



SPOTLIGHT ON:

# PRENEED IN 2018

Preneed services help funeral directors create impressions and offer comfort long before the family needs a funeral service. In many cases, families opt for advance funeral planning so that they aren't forced to make tough decisions during a difficult time and can simply focus on celebrating the life of their loved one. If a funeral home isn't offering an attractive preneed program to their community, they are missing a significant opportunity to reach potential consumers and grow their business.

"Almost every funeral director would agree that delivering their service goes far beyond the funeral. From the initial contact, to the preneed consultation, to the follow up on open items, to remembrance cards after the fact, to showing compassion and empathy during the difficult times; It is all part of the tremendous service offering a funeral director provides. A funeral director's service is an ongoing role that helps a family grieve and put a loved one to rest with honor and dignity," explains Todd Mannix, VP Sales & Marketing of Cooperative Funeral Fund, Inc.

Almost every successful funeral home today offers preneed to their communities. That reason alone makes it an absolute necessity to include preneed in your list of services. If you aren't offering preneed services, your competitors already have a strong advantage over you. A preneed program is just like any other effective business product or service. Beyond the initial sale of a contract, a powerful preneed program can generate additional new business through client referrals - especially in the death care profession that depends heavily on relationships and reputation.

"In today's world, the best approach is to incorporate technology into your preneed program. With the right technology, clients can easily monitor their preneed contracts by reviewing their payments and outstanding balance, and can even review an image of their actual contracts at any time. This level of simplicity and transparency will go a long way for people who seek excellent service during a time of discomfort," expounds Bill Williams, President and CEO of Funeral Services, Inc.

The funeral profession has never faced more uncertainty than today. From trends in cremation and discounting, to internet merchandise and the rise of social media, funeral home owners are facing a lot of uncertainty. However, in-the-midst of great uncertainty there is also great opportunity.

"As we know in this business, it's not always the best funeral home that wins; it's usually the first one that connects with the family that wins. An active sales program can help grow and/or maintain market share for the funeral home by helping a funeral home connect with families. This has become even more important in 2018 as the traditional lines of competition are becoming more blurred. It used to be that brick and mortar funeral homes were the only competitors to be concerned with. As if that wasn't challenging enough, today, there are cemeteries, cremation societies, churches, hotels and virtual funeral homes all vying for a share of the market. Preneed has the potential to bring more opportunity into the funeral home's files and create a more secure future for the business," states Jeff Stewart, VP/ Chief Marketing Officer of Funeral Directors Life.

Simply put, preneed plays a vital role in the long-term strategy of a successful funeral business. With the right funding provider, a robust preneed program can satisfy consumer demand, generate positive PR, secure future business and ensure financial stability.

"One key benefit of preneed is that it helps a funeral home lock in future business. Homesteaders' latest policy owner survey found that 73% of consumers only considered one funeral home before making their arrangements. An active preneed program can enhance a funeral home's reputation in its community and increase its brand recognition, making it much more likely that they will be the first (and only) provider a consumer considers when deciding to make prearrangements," says Steve Shaffer, Chief Operating Officer of Homesteaders Life Company.

The industry continues to evolve year after year and that means changes to preneed processes as well.

"Doing business online is certainly coming of age and funeral businesses need to be aware of how these tools might help them reach out to their consumers. Much of the consumers that will be responsible for planning funerals are part of the Millennial Generation that demands online shopping. If a funeral home is not looking in to online solutions now, it should be something they are planning to do very soon," suggests John W. Baker, Regional Vice President of National Guardian Life Insurance Company.

"One of the greatest shifts over the years that we have seen with families is the desire to include money for cash advance items. Keeping in mind that the cash advance item prices are not controlled by the funeral home, these items and money put into the preneed account, should be listed under the non-guaranteed section of the contract. It should also be stated that it is important to consult your individual state laws to determine what is allowable for preneed. A second major shift in the funeral service, with regards to preneed, has been the introduction of packages. Packages represent an opportunity to bundle goods and services, which makes the explanation and choices easier for the funeral home staff, as well as, the consumer families," states Matt Schuen, Director, Sales Development of Security National Life.

Preneed represents a great opportunity to make many of the necessary decisions in advance of the funeral. In other words, by making the decisions before at-need, this allows the funeral directors to focus on making the funerals memorable and more of an individual experience for their families. Additionally, stress is often added to the arrangement when family members are trying to gather all the dates, places, and other details under a time sensitive scenario. Any of the decisions and details that can be taken care of in advance, can help relieve the stress. For a funeral director to have much of the personal information gathered and completed, can make the work for the director a bit less difficult at-need. Preneed is also important for the funeral home, as it allows the ability to create a backlog of written preneed business.

Learn more about the importance of preneed for your funeral home and get advice from top preneed providers in this feature editorial.



“Part of the funeral director’s service is to create that bond and relationship with someone who will become the most depended upon friendly face when they or their loved one passes. Preneed has the ability to soften the blow of the loss because not only are the decisions made in advance, but the person who the family entrusted with this important role is going to appear and shepherd the family through the process of putting their loved one to rest,” explains Todd Mannix, VP Sales & Marketing of Cooperative Funeral Fund, Inc. (CFF).

The compassion is displayed for an at-need funeral, but if the relationship is not there ahead of time from pre-planning, there is a different experience for the consumers because the trust and relationship has not been previously established. The family will feel the care the funeral director conveys to them during the planning process and when the service is delivered. They then will share it with their friends.

“In addition, there is a marketing component with preneed. One of the most impactful approaches to selling a service oriented product is to let your customers do it for you. Word of mouth is commonly said to be the best source of marketing. A testimony from someone who has experienced the service puts other consumers at ease when considering the purchase themselves. People will be more likely to share the positive experience in a well-executed preneed session, than they will discussing the death of a loved one where the obvious focus will be on the loss. With a preneed consultation, you will have lifted their burden or put the mindset of the purchaser at ease in advance of the loss, therefore isolating your service from the event being planned. They will feel your compassionate help and that is something they will want to share,” he continues.

CFF offers preneed and cemetery care fund management exclusively for the death care industry. They manage the investment, accounting, compliance, and payout of death care trust accounts.

“CFF has been in the preneed business for over 28 years. We place the customer first and have created a program with our customers in mind to make the funeral director’s life easier when it comes to preneed. We take the burden of preneed management off their shoulders allowing them to do what they do best; Take care of their families. We are best known for our knowledgeable and friendly staff, we are completely focused on customer service and maintaining happy clients. As our President and CEO, Mark Mannix would say, ‘Do what is right for your clients and your business will succeed’,” adds Todd.

[www.cffinc.com](http://www.cffinc.com)



“If there is one word to define preneed over the last 10 years, it is ‘change.’ Technology has vastly impacted how we do business and because of this, the new generation of consumers have different expectations on how they receive and review the information you put in front of them. They expect simplicity, speed and transparency when it comes to preneed planning...and you better be ready to deliver it to them,” says Bill Williams, President and CEO of Funeral Services, Inc.

Additionally, Bill urges funeral homes to advertise their products in a way that is easy to distinguish and understand.

“Once clients choose you as their preneed provider, you should give them complete access to their contract and funds. Technology plays a big role in achieving and exceeding these expectations, and you should be investing in these digital services whether it be in-house or with a third party,” he continues.

FSI offers many preneed products and services to funeral homes.

“We are the leader in the industry! First and foremost, Funeral Services, Inc. offers a total solution to preneed trust funding. FSI provides all administrative functions including data entry on contracts, posting of payments and earnings, providing for tax calculations and payment of same, processing cancellations, defaults, refunds and fulfillment claims,” explains Bill.

“In addition, FSI has the most advanced technology available - technology that includes completing preneed contracts from your desktop, laptop, tablet computer, or even your own website. We provide 24/7/365 secure, password protected online access to your trust account down to the individual contract level. We’ve developed a number of technological advancements that have made offering preneed, selling contracts, accessing its data and growing your trust easier than ever.

An example of that technology is our most recent development: PRISM, a digital platform on FSITrust.com that gives you complete access to all of your preneed contracts’ details in one, easy-to-manage location. With just a few clicks of your mouse, you can upload contracts, view your trust’s current market value, export data into programs such as Microsoft Excel, and so much more,” he adds.

FSI also assists clients facing regulatory audits, applying for and renewing preneed licenses and dealing with state regulators. They also provide clients with FTC Funeral Rule compliant preneed contracts and all other forms for a turnkey solution to preneed funding.

[www.fsitrust.com](http://www.fsitrust.com)