenue by 10% or more, as we have seen during the 2020 pandemic period.

Tied to this is presentation of the body. In the 1980s, almost all bodies were held in state for a funeral. Even those being donated to science or ultimately cremated (a very low number) were donated/cremated following the funeral services. Over the

past three years, we have seen a range of 50%-71% of people who thought it important to have the body present. While the numbers’ fluctuation may be due to survey demographics, it’s nonetheless down from 40 years ago.

CONCLUSIONS FROM DATA You can market your firm on multiple levels. You can direct-market to churches and social demographic groups to which you try to specialize. However, start to branch out into the wider community.

- Have non-sectarian options for funerals.
- Employ people who speak the languages of non-English-speaking groups in your area.
- Be more focused on the service than on merchandise sales.
- Cremation and partial whole-body services are the norm. Set your prices to make sure they can support your overhead.

Dan Isard, MSFS, is founder of The Foresight Companies, which provides financial and management consulting to funeral homes, cemeteries and vendors within the space. Reach Isard at 800-426-0165 or danisard@theforesightcompanies.com.

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