

## I'm Looking Through You

How to adapt to growing consumer demand for transparency and strategically navigate the FTC's oncoming pricing requirements.

**L**ast month's article, "Understanding Your Recovery Cost," by Nelson Thulin, focused on appropriately pricing your services in order to cover your overhead costs. As a follow-up, this article focuses on what you should do to make your business more transparent to consumers once your pricing is in order. This involves answering three questions, which I will share in a bit, as well as understanding today's consumers and the implications of why they increasingly demand transparency from businesses.

Regarding the latter, it's important to remember that the families you serve are simply a subset of consumers at large. This means they are influenced by the growing ease and experience they gain by patronizing Amazon, eBay and other online retailers. In practically every online experience today, consumers are freely offered the pricing for the goods or services they're considering buying. This absolutely affects their expectations when it comes time to make arrangements for mom or dad.

Next, one recurring fact has arisen from my company's annual Funeral & Cemetery Consumer Behavioral Study over the past few years: Consumers have trust/honesty issues with the funeral service profession. Thus, they increasingly demand pricing transparency from you not because every decision they make is based solely on price but because such transparency offers them greater assurance.

"Transparency" has many definitions, but the ones most applicable to funeral providers include: a.) free from pretense or deceit; b.) easily detected or seen through; c.) readily understood; and d.) characterized by visibility or accessibility of information, especially concerning business practices.

Finally, understand that today's families are "price aware" but not "price conscious" when it comes to funeral service costs. On average, an American directly experiences a death event 2.5 times during his or her lifetime. Therefore, a consumer will only be-

come "price aware" when they seek your services. "Price consciousness," however, generally applies to more frequent purchases of routine, commoditized goods. A price-conscious consumer, for example, might select a store-brand milk because it's less expensive than their usual brand after prices rise for several weeks.

With that as preamble, the remainder of this article centers on these three questions:

1. What is your mindset regarding your pricing commensurate with the level of service you offer?
2. How well can you and your staff explain your pricing, along with the unique value proposition your business offers?
3. Can you consistently communicate your pricing strategically across all mediums, i.e., in person, over the phone and on your website (which is now more crucial than ever)?

### 1. MINDSET TOWARD PRICING

Assuming you have properly adjusted your pricing to cover your overhead and expenses, then the first question you must ask yourself is: "How do I feel about what my business offers compared to the prices we charge families?"

Yes, families come first, and many providers pride themselves on their level of service, but the last time I checked, almost all of you own and operate *for-profit* businesses. In other words, you cannot continue to provide valuable services to your community if you cannot turn a profit year over year. Profitable cash-flow margins allow you to provide your high-level quality service.

If you truly believe that you, your staff and your business provide valuable services to your community, then your mindset should be that you *earn* what you charge families. I do not advocate arrogance or cockiness here, but if you are good at doing something, never do it for free and do not be afraid to charge for what you do.

REPUTATION



**YOU'VE BUILT YOUR  
REPUTATION ON INTEGRITY,  
SERVICE AND QUALITY.**



**WHY RECOMMEND A VAULT  
OTHER THAN CLARK?**

You know it takes years to build a solid reputation. At Clark Grave Vault, we've been working on ours since 1898. For more than a century, we've pioneered extraordinary designs, materials and manufacturing techniques so you can offer your customers the best vaults in the world. When their trust and your reputation are on the line, don't settle for second best. Call us today or visit us on the web to learn more about the superior performance and value of Clark Grave Vaults.

**CLARK**  
GRAVE VAULT®  
*Only memories last longer*

1-800-848-3570 | [www.clarkvault.com](http://www.clarkvault.com)

Mindset is crucial because it positively affects your belief. Belief then influences your way of thinking. Thinking then integrates with your behavior. And finally, consistent behaviors create a routine or a standard. That's right – just by changing your mindset, you can galvanize a positive culture for your staff and your business!

## 2. EXPLAINING YOUR VALUE PROPOSITION

Once you and your staff have the correct mindset about your pricing, how can you then expertly explain it to a family? As I noted earlier, one definition of “transparency” is “d.) characterized by visibility or accessibility of information, especially concerning business practices.”

Explaining your pricing is one thing, but communicating the value proposition of your business provides the “why” to “how” you set your prices. Your value proposition begins with what makes your firm unique or different from any of your competitors. Consumers want to know this before they select your business and spend money for your services.

I often hear, “Our funeral home offers the best service in [insert name of your county, state],” but what does that mean? More important, what should this

mean to the family sitting across from you during an arrangement conference?

Well, sending a hearse and two able-bodied staff members, for instance, as opposed to a utility van with one person, counts for something. Sure, not every family cares, but if this is your business practice, then that is a value proposition that possibly differentiates your firm. How many staff members do you typically send for offsite church services? This is another value proposition and differentiator that families might value once you explain to them why having no fewer than three funeral staffers on such a service means greater assurance for them.

These value propositions and others might comprise things that experienced funeral directors take for granted. When you do not communicate these value propositions effectively to families, they also become blind spots to staff members because they might not know about them either.

Therefore, defining what good service is, explaining how your firm is different from others, and even just being able to explain what something on a contract or form means, if needed, can demonstrate your firm's transparency to families.

Believe it or not, confidently and consistently ex-

**HUNTER WARFIELD**

**(800) 304-1460**

**We'll handle the difficult conversations, so you don't have to.**

As the NFDA's only endorsed collection agency, we proudly work to recover assets with the kindness, compassion, and care the situation demands.

**Questions? Let's Talk.**

(800) 304-1460

[info@hunterwarfield.com](mailto:info@hunterwarfield.com)

**Superior Results**  
Hunter Warfield has successfully recovered \$684+ million nationwide.

**Full Transparency**  
Know exactly what actions have been taken, and their results, on each account.

**Strict Compliance**  
Our rigorously-trained collectors ensure that you are protected.

**Dedicated Service**  
Your Account Executive will communicate with you as frequently as you wish.



plaining your pricing while demonstrating your value proposition every time will actually nullify pricing as the main (or only) topic.

### 3. CONSISTENT COMMUNICATION ACROSS MEDIUMS

The need to effectively communicate your pricing and value proposition in person and over the phone is well established. Therefore, I want to focus on how you communicate your online pricing – particularly for two reasons:

- 1.) Changes/new requirements by the Federal Trade Commission (FTC) are coming.
- 2.) Your website, now more than ever, must become your “virtual doorway” – the digital presence representing your business.

As noted before, funeral service consumers are “price aware” but not necessarily “price conscious.” In addition, online pricing transparency provides consumers searching via the internet with an added assurance more than anything else.

That said, I do *not* advocate simply slapping a PDF of your General Price List (GPL) onto your website and calling it a night. Anything worth doing is worth doing right the first time, and this is exactly how you should approach sharing your pricing online.

In other words, think strategically about how you present your pricing. If you operate primarily from packages, then make sure you clearly define and differentiate between the service packages you offer. If an online consumer cannot distinguish what makes the “Roosevelt” package different from the “Hamilton” package, and thus why they are priced differently, then you have not “controlled the narrative” well enough.

Organizing your offerings via the “basic” FTC packages (i.e., direct cremation and immediate burial), which cascade into good, better and best offerings, is also something online consumers generally feel accustomed to viewing via other service and merchandise industries.

Finally, research and view as many other funeral provider websites as possible when looking to strategically present your pricing ideas. Imitation is the best form of flattery, right? Aside from your direct competitors, many states, such as California, already have regulatory requirements for online pricing transparency.

Utilizing Google, type in “funeral homes near Los Angeles” or “funeral home pricing in Denver” and sift through the results for ideas on what you might like, or how you might tweak something you see in order to make it your own.

Again, if you take nothing else away from this article, simply having your website administrator place a PDF version of your GPL online is not the answer.

It might surprise you how much your ability to answer these questions so that you feel comfortable and confident in consistently discussing, communicating and publishing your pricing online for all the world to see gets you ahead of the curve. That is, of course, if you aren’t already ahead of the curve.

---

*Gabriel Ngo is director of transaction and advisory services at Foresight, a management consulting firm specializing in mergers and acquisitions, valuations, financing, HR and compliance services. Contact Ngo at 602-274-6464 or [gngo@theforesightcompanies.com](mailto:gngo@theforesightcompanies.com).*

*Financial, legal or tax advice contained in this article is for informational purposes only, but it is neither a legal interpretation nor a statement of NFDA policy and may or may not apply to your individual position. Readers are strongly encouraged to seek the counsel of qualified advisors before undertaking any action based on this information. Reference to any specific product or entity does not constitute an NFDA endorsement or recommendation. The views expressed by authors are their own, do not necessarily reflect views of NFDA, and do not imply an endorsement of them or any products or entities they mention or represent.*

The advertisement is set against a light yellow background. On the left, a vertical blue bar contains the word "ONEROOM" in white, stacked vertically. To the right of this bar, a thin blue line extends across the width of the ad, with a blue arrow pointing downwards from it. Below the line, the text "Funeral Directors! Get Valuable Time Back" is written in a bold, blue, sans-serif font. Underneath this text is a laptop computer. The laptop screen shows a funeral service in progress, with a man in a suit standing at a podium and a woman seated in the foreground. Below the laptop, the text "Hands-Free & Automated Streaming" is written in a blue, sans-serif font, followed by the website address "oneroomstreaming.com" in a smaller, blue, sans-serif font.