

Looking
to the
Past



to Shape
the
Future

POST-COVID-19

*The Deathcare Industry in
a Post-COVID World*

by Chris Cruger, with Alice Adams

By mid-2020, phones stopped ringing in businesses, members of the workforce who were not furloughed were now working from home, most schools were closed and life as we knew it changed; and while some decision-makers pontificated about the future or gazed into crystal balls, The Foresight Companies began research, based on hard data, by initiating its 2020 nationwide survey of consumer behavior based on 3,500 responses.

This article will explore the findings of surveys, 2020–2022, review the analyses, and provide data-based recommendations.

Consumer Perception

Analysis of the 2020 survey data confirmed existing empirical and/or anecdotal evidence of emerging trends at that time. The continuing COVID pandemic had generated unanticipated changes in the traditional roles of funeral directors and cemeterians. These changes were the result of innovative new services, based on regional circumstances or family needs, designed to comply with an ongoing barrage of state and federal mandates.

In fact—and in hindsight—the deathcare industry, pre-COVID, was several decades behind current best practices, both technologically and in customer-facing services. The absence of progress in these two areas, alone, were negatively impacting bottom-line profits.

“A major focus of the 2020 Foresight Companies’ survey and those that followed was on consumer perceptions and how they wanted to experience service, going forward,” said Chris Cruger, The Foresight Companies chief executive officer.

“In this survey, 67 percent of consumers said their attitudes had changed because they had experienced new ways of doing things. These ‘new ways’ were just-in-time and smart work-arounds necessitated by the situation. For example, after COVID, 30 percent of Foresight’s survey responders said they would handle arrangements virtually in the future. In addition, a surprising 43 percent said they saw attending a live-streamed service ‘demonstrating how much I care,’ a 72 percent increase from the pre-pandemic era.”

Although funeral homes remained a first-choice venue for visitations and funeral services, 39 percent of consumers said they would select an outdoor location.

As they experienced deaths of family and friends during the pandemic and witnessed the professionalism of funeral directors and cemeterians under extraordinary conditions, consumers were led to have a deeper “appreciation for death care professionals. Ironically, the pandemic brought consumer perception closer to the role funeral directors and cemeterians have always played (or wanted to play)—that of compassionate consultants and guides. At the same time, COVID pushed families and funeral homes to embrace less traditional and more creative ways to celebrate lives—like using celebrants along with, or in place of, clergy and the usual liturgies or eulogies.

“Optimally, funeral homes and cemeteries would embrace this new consumer perception and build on their newly-minted roles,” Cruger said. “However, in some cases, firms have returned to their pre-COVID ways, discontinued new services implemented during COVID and the use of more technology, such as live-streaming and virtual arrangements. Home visits, also a service offered during COVID, are no longer being offered by some firms.”

2019—The COVID-19 pandemic arrives, ravaging both coasts then quickly spreading across the U.S.

2020—Hospitals at capacity, death rates climbing daily, funeral homes and cemeteries overwhelmed.

2021—COVID-19 listed as the underlying or contributing cause of 460,513 deaths (111.4 per 100,000), an increase from 384,536 deaths (93.2) in 2020, according to Centers for Disease Control/Prevention.

2022—COVID-19 accounted for about 270,000 deaths in 2022, according to data compiled by Johns Hopkins University, down from 473,000 in 2021, and 350,000 in the pandemic’s first year.

2023—America back to work, nation in recovery, “new normal emerging.”

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—Chris Cruger



Convenience and Personalization

Two decades ago, funeral directors tried to avoid wandering too far afield from the traditional, body-present chapel or church service. Some also declared they absolutely would not have food in their funeral homes. Still others pushed away the idea of making funerals true celebrations of life by saying, “I am not a party-planner. I am a funeral director!”

As a result of their COVID experiences, families of the deceased or funeral attendees—a whopping 64 percent of the survey responders -- said they had become more aware of their own mortality and were more aware of the services available through funeral homes and/or cemeteries.

COVID made it possible for (or sometimes forced) funeral directors to demonstrate their value in personalization and meaningful celebrations of life with creative options. In the heat of the pandemic, a young boy—an avid fisherman—died. His distraught parents were put off with the mandate of only 10 mourners at the service, so the funeral director planned a “drive-by” visitation using his porte-cochere for a drive-through visitation and an opportunity to speak—at a safe distance—from the family. The following day, a caravan of fishing boats, hitched to all manner of vehicles formed a procession to the little boy’s favorite lake for an outdoor service.

Recently, a veteran funeral director hosted a 90th birthday party at his firm. The family, which had built a multi-generational relationship with the director, met once with the director, bringing their ideas.

The director, accustomed to working with caterers, entertainment (musicians and singers) and decorators, did the rest. This was not a funeral but a celebration that brought 50 people and a five-figure celebration to the funeral home along with trust, loyalty, goodwill and the promise of future services. The keywords: consumer + convenience.

Another firm held a seated dinner after the funeral service for a total cost that landed in the six figures. Although weddings in funeral homes and at cemeteries remain in the “fairly uncommon” category, the character of an historic or well-appointed funeral home, the magnificence of some mausoleums or the beauty of cemetery grounds and features are natural venues and unique backdrops to special events.

For their recent nuptials, a Texas couple exchanged vows in a mausoleum and then hosted a reception in the pavilion of a nearby funeral home. In these and other cases, the “must have” is a facility with highly-adaptable and flexible spaces.

These special events as well as highly personalized funerals are opportunities for funeral professionals and cemeterians to offer what were once called “value-adds.” Post-COVID, they are simply creatively-designed reflections, memorializing the decedent’s life. These well-planned can provide meaningful and unforgettable moments for the family and those attending to support that family.

The Foresight Companies continued gathering data in 2021 and what could be considered “post-COVID” in 2022. In this survey, more than 4,000 respondents contributed a solidified picture of changes with more detailed results regarding consumer attitudes and their expectations of deathcare providers.

Shifts in Consumer Priorities

“The most significant finding of the 2022 survey was that the pandemic HAD significantly and permanently changed consumer behaviors and choices,” Foresight’s CEO reported, “and the three most radical shifts were found in the areas of technology, price transparency and physical attendance.”

As survey data indicated, responders having to make funeral arrangements in the previous two years were more likely to have changed their attitudes toward end-of-life events. The pandemic was responsible for almost all those changes.

Not only had COVID made respondents more aware of their own mortality, but more wanted to have a joyous celebration of life attended by family and friends—and while some said they would consider an off-site venue, a majority said they would prefer the funeral home because of the convenience.

“This doesn’t mean firms should immediately build commercial kitchen or ballrooms in their locations,” Cruger cautioned, “but it does encourage funeral directors and cemeterians to develop partnerships with vendors that would increase the ease of hosting celebrations at the locations.”

The 2022 survey also found the impact of COVID deaths in the six figures increased consumer decisions regarding pre-planning. Pre-COVID, only 41 percent of the responders said they believed it was important to make pre-need arrangements. The 2022 post-COVID survey saw that number skyrocket to 72 percent, dipping slightly from the 2021 survey finding of 75 percent.

Underscoring the ongoing need for convenience, almost half of this group said they would consider online pre-arrangements. At present, only 50 percent said they had a will or trust in place, and of consumers, aged 45+, only 22 percent have made pre-arrangements and this percentage is consistent across age groups.

Price Transparency

The 2022 post-COVID survey results were eye-opening for everyone in deathcare. While younger consumers were less hesitant to make big-ticket purchases, the older generation was more apt to price-shop, compare and often opt for the lowest price. In either case, both wanted price transparency. Consumers, ages 45–54, were found to make high-value purchases online.

Reality tells us every community’s one-price cremation businesses set a low bar for some consumers with their billboards advertising, “Cremation for \$595.” These messages, however, should only inspire funeral homes to add their pricing online and demonstrate the value of their services, traditional and unique.

As Cruger explained, most consumers have not had the experience of making funeral arrangements. “They want to know what they’re getting into—because they have no real idea,” he said, “and rather than being handed a GPL, they first want to know a price range—lowest to highest—and other website data before they select a funeral home.”

The Foresight Companies 2022 survey also found 50 percent of consumers without a pre-arrangement said they planned to finance their purchase, one way or another. 26 percent said they would pay with a credit card while 21 percent wanted a payment plan.

The Bottom Line

Without a doubt, COVID has forever changed the day-to-day and long-term picture for funeral homes and cemeteries. The Foresight Company surveys support an equal number of changes in consumer attitudes, needs and expectations.

The good news is COVID’s impact created some needed changes in services, technology and skills that had been lagging. But there is still work to do and attitudes must continue to align with consumer expectations.

For most time-challenged consumers, the availability of progressively sophisticated technology is vital and convenience is in high

demand. Price transparency, for many, is essential and firms must continually refine their websites to clarify their messages, streamline the consumer’s navigation and simply the process for making online at-need and pre-need arrangements and merchandise choices.

Said Cruger, “Organizations that embrace their role as ‘last responders,’ deliver a customer-centric experience that incorporates transparency and technology with compassion and care. These firms will attract and maintain today’s post-COVID consumer.

“The upheaval in our industry over the past two and one-half years has presented myriad challenges, but those challenges have presented opportunities. Those businesses which are adaptable and flexible and make the consumer experience seamless, from an arrangement and technology perspective, will be poised for future growth. “The data we have compiled indicates the more complicated our world becomes, the more consumers value simplicity. If you can be the solution to a family’s problem, you’ll not only earn their business but you’ll gain their trust, loyalty and respect.” ❏

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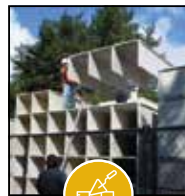
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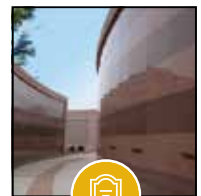
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