

NEW NEW TWIST

**ON PRENEED
CONTRACTS**

**INSPIRATION
FUNDS**
*can help
increase sales
of nontraditional
services.*

BY PAUL WHITE





Deathcare professionals seeking to tap into growing demand for nontraditional funeral services should take a closer look at a proven revenue-generating tool – the preneed contract.

Most directors are aware that consumers shopping for funeral services are taking a much different approach than previous generations, seeking creative end-of-life celebrations. They're not looking for the kinds of services their parents or grandparents held and attended.

The large, national firms recognized the trend and have been hiring event planners, gaining revenue as a result. At Funeral Services Inc., we believe funeral homes of any size can compete without the need to hire full-time event planners, own an impressive venue to hold services or have an onsite, full-service kitchen to cater a celebration of life.

How? By creating what we call "inspiration funds" that are included in a preneed contract.

The data confirming the appeal of nontraditional services is compelling. In its 2022 Consumer Awareness and Preferences Survey, NFDA found that more than half of respondents (58%) said they have "attended a funeral at a nontraditional location, such as an outdoor setting, ceme-

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tery, personal residence and/or a public venue."

The Foresight Companies research backs that up. Its 2022 Funeral and Cemetery Consumer Behavior Study noted that 59% of respondents said they are "looking at alternative venues where they can celebrate, searching primarily for a more relaxed atmosphere." Fifty-one percent said they want a "more casual/relaxed" service.

WHAT ARE INSPIRATION FUNDS?

Think of inspiration funds as a cash reserve for memorial services. Funeral directors work with the family to identify the desired celebration of life service and determine the appropriate funding to set aside. The inspiration funds go into trust until the contract becomes at-need. At that point, inspiration funds are used to pay for the funeral service.

HOW DOES IT WORK?

The most important pivot a funeral director must make in marketing nontraditional services is to reframe planning discussions with a family. The very last question should be: "What is your desired method of final disposition?" The first question should be: "How would you like to memorialize your loved one?"

Inspiration funds become the starting point for those conversations. Here is one example I like to share of how inspiration funds helped fund a unique service for a longtime resident of Key West, Florida, which included:

- Private family viewing
- Memorial service on the beach, with the ashes scattered at sea
- Celebration services held at a local venue, with reception and dinner for 100 family members and friends.

That's a snapshot of what more consumers want.

Companies such as Cake, Everplans, Empathy and Lantern have raised millions of dollars and are gaining new customers because they are providing families with modern – even fun – end-of-life planning solutions. And they are leveraging technology (user-friendly websites and free smartphone apps) to appeal to consumers.

Our industry excels because its professionals are experts at managing a complex, often emotional process for families. Funeral directors are the go-to resource for families that want to honor and celebrate the lives of loved ones as well as heal and gain closure themselves.

But remember, funeral directors do not need to be experts in event planning to provide families with unique end-of-life celebration options. They simply need to establish solid relationships with expert event planners that can deftly manage the celebration logistics.

IMPORTANCE OF TECHNOLOGY

At first glance, providing families with nontraditional services may seem daunting, but with today's technology, websites can be easi-



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ly updated to provide consumers, who are now comfortable buying just about every service imaginable online, with choices and easy "buy now" functionality.

Preneed recordkeeping and administration technology can also be integrated seamlessly with your website so families can select and purchase the type of end-of-life celebration that befits their loved one. From the comforts of their home and with just a few clicks, families can choose which services they want and generate a draft preneed contract they can review at any time. They can hit the "buy now" button to execute the contract and make payment.

At any point during the buying journey, families can talk to

the funeral director to make sure there is enough money in their "inspiration funds bucket" to pay for services. The technology is secondary to the consultative role (and low-key sales approach) of the funeral director.

Thankfully, COVID is getting farther away in our rearview mirror. Yet during the worst of the pandemic – when we could not properly gather and memorialize loved ones – many consumers began to see the benefits of advance planning and purchasing preneed services. As a result, our industry saw preneed sales increase exponentially.

We believe the deathcare profession can maintain that momentum by offering modern visualizations of what a celebration

of life can look like. But we can't stop there. Firms must take it a step further and incorporate the personalized planning into a preneed contract to maximize preneed sales and to better serve families by honoring and celebrating the lives of loved ones. ☰

Paul E. White, vice president of client development and marketing for Funeral Services Inc., has a 40-year career in at-need and preneed operations and extensive background in funeral home client development, and sales and marketing services. Prior to joining FSI in 2005, White was a partner and served as vice president of sales in one of the country's leading preneed sales and marketing organizations and has also held numerous management-level positions in both preneed and

at-need operations for the country's largest publicly held deathcare provider. White, a licensed funeral director/embalmer and certified celebrant, graduated from Pittsburgh Institute of Mortuary Science in 1975. He actively participates in industry organizations, including NFDA, leads training sessions and writes on such topics as celebrant services, preneed funding, program technology, and preneed sales and marketing.

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