Introduction

Welcome to the 2012 Strategic Marketing Plan for Funeral Service Professionals.

This 2012 version is a major overhaul from any of the previous editions. The most obvious change is the structure and elements of the marketing model. Gone is the layered diagram which implied, to some readers, that once you have completed the process you could put your marketing on auto-pilot and basically ignore it … Instead, this year, I have changed to a circular diagram to illustrate that marketing should never be treated as a project with distinct start and stop dates. Rather, an ongoing process that requires a business to evolve to meet the changing needs of customers.

For those of you who are reading this document for the first time, my name is John Callaghan and I am a professional marketer specializing in the funeral home industry. Many of the people who have purchased this report are already familiar with my background, but for those of you who are not, I’ve included my story as the last chapter in this book.

You will notice that this document is written in a very casual conversational style. I did this intentionally so that you could read it quickly, understand the material and begin applying this plan to your own funeral home.

Sadly, when most funeral home owners think of marketing, they only think about advertising, which is a common mistake. Unfortunately, the well entrenched “marketing” firms in this industry perpetuate this error by only offering advertising services and the odd training class at a ski resort or tropical location!
You will notice when reading this eBook that I have a very different view of the scope of marketing. To understand my view you need to understand the definition of marketing.

Here’s the definition according to the American Marketing Association...

“Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.”

As you can see Marketing is an all-encompassing term. In a funeral home, my rule of thumb is ... if it happens outside of the prep room ... It's marketing!

Every interaction you have with a family, whether it been spoken, written, or a pre-recorded website video ... it's all marketing. If your business has not grown the way you would have liked it to ... it's a marketing problem.

Over the past year, my new clients have described the following common problems:

- Families who had very little money and could barely afford a direct cremation.
- Families who had plenty of money but still decided to hold no memorial service or tribute of any kind for their loved one.
- Families who recognized the need for a memorial service and gathering time but had decided to hold it at their country club instead of the funeral home.
- Families who started the conversation with “how much will this cost”
- Families who were so fragmented that they could not agree on what to do and therefore....did nothing.
- Families who just wanted to “keep it simple” and therefore...did nothing.
- Families who did nothing ... And regretted it later.
Sound familiar?

One of my coaching clients relayed the following story to me recently:
He had placed a follow-up call to the matriarch of a family he had served. Her response was “you did what I asked you to do ... But I needed so much more”.

Unfortunately, I have heard similar statements from other clients and from families that I have personally surveyed. The clear message is that today's families do not understand what they need at the time of a loss. They fall into the “Keep It Simple” trap only to find out later that their emotional needs were not met. Sadly, the funeral director often takes the blame even though you delivered exactly what was asked of you.

The fact is that there is an increasingly large segment of society that no longer sees value in a traditional funeral service, so instead they are choosing to do nothing at all. In some parts of the country this trend is still at the early phase, but in other parts of the country a traditional funeral is rare. Most of the country is somewhere in between, but the trend is undeniable.

The trend is not a problem, the trend is a fact. The problem lies in how a business owner chooses to respond to the problem.

In general, business owners and managers tend to be hesitant to recognize, embrace and respond to changing consumer preferences. This is true in every industry. When the established businesses do not evolve to meet the changing needs of their customers, an opportunity is created for new competitors to enter the market.

The American car companies did not change, so lost a large segment of their market to Japanese and Korean competitors. The original smart phone market
was Palm-vs-Blackberry. But now Palm is gone and Blackberry is struggling while consumers buy the latest iPhone or Android.

As a funeral home owner you face a very basic business decision. Do you want to change to meet the needs of your customers? Or, do you want to accept a smaller piece of a constantly shrinking market?

In 2012, I believe every funeral home owner must choose from the following three options.

1. Become the discount firm in your community. Someone is going to take on that roll and it could be you. You will need to close down your funeral home, open a storefront with minimal overhead. Slash your prices as low as possible and try to make it up with volume. I will refer to this as the “dollar store strategy”. You will offer an inferior substitute product at very low prices and count every penny.

2. Offer traditional funerals at lower prices. There are a handful of firms that have quickly expanded around the country using this strategy (e.g., check out www.NewcomerFamily.com). You will need to cut your overheads as much as possible, while still providing a clean and comfortable facility, and a reasonable level of service. I refer to this as the “Walmart strategy”. You will offer the same product as traditional funeral homes but at lower prices.

3. Re-invent your funeral home to offer a style of memorial service that today’s family values. You will need to change things inside your business and adopt a new style of marketing. I refer to this as the “Farewell Experience strategy”. You will offer a superior funeral experience that your families will cherish … Regardless of the price!
The balance of this document is based on a funeral home choosing option 3 – the Farewell Experience Strategy.

If you want to become the discount firm in town, this document is not for you.

If you want to stay in the traditional funeral business and compete solely on price, this document is not for you.

If you want to have a funeral business that delivers value to today's family and secures your own future, this document is for you. So let's get started!!

First you'll need a roadmap for this journey. The following diagram is called the Strategic Marketing Process.

I'll give you a brief overview of each of these areas in this introduction and the rest of this document will discuss the topics in detail.
The starting point for any marketing process is to clearly **understand your customers’ requirements.** This requires that you begin by asking yourself “who do I want as a customer?”. Most funeral home owners fight over every single call because they see all calls as being equal. This is a huge mistake! All calls were equal when everyone wanted a traditional funeral. But that is not the case any more.

The reality of today’s economy is that some people simply do not have the money for a funeral of any kind. Discount firms need to exist to take care of these people.

But there are still plenty of people who have money and would gladly choose to have a funeral, if they clearly understood how the experience would meet their needs. These people are your target market for the farewell experience.

After you have defined your target market and have a clear understanding of their requirements, the next step is to **package your business.** You have to package your business in such a way that your target customers see you as their best possible choice ... Regardless of price!

Packaging your business begins with looking at the unique things that your funeral home can do for a family. If there is nothing unique, then it’s time to innovate your business and become unique.

Packaging also addresses issues, such as what you call the ‘memorial’ event. Throughout this document I will refer to it as a farewell rather than a funeral. The reason is simple ... If families do not want a funeral then stop calling the event a funeral!
Leading firms around the country have already made this shift. Call it a farewell, call it a send off, call it a goodbye service ... Call it anything you want but do not call it a funeral!

The next step is to develop effective ways to communicate your unique attributes to your market. This involves creating a Consistent Family Message plus supporting materials such as website content, arrangement brochures, educational content, etc.

The next step in the Strategic Marketing Process is to train your team. Most funeral homes are staffed with a compassionate team of long term employees. This can be a mixed blessing. You value their compassion and commitment to service, but changing the way things have been doing for decades, can be a challenge to say the least. That's why training is so important!

At this point in the process it's time to connect with families. In the “good old days” this meant joining the right community service clubs, being active in your church, and shaking as many hands as possible. It also meant allocating your advertising budget to get your message in front of as many people as possible. All of these actions are still required but they are only ‘part’ of the solution.

In today's world more and more families are connecting with you online before they would even consider calling you in person. They are checking out your website, your FaceBook page, your YouTube videos, and your reviews.

If you have successfully connected with the family they will give you the opportunity to help them deliver the experience. Notice that I said “help them”, that's because today's baby boomer consumer places highest the value on things in which they are actively involved.

Do you know the absolute best way to ensure the long term success of your funeral home? The solution is to deliver transformational experiences that
families and friends will talk about for years. That may sound abstract but in this section I will discuss some of the key elements of “The Experience Economy – by Pine & Gilmore” and explains how they impact the funeral home market.

The final step in the strategic marketing process is to **protect your reputation**. One of the unavoidable realities of today's internet-driven world is that anyone with a computer and an axe to grind can slander your funeral home and ruin your hard-earned reputation.

You have probably already observed this in the restaurant industry, where it's common to see ten or twenty reviews posted online. Glowing reviews help draw new diners while negative reviews can send a restaurant into foreclosure.

This trend is only now starting to hit the funeral home market and I believe that this wave will hit hard in 2012 and 2013. You have a choice; you can ignore it and be pummeled or be proactive and start building your online reputation today.

As I mentioned earlier, this new marketing process is intentionally circular in nature. You should always be asking yourself...

1. Do I understand what my customer needs?
2. Have I packaged my funeral home business in such as way that potential customers see us as the logical choice?
3. Have I trained my team to deliver the message and fulfill the promises?
4. Am I connecting with families and leading them through this process?
5. Have we worked together to deliver a transformational farewell experience?
6. Is my reputation protected so that my business will survive?

Learn how to answer these questions by studying the rest of this document. But don't just study it ... Apply it and put your business on a new path in 2012!