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WISDOM

**FOUR TRENDS THAT WILL IMPACT THE
DEATHCARE INDUSTRY IN 2021.**

BY PAUL WHITE

Decades into the future, 2020 will be remembered as the year that brought new and significant challenges to the deathcare industry.

Yet with every challenge comes an opportunity to learn and improve to better serve families and position your business for growth in 2021 and the years ahead.

Economically, our industry was not immune to the impact of the pandemic. Global revenue for the deathcare services market is expected to increase only 0.1%, to \$102 billion, in 2020, according to Nirvana Ltd. Fortunately, the market research firm also forecasts that revenue will increase 7% annually in 2021, to \$110 billion. That outlook, of course, is highly dependent on the reduction of the spread of COVID-19.

Revenue challenges aside, the pandemic revealed several key areas that deathcare providers need to address in 2021 to better serve clients and mitigate the financial impact of 2020. Local and statewide shelter-in-place mandates underscored the importance of significantly upgrading communications technology to interact with clients and families. Work-from-home mandates exposed gaps in data security as more employees shared confidential consumer and business data while working remotely.

These are just two examples of how our business was impacted. By building on the lessons learned in 2020, we can chart a course to greater service and success in 2021 and beyond. Following are four important trends the deathcare industry should expect in the new year.

1 Adoption of digital tools will increase to meet families' expectations

It's no secret that the deathcare business has lagged behind most other industries in adopting new technology, and the digital technologies that continue to reshape nearly every industry will accelerate in 2021 as companies navigate the uncharted waters of the pandemic.

Funeral directors and cemeterians, for example, regularly interact with families digitally in ways they previously did not imagine, whether by video conference (Zoom or another virtual application) or by sending secure documents via email. Families in your community are now more comfortable using

digital technology, and that trend will accelerate in the new year, even after the pandemic. While face-to-face communication has always been paramount in providing personalized service, deathcare professionals should strategize how they can extend that level of service to the virtual world as families increasingly make more purchasing decisions online, including end-of-life planning.

2 More consumers will request transparent pricing data

It is now an accepted fact that most people surf the internet to compare prices when purchasing a product or service. Those searches often yield limited findings when consumers look for pricing information on funeral services, however. In order to keep up with consumer behavior, that will have to change in 2021.

Research by The Foresight Companies found that 75% of consumers strongly or somewhat agree that funeral homes should offer transparent pricing. Some 52% of respondents in The Foresight Companies' survey also said they would likely do more business with companies that offer more pricing information online.

Foresight's findings support the importance of helping consumers during their buying journey. Offering easy online access to prices helps future clients make informed decisions and allows providers to have honest conversations about the quality of services provided and build trust with families.

3 More families will purchase preneed services

The pandemic has changed the way consumers view advance funeral arrangements. Pre-COVID, 21% of consumers strongly agreed that it was important to have funeral arrangements in place, according to the same Foresight survey. That number jumped 43% – to 30% of respondents – since the start of the pandemic.

To meet the growing demand for advance arrangements, funeral homes should make preneed offerings more accessible by utilizing technology that allows clients to easily preview preneed services and sign contracts directly from the web – or risk losing business to the competition.

4 More cybercriminals will try to hack your site

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needs to become one of your top priorities as quickly as possible. Cybercriminal activity jumped sharply during the pandemic. Bitdefender, a cybersecurity firm, reported that the number of COVID-specific malware attacks increased 475% from February to March. A July 2020 report by data security experts VMware Carbon Black estimates that 91% of businesses were victims of cyberattacks since the start of the pandemic.

Despite the intimidating perception of hackers, minimizing the threat of cyber breaches is not as daunting as it may seem and shouldn't be seen as a reason to avoid the integration of technology into your firm. With the right resources and by equipping your staff with a basic understanding of safeguards, you can improve the security of your firm's (and your families') information quickly.

First, companies should install robust software that allows contracts and related documents to be securely shared internally within the company and externally with clients. That means keeping sensitive information in preneed contracts from being exchanged freely and without protection through email. Tools exist for this information to be stored and sent with encryption, which significantly lessens your vulnerability.

In addition, regular reminders to staff on how they can protect company data will go a long way. Even simple actions such as changing passwords quarterly and checking email addresses letter by letter

before sending sensitive data should be part of your firm's cybersecurity protocols. Knowledge is power in the fight against hackers, and your employees are the first line of defense in protecting your firm against cybercriminals.

While there is still a high degree of economic uncertainty due to the pandemic, we've learned more lessons in just one year than ever before, all of which can be put into action to enhance service to families. Funeral directors and cemeterians who reflect on the challenges of 2020 and focus on these four trends, leveraging them in their 2021 strategic plans, will be well positioned to continue successfully meeting the needs of their communities. ☰

Paul White is vice president of client development and marketing for Funeral Services Inc.

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